

STC QUALIFICATION REPORT

Lancaster Manor Apartments

Lancaster Manor Apartments (the “Property”) is applying for an allocation of State Tax Credit (“STC”). Please see the below verifying that the Project qualifies to claim STC.

- The Property consists of one or more buildings which qualify for federal LIHTC under Internal Revenue Code Section 42.
- If awarded funding, all buildings will place in service after January 1, 2020 and before December 31, 2030.
- The Property has restricted rents that do not exceed 30% of income (as calculated by applicable regulations) for at least 40% of units occupied by households with incomes of 60% or less of the Area Median Income.
- An allocation of STC to the Property will benefit tenants by limiting maximum rents for the term of the new restrictive use agreement and will enable the implementation of a significant and much-needed rehabilitation, substantially enhancing the standard-of-living, modernizing appliances and building systems, increasing environmental sustainability, and improving safety.
- An allocation of STC is required for the financial feasibility of the proposed development. As demonstrated in the sources and uses for the application, the combined proceeds of the first mortgage loan and equity from the syndication of federal LIHTC and solar credits are insufficient to cover costs. The equity raised through syndication of STC is therefore needed and necessary for the Property to be completed.
- An allocation of STC will advance the local objectives of significantly increasing quality affordable housing options. No additional consideration is being requested for local support.
- The application is requesting the maximum amount of federal LIHTC for which it qualifies as a result of its calculated Qualified Basis. The request for STC is being used to cover the funding gap remaining after all other sources have been maximized according to SC Housing underwriting policies.