

### **5% Vacancy Justification**

We are confident that our 64-unit RAD conversion and new construction of Oakland Place Apartments in Florence, SC, will achieve a vacancy rate of 5% due to several key factors. First, every tenant currently residing in the units will have the right to return post-construction ensuring minimal displacement and a stable tenant base. This commitment provides stability for existing residents, allowing them to maintain access to affordable housing within the community, which is crucial for their stability and well-being.

Furthermore, our efforts will significantly enhance the quality of housing, making these units more attractive to current and future residents. By creating modern housing including the interiors and exteriors, improving energy efficiency, and incorporating contemporary amenities, we are raising the standard of living for all tenants. This upgraded quality not only meets the needs of existing residents but also increases demand for the units, as families seek safe, comfortable, and appealing housing options in Florence.

Additionally, we will utilize project-based vouchers (PBVs), which offer residents stable rent payments that align with their income levels, making the units highly affordable and accessible to low-income households. The incorporation of PBVs ensures that the demand for these units remains strong, as they provide financial security for tenants. This strong demand is further supported by our collaboration with the Housing Authority of Florence, SC, which maintains a robust waiting list of qualified applicants eager to secure affordable housing. Our partnership with the Housing Authority will allow us to efficiently fill any vacancies as they arise, ensuring that units remain occupied throughout the rehabilitation process and beyond.

Given these factors guaranteed resident return, increased housing quality through our modernization efforts, project-based voucher affordability, and access to the established Housing Authority waiting list we are confident in our ability to maintain a vacancy rate of 5% or lower upon completion of the project. The combination of a stable tenant base and enhanced housing quality will not only support occupancy but also contribute positively to the overall community fabric of Florence.