



BOWEN
NATIONAL
RESEARCH

Market Feasibility Analysis

Hope Springs
827 South Irby Street
Florence, Florence County, South Carolina 29501

Prepared For

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Effective Date

May 5, 2022

Job Reference Number

22-248 JW

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2022 EXHIBIT S-2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:

Development Name:	Hope Springs	Total # Units:	40
Location:	827 S. Irby St., Florence, SC 29501 (Florence County)	# LIHTC Units:	40
PMA Boundary:	Florence County line, McIver Road, and East Ashby Road to the north; North Williston Road, Freedom Boulevard, Becky's Parkway, and South Stadium Road to the east; East Palmetto Street, South McCall Boulevard, Freedom Boulevard, Pamplico Highway, Sally Hill Road, and East Howe Spring Road to the south; and the Florence County line to the west.		
Development Type:	<input checked="" type="checkbox"/> Family	<input type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject: 6.1 miles

RENTAL HOUSING STOCK (found on page H-1 & 15)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	30	2,815	48	98.3%
Market-Rate Housing	17	2,126	48	97.7%
Assisted/Subsidized Housing not to include LIHTC	1	108	0	100.0%
LIHTC (All that are stabilized)*	12	581	0	100.0%
Stabilized Comps**	6	336	0	100.0%
Non-stabilized Comps	0	-	-	-

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

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

Subject Development					HUD Area FMR			Highest Unadjusted Comparable Rent	
Units	Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
2	One	1.0	853	\$115	\$635	\$0.74	81.89%	\$1,200	\$1.41
4	One	1.0	853	\$600	\$635	\$0.74	5.51%	\$1,200	\$1.41
2	Two	1.0	1,030	\$115	\$832	\$0.81	86.18%	\$1,675	\$1.64
15	Two	1.0	1,030	\$700	\$832	\$0.81	15.87%	\$1,675	\$1.64
1	Two	1.0	1,030	\$850	\$832	\$0.81	-2.16%	\$1,675	\$1.64
1	Three	2.0	1,249	\$110	\$1,053	\$0.84	89.55%	\$1,810	\$1.44
15	Three	2.0	1,249	\$775	\$1,053	\$0.84	26.40%	\$1,810	\$1.44
Gross Potential Rent Monthly*				\$25,945	\$35,634		27.19%		

*Market Advantage is calculated using the following formula: Gross HUD FMR (minus) Net Proposed Tenant Rent (divided by) Gross HUD FMR. The calculation should be expressed as a percentage and rounded to two decimal points.

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

	2010	2021		2024	
Renter Households		10,617	38.2%	10,664	37.7%
Income-Qualified Renter HHs (LIHTC)		3,171	29.9%	3,058	28.7%
Income-Qualified Renter HHs (MR)		-	-	-	-

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

Type of Demand	20%	60%	70%	Other: __	Other: __	Overall
Renter Household Growth	-46	-67	-19			-113
Existing Households (Overburd + Substand)	753	782	102			1,535
Homeowner conversion (Seniors)	-	-	-			-
Other:	-	-	-			-
Less Comparable/Competitive Supply	12	138	1			151
Net Income-qualified Renter HHs	695	577	82			1,271

CAPTURE RATES (found on page G-5)

Targeted Population	50%	60%	70%	Other: __	Other: __	Overall
Capture Rate	0.7%	5.9%	1.2%			3.1%

ABSORPTION RATE (found on page G-8)

Absorption Period: < 3 months

2022 S-2 RENT CALCULATION WORKSHEET

# Units	Bedroom Type	Proposed Tenant Paid Rent	Net Proposed Tenant Rent by Bedroom Type	Gross HUD FMR	Gross HUD FMR Total	Tax Credit Gross Rent Advantage
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	1 BR		\$0		\$0	
2	1 BR	\$115	\$230	\$635	\$1,270	
4	1 BR	\$600	\$2,400	\$635	\$2,540	
2	2 BR	\$115	\$230	\$832	\$1,664	
15	2 BR	\$700	\$10,500	\$832	\$12,480	
1	2 BR	\$850	\$850	\$832	\$832	
1	3 BR	\$110	\$110	\$1,053	\$1,053	
15	3 BR	\$775	\$11,625	\$1,053	\$15,795	
	3 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	40		\$25,945		\$35,634	27.19%

B. Project Description

Project Name:	Hope Springs
Location:	827 South Irby Street, Florence, South Carolina 29501 (Florence County)
Census Tract:	12.00
Target Market:	Family
Construction Type:	New Construction
Funding Source:	LIHTC

The subject project involves the new construction of the 40-unit Hope Springs rental community at 827 South Irby Street in Florence, South Carolina. The project will target family (general-occupancy) households earning up to 20%, 60% and 70% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. None of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be complete by October 2024. Additional details of the subject development are summarized as follows:

Proposed Unit Configuration									
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
2	One-Br.	1.0	Garden	853	20%	\$115	\$133	\$248	\$249
4	One-Br.	1.0	Garden	853	60%	\$600	\$133	\$733	\$747
2	Two-Br.	1.0	Garden	1,030	20%	\$115	\$177	\$292	\$299
15	Two-Br.	1.0	Garden	1,030	60%	\$700	\$177	\$877	\$897
1	Two-Br.	1.0	Garden	1,030	70%	\$850	\$177	\$1,027	\$1,046
1	Three-Br.	2.0	Garden	1,249	20%	\$110	\$232	\$342	\$345
15	Three-Br.	2.0	Garden	1,249	60%	\$775	\$232	\$1,007	\$1,036
40	Total								

Source: Connelly Builders, Inc.

AMHI – Area Median Household Income (Florence, SC HUD Metro FMR Area; 2022)

Building/Site Information	
Residential Buildings:	Two (2) two- & three-story buildings
Building Style:	Walk-up
Community Space:	Stand-alone building
Acres:	3.6

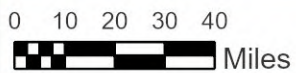
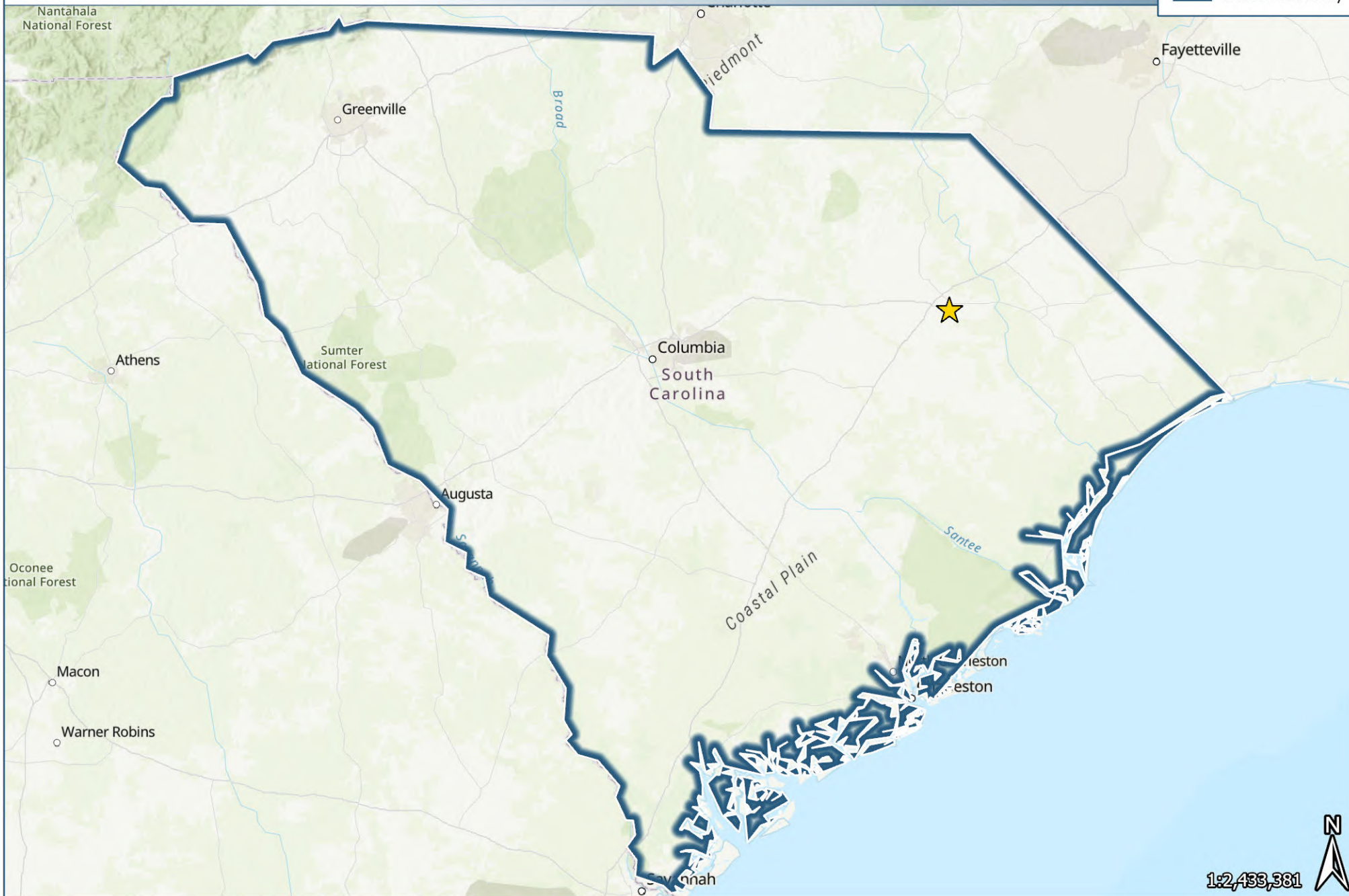
Construction Timeline	
Original Year Built:	Not Applicable
Construction Start:	June 2023
Begin Preleasing:	August 2024
Construction End:	October 2024

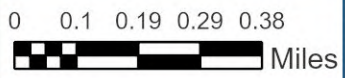
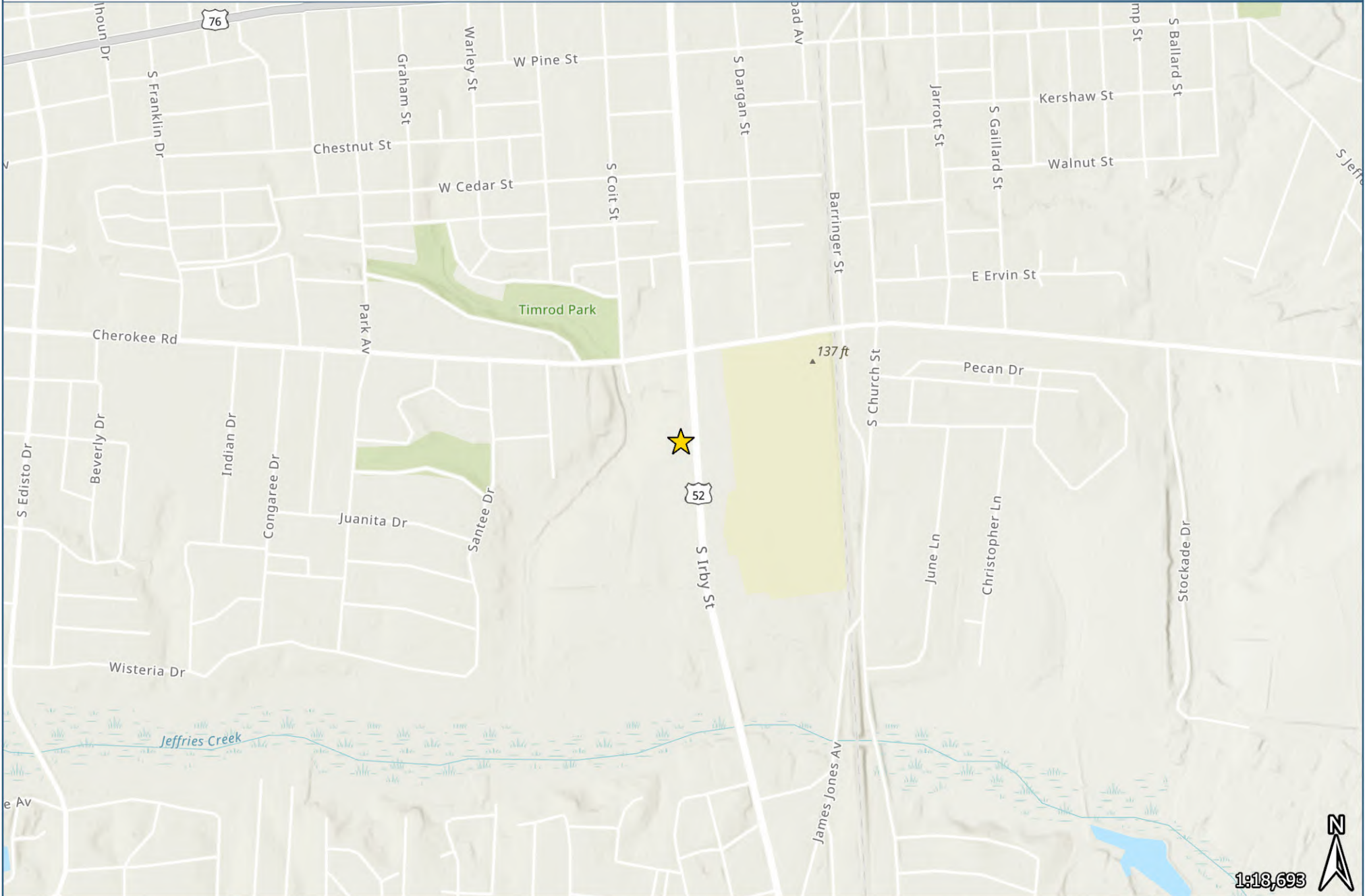
Unit Amenities		
• Electric Range	• Microwave	• Carpet & Composite Flooring
• Refrigerator	• Washer/Dryer Hookups	• Window Blinds
• Garbage Disposal	• Central Air Conditioning	• Patio/Balcony
• Dishwasher	• Walk-In Closet	• Ceiling Fans

Community Amenities		
• Bike Racks/Storage	• Business/Computer Center	• Laundry Room
• On-Site Management	• Clubhouse/Community Room	• Community Kitchen
• Fitness Center	• Playground	• CCTV/Cameras
• Surface Parking Lot (66 Spaces)		

Utility Responsibility							
	Heat	Hot Water	Cooking	General Electric	Cold Water	Sewer	Trash
Paid By	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant	Landlord
Source	Electric	Electric	Electric				

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





C. Site Description and Evaluation

1. SITE INSPECTION DATE

Bowen National Research personally inspected the subject site during the week of April 25, 2022. The following is a summary of our site evaluation, including an analysis of the site's proximity to community services.

2. SITE DESCRIPTION AND SURROUNDING LAND USES

The subject site consists of vacant land located at 827 South Irby Street/U.S. Highway 52 (herein referred to as South Irby Street) in Florence, South Carolina. Located within Florence County, Florence is approximately 61.0 miles northwest of Myrtle Beach, South Carolina and approximately 74.0 miles east of Columbia, South Carolina. Following is a description of surrounding land uses:

North -	Directly north of the site are Da Massimo Ristorante Italiano and Jiffy Lube in fair to good condition. Continuing and extending farther north are various other businesses and restaurants. Directly northwest of the site is Indigo Pointe (Map ID 18), an age-restricted Tax Credit rental community in good condition
East -	The eastern site boundary is defined by South Irby Street, a moderately travelled four-lane roadway with a center turn lane. Continuing east are Flowers Discount Bakery Store and Dollar General. Farther east are the Mt. Hope Cemetery, railroad tracks, wooded land, industrial facilities and residential dwellings.
South -	Directly south of the site is the Hallmark Square shopping center. Continuing south are undeveloped land and the Creekside restaurant. Farther south are additional restaurants, local businesses and residential dwellings. Surrounding structures were observed to be in good condition.
West -	Wooded land defines the western border of the site. Continuing west are the Immanuel Baptist Church and single-family homes in good condition. Single-family homes extend farther west of the site.

The proposed development is within proximity of various business and shopping centers, and the surrounding structures are generally in good condition. Overall, the subject property fits well with the surrounding land uses, which should contribute to its marketability.

3. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	U.S. Highway 52	Adjacent East
	U.S. Highway 76	0.8 North
	State Route 51	1.1 South
	U.S. Highway 301	1.7 Southeast
Public Bus Stop	PDRTA	0.2 North
Major Employers/ Employment Centers	Florence School District 1	0.8 North
	McLeod Regional Medical Center	1.5 Northeast
	Walmart Supercenter	1.8 South
	Carolinas Hospital System	2.5 Northwest
Convenience Store	BP	0.1 North
	B&P Mart	0.5 Northeast
Grocery	Piggly Wiggly	0.2 North
	Aldi	1.7 South
	Walmart Supercenter	1.8 South
Discount Department Store	Dollar General	Adjacent East
	Dollar Tree	0.2 South
	House of Hope Mission Mart	0.3 South
	Walmart Supercenter	1.8 South
Shopping Center/Mall	Hallmark Square	Adjacent South
	South Park	1.1 South
	Florence Mall	2.6 Northwest
Schools: Elementary Middle/Junior High High	Briggs Elementary School	1.5 Southwest
	Williams Middle School	2.4 North
	Advantage Academy	3.6 South
Hospital	McLeod Regional Medical Center	1.5 Northeast
Police	Florence Police Department	1.3 Northwest
Fire	Florence Fire Department Station 1	1.1 Northeast
Post Office	U.S. Post Office	1.4 Northwest
Bank	Wells Fargo Bank	0.7 North
	Synovus Bank	1.4 Northwest
Recreation	Timrod Park	0.6 Northwest
	Lucas Park	1.0 West
	Maple Park Community Center	1.8 Northwest
Gas Station	BP	0.1 North
	Fast Lane	0.5 Northeast
Pharmacy	CVS	0.2 North
	Walgreens	0.2 North
	Well Center Pharmacy	0.5 North
Restaurant	Da Massimo Ristorante Italiano	Adjacent North
	The Shrimper Seafood	< 0.1 Southeast
	BTJ Wings	< 0.1 Southeast
	Jumping J's	0.2 Southeast
Day Care	Florence County First Steps	0.8 Northwest
	Jarrott Street Early Headstart	1.2 Northeast
Community Center	Maple Park Community Center	1.8 Northwest
Library	Florence County Library System	0.8 North

The subject site is within proximity of numerous community services, many of which are accessible within 2.0 miles, including a medical center, public safety services, grocery, convenience stores, gas stations and pharmacies, as well as shopping centers. Additionally, many of these services are within walking distance from the site.

Major employment centers are available within 2.5 miles, and applicable schools are located within 3.6 miles. Public transportation is provided by Pee Dee Regional Transportation Authority (PDRTA), with the nearest stop located 0.2 miles north of the site.

Overall, the site's proximity to community services is 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.

Hope Springs



View of site from the north



View of site from the northeast



View of site from the east



View of site from the south



North view from site



East view from site

Hope Springs



South view from site



West view from site



Northwest view from site



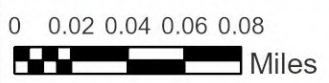
Streetscape: North of South Irby Street



Streetscape: South of South Irby Street

5. SITE AND COMMUNITY SERVICES MAPS

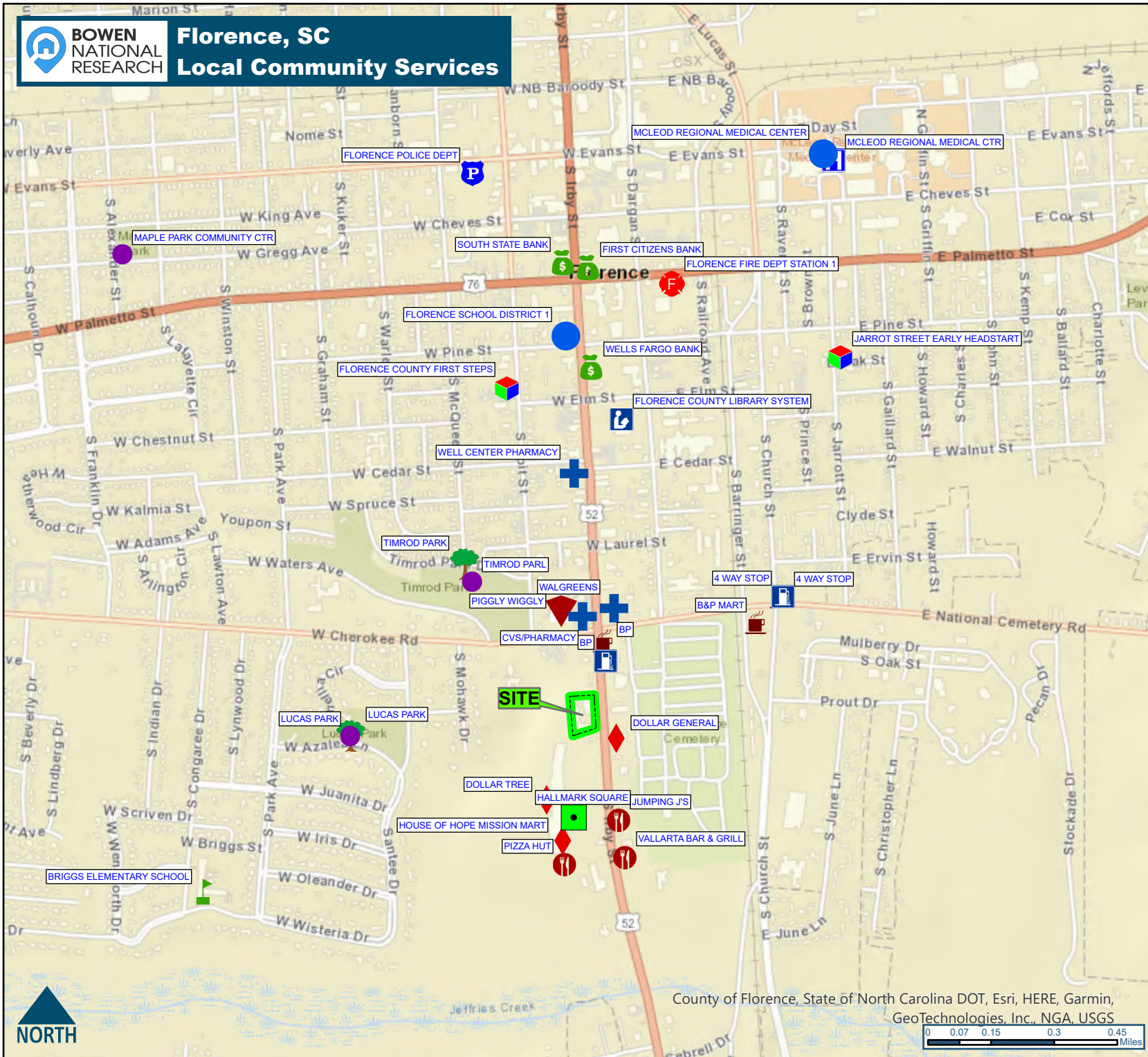
Maps of the subject site and relevant community services follow.





Florence, SC

Local Community Services



Legend

- Site Area
- Bank
- Child Care
- Convenience Store
- Elementary School
- Fire
- Gas
- Grocery
- Hospital
- Library
- Park
- Pharmacy
- Police
- Recreation Center
- Restaurant
- Shopping
- Employer 1000-5000
- Shopping Center



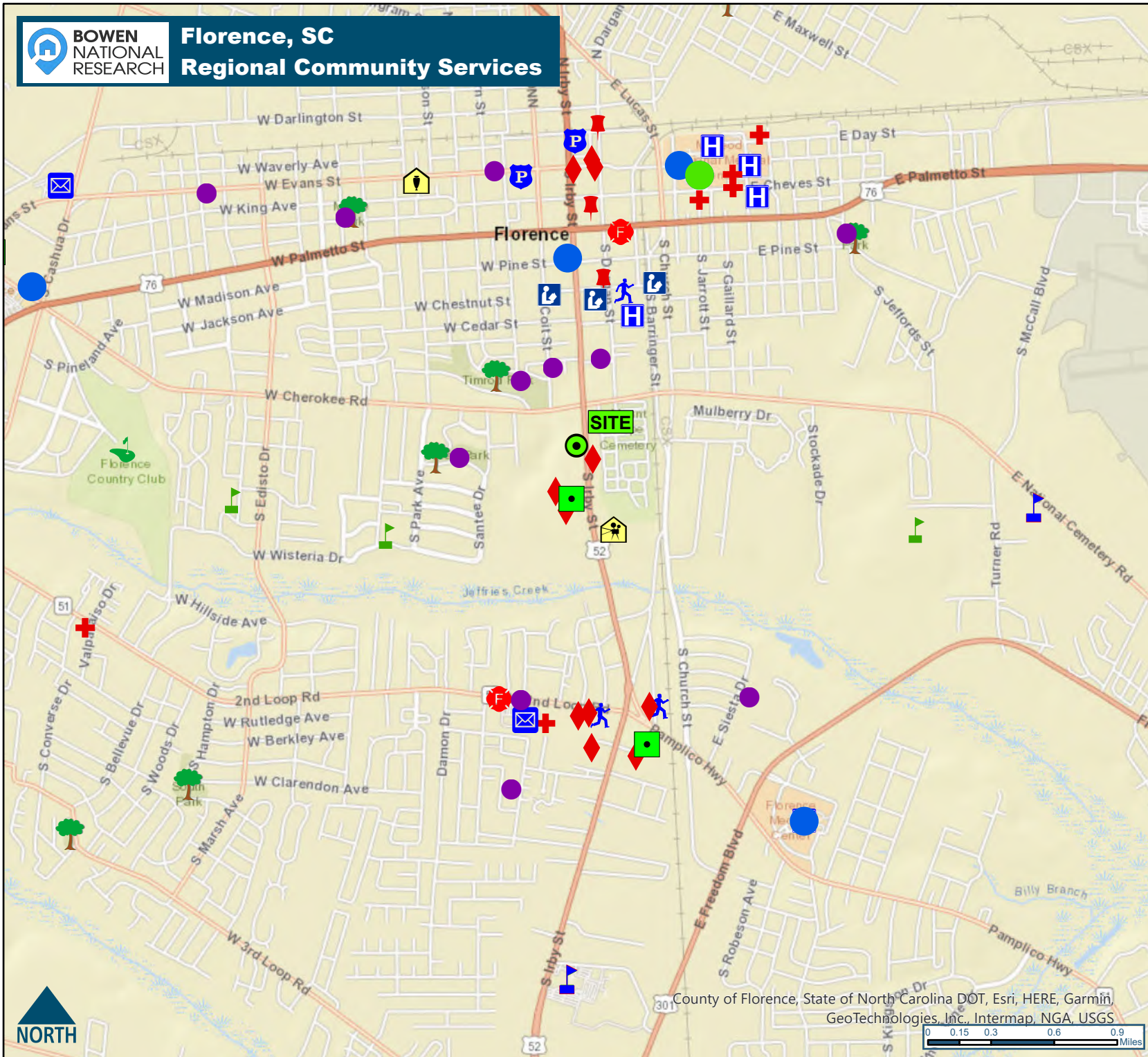
County of Florence, State of North Carolina DOT, Esri, HERE, Garmin, GeoTechnologies, Inc., NGA, USGS



1:20,000



Florence, SC Regional Community Services



Legend

- Site
- Entertainment
- Cinema
- Elementary School
- Fire
- Fitness Center
- Golf
- High School
- Hospital
- Library
- Medical Center
- Middle School
- Museum
- Park
- Police
- Post Office
- Recreation Center
- Shopping
- Employer 1000-5000
- Employer 5000-10000
- Shopping Center



County of Florence, State of North Carolina DOT, Esri, HERE, Garmin, GeoTechnologies, Inc., Intermap, NGA, USGS



1:40,000

6. CRIME ISSUES

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

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

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

Total crime risk for the site's ZIP Code is 187, with an overall personal crime index of 160 and a property crime index of 192. Total crime risk for Florence County is 151, with indexes for personal and property crime of 157 and 150, respectively.

	Crime Risk Index	
	Site ZIP Code	Florence County
Total Crime	187	151
Personal Crime	160	157
Murder	165	174
Rape	97	99
Robbery	106	94
Assault	192	191
Property Crime	192	150
Burglary	184	173
Larceny	201	147
Motor Vehicle Theft	137	125

Source: Applied Geographic Solutions

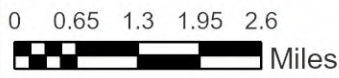
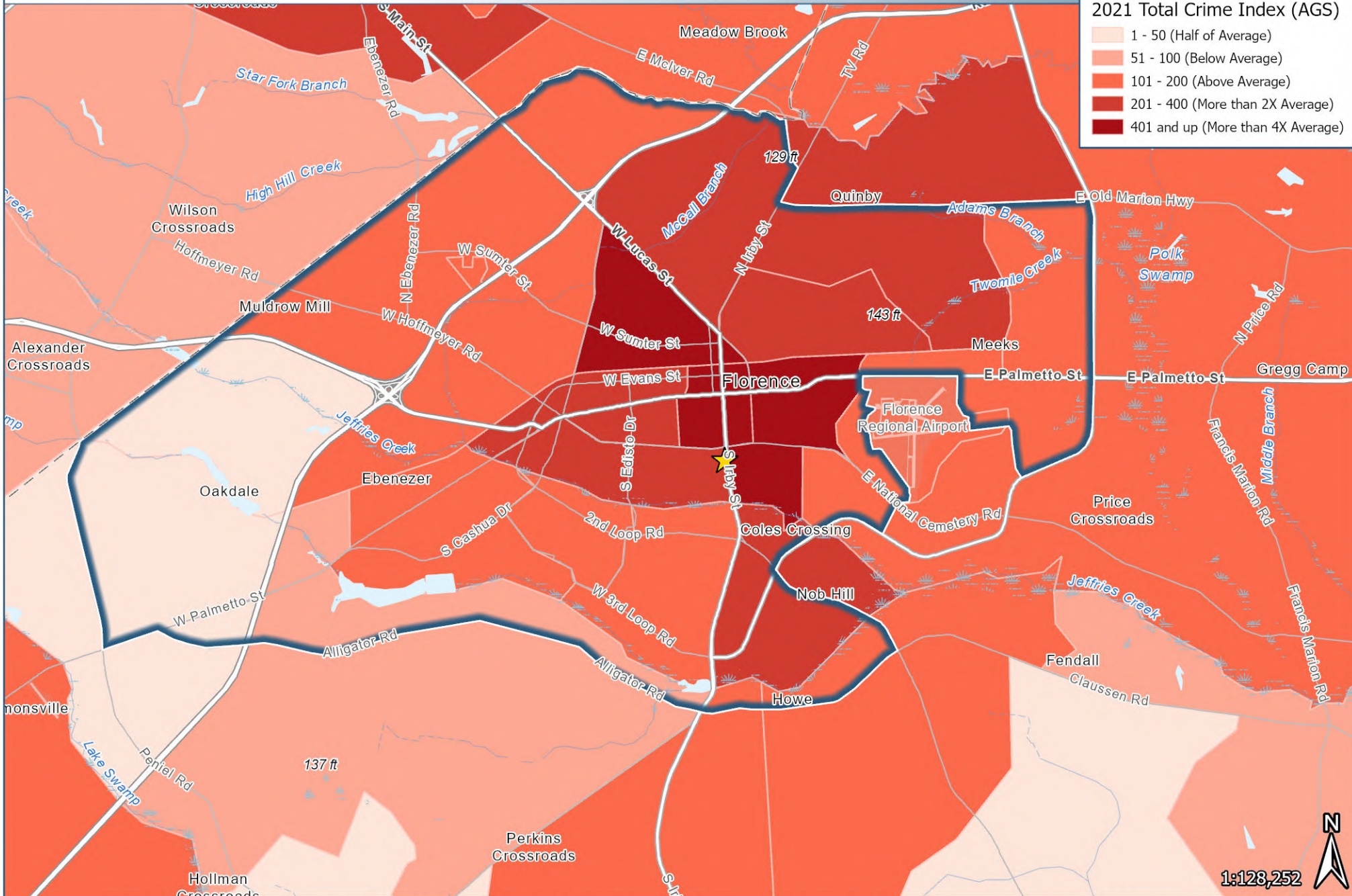
The crime risk index within the subject's ZIP Code (187) is above both those of Florence County (151) and the nation (100). Regardless, nearly all rental properties in the area are reporting high occupancy rates, illustrating that crime has not impacted marketability. In addition, the subject project will include an on-site management office and CCTV/security cameras, features which typically deter crime. As such, the perception of crime within the area is not expected to play a significant role in the subject's marketability.

A map illustrating crime risk is on the following page.

★ Site
 — PMA

2021 Total Crime Index (AGS)

- 1 - 50 (Half of Average)
- 51 - 100 (Below Average)
- 101 - 200 (Above Average)
- 201 - 400 (More than 2X Average)
- 401 and up (More than 4X Average)



7. ACCESS AND VISIBILITY

The site will maintain frontage along and will be clearly visible from South Irby Street, a moderately travelled four-lane commercial corridor with a center turn lane bordering the site to the east. The arterial nature of this roadway provides the site with consistent passerby traffic. Public transportation will also be available through the Pee Dee Regional Transportation Authority (PDRTA), which operates multiple fixed-route bus routes in the area, with several bus stops within proximity of the site along South Irby Street. The site will be clearly visible to persons utilizing this service.

Per the site plan provided by the developer, direct access to the subject site will derive from a currently un-named private road to the north (will be converting to a city road, which will be named Creekview Drive), which ultimately gains access from South Irby Street. While South Irby Street experiences moderate traffic patterns, as noted, a center turn lane exists on this roadway, which will mitigate any significant traffic delays upon ingress and egress. Clear lines of sight are provided in both directions of travel. Additionally, the site is within 1.7 miles of State Route 51 and U.S. Highways 52, 76 and 301. Overall, access to and from the site is considered good.

8. VISIBLE OR ENVIRONMENTAL ISSUES

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

9. OVERALL SITE CONCLUSIONS

The subject site consists of vacant land located within a predominantly developed area of Florence. Surrounding land uses consist primarily of local businesses and restaurants in good condition. Visibility and access are considered very good, given the site's position along South Irby Street, proximity to arterial roadways and the availability of public transportation provided by PDRTA. The site is also within proximity of numerous community services, many of which are located within 1.0 mile and/or along South Irby Street. Notably, a grocery store, pharmacies, a gas station, and numerous restaurants are within walking distance of the site. Overall, the subject site location is considered conducive to affordable multifamily rental product and will 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 Florence 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 Florence Site PMA includes the majority of Florence, southern portions of Quinby and the surrounding unincorporated areas of Florence County. The boundaries of the Site PMA include the Florence County line, McIver Road, and East Ashby Road to the north; North Williston Road, Freedom Boulevard, Becky’s Parkway, and South Stadium Road to the east; East Palmetto Street, South McCall Boulevard, Freedom Boulevard, Pamplico Highway, Sally Hill Road, and East Howe Spring Road to the south; and the Florence County line to the west. All boundaries of the Site PMA are generally within approximately 6.0 miles from the site. The Site PMA includes all of, or portions of, the following Census Tracts:

1.01	1.02	2.01	2.02	3.00
4.00	5.02	6.00	7.00	8.00
9.00	10.00	11.00	12.00*	13.00
14.00	15.03	15.04	15.05	16.01
113.01	9801.00			

*Subject site location

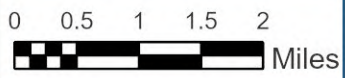
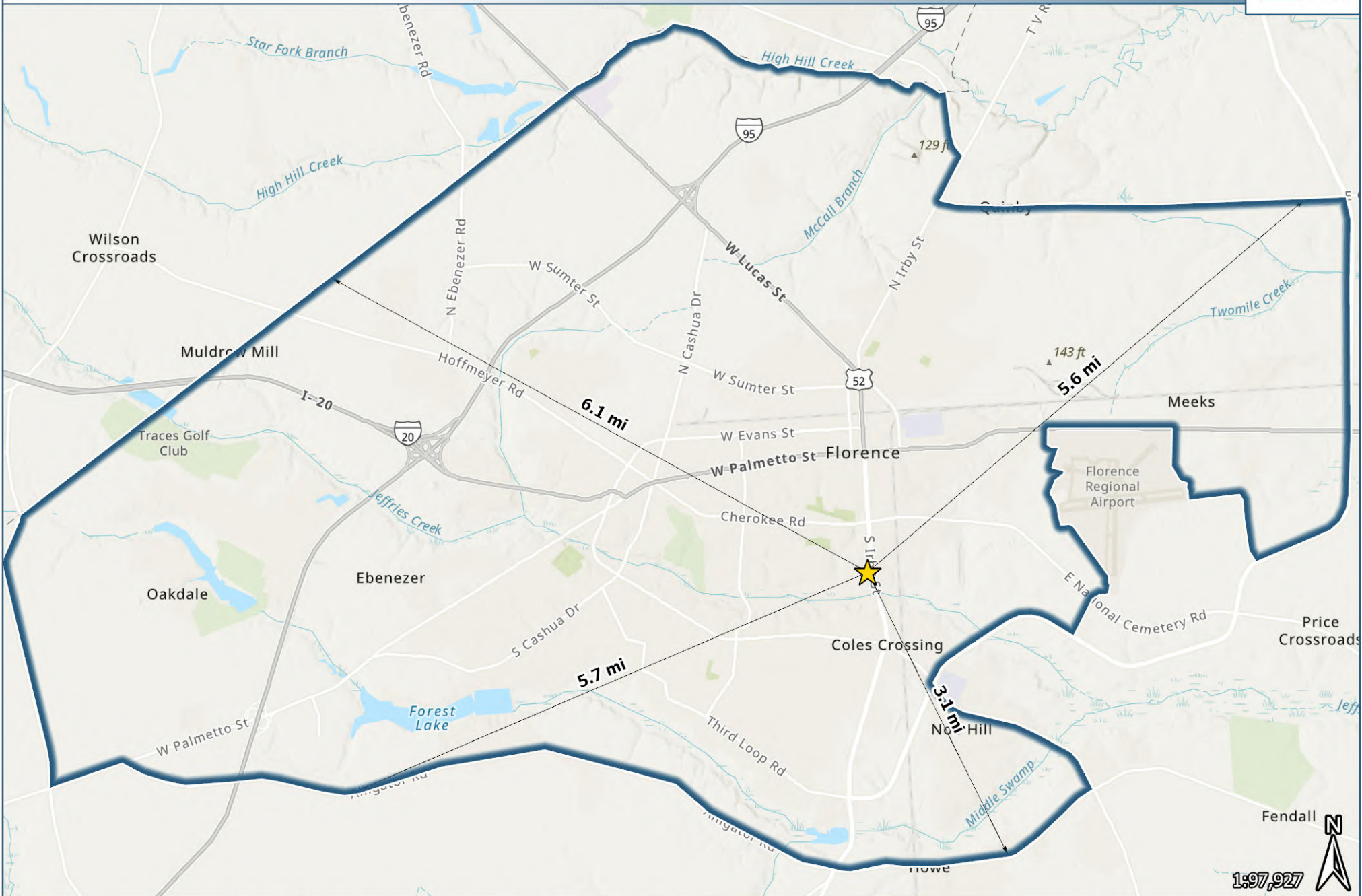
Keebie Wallace, Property Manager of Attwood Pointe Apartments (Map ID 1), a Tax Credit property located in the southern portion of the PMA, confirmed the Site PMA, stating that nearly all of her property’s tenants are from Florence.

Jerrick Brown, Leasing Manager at Cambridge Court Apartments (Map ID 5), a Tax Credit property in the central portion of the Site PMA, also confirmed the boundaries of the Site PMA, stating that local residents tend to stay within the city of Florence. Mr. Brown noted that the availability of public transit and the proximity of several major employers tends to keep tenants in the area, as opposed to the outlying rural areas of Florence County.

Shamonte Mack, Property Manager of Lakota Crossing (Map ID 20), a Tax Credit property located in the southern portion of the Site PMA, explained that most of her property’s tenants are from Florence, confirming the Site PMA.

A small portion of support may originate from some of the outlying areas 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.



E. Market Area Economy

1. EMPLOYMENT BY INDUSTRY

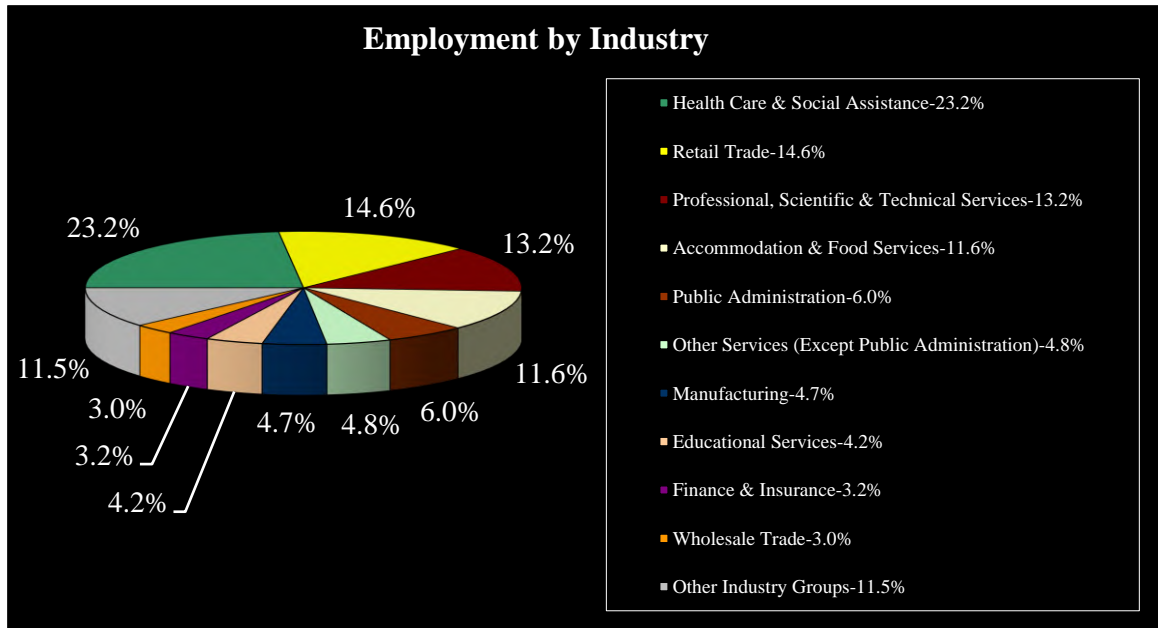
The labor force within the Florence Site PMA is based primarily in four sectors. Health Care & Social Assistance (which comprises 23.2%), Retail Trade, Professional, Scientific & Technical Services and Accommodation & Food Services comprise nearly 63% of the Site PMA labor force. Employment in the Florence Site PMA, as of 2021, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	5	0.2%	31	0.1%	6.2
Mining	2	0.1%	9	0.0%	4.5
Utilities	5	0.2%	252	0.5%	50.4
Construction	127	3.9%	1,182	2.4%	9.3
Manufacturing	94	2.9%	2,340	4.7%	24.9
Wholesale Trade	110	3.3%	1,491	3.0%	13.6
Retail Trade	614	18.7%	7,252	14.6%	11.8
Transportation & Warehousing	45	1.4%	598	1.2%	13.3
Information	49	1.5%	1,163	2.3%	23.7
Finance & Insurance	251	7.6%	1,582	3.2%	6.3
Real Estate & Rental & Leasing	154	4.7%	809	1.6%	5.3
Professional, Scientific & Technical Services	235	7.1%	6,517	13.2%	27.7
Management of Companies & Enterprises	5	0.2%	81	0.2%	16.2
Administrative, Support, Waste Management & Remediation Services	96	2.9%	1,081	2.2%	11.3
Educational Services	60	1.8%	2,094	4.2%	34.9
Health Care & Social Assistance	427	13.0%	11,479	23.2%	26.9
Arts, Entertainment & Recreation	33	1.0%	451	0.9%	13.7
Accommodation & Food Services	270	8.2%	5,727	11.6%	21.2
Other Services (Except Public Administration)	416	12.7%	2,370	4.8%	5.7
Public Administration	153	4.7%	2,966	6.0%	19.4
Nonclassifiable	137	4.2%	63	0.1%	0.5
Total	3,288	100.0%	49,538	100.0%	15.1

*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 Florence Metropolitan Statistical Area (MSA) are compared with those of South Carolina in the following table:

Typical Wage by Occupation Type		
Occupation Type	Florence MSA	South Carolina
Management Occupations	\$99,400	\$103,360
Business and Financial Occupations	\$63,030	\$71,450
Computer and Mathematical Occupations	\$69,980	\$82,100
Architecture and Engineering Occupations	\$79,880	\$80,920
Community and Social Service Occupations	\$40,280	\$44,570
Art, Design, Entertainment and Sports Medicine Occupations	\$44,030	\$49,200
Healthcare Practitioners and Technical Occupations	\$75,420	\$80,470
Healthcare Support Occupations	\$26,880	\$30,030
Protective Service Occupations	\$41,740	\$41,270
Food Preparation and Serving Related Occupations	\$22,750	\$25,070
Building and Grounds Cleaning and Maintenance Occupations	\$25,250	\$28,120
Personal Care and Service Occupations	\$26,690	\$28,680
Sales and Related Occupations	\$33,710	\$37,650
Office and Administrative Support Occupations	\$37,550	\$38,340
Construction and Extraction Occupations	\$42,730	\$44,460
Installation, Maintenance and Repair Occupations	\$47,130	\$47,180
Production Occupations	\$40,020	\$41,540
Transportation and Moving Occupations	\$34,670	\$35,940

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

Most annual blue-collar salaries range from \$22,750 to \$47,130 within the Florence MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$77,542. It is important to note that most occupational types within the Florence MSA have lower typical wages than the State of South Carolina's typical wages.

3. AREA'S LARGEST EMPLOYERS

The ten largest employers within the Florence area comprise a total of 18,290 employees. These employers are summarized as follows:

Employer Name	Business Type	Total Employed
McLeod Regional Medical Center	Healthcare	8,500
Florence School District 1	Education	1,920
Carolinas Hospital System	Healthcare	1,500
Honda of South Carolina Mfg.	Manufacturer	1,400
Assurant	Insurance	940
Nan Ya Plastics Corporation	Manufacturer	918
TRICARE (Blue Cross Blue Shield) PGBA	Insurance	800
McCall Farms	Food Service Products	800*
Florence County	Public - Government	792
Ruiz Foods	Food Service Products	720
Total		18,290

Source: Florence County Economic Development Partnership (April 2018)

*Seasonally grows to 1,400

Despite multiple attempts, we were unable to receive a response from local economic development representatives regarding the current status of the local economy and/or recent or ongoing economic development activity at the time this report was issued. The following was obtained via extensive online research:

- Innovative Construction Group announced plans to establish operations in Florence in December 2021. The development will create 179 jobs and is expected to be completed in mid-2022.
- The Cheney Brothers, a broadline food distribution company, announced in February 2022 that they would be constructing a \$66 million distribution center in Florence County. The investment will create 280 new jobs. It was unknown at the time this report was issued when construction would be completed.
- A development was approved in March 2022 called “Project Fig” in which the details have not yet been made public. The project will represent a \$10 million investment from an unnamed company, who plans to create 402 jobs in the Florence area.

Infrastructure

Project Name	Scope of Work	Status	Investment
Timmonsville Sanitary Sewer Rehabilitation Phase II	Project by city of Florence and AECOM; Sanitary sewer system improvements; Repairing and replacing aging infrastructure.	Broke ground in March 2022; ECD September 2022	\$1,254,000
McCown Tank Rehabilitation Construction	Project by AECOM; Replacing tank components, handrails, and piping; Upgrading water system infrastructure	Broke ground in March 2022; ECD July 2022	\$490,000

ECD – Estimated Completion Date

WARN (layoff notices)

WARN Notices were reviewed in May 2022 and according to the South Carolina Works, there has been one WARN notice reported for Florence County over the past 12 months. Below is a table summarizing this notice:

Company	Location	Jobs	Notice Date
Central Freight Lines	Florence	7	12/17/2021

COVID-19 Vaccination Rates

The following summarizes COVID-19 vaccination rates for Florence County, the state of South Carolina, and the United States as of May 2022:

Vaccination Status	Vaccination Rates as of May 2022		
	Florence County	South Carolina	United States
Fully Vaccinated (% of Total Population)	55.2%	57.0%	66.2%
Booster (% of Total Vaccinated)	40.0%	40.0%	45.9%

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.

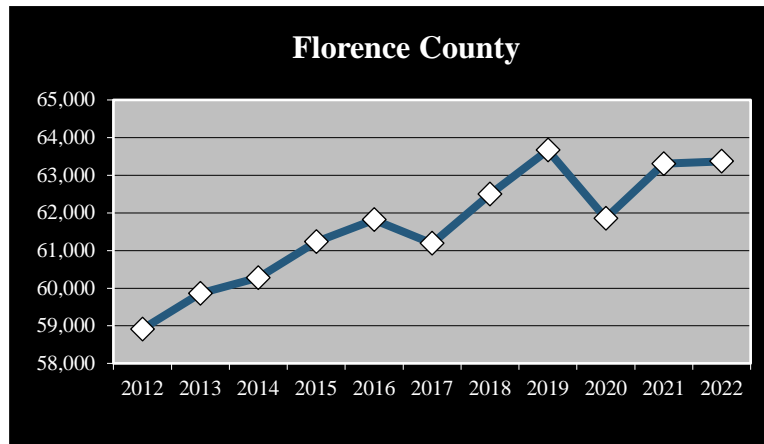
Excluding 2022, the employment base has increased by 3.5% over the past five years in Florence County, less than the South Carolina state increase of 4.8%. Total employment reflects the number of employed persons who live within the county.

The table on the following page illustrates the total employment base for Florence County, South Carolina and the United States.

Year	Total Employment					
	Florence County		South Carolina		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2012	58,914	-	1,992,957	-	143,548,588	-
2013	59,864	1.6%	2,034,404	2.1%	144,904,568	0.9%
2014	60,279	0.7%	2,082,941	2.4%	147,293,817	1.6%
2015	61,234	1.6%	2,134,087	2.5%	149,540,791	1.5%
2016	61,817	1.0%	2,174,301	1.9%	151,934,228	1.6%
2017	61,190	-1.0%	2,166,708	-0.3%	154,721,780	1.8%
2018	62,498	2.1%	2,202,377	1.6%	156,709,685	1.3%
2019	63,668	1.9%	2,256,313	2.4%	158,806,263	1.3%
2020	61,858	-2.8%	2,191,331	-2.9%	149,192,714	-6.1%
2021	63,305	2.3%	2,269,813	3.6%	154,178,982	3.3%
2022*	63,371	0.1%	2,298,074	1.2%	157,420,669	2.1%

Source: Department of Labor; Bureau of Labor Statistics

*Through March

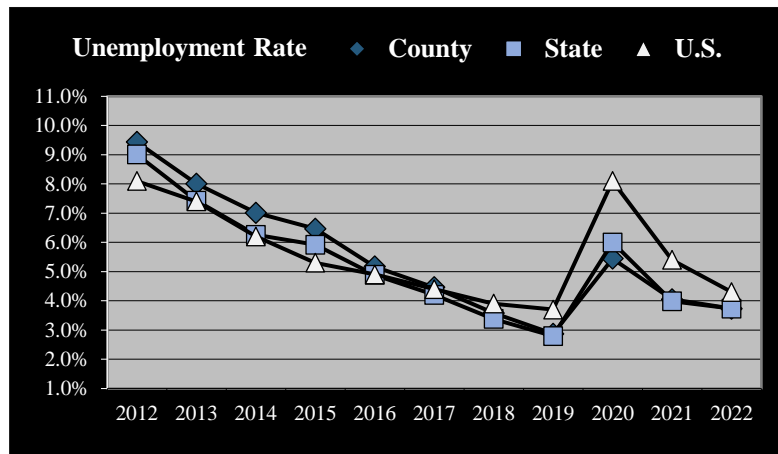


As the preceding illustrates, the Florence County employment base generally experienced growth between 2012 and 2019. Between 2019 and 2020, the county's employment base declined by 2.8% as the result of the COVID-19 pandemic. On a positive note, the county's economy has improved thus far through March of 2022, as its employment base increased by 2.4%.

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

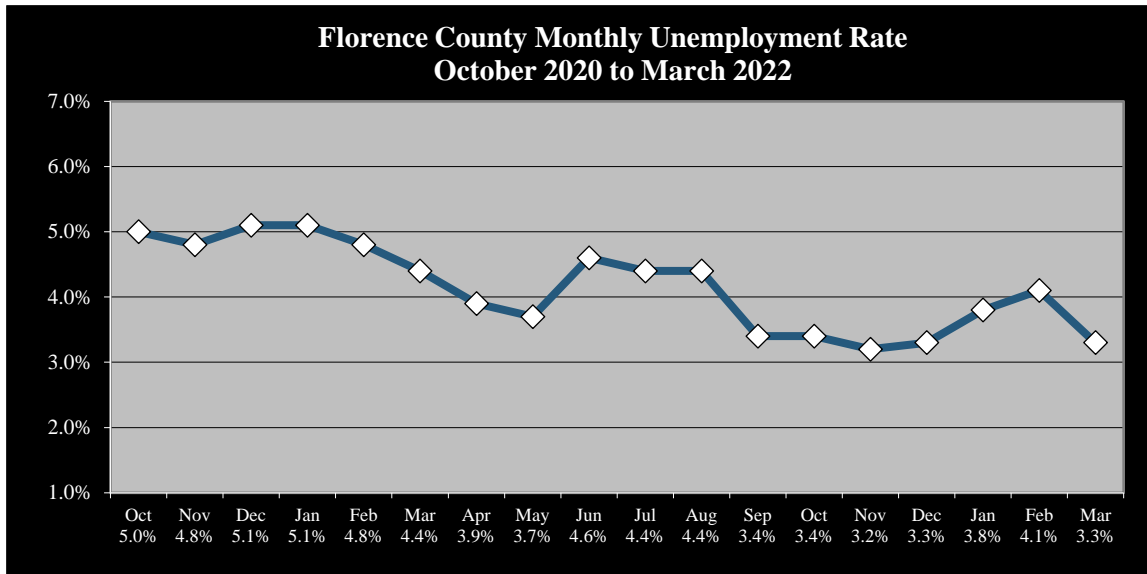
Year	Unemployment					
	Florence County		South Carolina		United States	
	Total Number	Percent	Total Number	Percent	Total Number	Percent
2012	6,144	9.4%	197,246	9.0%	12,683,816	8.1%
2013	5,232	8.0%	163,472	7.4%	11,624,030	7.4%
2014	4,550	7.0%	139,485	6.3%	9,774,435	6.2%
2015	4,236	6.5%	133,750	5.9%	8,419,872	5.3%
2016	3,363	5.2%	111,753	4.9%	7,857,015	4.9%
2017	2,853	4.5%	95,058	4.2%	7,119,353	4.4%
2018	2,315	3.6%	77,054	3.4%	6,411,465	3.9%
2019	1,879	2.9%	64,876	2.8%	6,100,479	3.7%
2020	3,551	5.4%	139,532	6.0%	13,122,634	8.1%
2021	2,676	4.1%	94,553	4.0%	8,751,466	5.4%
2022*	2,470	3.7%	89,190	3.7%	7,069,933	4.3%

Source: Department of Labor; Bureau of Labor Statistics
 *Through March



Between 2012 and 2019, the unemployment rate within Florence County declined by over six percentage points, then increased by over two percentage points between 2019 and 2020 as the result of the COVID-19 pandemic. Similar to employment trends, the unemployment rate within the county has improved thus far in 2022, which has declined by nearly two percentage points.

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



As the preceding table illustrates, the *monthly* unemployment rate within Florence County has generally trended downward within the preceding 18-month period.

The following table illustrates the county’s monthly unemployment rate since January 2020:

Monthly Unemployment Rate – Florence County					
Month	Rate	Month	Rate	Month	Rate
2020		2021		2022	
January	3.2%	January	5.1%	January	3.8%
February	3.1%	February	4.8%	February	4.1%
March	3.5%	March	4.4%	March	3.3%
April	7.8%	April	3.9%		
May	7.0%	May	3.7%		
June	7.1%	June	4.6%		
July	7.0%	July	4.4%		
August	6.1%	August	4.4%		
September	5.6%	September	3.4%		
October	5.0%	October	3.4%		
November	4.8%	November	3.2%		
December	5.1%	December	3.3%		

Source: Department of Labor, Bureau of Labor Statistics

The *monthly* unemployment rate in the county increased by over four full percentage points between March and April 2020 due to the COVID-19 pandemic. However, monthly unemployment has since declined to a rate of 3.3% through March 2022.

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 Florence County.

In-Place Employment Florence County			
Year	Employment	Change	Percent Change
2011	59,034	-	-
2012	60,082	1,048	1.8%
2013	59,493	-589	-1.0%
2014	60,445	952	1.6%
2015	61,398	953	1.6%
2016	62,254	856	1.4%
2017	62,780	526	0.8%
2018	64,771	1,991	3.2%
2019	66,089	1,318	2.0%
2020	63,507	-2,582	-3.9%
2021*	64,255	748	1.2%

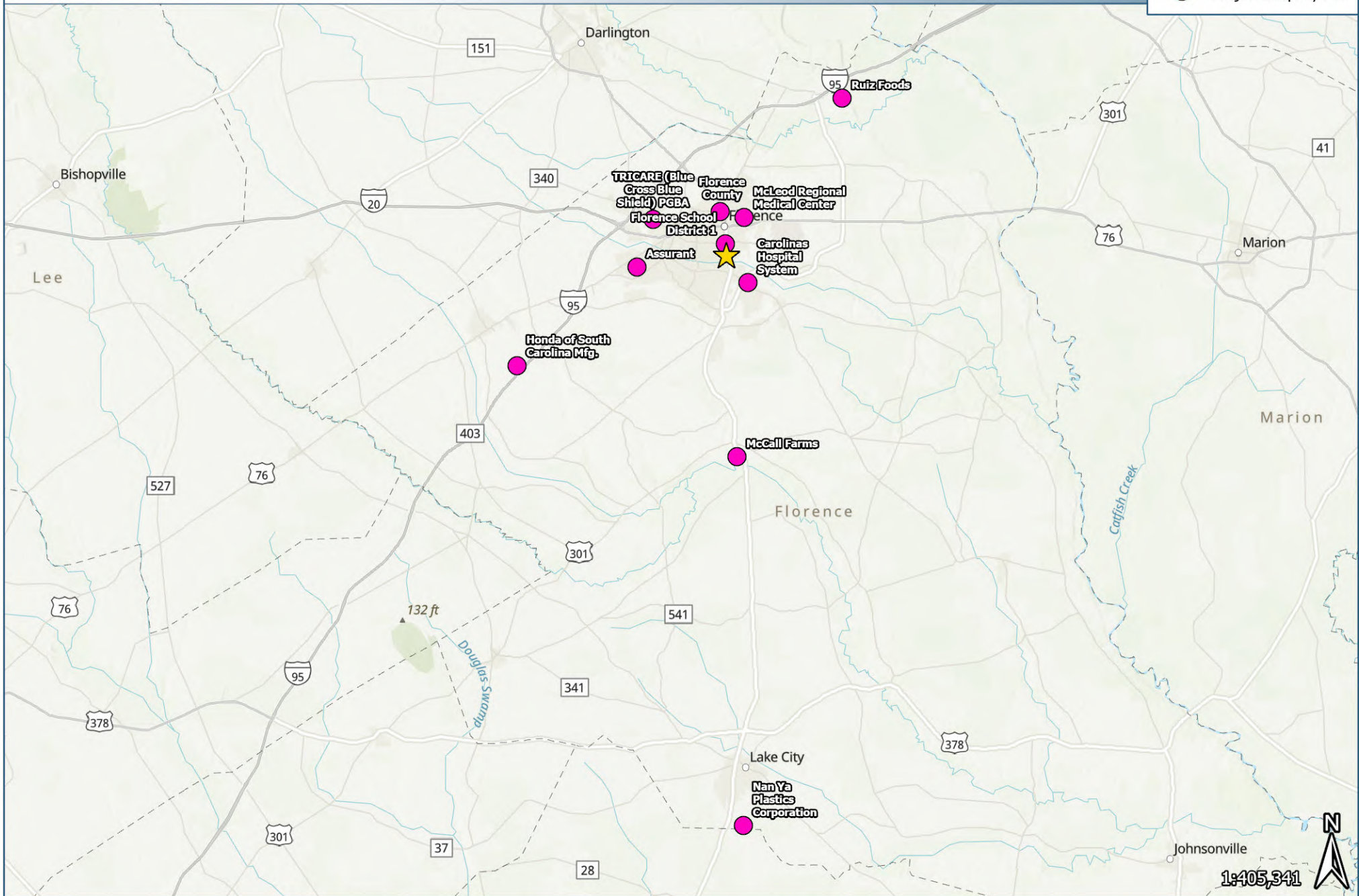
Source: Department of Labor, Bureau of Labor Statistics

*Through September

Data for 2020, the most recent year that year-end figures are available, indicates in-place employment in Florence County to be 102.7% of the total Florence County employment. This means that Florence County has more employed persons coming to the county from other counties for work (daytime employment) than those who both live and work there.

5. **EMPLOYMENT CENTERS MAP**

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



6. COMMUTING PATTERNS

Based on the American Community Survey (2015-2019), 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	26,633	85.4%
Carpooled	2,276	7.3%
Public Transit	83	0.3%
Walked	188	0.6%
Other Means	489	1.6%
Worked at Home	1,528	4.9%
Total	31,197	100.0%

Source: American Community Survey (2015-2019); ESRI; Urban Decision Group; Bowen National Research

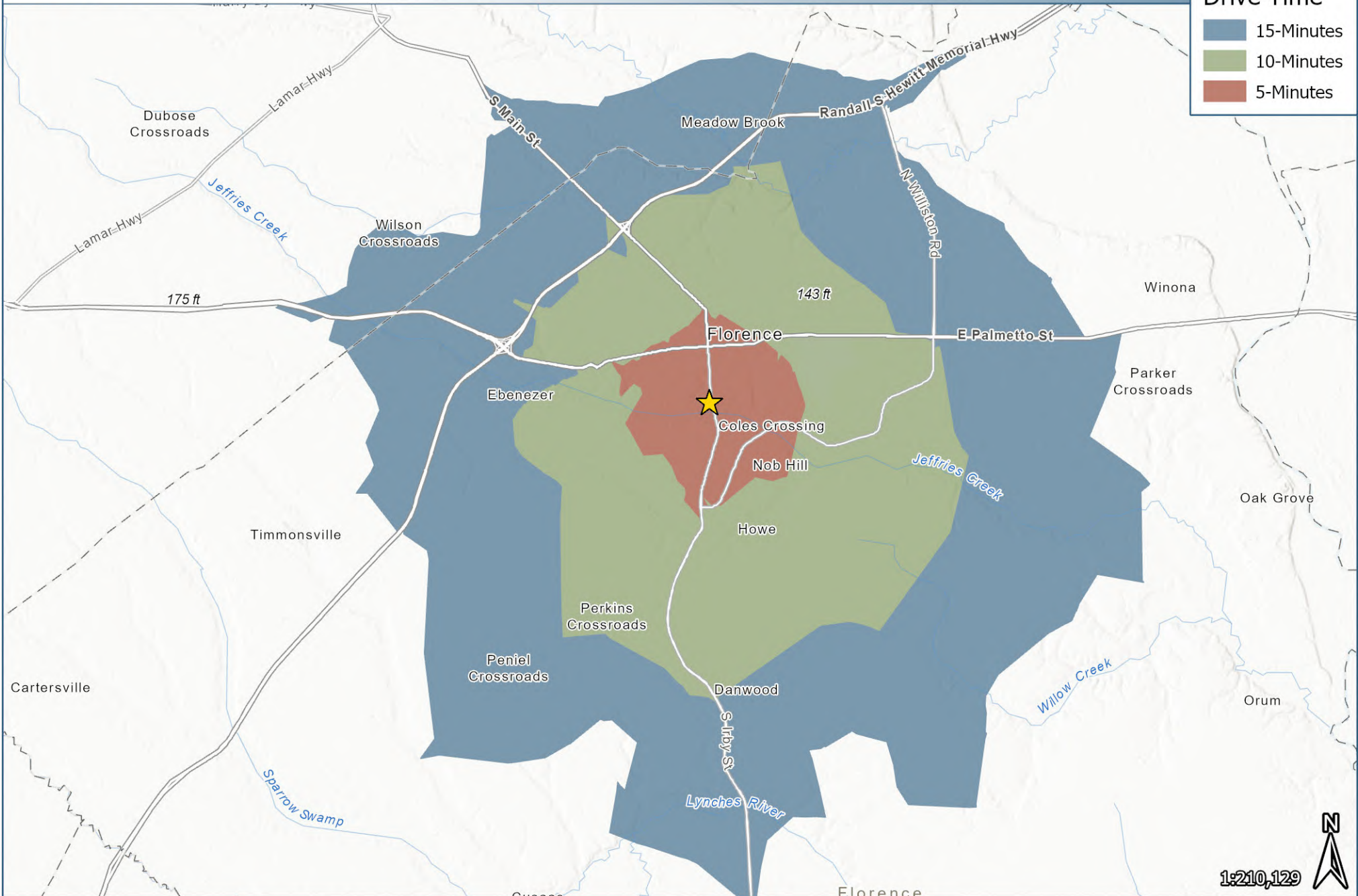
Over 85% of all workers drove alone, 7.3% carpooled and only 0.3% used public transportation.

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	10,398	33.3%
15 to 29 Minutes	13,014	41.7%
30 to 44 Minutes	3,487	11.2%
45 to 59 Minutes	1,222	3.9%
60 or More Minutes	1,547	5.0%
Worked at Home	1,528	4.9%
Total	31,196	100.0%

Source: American Community Survey (2015-2019); 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 15-minute drive to most of the area's largest employers, which should contribute to its marketability. A drive-time map for the subject site is on the following page.



7. ECONOMIC FORECAST AND HOUSING IMPACT

Based on data provided by the State of South Carolina Department of Labor, the local economy generally experienced growth between 2012 and 2019. However, beginning in 2020, the area was negatively impacted by the COVID-19 pandemic, which caused many area businesses to shut down in an attempt to mitigate the spread of the coronavirus. During this time, the Florence County employment base declined by 1,810 jobs, or 2.8%, and its unemployment rate increased by over two percentage points. Specifically, between March and April 2020, the unemployment rate within the county spiked by over four percentage points. On a positive note, the local economy has improved thus far in 2022 (through March), as the employment base experienced growth and the unemployment rate has declined. Nonetheless, several of the businesses impacted include those within the Retail Trade and Accommodation & Food Services sectors, which account for over 26.0% of the market's labor force and provide lower wage paying positions. The subject site will provide a good quality affordable housing option in an economy where lower-wage employees are most vulnerable.

F. Community Demographic Data

The following demographic data relates to the Site PMA. It is important to note that not all 2024 projections quoted in this section agree because of the variety of sources and rounding methods used. In most cases, the differences in the 2024 projections do not vary more than 1.0%.

1. POPULATION TRENDS

a. Total Population

The Site PMA population bases for 2000, 2010, 2021 (estimated) and 2024 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2021 (Estimated)	2024 (Projected)
Population	59,021	65,951	69,205	70,402
Population Change	-	6,930	3,254	1,197
Percent Change	-	11.7%	4.9%	1.7%

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

The Florence Site PMA population base increased by 6,930 between 2000 and 2010. This represents an 11.7% increase from the 2000 population base, or an annual rate of 1.1%. Between 2010 and 2021, the population increased by 3,254, or 4.9%. It is projected that the population will increase by 1,197, or 1.7%, between 2021 and 2024.

Based on the 2010 Census, the population residing in group-quarters is represented by 1.6% of the Site PMA population, as demonstrated in the following table:

	Number	Percent
Population in Group Quarters	1,056	1.6%
Population not in Group Quarters	64,895	98.4%
Total Population	65,951	100.0%

Source: 2010 Census

b. Population by Age Group

The Site PMA population bases by age are summarized below:

Population by Age	2010 (Census)		2021 (Estimated)		2024 (Projected)		Change 2021-2024	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	17,436	26.4%	16,689	24.1%	16,885	24.0%	196	1.2%
20 to 24	4,097	6.2%	3,993	5.8%	3,951	5.6%	-42	-1.1%
25 to 34	8,479	12.9%	9,349	13.5%	9,245	13.1%	-104	-1.1%
35 to 44	8,896	13.5%	8,637	12.5%	8,956	12.7%	319	3.7%
45 to 54	9,397	14.2%	8,612	12.4%	8,651	12.3%	39	0.5%
55 to 64	8,534	12.9%	9,034	13.1%	8,868	12.6%	-166	-1.8%
65 to 74	5,066	7.7%	7,639	11.0%	7,811	11.1%	172	2.2%
75 & Over	4,046	6.1%	5,252	7.6%	6,034	8.6%	782	14.9%
Total	65,951	100.0%	69,205	100.0%	70,402	100.0%	1,197	1.7%

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

As the preceding table illustrates, nearly 52% of the population is expected to be between 25 and 64 years old in 2021. This age group is the primary group of potential support for the subject site and will likely represent a significant number of the tenants.

c. Elderly and Non-Elderly Population

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

d. Special Needs Population

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

2. HOUSEHOLD TRENDS

a. Total Households

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

	Year			
	2000 (Census)	2010 (Census)	2021 (Estimated)	2024 (Projected)
Households	23,063	26,534	27,801	28,269
Household Change	-	3,471	1,267	468
Percent Change	-	15.1%	4.8%	1.7%
Household Size	2.56	2.49	2.45	2.45

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

Within the Florence Site PMA, households increased by 3,471 (15.1%) between 2000 and 2010. Between 2010 and 2021, households increased by 1,267, or 4.8%. By 2024, there will be 28,269 households, an increase of 468 households, or 1.7%, from 2021. This is an increase of approximately 156 households annually over the next three years.

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

Households by Age	2010 (Census)		2021 (Estimated)		2024 (Projected)		Change 2021-2024	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	1,215	4.6%	1,034	3.7%	1,042	3.7%	8	0.8%
25 to 34	4,054	15.3%	4,257	15.3%	4,187	14.8%	-70	-1.6%
35 to 44	4,798	18.1%	4,509	16.2%	4,634	16.4%	125	2.8%
45 to 54	5,364	20.2%	4,679	16.8%	4,674	16.5%	-5	-0.1%
55 to 64	5,167	19.5%	5,229	18.8%	5,104	18.1%	-125	-2.4%
65 to 74	3,354	12.6%	4,798	17.3%	4,866	17.2%	68	1.4%
75 to 84	1,891	7.1%	2,351	8.5%	2,683	9.5%	332	14.1%
85 & Over	691	2.6%	944	3.4%	1,078	3.8%	134	14.2%
Total	26,534	100.0%	27,801	100.0%	28,269	100.0%	468	1.7%

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

Between 2021 and 2024, the greatest growth among household age groups is projected to be among those ages 75 and older. While those under the age of 65 are projected to decline overall during the same time frame, they will still represent over 69.0% of all households within the market in 2024. As such, there will be a larger base of age-appropriate households within the Site PMA to support the subject project.

b. Households by Tenure

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2021 (Estimated)		2024 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	16,624	62.7%	17,184	61.8%	17,605	62.3%
Renter-Occupied	9,910	37.3%	10,617	38.2%	10,664	37.7%
Total	26,534	100.0%	27,801	100.0%	28,269	100.0%

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

As the preceding table illustrates, renter households within the market are projected to increase by 47, or 0.4%, between 2021 and 2024. While nominal, this anticipated growth illustrates that there will likely be an increasing need for rental housing within the Florence Site PMA.

c. Households by Income

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

Household Income	2010 (Census)		2021 (Estimated)		2024 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	2,350	8.9%	2,318	8.3%	2,189	7.7%
\$10,000 to \$19,999	3,472	13.1%	2,580	9.3%	2,396	8.5%
\$20,000 to \$29,999	3,271	12.3%	2,367	8.5%	2,218	7.8%
\$30,000 to \$39,999	3,054	11.5%	2,883	10.4%	2,815	10.0%
\$40,000 to \$49,999	2,718	10.2%	2,574	9.3%	2,464	8.7%
\$50,000 to \$59,999	2,168	8.2%	2,250	8.1%	2,227	7.9%
\$60,000 to \$74,999	2,394	9.0%	2,785	10.0%	2,915	10.3%
\$75,000 to \$99,999	2,852	10.7%	3,385	12.2%	3,606	12.8%
\$100,000 to \$124,999	1,845	7.0%	2,303	8.3%	2,537	9.0%
\$125,000 to \$149,999	1,188	4.5%	1,665	6.0%	1,874	6.6%
\$150,000 to \$199,999	728	2.7%	1,315	4.7%	1,494	5.3%
\$200,000 & Over	494	1.9%	1,376	4.9%	1,534	5.4%
Total	26,534	100.0%	27,801	100.0%	28,269	100.0%
Median Income	\$44,121		\$55,238		\$59,219	

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

In 2010, the median household income was \$44,121. This increased by 25.2% to \$55,238 in 2021. By 2024, it is projected that the median household income will be \$59,219, an increase of 7.2% from 2021.

d. Average Household Size

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

e. Households by Income by Tenure

The following tables illustrate renter household income by household size for 2010, 2021 and 2024 for the Florence Site PMA:

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	545	443	279	187	151	1,605
\$10,000 to \$19,999	775	563	354	237	191	2,120
\$20,000 to \$29,999	545	446	280	188	152	1,610
\$30,000 to \$39,999	402	372	234	157	127	1,291
\$40,000 to \$49,999	320	296	186	125	101	1,029
\$50,000 to \$59,999	172	167	105	70	57	572
\$60,000 to \$74,999	190	184	116	78	63	631
\$75,000 to \$99,999	155	149	94	63	51	511
\$100,000 to \$124,999	77	68	43	29	23	239
\$125,000 to \$149,999	46	44	28	19	15	151
\$150,000 to \$199,999	29	26	16	11	9	90
\$200,000 & Over	19	18	11	7	6	61
Total	3,274	2,776	1,746	1,169	944	9,910

Source: ESRI; Urban Decision Group

Renter Households	2021 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	595	400	252	178	165	1,590
\$10,000 to \$19,999	648	372	235	165	153	1,573
\$20,000 to \$29,999	489	298	188	133	123	1,231
\$30,000 to \$39,999	502	328	207	146	135	1,317
\$40,000 to \$49,999	391	274	173	122	113	1,072
\$50,000 to \$59,999	312	233	147	104	96	891
\$60,000 to \$74,999	384	288	182	128	119	1,102
\$75,000 to \$99,999	265	206	130	92	85	779
\$100,000 to \$124,999	145	110	69	49	45	419
\$125,000 to \$149,999	104	80	50	35	33	302
\$150,000 to \$199,999	59	43	27	19	18	165
\$200,000 & Over	66	44	28	20	18	176
Total	3,960	2,675	1,688	1,191	1,102	10,617

Source: ESRI; Urban Decision Group

Renter Households	2024 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	570	361	230	164	155	1,481
\$10,000 to \$19,999	603	330	210	150	141	1,435
\$20,000 to \$29,999	458	268	171	122	115	1,133
\$30,000 to \$39,999	494	306	195	139	131	1,267
\$40,000 to \$49,999	379	258	164	117	111	1,028
\$50,000 to \$59,999	361	247	158	113	107	986
\$60,000 to \$74,999	471	326	209	149	141	1,296
\$75,000 to \$99,999	284	217	138	99	93	832
\$100,000 to \$124,999	170	130	83	60	56	500
\$125,000 to \$149,999	127	96	61	44	41	370
\$150,000 to \$199,999	57	43	28	20	19	166
\$200,000 & Over	62	43	28	20	19	171
Total	4,036	2,627	1,676	1,197	1,129	10,664

Source: ESRI; Urban Decision Group

Demographic Summary

Nearly two-fifths of the market is occupied by renter households. Overall, population and household trends have been increasing since 2000 and are projected to remain positive through 2024, increasing by 1,197 (1.7%) and 468 (1.7%) from 2021, respectively. Additionally, renter households are projected to increase by 47 (0.4%) during the same time frame. As discussed later in Section H of this report, all of the affordable rental communities surveyed in the market are performing at high occupancy levels. This indicates that high demand exists for such housing and the continuing need for additional affordable housing options within the Site PMA, particularly when factoring in rent overburdened households or those living in substandard housing.

G. Project-Specific Demand Analysis

1. INCOME RESTRICTIONS

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

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

The subject site is within the Florence, South Carolina HUD Metro FMR Area, which has a four-person median household income of \$66,400 for 2022. The subject property will be restricted to households with incomes of up to 20%, 60% and 70% of AMHI. The following table summarizes the maximum allowable income by household size at the targeted income level:

Household Size	Maximum Allowable Income		
	20%	60%	70%
One-Person	\$9,300	\$27,900	\$32,550
Two-Person	\$10,640	\$31,920	\$37,240
Three-Person	\$11,960	\$35,880	\$41,860
Four-Person	\$13,280	\$39,840	\$46,480
Five-Person	\$14,360	\$43,080	\$50,260

The largest proposed units (three-bedroom) at the subject site are expected to house up to five-person households. As such, the maximum allowable income at the subject site is **\$43,080**.

2. AFFORDABILITY

Leasing industry standards typically require households to have rent-to-income ratios of 25% to 30%. Pursuant to South Carolina (SC) Housing 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 \$248. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$2,976. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of **\$8,503**.

Based on the preceding analyses, the income-appropriate ranges required for residency at the subject project with units built to serve households at 20%, 60% and 70% of AMHI are included in the following table:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited To 20% Of AMHI)	\$8,503	\$14,360
Tax Credit (Limited To 60% Of AMHI)	\$25,131	\$43,080
Tax Credit (Limited To 70% Of AMHI)	\$35,211	\$41,860
Overall Project	\$8,503	\$43,080

3. DEMAND COMPONENTS

The following are the demand components as outlined by the SC Housing:

- a. **Demand for New Households.** *New units required in the market area due to projected household growth should be determined using 2021 Census data estimates and projecting forward to the anticipated placed-in-service date of the project (2024) 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) 2015-2019 5-year estimates, approximately 6.9% to 76.1% of renter households within the targeted income bands in 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 2019 ACS 5-Year Estimates Table B25016, 5.4% 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.*
- 4) **Other:** *Please note, the Authority does not, in general, consider household turnover rates other than those of elderly to be an accurate determination of market demand. However, if an analyst firmly believes that demand exists which is not being captured by the above methods, she/he may be allowed to consider this information in their analysis. The analyst may also use other indicators to estimate demand if they can be fully justified (e.g. an analysis of an under-built or over-built market in the base year). Any such additional indicators should be calculated separately and be easily added or subtracted from the demand analysis described above.*

4. METHODOLOGY

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

- a. **Demand:** The two overall demand components (3a and 3b) added together represent total demand for the project.
- b. **Supply:** Comparable/competitive units funded, under construction, or placed in service since 2021 must be subtracted to calculate net demand. Vacancies in projects placed in service prior to 2021 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, we identified one general-occupancy LIHTC property built in 2021 and two general-occupancy LIHTC properties within the development pipeline that have yet to be placed in service. These properties are summarized in the following table:

Project Name	Year Allocated	Competitive Units	Bedroom Type	Units at Targeted AMHI		
				20% AMHI	60% AMHI	70% AMHI
Belmont Apts.	2019*	32	Two	-	14	-
			Three	-	18	-
Indigo Townes	2021	59	Two	3	26	1
			Three	3	26	-
Jessamine Apts.	2021	60	One	1	7	-
			Two	3	25	-
			Three	2	22	-

*Opened in 2021

**Not yet built

The 151 directly comparable Tax Credit units are included in our demand analyses illustrated on the following pages.

Demand Component	Percent Of Median Household Income			
	20% AMHI (\$8,503-\$14,360)	60% AMHI (\$25,131-\$43,080)	70% AMHI (\$35,211-\$41,860)	Overall (\$8,503-\$43,080*)
Demand From New Renter Households (Income-Appropriate)	878 - 924 = -46	2,180 - 2,247 = -67	811 - 830 = -19	3,058 - 3,171 = -113
+				
Demand From Existing Households (Rent Overburdened)	924 X 76.1% = 703	2,247 X 29.4% = 660	830 X 6.9% = 57	3,171 X 43.0% = 1,363
+				
Demand From Existing Households (Renters In Substandard Housing)	924 X 5.4% = 50	2,247 X 5.4% = 122	830 X 5.4% = 45	3,171 X 5.4% = 172
+				
Demand From Existing Households (Senior Homeowner Conversion)	N/A			
=				
Total Demand	707	715	83	1,422
-				
Supply (Directly Comparable Units Built and/or Funded Since 2021)	12	138	1	151
=				
Net Demand	695	577	82	1,271
Proposed Units	5	34	1	40
Proposed Units / Net Demand	5 / 695	34 / 577	1 / 82	40 / 1,271
Capture Rate	= 0.7%	= 5.9%	= 1.2%	= 3.1%

*Excludes renters earning between \$14,360 and \$25,131 due to the income gap in targeted income levels

N/A – Not Applicable

The capture rates for units targeting households at 20%, 60% and 70% of AMHI, ranging from 0.7% to 5.9%, are considered very low and easily achievable. This is especially true, considering the lack of available affordable rental units identified within the Site PMA. The overall capture rate for the subject project is also very low and easily achievable at 3.1%, demonstrating that there is a substantial base of income-qualified renter 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 Demand by Bedroom	
Bedroom Type	Percent
One-Bedroom	25.0%
Two-Bedroom	50.0%
Three-Bedroom	25.0%
Total	100.0%

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

Units Targeting 20% Of AMHI (707 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 (25%)	176	1	176	2	1.1%
Two-Bedroom (50%)	354	6	348	2	0.6%
Three-Bedroom (25%)	177	5	171	1	0.6%

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

Units Targeting 60% Of AMHI (715 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 (25%)	178	7	171	4	2.3%
Two-Bedroom (50%)	358	65	293	15	5.1%
Three-Bedroom (25%)	179	66	113	15	13.3%

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

Units Targeting 70% Of AMHI (83 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 (25%)	20	0	20	-	-
Two-Bedroom (50%)	42	1	41	1	2.4%
Three-Bedroom (25%)	21	0	21	-	-

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

The subject project's capture rates by bedroom type and targeted income level range from 0.6% to 13.3%, which are also considered very low and easily achievable.

Considering that the subject project will include 16 three-bedroom units, which comprise 40.0% of all subject units to be offered, the following analysis has been conducted to consider only large-households (three-person+) and the proposed three-bedroom units.

Demand Component	Percent of Median Household Income		
	20% AMHI (\$11,726-\$14,360)	60% AMHI (\$34,526-\$43,080)	Overall (\$11,726-\$43,080*)
Demand from New Larger Renter Households (Income-Appropriate)	132 - 146 = -14	376 - 393 = -17	508 - 539 = -31
+			
Demand from Existing Households (Rent Overburdened)	146 X 76.1% = 111	393 X 29.4% = 116	539 X 42.1% = 227
+			
Demand from Existing Households (Renters in Substandard Housing)	146 X 5.4% = 8	393 X 5.4% = 21	539 X 5.4% = 29
=			
Total Large Household Demand	105	120	225
-			
Supply (Directly Comparable (Three-Br.+) Units Built and/or Funded Since 2021)	5	66	71
=			
Net Large Household Demand	100	54	154
Proposed (Three-Br.+) Units / Net Large Household Demand	1 / 100	15 / 54	16 / 154
Large-Household Capture Rate	= 1.0%	= 27.8%	= 10.4%

*Excludes larger renters earning between \$14,360 and \$34,526 due to the income gap in targeted income levels

The capture rates for the subject's three-bedroom units targeting households at 20% and 60% of AMHI of 1.0% and 27.8%, respectively, when considering larger (three-person+) household sizes, are considered easily achievable. This is especially true, considering the lack of available affordable three-bedroom units identified within the Site PMA. The overall capture rate for the subject project's three-bedroom units is low and easily achievable at 10.4%, demonstrating that there is a substantial base of size- and income-appropriate renter households that will be able to support such units. It is important to note that the net demand for the subject's three-bedroom units in the preceding table differs from the net demand by bedroom type on the preceding page. The analysis in the preceding table considers all larger household sizes that will income-qualify to reside at the subject's three-bedroom units, regardless of bedroom type preference.

6. ABSORPTION PROJECTIONS

For the purpose of this analysis, we assume the absorption period at the proposed subject site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow state agency guidelines that assume a 2024 opening date for the site, we also assume that the first completed units at the site will be available for rent sometime in 2024. 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 40 LIHTC units at the subject site will experience an average initial absorption rate of approximately 15 units per month and reach a stabilized occupancy of approximately 93.0% in less than three months. This absorption rate takes into consideration the competitiveness of the subject project, the lack of available LIHTC rental housing within the market, the high demand that exists for affordable housing, its low capture rates, and its market rent advantages.

H. Rental Housing Analysis (Supply)

1. COMPETITIVE DEVELOPMENTS

We identified and surveyed seven non-subsidized family (general-occupancy) Low-Income Housing Tax Credit (LIHTC) projects within the Florence Site PMA. A total of six of these projects were selected for this comparability analysis, as they target households earning up to 60% of Area Median Household Income (AMHI). These six competitive LIHTC properties and the subject project are summarized in the following table:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Hope Springs	2024	40	-	-	-	Families; 20%, 60% & 70% AMHI
1	Attwood Pointe Apts.	2018	52	100.0%	1.8 Miles	36 Months	Families; 50% & 60% AMHI
2	Belmont Apts.	2021	40	100.0%	0.3 Miles	Yes*	Families; 50% & 60% AMHI
5	Cambridge Court Apts.	2003	64	100.0%	1.8 Miles	6 Months	Families; 50% & 60% AMHI
7	Coit Village	2008	60	100.0%	1.5 Miles	6-12 Months	Families; 50% & 60% AMHI
20	Lakota Crossing	2004	72	100.0%	1.8 Miles	48 HH	Families; 50% & 60% AMHI
25	Palmetto Station	2014	48	100.0%	3.0 Miles	30 HH	Families; 50% & 60% AMHI

OCC. – Occupancy

HH – Households

*Length unknown

The six LIHTC projects have a combined occupancy rate of 100.0%, all of which maintain extensive waiting lists, illustrating that significant pent-up demand exists for additional affordable rental housing within the market. The subject project will be able to accommodate a portion of this unmet demand.

The newest general-occupancy LIHTC rental community in the market, Belmont Apartments (Map ID 2), opened in May 2021. While management was unable to provide lease-up information, this property is fully occupied with a waiting list, illustrating that new affordable rental product has been very well received within the Site PMA. This will bode well in the demand of the subject units.

The gross rents for the competing 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	Hope Springs	\$248/20% (2) \$733/60% (4)	\$292/20% (2) \$877/60% (15) \$1,027/70% (1)	\$342/20% (1) \$1,007/60% (15)	-
1	Attwood Pointe Apts.		\$695/50% (6/0) \$741/60% (16/0)	\$859/50% (5/0) \$960/60% (25/0)	None
2	Belmont Apts.	--	\$684/50% (2/0) \$820/60% (14/0)	\$792/50% (6/0) \$950/60% (18/0)	None
5	Cambridge Court Apts.	-	\$727/50% (20/0) \$871/60% (12/0)	\$838/50% (23/0) \$1,004/60% (9/0)	None
7	Coit Village	-	\$713/50% (12/0) \$806/60% (18/0)	\$819/50% (12/0) \$908/60% (18/0)	None
20	Lakota Crossing	\$578/50% (4/0)	\$695/50% (37/0) \$761/60% (3/0)	\$802/50% (26/0) \$888/60% (2/0)	None
25	Palmetto Station	-	\$695/50% (10/0) \$832/60% (14/0)	\$802/50% (10/0) \$960/60% (14/0)	None

The proposed gross subject rents set aside at 60% of AMHI, ranging from \$733 to \$1,007, will be the highest LIHTC rents within the market. Given that all LIHTC projects are fully occupied and maintain extensive waiting lists, it is likely that these projects could charge higher rents without having an adverse impact on their marketability. Notably, the aforementioned subject rents are only slightly above (\$3 to \$6) those offered at Cambridge Court Apartments (Map ID 5) for similar unit types. Given the subject's newness, its larger unit sizes (square feet) and slightly superior amenities package (as illustrated later in this section), as well as the fact that pent-up demand that exists for additional affordable rental housing within the Site PMA, the subject rents set aside at 60% of AMHI are considered appropriately positioned.

Notably, the subject project will be the only LIHTC project relative to the existing LIHTC properties to offer units set aside at 20% and 70% of AMHI, as well as one-bedroom units set aside at 60% of AMHI. This will position the site at a market advantage, as it will provide an affordable rental housing alternative to low- and moderate-income renters which are currently underserved within the Site PMA. Based on various market metrics illustrated throughout this report, the proposed subject rents at the aforementioned set asides are also considered achievable.

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

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
1	Attwood Pointe Apts.	52	9	17.3%
2	Belmont Apts.	40	13	32.5%
5	Cambridge Court Apts.	64	28	43.8%
7	Coit Village	60	25	41.7%
20	Lakota Crossing	72	21	29.2%
25	Palmetto Station	48	15	31.3%
Total		336	111	33.0%

As the preceding table illustrates, there are a total of approximately 111 Voucher holders residing at the six comparable LIHTC properties within the market. This comprises 33.0% of these 336 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.

1 Attwood Pointe Apts. 1.8 miles to site



Address: 155 W. Attwood Ave., Florence, SC 29501
 Phone: (843) 259-4194 Contact: Keebie (In Person)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 52 Year Built: 2018
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2
 Waitlist: 36 mos
 Rent Special: None

Ratings
 Quality: B+
 Neighborhood: B
 Access/Visibility: B/C+

Notes: Tax Credit; Preleasing 4/2018, opened 7/2018, 100% occupied 10/2018



Features And Utilities

Utility Schedule Provided by: Housing Authority of Florence
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

Unit Amenities: Dishwasher; Icemaker; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; W/D Hookup; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)

Property Amenities: Bike Racks / Storage; Clubhouse/Community Room; Courtyard; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Grilling Area, Playground); Social Services (Social Services Coordinator); WiFi

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	6	0	1,198 - 1,210	\$0.49	\$589	50%
2	2	G	16	0	1,198 - 1,210	\$0.53 - \$0.52	\$635	60%
3	2	G	5	0	1,349 - 1,376	\$0.54 - \$0.53	\$726	50%
3	2	G	25	0	1,349 - 1,376	\$0.61 - \$0.60	\$827	60%

*Adaptive Reuse

*DTS is based on drive time

2 Belmont Apts. 0.3 miles to site



Address: 719 S Irby St, Florence, SC 29501
 Phone: Contact: Cassandra
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 40 Year Built: 2021
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 4 (w/Elev)
 Waitlist: Yes
 Rent Special: None

Ratings
 Quality: B+
 Neighborhood: B
 Access/Visibility:

Notes: Tax Credit; Opened 5/2021



Features And Utilities

Utility Schedule Provided by: Housing Authority of Florence

Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; Controlled Access; W/D Hookup; Walk-In Closet; Window Treatments; Flooring (Composite/Vinyl/Laminate)

Property Amenities: Business Center (Computer/Business Center); Common Patio; Multipurpose Room, Community Kitchen; Pavilion/Gazebo; Elevator; Laundry Room; On-Site Management; Recreation Areas (Playground); CCTV; Extra Storage; WiFi

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	2	0	1,004	\$0.58	\$578	50%
2	2	G	14	0	1,004	\$0.71	\$714	60%
3	2	G	6	0	1,178	\$0.56	\$659	50%
3	2	G	18	0	1,178	\$0.69	\$817	60%

*Adaptive Reuse

*DTS is based on drive time

5 Cambridge Court Apts. 1.8 miles to site



Address: 550 W Darlington St, Florence, SC 29501
 Phone: (843) 413-0586 Contact: Jerrick
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 64 Year Built: 2003
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2,3
 Waitlist: 6 mos
 Rent Special: None

Ratings
 Quality: B
 Neighborhood: B-
 Access/Visibility: B+/B+

Notes: Tax Credit; HOME Funds (32 units)



Features And Utilities

Utility Schedule Provided by: Housing Authority of Florence
 Utility Type & Responsibility: Landlord pays Trash

Unit Amenities: Dishwasher; Disposal; Range; Refrigerator; Central AC; Ceiling Fan; W/D Hookup; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)

Property Amenities: On-Site Management; Recreation Areas (Playground); Extra Storage

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	20	0	900	\$0.63	\$566	50%
2	2	G	12	0	900	\$0.79	\$710	60%
3	2	G	23	0	1,000	\$0.65	\$645	50%
3	2	G	9	0	1,000	\$0.81	\$811	60%

*Adaptive Reuse

*DTS is based on drive time

7 Coit Village 1.5 miles to site



Address: 240 W Darlington St, Florence, SC 29501
 Phone: (843) 662-7008 Contact: Pamela (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 60 Year Built: 2008
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 3
 Waitlist: 6-12 mos
 Rent Special: None

Ratings
 Quality: B
 Neighborhood: C
 Access/Visibility: B/B+

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Housing Authority of Florence

Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; W/D Hookup; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)

Property Amenities: Clubhouse/Community Room; Laundry Room; On-Site Management; Recreation Areas (Library, Playground); CCTV

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	12	0	950	\$0.64	\$607	50%
2	2	G	18	0	950	\$0.74	\$700	60%
3	2	G	12	0	1,100	\$0.62	\$686	50%
3	2	G	18	0	1,100	\$0.70	\$775	60%

*Adaptive Reuse

*DTS is based on drive time

20 Lakota Crossing 1.8 miles to site



Address: 1741 Lakota Dr, Florence, SC 29505
 Phone: (843) 664-9030 Contact: Shamonte (In Person)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 72 Year Built: 2004
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 1
 Waitlist: 48 HH
 Rent Special: None

Ratings
 Quality: B+
 Neighborhood: B
 Access/Visibility: B/C

Notes: Tax Credit; HOME Funds (72 units)



Features And Utilities

Utility Schedule Provided by: Housing Authority of Florence
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

Unit Amenities: Dishwasher; Icemaker; Range; Refrigerator; Central AC; Ceiling Fan; Controlled Access; W/D Hookup; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)

Property Amenities: Clubhouse/Community Room; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Playground); WiFi

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	4	0	750	\$0.66	\$493	50%
2	1	G	37	0	950	\$0.62	\$589	50%
2	1	G	3	0	950	\$0.69	\$655	60%
3	2	G	26	0	1,100	\$0.61	\$669	50%
3	2	G	2	0	1,100	\$0.69	\$755	60%

*Adaptive Reuse

*DTS is based on drive time

25 Palmetto Station 3.0 miles to site



Address: 2401 Freedom Blvd., Florence, SC 29505
 Phone: (843) 407-5031 Contact: Kelsey (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 48 Year Built: 2014
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2
 Waitlist: 30 HH
 Rent Special: None

Ratings
 Quality: B+
 Neighborhood: B
 Access/Visibility: B+/C

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Housing Authority of Florence
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; W/D Hookup; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)

Property Amenities: Laundry Room; On-Site Management; Recreation Areas (Grilling Area, Playground); Extra Storage

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	10	0	1,074	\$0.55	\$589	50%
2	2	G	14	0	1,074	\$0.68	\$726	60%
3	2	G	10	0	1,235	\$0.54	\$669	50%
3	2	G	14	0	1,235	\$0.67	\$827	60%

*Adaptive Reuse

*DTS is based on drive time

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Hope Springs	853	1,030	1,249
1	Attwood Pointe Apts.	-	1,198 - 1,210	1,349 - 1,376
2	Belmont Apts.	-	1,004	1,178
5	Cambridge Court Apts.	-	900	1,000
7	Coit Village	-	950	1,100
20	Lakota Crossing	750	950	1,100
25	Palmetto Station	-	1,074	1,235

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Hope Springs	1.0	1.0	2.0
1	Attwood Pointe Apts.	-	2.0	2.0
2	Belmont Apts.	-	2.0	2.0
5	Cambridge Court Apts.	-	2.0	2.0
7	Coit Village	-	2.0	2.0
20	Lakota Crossing	1.0	1.0	2.0
25	Palmetto Station	-	2.0	2.0

The subject project will offer some of the largest LIHTC unit sizes (square feet) within the market. This will position the subject at a competitive advantage and will enable it to charge higher rents. However, the lack of an additional bathroom within the subject's two-bedroom units will position them at a competitive disadvantage.

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

Tax Credit Unit Amenities by Map ID								
	Site*	1	2	5	7	20	25	
Appliances	Dishwasher	X	X	X	X	X	X	X
	Disposal	X		X	X	X		X
	Microwave	X	X	X		S		X
	Range	X	X	X	X	X	X	X
	Refrigerator	X	X	X	X	X	X	X
	W/D Hookup	X	X	X	X	X	X	X
	W/D							
	No Appliances							
Unit Amenities	AC-Central	X	X	X	X	X	X	X
	AC-Other							
	Balcony/ Patio/ Sunroom	X	X		X		S	
	Basement							
	Ceiling Fan	X	X	X	X	X	X	X
	Controlled Access			X			X	
	E-Call System							
	Furnished							
	Walk-In Closet	X	X	X	X		X	
	Window Treatments	X	X	X	X	X	X	X
	Carpet	X	X		X	X	X	X
Flooring	Ceramic Tile							
	Hardwood							
	Finished Concrete							
	Composite/Vinyl/Laminate	X	X	X	X	X	X	X
Upgraded	Premium Appliances							
	Premium Countertops							
	Premium Cabinetry							
	Premium Fixtures							
	High/Vaulted Ceilings							
	Oversized Windows							
Parking	Attached Garage							
	Detached Garage							
	Street Parking							
	Surface Lot	X	X	X	X	X	X	X
	Carport							
	Property Parking Garage							
	No Provided Parking							

◆ - Senior Property

* Proposed Site(s): Hope Springs

X = All Units, S = Some Units, O = Optional with Fee

** Details in Comparable Property Profile Report

Continued on Next Page

Tax Credit Property Amenities by Map ID

	Site*	1	2	5	7	20	25	
	Bike Racks / Storage	X	X					
	Computer/Business Center	X	X	X		X	X	
	Car Care **							
	Community Garden							
Community	Multipurpose Room	X	X	X		X	X	
	Chapel							
	Community Kitchen	X		X				
	Dining Room - Private							
	Dining Room - Public							
	Rooftop Terrace							
	Concierge Service **							
	Convenience Amenities **							
	Covered Outdoor Area **			X				
	Elevator			X				
Laundry Room	X	X	X		X	X	X	
On-Site Management	X	X	X	X	X	X	X	
Pet Care **								
Recreation	Basketball							
	Bocce Ball							
	Firepit							
	Fitness Center	X	X			X		
	Grilling Area		X				X	
	Game Room - Billiards							
	Walking Path							
	Hot Tub							
	Library					X		
	Media Room / Theater							
	Playground	X	X	X	X	X	X	X
	Putting Green							
	Racquetball							
	Shuffleboard							
	Swimming Pool - Indoor							
	Swimming Pool - Outdoor							
Tennis								
Volleyball								
Security	CCTV	X		X		X		
	Courtesy Officer							
	Security Gate							
	Social Services **		X					
	Storage - Extra			X	X		X	
	Common Space WiFi		X	X			X	

◆ - Senior Property

X = All Units, S = Some Units, O = Optional with Fee

* Proposed Site(s): Hope Springs

** Details in Comparable Property Profile Report

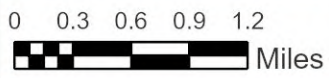
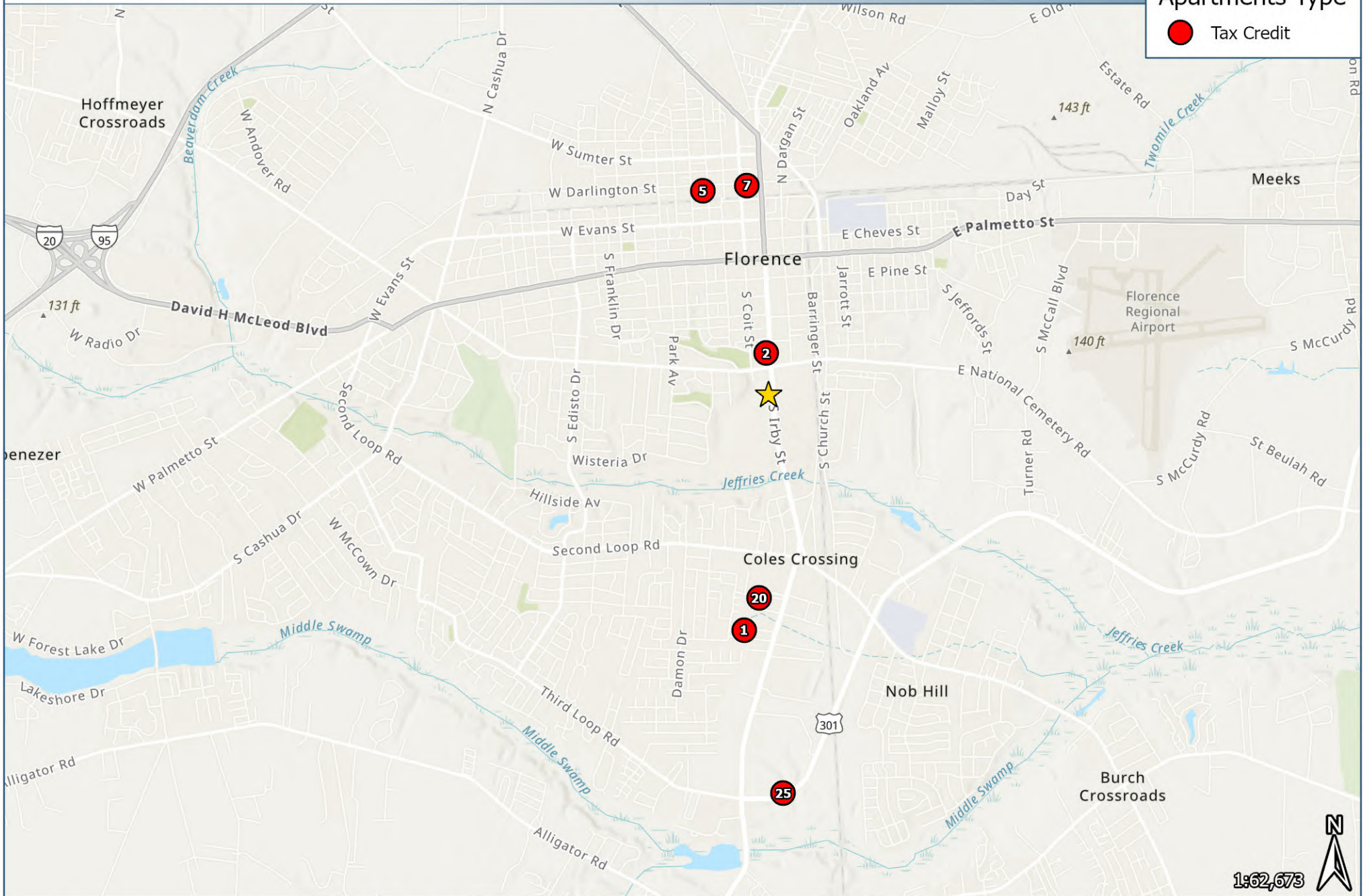
As the preceding tables illustrate, the subject's amenities package will be slightly superior to those offered at the competitive LIHTC projects. In terms of unit amenities, the subject project will be one of few LIHTC communities to offer a patio/balcony with every unit. Regarding community amenities, the subject project will be one of few to offer a community kitchen and fitness center. The inclusion of the aforementioned amenities will position the site at a competitive advantage and will enable it to charge higher rents.

Competitive Tax Credit Summary

Based on our analysis of the 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. While the subject development will offer the highest LIHTC rents for similar unit types within the Florence Site PMA, its newness, larger unit sizes (square feet) and slightly superior amenities package, as well as the fact that pent-up demand exists for additional affordable rental housing, will enable the subject development to successfully charge higher rents. Additionally, the subject project will be the only LIHTC project relative to the existing LIHTC properties to offer units set aside at 20% and 70% of AMHI, as well as one-bedroom units set aside at 60% of AMHI. This will position the site at a market advantage, as it will provide an affordable rental housing alternative to very low- and moderate-income renters which are currently underserved within the Site PMA. These factors will bode very well in the demand of the subject units and have been considered in our absorption estimates.

2. COMPARABLE TAX CREDIT PROPERTIES MAP

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



3. RENTAL HOUSING OVERVIEW

The distributions of the area housing stock within the Florence Site PMA in 2010 and 2021 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2021 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	26,534	90.1%	27,801	87.9%
Owner-Occupied	16,624	62.7%	17,184	61.8%
Renter-Occupied	9,910	37.3%	10,617	38.2%
Vacant	2,901	9.9%	3,825	12.1%
Total	29,435	100.0%	31,626	100.0%

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

Based on a 2021 update of the 2010 Census, of the 31,626 total housing units in the market, 12.1% were vacant. In 2021, it was estimated that homeowners occupied 61.8% of all occupied housing units, while the remaining 38.2% were occupied by renters. The share of renters is considered typical for a market of this size and the 10,617 renter households estimated in 2021 represent a deep base of potential support in the market for the subject development.

Conventional Apartments

We identified and personally surveyed 30 conventional housing projects containing a total of 2,815 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 98.3%, a very strong rate for rental housing. The following table summarizes the surveyed rental developments within the market, broken out by project type:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	17	2,126	48	97.7%
Tax Credit	12	581	0	100.0%
Government-Subsidized	1	108	0	100.0%
Total	30	2,815	48	98.3%

All rental housing segments surveyed in the market are operating at very strong occupancy levels, as none are lower than 97.7%. In fact, all affordable rental communities surveyed are fully occupied, the majority of which maintain a waiting list, illustrating that pent-up demand exists for additional affordable rental housing within the Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

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	352	16.6%	0	0.0%	\$1,268
Two-Bedroom	1.0	99	4.7%	0	0.0%	\$884
Two-Bedroom	1.5	102	4.8%	0	0.0%	\$1,049
Two-Bedroom	2.0	1,252	58.9%	32	2.6%	\$1,006
Two-Bedroom	2.5	8	0.4%	0	0.0%	\$1,269
Three-Bedroom	2.0	241	11.3%	16	6.6%	\$1,358
Three-Bedroom	2.5	72	3.4%	0	0.0%	\$1,588
Total Market-rate		2,126	100.0%	48	2.3%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	44	7.6%	0	0.0%	\$585
Two-Bedroom	1.0	64	11.0%	0	0.0%	\$695
Two-Bedroom	2.0	269	46.3%	0	0.0%	\$759
Two-Bedroom	2.5	18	3.1%	0	0.0%	\$681
Three-Bedroom	2.0	186	32.0%	0	0.0%	\$838
Total Tax Credit		581	100.0%	0	0.0%	-

As the preceding table illustrates, the median gross non-subsidized Tax Credit rents are well below the corresponding median gross market-rate rents. As such, Tax Credit rental product likely represents substantial values to low-income renters within the market. This is further evidenced by the combined 0.0% vacancy rate among all non-subsidized Tax Credit units within the Florence Site PMA.

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

Year Built	Projects	Units	Vacancy Rate
1970 to 1979	3	468	1.3%
1980 to 1989	4	572	0.5%
1990 to 1999	1	48	0.0%
2000 to 2009	5	632	0.0%
2010 to 2014	4	264	2.3%
2015	0	0	0.0%
2016	2	131	0.0%
2017	2	129	0.0%
2018	3	272	12.1%
2019	1	49	0.0%
2020	2	78	0.0%
2021	2	64	0.0%
2022*	0	0	0.0%

*As of April

As the preceding table illustrates, the three properties surveyed built in 2018 are maintaining a high overall vacancy rate of 12.1%. However, it should be noted that all vacancies among these projects are located at Waterchase Apartments (Map ID 29). According to management, vacancies are typical for a large property (180 units). It was also mentioned that vacancies could be attributed to people building homes. Notably, Waterchase Apartments currently has an additional 156 units under construction, which could be a deterrent to potential renters. Based on historical data obtained by Bowen National Research, this property was fully occupied in April 2021. Nonetheless, as nearly all rental communities surveyed within the Florence Site PMA are maintaining very strong occupancy levels, it can be concluded that the Florence rental housing market is performing extremely well and the high number of vacancies at Waterchase Apartments are likely due to management and/or product deficiencies.

While we identified and surveyed five rental communities within the market that have been built since 2019, we were only able to obtain lease-up information for one of these properties, Magnolia Pointe (Map ID 22), an age-restricted LIHTC development. According to management, this property leased 22 units within its first month of opening, a very high rate for affordable senior rental product, illustrating that this type of rental product has been very well received within the Florence Site PMA. Note that preleasing efforts took place in January 2021, resulting in an absorption rate of approximately four units per month since this time.

We rated each property surveyed on a scale of "A" through "F". All non-subsidized rental properties surveyed 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	3	271	12.2%
A-	1	81	0.0%
B+	4	518	1.2%
B	5	796	0.8%
B-	2	160	1.9%
C+	1	272	0.0%
C-	1	28	0.0%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	9	417	0.0%
B	2	124	0.0%

Vacancies are the highest among the three market-rate properties surveyed with a quality rating of an "A", all of which are located at Waterchase Apartments. As all other vacancy levels are low, distributed by quality, it can be concluded that there is no correlation between appearance and vacancies within the Florence rental housing market.

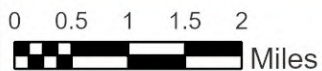
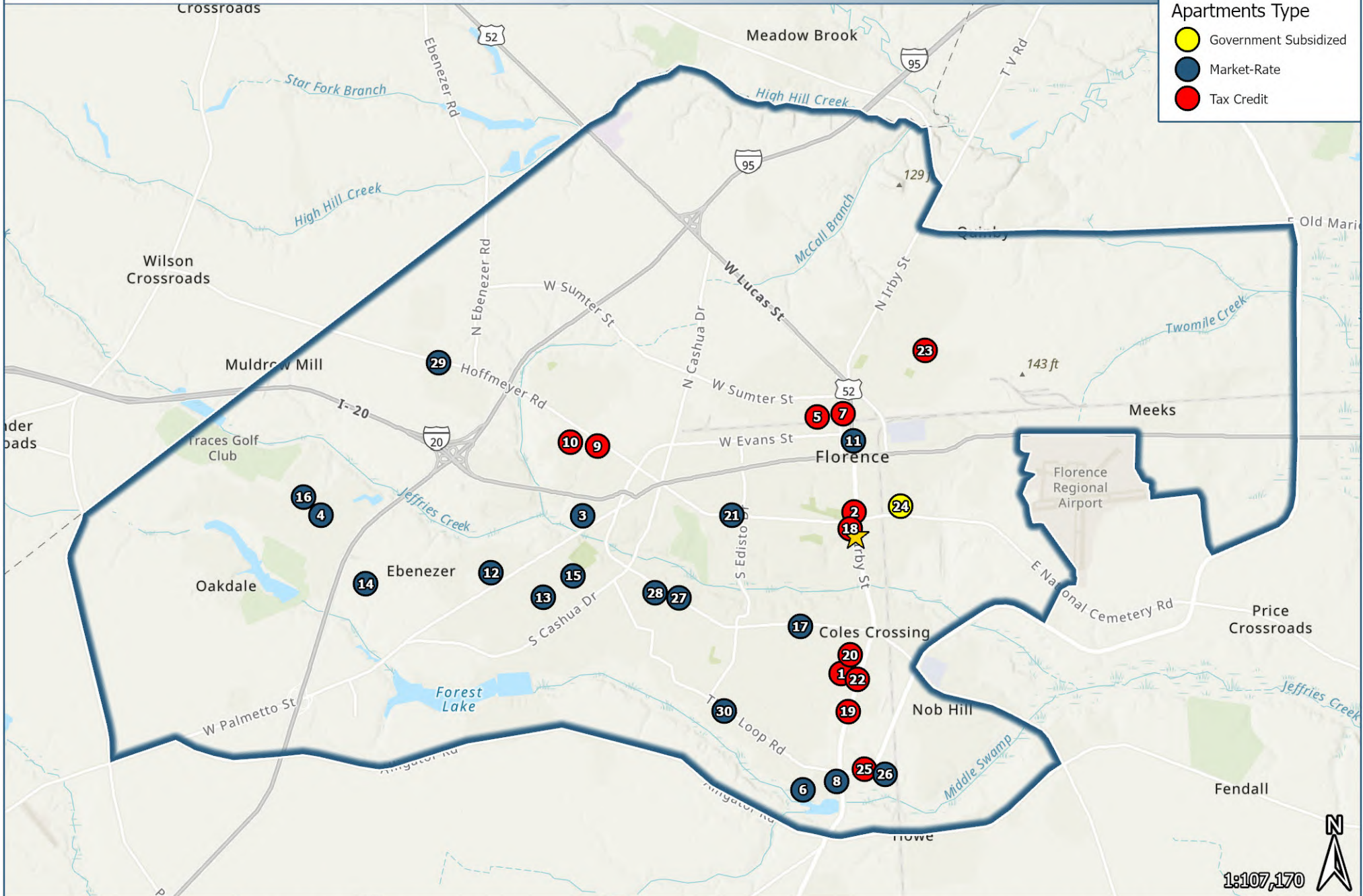
Government-Subsidized

We identified and surveyed only one government-subsidized rental community within the Site PMA, Mt. Zion I & II (Map ID 24). This property operates under the HUD Section 8 program and offers 108 one-, two-, three- and four-bedroom units. All units are occupied, with the property maintaining a waiting list of up to three months in length for the next available unit, illustrating that pent-up demand exists for very low-income rental housing within the Florence Site PMA.

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 Florence Site PMA is on the following page.



5. & 6. PLANNED AND PROPOSED DEVELOPMENTS

From interviews with planning representatives that responded to our inquiries, extensive online research and the observations of our analyst while in the field, it was determined that there are several rental housing projects within the development pipeline in the Site PMA, which are summarized as follows:

- Grove Luxury Townhomes (Map ID 14) is an existing 70-unit market-rate community located at 900 Apple Grove Drive in Florence, with an additional 71 units under construction that are expected to be completed in late 2022. The developer is The Grove Townhomes LLC. All units will be market-rate and will consist of two- and three-bedroom townhomes upon completion.
- Waterchase Apartments (Map ID 29) is an existing 180-unit market-rate community located at 3220 Hoffmeyer Road in Florence, with an additional 156 units under construction. Once complete, there will be a total of 192 two-bedroom/two-bath units at 1,095 square feet and 144 three-bedroom/two-bath units at 1,325 square feet. All floor plans are garden-style units, and the rents are \$1,050 to \$1,100 for a two-bedroom unit and \$1,275 to \$1,325 for a three-bedroom unit. The first units came online in October of 2018. It is unknown when the remaining 156 units will be online. The project was originally anticipated to be complete in January 2021; however, the project is delayed due to lumber price increases as of April 2022.
- Celebration Pointe duplexes are currently under construction on Jubilee Drive, off of Celebration Boulevard in Florence. The development will have 54 total market-rate units upon completion. The estimated completion date of the project was unavailable at the time this report was issued.
- Millstone Place Apartments is a 72-unit market-rate project currently under construction at the corner of Millstone Road and South Irby Road in Florence. The project is being developed by Power's Construction Group. Upon completion, the project will contain a mix of two- and three-bedroom market-rate units. Additional details of this project were unavailable at the time of this analysis.
- Jessamine Apartments is an affordable multifamily community being developed by Douglas Development, planned to be built at 421 South Cashua Drive in Florence. The development was allocated LIHTC funding in 2021 for the construction of 60 townhome-style units that will be designated to households making 20% and 60% of the AMHI. Plans call for eight (8) one-, 28 two- and 24 three-bedroom units. Rents will range from \$700 to \$840. The project is anticipated to be completed by 2023.

- Urban Square Apartments is part of a large mixed-use project called Project Urban Square and is planned to be built at 200 West Evans Street in Florence. The development will include 130 market-rate units. The project is being developed by the City of Florence and Styx Land Development. Urban Square was expected to break ground in 2020 but has been delayed. Final design approval was received in November 2021.
- Indigo Townes is planned to be located at 1115 South Irby Street in Florence. The development was awarded LIHTC funding in 2021 for the construction of 60 townhome-style units and will be presented to the local planning commission in May 2022 for approval. Of these units, there will be 30 two- and 30 three-bedroom units, all within 15 two-story buildings. Connelly Development is the developer. The project will target households earning up to 20%, 50%, 60% and 70% of AMHI. The project is expected to be completed by June 2023.
- Oasis Townhomes is planned to be built on the 3000 block of Alligator Road in Florence. This 75-unit market-rate development was approved by the planning commission in March 2022. No further information was available at the time this report was issued.

Of the aforementioned rental communities within the development pipeline in the market, Jessamine Apartments and Indigo Townes will offer units targeting a similar income demographic as the site. Therefore, these properties have been considered in our demand estimates illustrated earlier in Section G of this report.

7. MARKET ADVANTAGE

Per the direction of the South Carolina (SC) Housing, the subject’s market advantage must be based on current HUD Fair Market Rents (FMRs) for the statistical area the site is located.

The current HUD FMRs within the Florence, South Carolina HUD Metro FMR Area are \$635 for a one-, \$832 for a two- and \$1,053 for a three-bedroom unit. The following table illustrates the subject project’s market advantages when compared to FMRs for the area:

Bedroom Type	Proposed Collected Rent (AMHI)	Fair Market Rent	Market Advantage
One-Bedroom	\$115 (20%)	\$635	81.89%
	\$600 (60%)		5.51%
Two-Bedroom	\$115 (20%)	\$832	86.18%
	\$700 (60%)		15.87%
	\$850 (70%)		-2.16%
Three-Bedroom	\$110 (20%)	\$1,053	89.55%
	\$775 (60%)		26.40%
Weighted Average			27.19%

As the preceding illustrates, the subject’s market advantages range between -2.16% and 89.55%, when compared to the area’s HUD FMRs. The weighted average market advantage is 27.19%. Regardless, we have provided an *achievable market rent* analysis for the proposed subject units to determine the true value the proposed rents will represent to low-income renters within the area, which is illustrated later in Addendum C of this report.

8. 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 2024
1	Attwood Pointe Apts.	100.0%	95.0%+
2	Belmont Apts.	100.0%	95.0%+
5	Cambridge Court Apts.	100.0%	95.0%+
7	Coit Village	100.0%	95.0%+
20	Lakota Crossing	100.0%	95.0%+
25	Palmetto Station	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 and maintain a waiting list. Given the high occupancy rates, we expect all Tax Credit projects to operate at or above 95.0% if the subject project is developed. This is especially true when considering that the subject project will offer the highest LIHTC rents for similar unit types within the market, as low-income residents will likely respond to availability at the existing LIHTC projects before considering residency at the subject project.

9. OTHER HOUSING OPTIONS (BUY VERSUS RENT)

According to ESRI, the median home value within the Site PMA was \$183,796. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$183,796 home is \$1,106, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$183,796
Mortgaged Value = 95% of Median Home Price	\$174,606
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$885
Estimated Taxes and Insurance*	\$221
Estimated Monthly Mortgage Payment	\$1,106

*Estimated at 25% of principal and interest

In comparison, the proposed collected Tax Credit rents for the subject property range from \$110 to \$850 per month. Therefore, the cost of a monthly mortgage for a typical home in the area is approximately \$256 to \$996 greater than the cost of renting at the subject project's Tax Credit units, depending on bedroom type and targeted income level. Therefore, it is unlikely that tenants that would qualify to reside at the subject project would be able to afford the monthly payments required to own a home or who would be able to afford the down payment on such a home. As such, we do not anticipate any competitive impact on or from the homebuyer market.

10. HOUSING VOIDS

As indicated throughout this section of the report, all affordable rental communities surveyed are fully occupied, all of which maintain a waiting list for the next available unit. This illustrates that significant pent-up demand exists for additional affordable rental housing within the Florence Site PMA. The subject project will be able to accommodate a portion of this unmet demand. Additionally, the subject project will be the only LIHTC development relative to the comparable properties to offer units set aside at 20% and 70% of AMHI, as well as one-bedroom units set aside at 60% of AMHI. Therefore, the subject project will provide an affordable rental housing alternative to very low- and moderate-income renters which is currently lacking within the market.

I. Interviews

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

- Keebie Wallace, Property Manager of Attwood Pointe Apartments (Map ID 1), a Tax Credit community within Florence, stated that the need for more affordable housing feels higher than ever. Ms. Wallace noted that her property's waitlist is three years long and goes as far back as 2018 and continues to receive applications nearly every day. She noted that the supply does not nearly meet the demand for such housing in the area. *(843) 259-4194*
- Cassandra Ellerbe, Property Manager of Indigo Pointe (Map ID 18), an age-restricted Tax Credit community in Florence, explained that there is high demand for more affordable housing in Florence. Ms. Ellerbe stated that with the rising cost of living, those with lower incomes are having a hard time finding places to live, and many current affordable housing communities are full and have long waitlists. *(843) 799-0464*
- Shamonte Mack, Property Manager of Lakota Crossing (Map ID 20), a Tax Credit community in Florence, confirmed the need for more affordable housing in Florence, noting that many people in the area have low incomes and with rents in surrounding communities going up, more people have sought out affordable housing. Ms. Mack, whose community has a waitlist of 48 households for the next available unit, stating that she regrettably has had to turn people away or referred them to the waitlist due to lack of more affordable housing in the area. *(843) 664-9030*

J. Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 40 units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

The project will be very competitive within the market area in terms of amenities and unit sizes, and the proposed rents will be perceived as substantial values in the marketplace. This is demonstrated in Section H and Addendum C. Notably, the subject project will be the only LIHTC development to offer units set aside at 20% and 70% of Area Median Household Income (AMHI), as well as one-bedroom units set aside at 60% of AMHI. Therefore, the subject project will provide an affordable rental housing alternative to low- and moderate-income renters which is currently lacking within the Florence Site PMA.

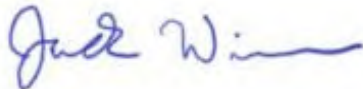
All general-occupancy LIHTC rental communities within the market are fully occupied and maintain a waiting list, illustrating that significant pent-up demand exists for additional affordable rental housing within the market. As shown in the Project Specific Demand Analysis section of this report, with an overall Tax Credit capture rate of just 3.1% (SC Housing maximum threshold is 30%), there is a substantial base of support for the subject development within the Florence Site PMA. Therefore, it is our opinion that the subject project will have no significant impact on the existing non-subsidized Tax Credit developments in the market.

We have no recommendations or suggested modifications for the subject project at this time.

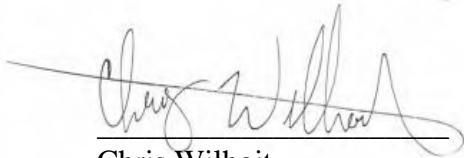
K. Signed Statement Requirement

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 South Carolina (SC) Housing's programs. I also affirm that I have no financial interest in the project or current business relationship with the ownership entity and my compensation is not contingent on this project being funded. This report was written according to the SC Housing's market study requirements. The information included is accurate and can be relied upon by SC Housing to present a true assessment of the low-income housing rental market.

Certified:



Jack Wiseman (Primary Contact)
Market Analyst
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Date: May 5, 2022



Chris Wilhoit
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Date: May 5, 2022



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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.

Company Leadership

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

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

Market Analysts

Craig Rupert, Market Analyst, has conducted more than 1,000 market feasibility studies throughout the United States since 2010, within both urban and rural markets as well as on various tribal reservations. Mr. Rupert has prepared market studies for numerous types of housing including market-rate, Tax Credit, and various government-subsidized rental product, for-sale product, senior living (assisted living, nursing care, etc.), as well as market studies for retail/commercial space. Market studies prepared by Mr. Rupert have been used for submittal as part of state finance agency Tax Credit and HUD 221 (d)(4) applications, as well as various other financing applications submitted to local, regional, and national-level lenders/financial institutions. Mr. Rupert has a bachelor's 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.

Jeff Peters, Market Analyst, has conducted on-site inspection and analysis for rental properties throughout the country since 2014. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Peters graduated from The Ohio State University with a Bachelor of Arts in Economics.

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

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

Jonathan Kabat, 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. Kabat graduated from The Ohio State University with a Bachelor of Art in History and a minor in Geography.

Andrew Lundell, Market Analyst, has an experienced background in customer service and financial analysis. He has evaluated the rental market in cities throughout the United States and is able to provide detailed site-specific analysis. Mr. Lundell has a Bachelor of Arts in Criminal Justice from Ohio University.

Sidney McCrary, Market Analyst, is experienced in the on-site analysis of residential and commercial properties. He has the ability to analyze a site's location in relation to community services, competitive properties and the ease of access and visibility. Mr. McCrary has a Bachelor of Science in Business Administration from Ohio Dominican University.

Gregory Piduch, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Piduch holds a Bachelor of Arts in Communication and Rhetoric from the University of Albany, State University of New York and a Master of Professional Studies in Sports Industry Management from Georgetown University.

Ron Pompey, 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. Pompey has a Bachelor of Science in Electrical Engineering from the University of Florida.

Nathan Stelts, Market Analyst, is experienced in the assessment of housing operating under various programs throughout the country, as well as other development alternatives. He is also experienced in evaluating projects in the development pipeline and economic trends. Mr. Stelts has a Bachelor of Science in Business Administration from Bowling Green State University.

Chris Wilhoit, 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. Wilhoit also has a background in architectural photography.

Research Staff

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

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.

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

Kelly Wiseman, Research Specialist Director, has significant experience in the evaluation and surveying of housing projects operating under a variety of programs. In addition, she has conducted numerous interviews with experts throughout the country, including economic development, planning, housing authorities and other stakeholders.

M. Methodologies, Disclaimers & Sources

This market feasibility analysis complies with the requirements established by South Carolina (SC) Housing 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 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 subject property. The information in this survey was collected through a variety of methods, including phone surveys, in-person visits, email and fax. The contact person for each property is listed in *Addendum A: Field Survey of Conventional Rentals*.

- 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 SC's Housing'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 SC Housing; 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.

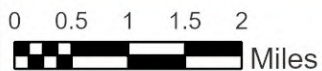
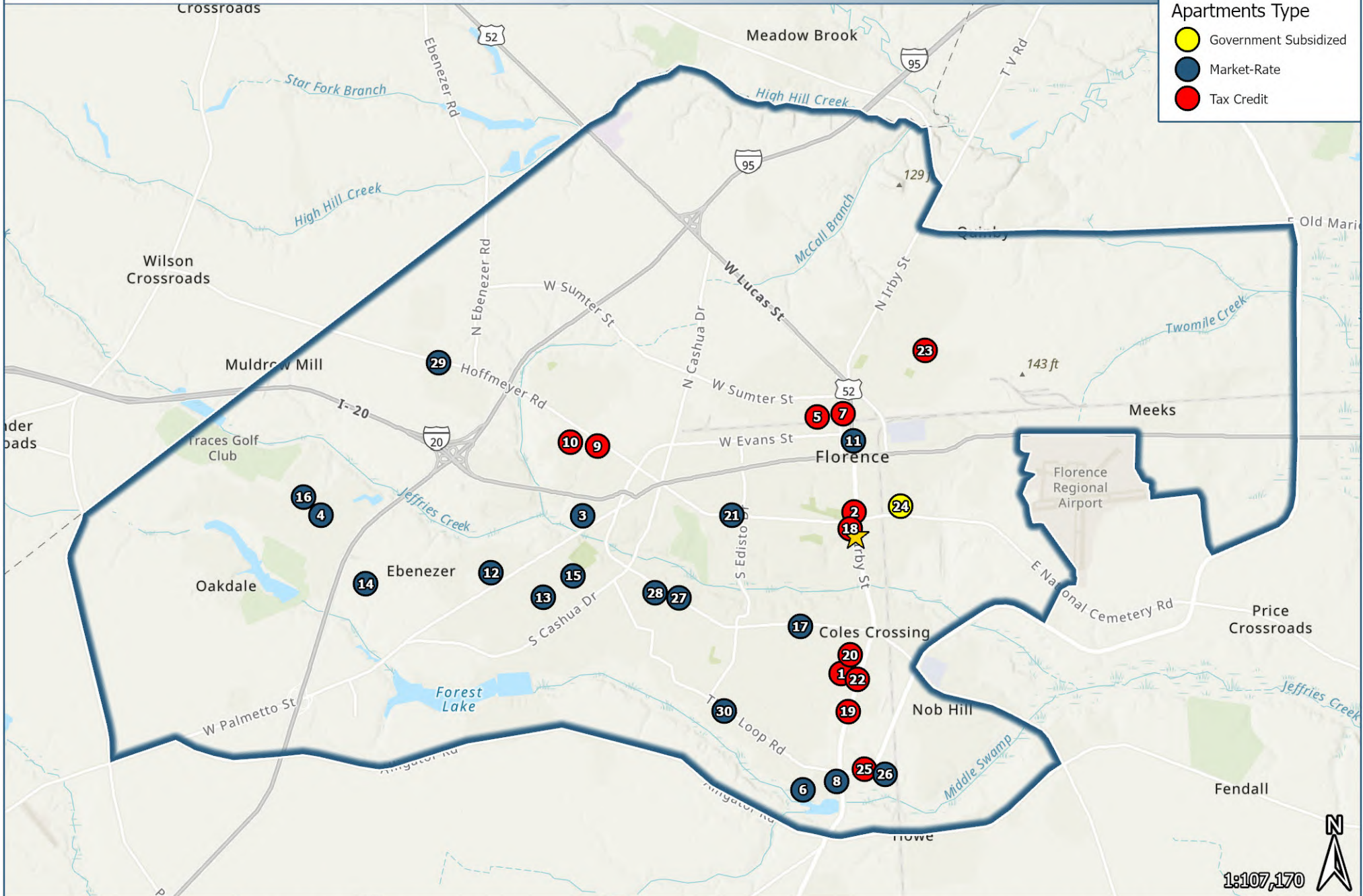
3. SOURCES

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
- SC Housing

ADDENDUM A:

FIELD SURVEY OF CONVENTIONAL RENTALS




Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
✓ 1	Attwood Pointe Apts.	TAX	B+	2018	52	0	100.0%	1.8
✓ 2	Belmont Apts.	TAX	B+	2021	40	0	100.0%	0.3
3	Bentree Apartment Homes	MRR	B	1982	132	0	100.0%	3.5
4	Cambridge Apts.	MRR	B	1987	112	0	100.0%	7.2
✓ 5	Cambridge Court Apts.	TAX	B	2003	64	0	100.0%	1.8
✓ 6	Charles Pointe	MRR	B	2001	168	0	100.0%	3.1
✓ 7	Coit Village	TAX	B	2008	60	0	100.0%	1.5
8	Columns at Millstone	MRR	B+	2010	60	0	100.0%	3.0
◆ 9	Crescent Villas I	TAX	B+	2017	48	0	100.0%	3.4
◆ 10	Crescent Villas II	TAX	B+	2019	49	0	100.0%	3.6
✓ 11	Emerson Apts.	MRR	A	2016	83	0	100.0%	1.0
12	Festival Townhomes	MRR	A	2020	8	0	100.0%	4.7
✓ 13	Gate Line Woodlake Apts.	MRR	B+	2014	120	6	95.0%	5.2
14	Grove Luxury Townhomes	MRR	B+	2020	70	0	100.0%	6.5
15	Habitat 2000	MRR	B	1978	336	6	98.2%	4.8
16	Hunters Glen Apts.	MRR	B	1995	48	0	100.0%	7.4
17	Huntington Place Apts.	MRR	B-	1988	56	3	94.6%	1.9
◆ 18	Indigo Pointe	TAX	B+	2016	48	0	100.0%	0.4
◆ 19	Irby Senior Village	TAX	B+	2018	40	0	100.0%	2.1
✓ 20	Lakota Crossing	TAX	B+	2004	72	0	100.0%	1.8
21	Landmark Woods	MRR	B-	1974	104	0	100.0%	1.6
◆ 22	Magnolia Pointe	TAX	B+	2021	24	0	100.0%	1.8
23	McGowan Commons	TAX	B+	2012	36	0	100.0%	2.6
24	Mt. Zion I & II	GSS	C	1972	108	0	100.0%	0.8
✓ 25	Palmetto Station	TAX	B+	2014	48	0	100.0%	3.0
✓ 26	Reserve at Mill Creek	MRR	B+	2008	268	0	100.0%	3.0
27	Sedgefield Apts.	MRR	C+	1980	272	0	100.0%	3.3
28	Sterling Apts.	MRR	C-	1974	28	0	100.0%	3.6
29	Waterchase Apts.	MRR	A	2018	180	33	81.7%	5.2
✓ 30	Waxwing Townhomes	MRR	A-	2017	81	0	100.0%	3.6


*Drive distance in miles


✓ Comparable Property	(MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized	(TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized
◆ Senior Restricted	(TAX) Tax Credit	(INR) Income-Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Government-Subsidized	(ING) Income-Restricted (not LIHTC) & Government-Subsidized
(MRT) Market-Rate & Tax Credit	(TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)	(GSS) Government-Subsidized
(MRG) Market-Rate & Government-Subsidized	(TIN) Tax Credit & Income-Restricted (not LIHTC)	(ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
(MIN) Market-Rate & Income-Restricted (not LIHTC)	(TMG) Tax Credit, Market-Rate & Government-Subsidized	




1	Attwood Pointe Apts. 155 W. Attwood Ave., Florence, SC 29501	Contact: Keebie Phone: (843) 259-4194
		Total Units: 52 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2018 BR: 2, 3 Vacant Units: 0 Waitlist: 36 mos AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; Preleasing 4/2018, opened 7/2018, 100% occupied 10/2018




2	Belmont Apts. 719 S Irby St, Florence, SC 29501	Contact: Cassandra Phone:
		Total Units: 40 UC: 0 Occupancy: 100.0% Stories: 4 w/Elevator Year Built: 2021 BR: 2, 3 Vacant Units: 0 Waitlist: Yes AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; Opened 5/2021

3	Bentree Apartment Homes 200 Bentree Ln, Florence, SC 29501	Contact: Bernard Phone: (843) 669-5399
		Total Units: 132 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1982 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 3 mos AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range due to renovations

4	Cambridge Apts. 3703 Southborough Rd, Florence, SC 29501	Contact: Emily Phone: (844) 390-7831
		Total Units: 112 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1987 BR: 2 Vacant Units: 0 Waitlist: Yes AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:



5	Cambridge Court Apts. 550 W Darlington St, Florence, SC 29501	Contact: Jerrick Phone: (843) 413-0586
		Total Units: 64 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 2003 BR: 2, 3 Vacant Units: 0 Waitlist: 6 mos AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; HOME Funds (32 units)

Comparable Property	(MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized	(TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized
Senior Restricted	(TAX) Tax Credit	(INR) Income-Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Government-Subsidized	(ING) Income-Restricted (not LIHTC) & Government-Subsidized
(MRT) Market-Rate & Tax Credit	(TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)	(GSS) Government-Subsidized
(MRG) Market-Rate & Government-Subsidized	(TIN) Tax Credit & Income-Restricted (not LIHTC)	(ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
(MIN) Market-Rate & Income-Restricted (not LIHTC)	(TMG) Tax Credit, Market-Rate & Government-Subsidized	



6	Charles Pointe 201 Millstone Rd, Florence, SC 29505	Contact: Liz Phone: (843) 661-0111
	Total Units: 168 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 2001 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 10 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range due to ongoing renovations and location of units (higher rent for 1st-floor units)	



7	Coit Village 240 W Darlington St, Florence, SC 29501	Contact: Pamela Phone: (843) 662-7008
	Total Units: 60 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 2008 BR: 2, 3 Vacant Units: 0 Waitlist: 6-12 mos AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit	

8	Columns at Millstone 155 Millstone RD., Florence, SC 29501	Contact: Danielle Phone: (843) 667-4900
	Total Units: 60 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 2010 BR: 2 Vacant Units: 0 Waitlist: Yes AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range due to floor level & location	




9	Crescent Villas I 2424 Hoffmeyer Rd, Florence, SC 29501	Contact: Latoya Phone: (843) 407-6688
	Total Units: 48 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 2017 BR: 2 Vacant Units: 0 Waitlist: None AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit	




10	Crescent Villas II 326 N Beltline Dr, Florence, SC 18488	Contact: Latoya Phone: (843) 407-6688
	Total Units: 49 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 2019 BR: 1, 2 Vacant Units: 0 Waitlist: None AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit	


Comparable Property	(MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized	(TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized
Senior Restricted	(TAX) Tax Credit	(INR) Income-Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Government-Subsidized	(ING) Income-Restricted (not LIHTC) & Government-Subsidized
(MRT) Market-Rate & Tax Credit	(TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)	(GSS) Government-Subsidized
(MRG) Market-Rate & Government-Subsidized	(TIN) Tax Credit & Income-Restricted (not LIHTC)	(ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
(MIN) Market-Rate & Income-Restricted (not LIHTC)	(TMG) Tax Credit, Market-Rate & Government-Subsidized	





11		Emerson Apts. 150 S Irby St, Florence, SC 29501		Contact: Kristin Phone: (833) 610-2777	
		Total Units: 83 UC: 0 Occupancy: 100.0% Stories: 4 w/Elevator Year Built: 2016 BR: 1, 2 Vacant Units: 0 Waitlist: 13 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:			








12		Festival Townhomes S Festival Dr, Florence, SC 29501		Contact: Jean Phone: (843) 662-2557	
		Total Units: 8 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2020 BR: 2 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:			

13		Gate Line Woodlake Apts. 1347 Jefferson Dr., Florence, SC 29501		Contact: Danielle Phone: (843) 667-4900	
		Total Units: 120 UC: 0 Occupancy: 95.0% Stories: 3 Year Built: 2014 BR: 2, 3 Vacant Units: 6 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range due to unit location			






14		Grove Luxury Townhomes 900 Apple Grove Dr, Florence, SC 29501		Contact: Emily Phone: (843) 799-5067	
		Total Units: 70 UC: 71 Occupancy: 100.0% Stories: 2 Year Built: 2020 BR: 2, 3 Vacant Units: 0 Waitlist: 115 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range due to units with attached garage; 71 additional units UC, ECD late 2022; Opened 10/2020			

15		Habitat 2000 838 S. Parker Dr., Florence, SC 29501		Contact: Tammy Phone: (843) 669-2246	
		Total Units: 336 UC: 0 Occupancy: 98.2% Stories: 2 Year Built: 1978 BR: 2 Vacant Units: 6 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range due to floor level & amenities; Offers six-month leasing only			

✓ Comparable Property ♦ Senior Restricted (MRR) Market-Rate (MRT) Market-Rate & Tax Credit (MRG) Market-Rate & Government-Subsidized (MIN) Market-Rate & Income-Restricted (not LIHTC)	(MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized (TAX) Tax Credit (TGS) Tax Credit & Government-Subsidized (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC) (TIN) Tax Credit & Income-Restricted (not LIHTC) (TMG) Tax Credit, Market-Rate & Government-Subsidized	(TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized (INR) Income-Restricted (not LIHTC) (ING) Income-Restricted (not LIHTC) & Government-Subsidized (GSS) Government-Subsidized (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
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16	Hunters Glen Apts. 3731 Southborough Rd, Florence, SC 29501	Contact: June Phone: (843) 662-9213
	Total Units: 48 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1995 BR: 2 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:	
17	Huntington Place Apts. 1520 Heritage Ln., Florence, SC 29505	Contact: Sherry Phone: (843) 673-0790
	Total Units: 56 UC: 0 Occupancy: 94.6% Stories: 2 Year Built: 1988 BR: 2 Vacant Units: 3 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range due to unit location	
18	Indigo Pointe 825 S Irby St, Florence, SC 29501	Contact: Cassandra Phone: (843) 799-0464
	Total Units: 48 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 2016 BR: 1, 2 Vacant Units: 0 Waitlist: None AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit; HOME Funds (11 units at 60% AMHI)	
19	Irby Senior Village 125 Federal Ct., Florence, SC 29501	Contact: Clair Phone: (843) 799-6226
	Total Units: 40 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 2018 BR: 1, 2 Vacant Units: 0 Waitlist: 12 HH AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit; Preleasing 2/2018, opened 5/2018, 100% occupied 7/2018	
20	Lakota Crossing 1741 Lakota Dr, Florence, SC 29505	Contact: Shamonte Phone: (843) 664-9030
	Total Units: 72 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 2004 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 48 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; HOME Funds (72 units)	


✔	Comparable Property	■	(MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized	■	(TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized
◆	Senior Restricted	■	(TAX) Tax Credit	■	(INR) Income-Restricted (not LIHTC)
■	(MRR) Market-Rate	■	(TGS) Tax Credit & Government-Subsidized	■	(ING) Income-Restricted (not LIHTC) & Government-Subsidized
■	(MRT) Market-Rate & Tax Credit	■	(TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)	■	(GSS) Government-Subsidized
■	(MRG) Market-Rate & Government-Subsidized	■	(TIN) Tax Credit & Income-Restricted (not LIHTC)	■	(ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
■	(MIN) Market-Rate & Income-Restricted (not LIHTC)	■	(TMG) Tax Credit, Market-Rate & Government-Subsidized		


<p>21</p>	<p>Landmark Woods 1400 Cherokee Rd., Florence, SC 29501</p> 	<p>Contact: Danae Phone: (843) 407-6580</p> <p>Total Units: 104 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1974 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 2 mos AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:</p>
<p>22</p>	<p>Magnolia Pointe 156 W Attwood Ave, Florence, SC 29505</p> 	<p>Contact: Keebie Wallace Phone: (843) 259-4194</p> <p>Total Units: 24 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 2021 BR: 2 Vacant Units: 0 Waitlist: None AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit; Preleasing 1/2021, opened 6/2021, stabilized occupancy 7/2021</p>
<p>23</p>	<p>McGowan Commons 709 Mechanic St, Florence, SC 29506</p> 	<p>Contact: Verlie Phone: (843) 317-6736</p> <p>Total Units: 36 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 2012 BR: 2, 3 Vacant Units: 0 Waitlist: 13 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit</p>
<p>24</p>	<p>Mt. Zion I & II 619 Ervin Ct., Florence, SC 29506</p> 	<p>Contact: Latoya Phone: (843) 669-1571</p> <p>Total Units: 108 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1972 BR: 1, 2, 3, 4 Vacant Units: 0 Waitlist: 2-3 mos AR Year: Target Population: Family Yr Renovated: 1999 Rent Special: None Notes: HUD Section 8</p>
<p>25</p>	<p>Palmetto Station 2401 Freedom Blvd., Florence, SC 29505</p> 	<p>Contact: Kelsey Phone: (843) 407-5031</p> <p>Total Units: 48 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2014 BR: 2, 3 Vacant Units: 0 Waitlist: 30 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit</p>


<p>✓ Comparable Property</p> <p>◆ Senior Restricted</p> <p>■ (MRR) Market-Rate</p> <p>■ (MRT) Market-Rate & Tax Credit</p> <p>■ (MRG) Market-Rate & Government-Subsidized</p> <p>■ (MIN) Market-Rate & Income-Restricted (not LIHTC)</p>	<p>■ (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized</p> <p>■ (TAX) Tax Credit</p> <p>■ (TGS) Tax Credit & Government-Subsidized</p> <p>■ (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)</p> <p>■ (TIN) Tax Credit & Income-Restricted (not LIHTC)</p> <p>■ (TMG) Tax Credit, Market-Rate & Government-Subsidized</p>	<p>■ (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized</p> <p>■ (INR) Income-Restricted (not LIHTC)</p> <p>■ (ING) Income-Restricted (not LIHTC) & Government-Subsidized</p> <p>■ (GSS) Government-Subsidized</p> <p>■ (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted</p>
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26	Reserve at Mill Creek 2350 Freedom Blvd., Florence, SC 29505		Contact: Joanie Phone: (843) 665-5311	
		Total Units: 268 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes: Higher rent for 1st-floor units based on den, view, or upgrades	Occupancy: 100.0% Vacant Units: 0	Stories: 3 Waitlist: None

27	Sedgefield Apts. 1300 Valparaiso Dr, Florence, SC 29503		Contact: Crystal Phone: (843) 667-6063	
		Total Units: 272 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes:	Occupancy: 100.0% Vacant Units: 0	Stories: 2 Waitlist: 10 HH

28	Sterling Apts. 1100 S Mayfair Ter, Florence, SC 29501		Contact: Sabra Phone: (843) 702-0077	
		Total Units: 28 UC: 36 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes: 36 units under renovation ECD 2023	Occupancy: 100.0% Vacant Units: 0	Stories: 2 Waitlist: None

29	Waterchase Apts. 3220 Hoffmeyer Rd. & 202 Westfiled Dr., Florence, SC 29501		Contact: Danielle Phone: (843) 667-4900	
		Total Units: 180 UC: 156 BR: 2, 3 Target Population: Family Rent Special: None Notes: Preleasing & 1st units opened 10/2018; 156 additional units UC, unknown completion date (delayed); Rent range based on floor level	Occupancy: 81.7% Vacant Units: 33	Stories: 3 Waitlist: None



30	Waxwing Townhomes 1185 Waxwing Dr., Florence, SC 29505		Contact: Tracy Phone: (843) 857-6249	
		Total Units: 81 UC: 0 BR: 2, 3 Target Population: Family Rent Special: None Notes:	Occupancy: 100.0% Vacant Units: 0	Stories: 2 Waitlist: None

Comparable Property	(MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized	(TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized
Senior Restricted	(TAX) Tax Credit	(INR) Income-Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Government-Subsidized	(ING) Income-Restricted (not LIHTC) & Government-Subsidized
(MRT) Market-Rate & Tax Credit	(TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)	(GSS) Government-Subsidized
(MRG) Market-Rate & Government-Subsidized	(TIN) Tax Credit & Income-Restricted (not LIHTC)	(ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
(MIN) Market-Rate & Income-Restricted (not LIHTC)	(TMG) Tax Credit, Market-Rate & Government-Subsidized	

Source: Housing Authority of Florence
Effective: 10/2021

Monthly Dollar Allowances

		Garden						Townhome					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	12	12	15	17	20	20	12	12	15	17	20	20
	+Base Charge	11	11	11	11	11	11	11	11	11	11	11	11
	Bottled Gas	40	40	47	55	64	64	40	40	47	55	64	64
	Electric	18	18	23	27	33	33	18	18	23	27	33	33
	Heat Pump	9	9	11	13	16	16	9	9	11	13	16	16
	Oil	35	35	42	48	56	56	35	35	42	48	56	56
Cooking	Natural Gas	3	3	5	5	6	6	3	3	5	5	6	6
	Bottled Gas	10	10	14	16	20	20	10	10	14	16	20	20
	Electric	6	6	8	9	11	11	6	6	8	9	11	11
Other Electric		25	25	30	36	41	41	25	25	30	36	41	41
	+Base Charge	8	8	8	8	8	8	8	8	8	8	8	8
Air Conditioning		10	10	13	16	18	18	10	10	13	16	18	18
Water Heating	Natural Gas	13	13	17	23	30	30	13	13	17	23	30	30
	Bottled Gas	41	41	51	70	91	91	41	41	51	70	91	91
	Electric	18	18	24	37	50	50	18	18	24	37	50	50
	Oil	0	0	0	0	0	0	0	0	0	0	0	0
Water		16	16	19	21	23	23	16	16	19	21	23	23
Sewer		32	32	36	39	43	43	32	32	36	39	43	43
Trash Collection		8	8	8	8	8	8	8	8	8	8	8	8
Internet*		20	20	20	20	20	20	20	20	20	20	20	20
Cable*		20	20	20	20	20	20	20	20	20	20	20	20
Alarm Monitoring*		0	0	0	0	0	0	0	0	0	0	0	0

* Estimated- not from source

Addendum B – Member Certification & Checklist

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

Bowen National Research is duly qualified and experienced in providing market analysis for Housing. The company's principals participate in the National Council of Housing Market Analysts (NCHMA) educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Bowen National Research is an independent market analyst. No principal or employee of Bowen National Research has any financial interest whatsoever in the development for which this analysis has been undertaken.

Certified:

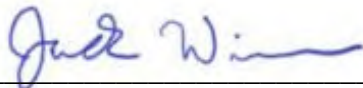


Patrick M. Bowen

President

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Date: May 5, 2022



Jack Wiseman (Primary Contact)

Market Analyst

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Date: May 5, 2022

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

ADDENDUM-MARKET STUDY INDEX

A. INTRODUCTION

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

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

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

C. CHECKLIST

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

CHECKLIST (Continued)

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

CHECKLIST (Continued)

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

Addendum C – Achievable Market Rent Analysis

A. INTRODUCTION

We identified five market-rate properties within the Florence Site PMA that we consider comparable to the proposed subject development. These selected properties are used to derive market rent for a project with characteristics similar to the proposed subject development and the subject property's market advantage. 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 proposed subject units without maximum income and rent restrictions.

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

- Surrounding neighborhood characteristics
- Target market (seniors, families, disabled, etc.)
- Unit types offered (garden or townhouse, bedroom types, etc.)
- Building type (single-story, midrise, 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 proposed subject project does not have a washer or dryer and a selected property does, then we lower the collected rent of the selected property by the estimated value of a washer and dryer to derive an *achievable market rent* for a project similar to the proposed 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 Bowen National Research's prior experience in markets nationwide.

It is important to note that one or more of the selected properties may be more similar to the subject property than others. These properties are given more weight in terms of reaching the final achievable market rent determination. While monetary adjustments are made for various unit and project features, the final market rent determination is based upon the judgments of our market analysts.

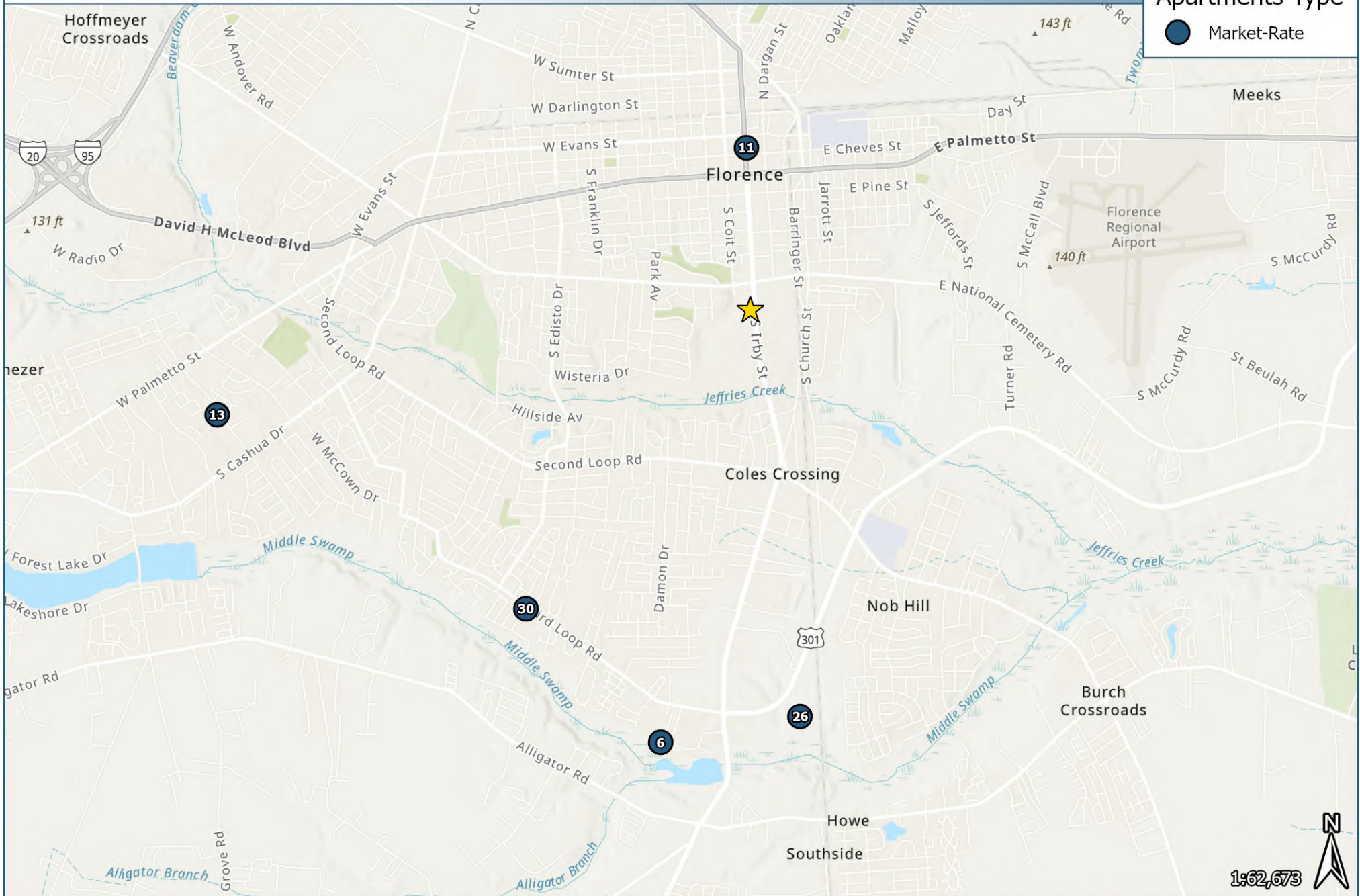
The proposed subject development and the five selected properties include the following:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	Hope Springs	2024	40	-	6 (-)	18 (-)	16 (-)
6	Charles Pointe	2001	168	100.0%	42 (100.0%)	114 (100.0%)	12 (100.0%)
11	Emerson Apts.	2016	83	100.0%	56 (100.0%)	27 (100.0%)	-
13	Gate Line Woodlake Apts.	2014	120	95.0%	-	60 (95.0%)	60 (95.0%)
26	Reserve at Mill Creek	2008	268	100.0%	122 (100.0%)	122 (100.0%)	24 (100.0%)
30	Waxwing Townhomes	2017	81	100.0%	-	49 (100.0%)	32 (100.0%)

Occ. – Occupancy

The five selected market-rate projects have a combined total of 720 units with an overall occupancy rate of 99.2%, a very strong rate for rental housing. This demonstrates that these comparable properties have been very well-received within the market and will serve as accurate benchmarks with which to compare to the subject project.

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 among the selected properties and the proposed subject development. Preceding the Rent Comparability Grids is a map of the comparable market-rate properties in relation to the location of the subject project.



0 0.3 0.6 0.9 1.2

Miles

County of Florence, State of North Carolina DOT, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA, Esri, NASA, NGA, USGS
 Additional Source(s): Bowen National Research

1:62,673



Rent Comparability Grid

Unit Type →

ONE-BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Hope Springs		Charles Pointe		Emerson Apts.		Gate Line Woodlake Apts.		Reserve at Mill Creek		Waxwing Townhomes	
827 South Irby Street		201 Millstone Rd		150 S Irby St		1347 Jefferson Dr.		2350 Freedom Blvd.		1185 Waxwing Dr.	
Florence, SC		Florence, SC		Florence, SC		Florence, SC		Florence, SC		Florence, SC	
Data		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged											
1 \$ Last Rent / Restricted?		\$930		\$1,200		\$975		\$1,150		\$1,510	
2 Date Surveyed		Apr-22		Apr-22		Apr-22		Apr-22		Apr-22	
3 Rent Concessions		None		None		None		None		None	
4 Occupancy for Unit Type		100%		100%		95%		100%		100%	
5 Effective Rent & Rent/ sq. ft		\$930	1.33	\$1,200	1.41	\$975	0.94	\$1,150	1.47	\$1,510	1.51
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6 Structure / Stories	WU/2,3	WU/3		EE/4		WU/3		WU/3		TH/2	
7 Yr. Built/Yr. Renovated	2024	2001	\$23	2016	\$8	2014	\$10	2008	\$16	2017	\$7
8 Condition/Street Appeal	E	G	\$15	E		G	\$15	G	\$15	E	
9 Neighborhood	G	G		G		G		G		G	
10 Same Market?		Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11 # Bedrooms	1	1		1		2	(\$50)	1		2	(\$50)
12 # Baths	1	1		1		2	(\$30)	1		2	(\$30)
13 Unit Interior Sq. Ft.	853	700	\$50	850	\$1	1040	(\$62)	783	\$23	1001	(\$49)
14 Patio/Balcony/Sunroom	Y	Y		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	Y/Y		Y/Y		Y/Y		Y/Y		Y/Y	
18 Washer/Dryer	HU/L	HU	\$5	W/D	(\$25)	HU	\$5	W/D	(\$25)	HU	\$5
19 Floor Coverings	C/V	C/V		C/V		C/V		C/V		T/V	
20 Window Treatments	Y	Y		Y		Y		Y		Y	
21 Secured Entry	N	N		N		N		N		N	
22 Garbage Disposal	Y	Y		Y		Y		Y		N	\$5
23 Ceiling Fan/Storage	Y/N	Y/N		Y/N		Y/N		Y/Y	(\$5)	Y/N	
D Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24 Parking (\$ Fee)	LOT/\$0	LOT/\$0		P-GAR	(\$30)	LOT/\$0		LOT/\$0		LOT/\$0	
25 On-Site Management	Y	Y		Y		N	\$5	Y		N	\$5
26 Security Features	Y	Y		N	\$5	N	\$5	Y		N	\$5
27 Community Space	Y	N	\$5	Y		N	\$5	Y		N	\$5
28 Pool/Recreation Areas	F	P/F	(\$10)	F		P/F	(\$10)	P/F	(\$10)	N	\$5
29 Computer/Business Center	Y	N	\$3	N	\$3	N	\$3	Y		N	\$3
30 Grilling Area	N	Y	(\$3)	N		N		Y	(\$3)	N	
31 Playground	Y	Y		N	\$3	N	\$3	Y		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		Y/Y	(\$48)	N/N		N/N	
39 Trash/Recycling	Y/N	Y/N		Y/N		Y/N		N/N	\$8	N/N	\$8
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40 # Adjustments B to D		6	2	5	2	8	4	3	4	9	3
41 Sum Adjustments B to D		\$101	(\$13)	\$20	(\$55)	\$51	(\$152)	\$54	(\$43)	\$43	(\$129)
42 Sum Utility Adjustments							(\$48)	\$8		\$8	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43 Net/ Gross Adjmts B to E		\$88	\$114	(\$35)	\$75	(\$149)	\$251	\$19	\$105	(\$78)	\$180
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44 Adjusted Rent (5+ 43)		\$1,018		\$1,165		\$826		\$1,169		\$1,432	
45 Adj Rent/Last rent			110%		97%		85%		102%		95%
46 Estimated Market Rent	\$1,115	\$1.31		← Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type →

TWO-BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Hope Springs		Charles Pointe		Emerson Apts.		Gate Line Woodlake Apts.		Reserve at Mill Creek		Waxwing Townhomes	
827 South Irby Street		201 Millstone Rd		150 S Irby St		1347 Jefferson Dr.		2350 Freedom Blvd.		1185 Waxwing Dr.	
Florence, SC		Florence, SC		Florence, SC		Florence, SC		Florence, SC		Florence, SC	
A. Rents Charged	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,070		\$1,675		\$1,050		\$1,390		\$1,510	
2	Date Surveyed	Apr-22		Apr-22		Apr-22		Apr-22		Apr-22	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		95%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,070	1.06	\$1,675	1.64	\$1,050	1.01	\$1,390	1.23	\$1,510	1.51
B. Design, Location, Condition	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2,3		WU/3		WU/3		WU/3		TH/2	
7	Yr. Built/Yr. Renovated	2024	\$23	2001	\$23	2016	\$8	2014	\$10	2008	\$16
8	Condition/Street Appeal	E	\$15	G	\$15	E		G	\$15	G	\$15
9	Neighborhood	G		G		G		G		G	
10	Same Market?			Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	1	(\$30)	2	(\$30)	2	(\$30)	2	(\$30)	2	(\$30)
13	Unit Interior Sq. Ft.	1,030	\$6	1010	\$6	1020	\$3	1040	(\$3)	1130	(\$32)
14	Patio/Balcony/Sunroom	Y		Y		Y		Y		Y	
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		Y/Y		Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	HU/L	\$5	HU	\$5	W/D	(\$25)	HU	\$5	W/D	(\$25)
19	Floor Coverings	C/V		C/V		C/V		C/V		T/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y		Y		Y		Y		N	\$5
23	Ceiling Fan/Storage	Y/N		Y/N		Y/N		Y/N	(\$5)	Y/N	
D. Site Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		P-GAR	(\$30)	LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		N	\$5	Y	
26	Security Features	Y		Y		N	\$5	N	\$5	Y	
27	Community Space	Y	\$5	N	\$5	Y		N	\$5	Y	
28	Pool/Recreation Areas	F	(\$10)	P/F	(\$10)	F		P/F	(\$10)	P/F	(\$10)
29	Computer/Business Center	Y	\$3	N	\$3	N	\$3	N	\$3	Y	
30	Grilling Area	N	(\$3)	Y	(\$3)	N		N		Y	(\$3)
31	Playground	Y		Y		N	\$3	N	\$3	Y	
32	Social Services	N		N		N		N		N	
E. Utilities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N		Y/Y	(\$55)	N/N	
39	Trash/Recycling	Y/N		Y/N		Y/N		Y/N		N/N	\$8
F. Adjustments Recap	Pos	Neg		Pos	Neg			Pos	Neg	Pos	Neg
40	# Adjustments B to D	6	3	5	3	8	3	2	6	10	1
41	Sum Adjustments B to D	\$57	(\$43)	\$22	(\$85)	\$51	(\$43)	\$31	(\$105)	\$52	(\$30)
42	Sum Utility Adjustments						(\$55)	\$8		\$8	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$14	\$100	(\$63)	\$107	(\$47)	\$149	(\$66)	\$144	\$30	\$90
G. Adjusted & Market Rents	Adj. Rent	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,084		\$1,612		\$1,003		\$1,324		\$1,540	
45	Adj Rent/Last rent		101%		96%		96%		95%		102%
46	Estimated Market Rent	\$1,215		\$1.18		← Estimated Market Rent/ Sq. Ft					

Rent Comparability Grid

Unit Type → **THREE-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Hope Springs		Charles Pointe		Emerson Apts.		Gate Line Woodlake Apts.		Reserve at Mill Creek		Waxwing Townhomes	
827 South Irby Street		201 Millstone Rd		150 S Irby St		1347 Jefferson Dr.		2350 Freedom Blvd.		1185 Waxwing Dr.	
Florence, SC		Florence, SC		Florence, SC		Florence, SC		Florence, SC		Florence, SC	
A. Rents Charged	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,325		\$1,675		\$1,300		\$1,690		\$1,810	
2	Date Surveyed	Apr-22		Apr-22		Apr-22		Apr-22		Apr-22	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		95%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,325	1.08	\$1,675	1.64	\$1,300	1.06	\$1,690	1.32	\$1,810	1.44
B. Design, Location, Condition	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2,3		WU/3		WU/3		WU/3		TH/2	
7	Yr. Built/Yr. Renovated	2024	\$23	2001	\$8	2016	\$10	2014	\$16	2008	\$7
8	Condition/Street Appeal	E	\$15	G		E		G	\$15	G	
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	3		3	\$50	2		3		3	
12	# Baths	2		2		2		2		2.5	(\$15)
13	Unit Interior Sq. Ft.	1249	\$6	1230	\$74	1020	\$9	1222	(\$12)	1285	(\$3)
14	Patio/Balcony/Sunroom	Y		Y		Y		Y		Y	
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		Y/Y		Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	HU/L	\$5	HU	(\$25)	W/D	\$5	W/D	(\$25)	HU	\$5
19	Floor Coverings	C/V		C/V		C/V		C/V		T/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y		Y		Y		Y		N	\$5
23	Ceiling Fan/Storage	Y/N		Y/N		Y/N		Y/Y	(\$5)	Y/N	
D. Site Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		P-GAR	(\$30)	LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		N	\$5	Y	
26	Security Features	Y		Y		N	\$5	N	\$5	Y	
27	Community Space	Y	\$5	N		Y		N	\$5	Y	
28	Pool/Recreation Areas	F	(\$10)	P/F		F		P/F	(\$10)	P/F	(\$10)
29	Computer/Business Center	Y	\$3	N	\$3	N	\$3	Y		N	\$3
30	Grilling Area	N	(\$3)	Y		N		Y	(\$3)	N	
31	Playground	Y		Y		N	\$3	Y		N	\$3
32	Social Services	N		N		N		N		N	
E. Utilities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N	(\$60)	N/N		N/N	
39	Trash/Recycling	Y/N		Y/N		Y/N		N/N	\$8	N/N	\$8
F. Adjustments Recap	Pos	Neg		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	6	2	6	2	9	1	2	5	9	2
41	Sum Adjustments B to D	\$57	(\$13)	\$143	(\$55)	\$60	(\$10)	\$31	(\$55)	\$43	(\$18)
42	Sum Utility Adjustments						(\$60)	\$8		\$8	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$44	\$70	\$88	\$198	(\$10)	\$130	(\$16)	\$94	\$33	\$69
G. Adjusted & Market Rents	Adj. Rent	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,369		\$1,763		\$1,290		\$1,674		\$1,843	
45	Adj Rent/Last rent		103%		105%		99%		99%		102%
46	Estimated Market Rent	\$1,445		\$1.16		← 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 present-day achievable market rents for units similar to the proposed subject development are \$1,115 for a one-bedroom unit, \$1,215 for a two-bedroom unit and \$1,445 for a three-bedroom unit, which are illustrated as follows:

Bedroom Type	Proposed Collected Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
One-Br.	\$115 (20%)	\$1,115	89.69%
	\$600 (60%)		46.19%
Two-Br.	\$115 (20%)	\$1,215	90.53%
	\$700 (60%)		42.39%
	\$850 (70%)		30.04%
Three-Br.	\$110 (20%)	\$1,445	92.39%
	\$775 (60%)		46.37%
Weighted Average			49.80%

Typically, Tax Credit rents should represent market rent advantages around 10.0% in order to be considered a value in most markets. Therefore, the proposed subject rents will likely be perceived as substantial values within the Florence Site PMA, as they represent market rent advantages ranging from 30.04% to 92.39%, depending upon bedroom type and targeted income level.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

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. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do 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 2001 and 2017. 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 proposed subject project will have an excellent appearance, once construction is complete. We have made adjustments for those properties that we consider to be of inferior quality compared to the subject development.
11. All of the selected properties offer two-bedroom units; however, not all of the selected properties offer one- or three-bedroom units, similar to the subject site. Therefore, we have utilized the two-bedroom units at select property and adjusted \$50 per bedroom to reflect the lack or additional defined bedroom to be offered at the subject development.
12. There is a variety of the number of bathrooms offered at each of the selected properties. We have made adjustments of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared with the comparable properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar-for-dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. The proposed subject project will offer a unit amenity package generally superior to 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 comprehensive 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 in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.