

TAB 19

MARKET STUDY

Market Study

Exhibit S-2 – Primary Market Area Analysis

Exhibit S-2 – Rent Calculation Worksheet

Market Feasibility Analysis

Leyland Grove
Pine Street
Conway, Horry County, South Carolina 29526

Prepared For

Ms. Randal Dressler
Tri-State Development, Inc.
207 West Queensbury Lane
Florence, Alabama 35630

Effective Date

February 3, 2016

Job Reference Number

15-526 JW



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2016 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:

Development Name:	Leyland Grove	Total # Units:	44
Location:	Pine Street, Conway, SC 29526	# LIHTC Units:	44
PMA Boundary:	Jordanville Road, Lundy Short Cut Road, Knotty Branch Road, U.S. Highway 501 and State Route 22 to the north; State Route 22 to the east; State Route 90, Myrtle Beach National Golf Course, Myrtle Ridge Drive, Waccamaw National Wild Life Refuge, U.S. Highway 701 and State Route 135 to the south; and Pee Dee Highway to the west.		
Development Type:	Family <input type="checkbox"/> Older Persons <input checked="" type="checkbox"/>	Farthest Boundary Distance to Subject:	13.8 miles

RENTAL HOUSING STOCK (found on page H-1 & 14)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	10	625	7	98.9%
Market-Rate Housing	3	203	5	97.5%
Assisted/Subsidized Housing not to include LIHTC	2	90	0	100.0%
LIHTC (All that are stabilized)*	6	332	2	99.4%
Stabilized Comps**	3	198	0	100.0%
Non-stabilized Comps	0	-	-	-

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

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

Subject Development					Adjusted Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
5	One	1.0	850	\$385	\$645	\$0.76	40.31%	\$999	\$1.23
12	One	1.0	850	\$435	\$645	\$0.76	32.56%	\$999	\$1.23
4	Two	2.0	1,000	\$440	\$720	\$0.72	38.89%	\$1,025	\$1.04
23	Two	2.0	1,000	\$480	\$720	\$0.72	33.33%	\$1,025	\$1.04
Gross Potential Rent Monthly*				\$19,945	\$30,405		34.40%		

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

DEMOGRAPHIC DATA (found on page F-4 & G-5)

	2000	2015		2018	
Renter Households (Ages 55+)		1,488	16.4%	1,657	16.4%
Income-Qualified Renter HHs (LIHTC)		396	26.6%	438	26.4%
Income-Qualified Renter HHs (MR)		N/A	N/A	N/A	N/A

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

Type of Demand	50%	60%	Market-rate	Other:___	Other:___	Overall
Renter Household Growth	27	35				42
Existing Households (Overburd + Substand)	236	265				328
Homeowner conversion (Seniors)	43	58				68
Other:	0	0				0
Less Comparable/Competitive Supply	0	0				0
Net Income-qualified Renter HHs	306	358				438

CAPTURE RATES (found on page G-5)

Targeted Population	50%	60%	Market-rate	Other:___	Other:___	Overall
Capture Rate	2.9%	9.8%				10.0%

ABSORPTION RATE (found on page G-6)

Absorption Period: 4 months

2015 S-2 RENT CALCULATION WORKSHEET

# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent by Bedroom Type	Adjusted Market Rent	Gross Adjusted Market Rent by Bedroom Type	Tax Credit Gross Rent Advantage
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
5	1 BR	\$385	\$1,925	\$645	\$3,225	
12	1 BR	\$435	\$5,220	\$645	\$7,740	
	1 BR		\$0		\$0	
4	2 BR	\$440	\$1,760	\$720	\$2,880	
23	2 BR	\$480	\$11,040	\$720	\$16,560	
	2 BR		\$0		\$0	
	3 BR		\$0		\$0	
	3 BR		\$0		\$0	
	3 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	44		\$19,945		\$30,405	34.40%

B. PROJECT DESCRIPTION

The subject project involves the new construction of the 44-unit Leyland Grove rental community on an approximate 4.2-acre site on Pine Street in Conway, South Carolina. The project will offer 17 one-bedroom and 27 two-bedroom garden-style units in a single three-story, elevator-equipped residential building with 1,509 square feet of integrated community space. Leyland Grove will be developed utilizing financing from the Low-Income Housing Tax Credit (LIHTC) program and target lower-income senior households (age 55+) earning up to 50% and 60% of Area Median Household Income (AMHI). Monthly collected Tax Credit rents will be \$385 to \$435 for a one-bedroom unit and \$440 to \$480 for a two-bedroom unit. None of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be complete by July of 2017. Additional details of the subject project are as follows:

- a. Property Location:** Leyland Grove
Pine Street
Conway, South Carolina 29526
(Horry County)
- b. Construction Type:** New Construction
- c. Occupancy Type:** Senior 55+
- d. Target Income Group:** 50% and 60% AMHI
- e. Special Needs Population:** None
- f. and h. to j. Unit Configuration and Rents:**

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
5	One-Br.	1.0	Garden	850	50%	\$385	\$121	\$506	\$507
12	One-Br.	1.0	Garden	850	60%	\$435	\$121	\$556	\$609
4	Two-Br.	2.0	Garden	1,000	50%	\$440	\$157	\$597	\$608
23	Two-Br.	2.0	Garden	1,000	60%	\$480	\$157	\$637	\$730
44	Total								

Source: Tri-State Development, Inc.

AMHI – Area Median Household Income (Horry County, South Carolina; 2015)

- g. Number Of Stories/Buildings:** One (1) three-story, elevator-equipped residential building with 1,509 square feet of integrated community space.

k. Project-Based Rental Assistance (Existing or Proposed): Not Applicable

l. Community Amenities:

The subject property will include the following community features:

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

m. Unit Amenities:

Each unit will include the following amenities:

- Electric Range
- Refrigerator
- Dishwasher
- Microwave Oven
- Carpet
- Emergency Pull Cords
- Central Air Conditioning
- Window Blinds
- Ceiling Fan
- Exterior Storage Closet
- In-Unit Washer/Dryer Hook-Ups
- Patio/Balcony

n. Parking:

The project will include 70 unassigned surface parking spaces at no additional cost to residents.

o. Renovations and Current Occupancy:

Not Applicable; New Construction

p. Utility Responsibility:

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

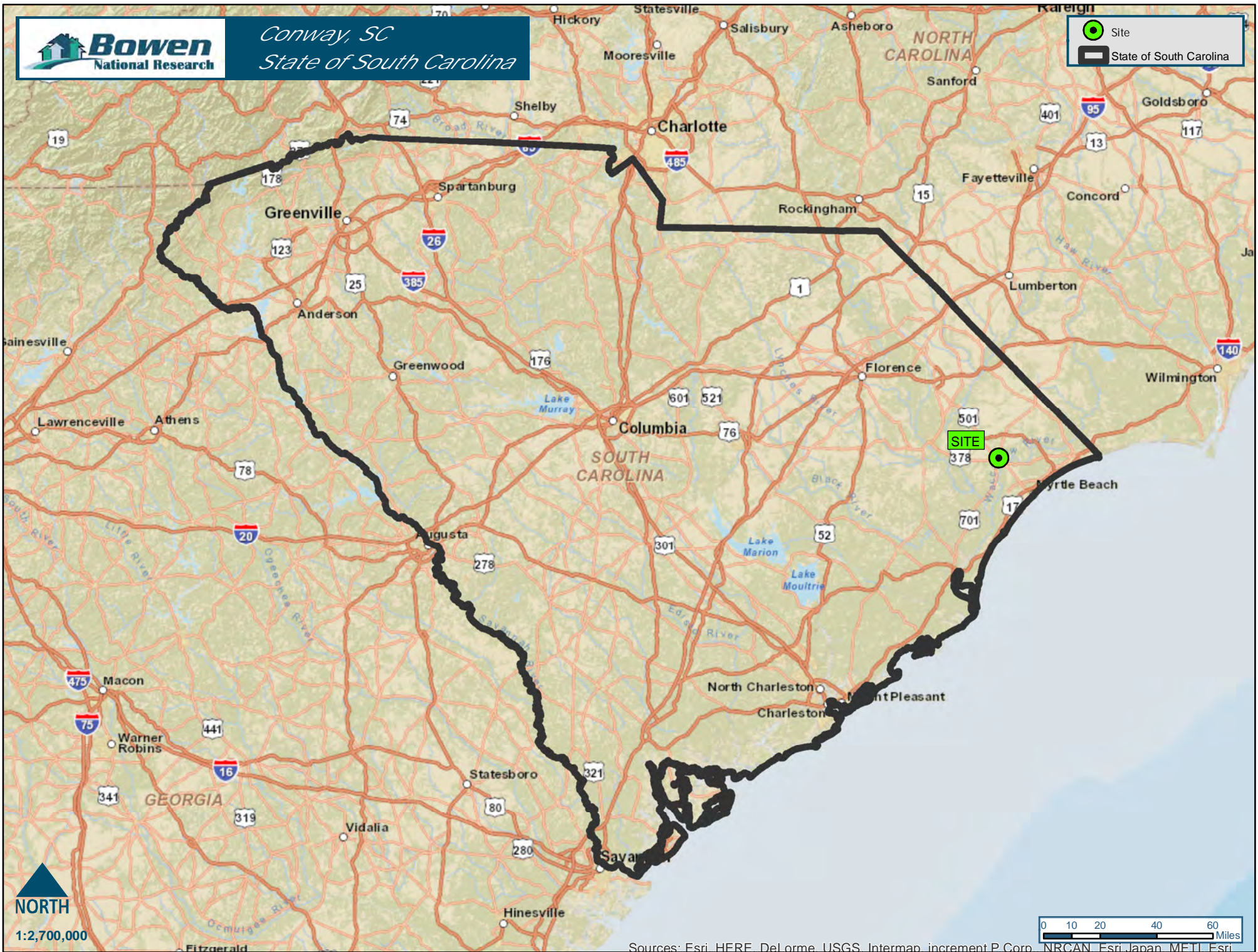
- General Electricity
- Electric Water Heat
- Cold Water
- Electric Heat
- Electric Cooking
- Sewer

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



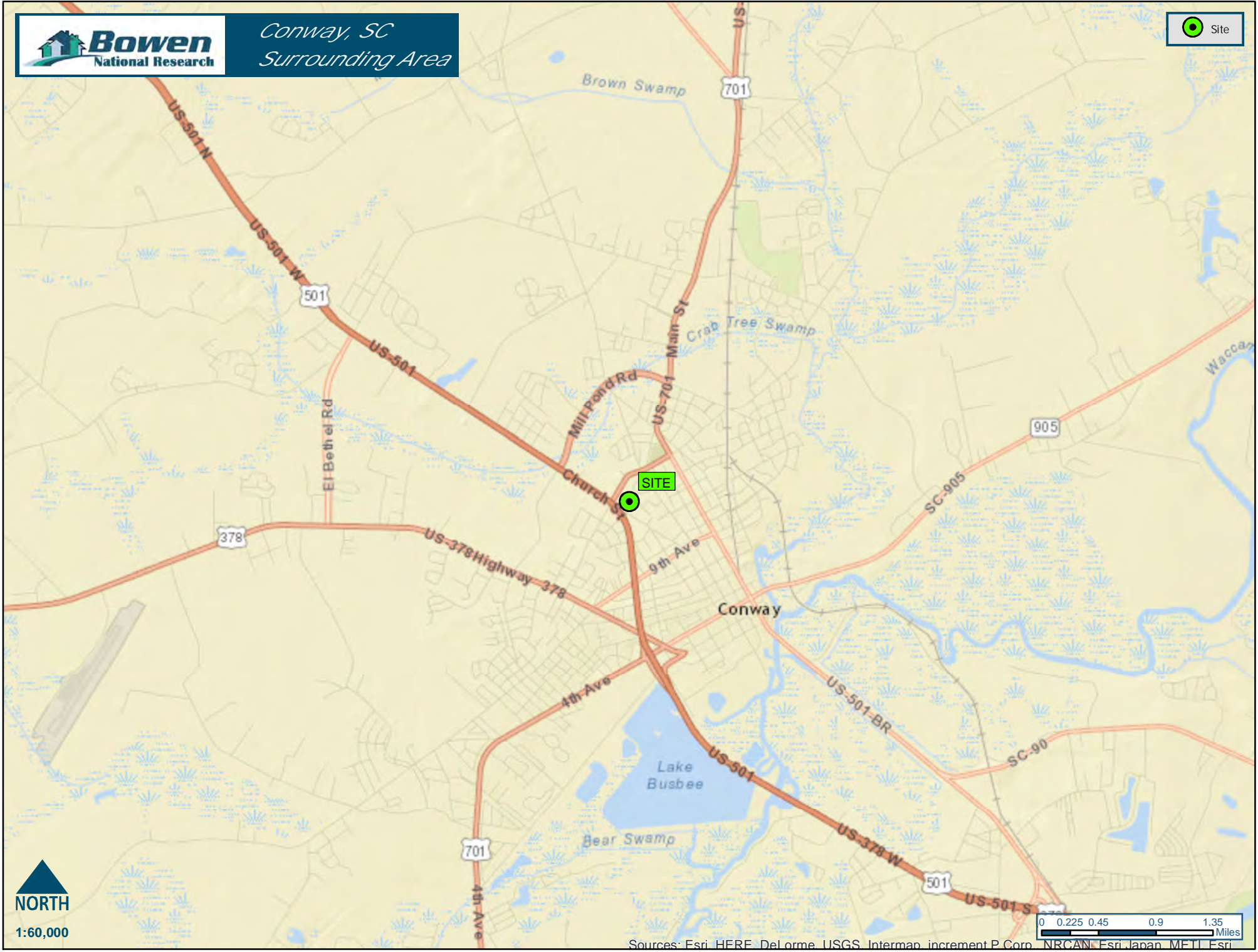
Conway, SC
State of South Carolina

Site
State of South Carolina





Conway, SC
Surrounding Area



NORTH
1:60,000

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

C. SITE DESCRIPTION AND EVALUATION

1. SITE INSPECTION DATE

Bowen National Research personally inspected the subject site during the week of December 28, 2015. The following is a summary of our site evaluation, including an analysis of the site's proximity to community services.

2. SITE DESCRIPTION AND SURROUNDING LAND USES

The proposed subject site consists of approximately 4.2 acres of wooded land located on Pine Street in Conway, South Carolina. Located within Horry County, Conway is approximately 14.0 miles northwest of Myrtle Beach, South Carolina and approximately 25.0 miles southwest from the North Carolina/South Carolina state boundary. Following is a description of surrounding land uses:

North -	A residential neighborhood with single-family homes considered to be in satisfactory condition border the site to the north. Northwest of the site is 16 th Avenue and the Coastal Centre shopping center which includes Peebles, Belk, Pizza Hut, Goody's, AJs Fashions, and Kmart.
East -	Waccamaw Regional Veterinary Center borders the site directly to the east. Continuing east is heavily wooded land, which creates a natural buffer from the existing single-family homes that extend beyond.
South -	Pine Street, a two-lane roadway, defines the southern border of the site. Continuing south are Pizza Inn and Central Park Restaurant. Extending beyond is U.S. Highway 501/Church Street, a four lane arterial roadway, and single-family dwellings considered to be in satisfactory condition.
West -	Conway Chiropractic Center and Sherwin Williams Paints define the western border of the site. Continuing west includes Conway Express Inn, The UPS Store and Domino's.

The proposed development is within very close proximity to various business and shopping centers which will contribute to its marketability. Overall, the subject property fits well with the surrounding land uses.

3. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	U.S. Highway 501	0.2 West
	U.S. Highway 701	0.6 Northeast
Public Bus Stop	Coast RTA	0.2 North
Major Employers/ Employment Centers	Coastal Centre	0.2 West
	Horry County Schools	1.0 Northwest
	Walmart Supercenter	2.2 Northwest
Convenience Store	Kangaroo Express	0.1 West
	Exxon	0.4 West
Grocery	Bi-Lo	0.7 South
	Singleton Groceries	1.4 South
	Food Lion	1.9 North
Discount Department Store	Kmart	0.2 West
	Big Lots	0.4 West
	Walmart Supercenter	2.2 Northwest
Shopping Center	Coastal Centre	0.2 West
	Waccamaw Square	0.4 West
	Gateway Plaza	2.2 Northwest
Hospital/ Medical Center	Doctors Care	0.3 South
	Conway Medical Center	6.2 South
Police	Horry County Police Dept.	1.7 North
Fire	Conway Fire Dept.	1.1 South
	Horry County Rescue Squad	1.4 East
Post Office	U.S. Post Office	1.7 North
Bank	First Community Bank	0.3 North
	Horry County State Bank	0.4 West
Gas Station	Kangaroo Express	0.1 West
	Exxon	0.4 West
Pharmacy	Walgreens	0.2 West
	Kmart	0.2 West
	Rite Aid	0.4 North
Restaurant	Pizza Inn	Adjacent Southeast
	Hardee's	0.1 West
	Domino's Pizza	0.2 North
Library	Horry County Library	1.0 Southeast
Museum	Horry County Museum	1.1 Southeast
Park	Collins Park	0.4 Northeast
Church	Kingdom Hall Jehovah's Witness	0.6 Northeast
	Revelation Missionary Baptist	0.7 Northeast
Fitness Centers	Planet Fitness	1.0 South
Senior Center	Conway Senior Center	0.8 Southwest

The proximity of the Coastal Centre shopping center, which includes Goody's, Kmart, and Belk, is considered beneficial to the residents of the subject site and will contribute to its marketability. The proposed site is also in close proximity to most community services including the police and fire departments, post office, library, various retailers, banks, restaurants, grocery stores, pharmacies and discount department stores.

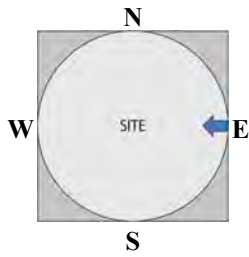
The Coast Regional Transportation Authority (RTA) provides public transportation services within the Conway area, with the nearest bus stop located approximately 0.2 miles north of the site. The Coast RTA fixed route bus system consists of 10 regularly scheduled routes servicing Horry County with routes traveling through Conway, Socastee, Myrtle Beach, Surfside Beach, Garden City, Murrells Inlet, Pawleys Island, Georgetown, Andrews, and North Myrtle Beach. The fixed bus route that Coast RTA provides operates seven days a week.

Overall, the site's proximity to community and safety services are expected to have a positive impact on its marketability.

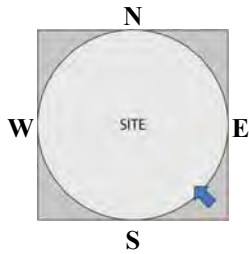
4. SITE PHOTOGRAPHS

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

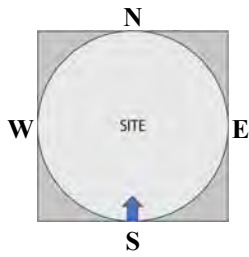
SITE PHOTOGRAPHS



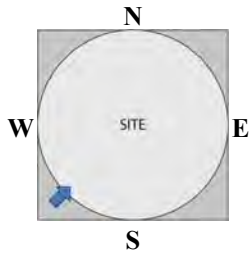
View of site from the east



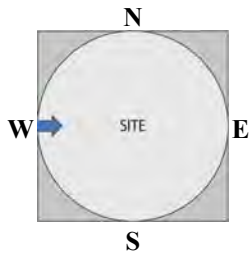
View of site from the southeast



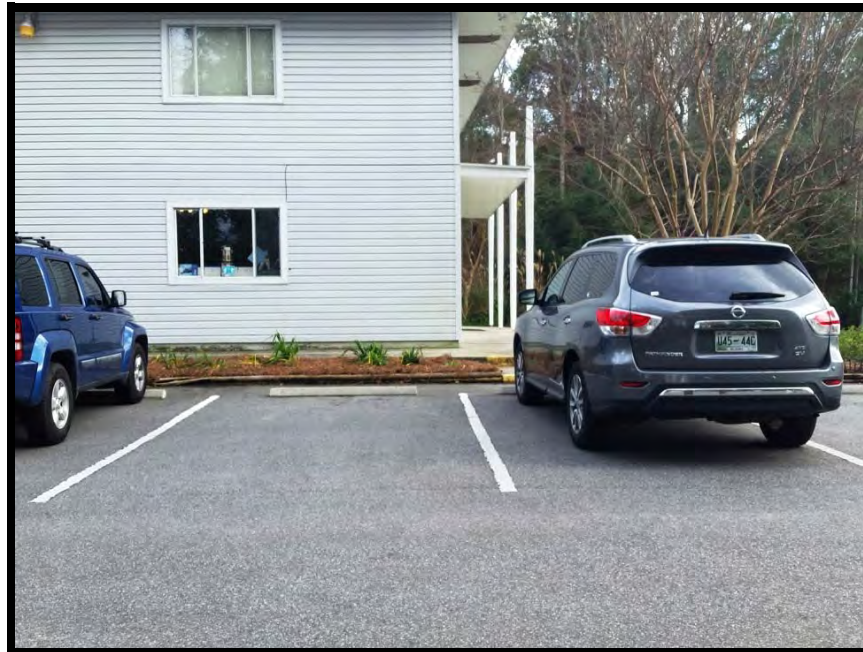
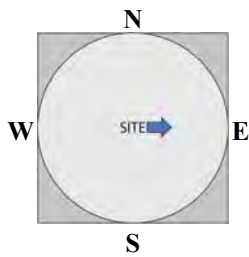
View of site from the south



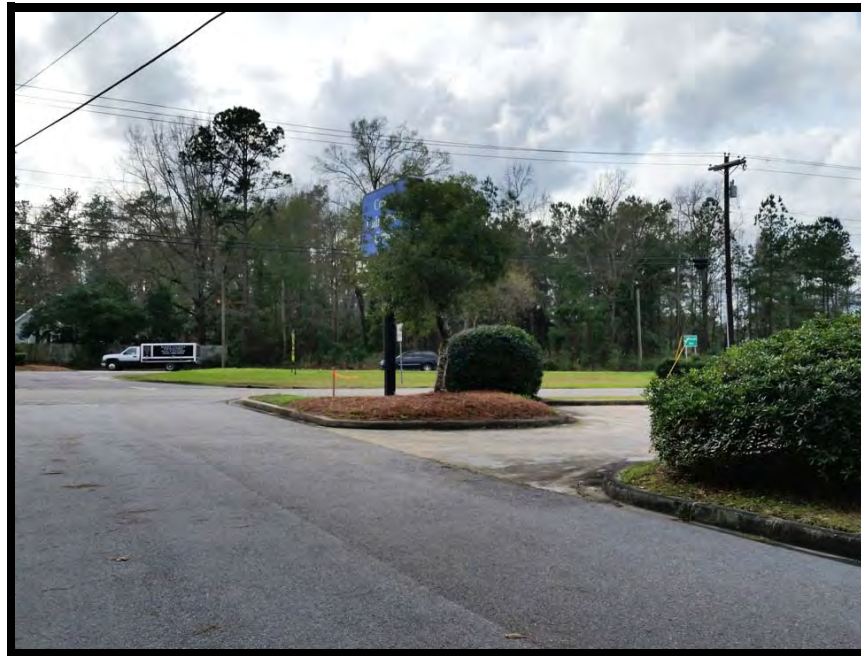
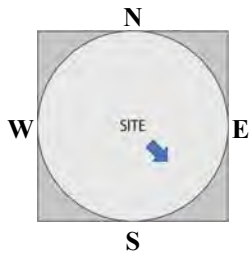
View of site from the southwest



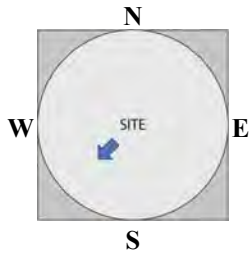
View of site from the west



East view from site



Southeast view from site



Southwest view from site



West view from site



Streetscape: East view of Pine Street



Streetscape: West view of Pine Street



Streetscape: West view of Pine Street



Streetscape: East view of Pine Street

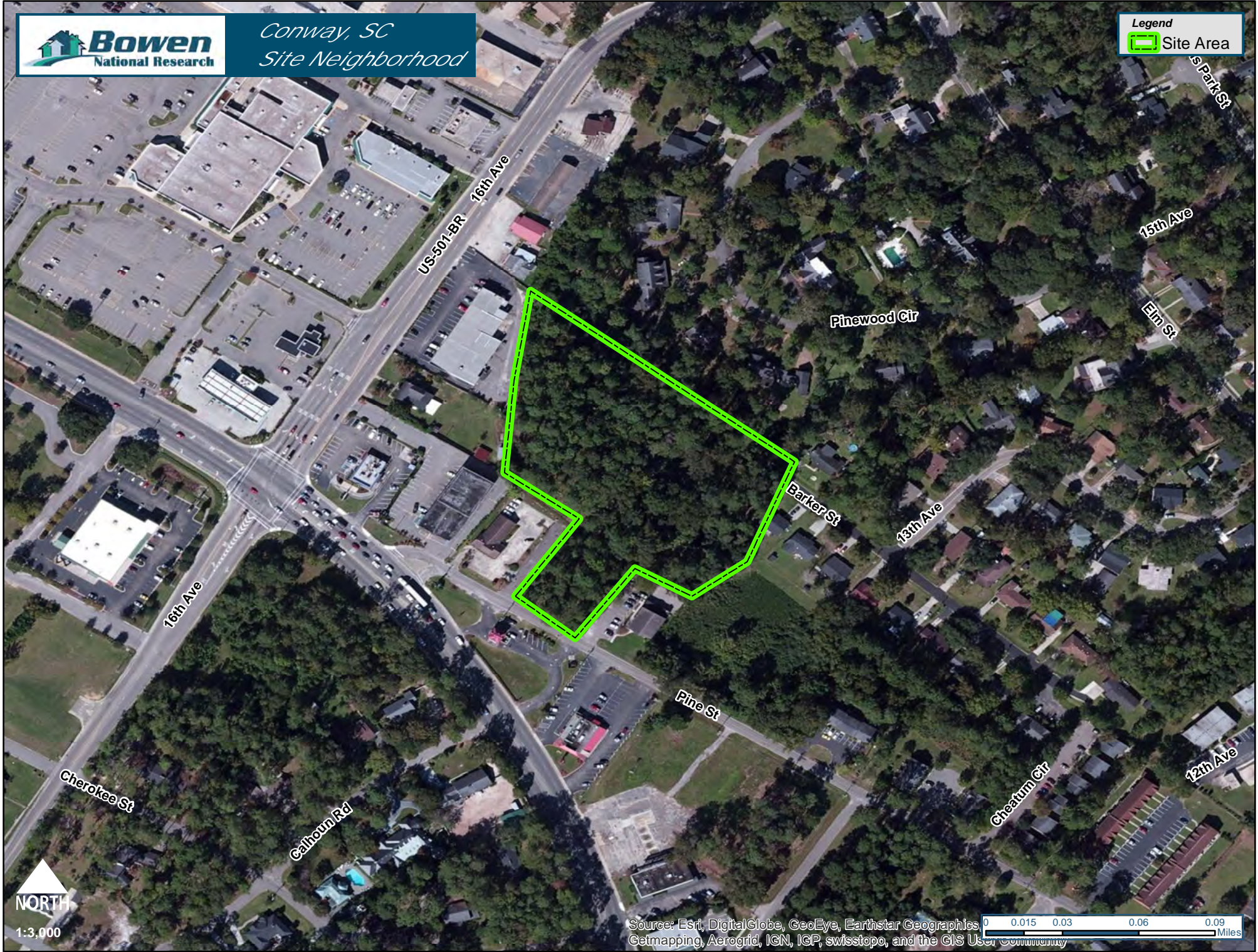
5. SITE AND COMMUNITY SERVICES MAPS

Maps of the subject site and relevant community services follow.



Conway, SC
Site Neighborhood

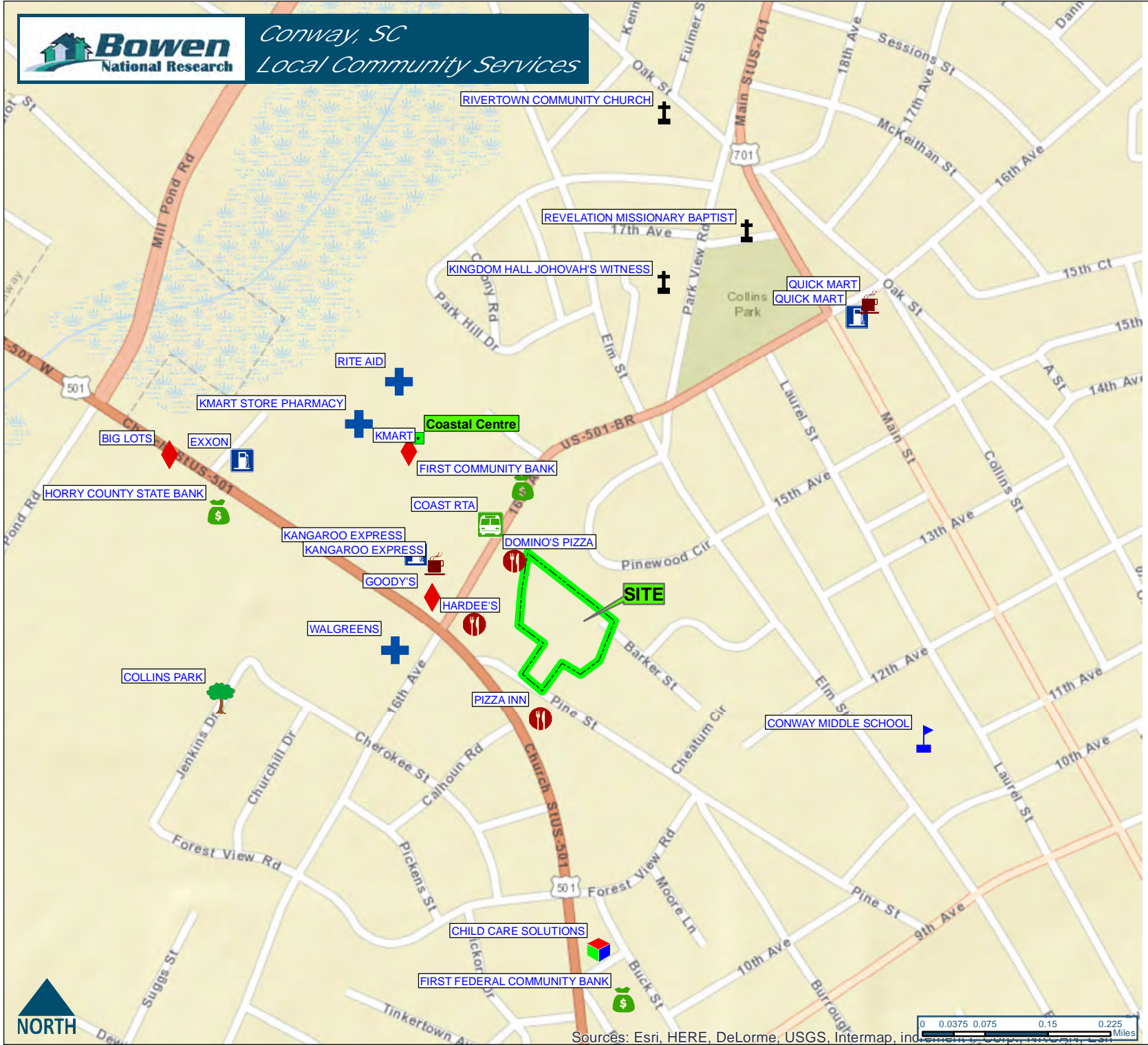
Legend
Site Area















NORTH
1:3,000

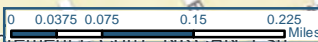
Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community

0 0.015 0.03 0.06 0.09 Miles



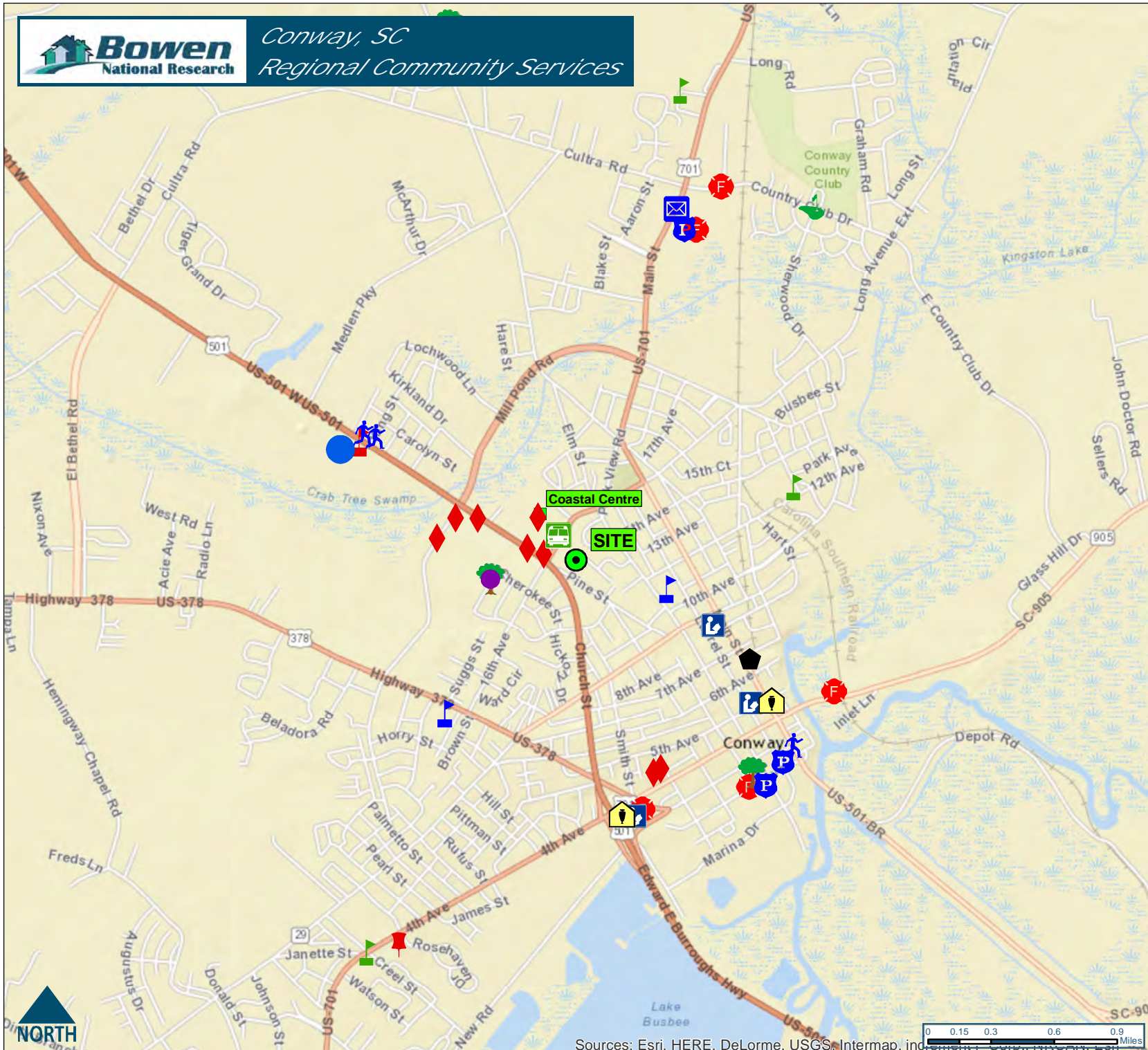
Legend

-  Site Area
-  bank
-  child care
-  church
-  convenience store
-  gas
-  middle school
-  park
-  pharmacy
-  restaurant
-  shopping
-  transit



Legend

- Site
- elementary school
- entertainment
- fire
- fitness center
- golf
- high school
- historic sites
- library
- middle school
- museum
- park
- police
- post office
- recreation center
- shopping
- transit
- employers_1000_5000



6. ROAD AND INFRASTRUCTURE IMPROVEMENTS

According to local planning and zoning officials, no significant road construction or infrastructure improvements are planned for the immediate neighborhood.

7. CRIME ISSUES

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

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

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

Total crime risk (153) for the Site PMA is above the national average with an overall personal crime index of 182 and a property crime index of 157. Total crime risk (158) for Horry County is above the national average with indexes for personal and property crime of 168 and 179, respectively.

	Crime Risk Index	
	Site PMA	Horry County
Total Crime	153	158
Personal Crime	182	168
Murder	182	149
Rape	135	138
Robbery	100	108
Assault	217	190
Property Crime	157	179
Burglary	146	189
Larceny	159	191
Motor Vehicle Theft	144	131

Source: Applied Geographic Solutions

Although the total crime risk index for the Conway Site PMA (153) is above the national average (100), interviews with management at nearby rental communities and the personal observations of our analyst revealed that, despite the higher than average crime risk, the occupancy levels of all rental housing projects surveyed have not been adversely impacted (all rental properties surveyed have occupancy rates no lower than 95%). As a result, we do not anticipate that the relatively high crime risk will have a significant impact on the marketability of the subject site.

A map illustrating crime risk is on the following page.



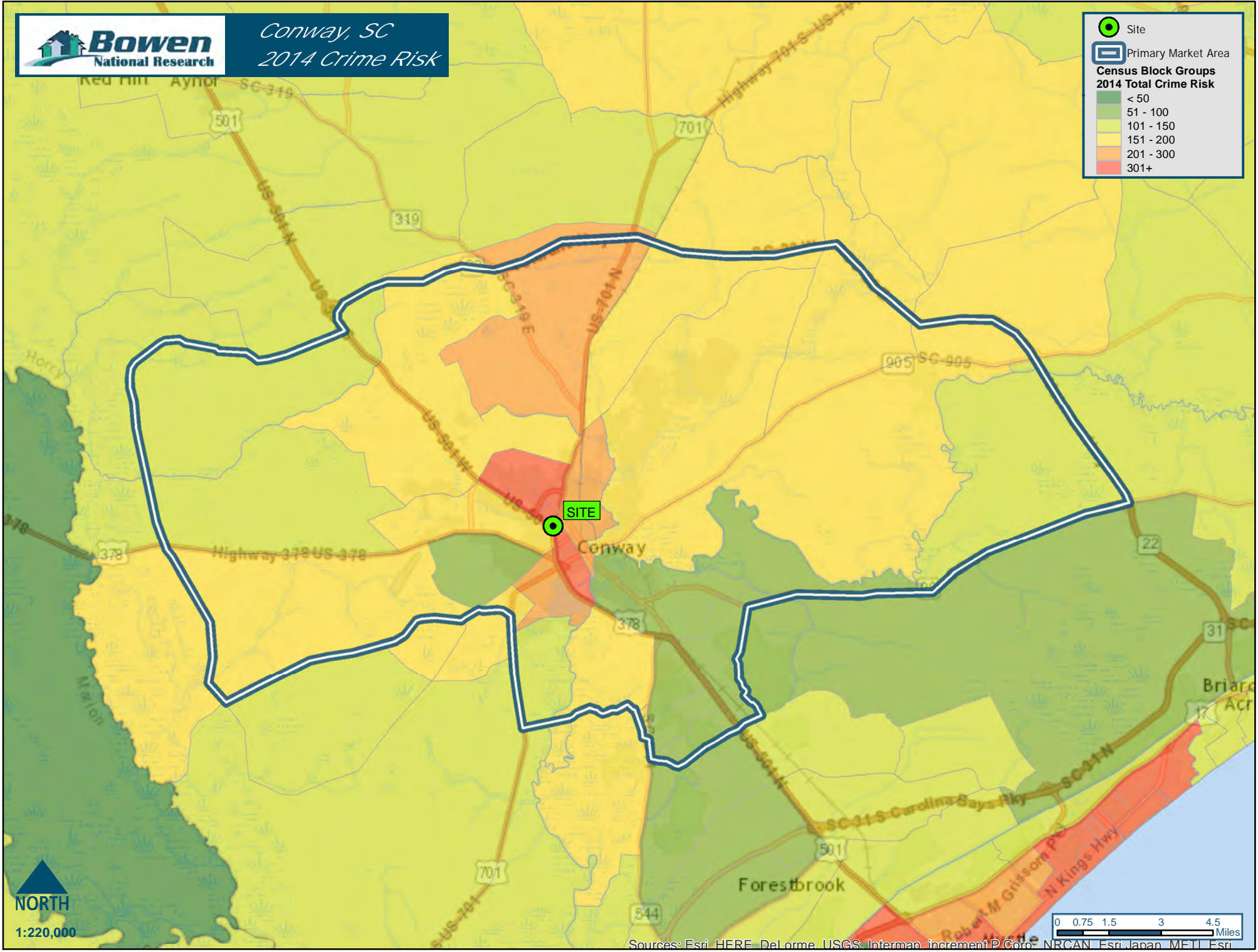
Conway, SC
2014 Crime Risk

● Site

▭ Primary Market Area

Census Block Groups
2014 Total Crime Risk

- < 50
- 51 - 100
- 101 - 150
- 151 - 200
- 201 - 300
- 301+



NORTH
1:220,000



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

8. ACCESS AND VISIBILITY

The subject site is located 0.2 miles east of the U.S. Highway 501/Church Street and 16th Avenue interchange, which allows for convenient access to the site neighborhood. The site will be accessed from Pine Street, a two-lane lightly traveled roadway, which derives access from U.S. Highway 501/Church Street. Notably both U.S. Highway 501/Church Street and 16th Avenue are primary arterial roadways providing convenient access throughout the Conway area. Due to the site's proximity to U.S. Highway 501/Church Street and 16th Avenue, access is considered good. Further, public transportation is provided by Coast RTA, with a bus stop approximately 0.2 miles north of the site. Visibility of the site is unobstructed by the surrounding land uses traveling on Pine Street, U.S. Highway 501/Church Street and 16th Avenue. Due to the moderate traffic patterns on Church Street and U.S. Highway 501/16th Avenue, overall visibility is considered good.

9. VISIBLE OR ENVIRONMENTAL ISSUES

There were no visible or environmental issues observed while conducting the site visit.

10. OVERALL SITE CONCLUSIONS

The subject project is located within a residential/commercial area conducive for multifamily housing. In fact, the proximity to the Coastal Centre shopping center, which includes Goody's, Kmart, and Belk, is considered beneficial to the targeted elderly population. Visibility and access are considered good, as the site is within close proximity to arterial roadways such as U.S. Highway 501 and 701, with generally unobstructed views for passerby motorists. Additionally, Coast RTA maintains a public bus stop approximately 0.2 miles north of the site. The site is within 3.0 miles of grocery, discount shopping, a senior center, pharmacies and doctor's offices. Social and public safety services are all within approximately 6.0 miles. Overall, we consider the site's location and proximity to community services to have a positive impact on its marketability.

D. PRIMARY MARKET AREA DELINEATION

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

The Site PMA includes Conway, northern portions of Red Hill and the surrounding unincorporated areas of Horry County. Specifically, the boundaries of the Site PMA include Jordanville Road, Lundy Short Cut Road, Knotty Branch Road, U.S. Highway 501 and State Route 22 to the north; State Route 22 to the east; State Route 90, Myrtle Beach National Golf Course, Myrtle Ridge Drive, Waccamaw National Wild Life Refuge, U.S. Highway 701 and State Route 135 to the south; and Pee Dee Highway to the west.

The Site PMA comprises Census Tract numbers:

301.02	601.01	603.01	604.03	604.04
604.05	604.06	701.01	701.02	702
703*	704	705	706.01	706.02
707.01	707.02	802		

*Site location

Mary Delphia, Property Manager of New Legacy Apartments (Map ID 4), a general-occupancy Tax Credit community, stated that the majority of residents living, or applying to live at New Legacy Apartments are local to the Conway and Red Hill communities, thus confirming the Site PMA.

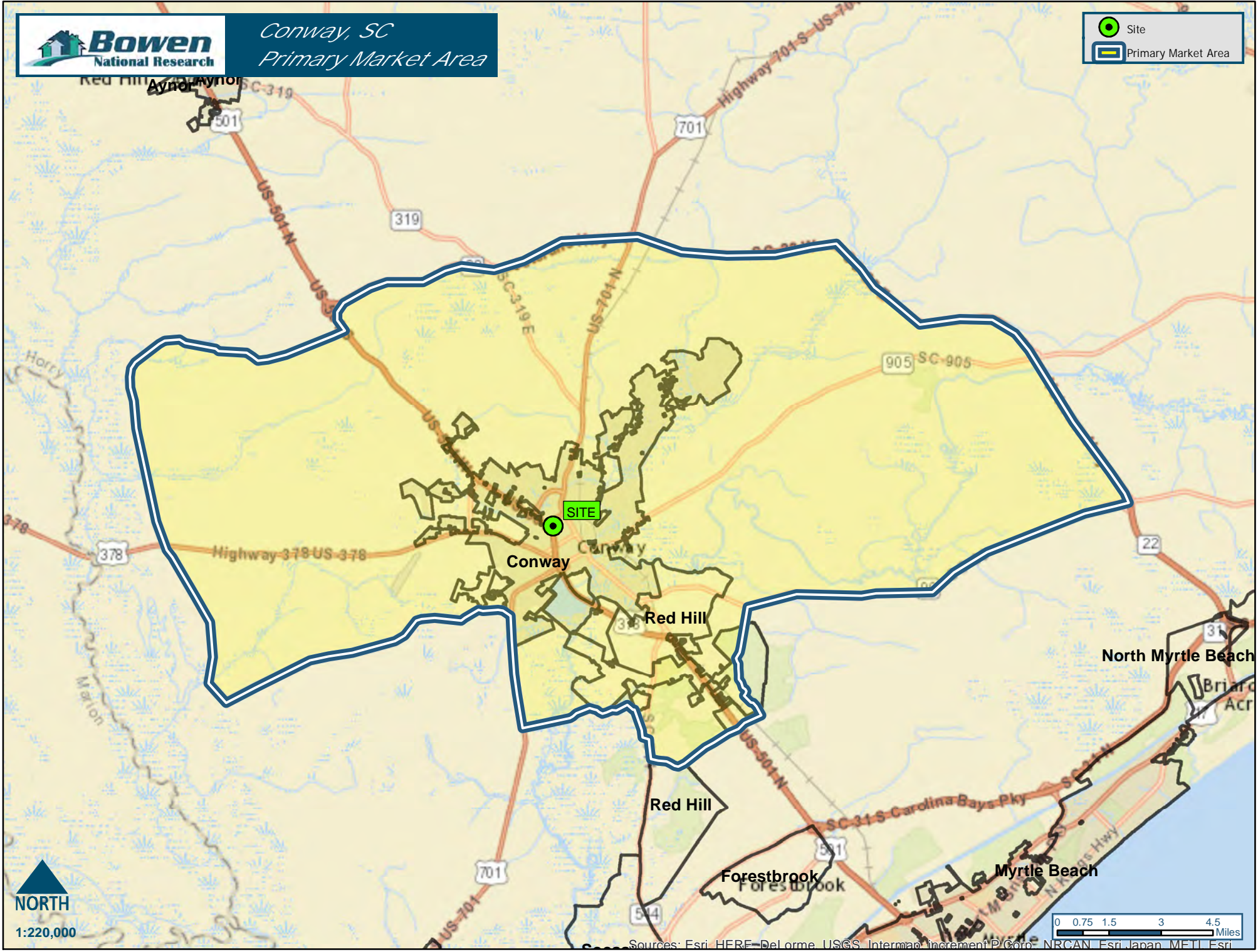
A modest portion of support may originate from some of the outlying smaller communities of the Site PMA; we have not, however, considered any secondary market area in this report.

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



Conway, SC
Primary Market Area

● Site
▭ Primary Market Area



NORTH
1:220,000

0 0.75 1.5 3 4.5 Miles

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

E. MARKET AREA ECONOMY

1. EMPLOYMENT BY INDUSTRY

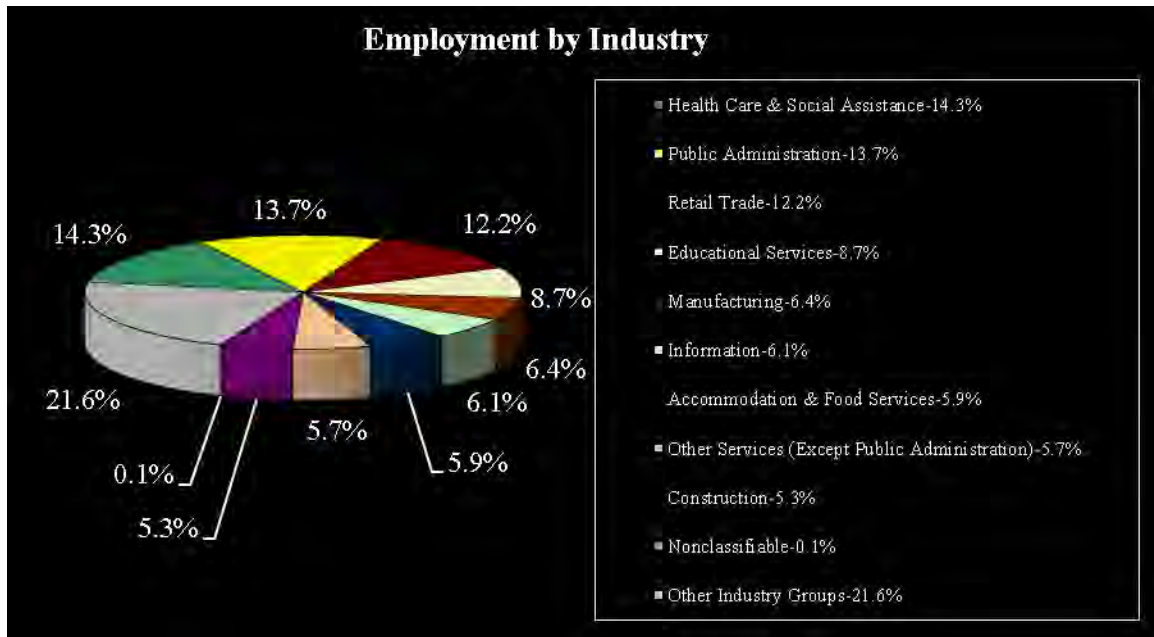
The labor force within the Conway Site PMA is based primarily in three sectors. Health Care & Social Assistance (which comprises 14.3%), Public Administration and Retail Trade comprise over 40% of the Site PMA labor force. Employment in the Conway Site PMA, as of 2015, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	12	0.4%	42	0.1%	3.5
Mining	1	0.0%	5	0.0%	5.0
Utilities	13	0.5%	605	2.0%	46.5
Construction	261	9.3%	1,635	5.3%	6.3
Manufacturing	92	3.3%	1,963	6.4%	21.3
Wholesale Trade	105	3.7%	941	3.1%	9.0
Retail Trade	451	16.0%	3,753	12.2%	8.3
Transportation & Warehousing	57	2.0%	571	1.9%	10.0
Information	46	1.6%	1,881	6.1%	40.9
Finance & Insurance	239	8.5%	808	2.6%	3.4
Real Estate & Rental & Leasing	158	5.6%	558	1.8%	3.5
Professional, Scientific & Technical Services	181	6.4%	1,332	4.3%	7.4
Management of Companies & Enterprises	2	0.1%	103	0.3%	51.5
Administrative, Support, Waste Management & Remediation Services	118	4.2%	859	2.8%	7.3
Educational Services	45	1.6%	2,673	8.7%	59.4
Health Care & Social Assistance	224	8.0%	4,424	14.3%	19.8
Arts, Entertainment & Recreation	52	1.8%	844	2.7%	16.2
Accommodation & Food Services	165	5.9%	1,822	5.9%	11.0
Other Services (Except Public Administration)	408	14.5%	1,762	5.7%	4.3
Public Administration	146	5.2%	4,229	13.7%	29.0
Nonclassifiable	35	1.2%	30	0.1%	0.9
Total	2,811	100.0%	30,840	100.0%	11.0

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

E.P.E. - Average Employees Per Establishment

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



2. LOW-INCOME EMPLOYMENT OPPORTUNITIES

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

Typical Wage by Occupation Type		
Occupation Type	Myrtle Beach-North Myrtle Beach-Conway MSA	South Carolina
Management Occupations	\$75,900	\$94,200
Business and Financial Occupations	\$53,030	\$59,660
Computer and Mathematical Occupations	\$57,090	\$66,430
Architecture and Engineering Occupations	\$56,140	\$73,960
Community and Social Service Occupations	\$43,710	\$39,440
Art, Design, Entertainment and Sports Medicine Occupations	\$36,420	\$42,760
Healthcare Practitioners and Technical Occupations	\$69,550	\$66,950
Healthcare Support Occupations	\$26,190	\$25,970
Protective Service Occupations	\$30,320	\$34,550
Food Preparation and Serving Related Occupations	\$20,510	\$19,990
Building and Grounds Cleaning and Maintenance Occupations	\$20,960	\$22,570
Personal Care and Service Occupations	\$20,850	\$22,390
Sales and Related Occupations	\$26,650	\$31,130
Office and Administrative Support Occupations	\$28,590	\$32,050
Construction and Extraction Occupations	\$34,120	\$37,440
Installation, Maintenance and Repair Occupations	\$35,000	\$41,420
Production Occupations	\$27,930	\$35,220
Transportation and Moving Occupations	\$28,110	\$31,030

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

Most annual blue-collar salaries range from \$20,510 to \$43,710 within the MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$62,342. It is important to note that most occupational types within the MSA have lower typical wages as the State of South Carolina's typical wages. Although the subject development will target senior households (age 55 and older), many of which will likely be retired, the area employment base appears to have a large base of wage-appropriate jobs in the market from which seniors seeking employment could choose.

3. **AREA’S LARGEST EMPLOYERS**

The 10 largest employers within the Horry County area comprise of a total of 12,828 employees. These employers are summarized as follows:

Employer Name	Business Type	Total Employed
Horry County School District	Education	5,230
Grand Strand Regional Medical Center	Healthcare	1,280
Coastal Carolina University	Higher Education	1,253
Conway Medical Center	Healthcare	1,100
McLeod Loris Seacoast	Healthcare	916
Blue Cross Blue Shield	Call Center	825
New South Companies	Lumber, Sawmills	700
Horry Telephone Cooperative	Communications Company	664
Santee Cooper	Electric Services	530
Conbraco Industries	Valve Manufacturing	330
Total		12,828

Source: Myrtle Beach Regional Economic Development Corporation (2015)

According to a representative with the Myrtle Beach Regional Economic Development, the local economy is improving. The following are key factors impacting the local employment base:

- Workman Cycles, a New York-based manufacturer of bicycles, announced that they are expanding their operations in Horry County. The \$2.5 million expansion will create 50 new jobs by early 2016. They will move into an existing 100,000 square foot facility in Conway.
- In August 2015, Little Spider Creations, a company that creates and installs specialty props for amusement parks, museums, and other venues, announced its plans to relocate from Denver, Colorado to North Myrtle Beach. This relocation is expected to create 35 jobs in the area over a five-year period. A \$2.65 million investment, the company will move into an existing 24,000 square-foot facility in North Myrtle Beach.

- Star Life Safety, a New York-based company specializing in the integration of life safety systems for hospitals and medical facilities, opened a new office in Myrtle Beach. They are currently hiring 36 employees ranging from engineers, office staff, sales and installation specialists. They renovated and moved into a 7,600 square foot building near the Myrtle Beach International Airport.
- R. J. Corman Railroad Company bought an 80-mile short-line railroad that extends from Mullins to Conway where it connects to a line owned by Horry County that reaches Myrtle Beach. The rehabilitated railroad will help the local economy by reducing industrial transportation costs, while decreasing traffic congestion. The company has plans to create 30 jobs upon the project's completion in early 2016.
- There are proposals to widen U.S. Highway 701 in Loris and expand U.S. Highway 501 from State Route 544 to Conway's Fourth Avenue Bridge, as well as widening Kings Road near Restaurant Row.
- Horry County Schools plans on buying land in Carolina Forest for a third middle school and, eventually, a new elementary school that is planned to open in time for the 2017-2018 school year.

WARN (layoff notices):

According to the South Carolina Department of Employment and Workforce, there have been no WARN notices (large-scale layoffs/closures) reported for Conway since January 2014.

4. EMPLOYMENT TRENDS

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

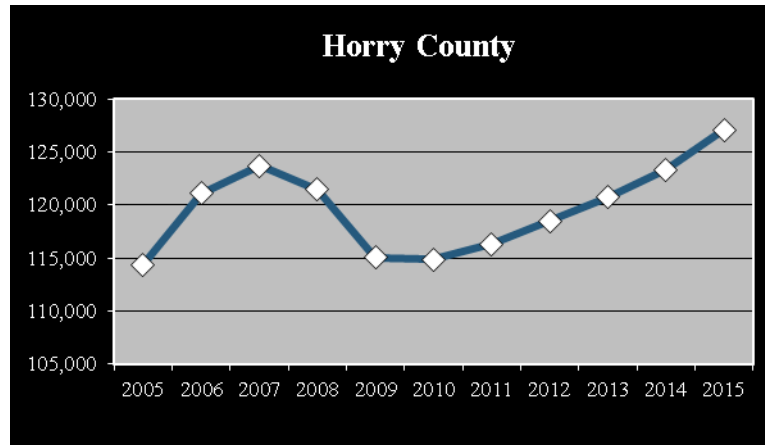
Excluding 2015, the employment base has increased by 7.4% over the past five years in Horry County, more than the South Carolina state increase of 7.4%. Total employment reflects the number of employed persons who live within the county.

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

Year	Total Employment					
	Horry County		South Carolina		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2005	114,386	-	1,929,233	-	142,222,734	-
2006	121,128	5.9%	1,973,337	2.3%	145,000,042	2.0%
2007	123,740	2.2%	2,005,686	1.6%	146,388,400	1.0%
2008	121,473	-1.8%	1,996,409	-0.5%	146,047,748	-0.2%
2009	115,067	-5.3%	1,910,670	-4.3%	140,696,560	-3.7%
2010	114,862	-0.2%	1,915,045	0.2%	140,469,405	-0.2%
2011	116,354	1.3%	1,942,109	1.4%	141,793,976	0.9%
2012	118,507	1.9%	1,978,328	1.9%	143,692,766	1.3%
2013	120,772	1.9%	2,013,452	1.8%	145,141,024	1.0%
2014	123,337	2.1%	2,056,136	2.1%	147,569,657	1.7%
2015*	127,125	3.1%	2,113,066	2.8%	149,753,758	1.5%

Source: Department of Labor; Bureau of Labor Statistics

*Through November



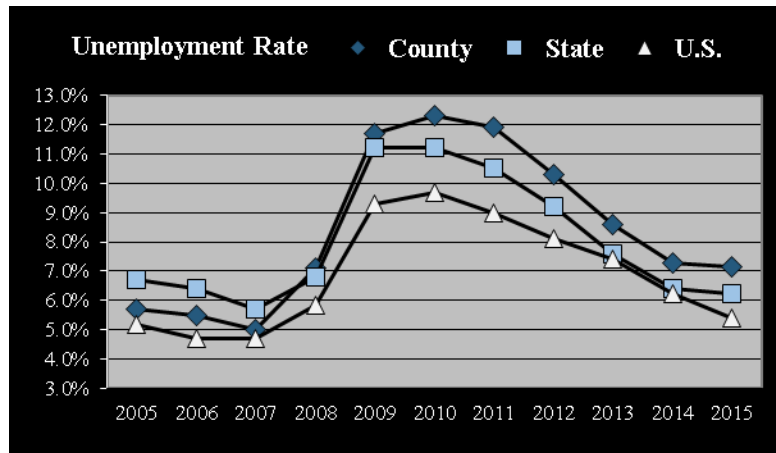
As the preceding illustrates, the Horry County employment base was adversely impacted by the national recession between 2007 and 2009. On a positive note, since 2009, the county's employment base has increased by 12,058 jobs, or 10.5%, and is above prerecession levels.

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

Year	Total Unemployment					
	Horry County		South Carolina		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2005	6,974	5.7%	139,366	6.7%	7,752,574	5.2%
2006	7,072	5.5%	135,760	6.4%	7,134,635	4.7%
2007	6,528	5.0%	120,205	5.7%	7,190,052	4.7%
2008	9,242	7.1%	145,823	6.8%	9,059,270	5.8%
2009	15,219	11.7%	242,075	11.2%	14,430,158	9.3%
2010	16,087	12.3%	240,623	11.2%	15,070,063	9.7%
2011	15,728	11.9%	228,937	10.5%	14,035,512	9.0%
2012	13,653	10.3%	199,830	9.2%	12,698,735	8.1%
2013	11,396	8.6%	166,641	7.6%	11,644,109	7.4%
2014	9,662	7.3%	141,451	6.4%	9,794,950	6.2%
2015*	9,727	7.1%	140,151	6.2%	8,503,727	5.4%

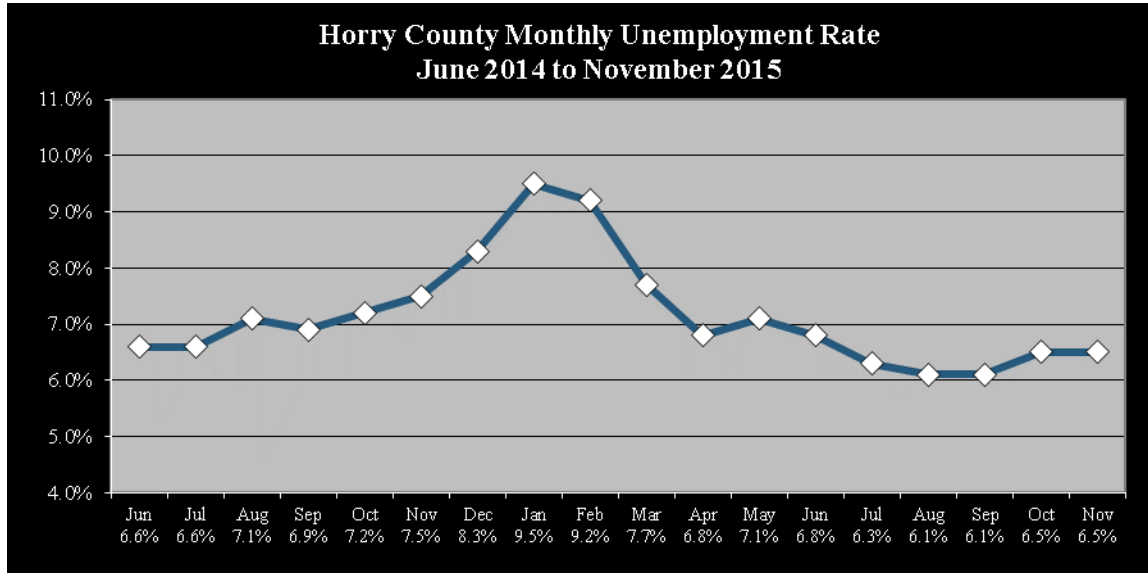
Source: Department of Labor; Bureau of Labor Statistics

*Through November



After reaching a high of 12.3% in 2010, the unemployment rate in Horry County has declined in each of the past five years. The 7.1% unemployment rate in 2015 represents an eight-year low, indicating that the local economy is stabilizing.

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



Despite significant fluctuations in the unemployment rate within Horry County in the winter months, due to the lack of tourism during this time of year, it has generally been stable within the past year and a half.

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

In-Place Employment Horry County			
Year	Employment	Change	Percent Change
2005	108,780	-	-
2006	114,834	6,054	5.6%
2007	116,686	1,852	1.6%
2008	115,662	-1,024	-0.9%
2009	107,220	-8,442	-7.3%
2010	105,678	-1,542	-1.4%
2011	107,598	1,920	1.8%
2012	109,572	1,974	1.8%
2013	111,820	2,248	2.1%
2014	115,476	3,656	3.3%
2015*	116,275	799	0.7%

Source: Department of Labor, Bureau of Labor Statistics

*Through June

Data for 2014, the most recent year that year-end figures are available, indicates in-place employment in Horry County to be 93.6% of the total Horry County employment. This means that Horry County has more employed persons staying in the county for daytime employment than those who work outside of the county. This will contribute to the marketability of the subject project, as it is likely that many of the site's residents still in the workforce will have minimal commute times to their place of employment.

5. EMPLOYMENT CENTERS MAP

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



Socastee, SC Major Employers

- Site
- Major Employers



1:320,000



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

6. COMMUTING PATTERNS

Based on the American Community Survey (2009-2013), the following is a distribution of commuting patterns for Site PMA workers age 16 and over:

Mode of Transportation	Workers Age 16+	
	Number	Percent
Drove Alone	30,233	81.0%
Carpooled	3,735	10.0%
Public Transit	106	0.3%
Walked	769	2.1%
Other Means	1,301	3.5%
Worked at Home	1,158	3.1%
Total	37,302	100.0%

Source: American Community Survey (2009-2013); ESRI; Urban Decision Group; Bowen National Research

Over 82% of all workers drove alone, 10.6% carpoled and only 0.9% used public transportation.

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

Travel Time	Workers Age 16+	
	Number	Percent
Less Than 15 Minutes	12,640	33.9%
15 to 29 Minutes	16,671	44.7%
30 to 44 Minutes	4,783	12.8%
45 to 59 Minutes	979	2.6%
60 or More Minutes	1,071	2.9%
Worked at Home	1,158	3.1%
Total	37,302	100.0%

Source: American Community Survey (2009-2013); ESRI; Urban Decision Group; Bowen National Research

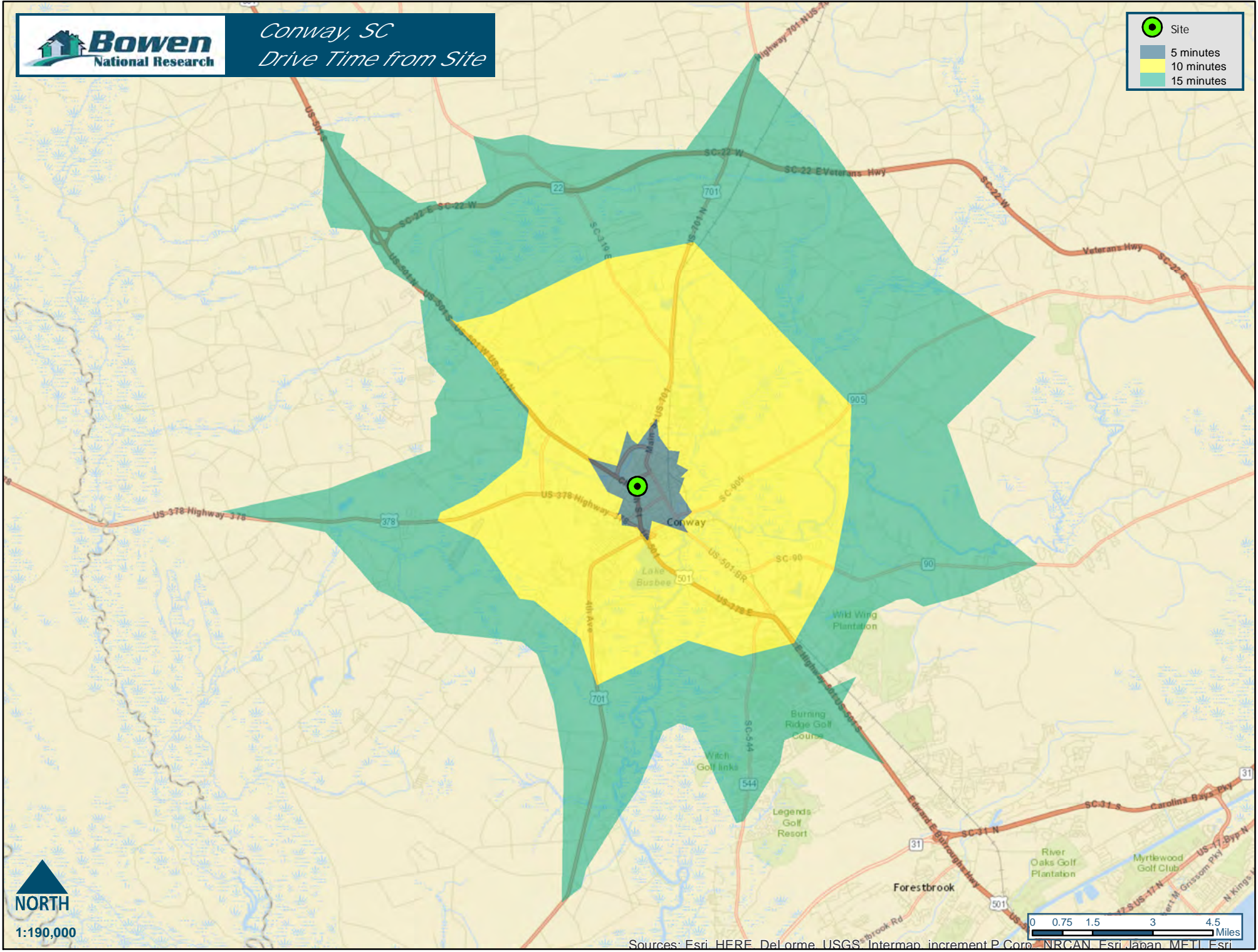
The largest share of area commuters has typical travel times to work ranging from 15 to 29 minutes. The subject site is within a 30-minute drive to most of the area's largest employers, which should contribute to the project's marketability. A drive-time map for the subject site is on the following page.



Conway, SC
Drive Time from Site

Site

- 5 minutes
- 10 minutes
- 15 minutes



NORTH
1:190,000



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

7. ECONOMIC FORECAST AND HOUSING IMPACT

According to economic development representatives, as well as ESRI and employment data from the Bureau of Labor Statistics, the Horry County economy continues to grow. Since August 2015, there have been approximately \$3.2 million of investment announcements, which is expected to create over 120 jobs within the next four years. Note that the county's economy was temporarily impacted by the national recession, when the employment base declined by nearly 9,000 jobs between 2008 and 2009, and the unemployment rate peaked at 12.3% in 2010. Since 2010, the employment base has expanded and the unemployment rate declined in each of the past five years, which is currently at 7.1% (through November 2015). These are clear signs of a growing and recovering economy. Overall, we believe the local economy will continue to grow and create a stable environment for affordable housing for the foreseeable future.

F. COMMUNITY DEMOGRAPHIC DATA

The following demographic data relates to the Site PMA. It is important to note that not all 2018 projections quoted in this section agree because of the variety of sources and rounding methods used. In most cases, the differences in the 2018 projections do not vary more than 1.0%.

1. POPULATION TRENDS

a. Total Population

The Site PMA population bases for 2000, 2010, 2015 (estimated) and 2018 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2015 (Estimated)	2018 (Projected)
Population	39,130	49,410	53,600	56,814
Population Change	-	10,280	4,190	3,214
Percent Change	-	26.3%	8.5%	6.0%

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

The Conway Site PMA population base increased by 10,280 between 2000 and 2010. This represents a 26.3% increase over the 2000 population, or an annual rate of 2.4%. Between 2010 and 2015, the population increased by 4,190, or 8.5%. It is projected that the population will increase by 3,214, or 6.0%, between 2015 and 2018.

Based on the 2010 Census, the population residing in group-quarters is represented by 4.6% of the Site PMA population, as demonstrated in the following table:

	Number	Percent
Population in Group Quarters	2,251	4.6%
Population not in Group Quarters	47,159	95.4%
Total Population	49,410	100.0%

Source: 2010 Census

b. Population by Age Group

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

Population by Age	2010 (Census)		2015 (Estimated)		2018 (Projected)		Change 2015-2018	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	13,763	27.9%	14,240	26.6%	15,090	26.6%	850	6.0%
20 to 24	4,743	9.6%	4,938	9.2%	4,889	8.6%	-49	-1.0%
25 to 34	5,983	12.1%	6,750	12.6%	6,926	12.2%	176	2.6%
35 to 44	5,848	11.8%	6,227	11.6%	6,648	11.7%	421	6.8%
45 to 54	6,623	13.4%	6,596	12.3%	6,673	11.7%	77	1.2%
55 to 64	5,817	11.8%	6,613	12.3%	7,118	12.5%	505	7.6%
65 to 74	3,958	8.0%	5,071	9.5%	5,734	10.1%	663	13.1%
75 & Over	2,673	5.4%	3,165	5.9%	3,736	6.6%	571	18.0%
Total	49,408	100.0%	53,600	100.0%	56,814	100.0%	3,214	6.0%

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

Most of the growth in the market is projected to among those ages 55 and older. This will have a positive impact on the demand for senior housing in the Site PMA.

c. Elderly and Non-Elderly Population

The subject project will be restricted to seniors ages 55 and older. Of the estimated 53,600 people in the Conway Site PMA in 2015, 14,849 are age 55 and older. This age cohort is projected to increase by 1,739, or 11.7%, between 2015 and 2018. This growth is significant and indicates that there will be an increasing need for age-restricted housing within the market.

d. Special Needs Population

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

e. Minority Concentrations

The following table compares the concentration of minorities in the state of South Carolina to the site Census Tract.

Minority Group	Statewide Share	Equal To or Greater Than	Site Census Tract Share
Total Minority Population	33.8%	33.8% + 20.0% = 53.8%	52.8%
Black or African American	27.9%	27.9% + 20.0% = 47.9%	49.3%
American Indian and Alaska Native	0.4%	0.4% + 20.0% = 20.4%	0.1%
Asian	1.3%	1.3% + 20.0% = 21.3%	0.6%
Native Hawaiian and Other Pacific Islander	0.1%	0.1% + 20.0% = 20.1%	0.0%
Hispanic or Latino	5.1%	5.1% + 20.0% = 25.1%	1.2%

Source: U.S. Census Bureau, 2010 Census

Based on the preceding table, the site Census Tract does contain a high share of minorities. However, based on Table B25074 of the American Community Survey (ACS) 2010-2014 5-year estimates, nearly 57% of households residing in the site Census Tract are considered to be rent overburdened. Combined with the fact that nearly all affordable developments within the market are 100.0% occupied (none of which are age-restricted), low-income senior renter households within the subject site's Census Tract are in need of good quality affordable rental housing and currently have not other alternative. The proposed development will be able to provide a high-quality, modern affordable rental housing option that is much needed within the Census Tract it will be located.

2. HOUSEHOLD TRENDS

a. Total Households

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

	Year			
	2000 (Census)	2010 (Census)	2015 (Estimated)	2018 (Projected)
Households	14,462	18,564	20,307	21,621
Household Change	-	4,102	1,743	1,314
Percent Change	-	28.4%	9.4%	6.5%
Household Size	2.71	2.66	2.53	2.52

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

Within the Conway Site PMA, households increased by 4,102 (28.4%) between 2000 and 2010. Between 2010 and 2015, households increased by 1,743 or 9.4%. By 2018, there will be 21,621 households, an increase of 1,314 households, or 6.5% from 2015. This is an increase of approximately 438 households annually over the next three years.

b. Households by Tenure

Households by tenure for the general population, as well as those ages 55 and older are distributed as follows:

Tenure	2010 (Census)		2015 (Estimated)		2018 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	12,413	66.9%	13,096	64.5%	13,932	64.4%
Renter-Occupied	6,151	33.1%	7,211	35.5%	7,689	35.6%
Total	18,564	100.0%	20,307	100.0%	21,621	100.0%

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

In 2015, homeowners occupied 64.5% of all occupied housing units, while the remaining 35.5% were occupied by renters.

Tenure - Age 55+	2010 (Census)		2015 (Estimated)		2018 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	6,327	82.3%	7,588	83.6%	8,429	83.6%
Renter-Occupied	1,363	17.7%	1,488	16.4%	1,657	16.4%
Total	7,690	100.0%	9,076	100.0%	10,086	100.0%

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

As the preceding table illustrates, senior renter households ages 55 and older are projected to increase by 169, or 11.4%, between 2015 and 2018. This projected growth indicates that there will be an increasing need for age-restricted rental housing within the Conway Site PMA.

c. Households by Income

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

Household Income	2010 (Census)		2015 (Estimated)		2018 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	1,485	8.0%	2,223	10.9%	2,539	11.7%
\$10,000 to \$19,999	2,773	14.9%	3,767	18.6%	4,183	19.3%
\$20,000 to \$29,999	2,743	14.8%	3,610	17.8%	3,900	18.0%
\$30,000 to \$39,999	2,151	11.6%	2,141	10.5%	2,389	11.1%
\$40,000 to \$49,999	1,792	9.7%	1,917	9.4%	1,921	8.9%
\$50,000 to \$59,999	1,645	8.9%	1,685	8.3%	1,748	8.1%
\$60,000 to \$74,999	1,841	9.9%	1,717	8.5%	1,730	8.0%
\$75,000 to \$99,999	2,171	11.7%	1,724	8.5%	1,721	8.0%
\$100,000 to \$124,999	889	4.8%	707	3.5%	700	3.2%
\$125,000 to \$149,999	435	2.3%	300	1.5%	294	1.4%
\$150,000 to \$199,999	376	2.0%	336	1.7%	322	1.5%
\$200,000 & Over	263	1.4%	179	0.9%	173	0.8%
Total	18,564	100.0%	20,307	100.0%	21,621	100.0%
Median Income	\$40,724		\$32,581		\$30,790	

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

In 2010, the median household income was \$40,724. This declined by 20.0% to \$32,581 in 2015. By 2018, it is projected that the median household income will be \$30,790, a decline of 5.5% from 2015.

The distribution of older adult (age 55+) households is summarized as follow:

Household Income Age 55+	2000 (Census)		2012 (Estimated)		2015 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	573	7.4%	940	10.4%	1,142	11.3%
\$10,000 to \$19,999	1,336	17.4%	1,813	20.0%	2,086	20.7%
\$20,000 to \$29,999	1,066	13.9%	1,471	16.2%	1,677	16.6%
\$30,000 to \$39,999	856	11.1%	967	10.7%	1,151	11.4%
\$40,000 to \$49,999	795	10.3%	889	9.8%	911	9.0%
\$50,000 to \$59,999	655	8.5%	771	8.5%	825	8.2%
\$60,000 to \$74,999	763	9.9%	762	8.4%	790	7.8%
\$75,000 to \$99,999	807	10.5%	712	7.8%	741	7.3%
\$100,000 to \$124,999	330	4.3%	314	3.5%	325	3.2%
\$125,000 to \$149,999	193	2.5%	159	1.7%	162	1.6%
\$150,000 to \$199,999	174	2.3%	172	1.9%	168	1.7%
\$200,000 & Over	142	1.8%	107	1.2%	108	1.1%
Total	7,690	100.0%	9,076	100.0%	10,086	100.0%
Median Income	\$40,176		\$33,247		\$31,200	

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

In 2010, the median household income was \$40,176 for those ages 55 and older. This declined by 17.2% to \$33,247 in 2015. By 2018, it is projected that the median household income will be \$31,200, a decline of 6.2% from 2015.

d. Average Household Size

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

e. Households by Income by Tenure

The following tables illustrate renter and owner household income by household size for 2010, 2015 and 2018 for the Conway Site PMA for those ages 55 and older:

Renter Households Age 55+	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	78	29	3	7	7	125
\$10,000 to \$19,999	218	41	5	59	3	326
\$20,000 to \$29,999	104	79	11	22	4	220
\$30,000 to \$39,999	60	49	3	8	28	149
\$40,000 to \$49,999	43	19	4	11	14	90
\$50,000 to \$59,999	42	47	6	13	3	111
\$60,000 to \$74,999	49	33	23	12	11	127
\$75,000 to \$99,999	54	20	4	19	4	101
\$100,000 to \$124,999	20	15	2	4	8	49
\$125,000 to \$149,999	4	1	0	3	1	9
\$150,000 to \$199,999	8	8	9	3	3	33
\$200,000 & Over	6	4	1	5	4	21
Total	687	346	73	166	91	1,363

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Households Age 55+	2015 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	125	37	2	13	13	190
\$10,000 to \$19,999	297	52	2	82	7	439
\$20,000 to \$29,999	129	136	8	32	4	309
\$30,000 to \$39,999	42	29	4	12	32	120
\$40,000 to \$49,999	34	22	4	9	12	80
\$50,000 to \$59,999	35	47	7	13	2	103
\$60,000 to \$74,999	34	24	12	10	9	88
\$75,000 to \$99,999	18	20	5	12	5	61
\$100,000 to \$124,999	10	11	3	5	4	34
\$125,000 to \$149,999	10	1	0	9	3	23
\$150,000 to \$199,999	7	7	5	4	2	25
\$200,000 & Over	4	3	1	5	2	16
Total	745	388	54	205	96	1,488

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Households Age 55+	2018 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	152	47	4	15	18	235
\$10,000 to \$19,999	320	59	5	92	9	485
\$20,000 to \$29,999	137	151	9	35	9	341
\$30,000 to \$39,999	50	36	4	14	42	146
\$40,000 to \$49,999	36	22	4	10	12	86
\$50,000 to \$59,999	36	46	5	13	6	105
\$60,000 to \$74,999	34	26	12	11	9	92
\$75,000 to \$99,999	22	22	4	16	6	69
\$100,000 to \$124,999	12	9	1	10	4	36
\$125,000 to \$149,999	9	2	1	6	4	21
\$150,000 to \$199,999	7	4	6	5	2	24
\$200,000 & Over	4	3	0	4	4	16
Total	819	427	55	231	125	1,657

Source: Ribbon Demographics; ESRI; Urban Decision Group

Owner Households Age 55+	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	228	160	29	16	15	447
\$10,000 to \$19,999	512	398	78	14	8	1,010
\$20,000 to \$29,999	358	362	107	2	17	846
\$30,000 to \$39,999	263	349	84	2	9	707
\$40,000 to \$49,999	181	415	82	20	7	705
\$50,000 to \$59,999	95	373	58	6	13	544
\$60,000 to \$74,999	87	456	25	62	5	635
\$75,000 to \$99,999	118	418	112	9	48	706
\$100,000 to \$124,999	33	158	67	7	16	280
\$125,000 to \$149,999	28	122	24	2	7	184
\$150,000 to \$199,999	15	93	18	4	12	142
\$200,000 & Over	15	70	27	6	2	121
Total	1,931	3,373	712	151	160	6,327

Source: Ribbon Demographics; ESRI; Urban Decision Group

Owner Households Age 55+	2015 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	379	261	57	35	18	750
\$10,000 to \$19,999	653	572	116	18	14	1,374
\$20,000 to \$29,999	403	553	170	7	29	1,162
\$30,000 to \$39,999	305	437	87	11	8	848
\$40,000 to \$49,999	177	477	113	29	12	809
\$50,000 to \$59,999	105	451	95	9	8	667
\$60,000 to \$74,999	83	503	29	49	10	674
\$75,000 to \$99,999	87	410	112	7	36	651
\$100,000 to \$124,999	34	161	51	18	16	280
\$125,000 to \$149,999	22	91	21	1	1	136
\$150,000 to \$199,999	17	92	13	3	21	147
\$200,000 & Over	10	47	25	7	2	90
Total	2,276	4,055	888	193	175	7,588

Source: Ribbon Demographics; ESRI; Urban Decision Group

Owner Households Age 55+	2018 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	460	311	72	41	24	907
\$10,000 to \$19,999	749	670	142	23	17	1,601
\$20,000 to \$29,999	459	635	199	5	37	1,335
\$30,000 to \$39,999	354	520	108	11	11	1,005
\$40,000 to \$49,999	171	488	118	36	14	826
\$50,000 to \$59,999	113	478	108	10	11	720
\$60,000 to \$74,999	81	521	34	46	15	698
\$75,000 to \$99,999	86	421	120	7	37	672
\$100,000 to \$124,999	33	165	53	19	18	289
\$125,000 to \$149,999	22	95	19	2	2	142
\$150,000 to \$199,999	18	87	15	4	20	144
\$200,000 & Over	11	44	24	11	2	92
Total	2,558	4,435	1,012	216	209	8,429

Source: Ribbon Demographics; ESRI; Urban Decision Group

Overall, population and households have experienced positive growth since 2000. These trends are projected to remain positive through 2018, increasing by 3,214 (6.0%) and 1,314 (6.5%), respectively, from 2015. Notably, households ages 55 and older are projected to increase by 1,010 (11.1%) during the same time period. Further, senior renter households ages 55 and older are projected to increase by 169, or 11.4%, between 2015 and 2018. This projected growth is expected to increase the demand for age-restricted rental housing over the next few years within the Conway Site PMA. These trends will bode well for the demand for the subject units.

G. PROJECT-SPECIFIC DEMAND ANALYSIS

1. INCOME RESTRICTIONS

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

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

The subject site is within the Myrtle Beach-North Myrtle Beach-Conway, South Carolina MSA, which has a four-person median household income of \$50,800 for 2015. The project location, however, is eligible for the National Non-Metropolitan Income and Rent Floor adjustment. Therefore, the income restrictions for the subject project are based on the national non-metropolitan four-person median household income of \$54,100 in 2015. The subject property will be restricted to senior households with incomes up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size at various levels of AMHI:

Household Size	Maximum Allowable Income	
	50%	60%
One-Person	\$18,950	\$22,740
Two-Person	\$21,650	\$25,980

The largest proposed units (two-bedroom) at the subject site are expected to house up to two-person senior (ages 55 and older) households. As such, the maximum allowable income at the subject site is **\$25,980**.

2. AFFORDABILITY

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

The proposed LIHTC units will have a lowest gross rent of \$506 (at 50% AMHI). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$6,072. Applying a 40% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of **\$15,180**.

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

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited To 50% Of AMHI)	\$15,180	\$21,650
Tax Credit (Limited To 60% Of AMHI)	\$16,680	\$25,980
Overall Project	\$15,180	\$25,980

3. DEMAND COMPONENTS

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

- a. **Demand for New Households.** *New units required in the market area due to projected household growth should be determined using 2015 Census data estimates and projecting forward to the anticipated placed-in-service date of the project (2018) using a growth rate established from a reputable source such as ESRI. The population projected must be limited to the age and income cohort and the demand for each income group targeted (i.e. 50% of median income) must be shown separately.*

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

- b. **Demand from Existing Households:** *The second source of demand should be determined using 2000 and 2010 Census data (as available), ACS 5 year estimates or demographic estimates provided by reputable companies. All data in tables should be projected from the same source:*
 - 1) **Rent overburdened households, if any, within the age group, income cohorts and tenure (renters) targeted for the subject development.** *In order to achieve consistency in methodology, all analysts should assume that the rent-overburdened analysis includes households paying greater than 35%, or in the case of elderly 40%, of their gross income toward gross rent rather than some greater percentage. If an analyst feels strongly that the rent-overburdened analysis should focus on a greater percentage, they must give an in-*

depth explanation why this assumption should be included. Any such additional indicators should be calculated separately and be easily added or subtracted from the required demand analysis.

Based on Table B25074 of the American Community Survey (ACS) 2009-2013 5-year estimates, approximately 66.2% to 76.4% (depending upon the targeted income level) of renter households within the market were rent overburdened. These households have been included in our demand analysis.

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

Based on the 2013 ACS 5-Year Estimates Table B25016, 13.8% of all households within the market were living in substandard housing (lacking complete indoor plumbing and overcrowded households/1+ persons per room).

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

The subject project is located in a relatively rural area of South Carolina. As a result, we anticipate that 5.0% of senior homeowners will consider the subject project as a housing alternative. Therefore, we used a 5.0% homeowner conversion rate in our capture rate estimates.

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

4. **METHODOLOGY**

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

- a. **Demand:** The two overall demand components (3a and 3b) added together represent total demand for the project.
- b. **Supply:** Comparable/competitive units funded, under construction, or placed in service in 2015 must be subtracted to calculate net demand. Vacancies in projects placed in service prior to 2016 which have not reach stabilized occupancy must also be considered as part of the supply.
- c. **Capture Rates:** Capture rates must be calculated for each targeted income group and each bedroom size proposed as well as for the project overall.
- d. **Absorption Rates:** The absorption rate determination should consider such factors as the overall estimate of new renter household growth, the available supply of comparable/competitive units, observed trends in absorption of comparable/competitive units, and the availability of subsidies and rent specials.

5. **DEMAND/CAPTURE RATE CALCULATIONS**

Within the Site PMA, there are no affordable housing projects that were funded and/or built during the projection period (2015 to current). We did not identify any projects that were placed in service prior to 2016 that have not reached a stabilized occupancy. As such, no units were included in the following demand estimates.

The following is a summary of our demand calculations:

Demand Component (Ages 55+)	Percent Of Median Household Income		
	50% AMHI (\$15,180-\$21,650)	60% AMHI (\$16,680-\$25,980)	Overall (\$15,180-\$25,980)
Demand From New Renter Households (Age- And Income-Appropriate)	290 - 263 = 27	365 - 330 = 35	438 - 396 = 42
+			
Demand From Existing Households (Rent Overburdened)	263 X 76.4% = 200	330 X 66.2% = 219	396 X 68.8% = 273
+			
Demand From Existing Households (Renters In Substandard Housing)	263 X 13.8% = 36	330 X 13.8% = 46	396 X 13.8% = 55
+			
Demand From Existing Households (Senior Homeowner Conversion)	854 X 5.0% = 43	1,151 X 5.0% = 58	1,357 X 5.0% = 68
=			
Total Demand	306	358	438
-			
Supply (Directly Comparable Units Built And/Or Funded Since 2015)	0	0	0
=			
Net Demand	306	358	438
Proposed Units	9	35	44
Proposed Units/ Net Demand	9 / 306	35 / 358	44 / 438
Capture Rate	= 2.9%	= 9.8%	= 10.0%

The capture rates for units targeting households at 50% and 60% of AMHI, ranging from 2.9% to 9.8%, are considered low and easily achievable. This is especially true, considering the lack of age-restricted affordable rental product within the Conway Site PMA. The overall capture rate for the subject project is also low and easily achievable at 10.0%, demonstrating that there is a significant base of income-qualified senior households that will be able to support the subject project.

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

Estimated Senior Demand By Bedroom	
Bedroom Type	Percent
One-Bedroom	50.0%
Two-Bedroom	50.0%
Total	100.0%

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

Units Targeting 50% Of AMHI (306 Units Of Demand)					
Bedroom Size (Share Of Demand)	Total Demand	Supply*	Net Demand By Bedroom Type	Proposed Subject Units	Capture Rate By Bedroom Type
One-Bedroom (50.0%)	153	0	153	5	3.3%
Two-Bedroom (50.0%)	153	0	153	4	2.6%

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

Units Targeting 60% Of AMHI (358 Units Of Demand)					
Bedroom Size (Share Of Demand)	Total Demand	Supply*	Net Demand By Bedroom Type	Proposed Subject Units	Capture Rate By Bedroom Type
One-Bedroom (50.0%)	179	0	179	12	6.7%
Two-Bedroom (50.0%)	179	0	179	23	12.8%

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

The capture rates by bedroom type for the proposed 50% and 60% income level units range from 2.6% to 12.8%. These capture rates are considered low and achievable.

6. ABSORPTION PROJECTIONS

For the purpose of this analysis, we assume the absorption period at the proposed subject site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow Agency guidelines that assume a 2018 opening date for the site, we also assume that the first completed units at the site will be available for rent sometime in 2018. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and will continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development ultimately receives.

It is our opinion that the proposed 44 LIHTC units at the subject site will experience an average initial absorption rate of approximately ten units per month and reach a stabilized occupancy of 93.0% within approximately four months.

H. RENTAL HOUSING ANALYSIS (SUPPLY)

1. COMPETITIVE DEVELOPMENTS

Note that there are no non-subsidized age-restricted Low-Income Housing Tax Credit (LIHTC) communities within the Site PMA. As such, we identified three non-subsidized general-occupancy LIHTC properties that are considered comparable to the proposed development, as they offer ground-level two-bedroom units that appeal to senior households. Due to the lack of age-restricted LIHTC housing within the market, we identified and surveyed three LIHTC communities that target senior households located outside of the Site PMA, but within the region in Aynor and Myrtle Beach. Note that these three age-restricted LIHTC projects outside of the market are not considered competitive with the proposed development, as they derive support from a different geographical region. The six comparable LIHTC properties and the proposed subject development are summarized in the following table:

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Leyland Grove	2017	44	-	-	-	Seniors 55+; 50% & 60% AMHI
4	New Legacy	1999 / 2011	90	100.0%	6.2 Miles	None	Families; 50% & 60% AMHI
5	Crabtree Commons	2008	48	100.0%	3.9 Miles	25-30 H.H.	Families; 50% & 60% AMHI
6	Cornerstone Commons	1997 / 2012	60*	100.0%	6.2 Miles	5 H.H.	Families; 50% & 60% AMHI
901	Morris Manor	2004	22	100.0%	14.8 Miles	None	Seniors 55+; 50% AMHI
902	Swansgate I	1995	34	100.0%	15.0 Miles	6 Months	Seniors 62+; 45% & 50% AMHI
903	Swansgate II & III	2001	88	100.0%	15.0 Miles	6 Months	Seniors 62+; 50% & 60% AMHI

OCC. – Occupancy

H.H. - Households

*Tax Credit units only

900 series Map IDs located outside of Site PMA

The six LIHTC projects have a combined occupancy rate of 100.0%, indicating pent-up demand exists for additional affordable housing in both the market and region. As noted, there are no non-subsidized age-restricted LIHTC projects within the market. Therefore, the subject project will provide a rental housing alternative to low-income senior households which are currently underserved in the Conway Site PMA.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Leyland Grove	\$506/50% (5) \$556/60% (12)	\$597/50% (4) \$637/60% (23)	-	-
4	New Legacy	-	\$648/50% (9/0) \$670/60% (33/0)	\$749/50% (9/0) \$890/60% (39/0)	None
5	Crabtree Commons	-	\$650/50% (8/0) \$760/60% (16/0)	\$733/50% (4/0) \$833/60% (20/0)	None
6	Cornerstone Commons	-	\$679/50% (13/0) \$780/60% (15/0)	\$787/50% (12/0) \$873/60% (20/0)	None
901	Morris Manor	\$549/50% (22/0)	-	-	None
902	Swansgate I	\$568/45% (7/0) \$568/50% (27/0)	-	-	None
903	Swansgate II & III	\$568/50% (38/0) \$674/60% (9/0)	\$684/50% (38/0) \$811/60% (3/0)	-	None

900 series Map IDs located outside of Site PMA

The proposed subject gross rents, ranging from \$506 to \$637, will be the lowest LIHTC rents within the market and region. Combined with the fact that there are no non-subsidized affordable age-restricted rental projects within the Conway Site PMA, these characteristics will provide the subject project a significant market advantage.

It should be noted that there are no non-subsidized LIHTC one-bedroom units within the market. The subject project will provide an affordable rental housing alternative to low-income senior households that is currently lacking within the Site PMA. This will also provide the subject with a market advantage.

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

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
4	New Legacy	90	38	42.2%
5	Crabtree Commons	48	6	12.5%
6	Cornerstone Commons	60*	40	66.7%
Total		198	84	42.4%

*Tax Credit units only

As the preceding table illustrates, there are a total of approximately 84 Voucher holders residing at the comparable LIHTC properties within the market. This comprises 42.4% of the 198 total comparable non-subsidized LIHTC units. As such, it can be concluded that these projects are relying on some Voucher support, but that a majority of the units are occupied by households paying the quoted rents.

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

6 Cornerstone Commons

6.2 miles to site



Address	1001 Singleton Ridge Rd. Conway, SC 29526		
Phone	(843) 347-2185	Contact	Sonya
Total Units	112	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate & Tax Credit		
Year Open	1997	Renovated	2012
		Floors	3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	5 households		
Quality Rating	B	Neighborhood Rating	B
Remarks	Market-rate (52 units at 80% AMHI); 50% & 60% AMHI (60 units); HCV (40 units); 3-br units have patio/balcony, 2-br units have sunroom; Select units have exterior storage; Unit mix by AMHI est		

Features and Utilities

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

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
2	2	G	30	0	1080	\$0.60	\$650	
2	2	G	15	0	1080	\$0.56	\$603	60%
2	2	G	13	0	1080	\$0.46	\$502	50%
3	2	G	22	0	1323	\$0.57	\$750	
3	2	G	20	0	1323	\$0.50	\$663	60%
3	2	G	12	0	1323	\$0.44	\$577	50%

4 New Legacy

6.2 miles to site



Address	204 Legacy Way Conway, SC 29526		
Phone	(843) 347-4701	Contact	Delphia
Total Units	90	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	1999	Renovated	2011
		Floors	3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B	Neighborhood Rating	B
Remarks	50% & 60% AMHI; HCV (38 units); 23 units have patio/balcony		

Features and Utilities

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

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
2	2	G	33	0	1080	\$0.47	\$511	60%
2	2	G	9	0	1080	\$0.45	\$489	50%
3	2	G	39	0	1323	\$0.53	\$701	60%
3	2	G	9	0	1323	\$0.42	\$560	50%

5**Crabtree Commons**

3.9 miles to site



Address 301 El Bethel Rd.
Conway, SC 29527

Phone (843) 369-7367 **Contact** Casey

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

Project Type Tax Credit

Year Open 2008 **Floors** 2

Concessions No Rent Specials

Parking Surface Parking

Waiting List 25-30 households

Quality Rating A- **Neighborhood Rating** A

Remarks 50% & 60% AMHI; HCV (6 units)

**Features and Utilities**

Utilities No landlord paid utilities
Unit Amenities Refrigerator, Icemaker, Range, Dishwasher, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage
Project Amenities On-site Management, Laundry Facility, Meeting Room, Fitness Center, Playground, Picnic Area, Gazebo

Unit Configuration

BRs	BA	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
2	2	G	16	0	974	\$0.57	\$560	60%
2	2	G	8	0	974	\$0.46	\$450	50%
3	2	G	20	0	1190	\$0.50	\$600	60%
3	2	G	4	0	1190	\$0.42	\$500	50%

901 Morris Manor

14.8 miles to site



Address	600 12th Ave. Aynor, SC 29511		
Phone	(843) 358-4664	Contact	Curtis
Total Units	22	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2004	Floors	1
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B	Neighborhood Rating	B
Remarks	50% AMHI; Accepts HCV (0 currently); Adaptive reuse of former school		

Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Ceiling Fan, Blinds, E-Call Button
Project Amenities	On-site Management, Meeting Room, Picnic Area

Unit Configuration

BRs	BA	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	22	0	700	\$0.58	\$408	50%

902 Swansgate I

15.0 miles to site



Address	1050 10th Ave. N Myrtle Beach, SC 29577		
Phone	(843) 946-6226	Contact	Nancy
Total Units	34	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	1995	Floors	1
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	6 months		
Quality Rating	B	Neighborhood Rating	C
Remarks	45% & 50% AMHI (34 units); Accepts HCV; Shares waitlist with Swangate II & III; 8 units have patio		

Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Disposal, Central AC, Carpet, Patio/Deck/Balcony, Intercom, Blinds, E-Call Button
Project Amenities	On-site Management, Laundry Facility, Meeting Room, Social Services

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	27	0	695	\$0.65	\$451	50%
1	1	G	7	0	695	\$0.65	\$451	45%

903 Swansgate II & III

15.0 miles to site



Address	1050 10th Ave. N Myrtle Beach, SC 29577		
Phone	(843) 946-6226	Contact	Nancy
Total Units	88	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2001	Floors	3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	6 months		
Quality Rating	B	Neighborhood Rating	C
Remarks	50% & 60% AMHI; Accepts HCV; Handicap accessible (14 units); Shares waitlist with Swansgate I; Unit mix estimated		

Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Intercom, Blinds, E-Call Button
Project Amenities	On-site Management, Laundry Facility, Meeting Room, Elevator, Social Services

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	9	0	695	\$0.80	\$557	60%
1	1	G	38	0	695	\$0.65	\$451	50%
2	2	G	3	0	900	\$0.74	\$665	60%
2	2	G	38	0	900	\$0.60	\$538	50%

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Leyland Grove	850	1,000	-
4	New Legacy	-	1,080	1,323
5	Crabtree Commons	-	974	1,190
6	Cornerstone Commons	-	1,080	1,323
901	Morris Manor	700	-	-
902	Swansgate I	695	-	-
903	Swansgate II & III	695	900	-

900 series Map IDs located outside of Site PMA

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Leyland Grove	1.0	2.0	-
4	New Legacy	-	2.0	2.0
5	Crabtree Commons	-	2.0	2.0
6	Cornerstone Commons	-	2.0	2.0
901	Morris Manor	1.0	-	-
902	Swansgate I	1.0	-	-
903	Swansgate II & III	1.0	2.0	-

900 series Map IDs located outside of Site PMA

The proposed development will offer the largest one-bedroom unit sizes, based on square footage, relative to the one-bedroom unit sizes offered at the comparable LIHTC projects. This will provide the subject with a market advantage. The subject's two-bedroom units sizes are comparable to the two-bedroom unit sizes offered at the comparable LIHTC projects, based on square footage and number of bathrooms offered. Overall, the subject's unit sizes are considered appropriate for the market.

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

COMPARABLE PROPERTIES AMENITIES - CONWAY, SOUTH CAROLINA

MAP ID	APPLIANCES							UNIT AMENITIES												
	RANGE	REFRIGERATOR	ICEMAKER	DISHWASHER	DISPOSAL	MICROWAVE	CENTRAL AC	WINDOW AC	FLOOR COVERING	WASHER AND DRYER	W/D HOOKUP	PATIO/DECK/BALCONY	CEILING FAN	BASEMENT	INTERCOM	SECURITY	WINDOW TREATMENTS	E-CALL BUTTONS	PARKING	OTHER
◆ SITE	X	X		X		X	X		C		X	X	X				B	X	S	Exterior Storage
6	X	X	X	X	X		X		C		X	S	X				B		S	Sunroom
4	X	X	X	X	X	X	X		C		X	S	X				B		S	Sunroom
5	X	X	X	X		X	X		C		X	X	X				B		S	Exterior Storage
◆ 901	X	X	X	X	X	X	X		C		X		X				B	X	S	
◆ 902	X	X			X		X		C			S			X		B	X	S	
◆ 903	X	X		S	X	X	X		C						X		B	X	S	

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

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

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

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

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

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

COMPARABLE PROPERTIES AMENITIES - CONWAY, SOUTH CAROLINA

MAP ID	PROJECT AMENITIES													OTHER					
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE		COMPUTER LAB	LIBRARY	PICNIC AREA	SOCIAL SERVICES	BUSINESS CENTER
◆ SITE		X	X	X	X	X								X	X	X			
6		X	X		X			X											
4		X	X		X			X									X		
5		X	X		X	X		X								X			Gazebo
◆ 901		X			X										X				
◆ 902		X	X		A												X		
◆ 903		X	X		A						X						X		

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

X - All Units
S - Some Units
O - Optional

Window Treatments
B - Blinds
C - Curtains
D - Drapes

Parking
A - Attached
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O - On Street
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Sports Courts
B - Basketball
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V - Volleyball
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Floor Covering
C - Carpet
H - Hardwood
V - Vinyl
W - Wood
T - Tile

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

The amenity packages included at the proposed development will be superior than those offered at the existing LIHTC projects within the market and region. The subject development does not appear to lack any amenities that would hinder its ability to operate as a Low-Income Housing Tax Credit project. In fact, the proposed development will be the only non-subsidized age-restricted project in the market and will offer a senior-oriented amenities package, such as an elevator, an emergency call system within the units and a library, that is considered desirable among the aging population. This will provide the proposed development with a competitive advantage.

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

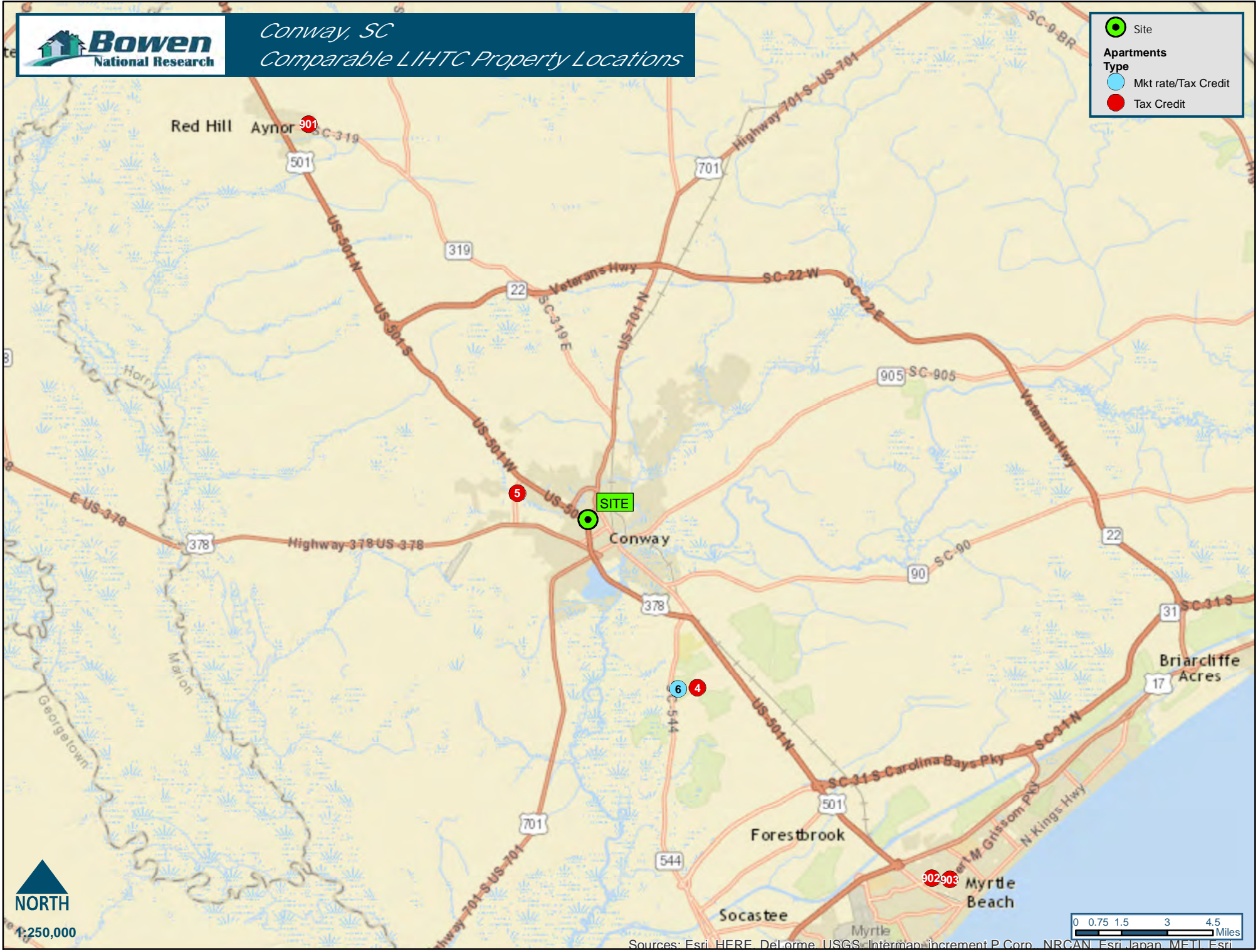
2. COMPARABLE TAX CREDIT PROPERTIES MAP

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



Conway, SC
Comparable LIHTC Property Locations

	Site
Apartments Type	
	Mkt rate/Tax Credit
	Tax Credit



NORTH
1:250,000

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

3. RENTAL HOUSING OVERVIEW

The distributions of the area housing stock within the Conway Site PMA in 2010 and 2015 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2015 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	18,564	86.5%	20,307	85.6%
Owner-Occupied	12,413	66.9%	13,096	64.5%
Renter-Occupied	6,151	33.1%	7,211	35.5%
Vacant	2,891	13.5%	3,415	14.4%
Total	21,455	100.0%	23,722	100.0%

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

Based on a 2015 update of the 2010 Census, of the 23,722 total housing units in the market, 14.4% were vacant. In 2015, it was estimated that homeowners occupied 64.5% of all occupied housing units, while the remaining 35.5% were occupied by renters. The share of renters is considered typical for a market of this size and the 7,211 renter households estimated in 2015 represent a deep base of potential support in the market for the subject development.

We identified and personally surveyed ten conventional housing projects containing a total of 625 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 98.9%, a strong rate for rental housing. Among these projects, six are non-subsidized (market-rate and Tax Credit) projects containing 461 units. These non-subsidized units are 98.9% occupied. The remaining four projects contain 164 government-subsidized units, which are 98.8% occupied.

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

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	2	151	5	96.7%
Market-rate/Tax Credit	1	112	0	100.0%
Tax Credit	3	198	0	100.0%
Tax Credit/Government-Subsidized	2	74	2	97.3%
Government-Subsidized	2	90	0	100.0%
Total	10	625	7	98.9%

All rental housing segments surveyed in the market are maintaining strong occupancy levels, as none are operating below 96.7%. In fact, all non-subsidized affordable rental units are occupied, illustrating that pent-up demand exists for this type of rental housing within the Site PMA.

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

Market-rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	16	7.9%	1	6.3%	\$567
Two-Bedroom	1.0	32	15.8%	2	6.3%	\$696
Two-Bedroom	2.0	117	57.6%	2	1.7%	\$1,190
Three-Bedroom	1.0	16	7.9%	0	0.0%	\$772
Three-Bedroom	2.0	22	10.8%	0	0.0%	\$960
Total Market-rate		203	100.0%	5	2.5%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Two-Bedroom	2.0	94	36.4%	0	0.0%	\$670
Three-Bedroom	2.0	152	58.9%	0	0.0%	\$833
Four-Bedroom	2.0	12	4.7%	0	0.0%	\$827
Total Tax Credit		258	100.0%	0	0.0%	-

As the preceding table illustrates, the median gross Tax Credit rents are lower than their corresponding median gross market-rate rents. As such, Tax Credit product likely represents good values to low-income residents, as illustrated by the 100.0% combined occupancy rate among the non-subsidized Tax Credit projects within the market.

As pointed out earlier in this analysis, there are no non-subsidized LIHTC one-bedroom units within the market. Considering that the subject project will offer these smaller unit types, it will provide an affordable housing alternative to low-income seniors that is currently lacking within the Site PMA. This will provide the subject with a market advantage.

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

Year Built	Projects	Units	Vacancy Rate
Before 1980	0	0	0.0%
1980 to 1989	1	64	4.7%
1990 to 1999	3	289	0.7%
2000 to 2005	1	60	0.0%
2006 to 2007	0	0	0.0%
2008	1	48	0.0%
2009 to 2015*	0	0	0.0%
Total	6	461	1.1%

*As of December

As the preceding table illustrates, all non-subsidized rental units broken out by age are maintaining low vacancy rates, none higher than 4.7%. This illustrates that age has not had a significant impact on the overall Conway rental housing market.

It should also be pointed out that all conventional rental projects built since 2000 contain no vacancies, demonstrating that relatively newer rental product has been very well received within the market. Combined with the fact that there have been no conventional non-subsidized projects built within the Conway Site PMA since 2008, the subject project will provide a new, modern rental housing alternative that is currently lacking and in very high demand within the market.

The following table compares the gross rent (the collected rent at the site plus the estimated costs of tenant-paid utilities) of the subject project with the rent range of the existing conventional apartments surveyed in the market:

Bedroom Type	Gross Rent			Units (Share) with Rents Above Proposed Rents
	Proposed Subject	Existing Rentals		
		Median	Range	
One-Bedroom	\$506-50%	\$567	\$567 - \$567	16 (100.0%)
	\$556-60%			16 (100.0%)
Two-Bedroom	\$597-50%	\$780	\$648 - \$1,270	243 (100.0%)
	\$637-60%			243 (100.0%)

As illustrated in the preceding table, the proposed subject gross rents will be the lowest non-subsidized gross rents within the market. As such, the subject project will likely represent substantial values to low-income seniors within the Conway Site PMA. Nonetheless, the appropriateness of the proposed rents is evaluated in detail later in this section of the report.

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

Market-rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A-	1	87	2.3%
B	1	52	0.0%
D	1	64	4.7%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
A-	1	48	0.0%
B	2	150	0.0%
C+	1	60	0.0%

Regardless of quality, all non-subsidized rental properties surveyed are maintaining low vacancy rates, none higher than 4.7%. As such, it can be concluded that quality has not had an impact on the overall Conway rental housing market.

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

4. RENTAL HOUSING INVENTORY MAP

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

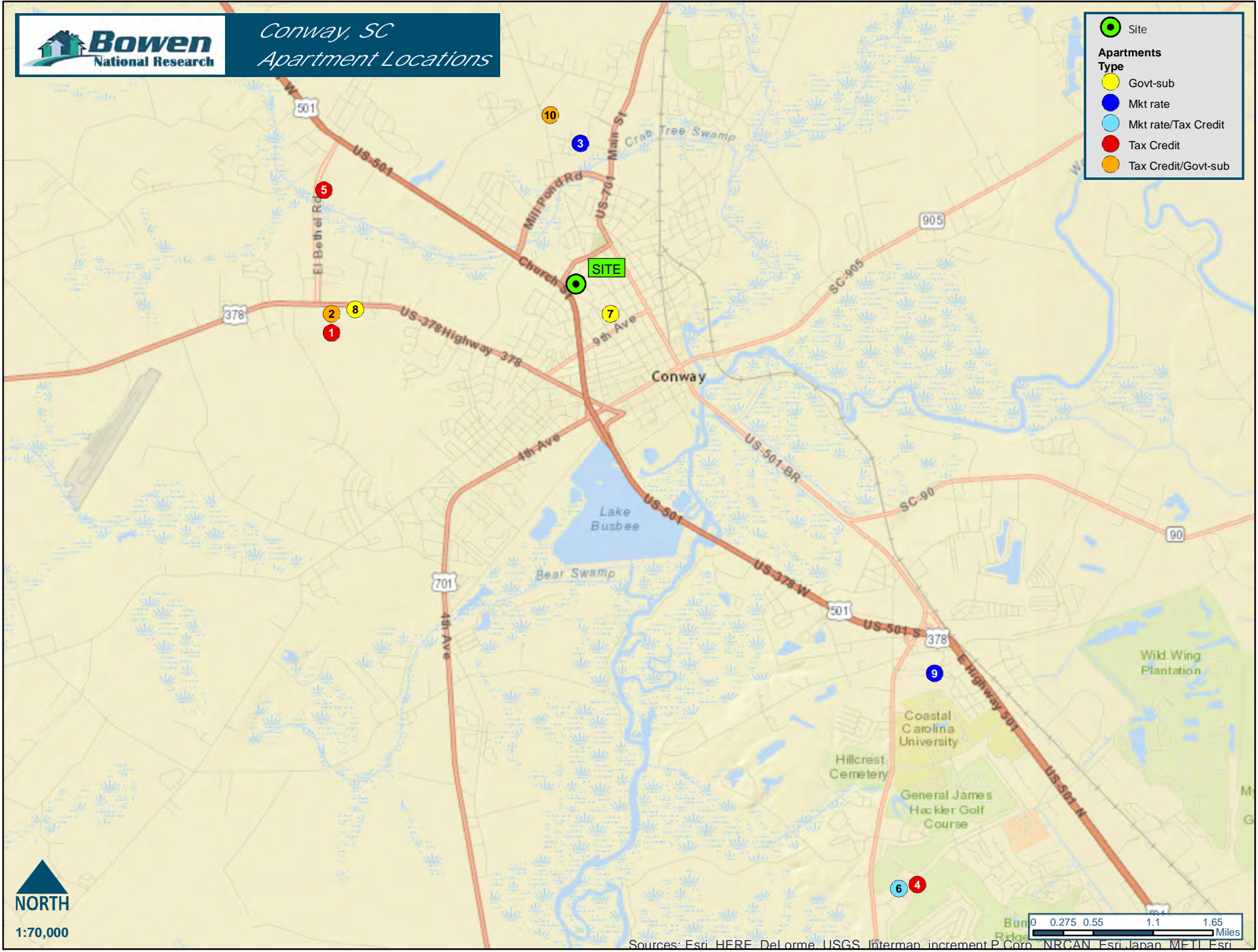


Conway, SC Apartment Locations

Site
● Site

Apartments Type

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



NORTH
1:70,000

0 0.275 0.55 1.1 1.65 Miles
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

5. & 6. PLANNED AND PROPOSED DEVELOPMENTS

Based on our interviews with local building and planning representatives, it was determined that no official plans for additional multifamily units for the area exist.

7. ADDITIONAL SCSHFDA VACANY DATA

Stabilized Comparables

A component of South Carolina Housing's Exhibit S-2 is the calculation of the occupancy rate among all stabilized comparables, including both Tax Credit and market-rate projects, within the Site PMA. Comparables are identified as those projects that are considered economically comparable in that they target a similar tenant profile with respect to age and income cohorts. Market-rate projects with gross rents that deviate by no more than 10% to the gross rents proposed at the site are considered economically comparable. Market-rate projects with gross rents that deviate by greater than 10% when compared to the gross rents proposed at the site are not considered economically comparable as these projects will generally target a different tenant profile. For this reason, there may be conceptually comparable market-rate projects that were utilized in determining Market Rent Advantages (see section eight *Market Rent Advantage* of this section) that are excluded as comparable projects as they may not be economically comparable. Conceptual comparability is also considered in this analysis. For example, if the subject development is of multi-story garden walk-up design, we may eliminate those market-rate projects that are of townhouse-style design even if they may be economically comparable. A project's age, overall quality and amenities offered are also considered when evaluating conceptual comparability. Note that the determination of both economic and conceptual comparability is the opinion of the market analyst.

As discussed earlier in this analysis, we identified a total of three comparable projects within the Site PMA that have received Tax Credit funding, all of which are considered stable. In addition, we identified two market-rate projects of which none are considered both economically and conceptually comparable. The three stabilized comparable Tax Credit projects identified in the Site PMA are detailed in the table on the following page.

Stabilized Comparable Tax Credit and Market-Rate Projects					
Map I.D.	Project Name	Year Built/ Renovated	Project Type	Total Units	Occupancy Rate
Site	Leyland Grove	2017	TC	44	-
4	New Legacy	1999 / 2011	TC	90	100.0%
5	Crabtree Commons	2008	TC	48	100.0%
6	Cornerstone Commons	1997 / 2012	MRT	112	100.0%
Total				250	100.0%

TC – Tax Credit

MRT – Market-Rate & Tax Credit

The overall occupancy rate of the three stabilized comparable projects identified in the Site PMA is 100.0%.

8. MARKET RENT ADVANTAGE

We identified one project that offers market-rate units within the Conway Site PMA that we consider most comparable to the subject development. Due to the lack of comparable market-rate product in the Site PMA, we identified and surveyed four additional market-rate properties outside of the Site PMA in Myrtle Beach that we consider comparable to the subject development based on bedroom types offered, modern design and age. Note, adjustments for the differences between the Conway market and Myrtle Beach market have been made. These selected properties are used to derive market rent for a project with characteristics similar to the subject development. It is important to note that for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the subject units without maximum income and rent restrictions.

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

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

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

rent of the selected property by the estimated value of a washer and dryer so that we may derive a *market rent advantage* for a project similar to the subject project.

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

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

Map I.D.	Project Name	Year Built/Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	Leyland Grove	2017	44	-	17 (-)	27 (-)	-
6	Cornerstone Commons	1997 / 2012	52*	100.0%	-	30 (100.0%)	22 (100.0%)
904	Seaside Grove	2002	312	92.3%	84 (92.9%)	150 (92.0%)	78 (92.3%)
905	Alta Surf Apts.	2007	216	94.0%	96 (89.6%)	120 (97.5%)	-
906	Flintlake Apts.	1999	272	91.2%	48 (91.7%)	160 (91.3%)	64 (90.6%)
908	Palmetto Pointe	1999	320	100.0%	155 (100.0%)	155 (100.0%)	10 (100.0%)

Occ. – Occupancy

*Market-rate units only

900 series Map IDs located outside of Site PMA

The five selected market-rate projects have a combined total of 1,172 units with an overall occupancy rate of 94.8%, a good rate for rental housing. This demonstrates that these comparable properties have been well received within their respective markets and will serve as accurate benchmarks with which to compare to the proposed subject development.

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

Rent Comparability Grid

Unit Type →

ONE BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5		
Leyland Grove		Cornerstone Commons		Seaside Grove		Alta Surf Apts.		Flintlake Apts.		Palmetto Pointe		
Pine Street		1001 Singleton Ridge Rd.		101 Augusta Plantation Dr.		101 Breakers Dr.		650 W. Flintlake Ct.		3919 Carnegie Ave.		
Conway, SC		Conway, SC		Myrtle Beach, SC		Myrtle Beach, SC		Myrtle Beach, SC		Myrtle Beach, SC		
Subject		Subject		Subject		Subject		Subject		Subject		
A. Rents Charged		Data \$ Adj		Data \$ Adj		Data \$ Adj		Data \$ Adj		Data \$ Adj		
1	\$ Last Rent / Restricted?	\$650		\$895		\$975		\$999		\$825		
2	Date Surveyed	Dec-15		Dec-15		Dec-15		Dec-15		Dec-15		
3	Rent Concessions	None		None		None		None		None		
4	Occupancy for Unit Type	100%		93%		90%		92%		100%		
5	Effective Rent & Rent/ sq. ft	\$650	0.60	\$895	1.14	\$975	1.17	\$999	1.23	\$825	1.12	
B. Design, Location, Condition		Data \$ Adj		Data \$ Adj		Data \$ Adj		Data \$ Adj		Data \$ Adj		
6	Structure / Stories	EE/3	WU/3	WU/3	WU/3	WU/3	WU/3	WU/2,3	WU/3	WU/3		
7	Yr. Built/Yr. Renovated	2017	1997/2012	\$12	2002	\$15	2007	\$10	1999	\$18	1999	\$18
8	Condition/Street Appeal	E	G	\$15	E		E		E		G	\$15
9	Neighborhood	G	G		G		G		G		G	
10	Same Market?		Yes		No	(\$224)	No	(\$244)	No	(\$250)	No	(\$206)
C. Unit Equipment/ Amenities		Data \$ Adj		Data \$ Adj		Data \$ Adj		Data \$ Adj		Data \$ Adj		
11	# Bedrooms	1	2	(\$50)	1		1		1		1	
12	# Baths	1	2	(\$30)	1		1		1		1	
13	Unit Interior Sq. Ft.	850	1080	(\$59)	787	\$16	833	\$4	810	\$10	736	\$29
14	Balcony/ Patio	Y	N	\$5	Y		Y		Y		Y	
15	AC: Central/ Wall	C	C		C		C		C		C	
16	Range/ Refrigerator	R/F	R/F		R/F		R/F		R/F		R/F	
17	Microwave/ Dishwasher	Y/Y	N/Y	\$5	Y/Y		Y/Y		N/Y	\$5	N/Y	\$5
18	Washer/Dryer	HU/L	HU/L		HU/L		HU/L		HU	\$5	HU/L	
19	Floor Coverings	C	C		C		C		C		C	
20	Window Coverings	B	B		B		B		B		B	
21	Emergency Call System	Y	N	\$5	N	\$5	N	\$5	N	\$5	N	\$5
22	Garbage Disposal	N	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fans/Exterior Storage	Y/Y	Y/N	\$5	Y/N	\$5	Y/Y		Y/Y		Y/N	\$5
D Site Equipment/ Amenities		Data \$ Adj		Data \$ Adj		Data \$ Adj		Data \$ Adj		Data \$ Adj		
24	Parking (\$ Fee)	LOT/\$0	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y	Y		Y		Y		Y		Y	
26	Security Gate	N	N		N		N		N		N	
27	Clubhouse/ Meeting Rooms	Y	Y		Y		N	\$5	Y		Y	
28	Pool/ Recreation Areas	F	N	\$5	P/F/S/L	(\$16)	P/F/S	(\$13)	P/F/L/S	(\$16)	P/F	(\$10)
29	Computer Center	Y	N	\$3	Y		Y		Y		N	\$3
30	Picnic Area	Y	N	\$3	Y		Y		Y		Y	
31	Library	Y	N	\$3	N	\$3	N	\$3	N	\$3	N	\$3
32	Social Services	N	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		N/E	
34	Cooling (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N	N		N		N		N		N	
38	Cold Water/ Sewer	N/N	N/N		N/N		N/N		N/N		N/N	
39	Trash /Recycling	Y/N	Y/N		N/N	\$23	N/N	\$23	N/N	\$23	Y/N	
F. Adjustments Recap		Pos Neg		Pos Neg		Pos Neg		Pos Neg		Pos Neg		
40	# Adjustments B to D	10	4		5	3	5	3	6	3	8	3
41	Sum Adjustments B to D	\$61	(\$144)		\$44	(\$245)	\$27	(\$262)	\$46	(\$271)	\$83	(\$221)
42	Sum Utility Adjustments				\$23		\$23		\$23			
		Net Gross		Net Gross		Net Gross		Net Gross		Net Gross		
43	Net/ Gross Adjmts B to E	(\$83)	\$205	(\$178)	\$312	(\$212)	\$312	(\$202)	\$340	(\$138)	\$304	
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		
44	Adjusted Rent (5+ 43)	\$567		\$717		\$763		\$797		\$687		
45	Adj Rent/Last rent		87%		80%		78%		80%		83%	
46	Estimated Market Rent	\$645	\$0.76 ←	Estimated Market Rent/ Sq. Ft								

Rent Comparability Grid

Unit Type →

TWO BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Leyland Grove Pine Street Conway, SC		Cornerstone Commons 1001 Singleton Ridge Rd. Conway, SC		Seaside Grove 101 Augusta Plantation Dr. Myrtle Beach, SC		Alta Surf Apts. 101 Breakers Dr. Myrtle Beach, SC		Flintlake Apts. 650 W. Flintlake Ct. Myrtle Beach, SC		Palmetto Pointe 3919 Carnegie Ave. Myrtle Beach, SC	
Subject		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged											
1	\$ Last Rent / Restricted?	\$650		\$1,025		\$999		\$929		\$935	
2	Date Surveyed	Dec-15		Dec-15		Dec-15		Dec-15		Dec-15	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		92%		98%		91%		100%	
5	Effective Rent & Rent/ sq. ft	\$650	0.60	\$1,025	1.04	\$999	0.94	\$929	0.86	\$935	0.90
B. Design, Location, Condition											
6	Structure / Stories	EE/3	WU/3	WU/3	WU/3	WU/3	WU/3	WU/2,3	WU/3	WU/3	
7	Yr. Built/Yr. Renovated	2017	1997/2012	2002	2002	2007	\$10	1999	\$18	1999	\$18
8	Condition/Street Appeal	E	G	E	E	E		E		G	\$15
9	Neighborhood	G	G	G	G	G		G		G	
10	Same Market?		Yes	No	(\$256)	No	(\$250)	No	(\$232)	No	(\$234)
C. Unit Equipment/ Amenities											
11	# Bedrooms	2	2	2	2	2		2		2	
12	# Baths	2	2	2	2	2		2		2	
13	Unit Interior Sq. Ft.	1000	1080	989	\$2	1064	(\$14)	1086	(\$19)	1040	(\$9)
14	Balcony/ Patio	Y	N	Y		N	\$5	Y		Y	
15	AC: Central/ Wall	C	C	C		C		C		C	
16	Range/ Refrigerator	R/F	R/F	R/F		R/F		R/F		R/F	
17	Microwave/ Dishwasher	Y/Y	N/Y	Y/Y		Y/Y		N/Y	\$5	N/Y	\$5
18	Washer/Dryer	HU/L	HU/L	HU/L		HU/L		HU	\$5	HU/L	
19	Floor Coverings	C	C	C		C		C		C	
20	Window Coverings	B	B	B		B		B		B	
21	Emergency Call System	Y	N	N	\$5	N	\$5	N	\$5	N	\$5
22	Garbage Disposal	N	Y	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fans/Exterior Storage	Y/Y	Y/N	Y/N	\$5	Y/Y		Y/Y		Y/N	\$5
D. Site Equipment/ Amenities											
24	Parking (\$ Fee)	LOT/\$0	LOT/\$0	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y	Y	Y		Y		Y		Y	
26	Security Gate	N	N	N		N		N		N	
27	Clubhouse/ Meeting Rooms	Y	Y	Y		N	\$5	Y		Y	
28	Pool/ Recreation Areas	F	N	P/F/S/L	(\$16)	P/F/S	(\$13)	P/F/L/S	(\$16)	P/F	(\$10)
29	Computer Center	Y	N	Y		Y		Y		N	\$3
30	Picnic Area	Y	N	Y		Y		Y		Y	
31	Library	Y	N	N	\$3	N	\$3	N	\$3	N	\$3
32	Social Services	N	N	N		N		N		N	
E. Utilities											
33	Heat (in rent?/ type)	N/E	N/E	N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E	N/E	N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E	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		N/E	
37	Other Electric	N	N	N		N		N		N	
38	Cold Water/ Sewer	N/N	N/N	N/N		N/N		N/N		N/N	
39	Trash /Recycling	Y/N	Y/N	N/N	\$23	N/N	\$23	N/N	\$23	Y/N	
F. Adjustments Recap											
40	# Adjustments B to D		10	5	3	5	4	5	4	7	4
41	Sum Adjustments B to D		\$61	\$30	(\$277)	\$28	(\$282)	\$36	(\$272)	\$54	(\$258)
42	Sum Utility Adjustments			\$23		\$23		\$23			
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E		\$39	(\$224)	\$330	(\$231)	\$333	(\$213)	\$331	(\$204)	\$312
G. Adjusted & Market Rents											
44	Adjusted Rent (5+ 43)		\$689	\$801		\$768		\$716		\$731	
45	Adj Rent/Last rent			106%		77%		77%			78%
46	Estimated Market Rent	\$720	\$0.72	← Estimated Market Rent/ Sq. Ft							

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

Based on the preceding Rent Comparability Grids, it was determined that the current achievable market rents for units similar to the subject development are \$645 for a one-bedroom unit and \$720 for a two-bedroom unit. The following table compares the proposed collected rents at the subject site with achievable market rent for selected units.

Bedroom Type	Proposed Collected Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
One-Bedroom	\$385 (50%)	\$645	40.31%
	\$435 (60%)		32.56%
Two-Bedroom	\$440 (50%)	\$720	38.89%
	\$480 (60%)		33.33%
Weighted Average			34.40%

The proposed collected Tax Credit rents represent market rent advantages between 33.33% and 40.31%. Typically, Tax Credit rents should represent market rent advantages of at least 10.0% in order to be considered a value in most markets. Therefore, it is likely that all of the proposed units at the subject project will be viewed as a significant value within the Site PMA.

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

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

7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between 1997 and 2007. As such, we have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties.

8. It is anticipated that the subject project will have a quality finished look and an attractive aesthetic appeal. We have made adjustments for those properties that we consider to have an inferior quality compared to the subject development.

10. As previously stated, four of the five selected properties are located outside of the Conway Site PMA in Myrtle Beach. The Myrtle Beach market is significantly larger than Conway in terms of population, community services and apartment selections. Given the difference in markets, the rents that are achievable in Myrtle Beach will not directly translate to the Conway market. Therefore, we have adjusted each collected rent at these four comparable projects by approximately 25.0% to account for this market difference.
11. All of the selected properties offer two-bedroom units. For the one property that lacks one-bedroom units, Cornerstone Commons (Comp #1), we have used the two-bedroom units at this project and made adjustments to reflect the difference in the number of bedrooms offered.
12. The number of bathrooms offered at each of the selected properties varies. We have made adjustments to reflect the difference in the number of bathrooms offered at the site and the number offered by the competitive properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar bases, we have used 25% of the average for this adjustment.
- 14.- 23. The subject project will offer a unit amenity package slightly superior than those offered at the selected properties. We have made adjustments for features lacking at the selected properties, and in some cases, we have made adjustments for features the subject property does not offer.
- 24.-32. The proposed project offers a slightly inferior project amenities package. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences between the subject project's and the selected properties' utility responsibility. The utility adjustments were based on the local housing authority's utility cost estimates.

9. AFFORDABLE HOUSING IMPACT

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

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2017
4	New Legacy	100.0%	95.0%+
5	Crabtree Commons	100.0%	95.0%+
6	Cornerstone Commons	100.0%	95.0%+

The subject project is not expected to have a negative impact on the existing comparable Tax Credit projects within the Site PMA, all of which are 100.0% occupied. Given the generally high occupancy rates, we expect all Tax Credit projects to operate at or above 95.0%. In fact, there are no non-subsidized age-restricted LIHTC projects within the market. As such, if the subject project is developed utilizing financing from the Tax Credit program, it will have no tangible impact on the occupancy levels of the existing Tax Credit projects within the Conway Site PMA.

10. OTHER HOUSING OPTIONS (BUY VERSUS RENT)

According to ESRI, the median home value within the Site PMA was \$143,737. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$143,737 home is \$865, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$143,737
Mortgaged Value = 95% of Median Home Price	\$136,550
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$692
Estimated Taxes and Insurance*	\$173
Estimated Monthly Mortgage Payment	\$865

*Estimated at 25% of principal and interest

In comparison, the proposed collected Tax Credit rents at the subject property range from \$385 to \$480. Therefore, the cost of a monthly mortgage for a typical home in the area is \$385 to \$480 greater than the cost of renting at the subject project, depending on bedroom type and targeted income level. As such, it is unlikely that potential renters in the area would be able to afford the monthly payments required to own a home and the number of tenants who would also be able to afford the down payment on such a home is considered minimal. In fact, as the proposed subject project will target senior households, we expect some support from elderly homeowners downsizing from their homes and seeking a maintenance free housing alternatives. Therefore, we do not anticipate any competitive impact on or from the homebuyer market.

11. HOUSING VOIDS

As indicated throughout this section of the report, all comparable LIHTC projects within the market are 100.0% occupied, most of which maintain wait lists. This illustrates that significant pent-up demand exists for additional affordable rental housing within the Site PMA. In fact, there are no non-subsidized age-restricted LIHTC communities within the market. Therefore, the subject project will provide a rental housing alternative to low-income senior households which are currently underserved in the Conway Site PMA.

I. INTERVIEWS

The following are summaries of interviews conducted with local stakeholders regarding the need for affordable housing within the Site PMA:

- Shaquita Richardson, Section 8 Coordinator of the Conway Housing Authority, stated that there is a desperate need for any kind of affordable housing in the Conway area. Ms. Richardson explained that even though the waiting list is open, the program still does not help seniors or families because the list is so long, which is approximately a two year wait. She continued to state that even individuals applying for public housing are turned away. Ms. Richardson explained that seniors and families are looking mostly for one- or two-bedroom affordable rental units.
- Mary Delphia, Property Manager of New Legacy (Map ID 4), a general-occupancy LIHTC community in Conway, explained that there is a definite need for affordable housing for both seniors and families within the area. Ms. Delphia's property is 100.0% occupied, further illustrating the pent-up demand that exists for affordable housing. She further explained that there are no age-restricted LIHTC properties within Conway and the area seniors have no other option than residing at family-oriented communities. Ms. Delphia believes that an age-restricted LIHTC project in Conway will have no trouble reaching and maintaining stabilized occupancy levels.

J. RECOMMENDATIONS

Based on the findings reported in our market study, it is our opinion that a market exists for the 44 senior units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

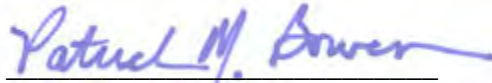
The three Tax Credit properties located within the Conway Site PMA have a combined occupancy rate of 100.0%, two of which maintain wait lists. These generally high occupancy rates among Tax Credit product, along with the waiting lists, are indications that pent-up demand exists for additional rental housing targeting low- and moderate-income households within the Conway Site PMA. In fact, there are no age-restricted LIHTC developments within the market. The subject project will provide an affordable rental housing alternative to senior households that are currently underserved within the area.

As shown in the Project Specific Demand Analysis section of this report, with an overall capture rate of 10.0% (SC Housing threshold is 30%) of age- and income-qualified households in the market, there is significant support for the subject development. Therefore, it is our opinion that the subject project will have no impact on the Tax Credit developments in the Site PMA.

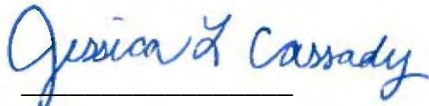
K. SIGNED STATEMENT REQUIREMENT

I affirm that I have made a physical inspection of the market and surrounding area and the information obtained in the field has been used to determine the need and demand for LIHTC units. I understand that any misrepresentation of this statement may result in the denial of further participation in the South Carolina State Housing Finance and Development Authority's programs. I also affirm that I have no interest in the project or 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.

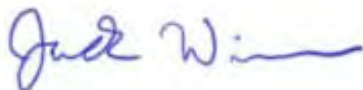
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Date: February 3, 2016



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L. Qualifications

The Company

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

The Staff

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

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

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

Jordana Baker, Market Analyst, is a licensed Realtor with experience in the property management and for-sale housing industries. This experience gives her the ability to analyze site-specific housing conditions and how they may impact the overall market. In addition, her property management experience gives her inside knowledge of the day-to-day operations of rental housing. Ms. Baker obtained her Bachelor of Business Administration from The Ohio State University and her Associate of Science in Real Estate from Columbus State Community College.

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

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

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

Jessica Cassady, Market Analyst, is experienced in the assessment of housing operating under various programs throughout the country, as well as other development alternatives. She is also experienced in evaluating projects in the development pipeline and economic trends. Ms. Cassady graduated from Eastern Kentucky University with a Bachelor of Arts in Public Relations.

Jordan Resnick, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Resnick holds a Bachelor of Science degree in Business Administration for The Ohio State University.

Jody LaCava, Market Analyst, has researched housing trends throughout the United States since 2012. She is knowledgeable of various rental housing programs and for-sale housing development. In addition, she is able to analyze economic trends and pipeline data.

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

Christine Sweat, In-House Research Coordinator, has experience in the property management industry and has managed a variety of rental housing types. With experience in conducting site-specific analysis since 2012, she has the ability to analyze market and economic trends and conditions. Ms. Sweat holds a Bachelor of Arts in Communication from the University of Cincinnati.

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

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

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

M. Methodologies, Disclaimers & Sources

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

1. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

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

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

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

2. REPORT LIMITATIONS

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

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

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

3. SOURCES

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

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

ADDENDUM A: FIELD SURVEY OF CONVENTIONAL RENTALS

CONWAY, SOUTH CAROLINA

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

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

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

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

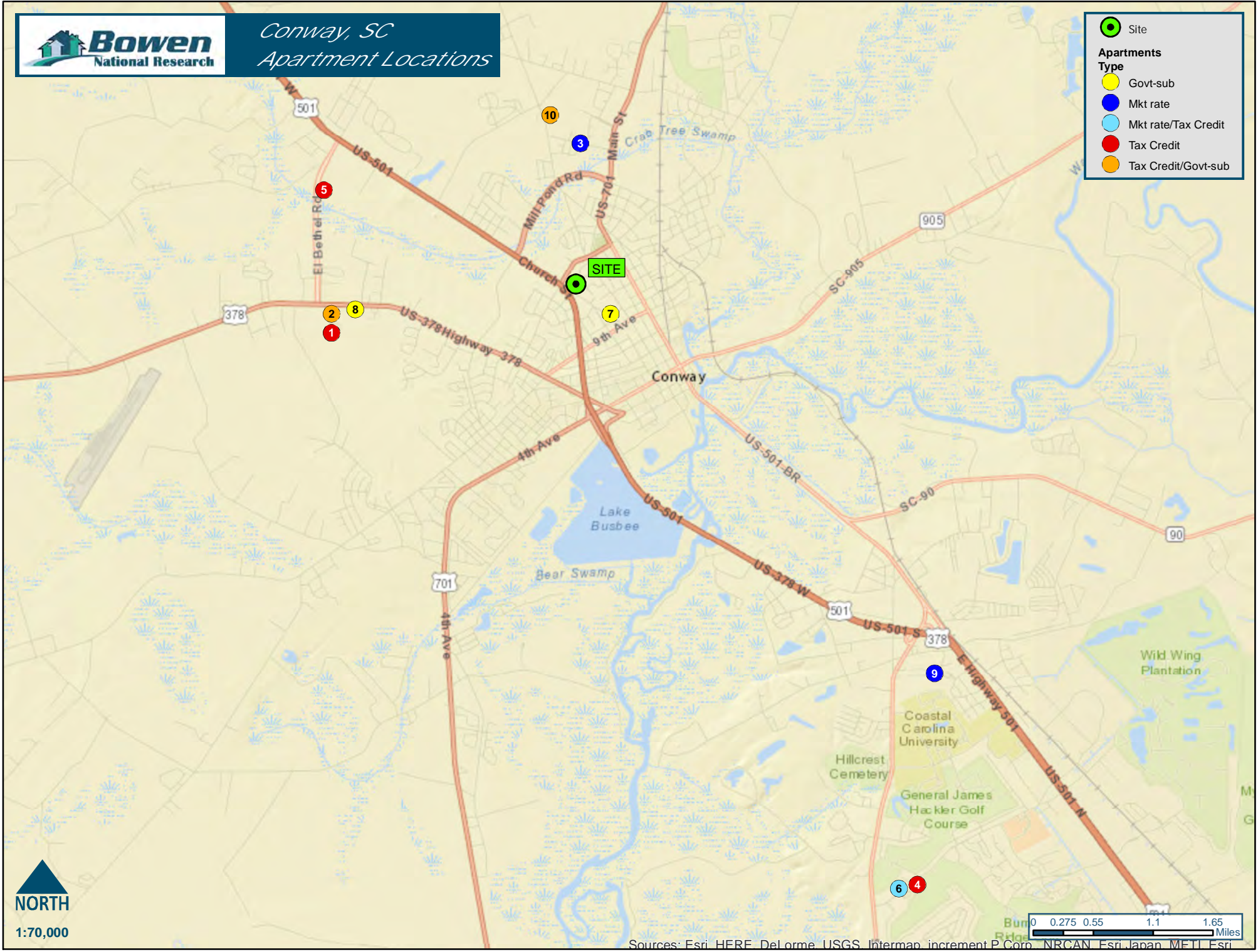
Note that other than the property listing following the map, data is organized by project types. Market-rate properties (blue designation) are first followed by variations of market-rate and Tax Credit properties. Non-government subsidized Tax Credit properties are red and government-subsidized properties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



Conway, SC Apartment Locations

Legend

- Site (Green circle)
- Apartment Type
 - Govt-sub (Yellow circle)
 - Mkt rate (Blue circle)
 - Mkt rate/Tax Credit (Light blue circle)
 - Tax Credit (Red circle)
 - Tax Credit/Govt-sub (Orange circle)



NORTH
1:70,000

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

MAP IDENTIFICATION LIST - CONWAY, SOUTH CAROLINA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
1	Bell's Bay Landing	TAX	C+	2000	60	0	100.0%	3.1
2	Blackwater Cove	TGS	B+	2004	30	0	100.0%	3.0
3	Patriots Place	MRR	D	1980	64	3	95.3%	1.5
4	New Legacy	TAX	B	1999	90	0	100.0%	6.2
5	Crabtree Commons	TAX	A-	2008	48	0	100.0%	3.9
6	Cornerstone Commons	MRT	B	1997	112	0	100.0%	6.2
7	Oaks	GSS	B	1976	44	0	100.0%	0.6
8	Shady Moss Townhomes	GSS	B-	1983	46	0	100.0%	2.8
9	Campuswalk	MRR	A-	1999	87	2	97.7%	4.8
10	North Oaks Apts.	TGS	C	1989	44	2	95.5%	1.5

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	2	151	5	96.7%	0
MRT	1	112	0	100.0%	0
TAX	3	198	0	100.0%	0
TGS	2	74	2	97.3%	0
GSS	2	90	0	100.0%	0

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

* - Drive Distance (Miles)

Survey Date: December 2015

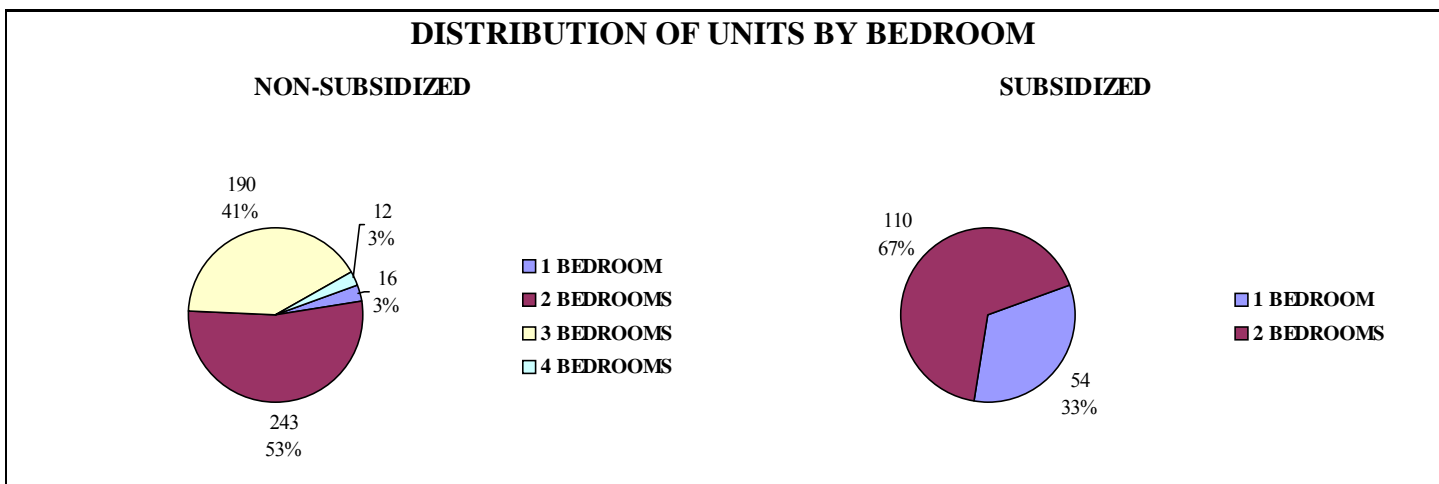
DISTRIBUTION OF UNITS - CONWAY, SOUTH CAROLINA

MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	16	7.9%	1	6.3%	\$567
2	1	32	15.8%	2	6.3%	\$696
2	2	117	57.6%	2	1.7%	\$1,190
3	1	16	7.9%	0	0.0%	\$772
3	2	22	10.8%	0	0.0%	\$960
TOTAL		203	100.0%	5	2.5%	






TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
2	2	94	36.4%	0	0.0%	\$670
3	2	152	58.9%	0	0.0%	\$833
4	2	12	4.7%	0	0.0%	\$827
TOTAL		258	100.0%	0	0.0%	

TAX CREDIT, GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	22	29.7%	0	0.0%	N.A.
2	1	52	70.3%	2	3.8%	N.A.
TOTAL		74	100.0%	2	2.7%	

GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	
1	1	32	35.6%	0	0.0%	N.A.
2	1	24	26.7%	0	0.0%	N.A.
2	1.5	34	37.8%	0	0.0%	N.A.
TOTAL		90	100.0%	0	0.0%	
GRAND TOTAL		625	-	7	1.1%	



SURVEY OF PROPERTIES - CONWAY, SOUTH CAROLINA






1 Bell's Bay Landing			
	Address 1801 Ernest Finney Ave. Conway, SC 29527	Phone (843) 397-7024 (Contact in person)	Total Units 60
	Year Built 2000 Comments 50% & 60% AMHI; HCV (19 units)	Contact Tammy	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating C+
			Waiting List None
2 Blackwater Cove			
	Address 1761 Ernest Finney Ave. Conway, SC 29527	Phone (843) 397-1432 (Contact in person)	Total Units 30
	Year Built 2004 Comments 50% AMHI; RD 515, has RA (27 units); HCV (3 units)	Contact Sine	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B+
			Waiting List 12 households
3 Patriots Place			
	Address 1118 Boundary St. Conway, SC 29526	Phone (843) 248-0249 (Contact in person)	Total Units 64
	Year Built 1980 Comments HCV (3 units, no longer accepts)	Contact Mimi	Vacancies 3 Occupied 95.3% Floors 2 Quality Rating D
			Waiting List 3-br: 20 households
4 New Legacy			
	Address 204 Legacy Way Conway, SC 29526	Phone (843) 347-4701 (Contact in person)	Total Units 90
	Year Built 1999 Renovated 2011 Comments 50% & 60% AMHI; HCV (38 units); 23 units have patio/balcony	Contact Delphia	Vacancies 0 Occupied 100.0% Floors 3 Quality Rating B
			Waiting List None
5 Crabtree Commons			
	Address 301 El Bethel Rd. Conway, SC 29527	Phone (843) 369-7367 (Contact in person)	Total Units 48
	Year Built 2008 Comments 50% & 60% AMHI; HCV (6 units)	Contact Casey	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating A-
			Waiting List 25-30 households

Project Type

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

Survey Date: December 2015

SURVEY OF PROPERTIES - CONWAY, SOUTH CAROLINA

6 Cornerstone Commons			
	Address 1001 Singleton Ridge Rd. Conway, SC 29526	Phone (843) 347-2185 (Contact in person)	Total Units 112
	Year Built 1997 Renovated 2012 Contact Sonya	Comments Market-rate (52 units at 80% AMHI); 50% & 60% AMHI (60 units); HCV (40 units); 3-br units have patio/balcony, 2-br units have sunroom; Select units have exterior storage; Unit mix by AMHI est	Occupied 100.0%
	Floors 3		
			Quality Rating B
			Waiting List 5 households
7 Oaks			
	Address 1002 Pine St. Conway, SC 29526	Phone (843) 248-7388 (Contact in person)	Total Units 44
	Year Built 1976 Contact Debony	Comments RD 515, has RA (43 units)	Vacancies 0
	Occupied 100.0%		
			Floors 1,2
			Quality Rating B
			Waiting List 40 households
8 Shady Moss Townhomes			
	Address 1705 Shady Moss Ct. Conway, SC 29526	Phone (843) 397-5141 (Contact in person)	Total Units 46
	Year Built 1983 Renovated 2003 Contact Christy	Comments RD 515, has RA (25 units)	Vacancies 0
	Occupied 100.0%		
			Floors 2
			Quality Rating B-
			Waiting List 5 households
9 Campuswalk			
	Address 1512 Hicks Cir. Conway, SC 29526	Phone (843) 222-8776 (Contact in person)	Total Units 87
	Year Built 1999 Contact Monica	Comments Higher rent units for furnished units; Add'l units opened in 2012	Vacancies 2
	Occupied 97.7%		
			Floors 3
			Quality Rating A-
			Waiting List None
10 North Oaks Apts.			
	Address 2501 Oak St. Ext. Conway, SC 29526	Phone (843) 248-9191 (Contact in person)	Total Units 44
	Year Built 1989 Renovated 2009 Contact Christy	Comments 60% AMHI; RD 515, has RA (22 units); Two handicap units have E-call buttons; Square footage estimated	Vacancies 2
	Occupied 95.5%		
			Floors 1,2
			Quality Rating C
			Waiting List None

Project Type

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

Survey Date: December 2015

COLLECTED RENTS - CONWAY, SOUTH CAROLINA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
1				\$529 to \$681	\$591 to \$754				
3		\$450	\$550	\$600					
4			\$489 to \$511	\$560 to \$701					
5			\$450 to \$560	\$500 to \$600					
6			\$502 to \$650	\$577 to \$750					
9			\$1230 to \$1310						

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

Survey Date: December 2015

PRICE PER SQUARE FOOT - CONWAY, SOUTH CAROLINA

ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
3	Patriots Place	1	651	\$567	\$0.87
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
3	Patriots Place	1	840	\$696	\$0.83
9	Campuswalk	2	1106	\$1190 to \$1270	\$1.08 to \$1.15
6	Cornerstone Commons	2	1080	\$679 to \$827	\$0.63 to \$0.77
4	New Legacy	2	1080	\$648 to \$670	\$0.60 to \$0.62
5	Crabtree Commons	2	974	\$650 to \$760	\$0.67 to \$0.78
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
3	Patriots Place	1	931	\$772	\$0.83
6	Cornerstone Commons	2	1323	\$787 to \$960	\$0.59 to \$0.73
1	Bell's Bay Landing	2	1151	\$718 to \$870	\$0.62 to \$0.76
4	New Legacy	2	1323	\$749 to \$890	\$0.57 to \$0.67
5	Crabtree Commons	2	1190	\$733 to \$833	\$0.62 to \$0.70
FOUR+ BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
1	Bell's Bay Landing	2	1353	\$827 to \$990	\$0.61 to \$0.73

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

Survey Date: December 2015

AVERAGE GROSS RENT PER SQUARE FOOT - CONWAY, SOUTH CAROLINA

MARKET-RATE			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.87	\$0.98	\$0.77
TOWNHOUSE	\$0.00	\$0.00	\$0.00

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.00	\$0.67	\$0.65
TOWNHOUSE	\$0.00	\$0.00	\$0.00

COMBINED			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.87	\$0.86	\$0.68
TOWNHOUSE	\$0.00	\$0.00	\$0.00

TAX CREDIT UNITS - CONWAY, SOUTH CAROLINA

ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
10	North Oaks Apts.	12	708	1	60%	\$461 - \$500
2	Blackwater Cove	10	670	1	50%	\$549 - \$679
TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
5	Crabtree Commons	8	974	2	50%	\$450
4	New Legacy	9	1080	2	50%	\$489
6	Cornerstone Commons	13	1080	2	50%	\$502
4	New Legacy	33	1080	2	60%	\$511
10	North Oaks Apts.	32	1056	1	60%	\$547 - \$586
5	Crabtree Commons	16	974	2	60%	\$560
6	Cornerstone Commons	15	1080	2	60%	\$603
2	Blackwater Cove	20	727	1	50%	\$644 - \$769
THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
5	Crabtree Commons	4	1190	2	50%	\$500
1	Bell's Bay Landing	39	1151	2	50%	\$529
4	New Legacy	9	1323	2	50%	\$560
6	Cornerstone Commons	12	1323	2	50%	\$577
5	Crabtree Commons	20	1190	2	60%	\$600
6	Cornerstone Commons	20	1323	2	60%	\$663
1	Bell's Bay Landing	9	1151	2	60%	\$681
4	New Legacy	39	1323	2	60%	\$701
FOUR-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
1	Bell's Bay Landing	10	1353	2	50%	\$591
1	Bell's Bay Landing	2	1353	2	60%	\$754

QUALITY RATING - CONWAY, SOUTH CAROLINA

MARKET-RATE PROJECTS AND UNITS

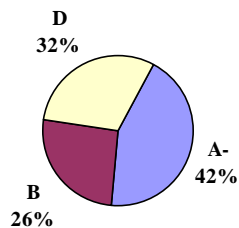
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A-	1	87	2.3%			\$1,190		
B	1	52	0.0%			\$827	\$960	
D	1	64	4.7%		\$567	\$696	\$772	

TAX CREDIT (NON-SUBSIDIZED) PROJECTS AND UNITS

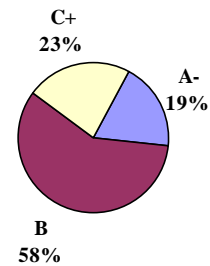
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A-	1	48	0.0%			\$760	\$833	
B	2	150	0.0%			\$670	\$873	
C+	1	60	0.0%				\$718	\$827

DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



YEAR BUILT - CONWAY, SOUTH CAROLINA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	0	0	0	0.0%	0	0.0%
1980 to 1989	1	64	3	4.7%	64	13.9%
1990 to 1999	3	289	2	0.7%	353	62.7%
2000 to 2005	1	60	0	0.0%	413	13.0%
2006	0	0	0	0.0%	413	0.0%
2007	0	0	0	0.0%	413	0.0%
2008	1	48	0	0.0%	461	10.4%
2009	0	0	0	0.0%	461	0.0%
2010	0	0	0	0.0%	461	0.0%
2011	0	0	0	0.0%	461	0.0%
2012	0	0	0	0.0%	461	0.0%
2013	0	0	0	0.0%	461	0.0%
2014	0	0	0	0.0%	461	0.0%
2015**	0	0	0	0.0%	461	0.0%
TOTAL	6	461	5	1.1%	461	100.0 %

YEAR RENOVATED - CONWAY, SOUTH CAROLINA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	0	0	0	0.0%	0	0.0%
1980 to 1989	0	0	0	0.0%	0	0.0%
1990 to 1999	0	0	0	0.0%	0	0.0%
2000 to 2005	0	0	0	0.0%	0	0.0%
2006	0	0	0	0.0%	0	0.0%
2007	0	0	0	0.0%	0	0.0%
2008	0	0	0	0.0%	0	0.0%
2009	0	0	0	0.0%	0	0.0%
2010	0	0	0	0.0%	0	0.0%
2011	1	90	0	0.0%	90	44.6%
2012	1	112	0	0.0%	202	55.4%
2013	0	0	0	0.0%	202	0.0%
2014	0	0	0	0.0%	202	0.0%
2015**	0	0	0	0.0%	202	0.0%
TOTAL	2	202	0	0.0%	202	100.0 %

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

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

** As of December 2015

APPLIANCES AND UNIT AMENITIES - CONWAY, SOUTH CAROLINA

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	6	100.0%	461
REFRIGERATOR	6	100.0%	461
ICEMAKER	4	66.7%	337
DISHWASHER	6	100.0%	461
DISPOSAL	5	83.3%	413
MICROWAVE	3	50.0%	225
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	6	100.0%	461
AC - WINDOW	0	0.0%	
FLOOR COVERING	6	100.0%	461
WASHER/DRYER	1	16.7%	87
WASHER/DRYER HOOK-UP	5	83.3%	397
PATIO/DECK/BALCONY	5	83.3%	397
CEILING FAN	4	66.7%	337
FIREPLACE	0	0.0%	
BASEMENT	0	0.0%	
INTERCOM SYSTEM	0	0.0%	
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	6	100.0%	461
FURNISHED UNITS	1	16.7%	87
E-CALL BUTTON	0	0.0%	

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

PROJECT AMENITIES - CONWAY, SOUTH CAROLINA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	2	33.3%	147
ON-SITE MANAGEMENT	6	100.0%	461
LAUNDRY	5	83.3%	374
CLUB HOUSE	0	0.0%	
MEETING ROOM	4	66.7%	310
FITNESS CENTER	1	16.7%	48
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	5	83.3%	374
COMPUTER LAB	0	0.0%	
SPORTS COURT	0	0.0%	
STORAGE	0	0.0%	
LAKE	0	0.0%	
ELEVATOR	0	0.0%	
SECURITY GATE	0	0.0%	
BUSINESS CENTER	2	33.3%	177
CAR WASH AREA	0	0.0%	
PICNIC AREA	2	33.3%	112
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	0	0.0%	

DISTRIBUTION OF UTILITIES - CONWAY, SOUTH CAROLINA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
LANDLORD			
ELECTRIC	1	87	13.9%
TENANT			
ELECTRIC	9	538	86.1%
			100.0%
COOKING FUEL			
LANDLORD			
ELECTRIC	1	87	13.9%
TENANT			
ELECTRIC	9	538	86.1%
			100.0%
HOT WATER			
LANDLORD			
ELECTRIC	1	87	13.9%
TENANT			
ELECTRIC	7	388	62.1%
GAS	2	150	24.0%
			100.0%
ELECTRIC			
LANDLORD	1	87	13.9%
TENANT	9	538	86.1%
			100.0%
WATER			
LANDLORD	5	271	43.4%
TENANT	5	354	56.6%
			100.0%
SEWER			
LANDLORD	5	271	43.4%
TENANT	5	354	56.6%
TRASH PICK-UP			
LANDLORD	9	577	92.3%
TENANT	1	48	7.7%
			100.0%

UTILITY ALLOWANCE - CONWAY, SOUTH CAROLINA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	\$11	\$18		\$8	\$11	\$22	\$5	\$7	\$40	\$7	\$14	\$23	\$20
1	GARDEN	\$12	\$25		\$11	\$16	\$30	\$7	\$10	\$52	\$7	\$17	\$23	\$20
1	TOWNHOUSE	\$12	\$25		\$11	\$16	\$30	\$7	\$10	\$52	\$7	\$17	\$23	\$20
2	GARDEN	\$15	\$31		\$14	\$20	\$38	\$8	\$12	\$65	\$9	\$22	\$23	\$20
2	TOWNHOUSE	\$15	\$31		\$14	\$20	\$38	\$8	\$12	\$65	\$9	\$22	\$23	\$20
3	GARDEN	\$19	\$37		\$18	\$25	\$46	\$10	\$15	\$74	\$11	\$27	\$23	\$20
3	TOWNHOUSE	\$19	\$37		\$18	\$25	\$46	\$10	\$15	\$74	\$11	\$27	\$23	\$20
4	GARDEN	\$24	\$46		\$22	\$32	\$57	\$13	\$19	\$91	\$14	\$34	\$23	\$20
4	TOWNHOUSE	\$24	\$46		\$22	\$32	\$57	\$13	\$19	\$91	\$14	\$34	\$23	\$20

SC-City of Myrtle Beach E Horry County (11/2015)

Survey Date: December 2015

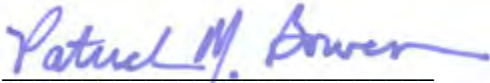


ADDENDUM B – MEMBER CERTIFICATION & CHECKLIST

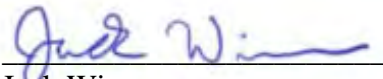
This market study has been prepared by Bowen National Research, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the *Standard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

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Date: February 3, 2016



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Market Analyst
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Date: February 3, 2016

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

ADDENDUM-MARKET STUDY INDEX

A. INTRODUCTION

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

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

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

C. CHECKLIST

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

CHECKLIST (Continued)

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

CHECKLIST (Continued)

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