

A MARKET FEASIBILITY STUDY OF:

**LANCASTER
MANOR
APARTMENTS**

A MARKET FEASIBILITY STUDY OF:

LANCASTER MANOR APARTMENTS

Located at:
201 Chesterfield Avenue
Lancaster, Lancaster County, SC 29720

Effective Date: November 8, 2023
Report Date: December 4, 2023

Prepared for:
Gerald A. Kruger
American Community Developers, Inc.
20250 Harper Avenue
Detroit, MI 48225

Prepared by:
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December 4, 2023

Gerald A. Kruger
American Community Developers, Inc.
20250 Harper Avenue
Detroit, MI 48225

Re: Market Study for Lancaster Manor Apartments, located in Lancaster, Lancaster County, South Carolina

Dear Gerald Kruger:

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 Lancaster, Lancaster County, South Carolina area relative to the above-referenced proposed affordable housing acquisition/rehabilitation project.

The purpose of this market study is to assess the viability of the acquisition/rehabilitation of Lancaster Manor Apartments (Subject), an existing 66-unit age-restricted (55+) Low Income Housing Tax Credit (LIHTC)/Section 8 multifamily property located at 201 Chestefield Avenue, in Lancaster, Lancaster County, South Carolina. All 66 units at the property are restricted to households earning 60 percent of the Area Median Income (AMI), or less, and are encumbered by a Housing Assistance Payment (HAP) contract, and benefit from Section 8 subsidy, where tenants contribute 30 percent of their income towards rent. Post-renovation, all of the units will continue to be LIHTC-restricted to senior households earning 60 percent of the area median income (AMI), or less. In addition, all units will continue to benefit from the Section 8 contract.

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.

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 depth of discussion contained in the report is specific to the needs of the client and the requirements of South Carolina State Housing Finance and Development Authority (SCSHFDA), both of which are identified intended users, and the intended use is for tax credit application. The report and the conclusions are subject to the *Assumptions and Limiting Conditions* attached.

The depth of discussion contained in the report is compliant with both SCSHFDA and the market study guidelines promulgated by the National Council of Housing Market Analysts (NCHMA). 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.

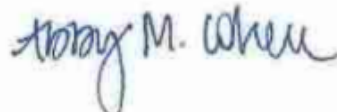
The Stated Purpose of this assignment is for application. You agree not to use the Report other than for the Stated Purpose, and you agree to indemnify us for any claims, damages or losses that we may incur as the result of your use of the Report for other than the Stated Purpose. Without limiting the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

Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac Consulting LLP can be of further assistance. It has been our pleasure to assist you with this project.

Respectfully submitted,
Novogradac



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I. EXECUTIVE SUMMARY

Property Summary of Subject

Subject Property Overview:

Lancaster Manor Apartments, the Subject, is an existing 66-unit age-restricted (55+) LIHTC/Section 8 apartment property. The Subject is located at 201 Chesterfield Avenue, Lancaster, Lancaster County, SC 29720 and offers 66 age-restricted (55+) units restricted to households earning 60 percent of the AMI, or less. Improvements consist of one three-story elevator-served lowrise residential building that was originally constructed in 1983, renovated with LIHTC equity in 2005, and is proposed for renovations with additional LIHTC equity in 2026. Currently, all units at the property are encumbered by a Housing Assistance Payment (HAP) contract, and benefit from subsidy, where tenants contribute 30 percent of their income towards rent. According to the rent roll dated October 13, 2023, the Subject is currently 92.4 percent occupied and reportedly maintains a waiting list of undetermined length. Post-renovation, all of the units will be LIHTC-restricted to households earning 60 percent of the area median income (AMI), or less. In addition, all units will continue to benefit from the Housing Assistance Payment (HAP) contract, where tenants pay 30 percent of their income toward rent.

Targeted Tenancy:

The Subject is age-restricted to households age 55 and older and will consist of primarily one to two-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. It should be noted that all units will continue to benefit from Section 8 subsidies, and tenants will continue to contribute 30 percent of income as rent.

PROPOSED RENTS

Unit Type	Unit Size (SF)	# Units	Contract Rent (1)	Net LIHTC Rent (2)	Utility Allowance (1)	Gross Rent	2023 LIHTC Maximum Allowable Gross Rent	2024 HUD Fair Market Rent
@60% (Section 8)								
1BR/1BA	533	60	\$869	\$775	\$0	\$775	\$921	\$790
2BR/1BA	779	6	\$1,000	\$900	\$0	\$900	\$1,105	\$1,026
Total		66						

(1) Based on rent schedule effective 11/1/2023

(2) Based on Novogradac's achievable LIHTC rents

Scope of Renovations:

According to information provided by the developer, the total renovation hard costs are estimated to be approximately \$3,960,000, or \$60,000 per unit. The renovation scope includes, but may not be limited to, the following: reworking building entry and parking spaces for ADA access, replacing vinyl siding, replacing building entry doors and hardware, replacing windows, replacing flooring, painting unit interiors, painting entry doors, replacing kitchen and bathroom cabinets in units, replacing kitchen backsplashes, replacing bathroom fixtures, replacing plumbing systems replacing kitchen appliances, abating/encapsulating potential asbestos containing materials, installing heat pump systems, replacing bathroom exhaust fans, replacing interior and exterior light fixtures, installing new ceiling fans, installing new telephone and internet ports, upgrading audio/visual impaired units, replacing smoke detectors, repairing/replacing road asphalt, replacing sidewalks, installing concrete ramps, a, upgrading site signage, upgrading parking area signs, and repairing the roof.

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 %
Abbingtion Willow Lake	LIHTC	Family	40	0	0.0%
Azalea Gardens	LIHTC	Senior	36	0	0.0%
Miller Grove	LIHTC	Family	48	0	0.0%
Millers Ridge	LIHTC/Market	Family	72	3	4.2%
Northwest Apartments	LIHTC	Family	72	0	0.0%
Old Hickory Apartments	LIHTC	Family	32	0	0.0%
Chesterfield / Eula Apartments	Market	Family	49	1	2.0%
Dalton Ridge Apartments	Market	Family	87	0	0.0%
Oakhaven Apartments	Market	Family	68	0	0.0%
Oakleaf Senior Residences	Market	Senior	50	0	0.0%
Woodhaven Apartments	Market	Family	54	0	0.0%
LIHTC Total			300	3	1.0%
Market Total			308	1	0.3%
Overall Total			608	4	0.7%

*Located outside PMA

The comparable properties reported vacancy rates ranging from zero to 4.2 percent, with an overall weighted average of 0.7 percent. Managers at five of the six LIHTC properties reported being fully occupied. The average vacancy rate reported by the affordable comparables was one percent, above the 0.3 percent weighted average reported by the market rate properties. All of the market rate properties reported vacancy rates of two percent or less. The average LIHTC vacancy rate of one percent is considered exceptionally low, and indicative of supply-constrained conditions.

The Subject is currently operating as a LIHTC/Section 8 property. According to the rent roll dated October 13, 2023, the Subject is currently 92.4 percent occupied. According to historical financial statements, the Subject's annual vacancy and collection loss was 3.9, 4.9, and 1.7 percent in 2020, 2021, and 2022, respectively. According to management, the Subject's typical historical vacancy rate is less than five percent, and demand for affordable housing is very strong.

Capture Rates

The following table illustrates the capture rates for the Subject.

CAPTURE RATE ANALYSIS CHART

Bedrooms/AMI Level	Total Demand	Supply	Net Demand	Units Proposed	Capture Rate
1BR @60% (Absent Subsidy)	205	0	205	60	29.2%
1BR @60% (As Proposed)	682	0	682	60	8.8%
2BR @60% (Absent Subsidy)	24	0	24	6	25.5%
2BR @60% (As Proposed)	78	0	78	6	7.7%
Overall (As Proposed)	760	0	760	66	8.7%
Overall (Absent Subsidy)	229	0	229	66	28.8%

As the analysis illustrates, the Subject's capture rates with subsidy range from 7.7 to 8.8 percent. Absent subsidy, the Subject's capture rates at the 60 percent AMI level range from 25.5 to 29.2 percent. The overall capture rates for the Subject's units as proposed and absent subsidy are 8.7 and 28.8 percent, respectively, and we believe there is adequate continued demand for the Subject. Further, capture rates for all units, as well as the overall property, are below the 30 percent capture rate threshold as determined by SCSHFDA.

Projected Absorption Period

We analyzed absorption information from four properties located within the surrounding area, detailed in the following table.

ABSORPTION

Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
Madison Place	Market	Family	Charlotte	2022	215	14	32.2 miles
Elan Indian Trail	Market	Family	Indian Trail	2022	350	19	26.1 miles
The Collins	Market	Family	Charlotte	2021	350	19	32.6 miles
Overall Average					305	17	

Note the Subject is an existing property, and will not need to re-lease its units. Therefore, this discussion is hypothetical, and assumes the Subject were 100 percent vacant. We obtained absorption data from three properties, located between 26.1 and 32.6 miles from the Subject. These properties reported absorption rates ranging from 14 to 19 units per month, with an overall average of 17 units per month. Overall, we expect the Subject will experience an absorption rate of 15 units per month, as if hypothetically vacant. This equates to an absorption period of approximately four months. This is considered largely hypothetical as the Subject's current tenants are expected to remain income-eligible to remain at the property post-renovation. According to the rent roll dated October 13, 2023, the Subject is currently 92.4 percent occupied and maintains a waiting list of undetermined length. Overall, we believe the Subject would reach a stabilized occupancy rate in less than one month assuming its current operations.

Market Conclusions

Overall in the local multifamily market is performing well with a .07 percent vacancy rate among all of the surveyed comparable projects, and 1.0 percent vacancy rate among the LIHTC comparables. Five of the six LIHTC properties are fully occupied and all of the LIHTC properties maintain waiting lists, suggesting latent demand for affordable housing.

One of the comparables reported achieving 2023 maximum allowable rents at the 60 percent AMI levels, one reported maintaining rents at the 2022 maximum allowable level, and the remaining comparables reported rents below the maximum allowable levels. It should be noted that the property managers at Abbington Willow Lake, Miller Grove were unable to provide an explanation for the rents below the maximum allowable level or state if maximum rents were achievable; however, the contacts at Northwest Apartments and Millers Ridge stated that there is strong demand for affordable housing in the market. Further, all of the properties reported 100 percent occupancy, with the exception of Millers Ridge, and all of the comparables reported maintaining waiting lists. Post-renovation, the Subject will offer a similar to slightly inferior condition, a similar location, slightly inferior in-unit amenities, similar to slightly superior community amenities, and smaller unit sizes relative to the affordable comparables.

Azalea Gardens is considered the most similar affordable comparable overall. This property is located 1.6 miles from the Subject site in a similar neighborhood. This property was constructed in 2006, and exhibits good condition, which is considered similar to the anticipated condition of the Subject upon completion of renovations. Azalea Gardens offers slightly superior in-unit amenities and similar common area amenities relative to the Subject. This property offers larger unit sizes relative to the Subject. Overall, Azalea Gardens is considered slightly superior to the Subject on balance. This comparable reported achieving rents below the maximum allowable levels; however, the property manager stated that demand for affordable housing is strong, but was unable to comment on whether maximum allowable rents would be achievable. Given the overall balance of characteristics including the Subject's anticipated condition, similar location, the low vacancy rates, and the presence of waiting lists, we have concluded to achievable LIHTC rents that are slightly below the 2023 maximum allowable levels, resulting in rent advantages ranging from 18 to 20 percent compared to our estimated achievable market rents. However, the Subject will continue to benefit from a HAP contract post-renovation for all of its units. Overall, we believe that the Subject will be successful in the local market as proposed.

Recommendations

We believe there is ample demand for the Subject in the PMA and the market supports the renovation of the Subject development as proposed. The Subject's capture rates with subsidy range from 7.7 to 8.8 percent. Absent subsidy, the Subject's capture rates at the 60 percent AMI level range from 25.5 to 29.2 percent. The overall capture rates for the Subject's units as proposed and absent subsidy are 8.7 and 28.8 percent, respectively, and we believe there is adequate continued demand for the Subject. Further, capture rates for all units, as well as the overall property, are below the 30 percent capture rate threshold as determined by (SCSHFDA). Between 2023 and the market entry date, the total number of senior households is expected to increase at a rate of 1.5 percent annually in the PMA. The Subject is located within 1.7 miles of most community services and facilities that tenants would utilize on a consistent basis.

One of the comparables reported achieving 2023 maximum allowable rents at the 60 percent AMI levels, one reported maintaining rents at the 2022 maximum allowable level, and the remaining comparables reported rents below the maximum allowable levels. It should be noted that the property managers at Abbington Willow Lake, Miller Grove were unable to provide an explanation for the rents below the maximum allowable level or state if maximum rents were achievable; however, the contacts at Northwest Apartments and Millers Ridge stated that there is strong demand for affordable housing in the market. Further, all of the properties reported 100 percent occupancy, with the exception of Millers Ridge, and all of the comparables reported maintaining waiting lists.

Further, there are several apparent strengths of the Subject's site, development scheme, and market, which include:

- Rehabilitation of the Subject's units will positively impact the surrounding area by improving the Subject's condition and street appeal, and thus representing an improvement to the neighborhood.
- All of the Subject's units will continue to benefit Section 8 subsidy; thus, these tenants will continue to pay 30 percent of their income towards rent.
- The Subject is an existing property with a wait list, and all tenants are expected to remain income qualified post-renovation.
- The Subject will be in good condition upon completion and will fill a need for good quality/newly renovated affordable housing in Lancaster.

As such, we recommend the Subject as proposed, with no suggested modifications.

Long Term Impact on Existing LIHTC Properties in the PMA

Managers at five of the six LIHTC properties reported being fully occupied, and all reported maintaining a waiting list. The average vacancy rate among the LIHTC comparables is 1.0 percent. 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 rehabilitation will have no long-term impact on the existing area LIHTC developments. In addition, no new units will be added to the market as a result of the Subject's allocation. Between 2023 and market entry, the total number of senior households is expected to increase at a rate of 1.5 percent annually in the PMA. Since the Subject will continue to operate with a subsidy, we do not expect any impact on the existing low-income rental assisted housing in the market.

Rent versus Buy Analysis

We performed a rent/buy analysis. Our inputs assume a two-bedroom, single-family home listing on Zillow in the Subject's neighborhood with a purchase price of \$249,900 and an interest rate of 7.85 percent for a 30-year fixed mortgage with a 10 percent down payment. This was compared with the cost to rent the Subject's two-bedroom unit at 60 percent of AMI. The analysis indicates that with a monthly differential of \$1,260, 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:		Two-Bedroom Single-Family Home	
Sales Price			\$249,900
Down Payment at 10.0%			\$24,990
Mortgage Amount			\$224,910
Current Interest Rate			7.85%
<i>Homeownership Costs</i>		<i>Monthly</i>	<i>% of Home Value</i>
Mortgage Payment		\$1,627	
Property Taxes		\$260	1.25%
Private Mortgage Insurance*		\$94	0.50%
Maintenance		\$417	2.00%
Utility Costs**		\$194	
Tax Savings		(\$432)	
			(\$5,179)
Cost Comparison			
		<i>Monthly</i>	<i>Annual</i>
Costs of Homeownership		\$2,160	\$25,922
Cost of Renting At Subject		\$900	\$10,800
Differential		\$1,260	\$15,122
Cost of Occupancy			
		<i>Homeownership</i>	
Closing Costs			3.00%
Down Payment at 10.0%			10.00%
Total			\$32,487
		<i>Subject Rental</i>	
First Month's Rent		\$900	
Security Deposit		\$900	
Total		\$1,800	

* Based upon 0.50% of mortgage amount

** Utility Costs Included in Rent at Subject

As illustrated, the “cash due at occupancy” category adds to \$32,487 for the down payment and closing costs. The cash necessary for homeownership is still a barrier to many families. In general, first-time homebuyers have difficulty saving for a down payment. For this reason, we believe that the Subject will face limited competition from homeownership.

LANCASTOR MANOR APARTMENTS – LANCASTER, SC – APPLICATION MARKET STUDY

EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:										
Lancaster Manor Apartments					Total # Units: 66					
Location: 6615 Augusta Road, Greenville, SC					# LIHTC Units: 66					
PMA Boundary: Highway 160 and the North Carolina and South Carolina border to the north, the Lynche River and Highway 601 to the east, Highway 601, Highway 521, and Highway 97 to the south, and Interstate 77 and Highway 5 to the west										
Development Type: <input type="checkbox"/> Family <input checked="" type="checkbox"/> Older Persons					Farthest Boundary Distance to Subject: 21.6 miles					
RENTAL HOUSING STOCK (Found on page 64)										
Type		# Properties		Total Units		Vacant Units		Average Occupancy		
All Rental Housing		23		640		4		99.4%		
Market-Rate Housing		5		308		1		99.7%		
Assisted/Subsidized Housing not to include LIHTC		1		32		N/A		N/A		
LIHTC (All that are stabilized)*		17		300		3		99.0%		
Stabilized Comps**		2		N/Av		N/Av		N/Av		
Non-stabilized Comps		0		0		0		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	
60	1	1	533	\$775	\$790	\$1.48	1.9%	\$835	\$0.77	
6	2	1	779	\$900	\$1,026	\$1.32	12.3%	\$1,000	\$0.79	
Gross Potential Rent Monthly*				\$51,900	\$53,556		3.1%			
*Market Advantage is calculated using the following formula: (Gross Adjusted Market Rent (minus) Gross Proposed Tenant Rent) (divided by) Gross Adjusted Market Rent. 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 47 to 52)										
	2010		2023		January 2026					
Renter Households	3,732		19.1%		4,431		15.7%		4,631 15.3%	
Income-Qualified Renter HHs (LIHTC)	N/A		N/A		2,468		19.3%		2,389 18.7%	
Income-Qualified Renter HHs (MR)	N/A		N/A		N/A		N/A		N/A	
TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 53)										
Type of Demand	60%	60% (Absent Subsidy)	Other:___	Other:___	Other:___	Overall				
Renter Household Growth	-79	-35	-	-	-	-35				
Existing Households (Overburd + Substand)	834	263	-	-	-	263				
Homeowner conversion (Seniors)	188	57	-	-	-	57				
Other:	-	-	-	-	-	-				
Less Comparable/Competitive Supply	0	-	-	-	-	0				
Net Income-qualified Renter HHs	943	285	-	-	-	285				
CAPTURE RATES (found on page 59)										
Targeted Population	60%	60% (Absent Subsidy)	Other:___	Other:___	Other:___	Overall				
Capture Rate	8.7%	28.8%	-	-	-	28.8%				
ABSORPTION RATE (found on page 60)										
Absorption Period: Four to five months										

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

Market Analyst Author: Rebecca S. Arthur

Company: Novogradac

Signature:

Rebecca S. Arthur

Date: 12/4/2023

EXHIBIT S-2 RENT CALCULATION WORKSHEET						
Bedroom Type	# of Units	Proposed Tenant Paid Rent	Net Proposed Tenant Rent by Bedroom Type	Gross HUD FMR	Gross HUD FMR Total	Tax Credit Gross Rent Advantage
60	1BR	\$775	\$46,500	\$970	\$58,200	25.2%
6	2BR	\$900	\$5,400	\$1,100	\$6,600	22.2%
Totals	66		\$51,900		\$64,800	24.9%

Source: (SCSHFDA), Novogradac, November 2023

Note: Tenant paid rents reflects asking LIHTC rent at the Subject. However, all units will benefit from project-based rental assistance at the Subject; as such, tenants will pay just 30 percent of their income as rent.

II. PROJECT DESCRIPTION

PROJECT DESCRIPTION

Development Location:	The Subject is located at 201 Chesterfield Avenue, in Lancaster, Lancaster County, SC 29720.
Construction Type:	The Subject consists of one elevator-serviced three-story lowrise residential building. The buildings are wood-frame with brick and vinyl siding exteriors with pitched asphalt roofs.
Year Built:	The Subject was originally constructed in 1983, renovated in 2005 with LIHTC equity. The Subject is currently proposed for further renovations with additional LIHTC equity.
Occupancy Type:	For SCSHFDA purposes, the tenancy is considered seniors age 55 and older. The targeted tenancy will consist of primarily one to two-person households.
Target Income Group:	The Subject will continue to target income-qualified senior (55+) households with one to five persons. Based on the unit mix, the annual household income levels will range from \$25,500 to \$39,300 for the units at the 60 percent AMI level; however, all units at the Subject will be subsidized allowing tenants to pay 30 percent of their income toward rent, which effectively lowers the minimum income to \$0.
Special Population Target:	Seniors (55+).
Number of Units by Unit Type:	The Subject includes 60 one-bedroom units and six two-bedroom units.
Number of Buildings and Stories:	The Subject consists of one elevator-serviced three-story lowrise structure.
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	60	533	31,980
2BR/1BA	6	779	4,674
Total	66		36,654

Structure Type/Design:	The Subject consists of one elevator-serviced three-story lowrise structure. The buildings are wood-frame with brick and vinyl siding exteriors with pitched asphalt roofs.
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Proposed Rents and Utility Allowance:

The following table details the Subject's proposed rents, utility allowances, unit mix, and unit sizes. It should be noted that all units will continue to benefit from Section 8 subsidies, and tenants will continue to contribute 30 percent of income as rent.

PROPOSED RENTS								
Unit Type	Unit Size (SF)	# Units	Contract Rent (1)	Net LIHTC Rent (2)	Utility Allowance (1)	Gross Rent	2023 LIHTC Maximum Allowable Gross Rent	2024 HUD Fair Market Rent
@60% (Section 8)								
1BR/1BA	533	60	\$869	\$775	\$0	\$775	\$921	\$790
2BR/1BA	779	6	\$1,000	\$900	\$0	\$900	\$1,105	\$1,026
Total		66						

(1) Based on rent schedule effective 11/1/2023

(2) Based on Novogradac's achievable LIHTC rents

Utility Structure/Allowance:

The landlord is responsible for all utility expenses, including electric cooking, heating, water heating, air conditioning, general electric expenses, cold water, sewer, and trash expenses, in addition to common area utility expenses. There are no proposed changes to the tenant-paid utility structure post-renovation. The utility structure varies among the comparable properties; we have adjusted the comparables' rents in accordance with the utility schedule obtained from the South Carolina State Housing Finance and Development Agency (Upstate Region), which includes Lancaster County, effective February 27, 2023, which is the most recent available.

Existing or Proposed Project-Based Rental Assistance:

All of the Subject's units will continue to operate with Section 8 subsidy; thus, tenants will continue to pay 30 percent of their income towards rent.

Community Amenities

The Subject's common area amenities include a clubhouse, computer room, community garden, elevators, exercise facility, central laundry facility, on-site management, and picnic areas. The Subject's community amenities will not change upon completion of renovations.

Unit Amenities

The Subject's in-unit amenities consist of blinds, carpet and vinyl flooring, wall air conditioning, grab bars, pull cords, and coat closets. Appliances include a refrigerator and an oven. The Subject's in-unit amenities will not change upon completion of renovations.

Parking:

The Subject offers 51 off-street parking spaces, or 0.77 spaces per unit. The amount of parking appears adequate based on the current unit mix, the targeted tenancy, as well as comparable properties. Post-renovation, the Subject's parking will remain the same.

Security:

The Subject currently offers limited access as a security feature. Post-renovation, the Subject's security features will remain the same.

**Current Occupancy/
Rent Levels:**

The following table summarizes current tenant-paid rents at the Subject. As previously discussed, the Subject's tenants will continue to pay 30 percent of their income towards rent. It should be noted that Subject maintains waiting list of undetermined length for each bedroom type.

RENT ROLL ANALYSIS (10/13/2023)

Unit Type	Unit Size (SF)	Number of Units	Contract Rent*	Minimum Tenant Paid Rent	Maximum Tenant-Paid Rent	Average Tenant-Paid Rent	Vacant Units	Vacancy Rate
1BR/1BA	553	60	\$869	\$232	\$629	\$431	5	7.6%
2BR/1BA	779	6	\$1,000	\$194	\$677	\$537	0	0.0%
Total		66					1	7.6%

*Based on rent schedule, effective 11/1/2023

Scope of Renovations:

According to information provided by the developer, the total renovation hard costs are estimated to be approximately \$3,960,000, or \$60,000 per unit. The renovation scope includes, but may not be limited to, the following: reworking building entry and parking spaces for ADA access, replacing vinyl siding, replacing building entry doors and hardware, replacing windows, replacing flooring, painting unit interiors, painting entry doors, replacing kitchen and bathroom cabinets in units, replacing kitchen backsplashes, replacing bathroom fixtures, replacing plumbing systems replacing kitchen appliances, abating/encapsulating potential asbestos containing materials, installing heat pump systems, replacing bathroom exhaust fans, replacing interior and exterior light fixtures, installing new ceiling fans, installing new telephone and internet ports, upgrading audio/visual impaired units, replacing smoke detectors, repairing/replacing road asphalt, replacing sidewalks, installing concrete ramps, a, upgrading site signage, upgrading parking area signs, and repairing the roof.

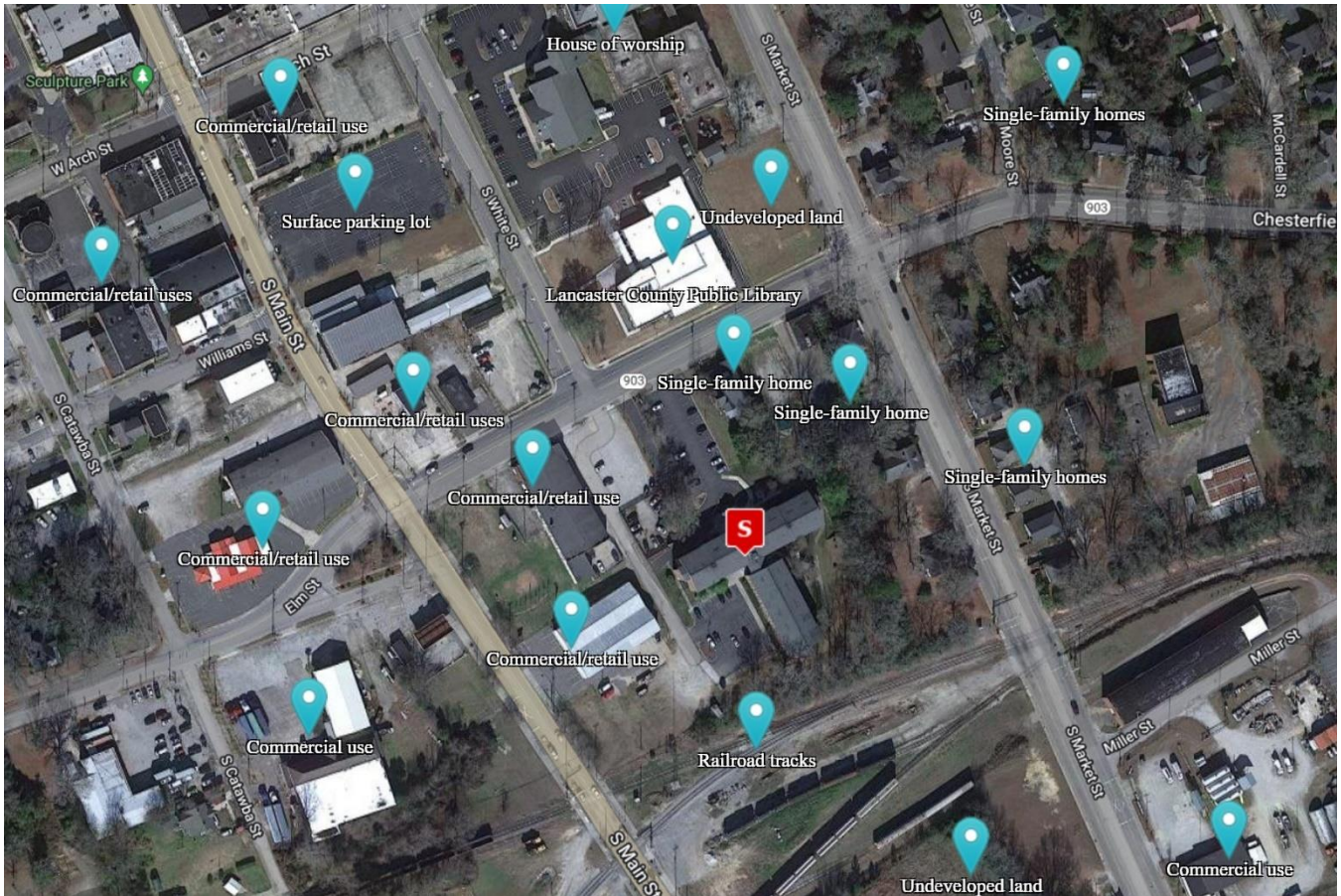
III. SITE DESCRIPTION

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: November 8, 2023.

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



Source: Google Earth, November 2023

Physical Features of Site:

The Subject site is 2.42 acres, or 105,415 square feet. The site is irregular in shape, exhibits level topography, and is located outside of a flood plain. The Subject improvements include one elevator-serviced three-story lowrise residential building.

Location/Surrounding Uses:

The Subject is located in a mixed-use neighborhood of Lancaster surrounded by commercial/retail uses, single-family homes, the Lancaster County Public Library, and railroad tracks. To the north of the Subject is the Lancaster County Public Library in good condition. To the east of the Subject, across South Market Street, are single-family homes in average condition. Land use to the south of the Subject consists of railroad tracks and further south consists of undeveloped land and commercial/retail uses in average condition.

Land use to the west of the Subject consists of commercial/retail uses in average condition. Overall, the Subject site is a good location for an affordable multifamily development and the surrounding land uses are generally in average condition. Commercial uses in the neighborhood appeared to be over 90 percent occupied and in average to good condition. The Subject has a Walk Score of 48, and is considered “Car-Dependent”, indicating that most errands require a car. No detrimental influences or site nuisances were observed, although south of the Subject are railroad tracks. However, we do not consider the Subject's proximity to the railroad tracks to be a detrimental influence as surrounding residential uses, including single-family homes do not appear to have operations impacted by their close proximity to the railroad tracks.

Photographs of Subject Site and Surrounding Uses



Subject exterior



Subject exterior



Subject exterior



Subject exterior



Subject signage and entrance



Subject leasing office



Subject leasing office



Subject mailboxes



Community room



Laundry facility



Laundry facility



Community room



Typical living room



Typical kitchen



Typical bedroom



Typical bathroom



Typical coat closet



Typical wall air conditioning unit



Typical living room



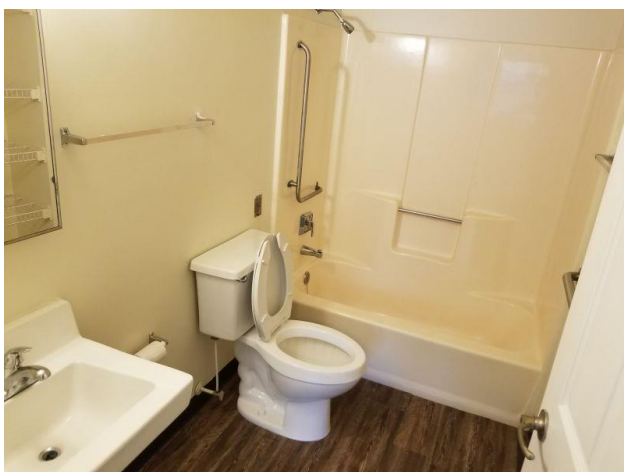
Typical kitchen



Typical bedroom



Typical walk-in closet



Typical bathroom



Typical coat closet



Typical bedroom



Typical bathroom



Typical living room



Typical kitchen



Typical hallway



Typical walk-in closet



View west on Chesterfield Avenue



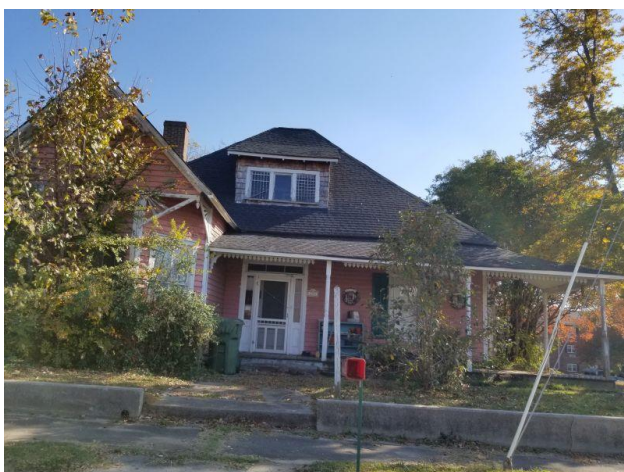
View east on Chesterfield Avenue



House of worship north of Subject



Typical commercial/retail use north of Subject



Single-family home north of Subject



Lancaster County Public Library north of Subject



Typical single-family homes east of Subject



Train tracks south of Subject



Typical commercial use south of Subject



Typical commercial use south of Subject



Typical single-family home south of Subject



Typical commercial use west of Subject

Visibility/Views:

The Subject has average visibility from the south side of Elm Street. Views to the north of the Subject consist of single-family homes and the Lancaster County Public Library, in average and good condition, respectively. Views to the east of the Subject, across South Market Road, consist of single-family homes in average condition. Views to the south of the Subject consist of railroad tracks and undeveloped land. Views to the west of the Subject consist of commercial/retail uses in average condition. Overall, visibility and views are considered average

Detrimental Influence:

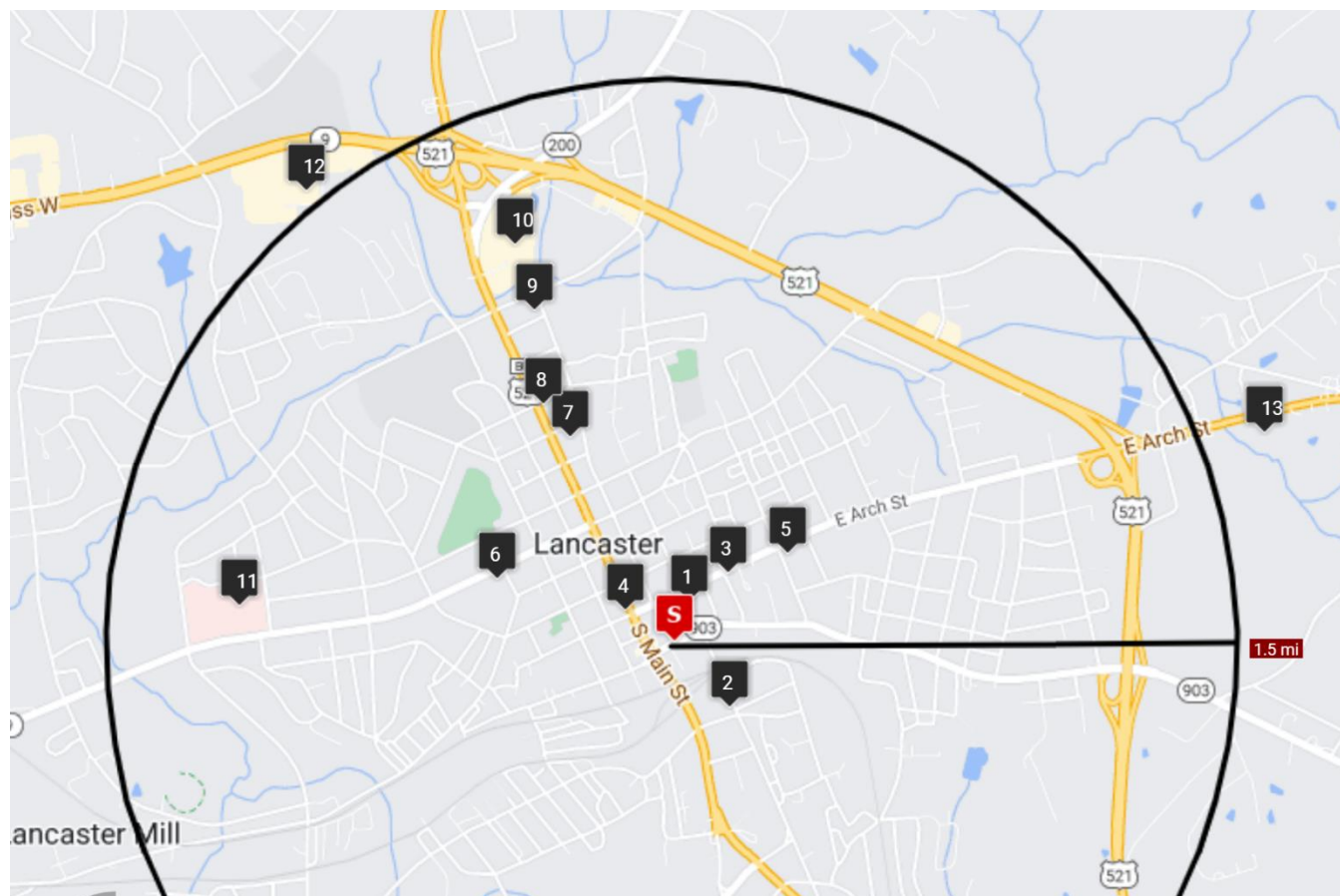
No detrimental influences or site nuisances were observed, although south of the Subject are railroad tracks. However, we do not consider the Subject's proximity to the railroad tracks to be a detrimental influence as surrounded residential uses, including single-family homes do not appear to have operations impacted by the close proximity to the railroad tracks. However, we have taken the Subject's location adjacent to the railroad tracks into consideration in our determination of achievable rents.

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

The following table illustrates the Subject's proximity to necessary services. Map numbers correspond with the *Locational Amenities Map*, presented on the following table.



Source: Google Earth, November 2023

LOCATIONAL AMENITIES

#	Service or Amenity	Distance to Subject	Drive Time	#	Service or Amenity	Distance to Subject	Drive Time
1	Lancaster County Library	Adjacent	1 min	8	United States Postal Service	0.7 miles	2 min
2	The Forks	0.2 miles	1 min	9	Plexus Pharmacy	1.0 mile	2 min
3	Lancaster Fire Department	0.2 miles	1 min	10	Food Lion	1.1 miles	5 min
4	Sculpture Park	0.2 miles	1 min	11	MUSC Health Lancaster Medical Center	1.2 miles	5 min
5	Dollar General	0.4 miles	2 min	12	Walmart Supercenter	1.5 miles	6 min
6	Goldencare Adult Day Care	0.5 miles	2 min	13	Lancaster County Sheriff	1.7 miles	4 min
7	First Palmetto Bank	0.6 miles	2 min	-	-	-	-

Availability of Public Transportation:

The Lancaster Area Ride Service (LARS) is designed to provide Lancaster County residents of all ages access to transportation. Hours of operation are Monday through Friday from 9 a.m. to 3 p.m. To make a transportation reservation, Lancaster County residents must call three business days in advance. All persons must be 18 years of age or older to ride alone. Trips within Lancaster County are \$5.00 dollars each way. Fares to and from

Rock Hill, South Carolina are \$10.00 dollars each way. Fares to and from Columbia or Charlotte, South Carolina are \$20.00 dollars each way. Fares must be exact change. LARS is a joint effort of local nonprofit organizations. The service is operated by the Lancaster County Council on Aging with funding from the South Carolina Department of Transportation and Lancaster County.

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*	122	138
Personal Crime*	155	144
Murder	131	123
Rape	117	104
Robbery	66	139
Assault	203	151
Property Crime*	117	138
Burglary	122	156
Larceny	120	135
Motor Vehicle Theft	81	104

Source: Esri Demographics 2023, Novogradac, November 2023

*Unweighted aggregations

Total crime indices in the PMA are slightly above the national average and below the MSA. Both geographic areas feature crime indices above the overall nation. In particular, the category of personal crime in the PMA is substantially elevated relative to the nation. The Subject offers limited access as a security feature, which we believe will continue to be adequate.

Access and Traffic Flow:

The Subject is accessed via South Market Street and Chesterfield Avenue. Chesterfield Avenue is a four-lane road which traverses east/west and provides access to South Main Street less than a mile from the Subject. South Main Street is a four-lane road, which traverses north/south and provides access to West Meeting Street approximately 0.5 miles west of the Subject. West Meeting Street is a four-lane road, which traverses north/south and provides access to Highway 9 approximately 4.2 miles west of the Subject. Highway 9 is a four-lane road which traverses east/west and provides access to Interstate 77 approximately 18.4 miles west of the Subject. Interstate 77 is a six-lane road traversing north/south, which provides access to Downtown Charlotte approximately 46.3 miles to the north of the Subject, and Columbia approximately 60.5 miles to the south of the Subject. Overall, access is considered good, and traffic flow in the immediate area is moderate.

Positive/Negative Attributes:

Based upon our market research, demographic calculations and analysis, we believe the Subject property is well positioned and accepted in the market. Strengths of the Subject include its good location, limited supply of affordable senior housing in the area, the positive demographics in the local area, and the fact that all units at the Subject benefit from subsidy. Weaknesses include the Subject's smaller unit sizes relative to comparable properties in the area.

IV. 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 located in the southeast portion of Lancaster, South Carolina. The Primary Market Area (PMA) for the Subject covers approximately 642 square miles and consists of the central and northern portion of Lancaster County and the eastern portion of Chester County. We determined the PMA based on our conversations with local market participants including property managers, as well as our physical inspection of the market. The PMA boundaries are generally defined as Highway 160 and the North Carolina and South Carolina border to the north, the Lynche River and Highway 601 to the east, Highway 601, Highway 521, and Highway 97 to the south, and Interstate 77 and Highway 5 to the west. We anticipate that the Subject will experience some “leakage” from outside of the PMA and we estimate that 10 percent of the Subject’s tenants will come from outside of these boundaries. Lancaster is located in the northwestern portion of South Carolina and is part of the Charlotte-Concord-Gastonia, NC-SC Metropolitan Statistical Area (MSA), which consists of the following counties: Chester, Lancaster, and York in South Carolina; Cabarrus, Gaston, Iredell, Lincoln, Mecklenburg, Rowan, and Union in North Carolina. We have utilized the Charlotte-Concord-Gastonia, NC-SC Metropolitan Statistical Area (MSA) in our analysis.

North: 21.6 miles
 East: 16.8 miles
 South: 10.4 miles
 West: 15.2 miles

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

CENSUS TRACTS IN PMA			
450230207.00	450570104.00	450570112.04	450910611.01
450230208.00	450570105.00	450570112.05	450910611.03
450230209.00	450570106.00	450570112.06	450910611.04
450230210.00	450570107.00	450570112.07	450910612.02
450259501.01	450570108.00	450570112.08	450910612.03
450570101.00	450570109.00	450570112.09	450910612.04
450570102.01	450570110.01	450570112.10	450910612.05
450570102.02	450570110.02	450570112.11	450910613.01
450570103.00	450570111.00	450910609.01	450910613.02

The primary market area has been identified based upon conversations with management at market rate and LIHTC properties in the area as well as the Subject’s property manager and 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 Lancaster 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 considered to be the Charlotte-Concord-Gastonia, NC-SC Metropolitan Statistical Area (MSA), which consists of the following counties: Chester, Lancaster, and York in South Carolina; Cabarrus, Gaston, Iredell, Lincoln, Mecklenburg, Rowan, and Union in North Carolina.

As per SCSHFDA guidelines, we have provided a table that illustrates the racial characteristics of the PMA, as well as data for the MSA and nation.

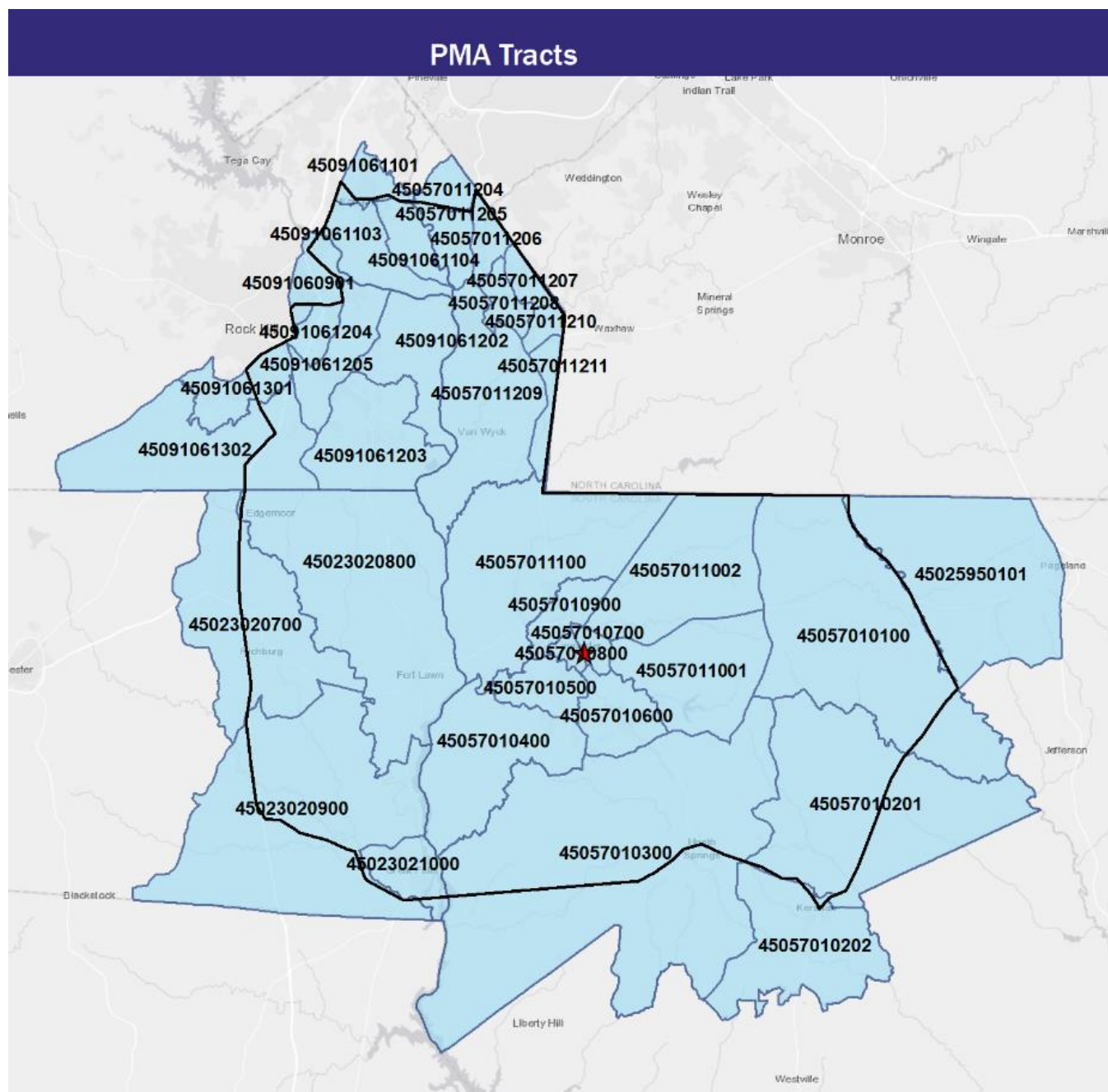
2010 POPULATION BY RACE

	PMA		SMA		USA	
Total	109,130	-	2,243,837	-	308,730,056	-
White	79,201	72.6%	1,524,136	67.9%	223,541,434	72.4%
Black	24,210	22.2%	497,545	22.2%	38,927,189	12.6%
American Indian	1,209	1.1%	10,319	0.5%	2,932,204	0.9%
Asian	764	0.7%	60,647	2.7%	14,673,743	4.8%
Pacific	17	0.0%	1,120	0.0%	540,007	0.2%
Other	2,046	1.9%	102,884	4.6%	19,106,694	6.2%
Two or More Races	1,683	1.5%	47,186	2.1%	9,008,785	2.9%
Total Hispanic	4,111	-	203,349	-	50,474,965	-
Hispanic: White	1,712	41.6%	81,910	40.3%	26,733,907	53.0%
Hispanic: Black	168	4.1%	7,384	3.6%	1,243,402	2.5%
Hispanic: American Indian	60	1.5%	2,385	1.2%	685,143	1.4%
Hispanic: Asian	8	0.2%	553	0.3%	209,121	0.4%
Hispanic: Pacific	3	0.1%	251	0.1%	58,436	0.1%
Hispanic: Other	1,898	46.2%	98,644	48.5%	18,502,462	36.7%
Hispanic: Two or More Races	262	6.4%	12,223	6.0%	3,042,490	6.0%

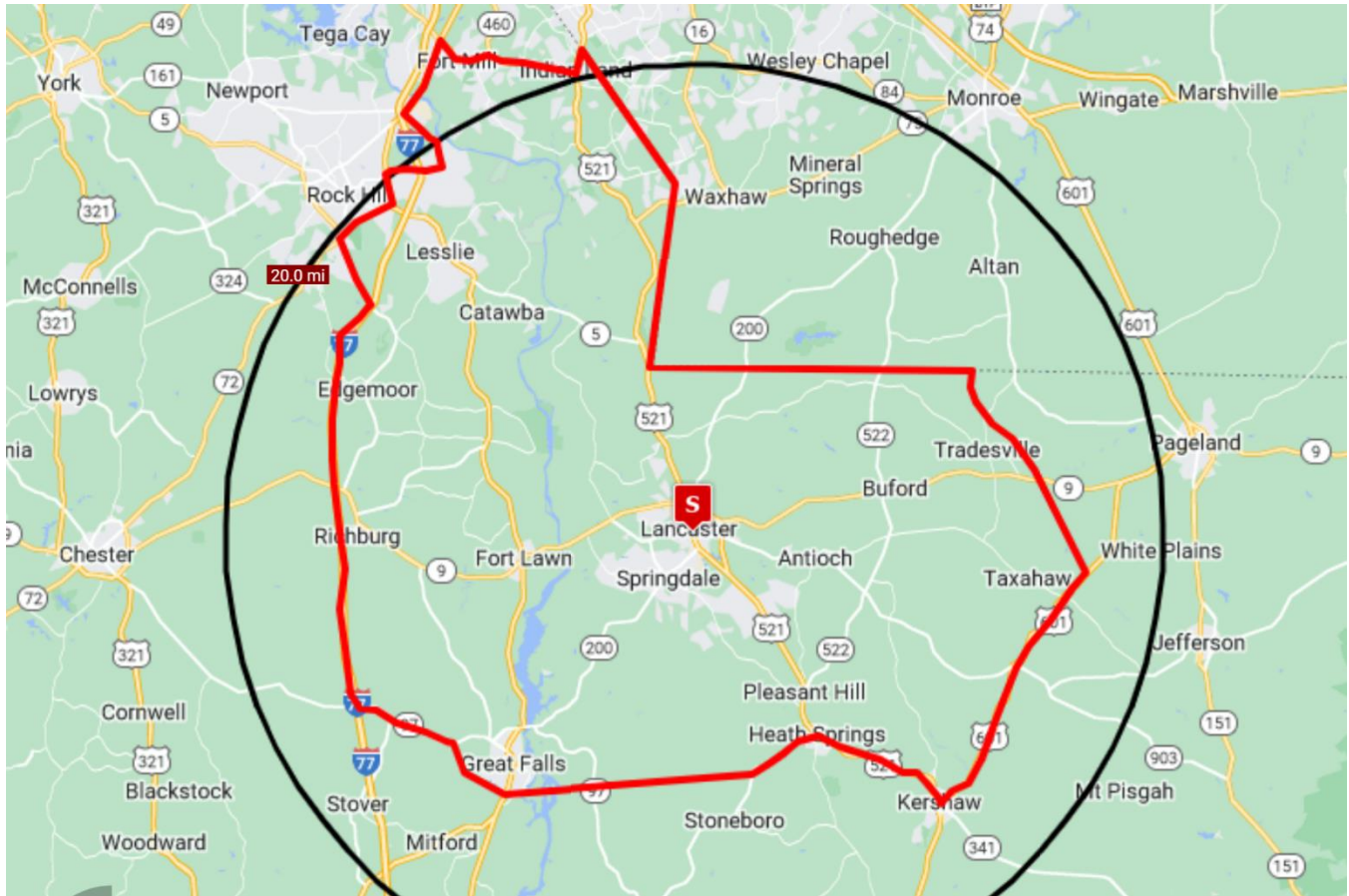
Source: Esri Demographics 2023, Novogradac, November 2023

Per specific 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.

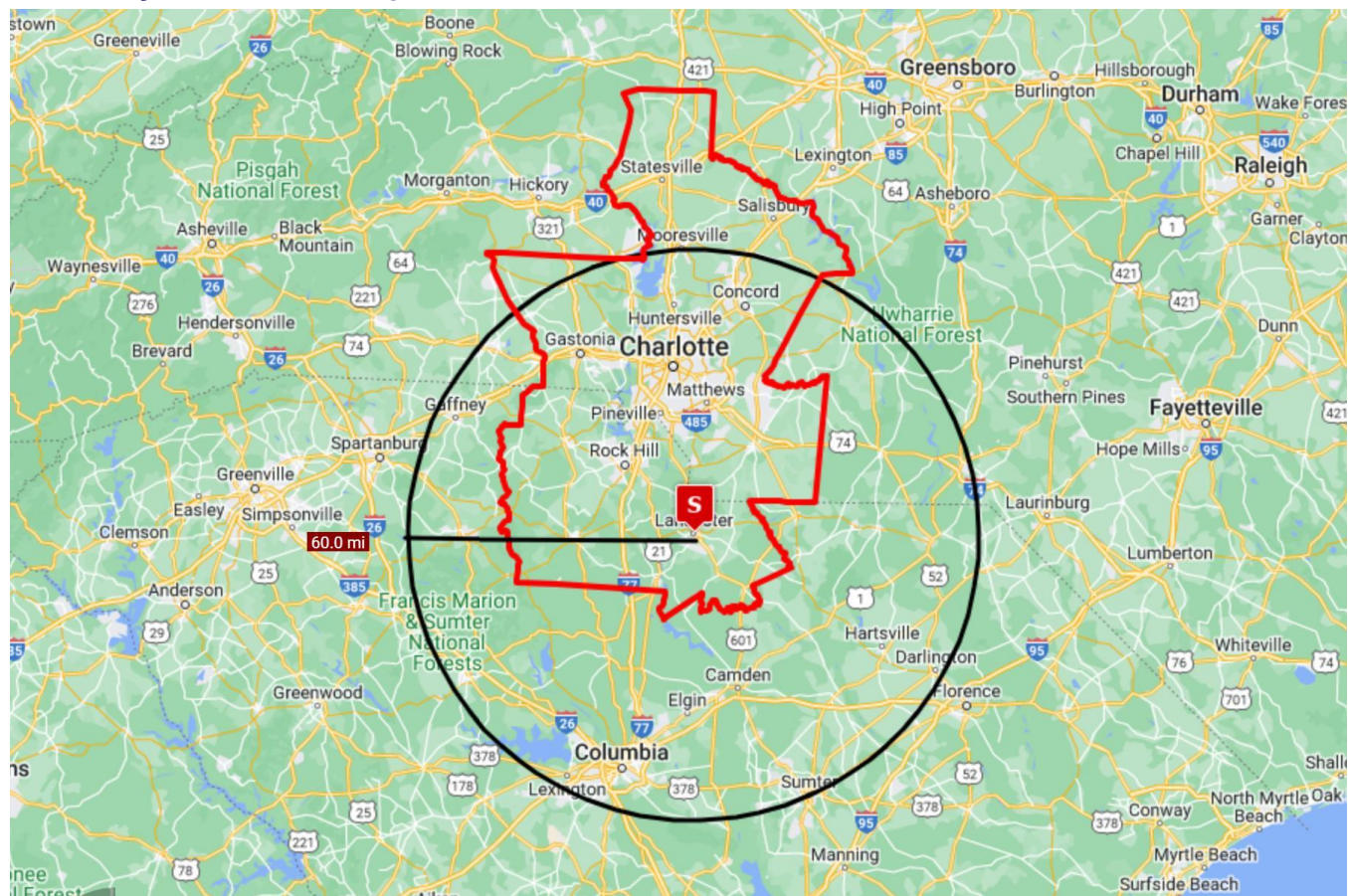


Primary Market Area Map



Source: Google Earth, November 2023

Secondary Market Area Map

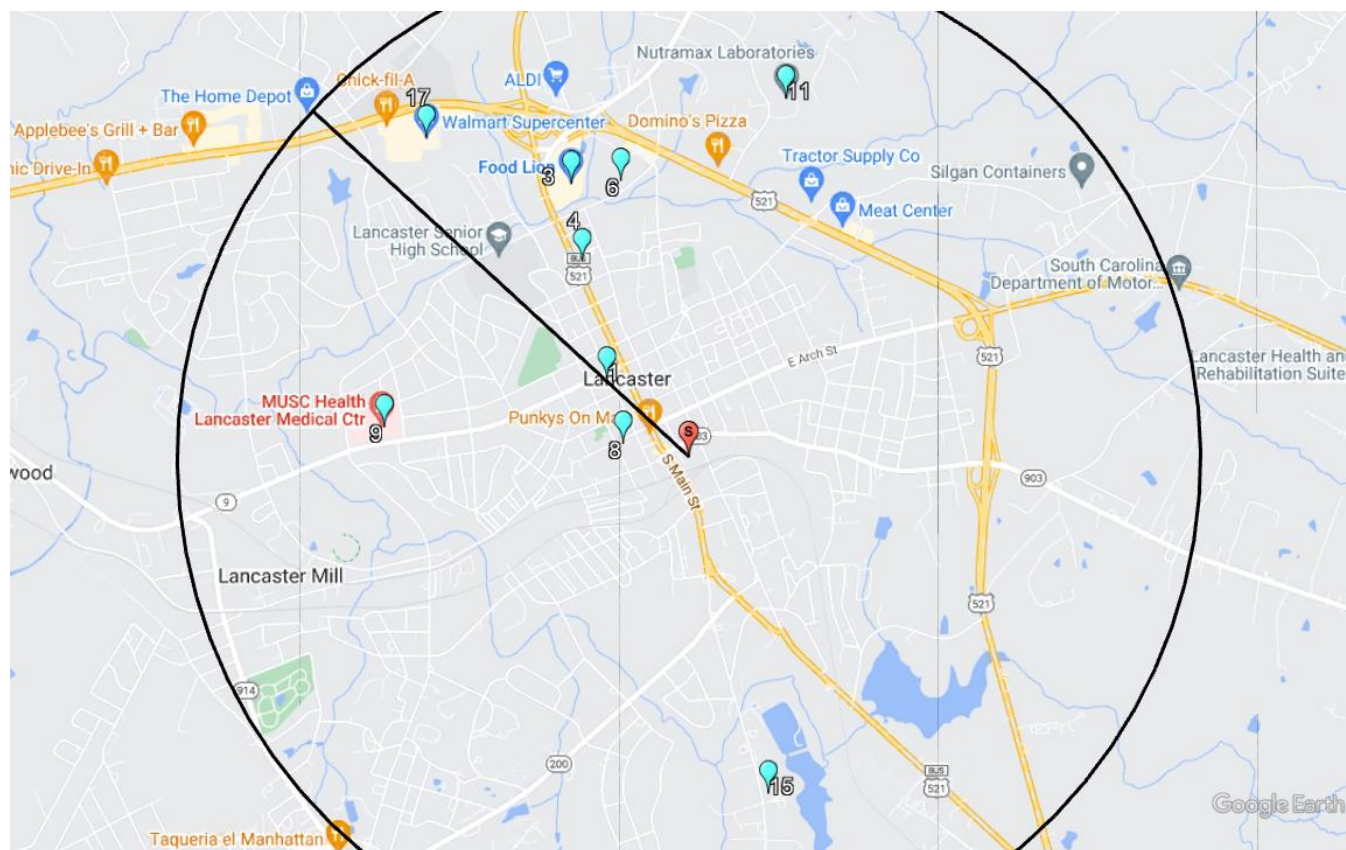


Source: Google Maps, November 2023

V. MARKET AREA ECONOMY

Map of Employment Centers II

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, November 2023

MAJOR EMPLOYERS - LANCASTER COUNTY, SC

#	Employer Name	#	Employer Name
1	Cmha Primary Care Facilities	10	Movement Mortgage Llc
2	Continental Tire	11	Nutramax Manufacturing
3	Food Lion	12	Pci Group
4	Founders Federal Credit Union	13	Rbus Inc
5	Haile Gold Mine Inc	14	Remac Corporation
6	Kanawha Insurance Company	15	The Budd Group
7	Keer America Corporation	16	TriNet USA
8	Lancaster County School District	17	Wal-Mart
9	Medical University of SC Hospital Authority	18	Watercrest Community Management

Employment by Industry

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

2023 - EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Manufacturing	9,949	16.4%	16,269,811	10.0%
Healthcare/Social Assistance	7,038	11.6%	22,115,876	13.6%
Retail Trade	5,803	9.6%	16,983,329	10.4%
Finance/Insurance	4,895	8.1%	8,135,144	5.0%
Educational Services	4,767	7.8%	14,946,247	9.2%
Construction	4,161	6.9%	11,436,301	7.0%
Prof/Scientific/Tech Services	3,824	6.3%	13,955,403	8.6%
Transportation/Warehousing	3,351	5.5%	9,030,239	5.5%
Admin/Support/Waste Mgmt Svcs	3,253	5.4%	7,195,078	4.4%
Accommodation/Food Services	3,212	5.3%	10,883,169	6.7%
Other Services	3,174	5.2%	7,645,568	4.7%
Public Administration	1,647	2.7%	7,857,180	4.8%
Wholesale Trade	1,226	2.0%	3,029,965	1.9%
Real Estate/Rental/Leasing	1,187	2.0%	2,901,274	1.8%
Arts/Entertainment/Recreation	1,054	1.7%	3,578,110	2.2%
Utilities	895	1.5%	1,335,595	0.8%
Information	828	1.4%	3,143,826	1.9%
Mining	191	0.3%	572,355	0.4%
Agric/Forestry/Fishing/Hunting	147	0.2%	1,800,335	1.1%
Mgmt of Companies/Enterprises	129	0.2%	216,588	0.1%
Total Employment	60,731	100.0%	163,031,393	100.0%

Source: Esri Demographics 2023, Novogradac, November 2023

Employment in the PMA is concentrated in manufacturing, healthcare/social assistance, and retail trade, which collectively comprise 37.5 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, finance/insurance, and admin/support/waste mgmt svcs industries. Conversely, the PMA is underrepresented in the prof/scientific/tech services, public administration, and healthcare/social assistance sectors.

The following table illustrates the changes in employment by industry from 2010 to 2023, in the Subject's PMA.

2010-2023 CHANGE IN EMPLOYMENT - PMA

Industry	2010		2023		2010-2023	
	Number Employed	Percent Employed	Number Employed	Percent Employed	Growth	Annualized Percent
Manufacturing	9,510	22.7%	9,949	16.4%	439	0.4%
Healthcare/Social Assistance	4,210	10.1%	7,038	11.6%	2,828	5.2%
Retail Trade	5,474	13.1%	5,803	9.6%	329	0.5%
Finance/Insurance	1,486	3.6%	4,895	8.1%	3,409	17.6%
Educational Services	2,959	7.1%	4,767	7.8%	1,808	4.7%
Construction	4,274	10.2%	4,161	6.9%	-113	-0.2%
Prof/Scientific/Tech Services	1,336	3.2%	3,824	6.3%	2,488	14.3%
Transportation/Warehousing	1,374	3.3%	3,351	5.5%	1,977	11.1%
Admin/Support/Waste Mgmt Svcs	1,555	3.7%	3,253	5.4%	1,698	8.4%
Accommodation/Food Services	1,702	4.1%	3,212	5.3%	1,510	6.8%
Other Services	1,803	4.3%	3,174	5.2%	1,371	5.8%
Public Administration	1,396	3.3%	1,647	2.7%	251	1.4%
Wholesale Trade	1,566	3.7%	1,226	2.0%	-340	-1.7%
Real Estate/Rental/Leasing	523	1.3%	1,187	2.0%	664	9.8%
Arts/Entertainment/Recreation	605	1.4%	1,054	1.7%	449	5.7%
Utilities	538	1.3%	895	1.5%	357	5.1%
Information	955	2.3%	828	1.4%	-127	-1.0%
Mining	21	0.1%	191	0.3%	170	62.3%
Agric/Forestry/Fishing/Hunting	406	1.0%	147	0.2%	-259	-4.9%
Mgmt of Companies/Enterprises	110	0.3%	129	0.2%	19	1.3%
Total Employment	41,803	100.0%	60,731	100.0%	18,928	3.5%

Source: Esri Demographics 2023, Novogradac, November 2023

Total employment in the PMA declined at an annualized rate of 0.4 percent between 2010 and 2023. The industries that nominally expanded most substantially during this period include other services, finance/insurance, and accommodation/food services. Conversely during this same period, the construction, manufacturing, and retail trade sectors experienced the least nominal growth.

Major Employers

The table below shows the largest employers in Lancaster County.

MAJOR EMPLOYERS LANCASTER COUNTY, SC	
Employer Name	Industry
Cmha Primary Care Facilities	Healthcare
Continental Tire	Wholesale/Distribution
Food Lion	Retail
Founders Federal Credit Union	Financial Services
Haile Gold Mine Inc	Mining
Kanawha Insurance Company	Financial Services
Keer America Corporation	Manufacturing
Lancaster County	Government
Lancaster County School District	Education
Medical University of SC Hospital Authority	Healthcare
Movement Mortgage Llc	Financial Services
Newbold Services - Lancaster	Facilities Services
Nutramax Manufacturing	Manufacturing
Pci Group	Communications
Rbus Inc	Consulting Services
Remac Corporation	Manufacturing
The Budd Group	Facilities Services
TriNet USA	Professional/Scientific/Technical Services
Wal-Mart	Retail
Watercrest Community Management	Social Assistance
Totals	

Source: SC Department of Employment & Workforce 2023 Q1, retrieved November 2023

Lancaster County's major employers are primarily concentrated within the healthcare, retail, financial services, and manufacturing sectors. The healthcare and financial services sectors represent historically stable industries, while the retail and manufacturing sectors are more volatile during economic downturns. Overall, we believe the diverse mix of industries in typically stable sectors bodes well for the local area economy.

Expansions/Contractions

We contacted the County of Lancaster Economic Development Director, in order to gather information about economic expansions in the city; however, the Economic Development Director stated that they do not maintain records of business expansions or have a research department. Therefore, we conducted our own research into economic expansions in the area. We used the South Carolina I-77 Alliance website, an economic development agency. Notable expansions include, but are not limited to, the following:

- It was announced in May 2023, Snider Fleet Solutions will be relocating its headquarter offices to Lancaster County. The investment in the company is \$6.9 million dollars and it is forecast to create 167 jobs.
- It was announced in March 2022, FROMM Group is expanding in Lancaster County. The investment in the company is \$34.6 million dollars and it is forecast to create 63 jobs. The expansion was completed in March 2023.
- It was announced in June 2022, Nutramax Laboratories is expanding into Indian Land area, in Lancaster County. The company already has three existing locations in Lancaster, and the new expansion created approximately 200 new jobs. The company
- It was announced in January 2022, Chief Buildings which is a subsidiary of Chief Industries has a new operation site in Lancaster. Operations started to be online in October 2022. In the next five years, the company's \$22.1 million investment will create approximately 102 new jobs.

WARN Notices

We reviewed the Worker Adjustment and Retraining Notification Act (WARN) notices published by the South Carolina Economic Development Department for January 2020 to year-to-date 2023. During this period, there have been zero notices of layoffs in Lancaster County.

Employment and Unemployment Trends

The following table details employment and unemployment trends for the MSA from 2007 to August 2023.

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	MSA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2007	1,015,925	-	5.4%	-	146,046,667	-	4.6%	-
2008	1,020,753	0.5%	6.6%	1.2%	145,362,500	-0.5%	5.8%	1.2%
2009	966,977	-5.3%	12.3%	5.7%	139,877,500	-3.8%	9.3%	3.5%
2010	1,012,597	4.7%	11.6%	-0.7%	139,063,917	-0.6%	9.6%	0.3%
2011	1,036,870	2.4%	10.6%	-1.0%	139,869,250	0.6%	9.0%	-0.7%
2012	1,071,281	3.3%	9.4%	-1.2%	142,469,083	1.9%	8.1%	-0.9%
2013	1,097,007	2.4%	7.6%	-1.8%	143,929,333	1.0%	7.4%	-0.7%
2014	1,133,169	3.3%	6.0%	-1.6%	146,305,333	1.7%	6.2%	-1.2%
2015	1,172,526	3.5%	5.4%	-0.6%	148,833,417	1.7%	5.3%	-0.9%
2016	1,213,116	3.5%	4.8%	-0.6%	151,435,833	1.7%	4.9%	-0.4%
2017	1,236,766	1.9%	4.3%	-0.5%	153,337,417	1.3%	4.3%	-0.5%
2018	1,264,009	2.2%	3.7%	-0.5%	155,761,000	1.6%	3.9%	-0.4%
2019	1,298,223	2.7%	3.5%	-0.2%	157,538,083	1.1%	3.7%	-0.2%
2020	1,234,590	-4.9%	7.1%	3.6%	147,794,750	-6.2%	8.1%	4.4%
2021	1,302,839	5.5%	4.6%	-2.5%	152,580,667	3.2%	5.4%	-2.7%
2022	1,377,095	5.7%	3.4%	-1.2%	158,291,083	3.7%	3.6%	-1.7%
2023 YTD Average*	1,410,563	2.4%	3.3%	-0.1%	160,773,875	1.6%	3.7%	0.0%
Aug-2022	1,373,614	-	3.9%	-	158,714,000	-	3.8%	-
Aug-2023	1,429,114	4.0%	3.3%	-0.6%	161,427,000	1.7%	3.9%	0.1%

Source: U.S. Bureau of Labor Statistics, November 2023

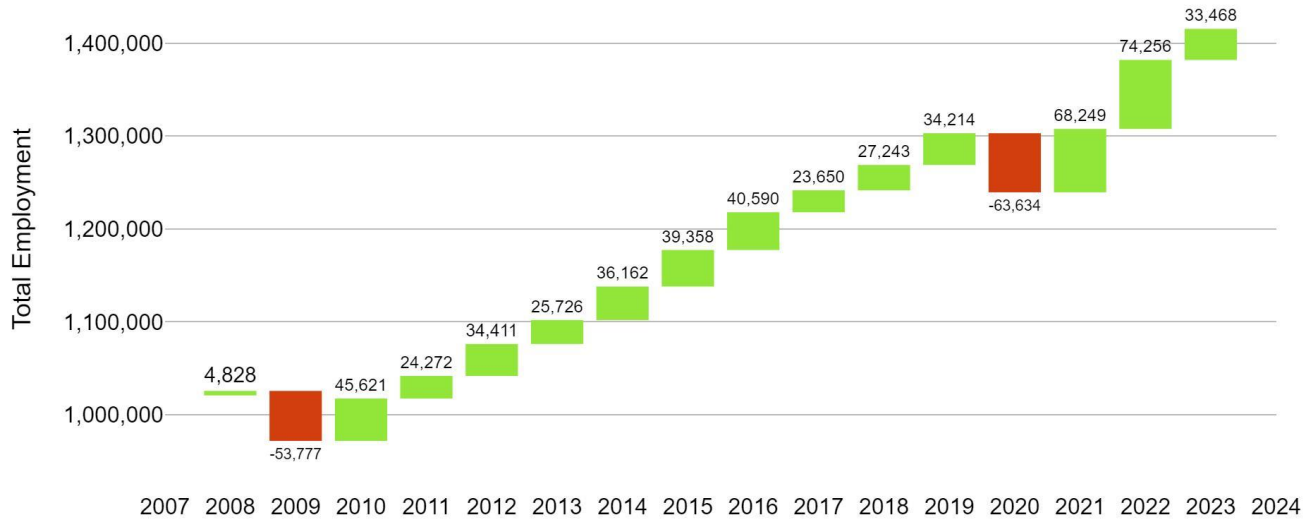
*2023 YTD Average is through August

The effects of the previous national recession (2008 - 2009) were exaggerated in the MSA, which experienced a 5.3 percent contraction in employment, compared to a 4.8 percent decline across the nation. Employment in the MSA recovered and surpassed pre-recessionary levels in 2011, three years before the overall nation. Between 2012 and 2019, employment growth in the MSA exceeded the nation in every year. Employment in the MSA declined sharply by 4.9 percent in 2020 amid the pandemic, compared to 6.2 percent across the overall nation. The MSA subsequently recovered all pandemic-related job losses, and employment levels are currently at a post-recessionary record. As of August 2023, employment in the MSA is increasing at an annualized rate of 4.0 percent, compared to 1.7 percent growth across the nation.

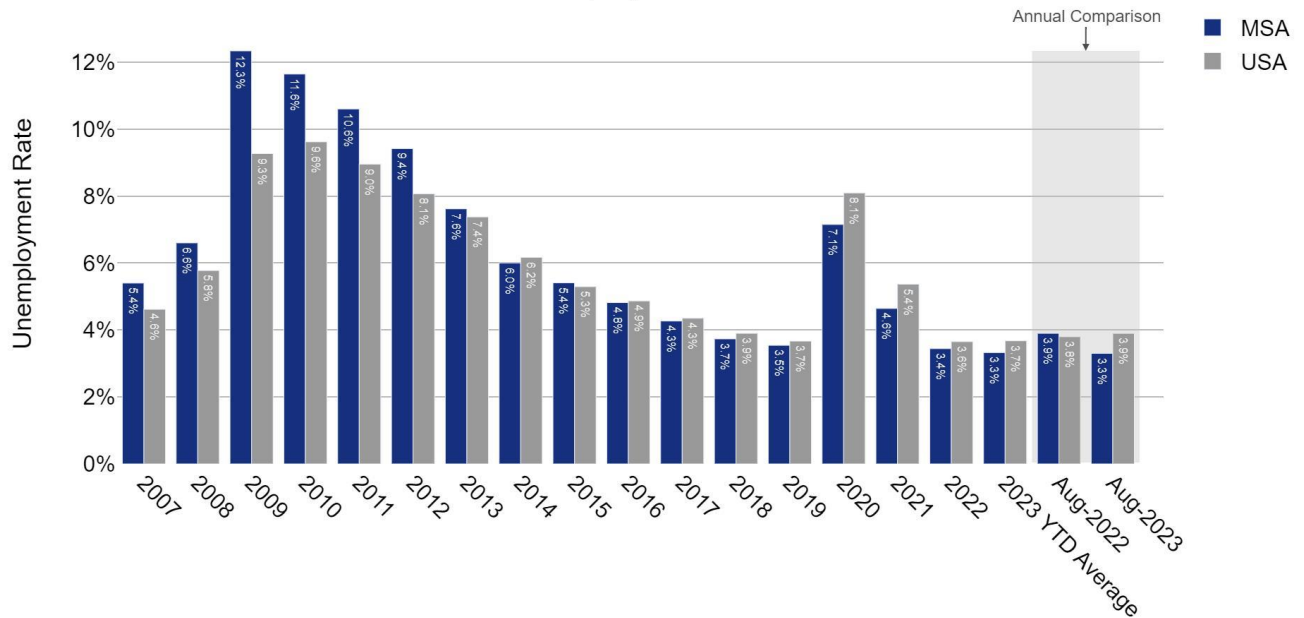
Measured by the unemployment rate, the MSA labor market demonstrated relative weakness during the housing recession (2007 - 2009). The local unemployment rate increased by 6.9 percentage points, compared to only 5.0 percentage points across the nation. During the period preceding the onset of COVID-19 (2012 - 2019), the MSA generally experienced a similar unemployment rate relative to the nation. The MSA unemployment rate increased modestly by 3.6 percentage points in 2020 amid the pandemic, reaching a high of 7.1 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 August 2023, the current MSA unemployment rate is 3.3 percent. This is well below the COVID highs of 2020, and slightly below the current national unemployment rate of 3.9 percent.

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

MSA Job Growth



Unemployment Rate



Housing and Economy

There are nine strictly LIHTC and 18 subsidized properties in the Subject's PMA, in addition to the Subject. However, given the low vacancy rates and presence of waiting lists among the LIHTC comparables, the availability of housing for low to very low income renters is considered limited. The state of the economy has affected both the multifamily rental and the single-family home market in the PMA.

As noted prior, as of August 2023, the unemployment rate in the MSA is 3.3 percent, which is lower than the current national unemployment rate of 3.9 percent. Rising interest rates and inflation could lead residents in Lancaster, and surrounding areas, to consider more affordable housing options, such as the Subject.

According to Zillow, the median home value in Lancaster is \$262,150, down 1.6 percent from one year ago (October 2022), but up 12.9 percent from two years ago (October 2021). 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 following table details travel time to work for residents within the PMA.

COMMUTING PATTERNS		
ACS Commuting Time to Work	Number of Commuters	Percentage
Travel Time < 5 min	869	1.7%
Travel Time 5-9 min	4,250	8.1%
Travel Time 10-14 min	6,006	11.4%
Travel Time 15-19 min	6,407	12.2%
Travel Time 20-24 min	6,956	13.3%
Travel Time 25-29 min	3,259	6.2%
Travel Time 30-34 min	7,620	14.5%
Travel Time 35-39 min	2,205	4.2%
Travel Time 40-44 min	2,932	5.6%
Travel Time 45-59 min	6,528	12.4%
Travel Time 60-89 min	4,389	8.4%
Travel Time 90+ min	1,051	2.0%
Weighted Average	31 minutes	

Source: Esri Demographics 2023, Novogradac, November 2023

As shown in the preceding table, the weighted average commute time in the PMA is approximately 31 minutes. Only 45 percent of PMA commuters travel under 24 minutes, indicating many households work outside of the PMA. 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 37.5 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. Relative to the nation, the PMA features comparatively greater employment in the manufacturing, other services, and utilities industries. Conversely, the PMA is underrepresented in the prof/scientific/tech services, healthcare/social assistance, and public administration sectors. Employment in the MSA declined sharply by 4.9 percent in 2020 amid the pandemic, compared to 6.2 percent across the overall nation. The MSA subsequently recovered all pandemic-related job losses, and employment levels are currently at a post-recessionary record. As of August 2023, employment in the MSA is increasing at an annualized rate of 4.0 percent, compared to 1.7 percent growth across the nation.

VI. 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 Charlotte-Concord-Gastonia, NC-SC Metropolitan Statistical Area (MSA), which serves as the Secondary Market Area (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, MSA, and nation.

Population Trends

The following tables illustrate (a) Total Population/Growth Rate and (b) Population by Age Group.

POPULATION

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	109,130	-	2,243,837	-	308,730,056	-
2023	142,065	2.3%	2,798,267	1.9%	337,460,311	0.7%
Projected Mkt Entry January 2026	146,893	1.1%	2,866,347	0.8%	340,044,918	0.3%
2028	151,720	1.4%	2,934,426	1.0%	342,629,524	0.3%

Source: Esri Demographics 2023, Novogradac, November 2023

POPULATION 55+

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	29,348	-	490,934	-	76,745,755	-
2023	46,993	4.6%	769,244	4.4%	102,953,186	2.6%
Projected Mkt Entry January 2026	49,691	1.9%	803,592	1.5%	105,285,648	0.8%
2028	52,389	2.3%	837,940	1.8%	107,618,110	0.9%

Source: Esri Demographics 2023, Novogradac, November 2023

POPULATION BY AGE GROUP

	PMA		Projected Mkt Entry January 2026	2028
	2010	2023		
0-4	7,335	7,889	8,405	8,147
5-9	7,052	8,729	8,883	8,806
10-14	7,225	9,173	9,810	9,492
15-19	7,235	8,063	9,048	8,556
20-24	6,111	7,114	7,297	7,206
25-29	6,304	8,684	7,921	8,303
30-34	6,766	9,223	9,346	9,285
35-39	7,699	8,722	10,262	9,492
40-44	7,910	9,144	9,380	9,262
45-49	8,356	8,921	9,625	9,273
50-54	7,789	9,412	9,353	9,383
55-59	7,158	9,556	9,800	9,678
60-64	7,034	9,589	9,714	9,652
65-69	5,592	8,897	9,550	9,224
70-74	3,838	8,086	8,426	8,256
75-79	2,579	5,577	7,226	6,402
80-84	1,707	3,080	4,602	3,841
85+	1,440	2,208	3,071	2,640
Total	109,130	142,067	151,719	146,893

Source: Esri Demographics 2023, Novogradac, November 2023

Population growth in the PMA exceeded the MSA between 2010 and 2023. Both geographic areas experienced population growth greater than the nation during the same time period. According to ESRI demographic projections, annualized PMA growth is expected to slow to 1.4 percent through 2028, which is above growth expectations for the MSA and substantially above the nation.

Senior population growth in the PMA exceeded the MSA between 2010 and 2023. Both geographic areas experienced population growth greater than the nation during the same time period. According to ESRI demographic projections, annualized PMA growth is expected to slow to 2.3 percent through 2028, which is substantially above the MSA and nation.

The population in the PMA as of 2023 is concentrated in the age groups of 60 to 64, 55 to 59, and 50 to 54. Outside of these age groups, the 30 to 34, 10 to 14, and 40 to 44 age groups are the largest groups in the PMA. The largest age groups are expected to remain similar through 2028.

HOUSEHOLD TRENDS

Total Number of Households, Average Household Size, and Group Quarters

HOUSEHOLDS

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	41,781	-	858,456	-	116,709,667	-
2023	55,687	2.6%	1,092,620	2.1%	129,912,564	0.9%
Projected Mkt Entry January 2026	57,905	1.3%	1,123,184	0.9%	131,502,700	0.4%
2028	60,123	1.6%	1,153,748	1.1%	133,092,836	0.5%

Source: Esri Demographics 2023, Novogradac, November 2023

HOUSEHOLDS 55+

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	19,556	-	341,548	-	50,929,661	-
2023	28,196	3.4%	447,712	2.4%	60,352,228	1.4%
Projected Mkt Entry January 2026	30,196	2.4%	479,986	2.4%	62,638,318	1.3%
2028	32,196	2.8%	512,260	2.9%	64,924,407	1.5%

Source: Esri Demographics 2023, Novogradac, November 2023

AVERAGE HOUSEHOLD SIZE

Year	PMA		MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2010	2.59	-	2.57	-	2.57	-
2023	2.52	-0.2%	2.52	-0.1%	2.53	-0.1%
Projected Mkt Entry January 2026	2.50	-0.2%	2.52	-0.1%	2.52	-0.1%
2028	2.49	-0.2%	2.51	-0.1%	2.51	-0.2%

Source: Esri Demographics 2023, Novogradac, November 2023

POPULATION IN GROUP QUARTERS

Year	PMA		MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2010	659.00	!	38,130.00	-	8,273,022.00	-
2023	1,790.00	13.0%	39,915.00	0.4%	8,230,258.00	0.0%
Projected Mkt Entry January 2026	1,790.00	0.0%	39,915.00	0.0%	8,230,258.00	0.0%
2028	1,790.00	0.0%	39,915.00	0.0%	8,230,258.00	0.0%

Source: Esri Demographics 2023, Novogradac, November 2023

Historical household growth in the PMA exceeded the MSA between 2010 and 2023. Both geographic areas experienced household growth greater than the nation during the same time period. According to ESRI demographic projections, annualized PMA growth is expected to slow to 1.6 percent through 2028, which is substantially above the MSA and nation. Historical senior household growth in the PMA exceeded the MSA between 2010 and 2023. Both geographic areas experienced household growth greater than the nation during the same time period. According to ESRI demographic projections, annualized PMA growth is expected to slow to 2.8 percent through 2028, which is similar to growth expectations for the MSA and substantially above the nation.

The average household size in the PMA is similar to the MSA and the overall nation. According to ESRI demographic projections, the average household size in the PMA is expected to decrease through 2028.

Households by Tenure

The table below depicts household growth by tenure from 2010 through 2028.

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	31,410	75.2%	10,371	24.8%	582,597	67.9%	275,859	32.1%
2023	44,160	79.3%	11,527	20.7%	716,779	65.6%	375,841	34.4%
Projected Mkt Entry January 2026	46,314	80.0%	11,592	20.0%	734,824	65.4%	388,360	34.6%
2028	48,467	80.6%	11,656	19.4%	752,869	65.3%	400,879	34.7%

Source: Esri Demographics 2023, Novogradac, November 2023

In the PMA, 20.7 percent of households are renter households, while 79.3 percent are owner households. The MSA renter households percentage is above the PMA at 34.4 percent. The number and percentage of renter households in the MSA is projected to increase through the projected date of market entry and through 2028.

TENURE PATTERNS - ELDERLY 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	15,824	80.9%	3,732	19.1%	269,417	78.9%	72,131	21.1%
2023	23,765	84.3%	4,431	15.7%	341,663	76.3%	106,049	23.7%
Projected Mkt Entry January 2026	25,566	84.7%	4,631	15.3%	364,010	75.8%	115,977	24.2%
2028	27,366	85.0%	4,830	15.0%	386,356	75.4%	125,904	24.6%

Source: Esri Demographics 2023, Novogradac, November 2023

In the PMA, 15.7 percent of households are senior renter households, while 84.3 percent are senior owner households. The MSA senior renter households percentage is above the PMA at 23.7 percent. The number and percentage of renter households in the MSA is projected to increase through the projected date of market entry and through 2028.

Household Income Distribution

The following table depicts household income in the PMA from 2023 to 2028.

HOUSEHOLD INCOME DISTRIBUTION - PMA						
Income Cohort	2023		Projected Mkt Entry January 2026		2028	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	3,007	5.4%	2,876	5.0%	2,745	4.6%
\$10,000-19,999	4,305	7.7%	4,014	6.9%	3,723	6.2%
\$20,000-29,999	5,380	9.7%	4,988	8.6%	4,596	7.6%
\$30,000-39,999	5,215	9.4%	5,065	8.7%	4,915	8.2%
\$40,000-49,999	3,988	7.2%	4,335	7.5%	4,682	7.8%
\$50,000-59,999	3,788	6.8%	3,724	6.4%	3,660	6.1%
\$60,000-74,999	5,372	9.6%	5,262	9.1%	5,152	8.6%
\$75,000-99,999	7,526	13.5%	7,627	13.2%	7,728	12.9%
\$100,000-124,999	5,758	10.3%	6,121	10.6%	6,483	10.8%
\$125,000-149,999	3,901	7.0%	4,436	7.7%	4,971	8.3%
\$150,000-199,999	3,612	6.5%	4,405	7.6%	5,197	8.6%
\$200,000+	3,835	6.9%	5,053	8.7%	6,271	10.4%
Total	55,687	100.0%	57,905	100.0%	60,123	100.0%

Source: HISTA Data / Ribbon Demographics 2022, Novogradac, November 2023

HOUSEHOLD INCOME DISTRIBUTION - PMA, 55+						
Income Cohort	2023		Projected Mkt Entry January 2026		2028	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,787	6.3%	1,774	5.9%	1,761	5.5%
\$10,000-19,999	2,969	10.5%	2,852	9.4%	2,735	8.5%
\$20,000-29,999	3,159	11.2%	3,019	10.0%	2,879	8.9%
\$30,000-39,999	3,018	10.7%	3,058	10.1%	3,097	9.6%
\$40,000-49,999	2,048	7.3%	2,371	7.9%	2,694	8.4%
\$50,000-59,999	2,081	7.4%	2,153	7.1%	2,225	6.9%
\$60,000-74,999	2,999	10.6%	3,060	10.1%	3,120	9.7%
\$75,000-99,999	3,450	12.2%	3,672	12.2%	3,894	12.1%
\$100,000-124,999	2,446	8.7%	2,753	9.1%	3,060	9.5%
\$125,000-149,999	1,665	5.9%	2,011	6.7%	2,357	7.3%
\$150,000-199,999	1,291	4.6%	1,680	5.6%	2,069	6.4%
\$200,000+	1,283	4.6%	1,794	5.9%	2,305	7.2%
Total	28,196	100.0%	30,196	100.0%	32,196	100.0%

Source: HISTA Data / Ribbon Demographics 2022, Novogradac, November 2023

As proposed, the Subject will target households earning between zero and \$39,300 as proposed, and between \$23,250 and \$39,300 absent subsidy. As the table above depicts, approximately 39.3 and 46.0 percent of households and senior households in the PMA earned less than \$50,000 in 2023, respectively, which is expected to decrease to 36.7 and 43.3 percent by the date of market entry.

Renter Household Income Distribution

The following tables depict renter household incomes in the PMA in 2023, market entry, and 2028.

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2023		Projected Mkt Entry January 2026		2028	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,406	12.2%	1,334	11.5%	1,261	10.8%
\$10,000-19,999	1,848	16.0%	1,707	14.7%	1,566	13.4%
\$20,000-29,999	1,824	15.8%	1,659	14.3%	1,493	12.8%
\$30,000-39,999	1,464	12.7%	1,425	12.3%	1,385	11.9%
\$40,000-49,999	818	7.1%	853	7.4%	888	7.6%
\$50,000-59,999	739	6.4%	752	6.5%	765	6.6%
\$60,000-74,999	1,025	8.9%	1,019	8.8%	1,012	8.7%
\$75,000-99,999	632	5.5%	687	5.9%	742	6.4%
\$100,000-124,999	392	3.4%	436	3.8%	479	4.1%
\$125,000-149,999	470	4.1%	571	4.9%	672	5.8%
\$150,000-199,999	489	4.2%	610	5.3%	731	6.3%
\$200,000+	420	3.6%	541	4.7%	662	5.7%
Total	11,527	100.0%	11,592	100.0%	11,656	100.0%

Source: HISTA Data / Ribbon Demographics 2022, Novogradac, November 2023

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 55+

Income Cohort	2023		Projected Mkt Entry January 2026		2028	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	587	13.2%	583	12.6%	578	12.0%
\$10,000-19,999	924	20.9%	900	19.4%	876	18.1%
\$20,000-29,999	556	12.5%	508	11.0%	460	9.5%
\$30,000-39,999	431	9.7%	428	9.2%	425	8.8%
\$40,000-49,999	278	6.3%	292	6.3%	306	6.3%
\$50,000-59,999	241	5.4%	262	5.6%	282	5.8%
\$60,000-74,999	371	8.4%	386	8.3%	401	8.3%
\$75,000-99,999	294	6.6%	328	7.1%	362	7.5%
\$100,000-124,999	181	4.1%	208	4.5%	235	4.9%
\$125,000-149,999	181	4.1%	236	5.1%	290	6.0%
\$150,000-199,999	135	3.0%	177	3.8%	219	4.5%
\$200,000+	252	5.7%	324	7.0%	396	8.2%
Total	4,431	100.0%	4,631	100.0%	4,830	100.0%

Source: HISTA Data / Ribbon Demographics 2022, Novogradac, November 2023

Renter households with incomes less than \$50,000 represent 63.9 percent of the renter households in the PMA in 2023; this share is expected to decrease slightly through market entry and 2028. Senior renter households with incomes less than \$50,000 represent 62.6 percent of the renter households in the PMA in 2023; this share is expected to decrease slightly through market entry and 2028.

Renter Households by Number of Persons in the Household

The following table illustrates household size for renter households in the PMA.

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA

Household Size	2023		Projected Mkt Entry January 2026		2028	
	Number	Percentage	Number	Percentage	Number	Percentage
1 Person	4,037	35.0%	4,086	35.2%	4,134	35.5%
2 Persons	3,036	26.3%	3,004	25.9%	2,971	25.5%
3 Persons	1,931	16.8%	1,953	16.8%	1,974	16.9%
4 Persons	1,535	13.3%	1,548	13.4%	1,561	13.4%
5+ Persons	988	8.6%	1,002	8.6%	1,016	8.7%
Total Households	11,527	100%	11,592	100%	11,656	100%

Source: HISTA Data / Ribbon Demographics 2022, Novogradac, November 2023

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA, 55+

Household Size	2023		Projected Mkt Entry January 2026		2028	
	Number	Percentage	Number	Percentage	Number	Percentage
1 Person	2,342	52.9%	2,415	52.1%	2,487	51.5%
2 Persons	1,284	29.0%	1,318	28.5%	1,352	28.0%
3 Persons	338	7.6%	371	8.0%	403	8.3%
4 Persons	312	7.0%	357	7.7%	401	8.3%
5+ Persons	155	3.5%	171	3.7%	187	3.9%
Total Households	4,431	100%	4,631	100%	4,830	100%

Source: HISTA Data / Ribbon Demographics 2022, Novogradac, November 2023

The Subject offers one and two-bedroom units and will continue to be catered to senior (55+) households consisting of one to two people. Thus, as indicated in the previous table, the Subject will support the majority of renter household sizes within the PMA.

Conclusion

Population in the PMA increased at an annualized rate of 4.6 percent between 2010 and 2023, compared to growth of 4.4 percent in the MSA and 2.6 percent across the nation. The percentage of senior renter households in the PMA declined between 2010 and 2023 and is estimated to be 15.7 percent as of 2023. This is less than the estimated 33 percent renter households across the overall nation. The median household income in the PMA as of 2023 is above the MSA and overall nation. According to ESRI demographic projections, population, household, and median income levels are all expected to rise through 2028. Overall, the combination of rising population and median household income bodes well for future demand for multifamily housing.

VII. 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

LIHTC rents are based upon a percentage of the Area Median Gross Income (AMI), adjusted for household size and utilities. South Carolina State Housing Finance and Development Agency (SCSHFDA) will estimate the relevant income levels, with annual updates. The rents are calculated assuming that the maximum gross rent a family household will pay is 35 percent of its household income at the appropriate AMI level and the maximum gross rent a senior household will pay is 40 percent of its household income at the appropriate AMI level.

According to SCSHFDA, household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. For example, for one-bedroom units we assume the average income limits of a one- and two-person household and for three-bedroom units we assume the average income limits for a four- and five-person household. This applies to family projects. For elderly projects, we have used a maximum income based on two-person households.

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 Business Information Solutions to estimate the number of potential tenants who would qualify to occupy the Subject as a LIHTC project.

The maximum income levels are based upon information obtained from the Rent and Income Limits Guidelines Table as accessed from Novogradac's website.

2. Affordability

As discussed above, the maximum income for LIHTC units is set by SCSHFDA while the minimum is based upon the minimum income needed to support affordability. This is based upon a standard of 40 percent for senior properties. Lower and moderate-income families typically spend greater than 30 percent of their income on housing. These expenditure amounts can range higher than 50 percent depending upon 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 senior households, which we will use to set the minimum income levels for the demand analysis, absent subsidy. As proposed, all units will benefit from project-based rental assistance. As such, tenants will pay just 30 percent of their income as rent, with a minimum income of essentially \$0.

3. Minimum and Maximum Income Levels

The following tables illustrate the minimum and maximum allowable income levels for the Subject's units, as proposed with rental assistance and as proposed absent subsidy.

INCOME LIMITS - AS PROPOSED

Unit Type	Minimum Allowable Income	Maximum Allowable Income
	@60% (Section 8)	
1BR	\$0	\$39,300
2BR	\$0	\$39,300

INCOME LIMITS - ABSENT SUBSIDY

Unit Type	Minimum Allowable Income	Maximum Allowable Income
	@60%	
1BR	\$23,250	\$39,300
2BR	\$27,000	\$39,300

4. Demand

The demand for the Subject will be derived from two sources: existing households and new households. These calculations are illustrated in the following tables.

4a. Demand from New Renter Households

The number of new households entering the market is the first level of demand calculated. SCSHFDA has requested that we utilize 2023 as the base year for the analysis, with demographic projections to 2028 (Subject's market entry/anticipated completion date). This is considered the gross potential demand for the Subject property. This number is adjusted for income eligibility and renter tenure.

4b. Demand from Existing Households

Demand for existing households is estimated by summing three sources of potential tenants, plus a fourth allowance for other demand, if deemed applicable. (a) The first source is tenants who are rent overburdened. These are households who are paying over 35 percent of their income in housing costs for general occupancy housing or over 40 percent of their income in housing costs for elderly housing. This number is estimated using Census 2010 or American Community Survey (ACS) data. (b) The second source is households living in substandard housing. This number is estimated using 2010 Census data. (c) The third source is those seniors likely to move from their own homes into rental housing. Data from the American Housing Survey and interviews with area senior apartment property managers regarding the number or share of current renters who originated from homeownership must be used to refine the analysis. The Subject is rural and generally not likely to attract homeowners seeking to downsize into a family rental unit. (d) The fourth potential "Other" source of demand is demand which may exist that is not captured by the above methods, which may be allowed if the factors used can be fully justified.

4c. Additions to Supply

SCSHFDA guidelines indicate that units in all competing projects that were allocated, under construction, placed in service, or funded in 2023 as well as those units at properties that have not reached a stabilized occupancy of 93 percent should be removed from the demand analysis.

According to the South Carolina State Housing Finance and Development Authority (SCSHFDA) LIHTC allocation lists from 2019 to 2023, there have been zero developments allocated tax credits in the PMA.

5. Method – Capture Rates

The above calculations and derived capture rates are illustrated in the following table.

60% AMI – As Proposed

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @60%/Section 8

Minimum Income Limit		\$0	Maximum Income Limit		\$39,300
Income Category	New Renter Households - Total Change in Households PMA 2023 to Prj Mrkt Entry January 2026		Income Brackets	Percent within Cohort	Renter Households within Bracket
\$0-9,999	-5	-2.3%	\$9,999	100.0%	-5
\$10,000-19,999	-24	-12.0%	\$9,999	100.0%	-24
\$20,000-29,999	-48	-24.1%	\$9,999	100.0%	-48
\$30,000-39,999	-3	-1.5%	\$9,301	93.0%	-3
\$40,000-49,999	14	7.0%	\$0	0.0%	0
\$50,000-59,999	21	10.3%	\$0	0.0%	0
\$60,000-74,999	15	7.5%	\$0	0.0%	0
\$75,000-99,999	34	17.0%	\$0	0.0%	0
\$100,000-124,999	27	13.5%	\$0	0.0%	0
\$125,000-149,999	55	27.3%	\$0	0.0%	0
\$150,000-199,999	42	21.1%	\$0	0.0%	0
\$200,000+	72	36.1%	\$0	0.0%	0
Total	200	100.0%		-39.7%	-79

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @60%/Section 8

Minimum Income Limit		\$0	Maximum Income Limit		\$39,300
Income Category	Total Renter Households PMA 2023		Income Brackets	Percent within Cohort	Households within Bracket
\$0-9,999	587	13.2%	\$9,999	100.0%	587
\$10,000-19,999	924	20.9%	\$9,999	100.0%	924
\$20,000-29,999	556	12.5%	\$9,999	100.0%	556
\$30,000-39,999	431	9.7%	\$9,301	93.0%	401
\$40,000-49,999	278	6.3%	\$0	0.0%	0
\$50,000-59,999	241	5.4%	\$0	0.0%	0
\$60,000-74,999	371	8.4%	\$0	0.0%	0
\$75,000-99,999	294	6.6%	\$0	0.0%	0
\$100,000-124,999	181	4.1%	\$0	0.0%	0
\$125,000-149,999	181	4.1%	\$0	0.0%	0
\$150,000-199,999	135	3.0%	\$0	0.0%	0
\$200,000+	252	5.7%	\$0	0.0%	0
Total	4,431	100.0%		55.7%	2,468

ASSUMPTIONS - @60%/Section 8

Tenancy		Senior	% of Income towards Housing		40%
Rural/Urban		Rural	Maximum # of Occupants		2
Persons in Household	0BR	1BR	2BR	3BR	4BR+
1	0%	95%	5%	0%	0%
2	0%	80%	20%	0%	0%
3	0%	0%	0%	100%	0%
4	0%	0%	0%	70%	30%
5+	0%	0%	0%	50%	50%

LANCASTOR MANOR APARTMENTS – LANCASTER, SC – APPLICATION MARKET STUDY

Demand from New Renter Households 2023 to January 2026

Income Target Population	@60%/Section 8
New Renter Households PMA	200
Percent Income Qualified	-39.7%
New Renter Income Qualified Households	-79

Demand from Existing Households 2023

Demand from Rent Overburdened Households

Income Target Population	@60%/Section 8
Total Existing Demand	4,431
Income Qualified	55.7%
Income Qualified Renter Households	2,468
Percent Rent Overburdened Prj Mrkt Entry January 2026	32.4%
Rent Overburdened Households	800

Demand from Living in Substandard Housing

Income Qualified Renter Households	2,468
Percent Living in Substandard Housing	1.4%
Households Living in Substandard Housing	34

Senior Households Converting from Homeownership

Income Target Population	@60%/Section 8
Total Senior Homeowners	25,566
Rural Versus Urban	0.7%
Senior Demand Converting from Homeownership	188

Total Demand

Total Demand from Existing Households	1,022
Total New Demand	-79
Total Demand (New Plus Existing Households)	943

Demand from Seniors Who Convert from Homeownership	188
Percent of Total Demand From Homeownership Conversion	19.9%
Is this Demand Over 20 percent of Total Demand?	No

By Bedroom Demand

One Person	52.1%	492
Two Persons	28.5%	268
Three Persons	8.0%	75
Four Persons	7.7%	73
Five Persons	3.7%	35
Total	100.0%	943

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	95%	467
Of two-person households in 1BR units	80%	215
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	5%	25
Of two-person households in 2BR units	20%	54
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Total Demand		943

Total Demand (Subject Unit Types)			Additions to Supply			Net Demand
1 BR	682	-	0	=		682
2 BR	78	-	0	=		78
Total	760		0			760
Developer's Unit Mix			Net Demand			Capture Rate
1 BR	60	/	682	=		8.8%
2 BR	6	/	78	=		7.7%
Total	66		760			8.7%

60% AMI – Absent Subsidy

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$23,250	Maximum Income Limit		\$39,300
Income Category	New Renter Households - Total Change in Households PMA 2023 to Prj Mrkt Entry January 2026		Income Brackets	Percent within Cohort	Renter Households within Bracket
\$0-9,999	-5	-2.3%	\$0	0.0%	0
\$10,000-19,999	-24	-12.0%	\$0	0.0%	0
\$20,000-29,999	-48	-24.1%	\$6,748	67.5%	-32
\$30,000-39,999	-3	-1.5%	\$9,301	93.0%	-3
\$40,000-49,999	14	7.0%	\$0	0.0%	0
\$50,000-59,999	21	10.3%	\$0	0.0%	0
\$60,000-74,999	15	7.5%	\$0	0.0%	0
\$75,000-99,999	34	17.0%	\$0	0.0%	0
\$100,000-124,999	27	13.5%	\$0	0.0%	0
\$125,000-149,999	55	27.3%	\$0	0.0%	0
\$150,000-199,999	42	21.1%	\$0	0.0%	0
\$200,000+	72	36.1%	\$0	0.0%	0
Total	200	100.0%		-17.6%	-35

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$23,250	Maximum Income Limit		\$39,300
Income Category	Total Renter Households PMA 2023		Income Brackets	Percent within Cohort	Households within Bracket
\$0-9,999	587	13.2%	\$0	0.0%	0
\$10,000-19,999	924	20.9%	\$0	0.0%	0
\$20,000-29,999	556	12.5%	\$6,748	67.5%	375
\$30,000-39,999	431	9.7%	\$9,301	93.0%	401
\$40,000-49,999	278	6.3%	\$0	0.0%	0
\$50,000-59,999	241	5.4%	\$0	0.0%	0
\$60,000-74,999	371	8.4%	\$0	0.0%	0
\$75,000-99,999	294	6.6%	\$0	0.0%	0
\$100,000-124,999	181	4.1%	\$0	0.0%	0
\$125,000-149,999	181	4.1%	\$0	0.0%	0
\$150,000-199,999	135	3.0%	\$0	0.0%	0
\$200,000+	252	5.7%	\$0	0.0%	0
Total	4,431	100.0%		17.5%	776

ASSUMPTIONS - @60%

Tenancy					
Rural/Urban		Senior Rural	% of Income towards Housing		40%
Persons in Household		0BR	1BR	2BR	3BR
1	0%	95%	5%	0%	0%
2	0%	80%	20%	0%	0%
3	0%	0%	0%	100%	0%
4	0%	0%	0%	70%	30%
5+	0%	0%	0%	50%	50%

LANCASTOR MANOR APARTMENTS – LANCASTER, SC – APPLICATION MARKET STUDY

Demand from New Renter Households 2023 to January 2026

Income Target Population	@60%
New Renter Households PMA	200
Percent Income Qualified	-17.6%
New Renter Income Qualified Households	-35

Demand from Existing Households 2023

Demand from Rent Overburdened Households

Income Target Population	@60%
Total Existing Demand	4,431
Income Qualified	17.5%
Income Qualified Renter Households	776
Percent Rent Overburdened Prj Mrkt Entry January 2026	32.4%
Rent Overburdened Households	252

Demand from Living in Substandard Housing

Income Qualified Renter Households	776
Percent Living in Substandard Housing	1.4%
Households Living in Substandard Housing	11

Senior Households Converting from Homeownership

Income Target Population	@60%
Total Senior Homeowners	25,566
Rural Versus Urban	0.2%
Senior Demand Converting from Homeownership	57

Total Demand

Total Demand from Existing Households	319
Total New Demand	-35
Total Demand (New Plus Existing Households)	284

Demand from Seniors Who Convert from Homeownership	57
Percent of Total Demand From Homeownership Conversion	20.0%
Is this Demand Over 20 percent of Total Demand?	No

By Bedroom Demand

One Person	52.1%	148
Two Persons	28.5%	81
Three Persons	8.0%	23
Four Persons	7.7%	22
Five Persons	3.7%	10
Total	100.0%	284

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	95%	141
Of two-person households in 1BR units	80%	65
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	5%	7
Of two-person households in 2BR units	20%	16
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Total Demand		284

Total Demand (Subject Unit Types)			Additions to Supply		Net Demand
1 BR	205	-	0	=	205
2 BR	24	-	0	=	24
Total	229		0		229
Developer's Unit Mix			Net Demand		Capture Rate
1 BR	60	/	205	=	29.2%
2 BR	6	/	24	=	25.5%
Total	66		229		28.8%

Conclusions

Several factors affect the indicated capture rates and are discussed following.

- The number of senior population renter households in the PMA is expected to decrease by 0.7 percent between 2023 and projected market entry of January 2026.
- This demand analysis does not measure the PMA's or Subject's ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

The following table illustrates demand and net demand for the Subject's units.

DEMAND AND NET DEMAND		
	HH at @60% AMI (\$0 to \$39,300)	HH at @60% AMI (\$23,250 to \$39,300)
Demand from New Households (age and income appropriate)	-35	-79
PLUS	+	+
Demand from Existing Renter Housholds - Rent Overburdened Households	252	800
PLUS	+	+
Demand from Existing Renter Households - Substandard Housing	11	34
=	=	=
Sub Total	227	755
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	57	188
Equals Total Demand	284	943
Less	-	-
New Supply	0	0
Equals Net Demand	284	943

Note that the above *Demand and Net Demand* estimates include all income-eligible renter households. These estimates are then adjusted to reflect only the size-appropriate households by bedroom type in the following *Capture Rate Analysis*.

CAPTURE RATE ANALYSIS CHART

Bedrooms/AMI Level	Total Demand	Supply	Net Demand	Units Proposed	Capture Rate
1BR @60% (Absent Subsidy)	205	0	205	60	29.2%
1BR @60% (As Proposed)	682	0	682	60	8.8%
2BR @60% (Absent Subsidy)	24	0	24	6	25.5%
2BR @60% (As Proposed)	78	0	78	6	7.7%
Overall (As Proposed)	760	0	760	66	8.7%
Overall (Absent Subsidy)	229	0	229	66	28.8%

As the analysis illustrates, the Subject's capture rates with subsidy range from 7.7 to 8.8 percent. Absent subsidy, the Subject's capture rates at the 60 percent AMI level range from 25.5 to 29.2 percent. The overall capture rates for the Subjects units as proposed and absent subsidy are 8.7 and 28.8 percent, respectively, and we believe there is adequate continued demand for the Subject. Further, capture rates for all units, as well as the overall property, are below the 30 percent capture rate threshold as determined by SCSHFDA.

Absorption Rate Projected Absorption Period

We analyzed absorption information from four properties located within the surrounding area, detailed in the following table.

ABSORPTION							
Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
Madison Place	Market	Family	Charlotte	2022	215	14	32.2 miles
Elan Indian Trail	Market	Family	Indian Trail	2022	350	19	26.1 miles
The Collins	Market	Family	Charlotte	2021	350	19	32.6 miles
Overall Average					305	17	

Note the Subject is an existing property, and will not need to re-lease its units. Therefore, this discussion is hypothetical, and assumes the Subject were 100 percent vacant. We obtained absorption data from three properties, located between 26.1 and 32.6 miles from the Subject. These properties reported absorption rates ranging from 14 to 19 units per month, with an overall average of 17 units per month. Overall, we expect the Subject will experience an absorption rate of 15 units per month, as if hypothetically vacant. This equates to an absorption period of approximately four months. This is considered largely hypothetical as the Subject's current tenants are expected to remain income-eligible to remain at the property post-renovation. According to the rent roll dated October 13, 2023, the Subject is currently 92.4 percent occupied and maintains a waiting list of undetermined length. Overall, we believe the Subject would reach a stabilized occupancy rate in less than one month assuming its current operations.

VIII. SUPPLY ANALYSIS

SURVEY OF COMPARABLE PROJECTS

Comparable properties are examined on the basis of physical characteristics; i.e., building type, building age/quality, the level of common amenities, absorption rates, and similarity in rent structure. We attempted to compare the Subject to properties from the competing market, in order to provide a picture of the general economic health and available supply in the market.

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

To evaluate the competitive position of the Subject, we surveyed a total of 608 units in 11 rental properties. The availability of the LIHTC data is considered good. We included six affordable developments located between 0.6 and 2.3 miles from the Subject site, all of which are located inside the PMA. The availability of the market rate data is also considered good. We included five market rate properties located between 0.3 and 1.5 miles from the Subject site, all of which are located inside the PMA. It should be noted that we are aware of two age-restricted LIHTC developments located within the PMA that were excluded as comparables in this report. We have made numerous attempts to contact both Havenwood Woodland and Parr Place Apartments; however, we have been unable to speak with a property manager to obtain a survey for either property, as of the date of this report. Overall, we believe the availability of data is adequate to support our conclusions.

EXCLUDED PROPERTIES

Property Name	Rent Structure	Tenancy	Reason for Exclusion
Havenwood Woodland	LIHTC	Senior	Unable to contact
Melrose Lane	LIHTC	Family	Comparable properties in closer proximity
Sycamore Run	LIHTC	Family	Unable to contact
The Cottages At Azalea	LIHTC	Family	Unable to contact
Pardue Street Apartments	LIHTC/PBRA	Family	Subsidized rents
The Falls Apartments	LIHTC/Market	Family	Comparable properties in closer proximity
Parr Place Apartments	LIHTC/Market	Senior	Unable to contact
Chesterfield Villas	USDA	Senior	Subsidized rents
Azalea Apartments	Market	Family	The contact could only provide the rent prices for one floor plan
Carobrook Commons	Market	Family	
Wylie Arms	Market	Family	

Pipeline Construction/LIHTC Competition

We attempted to contact the City of Lancaster and Lancaster County Planning Department to obtain information regarding proposed or under construction developments in the PMA; however, as of the date of this report, our calls have not been returned. As such, we consulted a CoStar report and the South Carolina State Housing Finance & Development Agency allocation lists and identified zero proposed or under construction developments within the PMA.

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 11 “true” comparable properties containing 608 units.

The availability of the LIHTC data is considered good. We included six affordable developments located between 0.6 and 2.3 miles from the Subject site, all of which are located inside the PMA. It should be noted that we were only able to survey one affordable and one market rate senior comparable due to the limited supply of senior housing in the market. The availability of the market rate data is also considered good. We included five market rate properties located between 0.3 and 1.5 miles from the Subject site, all of which are located inside the PMA. Overall, we believe the availability of data is adequate to support our conclusions.

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 writeups 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, and leasing agents were contacted in person, or through the telephone or email.

Comparable Rental Property Map



Source: Google Maps, November 2023

COMPARABLE PROPERTIES

#	Property Name	City	Rent Structure	Tenancy	Distance to Subject
S	Lancaster Manor	Lancaster	@60% (Section 8)	Senior	-
1	Abbingtion Willow Lake	Lancaster	@50%, @60%	Family	0.8 miles
2	Azalea Gardens	Lancaster	@50%	Senior	1.6 miles
3	Miller Grove	Lancaster	@50%, @60%	Family	0.7 miles
4	Millers Ridge	Lancaster	@50%, @60%, Market	Family	0.6 miles
5	Northwest Apartments	Lancaster	@60%	Family	2.3 miles
6	Old Hickory Apartments	Lancaster	@50%	Family	2.3 miles
7	Chesterfield / Eula Apartments	Lancaster	Market	Family	0.3 miles
8	Dalton Ridge Apartments	Lancaster	Market	Family	1.5 miles
9	Oakhaven Apartments	Lancaster	Market	Family	1.1 miles
10	Oakleaf Senior Residences	Lancaster	Market	Senior	1.1 miles
11	Woodhaven Apartments	Lancaster	Market	Family	1.1 miles

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.

LANCASTER MANOR APARTMENTS – LANCASTER, SC – APPLICATION MARKET STUDY

SUMMARY MATRIX

#	Property Name	Distance	Type/Built/ Renovated	AMI	Unit Type	#	%	SF	Restriction	Rent (Adj)	Max Rent?	Waiting List	Vacant Units	Vacancy Rate
S	Lancaster Manor 201 Chesterfield Ave Lancaster, SC Lancaster County		Lowrise 3-stories 1983 / 2005 / 2026 Senior	@60% (Section 8)	1BR/1BA	60	90.9%	533	@60% (Section 8)	\$850	No	Yes	5	8.3%
					2BR/1BA	6	9.1%	779	@60% (Section 8)	\$1,000	No	Yes	0	0.0%
						66							5	7.6%
1	Abbingtion Willow Lake 201 North Willow Lake Road Lancaster, SC Lancaster County	0.8 miles	Garden 3-stories 2021 Family	@50% @60%	1BR/1BA	2	5.0%	850	@50%	\$731	No	Yes	0	0.0%
					1BR/1BA	6	15.0%	850	@60%	\$801	No	Yes	0	0.0%
					2BR/2BA	4	10.0%	975	@50%	\$837	No	Yes	0	0.0%
					2BR/2BA	24	60.0%	975	@60%	\$927	No	Yes	0	0.0%
					3BR/2BA	2	5.0%	1,075	@50%	\$993	No	Yes	0	0.0%
					3BR/2BA	2	5.0%	1,075	@60%	\$1,083	No	Yes	0	0.0%
						40							0	0.0%
2	Azalea Gardens 200 Monroe Highway Lancaster, SC Lancaster County	1.6 miles	Lowrise 2-stories 2007 Senior	@50%	1BR/1BA	28	77.8%	706	@50%	\$617	No	Yes	0	0.0%
					2BR/2BA	8	22.2%	1,032	@50%	\$698	No	Yes	0	0.0%
3	Miller Grove 2017 Miller St Lancaster, SC Lancaster County	0.7 miles	Garden 2-stories 2006 Family	@50% @60%	1BR/1BA	N/A	N/A	700	@50%	\$624	No	Yes	0	0.0%
					1BR/1BA	N/A	N/A	700	@60%	\$644	No	Yes	0	0.0%
					2BR/2BA	N/A	N/A	908	@50%	\$729	No	Yes	0	0.0%
					2BR/2BA	N/A	N/A	908	@60%	\$817	No	Yes	0	0.0%
					3BR/2BA	N/A	N/A	1,046	@50%	\$851	No	Yes	0	0.0%
					3BR/2BA	N/A	N/A	1,046	@60%	\$973	No	Yes	0	0.0%
						48							0	0.0%
4	Millers Ridge 1000 Millers Ridge Lane Lancaster, SC Lancaster County	0.6 miles	Garden 2-stories 2001 / 2019 Family	@50%, @60%, Market	2BR/1BA	16	22.2%	905	@50%	\$941	Yes	Yes	N/A	N/A
					2BR/2BA	24	33.3%	905	@60%	\$1,061	Yes	Yes	N/A	N/A
					2BR/2BA	16	22.2%	905	Market	\$1,077	N/A	Yes	N/A	N/A
					3BR/2BA	16	22.2%	1,170	@60%	\$1,237	Yes	Yes	N/A	N/A
						72							3	4.2%
5	Northwest Apartments 3058 Northwest Apartments Drive Lancaster, SC Lancaster County	2.3 miles	Garden 2-stories 1979 / 2007 Family	@60%	1BR/1BA	8	11.1%	700	@60%	\$662	No	Yes	0	0.0%
					2BR/1BA	56	77.8%	929	@60%	\$776	No	Yes	0	0.0%
					3BR/1.5BA	8	11.1%	1,000	@60%	\$934	No	Yes	0	0.0%
6	Old Hickory Apartments 1005 Hickory Hill Dr Lancaster, SC Lancaster County	2.3 miles	Garden 2-stories 1988 Family	@50%	1BR/1BA	8	25.0%	659	@50%	\$666	No	Yes	0	0.0%
					2BR/1BA	24	75.0%	929	@50%	\$772	No	Yes	0	0.0%
						32							0	0.0%
													1	2.0%
													0	0.0%
													0	0.0%
													0	0.0%
7	Chesterfield / Eula Apartments 1210 Chesterfield Ave And 1305 Eula St Lancaster, SC Lancaster County	0.3 miles	Townhouse 2-stories 1974 Family	Market	2BR/1BA	N/A	N/A	850	Market	\$989	N/A		1	N/A
					2BR/1.5BA	N/A	N/A	875	Market	\$1,009	N/A		0	N/A
													1	2.0%
													0	0.0%
													0	0.0%
8	Dalton Ridge Apartments 581 Dalton Ridge Drive Lancaster, SC Lancaster County	1.5 miles	Various 2-stories 1996 Family	Market	0BR/1.5BA	N/A	N/A	500	Market	\$748	N/A	Yes	0	0.0%
					1BR/1.5BA	N/A	N/A	900	Market	\$948	N/A	Yes	0	0.0%
					2BR/1.5BA	N/A	N/A	1,000	Market	\$1,069	N/A	Yes	0	0.0%
					2BR/2BA	N/A	N/A	1,075	Market	\$1,044	N/A	Yes	0	0.0%
					3BR/2.5BA	N/A	N/A	1,200	Market	\$1,205	N/A	Yes	0	0.0%
9	Oakhaven Apartments 456 Colonial Avenue Lancaster, SC Lancaster County	1.1 miles	Various 2-stories 1971 / 2002 Family	Market	1BR/1BA	3	4.4%	700	Market	\$883	N/A	No	0	0.0%
					1BR/1BA	3	4.4%	1,080	Market	\$983	N/A	No	0	0.0%
					2BR/2BA	8	11.8%	1,000	Market	\$1,094	N/A	No	0	0.0%
					2BR/1.5BA	8	11.8%	1,000	Market	\$1,069	N/A	No	0	0.0%
					2BR/2BA	16	23.5%	1,260	Market	\$1,194	N/A	No	0	0.0%
					3BR/2BA	16	23.5%	1,350	Market	\$1,280	N/A	No	0	0.0%
					3BR/3BA	14	20.6%	1,780	Market	\$1,405	N/A	No	0	0.0%
10	Oakleaf Senior Residences 278 Lancaster Bypass Lancaster, SC Lancaster County	1.1 miles	Lowrise 3-stories 2022 Senior	Market	1BR/1BA	N/A	N/A	750	Market	\$671	N/A	Yes	0	0.0%
					1BR/1BA	N/A	N/A	750	Market	\$761	N/A	Yes	0	0.0%
					1BR/1BA	10	20.0%	750	Market	\$716	N/A	Yes	0	0.0%
					2BR/2BA	40	80.0%	950	Market	\$857	N/A	No	0	0.0%
					2BR/2BA	N/A	N/A	950	Market	\$802	N/A	No	0	0.0%
					2BR/2BA	N/A	N/A	950	Market	\$912	N/A	No	0	0.0%
						50							0	0.0%
11	Woodhaven Apartments 456 Colonial Avenue Lancaster, SC Lancaster County	1.1 miles	Various 2-stories 1971 / 2020 Family	Market	2BR/1.5BA	25	46.3%	1,000	Market	\$969	N/A	Yes	0	0.0%
					2BR/2BA	25	46.3%	1,000	Market	\$1,089	N/A	Yes	0	0.0%
					3BR/2.5BA	2	3.7%	1,250	Market	\$1,250	N/A	Yes	0	0.0%
					3BR/2BA	2	3.7%	1,250	Market	\$1,255	N/A	Yes	0	0.0%
						54							0	0.0%

LANCASTER MANOR APARTMENTS – LANCASTER, SC – APPLICATION MARKET STUDY

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.				
	Units Surveyed	608	Weighted Occupancy	99.3%
	Market Rate	308	Market Rate	99.7%
	Tax Credit	300	Tax Credit	99.0%
RENT	1.0 Bed x 1.0 Bath		2.0 Bed x 1.0 Bath	
	Oakhaven Apartments (Market)	\$983	Oakhaven Apartments (Market)(2.0BA)	\$1,194
	Lancaster Manor (AMR)	\$970	Lancaster Manor (AMR)	\$1,100
	Dalton Ridge Apartments (Market)(1.5BA)	\$948	Oakhaven Apartments (Market)(2.0BA)	\$1,094
	Oakhaven Apartments (Market)	\$883	Woodhaven Apartments (Market)(2.0BA)	\$1,089
	Lancaster Manor (#60%)	\$869	Millers Ridge (Market)(2.0BA)	\$1,077
	Abbingdon Willow Lake (#60%)	\$801	Dalton Ridge Apartments (Market)(1.5BA)	\$1,069
	Lancaster Manor (#60%) (ALR)	\$775	Oakhaven Apartments (Market)(1.5BA)	\$1,069
	Oakleaf Senior Residences (Market)	\$761	Millers Ridge (#60%)(2.0BA)	\$1,061
	Abbingdon Willow Lake (#50%)	\$731	Dalton Ridge Apartments (Market)(2.0BA)	\$1,044
	Oakleaf Senior Residences (Market)	\$716	Chesterfield / Eula Apartments (Market)(1.5BA)	\$1,009
	Oakleaf Senior Residences (Market)	\$671	Lancaster Manor (#60%)	\$1,000
	Old Hickory Apartments (#50%)	\$666	Chesterfield / Eula Apartments (Market)	\$989
	Northwest Apartments (#60%)	\$662	Woodhaven Apartments (Market)(1.5BA)	\$969
	Miller Grove (#60%)	\$644	Millers Ridge (#50%)	\$941
	Miller Grove (#50%)	\$624	Abbingdon Willow Lake (#60%)(2.0BA)	\$927
	Azalea Gardens (#50%)	\$617	Oakleaf Senior Residences (Market)(2.0BA)	\$912
			Lancaster Manor (#60%) (ALR)	\$900
			Oakleaf Senior Residences (Market)(2.0BA)	\$857
			Abbingdon Willow Lake (#50%)(2.0BA)	\$837
			Miller Grove (#60%)(2.0BA)	\$817
			Oakleaf Senior Residences (Market)(2.0BA)	\$802
			Northwest Apartments (#60%)	\$776
			Old Hickory Apartments (#50%)	\$772
			Miller Grove (#50%)(2.0BA)	\$729
			Azalea Gardens (#50%)(2.0BA)	\$698
SQUARE FOOTAGE				
	Oakhaven Apartments (Market)	1,080	Oakhaven Apartments (Market)(2.0BA)	1,260
	Dalton Ridge Apartments (Market)(1.5BA)	900	Dalton Ridge Apartments (Market)(2.0BA)	1,075
	Abbingdon Willow Lake (#50%)	850	Azalea Gardens (#50%)(2.0BA)	1,032
	Abbingdon Willow Lake (#60%)	850	Dalton Ridge Apartments (Market)(1.5BA)	1,000
	Oakleaf Senior Residences (Market)	750	Oakhaven Apartments (Market)(1.5BA)	1,000
	Oakleaf Senior Residences (Market)	750	Oakhaven Apartments (Market)(2.0BA)	1,000
	Oakleaf Senior Residences (Market)	750	Woodhaven Apartments (Market)(1.5BA)	1,000
	Azalea Gardens (#50%)	706	Woodhaven Apartments (Market)(2.0BA)	1,000
	Miller Grove (#50%)	700	Abbingdon Willow Lake (#50%)(2.0BA)	975
	Miller Grove (#60%)	700	Abbingdon Willow Lake (#60%)(2.0BA)	975
	Northwest Apartments (#60%)	700	Oakleaf Senior Residences (Market)(2.0BA)	950
	Oakhaven Apartments (Market)	700	Oakleaf Senior Residences (Market)(2.0BA)	950
	Old Hickory Apartments (#50%)	659	Oakleaf Senior Residences (Market)(2.0BA)	950
	Lancaster Manor (#60%)	533	Northwest Apartments (#60%)	929
			Old Hickory Apartments (#50%)	929
			Miller Grove (#50%)(2.0BA)	908
			Miller Grove (#60%)(2.0BA)	908
			Millers Ridge (#50%)	905
			Millers Ridge (#60%)(2.0BA)	905
			Millers Ridge (Market)(2.0BA)	905
			Chesterfield / Eula Apartments (Market)(1.5BA)	875
			Chesterfield / Eula Apartments (Market)	850
			Lancaster Manor (#60%)	779
RENT PER SQUARE FOOT				
	Lancaster Manor (AMR)	\$1.82	Lancaster Manor (AMR)	\$1.41
	Lancaster Manor (#60%)	\$1.63	Lancaster Manor (#60%)	\$1.28
	Lancaster Manor (#60%) (ALR)	\$1.46	Millers Ridge (Market)(2.0BA)	\$1.19
	Oakhaven Apartments (Market)	\$1.25	Millers Ridge (#60%)(2.0BA)	\$1.17
	Dalton Ridge Apartments (Market)(1.5BA)	\$1.05	Chesterfield / Eula Apartments (Market)	\$1.16
	Oakleaf Senior Residences (Market)	\$1.01	Lancaster Manor (#60%) (ALR)	\$1.16
	Old Hickory Apartments (#50%)	\$1.01	Chesterfield / Eula Apartments (Market)(1.5BA)	\$1.15
	Oakleaf Senior Residences (Market)	\$0.95	Oakhaven Apartments (Market)(2.0BA)	\$1.09
	Northwest Apartments (#60%)	\$0.95	Woodhaven Apartments (Market)(2.0BA)	\$1.09
	Abbingdon Willow Lake (#60%)	\$0.94	Dalton Ridge Apartments (Market)(1.5BA)	\$1.07
	Miller Grove (#60%)	\$0.92	Oakhaven Apartments (Market)(1.5BA)	\$1.07
	Oakhaven Apartments (Market)	\$0.91	Millers Ridge (#50%)	\$1.04
	Oakleaf Senior Residences (Market)	\$0.89	Dalton Ridge Apartments (Market)(2.0BA)	\$0.97
	Miller Grove (#50%)	\$0.89	Woodhaven Apartments (Market)(1.5BA)	\$0.97
	Azalea Gardens (#50%)	\$0.87	Oakleaf Senior Residences (Market)(2.0BA)	\$0.96
	Abbingdon Willow Lake (#50%)	\$0.86	Abbingdon Willow Lake (#60%)(2.0BA)	\$0.95
			Oakhaven Apartments (Market)(2.0BA)	\$0.95
			Oakleaf Senior Residences (Market)(2.0BA)	\$0.90
			Miller Grove (#60%)(2.0BA)	\$0.90
			Abbingdon Willow Lake (#50%)(2.0BA)	\$0.86
			Oakleaf Senior Residences (Market)(2.0BA)	\$0.84
			Northwest Apartments (#60%)	\$0.84
			Old Hickory Apartments (#50%)	\$0.83
			Miller Grove (#50%)(2.0BA)	\$0.80
			Azalea Gardens (#50%)(2.0BA)	\$0.68

LANCASTER MANOR APARTMENTS - LANCASTER, SC - APPLICATION MARKET STUDY

AMENITY MATRIX

	Lancaster Manor	Abbington Willow Lake	Azalea Gardens	Miller Grove	Millers Ridge	Northwest Apartments	Old Hickory Apartments	Chesterfield / Eula Apartments	Dalton Ridge Apartments	Oakhaven Apartments	Oakleaf Senior Residences	Woodhaven Apartments
Program Tenancy	LHTC/ Section 8 Senior	LHTC Family	LHTC Senior	LHTC Family	LHTC/ Market Family	LHTC Family	LHTC Family	Market Family	Market Family	Market Family	Market Senior	Market Family
Building												
Property Type	Lowrise	Garden	Lowrise	Garden	Garden	Garden	Garden	Townhouse	Various	Various	Lowrise	Various
# Stories	3	3	2	2	2	2	2	2	2	2	3	2
Year Built	1983	2021	2007	2006	2001	1979	1988	1974	1996	1971	2022	1971
Year Renovated	2005/2026				2019	2007				2002		2020
Elevators	yes	no	yes	no	no	no	no	no	no	no	yes	no
Utility Structure												
Heat	yes	no	no	no	no	no	no	no	no	no	no	no
Cooking	yes	no	no	no	no	no	no	no	no	no	no	no
Other Electric	yes	no	no	no	no	no	no	no	no	no	no	no
Air Conditioning	yes	no	no	no	no	no	no	no	no	no	no	no
Water Heat	yes	no	no	no	no	no	no	no	no	no	no	no
Water	yes	no	yes	no	no	no	no	no	no	no	no	no
Sewer	yes	no	yes	no	no	no	no	no	no	no	no	no
Accessibility												
Grab Bars	yes	no	no	no	no	no	no	no	no	no	yes	no
Hand Rails	no	no	yes	no	no	no	no	no	no	no	yes	no
Pull Cords	yes	no	yes	no	no	no	no	no	no	no	yes	no
Unit												
Balcony	no	yes	yes	yes	yes	no	no	no	yes	yes	no	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	no	yes	yes	yes	yes	yes	no	no	yes	yes	yes	no
Central/A/C	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	no	yes	yes	yes	no	no	yes	no	no	no
Fireplace	no	no	no	no	no	no	no	no	no	no	no	yes
Tile Flooring	no	no	no	no	no	no	no	no	no	no	yes	no
Vinyl Plank Flooring	yes	no	no	no	no	no	yes	yes	no	no	yes	no
Walk-In-Closet	no	yes	no	yes	no	no	no	no	no	yes	yes	no
Wall A/C	no	no	no	no	no	no	no	yes	no	no	no	no
Washer / Dryer	no	no	no	no	no	no	no	no	no	no	yes	no
W/D Hookups	no	yes	yes	yes	yes	no	no	yes	yes	yes	no	no
Kitchen												
Dishwasher	no	yes	yes	yes	yes	yes	no	no	yes	yes	yes	yes
Disposal	no	yes	yes	yes	yes	yes	no	no	yes	yes	no	yes
Microwave	no	yes	yes	yes	no	no	no	no	no	no	yes	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Community												
Business Center	yes	yes	yes	yes	no	no	no	no	no	no	no	no
Central Laundry	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	no	yes
Clubhouse	yes	yes	yes	yes	yes	yes	no	no	yes	yes	yes	yes
Community Garden	yes	no	no	no	no	no	no	no	no	no	no	no
On-Site Mgmt	yes	yes	yes	yes	yes	yes	no	yes	yes	yes	no	yes
Recreation												
Basketball Court	no	no	no	no	no	no	no	no	yes	no	no	no
Exercise Facility	yes	no	yes	no	no	no	no	no	yes	yes	yes	yes
Picnic Area	yes	no	yes	yes	yes	no	no	yes	no	no	no	yes
Playground	no	yes	no	yes	yes	yes	yes	no	yes	no	no	no
Sauna	no	no	no	no	no	no	no	no	no	yes	no	yes
Swimming Pool	no	no	no	no	no	no	no	no	no	yes	no	yes
Tennis Court	no	no	no	no	no	no	no	no	no	yes	no	yes
Services												
Car Wash	no	no	no	no	no	no	no	no	no	yes	no	yes
Service Coordination	yes	no	yes	no	no	no	no	no	no	no	yes	no
Senior Services												
Delivered Hot Lunches	no	no	yes	no	no	no	no	no	no	no	no	no
Security												
Intercom (Buzzer)	yes	no	yes	no	no	no	no	no	no	no	yes	no
Intercom (Phone)	no	no	yes	no	no	no	no	no	no	no	no	no
Limited Access	yes	no	yes	no	no	no	no	no	no	no	yes	no
Video Surveillance	no	yes	no	yes	no	no	no	no	no	no	no	no
Parking												
Surface	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes

PROPERTY PROFILE REPORT

Abbington Willow Lake

Effective Rent Date	10/30/2023
Location	201 North Willow Lake Road Lancaster, SC 29720 Lancaster County
Distance	0.8 miles
Units	40
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (3 stories)
Year Built/Renovated	2021 / N/A
Marketing Began	N/A
Leasing Began	10/01/2021
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy
Contact Name	Paola
Phone	803-830-6008



Market Information

Program	@50%, @60%
Annual Turnover Rate	13%
Units/Month Absorbed	N/A
HCV Tenants	23%
Leasing Pace	Within one week
Annual Chg. in Rent	None reported
Concession	None
Waiting List	Yes; 32 households in 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	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)	2	850	\$600	\$0	@50%	Yes	0	0.0%	no	None
1	1	Garden (3 stories)	6	850	\$670	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (3 stories)	4	975	\$660	\$0	@50%	Yes	0	0.0%	no	None
2	2	Garden (3 stories)	24	975	\$750	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (3 stories)	2	1,075	\$755	\$0	@50%	Yes	0	0.0%	no	None
3	2	Garden (3 stories)	2	1,075	\$845	\$0	@60%	Yes	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	\$600	\$0	\$600	\$131	\$731	1BR / 1BA	\$670	\$0	\$670	\$131	\$801
2BR / 2BA	\$660	\$0	\$660	\$177	\$837	2BR / 2BA	\$750	\$0	\$750	\$177	\$927
3BR / 2BA	\$755	\$0	\$755	\$238	\$993	3BR / 2BA	\$845	\$0	\$845	\$238	\$1,083

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Ceiling Fan
Microwave
Refrigerator
Washer/Dryer hookup

Blinds
Central A/C
Dishwasher
Garbage Disposal
Oven
Walk-In Closet

Security

Video Surveillance

Services

None

Property

Business Center/Computer Lab
Central Laundry
On-Site Management

Clubhouse/Meeting Room/Community
Off-Street Parking
Playground

Premium

None

Other

None

Comments

The contact was unable to determine whether maximum allowable rents are achievable.

Abbington Willow Lake, continued

Trend Report

Vacancy Rates

2Q20	4Q23
N/A	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	2	N/A	\$415	\$0	\$415	\$546
2023	4	0.0%	\$600	\$0	\$600	\$731

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	2	N/A	\$488	\$0	\$488	\$665
2023	4	0.0%	\$660	\$0	\$660	\$837

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	2	N/A	\$552	\$0	\$552	\$790
2023	4	0.0%	\$755	\$0	\$755	\$993

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	2	N/A	\$521	\$0	\$521	\$652
2023	4	0.0%	\$670	\$0	\$670	\$801

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	2	N/A	\$616	\$0	\$616	\$793
2023	4	0.0%	\$750	\$0	\$750	\$927

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	2	N/A	\$690	\$0	\$690	\$928
2023	4	0.0%	\$845	\$0	\$845	\$1,083

Trend: Comments

2020	The property will consist of two, garden-style residential buildings, and one community building. The utility allowances for the one, two, and three-bedroom units are \$59, \$76, and \$93, respectively. Construction is expected to begin in August 2020 and be completed October 2021.
4Q23	The contact was unable to determine whether maximum allowable rents are achievable.

Photos



PROPERTY PROFILE REPORT

Azalea Gardens

Effective Rent Date	10/30/2023
Location	200 Monroe Highway Lancaster, SC 29720 Lancaster County
Distance	1.6 miles
Units	36
Vacant Units	0
Vacancy Rate	0.0%
Type	Lowrise (age-restricted) (2 stories)
Year Built/Renovated	2007 / N/A
Marketing Began	N/A
Leasing Began	11/13/2007
Last Unit Leased	12/13/2007
Major Competitors	The Manor
Tenant Characteristics	Seniors 55-87 years old, avg. age 65
Contact Name	Chelsea
Phone	803-283-0305



Market Information

Program	@50%
Annual Turnover Rate	N/A
Units/Month Absorbed	36
HCV Tenants	14%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Inc. 3% - 4% annually since 1Q2019
Concession	None
Waiting List	Yes; nine households in 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
1	1	Lowrise (2 stories)	28	706	\$550	\$0	@50%	Yes	0	0.0%	no	None
2	2	Lowrise (2 stories)	8	1,032	\$610	\$0	@50%	Yes	0	0.0%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$550	\$0	\$550	\$67	\$617
2BR / 2BA	\$610	\$0	\$610	\$88	\$698

Azalea Gardens, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpeting	Central A/C	Intercom (Phone)	
Coat Closet	Dishwasher	Limited Access	
Ceiling Fan	Garbage Disposal		
Hand Rails	Microwave		
Oven	Pull Cords		
Refrigerator	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	Delivered Hot Lunches	Exam room, Game Room, Library
Elevators	Exercise Facility		
Central Laundry	Off-Street Parking		
On-Site Management	Picnic Area		
Service Coordination			

Comments

The contact reported strong demand for affordable housing in the Lancaster area; however, the contact was unable to determine whether maximum allowable rents are achievable.

Azalea Gardens, continued

Trend Report

Vacancy Rates

1Q10	1Q11	1Q19	4Q23
0.0%	0.0%	0.0%	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	0.0%	\$405	\$0	\$405	\$472
2011	1	0.0%	\$405	\$0	\$405	\$472
2019	1	0.0%	\$465	\$0	\$465	\$532
2023	4	0.0%	\$550	\$0	\$550	\$617

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	0.0%	\$460	\$0	\$460	\$548
2011	1	0.0%	\$460	\$0	\$460	\$548
2019	1	0.0%	\$525	\$0	\$525	\$613
2023	4	0.0%	\$610	\$0	\$610	\$698

Trend: Comments

1Q10	Management reported strong demand for affordable senior housing in Lancaster. The previous report indicated that all of the units were initially leased in less than one month. The contact also leases Millers Ridge which is also 99 percent leased.
1Q11	One moveout was death related, and three tenants moved out to live with family or move to an assisted living facility. The property manager indicated there was demand for another senior LIHTC property as the property was always 100 percent occupied with a waiting list.
1Q19	The contact stated zero units turned over throughout 2018. The property manager indicated there was demand for another senior LIHTC property as the property was always 100 percent occupied with a waiting list. The contact could not provide the number of households currently on the waiting list but estimated it would be a six month wait.
4Q23	The contact reported strong demand for affordable housing in the Lancaster area; however, the contact was unable to determine whether maximum allowable rents are achievable.

Photos



PROPERTY PROFILE REPORT

Miller Grove

Effective Rent Date	10/25/2023
Location	2017 Miller St Lancaster, SC 29720 Lancaster County
Distance	0.7 miles
Units	48
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	2006 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Miller's Ridge
Tenant Characteristics	Mostly families from Lancaster, Rock Hill, Fort Mill, and Kershaw
Contact Name	Lisa
Phone	803-283-3498



Market Information

Program	@50%, @60%
Annual Turnover Rate	8%
Units/Month Absorbed	N/A
HCV Tenants	8%
Leasing Pace	Within one month
Annual Chg. in Rent	Inc. 6% - 9% annually since 2Q2020
Concession	None
Waiting List	Yes; undetermined 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	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)	N/A	700	\$493	\$0	@50%	Yes	0	N/A	no	None
1	1	Garden (2 stories)	N/A	700	\$513	\$0	@60%	Yes	0	N/A	no	None
2	2	Garden (2 stories)	N/A	908	\$552	\$0	@50%	Yes	0	N/A	no	None
2	2	Garden (2 stories)	N/A	908	\$640	\$0	@60%	Yes	0	N/A	no	None
3	2	Garden (2 stories)	N/A	1,046	\$613	\$0	@50%	Yes	0	N/A	no	None
3	2	Garden (2 stories)	N/A	1,046	\$735	\$0	@60%	Yes	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	\$493	\$0	\$493	\$131	\$624	1BR / 1BA	\$513	\$0	\$513	\$131	\$644
2BR / 2BA	\$552	\$0	\$552	\$177	\$729	2BR / 2BA	\$640	\$0	\$640	\$177	\$817
3BR / 2BA	\$613	\$0	\$613	\$238	\$851	3BR / 2BA	\$735	\$0	\$735	\$238	\$973

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Video Surveillance	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Exterior Storage	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
Central Laundry	Off-Street Parking		
On-Site Management	Picnic Area		
Playground			

Comments

The contact was unable to opine as to whether or not maximum allowable rents are achievable.

Trend Report

Vacancy Rates

1Q11	1Q19	2Q20	4Q23
0.0%	2.1%	0.0%	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	0.0%	\$315	\$0	\$315	\$446
2019	1	N/A	\$378	\$0	\$378	\$509
2020	2	N/A	\$398	\$0	\$398	\$529
2023	4	N/A	\$493	\$0	\$493	\$624

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
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2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	0.0%	\$369	\$0	\$369	\$546
2019	1	N/A	\$437	\$0	\$437	\$614
2020	2	N/A	\$457	\$0	\$457	\$634
2023	4	N/A	\$552	\$0	\$552	\$729

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	0.0%	\$455	\$0	\$455	\$693
2019	1	N/A	\$498	\$0	\$498	\$736
2020	2	N/A	\$518	\$0	\$518	\$756
2023	4	N/A	\$613	\$0	\$613	\$851

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	N/A	\$383	\$0	\$383	\$514
2020	2	N/A	\$408	\$0	\$408	\$539
2023	4	N/A	\$513	\$0	\$513	\$644

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
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2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$435	\$0	\$435	\$612
2019	1	N/A	\$508	\$0	\$508	\$685
2020	2	N/A	\$528	\$0	\$528	\$705
2023	4	N/A	\$640	\$0	\$640	\$817

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$535	\$0	\$535	\$773
2019	1	N/A	\$603	\$0	\$603	\$841
2020	2	N/A	\$623	\$0	\$623	\$861
2023	4	N/A	\$735	\$0	\$735	\$973

Trend: Comments

1Q11	The property manager indicated that maximum rents are not achievable in the market.
1Q19	The contact reported strong demand for affordable housing in the area. According to the contact, the one vacant three-bedroom unit is pre-leased. The contact was unable to provide a breakdown of the number of units at each floor plan and AMI level. The contact stated that the property has typically increased rents by \$5 per year, although rents increased \$15 across each unit type over the previous year. The property manager indicated that maximum rents are achievable in the market and could not comment as to why the property was not achieving higher 60% rents.
2Q20	The contact reported that the property has not experienced a decrease in collections during the COVID-19 pandemic. The property has, however, experienced a decrease in traffic during the pandemic due to social distancing guidelines.
4Q23	The contact was unable to opine as to whether or not maximum allowable rents are achievable.

Photos



PROPERTY PROFILE REPORT

Millers Ridge

Effective Rent Date	11/02/2023
Location	1000 Millers Ridge Lane Lancaster, SC 29720 Lancaster County
Distance	0.6 miles
Units	72
Vacant Units	3
Vacancy Rate	4.2%
Type	Garden (2 stories)
Year Built/Renovated	2001 / 2019
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Sycamore Run, Dalton Ridge
Tenant Characteristics	10% seniors; most tenants from Lancaster and Rock Hill
Contact Name	Dona
Phone	803-313-5980



Market Information

Program	@50%, @60%, Market
Annual Turnover Rate	21%
Units/Month Absorbed	N/A
HCV Tenants	1%
Leasing Pace	Pre-leased to one week
Annual Chg. in Rent	LIHTC incr. to 2023 max; MR inc. 9% since
Concession	None
Waiting List	Yes; nine months in 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	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
2	1	Garden (2 stories)	16	905	\$764	\$0	@50%	Yes	N/A	N/A	yes	None
2	2	Garden (2 stories)	24	905	\$884	\$0	@60%	Yes	N/A	N/A	yes	None
2	2	Garden (2 stories)	16	905	\$900	\$0	Market	Yes	N/A	N/A	N/A	None
3	2	Garden (2 stories)	16	1,170	\$999	\$0	@60%	Yes	N/A	N/A	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	\$764	\$0	\$764	\$177	\$941	2BR / 2BA	\$884	\$0	\$884	\$177	\$1,061
						3BR / 2BA	\$999	\$0	\$999	\$238	\$1,237
Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent						
2BR / 2BA	\$900	\$0	\$900	\$177	\$1,077						

Millers Ridge, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	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		
Picnic Area	Playground		

Comments

The contact could not provide a breakdown of vacant units by unit type or inform if any units are pre-leased. The contact stated that there is strong demand for affordable housing in the market.

Millers Ridge, continued

Trend Report

Vacancy Rates

1Q11	1Q19	2Q20	4Q23
1.4%	2.8%	0.0%	4.2%

Trend: @50%

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	0.0%	\$435	\$0	\$435	\$612
2019	1	0.0%	\$485	\$0	\$485	\$662
2020	2	0.0%	\$500	\$0	\$500	\$677
2023	4	N/A	\$764	\$0	\$764	\$941

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	0.0%	\$510	\$0	\$510	\$687
2019	1	4.2%	\$585	\$0	\$585	\$762
2020	2	0.0%	\$600	\$0	\$600	\$777
2023	4	N/A	\$884	\$0	\$884	\$1,061

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	6.2%	\$580	\$0	\$580	\$818
2019	1	6.2%	\$660	\$0	\$660	\$898
2020	2	0.0%	\$675	\$0	\$675	\$913
2023	4	N/A	\$999	\$0	\$999	\$1,237

Trend: Market

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	0.0%	\$615	\$0	\$615	\$792
2019	1	0.0%	\$675	\$0	\$675	\$852
2020	2	0.0%	\$715	\$0	\$715	\$892
2023	4	N/A	\$900	\$0	\$900	\$1,077

Trend: Comments

1Q11	The contact also leases Azalea Gardens. The property manager believed a new family LIHTC property would be successful in Lancaster with 48 to 72 units. Several tenants moved out last year to buy homes, because of the homebuyer tax credit. The property is managed, in part, by a non-profit organization, which is why they do not always increase rents. The property manager indicated that the tenants could not afford higher rents in the current economy, and that the maximum allowable is not achievable.
1Q19	Property manager said that there is a small storage unit for each unit for no additional charge. Contact reported strong demand within the area, particularly for two-bedroom units. Both of the vacant units are pre-leased.
2Q20	Minor renovations are ongoing as units turn over. The property has renovated 16 of its units as of the date of this interview. Rents in the profile reflect renovated units. Renovations include updated carpeting, plank flooring, fixtures, countertops, sinks, and appliances. During the COVID-19 pandemic, the property has not experienced a decrease in collections. However, the property has experienced a decrease in traffic, particularly foot traffic.
4Q23	The contact could not provide a breakdown of vacant units by unit type or inform if any units are pre-leased. The contact stated that there is strong demand for affordable housing in the market.

Photos



PROPERTY PROFILE REPORT

Northwest Apartments

Effective Rent Date	10/24/2023
Location	3058 Northwest Apartments Drive Lancaster, SC 29720 Lancaster County
Distance	2.3 miles
Units	72
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	1979 / 2007
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Wood Creek
Tenant Characteristics	Varied tenancy from Lancaster County and Charlotte
Contact Name	Kacey
Phone	803-286-4822



Market Information

Program	@60%
Annual Turnover Rate	33%
Units/Month Absorbed	N/A
HCV Tenants	7%
Leasing Pace	Within one week
Annual Chg. in Rent	Inc. 2% - 6% annually since 2Q2020
Concession	None
Waiting List	Yes; undetermined 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	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)	8	700	\$531	\$0	@60%	Yes	0	0.0%	no	None
2	1	Garden (2 stories)	56	929	\$599	\$0	@60%	Yes	0	0.0%	no	None
3	1.5	Garden (2 stories)	8	1,000	\$696	\$0	@60%	Yes	0	0.0%	no	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$531	\$0	\$531	\$131	\$662
2BR / 1BA	\$599	\$0	\$599	\$177	\$776
3BR / 1.5BA	\$696	\$0	\$696	\$238	\$934

Northwest Apartments, continued

Amenities

In-Unit		Security	Services
Blinds	Carpeting	None	None
Central A/C	Coat Closet		
Dishwasher	Exterior Storage		
Ceiling Fan	Oven		
Refrigerator			
Property		Premium	Other
Clubhouse/Meeting Room/Community	Central Laundry	None	None
Off-Street Parking	On-Site Management		
Playground			

Comments

The contact stated that there is strong demand for affordable housing in the area. Exterior storage is included for no additional fee. The contact was unable to report why rents are not at the maximum allowable level or state whether maximum allowable rents are achievable.

Northwest Apartments, continued

Trend Report

Vacancy Rates

1Q11	1Q19	2Q20	4Q23
13.9%	0.0%	0.0%	0.0%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	0.0%	\$410	\$0	\$410	\$541
2019	1	0.0%	\$496	\$0	\$496	\$627
2020	2	0.0%	\$501	\$0	\$501	\$632
2023	4	0.0%	\$531	\$0	\$531	\$662

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	17.9%	\$435	\$0	\$435	\$612
2019	1	0.0%	\$525	\$0	\$525	\$702
2020	2	0.0%	\$531	\$0	\$531	\$708
2023	4	0.0%	\$599	\$0	\$599	\$776

3BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	0.0%	\$460	\$0	\$460	\$698
2019	1	0.0%	\$570	\$0	\$570	\$808
2020	2	0.0%	\$589	\$0	\$589	\$827
2023	4	0.0%	\$696	\$0	\$696	\$934

Trend: Comments

1Q11	There are four applications pending on vacant units. Occupancy has been stable at 86 percent.
1Q19	The contact reported strong demand for affordable housing in the area. Exterior storage is included for no additional fee. The contact stated management also oversees Old Hickory Apartments, a Rural Development property in Lancaster. The contact confirmed Northwest Apartments is a LIHTC property and tenants pay full rent unless they utilize a Housing Choice Voucher.
2Q20	The contact reported strong demand for affordable housing in the area. Exterior storage is included for no additional fee. The contact stated management also oversees Old Hickory Apartments, a Rural Development property in Lancaster. The contact confirmed tenants at Northwest Apartments pay full rent unless they utilize a Housing Choice Voucher. During the COVID-19 pandemic, the property has not experienced a change in collections or traffic. Management has closed the community room during the pandemic, and is providing tours by appointments only.
4Q23	The contact stated that there is strong demand for affordable housing in the area. Exterior storage is included for no additional fee. The contact was unable to report why rents are not at the maximum allowable level or state whether maximum allowable rents are achievable.

Photos



PROPERTY PROFILE REPORT

Old Hickory Apartments

Effective Rent Date	10/31/2023
Location	1005 Hickory Hill Dr Lancaster, SC 29720 Lancaster County
Distance	2.3 miles
Units	32
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	1988 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy
Contact Name	Kay
Phone	803-286-4822



Market Information

Program	LIHTC, RD
Annual Turnover Rate	9%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Within two weeks
Annual Chg. in Rent	None reported
Concession	None
Waiting List	Yes; five households in 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	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
1	1	Garden (2 stories)	8	659	\$518	\$0	@50%	Yes	0	0.0%	no	None
2	1	Garden (2 stories)	24	929	\$578	\$0	@50%	Yes	0	0.0%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$518	\$0	\$518	\$148	\$666
2BR / 1BA	\$578	\$0	\$578	\$194	\$772

Amenities

In-Unit		Security	Services
Blinds	Carpeting	None	None
Central A/C	Coat Closet		
Oven	Refrigerator		
Vinyl Plank Flooring			
Property		Premium	Other
Central Laundry	Off-Street Parking	None	None
Playground			

Comments

The property is managed by CAHEC Management. According to the Rural Development Multi-Family Housing Rentals, the property has 24 units that are subsidized under Rural Development, and eight LIHTC units restricted at the 50 percent AMI level. The property accepts Housing Choice Vouchers; however, the contact was unable to provide the number of vouchers in use. The contact was unable to provide a breakdown of the unit mix by rent type. The profile reflects the asking rents for the LIHTC units.

Photos



PROPERTY PROFILE REPORT

Chesterfield / Eula Apartments

Effective Rent Date	10/30/2023
Location	1210 Chesterfield Ave And 1305 Eula St Lancaster, SC 29720 Lancaster County
Distance	0.3 miles
Units	49
Vacant Units	1
Vacancy Rate	2.0%
Type	Townhouse (2 stories)
Year Built/Renovated	1969/1974 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Family mix
Contact Name	Brandon
Phone	803-336-3376



Market Information

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

Utilities

A/C	not included -- wall
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	Townhouse (2 stories)	N/A	850	\$795	\$0	Market	N/A	1	N/A	N/A	None
2	1.5	Townhouse (2 stories)	N/A	875	\$815	\$0	Market	N/A	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1BA	\$795	\$0	\$795	\$194	\$989
2BR / 1.5BA	\$815	\$0	\$815	\$194	\$1,009

Amenities

In-Unit		Security	Services
Blinds		None	None
Central A/C	Carpeting		
Oven	Coat Closet		
Vinyl Plank Flooring	Refrigerator		
Washer/Dryer hookup	Wall A/C		
Property		Premium	Other
Central Laundry	Off-Street Parking	None	None
On-Site Management	Picnic Area		

Comments

The contact noted that Chesterfield and Eula Apartments are located adjacent to each other and separated only by a wire fence. Both properties are managed by the same property manager. The contact noted that some units have washer/dryer connections, while others do not but have a dishwasher instead. Additionally, the contact noted the larger units have central A/C, while the smaller units have a European style, energy efficient, mini-split system (wall A/C). The contact stated that the vacant unit is pre-leased. Units are renovated as they turn. The vacant unit has been recently renovated with new hardwood flooring, carpet and a dishwasher. Each unit comes with two uncovered parking spaces.

Photos



PROPERTY PROFILE REPORT

Dalton Ridge Apartments

Effective Rent Date	10/25/2023
Location	581 Dalton Ridge Drive Lancaster, SC 29720 Lancaster County
Distance	1.5 miles
Units	87
Vacant Units	0
Vacancy Rate	0.0%
Type	Various (2 stories)
Year Built/Renovated	1996 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Miller's Ridge and Woodhaven
Tenant Characteristics	Mostly families from Lancaster
Contact Name	Kim
Phone	803-286-9776



Market Information

Program	Market
Annual Turnover Rate	5%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Within one week
Annual Chg. in Rent	Inc. 9% - 11% annually since 2020
Concession	None
Waiting List	Yes; six months in 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	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
0	1.5	Garden (2 stories)	N/A	500	\$614	\$0	Market	Yes	0	N/A	N/A	None
1	1.5	Garden (2 stories)	N/A	900	\$800	\$0	Market	Yes	0	N/A	N/A	None
2	1.5	Townhouse (2 stories)	N/A	1,000	\$875	\$0	Market	Yes	0	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,075	\$850	\$0	Market	Yes	0	N/A	N/A	None
3	2.5	Townhouse (2 stories)	N/A	1,200	\$950	\$0	Market	Yes	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1.5BA	\$614	\$0	\$614	\$134	\$748
1BR / 1.5BA	\$800	\$0	\$800	\$148	\$948
2BR / 1.5BA	\$875	\$0	\$875	\$194	\$1,069
2BR / 2BA	\$850	\$0	\$850	\$194	\$1,044
3BR / 2.5BA	\$950	\$0	\$950	\$255	\$1,205

Dalton Ridge Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Exterior Storage(\$25.00)	Ceiling Fan		
Garbage Disposal	Oven		
Refrigerator	Washer/Dryer hookup		
Property		Premium	Other
Basketball Court	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Off-Street Parking		
On-Site Management	Playground		

Comments

The contact reported strong demand for rental housing in the area. The property does not accept Housing Choice Vouchers.

Dalton Ridge Apartments, continued

Trend Report

Vacancy Rates

1Q11	1Q19	2Q20	4Q23
1.1%	0.0%	0.0%	0.0%

Trend: Market

1BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	0.0%	\$525	\$0	\$525	\$673
2019	1	0.0%	\$655	\$0	\$655	\$803
2020	2	0.0%	\$625	\$0	\$625	\$773
2023	4	N/A	\$800	\$0	\$800	\$948

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	1.8%	\$575 - \$600	\$0	\$575 - \$600	\$769 - \$794
2023	4	N/A	\$875	\$0	\$875	\$1,069

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	0.0%	\$560 - \$585	\$0	\$560 - \$585	\$754 - \$779
2019	1	0.0%	\$675	\$0	\$675	\$869

2BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
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2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	2	0.0%	\$665	\$0	\$665	\$859
2023	4	N/A	\$850	\$0	\$850	\$1,044

3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	0.0%	\$650 - \$685	\$0	\$650 - \$685	\$905 - \$940
2019	1	0.0%	\$725	\$0	\$725	\$980
2020	2	0.0%	\$715	\$0	\$715	\$970
2023	4	N/A	\$950	\$0	\$950	\$1,205

Studio / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	0.0%	\$625	\$0	\$625	\$759
2020	2	0.0%	\$614	\$0	\$614	\$748
2023	4	N/A	\$614	\$0	\$614	\$748

Trend: Comments

1Q11	The property manager had no additional comments.
1Q19	This property does not accept Housing Choice Vouchers. According to the contact, there is a limited amount of non-subsidized properties throughout Lancaster county.
2Q20	This property does not accept Housing Choice Vouchers. According to the contact, there is a limited amount of non-subsidized properties throughout Lancaster County. The contact noted that the property is in the process of preparing for major renovations, which will begin in August 2020. During renovations, the property will not be leasing units until 2021. Rents in the profile reflect the current asking rents prior to renovations.
4Q23	The contact reported strong demand for rental housing in the area. The property does not accept Housing Choice Vouchers.

Photos



PROPERTY PROFILE REPORT

Oakhaven Apartments

Effective Rent Date	11/02/2023
Location	456 Colonial Avenue Lancaster, SC 29720 Lancaster County
Distance	1.1 miles
Units	68
Vacant Units	0
Vacancy Rate	0.0%
Type	Various (2 stories)
Year Built/Renovated	1971 / 2002
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Limited competition
Tenant Characteristics	Families, singles, and seniors from Lancaster
Contact Name	Patty
Phone	803-286-2185



Market Information

Program	Market
Annual Turnover Rate	15%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Inc. 5% - 10% annually since 2Q2020
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
1	1	Garden (2 stories)	3	700	\$735	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (2 stories)	3	1,080	\$835	\$0	Market	No	0	0.0%	N/A	None
2	1.5	Townhouse (2 stories)	8	1,000	\$875	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	8	1,000	\$900	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	16	1,260	\$1,000	\$0	Market	No	0	0.0%	N/A	None
3	2	Townhouse (2 stories)	16	1,350	\$1,025	\$0	Market	No	0	0.0%	N/A	None
3	3	Townhouse (2 stories)	14	1,780	\$1,150	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$735 - \$835	\$0	\$735 - \$835	\$148	\$883 - \$983
2BR / 1.5BA	\$875	\$0	\$875	\$194	\$1,069
2BR / 2BA	\$900 - \$1,000	\$0	\$900 - \$1,000	\$194	\$1,094 - \$1,194
3BR / 2BA	\$1,025	\$0	\$1,025	\$255	\$1,280
3BR / 3BA	\$1,150	\$0	\$1,150	\$255	\$1,405

Oakhaven Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Garbage Disposal	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Car Wash	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Central Laundry		
Off-Street Parking	On-Site Management		
Sauna	Swimming Pool		
Tennis Court			

Comments

The laundry facility, tennis courts, and car wash are located across the street at the sister property, Woodhaven Apartments. The two-bedroom units are the most in-demand unit type in the market. The contact reported strong demand for rental housing in the area.

Oakhaven Apartments, continued

Trend Report

Vacancy Rates

1Q10	1Q19	2Q20	4Q23
0.0%	0.0%	0.0%	0.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	0.0%	\$595 - \$695	\$0	\$595 - \$695	\$743 - \$843
2019	1	0.0%	\$651 - \$714	\$0	\$651 - \$714	\$799 - \$862
2020	2	0.0%	\$645 - \$735	\$0	\$645 - \$735	\$793 - \$883
2023	4	0.0%	\$735 - \$835	\$0	\$735 - \$835	\$883 - \$983

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	0.0%	\$695	\$0	\$695	\$889
2019	1	0.0%	\$752	\$0	\$752	\$946
2020	2	0.0%	\$675	\$0	\$675	\$869
2023	4	0.0%	\$875	\$0	\$875	\$1,069

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	0.0%	\$685 - \$850	\$0	\$685 - \$850	\$879 - \$1,044
2019	1	0.0%	\$752 - \$898	\$0	\$752 - \$898	\$946 - \$1,092
2020	2	0.0%	\$775 - \$895	\$0	\$775 - \$895	\$969 - \$1,089
2023	4	0.0%	\$900 - \$1,000	\$0	\$900 - \$1,000	\$1,094 - \$1,194

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	0.0%	\$795	\$0	\$795	\$1,050
2019	1	0.0%	\$970	\$0	\$970	\$1,225
2020	2	0.0%	\$875	\$0	\$875	\$1,130
2023	4	0.0%	\$1,025	\$0	\$1,025	\$1,280

3BR / 3BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	0.0%	\$950	\$0	\$950	\$1,205
2019	1	0.0%	\$1,005	\$0	\$1,005	\$1,260
2020	2	0.0%	\$995	\$0	\$995	\$1,250
2023	4	0.0%	\$1,150	\$0	\$1,150	\$1,405

Trend: Comments

1Q10	The laundry facility, tennis courts, and car wash are located across the street at the sister property, Woodhaven Apartments. Management reported that two- and three-bedroom units are the most demanded unit type in the market. There are 20 households on the waiting list, which is shared with the development's sister property Woodhaven Apartments.
1Q19	The laundry facility, tennis courts, and car wash are located across the street at the sister property, Woodhaven Apartments. Management reported that two-bedroom units are the most demanded unit type in the market.
2Q20	The laundry facility, tennis courts, and car wash are located across the street at the sister property, Woodhaven Apartments. Management reported that two-bedroom units are the most demanded unit type in the market. The property has recently renovated units. Renovations include new paint, carpet, ceiling fans, appliances, and fixtures.
4Q23	The laundry facility, tennis courts, and car wash are located across the street at the sister property, Woodhaven Apartments. The two-bedroom units are the most in-demand unit type in the market. The contact reported strong demand for rental housing in the area.

Photos



PROPERTY PROFILE REPORT

Oakleaf Senior Residences

Effective Rent Date	11/02/2023
Location	278 Lancaster Bypass Lancaster, SC 29720 Lancaster County
Distance	1.1 miles
Units	50
Vacant Units	0
Vacancy Rate	0.0%
Type	Lowrise (age-restricted) (3 stories)
Year Built/Renovated	2022 / N/A
Marketing Began	12/01/2022
Leasing Began	12/29/2022
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Senior 55+
Contact Name	Megan
Phone	803-830-7555



Market Information

Program	Market
Annual Turnover Rate	4%
Units/Month Absorbed	N/A
HCV Tenants	2%
Leasing Pace	Within one week
Annual Chg. in Rent	None reported
Concession	None
Waiting List	Yes; 12 households in 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	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	Lowrise (3 stories)	10	750	\$585	\$0	Market	Yes	0	0.0%	N/A	AVG*
1	1	Lowrise (3 stories)	N/A	750	\$630	\$0	Market	Yes	0	N/A	N/A	HIGH
1	1	Lowrise (3 stories)	N/A	750	\$540	\$0	Market	Yes	0	N/A	N/A	LOW
2	2	Lowrise (3 stories)	40	950	\$680	\$0	Market	No	0	0.0%	N/A	AVG*
2	2	Lowrise (3 stories)	N/A	950	\$735	\$0	Market	No	0	N/A	N/A	HIGH
2	2	Lowrise (3 stories)	N/A	950	\$625	\$0	Market	No	0	N/A	N/A	LOW

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$540 - \$630	\$0	\$540 - \$630	\$131	\$671 - \$761
2BR / 2BA	\$625 - \$735	\$0	\$625 - \$735	\$177	\$802 - \$912

Oakleaf Senior Residences, continued

Amenities

In-Unit		Security	Services
Blinds	Carpeting	Intercom (Buzzer)	None
Central A/C	Coat Closet	Limited Access	
Dishwasher	Ceiling Fan		
Grab Bars	Hand Rails		
Microwave	Oven		
Pull Cords	Refrigerator		
Tile Flooring	Vinyl Plank Flooring		
Walk-In Closet	Washer/Dryer		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Elevators	None	Cafeteria
Exercise Facility	Off-Street Parking		
Service Coordination			

Comments

The contact confirmed that the property has in-unit washer/dryers. Rents range based on layout, location, and floor level.

Photos



PROPERTY PROFILE REPORT

Woodhaven Apartments

Effective Rent Date	11/02/2023
Location	456 Colonial Avenue Lancaster, SC 29720 Lancaster County
Distance	1.1 miles
Units	54
Vacant Units	0
Vacancy Rate	0.0%
Type	Various (2 stories)
Year Built/Renovated	1971 / 2020
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Limited competition
Tenant Characteristics	Varied tenancy, most from Lancaster, appr. 50% senior
Contact Name	Patty
Phone	803-286-2185



Market Information

Program	Market
Annual Turnover Rate	9%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Inc. 5% annually since 2Q2020
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	1.5	Townhouse (2 stories)	25	1,000	\$775	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Garden (2 stories)	25	1,000	\$895	\$0	Market	Yes	0	0.0%	N/A	None
3	2	Garden (2 stories)	2	1,250	\$1,000	\$0	Market	Yes	0	0.0%	N/A	None
3	2.5	Townhouse (2 stories)	2	1,250	\$995	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1.5BA	\$775	\$0	\$775	\$194	\$969
2BR / 2BA	\$895	\$0	\$895	\$194	\$1,089
3BR / 2BA	\$1,000	\$0	\$1,000	\$255	\$1,255
3BR / 2.5BA	\$995	\$0	\$995	\$255	\$1,250

Woodhaven Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Fireplace	Garbage Disposal		
Oven	Refrigerator		
Property		Premium	Other
Car Wash	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area	Sauna		
Swimming Pool	Tennis Court		

Comments

The contact reported strong demand for rental housing in the area.

Woodhaven Apartments, continued

Trend Report

Vacancy Rates

1Q11	1Q19	2Q20	4Q23
3.7%	0.0%	0.0%	0.0%

Trend: Market

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	8.0%	\$580	\$0	\$580	\$774
2019	1	0.0%	\$752	\$0	\$752	\$946
2020	2	0.0%	\$775	\$0	\$775	\$969
2023	4	0.0%	\$775	\$0	\$775	\$969

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	0.0%	\$570	\$0	\$570	\$764
2019	1	0.0%	\$752	\$0	\$752	\$946
2020	2	0.0%	\$895	\$0	\$895	\$1,089
2023	4	0.0%	\$895	\$0	\$895	\$1,089

3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	0.0%	\$670	\$0	\$670	\$925
2019	1	0.0%	\$970	\$0	\$970	\$1,225
2020	2	0.0%	\$995	\$0	\$995	\$1,250
2023	4	0.0%	\$995	\$0	\$995	\$1,250

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	0.0%	\$680	\$0	\$680	\$935
2019	1	0.0%	\$868	\$0	\$868	\$1,123
2020	2	0.0%	\$875	\$0	\$875	\$1,130
2023	4	0.0%	\$1,000	\$0	\$1,000	\$1,255

Trend: Comments

1Q11	The property shares a waiting list with Oakhaven Apartments. There are a total of 20 households on the waiting list. The exercise facility, sauna, and on-site management office are located across the street at the sister property, Oakhaven Apartments.
1Q19	The exercise facility, sauna, and on-site management office are located across the street at the sister property, Oakhaven Apartments.
2Q20	The property has recently renovated units. The minor renovations include new paint, carpet, ceiling fans, appliances, and fixtures. The contact could not comment on the effects of COVID-19 to the property.
4Q23	The contact reported strong demand for rental housing in the area.

Photos



COMPARABLE PROPERTY ANALYSIS

Following are relevant characteristics of comparable properties surveyed:

Location

The following table illustrates the Subject and comparable property demographic data based on a 0.5-mile radius.

LOCATIONAL COMPARISON SUMMARY

#	Property Name	Tenancy	Program	Distance Subject	Household Income	Median Home Value	Median Rent	Crime Index	Walk Score	Vacant Housing	% Renter HH
S	Lancaster Manor	Senior	LIHTC/Section 8		\$28,620	\$252,958	\$733	181	48	13.4%	60.1%
1	Abbingdon Willow Lake	Family	LIHTC	0.8 miles	\$26,400	\$252,958	\$733	132	38	13.3%	61.4%
2	Azalea Gardens	Senior	LIHTC	1.6 miles	\$49,738	\$252,958	\$733	162	27	14.4%	40.6%
3	Miller Grove	Family	LIHTC	0.7 miles	\$28,759	\$252,958	\$733	159	11	15.4%	57.8%
4	Millers Ridge	Family	LIHTC/Market	0.6 miles	\$36,911	\$252,958	\$733	216	53	16.8%	51.3%
5	Northwest Apartments	Family	LIHTC	2.3 miles	\$64,040	\$252,958	\$733	80	0	0.0%	20.4%
6	Old Hickory Apartments	Family	LIHTC	2.3 miles	\$64,040	\$252,958	\$733	80	0	0.0%	20.4%
7	Chesterfield / Eula Apartments	Family	Market	0.3 miles	\$31,564	\$252,958	\$733	181	31	9.8%	60.0%
8	Dalton Ridge Apartments	Family	Market	1.5 miles	\$50,000	\$252,958	\$733	162	40	13.5%	41.0%
9	Oakhaven Apartments	Family	Market	1.1 miles	\$76,653	\$252,958	\$733	216	44	6.2%	26.8%
10	Oakleaf Senior Residences	Senior	Market	1.1 miles	\$36,574	\$252,958	\$733	162	36	10.0%	51.7%
11	Woodhaven Apartments	Family	Market	1.1 miles	\$76,653	\$252,958	\$733	216	44	6.2%	26.8%

As illustrated in the previous table, all of the comparables are located in areas with similar median home values and median rents relative to the Subject. Millers Ridge, Oakhaven Apartments, and Woodhaven Apartments are located in areas with similar to slightly higher median household incomes, slightly higher crime indices, and similar Walkscores relative to the Subject. All of the remaining comparables are located in areas with similar to slightly higher median household incomes, slightly lower to lower crime indices and Walkscores relative to the Subject. Further, all of the comparables are located within 2.3 miles of the Subject and generally have similar surrounding land uses, access to locational amenities, and access to primary employment centers relative to the Subject. As such, we have considered the locations of the comparables to be similar relative to the Subject's location.

Unit Size

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

UNIT SIZE COMPARISON

Bedroom Type	1BR	2BR
Subject	533	779
Average	777	967
Min	659	850
Max	1,080	1,260
Advantage/Disadvantage	-31.4%	-19.5%

UNIT SIZE COMPARISON (SENIOR)

Bedroom Type	1BR	2BR
Subject	533	779
Average	739	971
Min	706	950
Max	750	1,032
Advantage/Disadvantage	-27.9%	-19.7%

The Subjects' one and two-bedroom unit sizes are below the range of the comparables, and are 31.4 and 19.5 percent smaller than the surveyed averages among the comparables. Relative to the senior comparables, the Subject's one and two-bedroom unit sizes are 27.9 and 19.7 percent smaller than the surveyed averages. We have considered the Subject's unit sizes in our determination of achievable rents.

Vacancy

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

OVERALL VACANCY

Property Name	Program	Tenancy	Total Units	Vacant Units	Vacancy %
Abbingdon Willow Lake	LIHTC	Family	40	0	0.0%
Azalea Gardens	LIHTC	Senior	36	0	0.0%
Miller Grove	LIHTC	Family	48	0	0.0%
Millers Ridge	LIHTC/Market	Family	72	3	4.2%
Northwest Apartments	LIHTC	Family	72	0	0.0%
Old Hickory Apartments	LIHTC	Family	32	0	0.0%
Chesterfield / Eula Apartments	Market	Family	49	1	2.0%
Dalton Ridge Apartments	Market	Family	87	0	0.0%
Oakhaven Apartments	Market	Family	68	0	0.0%
Oakleaf Senior Residences	Market	Senior	50	0	0.0%
Woodhaven Apartments	Market	Family	54	0	0.0%
LIHTC Total			300	3	1.0%
Market Total			308	1	0.3%
Overall Total			608	4	0.7%

The comparable properties reported vacancy rates ranging from zero to 4.2 percent, with an overall weighted average of 0.7 percent. Managers at five of the six LIHTC properties reported being fully occupied. The average vacancy rate reported by the affordable comparables was one percent, above the 0.3 percent weighted average reported by the market rate properties. All of the market rate properties reported vacancy rates of two percent or less. The average LIHTC vacancy rate of one percent is considered exceptionally low, and indicative of supply-constrained conditions.

The Subject is currently operating as a LIHTC/Section 8 property. According to the rent roll dated October 13, 2023, the Subject is currently 92.4 percent occupied. According to historical financial statements, the Subject's annual vacancy and collection loss was 3.9, 4.9, and 1.7 percent in 2020, 2021, and 2022, respectively. According to management, the Subject's typical historical vacancy rate is less than five percent, and demand for affordable housing is very strong. Taking this data into consideration, as well as the Subject's historical data, we anticipate a vacancy and collection loss of three percent.

LIHTC Vacancy – All LIHTC Properties in PMA

There are 300 total LIHTC units in the PMA that we included in this comparable analysis. There are three vacancies among these units and all of the affordable comparables reported maintaining a waiting list, which indicates strong demand for affordable rental housing in the PMA.

REASONABILITY OF RENTS

This report is written to South Carolina State Housing Finance and Development Authority (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 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 SC State Housing Finance & Development Agency utility allowance for the Upstate Region, which includes Chesterfield County, effective as of February 27, 2023. The rent analysis is based on net rents at the Subject as well as surveyed properties.

The following table summarizes the Subject's proposed 60 percent AMI net rents compared to the maximum allowable 60 percent AMI rents in the MSA in which the comparables are located and the net 60 percent AMI rents at the comparables.

LIHTC RENT COMPARISON @60%

Property Name	County	Tenancy	1BR	2BR	3BR	Max Rent?
Lancaster Manor	Lancaster	Senior	\$869*	\$1,000*	-	No
LIHTC Maximum Rent (Net) - 2023	Lancaster		\$921	\$1,105	\$1,276	
LIHTC Maximum Rent (Net) - 2022	Lancaster		\$870	\$1,044	\$1,206	
Abbington Willow Lake	Lancaster	Family	\$801	\$927	\$1,083	No; at 2022 max
Miller Grove	Lancaster	Family	\$644	\$817	\$973	No
Millers Ridge	Lancaster	Family	-	\$1,061	\$1,237	Yes
Northwest Apartments	Lancaster	Family	\$662	\$776	\$934	No
Average			\$702	\$895	\$1,057	
Achievable LIHTC Rent			\$775	\$900	-	No

*Contract rents

One of the comparables reported achieving 2023 maximum allowable rents at the 60 percent AMI levels, one reported maintaining rents at the 2022 maximum allowable level, and the remaining comparables reported rents below the maximum allowable levels. It should be noted that the property managers at Abbington Willow Lake, Miller Grove were unable to provide an explanation for the rents below the maximum allowable level or state if maximum rents were achievable; however, the contacts at Northwest Apartments and Millers Ridge stated that there is strong demand for affordable housing in the market. Further, all of the properties reported 100 percent occupancy, with the exception of Millers Ridge, and all of the comparables reported maintaining waiting lists.

Post-renovation, the Subject will offer a similar to slightly inferior condition, a similar location, slightly inferior in-unit amenities, similar to slightly superior community amenities, and smaller unit sizes relative to the affordable comparables.

Azalea Gardens is considered the most similar affordable comparable overall. This property is located 1.6 miles from the Subject site in a similar neighborhood. This property was constructed in 2006, and exhibits good condition, which is considered similar to the anticipated condition of the Subject upon completion of renovations. Azalea Gardens offers slightly superior in-unit amenities and similar common area amenities relative to the Subject. This property offers larger unit sizes relative to the Subject. Overall, Azalea Gardens is considered slightly superior to the Subject on balance. This comparable reported achieving rents below the maximum allowable levels; however, the property manager stated that demand for affordable housing is strong, but was unable to comment on whether maximum allowable rents would be achievable. Given the overall balance of characteristics including the Subject's anticipated condition, similar location, the low vacancy rates, and the presence of waiting lists, we have concluded to achievable LIHTC rents that are slightly below the 2023 maximum allowable levels, and generally in line with the average among the comparables.

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 below the achievable market rates for the Subject's area. We have prepared rent adjustment grids, which are included in the Addenda to this report. The following table shows both adjusted market rent comparisons and achievable market rents.

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Rent Level	Square Feet	Achievable LIHTC Rent	Surveyed Min	Surveyed Max	Surveyed Average	Achievable Market Rent	Subject Rent Advantage
1BR/1BA	@60% (Section 8)	533	\$775	\$671	\$983	\$827	\$970	20%
2BR/1BA	@60% (Section 8)	779	\$900	\$802	\$1,194	\$1,013	\$1,100	18%

*Based on rent comparability grids located in Addendum B

The Subject's achievable LIHTC rents are below the achievable market rents, and within the range of the market rate comparables. The Subject's achievable LIHTC rents represent a rent advantage of 18 to 20 percent over the achievable market rents. We compared the Subject to Oak Haven and Woodhaven Apartments, as they are the most similar comparables to the Subject as renovated.

Oakhaven Apartments is a 68-unit garden and townhome-style development located 1.1 miles from the Subject, in a similar location. The property was constructed in 1971 and most recently renovated in 2002, and exhibits average condition. We consider the condition of this property slightly inferior relative to the Subject post-renovation. Oakhaven Apartments reported being fully occupied, indicating that current rents are accepted in the market. The in-unit and common area amenities offered by Oakhaven Apartments are considered slightly superior and similar, respectively, relative to the Subject's amenities. In overall terms, we believe the Subject, upon renovation, to be a similar product relative to Oakhaven Apartments. The following table compares the Subject with Oakhaven Apartments.

SUBJECT COMPARISON TO OAKHAVEN APARTMENTS

Unit Type	Rent Level	Subject Achievable LIHTC Rent	Square Feet	Subject RPSF	Comparable Rent	Square Feet	Comparable RPSF	Subject Rent Advantage
1BR/1BA	@60% (Section 8)	\$775	533	\$1.45	\$883	700	\$1.26	12%
2BR/1BA	@60% (Section 8)	\$900	779	\$1.16	\$1,094	1,000	\$1.09	18%

Woodhaven Apartments is a 54-unit garden and townhome-style development located 1.1 miles from the Subject, in a similar location. The property was constructed in 1971 and most recently renovated in 2020, and exhibits average condition. We consider the condition of this property slightly inferior relative to the Subject post-renovation. Woodhaven Apartments reported being fully occupied, indicating that current rents are accepted in the market. The in-unit and common area amenities offered by Woodhaven Apartments are considered slightly superior and similar, respectively, relative to the Subject's amenities. In overall terms, we believe the Subject, upon renovation, to be a similar product relative to Woodhaven Apartments. The following table compares the Subject with Woodhaven Apartments.

SUBJECT COMPARISON TO WOODHAVEN APARTMENTS

Unit Type	Rent Level	Subject Achievable LIHTC Rent	Square Feet	Subject RPSF	Comparable Rent	Square Feet	Comparable RPSF	Subject Rent Advantage
1BR/1BA	@60% (Section 8)	\$775	533	\$1.45	\$1,089	1,000	\$1.09	29%
2BR/1BA	@60% (Section 8)	\$900	779	\$1.16	\$1,089	1,000	\$1.09	17%

In conclusion, we believe that the Subject's achievable market rents are **\$970 and \$1,100** for its one and two-bedroom units, respectively. Our concluded market rents result in a rent advantage of 18 to 20 percent for the Subject's achievable LIHTC rents.

Impact of Subject on Other Affordable Units in Market

Managers at five of the six LIHTC properties reported being fully occupied. The average vacancy rate reported by the affordable comparables was one percent, above the 0.3 percent weighted average reported by the market rate properties. With an apparent high demand for affordable senior housing options in the market and a large base of low-income tenants, we believe the Subject's rehabilitation will have no long-term impact on the existing area LIHTC developments. In addition, no new units will be added to the market as a result of the Subject's allocation. Between 2023 and market entry, the total number of senior households is expected to increase at a rate of 1.5 percent annually in the PMA. Since the Subject will continue to operate with a subsidy, we do not expect any impact on the existing low-income rental assisted housing in the market.

Rent versus Buy Analysis

We performed a rent/buy analysis. Our inputs assume a two-bedroom, single-family home listing on Zillow in the Subject's neighborhood with a purchase price of \$249,900 and an interest rate of 7.85 percent for a 30-

year fixed mortgage with a 10 percent down payment. This was compared with the cost to rent the Subject's two-bedroom unit at 60 percent of AMI. The analysis indicates that with a monthly differential of \$1,160, 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:		Two-Bedroom Single-Family Home	
Sales Price		\$249,900	
Down Payment at 10.0%		\$24,990	
Mortgage Amount		\$224,910	
Current Interest Rate		7.85%	
<i>Homeownership Costs</i>		<i>Monthly</i>	<i>% of Home Value</i>
Mortgage Payment		\$1,627	\$19,526
Property Taxes		\$260	1.25%
Private Mortgage Insurance*		\$94	0.50%
Maintenance		\$417	2.00%
Utility Costs**		\$194	\$2,328
Tax Savings		(\$432)	(\$5,179)
Cost Comparison			
		<i>Monthly</i>	<i>Annual</i>
Costs of Homeownership		\$2,160	\$25,922
Cost of Renting At Subject		\$1,000	\$12,000
Differential		\$1,160	\$13,922
Cost of Occupancy			
<i>Homeownership</i>			
Closing Costs		3.00%	\$7,497
Down Payment at 10.0%		10.00%	\$24,990
Total			\$32,487
<i>Subject Rental</i>			
First Month's Rent		\$1,000	
Security Deposit		\$1,000	
Total		\$2,000	

* Based upon 0.50% of mortgage amount

** Utility Costs Included in Rent at Subject

As illustrated, the “cash due at occupancy” category adds to \$32,487 for the down payment and closing costs. The cash necessary for homeownership is still a barrier to many families. In general, first-time homebuyers have difficulty saving for a down payment. For this reason, we believe that the Subject will face limited competition from homeownership.

Availability of Affordable Housing Options

There are three vacant LIHTC units among the six LIHTC comparables surveyed, equating to an average weighted vacancy rate of 1.0 percent, and all of the LIHTC comparables maintain waiting lists. Therefore, the availability of LIHTC housing targeting low and moderate incomes is considered constrained given the demographic growth of the PMA. The renovation of the Subject would improve the existing housing stock in the PMA for affordable senior housing.

Summary Evaluation of the Proposed Project

Overall in the local multifamily market is performing well with a 0.7 percent vacancy rate among all of the surveyed comparable projects, and a 1.0 percent vacancy rate among the LIHTC comparables. Five of the six LIHTC properties are fully occupied and all of the LIHTC properties maintain waiting lists, suggesting latent demand for affordable housing.

One of the comparables reported achieving 2023 maximum allowable rents at the 60 percent AMI levels, one reported maintaining rents at the 2022 maximum allowable level, and the remaining comparables reported rents below the maximum allowable levels. It should be noted that the property managers at Abbington Willow Lake, Miller Grove were unable to provide an explanation for the rents below the maximum allowable level or state if maximum rents were achievable; however, the contacts at Northwest Apartments and Millers Ridge stated that there is strong demand for affordable housing in the market. Further, all of the properties reported 100 percent occupancy, with the exception of Millers Ridge, and all of the comparables reported maintaining waiting lists. Post-renovation, the Subject will offer a similar to slightly inferior condition, a similar location, slightly inferior in-unit amenities, similar to slightly superior community amenities, and smaller unit sizes relative to the affordable comparables.

Azalea Gardens is considered the most similar affordable comparable overall. This property is located 1.6 miles from the Subject site in a similar neighborhood. This property was constructed in 2006, and exhibits good condition, which is considered similar to the anticipated condition of the Subject upon completion of renovations. Azalea Gardens offers slightly superior in-unit amenities and similar common area amenities relative to the Subject. This property offers larger unit sizes relative to the Subject. Overall, Azalea Gardens is considered slightly superior to the Subject on balance. This comparable reported achieving rents below the maximum allowable levels; however, the property manager stated that demand for affordable housing is strong, but was unable to comment on whether maximum allowable rents would be achievable. Given the overall balance of characteristics including the Subject's anticipated condition, similar location, the low vacancy rates, and the presence of waiting lists, we have concluded to achievable LIHTC rents that are slightly below the 2023 maximum allowable levels, resulting in rent advantages ranging from 18 to 20 percent compared to our estimated achievable market rents. However, the Subject will continue to benefit from a HAP contract post-renovation for all of its units. Overall, we believe that the Subject will be successful in the local market as proposed.

IX. INTERVIEWS

INTERVIEWS

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

Planning

Pipeline Construction/LIHTC Competition

We attempted to contact the City of Lancaster and Lancaster County Planning Department to obtain information regarding proposed or under construction developments in the PMA; however, as of the date of this report, our calls have not been returned. As such, we consulted a CoStar report and the South Carolina State Housing Finance & Development Agency allocation lists and identified zero proposed or under construction developments within the PMA.

LIHTC Competition / Recent and Proposed Construction

According to the South Carolina State Housing Finance and Development Authority (SCSHFDA) LIHTC allocation lists from 2019 to 2022, there have been zero developments allocated tax credits in the PMA.

Section 8/Public Housing

We contacted the Housing Authority of Lancaster, which serves Lancaster County, and spoke with Susan Rollings regarding the Housing Choice Voucher program for the city of Lancaster. According to Susan Rollings, the Housing Choice Voucher waiting list is currently closed, and has been closed for an extended period of time, and has administered 250 vouchers, 219 of which are currently in use. Further, Ms. Rollings stated that given the limited supply of new rental housing in the area, the waiting lists is expected to remain closed and additional vouchers will not be allocated. The payment standards for one and two-bedroom units are illustrated in the proceeding table.

PAYMENT STANDARDS		
Bedroom Type	Standard	Subject Highest Proposed Gross LIHTC Rent
1BR	\$760	\$775
2BR	\$1,000	\$900

As indicated in the previous table, payment standards for the one-bedroom units are below the Subject's highest proposed LIHTC rents, while the payment standards for the two-bedroom units are above the Subject's gross LIHTC rents. However, all the Subject's units will continue to benefit from Section 8 subsidy, and Vouchers will not be necessary.

Property Managers

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

X. RECOMMENDATIONS

Recommendations

We believe there is ample demand for the Subject in the PMA and the market supports the renovation of the Subject development as proposed. The Subject's capture rates with subsidy range from 7.7 to 8.8 percent. Absent subsidy, the Subject's capture rates at the 60 percent AMI level range from 25.5 to 29.2 percent. The overall capture rates for the Subject's units as proposed and absent subsidy are 8.7 and 28.8 percent, respectively, and we believe there is adequate continued demand for the Subject. Further, capture rates for all units, as well as the overall property, are below the 30 percent capture rate threshold as determined by SCSHFDA. Between 2023 and the market entry date, the total number of senior renter households is expected to increase at a rate of 1.5 percent annually in the PMA. The Subject is located within 1.7 miles of most community services and facilities that tenants would utilize on a consistent basis.

One of the comparables reported achieving 2023 maximum allowable rents at the 60 percent AMI levels, one reported maintaining rents at the 2022 maximum allowable level, and the remaining comparables reported rents below the maximum allowable levels. It should be noted that the property managers at Abbington Willow Lake, Miller Grove were unable to provide an explanation for the rents below the maximum allowable level or state if maximum rents were achievable; however, the contacts at Northwest Apartments and Millers Ridge stated that there is strong demand for affordable housing in the market. Further, all of the properties reported 100 percent occupancy, with the exception of Millers Ridge, and all of the comparables reported maintaining waiting lists.

Further, there are several apparent strengths of the Subject's site, development scheme, and market, which include:

- Rehabilitation of the Subject's units will positively impact the surrounding area by improving the Subject's condition and street appeal, and thus representing an improvement to the neighborhood.
- All of the Subject's units will continue to benefit Section 8 subsidy; thus, these tenants will continue to pay 30 percent of their income towards rent.
- The Subject is an existing property with a waiting list, and all tenants are expected to remain income qualified post-renovation.
- The Subject will be in good condition upon completion and will fill a need for good quality/newly renovated affordable senior housing in Lancaster.

As such, we recommend the Subject as proposed, with no suggested modifications.

XI. SIGNED STATEMENT REQUIREMENTS

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

Respectfully submitted,
Novogradac

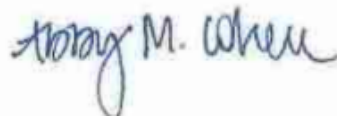
Date: December 4, 2023



Rebecca S. Arthur, MAI
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Rebecca.Arthur@novoco.com
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Certified General Real Estate Appraiser



Ryan Browder
Manager
Ryan.Browder@novoco.com
469-329-5216



Abby Cohen
Partner
Abby.Cohen@novoco.com
240-235-1702



Brandon Lawlor
Analyst
Brandon.Lawlor@novoco.com
469-329-5214

ADDENDUM A

Qualifications of Consultants

**STATEMENT OF PROFESSIONAL QUALIFICATIONS
REBECCA S. ARTHUR, MAI**

I. Education

University of Nebraska, Lincoln, Nebraska
Bachelor of Science in Business Administration – Finance

Appraisal Institute
Designated Member (MAI)

II. Licensing and Professional Affiliation

Member of Kansas Housing Association
Board of Directors; 2017 – Present
Vice President - Board of Directors; 2017 - 2021
Designated Member of the Appraisal Institute (MAI)
Kansas City Chapter of the Appraisal Institute Board of Directors: 2013 – 2014
National Council of Housing Market Analysts (NCHMA) – Member in Good Standing
Member of Texas Association of Affordable Housing Providers
Member of Women's Affordable Housing Network (WAHN)

State of Arkansas Certified General Real Estate Appraiser No. CG2682
State of Arizona Certified General Real Estate Appraiser No. 31992
State of California Certified General Real Estate Appraiser No. AG041010
State of Delaware Certified General Real Estate Appraiser No. X1-0010790
State of Georgia Certified General Real Estate Appraiser No. CG416465
State of Hawaii Certified General Real Estate Appraiser No. CGA-1047
State of Iowa Certified General Real Estate Appraiser No. CG03200
State of Indiana Certified General Real Estate Appraiser No. CG41300037
State of Kansas Certified General Real Estate Appraiser No. G-2153
State of Louisiana Certified General Real Estate Appraiser No. 4018
State of Minnesota Certified General Real Estate Appraiser No. 40219655
State of Missouri Certified General Real Estate Appraiser No. 2004035401
State of New York Certified General Real Estate Appraiser No. 46000053039
State of North Carolina Certified General Real Estate Appraiser No. A8713
State of Oklahoma Certified General Real Estate Appraiser No. 13563CGA
State of South Carolina Certified General Real Estate Appraiser No. 8417
State of Tennessee Certified General Real Estate Appraiser No. 6399
State of Texas Certified General Real Estate Appraiser No. TX-1338818-G
State of Virginia Certified General Real Estate Appraiser No. 4001018566
State of Washington Certified General Real Estate Appraiser No. 23001712

III. Professional Experience

Partner, Novogradac & Company LLP
Principal, Novogradac & Company LLP
Manager, Novogradac & Company LLP
Real Estate Analyst, Novogradac & Company LLP
Corporate Financial Analyst, Deloitte LLP

IV. Professional Training

RAD and HUD related seminars
Various Continuing Education Classes as required by appraisal licensing, ongoing
NCHMA Seminars
Uniform Standards of Professional Appraisal Practice
Forecasting Revenue
Discounted Cash Flow Model
Business Practices and Ethics
Biases in Appraising
HUD MAP Training – Ongoing
The Appraiser as an Expert Witness: Preparation & Testimony
How to Analyze and Value Income Properties
Appraising Apartments – The Basics
HUD MAP Third Party Tune-Up Workshop
HUD MAP Third Party Valuation Training
HUD LEAN Third Party Training
National Uniform Standards of Professional Appraisal Practice
MAI Comprehensive Four Part Exam
Report Writing & Valuation Analysis
Advanced Applications
Highest and Best Use and Market Analysis
HUD MAP – Valuation Advance MAP Training
Advanced Sales Comparison and Cost Approaches
Advanced Income Capitalization
Basic Income Capitalization
Appraisal Procedures
Appraisal Principals

IV. Real Estate Assignments

A representative sample of Valuation or Consulting Engagements includes:

- In general, have managed and conducted numerous market analyses and appraisals for various types of commercial real estate since 2001, with an emphasis on multifamily housing and land.
- Have managed and conducted numerous market and feasibility studies for multifamily housing. Properties types include Section 42 Low Income Housing Tax Credit (LIHTC) Properties, Public Housing for RAD conversion, Section 18 disposition, Section 8, USDA and/or conventional. Local housing authorities, developers, syndicators, HUD and lenders have used these studies to assist in the financial underwriting and design of multifamily properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying, and overall market analysis. The Subjects include both new construction and rehabilitation properties in both rural and metro regions throughout the United States and its territories.
- Have managed and conducted numerous appraisals of multifamily housing. Appraisal assignments typically involved determining the as is, as if complete and the as if complete and stabilized values. Additionally, encumbered LIHTC and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and PILOT agreements.
- Completed numerous appraisals of public housing properties for RAD conversion, Section 18 disposition, and/or LIHTC application of housing authority owned properties.

- Performed market studies and appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs, as well as the LIHTC PILOT Program.
- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA, and the developer in the underwriting process. Market studies are compliant to State, FannieMae, and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.
- Completed numerous FannieMae and FreddieMac appraisals of affordable and market rate multi-family properties for DUS Lenders.
- Managed and completed numerous Section 8 Rent Comparability Studies in accordance with HUD's Section 8 Renewal Policy and Chapter 9 for various property owners and local housing authorities.
- Managed and conducted various City and County-wide Housing Needs Assessments in order to determine the characteristics of existing housing, as well as determine the need for additional housing within designated areas.
- Performed numerous valuations of the General and/or Limited Partnership Interest in a real estate transaction, as well as LIHTC Year 15 valuation analysis.
- Performs valuations of solar panels, wind turbines and other renewable energy installations in connection with financing and structuring analyses performed by various clients.

V. Speaking Engagements

A representative sample of industry speaking engagements follows:

- Novogradac & Company LLP: RAD Conferences, LIHTC, Developer and Bond Conferences
- Institute for Professional Education and Development (IPED): LIHTC and Year 15 Seminars
- Institute for Responsible Housing Preservation (IRHP): Annual Meetings
- Western FHA Mortgage Lenders Conference: Annual Meetings
- Midwest FHA Mortgage Lenders Conference: Annual Meetings
- Southwest FHA Mortgage Association Lenders Conference: Annual Meetings
- National Council of Housing Market Analysts (NCHMA): Seminars and Workshops
- National Council of State Housing Agencies: Housing Credit Connect Conferences
- National Leased Housing Association: Annual Meeting
- Nebraska's County Assessors: Annual Meeting
- AHF Live! Affordable Housing Finance Magazine Annual Conference
- Missouri Workforce Housing (MOWHA) Annual Conference
- Ohio Housing Council Symposium
- Kansas Housing Conference
- California Council for Affordable Housing (CCAH) Meetings

VI. Industry Engagements

- Novogradac & Company LLP – Chairperson of Annual RAD Conference
- Novogradac & Company LLP – Chairperson of Annual Affordable Housing LIHTC and Bond Developer and Investor Conference

BCD 1442038

State of South Carolina
Department of Labor, Licensing and Regulation
Real Estate Appraisers Board

REBECCA S ARTHUR

Is hereby entitled in practice as a:

Certified General Appraiser

License Number: **8417**

Expiration Date: 06/30/2024

POCKET CARD

Jana L. Smith
Administrator

BCD 1442038

State of South Carolina
Department of Labor, Licensing and Regulation
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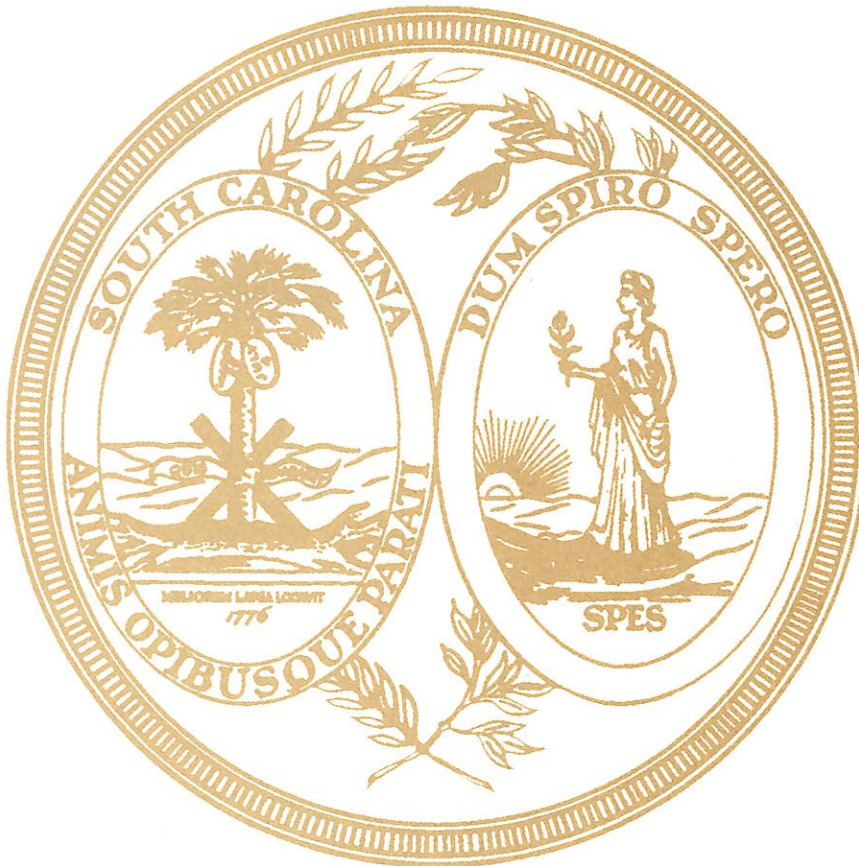
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Jana L. Smith
Administrator

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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, 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)
Member of Commercial Real Estate Women (CREW) Network

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 2022-2023, April 2022
Appraisal of Industrial and Flex Buildings, April 2022
Green Building Concepts for Appraisers, April 2022
Basic and Advanced Hotel Appraising, October 2019
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.

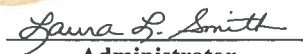
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Administrator

BCD 1447769

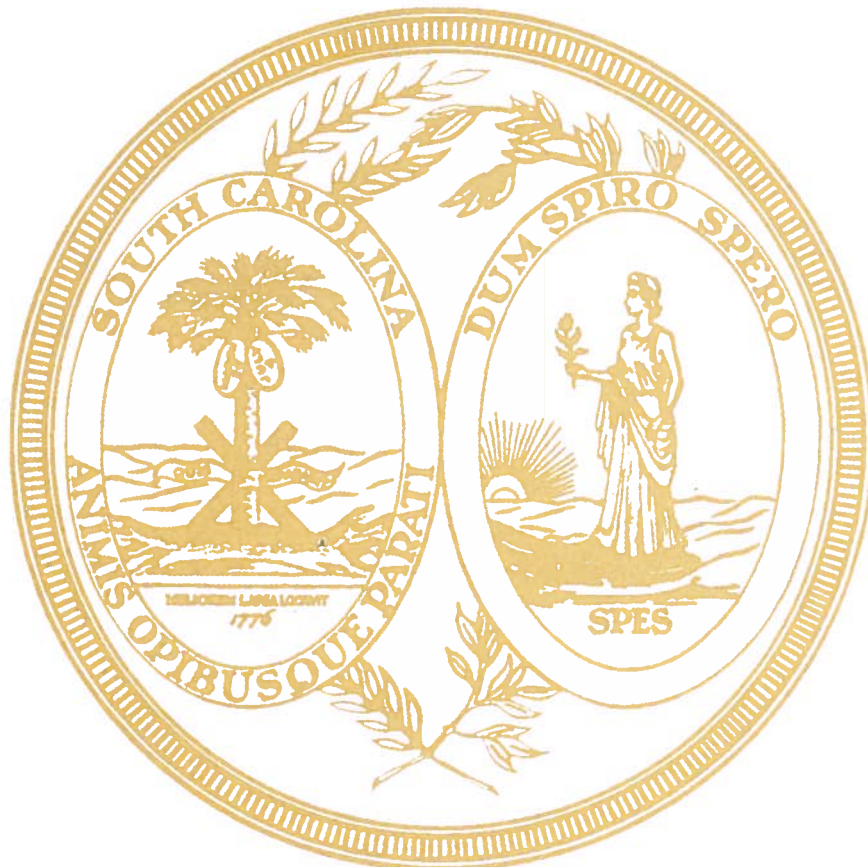
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STATEMENT OF PROFESSIONAL QUALIFICATIONS

RYAN BROWDER

I. EDUCATION

Baylor University, Waco, Texas

Bachelor of Business Administration, Finance, 2014

II. PROFESSIONAL EXPERIENCE

Manager – Novogradac & Company LLP, *December 2021 to Present*

Real Estate Analyst – Novogradac & Company LLP, *December 2016 to December 2021*

III. PROFESSIONAL TRAINING

Texas Appraiser Trainee License: TX 1343826

Basic Appraisal Principles

Basic Appraisal Procedures

National USPAP Course

IV. REAL ESTATE ASSIGNMENTS

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

- 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, and supply analysis. Property types include proposed multifamily, senior independent 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 interviewing potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.

- Assisted in various types of appraisals of proposed new construction, rehabilitation, and existing properties. Analysis includes property screenings, valuation analysis, capitalization rate analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis. Appraisals assisted on have included Freddie Mac, Fannie Mae, HUD Multifamily Accelerated Processing (MAP), among others.
- 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 through the United States.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Brandon Lawlor

I. EDUCATION

Southern Methodist University

Bachelor of Science, Economics with Financial Applications, 2021

II. PROFESSIONAL EXPERIENCE

Novogradac & Company LLP

Analyst, *January 2023 to Present*

Junior Analyst, *February 2022 to December 2022*

III. REAL ESTATE ASSIGNMENTS

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

- 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, and supply analysis. Property types include proposed multifamily, senior independent 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 interviewing potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
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- Examined local and national housing market statistical trends and potential outlook in order to determine sufficient demand for specific projects through the United States.

ADDENDUM B
Rent Comparability Grids

OMB Approval # 2502-0507 (exp. 04-30-2021)

Subject		Comparable #7		Comparable #8		Comparable #9		Comparable #10		Comparable #11	
Lancaster Manor		Chesterfield / Eula Apartments		Dalton Ridge Apartments		Oakhaven Apartments		Oakleaf Senior Residences		Woodhaven Apartments	
201 Chesterfield Ave		1210 Chesterfield Ave And 1305 Eula St		581 Dalton Ridge Drive		456 Colonial Avenue		278 Lancaster Bypass		456 Colonial Avenue	
Lancaster, Lancaster County, SC		Lancaster, Lancaster County, SC		Lancaster, Lancaster County, SC		Lancaster, Lancaster County, SC		Lancaster, Lancaster County, SC		Lancaster, Lancaster County, SC	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$795	N	\$800	N	\$735	N	\$630	N	\$895	N
2	Date Last Leased (mo/yr)	Oct-23		Oct-23		Nov-23		Nov-23		Nov-23	
3	Rent Concessions	N		N		N		N		N	
4	Occupancy for Unit Type	98%		100%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$795	\$0.94	\$800	\$0.89	\$735	\$1.05	\$630	\$0.84	\$895	\$0.90
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	E / 3	T / 2	G / 2	\$25	G / 2	\$25	E / 3		G / 2	\$25
7	Yr. Built / Yr. Renovated	1983 / 2005/2026	1974	1996		1971 / 2002		2022		1971 / 2020	
8	Condition / Street Appeal	G	A	A	\$100	A	\$100	E		A	\$100
9	Neighborhood	A	A	A		A		A		A	
10	Same Market? Miles to Subj.		Y/0.3		Y/1.5		Y/1.1		Y/1.1		Y/1.1
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1.0	2.0 (\$100)	1.0		1.0		1.0		2.0	(\$100)
12	# Bathrooms	1.0	1.0	1.5	(\$25)	1.0		1.0		2.0	(\$50)
13	Unit Interior Sq. Ft.	533	850 (\$59)	900	(\$65)	700	(\$35)	750	(\$36)	1,000	(\$84)
14	Balcony / Patio	N	N	Y	(\$10)	Y	(\$10)	N		Y	(\$10)
15	AC: Central / Wall	Wa	Wa	C	(\$5)	C	(\$5)	C	(\$5)	C	(\$5)
16	Range / Refrigerator	R / F	R / F	R / F		R / F		R / F		R / F	
17	Microwave / Dishwasher	N	N	D	(\$10)	D	(\$10)	M / D	(\$10)	D	(\$10)
18	Washer / Dryer	L	L / HU (\$10)	HU	(\$5)	L / HU	(\$10)	WD	(\$30)	L	
19	Floor Coverings	C / V	C / V	C		C		C / V / TF		C	
20	Window Coverings	B	B	B		B		B		B	
21	Cable / Satellite / Internet	N	N	N		N		N		N	
22	Special Features	CG / GB / PC	N	CF / GD	\$5	GD / WIC	\$5	CF / GB / PC / WIC	(\$5)	GD / F	\$5
D.	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	L	L	L		L		L		L	
25	Extra Storage	N	N	Y (\$25)		N		N		N	
26	Security	Y	N	N	\$5	N	\$5	Y		N	\$5
27	Clubhouse / Meeting Rooms	MR	N	MR		MR		MR		MR	
28	Pool / Recreation Areas	E / R	R	E / RR	(\$5)	P / E / R	(\$10)	E	\$5	P / E / RR	(\$15)
29	Business Ctr / Nhhd Network	BC	N	N	\$10	N	\$10	N	\$10	N	\$10
30	Service Coordination	Y	N	N	\$15	N	\$15	Y		N	\$15
31	Non-shelter Services	N	N	N		N		N		N	
32	Neighborhood Networks	N	N	N		N		N		N	
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent? / type)	Y / E	N / E	N / E	\$14	N / E	\$14	N / E	\$14	N / E	\$14
34	Cooling (in rent? / type)	Y / Wa	N / Wa	N / C	\$10	N / C	\$10	N / C	\$10	N / C	\$10
35	Cooking (in rent? / type)	Y / E	N / E	N / E	\$6	N / E	\$6	N / E	\$6	N / E	\$6
36	Hot water (in rent? / type)	Y / E	N / E	N / E	\$14	N / E	\$14	N / E	\$14	N / E	\$14
37	Other Electric	Y	N	N	\$23	N	\$23	N	\$23	N	\$23
38	Cold Water / Sewer	Y / Y	N / N	N / N	\$64	N / N	\$64	N / N	\$64	N / N	\$64
39	Trash / Recycling	Y	N	N	\$17	N	\$17	Y		N	\$17
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	8	(3)	6	(7)	6	(6)	2	(5)	6	(7)
41	Sum Adjustments B to D	\$185	(\$169)	\$160	(\$125)	\$160	(\$80)	\$15	(\$86)	\$	

Rent Comparability Grid

Unit Type: 2BR/1BA - Lowrise - 779 sf

OMB Approval # 2502-0507 (exp. 04-30-2021)

Subject FHA#: -

Subject		Comparable #7		Comparable #8		Comparable #9		Comparable #10		Comparable #11	
Lancaster Manor		Chesterfield / Eula Apartments		Dalton Ridge Apartments		Oakhaven Apartments		Oakleaf Senior Residences		Woodhaven Apartments	
201 Chesterfield Ave		1210 Chesterfield Ave And 1305 Eula St		581 Dalton Ridge Drive		456 Colonial Avenue		278 Lancaster Bypass		456 Colonial Avenue	
Lancaster, Lancaster County, SC		Lancaster, Lancaster County, SC		Lancaster, Lancaster County, SC		Lancaster, Lancaster County, SC		Lancaster, Lancaster County, SC		Lancaster, Lancaster County, SC	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$815	N	\$850	N	\$900	N	\$735	N	\$895	N
2	Date Last Leased (mo/yr)	Oct-23		Oct-23		Nov-23		Nov-23		Nov-23	
3	Rent Concessions	N		N		N		N		N	
4	Occupancy for Unit Type	98%		100%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$815	\$0.93	\$850	\$0.79	\$900	\$0.90	\$735	\$0.77	\$895	\$0.90
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	E / 3	\$25	G / 2	\$25	G / 2	\$25	E / 3		G / 2	\$25
7	Yr. Built / Yr. Renovated	1983 / 2005/2026	1974	1996		1971 / 2002		2022		1971 / 2020	
8	Condition / Street Appeal	G	A	A	\$100	A	\$100	E		A	\$100
9	Neighborhood	A		A		A		A		A	
10	Same Market? Miles to Subj.	Y/0.3		Y/1.5		Y/1.1		Y/1.1		Y/1.1	
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2.0	2.0	2.0		2.0		2.0		2.0	
12	# Bathrooms	1.0	1.5	2.0	(\$25)	2.0	(\$50)	2.0	(\$50)	2.0	(\$50)
13	Unit Interior Sq. Ft.	779	875	1,075	(\$18)	1,000	(\$40)	950	(\$26)	1,000	(\$40)
14	Balcony / Patio	N	N	Y	(\$10)	Y	(\$10)	N		Y	(\$10)
15	AC: Central / Wall	Wa	C	C	(\$5)	C	(\$5)	C	(\$5)	C	(\$5)
16	Range / Refrigerator	R / F	R / F	R / F		R / F		R / F		R / F	
17	Microwave / Dishwasher	N	N	D	(\$10)	D	(\$10)	M / D	(\$10)	D	(\$10)
18	Washer / Dryer	L	L / HU	HU	(\$5)	L / HU	(\$10)	WD	(\$30)	L	
19	Floor Coverings	C / V	C / V	C		C		C / V / TF		C	
20	Window Coverings	B	B	B		B		B		B	
21	Cable / Satellite / Internet	N	N	N		N		N		N	
22	Special Features	CG / GB / PC	N	CF / GD	\$5	GD / WIC	\$5	CF / GB / PC / WIC	(\$5)	GD / F	\$5
D.	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	L	L	L		L		L		L	
25	Extra Storage	N	N	Y (\$25)		N		N		N	
26	Security	Y	N	N	\$5	N	\$5	Y		N	\$5
27	Clubhouse / Meeting Rooms	MR	N	MR		MR		MR		MR	
28	Pool / Recreation Areas	E / R	R	E / RR	(\$5)	P / E / R	(\$10)	E	\$5	P / E / RR	(\$15)
29	Business Ctr / Nbhd Network	BC	N	N	\$10	N	\$10	N	\$10	N	\$10
30	Service Coordination	Y	N	N	\$15	N	\$15	Y		N	\$15
31	Non-shelter Services	N	N	N		N		N		N	
32	Neighborhood Networks	N	N	N		N		N		N	
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent? / type)	Y / E	N / E	N / E	\$17	N / E	\$17	N / E	\$17	N / E	\$17
34	Cooling (in rent? / type)	Y / Wa	N / Wa	N / C	\$13	N / C	\$13	N / C	\$13	N / C	\$13
35	Cooking (in rent? / type)	Y / E	N / E	N / E	\$9	N / E	\$9	N / E	\$9	N / E	\$9
36	Hot water (in rent? / type)	Y / E	N / E	N / E	\$18	N / E	\$18	N / E	\$18	N / E	\$18
37	Other Electric	Y	N	N	\$31	N	\$31	N	\$31	N	\$31
38	Cold Water / Sewer	Y / Y	N / N	N / N	\$89	N / N	\$89	N / N	\$89	N / N	\$89
39	Trash / Recycling	Y	N	N	\$17	N	\$17	Y		N	\$17
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	8	(4)	6	(7)	6	(7)	2	(6)	6	(6)
41	Sum Adjustments B to D	\$185	(\$58)	\$160	(\$132)	\$160	(\$135)	\$15	(\$126)	\$160	(\$130)
42	Sum Utility Adjustments	\$194		\$194		\$194		\$177		\$194	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net / Gross Adjustments B to E	\$321	\$437	\$222	\$486	\$219	\$489	\$66	\$318	\$224	\$484
G.	Adjusted & Market Rents										
44	Adjusted Rent (5 + 43)	\$1,136		\$1,072		\$1,119		\$801		\$1,119	
45	Adj Rent / Last rent		139%		126%		124%		109%		125%
46	Estimated Market Rent	\$1,100	\$1.41 Estimated Market Rent / Sq. Ft								

ADDENDUM C
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 Upstate Region		Green Discount No		Unit Type Larger Apartment Bldgs. (5+ units)			Date (mm/dd/yyyy) 02/27/2023
		Monthly Dollar Allowances					
Utility or Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Space Heating	Natural Gas	\$18	\$21	\$24	\$27	\$30	\$33
	Bottled Gas	\$62	\$73	\$83	\$93	\$103	\$113
	Electric Resistance	\$14	\$17	\$22	\$27	\$32	\$38
	Electric Heat Pump	\$12	\$14	\$17	\$19	\$22	\$24
	Fuel Oil	\$65	\$77	\$87	\$97	\$108	\$118
Cooking	Natural Gas	\$3	\$3	\$5	\$6	\$8	\$10
	Bottled Gas	\$10	\$12	\$18	\$23	\$28	\$34
	Electric	\$5	\$6	\$9	\$11	\$14	\$17
	Other						
Other Electric	Electric	\$19	\$23	\$31	\$40	\$49	\$58
Air Conditioning	Electric	\$8	\$10	\$13	\$17	\$21	\$25
Water Heating	Natural Gas	\$7	\$8	\$11	\$15	\$18	\$21
	Bottled Gas	\$23	\$27	\$39	\$51	\$64	\$76
	Electric	\$12	\$14	\$18	\$22	\$26	\$30
	Fuel Oil	\$24	\$29	\$41	\$54	\$67	\$79
Water		\$21	\$22	\$30	\$45	\$62	\$82
Sewer		\$40	\$42	\$59	\$84	\$109	\$135
Trash Collection		\$17	\$17	\$17	\$17	\$17	\$17
Other - Specify							
Range/Microwave		\$4	\$4	\$4	\$4	\$4	\$4
Refrigerator		\$5	\$5	\$5	\$5	\$5	\$5
Electric Base Charge		\$12	\$12	\$12	\$12	\$12	\$12
Natural Gas Base Charge		\$9	\$9	\$9	\$9	\$9	\$9
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		
Number of Bedrooms					Trash Collection		
					Range/Microwave		
					Refrigerator		
					Total		

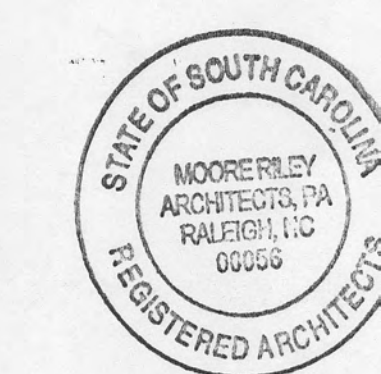
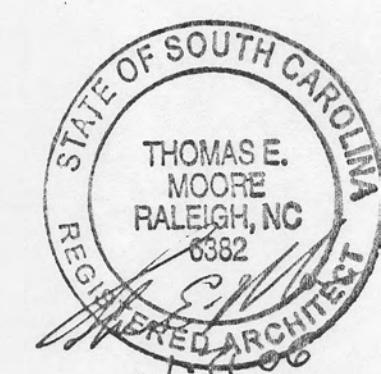
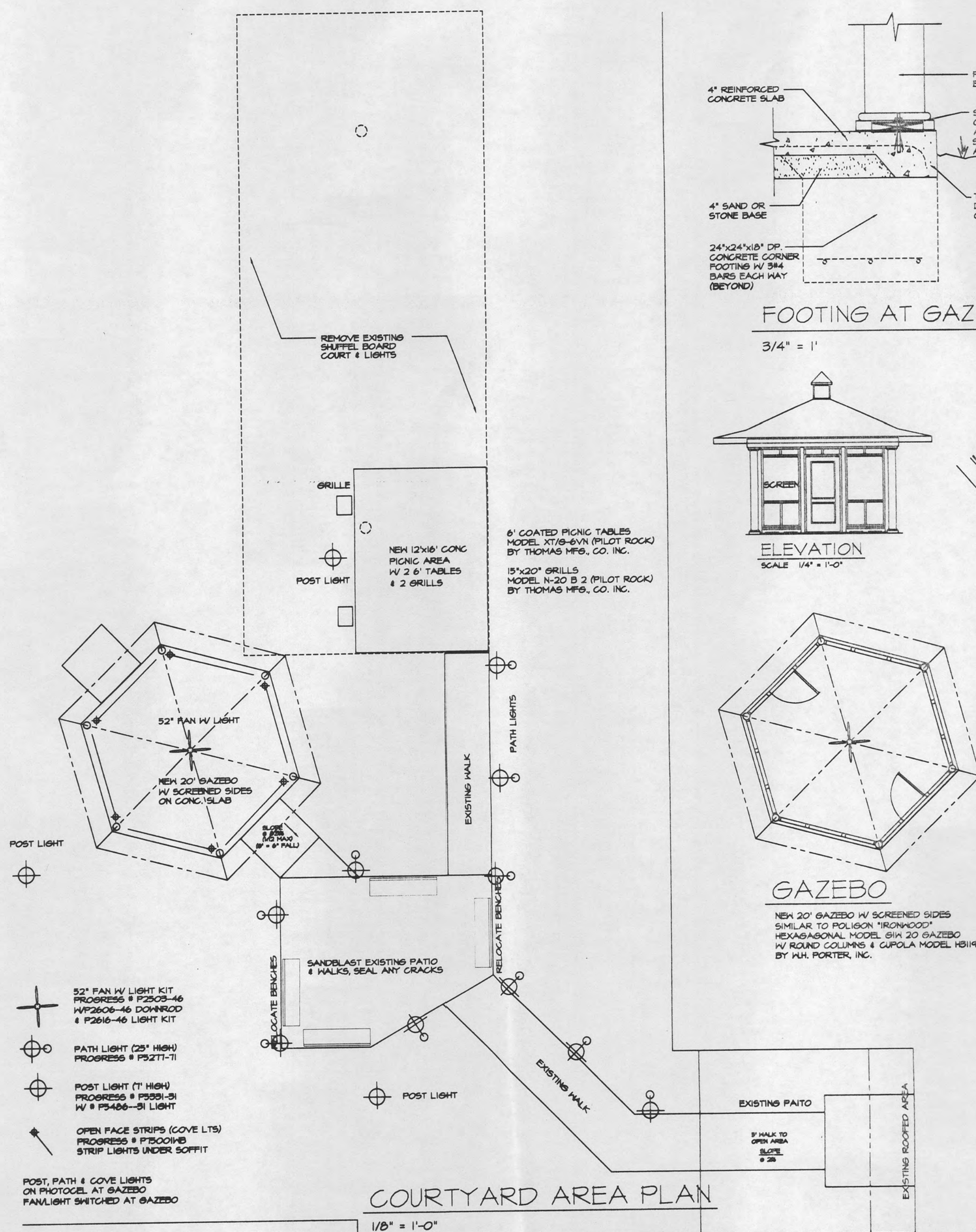
ADDENDUM D

Floor Plans

continued

OF PARKING SPACE

4



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LANCASTER MANOR APARTMENTS, LANCASTER, SC

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ADDENDUM E
NCHMA Certification & Checklist



NCHMA MEMBER CERTIFICATION

This market study has been prepared by **Novogradac & Company LLP**, doing business under the brand name **Novogradac Consulting ("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 partner or employee of **Novogradac** has any financial interest whatsoever in the development for which this analysis has been undertaken.

A handwritten signature in black ink, appearing to read "Rebecca S. Arthur".

Rebecca S. Arthur, MAI
Novogradac
December 4, 2023

NCHMA Market Study Index

Introduction: Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. By completion of this checklist, the analyst asserts that he/she has completed all required items per section.

		Section Numbers
Executive Summary		
1	Executive Summary	I
Scope of Work		
2	Scope of Work	Letter
Project Description		
3	Unit mix including bedrooms, bathrooms, square footage, rents, and income Targeting	II
4	Utilities (and utility sources) included in rent	II
5	Target market/population description	II
6	Project description including unit features and community amenities	II
7	Date of construction/preliminary completion	II
8	If rehabilitation, scope of work, existing rents, and existing vacancies	II
Location		
9	Concise description of the site and adjacent parcels	II
10	Site photos/maps	Addendum B
11	Map of community services	III
12	Site evaluation/neighborhood including visibility, accessibility, and crime	III
Market Area		
13	PMA description	IV
14	PMA Map	IV
Employment and Economy		
15	At-Place employment trends	III
16	Employment by sector	III
17	Unemployment rates	III
18	Area major employers/employment centers and proximity to site	III
19	Recent or planned employment expansions/reductions	III
Demographic Characteristics		
20	Population and household estimates and projections	IV
21	Area building permits	IV
22	Population and household characteristics including income, tenure, and size	IV
23	For senior or special needs projects, provide data specific to target market	V
Competitive Environment		
24	Comparable property profiles and photos	V
25	Map of comparable properties	V
26	Existing rental housing evaluation including vacancy and rents	V
27	Comparison of subject property to comparable properties	V
28	Discussion of availability and cost of other affordable housing options including homeownership, if applicable	V
29	Rental communities under construction, approved, or proposed	V
30	For senior or special needs populations, provide data specific to target market	V

NCHMA Market Study Index

Introduction: Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. By completion of this checklist, the analyst asserts that he/she has completed all required items per section.

		Section Numbers
Affordability, Demand, and Penetration Rate Analysis		
31	Estimate of demand	VI
32	Affordability analysis with capture rate	VI
33	Penetration rate analysis with capture rate	VI
Analysis/Conclusions		
34	Absorption rate and estimated stabilized occupancy for subject	V
35	Evaluation of proposed rent levels including estimate of market/achievable rents.	V
36	Precise statement of key conclusions	I
37	Market strengths and weaknesses impacting project	I
38	Product recommendations and/or suggested modifications to subject	I
39	Discussion of subject property's impact on existing housing	I
40	Discussion of risks or other mitigating circumstances impacting subject	I
41	Interviews with area housing stakeholders	V
Other Requirements		
42	Certifications	Appendix E
43	Statement of qualifications	Appendix C
44	Sources of data not otherwise identified	N/A