

2020 Exhibit S-2 SCSHFDA Primary Market Area Analysis Summary:

Development Name: Connecticut Village Apartments Total of # Units: 105
 Address: 409 East Junior High Road # of LIHTC Units: 105
 PMA Boundary: Chesnee Highway, Robin School Road, and Pleasant School Road to the north; Childers Road, Fortenberry Road, and Old Georgia Highway to the south; Broad River to the east; and Cherokee and Spartanburg County border to the west
 Development Type: Family Older Persons Farthest Boundary Distance to Subject: 14.4 Miles

Rental Housing Stock (found on page 70 & 12)

Type	# of Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	22	1,351	10	99.26%
Market-Rate Housing	9	764	10	98.69%
Assisted/Subsidized Housing not to include LIHTC	11	487	0	100%
LIHTC (All that are stabilized)*	2	100	0	100%
Stabilized Comparables**	11	1,106	18	98.37%
Non Stabilized Comparables	0	0	0	100%

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

** Comparables - 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					HUD Area FMR			Highest Unadjusted Comparable Rent	
Units	Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage (%)	Per Unit	Per SF
15	1	1	704	\$485.00	\$500.00	\$0.71	3%	\$15.00	\$0.02
55	2	1	805	\$586.00	\$659.00	\$0.82	11.08%	\$73.00	\$0.09
25	3	1	880	\$682.00	\$836.00	\$0.95	18.42%	\$154.00	\$0.17
10	4	2	1,012	\$767.00	\$1,073.00	\$1.06	28.52%	\$306.00	\$0.30
							0%		
Gross Potential Rent Monthly*				\$2,520.00	\$3,068.00			61.02%	

*Market Advantage is calculated using the following formula: Gross HUD FMR (minus) Net Proposed Tenant Rent (divided by) Gross HUD FMR. 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 46)

	2012		2020		2023	
Renter Households	4,821	35.7%	4,661	33.4%	4,669	33.2%
Income-Qualified Renter HHs (LIHTC)			1,289	27.7%	1,292	27.7%
Income-Qualified Renter HHs (MR)						

Targeted Income-Qualified Renter Household Demand (found on page 66)

Type of Demand	50%	60%	Market-rate	Other:	Other:	Overall
Renter Household Growth	0	3				3
Existing Households (Overburd + Substand)	0	488				488
Homeowner conversion (Seniors)	0					0
Other:	0					0
Less Comparable/Competitive Supply	0					0
Net Income-qualified Renters HHs	0	491				491

Capture Rates (found on page 67)

Targeted Population	50%	60%	Market-rate	Other:	Other:	Overall
Capture Rate		21.4%				21.4%

Absorption Rate (found on page 67)

Absorption Period four to five months.

I affirm that I have made a physical inspection of the market and surrounding area and the information obtained in the field has been used to determine the need and demand for LIHTC units. I understand that any misrepresentation of this statement may result in the denial of further participation in the South Carolina State Housing Finance & 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.

Market Analyst Author: Abby Cohen Company: Novogradac Consulting LLC

Signature: Abby M. Cohen Digitally signed by Abby M. Cohen
Date: 2020.06.29 16:49:27 -04'00' Date: 6/29/2020

2020 S-2 RENT CALCULATION WORKSHEET

# Units	Bedroom Type	Proposed Tenant Paid Rent	Net Proposed Tenant Rent	Gross HUD FMR	Gross HUD FMR Total	Tax Credit Gross Rent Advantage
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
15	1 BR	\$485	\$7,275	\$500	\$7,500	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
55	2 BR	\$586	\$32,230	\$659	\$36,245	
	2 BR		\$0		\$0	
	2 BR		\$0		\$0	
25	3 BR	\$682	\$17,050	\$836	\$20,900	
	3 BR		\$0		\$0	
	3 BR		\$0		\$0	
10	4 BR	\$767	\$7,670	\$1,073	\$10,730	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	105		\$64,225		\$75,375	14.79%



**A MARKET FEASIBILITY STUDY OF:
CONNECTICUT VILLAGE
APARTMENTS**

A MARKET FEASIBILITY STUDY OF:

CONNECTICUT VILLAGE APARTMENTS

Located at:
409 East Junior High Road
Gaffney, Cherokee County, SC 29340

Effective Date: June 8, 2020
Report Date: June 29, 2020

Prepared for:
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Assistant Development Manager
Vitus
1700 Seventh Avenue, Suite 2000
Seattle, WA 98101

Prepared by:
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Merriam, Kansas 66204
913-677-4600





June 29, 2020

Gavin Taylor
Assistant Development Manager
Vitus
1700 Seventh Avenue, Suite 2000
Seattle, WA 98101

Re: Market Study for Connecticut Village Apartments, located in Gaffney, Cherokee County, South Carolina

Dear Mr. Taylor:

At your request, Novogradac Consulting LLP has performed a study of the multifamily rental market in the Gaffney, Cherokee County, South Carolina area relative to the above-referenced proposed affordable housing acquisition/rehabilitation project.

The purpose of this market study is to assess the viability of the acquisition/rehabilitation of Connecticut Village (Subject), an existing 105-unit HUD Section 8 multifamily property located at 409 East Junior High Road, in Gaffney, Cherokee County, South Carolina. Currently, all 105 units operate with HUD Section 8 rental assistance. Post renovation, all of the units will be LIHTC-restricted to families earning at or below 60 percent of the area median income (AMI). In addition, all units will continue to benefit from the Section 8 contract.

We are concurrently preparing an appraisal for the Subject. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. The scope of this report meets the requirements of the South Carolina State Housing Finance and Development Authority (SC Housing), including the following:

- Inspecting the site of the proposed Subject and the general location.
- Analyzing appropriateness of the proposed Subject's unit mix, rent levels, available amenities and site.
- Estimating market rent, absorption and stabilized occupancy levels for the market area.
- Investigating the health and conditions of the multifamily housing market.
- Calculating income bands, given the proposed Subject rents.
- Estimating the number of income-eligible households.
- Reviewing relevant public records and contacting appropriate public agencies.
- Analyzing the economic and social conditions in the market area in relation to the proposed project.
- Establishing the Subject Primary and Secondary Market Area(s) if applicable.
- Surveying competing projects, both Low-Income Housing Tax Credit (LIHTC) and market rate.

This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The report also includes a thorough analysis of the scope of the study, regional and local demographic and economic studies, and market analyses including conclusions. The depth of discussion contained in the report is specific to the needs of the client. Without limiting the general applicability of this paragraph, under no circumstances may the Report be used in advertisements, solicitations and/or any form of securities offering.

The Stated Purpose of this assignment is for application. You agree not to use the Report other than for the Stated Purpose, and you agree to indemnify us for any claims, damages or losses that we may incur as the result of your use of the Report for other than the Stated Purpose. Without limiting the general applicability of this paragraph, under no circumstances may the Report be used in advertisements, solicitations and/or any form of securities offering.

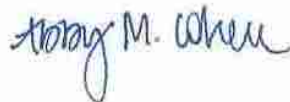
This report was developed as the COVID-19 crisis continues to significantly impact the national and global economies. The outbreak of COVID-19 remains a rapidly evolving situation and the long-term effects are still unclear. The national unemployment rate for May 2020 was 13.3 percent, down from a record high of 14.7 percent in April 2020. South Carolina's unemployment rate also reached a record high in April, of 12.8 percent. As of May 2020, the unemployment rate in South Carolina has decreased slightly from April and is at 12.5 percent. As of May 4, South Carolina's stay at home order expired, however businesses began reopening as early as April 20th, including furniture stores, clothing stores, shoe stores, book and craft stores, flea markets, and department stores (excluding hardware and home improvement stores). As of May 4th, restaurants were able to resume outdoor customer dining, with limited dine-in services resuming May 11th. As of May 18th, close contact service providers, including fitness and exercise centers, commercial gyms, cosmetology establishments, and public or commercial pools reopened with limited capacity. As of May 22nd, attractions, including zoos, museums, aquariums, planetariums, historic sites, water parks, amusement park rides, Go-Kart tracks, bingo facilities and miniature golf facilities, reopened. As of May 30th, youth and adult sports leagues resumed.

Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac Consulting LLP can be of further assistance. It has been our pleasure to assist you with this project.

Respectfully submitted,
Novogradac Consulting LLP



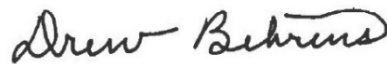
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EXECUTIVE SUMMARY

Property Summary of Subject

Subject Property Overview:

Connecticut Village Apartments, the Subject, is an existing 105-unit Section 8 apartment property. The Subject is located at 409 East Junior High Road, Gaffney, Cherokee County, SC 29340 and offers 105 revenue-generating units, targeted toward the general population, which consist of one, two, three, and four-bedroom units in 18 two-story townhome-style residential buildings and one single-story community building originally constructed in 1972. Currently, all units operate with HUD Section 8 rental assistance. According to the rent roll dated May 18, 2020, the Subject is currently 92.4 percent occupied and maintains a waiting list consisting of six households for one-bedroom units, one household for two-bedroom units, and three households for three-bedroom units. Post renovation, all of the units will be LIHTC-restricted to families earning at or below 60 percent of the area median income (AMI). In addition, all units will continue to benefit from the Section 8 contract.

Targeted Tenancy:

For South Carolina State Housing Finance and Development Authority (SC Housing) purposes, the tenancy is considered general population. The targeted tenancy is not age-restricted and will consist of primarily one to six person households. All 105 units are subject to Section 8 restrictions.

Proposed Rents, Unit Mix and Utility Allowance:

The following table details the Subject's proposed rents, utility allowances, unit mix, and unit sizes. It should be noted that all 105 units will continue to benefit from Section 8 subsidies, and tenants will continue to pay 30 percent of income as rent, not to exceed the lesser of the LIHTC rents and contract rents.

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2020 LIHTC Max Allowable Gross Rent	Current Contract Rents	Proposed Contract Rents**
				@60% (Section 8)*				
1BR / 1BA	704	15	\$485	\$103	\$588	\$700	\$665	\$800
2BR / 1BA	805	55	\$586	\$120	\$706	\$841	\$715	\$875
3BR / 1BA	880	25	\$682	\$133	\$815	\$972	\$825	\$975
4BR / 2BA	1,012	10	\$767	\$143	\$910	\$1,084	\$919	\$1,100
		105						

Notes (1) Source of Utility Allowance provided by the Developer and based on the HUD rent schedule dated 10/1/2019

*Tenants will pay 30 percent of their income towards rent

**Based on Third Party Rent Comparability Study (RCS) effective April 15, 2020

Scope of Renovations:

According to the client, the total renovation hard costs are estimated to be approximately \$53,000 per unit. The Subject's scope of renovation will include, but will not be limited to the following.

SCOPE OF RENOVATIONS

Unit Renovations	
Upgrade Kitchen Flooring, Paint, Cabinets, and Countertops	New Appliances
Adding Microwaves	Upgrade Bathroom Flooring, Paint, Cabinets, and Sinks
Upgrade All Fixtures and Toilets to Be Low Flow	Energy Efficient Lighting in Units
Replace Bathtub and Shower Surround	Replace Ceiling Fans and Light Fixtures
Install New Blinds	Replace Outlets and Covers as Necessary
Install New Split Systems	
Exterior Renovations	
Full Mill, Overlay, and Striping of Parking and Drives	Jet All Existing Sanitary Sewer Lines from Buildings to Street
Concrete Repair and Replacement of All Steps, Sidewalks, and Curbs	Make All Accessible Routes, Ramps, and Handrails Compliant
Add Dumpster Enclosures	New Site Lighting
Landscaping Upgrades	New Signage
Repair Damaged Railings	Repair Fencing
New Exterior Paint	Repair Masonry
Replace Vinyl Siding	Replace All Exterior Doors
Common Area Renovations	
New Security Cameras	Add Wi-Fi Access
Add Playground	Replace Mailboxes and Overhead Cover
Upgrade Leasing Office	ADA Compliant Community Spaces

Market Vacancy

The following table summarizes overall weighted vacancy trends at the surveyed properties.

OVERALL VACANCY

Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Autumn Glen Villas	LIHTC	Family	60	0	0.0%
Companion At Lee's Crossing*	LIHTC	Family	192	0	0.0%
Country Garden Estates I & II*	LIHTC/PBV	Family	90	4	4.4%
Willis Trace*	LIHTC	Family	28	0	0.0%
Willow Crossing*	LIHTC	Family	48	0	0.0%
Creekside At Wellington Apartments	Market	Family	92	0	0.0%
Magnolia Ridge	Market	Family	84	5	6.0%
Oliver Court	Market	Family	48	0	0.0%
Quail Pointe Apartments*	Market	Family	100	4	4.0%
Stonecrest Apartments	Market	Family	198	4	2.0%
Westwood Apartments	Market	Family	166	1	0.6%
Total LIHTC			418	4	1.0%
Total Market Rate			688	14	2.0%
Overall Total			1,106	18	1.6%

*Located outside of the PMA

The comparables reported vacancy rates ranging from zero to 6.0 percent, with an average of 1.6 percent. Vacancy rates among the affordable comparables range from zero to 4.4 percent, with an average of 1.0 percent. Vacancy rates among the market rate comparables range from zero to 6.0 percent, with an average of 2.0 percent. Four affordable comparables and two market rate comparables reported being fully occupied.

The Subject is currently 92.4 percent occupied with a waiting list. The Subject appears to be in average/typical overall condition with average/typical curb appeal. Post-renovation, the Subject will exhibit good overall condition. Therefore, we believe that the Subject will operate with a total vacancy rate of five percent or less.

Capture Rates

The following table illustrates the capture rates for the Subject.

CAPTURE RATE ANALYSIS CHART

Bedrooms/AMI Level	Total Demand	Supply	Net Demand	Units Proposed	Capture Rate
With Subsidy					
1BR @60%	566	0	566	15	2.6%
2BR @60%	391	0	391	55	14.1%
3BR @60%	168	0	168	25	14.9%
4BR @60%	92	0	92	10	10.9%
Overall	1,217	0	1,217	105	8.6%
Absent Subsidy					
1BR @60%	228	0	228	15	6.6%
2BR @60%	157	0	157	55	35.0%
3BR @60%	68	0	68	25	36.9%
4BR @60%	37	0	37	10	27.1%
Overall	490	0	490	105	21.4%

As the analysis illustrates, the Subject’s capture rates with subsidy at the 60 percent AMI level will range from 2.6 to 14.9 percent. Absent subsidy, the Subject’s capture rates at the 60 percent AMI level will range from 6.6 to 36.9 percent. The overall capture rates for the Subjects units with and without subsidy are 8.6 and 21.4 percent, respectively and we believe there is adequate demand for the Subject.

Projected Absorption Period

None of the comparable properties were able to report absorption data. However, we were able to obtain absorption information from seven recently constructed developments within 50 miles of the Subject. The following table details our findings.

ABSORPTION

Property Name	Rent	Location	Tenancy	Year	Total Units	Absorption (units/month)
Willis Trace	LIHTC	Spartanburg	Family	2016	28	28
Revere At Lake Wylie	Market	Clover	Family	2015	444	24
Cambridge Oaks I	LIHTC	Kings Mountain	Family	2015	56	28
The Village At Mills Gap	Market	Boiling Springs	Family	2014	208	17
Long Creek Apartments I	LIHTC	Dallas	Family	2014	103	17
Lanier Pointe Apartments Phase II	LIHTC	Shelby	Family	2012	40	13
Kensington Gardens Apartments	LIHTC	Shelby	Senior	2012	44	22
Overall Average					132	21
Average LIHTC					54	22
Average Market Rate					326	21

If the Subject was completely vacant, we would expect the property to experience a brief lease-up period due to the sustained demand for good quality affordable housing in the PMA. Assuming the Subject was completely vacant, we believe that the Subject would experience an absorption rate of approximately 21 to 22 units per month. This equates to an absorption period of approximately four to five months. This is considered largely hypothetical as the Subject's current tenants are expected to remain income eligible to remain at the property post-renovation. As such, we believe the Subject will stabilize within one to two months of rehabilitation completion.

Market Conclusions

Overall vacancy in the local market is performing well with a 1.6 percent vacancy rate among all of the surveyed comparable projects. The five LIHTC properties reported only four vacant units and all of these properties maintain waiting lists, suggesting latent demand for affordable housing.

When compared to the current 60 percent rents at the LIHTC properties, the Subject's proposed 60 percent AMI rents appear reasonable, and overall they are more than 19.8 to 37.1 percent below our estimated achievable market rents. Overall, we believe that the Subject will be successful in the local market as proposed.

Recommendations

We believe there is ample demand for the Subject in the PMA and the market supports the renovation of the Subject development as proposed. The Subject's overall capture rate is 8.6 percent with subsidy and 21.4 percent without subsidy, both of which are within acceptable demand thresholds. Individual capture rates by bedroom type range from 2.6 to 14.9 percent with subsidy and from 6.6 to 36.9 percent without subsidy, which are all considered reasonable. In addition, the Subject is in a market area that has few affordable housing alternatives. Between 2019 and market entry, the total number of households is expected to increase at a rate of 0.3 percent annually in the PMA. The Subject site is located within three mile of most community services and facilities that tenants would utilize on a consistent basis.

There are only four vacancies among the LIHTC comparables. The developer's LIHTC rents represent a 19.8 to 37.1 percent advantage over achievable market rents. Further, the proposed LIHTC rents appear appropriate with upward potential, absent rental assistance.

Further, there are several apparent strengths of the Subject's site, development scheme, and market, which include:

- Construction of the Subject's units will positively impact the surrounding area by improving the Subject's neighborhood.
- All of the Subject's 105 units will continue to benefit Section 8 subsidy; thus, tenants will continue to pay 30 percent of their income towards rent.
- The Subject is an existing property with a wait list, and all tenants are expected to remain income qualified post-renovation.
- The Subject will be in good condition upon completion and will fill a need for good quality/newly renovated affordable housing in Gaffney.

As such, we recommend the Subject as proposed, with no suggested modifications.

Long Term Impact on Existing LIHTC Properties in the PMA

Managers at four of the five LIHTC properties reported being fully occupied, and all reported a waiting list. With a limited supply of affordable housing options for the general population in the market and a stable and growing base of low-income tenants, we believe the Subject’s rehabilitation will have no long-term impact on the existing area LIHTC apartments. In addition, no new units will be added to the market. Between 2019 and market entry, the total number of households is expected to increase at a rate of 0.3 percent annually in the PMA. Since the Subject will operate with a subsidy, we do not expect any impact on the existing low-income rental assisted housing in the market.

Rent versus Buy Analysis

We performed a rent/buy analysis. Our inputs assume a four-bedroom single-family home listing on Zillow in the Subject’s neighborhood with a purchase price of \$225,000 and an interest rate of 3.30 percent for a 30-year fixed mortgage with a 10 percent down payment. This was compared to the cost to rent the Subject’s four-bedroom unit. This analysis indicates that with a monthly differential of \$732, it is more affordable to rent the Subject’s most expensive four-bedroom unit than to purchase a home. The rent buy analysis is illustrated in the following table.

RENT BUY ANALYSIS				
Property Type:		Four-Bedroom Single Family Home		
Sale Price				\$225,000
Down Payment at 10%				\$22,500
Mortgage Amount				\$202,500
Current Interest Rate				3.30%
<i>Homeownership Costs</i>		<i>Monthly</i>	<i>% of Home Value</i>	<i>Annual</i>
Mortgage Payment		\$887		\$10,642
Property Taxes		\$234	1.25%	\$2,813
Private Mortgage Insurance ¹		\$84	0.50%	\$1,013
Maintenance		\$375	2.00%	\$4,500
Utility Costs ²		\$115		\$1,380
Tax Savings		-\$197		-\$2,359
Cost Comparison				
		<i>Monthly</i>		<i>Annual</i>
Costs of Homeownership		\$1,499		\$17,989
Cost of Renting At Subject	-	\$767		\$9,204
Differential		\$732		\$8,785
Cost of Occupancy				
<i>Homeownership</i>				
Closing Costs			3.0%	\$6,750
Down Payment at 10%			10.0%	\$22,500
Total				\$29,250
<i>Subject Rental</i>				
First Month's Rent		\$767		
Security Deposit		\$767		
Total		\$1,534		

(1) Based upon 0.50 percent of mortgage amount.

(2) Utility Costs Included in Rent at Subject

As illustrated, the “cash due at occupancy” category adds to \$29,250 for the down payment and closing costs. The cash necessary for homeownership is still a barrier to many families. In general, first-time homebuyers

have difficulty saving for a down payment. For this reason, we believe that the Subject will face limited competition from homeownership, especially as a senior development.

CONNECTICUT VILLAGE APARTMENTS – GAFFNEY, SC – APPLICATION MARKET STUDY

2020 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:

Development Name: Connecticut Village Apartments	Total # Units: 105
Location: 719 West Mauldin Street	# LIHTC Units: 105
PMA Boundary: Chesnee Highway, Robin School Road, and Pleasant School Road to the north; Childers Road, Fortenberry Road, and Old Georgia Highway to the south; Broad River to the east; and Cherokee and Spartanburg County border to the west.	
Development Type: <input checked="" type="checkbox"/> Family <input type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject: 14.4 miles

RENTAL HOUSING STOCK (found on pages 70 & 123)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	22	1,351	10	99.3%
Market-Rate Housing	9	764	10	98.7%
Assisted/Subsidized Housing not to include LIHTC	11	487	0	100.0%
LIHTC (All that are stabilized)*	2	100	0	100.0%
Stabilized Comps**	11	1,106	18	98.4%
Non-stabilized Comps	0	0	0	-

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

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

Subject Development					HUD Area FMR			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
15	1	1	704	\$485	\$500	\$0.71	3.0%	\$645	\$0.91
55	2	1	805	\$586	\$659	\$0.82	11.1%	\$725	\$0.80
25	3	1	880	\$682	\$836	\$0.95	18.4%	\$850	\$0.58
10	4	2	1,012	\$767	\$1,073	\$1.06	28.5%	\$1,329	\$1.04
Gross Potential Rent Monthly*				\$64,225	\$75,375		14.8%		

*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 46)

	2010		2019		December 2021	
Renter Households	4,821	35.7%	4,661	33.4%	4,669	33.2%
Income-Qualified Renter HHs (LIHTC)	N/A	N/A	1,289	27.7%	1,292	27.7%
Income-Qualified Renter HHs (MR)	N/A	N/A	N/A	N/A	N/A	N/A

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 66)

Type of Demand	60% Absent Subsidy	Other:___	Other:___	Other:___	Other:___	Overall
Renter Household Growth	3	-	-	-	-	3
Existing Households (Overburd + Substand)	488	-	-	-	-	488
Homeowner conversion (Seniors)	-	-	-	-	-	-
Other:	-	-	-	-	-	-
Less Comparable/Competitive Supply	-	-	-	-	-	-
Net Income-qualified Renter HHs	491	-	-	-	-	491

CAPTURE RATES (found on page 67)

Targeted Population	60% Absent Subsidy	Other:___	Other:___	Other:___	Other:___	Overall
Capture Rate	21.4%	-	-	-	-	21.4%

ABSORPTION RATE (found on page 67)

Absorption Period: four to five months

CONNECTICUT VILLAGE APARTMENTS – GAFFNEY, SC – APPLICATION MARKET STUDY

Bedroom Type	# Units	Proposed Tenant Paid LIHTC Rent	Gross Proposed Tenant Rent by Bedroom Type	Adjusted Market Rent	Gross Adjusted Market Rent by Bedroom Type	Tax Credit Gross Rent Advantage
1 BR	15	\$485	\$7,275	\$710	\$10,650	31.7%
2 BR	55	\$586	\$32,230	\$770	\$42,350	23.9%
3 BR	25	\$682	\$17,050	\$850	\$21,250	19.8%
4 BR	10	\$767	\$7,670	\$980	\$9,800	21.7%
Totals	105		\$64,225		\$84,050	23.6%

Source: SC Housing, Novogradac Consulting LLP, June 2020

A. PROJECT DESCRIPTION

PROJECT DESCRIPTION

- Development Location:** The Subject is located at 409 East Junior High Road, Gaffney, Cherokee County, SC 29340.
- Construction Type:** The Subject consists of 18, two-story townhome-style residential buildings and one single-story community building.
- Year Built:** The Subject was originally built in 1972 and is proposed for renovations utilizing LIHTCs.
- Occupancy Type:** For SC Housing purposes, the tenancy is considered general population. The targeted tenancy is not age restricted and will consist of primarily one to six person households. All 105 LIHTC units at the property will continue to be subject to Section 8 restrictions.
- Target Income Group:** The Subject will continue to target income-qualified family households with one to six persons. Based on the unit mix, the annual household income levels will range from \$20,160 to \$43,380 for the units at the 60 percent AMI level; however, the Subject will offer subsidized rents allowing tenants to pay 30 percent of their income toward rent, which effectively lowers the minimum income to \$0.
- Special Population Target:** None.
- Number of Units by Unit Type:** The Subject includes 15 one-bedroom units, 55 two-bedroom units, 25 three-bedroom units, and 10 four-bedroom units.
- Number of Buildings and Stories:** The Subject consists of 18, two-story townhome-style residential buildings and one single-story community building.
- Unit Mix:** The following table summarizes the Subject’s unit sizes.

UNIT MIX AND SQUARE FOOTAGE

Unit Type	Number of Units	Unit Size (SF)	Net Leasable Area
1BR / 1BA	15	704	10,560
2BR / 1BA	55	805	44,275
3BR / 1BA	25	880	22,000
4BR / 2BA	10	1,012	10,120
Total	105		86,955

- Structure Type/Design:** The Subject offers 18, two-story townhome-style residential buildings and one single-story community building.

Proposed Rents and Utility Allowance:

The following table details the Subject’s proposed rents, utility allowances, unit mix, and unit sizes. It should be noted that all 105 units will continue to benefit from Section 8 subsidies, and tenants will continue to contribute 30 percent of income as rent, not to exceed the lesser of the LIHTC rents and contract rents.

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2020 LIHTC Max Allowable Gross Rent	Current Contract Rents	Proposed Contract Rents**
				@60% (Section 8)*				
1BR / 1BA	704	15	\$485	\$103	\$588	\$700	\$665	\$800
2BR / 1BA	805	55	\$586	\$120	\$706	\$841	\$715	\$875
3BR / 1BA	880	25	\$682	\$133	\$815	\$972	\$825	\$975
4BR / 2BA	1,012	10	\$767	\$143	\$910	\$1,084	\$919	\$1,100
		105						

Notes (1) Source of Utility Allowance provided by the Developer and based on the HUD rent schedule dated 10/1/2019

*Tenants will pay 30 percent of their income towards rent

**Based on Third Party Rent Comparability Study (RCS) effective April 15, 2020

Utility Structure/Allowance:

The tenant is responsible for electric cooking, electric heating, electric water heating, and general electric expenses. The landlord is responsible for cold water, sewer, and trash expenses, as well as all common area utilities. There are no proposed changes to the tenant-paid utility structure post-renovation. The utility structure varies among the comparable properties; we have adjusted the comparables’ rents in accordance with the utility schedule obtained from the South Carolina Regional Housing Authority Number One, effective January 1, 2020, which is the most recent available.

Existing or Proposed Project-Based Rental Assistance:

All 105 of the Subject’s LIHTC units will continue to operate with Section 8 subsidy.

Community Amenities

The Subject’s community amenities include a clubhouse/community room, business center/computer lab, exercise facility, off-street parking, and on-site management. Post-renovation, the Subject’s community amenities will also include a playground and Wi-Fi access. The Subject offers video surveillance as a security feature. Post-renovation security features will stay the same.

Unit Amenities

The Subject’s unit amenities include blinds, carpeting, a coat closet. Kitchen appliances include a range/oven and refrigerator. Post-renovation, in-unit amenities will also include ceiling fans and a microwave.

Current Occupancy/Rent Levels:

The following tables summarize current occupancy and rents at the Subject.

CURRENT OCCUPANCY AND RENTS

Unit Type	Number of Units	Vacant Units	Occupancy Rate	Minimum Tenant-Paid Rent	Maximum Tenant-Paid Rent	Average Tenant-Paid Rent	Current Contract Rents	Proposed Contract Rents*
1BR/1BA	15	0	100.0%	\$0	\$220	\$110	\$665	\$800
2BR/1BA	55	4	92.7%	\$0	\$393	\$197	\$715	\$875
3BR/1BA	25	4	84.0%	\$0	\$375	\$188	\$825	\$975
4BR/1BA	10	0	100.0%	\$0	\$21	\$11	\$919	\$1,100
	105	8	92.4%					

Source: Rent Roll dated May 18, 2020

*Based on Third Party Rent Comparability Study (RCS) effective April 15, 2020

Scope of Renovations:

According to the client, the total renovation hard costs are estimated to be approximately \$53,000 per unit. The Subject’s scope of renovation will include, but will not be limited to the following:

SCOPE OF RENOVATIONS

Unit Renovations	
Upgrade Kitchen Flooring, Paint, Cabinets, and Countertops	New Appliances
Adding Microwaves	Upgrade Bathroom Flooring, Paint, Cabinets, and Sinks
Upgrade All Fixtures and Toilets to Be Low Flow	Energy Efficient Lighting in Units
Replace Bathtub and Shower Surround	Replace Ceiling Fans and Light Fixtures
Install New Blinds	Replace Outlets and Covers as Necessary
Install New Split Systems	
Exterior Renovations	
Full Mill, Overlay, and Striping of Parking and Drives	Jet All Existing Sanitary Sewer Lines from Buildings to Street
Concrete Repair and Replacement of All Steps, Sidewalks, and Curbs	Make All Accessible Routes, Ramps, and Handrails Compliant
Add Dumpster Enclosures	New Site Lighting
Landscaping Upgrades	New Signage
Repair Damaged Railings	Repair Fencing
New Exterior Paint	Repair Masonry
Replace Vinyl Siding	Replace All Exterior Doors
Common Area Renovations	
New Security Cameras	Add Wi-Fi Access
Add Playground	Replace Mailboxes and Overhead Cover
Upgrade Leasing Office	ADA Compliant Community Spaces

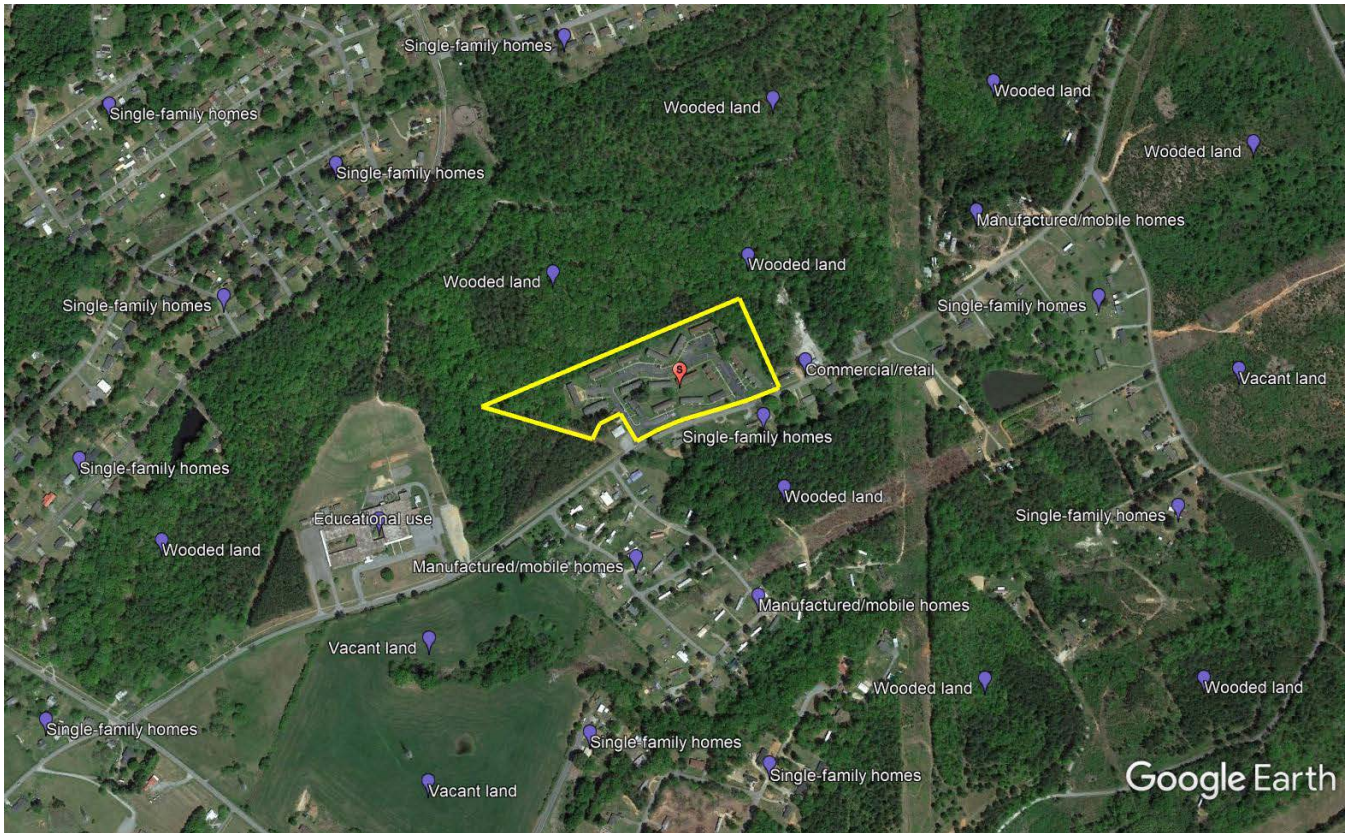
B. SITE DESCRIPTION

SITE DESCRIPTION

The location of a multifamily property can have a substantial negative or positive impact upon the performance, safety, and appeal of the project. The site description discusses the physical features of the site, as well as the layout, access issues, and traffic flow.

Date of Site Visit: June 8, 2020.

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



Source: Google Earth, June 2020

Physical Features of Site: The Subject site is irregular in shape, generally level, and does not have any zoning restrictions. The Subject consists of 18 two-story townhome-style residential buildings and one single-story community building situated on 10.0 acres.

Location/Surrounding Uses: The Subject is located in a mixed-use neighborhood just southeast of the Gaffney city limits, characterized by wooded land, single-family homes, educational uses, and commercial/retail uses. Land use immediately to the north of the Subject includes wooded land, followed by single-family homes in fair to average condition. Land use to the immediate east of the Subject consists of wooded land, followed by Blast Away Restoration in fair condition and single-family homes in fair condition. Land use immediately south of the Subject, across East Junior High Road, consists of single-family homes in fair condition, followed by wooded land. Land use southwest of the

Subject, across East Junior High Road, consists of manufactured mobile homes in fair condition. Land use to the immediate west of the Subject consists of a vacant commercial building once utilized as a laundry facility and wooded land, followed by John E. Ewing Middle School in average condition. Further west, along East Frederick Street/Union Highway, land use consists of commercial/retail uses, including Carolina Chicken & More, McDonald's, ABC Store, and Corner Stop, all of which are in average condition. Commercial/retail uses are concentrated along Wilkinsville Highway and East Frederick Street/Union Highway, to the west of the Subject, and appear to be 80 to 85 percent occupied. According to Zillow, single-family homes in the neighborhood are currently listed for sale from \$39,500 to \$254,900, with the majority listed around \$100,000. Overall, land uses in the Subject's neighborhood range in condition from fair to average, with the majority in fair condition. There are no observed negative influences or nuisances in the area. Overall, the Subject site is considered a good site for rental housing.

Photographs of Subject Site and Surrounding Uses



Subject's signage



Subject's exterior



Subject's exterior



Subject's exterior



Subject's exterior



Subject's exterior



Typical off-street parking



Typical off-street parking



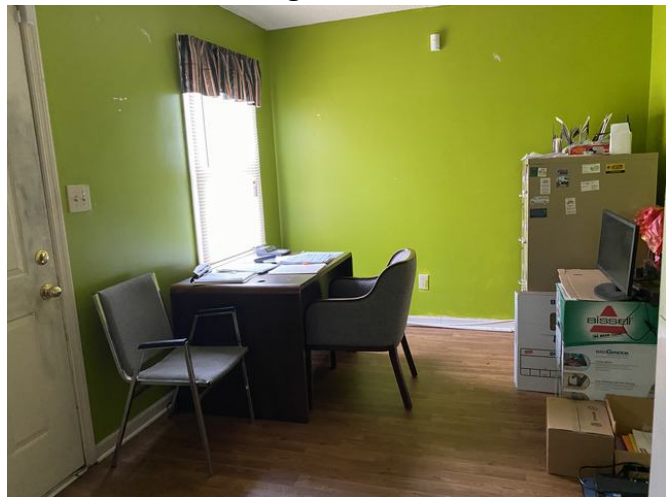
Typical tenant mailboxes



Leasing office exterior



Leasing office



Leasing office



Leasing office



Maintenance office



Living room (being held for renovations)



Kitchen (being held for renovations)



Kitchen (being held for renovations)



Bathroom (being held for renovations) (view one of two)



Bathroom (being held for renovations) (view one of two)



Bedroom (being held for renovations) (view one of two)



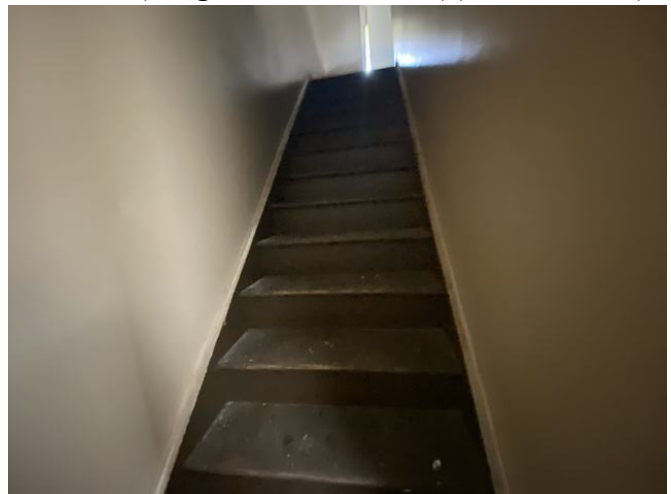
Bedroom (being held for renovations) (view two of two)



Bedroom (being held for renovations) (view one of two)



Bedroom (being held for renovations) (view two of two)



In-unit staircase (being held for renovations)



Typical living room



Typical kitchen



Typical kitchen



Typical bathroom (view one of two)



Typical bathroom (view two of two)



Typical bedroom



Typical bedroom closet



Typical bedroom (view one of two)



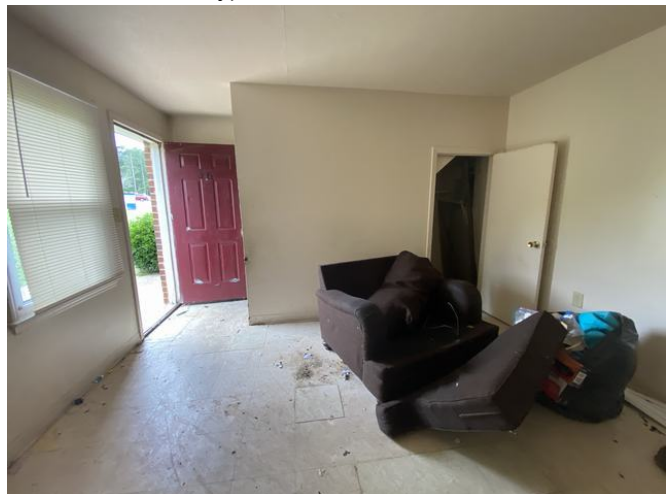
Typical bedroom (view two of two)



Typical in-unit staircase



Living room (being held for renovations)



Living room (being held for renovations)



Kitchen (being held for renovations)



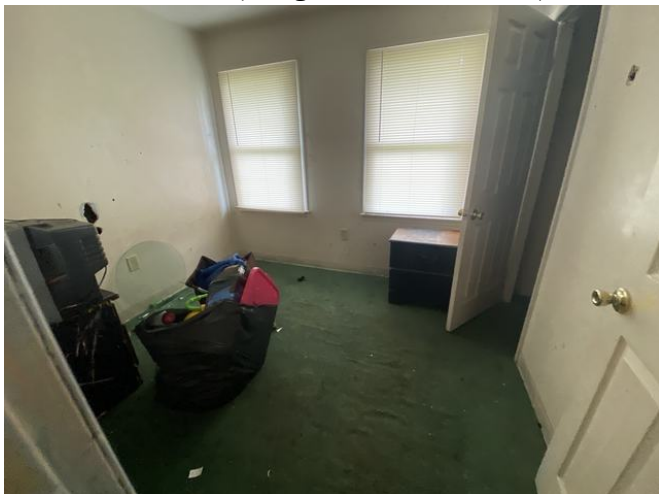
Kitchen (being held for renovations)



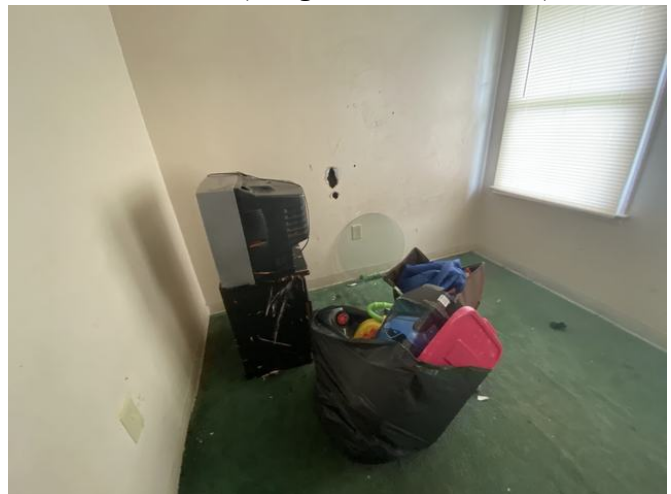
Bathroom (being held for renovations)



Bathroom (being held for renovations)



Bedroom (view one of two) (being held for renovations)



Bedroom (view two of two) (being held for renovations)



Bedroom (view one of two) (being held for renovations)



Bedroom (view two of two) (being held for renovations)



Bedroom (view one of two) (being held for renovations)



Bedroom (view two of two) (being held for renovations)



In-unit hallway (being held for renovations)



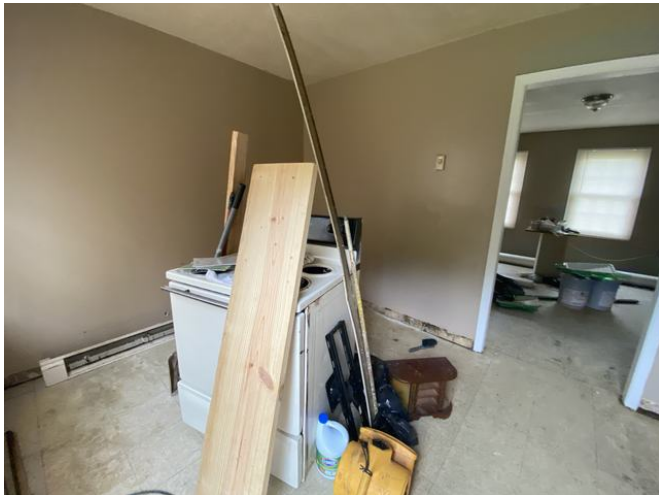
In-unit staircase (being held for renovations)



Living room (being held for renovations)



Kitchen (being held for renovations)



Kitchen (being held for renovations)



Bathroom (being held for renovations)



Bathroom (being held for renovations)



Bedroom (view one of two) (being held for renovations)



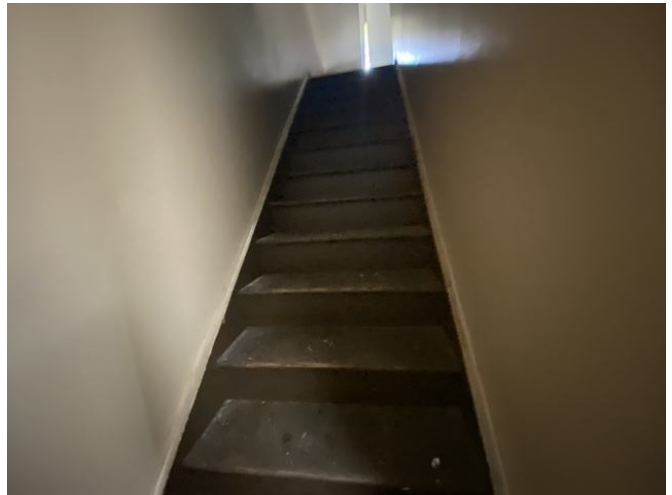
Bedroom (view two of two) (being held for renovations)



Bedroom (view one of two) (being held for renovations)



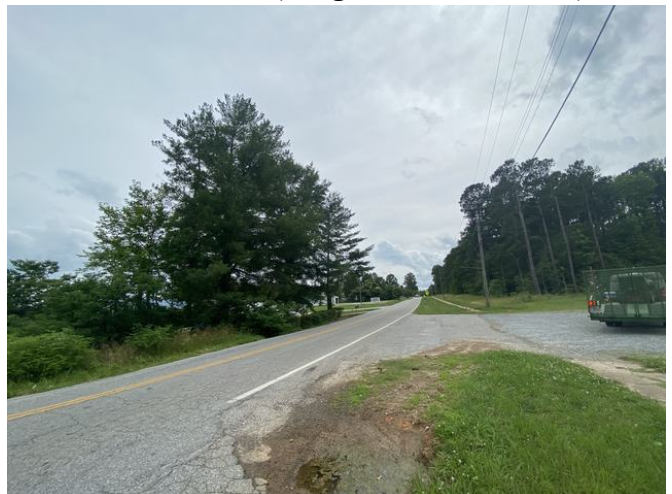
Bedroom (view two of two) (being held for renovations)



In-unit staircase (being held for renovations)



View east along East Junior High Road



View west along East Junior High Road



Wooded land north of the Subject



Wooded land north of the Subject



Commercial/retail east of Subject along East Junior High Road



Wooded land and utility area east of Subject along East Junior High Road



Single-family home south of the Subject along East Junior High Road



Single-family home south of the Subject along East Junior High Road



Vacant building (laundromat) west of the Subject along East Junior High Road



John E. Ewing Middle School west of the Subject along East Junior High Road

Visibility/Views:

The Subject has good visibility from East Junior High Road. Views to the north of the Subject consist of wooded land. Views to the south of the Subject consist of single-family homes in fair condition, followed by wooded land. Views to the southwest of the Subject consist of mobile homes in fair condition. Views to the west of the Subject consist of a vacant commercial laundry facility and wooded land. Overall, visibility is considered good while views are considered fair in terms of condition of surrounding improvements, but typical of this general area.

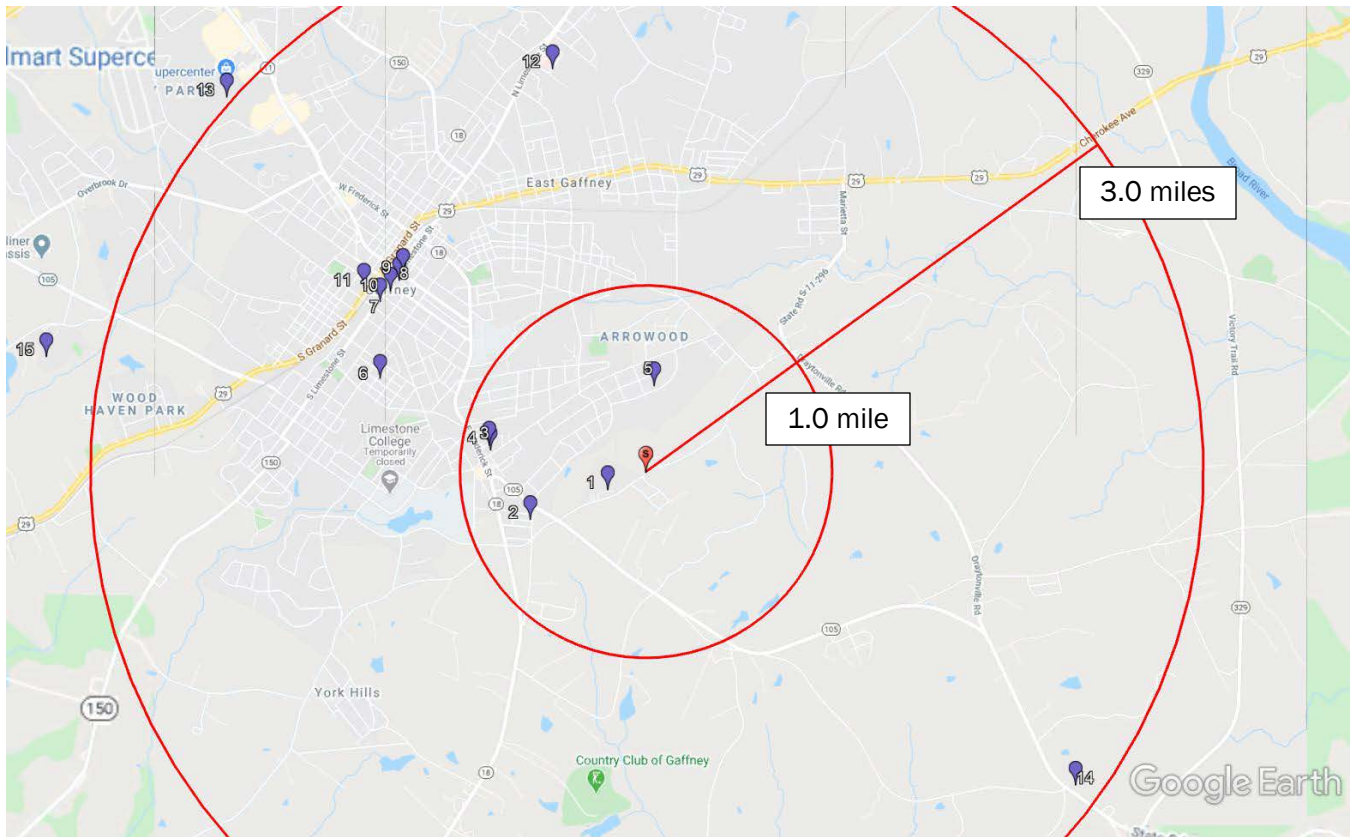
Detrimental Influence:

We are unaware of any detrimental influences.

Proximity to Local Services:

The Subject is located in reasonable proximity to local services including medical services and retail. The following table details the Subject's distance from key locational amenities. A *Locational Amenities Map* and table is following.

CONNECTICUT VILLAGE APARTMENTS – GAFFNEY, SC – APPLICATION MARKET STUDY



Source: Google Earth, June 2020

LOCATIONAL AMENITIES

Map #	Service or Amenity	Distance from Subject (Driving)	Distance from Subject (Walking)
1	Ewing Middle School	0.3 miles	0.3 miles
2	Marathon Gas Station	0.7 miles	0.7 miles
3	Food Lion	1.2 miles	1.2 miles
4	Dollar General	1.3 miles	1.2 miles
5	McCluney Park	1.6 miles	1.6 miles
6	Cherokee County Public Library	1.9 miles	1.9 miles
7	Post Office	2.3 miles	2.3 miles
8	Police Department	2.4 miles	2.4 miles
9	Fire Department	2.4 miles	2.4 miles
10	Wells Fargo Bank	2.4 miles	2.3 miles
11	CVS Pharmacy	2.5 miles	2.4 miles
12	Cherokee Medical Center	3.3 miles	3.3 miles
13	Walmart	4.0 miles	4.0 miles
14	Draytonville Elementary School	4.1 miles	3.9 miles
15	Gaffney High School	4.3 miles	4.2 miles

Availability of Public Transportation: Public transportation is not available in Gaffney and Cherokee County.

Road/Infrastructure Proposed Improvements: We witnessed no current road improvements within the Subject’s immediate neighborhood.

Crime Rates: The following table illustrates crime statistics in the Subject’s PMA compared to the SMA.

2019 CRIME INDICES

	PMA	SMA
Total Crime*	101	98
Personal Crime*	152	149
Murder	139	153
Rape	112	110
Robbery	58	63
Assault	203	196
Property Crime*	94	91
Burglary	113	111
Larceny	90	86
Motor Vehicle Theft	73	78

Source: Esri Demographics 2019, Novogradac Consulting LLP, June 2020

*Unweighted aggregations

Total crime risk indices in the PMA are in-line with the national average and the surrounding SMA. The Subject currently offers video surveillance as a security feature, and post-renovation security features will remain the same. According to conversations with the Subject’s property manager, crime has not been an issue at the Subject site in the past. The majority of the comparables reported offering some sort of security feature; as such, the Subject will be similar to slightly superior to the comparables in terms of security features.

Access and Traffic Flow: The Subject is accessible via the northwest side of East Junior High Road. East Junior High Road is a two-lane lightly traveled neighborhood street generally traversing northeast/southwest, providing access to Wilkinsville Highway, approximately 0.5 miles southwest of the Subject. Wilkinsville Highway is a moderately traveled two-lane road generally traversing northwest/southeast, providing access to East Frederick Street/Union Highway, approximately 0.8 miles northwest of the Subject. East Frederick Street/Union Highway is a moderately traveled four-lane road, generally traversing north/south, providing access to Highway 29, approximately 1.8 miles north of the Subject. Highway 29 is a moderately traveled four-lane road, generally traversing northeast/southwest, providing access throughout northern South Carolina, as well as to West Floyd Baker Boulevard, approximately 1.8 miles northwest of the Subject. West Floyd Baker Boulevard is a

moderately traveled, four-lane road, generally traversing north/south, providing access to Interstate 85, approximately 3.6 miles north of the Subject. Interstate 85 generally traverses northeast/southwest throughout northern South Carolina, and provides access to neighboring states and metros, including Atlanta, approximately 180 miles to the southwest of the Subject, and Charlotte, approximately 45 miles to the east of the Subject. Overall, access is considered average/typical, and traffic flow in the Subject's immediate area is considered light.

Positive/Negative Attributes:

The Subject will have overall good access to area retail and community services in Gaffney, most of which are within three miles of the Subject site. The Subject is considered to be in an adequate location for an affordable multifamily development.

C. MARKET AREA

PRIMARY MARKET AREA

For the purpose of this study, it is necessary to define the market area, or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much “neighborhood oriented” and are generally very reluctant to move from the area where they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below market rents.

The Primary Market Area (PMA) is defined as Chesnee Highway, Robin School Road, and Pleasant School Road to the north; Childers Road, Fortenberry Road, and Old Georgia Highway to the south; Broad River to the east; and Cherokee and Spartanburg County border to the west. The Subject is one of few LIHTC properties in Cherokee County, and as such is able to draw from approximately a 15 to 20-minute drive time of the site. Based on interviews with local property managers, most of the tenants will originate from Gaffney and several other communities in Cherokee County as well as some of the smaller communities in surrounding counties. Therefore, we anticipate that the majority of the Subject’s tenants will come from within the boundaries of the PMA. The Subject’s PMA is approximately 100 square miles. Approximate distances to the farthest boundaries of the PMA in each direction are as follows:

- North: 14.3 miles
- East: 5.6 miles
- South: 9.6 miles
- West: 14.4 miles

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

Census Tracts	
450219701.00	450219705.02
450219702.01	450219705.03
450219702.02	450219706.01
450219703.01	450219706.02
450219703.02	450219707.00
450219704.01	450830222.02
450219704.02	450830223.02
450219705.01	450830223.03

The primary market area has been identified based upon conversations with management at market rate and LIHTC properties in the area as well as other market participants in addition to demographic characteristics of census tracts within the area. Although we believe that neighborhood characteristics and geographic/infrastructure barriers are typically the best indicators of PMA boundaries, we have also examined demographic characteristics of census tracts in and around the Gaffney area in an effort to better identify the Subject’s PMA. It is important to note however that we do not base our PMA determinations on census tract information alone as these boundaries are rarely known to the average person.

The secondary market area (SMA) for the Subject is considered to be the Gaffney, SC Micropolitan Statistical Area, which consists solely of Cherokee County.

As per South Carolina State Housing Finance and Development Authority (SC Housing) guidelines, we have provided a table that illustrates the racial characteristics of the PMA, as well as data for the SMA and nation.

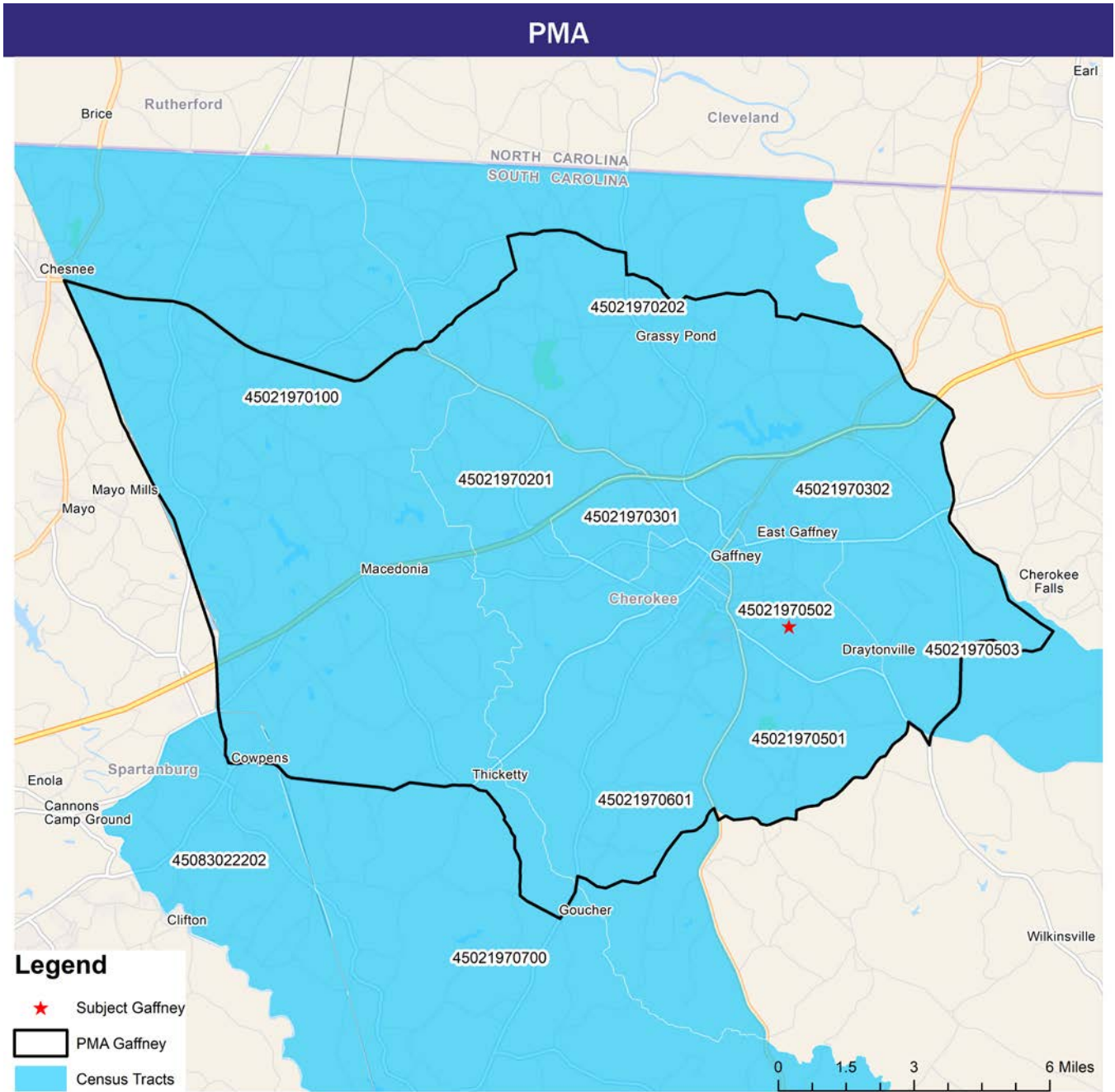
2010 POPULATION BY RACE

Year	PMA		SMA		USA	
	Number	%	Number	%	Number	%
Total	34,792	-	55,342	-	308,745,538	-
White	23,103	66.4%	41,525	75.0%	223,553,265	72.4%
Black	9,849	28.3%	11,278	20.4%	38,929,319	12.6%
American Indian	74	0.2%	199	0.4%	2,932,248	0.9%
Asian	253	0.7%	313	0.6%	14,674,252	4.8%
Pacific	16	0.0%	17	0.0%	540,013	0.2%
Other	986	2.8%	1,223	2.2%	19,107,368	6.2%
Two or More Races	513	1.5%	787	1.4%	9,009,073	2.9%
Total Hispanic	1,535	-	2,032	-	50,477,594	-
Hispanic: White	412	26.8%	586	28.8%	26,735,713	53.0%
Hispanic: Black	59	3.8%	64	3.1%	1,243,471	2.5%
Hispanic: American Indian	15	1.0%	70	3.4%	685,150	1.4%
Hispanic: Asian	5	0.3%	5	0.2%	209,128	0.4%
Hispanic: Pacific	11	0.7%	11	0.5%	58,437	0.1%
Hispanic: Other	954	62.1%	1,174	57.8%	18,503,103	36.7%
Hispanic: Two or More Races	79	5.1%	122	6.0%	3,042,592	6.0%

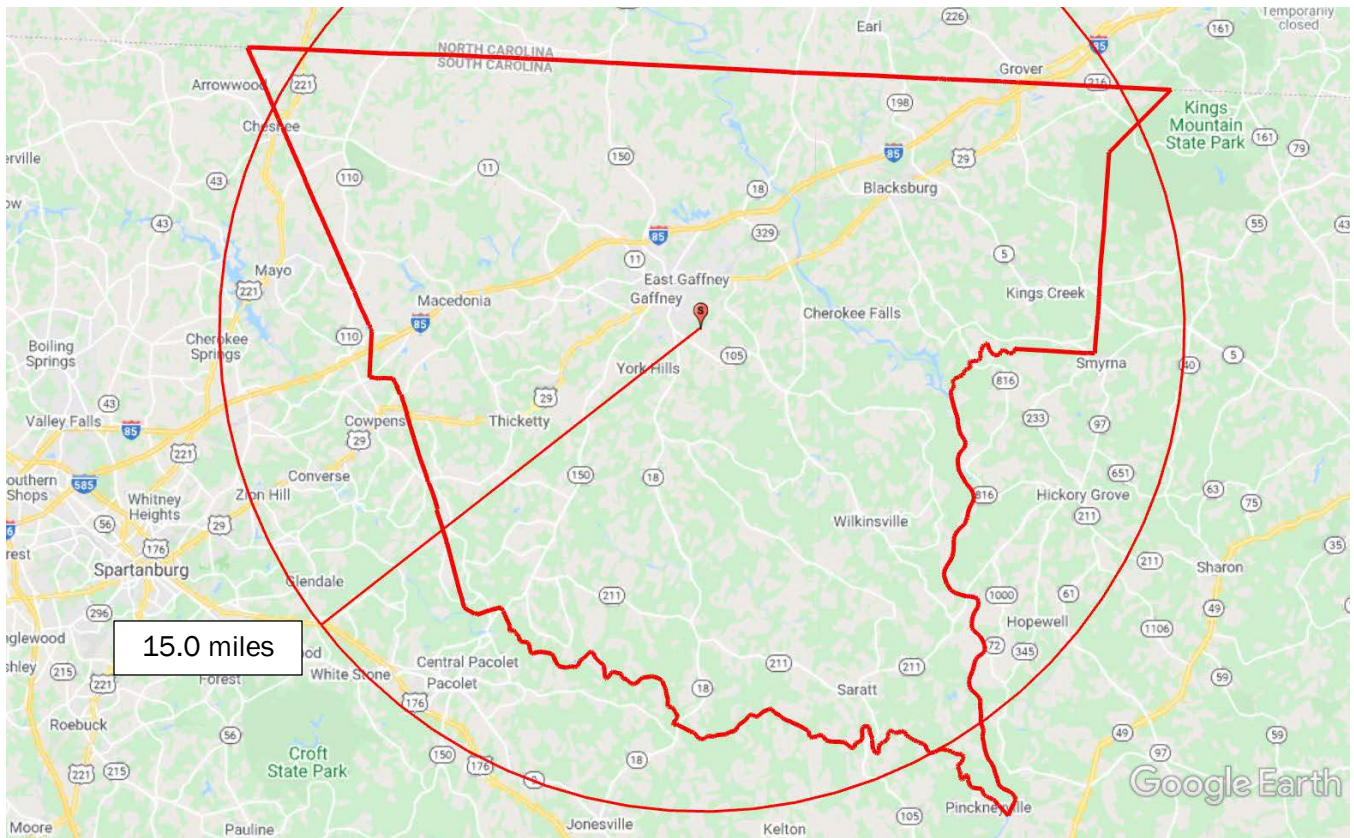
Source: Esri Demographics 2019, Novogradac Consulting LLP, June 2020

Per specific SC Housing guidelines, we have not accounted for leakage and have assumed 100 percent of demand will come from within the PMA boundaries.

The following maps outline the PMA and SMA, and identifies the census tracts included within the PMA boundaries.



Secondary Market Area Map



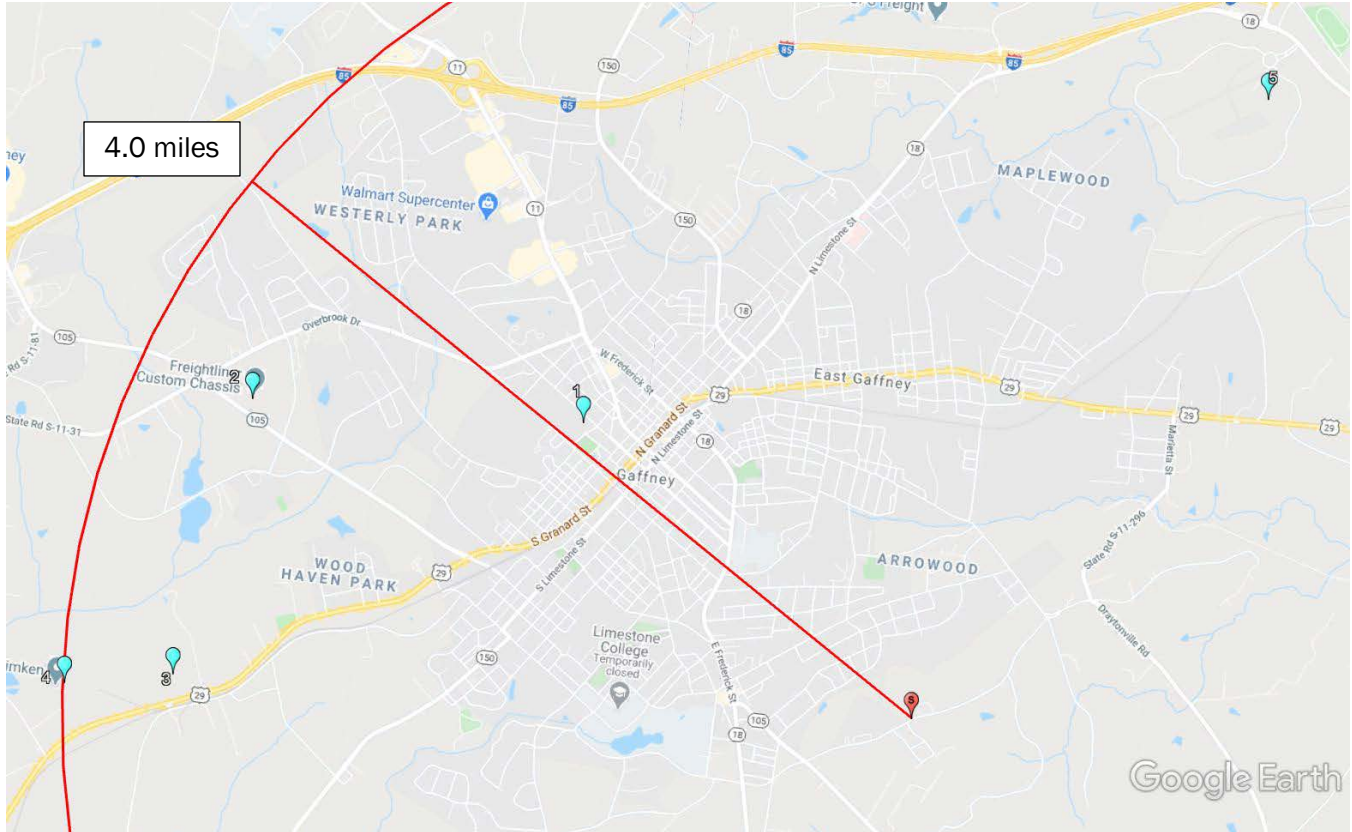
Source: Google Earth, June 2020

D. MARKET AREA ECONOMY

MARKET AREA ECONOMY

Map of Employment Centers

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



Source: Google Earth, June 2020

MAJOR EMPLOYMENT CENTERS

Map #	Employer Name	Industry
1	Hamrick Mills	Manufacturing – Prepared Food
2	Freightliner Custom Chassis Corp	Manufacturing - Textiles
3	Nestle USA	Manufacturing – Steel/Automotive Equipment
4	The Timken Company	Manufacturing - Automobile Equipment
5	Suminoe Textile America	Manufacturing - Textiles

Employment by Industry

The following table illustrates employment by industry for the PMA as of 2019 (most recent year available).

2019 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Manufacturing	3,787	25.5%	16,057,876	10.0%
Retail Trade	1,708	11.5%	17,127,172	10.7%
Healthcare/Social Assistance	1,686	11.4%	22,612,482	14.1%
Educational Services	1,284	8.7%	14,565,802	9.1%
Accommodation/Food Services	1,151	7.8%	11,738,765	7.3%
Transportation/Warehousing	998	6.7%	7,876,848	4.9%
Construction	888	6.0%	11,245,975	7.0%
Other Services	658	4.4%	8,141,078	5.1%
Wholesale Trade	564	3.8%	4,183,931	2.6%
Admin/Support/Waste Mgmt Svcs	482	3.3%	6,106,184	3.8%
Public Administration	463	3.1%	7,828,907	4.9%
Finance/Insurance	364	2.5%	7,377,311	4.6%
Prof/Scientific/Tech Services	270	1.8%	11,744,228	7.3%
Utilities	199	1.3%	1,276,400	0.8%
Information	108	0.7%	3,157,650	2.0%
Real Estate/Rental/Leasing	89	0.6%	3,204,043	2.0%
Agric/Forestry/Fishing/Hunting	68	0.5%	1,915,709	1.2%
Arts/Entertainment/Recreation	41	0.3%	3,332,132	2.1%
Mgmt of Companies/Enterprises	14	0.1%	237,307	0.1%
Mining	1	0.0%	819,151	0.5%
Total Employment	14,823	100.0%	160,548,951	100.0%

Source: Esri Demographics 2019, Novogradac Consulting LLP, May 2020

Employment in the PMA is concentrated in the manufacturing, retail trade, and healthcare/social assistance industries, which collectively comprise 48.4 percent of local employment. The large share of PMA employment in manufacturing and retail trade is notable as both industries are historically volatile, and prone to contraction during recessionary periods. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Relative to the overall nation, the PMA features comparatively greater employment in the manufacturing, transportation/warehousing, and wholesale trade industries. Conversely, the PMA is underrepresented in the prof/scientific/tech services, healthcare/social assistance, and finance/insurance industries.

The following table illustrates the changes in employment by industry from 2000 to 2019, in the Subject's PMA.

2000-2019 CHANGE IN EMPLOYMENT - PMA

Industry	2000		2019		2000-2019	
	Number Employed	Percent Employed	Number Employed	Percent Employed	Growth	Annualized Percent Change
Manufacturing	5,131	35.4%	3,787	25.5%	-1,344	-1.4%
Retail Trade	1,489	10.3%	1,708	11.5%	219	0.8%
Healthcare/Social Assistance	1,005	6.9%	1,686	11.4%	681	3.6%
Educational Services	1,104	7.6%	1,284	8.7%	180	0.9%
Accommodation/Food Services	696	4.8%	1,151	7.8%	455	3.4%
Transportation/Warehousing	518	3.6%	998	6.7%	480	4.9%
Construction	1,339	9.2%	888	6.0%	-451	-1.8%
Other Services	560	3.9%	658	4.4%	98	0.9%
Wholesale Trade	565	3.9%	564	3.8%	-1	0.0%
Admin/Support/Waste Mgmt Svcs	383	2.6%	482	3.3%	99	1.4%
Public Administration	436	3.0%	463	3.1%	27	0.3%
Finance/Insurance	326	2.3%	364	2.5%	38	0.6%
Prof/Scientific/Tech Services	209	1.4%	270	1.8%	61	1.5%
Utilities	201	1.4%	199	1.3%	-2	-0.1%
Information	165	1.1%	108	0.7%	-57	-1.8%
Real Estate/Rental/Leasing	90	0.6%	89	0.6%	-1	-0.1%
Agric/Forestry/Fishing/Hunting	92	0.6%	68	0.5%	-24	-1.4%
Arts/Entertainment/Recreation	144	1.0%	41	0.3%	-103	-3.8%
Mgmt of Companies/Enterprises	0	0.0%	14	0.1%	14	0.0%
Mining	26	0.2%	1	0.0%	-25	-5.1%
Total Employment	14,479	100.0%	14,823	100.0%	344	0.1%

Source: Esri Demographics 2019, Novogradac Consulting LLP, June 2020

*Industry data current as of 2010. Other projections current as of 2019.

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

Total employment in the PMA increased at an annualized rate of 0.1 percent between 2000 and 2019. The industries which expanded most substantially during this period include healthcare/social assistance, transportation/warehousing, and accommodation/food services. Conversely, the manufacturing, construction, and arts/entertainment/recreation sectors experienced the least growth and actually contracted during this time period. Overall, we view the lessening reliance on the volatile manufacturing sector, and concurrent rise in healthcare-related employment as a positive aspect of the local economy.

Major Employers

The table below shows the largest employers in Cherokee County.

MAJOR EMPLOYERS - CHEROKEE COUNTY

Employer	Industry	City	# of Employees
Nestle USA	Manufacturing – Prepared Food	Gaffney	1,300
Hamrick Mills	Manufacturing - Textiles	Gaffney	850
The Timken Company	Manufacturing – Steel/Automotive Equipment	Gaffney	700
Freightliner Custom Chassis Corp	Manufacturing - Automobile Equipment	Gaffney	500
Suminoe Textile America	Manufacturing - Textiles	Gaffney	375

Source: Cherokee County Development Board, 5/2020

Of the top employers in Cherokee County, all are located in Gaffney. Further, all of the largest employers are in the manufacturing industry. It should be noted that a manufacturing economic base is typically volatile, especially in times of economic downturn. However, the type of manufacturing plays a large role in overall stability. Stronger types of manufacturing, noted in a March 2020 article by Investopedia, include food, due to the essential nature of the products and the stable nature of buying/usage patterns, regardless of the state of the economy. It was unclear if Hamrick Mills’ employment figure, reported by the Cherokee County Development Board, was before or after the layoff in March 2020. As indicated in the table above, one of the largest employers in Gaffney is within the food manufacturing industry.

Expansions/Contractions

According to the Cherokee County Chamber of Commerce and the Cherokee County Economic Development Board, there have been multiple business expansions in the Cherokee County region in the past year.

- In April 2020, Jimbo Martin, a retired logistics executive, announced that he plans to open a new hemp processing plant in Gaffney, called 33 Farms. Martin plans to open the plant in June 2020, but is waiting for more investor support prior to the opening. Further information regarding the total investment and jobs that will be created was unavailable.
- Oldcastle Adams Group, a concrete masonry technology and design company, announced in April 2020 that they would be expanding current operations in Cowpens. The company is located at 165 Allison Road in Cowpens and is planning to invest \$12.5 million and create 31 new jobs. The expansion will consist of a new dry mix and bagging plant at its current facility, with an expected completion date at the end of 2020.
- Freightliner Custom Chassis Corporation, a premium vehicle chassis manufacturer, announced in December 2019 that they plan to expand their operations in Gaffney. The company is currently located at 552 Hyatt Street in Gaffney. The company plans to invest \$13.9 million and create 193 new jobs. Construction is expected to be completed in early 2022.
- Palmetto Pedic, a mattress manufacturing company, announced in December 2019 that they plan to establish a production center to be located at 418 Chandler Drive in Gaffney. The expected completion date for the production center is January 2020. Further information regarding the total investment and jobs that will be created was unavailable.

WARN Notices

The following table illustrates the contractions to the economy of Gaffney provided by the South Carolina Department of Employment and Workforce between 2017 and 2020 year-to-date (YTD). Jobs affected represent job losses.

WARN LISTINGS

GAFFNEY: JANUARY 2017 - 2020 YTD

Company	Industry	Employees Affected	Layoff Date
Hamrick Mills	Manufacturing	405	3/30/2020
The RAD Group	Other Services	126	4/16/2019
Total		531	

Source: SC Works, May 2020

As the table depicts, there were 531 layoffs/closures in Gaffney that took effect between January 2017 and 2020 YTD. However, as previously noted, recent employment expansions exceed these contractions on a net basis. It is unclear if Hamrick Mills' layoff was COVID-19 related or not.

Employment and Unemployment Trends

The following table details employment and unemployment trends for the SMA from 2004 to April 2020.

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	Gaffney, SC Micropolitan Statistical Area				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2004	22,870	-	8.9%	-	139,252,000	-	5.5%	-
2005	22,938	0.3%	7.9%	-1.0%	141,730,000	1.8%	5.1%	-0.5%
2006	23,177	1.0%	7.7%	-0.2%	144,427,000	1.9%	4.6%	-0.5%
2007	23,543	1.6%	6.8%	-0.9%	146,047,000	1.1%	4.6%	0.0%
2008	23,231	-1.3%	9.1%	2.3%	145,363,000	-0.5%	5.8%	1.2%
2009	21,538	-7.3%	15.9%	6.8%	139,878,000	-3.8%	9.3%	3.5%
2010	19,956	-7.3%	15.7%	-0.1%	139,064,000	-0.6%	9.6%	0.3%
2011	20,162	1.0%	14.7%	-1.0%	139,869,000	0.6%	9.0%	-0.7%
2012	20,705	2.7%	12.8%	-1.9%	142,469,000	1.9%	8.1%	-0.9%
2013	21,241	2.6%	10.5%	-2.4%	143,929,000	1.0%	7.4%	-0.7%
2014	21,689	2.1%	8.3%	-2.1%	146,305,000	1.7%	6.2%	-1.2%
2015	21,823	0.6%	7.1%	-1.2%	148,833,000	1.7%	5.3%	-0.9%
2016	22,159	1.5%	6.0%	-1.1%	151,436,000	1.7%	4.9%	-0.4%
2017	22,659	2.3%	5.0%	-1.0%	153,337,000	1.3%	4.4%	-0.5%
2018	24,234	6.9%	3.7%	-1.3%	155,761,000	1.6%	3.9%	-0.4%
2019	24,422	0.8%	3.1%	-0.6%	157,538,000	1.1%	3.7%	-0.2%
2020 YTD Average*	23,997	-1.7%	6.6%	3.6%	150,876,000	-4.2%	6.7%	3.0%
Apr-2019	24,487	-	2.6%	-	156,710,000	-	3.3%	-
Apr-2020	22,318	-8.9%	16.4%	13.8%	133,326,000	-14.9%	14.4%	11.1%

Source: U.S. Bureau of Labor Statistics, June 2020

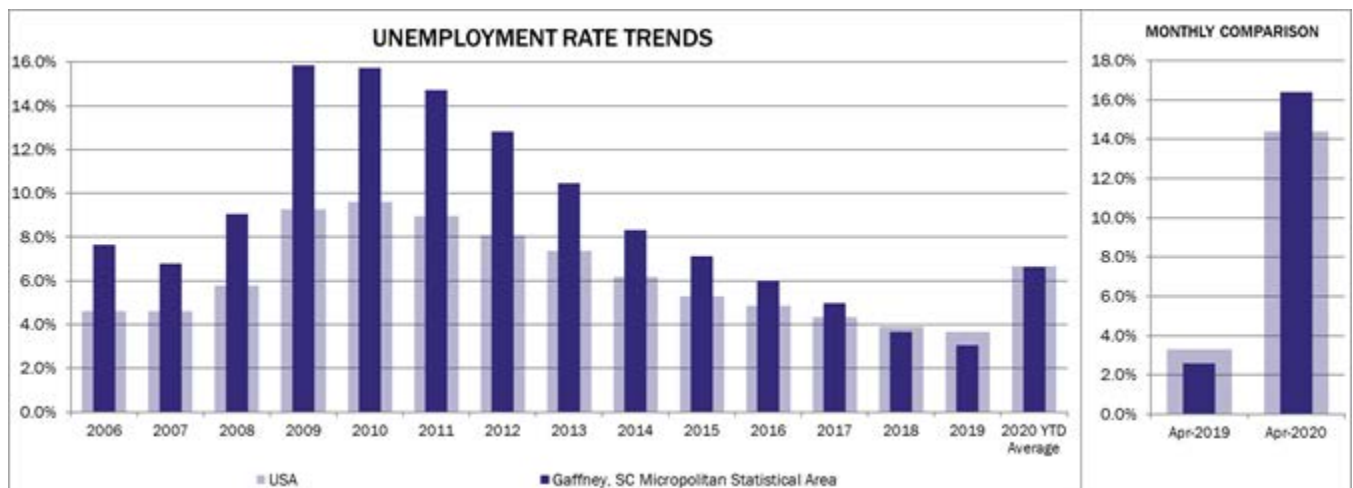
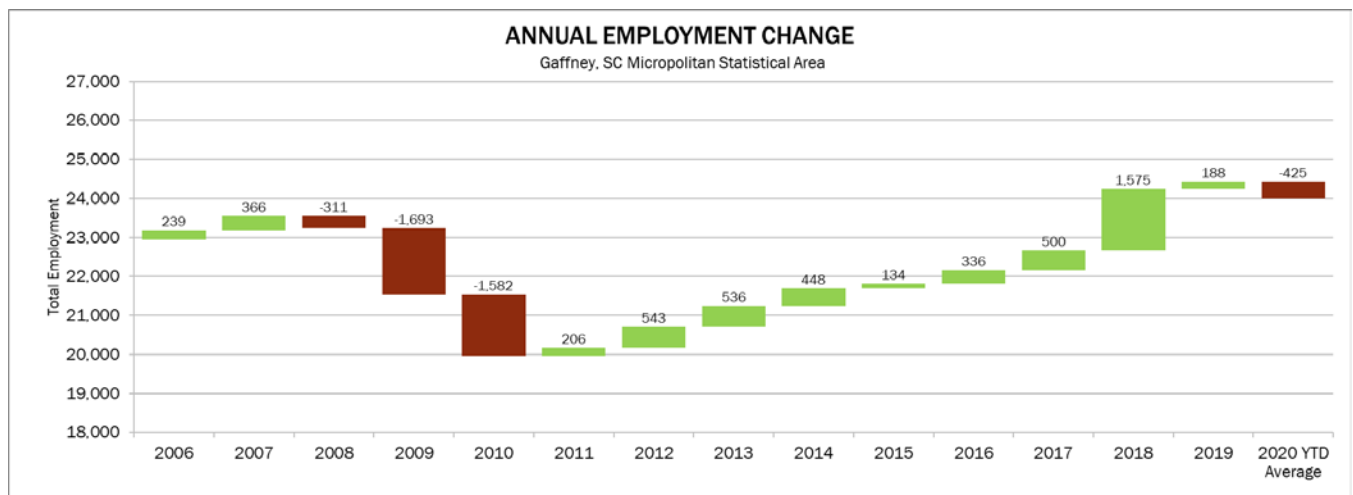
* 2020 Data is through April

Prior to the Great Recession, average employment growth in the SMA generally lagged the nation. The effects of the Great Recession were particularly pronounced in the SMA, which experienced a 15.9 percent contraction in employment growth (2008-2010), well above the 4.9 percent contraction reported by the nation as a whole (2008-2010). It should be noted that the Bureau of Labor Statistics changed their methodology for calculating total employment in 2010; therefore, there is a break in the series of data from 2009 to 2010, which somewhat attributes to the 7.3 percent decrease in total employment from 2009 to 2010. Employment in the SMA recovered and surpassed pre-recessionary levels in 2018, four years later than the overall nation. From 2012 to 2019, job growth in the SMA exceeded the nation in five out of the eight years, most notably in 2018 when the SMA experienced an annual job growth of 6.9 percent, compared to 1.6 percent in the nation.

In 2019, employment in the SMA was increasing at an annual rate of 3.1 percent, slightly below the national rate of 3.7 percent. As of April 2020, total employment in the SMA is decreasing at an annualized rate of 8.9 percent, compared to a 14.9 percent decrease across the overall nation.

The SMA experienced a higher average unemployment rate relative to the overall nation during the years preceding the Great Recession. The effects of the Great Recession were more pronounced in the SMA, which experienced a 9.1 percentage point increase in unemployment (2008-2009), compared to only a 5.0 percentage point increase across the overall nation (2008-2010). Unemployment peaked in the SMA in 2009 at 15.9 percent, and has been steadily decreasing every year since. The unemployment rate in the SMA has historically been greater than that of the nation, with the exception of 2018 and 2019. As of 2019, the unemployment rate in the SMA was 3.7 percent, which was in line with the nation. According to the most recent labor statistics, as of April 2020, the unemployment rate in the SMA is 16.4 percent, which is higher than the current national unemployment rate of 14.4 percent. The sudden and sharp contraction as of late is due to the economic fallout from the COVID-19 pandemic; thus far, performance in Gaffney is on par with national trends. The area has a heavy reliance on the manufacturing sector; typically this industry contracts during recessionary periods. However, given the underlying cause of the current recession, it is unclear if that pattern will hold true. The economic impact will become more evident in the coming months as restrictions continue to be lifted and stimulus funds work their way through the economy.

The following tables provide more illustration of the changes in employment and unemployment rate trends in the SMA.



Housing and Economy

There are two LIHTC and 11 subsidized properties in the Subject’s PMA. Given the very low vacancy rates and presence of waiting lists among the LIHTC comparables, the availability of housing for low to very low income renters is considered limited.

As noted prior, as of April 2020, the unemployment rate in the SMA is 16.4 percent, which is higher than the current national unemployment rate of 14.4 percent. The current recession caused by COVID-19 could lead residents in Gaffney to consider more affordable housing options, such as the Subject.

According to Zillow, the median home value in Gaffney is \$89,842, up 2.9 percent from last year, but is projected to decrease 1.8 percent within the next year. Further, the single-family home market is still somewhat a seller’s market, however this may change due to the current economic uncertainty due to COVID-19.

According to RealtyTrac’s May 2020 estimates, the city of Gaffney experienced a relatively low foreclosure rate of one in every 5,894 housing units. Cherokee County experienced a similar foreclosure rate compared to the city of Gaffney, and experienced a foreclosure rate of one in every 5,894 housing units in May 2020. The state of South Carolina had a foreclosure rate of one in every 10,667 housing units.

COMMUTING PATTERNS

The following table details travel time to work for residents within the PMA. The average travel time is approximately 23 minutes. Approximately 68.0 percent of households within the PMA have commute times of less than 25 minutes.

COMMUTING PATTERNS		
ACS Commuting Time to Work	Number of Commuters	Percentage
Travel Time < 5 min	642	4.8%
Travel Time 5-9 min	1,879	14.2%
Travel Time 10-14 min	2,934	22.1%
Travel Time 15-19 min	2,135	16.1%
Travel Time 20-24 min	1,418	10.7%
Travel Time 25-29 min	619	4.7%
Travel Time 30-34 min	1,620	12.2%
Travel Time 35-39 min	221	1.7%
Travel Time 40-44 min	434	3.3%
Travel Time 45-59 min	697	5.3%
Travel Time 60-89 min	555	4.2%
Travel Time 90+ min	98	0.7%

Source: US Census 2019, Novogradac Consulting LLP, February 2020

CONCLUSION

Employment in the PMA is concentrated in the manufacturing, retail trade, and healthcare/social assistance industries, which collectively comprise 48.4 percent of local employment. The large share of PMA employment in manufacturing and retail trade is notable as both industries are historically volatile, and prone to contraction during recessionary periods. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. All of the largest employers are in the manufacturing industry. It should be noted that a manufacturing economic base is typically volatile, especially in times of economic downturn. However, the type of manufacturing plays a large role in overall stability. Stronger types of manufacturing, noted in a March 2020 article by Investopedia,

include food and textiles, due to the essential nature of the products and the stable nature of buying/usage patterns, regardless of the state of the economy. As of April 2020, total employment in the SMA is decreasing at an annualized rate of 8.9 percent, compared to a 14.9 percent decrease across the overall nation. According to the most recent labor statistics, as of April 2020, the unemployment rate in the SMA is 16.4 percent, which is higher than the current national unemployment rate of 14.4 percent.

The sudden and sharp contraction as of late is due to the economic fallout from the COVID-19 pandemic; thus far, performance in Gaffney is on par with national trends. The area has a heavy reliance on the manufacturing sector; typically this industry contracts during recessionary periods. However, given the underlying cause of the current recession, it is unclear if that pattern will hold true. The economic impact will become more evident in the coming months as restrictions continue to be lifted and stimulus funds work their way through the economy.

E. COMMUNITY DEMOGRAPHIC DATA

COMMUNITY DEMOGRAPHIC DATA

The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied to determine if the Primary Market Area (PMA) and Gaffney, SC Micropolitan Statistical area, which serves as the Secondary Market Area (SMA), are areas of growth or contraction. The discussions will also describe typical household size and will provide a picture of the health of the community and the economy. The following demographic tables are specific to the populations of the PMA, SMA, and nation.

Population Trends

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

POPULATION

Year	PMA		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	31,913	-	48,840	-	281,250,431	-
2010	34,793	0.9%	55,342	1.3%	308,745,538	1.0%
2019	36,651	0.6%	58,189	0.6%	332,417,793	0.8%
Projected Mkt Entry	36,989	0.4%	58,782	0.4%	338,734,867	0.8%
2024	37,351	0.4%	59,416	0.4%	345,487,602	0.8%

Source: Esri Demographics 2019, Novogradac Consulting LLP, June 2020

POPULATION BY AGE GROUP

Age Cohort	PMA				
	2000	2010	2019	Projected Mkt Entry	2024
0-4	2,171	2,401	2,249	2,236	2,222
5-9	2,275	2,346	2,348	2,316	2,282
10-14	2,291	2,383	2,323	2,376	2,433
15-19	2,181	2,521	2,252	2,349	2,452
20-24	1,957	2,355	2,154	2,077	1,995
25-29	2,317	2,064	2,454	2,223	1,976
30-34	2,320	1,988	2,482	2,422	2,357
35-39	2,378	2,308	2,236	2,350	2,472
40-44	2,374	2,376	2,114	2,197	2,285
45-49	2,315	2,372	2,439	2,316	2,185
50-54	2,149	2,415	2,402	2,453	2,507
55-59	1,708	2,282	2,389	2,396	2,404
60-64	1,356	2,104	2,325	2,349	2,375
65-69	1,197	1,610	2,150	2,195	2,243
70-74	1,079	1,133	1,737	1,825	1,919
75-79	844	866	1,158	1,332	1,517
80-84	549	628	703	811	927
85+	455	641	738	767	798
Total	31,916	34,793	36,653	36,989	37,349

Source: Esri Demographics 2019, Novogradac Consulting LLP, June 2020

The PMA experienced an annual population growth rate of 0.9 percent between 2000 and 2010, which was behind the surrounding SMA but in line with the nation, during the same time period. Population growth in the PMA slowed slightly between 2010 and 2019 to a rate of 0.6 percent annually, in line with the SMA, but below the nation. Annualized PMA growth is expected to be approximately 0.4 percent through market entry and 2024, similar to the SMA and below the overall nation.

The population in the PMA in 2019 was concentrated in the age groups of 25 to 34 and 45 to 59, and combined these age groups represent 33.3 percent of the total population in the PMA. Through market entry

these age groups will have the highest representation in the PMA. Growth in these age cohorts bodes well for the Subject.

HOUSEHOLD TRENDS

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

Year	PMA		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	12,504	-	19,021	-	105,409,439	-
2010	13,518	0.8%	21,462	1.3%	116,716,296	1.1%
2019	13,966	0.4%	22,343	0.4%	125,168,557	0.8%
Projected Mkt Entry	14,072	0.3%	22,556	0.4%	127,305,377	0.7%
2024	14,185	0.3%	22,783	0.4%	129,589,563	0.7%

Source: Esri Demographics 2019, Novogradac Consulting LLP, June 2020

Year	PMA		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.51	-	2.54	-	2.59	-
2010	2.51	0.0%	2.54	0.0%	2.58	-0.1%
2019	2.53	0.1%	2.55	0.0%	2.59	0.1%
Projected Mkt Entry	2.54	0.1%	2.55	0.0%	2.60	0.1%
2024	2.55	0.1%	2.55	0.0%	2.60	0.0%

Source: Esri Demographics 2019, Novogradac Consulting LLP, June 2020

Year	PMA		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	529.00	-	605.00	-	7,772,539.00	-
2010	804.00	5.2%	847.00	4.0%	8,043,577.00	0.3%
2019	1,250.00	6.0%	1,242.00	5.0%	8,093,640.00	0.1%
Projected Mkt Entry	1,250.00	0.0%	1,242.00	0.0%	8,093,640.00	0.0%
2024	1,250.00	0.0%	1,242.00	0.0%	8,093,640.00	0.0%

Source: Esri Demographics 2019, Novogradac Consulting LLP, June 2020

The PMA experienced an annual household growth rate of 0.8 percent between 2000 and 2010, behind both the SMA and nation. Household growth in the PMA decreased to an annual growth rate of 0.4 percent between 2010 and 2019, in line with the SMA but below the nation. Annualized PMA growth is projected to be 0.3 percent through market entry and 2024, slightly below the SMA and below the overall nation. The average household size is expected to increase slightly in the PMA from 2019 through market entry and 2024, while the SMA and nation are expected to remain stable during the same time period. The number of persons in group quarters increased significantly in the PMA between 2000 and 2019, outpacing both the SMA and nation. Note that forecasted data for the population in group quarters is not available as growth in this population is more often a result of changes to local facilities than macro demographic trends.

Households by Tenure

The table below depicts household growth by tenure from 2000 through 2024.

TENURE PATTERNS PMA				
Year	Owner-Occupied Units		Renter-Occupied Units	
	Number	Percentage	Number	Percentage
2000	8,918	71.3%	3,586	28.7%
2010	8,697	64.3%	4,821	35.7%
2019	9,305	66.6%	4,661	33.4%
Projected Mkt Entry	9,403	66.8%	4,669	33.2%
2024	9,507	67.0%	4,678	33.0%

Source: Esri Demographics 2019, Novogradac Consulting LLP, June 2020

The preceding table details household tenure patterns in the PMA since 2000. The percentage and number of renter households in the PMA increased between 2000 and 2019, and is estimated to be 33.4 percent as of 2019. This is slightly above the estimated 32.4 percent of renter households across the overall nation. The percentage of renter households in the PMA is expected to decrease slightly through market entry and 2024, while the number of renters is projected to increase slightly during this time period.

Household Income Distribution

The following table depicts household income in the PMA from 2019 to 2024.

Income Cohort	HOUSEHOLD INCOME PMA					
	2019		2024		Annual Change 2019 to 2024	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,821	13.0%	1,778	12.6%	1,732	12.2%
\$10,000-19,999	2,101	15.0%	2,045	14.5%	1,985	14.0%
\$20,000-29,999	1,909	13.7%	1,906	13.5%	1,902	13.4%
\$30,000-39,999	1,700	12.2%	1,678	11.9%	1,654	11.7%
\$40,000-49,999	1,305	9.3%	1,325	9.4%	1,346	9.5%
\$50,000-59,999	1,124	8.0%	1,107	7.9%	1,089	7.7%
\$60,000-74,999	1,186	8.5%	1,205	8.6%	1,226	8.6%
\$75,000-99,999	1,201	8.6%	1,259	8.9%	1,320	9.3%
\$100,000-124,999	609	4.4%	663	4.7%	720	5.1%
\$125,000-149,999	412	3.0%	443	3.1%	476	3.4%
\$150,000-199,999	345	2.5%	373	2.7%	403	2.8%
\$200,000+	253	1.8%	291	2.1%	332	2.3%
Total	13,966	100.0%	14,072	100.0%	14,185	100.0%

Source: HISTA Data / Ribbon Demographics 2019, Novogradac Consulting LLP, June 2020

As proposed, the Subject will target households earning between zero and \$43,380, and between \$20,160 and \$43,380 absent subsidy. As the table above depicts, approximately 53.9 percent of households in the PMA earned less than \$40,000 in 2019.

Renter Household Income Distribution

The following tables depict renter household incomes in the PMA in 2019, market entry, and 2024.

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2019		Projected Mkt Entry		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,211	26.0%	1,175	25.2%	1,136	24.3%
\$10,000-19,999	861	18.5%	837	17.9%	811	17.3%
\$20,000-29,999	675	14.5%	675	14.5%	675	14.4%
\$30,000-39,999	477	10.2%	477	10.2%	478	10.2%
\$40,000-49,999	437	9.4%	443	9.5%	450	9.6%
\$50,000-59,999	317	6.8%	324	6.9%	332	7.1%
\$60,000-74,999	225	4.8%	233	5.0%	241	5.2%
\$75,000-99,999	109	2.3%	124	2.7%	140	3.0%
\$100,000-124,999	137	2.9%	148	3.2%	159	3.4%
\$125,000-149,999	84	1.8%	90	1.9%	96	2.1%
\$150,000-199,999	76	1.6%	81	1.7%	87	1.9%
\$200,000+	52	1.1%	62	1.3%	73	1.6%
Total	4,661	100.0%	4,669	100.0%	4,678	100.0%

Source: HISTA Data / Ribbon Demographics 2019, Novogradac Consulting LLP, June 2020

Renter households with incomes less than \$40,000 represent 69.2 percent of the renter households in the PMA in 2019, and this share is expected to decrease slightly through market entry and 2024.

Renter Households by Number of Persons in the Household

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

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA

Household Size	2019		Projected Mkt Entry		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
1 Person	1,830	39.3%	1,838	39.4%	1,846	39.5%
2 Persons	1,135	24.4%	1,119	24.0%	1,101	23.5%
3 Persons	833	17.9%	837	17.9%	842	18.0%
4 Persons	428	9.2%	433	9.3%	438	9.4%
5+ Persons	435	9.3%	443	9.5%	451	9.6%
Total Households	4,661	100%	4,669	100%	4,678	100%

Source: HISTA Data / Ribbon Demographics 2019, Novogradac Consulting LLP, June 2020

The Subject offers one, two, three, and four-bedroom units and will be generally be catered to households consisting of one to six people. Thus, as indicated in the previous table, the Subject will support nearly all sizes of renter households within the PMA.

Conclusion

The PMA experienced an annual population growth rate of 0.9 percent between 2000 and 2010, which was behind the surrounding SMA but in line with the nation, during the same time period. Household growth in the PMA slowed to an annual growth rate of 0.4 percent between 2010 and 2019, in line with the SMA but below the nation. Annualized PMA growth is expected to be approximately 0.4 percent through market entry and 2024, similar to the SMA and below the overall nation. The average household size is expected to increase slightly in the PMA from 2019 through market entry and 2024, while the SMA and nation are expected to remain stable during the same time period. Renter households with incomes less than \$40,000 represent

69.2 percent of the renter households in the PMA in 2019, and this share is expected to decrease slightly through market entry and 2024. Many of these households would income-qualify at the Subject.

F. PROJECT-SPECIFIC DEMAND ANALYSIS

PROJECT SPECIFIC DEMAND ANALYSIS

The following demand analysis evaluates the potential amount of qualified households, which the Subject would have a fair chance at capturing. The structure of the analysis is based on the guidelines provided by SC Housing.

1. Income Restrictions

LIHTC rents are based upon a percentage of the Area Median Gross Income (AMI), adjusted for household size and utilities. South Carolina State Housing Finance and Development Authority (SC Housing) will estimate the relevant income levels, with annual updates. The rents are calculated assuming that the maximum net rent a household will pay is 30 percent of its household income at the appropriate AMI level.

Household size is assumed to be 1.5 persons per bedroom for general population projects. For example, for one-bedroom units we assume the average income limits of a one- and two person household and for three bedroom units we assume the average income limits for a four- and five person household. This applies to family projects. For elderly projects, we have used a maximum income based on two-person households. Additionally HUD assumes that one-person households are accommodated in one-bedroom units. For LIHTC income purposes, the actual size of the household is used.

To assess the likely number of tenants in the market area eligible to live in the Subject, we use Census information as provided by ESRI Business Information Solutions to estimate the number of potential tenants who would qualify to occupy the Subject as a LIHTC project.

The maximum income levels are based upon information obtained from the Rent and Income Limits Guidelines Table as accessed from Novogradac Consulting’s website.

2. Affordability

As discussed above, the maximum income for LIHTC units is set by SC Housing while the minimum is based upon the minimum income needed to support affordability. This is based upon a standard of 35 percent. Lower and moderate-income families typically spend greater than 30 percent of their income on housing. These expenditure amounts can range higher than 50 percent depending upon market area. However, the 30 to 40 percent range is generally considered a reasonable range of affordability. SC Housing guidelines utilize 35 for families and 40 percent for senior households, which we will use to set the minimum income levels for the demand analysis.

3. Minimum and Maximum Income Levels

The following tables illustrate the minimum and maximum allowable income levels for the Subject’s units, as proposed with rental assistance and as proposed absent subsidy.

FAMILY INCOME LIMITS – AS PROPOSED

Unit Type	Minimum Allowable Income	Maximum Allowable Income
	@60% (Section 8)	
1BR	\$0	\$29,880
2BR	\$0	\$33,660
3BR	\$0	\$40,380
4BR	\$0	\$43,380

FAMILY INCOME LIMITS – ABSENT SUBSIDY

Unit Type	Minimum Allowable Income	Maximum Allowable Income
	@60%	
1BR	\$20,160	\$29,880
2BR	\$24,206	\$33,660
3BR	\$27,943	\$40,380
4BR	\$31,200	\$43,380

4. Demand

The demand for the Subject will be derived from two sources: existing households and new households. These calculations are illustrated on the attached table.

4a. Demand from New Renter Households

The number of new households entering the market is the first level of demand calculated. South Carolina State Housing Finance and Development Authority (SC Housing) has requested that we utilize 2019 as the base year for the analysis, with demographic projections to 2021 (Subject’s market entry/anticipated completion date). This is considered the gross potential demand for the Subject property. This number is adjusted for income eligibility and renter tenure.

4b. Demand from Existing Households

Demand for existing households is estimated by summing three sources of potential tenants, plus a fourth allowance for other demand, if deemed applicable. (a) The first source is tenants who are rent overburdened. These are households who are paying over 35 percent of their income in housing costs for general occupancy housing or over 40 percent of their income in housing costs for elderly housing. This number is estimated using Census 2010 or American Community Survey (ACS) data. (b) The second source is households living in substandard housing. This number is estimated using 2010 Census data. (c) The third source is those seniors likely to move from their own homes into rental housing. Data from the American Housing Survey and interviews with area senior apartment property managers regarding the number or share of current renters who originated from homeownership must be used to refine the analysis. The Subject is rural and generally not likely to attract homeowners seeking to downsize into a family rental unit. (d) The fourth potential “Other” source of demand is demand which may exist that is not captured by the above methods, which may be allowed if the factors used can be fully justified.

4c. Additions to Supply

South Carolina State Housing Finance and Development Authority (SC Housing) guidelines indicate that units in all competing projects that were allocated, under construction, placed in service, or funded in 2019 as well as those units at properties that have not reached a stabilized occupancy of 93 percent should be removed from the demand analysis. There are no such properties in the PMA.

5. Method – Capture Rates

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

60% AMI/Section 8

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @60%/Section 8

Minimum Income Limit		\$0		Maximum Income Limit		\$43,380	
Income Category	New Renter Households - Total Change in Households PMA 2019 to Prj Mrkt Entry December 2021		Income Brackets	Percent within Cohort	Renter Households within Bracket		
\$0-9,999	-36	-441.2%	9,999	100.0%	-36		
\$10,000-19,999	-24	-294.1%	9,999	100.0%	-24		
\$20,000-29,999	0	0.0%	9,999	100.0%	0		
\$30,000-39,999	0	5.9%	9,999	100.0%	0		
\$40,000-49,999	6	76.5%	3,380	33.8%	2		
\$50,000-59,999	7	88.2%	0	0.0%	0		
\$60,000-74,999	8	94.1%	0	0.0%	0		
\$75,000-99,999	15	182.4%	0	0.0%	0		
\$100,000-124,999	11	129.4%	0	0.0%	0		
\$125,000-149,999	6	70.6%	0	0.0%	0		
\$150,000-199,999	5	64.7%	0	0.0%	0		
\$200,000+	10	123.5%	0	0.0%	0		
Total	8	100.0%		-703.6%	-58		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @60%/Section 8

Minimum Income Limit		\$0		Maximum Income Limit		\$43,380	
Income Category	Total Renter Households PMA 2019		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	1,211	26.0%	9,999	100.0%	1,211		
\$10,000-19,999	861	18.5%	9,999	100.0%	861		
\$20,000-29,999	675	14.5%	9,999	100.0%	675		
\$30,000-39,999	477	10.2%	9,999	100.0%	477		
\$40,000-49,999	437	9.4%	3,380	33.8%	148		
\$50,000-59,999	317	6.8%	0	0.0%	0		
\$60,000-74,999	225	4.8%	0	0.0%	0		
\$75,000-99,999	109	2.3%	0	0.0%	0		
\$100,000-124,999	137	2.9%	0	0.0%	0		
\$125,000-149,999	84	1.8%	0	0.0%	0		
\$150,000-199,999	76	1.6%	0	0.0%	0		
\$200,000+	52	1.1%	0	0.0%	0		
Total	4,661	100.0%		72.3%	3,372		

ASSUMPTIONS - @60%/Section 8

ASSUMPTIONS - @60%/Section 8						
Tenancy		Family	% of Income towards Housing			35%
Rural/Urban		Rural	Maximum # of Occupants			6
Persons in Household	0BR	1BR	2BR	3BR	4BR+	
1	0%	100%	0%	0%	0%	
2	0%	30%	70%	0%	0%	
3	0%	0%	70%	30%	0%	
4	0%	0%	30%	40%	30%	
5+	0%	0%	0%	50%	50%	

Demand from New Renter Households 2019 to December 2021

Income Target Population	@60%/Section 8
New Renter Households PMA	8
Percent Income Qualified	-703.6%
New Renter Income Qualified Households	-58

Demand from Existing Households 2019

Demand from Rent Overburdened Households

Income Target Population	@60%/Section 8
Total Existing Demand	4,661
Income Qualified	72.3%
Income Qualified Renter Households	3,372
Percent Rent Overburdened Prj Mrkt Entry December 2021	36.4%
Rent Overburdened Households	1,228

Demand from Living in Substandard Housing

Income Qualified Renter Households	3,372
Percent Living in Substandard Housing	1.4%
Households Living in Substandard Housing	47

By Bedroom Demand

One Person	39.4%	479
Two Persons	24.0%	292
Three Persons	17.9%	218
Four Persons	9.3%	113
Five Persons	9.5%	115
Total	100.0%	1,217

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	100%	479
Of two-person households in 1BR units	30%	87
Of two-person households in 2BR units	70%	204
Of three-person households in 2BR units	70%	153
Of four-person households in 2BR units	30%	34
Of three-person households in 3BR units	30%	65
Of four-person households in 3BR units	40%	45
Of five-person households in 3BR units	50%	58
Of four-person households in 4BR units	30%	34
Of five-person households in 4BR units	50%	58
Total Demand		1,217

Total Demand (Subject Unit Types)			Additions to Supply			Net Demand
1 BR	566	-	0	=	566	
2 BR	391	-	0	=	391	
3 BR	168	-	0	=	168	
4 BR	92	-	0	=	92	
Total	1,217		0		1,217	

Developer's Unit Mix			Net Demand		Capture Rate
1 BR	15	/	566	=	2.6%
2 BR	55	/	391	=	14.1%
3 BR	25	/	168	=	14.9%
4 BR	10	/	92	=	10.9%
Total	105		1,217		8.6%

60% AMI – Absent Subsidy

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$20,160		Maximum Income Limit		\$43,380	
Income Category	New Renter Households - Total Change in Households PMA 2019 to Prj Mrkt Entry December 2021		Income Brackets	Percent within Cohort	Renter Households within Bracket		
\$0-9,999	-36	-441.2%	0	0.0%	0		
\$10,000-19,999	-24	-294.1%	0	0.0%	0		
\$20,000-29,999	0	0.0%	9,838	98.4%	0		
\$30,000-39,999	0	5.9%	9,999	100.0%	0		
\$40,000-49,999	6	76.5%	3,381	33.8%	2		
\$50,000-59,999	7	88.2%	0	0.0%	0		
\$60,000-74,999	8	94.1%	0	0.0%	0		
\$75,000-99,999	15	182.4%	0	0.0%	0		
\$100,000-124,999	11	129.4%	0	0.0%	0		
\$125,000-149,999	6	70.6%	0	0.0%	0		
\$150,000-199,999	5	64.7%	0	0.0%	0		
\$200,000+	10	123.5%	0	0.0%	0		
Total	8	100.0%		31.7%	3		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$20,160		Maximum Income Limit		\$43,380	
Income Category	Total Renter Households PMA 2019		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	1,211	26.0%	0	0.0%	0		
\$10,000-19,999	861	18.5%	0	0.0%	0		
\$20,000-29,999	675	14.5%	9,838	98.4%	664		
\$30,000-39,999	477	10.2%	9,999	100.0%	477		
\$40,000-49,999	437	9.4%	3,381	33.8%	148		
\$50,000-59,999	317	6.8%	0	0.0%	0		
\$60,000-74,999	225	4.8%	0	0.0%	0		
\$75,000-99,999	109	2.3%	0	0.0%	0		
\$100,000-124,999	137	2.9%	0	0.0%	0		
\$125,000-149,999	84	1.8%	0	0.0%	0		
\$150,000-199,999	76	1.6%	0	0.0%	0		
\$200,000+	52	1.1%	0	0.0%	0		
Total	4,661	100.0%		27.7%	1,289		

ASSUMPTIONS - @60%

Tenancy		Family		% of Income towards Housing		35%
Rural/Urban		Rural		Maximum # of Occupants		6
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	0%	100%	0%	0%	0%	
2	0%	30%	70%	0%	0%	
3	0%	0%	70%	30%	0%	
4	0%	0%	30%	40%	30%	
5+	0%	0%	0%	50%	50%	

Demand from New Renter Households 2019 to December 2021

Income Target Population	@60%
New Renter Households PMA	8
Percent Income Qualified	31.7%
New Renter Income Qualified Households	3

Demand from Existing Households 2019

Demand from Rent Overburdened Households

Income Target Population	@60%
Total Existing Demand	4,661
Income Qualified	27.7%
Income Qualified Renter Households	1,289
Percent Rent Overburdened Prj Mrkt Entry December 2021	36.4%
Rent Overburdened Households	470

Demand from Living in Substandard Housing

Income Qualified Renter Households	1,289
Percent Living in Substandard Housing	1.4%
Households Living in Substandard Housing	18

By Bedroom Demand

One Person	39.4%	193
Two Persons	24.0%	117
Three Persons	17.9%	88
Four Persons	9.3%	45
Five Persons	9.5%	46
Total	100.0%	490

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	100%	193
Of two-person households in 1BR units	30%	35
Of two-person households in 2BR units	70%	82
Of three-person households in 2BR units	70%	61
Of four-person households in 2BR units	30%	14
Of three-person households in 3BR units	30%	26
Of four-person households in 3BR units	40%	18
Of five-person households in 3BR units	50%	23
Of four-person households in 4BR units	30%	14
Of five-person households in 4BR units	50%	23
Total Demand		490

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
1 BR	228	-	0	=	228
2 BR	157	-	0	=	157
3 BR	68	-	0	=	68
4 BR	37	-	0	=	37
Total	490		0		490

	Developer's Unit Mix		Net Demand		Capture Rate
1 BR	15	/	228	=	6.6%
2 BR	55	/	157	=	35.0%
3 BR	25	/	68	=	36.9%
4 BR	10	/	37	=	27.1%
Total	105		490		21.4%

60% AMI/Section 8 – Large Households

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @60%/Sec 8

Minimum Income Limit		\$0		Maximum Income Limit		\$43,380	
Income Category	New Renter Households - Total Change in Households PMA 2019 to Prj Mrkt Entry December 2021		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	\$0-9,999	-36				-441.2%	9,999
\$10,000-19,999	-24	-294.1%	9,999	100.0%	-24		
\$20,000-29,999	0	0.0%	9,999	100.0%	0		
\$30,000-39,999	0	5.9%	9,999	100.0%	0		
\$40,000-49,999	6	76.5%	3,380	33.8%	2		
\$50,000-59,999	7	88.2%	0	0.0%	0		
\$60,000-74,999	8	94.1%	0	0.0%	0		
\$75,000-99,999	15	182.4%	0	0.0%	0		
\$100,000-124,999	11	129.4%	0	0.0%	0		
\$125,000-149,999	6	70.6%	0	0.0%	0		
\$150,000-199,999	5	64.7%	0	0.0%	0		
\$200,000+	10	123.5%	0	0.0%	0		
Total	8	100.0%		-703.6%	-58		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @60%/Sec 8

Minimum Income Limit		\$0		Maximum Income Limit		\$43,380	
Income Category	Total Renter Households PMA 2019		Income Brackets	Percent within Cohort	Households within Bracket		
	\$0-9,999	1,211				26.0%	9,999
\$10,000-19,999	861	18.5%	9,999	100.0%	861		
\$20,000-29,999	675	14.5%	9,999	100.0%	675		
\$30,000-39,999	477	10.2%	9,999	100.0%	477		
\$40,000-49,999	437	9.4%	3,380	33.8%	148		
\$50,000-59,999	317	6.8%	0	0.0%	0		
\$60,000-74,999	225	4.8%	0	0.0%	0		
\$75,000-99,999	109	2.3%	0	0.0%	0		
\$100,000-124,999	137	2.9%	0	0.0%	0		
\$125,000-149,999	84	1.8%	0	0.0%	0		
\$150,000-199,999	76	1.6%	0	0.0%	0		
\$200,000+	52	1.1%	0	0.0%	0		
Total	4,661	100.0%		72.3%	3,372		

ASSUMPTIONS - @60%/Sec 8

ASSUMPTIONS - @60%/Sec 8						
Tenancy	Family		% of Income towards Housing			35%
Rural/Urban	Rural		Maximum # of Occupants			6
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	0%	0%	0%	100%	0%	
2	0%	0%	0%	100%	0%	
3	0%	0%	0%	70%	30%	
4	0%	0%	0%	70%	30%	
5+	0%	0%	0%	30%	70%	

Demand from New Renter Households 2019 to December 2021

Income Target Population	@60%/Sec 8
New Renter Households PMA	8
Percent Income Qualified	-703.6%
New Renter Income Qualified Households	-58

Demand from Existing Households 2019

Demand from Rent Overburdened Households

Income Target Population	@60%/Sec 8
Total Existing Demand	4,661
Income Qualified	72.3%
Income Qualified Renter Households	3,372
Percent Rent Overburdened Prj Mrkt Entry December 2021	36.4%
Rent Overburdened Households	1,228

Demand from Living in Substandard Housing

Income Qualified Renter Households	3,372
Percent Living in Substandard Housing	1.4%
Households Living in Substandard Housing	47

By Bedroom Demand

One Person	39.4%	479
Two Persons	24.0%	292
Three Persons	17.9%	218
Four Persons	9.3%	113
Five Persons	9.5%	115
Total	100.0%	1,217

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	0%	0
Of two-person households in 1BR units	0%	0
Of two-person households in 2BR units	0%	0
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of three-person households in 3BR units	70%	153
Of four-person households in 3BR units	70%	79
Of five-person households in 3BR units	30%	35
Of four-person households in 4BR units	30%	34
Of five-person households in 4BR units	50%	58
Total Demand		358

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
3 BR	266	-	0	=	266
4 BR	92	-	0	=	92
Total	358		0		358

	Developer's Unit Mix		Net Demand		Capture Rate
3 BR	25	/	266	=	9.4%
4 BR	10	/	92	=	10.9%
Total	35		358		9.8%

60% AMI – Large Households Absent Subsidy

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$27,943		Maximum Income Limit		\$43,380	
Income Category	New Renter Households - Total Change in Households PMA 2019 to Prj Mrkt Entry December 2021		Income Brackets	Percent within Cohort	Renter Households within Bracket		
\$0-9,999	-36	-441.2%	0	0.0%	0		
\$10,000-19,999	-24	-294.1%	0	0.0%	0		
\$20,000-29,999	0	0.0%	2,056	20.6%	0		
\$30,000-39,999	0	5.9%	9,999	100.0%	0		
\$40,000-49,999	6	76.5%	3,381	33.8%	2		
\$50,000-59,999	7	88.2%	0	0.0%	0		
\$60,000-74,999	8	94.1%	0	0.0%	0		
\$75,000-99,999	15	182.4%	0	0.0%	0		
\$100,000-124,999	11	129.4%	0	0.0%	0		
\$125,000-149,999	6	70.6%	0	0.0%	0		
\$150,000-199,999	5	64.7%	0	0.0%	0		
\$200,000+	10	123.5%	0	0.0%	0		
Total	8	100.0%		31.7%	3		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$27,943		Maximum Income Limit		\$43,380	
Income Category	Total Renter Households PMA 2019		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	1,211	26.0%	0	0.0%	0		
\$10,000-19,999	861	18.5%	0	0.0%	0		
\$20,000-29,999	675	14.5%	2,056	20.6%	139		
\$30,000-39,999	477	10.2%	9,999	100.0%	477		
\$40,000-49,999	437	9.4%	3,381	33.8%	148		
\$50,000-59,999	317	6.8%	0	0.0%	0		
\$60,000-74,999	225	4.8%	0	0.0%	0		
\$75,000-99,999	109	2.3%	0	0.0%	0		
\$100,000-124,999	137	2.9%	0	0.0%	0		
\$125,000-149,999	84	1.8%	0	0.0%	0		
\$150,000-199,999	76	1.6%	0	0.0%	0		
\$200,000+	52	1.1%	0	0.0%	0		
Total	4,661	100.0%		16.4%	764		

ASSUMPTIONS - @60%

Tenancy		Family		% of Income towards Housing		35%
Rural/Urban		Rural		Maximum # of Occupants		6
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	0%	0%	0%	100%	0%	
2	0%	0%	0%	100%	0%	
3	0%	0%	0%	70%	30%	
4	0%	0%	0%	70%	30%	
5+	0%	0%	0%	30%	70%	

Demand from New Renter Households 2019 to December 2021

Income Target Population	@60%
New Renter Households PMA	8
Percent Income Qualified	31.7%
New Renter Income Qualified Households	3

Demand from Existing Households 2019

Demand from Rent Overburdened Households

Income Target Population	@60%
Total Existing Demand	4,661
Income Qualified	16.4%
Income Qualified Renter Households	764
Percent Rent Overburdened Prj Mrkt Entry December 2021	36.4%
Rent Overburdened Households	278

Demand from Living in Substandard Housing

Income Qualified Renter Households	764
Percent Living in Substandard Housing	1.4%
Households Living in Substandard Housing	11

By Bedroom Demand

One Person	39.4%	115
Two Persons	24.0%	70
Three Persons	17.9%	52
Four Persons	9.3%	27
Five Persons	9.5%	28
Total	100.0%	291

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	0%	0
Of two-person households in 1BR units	0%	0
Of two-person households in 2BR units	0%	0
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of three-person households in 3BR units	70%	37
Of four-person households in 3BR units	70%	19
Of five-person households in 3BR units	30%	8
Of four-person households in 4BR units	30%	8
Of five-person households in 4BR units	50%	14
Total Demand		86

Total Demand (Subject Unit Types)			Additions to Supply			Net Demand		
3 BR	64	-	0	=	64			
4 BR	22	-	0	=	22			
Total	86		0		86			

Developer's Unit Mix			Net Demand			Capture Rate		
3 BR	25	/	64	=	39.2%			
4 BR	10	/	22	=	45.6%			
Total	35		86		40.9%			

Conclusions

Several factors affect the indicated capture rates and are discussed following.

- The number of general population households in the PMA is expected to increase 0.3 percent between 2019 and projected market entry of December 2021.
- This demand analysis does not measure the PMA's or Subject's ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

The following table illustrates demand and net demand for the Subject's units. Note that these capture rates are not based on appropriate bedroom types, as calculated previously.

DEMAND AND NET DEMAND

DCA Conclusion Tables (Family)	HH at @60% AMI/Section 8 (\$0 to \$43,380)	HH at @60% AMI Absent Subsidy (\$20,160 to \$43,380)	HH at @60% AMI/Section 8 Large HH (\$0 to \$43,380)	HH at @60% AMI Large HH Absent Subsidy (\$27,943 to \$43,380)	All Tax Credit Households
Demand from New Households (age and income appropriate)	-58	3	-58	3	-58
PLUS	+	+	+	+	+
Demand from Existing Renter Households - Substandard Housing	47	18	47	11	47
PLUS	+	+	+	+	+
Demand from Existing Renter Housholds - Rent Overburdened Households	1,228	470	1,228	278	1,228
Sub Total	1,217	491	1,217	291	1,217
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 2% where applicable)	0	0	0	0	0
Equals Total Demand	1,217	491	1,217	291	1,217
Less	-	-	-	-	-
Competitive New Supply	0	0	0	0	0
Equals Net Demand	1,217	491	1,217	291	1,217

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

CAPTURE RATE ANALYSIS CHART

Bedrooms/AMI Level	Total Demand	Supply	Net Demand	Units Proposed	Capture Rate
With Subsidy					
1BR @60%	566	0	566	15	2.6%
2BR @60%	391	0	391	55	14.1%
3BR @60%	168	0	168	25	14.9%
4BR @60%	92	0	92	10	10.9%
Overall	1,217	0	1,217	105	8.6%
Absent Subsidy					
1BR @60%	228	0	228	15	6.6%
2BR @60%	157	0	157	55	35.0%
3BR @60%	68	0	68	25	36.9%
4BR @60%	37	0	37	10	27.1%
Overall	490	0	490	105	21.4%

As the analysis illustrates, the Subject’s capture rates with subsidy at the 60 percent AMI level will range from 2.6 to 14.9 percent. Absent subsidy, the Subject’s capture rates at the 60 percent AMI level will range from 6.6 to 36.9 percent. The overall capture rates for the Subjects units with and without subsidy are 8.6 and 21.4 percent, respectively and we believe there is adequate demand for the Subject.

Absorption Rate

Projected Absorption Period

None of the comparable properties were able to report absorption data. However, we were able to obtain absorption information from seven recently constructed developments within 50 miles of the Subject. The following table details our findings.

ABSORPTION

Property Name	Rent	Location	Tenancy	Year	Total Units	Absorption (units/month)
Willis Trace	LIHTC	Spartanburg	Family	2016	28	28
Revere At Lake Wylie	Market	Clover	Family	2015	444	24
Cambridge Oaks I	LIHTC	Kings Mountain	Family	2015	56	28
The Village At Mills Gap	Market	Boiling Springs	Family	2014	208	17
Long Creek Apartments I	LIHTC	Dallas	Family	2014	103	17
Lanier Pointe Apartments Phase II	LIHTC	Shelby	Family	2012	40	13
Kensington Gardens Apartments	LIHTC	Shelby	Senior	2012	44	22
Overall Average					132	21
Average LIHTC					54	22
Average Market Rate					326	21

If the Subject was completely vacant, we would expect the property should experience a brief lease-up period due to the sustained demand for good quality affordable housing in the PMA. Assuming the Subject was completely vacant, we believe that the Subject would experience an absorption rate of approximately 21 to

22 units per month. This equates to an absorption period of approximately four to five months. This is considered largely hypothetical as the Subject's current tenants are expected to remain income eligible to remain at the property post-renovation. As such, we believe the Subject will stabilize within one to two months of rehabilitation completion.

G. SUPPLY ANALYSIS

SURVEY OF COMPARABLE PROJECTS

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. We surveyed many properties that we chose not to use in the survey because they were not as comparable to the Subject as others that were selected.

Description of Property Types Surveyed/Determination of Number of Tax Credit Units

We interviewed numerous properties to determine which ones were considered “true” competition for the Subject. Several properties in the market area were interviewed and not included because of their dissimilarity or other factors. Fully subsidized properties were excluded due to differing rent structures from the Subject; however, it should be noted that subsidized properties in the market area were found to have stable occupancies. The following table illustrates the excluded properties.

EXCLUDED PROPERTIES IN PMA

Property Name	Rent Structure	Tenancy	Reason for Exclusion
Trails at Westbrook	LIHTC	Senior	Tenancy
Fairfield Apartments	LIHTC/USDA	Family	Subsidized Rents
Huntington Square Apartments	LIHTC/USDA	Family	Subsidized Rents
Lockhart Lane Apartments	LIHTC/USDA	Family	Subsidized Rents
Peachtree Apartments	LIHTC/USDA	Family	Subsidized Rents
Ryan Park Apartments	LIHTC/USDA	Family	Subsidized Rents
Westwind Village I & II	LIHTC/USDA	Senior	Subsidized Rents; Tenancy
White Oak Apartments	LIHTC/USDA	Family	Subsidized Rents
601 West Floyd Baker Boulevard	Market	Family	Unable to Contact
Andrea Place Townhomes	Market	Family	Dissimilar Unit Mix (2BR Units)
Chandler Oaks Apartments	Market	Family	Unable to Contact
Craigwood Apartments	Market	Family	Dissimilar Unit Mix (Only 1 and 2BR Units)
Brookhaven Housing Corporation	Section 8	Family	Subsidized Rents
Christopher Lynn Estates	Section 8	Family	Subsidized Rents
Redwood Village Apartments	Section 8	Family	Subsidized Rents
Town & Country Apartments	Section 8	Family	Subsidized Rents

Pipeline Construction/LIHTC Competition

We were unable to reach a contact with the City of Gaffney Community Development regarding planned, proposed, or under construction developments in the PMA. We also contacted the Cherokee County Building Department and spoke with Dale Gilbert, Building Official, who was unaware of any planned or under construction developments within Cherokee County.

Further, according to our online research and the CoStar database, there are no new or planned developments in the construction pipeline within the PMA.

According to the South Carolina State Housing Finance and Development Authority (SC Housing) LIHTC allocation lists from 2016 to 2020 year-to-date (YTD), no properties have been allocated tax credits within the PMA within the last four years.

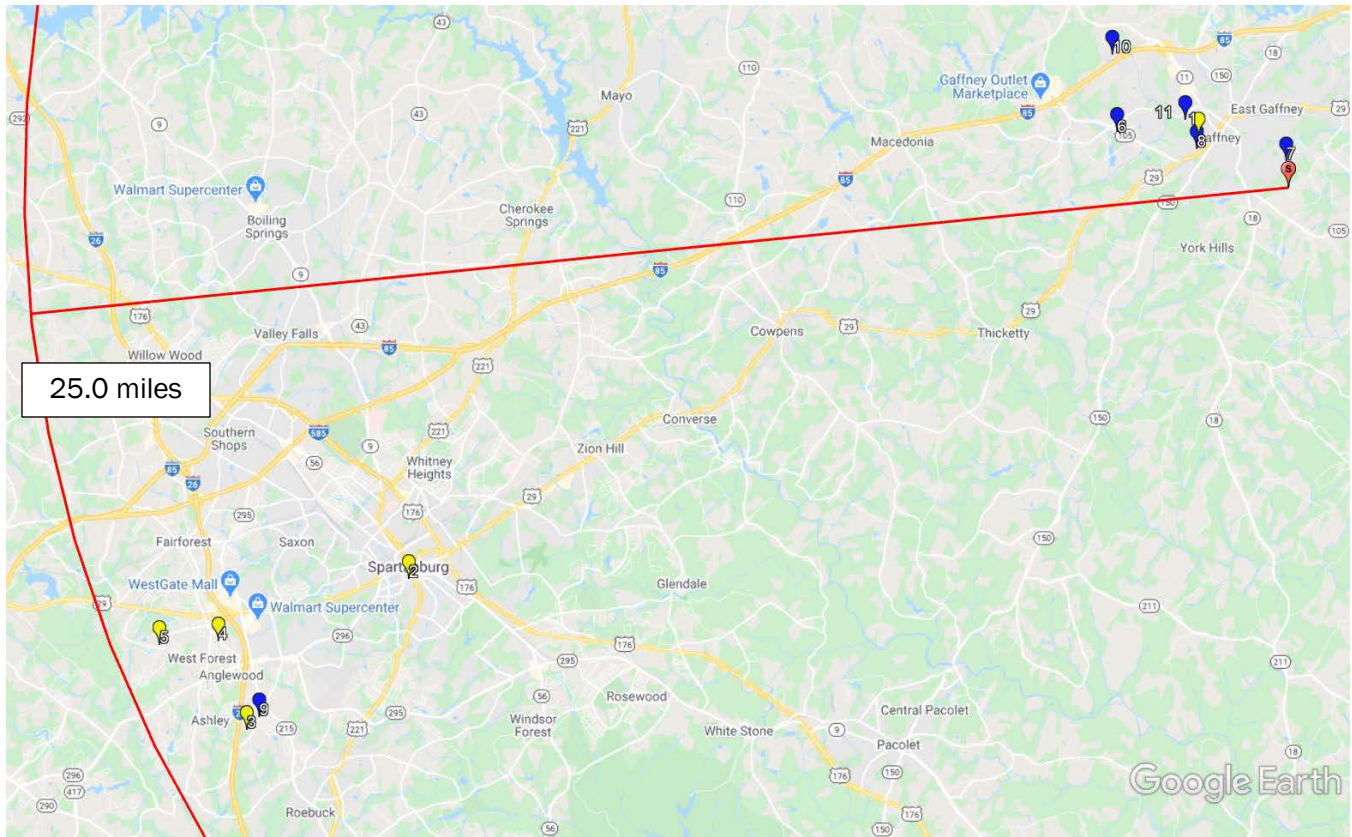
Comparable Properties

Property managers and realtors were interviewed for information on unit mix, size, absorption, unit features and project amenities, tenant profiles, and market trends in general. Our competitive survey includes 11 “true” comparable properties containing 1,106 units.

The availability of LIHTC data is considered below average. Due to the lack of non-subsidized LIHTC properties within the PMA, we expanded our search outside the PMA to the nearby cities of Spartanburg and Moore. We included five affordable developments located between 2.2 and 23.9 miles from the Subject, one of which is located within the PMA. The market rate data is considered good. However, it should be noted that there is a lack of four-bedroom market rate comparables within the PMA. Thus we expanded our search outside the PMA to Spartanburg. We included six market rate properties located between 0.8 and 22.7 miles from the Subject, four of which are located within the PMA. Overall, we believe the availability of data is adequate to support our conclusions. Overall, we believe the market-rate properties we used in our analysis are the most comparable. Other market rate properties were excluded based on unit types and inability to contact the properties.

A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A Comparable Properties Map, illustrating the location of the Subject in relation to comparable properties is also provided on the following page. The properties are further profiled in the write-ups following. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available. Throughout the course of performing this analysis of the local rental market, many apartment managers, realtors, leasing agents, and owners were contacted in person, or through the telephone or email.

COMPARABLE RENTAL PROPERTY MAP



Source: Google Earth, June 2020

COMPARABLE PROPERTIES

#	Comparable Property	City	Rent Structure	Tenancy	Distance to Subject
1	Autumn Glen Villas	Gaffney	LIHTC	Family	2.2 miles
2	Companion At Lee's Crossing*	Spartanburg	LIHTC	Family	18.9 miles
3	Country Garden Estates I & II*	Moore	LIHTC/PBV	Family	23.0 miles
4	Willis Trace*	Spartanburg	LIHTC	Family	22.8 miles
5	Willow Crossing*	Spartanburg	LIHTC	Family	23.9 miles
6	Creekside At Wellington Apartments	Gaffney	Market	Family	3.6 miles
7	Magnolia Ridge	Gaffney	Market	Family	0.8 miles
8	Oliver Court	Gaffney	Market	Family	2.1 miles
9	Quail Pointe Apartments*	Spartanburg	Market	Family	22.7 miles
10	Stonecrest Apartments	Gaffney	Market	Family	4.5 miles
11	Westwood Apartments	Gaffney	Market	Family	2.6 miles

*Located outside of the PMA

The following tables illustrate unit mix by bedroom type and income level, square footage by bedroom type, year built, common area and in-unit amenities, rent per square foot, monthly rents and utilities included, and vacancy information for the comparable properties and the Subject in a comparative framework.

CONNECTICUT VILLAGE APARTMENTS – GAFFNEY, SC – APPLICATION MARKET STUDY

SUMMARY MATRIX

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
Subject	Connecticut Village Apartments 409 East Junior High Road Gaffney, SC 29340 Cherokee County	-	Townhouse 2-stories 1972 / n/a Family	@60% (Section 8)	1BR / 1BA	55	14.3%	704	@60% (Section 8)	\$485	No	Yes	0	0.0%
					2BR / 1BA	55	52.4%	805	@60% (Section 8)	\$586	No	Yes	4	7.3%
					3BR / 1BA	25	23.8%	880	@60% (Section 8)	\$682	No	Yes	4	16.0%
					4BR / 2BA	10	9.5%	1,012	@60% (Section 8)	\$767	No	No	0	0.0%
105													8	7.6%
1	Autumn Glen Villas 611 West Buford Street Gaffney, SC 29341 Cherokee County	2.2 miles	Lowrise 3-stories 2019 / n/a Family	@50%, @60%	2BR / 2BA	7	11.7%	1,100	@50%	\$525	No	Yes	0	0.0%
					2BR / 2BA	29	48.3%	1,100	@60%	\$590	No	Yes	0	0.0%
					3BR / 2BA	5	8.3%	1,247	@50%	\$575	No	Yes	0	0.0%
					3BR / 2BA	19	31.7%	1,247	@60%	\$640	No	Yes	0	0.0%
60													0	0.0%
2	Companion At Lee's Crossing 100 Lee's Crossing Drive Spartanburg, SC 29301 Spartanburg County	18.9 miles	Garden 4-stories 2010 / n/a Family	@60%	1BR / 1BA	34	17.7%	687	@60%	\$595	Yes	No	0	0.0%
					2BR / 2BA	102	53.1%	932	@60%	\$710	Yes	No	0	0.0%
					3BR / 2BA	56	29.2%	1,107	@60%	\$815	Yes	No	0	0.0%
					192									
3	Country Garden Estates I & II 346 N Sun Flower Way Moore, SC 29369 Spartanburg County	23.0 miles	Various 2-stories 2002/2004 / 2020 Family	@50%, @50% (PBV), @60%	1BR / 1BA	4	4.4%	907	@50%	\$508	No	Yes	0	0.0%
					1BR / 1BA	2	2.2%	907	@50% (PBV)	\$508	No	Yes	0	0.0%
					1BR / 1BA	4	4.4%	907	@60%	\$632	No	Yes	0	0.0%
					2BR / 1.5BA	2	2.2%	1,184	@50% (PBV)	\$577	No	Yes	0	0.0%
					2BR / 1.5BA	2	2.2%	1,184	@60%	\$725	No	Yes	0	0.0%
					2BR / 2.5BA	2	2.2%	1,184	@50%	\$577	No	Yes	0	0.0%
					2BR / 2.5BA	4	4.4%	1,184	@50% (PBV)	\$577	No	Yes	0	0.0%
					2BR / 2.5BA	10	11.1%	1,184	@60%	\$725	No	Yes	0	0.0%
					3BR / 2BA	2	2.2%	1,272	@50%	\$601	No	Yes	0	0.0%
					3BR / 2BA	1	1.1%	1,272	@50% (PBV)	\$601	No	Yes	0	0.0%
					3BR / 2BA	2	2.2%	1,272	@60%	\$772	No	Yes	0	0.0%
					3BR / 2.5BA	2	2.2%	1,272	@50%	\$601	No	Yes	0	0.0%
					3BR / 2.5BA	1	1.1%	1,272	@50% (PBV)	\$601	No	Yes	0	0.0%
					3BR / 2.5BA	2	2.2%	1,272	@60%	\$786	No	Yes	0	0.0%
					90									
4	Willis Trace 300 Willow Crossing Lane Spartanburg, SC 29301 Spartanburg County	22.8 miles	Townhouse 2-stories 2016 / n/a Family	@50%, @60%	2BR / 2BA	N/A	N/A	1,150	@50%	\$500	No	Yes	0	N/A
					2BR / 2BA	N/A	N/A	1,150	@60%	\$580	No	Yes	0	N/A
					3BR / 2BA	N/A	N/A	1,250	@50%	\$580	No	Yes	0	N/A
					3BR / 2BA	N/A	N/A	1,250	@60%	\$665	No	Yes	0	N/A
28													0	0.0%
5	Willow Crossing 101 Willow Crossing Lane Spartanburg, SC 29301 Spartanburg County	23.9 miles	Garden 2-stories 2012 / n/a Family	@50%, @60%	2BR / 2BA	16	33.3%	1,116	@50%	\$495	No	Yes	0	0.0%
					2BR / 2BA	N/A	N/A	1,116	@60%	\$575	No	Yes	0	N/A
					3BR / 2BA	32	66.7%	1,281	@50%	\$565	No	Yes	0	0.0%
					3BR / 2BA	N/A	N/A	1,281	@60%	\$650	No	Yes	0	N/A
48													0	0.0%
6	Creekside At Wellington Apartments 1230 Overbrook Drive Gaffney, SC 29341 Cherokee County	3.6 miles	Various 3-stories 1973 / 1989 Family	Market	1BR / 1BA	14	15.2%	708	Market	\$664	N/A	No	0	0.0%
					1BR / 1BA	4	4.4%	806	Market	\$660	N/A	No	0	0.0%
					2BR / 1.5BA	24	26.1%	1,014	Market	\$698	N/A	No	0	0.0%
					2BR / 2BA	42	45.7%	964	Market	\$713	N/A	No	0	0.0%
					3BR / 1.5BA	8	8.7%	1,131	Market	\$784	N/A	No	0	0.0%
92													0	0.0%
7	Magnolia Ridge 266 Goldmine Springs Road Gaffney, SC 29340 Cherokee County	0.8 miles	Garden 2-stories 1976 / 2002/2006 Family	Market	0BR / 1BA	12	14.3%	470	Market	\$495	N/A	No	2	16.7%
					1BR / 1BA	16	19.1%	720	Market	\$665	N/A	No	0	0.0%
					1BR / 1BA	N/A	N/A	720	Market	\$610	N/A	No	1	N/A
					2BR / 1BA	32	38.1%	860	Market	\$738	N/A	No	1	3.1%
					3BR / 1BA	20	23.8%	1,000	Market	\$834	N/A	No	0	0.0%
					3BR / 1BA	N/A	N/A	1,000	Market	\$784	N/A	No	0	N/A
84													5	6.0%
8	Oliver Court 506 South Oliver Street Gaffney, SC 29341 Cherokee County	2.1 miles	Various 2-stories 1987 / n/a Family	Market	1BR / 1BA	16	33.3%	771	Market	\$655	N/A	No	0	0.0%
					2BR / 1.5BA	32	66.7%	1,038	Market	\$748	N/A	No	0	0.0%
48													0	0.0%
9	Quail Pointe Apartments 460 East Blackstock Road Spartanburg, SC 29301 Spartanburg County	22.7 miles	Townhouse 2-stories 1975 / 2005 Family	Market	1BR / 1BA	15	15.0%	760	Market	\$732	N/A	No	0	0.0%
					2BR / 1BA	60	60.0%	880	Market	\$885	N/A	No	1	1.7%
					2BR / 1BA	N/A	N/A	880	Market	\$800	N/A	No	1	N/A
					3BR / 1.5BA	20	20.0%	1,020	Market	\$941	N/A	No	1	5.0%
					4BR / 2BA	5	5.0%	1,277	Market	\$1,444	N/A	No	1	20.0%
100													4	4.0%
10	Stonecrest Apartments 102 Stonecrest Lane Gaffney, SC 29341 Cherokee County	4.5 miles	Garden 3-stories 2008/2015 / n/a Family	Market	1BR / 1BA	N/A	N/A	833	Market	\$768	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	708	Market	\$723	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,096	Market	\$896	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	904	Market	\$811	N/A	No	N/A	N/A
					3BR / 2BA	N/A	N/A	1,475	Market	\$1,002	N/A	No	N/A	N/A
					3BR / 2BA	N/A	N/A	1,475	Market	\$947	N/A	No	N/A	N/A
198													4	2.0%
11	Westwood Apartments 1022 West Buford Street Gaffney, SC 29341 Cherokee County	2.6 miles	Garden 2-stories 1989 / n/a Family	Market	0BR / 1BA	20	12.1%	288	Market	\$555	N/A	No	1	5.0%
					1BR / 1BA	65	39.2%	580	Market	\$590	N/A	No	0	0.0%
					1BR / 1BA	65	39.2%	860	Market	\$688	N/A	No	0	0.0%
					3BR / 2BA	16	9.6%	990	Market	\$819	N/A	No	0	0.0%
166													1	0.6%

CONNECTICUT VILLAGE APARTMENTS – GAFFNEY, SC – APPLICATION MARKET STUDY

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.									
		Units Surveyed: 1,106		Weighted Occupancy: 98.4%		Weighted Occupancy: 98.4%			
		Market Rate 688		Market Rate 98.0%		Market Rate 98.0%			
		Tax Credit 418		Tax Credit 99.0%		Tax Credit 99.0%			
		One Bedroom One Bath		Two Bedroom One Bath		Three Bedroom One Bath		Four Bedroom Two Bath	
RENT	Property	Average	Property	Average	Property	Average	Property	Average	Property
	Quail Pointe Apartments (Market)	\$732	Quail Pointe Apartments (Market)	\$885	Quail Pointe Apartments (Market)(1.5BA)	\$941	Quail Pointe Apartments (Market)	\$1,444	
	Magnolia Ridge (Market)	\$665	Quail Pointe Apartments (Market)	\$800	Magnolia Ridge (Market)	\$834	Quail Pointe Apartments (Market)	\$1,159	
	Creekside At Wellington Apartments (Market)	\$664	Oliver Court (Market)(1.5BA)	\$748	Westwood Apartments (Market)(2BA)	\$819	Magnolia Ridge (Market)	\$902	
	Creekside At Wellington Apartments (Market)	\$660	Magnolia Ridge (Market)	\$738	Companion At Lee's Crossing (@60%)(2BA)	\$815	Connecticut Village Apartments (@60%)	\$767	
	Oliver Court (Market)	\$655	Country Garden Estates I & II (@60%)(1.5BA)	\$725	Country Garden Estates I & II (@60%)(2.5BA)	\$786			
	Country Garden Estates I & II (@60%)	\$632	Country Garden Estates I & II (@60%)(2.5BA)	\$725	Country Garden Estates I & II (@60%)(2.5BA)	\$786			
	Magnolia Ridge (Market)	\$610	Creekside At Wellington Apartments (Market)(2BA)	\$713	Creekside At Wellington Apartments (Market)(1.5BA)	\$784			
	Companion At Lee's Crossing (@60%)	\$595	Companion At Lee's Crossing (@60%)(2BA)	\$710	Magnolia Ridge (Market)	\$784			
	Westwood Apartments (Market)	\$590	Creekside At Wellington Apartments (Market)(1.5BA)	\$698	Country Garden Estates I & II (@60%)(2BA)	\$772			
	Country Garden Estates I & II (@50%)	\$508	Westwood Apartments (Market)	\$688	Connecticut Village Apartments (@60%)	\$682			
	Country Garden Estates I & II (@50%)	\$508	Autumn Glen Villas (@60%)(2BA)	\$590	Willis Trace (@60%)(2BA)	\$665			
	Connecticut Village Apartments (@60%)	\$485	Connecticut Village Apartments (@60%)	\$586	Willow Crossing (@60%)(2BA)	\$650			
			Willis Trace (@60%)(2BA)	\$580	Autumn Glen Villas (@60%)(2BA)	\$640			
			Country Garden Estates I & II (@50%)(1.5BA)	\$577	Country Garden Estates I & II (@50%)(2BA)	\$601			
			Country Garden Estates I & II (@50%)(2.5BA)	\$577	Country Garden Estates I & II (@50%)(2.5BA)	\$601			
			Country Garden Estates I & II (@50%)(2.5BA)	\$577	Country Garden Estates I & II (@50%)(2BA)	\$601			
			Willow Crossing (@60%)(2BA)	\$575	Country Garden Estates I & II (@50%)(2.5BA)	\$601			
			Autumn Glen Villas (@50%)(2BA)	\$525	Willis Trace (@50%)(2BA)	\$580			
			Willis Trace (@50%)(2BA)	\$500	Autumn Glen Villas (@50%)(2BA)	\$575			
			Willow Crossing (@50%)(2BA)	\$495	Willow Crossing (@50%)(2BA)	\$565			
SQUARE FOOTAGE	Country Garden Estates I & II (@50%)	907	Country Garden Estates I & II (@50%)(1.5BA)	1,184	Willow Crossing (@50%)(2BA)	1,281	Quail Pointe Apartments (Market)	1,277	
	Country Garden Estates I & II (@50%)	907	Country Garden Estates I & II (@50%)(2.5BA)	1,184	Willow Crossing (@60%)(2BA)	1,281	Quail Pointe Apartments (Market)	1,277	
	Country Garden Estates I & II (@60%)	907	Country Garden Estates I & II (@60%)(2.5BA)	1,184	Country Garden Estates I & II (@60%)(2.5BA)	1,276	Magnolia Ridge (Market)	1,160	
	Creekside At Wellington Apartments (Market)	806	Country Garden Estates I & II (@60%)(1.5BA)	1,184	Country Garden Estates I & II (@50%)(2.5BA)	1,272	Connecticut Village Apartments (@60%)	1,012	
	Oliver Court (Market)	771	Country Garden Estates I & II (@50%)(2.5BA)	1,184	Country Garden Estates I & II (@50%)(2BA)	1,272			
	Quail Pointe Apartments (Market)	760	Willis Trace (@50%)(2BA)	1,150	Country Garden Estates I & II (@50%)(2BA)	1,272			
	Magnolia Ridge (Market)	720	Willis Trace (@60%)(2BA)	1,150	Country Garden Estates I & II (@60%)(2.5BA)	1,272			
	Magnolia Ridge (Market)	720	Willow Crossing (@50%)(2BA)	1,116	Country Garden Estates I & II (@60%)(2BA)	1,272			
	Creekside At Wellington Apartments (Market)	708	Willow Crossing (@60%)(2BA)	1,116	Country Garden Estates I & II (@50%)(2.5BA)	1,272			
	Connecticut Village Apartments (@60%)	704	Autumn Glen Villas (@60%)(2BA)	1,100	Willis Trace (@60%)(2BA)	1,250			
	Companion At Lee's Crossing (@60%)	687	Autumn Glen Villas (@50%)(2BA)	1,100	Willis Trace (@50%)(2BA)	1,250			
	Westwood Apartments (Market)	580	Oliver Court (Market)(1.5BA)	1,038	Autumn Glen Villas (@60%)(2BA)	1,247			
			Creekside At Wellington Apartments (Market)(1.5BA)	1,014	Autumn Glen Villas (@50%)(2BA)	1,247			
			Creekside At Wellington Apartments (Market)(2BA)	964	Creekside At Wellington Apartments (Market)(1.5BA)	1,131			
			Companion At Lee's Crossing (@60%)(2BA)	932	Companion At Lee's Crossing (@60%)(2BA)	1,107			
			Quail Pointe Apartments (Market)	880	Quail Pointe Apartments (Market)(1.5BA)	1,020			
			Quail Pointe Apartments (Market)	880	Magnolia Ridge (Market)	1,000			
			Magnolia Ridge (Market)	860	Magnolia Ridge (Market)	900			
			Westwood Apartments (Market)	860	Westwood Apartments (Market)(2BA)	990			
			Connecticut Village Apartments (@60%)	805	Connecticut Village Apartments (@60%)	880			
RENT PER SQUARE FOOT	Westwood Apartments (Market)	\$1.02	Quail Pointe Apartments (Market)	\$1.01	Quail Pointe Apartments (Market)(1.5BA)	\$0.92	Quail Pointe Apartments (Market)	\$1.13	
	Quail Pointe Apartments (Market)	\$0.96	Quail Pointe Apartments (Market)	\$0.91	Magnolia Ridge (Market)	\$0.83	Quail Pointe Apartments (Market)	\$0.91	
	Creekside At Wellington Apartments (Market)	\$0.94	Magnolia Ridge (Market)	\$0.86	Westwood Apartments (Market)(2BA)	\$0.83	Magnolia Ridge (Market)	\$0.78	
	Magnolia Ridge (Market)	\$0.92	Westwood Apartments (Market)	\$0.80	Magnolia Ridge (Market)	\$0.78	Connecticut Village Apartments (@60%)	\$0.76	
	Companion At Lee's Crossing (@60%)	\$0.87	Companion At Lee's Crossing (@60%)(2BA)	\$0.76	Connecticut Village Apartments (@60%)	\$0.78			
	Oliver Court (Market)	\$0.85	Creekside At Wellington Apartments (Market)(2BA)	\$0.74	Companion At Lee's Crossing (@60%)(2BA)	\$0.74			
	Magnolia Ridge (Market)	\$0.85	Connecticut Village Apartments (@60%)	\$0.73	Creekside At Wellington Apartments (Market)(1.5BA)	\$0.69			
	Creekside At Wellington Apartments (Market)	\$0.82	Oliver Court (Market)(1.5BA)	\$0.72	Country Garden Estates I & II (@60%)(2.5BA)	\$0.62			
	Country Garden Estates I & II (@60%)	\$0.70	Creekside At Wellington Apartments (Market)(1.5BA)	\$0.69	Country Garden Estates I & II (@60%)(2.5BA)	\$0.62			
	Connecticut Village Apartments (@60%)	\$0.69	Country Garden Estates I & II (@60%)(1.5BA)	\$0.61	Country Garden Estates I & II (@60%)(2BA)	\$0.61			
	Country Garden Estates I & II (@50%)	\$0.56	Country Garden Estates I & II (@60%)(2.5BA)	\$0.61	Willis Trace (@60%)(2BA)	\$0.53			
	Country Garden Estates I & II (@50%)	\$0.56	Autumn Glen Villas (@60%)(2BA)	\$0.54	Autumn Glen Villas (@60%)(2BA)	\$0.51			
			Willow Crossing (@60%)(2BA)	\$0.52	Willow Crossing (@60%)(2BA)	\$0.51			
			Willis Trace (@60%)(2BA)	\$0.50	Country Garden Estates I & II (@50%)(2.5BA)	\$0.47			
			Country Garden Estates I & II (@50%)(2.5BA)	\$0.49	Country Garden Estates I & II (@50%)(2BA)	\$0.47			
			Country Garden Estates I & II (@50%)(2.5BA)	\$0.49	Country Garden Estates I & II (@50%)(2BA)	\$0.47			
			Country Garden Estates I & II (@50%)(1.5BA)	\$0.49	Country Garden Estates I & II (@50%)(2.5BA)	\$0.47			
			Autumn Glen Villas (@50%)(2BA)	\$0.48	Willis Trace (@50%)(2BA)	\$0.46			
			Willow Crossing (@50%)(2BA)	\$0.44	Autumn Glen Villas (@50%)(2BA)	\$0.46			
			Willis Trace (@50%)(2BA)	\$0.43	Willow Crossing (@50%)(2BA)	\$0.44			

CONNECTICUT VILLAGE APARTMENTS – GAFFNEY, SC – APPLICATION MARKET STUDY

AMENITY MATRIX												
	Subject	Autumn Glen Villas	Companion At Lee's Crossing	Country Garden Estates I & II	Willis Trace	Willow Crossing	Creekside At Wellington Apartments	Magnolia Ridge	Oliver Court	Quail Pointe Apartments	Stonecrest Apartments	Westwood Apartments
Rent Structure	LIHTC/Section 8	LIHTC	LIHTC	LIHTC/PBV	LIHTC	LIHTC	Market	Market	Market	Market	Market	Market
Building												
Property Type	Townhouse	Lowrise	Garden	Various	Townhouse	Garden	Various	Garden	Various	Townhouse	Garden	Garden
# of Stories	2-stories	3-stories	4-stories	2-stories	2-stories	2-stories	3-stories	2-stories	2-stories	2-stories	3-stories	2-stories
Year Built	1972	2019	2010	2002/2004	2016	2012	1973	1976	1987	1975	2008/2015	1989
Year Renovated	n/a	n/a	n/a	2020	n/a	n/a	1989	2002/2006	n/a	2005	n/a	n/a
Utility Structure												
Cooking	no	no	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no	no	no
Water	yes	yes	yes	no	yes	yes	no	no	no	no	no	no
Sewer	yes	yes	yes	no	yes	yes	no	no	no	no	no	no
Trash	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	no	yes
Accessibility												
Unit Amenities												
Balcony/Patio	no	yes	yes	yes	yes	yes	yes	yes	no	no	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central A/C	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	yes	yes	yes	yes	yes	yes	yes	no	yes	no	no	yes
Coat Closet	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	yes	yes	no	no	yes	no	yes	no	yes	no
Walk-In Closet	no	no	yes	yes	no	no	yes	yes	yes	yes	yes	yes
Washer/Dryer	no	yes	no	no	no	no	no	no	no	no	no	no
W/D Hookup	no	no	yes	yes	yes	yes	yes	no	yes	yes	yes	yes
Kitchen												
Dishwasher	no	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	yes
Disposal	no	yes	yes	yes	yes	yes	yes	no	no	yes	yes	yes
Microwave	yes	yes	no	no	no	no	no	yes	no	no	no	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Community												
Business Center	yes	yes	yes	no	yes	yes	no	yes	no	no	yes	no
Community Room	yes	yes	yes	no	yes	yes	yes	yes	no	yes	yes	yes
Central Laundry	no	no	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Mgmt	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes
Recreation												
Exercise Facility	yes	yes	yes	no	no	no	yes	no	no	no	yes	no
Playground	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	no	yes
Swimming Pool	no	no	yes	no	no	no	yes	no	no	no	no	yes
Picnic Area	no	yes	no	no	yes	yes	yes	yes	yes	yes	yes	no
Theatre	no	no	no	no	no	no	no	no	no	no	yes	no
WiFi	yes	no	no	no	no	no	no	no	no	no	no	no
Security												
Intercom (Buzzer)	no	yes	no	no	no	no	no	no	no	no	no	yes
Limited Access	no	yes	yes	no	yes	yes	no	no	no	no	no	yes
Patrol	no	no	yes	no	no	no	no	no	no	yes	no	yes
Perimeter Fencing	no	no	no	no	yes	yes	no	no	no	yes	no	no
Video Surveillance	yes	no	no	no	yes	yes	no	no	yes	no	no	no
Parking												
Garage	no	no	yes	no	no	no	no	no	no	no	yes	no
Garage Fee	\$0	\$0	\$60	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$80	\$0
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes

PROPERTY PROFILE REPORT

Autumn Glen Villas

Effective Rent Date	6/24/2020
Location	611 West Buford Street Gaffney, SC 29341 Cherokee County
Distance	2.2 miles
Units	60
Vacant Units	0
Vacancy Rate	0.0%
Type	Lowrise (3 stories)
Year Built/Renovated	2019 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Mixed Tenancy
Contact Name	864-649-5100
Phone	N/A



Market Information

Program	@50%, @60%
Annual Turnover Rate	30%
Units/Month Absorbed	20
HCV Tenants	22%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased 1-2% annually
Concession	None
Waiting List	Yes; six months

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Lowrise (3 stories)	7	1,100	\$525	\$0	@50%	Yes	0	0.0%	no	None
2	2	Lowrise (3 stories)	29	1,100	\$590	\$0	@60%	Yes	0	0.0%	no	None
3	2	Lowrise (3 stories)	5	1,247	\$575	\$0	@50%	Yes	0	0.0%	no	None
3	2	Lowrise (3 stories)	19	1,247	\$640	\$0	@60%	Yes	0	0.0%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$525	\$0	\$525	\$0	\$525	2BR / 2BA	\$590	\$0	\$590	\$0	\$590
3BR / 2BA	\$575	\$0	\$575	\$0	\$575	3BR / 2BA	\$640	\$0	\$640	\$0	\$640

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpeting	Central A/C	Limited Access	
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator	Washer/Dryer		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Off-Street Parking		
On-Site Management	Picnic Area		
Playground			

Comments

The contact stated that due to COVID-19 they have experienced increased rent delinquency and turnover.

Trend Report

Vacancy Rates

1Q17	2Q17	2Q20
N/A	N/A	0.0%

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	N/A	\$438	\$0	\$438	\$438
2017	2	N/A	\$500	\$0	\$500	\$500
2020	2	0.0%	\$525	\$0	\$525	\$525

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	N/A	\$495	\$0	\$495	\$495
2017	2	N/A	\$550	\$0	\$550	\$550
2020	2	0.0%	\$575	\$0	\$575	\$575

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	N/A	\$525	\$0	\$525	\$525
2017	2	N/A	\$565	\$0	\$565	\$565
2020	2	0.0%	\$590	\$0	\$590	\$590

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	N/A	\$575	\$0	\$575	\$575
2017	2	N/A	\$615	\$0	\$615	\$615
2020	2	0.0%	\$640	\$0	\$640	\$640

Trend: Comments

1Q17 N/A

2Q17 N/A

2Q20 The contact stated that due to COVID-19 they have experienced increased rent delinquency and turnover.

Photos



PROPERTY PROFILE REPORT

Companion At Lee's Crossing

Effective Rent Date	5/14/2020
Location	100 Lee's Crossing Drive Spartanburg, SC 29301 Spartanburg County
Distance	18.9 miles
Units	192
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (4 stories)
Year Built/Renovated	2010 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Country Garden Estates
Tenant Characteristics	Mixed tenancy
Contact Name	Kris
Phone	864-574-8494



Market Information

Program	@60%
Annual Turnover Rate	20%
Units/Month Absorbed	N/A
HCV Tenants	45%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Raised to 2020 max
Concession	None
Waiting List	Yes; N/Av

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (4 stories)	34	687	\$595	\$0	@60%	Yes	0	0.0%	yes	None
2	2	Garden (4 stories)	102	932	\$710	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Garden (4 stories)	56	1,107	\$815	\$0	@60%	Yes	0	0.0%	yes	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$595	\$0	\$595	\$0	\$595
2BR / 2BA	\$710	\$0	\$710	\$0	\$710
3BR / 2BA	\$815	\$0	\$815	\$0	\$815

Companion At Lee's Crossing, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Limited Access	None
Carpeting	Central A/C	Patrol	
Coat Closet	Dishwasher		
Exterior Storage(\$50.00)	Ceiling Fan		
Garbage Disposal	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Garage(\$60.00)		
Central Laundry	Off-Street Parking		
On-Site Management	Playground		
Swimming Pool			

Comments

The contact confirmed that the rents were raised to 2020 limits recently. Despite the economic hardship some tenants are experiencing through the COVID-19 outbreak, the property has not taken on any bad debt, has been able to collect rent via payment plans, and operations remained stable and consistent.

Companion At Lee's Crossing, continued

Trend Report

Vacancy Rates

1Q19	4Q19	1Q20	2Q20
0.0%	0.0%	0.0%	0.0%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	0.0%	\$581	\$0	\$581	\$581
2019	4	0.0%	\$590	\$0	\$590	\$590
2020	1	0.0%	\$595	\$0	\$595	\$595
2020	2	0.0%	\$595	\$0	\$595	\$595

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	0.0%	\$696	\$0	\$696	\$696
2019	4	0.0%	\$705	\$0	\$705	\$705
2020	1	0.0%	\$705	\$0	\$705	\$705
2020	2	0.0%	\$710	\$0	\$710	\$710

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	0.0%	\$801	\$0	\$801	\$801
2019	4	0.0%	\$810	\$0	\$810	\$810
2020	1	0.0%	\$815	\$0	\$815	\$815
2020	2	0.0%	\$815	\$0	\$815	\$815

Trend: Comments

1Q19	The contact provided no additional comments.
4Q19	N/A
1Q20	No additional comments.
2Q20	The contact confirmed that the rents were raised to 2020 limits recently. Despite the economic hardship some tenants are experiencing through the COVID-19 outbreak, the property has not taken on any bad debt, has been able to collect rent via payment plans, and operations remained stable and consistent.

Photos



PROPERTY PROFILE REPORT

Country Garden Estates I & II

Effective Rent Date 6/09/2020
Location 346 N Sun Flower Way
 Moore, SC 29369
 Spartanburg County
Distance 23 miles
Units 90
Vacant Units 4
Vacancy Rate 4.4%
Type Various (2 stories)
Year Built/Renovated 2002/2004 / 2020
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors None identified
Tenant Characteristics Local families
Contact Name Carolyn
Phone 864-574-0072



Market Information

Program @50%, @50% (PBV), @60%
Annual Turnover Rate 7%
Units/Month Absorbed N/A
HCV Tenants 67%
Leasing Pace Pre-leased to one week
Annual Chg. in Rent Fluctuated 1-15% since 2Q19
Concession None
Waiting List Yes; N/Av

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Single	4	907	\$443	\$0	@50%	Yes	0	0.0%	no	None
1	1	Single	2	907	\$443	\$0	@50% (PBV)	Yes	0	0.0%	no	None
1	1	Single	4	907	\$567	\$0	@60%	Yes	0	0.0%	no	None
2	1.5	Duplex	2	1,184	\$504	\$0	@50% (PBV)	Yes	0	0.0%	no	None
2	1.5	Duplex	2	1,184	\$652	\$0	@60%	Yes	0	0.0%	no	None
2	2.5	Duplex	2	1,184	\$504	\$0	@50%	Yes	0	0.0%	no	None
2	2.5	Duplex	4	1,184	\$504	\$0	@50% (PBV)	Yes	0	0.0%	no	None
2	2.5	Duplex	10	1,184	\$652	\$0	@60%	Yes	0	0.0%	no	None
3	2	Single	2	1,272	\$517	\$0	@50%	Yes	0	0.0%	no	None
3	2	Single	1	1,272	\$517	\$0	@50% (PBV)	Yes	0	0.0%	no	None
3	2	Single	2	1,272	\$688	\$0	@60%	Yes	0	0.0%	no	None
3	2.5	Duplex	2	1,272	\$517	\$0	@50%	Yes	0	0.0%	no	None
3	2.5	Duplex	1	1,272	\$517	\$0	@50% (PBV)	Yes	0	0.0%	no	None
3	2.5	Duplex	2	1,272	\$702	\$0	@60%	Yes	0	0.0%	no	None
3	2.5	Duplex	50	1,276	\$702	\$0	@60%	Yes	4	8.0%	no	None

Country Garden Estates I & II, continued

Trend Report

Vacancy Rates

2Q19	4Q19	1Q20	2Q20
2.0%	1.0%	0.0%	4.4%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	2	0.0%	\$428 - \$455	\$0	\$428 - \$455	\$493 - \$520
2019	4	0.0%	\$428 - \$455	\$0	\$428 - \$455	\$493 - \$520
2020	1	0.0%	\$428 - \$436	\$0	\$428 - \$436	\$493 - \$501
2020	2	0.0%	\$443	\$0	\$443	\$508

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	2	0.0%	\$502	\$0	\$502	\$575
2019	4	0.0%	\$502	\$0	\$502	\$575
2020	1	0.0%	\$502	\$0	\$502	\$575
2020	2	0.0%	\$504	\$0	\$504	\$577

2BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	2	0.0%	\$502 - \$535	\$0	\$502 - \$535	\$575 - \$608
2019	4	0.0%	\$502 - \$534	\$0	\$502 - \$534	\$575 - \$607
2020	1	0.0%	\$502 - \$534	\$0	\$502 - \$534	\$575 - \$607
2020	2	0.0%	\$504	\$0	\$504	\$577

3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	2	0.0%	\$608 - \$631	\$0	\$608 - \$631	\$692 - \$715
2019	4	0.0%	\$608 - \$631	\$0	\$608 - \$631	\$692 - \$715
2020	1	0.0%	\$608 - \$631	\$0	\$608 - \$631	\$692 - \$715
2020	2	0.0%	\$517	\$0	\$517	\$601

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	2	0.0%	\$608 - \$631	\$0	\$608 - \$631	\$692 - \$715
2019	4	0.0%	\$608 - \$631	\$0	\$608 - \$631	\$692 - \$715
2020	1	0.0%	\$608 - \$631	\$0	\$608 - \$631	\$692 - \$715
2020	2	0.0%	\$517	\$0	\$517	\$601

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	2	25.0%	\$506	\$0	\$506	\$571
2019	4	0.0%	\$555	\$0	\$555	\$620
2020	1	0.0%	\$555	\$0	\$555	\$620
2020	2	0.0%	\$567	\$0	\$567	\$632

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	2	0.0%	\$628	\$0	\$628	\$701
2019	4	0.0%	\$677	\$0	\$677	\$750
2020	1	0.0%	\$677	\$0	\$677	\$750
2020	2	0.0%	\$652	\$0	\$652	\$725

2BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	2	10.0%	\$628	\$0	\$628	\$701
2019	4	10.0%	\$677	\$0	\$677	\$750
2020	1	0.0%	\$677	\$0	\$677	\$750
2020	2	0.0%	\$652	\$0	\$652	\$725

3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	2	0.0%	\$693	\$0	\$693	\$777
2019	4	0.0%	\$772	\$0	\$772	\$856
2020	1	0.0%	\$772	\$0	\$772	\$856
2020	2	7.7%	\$702	\$0	\$702	\$786

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	2	0.0%	\$693	\$0	\$693	\$777
2019	4	0.0%	\$772	\$0	\$772	\$856
2020	1	0.0%	\$772	\$0	\$772	\$856
2020	2	0.0%	\$688	\$0	\$688	\$772

Trend: Comments

- 2Q19 The property consists of two phases and it is located at 204 Dahalia Drive and 346 N Sun Flower Way. The second phase consists of 50 three-bedroom units restricted at 60 percent AMI.
- Phase I consists of 35 one and two-story single-family and duplex buildings, and Phase II consists of 25 two-story duplex buildings, as well as a one-story leasing office building. Phase I offers four two-bedroom handicap accessible units. Further, the single family units are one and three-bedroom flats only. The duplex units are comprised of a mix of two and three-bedroom units.
- In terms of amenities, exterior storage is only offered in the three-bedroom units. All of the units at the property, except two three-bedroom units at Phase II, offer two parking spaces in its driveway.
- 4Q19 N/A
- 1Q20 The property consists of two phases and it is located at 204 Dahalia Drive and 346 N Sun Flower Way. The second phase consists of 50 three-bedroom units restricted at 60 percent AMI. The contact reported that property rarely has vacant units
- Phase I consists of 35 one and two-story single-family and duplex buildings, and Phase II consists of 25 two-story duplex buildings, as well as a one-story leasing office building. Phase I offers four two-bedroom handicap accessible units. Further, the single family units are one and three-bedroom flats only. The duplex units are comprised of a mix of two and three-bedroom units.
- In terms of amenities, exterior storage is only offered in the three-bedroom units. All of the units at the property, except two three-bedroom units at Phase II, offer two parking spaces in its driveway.
- 2Q20 Of the properties 90 units, 10 are RAD; thus, tenants in these units pay 30 percent of their income towards rent. Current CHAP rents for these units were unavailable. The contact reported the property had generally been unaffected by the ongoing COVID-19 pandemic.

Photos



PROPERTY PROFILE REPORT

Willis Trace

Effective Rent Date	5/29/2020
Location	300 Willow Crossing Lane Spartanburg, SC 29301 Spartanburg County
Distance	22.8 miles
Units	28
Vacant Units	0
Vacancy Rate	0.0%
Type	Townhouse (2 stories)
Year Built/Renovated	2016 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy
Contact Name	Arlene
Phone	864-327-8496



Market Information

Program	@50%, @60%
Annual Turnover Rate	7%
Units/Month Absorbed	28
HCV Tenants	32%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased 1-6% since 1Q19
Concession	None
Waiting List	Yes; approximately 200 households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Townhouse (2 stories)	N/A	1,150	\$500	\$0	@50%	Yes	0	N/A	no	None
2	2	Townhouse (2 stories)	N/A	1,150	\$580	\$0	@60%	Yes	0	N/A	no	None
3	2	Townhouse (2 stories)	N/A	1,250	\$580	\$0	@50%	Yes	0	N/A	no	None
3	2	Townhouse (2 stories)	N/A	1,250	\$665	\$0	@60%	Yes	0	N/A	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$500	\$0	\$500	\$0	\$500	2BR / 2BA	\$580	\$0	\$580	\$0	\$580
3BR / 2BA	\$580	\$0	\$580	\$0	\$580	3BR / 2BA	\$665	\$0	\$665	\$0	\$665

Willis Trace, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Limited Access	None
Carpeting	Central A/C	Perimeter Fencing	
Coat Closet	Dishwasher	Video Surveillance	
Ceiling Fan	Garbage Disposal		
Oven	Refrigerator		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Central Laundry	Off-Street Parking		
Picnic Area	Playground		

Comments

This property is located adjacent to and shares the same management company as Willow Crossing, as well as the same waiting list. Management was unable to explain why rents have not increased and are below maximum allowable levels; however, reported that maximum rents are likely achievable given the strong demand in the market.

Trend Report

Vacancy Rates

1Q19	4Q19	1Q20	2Q20
0.0%	0.0%	0.0%	0.0%

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	N/A	\$470	\$0	\$470	\$470
2019	4	N/A	\$470	\$0	\$470	\$470
2020	1	N/A	\$500	\$0	\$500	\$500
2020	2	N/A	\$500	\$0	\$500	\$500

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	N/A	\$565	\$0	\$565	\$565
2019	4	N/A	\$565	\$0	\$565	\$565
2020	1	N/A	\$580	\$0	\$580	\$580
2020	2	N/A	\$580	\$0	\$580	\$580

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	N/A	\$575	\$0	\$575	\$575
2019	4	N/A	\$575	\$0	\$575	\$575
2020	1	N/A	\$580	\$0	\$580	\$580
2020	2	N/A	\$580	\$0	\$580	\$580

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	N/A	\$650	\$0	\$650	\$650
2019	4	N/A	\$650	\$0	\$650	\$650
2020	1	N/A	\$665	\$0	\$665	\$665
2020	2	N/A	\$665	\$0	\$665	\$665

Trend: Comments

1Q19	This property is located adjacent to and shares the same management company as Willow Crossing, as well as the same waiting list. Management was unable to explain why rents are below maximum allowable levels; however, reported that maximum rents are likely achievable given the strong demand in the market.
4Q19	This property is located adjacent to and shares the same management company as Willow Crossing, as well as the same waiting list. Management was unable to explain why rents haven't increased and are below maximum allowable levels; however, reported that maximum rents are likely achievable given the strong demand in the market.
1Q20	N/A
2Q20	This property is located adjacent to and shares the same management company as Willow Crossing, as well as the same waiting list. Management was unable to explain why rents have not increased and are below maximum allowable levels; however, reported that maximum rents are likely achievable given the strong demand in the market.

Photos



PROPERTY PROFILE REPORT

Willow Crossing

Effective Rent Date	5/29/2020
Location	101 Willow Crossing Lane Spartanburg, SC 29301 Spartanburg County
Distance	23.9 miles
Units	48
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	2012 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Country Garden Estates
Tenant Characteristics	Mixed tenancy
Contact Name	Arlene
Phone	864-327-8496



Market Information

Program	@50%, @60%
Annual Turnover Rate	7%
Units/Month Absorbed	N/A
HCV Tenants	19%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Remained Stable
Concession	None
Waiting List	Yes; approximately 200 households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (2 stories)	16	1,116	\$495	\$0	@50%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	N/A	1,116	\$575	\$0	@60%	Yes	0	N/A	no	None
3	2	Garden (2 stories)	32	1,281	\$565	\$0	@50%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	N/A	1,281	\$650	\$0	@60%	Yes	0	N/A	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$495	\$0	\$495	\$0	\$495	2BR / 2BA	\$575	\$0	\$575	\$0	\$575
3BR / 2BA	\$565	\$0	\$565	\$0	\$565	3BR / 2BA	\$650	\$0	\$650	\$0	\$650

Willow Crossing, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Limited Access	None
Carpeting	Central A/C	Perimeter Fencing	
Coat Closet	Dishwasher	Video Surveillance	
Ceiling Fan	Garbage Disposal		
Oven	Refrigerator		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Central Laundry	Off-Street Parking		
On-Site Management	Picnic Area		
Playground			

Comments

This property is located adjacent to and shares the same management company as Willis Trace, as well as the same waiting list. Management was unable to explain why rents are below maximum allowable levels; however, reported that maximum rents are likely achievable given the strong demand in the market.

Willow Crossing, continued

Trend Report

Vacancy Rates

1Q19	4Q19	1Q20	2Q20
0.0%	0.0%	0.0%	0.0%

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	0.0%	\$495	\$0	\$495	\$495
2019	4	0.0%	\$495	\$0	\$495	\$495
2020	1	0.0%	\$495	\$0	\$495	\$495
2020	2	0.0%	\$495	\$0	\$495	\$495

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	0.0%	\$565	\$0	\$565	\$565
2019	4	0.0%	\$565	\$0	\$565	\$565
2020	1	0.0%	\$565	\$0	\$565	\$565
2020	2	0.0%	\$565	\$0	\$565	\$565

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	N/A	\$575	\$0	\$575	\$575
2019	4	N/A	\$575	\$0	\$575	\$575
2020	1	N/A	\$575	\$0	\$575	\$575
2020	2	N/A	\$575	\$0	\$575	\$575

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	N/A	\$650	\$0	\$650	\$650
2019	4	N/A	\$650	\$0	\$650	\$650
2020	1	N/A	\$650	\$0	\$650	\$650
2020	2	N/A	\$650	\$0	\$650	\$650

Trend: Comments

1Q19	This property is located adjacent to and shares the same management company as Willis Trace, as well as the same waiting list. Management was unable to explain why rents are below maximum allowable levels; however, reported that maximum rents are likely achievable given the strong demand in the market.
4Q19	Management was unable to explain why rents are below maximum allowable levels; however, reported that maximum rents are likely achievable given the strong demand in the market.
1Q20	N/A
2Q20	This property is located adjacent to and shares the same management company as Willis Trace, as well as the same waiting list. Management was unable to explain why rents are below maximum allowable levels; however, reported that maximum rents are likely achievable given the strong demand in the market.

Photos



PROPERTY PROFILE REPORT

Creekside At Wellington Apartments

Effective Rent Date	5/14/2020
Location	1230 Overbrook Drive Gaffney, SC 29341 Cherokee County
Distance	3.6 miles
Units	92
Vacant Units	0
Vacancy Rate	0.0%
Type	Various (3 stories)
Year Built/Renovated	1973 / 1989
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Stone Crest and Westwood Apartments
Tenant Characteristics	Mixed Tenancy
Contact Name	Nicki
Phone	864-487-5757



Market Information

Program	Market
Annual Turnover Rate	26%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Remained Stable
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	14	708	\$599	\$0	Market	No	0	0.0%	N/A	None
1	1	Townhouse (2 stories)	4	806	\$595	\$0	Market	No	0	0.0%	N/A	None
2	1.5	Townhouse (2 stories)	24	1,014	\$625	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	42	964	\$640	\$0	Market	No	0	0.0%	N/A	None
3	1.5	Townhouse (2 stories)	8	1,131	\$700	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$595 - \$599	\$0	\$595 - \$599	\$65	\$660 - \$664
2BR / 1.5BA	\$625	\$0	\$625	\$73	\$698
2BR / 2BA	\$640	\$0	\$640	\$73	\$713
3BR / 1.5BA	\$700	\$0	\$700	\$84	\$784

Creekside At Wellington Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Exterior Storage(\$35.00)	Ceiling Fan		
Garbage Disposal	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Clubhouse/Meeting Room/Community	Exercise Facility	None	None
Central Laundry	Off-Street Parking		
On-Site Management	Picnic Area		
Playground	Swimming Pool		

Comments

There is a \$50 premium for townhouse-style units with upgraded kitchen cabinets and countertops. Base rents are reflected in the property profile. Storage units are available to tenants for an additional \$35 to \$80 per month, depending on size. This property does not accept Housing Choice Vouchers. The contact noted that the property has not yet experienced any effects to leasing due to COVID-19, as the property is 100 percent occupied.

Creekside At Wellington Apartments, continued

Trend Report

Vacancy Rates

1Q10	4Q10	1Q17	2Q20
6.5%	6.5%	2.2%	0.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	0.0%	\$495 - \$520	\$0	\$495 - \$520	\$560 - \$585
2010	4	0.0%	\$495 - \$520	\$0	\$495 - \$520	\$560 - \$585
2017	1	11.1%	\$595 - \$599	\$0	\$595 - \$599	\$660 - \$664
2020	2	0.0%	\$595 - \$599	\$0	\$595 - \$599	\$660 - \$664

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	0.0%	\$625	\$0	\$625	\$698
2020	2	0.0%	\$625	\$0	\$625	\$698

2BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	20.8%	\$570	\$0	\$570	\$643
2010	4	20.8%	\$570	\$0	\$570	\$643

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	0.0%	\$570	\$0	\$570	\$643
2010	4	0.0%	\$570	\$0	\$570	\$643
2017	1	0.0%	\$640	\$0	\$640	\$713
2020	2	0.0%	\$640	\$0	\$640	\$713

3BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	12.5%	\$670	\$0	\$670	\$754
2010	4	12.5%	\$670	\$0	\$670	\$754
2017	1	0.0%	\$700	\$0	\$700	\$784
2020	2	0.0%	\$700	\$0	\$700	\$784

Trend: Comments

1Q10	The contact reported that prices changed February 1, 2010. There are currently no specials.
4Q10	N/A
1Q17	The contact confirmed that rents have not increased in the past year. Storage units can be rented for \$35 to \$80 per month.
2Q20	There is a \$50 premium for townhouse-style units with upgraded kitchen cabinets and countertops. Base rents are reflected in the property profile. Storage units are available to tenants for an additional \$35 to \$80 per month, depending on size. This property does not accept Housing Choice Vouchers. The contact noted that the property has not yet experienced any effects to leasing due to COVID-19, as the property is 100 percent occupied.

Photos



PROPERTY PROFILE REPORT

Magnolia Ridge

Effective Rent Date	5/14/2020
Location	266 Goldmine Springs Road Gaffney, SC 29340 Cherokee County
Distance	0.8 miles
Units	84
Vacant Units	5
Vacancy Rate	6.0%
Type	Garden (2 stories)
Year Built/Renovated	1976 / 2002/2006
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Westwood Apartments
Tenant Characteristics	Mixed Tenancy
Contact Name	Melissa
Phone	864-489-0692



Market Information

Program	Market
Annual Turnover Rate	34%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one month
Annual Chg. in Rent	Increased 2-6% annually
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Garden (2 stories)	12	470	\$430	\$0	Market	No	2	16.7%	N/A	None
1	1	Garden (2 stories)	16	720	\$600	\$0	Market	No	0	0.0%	N/A	HIGH*
1	1	Garden (2 stories)	N/A	720	\$545	\$0	Market	No	1	N/A	N/A	LOW*
2	1	Garden (2 stories)	32	860	\$665	\$0	Market	No	1	3.1%	N/A	HIGH*
2	1	Garden (2 stories)	N/A	860	\$590	\$0	Market	No	1	N/A	N/A	LOW
3	1	Garden (2 stories)	20	1,000	\$750	\$0	Market	No	0	0.0%	N/A	HIGH*
3	1	Garden (2 stories)	N/A	1,000	\$700	\$0	Market	No	0	N/A	N/A	LOW*
4	2	Garden (2 stories)	4	1,160	\$800	\$0	Market	No	0	0.0%	N/A	None

Magnolia Ridge, continued

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$430	\$0	\$430	\$65	\$495
1BR / 1BA	\$545 - \$600	\$0	\$545 - \$600	\$65	\$610 - \$665
2BR / 1BA	\$590 - \$665	\$0	\$590 - \$665	\$73	\$663 - \$738
3BR / 1BA	\$700 - \$750	\$0	\$700 - \$750	\$84	\$784 - \$834
4BR / 2BA	\$800	\$0	\$800	\$102	\$902

Amenities

In-Unit		Security	Services
Balcony/Patio		None	None
Carpeting	Blinds		
Coat Closet	Central A/C		
Microwave	Dishwasher		
Refrigerator	Oven		
	Walk-In Closet		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Central Laundry	Off-Street Parking		
On-Site Management	Picnic Area		
Playground			

Comments

Rental ranges are due to renovations, which include new appliances, microwaves, dishwashers, new paint, and new carpet. The contact noted that due to COVID-19 it is more difficult and taking longer to fill vacant units. This property does not accept Housing Choice Vouchers.

Trend Report

Vacancy Rates

2Q09	1Q10	1Q17	2Q20
6.0%	2.4%	1.2%	6.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	0.0%	\$350	\$0	\$350	\$415
2010	1	0.0%	\$370	\$0	\$370	\$435
2017	1	N/A	\$480 - \$500	\$0	\$480 - \$500	\$545 - \$565
2020	2	N/A	\$545 - \$600	\$0	\$545 - \$600	\$610 - \$665

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	12.5%	\$450	\$0	\$450	\$523
2010	1	3.1%	\$465	\$0	\$465	\$538
2017	1	N/A	\$530 - \$550	\$0	\$530 - \$550	\$603 - \$623
2020	2	N/A	\$590 - \$665	\$0	\$590 - \$665	\$663 - \$738

3.5BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	0.0%	\$700	\$0	\$700	\$784

3BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	0.0%	\$40	\$0	\$40	\$124
2010	1	0.0%	\$495	\$0	\$495	\$579
2017	1	5.0%	\$600	\$0	\$600	\$684
2020	2	N/A	\$700 - \$750	\$0	\$700 - \$750	\$784 - \$834

4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	25.0%	\$595	\$0	\$595	\$697
2010	1	25.0%	\$615	\$0	\$615	\$717
2020	2	0.0%	\$800	\$0	\$800	\$902

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	0.0%	\$299	\$0	\$299	\$364
2010	1	0.0%	\$319	\$0	\$319	\$384
2017	1	0.0%	\$400	\$0	\$400	\$465
2020	2	16.7%	\$430	\$0	\$430	\$495

Trend: Comments

- 2Q09 The contact reported that the property is 94 percent occupied and 95 percent leased. The contact indicated that the property has been affected by the economic recession as occupancy dropped to 84 percent in January 2009. However, as the current interview demonstrates, occupancy has recovered since then due to advertising in the local newspaper.
- 1Q10 The contact indicated that most vacancies are due to people losing jobs, or transferring for jobs. Contact indicated that tenants must make a monthly salary that is three times the monthly rent to qualify. Contact also indicated that the property's greatest weakness is its lack of washer/dryer hookups because that is what most tenants want.
- 1Q17 The contact confirmed that the rental ranges are caused by renovations completed in some of the units. These renovations included new appliances, new carpet and paint color changes to unit interiors. They have also converted two of their four, four-bedroom, two-bathroom units into three-bedroom units with a den. There are approximately 10 to 15 households on the waiting list, and management assumes the one vacancy will be leased from this list. There are currently two apartment units using Housing Choice Vouchers, but management is not accepting any new Housing Choice Voucher users. Three units are occupied by college students studying at nearby Limestone College. Management stated that they receive a fair amount of walk-ins, and are noticing that more tenants are staying in the area. If people do move-out, they typically leave due to non-payment or because they are purchasing a home. Westwood Apartments was noted as a major competitor because they are the only other multifamily property that has studio units.
- 2Q20 Rental ranges are due to renovations, which include new appliances, microwaves, dishwashers, new paint, and new carpet. The contact noted that due to COVID-19 it is more difficult and taking longer to fill vacant units. This property does not accept Housing Choice Vouchers.

Photos



PROPERTY PROFILE REPORT

Oliver Court

Effective Rent Date	5/14/2020
Location	506 South Oliver Street Gaffney, SC 29341 Cherokee County
Distance	2.1 miles
Units	48
Vacant Units	0
Vacancy Rate	0.0%
Type	Various (2 stories)
Year Built/Renovated	1987 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed Tenancy
Contact Name	N/A
Phone	N/A



Market Information

Program	Market
Annual Turnover Rate	6%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	None
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	16	771	\$590	\$0	Market	No	0	0.0%	N/A	None
2	1.5	Townhouse (2 stories)	32	1,038	\$675	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$590	\$0	\$590	\$65	\$655
2BR / 1.5BA	\$675	\$0	\$675	\$73	\$748

Amenities

In-Unit	Security	Services
Blinds	Video Surveillance	None
Central A/C		
Exterior Storage		
Oven		
Walk-In Closet		
Property	Premium	Other
Central Laundry	None	None
On-Site Management		
Playground		

Comments

This property does not accept Housing Choice Vouchers.

Trend Report

Vacancy Rates

1Q17	2Q20
4.2%	0.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	6.2%	\$500	\$0	\$500	\$565
2020	2	0.0%	\$590	\$0	\$590	\$655

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	3.1%	\$575	\$0	\$575	\$648
2020	2	0.0%	\$675	\$0	\$675	\$748

Trend: Comments

- 1Q17 The contact confirmed that they do not typically have vacancies, but leasing slowed during the holidays. They have recently received applications for the two vacant units but those units are not pre-leased at this time. The property has not made an adjustment to rental rates in the last year, they are not offering concessions and they do not accept Housing Choice Vouchers. The only appliances that come with the unit are the oven/range combination and the refrigerator. The contact was unable to confirm the number of surface parking spots on the property.
- 2Q20 This property does not accept Housing Choice Vouchers.

Photos



PROPERTY PROFILE REPORT

Quail Pointe Apartments

Effective Rent Date	5/14/2020
Location	460 East Blackstock Road Spartanburg, SC 29301 Spartanburg County
Distance	22.7 miles
Units	100
Vacant Units	4
Vacancy Rate	4.0%
Type	Townhouse (2 stories)
Year Built/Renovated	1975 / 2005
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	West Gate, Rose Hill
Tenant Characteristics	Mixed Tenancy
Contact Name	Tamika
Phone	864-587-1939



Market Information

Program	Market
Annual Turnover Rate	22%
Units/Month Absorbed	N/A
HCV Tenants	50%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Changes Daily
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- gas
Water Heat	not included -- gas
Heat	not included -- gas
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Townhouse (2 stories)	15	760	\$654	\$0	Market	No	0	0.0%	N/A	None
2	1	Townhouse (2 stories)	60	880	\$799	\$0	Market	No	1	1.7%	N/A	HIGH*
2	1	Townhouse (2 stories)	N/A	880	\$714	\$0	Market	No	1	N/A	N/A	LOW*
3	1.5	Townhouse (2 stories)	20	1,020	\$844	\$0	Market	No	1	5.0%	N/A	None
4	2	Townhouse (2 stories)	5	1,277	\$1,329	\$0	Market	No	1	20.0%	N/A	HIGH*
4	2	Townhouse (2 stories)	N/A	1,277	\$1,044	\$0	Market	No	0	N/A	N/A	LOW*

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$654	\$0	\$654	\$78	\$732
2BR / 1BA	\$714 - \$799	\$0	\$714 - \$799	\$86	\$800 - \$885
3BR / 1.5BA	\$844	\$0	\$844	\$97	\$941
4BR / 2BA	\$1,044 - \$1,329	\$0	\$1,044 - \$1,329	\$115	\$1,159 - \$1,444

Quail Pointe Apartments, continued

Amenities

In-Unit		Security	Services
Blinds	Carpeting	Patrol	None
Central A/C	Coat Closet	Perimeter Fencing	
Dishwasher	Garbage Disposal		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Central Laundry	None	None
Off-Street Parking	On-Site Management		
Picnic Area	Playground		

Comments

The four-bedroom units have all electric utilities. The range in rents is due to renovations, consisting of new flooring, paint, appliances, and fixtures. The property utilizes a pricing software, and rents change daily.

Quail Pointe Apartments, continued

Trend Report

Vacancy Rates

1Q19	2Q19	1Q20	2Q20
6.0%	8.0%	8.0%	4.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	6.7%	\$640	\$0	\$640	\$718
2019	2	N/A	\$670	\$0	\$670	\$748
2020	1	N/A	\$714	\$0	\$714	\$792
2020	2	0.0%	\$654	\$0	\$654	\$732

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	6.7%	\$815	\$0	\$815	\$901
2019	2	N/A	\$812	\$0	\$812	\$898
2020	1	N/A	\$852	\$0	\$852	\$938
2020	2	N/A	\$714 - \$799	\$0	\$714 - \$799	\$800 - \$885

3BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	5.0%	\$850	\$0	\$850	\$947
2019	2	0.0%	\$850	\$0	\$850	\$947
2020	1	N/A	\$949	\$0	\$949	\$1,046
2020	2	5.0%	\$844	\$0	\$844	\$941

4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	0.0%	\$1,070	\$0	\$1,070	\$1,185
2019	2	N/A	\$1,128	\$0	\$1,128	\$1,243
2020	1	0.0%	\$1,128	\$0	\$1,128	\$1,243
2020	2	N/A	\$1,044 - \$1,329	\$0	\$1,044 - \$1,329	\$1,159 - \$1,444

Trend: Comments

1Q19	Currently there is not a waiting list for the property. Contact stated utilities in the four-bedroom units are all electric.
2Q19	The four-bedroom units have all electric utilities. The three-bedroom rent was not available at the time of the interview due to them all being rented, so the three-bedroom rent rate is based on the most recent lease agreement. The property has eight vacant units, however five vacant units are pre-leased.
1Q20	The four-bedroom units have all electric utilities. The property has eight vacant units, however, three vacant units are preleased. The contact indicated the elevated vacancy is typical for the property.
2Q20	The four-bedroom units have all electric utilities. The range in rents is due to renovations, consisting of new flooring, paint, appliances, and fixtures. The property utilizes a pricing software, and rents change daily.

Photos



PROPERTY PROFILE REPORT

Stonecrest Apartments

Effective Rent Date	5/12/2020
Location	102 Stonecrest Lane Gaffney, SC 29341 Cherokee County
Distance	4.5 miles
Units	198
Vacant Units	4
Vacancy Rate	2.0%
Type	Garden (3 stories)
Year Built/Renovated	2008/2015 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Creekside, Westwood
Tenant Characteristics	None identified
Contact Name	Logan
Phone	864-488-2224



Market Information

Program	Market
Annual Turnover Rate	24%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased 2-5% annually
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	833	\$690	\$0	Market	No	N/A	N/A	N/A	HIGH
1	1	Garden (3 stories)	N/A	708	\$645	\$0	Market	No	N/A	N/A	N/A	LOW
2	2	Garden (3 stories)	N/A	1,096	\$810	\$0	Market	No	N/A	N/A	N/A	HIGH
2	2	Garden (3 stories)	N/A	904	\$725	\$0	Market	No	N/A	N/A	N/A	LOW
3	2	Garden (3 stories)	N/A	1,475	\$905	\$0	Market	No	N/A	N/A	N/A	HIGH
3	2	Garden (3 stories)	N/A	1,475	\$850	\$0	Market	No	N/A	N/A	N/A	LOW

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$645 - \$690	\$0	\$645 - \$690	\$78	\$723 - \$768
2BR / 2BA	\$725 - \$810	\$0	\$725 - \$810	\$86	\$811 - \$896
3BR / 2BA	\$850 - \$905	\$0	\$850 - \$905	\$97	\$947 - \$1,002

Stonecrest Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Exterior Storage(\$40.00)	Garbage Disposal		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Car Wash	None	None
Clubhouse/Meeting Room/Community	Exercise Facility		
Garage(\$80.00)	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area	Swimming Pool		
Theatre			

Comments

Rental ranges for the one and two-bedroom units are due to unit size, as well as if the unit is in phase one or two of the property. Smaller one and two-bedroom units offer balconies, while larger one and two-bedroom units offer sun rooms. The rental range for three-bedroom units is due to floor level. Ground floor units also rent for a premium. Phase two was completed in 2015, which added an additional 84 units to the property. The contact could not provide a unit breakdown by unit type or vacancy by unit type. The contact stated that the property has not noticed any changes to their leasing pace due to COVID-19, but noted that they are no longer offering in-person tours of the property. This property does not accept Housing Choice Vouchers.

Stonecrest Apartments, continued

Trend Report

Vacancy Rates

1Q10	4Q10	1Q17	2Q20
N/A	N/A	1.5%	2.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$535 - \$585	\$0	\$535 - \$585	\$613 - \$663
2010	4	N/A	\$535 - \$585	\$0	\$535 - \$585	\$613 - \$663
2017	1	N/A	\$560 - \$645	\$0	\$560 - \$645	\$638 - \$723
2020	2	N/A	\$645 - \$690	\$0	\$645 - \$690	\$723 - \$768

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$640 - \$690	\$0	\$640 - \$690	\$726 - \$776
2010	4	N/A	\$640 - \$690	\$0	\$640 - \$690	\$726 - \$776
2017	1	N/A	\$650 - \$745	\$0	\$650 - \$745	\$736 - \$831
2020	2	N/A	\$725 - \$810	\$0	\$725 - \$810	\$811 - \$896

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$770	\$0	\$770	\$867
2010	4	N/A	\$770	\$0	\$770	\$867
2017	1	N/A	\$795 - \$835	\$0	\$795 - \$835	\$892 - \$932
2020	2	N/A	\$850 - \$905	\$0	\$850 - \$905	\$947 - \$1,002

Trend: Comments

1Q10	The contact could not report the vacancy rate, but reported that there were only three bedroom units available. The contact could not report turnover, changes in rental prices, absorption, number of tenants with housing choice vouchers, or whether there was a waiting list. The contact also reported that tenants could lease washer and dryers for \$45 per month.
4Q10	Management refused to comment on occupancy rates but rents have not changed since the last interview in March 2010.
1Q17	Rental ranges are caused by unit floor location. Ground floor units are more expensive. Phase two of Stonecrest Apartments was completed in 2015. The second phase added an additional 84 units to the property.
2Q20	Rental ranges for the one and two-bedroom units are due to unit size, as well as if the unit is in phase one or two of the property. Smaller one and two-bedroom units offer balconies, while larger one and two-bedroom units offer sun rooms. The rental range for three-bedroom units is due to floor level. Ground floor units also rent for a premium. Phase two was completed in 2015, which added an additional 84 units to the property. The contact could not provide a unit breakdown by unit type or vacancy by unit type. The contact stated that the property has not noticed any changes to their leasing pace due to COVID-19, but noted that they are no longer offering in-person tours of the property. This property does not accept Housing Choice Vouchers.

Photos



PROPERTY PROFILE REPORT

Westwood Apartments

Effective Rent Date	5/14/2020
Location	1022 West Buford Street Gaffney, SC 29341 Cherokee County
Distance	2.6 miles
Units	166
Vacant Units	1
Vacancy Rate	0.6%
Type	Garden (2 stories)
Year Built/Renovated	1989 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Iveywood, Stonecrest, Creekside
Tenant Characteristics	Mixed Tenancy
Contact Name	Beth
Phone	864-487-2167



Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased 4% annually
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Garden (2 stories)	20	288	\$490	\$0	Market	No	1	5.0%	N/A	None
1	1	Garden (2 stories)	65	580	\$525	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden (2 stories)	65	860	\$615	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	16	990	\$735	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$490	\$0	\$490	\$65	\$555
1BR / 1BA	\$525	\$0	\$525	\$65	\$590
2BR / 1BA	\$615	\$0	\$615	\$73	\$688
3BR / 2BA	\$735	\$0	\$735	\$84	\$819

Westwood Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpeting	Central A/C	Limited Access	
Coat Closet	Dishwasher	Patrol	
Ceiling Fan	Garbage Disposal		
Hand Rails	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Clubhouse/Meeting Room/Community	Central Laundry	None	None
Off-Street Parking	On-Site Management		
Playground	Swimming Pool		

Comments

This property does not accept Housing Choice Vouchers. The contact noted that the property is not currently experiencing any effects on leasing due to COVID-19, as the property only has one vacant unit. Turnover information was not available.

Westwood Apartments, continued

Trend Report

Vacancy Rates

1Q10	4Q10	1Q17	2Q20
4.2%	10.8%	0.6%	0.6%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$440	\$0	\$440	\$505
2010	4	N/A	\$440	\$0	\$440	\$505
2017	1	0.0%	\$465	\$0	\$465	\$530
2020	2	0.0%	\$525	\$0	\$525	\$590

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$540	\$0	\$540	\$613
2010	4	N/A	\$533	\$0	\$533	\$606
2017	1	0.0%	\$545	\$0	\$545	\$618
2020	2	0.0%	\$615	\$0	\$615	\$688

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$625	\$0	\$625	\$709
2010	4	N/A	\$590	\$0	\$590	\$674
2017	1	0.0%	\$650	\$0	\$650	\$734
2020	2	0.0%	\$735	\$0	\$735	\$819

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$450	\$0	\$450	\$515
2010	4	N/A	\$450	\$0	\$450	\$515
2017	1	5.0%	\$435	\$0	\$435	\$500
2020	2	5.0%	\$490	\$0	\$490	\$555

Trend: Comments

1Q10	The contact reported that the studio rent is greater than the one-bedroom rent because the efficiencies include all utilities.
4Q10	N/A
1Q17	Management confirmed that they do not have a hard time renting units, and there is currently a waiting list of roughly 50 households. They anticipate that the one vacancy will be soon leased from the waiting list. Management has been able to increase rents on one, two and three-bedroom units by 10 dollars from a year ago, while studio rents have remained constant.
2Q20	This property does not accept Housing Choice Vouchers. The contact noted that the property is not currently experiencing any effects on leasing due to COVID-19, as the property only has one vacant unit. Turnover information was not available.

Photos



COMPARABLE PROPERTY ANALYSIS

Following are relevant characteristics of comparable properties surveyed:

Location

The following table illustrates the Subject and comparable property household incomes, crime indices, walk scores, percentage of vacant housing, and percentage of renter households.

LOCATION COMPARISON SUMMARY

#	Property Name	City	Tenancy	Rent Structure	Distance to Subject	Household Income	Median Home Value	Crime Index	Walk Score	Vacant Housing	% Renter HH
S	Connecticut Village Apartments	Gaffney	Family	LIHTC/Section 8	-	\$22,882	\$82,700	76	7	6.3%	37.6%
1	Autumn Glen Villas	Gaffney	Family	LIHTC	2.2 miles	\$16,364	\$131,600	132	62	18.8%	50.9%
2	Companion At Lee's Crossing*	Spartanburg	Family	LIHTC	18.9 miles	\$37,963	\$125,700	355	64	26.9%	47.7%
3	Country Garden Estates I & II*	Moore	Family	LIHTC/PBV	23.0 miles	\$28,023	\$163,500	166	6	14.5%	55.7%
4	Willis Trace*	Spartanburg	Family	LIHTC	22.8 miles	\$42,818	\$125,700	185	36	14.2%	29.4%
5	Willow Crossing*	Spartanburg	Family	LIHTC	23.9 miles	\$109,230	\$125,700	109	10	4.5%	15.8%
6	Creekside At Wellington Apartments	Gaffney	Family	Market	3.6 miles	\$46,201	\$131,600	154	22	4.4%	26.4%
7	Magnolia Ridge	Gaffney	Family	Market	0.8 miles	\$23,542	\$82,700	107	7	8.5%	40.1%
8	Oliver Court	Gaffney	Family	Market	2.1 miles	\$16,438	\$131,600	132	48	22.0%	48.3%
9	Quail Pointe Apartments*	Spartanburg	Family	Market	22.7 miles	\$31,403	\$125,700	166	31	13.9%	52.8%
10	Stonecrest Apartments	Gaffney	Family	Market	4.5 miles	\$46,132	\$131,600	147	13	15.9%	22.6%
11	Westwood Apartments	Gaffney	Family	Market	2.6 miles	\$16,414	\$131,600	154	35	16.1%	53.7%

*Located outside of the PMA

The Subject is located in a mixed-use neighborhood in Gaffney. The comparables are located between 0.8 and 23.9 miles of the Subject in Gaffney, Moore, and Spartanburg. As shown in the previous table, Magnolia Ridge is located in a similar neighborhood compared to the Subject offering similar median income, median rent, and median home value. Autumn Glen Villas, Country Garden Estates I & II, Creekside at Wellington, Stonecrest Apartments, and Westwood Apartments are located in slightly superior neighborhoods compared to the Subject that offer superior median income, median rent, and median home value. Companion at Lee's Crossing, Willis Trace, Willow Crossing, and Quail Pointe Apartments are located in Spartanburg, SC, which is a superior location to the Subject, as it is sizably bigger, offers more job opportunities, and better access to neighborhood amenities. Further, this location offers superior median income, median rent, and median home value compared to the Subject's location. The affordable comparables are generally in neighborhoods considered slightly superior to superior to the Subject's location. The market rate comparables are generally in neighborhoods considered similar to superior to the Subject's location.

Unit Size

The following table summarizes unit sizes in the market area, and provides a comparison of the Subject's unit size and the surveyed average unit sizes in the market.

UNIT SIZE COMPARISON

Bedroom Type	1BR	2BR	3BR	4BR
Subject	704	805	880	1,012
Average	770	1,051	1,222	1,238
Min	580	860	990	1,160
Max	907	1,184	1,475	1,277
Advantage/Disadvantage	-9%	-23%	-28%	-18%

The Subject’s unit sizes are smaller than the average among the comparables for all unit types, and below the comparable range for two, three, and four-bedroom units. The Subject’s unit sizes should continue to be well accepted in the market as an affordable property. However, we considered the Subject’s unit sizes in our determination of achievable rents.

Vacancy

The following table illustrates the market vacancy at the comparable properties.

OVERALL VACANCY

Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Autumn Glen Villas	LIHTC	Family	60	0	0.0%
Companion At Lee's Crossing*	LIHTC	Family	192	0	0.0%
Country Garden Estates I & II*	LIHTC/PBV	Family	90	4	4.4%
Willis Trace*	LIHTC	Family	28	0	0.0%
Willow Crossing*	LIHTC	Family	48	0	0.0%
Creekside At Wellington Apartments	Market	Family	92	0	0.0%
Magnolia Ridge	Market	Family	84	5	6.0%
Oliver Court	Market	Family	48	0	0.0%
Quail Pointe Apartments*	Market	Family	100	4	4.0%
Stonecrest Apartments	Market	Family	198	4	2.0%
Westwood Apartments	Market	Family	166	1	0.6%
Total LIHTC			418	4	1.0%
Total Market Rate			688	14	2.0%
Overall Total			1,106	18	1.6%

*Located outside of the PMA

The comparables reported vacancy rates ranging from zero to 6.0 percent, with an average of 1.6 percent. Vacancy rates among the affordable comparables range from zero to 4.4 percent, with an average of 1.0 percent. Vacancy rates among the market rate comparables range from zero to 6.0 percent, with an average of 2.0 percent. Four affordable comparables and two market rate comparables reported being fully occupied.

The Subject is currently 92.4 percent occupied with a waiting list. The Subject appears to be in average/typical overall condition with average/typical curb appeal. Post-renovation, the Subject will exhibit good overall condition. Therefore, we believe that the Subject will operate with a total vacancy rate of five percent or less.

LIHTC Vacancy – All LIHTC Properties in PMA

There are 60 total LIHTC units in the PMA that we included in this comparable analysis. Further, due to a general lack of non-subsidized LIHTC properties within the PMA, we expanded our search outside of the PMA and have included 358 units from outside the PMA in our data set, for a total of 418 LIHTC units. There are four vacancies among these units and all properties maintain waiting lists. This indicates strong demand for affordable rental housing in the PMA.

REASONABILITY OF RENTS

This report is written to South Carolina State Housing Finance and Development Authority (SC Housing) guidelines. Therefore, the conclusions contained herein may not be replicated by a more stringent analysis. We recommend that the sponsor understand the guidelines of all those underwriting the Subject development to ensure the proposed rents are acceptable to all.

Rents provided by property managers at some properties may include all utilities while others may require tenants to pay all utilities. To make a fair comparison of the Subject rent levels to comparable properties, rents at comparable properties are typically adjusted to be consistent with the Subject. Adjustments are made using the South Carolina Regional Authority Number One, effective January 1, 2020, the most recent available. The rent analysis is based on net rents at the Subject as well as surveyed properties.

The following table summarizes the Subject’s proposed 60 percent AMI net rents compared to the maximum allowable 60 percent AMI rents in the SMA where comparables are located and the net 60 percent AMI rents at the comparables.

LIHTC RENT COMPARISON @60%

Property Name	County	Tenancy	1BR	2BR	3BR	4BR	Rents at Max?
Connecticut Village Apartments	Cherokee	Family	\$485	\$586	\$682	\$767	No
2020 LIHTC Maximum Rent (Net)	Cherokee		\$597	\$721	\$839	\$941	
Autumn Glen Villas	Cherokee	Family	-	\$590	\$640	-	No
Companion At Lee's Crossing*	Spartanburg	Family	\$595	\$710	\$815	-	Yes, 2020
Country Garden Estates I & II*	Spartanburg	Family	\$632	\$725	\$786	-	No
Willis Trace*	Spartanburg	Family	-	\$580	\$665	-	No
Willow Crossing*	Spartanburg	Family	-	\$575	\$650	-	No
Average			\$614	\$636	\$711	-	
Achievable LIHTC Rent Absent Subsidy			\$500	\$625	\$715	\$800	

*Located outside of the PMA

The Subject’s proposed 60 percent AMI rents are set below the 2020 maximum allowable levels. One LIHTC comparable, Companion at Lee’s Crossing, reported achieving the 2020 LIHTC maximum allowable rents at 60 percent AMI; the remaining comparables reported achieving rents below the maximum allowable limits. However, several property managers noted that they believed maximum allowable rents were achievable in the area given the strong demand for affordable housing. The discrepancy between the rents at the comparable achieving 2020 maximum allowable rents and the 2020 LIHTC maximum allowable rents is likely due to differing utility allowances. The Subject is considered most similar to Autumn Glen Villas and Country Garden Estates I & II.

Autumn Glen Villas is a 60-unit, lowrise-style development located 2.2 miles northwest of the Subject site, in a neighborhood considered slightly superior relative to the Subject's location. The property was built in 2019, and currently exhibits superior condition relative to the proposed Subject, which was built in 1972 and proposed for renovations. The manager at Autumn Glen Villas reported the property as fully occupied with a waiting list. As such, since Autumn Glen Villas reported achieving rents below the maximum allowable limits, we believe this property is not testing the top of the market and could be achieving rents at the 2020 maximum allowable level, given that the property is newly constructed and in excellent condition. Autumn Glen Villas offers balconies/patios, central air conditioning, in-unit washer/dryers, dishwashers, garbage disposals, and a picnic area, all of which the Subject lacks. However, the Subject will offer microwaves and common area Wi-

Fi, which are not offered by Willow Crossing. The in-unit amenities offered by Autumn Glen Villas are considered superior to the proposed Subject's amenities, while the project amenities are similar. In overall terms, we believe the Subject to be a slightly inferior product relative to Autumn Glen Villas.

Garden Estates I & II is a 90-unit, single and duplex-style development located 23.0 miles southwest of the Subject site, in a neighborhood considered slightly superior relative to the Subject's location. The property was built in 2002/2004, and was renovated in 2020, exhibiting slightly superior condition relative to the proposed Subject, which was built in 1972 and proposed for renovations. The manager at Garden Estates I & II reported the property as 95.6 occupied with a waiting list, indicating the current rents are well accepted in the market. Garden Estates I & II offers balconies/patios, central air conditioning, exterior storage, walk-in closets, washer/dryer hook-ups, dishwashers, and garbage disposals, all of which the Subject lacks. However, the Subject will offer a business center, community room, playground, exercise facility, microwaves, and common area Wi-Fi, which are not offered by Garden Estates I & II. The in-unit amenities offered by Garden Estates I & II are considered superior to the proposed Subject's amenities, while the project amenities are inferior to the Subject. In overall terms, we believe the Subject to be a slightly inferior product relative to Garden Estates I & II.

Based on the above, we believe the proposed LIHTC rents are achievable with upward potential, absent rental assistance.

Achievable Market Rents

Based on the quality of the surveyed comparable properties and the anticipated quality of the proposed Subject, we conclude that the Subject's rental rates are below the achievable market rates for the Subject's area. We have prepared Section 8 rent adjustment grids in the Addenda to this report. The following table shows both adjusted market rent comparisons and achievable market rents.

COMPARABLE PROPERTY RENT SUMMARY - AS RENOVATED AFTER ADJUSTMENT

Unit Type	Size (SF)	Subject Proposed LIHTC Rent	Surveyed Minimum	Surveyed Maximum	Surveyed Adjusted Average	Achievable Market Rents	Subject Rent Advantage	2020 HUD Fair Market Rents	Subject Rent Advantage over FMR
1BR/1BA	704	\$485	\$668	\$765	\$719	\$710	31.7%	\$500	3.0%
2BR/1BA	805	\$586	\$706	\$827	\$759	\$770	23.9%	\$659	11.1%
3BR/1BA	880	\$682	\$750	\$897	\$825	\$850	19.8%	\$836	18.4%
4BR/2BA	1,012	\$767	\$884	\$1,329	\$1,023	\$980	21.7%	\$1,073	28.5%

*Based off NOVOCO's rent comparability study, effective June 8, 2020 (grids located in Addendum B)

The Subject's achievable LIHTC rents are well below the achievable market rents, and below the range of the market rate comparables. The Subject's proposed LIHTC rents represent a rent advantage of 19.8 to 31.7 percent over the achievable market rents. Further, the Subject's proposed LIHTC rents represent an advantage of 10 percent or more over 2020 HUD Fair Market Rents, with the exception of its one-bedroom units. We compared the Subject to Stonecrest Apartments and Magnolia Ridge Apartments, as they are the most similar comparables to the Subject as proposed.

Stonecrest Apartments is a 198-unit, garden-style development located 4.5 miles northwest of the Subject site, in a neighborhood considered slightly superior relative to the Subject's location. This property was constructed in two phases between 2008 and 2015. We consider the condition of this property superior relative to the Subject, which was built in 1972 and proposed for renovations. The manager at Stonecrest Apartments reported the property was 98.0 percent occupied, indicating the current rents are well accepted in the market. The in-unit amenities offered by Stonecrest Apartments are considered superior relative to the

Subject's amenities, while the property amenities are similar to the Subject. In overall terms, we believe the proposed Subject to be a slightly inferior product relative to the Stonecrest Apartments. Our concluded achievable market rents for the Subject's units are slightly below to the adjusted rents for Stonecrest Apartments. The following table compares the Subject with Stonecrest Apartments.

SUBJECT COMPARISON TO STONECREST APARTMENTS

Unit Type	Rent Level	Subject Achievable Market Rent	Square Feet	Subject RPSF	Stonecrest Apartments Rent	Square Feet	Stonecrest Apartments RPSF	Subject Rent Advantage
1BR / 1BA	@60% (Section 8)	\$710	704	\$1.01	\$768	833	\$0.92	7.6%
2BR / 1BA	@60% (Section 8)	\$770	805	\$0.96	\$896	1,096	\$0.82	14.1%
3BR / 1BA	@60% (Section 8)	\$850	880	\$0.97	\$1,002	1,475	\$0.68	15.2%
4BR / 2BA	@60% (Section 8)	\$980	1,012	\$0.97	-	-	-	-

Magnolia Ridge Apartments is an 84-unit, garden-style development located 0.8 miles north of the Subject site, in a neighborhood considered similar relative to the Subject's location. This property was constructed in 1976 and most recently renovated in 2006. We consider the condition of this property similar relative to the Subject, which was built in 1972 and proposed for renovations. The manager at Magnolia Ridge Apartments reported the property was 94.0 percent occupied, indicating the current rents are well accepted in the market. The in-unit amenities offered by Magnolia Ridge Apartments are considered slightly superior relative to the Subject's amenities, while the property amenities are considered slightly inferior to the Subject. In overall terms, we believe the proposed Subject to be a slightly superior product relative to the Magnolia Ridge Apartments. Our concluded achievable market rents for the Subject's units are above the adjusted rents reported by Magnolia Ridge Apartments. The following table compares the Subject with Magnolia Ridge Apartments.

SUBJECT COMPARISON TO MAGNOLIA RIDGE

Unit Type	Rent Level	Subject Achievable Market Rent	Square Feet	Subject RPSF	Magnolia Ridge Rent	Square Feet	Magnolia Ridge RPSF	Subject Rent Advantage
1BR / 1BA	@60% (Section 8)	\$710	704	\$1.01	\$665	720	\$0.92	-6.8%
2BR / 1BA	@60% (Section 8)	\$770	805	\$0.96	\$738	860	\$0.86	-4.3%
3BR / 1BA	@60% (Section 8)	\$850	880	\$0.97	\$834	1,000	\$0.83	-1.9%
4BR / 2BA	@60% (Section 8)	\$980	1,012	\$0.97	\$902	1,160	\$0.78	-8.6%

In conclusion, we believe that the Subject's achievable market rents are **\$710, \$770, \$850, and \$980** for its one, two, three, and four-bedroom units, respectively. Our concluded market rents result in a rent advantage of 19.8 to 31.7 percent for the Subject's proposed LIHTC rents.

Impact of Subject on Other Affordable Units in Market

Managers at four of the five LIHTC properties reported being fully occupied, and all reported maintaining a waiting list. With a limited supply of affordable housing options for the general population in the market and a stable and growing base of low-income tenants, we believe the Subject's rehabilitation will have no long-term impact on the existing area LIHTC apartments. In addition, no new units will be added to the market. Between 2019 and market entry, the total number of households is expected to increase at a rate of 0.3 percent annually in the PMA. Since the Subject will operate with a subsidy, we do not expect any impact on the existing low-income rental assisted housing in the market.

Rent versus Buy Analysis

We performed a rent/buy analysis. Our inputs assume a four-bedroom single-family home listing on Zillow in the Subject's neighborhood with a purchase price of \$225,000 and an interest rate of 3.30 percent for a 30-year fixed mortgage with a 10 percent down payment. This was compared to the cost to rent the Subject's

four-bedroom unit. This analysis indicates that with a monthly differential of \$732, it is more affordable to rent the Subject’s most expensive four-bedroom unit than to purchase a home. The rent buy analysis is illustrated in the following table.

RENT BUY ANALYSIS			
Property Type:	Four-Bedroom Single Family Home		
Sale Price			\$225,000
Down Payment at 10%			\$22,500
Mortgage Amount			\$202,500
Current Interest Rate			3.30%
	<i>Homeownership Costs</i>	<i>Monthly</i>	<i>% of Home Value</i>
Mortgage Payment		\$887	\$10,642
Property Taxes		\$234	\$2,813
Private Mortgage Insurance ¹		\$84	\$1,013
Maintenance		\$375	\$4,500
Utility Costs ²		\$115	\$1,380
Tax Savings		-\$197	-\$2,359
Cost Comparison			
		<i>Monthly</i>	<i>Annual</i>
Costs of Homeownership		\$1,499	\$17,989
Cost of Renting At Subject	-	\$767	\$9,204
Differential		\$732	\$8,785
Cost of Occupancy			
	<i>Homeownership</i>		
Closing Costs		3.0%	\$6,750
Down Payment at 10%		10.0%	\$22,500
Total			\$29,250
	<i>Subject Rental</i>		
First Month's Rent		\$767	
Security Deposit		<u>\$767</u>	
Total		\$1,534	

(1) Based upon 0.50 percent of mortgage amount.

(2) Utility Costs Included in Rent at Subject

As illustrated, the “cash due at occupancy” category adds to \$29,250 for the down payment and closing costs. The cash necessary for homeownership is still a barrier to many families. In general, first-time homebuyers have difficulty saving for a down payment. For this reason, we believe that the Subject will face limited competition from homeownership, especially as a senior development.

Availability of Affordable Housing Options

There is only one non-senior LIHTC exclusive comparable in the PMA. Therefore, we expanded our search outside of the PMA to the cities of Moore and Spartanburg. There are only four vacant LIHTC units among the five LIHTC comparables surveyed, and all five of the LIHTC comparables maintain waiting lists. Therefore, the availability of LIHTC housing targeting low and moderate incomes is considered inadequate given the demographic growth of the PMA. The renovation of the Subject would improve the existing housing stock in the PMA for affordable housing.

Summary Evaluation of the Proposed Project

Overall vacancy in the local market is performing well with a 1.6 percent vacancy rate among all of the surveyed comparable projects. The five LIHTC properties reported only four vacancies and all of these properties maintain waiting lists, suggesting latent demand for affordable housing.

When compared to the current 60 percent rents at the LIHTC properties, the Subject's proposed 60 percent AMI rents appear reasonable with upward potential, and overall they are more than 19.8 to 37.1 percent below our estimated achievable market rents. Overall, we believe that the Subject will be successful in the local market as proposed.

H. INTERVIEWS

INTERVIEWS

The following section details interviews with local market participants regarding the housing market.

Planning

We were unable to reach a contact with the City of Gaffney Community Development regarding planned, proposed, or under construction developments in the PMA. We also contacted the Cherokee County Building Department and spoke with Dale Gilbert, Building Official, who was unaware of any planned or under construction developments within Cherokee County.

Further, according to our online research and the CoStar database, there are no new or planned developments in the construction pipeline within the PMA.

LIHTC Competition / Recent and Proposed Construction

According to the South Carolina State Housing Finance and Development Authority (SC Housing) LIHTC allocation lists from 2016 to 2020 year-to-date (YTD), no properties have been allocated tax credits within the PMA within the last four years.

Section 8/Public Housing

We spoke with Randy Allen with the South Carolina Regional Housing Authority Number One for information regarding the local voucher program. Mr. Allen was unable to provide information regarding the number of active vouchers currently in use in Cherokee County. Payment standards for the Housing Choice Voucher Program are detailed below.

PAYMENT STANDARDS

Bedroom Type	Standard	Subject Highest Proposed Gross LIHTC Rent
1BR	\$550	\$588
2BR	\$724	\$706
3BR	\$919	\$815
4BR	\$1,180	\$910

As indicated in the previous table, payment standards for two, three, and four-bedroom units are above the Subject's highest proposed LIHTC rents, indicating tenants in these units would not have to pay additional money out of pocket. The Subject's highest proposed LIHTC rent for its one-bedroom units is above the payment standard. However, as the Subject's units will continue to benefit from Section 8 subsidy post-renovation, tenants will continue to pay 30 percent of their income towards rent and portable vouchers will not be necessary.

Property Managers

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

I. RECOMMENDATIONS

Recommendations

We believe there is ample demand for the Subject in the PMA and the market supports the renovation of the Subject development as proposed. The Subject's overall capture rate is 8.6 percent with subsidy and 21.4 percent without subsidy, both of which are within acceptable demand thresholds. Individual capture rates by bedroom type range from 2.6 to 14.9 percent with subsidy and from 6.6 to 36.9 percent without subsidy, which are all considered reasonable. In addition, the Subject is in a market area that has few affordable housing alternatives. Between 2019 and market entry, the total number of households is expected to increase at a rate of 0.3 percent annually in the PMA. The Subject site is located within three mile of most community services and facilities that tenants would utilize on a consistent basis.

There are only four vacancies among the LIHTC comparables. The developer's LIHTC rents represent a 19.8 to 37.1 percent advantage over achievable market rents. Further, the proposed LIHTC rents appear appropriate with upward potential, absent rental assistance.

Further, there are several apparent strengths of the Subject's site, development scheme, and market, which include:

- Construction of the Subject's units will positively impact the surrounding area by improving the Subject's neighborhood.
- All of the Subject's 105 units will continue to benefit Section 8 subsidy; thus, tenants will continue to pay 30 percent of their income towards rent.
- The Subject is an existing property with a wait list, and all tenants are expected to remain income qualified post-renovation.
- The Subject will be in good condition upon completion and will fill a need for good quality/newly renovated affordable housing in Gaffney.

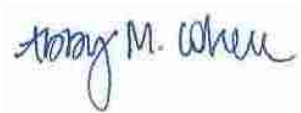
As such, we recommend the Subject as proposed, with no suggested modifications.

J. SIGNED STATEMENT REQUIREMENTS

I affirm that I have made a physical inspection of the market and surrounding area and the information obtained in the field has been used to determine the need and demand for new rental LIHTC units. I understand that any misrepresentation of this statement may result in denial of further participation in the South Carolina State Housing Finance and Development Authority's programs. I also affirm that I have no financial interest in the project or current business relationship with the ownership entity and my compensation is not contingent on this project being funded. This report was written according to the South Carolina State Housing Finance and Development Authority (SC Housing) market study requirements. The information included is accurate and can be relied upon by South Carolina State Housing Finance and Development Authority (SC Housing) to present a true assessment of the low-income housing rental market.

Respectfully submitted,
Novogradac Consulting LLP

Date: June 29, 2020



Abby Cohen
Partner

ADDENDUM A
Qualifications of Consultants

**STATEMENT OF PROFESSIONAL QUALIFICATIONS
RACHEL BARNES DENTON, MAI**

I. EDUCATION

Cornell University, Ithaca, NY
School of Architecture, Art & Planning, Bachelor of Science in City & Regional Planning

II. LICENSING AND PROFESSIONAL AFFILIATION

Designated Member of the Appraisal Institute
Member of National Council of Housing Market Analysts (NCHMA)
Member of Commercial Real Estate Women (CREW) Network
 2011 and 2012 Communications Committee Co-Chair for the Kansas City CREW Chapter
 2013 Director of Communications and Board Member for Kansas City CREW
 2014 Secretary and Board Member for Kansas City CREW
 2015 and 2016 Treasurer and Board Member for Kansas City CREW

State of Arkansas Certified General Real Estate Appraiser No. CG3527
State of California Certified General Real Estate Appraiser No. AG044228
State of Colorado Certified General Real Estate Appraiser No. 100031319
State of Hawaii Certified General Real Estate Appraiser No. CGA1048
State of Illinois Certified General Real Estate Appraiser No. 553.002012
State of Kansas Certified General Real Estate Appraiser No. G-2501
State of Minnesota Certified General Real Estate Appraiser No. 40420897
State of Missouri Certified General Real Estate Appraiser No. 2007035992
State of Nebraska Certified General Real Estate Appraiser No. CG2017030R
State of New Mexico Certified General Real Estate Appraiser No. 03424-G
State of Oklahoma Certified General Real Estate Appraiser No. 13085CGA
State of Oregon Certified General Real Estate Appraiser No. C000951
State of Texas Certified General Real Estate Appraiser No. 1380396

III. PROFESSIONAL EXPERIENCE

Novogradac & Company LLP, Partner
Novogradac & Company LLP, Principal
Novogradac & Company LLP, Manager
Novogradac & Company LLP, Senior Real Estate Analyst

IV. PROFESSIONAL TRAINING

Educational requirements successfully completed for the Appraisal Institute:
 Appraisal Principals, September 2004
 Basic Income Capitalization, April 2005
 Uniform Standards of Professional Appraisal Practice, various
 Advanced Income Capitalization, August 2006
 General Market Analysis and Highest & Best Use, July 2008
 Advanced Sales Comparison and Cost Approaches, June 2009
 Advanced Applications, June 2010
 General Appraiser Report Writing and Case Studies, July 2014
 Standards and Ethics (USPAP and Business Practices and Ethics)
 MAI Designation General Comprehensive Examination, January 2015
 MAI Demonstration of Knowledge Report, April 2016

Completed HUD MAP Training, Columbus, Ohio, May 2010

Have presented and spoken at both national Novogradac conferences and other industry events, including the National Council of Housing Market Analysts (NCHMA) Annual Meetings and FHA Symposia, National Housing and Rehabilitation Association Conferences, Institute for Professional and Executive Development (IPED) conferences, and state housing conferences, such as Housing Colorado and Missouri Workforce Housing Association.

V. REAL ESTATE ASSIGNMENTS

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

In general, have managed and conducted numerous market analyses and appraisals for various types of commercial real estate since 2003, with an emphasis on affordable multifamily housing.

Conducted and managed appraisals of proposed new construction, rehab and existing Low-Income Housing Tax Credit properties, Section 8 Mark-to-Market properties, HUD MAP Section 221(d)(4) and 223(f) properties, USDA Rural Development, and market rate multifamily developments on a national basis. Analysis includes property screenings, economic and demographic analysis, determination of the Highest and Best Use, consideration and application of the three traditional approaches to value, and reconciliation to a final value estimate. Both tangible real estate values and intangible values in terms of tax credit valuation, beneficial financing, and PILOT are considered. Additional appraisal assignments completed include commercial land valuation, industrial properties for estate purposes, office buildings for governmental agencies, and leasehold interest valuation. Typical clients include developers, lenders, investors, and state agencies.

Managed and conducted market studies for proposed Low-Income Housing Tax Credit, HUD MAP, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis and operating expense analysis. Property types include proposed multifamily, senior independent living, large family, acquisition/rehabilitation, historic rehabilitation, adaptive reuse, and single family developments. Typical clients include developers, state agencies, syndicators, investors, and lenders.

Completed and have overseen numerous Rent Comparability Studies in accordance with HUD's Section 8 Renewal Policy and Chapter 9 for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.

Performed and managed market studies and appraisals of proposed new construction and existing properties insured and processed under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs.

Performed and have overseen numerous market study/appraisal assignments for USDA RD properties in several states in conjunction with acquisition/rehabilitation redevelopments. Documents are used by states, lenders, USDA, and the developer in the underwriting process. Market studies are compliant to State, lender, and USDA requirements. Appraisals are compliant to lender requirements and USDA HB-1-3560 Chapter 7 and Attachments.

Performed appraisals for estate valuation and/or donation purposes for various types of real estate, including commercial office, industrial, and multifamily assets. These engagements were conducted in accordance with the Internal Revenue Service's Real Property Valuation Guidelines, Section 4.48.6 of the Internal Revenue Manual.

Performed analyses of various real estate asset types subject to USDA 4279-B, Business and Industry Guaranteed Loans, Section 4279.150 guidelines.

Conducted various Highest and Best Use Analyses for proposed development sites nationwide. Completed an analysis of existing and proposed senior supply of all types of real estate, and conducted various

demand and feasibility analyses in order to determine level of need and ultimate highest and best use of the site.

Prepared a three-year Asset Management tracking report for a 16-property portfolio in the southern United States. Data points monitored include economic vacancy, levels of concessions, income and operating expense levels, NOI and status of capital projects. Data used to determine these effects on the project's ability to meet its income-dependent obligations.

Performed various community-wide affordable housing market analyses and needs assessments for communities and counties throughout the Midwest and Western states. Analysis included demographic and demand forecasts, interviews with local stakeholders, surveys of existing and proposed affordable supply, and reconciliation of operations at existing supply versus projected future need for affordable housing. Additional analyses included identification of housing gaps, potential funding sources, and determination of appropriate recommendations. These studies are typically used by local, state, and federal agencies in order to assist with housing development and potential financing.

Managed a large portfolio of Asset Management reports for a national real estate investor. Properties were located throughout the nation, and were diverse in terms of financing, design, tenancy, and size. Information compiled included income and expenses, vacancy, and analysis of property's overall position in the market.

Performed appraisals of LIHTC assets for Year 15 purposes; valuations of both the underlying real estate asset and partnership interests have been completed. These reports were utilized to assist in potential disposition options for the property, including sale of the asset, buyout of one or more partners, or potential conversion to market rate.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

ABBY M. COHEN

I. Education

The Pennsylvania State University, University Park, PA
Bachelor of Arts

II. Licensing and Professional Affiliation

Certified General Appraiser, MD License #40032823
Certified General Appraiser, NC License #A8127
Certified General Appraiser, NJ License #42RG00255000
Certified General Appraiser, SC License #7487

Candidate for Designation in the Appraisal Institute
Designated Member of the National Council of Housing Market Analysts (NCHMA)
Member of Commercial Real Estate Women (CREW) Network

III. Professional Experience

Novogradac & Company LLP, Principal
Novogradac & Company LLP, Manager
Novogradac & Company LLP, Senior Real Estate Analyst

IV. Professional Training

7-Hour National USPAP Update for 2018-2019, February 2018
Appraisal of Land Subject to Ground Leases, December 2017
Business Practices and Ethics, January 2017
General Appraiser Report Writing and Case Studies, February 2015
General Appraiser Sales Comparison Approach, February 2015
General Appraiser Site Valuation and Cost Approach, February 2015
Expert Witness for Commercial Appraisers, January 2015
Commercial Appraisal Review, January 2015
Real Estate Finance Statistics and Valuation Modeling, December 2014
General Appraiser Income Approach Part II, December 2014
General Appraiser Income Approach Part I, November 2014
General Appraiser Market Analysis and Highest & Best Use, November 2014
IRS Valuation Summit, October 2014
15-Hour National USPAP Equivalent, April 2013
Basic Appraisal Procedures, March 2013
Basic Appraisal Principles, January 2013

V. Publications

Co-authored "Post Rev. Proc. 2014-12 Trend Emerges: Developer Fee Reasonableness Opinions," Novogradac Journal of Tax Credits, March 2016

VI. Real Estate Assignments

A representative sample of Asset Management, Due Diligence, and Valuation Engagements includes:

- Performed a variety of asset management services for a lender including monitoring and reporting property performance on a monthly basis. Data points monitored include economic vacancy, levels of concessions, income and expense levels, NOI and status of capital projects. Data used to determine these effects on the project's ability to meet its income-dependent obligations.
- Performed asset management services for lenders and syndicators on underperforming assets to identify significant issues facing the property and recommend solutions. Scope of work included analysis of deferred maintenance and property condition, security issues, signage, marketing strategy, condition of units upon turnover and staffing plan. Performed a physical inspection of the assets, to include interior and exterior of property and assessed how the property compares to competition. Analyzed operating expense results.
- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, large family, and acquisition with rehabilitation. Completed market studies in all states.
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties, USDA Rural Development, and market rate multifamily developments. Analysis includes property screenings, valuation analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis.
- Assisted in appraisal work for retail and commercial properties in various parts of the country for various lenders. The client utilized the study for underwriting purposes.
- Conducted market studies and appraisals for projects under the HUD Multifamily Accelerated Processing program.
- Prepared Rent Comparability Studies for expiring Section 8 contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Performed all aspects of data collection and data mining for web-based rent reasonableness systems for use by local housing authorities.
- Completed numerous reasonableness opinions related to Revenue Procedure 2014-12. Transactions analyzed include projects involving the use of Historic Tax Credits, New Markets Tax Credits and Investment Tax Credits. Fees and arrangements tested for reasonableness include developer fees, construction management fees, property management fees, asset management fees, various leasing-related payments and overall master lease terms.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

SARA N. NACHBAR

I. EDUCATION

Missouri State University – Springfield, MO
Bachelor of Science – Finance

II. PROFESSIONAL EXPERIENCE

Manager, Novogradac & Company LLP
Executive Assistant, Helzberg Entrepreneurial Mentoring Program
Claims Associate, Farmers Insurance Group

III. REAL ESTATE ASSIGNMENTS

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

- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, assisted living, large family, and acquisition with rehabilitation.
- Assisted in the preparation of Rent Comparability Studies for expiring Section 8 contracts and USDA contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low Income Housing Tax Credit properties. Analysis included property screenings, valuation analysis, capitalization rate analysis, expense comparability analysis, determination of market rents, and general market analysis.
- Prepared market studies and assisted in appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7/Appendix 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs.
- Researched and analyzed local and national economy and economic indicators for specific projects throughout the United States. Research included employment industries analysis, employment historical trends and future outlook, and demographic analysis.
- Examined local and national housing market statistical trends and potential outlook in order to determine sufficient demand for specific projects throughout the United States.
- Conducted more than 40 site inspections for market studies and appraisals throughout the United States for various reports including proposed new construction and rehabilitation multifamily projects.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Drew Behrens

I. EDUCATION

Missouri State University
Bachelor of Science – Business, Real Estate; Community & Regional Planning

II. LICENSING AND PROFESSIONAL AFFILIATION

State Certified General Trainee – MO #2018042616

III. PROFESSIONAL EXPERIENCE

Senior Analyst, Novogradac & Company LLP

IV. REAL ESTATE ASSIGNMENTS

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

- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low Income Housing Tax Credit properties. Analysis included property screenings, valuation analysis, capitalization rate analysis, expense comparability analysis, determination of market rents, and general market analysis.
- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, assisted living, large family, and acquisition with rehabilitation.
- Assisted in the preparation of Rent Comparability Studies for expiring Section 8 contracts and USDA contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Researched and analyzed local and national economy and economic indicators for specific projects throughout the United States. Research included employment industries analysis, employment historical trends and future outlook, and demographic analysis.
- Examined local and national housing market statistical trends and potential outlook in order to determine sufficient demand for specific projects throughout the United States.

ADDENDUM B
Rent Comparability Grids

Subject		Comp #1		Comp #2		Comp #3		Comp #5		Comp #6	
Connecticut Village		Creekside At Wellington		Magnolia Ridge		Oliver Court		Stonecrest Apartments		Westwood Apartments	
409 East Junior High Road		1230 Overbrook Drive		266 Goldmine Springs Road		506 South Oliver Street		102 Stonecrest Lane		1022 West Buford Street	
Gaffney, Cherokee		Gaffney, Cherokee		Gaffney, Cherokee		Gaffney, Cherokee		Gaffney, Cherokee		Gaffney, Cherokee	
Subject		Subject		Subject		Subject		Subject		Subject	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$599	N	\$600	N	\$590	N	\$645	N	\$525	N
2	Date Last Leased (mo/yr)	May-20		May-20		May-20		May-20		May-20	
3	Rent Concessions	N		N		N		N		N	
4	Occupancy for Unit Type	100%		100%		100%		97%		100%	
5	Effective Rent & Rent / sq. ft	\$599	\$0.85	\$600	\$0.83	\$590	\$0.77	\$645	\$0.91	\$525	\$0.91
<i>In Parts B thru E, adjust only for differences the subject's market values.</i>											
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	T/2		G/3	\$15	G/2	\$15	G/2	\$15	G/3	\$15
7	Yr. Built / Yr. Renovated	1972/2020		1973/1989		1976/2002/2006		1987		2008/2015	
8	Condition / Street Appeal	G		A	\$100	A	\$100	A	(\$20)	A	\$100
9	Neighborhood	A		G	(\$10)	A		G	(\$10)	G	(\$10)
10	Same Market? Miles to Subj.			Yes/3.6		Yes/0.8		Yes/2.1		Yes/4.5	
C. Unit Equipment / Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		1		1		1	
12	# Bathrooms	1		1		1		1		1	
13	Unit Interior Sq. Ft.	704		708		720	(\$13)	771	(\$13)	708	\$28
14	Balcony / Patio	N		Y	(\$10)	Y	(\$10)	N		Y	(\$10)
15	AC: Central / Wall	N		C	(\$10)	C	(\$10)	C	(\$10)	C	(\$10)
16	Range / Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave / Dishwasher	M		D	(\$10)	M/D	(\$10)	N		D	(\$10)
18	Washer / Dryer	N		L/HU	(\$15)	L	(\$5)	L/HU	(\$15)	L/HU	(\$15)
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Cable / Satellite / Internet	I		N	\$10	N	\$10	N	\$10	N	\$10
22	Special Features	Ceiling fan		ceiling fan, walk-in closet	(\$5)	walk-in closet		ceiling fan, walk-in closet	(\$5)	walk-in closet	
23											
D. Site Equipment / Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	L		L		L		L G/\$80		L	
25	Extra Storage	N		Y	(\$5)	N		Y	(\$5)	N	
26	Security	Y		N	\$5	N	\$5	Y		Y	
27	Clubhouse / Meeting Rooms	C		C		N	\$10	C		C	
28	Pool / Recreation Areas	E/R		P/E/R	(\$10)	R	\$5	P/E	(\$5)	P/R	(\$5)
29	Business Ctr / Nbrd Network	BC		N	\$10	BC		N	\$10	BC	
30	Service Coordination	N		N		N		N		N	
31	Non-shelter Services	N		N		N		N		N	
32	Neighborhood Networks	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent? / type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent? / type)	N/		N/E		N/E		N/E		N/E	
35	Cooking (in rent? / type)	N/E		N/E		N/E		N/E		N/E	
36	Hot water (in rent? / type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water / Sewer	Y/Y		N/N	\$65	N/N	\$65	N/N	\$65	N/N	\$65
39	Trash / Recycling	Y		Y		Y		Y	\$13	Y	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	5	(8)	5	(4)	6	(6)	3	(8)	5	(7)
41	Sum Adjustments B to D	\$140	(\$75)	\$135	(\$35)	\$150	(\$58)	\$30	(\$85)	\$163	(\$65)
42	Sum Utility Adjustments	\$65		\$65		\$65		\$78		\$65	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net / Gross Adjustments B to E	\$130	\$280	\$165	\$235	\$157	\$273	\$23	\$193	\$163	\$293
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5 + 43)	\$729		\$765		\$747		\$668		\$688	
45	Adj Rent / Last rent		122%		128%		127%		104%		131%
46	Estimated Market Rent	\$710		\$1.01 Estimated Market Rent / Sq. Ft.							

Appraiser's Signature

Abigail M. Whelan

6/8/2020
Date

Attached are
explanations of:

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

Grid was prepared: [] Manually [X] Using HUD's Excel form

form HUD-92273-S8 (04/2002)

Subject		Comp #1		Comp #2		Comp #3		Comp #5		Comp #6	
Connecticut Village		Creekside At Wellington		Magnolia Ridge		Oliver Court		Stonecrest Apartments		Westwood Apartments	
409 East Junior High Road		1230 Overbrook Drive		266 Goldmine Springs Road		506 South Oliver Street		102 Stonecrest Lane		1022 West Buford Street	
Gaffney, Cherokee		Gaffney, Cherokee		Gaffney, Cherokee		Gaffney, Cherokee		Gaffney, Cherokee		Gaffney, Cherokee	
Subject		Subject		Subject		Subject		Subject		Subject	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$625	N	\$665	N	\$675	N	\$725	N	\$615	N
2	Date Last Leased (mo/yr)	May-20		May-20		May-20		May-20		May-20	
3	Rent Concessions	N		N		N		N		N	
4	Occupancy for Unit Type	100%		96%		100%		97%		100%	
5	Effective Rent & Rent / sq. ft	\$625	\$0.62	\$665	\$0.77	\$675	\$0.65	\$725	\$0.80	\$615	\$0.72
<i>In Parts B thru E, adjust only for differences the subject's market values.</i>											
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	T/2		T/2		G/2	\$15	T/2		G/3	\$15
7	Yr. Built / Yr. Renovated	1972/2020		1973/1989		1976/2002/2006		1987		2008/2015	
8	Condition / Street Appeal	G		A	\$100	A	\$100	A	\$100	G	(\$20)
9	Neighborhood	A		G	(\$10)	A		G	(\$10)	G	(\$10)
10	Same Market? Miles to Subj.			Yes/3.6		Yes/0.8		Yes/2.1		Yes/4.5	
C. Unit Equipment / Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Bathrooms	1		1.5	(\$10)	1		1.5	(\$10)	2	(\$20)
13	Unit Interior Sq. Ft.	805		1014	(\$32)	860	(\$11)	1038	(\$38)	904	(\$20)
14	Balcony / Patio	N		Y	(\$10)	Y	(\$10)	N		Y	(\$10)
15	AC: Central / Wall	N		C	(\$10)	C	(\$10)	C	(\$10)	C	(\$10)
16	Range / Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave / Dishwasher	M		D	(\$10)	M/D	(\$10)	N		D	(\$10)
18	Washer / Dryer	N		L/HU	(\$15)	L	(\$5)	L/HU	(\$15)	L/HU	(\$15)
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Cable / Satellite / Internet	I		N	\$10	N	\$10	N	\$10	N	\$10
22	Special Features	Ceiling fan		ceiling fan, walk-in closet	(\$5)	walk-in closet		ceiling fan, walk-in closet	(\$5)	walk-in closet	
D. Site Equipment / Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	L		L		L		L G/\$80		L	
25	Extra Storage	N		Y	(\$5)	N		Y	(\$5)	N	
26	Security	Y		N	\$5	N	\$5	Y		Y	
27	Clubhouse / Meeting Rooms	C		C		C	\$10	C		C	
28	Pool / Recreation Areas	E/R		P/E/R	(\$10)	R	\$5	P/E	(\$5)	P/R	(\$5)
29	Business Ctr / Nbrd Network	BC		N	\$10	BC		N	\$10	BC	
30	Service Coordination	N		N		N		N		N	
31	Non-shelter Services	N		N		N		N		N	
32	Neighborhood Networks	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent? / type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent? / type)	N/		N/E		N/E		N/E		N/E	
35	Cooking (in rent? / type)	N/E		N/E		N/E		N/E		N/E	
36	Hot water (in rent? / type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water / Sewer	Y/Y		N/N	\$73	N/N	\$73	N/N	\$73	N/N	\$73
39	Trash / Recycling	Y		Y		Y		Y		N	\$13
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	4	(10)	5	(5)	5	(7)	3	(10)	4	(7)
41	Sum Adjustments B to D	\$125	(\$117)	\$135	(\$46)	\$135	(\$93)	\$30	(\$125)	\$135	(\$65)
42	Sum Utility Adjustments	\$73		\$73		\$73		\$86		\$73	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net / Gross Adjustments B to E	\$81	\$315	\$162	\$254	\$115	\$301	(\$9)	\$241	\$143	\$273
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5 + 43)	\$706		\$827		\$790		\$716		\$758	
45	Adj Rent / Last rent		113%		124%		117%		99%		123%
46	Estimated Market Rent	\$770		\$0.96 Estimated Market Rent / Sq. Ft.							

Appraiser's Signature

Abby M. Whelan

6/8/2020
Date

Attached are
explanations of:

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

Grid was prepared: [] Manually [X] Using HUD's Excel form

form HUD-92273-S8 (04/2002)

Subject		Comp #1		Comp #2		Comp #4		Comp #5		Comp #6	
Connecticut Village 409 East Junior High Road Gaffney, Cherokee		Creekside At Wellington 1230 Overbrook Drive Gaffney, Cherokee		Magnolia Ridge 266 Goldmine Springs Road Gaffney, Cherokee		Quail Pointe Apartments 460 East Blackstock Road Spartanburg, Spartanburg		Stonecrest Apartments 102 Stonecrest Lane Gaffney, Cherokee		Westwood Apartments 1022 West Buford Street Gaffney, Cherokee	
Data		Data		Data		Data		Data		Data	
Subject		Subject		Subject		Subject		Subject		Subject	
A. Rents Charged											
1	\$ Last Rent / Restricted?	\$700	N	\$750	N	\$844	N	\$850	N	\$735	N
2	Date Last Leased (mo/yr)	May-20		May-20		May-20		May-20		May-20	
3	Rent Concessions	N		N		N		N		N	
4	Occupancy for Unit Type	100%		100%		100%		97%		100%	
5	Effective Rent & Rent / sq. ft	\$700	\$0.62	\$750	\$0.75	\$844	\$0.83	\$850	\$0.58	\$735	\$0.74
<i>In Parts B thru E, adjust only for differences the subject's market values.</i>											
B. Design, Location, Condition											
6	Structure / Stories	G/2		T/2	(\$15)	G/2		T/2	(\$15)	G/3	
7	Yr. Built / Yr. Renovated	1972/2020		1973/1989		1976/2002/2006		1975/2005		2008/2015	
8	Condition / Street Appeal	G	\$80	A	\$100	A	(\$100)	G	(\$20)	G	(\$20)
9	Neighborhood	A	(\$10)	G	(\$10)	A	(\$20)	E	(\$20)	G	(\$10)
10	Same Market? Miles to Subj.		Yes/3.6		Yes/0.8		No/22.7		Yes/4.5		Yes/2.6
C. Unit Equipment / Amenities											
11	# Bedrooms	3		3		3		3		3	
12	# Bathrooms	1	(\$10)	1.5	(\$10)	1	(\$10)	1.5	(\$20)	2	(\$20)
13	Unit Interior Sq. Ft.	880	(\$39)	1,131	(\$23)	1,000	(\$29)	1,020	(\$50)	1,475	(\$20)
14	Balcony / Patio	N	(\$10)	Y	(\$10)	Y	(\$10)	N	(\$10)	Y	(\$10)
15	AC: Central / Wall	N	(\$10)	C	(\$10)	C	(\$10)	C	(\$10)	C	(\$10)
16	Range / Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave / Dishwasher	M	(\$10)	M/D	(\$10)	D	(\$10)	D	(\$10)	D	(\$10)
18	Washer / Dryer	N	(\$15)	L/HU	(\$5)	L	(\$15)	L/HU	(\$15)	L/HU	(\$15)
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Cable / Satellite / Internet	I	\$10	N	\$10	N	\$10	N	\$10	N	\$10
22	Special Features	Ceiling fan	ceiling fan, walk-in closet (\$5)	ceiling fan, walk-in closet (\$5)	walk-in closet	walk-in closet	walk-in closet	walk-in closet	walk-in closet	ceiling fan, walk-in closet (\$5)	ceiling fan, walk-in closet (\$5)
D. Site Equipment / Amenities											
24	Parking (\$ Fee)	L		L		L		L		L G/\$80	
25	Extra Storage	N	(\$5)	Y	(\$5)	N		N	(\$5)	N	
26	Security	Y	\$5	N	\$5	N	\$5	Y	\$5	N	\$5
27	Clubhouse / Meeting Rooms	C		C		C		C		C	
28	Pool / Recreation Areas	E/R	(\$10)	P/E/R	(\$10)	R	\$5	R	\$5	P/E	(\$5)
29	Business Ctr / Nbrd Network	BC	\$10	N	\$10	BC	\$10	N	\$10	BC	\$10
30	Service Coordination	N		N		N		N		N	
31	Non-shelter Services	N		N		N		N		N	
32	Neighborhood Networks	N		N		N		N		N	
E. Utilities											
33	Heat (in rent? / type)	N/E		N/E		N/E		N/G		N/E	
34	Cooling (in rent? / type)	N/		N/E		N/E		N/E		N/E	
35	Cooking (in rent? / type)	N/E		N/E		N/E		N/G		N/E	
36	Hot water (in rent? / type)	N/E		N/E		N/E		N/G		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water / Sewer	Y/Y	\$84	N/N	\$84	N/N	\$84	N/N	\$84	N/N	\$84
39	Trash / Recycling	Y		Y		Y		N	\$13	N	\$13
F. Adjustments Recap											
40	# Adjustments B to D	4	(11)	4	(5)	3	(8)	2	(10)	3	(9)
41	Sum Adjustments B to D	\$105	(\$139)	\$120	(\$58)	\$25	(\$129)	\$15	(\$155)	\$120	(\$105)
42	Sum Utility Adjustments	\$84		\$84		\$97		\$97		\$84	
43	Net / Gross Adjustments B to E	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
		\$50	\$328	\$147	\$262	(\$7)	\$251	(\$43)	\$267	\$99	\$309
G. Adjusted & Market Rents											
44	Adjusted Rent (5 + 43)	\$750		\$997		\$837		\$807		\$834	
45	Adj Rent / Last rent		107%		120%		99%		95%		113%
46	Estimated Market Rent	\$850		\$0.97 Estimated Market Rent / Sq. Ft.							

Appraiser's Signature

Abby M. When

6/8/2020
Date

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form HUD-92273-S8 (04/2002)

Subject		Comp #1		Comp #2		Comp #4		Comp #5		Comp #6	
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Data		Data		Data		Data		Data		Data	
Subject		Subject		Subject		Subject		Subject		Subject	
A. Rents Charged											
1	\$ Last Rent / Restricted?	\$700	N	\$800	N	\$1,329	N	\$905	N	\$735	N
2	Date Last Leased (mo/yr)	May-20		May-20		May-20		May-20		May-20	
3	Rent Concessions	N		N		N		N		N	
4	Occupancy for Unit Type	100%		100%		80%		97%		100%	
5	Effective Rent & Rent / sq. ft	\$700	\$0.62	\$800	\$0.69	\$1,329	\$1.04	\$905	\$0.61	\$735	\$0.74
<i>In Parts B thru E, adjust only for differences the subject's market values.</i>											
B. Design, Location, Condition											
6	Structure / Stories	G/2		T/2	(\$15)	G/2		T/2	(\$15)	G/2	
7	Yr. Built / Yr. Renovated	1972/2020		1973/1989		1976/2002/2006		1975/2005		2008/2015	
8	Condition / Street Appeal	G		A	\$80	A	\$100	G	(\$20)	G	(\$20)
9	Neighborhood	A		G	(\$10)	A		E	(\$20)	G	(\$10)
10	Same Market? Miles to Subj.			Yes/3.6		Yes/0.8		No/22.7		Yes/4.5	
C. Unit Equipment / Amenities											
11	# Bedrooms	4		3	\$75	4		4		3	\$75
12	# Bathrooms	2		1.5	\$10	2		2		2	
13	Unit Interior Sq. Ft.	1,012		1,131	(\$18)	1,160	(\$26)	1,277	(\$50)	1,475	(\$50)
14	Balcony / Patio	N		Y	(\$10)	Y	(\$10)	N		Y	(\$10)
15	AC: Central / Wall	N		C	(\$10)	C	(\$10)	C	(\$10)	C	(\$10)
16	Range / Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave / Dishwasher	M		D	(\$10)	M/D	(\$10)	D	(\$10)	D	(\$10)
18	Washer / Dryer	N		L/HU	(\$15)	L	(\$5)	L/HU	(\$15)	L/HU	(\$15)
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Cable / Satellite / Internet	I		N	\$10	N	\$10	N	\$10	N	\$10
22	Special Features	Ceiling fan		ceiling fan, walk-in closet	(\$5)	walk-in closet		walk-in closet		walk-in closet	
23										ceiling fan, walk-in closet	(\$5)
D. Site Equipment / Amenities											
24	Parking (\$ Fee)	L		L		L		L		L G/\$80	
25	Extra Storage	N		Y	(\$5)	N		N		Y	(\$5)
26	Security	Y		N	\$5	N	\$5	Y		N	\$5
27	Clubhouse / Meeting Rooms	C		C		C		C		C	
28	Pool / Recreation Areas	E/R		P/E/R	(\$10)	R	\$5	R	\$5	P/E	(\$5)
29	Business Ctr / Nbrd Network	BC		N	\$10	BC	\$10	N	\$10	BC	\$10
30	Service Coordination	N		N		N		N		N	
31	Non-shelter Services	N		N		N		N		N	
32	Neighborhood Networks	N		N		N		N		N	
E. Utilities											
33	Heat (in rent? / type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent? / type)	N/		N/E		N/E		N/E		N/E	
35	Cooking (in rent? / type)	N/E		N/E		N/E		N/E		N/E	
36	Hot water (in rent? / type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water / Sewer	Y/Y		N/N	\$102	N/N	\$102	N/N	\$102	N/N	\$102
39	Trash / Recycling	Y		Y		Y		N	\$13	N	\$13
F. Adjustments Recap											
40	# Adjustments B to D	6	(10)	4	(5)	3	(7)	3	(9)	4	(7)
41	Sum Adjustments B to D	\$190	(\$108)	\$120	(\$61)	\$25	(\$140)	\$90	(\$135)	\$195	(\$65)
42	Sum Utility Adjustments	\$102		\$102		\$115		\$115		\$102	
43	Net / Gross Adjustments B to E	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
		\$184	\$400	\$161	\$283		\$280	\$70	\$340	\$232	\$362
G. Adjusted & Market Rents											
44	Adjusted Rent (5 + 43)	\$884		\$961		\$1,329		\$975		\$967	
45	Adj Rent / Last rent		126%		120%		100%		108%		132%
46	Estimated Market Rent	\$980		\$0.97 Estimated Market Rent / Sq. Ft.							

Appraiser's Signature

Abby M. When

6/8/2020
Date

Attached are
explanations of:

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

Grid was prepared: [] Manually [X] Using HUD's Excel form

form HUD-92273-S8 (04/2002)

ADDENDUM C
Utility Allowance Schedule

SC REGIONAL HOUSING AUTHORITY NO. 1
PO BOX 326, LAURENS, SC 29360

LOCALITY: ABBEVILLE, ANDERSON, CHEROKEE, EDGEFIELD, LAURENS, MCCORMICK, OCONEE, PICKENS, AND SALUDA COUNTIES

EFFECTIVE JANUARY 1, 2020

UTILITY OR SERVICE	HOUSE				APARTMENTS				MOBILE HOMES			
	1 BR	2BR	3BR	4BR	1 BR	2 BR	3 BR	4 BR	1 BR	2 BR	3 BR	4 BR
HEATING												
OIL	76	85	100	114	31	41	46	51	29	34	39	43
NATURAL GAS	46	52	59	67	22	28	30	33	21	24	26	28
BOTTLE GAS	116	132	154	176	47	63	70	78	45	53	60	66
ELEC HEAT PUMP	56	63	74	85	28	38	42	47	27	32	36	40
ELEC RESISTANCE	92	104	121	139	46	62	69	76	49	57	66	72
COOKING												
NATURAL GAS	7	8	9	10	7	8	9	10	7	8	9	10
ELECTRIC	6	8	9	9	6	8	9	9	6	8	9	9
BOTTLE GAS	15	18	21	22	15	18	21	22	15	18	21	22
WATER HEATING												
NATURAL GAS	14	17	20	22	14	17	20	22	14	17	20	22
ELECTRIC	22	27	33	42	22	27	33	42	22	27	33	42
BOTTLE GAS	31	38	46	56	31	38	46	56	31	38	46	56
OIL	20	25	31	36	20	25	31	36	20	28	33	40
LIGHTING, REFRIGERATOR, TV, & OTHER APPLIANCES												
	48	55	65	71	48	55	65	71	48	55	65	71
WATER												
MUNICIPAL	31	35	40	49	30	34	39	47	31	35	40	49
WELL	2	2	3	3	2	2	3	3	3	3	3	3
SEWER												
MUNICIPAL	36	41	47	57	35	39	45	55	36	41	47	57
SEPTIC TANK	0	0	0	0	0	0	0	0	0	0	0	0
TRASH COLLECTION												
MUNICIPAL	13	13	13	13	13	13	13	13	13	13	13	13
AIR CONDITIONING-WINDOW UNIT												
ELECTRIC	24	30	38	44	15	21	26	30	12	16	19	22
OTHERS (CREDIT) TENANT SUPPLIED												
REFRIGERATOR	2	2	3	3	2	2	3	3	2	2	3	3
RANGE	3	3	4	4	3	3	4	4	2	2	3	3
TOTALS												

ACTUAL TOTALS PER MONTH FOR FAMILY ALLOWANCES TO BE USED BY FAMILY TO COMPUTE ALLOWANCE

VOUCHER PAYMENT STANDARDS CHANGE EFFECTIVE 10/1/2019 FOR MOVE-IN & TRANSFERS
VOUCHER PAYMENT STANDARDS CHANGE EFFECTIVE 1/1/2020 FOR RECERTIFICATIONS

PAYMENT STANDARDS PER COUNTY				
EFFECTIVE 1-1-2020				
	1 BR	2 BR	3BR	4 BR
ABBEVILLE				
106%	523	690	995	1,211
ANDERSON				
110%	679	842	1,111	1,368
CHEROKEE	550	724	919	1,180
110%	584	772	968	1,181
EDGEFIELD				
100%	722	848	1,156	1,489
LAURENS				
100%	570	751	949	1,037
MCCORMICK	106%	107%		
100%	523	696	882	974
OCONEE	563	741	1,037	1,225
110%	577	763	1,082	1,340
PICKENS				
103%	762	867	1,160	1,402
SALUDA	818	931	1,204	1,491
100%	838	959	1,255	1,571

2020 current
-2019

ADDENDUM D
Floor Plans (Not Available)