

**A MARKET CONDITIONS AND
PROJECT EVALUATION SUMMARY
OF:**

ABBINGTON LAKE

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East Washington Street
Hartsville, Darlington County, South Carolina 29550

Effective Date: May 14, 2024
Report Date: June 6, 2024

Prepared for:
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c/o Rea Ventures Group LLC
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June 6, 2024

Eric J. Buffenbarger
Hartsville Abbington Lake, LP
c/o Rea Ventures Group LLC
2964 Peachtree Road NW, Suite 200
Atlanta, GA 30305

Re: Market Study for Abbington Lake, located in Hartsville, South Carolina

Dear Eric J. Buffenbarger:

At your request, Novogradac & Company LLP doing business under the brand name Novogradac Consulting ("Novogradac") has performed a study of the multifamily rental market in the Hartsville, Darlington County, South Carolina area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project known as Abbington Lake (the Subject). We are concurrently preparing a land appraisal of the Subject site.

The purpose of this market study is to assess the viability of the Subject, a proposed 48-unit LIHTC project. The Subject will be a newly constructed, affordable LIHTC project, with 48 units restricted to households earning 20, 40, and 60 percent of the Area Median Income (AMI), or less. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. The scope of this report meets the requirements of the South Carolina State Housing Finance and Development Authority (SCSHFDA), including the following:

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

The depth of discussion contained in the report is specific to the needs of the client, specifically the requirements of SCSHFDA market study requirements. The National Council of Housing Market Analysts (NCHMA) is a professional organization chartered to promote the development of high-quality market analysis for the affordable housing industry. Novogradac is a charter member of this organization. NCHMA has compiled model content standards for market studies. This report, which Novogradac certifies as a NCHMA-compliant comprehensive market analysis full narrative report, conforms to those standards; any slight modifications or departures from those standards are considered incidental. Novogradac is a disinterested third party. The report and the conclusions are subject to the Assumptions and Limiting Conditions attached.

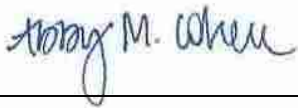
This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The report also includes a thorough analysis of the scope of the study, regional and local demographic and economic studies, and market analyses including conclusions. The depth of discussion contained in the report is specific to the needs of the client.

ERIC J. BUFFENBARGER
HARTSVILLE ABBINGTON LAKE, LP
C/O REA VENTURES GROUP, LLC
JUNE 6, 2024

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

The authors of this report certify that we are not part of the development team, owner of the Subject property, general contractor, nor are we affiliated with any member of the development team engaged in the development of the Subject property or the development's partners or intended partners. Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac can be of further assistance. It has been our pleasure to assist you with this project.

Respectfully submitted,
Novogradac



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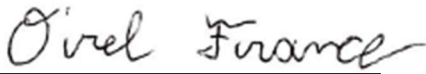
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A. EXECUTIVE SUMMARY

Property Summary of Subject

Subject Property Overview:

Abbingtion Lake, the Subject, is a proposed 48-unit apartment community that will offer one, two, and three-bedroom units restricted to households earning 20, 40, and 60 percent of the Area Median Income (AMI), or less. As proposed, the Subject will consist of two, three-story, garden-style residential buildings in addition to one community building.

Targeted Tenancy:

For SC Housing purposes, the tenancy is considered general population. The targeted tenancy is not age-restricted and will consist of primarily one to five-person households.

Proposed Rents, Unit Mix and Utility Allowance:

The following table details the Subject's proposed rents, utility allowances, unit mix, and unit sizes. The Subject's location is considered a rural area as determined by USDA. Therefore, the Subject is eligible to use the national non-metropolitan rent and income limits, which are higher than the published rent and income limits for Darlington County.

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2024 National Non-Metropolitan LIHTC Maximum Allowable Gross Rent	2024 HUD Fair Market Rents
@20%							
1BR / 1BA	760	2	\$143	\$147	\$290	\$290	\$756
2BR / 2BA	984	2	\$153	\$195	\$348	\$348	\$959
3BR / 2BA	1,126	1	\$145	\$257	\$402	\$402	\$1,170
@40%							
1BR / 1BA	760	1	\$434	\$147	\$581	\$581	\$756
2BR / 2BA	984	1	\$502	\$195	\$697	\$697	\$959
3BR / 2BA	1,126	3	\$548	\$257	\$805	\$805	\$1,170
@60%							
1BR / 1BA	760	15	\$724	\$147	\$871	\$871	\$756
2BR / 2BA	984	15	\$850	\$195	\$1,045	\$1,045	\$959
3BR / 2BA	1,126	8	\$950	\$257	\$1,207	\$1,207	\$1,170
		48					

Notes (1) Source of Utility Allowance provided by the Developer.

Market Vacancy

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

OVERALL VACANCY

Property Name	Program	Tenancy	Total Units	Vacant Units	Vacancy %
Autumn Run Apartments*	LIHTC	Family	40	0	0.0%
Hartsville Crossing Village	LIHTC	Family	32	1	3.1%
Hartsville Garden Apartments	LIHTC	Family	72	0	0.0%
Hartwood Village	LIHTC/USDA	Family	68	0	0.0%
Bentree Apartments*	Market	Family	132	0	0.0%
Charles Pointe*	Market	Family	168	10	6.0%
Landmark Woods*	Market	Family	104	1	1.0%
Oaks At Florence*	Market	Family	144	4	2.8%
Oakview Townhomes	Market	Family	48	0	0.0%
Palmetto Villas	Market	Family	72	2	2.8%
LIHTC Total			212	1	0.5%
Market Total			668	17	2.5%
Overall Total			880	18	2.0%

*Located outside PMA

The comparable properties reported vacancy rates ranging from zero to 6.0 percent, with an overall weighted average of 2.0 percent. The average vacancy rate reported by the affordable comparables was 0.5 percent, below the 2.5 percent weighted average reported by the market rate properties. This is reflective of supply-constrained conditions. It should be noted that the vacancy rate at Hartsville Crossing Village is skewed upwards due to the small development size of 32 total units. Overall, vacancy at the LIHTC comparables is low. Three of the LIHTC properties maintain waiting lists at this time and several property managers reported strong demand for affordable housing in the market.

The market rate comparables reported vacancy rates ranging from zero to 6.0 percent. The property manager at Charles Pointe was unable to comment on the elevated vacancy rate at the property. Vacancy rates at the market rate properties are similar to higher than at the LIHTC properties. Based on the performance of the LIHTC comparables, we expect the Subject will operate with a vacancy rate of five percent or less, upon stabilization.

Capture Rates

The yielded capture rates are presented in the following table.

CAPTURE RATE ANALYSIS CHART

AMI Level	Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Competitive Supply	Net Demand	Capture Rate
@20%	1BR	\$9,943	\$12,400	2	123	0	123	1.6%
	2BR	\$11,931	\$13,940	2	119	0	119	1.7%
	3BR	\$13,783	\$16,720	1	49	0	49	2.0%
	Overall Total	\$9,943	\$16,720	5	290	0	290	1.7%
@40%	1BR	\$19,920	\$24,800	1	165	0	165	0.6%
	2BR	\$23,897	\$27,880	1	161	0	161	0.6%
	3BR	\$27,600	\$33,440	3	65	0	65	4.6%
	Overall Total	\$19,920	\$33,440	5	391	0	391	1.3%
@60%	1BR	\$29,863	\$37,200	15	170	0	170	8.8%
	2BR	\$35,829	\$41,820	15	165	0	165	9.1%
	3BR	\$41,383	\$50,160	8	67	0	67	11.9%
	Overall Total	\$29,863	\$50,160	38	402	0	402	9.5%
All Units	1BR	\$9,943	\$37,200	18	423	0	423	4.3%
	2BR	\$11,931	\$41,820	18	411	0	411	4.4%
	3BR	\$13,783	\$50,160	12	167	0	167	7.2%
	Overall Total	\$9,943	\$50,160	48	1,001	0	1,001	4.8%

The Subject's capture rates are 1.7 percent at the 20 percent AMI level, 1.3 percent at the 40 percent AMI level, 9.5 percent at the 60 percent AMI level, and 4.8 percent overall. These capture rates are reasonable, and the overall capture rate is below the 30 percent capture rate threshold, and indicative of demand for the Subject.

Projected Absorption Period

The following table details the absorption comparables, six of which we were able to identify.

ABSORPTION							
Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
The Belmont Apartments	LIHTC	Family	Florence	2021	40	6	20.9 miles
Hartsville Crossing Village*	LIHTC	Family	Hartsville	2020	32	16	3.4 miles
Irby Senior Village	LIHTC	Senior	Florence	2018	40	13	22.2 miles
Attwood Pointe Apartments	LIHTC	Family	Florence	2018	52	17	21.9 miles
Magnolia Senior Village	LIHTC	Senior	Hartsville	2017	32	10	0.3 miles
Cedarbrook Apartments	LIHTC	Family	Camden	2017	60	15	32.4 miles
Average Affordable					43	13	
Overall Average					43	13	

*Comparable Property

We obtained absorption data from six properties, located between 0.3 and 32.4 miles from the Subject site. These properties reported absorption rates ranging from six to 16 units per month, with an overall average of 13 units per month. Overall, we expect the proposed Subject will experience an absorption rate of 15 units per month. This equates to an absorption period of approximately three to four months.

Market Conclusions

Overall LIHTC vacancy in the local market is very low with a 0.5 percent vacancy rate and a 2.0 percent vacancy rate among all 10 surveyed comparable projects. The four LIHTC properties reported one total vacancy and three of these properties maintain waiting lists, suggesting significant latent demand for affordable housing. Market rate comparables are performing well, with an overall vacancy rate of 2.5 percent among all of the market rate comparables. When compared to the Subject's proposed rental rates the current 60 percent rents at the LIHTC properties, the Subject's proposed 40 and 60 percent AMI rents appear reasonable, and overall, they are 27 to 89 percent below our estimated achievable market rents. Overall, we believe that the Subject will be successful in the local market as proposed.

Recommendations

We believe there is adequate demand for the Subject in the PMA and the market supports the Subject development as proposed. The Subject's capture rates vary from 0.6 to 11.9 percent with an overall capture rate of 4.8 percent. These capture rates are all considered achievable in the PMA, and are considered conservative for a family property. In addition, the majority of affordable properties in the PMA maintain low vacancy rates and three maintain waiting lists, which indicates a need for affordable housing, such as the proposed Subject. The Subject site is located within 2.6 miles of most community services and facilities that families would utilize on a consistent basis.

The LIHTC comparables reported vacancy rates ranging from zero to 3.1 percent. When compared to the Subject's proposed rental rates the current 60 percent rents at the LIHTC properties, the Subject's proposed 40 and 60 percent AMI rents appear reasonable, and overall, they are 27 to 89 percent below our estimated achievable market rents. Overall, we believe that the Subject will be successful in the local market as proposed.

Long Term Impact on Existing LIHTC Properties in the PMA

Managers at three of the LIHTC properties reported being fully occupied, one other manager reported low vacancy rates at their properties, and three of the LIHTC comparables reported a waiting list. The average vacancy rate among the LIHTC comparables is 0.5 percent. Additionally, property managers at several of the LIHTC properties reported strong demand for affordable housing in the area and that higher rents are achievable. With an apparent high demand for affordable housing options for the general population in the market and a large base of low-income tenants, we believe the Subject's construction will have no long-term impact on the existing area LIHTC developments. Between 2023 and market entry, the total number of

households is expected to decrease at a rate of 0.2 percent annually in the PMA. However, there are a limited number of affordable housing options in the market. As such, we believe the Subject's opening and lease-up will have no long-term impact on the existing area LIHTC apartments.

EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:									
Abbington Lake Location: East Washington Street, Hartsville, SC PMA Boundary: U.S. Route 1 to the north; U.S. Route 52 and U.S. Route 15, and U.S. Route 401 to the east; U.S. Route 401 and U.S. Interstate 20 to the south; and the Darlington-Lee County line and the Chesterfield-Kershaw County line to the west. Development Type: <input checked="" type="checkbox"/> Family <input type="checkbox"/> Older Persons								Total # Units: 48 # LIHTC Units: 48	
								Farthest Boundary Distance to Subject: 22 miles	
RENTAL HOUSING STOCK (Found on pages 55 & 104)									
Type		# Properties		Total Units		Vacant Units		Average Occupancy	
All Rental Housing		15		822		8		99.0%	
Market-Rate Housing		3		192		3		98.4%	
Assisted/Subsidized Housing not to include LIHTC		4		176		0		100.0%	
LIHTC (All that are stabilized)* **		7		408		5		98.8%	
Stabilized Comps**		14		776		8		99.0%	
Non-stabilized Comps		1		46		46		0.0%	
* Stabilized occupancy of at least 93% (Excludes projects still in initial lease up).									
** Comps are those comparable to the subject and those that compete at nearly the same rent levels and tenant profile, such as age, family and income.									
Subject Development					HUD Area FMR			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
2	1	1	760	\$143	\$756	\$0.99	81.08%	\$1,065	\$1.40
1	1	1	760	\$434	\$756	\$0.99	42.59%	\$1,065	\$1.40
15	1	1	760	\$724	\$756	\$0.99	4.23%	\$1,065	\$1.40
2	2	2	984	\$153	\$959	\$0.97	84.05%	\$1,240	\$1.26
1	2	2	984	\$502	\$959	\$0.97	47.65%	\$1,240	\$1.26
15	2	2	984	\$850	\$959	\$0.97	11.37%	\$1,240	\$1.26
1	3	2	1,126	\$145	\$1,170	\$1.04	87.61%	\$1,531	\$1.36
3	3	2	1,126	\$548	\$1,170	\$1.04	53.16%	\$1,531	\$1.36
8	3	2	1,126	\$950	\$1,170	\$1.04	18.80%	\$1,531	\$1.36
Gross Potential Rent Monthly*				\$34,527	\$44,910		23.12%		
*Market Advantage is calculated using the following formula: (Gross HUD FMR (minus) Net Proposed Tenant Rent) (divided by) Gross HUD FMR. The calculation should be expressed as a percentage and rounded to two decimal points. The Rent Calculation Excel Worksheet must be provided with the Exhibit S-2 form.									
DEMOGRAPHIC DATA (found on pages 39 to 43)									
		2010		2023		July 2026			
Renter Households		4,497		25.8%		4,541		27.2%	
Income-Qualified Renter HHs (LIHTC)		N/A		N/A		1,683		37.1%	
Income-Qualified Renter HHs (MR)		N/A		N/A		N/A		N/A	
TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 47)									
Type of Demand		20%		40%		60%		Overall	
Renter Household Growth		-19		-25		-26		-65	
Existing Households (Overburd + Substand)		334		450		462		1,151	
Homeowner conversion (Seniors)		-		-		-		-	
Other:		-		-		-		-	
Less Comparable/Competitive Supply		0		0		0		0	
Net Income-qualified Renter HHs		315		425		436		1,086	
CAPTURE RATES (found on page 50)									
Targeted Population		20%		40%		60%		Overall	
Capture Rate (As Proposed)		1.7%		1.3%		9.5%		4.8%	
ABSORPTION RATE (found on page 50)									
Absorption Period: Three to four months									

# Units	Bedroom Type	Proposed Tenant Paid Rent	Net Proposed Tenant Rent by Bedroom Type	Gross HUD FMR	Gross HUD FMR Total	Tax Credit Gross Rent Advantage
2	1BR	\$143	\$286	\$756	\$1,512	81.08%
1	1BR	\$434	\$434	\$756	\$756	42.59%
15	1BR	\$724	\$10,860	\$756	\$11,340	4.23%
2	2BR	\$153	\$306	\$959	\$1,918	84.05%
1	2BR	\$502	\$502	\$959	\$959	47.65%
15	2BR	\$850	\$12,750	\$959	\$14,385	11.37%
1	3BR	\$145	\$145	\$1,170	\$1,170	87.61%
3	3BR	\$548	\$1,644	\$1,170	\$3,510	53.16%
8	3BR	\$950	\$7,600	\$1,170	\$9,360	18.80%
Totals	48		\$34,527		\$44,910	23.12%

Source: SCSHFDA, Novogradac, May 2024

B. PROJECT DESCRIPTION

PROJECT DESCRIPTION

Development Location:	The Subject will be located on East Washington Street, Hartsville, Darlington County, SC 29550.
Date of Construction:	According to the developer, construction is expected to begin in May 2025, with an anticipated completion date in July 2026.
Construction Type:	The Subject will involve the new construction of 48 units contained in two, three-story, garden-style residential buildings and one community building.
Occupancy Type:	Families.
Target Income Group:	The Subject's units will target households with one to five persons earning 20, 40, and 60 percent of the AMI, or less. Based on the unit mix, the annual household income levels will range from \$9,943 to \$50,160, as proposed.
Special Population Target:	The units at the 20 percent AMI level will be targeted to persons with disabilities.
Number of Units by Unit Type:	The Subject will include 18 one-bedroom units, 18 two-bedroom units, and 12 three-bedroom units.
Number of Buildings and Stories:	The Subject will consist of two, three-story, garden-style residential buildings and one community building.
Unit Mix:	The following table summarizes the Subject's unit sizes.

UNIT MIX AND SQUARE FOOTAGE

Unit Type	Number of Units	Unit Size (SF)	Net Leasable Area
1BR / 1BA	18	760	13,680
2BR / 2BA	18	984	17,712
3BR / 2BA	12	1,126	13,512
TOTAL	48		44,904

Structure Type/Design:	The Subject will offer two, three-story, garden-style residential buildings and one community building.
Proposed Rents and Utility Allowance:	The following table details the Subject's proposed rents and utility allowances.

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2024 National Non-Metropolitan LIHTC Maximum Allowable Gross Rent	2024 HUD Fair Market Rents
@20%							
1BR / 1BA	760	2	\$143	\$147	\$290	\$290	\$756
2BR / 2BA	984	2	\$153	\$195	\$348	\$348	\$959
3BR / 2BA	1,126	1	\$145	\$257	\$402	\$402	\$1,170
@40%							
1BR / 1BA	760	1	\$434	\$147	\$581	\$581	\$756
2BR / 2BA	984	1	\$502	\$195	\$697	\$697	\$959
3BR / 2BA	1,126	3	\$548	\$257	\$805	\$805	\$1,170
@60%							
1BR / 1BA	760	15	\$724	\$147	\$871	\$871	\$756
2BR / 2BA	984	15	\$850	\$195	\$1,045	\$1,045	\$959
3BR / 2BA	1,126	8	\$950	\$257	\$1,207	\$1,207	\$1,170
		48					

Notes (1) Source of Utility Allowance provided by the Developer.

Utility Structure/Allowance:

Tenants will be responsible for electric cooking, electric water heating, electric heating, general electric, cold water, sewer and central air conditioning. The landlord will be responsible for trash expenses. The estimated utility allowances for the Subject are \$147 for its one-bedroom units, \$195 for its two-bedroom units, and \$257 for its three-bedroom units. For adjustment purposes, we utilized a utility allowance furnished by the South Carolina Housing Finance and Development Authority for the Midlands Region (which includes Darlington County), effective February 5, 2024, the most recent available.

HOUSING AUTHORITY UTILITY ALLOWANCE

Utility and Source	Paid By	1BR	2BR	3BR
Heating - electric	Tenant	\$11	\$13	\$15
Cooking - electric	Tenant	\$6	\$8	\$11
Electric	Tenant	\$33	\$41	\$50
Air Conditioning - central	Tenant	\$15	\$20	\$26
Hot Water - electric	Tenant	\$13	\$17	\$21
Cold Water	Tenant	\$29	\$40	\$58
Sewer	Tenant	\$40	\$56	\$76
Trash	Landlord	\$16	\$16	\$16
TOTAL - Paid by Landlord		\$16	\$16	\$16
TOTAL - Paid by Tenant		\$147	\$195	\$257
TOTAL - Paid By Tenant Provided by Developer		\$147	\$195	\$257
% Delta (Developer / Housing Authority)		100%	100%	100%

Source: SC State Housing Finance & Development Authority Midlands Region, February 2024

The developer's estimates of tenant paid utilities are equal to the housing authority's estimates. Housing authority estimates are used to adjust the comparable properties with differing utility structures to the Subject's utility structure for an "apples-to-apples" comparison.

Existing or Proposed Project-Based Rental Assistance:	None of the Subject's units will operate with project-based rental assistance as proposed.
Community Amenities:	The Subject's community amenities will include a business center/computer lab, clubhouse/meeting room/community room, central laundry facility, off-street parking, on-site management, picnic area, playground, and adult education classes including health and safety.
Unit Amenities:	The Subject's in-unit amenities will include balconies/patios, blinds, coat closets, ceiling fans, hand rails, vinyl plank flooring, and walk-in closets. Appliances will include dishwashers, garbage disposals, microwaves, ranges/ovens, refrigerators, and in-unit washer/dryer hookups.
Parking:	The Subject will offer 72 off-street parking spaces, or 1.5 spaces per unit. There will be no fees for parking. We expect the number of parking spaces to be adequate.
Security:	The Subject will offer limited perimeter fencing in terms of security features.
Scope of Renovations:	The Subject will be new construction.

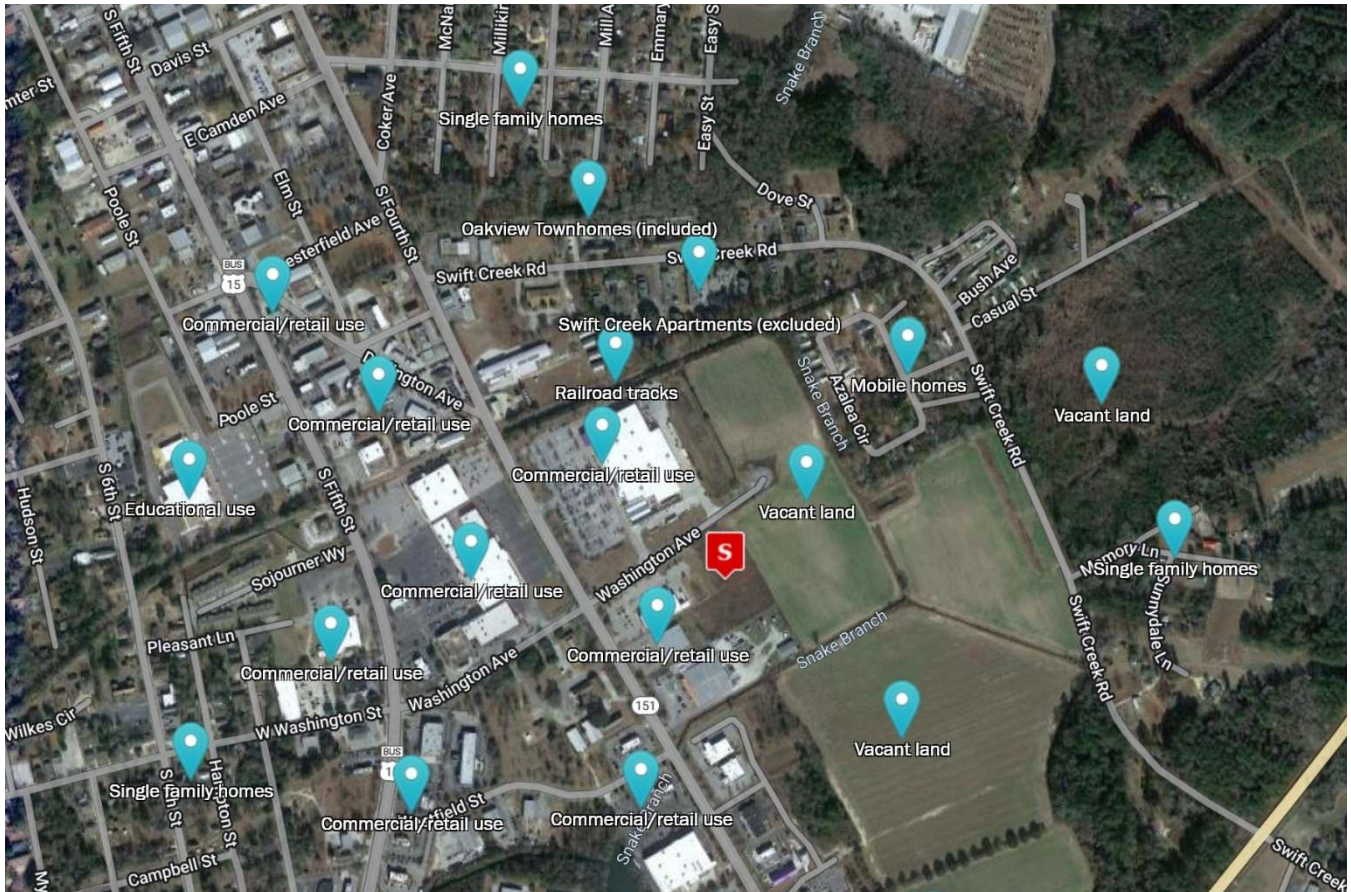
C. SITE DESCRIPTION

SITE DESCRIPTION

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

Date of Site Visit: May 14, 2024.

Surrounding Land Uses: The following map illustrates surrounding land uses.



Source: Google Earth, May 2024

Physical Features of Site:

The Subject site is located along the south side of East Washington Street. The Subject site is irregular in shape, exhibits level topography, and is located outside of a flood plain. The Subject site is currently vacant.

Size:

The Subject site is 2.37 acres or 103,237 square feet.

Shape:

The Subject site is irregular in shape.

Existing Improvements:

The Subject site is located along the south side of East Washington Street. The Subject site is currently vacant.

Frontage:

The Subject site has frontage along the south side of East Washington Street.

Topography:	The Subject site exhibits relatively level topography.
Location/Surrounding Uses:	The Subject is located in a mixed-use neighborhood of Hartsville, surrounded by commercial/retail uses, wooded land, mobile homes, multifamily developments, and single-family homes. To the north of the Subject are commercial/retail uses, Oakview Townhomes, which was included as a comparable property, and Swift Creek Apartments, a Section 8 property, which was excluded from our analysis due to its subsidized rent structure. Farther north are single-family houses in average condition. To the east of the Subject is vacant land and single-family homes in average condition. To the south of the Subject are commercial and retail uses along South Fourth Street including restaurants and a Walmart. To the west of the Subject site is Hartsville shopping mall including various restaurants, department stores, a gym, a grocery store and a hardware store. Farther west are single-family homes in average condition. Commercial uses in the Subject's neighborhood appeared to be over 90 percent occupied and in average condition. The Subject has a Walk Score of 49, or "Car Dependent" indicating that most errands require a car. The nearest commercial and retail outlets are within walking distance. Overall, land uses in the Subject's neighborhood are in average to good condition and the Subject site is considered a desirable site for rental housing.
Visibility/Views:	The Subject site has good visibility from East Washington Street. Views to the north consist of Lowe's ProServices materials supplier. Views to the east consist of vacant land. Views to the south consist of Henderson Supply Co. Inc. Views to the west consist of commercial and retail uses. Overall, visibility and views are considered average.
Detrimental Influence:	North of the Subject site are railroad tracks, which could be considered a detrimental use. However, Oakview Townhomes is also located in close proximity to the railroad tracks and reported being fully occupied. Thus, we do not believe the railroad tracks will be considered a detrimental influence on the Subject site.

PHOTOGRAPHS OF SUBJECT SITE AND SURROUNDING USES



Subject site



Subject site



Subject site



Subject site



Subject site



Subject site



Subject site



Subject site



View east along East Washington Street



View west along East Washington Street



Commercial use north of Subject site



Railroad tracks north of Subject site



Commercial use north of Subject site



Single-family home north of Subject site



Single-family home north of Subject site



Single-family home north of Subject site



House of worship east of Subject site



Manufactured house east of Subject site



Manufactured house east of Subject site



Vacant land east of Subject site



Commercial use south of Subject site



Commercial use south of Subject site



Commercial use south of Subject site



Commercial uses south of Subject site



Commercial use west of Subject site



Gas station west of Subject site



Commercial use west of Subject site



Commercial use west of Subject site



Commercial use west of Subject site

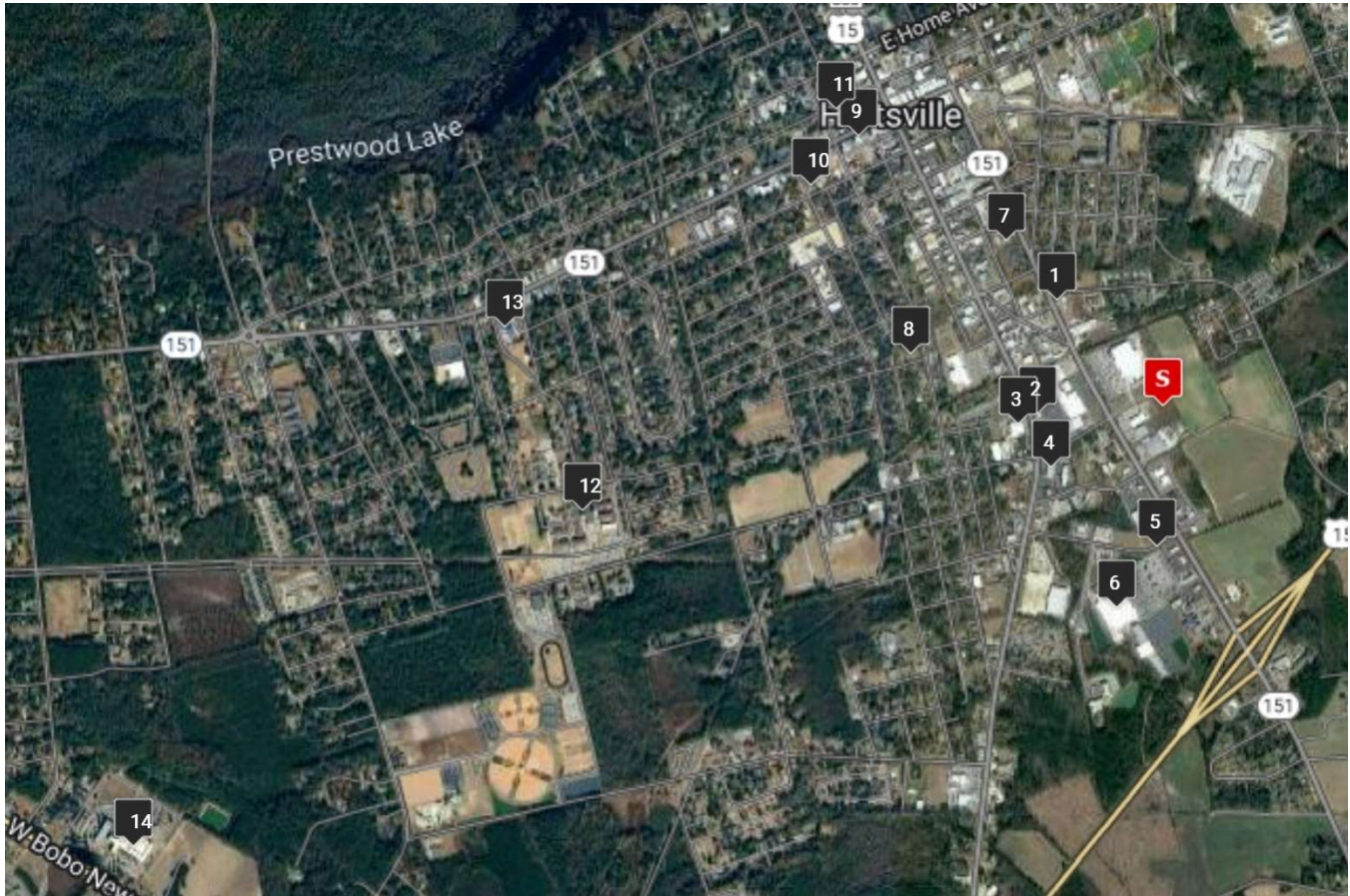


Commercial uses west of Subject site

Proximity to Local Services:

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

Locational Amenities Map



Source: Google Earth, May 2024

LOCATIONAL AMENITIES

#	Service or Amenity	Distance to Subject	#	Service or Amenity	Distance to Subject
1	Sunoco Gas Station	0.3 miles	8	Pride Park	0.6 miles
2	South State Bank	0.3 miles	9	Hartsville Police Department	0.9 miles
3	Piggly Wiggly	0.3 miles	10	Hartsville Fire Department	1.0 miles
4	Walgreens Pharmacy	0.3 miles	11	Hartsville Memorial Library	1.0 miles
5	Bus Stop	0.3 miles	12	Hartsville High School	1.4 miles
6	Walmart	0.5 miles	13	Carolina Elementary School	1.5 miles
7	United States Postal Services	0.5 miles	14	Carolina Pines Regional Medical Center	2.6 miles

Availability of Public Transportation:

Hartsville does not provide public bus transportation; however, Pee Dee Regional Transportation Authority (PDRTA) offers scheduled local fixed route service in Darlington County. Hartsville free transit offers rides from 8:00am a.m. to 1:00pm and 2:00pm to 7:00pm. weekdays and from 10:00am a.m. to 2:00pm p.m. on Saturdays. No service is available on Sundays. Only one route is provided service to designated stops in Hartsville including Walmart, Caroline Pines Hospital, CVS, Coker College, Pee Dee

mental health and Big Lots. Basic one-way fares cost \$1.50. Monthly passes are available for \$50.00. The closest bus stop to the Subject is located 0.3 miles south of the Subject at Walmart on South Fourth Street.

Road/Infrastructure Proposed Improvements:

We witnessed no current road improvements within the Subject's immediate neighborhood.

Crime Rates:

The following table illustrates crime statistics in the Subject's PMA compared to the MSA.

2023 CRIME INDICES

	PMA	MSA
Total Crime*	85	111
Personal Crime*	122	131
Murder	199	218
Rape	68	81
Robbery	67	88
Assault	147	150
Property Crime*	79	108
Burglary	123	145
Larceny	70	101
Motor Vehicle Theft	69	101

Source: Esri Demographics 2023, Novogradac, May 2024

*Unweighted aggregations

Total crime indices in the PMA are slightly below the national average and below the MSA. The proposed Subject will offer perimeter fencing. Five of the 10 comparables reported offering some sort of security feature; as such, the Subject will be similar to slightly superior to the comparables in terms of security features.

Access and Traffic Flow:

The Subject site is accessible from East Washington Street which is a lightly traveled two-lane road that traverses east/west. To the west, Washington Street provides access to U.S. Route 15, approximately 19 miles west from the Subject. State Route 20 provides access to Interstate 20, approximately 48.9 miles to the north. Interstate 20 traverses northeast/southwest throughout South Carolina, and provides access to Columbia, South Carolina, approximately 70 miles to the west. Interstate 20 provides further access to Atlanta, Georgia approximately 291 miles to the west. Overall, access is considered good and traffic flow near the Subject site is considered light.

Positive/Negative Attributes:

In terms of positive attributes, the Subject will have overall good access to area retail and community services in Hartsville, most of which are within 2.6 miles of the Subject site. North of the Subject site are railroad tracks, which could be considered a detrimental use. However, Oakview Townhomes is also located in close proximity to the railroad tracks and reported being fully occupied. Thus, we do not believe the railroad tracks will be considered a detrimental influence on the Subject site. Overall, the Subject is considered to be in an adequate location for an affordable multifamily development.

D. MARKET AREA

PRIMARY MARKET AREA

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

The Subject is a proposed 48-unit family development to be constructed in Hartsville, South Carolina. The PMA boundaries are generally defined as U.S. Route 1 to the north; U.S. Route 52 and U.S. Route 15, and U.S. Route 401 to the east; U.S. Route 401 and U.S. Interstate 20 to the south; and the Darlington-Lee County line and the Chesterfield-Kershaw County line to the west. Based on interviews with local property managers, most of the tenants will originate from the Hartsville area, while some may come from other communities in surrounding counties. Therefore, we anticipate that the majority of the Subject’s tenants will come from within the boundaries of the PMA. The PMA is approximately 463 square miles in total size. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 22 miles
 East: 11 miles
 South: 12 miles
 West: 15 miles

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

CENSUS TRACTS IN PMA			
450259506.01	450310102.00	450310107.00	450310112.02
450259506.02	450310103.00	450310108.00	450310115.00
450259507.01	450310104.00	450310109.01	450310116.00
450259508.00	450310105.00	450310109.02	450619201.00
450310101.00	450310106.00	450310112.01	450310112.02

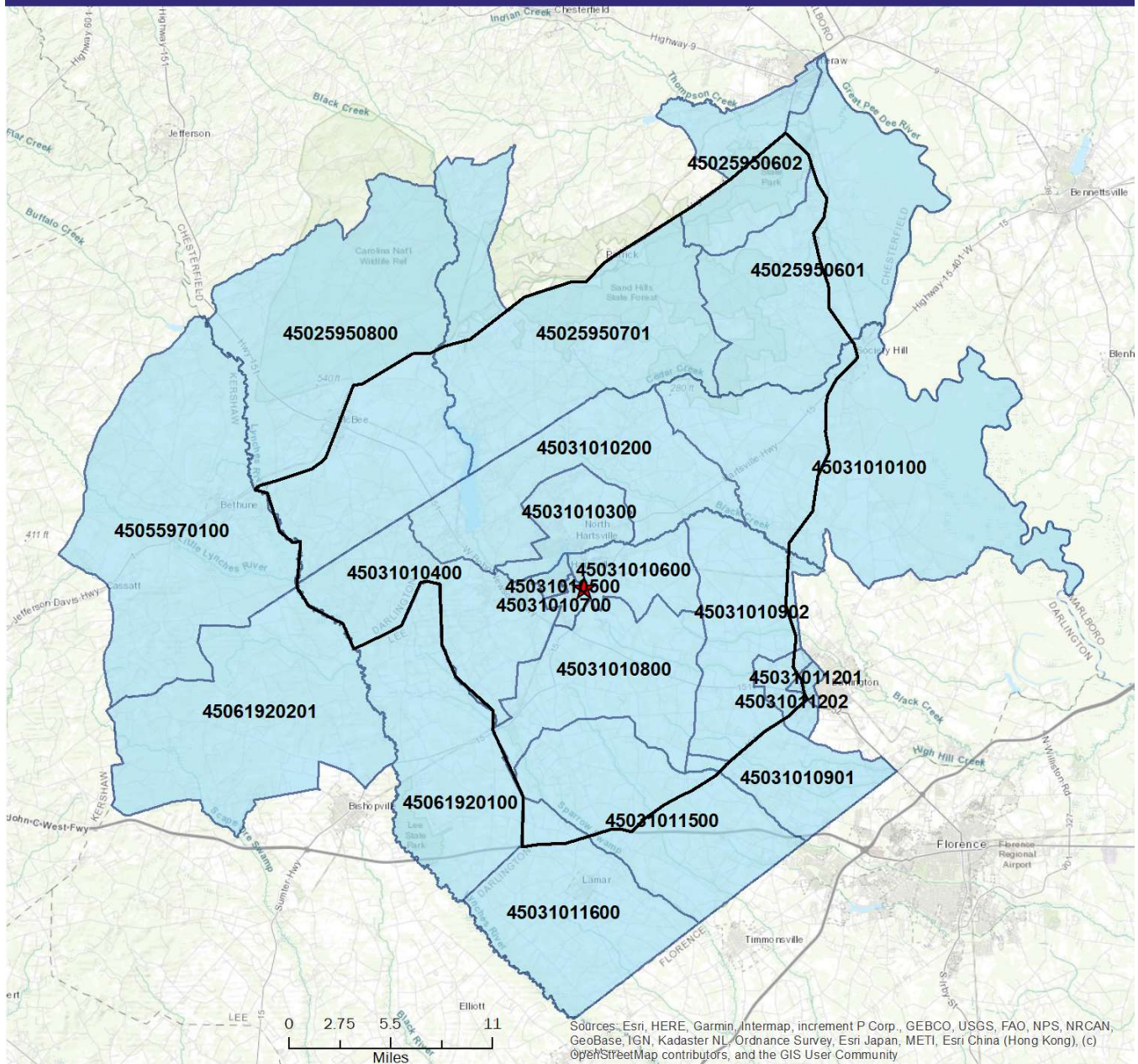
The Primary Market Area has been identified based upon conversations with management at local LIHTC and market rate properties, as well as other market participants, in addition to demographic characteristics of census tracts within the area. Although we believe that neighborhood characteristics and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

The secondary market area (SMA) for the Subject is the Florence, SC Metropolitan Statistical Area (MSA), which consists of Darlington and Florence Counties. The MSA is approximately 1,439 square miles in total size.

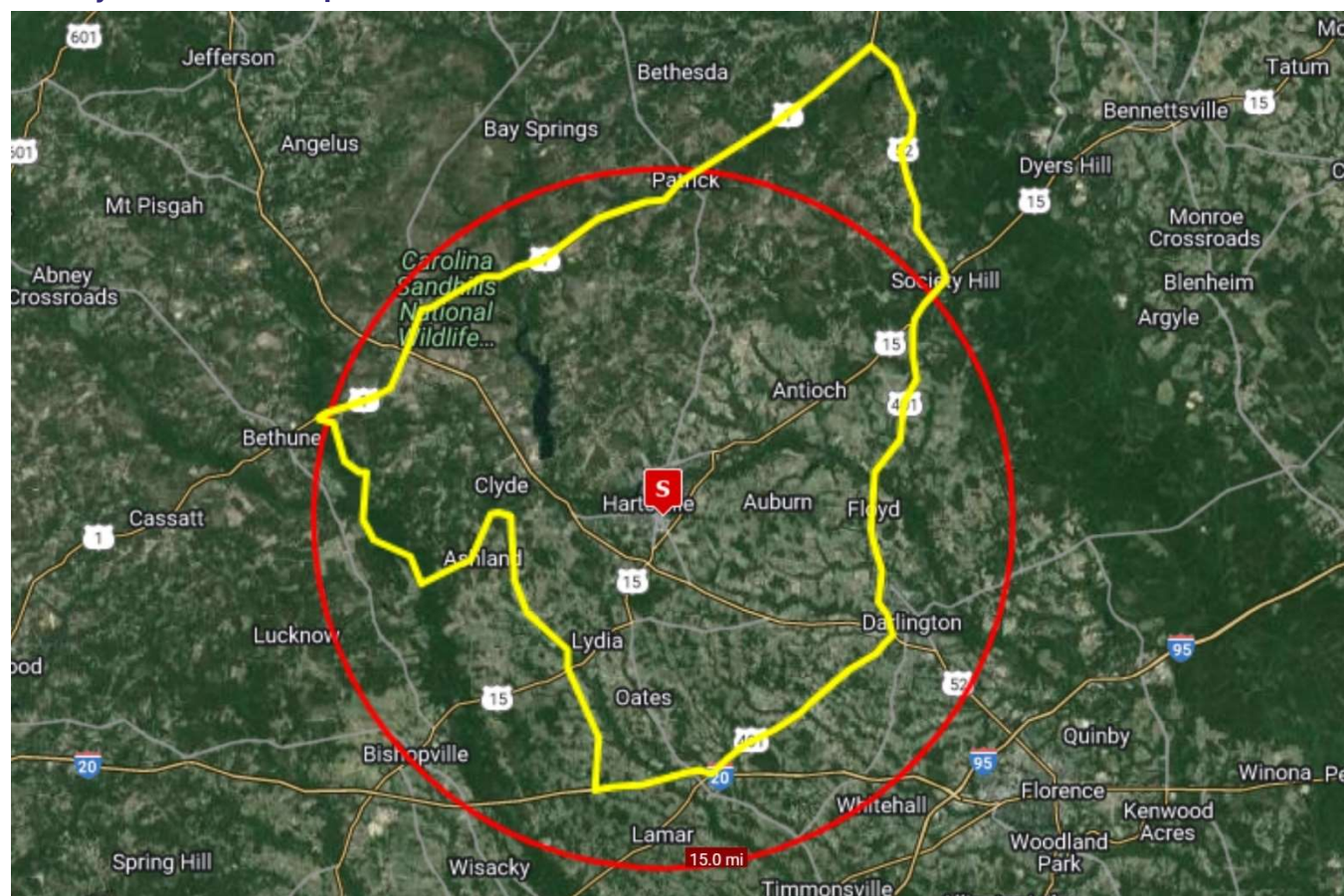
Per SCSHFDA guidelines, we have not accounted for leakage and have assumed 100 percent of demand will come from within the PMA boundaries.

The following maps outline the PMA and MSA, and identify the census tracts included within the PMA boundaries.

PMA Tracts

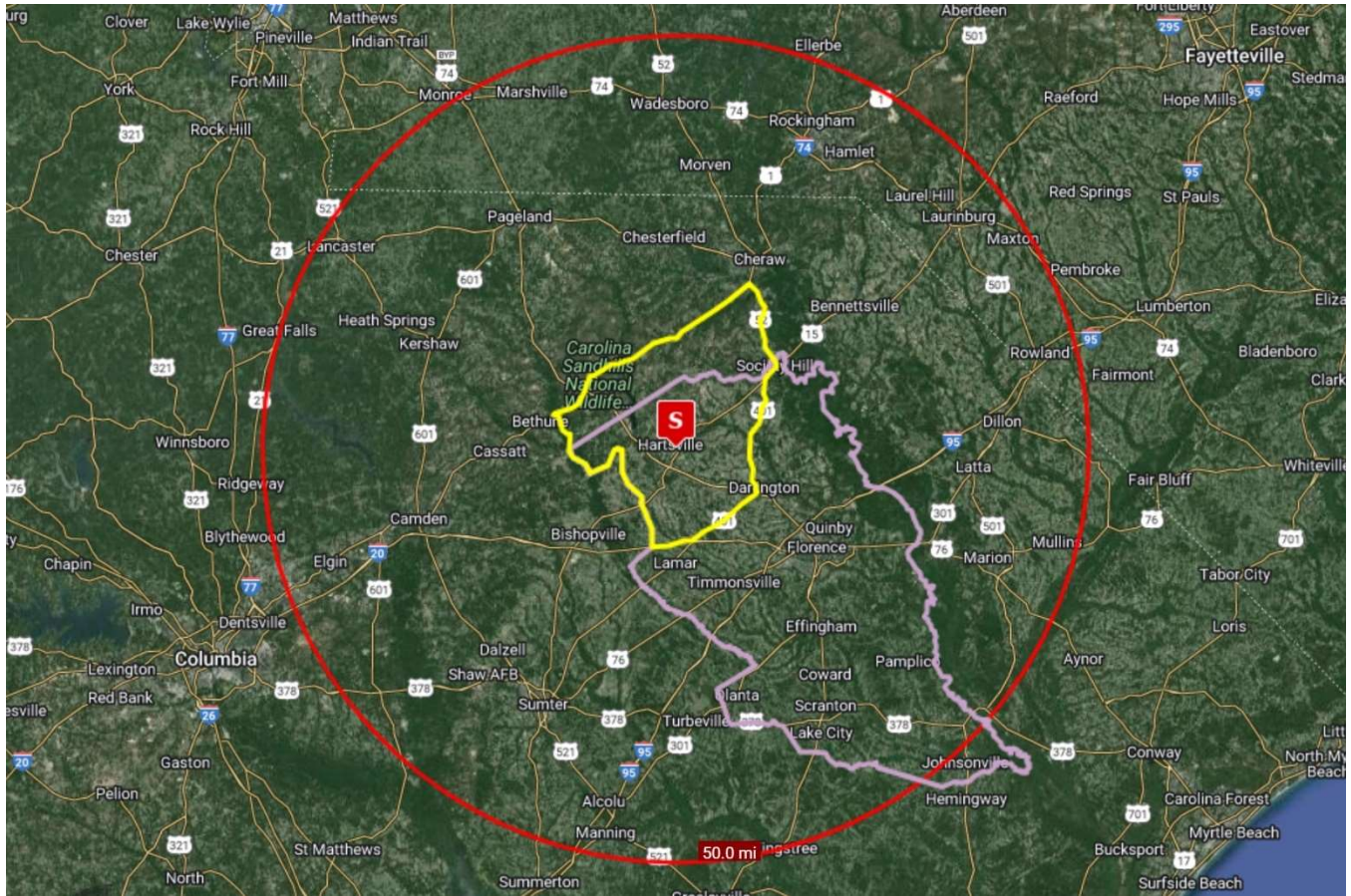


Primary Market Area Map



Source: Google Earth, May 2024

Secondary Market Area Map



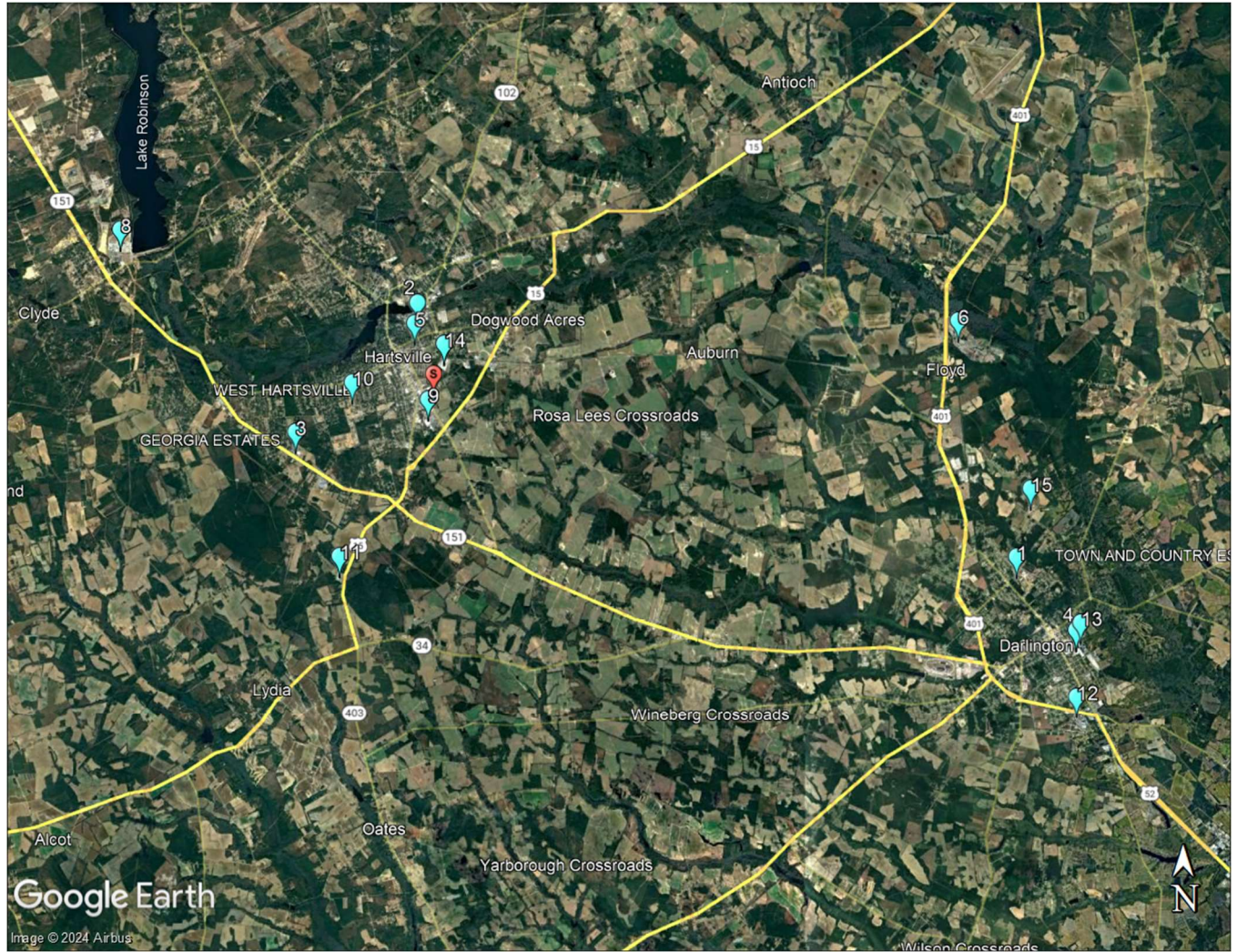
Source: Google Earth, May 2024

E. MARKET AREA ECONOMY

REGIONAL AND LOCAL ECONOMIC OVERVIEW

Map of Employment Centers

The following map illustrates the Subject's location compared to major employment centers in the surrounding areas. It should be noted that some major employers are based at various locations or stores and are not shown on this map.



Source: Google Earth, May 2024

**MAJOR EMPLOYERS
DARLINGTON COUNTY**

Map #	Employer Name	Industry	# Of Employees
1	Darlington County School District	Education	3,400
2	Sonoco Products	Manufacturing	1,781
3	Carolina Pines Regional Medical Center	Healthcare	700
4	Dixie/Georgia Pacific	Manufacturing	535
5	Coker College	Education	523
6	Nucor	Manufacturing	510
7	Galey & Lord	Textile	499
8	Robinson Nuclear plant	Energy	430
9	Walmart Supercenter	Wholesale/Retail	380
10	Disabilities and Special Needs	Social Services	250
11	RBC	Manufacturing	209
12	New South Lumber Company	Lumber	180
13	Darlington Veneer	Lumber	160
14	Stingray Boats	Manufacturing	148
15	CR Jackson	Construction	70
Totals			9,775

Source: Darlington County Economic Development Partnership, Retrieved May 2024

Employment by Industry

The following table illustrates employment by industry for the PMA and nation as of 2023.

2023 - EMPLOYMENT BY INDUSTRY

Industry	<u>PMA</u>		<u>USA</u>	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Manufacturing	3,280	21.0%	16,269,811	10.0%
Healthcare/Social Assistance	2,129	13.6%	22,115,876	13.6%
Retail Trade	2,042	13.1%	16,983,329	10.4%
Educational Services	1,560	10.0%	14,946,247	9.2%
Accommodation/Food Services	836	5.4%	10,883,169	6.7%
Construction	750	4.8%	11,436,301	7.0%
Admin/Support/Waste Mgmt Svcs	725	4.6%	7,195,078	4.4%
Transportation/Warehousing	668	4.3%	9,030,239	5.5%
Public Administration	585	3.7%	7,857,180	4.8%
Prof/Scientific/Tech Services	555	3.6%	13,955,403	8.6%
Utilities	550	3.5%	1,335,595	0.8%
Other Services	476	3.0%	7,645,568	4.7%
Finance/Insurance	466	3.0%	8,135,144	5.0%
Agric/Forestry/Fishing/Hunting	332	2.1%	1,800,335	1.1%
Arts/Entertainment/Recreation	263	1.7%	3,578,110	2.2%
Wholesale Trade	230	1.5%	3,029,965	1.9%
Real Estate/Rental/Leasing	84	0.5%	2,901,274	1.8%
Information	56	0.4%	3,143,826	1.9%
Mgmt of Companies/Enterprises	33	0.2%	216,588	0.1%
Mining	0	0.0%	572,355	0.4%
Total Employment	15,620	100.0%	163,031,393	100.0%

Source: Esri Demographics 2023, Novogradac, May 2024

Employment in the PMA is concentrated in manufacturing, healthcare/social assistance, and retail trade industries, which collectively comprise 47.7 percent of local employment. The large share of PMA employment in the manufacturing and retail trade is notable as both industries are historically volatile, and prone to contraction during economic downturns. However, the PMA also has a significant share of employment in the healthcare/social assistance industry, which typically exhibits greater stability during economic recessions. Relative to the nation, the PMA features comparatively greater employment in the manufacturing, utilities, and

retail trade industries. Conversely, the PMA is underrepresented in the professional/scientific/technological services, construction, and finance/insurance sectors.

The following table illustrates the change in total employment by sector in the PMA from 2010 to 2023.

2010-2023 CHANGE IN EMPLOYMENT - PMA

Industry	2010		2023		2010-2023	
	Number Employed	Percent Employed	Number Employed	Percent Employed	Growth	Annualized Percent
Manufacturing	2,976	19.1%	3,280	21.0%	304	0.8%
Healthcare/Social Assistance	2,091	13.4%	2,129	13.6%	38	0.1%
Retail Trade	1,768	11.4%	2,042	13.1%	274	1.2%
Educational Services	1,441	9.3%	1,560	10.0%	119	0.6%
Accommodation/Food Services	766	4.9%	836	5.4%	70	0.7%
Construction	1,006	6.5%	750	4.8%	-256	-2.0%
Admin/Support/Waste Mgmt Svcs	614	3.9%	725	4.6%	111	1.4%
Transportation/Warehousing	496	3.2%	668	4.3%	172	2.7%
Public Administration	673	4.3%	585	3.7%	-88	-1.0%
Prof/Scientific/Tech Services	417	2.7%	555	3.6%	138	2.5%
Utilities	296	1.9%	550	3.5%	254	6.6%
Other Services	703	4.5%	476	3.0%	-227	-2.5%
Finance/Insurance	1,020	6.6%	466	3.0%	-554	-4.2%
Agric/Forestry/Fishing/Hunting	294	1.9%	332	2.1%	38	1.0%
Arts/Entertainment/Recreation	174	1.1%	263	1.7%	89	3.9%
Wholesale Trade	459	3.0%	230	1.5%	-229	-3.8%
Real Estate/Rental/Leasing	179	1.2%	84	0.5%	-95	-4.1%
Information	151	1.0%	56	0.4%	-95	-4.8%
Mgmt of Companies/Enterprises	22	0.1%	33	0.2%	11	3.8%
Mining	2	0.0%	0	0.0%	-2	-7.7%
Total Employment	15,548	100.0%	15,620	100.0%	72	0.0%

Source: Esri Demographics 2023, Novogradac, May 2024

Total employment in the PMA increased at an annualized rate of 0.0 percent between 2010 and 2023. The industries that nominally expanded most substantially during this period include manufacturing, retail trade, and utilities. Conversely during this same period, the finance/insurance, construction, and wholesale trade sectors experienced the least nominal growth.

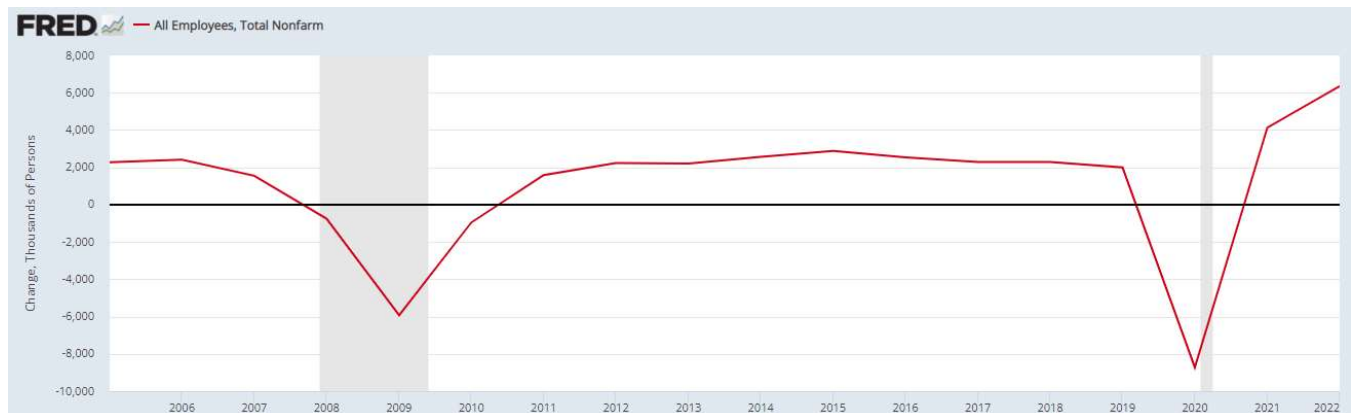
Manufacturing

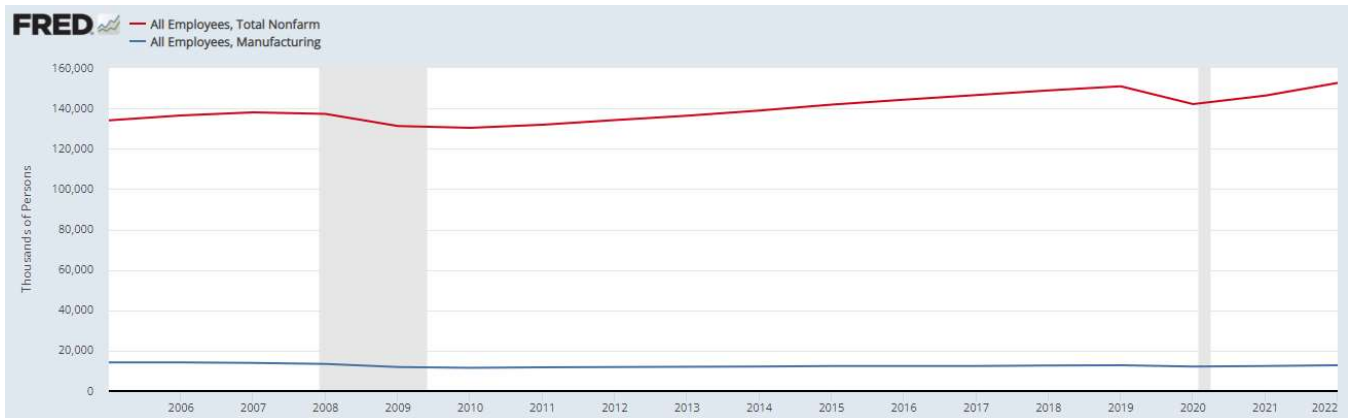
In the years preceding the COVID-19 pandemic, manufacturing in the U.S. grew at a faster rate than the overall economy, a rarity with respect to recent declines in national manufacturing. Over the past fifty years employment within the U.S. manufacturing sector has struggled with the onset of globalization and increased foreign manufacturing. Prior to the rapid expansion and refinement of technological capabilities in the late 1990s and the accelerated pace of globalization that accompanied it, foreign countries enjoyed a comparative advantage in manufacturing by leveraging their low labor costs. However, as global markets have become more integrated over time, the foreign labor cost advantage has minimized significantly. Furthermore, the U.S. enjoys relatively low costs of capital, raw materials, and transportation.

Manufacturing employment peaked in 1979 with approximately 20,000,000 persons employed in the sector. This compares to approximately 13,000,000 in 2022. This decrease stretches over fifty years and is the product of globalization. Competition from more inexpensive labor and infrastructure gains in many foreign countries yielded greater competition for those employed in manufacturing. This disadvantage was somewhat pronounced in the period from 1980 to 2000. Foreign countries enjoyed a comparative advantage in manufacturing by leveraging their low labor costs. The pace of job losses accelerated in the early 2000s and then again during the recession of 2010. However, as global markets became more integrated over time, the foreign labor cost advantage has minimized significantly. Furthermore, the U.S. enjoys relatively low costs of capital, raw materials, and transportation. Interestingly, after the 2010 recession manufacturing employment began a period of moderate growth until the COVID-19 pandemic recession.

Employment is the focus of our analysis as it is a key input into housing demand. Growth in economic output and employment levels have not been equivalent as technological and productivity gains allowed manufacturers to increase per employee output. According to a November 18, 2016, article published by the *MIT Technology Review*, automation in the manufacturing sector has curtailed employment growth, leading to a disconnect between economic output and employment growth. Although recent employment growth in the U.S. manufacturing sector bodes well for the MSA, the manufacturing sector is still not quite as strong as in the past. With manufacturing accounting for 10.8 percent of the U.S. economy in 2020 and as a major source of employment for the MSA, manufacturing employment should continue to be monitored closely.

The following graphs details total employment trends in both manufacturing and all industries (non-farm) in the nation since 2005.





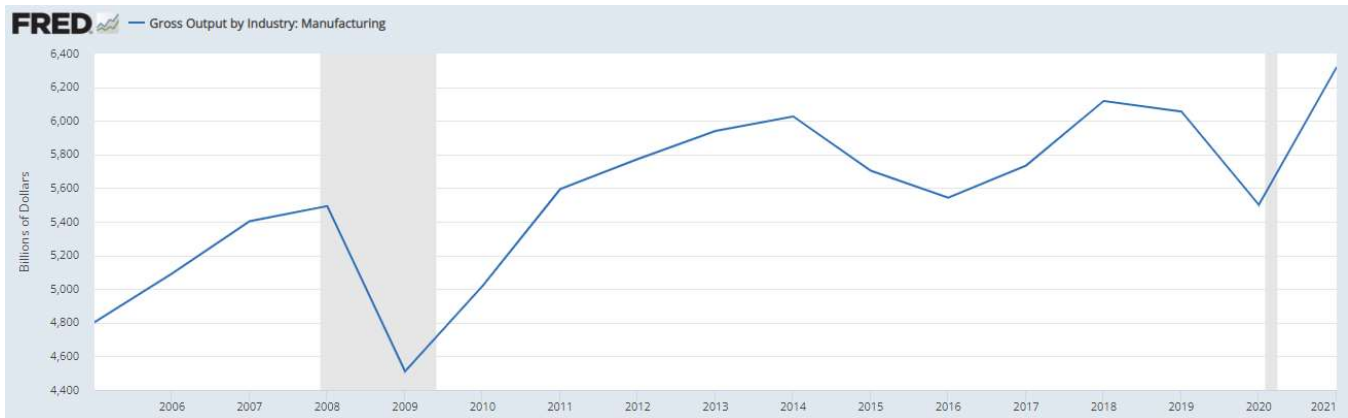
Source: Federal Reserve Bank of St. Louis, 3/2023.
Note: Shaded area indicates U.S. recessions.

Total employment in the manufacturing sector, as well as the overall non-farm industry sector, declined from 2007 to 2009. Due to the previous national recession, all non-farm industries in the nation, including manufacturing, experienced significant loss. From the end of the recession and before the onset of the COVID-19 pandemic, total employment in non-farm industries steadily increased, though the manufacturing sector experienced a slower recovery than other non-farm industries. At the onset of the COVID-19 pandemic, employment in all industries, except farming, declined sharply. Employment sharply increased after the initial decline and is continuing to increase. Employment for all industries except farming has increased above 2012-2019 levels, but employment increases in manufacturing has increased at a slower rate and is marginally above 2019 levels.

The following graphs illustrate U.S. manufacturing gross output compared to that across all industries since 2005.



Source: Federal Reserve Bank of St. Louis, 3/2023.
Note: Shaded area indicates U.S. recessions.



Source: Federal Reserve Bank of St. Louis, 3/2023.
Note: Shaded area indicates U.S. recessions.

As illustrated by the previous graphs, manufacturing constitutes approximately 15 percent of the gross output of all private industries as of 2020. Manufacturing output surpassed pre-recessionary output levels in 2011, three years following the national recession. However, manufacturing output decreased for both 2015 and 2016, increased in 2017 and 2018, but then decreased in 2019 immediately preceding the pandemic. All industries and manufacturing output have reached a new peak in 2021 and 2022 during the pandemic recovery. A 2023 Deloitte manufacturing outlook report indicates “US manufacturing has demonstrated continued strength in 2022, building on the momentum it gained emerging from the pandemic, and surpassing expectations from the prior two years. Policy initiatives such as the Creating Helpful Incentives to Produce Semiconductors for America Act (CHIPS Act) and Inflation Reduction Act (IRA) have the potential to help sustain recovery in the manufacturing industry.” This report anticipates a 2.5 percent growth in GDP in the manufacturing industry.

While the rebound in manufacturing output following the short recession resulting from the onset of the COVID-19 pandemic is noteworthy, this has not necessarily turned into significant job creation for the national economy. Job creation in the manufacturing sector continues to lag the overall economy. A 2021 article from Deloitte highlights some of the long-term challenges the manufacturing sector is facing. These challenges include a shortage of skilled employees, supply chain instability, and cybersecurity threats. Overall, we believe it is reasonable to assume that the Hartsville area, similar to the rest of the nation, will continue to be negatively impacted by automation and other challenges in the manufacturing sector, leading to a continued decline in manufacturing employment.

Major Employers

The table below shows the largest employers in Darlington County, South Carolina.

MAJOR EMPLOYERS

DARLINGTON COUNTY

Employer Name	Industry	# Of Employees
Darlington County School District	Education	3,400
Sonoco Products	Manufacturing	1,781
Carolina Pines Regional Medical Center	Healthcare	700
Dixie/Georgia Pacific	Manufacturing	535
Coker College	Education	523
Nucor	Manufacturing	510
Galey & Lord	Textile	499
Robinson Nuclear Plant	Energy	430
Walmart Supercenter	Wholesale/Retail	380
Disabilities and Special Needs	Social Services	250
RBC	Manufacturing	209
New South Lumber Company	Lumber	180
Darlington Veneer	Lumber	160
Stingray Boats	Manufacturing	148
CR Jackson	Construction	70
Totals		9,775

Source: Darlington County Economic Development Partnership, Retrived May 2024

The largest employer in Hartsville is Darlington County School District, employing 3,400. The largest employers in Darlington County are concentrated in the educational services and manufacturing. We believe that the diverse industries represented by major employers provide stability to the local economy.

Expansions/Contractions

We attempted to reach the Darlington County Economic Development Partnership regarding business expansions and relocations. However, as of the date of this report, our calls have gone unanswered. We have conducted our own research into business expansions and contractions in Darlington County which are detailed following:

- In early 2024, The Marlboro Development Team acquired the 163 acre I-20 Industrial Park. This investment is expected to have a positive impact on the Darlington County economy.
- In early 2023, Fiber Industries, a leading American textiles manufacturer, announced plans to expand operations in Darlington County. The company's more than \$30 million investment is expected to create over 50 new jobs.

WARN Notices

We reviewed the Worker Adjustment and Retraining Notification Act (WARN) notices published by the South Carolina Department of Employment and Workforce for January 2021 to year-to-date 2024. It should be noted that no WARN notices have been filed in Darlington County from January 2021 to May 2024.

Employment and Unemployment Trends

The following table details employment and unemployment trends for the MSA from 2007 to February 2024.

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	MSA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2007	88,366	-	6.7%	-	146,046,667	-	4.6%	-
2008	87,240	-1.3%	8.0%	1.3%	145,362,500	-0.5%	5.8%	1.2%
2009	83,962	-3.8%	11.9%	3.9%	139,877,500	-3.8%	9.3%	3.5%
2010	84,044	0.1%	12.1%	0.2%	139,063,917	-0.6%	9.6%	0.3%
2011	84,214	0.2%	11.6%	-0.5%	139,869,250	0.6%	9.0%	-0.7%
2012	86,062	2.2%	9.9%	-1.7%	142,469,083	1.9%	8.1%	-0.9%
2013	87,285	1.4%	8.4%	-1.5%	143,929,333	1.0%	7.4%	-0.7%
2014	87,700	0.5%	7.2%	-1.1%	146,305,333	1.7%	6.2%	-1.2%
2015	89,083	1.6%	6.7%	-0.5%	148,833,417	1.7%	5.3%	-0.9%
2016	89,811	0.8%	5.5%	-1.3%	151,435,833	1.7%	4.9%	-0.4%
2017	88,947	-1.0%	4.7%	-0.8%	153,337,417	1.3%	4.3%	-0.5%
2018	90,875	2.2%	3.7%	-1.0%	155,761,000	1.6%	3.9%	-0.4%
2019	92,885	2.2%	3.0%	-0.7%	157,538,083	1.1%	3.7%	-0.2%
2020	90,148	-2.9%	5.7%	2.7%	147,794,750	-6.2%	8.1%	4.4%
2021	91,670	1.7%	4.1%	-1.5%	152,580,667	3.2%	5.4%	-2.7%
2022	93,192	1.7%	3.3%	-0.8%	158,291,083	3.7%	3.6%	-1.7%
2023	95,074	2.0%	3.1%	-0.2%	161,036,583	1.7%	3.6%	-0.0%
2024 YTD Average*	95,400	0.3%	3.6%	0.5%	159,982,500	-0.7%	4.2%	0.5%
Feb-2023	93,995	-	3.5%	-	159,713,000	-	3.9%	-
Feb-2024	95,467	1.6%	3.7%	0.2%	160,315,000	0.4%	4.2%	0.3%

Source: U.S. Bureau of Labor Statistics, April 2024

*2024 YTD Average is through February

The effects of the previous national recession were exaggerated in the MSA, which experienced a 5.1 percent contraction in employment, compared to a 4.9 percent decline across the nation. Employment in the MSA recovered and surpassed pre-recessionary levels in 2015, a year after the overall nation. Between 2012 and 2019, job growth in the MSA was higher than the nation in all but three years. Employment in the MSA declined by 2.9 percent in 2020 amid the pandemic, compared to 6.2 percent across the nation. The MSA subsequently recovered all pandemic-related job losses, and employment levels are currently at a post-recessionary record. As of February 2024, employment in the MSA is increasing at an annualized rate of 1.6 percent, compared to 0.4 percent growth across the nation.

Between 2012 and 2019, the MSA generally experienced a higher unemployment rate relative to the nation. The MSA unemployment rate increased modestly by 2.7 percentage points in 2020 amid the pandemic, reaching a high of 5.7 percent. For comparison, the national unemployment rate rose by 4.4 percentage points and reached a high of 8.1 percent over the same time period. According to the latest labor statistics, dated February 2024, the current MSA unemployment rate is 3.7 percent. This is below the current national unemployment rate of 4.2 percent.

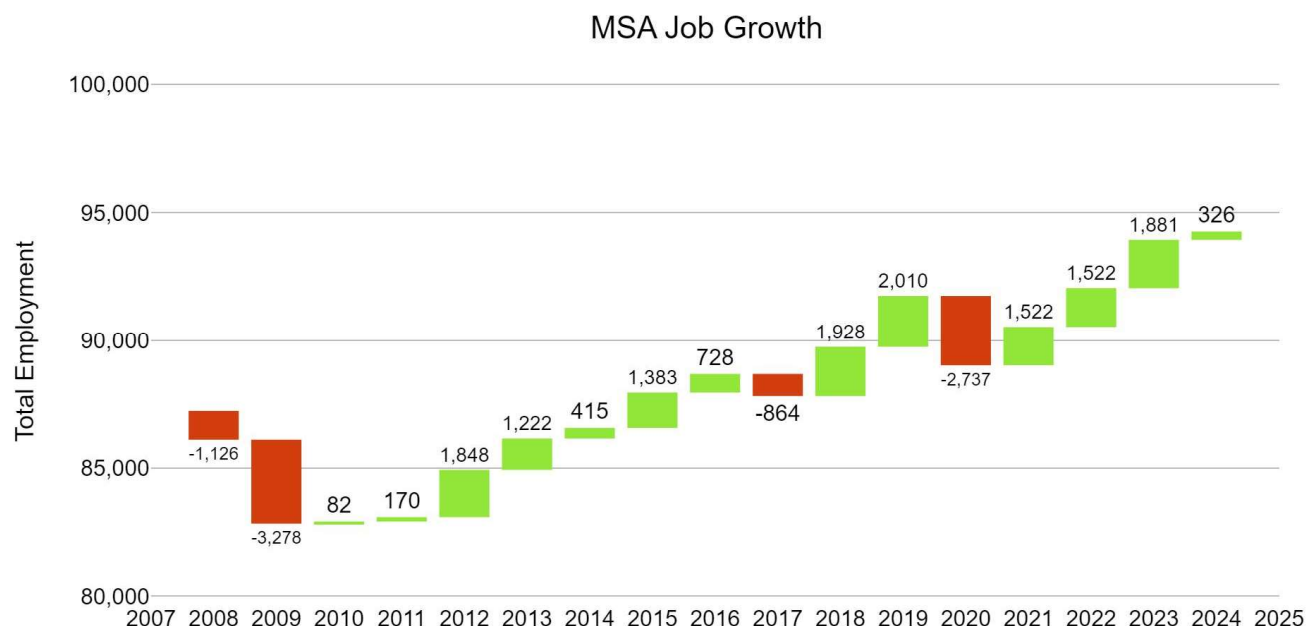
It should be noted that increasing inflation and rising interest rates have created an uncertain economic climate. In March 2024, the Federal Reserve announced interest rates will be held between 5.25 and 5.50 percent for the fourth consecutive meeting. The last interest rate hike was in July 2023, which marked the 11th increase since March 2022 and the highest target policy rate in 22 years. The committee stated it intends to maintain interest rates at the current level until there is more certainty that inflation is trending down towards its 2.0 percent goal. According to the 12-month percentage of change in the consumer price index, the inflation rate increased 3.2 percent between February 2023 and February 2024, which is similar to the 3.1 percent increase between January 2023 and January 2024. According to an article published by CNBC in March 2024, the Federal Reserve's policymakers expect to cut the benchmark rate to 4.6 percent by the end of 2024. The Federal Reserve Chair Jerome Powell stated in March 2024 that inflation is not far from where it needs to be. Moreover, the National Association for Business Economics released its economic forecast in February 2024, and expects the national economy to expand by 2.2 percent in 2024. This figure is up from the previous 2024 expansion forecast of 1.3 percent released in November 2023. According to an article

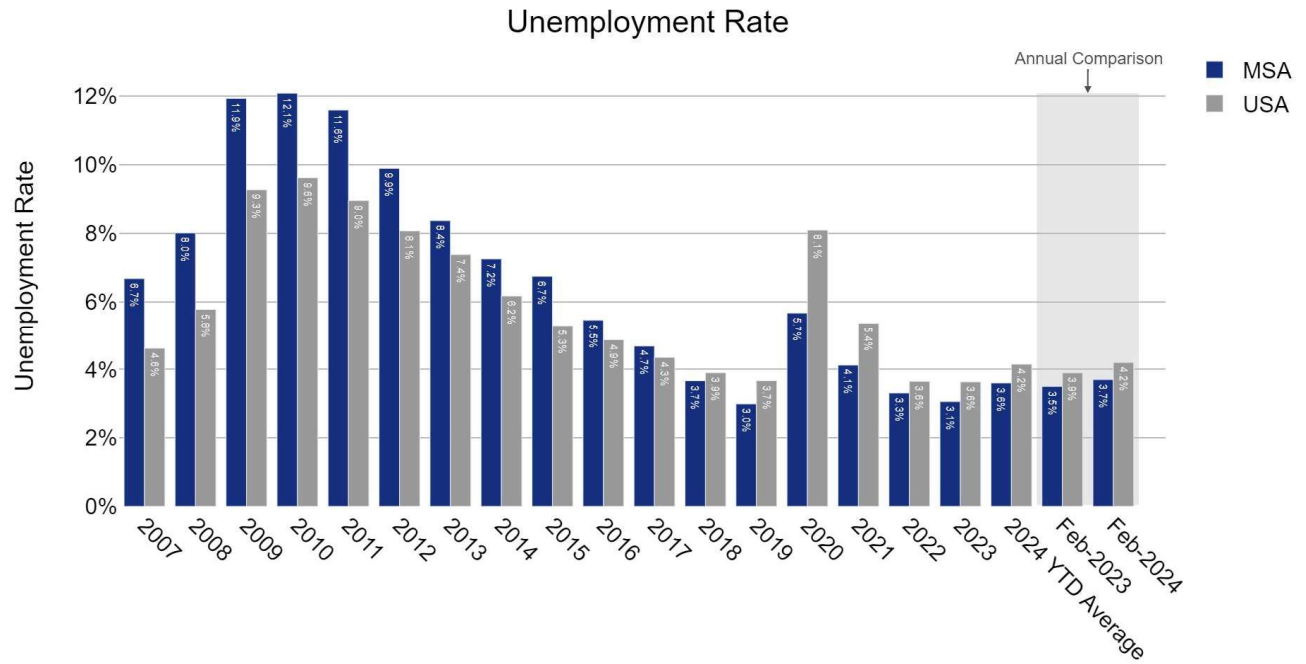
published by CNN in March 2024, the Federal Reserve’s policymakers do not foresee a recession in 2024, 2025 or 2026, and economic growth is expected to be stronger than previously thought.

In March 2023, Silicon Valley Bank was shut down by regulators, and represents the second largest U.S. bank failure since 2008. In May 2023, regulators took possession of First Republic Bank and was auctioned to JPMorgan Chase. The First Republic Bank failure represents the largest U.S. bank failure since 2008. In an article published by CNN on May 1, 2023, JPMorgan Chase CEO Jamie Dimon stated the recent bank failures are unlikely to worsen the U.S. economic outlook. According to a survey published by the World Economic Forum on May 2, 2023, approximately 70 percent of chief economists surveyed characterized the recent banking crises as isolated events rather than signs of systemic weaknesses.

Fitch Ratings, one of only three private credit rating agencies, downgraded its U.S. credit rating from AAA to AA+ on August 1, 2023. According to Fitch Ratings, “the rating downgrade of the United States reflects the expected fiscal deterioration over the next three years, a high and growing government debt burden, and the erosion of governance...over the last two decades that has manifested in repeated debt limit standoffs and last-minute resolutions.” Treasury Secretary Janet Yellen disagreed with the decision and stated the downgrade is based on outdated data. According to Shai Akabas, Director of Economic Policy at the Bipartisan Policy Center, a credit rating downgrade is one in a sequence of developments that could lead investors to believe the U.S. is less likely to pay off its debt, and investors would then demand higher interest rates for loans. In turn, the federal government could lose some ability to spend on social welfare programs to stimulate the economy, which could slow economic growth in the long term. However, Mark Zandi, a Chief Economist at Moody’s Analytics, stated the downgrade will likely not affect the decisions of global investors, and U.S. treasury bonds remain the safest asset on the planet. U.S. debt was last downgraded by another major credit agency, S&P, in 2011. Moody Analytics, the third major credit agency, has maintained its AAA rating of U.S. credit since 1917.

The following charts provide further illustration of the changes in employment and unemployment rate trends in the MSA.





Housing and Economy

There are six strictly LIHTC and five subsidized properties in the Subject's PMA. However, given the low vacancy rates at the majority of the LIHTC comparables and presence of waiting lists among three of the LIHTC comparables, the availability of housing for low to very low income renters is considered limited.

As noted prior, as of February 2024, the unemployment rate in the MSA is 3.7 percent, which is lower than the current national unemployment rate of 4.2 percent.

According to Zillow, the median home value in Piedmont is \$153,518, up 2.2 percent from one year ago (May 2023). This indicates that, like many markets across the country, the supply of homes is constrained, and many families will begin to or continue to rent. As such, the demand for rental units is anticipated to continue, particularly for low income units such as the Subject's.

Commuting Patterns

The chart below shows the travel time to work for the PMA according to ESRI Demographics.

COMMUTING PATTERNS		
ACS Commuting Time to Work	Number of Commuters	Percentage
Travel Time < 5 min	611	3.9%
Travel Time 5-9 min	2,065	13.1%
Travel Time 10-14 min	3,020	19.1%
Travel Time 15-19 min	2,529	16.0%
Travel Time 20-24 min	2,049	13.0%
Travel Time 25-29 min	654	4.1%
Travel Time 30-34 min	1,615	10.2%
Travel Time 35-39 min	375	2.4%
Travel Time 40-44 min	583	3.7%
Travel Time 45-59 min	1,256	8.0%
Travel Time 60-89 min	550	3.5%
Travel Time 90+ min	466	3.0%
Weighted Average	25 minutes	

Source: Esri Demographics 2023, Novogradac, May 2024

As shown in the preceding table, the weighted average commute time in the PMA is approximately 25 minutes. More than 63 percent of PMA commuters travel under 24 minutes, indicating many households work in the local area. The average commute time across the overall nation is approximately 28 minutes.

Conclusion

Employment in the PMA is concentrated in manufacturing, healthcare/social assistance, and retail trade, which collectively comprise 47.7 percent of local employment. The large share of PMA employment in manufacturing and retail trade is notable as these industries are historically volatile, and prone to contraction during economic recessions. However, the PMA also has a significant share of employment in the healthcare/social assistance industry, which typically exhibits greater stability during recessionary periods. Between 2012 and 2019, job growth in the MSA was higher than the nation in all but three years. Employment in the MSA declined by 2.9 percent in 2020 amid the pandemic, compared to 6.2 percent across the nation. The MSA subsequently recovered all pandemic-related job losses, and employment levels are currently at a post-recessionary record. As of February 2024, employment in the MSA is increasing at an annualized rate of 1.6 percent, compared to 0.4 percent growth across the nation.

F. COMMUNITY DEMOGRAPHIC DATA

COMMUNITY DEMOGRAPHIC DATA

The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied to determine if the Primary Market Area (PMA) and the SMA are areas of growth or contraction. The discussions will also describe typical household size and will provide a picture of the health of the community and the economy. The following demographic tables are specific to the populations of the PMA and the SMA. Construction on the Subject is anticipated to be completed in July 2026, which will be used as the estimated market entry time in this section of the report according to SCSHFDA guidelines.

Population Trends

The following tables illustrate Total Population, Population by Age Group, and within the population in the MSA, the PMA and nationally from 2010 through 2028.

Total Population

The following table illustrates the total population within the PMA, MSA and nation from 2010 through 2028, including the projected population at the time of market entry.

POPULATION						
Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	45,407	-	205,566	-	308,730,056	-
2023	41,141	-0.7%	199,665	-0.2%	337,460,311	0.7%
Projected Mkt Entry July 2026	40,692	-0.4%	198,770	-0.1%	340,561,839	0.3%
2028	40,393	-0.4%	198,174	-0.1%	342,629,524	0.3%

Source: Esri Demographics 2023, Novogradac, May 2024

The PMA experienced a decline in population between 2010 and 2023 and growth lagged behind the surrounding MSA, which also reported a declining population over the same time period. Both geographic areas experienced growth rates below the overall nation. According to ESRI demographic projections, annualized PMA growth is expected to decrease at rate 0.4 percent through 2028, which is below growth expectations for the MSA and well below the nation.

Total Population by Age Group

The following table illustrates the total population within the PMA and MSA and nation from 2010 to 2028.

POPULATION BY AGE GROUP

	PMA			
	2010	2023	Projected Mkt Entry July 2026	2028
0-4	2,771	2,143	2,065	2,096
5-9	3,001	2,402	2,212	2,288
10-14	3,142	2,483	2,465	2,472
15-19	3,484	2,595	2,622	2,611
20-24	2,709	2,267	2,106	2,170
25-29	2,337	2,488	1,952	2,166
30-34	2,641	2,578	2,353	2,443
35-39	3,019	2,448	2,583	2,529
40-44	3,043	2,548	2,443	2,485
45-49	3,386	2,609	2,566	2,583
50-54	3,355	2,624	2,593	2,605
55-59	3,320	2,753	2,642	2,686
60-64	2,985	2,901	2,631	2,739
65-69	2,260	2,857	2,700	2,763
70-74	1,505	2,464	2,519	2,497
75-79	1,077	1,567	1,988	1,820
80-84	751	797	1,207	1,043
85+	623	618	747	695
Total	45,409	41,142	40,394	40,693

Source: Esri Demographics 2023, Novogradac, May 2024

POPULATION BY AGE GROUP

	SMA			
	2010	2023	Projected Mkt Entry July 2026	2028
0-4	13,585	11,234	10,980	11,082
5-9	13,924	12,345	11,594	11,894
10-14	14,050	12,616	12,700	12,666
15-19	14,522	12,432	12,626	12,548
20-24	13,593	11,235	10,906	11,038
25-29	12,068	12,471	10,527	11,305
30-34	12,586	13,427	11,980	12,559
35-39	13,176	12,456	13,401	13,023
40-44	13,414	12,589	12,372	12,459
45-49	14,794	11,859	12,563	12,281
50-54	14,782	12,244	11,755	11,951
55-59	14,430	12,875	12,155	12,443
60-64	12,832	13,386	12,214	12,683
65-69	9,457	13,066	12,435	12,687
70-74	6,828	10,923	11,404	11,212
75-79	4,970	7,070	9,012	8,235
80-84	3,388	4,073	5,492	4,924
85+	3,167	3,364	4,058	3,780
Total	205,566	199,665	198,174	198,770

Source: Esri Demographics 2023, Novogradac, May 2024

The largest age cohorts in the PMA are between 60 to 64 and 65 to 69, which indicates the presence of families.

HOUSEHOLD TRENDS

The following tables illustrate (a) Total Households and Average Household Size, (b) Household Tenure, (c) Households by Income, (d) Renter Households by Size, within the population in the MSA, the PMA and nationally from 2010 through 2028.

Total Number of Households and Average Household Size

The following tables illustrate the total number of households and average household size within the PMA, SMA and nation from 2010 through 2028, including the projected date of market entry.

HOUSEHOLDS

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	17,433	-	79,109	-	116,709,667	-
2023	16,716	-0.3%	80,613	0.1%	129,912,564	0.9%
Projected Mkt Entry July 2026	16,621	-0.2%	80,753	0.1%	131,820,727	0.5%
2028	16,557	-0.2%	80,847	0.1%	133,092,836	0.5%

Source: Esri Demographics 2023, Novogradac, May 2024

AVERAGE HOUSEHOLD SIZE

Year	PMA		MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2010	2.54	-	2.54	-	2.57	-
2023	2.40	-0.4%	2.42	-0.3%	2.53	-0.1%
Projected Mkt Entry July 2026	2.38	-0.2%	2.41	-0.2%	2.52	-0.2%
2028	2.37	-0.2%	2.40	-0.2%	2.51	-0.2%

Source: Esri Demographics 2023, Novogradac, May 2024

The PMA experienced a decline in the number of households between 2010 and 2023 and growth rates lagged behind the surrounding MSA, which reported positive growth over the same time period. Both geographic areas experienced growth rates below the overall nation. According to ESRI demographic projections, annualized PMA growth is expected to remain relatively stable at negative 0.2 percent through 2028, which is below growth expectations for the MSA and well below the nation. The average household size in the PMA is slightly smaller than the national average at 2.40 persons in 2023. Through market entry and over the next five years, the average household size is projected to decrease slightly.

Households by Tenure

The table below depicts household growth by tenure from 2010 through 2028, including the projected date of market entry.

TENURE PATTERNS - OVERALL POPULATION

Year	PMA				MSA			
	Owner-Occupied Units		Renter-Occupied Units		Owner-Occupied Units		Renter-Occupied Units	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
2010	12,936	74.2%	4,497	25.8%	54,481	68.9%	24,628	31.1%
2023	12,175	72.8%	4,541	27.2%	55,697	69.1%	24,916	30.9%
Projected Mkt Entry July 2026	12,204	73.4%	4,417	26.6%	56,436	69.9%	24,317	30.1%
2028	12,223	73.8%	4,334	26.2%	56,929	70.4%	23,918	29.6%

Source: Esri Demographics 2023, Novogradac, May 2024

The percentage of renter households in the PMA increased between 2010 and 2023, and is estimated to be 27.2 percent as of 2023. The current percentage of renter households in the PMA is below the estimated 35 percent of renter households across the overall nation. According to the ESRI demographic projections, the percentage of renter households in the PMA is expected to decline through 2028.

Household Income

The following table illustrates renter household income distribution in the PMA, MSA in 2023, market entry, and 2028.

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2023		Projected Mkt Entry July 2026		2028	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	822	18.1%	782	17.7%	755	17.4%
\$10,000-19,999	1,017	22.4%	956	21.6%	915	21.1%
\$20,000-29,999	734	16.2%	709	16.1%	693	16.0%
\$30,000-39,999	539	11.9%	519	11.7%	505	11.7%
\$40,000-49,999	399	8.8%	391	8.9%	386	8.9%
\$50,000-59,999	209	4.6%	202	4.6%	197	4.5%
\$60,000-74,999	301	6.6%	300	6.8%	300	6.9%
\$75,000-99,999	168	3.7%	169	3.8%	169	3.9%
\$100,000-124,999	139	3.1%	154	3.5%	164	3.8%
\$125,000-149,999	109	2.4%	119	2.7%	126	2.9%
\$150,000-199,999	48	1.1%	51	1.2%	53	1.2%
\$200,000+	56	1.2%	65	1.5%	71	1.6%
Total	4,541	100.0%	4,417	100.0%	4,334	100.0%

Source: HISTA Data / Ribbon Demographics 2023, Novogradac, May 2024

RENTER HOUSEHOLD INCOME DISTRIBUTION - SMA

Income Cohort	2023		Projected Mkt Entry July 2026		2028	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	3,798	15.2%	3,598	14.8%	3,464	14.5%
\$10,000-19,999	4,821	19.3%	4,524	18.6%	4,326	18.1%
\$20,000-29,999	4,427	17.8%	4,186	17.2%	4,025	16.8%
\$30,000-39,999	3,396	13.6%	3,278	13.5%	3,200	13.4%
\$40,000-49,999	2,320	9.3%	2,295	9.4%	2,279	9.5%
\$50,000-59,999	1,674	6.7%	1,657	6.8%	1,646	6.9%
\$60,000-74,999	1,602	6.4%	1,608	6.6%	1,612	6.7%
\$75,000-99,999	1,115	4.5%	1,193	4.9%	1,245	5.2%
\$100,000-124,999	607	2.4%	659	2.7%	694	2.9%
\$125,000-149,999	363	1.5%	391	1.6%	410	1.7%
\$150,000-199,999	452	1.8%	504	2.1%	538	2.2%
\$200,000+	341	1.4%	424	1.7%	479	2.0%
Total	24,916	100.0%	24,317	100.0%	23,918	100.0%

Source: HISTA Data / Ribbon Demographics 2023, Novogradac, May 2024

As proposed, the Subject will target households earning between \$9,943 and \$50,160. As illustrated, the income cohorts with the largest concentrations of renter households are concentrated in the \$10,000-19,999, \$0-9,999, and \$20,000-29,999 income cohorts. As of 2023, approximately 77 percent of renter households in the PMA earn less than \$50,000 annually. The large percentage of low-income renter households is a positive indicator of demand for the Subject's proposed low-income units.

Renter Households by Number of Persons in the Household

The following table illustrates household size for all households in 2023, market entry, and through 2028. To determine the number of renter households by number of persons per household, the total number of households is adjusted by the percentage of renter households.

PMA RENTER HOUSEHOLD SIZE DISTRIBUTION

		2010		2023		Projected Mkt Entry July 2026		2028	
Household Size		Total	Percent	Total	Percent	Total	Percent	Total	Percent
1 person		1,594	35.4%	1,698	37.4%	1,661	37.6%	1,637	37.8%
2 persons		1,256	27.9%	1,194	26.3%	1,142	25.9%	1,107	25.5%
3 persons		734	16.3%	723	15.9%	701	15.9%	686	15.8%
4 persons		515	11.5%	519	11.4%	509	11.5%	503	11.6%
5+ persons		398	8.9%	407	9.0%	403	9.1%	401	9.3%
Total		4,497	100.0%	4,541	100.0%	4,417	100.0%	4,334	100.0%

Source: Esri Demographics 2023, Novogradac, May 2024

The majority of renter households in the PMA are one to three-person households.

Rent Overburdened Households

The following table illustrates the percentage of all households paying greater than 35 percent of their income towards housing in the PMA, MSA, and nation.

RENT OVERBURDENED						
Year	PMA		MSA		USA	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
2023	1,523	45.8%	8,860	40.1%	16,448,785	40.3%

Source: US Census 2023, Novogradac, May 2024

The percentage of rent-overburdened households in the PMA is above the MSA and the nation. The large share of rent-burdened households in the Subject's PMA underscores the need for affordable units, such as those offered by the proposed Subject.

Conclusion

Population in the PMA declined at an annualized rate of 0.7 percent between 2010 and 2023, compared to a contraction of 0.2 percent in the MSA and positive growth of 0.7 percent across the nation. The percentage of renter households in the PMA rose between 2010 and 2023 and is estimated to be 27.2 percent as of 2023. This is less than the estimated 35 percent renter households across the overall nation. The median income in the PMA as of 2023 is similar to the MSA and overall nation. According to ESRI demographic projections, median income levels are expected to rise through 2028; however, population and household levels are anticipated to decline. We have considered local demographic trends in our determination of achievable rents.

G. PROJECT-SPECIFIC DEMAND ANALYSIS

PROJECT SPECIFIC DEMAND ANALYSIS

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

1. Income Restrictions

The maximum allowable gross LIHTC rents are based upon a percentage of the Area Median Gross Income ("AMI"), adjusted for household size and utilities. HUD estimates the relevant income levels, with annual updates, which are published on SCSHFDA's website. The rents are calculated assuming that the maximum net rent a household will pay is 30 percent of its household income at the appropriate AMI level.

Based upon HUD's methodology, household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. For example, the maximum rent for a four-person household in a two-bedroom unit is based on an assumed household size of three persons (1.5 per bedroom). For income determination purposes, the maximum income is assumed to be 1.5 persons per bedroom rounded up to the nearest whole number for family projects. For example, maximum income for a one-bedroom unit is based on an assumed household size of two persons (1.5 persons per bedroom, rounded up). For senior projects, the maximum household size is two persons.

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

The maximum income levels are determined by HUD and have been obtained from the Rent and Income Limits Guidelines Table as accessed from the SCSHFDA website.

2. Affordability

As discussed above, the maximum income is set by HUD, while the minimum income is based upon the minimum income needed to support affordability. Lower and moderate-income families typically spend greater than 30 percent of their income on housing. These expenditure amounts can be as high as 50 percent depending upon the market area. However, the 30 to 40 percent range is generally considered a reasonable range of affordability. SCSHFDA guidelines utilize 35 percent for families and 40 percent for seniors. We will use these guidelines to set the minimum income levels for the demand analysis.

INCOME LIMITS

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@20%		@40%		@60%	
1BR	\$9,943	\$12,400	\$19,920	\$24,800	\$29,863	\$37,200
2BR	\$11,931	\$13,940	\$23,897	\$27,880	\$35,829	\$41,820
3BR	\$13,783	\$16,720	\$27,600	\$33,440	\$41,383	\$50,160

3. Total Demand

The demand for the Subject will be derived from three sources: existing renter households, new renter households, and elderly homeowners likely to convert to rentership (if project is senior). These calculations are illustrated below.

Demand from Existing Renter Households

First, we must calculate the total number of income qualified renter households in the PMA as of 2023. The following table details this calculation.

RENTER INCOME DISTRIBUTION

Income Cohort	Total Renter Households	@20%			@40%			@60%			All Units		
		cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort
\$0-\$9,999	822	\$56	0.6%	5	\$79	0.8%	8				\$56	0.6%	5
\$10,000-\$19,999	1,017	\$6,720	67.2%	683	\$9,999	100.0%	734	\$136	1.4%	10	\$6,799	68.0%	692
\$20,000-\$29,999	734				\$3,440	34.4%	185	\$9,999	100.0%	539	\$9,999	100.0%	734
\$30,000-\$39,999	539							\$9,999	100.0%	399	\$9,999	100.0%	539
\$40,000-\$49,999	399							\$160	1.6%	3	\$9,999	100.0%	399
\$50,000-\$59,999	209										\$160	1.6%	3
\$60,000-\$74,999	301												
\$75,000-\$99,999	168												
\$100,000-\$124,999	139												
\$125,000-\$149,999	109												
\$150,000-\$199,999	48												
\$200,000-\$250,000	56												
Total	4,541		15.2%	688		20.4%	927		20.9%	951		52.2%	2,371

Demand for existing renter households is estimated by summing two sources of potential tenants. The first source is tenants who are rent overburdened. These are households who are paying over 35 percent (for family households) or 40 percent (for senior households) of their income in housing costs. The percentage of rent overburdened households from the most recent American Community Survey is applied to the number of existing income qualified renter households in the PMA.

The second source is households living in substandard housing. We will utilize this data to determine the number of current residents that are income eligible, renter tenure, overburdened and/or living in substandard housing and likely to consider the Subject. In general, we will utilize this data to determine the number of current residents that are income eligible, renter tenure, overburdened and/or living in substandard housing and likely to consider the Subject.

Demand from New Households

The number of new renter households entering the market is the first level of demand calculated. We utilized July 2026 as the estimated date of market entry. Therefore, the July 2026 (market entry) renter household figures are estimated utilizing interpolation of the difference between 2023 base numbers and 2028 projections. We then apply the income qualified percentages detailed above to estimate the number of new income qualified renters in the PMA at each AMI level and overall.

Demand from Elderly Homeowners likely to Convert to Rentership

An additional source of demand is seniors likely to move from their own homes into rental housing. This source is only appropriate when evaluating senior properties and is determined by interviews with property managers in the PMA. It should be noted that per SCSHFDA guidelines, we limit demand from seniors who convert to homeownership to be at or below 20 percent of total demand.

Other

Per the SCSHFDA Qualified Allocation Plan (QAP) and Market Study Manual, SCSHFDA does not consider demand from outside the Primary Market Area (PMA), including the Secondary Market Area (SMA). Therefore, we do not account for leakage from outside the PMA boundaries in our demand analysis.

Total Demand Summary

TOTAL DEMAND SUMMARY				
	@20%	@40%	@60%	Overall
NEW				
New Renter Households through Market Entry	-124	-124	-124	-124
Income Qualified Percentage	15.2%	20.4%	20.9%	52.2%
Qualified New Renter Households	-19	-25	-26	-65
CURRENT				
Existing Renter Households	4,541	4,541	4,541	4,541
Income Qualified Percentage	15.2%	20.4%	20.9%	52.2%
Existing Income-Qualified Renter Households	688	927	951	2,371
Percentage Rent-Overburdened Households	45.8%	45.8%	45.8%	45.8%
Existing Rent-Overburdened Households	315	425	436	1,086
Percentage Substandard Housing	2.8%	2.8%	2.8%	2.8%
Existing Substandard Households	19	25	26	65
TOTAL				
Qualified New Renter Households	-19	-25	-26	-65
Existing Rent Overburdened Households	315	425	436	1,086
Existing Substandard Housing Households	19	25	26	65
Total Demand	315	425	436	1,086

4. Net Demand

Per SCSHFDA guidance, we have also calculated net demand, which is total demand less the supply of competitive vacant or pipeline units.

Additions to Supply

SCSHFDA defines competitive units as those of a similar size and configuration that provide alternative housing to a similar tenant population at rent levels comparable to those proposed. Per SCSHFDA guidelines, we deduct all competitive units in properties that have not yet reached stabilized occupancy, including those recently funded by SCSHFDA, proposed for funding for a bond allocation from SCSHFDA, and existing or planned in conventional rental properties. The following table illustrates properties under development.

PLANNED DEVELOPMENT							
Property Name	Rent Structure	Tenancy	Total Units	Competitive Units	LIHTC Allocation Year	Construction Status	Distance to Subject
Chandler Cottages At Byerly Park	Market	Family	46	0	N/A	Under Construction	2.0 miles
Totals			46	0			

Source: SCSHFDA and CoStar, May 2024

Only one market rate property was identified and this development will not be directly competitive with the Subject. Additionally, it should be noted that we were unable to identify any competitive affordable units in the PMA which have been allocated, placed in service, or stabilizing between 2020 and present.

The following table illustrates the total number of units removed based on SCSHFDA's criteria.

ADDITIONS TO SUPPLY

Unit Type	20% AMI	40% AMI	60% AMI	Overall
0BR				
1BR	0	0	0	0
2BR	0	0	0	0
3BR	0	0	0	0
4BR				
5BR				
Total	0	0	0	0

Rehab Developments

For any properties that are rehab developments, the capture rates will be based on the total number of units as it is an extraordinary assumption that all units at the property will need to be re-leased following rehabilitation.

The following table details net demand for the Subject at each AMI level and overall.

NET DEMAND SUMMARY

	@20%	@40%	@60%	Overall
Total Demand	315	425	436	1,086
Deduct Competitive Supply	0	0	0	0
Net Demand	315	425	436	1,086

5. Capture Rates by Bedroom Type

In accordance with SCSHFDA demand analysis requirements, we have further stratified demand, based upon size appropriate households by bedroom type.

We calculated all of our capture rates based on household size. SCSHFDA guidelines indicate that properties with over 20 percent of their proposed units in three and four-bedroom units need to be adjusted to only consider larger household sizes. Our capture rates incorporate household size adjustments for all the Subject's units.

Number of Appropriate Sized Households

In order to determine the number of appropriate sized households at each bedroom type, first we analyzed the number of persons in each household by renter tenure, as detailed in the following table.

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA

Household Size	2023		Projected Mkt Entry July 2026		2028	
	Number	Percentage	Number	Percentage	Number	Percentage
1 Person	1,698	37.4%	1,661	37.6%	1,637	37.8%
2 Persons	1,194	26.3%	1,142	25.9%	1,107	25.5%
3 Persons	723	15.9%	701	15.9%	686	15.8%
4 Persons	519	11.4%	509	11.5%	503	11.6%
5+ Persons	407	9.0%	403	9.1%	401	9.3%
Total Households	4,541	100%	4,417	100%	4,334	100%

Source: HISTA Data / Ribbon Demographics 2022, Novogradac, May 2024

Second, we made assumptions based on the average household size in the market in order to estimate the distribution of households by unit type. Following are these assumptions.

HOUSEHOLD DISTRIBUTION

1BR	100%	Of 1-person households in 1BR units
	20%	Of 2-person households in 1BR units
2BR	80%	Of 2-person households in 2BR units
	100%	Of 3-person households in 2BR units
	30%	Of 4-person households in 2BR units
3BR	40%	Of 4-person households in 3BR units
	50%	Of 5-person households in 3BR units

Third, we multiplied the percentage of renter households at each household size by the distribution of those households within each bedroom type. The sum of these percentages is the appropriate percentage of renter households for each bedroom type.

Appropriate Sized Renter Households					
One-Bedroom Unit	37.4%	*	90.0%	=	33.7%
	+	26.3%	*	20.0%	= 5.3%
	+	15.9%	*	0.0%	= 0.0%
	+	11.4%	*	0.0%	= 0.0%
	+	9.0%	*	0.0%	= 0.0%
	=				38.9%
Two-Bedroom Unit	37.4%	*	10.0%	=	3.7%
	+	26.3%	*	80.0%	= 21.0%
	+	15.9%	*	60.0%	= 9.6%
	+	11.4%	*	30.0%	= 3.4%
	+	9.0%	*	0.0%	= 0.0%
	=				37.8%
Three-Bedroom Unit	37.4%	*	0.0%	=	0.0%
	+	26.3%	*	0.0%	= 0.0%
	+	15.9%	*	40.0%	= 6.4%
	+	11.4%	*	40.0%	= 4.6%
	+	9.0%	*	50.0%	= 4.5%
	=				15.4%
Total					92.1%

These percentages are then applied to the total demand previously calculated in order to estimate the distribution of demand by bedroom type for each AMI level. These calculations are detailed in the following table.

DISTRIBUTION OF TOTAL DEMAND

	Distribution Demand By Bedroom	@20%	@40%	@60%	All Units
Total Demand from Summary		315	425	436	1,086
1BR	38.9%	123	165	170	423
2BR	37.8%	119	161	165	411
3BR	15.4%	49	65	67	167
Overall Total	92.1%	290	391	402	1,001

The yielded capture rates are presented in the following table.

CAPTURE RATE ANALYSIS CHART

AMI Level	Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Competitive Supply	Net Demand	Capture Rate
@20%	1BR	\$9,943	\$12,400	2	123	0	123	1.6%
	2BR	\$11,931	\$13,940	2	119	0	119	1.7%
	3BR	\$13,783	\$16,720	1	49	0	49	2.0%
	Overall Total	\$9,943	\$16,720	5	290	0	290	1.7%
@40%	1BR	\$19,920	\$24,800	1	165	0	165	0.6%
	2BR	\$23,897	\$27,880	1	161	0	161	0.6%
	3BR	\$27,600	\$33,440	3	65	0	65	4.6%
	Overall Total	\$19,920	\$33,440	5	391	0	391	1.3%
@60%	1BR	\$29,863	\$37,200	15	170	0	170	8.8%
	2BR	\$35,829	\$41,820	15	165	0	165	9.1%
	3BR	\$41,383	\$50,160	8	67	0	67	11.9%
	Overall Total	\$29,863	\$50,160	38	402	0	402	9.5%
All Units	1BR	\$9,943	\$37,200	18	423	0	423	4.3%
	2BR	\$11,931	\$41,820	18	411	0	411	4.4%
	3BR	\$13,783	\$50,160	12	167	0	167	7.2%
	Overall Total	\$9,943	\$50,160	48	1,001	0	1,001	4.8%

The Subject's capture rates are 1.7 percent at the 20 percent AMI level, 1.3 percent at the 40 percent AMI level, 9.5 percent at the 60 percent AMI level, and 4.8 percent overall. These capture rates are reasonable, and the overall capture rate is below the 30 percent capture rate threshold, and indicative of demand for the Subject.

Absorption

The following table details the absorption comparables, six of which we were able to identify.

ABSORPTION

Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
The Belmont Apartments	LIHTC	Family	Florence	2021	40	6	20.9 miles
Hartsville Crossing Village*	LIHTC	Family	Hartsville	2020	32	16	3.4 miles
Irby Senior Village	LIHTC	Senior	Florence	2018	40	13	22.2 miles
Attwood Pointe Apartments	LIHTC	Family	Florence	2018	52	17	21.9 miles
Magnolia Senior Village	LIHTC	Senior	Hartsville	2017	32	10	0.3 miles
Cedarbrook Apartments	LIHTC	Family	Camden	2017	60	15	32.4 miles
Average Affordable					43	13	
Overall Average					43	13	

*Comparable Property

We obtained absorption data from six properties, located between 0.3 and 32.4 miles from the Subject site. These properties reported absorption rates ranging from six to 16 units per month, with an overall average of 13 units per month. Overall, we expect the proposed Subject will experience an absorption rate of 15 units per month. This equates to an absorption period of approximately three to four months.

H. SUPPLY ANALYSIS

SURVEY OF COMPARABLE PROJECTS

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

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

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

EXCLUDED PROPERTIES			
Property Name	Rent Structure	Tenancy	Reason for Exclusion
Magnolia Senior Village	LIHTC/HOME	Senior	Dissimilar tenancy
Middletown Apartments	LIHTC	Family	Unable to contact
Mill Landing Apartments	LIHTC	Family	Unable to contact
Hartsville Special Housing, Inc.	Section 8	Family	Subsidized rents
Pinebridge Apartments	Rural Development	Family	Subsidized rents
Swift Creek Apartments	Section 8	Family	Subsidized rents
Palmetto Apartments	Rural Development	Family	Subsidized rents
Forest Ridge	LIHTC	Family	Unable to contact
Farmington Apartments	Market	Family	Unable to contact

Pipeline Construction/LIHTC Competition

We attempted to speak with a representative of the of Darlington County Planning Department. As of the date of this report, our calls have not been returned. Thus, to determine the amount of competitive new supply entering the market, we consulted a May 2024 CoStar report, as well as South Carolina State Housing Finance and Development Authority’s (SC Housing) listing of LIHTC allocations from 2020 to present. The following table illustrates proposed, planned, under construction, and recently completed developments in the Subject’s PMA.

PLANNED DEVELOPMENT						
Property Name	Rent Structure	Tenancy	Total Units	Competitive Units	LIHTC Allocation Year	Construction Status Distance to Subject
Chandler Cottages At Byerly Park	Market	Family	46	0	N/A	Under Construction 2.0 miles
Totals			46	0		

Source: SCSHFDA and CoStar, May 2024

Only one market rate property was identified and this development will not be directly competitive with the Subject. Additionally, it should be noted that we were unable to identify any competitive affordable units in the PMA which have been allocated, placed in service, or stabilizing between 2020 and present.

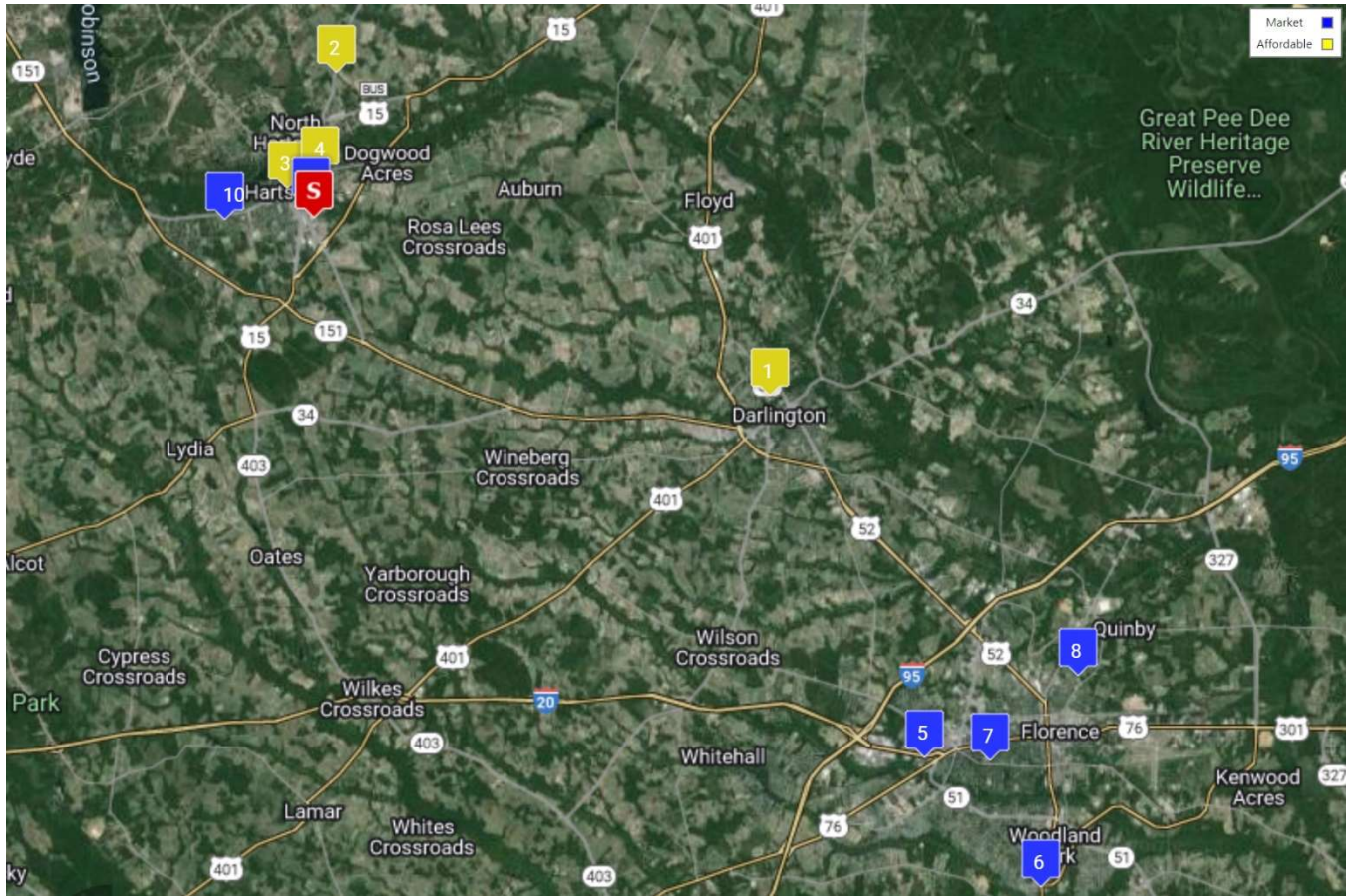
Comparable Properties

Property managers and realtors were interviewed for information on unit mix, size, absorption, unit features and project amenities, tenant profiles, and market trends in general. Our competitive survey includes 10 “true” comparable properties containing 880 units.

The availability of multifamily data in the PMA and specifically in the Hartsville area is average, as few LIHTC properties agreed to be interviewed. We included four affordable developments located between 0.9 and 11.2 miles from the Subject site, three of which are located inside the PMA. Autumn Run Apartments is located outside of the PMA in Darlington approximately 11.2 miles from the Subject. Market data available for market rate apartments in the PMA is considered limited. We were able to identify six market rate properties, two of which are located in the PMA, within 22.6 miles of the Subject site, as comparables.

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

Comparable Rental Property Map



Source: Google Earth, May 2024

COMPARABLE PROPERTIES

#	Comparable Property	City	Rent Structure	Tenancy	Distance to Subject
S	Abbinghton Lake	Hartsville	@20%, @40%, @60%	Family	-
1	Autumn Run Apartments*	Darlington	@50%, @60%	Family	11.2 miles
2	Hartsville Crossing Village	Hartsville	@50%, @60%	Family	3.4 miles
3	Hartsville Garden Apartments	Hartsville	@50%, @50% (HOME), @60%	Family	0.9 miles
4	Hartwood Village	Hartsville	@50%, @60%, Rural Development	Family	1.0 miles
5	Bentree Apartments*	Florence	Market	Family	18.7 miles
6	Charles Pointe*	Florence	Market	Family	22.6 miles
7	Landmark Woods*	Florence	Market	Family	19.9 miles
8	Oaks At Florence*	Florence	Market	Family	20.4 miles
9	Oakview Townhomes	Hartsville	Market	Family	0.3 miles
10	Palmetto Villas	Hartsville	Market	Family	2.0 miles

*Located outside PMA

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

ABBINGTON LAKE – HARTSVILLE, SOUTH CAROLINA – APPLICATION MARKET STUDY

SUMMARY MATRIX

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
Subject	Abbingtion Lake East Washington Street Hartsville, SC 29550 Darlington County	-	Garden 3-stories 2026 / n/a Family	@20%, @40%, @60%	1BR / 1BA	2	4.2%	760	@20%	\$143	N/A	N/A	N/A	N/A
					1BR / 1BA	1	2.1%	760	@40%	\$434	No	N/A	N/A	N/A
					1BR / 1BA	15	31.3%	760	@60%	\$724	No	N/A	N/A	N/A
					2BR / 2BA	2	4.2%	984	@20%	\$153	N/A	N/A	N/A	N/A
					2BR / 2BA	1	2.1%	984	@40%	\$502	No	N/A	N/A	N/A
					2BR / 2BA	15	31.3%	984	@60%	\$850	No	N/A	N/A	N/A
					3BR / 2BA	1	2.1%	1,126	@20%	\$145	N/A	N/A	N/A	N/A
					3BR / 2BA	3	6.3%	1,126	@40%	\$548	No	N/A	N/A	N/A
					3BR / 2BA	8	16.7%	1,126	@60%	\$950	No	N/A	N/A	N/A
						48							N/A	N/A
1	Autumn Run Apartments 405 Wells Street Darlington, SC 29532 Darlington County	11.2 miles	Garden 2-stories 2004 / n/a Family	@50%, @60%	2BR / 1BA	14	35.0%	850	@50%	\$757	Yes	Yes	0	0.0%
					2BR / 1BA	14	35.0%	850	@60%	\$914	Yes	Yes	0	0.0%
					3BR / 2BA	6	15.0%	1,000	@50%	\$849	Yes	Yes	0	0.0%
					3BR / 2BA	6	15.0%	1,000	@60%	\$1,050	Yes	Yes	0	0.0%
2	Hartsville Crossing Village Driver Avenue Hartsville, SC 29550 Darlington County	3.4 miles	Garden 2-stories 2020 / n/a Family	@50%, @60%	1BR / 1BA	2	6.3%	750	@50%	\$540	Yes	Yes	0	0.0%
					1BR / 1BA	6	18.8%	750	@60%	\$731	Yes	Yes	0	0.0%
					2BR / 2BA	4	12.5%	950	@50%	\$659	Yes	Yes	1	25.0%
					2BR / 2BA	12	37.5%	950	@60%	\$795	Yes	Yes	0	0.0%
					3BR / 2BA	2	6.3%	1,100	@50%	\$670	Yes	Yes	0	0.0%
					3BR / 2BA	6	18.8%	1,100	@60%	\$840	Yes	Yes	0	0.0%
						32							1	3.1%
3	Hartsville Garden Apartments 780 Tailwind Lane Hartsville, SC 29550 Darlington County	0.9 miles	Garden 3-stories 2011 / n/a Family	@50%, @50% (HOME), @60%	1BR / 1BA	6	8.3%	740	@50%	\$408	No	No	0	0.0%
					1BR / 1BA	2	2.8%	740	@50% (HOME)	\$365	No	No	0	0.0%
					1BR / 1BA	8	11.1%	740	@60%	\$519	No	No	0	0.0%
					2BR / 2BA	16	22.2%	888	@50%	\$474	No	No	0	0.0%
					2BR / 2BA	4	5.6%	888	@50% (HOME)	\$416	No	No	0	0.0%
					2BR / 2BA	20	27.8%	888	@60%	\$574	No	No	0	0.0%
					3BR / 2BA	6	8.3%	1,069	@50%	\$508	No	No	0	0.0%
					3BR / 2BA	2	2.8%	1,069	@50% (HOME)	\$453	No	No	0	0.0%
					3BR / 2BA	8	11.1%	1,069	@60%	\$596	No	No	0	0.0%
						72							0	0.0%
4	Hartwood Village 725 E. Carolina Ave. Hartsville, SC 29550 Darlington County	1.0 miles	Various 1-stories 1981 / n/a Family	@50%, @60%, Rural Development	1BR / 1BA	N/A	N/A	625	@50%	\$420	No	No	0	N/A
					1BR / 1BA	N/A	N/A	625	Rural Development	\$400	N/A	No	0	N/A
					1BR / 1BA	N/A	N/A	625	Rural Development	\$400	N/A	No	0	N/A
					2BR / 1BA	N/A	N/A	825	@60%	\$534	No	No	0	N/A
					2BR / 1BA	N/A	N/A	825	Non-Rental	-\$96	N/A	N/A	0	N/A
					2BR / 1BA	N/A	N/A	825	Rural Development	\$474	N/A	No	0	N/A
5	Bentree Apartments 200 Bentree Lane Florence, SC 29501 Florence County	18.7 miles	Garden 2-stories 1981 / 2022 Family	Market	1BR / 1BA	36	27.3%	650	Market	\$945	N/A	Yes	0	0.0%
					2BR / 1.5BA	72	54.6%	850	Market	\$1,030	N/A	Yes	0	0.0%
					3BR / 2BA	24	18.2%	1,100	Market	\$1,260	N/A	Yes	0	0.0%
						132							0	0.0%
6	Charles Pointe 201 West Millstone Road Florence, SC 29505 Florence County	22.6 miles	Garden 3-stories 2001 / 2016 Family	Market	1BR / 1BA	42	25.0%	700	Market	\$1,045	N/A	No	N/A	N/A
					2BR / 2BA	114	67.9%	1,010	Market	\$1,070	N/A	No	N/A	N/A
					3BR / 2BA	12	7.1%	1,230	Market	\$1,325	N/A	No	N/A	N/A
7	Landmark Woods 1400 Cherokee Road Florence, SC 29501 Florence County	19.9 miles	Garden 2-stories 1973 / 2022 Family	Market	1BR / 1BA	24	23.1%	778	Market	\$1,065	N/A	No	1	4.2%
					2BR / 2BA	56	53.9%	940	Market	\$1,240	N/A	No	0	0.0%
					3BR / 2BA	24	23.1%	1,201	Market	\$1,531	N/A	No	0	0.0%
						104							1	1.0%
8	Oaks At Florence 318 Royal Street Florence, SC 29506 Florence County	20.4 miles	Garden 2-stories 1978 / 2022 Family	Market	1BR / 1BA	N/A	N/A	725	Market	\$831	N/A	No	1	N/A
					2BR / 1BA	N/A	N/A	900	Market	\$904	N/A	No	1	N/A
					3BR / 1.5BA	N/A	N/A	1,120	Market	\$866	N/A	No	1	N/A
					4BR / 2BA	N/A	N/A	1,255	Market	\$934	N/A	No	1	N/A
9	Oakview Townhomes 236 Swift Creek Road Hartsville, SC 29550 Darlington County	0.3 miles	Various 2-stories 1989 / 2016 Family	Market	1BR / 1BA	16	33.3%	500	Market	\$669	N/A	No	0	0.0%
					2BR / 1.5BA	32	66.7%	600	Market	\$910	N/A	No	0	0.0%
						48							0	0.0%
10	Palmetto Villas 207 14th St Hartsville, SC 29550 Darlington County	2.0 miles	Garden 2-stories 1974 / n/a Family	Market	2BR / 1BA	72	100.0%	800	Market	\$841	N/A	No	2	2.8%
						72							2	2.8%

ABBINGTON LAKE – HARTSVILLE, SOUTH CAROLINA – APPLICATION MARKET STUDY

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.						
	Units Surveyed:	880	Weighted Occupancy:	98.0%		
	Market Rate	668	Market Rate	97.5%		
	Tax Credit	212	Tax Credit	99.5%		
One Bedroom One Bath		Two Bedroom Two Bath		Three Bedroom Two Bath		
	Property	Average	Property	Average	Property	Average
RENT	Landmark Woods (Market)	\$1,065	Landmark Woods (Market)	\$1,240	Landmark Woods (Market)	\$1,531
	Charles Pointe (Market)	\$1,045	Charles Pointe (Market)	\$1,070	Charles Pointe (Market)	\$1,325
	Bentree Apartments (Market)	\$945	Bentree Apartments (Market)(1.5BA)	\$1,030	Bentree Apartments (Market)	\$1,260
	Oaks At Florence (Market)	\$831	Autumn Run Apartments (@60%)(1BA)	\$914	Autumn Run Apartments (@60%)	\$1,050
	Hartsville Crossing Village (@60%)	\$731	Oakview Townhomes (Market)(1.5BA)	\$910	Abbington Lake (@60%)	\$950
	Abbington Lake (@60%)	\$724	Oaks At Florence (Market)(1BA)	\$904	Oaks At Florence (Market)(1.5BA)	\$866
	Oakview Townhomes (Market)	\$669	Abbington Lake (@60%)	\$850	Autumn Run Apartments (@50%)	\$849
	Hartsville Crossing Village (@50%)	\$540	Palmetto Villas (Market)(1BA)	\$841	Hartsville Crossing Village (@60%)	\$840
	Hartsville Garden Apartments (@60%)	\$519	Hartsville Crossing Village (@60%)	\$795	Hartsville Crossing Village (@50%)	\$670
	Abbington Lake (@40%)	\$434	Autumn Run Apartments (@50%)(1BA)	\$757	Hartsville Garden Apartments (@60%)	\$596
	Hartwood Village (@50%)	\$420	Hartsville Crossing Village (@50%)	\$659	Abbington Lake (@40%)	\$548
	Hartsville Garden Apartments (@50%)	\$408	Hartsville Garden Apartments (@60%)	\$574	Hartsville Garden Apartments (@50%)	\$508
	Hartwood Village (Rural Development)	\$400	Hartwood Village (@60%)(1BA)	\$534	Hartsville Garden Apartments (@50%)	\$453
	Hartwood Village (Rural Development)	\$400	Abbington Lake (@40%)	\$502	Abbington Lake (@20%)	\$145
	Hartsville Garden Apartments (@50%)	\$365	Hartwood Village (Rural Development)(1BA)	\$474		
	Abbington Lake (@20%)	\$143	Hartsville Garden Apartments (@50%)	\$474		
			Hartsville Garden Apartments (@50%)	\$416		
			Abbington Lake (@20%)	\$153		
SQUARE FOOTAGE	Landmark Woods (Market)	778	Charles Pointe (Market)	1,010	Charles Pointe (Market)	1,230
	Abbington Lake (@20%)	760	Abbington Lake (@20%)	984	Landmark Woods (Market)	1,201
	Abbington Lake (@40%)	760	Abbington Lake (@40%)	984	Abbington Lake (@20%)	1,126
	Abbington Lake (@60%)	760	Abbington Lake (@60%)	984	Abbington Lake (@40%)	1,126
	Hartsville Crossing Village (@60%)	750	Hartsville Crossing Village (@50%)	950	Abbington Lake (@60%)	1,126
	Hartsville Crossing Village (@50%)	750	Hartsville Crossing Village (@60%)	950	Oaks At Florence (Market)(1.5BA)	1,120
	Hartsville Garden Apartments (@50%)	740	Landmark Woods (Market)	940	Hartsville Crossing Village (@60%)	1,100
	Hartsville Garden Apartments (@50%)	740	Oaks At Florence (Market)(1BA)	900	Bentree Apartments (Market)	1,100
	Hartsville Garden Apartments (@60%)	740	Hartsville Garden Apartments (@60%)	888	Hartsville Crossing Village (@50%)	1,100
	Oaks At Florence (Market)	725	Hartsville Garden Apartments (@50%)	888	Hartsville Garden Apartments (@50%)	1,069
	Charles Pointe (Market)	700	Hartsville Garden Apartments (@50%)	888	Hartsville Garden Apartments (@50%)	1,069
	Bentree Apartments (Market)	650	Autumn Run Apartments (@50%)(1BA)	850	Hartsville Garden Apartments (@60%)	1,069
	Hartwood Village (Rural Development)	625	Autumn Run Apartments (@60%)(1BA)	850	Autumn Run Apartments (@50%)	1,000
	Hartwood Village (@50%)	625	Bentree Apartments (Market)(1.5BA)	850	Autumn Run Apartments (@60%)	1,000
	Hartwood Village (Rural Development)	625	Hartwood Village (Non-Rental)(1BA)	825		
	Oakview Townhomes (Market)	500	Hartwood Village (@60%)(1BA)	825		
			Hartwood Village (Rural Development)(1BA)	825		
			Palmetto Villas (Market)(1BA)	800		
		Oakview Townhomes (Market)(1.5BA)	600			
RENT PER SQUARE FOOT	Charles Pointe (Market)	\$1.49	Oakview Townhomes (Market)(1.5BA)	\$1.52	Landmark Woods (Market)	\$1.27
	Bentree Apartments (Market)	\$1.45	Landmark Woods (Market)	\$1.32	Bentree Apartments (Market)	\$1.15
	Landmark Woods (Market)	\$1.37	Bentree Apartments (Market)(1.5BA)	\$1.21	Charles Pointe (Market)	\$1.08
	Oakview Townhomes (Market)	\$1.34	Autumn Run Apartments (@60%)(1BA)	\$1.08	Autumn Run Apartments (@60%)	\$1.05
	Oaks At Florence (Market)	\$1.15	Charles Pointe (Market)	\$1.06	Autumn Run Apartments (@50%)	\$0.85
	Hartsville Crossing Village (@60%)	\$0.97	Palmetto Villas (Market)(1BA)	\$1.05	Abbington Lake (@60%)	\$0.84
	Abbington Lake (@60%)	\$0.95	Oaks At Florence (Market)(1BA)	\$1.00	Oaks At Florence (Market)(1.5BA)	\$0.77
	Hartsville Crossing Village (@50%)	\$0.72	Autumn Run Apartments (@50%)(1BA)	\$0.89	Hartsville Crossing Village (@60%)	\$0.76
	Hartsville Garden Apartments (@60%)	\$0.70	Abbington Lake (@60%)	\$0.86	Hartsville Crossing Village (@50%)	\$0.61
	Hartwood Village (@50%)	\$0.67	Hartsville Crossing Village (@60%)	\$0.84	Hartsville Garden Apartments (@60%)	\$0.56
	Hartwood Village (Rural Development)	\$0.64	Hartsville Crossing Village (@50%)	\$0.69	Abbington Lake (@40%)	\$0.49
	Hartwood Village (Rural Development)	\$0.64	Hartwood Village (@60%)(1BA)	\$0.65	Hartsville Garden Apartments (@50%)	\$0.48
	Abbington Lake (@40%)	\$0.57	Hartsville Garden Apartments (@60%)	\$0.65	Hartsville Garden Apartments (@50%)	\$0.42
	Hartsville Garden Apartments (@50%)	\$0.55	Hartwood Village (Rural Development)(1BA)	\$0.57	Abbington Lake (@20%)	\$0.13
	Hartsville Garden Apartments (@50%)	\$0.49	Hartsville Garden Apartments (@50%)	\$0.53		
	Abbington Lake (@20%)	\$0.19	Abbington Lake (@40%)	\$0.51		
			Hartsville Garden Apartments (@50%)	\$0.47		
			Abbington Lake (@20%)	\$0.16		

AMENITY MATRIX

	Abbingdon Lake	Autumn Run Apartments	Hartsville Crossing Village	Hartsville Garden Apartments	Hartwood Village	Bentree Apartments	Charles Pointe	Landmark Woods	Oaks At Florence	Oakview Townhomes	Palmetto Villas
Program	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC/ USDA	Market	Market	Market	Market	Market	Market
Tenancy	Family	Family	Family	Family	Family	Family	Family	Family	Family	Family	Family
Building											
Property Type	Garden	Garden	Garden	Garden	Various	Garden	Garden	Garden	Garden	Various	Garden
# Stories	3	2	2	3	1	2	3	2	1	2	2
Year Built	2026	2004	2020	2011	1981	1981	2001	1973	1978	1989	1974
Utility Structure											
Heat	no	no	no	no	no	no	no	no	no	no	no
Cooking	no	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no	no
Air Conditioning	no	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no	no
Water	no	yes	no	yes	yes	no	no	no	yes	no	no
Sewer	no	yes	no	yes	yes	no	no	no	yes	no	no
Unit											
Balcony	yes	yes	no	yes	no	yes	yes	yes	no	yes	no
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpeting	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	yes	yes	yes	yes	no	yes	yes	no	no	no	no
Central/AC	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	no	yes	yes	yes	yes	no	no	yes	no
Vinyl Plank Flooring	yes	no	no	no	no	no	no	no	no	no	no
Walk-In-Closet	yes	yes	yes	yes	no	no	yes	no	no	no	no
W/D Hookups	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes
Kitchen											
Dishwasher	yes	yes	yes	yes	no	yes	yes	yes	yes	no	yes
Disposal	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	yes
Microwave	yes	yes	yes	no	no	no	yes	yes	no	no	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Community											
Business Center	yes	no	yes	yes	no	no	no	no	no	no	no
Central Laundry	yes	yes	yes	yes	no	yes	no	no	yes	no	no
Clubhouse	yes	yes	yes	yes	no	yes	yes	no	no	no	no
On-Site Mgmt	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	yes
Recreation											
Basketball Court	no	no	no	yes	no	no	no	no	no	no	no
Exercise Facility	no	no	yes	yes	no	no	yes	no	no	no	no
Picnic Area	yes	no	yes	yes	no	no	yes	no	yes	no	no
Playground	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	no
Swimming Pool	no	no	no	no	no	yes	yes	yes	no	no	no
Services											
Adult Education	yes	no	no	no	no	no	no	no	no	no	no
Car Wash	no	no	no	no	no	no	yes	no	no	no	no
Security											
Patrol	no	no	no	no	no	no	yes	no	yes	no	no
Perimeter Fencing	yes	no	no	no	no	no	no	no	no	no	no
Video Surveillance	no	yes	no	yes	no	yes	no	no	no	no	no
Parking											
Garage	no	no	no	no	no	no	yes	no	no	no	no
Surface	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes

PROPERTY PROFILE REPORT

Autumn Run Apartments

Effective Rent Date	5/02/2024
Location	405 Wells Street Darlington, SC 29532 Darlington County
Distance	11.2 miles
Units	40
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	2004 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mostly families, some seniors and single adults, primarily from the city of Darlington; some from Florence
Contact Name	Tracy
Phone	(843) 398-1981



Market Information

Program	@50%, @60%
Annual Turnover Rate	10%
Units/Month Absorbed	N/A
HCV Tenants	25%
Leasing Pace	Within one month
Annual Chg. in Rent	Increased to 2024 max
Concession	None
Waiting List	Yes, unknown length

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1	Garden (2 stories)	14	850	\$853	\$0	@50%	Yes	0	0.0%	yes	None
2	1	Garden (2 stories)	14	850	\$1,010	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	6	1,000	\$983	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	6	1,000	\$1,184	\$0	@60%	Yes	0	0.0%	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1BA	\$853	\$0	\$853	-\$96	\$757	2BR / 1BA	\$1,010	\$0	\$1,010	-\$96	\$914
3BR / 2BA	\$983	\$0	\$983	-\$134	\$849	3BR / 2BA	\$1,184	\$0	\$1,184	-\$134	\$1,050

Autumn Run Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Video Surveillance	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Clubhouse/Meeting Room/Community	Central Laundry	None	Holiday parties and educational
Off-Street Parking	On-Site Management		
Playground			

Comments

The contact indicated that there is a need for more affordable housing in the market. This property is achieving 2024 maximum allowable rents.

Autumn Run Apartments, continued

Trend Report

Vacancy Rates

1Q17	4Q17	1Q18	2Q24
0.0%	0.0%	0.0%	0.0%

Trend: @50%

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	0.0%	\$412	\$0	\$412	\$316
2017	4	0.0%	\$412	\$0	\$412	\$316
2018	1	0.0%	\$412	\$0	\$412	\$316
2024	2	0.0%	\$853	\$0	\$853	\$757

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	0.0%	\$462	\$0	\$462	\$328
2017	4	0.0%	\$462	\$0	\$462	\$328
2018	1	0.0%	\$467	\$0	\$467	\$333
2024	2	0.0%	\$983	\$0	\$983	\$849

Trend: @60%

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	0.0%	\$534	\$0	\$534	\$438
2017	4	0.0%	\$534	\$0	\$534	\$438
2018	1	0.0%	\$534	\$0	\$534	\$438
2024	2	0.0%	\$1,010	\$0	\$1,010	\$914

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	0.0%	\$602	\$0	\$602	\$468
2017	4	0.0%	\$602	\$0	\$602	\$468
2018	1	0.0%	\$602	\$0	\$602	\$468
2024	2	0.0%	\$1,184	\$0	\$1,184	\$1,050

Trend: Comments

1Q17	The contact reported a waiting list of 30 households for all unit types.
4Q17	The contact reported a waiting list of 11 households for all unit types.
1Q18	The contact indicated that there is a need for more affordable housing in the market. The contact could not provide the percentage of senior tenants at the property. The majority of tenants originate from Florence and surrounding counties. This property maintains a waiting list of 15 households for all unit types.
2Q24	The contact indicated that there is a need for more affordable housing in the market. This property is achieving 2024 maximum allowable rents.

PROPERTY PROFILE REPORT

Hartsville Crossing Village

Effective Rent Date	5/02/2024
Location	Driver Avenue Hartsville, SC 29550 Darlington County
Distance	3.4 miles
Units	32
Vacant Units	1
Vacancy Rate	3.1%
Type	Garden (2 stories)
Year Built/Renovated	2020 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	None identified
Contact Name	Ann
Phone	8437996201



Market Information

Program	@50%, @60%
Annual Turnover Rate	12%
Units/Month Absorbed	16
HCV Tenants	10%
Leasing Pace	Pre-Leased
Annual Chg. in Rent	Increased to 2024 max
Concession	None
Waiting List	Yes, 20 households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	2	750	\$540	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Garden (2 stories)	6	750	\$731	\$0	@60%	Yes	0	0.0%	yes	None
2	2	Garden (2 stories)	4	950	\$659	\$0	@50%	Yes	1	25.0%	yes	None
2	2	Garden (2 stories)	12	950	\$795	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	2	1,100	\$670	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	6	1,100	\$840	\$0	@60%	Yes	0	0.0%	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$540	\$0	\$540	\$0	\$540	1BR / 1BA	\$731	\$0	\$731	\$0	\$731
2BR / 2BA	\$659	\$0	\$659	\$0	\$659	2BR / 2BA	\$795	\$0	\$795	\$0	\$795
3BR / 2BA	\$670	\$0	\$670	\$0	\$670	3BR / 2BA	\$840	\$0	\$840	\$0	\$840

Hartsville Crossing Village, continued

Amenities

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

Comments

The property is newly constructed and noted occupancy has been stable since opening since 2020. This property is achieving 2024 maximum allowable rents. Additionally, the vacant unit is expected to be filled from the waiting list.

Trend Report

Vacancy Rates

1Q17	1Q18	2Q24
N/A	N/A	3.1%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	N/A	\$372	\$0	\$372	\$372
2018	1	N/A	\$372	\$0	\$372	\$372
2024	2	0.0%	\$540	\$0	\$540	\$540

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	N/A	\$426	\$0	\$426	\$426
2018	1	N/A	\$426	\$0	\$426	\$426
2024	2	25.0%	\$659	\$0	\$659	\$659

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	N/A	\$464	\$0	\$464	\$464
2018	1	N/A	\$464	\$0	\$464	\$464
2024	2	0.0%	\$670	\$0	\$670	\$670

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	N/A	\$476	\$0	\$476	\$476
2018	1	N/A	\$476	\$0	\$476	\$476
2024	2	0.0%	\$731	\$0	\$731	\$731

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	N/A	\$550	\$0	\$550	\$550
2018	1	N/A	\$550	\$0	\$550	\$550
2024	2	0.0%	\$795	\$0	\$795	\$795

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	N/A	\$604	\$0	\$604	\$604
2018	1	N/A	\$604	\$0	\$604	\$604
2024	2	0.0%	\$840	\$0	\$840	\$840

Trend: Comments

1Q17	The developer-provided utility allowances are \$145, \$195, and \$253 for one, two, and three-bedroom units, respectively. The property will also offer a library as a community amenity. The Subject includes two, two-story residential buildings and one, one-story community building.
1Q18	N/A
2Q24	The property is newly constructed and noted occupancy has been stable since opening since 2020. This property is achieving 2024 maximum allowable rents. Additionally, the vacant unit is expected to be filled from the waiting list.

Photos



PROPERTY PROFILE REPORT

Hartsville Garden Apartments

Effective Rent Date	5/02/2024
Location	780 Tailwind Lane Hartsville, SC 29550 Darlington County
Distance	0.9 miles
Units	72
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (3 stories)
Year Built/Renovated	2011 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Middletown Apartments
Tenant Characteristics	Majority families from Hartsville
Contact Name	Ron
Phone	843-917-0257



Market Information

Program	@50%, @50% (HOME), @60%
Annual Turnover Rate	15%
Units/Month Absorbed	N/A
HCV Tenants	21%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased two to four percent
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	6	740	\$477	\$0	@50%	No	0	0.0%	no	None
1	1	Garden (3 stories)	2	740	\$434	\$0	@50% (HOME)	No	0	0.0%	no	None
1	1	Garden (3 stories)	8	740	\$588	\$0	@60%	No	0	0.0%	no	None
2	2	Garden (3 stories)	16	888	\$570	\$0	@50%	No	0	0.0%	no	None
2	2	Garden (3 stories)	4	888	\$512	\$0	@50% (HOME)	No	0	0.0%	no	None
2	2	Garden (3 stories)	20	888	\$670	\$0	@60%	No	0	0.0%	no	None
3	2	Garden (3 stories)	6	1,069	\$642	\$0	@50%	No	0	0.0%	no	None
3	2	Garden (3 stories)	2	1,069	\$587	\$0	@50% (HOME)	No	0	0.0%	no	None
3	2	Garden (3 stories)	8	1,069	\$730	\$0	@60%	No	0	0.0%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$434 - \$477	\$0	\$434 - \$477	-\$69	\$365 - \$408	1BR / 1BA	\$588	\$0	\$588	-\$69	\$519
2BR / 2BA	\$512 - \$570	\$0	\$512 - \$570	-\$96	\$416 - \$474	2BR / 2BA	\$670	\$0	\$670	-\$96	\$574
3BR / 2BA	\$587 - \$642	\$0	\$587 - \$642	-\$134	\$453 - \$508	3BR / 2BA	\$730	\$0	\$730	-\$134	\$596

Hartsville Garden Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Video Surveillance	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Exterior Storage	Ceiling Fan		
Garbage Disposal	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Basketball Court	Business Center/Computer Lab	None	Gazebo and pet area
Clubhouse/Meeting Room/Community	Exercise Facility		
Central Laundry	Off-Street Parking		
On-Site Management	Picnic Area		
Playground			

Comments

Management indicated that the rents are below maximum allowable levels, but indicated there are plans to increase rents in the future.

Hartsville Garden Apartments, continued

Trend Report

Vacancy Rates

1Q16	1Q17	1Q18	2Q24
2.8%	1.4%	1.4%	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	0.0%	\$400 - \$438	\$0	\$400 - \$438	\$331 - \$369
2017	1	0.0%	\$402 - \$441	\$0	\$402 - \$441	\$333 - \$372
2018	1	0.0%	\$402 - \$441	\$0	\$402 - \$441	\$333 - \$372
2024	2	0.0%	\$434 - \$477	\$0	\$434 - \$477	\$365 - \$408

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	0.0%	\$482 - \$515	\$0	\$482 - \$515	\$386 - \$419
2017	1	0.0%	\$484 - \$530	\$0	\$484 - \$530	\$388 - \$434
2018	1	0.0%	\$484 - \$530	\$0	\$484 - \$530	\$388 - \$434
2024	2	0.0%	\$512 - \$570	\$0	\$512 - \$570	\$416 - \$474

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	0.0%	\$540 - \$577	\$0	\$540 - \$577	\$406 - \$443
2017	1	0.0%	\$542 - \$595	\$0	\$542 - \$595	\$408 - \$461
2018	1	0.0%	\$542 - \$595	\$0	\$542 - \$595	\$408 - \$461
2024	2	0.0%	\$587 - \$642	\$0	\$587 - \$642	\$453 - \$508

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	12.5%	\$535	\$0	\$535	\$466
2017	1	0.0%	\$543	\$0	\$543	\$474
2018	1	0.0%	\$543	\$0	\$543	\$474
2024	2	0.0%	\$588	\$0	\$588	\$519

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	0.0%	\$595	\$0	\$595	\$499
2017	1	5.0%	\$620	\$0	\$620	\$524
2018	1	5.0%	\$620	\$0	\$620	\$524
2024	2	0.0%	\$670	\$0	\$670	\$574

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	12.5%	\$650	\$0	\$650	\$516
2017	1	0.0%	\$675	\$0	\$675	\$541
2018	1	0.0%	\$675	\$0	\$675	\$541
2024	2	0.0%	\$730	\$0	\$730	\$596

Trend: Comments

1Q16	Management indicated that the 60 percent rents are close to the maximum allowable levels. Thew waiting list consists of 14 households.
1Q17	Management indicated that the 60 percent rents are close to the maximum allowable levels. The waiting list consists of 14 households. The contact also indicated a substantial need for affordable housing in the area.
1Q18	N/A
2Q24	Management indicated that the rents are below maximum allowable levels, but indicated there are plans to increase rents in the future.

Photos



PROPERTY PROFILE REPORT

Hartwood Village

Effective Rent Date	5/02/2024
Location	725 E. Carolina Ave. Hartsville, SC 29550 Darlington County
Distance	1 mile
Units	68
Vacant Units	0
Vacancy Rate	0.0%
Type	Various
Year Built/Renovated	1981 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	None identified
Contact Name	Jackie
Phone	843-383-4121



Market Information

Program	@50%, @60%, Non-Rental, Rural Development
Annual Turnover Rate	6%
Units/Month Absorbed	N/A
HCV Tenants	10%
Leasing Pace	Pre-Leased
Annual Chg. in Rent	Increased one to two percent
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	625	\$469	\$0	Rural Development	No	0	N/A	N/A	None
1	1	One-story	N/A	625	\$489	\$0	@50%	No	0	N/A	no	None
1	1	One-story	N/A	625	\$469	\$0	Rural Development	No	0	N/A	N/A	None
2	1	Garden (2 stories)	0	825	\$0	\$0	Non-Rental	N/A	0	N/A	N/A	None
2	1	Garden (2 stories)	N/A	825	\$570	\$0	Rural Development	No	0	N/A	N/A	None
2	1	One-story	N/A	825	\$630	\$0	@60%	No	0	N/A	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$489	\$0	\$489	-\$69	\$420	2BR / 1BA	\$630	\$0	\$630	-\$96	\$534
Non-Rental	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	Rural	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1BA	N/A	\$0	N/A	-\$96	-\$96	1BR / 1BA	\$469	\$0	\$469	-\$69	\$400
						2BR / 1BA	\$570	\$0	\$570	-\$96	\$474

Hartwood Village, continued

Amenities

In-Unit		Security	Services
Blinds	Carpeting	None	None
Central A/C	Exterior Storage		
Oven	Refrigerator		
Washer/Dryer hookup			
Property		Premium	Other
Off-Street Parking	On-Site Management	None	None
Playground			

Comments

The contact reported that the rents are below the maximum allowable levels. Additionally, the contact was unable to report a full unit breakdown by AMI level. The contact did report that the property has 34 one-bedroom units, 33 two-bedroom units, and one two-bedroom non-rental managers unit.

Trend Report

Vacancy Rates

1Q14	2Q24
N/A	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	1	N/A	N/A	\$0	N/A	N/A
2024	2	N/A	\$489	\$0	\$489	\$420

Trend: @60%

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	1	N/A	N/A	\$0	N/A	N/A
2024	2	N/A	\$630	\$0	\$630	\$534

Trend: Non-Rental

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	1	N/A	N/A	\$0	N/A	-\$96
2024	2	N/A	N/A	\$0	N/A	-\$96

Trend: Rural Development

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	1	N/A	N/A	\$0	N/A	N/A
2024	2	N/A	\$469	\$0	\$469	\$400

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	1	N/A	N/A	\$0	N/A	N/A
2024	2	N/A	\$570	\$0	\$570	\$474

Trend: Comments

1Q14	Office hours are Monday, Wednesday, and Friday 9:00 to 2:00.
2Q24	The contact reported that the rents are below the maximum allowable levels. Additionally, the contact was unable to report a full unit breakdown by AMI level. The contact did report that the property has 34 one-bedroom units, 33 two-bedroom units, and one two-bedroom non-rental managers unit.

Photos



PROPERTY PROFILE REPORT

Bentree Apartments

Effective Rent Date	5/02/2024
Location	200 Bentree Lane Florence, SC 29501 Florence County
Distance	18.7 miles
Units	132
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	1981 / 2022
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Cambridge Apartments
Tenant Characteristics	Most of the tenants are from Florence.
Contact Name	Bernard
Phone	843-669-5399



Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Rents increased seven to 15 percent
Concession	None
Waiting List	Yes, 32 households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	36	650	\$945	\$0	Market	Yes	0	0.0%	N/A	None
2	1.5	Garden (2 stories)	72	850	\$1,030	\$0	Market	Yes	0	0.0%	N/A	None
3	2	Garden (2 stories)	24	1,100	\$1,260	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$945	\$0	\$945	\$0	\$945
2BR / 1.5BA	\$1,030	\$0	\$1,030	\$0	\$1,030
3BR / 2BA	\$1,260	\$0	\$1,260	\$0	\$1,260

Bentree Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Video Surveillance	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Exterior Storage	Ceiling Fan		
Garbage Disposal	Oven		
Refrigerator	Washer/Dryer hookup		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Central Laundry	None	None
Off-Street Parking	On-Site Management		
Playground	Swimming Pool		

Comments

The property was renovated in 2022. Renovations at the property include interior decoration, updated cabinets, new lighting, new flooring, new fans, and stainless steel appliances. Pest control is included in rent. Several one bedroom and two bedroom floor plans at the property offer extra oversized closets. According to the contact, the demand for rental housing in the area is high.

Bentree Apartments, continued

Trend Report

Vacancy Rates

1Q18	2Q19	2Q22	2Q24
0.8%	0.0%	0.0%	0.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	1	0.0%	\$651	\$0	\$651	\$651
2019	2	0.0%	\$733	\$0	\$733	\$733
2022	2	0.0%	\$720	\$0	\$720	\$720
2024	2	0.0%	\$945	\$0	\$945	\$945

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	1	1.4%	\$695	\$0	\$695	\$695
2019	2	0.0%	\$783	\$0	\$783	\$783
2022	2	0.0%	\$895	\$0	\$895	\$895
2024	2	0.0%	\$1,030	\$0	\$1,030	\$1,030

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	1	0.0%	\$865	\$0	\$865	\$865
2019	2	0.0%	\$928	\$0	\$928	\$928
2022	2	0.0%	\$1,000	\$0	\$1,000	\$1,000
2024	2	0.0%	\$1,260	\$0	\$1,260	\$1,260

Trend: Comments

1Q18	The property does not accept Housing Choice Vouchers. The contact reported that vacant units are typically pre-leased and thus the property is typically better than 99 percent occupied. Most tenants are families and couples from the Florence area. The contact could not provide the annual change in rent.
2Q19	N/A
2Q22	Rents quoted in the property profile report reflect updated units at the property. Renovated units cost an additional, \$30/mo, \$100/mo, and \$25/mo for one bedroom, two bedroom, and three bedroom units, respectively. Renovations at the property include interior decoration, updated cabinets, new lighting, new flooring, new fans, and stainless steel appliances. Pest control is included in rent. Several one bedroom and two bedroom floor plans at the property offer extra oversized closets. According to the contact, the demand for rental housing in the area is high.
2Q24	The property was renovated in 2022. Renovations at the property include interior decoration, updated cabinets, new lighting, new flooring, new fans, and stainless steel appliances. Pest control is included in rent. Several one bedroom and two bedroom floor plans at the property offer extra oversized closets. According to the contact, the demand for rental housing in the area is high.

Photos



PROPERTY PROFILE REPORT

Charles Pointe

Effective Rent Date	5/02/2024
Location	201 West Millstone Road Florence, SC 29505 Florence County
Distance	22.6 miles
Units	168
Vacant Units	10
Vacancy Rate	6.0%
Type	Garden (3 stories)
Year Built/Renovated	2001 / 2016
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	The Reserve at Mill Creek
Tenant Characteristics	Many of the tenants are students or medical professionals
Contact Name	Cindy
Phone	843-661-0111



Market Information

Program	Market
Annual Turnover Rate	43%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Rents increased up to 7 percent
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	42	700	\$1,045	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	114	1,010	\$1,070	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	12	1,230	\$1,325	\$0	Market	No	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,045	\$0	\$1,045	\$0	\$1,045
2BR / 2BA	\$1,070	\$0	\$1,070	\$0	\$1,070
3BR / 2BA	\$1,325	\$0	\$1,325	\$0	\$1,325

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Patrol	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Exterior Storage(\$30.00)	Ceiling Fan		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Car Wash	Clubhouse/Meeting Room/Community	None	Dog Park
Exercise Facility	Garage(\$85.00)		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Swimming Pool			

Comments

The contacted noted that the high turnover rate likely had to do with the school year at the property as many of the tenants are students. According to the contact, the demand for rental housing in the area is high. The contact was unable to comment on the elevated vacancy rate at the property.

Charles Pointe, continued

Trend Report

Vacancy Rates

1Q21	4Q21	2Q22	2Q24
2.4%	0.0%	1.8%	6.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	1	2.4%	\$860	\$0	\$860	\$860
2021	4	0.0%	\$900	\$0	\$900	\$900
2022	2	N/A	\$930	\$0	\$930	\$930
2024	2	N/A	\$1,045	\$0	\$1,045	\$1,045

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	1	2.6%	\$995	\$0	\$995	\$995
2021	4	0.0%	\$1,040	\$0	\$1,040	\$1,040
2022	2	N/A	\$1,070	\$0	\$1,070	\$1,070
2024	2	N/A	\$1,070	\$0	\$1,070	\$1,070

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	1	0.0%	\$1,225	\$0	\$1,225	\$1,225
2021	4	0.0%	\$1,275	\$0	\$1,275	\$1,275
2022	2	N/A	\$1,325	\$0	\$1,325	\$1,325
2024	2	N/A	\$1,325	\$0	\$1,325	\$1,325

Trend: Comments

1Q21	The contact stated overall occupancy rates have remained stable during the past year and there has been very limited negative impact related to COVID-19. Garages and exterior storage units can be rented for an additional \$85 and \$30 per month, respectively.
4Q21	N/A
2Q22	The contact stated that the high turnover rate is typical for the property. The contacted noted that the high turnover rate likely had to do with the school year at the property as many of the tenants are students. There are three vacancies which are all being turned over at the moment. According to the contact, the demand for rental housing in the area is high.
2Q24	The contacted noted that the high turnover rate likely had to do with the school year at the property as many of the tenants are students. According to the contact, the demand for rental housing in the area is high. The contact was unable to comment on the elevated vacancy rate at the property.

Photos



PROPERTY PROFILE REPORT

Landmark Woods

Effective Rent Date	5/02/2024
Location	1400 Cherokee Road Florence, SC 29501 Florence County
Distance	19.9 miles
Units	104
Vacant Units	1
Vacancy Rate	1.0%
Type	Garden (2 stories)
Year Built/Renovated	1973 / 2022
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	None identified
Contact Name	Alex
Phone	843-629-1605



Market Information

Program	Market
Annual Turnover Rate	15%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one month
Annual Chg. in Rent	Increased up to 2 percent
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	24	778	\$1,065	\$0	Market	No	1	4.2%	N/A	None
2	2	Garden (2 stories)	56	940	\$1,240	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	24	1,201	\$1,531	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,065	\$0	\$1,065	\$0	\$1,065
2BR / 2BA	\$1,240	\$0	\$1,240	\$0	\$1,240
3BR / 2BA	\$1,531	\$0	\$1,531	\$0	\$1,531

Landmark Woods, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Washer/Dryer hookup			
Property		Premium	Other
Off-Street Parking	Playground	None	None
Swimming Pool			

Comments

When asked about current market conditions, the contact replied that there is strong demand for units at the property. The property was renovated in 2022. Renovations at the property include interior decoration, updated cabinets, new lighting, new flooring, and new steel appliances.

Trend Report

Vacancy Rates

4Q11	1Q15	2Q24
9.6%	0.0%	1.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	4	N/A	\$555	\$0	\$555	\$555
2015	1	0.0%	\$600	\$0	\$600	\$600
2024	2	4.2%	\$1,065	\$0	\$1,065	\$1,065

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	4	N/A	\$610	\$17	\$593	\$593
2015	1	0.0%	\$655	\$0	\$655	\$655
2024	2	0.0%	\$1,240	\$0	\$1,240	\$1,240

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	4	N/A	\$700	\$17	\$683	\$683
2015	1	0.0%	\$825	\$0	\$825	\$825
2024	2	0.0%	\$1,531	\$0	\$1,531	\$1,531

Trend: Comments

4Q11	This older but well maintained market rate property is located in the western portion of Florence along Cherokee Road, a major street. There is longer an on-site manager as the property is now managed out of an office located elsewhere in the city. A 90 percent occupancy rate was reported, which is below the typical 93 to 95 percent. The manager would not reveal a specific reason for this low occupancy rate. This is one of the few properties in Florence that offers concessions, which are a modest \$200 discount off of the first month's rent for the two and three-bedroom units only. There are washer/dryer connections in every unit, but there is no central laundry room.
1Q15	The property maintains a waiting list of five households on all unit types. When asked about current market conditions, the contact replied that there is strong demand for units at the property.
2Q24	When asked about current market conditions, the contact replied that there is strong demand for units at the property. The property was renovated in 2022. Renovations at the property include interior decoration, updated cabinets, new lighting, new flooring, and new steel appliances.

PROPERTY PROFILE REPORT

Oaks At Florence

Effective Rent Date	5/02/2024
Location	318 Royal Street Florence, SC 29506 Florence County
Distance	20.4 miles
Units	144
Vacant Units	4
Vacancy Rate	2.8%
Type	Garden (2 stories)
Year Built/Renovated	1978 / 2022
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	A variety of lower income households
Contact Name	Travis
Phone	843.669.5980



Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Within in 30 Days
Annual Chg. in Rent	Increased 15 percent
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	725	\$900	\$0	Market	No	1	N/A	N/A	None
2	1	Garden (2 stories)	N/A	900	\$1,000	\$0	Market	No	1	N/A	N/A	None
3	1.5	Garden (2 stories)	N/A	1,120	\$1,000	\$0	Market	No	1	N/A	N/A	None
4	2	Garden (2 stories)	N/A	1,255	\$1,100	\$0	Market	No	1	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$900	\$0	\$900	-\$69	\$831
2BR / 1BA	\$1,000	\$0	\$1,000	-\$96	\$904
3BR / 1.5BA	\$1,000	\$0	\$1,000	-\$134	\$866
4BR / 2BA	\$1,100	\$0	\$1,100	-\$166	\$934

Oaks At Florence, continued

Amenities

In-Unit		Security	Services
Blinds	Carpeting	Patrol	None
Central A/C	Coat Closet		
Dishwasher	Garbage Disposal		
Oven	Refrigerator		
Property		Premium	Other
Central Laundry	Off-Street Parking	None	None
On-Site Management	Picnic Area		
Playground			

Comments

This property was formerly known as Magnolia Trace. This market rate property was renovated in 2022 but the contact was unable to disclose the scope of renovations and turnover.

Trend Report

Vacancy Rates

4Q11	2Q24
4.9%	2.8%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	4	N/A	\$395	\$0	\$395	\$326
2024	2	N/A	\$900	\$0	\$900	\$831

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	4	N/A	\$455	\$0	\$455	\$359
2024	2	N/A	\$1,000	\$0	\$1,000	\$904

3BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	4	N/A	\$505	\$0	\$505	\$371
2024	2	N/A	\$1,000	\$0	\$1,000	\$866

4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	4	N/A	\$535	\$0	\$535	\$369
2024	2	N/A	\$1,100	\$0	\$1,100	\$934

Trend: Comments

4Q11	Magnolia Trace is located in the northeastern portion of Florence in a distressed neighborhood. This market rate property is in fair condition at best with noticeable deferred maintenance such as worn exterior building facades and a parking area in need of repair. Rents are priced accordingly at the low end of this market. The manager reports a 95 percent occupancy rate. He added that turnover is very high, although he would not quantify a rate. Many tenants are financially distressed and there are many skips and evictions. The manager could not reveal the unit mix.
2Q24	This property was formerly known as Magnolia Trace. This market rate property was renovated in 2022 but the contact was unable to disclose the scope of renovations and turnover.

PROPERTY PROFILE REPORT

Oakview Townhomes

Effective Rent Date	5/02/2024
Location	236 Swift Creek Road Hartsville, SC 29550 Darlington County
Distance	0.3 miles
Units	48
Vacant Units	0
Vacancy Rate	0.0%
Type	Various (2 stories)
Year Built/Renovated	1989 / 2016
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Hartsville Gardens
Tenant Characteristics	50% families, 50% seniors, mostly from Darlington County
Contact Name	Keebie
Phone	843-332-0424



Market Information

Program	Market
Annual Turnover Rate	15%
Units/Month Absorbed	N/A
HCV Tenants	20%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased up to 10 percent
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	16	500	\$669	\$0	Market	No	0	0.0%	N/A	None
2	1.5	Townhouse (2 stories)	32	600	\$910	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$669	\$0	\$669	\$0	\$669
2BR / 1.5BA	\$910	\$0	\$910	\$0	\$910

Amenities

In-Unit	Security	Services
Balcony/Patio	None	None
Carpeting		
Coat Closet		
Garbage Disposal		
Refrigerator		
Blinds		
Central A/C		
Exterior Storage		
Oven		
Washer/Dryer hookup		
Property	Premium	Other
Off-Street Parking	None	None
Playground		
On-Site Management		

Comments

The contact did not provide any additional comments.

Trend Report

Vacancy Rates

4Q16	1Q17	1Q18	2Q24
0.0%	0.0%	8.3%	0.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	0.0%	\$480 - \$535	\$0	\$480 - \$535	\$480 - \$535
2017	1	0.0%	\$480 - \$535	\$0	\$480 - \$535	\$480 - \$535
2018	1	6.2%	\$483	\$0	\$483	\$483
2024	2	0.0%	\$669	\$0	\$669	\$669

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	0.0%	\$555 - \$615	\$0	\$555 - \$615	\$555 - \$615
2017	1	0.0%	\$555 - \$615	\$0	\$555 - \$615	\$555 - \$615
2018	1	9.4%	\$557	\$0	\$557	\$557
2024	2	0.0%	\$910	\$0	\$910	\$910

Trend: Comments

4Q16	The more expensive one and two-bedroom units correspond to units that have been renovated, with the \$55 to \$60 difference reflecting the condition premium. Renovated units include new kitchens, baths, fixtures, and flooring.
1Q17	The more expensive one and two-bedroom units correspond to units that have been renovated.
1Q18	N/A
2Q24	The contact did not provide any additional comments

Photos



PROPERTY PROFILE REPORT

Palmetto Villas

Effective Rent Date	5/02/2024
Location	207 14th St Hartsville, SC 29550 Darlington County
Distance	2 miles
Units	72
Vacant Units	2
Vacancy Rate	2.8%
Type	Garden (2 stories)
Year Built/Renovated	1974 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	From the Hartsville area
Contact Name	Ronnie
Phone	(843) 917-0263



Market Information

Program	Market
Annual Turnover Rate	12%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one month
Annual Chg. in Rent	Increased 12 percent
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1	Garden (2 stories)	72	800	\$825	\$0	Market	No	2	2.8%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1BA	\$825	\$0	\$825	\$16	\$841

Amenities

In-Unit		Security	Services
Blinds	Carpeting	None	None
Central A/C	Coat Closet		
Dishwasher	Garbage Disposal		
Oven	Refrigerator		
Washer/Dryer hookup			
Property		Premium	Other
Off-Street Parking	On-Site Management	None	None

Comments

The property does not accept Housing Choice Vouchers.

Trend Report

Vacancy Rates

1Q14	1Q15	1Q17	2Q24
37.5%	16.7%	25.0%	2.8%

Trend: Market

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	1	37.5%	\$450	\$0	\$450	\$466
2015	1	16.7%	\$450	\$0	\$450	\$466
2017	1	25.0%	\$475	\$0	\$475	\$491
2024	2	2.8%	\$825	\$0	\$825	\$841

Trend: Comments

1Q14	Contact mentioned that tenants live at this property a long time, and contact mentioned the property has never had a high occupancy rate. Tenants pay for all utilities including water, sewer, and trash.
1Q15	The property does not accept Housing Choice Vouchers. The contact noted that eight of the units are used for storage. The contact added that the heightened vacancy rate is due to management's strict tenant selection process as well as the property's age compared to some of the more modern options in the market.
1Q17	The property does not accept Housing Choice Vouchers. Eight of the units are used for storage. The contact added that the heightened vacancy rate is due property's age compared to some of the more modern options in the market.
2Q24	The property does not accept Housing Choice Vouchers.

Photos



COMPARABLE PROPERTY ANALYSIS

Following are relevant characteristics of comparable properties surveyed:

Location

The following table illustrates the Subject and comparable property household incomes, median gross rents, and median home values.

LOCATIONAL COMPARISON SUMMARY

#	Property Name	Program	Distance Subject	Household Income	Median Home Value	Median Rent	Crime Index	Walk Score	Vacant Housing	% Renter HH
S	Abbingtion Lake	LIHTC		\$32,611	\$148,390	\$1,050	182	49	18.1%	44.1%
1	Autumn Run Apartments*	LIHTC	11.2 miles	\$28,885	\$111,248	\$1,042	141	43	11.5%	44.8%
2	Hartsville Crossing Village	LIHTC	3.4 miles	\$44,455	\$148,390	\$1,050	22	0	21.6%	26.1%
3	Hartsville Garden Apartments	LIHTC	0.9 mile	\$43,511	\$148,390	\$1,050	183	77	22.5%	32.1%
4	Hartwood Village	LIHTC/USDA	1.0 mile	\$28,851	\$148,390	\$1,050	142	22	18.4%	47.3%
5	Bentree Apartments*	Market	18.7 miles	\$59,121	\$215,752	\$1,182	154	49	6.8%	58.3%
6	Charles Pointe*	Market	22.6 miles	\$68,170	\$178,245	\$1,389	91	46	3.9%	35.4%
7	Landmark Woods*	Market	19.9 miles	\$63,840	\$215,752	\$1,182	209	28	10.0%	35.1%
8	Oaks At Florence*	Market	20.4 miles	\$22,653	\$119,414	\$1,007	217	31	10.7%	46.4%
9	Oakview Townhomes	Market	0.3 mile	\$31,151	\$148,390	\$1,050	182	58	20.5%	44.7%
10	Palmetto Villas	Market	2.0 miles	\$60,309	\$148,390	\$1,050	97	24	8.5%	27.2%

*Located outside PMA

The Subject is located in a mixed-use neighborhood of Hartsville, surrounded by commercial/retail use, wooded land, mobile homes, multifamily and single-family homes. The majority of the comparables are located in similar neighborhoods with lower to higher local median household incomes, similar median home values, and similar higher median rents. Autumn Run Apartments and Oaks At Florence are located in slightly inferior neighborhoods with lower household median income, median home value, and median rent. Bentree Apartments, Charles Pointe, and Landmark Woods are located in slightly superior neighborhoods with slightly higher household median incomes, higher median home values, and higher median rents. The crime index in the Subject's neighborhood is generally lower than the majority of the comparable properties.

Unit Size

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

UNIT SIZE COMPARISON

Bedroom Type	1BR	2BR	3BR
Subject	760	984	1,126
Average	688	868	1,096
Min	500	600	1,000
Max	778	1,010	1,230
Advantage/Disadvantage	10.4%	13.4%	2.7%

All of the Subject's unit sizes are above the surveyed average of the comparable properties. The Subject's one, two, and three-bedroom unit sizes are 10.4, 13.4, and 2.7 percent larger, respectively, than the surveyed average unit sizes among the comparables. We believe the Subject's unit sizes will be accepted in the market. We have considered the Subject's unit sizes in determining our achievable market rents.

Vacancy

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

OVERALL VACANCY

Property Name	Program	Tenancy	Total Units	Vacant Units	Vacancy %
Autumn Run Apartments*	LIHTC	Family	40	0	0.0%
Hartsville Crossing Village	LIHTC	Family	32	1	3.1%
Hartsville Garden Apartments	LIHTC	Family	72	0	0.0%
Hartwood Village	LIHTC/USDA	Family	68	0	0.0%
Bentree Apartments*	Market	Family	132	0	0.0%
Charles Pointe*	Market	Family	168	10	6.0%
Landmark Woods*	Market	Family	104	1	1.0%
Oaks At Florence*	Market	Family	144	4	2.8%
Oakview Townhomes	Market	Family	48	0	0.0%
Palmetto Villas	Market	Family	72	2	2.8%
LIHTC Total			212	1	0.5%
Market Total			668	17	2.5%
Overall Total			880	18	2.0%

*Located outside PMA

The comparable properties reported vacancy rates ranging from zero to 6.0 percent, with an overall weighted average of 2.0 percent. The average vacancy rate reported by the affordable comparables was 0.5 percent, below the 2.5 percent weighted average reported by the market rate properties. This is reflective of supply-constrained conditions. It should be noted that the vacancy rate at Hartsville Crossing Village is skewed upwards due to the small development size of 32 total units. Overall, vacancy at the LIHTC comparables is low. Three of the LIHTC properties maintain waiting lists at this time and several property managers reported strong demand for affordable housing in the market.

The market rate comparables reported vacancy rates ranging from zero to 6.0 percent. The property manager at Charles Pointe was unable to comment on the elevated vacancy rate at the property. Vacancy rates at the market rate properties are similar to higher than at the LIHTC properties. Based on the performance of the LIHTC comparables, we expect the Subject will operate with a vacancy rate of five percent or less, upon stabilization.

LIHTC Vacancy – All LIHTC Properties in PMA

There are 212 total LIHTC units that we included in this comparable analysis. All of the LIHTC comparable properties reported low vacancy rates and three of the LIHTC properties maintain waiting lists. This indicates strong demand for affordable rental housing in the PMA. The PMA experienced decreasing population and household growth from 2010 through 2023 at rates to the MSA, which also experienced a decreasing population. Both the PMA and MSA experienced growth rates below the nation throughout the same time period. Through 2028, population is expected to decrease at an annual rate of 0.4 percent and households in the PMA are expected to decrease at an annual rate of 0.2 percent, both of which are expected to be below to the MSA and the nation throughout the same time period.

REASONABILITY OF RENTS

This report is written to SCSHFDA guidelines. Therefore, the conclusions contained herein may not be replicated by a more stringent analysis. We recommend that the sponsor understand the guidelines of all those underwriting the Subject development to ensure the proposed rents are acceptable to all.

Rents provided by property managers at some properties may include all utilities while others may require tenants to pay for all utilities. To make a fair comparison of the Subject rent levels to comparable properties, rents at comparable properties are typically adjusted to be consistent with the Subject. Adjustments are made using the South Carolina Housing Finance and Development Authority's Upstate Region Utility Allowance,

effective February 5, 2024, the most recent available. The rent analysis is based on net rents at the Subject as well as surveyed properties.

The following tables summarize the Subject's proposed 20, 40 and 60 percent AMI net rents compared to the maximum allowable 20, 40 and 60 percent AMI rents in the county where comparables are located, the net rents at the comparables, and the averages of these comparable net rents.

LIHTC RENT COMPARISON @20%

Property Name	County	1BR	2BR	3BR	Max Rent?
Abbingtion Lake	Darlington	\$143	\$153	\$145	Yes
LIHTC Maximum Rent (Net)	Darlington	\$91	\$91	\$73	-
Non-Metro Maximum Rent (Net)	Darlington	\$143	\$153	\$145	-
Achievable LIHTC Rent		\$143	\$153	\$145	Yes

LIHTC RENT COMPARISON @40%

Property Name	County	1BR	2BR	3BR	Max Rent?
Abbingtion Lake	Darlington	\$434	\$502	\$548	Yes
LIHTC Maximum Rent (Net)	Darlington	\$330	\$378	\$404	-
Non-Metro Maximum Rent (Net)	Darlington	\$434	\$502	\$548	-
Achievable LIHTC Rent		\$434	\$502	\$548	Yes

The Subject will offer one, two, and three-bedroom units at the 20 and 40 percent AMI levels. It should be noted that the Subject is located in a rural area as determined by USDA. Therefore, the Subject is eligible to use the national non-metropolitan rent and income limits, which are higher than the published rent and income limits for Darlington County. The Subject's proposed rents for its one, two, and three-bedroom units at the 40 percent of the AMI are set at the 2024 national non-metropolitan maximum allowable levels. None of the comparable properties reported offering units at the 20 or 40 percent AMI levels. All of the LIHTC properties reported low vacancy rates, and three maintain waiting lists. Additionally, two of the LIHTC properties reported achieving the maximum allowable rents at higher income restrictions. The Subject's proposed 20 and 40 percent AMI rent offers a rent advantage to achievable market rents ranging from 57 to 89 percent. As such, we conclude to an achievable rent at the maximum allowable level for the Subject's one, two, and three-bedroom units at the 20 and 40 percent AMI levels. Further, the Subject's proposed rents at the 20 and 40 percent AMI level will be among the lowest in the market.

LIHTC RENT COMPARISON @60%

Property Name	County	1BR	2BR	3BR	Max Rent?
Abbingtion Lake	Darlington	\$724	\$850	\$950	Yes
LIHTC Maximum Rent (Net) - 2024	Darlington	\$569	\$664	\$735	-
Non-Metro Maximum Rent (Net) - 2024	Darlington	\$724	\$850	\$950	-
Non-Metro Maximum Rent (Net) - 2023	Darlington	\$702	\$825	\$921	-
Autumn Run Apartments	Darlington	-	\$914	\$1,050	Yes (2023)
Hartsville Crossing Village	Darlington	\$731	\$795	\$840	Yes (2023)
Hartsville Garden Apartments	Darlington	\$519	\$574	\$596	No
Hartwood Village	Darlington	-	\$534	-	No
Average		\$625	\$704	\$829	-
Achievable LIHTC Rent		\$724	\$850	\$950	Yes

The Subject will offer one, two, and three-bedroom units at the 60 percent AMI levels. It should be noted that the Subject is located in a rural area as determined by USDA. Therefore, the Subject is eligible to use the national non-metropolitan rent and income limits, which are higher than the published rent and income limits for Darlington County. Two of the comparable properties reported achieving rents at the 2023 maximum allowable levels. It should be noted that the discrepancy between the rents at these properties and the LIHTC maximum allowable rents is likely due to differing utility allowances. Additionally, property managers at several of the LIHTC properties reported strong demand for affordable housing in the area and that higher rents are achievable.

Autumn Run Apartments is located in Darlington, 11.2 miles from the Subject site, in a slightly inferior location compared to the Subject in terms of a lower median household income, median home value, and median rent. This property was constructed in 2004 and exhibits average condition, which is considered inferior to the anticipated excellent condition of the Subject upon completion. Autumn Run Apartments offers similar in-unit amenities to the proposed Subject. This property offers slightly inferior property amenities to the proposed Subject as it does not offer a business center, which the Subject will offer. This property offers smaller two and three-bedroom unit sizes to the proposed Subject. This property is fully occupied and maintains a waiting list of unknown length, indicating demand for affordable housing. Overall, Autumn Run Apartments is considered inferior to the proposed Subject. Thus, we believe the Subject can achieve rents at the maximum allowable levels, similar to those at Autumn Run Apartments.

Hartsville Crossing Village is located in Hartsville, 3.4 miles from the Subject site, in a similar location compared to the Subject's neighborhood. This property was constructed in 2020 and exhibits excellent condition, which is considered similar to the anticipated excellent condition of the Subject upon completion. Hartsville Crossing Village offers slightly inferior in-unit amenities to the proposed Subject as it does not offer balconies/patios, which the proposed Subject will offer. This property offers slightly superior property amenities to the proposed Subject as it offers an exercise facility, which the proposed Subject will not offer. This property offers larger one-bedroom unit sizes and smaller two and three-bedroom unit sizes to the proposed Subject. This property is 96.9 percent occupied and maintains a waiting list of 20 households, indicating demand for affordable housing. Overall, Hartsville Crossing Village is considered similar to the proposed Subject. Thus, we believe the Subject can achieve rents at the maximum allowable levels, similar to those at Hartsville Crossing Village.

Overall, all of the LIHTC comparables were well occupied and three of them maintain waiting lists. Two of the LIHTC comparable properties reported rents at the 2023 maximum allowable levels. The Subject will be the newest property in the market. As such, we believe the developer's proposed rents at the maximum allowable 60 percent AMI level are achievable.

Achievable Market Rents

Based on the quality of the surveyed comparable properties and the anticipated quality of the proposed Subject, we conclude that the Subject's rental rates are well below the achievable market rents for the Subject's area. The following table shows both market rent comparisons and achievable market rents.

MARKET RENT COMPARISON

Property Name	1BR	2BR	3BR
Subject Pro Forma @20%	\$143	\$153	\$145
Subject Pro Forma @40%	\$434	\$502	\$548
Subject Pro Forma @60%	\$724	\$850	\$950
Bentree Apartments	\$945	\$1,030	\$1,260
Charles Pointe	\$1,045	\$1,070	\$1,325
Landmark Woods	\$1,065	\$1,240	\$1,531
Oaks At Florence	\$831	\$904	\$866
Oakview Townhomes	\$669	\$910	-
Palmetto Villas	-	\$841	-
Average	\$911	\$999	\$1,246
Achievable Market Rents	\$1,000	\$1,175	\$1,300

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Rent Level	Square Feet	Pro Forma Rent	Surveyed Min	Surveyed Max	Surveyed Average	Achievable Market Rent	Subject Rent Advantage
1BR/1BA	@20%	760	\$143	\$669	\$1,065	\$911	\$1,000	86%
1BR/1BA	@40%	760	\$434	\$669	\$1,065	\$911	\$1,000	57%
1BR/1BA	@60%	760	\$724	\$669	\$1,065	\$911	\$1,000	28%
2BR/2BA	@20%	984	\$153	\$841	\$1,240	\$999	\$1,175	87%
2BR/2BA	@40%	984	\$502	\$841	\$1,240	\$999	\$1,175	57%
2BR/2BA	@60%	984	\$850	\$841	\$1,240	\$999	\$1,175	28%
3BR/2BA	@20%	1,126	\$145	\$866	\$1,531	\$1,246	\$1,300	89%
3BR/2BA	@40%	1,126	\$548	\$866	\$1,531	\$1,246	\$1,300	58%
3BR/2BA	@60%	1,126	\$950	\$866	\$1,531	\$1,246	\$1,300	27%

The Subject's proposed LIHTC rents for the LIHTC units are below the achievable market rents. The Subject's proposed and achievable LIHTC rents represent a rent advantage of 27 to 89 percent over the achievable market rents. We have compared the Subject to Landmark Woods and Oakview Townhomes.

Landmark Woods is a 104-unit development located 19.9 miles from the Subject site, in a neighborhood considered slightly superior to the Subject's neighborhood in terms of a higher median household income, median home value, and median rent. The property was built in 1973 and was renovated in 2022. This property currently exhibits good condition, which is considered slightly inferior to the anticipated excellent condition of the Subject upon completion. The manager at Landmark Woods reported the property is 99.0 percent occupied, indicating the current rents are well accepted in the market. The following table compares the Subject with Landmark Woods.

SUBJECT COMPARISON TO LANDMARK WOODS

Unit Type	Subject Achievable Market Rent	Square Feet	Subject RPSF	Comparable Rent	Square Feet	Comparable RPSF
1BR/1BA	\$1,000	760	\$1.32	\$1,065	778	\$1.37
2BR/2BA	\$1,175	984	\$1.19	\$1,240	940	\$1.32
3BR/2BA	\$1,300	1,126	\$1.15	\$1,531	1,201	\$1.27

This property offers slightly superior property amenities compared to the Subject as it offers a swimming pool, which the Subject will not offer, though it does not offer a business center or community room, which the Subject will offer. Landmark Woods offers similar in-unit amenities compared to the Subject. In terms of unit sizes, Landmark Woods offers larger one and three-bedroom unit sizes and smaller two-bedroom unit sizes compared to the Subject. Overall, Landmark Woods is considered slightly superior to the Subject. As such, we believe the achievable market rents for the Subject would be slightly below the current rents at Landmark Woods.

Oakview Townhomes is located 0.3 miles from the Subject in Hartsville and offers a similar location to the Subject. This property was constructed in 1989 and renovated in 2016, and exhibits good condition, which is considered slightly inferior to the anticipated excellent condition of the Subject upon completion. The property manager at Oakview Townhomes reported the property is fully occupied, indicating the current rents are well accepted in the market. The following table compares the Subject with Oakview Townhomes.

SUBJECT COMPARISON TO OAKVIEW TOWNHOMES

Unit Type	Subject Achievable Market Rent	Square Feet	Subject RPSF	Comparable Rent	Square Feet	Comparable RPSF
1BR/1BA	\$1,000	760	\$1.32	\$669	500	\$1.34
2BR/2BA	\$1,175	984	\$1.19	\$910	600	\$1.52
3BR/2BA	\$1,300	1,126	\$1.15	-	-	-

This property offers slightly inferior property amenities compared to the Subject as it does not offer a business center or community room, which the Subject will offer. Oakview Townhomes offers slightly superior in-unit amenities compared to the Subject as it offers exterior storage, which the Subject will not offer. In terms of

unit sizes, this property offers significantly smaller one and two-bedroom unit sizes compared to the Subject. Overall, Oakview Townhomes is considered inferior to the Subject as proposed. As such, we believe the achievable market rents for the Subject would be above the current rents at Oakview Townhomes.

In conclusion, we believe that the Subject's achievable market rents are **\$1,000, \$1,175, and \$1,300** for its one, two, and three-bedroom units, respectively. Our concluded market rents result in a rent advantage of 27 to 89 percent for the Subject's proposed rents.

Impact of Subject on Other Affordable Units in Market

Managers at three of the LIHTC properties reported being fully occupied, one other manager reported low vacancy rates at their properties, and three of the LIHTC comparables reported a waiting list. The average vacancy rate among the LIHTC comparables is 0.5 percent. Additionally, property managers at several of the LIHTC properties reported strong demand for affordable housing in the area and that higher rents are achievable. With an apparent high demand for affordable housing options for the general population in the market and a large base of low-income tenants, we believe the Subject's construction will have no long-term impact on the existing area LIHTC developments. Between 2023 and market entry, the total number of households is expected to decrease at a rate of 0.2 percent annually in the PMA. However, there are a limited number of affordable housing options in the market. As such, we believe the Subject's opening and lease-up will have no long-term impact on the existing area LIHTC apartments.

Substandard Housing

The following table illustrates the percentage of housing units that are considered substandard. According to HUD, substandard housing includes: dilapidated unit, unit lacks operable indoor plumbing, unit lacks a usable flush toilet for the exclusive use of a family, unit lacks a usable bathtub or shower for the exclusive use of the a family, unit lacks electricity or has inadequate or unsafe electrical services, unit lacks a safe or adequate source of heat, unit should, but lacks a kitchen, and unit has been declared inhabitable by an agency or government entity.

SUBSTANDARD HOUSING			
Year	PMA	Florence, SC Metropolitan Statistical Area	USA
	Percentage	Percentage	Percentage
2023	2.75%	1.45%	1.70%

Source: Esri Demographics 2023, Novogradac, May 2024

The percentage of residents living in substandard housing in the PMA is above that of the MSA and nation.

Rent versus Buy Analysis

We performed a rent/buy analysis. Our inputs assume a three-bedroom, single-family home listing on Zillow in the Subject's neighborhood with a purchase price of \$198,900 and an interest rate of 7.42 percent for a 30-year fixed mortgage with a ten percent down payment. This was compared with the cost to rent the Subject's three-bedroom unit at 60 percent of AMI. The analysis indicates that with a monthly differential of \$595, it is more affordable to rent than purchase a home. The rent buy analysis is illustrated in the following table.

RENT BUY ANALYSIS			
Property Type:	Three-Bedroom Single-Family Home		
Sales Price	\$198,900		
Down Payment at 10.0%	\$19,890		
Mortgage Amount	\$179,010		
Current Interest Rate	7.42%		
<i>Homeownership Costs</i>	<i>Monthly</i>	<i>% of Home Value</i>	<i>Annual</i>
Mortgage Payment	\$1,242		\$14,904
Property Taxes	\$207	1.25%	\$2,486
Private Mortgage Insurance*	\$75	0.50%	\$895
Maintenance	\$332	2.00%	\$3,978
Utility Costs**	\$16		\$192
Tax Savings	(\$327)		(\$3,929)
Cost Comparison			
	<i>Monthly</i>		<i>Annual</i>
Costs of Homeownership	\$1,544		\$18,527
Cost of Renting At Subject	\$950		\$11,400
Differential	\$595		\$7,127
Cost of Occupancy			
	<i>Homeownership</i>		
Closing Costs		3.00%	\$5,967
Down Payment at 10.0%		10.00%	\$19,890
Total			\$25,857
	<i>Subject Rental</i>		
First Month's Rent	\$950		
Security Deposit	\$950		
Total	\$1,900		

* Based upon 0.50% of mortgage amount

** Utility Costs Included in Rent at Subject

As illustrated, the cash due at occupancy category is more than \$25,000 for the down payment and closing costs. The cash necessary for homeownership is still a barrier to many families. In general, first-time home buyers have difficulty saving for a down payment. Further, renting at the Subject is more affordable than purchasing even a modest single-family home in the Subject's neighborhood. Overall, we believe the Subject will face limited competition from homeownership.

Availability of Affordable Housing Options

There are six family LIHTC properties without subsidies and four family LIHTC properties with subsidies in the PMA. It should be noted that the majority of these developments have fewer than 50 units. Therefore, the availability of LIHTC housing targeting low to moderate incomes is considered limited given the depth of demand in the PMA. The Subject would bring better balance to the supply of affordable rental housing in the PMA.

Summary Evaluation of the Proposed Project

Overall LIHTC vacancy in the local market is very low with a 0.5 percent vacancy rate and a 2.0 percent vacancy rate among all 10 surveyed comparable projects. The four LIHTC properties reported one total vacancy and three of these properties maintain waiting lists, suggesting significant latent demand for affordable housing. Market rate comparables are performing well, with an overall vacancy rate of 2.5 percent among all of the market rate comparables. When compared to the Subject's proposed rental rates the current 60 percent rents at the LIHTC properties, the Subject's proposed 40 and 60 percent AMI rents appear reasonable, and overall, they are 27 to 89 percent below our estimated achievable market rents. Overall, we believe that the Subject will be successful in the local market as proposed.

I. INTERVIEWS

INTERVIEWS

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

Planning

We attempted to speak with a representative of the of Darlington County Planning Department. As of the date of this report, our calls have not been returned. Thus, to determine the amount of competitive new supply entering the market, we consulted a May 2024 CoStar report, as well as South Carolina State Housing Finance and Development Authority's (SC Housing) listing of LIHTC allocations from 2020 to present. The following table illustrates proposed, planned, under construction, and recently completed developments in the Subject's PMA.

PLANNED DEVELOPMENT							
Property Name	Rent Structure	Tenancy	Total Units	Competitive Units	LIHTC Allocation Year	Construction Status	Distance to Subject
Chandler Cottages At Byerly Park	Market	Family	46	0	N/A	Under Construction	2.0 miles
Totals			46	0			

Source: SCSHFDA and CoStar, May 2024

Only one market rate property was identified and this development will not be directly competitive with the Subject. Additionally, it should be noted that we were unable to identify any competitive affordable units in the PMA which have been allocated, placed in service, or stabilizing between 2020 and present.

Hartsville Housing Authority

We attempted to contact a representative of the Hartsville Housing Authority in order to gather information regarding the Housing Choice Voucher program. However, as of the date of this report our calls and emails have gone unanswered. The most recent payment standards for one, two, three-bedroom units are illustrated in the proceeding table.

PAYMENT STANDARDS	
Unit Type	Payment Standard
One-Bedroom	\$669
Two-Bedroom	\$807
Three-Bedroom	\$1,023

Source: Hartsville Housing Authority, effective January 2024

As indicated in the previous table, the payment standards for the Subject's 20 and 40 percent AMI level are above the Subject's rents, indicating that voucher tenants will not have to pay additional rent out of pocket. However, the payment standards for the Subject's 60 percent AMI level are below the Subject's rents, indicating that voucher tenants will have to pay additional rent out of pocket.

Property Managers

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

J. RECOMMENDATIONS

Recommendations

We believe there is adequate demand for the Subject in the PMA and the market supports the Subject development as proposed. The Subject's capture rates vary from 0.6 to 11.9 percent with an overall capture rate of 4.8 percent. These capture rates are all considered achievable in the PMA, and are considered conservative for a family property. In addition, the majority of affordable properties in the PMA maintain low vacancy rates and three maintain waiting lists, which indicates a need for affordable housing, such as the proposed Subject. The Subject site is located within 2.6 miles of most community services and facilities that families would utilize on a consistent basis.

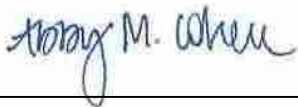
The LIHTC comparables reported vacancy rates ranging from zero to 3.1 percent. When compared to the Subject's proposed rental rates the current 60 percent rents at the LIHTC properties, the Subject's proposed 40 and 60 percent AMI rents appear reasonable, and overall, they are 27 to 89 percent below our estimated achievable market rents. Overall, we believe that the Subject will be successful in the local market as proposed.

K. SIGNED STATEMENT REQUIREMENTS

I affirm that I or someone signing below has 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.

Respectfully submitted,
Novogradac

Date: June 6, 2024



Abby M. Cohen
Partner
Abby.Cohen@novoco.com
240-251-1705



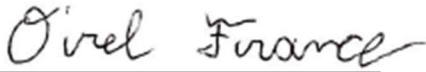
Lauren Lex
Manager
Lauren.Lex@novoco.com



Caroline McGimsey
Analyst
Caroline.McGimsey@novoco.com



Olivia Rodriguez
Junior Analyst
Olivia.rodriguez@novoco.com



O'rel France
Junior Analyst Intern
Orel.France@novoco.com

ADDENDUM A

Qualifications of Consultants

STATEMENT OF PROFESSIONAL QUALIFICATIONS

ABBY M. COHEN

I. Education

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

II. Licensing and Professional Affiliation

Certified General Appraiser, AK License #213395
Certified General Appraiser, FL License #RZ4143
Certified General Appraiser, GA License #427009
Certified General Appraiser, MD License #40032823
Certified General Appraiser, NC License #A8127
Certified General Appraiser, NJ License #42RG00255000
Certified General Appraiser, SC License #7487
Certified General Appraiser, TX License #1381138-G

Designated Member of the National Council of Housing Market Analysts (NCHMA)

III. Professional Experience

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

IV. Professional Training

7-Hour National USPAP Update for 2024-2025, March 2024
GSE Appraisal Requirements and Guidelines, March 2024
Fair Housing Bias and Discrimination, March 2024
Market Disturbances – Appraisals in Atypical Markets and Cycles, March 2024
Appraisal of Land Subject to Ground Leases, December 2017
Business Practices and Ethics, January 2017
General Appraiser Report Writing and Case Studies, February 2015
General Appraiser Sales Comparison Approach, February 2015
General Appraiser Site Valuation and Cost Approach, February 2015
Expert Witness for Commercial Appraisers, January 2015
Commercial Appraisal Review, January 2015
Real Estate Finance Statistics and Valuation Modeling, December 2014
General Appraiser Income Approach Part II, December 2014
General Appraiser Income Approach Part I, November 2014
General Appraiser Market Analysis and Highest & Best Use, November 2014
Basic Appraisal Procedures, March 2013
Basic Appraisal Principles, January 2013

V. Publications

Co-authored “Determining Whether a Developer Fee is Reasonable and Market-Oriented for Purposes of the Revenue Procedure 2014-12 Historic Tax Credit Safe Harbor,” Novogradac Journal of Tax Credits, March 2021
Co-authored “Reasonableness of Historic Tax Credit Related-Party Fees a Complicated, Changing Question in Context of Rev. Proc. 2014-12,” Novogradac Journal of Tax Credits, March 2021
Co-authored “Post Rev. Proc. 2014-12 Trend Emerges: Developer Fee Reasonableness Opinions,” Novogradac Journal of Tax Credits, March 2016

VI. Real Estate Assignments

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

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

STATEMENT OF PROFESSIONAL QUALIFICATIONS

LAUREN E. LEX

I. Education

Trinity College, Hartford, CT
Bachelor of Arts in American Studies and Art History, *cum laude*

II. Professional Experience

Manager, *Novogradac & Company LLP*, December 2019 – Present
Senior Analyst, *Novogradac & Company LLP*, December 2017 – December 2019
Analyst, *Novogradac & Company LLP*, December 2015 – December 2017
Junior Analyst, *Novogradac & Company LLP*, August 2013 – December 2015
Communications Directorate Intern, *U.S. Census Bureau*, June 2011 – August 2011

III. Real Estate Assignments

A representative sample of work on various types of projects:

- Performed asset management services for lenders and syndicators on underperforming assets to identify significant issues facing the property and recommend solutions. Scope of work included analysis of deferred maintenance and property condition, security issues, signage, marketing strategy, condition of units upon turnover and staffing plan. Performed a physical inspection of the assets, to include interior and exterior of property and assessed how the property compares to competition. Analyzed operating expense results.
- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, large family, and acquisition with rehabilitation. Completed market studies in all states.
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties, USDA Rural Development, and market rate multifamily developments. Analysis includes property screenings, valuation analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis.
- Reviewed appraisals and market studies for various state agencies for LIHTC application. Market studies were reviewed for adherence to NCHMA, state guidelines and overall reasonableness. Appraisals reviewed for adherence to USPAP, state guidelines, reasonableness.
- Assisted in appraisal work for retail and commercial properties in various parts of the country for various lenders. The client utilized the study for underwriting purposes.

- Conducted market studies for projects under the HUD Multifamily Accelerated Processing program.
- Prepared Rent Comparability Studies for expiring Section 8 contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Performed all aspects of data collection and data mining for web-based rent reasonableness systems for use by local housing authorities.
- Completed numerous analyses of overall reasonableness with regard to Revenue Procedure 2014-12. Transactions analyzed include projects involving the use of Historic Tax Credits, New Markets Tax Credits and Investment Tax Credits. Fees and arrangements tested for reasonableness include developer fees, construction management fees, property management fees, asset management fees, various leasing-related payments and overall master lease terms.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Caroline McGimsey

I. Education

Elon University – Elon, NC
Bachelor of Arts, Economics

II. Professional Experience

Analyst, *Novogradac & Company LLP* – July 2022 - Present
Junior Analyst, *Novogradac & Company LLP* – November 2021 – June 2022

III. Research Assignments

A representative sample of work on various types of projects:

- Assist in performing and writing markets studies of proposed and existing Low-Income Housing Tax Credit (LIHTC) properties.
- Research web-based rent reasonableness systems and contact local housing authorities for utility allowance schedules, payment standards, and Housing Choice Voucher information.
- Assisted numerous market and feasibility studies for family and senior affordable housing. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of market-rate and Low-Income Housing Tax Credit (LIHTC) properties. Analysis typically includes: unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Greg Hardison

I. EDUCATION

University of Michigan, Ann Arbor, MI
Master of Urban and Regional Planning, 2022

University of Iowa, Iowa City, IA
Bachelor of Arts, Geography, 2019

III. PROFESSIONAL EXPERIENCE

Novogradac & Company LLP – March 2024 – Present
Analyst

Novogradac & Company LLP – June 2022 – March 2024
Junior Analyst

University of Michigan, Economic Growth Institute – May 2021 – April 2022
Research Associate

IV. REAL ESTATE ASSIGNMENTS

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

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

STATEMENT OF PROFESSIONAL QUALIFICATIONS

O'rel France

I. Education

Georgia State University – Atlanta, GA
Bachelor of Science in Business Administration, Accounting

II. Professional Experience

Junior Analyst Intern, Novogradac & Company LLP

III. Real Estate Assignments

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

- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties. Analysis included property screenings, valuation analysis, capitalization rate analysis, expense comparability analysis, determination of market rents, and general market analysis.
- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, assisted living, large family, and acquisition with rehabilitation.
- Researched and analyzed local and national economy and economic indicators for specific projects throughout the United States. Research included employment industries analysis, employment historical trends and future outlook, and demographic analysis.
- Examined local and national housing market statistical trends and potential outlook in order to determine sufficient demand for specific projects throughout the United States.

ADDENDUM B
Utility Allowance Schedule

Utility Allowance Schedule

U.S. Department of Housing and Urban Development

OMB Approval No. 2577-0169

Office of Public and Indian Housing

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

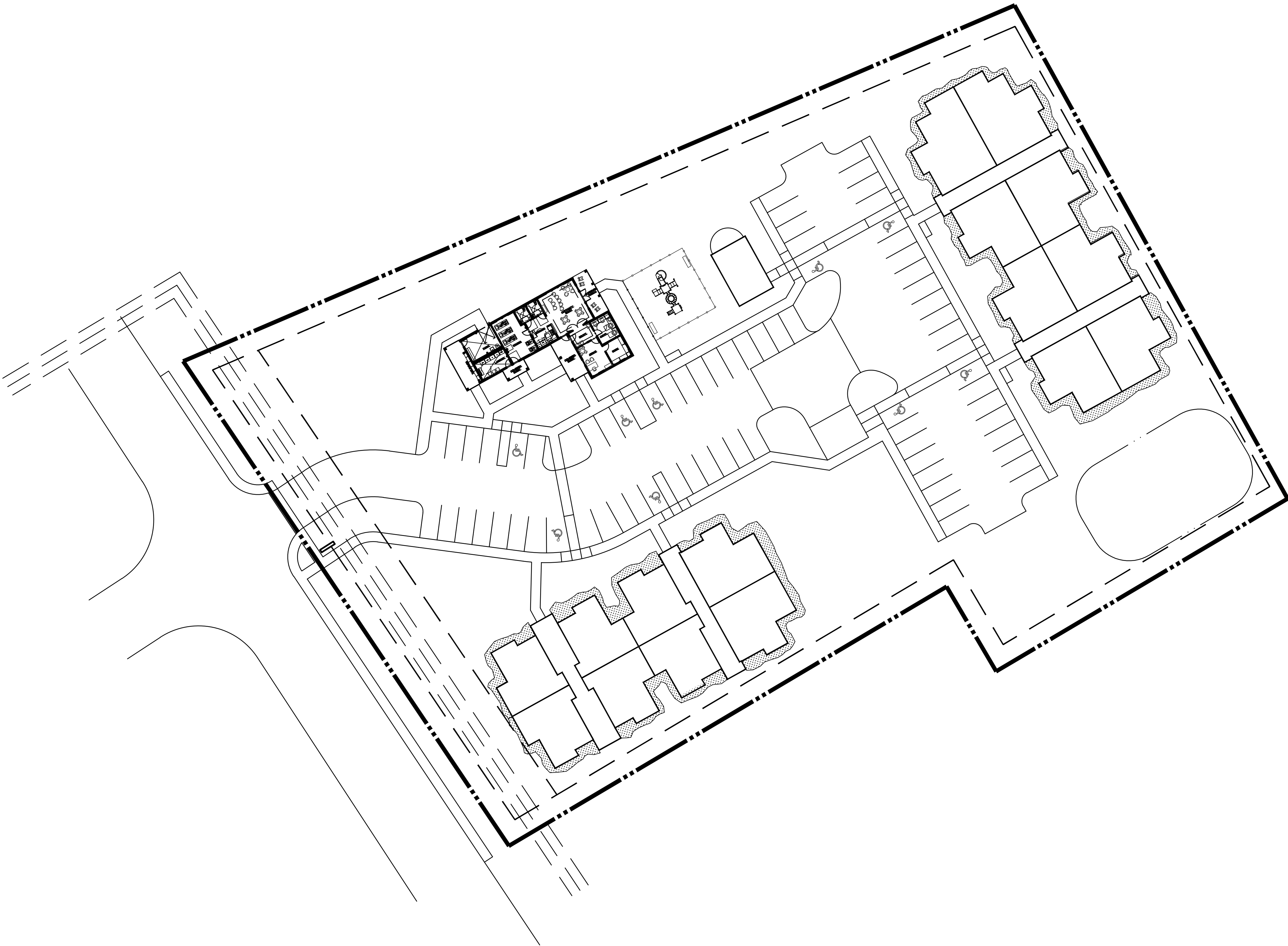
Locality/PHA SC State Housing Finance & Development Agency Midlands Region		Green Discount ENERGY STAR		Unit Type Larger Apartment Bldgs. (5+ units)			Date (mm/dd/yyyy) 02/05/2024
Utility or Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	\$19	\$23	\$26	\$28	\$31	\$34
	Bottled Gas	\$44	\$51	\$57	\$63	\$69	\$75
	Electric Resistance	\$11	\$13	\$17	\$20	\$23	\$26
	Electric Heat Pump	\$10	\$11	\$13	\$15	\$17	\$18
	Fuel Oil	\$38	\$45	\$50	\$56	\$61	\$66
Cooking	Natural Gas	\$4	\$4	\$7	\$9	\$11	\$13
	Bottled Gas	\$9	\$10	\$15	\$19	\$24	\$28
	Electric	\$5	\$6	\$8	\$11	\$13	\$16
	Other						
Other Electric	Electric	\$18	\$22	\$30	\$39	\$47	\$55
Air Conditioning	Electric	\$12	\$15	\$20	\$26	\$33	\$39
Water Heating	Natural Gas	\$8	\$10	\$14	\$18	\$23	\$27
	Bottled Gas	\$19	\$22	\$32	\$42	\$51	\$61
	Electric	\$11	\$13	\$17	\$21	\$24	\$28
	Fuel Oil	\$16	\$19	\$28	\$37	\$45	\$54
Water		\$27	\$29	\$40	\$58	\$75	\$93
Sewer		\$38	\$40	\$56	\$76	\$91	\$105
Trash Collection		\$16	\$16	\$16	\$16	\$16	\$16
Other - Specify							
Range/Microwave		\$10	\$10	\$10	\$10	\$10	\$10
Refrigerator		\$11	\$11	\$11	\$11	\$11	\$11
Electric Base Charge		\$11	\$11	\$11	\$11	\$11	\$11
Natural Gas Base Charge		\$11	\$11	\$11	\$11	\$11	\$11
Actual Family Allowances -May be used by the family to compute allowance while searching for a unit.					Utility/Service/Appliance		Allowance
					Heating		
Head of Household Name					Cooking		
					Other Electric		
Unit Address					Air Conditioning		
					Water Heating		
					Water		
					Sewer		
					Trash Collection		
Number of Bedrooms					Other		
					Range/Microwave		
					Refrigerator		
					Total		

Previous versions are obsolete.

Spreadsheet (ver14) based on Form HUD-52667 (04/2023).
ref. Handbook 7420.8

ADDENDUM C

Site Plans



ABBINGTON

HARTSVILLE, SC

SITE INFORMATION:

SITE: 2.97+/- ACRES
DENSITY: 16.2 UNITS/ACRES
BUILDINGS: (1) 1 STORY CLUBHOUSE
(2) 3 STORY APARTMENT BUILDINGS
SPRINKLERS: 13R
PARKING SPACES: 72 SPACES REQUIRED
72 SPACES PROVIDED (1.5 SP/UNIT)
SETBACKS: FRONT = 10' MIN. 35' MAX
SIDE = 10'
REAR = 5'

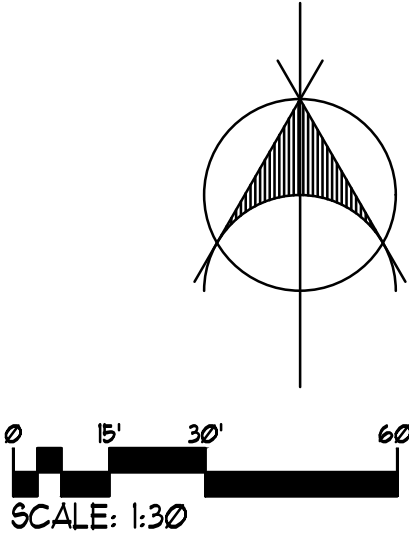
SITE NOTES:

- SITE TO BE GRADED TO ASSUME 5% SLOPE AWAY FROM BUILDINGS IN FIRST 10'.
- NO RETAINING WALLS
- NO FLOOD PLAINS.
- NO KNOWN WETLANDS NOR WATERWAYS ON SITE

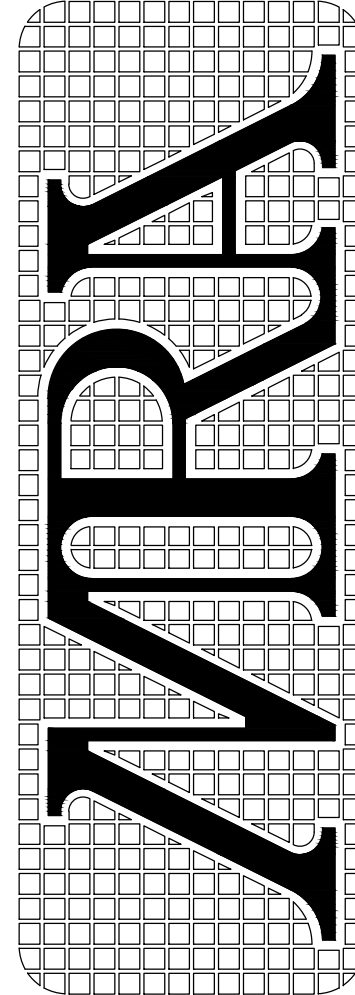
UNIT INFORMATION:

BUILDING DATA						
BUILDING	A UNITS	B UNITS	C UNITS	TOTAL	TOTAL HEATED SF	TOTAL NET SF
COMMUNITY	0	0	0	0	2,079	2,202
100	0	18	6	24	24,468	25,956
200	18	6	0	24	19,584	20,646
TOTAL	18	24	6	48	46,131	48,804

UNIT DATA		
UNIT TYPE	HEATED	NET
A	760	803
B	984	1,032
C	1,126	1,230



MARTIN RILEY ASSOCIATES - ARCHITECTS, P.C.
100 CRESCENT CENTER PARKWAY, SUITE 220, TUCKER, GA 30084
ABBINGTON
HARTSVILLE, SC



CSP1

REVISIONS			
PROJECT NUMBER	DATE REVISION	DRAWN BY	CHECKED BY
2024	4/25/2024	DET	

ADDENDUM D
NCHMA Certification



Formerly known as
National Council of Affordable
Housing Market Analysts

NCHMA MEMBER CERTIFICATION

This market study has been prepared by **Novogradac**, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the *Standard Definitions of Key Terms Used in Market Studies*, and *Model Content Standards for the Content of Market Studies*. These Standards are designed to enhance the quality of market studies and to make them easier to prepare, understand, and use by market analysts and 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.

Novogradac is duly qualified and experienced in providing market analysis for Affordable 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. **Novogradac** is an independent market analyst. No principal or employee of **Novogradac** has any financial interest whatsoever in the development for which this analysis has been undertaken.

Abby Cohen
Partner

Certificate of Professional Designation

This certificate verifies that

Abby Cohen

Novogradac & Company LLP

Has completed NCHMA's Professional Designation Requirements
and is hence an approved member in good standing of:



National Council of Housing Market Analysts
1400 16th St. NW
Suite 420
Washington, DC 20036
202-939-1750

Membership Term
1/1/2024 to 12/31/2024



A handwritten signature in blue ink, reading "Kaitlyn Snyder".

Kaitlyn Snyder
Managing Director, NCHMA

EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:

Abbingtion Lake	Total # Units: 48
Location: East Washington Street, Hartsville, SC	# LIHTC Units: 48
PMA Boundary: U.S. Route 1 to the north; U.S. Route 52 and U.S. Route 15, and U.S. Route 401 to the east; U.S. Route 401 and U.S. Interstate 20 to the south; and the Darlington Lee County line and the Chesterfield-Kershaw County line to the west.	
Development Type: <u> X </u> Family <u> </u> Older Persons	Farthest Boundary Distance to Subject: 22 miles

RENTAL HOUSING STOCK (Found on pages 55 & 104)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	15	822	8	99.0%
Market-Rate Housing	3	192	3	98.4%
Assisted/Subsidized Housing not to include LIHTC	4	176	0	100.0%
LIHTC (All that are stabilized)* **	7	408	5	98.8%
Stabilized Comps**	14	776	8	99.0%
Non-stabilized Comps	1	46	46	0.0%

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

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

Subject Development					HUD Area FMR			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
2	1	1	760	\$143	\$756	\$0.99	81.08%	\$1,065	\$1.40
1	1	1	760	\$434	\$756	\$0.99	42.59%	\$1,065	\$1.40
15	1	1	760	\$724	\$756	\$0.99	4.23%	\$1,065	\$1.40
2	2	2	984	\$153	\$959	\$0.97	84.05%	\$1,240	\$1.26
1	2	2	984	\$502	\$959	\$0.97	47.65%	\$1,240	\$1.26
15	2	2	984	\$850	\$959	\$0.97	11.37%	\$1,240	\$1.26
1	3	2	1,126	\$145	\$1,170	\$1.04	87.61%	\$1,531	\$1.36
3	3	2	1,126	\$548	\$1,170	\$1.04	53.16%	\$1,531	\$1.36
8	3	2	1,126	\$950	\$1,170	\$1.04	18.80%	\$1,531	\$1.36
Gross Potential Rent Monthly*				\$34,527	\$44,910		23.12%		

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

DEMOGRAPHIC DATA (found on pages 39 to 43)

	2010		2023		July 2026	
Renter Households	4,497	25.8%	4,541	27.2%	4,417	26.6%
Income-Qualified Renter HHs (LIHTC)	N/A	N/A	1,683	37.1%	1,637	37.1%
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 47)

Type of Demand	20%	40%	60%	Overall
Renter Household Growth	-19	-25	-26	-65
Existing Households (Overburd + Substand)	334	450	462	1,151
Homeowner conversion (Seniors)	-	-	-	-
Other:	-	-	-	-
Less Comparable/Competitive Supply	0	0	0	0
Net Income-qualified Renter HHs	315	425	436	1,086

CAPTURE RATES (found on page 50)

Targeted Population	20%	40%	60%	Overall
Capture Rate (As Proposed)	1.7%	1.3%	9.5%	4.8%

ABSORPTION RATE (found on page 50)

Absorption Period: Three to four months