

NEED AND DEMAND ANALYSIS
FOR THE EAGLE LANDING APARTMENTS
IN
NORTH CHARLESTON, SOUTH CAROLINA

Prepared for
Brinshore Development
for submission to
the South Carolina State Housing Finance and Development Authority

May 2024

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INTRODUCTION

PURPOSE

The purpose of this report is to present the findings of an analysis of the need and demand for the proposed Eagle Landing Apartments in North Charleston, South Carolina. A total of 100 units are to be developed: eleven one-bedroom units, 61 two-bedroom units, and 28 three-bedroom units. The apartments will rent to households whose incomes qualify their apartments for tax credit status.

ASSUMPTIONS AND CONDITIONS

The findings of this study are predicated upon the assumption that the proposed development, as presented to us, will be located at the site described in the report, that it will be funded through the program under which it was prepared, and within the stated projection period.

Further, the findings are based on the assumption that once funded, the complex will be well-designed, well-marketed, and professionally managed.

The data and analysis in this study are based on information relating to conditions in the town, market area, county, and state in which the project is to be located, and has been obtained from the most pertinent and current available sources. Likewise, every effort has been made to ensure its accuracy and reliability. However, we can assume no responsibility for inaccuracies in reporting by any local, regional, state, or federal agency cited, nor for any information withheld or erroneously reported by the sources cited during the normal course of our professional research. Consequently, we reserve the right to alter our findings and conclusions, if necessary, on the basis of any discovered material inaccuracies.

It is important to stress that coverage from the 2010 Census does not equate with the coverage provided in previous decennial Censuses. Thus, other sources - notably the Census Bureau's American Community Survey - is necessarily to be relied upon. The latter is based on a relatively small sample (compared with earlier sample-based Census reports) and therefore is subject to large statistical margins of error. Thus, use of these data is subject to the *caveat* that those data may not be as rigorous or as reliable as Census data prior to 2010. In this regard, if the data suggest outcomes at variance with our observations from other sources, these will be highlighted in our findings.

The site of the proposed apartments was visited (on May 11, 2024). In addition, interviews are held with persons with particular knowledge pertinent to the study.

The report is designed to satisfy the underwriting criteria of the reviewing agency for which it was performed, and the conclusions, based on the results of our research, experience, and expertise reflect the predicted ability of the project, as presented to us, to meet or exceed that reviewing agency's guidelines. Thus, a positive conclusion does not necessarily imply that the project would be found to be feasible or successful under different underwriting standards, and this study does not necessarily incorporate generally accepted professional market study standards and elements pre-empted by the guidelines set out by the reviewing agency.

It is stated that we have no responsibility for opinions requiring expertise in other fields of expertise - these would include, for example, legal, environmental, architectural, and engineering matters.

To the best of our knowledge, this report is an accurate representation of market conditions. While due care and professional housing market study techniques were used, no guarantee is made of the findings.

It is stated that we do not have, nor will have in the future, any material interest in the proposed development, and that there is no identity of interest between us and the party for whom the project was prepared. Further, we state that the payment of the fee is not contingent upon a favorable conclusion, nor approval of the project by any agency before or after the fact. The payment of the fee does not include payment for testimony nor further consultation.

Submitted, and attested to, by:

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Date:: May 24, 2024

EXECUTIVE SUMMARY

The following provides a brief summary of each of the major sections in the market analysis.

The proposed development will comprise the development of 100 units of low income tax credit financed housing. The apartments will rent to households whose incomes qualify their apartments for tax credit status, with units to be targeted to households at 20 percent, 50 percent, and 60 percent of the local area median income. The ten units targeted at 20 percent of the area median income will be rent-assisted

The Eagle Landing Apartments are to be located on the south side of Eagle Landing Boulevard, to the east of Rivers Avenue (US 52/78) in North Charleston, in northern Charleston County, adjacent to the Charleston/Dorchester County line, in coastal South Carolina.

The market area for the proposed development is portions of northern Charleston County and adjacent portions of Berkeley County, as defined by several census tracts.

In 2022, the most recent year for which annualized data are available, the Charleston County labor force comprised an estimated 215,121 persons. Of this total, 209,190 were employed and 5,931 or 2.8 percent were unemployed. Unemployment increased by 5,236 between 2019 and 2020 as a consequence of the COVID-19 pandemic (where unemployment reached 12.0 percent in April, 2020). Prior to 2019, employment grew quite consistently on an annual basis - with the rate of unemployment decreasing from 5.0 percent in 2014.

The population of the project market area increased from 68,599 in 2010, to 79,551 in 2020, and is projected to increase to 81,857 in 2023 and to 83,768 in 2026. The number of households grew from 26,493 in 2010 to 31,712 in 2020, and is projected to increase to 32,893 in 2023 and to 33,924 in 2026. There were 16,046 renter households in the market area in 2020: which is projected to increase to 17,116 by 2023, and to 18,154 by 2026.

There are several apartment complexes located throughout the North Charleston area. These include properties that are financed through the use of Low Income Housing Tax Credits - and thus are potentially comparable to the proposed Eagle Landing complex. There are two properties that are subsidized for low and very low income renters, through the HUD Section 8 program, and many market rate complexes.

Overall occupancy in the market rate complexes is 93.9 percent, and occupancy in the tax credit properties is 96.0 percent. The overall occupancy rate is found to be 94.3 percent.

The total potential need for tax credit units such as is proposed in the project market area by 2026 is calculated to be for 6,383 units. The net demand is for 6,221 units. Given the calculated demand, the proposed 100-unit development amounts to 1.6 percent of the total net demand. The proposed development is considered very marketable.

Based on the above, the project could expect to lease-up over a period of nine months, or so.

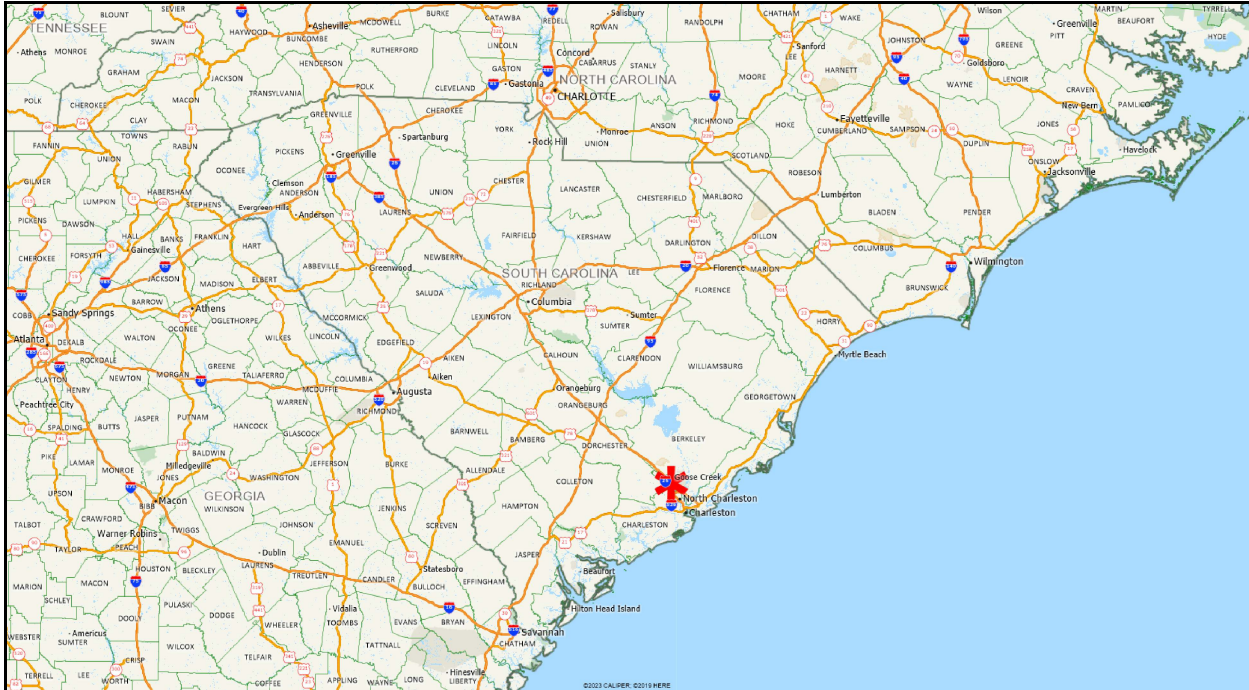
EXHIBIT S - 2 SC SHFPA PRIMARY MARKET AREA ANALYSIS SUMMARY:										
Development Name		Eagle Landing						Total units:		100
Location		Eagle Landing Boulevard						LIHTC units:		100
PMA Boundary		Portions of northern Charleston County, and adjacent portions of Berkeley County								
Development Type		Family		✓	Older		Farthest Boundary Distance to subject:			4 miles
Rental Housing Stock (found on pages 42-48)										
Type		Properties			Total Units		Vacant Units		Average Occupancy	
All Rental Housing		13			2262		122		94.6%	
Market Rate Housing		8			1678		102		93.9%	
Assisted/Subsidized Housing, not to include LIHTC		1			184		4		97.8%	
LIHTC (all that are stabilized)*		4			400		16		96.0%	
Subsidized comps**		4			400		16		96.0%	
Non-stabilized comps										
* Stabilized occupancy of at least 93% (excludes projects still in lease-up)										
** comps are those comparable to the subject and those that compete at nearly the same rent levels and tenant profile, such as age, family and income										
Subject Development					HUD Area FMR			Highest Unadjusted comp rent		
Units	Bedrooms	Baths	Size (sf)	Proposed Rent	per unit	per sf	Advantage	per unit	per sf	
3	1	1	776-822	boi	\$1,424	n/a	n/a	\$1,620	n/a	
2	1	1	776-822	\$862	\$1,424	\$1.81	39.47	\$1,620	\$2.06	
6	1	1	776-822	\$1,049	\$1,424	\$1.81	26.33	\$1,620	\$2.06	
7	2	1	890-942	boi	\$1,599	n/a	n/a	\$1,904	n/a	
10	2	1	890-942	\$1,028	\$1,599	\$1.76	35.71	\$1,904	\$2.09	
44	2	1	890-942	\$1,253	\$1,599	\$1.76	21.64	\$1,904	\$2.09	
9	3	2	1138-1260	\$1,181	\$1,979	\$1.66	40.32	\$2,314	\$1.95	
19	3	2	1138-1260	\$1,441	\$1,979	\$1.66	27.19	\$2,314	\$1.95	
Gross Potential Rent Monthly*				n/a	n/a		n/a			
* market advantage is calculated using the following formula: gross adjusted market rent (minus) gross proposed rent (divided by) gross adjusted market rent The calculation should be expressed as a percentage rounded to two decimal places. The rent calculation Excel worksheet must be provided with the Exhibit S-2 form										
Demographic Data (found on pages 27,35)										
					2020		2023		2026	
Renter Households					16,046	50.6	17,116	52.0	18,154	53.5
Income-Qualified Renter Households (LIHTC)					n/a	n/a	8,582	50.1	9,102	50.1
Income qualified Renter HHs (MR) if applicable										
Targeted Income-Qualified Renter Household Demand (found on page 39)										
Type of demand					20%	50%	60%	Market Rate	other	Overall
Renter Household Growth					205	315	323			615
Existing Households (over burdened+substandard)					2,934	2,834	2,015			5,768
Homeowner conversion (senior)										
Other										
Less comparable/competitive supply					0	0	162			162
Net income-qualified renter hholds					3,139	3,150	2,176			6,221
Capture Rates (found on page 40)										
Targeted population					20%	50%	60%	Market Rate	other	Overall
Capture rate					0.3%	0.7%	3.2%			1.6%
Absorption Rate (found on page 41)										
nine months										

EXHIBIT S - 2 SC SHFPA PRIMARY MARKET AREA ANALYSIS SUMMARY:										
Development Name		Eagle Landing						Total units:		100
Location		Eagle Landing Boulevard						LIHTC units:		100
PMA Boundary		Portions of northern Charleston County, and adjacent portions of Berkeley County								
Development Type		Family		✓	Older		Farthest Boundary Distance to subject:			4 miles
Rental Housing Stock (found on pages 42-48)										
Type		Properties			Total Units		Vacant Units		Average Occupancy	
All Rental Housing		13			2262		122		94.6%	
Market Rate Housing		8			1678		102		93.9%	
Assisted/Subsidized Housing, not to include LIHTC		1			184		4		96.0%	
LIHTC (all that are stabilized)*		4			400		16		96.0%	
Subsidized comps**		4			400		16		96.0%	
Non-stabilized comps										
* Stabilized occupancy of at least 93% (excludes projects still in lease-up)										
** comps are those comparable to the subject and those that compete at nearly the same rent levels and tenant profile, such as age, family and income										
Subject Development					HUD Area FMR			Highest Unadjusted comp rent		
Units	Bedrooms	Baths	Size (sf)	Proposed Rent	per unit	per sf	Advantage	per unit	per sf	
3	1	1	776-822	\$320	\$1,424	\$1.80	77.53	\$1,620	\$2.05	
2	1	1	776-822	\$862	\$1,424	\$1.81	39.47	\$1,620	\$2.06	
6	1	1	776-822	\$1,049	\$1,424	\$1.81	26.33	\$1,620	\$2.06	
7	2	1	890-942	\$378	\$1,599	\$1.73	76.36	\$1,904	\$2.06	
10	2	1	890-942	\$1,028	\$1,599	\$1.76	35.71	\$1,904	\$2.09	
44	2	1	890-942	\$1,253	\$1,599	\$1.76	21.64	\$1,904	\$2.09	
9	3	2	1138-1260	\$1,181	\$1,979	\$1.66	40.32	\$2,311	\$1.94	
19	3	2	1138-1260	\$1,441	\$1,979	\$1.66	27.19	\$2,311	\$1.94	
Gross Potential Rent Monthly*				\$115,044	\$158,820		27.56			
* market advantage is calculated using the following formula: gross adjusted market rent (minus) gross proposed rent (divided by) gross adjusted market rent The calculation should be expressed as a percentage rounded to two decimal places. The rent calculation Excel worksheet must be provided with the Exhibit S-2 form										
Demographic Data (found on pages 27,35)										
					2020		2023		2026	
Renter Households					16,046	50.6	17,116	52.0	18,154	
Income-Qualified Renter Households (LIHTC)					n/a	n/a	8,558	50.0	9,077	
Income qualified Renter HHs (MR) if applicable										
Targeted Income-Qualified Renter Household Demand (found on page 37)										
Type of demand					20%	50%	60%	Market Rate	Overall	
Renter Household Growth					109	315	323		519	
Existing Households (over burdened+substandard)					1,770	2,015	4,898		4,898	
Homeowner conversion (senior)										
Other										
Less comparable/competitive supply					0	0	162		162	
Net income-qualified renter hholds					1,880	3,150	2,176		5,255	
Capture Rates (found on page 38)										
Targeted population					20%	50%	60%	Market Rate	Overall	
Capture rate					0.5%	0.7%	3.2%		1.9%	
Absorption Rate (found on page 39)										
nine months										

A. PROJECT DESCRIPTION

Project Location

The Eagle Landing Apartments are to be located on the south side of Eagle Landing Boulevard, to the east of Rivers Avenue (US 52/78) in North Charleston, in north-central Charleston County, adjacent to the Charleston/Berkeley County line, in coastal South Carolina.



Construction type: New construction

The property comprises one four-story residential building..

Occupancy type :Family

Target income group: 20 percent, 50 percent, and 60 percent of the local area median income.

Special population target: not applicable

Proposed unit mix, etc.

	<u>Units</u>	<u>Rent</u>	<u>Utility Allowance</u>	<u>Targeting*</u>
1 bedroom/1 bath	3	\$1,438	\$74	less than 20 percent **
1 bedroom/1 bath	2	\$862	\$74	less than 50 percent
1 bedroom/1 bath	6	\$1,049	\$74	less than 60 percent
2 bedroom/ 1 bath	7	\$1,597	\$95	less than 20 percent **
2 bedroom/ 1 bath	10	\$1,028	\$95	less than 50 percent
2 bedroom/ 1 bath	44	\$1,253	\$95	less than 60 percent
3 bedroom/ 2 bath	9	\$1,181	\$117	less than 50 percent
3 bedroom/ 2 bath	19	\$1,441	\$117	less than 60 percent

* percent of area median income

** rent-assisted

Rental Assistance: see above

With respect to utilities, the units will be all-electric. Each tenant will be responsible for water, sewer, heating, cooling and other electricity. The owner will responsible for trash collection. The utility allowance is \$74 for a one-bedroom unit, \$95 for a two-bedroom unit, and \$117 for a three-bedroom unit.

The complex comprises a single four-story building. The project will feature a community room and a mail and package center. There will be study rooms/libraries on two floors, with a computer room on another floor. The complex will have a playground and gazebo.

Unit amenities include a fully equipped kitchen, washer and dryer, ceiling fans and mini-blinds. The units will be centrally-heated and air conditioned, with carpet and vinyl flooring.

Information submitted by the developer suggests that construction would start in Spring 2025, with completion around 15 months thereafter.

Representative architectural drawings/plans are set out on the following pages.

Rehabilitation information: n/a

Rendering



SK1

10 May, 2024

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EAGLE LANDING
BRINSHORE
640660

VIEW LOOKING NORTHEAST

B. SITE DESCRIPTION

The Eagle Landing Apartments are to be located on the south side of Eagle Landing Boulevard, to the east of Rivers Avenue (US 52/78) in North Charleston, in north-central Charleston County, adjacent to the Charleston/Berkeley County line, in coastal South Carolina.

Adjacent properties include the Promenade at Northwoods shopping center, a medical office building, a railroad track, and undeveloped land. The Heartland Health and Rehabilitation Center and the Audubon Park Apartments are off Eagle Landing Boulevard, to the east.



There are no apparent physical, environmental, or other constraints upon the construction and marketing of the proposed project at this location.



View onto property



View across property



View towards site



View west on Eagle Landing Blvd, at site

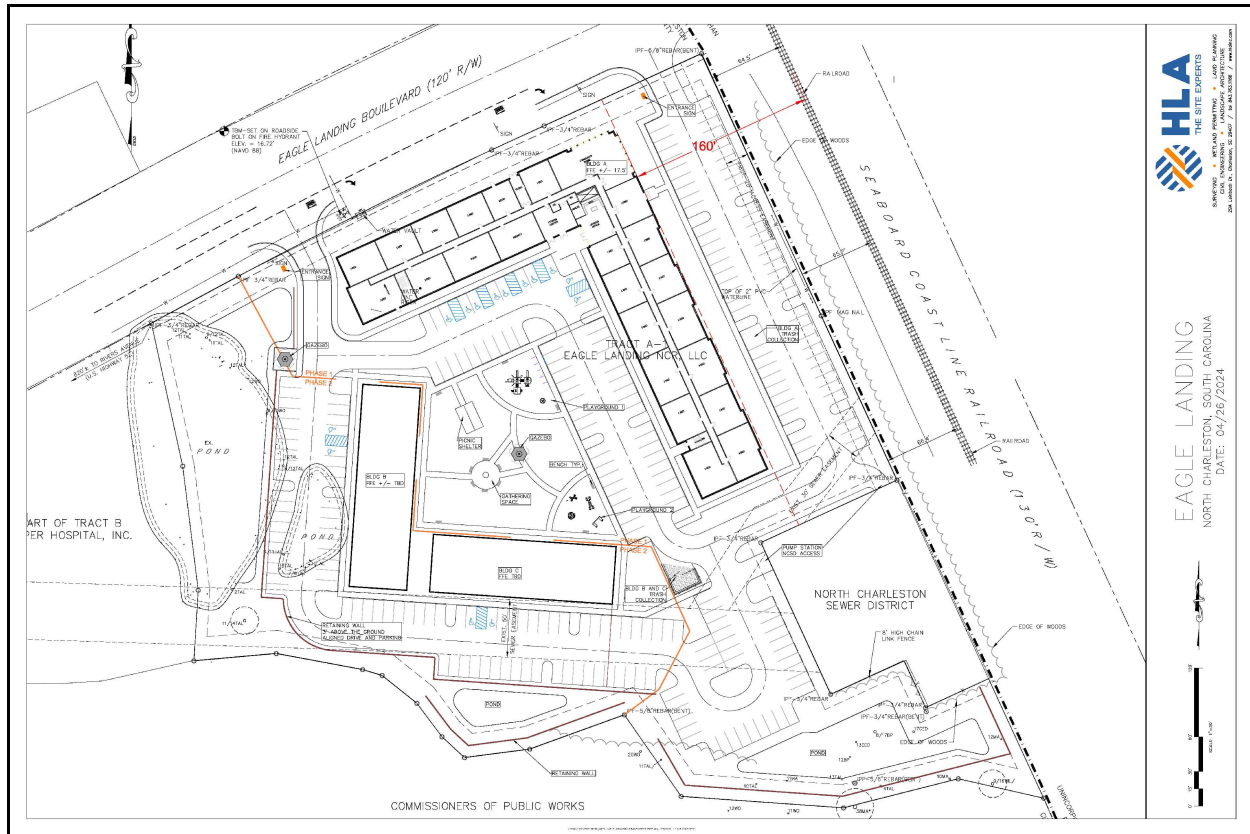


View east on Eagle Landing Blvd, at site



View across Eagle Landing Blvd, at site

Site plan



The following distances from the site to various local services and amenities.

<u>Category</u>	<u>Neighborhood/Community Amenity</u>	<u>Distance (miles)</u>
Highways	US 78/Rivers Avenue	0.2
	Interstate 26	1.2
Public transportation	CARTA	0.2
	Charleston International Airport	8.0
Retail - Grocery	ALDI	0.5
	Piggly Wiggly	2.0
Retail - Other	Wal Mart	0.7
	Target	1.1
	Northwoods Mall	0.4
Pharmacies	Walgreens	0.8
	CVS	1.2
Entertainment, etc	Wannamaker County Park	3.2
Schools	Midland Park Primary School	2.7
	Pinehurst Elementary School	2.0
	Northwoods Middle School	2.2
	RB Stall High School	3.6
City Hall	North Charleston	5.9
Post Office	Rivers Avenue	2.8
Library	Otranto Road	1.9
Hospital	Roper	0.3
	Trident Medical Center	1.9

Access from the site to major thoroughfares, sources of employment, shopping, schools, and other services is good.

The site is located on Eagle Landing Boulevard, one fifth of a mile east its intersection with Rivers Avenue (US 78) - a significant north-south route serving the area. The site is approximately one quarter of a mile from Interstate 26.

The Promenade at Northwoods shopping center, which has, for example, a Hobby Lobby store and an Ollie's Bargain Outlet, is located on the north side of Eagle Landing Boulevard, opposite the site.

The Northwoods Mall is located west of Rivers Avenue at Eagle Landing Boulevard. The Mall is anchored by Dillard's, Belk, and JC Penney stores. There are many restaurants and other service providers, such as banks, in the area.

There are CARTA public bus stops on Rivers Avenue, and at the Mall.

The site is within one half-mile of an ALDI supermarket, on Rivers Avenue, south of Eagle Landing Boulevard. A Target store is located in the North Rivers Towne Center, south of the Wal Mart. Other stores at that center include a CVS pharmacy.

The site of the proposed apartments is quite well-located with respect to local schools. The Midland Park Primary School, the Pinehurst Elementary School, and Northwoods Middle School area within two- to three-miles of the site. The Stall High School is with two and two-third miles of the site.

The site is within two miles of a public library, and is within three miles of a post office. The North Charleston City Hall is six miles south of the site of the proposed development.

The Wannamaker County Park is within three- and one-fourth miles of the site of the proposed development.

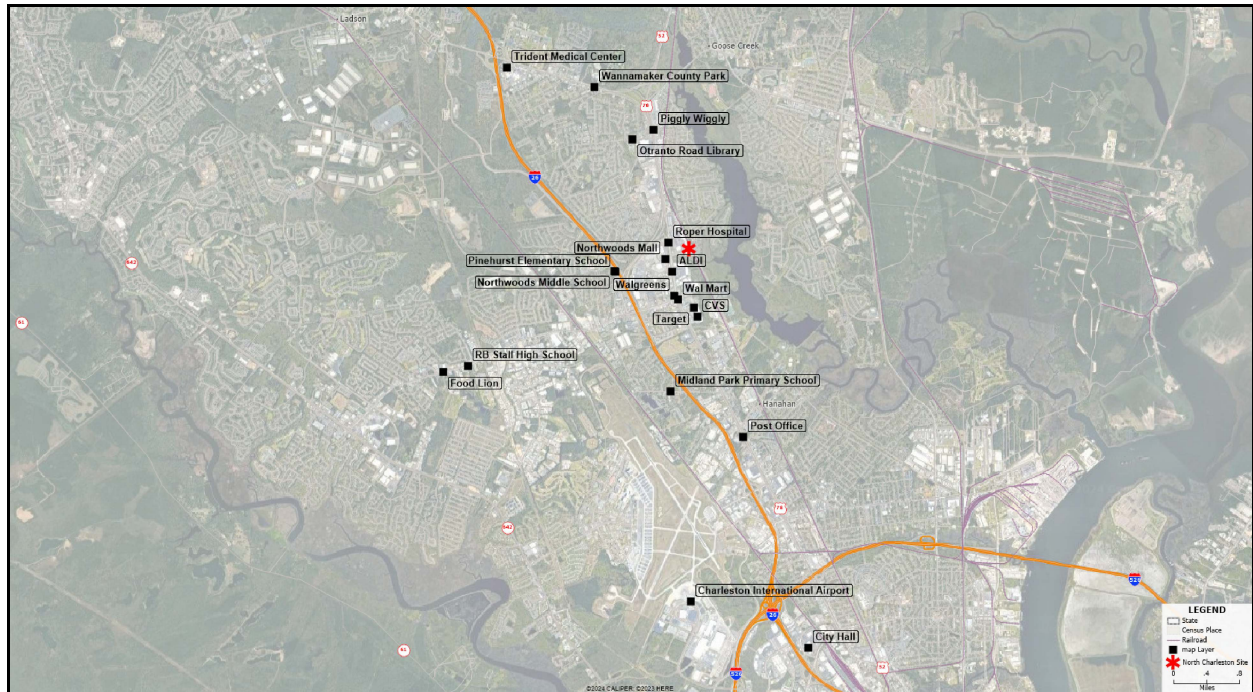
The Trident Medical Center and associated medical services are within five miles of the site of the proposed apartments. A Roper Hospital facility is located at the Promenade at Northwoods.

It is understood that there are no significant road or other infrastructure projects under way or planned for this area.

Based on our observations during our site visit, there is no reason to expect that the risk of crime in this neighborhood would be greater or less than that for other parts of the market area. It is not expected that crime or the perception of crime in the area, would impact the project's marketability - nonetheless, as is prudent, security should be considered in the design and marketing of the project.

There are no apparent physical, environmental, or other constraints upon the construction and ongoing marketing of the proposed project at this location.

The locations of various amenities relative to the site of the proposed development are mapped, below.



C. MARKET AREA

Market areas are defined on the basis of the consideration of many inter-related factors. These include consideration of the site location, consideration of socio-demographic characteristics of the area (tenure, income, rent-levels, etc.), local commuting patterns, physical (or other) boundaries, census geographies, and especially the location of comparable and/or potentially competing communities.

In communities such as county seats where that community is the county's largest community and is centrally located and can draw from the entire county, the county may be the market area. In circumstances where there are potentially competing communities in one county, the market area will be that part of the county (and, potentially, portions of adjacent counties) which the proposed development is most likely to draw from. Here, a combination of census tracts may be used to define the market area. In urban or suburban markets, the market area will be areas adjacent to the site and will extend to all locations of relatively similar character, and with residents or potential residents likely to be interested in the project. Here combinations of census tracts, may be used to define the market area.

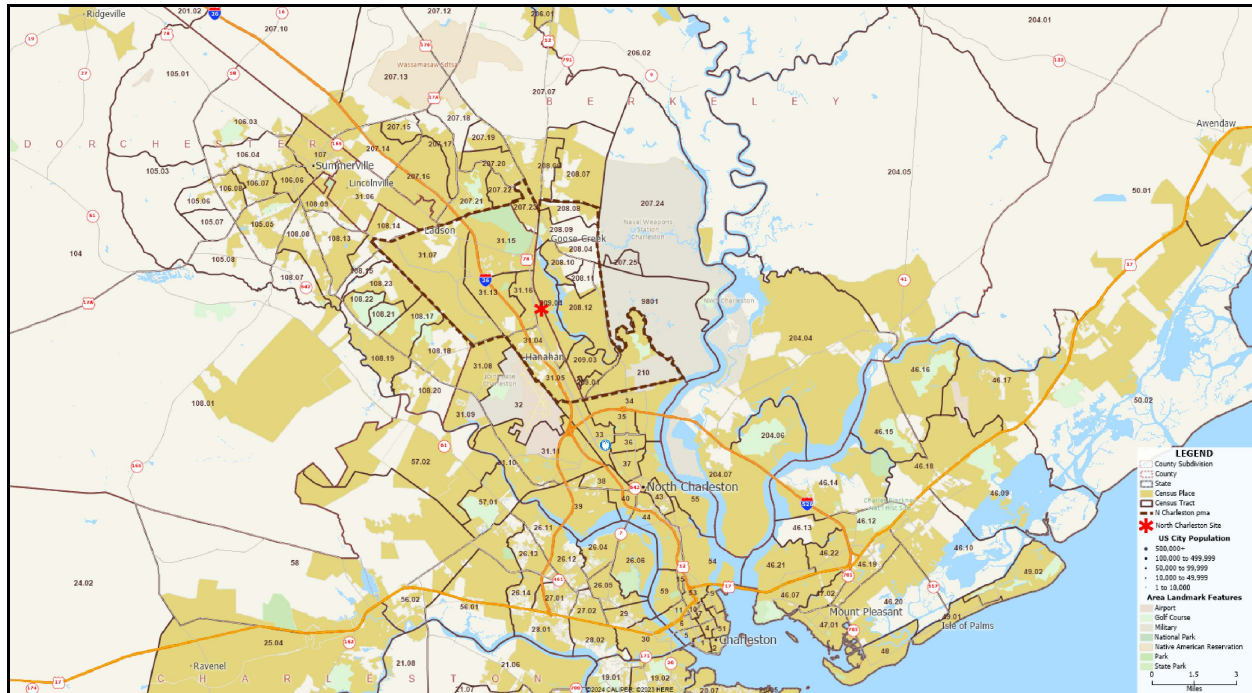
North Charleston is located in north-central Charleston County in coastal South Carolina. The market area for the proposed development is portions of northern Charleston County and adjacent portions of Berkeley County, as defined by several census tracts¹. This area is centered on the site of the proposed development and extends up to an approximately three- to four-mile hinterland.

The market area is roughly rectangular, and is defined by portions of the Ladson Road and Liberty Hall Road, to the north, and the railroad at the Naval Weapons Station and a portion of the Cooper River. To the east. To the south, the area is bounded by Remount Road. The western boundary of the market area includes the railroad track that passes to the east of the Airport, and portions of the Ashley Phosphate Road and Dorchester Road.

The area includes portions of North Charleston, Hanahan, Goose Creek, and Ladson, but excludes neighboring and potentially competing communities, such as the southern portion of North Charleston, Charleston, and Summerville. The area constitutes the geographic area immediately adjacent to the site and extends to all locations of relatively similar characteristics, and with residents, or potential residents, likely to be interested in the project.

¹ Census tracts: 207.23, 208.04, 208.08, 208.09, 208.10, 208.11, 208.12, 209.01, 209.03, 209.04, and 210 in Berkeley County, and tracts 31.04, 31.05, 31.07, 31.13, 31.15, 31.16, and 31.17 in Charleston County.

Market area map



D. MARKET AREA ECONOMY

EMPLOYMENT BY INDUSTRY

The distribution of employment, by industry, for the project market area is set out in Table 1, below. This information is from the 2017 to 2021 American Community Survey (and as such is subject to the limitations of those data). Based on those data, the largest sources of employment are education and healthcare and social assistance, professional occupations, construction, and retail trade - which account for 18.6 percent, 14.9 percent, 11.6 percent and 11.3 percent of the total, respectively.

Table 1 - Employment by Industry, Market Area

	<u>number</u>	<u>percent</u>
Agriculture, etc	71	0.2
Construction	4,415	11.6
Manufacturing	3,575	9.4
Wholesale Trade	974	2.6
Retail Trade	4,320	11.3
Transportation, Warehousing, Utilities	2,465	6.5
Information	691	1.8
Finance, Insurance, Real Estate	1,658	4.4
Professional, scientific, management	5,688	14.9
Educational Services, Health care, Social Assistance	7,098	18.6
Arts, Entertainment, Recreation, Accommodation, Food Service	3,283	8.6
Other services	1,698	4.5
Public Administration	2,159	5.7

Source: 2017 to 2021 American Community Survey; T Ronald Brown: Research & Analysis

MAJOR EMPLOYERS

The major employers in the wider North Charleston/Charleston area are listed in Table 2, below. From this table it is seen that the largest employer is the Joint base Charleston military facility - which employs 22,000 persons. The second largest employer - the Medical University of South Carolina - employs 16,000 locally. Other large employers include Trident Healthcare, Wal Mart, and various automotive firms - Bosch, Volvo, and Mercedes Benz. Public employers include the local school systems, and local governments.

Table 2 - Major Employers

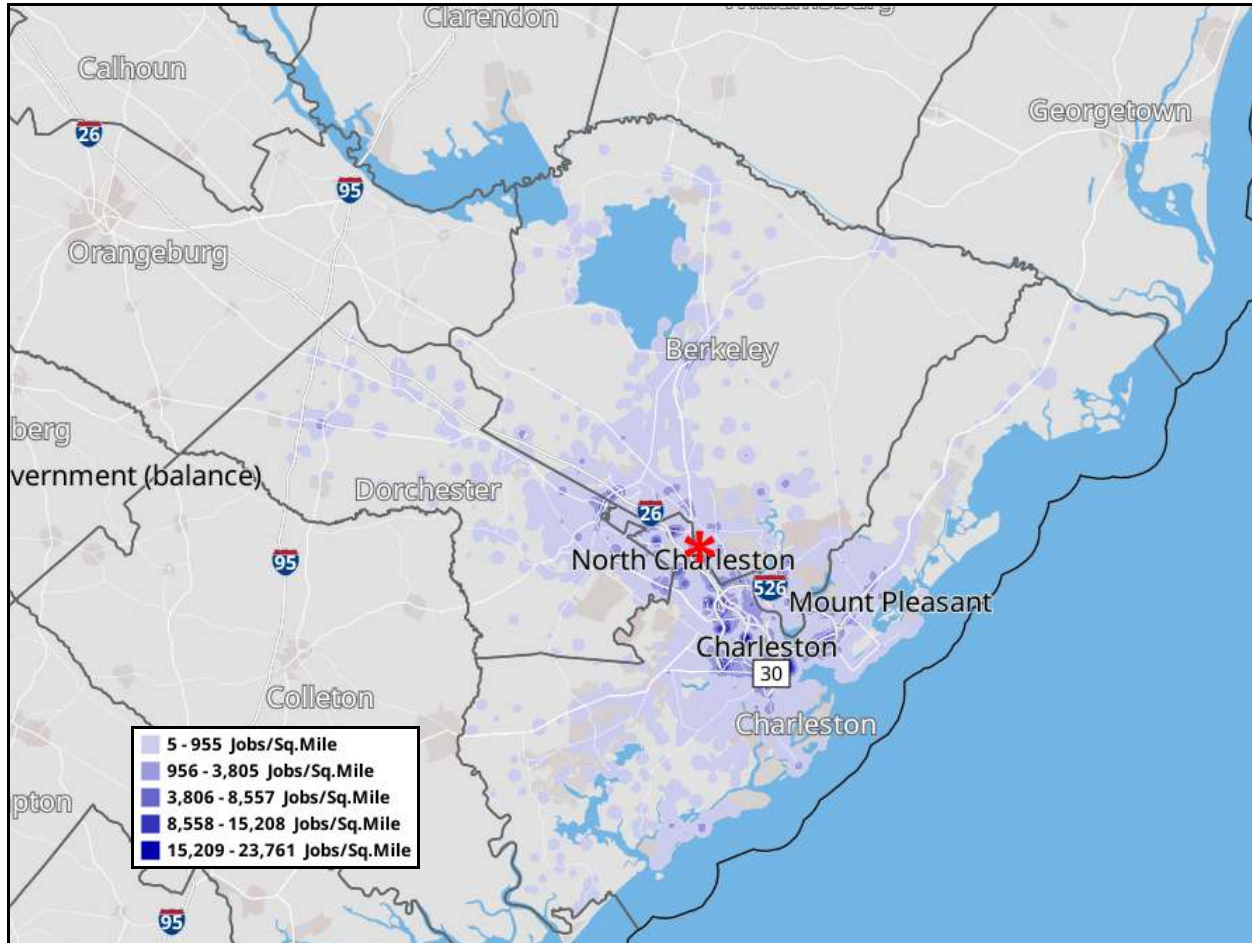
<u>Employer Name</u>	<u>Product/Service</u>	<u>Employees</u>
Joint Base Charleston	U.S Military	22,000
Medical University of South Carolina	Healthcare	16,000
Roper St. Francis Healthcare	Roper and Bon Secours St. Francis Hospitals	6,465
The Boeing Company	Aircraft Manufacturing	6,000
Charleston County School District	Public education	5,900
Trident Health System	Healthcare	2,600
Wal-mart Associates	Retailer	2,300
College of Charleston	University	2,000
U.S. Postal Service	Postal service	2,000
City of Charleston	Government	1,700
Robert Bosch	Automobile components	1,600
Mercedes-Benz Vans	Automotive production	1,600
Publix Supermarkets	Retailer	1,200
iQor	Call center	1,200
T-Mobile USA	Call center	1,200
City of North Charleston	Government	1,200
Trident Technical College	Community College	1,200

Source: Charleston Regional Development Alliance

Information from the South Carolina Department of Commerce shows that since the start of 2022 there have 14 firms announcing new plans at locations throughout Charleston County - adding a total of 821 new jobs. The largest announcement is at IronLink Logistics which will create 250 new positions. Four of these new firms will be located in North Charleston.

SC WARN notices show that in for 2022, 2023, and 2024, to date, there have been ten announced closures and three permanent lay-offs in Charleston County - impacting a total of 2,231 persons.

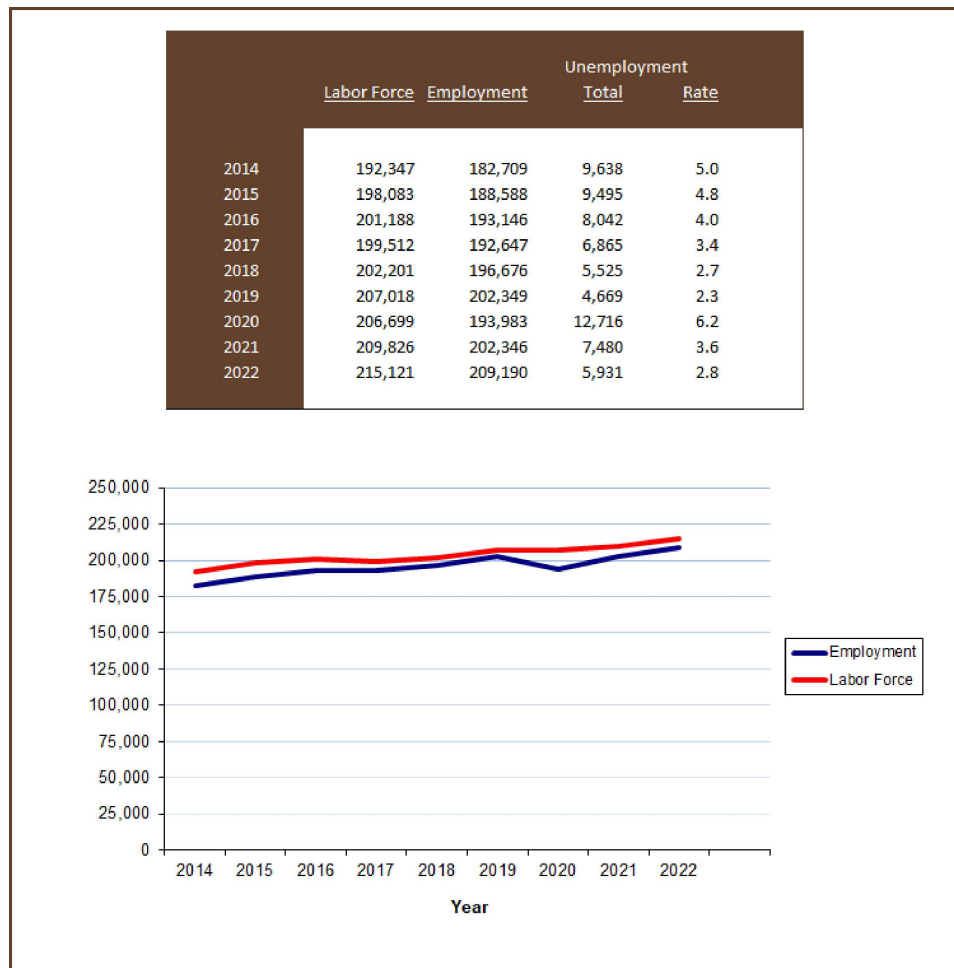
Based on information from the Census, the location of the site relative to the distribution of employment in the wider Charleston area is illustrated in the map, below. Here it is seen that many persons work in the North Charleston area, with significant concentrations in, for example, both North Charleston itself, and downtown Charleston.



LABOR FORCE AND EMPLOYMENT

The makeup and trends of the labor force and employment have a strong influence on the growth and stability of the local housing market in general. In 2022, the most recent year for which annualized data are available, the Charleston County labor force comprised an estimated 215,121 persons. Of this total, 209,190 were employed and 5,931 or 2.8 percent were unemployed. Unemployment increased by 5,236 between 2019 and 2020 as a consequence of the COVID-19 pandemic (where unemployment reached 12.0 percent in April, 2020). Prior to 2019, employment grew quite consistently on an annual basis - with the rate of unemployment decreasing from 5.0 percent in 2014.

Table 3 - Charleston County Labor Force and Employment



Source: US Department of Labor

COMMUTING

Based on data from the American Community Survey, 45.5 percent of workers resident in North Charleston were employed in North Charleston, with 70.8 percent employed in Charleston County as a whole. The average driving time to work for residents of North Charleston was 24.6 minutes, compared with 25.5 minutes for the State as a whole.

Table 4 - Commuting Data

	<u>number</u>	<u>percent</u>
Total Workers	58,940	100.0
Worked in Place of residence	26,818	45.5
Worked in County of residence	41,730	70.8
Worked outside Place of residence	32,122	54.5
Worked outside County of residence	17,210	29.2
Mean travel time to work (minutes)	24.6	

Source: 2017 to 2021 American Community Survey; T Ronald Brown: Research & Analysis

Commuting patterns data are no longer provided in the Decennial Census. Here, data are obtained from the LEHD Origin-Destination Statistics program available from the Census Bureau's OnTheMap application. These data, on commuting patterns for persons who live and/or work in Charleston County are set out, below.

Here it is seen that many persons who live in Charleston County commute to work in the adjacent counties of Berkeley and Dorchester (more than 21,000 persons, combined). Likewise, more 74,000 persons employed in Charleston County commute to work there from those adjacent counties.

Table 5 - Commuting Patterns

Working in Charleston County	125,705
Where Charleston County residents are commuting to:	
Berkeley County, SC	14,415
Dorchester County, SC	6,559
Richland County, SC	4,882
Greenville County, SC	3,520
Lexington County, SC	2,437
Horry County, SC	2,300
Beaufort County, SC	1,751
Spartanburg County, SC	1,268
Florence County, SC	1,071
Elsewhere	12,435
Where Charleston County workers are commuting from:	
Berkeley County, SC	43,716
Dorchester County, SC	31,044
Horry County, SC	4,088
Richland County, SC	4,017
Greenville County, SC	3,332
Colleton County, SC	3,176
Beaufort County, SC	3,065
Orangeburg County, SC	3,055
Lexington County, SC	2,670
Elsewhere	26,845

Source: LEHD Origin-Destination Statistics program/OnTheMap; T.Ronald Brown: Research & Analysis

The local economic conditions will not likely have a direct positive or negative impact on the subject property, to any significant extent.

E. COMMUNITY DEMOGRAPHIC DATA

POPULATION TRENDS AND PROJECTIONS

In 2010, the population of Charleston County was 350,209, and in 2020 the population was recorded as 408,235. Population projections for Charleston County are provided by the South Carolina Revenue and Fiscal Affairs. Based on these data, the population of the county is projected to be 418,482 by 2023, and to be 427,979 by 2026.

Population projections for the project market area are based on the average of several small area population projection techniques using census tract level trends for 2010 to 2020, corrected for the county projections (for each county). The projection is that in 2023 the project market area will have a population of around 81,857, and around 83,768 in 2026.

Information on population trends and changes between 2000 and 2026 are set out in Table 6, below.

Table 6 - Population Trends

	North Charleston	Market Area	Charleston County
2010	97,471	68,599	350,209
2020	114,852	79,551	408,235
2023	n/a	81,857	418,482
2026	n/a	83,768	427,979
absolute change			
2010-2020	17,381	10,952	58,026
2020-2023	n/a	2,306	10,247
2023-2026	n/a	1,911	9,497
annual change			
2010-2020	1,738	1,095	5,803
2020-2023	n/a	769	3,416
2023-2026	n/a	637	3,166

Source: 2010 Census and 2020 Census; SC Revenue and Fiscal Affairs; T Ronald Brown: Research & Analysis

AGE

The distribution of the population, by age, for North Charleston, the North Charleston market area, and for Charleston County are set out in Table 7, below. These data are from the 2020 Census.

Table 7 - Age Distribution

	North Charleston		Market Area		Charleston County	
	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>
Under 5 years	7,441	6.5	5,203	6.5	22,503	5.5
5 to 9 years	7,645	6.7	5,250	6.6	22,828	5.6
10 to 14 years	7,518	6.5	5,271	6.6	22,523	5.5
15 to 19 years	7,118	6.2	5,192	6.5	21,560	5.3
20 to 24 years	9,537	8.3	7,058	8.9	29,384	7.2
25 to 29 years	10,651	9.3	7,106	8.9	32,639	8.0
30 to 34 years	10,073	8.8	6,814	8.6	32,348	7.9
35 to 39 years	8,694	7.6	5,897	7.4	29,748	7.3
40 to 44 years	7,160	6.2	4,758	6.0	25,064	6.1
45 to 49 years	6,194	5.4	4,357	5.5	23,198	5.7
50 to 54 years	6,383	5.6	4,324	5.4	23,250	5.7
55 to 59 years	6,783	5.9	4,505	5.7	26,040	6.4
60 to 64 years	6,083	5.3	4,144	5.2	25,790	6.3
65 to 69 years	4,900	4.3	3,211	4.0	23,540	5.8
70 to 74 years	3,654	3.2	2,534	3.2	20,340	5.0
75 to 79 years	2,298	2.0	1,884	2.4	12,803	3.1
80 to 84 years	1,353	1.2	1,108	1.4	7,374	1.8
85 years and over	1,367	1.2	935	1.2	7,303	1.8
55 and older	26,438	23.0	18,321	23.0	123,190	30.2
65 and older	13,572	11.8	9,672	12.2	71,360	17.5
Total	114,852		79,551		408,235	

Source: 2020 Census; T Ronald Brown: Research & Analysis

HOUSEHOLD TRENDS AND PROJECTIONS

Projections of the number of households for North Charleston, the project market area, and for Charleston County are out in Table 8, below. These projections are based on the population projections set out, above.

The projection is that in 2023 the project market area will have around 32,893 households, and around 33,924 in 2026. In 2020, there were 31,712 households in the market area.

Table 8 - Household Trends

	North Charleston	Market Area	Charleston County
2010	36,915	26,493	144,309
2020	45,887	31,712	173,572
2023	n/a	32,893	179,222
2026	n/a	33,924	184,609
absolute change			
2010-2020	8,972	5,219	29,263
2020-2023	n/a	1,181	5,650
2023-2026	n/a	1,031	5,387
annual change			
2010-2020	897	522	2,926
2020-2023	n/a	394	1,883
2023-2026	n/a	344	1,796

Source: 2010 Census and 2020 Census; T Ronald Brown: Research & Analysis

TENURE

Table 9, below, sets out the number and proportion of owner and renter households for North Charleston, the North Charleston market area, and for Charleston County. In the years beyond 2020, the tenure proportions are based on the 2010 to 2020 tenure trends. In 2020, as many as 50.6 percent of households in the market area were renters, compared with 54.0 percent in North Charleston, and 39.3 percent in the county.

Table 9 - Tenure

North Charleston				persons per		Owner-occupied		Renter-occupied	
	<u>population</u>	<u>households</u>	<u>household</u>	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>
2010	97,471	36,915	2.64	17,673	47.9	19,242	52.1		
2020	114,852	45,887	2.50	21,102	46.0	24,785	54.0		
2023	n/a	n/a	n/a	n/a	n/a	n/a	n/a		
2026	n/a	n/a	n/a	n/a	n/a	n/a	n/a		

Market Area				persons per		Owner-occupied		Renter-occupied	
	<u>population</u>	<u>households</u>	<u>household</u>	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>
2010	68,599	26,493	2.59	14,282	53.9	12,211	46.1		
2020	79,551	31,712	2.51	15,666	49.4	16,046	50.6		
2023	81,857	32,893	2.48	15,777	48.0	17,116	52.0		
2026	83,768	33,924	2.46	15,770	46.5	18,154	53.5		

Charleston County				persons per		Owner-occupied		Renter-occupied	
	<u>population</u>	<u>households</u>	<u>household</u>	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>
2010	350,209	144,309	2.43	87,068	60.3	57,241	39.7		
2020	408,235	173,572	2.35	105,412	60.7	68,160	39.3		
2023	418,482	179,222	2.33	109,055	60.8	70,167	39.2		
2026	427,979	184,609	2.32	112,551	61.0	72,058	39.0		

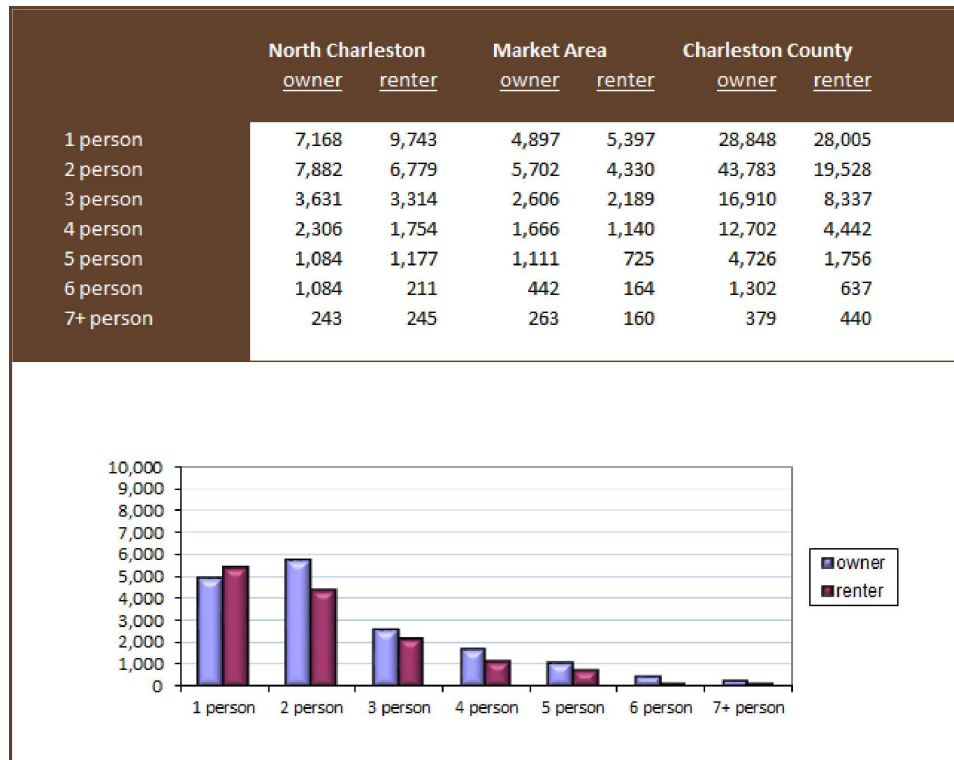
Source: 2010 Census and 2020 Census; T Ronald Brown: Research & Analysis

HOUSEHOLD SIZE

Table 10 below, sets out household size, by tenure, for households in North Charleston, the project market area, and Charleston County.

The distribution of household sizes, by tenure, for the market area is also illustrated.

Table 10 - Household Size, by Tenure



Source: 2017 to 2021 American Community Survey; T Ronald Brown: Research & Analysis

HOUSEHOLD INCOME

The distribution of household incomes for North Charleston, the market area, and for Charleston County are set out in Table 11, below. These figures are taken from the 2017 to 2021 American Community Survey, and as such are subject to the limitations imposed by this source.

Here, it is seen that the median household income in North Charleston was \$58,534 and that for Charleston County as a whole was seen to be \$60,033. The median income for the market area is estimated to be around \$61,844.

The median income for the census tract in which the site of the proposed development is located is estimated to be around \$39,978 - based on the American Community Survey data.

Table 11 - Household Income

	North Charleston		Market area		Charleston County	
	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>
less than \$10,000	2,502	5.4	1,755	5.7	9,614	5.6
\$10,000 to \$14,999	1,543	3.4	769	2.5	4,263	2.5
\$15,000 to \$19,999	1,844	4.0	1,048	3.4	6,149	3.6
\$20,000 to \$24,999	2,338	5.1	1,818	5.9	6,406	3.7
\$25,000 to \$29,999	2,420	5.3	1,474	4.8	5,230	3.0
\$30,000 to \$34,999	2,509	5.5	1,402	4.6	6,416	3.7
\$35,000 to \$39,999	1,973	4.3	1,120	3.6	5,434	3.2
\$40,000 to \$44,999	2,397	5.2	1,512	4.9	6,491	3.8
\$45,000 to \$49,999	2,157	4.7	1,268	4.1	6,024	3.5
\$50,000 to \$59,999	3,758	8.2	2,740	8.9	11,837	6.9
\$60,000 to \$74,999	5,158	11.2	3,769	12.3	14,880	8.7
\$75,000 to \$99,999	5,844	12.7	4,681	15.2	20,021	11.7
\$100,000 to \$124,999	4,043	8.8	2,834	9.2	17,347	10.1
\$125,000 to \$149,999	2,284	5.0	1,687	5.5	12,055	7.0
\$150,000 to \$199,999	2,602	5.7	1,593	5.2	14,827	8.6
\$200,000 or more	2,545	5.5	1,284	4.2	24,801	14.4
median income	\$58,534		\$61,844 *		\$60,033	

* estimate

Source: 2017 to 2021 American Community Survey; T Ronald Brown: Research & Analysis

RENTER HOUSEHOLD INCOME

The distribution of household incomes for renter households for North Charleston, the market area, and Charleston County set out in Table 12, below. These figures are also taken from the 2017 to 2021 American Community Survey.

Here, it is seen that the median renter household income in North Charleston was \$46,234, and that for Charleston County as a whole was seen to be 50,326. The median income for renters in the market area is estimated to be around \$49,716.

The median renter income for the census tract in which the site of the proposed development is located is estimated to be around \$41,685 - based on the American Community Survey data.

Table 12 - Household Income, Renter Households

	North Charleston		Market area		Charleston County	
	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>
less than \$10,000	1,456	6.3	6,255	8.1	5,279	8.4
\$10,000 to \$19,999	2,018	8.7	7,000	9.1	6,072	9.6
\$20,000 to \$34,999	4,885	21.0	13,338	17.3	10,318	16.3
\$35,000 to \$49,999	4,359	18.8	12,252	15.9	9,712	15.4
\$50,000 to \$74,999	4,889	21.1	14,720	19.1	12,091	19.1
\$75,000 to \$99,999	2,582	11.1	8,773	11.4	7,026	11.1
\$100,000 or more	3,034	13.1	14,912	19.3	12,647	20.0
median income	\$46,234		\$49,716 *		\$50,326	

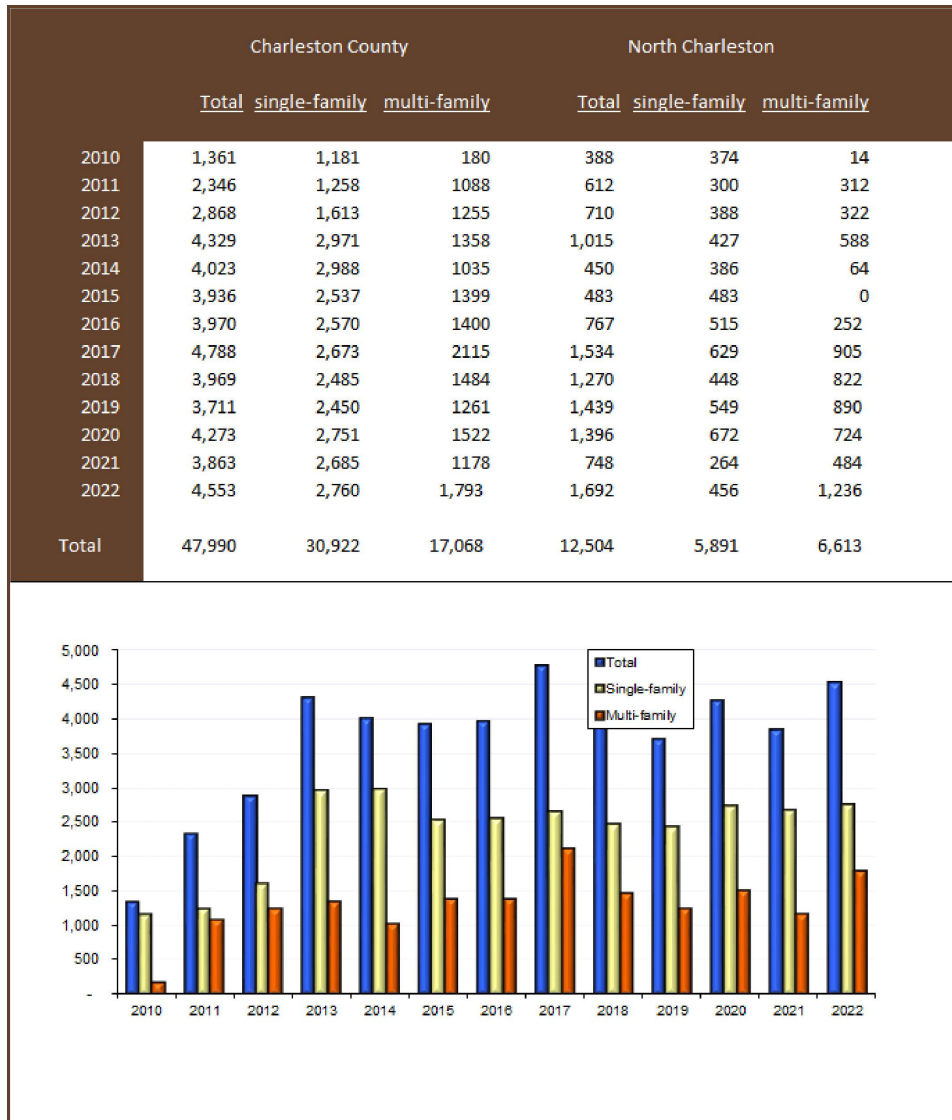
* estimate

Source: 2017 to 2021 American Community Survey; T Ronald Brown: Research & Analysis

RESIDENTIAL CONSTRUCTION SINCE 2010

Table 13 below gives details of residential construction in Charleston County since 2010. Here it can be seen that a total of 47,990 units were added in Charleston County, with 12,504 units added in the City of North Charleston of which 6,613 were multi-family units. No data are available for the market area.

Table 13 - Residential Construction Since 2010



Source: Current Construction Reports, C-40; Bureau of the Census; T Ronald Brown: Research & Analysis

F. PROJECT SPECIFIC DEMAND ANALYSIS

The market for the proposed apartments is derived from two principal sources: the population and household growth market, and from existing households currently living in the area who could move to the project were it to be made available.

INCOME RESTRICTIONS

Income is a key variable in the analysis of housing markets. Of the 100 units proposed, ten will be targeted to households with incomes up to 20 percent of the median, with 21 units targeted at the 50 percent level, and 69 units targeted at 60 percent, and therefore qualify the apartments for low income housing tax credit status. There will be a mix of one-, two-, and three- bedroom units. The ten units targeted at 20 percent of the area median income will be rent-assisted

The income limits for Charleston County are set out below, along with maximum housing expenses. The maximum housing expenses for the proposed units are based on these income limits and assume an average 1.5 persons per household and that renters will pay no more than 30 percent of their incomes on housing expenses (rent plus utilities).

Table 14 - Income Limits and Maximum Housing Costs

Income Limits			
	<u>20 percent</u>	<u>50 percent</u>	<u>60 percent</u>
1 person	\$14,720	\$36,800	\$44,160
2 person	\$16,820	\$42,050	\$50,460
3 person	\$18,920	\$47,300	\$56,760
4 person	\$21,020	\$52,550	\$63,060
5 person	\$22,720	\$56,800	\$68,160
6 person	\$24,400	\$61,000	\$73,200
Maximum Housing Costs			
	<u>20 percent</u>	<u>50 percent</u>	<u>60 percent</u>
1 bedroom	\$394	\$986	\$1,183
2 bedroom	\$473	\$1,183	\$1,419
3 bedroom	\$547	\$1,367	\$1,640

Source: HUD

The median income for Charleston County in 2024 is \$105,100 - having been \$101,300 in 2023, and \$61,900 in 2014. This represents a 3.8 percent increase over the previous year, and a 69.8 percent increase over the last decade (or an average of 5.44 percent per year).

Information as to rents and income targeting, and qualifying income ranges are set out in Table 15, below

Table 15 - Rents and Income Targeting

income targeting				
	<u>20 percent</u>	<u>50 percent</u>	<u>60 percent</u>	<u>Total</u>
1 bedroom	3	2	6	11
2 bedroom	7	10	44	61
3 bedroom	0	9	19	28
Total	10	21	69	100
proposed rents				
	<u>20 percent</u>	<u>50 percent</u>	<u>60 percent</u>	
1 bedroom	\$1,438	\$862	\$1,049	
2 bedroom	\$1,597	\$1,028	\$1,253	
3 bedroom		\$1,181	\$1,441	
proposed rents as a proportion (%) of maximum				
	<u>20 percent</u>	<u>50 percent</u>	<u>60 percent</u>	
1 bedroom	449.0	94.6	94.6	
2 bedroom	422.5	94.5	94.6	
3 bedroom		94.5	94.6	

Source: Applicant; T Ronald Brown: Research & Analysis

The utility allowances for the proposed development are \$74, \$95, and \$117 for the one-, two-, and three-bedroom units, respectively.

From the table above, it can be seen that housing expenses at the proposed apartments fall significantly above the maximum allowable for the rent-assisted units at 20 percent of the median. The units targeted at the 50 percent and 60 percent levels are seen to be at 95 percent of the maximum allowable.

Qualifying income ranges are a function of the income needed to afford the proposed units and the mandated upper income limits. There is no official lower income limit for the proposed apartments. Calculations of demand for the units at the 30 percent level - without the proposed assistance - are based on the maximum allowable at that target income level. It is assumed that tenants will pay no more than 35 percent of their income on housing costs (rent and utilities). The upper limits are a function of household size - based on a standard of one and one-half persons per bedroom.

Table 16 - Qualifying Income Ranges

<u>20 percent</u>		
	lower	upper
1 bedroom	\$13,517	\$15,770
2 bedroom	\$16,217	\$18,920
3 bedroom	\$18,746	\$21,870
<u>50 percent</u>		
	lower	upper
1 bedroom	\$32,091	\$39,425
2 bedroom	\$38,503	\$47,300
3 bedroom	\$44,503	\$54,675
<u>60 percent</u>		
	lower	upper
1 bedroom	\$38,503	\$47,310
2 bedroom	\$46,217	\$56,760
3 bedroom	\$53,417	\$65,610

Source: Applicant; T Ronald Brown: Research & Analysis

Incomes for households qualifying for the proposed project - without rental assistance - are seen to range from \$13,517 to \$21,870 at the 20 percent level and between \$32,091 and \$65,610, reflecting the target incomes used.

Any gaps between the target income ranges (and overlaps between them) will be taken into consideration in our calculations.

The major variables to be examined are age, tenure, and income. These data are no longer available from the Decennial Census. Nonetheless, data can be extrapolated from the most recent American Community Survey - again, subject the limitations of those data. These data, for the market area for the proposed complex, are set out below.

Table 17 - Household Income, Renter Households

Income	Number	Percent	Overburdened Renters	
			Number	Percent
Up to \$10,000	976	6.9	566	9.5
\$10,000 - \$19,999	928	6.6	894	15.1
\$20,000 - \$34,999	3,020	21.4	2,622	44.2
\$35,000 - \$50,000	2,540	18.0	1,432	24.1
\$50,000 - \$75,000	2,629	18.6	419	7.1
\$75,000 - \$100,000	1,747	12.4	0	0.0
\$100,000 and over	2,265	16.1	0	0.0
Total	14,105		5,933	

Source: 2017 to 2021 American Community Survey; T.Ronald Brown: Research & Analysis

As noted, these data are necessarily from the American Community Survey and are based on the 5-year average for the period from 2017 to 2021 - and not for a specific year.

From this table it can be seen that only 6.9 percent of the market area renter households have incomes less than \$10,000 and a further 6.6 percent have incomes between \$10,000 and \$20,000. Around 21.4 percent of market area renters are seen to have incomes in between \$20,000 and \$35,000. Around 42.1 percent of all renters are rent-overburdened. Here, it should be noted a significant number of renters with incomes in excess of \$35,000 are seen to be rent-overburdened.

Based on the income ranges set out in Table 16 and the income distribution set out in Table 17, it is found that around 10.6 percent of market area renter households qualify for unassisted units at 20 percent of the median, that 30.4 percent qualify at the 50 percent level, and 31.1 percent qualify at the 60 percent level.

Projections of need and demand are based upon a 2023 to 2026 projection period and the resulting calculations are corrected to account for any construction of comparable projects and/or planned comparable units.

Based on the projections set out in Table 9, a total of 1,038 new rental units are needed between 2023 and 2026. A total of 519 units will be for households eligible for the proposed project: 109 households at the 20 percent level, 315 at the 50 percent level, and 323 households at the 60 percent level.

Again, the market for the proposed apartments comprises not only demand from population and household growth, but also from existing renter households who would move to the new apartments were they made available. The extent to which any new development is able to attract a certain share of this market is largely a factor of several interrelated factors. These include the location of the development, the amenities it offers, the quality of design and the effectiveness of the development's marketing and management. That is, the perceived value of the community in terms of price, convenience, and life-style.

Our calculations show that there will be a total of 9,077 renter households in the qualifying income ranges in the project market area. This figure has to be adjusted to reflect the proportion that are likely to move to a new complex. With respect to existing households in the project market area it is found that, based on the most recent American Community Survey data, as many as 90.7 percent of renters qualifying for units at the 20 percent level are rent overburdened, with 49.6 percent level being over-burdened, and 33.9 percent at the 60 percent level being over-burdened. Here, these proportions are applied to the number of income eligible existing renter households to estimate how many of those households are likely to consider moving to the proposed apartments.

State Agency market study guidelines allow for the replacement of rental units due to demolition, abandonment, obsolescence and the like. This based on an annual average rate of 0.6 percent of the rental housing stock. The proportion is based on a two-year loss of 1.2 percent of rental units detailed in the 2016 Edition of "Components of Inventory Change" published by HUD. Based on the number of rental units in the project market area this translates to a need for an additional 164 units.

Total demand is therefore seen to amount to 5,417 units: 1,880 qualifying for units at 20 percent of the median, 3,150 qualifying at 50 percent, and 2,338 qualifying at 60 percent.

These figures are based on a 2023 to 2026 projection period and therefore have been corrected to account for the funding and/or construction of any directly comparable projects in the market area. One potentially comparable project has been funded in the market area over the projection period. This is the 162-unit Magnolia Branch bond-financed project - which offers one-, two-, and three-bedroom units targeted at 60 percent of the median. No other comparable projects have been funded or are under construction. Therefore, the net demand is for 5,255 units.

The preceding calculations are summarized in the table on the following page.

Table 18 - Demand Calculations

	<u>20 percent</u>	<u>50 percent</u>	<u>60 percent</u>	<u>Total*</u>
(i) income eligible new renter households	109	315	323	519
(ii) income eligible existing renter households	1,914	5,512	5,646	9,077
(iii) existing households, likely to move	1,736	2,735	1,913	4,734
(iv) need from obsolete housing	35	100	102	164
Total demand (i)+(iii)+(iv)	1,880	3,150	2,338	5,417
Supply	0	0	162	162
Net demand	1,880	3,150	2,176	5,255

* excludes gap/overlap

Source: T. Ronald Brown: Research & Analysis

Demand has to be segmented to determine demand by number of bedrooms per unit. Based on the distribution of household size in the market area and given data from the American Housing Survey correlating typical household size and number of bedrooms, we have determined that one-bedroom units should account for 28 percent of the total, two-bedroom units should account for 41 percent of the total, and three-bedroom units should account for 23 percent of the total with four- or more bedroom units accounting for 8 percent. Here, it is important to note that the need and demand for three- bedroom units (which account for 28 percent of the 100-unit total) is based on renter household size - with a focus on four- or-more person households for the three-bedroom units.

Capture rates are illustrated in the table on the following page.

Table 19 - Capture Rates

	<u>20 percent</u>	<u>50 percent</u>	<u>60 percent</u>	<u>Total*</u>
Total demand				
1 bedroom	526	881	881	1,515
2 bedroom	771	1,291	1,291	2,221
3 bedroom	435	729	729	1,254
4 bedroom	148	248	248	427
Total	1,880	3,150	3,150	5,417
Supply				
1 bedroom	0	0	39	39
2 bedroom	0	0	81	81
3 bedroom	0	0	42	42
4 bedroom	0	0	0	0
Total	0	0	162	162
Net demand				
1 bedroom	526	881	615	1,476
2 bedroom	771	1,291	878	2,140
3 bedroom	435	729	499	1,212
4 bedroom	148	248	184	427
Total	1,880	3,150	2,176	5,255
Units proposed				
1 bedroom	3	2	6	11
2 bedroom	7	10	44	61
3 bedroom	0	9	19	28
4 bedroom	0	0	0	0
Total	10	21	69	100
Capture rates				
1 bedroom	0.6%	0.2%	1.0%	0.7%
2 bedroom	0.9%	0.8%	5.0%	2.9%
3 bedroom	0.0%	1.2%	3.8%	2.3%
4 bedroom	0.0%	0.0%	0.0%	0.0%
Total	0.5%	0.7%	3.2%	1.9%

* excludes gap/overlap

Source: T. Ronald Brown: Research & Analysis

Given the calculated need, the proposed 100-unit unassisted development amounts to 1.9 percent of the total net need. The development equates to 2.1 percent of the net need for 4,828 one-, two-, and three-bedroom units.

The capture rate for the ten unassisted units targeted at 20 percent of the median is 0.5 percent, that for the 21 units at the 50 percent level being 0.7 percent, and that for the 69 units targeted at 60 percent of the median is 3.2 percent. The corresponding rates for one-, two-, and three-bedroom units only are 0.7 percent, 0.7 percent, and 3.2 percent, respectively.

The capture rates, by bedroom, are determined to be 0.7 percent for the eleven one-bedroom units, 2.9 percent for the 61 two-bedroom units, and 2.3 percent for the 28 three-bedroom units.

These capture rates are considered to be very realistic - and reflect the area's growth, the affordability of the project, and the high incidence of rent-overburdening. Were the project to be developed as proposed it would expect to lease-up over a period of up to nine months, or so.

RENT-ASSISTED UNITS

As noted, the units at 20 percent of the median will be rent-assisted. The approach to calculating the demand for the assisted units parallels that for the unassisted units - where the lower income limit for those units is effectively zero dollars. Again, any overlap between these target income ranges, or any gaps between them, will be taken into consideration in our calculations.

Based on this approach, the net demand is determined to be for 6,221 units, and is summarized as follows:

Table 20 - Demand Calculations, Rent-assisted Units

	20 percent	50 percent	60 percent	Total*
(i) income eligible new renter households	205	315	323	615
(ii) income eligible existing renter households	3,591	5,512	5,646	9,102
(iii) existing households, likely to move	2,869	2,735	1,913	5,604
(iv) need from obsolete housing	65	100	102	165
Total demand (i)+(iii)+(iv)	3,139	3,150	2,338	6,383
Supply	0	0	162	162
Net demand	3,139	3,150	2,176	6,221

* excludes gap/overlap

Source: T.Ronald Brown: Research & Analysis

CAPTURE RATES

The capture rates for the project, incorporating the proposed rent-assisted units, are as below.

Table 21 - Capture Rates, Rent-assisted units

	20 percent	50 percent	60 percent	Total*
Total demand				
1 bedroom	878	881	654	1,785
2 bedroom	1,287	1,291	959	2,617
3 bedroom	727	729	541	1,478
4 bedroom	247	248	184	503
Total	3,139	3,150	2,338	6,383
Supply				
1 bedroom	0	0	39	39
2 bedroom	0	0	81	81
3 bedroom	0	0	42	42
4 bedroom	0	0	0	0
Total	0	0	0	162
Net demand				
1 bedroom	878	842	654	1,746
2 bedroom	1,287	1,210	959	2,536
3 bedroom	727	687	541	1,436
4 bedroom	247	248	184	503
Total	3,139	3,150	2,176	6,221
Units proposed				
1 bedroom	3	2	6	11
2 bedroom	7	10	44	61
3 bedroom	0	9	19	28
4 bedroom	0	0	0	0
Total	10	21	69	100
Capture rates				
1 bedroom	0.3%	0.2%	0.9%	0.6%
2 bedroom	0.5%	0.8%	4.6%	2.4%
3 bedroom	0.0%	1.3%	3.5%	1.9%
4 bedroom	0.0%	0.0%	0.0%	0.0%
Total	0.3%	0.7%	3.2%	1.6%

* excludes gap/overlap

Source: T. Ronald Brown: Research & Analysis

Given the calculated need, the proposed 100-unit development amounts to 1.6 percent of the total net need.

The capture rate for the ten rent-assisted units targeted at 20 percent of the median is 0.3 percent, that for the 21 units at 50 percent of the median is 0.7 percent, with that for the 69 units targeted at 60 percent of the median determined to be 3.2 percent.

The capture rate, by bedroom, is determined to be 0.6 percent for the eleven one-bedroom units, 2.4 percent for the 61 two-bedroom units, and 1.9 percent for the 28 three-bedroom units.

These capture rates are considered to be realistic for a rent-assisted project in this market.

The proposed project, with rental assistance, is considered very marketable.

ABSORPTION RATES

As noted, the capture rates presented above are considered very realistic. Were the project to be developed as proposed it would expect to lease-up over a period of up to nine months, or so.

G. EXISTING RENTAL UNITS

There are several apartment complexes located throughout the North Charleston area. These include properties that are financed through the use of Low Income Housing Tax Credits - and thus are potentially comparable to the proposed Eagle Landing complex. There are two properties that are subsidized for low and very low income renters, through the HUD Section 8 program, and many market rate complexes. Information on the tax credit properties, subsidized properties, and market rate properties in the market area is presented below.

The various tax credit properties date from 2007, and include four stabilized properties and one that has been funded, but construction has yet to commence.

The most recent, stabilized, tax credit property is the 48-unit Rivers Place Apartments. Here, there are a mix of one, two-, and three-bedroom units, targeted at 50 percent and 60 percent of the area median income. Rents range from \$788 to \$1,317. Currently no units are reported to be vacant - a 100 percent occupancy rate. One new tax credit property - Etiwan Place - is located just outside the market area. We were unable to obtain useful information on that property.

The Magnolia Branch Apartments is planned to offer 162 units. There will be 39 one-bedroom units, 81 two-bedroom units, and 42 three-bedroom units, all to be targeted at 60 percent of the local area median income. Proposed rents are seen to range from \$835 to \$1,150.

We have identified and surveyed eight market rate apartment complexes in the North Charleston area. These date from 1985 to 2019. The newest complex, for example, is the Atlantic on the Boulevard property - which offers 280 units. The project has one-bedroom units that rent for \$1,530 to \$1,620, with two- and three-bedroom units available for \$1,660 to \$1,825, and \$2,274, respectively. The property reports a 95 percent occupancy level. Rents at the various conventional properties surveyed range from \$1,214 to \$1,620 for one-bedroom units, from \$1,389 to \$1,904 for two-bedroom units, with three-bedroom units in the \$1,695 to \$2,314 range. Occupancy ranges from 91 to 97 percent.

The closest property to the site of the proposed development is the Audubon Park complex, which is located on Eagle Landing Boulevard, to the east of the site. This is a 228-unit property, developed in 1991, Rents are in the \$1,464 to \$2,223 range. Occupancy is 96.9 percent.

Overall occupancy in the market rate complexes is 93.9 percent, and occupancy in the tax credit properties is 96.0 percent. The overall occupancy rate is found to be 94.3 percent. We were able to obtain occupancy data for one of the subsidized properties - 97.8 percent.

Details of the various properties surveyed are summarized as follows:

Complex name	Location	Financing	Year built	Total units	Vacant units	Occupancy (%)
Audubon Park	Hanahan	Conventional	1991	228	7	96.9
Atlantic on the Avenue	North Charleston	Conventional	2016	202	9	95.5
Atlantic on the Boulevard	North Charleston	Conventional	2019	280	15	94.6
Ellevate North Charleston	North Charleston	Conventional	1986	192	17	91.1
Ellevate St.Ives	North Charleston	Conventional	1985	248	22	91.1
Greentree North	North Charleston	HUD §8	1974	96	n/a	n/a
Hallmark at Timberlake	North Charleston	LIHTC	2008	224	3	n/a
Harbour Station	North Charleston	LIHTC	2015	56	5	91.1
Ivy Ridge	North Charleston	LIHTC	2007	72	5	93.1
Jamison Park	North Charleston	Conventional	2001	216	16	92.6
Magnolia Branch	North Charleston	LIHTC	2025	162	n/a	n/a
North Bluff	North Charleston	Conventional	1985	144	4	97.2
Oakfield	North Charleston	HUD §8	1983	184	4	97.8
Palmetto Grove	North Charleston	Conventional	1990	168	12	92.9
Rivers Place	North Charleston	LIHTC	2016	48	0	100.0

Report for the Eagle Landing Apartments in North Charleston, South Carolina

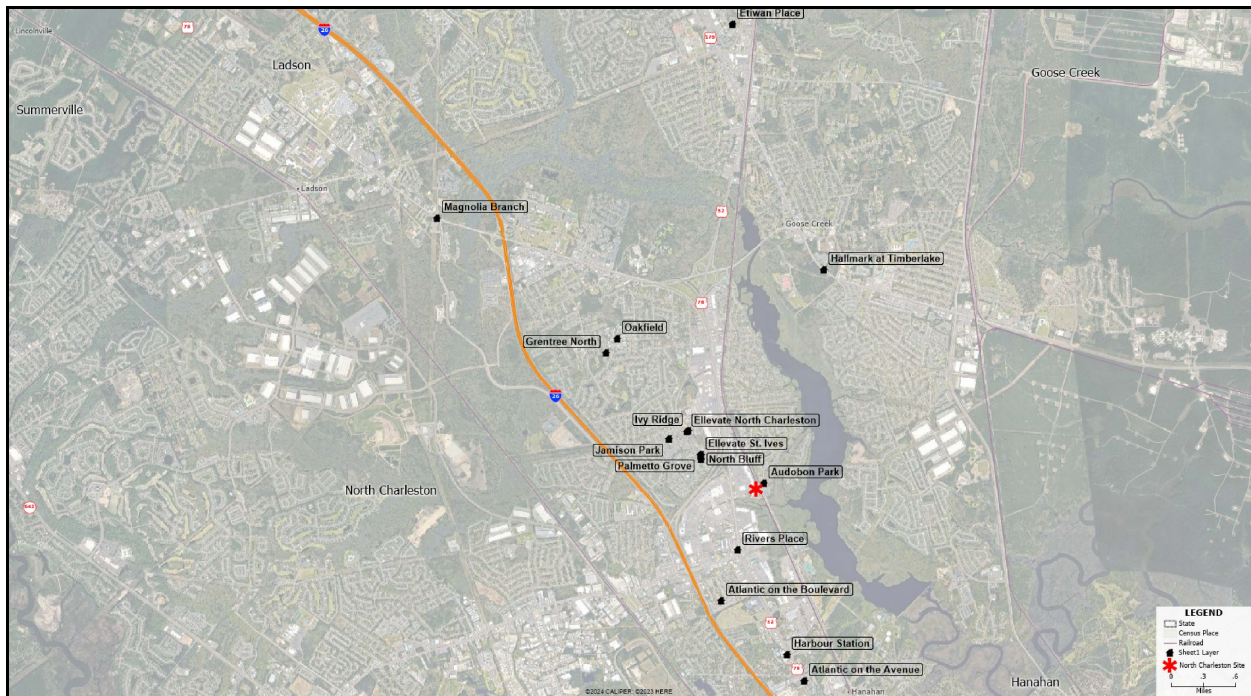
	0 br/1ba			1 br/1ba		
	number	size (sq. ft).	rent	number	size (sq. ft).	rent
Eagle Landing				11	757	boi-\$935
Audubon Park				52	690-800	\$1,464-1,582
Atlantic on the Avenue				n/a	651-831	\$1,410-1,599
Atlantic on the Boulevard				146	624-801	\$1,530-1,620
Ellevate North Charleston				76	697	\$1,214-1,369
Ellevate St.Ives				92	680-826	\$1,295-1,407
Greentree North				32	574	boi
Hallmark at Timberlake				20	700	\$1,035
Harbour Station						
Ivy Ridge				12	825	\$825
Jamison Park				54	700	\$1,263
Magnolia Branch				39	756	\$835
North Bluff				40	820	\$1,339
Oakfield				40	n/a	boi
Palmetto Grove				84	738	\$1,301
Rivers Place				12	850	\$788-971

	2 br/1-1½ ba			2 br/2 ba		
	number	size (sq. ft).	rent	number	size (sq. ft).	rent
Eagle Landing	61	922	boi-\$1,120			
Audubon Park				136	960-1,070	\$1,736-1,851
Atlantic on the Avenue				n/a	1,038-1,241	\$1,739-1,904
Atlantic on the Boulevard				112	1,038-1,241	\$1,660-1,825
Ellevate North Charleston				116	937	\$1,645-1,655
Ellevate St.Ives	24	837	\$1,491	116	934-1,048	\$1,643
Greentree North	48	804	boi			
Hallmark at Timberlake				102	969	\$1,327
Harbour Station				92	1,075	\$1,038-1,275
Ivy Ridge				28	986	\$981
Jamison Park				126	1,010	\$1,389-1,465
Magnolia Branch				81	959	\$1,000
North Bluff				96	1,008	\$1,470
Oakfield	32	n/a	boi			
Palmetto Grove				60	988-1,000	\$1,415
Rivers Place				24	1,140	\$788-971

Report for the Eagle Landing Apartments in North Charleston, South Carolina

	3 br/1-1½ ba			3 br/2+ ba		
	number	size (sq. ft).	rent	number	size (sq. ft).	rent
Eagle Landing				18	1,184	boi-\$1,296
Audubon Park				40	1,220	\$2,223
Atlantic on the Avenue				n/a	1,434	\$2,314
Atlantic on the Boulevard				22	1,434	\$2,274
Ellevate North Charleston						
Ellevate St.Ives				16	1,001	\$1,893
Greentree North	116	1,051	boi			
Hallmark at Timberlake				102	1,100	\$1,425
Harbour Station				28	1,225	\$1,184-1,458
Ivy Ridge				18	1,075	\$1,126
Jamison Park				36	1,230	\$1,695
Magnolia Branch				42	1,142-1,165	\$1,150
North Bluff				8	1,206	\$1,680
Oakfield	112	n/a	boi			
Palmetto Grove				24	1,200-1,250	\$1,595
Rivers Place				12	1,272	\$1,064-1,317

A map showing the locations of these properties, relative to the site of the proposed apartments is provided, below.



Several market rate apartment developments in the project market area can be used in the determination of market rents. Here, we focused on Audubon Park, Ellevate St.Ives, Jamison Park, North Bluff, and Palmetto Grove. The location, rent levels, unit size, age, features, and amenities at these properties were analyzed in order to try to establish an estimate of market rent levels for the unassisted units at the subject property. Following this approach we have determined that, all things being equal, these market properties suggest a rent of around \$1,386 for a one-bedroom unit, \$1,508 for a two-bedroom unit, and \$1,842 for a three-bedroom unit.

Report for the Eagle Landing Apartments in North Charleston, South Carolina

Based on the proposed rents at the proposed development, this rent is found to be well below the gross adjusted market rent (27.56 percent less).

Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent	Adjusted Market Rent	Gross Adjusted Market Rent	Tax Credit Gross Rent Advantage
	0 BR					
	0 BR					
	0 BR					
	1 BR					
3	1 BR	\$320	\$960	\$1,386	\$4,159	
2	1 BR	\$862	\$1,724	\$1,386	\$2,773	
6	1 BR	\$1,049	\$6,294	\$1,386	\$8,316	
	2 BR					
7	2 BR	\$378	\$2,646	\$1,508	\$10,559	
10	2 BR	\$1,028	\$10,280	\$1,508	\$15,085	
44	2 BR	\$1,253	\$55,132	\$1,508	\$66,352	
	3 BR					
	3 BR					
9	3 BR	\$1,181	\$10,629	\$1,842	\$16,577	
19	3 BR	\$1,441	\$27,379	\$1,842	\$34,998	
	4 BR					
	4 BR					
Totals	100		\$115,044		\$158,820	27.56%

The relationship between the proposed rents and the HUD Fair Market Rents (FMRs), as per the S-2 Exhibit, are set out, below.

Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent	Adjusted FMR	Gross Adjusted FMR	Tax Credit Gross Rent Advantage
	0 BR					
	0 BR					
	0 BR					
	1 BR					
3	1 BR	\$320	\$960	\$1,424	\$4,272	
2	1 BR	\$862	\$1,724	\$1,424	\$2,848	
6	1 BR	\$1,049	\$6,294	\$1,424	\$8,544	
	2 BR					
7	2 BR	\$378	\$2,646	\$1,599	\$11,193	
10	2 BR	\$1,028	\$10,280	\$1,599	\$15,990	
44	2 BR	\$1,253	\$55,132	\$1,599	\$70,356	
	3 BR					
	3 BR					
9	3 BR	\$1,181	\$10,629	\$1,979	\$17,811	
19	3 BR	\$1,441	\$27,379	\$1,979	\$37,601	
	4 BR					
	4 BR					
Totals	100		\$115,044		\$168,615	31.77%



Atlantic on the Avenue

Location: 6880 Rivers Avenue
North Charleston

Financing: Conventional

Year Built: 2016

Total Units: 202

Vacant units: 9 95.5% occupied

Telephone: 843.243.9836

Management: AMC
[4/19]

Br/ba	units	sq. ft	Rent	Rent/sq.ft	Unit Amenities
1/1	n/a	651-831	\$1,410-1,599	\$2.03	Microwave •
2/2	n/a	1,038-1,241	\$1,739-1,904	\$1.60	Dishwasher •
3/2	n/a	1,434	\$2,314	\$1.61	Washer/dryer •
					Washer/dryer hook-up
					9' Ceilings
					High-end kitchen
					Wood/style floors
					Fireplaces
					Patios/balconies •
					<u>Community Amenities</u>
					Clubhouse/community room •
					Fitness center •
					Business center •
					Pool •
					Playground
					Controlled access/gated •
					Elevator
					Garages
					Storage
					Laundry

Utilities in Rent

Water

Sewer

Trash



Atlantic on the Boulevard

Location: 2155 Morris Baker Boulevard
North Charleston

Financing: Conventional

Year Built: 2019

Total Units: 280

Vacant units: 15 94.6% occupied

Telephone: 843.552.5901

Management: AMC

Br/ba	units	sq. ft	Rent	Rent/sq.ft	Unit Amenities
1/1	146	624-801	\$1,530-1,620	\$2.21	Microwave •
					Dishwasher •
					Washer/dryer •
2/2	112	1,038-1,241	\$1,660-1,825	\$1.53	Washer/dryer hook-up
					9' Ceilings
					High-end kitchen
					Wood/style floors
					Fireplaces
3/2	22	1,434	\$2,274	\$1.59	Patios/balconies •
					<u>Community Amenities</u>
					Clubhouse/community room •
					Fitness center •
					Business center •
					Pool •
					Playground
					Controlled access/gated
					Elevator •
					Garages
					Storage
					Laundry
<u>Utilities in Rent</u>					
Water					
Sewer					
Trash					



Audubon Park

Location: 1700 Eagle Landing Boulevard
Hanahan

Financing: Conventional

Year Built: 1991

Total Units: 228

Vacant units: 7 96.9% occupied

Telephone: 843.483.6962

Management: Highmark Residential
[5/3]

Br/ba	units	sq. ft	Rent	Rent/sq.ft	Unit Amenities
1/1	12	690	\$1,464	\$2.12	Microwave
1/1	40	800	\$1,582	\$1.98	Dishwasher •
					Washer/dryer •
					Washer/dryer hook-up •
2/2	72	960	\$1,736	\$1.81	9' Ceilings
2/2	24	1,060	\$1,851	\$1.75	High-end kitchen
2/2	40	1,070	\$1,783	\$1.67	Wood/style floors
					Fireplaces
3/2	40	1,220	\$2,223	\$1.82	Patios/balconies •
					<u>Community Amenities</u>
					Clubhouse/community room •
					Fitness center •
					Business center
					Pool •
					Playground •
					Controlled access/gated
					Elevator
					Garages •
					Storage •
					Laundry •

Utilities in Rent

Water

Sewer

Trash



Ellevate North Charleston

Location: 2225 Greenridge Road
North Charleston

Financing: Conventional

Year Built: 1986

Total Units: 192

Vacant units: 17 91.1% occupied

Telephone: 843.738.1533

Management: Eller Residential Living
[4/29]

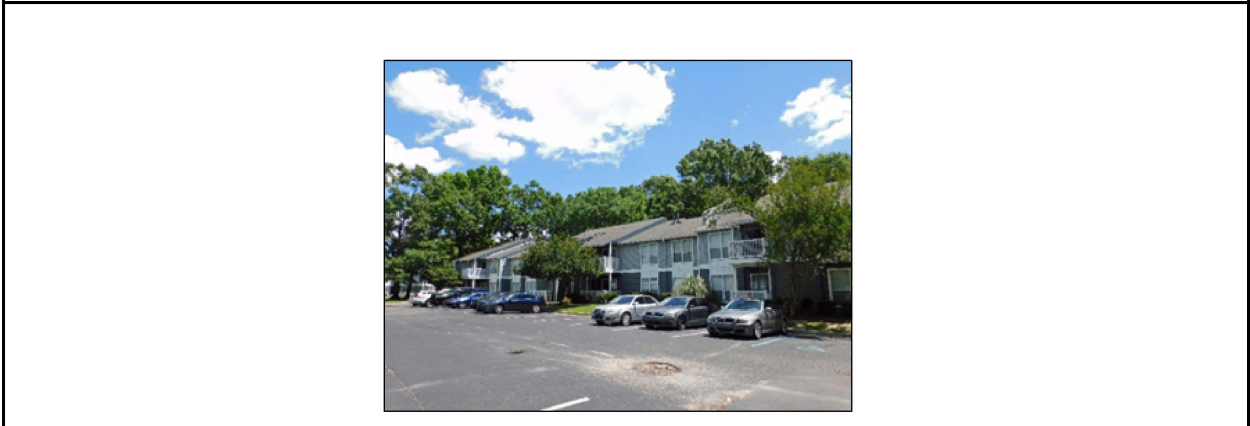
Br/ba	units	sq. ft	Rent	Rent/sq.ft	Unit Amenities
1/1	76	697	\$1,214-1,369	\$1.85	Microwave
					Dishwasher •
					Washer/dryer •
2/2	116	937	\$1,645-1,655	\$1.76	Washer/dryer hook-up •
					9' Ceilings
					High-end kitchen
					Wood/style floors •
					Fireplaces
					Patios/balconies •
					<u>Community Amenities</u>
					Clubhouse/community room •
					Fitness center •
					Business center •
					Pool •
					Playground •
					Controlled access/gated
					Elevator
					Garages
					Storage •
					Laundry •

Utilities in Rent

Water

Sewer

Trash



Ellevest St.Ives

Location: 7930 St. Ives Road
North Charleston

Financing:	Conventional
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Year Built:	1985	Telephone:	843.738.1699
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Year Built:	1985	Telephone:	843.738.1699
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Total Units:	248	Management: Eller Residential Living
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Total Units:	248	Management: Eller Residential Living
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Vacant units:	22	91.1% occupied	[4/26]
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Vacant units:	22	91.1% occupied	[4/26]
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<u>Br/ba</u>	<u>units</u>	<u>sq. ft</u>	<u>Rent</u>	<u>Rent/sq.ft</u>	<u>Unit Amenities</u>
1/1	68	680	\$1,295	\$1.90	Microwave •
1/1½	24	826	\$1,407	\$1.70	Dishwasher •
2/1	24	837	\$1,491	\$1.78	Washer/dryer •
2/2	116	934-1,048	\$1,643	\$1.66	Washer/dryer hook-up •
3/2	16	1,101	\$1,893	\$1.72	9' Ceilings •
					High-end kitchen
					Wood/style floors •
					Fireplaces •
					Patios/balconies •
					<u>Community Amenities</u>
					Clubhouse/community room •
					Fitness center •
					Business center
					Pool •
					Playground •
					Controlled access/gated
					Elevator
					Garages
					Storage
					Laundry •
<u>Utilities in Rent</u>					
Water					
Sewer					
Trash					



Greentree North

Location: 2630 Otranto Road
North Charleston

Financing: HUD §8

Year Built: 1974

Total Units: 96

Vacant units: n/a n/a occupied

Telephone: 843.572.0172

Management: AMCS

Br/ba	Units	Sq. ft	Contract Rent
1/1	32	574	
2/1	48	804	
3/1½	116	1,051	

Unit Amenities

Microwave
Dishwasher •
Washer/dryer
Washer/dryer hook-up
9' Ceilings
High-end kitchen
Wood/style floors
Fireplaces
Patios/balconies

Community Amenities

Clubhouse/community room •
Fitness center
Business center •
Pool
Playground •
Controlled access/gated
Elevator
Garages
Storage
Laundry •

Utilities in Rent

Water •
Sewer •
Trash •



Hallmark at Timberlake

Location: 901 Redbank Road
North Charleston

Financing: LIHTC

Year Built: 2008

Total Units: 224

Vacant units: 3 98.7% occupied

Telephone: 843.820.2528

Management: SL Nusbaum

Br/ba	Units	Sq. ft	Targeting	Rent	U/A	Rent/sq.ft	Unit Amenities
1/1	20	700	60%	\$1,035	n/a	\$1.48	Microwave
							Dishwasher •
							Washer/dryer
2/2	102	969	60%	\$1,327	n/a	\$1.37	Washer/dryer hook-up •
							9' Ceilings
3/2	102	1,100	60%	\$1,425	n/a	\$1.30	High-end kitchen
							Wood/style floors
							Fireplaces
							Patios/balconies •
<u>Community Amenities</u>							
Clubhouse/community room							
Fitness center							
Business center							
Pool							
Playground •							
Controlled access/gated							
<u>Utilities in Rent</u>							
Water							
Sewer							
Trash •							
Elevator							
Garages							
Storage •							
Laundry •							



Harbour Station

Location: 6935 Rivers Road
North Charleston

Financing: LIHTC

Year Built: 2015

Total Units: 56

Vacant units: 1 98.2% occupied

Telephone: 843.573.7361

Management: NHE

[5/7]

Br/ba	Units	Sq. ft	Targeting	Rent	U/A	Rent/sq.ft	Unit Amenities
2/2	7	1,075	50%	\$1,038	\$137	\$0.97	Microwave •
2/2	21	1,075	60%	\$1,275	\$137	\$1.19	Dishwasher •
							Washer/dryer •
							Washer/dryer hook-up •
3/2	7	1,225	50%	\$1,184	\$173	\$0.97	9' Ceilings
3/2	21	1,225	60%	\$1,458	\$173	\$1.19	High-end kitchen
							Wood/style floors
							Fireplaces
							Patios/balconies
							<u>Community Amenities</u>
							Clubhouse/community room •
							Fitness center
							Business center
							Pool
							Playground •
							Controlled access/gated
							Elevator
							Garages
							Storage
							Laundry •
<u>Utilities in Rent</u>							
Water	•						
Sewer	•						
Trash	•						



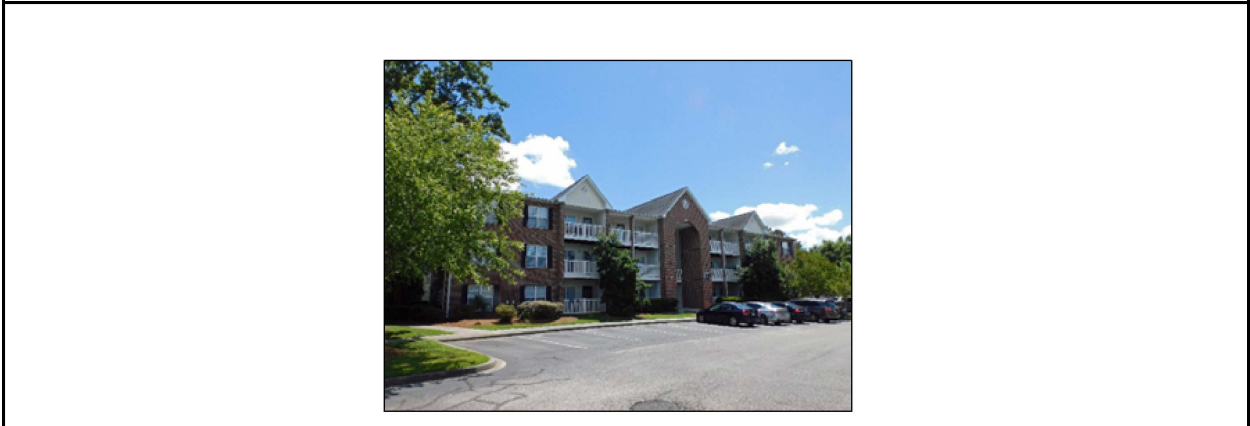
Ivy Ridge

Location: 2215 Greenridge Road
North Charleston

Financing: LIHTC
Year Built: 2007
Total Units: 72
Vacant units: 5 93.1% occupied

Telephone: 843.797.0210
Management: Humanities Foundation
[4/23]

Br/ba	Units	Sq. ft	Targeting	Rent	U/A	Rent/sq.ft	Unit Amenities
1/1	12	825	60%	\$825	\$86	\$1.00	Microwave •
2/2	42	986	60%	\$981	\$112	\$0.99	Dishwasher •
3/2	18	1,075	60%	\$1,126	\$137	\$1.05	Washer/dryer •
							Washer/dryer hook-up •
							9' Ceilings
							High-end kitchen
							Wood/style floors
							Fireplaces
							Patios/balconies
							<u>Community Amenities</u>
							Clubhouse/community room •
							Fitness center
							Business center •
							Pool
							Playground •
							Controlled access/gated
							Elevator
							Garages
							Storage
							Laundry •
<u>Utilities in Rent</u>							
Water	•						
Sewer	•						
Trash	•						



Jamison Park

Location: 2245 Greenridge Road
North Charleston

Financing:	Conventional
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Year Built:	2001	Telephone:	843.797.5100
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Total Units:	216	Management: Kettler
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Vacant units:	16	92.6% occupied
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<u>Br/ba</u>	<u>units</u>	<u>sq. ft</u>	<u>Rent</u>	<u>Rent/sq.ft</u>	<u>Unit Amenities</u>
1/1	54	700	\$1,263	\$1.80	Microwave ●
2/2	126	1,010	\$1,389-1,465	\$1.41	Dishwasher ●
3/2	36	1,230	\$1,695	\$1.38	Washer/dryer ●
					Washer/dryer hook-up ●
					9' Ceilings
					High-end kitchen
					Wood/style floors
					Fireplaces
					Patios/balconies ●
					<u>Community Amenities</u>
					Clubhouse/community room ●
					Fitness center ●
					Business center ●
					Pool ●
					Playground
					Controlled access/gated
					Elevator
					Garages ●
					Storage ●
					Laundry ●
<u>Utilities in Rent</u>					
Water					
Sewer					
Trash					

Magnolia Branch

Location: Ingleside Boulevard
North Charleston

Financing: LIHTC

Year Built: 2025

Total Units: 162

Vacant units: n/a n/a occupied

Telephone:

Management: Fitch Irick

Br/ba	Units	Sq. ft	Targeting	Rent	U/A	Rent/sq.ft	Unit Amenities
1/1	39	756	60%	\$835	\$65	\$1.10	Microwave
							Dishwasher •
							Washer/dryer
2/2	81	959	60%	\$1,000	\$83	\$1.04	Washer/dryer hook-up •
							9' Ceilings
3/2	42	1,142-1,165	60%	\$1,150	\$103	\$1.00	High-end kitchen
							Wood/style floors
							Fireplaces
							Patios/balconies
Information provided by SC Housing							Community Amenities
							Clubhouse/community room •
							Fitness center •
							Business center •
							Pool
							Playground •
							Controlled access/gated
							Elevator
							Garages
							Storage
							Laundry •
<u>Utilities in Rent</u>							
Water	•						
Sewer	•						
Trash							

Year Built:	1985	Telephone:	843.797.2292
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Total Units:	144	Management: Darby Development Company
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Vacant units:	4	97.2% occupied	[4/19]
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Total Units:	144	Management: Darby Development Company
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Vacant units:	4	97.2% occupied	[4/19]
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Br/ba	units	sq. ft	Rent	Rent/sq.ft
1/1	40	820	\$1,339	\$1.63
2/2	96	1,008	\$1,470	\$1.46
3/2	8	1,206	\$1,680	\$1.39

<u>Unit Amenities</u>	
Microwave	•
Dishwasher	•
Washer/dryer	
Washer/dryer hook-up	•
9' Ceilings	
High-end kitchen	
Wood/style floors	
Fireplaces	•
Patios/balconies	•
<u>Community Amenities</u>	
Clubhouse/community room	
Fitness center	•
Business center	•
Pool	•
Playground	•
Controlled access/gated	
Elevator	
Garages	•
Storage	
Laundry	

<u>Utilities in Rent</u>	
Water	
Sewer	
Trash	



Oakfield

Location: 8750 Fairwind Drive
North Charleston

Financing: HUD §8
Year Built: 1983
Total Units: 184
Vacant units: 4 97.8% occupied

Telephone: 843.797.3276
Management: Darby Development
[4/19]

Br/ba	Units	Sq. ft	Contract Rent
1/1	40	n/a	\$888
2/1	32	n/a	\$1,029
3/1½	112	n/a	\$1,219

Unit Amenities

Microwave
Dishwasher
Washer/dryer
Washer/dryer hook-up •
9' Ceilings
High-end kitchen
Wood/style floors
Fireplaces
Patos/balconies

Community Amenities

Clubhouse/community room
Fitness center
Business center
Pool
Playground •
Controlled access/gated
Elevator
Garages
Storage
Laundry •

Utilities in Rent

Water •
Sewer •
Trash •



Palmetto Grove

Location: 7927 St. Ives Road
North Charleston

Financing: Conventional

Year Built: 1990

Total Units: 168

Vacant units: 12 92.9% occupied

Telephone: 843.569.3509

Management: Kettler

[4/19]

Br/ba	units	sq. ft	Rent	Rent/sq.ft	Unit Amenities
1/1	84	738	\$1,301	\$1.76	Microwave •
					Dishwasher •
					Washer/dryer •
2/2	60	988-1,000	\$1,415	\$1.42	Washer/dryer hook-up •
					9' Ceilings
					High-end kitchen
					Wood/style floors
					Fireplaces
3/2	24	1,200-1,250	\$1,595	\$1.30	Patios/balconies •
					<u>Community Amenities</u>
					Clubhouse/community room
					Fitness center •
					Business center •
					Pool •
					Playground •
					Controlled access/gated
					Elevator
					Garages
					Storage •
					Laundry •
<u>Utilities in Rent</u>					
Water					
Sewer					
Trash					



Rivers Place

Location: 7511 Rivers Avenue
North Charleston

Financing: LIHTC

Year Built: 2016

Total Units: 48

Vacant units: 0 100.0% occupied

Telephone: 843.764.9602

Management: Fitch-Irick

[4/20]

Br/ba	Units	Sq. ft	Targeting	Rent	U/A	Rent/sq.ft	Unit Amenities
							Microwave •
							Dishwasher •
1/1	6	850	50%	\$788		\$0.93	Washer/dryer
1/1	6	850	60%	\$971		\$1.14	Washer/dryer hook-up •
							9' Ceilings
2/2	2	1,140	50%	\$934		\$0.82	High-end kitchen
2/2	22	1,140	60%	\$1,153		\$1.01	Wood/style floors
							Fireplaces
3/2	2	1,272	50%	\$1,064		\$0.84	Patios/balconies
3/2	10	1,272	60%	\$1,317		\$1.04	
							<u>Community Amenities</u>
							Clubhouse/community room •
							Fitness center •
							Business center •
							Pool
							Playground •
							Controlled access/gated
							Elevator
							Garages
							Storage
							Laundry •
<u>Utilities in Rent</u>							
Water							
Sewer							
Trash •							

H. INTERVIEWS

As part of the research for this market study, interviews were held with property managers, local government officials, and others with particular knowledge of the local housing market. The proposed development will offer an attractive, new, apartment complex - to be leased subject to the provisions of the Low Income Housing Tax Credit program. Property managers of existing complexes and/or other representatives of management companies were a potential source of information.

As noted, property managers are a major source of information for a project such as that proposed (their contact details are provided as part of the rental survey set out in the previous pages).

The manager at the Ivy Ridge tax credit property, for example, believes that a new property, such as that proposed, will be well received.

I. RECOMMENDATIONS

It is our recommendation that, based upon our analysis, the proposed apartments should be developed as proposed, and that the project should be awarded low income housing tax credits. This conclusion is based on our analysis of the economic and demographic criteria of the project market area as defined and on our project specific demand analysis and survey of the supply of rental housing in the market--as set out in the foregoing report and summarized in the Executive Summary.

J. SIGNED STATEMENT

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 Low Income Housing Tax Credit units. I understand that any misrepresentation of this statement may result in the denial of further participation in the South Carolina Housing Finance and Development Authority's programs. I also affirm that I have no financial interest in the project or current business relationship with the ownership entity and my compensation is not contingent on this project being funded. This report was written according to the SCSHFDA's market study requirements. The information included is accurate and can be relied upon by SCSHFDA to present a true assessment of the low income housing rental market.



Market Analyst

Date: May 24, 2024

ANALYST QUALIFICATIONS

T. Ronald Brown: Research & Analysis is a planning and economics consulting firm which provides real estate market analysis.

The President of the firm is T. Ronald Brown. He has more than 30 years experience in the provision of market studies for subsidized and unsubsidized apartment developments and for-sale housing. Over the last two decades or so, Mr. Brown has produced more than 2,500 studies in at least 20 states, predominantly in the Southeast.

Mr. Brown has a Honours Master of Arts degree in Geographical Studies from the University of St. Andrews in St. Andrews, Scotland.

The firm has primary experience in market analysis for residential projects including both single-family homes and multi-family units (for sale and for rent). A significant proportion of the firm's business focuses on apartment market studies—for family renters and for elderly persons. These reports include conventionally financed projects (including HUD 221 (d) (4) projects), affordable housing (including low income tax credit financed projects) and subsidized housing.

Mr. Brown is a member of several groups that promote housing in general and affordable housing in particular. These include the North Carolina Housing Coalition, Preservation North Carolina, the Virginia Housing Alliance, and the National Council of Housing Market Analysts.

Clients include for-profit developers, non-profit developers and community development corporations, state housing finance agencies, syndicators, and municipalities.

NCHMA MEMBER CERTIFICATION

This market study has been prepared by T. Ronald Brown: Research & Analysis, 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*, and *Model Content Standards for the Content of Market Studies*. 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 the 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 .

T.Ronald Brown: Research & Analysis is duly qualified and experienced in providing market analysis for Affordable Housing. The company's principal participates 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. T.Ronald Brown: Research and Analysis is an independent market analyst. No principle or employee of T. Ronald Brown: Research & Analysis has any financial interest whatsoever in the development for which this analysis has been undertaken.

Attested by:



T. Ronald Brown



MARKET STUDY TERMINOLOGY

The following presents the accepted definitions of various terms typically found in real estate market studies. These definitions are typically followed unless reviewing agency requirements differ.

Absorption period - the period of time necessary for a newly constructed or renovated property to achieve the *stabilized level of occupancy*. The absorption period begins when the first certificate of occupancy is issued and ends when the last unit to reach the *stabilized level of occupancy* has a signed lease. Assumes a typical premarketing period, prior to the issuance of the certificate of occupancy, of about three to six months. The month that leasing is assumed to begin should accompany all absorption estimates.

Absorption rate - the average number of units rented each month during the *absorption period*.

Acceptable rent burden - the rent-to-income ratio used to qualify tenants for both income-restricted and non-income restricted units. The acceptable rent burden varies depending on the requirements of funding sources, government funding sources, target markets, and local conditions.

Achievable rents - See *Market Rent*, *Achievable Restricted Rent*.

Affordable housing - housing affordable to low or very low-income tenants.

Amenity - tangible or intangible benefits offered to a tenant. Typical amenities include on-site recreational facilities, planned programs, services and activities.

Annual demand - the total estimated demand present to the market in any one year for the type of units proposed.

Assisted housing - housing where federal, state or other programs *subsidize* the monthly costs to the tenants.

Bias - a proclivity or preference, particularly one that inhibits or entirely prevents an impartial judgment.

Capture rate - the percentage of age, size, and income qualified renter households in the *primary market area* that the property must capture to fill the units. Funding agencies may require restrictions to the qualified households used in the calculation including age, income, living in substandard housing, mover-ship and other comparable factors. The *Capture Rate* is calculated by dividing the total number of units at the property by the total number of age, size and income qualified renter households in the *primary market area*. See also: penetration rate.

Comparable property - a property that is representative of the rental housing choices of the subject's *primary market area* and that is similar in construction, size, amenities, location, and/or age. Comparable and *competitive* properties are generally used to derive market rent and to evaluate the subject's position in the market.

Competitive property - a property that is comparable to the subject and that competes at nearly the same rent levels and tenant profile, such as age, family or income.

Comprehensive market study - NCHMA (the National Council of Housing Market Analysts) defines a comprehensive market study for the purposes of IRC Section 42 as a market study compliant with its Model Content Standards for Market Studies for Rental Housing. Additionally, use of the suggested wording in the NCHMA certification without limitations regarding the comprehensive nature of the study, shows compliance with the IRC Section 42 request for completion of a market study by a 'disinterested party.'

Concession - discount given to a prospective tenant to induce the tenant to sign a lease. Concessions typically are in the form of reduced rent or free rent for a specific lease term, or for free amenities, which are normally charged separately (i.e. washer/dryer, parking).

Demand - the total number of households in a defined market area that would potentially move into the proposed new or renovated housing units. These households must be the appropriate age, income, tenure and size for a specific proposed development. Components of demand vary and can include household growth; turnover, those living in substandard conditions, rent over-burdened households, and demolished housing units. Demand is project specific.

Effective rents - contract rent less concessions.

Household trends - changes in the number of households for a particular area over a specific period of time, which is a function of new household formations (e.e. at marriage or separation), changes in average household size, and net *migration*.

Income band - the range of incomes of households that can afford to pay a specific rent but do not have below any applicable program-specific maximum income limits. The minimum household income typically is based on a defined *acceptable rent burden* percentage and the maximum typically⁷ is pre-defined by specific program requirements or by general market parameters.

Infrastructure - services and facilities including roads, highways, water, sewerage, emergency services, parks and recreation, etc. Infrastructure includes both public and private facilities.

Market advantage - the difference, expressed as a percentage, between the estimated market rent for an apartment property without income restrictions and the lesser of (a) the owner's proposed rents or (b) the maximum rents permitted by the financing program for the same apartment property. $(\text{market rent} - \text{proposed rent}) / \text{market rent} * 100$

Market analysis - a study of real estate market conditions for a specific type of property.

Market area - See *primary market area*.

Market demand - the total number of households in a defined market area that would potentially move into any new or renovated housing units. Market demand is not project specific and refers to the universe of tenure appropriate households, independent of income. The components of market demand are similar to those used in determining project-specific demand. A common example of market demand used by HUD's MAP program, which is based on three years of renter household growth, loss of existing units due to demolition, and market conditions.

Market rent - the rent that an apartment, without rent or income restrictions or rent subsidies, would command in the *primary market area* considering its location, features and amenities. Market rent should be adjusted for *concessions* and owner paid utilities included in the rent.

Market study - a comprehensive study of a specific proposal including a review of the housing market in a defined market area. Project specific market studies are often used by developers, syndicators, and government entities to determine the appropriateness of a proposed development, whereas market specific market studies are used to determine what housing needs, if any, exist within a specific geography.

Marketability - the manner in which the subject fits into the market; the relative desirability of a property (for sale or lease) in comparison with similar or competing properties in the area.

Market vacancy rate, economic - percentage of rent loss due to concessions, vacancies, and non-payment of rent on occupied units.

Market vacancy rate, physical - average number of apartment units in any market which are unoccupied divided by the total number of apartment units in the same market, excluding units in properties which are in the lease-up stage.

Migration - the movement of households into or out of an area, especially a *primary market area*.

Mixed income property - an apartment property containing (1) both income restricted and unrestricted units or (2) units restricted at two or more income limits (i.e. low income tax credit property with income limits of 30%, 50%, and 60%).

Mobility - the ease with which people move from one location to another.

Move-up demand - an estimate of how many consumers are able and willing to relocate to more expensive or desirable units. Examples: tenants who move from class-C properties to class-B properties, or tenants who move from older tax credit properties to new tax credit properties.

Multi-family - structures that contain more than two housing units.

Neighborhood - an area of a city or town with common demographic and economic features that distinguish it from adjoining areas.

Net rent (also referred to as contract rent or lease rent) - Gross rent less *tenant paid utilities*.

Penetration rate - The percentage of age and income qualified renter households in the *primary market area* that all existing and proposed properties, to be completed with six months of the subject, and which are competitively priced to the subject that must be captured to achieve the *stabilized level of occupancy*. Funding agencies may require restrictions to the qualified households used in the calculation including age, income, living in substandard housing, mover ship and other comparable factors. Units in all proposals / households in market * 100, see also: capture rate.

Pent-up demand - a market in which there is a scarcity of supply and vacancy rates are very low.

Population trends - changes in population levels for a particular area over a specific period of time – which is a function of the level of births, deaths, and net *migration*.

Primary market area - a geographic area from which a property is expected to draw the majority of its residents.

Programmatic rents - See *restricted rents*.

Project based rent assistance - rental assistance from any source that is allocated to the property or a specific number of units in the property and is available to each income eligible tenant of the property or an assisted unit.

Redevelopment - the redesign or rehabilitation of existing properties.

Rent burden - gross rent divided by adjusted monthly household income.

Rent burdened households - households with *rent burden* above the level determined by the lender, investor, or public program to be an acceptable rent-to-income.

Restricted rent - the rent charged under the restrictions of a specific housing program or subsidy.

Restricted rent, achievable - the rents that the project can attain taking into account both market conditions and rent in the *primary market area* and income restrictions.

Saturation - the point at which there is no longer demand to support additional unit. Saturation usually refers to a particular segment of a specific market.

Secondary market area - the portion of a market that supplies additional support to an apartment property beyond that provided by the primary market area.

Special needs population - specific market niche that is typically not catered to in a conventional apartment property. Examples of special needs population include: substance abusers, visually impaired person or persons with mobility limitations.

Stabilized level of occupancy - the underwritten or actual number of occupied units that a property is expected to maintain after the initial rent-up period, expressed as a percentage of the total units.

Subsidy - monthly income received by a tenant or by an owner on behalf of a tenant to pay the difference between the apartment's *contract rent* and the amount paid by the tenant toward rent.

Substandard conditions - housing conditions that are conventionally considered unacceptable which may be defined in terms of lacking plumbing facilities, one or more major systems not functioning properly, or overcrowded conditions.

Target income band - the *income band* from which the subject property will draw tenants.

Target population - the market segment or segments a development will appeal or cater to. State agencies often use target population to refer to various income set asides, elderly v. family, etc.

Tenant paid utilities - the cost of utilities (not including cable, telephone, or internet) necessary for the habitation of a dwelling unit, which are paid by the tenant.

Turnover period - 1. An estimate of the number of housing units in a market area as a percentage of total housing units in the market area that will likely change occupants in any one year. See also: vacancy period. Housing units with new occupants / housing units * 100 2. The percent of occupants in a given apartment complex that move in one year.

Unmet housing need - new units required in the market area to accommodate household growth, homeless people, and housing in substandard conditions.

Unrestricted rents - rents that are not subject to *restriction*.

Unrestricted units - units that are not subject to any income or rent restrictions.

Vacancy period - the amount of time that an apartment remains vacant and available for rent.

Vacancy rate-economic vacancy rate - physical - maximum potential revenue less actual rent revenue divided by maximum potential rent revenue. The number of total habitable units that are vacant divided by the total number of units in the property.

Other Terms

The following terms are also to be found in professional market studies - here, this information is drawn from various sources including HUD, the Census Bureau, and the Urban Land Institute.

Area Median Income (AMI) - 100% of the gross median household income for a specific Metropolitan Statistical Area, county or non-metropolitan area established annually by HUD.

Attached housing - two or more dwelling units connected with party walls (e.g. townhouses or flats).

Basic rent - the maximum monthly rent that tenants who do not have rental assistance pay to lease units developed through the USDA-RD Section 515 Program, the HUD Section 236 Program and HUD Section 223(d)(3) Below Market Interest Rate Program. The Basic Rent is calculated as the amount of rent required to operate the property, maintain debt service on a subsidized mortgage with a below-market interest rate, and provide a return on equity to the developer in accordance with the regulatory documents governing the property.

Below Market Interest Rate program (BMIR) - Program targeted to renters with income not exceeding 80% or area median income by limiting rents based on HUD's BMIR Program requirements and through the provision of an interest reduction contract subsidize the market interest rate to a below-market rate. Interest rates are typically subsidized to effective rates of one percent or three percent.

Census tract - a small, relatively permanent statistical subdivision delineated by a local committee of census data users for the purpose of presenting data. Census tract boundaries normally follow visible features, but may follow governmental unit boundaries and other non-visible features; they always nest within counties. They are designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time of establishment. Census tracts average about 4,000 inhabitants.

Central Business District (CBD) - the center of commercial activity within a town or city; usually the largest and oldest concentration of such activity.

Community Development Corporation (CDC) - entrepreneurial institution combining public and private resources to aid in the development of socio-economically disadvantaged areas.

Condominium - a form of joint ownership and control of property in which specified volumes of space (for example, apartments) are owned individually while the common elements of the property (for example, outside walls) are owned jointly.

Contract rent - 1. The actual monthly rent payable by the tenant, including any rent subsidy paid on behalf of the tenant, to the owner, inclusive of all terms of the lease. (HUD & RD) 2. The monthly rent agreed to between a tenant and a landlord (Census).

Difficult Development Area (DDA) - an area designated by HUD as an area that has high construction, land, and utility costs relative to the Area Median Gross Income. A project located in a DDA and utilizing the Low Income Housing Tax Credit may qualify for up to 130% of eligible basis for the purpose of calculating the Tax Credit allocation.

Detached housing - a freestanding dwelling unit, typically single-family, situated on its own lot.

Elder or senior housing - housing where (1) all units in the property are restricted for occupancy by persons 62 years of age or older or (2) at least 80% of the units in each building are restricted for occupancy by households where at least one household member is 55 years of age or older and the housing is designed with amenities and facilities designed to meet the needs of senior citizens.

Extremely low income - person or household with income below 30% of the Area Median Income adjusted for household size.

Fair Market Rent (FMR) - the estimates established by HUD of the Gross rents (Contract rent plus Tenant Paid Utilities) needed to obtain modest rental units in acceptable condition in a specific county or metropolitan statistical area. HUD generally set FMR so that 40% of the rental units have rents below FMR. In rental markets with a shortage of lower priced rental units HUD may approve the use of Fair Market Rents that are as high as the 50th percentile of rents.

Garden apartments - apartments in low-rise buildings (typically two or four stories) that feature low density, ample open-space around buildings, and on-site parking.

Gross rent - the monthly housing cost to a tenant which equals the Contract rent provided for in the lease plus the estimated cost of all Tenant Paid Utilities.

High-rise - a residential building having more than ten stories.

Household - one or more people who occupy a housing unit as their usual place of residence.

Housing unit - house, apartment, mobile home, or group of rooms used as a separate living quarters by a single household.

Housing Choice Voucher (Section 8 Program) - federal rent subsidy program under Section 8 of the U.S. Housing Act, which issues rent vouchers to eligible households in the use of the housing of their choice. The voucher payment subsidizes the difference between the Gross Rent and tenant's contribution of 30% of adjusted income, (or 10% of gross income, whichever is greater). In cases where 30% of the tenants' income is less than the utility allowance, the tenant will receive an assistance payment. In other cases, the tenant is responsible for paying his share of the rent each month.

Housing Finance Agency (FHA) - state or local agencies responsible for financing housing and administering assisted housing programs.

HUD Section 8 Program - federal program that provides project based rental assistance. Under the program HUD contracts directly with the owner for the payment of the difference between the contract rent and a specified percentage of tenants' adjusted income.

HUD Section 202 Program - federal program which provides direct capital assistance (i.e. grant) and operating or rental assistance to finance housing designed for occupancy by elderly households who have income not exceeding 50% of Area Median Income. The program is limited to housing owned by 501(c)(3) nonprofit organizations or by limited partnerships where the sole general partner is a 501(c)(3) nonprofit organization. Units receive HUD project based rental assistance that enables tenants to occupy units at rents based on 30% of tenant income.

HUD Section 811 Program - federal program which provides direct capital assistance and operating of rental assistance to finance housing designed for occupancy by persons with disabilities who have income not exceeding 50% of Area Median Income. The program is limited to housing owned by 501(c)(3) nonprofit organizations or by limited partnerships where the sole general partner is a 510(c)(3) nonprofit organization.

HUD Section 236 Program - federal program which provides interest reduction payments for loans which finance housing targeted to households with income not exceeding 80% of area median income who pay rent equal to the greater of Basic Rent or 30 percent of their adjusted income. All rents are capped at a HUD approved market rent.

Income limits - maximum household income by county or Metropolitan Statistical Area, adjusted for household size and expressed as a percentage of the Area Median Income for the purpose of establishing an upper limit for eligibility for a specific housing program. Income limits for federal, state and local rental housing programs typically are established at 30%, 50%, 60% or 80% of AMI. HUD publishes income limits each year for 30% median. Very low income (50%), and low income (80%), for households with 1 through 8 people.

Low income - person or household with gross household income below 80% of Area Median Income adjusted for household size.

Low income housing tax credit - a program to generate equity for investment in affordable rental housing authorized pursuant to Section 42 of the Internal Revenue Code, as amended. The program requires that a certain percentage of units built be restricted for occupancy to households earning 60% or less of Area Median Income, and that the rents on those units be restricted accordingly.

Low rise building - a building with one to three stories.

Metropolitan Statistical Area (MSA) - a geographic entity defined by the federal Office of Management and Budget for use by federal statistical agencies, based on the concept of a core area with a large population nucleus, plus adjacent communities have a high degree of economic and social integration with that core. Qualification of an MSA requires the presence of a city with 50,000 or more inhabitants, or the presence of an Urbanized Area (UA) and a total population of at least 100,000 (75,000 in New England). The county or counties containing the largest city and surrounding densely settled territory are central counties of the MSA. Additional outlying counties qualify to be included in the MSA by meeting certain other criteria of metropolitan character, such as a specified minimum population density or percentage of the population that is urban.

Mid-rise - a building with four to ten stories.

Moderate income - person or household with gross household income between 80 and 120 percent of area median income adjusted for household size.

Public Housing or Low Income Conventional Public Housing - HUD program administered by local (or regional) Housing Authorities which serves low- and very-low income households with rent based on the same formula used for HUD Section 8 assistance.

Qualified Census Tract (QCT) - any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50% of households have an income less than 60% of the area median income or where the poverty rate is at least 25%. A project located in a QCT and receiving Low Income Housing Tax Credit may qualify for up to 130% of the eligible basis for the purpose of calculating the Tax Credit allocation.

Rural Development (RD) market rent - a monthly rent that can be charged for an apartment under a specific USDA-RD housing program, that reflects the agency's estimate of the rent required to operate the property, maintain debt service on an unsubsidized mortgage and provide an adequate return to the property owner. The rent is the maximum rent that a tenant can pay at an RD Property.

Rural Development (RD) Program (Formerly the Farmers Home Administration Section 515 Rural Rental Housing Program) - federal program which provides the low interest loans to finance housing which serves low- and moderate-income persons in rural areas who pay 30 percent of their adjusted income on rent or the basic rent, which is the higher (but not exceeding the market rent). The program may include property based rental assistance and interest reduction contracts to write down the interest on the loan to as low as one percent.

Single-family housing - a dwelling unit, either attached or detached, designed for use by one household and with the direct access to a street. It does not share heating facilities or other essential building facilities with any other dwelling.

State Data Center (SDC) - a state agency or university facility identified by the governor of each state to participate in the Census Bureau's cooperative network for the dissemination of the census data.

Tenant - one who rents real property from another.

Tenure - the distinction between owner-occupied and renter-occupied housing units.

Townhouse (or Row House) - single-family attached residence separated from another by party walls, usually on a narrow lot offering small front and back-yards; also called row house.

Very low income - person or household whose gross household income does not exceed 50% of Area Median Income adjusted for household size.

Zoning - classification and regulation of land by local governments according to use categories (zones); often also includes density designations.

EXHIBIT S - 2 SC SHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:										
Development Name		Eagle Landing						Total units:		100
Location		Eagle Landing Boulevard						LIHTC units:		100
PMA Boundary		Portions of northern Charleston County, and adjacent portions of Berkeley County								
Development Type		Family		✓		Older		Fartherest Boundary Distance to subject:		4 miles
Rental Housing Stock (found on pages 42-48)										
Type	Properties		Total Units		Vacant Units		Average Occupancy			
All Rental Housing	13		2262		122		94.6%			
Market Rate Housing	8		1678		102		93.9%			
Assisted/Subsidized Housing, not to include LIHTC	1		184		4		97.8%			
LIHTC (all that are stabilized)*	4		400		16		96.0%			
Subsidized comps**	4		400		16		96.0%			
Non-stabilized comps										
* Stabilized occupancy of at least 93% (excludes projects still in lease-up)										
** comps are those comparable to the subject and those that compete at nearly the same rent levels and tenant profile, such as age, family and income										
Subject Development					HUD Area FMR			Highest Unadjusted comp rent		
Units	Bedrooms	Baths	Size (sf)	Proposed Rent	per unit	per sf	Advantage	per unit	per sf	
3	1	1	776-822	boi	\$1,424	n/a	n/a	\$1,620	n/a	
2	1	1	776-822	\$862	\$1,424	\$1.81	39.47	\$1,620	\$2.06	
6	1	1	776-822	\$1,049	\$1,424	\$1.81	26.33	\$1,620	\$2.06	
7	2	1	890-942	boi	\$1,599	n/a	n/a	\$1,904	n/a	
10	2	1	890-942	\$1,028	\$1,599	\$1.76	35.71	\$1,904	\$2.09	
44	2	1	890-942	\$1,253	\$1,599	\$1.76	21.64	\$1,904	\$2.09	
9	3	2	1138-1260	\$1,181	\$1,979	\$1.66	40.32	\$2,314	\$1.95	
19	3	2	1138-1260	\$1,441	\$1,979	\$1.66	27.19	\$2,314	\$1.95	
Gross Potential Rent Monthly*					n/a	n/a	n/a			
* market advantage is calculated using the following formula: gross adjusted market rent (minus) gross proposed rent (divided by) gross adjusted market rent The calculation should be expressed as a percentage rounded to two decimal places. The rent calculation Excel worksheet must be provided with the Exhibit S-2 form										
Demographic Data (found on pages 27,35)										
					2020		2023		2026	
Renter Households					16,046	50.6	17,116	52.0	18,154	53.5
Income-Qualified Renter Households (LIHTC)					n/a	n/a	8,582	50.1	9,102	50.1
income qualified Renter HHs (MR) if applicable										
Targeted Income-Qualified Renter Household Demand (found on page 39)										
Type of demand					20%	50%	60%	Market Rate	other	Overall
Renter Household Growth					205	315	323			615
Existing Households (over burdened+substandard)					2,934	2,834	2,015			5,768
Homeowner conversion (senior)										
Other										
Less comparable/competitive supply					0	0	162			162
Net income-qualified renter hholds					3,139	3,150	2,176			6,221
Capture Rates (found on page 40)										
Targeted population					20%	50%	60%	Market Rate	other	Overall
Capture rate					0.3%	0.7%	3.2%			1.6%
Absorption Rate (found on page 41)										
nine months										

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

Market Analyst/Author: T. Ronald Brown Company: T. Ronald Brown: Research & Analysis

Signature  Date May 30,2024