

Market Feasibility Analysis

The Refinery
Chestnut Street and Washington Street
Abbeville, Abbeville County, South Carolina 29620

Prepared For

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Effective Date

February 27, 2019

Job Reference Number

19-108 JW



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2019 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:

Development Name:	The Refinery	Total # Units:	60
Location:	Chestnut & Washington streets, Abbeville, SC 29620	# LIHTC Units:	51
PMA Boundary:	Abbeville County in all directions		
Development Type:	<input checked="" type="checkbox"/> Family <input type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject:	21.0 miles

RENTAL HOUSING STOCK (found on page H-1 & 24)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	9	391	3	99.2%
Market-Rate Housing	0	-	-	-
Assisted/Subsidized Housing not to include LIHTC	3	192	0	100.0%
LIHTC (All that are stabilized)*	6	199	3	98.3%
Stabilized Comps**	1	21	0	100.0%
Non-stabilized Comps	0	-	-	-

* Stabilized occupancy of at least 93% (Excludes projects still in initial lease up).

** Comps are those comparable to the subject and those that compete at nearly the same rent levels and tenant profile, such as age, family and income.

Subject Development					Adjusted Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
2	One	1.0	750	\$425	\$745	\$0.99	42.95%	\$905	\$1.06
7	One	1.0	750	\$510	\$745	\$0.99	31.54%	\$905	\$1.06
3	One	1.0	750	\$625	\$745	\$0.99	16.11%	\$905	\$1.06
8	Two	2.0	950	\$456	\$850	\$0.89	46.35%	\$1,105	\$1.00
13	Two	2.0	950	\$552	\$850	\$0.89	35.06%	\$1,105	\$1.00
3	Two	2.0	950	\$675	\$850	\$0.89	20.59%	\$1,105	\$1.00
2	Three	2.0	1,100	\$523	\$965	\$0.88	45.80%	\$1,351	\$0.93
19	Three	2.0	1,100	\$630	\$965	\$0.88	34.72%	\$1,351	\$0.93
3	Three	2.0	1,100	\$700	\$965	\$0.88	27.46%	\$1,351	\$0.93
Gross Potential Rent Monthly*				\$34,260	\$52,500		34.74%		

*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)

	2011	2018		2021	
Renter Households		2,317	23.3%	2,328	23.4%
Income-Qualified Renter HHs (LIHTC)		869	37.5%	882	37.9%
Income-Qualified Renter HHs (MR)		655	28.3%	672	28.9%

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

Type of Demand	50%	60%	Market-rate	Other:___	Other:___	Overall LIHTC
Renter Household Growth	11	10	17			13
Existing Households (Overburd + Substand)	378	282	102			423
Homeowner conversion (Seniors)	0	0	0			0
Other:	0	0	0			0
Less Comparable/Competitive Supply	0	0	0			0
Net Income-qualified Renter HHs	389	292	119			436

CAPTURE RATES (found on page G-5)

Targeted Population	50%	60%	Market-rate	Other:___	Other:___	Overall LIHTC
Capture Rate	3.1%	13.4%	7.6%			11.7%

ABSORPTION RATE (found on page G-7)

Absorption Period 6 months

2019 S-2 RENT CALCULATION WORKSHEET

# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent by Bedroom Type	Adjusted Market Rent	Gross Adjusted Market Rent by Bedroom Type	Tax Credit Gross Rent Advantage
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
2	1 BR	\$425	\$850	\$745	\$1,490	
7	1 BR	\$510	\$3,570	\$745	\$5,215	
3	1 BR	\$625	\$1,875	\$745	\$2,235	
8	2 BR	\$456	\$3,648	\$850	\$6,800	
13	2 BR	\$552	\$7,176	\$850	\$11,050	
3	2 BR	\$675	\$2,025	\$850	\$2,550	
2	3 BR	\$523	\$1,046	\$965	\$1,930	
19	3 BR	\$630	\$11,970	\$965	\$18,335	
3	3 BR	\$700	\$2,100	\$965	\$2,895	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	60		\$34,260		\$52,500	34.74%

B. Project Description

The subject project involves the new construction of The Refinery, a 60-unit rental community on an approximate 4.6-acre site north of the intersection of Chestnut and Washington streets in Abbeville, South Carolina. The project will offer 12 one-bedroom, 24 two-bedroom, and 24 three-bedroom garden-style units within two (2) three-story, walk-up residential buildings together with a free-standing, 1,578 square-foot community building. The Refinery will be developed utilizing funding from the Low-Income Housing Tax Credit (LIHTC) program and 51 units will target lower-income family (general-occupancy) households earning up to 50% and 60% of Area Median Household Income (AMHI). The remaining nine units will be unrestricted market-rate. Monthly collected Tax Credit rents will range from \$425 to \$630, depending on unit size and targeted income level, while monthly collected market-rate rents will range from \$625 to \$700. None of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be complete by July 2021. Additional details of the subject project are as follows:

- A. PROPERTY LOCATION:** The Refinery
- B. CONSTRUCTION TYPE:** New construction
- C. OCCUPANCY TYPE:** Family
- D. TARGET INCOME GROUP:** 50% and 60% AMHI, as well as market-rate
- E. SPECIAL NEEDS POPULATION:** None
- F. AND H. TO J. UNIT CONFIGURATION AND RENTS:**

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
2	One-Br.	1.0	Garden	750	50%	\$425	\$59	\$484	\$547
7	One-Br.	1.0	Garden	750	60%	\$510	\$59	\$569	\$657
3	One-Br.	1.0	Garden	750	MR	\$625	\$59	\$684	-
8	Two-Br.	2.0	Garden	950	50%	\$456	\$76	\$532	\$657
13	Two-Br.	2.0	Garden	950	60%	\$552	\$76	\$628	\$789
3	Two-Br.	2.0	Garden	950	MR	\$675	\$76	\$751	-
2	Three-Br.	2.0	Garden	1,100	50%	\$523	\$93	\$616	\$759
19	Three-Br.	2.0	Garden	1,100	60%	\$630	\$93	\$723	\$911
3	Three-Br.	2.0	Garden	1,100	MR	\$700	\$93	\$793	-
60	Total								

Source: NHT Communities

AMHI – Area Median Household Income (2018 National Nonmetropolitan Median Income)

MR – Market-Rate

G. NUMBER OF STORIES/BUILDINGS: Two (2) three-story walk-up buildings and a stand-alone community building.

K. PROJECT-BASED RENTAL ASSISTANCE (EXISTING OR PROPOSED): None

L. COMMUNITY AMENITIES:

- On-Site Management
- Clubhouse/Community Room
- Laundry Facility
- Computer/Business Center
- Playground
- Fitness Center
- Social/Supportive Services
- Craft Room

M. UNIT AMENITIES:

- Electric Range
- Refrigerator
- Dishwasher
- Garbage Disposal
- Microwave
- LVT Flooring
- Window Blinds
- Ceiling Fan
- Washer/Dryer Hookups
- Central Air Conditioning

N. PARKING:

The proposed project will offer a surface parking lot with 90 spaces (1.5 per unit), which is considered adequate for general-occupancy rental housing.

O. RENOVATIONS AND CURRENT OCCUPANCY:

Not applicable; New construction

P. UTILITY RESPONSIBILITY:

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

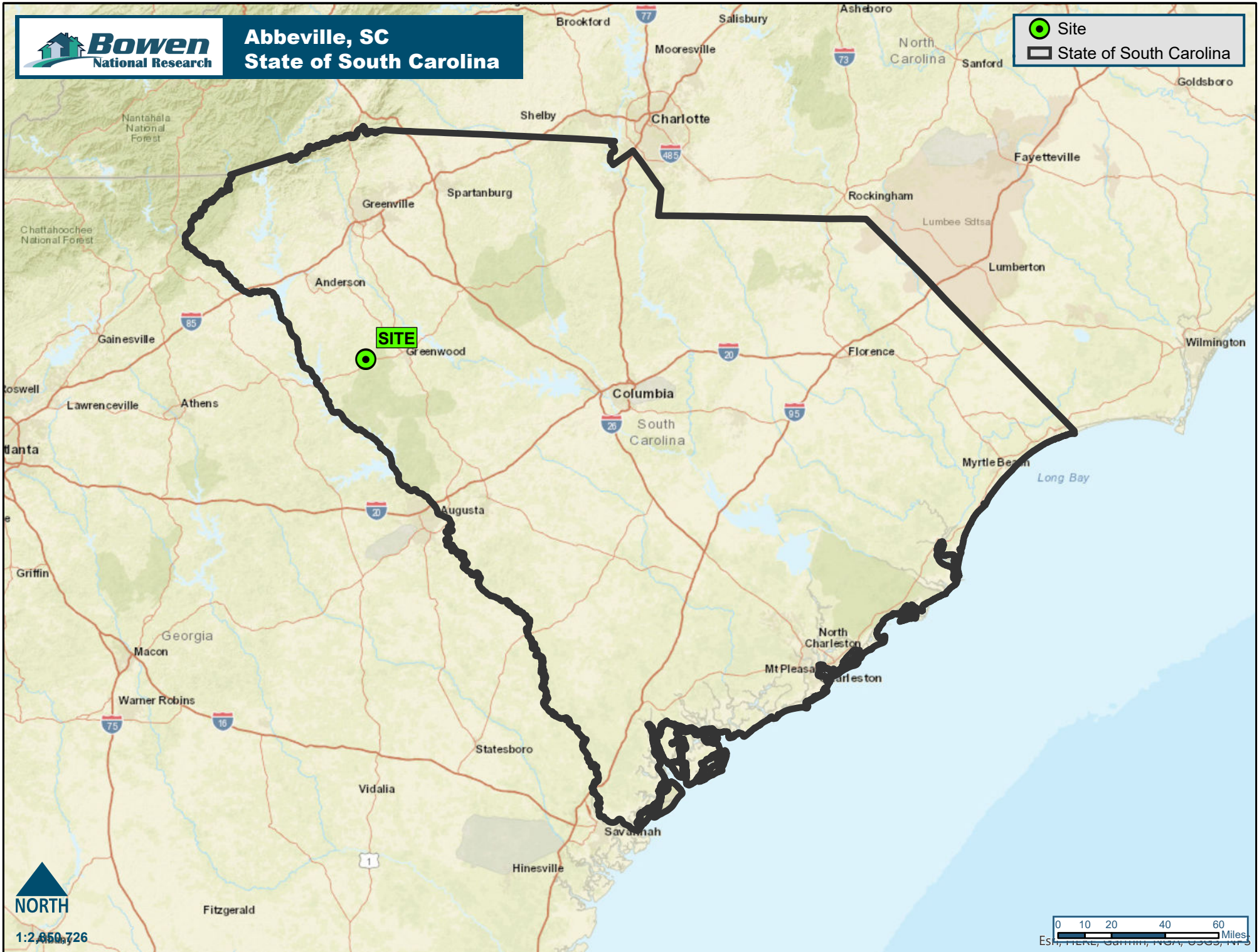
- Electric Cooking
- Electric Water Heat
- Electric Heat
- General Electricity

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



Abbeville, SC State of South Carolina

● Site
▭ State of South Carolina



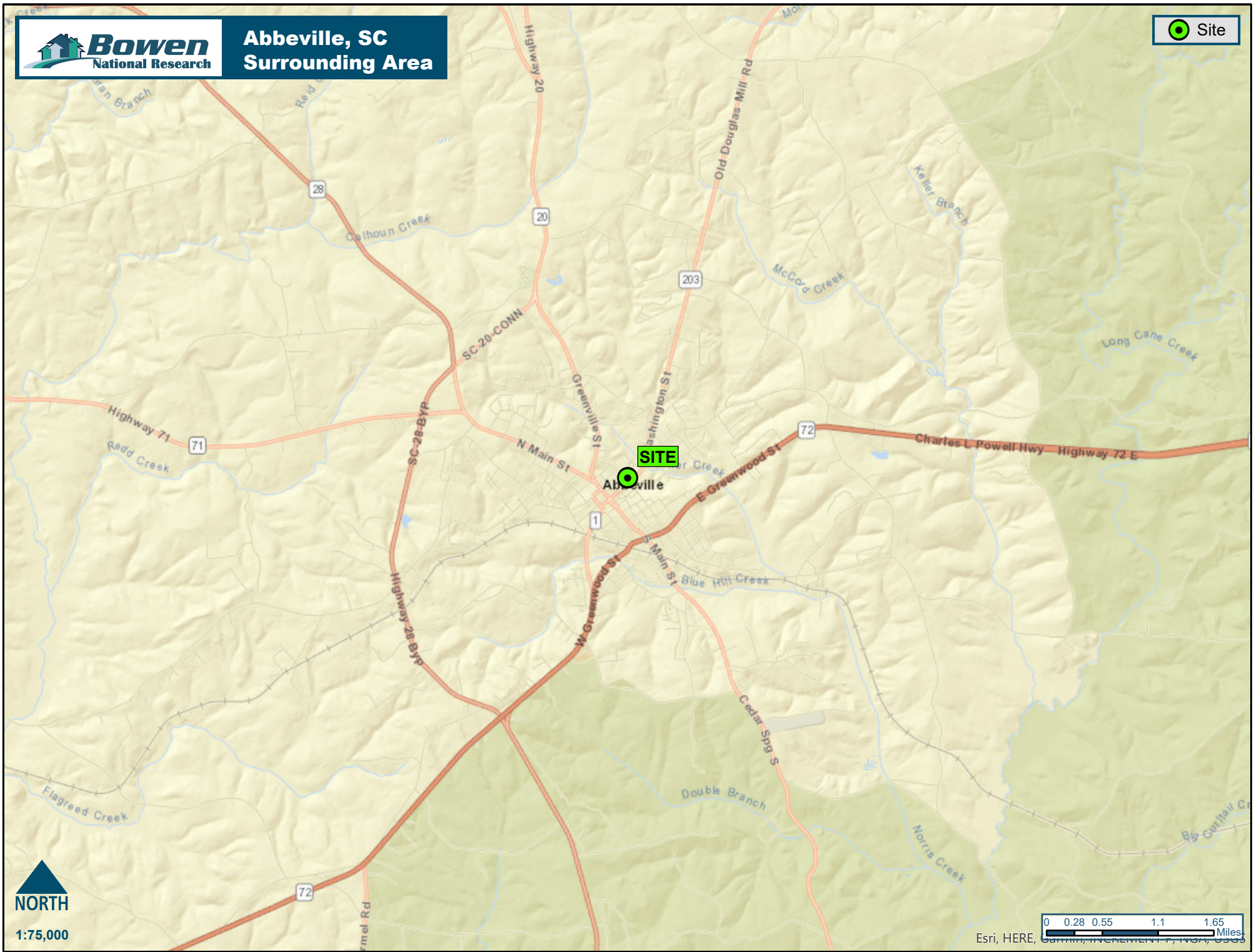
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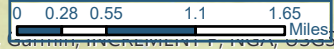
ESRI, HERE, Garmin, NAV, USGS, TNS



Abbeville, SC Surrounding Area



1:75,000



Esri, HERE, Garmin, INCREMENT P, NOAA, USGS

C. Site Description and Evaluation

1. SITE INSPECTION DATE

Bowen National Research personally inspected the subject site during the week of February 4, 2019. 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 consists of undeveloped land located north of the intersection of Chestnut Street and Washington Street in Abbeville. Located within Abbeville County, Abbeville is approximately 13.0 miles west of Greenwood, South Carolina and approximately 55.0 miles southwest of Greenville, South Carolina. Following is a description of surrounding land uses:

North -	The northern boundary is defined by Cambridge Street, a two-lane roadway, followed by single-family homes that were observed to generally be in satisfactory condition. Farther north are the Chestnut Street Park and the Coleman Street Apartments (Map ID 2).
East -	The eastern boundary is defined by single-family homes that were observed to generally be in satisfactory condition, followed by Washington Street. Continuing east are Wilson Hill Park, Little River Electric Cooperative Inc. and Mount Pleasant Baptist Church.
South -	The southern boundary is defined by Washington Street, a two-lane roadway with light to moderate traffic patterns. Continuing south are the New Life Worship Center, Prince Motors and Game Time Sports Bar and Grill. These services are located along Chestnut Street, a two-lane roadway with light traffic patterns.
West -	The western boundary is defined by a drug and alcohol recovery home, followed by single-family homes that were observed to generally be in satisfactory condition. Also, there is a vacant parcel of undeveloped land that goes into the town center where most area services are located, such as First Citizens Bank and Main Street United Methodist Church.

The proposed development is located within a primarily residential area of Abbeville and is within very close proximity to various businesses and community services. Overall, the subject property fits well with the surrounding land uses, which should contribute to its marketability.

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 203	Adjacent South
	State Route 20	0.3 West
	State Route 71	0.4 West
	State Route 72	0.6 South
Major Employers/ Employment Centers	Abbeville County School District	0.4 Northeast
	Abbeville Area Medical Center	1.4 South
	Piggly Wiggly	1.4 Southwest
	Prysman Power Cables and Services	2.9 West
Convenience Store	Quick Pantry	0.4 South
	7-Eleven	0.4 South
Grocery	Dollar General	0.4 South
	Piggly Wiggly	1.4 Southwest
	Ingles Market	1.7 Northwest
	Saxon's Bypass Grocery	2.6 Southwest
Discount Department Store	Dollar General	0.4 South
	Dollar Tree	1.4 Southwest
	Family Dollar	1.6 Northwest
Shopping Center/Mall	Downtown Abbeville	0.2 Southwest
Schools:		
Elementary	Westwood Elementary	2.3 Southwest
Middle/Junior High	Wright Middle School	1.9 Northwest
High	Abbeville High School	0.4 Northeast
	Abbeville Adult Education	0.4 Northwest
Hospital/Medical Facilities	Abbeville Family Healthcare	0.4 West
	Abbeville Area Medical Center	1.4 South
Police	Abbeville Police Department	0.4 Southwest
Fire	Abbeville Fire Department	0.4 Southwest
Post Office	U.S. Post Office	1.4 Northwest
Bank	First Citizens Bank	0.3 West
	Abbeville First Bank	0.4 South
Recreational Facilities	Wilson Hill Park	<0.1 East
	Chestnut Street Park	0.1 North
	Abbeville Civic Center	0.6 Northwest
Gas Station	Quick Pantry	0.4 South
	7-Eleven	0.6 South
Pharmacy	Savitz Drug Store	1.4 Southwest
	Piggly Wiggly	1.4 Southwest
	CVS	1.4 Southwest
Restaurant	Gametime Sports Bar and Grill	0.1 South
	Rough House	0.2 West
	China Kitchen	0.2 West
Day Care	Kids Unlimited	0.5 Northwest
	Abbeville Headstart	1.1 South
Community Center	Abbeville Civic Center	0.5 Northwest
Church	New Life Worship Center	Adjacent South
	Sacred Heart Catholic Church	0.3 West

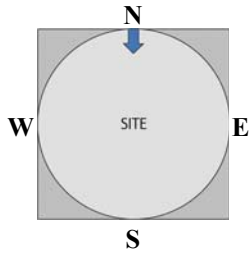
As the preceding table illustrates, many basic area services are located within 2.0 miles of the subject site. Notably, the nearest bank, restaurant, church, day care and gas station/convenience store are located within 0.5 miles. While other services are located farther away, they are easily accessible from Main Street, which leads to State Route 72, most of which are located southwest of the site.

Public safety services are located within 0.4 miles southwest of the site and are provided by the Abbeville Fire and Police departments. The nearest full-service hospital, Abbeville Area Medical Center, is located 1.4 miles south of the site, while the nearest health care center, Abbeville Family Healthcare, is within 0.4 miles. All applicable attendance schools are located within 2.3 miles, which is considered beneficial to the targeted population at the site.

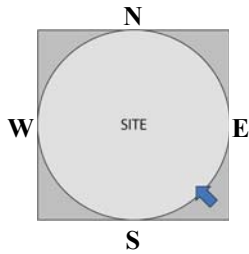
4. SITE PHOTOGRAPHS

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

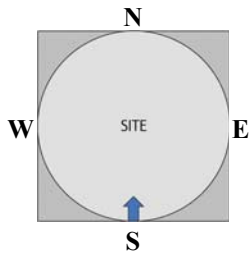
SITE PHOTOGRAPHS



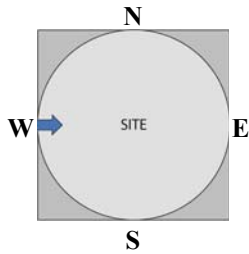
View of site from the north



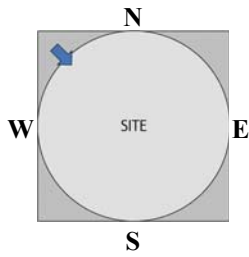
View of site from the southeast



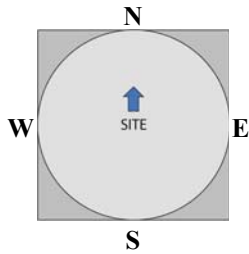
View of site from the south



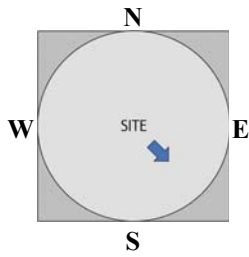
View of site from the west



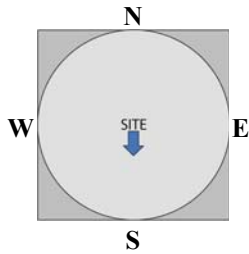
View of site from the northwest



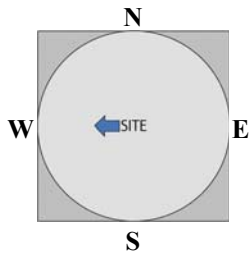
North view from site



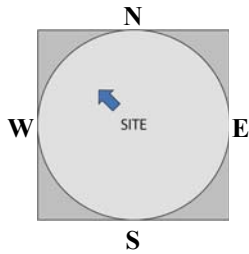
Southeast view from site



South view from site



West view from site



Northwest view from site



Streetscape West View on East Pinckney Street



Streetscape East View on East Pinckney Street



Streetscape East View on Washington Street



Streetscape West View on Washington Street



Streetscape South View on Chestnut Street



Streetscape North View on Chestnut Street



Streetscape East View on Cambridge Street



Streetscape West View on Cambridge Street

5. SITE AND COMMUNITY SERVICES MAPS

Maps of the subject site and relevant community services follow.

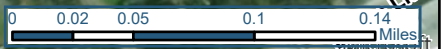


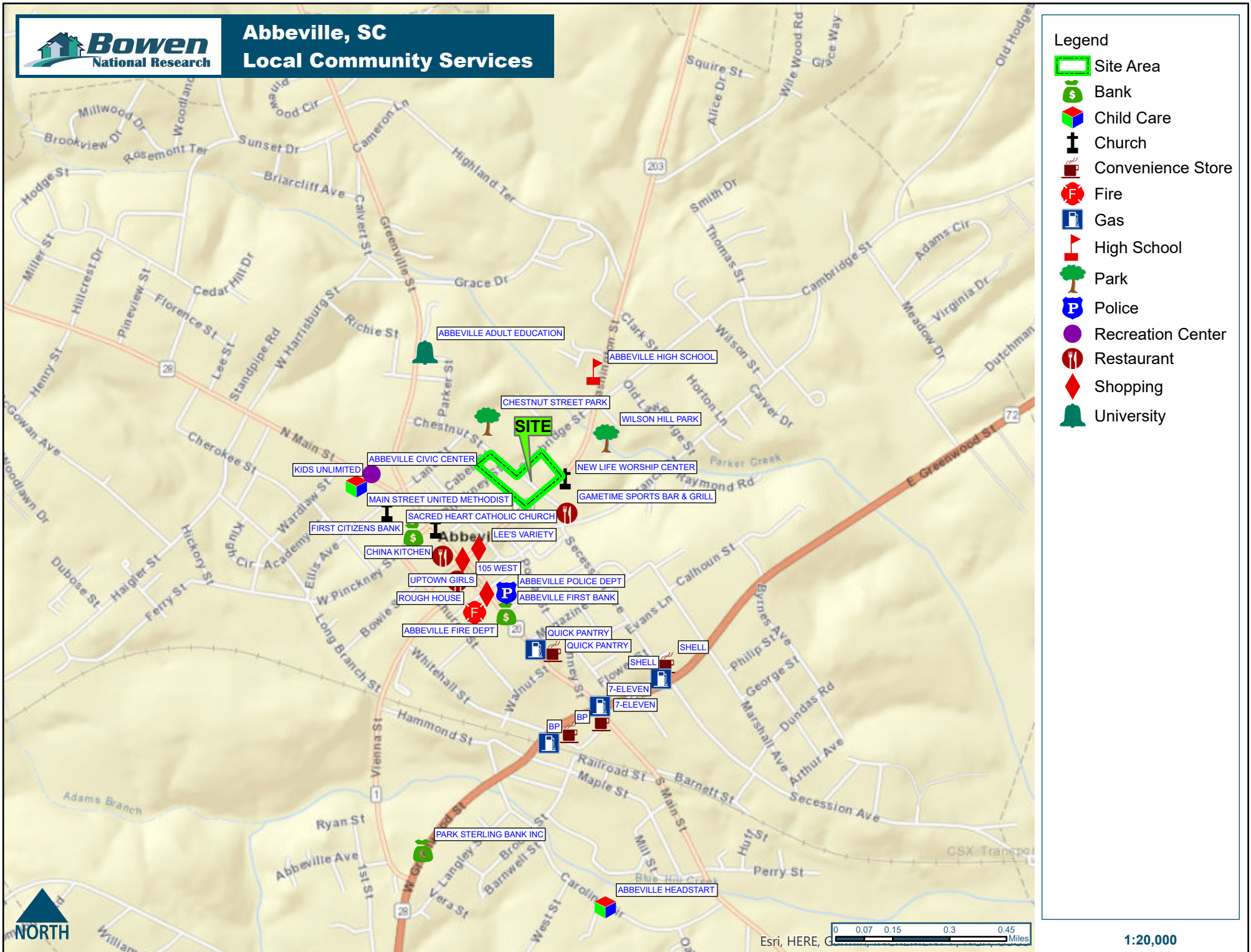
Abbeville, SC Site Neighborhood


Legend
Site Area

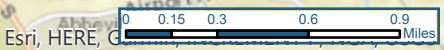
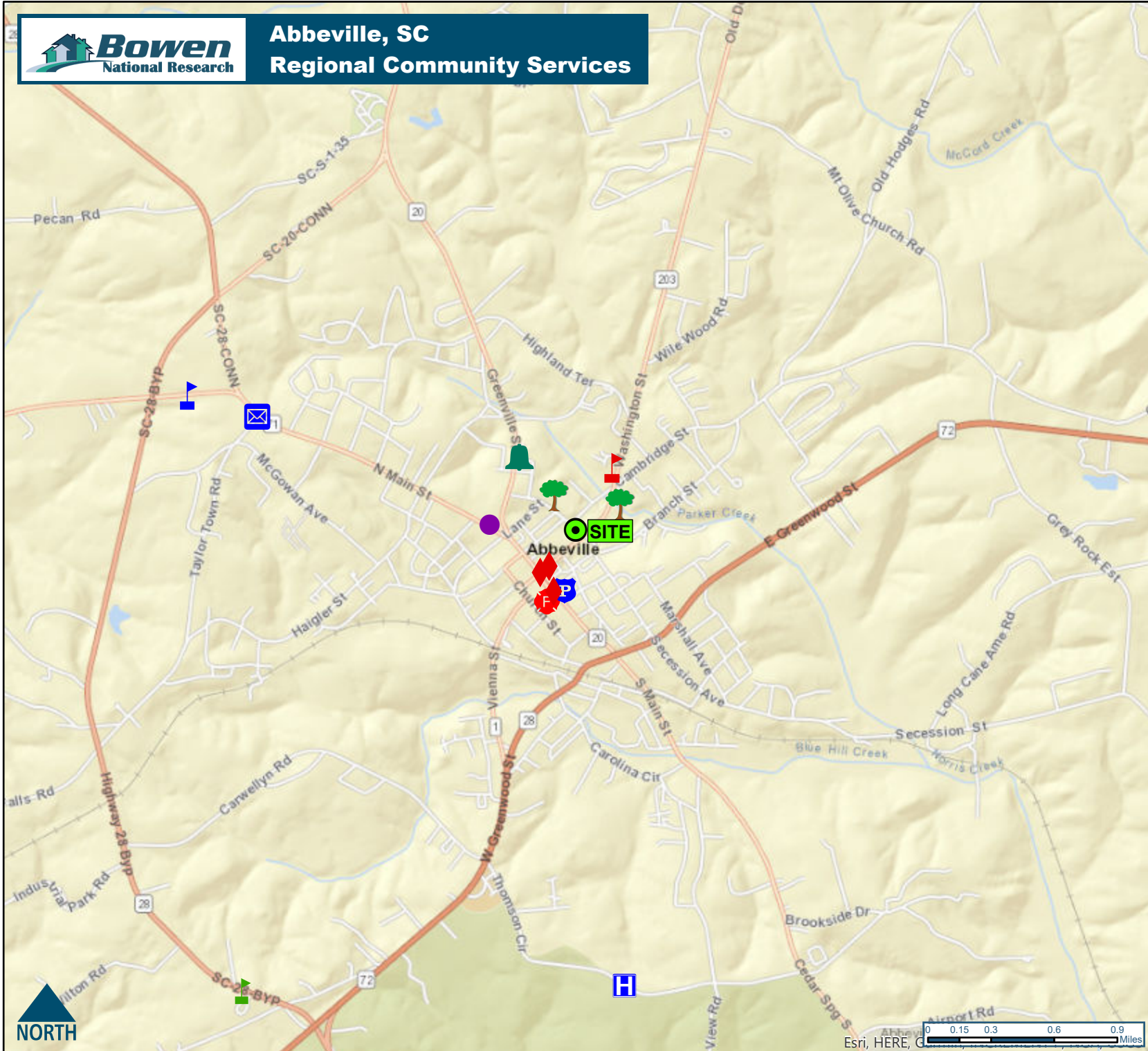


NORTH
1:4,779





- Legend
-  Site
 -  Elementary School
 -  Fire
 -  High School
 -  Hospital
 -  Middle School
 -  Park
 -  Police
 -  Post Office
 -  Recreation Center
 -  Shopping
 -  University



1:40,000

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 for the site's ZIP Code is 101, with an overall personal crime index of 143 and a property crime index of 95. Total crime risk for Abbeville County is 78, with indexes for personal and property crime of 108 and 74, respectively.

	Crime Risk Index	
	Site ZIP Code	Abbeville County
Total Crime	101	78
Personal Crime	143	108
Murder	117	101
Rape	129	91
Robbery	41	38
Assault	192	142
Property Crime	95	74
Burglary	122	102
Larceny	88	65
Motor Vehicle Theft	89	81

Source: Applied Geographic Solutions

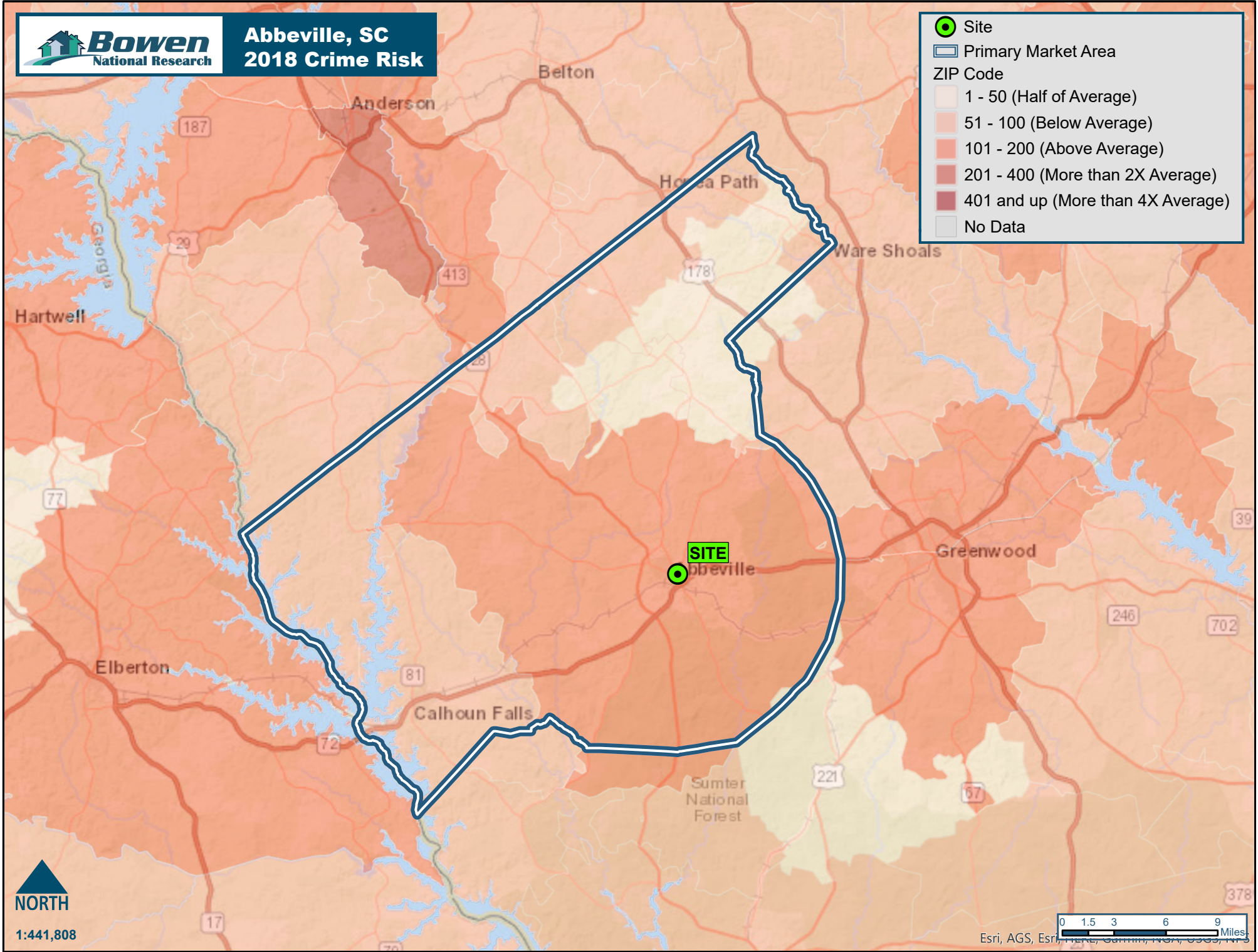
As the preceding table illustrates, the crime risk indices for both the site's ZIP Code (101) and Abbeville County (78) are generally similar with the national average (100). As such, the perception of crime does not likely play a significant role in the marketability of the overall Abbeville rental housing market. This is further illustrated by the 100.0% occupancy rates and waitlists maintained at nearly all rental properties surveyed within the market, as illustrated in Section H – *Rental Housing Supply Analysis* of this report.


A map illustrating crime risk is on the following page.



Abbeville, SC 2018 Crime Risk

- 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




NORTH
1:441,808

0 1.5 3 6 9 Miles
Esri, AGS, Esri, HERE, Garmin, NAV, USGS, FWS

7. ACCESS AND VISIBILITY

Access to the subject site will be derived from Washington Street, a two-lane roadway with light to moderate traffic patterns. Washington Street provides direct access to North Main Street, which is where most area services are located, as well as State Route 72, which allows for convenient access to neighboring towns. Chestnut Street will also run through the site and there is a stop light located at the intersection of Washington Street and Chestnut Street enhancing site accessibility. Overall, access to and from the subject site is considered good.

The subject site is clearly visible from the north and south along Washington Street, Chestnut Street and Cambridge Street. As Washington Street intersects with Main Street, the main arterial in Abbeville, there will be a significant amount of passerby traffic along this roadway, further enhancing the visibility and overall awareness of the site. As passerby traffic flows along Chestnut and Cambridge streets as well, it will also enhance visibility of the site. Overall, visibility of the site is also considered good.

8. VISIBLE OR ENVIRONMENTAL ISSUES

Based on our observations, there were no visible or environmental issues that would have an adverse impact on the subject's marketability.

9. OVERALL SITE CONCLUSIONS

The subject site is situated within an established mixed-use portion of Abbeville. Most surrounding structures were observed to generally be in satisfactory condition. The subject property is expected to fit well with the surrounding land uses. Access and visibility are both considered good, as the site is easily accessible from Washington Street upon ingress. Washington Street also provides direct access to Main Street, which is the location of various community services. Notably, many of the community services offered in the area are within walking distance. Overall, the subject site location is considered conducive to multifamily rental product, such as that proposed.

D. Primary Market Area Delineation

The Primary Market Area (PMA) is the geographical area from which most of the support for the subject development is expected to originate. The Abbeville Site PMA was determined through interviews with 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 Abbeville Site PMA includes Abbeville, Calhoun Falls, Lowndesville, Lake Secession, Antreville, Due West, Donalds and the remaining areas of Abbeville County. The boundaries of the Site PMA are the boundaries of Abbeville County to the north, east, south and west. All boundaries of the Site PMA are generally within 21.0 miles from the site.

The Site PMA includes all, or portions of the following Census Tracts:

9501.00	9502.00	9503.00
9504.00*	9505.00	9506.00

*Site location

Anne Shaw, Property Manager at Abbeville Arms (Map ID 1), a government-subsidized community in Abbeville, confirmed the Site PMA. Ms. Shaw believes that the location of the subject site will pull support from all areas of Abbeville County, due to the limited amount of affordable housing available within the county. Additionally, she noted that some outer-lying towns, such as Honea Path and Ware Shoals, would generate a sufficient amount of support for an affordable development within Abbeville, due to the limited amount of services and housing that are located in those areas.

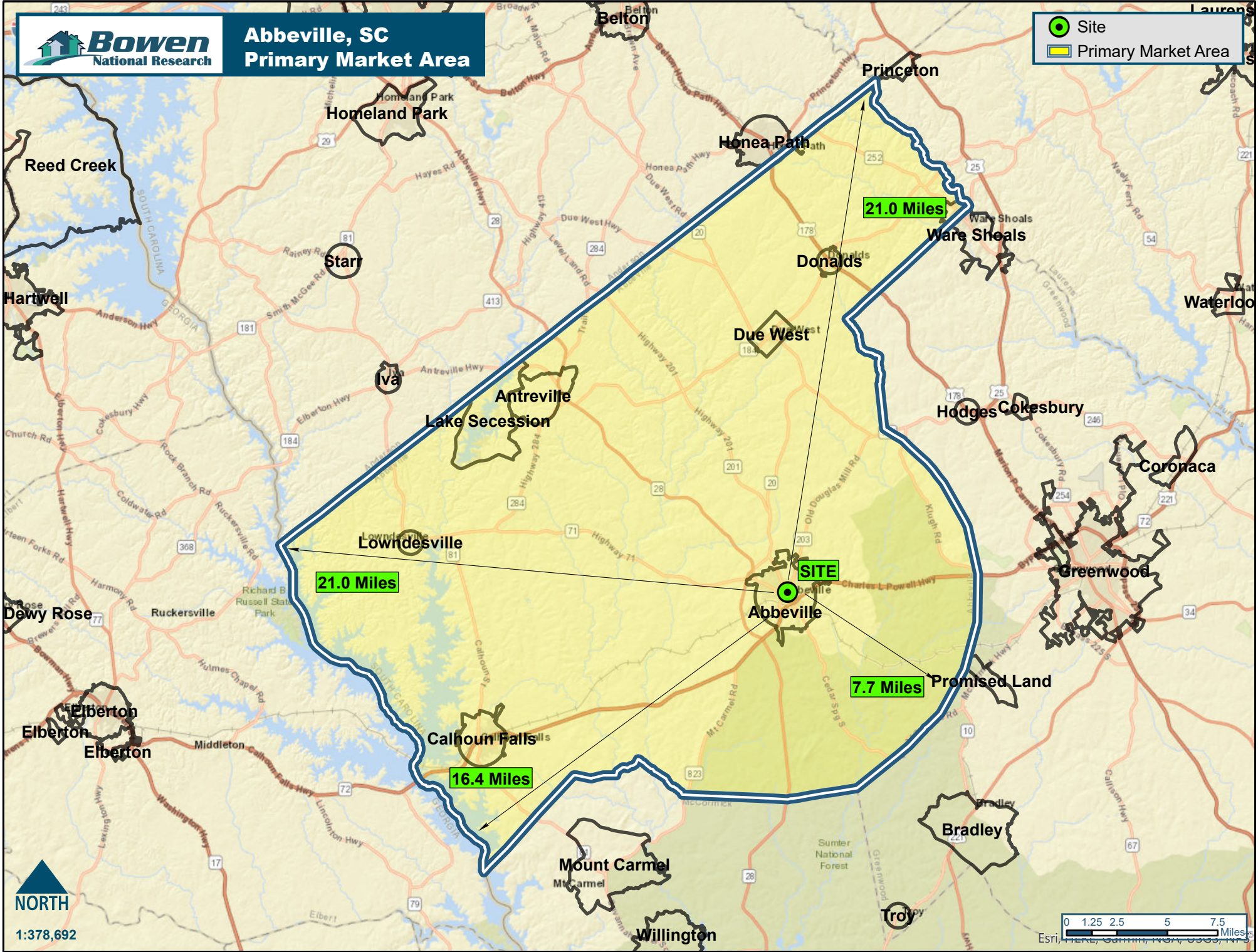
Note that Abbeville serves as the county seat and is the largest city within Abbeville County. As a result, most community services, housing alternatives and employment opportunities are located within Abbeville, which encourages mobility between the smaller towns in the county and the city. Additionally, Abbeville's convenient proximity to State Routes 28 and 72 allows for most areas of the county to be within a short commute to Abbeville. Based on our observations and our interview summarized above, we believe the market area is reasonable and justified.

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

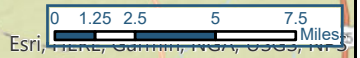


Abbeville, SC Primary Market Area

- Site
- Primary Market Area



NORTH
1:378,692



Esri, HERE, Garmin, NAV, USGS, NPS

E. Market Area Economy

1. EMPLOYMENT BY INDUSTRY

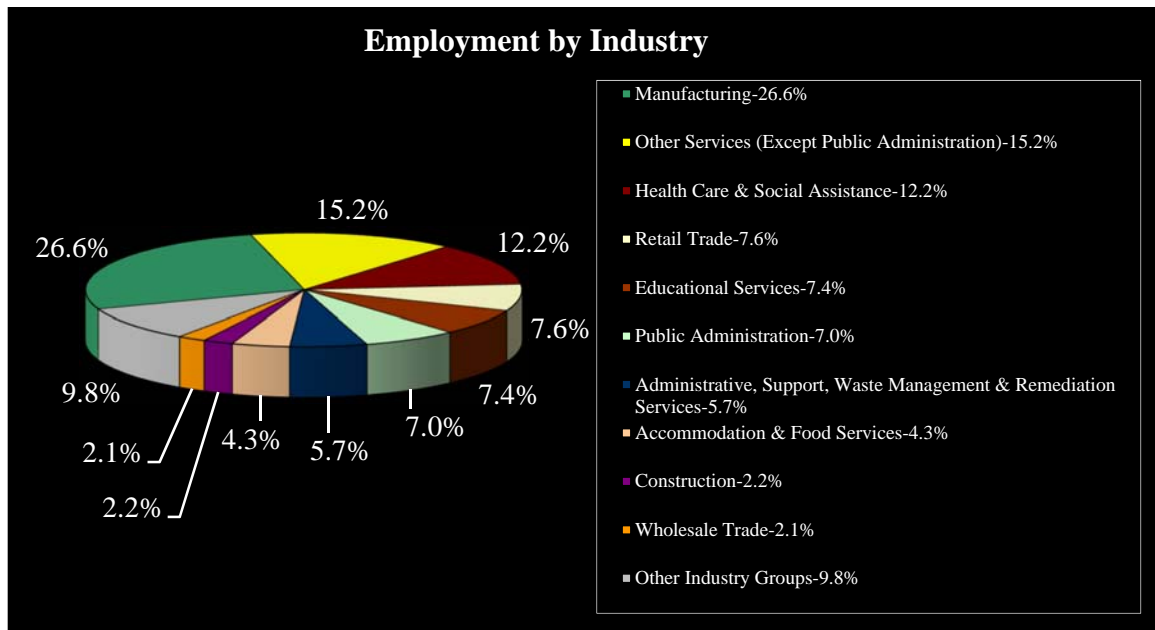
The labor force within the Abbeville Site PMA is based primarily in three sectors. Manufacturing (which comprises 26.6%), Other Services (Except Public Administration) and Health Care & Social Assistance comprise nearly 54% of the Site PMA labor force. Employment in the Abbeville Site PMA, as of 2018, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	6	0.9%	15	0.2%	2.5
Mining	0	0.0%	0	0.0%	0.0
Utilities	5	0.7%	60	0.8%	12.0
Construction	40	5.7%	164	2.2%	4.1
Manufacturing	38	5.4%	1,980	26.6%	52.1
Wholesale Trade	16	2.3%	155	2.1%	9.7
Retail Trade	96	13.7%	563	7.6%	5.9
Transportation & Warehousing	16	2.3%	88	1.2%	5.5
Information	11	1.6%	96	1.3%	8.7
Finance & Insurance	32	4.6%	149	2.0%	4.7
Real Estate & Rental & Leasing	32	4.6%	61	0.8%	1.9
Professional, Scientific & Technical Services	28	4.0%	138	1.9%	4.9
Management of Companies & Enterprises	0	0.0%	0	0.0%	0.0
Administrative, Support, Waste Management & Remediation Services	21	3.0%	422	5.7%	20.1
Educational Services	23	3.3%	548	7.4%	23.8
Health Care & Social Assistance	46	6.6%	907	12.2%	19.7
Arts, Entertainment & Recreation	18	2.6%	123	1.7%	6.8
Accommodation & Food Services	35	5.0%	318	4.3%	9.1
Other Services (Except Public Administration)	145	20.7%	1,132	15.2%	7.8
Public Administration	78	11.1%	519	7.0%	6.7
Nonclassifiable	14	2.0%	0	0.0%	0.0
Total	700	100.0%	7,438	100.0%	10.6

*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 Upper Savannah South Carolina Nonmetropolitan Area are compared with those of South Carolina in the following table:

Typical Wage by Occupation Type		
Occupation Type	Upper Savannah South Carolina Nonmetropolitan Area	South Carolina
Management Occupations	\$85,980	\$100,760
Business and Financial Occupations	\$55,980	\$62,770
Computer and Mathematical Occupations	\$68,530	\$72,680
Architecture and Engineering Occupations	\$74,620	\$77,680
Community and Social Service Occupations	\$41,220	\$42,670
Art, Design, Entertainment and Sports Medicine Occupations	\$35,590	\$46,010
Healthcare Practitioners and Technical Occupations	\$73,440	\$73,630
Healthcare Support Occupations	\$26,010	\$28,040
Protective Service Occupations	\$34,660	\$37,460
Food Preparation and Serving Related Occupations	\$20,030	\$21,270
Building and Grounds Cleaning and Maintenance Occupations	\$22,620	\$24,190
Personal Care and Service Occupations	\$23,100	\$23,030
Sales and Related Occupations	\$28,280	\$33,340
Office and Administrative Support Occupations	\$31,220	\$34,100
Construction and Extraction Occupations	\$37,710	\$39,820
Installation, Maintenance and Repair Occupations	\$44,000	\$43,870
Production Occupations	\$35,330	\$37,970
Transportation and Moving Occupations	\$29,840	\$32,480

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

Most annual blue-collar salaries range from \$20,030 to \$44,000 within the Upper Savannah South Carolina Nonmetropolitan Area. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$71,710. It is important to note that most occupational types within the Upper Savannah South Carolina Nonmetropolitan Area have lower typical wages than the State of South Carolina's typical wages. The area employment base has a significant number of income-appropriate occupations from which the proposed subject project will be able to draw renter support.

3. AREA’S LARGEST EMPLOYERS

The ten largest employers within the Abbeville area are summarized in the following table. Note that total employment numbers were unavailable at the time this report was issued.

Employer Name	Business Type
Abbeville County	Government
Abbeville County Memorial Hospital	Healthcare
Abbeville County School District	Education
Abbeville Nursing Home Inc.	Healthcare
Burnstein Von Seelen PRCSN Cast Inc.	Permanent Mold Casting
City of Abbeville	Government
Flexible Technologies Inc.	Engineering, Manufacturing for Floorcare Industry
Global Refrigeration Inc.	Manufacturer of Refrigeration Products
Ingles Market Inc.	Grocer
JKM Trading International	International Importer of Textile Agents

Source: Abbeville County Economic Development Partnership (January 2019)

According to a representative with the Abbeville County Economic Development Partnership, the local economy continues to improve. Businesses continue to add jobs and the labor force is keeping up nicely with the growth. Some businesses need to recruit candidates for specialty and technical positions, but employers are proactive and continue to fill the open positions. The area along State Route 72 is especially popular for development. Below are summaries of key factors impacting the local economy:

- Abbeville County has purchased property in Honea Path to the north of the county to develop a new industrial park. The overall cost of building a 100,000 square-foot facility is \$1.37 million. Plans are currently underway, and funds have been allocated for engineering services, site construction, road improvements, and signage. There is no estimated completion date. The county is working on this project as additional funds become available.
- Under the Promise Education Program, residents of Abbeville County who have received their high school diploma are eligible for a placed-based scholarship program to attend Piedmont Technical College. The scholarship is for associate degree programs and covers tuition and required fees. The scholarships are available for students entering as first year students in the fall of 2018 and will cover up to two years of study beginning in the fall of 2019.

- In April 2018, ACS Manufacturing, Incorporated announced that the company will locate its new manufacturing operations in Abbeville County. This is a \$6 million investment and expected to create 150 new jobs over the next five years.
- In September 2015, Pro Towels announced a \$1.7 million expansion. The company has up-fitted their facility and purchased new machinery to increase production after their purchase of Kanata Blanket Company located in Vancouver. Pro Towel relocated a portion of the Kanata operations to their Abbeville plant. The expansion is expected to create a total of 50 new jobs and, as of February 2018, 35 new positions have been added. The expansion is to be completed by the end of 2020.
- In 2018, The Prysmian Group, a manufacturer of cables for the energy and telecom industries, invested \$14 million to expand its operations. This investment created ten new full-time jobs.
- In January 2019, the South Carolina Department of Transportation announced a ten-year plan to eliminate closed and load restricted bridges in Abbeville. The bridge replacements include: Wilson Creek, Chickasaw Creek Long Branch Creek, Dry Creek, Johns Creek, Cane Creek, Grays Creek, Penny Creek, Gills Creek, Little River, Cane Creek, Turkey Creek, and Shanklin Creek.
- In January 2018, Abbeville District Schools was awarded \$900,000 to upgrade or replace fire monitoring and detection systems.
- The county has discussed expanding city water to the entire county. This would make water available to the residents who currently rely on well water and would also allow for more development outside of the city limits. Most of the existing industries in the county are located near State Route 72, which has large traffic counts, though there are no plans at this time to alleviate the traffic congestion.
- New businesses that have opened in 2018 within the county include Bryant's Barbershop, Off The Hook restaurant, and Piggly Wiggly.

WARN (layoff notices):

WARN Notices were reviewed in February 2019 and according to South Carolina Works, there has been one WARN notice reported for Abbeville County over the past 18 months. The following table summarizes this notice:

WARN Notices			
Company	Location	Jobs	Effective Date
Sitel	Statewide	8	4/6/2018

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.

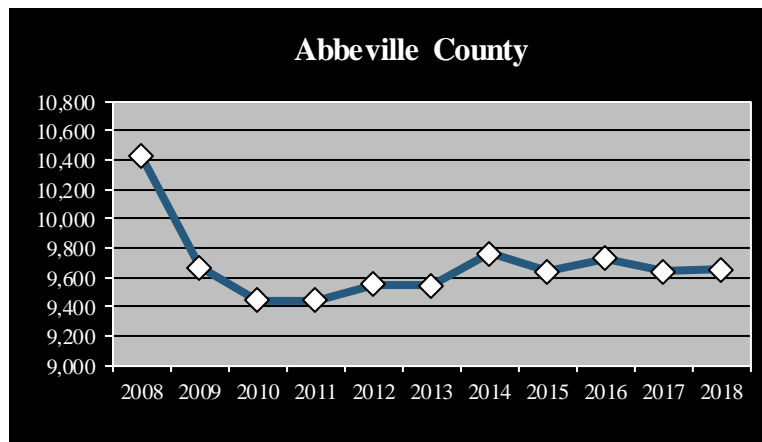
Excluding 2018, the employment base has increased by 1.1% over the past five years in Abbeville County, less than the South Carolina state increase of 9.4%. Total employment reflects the number of employed persons who live within the county.

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

Year	Total Employment					
	Abbeville County		South Carolina		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2008	10,419	-	1,996,409	-	146,047,748	-
2009	9,665	-7.2%	1,910,670	-4.3%	140,696,560	-3.7%
2010	9,439	-2.3%	1,915,045	0.2%	140,469,139	-0.2%
2011	9,437	0.0%	1,945,900	1.6%	141,791,255	0.9%
2012	9,549	1.2%	1,985,618	2.0%	143,621,634	1.3%
2013	9,540	-0.1%	2,023,642	1.9%	145,017,562	1.0%
2014	9,760	2.3%	2,079,565	2.8%	147,446,676	1.7%
2015	9,637	-1.3%	2,134,244	2.6%	149,733,744	1.6%
2016	9,725	0.9%	2,179,521	2.1%	152,169,822	1.6%
2017	9,640	-0.9%	2,213,894	1.6%	154,577,364	1.6%
2018*	9,650	0.1%	2,230,687	0.8%	156,301,105	1.1%

Source: Department of Labor; Bureau of Labor Statistics

*Through November



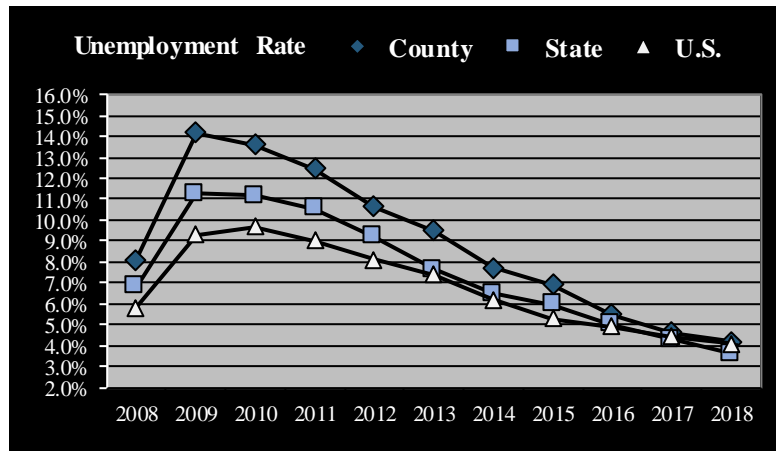
As the preceding illustrates, the Abbeville County employment base was adversely impacted by the national recession between 2008 and 2010. The county's employment base has expanded by over 200 jobs since 2010, recovering a portion of the jobs lost during the recession. In light of the recent announcements of new businesses/business expansions within the county, it is expected that the local employment base will continue to trend upward.

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

Year	Total Unemployment					
	Abbeville County		South Carolina		United States	
	Total Number	Percent	Total Number	Percent	Total Number	Percent
2008	916	8.1%	145,823	6.8%	9,059,270	5.8%
2009	1,595	14.2%	242,075	11.3%	14,430,158	9.3%
2010	1,486	13.6%	240,623	11.2%	15,070,017	9.7%
2011	1,343	12.5%	229,623	10.6%	14,035,049	9.0%
2012	1,135	10.6%	201,260	9.2%	12,691,553	8.1%
2013	1,003	9.5%	167,326	7.6%	11,634,201	7.4%
2014	816	7.7%	143,413	6.5%	9,786,281	6.2%
2015	712	6.9%	135,095	6.0%	8,432,312	5.3%
2016	562	5.5%	114,145	5.0%	7,869,979	4.9%
2017	463	4.6%	98,757	4.3%	7,113,797	4.4%
2018*	425	4.2%	83,973	3.6%	6,674,119	4.1%

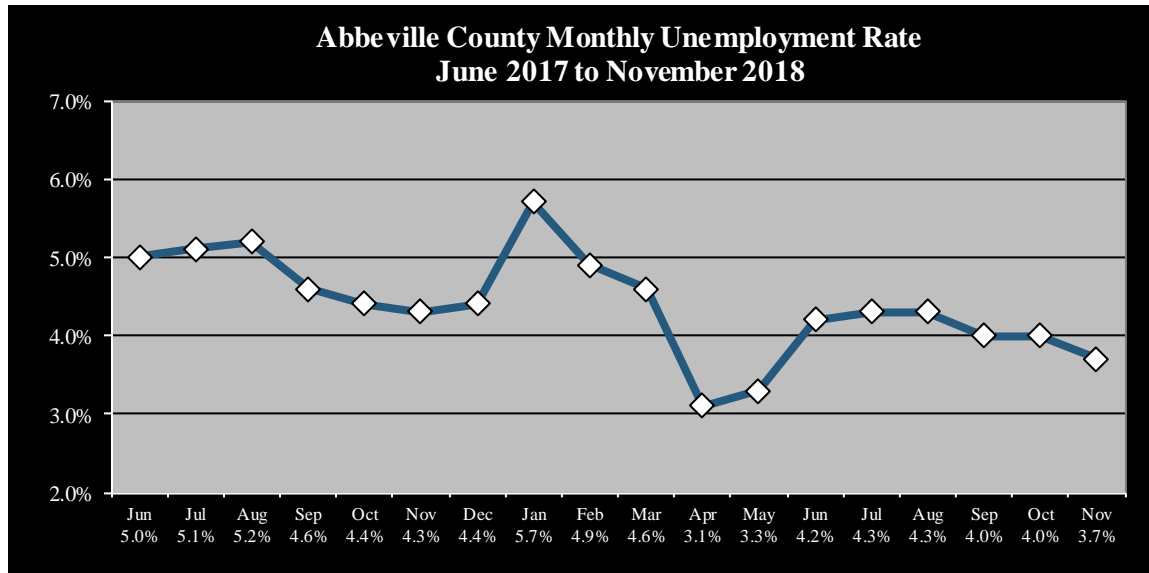
Source: Department of Labor; Bureau of Labor Statistics

*Through November



The unemployment rate in Abbeville County has ranged between 4.2% and 14.2%, above both the state and national averages since 2008. After reaching a peak of 14.2% in 2009, the county's unemployment rate has consistently declined in the past nine years. The unemployment rate reported in 2018 of 4.2% (through November 2018) represents a ten-year low.

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



Despite fluctuations, the county’s monthly unemployment rate has generally trended downward over the past 18 months.

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 Abbeville County.

In-Place Employment Abbeville County			
Year	Employment	Change	Percent Change
2008	6,227	-	-
2009	5,540	-687	-11.0%
2010	5,445	-95	-1.7%
2011	5,403	-42	-0.8%
2012	5,526	123	2.3%
2013	5,361	-165	-3.0%
2014	5,383	22	0.4%
2015	5,442	59	1.1%
2016	5,503	61	1.1%
2017	5,450	-53	-1.0%
2018*	5,488	38	0.7%

Source: Department of Labor, Bureau of Labor Statistics

*Through June

Data for 2017, the most recent year that year-end figures are available, indicates in-place employment in Abbeville County to be 56.5% of the total Abbeville County employment. This means that Abbeville County has a high share of employed persons leaving the county for daytime employment. However, it should be noted that the largest concentration of jobs within the area are located in Greenwood (Greenwood County), which is less than a 20-minute drive from the site to the east. As such, it is likely that many of the potential residents at the subject project will have minimal commute times to their place of employment, which will have a positive impact on its marketability.

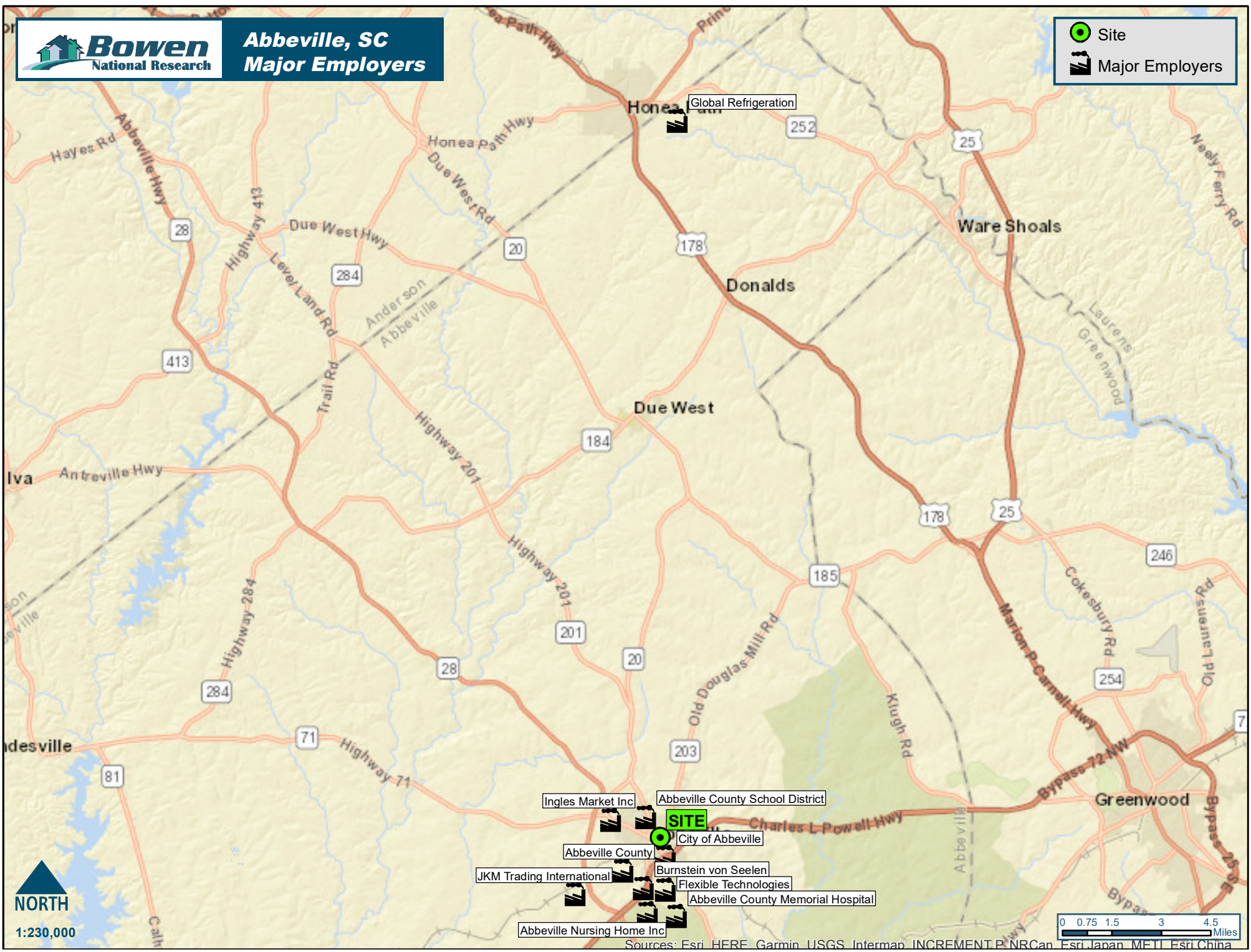
5. EMPLOYMENT CENTERS MAP

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



Abbeville, SC Major Employers

- Site
- Major Employers



NORTH
1:230,000



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

6. COMMUTING PATTERNS

Based on the American Community Survey (2012-2016), 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	3,503	81.8%
Carpooled	403	9.4%
Public Transit	0	0.0%
Walked	9	0.2%
Other Means	24	0.6%
Worked at Home	343	8.0%
Total	4,282	100.0%

Source: American Community Survey (2012-2016); ESRI; Urban Decision Group; Bowen National Research

Nearly 82% of all workers drove alone, 9.4% carpooled and no one 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	1,586	37.0%
15 to 29 Minutes	1,063	24.8%
30 to 44 Minutes	773	18.1%
45 to 59 Minutes	224	5.2%
60 or More Minutes	293	6.8%
Worked at Home	343	8.0%
Total	4,282	100.0%

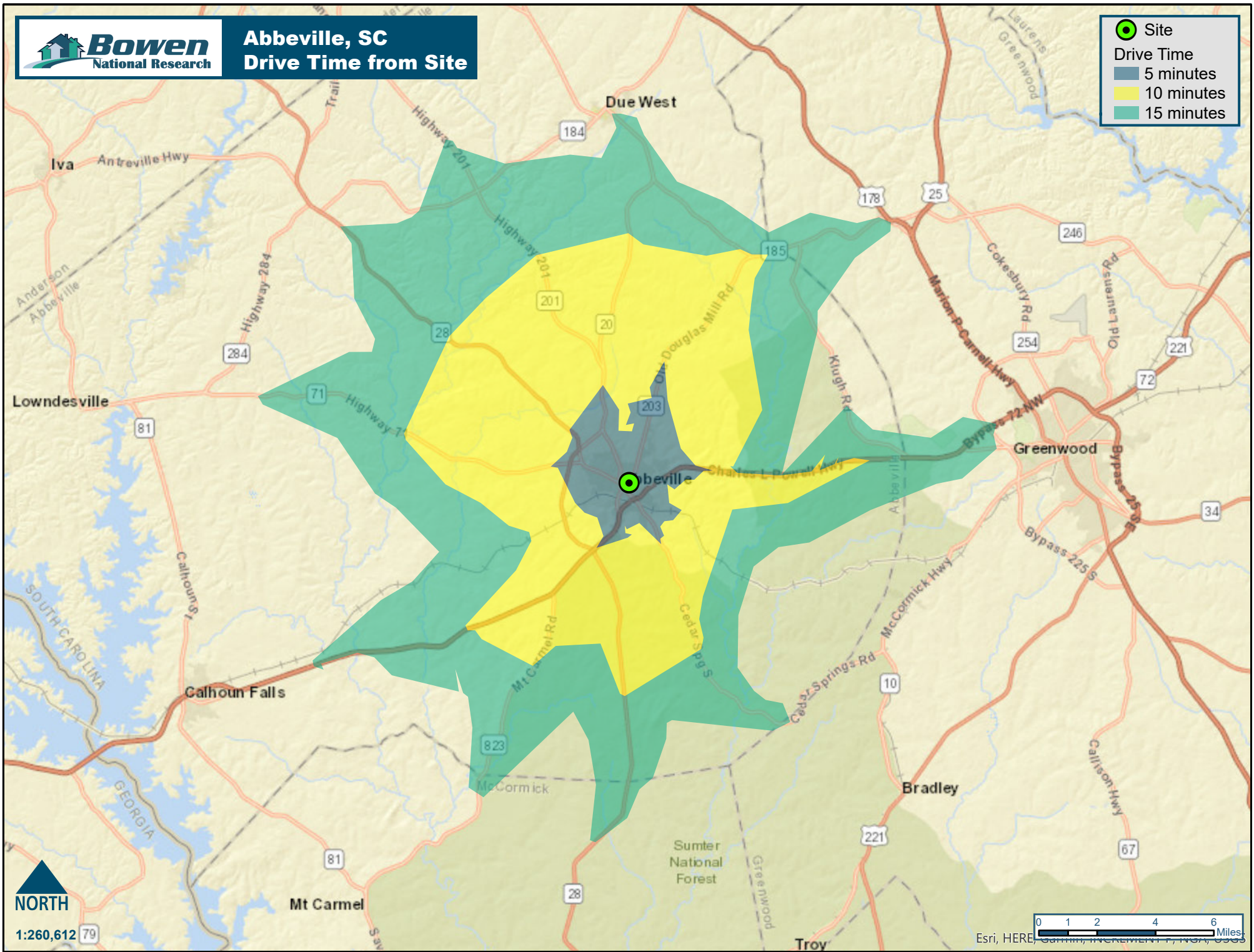
Source: American Community Survey (2012-2016); ESRI; Urban Decision Group; Bowen National Research

The largest share of area commuters has typical travel times to work ranging from zero to 15 minutes. The subject site is within a 20-minute drive to most of the area's largest employers, which should contribute to its marketability. A drive-time map for the subject site is on the following page.



Abbeville, SC Drive Time from Site

● Site
Drive Time
■ 5 minutes
■ 10 minutes
■ 15 minutes



1:260,612



Esri, HERE, Garmin, INCREMENT P, NOAA, USGS

7. ECONOMIC FORECAST AND HOUSING IMPACT

The Site PMA's employment base has a relatively large share of jobs within the Manufacturing job sector, representing over a quarter of the jobs in the PMA. This makes the Site PMA somewhat vulnerable to economic downturns associated with this job sector. Abbeville County was adversely impacted in the years around the recession, when nearly 1,000 jobs were lost between 2008 and 2010. This represented an overall decline of 9.4% in the Abbeville County employment base. During this time, the unemployment rate increased from 8.1% (2008) to 14.2% (2009). However, since 2009, the county's unemployment rate has consistently declined and the current unemployment rate of 4.2% (through November 2018) represents a ten-year low. With several recent announcements of new business relocations and expansions, the local economy is expected to experience slow and steady job growth for the foreseeable future. We believe this expected economic growth will add to the stability of the local housing market and that the job growth will increase the demand for area housing.

F. Community Demographic Data

The following demographic data relates to the Site PMA. It is important to note that not all 2021 projections quoted in this section agree because of the variety of sources and rounding methods used. In most cases, the differences in the 2021 projections do not vary more than 1.0%.

1. POPULATION TRENDS

a. Total Population

The Site PMA population bases for 2000, 2011 (estimated), 2018 (estimated) and 2021 (projected) are summarized as follows:

	Year			
	2000 (Census)	2011 (Estimated)	2018 (Estimated)	2021 (Projected)
Population	26,167	25,425	25,484	25,467
Population Change	-	-742	59	-17
Percent Change	-	-2.8%	0.2%	-0.1%

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

As the preceding table illustrates, the market's population base has been generally stable since 2000. These trends are projected to remain relatively stable through 2021.

Based on the 2010 Census, the population residing in group-quarters is represented by 3.8% of the Site PMA population, as demonstrated in the following table:

	Number	Percent
Population in Group Quarters	963	3.8%
Population not in Group Quarters	24,454	96.2%
Total Population	25,417	100.0%

Source: 2010 Census

b. Population by Age Group

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

Population by Age	2011 (Estimated)		2018 (Estimated)		2021 (Projected)		Change 2018-2021	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	6,661	26.2%	6,105	24.0%	6,149	24.1%	44	0.7%
20 to 24	1,551	6.1%	1,594	6.3%	1,493	5.9%	-101	-6.4%
25 to 34	2,492	9.8%	2,794	11.0%	2,630	10.3%	-164	-5.9%
35 to 44	3,102	12.2%	2,799	11.0%	2,811	11.0%	12	0.4%
45 to 54	3,661	14.4%	3,244	12.7%	3,125	12.3%	-119	-3.7%
55 to 64	3,737	14.7%	3,761	14.8%	3,654	14.3%	-107	-2.8%
65 to 74	2,390	9.4%	3,181	12.5%	3,355	13.2%	174	5.5%
75 & Over	1,831	7.2%	2,006	7.9%	2,251	8.8%	245	12.2%
Total	25,425	100.0%	25,484	100.0%	25,467	100.0%	-17	-0.1%

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

As the preceding table illustrates, over 49% of the population is expected to be between 25 and 64 years old in 2018. This age group is the primary group of potential support for the subject site and will likely represent a significant number of the tenants.

c. Elderly and Non-Elderly Population

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

d. Special Needs Population

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

e. Minority Concentrations

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%	30.8%
Black or African American	27.9%	27.9% + 20.0% = 47.9%	28.5%
American Indian and Alaska Native	0.4%	0.4% + 20.0% = 20.4%	0.2%
Asian	1.3%	1.3% + 20.0% = 21.3%	0.3%
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 Census Tract is not primarily comprised of minorities.

2. **HOUSEHOLD TRENDS**

a. **Total Households**

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

	Year			
	2000 (Census)	2011 (Estimated)	2018 (Estimated)	2021 (Projected)
Households	10,131	9,987	9,963	9,949
Household Change	-	-144	-24	-14
Percent Change	-	-1.4%	-0.2%	-0.1%
Household Size	2.58	2.54	2.46	2.46

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

Similar to the population base, the market's households have been generally stable since 2000. These trends are projected to remain relatively stable through 2021.

b. **Households by Tenure**

Households by tenure are distributed as follows:

Tenure	2011 (Estimated)		2018 (Estimated)		2021 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	7,648	76.6%	7,646	76.7%	7,621	76.6%
Renter-Occupied	2,339	23.4%	2,317	23.3%	2,328	23.4%
Total	9,987	100.0%	9,963	100.0%	9,949	100.0%

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

In 2018, homeowners occupied 76.7% of all occupied housing units, while the remaining 23.3% were occupied by renters. The share of renters is considered typical for a rural market, such as the Abbeville Site PMA, and the 2,317 renter households estimated in 2018 represent a sufficient base of potential support in the market for the subject development.

c. Households by Income

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

Household Income	2011 (Estimated)		2018 (Estimated)		2021 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	1,468	14.7%	1,050	10.5%	1,057	10.6%
\$10,000 to \$19,999	2,227	22.3%	1,669	16.8%	1,719	17.3%
\$20,000 to \$29,999	1,188	11.9%	1,407	14.1%	1,409	14.2%
\$30,000 to \$39,999	889	8.9%	1,318	13.2%	1,304	13.1%
\$40,000 to \$49,999	659	6.6%	1,075	10.8%	1,091	11.0%
\$50,000 to \$59,999	759	7.6%	721	7.2%	710	7.1%
\$60,000 to \$74,999	1,089	10.9%	821	8.2%	767	7.7%
\$75,000 to \$99,999	959	9.6%	1,026	10.3%	969	9.7%
\$100,000 to \$124,999	439	4.4%	419	4.2%	439	4.4%
\$125,000 to \$149,999	180	1.8%	174	1.7%	185	1.9%
\$150,000 to \$199,999	70	0.7%	171	1.7%	184	1.8%
\$200,000 & Over	60	0.6%	112	1.1%	116	1.2%
Total	9,987	100.0%	9,963	100.0%	9,952	100.0%
Median Income	\$31,188		\$36,491		\$36,058	

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

In 2011, the median household income was \$31,188. This increased by 17.0% to \$36,491 in 2018. By 2021, it is projected that the median household income will be \$36,058, a decline of 1.2% from 2018.

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 2011, 2018 and 2021 for the Abbeville Site PMA:

Renter Households	2011 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	266	171	117	90	58	702
\$10,000 to \$19,999	308	190	130	100	65	793
\$20,000 to \$29,999	110	75	51	39	26	301
\$30,000 to \$39,999	66	51	35	27	17	196
\$40,000 to \$49,999	41	34	23	18	11	127
\$50,000 to \$59,999	18	15	10	8	5	55
\$60,000 to \$74,999	25	21	15	11	7	80
\$75,000 to \$99,999	19	16	11	9	6	61
\$100,000 to \$124,999	4	4	2	2	1	13
\$125,000 to \$149,999	2	1	1	1	1	6
\$150,000 to \$199,999	1	1	0	0	0	3
\$200,000 & Over	1	1	1	0	0	3
Total	860	579	396	305	198	2,339

Source: ESRI; Urban Decision Group

Renter Households	2018 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	168	130	80	60	29	468
\$10,000 to \$19,999	277	165	102	77	37	658
\$20,000 to \$29,999	151	111	68	51	25	407
\$30,000 to \$39,999	103	87	54	40	20	304
\$40,000 to \$49,999	80	70	43	32	16	241
\$50,000 to \$59,999	21	19	12	9	4	66
\$60,000 to \$74,999	23	23	14	10	5	75
\$75,000 to \$99,999	18	18	11	8	4	59
\$100,000 to \$124,999	6	6	4	3	1	20
\$125,000 to \$149,999	3	2	2	1	1	8
\$150,000 to \$199,999	3	2	1	1	1	8
\$200,000 & Over	2	2	1	1	0	5
Total	853	635	392	294	143	2,317

Source: ESRI; Urban Decision Group

Renter Households	2021 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	155	126	79	58	27	445
\$10,000 to \$19,999	287	169	106	77	37	676
\$20,000 to \$29,999	153	115	72	53	25	418
\$30,000 to \$39,999	103	89	56	41	19	308
\$40,000 to \$49,999	85	77	48	35	17	262
\$50,000 to \$59,999	19	18	11	8	4	61
\$60,000 to \$74,999	20	20	13	9	4	66
\$75,000 to \$99,999	14	14	9	6	3	47
\$100,000 to \$124,999	6	6	4	3	1	21
\$125,000 to \$149,999	3	3	2	1	1	9
\$150,000 to \$199,999	3	3	2	1	1	10
\$200,000 & Over	2	2	1	1	0	6
Total	850	642	403	294	140	2,328

Source: ESRI; Urban Decision Group

Demographic Summary

Nearly one-fourth of the market is occupied by renter households. Overall, population and household trends have generally been stable since 2000 and are projected to remain relatively stable through 2021. Regardless, the 2,317 renter households estimated in 2018 represent a sufficient base of potential support in the market for the subject development. As discussed later in Section H of this report, nearly all affordable rental communities surveyed in the market are 100.0% occupied with waiting lists. This indicates that there is pent-up demand for such housing and the continuing need for additional affordable housing options within the Site PMA, particularly when factoring in rent overburdened households or those living in substandard housing.

G. Project-Specific Demand Analysis

1. INCOME RESTRICTIONS

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

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

The subject site is within Abbeville County, South Carolina, which has a four-person median household income of \$47,300 for 2018. The project location, however, 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 \$58,400 in 2018. The Tax Credit units at the subject property will be restricted to households with incomes up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size at various levels of AMHI:

Household Size	Maximum Allowable Income	
	50%	60%
One-Person	\$20,450	\$24,540
Two-Person	\$23,350	\$28,020
Three-Person	\$26,300	\$31,560
Four-Person	\$29,200	\$35,040
Five-Person	\$31,550	\$37,860

The largest proposed units (three-bedroom) at the subject site are expected to house up to five-person households. As such, the maximum allowable incomes for the Tax Credit units at the subject site are \$31,550 for the units at 50% of AMHI and \$37,860 for the units at 60% of AMHI. The subject project will also offer some unrestricted market-rate units. While there will be no income cap for these units, we have conservatively utilized a maximum income of \$50,480 (five-person maximum allowable income at 80% of AMHI for the nonmetropolitan area) within our demand calculations for the subject's market-rate units.

2. AFFORDABILITY

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

The proposed LIHTC units will have a lowest gross rent of \$484 (one-bedroom unit at 50% AMHI). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$5,808. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of \$16,594.

Utilizing the same methodology, but assuming a lower rent-to-income ratio of 30% (typical of unrestricted market-rate product), the subject’s market-rate units require a minimum annual household income requirement of \$27,360.

Based on the preceding analyses, the income-appropriate ranges required for living at the proposed project with units built to serve households at 50% and 60% of AMHI, as well as market-rate, are as follows:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited To 50% Of AMHI)	\$16,594	\$31,550
Tax Credit (Limited To 60% Of AMHI)	\$19,509	\$37,860
Tax Credit Overall	\$16,594	\$37,860
Market-Rate	\$27,360	\$50,480

3. **DEMAND COMPONENTS**

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

- a. **Demand for New Households.** *New units required in the market area due to projected household growth should be determined using 2018 Census data estimates and projecting forward to the anticipated placed-in-service date of the project (2021) using a growth rate established from a reputable source such as ESRI. The population projected must be limited to the age and income cohort and the demand for each income group targeted (i.e. 50% of median income) must be shown separately.*

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

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

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

Based on Table B25074 of the American Community Survey (ACS) 2012-2016 5-year estimates, approximately 14.9% to 55.2% (depending upon the targeted income level) of renter households within the market were rent overburdened. These households have been included in our demand analysis.

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

Based on the 2016 ACS 5-Year Estimates Table B25016, 0.6% of all households within the market were living in substandard housing (lacking complete indoor plumbing and overcrowded households/1+ persons per room).

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

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

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

4. **METHODOLOGY**

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

- a. **Demand:** The two overall demand components (3a and 3b) added together represent total demand for the project.
- b. **Supply:** Comparable/competitive units funded, under construction, or placed in service since 2018 must be subtracted to calculate net demand. Vacancies in projects placed in service prior to 2018 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 housing projects that were funded and/or built during the projection period (2018 to current). Additionally, we did not identify any projects that were placed in service prior to 2018 that have not reached a stabilized occupancy. As such, no units were included in the following demand estimates.

The following is a summary of our demand calculations:

Demand Component	Percent of Median Household Income			
	50% AMHI (\$16,594-\$31,550)	60% AMHI (\$19,509-\$37,860)	Tax Credit Overall (\$16,594-\$37,860)	Market-Rate (\$27,360-\$50,480)
Demand from New Renter Households (Age- And Income-Appropriate)	689 - 678 = 11	687 - 677 = 10	882 - 869 = 13	672 - 655 = 17
+				
Demand from Existing Households (Rent Overburdened)	678 X 55.2% = 374	677 X 41.0% = 278	869 X 48.1% = 418	655 X 14.9% = 98
+				
Demand from Existing Households (Renters in Substandard Housing)	678 X 0.6% = 4	677 X 0.6% = 4	869 X 0.6% = 5	655 X 0.6% = 4
+				
Demand from Existing Households (Senior Homeowner Conversion)	N/A	N/A	N/A	N/A
=				
Total Demand	389	292	436	119
-				
Supply (Directly Comparable Units Built and/or Funded Since 2018)	0	0	0	0
=				
Net Demand	389	292	436	119
Proposed Units / Net Demand	12 / 389	39 / 292	51 / 436	9 / 119
Capture Rate	= 3.1%	= 13.4%	= 11.7%	= 7.6%

N/A – Not Applicable

The capture rates for the subject units range between 3.1% and 13.4%, all of which are considered low and easily achievable. This demonstrates that there is a good base of income-qualified renter households that will be able to support the subject project, especially considering the lack of available general-occupancy rental units within the Site PMA.

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

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

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

Units Targeting 50% Of AMHI (389 Units of Demand)					
Bedroom Size (Share of Demand)	Total Demand	Supply*	Net Demand by Bedroom Type	Proposed Subject Units	Capture Rate by Bedroom Type
One-Bedroom (30%)	117	0	117	2	1.7%
Two-Bedroom (45%)	175	0	175	8	4.6%
Three-Bedroom (25%)	97	0	97	2	2.1%

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

Units Targeting 60% Of AMHI (292 Units of Demand)					
Bedroom Size (Share of Demand)	Total Demand	Supply*	Net Demand by Bedroom Type	Proposed Subject Units	Capture Rate by Bedroom Type
One-Bedroom (30%)	88	0	88	7	8.0%
Two-Bedroom (45%)	131	0	131	13	9.9%
Three-Bedroom (25%)	73	0	73	19	26.0%

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

Market-Rate Units (119 Units of Demand)					
Bedroom Size (Share of Demand)	Total Demand	Supply*	Net Demand by Bedroom Type	Proposed Subject Units	Capture Rate by Bedroom Type
One-Bedroom (30%)	35	0	35	3	8.6%
Two-Bedroom (45%)	54	0	54	3	5.6%
Three-Bedroom (25%)	30	0	30	3	10.0%

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

The subject project's capture rates by bedroom type and targeted income levels range from 1.7% to 26.0%, which are considered low and easily achievable. This is especially true, considering the lack of available general-occupancy rental units within the Abbeville Site PMA.

Considering that the subject project will include 24 three-bedroom units, which comprise 40.0% of all subject units offered, the analysis on the following page has been conducted to consider only large-households (three-person+) and the proposed three-bedroom units.

Demand Component	Percent of Median Household Income			
	50% AMHI (\$21,120-\$31,550)	60% AMHI (\$24,789-\$37,860)	Tax Credit Overall (\$21,120-\$37,860)	Market-Rate (\$31,720-\$50,480)
Demand from New Larger Renter Households (Age- And Income-Appropriate)	151 - 147 = 4	169 - 165 = 4	224 - 218 = 6	197 - 187 = 10
+				
Demand from Existing Households (Rent Overburdened)	147 X 47.3% = 70	165 X 36.2% = 60	218 X 38.6% = 84	187 X 7.8% = 15
+				
Demand from Existing Households (Renters in Substandard Housing)	147 X 0.6% = 1	165 X 0.6% = 1	218 X 0.6% = 1	187 X 0.6% = 1
=				
Total Large Household Demand	75	65	91	26
-				
Supply (Directly Comparable (Three-Br.+) Units Built and/or Funded Since 2018)	0	0	0	0
=				
Net Large Household Demand	75	65	91	26
Proposed (Three-Br.+) Units/ Net Large Household Demand	2 / 75	19 / 65	21 / 91	3 / 26
Large-Household Capture Rate	= 2.7%	= 29.2%	= 23.1%	= 11.5%

The subject's three-bedroom capture rates range from 2.7% to 29.2% when considering larger (three-person+) household sizes. These capture rates are considered low and easily achievable, especially considering that there were no available three-bedroom rental units identified within the market. It is important to note that the net demand for the subject's three-bedroom units in the preceding table differs slightly from the net demand by bedroom type on the preceding page. The analysis in the preceding table considers all larger household sizes that will income-qualify to reside at the subject's three-bedroom units, regardless of bedroom type preference.

6. ABSORPTION PROJECTIONS

For the purpose of this analysis, we assume the absorption period at the proposed subject site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow agency guidelines that assume a 2021 opening date for the site, we also assume that the first completed units at the site will be available for rent sometime in 2021. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and will continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development ultimately receives.

It is our opinion that the proposed 60 units at the subject site will experience an average initial absorption rate of approximately nine units per month and reach a stabilized occupancy of 93.0% within approximately six months. It is anticipated that the subject's nine market-rate units will stabilize within the first month of occupancy, while the remaining 51 Tax Credit units are expected to reach a 93.0% occupancy rate within the aforementioned six-month absorption period.

H. Rental Housing Analysis (Supply)

1. COMPETITIVE DEVELOPMENTS

Tax Credit

The proposed subject project will offer one-, two- and three-bedroom garden-style Low-Income Housing Tax Credit (LIHTC) units targeting general-occupancy (family) households earning up to 50% and 60% of Area Median Household Income (AMHI). We identified one non-subsidized LIHTC project within the market which targets households earning up to 50% of AMHI and, therefore, is considered competitive.

Due to the limited availability of non-subsidized LIHTC product within the Site PMA, it was necessary to identify and survey additional non-subsidized LIHTC product outside of the Site PMA, but within the region. We identified four additional non-subsidized, general-occupancy LIHTC properties outside of the Site PMA in the nearby towns of Greenwood and Anderson. These four properties each offer one-, two- and/or three-bedroom units targeting general-occupancy households earning up to 50% and 60% of AMHI similar to the subject project and should, therefore, offer an accurate base of comparability for the subject project. Note that since these four properties are located outside of the Site PMA, they are not considered directly competitive with the subject project and have been included for comparability purposes only. The five comparable LIHTC properties and the proposed subject development are summarized below:

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	The Refinery	2021	51*	-	-	-	Families; 50% & 60% AMHI
3	Ferguson Williams Apts.	1885 / 1995	21	100.0%	0.5 Miles	3 H.H.	Families; 50% AMHI
906	Oakmont Place	2014	55	100.0%	14.8 Miles	None	Families; 50% & 60% AMHI
907	Sterling Ridge Townhomes	2013	39	100.0%	11.5 Miles	10 H.H.	Families; 50% & 60% AMHI
909	Hampton Crest	2011	64	100.0%	30.7 Miles	25-30 H.H.	Families; 50% & 60% AMHI
910	Hampton Greene Apts.	2011	72	100.0%	30.9 Miles	25-30 H.H.	Families; 50% & 60% AMHI

OCC. – Occupancy

H.H. – Households

*Tax Credit units only

900 series Map IDs are located outside of Site PMA

The five LIHTC projects have a combined occupancy rate of 100.0%, nearly all of which maintain waiting lists. This illustrates that pent-up demand exists for additional affordable rental housing within the market and region. The subject development will be able to accommodate a portion of this unmet demand.

Also note that the subject development will be 26 years newer than the one non-subsidized LIHTC project within the *market*. This will position the subject project at a competitive advantage.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)				Rent Special
		One-Br.	Two-Br.	Three-Br.	Four-Br.	
Site	The Refinery	\$484/50% (2) \$569/60% (7)	\$532/50% (8) \$628/60% (13)	\$616/50% (2) \$723/60% (19)	-	-
3	Ferguson Williams Apts.	\$484/50% (7/0)	\$587/50% (14/0)	-	-	None
906	Oakmont Place	\$613/50% (3/0) \$718/60% (5/0)	\$740/50% (5/0) \$866/60% (15/0)	\$855/50% (5/0) \$1,001/60% (14/0)	\$1,111/60% (8/0)	None
907	Sterling Ridge Townhomes	-	\$653/50% (4/0)	\$744/50% (10/0) \$799/60% (21/0)	\$868/60% (4/0)	None
909	Hampton Crest	\$631/50% (4/0) \$742/60% (12/0)	\$748/50% (8/0) \$881/60% (24/0)	\$834/50% (4/0) \$988/60% (12/0)	-	None
910	Hampton Greene Apts.	-	\$748/50% (24/0) \$881/60% (24/0)	\$834/50% (12/0) \$988/60% (12/0)	-	None

900 series Map IDs are located outside of Site PMA

The proposed gross LIHTC rents, ranging from \$484 to \$723, will be the lowest LIHTC rents targeting similar income levels within the market and region. This will position the subject project at a competitive advantage.

It is also important to note that the subject project will be the only LIHTC project within the *market* to offer units set aside at 60% of AMHI, as well as three-bedroom apartments. This will also position the subject project at a market advantage, as it will provide an affordable rental housing alternative to low-income renters that are currently underserved within the Abbeville Site PMA. This will bode well for the demand of the subject units.

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

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
3	Ferguson Williams Apts.	21	4	19.0%
906	Oakmont Place	55	26	47.3%
907	Sterling Ridge Townhomes	39	8	20.5%
909	Hampton Crest	64	N/A	-
910	Hampton Greene Apts.	72	N/A	-
Total		115	38	33.0%

900 series Map IDs are located outside of Site PMA

N/A – Number not available (units not included in total)

As the preceding table illustrates, there are a total of approximately 38 Voucher holders residing at the comparable LIHTC properties within the market and region that provided such information. This comprises 33.0% of these 115 non-subsidized LIHTC units. As such, it can be concluded that these projects are not relying heavily on Voucher support and that a majority of the units at these projects are occupied by renters paying the quoted rents.

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

3 Ferguson Williams Apts.

0.5 miles to site



Address	200 Ellis St. Abbeville, SC 29620		
Phone	(864) 366-9170	Contact	Abby
Total Units	21	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	1885	Renovated	1995
		Floors	3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	3 households		
Quality Rating	B+	Neighborhood Rating	B
Remarks	50% AMHI; HCV (4 units); 2-br have washer/dryer hookups; Adaptive reuse, former hospital		

Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Central AC, Carpet, Washer/Dryer Hook Up, Ceiling Fan, Blinds
Project Amenities	On-site Management, Laundry Facility

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	7	0	600	\$0.58	\$346	50%
2	1	G	14	0	800	\$0.51	\$411	50%

906 Oakmont Place

14.8 miles to site



Address	104 Pampas Dr. Greenwood, SC 29649		
Phone	(864) 223-1319	Contact	Sandra
Total Units	55	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2014	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B+	Neighborhood Rating	B
Remarks	50% & 60% AMHI; HCV (26 units); One 3-br manager unit not included in total		

Features and Utilities

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

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	5	0	850	\$0.68	\$580	60%
1	1	G	3	0	850	\$0.56	\$475	50%
2	1	G	15	0	1100	\$0.63	\$690	60%
2	1	G	5	0	1100	\$0.51	\$564	50%
3	1.5 to 2	G	14	0	1250	\$0.64	\$798	60%
3	1.5 to 2	G	5	0	1250	\$0.52	\$652	50%
4	1.5 to 2	G	8	0	1400	\$0.63	\$881	60%

907 Sterling Ridge Townhomes

11.5 miles to site



Address 128 Leslie Dr.
Greenwood, SC 29646

Phone (864) 396-5043 **Contact** Linda

Total Units 39 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Tax Credit

Year Open 2013 **Floors** 1,2

Concessions No Rent Specials

Parking Surface Parking

Waiting List 10 households

Quality Rating B+ **Neighborhood Rating** B

Remarks 50% & 60% AMHI; HCV (8 units); HOME Funds (10 3-br units)



Features and Utilities

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

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
2	2	G	4	0	1100	\$0.37	\$405	50%
3	2.5	T	4	0	1450	\$0.32	\$460	50%
3	2.5	T	6	0	1450	\$0.32	\$460	50%
3	2.5	T	21	0	1450	\$0.36	\$515	60%
4	2.5	T	4	0	1540	\$0.35	\$540	60%

909 Hampton Crest

30.7 miles to site



Address	101 Palmetto Anderson, SC 29625		
Phone	(864) 224-7700	Contact	Georgia
Total Units	64	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2011	Floors	2,3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	25-30 households		
Quality Rating	A	Neighborhood Rating	C
Remarks	50% & 60% AMHI; Accepts HCV		



Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Computer Lab, Picnic Area, Gazebo

Unit Configuration

BRs	BA	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	12	0	700	\$0.77	\$541	60%
1	1	G	4	0	700	\$0.61	\$430	50%
2	2	G	24	0	865	\$0.73	\$633	60%
2	2	G	8	0	865	\$0.58	\$500	50%
3	2	G	12	0	1010	\$0.70	\$704	60%
3	2	G	4	0	1010	\$0.54	\$550	50%

910 Hampton Greene Apts.

30.9 miles to site



Address	440 Palmetto Anderson, SC 29625		
Phone	(864) 224-7700	Contact	Georgia
Total Units	72	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2011	Floors	2,3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	25-30 households		
Quality Rating	A	Neighborhood Rating	C
Remarks	50% & 60% AMHI; Accepts HCV		

Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Picnic Area

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
2	2	G	24	0	1047	\$0.60	\$633	60%
2	2	G	24	0	1047	\$0.48	\$500	50%
3	2	G	12	0	1251	\$0.56	\$704	60%
3	2	G	12	0	1251	\$0.44	\$550	50%

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.	Four-Br.
Site	The Refinery	750	950	1,100	-
3	Ferguson Williams Apts.	600	800	-	-
906	Oakmont Place	850	1,100	1,250	1,400
907	Sterling Ridge Townhomes	-	1,100	1,450	1,540
909	Hampton Crest	700	865	1,010	-
910	Hampton Greene Apts.	-	1,047	1,251	-

900 series Map IDs are located outside of Site PMA

Map I.D.	Project Name	Number of Baths			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	The Refinery	1.0	2.0	2.0	-
3	Ferguson Williams Apts.	1.0	1.0	-	-
906	Oakmont Place	1.0	1.0	1.5 - 2.0	1.5 - 2.0
907	Sterling Ridge Townhomes	-	2.0	2.5	2.5
909	Hampton Crest	1.0	2.0	2.0	-
910	Hampton Greene Apts.	-	2.0	2.0	-

900 series Map IDs are located outside of Site PMA

The proposed development will offer competitive LIHTC unit sizes (square feet) when compared to the selected LIHTC developments and are considered appropriately positioned. The two full bathrooms to be offered within the two- and three-bedroom subject unit will be appealing to the targeted demographic.

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



COMPARABLE PROPERTIES AMENITIES - ABBEVILLE, 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
SITE	X	X		X	X	X	X		>							B		S	
3	X	X					X		C	S		X				B		S	
906	X	X	X	X		X	X		C	X		X				B		S	
907	X	X		X		X	X		C	X	X	X				B		S	Exterior Storage
909	X	X		X	X		X		C	X	X	X				B		S	
910	X	X		X	X	X	X		C	X	X	X				B		S	

MAP ID	PROJECT AMENITIES														OTHER				
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE	COMPUTER LAB		LIBRARY	PICNIC AREA	SOCIAL SERVICES	BUSINESS CENTER
SITE		X	X	X	X	X		X						X			X	X	Craft Room
3		X	X																
906		X	X		X	X		X					X				X		Gazebo
907		X	X		X	X		X					X			X			CCTV
909	X	X	X	X		X		X				X				X			Gazebo
910	X	X	X	X		X		X								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

As the preceding tables illustrate, the amenities package to be offered at the subject site is considered generally similar with those offered at the comparable LIHTC projects within the market and region. It is important to note, however, that the subject's amenities package is considered far superior to those offered at the one competitive LIHTC project within the *market*. The subject project will offer unit amenities such as a dishwasher, garbage disposal, microwave and washer/dryer hookups within every apartment, and project amenities including a community room/clubhouse, fitness center, playground, computer/business center, a craft room and a social services package, all of which are lacking at the one existing LIHTC project within the market. This will position the subject project at a significant competitive advantage.

Comparable Tax Credit Summary

Based on our analysis of the rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing low-income properties within the market and region, it is our opinion that the subject development will be very marketable. The subject project will be 26 years newer than the one competitive LIHTC project within the *market*, offering the lowest LIHTC rents, larger unit sizes and a superior amenities package. Additionally, all comparable LIHTC projects are 100.0% occupied, most of which maintain waiting lists, and the subject project will be the only non-subsidized LIHTC project within the Site PMA to offer units set aside at 60% of AMHI, as well as three-bedroom apartments. These factors will bode very well for the demand of the subject units and have been considered in our absorption estimates.

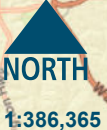
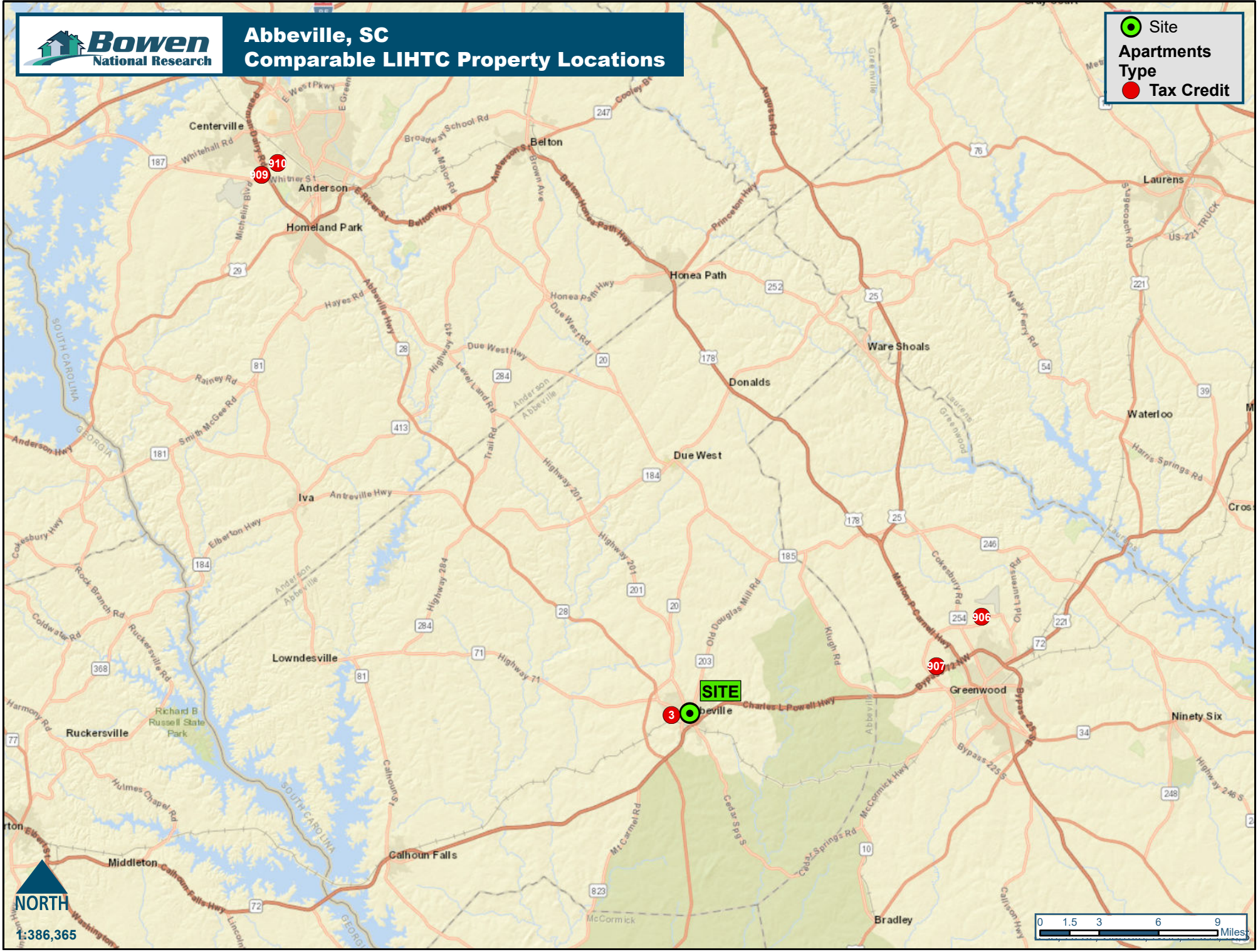
2. COMPARABLE TAX CREDIT PROPERTIES MAP

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



Abbeville, SC Comparable LIHTC Property Locations

- Site
- Apartments
- Tax Credit



1:386,365



Market-Rate

The subject project will include a total of nine market-rate units. Note that we did not identify any conventional market-rate rental housing projects within the Site PMA. As such, we identified and surveyed five market-rate properties outside of the market, but within the region in Anderson and Greenwood for this comparability analysis. Note that these comparable market-rate projects will not compete with the subject development, as they derive demographic support from a different geographical region. The comparable market-rate properties and the subject development are summarized in the following table:

Map I.D.	Project Name	Year Built	Units	Occupancy Rate	Distance to Site	Rent Special
Site	The Refinery	2021	9*	-	-	-
901	Hamptons	2003	184	94.0%	33.7 Miles	None
902	Ashton Park	2006	216	95.4%	31.5 Miles	\$500 off 1 st month's rent for a three-bedroom unit
903	Regency Park	2001	132	89.4%	11.8 Miles	None
908	Tanglewood	1980	168	98.8%	32.0 Miles	None
911	Station 153	1998	165	100.0%	33.0 Miles	None

*Market-rate units only

900 series Map IDs are located outside of Site PMA

The five selected market-rate projects have a combined total of 865 units with an overall occupancy rate of 95.7%, a good rate for rental housing. These occupancy rates demonstrate that these properties have been generally well-received within the region and will serve as accurate benchmarks with which to compare the subject site. Note that one of the comparable market-rate properties is operating at a below than stable occupancy level of 89.4%, Regency Park (Map ID 903). According to management, vacancies are attributed to the lack of income-qualified households. However, as this project is located outside of the Site PMA, its relatively low occupancy rate is not a reflection of the performance of the Abbeville rental housing market.

The gross rents for the comparable market-rate projects and the proposed market-rate 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 (Number of Units/Vacancies)		
		One-Br.	Two-Br.	Three-Br.
Site	The Refinery	\$684 (3)	\$751 (3)	\$793 (3)
901	Hamptons	\$904-\$964 (44/4)	\$1,016-\$1,086 (109/6)	\$1,197-\$1,217 (31/1)
902	Ashton Park	\$1,066 (54/1)	\$1,313-\$1,403 (108/4)	\$1,595 (54/5)
903	Regency Park	\$930-\$1,038 (18/2)	\$1,069-\$1,225 (66/7)	\$1,208-\$1,634 (48/5)
908	Tanglewood	\$929 (40/0)	\$1,069 (112/1)	\$1,385 (16/1)
911	Station 153	\$819 (63/0)	\$996 (78/0)	\$1,152 (24/0)

900 series Map IDs are located outside of Site PMA

The subject's proposed gross market-rate rents will be well below those offered at the comparable market-rate properties within the region. This will bode well for the demand of the subject's market-rate units, especially considering that it will be the newest conventional rental housing project within the Abbeville Site PMA.

One-page summary sheets, including property photographs, of each comparable market-rate property are on the following pages.

901 Hamptons

33.7 miles to site



Address 100 Hudson Cir.
Anderson, SC 29625

Phone (864) 224-6811 **Contact** Donna

Total Units 184 **Vacancies** 11 **Percent Occupied** 94.0%

Project Type Market-Rate

Year Open 2003 **Floors** 3

Concessions No Rent Specials

Parking Surface Parking

Waiting List NONE

Quality Rating B **Neighborhood Rating** B

Remarks Does not accept HCV; 1-br units include washer/dryer



Features and Utilities

- Utilities** No landlord paid utilities
- Unit Amenities** Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds
- Project Amenities** Swimming Pool, On-site Management, Laundry Facility, Fitness Center, Car Wash Area, Theater

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	44	4	680 to 820	\$0.91 - \$1.01	\$690 to \$750
2	2	G	109	6	870 to 1000	\$0.83 - \$0.87	\$755 to \$825
3	2	G	31	1	1434	\$0.63 - \$0.64	\$900 to \$920

902 Ashton Park

31.5 miles to site



Address	50 Braeburn Dr. Anderson, SC 29621		
Phone	(864) 222-6735	Contact	Epiphany
Total Units	216	Vacancies	10
		Percent Occupied	95.4%
Project Type	Market-Rate		
Year Open	2006	Floors	3
Concessions	Select 3-br: \$500 off 1st months rent with 12 or 13 month's lease		
Parking	Detached Garages, Surface Parking		
Waiting List	NONE		
Quality Rating	B+	Neighborhood Rating	B
Remarks	Does not accept HCV; Random units have patio/balcony; Rents change daily		

Features and Utilities

Utilities	Landlord pays Trash, Cable, Internet
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Sports Court, Storage, Computer Lab, Car Wash Area, Picnic Area, Theater

Unit Configuration

BRs	BA	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	54	1	850	\$1.06	\$905
2	2	G	54	0	1200	\$1.00	\$1195
2	2	G	54	4	1100	\$1.00	\$1105
3	2	G	54	5	1450	\$0.93	\$1351

903 Regency Park

11.8 miles to site



Address 120 Edinborough Cir.
Greenwood, SC 29646

Phone (864) 943-1333 **Contact** Doug

Total Units 132 **Vacancies** 14 **Percent Occupied** 89.4%

Project Type Market-Rate

Year Open 2001 **Floors** 3

Concessions No Rent Specials

Parking Detached Garages, Surface Parking

Waiting List NONE

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

Remarks Does not accept HCV; Rent range due to floor level, fireplace & unit upgrades; 44 units have fireplace; Square footage estimated



Features and Utilities

Utilities Landlord pays Trash
Unit Amenities Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Wood Flooring, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Fireplace, Blinds, Exterior Storage
Project Amenities Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Sports Court, Storage, Computer Lab, Car Wash Area, Picnic Area, Business Center, Recycling Center

Unit Configuration

BRs	BA	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	18	2	850	\$0.86 - \$0.98	\$729 to \$837
2	2	G	66	7	1000	\$0.82 - \$0.98	\$821 to \$977
3	2	G	48	5	1150	\$0.80 - \$1.17	\$924 to \$1350

908 Tanglewood

32.0 miles to site



Address	2418 Marchbanks Ave. Anderson, SC 29621		
Phone	(864) 226-5254	Contact	Candace
Total Units	168	Vacancies	2
		Percent Occupied	98.8%
Project Type	Market-Rate		
Year Open	1980	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B	Neighborhood Rating	B
Remarks	Does not accept HCV; Rents change daily; 2 & 3-br have washer/dryer hookups; Offers 1 corporate non furnished unit		

Features and Utilities

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Tennis Court(s), Sports Court, Car Wash Area, Dog Park

Unit Configuration

BRs	BA	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	40	0	615	\$1.16	\$715
2	1.5	G	112	1	925	\$0.87	\$808
3	2	G	16	1	1150	\$0.95	\$1088

911 Station 153

33.0 miles to site



Address	153 Civic Center Blvd. Anderson, SC 29625		
Phone	(864) 222-2333	Contact	Jeanie
Total Units	165	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	1998	Floors	3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B	Neighborhood Rating	A
Remarks	Does not accept HCV		

Features and Utilities

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Tennis Court(s), Sports Court, Picnic Area, Walking Trail

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	63	0	520	\$1.16	\$605
2	2	G	78	0	864	\$0.85	\$735
3	2	G	24	0	900 to 1080	\$0.79 - \$0.95	\$855

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	The Refinery	750	950	1,100
901	Hamptons	680 - 820	870 - 1,000	1,434
902	Ashton Park	850	1,100 - 1,200	1,450
903	Regency Park	850	1,000	1,150
908	Tanglewood	615	925	1,150
911	Station 153	520	864	900 - 1,080

900 series Map IDs are located outside of Site PMA

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	The Refinery	1.0	2.0	2.0
901	Hamptons	1.0	2.0	2.0
902	Ashton Park	1.0	2.0	2.0
903	Regency Park	1.0	2.0	2.0
908	Tanglewood	1.0	1.5	2.0
911	Station 153	1.0	2.0	2.0

900 series Map IDs are located outside of Site PMA

The proposed development will offer market-rate unit sizes comparable to those offered at the selected market-rate rental properties within the region.

The following tables compare the amenities of the subject development with the most comparable market-rate projects in the region.



COMPARABLE PROPERTIES AMENITIES - ABBEVILLE, 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
SITE	X	X		X	X	X	X		√			X				B		S	
901	X	X		X	X		X		C	S	X	X				B		S	
902	X	X		X	X	X	X		C	O	X	S	X			B		D(o),S	
903	X	X	X	X	X	X	X		W		X	X	X			B		D(o),S	Exterior Storage
908	X	X		X	X		X		C		S	X	S			B		S	Exterior Storage
911	X	X		X			X		C		X	X	X			B		S	

MAP ID	PROJECT AMENITIES														OTHER				
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE	COMPUTER LAB		LIBRARY	PICNIC AREA	SOCIAL SERVICES	BUSINESS CENTER
SITE		X	X	X	X	X		X						X			X	X	Craft Room
901	X	X	X			X													Theater
902	X	X	X	X		X		X		V	O		X			X			Theater
903	X	X	X	X		X		X		V	O		X			X	X		Recycling Center
908	X	X	X	X					X	X									Dog Park
911	X	X	X	X		X			X	X						X			Walking Trail

◆ 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 proposed development will be generally similar to those offered at the comparable market-rate properties surveyed within the region. The subject project will not lack any amenity that will have an adverse impact on its marketability, especially considering the lack of available market-rate rental units identified within the *market*.

Comparable Market-Rate Summary

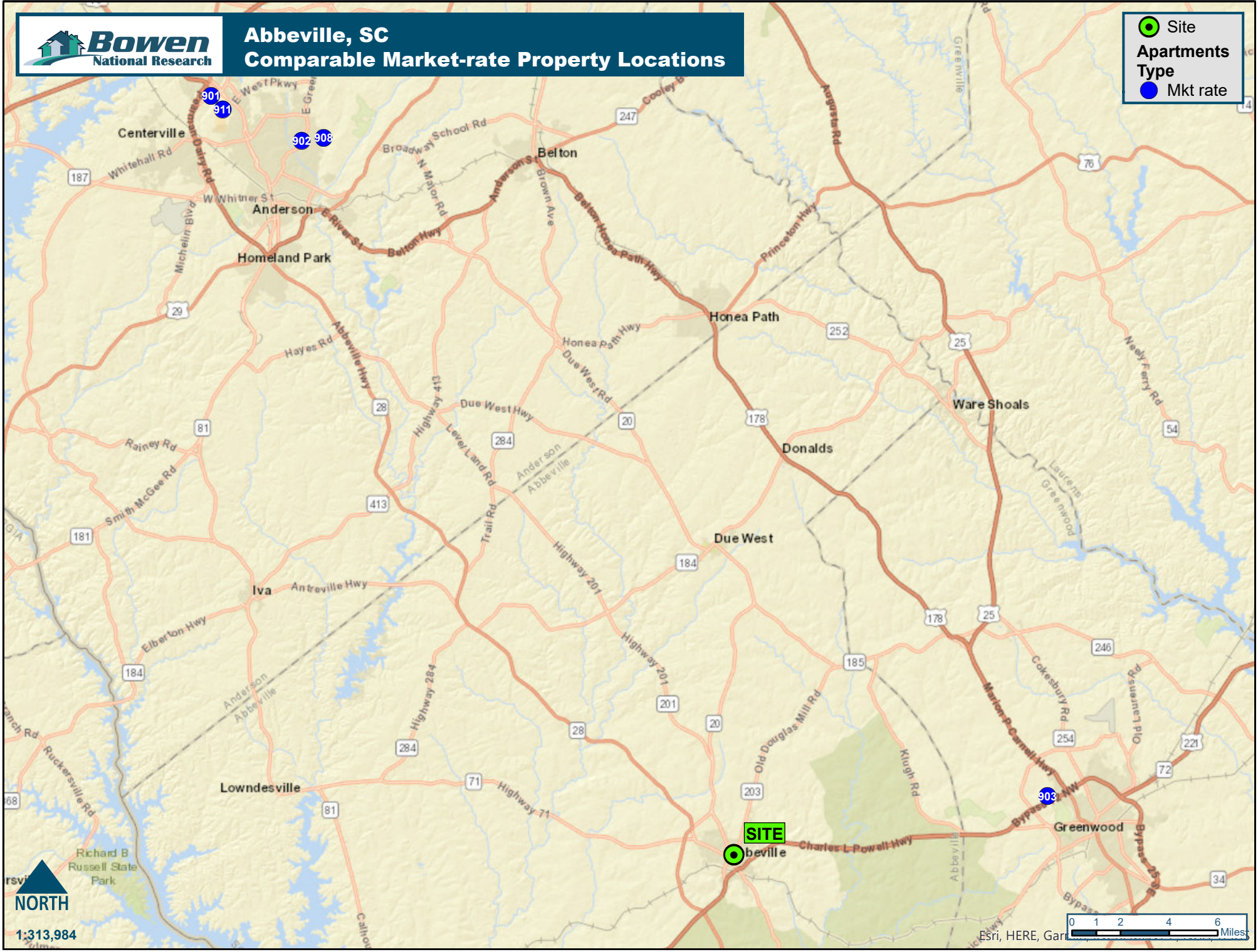
Based on our analysis of the rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the comparable market-rate properties within the region, it is our opinion that the proposed development will be very marketable. This has been considered in our absorption projections.

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



Abbeville, SC Comparable Market-rate Property Locations

● Site
● Apartments
● Mkt rate



1:313,984



Esri, HERE, Garmin

3. RENTAL HOUSING OVERVIEW

The distributions of the area housing stock within the Abbeville Site PMA in 2010 and 2018 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2018 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	9,990	82.7%	9,963	82.5%
Owner-Occupied	7,648	76.6%	7,646	76.7%
Renter-Occupied	2,342	23.4%	2,317	23.3%
Vacant	2,089	17.3%	2,116	17.5%
Total	12,079	100.0%	12,079	100.0%

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

Based on a 2018 update of the 2010 Census, of the 12,079 total housing units in the market, 17.5% were vacant. In 2018, it was estimated that homeowners occupied 76.7% of all occupied housing units, while the remaining 23.3% were occupied by renters. The share of renters is considered typical for a rural market, such as the Abbeville Site PMA, and the 2,317 renter households estimated in 2018 represent a good base of potential support for the subject development.

We identified and personally surveyed nine conventional housing projects containing a total of 391 units within the Site PMA, all of which are affordable developments. 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 99.2% (a result of only three vacant units), a very strong rate for rental housing. The surveyed rental housing development in the market broken out by project type are summarized in the following table:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Tax Credit	1	21	0	100.0%
Tax Credit/Government-Subsidized	5	178	3	98.3%
Government-Subsidized	3	192	0	100.0%
Total	9	391	3	99.2%

As the preceding table illustrates, all affordable rental housing segments surveyed within the market are operating at occupancy levels at or above 98.3%. In fact, of the nine projects surveyed, only one is operating with vacancies, illustrating that pent-up demand exists for affordable rental housing within the market. The subject development will be able to accommodate a portion of this unmet demand.

In addition to the six Tax Credit developments surveyed within the market, there is one additional Tax Credit property we were unable to survey within the Site PMA, despite numerous attempts to contact management. This project, Hunters Blind Apartments, is located at 101 Eastgate Street in Calhoun Falls. Originally built in 1970 under the Rural Development Section 515 (RD 515) program and extensively renovated with LIHTC financing in 2001, Hunters Blind Apartments offers 24 one-, two- and three-bedroom units targeting households earning up to 50% of AMHI. Based on historical data obtained by Bowen National Research, this property was 100.0% occupied with a six-household waiting list in January 2012.

4. RENTAL HOUSING INVENTORY MAP

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

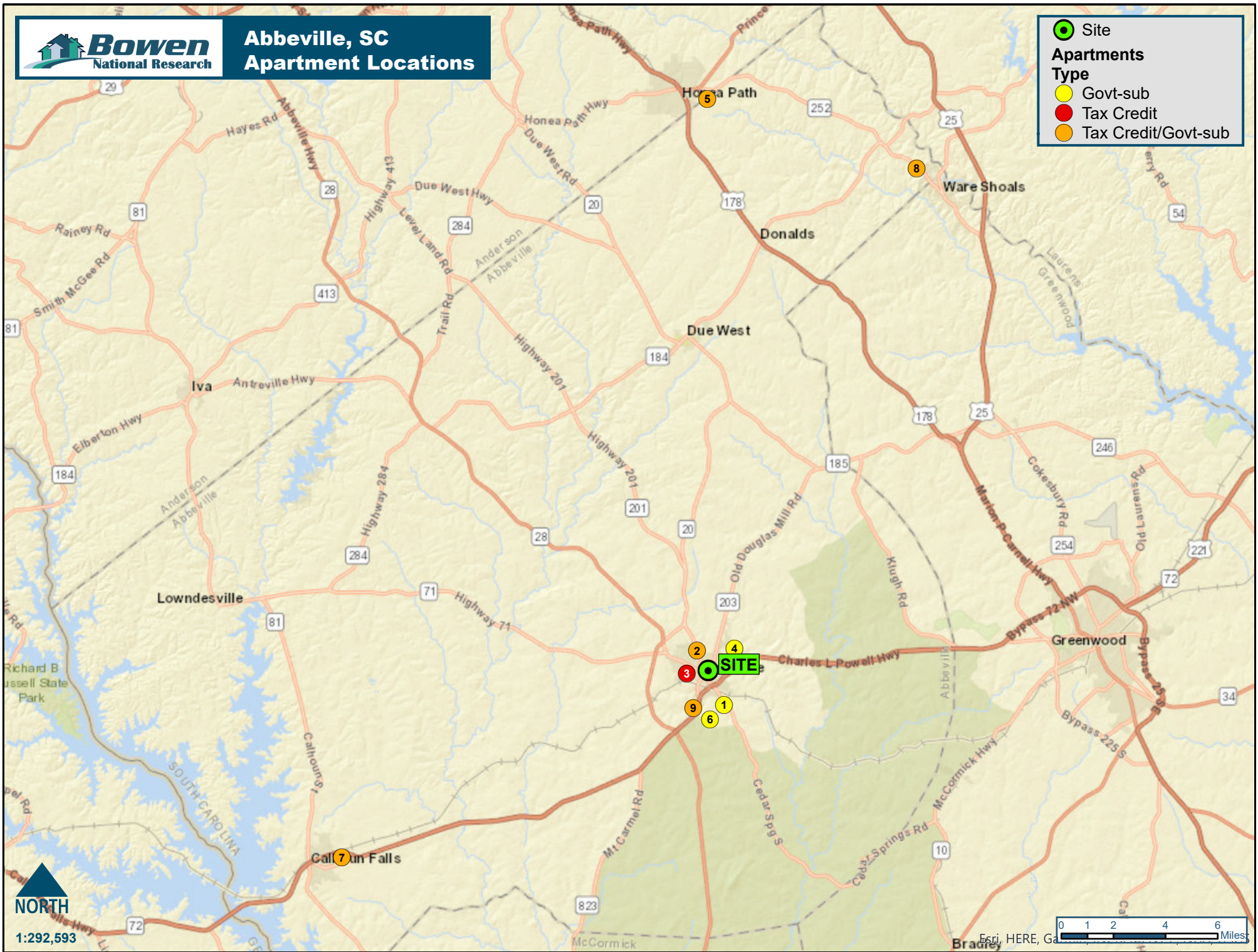


Abbeville, SC Apartment Locations

Site
● Site

Apartments Type

- Govt-sub
- Tax Credit
- Tax Credit/Govt-sub



NORTH
1:292,593



Esri, HERE, Ga

5. & 6. PLANNED AND PROPOSED DEVELOPMENTS

Based on our interviews with planning representatives, it was determined that there are no rental housing projects planned within the Site PMA.

7. MARKET RENT ADVANTAGE

As noted, we did not identify any market-rate developments within the Abbeville Site PMA. Due to the lack of market-rate product in the market, we identified and surveyed five market-rate properties located outside of the Site PMA, but within the region in the cities of Anderson and Greenwood that we consider comparable to the subject development based on their modern design and age. Note that adjustments have been applied to these selected properties to account for market differences between the Anderson, Greenwood and Abbeville markets. These 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 without 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	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	The Refinery	2021	60	-	12 (-)	24 (-)	24 (-)
901	Hamptons	2003	184	94.0%	44 (90.9%)	109 (94.5%)	31 (96.8%)
902	Ashton Park	2006	216	95.4%	54 (98.1%)	108 (96.3%)	54 (90.7%)
903	Regency Park	2001	132	89.4%	18 (88.9%)	66 (89.4%)	48 (89.6%)
908	Tanglewood	1980	168	98.8%	40 (100.0%)	112 (99.1%)	16 (93.8%)
911	Station 153	1998	165	100.0%	63 (100.0%)	78 (100.0%)	24 (100.0%)

Occ. – Occupancy

900 series Map IDs are located outside of Site PMA

The five selected market-rate projects have a combined total of 865 units with an overall occupancy rate of 95.7%, a good rate for rental housing. These occupancy rates demonstrate that these properties have been generally well-received within the region and will serve as accurate benchmarks with which to compare the subject site. While one of the comparable market-rate properties is operating at a below than stable occupancy level of 89.4%, Regency Park (Map ID 903), all other comparable market-rate properties are at least 94.0% occupied. Nonetheless, we have applied an adjustment to this comparable market-rate property to account for its relatively high number of vacancies within the following Rent Comparability Grids.

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

Rent Comparability Grid

Unit Type →

ONE-BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
The Refinery Corner of Chestnut and Washington Streets Abbeville, SC		Hamptons 100 Hudson Cir. Anderson, SC		Ashton Park 50 Braeburn Dr. Anderson, SC		Regency Park 120 Edinborough Cir. Greenwood, SC		Tanglewood 2418 Marchbanks Ave. Anderson, SC		Station 153 153 Civic Center Blvd. Anderson, SC	
Data on Subject		Data		Data		Data		Data		Data	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$750		\$905		\$837		\$715		\$605	
2	Date Surveyed	Jan-19		Jan-19		Jan-19		Jan-19		Jan-19	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	91%		98%		89%	(\$21)	100%		100%	
5	Effective Rent & Rent/ sq. ft	\$750	0.91	\$905	1.06	\$816	0.96	\$715	1.16	\$605	1.16
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/3		WU/3		WU/3		WU/2		WU/3	
7	Yr. Built/Yr. Renovated	2021		2003	\$18	2006	\$15	2001	\$20	1980	\$41
8	Condition/Street Appeal	E		G	\$15	G	\$15	G	\$15	G	\$15
9	Neighborhood	G		G		G		G		E	(\$10)
10	Same Market?			No	(\$113)	No	(\$136)	No	(\$122)	No	(\$107)
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		1		1		1	
12	# Baths	1		1		1		1		1	
13	Unit Interior Sq. Ft.	750	(\$18)	820	(\$18)	850	(\$26)	850	(\$26)	615	\$35
14	Balcony/Patio	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y	\$5	N/Y	\$5	Y/Y		N/Y	\$5	N/Y	\$5
18	Washer/Dryer	HU/L	(\$25)	W/D		HU/L		HU/L	\$10	L	
19	Floor Coverings	V		C		C		W		C	
20	Window Coverings	B		B		B		B		B	
21	Cable/Internet Included	N		N		Y	(\$60)	N		N	
22	Garbage Disposal	Y		Y		Y		Y		N	\$5
23	Ceiling Fans/Storage	Y/N	\$5	N/N	\$5	Y/N		Y/Y	(\$5)	Y/Y	(\$5)
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	N		N		N		N		N	
27	Community Space	Y	\$5	N	\$5	Y		Y		Y	
28	Pool/Recreation Areas	F	(\$13)	P/F/MT	(\$13)	P/F/S/MT	(\$16)	P/F/S	(\$13)	P/S	(\$8)
29	Computer/Business Center	Y	\$3	N	\$3	Y		Y	\$3	N	\$3
30	Picnic Area	N		N		Y	(\$3)	Y	(\$3)	N	
31	Playground	Y	\$3	N	\$3	Y		Y	\$3	N	\$3
32	Social Services	Y	\$10	N	\$10	N	\$10	N	\$10	N	\$10
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	Y/Y	\$63	N/N	\$63	N/N	\$63	N/N	\$63	N/N	\$63
39	Trash/Recycling	Y/N	\$13	N/N	\$13	Y/N		N/N	\$13	N/N	\$13
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	8	5	8	5	8	6	8	4	8	5
41	Sum Adjustments B to D	\$64	(\$174)	\$64	(\$174)	\$40	(\$246)	\$45	(\$174)	\$122	(\$125)
42	Sum Utility Adjustments	\$76		\$76		\$63		\$63		\$76	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$34)	\$314	(\$34)	\$314	(\$143)	\$349	(\$66)	\$282	\$73	\$323
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$716		\$716		\$750		\$788		\$680	
45	Adj Rent/Last rent		95%		95%		84%		92%		112%
46	Estimated Market Rent	\$745		\$0.99		\$0.99		\$0.99		\$0.99	

← Estimated Market Rent/ Sq. Ft

Rent Comparability Grid

Unit Type → **TWO-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
The Refinery Corner of Chestnut and Washington Streets Abbeville, SC		Hamptons 100 Hudson Cir. Anderson, SC		Ashton Park 50 Braeburn Dr. Anderson, SC		Regency Park 120 Edinborough Cir. Greenwood, SC		Tanglewood 2418 Marchbanks Ave. Anderson, SC		Station 153 153 Civic Center Blvd. Anderson, SC	
Data on Subject		Data		Data		Data		Data		Data	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$825		\$1,105		\$977		\$808		\$735	
2	Date Surveyed	Jan-19		Jan-19		Jan-19		Jan-19		Jan-19	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	94%		93%		89% (\$24)		99%		100%	
5	Effective Rent & Rent/ sq. ft	\$825	0.83	\$1,105	1.00	\$953	0.95	\$808	0.87	\$735	0.85
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/3		WU/3		WU/3		WU/2		WU/3	
7	Yr. Built/Yr. Renovated	2021		2003 \$18		2006 \$15		2001 \$20		1980 \$41	
8	Condition/Street Appeal	E		G \$15		G \$15		G \$15		G \$15	
9	Neighborhood	G		G		G		G		E	(\$10)
10	Same Market?		(\$124)		(\$166)		(\$143)		(\$121)		(\$110)
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	2		2		2		1.5 \$15		2	
13	Unit Interior Sq. Ft.	950	(\$11)	1000	(\$34)	1000	(\$11)	925 \$6		864 \$20	
14	Balcony/Patio	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y	\$5	N/Y		Y/Y		N/Y \$5		N/Y \$5	
18	Washer/Dryer	HU/L		HU/L		HU/L		HU/L		HU/L	
19	Floor Coverings	V		C		C		W		C	
20	Window Coverings	B		B		B		B		B	
21	Cable/Internet Included	N		N	(\$60)	Y		N		N	
22	Garbage Disposal	Y		Y		Y		Y		N	\$5
23	Ceiling Fans/Storage	Y/N	\$5	N/N		Y/N	(\$5)	Y/Y	(\$5)	Y/N	
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	N		N		N		N		N	
27	Community Space	Y	\$5	N		Y		Y		Y	
28	Pool/Recreation Areas	F	(\$13)	P/F/MT	(\$16)	P/F/S	(\$13)	P/S	(\$8)	P/F/S/WT	(\$16)
29	Computer/Business Center	Y	\$3	N		Y		N	\$3	N	\$3
30	Picnic Area	N		N	(\$3)	Y	(\$3)	N		Y	(\$3)
31	Playground	Y	\$3	N		Y		N	\$3	N	\$3
32	Social Services	Y	\$10	N	\$10	N	\$10	N	\$10	N	\$10
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	Y/Y	\$72	N/N	\$72	N/N	\$72	N/N	\$72	N/N	\$72
39	Trash/Recycling	Y/N	\$13	N/N	\$13	Y/N		N/N	\$13	N/N	\$13
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	8	4	3	6	3	6	8	4	8	5
41	Sum Adjustments B to D	\$64	(\$153)	\$40	(\$284)	\$45	(\$180)	\$98	(\$139)	\$84	(\$144)
42	Sum Utility Adjustments	\$85		\$72		\$72		\$85		\$85	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$4)	\$302	(\$172)	\$396	(\$63)	\$297	\$44	\$322	\$25	\$313
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$821		\$933		\$890		\$852		\$760	
45	Adj Rent/Last rent		99%		84%		93%		105%		103%
46	Estimated Market Rent	\$850		\$0.89		← Estimated Market Rent/ Sq. Ft					

Rent Comparability Grid

Unit Type → **THREE-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
The Refinery Corner of Chestnut and Washington Streets Abbeville, SC		Hamptons 100 Hudson Cir. Anderson, SC		Ashton Park 50 Braeburn Dr. Anderson, SC		Regency Park 120 Edinborough Cir. Greenwood, SC		Tanglewood 2418 Marchbanks Ave. Anderson, SC		Station 153 153 Civic Center Blvd. Anderson, SC	
Data on Subject		Data		Data		Data		Data		Data	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$920		\$1,351		\$1,350		\$1,088		\$855	
2	Date Surveyed	Jan-19		Jan-19		Jan-19		Jan-19		Jan-19	
3	Rent Concessions	None		Yes (\$42)		None		None		None	
4	Occupancy for Unit Type	97%		91%		90% (\$34)		94%		100%	
5	Effective Rent & Rent/ sq. ft	\$920	0.64	\$1,309	0.90	\$1,316	1.14	\$1,088	0.95	\$855	0.79
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/3		WU/3		WU/3		WU/2		WU/3	
7	Yr. Built/Yr. Renovated	2021		2003 \$18		2006 \$15		2001 \$20		1980 \$41	
8	Condition/Street Appeal	E		G \$15		G \$15		G \$15		G \$15	
9	Neighborhood	G		G		G		G		E	(\$10)
10	Same Market?	No	(\$138)	No	(\$196)	No	(\$197)	No	(\$163)	No	(\$128)
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	3		3		3		3		3	
12	# Baths	2		2		2		2		2	
13	Unit Interior Sq. Ft.	1100	(\$74)	1434	(\$74)	1450	(\$78)	1150	(\$11)	1080	\$4
14	Balcony/Patio	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y	\$5	N/Y		Y/Y		N/Y	\$5	N/Y	\$5
18	Washer/Dryer	HU/L		HU/L		HU/L		HU/L		HU/L	
19	Floor Coverings	V		C		C		W		C	
20	Window Coverings	B		B		B		B		B	
21	Cable/Internet Included	N		N		Y	(\$60)	N		N	
22	Garbage Disposal	Y		Y		Y		Y		N	\$5
23	Ceiling Fans/Storage	Y/N	\$5	N/N		Y/N		Y/Y	(\$5)	Y/Y	(\$5)
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	N		N		N		N		N	
27	Community Space	Y	\$5	N		Y		Y		Y	
28	Pool/Recreation Areas	F	(\$13)	P/F/MT	(\$13)	P/F/S/MT	(\$16)	P/F/S	(\$13)	P/S	(\$8)
29	Computer/Business Center	Y	\$3	N		Y		N	\$3	N	\$3
30	Picnic Area	N		N		Y	(\$3)	N		Y	(\$3)
31	Playground	Y	\$3	N		Y		N	\$3	N	\$3
32	Social Services	Y	\$10	N		N	\$10	N	\$10	N	\$10
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	Y/Y	\$81	N/N	\$81	N/N	\$81	N/N	\$81	N/N	\$81
39	Trash/Recycling	Y/N	\$13	N/N	\$13	Y/N		N/N	\$13	N/N	\$13
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	8	4	3	6	3	6	6	5	8	5
41	Sum Adjustments B to D	\$64	(\$230)	\$40	(\$358)	\$45	(\$234)	\$77	(\$192)	\$68	(\$162)
42	Sum Utility Adjustments	\$94		\$81		\$81		\$94		\$94	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$72)	\$388	(\$237)	\$479	(\$108)	\$360	(\$21)	\$363	\$0	\$324
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$848		\$1,072		\$1,208		\$1,067		\$855	
45	Adj Rent/Last rent		92%		82%		92%		98%		100%
46	Estimated Market Rent	\$965		\$0.88		← Estimated Market Rent/ Sq. Ft					

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

Based on the preceding Rent Comparability Grids, it was determined that the current achievable market rents for units similar to the subject development are \$745 for a one-bedroom unit, \$850 for a two-bedroom unit and \$965 for a three-bedroom unit. The following table compares the proposed collected rents at the subject site with achievable market rents for selected units:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Br.	50%	\$425	\$745	42.95%
	60%	\$510		31.54%
	MR	\$625		16.11%
Two-Br.	50%	\$456	\$850	46.35%
	60%	\$552		35.06%
	MR	\$675		20.59%
Three-Br.	50%	\$523	\$965	45.80%
	60%	\$630		34.72%
	MR	\$700		27.46%
Weighted Average				34.74%

MR – Market-Rate

Typically, Tax Credit rents should represent at least a 10% market rent advantage to be perceived as a value in the market and ensure a sufficient flow of qualified applicants. Therefore, the proposed subject’s Tax Credit rents set at 50% and 60% of AMHI will likely be perceived as significant values within the market, as they represent market rent advantages ranging from 31.54% to 46.35%, depending upon bedroom type and AMHI level. Market-rate rents do not need to represent significant market rent advantages, but should still be near the achievable market-rate rents determined in order to ensure they will be marketable within a given market. Regardless, the subject’s market-rate rents represent market rent advantages ranging from 16.11% to 27.46% depending upon bedroom type. Thus, these unit types will also represent significant values within the Abbeville 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.
3. One of the comparable market-rate projects, Ashton Park (Comp #2), is offering a rent special of \$500 off first month's rent for available three-bedroom units. This concession has been prorated and applied to this project's quoted three-bedroom rent, yielding its effective three-bedroom rent (line 5).
4. One of the selected market-rate properties, Regency Park (Comp #3), is operating below a stable occupancy rate of 90%. Therefore, we have adjusted the rents downward at this property by approximately 2.5% to account for its relatively low occupancy level.
7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between 1980 and 2006. We have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties.
8. It is anticipated that the subject project will have an excellent quality finished look and an attractive aesthetic appeal upon completion. We have made adjustments for those properties that we consider to be of inferior quality to the subject development.
9. One of the five selected properties was determined to be located in a more desirable neighborhood as compared to the subject project. As such, we have adjusted the rents at this property to account for the neighborhood difference.
10. As previously stated, all of the selected properties are located outside of the Abbeville Site PMA in Anderson and Greenwood. The Anderson and Greenwood markets are much larger than Abbeville in terms of population, community services and apartment selections. Given the differences in markets, the rents that are achievable in Anderson and Greenwood will not directly translate to the Abbeville market. Therefore, we have adjusted each collected rent at these comparable projects by approximately 15.0% to account for these market differences.

12. The number of bathrooms offered at the selected properties varies. We have made adjustments of \$15 per half bath to reflect the difference in the number of bathrooms offered at the site and the number offered by the comparable 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 that is generally similar to those offered among 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 lacking at the subject project.
- 24.-32. The proposed project will offer a generally inferior project amenities package as compared to those offered among the selected properties. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences between the subject project's and the selected properties' utility responsibility. The utility adjustments were based on the local housing authority's utility cost estimates.

8. AFFORDABLE HOUSING IMPACT

The anticipated occupancy rate of the existing comparable Tax Credit development located within the Site PMA following stabilization of the subject property is as follows:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2021
3	Ferguson Williams Apts.	100.0%	95.0%+

As noted throughout this analysis, the one competitive LIHTC project in the market is 100.0% occupied and maintains a waiting list. It is also notable to point out that only a portion (~17%) of the subject project will be directly competitive with Ferguson Williams Apartments, as this existing development only offers one- and two-bedroom units at 50% of AMHI, whereas the majority of the subject units either consist of three bedrooms, will target households earning up to 60% of AMHI and/or will be market-rate. Therefore, it is not anticipated that the subject project, if developed, will have a significant adverse impact on the existing project's occupancy and that this project will continue to operate at or above 95% during the absorption period of the subject development.

9. OTHER HOUSING OPTIONS (BUY VERSUS RENT)

According to ESRI, the median home value within the Site PMA was \$124,661. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$124,661 home is \$750, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$124,661
Mortgaged Value = 95% of Median Home Price	\$118,428
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$600
Estimated Taxes and Insurance*	\$150
Estimated Monthly Mortgage Payment	\$750

*Estimated at 25% of principal and interest

In comparison, the collected Tax Credit rents for the subject project range from \$425 to \$630 per month. Therefore, the cost of a monthly mortgage for a typical home in the area is approximately \$120 to \$325 greater than the cost of renting at the subject project's Tax Credit units, depending on unit size and targeted income level. Therefore, it is unlikely that tenants that would qualify to reside at the subject project's affordable units would be able to afford the monthly payments required to own a home or who would be able to afford the down payment on such a home. As such, we do not anticipate any competitive impact on or from the homebuyer market.

10. HOUSING VOIDS

As previously noted, all rental housing communities surveyed within the market, all of which are affordable, have a combined occupancy rate of 99.2%, as a result of only three vacant units. In fact, all but one of these developments is 100.0% occupied and maintains a waiting list. Therefore, pent-up demand exists for additional affordable rental housing within the Site PMA. The subject project will be able to accommodate a portion of this unmet demand. Additionally, the subject development will be the only non-subsidized LIHTC development within the market to offer three-bedroom units, units set aside at 60% of AMHI and market-rate apartments. Therefore, the subject development will provide a rental housing alternative to renter households that are currently underserved within the Site PMA.

I. Interviews

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

- Karen Nicholson, Executive Assistant for the City of Abbeville Building and Zoning Department, stated that there is not a dire need for affordable housing in the Abbeville area. She feels that the affordable housing stock is sufficient for the population. However, based on our field survey of conventional rentals within the market, all affordable general-occupancy rental developments surveyed are 100.0% occupied and maintain a waiting list, illustrating that pent-up demand does in fact exist for additional affordable rental housing within the market. (864) 366-9461
- Sharlla Burton, Property Manager of Ferguson Williams Apartments (Map ID 3), a 21-unit Tax Credit property in Abbeville, stated that there is a need for additional apartment units in Abbeville, as available apartments are difficult for tenants to find. This is especially true for those tenants seeking a conventional (market-rate) apartment, as there are no market-rate apartment complexes in Abbeville. Ms. Burton also stated that the rents at Ferguson Williams Apartments are limited to those who earn 50% of AMHI, meaning that individuals at major employers typically earn slightly above the maximum income to reside at her property. The area could benefit from an affordable development targeting households earning up to 60% of AMHI. (864) 366-9170
- Anne Shaw, Property Manager of Abbeville Arms (Map ID 1), a government-subsidized community in Abbeville, stated that there is a need for more affordable housing in the Abbeville area, which is further evidenced by her property's full occupancy and waiting list. Ms. Shaw explained that she receives inquiries every day from those looking for available affordable housing. She noted that there are not many apartment developments in the area in general and more housing could bring more people and more businesses. (864) 366-9268
- Andy Price, County Planner for Abbeville County, believes that there is high demand for affordable rental properties in the area. Mr. Price stated that the current housing stock is generally in poor condition, old, and in need of repair. (864) 366-2400 ext. 64
- Brian Griswell, Executive Director of the South Carolina Regional Housing Authority No. 1, stated that there is absolutely a need in Abbeville for more affordable rental housing for families. There have been no new developments in Abbeville for many years. The existing apartment complexes have been there since he was a child and he is 47 years old. Mr. Griswell feels that newer, more modern apartment complexes are needed. (864) 984-0578 ext. 276

J. Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 60 units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

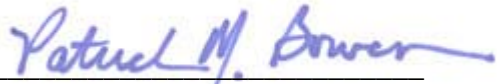
The project will be competitive within the market area in terms of amenities and unit sizes, and the proposed rents will be perceived as significant values in the marketplace. In fact, the proposed rents will be the lowest rents targeting similar income levels compared to those offered at the comparable LIHTC and market-rate projects in the market and region, positioning the subject project at a competitive advantage. This is demonstrated in Section H.

All but one of the affordable rental projects surveyed are 100.0% occupied and maintain a waiting list, illustrating that pent-up demand exists for additional affordable rental housing within the Abbeville Site PMA, including the one non-subsidized LIHTC project, Ferguson Williams Apartments (Map ID 3). Additionally, as the one existing non-subsidized LIHTC project only offers one- and two-bedroom units set aside at 50% of AMHI, the subject development will provide an affordable rental housing alternative to low-income renters that are currently underserved, as it will offer three-bedroom units and units set aside at 60% of AMHI. Additionally, the subject development will offer modern market-rate apartments, which are also lacking within the market. As shown in the Project Specific Demand Analysis section of this report, with an overall Tax Credit capture rate of 11.7% and a market-rate capture rate of 7.6% (SC Housing threshold is 30%), there is a good amount of support for the subject development within the Abbeville Site PMA. Therefore, it is our opinion that the subject project will have no significant impact on the existing non-subsidized Tax Credit development in the Site PMA, especially considering that only the one- and two-bedroom units set aside at 50% of AMHI at the subject development will be directly competitive with the one existing non-subsidized LIHTC project in Abbeville.

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.

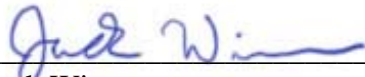
Certified:



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Date: February 27, 2019



Jude Warner
Market Analyst
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Date: February 27, 2019



Jack Wiseman
Market Analyst
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Date: February 27, 2019

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.

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.

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.

Jude Warner, 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. Warner received his Bachelor's Degree in Marketing from St. Mary's University of Minnesota.

Tammy Whited, 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.

Faysal Ahmed, Market Analyst, has a background in multifamily property management. This experience has provided him with inside knowledge of the day-to-day operations of rental housing. Mr. Ahmed holds a Bachelor of Public Affairs from The Ohio State University and a Master of Science in Applied Economics from Southern New Hampshire University.

Zachary Seaman, Market Analyst, has experience in the property management industry and has managed a variety of rental housing types. He has the ability to analyze market and economic trends and conditions, as well as to assess a proposed site's ability to perform successfully in the market.

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

ABBEVILLE, 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.

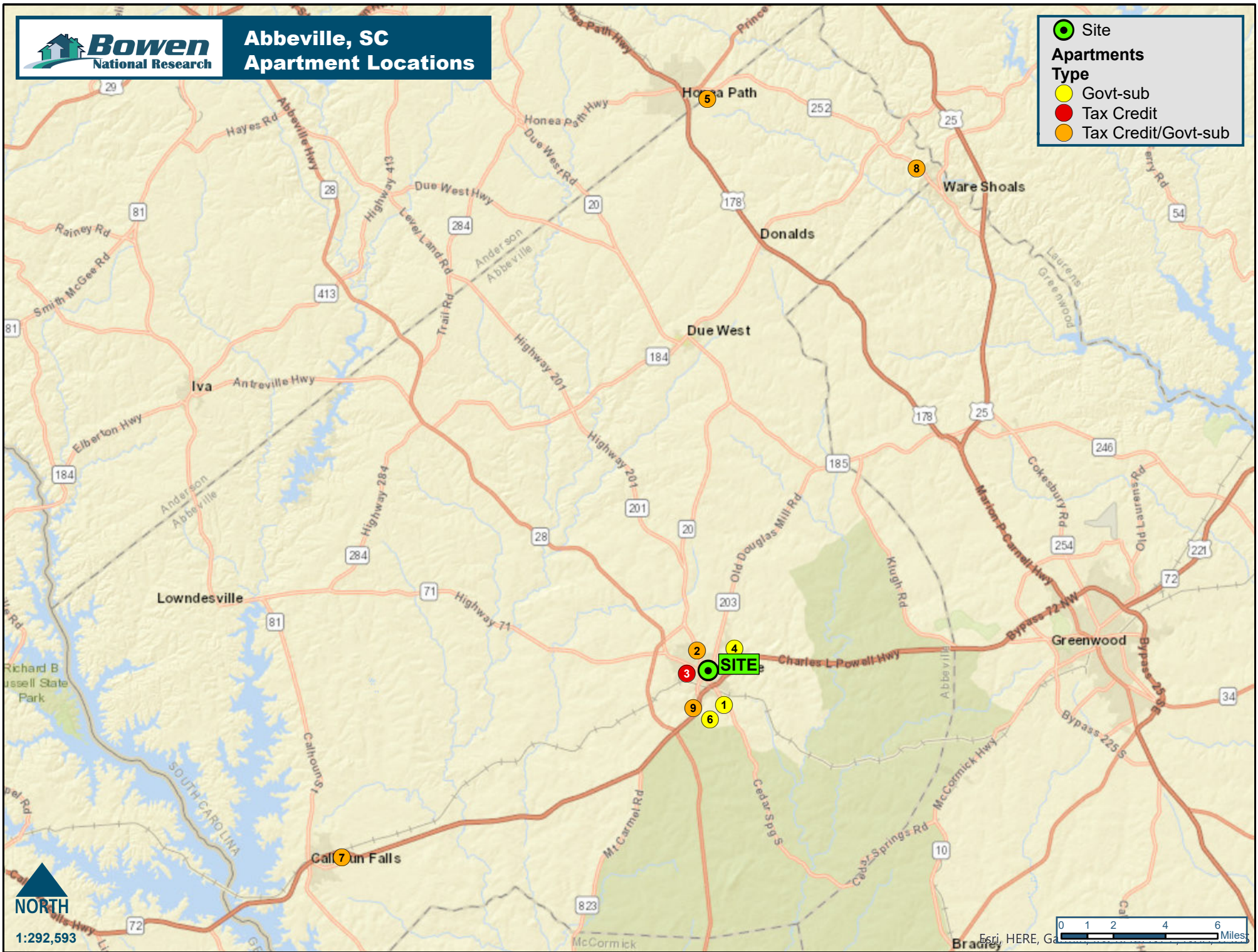
- A rent distribution is provided for all market-rate and non-subsidized Tax Credit units by unit type. Note that rents are adjusted to reflect common utility responsibility.
- Aggregation of projects by utility responsibility (market-rate and non-subsidized Tax Credit only).
- A utility allowance worksheet.

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.



Abbeville, SC Apartment Locations

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



NORTH
1:292,593

0 1 2 4 6 Miles

MAP IDENTIFICATION LIST - ABBEVILLE, SOUTH CAROLINA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
1	Abbeville Arms	GSS	B-	1980	72	0	100.0%	1.3
2	Coleman Street Apts.	TGS	C+	1996	48	0	100.0%	0.2
3	Ferguson Williams Apts.	TAX	B+	1885	21	0	100.0%	0.5
4	Hickory Heights	GSS	C+	1974	80	0	100.0%	1.0
5	Wildwood Apts.	TGS	B-	1982	30	0	100.0%	21.7
6	Woodview Apts.	GSS	C+	1980	40	0	100.0%	1.9
7	Waterford Place	TGS	B	1994	32	3	90.6%	14.2
8	Cedar Ridge Manor	TGS	A	1994	28	0	100.0%	22.7
9	Pecan Grove	TGS	B	1983	40	0	100.0%	1.6

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
TAX	1	21	0	100.0%	0
TGS	5	178	3	98.3%	0
GSS	3	192	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)

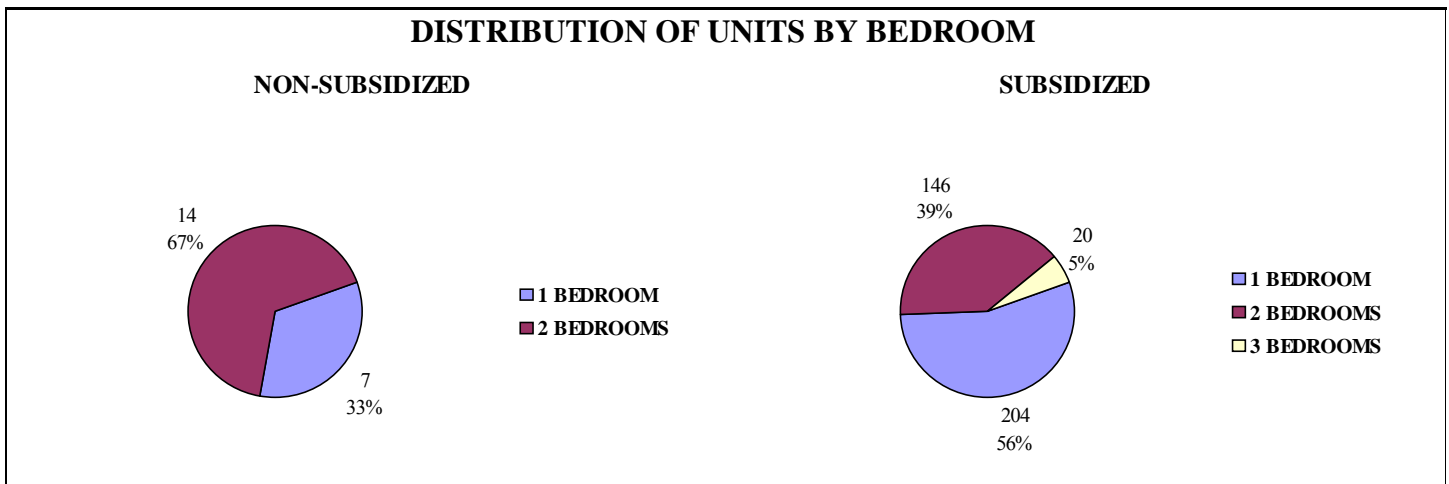
Survey Date: January 2019

DISTRIBUTION OF UNITS - ABBEVILLE, SOUTH CAROLINA






TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	7	33.3%	0	0.0%	\$484
2	1	14	66.7%	0	0.0%	\$587
TOTAL		21	100.0%	0	0.0%	

TAX CREDIT, GOVERMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	104	58.4%	3	2.9%	N.A.
2	1	48	27.0%	0	0.0%	N.A.
2	1.5	18	10.1%	0	0.0%	N.A.
3	2	8	4.5%	0	0.0%	N.A.
TOTAL		178	100.0%	3	1.7%	

GOVERMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	100	52.1%	0	0.0%	N.A.
2	1	80	41.7%	0	0.0%	N.A.
3	1.5	12	6.3%	0	0.0%	N.A.
TOTAL		192	100.0%	0	0.0%	
GRAND TOTAL		391	-	3	0.8%	



SURVEY OF PROPERTIES - ABBEVILLE, SOUTH CAROLINA

1 Abbeville Arms			
	Address 104 Oakland Ave. Abbeville, SC 29620	Phone (864) 366-9258 (Contact in person)	Total Units 72
	Year Built 1980 Comments HUD Section 8; 24 1-br designated senior	Contact Elise	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B- Waiting List 1 year
2 Coleman Street Apts.			
	Address 200 Coleman St. Abbeville, SC 29620	Phone (864) 459-8358 (Contact in person)	Total Units 48
	Year Built 1996 Renovated 2015 Comments 60% AMHI; RD 515, has RA (48 units); Accepts HCV (0 currently); Square footage estimated	Contact Tracie	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating C+ Waiting List 32 households
3 Ferguson Williams Apts.			
	Address 200 Ellis St. Abbeville, SC 29620	Phone (864) 366-9170 (Contact in person)	Total Units 21
	Year Built 1885 Renovated 1995 Comments 50% AMHI; HCV (4 units); 2-br have washer/dryer hookups; Adaptive reuse, former hospital	Contact Abby	Vacancies 0 Occupied 100.0% Floors 3 Quality Rating B+ Waiting List 3 households
4 Hickory Heights			
	Address 1108 Canebridge St. Abbeville, SC 29620	Phone (864) 366-2986 (Contact in person)	Total Units 80
	Year Built 1974 Comments HUD Section 8; 40 units have carpet, remaining units have wood laminate flooring; Square footage estimated	Contact Elizabeth	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating C+ Waiting List 6-12 months
5 Wildwood Apts.			
	Address 360 E. Hampton Ave. Honea Path, SC 29654	Phone (864) 369-2516 (Contact in person)	Total Units 30
	Year Built 1982 Renovated 2010 Comments 40% & 60% AMHI; RD 515, has RA (15 units); HCV (3 units); Square footage estimated	Contact Donna	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B- Waiting List 3 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 2019

SURVEY OF PROPERTIES - ABBEVILLE, SOUTH CAROLINA

6 Woodview Apts.			
	Address 1 Woodview Ln. Abbeville, SC 29620	Phone (864) 459-4409 (Contact in person)	Total Units 40
	Year Built 1980 Comments HUD Section 202 & HUD Section 8; Square footage estimated	Contact Kaylor	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating C+ Senior Restricted (62+) Waiting List Yes
7 Waterford Place			
	Address 100 Waterford Ln. Calhoun Falls, SC 29628	Phone (864) 418-9025 (Contact in person)	Total Units 32
	Year Built 1994 Comments 60% AMHI; RD 515, has RA (29 units); Vacancies attributed to lack of qualified applicants; Square footage estimated	Contact Wendy	Vacancies 3 Occupied 90.6% Floors 1 Quality Rating B Senior Restricted (55+) Waiting List None
8 Cedar Ridge Manor			
	Address 2 Holloway Dr. Ware Shoals, SC 29692	Phone (864) 456-2240 (Contact in person)	Total Units 28
	Year Built 1994 Renovated 2014 Comments 50% & 60% AMHI; RD 515, has RA (25 units); HCV (3 units)	Contact Carolyn	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating A Senior Restricted (62+) Waiting List 1 household
9 Pecan Grove			
	Address 71 Carwellyn Rd. Abbeville, SC 29620	Phone (864) 366-9441 (Contact in person)	Total Units 40
	Year Built 1983 Renovated 2017 Comments 60% AMHI; RD 515, no RA; Former site; Accepts HCV; 2 & 3-br units have washer/dryer hookups	Contact Allison	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating B Waiting List Yes

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 2019

TAX CREDIT UNITS - ABBEVILLE, SOUTH CAROLINA

ONE-BEDROOM UNITS							
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT	
3	Ferguson Williams Apts.	7	600	1	50%	\$346	
2	Coleman Street Apts.	24	600	1	60%	\$400 - \$491	
5	Wildwood Apts.	6	750	1	60%	\$405 - \$470	
5	Wildwood Apts.	6	750	1	40%	\$405 - \$470	
9	Pecan Grove	8	554	1	60%	\$413 - \$427	
◆	7	Waterford Place	32	600	1	60%	\$510 - \$720
◆	8	Cedar Ridge Manor	21	663	1	60%	\$515 - \$651
◆	8	Cedar Ridge Manor	7	663	1	50%	\$515 - \$651
TWO-BEDROOM UNITS							
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT	
3	Ferguson Williams Apts.	14	800	1	50%	\$411	
9	Pecan Grove	24	740	1	60%	\$480 - \$494	
5	Wildwood Apts.	9	950	1.5	60%	\$483 - \$548	
5	Wildwood Apts.	9	950	1.5	40%	\$483 - \$548	
2	Coleman Street Apts.	24	800	1	60%	\$492 - \$533	
THREE-BEDROOM UNITS							
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT	
9	Pecan Grove	8	893	2	60%	\$513 - \$529	

◆ - Senior Restricted

DISTRIBUTION OF UTILITIES - ABBEVILLE, SOUTH CAROLINA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
TENANT			
ELECTRIC	8	319	81.6%
GAS	1	72	18.4%
			100.0%
COOKING FUEL			
TENANT			
ELECTRIC	9	391	100.0%
			100.0%
HOT WATER			
TENANT			
ELECTRIC	7	289	73.9%
GAS	2	102	26.1%
			100.0%
ELECTRIC			
TENANT			
	9	391	100.0%
			100.0%
WATER			
LANDLORD	5	235	60.1%
TENANT	4	156	39.9%
			100.0%
SEWER			
LANDLORD	6	283	72.4%
TENANT	3	108	27.6%
TRASH PICK-UP			
LANDLORD	7	323	82.6%
TENANT	2	68	17.4%
			100.0%

UTILITY ALLOWANCE - ABBEVILLE, 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	\$47		\$41	\$15	\$22	\$8	\$6	\$63	\$30	\$33	\$13	\$20
1	GARDEN	\$23	\$47		\$41	\$15	\$22	\$8	\$6	\$63	\$30	\$33	\$13	\$20
1	TOWNHOUSE	\$23	\$47		\$41	\$15	\$22	\$8	\$6	\$63	\$30	\$33	\$13	\$20
2	GARDEN	\$30	\$63		\$56	\$18	\$28	\$9	\$8	\$77	\$34	\$38	\$13	\$20
2	TOWNHOUSE	\$30	\$63		\$56	\$18	\$28	\$9	\$8	\$77	\$34	\$38	\$13	\$20
3	GARDEN	\$32	\$70		\$62	\$21	\$33	\$10	\$9	\$91	\$38	\$43	\$13	\$20
3	TOWNHOUSE	\$32	\$70		\$62	\$21	\$33	\$10	\$9	\$91	\$38	\$43	\$13	\$20
4	GARDEN	\$35	\$77		\$69	\$25	\$43	\$11	\$9	\$101	\$46	\$52	\$13	\$20
4	TOWNHOUSE	\$35	\$77		\$69	\$25	\$43	\$11	\$9	\$101	\$46	\$52	\$13	\$20

SC-Abbeville (1/2019)

Survey Date: January 2019

A-10



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:

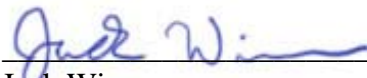


Patrick M. Bowen

President

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Date: February 27, 2019



Jack Wiseman

Market Analyst

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Date: February 27, 2019

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

CHECKLIST (Continued)

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

CHECKLIST (Continued)

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