Shaw Research & Consulting
Real Estate Analysis & Market Feasibility Services

A RENTAL HOUSING MARKET FEASIBILITY ANALYSIS FOR

LANCASTER, SOUTH CAROLINA

(Lancaster County)

Abbington Willow Lake Apartments

201 N. Willow Lake Road (approximate)
Lancaster, South Carolina 29720

February 25, 2019

Prepared for:

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CERTIFICATE OF ACCURACY AND RELIABILITY

I hereby attest that this market study has been completed by an independent third-party market consultant with no fees received contingent upon the funding of this proposal. Furthermore, information contained within the following report obtained through other sources is considered to be trustworthy and reliable. As such, Shaw Research and Consulting does not guarantee the data nor assume any liability for any errors in fact, analysis, or judgment resulting from the use of this data.

Steven R. Shaw
SHAW RESEARCH & CONSULTING, LLC

Date: February 25, 2019

INTRODUCTION

Shaw Research & Consulting, LLC has prepared the following rental housing study to examine and analyze the Lancaster area as it pertains to the market feasibility of Abbington Willow Lake Apartments, a proposed 40-unit affordable rental housing development targeting low-income family households. The subject proposal is to be located in the extreme eastern portion of the city at the southeast corner of Meeting Street and Willow Lake Road, just west of Lancaster Bypass (U.S. 521) and roughly two-thirds mile east of the main downtown business district. Furthermore, the area immediately surrounding the subject property is a combination of single-family residential (in mostly fair condition) and undeveloped wooded property, with an elementary school and retail/commercial areas less than ½ mile away.

The purpose of this report is to analyze the market feasibility of the subject proposal based on the project specifications and site location presented in the following section. Findings and conclusions will be based through an analytic evaluation of demographic trends, recent economic patterns, existing rental housing conditions, detailed fieldwork and site visit, and a demand forecast for rental housing within the Lancaster market area. All fieldwork and community data collection was conducted on January 11, 2019 by Steven Shaw. A phone survey of existing rental developments identified within the PMA, as well as site visits to those properties deemed most comparable to the subject, was also reviewed to further measure the potential market depth for the subject proposal.

This study assumes Low Income Housing Tax Credits (LIHTC) will be utilized in the development of the subject rental facility, along with the associated rent and income restrictions obtained from the South Carolina State Housing Finance and Development Authority (SCSHFDA). As a result, the proposed Abbington Willow Lake Apartments will feature a total of 40 units restricted to households at 50 percent and 60 percent of the area median income (AMI). Furthermore, there are no unrestricted (market rate) or project-based rental assistance (PBRA) units proposed within the subject development.

EXECUTIVE SUMMARY

Based on the information collected and presented within this report, sufficient evidence has been introduced for the successful introduction and absorption of the subject proposal, as described in the following project description, within the Lancaster market area. As such, the following summary highlights the key findings and conclusions reached from this information:

1) The subject proposal is a 40-unit open rental development targeting low-income family households. The facility will consist of a mix of one, two, and three-bedroom units restricted to households with incomes at or below 50 percent and 60 percent of AMI.

2) Demand estimates for the proposed development show sufficient statistical support for the introduction and absorption of additional rental units within the Lancaster PMA. Capture rates are presented in Exhibit S-2 (following the executive summary), and are clearly reflective of the continued need for affordable rental housing locally.

3) Occupancy rates for affordable rental housing are quite positive throughout the local market area at the current time. As such, an overall occupancy rate of 96.4 percent was calculated among 14 properties included in a December 2018/January 2019 survey of family rental developments within the Lancaster area.

4) Among those developments identified and contacted within Lancaster proper, an occupancy rate of 99.4 percent was determined, clearly demonstrating the strength of the local rental market.

5) Considering only the six existing tax credit developments within the survey, a combined occupancy rate of 99.2 percent was calculated, with five properties reporting a waiting list – providing further evidence of the acceptance and overall demand for affordable rental options locally.

6) The most recent family LIHTC property opened in 2013 and was rapidly absorbed. Cottages at Azalea was fully leased within approximately two months of opening, and is currently 100 percent occupied with a waiting list.

7) Based on U.S. Census figures and ESRI forecasts, demographic patterns throughout the Lancaster area have been generally positive since 2000. As such, the overall population within the PMA is estimated to have increased by four percent between 2010 and 2018, representing a gain of more than 1,500 residents during this time. Furthermore, future projections indicate these gains will continue, with an additional increase of five percent (nearly 2,000 persons) anticipated between 2018 and 2023.

8) The location of the subject property can also be considered a positive factor, with generally convenient access to most retail, education, medical, and employment centers throughout the area.

9) The proposal represents a modern product with numerous amenities and features at an affordable rent level. As such, the proposed rental rates within the subject are extremely competitive in relation to other local LIHTC properties, and can be considered achievable and appropriate for the Lancaster market area.

10) Considering the subject's proposed unit mix, income targeting, affordable rental rates, and competitive unit sizes and development features, the introduction of Abbington Willow Lake Apartments should prove successful. Based on positive demographic patterns and exceptionally strong occupancy levels throughout the local rental stock (especially within tax credit properties), additional affordable units should be readily absorbed within the Lancaster rental market. As such, evidence presented within the market study suggests a normal absorption period (conservatively estimated at five to six months) should be anticipated based on project characteristics as proposed. Furthermore, the development of the subject proposal will not have any adverse effect on any other existing rental property or those under development – either affordable or market rate.

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

Development Name:	**Abbington Willow Lake Apts**	Total # Units:	40
Location:	201 N. Willow Lake Road (approximate), Lancaster, South Carolina SC	# LIHTC Units:	40
PMA Boundary:	West = county border; East = Rocky River Rd; North = state border; South = Doc Garris Rd.		
Development Type:	XX Family ____ Older Persons	Farthest Boundary Distance to Subject:	8 miles

RENTAL HOUSING STOCK (found on page 48)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	14	1,313	47	96.4%
Market-Rate Housing	6	849	44	94.8%
Assisted/Subsidized Housing not to include LIHTC	--	--	--	--
LIHTC (All that are stabilized)*	**6**	**376**	**3**	**99.2%**
Stabilized Comps**	6	376	3	99.2%
Non-stabilized Comps	0	0	0	NA

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

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

Subject Development					Adjusted Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
2	1 BR	1.0	750	**$415**	$727	$0.89	42.9%	$905	$1.16
6	1 BR	1.0	750	**$521**	$727	$0.89	28.4%	$905	$1.16
4	2 BR	2.0	950	**$488**	$834	$0.76	41.5%	$1,059	$1.01
24	2 BR	2.0	950	**$616**	$834	$0.76	26.1%	$1,059	$1.01
2	3 BR	2.0	1,100	**$552**	$953	$0.71	42.1%	$1,229	$1.04
2	3 BR	2.0	1,100	**$690**	$953	$0.71	27.6%	$1,229	$1.04
Gross Potential Rent Monthly*				**$23,176**	**$32,976**		**29.72%**		

*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 33)

	2010		2018		2021	
Renter Households	4,901	34.5%	5,034	34.2%	5,126	33.8%
Income-Qualified Renter HHs (LIHTC)	1,719	35.1%	1,766	35.1%	1,798	35.1%
Income-Qualified Renter HHs (MR)	0	0.0%	0	0.0%	0	0.0%

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 43)

Type of Demand	50%	60%	Market Rate	Other:______	Other:_____	Overall
Renter Household Growth	25	28	--			32
Existing Households (Overburd + Substand)	598	666	--			765
Homeowner Conversion (Seniors)	--	--	--			--
Other:	--	--	--			--
Less Comparable/Competitive Supply	--	--	--			--
Net Income-Qualified Renter HHs	**623**	**694**	**--**	**--**	**--**	**797**

CAPTURE RATES (found on page 47)

Targeted Population	50%	60%	Market Rate	Other:______	Other:_____	Overall
Capture Rate	1.3%	4.6%	--			5.0%

ABSORPTION RATE (found on page 47)

Absorption Period: 5 to 6 months

2019 S-2 RENT CALCULATION WORKSHEET							
	# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Potential Tenant Rent	Adjusted Market Rent	Gross Potential Market Rent	Tax Credit Gross Rent Advantage
40%	--	0 BR	--	--	--	--	
50%	--	0 BR	--	--	--	--	
60%	--	0 BR	--	--	--	--	
40%	--	1 BR	--	--	--	--	
50%	2	1 BR	$415	$830	$727	$1,454	
60%	6	1 BR	$521	$3,126	$727	$4,363	
40%	--	2 BR	--	--	--	--	
50%	4	2 BR	$488	$1,952	$834	$3,335	
60%	24	2 BR	$616	$14,784	$834	$20,012	
40%	--	3 BR	--	--	--	--	
50%	2	3 BR	$552	$1,104	$953	$1,906	
60%	2	3 BR	$690	$1,380	$953	$1,906	
40%	--	4 BR	--	--	--	--	
50%	--	4 BR	--	--	--	--	
60%	--	4 BR	--	--	--	--	
	Totals	**40**		**$23,176**		**$32,976**	**29.72%**

A. PROJECT DESCRIPTION

According to project information supplied by the sponsor of the subject proposal, the analysis presented within this report is based on the following development configuration and assumptions:

Project Name:	**Abbington Willow Lake Apts**
Project Address:	**201 N. Willow Lake Road** ***(approximate)***
Project City:	**Lancaster, South Carolina**
County:	**Lancaster County**
Total Units:	**40**
Occupancy Type:	**Family**
Construction Type:	**New Construction**

Targeting/Mix	Number of Units	Unit Type	Number of Baths	Square Feet	Contract Rent	Utility Allow.	Gross Rent	Max. LIHTC Rent*	Incl. PBRA
One-Bedroom Units	**8**								
50% of Area Median Income	2	Apt	1.0	750	**$415**	$59	$474	$533	No
60% of Area Median Income	6	Apt	1.0	750	**$521**	$59	$580	$639	No
Two-Bedroom Units	**28**								
50% of Area Median Income	4	Apt	2.0	950	**$488**	$76	$564	$640	No
60% of Area Median Income	24	Apt	2.0	950	**$616**	$76	$692	$768	No
Three-Bedroom Units	**4**								
50% of Area Median Income	2	Apt	2.0	1,100	**$552**	$93	$645	$738	No
60% of Area Median Income	2	Apt	2.0	1,100	**$690**	$93	$783	$886	No

***Maximum LIHTC Rents** and **Income Limits** are based on *2018 Income & Rent Limits* (effective 4/1/2018) obtained from SCSHFDA website (www.schousing.com).

Project Description:

Development Location....................................Lancaster, South Carolina
Construction Type...New construction
Occupancy Type ....Family
Target Income Group......................................100% LIHTC (50% and 60% AMI)
Special Population Group ....N/A
Number of Units by Unit Type ....See previous page
Unit Sizes...See previous page
Rents and Utility Information ....See previous page
Proposed Rental Assistance (PBRA) ....None

Project Size:

Total Development Size..................................40 units
Number of Affordable Units...........................40 units
Number of Market Rate Units.........................0 units
Number of PBRA Units ....0 units
Number of Employee Units ....0 units

Development Characteristics:

Number of Total Units ....40 units
Number of Garden Apartments.......................40 units
Number of Townhouses..................................0 units
Number of Residential Buildings....................2 *(maximum three stories)*
Number of Community Buildings 1

Unit Amenities:

- Frost Free Refrigerator w/ Ice maker
- Oven/Range
- Dishwasher
- Microwave over Oven
- Garbage Disposal
- Ceiling Fans
- Washer/Dryer Hook-Up
- Mini-Blinds/Vertical Blinds
- Central Air Conditioning
- Walk-In Closet
- Patio/Sunroom
- Range Queen Fire Suppression

Development Amenities:

- Community Building
- Multi-Purpose Room w/ Kitchenette
- Equipped Computer Center
- On-Site Laundry Facility
- Playground
- On-Site Management Office
- Security Cameras

Additional Assumptions:

- Water, sewer, and trash removal will be included in the rent. Electricity (including electric heat pump), cable television, internet access, and telephone charges will be paid by the tenant; and
- Market entry is scheduled for early 2021.

B. SITE DESCRIPTION

1. Site Visit Date

All fieldwork and community data collection was conducted on January 11, 2019 by Steven Shaw.

2. Site Neighborhood and Overview

The subject property is located within the extreme eastern portion of Lancaster at the southeast corner of Meeting Street and Willow Lake Road, just west of the Lancaster Bypass (U.S. 521) and approximately two-thirds mile east of the city's main downtown business district. Overall characteristics of the immediate neighborhood are predominantly residential, with single-family homes to the south and west of the site (with homes generally ranging in fair to good condition). Additionally, undeveloped wooded property can be found adjacent to the north and east of the subject property. Areas further to the east are primarily retail and commercial-oriented (at the intersection of Meeting Street and Lancaster Bypass), while an elementary school and community center are located less than ½ mile to the west along Meeting Street.

The subject property consists of approximately 5.7 acres of vacant and densely wooded property. Situated within Census Tract 107 of Lancaster County, the property is currently zoned as MF (Multi-Family) and R6 (Residential) – both of which allows for the development of the subject proposal. Based on current usages, zoning throughout the immediate area should not impede or negatively affect the viability of the subject proposal. As such, adjacent land usage is as follows:

North: Meeting Street/Undeveloped, wooded property
South: Hazel Street/Single-family homes *(in fair condition)*
West: Willow Lake Road/Single-family homes *(in fair to good condition)*
East: Undeveloped, wooded property

Primary access to the site will be from Meeting Street to the north, representing a moderately-traveled five-lane roadway and providing access to retail areas to the east and downtown Lancaster to the west. In addition, secondary access will be available from Willow Lake Road to the west, representing a lightly-traveled two-lane secondary residential street. As such, the subject's location will provide favorable visibility and a generally positive curb appeal, with several retail opportunities and other services within a short distance and most nearby structures (commercial, residential, or otherwise) in fair to good condition. Furthermore, the site's proximity and relatively convenient access to much of the area's retail, medical, recreational, and employment locales should be viewed as a positive factor, and suitable for multi-family housing.

3. Nearby Retail

While limited retail opportunities are available within walking distance of the site, several retail areas can be found just a short drive away. The nearest retail concentration can be found approximately one-third mile to the east at the intersection of Meeting Street and Lancaster Bypass – which has a Bi-Lo grocery store and Bypass Shop N Go convenience store. Furthermore, the Lancaster Bypass corridor contains a number of additional commercial concentrations – including CVS/Pharmacy, Aldi, and the Lancaster Square shopping center all within 1½ miles of the subject property. Further north along Lancaster Bypass is a Walmart Supercenter, approximately 1¾ miles from the site.

4. Medical Offices and Hospitals

Numerous medical services and physician offices can be found throughout the immediate area, as well. Lancaster is home to Springs Memorial Hospital, a 225-bed facility located approximately 1½ miles west of the subject property. In addition to several medical buildings surrounding the hospital (including the New Day Family Practice and Mante Pediatrics, among others), several medical clinics can be found within one mile of the site – including Palmetto Tri-County Primary Care, Morphis Pediatrics, and a CVS MinuteClinic.

5. Other PMA Services

Additional services of note within the market area include a library and several parks and recreation centers. In addition to the Lancaster County Community Center situated less than ¼ mile west of the subject along Meeting Street, the area is home to the Wylie Street Pool, Springdale Recreation Center, and Gregory Family YMCA – all of which are less than 2½ miles away, offering activities for residents of all ages. Additionally, there are no scheduled fixedroute bus/transit services available locally. However, the Lancaster Area Ride Service (LARS) provides a curb-to-curb transportation service to Lancaster County residents, providing access throughout the county and region (including weekly trips to Rock Hill, Charlotte, and Columbia).

The following identifies pertinent locations and features within the Lancaster market area, and can be found on the following map by the number next to the corresponding description. Please note that this list is not all-inclusive and only represents those locations closest to the subject property. Further, all distances are estimated from intersection of Willow Lake Road and Meeting Street.

Retail

1. Bi-Lo grocery..0.3 miles northeast
2. Aldi Food Store..1.3 miles northwest
3. Food Lion grocery..1.3 miles northwest
4. Walmart Supercenter..1.8 miles northwest
5. CVS/Pharmacy (with MinuteClinic)..0.9 miles north
6. Rite-Aid..0.6 miles west
7. Dollar General..0.5 miles south
8. Bypass Stop N Go Store..0.2 miles east

Medical

9. Springs Memorial Hospital..1.6 miles west
10. Palmetto Tri-County Primary Care..0.8 miles west
11. Morphis Pediatrics..1.0 mile northwest
12. MDFirst Primary and Urgent Care..2.2 miles northwest
13. Carolina Urgent and Family Care..2.5 miles northwest

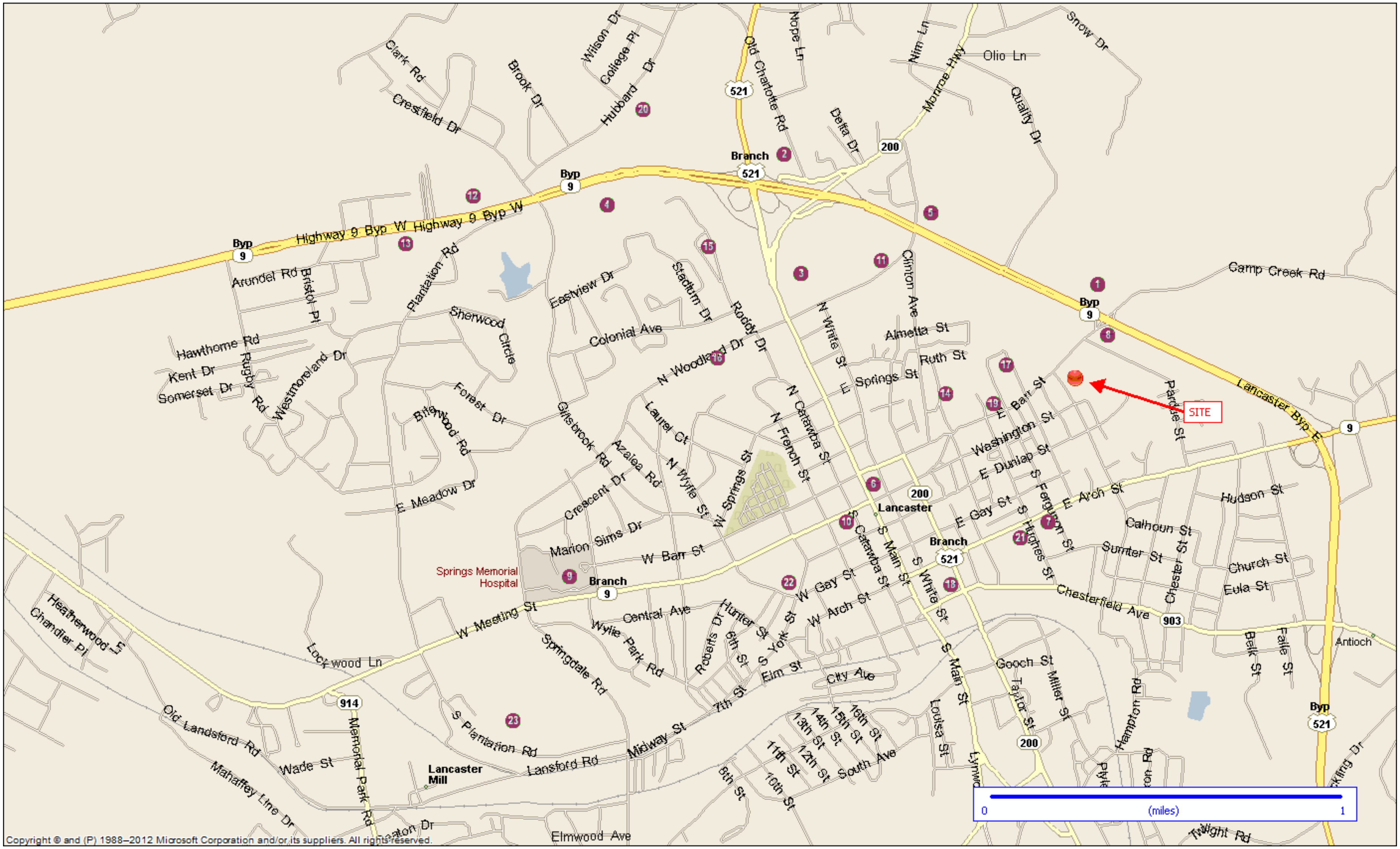
Education

14. Clinton Elementary School..0.4 miles west
15. North Middle School..1.5 miles northwest
16. Lancaster High School..1.3 miles west
17. Barr Street Learning Center/Adult Education..0.2 miles west

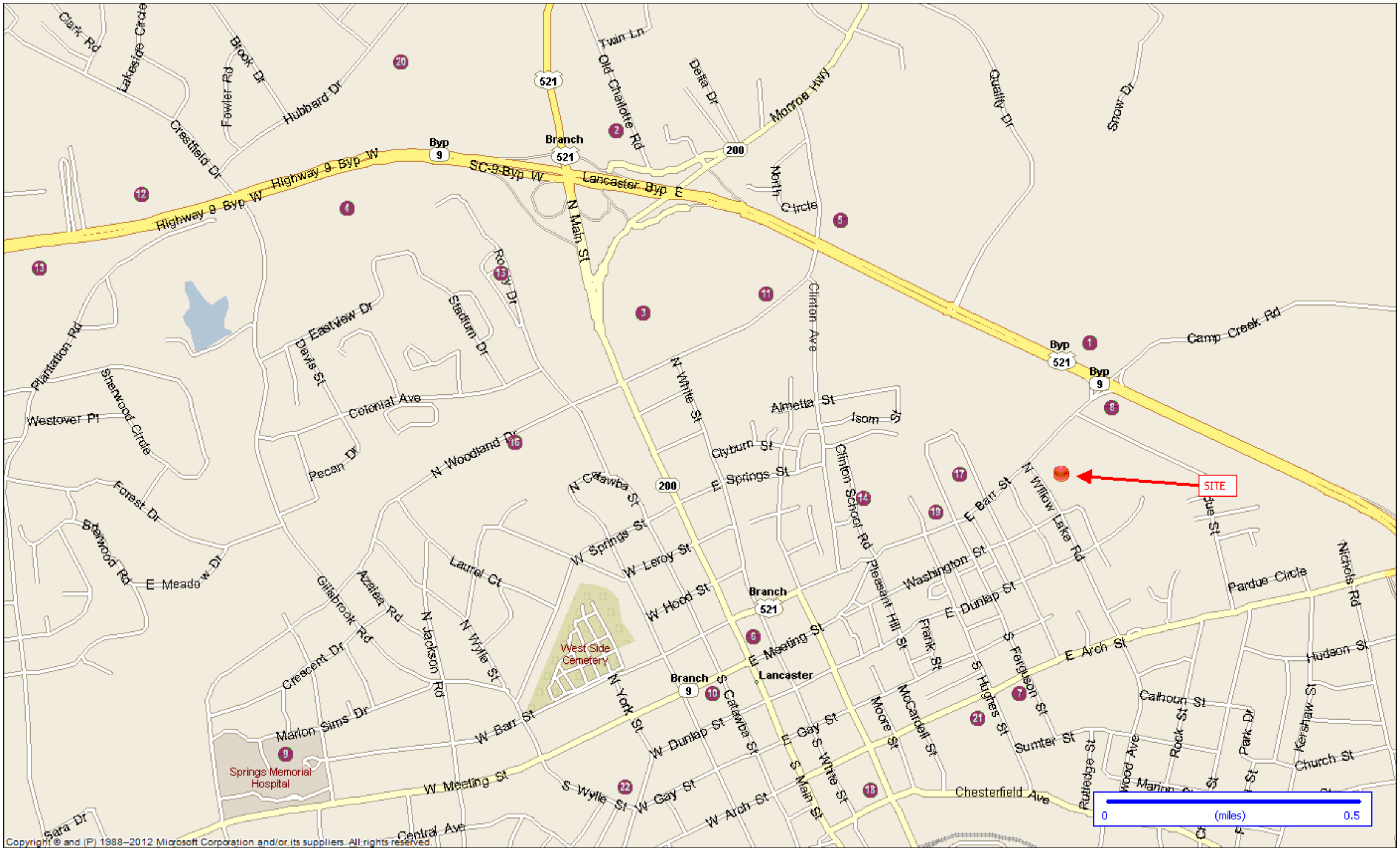
Recreation/Other

18. Lancaster County Library..0.9 miles southwest
19. Lancaster County Community Center..0.2 miles west
20. Gregory Family YMCA..2.5 miles northwest
21. Municipal Justice Center Park..0.7 miles southwest
22. Wylie Street Pool..1.2 miles west
23. Springdale Recreation Center..2.4 miles southwest

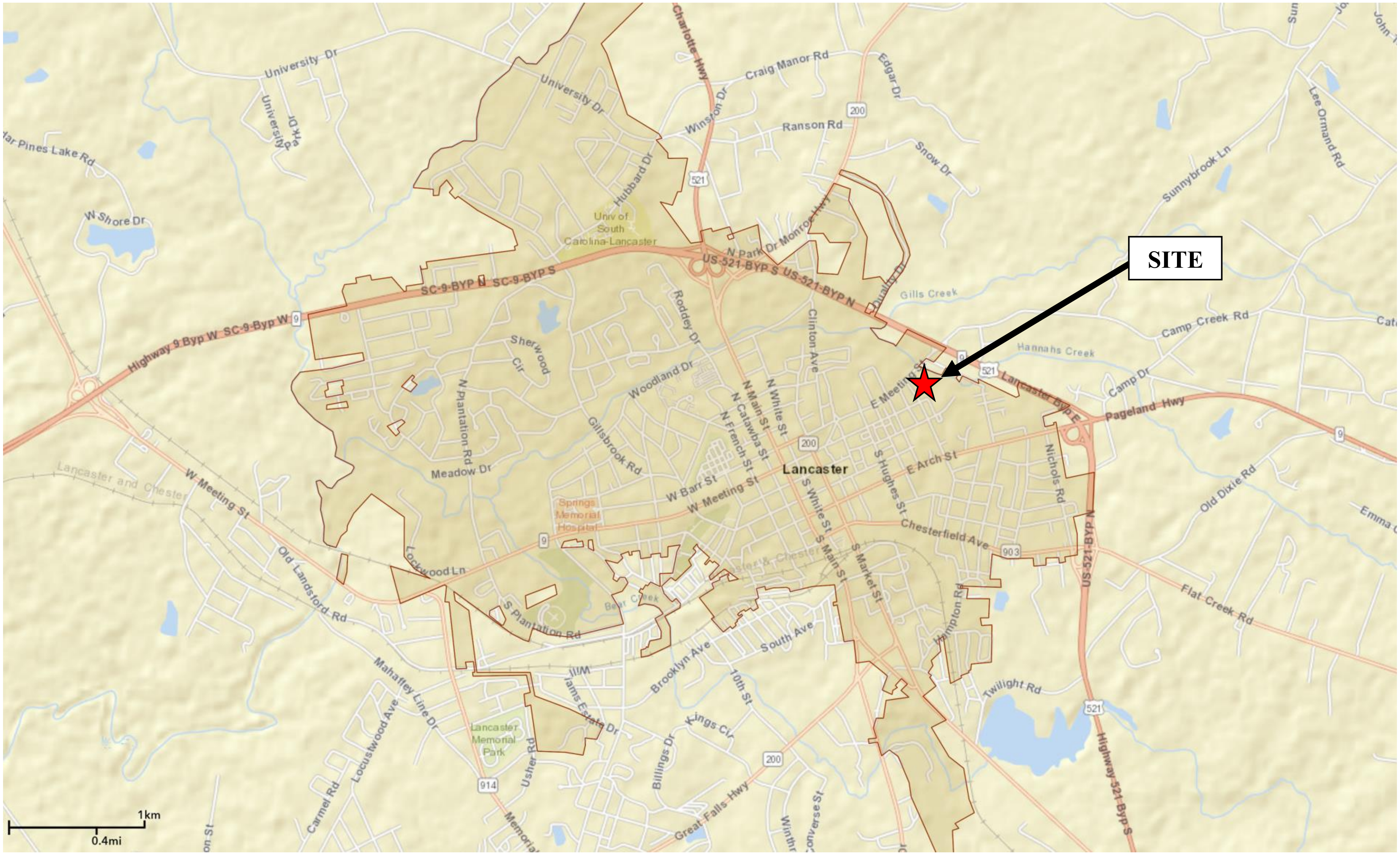
Map 1: Local Features/Amenities – Lancaster Area



Map 2: Local Features/Amenities – Close View



Map 3: Site Location – City of Lancaster

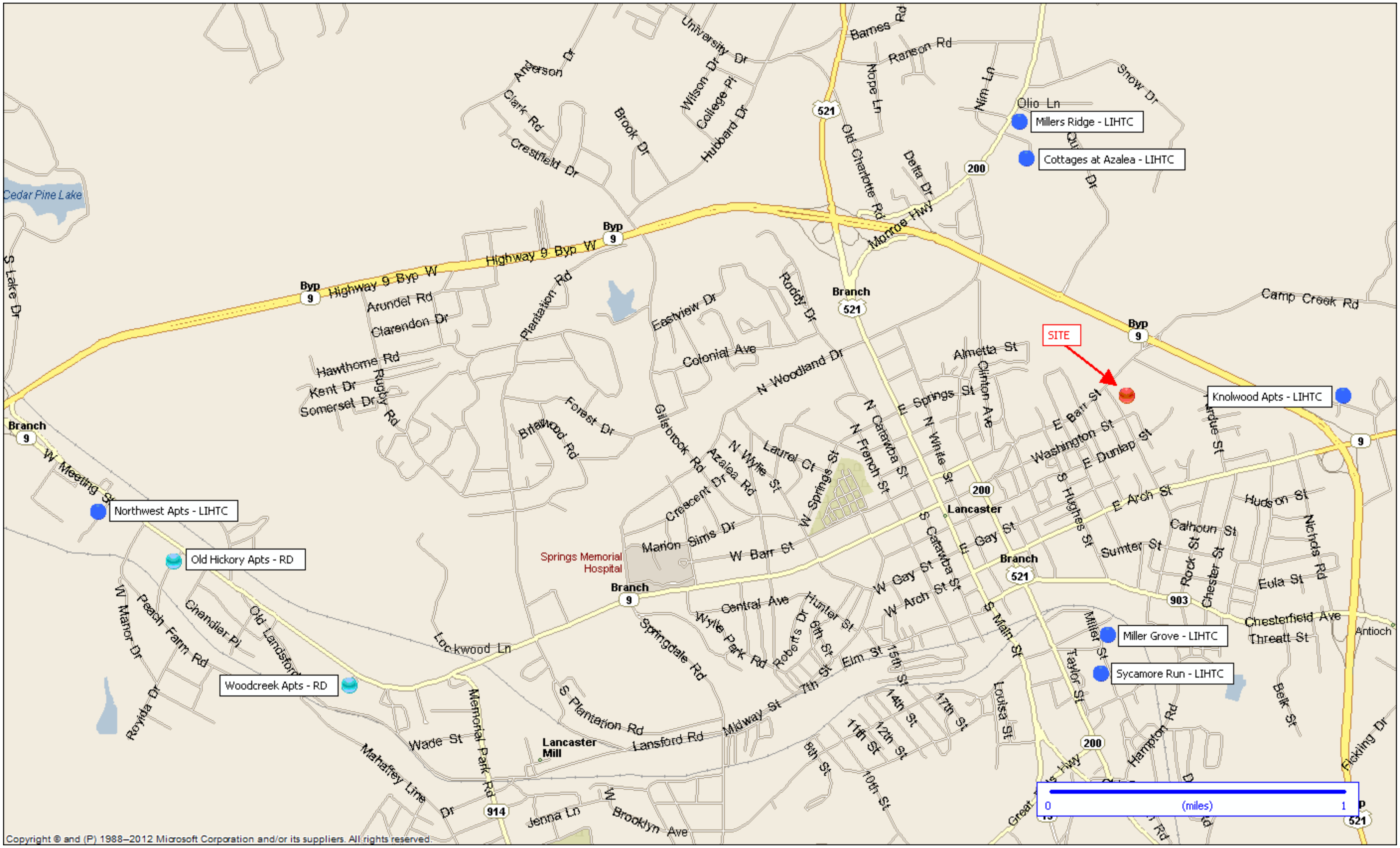


NOTE: Shaded area is city of Lancaster

Map 4: Site Plan – Abbington Willow Lake Apartments

Map 5: Site Location - Aerial Photo

Map 6: Affordable Rental Housing – Lancaster PMA



Site/Neighborhood Photos

SITE – Abbington Willow Lake Apartments
Willow Lake Road, Lancaster, SC
Facing south from Meeting Street

SITE – Abbington Willow Lake Apartments
Willow Lake Road, Lancaster, SC
Facing east from Willow Lake Road

SITE – Abbington Willow Lake Apartments
Willow Lake Road, Lancaster, SC
Facing north from Hazel Street

SOUTH – Vacant single-family home
Adjacent to south of site
Facing east from Hazel Street

SOUTH – Single-family home adjacent to south of site
Facing south from Hazel Street

WEST – Single-family home adjacent to west of site
Facing west from Willow Lake Road

NORTH – Undeveloped/wooded property
Adjacent to north of site
Facing north from Meeting Street

EAST – Undeveloped/wooded property
Adjacent to east of site
Facing south from Meeting Street
Site is to right

Facing south along Willow Lake Road
Photo taken from Meeting Street
Site is on left

Facing north along Willow Lake Road
Photo taken from Hazel Street
Site is on right

Facing east along Meeting Street
Photo taken from Willow Lake Road
Site is on right

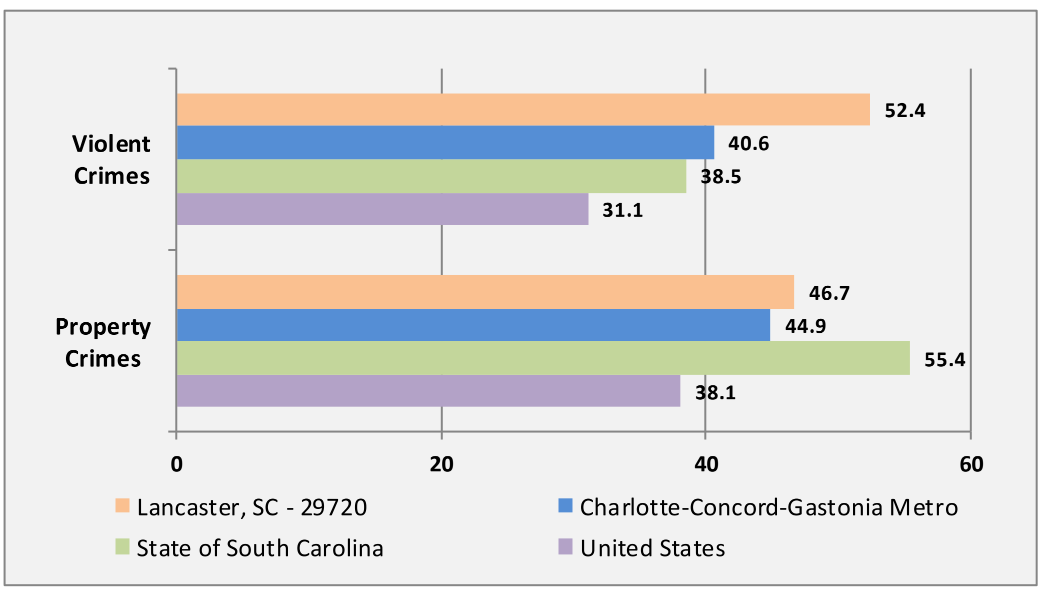
Facing west along Meeting Street
Photo taken from Willow Lake Road

6. Crime Assessment

Based on crime information by zip code, crime rates for the Lancaster area are somewhat above national levels, although property-specific crime rates are below state levels. As such, on a scale from one (indicating low crime) to 100 (high crime), the area in which the subject property is situated (zip code 29720) had a violent crime (murder, non-negligent manslaughter, rape, robbery, and aggravated assault) score of 52.4, while the property crime (burglary, larceny-theft, motor vehicle theft, and arson) score was 46.7. As can be seen, violent crime scores are above state and national averages, while property crimes are lower than state norms (albeit higher than national levels).

Although first hand observations from a recent site visit did not indicate a significant crime risk at the subject property or surrounding neighborhood, the somewhat elevated crime statistics for the immediate area need to be taken into consideration. As such, extra security precautions should be deemed as a necessary measure to provide a safe environment for potential residents of the subject property (such as extra lighting and/or surveillance cameras). Considering these factors as well as information gathered during the site visit, there does not appear to be any noticeable security concerns within the immediate neighborhood surrounding the site.

Table 1: Crime Risk Index



7. Road/Infrastructure Improvements

Based on the site visit and evaluation of the local market area, no significant road work and/or infrastructure improvements were observed near the site that would have any impact (positive or negative) on the marketability or absorption of the subject proposal.

8. Overall Site Conclusions

Overall, the majority of necessary services are situated within a short distance of the site, with a grocery, pharmacy, medical offices, park, and other various services all located within the immediate area (many of which are less than one mile away). Furthermore, the site is situated along Meeting Street, providing convenient access to downtown Lancaster and numerous retail/commercial concentrations along Lancaster Bypass. Based on a site visit conducted January 11, 2019, overall site characteristics can be viewed as mostly positive, with no significant visible nuances that can have a potentially negative effect on the marketability or absorption of the subject property. The subject property has a generally positive curb appeal (including ingress/egress), with most nearby properties (residential, commercial, or otherwise) in fair to good condition.

C. PRIMARY MARKET AREA DELINEATION

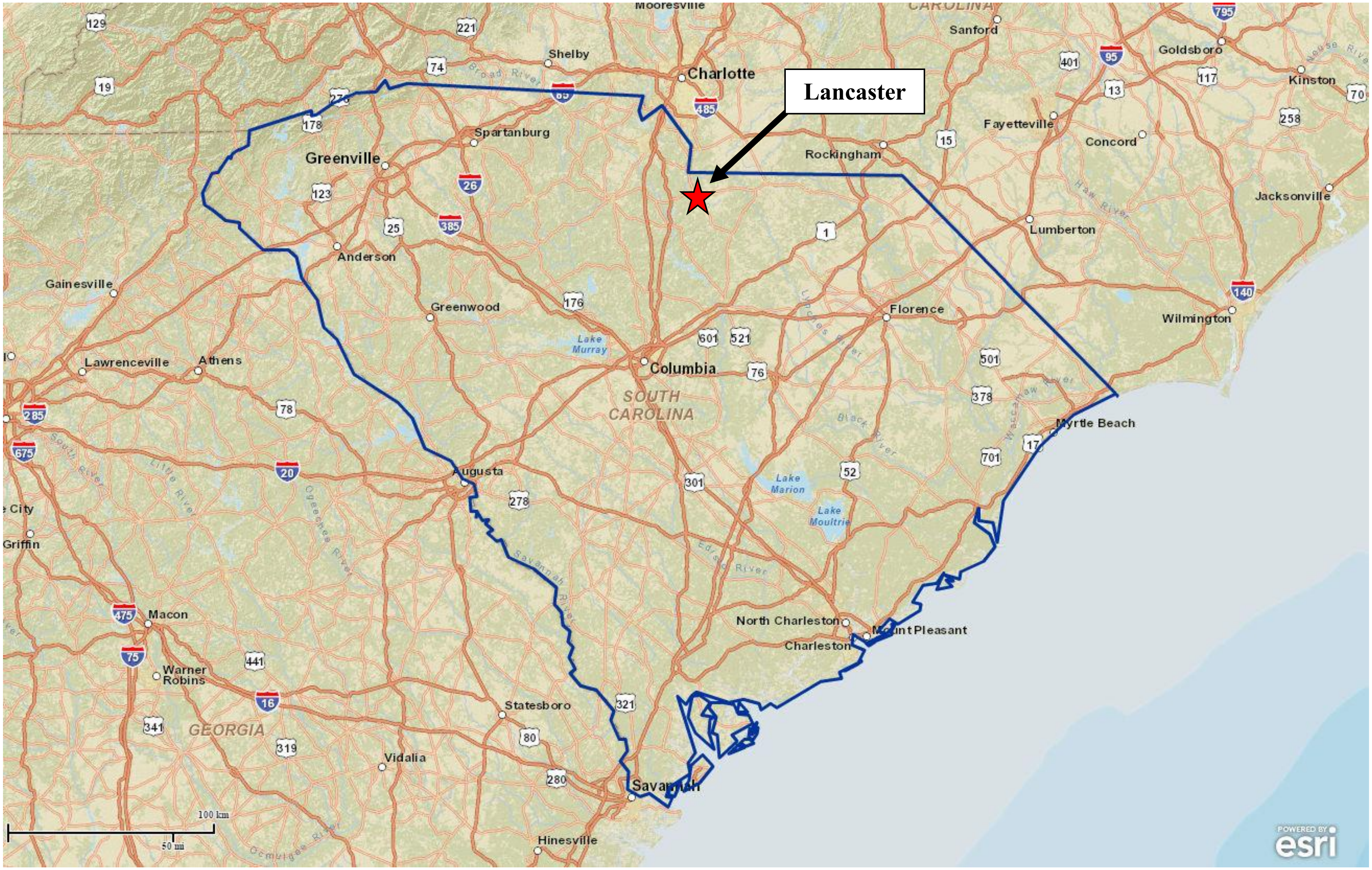
The Primary Market Area (PMA) is defined as the geographic area from which the subject property (either proposed or existing) is expected to draw the *majority* of its residents. For the purpose of this report, the Lancaster PMA consists of the city of Lancaster and the immediate surrounding area. More specifically, the PMA is comprised of eight census tracts and reaches approximately 6½ miles to the north of the site, four miles to the south, eight miles to the east, and roughly six miles to the west. As such, the aforementioned primary market area delineation can be considered as a realistic indication of the potential draw of the subject proposal based on a positive site location and Lancaster being the county seat and primary economic center of the county. Additionally, the site is located roughly two-thirds mile east of downtown Lancaster and ¼ mile west of Lancaster Bypass - representing one of the foremost retail/commercial corridors of the area and providing relatively convenient access throughout the majority of the PMA and greater Lancaster area.

Factors such as socio-economic conditions and patterns, local roadway infrastructure, commuting patterns, physical boundaries, school boundaries, and personal experience were utilized when defining the primary market area. The PMA is comprised of the following census tracts *(all within Lancaster County)*:

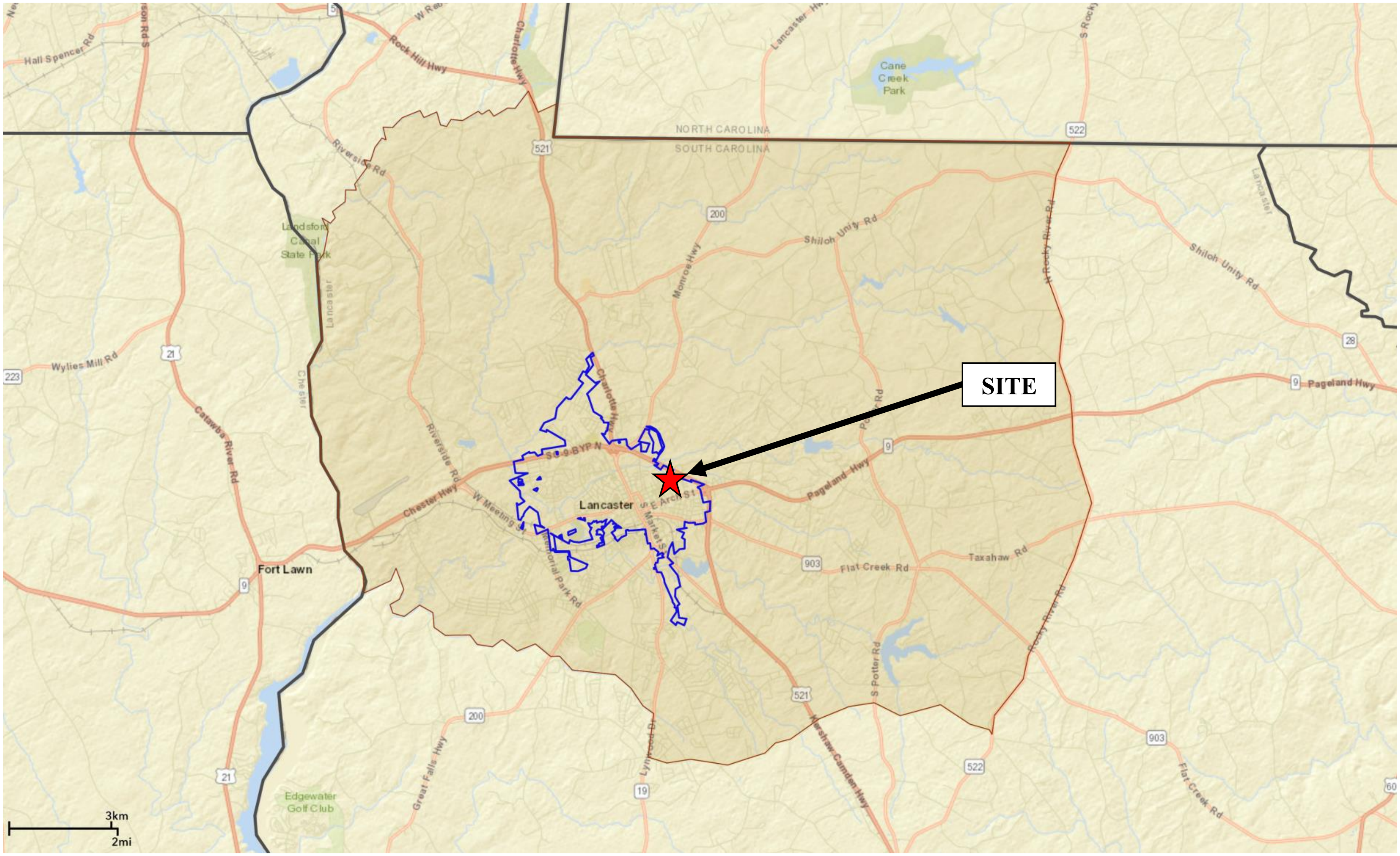
• Tract 105.00	• Tract 107.00*	• Tract 109.00	• Tract 110.02
• Tract 106.00	• Tract 108.00	• Tract 110.01	• Tract 111.00

* Site is located in Census Tract 107.00

Map 7: State of South Carolina



Map 8: Lancaster PMA



NOTE: Shaded area is PMA; Blue outline is city of Lancaster

Map 9: Primary Market Area – Census Tracts

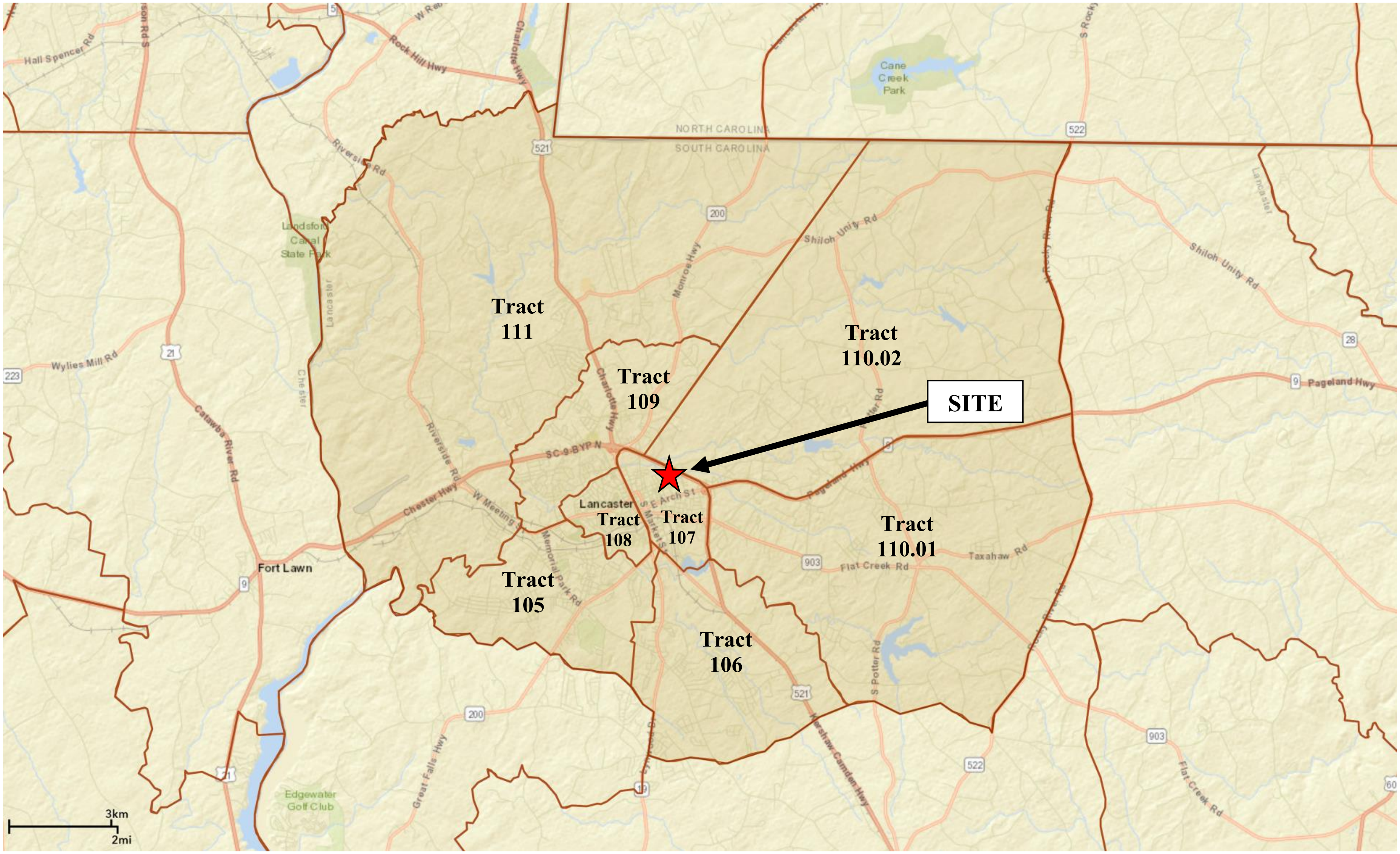


Table 2: Race Distribution (2010)

Census Tract 107 - Lancaster County, SC

	Number	Percent
Total Population (all races)	**3,804**	**100.0%**
White*	670	17.6%
Black or African American*	3,070	80.7%
American Indian/Alaska Native*	11	0.3%
Asian*	5	0.1%
Native Hawaiian/Pacific Islander*	1	0.0%
Other Race*	75	2.0%

*NOTE: Race figures are "alone or in combination" - which allows persons to report their racial makeup as more than one race. As such, the sum of individual races may add up to more than the total population.

SOURCE: U.S. Census - 2010 - Table QT-P6

D. MARKET AREA ECONOMY

1. Employment by Industry

According to information from the South Carolina Department of Employment and Workforce, the largest individual employment industries within Lancaster County in 2017 were manufacturing, professional/technical services, and retail trade (each at 14 percent of all jobs), followed closely by persons employed in health care/social assistance (13 percent). Based on a comparison of employment by industry from 2012, nearly every industry experienced a net gain in jobs over the past five years. Professional/technical services exhibited the largest growth by far in the county between 2012 and 2017 (increasing by more than 1,750 new jobs), while finance/insurance and administrative/waste services both increased by greater than 500 jobs. In contrast, only two industries experienced marginal declines during this time, with arts/ entertainment/recreation and real estate declining by less than 50 jobs each.

Table 3: Employment by Industry – Lancaster County

	Annual 2017		Annual 2012		Change (2012-2017)	
Industry	Number Employed	Percent	Number Employed	Percent	Number Employed	Percent
Total, All Industries	**23,769**	**100.0%**	**17,789**	**100.0%**	**5,980**	**34%**
Agriculture, forestry, fishing and hunting	36	**0.2%**	24	**0.2%**	**12**	**50%**
Mining	*	*	*	*	*	*
Utilities	159	**0.7%**	127	**0.8%**	**32**	**25%**
Construction	751	**3.5%**	539	**3.4%**	**212**	**39%**
Manufacturing	3,101	**14.4%**	2,855	**18.3%**	**246**	**9%**
Wholesale trade	512	**2.4%**	316	**2.0%**	**196**	**62%**
Retail trade	2,925	**13.5%**	2,800	**17.9%**	**125**	**4%**
Transportation and warehousing	228	**1.1%**	221	**1.4%**	**7**	**3%**
Information	401	**1.9%**	256	**1.6%**	**145**	**57%**
Finance and insurance	1,325	**6.1%**	576	**3.7%**	**749**	**130%**
Real estate and rental and leasing	127	**0.6%**	134	**0.9%**	**(7)**	**(5%)**
Professional and technical services	3,065	**14.2%**	1,308	**8.4%**	**1,757**	**134%**
Management of companies and enterprises	1,022	**4.7%**	*	*	*	*
Administrative and waste services	1,534	**7.1%**	994	**6.4%**	**540**	**54%**
Educational services	*	*	*	*	*	*
Health care and social assistance	2,863	**13.3%**	2,401	**15.4%**	**462**	**19%**
Arts, entertainment, and recreation	91	**0.4%**	136	**0.9%**	**(45)**	**(33%)**
Accommodation and food services	1,634	**7.6%**	1,198	**7.7%**	**436**	**36%**
Other services, exc. public administration	387	**1.8%**	383	**2.4%**	**4**	**1%**
Public administration	1,432	**6.6%**	1,368	**8.7%**	**64**	**5%**
Unclassified	*	*	*	*	*	*

* - Data Not Available

Source: South Carolina Department of Employment & Workforce - Lancaster County

2. Commuting Patterns

Based on place of employment (using 2017 American Community Survey data), 61 percent of PMA residents are employed within Lancaster County, while 29 percent work outside of the county. Because of the community's proximity to North Carolina, a relatively high 16 percent of PMA residents work outside of the state – with the overwhelming majority of commuters working across the border in Mecklenburg County.

Further, an overwhelming majority of workers throughout Lancaster County traveled alone to their place of employment, whether it was within the county or commuting outside of the area. According to ACS data, approximately 84 percent of workers within the PMA drove alone to their place of employment, while 11 percent carpooled in some manner. Only a very small number (roughly two percent) utilized public transportation, walked, or used some other means to get to work.

Table 4: Place of Work/ Means of Transportation (2017)

EMPLOYMENT BY PLACE OF WORK						
	City of Lancaster		Lancaster PMA		Lancaster County	
Total	**3,226**	**100.0%**	**15,153**	**100.0%**	**35,542**	**100.0%**
Worked in State of Residence	2,705	83.8%	12,784	84.4%	25,244	71.0%
Worked in County of Residence	1,849	57.3%	9,189	60.6%	17,501	49.2%
Worked Outside County of Residence	856	26.5%	3,595	23.7%	7,743	21.8%
Worked Outside State of Residence	521	16.2%	2,369	15.6%	10,298	29.0%
MEANS OF TRANSPORTATION TO WORK						
	City of Lancaster		Lancaster PMA		Lancaster County	
Total	**3,226**	**100.0%**	**15,153**	**100.0%**	**26,334**	**100.0%**
Drove Alone - Car, Truck, or Van	2,775	86.0%	12,793	84.4%	20,903	79.4%
Carpooled - Car, Truck, or Van	225	7.0%	1,722	11.4%	3,064	11.6%
Public Transportation	21	0.7%	21	0.1%	105	0.4%
Walked	47	1.5%	128	0.8%	302	1.1%
Other Means	25	0.8%	167	1.1%	346	1.3%
Worked at Home	133	4.1%	322	2.1%	1,614	6.1%

Source: U.S. Census Bureau; American Community Survey

Table 5: Employment Commuting Patterns (2010)

Top Places Residents Are Community FROM:		Top Places Residents Are Commuting TO:	
Commuters Living In:	**Number**	**Commuters Working In :**	**Number**
Mecklenburg County, NC	1,390	**Mecklenburg County, NC**	6,067
York County, SC	1,174	**York County, SC**	3,080
Chester County, SC	786	**Chester County, SC**	1,105
Union County, NC	722	**Union County, NC**	1,071
Kershaw County, SC	647	**Kershaw County, SC**	634
Chesterfield County, SC	247	**Chesterfield County, SC**	416
Richland County, SC	215	**Richland County, SC**	349
Source: U.S. Census Bureau - 2010			

3. Largest Employers

Below is a chart depicting the 20 largest employers within Lancaster County, according to information obtained through the South Carolina Department of Employment and Workforce:

Lancaster County Top Employers *(Listed Alphabetically)*	
Cardinal Health 200 Inc.	CMHA Primary Care Facilities Inc.
CompuCom Systems Inc.	Continental Tire NA Inc.
Duracell Manufacturing Inc.	Founders Federal Credit Union
Haile Gold Mine Inc.	Hand Held Products Inc.
Keer America Corporation	Lancaster County
Lancaster High School	Movement Mortgage
Newbold Services Lancaster 601 LLC	NutraMax Manufacturing Inc.
PCI Group Inc.	Rbus Inc.
SC Department of Corrections	Springs Memorial Hospital
TriNet USA Inc	Wal-Mart Associates Inc.
Source: SC Department of Employment & Workforce – 2018 Q2	

4. Employment and Unemployment Trends

The overall economy throughout Lancaster County has demonstrated notable improvement in recent years, with employment increases in each of the last eight years. After recording an unemployment rate of 17.4 percent in 2009, Lancaster County has recorded an overall gain of more than 13,100 jobs - representing an increase of 52 percent (an average annual increase greater than five percent). In addition, the annual unemployment rate for 2017 was calculated at 4.6 percent, a dramatic improvement since 2009 and representing the county's lowest rate since at least 2005. More recently, the county's November 2018 unemployment rate was 3.5 percent (an improvement from 4.5 percent in November 2017), remaining slightly above the state average (3.1 percent), and identical to the national unemployment rate (3.5 percent).

Table 6: Historical Employment Trends

	Lancaster County				Employment Annual Change			Unemployment Rate		
Year	Labor Force	Number Employed	Annual Change	Percent Change	Lancaster County	South Carolina	United States	Lancaster County	South Carolina	United States
2005	29,727	27,241	--	--	--	--	--	8.4%	6.7%	5.1%
2006	30,538	27,787	546	2.0%	2.0%	2.3%	1.9%	9.0%	6.4%	4.6%
2007	29,787	26,932	(855)	-3.1%	-3.1%	1.6%	1.1%	9.6%	5.7%	4.6%
2008	29,582	26,181	(751)	-2.8%	-2.8%	-0.5%	-0.5%	11.5%	6.8%	5.8%
2009	30,340	25,070	(1,111)	-4.2%	-4.2%	-4.3%	-3.8%	17.4%	11.2%	9.3%
2010	33,952	28,955	3,885	15.5%	15.5%	0.2%	-0.6%	14.7%	11.2%	9.6%
2011	34,152	29,600	645	2.2%	2.2%	1.6%	0.6%	13.3%	10.6%	8.9%
2012	34,350	30,478	878	3.0%	3.0%	2.0%	1.9%	11.3%	9.2%	8.1%
2013	34,356	31,165	687	2.3%	2.3%	2.1%	1.0%	9.3%	7.6%	7.4%
2014	35,303	32,763	1,598	5.1%	5.1%	2.7%	1.7%	7.2%	6.4%	6.2%
2015	36,727	34,410	1,647	5.0%	5.0%	2.6%	1.7%	6.3%	6.0%	5.3%
2016	37,589	35,644	1,234	3.6%	3.6%	2.4%	1.7%	5.2%	4.8%	4.9%
2017	39,127	37,308	1,664	4.7%	4.7%	1.2%	1.3%	4.6%	4.3%	4.4%
Nov 2017*	39,356	37,584	---	---	---	---	---	4.5%	4.0%	3.9%
Nov 2018*	39,572	38,202	618	1.6%	1.6%	1.1%	1.9%	3.5%	3.1%	3.5%

Lancaster County				South Carolina		
	Number	Percent	Ann. Avg.		Percent	Ann. Avg.
Change (2005-Present):	**10,961**	**40.2%**	**3.1%**	Change (2005-Present):	**15.9%**	**1.2%**
Change (2010-Present):	**9,247**	**31.9%**	**4.0%**	Change (2010-Present):	**16.8%**	**2.1%**
Change (2015-Present):	**3,792**	**11.0%**	**3.7%**	Change (2015-Present):	**4.7%**	**1.6%**
Change (2005-2010):	**1,714**	**6.3%**	**1.3%**	Change (2005-2010):	**-0.7%**	**-0.1%**
Change (2010-2015):	**5,455**	**18.8%**	**3.8%**	Change (2010-2015):	**11.5%**	**2.3%**

*Monthly data not seasonally adjusted

Figure 1: Employment Growth

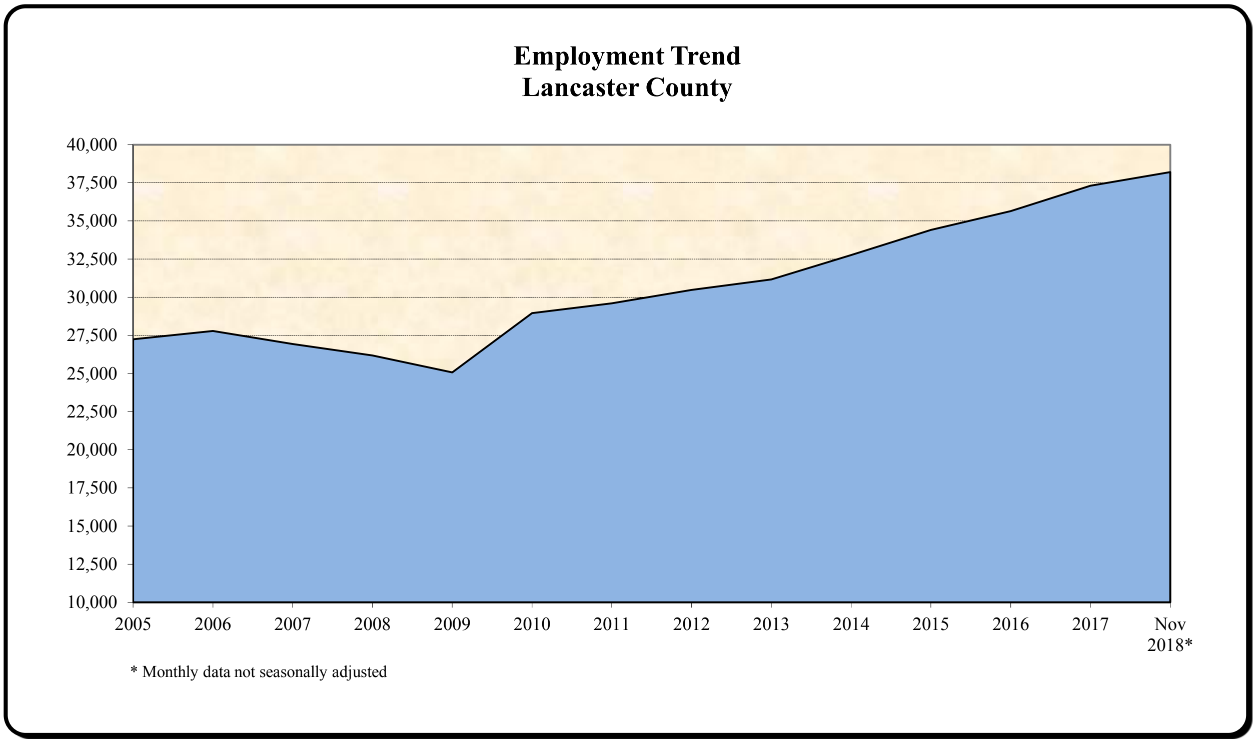
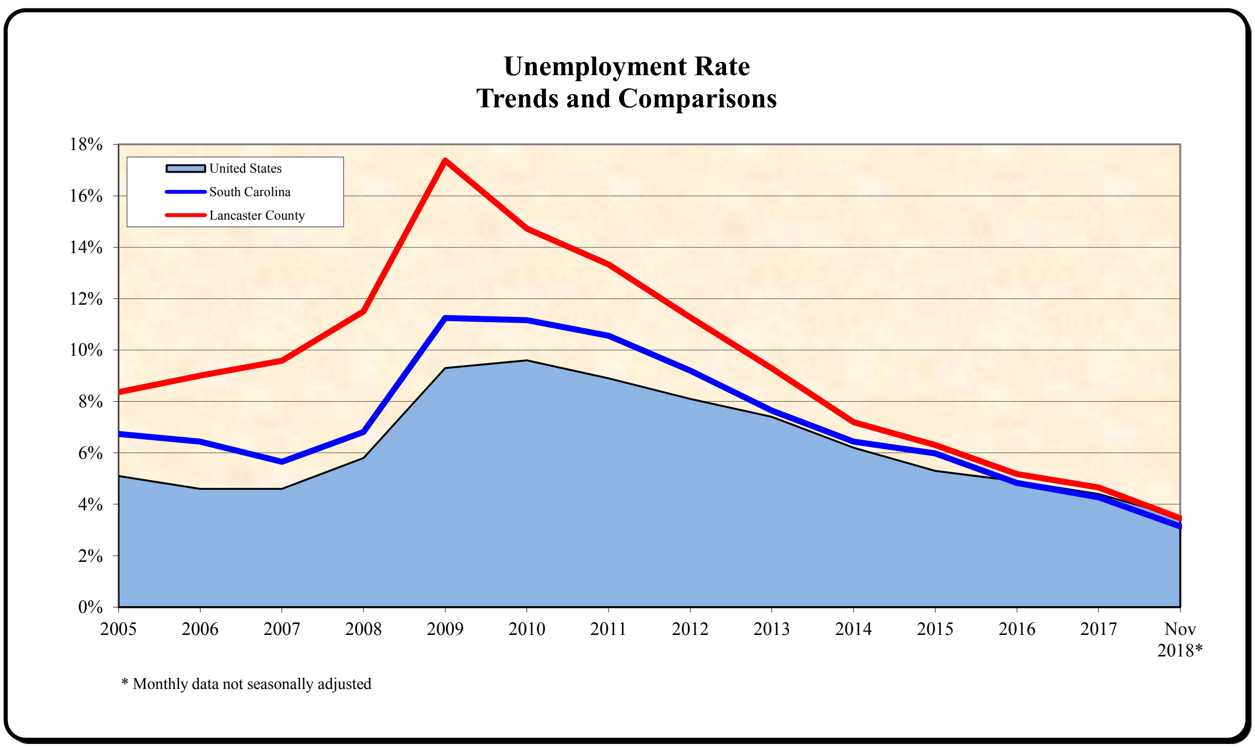
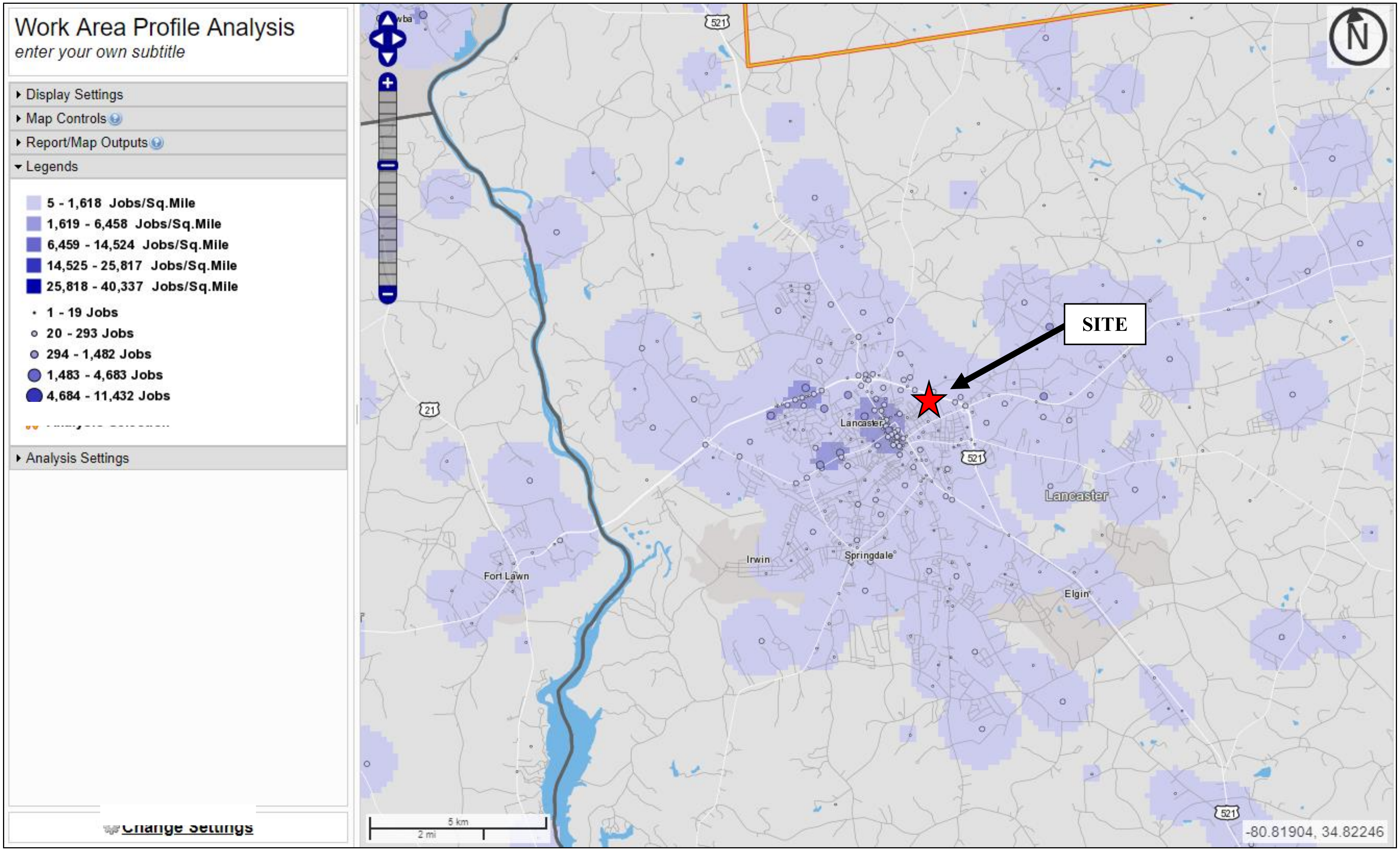


Figure 2: Historical Unemployment Rate



Map 10: Largest Employment Concentrations – Lancaster Area



E. COMMUNITY DEMOGRAPHIC DATA

1. Population Trends

Based on U.S. Census data and ESRI forecasts, much of Lancaster County has experienced relatively positive demographic gains since 2000, including Lancaster proper and the market area. Overall, the PMA had an estimated population of 37,965 persons in 2018, representing an increase of four percent from 2010 (a gain of more than 1,500 persons). Additionally, while the city grew by a similar three percent between 2010 and 2018, Lancaster County as a whole increased by 21 percent.

Future projections indicate continued growth with an estimated increase of five percent anticipated within the PMA between 2018 and 2023 (approximately 2,000 additional persons). Both Lancaster and Lancaster County are also expected to increase by similar rates during this time frame.

Table 7: Population Trends (2000 to 2023)

	2000	2010	2018	2021	2023
City of Lancaster	8,537	8,526	8,863	9,129	9,307
Lancaster PMA	35,380	36,459	37,965	39,157	39,952
Lancaster County	61,351	76,652	93,051	100,295	105,124

	2000-2010 Change	2010-2018 Change	2018-2021 Change	2018-2023 Change
City of Lancaster	-0.1%	4.0%	3.0%	5.0%
Lancaster PMA	3.0%	4.1%	3.1%	5.2%
Lancaster County	24.9%	21.4%	7.8%	13.0%

	2000-2010 Ann. Change	2010-2018 Ann. Change	2018-2021 Ann. Change	2018-2023 Ann. Change
City of Lancaster	0.0%	0.5%	1.0%	1.0%
Lancaster PMA	0.3%	0.5%	1.0%	1.0%
Lancaster County	2.3%	2.5%	2.5%	2.5%

Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC

The largest population group for the PMA in 2010 consisted of persons between the ages of 20 and 44 years, accounting for 31 percent of all persons. In comparison, this age group also represented the largest cohort within both the city and county as a whole. Persons under the age of 20 years also accounted for a relatively large portion of the population in each area. As such, 27 percent of the total population in the PMA was within this age cohort in 2010, while representing similar proportions of the overall city and county populations.

When reviewing distribution patterns between 2000 and 2023, the aging of the population is clearly evident within all three areas analyzed. The proportion of persons under the age of 44 has declined slightly since 2000, and is expected to decrease further through 2023. In contrast, the fastest growing portion of the population base is the older age segments. Within the PMA, persons 55 years and over, which represented 22 percent of the population in 2000, is expected to increase to account for 33 percent of all persons by 2023 – clearly demonstrating the aging of the baby boom generation.

Although decreasing somewhat, the steady percentage of population below the age of 45 seen throughout Lancaster and the PMA (56 percent and 54 percent of all persons in 2023, respectively) signifies positive trends for the subject proposal by continuing to provide a solid base of potential tenants for the subject development.

Table 8: Age Distribution (2000 to 2023)

	City of Lancaster				Lancaster PMA				Lancaster County			
	2010 Number	2000 Percent	2010 Percent	2023 Percent	2010 Number	2000 Percent	2010 Percent	2023 Percent	2010 Number	2000 Percent	2010 Percent	2023 Percent
Under 20 years	**2,423**	28.6%	28.4%	26.4%	**9,972**	28.8%	27.4%	25.2%	**19,684**	28.0%	25.7%	24.3%
20 to 24 years	**584**	6.1%	6.8%	5.4%	**2,274**	5.9%	6.2%	5.0%	**4,114**	6.0%	5.4%	4.5%
25 to 34 years	**1,052**	12.7%	12.3%	12.0%	**4,287**	14.3%	11.8%	11.9%	**9,431**	14.5%	12.3%	11.1%
35 to 44 years	**1,051**	14.1%	12.3%	12.1%	**4,875**	15.2%	13.4%	12.4%	**10,799**	15.7%	14.1%	12.5%
45 to 54 years	**1,058**	12.4%	12.4%	11.5%	**5,108**	13.8%	14.0%	12.4%	**10,641**	13.9%	13.9%	13.0%
55 to 64 years	**969**	9.4%	11.4%	12.2%	**4,613**	9.5%	12.7%	13.2%	**10,246**	9.7%	13.4%	13.4%
65 to 74 years	**723**	8.5%	8.5%	11.1%	**3,012**	6.8%	8.3%	11.4%	**7,218**	6.7%	9.4%	11.9%
75 to 84 years	**474**	6.2%	5.6%	6.6%	**1,653**	4.3%	4.5%	6.5%	**3,362**	4.1%	4.4%	7.3%
85 years and older	**192**	2.0%	2.3%	2.7%	**665**	1.4%	1.8%	2.0%	**1,157**	1.2%	1.5%	1.9%
Under 20 years	**2,423**	28.6%	28.4%	26.4%	**9,972**	28.8%	27.4%	25.2%	**19,684**	28.0%	25.7%	24.3%
20 to 44 years	**2,687**	33.0%	31.5%	29.5%	**11,436**	35.3%	31.4%	29.2%	**24,344**	36.2%	31.8%	28.2%
45 to 64 years	**2,027**	21.8%	23.8%	23.7%	**9,721**	23.3%	26.7%	25.7%	**20,887**	23.6%	27.2%	26.3%
65 years and older	**1,389**	16.6%	16.3%	20.3%	**5,330**	12.5%	14.6%	19.9%	**11,737**	12.1%	15.3%	21.1%
55 years and older	**2,358**	26.0%	27.7%	32.5%	**9,943**	22.0%	27.3%	33.2%	**21,983**	21.8%	28.7%	34.5%
75 years and older	**666**	8.1%	7.8%	9.3%	**2,318**	5.7%	6.4%	8.5%	**4,519**	5.3%	5.9%	9.2%
Non-Elderly (<65)	**7,137**	83.4%	83.7%	79.7%	**31,129**	87.5%	85.4%	80.1%	**64,915**	87.9%	84.7%	78.9%
Elderly (65+)	**1,389**	16.6%	16.3%	20.3%	**5,330**	12.5%	14.6%	19.9%	**11,737**	12.1%	15.3%	21.1%

Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC

2. Household Trends

Similar to population patterns, the Lancaster area has also experienced generally positive household creation since 2000. As such, occupied households within the PMA numbered 14,714 units in 2018, representing an increase of four percent from 2010 (a gain of nearly 525 households). ESRI forecasts for 2023 indicate this number will continue to increase, with forecasted growth of five percent (more than 750 additional households) anticipated between 2018 and 2023. In comparison, the number of households grew at a similar rate within Lancaster since 2010, while the county increased by 22 percent, demonstrating continued demographic growth throughout the region.

Table 9: Household Trends (2000 to 2023)

	2000	2010	2018	2021	2023
City of Lancaster	3,527	3,510	3,636	3,748	3,823
Lancaster PMA	13,732	14,193	14,714	15,172	15,477
Lancaster County	23,178	29,697	36,299	39,188	41,114

	2000-2010 Change	2010-2018 Change	2018-2021 Change	2018-2023 Change
City of Lancaster	-0.5%	3.6%	3.1%	5.1%
Lancaster PMA	3.4%	3.7%	3.1%	5.2%
Lancaster County	28.1%	22.2%	8.0%	13.3%

Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC

Table 10: Average Household Size (2000 to 2023)

	2000	2010	2018	2021	2023
City of Lancaster	2.39	2.40	2.40	2.40	2.40
Lancaster PMA	2.54	2.53	2.54	2.55	2.55
Lancaster County	2.56	2.51	2.51	2.51	2.51

	2000-2010 Change	2010-2018 Change	2018-2021 Change	2018-2023 Change
City of Lancaster	0.4%	0.2%	0.0%	-0.1%
Lancaster PMA	-0.3%	0.6%	0.1%	0.1%
Lancaster County	-2.0%	0.0%	0.0%	0.0%

Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC

Renter-occupied households throughout the market area have also exhibited gains, increasing at rates similar to overall household creation. According to U.S. Census figures and ESRI estimates, a total of 5,034 renter-occupied households are estimated within the PMA for 2018, representing an increase of three percent from 2010 figures (a gain of approximately 135 additional rental units). In addition, a projected increase of four percent (almost 200 additional rental units) is forecast for the PMA between 2018 and 2023.

Overall, a somewhat moderate ratio of renter households exists throughout the Lancaster market area. For the PMA, the renter household percentage was calculated at 34 percent in 2018, notably lower than the city ratio (55 percent), and but greater than the county's renter representation (20 percent).

Table 11: Renter Household Trends (2000 to 2023)

	2000	2010	2018	2021	2023
City of Lancaster	1,673	1,902	1,992	2,042	2,092
Lancaster PMA	4,256	4,901	5,034	5,126	5,220
Lancaster County	5,792	7,257	7,395	7,496	7,614

	2000-2010 Change	2010-2018 Change	2018-2021 Change	2018-2023 Change
City of Lancaster	13.7%	4.7%	2.5%	5.0%
Lancaster PMA	15.2%	2.7%	1.8%	3.7%
Lancaster County	25.3%	1.9%	1.4%	3.0%

	% Renter 2000	% Renter 2010	% Renter 2018	% Renter 2021	% Renter 2023
City of Lancaster	47.4%	54.2%	54.8%	54.5%	54.7%
Lancaster PMA	31.0%	34.5%	34.2%	33.8%	33.7%
Lancaster County	25.0%	24.4%	20.4%	19.1%	18.5%

Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC

As with overall households, renter household sizes for the Lancaster PMA were generally larger than those reported for Lancaster, on average, and more in line with Lancaster County as a whole. Additionally, average renter sizes actually increased over the past decade – from 2.51 persons per rental unit in 2000 to 2.59 persons per unit in 2010. Despite the increase in average size, the majority of units locally contained just one or two persons (57 percent), with three persons occupying 18 percent of units, and 25 percent of units with four or more persons.

Table 12: Rental Units by Size (2010)

	One Person	Two Persons	Three Persons	Four Persons	5 or More Persons	Median Persons Per Rental Unit 2000	Median Persons Per Rental Unit 2010
City of Lancaster	750	430	285	230	207	2.41	2.41
Lancaster PMA	1,574	1,207	886	655	579	2.51	2.59
Lancaster County	2,264	1,815	1,330	993	855	2.51	2.58
	1 Person Percent	**2 Person Percent**	**3 Person Percent**	**4 Person Percent**	**5+ Person Percent**		**Median Change**
City of Lancaster	39.4%	22.6%	15.0%	12.1%	10.9%		0.0%
Lancaster PMA	32.1%	24.6%	18.1%	13.4%	11.8%		3.2%
Lancaster County	31.2%	25.0%	18.3%	13.7%	11.8%		2.8%

Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC

3. Household Income Trends

Income levels throughout the Lancaster area have experienced somewhat modest gains over the past decade. Overall, while the city and PMA recorded annual gains of between one and two percent since 2010, the county increased at a notably greater rate during the same time frame. As such, the median household income for 2018 was estimated at $41,194 for the PMA, which was roughly 40 percent greater than that estimated for the city ($29,661), but 16 percent below the county ($49,251). Furthermore, the PMA figure represents an increase of 15 percent from 2010 (an average annual increase of 1.9 percent), while the county increased at a somewhat greater rate of 3.3 percent annually.

According to ESRI data, the rate of income growth is forecast to improve notably for the PMA through 2023. As such, it is projected that the median income within the market area will increase by 3.3 percent annually between 2018 and 2023.

Table 13: Median Household Incomes (1999 to 2023)

	1999	2010	2018	2021	2023
City of Lancaster	**$28,664**	**$27,488**	**$29,661**	**$32,212**	**$33,913**
Lancaster PMA	**$33,494**	**$35,776**	**$41,194**	**$45,321**	**$48,073**
Lancaster County	**$34,691**	**$38,959**	**$49,251**	**$53,290**	**$55,982**

	1999-2010 Change	2010-2018 Change	2018-2021 Change	2018-2023 Change
City of Lancaster	-4.1%	7.9%	8.6%	14.3%
Lancaster PMA	6.8%	15.1%	10.0%	16.7%
Lancaster County	12.3%	26.4%	8.2%	13.7%

	1999-2010 Ann. Change	2010-2018 Ann. Change	2018-2021 Ann. Change	2018-2023 Ann. Change
City of Lancaster	-0.4%	1.0%	2.9%	2.9%
Lancaster PMA	0.6%	1.9%	3.3%	3.3%
Lancaster County	1.1%	3.3%	2.7%	2.7%

Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC

According to the U.S. Census Bureau, approximately 46 percent of all households within the Lancaster PMA had an annual income of less than $35,000 in 2017 – the portion of the population with the greatest need for affordable housing options. In comparison, a somewhat greater 51 percent of city households also had incomes within this range, while 34 percent of county households had incomes less than $35,000. As such, with nearly one half of all households within the market area earning less than $35,000 per year, additional affordable housing options will likely be well received.

Table 14: Overall Household Income Distribution (2017)

Income Range	City of Lancaster		Lancaster PMA		Lancaster County	
	Number	Percent	Number	Percent	Number	Percent
Less than $10,000	571	17.4%	1,405	10.6%	2,195	7.0%
$10,000 to $14,999	366	11.1%	1,089	8.2%	1,845	5.9%
$15,000 to $19,999	150	4.6%	879	6.6%	1,545	4.9%
$20,000 to $24,999	214	6.5%	1,048	7.9%	2,011	6.4%
$25,000 to $29,999	249	7.6%	681	5.1%	1,482	4.7%
$30,000 to $34,999	131	4.0%	934	7.0%	1,695	5.4%
$35,000 to $39,999	202	6.2%	850	6.4%	2,060	6.6%
$40,000 to $44,999	176	5.4%	536	4.0%	1,487	4.7%
$45,000 to $49,999	107	3.3%	537	4.1%	1,278	4.1%
$50,000 to $59,999	171	5.2%	993	7.5%	2,232	7.1%
$60,000 to $74,999	307	9.3%	1,077	8.1%	3,028	9.6%
$75,000 to $99,999	222	6.8%	1,484	11.2%	4,070	12.9%
$100,000 to $124,999	195	5.9%	811	6.1%	2,313	7.4%
$125,000 to $149,999	40	1.2%	400	3.0%	1,532	4.9%
$150,000 to $199,999	104	3.2%	313	2.4%	1,595	5.1%
$200,000 and Over	79	2.4%	213	1.6%	1,077	3.4%
TOTAL	**3,284**	**100.0%**	**13,250**	**100.0%**	**31,445**	**100.0%**
Less than $34,999	1,681	51.2%	6,036	45.6%	10,773	34.3%
$35,000 to $49,999	485	14.8%	1,923	14.5%	4,825	15.3%
$50,000 to $74,999	478	14.6%	2,070	15.6%	5,260	16.7%
$75,000 to $99,999	222	6.8%	1,484	11.2%	4,070	12.9%
$100,000 and Over	418	12.7%	1,737	13.1%	6,517	20.7%

Source: American Community Survey

Based on the proposed income targeting and rent levels, the key income range for the subject proposal is $16,251 to $36,840 (in current dollars). Utilizing Census information available on household income by tenure, dollar values were inflated to current dollars using the Consumer Price Index calculator from the Bureau of Labor Statistic's website. Based on this data, the targeted income range accounts for a moderate number of low-income households throughout the area. As such, roughly 23 percent of the PMA's owner-occupied household number, and 35 percent of the renter-occupied household figure are within the income-qualified range. Considering the relative density of the PMA, this equates to roughly 4,125 potential income-qualified households for the proposed development, including almost 1,800 income-qualified renter households.

Table 15: Household Income by Tenure – PMA (2021)

Income Range	Number of 2021 Households			Percent of 2021 Households		
	Total	Owner	Renter	Total	Owner	Renter
Less than $5,000	**792**	306	486	**5.1%**	3.0%	9.5%
$5,001 - $9,999	**868**	302	566	**5.5%**	3.0%	11.0%
$10,000 - $14,999	**1,275**	575	700	**8.2%**	5.7%	13.7%
$15,000 - $19,999	**1,004**	686	319	**6.6%**	6.8%	6.2%
$20,000 - $24,999	**1,233**	500	734	**7.9%**	5.0%	14.3%
$25,000 - $34,999	**1,863**	1,104	759	**12.2%**	11.0%	14.8%
$35,000 - $49,999	**2,181**	1,642	539	**14.5%**	16.3%	10.5%
$50,000 - $74,999	**2,333**	1,900	433	**15.6%**	18.9%	8.5%
$75,000 or More	**3,622**	3,032	590	**24.3%**	30.2%	11.5%
Total	**15,172**	**10,046**	**5,126**	**100.0%**	**100.0%**	**100.0%**

Source: U.S. Census of Population and Housing; BLS CPI Calculator; Shaw Research & Consulting

The 2017 American Community Survey shows that approximately 38 percent of all renter households within the PMA are rent-overburdened; that is, they pay more than 35 percent of their incomes on rent and other housing expenses. As such, this data demonstrates that the need for affordable housing is quite apparent in the PMA, and the income-targeting plan proposed for the subject would clearly help to alleviate this issue.

Table 16: Renter Overburdened Households (2017)

Gross Rent as a % of Household Income	City of Lancaster		Lancaster PMA		Lancaster County	
	Number	Percent	Number	Percent	Number	Percent
Total Rental Units	**1,685**	**100.0%**	**4,165**	**100.0%**	**6,631**	**100.0%**
Less than 10.0 Percent	56	3.9%	287	8.2%	378	6.7%
10.0 to 14.9 Percent	75	5.3%	229	6.6%	407	7.3%
15.0 to 19.9 Percent	127	8.9%	272	7.8%	436	7.8%
20.0 to 24.9 Percent	157	11.0%	429	12.3%	727	13.0%
25.0 to 29.9 Percent	268	18.8%	434	12.5%	748	13.3%
30.0 to 34.9 Percent	179	12.6%	505	14.5%	642	11.4%
35.0 to 39.9 Percent	116	8.2%	264	7.6%	437	7.8%
40.0 to 49.9 Percent	87	6.1%	378	10.8%	709	12.6%
50 Percent or More	357	25.1%	686	19.7%	1,128	20.1%
Not Computed	263	--	681	--	1,019	--
35 Percent or More	560	39.4%	1,328	38.1%	2,274	40.5%
40 Percent or More	444	31.2%	1,064	30.5%	1,837	32.7%

Source: U.S. Census Bureau; American Community Survey

F. DEMAND ANALYSIS

1. Demand for Tax Credit Rental Units

Demand calculations for each targeted income level of the subject proposal are illustrated in the following tables. Utilizing SCSHFDA guidelines, demand estimates will be measured from three key sources: household growth, substandard housing, and rent-overburdened households. All demand sources will be income-qualified, based on the targeting plan of the subject proposal and current LIHTC income restrictions as published by SCSHFDA. Demand estimates will be calculated for units designated at each income level targeted in the subject proposal – in this case, at 50 percent and 60 percent of AMI. As such, calculations will be based on the starting rental rate, a 35 percent rent-to-income ratio, and a maximum income of $36,840 (the 5-person income limit at 60 percent AMI for Lancaster County). The resulting overall income-eligibility range (expressed in current-year dollars) for each targeted income level is as follows:

	Minimum	Maximum
50 percent of AMI	$16,251	$30,700
60 percent of AMI	$19,886	$36,840
Overall	**$16,251**	**$36,840**

By applying the income-qualified range and 2021 household forecasts to the current-year household income distribution by tenure (adjusted from 2010 data based on the Labor Statistics' Consumer Price Index), the number of income-qualified households can be calculated. As a result, 35 percent of all renter households within the PMA are estimated to fall within the stated LIHTC qualified income range. More specifically, 27 percent of all renter households are income-qualified for units at 50 percent of AMI, while 31 percent of renters are income-eligible for units restricted at 60 percent of AMI.

Based on U.S. Census data and projections from ESRI, approximately 92 additional renter households are anticipated within the PMA between 2018 and 2021. By applying the income-qualified percentage to the overall eligible figure, a demand for 32 tax credit rental units can be calculated as a result of new rental household growth.

Using U.S. Census data on substandard rental housing, it is estimated that approximately six percent of all renter households within the PMA could be considered substandard, either by overcrowding (a greater than 1-to-1 ratio of persons to rooms) or incomplete plumbing facilities (a unit that lacks at least a sink, bathtub, or toilet). Applying this figure, along with the renter propensity and income-qualified percentage, to the number of households currently present in 2010 (the base year utilized within the demand calculations), the tax credit demand resulting from substandard units is calculated at 109 units within the PMA.

And lastly, potential demand for the subject proposal may also arise from those households experiencing rent-overburden, defined by households paying greater than 35 percent of monthly income for rent. Excluding owner-occupied units, an estimate of market potential for the subject proposal based on American Housing Survey data on rent-overburdened households paying more than 35 percent of monthly income for rent is calculated. Using information contained within the American Housing Survey, the percentage of renter households within this overburdened range is reported at approximately 38 percent. Applying this rate to the number of renter households yields a total demand of 655 additional units as a result of rent overburden.

There have been no comparable LIHTC properties within the Lancaster PMA that have been allocated credits or placed in service since 2018, or are currently under construction. As such, no units need to be deducted from the sources of demand listed previously. Combining all above factors results in an overall senior demand of 797 LIHTC units for 2021.

Calculations by individual bedroom size are also provided utilizing the same methodology. As such, it is clear that sufficient demand exists for the project and each unit type proposed. Therefore, an additional rental housing option for low-income households should receive a positive response due to the positive demographic growth and demand forecasts for the Lancaster area, as well as strong occupancy levels within existing local affordable rental developments.

Table 17: Demand Calculation – by Income Targeting

2010 Total Occupied Households	**14,193**			
2010 Owner-Occupied Households	**9,292**			
2010 Renter-Occupied Households	**4,901**			
		Income Targeting		
		50% AMI	**60% AMI**	**Total LIHTC**
QUALIFIED-INCOME RANGE				
Minimum Annual Income		$16,251	$19,886	**$16,251**
Maximum Annual Income		$30,700	$36,840	**$36,840**
DEMAND FROM NEW HOUSEHOLD GROWTH				
Renter Household Growth, 2018-2021		92	92	**92**
Percent Income Qualified Renter Households		27.4%	30.6%	**35.1%**
Total Demand From New Households		**25**	**28**	**32**
DEMAND FROM EXISTING HOUSEHOLDS				
Percent of Renters in Substandard Housing		6.4%	6.4%	**6.4%**
Percent Income Qualified Renter Households		27.4%	30.6%	**35.1%**
Total Demand From Substandard Renter HHs		**85**	**95**	**109**
Percent of Renters Rent-Overburdened		38.1%	38.1%	**38.1%**
Percent Income Qualified Renter Households		27.4%	30.6%	**35.1%**
Total Demand From Overburdened Renter HHs		**512**	**571**	**655**
Total Demand From Existing Households		**598**	**666**	**765**
TOTAL DEMAND		**623**	**694**	**797**
LESS: Total Comparable Activity Since 2018		0	0	**0**
TOTAL NET DEMAND		**623**	**694**	**797**
PROPOSED NUMBER OF UNITS		**8**	**32**	**40**
CAPTURE RATE		**1.3%**	**4.6%**	**5.0%**

Note: Totals may not sum due to rounding

Table 18: Demand Calculation – by Bedroom Size

2010 Total Occupied Households	**14,193**
2010 Owner-Occupied Households	**9,292**
2010 Renter-Occupied Households	**4,901**

	One-Bedroom Units			Two-Bedroom Units			Three-Bedroom Units		
	50% AMI	60% AMI	Total LIHTC	50% AMI	60% AMI	Total LIHTC	50% AMI	60% AMI	Total LIHTC
QUALIFIED-INCOME RANGE									
Minimum Annual Income	$16,251	$19,886	**$16,251**	$19,337	$23,726	**$19,337**	$22,114	$26,846	**$22,114**
Maximum Annual Income	$22,750	$27,300	**$27,300**	$25,600	$30,720	**$30,720**	$30,700	$36,840	**$36,840**
DEMAND FROM NEW HOUSEHOLD GROWTH									
Renter Household Growth, 2018-2021	92	92	**92**	92	92	**92**	92	92	**92**
Percent Income Qualified Renter Households	13%	18%	**22%**	16%	12%	**24%**	17%	13%	**24%**
Total Demand From New Households	**12**	**16**	**21**	**15**	**11**	**22**	**15**	**12**	**22**
DEMAND FROM EXISTING HOUSEHOLDS									
Percent of Renters in Substandard Housing	6.4%	6.4%	**6.4%**	6.4%	6.4%	**6.4%**	6.4%	6.4%	**6.4%**
Percent Income Qualified Renter Households	13%	18%	**22%**	16%	12%	**24%**	17%	13%	**24%**
Total Demand From Substandard Renter HHs	**39**	**56**	**70**	**50**	**38**	**74**	**52**	**42**	**76**
Percent of Renters Rent-Overburdened	38.1%	38.1%	**38.1%**	38.1%	38.1%	**38.1%**	38.1%	38.1%	**38.1%**
Percent Income Qualified Renter Households	13%	18%	**22%**	16%	12%	**24%**	17%	13%	**24%**
Total Demand From Overburdened Renter HHs	**234**	**334**	**418**	**299**	**226**	**441**	**312**	**250**	**455**
Total Demand From Existing Households	**273**	**389**	**488**	**349**	**264**	**515**	**364**	**291**	**531**
TOTAL DEMAND	**285**	**406**	**508**	**364**	**275**	**536**	**379**	**304**	**553**
LESS: Total Comparable Activity Since 2018	0	0	**0**	0	0	**0**	0	0	**0**
TOTAL NET DEMAND	**285**	**406**	**508**	**364**	**275**	**536**	**379**	**304**	**553**
PROPOSED NUMBER OF UNITS	2	6	**8**	4	24	**28**	2	2	**4**
CAPTURE RATE	**0.7%**	**1.5%**	**1.6%**	**1.1%**	**8.7%**	**5.2%**	**0.5%**	**0.7%**	**0.7%**

Note: Totals may not sum due to rounding

2. Capture and Absorption Rates

Utilizing information from the demand forecast calculations, capture rates provide an indication of the percentage of annual income-qualified demand necessary for the successful absorption of the subject property. An overall capture rate of 5.0 percent was determined based on the demand calculation (including renter household growth, substandard and/or overburdened units among existing renter households, utilizing larger renter households, and excluding any comparable activity since 2018), providing an indication of the overall general market depth for the subject proposal. More specifically, the capture rate for units restricted at 50 percent AMI was calculated at 1.3 percent, while the 60 percent AMI capture rate was at 4.6 percent. As such, these capture rates clearly provide an extremely positive indication of the need for affordable rental options locally, and are well within acceptable industry thresholds and should be considered a positive factor.

Taking into consideration the overall occupancy rates for the Lancaster PMA, especially the strength of the affordable rental market and waiting lists at most existing LIHTC developments, the overall absorption period to reach 93 percent occupancy is conservatively estimated at five to six months. This determination also takes into consideration a market entry in late 2020/early 2021; a minimum of 20 percent of units pre-leased; and assumes all units will enter the market at approximately the same time. Based on this information, no market-related concerns are present.

G. SUPPLY/COMPARABLE RENTAL ANALYSIS

1. Lancaster PMA Rental Market Characteristics

As part of the rental analysis for the Lancaster area, a survey of existing rental projects within the Lancaster primary market area was completed by Shaw Research & Consulting in December 2018 and January 2019. It should be noted that due to the generally limited number of market rate developments within the PMA, several properties within neighboring Rock Hill were also included in the survey. As such, a total of 14 apartment properties were identified and questioned for information such as current rental rates, amenities, and vacancy levels. Results from the survey provide an indication of overall market conditions throughout the area, and are discussed below and illustrated on the following pages.

Considering the developments responding to our survey, a total of 1,313 units were reported, with the majority of units containing two bedrooms. Among the properties providing a specific unit breakdown, 29 percent of all units had one bedroom, 57 percent had two bedrooms, and 14 percent of units contained three bedrooms. There were no studio/efficiency or four-bedroom units reported in the survey. The average age of the rental properties was 21 years old (an average build/rehab date of 1998), with three properties built or rehabbed since 2010 – including two tax credit developments. In addition, a total of eight facilities reported to have some sort of income eligibility requirements – with six tax credit developments and two Rural Development projects.

Overall conditions for the Lancaster rental market appear to be extremely positive at the current time. Among the properties included in the survey, the overall occupancy rate was calculated at 96.4 percent. Including only developments located within Lancaster proper, an occupancy rate of 99.4 percent was determined – with all 11 properties at 97 percent occupancy or better. When breaking down occupancy rates by financing type of projects in Lancaster, the three market rate developments averaged 99.5 percent occupied, the six tax credit properties were a combined 99.2 percent occupied, and the two Rural Development projects were 100 percent occupied – clearly reflective of generally strong conditions for all types of rental options, affordable and market rate.

2. Comparable Rental Market Characteristics

Considering the subject property will be developed utilizing tax credits, Shaw Research has identified six tax credit facilities within the PMA as being most comparable. According to survey results, the combined occupancy rate for these developments was calculated at 99.2 percent, with five of the six properties reporting a waiting list. Detailed results on rent levels and unit sizes are also illustrated in the tables on the following pages - the average LIHTC rent for a one-bedroom unit was calculated at $459 per month with an average size of 796 square feet – the resulting average rent per square foot ratio is $0.58. Further, the average tax credit rent for a two-bedroom unit was $501 with an average size of 957 square feet (an average rent per square foot ratio of $0.52), while three-bedroom units averaged $571 and 1,140 square feet ($0.50 per square foot).

The most recent family LIHTC development within Lancaster opened in 2013, and has been quite successful: **Cottages at Azalea Apartments** (consisting of 48 one, two, and three-bedroom units) was fully leased in approximately two months, and is now 100 percent occupied with a waiting list, demonstrating the strong demand for affordable rental housing locally.

In comparison to other tax credit properties and taking into account utilities (the subject will include water/sewer, whereas most LIHTC projects do not), the subject proposal's rental rates overall are quite competitive. As such, the proposed rents are less than four percent higher than the 60 percent AMI average, with competitive unit sizes. As such, the subject's rent-per-square foot ratios are generally competitive with other LIHTC developments, especially considering it will be the newest and most modern property locally.

From a market standpoint, it is evident that sufficient demand is present for the development of additional affordable tax credit units targeting low-income family households. However, based on prevailing rental rates and income levels, the rent structure is crucial for the long-term viability of any new rental development. As such, considering unit sizes, amenity levels, and rent-per-square foot ratios, the proposed rental rates within the subject are appropriate and achievable for the local rental market, and should be considered a positive factor.

3. Comparable Pipeline Units

According to SCSHFDA information and local government officials, there are no comparable LIHTC rental developments proposed or under construction within the Lancaster PMA at the current time.

4. Impact on Existing Tax Credit Properties

Based on the strong occupancy rates among rental properties located within the Lancaster PMA (at 96.4 percent overall, and 99.2 percent among LIHTC developments), and also taking into account the rapid absorption of the most recent family tax credit project (Cottages at Azalea), the construction of the proposal will not have any adverse impact on existing rental properties or those presently under construction – either affordable or market rate. Considering future demographic growth anticipated for the PMA, as well as the positive characteristics of the immediate area, affordable housing will undoubtedly continue to be in demand locally.

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5. Competitive Environment

According to Realtor.com, price points are relatively affordable within the immediate area as compared to previous years. However, considering current economic conditions throughout the state and region, home-ownership (especially those homes needing monetary improvement) is not a viable alternative to a large percentage of households in the PMA, especially among the target market for the subject development who have generally lower incomes and a greater likelihood of having credit issues and/or require some level of assistance for housing expenses. As such, the subject will have limited competition with home-ownership options.

Table 19: Rental Housing Survey - Overall

Project Name	Year Built/ Rehab	Total Units	Studio/ Eff.	1 BR	2 BR	3 BR	4 BR	Heat Incl.	W/S Incl.	Elect. Incl.	Occup. Rate	Type	Location
Cottages at Azalea	2013	48	0	8	24	16	0	No	Yes	No	**98%**	Open	Lancaster
Dalton Ridge Apts	1976	87	0	7	66	14	0	No	No	No	**99%**	Open	Lancaster
Knolwood Apts	2017	88	0	36	52	0	0	No	No	No	**100%**	Open	Lancaster
Miller Grove Apts	2007	48	0	8	28	12	0	No	No	No	**100%**	Open	Lancaster
Millers Ridge Apts	2001	72	0	0	NA	NA	0	No	No	No	**97%**	Open	Lancaster
Northwest Apts	2007	72	0	8	56	8	0	No	No	No	**100%**	Open	Lancaster
Oakhaven Apts	1971	68	0	NA	NA	NA	0	No	No	No	**100%**	Open	Lancaster
Old Hickory Apts	NA	32	0	8	24	0	0	No	No	No	**100%**	Open	Lancaster
Sycamore Run Apts	2003	48	0	0	32	16	0	No	No	No	**100%**	Open	Lancaster
Woodcreek Apts	1986	56	0	16	50	0	0	No	No	No	**100%**	Open	Lancaster
Woodhaven Apts	1971	52	0	0	NA	NA	0	No	No	No	**100%**	Open	Lancaster
Cowan Farms Apts	2003	248	0	104	104	40	0	No	No	No	**93%**	Open	Rock Hill
Cushendall Commons	2001	168	0	66	78	24	0	No	No	No	**95%**	Open	Rock Hill
Waterford Terrace	2015	226	0	NA	NA	NA	0	No	No	No	**92%**	Open	Rock Hill
Totals and Averages	**1998**	**1,313**	**0**	**261**	**514**	**130**	**0**			**Overall Occupancy:**	**96.4%**		
Unit Distribution			**0%**	**29%**	**57%**	**14%**	**0%**			**Lancaster Only:**	**99.4%**		
SUBJECT PROJECT													
Abbington Willow Lake Apts	**2021**	**40**	**0**	**8**	**28**	**4**	**0**	**No**	**Yes**	**No**		**Open**	**Lancaster**
SUMMARY													

	Number of Dev.	Year Built/ Rehab	Total Units	Studio/ Eff.	1BR	2BR	3BR	4BR	Overall Occup.	Lancaster Only
Total Developments	**14**	**1998**	**1,313**	**0**	**261**	**514**	**130**	**0**	**96.4%**	**99.4%**
Market Rate Only	**6**	**1990**	**849**	**0**	**177**	**248**	**78**	**0**	**94.8%**	**99.5%**
LIHTC Only	**6**	**2008**	**376**	**0**	**60**	**192**	**52**	**0**	**99.2%**	**99.2%**
Rural Development	**2**	**1986**	**88**	**0**	**24**	**74**	**0**	**0**	**100.0%**	**100.0%**

Note: Shaded Properties are LIHTC

Table 20: Rent Range for 1 & 2 Bedrooms - Overall

Project Name	Program	PBRA Units	1BR Rent LOW	1BR Rent HIGH	1BR Square Feet LOW	1BR Square Feet HIGH	Rent per Square Foot Range		2BR Rent LOW	2BR Rent HIGH	2BR Square Feet LOW	2BR Square Feet HIGH	Rent per Square Foot Range	
Cottages at Azalea	LIHTC	0	$490	$530	891		$0.55	$0.59	$530	$565	1,101		$0.48	$0.51
Dalton Ridge Apts	Market	0	$625		900		$0.69	$0.69	$650	$665	1,050	1,100	$0.59	$0.63
Knolwood Apts	LIHTC	0	$461	$490					$490	$520				
Miller Grove Apts	LIHTC	0	$378	$383	700		$0.54	$0.55	$437	$508	908		$0.48	$0.56
Millers Ridge Apts	LIHTC	0							$485	$585	905		$0.54	$0.65
Northwest Apts	LIHTC	0	$440	$496					$465	$521				
Oakhaven Apts	Market	0	$645	$745	754	900	$0.72	$0.99	$775	$890	1,000	1,260	$0.62	$0.89
Old Hickory Apts	RD	0	$465						$495					
Sycamore Run Apts	LIHTC	0							$435	$475	915		$0.48	$0.52
Woodcreek Apts	RD	0	$462						$531					
Woodhaven Apts	Market	0							$675		1,000	1,260	$0.54	$0.68
Cowan Farms Apts	Market	0	$835	$855	750		$1.11	$1.14	$955	$965	960		$0.99	$1.01
Cushendall Commons	Market	0	$895	$905	838		$1.07	$1.08	$985	$1,030	1,067	1,109	$0.89	$0.97
Waterford Terrace	Market	0	$879		759		$1.16	$1.16	$1,059		1,108		$0.96	$0.96
Totals and Averages		**0**		**$610**		**812**		**$0.75**		**$654**		**1,053**		**$0.62**
SUBJECT PROPERTY														
Abbington Willow Lake Apts	**LIHTC**	**0**	**$415**	**$521**	**750**	**750**	**$0.55**	**$0.69**	**$488**	**$616**	**950**	**950**	**$0.51**	**$0.65**
SUMMARY														
Overall				**$610**		**812**		**$0.75**		**$654**		**1,053**		**$0.62**
Market Rate Only				**$798**		**817**		**$0.98**		**$865**		**1,091**		**$0.79**
LIHTC Only				**$459**		**796**		**$0.58**		**$501**		**957**		**$0.52**
Rural Development				**$464**		**NA**		**NA**		**$513**		**NA**		**NA**

Note: Shaded Properties are LIHTC

Table 21: Rent Range for 3 & 4 Bedrooms - Overall

Project Name	Program	3BR Rent LOW	3BR Rent HIGH	3BR Square Feet LOW	3BR Square Feet HIGH	Rent per Square Foot Range		4BR Rent LOW	4BR Rent HIGH	4BR Square Feet LOW	4BR Square Feet HIGH	Rent per Square Foot Range	
Cottages at Azalea	LIHTC	$600	$635	1,307		$0.46	$0.49						
Dalton Ridge Apts	Market	$715		1,400		$0.51	$0.51						
Knolwood Apts	LIHTC												
Miller Grove Apts	LIHTC	$498	$603	1,046		$0.48	$0.58						
Millers Ridge Apts	LIHTC	$660		1,107		$0.60	$0.60						
Northwest Apts	LIHTC	$520	$576										
Oakhaven Apts	Market	$875	$995	1,250	1,780	$0.49	$0.80						
Old Hickory Apts	RD												
Sycamore Run Apts	LIHTC	$495	$555	1,100		$0.45	$0.50						
Woodcreek Apts	RD												
Woodhaven Apts	Market	$775		1,350		$0.57	$0.57						
Cowan Farms Apts	Market	$1,145		1,186		$0.97	$0.97						
Cushendall Commons	Market	$1,180	$1,195	1,295		$0.91	$0.92						
Waterford Terrace	Market	$1,229		1,182		$1.04	$1.04						
Totals and Averages			**$779**		**1,273**		**$0.61**		**NA**		**NA**		**NA**
SUBJECT PROPERTY													
Abbington Willow Lake Apts	**LIHTC**	**$552**	**$690**	**1,100**	**1,100**	**$0.50**	**$0.63**		**NA**		**NA**		**NA**
SUMMARY													
Overall			**$779**		**1,273**		**$0.61**		**NA**		**NA**		**NA**
Market Rate Only			**$1,014**		**1,349**		**$0.75**		**NA**		**NA**		**NA**
LIHTC Only			**$571**		**1,140**		**$0.50**		**NA**		**NA**		**NA**
Rural Development			**NA**		**NA**		**NA**		**NA**		**NA**		**NA**

Note: Shaded Properties are LIHTC

Table 22a: Project Amenities - Overall

Project Name	Heat Type	Central Air	Wall A/C	Garbage Disposal	Dish Washer	Microwave	Ceiling Fan	Walk-in Closet	Mini Blinds	Patio/ Balcony	Club/ Comm. Room	Computer Center	Exercise Room
Cottages at Azalea	ELE	Yes	No	No	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes
Dalton Ridge Apts	ELE	Yes	No	Yes	Yes	No	Yes	No	Yes	Yes	Yes	No	Yes
Knolwood Apts	ELE	Yes	No	No	No	No	No	No	Yes	2BR	No	No	No
Miller Grove Apts	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Millers Ridge Apts	ELE	Yes	No	No	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No
Northwest Apts	ELE	Yes	No	No	Yes	No	Yes	Yes	Yes	No	No	No	No
Oakhaven Apts	ELE	Yes	No	Yes	Yes	No	Some	Some	Yes	Yes	Yes	No	Yes
Old Hickory Apts	ELE	Yes	No	No	No	No	Yes	Yes	Yes	No	No	No	No
Sycamore Run Apts	ELE	Yes	No	No	Yes	No	No	Yes	Yes	Yes	Yes	No	No
Woodcreek Apts	ELE	Yes	No	No	No	No	No	Yes	Yes	No	No	No	No
Woodhaven Apts	ELE	Yes	No	Yes	Yes	No	Some	Some	Yes	Yes	Yes	No	Yes
Cowan Farms Apts	ELE	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes
Cushendall Commons	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Waterford Terrace	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
Totals and Averages	--	**100%**	**0%**	**50%**	**79%**	**21%**	**79%**	**86%**	**100%**	**79%**	**71%**	**14%**	**50%**
SUBJECT PROJECT													
Abbington Willow Lake Apts	**ELE**	**Yes**	**No**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**No**
SUMMARY													
Overall	--	**100%**	**0%**	**50%**	**79%**	**21%**	**79%**	**86%**	**100%**	**79%**	**71%**	**14%**	**50%**
Market Rate Only	--	**100%**	**0%**	**100%**	**100%**	**33%**	**100%**	**83%**	**100%**	**100%**	**100%**	**17%**	**100%**
LIHTC Only	--	**100%**	**0%**	**17%**	**83%**	**17%**	**67%**	**83%**	**100%**	**83%**	**67%**	**17%**	**17%**
Rural Development	--	**100%**	**0%**	**0%**	**0%**	**0%**	**50%**	**100%**	**100%**	**0%**	**0%**	**0%**	**0%**

Note: Shaded Properties are LIHTC

Table 22b: Project Amenities - Overall

Project Name	Pool	Playground	Gazebo	Exterior Storage	Sports Courts	On-Site Mgt	Security Gate	Security Intercom	Coin Op Laundry	Laundry Hookup	In-unit Laundry	Carport	Garage
Cottages at Azalea	No	Yes	Yes	Yes	No	Yes	No	No	Yes	Yes	No	No	No
Dalton Ridge Apts	No	Yes	No	Yes	Yes	Yes	No	No	Yes	Yes	No	No	No
Knolwood Apts	No	Yes	No	2BR	No	Yes	No	No	Yes	2BR	No	No	No
Miller Grove Apts	No	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	No	No	No
Millers Ridge Apts	No	Yes	No	Yes	No	Yes	No	No	Yes	Yes	No	No	No
Northwest Apts	No	Yes	No	Yes	No	Yes	No	Yes	Yes	No	No	No	No
Oakhaven Apts	Yes	Yes	No	No	Yes	Yes	No	No	Yes	Yes	No	No	No
Old Hickory Apts	No	Yes	No	Yes	No	Yes	No	No	Yes	Yes	No	No	No
Sycamore Run Apts	No	Yes	Yes	Yes	No	Yes	No	No	Yes	Yes	No	No	No
Woodcreek Apts	No	Yes	No	No	No	Yes	No	No	Yes	No	No	No	No
Woodhaven Apts	Yes	Yes	No	Yes	Yes	Yes	No	No	Yes	No	No	No	No
Cowan Farms Apts	Yes	No	No	Yes	No	Yes	No	No	No	Yes	No	No	No
Cushendall Commons	Yes	No	No	Yes	No	Yes	No	No	No	Yes	No	No	No
Waterford Terrace	Yes	No	No	Yes	No	Yes	No	No	No	Yes	No	No	No
Totals and Averages	**36%**	**79%**	**21%**	**86%**	**21%**	**100%**	**0%**	**14%**	**79%**	**79%**	**0%**	**0%**	**0%**
SUBJECT PROJECT													
Abbington Willow Lake Apts	**No**	**Yes**	**Yes**	**No**	**No**	**Yes**	**No**	**No**	**Yes**	**Yes**	**No**	**No**	**No**
SUMMARY													
Overall	**36%**	**79%**	**21%**	**86%**	**21%**	**100%**	**0%**	**14%**	**79%**	**79%**	**0%**	**0%**	**0%**
Market Rate Only	**83%**	**50%**	**0%**	**83%**	**50%**	**100%**	**0%**	**0%**	**50%**	**83%**	**0%**	**0%**	**0%**
LIHTC Only	**0%**	**100%**	**50%**	**100%**	**0%**	**100%**	**0%**	**33%**	**100%**	**83%**	**0%**	**0%**	**0%**
Rural Development	**0%**	**100%**	**0%**	**50%**	**0%**	**100%**	**0%**	**0%**	**100%**	**50%**	**0%**	**0%**	**0%**

Note: Shaded Properties are LIHTC

Table 23: Other Information - Overall

Project Name	Address	City	Telephone Number	Contact	On-Site Mgt	Waiting List	Concessions/Other	Survey Date
Cottages at Azalea	100 Pond Ridge Ln	Lancaster	(803) 283-6160	Terry	Yes	7 Names	None	21-Dec-18
Dalton Ridge Apts	581 Dalton Ridge Dr	Lancaster	(803) 286-9776	NA	Yes	NA	None	17-Dec-18
Knolwood Apts	265 Knolwood Apts Dr.	Lancaster	(803) 285-6782	Rachel	Yes	5 Names	None	21-Dec-18
Miller Grove Apts	2017 Miller St.	Lancaster	(803) 283-3498	Tymyka	Yes	13 Names	None	13-Feb-19
Millers Ridge Apts	1000 Millers Ridge Lane	Lancaster	(803) 313-5980	Mary	Yes	8 Names	None	21-Dec-18
Northwest Apts	3058 NW Apt Drive	Lancaster	(803) 286-4822	Amanda	Yes	11 Names	None	21-Dec-18
Oakhaven Apts	455 Colonial Ave	Lancaster	(803) 286-2185	Sandy	Yes	60+ Names*	None	28-Dec-18
Old Hickory Apts	1005 Hickory Hill Rd	Lancaster	803-286-4822	Amanda	Yes	6 Names	None	21-Dec-18
Sycamore Run Apts	3038 Miller St.	Lancaster	(803) 285-4850	Gayle	Yes	No	None	3-Jan-19
Woodcreek Apts	1015 Woodcreek Apts Dr.	Lancaster	(803) 285-4435	Jackie	Yes	Yes	None	3-Jan-19
Woodhaven Apts	456 Colonial Ave	Lancaster	(803) 286-2185	Sandy	Yes	60+ Names*	None	28-Dec-18
Cowan Farms Apts	1310 Cypress Point Dr.	Rock Hill	803-329-9978	John	Yes	No	$200 off 1st month	4-Jan-19
Cushendall Commons	819 Arklow Dr.	Rock Hill	803-328-1980	Linsay	Yes	No	None	4-Jan-19
Waterford Terrace	323 Carmen Way	Rock Hill	803-567-3454	Chelsea	Yes	No	None	4-Jan-19

*Note: Oakhaven Apts and Woodhaven Apts share waiting list.

Note: Shaded Properties are LIHTC

Table 24: Rental Housing Survey – Comparable/LIHTC

Project Name	Year Built/ Rehab	Total Units	Studio/ Eff.	1 BR	2 BR	3 BR	4 BR	Heat Incl.	W/S Incl.	Elect. Incl.	Occup. Rate	Type	Location
Cottages at Azalea	2013	48	0	8	24	16	0	No	Yes	No	**98%**	Open	Lancaster
Knolwood Apts	2017	88	0	36	52	0	0	No	No	No	**100%**	Open	Lancaster
Miller Grove Apts	2007	48	0	8	28	12	0	No	No	No	**100%**	Open	Lancaster
Millers Ridge Apts	2001	72	0	0	NA	NA	0	No	No	No	**97%**	Open	Lancaster
Northwest Apts	2007	72	0	8	56	8	0	No	No	No	**100%**	Open	Lancaster
Sycamore Run Apts	2003	48	0	0	32	16	0	No	No	No	**100%**	Open	Lancaster
Totals and Averages	**2008**	**376**	**0**	**60**	**192**	**52**	**0**			**Overall Occupancy:**	**99.2%**		
Unit Distribution			**0%**	**20%**	**63%**	**17%**	**0%**						
SUBJECT PROJECT													
Abbington Willow Lake Apts	**2021**	**40**	**0**	**8**	**28**	**4**	**0**	**No**	**Yes**	**No**		**Open**	**Lancaster**

Table 25: Rent Range for 1 & 2 Bedrooms – Comparable/LIHTC

Project Name	Program	PBRA Units	1BR Rent LOW	1BR Rent HIGH	1BR Square Feet LOW	1BR Square Feet HIGH	Rent per Square Foot Range		2BR Rent LOW	2BR Rent HIGH	2BR Square Feet LOW	2BR Square Feet HIGH	Rent per Square Foot Range	
Cottages at Azalea	LIHTC	0	$490	$530	891		$0.55	$0.59	$530	$565	1,101		$0.48	$0.51
Knolwood Apts	LIHTC	0	$461	$490					$490	$520				
Miller Grove Apts	LIHTC	0	$378	$383	700		$0.54	$0.55	$437	$508	908		$0.48	$0.56
Millers Ridge Apts	LIHTC	0							$485	$585	905		$0.54	$0.65
Northwest Apts	LIHTC	0	$440	$496					$465	$521				
Sycamore Run Apts	LIHTC	0							$435	$475	915		$0.48	$0.52
Totals and Averages		**0**		**$459**		**796**		**$0.58**		**$501**		**957**		**$0.52**
SUBJECT PROPERTY														
Abbington Willow Lake Apts	**LIHTC**	**0**	**$415**	**$521**	**750**	**750**	**$0.55**	**$0.69**	**$488**	**$616**	**950**	**950**	**$0.51**	**$0.65**

Table 26: Rent Range for 3 & 4 Bedrooms – Comparable/LIHTC

Project Name	Program	3BR Rent LOW	3BR Rent HIGH	3BR Square Feet LOW	3BR Square Feet HIGH	Rent per Square Foot Range		4BR Rent LOW	4BR Rent HIGH	4BR Square Feet LOW	4BR Square Feet HIGH	Rent per Square Foot Range
Cottages at Azalea	LIHTC	$600	$635	1,307		$0.46	$0.49					
Knolwood Apts	LIHTC											
Miller Grove Apts	LIHTC	$498	$603	1,046		$0.48	$0.58					
Millers Ridge Apts	LIHTC	$660		1,107		$0.60	$0.60					
Northwest Apts	LIHTC	$520	$576									
Sycamore Run Apts	LIHTC	$495	$555	1,100		$0.45	$0.50					
Totals and Averages			**$571**		**1,140**		**$0.50**		**NA**		**NA**	**NA**
SUBJECT PROPERTY												
Abbington Willow Lake Apts	**LIHTC**	**$552**	**$690**	**1,100**	**1,100**	**$0.50**	**$0.63**		**NA**		**NA**	**NA**

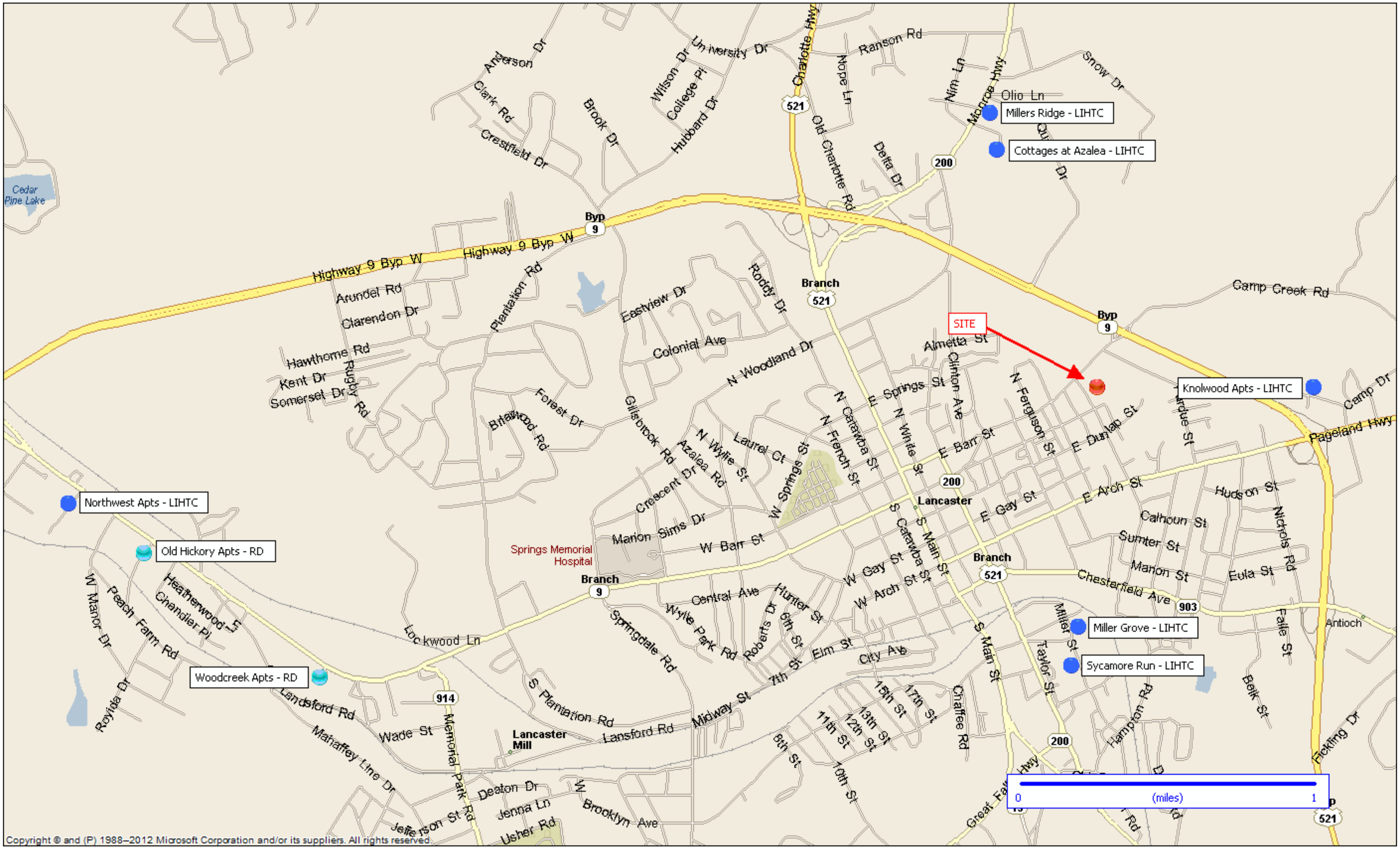
Table 27a: Project Amenities – Comparable/LIHTC

Project Name	Heat Type	Central Air	Wall A/C	Garbage Disposal	Dish Washer	Microwave	Ceiling Fan	Walk-in Closet	Mini Blinds	Patio/ Balcony	Club/ Comm. Room	Computer Center	Exercise Room
Cottages at Azalea	ELE	Yes	No	No	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes
Knolwood Apts	ELE	Yes	No	No	No	No	No	No	Yes	2BR	No	No	No
Miller Grove Apts	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Millers Ridge Apts	ELE	Yes	No	No	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No
Northwest Apts	ELE	Yes	No	No	Yes	No	Yes	Yes	Yes	No	No	No	No
Sycamore Run Apts	ELE	Yes	No	No	Yes	No	No	Yes	Yes	Yes	Yes	No	No
Totals and Averages	--	**100%**	**0%**	**17%**	**83%**	**17%**	**67%**	**83%**	**100%**	**83%**	**67%**	**17%**	**17%**
SUBJECT PROJECT													
Abbington Willow Lake Apts	**ELE**	**Yes**	**No**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**No**

Table 27b: Project Amenities – Comparable/LIHTC

Project Name	Pool	Playground	Gazebo	Exterior Storage	Sports Courts	On-Site Mgt	Security Gate	Security Intercom	Coin Op Laundry	Laundry Hookup	In-unit Laundry	Carport	Garage
Cottages at Azalea	No	Yes	Yes	Yes	No	Yes	No	No	Yes	Yes	No	No	No
Knolwood Apts	No	Yes	No	2BR	No	Yes	No	No	Yes	2BR	No	No	No
Miller Grove Apts	No	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	No	No	No
Millers Ridge Apts	No	Yes	No	Yes	No	Yes	No	No	Yes	Yes	No	No	No
Northwest Apts	No	Yes	No	Yes	No	Yes	No	Yes	Yes	No	No	No	No
Sycamore Run Apts	No	Yes	Yes	Yes	No	Yes	No	No	Yes	Yes	No	No	No
Totals and Averages	**0%**	**100%**	**50%**	**100%**	**0%**	**100%**	**0%**	**33%**	**100%**	**83%**	**0%**	**0%**	**0%**
SUBJECT PROJECT													
Abbington Willow Lake Apts	**No**	**Yes**	**Yes**	**No**	**No**	**Yes**	**No**	**No**	**Yes**	**Yes**	**No**	**No**	**No**

Map 11: Family LIHTC Rental Developments – Lancaster, SC



COMPARABLE PROJECT INFORMATION

Project Name:	**Cottages at Azalea**
Address:	100 Pond Ridge Ln
City:	Lancaster
State:	SC
Zip Code:	29720
Phone Number:	(803) 283-6160
Contact Name:	Terry
Contact Date:	12/21/18
Current Occup:	97.9%

DEVELOPMENT CHARACTERISTICS

Total Units:	48	**Year Built:**	2013
Project Type:	Open	**Floors:**	1
Program:	LIHTC	**Accept Vouchers:**	Yes
PBRA Units*:	0	**Voucher #:**	NA

* Including Section 8, Rental Assistance, and any other Project-Based Subsidy

UNIT CONFIGURATION/RENTAL RATES

BR	Bath	Target	Type	# Units	Square Feet Low	Square Feet High	Contract Rent Low	Contract Rent High	Vacant	Occup. Rate	Wait List
TOTAL 1-BEDROOM UNITS				**8**					**0**	**100.0%**	
1	1.0	50	Apt	NA		891		$490	0		Yes
1	1.0	60	Apt	NA		891		$530	0		Yes
TOTAL 2-BEDROOM UNITS				**24**					**0**	**100.0%**	
2	1.0	50	Apt	NA		1,101		$530	0		Yes
2	1.0	60	Apt	NA		1,101		$565	0		Yes
TOTAL 3-BEDROOM UNITS				**16**					**1**	**93.8%**	
3	1.0	50	Apt	NA		1,307		$600	0		Yes
3	1.0	60	Apt	NA		1,307		$635	1		Yes
TOTAL DEVELOPMENT				**48**					**1**	**97.9%**	**7 Names**

AMENITIES

Unit Amenities		Development Amenities		Laundry Type	
X	- Central A/C	X	- Clubhouse	X	- Coin-Operated Laundry
	- Wall A/C Unit		- Community Room	X	- In-Unit Hook-Up
	- Garbage Disposal		- Computer Center		- In-Unit Washer/Dryer
X	- Dishwasher	X	- Exercise/Fitness Room		
	- Microwave	X	- Community Kitchen		**Parking Type**
X	- Ceiling Fan		- Swimming Pool	X	- Surface Lot
X	- Walk-In Closet	X	- Playground		- Carport $0
X	- Mini-Blinds	X	- Gazebo		- Garage (att) $0
	- Draperies		- Elevator		- Garage (det) $0
X	- Patio/Balcony	X	- Storage		
	- Basement		- Sports Courts		**Utilities Included**
	- Fireplace	X	- On-Site Management		- Heat ELE
	- High-Speed Internet		- Security - Access Gate		- Electricity
			- Security - Intercom	X	- Trash Removal
				X	- Water/Sewer

COMPARABLE PROJECT INFORMATION

Project Name: Knolwood Apts
Address: 265 Knolwood Apts Dr.
City: Lancaster
State: SC **Zip Code:** 29720

Phone Number: (803) 285-6782
Contact Name: Rachel
Contact Date: 12/21/18
Current Occup: 100.0%

DEVELOPMENT CHARACTERISTICS

Total Units:	88	**Year Built:**	Rehab 2017
Project Type:	Open	**Floors:**	1 and 2
Program:	LIHTC	**Accept Vouchers:**	Yes
PBRA Units*:	0	**Voucher #:**	NA

* Including Section 8, Rental Assistance, and any other Project-Based Subsidy

UNIT CONFIGURATION/RENTAL RATES

BR	Bath	Target	Type	# Units	Square Feet Low	Square Feet High	Contract Rent Low	Contract Rent High	Vacant	Occup. Rate	Wait List
TOTAL 1-BEDROOM UNITS				**36**					**0**	**100.0%**	
1	1.0	50	Apt	NA		NA		$461	0		Yes
1	1.0	60	Apt	NA		NA		$490	0		Yes
TOTAL 2-BEDROOM UNITS				**52**					**0**	**100.0%**	
2	1.5	50	TH	NA		NA		$490	0		Yes
2	1.5	60	TH	NA		NA		$520	0		Yes
TOTAL DEVELOPMENT				**88**					**0**	**100.0%**	**5 Names**

AMENITIES

Unit Amenities

X	- Central A/C
	- Wall A/C Unit
	- Garbage Disposal
	- Dishwasher
	- Microwave
	- Ceiling Fan
	- Walk-In Closet
X	- Mini-Blinds
	- Draperies
2BR	- Patio/Balcony
	- Basement
	- Fireplace
	- High-Speed Internet

Development Amenities

	- Clubhouse
	- Community Room
	- Computer Center
	- Exercise/Fitness Room
	- Community Kitchen
	- Swimming Pool
X	- Playground
	- Gazebo
	- Elevator
2BR	- Storage
	- Sports Courts
X	- On-Site Management
	- Security - Access Gate
	- Security - Intercom

Laundry Type

X	- Coin-Operated Laundry
2BR	- In-Unit Hook-Up
	- In-Unit Washer/Dryer

Parking Type

X	- Surface Lot	
	- Carport	$0
	- Garage (att)	$0
	- Garage (det)	$0

Utilities Included

	- Heat	ELE
	- Electricity	
	- Trash Removal	
	- Water/Sewer	

COMPARABLE PROJECT INFORMATION

Project Name:	**Miller Grove Apts**		
Address:	2017 Miller St.		
City:	Lancaster		
State:	SC	**Zip Code:**	29720
Phone Number:	(803) 283-3498		
Contact Name:	Tymyka		
Contact Date:	02/13/19		
Current Occup:	100.0%		

DEVELOPMENT CHARACTERISTICS

Total Units:	48	**Year Built:**	2007
Project Type:	Open	**Floors:**	2
Program:	LIHTC	**Accept Vouchers:**	Yes
PBRA Units*:	0	**Voucher #:**	4

* Including Section 8, Rental Assistance, and any other Project-Based Subsidy

UNIT CONFIGURATION/RENTAL RATES

BR	Bath	Target	Type	# Units	Square Feet Low	Square Feet High	Contract Rent Low	Contract Rent High	Vacant	Occup. Rate	Wait List
TOTAL 1-BEDROOM UNITS				**8**					**0**	**100.0%**	
1	1.0	50	Apt	NA	700		$378		0		Yes
1	1.0	60	Apt	NA	700		$383		0		Yes
TOTAL 2-BEDROOM UNITS				**28**					**0**	**100.0%**	
2	2.0	50	Apt	NA	908		$437		0		Yes
2	2.0	60	Apt	NA	908		$508		0		Yes
TOTAL 3-BEDROOM UNITS				**12**					**0**	**100.0%**	
3	2.0	50	Apt	NA	1,046		$498		0		Yes
3	2.0	60	Apt	NA	1,046		$603		0		Yes
TOTAL DEVELOPMENT				**48**					**0**	**100.0%**	**13 Names**

AMENITIES

Unit Amenities

X	- Central A/C
	- Wall A/C Unit
X	- Garbage Disposal
X	- Dishwasher
X	- Microwave
X	- Ceiling Fan
X	- Walk-In Closet
X	- Mini-Blinds
	- Draperies
X	- Patio/Balcony
	- Basement
	- Fireplace
	- High-Speed Internet

Development Amenities

	- Clubhouse
X	- Community Room
X	- Computer Center
	- Exercise/Fitness Room
X	- Community Kitchen
	- Swimming Pool
X	- Playground
X	- Gazebo
	- Elevator
X	- Storage
	- Sports Courts
X	- On-Site Management
	- Security - Access Gate
X	- Security - Intercom

Laundry Type

X	- Coin-Operated Laundry
X	- In-Unit Hook-Up
	- In-Unit Washer/Dryer

Parking Type

X	- Surface Lot	
	- Carport	$0
	- Garage (att)	$0
	- Garage (det)	$0

Utilities Included

	- Heat	ELE
	- Electricity	
X	- Trash Removal	
	- Water/Sewer	

COMPARABLE PROJECT INFORMATION

Project Name: Millers Ridge Apts
Address: 1000 Millers Ridge Lane
City: Lancaster
State: SC **Zip Code:** 29720

Phone Number: (803) 313-5980
Contact Name: Mary
Contact Date: 12/21/18
Current Occup: 97.2%

DEVELOPMENT CHARACTERISTICS

Total Units:	72	**Year Built:**	2001
Project Type:	Open	**Floors:**	2
Program:	LIHTC	**Accept Vouchers:**	Yes
PBRA Units*:	0	**Voucher #:**	NA

* Including Section 8, Rental Assistance, and any other Project-Based Subsidy

UNIT CONFIGURATION/RENTAL RATES

BR	Bath	Target	Type	# Units	Square Feet Low	Square Feet High	Contract Rent Low	Contract Rent High	Vacant	Occup. Rate	Wait List
TOTAL 2-BEDROOM UNITS				**NA**					**1**	**NA**	
2	1.0	50	Apt	NA		905		$485	1		Yes
2	1.0	60	Apt	NA		905		$585	0		Yes
TOTAL 3-BEDROOM UNITS				**NA**					**1**	**NA**	
3	2.0	60	Apt	NA		1,107		$660	1		Yes
TOTAL DEVELOPMENT				**72**					**2**	**97.2%**	**8 Names**

AMENITIES

Unit Amenities

X	- Central A/C
	- Wall A/C Unit
	- Garbage Disposal
X	- Dishwasher
	- Microwave
X	- Ceiling Fan
X	- Walk-In Closet
X	- Mini-Blinds
	- Draperies
X	- Patio/Balcony
	- Basement
	- Fireplace
	- High-Speed Internet

Development Amenities

X	- Clubhouse
	- Community Room
	- Computer Center
	- Exercise/Fitness Room
X	- Community Kitchen
	- Swimming Pool
X	- Playground
	- Gazebo
	- Elevator
X	- Storage
	- Sports Courts
X	- On-Site Management
	- Security - Access Gate
	- Security - Intercom

Laundry Type

X	- Coin-Operated Laundry
X	- In-Unit Hook-Up
	- In-Unit Washer/Dryer

Parking Type

X	- Surface Lot	
	- Carport	$0
	- Garage (att)	$0
	- Garage (det)	$0

Utilities Included

	- Heat	ELE
	- Electricity	
X	- Trash Removal	
	- Water/Sewer	

COMPARABLE PROJECT INFORMATION

Project Name: Northwest Apts
Address: 3058 NW Apt Drive
City: Lancaster
State: SC **Zip Code:** 29720

Phone Number: (803) 286-4822
Contact Name: Amanda
Contact Date: 12/21/18
Current Occup: 100.0%

DEVELOPMENT CHARACTERISTICS

Total Units:	72	**Year Built:**	2007 Rehab
Project Type:	Open	**Floors:**	2
Program:	LIHTC	**Accept Vouchers:**	Yes
PBRA Units*:	0	**Voucher #:**	NA

* Including Section 8, Rental Assistance, and any other Project-Based Subsidy

UNIT CONFIGURATION/RENTAL RATES

BR	Bath	Target	Type	# Units	Square Feet Low	Square Feet High	Contract Rent Low	Contract Rent High	Vacant	Occup. Rate	Wait List
TOTAL 1-BEDROOM UNITS				**8**					**0**	**100.0%**	
1	1.0	50	Apt	NA		NA		$440	0		Yes
1	1.0	60	Apt	NA		NA		$496	0		Yes
TOTAL 2-BEDROOM UNITS				**56**					**0**	**100.0%**	
2	1.0	50	Apt	NA		NA		$465	0		Yes
2	1.0	60	Apt	NA		NA		$521	0		Yes
TOTAL 3-BEDROOM UNITS				**8**					**0**	**100.0%**	
3	1.5	50	Apt	NA		NA		$520	0		Yes
3	1.5	60	Apt	NA		NA		$576	0		Yes
TOTAL DEVELOPMENT				**72**					**0**	**100.0%**	**11 Names**

AMENITIES

Unit Amenities
- X - Central A/C
- _ - Wall A/C Unit
- _ - Garbage Disposal
- X - Dishwasher
- _ - Microwave
- X - Ceiling Fan
- X - Walk-In Closet
- X - Mini-Blinds
- _ - Draperies
- _ - Patio/Balcony
- _ - Basement
- _ - Fireplace
- _ - High-Speed Internet

Development Amenities
- _ - Clubhouse
- _ - Community Room
- _ - Computer Center
- _ - Exercise/Fitness Room
- _ - Community Kitchen
- _ - Swimming Pool
- X - Playground
- _ - Gazebo
- _ - Elevator
- X - Storage
- _ - Sports Courts
- X - On-Site Management
- _ - Security - Access Gate
- X - Security - Intercom

Laundry Type
- X - Coin-Operated Laundry
- _ - In-Unit Hook-Up
- _ - In-Unit Washer/Dryer

Parking Type
- X - Surface Lot
- _ - Carport $0
- _ - Garage (att) $0
- _ - Garage (det) $0

Utilities Included
- _ - Heat ELE
- _ - Electricity
- X - Trash Removal
- _ - Water/Sewer

COMPARABLE PROJECT INFORMATION

Project Name: Sycamore Run Apts
Address: 3038 Miller St.
City: Lancaster
State: SC **Zip Code:** 29720

Phone Number: (803) 285-4850
Contact Name: Gayle
Contact Date: 01/03/19
Current Occup: 100.0%

DEVELOPMENT CHARACTERISTICS

Total Units:	48	**Year Built:**	2003
Project Type:	Open	**Floors:**	2
Program:	LIHTC	**Accept Vouchers:**	Yes
PBRA Units*:	0	**Voucher #:**	8

* Including Section 8, Rental Assistance, and any other Project-Based Subsidy

UNIT CONFIGURATION/RENTAL RATES

BR	Bath	Target	Type	# Units	Square Feet Low	Square Feet High	Contract Rent Low	Contract Rent High	Vacant	Occup. Rate	Wait List
TOTAL 2-BEDROOM UNITS				**32**					**0**	**100.0%**	
2	2.0	50	Apt	6		915		$435	0	100.0%	No
2	2.0	60	Apt	26		915		$475	0	100.0%	No
TOTAL 3-BEDROOM UNITS				**16**					**0**	**100.0%**	
3	2.0	50	Apt	6		1,100		$495	0	100.0%	No
3	2.0	60	Apt	10		1,100		$555	0	100.0%	No
TOTAL DEVELOPMENT				**48**					**0**	**100.0%**	**None**

AMENITIES

Unit Amenities

- X - Central A/C
-   - Wall A/C Unit
-   - Garbage Disposal
- X - Dishwasher
-   - Microwave
-   - Ceiling Fan
- X - Walk-In Closet
- X - Mini-Blinds
-   - Draperies
- X - Patio/Balcony
-   - Basement
-   - Fireplace
-   - High-Speed Internet

Development Amenities

- X - Clubhouse
-   - Community Room
-   - Computer Center
-   - Exercise/Fitness Room
- X - Community Kitchen
-   - Swimming Pool
- X - Playground
- X - Gazebo
-   - Elevator
- X - Storage
-   - Sports Courts
- X - On-Site Management
-   - Security - Access Gate
-   - Security - Intercom

Laundry Type

- X - Coin-Operated Laundry
- X - In-Unit Hook-Up
-   - In-Unit Washer/Dryer

Parking Type

- X - Surface Lot
-   - Carport $0
-   - Garage (att) $0
-   - Garage (det) $0

Utilities Included

-   - Heat ELE
-   - Electricity
- X - Trash Removal
-   - Water/Sewer

6. Market Rent Calculations

Estimated market rents are utilized to determine the approximate rental rates that can be achieved within the local PMA assuming no income restrictions. Based on existing market rate properties that can be considered as most comparable to the subject proposal (based on but not limited to location, target market, building type, and age), rental rates are adjusted according to specific factors as compared to the subject. Adjustment factors include design, location, and condition of the property, construction date, unit and site amenities, unit sizes, and utilities included.

Four properties were selected to determine the estimated market rate, based largely on construction date, location, and building type – these projects include Dalton Ridge, Oakhaven Apartments, and Woodhaven Apartments in Lancaster; and Cowan Farms Apartments in Rock Hill. Using the Rent Comparability Grid on the following pages, the following is a summary of the estimated market rents by bedroom size along with the subject property's corresponding market advantage:

	Proposed Net Rent	Estimated Market Rent	Market Advantage
One-Bedroom Units			
50% AMI	$415	$727	**43%**
60% AMI	$521	$727	**28%**
Two-Bedroom Units			
50% AMI	$488	$834	**41%**
60% AMI	$616	$834	**26%**
Three-Bedroom Units			
50% AMI	$552	$953	**42%**
60% AMI	$690	$953	**28%**

Rent Comparability Grid

Subject Property		***Comp #1***		***Comp #2***		***Comp #3***		***Comp #4***	
Project Name		Dalton Ridge Apts		Oakhaven Apts		Woodhaven Apts		Cowan Farms Apts	
Project City	**Subject**	Lancaster		Lancaster		Lancaster		Rock Hill	
Date Surveyed	**Data**	12/17/18		12/28/18		12/28/18		1/4/19	
A. Design, Location, Condition		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
Structure Type									
Yr. Built/Yr. Renovated	**2021**	1976	$30	1971	$30	1971	$30	2003	$14
Neighborhood/Location			$0		$0		$0		($200)
B. Unit Amenities		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
Central A/C	**Yes**	Yes		Yes		Yes		Yes	
Garbage Disposal	**Yes**	Yes		Yes		Yes		Yes	
Dishwasher	**Yes**	Yes		Yes		Yes		Yes	
Microwave	**Yes**	No	$5	No	$5	No	$5	No	$5
Walk-In Closet	**Yes**	No	$3	Yes		Yes		Yes	
Mini-Blinds	**Yes**	Yes		Yes		Yes		Yes	
Patio/Balcony	**Yes**	Yes		Yes		Yes		Yes	
Basement	**No**	No		No		No		No	
Fireplace	**No**	No		Yes	($5)	Yes	($5)	No	
C. Site Amenities		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
Clubhouse	**Yes**	Yes		Yes		Yes		Yes	
Community Room	**No**	No		No		No		No	
Computer Center	**Yes**	No	$3	No	$3	No	$3	No	$3
Exercise Room	**No**	Yes	($5)	Yes	($5)	Yes	($5)	Yes	($5)
Swimming Pool	**No**	No		Yes	($5)	Yes	($5)	Yes	($5)
Playground	**Yes**	Yes		Yes		Yes		No	$3
Sports Courts	**No**	Yes	($3)	Yes	($3)	Yes	($3)	No	
On-Site Management	**Yes**	Yes		Yes		Yes		Yes	
Security - Access Gate	**No**	No		No		No		No	
Security - Intercom	**No**	No		No		No		No	
D. Other Amenities		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
Coin-Operated Laundry	**Yes**	Yes		Yes		Yes		No	$5
In-Unit Hook-Up	**Yes**	Yes		Yes		No	$10	Yes	
In-Unit Washer/Dryer	**No**	No		No		No		No	
Carport	**No**	No		No		No		No	
Garage (attached)	**No**	No		No		No		No	
Garage (detached)	**No**	No		No		No		No	
E. Utilities Included		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
Heat	**No**	No		No		No		No	
Electric	**No**	No		No		No		No	
Trash Removal	**Yes**	Yes		No	XX	No	XX	No	XX
Water/Sewer	**Yes**	No	XX	No	XX	No	XX	No	XX
Heat Type	**ELE**	ELE		ELE		ELE		ELE	
Utility Adjustments									
One-Bedroom Units			$57		$73		$73		$73
Two-Bedroom Units			$80		$96		$96		$96
Three-Bedroom Units			$116		$132		$132		$132

Subject Property		*Comp #1*		*Comp #2*		*Comp #3*		*Comp #4*	
Project Name		Dalton Ridge Apts		Oakhaven Apts		Woodhaven Apts		Cowan Farms Apts	
Project City	**Subject**	Lancaster		Lancaster		Lancaster		Rock Hill	
Date Surveyed	**Data**	12/17/2018		12/28/2018		12/28/2018		1/4/2019	
F. Average Unit Sizes		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
One-Bedroom Units	**750**	900	($23)	827	($12)			750	$0
Two-Bedroom Units	**950**	1,075	($19)	1,130	($27)	1,130	($27)	960	($2)
Three-Bedroom Units	**1,100**	1,400	($45)	1,515	($62)	1,350	($38)	1,186	($13)
G. Number of Bathrooms		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
One-Bedroom Units	**1.0**	1.5	($15)	1.0	$0			1.0	$0
Two-Bedroom Units	**2.0**	2.0	$0	2.0	$0	2.0	$0	2.0	$0
Three-Bedroom Units	**2.0**	2.5	($15)	2.5	$0	2.0	$0	2.0	$0
G. Total Adjustments Recap									
One-Bedroom Units			$53		$81				($108)
Two-Bedroom Units			$94		$89		$99		($86)
Three-Bedroom Units			$89		$90		$125		($61)

		Comp #1		*Comp #2*		*Comp #3*		*Comp #4*	
Project Name		Dalton Ridge Apts		Oakhaven Apts		Woodhaven Apts		Cowan Farms Apts	
Project City	**Subject**	Lancaster		Lancaster		Lancaster		Rock Hill	
Date Surveyed	**Data**	12/17/2018		12/28/2018		12/28/2018		1/4/2019	
H. Rent/Adjustment Summary		**Unadjusted Rent**	**Adjusted Rent**	**Unadjusted Rent**	**Adjusted Rent**	**Unadjusted Rent**	**Adjusted Rent**	**Unadjusted Rent**	**Adjusted Rent**
Market Rate Units									
One-Bedroom Units	**$727**	$625	$678	$695	$776			$835	$728
Two-Bedroom Units	**$834**	$665	$759	$834	$923	$675	$774	$965	$879
Three-Bedroom Units	**$953**	$715	$804	$935	$1,025	$775	$900	$1,145	$1,084

H. INTERVIEWS

Throughout the course of performing this analysis of the Lancaster rental market, many individuals were contacted. Based on discussions with local government officials, the following multi-family activity was reported within the PMA at this time:

1. **Subject proposal** – Family – Intersection of Meeting St. and Willow Lake St.
    a. Proposed
    b. 40 units – LIHTC
    c. Early stages of process

2. **Senior project** – Woodland Drive
    a. Proposed
    b. 50 units – LIHTC
    c. Waiting on approval for re-zoning

The following planning official/department was contacted:

- **Lancaster, SC -**
  Contact: Lewis Streeter – Director, Building and Zoning
  Phone: (803) 283-4253
  Date: 2/25/2019

Additional information was collected during property visits and informal interviews with leasing agents and resident managers throughout the Lancaster rental market as part of our survey of existing rental housing to collect more specific data. The results of these interviews are presented within the supply section of the market study. Based on these interviews, five of the six existing LIHTC reported a waiting list, and no widespread specials/concessions were reported throughout the local rental market.

I. CONCLUSIONS/RECOMMENDATIONS

Based on the information collected and reported within this study, sufficient evidence has been presented for the successful introduction and absorption of the subject property, as proposed, within the Lancaster PMA. Factors supporting the introduction of a newly constructed rental alternative targeted for low-income households include the following:

1. Demographic patterns have generally been positive throughout the PMA since 2000 – the overall population is estimated to have increased by four percent between 2010 and 2018, representing more than 1,500 additional persons;
2. Overall strong occupancy levels throughout the area, with an overall occupancy rate of 96.4 percent calculated among 14 properties surveyed. Among those developments within Lancaster proper, an occupancy rate of 99.4 percent was determined;
3. Extremely positive occupancy rates were observed within the area's family LIHTC properties, as well. Of the six existing tax credit properties within the survey, a combined occupancy rate of 99.2 percent was calculated – with five reporting a waiting list, further emphasizing the strength of the local rental market;
4. The location of the subject property can also be considered a positive factor, with generally convenient access to most retail, education, medical, and employment centers throughout the area;
5. The proposal represents a modern product with numerous amenities and features at an affordable rental level. As such, the rental rates within the subject are extremely competitive in relation to other local LIHTC properties, and can be considered achievable and appropriate for the local market area;
6. Demand calculations are also quite positive, with capture rates well-within acceptable industry thresholds and providing an indication of the need for affordable rental options locally. In addition, the absorption period for the subject proposal is conservatively estimated at approximately fix to six months.

As such, the proposed facility should maintain at least a 93 percent occupancy rate into the foreseeable future with no long-term adverse effects on existing local rental facilities – either affordable or market rate. Assuming the subject proposal is developed as described within this analysis, Shaw Research & Consulting can provide a positive recommendation for the proposed development with no reservations or conditions.

J. SIGNED STATEMENT REQUIREMENTS

I affirm that I have made a physical inspection of the market and surrounding area and that 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 & 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.

Steven R. Shaw
SHAW RESEARCH AND CONSULTING, LLC

Date: February 25, 2019

K. SOURCES

2000 U.S. Census of Population and Housing - U.S. Census Bureau

2010 U.S. Census of Population and Housing – U.S. Census Bureau

2012-2017 American Community Survey – 5-Year Estimates – U.S. Census Bureau

2018/2023 Demographic Forecasts, ESRI Business Analyst Online

Apartment Listings – www.socialserve.com

Apartment Listings – YellowPages – www.yellowpages.com

Community Profile – Lancaster County – SC Department of Employment & Workforce

CPI Inflation Calculator – Bureau of Labor Statistics – U.S. Department of Labor

Crime Data – Sperling's Best Places – www.bestplaces.net/crime/

ESRI Business Analyst Online

Income & Rent Limits 2017 – South Carolina State Housing Finance & Development Authority

Interviews with community planning officials

Interviews with managers and leasing specialists at local rental developments

South Carolina Industry Data – SC Works Online Services

South Carolina Labor Market Information – SC Works Online Services

South Carolina LIHTC Allocations – SC State Housing Finance & Development Authority

Microsoft Streets and Trips 2013

Single-Family Home Sales – www.realtor.com

L. RESUME

STEVEN R. SHAW
SHAW RESEARCH & CONSULTING, LLC

Mr. Shaw is a principal at Shaw Research and Consulting, LLC. With over twenty-eight years of experience in market research, he has assisted a broad range of clients with the development of various types of housing alternatives throughout the United States, including multi-family rental properties, single-family rental developments, for-sale condominiums, and senior housing options. Clients include developers, federal and state government agencies, non-profit organizations, and financial institutions. Areas of expertise include market study preparation, pre-feasibility analysis, strategic targeting and market identification, customized survey and focus group research, and demographic and economic analysis. Since 2000, Mr. Shaw has reviewed and analyzed housing conditions in nearly 400 markets across 24 states.

Previous to forming Shaw Research in January 2007, he most recently served as partner and Director of Market Research at Community Research Services (2004-2006). In addition, Mr. Shaw also was a partner for Community Research Group (1999-2004), and worked as a market consultant at Community Targeting Associates (1997-1999). Each of these firms provided the same types of services as Shaw Research and Consulting.

Additional market research experience includes serving as manager of automotive analysis for J.D. Power and Associates (1992-1997), a global automotive market research firm based in Troy, Michigan. While serving in this capacity, Mr. Shaw was responsible for identifying market trends and analyzing the automotive sector through proprietary and syndicated analytic reports. During his five-year tenure at J.D. Power, Mr. Shaw developed a strong background in quantitative and qualitative research measurement techniques through the use of mail and phone surveys, focus group interviews, and demographic and psychographic analysis. Previous to J.D. Power, Mr. Shaw was employed as a Senior Market Research Analyst with Target Market Systems (the market research branch of First Centrum Corporation) in East Lansing, Michigan (1990-1992). At TMS, his activities consisted largely of market study preparation for housing projects financed through RHS and MSHDA programs. Other key duties included the strategic targeting and identification of new areas for multi-family and single-family housing development throughout the Midwest.

A 1990 graduate of Michigan State University, Mr. Shaw earned a Bachelor of Arts degree in Marketing with an emphasis in Market Research, while also earning an additional major in Psychology.