

Table of Contents

- A. Primary Market Area Analysis Summary (Exhibit S-2)
- B. Project Description
- C. Site Description and Evaluation
- D. Primary Market Area Delineation
- E. Market Area Economy
- F. Community Demographic Data
- G. Project-Specific Demand Analysis
- H. Rental Housing Analysis (Supply)
 - I. Interviews
 - J. Recommendations
- K. Signed Statement Requirement
- L. Qualifications
- M. Methodologies, Disclaimers & Sources
 - Addendum A – Field Survey of Conventional Rentals
 - Addendum B – NCHMA Member Certification & Checklist
 - Addendum C – Achievable Market Rent

Exhibit S-2 SCSHFDA Primary Market Area Analysis Summary:

Development Name:	Chester Townhouses II	Total # of Units:	52
Address:	628 Lancaster Highway, Chester, South Carolina 29706 (Chester County)	# of LIHTC/TEB Units:	52
PMA Boundary:	The Chester County line to the north; Interstate 77 and the Richburg city limits to the east; the Chester County line to the south; and State Route 215, State Route 72/121, Leeds Road/Woods Ferry Road, Poulos Road and the Chester County line to the west.		
Development Type:	Family	Farthest Boundary Distance to Subject:	18.4 Miles

Rental Housing Stock (found on page H-1;12-)				
Type	# of Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	6	227	1	99.60%
Market-Rate Housing	0	0	0	-
Assisted/Subsidized Housing not to include LIHTC	3	91	1	98.90%
LIHTC (All that are stabilized)*	3	136	0	100.00%
Stabilized Comparables**	1	22	0	100.00%
Non Stabilized Comparables	0	0	0	-

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

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

Subject Development					HUD Area FMR			Highest Unadjusted Comparable Rent	
Units	Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage (%)	Per Unit	Per SF
6	One-Br.	1	564	\$720	\$737	\$ 1.31	2.31%	\$1,284	\$ 2.28
2	One-Br.	1	572	\$720	\$737	\$ 1.29	2.31%	\$1,284	\$ 2.24
2	One-Br.	1	631	\$720.00	\$737	\$ 1.17	2.31%	\$1,284	\$ 2.03
1	One-Br.	1	664	\$720	\$737	\$ 1.11	2.31%	\$1,284	\$ 1.93
24	Two-Br.	1.5	767	\$812	\$910	\$ 1.19	10.77%	\$1,584	\$ 2.07
16	Three-Br.	1.5	947	\$969	\$1,282	\$ 1.35	24.41%	\$1,710	\$ 1.81
1	Three-Br.	1.5	969	\$969	\$1,282	\$ 1.32	24.41%	\$1,710	\$ 1.76
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
Gross Potential Rent Monthly*				\$ 43,881	\$ 51,741		15.19%		

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

Demographic Data (found on page F-3 & G)						
	2010		2024		2025	
Renter Households	2,446	28.00%	2,165	24.90%	2,150	24.80%
Income-Qualified Renter HHs (LIHTC)	N/A	N/A	1,524	70.39%	1,502	69.86%
Income-Qualified Renter HHs (MR)	N/A	N/A	N/A	N/A	N/A	N/A

Targeted Income-Qualified Renter Household Demand (found on page G-4)						
Type of Demand	50%	60%/S8	Market Rate	Editable	Editable	Overall
Renter Household Growth		-22				-22
Existing Households (Overburd + Substand)		534				534
Homeowner conversion (Seniors)		0				0
Other:		0				0
Less Comparable/Competitive Supply		0				0
Net Income-qualified Renters HHs	0	512	0	0	0	512

Capture Rates (found on page G-4)						
Targeted Population	50%	60%	Market Rate			Overall
Capture Rate		10.20%				10.20%

Absorption Rate (found on page G-7)		
Absorption Period	4	months.

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

Market Analyst Author: Nathan Stelts Company: Bowen National Research LLC

Signature:  Date: 14-May-24

LIHTC - Only

Exhibit S-2 SCSHFDA Primary Market Area Analysis Summary:

Development Name:	Chester Townhouses II	Total # of Units:	52
Address:	628 Lancaster Highway, Chester, South Carolina 29706 (Chester County)	# of LIHTC/TEB Units:	52
PMA Boundary:	The Chester County line to the north; Interstate 77 and the Richburg city limits to the east; the Chester County line to the south; and State Route 215, State Route 72/121, Leeds Road/Woods Ferry Road, Poulos Road and the Chester County line to the west.		
Development Type:	Family	Farthest Boundary Distance to Subject:	18.4 Miles

Rental Housing Stock (found on page H-1;12-)				
Type	# of Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	6	227	1	99.60%
Market-Rate Housing	0	0	0	-
Assisted/Subsidized Housing not to include LIHTC	3	91	1	98.90%
LIHTC (All that are stabilized)*	3	136	0	100.00%
Stabilized Comparables**	1	22	0	100.00%
Non Stabilized Comparables	0	0	0	-

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

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

Subject Development					HUD Area FMR			Highest Unadjusted Comparable Rent	
Units	Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage (%)	Per Unit	Per SF
6	One-Br.	1	564	\$720	\$737	\$ 1.31	2.31%	\$1,284	\$ 2.28
2	One-Br.	1	572	\$720	\$737	\$ 1.29	2.31%	\$1,284	\$ 2.24
2	One-Br.	1	631	\$720.00	\$737	\$ 1.17	2.31%	\$1,284	\$ 2.03
1	One-Br.	1	664	\$720	\$737	\$ 1.11	2.31%	\$1,284	\$ 1.93
24	Two-Br.	1.5	767	\$812	\$910	\$ 1.19	10.77%	\$1,584	\$ 2.07
16	Three-Br.	1.5	947	\$969	\$1,282	\$ 1.35	24.41%	\$1,710	\$ 1.81
1	Three-Br.	1.5	969	\$969	\$1,282	\$ 1.32	24.41%	\$1,710	\$ 1.76
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
Gross Potential Rent Monthly*				\$ 43,881	\$ 51,741		15.19%		

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

Demographic Data (found on page F-3 & G)						
	2010		2024		2025	
Renter Households	2,446	28.00%	2,165	24.90%	2,150	24.80%
Income-Qualified Renter HHs (LIHTC)	N/A	N/A	436	20.14%	430	20.00%
Income-Qualified Renter HHs (MR)	N/A	N/A	N/A	N/A	N/A	N/A


Targeted Income-Qualified Renter Household Demand (found on page G-4)						
Type of Demand	50%	60%	Market Rate	Editable	Editable	Overall
Renter Household Growth		-6				-6
Existing Households (Overburd + Substand)		153				153
Homeowner conversion (Seniors)		0				0
Other:		0				0
Less Comparable/Competitive Supply		0				0
Net Income-qualified Renters HHs	0	147	0	0	0	147

Capture Rates (found on page G-4)						
Targeted Population	50%	60%	Market Rate			Overall
Capture Rate		35.40%				35.40%

Absorption Rate (found on page G-7)		
Absorption Period	N/A	months.

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

Market Analyst Author: Nathan Stelts Company: Bowen National Research LLC

Signature:  Date: 14-May-24

B. Project Description

Project Name:	Chester Townhouses II
Location:	628 Lancaster Highway, Chester, South Carolina 29706 (Chester County)
Census Tract:	206.02
Target Market:	Family
Construction Type:	Renovation of Existing Development
Funding Source:	LIHTC

The proposed project involves the renovation of the 52-unit Chester Townhouses II at 628 Lancaster Highway in Chester, South Carolina. Built in 1983 and renovated in 2006, the project operates under the Low-Income Housing Tax Credit (LIHTC) and Rural Development Section 515 (RD515) programs, with 37 units receiving Rental Assistance (RA). The RA allows tenants to pay up to 30% of their adjusted gross household income towards shelter costs (rent and utilities). According to management, the project is currently 100.0% occupied and maintains a 23-household waiting list, which is shared with the first phase of the property.

The project will be renovated utilizing financing from the LIHTC program, which will involve the extensive rehabilitation of each unit and the community spaces. Once renovations are complete, the project will continue to target households with incomes of up to 60% of Area Median Household Income (AMHI). Notably, the project will continue to operate under the RD 515 program and 38 units will receive RA. All renovations are expected to be complete by October 2025. Additional details of the subject project are as follows:

Proposed Unit Configuration										
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Current Basic/Note Rent	Proposed Rents			Max. Allowable LIHTC Gross Rent
							Collected Rent	Utility Allowance	Gross Rent	
6	One-Br.	1.0	Garden	564	60%/RD	\$535/\$703	\$720	\$136	\$856	\$871
2	One-Br.	1.0	Garden	572	60%/RD	\$535/\$703	\$720	\$136	\$856	\$871
2	One-Br.	1.0	Garden	631	60%/RD	\$535/\$703	\$720	\$136	\$856	\$871
1	One-Br.	1.0	Garden	664	60%/RD	\$535/\$703	\$720	\$136	\$856	\$871
24	Two-Br.	1.5	TH	767	60%/RD	\$627/\$829	\$812	\$196	\$1,008	\$1,045
16	Three-Br.	1.5	Garden	947	60%/RD	\$729/\$930	\$969	\$230	\$1,199	\$1,207
1	Three-Br.	1.5	TH	969	60%/RD	\$729/\$930	\$969	\$230	\$1,199	\$1,207
52	Total									

Source: CAHEC Properties Corporation

AMHI – Area Median Household Income (National Non-Metropolitan Median Income; 2024)

RD – Rural Development

TH – Townhome

Building/Site Information	
Residential Buildings:	Seven (7) one- & two-story buildings
Building Style:	Walk-up and townhomes
Community Space:	Integrated throughout
Acres:	4.9

Construction Timeline	
Original Year Built:	1983
Renovation Start:	June 2025
Begin Preleasing:	In-place renovation
Renovation End:	October 2025

Unit Amenities		
• Electric Range	• Central Air Conditioning	• Carpet & Composite Flooring
• Refrigerator	• Walk-In Closet	• Window Blinds
• Microwave	• Patio/Balcony	• Ceiling Fans
• Washer/Dryer Connections	• Exterior Storage Closet	

Community Amenities		
• On-Site Management	• Clubhouse/Community Room	• Multipurpose Room
• Laundry Room	• Common Area Wi-Fi	• CCTV/Cameras
• Gazebo/Pavilion	• Grilling Area	• Playground
• Surface Parking Lot (88 Spaces)		

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

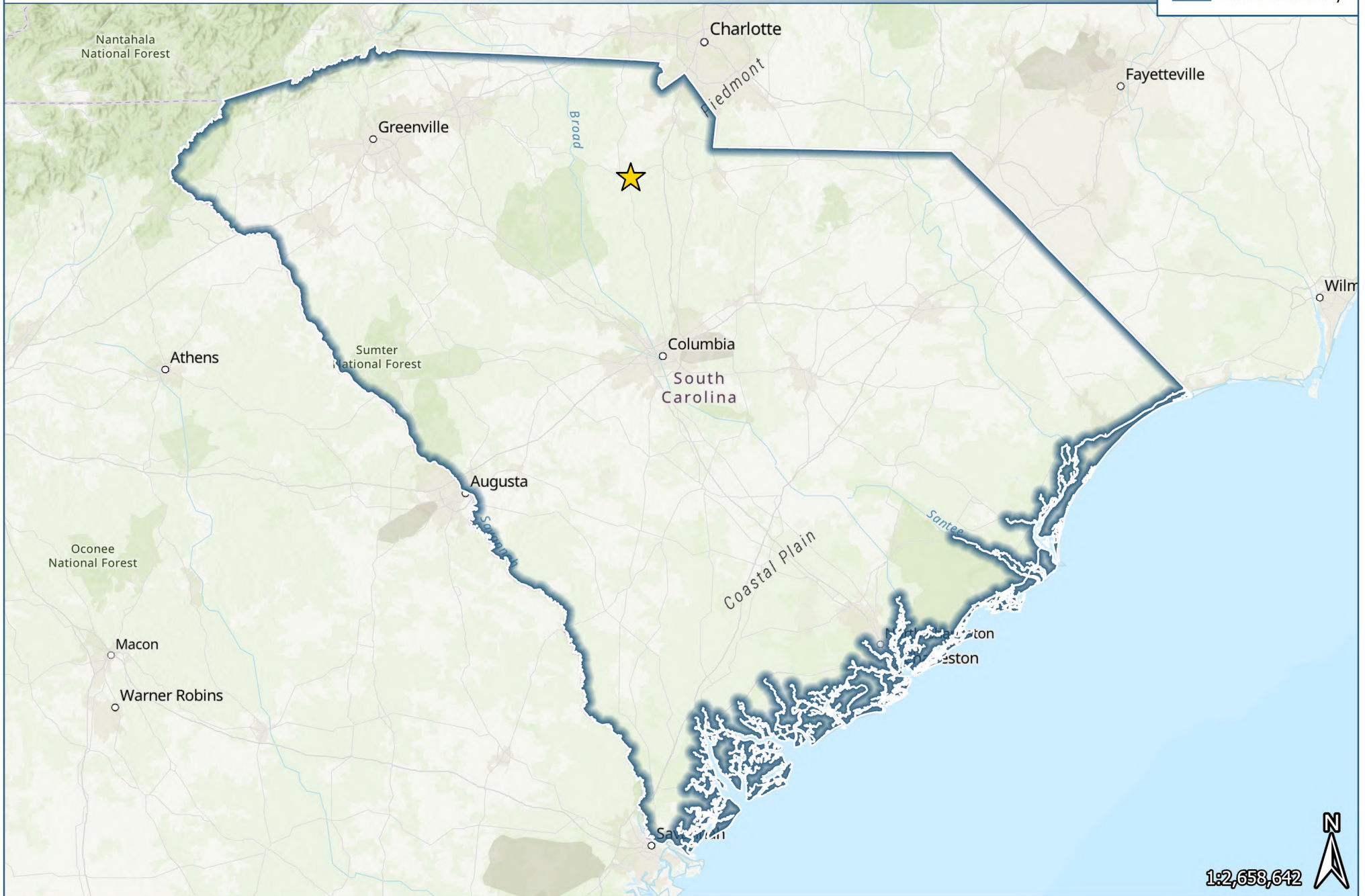
Current Occupancy Status			
Total Units	Vacant Units	Occupancy Rate	Waiting List
52	0	100.0%	23 Households (Shared w/ Phase I)

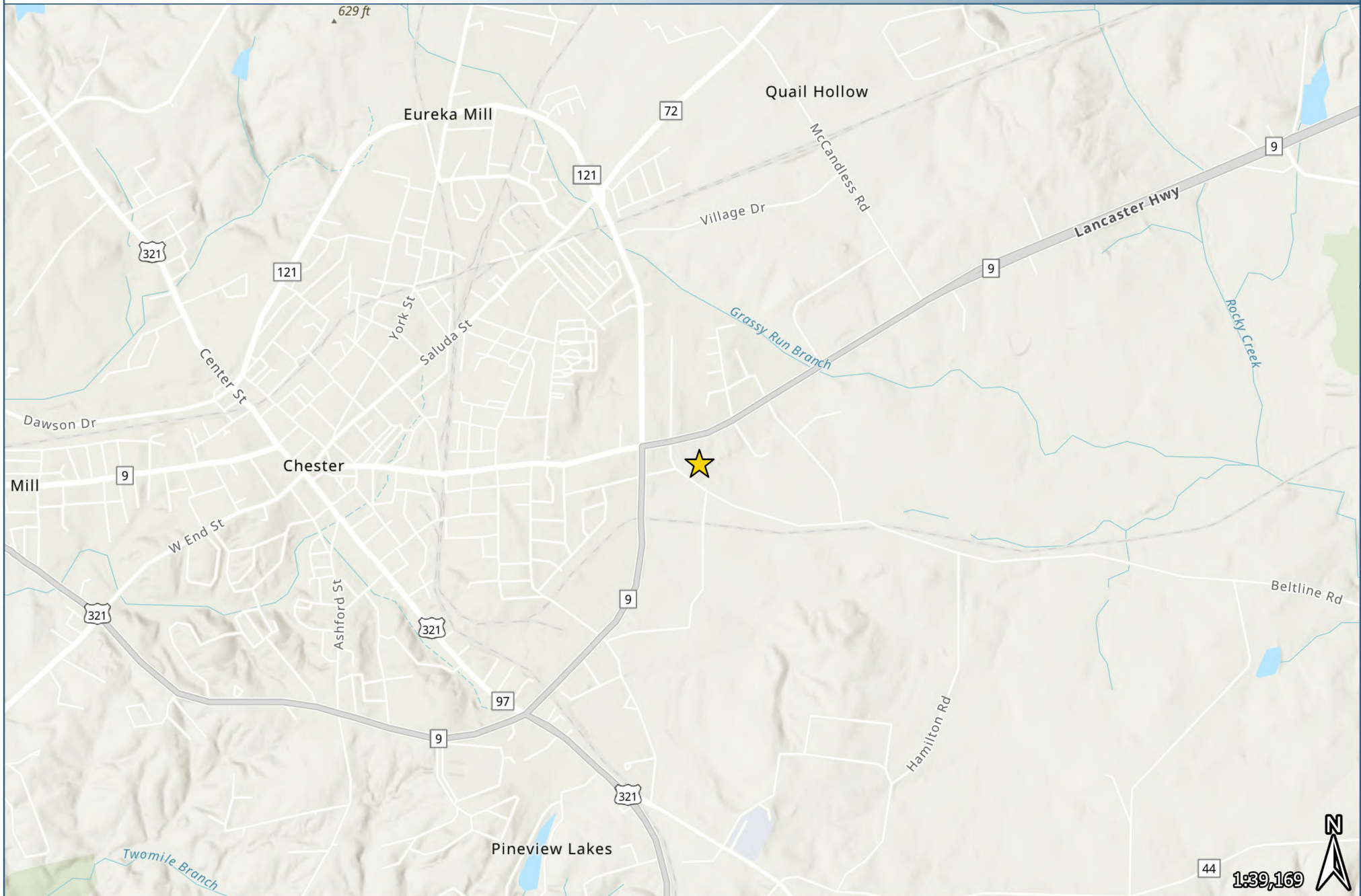
PLANNED RENOVATION & CURRENT OCCUPANCY:

A detailed scope of work provided by the developer at the time of this report is included in *Addendum C*.

The subject project consists of 52 one-, two- and three-bedroom units that are 100.0% occupied, with a 23-household waiting list for the next available unit. The project currently has basic/note rents of \$535/\$703 for a one-bedroom unit, \$627/\$829 for a two-bedroom unit and \$729/\$930 for a three-bedroom unit. Currently, 37 of the subject units receive Rental Assistance (RA). Due to the presence of this subsidy, the average tenant-paid rent is \$297, \$335 and \$410 for a one-, two- and three-bedroom unit, respectively, based on the subject project's current rent roll as illustrated in *Addendum E*. Following Tax Credit renovations, the RA subsidy will be offered for a total of 38 units. It is anticipated that most, if not all, current tenants are expected to continue to income-qualify to reside at the subject project.

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





C. Site Description and Evaluation

1. SITE INSPECTION DATE

Bowen National Research personally inspected the subject site during the week of April 29, 2024. The following is a summary of our site evaluation, including an analysis of the site's proximity to community services.

2. SITE DESCRIPTION AND SURROUNDING LAND USES

The subject site is the existing Chester Townhouses II rental community located at 628 Lancaster Highway in Chester, South Carolina. Located within Chester County, the city of Chester is approximately 19.0 miles southwest of Rock Hill, South Carolina. The site is within a mixed-use area of Chester, with surrounding land uses including the first phase of the subject project, commercial buildings, community services, schools, single-family homes and undeveloped wooded land. Adjacent land uses are as follows:

North -	The northern boundary is defined by Phase I of the subject property in good condition, which continues to a Sunoco gas station and State Route 9 (Lancaster Highway), a four-lane roadway with moderate vehicular traffic patterns. Continuing north are neighborhoods of single-family homes in fair to good condition and undeveloped wooded land.
East -	The eastern boundary is defined by a wooded tree line, which separates the site from a commercial building in fair condition. Continuing east are undeveloped land, the York Technical College Chester Center, a utility service provider and schools within the Chester County School District.
South -	The southern boundary is defined by undeveloped wooded land, which separates the site from a single-family home in good condition. Continuing south are single-family homes in good condition and wooded land.
West -	The western boundary is defined by undeveloped wooded land, which separates the site from a pediatrics office and the lightly travelled Beltline Road. Further west are a variety of businesses along the arterial JA Cochran Bypass, including a CVS Pharmacy, a KJ's Market grocery store and various restaurants (among other services).

The subject site is located within a mixed-use area of Chester, with surrounding residential structures observed to be in fair to good condition. The subject project fits well with the surrounding land uses, which are expected to positively impact its continued marketability. This is further evidenced by the project's 100.0% occupancy rate and waiting list.

3. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	State Route 9 State Route 72 U.S Highway 321	Adjacent North 0.3 West 1.4 South
Public Bus Stop	Union County Public Transportation	On-demand
Major Employers/ Employment Centers	Walmart Supercenter Chester County School District Synthomer	0.8 South 1.0 Northeast 1.4 Southwest
Convenience Store	CVS Kangaroo Express	0.2 West 0.3 West
Grocery	KJ's Market Walmart Supercenter	0.2 West 0.8 South
Discount Department Store	Big Lots Roses Express Dollar General Walmart Supercenter	0.4 West 0.5 West 0.5 West 0.8 South
Shopping Center/Mall	Chester Crossing Chester Commons	0.5 West 0.8 South
Schools: Elementary Middle/Junior High High	Dora Jones-Gayle Elementary School Chester Middle School Chester Senior High School	1.4 West 1.4 North 1.7 South
Hospital	MUSC Health Chester Medical Center	2.0 South
Police	Chester Police Department	1.6 West
Fire	Chester Fire Department	1.7 West
Post Office	United States Postal Service	1.6 West
Bank	Founders Federal Credit Union First Citizens Bank	0.4 West 0.9 South
Recreational Facilities	Chester Nature Park Leroy Springs Recreation Complex	0.9 East 3.1 East
Gas Station	Sunoco Exxon	0.2 Northeast 0.2 West
Pharmacy	CVS Walmart Pharmacy	0.2 West 0.8 South
Restaurant	Waffle House Hardees Italian Garden of Chester	0.2 West 0.2 West 0.2 West
Day Care	Arms of Love Academy	0.5 Northwest
Community Center	City of Chester Community Center	1.7 West
Library	Chester County Library	1.6 West

The site is within a mixed-use area and is subsequently within 2.0 miles of most essential community services. Notable services within 2.0 miles include grocery stores, banks, restaurants, pharmacies, discount retailers, public schools, gas stations and conveniences stores. Of note, the site is within 0.8 mile of a Walmart Supercenter, which anchors additional community services within the Chester

Commons shopping plaza. Most nearby services are accessible along the nearby JA Cochran Bypass commercial corridor, within 0.3 mile of the site.

Public safety services are provided by the Chester County Police and Fire departments, which are located within 1.6 and 1.7 miles of the site, respectively. The nearest hospital, MUSC Health Chester Medical Center, is located 2.0 miles south of the site. All public schools that serve the site are within 1.7 miles, and transportation is provided. Additionally, most nearby services are accessible through the demand-based transportation services of Union County Public Transportation. Overall, the availability and proximity of community services is considered beneficial to the project's continued marketability.

4. SITE PHOTOGRAPHS

Photographs of the subject site and surrounding land uses are on the following pages. Note that, while the site includes only the second phase of the Chester Townhouses rental community, we have included pictures from the northern boundary of the entire Chester Townhouses project to illustrate the non-residential land uses that surround the site to the north.

Chester Townhouses II



View of site from the north



View of site from the northeast



View of site from the east



View of site from the southeast



View of site from the south

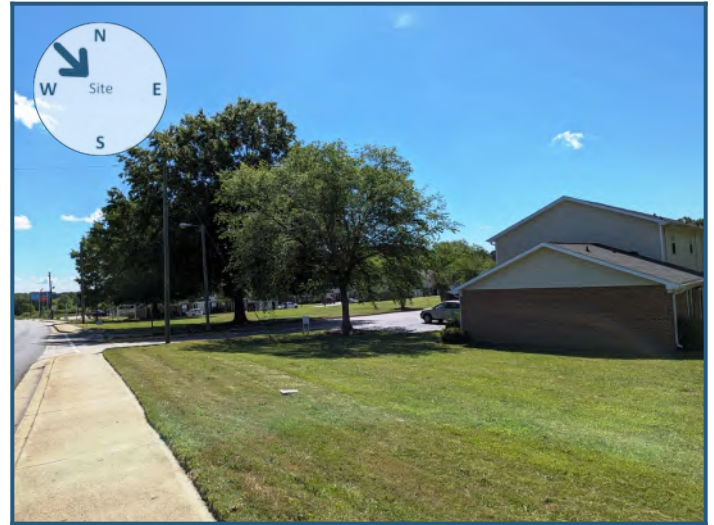


View of site from the southwest

Chester Townhouses II



View of site from the west



View of site from the northwest



North view from site



Northeast view from site



East view from site

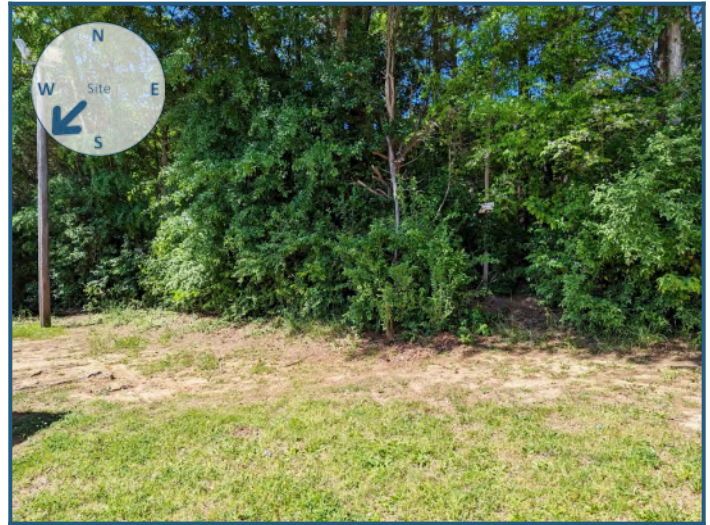


Southeast view from site

Chester Townhouses II



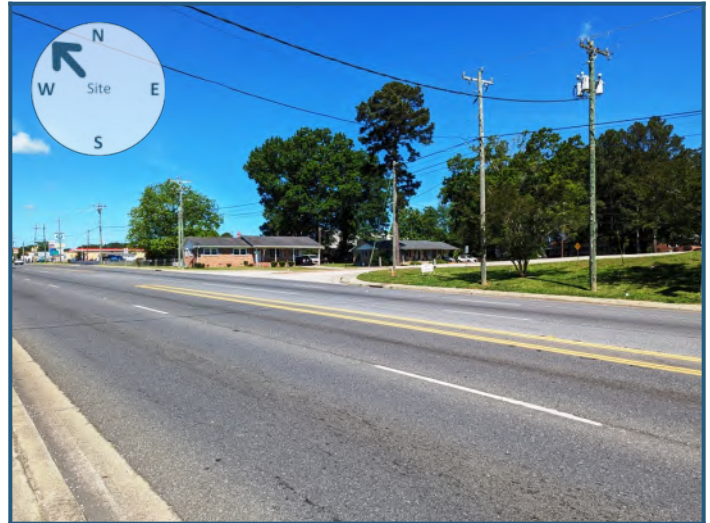
South view from site



Southwest view from site



West view from site



Northwest view from site



Recreation Area: Playground



Laundry Facility

Chester Townhouses II



One-Bedroom (Living Room)



One-Bedroom (Kitchen)



One-Bedroom (Bedroom - View A)



One-Bedroom (Bedroom - View B)



One-Bedroom (Bathroom)



One-Bedroom (Laundry)

Chester Townhouses II



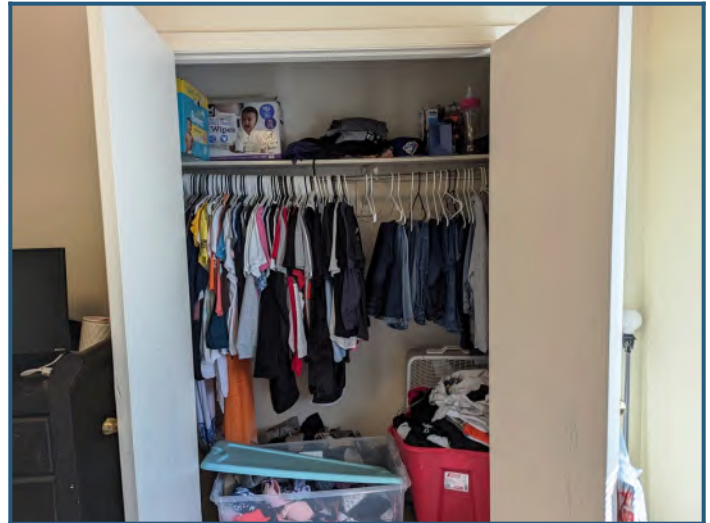
Two-Bedroom (Living Room)



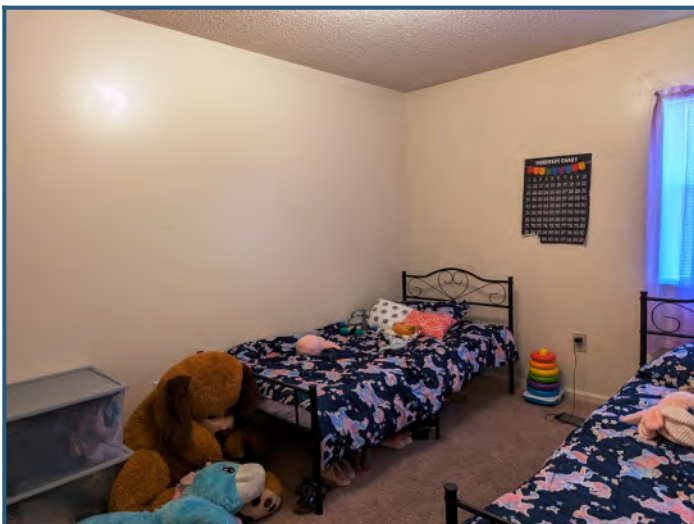
Two-Bedroom (Kitchen)



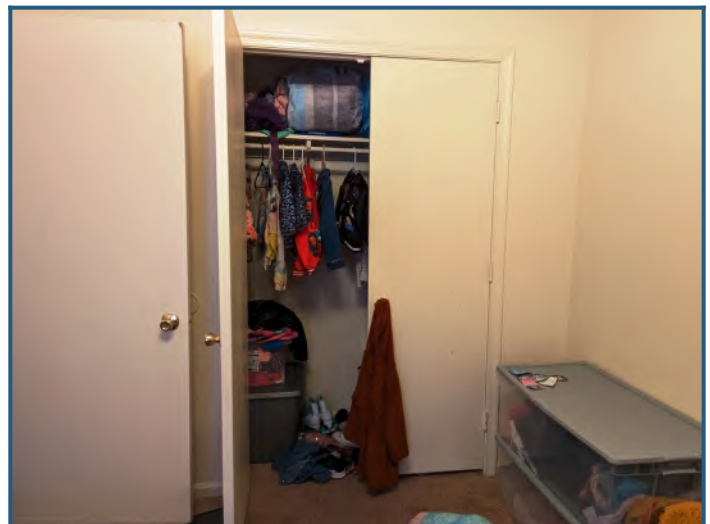
Two-Bedroom (Master Bedroom - View A)



Two-Bedroom (Master Bedroom - View B)



Two-Bedroom (Second Bedroom - View A)



Two-Bedroom (Second Bedroom - View B)

Chester Townhouses II



Two-Bedroom (Full Bathroom)



Two-Bedroom (Half-Bath)



Two-Bedroom (Laundry)



Three-Bedroom (Living Room)



Three-Bedroom (Kitchen)

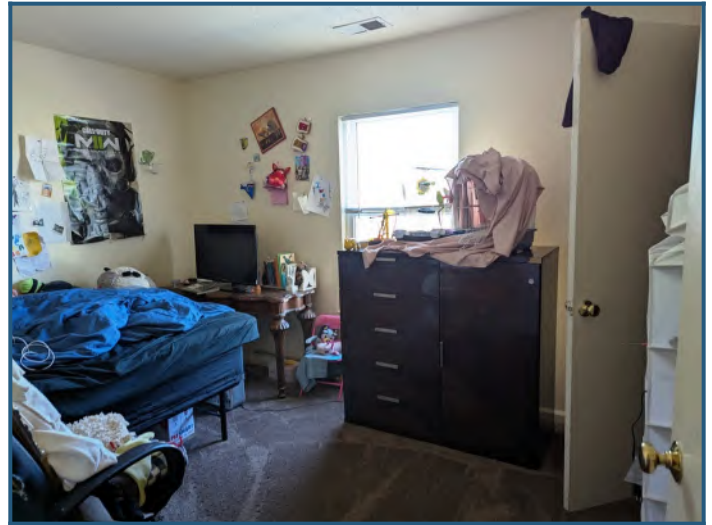


Three-Bedroom (Master Bedroom - View A)

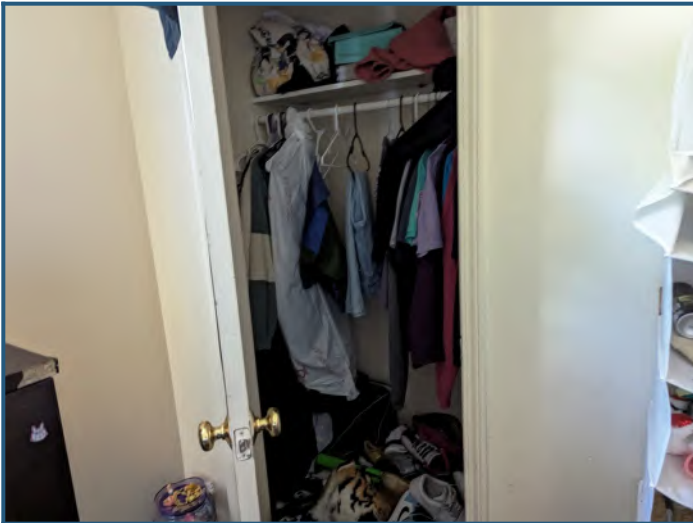
Chester Townhouses II



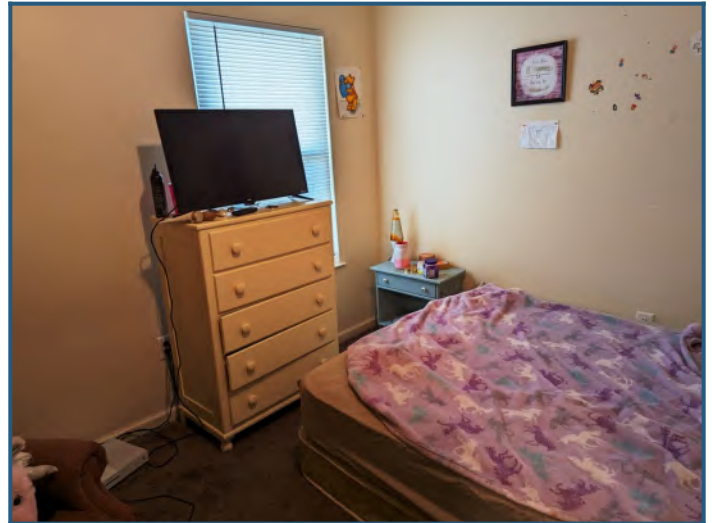
Three-Bedroom (Master Bedroom - View B)



Three-Bedroom (Second Bedroom - View A)



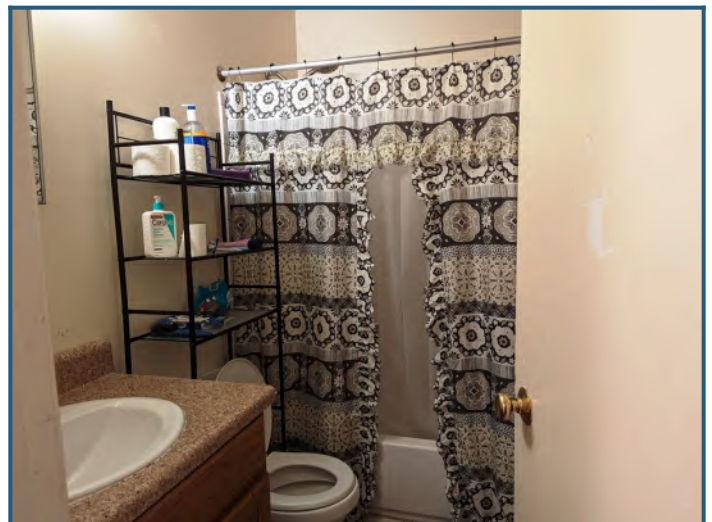
Three-Bedroom (Second Bedroom - View B)



Three-Bedroom (Third Bedroom - View A)



Three-Bedroom (Third Bedroom - View B)

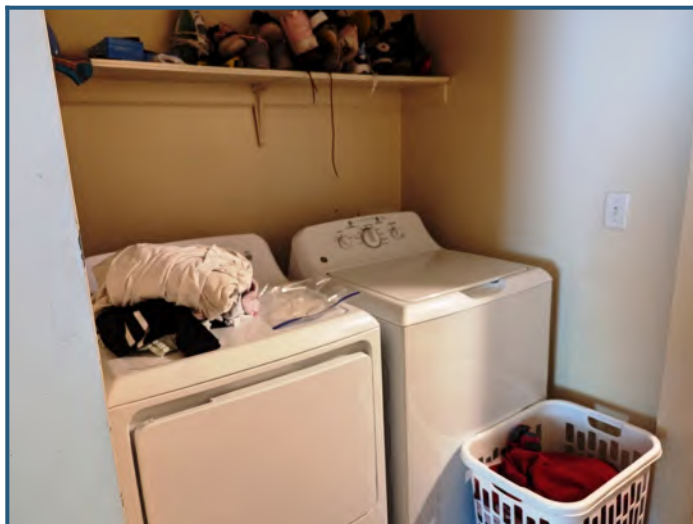


Three-Bedroom (Full Bathroom)

Chester Townhouses II



Three-Bedroom (Half-Bath)











Three-Bedroom (Laundry)

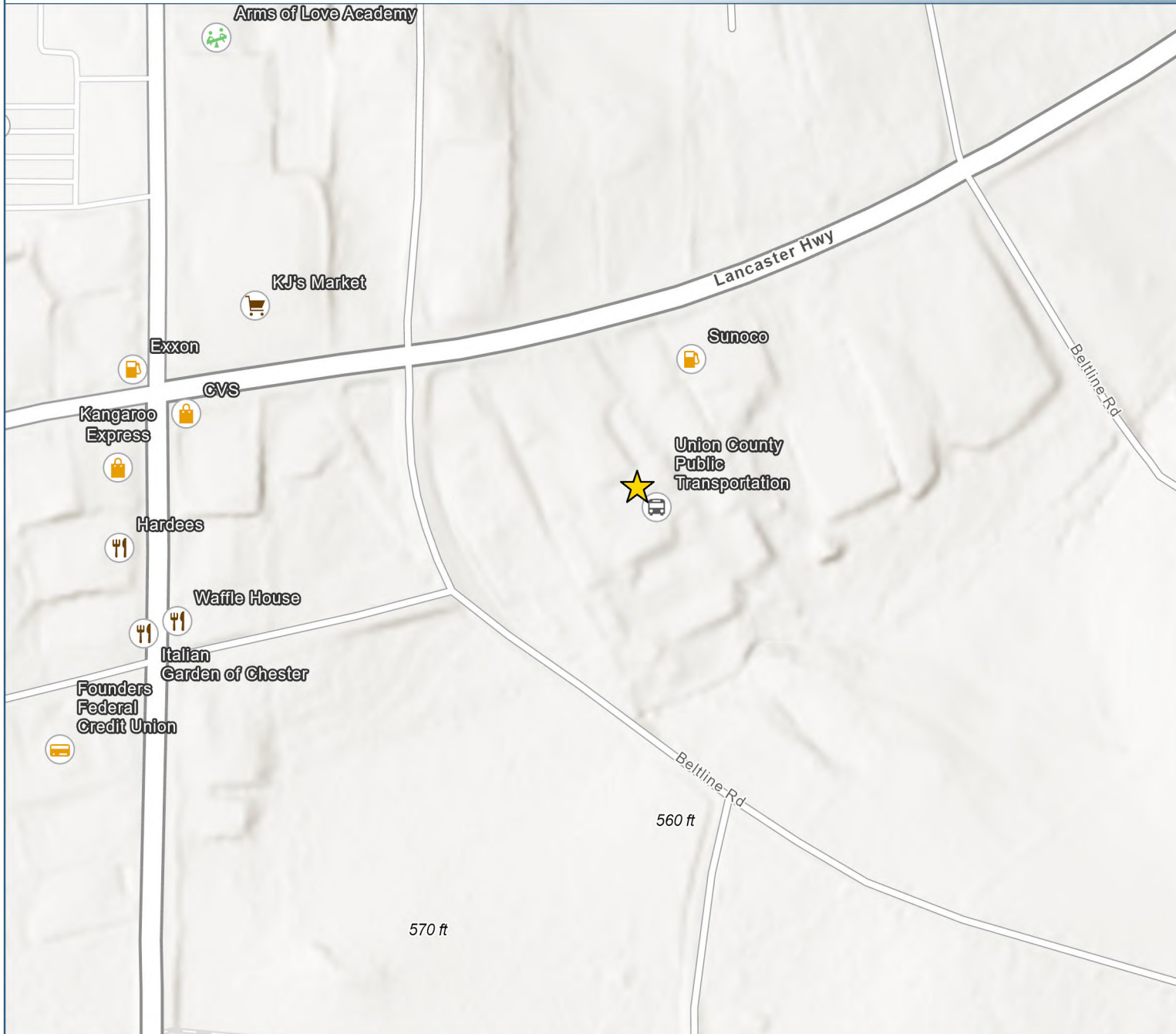
5. SITE AND COMMUNITY SERVICES MAPS

Maps of the subject site and relevant community services follow.




Community Services

-  Gas Station
-  Public Bus Stop
-  Bank
-  Day Care
-  Restaurant
-  Grocery
-  Convenience Store
-  Shopping Center/Mall



0 0.03 0.05 0.08 0.1

 Miles

Sources: Esri, Airbus DS, USGS, NGA, NASA, CGIAR, N Robinson, NCEAS, NLS, OS, NMA, Geodatastyrelsen, Rijkswaterstaat, GSA, Geoland, FEMA, Intermap and the GIS user community, Esri Community Maps Contributors, State of North Carolina DOT, © OpenStreetMap, Microsoft, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, US Census Bureau, USDA, USFWS

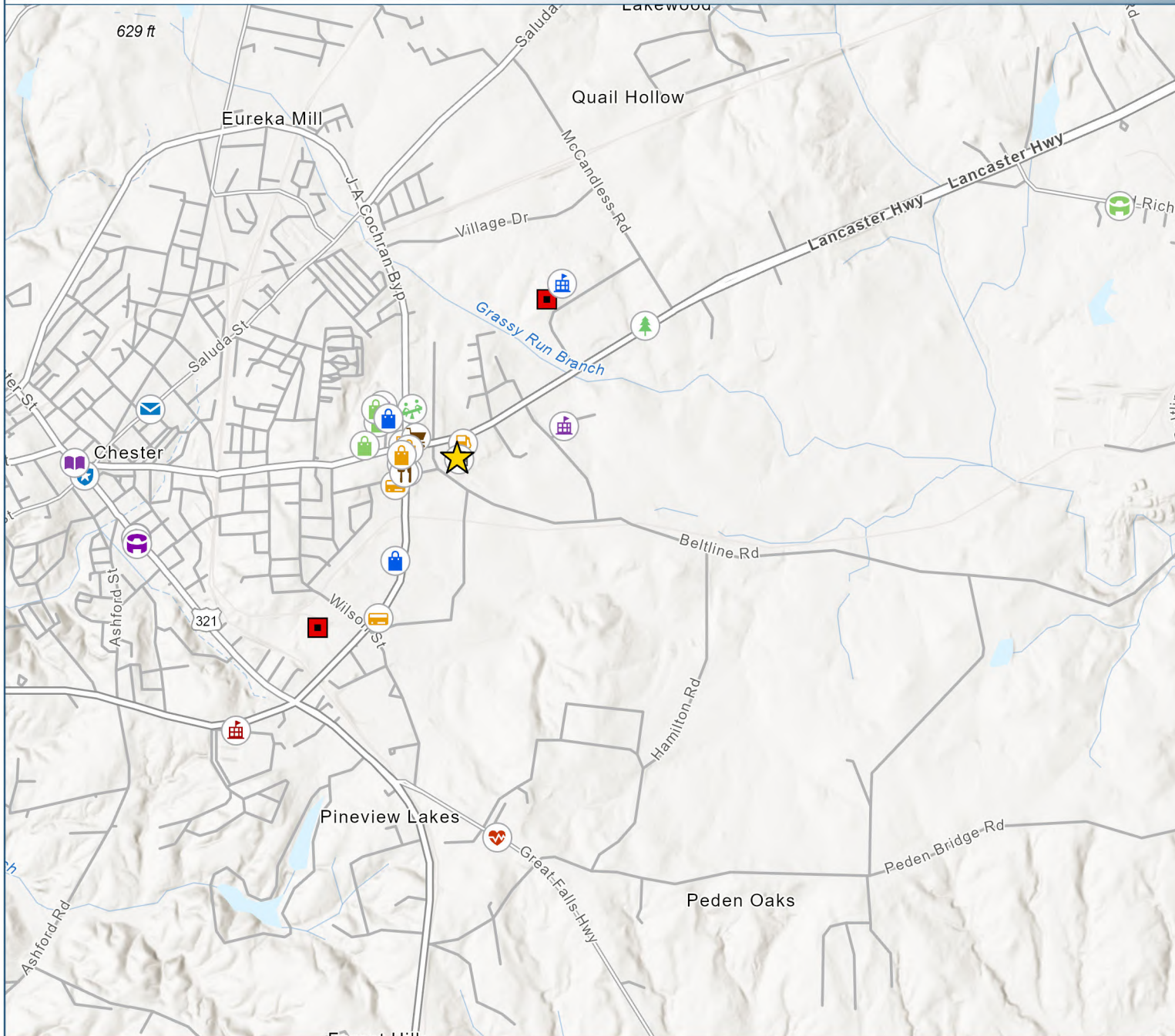




Site

Community Services

- Major Employers/Employment Centers
- Hospital/Medical Center
- Police
- Fire
- Post Office
- Pharmacy
- Gas Station
- Public Bus Stop
- Bank
- Day Care
- Schools, Elementary
- Schools, Middle/Junior High
- Schools, High
- Schools, College/University
- Library
- Park
- Recreational Facility
- Community Center
- Church
- Restaurant
- Grocery
- Convenience Store
- Discount Department Store
- Shopping Center/Mall



0 0.2 0.4 0.6 0.8

Miles

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

11/7/201



6. CRIME ISSUES

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

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

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

Total crime risk for the market and Chester County are illustrated as follows.

	Crime Risk Index	
	PMA	Chester County
Total Crime Index	133	121
Personal Crime Index	169	146
Murder	290	239
Rape	78	67
Robbery	115	98
Assault	198	173
Property Crime Index	126	116
Burglary	172	156
Larceny	118	107
Motor Vehicle Theft	115	117

Source: Applied Geographic Solutions, FBI, ESRI

PMA – Primary Market Area

The crime risk index within the market (133) is similar to that of Chester County (121) and both are slightly above that of the nation (100). Regardless, all of the rental communities identified and surveyed within the market are maintaining strong occupancy rates (including the subject site), indicating that rental properties have not been impacted by any perception of crime. Further, the subject project includes on-site management, which will likely help mitigate potential perceptions of crime. Therefore, it is unlikely that the perception of crime will have any tangible impact on the continued marketability of the subject development.

A map illustrating crime risk is on the following page.



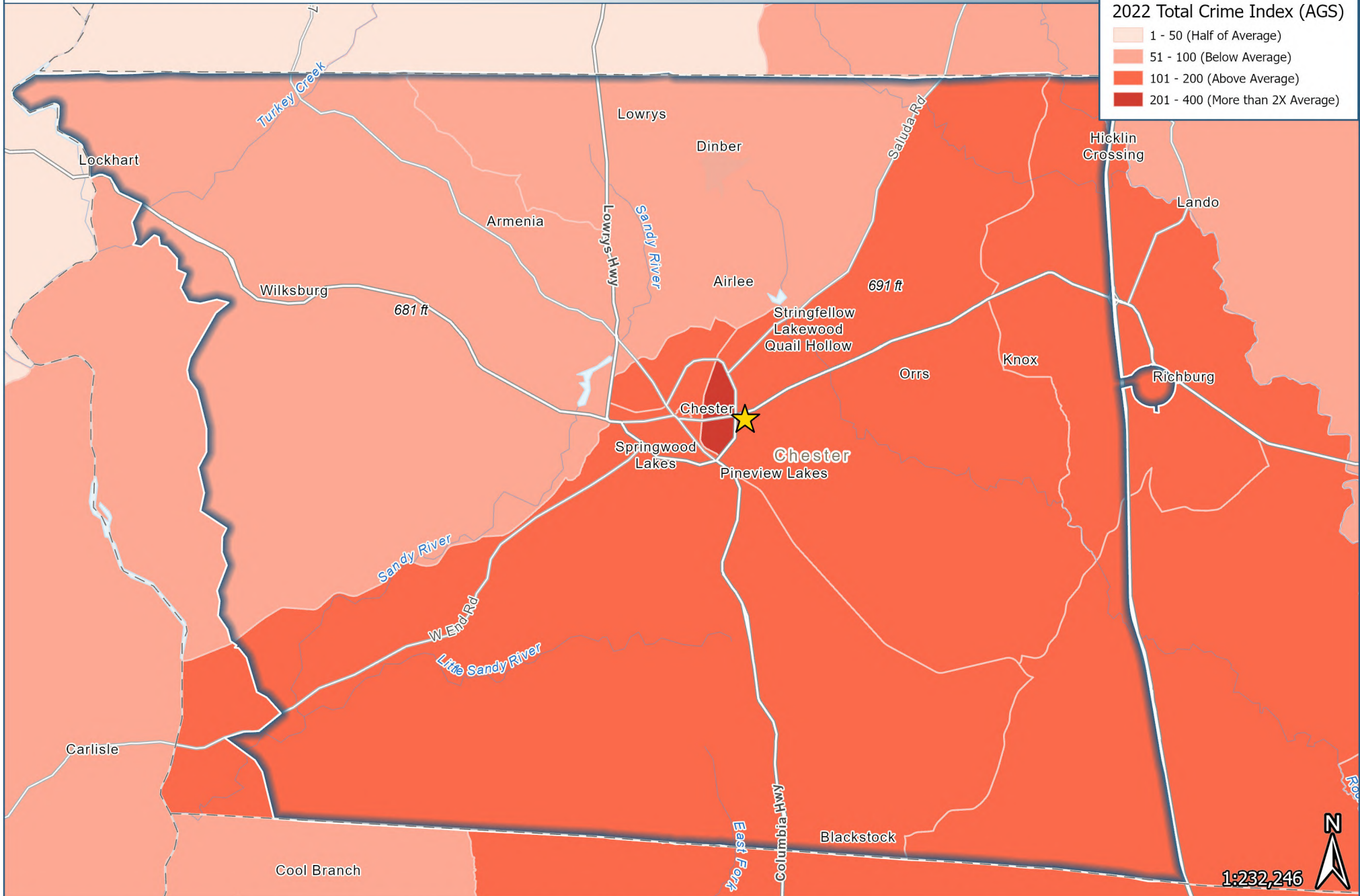
Site



PMA

2022 Total Crime Index (AGS)

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



0 1 2 3 4

Miles

7. ACCESS AND VISIBILITY

The site project features two vehicular access points along State Route 9 to the north. While traffic patterns along this roadway are moderate, dedicated center turn lanes are present to mitigate potential traffic disruptions during ingress and egress of the site. State Route 9 and the arterial State Route 72 and U.S. Highway 321 facilitate accessibility of the site from throughout the greater Chester area. Although fixed-route public transportation is not available in the area, Union County Public Transportation offers demand-based transit services available to residents of the site project. Overall, the accessibility of the subject site is considered good and is anticipated to positively impact its continued marketability.

The subject site maintains frontage and permanent signage along State Route 9, a four-lane arterial roadway with moderate vehicular traffic patterns. According to the South Carolina Department of Transportation (SCDOT), State Route 9 maintains an Annual Average Daily Traffic (AADT) volume of 8,200 to 10,700 vehicles. Considering the clear and unobstructed visibility of the site from this arterial roadway, visibility of the site is considered good and is anticipated to positively impact its continued marketability.

8. VISIBLE OR ENVIRONMENTAL ISSUES

No known detriments or nuisances were observed at the time of analysis.

9. OVERALL SITE CONCLUSIONS

The subject site is the existing Chester Townhouses II rental community located at 628 Lancaster Highway in Chester, South Carolina. The site is within a mixed-use area of Chester, with surrounding residential structures observed to be in fair to good condition. These well-kept structures are anticipated to positively impact the project's continued marketability. Visibility and accessibility of the site are considered good, given its unobstructed location along the arterial State Route 9. Nearly all essential community services are accessible within 2.0 miles, including (but not limited to) grocery stores, banks, restaurants, pharmacies, discount retailers, public schools, gas stations and conveniences stores. Additionally, most nearby services are accessible through the demand-based transportation services of Union County Public Transportation. Overall, the subject site's location and proximity to community services are expected to positively impact the project's continued marketability. This is further evidenced by the project's 100.0% occupancy rate and waiting list.

D. Primary Market Area Delineation

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

The Chester Site PMA includes the incorporated communities of Chester, Richburg, Lowrys, Eureka Mill, Gayle Mill and the surrounding unincorporated areas of Chester County. The boundaries of the Site PMA generally include the Chester County line to the north; Interstate 77 and the Richburg city limits to the east; the Chester County line to the south; and State Route 215, State Route 72/121, Leeds Road/Woods Ferry Road, Poulos Road and the Chester County line to the west. All boundaries of the Site PMA are within 18.4 miles of the site. The Site PMA includes all of, or portions of, the following Census Tracts:

201.00	202.00	203.00
204.00	205.00	206.01
206.02*	207.00	209.00

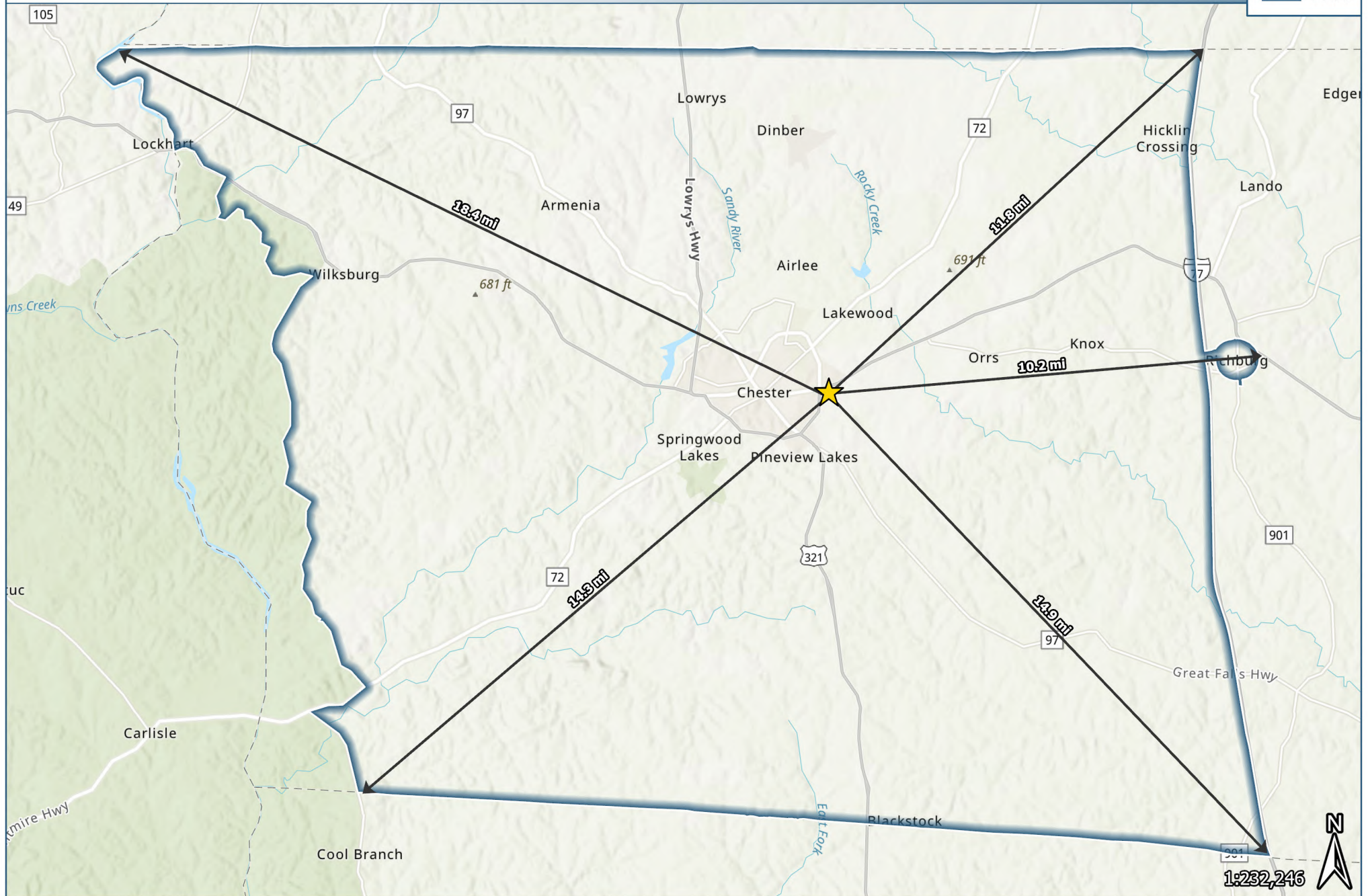
*Subject site location

Wendy Sawyer is the Property Manager for the subject site Chester Townhouses. Sawyer confirmed the boundaries of the Site PMA, stating that individuals are drawn to the area due to the abundance of job opportunities and the desire to avoid the overpopulation of the larger surrounding communities. Sawyer added that most residents tend to stay in the area given the quieter, peaceful atmosphere of the Chester market relative to the region's larger communities.

Amanda Rogers is a Regional Manager for CAHEC Management, which manages the site property. Rogers confirmed the boundaries of the Site PMA, noting that more than 50% of the site property's tenants originate from within the boundaries of the Site PMA. Rogers added that tenants are typically drawn to the site property and the Chester area due to its central location and small-town atmosphere.

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

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



E. Market Area Economy

1. EMPLOYMENT BY INDUSTRY

The labor force within the Chester Site PMA is based primarily in two sectors. Public Administration (which comprises 18.2%) and Health Care & Social Assistance comprise nearly 31.9% of the Site PMA labor force. Employment in the Chester Site PMA, as of 2023, was distributed as follows:

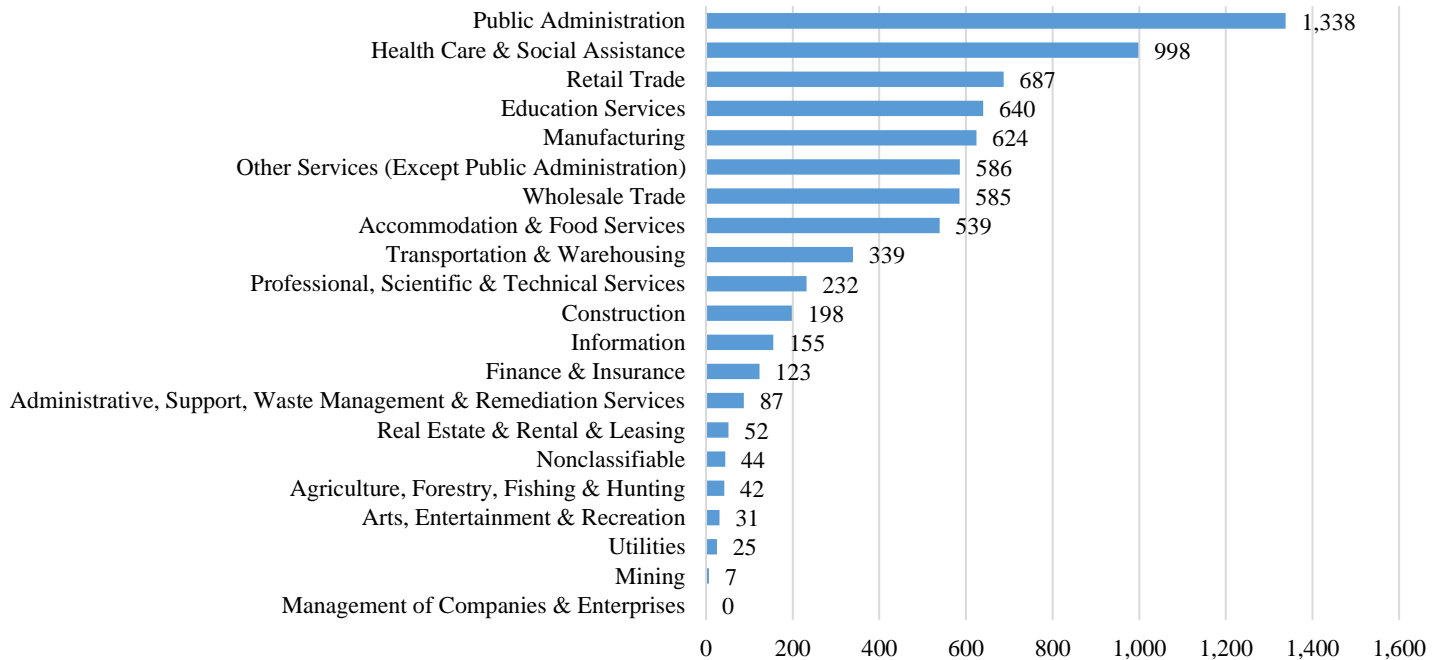
NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	9	1.2%	42	0.6%	5
Mining	2	0.3%	7	0.1%	4
Utilities	4	0.5%	25	0.3%	6
Construction	35	4.8%	198	2.7%	6
Manufacturing	25	3.4%	624	8.5%	25
Wholesale Trade	19	2.6%	585	8.0%	31
Retail Trade	84	11.4%	687	9.4%	8
Transportation & Warehousing	25	3.4%	339	4.6%	14
Information	14	1.9%	155	2.1%	11
Finance & Insurance	29	4.0%	123	1.7%	4
Real Estate & Rental & Leasing	23	3.1%	52	0.7%	2
Professional, Scientific & Technical Services	39	5.3%	232	3.2%	6
Management of Companies & Enterprises	0	0.0%	0	0.0%	0
Administrative, Support, Waste Management & Remediation Services	21	2.9%	87	1.2%	4
Education Services	18	2.5%	640	8.7%	36
Health Care & Social Assistance	57	7.8%	998	13.6%	18
Arts, Entertainment & Recreation	10	1.4%	31	0.4%	3
Accommodation & Food Services	41	5.6%	539	7.4%	13
Other Services (Except Public Administration)	161	21.9%	586	8.0%	4
Public Administration	90	12.3%	1,338	18.2%	15
Nonclassifiable	28	3.8%	44	0.6%	2
Total	734	100.0%	7,332	100.0%	10

Source: Bowen National Research, ESRI, Census

E.P.E.- Average Employees Per Establishment

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

Total Employment by Industry



2. LOW-INCOME EMPLOYMENT OPPORTUNITIES

Typical wages by job category for the Charlotte-Concord-Gastonia, North Carolina-South Carolina Metro Area (MSA) are compared with the state of South Carolina in the following table:

Typical Wage by Occupation Type		
Occupation Type	MSA	South Carolina
Management Occupations	\$86,279	\$71,352
Business And Financial Occupations	\$79,314	\$64,095
Computer And Mathematical Occupations	\$97,956	\$79,232
Architecture And Engineering Occupations	\$91,451	\$84,842
Community And Social Service Occupations	\$47,339	\$44,348
Art, Design, Entertainment, Sports, and Media Occupations	\$46,595	\$40,071
Healthcare Practitioners & Technical Occupations	\$65,054	\$63,246
Healthcare Support Occupations	\$29,004	\$25,503
Protective Service Occupations	\$50,595	\$45,608
Food Preparation & Serving Related Occupations	\$16,331	\$15,606
Building And Grounds Cleaning & Maintenance Occupations	\$26,727	\$23,593
Personal Care & Service Occupations	\$21,108	\$18,897
Sales And Related Occupations	\$41,461	\$33,284
Office And Administrative Support Occupations	\$38,572	\$34,814
Construction And Extraction Occupations	\$38,672	\$37,366
Installation, Maintenance & Repair Occupations	\$51,214	\$51,644
Production Occupations	\$37,769	\$39,644
Transportation Occupations	\$42,798	\$41,368
Material Moving Occupations	\$28,085	\$26,533

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

As the preceding illustrates, most occupational types within the MSA have higher typical wages than South Carolina's typical wages. However, it is important to note that the subject project will continue to target households generally earning less than \$50,000 annually. Therefore, the area employment base appears to have a good base of income-appropriate positions from which the project will continue to be able to draw renter support.

3. AREA'S LARGEST EMPLOYERS

The ten largest employers within the Chester County area comprise a total of 3,225 employees and are summarized as follows:

Employer Name	Business Type	Total Employed
Giti Tire USA	Motor Vehicle Tires - Manufacturing	746
Boise Cascade Company	Plywood & Construction Materials - Manufacturing	400
Guardian Industries Corp.	Float Glass - Manufacturing	336
Carolina Poly Inc.	Polyethylene Film/Bags - Manufacturing	300
ATI Industries LLC	Specialty Steel - Manufacturing	300
Chester Regional Medical Center	Health Care	276
Boral Stone Products LLC	Decorative Stone Products - Manufacturing	250
United Infrastructure Group	Motor Vehicle Tires - Manufacturing	225
United Natural Goods, Inc.	Plywood & Construction Materials - Manufacturing	200
Sun Fiber LLC	Float Glass – Manufacturing	192
Total		3,225

Source: Chester County Economic Development (July 2021)

According to a representative of Chester County Economic Development, the Chester economy is improving. Many new jobs have been announced within the county, and local industries are performing well. The cost of housing and some local business closures have negatively affected the local employment base in the last 12 months, although Chester remains relatively affordable. Businesses continue to grow in the area; and employment rates have increased.

The following table summarizes some recent and/or ongoing economic development projects within the Chester area as of the time of this analysis:

Economic Development Activity			
Project Name	Investment	Job Creation	Scope of Work/Details
IKO	\$363 million	200	Plans include two facilities, remodeling an existing facility and building a 325,000-square-foot facility that will produce and manufacture fiberglass mats for shingle factories. Both factories are expected to begin production by late 2025.
New Chester High School	\$50 million	N/A	Will involve the construction of a new high school for 900 students that features a 650-seat theater. As of May 30, 2023, this project was approved by the school board. Construction is estimated to begin by the end of 2024.
Albemarle Lithium Hydroxide Processing Facility	\$1.3 billion	307	Will build a new lithium hydroxide processing plant to produce lithium-ion batteries for electric vehicles. Construction is expected to begin in 2024 and completion of Phase I to be 2026.
Lewis Fire & Police Station	\$3 million	N/A	Will involve the construction of a fire and police facility. Construction to start October 2023 with no completion date at the time of this study.
E & J Gallo Winery	\$423 million	500	E & J Gallo Winery is investing \$423 million in Chester, their first manufacturing and distribution project along the east coast. This project will be completed in five phases. The company will build a fourth bottling line by the end of 2024 that will add brandy and vodka production.
Business Park	\$137 million	N/A	Announced in May 2022, MacKenzie Investment Group will build a two million-square-foot business park along Interstate 77 in Chester County. The business park will be used for distribution, logistics and manufacturing. Site will be broken up between multiple buildings ranging from 95,000 to 800,000 square feet. A timeline for the project has not yet been announced at the time of this study.

N/A – Not Available

Infrastructure:

The following table summarizes some recent and/or ongoing infrastructure projects within the Chester area:

Infrastructure Projects	
Project Name	Scope of Work, Status, Investment
Memorial Park Stormwater Project	Broke ground in March 2024, the project will build a retention pond to alleviate flooding and upgrade some amenities. Will involve a \$9.9 million investment. The project broke ground in April 2024.
Bear Creek Bridge & South Fork of Fishing Creek Bridge Replacement	Will replace two structurally deficient bridges, bringing them up to safety and design standards. Construction to start in 2024 and is estimated to be completed by 2026.
State Route 901 (Edgeland Road) Widening Project	Will widen the portion of State Route 901 between State Route 9 and Victorian Hills Drive in Chester County. Construction began spring 2023 and will be completed spring 2024.
Chester County Wastewater Recovery	Announced March 2024, Chester County received \$10 million to improve the Chester County Wastewater Recovery.

WARN (layoff notices):

WARN Notices of large-scale layoffs/closures were reviewed on April 30, 2024, and according to the 2023 South Carolina WARN Report there has been one WARN notice reported Chester, South Carolina over the past 12 months. Below is a table summarizing this notice.

WARN Notices				
Company	Location	Jobs	Notice Date	Effective Date
Footprint South Carolina, LLC	Chester	168	1/26/2023	3/29/2023

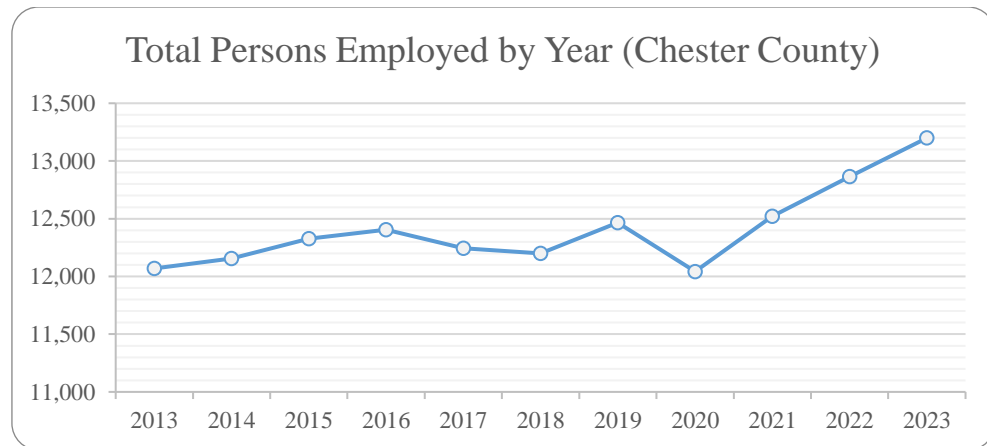
4. EMPLOYMENT TRENDS

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

The following illustrates the total employment base for Chester County, the state of South Carolina, and the United States. Total employment reflects the number of employed persons who live within the county.

Year	Total Employment					
	Chester County		South Carolina		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2013	12,069	-	2,034,404	-	144,637,000	-
2014	12,154	0.7%	2,082,941	2.4%	146,305,000	1.2%
2015	12,328	1.4%	2,134,087	2.5%	148,833,000	1.7%
2016	12,404	0.6%	2,174,301	1.9%	151,436,000	1.7%
2017	12,245	-1.3%	2,166,708	-0.3%	153,337,000	1.3%
2018	12,199	-0.4%	2,205,356	1.8%	155,761,000	1.6%
2019	12,466	2.2%	2,268,884	2.9%	157,538,000	1.1%
2020	12,043	-3.4%	2,199,751	-3.0%	147,795,000	-6.2%
2021	12,520	4.0%	2,266,611	3.0%	152,581,000	3.2%
2022	12,865	2.8%	2,316,435	2.2%	158,291,000	3.7%
2023	13,199	2.6%	2,380,392	2.8%	161,037,000	1.7%

Source: Bureau of Labor Statistics



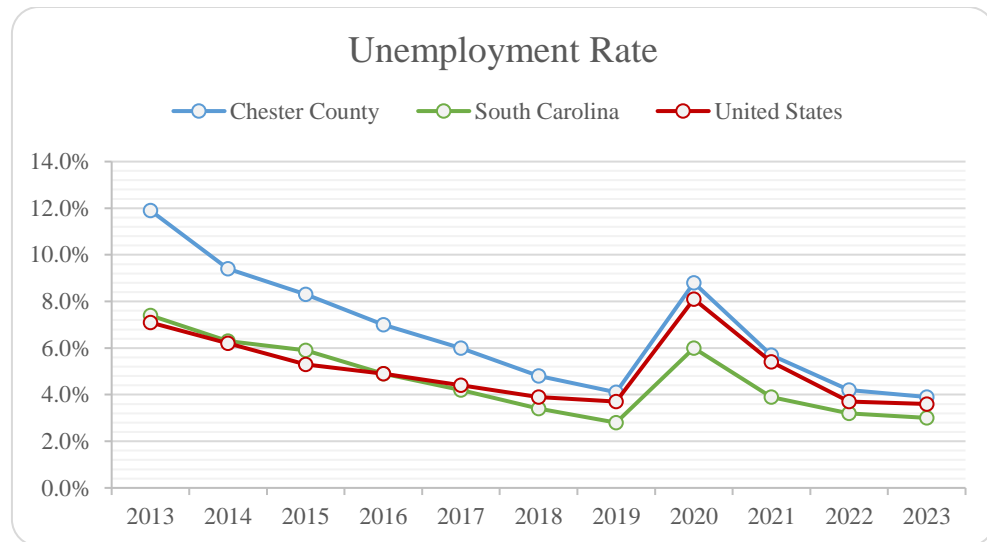
As the preceding illustrates, the Chester County employment base experienced growth overall between 2013 and 2023, with rapid growth occurring following the impact of the COVID-19 pandemic in 2020. Specifically, the local employment base has increased to a ten year high of 13,199 jobs through 2023, increasing by 9.6% since 2020. This indicates that the Chester County economy is improving, in terms of the overall employment base.

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

Year	Total Unemployment					
	Chester County		South Carolina		United States	
	Total Number	Percent of Workforce	Total Number	Percent of Workforce	Total Number	Percent of Workforce
2013	1,634	11.9%	163,472	7.4%	11,101,000	7.1%
2014	1,264	9.4%	139,485	6.3%	9,616,000	6.2%
2015	1,115	8.3%	133,750	5.9%	8,296,000	5.3%
2016	940	7.0%	111,753	4.9%	7,751,000	4.9%
2017	785	6.0%	95,058	4.2%	6,982,000	4.4%
2018	615	4.8%	76,666	3.4%	6,314,000	3.9%
2019	529	4.1%	64,649	2.8%	6,001,000	3.7%
2020	1,156	8.8%	139,389	6.0%	12,948,000	8.1%
2021	752	5.7%	92,558	3.9%	8,623,000	5.4%
2022	564	4.2%	76,894	3.2%	5,996,000	3.7%
2023	541*	3.9%	72,668*	3.0%	6,080,000*	3.6%

Source: Department of Labor, Bureau of Labor Statistics

*Through December 2023



Between 2013 and 2019, the annual unemployment rate within Chester County declined by nearly eight percentage points, then increased by nearly five percentage points between 2019 and 2020 due to the COVID-19 pandemic. However, the annual unemployment rate has improved since 2020, declining to a ten-year low of 3.9% through 2023. This indicates that the local economy is improving, in terms of the annual unemployment rate.

At-place employment reflects the total number of jobs within the county regardless of the employee's county of residence. The following illustrates the total at-place employment base for Chester County.

At-Place Employment Chester County			
Year	Employment	Change	Percent Change
2013	8,043	-	-
2014	8,106	63	0.8%
2015	8,319	213	2.6%
2016	8,341	22	0.3%
2017	8,575	234	2.8%
2018	9,473	898	10.5%
2019	9,822	349	3.7%
2020	9,517	-305	-3.1%
2021	9,527	10	0.1%
2022	9,785	258	2.7%
2023*	10,121	336	3.4%

Source: Department of Labor, Bureau of Labor Statistics

*Through September

Data for 2022, the most recent year that year-end figures are available, indicates at-place employment in Chester County to be 76.1% of the total Chester County employment. This means that Chester County has a good share of employed persons staying within the county for daytime employment.

5. EMPLOYMENT CENTERS MAP

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



**BOWEN
NATIONAL
RESEARCH**

Major Employers

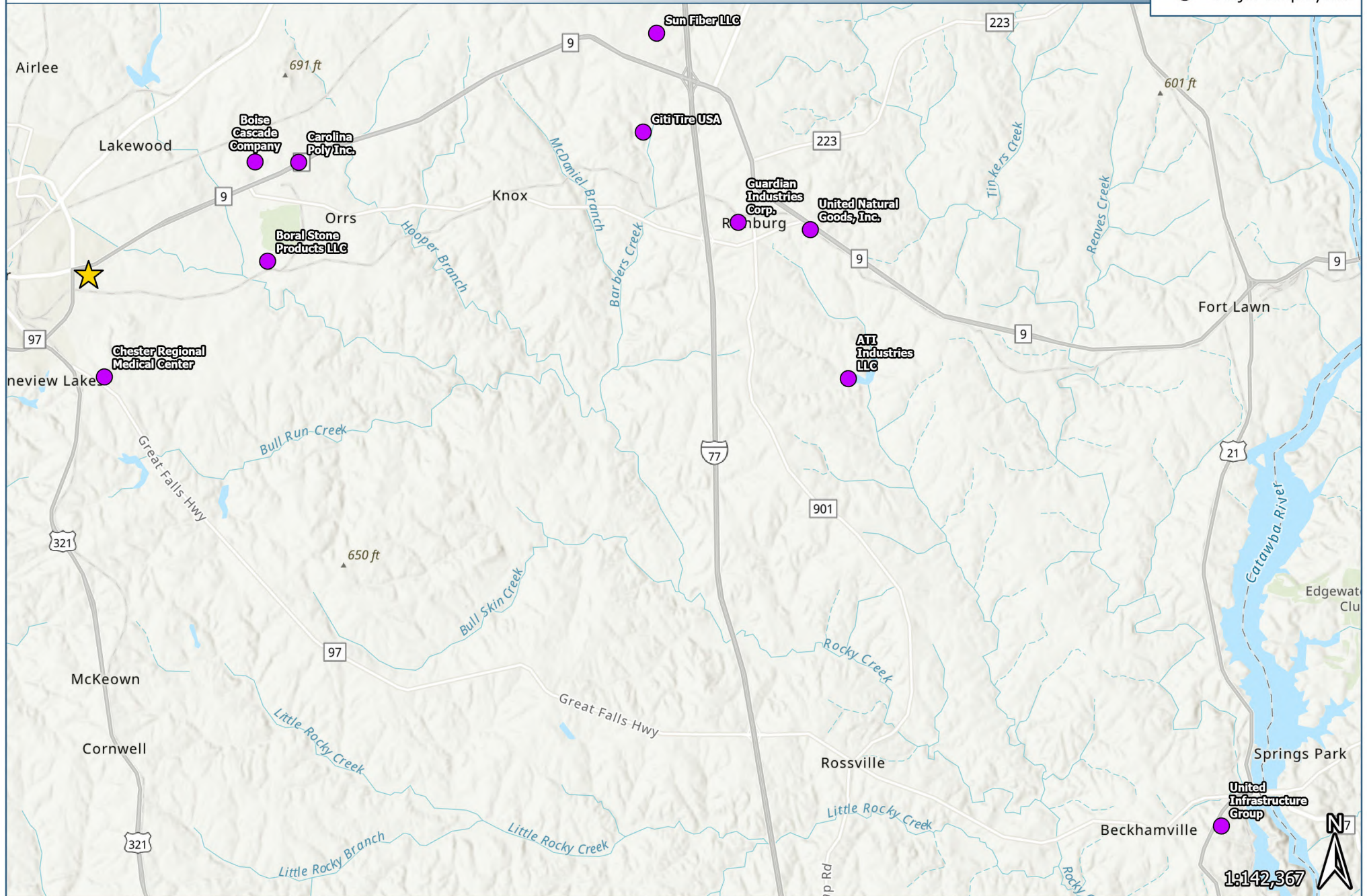
Chester, SC



Site



Major Employers



0 0.7 1.4 2.1 2.8

Miles

Esri, CGIAR, USGS, State of North Carolina DOT, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA, USFWS
Additional Source(s): Bowen National Research

6. COMMUTING PATTERNS

The following is a distribution of commuting patterns for Site PMA workers age 16 and over:

Mode of Transportation	Workers Age 16+	
	Number	Percent
Drove Alone	7,395	82.2%
Carpooled	1,075	12.0%
Public Transit	27	0.3%
Walked	107	1.2%
Motorcycle	20	0.2%
Other Means	84	0.9%
Worked at Home	286	3.2%
Total	8,994	100.0%

Source: Bowen National Research, ESRI

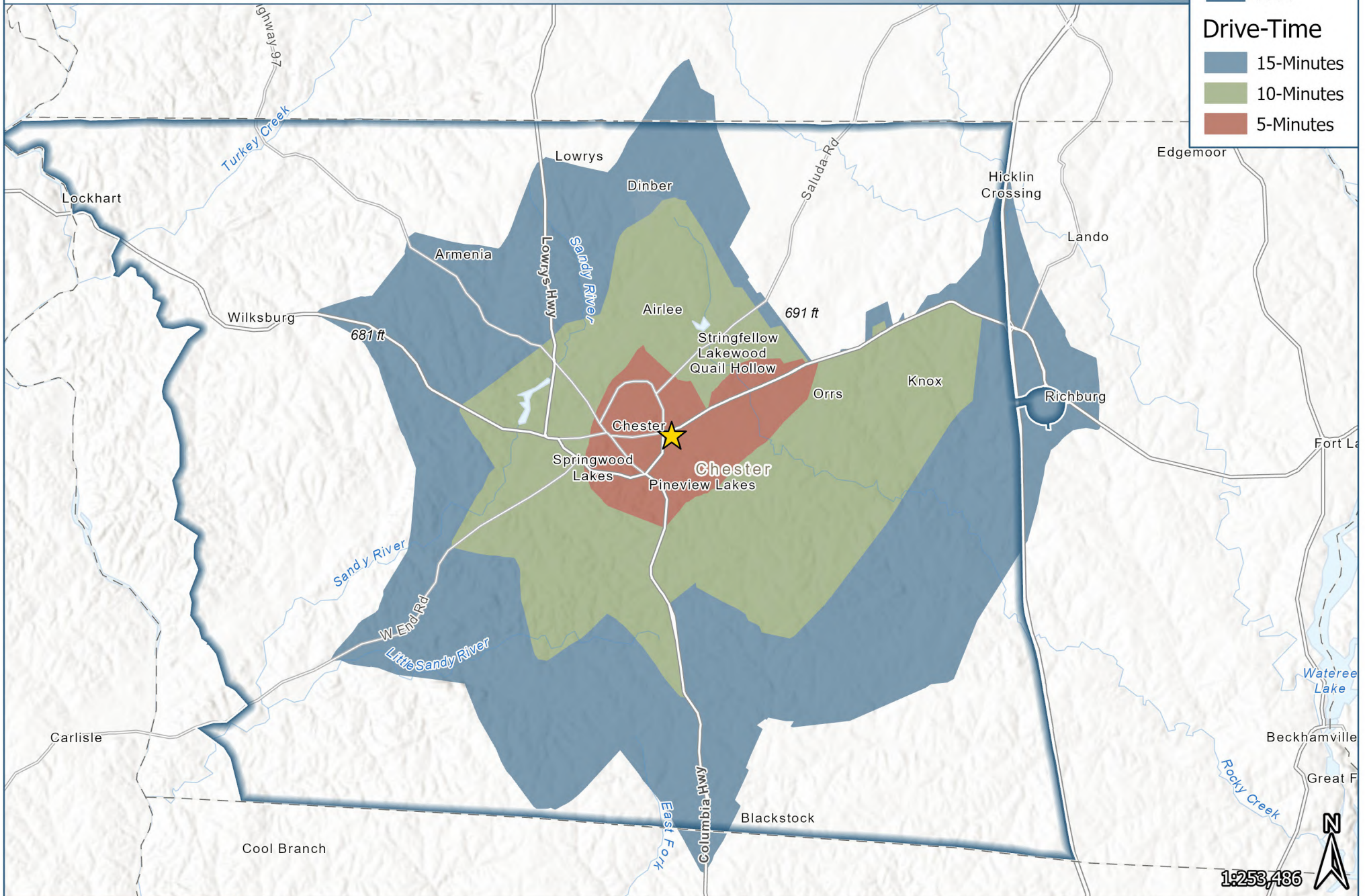
More than 82.0% of all workers drove alone, 12.0% carpoolled, and 0.3% used public transportation.

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

Travel Time	Workers Age 16+	
	Number	Percent
Less Than 15 Minutes	2,387	27.4%
15 – 29 Minutes	2,046	23.5%
30 – 44 Minutes	2,200	25.3%
45 – 59 Minutes	1,283	14.7%
60 + Minutes	792	9.1%
Total	8,708	100.0%

Source: Bowen National Research, ESRI

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



7. ECONOMIC FORECAST AND HOUSING IMPACT

Based on data provided by the State of South Carolina Department of Labor, the Chester County economy has experienced growth in the preceding decade, particularly following the impact of the COVID-19 pandemic in 2020. Specifically, the local employment base has increased to a ten-year high of 13,199 jobs through 2023, while the annual unemployment rate declined to a ten-year low of 3.9% during the same time period. Additionally, according to local economic development representatives, the economy is performing well overall and several new economic development projects are currently within the development pipeline. Considering the preceding factors, the Chester County economy is performing well and is expected to improve for the foreseeable future. This will, in turn, create a stable environment for the local housing market.

F. Community Demographic Data

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

1. POPULATION TRENDS

a. Total Population

The Site PMA population bases for 2010, 2020, 2024 (estimated), and 2025 (projected) are summarized as follows:

	Year			
	2010 (Census)	2020 (Census)	2024 (Estimated)	2025 (Projected)
Population	22,414	21,764	21,496	21,442
Population Change	-	-650	-268	-53
Percent Change	-	-2.9%	-1.2%	-0.2%

Source: 2010 & 2020 Census; ESRI; Bowen National Research

The Chester Site PMA population base declined by 650 between 2010 and 2020. This represents a 2.9% decline over the 2010 population, or an annual rate of 0.3%. Between 2020 and 2024, the population declined by 268, or 1.2%. It is projected that the population will decrease by 53, or 0.2%, between 2024 and 2025.

Based on the 2020 Census, population residing in group quarters represented 2.5% of the PMA population, as demonstrated in the following table:

	Number	Percent
Population in Group Quarters	538	2.5%
Population not in Group Quarters	21226	97.5%
Total Population	21,764	100.0%

Source: 2020 Census; ESRI; Bowen National Research

b. Population by Age Group

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

Population by Age	2010 (Census)		2024 (Estimated)		2025 (Projected)		Change 2024-2025	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	6,039	26.9%	5,244	24.4%	5,239	24.4%	-4	-0.1%
20 to 24	1,322	5.9%	1,002	4.7%	992	4.6%	-11	-1.1%
25 to 34	2,484	11.1%	2,520	11.7%	2,408	11.2%	-112	-4.4%
35 to 44	2,883	12.9%	2,595	12.1%	2,618	12.2%	23	0.9%
45 to 54	3,351	15.0%	2,668	12.4%	2,655	12.4%	-13	-0.5%
55 to 64	3,049	13.6%	2,945	13.7%	2,905	13.5%	-40	-1.4%
65 to 74	1,876	8.4%	2,815	13.1%	2,830	13.2%	14	0.5%
75 & Older	1,410	6.3%	1,705	7.9%	1,794	8.4%	89	5.2%
Total	22,414	100.0%	21,496	100.0%	21,442	100.0%	-53	-0.2%

Source: Bowen National Research, ESRI, Census

As the preceding table illustrates, nearly 50.0% of the population is estimated to be between 25 and 64 years old in 2024. This age group is the primary group of potential renters for the subject site and will likely continue to represent a significant number of the tenants.

c. Elderly and Non-Elderly Population

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

d. Special Needs Population

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

2. HOUSEHOLD TRENDS

a. Total Households

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

	Year			
	2010 (Census)	2020 (Census)	2024 (Estimated)	2025 (Projected)
Households	8,723	8,712	8,684	8,680
Household Change	-	-11	-28	-3
Percent Change	-	-0.1%	-0.3%	< -0.1%
Average Household Size	2.61	2.55	2.45	2.45

Source: Bowen National Research, ESRI, Census

Within the Chester Site PMA, households decreased by 11 (0.1%) between 2010 and 2020. Between 2020 and 2024, households decreased by 28 or 0.3%. By 2025, there will be 8,680 households, a decrease of three households, or less than 0.1% from 2024 levels. These trends are indicative of a generally stable household base.

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

Households by Age	2010 (Census)		2024 (Estimated)		2025 (Projected)		Change 2024-2025	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	273	3.1%	200	2.3%	199	2.3%	-1	-0.4%
25 to 34	1,041	11.9%	1,024	11.8%	979	11.3%	-46	-4.5%
35 to 44	1,461	16.7%	1,281	14.7%	1,290	14.9%	10	0.7%
45 to 54	1,850	21.2%	1,423	16.4%	1,414	16.3%	-9	-0.6%
55 to 64	1,833	21.0%	1,720	19.8%	1,694	19.5%	-25	-1.5%
65 to 74	1,257	14.4%	1,859	21.4%	1,867	21.5%	8	0.4%
75 & Older	1,008	11.6%	1,177	13.6%	1,237	14.2%	60	5.1%
Total	8,723	100.0%	8,684	100.0%	8,680	100.0%	-3	< -0.1%

Source: Bowen National Research, ESRI, Census

Between 2024 and 2026, the greatest growth among household age groups is projected to be among those ages 75 and older. While households under the age of 65 are projected to decline slightly overall, these households will continue to represent nearly two thirds (64.3%) of all households in the market through 2025. This illustrates that there will continue to be a good base of support for family-oriented housing options in the Site PMA.

b. Households by Tenure

Households by tenure in 2010 (census), 2024 (estimated), and 2025 (projected) are distributed as follows:

Tenure	2010 (Census)		2024 (Estimated)		2025 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	6,277	72.0%	6,519	75.1%	6,530	75.2%
Renter-Occupied	2,446	28.0%	2,165	24.9%	2,150	24.8%
Total	8,723	100%	8,684	100.0%	8,680	100.0%

Source: Bowen National Research, ESRI, Census

In 2024, homeowners occupied 75.1% of all occupied housing units, while the remaining 24.9% were occupied by renters. Renter households are generally projected to remain stable between 2024 and 2025.

c. Households by Income

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

Household Income	2010 (Census)		2024 (Estimated)		2025 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Less Than \$15,000	2,095	24.0%	1,268	14.6%	1,249	14.4%
\$15,000 - \$24,999	1,483	17.0%	1,095	12.6%	1,078	12.4%
\$25,000 - \$34,999	1,260	14.4%	1,043	12.0%	1,020	11.8%
\$35,000 - \$49,999	1,148	13.2%	1,219	14.0%	1,206	13.9%
\$50,000 - \$74,999	1,367	15.7%	1,811	20.9%	1,815	20.9%
\$75,000 - \$99,999	816	9.4%	815	9.4%	823	9.5%
\$100,000 - \$149,999	391	4.5%	976	11.2%	1,007	11.6%
\$150,000 & Higher	164	1.9%	457	5.3%	481	5.5%
Total	8,723	100.0%	8,684	100.0%	8,680	100.0%
Median Income	\$31,222		\$46,511		\$47,345	

Source: Bowen National Research, ESRI, Census

In 2024, the median household income is estimated to be \$46,511. By 2025, it is projected that the median household income will be \$47,345, an increase of 1.8% over 2024.

d. Average Household Size

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

e. Households by Income by Tenure

The following tables illustrate renter household income by household size for 2020, 2024, and 2025 for the Chester Site PMA:

Renter Households	2020 (ACS)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	247	111	89	65	42	556
\$15,000 - \$24,999	195	65	104	24	55	443
\$25,000 - \$34,999	140	41	92	31	47	351
\$35,000 - \$49,999	87	38	70	31	33	258
\$50,000 - \$74,999	99	162	48	83	21	413
\$75,000 - \$99,999	29	71	16	32	21	169
\$100,000 - \$149,999	5	4	3	2	19	32
\$150,000 & Higher	0	0	1	-1	1	2
Total	805	492	421	269	239	2,225

Source: ESRI, Bowen National Research

Renter Households	2024 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	252	100	85	52	37	527
\$15,000 - \$24,999	196	58	99	19	47	420
\$25,000 - \$34,999	139	36	85	24	40	324
\$35,000 - \$49,999	92	35	69	26	29	250
\$50,000 - \$74,999	116	163	51	72	20	422
\$75,000 - \$99,999	36	74	19	29	21	178
\$100,000 - \$149,999	8	5	4	2	20	39
\$150,000 & Higher	1	1	1	0	1	5
Total	840	473	412	225	215	2,165

Source: ESRI, Bowen National Research

Renter Households	2025 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	253	98	84	49	35	520
\$15,000 - \$24,999	197	57	98	18	45	414
\$25,000 - \$34,999	138	35	84	23	38	318
\$35,000 - \$49,999	93	35	69	24	28	248
\$50,000 - \$74,999	120	163	52	69	20	424
\$75,000 - \$99,999	37	75	19	28	21	180
\$100,000 - \$149,999	8	5	4	2	21	40
\$150,000 & Higher	1	1	1	0	1	5
Total	849	469	410	214	209	2,150

Source: ESRI, Bowen National Research

Data from the preceding tables is used in our demand estimates.

Demographic Summary

The overall household base within the Chester Site PMA is projected to remain relatively stable through 2025. While households under the age of 65 are projected to decline slightly during this time, these households will continue to represent nearly two-thirds (64.3%) of all households in the market. This illustrates that a large base of age-appropriate support will continue to be present within the Site PMA to support family-oriented housing options, such as the subject project. Notably, a base of 2,150 renter households is projected to remain in the market through 2025. Further, more than two-thirds (69.8%) of renter households in the market are projected to earn less than \$50,000 in 2025. Overall, the demographic trends contained within this report demonstrate a good base of continued support for the subject project.

G. Project-Specific Demand Analysis

1. INCOME RESTRICTIONS

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

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

The subject site is within the Chester County, South Carolina HUD Metro FMR Area, which has a four-person median household income of \$63,600 for 2024. However, the subject site location is eligible to operate under the National Non-Metropolitan Rent and Income Limits. The four-person National Non-Metropolitan Median Income is \$77,400 for 2024. Following renovations, the subject property will be restricted to households with incomes of up to 60% of AMHI. The following table summarizes the maximum allowable income by household size and targeted AMHI level.

Household Size	Maximum Allowable Income
	60%
One-Person	\$32,520
Two-Person	\$37,200
Three-Person	\$41,820
Four-Person	\$46,440
Five-Person	\$50,160

The largest units (three-bedroom) at the subject site will continue to generally house up to five-person households. As such, the maximum allowable income at the subject site is **\$50,160**.

2. AFFORDABILITY

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

The lowest gross LIHTC rent at the site is \$856. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$10,272. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of **\$29,349**.

Additionally, considering that the subject project will continue to offer Rental Assistance (RA) available to most units following LIHTC renovations, it will continue to serve households with little or no income. Therefore, we used \$0 as the minimum income requirement for the subject's RA units.

Based on the preceding analyses, the income-appropriate ranges required to live at the renovated subject project are illustrated in the following table. Note that income ranges have been provided for the subject project to operate with a project-based subsidy as proposed, as well as in the unlikely event the subject project lost its subsidy and operated exclusively under the Tax Credit program.

Unit Type	Income Range	
	Minimum	Maximum
As Proposed (With Subsidy)		
Rental Assistance Units (Limited To 60% AMHI)	\$0	\$50,160
LIHTC Only (Without Subsidy)		
Tax Credit (Limited to 60% AMHI)	\$29,349	\$50,160

3. DEMAND COMPONENTS

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

- a. **Demand from New Renter Households.** *New rental units required in the market area due to projected renter household growth. Determinations must be made using the current base year of 2024 and projecting forward to the anticipated placed-in-service date (2025). The household projections must be limited to the age and income cohort and the demand for each income group targeted (i.e. 50% of median income) must be shown separately.*

In instances where more than 20% of proposed rental units are comprised of three-bedroom units or larger, analysts must also conduct an additional refined large-household capture rate analysis by considering the number of large households (three-persons and larger).

- b. **Demand from Existing Households:** *The second source of demand should be determined using 2010 census data or the most current American Community Survey (ACS) data and projected from:*

- 1) **Rent overburdened households, if any, within the age group, income cohorts and tenure (renters) targeted for the proposed development.** *Analysts should assume that the rent-overburdened analysis includes households paying greater than 35% or in the case of elderly 40% of their gross income toward gross rent rather than some greater percentage.*

Based on Table B25074 of the American Community Survey (ACS) 2018-2022 5-year estimates, approximately 30.1% of renter households within the market were rent overburdened. These households have been included in our demand analysis.

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

Based on the 2022 ACS 5-Year Estimates Table B25016, 4.9% of renter households within the market were living in substandard housing (lacking complete indoor plumbing and overcrowded households/1+ persons per room).

- 3) **Elderly Homeowners likely to convert to rentership:** *A narrative of the steps taken to arrive at this demand figure should be included. The elderly homeowner conversion demand component shall not account for more than 20% of the total demand.*
- 4) **Other:** *The analyst may also use other indicators to estimate demand (such as household turnover rates) if fully justified (e.g., an analysis of an under-built or over-built market in the base year). Any such additional indicators should be calculated separately and be easily added or subtracted from the demand analysis described above.*

4. **METHODOLOGY**

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

- a. **Demand:** The two overall demand components (3a and 3b) added together represent total demand for the project.
- b. **Supply:** Comparable/competitive units funded, under construction, or placed in service since 2023 must be subtracted to calculate net demand. Vacancies in comparable/competitive projects placed in service prior to 2023 which have not reach stabilized occupancy must also be considered as part of the supply.
- c. **Capture Rates:** Capture rates must be calculated for each targeted income group and each bedroom size proposed as well as for the project overall.
- d. **Absorption Rates:** The absorption rate determination should consider such factors as the overall estimate of new renter household growth, the available supply of comparable/competitive units, observed trends in absorption of comparable/competitive units, and the availability of subsidies and rent specials.

5. DEMAND/CAPTURE RATE CALCULATIONS

Within the Site PMA, there are no comparable affordable housing projects that were funded and/or built during the projection period (2023 to current). In addition, nearly all existing affordable rental units surveyed within the market are occupied and no projects within the development pipeline have been allocated Tax Credits. Therefore, we have not considered any competitive units in our demand estimates.

The following table summarizes our demand estimates:

Demand Component	As Proposed w/Subsidy (\$0-\$50,160)	Tax Credit Only (\$29,349-\$50,160)
Demand from New Renter Households (Income-Appropriate)	$1,502 - 1,524 = -22$	$430 - 436 = -6$
+		
Demand from Existing Households (Rent Overburdened)	$1,524 \times 30.1\% = 459$	$436 \times 30.1\% = 131$
+		
Demand from Existing Households (Renters in Substandard Housing)	$1,524 \times 4.9\% = 75$	$436 \times 4.9\% = 22$
+		
Demand from Existing Households (Senior Homeowner Conversion)	N/A	N/A
=		
Total Demand	512	147
-		
Supply (Directly Comparable Units Built and/or Funded Since 2023)	0	0
=		
Net Demand	512	147
Subject Units	52	52
Subject Units / Net Demand	$52 / 512$	$52 / 147$
Capture Rate	= 10.2%	= 35.4%

N/A - Not Applicable

Typically, under this methodology, capture rates below 30.0% are acceptable, while capture rates under 20.0% are ideal. As such, the subject's overall capture rate of 10.2% as proposed with a subsidy is considered achievable and demonstrates a good base of income-appropriate support in the market for the subject project. Conversely, the subject's *Tax Credit Only* capture rate is 35.4%. This is above the 30.0% threshold required by SC Housing. Therefore, in the unlikely event the project did not offer a subsidy, the subject developer would likely need to reduce rents levels to meet the capture rate threshold required by SC Housing.

Regardless, the subject property is an existing development that is currently 100.0% occupied with a waiting list, and most (if not all) current tenants are anticipated to remain at the property following renovations given that the project-based subsidy will be retained. Therefore, the subject project's effective capture rate is **0.0%**.

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

Estimated Demand by Bedroom	
Bedroom Type	Percent
One-Bedroom	25.0%
Two-Bedroom	45.0%
Three-Bedroom	30.0%
Total	100.0%

Applying the preceding shares to the income-qualified households yields demand and capture rates of the proposed units by bedroom type as illustrated in the following tables. The first set of tables illustrate capture rates for the subject project as-proposed with the subsidy available to most units, while the second set of tables illustrate the subject project's capture rates in the unlikely event it lost its subsidy and operated exclusively under the LIHTC program.

As-Proposed with Subsidy

Units Targeting up to 60% Of AMHI with RA (512 Units of Demand)					
Bedroom Size (Share of Demand)	Total Demand	Supply*	Net Demand by Bedroom Type	Subject Units	Capture Rate by Bedroom Type
One-Bedroom (25%)	128	0	128	11	8.6%
Two-Bedroom (45%)	230	0	230	24	10.4%
Three-Bedroom (30%)	154	0	154	17	11.0%

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

LIHTC Only

Units Targeting 60% Of AMHI Tax Credit Only (147 Units of Demand)					
Bedroom Size (Share of Demand)	Total Demand	Supply*	Net Demand by Bedroom Type	Subject Units	Capture Rate by Bedroom Type
One-Bedroom (25%)	37	0	37	11	29.7%
Two-Bedroom (45%)	66	0	66	24	36.4%
Three-Bedroom (30%)	44	0	44	17	38.6%

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

The subject project's capture rates by bedroom type and targeted income level range from 11.0% to 38.6%, regardless of scenario. While these capture rates are considered achievable, it is important to reiterate that the subject project's overall capture rate is above the required threshold of 30% in the non-subsidized scenario. As such, the subject rents will likely need to be lowered in this scenario.

Large Household Capture Rate Analysis

Considering that the subject project offers 17 three-bedroom units, which comprise 32.7% of all units at the subject project, the following analysis has been conducted to consider support from only large households (three-person+) for the subject three-bedroom units.

Larger Demand Component	Percent Of Median Household Income	
	As-Proposed (LIHTC w/ Subsidy) (\$0-\$50,160)	LIHTC Only (\$41,109-\$50,160)
Size- & Income-Appropriate Renter Households - 2025	595	72
Competitive Three-Br.+ Units Built and/or Funded Since 2023	0	0
Net Large Household Demand	= 595	= 72
Proposed (Three-Br.+) Units/ Net Large Household Demand	17 / 595	17 / 72
Large-Household Capture Rate	= 2.9%	= 23.4%

When considering the number of larger (three-person+) renter households that are income-qualified to reside in the subject's three-bedroom units in 2025, the subject's larger demand capture rates range from 2.9% (with subsidy) to 23.4% (LIHTC only) regardless of scenario. These capture rates are considered achievable, illustrating that a sufficient base of size- and income-appropriate support will exist for the subject's three-bedroom units regardless of subsidy availability. However, the subject's overall capture rate (based on SC Housing methodology) indicates that the subject rents will likely need to be lowered in the unlikely non-subsidized scenario.

6. ABSORPTION PROJECTIONS

All 52 subject units are occupied with the project maintaining a waiting list for the next available unit. It is important to note that the renovations at the subject site will not necessitate the displacement of current residents. As a result, it is anticipated that none, or very few, of the current tenants will move from the project during or following renovations. Therefore, few if any of the subject units will have to be re-rented immediately following renovations. However, for the purposes of this analysis, we assume that all 52 subject units will be vacated and that all units will have to be re-rented under the Tax Credit and Rural Development Section 515 (RD 515) program, with Rental Assistance (RA) available to 38 units. We also assume the absorption period at the site begins as soon as the first renovated units are available for occupancy in October 2025.

It is our opinion that the 52 units at the subject site will reach a stabilized occupancy of 93.0% in approximately four months following renovations, assuming total displacement of existing tenants. This absorption period is based on an average absorption rate of approximately 12 to 13 units per month. Our absorption projections assume that no other projects targeting a similar income group will be developed during the projection period and that the renovations will be completed as outlined in this report. These absorption projections also assume that the subsidy will be maintained.

Should the project's subsidy not be secured, and the project had to operate exclusively under the LIHTC program, it is important to note that the project has an overall capture rate of 35.4%. In this scenario, the subject developer will need to lower the project's proposed rents to meet SC Housing's required capture rate threshold of 30.0%.

In reality, however, the subject project will retain its subsidy and will offer RA to most units. Further, the subject renovations will be completed in a manner as to limit displacement of current tenants. As such, the absorption period for this project will likely be less than one month, as most tenants are expected to remain at the project and many will continue to pay up to 30% of their adjusted gross income towards housing costs.

H. Rental Housing Analysis (Supply)

1. COMPETITIVE DEVELOPMENTS

Following renovations, the subject project will offer one- through three-bedroom units targeting families (general occupancy) earning up to 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. We identified and surveyed one project within the Site PMA offering non-subsidized family LIHTC units (McAliley Apartments). This project is considered a competitive development in the unlikely event that the subject project lost its subsidy and had to operate exclusively under the LIHTC program.

Considering the limited number of family LIHTC developments in the market, we identified and surveyed two additional LIHTC projects located *outside* of the Site PMA (within the regions of Winnsboro and Lancaster, South Carolina) for the purposes of comparison with the subject site. These developments are not considered competitive with the subject project, as they derive demographic support from different geographic regions. As such, these properties have been included for comparison purposes only.

These three LIHTC properties and the subject development are summarized as follows. Information regarding property address, phone number, contact name and utility responsibility is included in the Field Survey of Conventional Rentals.

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Chester Townhouses II	1983 / 2006 & 2025	52	100.0%	-	23 HH	Families; 60% AMHI & RD 515
5	McAliley Apts.	1866 / 1999	22	100.0%	1.6 Miles	50 HH	Families; 50% & 60% AMHI
901	Cottages at Azalea	2013	48	100.0%	26.2 Miles	18 HH	Families; 50% & 60% AMHI
903	Deer Wood Apts.	1997 / 2016	72	100.0%	27.0 Miles	8 HH	Families; 50% & 60% AMHI

OCC. – Occupancy

HH – Households

900-series Map IDs located outside the Site PMA

The four LIHTC projects have a combined occupancy rate of 100.0%, all of which maintain a waiting list. This illustrates that pent-up demand exists for additional affordable rental housing within the Chester Site PMA and surrounding region.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Chester Townhouses II	\$856/60% (11)	\$1,008/60% (24)	\$1,199/60% (17)	-
5	McAliley Apts.	\$708/50% (7/0) \$849/60% (8/0)	\$850/50% (3/0) \$1,020/60% (4/0)	-	None
901	Cottages at Azalea	\$651/50% (2/0) \$691/60% (6/0)	\$759/50% (6/0) \$794/60% (18/0)	\$858/50% (4/0) \$893/60% (12/0)	None
903	Deer Wood Apts.	\$691/50% (3/0) \$691/60% (9/0)	\$779/50% (6/0) \$779/60% (18/0)	\$868/50% (9/0) \$868/60% (27/0)	None

900-series Map IDs located outside the Site PMA

While the proposed subject rents are positioned above the comparable projects in the *region*, they are similar to the only comparable project in the *market* (McAliley Apartments). Note that while the proposed subject three-bedroom rent (\$1,199) is \$179 higher than the highest LIHTC rent reported among the comparable projects (\$1,020), this is to be expected given the larger bedroom type at the subject project. The preceding factors indicate that the proposed rents could be marketable if the project lost its subsidy. However, as illustrated in Section G, the subject project has a capture rate of 35.4% in this unlikely non-subsidized scenario, which is above the SC Housing required threshold of 30.0%. Therefore, in the unlikely event the project did not offer a subsidy, the developer would likely need to reduce the project's rents to meet the required thresholds of SC Housing.

However, it is important to reiterate that the subject project will continue to operate with Rental Assistance (RA) available to most units, requiring tenants of these units to pay just 30% of their gross incomes towards rent and utilities. Therefore, the actual gross rents at the subject project will likely continue to be well below the selected projects.

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

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
5	McAliley Apts.	22	4	18.2%
901	Cottages at Azalea	48	8	16.7%
903	Deer Wood Apts.	72	10	13.9%
Total		142	22	15.5%

900-series Map IDs located outside the Site PMA

As the preceding table illustrates, there are a total of approximately 22 voucher holders residing at the comparable LIHTC properties. This comprises 15.5% of these 142 comparable LIHTC units, which is considered a low share of voucher support. Therefore, the rents offered at the selected projects are considered achievable and will serve as an accurate baseline of comparison for the subject project.

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

5 McAliley Apts.

1.6 miles to site



Address: 120 Main St., Chester, SC 29706

Phone: (803) 385-5559

Contact: Virginia (By Phone)

Property Type: Tax Credit

Target Population: Family

Total Units: 22

Year Built: 1866

Vacant Units: 0

*AR Year: 1999

Occupancy: 100.0%

Yr Renovated:

Turnover:

Stories: 3

Waitlist: 50 HH

Rent Special: None

Ratings

Quality: C+

Neighborhood: B-

Access/Visibility: B/C+

Notes: Tax Credit

Features And Utilities

Utility Schedule Provided by: Chester Housing Authority

Utility Type & Responsibility: Landlord pays Electric, Heat (Electric), Hot Water (Electric), Cooking (Electric), Water, Sewer, Trash

Unit Amenities: Range; Refrigerator; Central AC; Ceiling Fan; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)

Property Amenities: Laundry Room; On-Site Management

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	7	0	600	\$1.18	\$708	50%
1	1	G	8	0	600	\$1.42	\$849	60%
2	1	G	3	0	800	\$1.06	\$850	50%
2	1	G	4	0	800	\$1.27	\$1,020	60%

901 Cottages at Azalea

26.2 miles to site



Address: 100 Pond Ridge Ln., Lancaster, SC 29720

Phone: (803) 283-6160

Contact: Chelsea (By Phone)

Property Type: Tax Credit

Target Population: Family

Total Units: 48

Year Built: 2013

Vacant Units: 0

*AR Year:

Occupancy: 100.0%

Yr Renovated:

Turnover:

Stories: 1

Waitlist: 18 HH

Rent Special: None

Ratings

Quality: B+

Neighborhood: B

Access/Visibility: B/B-

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Chester Housing Authority

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

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

Property Amenities: Business Center (Computer/Business Center); Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Grilling Area, Playground); CCTV; Extra Storage

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	2	0	891	\$0.63	\$560	50%
1	1	G	6	0	891	\$0.67	\$600	60%
2	2	G	6	0	1,101	\$0.58	\$640	50%
2	2	G	18	0	1,101	\$0.61	\$675	60%
3	2	G	4	0	1,307	\$0.54	\$710	50%
3	2	G	12	0	1,307	\$0.57	\$745	60%

903 Deer Wood Apts.

27.0 miles to site



Address: 647 U.S. Hwy. 321 Bypass So., Winnsboro, SC 29180
 Phone: (803) 712-9098 Contact: Shannon (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 72 Year Built: 1997
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated: 2016
 Turnover: Stories: 2
 Waitlist: 8 HH
 Rent Special: None

Ratings

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

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Chester Housing Authority

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

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

Property Amenities: Business Center (Computer/Business Center); Multipurpose Room, Clubhouse/Community Room; Pavilion/Gazebo; Laundry Room; On-Site
 Management; Recreation Areas (Playground); CCTV, Courtesy Officer

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	3	0	642	\$0.93	\$600	50%
1	1	G	9	0	642	\$0.93	\$600	60%
2	2	G	6	0	850	\$0.78	\$660	50%
2	2	G	18	0	850	\$0.78	\$660	60%
3	2	G	9	0	1,003	\$0.72	\$720	50%
3	2	G	27	0	1,003	\$0.72	\$720	60%

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Chester Townhouses II	564 – 664	767	947 – 969
5	McAliley Apts.	600	800	-
901	Cottages at Azalea	891	1,101	1,307
903	Deer Wood Apts.	642	850	1,003

900-series Map IDs located outside the Site PMA

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Chester Townhouses II	1.0	1.5	1.5
5	McAliley Apts.	1.0	1.0	-
901	Cottages at Azalea	1.0	2.0	2.0
903	Deer Wood Apts.	1.0	2.0	2.0

900-series Map IDs located outside the Site PMA

The subject's one-bedroom unit sizes are generally within the range of those offered at the comparable LIHTC projects and, as such, are considered appropriately positioned. The subject two- and three-bedroom units will continue to slightly smaller than the comparable supply; however, these features are anticipated to be offset by the pent-up demand for affordable housing in the market and the subsidy to be retained at the project.

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

Tax Credit Unit Amenities by Map ID

	Site*	5	901	903
Appliances	Dishwasher		X	X
	Disposal			X
	Microwave	X		X
	Range	X	X	X
	Refrigerator	X	X	X
	W/D Hookup	X	X	X
	W/D			
	No Appliances			
Unit Amenities	AC-Central	X	X	X
	AC-Other			
	Balcony/ Patio/ Sunroom	X	X	
	Basement			
	Ceiling Fan	X	X	X
	Controlled Access			X
	E-Call System			
	Furnished			
	Walk-In Closet	X		X
	Window Treatments	X	X	X
Flooring	Carpet	X	X	X
	Ceramic Tile		X	
	Hardwood			
	Finished Concrete			
	Composite/Vinyl/Laminate	X	X	X
Upgraded	Premium Appliances			
	Premium Countertops			
	Premium Cabinetry			
	Premium Fixtures			
	High/Vaulted Ceilings			
	Oversized Windows			
Parking	Attached Garage			
	Detached Garage			
	Street Parking			
	Surface Lot	X	X	X
	Carport			
	Property Parking Garage			
	No Provided Parking			

◆ - Senior Property

* Proposed Site(s): Chester Townhouses II

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

** Details in Comparable Property Profile Report

Continued on Next Page

Tax Credit Property Amenities by Map ID				
	Site*	5	901	903
			X	X
Community	Multipurpose Room	X		X
	Chapel			
	Community Kitchen			
	Dining Room - Private			
	Dining Room - Public			
	Rooftop Terrace			
	Concierge Service **			
	Convenience Amenities **			
	Covered Outdoor Area **	X		X
	Elevator			
	Laundry Room	X	X	X
	On-Site Management	X	X	X
	Pet Care **			
Recreation	Basketball			
	Bocce Ball			
	Firepit			
	Fitness Center		X	
	Grilling Area	X	X	
	Game Room - Billiards			
	Walking Path			
	Hot Tub			
	Library			
	Media Room / Theater			
	Playground	X	X	X
	Putting Green			
	Racquetball			
	Shuffleboard			
	Swimming Pool - Indoor			
	Swimming Pool - Outdoor			
	Tennis			
	Volleyball			
Security	CCTV	X	X	X
	Courtesy Officer			X
	Security Gate			
	Social Services **			
	Storage - Extra	X	X	
	Common Space WiFi	X		

◆ - Senior Property

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

* Proposed Site(s): Chester Townhouses II

** Details in Comparable Property Profile Report

The amenity package included at the subject development will continue to be similar to those of the comparable LIHTC projects. While the subject project will not offer dishwasher, it will offer most other amenities commonly offered among the selected projects. The subject development does not appear to lack any amenities that would hinder its continued ability to operate as a Tax Credit project.

Comparable Tax Credit Summary

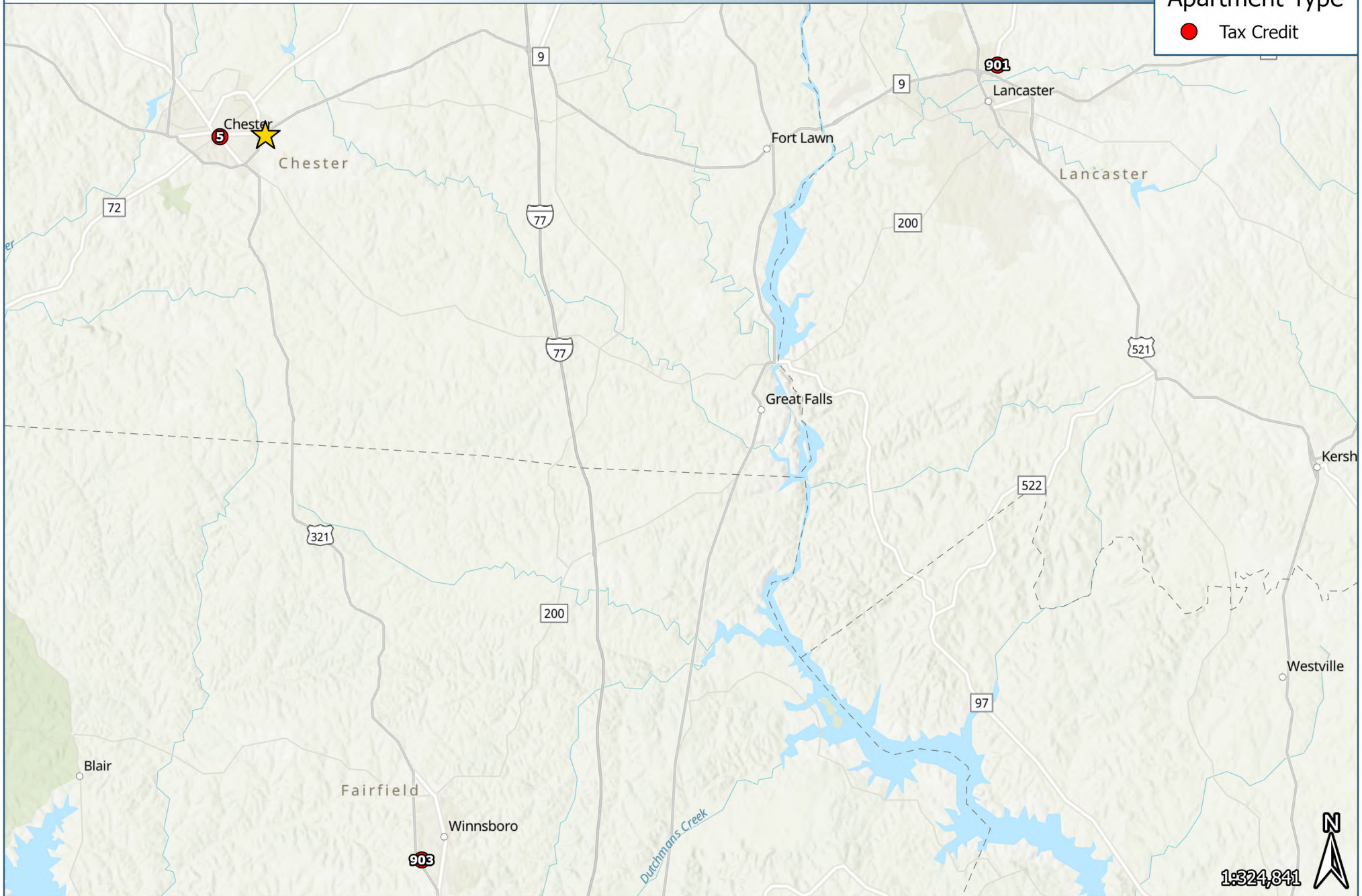
Based on our analysis of the rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing low-income properties within the market and region, it is our opinion that the subject development will continue to be marketable. The subject project will offer rents that are similar to the only competitive LIHTC project in the market and will continue to offer generally similar unit sizes and amenities, which will have a positive impact on its continued marketability. This is particularly true, given the pent-up demand for affordable housing in the market.

However, as illustrated in Section G, the subject project has an overall capture rate of 35.4% if the project ceased to operate with a subsidy, which is above the SC Housing required threshold of 30%. Therefore, in the unlikely event the project did not offer a subsidy, the developer would likely need to reduce the project's rents to meet the thresholds of SC Housing.

Regardless, it is important to reiterate that the subject project is an existing property that is 100.0% occupied. The project will also continue to operate with Rental Assistance (RA) available to most units, requiring tenants of these units to pay just 30% of their gross incomes towards rent and utilities. Considering the preceding factors, the subject project is anticipated to remain very competitive within the Chester market following renovations.

2. COMPARABLE TAX CREDIT PROPERTIES MAP

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



3. RENTAL HOUSING OVERVIEW

The distributions of the area housing stock within the Chester Site PMA in 2010 and 2024, are summarized in the following table:

Housing Status	2010 (Census)		2024 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	8,723	87.3%	8,684	88.6%
Owner-Occupied	6,277	72.0%	6,519	75.1%
Renter-Occupied	2,446	28.0%	2,165	24.9%
Vacant	1,267	12.7%	1,121	11.4%
Total	9,990	100.0%	9,805	100.0%

Source: 2010 Census, ESRI, Bowen National Research

Of the 9,805 total housing units in the market, 11.4% were estimated to be vacant. This is a decline from the 12.7% vacancy rate reported in 2010, which is likely an indication of a stable and strengthening housing market.

Conventional Apartments

We identified and personally surveyed six conventional housing projects containing a total of 227 units within the Site PMA, including the subject site. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 99.6%, a very strong rate for rental housing. The following table summarizes the project types identified and surveyed in the Site PMA.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Tax Credit	1	22	0	100.0%
Tax Credit/Government-Subsidized	2	114	0	100.0%
Government-Subsidized	3	91	1	98.9%
Total	6	227	1	99.6%

All rental housing segments surveyed in the market consist of affordable (Tax Credit and/or government-subsidized) units. These projects are reporting occupancy rates of 98.9% and higher, reflecting just one vacant unit. This illustrates that pent-up demand exists for additional affordable rental housing within the Site PMA. The subject project will continue to be able to accommodate a portion of this unmet demand.

Government-subsidized

We identified and surveyed four rental properties that offer government-subsidized units within the Site PMA (including the subject project). Generally, these properties have few amenities, are older and offer small unit sizes (square feet). The government-subsidized units (both with and without Tax Credits) in the Site PMA are summarized as follows:

Subsidized Tax Credit					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	29	25.4%	0	0.0%
Two-Bedroom	1.5	68	59.6%	0	0.0%
Three-Bedroom	1.5	17	14.9%	0	0.0%
Total Subsidized Tax Credit		114	100.0%	0	0.0%
Government-Subsidized					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	57	62.6%	1	1.8%
Two-Bedroom	1.5	34	37.4%	0	0.0%
Total Subsidized		91	100.0%	1	1.1%

Nearly all government-subsidized units surveyed in the market are occupied, with most projects maintaining a waiting list (including the subject project). This illustrates that pent-up demand exists for very low-income rental housing within the Chester Site PMA.

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

4. RENTAL HOUSING INVENTORY MAP

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



**BOWEN
NATIONAL
RESEARCH**

Surveyed Apartments

Chester, SC

★ Site

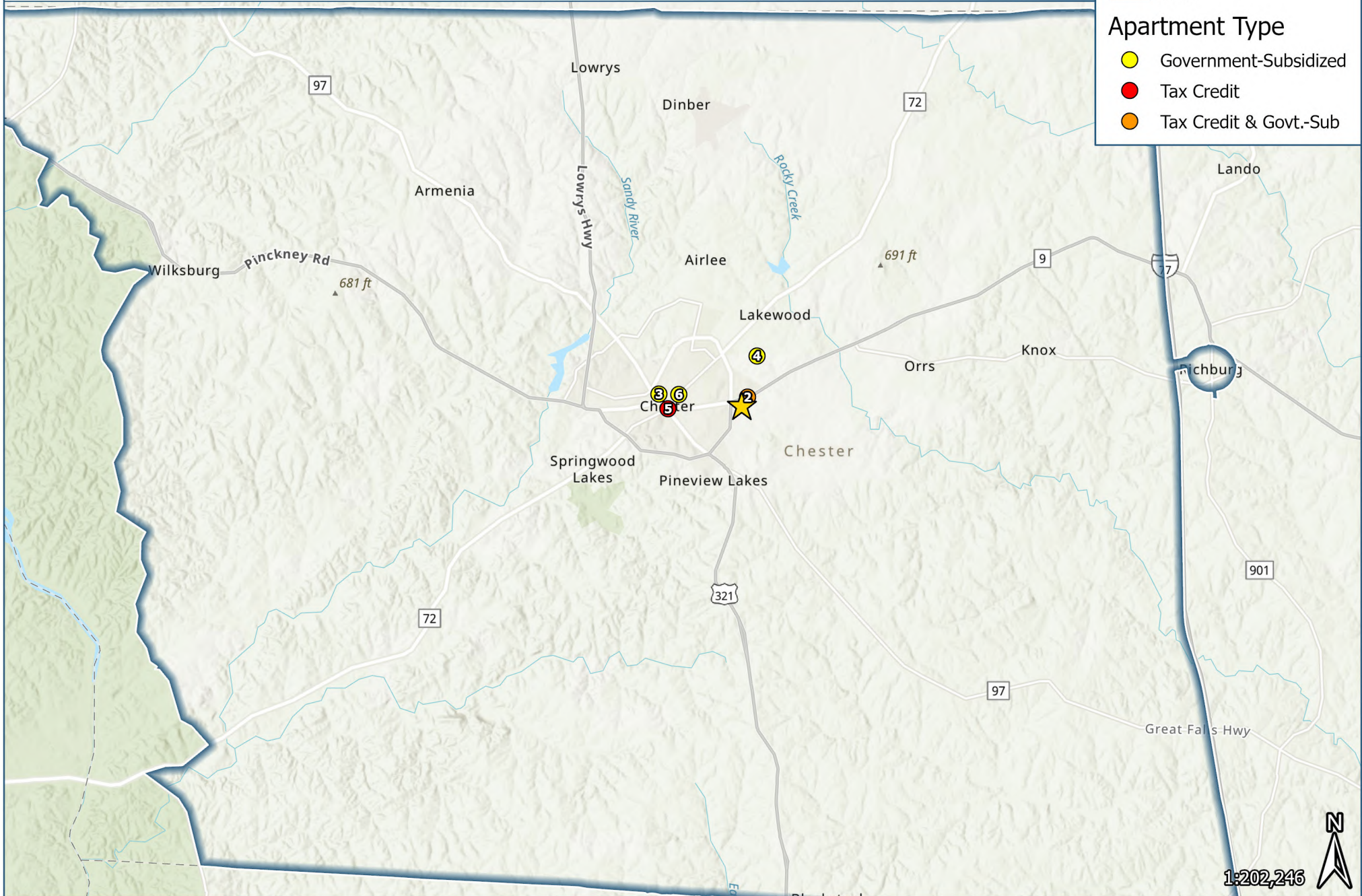
— PMA

Apartment Type

● Government-Subsidized

● Tax Credit

● Tax Credit & Govt.-Sub



0 1 2 3 4
Miles

Esri, CGIAR, USGS, Esri, TomTom, Garmin, SafeGraph, METI/NASA, USGS, EPA, NPS, USDA, USFWS
Additional Source(s): Bowen National Research

5. & 6. PLANNED AND PROPOSED DEVELOPMENTS

Based on interviews with local planning/building representatives who responded to our inquiries, extensive online research and the observations of our analyst while in the field, it was determined there are four rental projects currently in the development pipeline within the Site PMA. The known details of these projects are summarized in the following table:

Project Name & Address	Property Type	Units	Developer	Status/Details
Schlosburg's Building 140 Gadsden St. Chester	Not Available	10	Kuester Commercial Real Estate	Under Construction: Former department store built in 1924, will be restored into first floor commercial space and apartments; Construction began 2024, completion estimated for 2025.
Winchester Edgeland Rd. Chester	Not Available	Not Available	Chester Land Holdings, LLC	Planned: Project includes apartments, townhomes and single-family homes; Infrastructure, roadway and storm water improvements (along with water and sewer expansion) will be required as part of this plan; Project is still in the planning stages.
Kimbrell's Building 113 Main St. Chester	Not Available	15	Kuester Commercial Real Estate	Proposed: Will involve the adaptive reuse of a building (built in 1870) into its original storefront with first floor retail and apartments.
Woodhaven Village Dr. Chester	Not Available	215	Four-star	Proposed: Final site plans have been submitted for approval in 2024; Project will have six (6) four-story buildings.

None of the projects in the development pipeline have been allocated Tax Credits at the time of analysis; therefore, they have been excluded from our demand estimates in Section G.

7. MARKET ADVANTAGE

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

Based on the current HUD FMRs for the Chester County, South Carolina HUD Metro FMR Area, the following table illustrates the subject project's market advantages:

Bedroom Type	% AMHI	Proposed Collected Rent	Fair Market Rent	Market Advantage
One-Bedroom	60%	\$720	\$737	2.31%
Two-Bedroom	60%	\$812	\$910	10.77%
Three-Bedroom	60%	\$969	\$1,282	24.41%
Weighted Average				13.44%

As the preceding illustrates, the subject's market advantages range between 2.31% and 24.41%, when compared to the area's HUD FMRs. The weighted average market advantage is 13.44%. Regardless, we have provided an *achievable market rent* analysis for the subject units to determine the true value the proposed rents will represent to low-income renters within the area, which is illustrated later in Addendum C of this report.

8. AFFORDABLE HOUSING IMPACT

The anticipated occupancy rate of the existing comparable Tax Credit development surveyed within the Site PMA following stabilization of the subject property is as follows:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2025
5	McAliley Apts.	100.0%	95.0%+

Considering the high demand that exists for affordable rental housing within the Site PMA, it is not expected that the subject project will have any negative impact on the only existing comparable Tax Credit project within the Site PMA. This project is fully occupied and maintains a waiting list. Further, the subject renovations will not introduce any new units to the Chester rental housing market and the subject project is 100.0% occupied with a waiting list. Therefore, we expect this project will operate at or above a 95.0% occupancy rate if the subject project is renovated as proposed in this analysis.

9. OTHER HOUSING OPTIONS (BUY VERSUS RENT)

According to ESRI, the median home value in the Site PMA was \$123,603. At an estimated interest rate of 7.16% and a 30-year term (and 95% LTV), the monthly mortgage for a \$123,603 home is \$992, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price – ESRI	\$123,603
Mortgaged Value = 95% Of Median Home Price	\$117,423
Interest Rate – MortgageNewsDaily.Com	7.16%
Term	30
Monthly Principal & Interest	\$794
Estimated Taxes & Insurance*	\$198
Estimated Monthly Mortgage Payment:	\$992

*Estimated at 25% of principal and interest.

In comparison, the proposed collected rents for the subject property range from \$720 to \$969 per month. Therefore, the cost of a monthly mortgage for a typical home in the area is \$23 to \$272 greater than the cost of renting at the site, depending on unit type. While some tenants residing within the subject three-bedroom units may choose to purchase a home, the number of tenants who would be able to afford the down payment is considered minimal. In addition, a median home price of \$123,603 indicates that much of the for-sale housing stock likely consists of older single-family homes that would require greater maintenance and upkeep costs. Therefore, we do not anticipate any competitive impact on or from the homebuyer market. This is particularly true considering that the project will continue to operate with a subsidy available to most units, with *current* average tenant-paid rents at the site ranging from \$297 to \$410.

10. HOUSING VOIDS

As indicated throughout this section of the report, all comparable LIHTC projects within the market and region are 100.0% occupied and maintain a waiting list. This illustrates that pent-up demand exists for additional affordable rental housing within the Site PMA and surrounding area. Given that the subject is currently fully occupied with a waiting list, it will be able to accommodate a portion of this unmet demand. Additionally, the subject project will continue to operate with a subsidy, enabling the property to accommodate renters with little to no income. Therefore, the subject project will continue to provide an affordable rental housing alternative to low-income renters which appear to be underserved within the market and region.

I. Interviews

The following are summaries of interviews conducted with various government and private sector individuals regarding the demand for affordable housing in the Chester area:

- Robert Long is the Director of Chester County Economic Development. Long stated that there is a need for more affordable housing for families in Chester County. Long noted that while there is a large base of working low-income households in the area, housing options are limited for these households.
- Wendy Sawyer is the Property Manager for the subject site Chester Townhouses. Sawyer stated that there is a pressing need for more affordable housing in the area, attributing this demand to rising inflation that has resulted in escalating rents. Sawyer emphasized that many families struggle with basic living expenses amidst these rising costs, adding that affordable housing options could significantly aid families in attaining upward mobility.

J. Recommendations

Based on the findings reported in our market study, it is our opinion that a market will continue to exist for the 52 units at the subject project, assuming it is renovated as detailed in this report with a Rental Assistance (RA) subsidy available to 38 units.

The project will be generally similar to the comparable LIHTC projects in the region in terms of unit amenities and unit sizes, and the proposed rents are similar to the rents being achieved at the only competitive LIHTC project in the market. Considering that nearly all affordable housing units identified and surveyed in the Site PMA are occupied (including the subject site), the project will continue to provide a good quality rental option to an income cohort that is underserved in the market.

Assuming the subject project continues to operate with RA available to most units, the subject project has a low and achievable capture rate of 10.2%. However, if the subsidy was not offered, the project has an elevated capture rate of 35.4% (which is above the SC Housing-required threshold of 30%).

Therefore, if the subject project were to operate without a subsidy, it is likely that the subject project will need to reduce its rents to meet the capture rate thresholds required by SC Housing.

However, in reality, the subject project will continue to operate with a subsidy available to most units. Further, the subject project is an existing development that is 100.0% occupied with a waiting list, and most (if not all) current tenants are anticipated to remain at the property following renovations. In this scenario, the project is considered marketable as proposed and we have no recommendations.

K. Signed Statement Requirement

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

Certified:

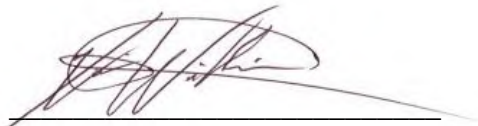


Nathan Stelts (Primary Contact)

Market Analyst

nathans@bowennational.com

Date: May 14, 2024




Xavier Williams

Market Analyst

xavierw@bowennational.com

Date: May 14, 2024



Patrick M. Bowen

President/Market Analyst

Bowen National Research

155 E. Columbus St., Suite 220

Pickerington, OH 43147

(614) 833-9300

patrickb@bowennational.com

Date: May 14, 2024

L. Qualifications

The Company

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

Company Leadership

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

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

Market Analysts

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

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

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

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

Kwame Amoako, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Amoako holds a Bachelor of Arts in Business Management from Capital University.

Matthew Brown, Market Analyst, has travelled the country and studied the housing industry in both urban and rural markets. He is able to analyze both the aesthetics and operations of rental housing properties, particularly as they pertain to each particular market. Mr. Brown has a Bachelor Degree in Business Administration, Strategic Marketing and Social Media from the University of the Cumberlands.

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

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

Braden Henderson, Market Analyst, has researched various rental housing alternatives, both conventional and non-conventional in markets throughout the United States. In addition, he has conducted on-site inspection for existing properties and vacant parcels of land. This experience allows him to evaluate a project's ability to operate successfully within a market and compare it to surrounding comparable properties. Mr. Henderson has a Bachelor of Science degree in Business Administration from The Ohio State University.

Xavier Williams, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market.

Research Staff

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

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

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

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

M. Methodologies, Disclaimers & Sources

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

1. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

- A detailed demographic and socioeconomic evaluation
 - Interviews with area planners, realtors and other individuals who are familiar with area growth patterns
 - A drive-time analysis for the site
 - Personal observations of the field analyst
- A field survey of modern apartment developments is conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the apartment market. This is accomplished by an evaluation of unit mix, vacancies, rent levels and overall quality of product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the subject property. The information in this survey was collected through a variety of methods, including phone surveys, in-person visits, email and fax. The contact person for each property is listed in *Addendum A: Field Survey of Conventional Rentals*.

- Two types of directly comparable properties are identified through the field survey. They include other Section 42 LIHTC developments and market-rate developments that offer unit and project amenities similar to those of the proposed development. An in-depth evaluation of these two property types provides an indication of the potential of the proposed development.
- Economic and demographic characteristics of the area are evaluated. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics and area growth perceptions. The demographic evaluation uses the most recently issued Census information and projections that determine what the characteristics of the market will be when the proposed project opens and achieves a stabilized occupancy.
- Area building statistics and interviews with officials familiar with area development provide identification of the properties that might be planned or proposed for the area that will have an impact on the marketability of the proposed development. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, the timing of the project and its impact on the market and the proposed development.
- An analysis of the proposed project's market capture of income-appropriate renter households within the PMA is conducted. This analysis follows SC's Housing's methodology for calculating potential demand. The resulting capture rates are compared with acceptable market capture rates for similar types of projects to determine whether the proposed development's capture rate is achievable.
- Achievable market rent for the proposed subject development is determined. Using a Rent Comparability Grid, the features of the proposed development are compared item by item to the most comparable properties in the market. Adjustments are made for each feature that differs from that of the proposed subject development. These adjustments are then included with the collected rent resulting in an achievable market rent for a unit comparable to the proposed unit. This analysis is done for each bedroom type proposed for the site.

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

2. REPORT LIMITATIONS

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

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

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

3. SOURCES

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

- The 2010 and 2020 Census on Housing
- American Community Survey
- ESRI
- Applied Geographic Solutions
- Area Chamber of Commerce
- U.S. Department of Labor
- U.S. Department of Commerce
- Management for each property included in the survey
- Local planning and building officials
- Local housing authority representatives
- SC Housing

ADDENDUM A:

FIELD SURVEY OF
CONVENTIONAL RENTALS



**BOWEN
NATIONAL
RESEARCH**

Surveyed Apartments

Chester, SC

★ Site

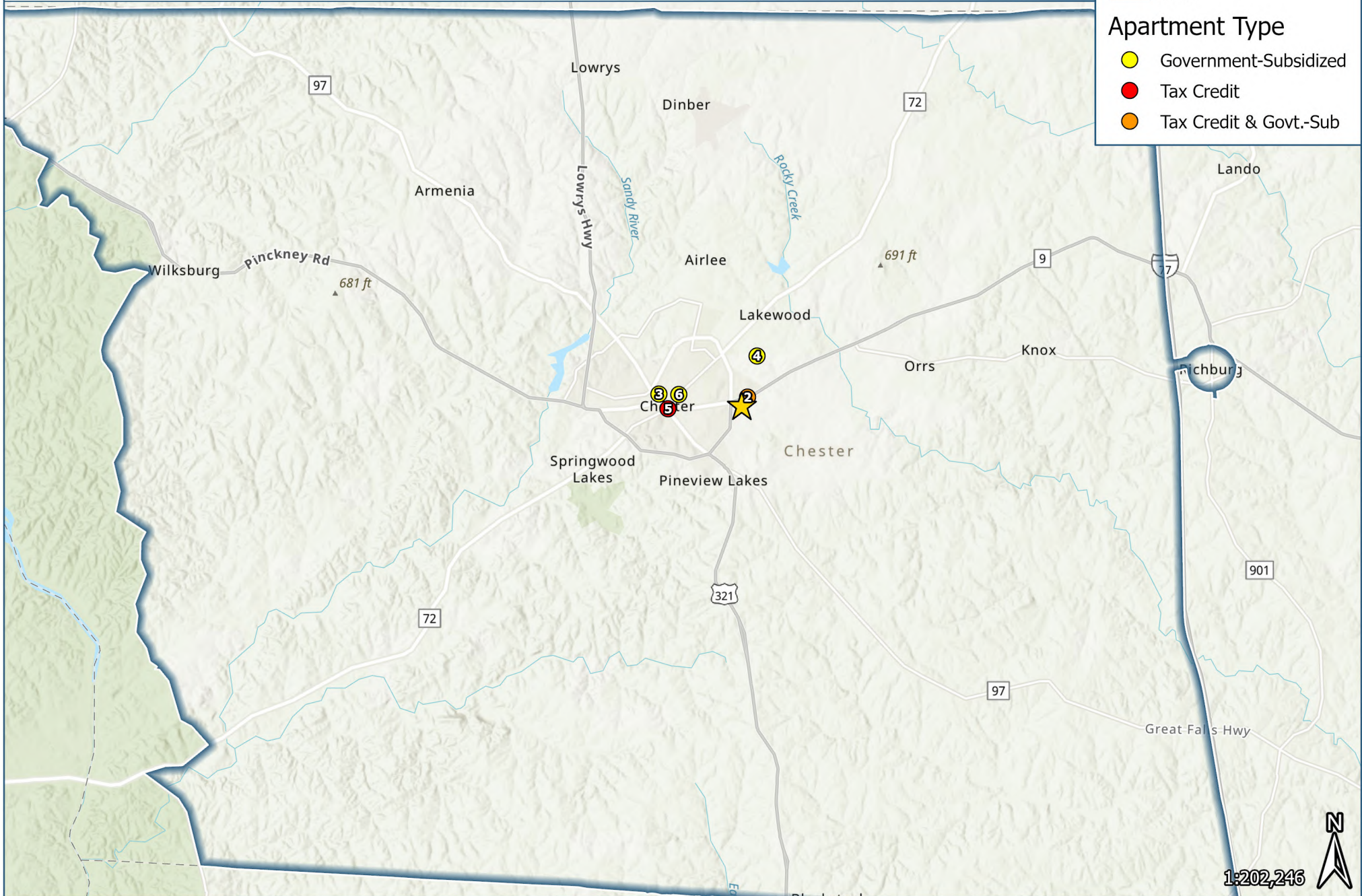
— PMA

Apartment Type

● Government-Subsidized

● Tax Credit

● Tax Credit & Govt.-Sub








0 1 2 3 4
Miles

Esri, CGIAR, USGS, Esri, TomTom, Garmin, SafeGraph, METI/NASA, USGS, EPA, NPS, USDA, USFWS
Additional Source(s): Bowen National Research

Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
1	Chester Townhouses II	TGS	B+	1980	52	0	100.0%	-
2	Chester Townhouses I (Phase I of Site)	TGS	B+	1980	62	0	100.0%	0.1
3	Center Street Apts.	GSS	B	1987	48	0	100.0%	1.9
4	Cottages of Chester Village	GSS	B	2005	19	0	100.0%	2.1
5	McAliley Apts.	TAX	C+	1866	22	0	100.0%	1.6
6	Saluda Apts.	GSS	B-	1987	24	1	95.8%	1.5
901	Cottages at Azalea	TAX	B+	2013	48	0	100.0%	26.2
902	Cowan Farms	MRR	B	2003	248	4	98.4%	23.6
903	Deer Wood Apts.	TAX	B-	1997	72	0	100.0%	27.0
908	Oak Haven Apts.	MRR	B	1987	68	0	100.0%	25.6
909	Pepper Ridge Apts.	MRR	B	1997	160	1	99.4%	25.0


*Drive distance in miles

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


1	<div>Chester Townhomes II</div> <div>628 Lancaster Hwy, Chester, SC 29706</div>	<div>Contact: Wendy</div> <div>Phone: (803) 377-7970</div>
	<div>Total Units: 52 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1980</div> <div>BR: 1, 2, 3 Vacant Units: 0 Waitlist: Shared; 23 HH AR Year:</div> <div>Target Population: Family Yr Renovated: 2006</div> <div>Rent Special: None</div> <div>Notes: Tax Credit; RD 515, has RA (38 units)</div>	
2	<div>Chester Townhomes I (Phase I of Site)</div> <div>628 Lancaster St., Chester, SC 29706</div>	<div>Contact: Wendy</div> <div>Phone: (803) 377-7970</div>
	<div>Total Units: 62 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1980</div> <div>BR: 1, 2 Vacant Units: 0 Waitlist: Shared; 23 HH AR Year:</div> <div>Target Population: Family Yr Renovated: 2006</div> <div>Rent Special: None</div> <div>Notes: Tax Credit; RD 515, has RA (56 units)</div>	
3	<div>Center Street Apts.</div> <div>301 Center St., Chester, SC 29706</div>	<div>Contact: Kenisha</div> <div>Phone: (803) 581-1336</div>
	<div>Total Units: 48 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1987</div> <div>BR: 1, 2 Vacant Units: 0 Waitlist: 30 HH AR Year:</div> <div>Target Population: Family Yr Renovated:</div> <div>Rent Special: None</div> <div>Notes: RD 515, has RA (30 units)</div>	
4	<div>Cottages of Chester Village</div> <div>662 Village Dr., Chester, SC 29706</div>	<div>Contact: Tina</div> <div>Phone: (803) 385-5807</div>
	<div>Total Units: 19 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 2005</div> <div>BR: 1 Vacant Units: 0 Waitlist: 20 HH AR Year:</div> <div>Target Population: Senior 62+ Yr Renovated:</div> <div>Rent Special: None</div> <div>Notes: HUD Section 8</div>	
5	<div>McAliley Apts.</div> <div>120 Main St., Chester, SC 29706</div>	<div>Contact: Virginia</div> <div>Phone: (803) 385-5559</div>
	<div>Total Units: 22 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 1866</div> <div>BR: 1, 2 Vacant Units: 0 Waitlist: 50 HH AR Year: 1999</div> <div>Target Population: Family Yr Renovated:</div> <div>Rent Special: None</div> <div>Notes: Tax Credit</div>	

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




6	Saluda Apts. 100 Culp St, Chester, SC 29706		Contact: Kenisha Phone: (803) 581-1336		
		Total Units: 24	UC: 0	Occupancy: 95.8%	Stories: 1
BR: 1			Vacant Units: 1	Waitlist: 33 HH	AR Year:
Target Population: Senior 55+, Disabled				Yr Renovated:	
Rent Special: None					
Notes: RD 515, has RA (24 units)					




901	Cottages at Azalea				Contact: Chelsea							
	100 Pond Ridge Ln., Lancaster, SC 29720				Phone: (803) 283-6160							
		Total Units:	48	UC:	0	Occupancy:	100.0%	Stories:	1	Year Built:	2013	
		BR:	1, 2, 3			Vacant Units:	0	Waitlist:	18 HH	AR Year:		
		Target Population: Family									Yr Renovated:	
		Rent Special: None										
		Notes: Tax Credit										





















902	Cowan Farms				Contact: Morgan							
	1310 Cypress Pointe Dr., Rock Hill, SC 29730				Phone: (803) 329-9978							
		Total Units:	248	UC:	0	Occupancy:	98.4%	Stories:	2	Year Built:	2003	
		BR:	1, 2, 3			Vacant Units:	4	Waitlist:	None	AR Year:		
		Target Population: Family									Yr Renovated:	
		Rent Special: None										
		Notes: Rents range due to unit amenities										




903	Deer Wood Apts.		Contact: Shannon							
	647 U.S. Hwy. 321 Bypass So., Winnsboro, SC 29180		Phone: (803) 712-9098							
	Total Units:	72	UC:	0	Occupancy:	100.0%	Stories:	2	Year Built:	1997
	BR:	1, 2, 3			Vacant Units:	0	Waitlist:	8 HH	AR Year:	
	Target Population: Family								Yr Renovated: 2016	
	Rent Special: None									
	Notes: Tax Credit									



908	Oak Haven Apts.		Contact: Patty	
	456 Colonial Ave., Lancaster, SC 29720		Phone: (803) 286-2185	
			Total Units: 68 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1987	
			BR: 1, 2, 3 Vacant Units: 0 Waitlist: 10 HH AR Year:	
			Target Population: Family Yr Renovated:	
			Rent Special: None	
			Notes:	

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



909	Pepper Ridge Apts.		Contact: William			
	1895 Springsteen Rd., Rock Hill, SC 29730		Phone: (803) 327-5252			
		Total Units: 160	UC: 0	Occupancy: 99.4%	Stories: 2	Year Built: 1997
		BR: 1, 2, 3		Vacant Units: 1	Waitlist: None	AR Year:
		Target Population: Family				Yr Renovated:
Rent Special: None						
	Notes:					

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

Source: Chester Housing Authority
Effective: 02/2024

Monthly Dollar Allowances

		Garden						Townhome					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	20	23	26	29	32	36	20	23	26	29	32	36
	+Base Charge	9	9	9	9	9	9	9	9	9	9	9	9
	Bottled Gas	63	74	84	94	104	114	63	74	84	94	104	114
	Electric	16	19	25	31	37	43	16	19	25	31	37	43
	Heat Pump	14	17	20	22	25	28	14	17	20	22	25	28
	Oil	56	65	74	83	92	101	56	65	74	83	92	101
Cooking	Natural Gas	3	4	5	7	9	10	3	4	5	7	9	10
	Bottled Gas	10	12	18	23	29	34	10	12	18	23	29	34
	Electric	6	7	10	13	16	19	6	7	10	13	16	19
Other Electric		22	26	36	46	56	67	22	26	36	46	56	67
+Base Charge		12	12	12	12	12	12	12	12	12	12	12	12
Air Conditioning		9	11	15	20	24	29	9	11	15	20	24	29
Water Heating	Natural Gas	7	8	12	16	19	23	7	8	12	16	19	23
	Bottled Gas	23	28	40	52	64	77	23	28	40	52	64	77
	Electric	14	16	21	26	30	35	14	16	21	26	30	35
	Oil	21	24	35	46	57	68	21	24	35	46	57	68
Water		23	24	33	50	69	90	23	24	33	50	69	90
Sewer		41	44	62	88	115	142	41	44	62	88	115	142
Trash Collection		18	18	18	18	18	18	18	18	18	18	18	18
Internet*		20	20	20	20	20		20	20	20	20	20	
Cable*		20	20	20	20	20		20	20	20	20	20	
Alarm Monitoring*													

* Estimated- not from source

Addendum B – Member Certification & Checklist

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

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

Certified:



Patrick M. Bowen

President

patrickb@bowennational.com

Date: May 14, 2024



Nathan Stelts (Primary Contact)

Market Analyst

nathans@bowennational.com

Date: May 14, 2024

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

ADDENDUM-MARKET STUDY INDEX

A. INTRODUCTION

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

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

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

C. CHECKLIST

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

CHECKLIST (Continued)

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

CHECKLIST (Continued)

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

Addendum C – Achievable Market Rent Analysis

A. INTRODUCTION

There were no conventional market-rate properties identified and surveyed within the Site PMA. As such, we identified and surveyed three market-rate properties within the region that we consider comparable in terms of unit and project amenities to the proposed subject development. These selected properties are used to derive market rent for a project with characteristics similar to the proposed subject development and the subject property's market advantage. It is important to note that, for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the proposed subject units without maximum income and rent restrictions.

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

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

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

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

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

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

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	Chester Townhouses II	1983 / 2006 & 2025	52	100.0%	11 (100.0%)	24 (100.0%)	17 (100.0%)
902	Cowan Farms	2003	248	98.4%	104 (99.0%)	104 (99.0%)	40 (95.0%)
908	Oak Haven Apts.	1987	68	100.0%	18 (100.0%)	40 (100.0%)	10 (100.0%)
909	Pepper Ridge Apts.	1997	160	99.4%	8 (100.0%)	106 (99.1%)	46 (100.0%)

Occ. – Occupancy

900-series Map IDs located outside the Site PMA

The three selected market-rate projects have a combined total of 476 units with an overall occupancy rate of 98.9%. None of the comparable properties has an occupancy rate below 98.4%. This illustrates that the selected properties have been well received within their respective markets and will provide a good base of comparison for the subject project.

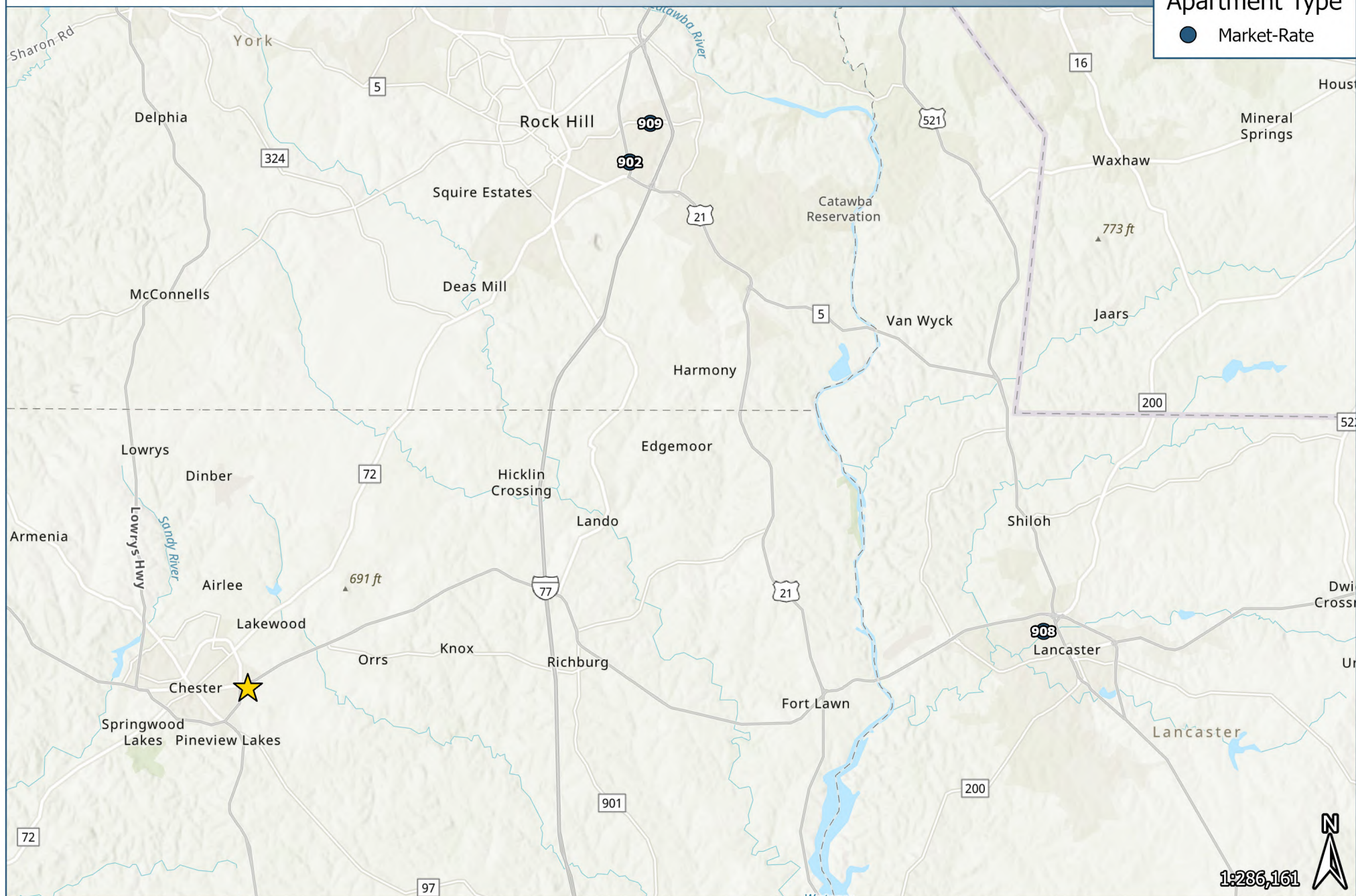
The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate the adjustments made (as needed) for various features and location or neighborhood characteristics, as well as quality differences that exist among the selected properties and the proposed subject development. Preceding the Rent Comparability Grids is a map of the comparable market-rate properties in relation to the location of the subject project.



Chester, SC



Apartment Type



1:286,161



A horizontal scale bar with a black background and white markings. It is divided into four equal segments, each labeled with a number from 0 to 4. The word "Miles" is written in black text to the right of the bar.

Esri, NASA, NGA, USGS, Esri, TomTom, Garmin, SafeGraph, METI/NASA, USGS, EPA, NPS, USDA, USFWS
Additional Source(s): Bowen National Research

Unit Type → ONE-BEDROOM

46	Estimated Market Rent	\$790	\$1.40 ← Estimated Market Rent/ Sq. Ft.
----	------------------------------	--------------	---

Rent Comparability Grid

Unit Type \longrightarrow

TWO-BEDROOM

Subject			Comp #1		Comp #2		Comp #3					
	Chester Townhouses II	Data	Cowan Farms		Oak Haven Apts.		Pepper Ridge Apts.					
	628 Lancaster Highway	on	1310 Cypress Pointe Dr.		456 Colonial Ave.		1895 Springsteen Rd.					
	Chester, SC	Subject	Rock Hill, SC		Lancaster, SC		Rock Hill, SC					
A.	Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj				
1	\$ Last Rent / Restricted?		\$1,385		\$875		\$1,584					
2	Date Surveyed		Apr-24		Apr-24		Apr-24					
3	Rent Concessions		None		None		None					
4	Occupancy for Unit Type		99%		100%		99%					
5	Effective Rent & Rent/ sq. ft		\$1,385	1.44	\$875	0.88	\$1,584	1.78				
B.	Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj				
6	Structure / Stories	TH/2	WU/2		TH/2		WU/2					
7	Yr. Built/Yr. Renovated	1983/2025	2003	\$1	1987	\$17	1997	\$7				
8	Condition/Street Appeal	G	G		G		G					
9	Neighborhood	G	G		G		G					
10	Same Market?		No	(\$346)	No		No	(\$396)				
C.	Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj				
11	# Bedrooms	2	2		2		2					
12	# Baths	1.5	2	(\$15)	1.5		2	(\$15)				
13	Unit Interior Sq. Ft.	767	960	(\$65)	1000	(\$79)	890	(\$41)				
14	Patio/Balcony/Sunroom	Y	Y		Y		Y					
15	AC: Central/Wall	C	C		C		C					
16	Range/Refrigerator	R/F	R/F		R/F		R/F					
17	Microwave/Dishwasher	Y/N	N/Y	(\$5)	N/Y	(\$5)	N/Y	(\$5)				
18	Washer/Dryer	HU	HU		HU/L	(\$5)	HU/L	(\$5)				
19	Floor Coverings	C/V	C/V		C/V		C/V					
20	Window Treatments	Y	Y		Y		Y					
21	Secured Entry	N	N		N		N					
22	Garbage Disposal	N	Y	(\$5)	Y	(\$5)	Y	(\$5)				
23	Ceiling Fan/Storage	Y/Y	Y/Y		N/N	\$10	Y/N	\$5				
D	Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj				
24	Parking (\$ Fee)	LOT/\$0	LOT/\$0		LOT/\$0		LOT/\$0					
25	On-Site Management	Y	Y		Y		Y					
26	Security Features	Y	N	\$5	N	\$5	N	\$5				
27	Community Space	Y	N	\$5	Y		Y					
28	Pool/Recreation Areas	N	P/F	(\$15)	P/F	(\$15)	P/F	(\$15)				
29	Business/Computer Center	N	N		N		N					
30	Grilling Area	Y	Y		Y		N	\$3				
31	Playground	Y	N	\$3	Y		N	\$3				
32	Social Services	N	N		N		N					
E.	Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj				
33	Heat (in rent?/ type)	N/E	N/E		N/E		N/E					
34	Cooling (in rent?/ type)	N/E	N/E		N/E		N/E					
35	Cooking (in rent?/ type)	N/E	N/E		N/E		N/E					
36	Hot Water (in rent?/ type)	N/E	N/E		N/E		N/E					
37	Other Electric	N	N		N		N					
38	Cold Water/Sewer	N/N	N/N		N/N		N/N					
39	Trash/Recycling	Y/N	Y/N		N/N	\$18	Y/N					
F.	Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg				
40	# Adjustments B to D		4	6	3	5	5	7				
41	Sum Adjustments B to D		\$14	(\$451)	\$32	(\$109)	\$23	(\$482)				
42	Sum Utility Adjustments				\$18							
			Net	Gross	Net	Gross	Net	Gross				
43	Net/ Gross Adjmts B to E		(\$437)	\$465	(\$59)	\$159	(\$459)	\$505				
G.	Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent					
44	Adjusted Rent (5+ 43)		\$948		\$816		\$1,125					
45	Adj Rent/Last rent			68%		93%		71%				
46	Estimated Market Rent	\$905	\$1.18	←	Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type \longrightarrow

THREE-BEDROOM

Subject			Comp #1		Comp #2		Comp #3					
	Chester Townhouses II	Data	Cowan Farms		Oak Haven Apts.		Pepper Ridge Apts.					
	628 Lancaster Highway	on	1310 Cypress Pointe Dr.		456 Colonial Ave.		1895 Springsteen Rd.					
	Chester, SC	Subject	Rock Hill, SC		Lancaster, SC		Rock Hill, SC					
A.	Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj				
1	\$ Last Rent / Restricted?		\$1,710		\$900		\$1,600					
2	Date Surveyed		Apr-24		Apr-24		Apr-24					
3	Rent Concessions		None		None		None					
4	Occupancy for Unit Type		95%		100%		100%					
5	Effective Rent & Rent/ sq. ft		\$1,710	1.44	\$900	0.90	\$1,600	1.39				
B.	Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj				
6	Structure / Stories	WU/1,2	WU/2		WU/1,2		WU/2					
7	Yr. Built/Yr. Renovated	1983/2025	2003	\$1	1987	\$17	1997	\$7				
8	Condition/Street Appeal	G	G		G		G					
9	Neighborhood	G	G		G		G					
10	Same Market?		No	(\$428)	No		No	(\$400)				
C.	Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj				
11	# Bedrooms	3	3		2	\$50	3					
12	# Baths	1.5	2	(\$15)	2	(\$15)	2	(\$15)				
13	Unit Interior Sq. Ft.	947	1186	(\$75)	1000	(\$17)	1150	(\$64)				
14	Patio/Balcony/Sunroom	Y	Y		Y		Y					
15	AC: Central/Wall	C	C		C		C					
16	Range/Refrigerator	R/F	R/F		R/F		R/F					
17	Microwave/Dishwasher	Y/N	N/Y	(\$5)	N/Y	(\$5)	N/Y	(\$5)				
18	Washer/Dryer	HU	HU		HU/L	(\$5)	HU/L	(\$5)				
19	Floor Coverings	C/V	C/V		C/V		C/V					
20	Window Treatments	Y	Y		Y		Y					
21	Secured Entry	N	N		N		N					
22	Garbage Disposal	N	Y	(\$5)	Y	(\$5)	Y	(\$5)				
23	Ceiling Fan/Storage	Y/Y	Y/Y		N/N	\$10	Y/N	\$5				
D	Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj				
24	Parking (\$ Fee)	LOT/\$0	LOT/\$0		LOT/\$0		LOT/\$0					
25	On-Site Management	Y	Y		Y		Y					
26	Security Features	Y	N	\$5	N	\$5	N	\$5				
27	Community Space	Y	N	\$5	Y		Y					
28	Pool/Recreation Areas	N	P/F	(\$15)	P/F	(\$15)	P/F	(\$15)				
29	Business/Computer Center	N	N		N		N					
30	Grilling Area	Y	Y		Y		N	\$3				
31	Playground	Y	N	\$3	Y		N	\$3				
32	Social Services	N	N		N		N					
E.	Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj				
33	Heat (in rent?/ type)	N/E	N/E		N/E		N/E					
34	Cooling (in rent?/ type)	N/E	N/E		N/E		N/E					
35	Cooking (in rent?/ type)	N/E	N/E		N/E		N/E					
36	Hot Water (in rent?/ type)	N/E	N/E		N/E		N/E					
37	Other Electric	N	N		N		N					
38	Cold Water/Sewer	N/N	N/N		N/N		N/N					
39	Trash/Recycling	Y/N	Y/N		N/N	\$18	Y/N					
F.	Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg				
40	# Adjustments B to D		4	6	4	6	5	7				
41	Sum Adjustments B to D		\$14	(\$543)	\$82	(\$62)	\$23	(\$509)				
42	Sum Utility Adjustments				\$18							
			Net	Gross	Net	Gross	Net	Gross				
43	Net/ Gross Adjmts B to E		(\$529)	\$557	\$38	\$162	(\$486)	\$532				
G.	Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent					
44	Adjusted Rent (5+ 43)		\$1,181		\$938		\$1,114					
45	Adj Rent/Last rent			69%		104%		70%				
46	Estimated Market Rent	\$1,045	\$1.10	←	Estimated Market Rent/ Sq. Ft							

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

Based on the preceding Rent Comparability Grids, it was determined that the present-day achievable market rents for units similar to the subject development are as follows. Note that, given the subject project offers a variety of floorplan layouts/unit, we have only provided rent comparability grids for the most common unit types at the subject project. However, we have determined separate achievable market rents for all unit types in the following table:

Bedroom Type	% AMHI	Square Feet	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Bedroom	60%	564	\$720	\$790	8.86%
	60%	572	\$720	\$790	8.86%
	60%	631	\$720	\$815	11.66%
	60%	664	\$720	\$830	13.25%
Two-Bedroom	60%	767	\$812	\$905	10.28%
Three-Bedroom	60%	947	\$969	\$1,045	7.27%
	60%	969	\$969	\$1,050	7.71%
Weighted Average					9.20%

Typically, Tax Credit rents targeting households earning up to 60% of AMHI are set approximately 10% below market rent to ensure the property represents a value and has a sufficient flow of prospective tenants within most markets. In more rural settings, such as the subject site location, a lower market rent advantage is often acceptable, as Tax Credit product frequently represents some of the most desirable rental housing opportunities available within these areas. This is believed to be true within the Chester market, as evidenced by our Field Survey of Conventional Rentals. As such, the proposed subject rents should represent sufficient values to low-income renters, as they represent market rent advantages ranging from 7.27% to 13.25%. This is particularly true, given that the project will continue to offer Rental Assistance (RA) to most units following renovations.

However, as illustrated earlier in this report, the subject project has a capture rate of 35.4% if the project did not operate with a subsidy. Therefore, in the unlikely event the project did not offer a subsidy, the developer would likely need to reduce the project's rents to meet the capture rate threshold of 30% required by SC Housing.

Regardless, the subject will continue to operate with a subsidy available to most units and will represent a significant value, as few tenants will pay the proposed rents evaluated in the preceding analysis.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

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

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions.
7. Upon completion of renovations, the subject project will have an effective age of a property built in 2004 (which is a simple average of the project's year built and the estimated renovation completion year). The selected properties were built between 1987 and 2003. As such, we have adjusted the rents at the selected properties by \$1 per year of effective age difference to reflect the age of these properties.
10. The selected properties are located outside of the Site PMA in the nearby communities of Lancaster and Rock Hill, South Carolina. Rock Hill is a significantly more developed market than Chester, with a larger population base and greater availability of community services. Based on data from the U.S. Census Bureau and American Community Survey, Rock Hill is also considered more affluent than Chester in terms of median household incomes and gross rent, among other metrics. Considering the preceding factors, we have negatively adjusted the collected rents at the selected properties in Rock Hill by 25% to reflect the differences between the Chester and Rock Hill markets. However, based on similar population and household income metrics, Lancaster is considered more comparable to the Chester market. As such, we have not applied any adjustments to the one selected property in Lancaster to account for differences in markets.
11. All of the selected properties offer one-, two- and three-bedroom units; however, the three-bedroom units offered at Oak Haven Apartments are significantly larger than the subject three-bedroom units and include an additional full bathroom. Conversely, the two-bedroom units offered at Oak Haven Apartments are considered more similar to the subject three-bedroom units in terms of design. As such, we have used the two-bedroom units offered at this property and made a positive adjustment of \$50 to reflect the inclusion of an additional defined bedroom within the subject's three-bedroom units.

12. We have made adjustments of \$15 per half bathroom to reflect the differences in the number of bathrooms offered at the site as compared with the comparable properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar-for-dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. Following renovations, the subject project will offer a unit amenity package considered slightly inferior to those offered at the selected properties. We have made monetary adjustments to reflect the difference between the subject project's and the selected properties' unit amenities.
- 24.-32. The proposed project offers a comprehensive project amenities package considered similar to those offered at the selected properties. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.

ADDENDUM D:
SCOPE OF RENOVATIONS

SECTION 01 11 00 - SCOPE OF WORK DESCRIPTION**Existing Conditions:**

Property was completed and first occupied in 1982.

If placed in service after March 13, 1991, all improvements are to meet or exceed Fair Housing Act and Section 504.☐ Yes☒ No

No Type 'B' units are required

Project Unit Mix:

11	one bedroom, including (2) UFAS/Type "A" accessible units (332, 333)
24	two bedroom
17	three bedroom, including (1) UFAS/Type "A" accessible unit (324)
52	total units
1	office/ laundry / community building

☐ Elderly☒ Family

NOTE: Key numbers (1, 2...) below are positioned on the drawings to indicate general locations of scope of work items.

See Unit by Unit Scope of Work for scope information for individual dwelling units and quantities required.

See Site Plan for unit locations and key numbers within individual building and unit floor plans.

Consult property condition assessment and environmental reports for existing condition information.

Key Section:*Required scope of work (scope includes community building and each unit):**"Provide" means furnish material, equipment, labor, and insurance to complete.***SC Housing QAP Appendix B, Development Design Criteria:**

Section I, Design Document Standards

Section II, Accessibility

Section III, Mandatory New Construction Design Criteria

Section IV, Mandatory Rehabilitation Criteria

Per Section IV, "Any replacement of existing materials or components must comply with the design standards for new construction."

DEVELOPMENT CRITERIA**A** Code Compliance:

Construction must be in compliance with all federal, state, county, city, local and governing jurisdictions codes, in addition to:

- 1 Fair Housing Act
- 2 Section 504
- 3 HUD Housing Quality Standards (HQS)
- 4 HUD Minimum Property Standards (MPS)
- 5 HUD Uniform Physical Condition standards (UPCS)

These code standards are not meant to replace Federal, State or local codes.

B Accessibility:

Development must meet all federal, state and local accessibility standards, as well as all Authority accessibility requirements.

Mobility Disabled Units: Type A, at least 5% of the total units (but no less than one unit) must be equipped for the mobility disabled, including for wheelchair restricted residents. ADA/ANSI compliant 36"x60" minimum useable floor space roll-in showers must be incorporated into all of the Type A mobility units. Mobility units with more than one bathroom must have at least one bathroom with a roll-in shower.

Hearing and Sight-Impaired Units: Type 'B', at least an additional 2% of the total units (but no less than one unit) must be equipped for hearing and sight-impaired residents including compliance with ICC/ANSI A117.1 Section 1006 (audio and visual notification on fire alarms and at the primary unit entrance).

The same unit(s) cannot be used to satisfy the 5% and 2% requirement.

Signage for designated common areas and all units must be I Braille and meet ANSI A117.1, Section 703 standards.

GENERAL

1 General Conditions: 00 7100 00 7200 00 7300	Compliance with 2024 SC Housing QAP documents published under the LIHTC program is required. General Contractor and all subcontractors are responsible for reading, evaluating and applying minimum standards referenced in SC Housing manuals for Year 2024. Unless otherwise noted, General Contractor shall request documentation from the owner for all waivers granted for this project. <ul style="list-style-type: none"> a Provide evidence of maintained workman compensation insurance coverage. b Provide evidence of maintained liability Insurance \$500,000/ \$1,000,000. c All work shall meet all applicable codes, including 2006 International Energy Conservation Code. d All work shall be professional and guaranteed/warranted for one year. e Meet or exceed all building product manufacturer's recommendations. f Bidder visit and inspect jobsite and must confirm all counts and measurements. g Inspect each unit prior to turn-over with property manager. h Complete punch-list prior to final payment. i Final clean each unit immediately prior to turn-over to property manager.
2 Coordination: 01 3100	<ul style="list-style-type: none"> a Prepare sequencing plan (schedule) for relocation and staging of work. b Submit work sequencing plan to Property Manager and Owner designated representative, if applicable, one week before start. c Limit work duration in each apartment to shortest possible time interval.
3 Demolition/ Cleaning:	<div> <input type="checkbox"/> Remove / dispose of all items to be removed or replaced (per jurisdiction disposal requirements): </div> <div> <input type="checkbox"/> Consult environmental studies. </div> <div> <input type="checkbox"/> General Contractor to be responsible for all costs of disposal/removal. </div> <div> <input type="checkbox"/> The repair and finish of adjacent material where items have been removed shall be provided in kind by the General Contractor. </div> <ul style="list-style-type: none"> <input type="checkbox"/> a entry sign, old overgrown or damaged plant material, <input type="checkbox"/> b broken concrete, broken asphalt paving, curb and sidewalks, <input type="checkbox"/> c mailbox enclosure and mailboxes, damaged dumpsters and enclosures, <input type="checkbox"/> d walls shown on drawings to be removed, <input type="checkbox"/> e doors and frames/trim, hardware, windows and frames/trim, <input type="checkbox"/> f shingle roofing, gutters, damaged fascias and soffits, siding, trim, ridge vent, <input type="checkbox"/> g loose vinyl floor tile, carpeting, damaged wall trim and drywall, <input type="checkbox"/> h cabinets, countertops, sinks, lavatories, water closets, bath tubs, <input type="checkbox"/> i appliances, light fixtures

SITE WORK

4a General:	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	a Upgrade site access to meet UFAS accessibility requirements. See site plan. b Jet all storm drains prior to rehab. c Jet and camera all sewer lines prior to rehab. Sewer lines must be scoped and repaired/ replaced as needed.
4b Site Improvements: 10 5500 12 9300 31 1100	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	a Provide covered, fully accessible mailbox center with lighting with USPS approved mailboxes. See site plan for location. b Repair existing playground equipment. Upgrade area with ADA mulch within edging. c Provide bench with back and warning sign at playground. d Repair existing fence at playground. e Provide 16x20 accessible picnic shelter. See site plan for location. f Provide picnic table(s) with (1) ADA accessible picnic table. See site plan for location. g Provide grill(s) with (1) ADA accessible grill. See site plan for location. h Provide new accessible white vinyl/PVC (low maintenance) dumpster enclosures to include accessible tenant recycling receptacles. i Provide bollards at dumpster. Painted pipe bollards must be installed behind all dumpsters.
4c Asphalt Paving: 32 1216 32 1723	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	a Repair and patch parking areas and drives. Overlay parking lot with 2" Type 2 asphalt surface. Stripe parking areas and accessible spaces with cross-walks as shown on site plan. b Restripe parking spaces to meet handicap requirements and provide ADA signage. c Provide crosswalks and curb ramps with access aisle striping per site plan.
5 Sidewalks; Concrete Pads: 03 1000 32 1313	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Upgrade concrete to meet UFAS, per budget estimate, to include: a Replace broken and missing concrete sidewalks. b Remove, regrade and replace sidewalks flooded by rain. c Grind or replace sections of sidewalks at tripping hazards (1/2"). d Provide accessible sidewalks to laundry facilities, dumpster enclosures, mail kiosk and playground. See site plan. e All public spaces and amenities shall be connected by 4' wide ADA accessible sidewalks with turnaround areas. Accessible sidewalk slopes shall be limited to less than 1:20 slope. Limited 6' lengths of accessible sidewalk may be sloped up to 1:12 slope without handrails. See site plan for extent of accessible path throughout site. f Position curb-cuts and crosswalks for handicap accessibility of site. See site plan for location of handicap parking spaces and crosswalks. g Provide accessible concrete pad for mail kiosk. h Provide concrete pad for dumpsters and recycling receptacles with concrete approach apron with accessible clear floor space area. i Provide concrete curb repairs as noted on site plan.
6 Site Amenities: 10 5500 12 9300	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	a Community Laundry b Playground c Mailbox Kiosk d Leasing Office e Maintenance Room (Shed) f Refuse Collection Area and Recycling

7	Landscaping:		Landscape allowance to include:
	31 1100		a Provide additional plantings and mulch per plan.
	32 9300		b Prune existing trees and shrubs of dead wood and to clear walls and roofs.
			c Remove trees and grind tree stumps remaining after tree removal.
			d Provide landscaping around project entry sign.
			e Regrade flat site areas to slope away from buildings. Provide swales to provide proper drainage and eliminate erosion issues.
			f Repair/ replace retaining walls at Building P and throughout property. See site plan.
			Replace wood timbers with modular block walls.
			g Clear all storm drains of debris and soil.

8	Signage:		a Provide new permanent project entry sign with masonry columns.
			b Provide identification signage for each unit under exterior entry light fixture.
			c Provide bold signage visible from the entry drive for the office/ community building.
			d Provide building number identification sign on each building visible from street.
			e Provide handicap parking signage for accessible and van spaces.
			f Provide SC Housing refuse collection signage.
			g Braille signage to be provided in locations required by FHA, ADA and UFAS.
			Property entrance must have a monument sign with brick or stone columns.

9	Site Lighting:		a Coordinate installation of site lighting by power company.
			Existing site lighting must be adequate and functioning according to photo metric analysis software.

BUILDINGS

10a	General		a Seal all exterior joints and gaps.
	Improvements:		b Seal all interior and exterior wall penetrations.
	06 1000		c Pressure wash all buildings and sidewalks.
	31 3116		d Construction documents to include unit-by-unit matrix to identify items scheduled for replacement when the SOW does not identify items to be replaced in all units.

10b	General		a Provide upgrades to Community Building per 504 Plan (attached).
	Accessibility		b Provide upgrades to handicap units per UFAS accessibility requirements.
			All Type A accessible units must be brought to current building standards.

11	Masonry:		a Replace damaged and missing brick.
	04 0513		b Point up all missing and damaged mortar.
	04 0516		

12	Metals:		a Repair existing metal stairs and landings.
	05 5000		b Provide painted bollards at dumpsters.
			c Repair/replace existing stair stringers.

13 Carpentry: 06 1000 06 4100 06 4600		<ul style="list-style-type: none"> a Inspect for and replace damaged wood trim, exterior sheathing. b Inspect for and replace damaged floor sheathing, stair treads and rails. c Replace interior stair handrails at townhouse units with continuous backer board for mounting handrail hardware. d Repair base board. See unit matrix. e Provide new shoe molding at all LVT areas. f Provide new trim at all new walls, doors and windows. g Provide flooring, base, shoe molding and painted walls behind and under refrigerators and ranges. h Provide picnic shelter. i Provide mailbox kiosk. <div style="background-color: #d9ead3; padding: 5px;"> <p>Existing fire walls in attics between units must be intact and solid.</p> <p>Attic access panels must be lockable with keys available.</p> <p>Stair handrails must have continuous wood blocker board.</p> </div>
14 Insulation:		<ul style="list-style-type: none"> a Inspect attic/roof insulation and upgrade to R38. <div style="background-color: #d9ead3; padding: 5px;"> <p>Attic insulation must meet R-30 minimum value.</p> </div>
15 Roofing: 07 3113		<ul style="list-style-type: none"> a Provide new antifungal architectural asphalt fiberglass roof shingle system. b Provide new 6" aluminum gutters and 3x5 downspouts to discharge a min. 6' from foundation. c Provide splash blocks. d Remove all existing roof shingles and damaged roof edges and accessories. e Replace damaged fascia boards and sheathing. f Replace plumbing vent boots and gable wall vents. g Provide roofing for new mailbox kiosk and picnic shelter. <div style="background-color: #fce4d6; padding: 5px;"> <p>Architectural (dimensional) anti-fungal shingles must be used and:</p> <ul style="list-style-type: none"> - must be high quality and durable - must be installed per manufacturer's requirements to achieve at least a 30-year warranty <p>Seamless 5" minimum gutter and downspout systems complete to be installed on all buildings.</p> <p>All water from roof and gutter system must be discharged no less than 6 feet from building foundation by:</p> <ul style="list-style-type: none"> - Concrete splash blocks with positive sloped drainage away from foundation; or - Be piped underground to an appropriate location. </div> <div style="background-color: #d9ead3; padding: 5px;"> <p>Existing fire walls in attics between units must be intact and solid.</p> </div>
16 Siding: 07 4633		<ul style="list-style-type: none"> a Replace all vinyl siding throughout project. Replace Tyvek. b Replace all soffit with vented vinyl soffit. c Replace all fascia with white aluminum/vinyl trim. d Provide decorative vents at gables to replace existing. e Replace porch ceilings. f Replace all columns. g Install new shutters at current locations. h Replace dryer and bath exhaust vent covers. i Install 'J' boxes for all electrical boxes, disconnect boxes or surface mounted devices on siding. Where standard 'J' boxes are not available, the devices shall be fully flashed, caulked and water-proofed. <div style="background-color: #fce4d6; padding: 5px;"> <p>High quality durable low maintenance materials are required for exterior building coverings on all elevations including all exterior trims, fascia, soffits, ceilings and vents.</p> </div>

Vinyl siding must have a .044" thickness or greater and be installed per manufacturer's requirements to achieve at least a 30- year warranty.

17	Doors:		EXTERIOR:
	08 1416		a Replace all exterior doors/frame/trim with new insulated metal/wood doors units and rot proof jambs.
			Front entry doors at accessible units to have spring hinges.
			b Replace all exterior storage room doors.
			c Caulk all doors inside and outside.
			d Seal all exterior door thresholds with silicone caulk.
			e Replace all exterior doors at Office/Laundry Building.
			Laundry Room door to be full glass; no blinds.
			f Replace all interior doors, jambs, frames, and hardware (units and Office/Laundry Building).
			All interior doors must:
			- be side hinged
			- be hollow core paneled hardboard, paneled solid wood, or hollow core flush hardwood
			- Hollow core, flush luan doors are prohibited.
			- ADA accessible doors at common areas and Type 'A' units must have ADA lever hardware and be 3'-0" minimum.
			- Have a 3/4" minimum air space at bottom of door measured from finished floor for air circulation.
			- Louvered doors are HVAC closet for air handler return are acceptable.
			All exterior doors must be Energy Star metal-clad or fiberglass doors and must:
			- Metal clad steel edge doors and frames are acceptable for use in firewalls only.
			- Be side hinged.
			- Have a rot proof jamb.
			- Include a peephole on main entry door.
			- Have a thumb latch/lever style deadbolt lock.
			- ADA Accessible doors at common areas and Type 'A' units must have a maximum threshold height of 1/2", have ADA lever hardware, include a peephole a maximum of 48" AFF at primary unit entry door only, have spring hinges at the unit's primary unit entry door only.
			All bi-fold and accordion doors must be replaced with hinged doors.

18	Hardware:		a Replace all exterior door hardware at units and Office/Laundry Building.
	08 7100		b Replace all interior door hardware.
			c Provide lever handles in all "public" rooms. Provide lever handles in UFAS units with push-button style locks.
			d All door stops/wall stops must be installed, whether the door is being replaced or not.

19	Windows: 08 5300 08 8000	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<p>a Replace windows with casement where needed for egress requirements.</p> <p>b Replace all windows at Community Building. Install flashing per manufacturer's recommendation. Contractor to verify tempered glazing requirement against existing hazardous locations.</p> <p>c Windows shall be tilt-in type for easy cleaning.</p> <p>d Bedroom windows must have egress area of 5.7 sf on 2nd floor and 5.0 sf on 1st floor, and a 24" min vertical egress opening, 20" horizontal.</p> <p>e Provide insect screens at all windows.</p> <p>f Provide child safety snap lock in frame.</p> <p>g Install weather-stripping at all windows.</p> <p>h Windows located within 2' of an operable door shall be tempered.</p> <p>i Windows or doors enclosing bathtub or shower shall be tempered.</p> <p>j Windows in a stairwell within 60" of the walking surface shall be tempered.</p> <p>Windows must be Energy Star rated for zone south central and must:</p> <ul style="list-style-type: none"> - have blinds for each window installed - Metal blinds are prohibited. - Be vinyl. - Be continuously caulked behind the flange and taped per the manufacturer's recommendations. - Be installed per window manufacturers recommendations.
20	Gypsum Wallboard: 09 2900	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<p>a Inspect for and repair/ replace damaged wallboard, all units and Office/Laundry Building.</p> <p>b Repair drywall at new tubs.</p> <p>c Patch walls and corners at new windows and doors.</p> <p>d Repair drywall at walls and damaged ceilings.</p> <p>e Provide moisture resistant drywall where replaced in bathrooms, laundry rooms, mechanical closets, exterior storage closets, and behind kitchen sink base.</p> <p>Moisture resistant gypsum board must be installed on all ceilings and walls of bathrooms, on all walls of laundry rooms, mechanical closets and exterior storage closets, and behind kitchen sink base and dishwasher.</p> <p>Water-resistant gypsum board or equivalent shall be provided behind any tub/shower unit located on an exterior wall.</p>
21	Vinyl Flooring: 09 6519	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<p>a Provide new LVT flooring in kitchen, bath, dining area, and foyer of all units, or throughout units. See unit matrix. In all accessible units, provide LVT flooring throughout.</p> <p>b Provide new LVT flooring throughout Office/Laundry Building.</p> <p>c Replace damaged subflooring. Repair with Schonox where required.</p> <p>d Provide new vinyl cove base at base of all tubs. See unit matrix.</p> <p>LVT must have a 12mil wear layer and provide a minimum 15-year residential warranty. LVT installed in kitchens, bathrooms, laundry areas and mechanical closets must be water resistant.</p> <p>Shoe molding must be installed in areas where glue down or laminate flooring is/ was installed.</p>

22 Carpet:
09 6816

- a Provide carpet in all bedrooms of units. See unit matrix.
- b Provide compatible metal edging at all flooring junctions.

Carpeting shall comply with FHA-HUD Use of Materials Bulletin No. 44d.

Carpet pad must be installed under all carpeting and shall comply with FHA-HUD Use of Materials Bulletin No. 72a.

23 Painting:
09 9100

- a Paint entire interior of each dwelling unit, including ceilings and trim - egg-shell finish; semi-gloss finish in kitchens, bathrooms, doors and trim. See unit matrix.
- b Paint interior of the Community Building - eggshell finish; semi-gloss finish in bathrooms, doors and trim.
- c Paint all interior doors and trim with semi gloss latex-acrylic enamel paint. Paint top, bottom, sides, and both faces.
- d Paint all exterior doors and trim with semi gloss latex-acrylic enamel paint. Paint top, sides, bottom, and faces of door.
- e Clean, prepare and sand all surfaces prior to painting.
- f Caulk all open joints.
- g Prime all new and repaired surfaces.
- h Prepare and paint all existing metal handrails, cane rails and miscellaneous guard rails.

Interior painting must include the entire unit.

FURNISHINGS**24** Bath Fixtures:

- a Replace existing tubs and surrounds with 4-piece tub and surround, with blocking. See unit matrix.
- b Clean and caulk all existing tubs to remain. See unit matrix.
- c Replace all water closets with new comfort height fixture, 17"-19" from floor to top of seat.
- d Provide accessible height water closet in Type A accessible units.
- e Provide vanity cabinet with drop-in sink. See unit matrix.
- f Replace wall hung lavatories in accessible units and Office Building. Providing blocking in wall for mounting wall hung sinks.

Provide solid blocking at all toilets and tub/shower units for grab bar installation.

If providing a wall hung sink in an accessible unit it must have solid blocking behind the fixture and a recessed medicine cabinet or a storage cabinet must be provided.

25 Accessories:
10 2813

- a Replace all bathroom accessories with brushed nickel: attached (not tension) shower rod, towel bar and toilet paper dispenser.
- b Provide 24"x36" mirror mounted at top of back splash in Type 'A' units and provide new recessed medicine cabinet.
- c Replace all medicine cabinets in existing locations in standard units.
- d Provide grab bars in accessible bathrooms at tub and water closet in Type 'A' units.

Mirror length must extend from top of vanity backsplash to 6' minimum above finish floor. Framed decorative mirrors are excepted if they meet the above requirements.

26 Casework: 06 4100	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<p>KITCHENS:</p> <ul style="list-style-type: none"> a Provide new kitchen and vanity cabinets to meet SC Housing Design Standards. Provide cover for/box in exhaust vents. c Provide new plastic laminate countertops with stainless steel sinks in kitchen. d Replace casework with ANSI compliant casework in accessible units. See unit matrix. <p>All kitchen and bathroom/vanity cabinets shall be constructed with solid wood or plywood stiles, rails, doors, and drawer fronts. All cabinets will conform to the performance and fabrication requirements of ANSI/KCMA A161.1-2000.</p> <ul style="list-style-type: none"> - Drawers must have dual slide tracks. - Accessible cabinets with removable fronts must be manufactured to be removable with only a screwdriver. <p>Counter tops may be manufactured post form, granite or solid surface.</p> <p>For Type 'A' units, provide ADA compliant handles/pulls on cabinet doors and drawers. Knobs are prohibited.</p>
27 Appliances: 10 4413 11 3100	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<ul style="list-style-type: none"> a Provide new EnergyStar refrigerators. See unit matrix. Accessible units to receive side-by-side refrigerator. b Provide new self-cleaning electric range/ oven. See unit matrix. Ranges with front controls to be provided in ANSI units. Install anti-tip devices at all ranges secured to floor. Provide splash guard behind all ranges. Ranges to fit flush against wall. c Provide new over the range mounted microwave oven, with recirculating fan in all standard units. d Provide new recirculating range hoods and countertop microwave in all accessible units. e Provide fire suppression device at underside of range hood. <p>All units must have over the range microwave.</p> <p>All units must have a slide in range that is at least 30 inches wide or a cooktop and wall oven.</p> <ul style="list-style-type: none"> - A backsplash panel must be installed behind the cooktop and cover the entire wall behind the cooktop. - Anti-tip devices must be installed behind the cooktop and cover the entire wall behind the cooktop. <p>All units must have a Fire Stop or comparable extinguishing system over the stove. Alternatively, the range must have SmartBurner elements installed in the range.</p> <p>For Type 'A' units:</p> <ul style="list-style-type: none"> - Provide cabinet microwave shelf with microwave or counter top microwave. - The range hood fan and light must have separate remote switches. <p>Splash panels must be installed behind all ranges.</p> <p>Anti-tip devices secured to the floor must be installed under all ranges.</p>
28 Mini-blinds:	<input type="checkbox"/>	<ul style="list-style-type: none"> a Management to replace existing blinds with vinyl miniblinds at windows. See unit matrix. Metal blinds are prohibited.
29 Other:	<input type="checkbox"/>	<ul style="list-style-type: none"> a Provide attic access panels with locks. Management to keep keys. Attic access panels must be lockable with keys available.

PLUMBING, MECHANICAL, ELECTRICAL

30	Plumbing: 22 0000		a	Inspect plumbing systems and replace washers, P traps, pipes, shut-off valves at sinks and toilets.
			b	Provide individual water shut off valves in each unit in accessible location and labeled.
			c	Provide faucet, fittings and hook-up of kitchen sinks. See unit matrix.
				Provide shallow depth rear drain kitchen sinks in UFAS units per UFAS requirements. See unit matrix.
			d	Provide faucet, fittings and hook-up of bathroom vanities or sinks. See unit matrix.
				Bathroom faucets shall be low flow 1.5/2.0 gpm.
			e	Provide wall hung sink in accessible units and Office Building.
			f	Provide fittings, new toilet flange and hook-up of new water closet. See unit matrix and Office.
			g	Caulk front and sides of toilet only.
			h	Provide accessible height water closet in type A accessible units.
			i	Provide faucet, fittings and hook-up of new tub/shower. Install new water stops.
			j	In all UFAS units, controls are to be less than 12" from reach side edge, and have hand-held shower head.
			k	Replace all water heaters and valves to comply with latest adopted edition of International Plumbing Code for new construction. Provide pan under water heater.
				Water heater capacity 30-gallon minimum in 1BR and 2BR units; 40-gallon in 3BR units. See unit matrix.

l Pipe pans to exterior or hub drain. Provide elevated stand as required.

m Repair/ Replace clothes washer valves and boxes in units and Community Laundry. See unit matrix.

Unit water cut offs must be in an easily accessible area and clearly marked with signage.

All domestic water line cut off valves must have metal handles, not plastic.

Offset toilet flanges are prohibited.

All shower valves to be anti-scald.

Water sense fixtures must be used:

- Toilets at 1.28 GPM or less.

- Showerheads, Kitchen faucets and Bath faucets 1.5 GPM or less.

Toilets to be ADA height in all units.

Water heater for each unit:

- Electric water heaters must meet Energy Star requirements.

- Prohibited to be mounted above equipment or appliances.

- Placed in drain pans with drain piping plumbed to disposal point as per the latest approved addition of the International Plumbing Code.

All hub drains serving HVAC condensate lines and water heater lines must be piped to the outside. Piping to the sanitary sewer is not allowed unless a primed p-trap is installed.

All polybutylene ("Quest") piping must be replaced.

All original cast iron p-traps must be replaced.

All water heaters must be in an overflow pan and piped to the outside (where possible).

Water heaters under kitchen countertops must be relocated.

All units must have individual water shut off valves in the unit.

31 HVAC:
23 0000

- a Replace split system heat pump system in units and Office/Laundry Building. See unit matrix.
- b Replace line set to meet manufacturer's recommendation.
- c Install new thermostats with replaced HVAC system. See unit matrix.
- d Repair ductwork where required.
- e Replace all supply diffusers and replace return air grills. See unit matrix.
- f HVAC returns to be hard ducted at the unit. Louvered door returns are acceptable.
- g Provide duct and new wall cap for new dryer vents in units and Community Laundry.
- h Provide new EnergyStar bathroom exhaust fans; 70 cfm required. See unit matrix.
- i Exhaust duct shall have a backflow damper and be vented with hard duct to the exterior.
- j Provide duct and wall cap for new exhaust fans.

Bottom of returns must be 12" minimum above FFE.

The use of duct board is prohibited.

Connections in duct system must be taped and sealed with mastic and fiberglass mesh.

Electric mechanical condensate pumps are not allowed.

All bath exhaust fans shall be rated at 70CFM minimum vented to the exterior of the building using hard ductwork along the shortest run possible. Venting through the roof is prohibited.

All bath exhaust fans shall be rated at 70CFM minimum vented to the exterior of the building using hard ductwork along the shortest run possible. Venting through the roof is prohibited.

Dryer vents must be vented to the exterior of the building using hard ductwork along with the shortest run possible: maximum run is 35' including deductions for elbows.

- Vent connection must be centered behind the dryer.

- Venting thru the roof is prohibited.

All hub drains serving HVAC condensate lines and water heater lines must be piped to the outside. Piping to the sanitary sewer is not allowed unless a primed p-trap is installed.

Existing HVAC air handlers must have a secondary condensate overflow line or cutoff switch.

Clothes dryer venting must be hard ducted to the exterior and concealed in wall.

Hard duct all new and existing bathroom exhaust fans where possible (in attics).

32 Electrical:
26 0000

- a Inspect electrical system and repair or replace damaged components. Provide report to owner.
- b Install new GFI receptacles in all kitchens and baths to meet code.
- c Install new arc fault breakers per code.
- d Replace electric panel/breakers. See unit matrix.
- e Replace all receptacles, switches, and cover plates.

All switches and thermostats to be mounted no more than 48" above the FFE.

All receptacles, telephone jacks (older person +%% development), and cable jacks to be mounted 15" minimum above FFE.

All receptacles, switches and cover plates must be replaced.

SAFETY DEVICES:

- f Provide hardwired smoke detectors, wired in series, to meet code (UL 217).
- g Smoke Detectors to be "audible and flashing" in accessible units and conditioned common areas.
- h Update all unit emergency call systems to have audible alarm and strobe light outside of each apartment front exterior door.
- i Provide emergency pull cords in bathroom and bedroom of all Type A units.

For Type 'A' units, a wireless or hard-wired call for aid station is required in all bathroom.

All units must have looped smoke alarms.

	LIGHT FIXTURES:
j	Replace all interior and exterior lighting fixtures, in all units, buildings and Office/Laundry Building.
k	Provide ceiling fan/ light fixture in living room and bedrooms of all units.
l	Provide ceiling fan/light fixture at picnic shelter.
m	Provide lighting at mailbox kiosks enclosures (recessed in soffit).
n	Provide lighting at property monument sign.
	Fluorescent lighting or LED lighting is required in the kitchen.
	All full bathrooms must have:
	- ceiling light and exhaust fan on the same switch and must provide adequate lighting to the tub/shower.
	- Vanity light must be provided and be on a separate switch.
	All lighting fixtures to be Energy Star rated.
	All bulbs to be Energy Star rated.
	In bathrooms, overhead ceiling light must be switched with the exhaust fan and the vanity light wired to a separate switch. If a ceiling light is not present, one must be installed and switched accordingly.
	Ceiling fans with lights must be installed in all living rooms and bedrooms. Fan and light must be wired to a separate switch.
	APPLIANCES AND EQUIPMENT
o	Wire and hook-up range. Install new range cord. See unit matrix.
p	Wire and hook-up range hood or microhood. Add circuit. See unit matrix.
q	Wire and hook-up water heater. Install new disconnect. See unit matrix.
r	Wire and hook-up bath exhaust fan. Switch with ceiling light See unit matrix.
s	Provide (2) switches in bathrooms of all Type A accessible units - (1) for sink/vanity lights and (1) for overhead light/exhaust fan combo.
t	Provide (1) switch in bathrooms of all standards units to operate exhaust fan and all lights.
u	Wire and hook-up new split system heat pump system. Upgrade breaker. See unit matrix.
	UTILITIES:
v	Replace existing phone lines with Cat5E or better (support high speed internet).
w	Replace existing cable lines with RG6 cable (support high speed internet).
	A telephone jack must be installed in the primary bedroom next to a receptacles for future TTY use.
	A centrally located port with wireless internet network provided, per unit.

Last revised: 02/14/24

ADDENDUM E:
RENT ROLL

Affordable Rent Roll
Property:Chester Townhouses II (131) Sort By:Unit

As of Date: 04/01/2024

Property	Unit	Unit Type	Unit Sq Ft	Bed Rms	Tenant Name	Program	Tran Type	Effective Date	Annual Recert Date	Market Rent	Gross Rent	Contract Rent	RD Basic Rent	Subsidy	Tenant Rent	Total Rent	Utility Allowance	TTP	Utility Reim.
Chester Townhouses II (131)	302	131s2	1,056	2	██████████h	Rental Assistance	GR	01/01/24	10/01/24	829	823	627	627	173	454	627.00	196	650	0
	303	131s2	1,056	2	██████████a	Rental Assistance	GR	01/01/24	12/01/24	829	823	627	627	727	0	727.00	196	96	100
	304	131s2	1,056	2	██████████	HUD Voucher	GR	01/01/24	06/01/24	829	823	627	627	0	627	627.00	196	823	0
	305	131s2	1,056	2	██████████	HUD Voucher	AR	03/01/24	03/01/25	829	823	627	627	0	627	627.00	196	823	0
	306	131s3	1,107	3	██████████	Rental Assistance	GR	01/01/24	05/01/24	930	959	729	729	788	0	788.00	230	171	59
	307	131s3	1,107	3	██████████	Rental Assistance	AR	04/01/24	04/01/25	930	959	729	729	6	723	729.00	230	953	0
	308	131s3	1,107	3	██████████	Rental Assistance	GR	01/01/24	06/01/24	930	959	729	729	897	0	897.00	230	62	168
	309	131s3	1,107	3	██████████h	HUD Voucher	GR	01/01/24	11/01/24	930	959	729	729	0	729	729.00	230	959	0
	310	131s2	1,056	2	██████████	Rental Assistance	AR	04/01/24	04/01/25	829	823	627	627	580	47	627.00	196	243	0
	311	131s2	1,056	2	██████████a	HUD Voucher	AR	02/01/24	02/01/25	829	823	627	627	0	627	627.00	196	823	0
	312	131s2	1,056	2	██████████h	Rental Assistance	GR	01/01/24	06/01/24	829	823	627	627	559	68	627.00	196	264	0
	313	131s2	1,056	2	██████████a	Rental Assistance	GR	01/01/24	11/01/24	829	823	627	627	599	28	627.00	196	224	0
	314	131s3	1,107	3	██████████	Rental Assistance	GR	01/01/24	01/01/25	930	959	729	729	706	23	729.00	230	253	0
	315	131s3	1,107	3	██████████y	Rental Assistance	GR	01/01/24	07/01/24	930	959	729	729	656	73	729.00	230	303	0
	316	131s3	1,107	3	██████████a	HUD Voucher	GR	01/01/24	06/01/24	930	959	729	729	0	729	729.00	230	959	0
	317	131s3	1,107	3	██████████	HUD Voucher	GR	01/01/24	07/01/24	930	959	729	729	0	729	729.00	230	959	0
	318	131s2	1,056	2	██████████	Rental Assistance	GR	01/01/24	05/01/24	829	823	627	627	331	296	627.00	196	492	0
	319	131s2	1,056	2	██████████y	HUD Voucher	GR	01/01/24	10/01/24	829	823	627	627	0	627	627.00	196	823	0
	320	131s2	1,056	2	██████████h	Rental Assistance	GR	01/01/24	09/01/24	829	823	627	627	228	399	627.00	196	595	0
	321	131s2	1,056	2	██████████	Rental Assistance	AR	01/01/24	01/01/25	829	823	627	627	273	354	627.00	196	550	0
	322	131s3	1,107	3	██████████	Rental Assistance	GR	01/01/24	11/01/24	930	959	729	729	840	0	840.00	230	119	111
	323	131s3	1,107	3	██████████	Rental Assistance	AR	03/01/24	03/01/25	930	959	729	729	875	0	875.00	230	84	146
	324	131h3	1,107	3	██████████	HUD Voucher	AR	03/01/24	03/01/25	930	959	729	729	0	729	729.00	230	959	0
	325	131s3	1,107	3	██████████	Rental Assistance	AR	02/01/24	02/01/25	930	959	729	729	723	6	729.00	230	236	0
	326	131s2	1,056	2	██████████	HUD Voucher	AR	01/01/24	01/01/25	829	823	627	627	0	627	627.00	196	823	0
	327	131s2	1,056	2	██████████	No Deep Tenant !	GR	01/01/24	09/01/24	829	823	627	627	0	769	769.00	196	965	0
	328	131s2	1,056	2	██████████	HUD Voucher	GR	01/01/24	11/01/24	829	823	627	627	0	627	627.00	196	823	0
	329	131s2	1,056	2	██████████	Rental Assistance	GR	01/01/24	05/01/24	829	823	627	627	425	202	627.00	196	398	0
	330	131s3	1,107	3	██████████	Rental Assistance	GR	01/01/24	09/01/24	930	959	729	729	540	189	729.00	230	419	0
	331	131s3	1,107	3	██████████a	Rental Assistance	GR	01/01/24	11/01/24	930	959	729	729	588	141	729.00	230	371	0
	332	131h1	762	1	██████████	Rental Assistance	GR	01/01/24	05/01/24	703	671	535	535	476	59	535.00	136	195	0
	333	131h1	762	1	██████████	Rental Assistance	GR	01/01/24	11/01/24	703	671	535	535	360	175	535.00	136	311	0
	334	131s1	762	1	██████████e	HUD Voucher	AR	03/01/24	03/01/25	703	671	535	535	0	535	535.00	136	671	0
	335	131s1	762	1	██████████	Rental Assistance	GR	01/01/24	07/01/24	703	671	535	535	265	270	535.00	136	406	0
	336	131s1	762	1	██████████	Rental Assistance	GR	01/01/24	12/01/24	703	671	535	535	330	205	535.00	136	341	0
	337	131s1	762	1	██████████	HUD Voucher	GR	01/01/24	07/01/24	703	671	535	535	0	535	535.00	136	671	0
	338	131s2	1,056	2	██████████r	Rental Assistance	AR	04/01/24	04/01/25	829	823	627	627	461	166	627.00	196	362	0
	339	131s2	1,056	2	██████████	Rental Assistance	CO	02/01/24	02/01/25	829	823	627	627	185	442	627.00	196	638	0
	340	131s2	1,056	2	██████████	Rental Assistance	GR	01/01/24	08/01/24	829	823	627	627	491	136	627.00	196	332	0
	341	131s2	1,056	2	██████████	No Deep Tenant !	AR	03/01/24	03/01/25	829	823	627	627	0	627	627.00	196	823	0
	342	131s1	762	1	██████████	Rental Assistance	MI	01/10/24	02/01/25	703	671	535	535	47	488	535.00	136	624	0
	343	131s3	1,107	3	██████████	No Deep Tenant !	AR	04/01/24	04/01/25	930	959	729	729	0	930	930.00	230	1,160	0
	344	131s3	1,107	3	██████████	Rental Assistance	GR	01/01/24	08/01/24	930	959	729	729	161	568	729.00	230	798	0
	345	131s3	1,107	3	██████████	Rental Assistance	AR	04/01/24	04/01/25	930	959	729	729	542	187	729.00	230	417	0
	346	131s1	762	1	██████████	Rental Assistance	AR	03/01/24	03/01/25	703	671	535	535	381	154	535.00	136	290	0
	347	131s1	762	1	██████████e	Rental Assistance	GR	01/01/24	08/01/24	703	671	535	535	229	306	535.00	136	442	0
	348	131s2	1,056	2	██████████	Rental Assistance	GR	01/01/24	11/01/24	829	823	627	627	394	233	627.00	196	429	0
	349	131s2	1,056	2	██████████	Rental Assistance	GR	01/01/24	12/01/24	829	823	627	627	563	64	627.00	196	260	0
	350	131s2	1,056	2	██████████	Rental Assistance	GR	01/01/24	12/01/24	829	823	627	627	719	0	719.00	196	104	92
	351	131s2	1,056	2	██████████a	Rental Assistance	GR	01/01/24	07/01/24	829	823	627	627	715	0	715.00	196	108	88
	352	131s1	762	1	██████████	Rental Assistance	GR	01/01/24	12/01/24	703	671	535	535	267	268	535.00	136	404	0
	353	131s1	762	1	██████████	Rental Assistance	AR	03/01/24	03/01/25	703	671	535	535	261	274	535.00	136	410	0
Total			52,545	##	Number of Units: 52					43,439	43,436	33,326	33,326	17,361	17,072	34,433	10,110	26,418	764

Signature: _____ Date: 14-May-24

Exhibit S-2 SCSHFDA Primary Market Area Analysis Summary:

Development Name:	Chester Townhouses II	Total # of Units:	52
Address:	628 Lancaster Highway, Chester, South Carolina 29706 (Chester County)	# of LIHTC/TEB Units:	52
PMA Boundary:	The Chester County line to the north; Interstate 77 and the Richburg city limits to the east; the Chester County line to the south; and State Route 215, State Route 72/121, Leeds Road/Woods Ferry Road, Poulos Road and the Chester County line to the west.		
Development Type:	Family	Farthest Boundary Distance to Subject:	18.4 Miles

Rental Housing Stock (found on page H-1;12-)

Type	# of Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	6	227	1	99.60%
Market-Rate Housing	0	0	0	-
Assisted/Subsidized Housing not to include LIHTC	3	91	1	98.90%
LIHTC (All that are stabilized)*	3	136	0	100.00%
Stabilized Comparables**	1	22	0	100.00%
Non Stabilized Comparables	0	0	0	-

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

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

Subject Development					HUD Area FMR			Highest Unadjusted Comparable Rent	
Units	Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage (%)	Per Unit	Per SF
6	One-Br.	1	564	\$720	\$737	\$ 1.31	2.31%	\$1,284	\$ 2.28
2	One-Br.	1	572	\$720	\$737	\$ 1.29	2.31%	\$1,284	\$ 2.24
2	One-Br.	1	631	\$720.00	\$737	\$ 1.17	2.31%	\$1,284	\$ 2.03
1	One-Br.	1	664	\$720	\$737	\$ 1.11	2.31%	\$1,284	\$ 1.93
24	Two-Br.	1.5	767	\$812	\$910	\$ 1.19	10.77%	\$1,584	\$ 2.07
16	Three-Br.	1.5	947	\$969	\$1,282	\$ 1.35	24.41%	\$1,710	\$ 1.81
1	Three-Br.	1.5	969	\$969	\$1,282	\$ 1.32	24.41%	\$1,710	\$ 1.76
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
						\$ -			\$ -
Gross Potential Rent Monthly*				\$ 43,881	\$ 51,741		15.19%		

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

Demographic Data (found on page F-3 & G)

	2010		2024		2025	
Renter Households	2,446	28.00%	2,165	24.90%	2,150	24.80%
Income-Qualified Renter HHs (LIHTC)	N/A	N/A	436	20.14%	430	20.00%
Income-Qualified Renter HHs (MR)	N/A	N/A	N/A	N/A	N/A	N/A

Targeted Income-Qualified Renter Household Demand (found on page **G-4**)

Type of Demand	50%	60%	Market Rate	Editable	Editable	Overall
Renter Household Growth		-6				-6
Existing Households (Overburd + Substand)		153				153
Homeowner conversion (Seniors)		0				0
Other:		0				0
Less Comparable/Competitive Supply		0				0
Net Income-qualified Renters HHs	0	147	0	0	0	147

Capture Rates (found on page	G-4
-------------------------------------	------------

Targeted Population	50%	60%	Market Rate			Overall
Capture Rate		35.40%				35.40%

Absorption Rate (found on page	G-7
--------------------------------	-----

Absorption Period	N/A	months.
-------------------	-----	---------

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

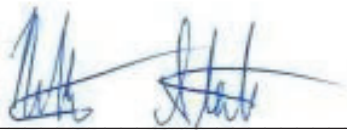
Market Analyst Author: Nathan Stelts Company: Bowen National Research LLC

Signature: Date: 14-May-24

K. Signed Statement Requirement

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

Certified:

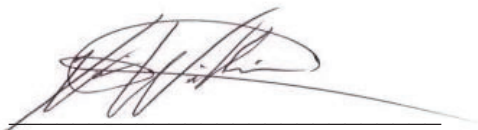


Nathan Stelts (Primary Contact)

Market Analyst

nathans@bowennational.com

Date: May 14, 2024



Xavier Williams

Market Analyst

xavierw@bowennational.com

Date: May 14, 2024



Patrick M. Bowen

President/Market Analyst

Bowen National Research

155 E. Columbus St., Suite 220

Pickerington, OH 43147

(614) 833-9300

patrickb@bowennational.com

Date: May 14, 2024

[External]RE: 2024 QAP Clarifications

Wilbourne, Kim 6-9083 <kim.wilbourne@schousing.com>

Thu 5/23/2024 10:13 AM

To:Maile Miller <MMiller@cahecpproperties.com>

You don't often get email from kim.wilbourne@schousing.com. [Learn why this is important](#)

[This email is from an external sender]

Maile,

Please see below.

Thanks,
Kim

From: Maile Miller <MMiller@cahecpproperties.com>

Sent: Tuesday, May 14, 2024 7:25 PM

To: TaxCreditQuestions <TaxCreditQuestions@schousing.com>

Subject: [External] 2024 QAP Clarifications

Good evening! I have a couple items from the 2024 QAP I could use clarity on if at all possible.

1. QAP, Section J. Mandatory Site Requirements, 1.b. - The QAP states, "*Water and Sewer utility tie-ins are accessible and within 500 feet of the parcel line as verified by a letter from the City/County official or utility provider.*"

a. Is this specifically for new construction or does this apply to rehabilitation as well?

b. If specifically for new construction, in the application documents for **Tab 11, Zoning, Water and Sewer verification**, could we supply the most recent utility bill which shows the project has both water and sewer? [Current utility bills will be acceptable.](#)

2.

3. QAP, Section P. Financial Underwriting, 15. Rent Allowances for Project Based Rental Developments - The QAP states, "*At full application, acquisition/rehabilitation developments with existing HUD approved Housing Assistance Payments (HAP) contracts/NOF or RD approved rental assistance contracts may propose rents higher than the current approved contract rents if:*

- *the third party market study submitted in the application package supports the higher rents;*
- *a copy of the approved rent schedule currently in effect is also submitted; and*
- *a copy of the pre-development/rehabilitation Rent Comparability Study, if performed before the full application deadline, is submitted.*"

a. Regarding the last bullet (highlighted), does the Rent Comparability Study apply to RD approved rental assistance contracted properties or just to HUD approved HAP contracted properties? [Just applied to HAP contracted properties.](#)

b. If not applicable to RD approved rental assistance contracted properties, in the application documents for **Tab 15, Market Study**, would the third-party market study supporting the higher rents and a copy of the approved rent schedule currently in effect satisfy this underwriting requirement? [Yes](#)

I appreciate your help in this matter. Thank you!



Maile Miller

Operations Manager

7700 Trenholm Rd Ext

Columbia, SC 29223

Direct: (803) 419-6528

MMiller@caheccproperties.com

www.caheccproperties.com



This institution is an equal opportunity provider.

This email has been scanned for spam and viruses by Proofpoint Essentials. Click [here](#) to report this email as spam.



Rural Development

November 14, 2023

Melissa S Mays
Loan Specialist
South Region – Team 9
Field Operations Division
Multifamily Housing
Rural Housing Service

CAHEC Management, Inc.
P. O. Box 23589
Columbia, SC 29224

MFHFODSouth@usda.gov

Telephone #
803.581.1906 Ext 117

**RE: 2024 Proposed Budget Review
Chester Townhouses - Phase II - Chester SC**

A review of the proposed budget for the above referenced project has been completed and approved.

As allowed in Rural Development Procedure HB-3560, Form RD 3560-7, "Multiple Family Housing Project Budget/Utility Allowance" signed by the servicing official is considered acknowledgement and approval of the electronically submitted budget. If the rent/utility increase is the same as what was stated in the initial notice to the tenants, the initial notice then serves the purpose of the notice to tenants.

Therefore, the attached signed budget is considered approval and further notification is not needed. Please advise if an approved rent letter is required by your company.

If you have any questions, please contact me at (803) 581-1906, Extension 117, or email to melissa.mays@usda.gov.

Sincerely,

A handwritten signature in black ink that reads "Melissa Mays". The signature is written in a cursive, flowing style.

Melissa Mays
Loan Specialist

Proposed Budget

Project Name:	NEW CHESTER TOWN II
Borrower Name:	NEW CHESTER TOWNHSES PHASE II ALP
Borrower ID and Project No:	119400742 01-7
Date of Operation:	02/23/1983

Loan/Transfer Amount:	
Note Rate Payment:	
IC Payment:	\$3,774.57

Reporting
Period

☒ Annual
☐ Quarterly
☐ Monthly

Budget Type

☐ Initial
☐ Regular Report
☒ Rent Change
☐ SMR
☐ Other Servicing

Project Rental
Type

☒ Family
☐ Elderly
☐ Congregate
☐ Group Home
☐ Mixed LH

Profit Type

☐ Full Profit
☒ Limited Profit
☐ Non-Profit

___I hereby request ___ units of RA. Current number of RA units 38 .

The following utilities are
master metered:

☐ Gas
☒ Electricity
☒ Water
☒ Sewer
☐ Trash
☐ Other

Borrower Accounting Method

☐ Cash
☐ Accrual

Project Name: NEW CHESTER TOWN II State: 46 Servicing Office: 639 County: 12
 Borrower Name: NEW CHESTER TWNHSES PHASE II ALP Borr ID: 119400742 Prj Nbr: 01-7 Paid Code: Active
 Classification: C Fiscal Year: 2024 Version: 01/01/2024 APPROVED Totals: By Project Analyzed: Y

Item	Current Budget	Actual	Proposed Budget	Comment
Effective Dates:	01/01/2023	01/01/2023	01/01/2024	
Ending Dates:	12/31/2023	12/31/2023	12/31/2024	
PART I - CASH FLOW STATEMENT				
Operational Cash Sources				
1. Rental Income	373,404.00		399,912.00	
2. RHS Rental Assist. Received				
3. Application Fee Received				
4. Laundry And Vending	0.00		0.00	
5. Interest Income	40.00		125.00	
6. Tenant Charges	2,200.00		1,500.00	
7. Other - Project Sources	0.00		0.00	
8. Less (Vcncy @ Cntgncy Allw)	-3,200.00		-3,200.00	
9. Less (Agncy Aprvd Incentv)	0.00		0.00	
10. Sub-Ttl [(1 thru 7)-(8@9)]	372,444.00		398,337.00	
Non-Operational Cash Sources				
11. Cash - Non Project	0.00		0.00	
12. Authorized Loan (Non-RHS)	0.00		0.00	
13. Transfer From Reserve	67,900.00		95,636.00	
14. Sub-Total (11 thru 13)	67,900.00		95,636.00	
15. Total Cash Sources (10+14)	440,344.00		493,973.00	
Operational Cash Uses				
16. Ttl O@M Exp (From Part II)	264,910.00		291,568.00	
17. RHS Debt Payment	45,295.00		45,295.00	
18. RHS Payment (Overage)				
19. RHS Payment (Late Fee)				
20. Reductn In Prior Yr Pybles				
21. Tenant Utility Payments				
22. Transfer to Reserve	41,350.00		41,350.00	
23. RTN Owner/NP Asset Mgt Fee	9,340.00		9,340.00	
24. Sub-Total (16 thru 23)	360,895.00		387,553.00	
Non-Operational Cash Uses				
25. Authzd Debt Pymnt (NonRHS)	10,646.00		10,646.00	STATE HOME MORTGAGE
26. Capital Budget (III 4-6)	67,900.00		95,636.00	
27. Miscellaneous	750.00		0.00	BAD DEBT
28. Sub-Total (25 thru 27)	79,296.00		106,282.00	
29. Total Cash Uses (24+28)	440,191.00		493,835.00	
30. Net (Deficit) (15-29)	153.00		138.00	
Cash Balance				
31. Beginning Cash Balance	10,000.00		10,000.00	
32. Accrual To Cash Adjustment				
33. Ending Cash Bal (30+31+32)	10,153.00		10,138.00	

Proposed Budget

Project Name: NEW CHESTER TOWN II State: 46 Servicing Office: 639 County: 12
 Borrower Name: NEW CHESTER TWNHSES PHASE II ALP Borr ID: 119400742 Prj Nbr: 01-7 Paid Code: Active
 Classification: C Fiscal Year: 2024 Version: 01/01/2024 APPROVED Totals: By Project Analyzed: Y

Item	Current Budget	Actual	Proposed Budget	Comment
Effective Dates:	01/01/2023	01/01/2023	01/01/2024	
Ending Dates:	12/31/2023	12/31/2023	12/31/2024	
PART II - O&M EXPENSE SCHEDULE				
1. Maint. @ Repairs Payroll	24,900.00		25,450.00	
2. Maint. @ Repairs Supply	9,800.00		9,900.00	
3. Maint. @ Repairs Contract	8,500.00		9,000.00	\$2800 P/W
4. Painting	3,000.00		3,000.00	
5. Snow Removal	0.00		0.00	
6. Elevator Maint./Contract	0.00		0.00	
7. Grounds	15,500.00		19,700.00	\$1125/MO, \$1400 STRAW, \$600 OTH
8. Services	2,500.00		1,200.00	\$300/QTR + OTHER
9. Cptl Bgt(Part V operating)	13,345.00		14,652.00	
10. Other Operating Expenses	0.00		1,400.00	SEC 115/MO
11. Sub-Ttl O&M (1 thru 10)	77,545.00		84,302.00	
12. Electricity	5,900.00		7,000.00	
13. Water	400.00		550.00	
14. Sewer	400.00		600.00	
15. Fuel (Oil/Coal/Gas)	0.00		0.00	
16. Garbage @ Trash Removal	9,500.00		10,200.00	\$821/MO + EXTRA WEIGHT
17. Other Utilities	0.00		0.00	
18. Sub-Ttl Util. (12 thru 17)	16,200.00		18,350.00	
19. Site Management Payroll	28,300.00		31,000.00	
20. Management Fee	49,920.00		53,040.00	\$80+\$5 LIHTC
21. Project Auditing Expense	5,500.00		5,750.00	DHG
22. Proj. Bookkeeping/Accting	0.00		0.00	
23. Legal Expenses	300.00		300.00	
24. Advertising	150.00		150.00	
25. Phone @ Answering Service	2,850.00		2,900.00	INCL RING CENTRAL
26. Office Supplies	2,600.00		4,000.00	
27. Office Furniture @ Equip.	0.00		0.00	
28. Training Expense	885.00		1,350.00	
29. Hlth Ins. @ Other Benefits	14,880.00		18,500.00	5% 401K + HEALTH
30. Payroll Taxes	4,260.00		4,516.00	8%
31. Workmans Compensation	1,465.00		1,270.00	2.25%
32. Other Admin.Expenses	9,405.00		9,820.00	SEE COMMENTS
33. Sub-Ttl Admin (19 thru 32)	120,515.00		132,596.00	
34. Real Estate Taxes	35,500.00		36,700.00	
35. Special Assessments	0.00		0.00	
36. Othr Taxes, Lcnsses, Permts	0.00		0.00	
37. Property @ Liability Ins.	15,100.00		19,620.00	10% INC
38. Fidelity Coverage Ins.	50.00		0.00	
39. Other Insurance	0.00		0.00	
40. Sub-Ttl Tx/In (34 thru 39)	50,650.00		56,320.00	
41. Ttl O&M Exps (11+18+33+40)	264,910.00		291,568.00	

Project Name: NEW CHESTER TOWN II

State: 46

Servicing Office: 639

County: 12

Borrower Name: NEW CHESTER TWNHSES PHASE II ALP

Borr ID: 119400742

Prj Nbr: 01-7

Paid Code: Active

Classification: C

Fiscal Year: 2024

Version: 01/01/2024 APPROVED

Totals: By Project

Analyzed: Y

Item	Current Budget	Actual	Proposed Budget	Comment
Effective Dates:	01/01/2023	01/01/2023	01/01/2024	
Ending Dates:	12/31/2023	12/31/2023	12/31/2024	
PART III - ACCT BUDGET/STATUS				
Reserve Account				
1.Beginning Balance	99,000.00		107,715.00	
2. Transfer to Reserve	41,350.00		41,350.00	ADD'L \$20,100
Transfer From Reserve				
3. Operating Deficit	0.00		0.00	
4. Cptl Bgt (Part V reserve)	67,900.00		95,636.00	
5. Building @ Equip Repair	0.00		0.00	
6. Othr Non-Operating Expenses	0.00		0.00	
7. Total (3 thru 6)	67,900.00		95,636.00	
8. Ending Balance [(1+2)-7)]	72,450.00		53,429.00	
General Operating Account				
Beginning Balance				
Ending Balance				
Real Estate Tax And Ins Escrow				
Beginning Balance				
Ending Balance				
Tenant Security Deposit Acct				
Beginning Balance				
Ending Balance				
Number of Applicants on Waiting List	0	Reserve Acct. Req. Balance		20,921.30
Number of Applicants Needing RA		Amount Ahead/Behind		64,214.28

Project Name: NEW CHESTER TOWN II

State: 46

Servicing Office: 639

County: 12

Borrower Name: NEW CHESTER TWNHSES PHASE II ALP

Borr ID: 119400742

Prj Nbr: 01-7

Paid Code: Active

Classification: C

Fiscal Year: 2024

Version: 01/01/2024 APPROVED

Totals: By Project

Analyzed: Y

PART IV RENT SCHEDULE												
A. CURRENT APPROVED RENTS/UTILITY ALLOWANCE: 01/01/2023												
Unit Description						Rental Rates			Potential Income From Each Rate			Utility
Type	Size	HC	Rev	Unit	Number	Basic	Note	HUD	Basic	Note	HUD	Allowance
N	2	All			24	585	787	0	168,480	226,656	0	196
N	3	All			17	681	882	0	138,924	179,928	0	230
N	1	All			11	500	668	0	66,000	88,176	0	125
CURRENT RENT TOTALS									373,404	494,760	0	

EFFECTIVE DATE OF RENTS/UTILITY ALLOWANCE: 01/01/2023												
Unit Description						Utility Types						
Type	Size	HC	Rev	Unit		Elect	Gas	Sewer	Trash	Water	Other	Total Allow
N	2	All				98	0	52	0	46	0	196
N	3	All				121	0	58	0	51	0	230
N	1	All				67	0	31	0	27	0	125

B. PROPOSED CHANGE OF RENTS/UTILITY ALLOWANCE: 01/01/2024												
Unit Description						Rental Rates			Potential Income From Each Rate			Utility
Type	Size	HC	Rev	Unit	Number	Basic	Note	HUD	Basic	Note	HUD	Allowance
N	2	All			24	627	829	0	180,576	238,752	0	196
N	3	All			17	729	930	0	148,716	189,720	0	230
N	1	All			11	535	703	0	70,620	92,796	0	136
PROPOSED RENT TOTALS									399,912	521,268	0	

EFFECTIVE DATE OF RENTS/UTILITY ALLOWANCE: 01/01/2024												
Unit Description						Utility Types						
Type	Size	HC	Rev	Unit		Elect	Gas	Sewer	Trash	Water	Other	Total Allow
N	2	All				97	0	54	0	45	0	196
N	3	All				119	0	60	0	51	0	230
N	1	All				66	0	38	0	32	0	136

Project Name: NEW CHESTER TOWN II State: 46 Servicing Office: 639 County: 12
 Borrower Name: NEW CHESTER TWNHSES PHASE II ALP Borr ID: 119400742 Prj Nbr: 01-7 Paid Code: Active
 Classification: C Fiscal Year: 2024 Version: 01/01/2024 APPROVED Totals: By Project Analyzed: Y

Item	Proposed Number Units/Items	Proposed From Reserve	Actual From Reserve	Proposed From Operating	Actual From Operating	Actual Total Cost	Total Actual Units/Items
Effective Dates:	01/01/2023	01/01/2024	01/01/2023	01/01/2024	01/01/2023	01/01/2023	01/01/2023
Ending Dates:	12/31/2023		12/31/2023		12/31/2023	12/31/2023	12/31/2023
ANNUAL CAPITAL BUDGET							
Appliances							
Appliances - Range	4	1,700.00	0.00	300.00	0.00	0.00	0
Appliances - Refrigerator	5	3,500.00	0.00	0.00	0.00	0.00	0
Appliances - Range Hood	12	0.00	0.00	720.00	0.00	0.00	0
Appliances - Washers @ Dryers	0	0.00	0.00	0.00	0.00	0.00	0
Appliances - Other	0	0.00	0.00	0.00	0.00	0.00	0
Carpet and Vinyl							
Carpet @ Vinyl - 1 Br.	4	9,600.00	0.00	0.00	0.00	0.00	0
Carpet @ Vinyl - 2 Br.	6	16,200.00	0.00	0.00	0.00	0.00	0
Carpet @ Vinyl - 3 Br.	3	10,800.00	0.00	0.00	0.00	0.00	0
Carpet @ Vinyl - 4 Br.	0	0.00	0.00	0.00	0.00	0.00	0
Carpet @ Vinyl - Other	0	0.00	0.00	0.00	0.00	0.00	0
Cabinets							
Cabinets - Kitchens	1	3,700.00	0.00	0.00	0.00	0.00	0
Cabinets - Bathroom	0	0.00	0.00	0.00	0.00	0.00	0
Cabinets - Other	0	0.00	0.00	0.00	0.00	0.00	0
Doors							
Doors - Exterior	3	1,125.00	0.00	0.00	0.00	0.00	0
Doors - Interior	15	0.00	0.00	2,250.00	0.00	0.00	0
Doors - Other	0	0.00	0.00	0.00	0.00	0.00	0
Window Coverings							
Window Coverings - Detail	150	0.00	0.00	7,500.00	0.00	0.00	0
Window Coverings - Other	0	0.00	0.00	0.00	0.00	0.00	0
Heat and Air Conditioning							
Heat @ Air - Heating	6	33,000.00	0.00	0.00	0.00	0.00	0
Heat @ Air - Air Conditioning	0	0.00	0.00	0.00	0.00	0.00	0
Heat @ Air - Other	0	0.00	0.00	0.00	0.00	0.00	0
Plumbing							
Plumbing - Water Heater	6	3,900.00	0.00	0.00	0.00	0.00	0
Plumbing - Bath Sinks	0	0.00	0.00	0.00	0.00	0.00	0
Plumbing - Kitchen Sinks	0	0.00	0.00	0.00	0.00	0.00	0
Plumbing - Faucets	0	0.00	0.00	0.00	0.00	0.00	0
Plumbing - Toilets	0	0.00	0.00	0.00	0.00	0.00	0
Plumbing - Other	0	0.00	0.00	0.00	0.00	0.00	0
Major Electrical							
Major Electrical - Detail	0	0.00	0.00	0.00	0.00	0.00	0
Major Electrical - Other	0	0.00	0.00	0.00	0.00	0.00	0
Structures							
Structures - Windows	2	0.00	0.00	400.00	0.00	0.00	0
Structures - Screens	10	0.00	0.00	150.00	0.00	0.00	0
Structures - Walls	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Roofing	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Siding	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Exterior Painting	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Other	0	0.00	0.00	0.00	0.00	0.00	0

Project Name: NEW CHESTER TOWN II State: 46 Servicing Office: 639 County: 12
 Borrower Name: NEW CHESTER TOWNHSES PHASE II ALP Borr ID: 119400742 Prj Nbr: 01-7 Paid Code: Active
 Classification: C Fiscal Year: 2024 Version: 01/01/2024 APPROVED Totals: By Project Analyzed: Y

Item	Proposed Number Units/Items	Proposed From Reserve	Actual From Reserve	Proposed From Operating	Actual From Operating	Actual Total Cost	Total Actual Units/Items
Effective Dates:	01/01/2023	01/01/2024	01/01/2023	01/01/2024	01/01/2023	01/01/2023	01/01/2023
Ending Dates:	12/31/2023		12/31/2023		12/31/2023	12/31/2023	12/31/2023
Paving							
Paving - Asphalt	0	0.00	0.00	0.00	0.00	0.00	0
Paving - Concrete	0	0.00	0.00	0.00	0.00	0.00	0
Paving - Seal and Stripe	0	0.00	0.00	0.00	0.00	0.00	0
Paving - Other	0	0.00	0.00	0.00	0.00	0.00	0
Landscape and Grounds							
Lndscp@Grnds - Landscaping	0	0.00	0.00	0.00	0.00	0.00	0
Lndscp@Grnds - Lawn Equipment	0	0.00	0.00	0.00	0.00	0.00	0
Lndscp@Grnds - Fencin	0	0.00	0.00	0.00	0.00	0.00	0
Lndscp@Grnds - Recreation Area	0	0.00	0.00	0.00	0.00	0.00	0
Lndscp@Grnds - Signs	0	0.00	0.00	0.00	0.00	0.00	0
Lndscp@Grnds - Other	0	0.00	0.00	0.00	0.00	0.00	0
Accessibility Features							
Accessibility Features - Detail	0	0.00	0.00	0.00	0.00	0.00	0
Accessibility Features - Other	0	9,927.00	0.00	0.00	0.00	0.00	0
Automation Equipment							
Automation Equip. -Site Mngt.	0	0.00	0.00	1,200.00	0.00	0.00	0
Automation Equip. -Common Area	0	0.00	0.00	0.00	0.00	0.00	0
Automation Equip. -Other	0	0.00	0.00	0.00	0.00	0.00	0
Other							
List: ?	0	0.00	0.00	2,132.00	0.00	0.00	0
List: ?	0	2,184.00	0.00	0.00	0.00	0.00	0
List: ?	0	0.00	0.00	0.00	0.00	0.00	0
Total Capital Expenses	0	95,636.00	0.00	14,652.00	0.00	0.00	0

Project Name: NEW CHESTER TOWN II		State: 46	Servicing Office: 639	County: 12
Borrower Name: NEW CHESTER TWNHSES PHASE II ALP		Borr ID: 119400742	Prj Nbr: 01-7	Paid Code: Active
Classification: C	Fiscal Year: 2024	Version: 01/01/2024	APPROVED	Totals: By Project Analyzed: Y

Part VI - SIGNATURES, DATES AND COMMENTS

Warning	Section 1001 of Title 18, United States Code provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representation, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both.
---------	--

I HAVE READ THE ABOVE WARNING STATEMENT AND I HEREBY CERTIFY THAT THE FOREGOING INFORMATION IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

09/29/2023
(Date Submitted)

CAHEC
(Management Agency)

MA109527
(MA#)

(Date)

(Signature of Borrower or Borrower's Representative)

(Title)

Melissa Mays - Loan Specialist

Agency Approval (Rural Development Approval Official)

Melina Mayne

Approved 11/13/2023

(Date)

Project Name: NEW CHESTER TOWN II	State: 46	Servicing Office: 639	County: 12
Borrower Name: NEW CHESTER TOWNHSES PHASE II ALP	Borr ID: 119400742	Prj Nbr: 01-7	Paid Code: Active
Classification: C	Fiscal Year: 2024	Version: 01/01/2024 APPROVED	Totals: By Project Analyzed: Y

SPVS Comment:
Batched/ II 092923

Narrative:
PART II LINE 32 - \$9,820 Credit reports -\$600 Travel - \$800 Tenant Relations -\$100 annual software fee - \$5720 tax credit fee - \$2600 Part V Other ADA repairs - \$9,927 Computer - \$2,400 Fire Extinguishers - \$2,132 Range Queens - \$2,184