

A MARKET VALUATION OF:

SWANN MEADOWS APARTMENTS

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Located at:
1091 Parkland Place Road
Greenwood, Greenwood County, SC 29646

Effective Date: March 21, 2025
Report Date: April 16, 2025

Prepared for:
Swann Meadows SC LLC
Jay Bernstein
Fitch Irick
1515 Mockingbird Lane, Suite 1010
Charlotte, NC 28209

Prepared by:
Novogradac
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April 16, 2025

Swann Meadows SC LLC
Jay Bernstein
Fitch Irick
1515 Mockingbird Lane, Suite 1010
Charlotte, NC 28209

Re: Appraisal of Swann Meadows Apartments
1091 Parkland Place Road
Greenwood, Greenwood County, SC 29646

Dear Jay Bernstein:

Novogradac and Company LLP, doing business under the brand name Novogradac Consulting ("Novogradac") is pleased to present our findings with respect to the value of the above-referenced property, Swann Meadows Apartments ("Subject"). The Subject is an existing 56-unit Low Income Housing Tax Credit (LIHTC)/USDA Rural Development property. We are concurrently preparing an application market study for the Subject property with the same effective date as this report. We previously prepared an application market study and appraisal for the Subject in May 2024 and have performed no other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the previous three-year period. As requested, we are providing a narrative appraisal report. We have provided the following value estimates. This letter serves as an introduction to the attached appraisal; the value opinions expressed in this introduction letter must be taken in context with the full appraisal report.

- Land value as if vacant.
- Market value "as restricted" of the fee simple interest in the property.
- Hypothetical market value "as if hypothetically unrestricted" of the fee simple interest in the property.
- Value of the Interest Credit Subsidy.

Swann Meadows Apartments SC LLC is the client in this engagement. We understand that they will use this document for submittal to the South Carolina State Housing Finance and Development Authority ("SCSHFDA") for Low Income Housing Tax Credit (LIHTC) and/or bond application. The South Carolina State Housing Finance Development Authority (SCSHFDA) is an authorized user and may rely on the representations made herein. Intended users include SCSHFDA, HUD, and those transaction participants who are interested parties and have knowledge of the Section 42 LIHTC program. These could include local housing authorities, state allocating agencies, state lending authorities, LIHTC construction and permanent lenders, and LIHTC syndicators. As our client, Swann Meadows Apartments SC LLC owns this report and permission must be granted from them before another third party can use this document. We assume that by reading this report another third party has accepted the terms of the original engagement letter including scope of work and limitations of liability. We are prepared to modify this document to meet any specific needs of the potential users under a separate agreement.

In addition, this report, or a reference to this report, may not be included or quoted in any offering circular, information circular, offering memorandum, registration statement, private placement memorandum, prospectus or sales brochure (in either electronic or hard copy format) in connection with a securitization or transaction involving such debt (or portion thereof) and/or securities.

This valuation engagement was conducted in accordance with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which standards incorporate the Uniform Standards of Professional Appraisal Practice (USPAP). In accordance with these standards, we have reported our findings herein in an appraisal report, as defined by USPAP.

For the purposes of this assignment, market value is defined as:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised and acting in what they consider their best interest;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and,
5. The price represents normal considerations for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.¹

This report complies with the current edition of the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of the Appraisal Foundation and FIRREA Title XI, 12 CFR Part 323(FDIC), and 12 CFR Part 34 (RTC), and the Code of Ethics & of Professional Practice of the Appraisal Institute. It also complies with Appraisal Institute, and SCSHFDA specifications.

As a result of our analysis, the value of the Subject's underlying land, "As If Vacant," of the fee simple interest, as of March 21, 2025, is:

TWO HUNDRED SIXTY THOUSAND DOLLARS
(\$260,000)

As a result of our analysis of the Subject's restricted scenario, our estimate of the fair market value, combined with our estimate of the value of the USDA interest credit subsidy, as of March 21, 2025, is:

TWO MILLION ONE HUNDRED THIRTY THOUSAND DOLLARS
(\$2,130,000)

As a result of our analysis of the Subject's hypothetical unrestricted scenario, the fee simple market value "As Is," as of March 21, 2025, is:

TWO MILLION FIVE HUNDRED TWENTY THOUSAND DOLLARS
(\$2,520,000)

For the purposes of our unrestricted analysis, we have employed a hypothetical condition assuming unrestricted, conventional operations. It is an extraordinary assumption that there are no Recognized Environmental Concerns (RECs) that would impact the value of the Subject property. We requested a copy of a Physical Condition Assessment report. The status of this report is still pending. Thus, it is an extraordinary assumption that there are no necessary critical repairs that will significantly impact the value of the Subject.

¹ 12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990.

The client was unable to provide the terms of the USDA loan, other than the outstanding balance. As such, we have estimated the terms, interest, and note rates based on our work files of similar USDA properties. It is an extraordinary assumption of this report that the USDA loan terms utilized to value the interest credit subsidy are correct.

The use of extraordinary assumptions and/or hypothetical conditions may have an impact on assignment results.

Please refer to the assumptions and limiting conditions in the addenda of this report.

If appropriate, the scope of our work includes an analysis of current and historical operating information provided by management. This unaudited data was not reviewed or compiled in accordance with the American Institute of Certificate Public Accountants (AICPA), and we assume no responsibility for such unaudited statements.

We also used certain forecasted data in our valuation and applied generally accepted valuation procedures based upon economic and market factors to such data and assumptions. We did not examine the forecasted data or the assumptions underlying such data in accordance with the standards prescribed by the AICPA and, accordingly, do not express an opinion or any other form of assurance on the forecasted data and related assumptions. The financial analyses contained in this report are used in the sense contemplated by the USPAP. Furthermore, there will usually be differences between forecasted and actual results because events and circumstances frequently do not occur as expected, and these differences may be material.

Our value conclusion was based on general economic conditions as they existed on the date of the analysis and did not include an estimate of the potential impact of any sudden or sharp rise or decline in general economic conditions from that date to the effective date of our report. Events or transactions that may have occurred subsequent to the effective date of our opinion were not considered. We are not responsible for updating or revising this report based on such subsequent events, although we would be pleased to discuss with you the need for revisions that may be occasioned as a result of changes that occur after the valuation date.

We appreciate this opportunity to be of service. Please contact us if you have any comments or questions.

Respectfully submitted,
Novogradac



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TABLE OF CONTENTS

I. Executive Summary.....	1
II. Factual Description	6
III. Regional and Local Area Analysis.....	9
IV. Analysis of the Subject	24
V. Competitive Rental Analysis.....	35
VI. Highest and Best Use	86
VII. Appraisal methodology.....	90
VIII. Land Valuation	92
IX. Income Capitalization Approach	103
X. Sales Comparison Approach.....	120
XI. Reconciliation.....	130
Addendum A	Assumptions and Limiting Conditions, Certification
Addendum B	Qualifications of Consultants
Addendum C	Subject Photos
Addendum D	Rent Roll
Addendum E	Financials
Addendum F	Purchase and Sale Agreement, Assignment Agreement, LURA, Etc. (As Applicable)

I. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Property Appraised:	Swann Meadows Apartments (Subject) is an existing 56-unit Low Income Housing Tax Credit (LIHTC)/USDA Rural Development property. The Subject is located at 1091 Parkland Place Road, in Greenwood, Greenwood County, SC 29646. The Subject offers 56 revenue-generating two-bedroom units, targeted toward the general population, contained in six two-story garden-style residential buildings. The Subject offers 56 two-bedroom units restricted to households earning 50 and 60 percent of the Area Median Income (AMI), or less. Further, 50 units receive Rental Assistance through USDA Section 515, where tenants pay 30 percent of their income towards rent.
Recent Operation:	According to the rent roll, dated March 10, 2025, the Subject was 96.4 percent occupied, with two vacant units. According to historical financial statements, the Subject's annual vacancy and collection loss was 12.0 and 9.6 percent in 2022 and 2023, respectively. Historical financials for 2024 were unavailable. According to information from the Subject's property manager, a high historic employee turnover in maintenance positions resulted in higher vacancy rates in 2022 and 2023 than the property had normally experienced. The Subject maintains a waiting list of an undetermined length.
Tax Map ID:	The Subject is identified by the Greenwood County Assessor's Office as parcel number 6876-020-344.
Land Area:	The Subject site is 8.0 acres, or 348,480 square feet.
Legal Interest Appraised:	The property interest appraised is fee simple, subject to any and all encumbrances, if applicable, for each value estimate.
Current Rents and Unit Mix:	The following table illustrates the current tenant-paid rents at the Subject, based on the rent roll provided, dated March 10, 2025. Four tenants currently occupying 60 percent AMI level units are utilizing Housing Choice Vouchers and were excluded from the tenant paid rent portions in the following rent roll analysis.

RENT ROLL ANALYSIS (3/10/2025)

Unit Type	Unit Size (SF)	Number of Units	USDA Basic Rent (1)	Note Rent (1)	Minimum Tenant Paid Rent	Maximum Tenant Paid Rent	Average Tenant Paid Rent	Vacant Units	Vacancy Rate
LIHTC/USDA (Rental Assistance)*									
2BR/1BA	779	50	\$853	\$929	\$0	\$623	\$163	2	4.0%
@60%/USDA**									
2BR/1BA	779	6	\$853	\$929	\$755	\$755	\$755	0	0.0%
Total		56						2	3.6%

(1) Based on the approved rent notice provided by the client and effective as of January 1, 2025

*Tenants contribute 30 percent of their income towards rent

**Excludes tenants utilizing Housing Choice Vouchers

Ownership History of the Subject:	The Subject property is currently owned by Swann Meadows Limited Partnership. Fitch Irick SC LLC currently holds an option to purchase the Subject from Swann Meadows Limited Partnership for a purchase price of \$347,005, plus the assumption of the outstanding principal and interest
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owed on the Seller’s existing loan from United States Department of Agriculture, Rural Development as of the Closing Date (which is estimated to be \$1,126,441) and the existing South Carolina State Housing Finance and Development Authority HOME Loan of \$99,709. This option is effective until December 31, 2026. The three of these combined equal \$1,573,155. Our estimate of the restricted value of the Subject combined with our estimate of the value of the interest credit subsidy equals \$2,130,000. There are no other known transfers of ownership of the Subject over the past three years.

**Highest and Best Use
“As If Vacant”:**

The Subject’s highest and best use “as if vacant” is to construct a 56-unit multifamily rental property with gap funding such as tax credits, per the LURA.

**Highest and Best Use
“As Improved”:**

The Subject property currently operates as a LIHTC/USDA multifamily property, and it is in average condition. The property currently generates positive cash flow, and it is not deemed feasible to tear it down for an alternative use. Therefore, the highest and best use of the site, as improved, would be to continue to operate as an affordable multifamily housing development.

Effective Date:

The Subject was last inspected on May 6, 2024. The market data for our analysis was collected in March and April 2025. March 21, 2025, will serve as the effective date for this report.

Capitalization Rate Reconciliation: After reviewing the appropriate methods for developing an overall rate, the following ranges of overall capitalization rates are indicated:

CAPITALIZATION RATE SELECTION SUMMARY

Method	Indicated Rate
Market Extraction	6.50%
The PWC Investor Survey	6.50%
Debt Coverage Ratio	7.00%
Band of Investment	7.65%

The various approaches indicate a range from 6.50 to 7.65 percent. We reconciled a 6.50 percent capitalization rate based primarily upon the market-extracted rate.

Operating Expense Reconciliation: Operating expenses were estimated based upon the USDA budgeted expenses, the historical expenses, and comparable expenses. In the following table, we compared the total operating expenses per unit reported by the Subject with the total expenses reported by comparable properties utilized in our operating expense analysis. The concluded expenses for the restricted scenario (less taxes, utilities, and reserves) are in line with the 2025 USDA budgeted expenses of \$5,532 per unit. The concluded expenses for the unrestricted scenario (less taxes, utilities, and reserves) are \$4,359 per unit, which is within the range of the comparables and just above the Subject’s historicals.

TOTAL EXPENSES PER UNIT		TOTAL EXPENSES PER UNIT LESS TUR	
Subject Expenses		Subject Expenses	
2025 (Budget)	\$7,880	2025 (Budget)	\$5,532
2024 (Audited)	\$10,700	2024 (Audited)	\$7,992
2023 (Audited)	\$6,288	2023 (Audited)	\$4,075
2022 (Audited)	\$6,211	2022 (Audited)	\$4,091
Comparable Properties		Comparable Properties	
Comp 1	\$8,514	Comp 1	\$6,599
Comp 2	\$5,066	Comp 2	\$2,876
Comp 3	\$7,573	Comp 3	\$5,218
Comp 4	\$3,287	Comp 4	\$2,124
Subject Conclusions		Subject Expenses	
As Is - Restricted	\$7,880	As Is - Restricted	\$5,532
As Is - Unrestricted	\$6,751	As Is - Unrestricted	\$4,359

Strengths and Weaknesses:

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 proximity to desirable amenities, as most are located within 4.0 miles from the Subject property. Additionally, 50 units at the Subject benefit from rental assistance, where tenants contribute 30 percent of their income towards rent. Weaknesses include the Subject's neighborhood is not conducive to pedestrian activity, as well as the Subject's inferior location and amenities package relative to the majority of the comparable properties.

Third Party Reports:

We were not provided with an environmental report. We did not observe environmental hazards during our site inspection; however, Novogradac is not an expert in this field and cannot opine further. It is an extraordinary assumption that there exist no Recognized Environmental Concerns (RECs) that would impact the value of the Subject property.

Indications of Value:

LAND VALUE

Scenario	No. of Units	Value/Unit	Indicated Value (Unrounded)	Discount of LURA (Rounded)	Indicated Value with LURA (Unrounded)	Indicated Value (Rounded)
Subject	56	\$8,200	\$459,200	(\$196,119)	\$263,081	\$260,000

DIRECT CAPITALIZATION ANALYSIS

Scenario	Cap Rate	Net Operating Income	Indicated Value (Rounded)	Value of Interest Credit Subsidy (Rounded)	Indicated Value (Rounded)
As Is - Restricted	6.50%	\$94,226	\$1,450,000	\$679,200	\$2,130,000
As Is - Unrestricted	6.50%	\$164,086	\$2,520,000	-	\$2,520,000

EGIM ANALYSIS

Scenario	EGIM	Effective Gross Income	Indicated Value (Rounded)	Value of Interest Credit Subsidy (Rounded)	Indicated Value (Rounded)
As Is - Restricted	2.7	\$535,491	\$1,450,000	\$679,200	\$2,130,000
As Is - Unrestricted	4.6	\$542,153	\$2,500,000	-	\$2,500,000

NOI/UNIT ANALYSIS

Scenario	Number of Units	Value per unit	Indicated Value (Rounded)	Value of Interest Credit Subsidy (Rounded)	Indicated Value (Rounded)
As Is - Restricted	56	\$27,000	\$1,510,000	\$679,200	\$2,190,000
As Is - Unrestricted	56	\$48,000	\$2,700,000	-	\$2,700,000

Exposure Period: Nine to Twelve Months.

II. FACTUAL DESCRIPTION

FACTUAL DESCRIPTION

Appraisal Assignment and Valuation Approach

As requested, the appraisers provided several value estimates, described and defined below:

- Land value as if vacant.
- Market value “as restricted” of the fee simple interest in the property.
- Hypothetical market value “as hypothetically unrestricted” of the fee simple interest in the property.
- Value of the Interest Credit Subsidy.

In determining the value estimates, the appraisers employed the sales comparison and income capitalization approaches to value. The property is an existing subsidized apartment community. Given the Subject's restricted nature, age, and investment type, the cost approach is not considered a reliable method of valuation.

The income capitalization approach involves an analysis of the investment characteristics of the property under valuation. The earnings potential of the property is carefully estimated and converted into an estimate of the property's market value.

The sales comparison approach involves a comparison of the appraised property with similar properties that have sold recently. When properties are not directly comparable, sale prices may be broken down into units of comparison, which are then applied to the Subject for an indication of its likely selling price.

Property Identification

The Subject is an existing 56-unit Low Income Housing Tax Credit (LIHTC)/USDA Rural Development multifamily development located at 1091 Parkland Place Road, in Greenwood, Greenwood County, SC 29646. The site is 8.0 acres, or 348,480 square feet, and is improved with six two-story garden-style residential buildings. The Subject site is identified by the Greenwood County Assessor's Office as parcel number 6876-020-344.

Intended Use and Intended User

Swann Meadows Apartments SC LLC is the client in this engagement. We understand that they will use this document for submittal to the South Carolina State Housing Finance and Development Authority (“SCSHFDA”) for Low Income Housing Tax Credit (LIHTC) and/or bond application. The South Carolina State Housing Finance Development Authority (SCSHFDA) is an authorized user and may rely on the representations made herein. Intended users include SCSHFDA, HUD, and those transaction participants who are interested parties and have knowledge of the Section 42 LIHTC program. These could include local housing authorities, state allocating agencies, state lending authorities, LIHTC construction and permanent lenders, and LIHTC syndicators. As our client, Swann Meadows Apartments SC LLC owns this report and permission must be granted from them before another third party can use this document. We assume that by reading this report another third party has accepted the terms of the original engagement letter including scope of work and limitations of liability. We are prepared to modify this document to meet any specific needs of the potential users under a separate agreement.

In addition, this report, or a reference to this report, may not be included or quoted in any offering circular, information circular, offering memorandum, registration statement, private placement memorandum, prospectus or sales brochure (in either electronic or hard copy format) in connection with a securitization or transaction involving such debt (or portion thereof) and/or securities.

Property Interest Appraised

The property interest appraised is fee simple estate.

Date of Inspection and Effective Date of Appraisal

The Subject was last inspected on May 6, 2024. The market data for our analysis was collected in March and April 2025. March 21, 2025, will serve as the effective date for this report.

Scope of the Appraisal

For the purposes of this appraisal, Novogradac visually inspected the Subject and comparable data. Individuals from a variety of city agencies as well as the Subject's development team were consulted (in person or by phone). Various publications, both governmental (i.e. zoning ordinances) and private (i.e. Multiple List Services publications) were consulted and considered in the course of completing this appraisal.

The scope of this appraisal is limited to the gathering, verification, analysis and reporting of the available pertinent market data. All opinions are unbiased and objective with regard to value. The appraiser made a reasonable effort to collect, screen and process the best available information relevant to the valuation assignment and has not knowingly and/or intentionally withheld pertinent data from comparative analysis. Due to data source limitations and legal constraints (disclosure laws), however, the appraiser does not certify that all data was taken into consideration. We believe the scope of work is appropriate for the problem stated.

For the purposes of this appraisal, we have utilized the sales comparison and income approaches to complete this assignment based on the scope of work required.

Extraordinary Assumptions (EA) and Hypothetical Conditions (HC)

For the purposes of our unrestricted analysis, we have employed a hypothetical condition assuming unrestricted, conventional operations. It is an extraordinary assumption that there are no Recognized Environmental Concerns (RECs) that would impact the value of the Subject property. We requested a copy of a Physical Condition Assessment report. The status of this report is still pending. Thus, it is an extraordinary assumption that there are no necessary critical repairs that will significantly impact the value of the Subject. The client was unable to provide the terms of the USDA loan, other than the outstanding balance. As such, we have estimated the terms, interest, and note rates based on our work files of similar USDA properties. It is an extraordinary assumption of this report that the USDA loan terms utilized to value the interest credit subsidy are correct. The use of extraordinary assumptions and/or hypothetical conditions may have an impact on assignment results. Please refer to the assumptions and limiting conditions in the addenda of this report.

Market Value Definition

For the purposes of this assignment market value is defined as:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised and acting in what they consider their best interest;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and,
5. The price represents normal considerations for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.²

2 - 12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990.

Compliance and Competency Provision

The appraiser is aware of the compliance and competency provisions of USPAP, and within our understanding of those provisions, this report complies with all mandatory requirements, and the authors of this report possess the education, knowledge, technical skills, and practical experience to complete this assignment competently, in conformance with the stated regulations. Moreover, Advisory Opinion 14 acknowledges preparation of appraisals for affordable housing requires knowledge and experience that goes beyond typical residential appraisal competency including understanding the various programs, definitions, and pertinent tax considerations involved in the particular assignment applicable to the location and development. We believe our knowledge and experience in the affordable housing industry meets these supplemental standards.

Unavailability of Information

In general, all information necessary to develop an estimate of value of the Subject property was available to the appraisers.

Furniture, Fixtures, and Equipment

Removable fixtures such as kitchen appliances and hot water heaters are considered to be real estate fixtures that are essential to the use and operation of the complex. Supplemental income typically obtained in the operation of an apartment complex is included, and may include minor elements of personal and business property. As immaterial components, no attempt is made to segregate these items.

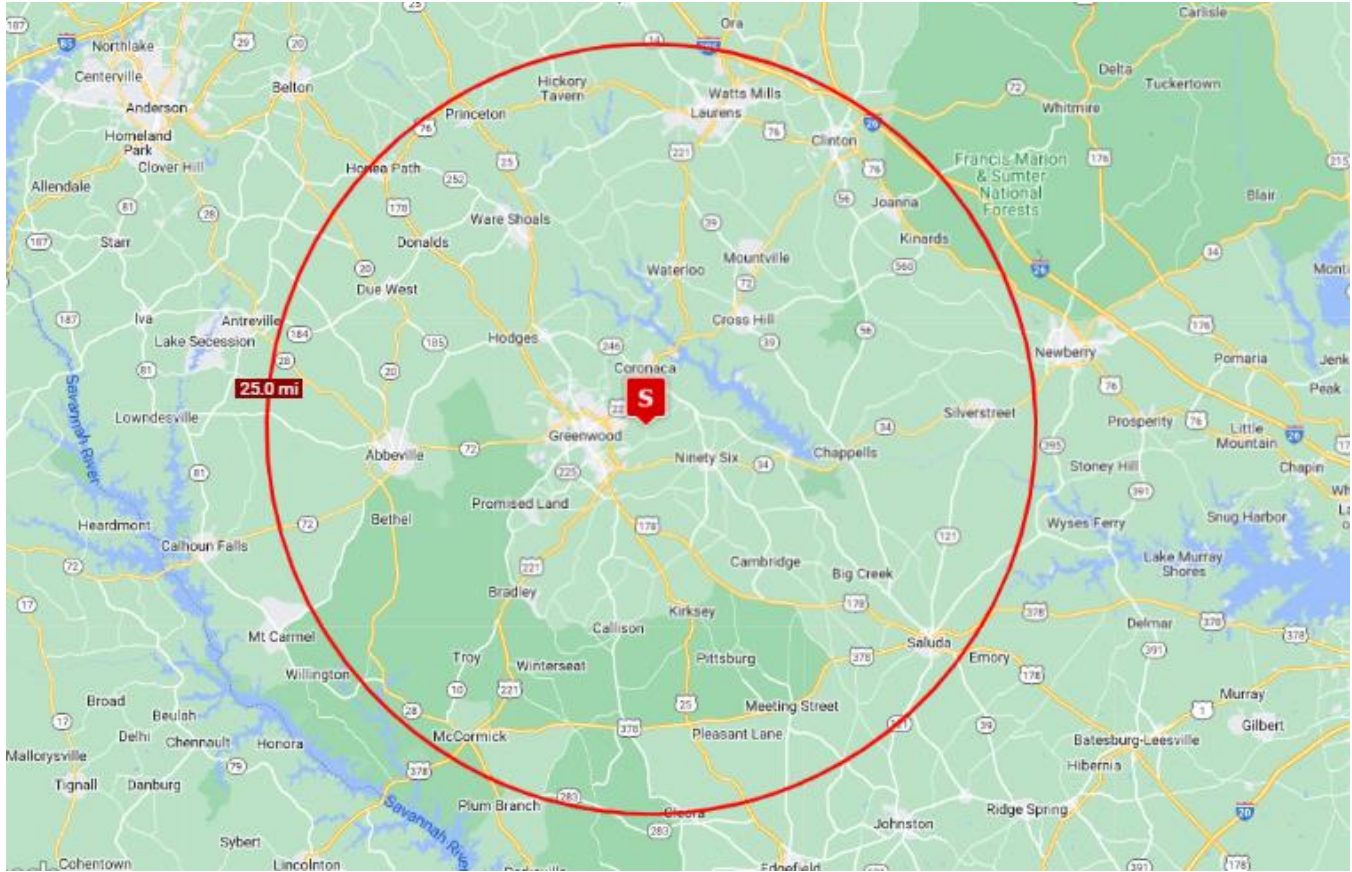
Ownership and History of Subject

The Subject property is currently owned by Swann Meadows Limited Partnership. Fitch Irick SC LLC currently holds an option to purchase the Subject from Swann Meadows Limited Partnership for a purchase price of \$347,005, plus the assumption of the outstanding principal and interest owed on the Seller's existing loan from United States Department of Agriculture, Rural Development as of the Closing Date (which is estimated to be \$1,126,441) and the existing South Carolina State Housing Finance and Development Authority HOME Loan of \$99,709. This option is effective until December 31, 2026. The three of these combined equal \$1,573,155. Our estimate of the restricted value of the Subject combined with our estimate of the value of the interest credit subsidy equals \$2,130,000. There are no other known transfers of ownership of the Subject over the past three years.

III. REGIONAL AND LOCAL AREA ANALYSIS

REGIONAL AND LOCAL AREA ANALYSIS

Regional Map



Source: Google Earth, March 2025

The Subject is located in the eastern portion of Greenwood, South Carolina. Greenwood is located in the western portion of South Carolina and is part of the Greenwood, SC Micropolitan Statistical Area (MSA), which consists of Abbeville and Greenwood Counties. According to the 2023 US Census estimates, Greenwood had a population of 22,498 persons.

ECONOMIC ANALYSIS

Major Employers

The following table details the top major employers in Greenwood County, South Carolina.

MAJOR EMPLOYERS GREENWOOD COUNTY, SC

Employer Name	Industry	# of Employees
Self Regional Healthcare	Healthcare/Social Assistance	2,636
South Carolina State Government	Public Administration	1,728
Greenwood County School Districts	Educational Services	1,478
Fujifilm	Retail Trade	1,000
Carolina Pride Foods	Agr/Forestry/Fishing/Hunting	925
Lonza Pharmaceutical Company	Healthcare/Social Assistance	605
Lander University	Educational Services	558
Piedmont Technical College	Educational Services	525
Cardinal Health	Healthcare/Social Assistance	500

Source: Upstate SC Alliance, retrieved March 2025

The major employers in Greenwood County are in sectors including healthcare, public administration, and education. Healthcare and education are historically stable industries. The diverse industries represented in Greenwood County's major employers provide stability to the local economy.

Employment Expansion/Contractions

According to SC.gov, Upstate SC Alliance, and local news articles, the following businesses have announced expansions or relocated to Greenwood County since 2018.

- In December 2024, Cardinal Health announced plans to expand its facility in Greenwood County. The \$30 million investment created 12 new jobs.
- In December 2024, a mixed-use project called the Olde Eight Development was announced. The \$400 million development will be located on Lake Greenwood, and consist of residential living, golf facilities, and commercial property. The project is expected to create 103 full-time jobs while renovating the Stoney Point golf course.
- In October 2024, Casting Cleaning Resources, a company specializing in casting cleaning services, announced its expansion to Greenwood County. The company invested \$5 million and retained 43 jobs while also creating 42 new jobs.
- In September 2024, J&P Park, a gardening and home restoration retailer, announced the relocation of one of its acquired businesses, Northern Brewer, from Minnesota to the Park Seed campus in Greenwood, SC. The \$750,000 investment created 50 new jobs.
- In August 2024, ES Foundry announced plans to invest \$37 million for a new 40,000-square foot facility in Greenwood County. ES Foundry expects the investment will create 500 new jobs. The facility will serve as a solar cell manufacturing operation at the former campus of Fuji Film. A timeline of construction was unavailable.
- In April 2024, Sweetwater Solar announced plans for a \$62 million investment for a solar farm in Greenwood County.
- On February 2, 2021, Upstate SC Alliance highlighted that Lonza, a world leading supplier to the pharmaceutical, biotech and nutrition markets, announced plans to expand operations in Greenwood

County. The \$53.7 million investment is expected to create 30 new jobs over first five years of operations.

- A June 24, 2020 article, published by Area Development, announced that Power Pool Plus, an industrial generator manufacturer, contract steel fabricator and generator service provider, plans to establish operations in Greenwood County, South Carolina. The company's \$1.5 million investment created approximately 20 new jobs. The facility began operations in the fourth quarter of 2020.
- An SC.gov article, dated June 18, 2020, announced that VELUX Greenwood, LLC (VELUX), a world leader in skylights and roof window manufacturing, is planning to expand operations in Greenwood County. The company is investing \$26 million into the expansion. The facility opened in December 2023. An estimate of the number of jobs created as a result of this expansion was unavailable as of the date of this report.
- In June 2020, Eaton, a global leader in power management technologies and services, announced plans for a new facility in Hodges, SC. The new facility, which opened in 2020, consolidated three existing facilities located across Greenwood County. The expansion created 30 new jobs.
- A January 23, 2019 article published by Trade & Industry Development announced that Ascend Performance Materials (Ascend), a global provider of high-quality fibers, chemicals and plastics, is expanding its Greenwood County operations. To accommodate the company's continued growth, Ascend is investing \$35.2 million, creating 30 new jobs.
- The South Carolina Economic Developers' Association announced on April 5, 2019, that Greenwood Fabricating and Plating revealed plans to expand its existing Greenwood County manufacturing operations. The company's \$17.1 million investment was projected to create an additional 31 new jobs. The new facility opened in December 2020. We were unable to confirm the actual number of jobs created as a result of this expansion.
- A July, 2, 2018 article published by the South Carolina Department of Commerce announced that FUJIFILM Manufacturing USA, Inc., one of the strategic manufacturing locations for Tokyo-based FUJIFILM Corporation, revealed plans to expand its existing operations in Greenwood County. The company's \$3.9 million investment was projected to create 67 new jobs. The new facility was completed in December 2023. We were unable to confirm the actual number of jobs created as a result of this expansion.

WARN Notices

The following table illustrates the contractions to the economy of Greenwood County provided by the South Carolina Department of Employment and Workforce between 2021 and 2025 year-to-date (YTD).

WARN LISTINGS GREENWOOD COUNTY

Company	Industry	Employees Affected	Date
Ascend Performance Materials	Manufacturing	208	10/16/2024
Ascend Performance Material	Manufacturing	64	3/31/2024
FUJIFILM Manufacturing U.S.A., Inc	Manufacturing	<u>420</u>	10/1/2021
Total		692	

Source: South Carolina Department of Employment and Workforce, March 2025

As the table depicts, there have been 692 layoffs/closures in Greenwood County as of 2025 YTD. It should be noted that there were no notices in Greenwood County in 2022 and 2023, as well as 2025 YTD. Due to the size of the Greenwood area labor market, these recent WARN filings are not anticipated to substantively affect total employment in the PMA or SMA as overall job growth has far exceeded these losses.

Employment by Industry

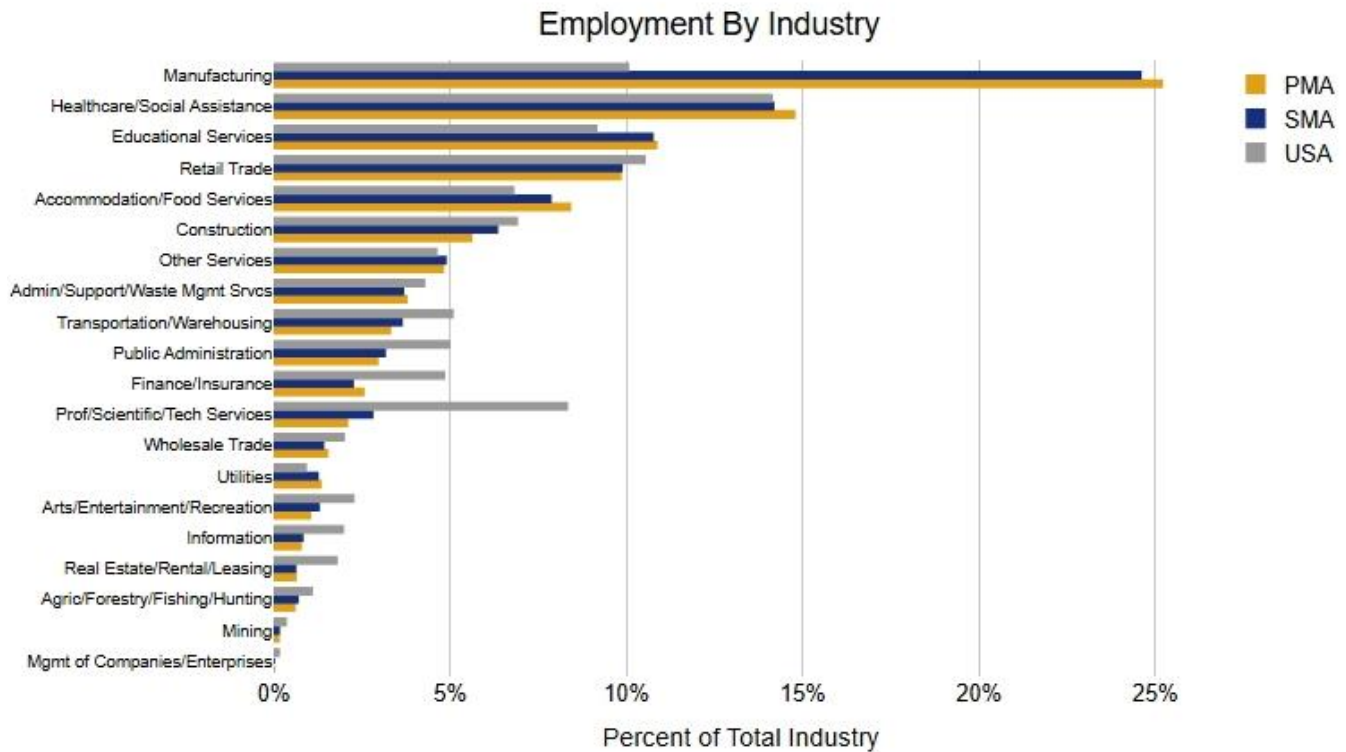
The following table illustrates employment by industry for the PMA and nation as of 2024.

2024 - EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Manufacturing	7,425	25.2%	16,689,019	10.0%
Healthcare/Social Assistance	4,352	14.8%	23,456,754	14.1%
Educational Services	3,198	10.8%	15,195,042	9.1%
Retail Trade	2,899	9.8%	17,466,879	10.5%
Accommodation/Food Services	2,478	8.4%	11,278,763	6.8%
Construction	1,652	5.6%	11,451,658	6.9%
Other Services	1,414	4.8%	7,659,177	4.6%
Admin/Support/Waste Mgmt Svcs	1,109	3.8%	7,081,387	4.3%
Transportation/Warehousing	972	3.3%	8,419,689	5.1%
Public Administration	866	2.9%	8,264,977	5.0%
Finance/Insurance	749	2.5%	8,016,602	4.8%
Prof/Scientific/Tech Services	612	2.1%	13,808,768	8.3%
Wholesale Trade	446	1.5%	3,291,556	2.0%
Utilities	390	1.3%	1,502,053	0.9%
Arts/Entertainment/Recreation	302	1.0%	3,747,153	2.3%
Information	224	0.8%	3,255,493	2.0%
Real Estate/Rental/Leasing	181	0.6%	2,954,339	1.8%
Agric/Forestry/Fishing/Hunting	173	0.6%	1,785,076	1.1%
Mining	40	0.1%	561,373	0.3%
Mgmt of Companies/Enterprises	0	0.0%	237,343	0.1%
Total Employment	29,482	100.0%	166,123,101	100.0%

Source: Esri Demographics 2024, Novogradac, April 2025

Employment in the PMA is concentrated in manufacturing, healthcare/social assistance, and educational services, which collectively comprise 49.4 percent of local employment. The large share of PMA employment in manufacturing is notable as this industry is 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 economic recessions. Relative to the nation, the PMA features comparatively greater employment in the manufacturing, educational services, and accommodation/food services industries. Conversely, the PMA is underrepresented in the prof/scientific/tech services, finance/insurance, and transportation/warehousing sectors.



Employment and Unemployment Trends

The following table details employment and unemployment trends for the SMA from 2007 to December 2024.

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	SMA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2007	39,750	-	7.7%	-	146,046,667	-	4.6%	-
2008	38,825	-2.3%	8.3%	0.5%	145,362,500	-0.5%	5.8%	1.2%
2009	36,954	-4.8%	13.2%	4.9%	139,877,500	-3.8%	9.3%	3.5%
2010	37,793	2.3%	12.5%	-0.7%	139,063,917	-0.6%	9.6%	0.3%
2011	38,066	0.7%	11.5%	-1.0%	139,869,250	0.6%	9.0%	-0.7%
2012	38,489	1.1%	10.1%	-1.4%	142,469,083	1.9%	8.1%	-0.9%
2013	38,569	0.2%	8.6%	-1.4%	143,929,333	1.0%	7.4%	-0.7%
2014	39,312	1.9%	6.9%	-1.7%	146,305,333	1.7%	6.2%	-1.2%
2015	38,924	-1.0%	6.4%	-0.5%	148,833,417	1.7%	5.3%	-0.9%
2016	39,373	1.2%	5.1%	-1.3%	151,435,833	1.7%	4.9%	-0.4%
2017	38,073	-3.3%	4.5%	-0.7%	153,337,417	1.3%	4.3%	-0.5%
2018	38,584	1.3%	3.7%	-0.8%	155,761,000	1.6%	3.9%	-0.4%
2019	39,513	2.4%	3.0%	-0.6%	157,538,083	1.1%	3.7%	-0.2%
2020	38,038	-3.7%	6.2%	3.2%	147,794,750	-6.2%	8.1%	4.4%
2021	38,068	0.1%	4.5%	-1.8%	152,580,667	3.2%	5.4%	-2.7%
2022	37,785	-0.7%	3.7%	-0.7%	158,291,083	3.7%	3.6%	-1.7%
2023	38,186	1.1%	3.6%	-0.1%	161,036,583	1.7%	3.6%	-0.0%
2024 YTD Average*	38,151	-0.1%	4.9%	1.3%	161,345,500	0.2%	4.0%	0.4%
Dec-2023	38,443	-	3.4%	-	160,754,000	-	3.5%	-
Dec-2024	38,836	1.0%	4.6%	1.2%	161,294,000	0.3%	3.8%	0.3%

Source: U.S. Bureau of Labor Statistics, March 2025

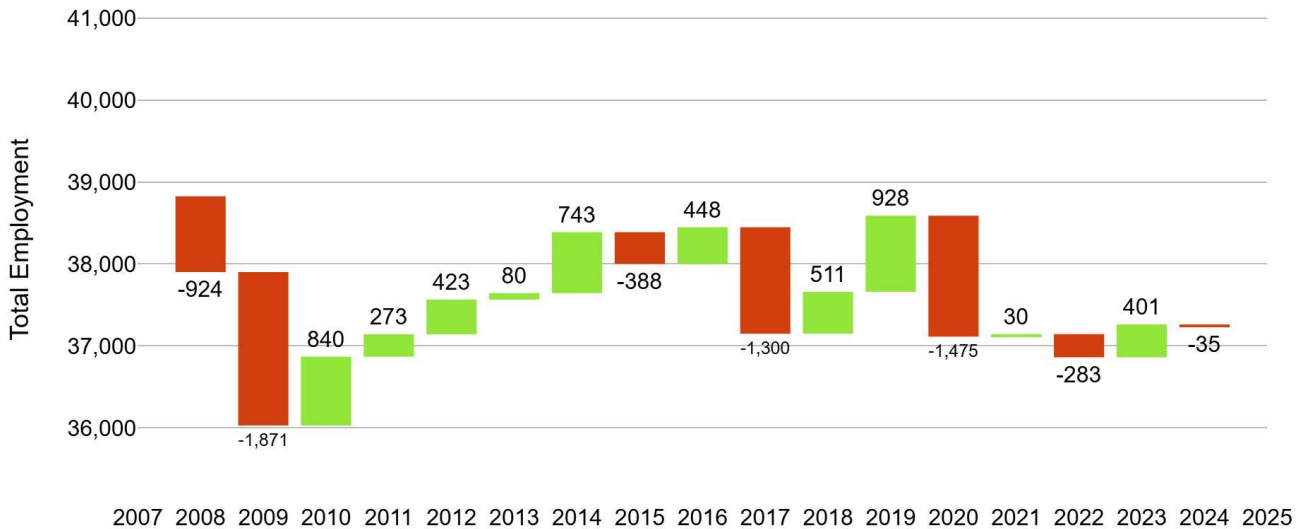
*2024 YTD Average is through December

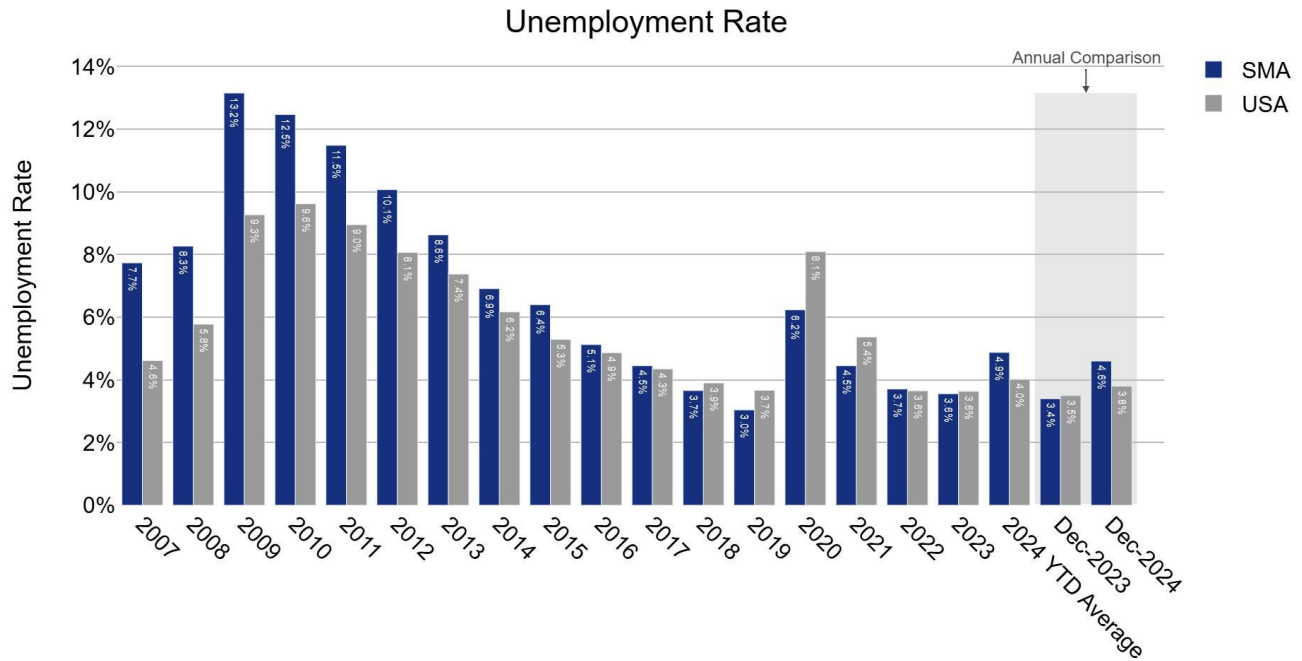
Employment in the SMA declined by 3.7 percent in 2020 amid the pandemic, compared to 6.2 percent across the nation. Total employment in the SMA currently remains slightly below the pre-COVID level reached in 2019. As of December 2024, employment in the SMA is increasing at an annualized rate of 1.0 percent, compared to 0.3 percent growth across the nation.

The SMA unemployment rate increased modestly by 3.2 percentage points in 2020 amid the pandemic, reaching a high of 6.2 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 December 2024, the current SMA unemployment rate is 4.6 percent. This is slightly above the current national unemployment rate of 3.8 percent.

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

SMA Job Growth





Conclusion

Employment in the PMA is concentrated in manufacturing, healthcare/social assistance, and educational services, which collectively comprise 50.8 percent of local employment. The large share of PMA employment in manufacturing is notable as this industry is 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, educational services, and accommodation/food services industries. Conversely, the PMA is underrepresented in the prof/scientific/tech services, finance/insurance, and public administration sectors. Employment in the SMA declined by 3.7 percent in 2020 amid the pandemic, compared to 6.2 percent across the nation. Total employment in the SMA currently remains slightly below the pre-COVID level reached in 2019. As of December 2024, employment in the SMA is increasing at an annualized rate of 1.0 percent, compared to 0.3 percent growth across the nation.

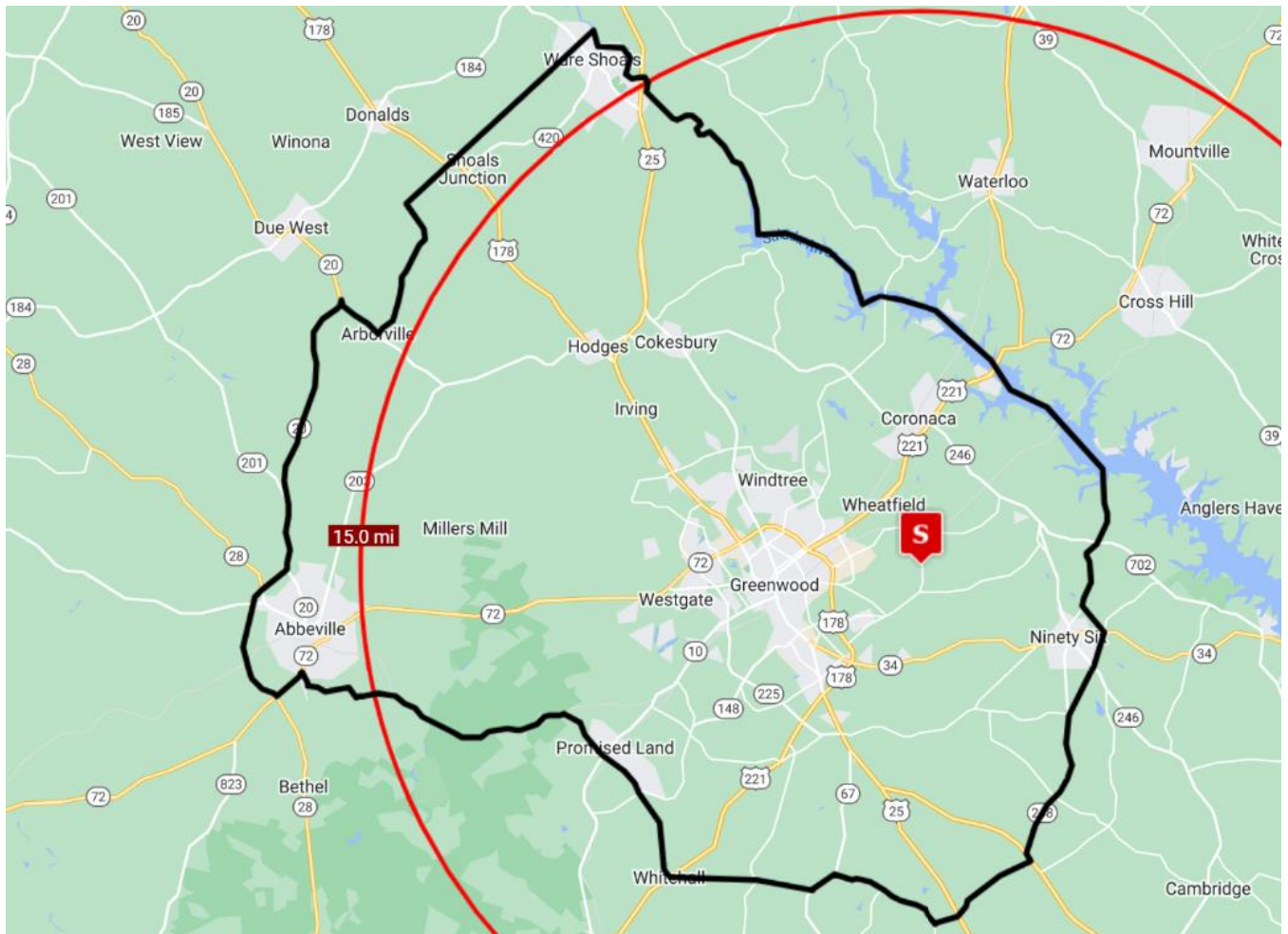
DEMOGRAPHIC ANALYSIS

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 Secondary Market Area (SMA) and the Primary Market Area (PMA) are areas of growth or contraction.

Primary Market Area (PMA)

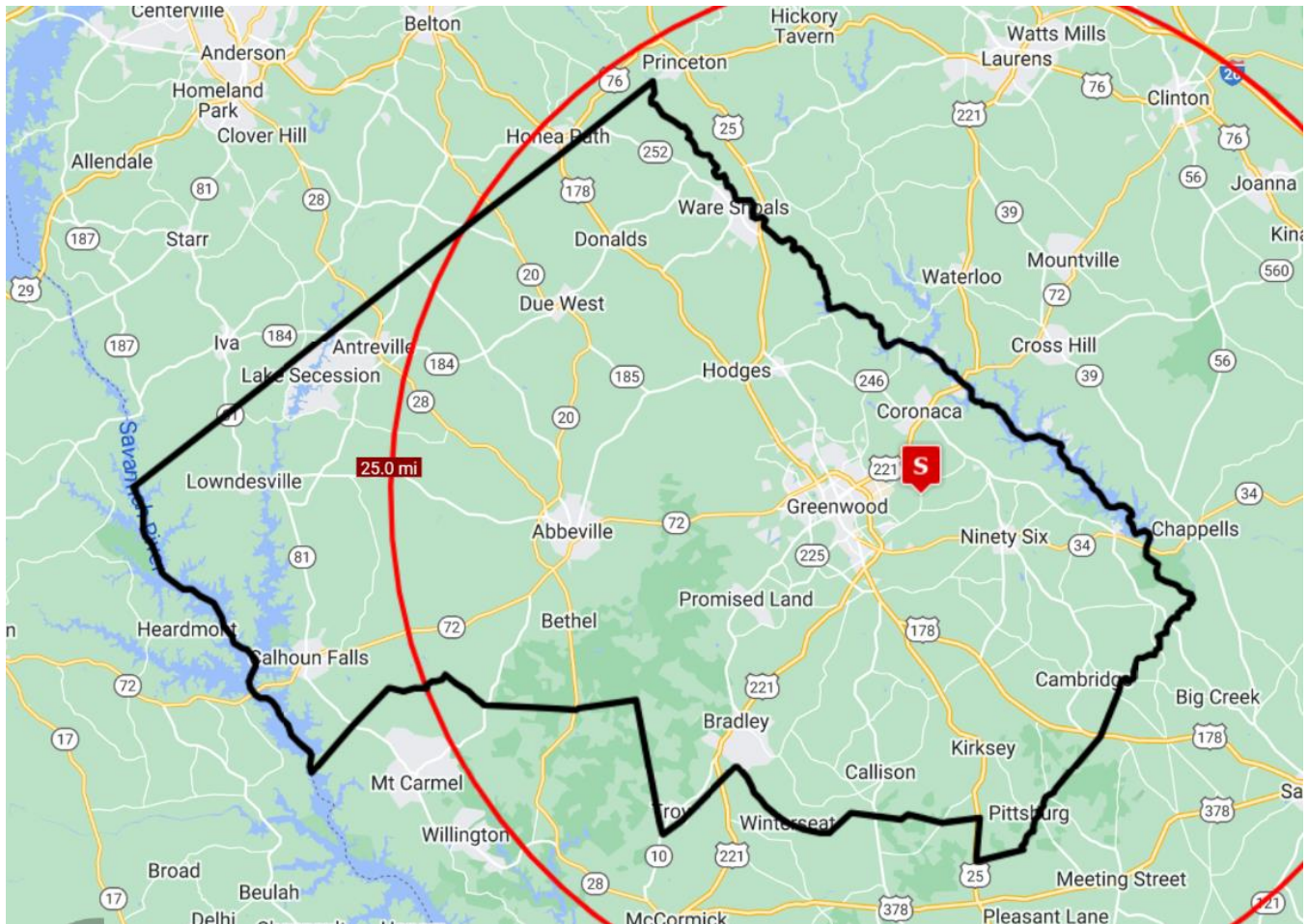
The Subject is located in the eastern portion of Greenwood, South Carolina. The PMA is defined as the Greenwood County line to the north, the Saluda River and State Route 248 to the east, State Route 67 and railroad tracks to the south, and State Route 28 and Greenville Street to the west. The PMA encompasses approximately 330 square miles. We determined the PMA based on our conversations with local market participants including property managers, as well as our physical inspection of the market. 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. The secondary market area (SMA) for the Subject is the Greenwood, SC Micropolitan Statistical Area, which consists of Abbeville and Greenwood Counties. The SMA is 955 square miles.

PRIMARY MARKET AREA MAP



Source: Google Earth, March 2025

SECONDARY MARKET AREA MAP



Source: Google Earth, March 2025

Population and Households

The following tables illustrates population and household trends in the PMA, SMA, and nation from 2010 through 2024, as well as projections through 2029.

POPULATION

Year	PMA		SMA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	73,666	-	95,121	-	308,736,218	-
2024	72,687	-0.1%	93,560	-0.1%	338,436,229	0.7%
2029	72,546	-0.0%	93,451	-0.0%	344,868,049	0.4%

Source: Esri Demographics 2024, Novogradac, April 2025

HOUSEHOLDS

Year	PMA		SMA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	29,219	-	37,529	-	116,712,903	-
2024	29,818	0.1%	38,324	0.2%	130,714,038	0.9%
2029	30,227	0.3%	38,902	0.3%	134,926,628	0.6%

Source: Esri Demographics 2024, Novogradac, April 2025

The PMA experienced declining population growth between 2010 and 2024, at a similar rate as the surrounding SMA. Both geographic areas experienced growth rates below the overall nation, which reported positive growth over the same time period. According to ESRI demographic projections, population levels in the PMA are expected to remain relatively stable through 2029, which is similar to growth expectations for the SMA and below the nation.

Historical household growth in the PMA trailed the SMA between 2010 and 2024. Both geographic areas experienced growth rates below the nation during the same time period. According to ESRI demographic projections, annualized PMA growth is expected to increase 0.3 percent through 2029, which is similar to growth expectations for the SMA and below the nation.

Household Income

The following table illustrates median household income levels in the PMA, SMA, and nation from 2010 through 2029. Note that this is based on data for all household sizes and is independent of the calculation of AMI.

MEDIAN HOUSEHOLD INCOME						
Year	PMA		SMA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	\$43,924	-	\$42,610	-	\$60,686	-
2024	\$48,129	0.7%	\$48,362	1.0%	\$79,067	2.2%
2029	\$54,073	2.5%	\$54,477	2.5%	\$91,442	3.1%

Source: Esri Demographics 2024, Novogradac, March 2025

As of 2024, the median income in the PMA is similar to the surrounding SMA and similar to the national median household income. The median household income in the PMA is projected to increase 2.5 percent per annum through 2029, a growth rate below the nation and a growth rate similar to the SMA. As of 2029, the median household income is projected to be below that of the SMA and similar to that of the nation.

Conclusion

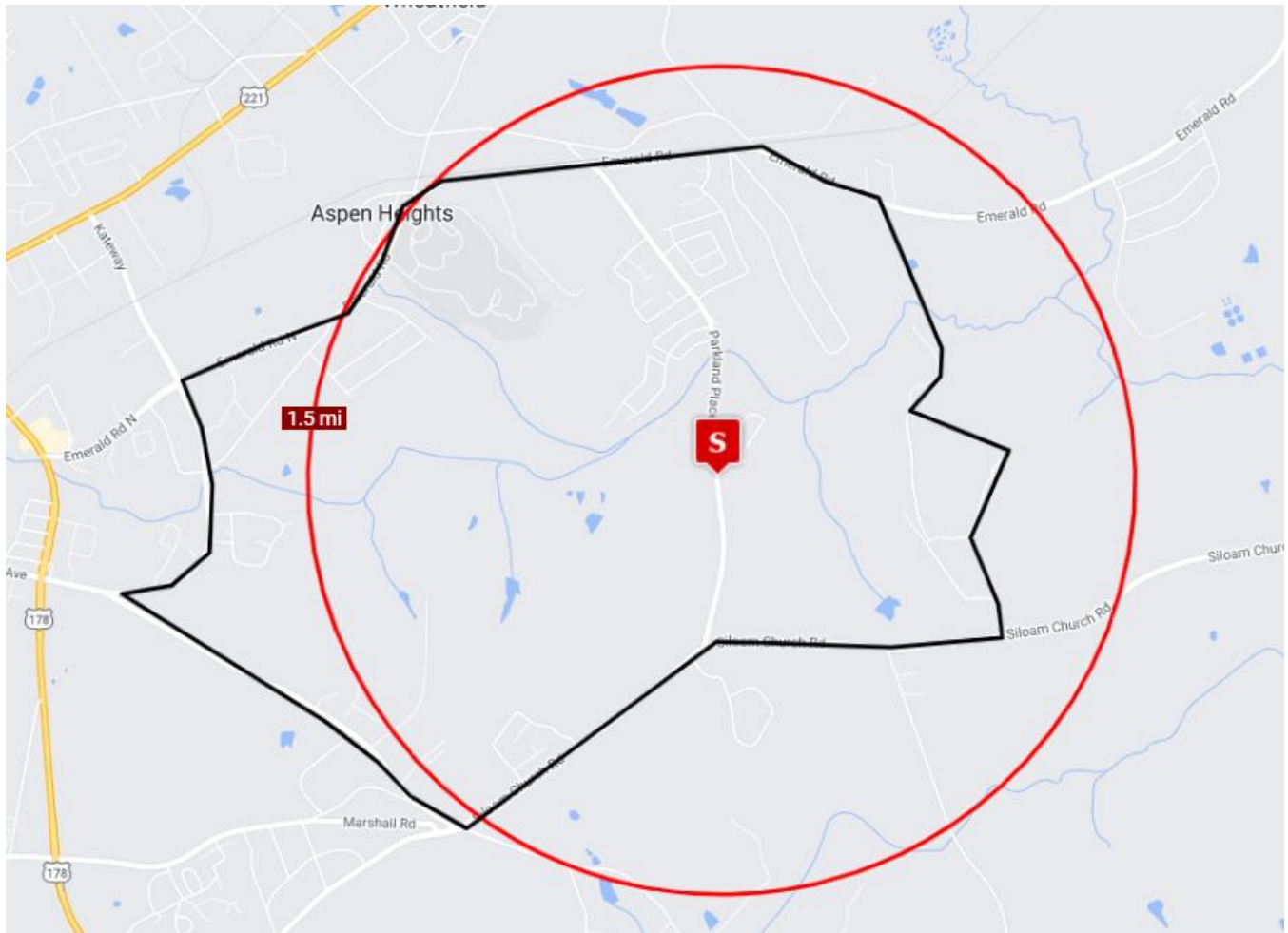
Population in the PMA remained relatively stable between 2010 and 2024. Comparatively the SMA decreased, and the nation growth. The number of renters in the PMA decreased from 2010 to 2024 and is projected to continue to decrease through 2029. The median income in the PMA as of 2024 is similar to the SMA and overall nation. According to ESRI demographic projections, household and median income levels are expected to rise through 2029; however, population levels are anticipated to decline. We have considered local demographic trends in our determination of achievable rents.

NEIGHBORHOOD ANALYSIS

The location and surrounding neighborhood of an apartment community often impacts the property's status, class and potential tenant base. In addition to the access to local commercial and employment opportunities, the quality and type of uses in a community are factors that could positively or negatively impact a property's marketability. This section describes the property's neighborhood and evaluates any locational factors that could affect its achievable rents, occupancy and overall profitability.

Location and Boundaries

The Subject is located in a mixed-use neighborhood in eastern Greenwood. The Subject's neighborhood is bounded by Emerald Road to the north, Landfill Drive to the east, Siloam Church Road and E Cambridge Avenue to the south, and Gateway to the west. A map of the Subject's neighborhood is below.



Predominate Land Uses

The Subject is located in the eastern portion of Greenwood in a neighborhood consisting primarily of single-family and mobile homes, agricultural uses, light industrial uses, government offices, and commercial/retail uses, as well as vacant, heavily wooded, undeveloped land. Land use to the north of the Subject consists of a mobile home park in average condition, followed by vacant, heavily wooded, undeveloped land. Land use further north consists of single-family and mobile homes, followed by light industrial uses and commercial/retail uses, all of which exhibit average condition. Land use to the east of the Subject consists of

vacant undeveloped land, followed by a recycling center. Land use further east consists of vacant, heavily wooded, undeveloped land. Land use to the south of the Subject consists of vacant undeveloped land, followed by single-family homes, commercial/retail uses, and light industrial uses, all of which exhibit average condition. Land use further south consists of single-family and mobile homes in average condition. Land use to the west of the Subject site consists of vacant, heavily wooded, undeveloped land, followed by a livestock farm in average condition. Land use further west consists of single-family homes, Piedmont Technical College, and light industrial uses, all of which exhibit average condition. Commercial uses in the neighborhood appeared to be 85 percent occupied and in average condition. The Subject's neighborhood does not appear conducive to pedestrian activity. The Subject site is designated "Car-Dependent" by WalkScore with a score of 0, indicating almost all errands require a car. Overall, land uses in the Subject's neighborhood are in average condition. There is a recycling center located approximately 0.5 miles east of the Subject and a livestock farm located approximately 0.8 miles west of the Subject, which may be considered detrimental influences or negative aspects of the Subject's location. However, given the Subject's historical occupancy and reportedly strong demand, these land uses do not appear to be detrimental influences to the Subject. Additionally, we did not observe any odors during our site inspection. We are unaware of any other detrimental influences.

Accessibility

The Subject is accessible from the east side of Parkland Place Road, via the south side of Regency Avenue. Parkland Place Road is a lightly traveled two-lane road that traverses north/south. Parkland Place Road provides access to Emerald Road approximately 1.2 miles north of the Subject, as well access to Siloam Church Road approximately 0.6 miles south of the Subject. Siloam Church Road traverses northeast/southwest and provides access to U.S. Highway 178 approximately 2.9 miles southwest of the Subject. Emerald Road is a moderately traveled two-lane road that traverses east/west and provides access to U.S. Highway 178 approximately 2.5 miles west of the Subject, as well as access to State Highway 246 approximately 2.9 miles northeast of the Subject. U.S. Highway 178 provides access to Saluda, Batesburg-Leesville, and Orangeburg approximately 30.0, 37.4, and 86.4 miles southeast of the Subject, respectively. Additionally, U.S. Highway 178 combines with State Highway 72 approximately 6.9 miles west of the Subject and provides access to Abbeville and Calhoun Falls approximately 16.5 and 28.9 miles west of the Subject, respectively. U.S. Highway 178 also provides access to State Highway 34 and U.S. Highway 221 approximately 3.2 and 4.3 miles southwest of the Subject, respectively. State Highway 34 provides access to Ninety Six, Newberry, and Winnsboro approximately 4.4, 27.5, and 58.0 miles east of the Subject, as well as access to Interstate 26 approximately 30.4 miles northeast of the Subject. Interstate 26 provides access to downtown Columbia and Charleston approximately 62.8 and 158.7 miles southeast of the Subject, as well as access to Spartanburg approximately 52.4 miles north of the Subject. U.S. Highway 221 provides access to Bradley and McCormick approximately 13.6 and 23.0 miles southwest of the Subject. Overall, access is considered good, and traffic flow near the Subject is considered light.

Neighborhood Housing Stock

Single-family homes in the Subject's neighborhood generally exhibit generally average condition.

NEIGHBORHOOD ANALYSIS

	0.5 Mile Radius	PMA
	2024	2024
Owner-Occupied Housing Units	59.4%	61.6%
Renter-Occupied Housing Units	40.6%	28.3%
Vacant Housing Units	0.0%	10.1%
2024 Median Household Income	\$39,994	\$48,129
2024 - 2029 MHI Annual Growth	1.8%	2.5%
2024 Median Home Value	\$163,388	\$182,053

As indicated in the previous table, the percentage of renter households within a 0.5-mile radius of the Subject site is higher than that of the PMA as a whole. According to 2024 data provided by ESRI, approximately 40.6 percent of the occupied housing units within 0.5 miles of the Subject are renter-occupied, compared to 28.3 percent in the PMA. The median household income within a 0.5-mile radius of the Subject is lower than the PMA. The median household income within a 0.5-mile radius of the Subject is projected to increase by 1.8 percent annually through 2029, compared to 2.5 percent annual growth in the PMA.

Public Transportation

McCormick Area Transit (MAT Trans) provides public transportation services in Greenwood County. Transportation services are provided to Greenwood County residents within a 4.0-mile radius of the Greenwood County Courthouse. Services are provided Monday through Friday from 7:30 a.m. to 5:30 p.m., and fares are \$1.00 per trip or \$2.00 per round trip. The Subject is located outside the service area.

Healthcare

Self Regional Medical Center is located 4.1 miles southwest of the Subject. Self Regional Medical Center is a 358-bed medical center that offers a wide range of medical services, including cancer care, surgical, neurology, rehabilitation, stroke care, women's health, wound care, cardiac care, emergency and urgent care, imaging, family medicine, pain management, and pediatrics, among others.

Crime Statistics

The following table shows personal and property crimes for the PMA and SMA as an index, meaning an index of 100 is average. Any number above 100 is above average compared to the national crime index, while any number below 100 indicates lower than average crime.

2024 CRIME INDICES		
	PMA	SMA
Total Crime*	115	115
Personal Crime*	119	119
Murder	155	153
Rape	111	112
Robbery	62	61
Assault	138	139
Property Crime*	115	114
Burglary	141	138
Larceny	110	110
Motor Vehicle Theft	104	105

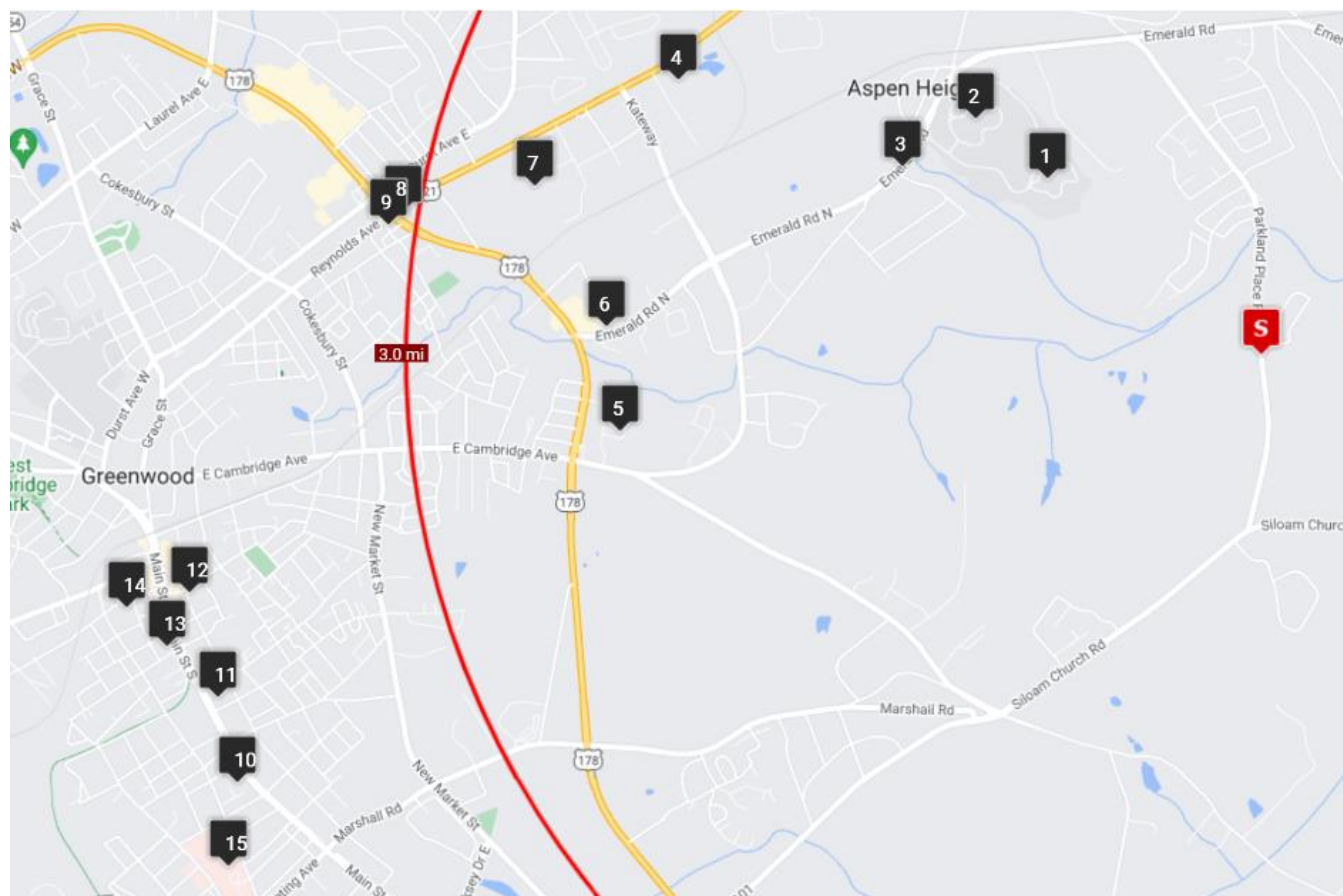
Source: Esri Demographics 2024, Novogradac, March 2025

*Unweighted aggregations

Total crime indices in the PMA are slightly above the national average and similar to the surrounding SMA. Both geographic areas feature crime indices above the overall nation. The Subject currently does not offer security features, which will remain unchanged following renovations. Three of the nine comparables reported offering some sort of security feature; as such, the Subject appears to be generally market-oriented. The upcoming Supply Section of this report provides a more detailed analysis of crime indices on a 0.5-mile basis.

Proximity to Local Services

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, March 2025

LOCATIONAL AMENITIES

#	Service or Amenity	Distance to Subject	#	Service or Amenity	Distance to Subject
1	Woodfields Elementary School	1.0 miles	9	Countybank	3.1 miles
2	Brewer Middle School	1.3 miles	10	Price Wise Foods Grocery Store	3.9 miles
3	Sunoco Gas Station	1.4 miles	11	Greenwood Fire Station #11	3.9 miles
4	East Side High School	2.3 miles	12	USPS	3.9 miles
5	Walmart Supercenter	2.3 miles	13	Greenwood County Library	4.0 miles
6	Dollar General	2.3 miles	14	Greenwood County Police Department	4.1 miles
7	Greenwood County Parks & Rec	2.6 miles	15	Self Regional Medical Center	4.1 miles
8	CVS Pharmacy	3.1 miles	-	-	-

Conclusion

The Subject's neighborhood appears to be an adequate location for an existing affordable multifamily development. Most desirable locational amenities are located within 4.1 miles from the Subject property. The Subject is located in a mixed-use neighborhood in eastern Greenwood and is a compatible use within the existing neighborhood.

IV. ANALYSIS OF THE SUBJECT

ANALYSIS OF THE SUBJECT

DESCRIPTION OF THE SITE

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 will discuss the physical features of the site, as well as layout, access issues, and traffic flow. An aerial map of the Subject is provided below.



Source: Google Earth, March 2025

Size:	The Subject site is 8.0 acres, or 348,480 square feet.
Shape:	The Subject site is irregular in shape.
Frontage:	The Subject has frontage along the east side of Parkland Place Road.
Topography	The site exhibits level topography.
Utilities:	All utilities are available to the site.
Visibility/Views:	The Subject has good visibility from the east side of Parkland Place Road. Views to the north of the Subject consist of a mobile home park in average condition, followed by vacant, heavily wooded, undeveloped land. Views to the east of the Subject consist of vacant undeveloped land, followed by a recycling center. Views to the south of the Subject site consist of vacant undeveloped land, followed by single-family homes, commercial/retail uses, and light industrial uses, all of which

exhibit average condition. Views to the west of the Subject site consist of vacant, heavily wooded, undeveloped land, followed by a livestock farm in average condition. Overall, visibility is considered good, and views are considered average.

Access and Traffic Flow:

The Subject is accessible from the east side of Parkland Place Road, via the south side of Regency Avenue. Parkland Place Road is a lightly traveled two-lane road that traverses north/south. Parkland Place Road provides access to Emerald Road approximately 1.2 miles north of the Subject, as well access to Siloam Church Road approximately 0.6 miles south of the Subject. Siloam Church Road traverses northeast/southwest and provides access to U.S. Highway 178 approximately 2.9 miles southwest of the Subject. Emerald Road is a moderately traveled two-lane road that traverses east/west and provides access to U.S. Highway 178 approximately 2.5 miles west of the Subject, as well as access to State Highway 246 approximately 2.9 miles northeast of the Subject. U.S. Highway 178 provides access to Saluda, Batesburg-Leesville, and Orangeburg approximately 30.0, 37.4, and 86.4 miles southeast of the Subject, respectively. Additionally, U.S. Highway 178 combines with State Highway 72 approximately 6.9 miles west of the Subject and provides access to Abbeville and Calhoun Falls approximately 16.5 and 28.9 miles west of the Subject, respectively. U.S. Highway 178 also provides access to State Highway 34 and U.S. Highway 221 approximately 3.2 and 4.3 miles southwest of the Subject, respectively. State Highway 34 provides access to Ninety Six, Newberry, and Winnsboro approximately 4.4, 27.5, and 58.0 miles east of the Subject, as well as access to Interstate 26 approximately 30.4 miles northeast of the Subject. Interstate 26 provides access to downtown Columbia and Charleston approximately 62.8 and 158.7 miles southeast of the Subject, as well as access to Spartanburg approximately 52.4 miles north of the Subject. U.S. Highway 221 provides access to Bradley and McCormick approximately 13.6 and 23.0 miles southwest of the Subject. Overall, access is considered good, and traffic flow near the Subject is considered light.

Environmental, Soil and Subsoil Conditions and Drainage:

We were not provided with an environmental report. We did not observe environmental hazards during our site inspection; however, Novogradac is not an expert in this field and cannot opine further. It is an extraordinary assumption that there exist no Recognized Environmental Concerns (RECs) that would impact the value of the Subject property.

Flood Plain:

According to FEMA Flood Map Service Center Panel Number 45047C0179D, dated May 3, 2011, the Subject site is located in Zone X, which is defined as an area outside of the 100 and 500-year flood plains. Further analysis is beyond the scope of this report.

Detrimental Influences:

There is a recycling center located approximately 0.5 miles east of the Subject and a livestock farm located approximately 0.8 miles west of the Subject, which may be considered detrimental influences or

negative aspects of the Subject's location. However, given the Subject's historical occupancy and reportedly strong demand, these land uses do not appear to be detrimental influences to the Subject. Additionally, we did not observe any odors during our site inspection. We are unaware of any other detrimental influences.

Conclusion:

At the time of the site inspection, there were no detrimental influences observed that would adversely impact the marketability of the Subject. The Subject site is considered to be an adequate location for multifamily use and physically capable of supporting a variety of legally permissible uses.

DESCRIPTION OF THE IMPROVEMENTS

Details of the Subject's improvements are summarized on the page as follows. This information, which was provided by the property manager, and confirmed during our inspection to the extent possible, is presumed to be accurate.

Property Improvements:	The Subject is an existing 56-unit LIHTC/USDA multifamily property located at 1091 Parkland Place Road, in Greenwood, Greenwood County, SC. The Subject consists of 56 three-bedroom units contained in six two-story garden-style residential buildings. The Subject offers 56 two-bedroom units restricted to households earning 50 and 60 percent of the Area Median Income (AMI), or less. Further, 50 units receive Rental Assistance through USDA Section 515, where tenants pay 30 percent of their income towards rent.
Year Built or Date of Construction:	The Subject was originally constructed under the USDA Rural Development Section 515 Rental Housing program in 1980 and was subsequently renovated with LIHTC equity in 2002.
Property Layout and Curb Appeal:	Based on an inspection of the Subject by the appraiser, the property offers a functional property layout and has average curb appeal.
Current Rents and Unit Mix:	The following table outlines the Subject's current basic and note rents from the approved rent notice provided by the client and effective as of January 1, 2025. As the Subject qualifies as a rural area under the 2008 Housing Act, the Subject's LIHTC rents are bound by the national non-metropolitan maximum allowable rents, which are higher than the Greenwood County LIHTC limits.

CURRENT RENTS AND UNIT MIX

Unit Type	Unit Size (SF)	# of Units	USDA Basic Rent (1)	Utility Allowance (1)	Gross Rent	2024 National Non-Metro LIHTC Maximum Allowable Gross Rent	Note Rent (1)
@50%/USDA (Rental Assistance)*							
2BR/1.5BA	779	6	\$853	\$97	\$950	\$871	\$929
@60%/USDA (Rental Assistance)*							
2BR/1.5BA	779	44	\$853	\$97	\$950	\$871	\$929
@60%/USDA							
2BR/1.5BA	779	6	\$853	\$97	\$950	\$871	\$929
Total		56					

(1) Based on the approved rent notice provided by the client and effective as of January 1, 2025

*Tenants contribute 30 percent of their income towards rent

The following table illustrates the current tenant-paid rents at the Subject, based on the rent roll provided, dated March 10, 2025. Four tenants currently occupying 60 percent AMI level units are utilizing Housing Choice Vouchers and were excluded from the tenant paid rent portions in the following rent roll analysis.

RENT ROLL ANALYSIS (3/10/2025)

Unit Type	Unit Size (SF)	Number of Units	USDA Basic Rent (1)	Note Rent (1)	Minimum Tenant Paid Rent	Maximum Tenant Paid Rent	Average Tenant Paid Rent	Vacant Units	Vacancy Rate
LIHTC/USDA (Rental Assistance)*									
2BR/1BA	779	50	\$853	\$929	\$0	\$623	\$163	2	4.0%
@60%/USDA**									
2BR/1BA	779	6	\$853	\$929	\$755	\$755	\$755	0	0.0%
Total		56						2	3.6%

(1) Based on the approved rent notice provided by the client and effective as of January 1, 2025

*Tenants contribute 30 percent of their income towards rent

**Excludes tenants utilizing Housing Choice Vouchers

As of the rent roll, the Subject was 96.4 percent occupied, with two vacant units. According to information from the Subject's property manager, a high historic employee turnover in maintenance positions resulted in higher vacancy rates in 2022 and 2023 than the property had normally experienced. The Subject maintains a waiting list of an undetermined length.

Unit Amenities:

The Subject's unit amenities include blinds, central air conditioning, carpet, walk-in closets, and vinyl plank flooring. Appliances include refrigerators, ranges/ovens, and washer/dryer hookups, as well as dishwashers in some units. Additionally, accessible units feature grab bars, pull cords, and hand rails.

Common Area Amenities:

The Subject's common area amenities include a sport court, on-site management, and a playground.

Parking:

The Subject offers 102 off-street parking spaces, or 1.82 spaces per unit, for no additional fee. The amount of parking appears adequate based on the current unit mix, as well as comparable properties.

Unit Layout:

Based on our physical inspection of representative units, the floor plans appear adequate relative to their intended use, and they offer good functional utility. The appraiser inspected the following units on May 6, 2024.

UNITS INSPECTED

Unit Type	Unit Number	Status	Condition
2BR/1BA	C1	Vacant	Average

Utility Structure:

The Subject offers central air conditioning and electric cooking, heating, and water heating. Tenants are responsible for the cooking, hot water, heating, and electric expenses. The landlord is responsible for the cold water, sewer, and trash costs, in addition to common area utility expenses.

Americans With Disabilities Act of 1990:

We assume the property does not have any violations of the Americans With Disabilities Act of 1990.

PCA:

We were not provided with property condition assessment report for the Subject property. During our site inspection, we inspected a representative number of units as well as common areas and did not observe any obvious or significant critical repairs. Further, any additional significant or critical repairs could have a material impact on our value conclusions.

Remaining Economic Life:

The Subject's actual age is 45 years based on the original construction date of 1980 but was substantially renovated with LIHTC equity in 2002 and has been reasonably maintained with ongoing updates and capital repairs. Based on a typical economic life of 60 years and the Subject's current average condition, we have estimated the effective age to be 25 years. Thus, the remaining economic life is approximately 35 years, as is.

Quality of Construction:

At the time of the inspection, the Subject was in average/typical condition overall. The Subject appears to have been completed in a manner consistent with the information provided, using average-quality materials in a professional manner.

Functional Utility:

Based on our site inspection, the Subject does not appear to suffer from functional obsolescence.

Conclusion:

The Subject is an average quality multifamily property for this location and given its age. Based on our site inspection, the Subject does not appear to suffer from functional obsolescence, and it provides adequate utility for its intended use.

SWANN MEADOWS APARTMENTS – GREENWOOD, SOUTH CAROLINA – APPRAISAL

Swann Meadows Apartments							
Location	1091 Parkland Place Road Greenwood, SC 29646 Greenwood County						
Units	56						
Type	Garden (2-stories)						
Year Built / Renovated	1980/2002						
Tenant Characteristics	Family						
Utilities							
A/C	not included - central			Other	not included		
Cooking	not included - electric			Water	included		
Water Heat	not included - electric			Sewer	included		
Heat	not included - electric			Trash	included		
Unit Mix (Face Rent)							
Beds	Bath	Type	Units	Size (SF)	USDA Basic Rent*	Note Rent*	Restriction
2	1	Garden (2-stories)	6	779	\$853	\$929	@60%/USDA (RA)
2	1	Garden (2-stories)	6	779	\$853	\$929	@60%/USDA
2	1	Garden (2-stories)	44	779	\$853	\$929	@60%/USDA (RA)
Amenities							
In-Unit	Blinds Carpeting Central A/C Dishwasher Oven Refrigerator Vinyl Plank Flooring Walk-In Closet Washer/Dryer hookup			Property	Basketball Court Off-Street Parking On-Site Management Playground		
Security	None			Premium	None		
Services	None			Other	None		

*Based on the approved rent notice provided by the client and effective as of January 1, 2025

ASSESSMENT VALUE AND TAXES

The following real estate tax estimate is based upon our interviews with local assessment officials, either in person or via telephone. We do not warrant its accuracy. It is our best understanding of the current system as reported by local authorities. Currently, the assessment of affordable housing properties is a matter of intense debate and in many jurisdictions pending legal action. The issue often surrounds how the intangible value or restricted rents are represented. We cannot issue a legal opinion as to how the taxing authority will assess the Subject. We advise the client to obtain legal counsel to provide advice as to the most likely outcome of a possible reassessment.

The Subject is located within the Greenwood County real estate taxing jurisdiction. Real estate taxes for a property located in this jurisdiction are based upon a property's assessed value, which is a product of its overall market value. According to the assessor, the assessment ratio of six percent is applied to the taxable value to determine the assessed value of the property, and multifamily properties are primarily valued using the income approach. According to the Assessor's office, the 2024 millage rate for the Subject property is \$331.00 per \$1,000 of assessed value. Properties are assessed every five years with the most recent assessment taking effect in 2022. It should be noted that properties are also reassessed upon sale, outside of the five-year reassessment period, typically between 60 and 80 percent of the purchase price. Greenwood County imposes a Fire Support Service Tax, which is calculated at 8.98 percent of total ad valorem taxes owed. The following table illustrates the Subject's current assessment.

SUBJECT CURRENT ASSESSMENT AND TAX BURDEN

Tax Year	Land Value	Improvements Value	Total Market Value	Market Value Per Unit	Assessment Ratio	Total Assessed Value	Assessed Value Per Unit	Millage Rate	Total Ad Valorem Taxes	Fire Support Service Charge*	Taxes Per Unit
2024	\$110,400	\$1,061,800	\$1,172,200	\$20,932	6.0%	\$70,332	\$1,256	331.0	\$23,280	\$2,296	\$457

*Calculated at 8.98 percent of total ad valorem taxes

Reasonable Assessment and Taxes

To estimate the Subject's tax liability in the restricted scenario we have concluded to taxes of \$32,004, or \$571 per unit, which are in line with the Subject's 2025 USDA budget.

To estimate the Subject's tax liability in the unrestricted scenario, we have performed a tax recapitalization analysis. For comparison, we have obtained assessments of like properties in the Subject's area, illustrated in the following table.

COMPARABLE REAL ESTATE ASSESSMENTS

Property	Type	Year Built	Number of Units	Market Value	Market Value Per Unit	Assessed Value	Assessed Value Per Unit
The Gardens At Parkway*	LIHTC	2003	48	\$1,059,300	\$22,069	\$63,558	\$1,324
Liberty Village*	LIHTC	2015	36	\$905,000	\$25,139	\$54,300	\$1,508
Sterling Ridge*	LIHTC	2013	39	\$1,100,000	\$28,205	\$66,000	\$1,692
Affordable Average						\$61,286	\$1,508
Huntington Apartments*	Market	1981/2018	92	\$2,300,000	\$25,000	\$138,000	\$1,500
University Commons*	Market	1977/2009	106	\$4,375,000	\$41,274	\$262,500	\$2,476
Cardinal Glen	Market	2003	64	\$2,700,000	\$42,188	\$162,000	\$2,531
The Village At Glenhaven	Market	1949/2019	199	\$10,000,000	\$50,251	\$600,000	\$3,015
Winter Ridge Apartments*	Market	2007	196	\$13,034,100	\$66,501	\$782,046	\$3,990
Market Average						\$388,909	\$2,702

*Utilized as a comparable

Assessed values range from \$1,324 to \$1,692 per unit for the affordable properties and \$1,500 to \$3,990 for the market rate properties. The figures demonstrate a wide range, but generally illustrate an upward trend in value for properties newer in age.

Tax Recapitulation

The following table illustrates our recapitulation analysis based on our estimated income, expenses, and capitalization rate later in this report.

TAX RECAPITULATION

	As Is - Unrestricted
NOI Excluding Ad Valorem Taxes	\$202,875
Cap Rate	6.50%
Tax Rate*	33.10%
Loaded Cap Rate	8.49%
Indicated Market Value	\$2,389,576
Assessment Ratio	6.00%
Post-transfer Market Value	75.00%
Indicated Assessment (Overall)	\$107,531
Indicated Assessment (Per Unit)	\$1,920
Indicated Ad Valorem Tax (Overall)	\$35,593
Indicated Ad Valorem Tax (Per Unit)	\$636
Indicated Fire Service Charge (Overall)**	\$3,196
Indicated Total Tax (Overall)	\$38,789
Indicated Total Tax (Per Unit)	\$693
Market Value With the Tax	\$2,524,401
Rounded Value	\$2,520,000

*Tax rate calculated based on assessor millage rate of 331.0, and is rounded to two decimals for display

**Calculated at 8.98 percent of total ad valorem taxes

We have also analyzed post-transfer market value ratios of several sales within the past several years, which are shown in the table below.

POST-TRANSFER MARKET VALUE RATIO

Property	Sale Date	Sale Price	Market Value	% Ratio of Sales Price to Reassessed Value
Park Terrace Apartments	June 2022	\$1,512,000	\$1,021,000	68%
The Village At Glenhaven	May 2022	\$12,400,000	\$10,000,000	81%

As indicated above, after sale, these properties were reassessed at 68 to 81 percent of their sale price. We estimate a post transfer market value ratio of 75 percent for the Subject. As such, our estimate of real estate taxes in the unrestricted scenario is \$38,789, or \$636 per unit.

ZONING

Current Zoning

According to the Greenwood County Planning Department, the Subject site is zoned PDD (Planned Development District). This zoning district permits single-family, two-family, and multifamily residential uses, as well as mobile homes, courts, parks, various commercial uses, and several light industrial uses. Developments in this district are approved on a case-by-case basis, and there is not a set maximum allowable density requirement for multifamily developments. The Subject offers 56 units on 8.0 acres, which equates to a density of seven units per acre. Off-street parking requirements for multifamily developments are 1.5 parking spaces per two-bedroom dwelling unit. Based on the unit mix, the Subject would be required to offer 84 off-street parking spaces. Overall, the Subject appears to be a legal, conforming use.

Potential Zoning Changes

We are not aware of any proposed zoning changes at this time.

V. COMPETITIVE RENTAL ANALYSIS

COMPETITIVE RENTAL ANALYSIS

GENERAL MARKET INFORMATION

New Supply

We obtained information from CoStar regarding proposed or under construction developments in the PMA. According to CoStar, there are no proposed or under construction developments in the PMA.

LIHTC Competition / Recent and Proposed Construction

According to the South Carolina State Housing Finance and Development Authority (SCSHFDA) LIHTC allocation lists from 2020 to present, there have been three developments allocated tax credits in the PMA.

Havenwood Mathis was allocated tax credits in 2021 for the new construction of a 48-unit LIHTC multifamily development to be located approximately 5.5 miles west of the Subject. The development will offer 48 one, two, and three-bedroom units restricted to families earning 20 and 60 percent of the AMI, or less. The development is currently under construction with an undetermined completion date. The property will be competitive with the Subject.

Dogwood Senior Village was allocated tax credits in 2021 for the new construction of a 48-unit age-restricted (55+) LIHTC multifamily development to be located approximately 5.8 miles west of the Subject. The development will offer 48 one and two-bedroom units restricted to seniors earning 20, 60, and 80 percent of the AMI, or less. The development is currently under construction with an undetermined completion date. As an age-restricted development, Dogwood Senior Village will not be competitive with the Subject.

Edgewood School Apartments was allocated tax credits in 2023 for the adaptive re-use/new construction of a 75-unit age-restricted (62+) LIHTC multifamily development to be located approximately 4.4 miles southeast of the Subject, in Ninety Six, SC. The development will offer 75 one-bedroom units restricted to seniors age 62 or older. The development is still in the planning stage with an undetermined completion date. As an age-restricted development, Edgewood School Apartments will not be competitive with the Subject.

SURVEY OF COMPARABLE PROJECTS

Comparable properties are examined on the basis of physical characteristics, e.g., 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 Units

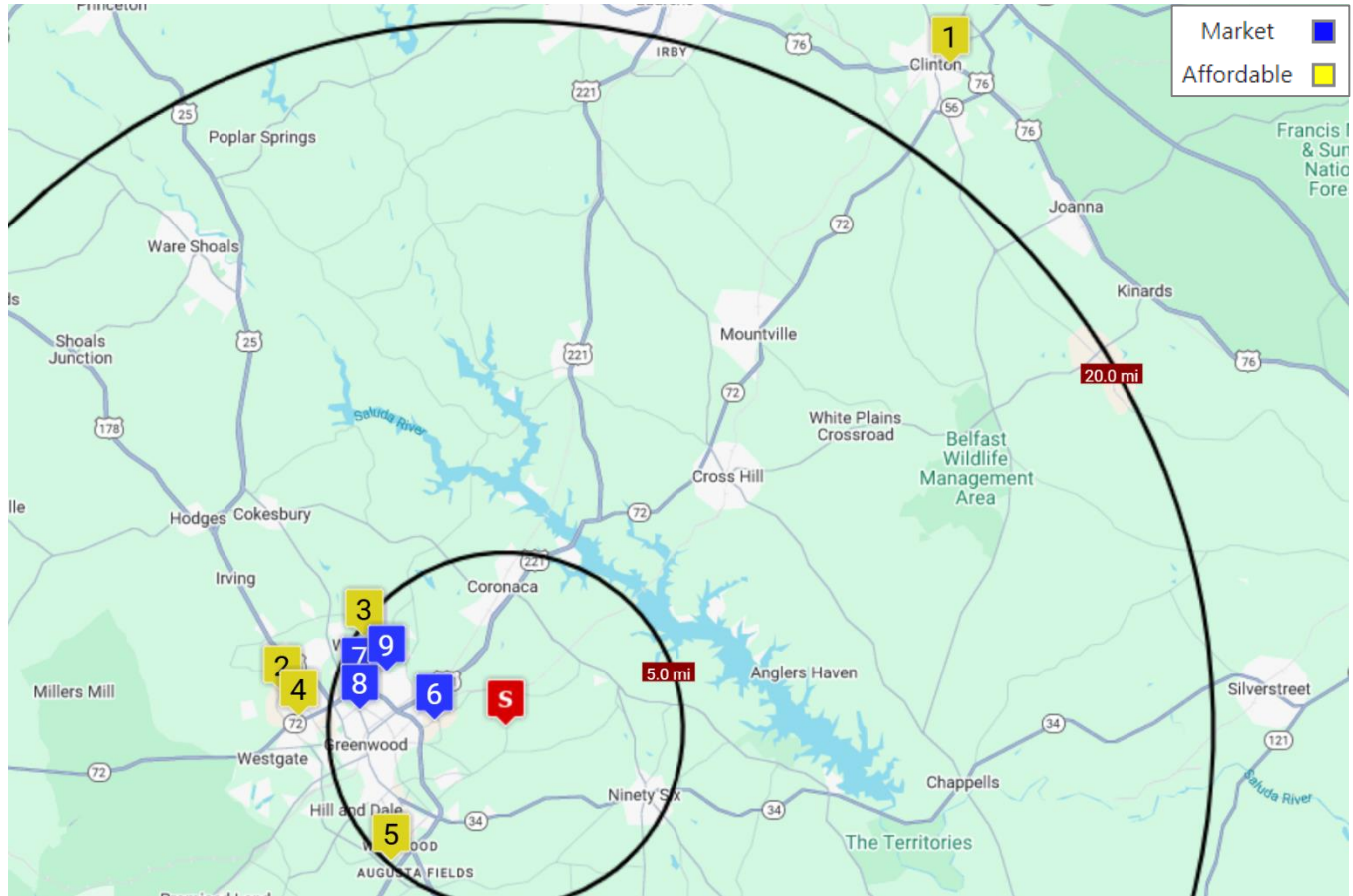
To evaluate the competitive position of the Subject, we surveyed a total of 725 units in nine rental properties. The availability of the LIHTC data is considered average. We included five affordable developments located between 4.7 and 22.4 miles from the Subject site, one of which is located outside the PMA (Clinton Green Apartments). We are aware of several other LIHTC properties within the PMA; however, we were unable to include these properties as comparables due to subsidized rents or our inability to survey the properties, despite numerous attempts. The availability of the market rate data is considered good. We included four market rate properties located between 2.1 and 4.3 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. The following is a table of the excluded properties within the Subject's PMA.

EXCLUDED PROPERTIES

Property Name	Rent Structure	Tenancy	Reason for Exclusion
Abbeville Arms	Section 8	Senior	Subsidized rents
Burgess Homes	Public Housing	Family	Subsidized rents
Cambridge Apartments	Section 8	Senior	Subsidized rents
Carver Apartments	Public Housing	Family	Subsidized rents
Coleman Terrace	Public Housing	Family	Subsidized rents
Cypress Mill	LIHTC	Family	Unable to contact
Ellison Avenue Atrium Homes	LIHTC	Family	Unable to contact
Fairfield & Winns Apartments	Public Housing	Family	Subsidized rents
Ferguson Williams Apartments	LIHTC	Family	Unable to contact
Hallmark At Greenwood	LIHTC	Family	Unable to contact
Hampton House Apartments	Section 8	Senior	Subsidized rents
Hickory Heights Apartments	Section 8	Family	Subsidized rents
Oakland Apartments	Section 8	Family	Subsidized rents
Pecan Grove Apartments	USDA	Family	Subsidized rents
Phoenix Place	Section 8/LIHTC	Family	Subsidized rents
Pineridge Apartments	Section 8	Senior	Subsidized rents
Trakas Avenue Apartments I & II	LIHTC	Family	Unable to contact
Twin Oaks Apartments	Section 8/LIHTC	Family	Subsidized rents
Wisewood Apartments	Section 8	Family	Subsidized rents
Woodview Apartments	Section 8	Senior	Subsidized rents

The following table and map are of the comparable properties used in the supply analysis.

Comparable Rental Property Map I



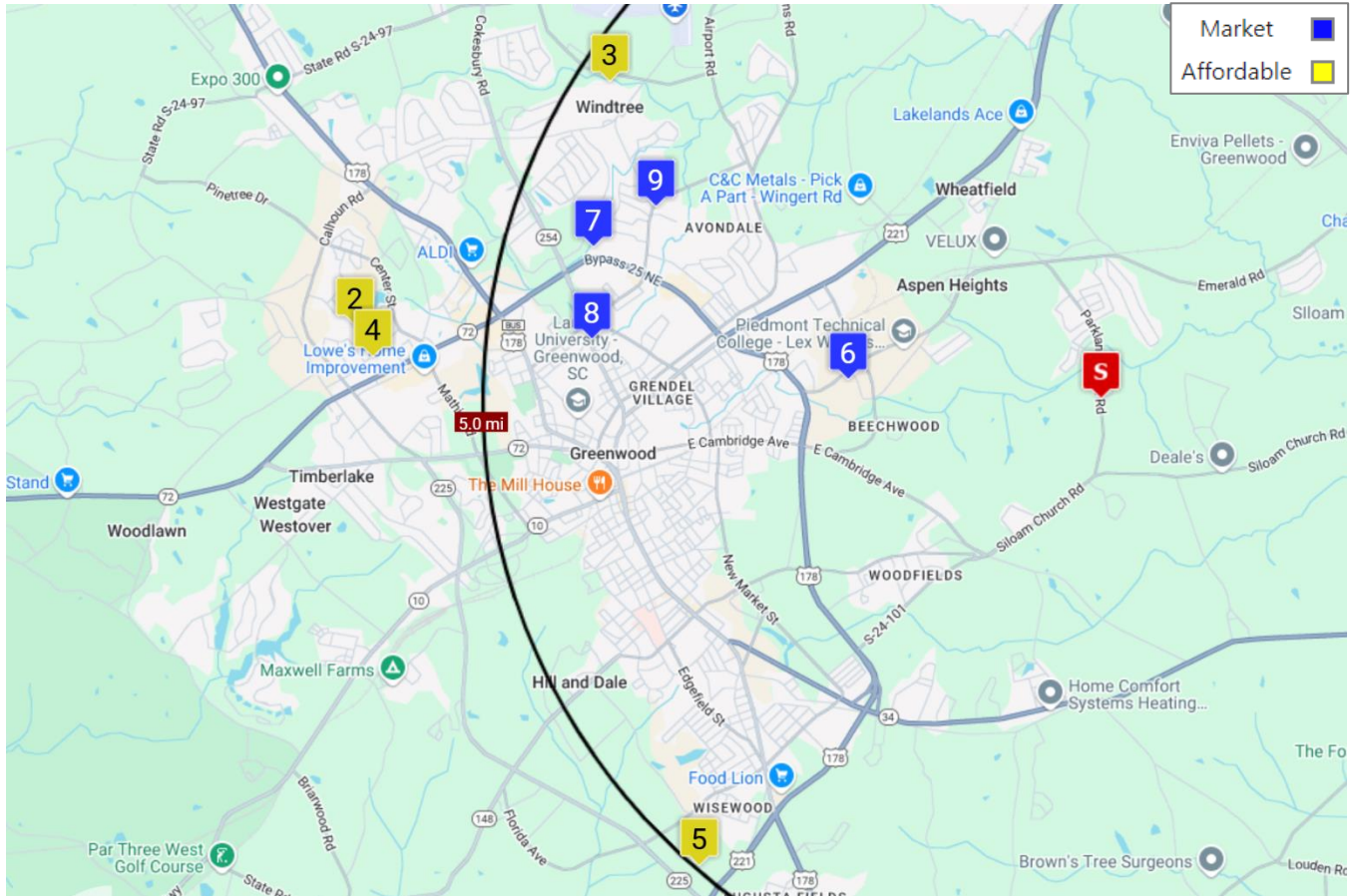
Source: Google Maps, March 2025

COMPARABLE PROPERTIES

#	Property Name	City	Rent Structure	Distance to Subject
S	Swann Meadows Apartments	Greenwood	LIHTC/USDA	-
1	Clinton Green Apartments*	Clinton	LIHTC	22.4 miles
2	Liberty Village	Greenwood	LIHTC	6.1 miles
3	Oakmont Place	Greenwood	LIHTC	4.7 miles
4	Sterling Ridge	Greenwood	LIHTC	6.0 miles
5	The Gardens At Parkway	Greenwood	LIHTC	5.0 miles
6	Foxfield Apartments	Greenwood	Market	2.1 miles
7	Huntington Apartments	Greenwood	Market	4.3 miles
8	University Commons	Greenwood	Market	4.2 miles
9	Winter Ridge Apartments	Greenwood	Market	3.9 miles

*Located outside PMA

Comparable Rental Property Map II



Source: Google Maps, March 2025

COMPARABLE PROPERTIES

#	Property Name	City	Rent Structure	Distance to Subject
S	Swann Meadows Apartments	Greenwood	LIHTC/USDA	-
1	Clinton Green Apartments*	Clinton	LIHTC	22.4 miles
2	Liberty Village	Greenwood	LIHTC	6.1 miles
3	Oakmont Place	Greenwood	LIHTC	4.7 miles
4	Sterling Ridge	Greenwood	LIHTC	6.0 miles
5	The Gardens At Parkway	Greenwood	LIHTC	5.0 miles
6	Foxfield Apartments	Greenwood	Market	2.1 miles
7	Huntington Apartments	Greenwood	Market	4.3 miles
8	University Commons	Greenwood	Market	4.2 miles
9	Winter Ridge Apartments	Greenwood	Market	3.9 miles

*Located outside PMA

SWANN MEADOWS APARTMENTS – GREENWOOD, SOUTH CAROLINA – APPRAISAL

SUMMARY MATRIX

#	Property Name	Distance	Type/Built/ Renovated	AMI	Unit Type	#	%	SF	Restriction	Rent (Adj)	Max Rent?	Waiting List	Vacant Units	Vacancy Rate
S	Swann Meadows Apartments 1091 Parkland Place Road Greenwood, SC Greenwood County		Garden 2-stories 1980/2002 Family	@50%/USDA (RA), @60%/USDA (RA), @60%/USDA	2BR/1BA	6	10.7%	779	@50%/USDA (RA)	\$853	N/A	Yes	N/A	N/A
					2BR/1BA	6	10.7%	779	@60%/USDA	\$853	No	Yes	N/A	N/A
					2BR/1BA	44	78.6%	779	@60%/USDA (RA)	\$853	N/A	Yes	N/A	N/A
						56							2	3.6%
1	Clinton Green Apartments 100 Houser Circle Clinton, SC Laurens County	22.4 miles	Garden 2-stories 2010 Family	@50% @60%	2BR/1BA	18	45.0%	887	@50%	\$598	No	Yes	0	0%
					2BR/1BA	10	25.0%	887	@60%	\$728	No	Yes	0	0%
					3BR/2BA	7	17.5%	1,094	@50%	\$709	No	Yes	0	0%
					3BR/2BA	5	12.5%	1,094	@60%	\$819	No	Yes	0	0%
						40							0	0.0%
2	Liberty Village 109 Liberty Circle Greenwood, SC Greenwood County	6.1 miles	Garden 2-stories 2015 Family	@50% @60%	2BR/2BA	3	8.3%	1,100	@50%	\$575	No	Yes	0	0%
					2BR/2BA	9	25.0%	1,100	@60%	\$735	No	Yes	0	0%
					3BR/2.5BA	6	16.7%	1,250	@50%	\$659	No	Yes	0	0%
					3BR/2.5BA	18	50.0%	1,250	@60%	\$804	No	Yes	0	0%
						36							0	0.0%
3	Oakmont Place 104 Pampas Drive Greenwood, SC Greenwood County	4.7 miles	Garden 2-stories 2013 Family	@50% @60%	1BR/1BA	3	5.4%	850	@50%	\$665	Yes	No	0	0%
					1BR/1BA	5	8.9%	850	@60%	\$810	Yes	No	0	0%
					2BR/1BA	5	8.9%	1,100	@50%	\$790	Yes	No	0	0%
					2BR/1BA	15	26.8%	1,100	@60%	\$964	Yes	No	0	0%
					3BR/2BA	5	8.9%	1,250	@50%	\$914	Yes	No	0	0%
					3BR/2BA	15	26.8%	1,250	@60%	\$1,115	Yes	No	0	0%
					4BR/2BA	8	14.3%	1,400	@60%	\$1,232	Yes	No	0	0%
						56							0	0.0%
4	Sterling Ridge 128 Leslie Drive Greenwood, SC Greenwood County	6.0 miles	Garden 2-stories 2013 Family	@50% @60%	2BR/2BA	4	10.3%	1,100	@50%	\$625	No	Yes	0	0%
					3BR/2.5BA	10	25.6%	1,450	@50%	\$734	No	Yes	0	0%
					3BR/2.5BA	21	53.8%	1,450	@60%	\$804	No	Yes	0	0%
					4BR/2.5BA	4	10.3%	1,540	@60%	\$913	No	Yes	0	0%
						39							0	0.0%
5	The Gardens At Parkway 1508 Parkway Greenwood, SC Greenwood County	5.0 miles	Garden 2-stories 2003 Family	@50% @60%	2BR/2BA	7	14.6%	900	@50%	\$820	Yes	Yes	0	0%
					2BR/2BA	25	52.1%	900	@60%	\$920	Yes	Yes	0	0%
					3BR/2BA	4	8.3%	1,000	@50%	\$950	Yes	Yes	0	0%
					3BR/2BA	12	25.0%	1,000	@60%	\$1,100	Yes	Yes	0	0%
						48							0	0.0%
6	Foxfield Apartments 400 North Emerald Road Greenwood, SC Greenwood County	2.1 miles	Garden 2-stories 1995 / 2024 Family	Market	2BR/1BA	56	50.0%	830	Market	\$905	N/A	No	6	10.7%
					2BR/1BA	56	50.0%	830	Market	\$1,095	N/A	No	1	1.8%
						112							7	6.2%
7	Huntington Apartments 1814 Bypass 72 NE Greenwood, SC Greenwood County	4.3 miles	Various 2-stories 1981 / 2018 Family	Market	1BR/1BA	N/A	N/A	550	Market	\$875	N/A	No	0	N/A
					2BR/1.5BA	N/A	N/A	915	Market	\$975	N/A	No	1	N/A
					3BR/2BA	N/A	N/A	1,100	Market	\$1,095	N/A	No	0	N/A
						92							1	1.1%
8	University Commons 1010 Grace St. Greenwood, SC Greenwood County	4.2 miles	Garden 2-stories 1977 / 2009 Family	Market	1BR/1BA	4	3.8%	718	Market	\$705	N/A	No	0	0%
					1BR/1BA	4	3.8%	718	Market	\$850	N/A	No	0	0%
					2BR/1.5BA	29	27.4%	900	Market	\$850	N/A	No	0	0%
					2BR/1.5BA	29	27.4%	900	Market	\$950	N/A	No	0	0%
					3BR/1.5BA	20	18.9%	1,150	Market	\$1,050	N/A	No	0	0%
					3BR/1.5BA	20	18.9%	1,150	Market	\$950	N/A	No	0	0%
						106							0	0.0%
9	Winter Ridge Apartments 102 Winter Way Greenwood, SC Greenwood County	3.9 miles	Garden 2-stories 2007 Family	Market	1BR/1BA	N/A	N/A	665	Market	\$1,035	N/A	Yes	1	N/A
					2BR/2BA	N/A	N/A	985	Market	\$1,200	N/A	Yes	0	N/A
					2BR/2BA	N/A	N/A	990	Market	\$1,235	N/A	Yes	0	N/A
					2BR/2BA	N/A	N/A	1,000	Market	\$1,245	N/A	Yes	0	N/A
					3BR/2BA	N/A	N/A	1,180	Market	\$1,469	N/A	Yes	0	N/A
						196							1	0.5%

PROPERTY PROFILE REPORT

Clinton Green Apartments

Effective Rent Date	3/17/2025
Location	100 Houser Circle Clinton, SC 29325 Laurens County
Distance	22.4 miles
Units	40
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	2010 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Families with children
Contact Name	Ranzella
Phone	864-547-1662



Market Information

Program	@50%, @60%
Annual Turnover Rate	3%
Units/Month Absorbed	N/A
HCV Tenants	20%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Incr. 8-10% since 2Q2024
Concession	None
Waiting List	Yes; 15 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
2	1	Garden (2 stories)	18	887	\$498	\$0	@50%	Yes	0	0.0%	no	None
2	1	Garden (2 stories)	10	887	\$628	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	7	1,094	\$570	\$0	@50%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	5	1,094	\$680	\$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
2BR / 1BA	\$498	\$0	\$498	\$100	\$598	2BR / 1BA	\$628	\$0	\$628	\$100	\$728
3BR / 2BA	\$570	\$0	\$570	\$139	\$709	3BR / 2BA	\$680	\$0	\$680	\$139	\$819

Clinton Green Apartments, continued

Amenities

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

Comments

The contact noted that rents are deliberately set below the maximum allowable levels to increase affordability for tenants. The contact reported that they do not believe higher rents are achievable for the property, as most tenants would then be rent-overburdened.

Clinton Green Apartments, continued

Trend Report

Vacancy Rates

1Q20	3Q20	2Q24	1Q25
2.5%	0.0%	5.0%	0.0%

Trend: @50%

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	1	0.0%	\$383	\$0	\$383	\$483
2020	3	0.0%	\$398	\$0	\$398	\$498
2024	2	5.6%	\$463	\$0	\$463	\$563
2025	1	0.0%	\$498	\$0	\$498	\$598

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	1	0.0%	\$440	\$0	\$440	\$579
2020	3	0.0%	\$455	\$0	\$455	\$594
2024	2	0.0%	\$520	\$0	\$520	\$659
2025	1	0.0%	\$570	\$0	\$570	\$709

Trend: @60%

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	1	10.0%	\$498	\$0	\$498	\$598
2020	3	0.0%	\$513	\$0	\$513	\$613
2024	2	10.0%	\$578	\$0	\$578	\$678
2025	1	0.0%	\$628	\$0	\$628	\$728

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	1	0.0%	\$550	\$0	\$550	\$689
2020	3	0.0%	\$565	\$0	\$565	\$704
2024	2	0.0%	\$630	\$0	\$630	\$769
2025	1	0.0%	\$680	\$0	\$680	\$819

Trend: Comments

1Q20	No additional comments.
3Q20	The contact reported stable occupancy so far in 2020. Rents increased in May bringing up the units at 50 percent AMI to the 2020 maximum allowable rates. Rents increased on the units at 60 percent AMI but those are still under the max rates since most households would be overburdened paying the max. The contact noted there has been no negative impact on the property from COVID-19 and no major job losses amongst tenants although some have had reduced work hours in some instances. She added there have been no issues with rent collection during the past four months during the pandemic.
2Q24	The contact noted that rents are deliberately set below the maximum allowable levels, as most tenants would be rent-overburdened if rents were at the maximum allowable levels. As such, the contact does not believe higher rents are achievable for the property at this time.
1Q25	The contact noted that rents are deliberately set below the maximum allowable levels to increase affordability for tenants. The contact reported that they do not believe higher rents are achievable for the property, as most tenants would then be rent-overburdened.

Photos



PROPERTY PROFILE REPORT

Liberty Village

Effective Rent Date	3/13/2025
Location	109 Liberty Circle Greenwood, SC 29649 Greenwood County
Distance	6.1 miles
Units	36
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	2015 / N/A
Marketing Began	N/A
Leasing Began	11/01/2015
Last Unit Leased	2/01/2016
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy from the Greenwood area; roughly 50 percent senior
Contact Name	Linda
Phone	864-396-5043



Market Information

Program	@50%, @60%
Annual Turnover Rate	3%
Units/Month Absorbed	12
HCV Tenants	42%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased up to 6% since 2Q2024
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	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (2 stories)	3	1,100	\$475	\$0	@50%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	9	1,100	\$635	\$0	@60%	Yes	0	0.0%	no	None
3	2.5	Garden (2 stories)	6	1,250	\$520	\$0	@50%	Yes	0	0.0%	no	None
3	2.5	Garden (2 stories)	18	1,250	\$665	\$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
2BR / 2BA	\$475	\$0	\$475	\$100	\$575	2BR / 2BA	\$635	\$0	\$635	\$100	\$735
3BR / 2.5BA	\$520	\$0	\$520	\$139	\$659	3BR / 2.5BA	\$665	\$0	\$665	\$139	\$804

Amenities

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

Comments

The contact noted that the rents are set below the maximum allowable rates; however, the contact reported that higher rents are likely achievable. The contact also reported that there is a high demand for low income housing in the area.

Liberty Village, continued

Trend Report

Vacancy Rates

2021	2022	2024	1Q25
0.0%	0.0%	0.0%	0.0%

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	2	0.0%	\$405	\$0	\$405	\$505
2022	2	0.0%	\$425	\$0	\$425	\$525
2024	2	0.0%	\$470	\$0	\$470	\$570
2025	1	0.0%	\$475	\$0	\$475	\$575

3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	2	0.0%	\$460	\$0	\$460	\$599
2022	2	0.0%	\$480	\$0	\$480	\$619
2024	2	0.0%	\$510	\$0	\$510	\$649
2025	1	0.0%	\$520	\$0	\$520	\$659

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	2	0.0%	\$495	\$0	\$495	\$595
2022	2	0.0%	\$515	\$0	\$515	\$615
2024	2	0.0%	\$605	\$0	\$605	\$705
2025	1	0.0%	\$635	\$0	\$635	\$735

3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	2	0.0%	\$520	\$0	\$520	\$659
2022	2	0.0%	\$540	\$0	\$540	\$679
2024	2	0.0%	\$630	\$0	\$630	\$769
2025	1	0.0%	\$665	\$0	\$665	\$804

Trend: Comments

2Q21	The manager reported that higher rents are achievable but that the owners intentionally keep rents low to promote affordability. The manager noted a high demand for low income housing in the area. Overall, the contact did not report any significant impact to the property as a result of the COVID-19 pandemic. This property is under the same management as Sterling Ridge.
2Q22	The property is not charging maximum allowable rents. However, the contact reported higher rents were likely achievable. The manager also noted a high demand for low income housing in the area.
2Q24	The contact noted that the waiting list is shared with Sterling Ridge. Rents are not set at the maximum allowable rates. However, the contact reported higher rents were likely achievable, but was unable to provide a specific higher rent that might be achievable. The contact also noted there is a high demand for low income housing in the area.
1Q25	The contact noted that the rents are set below the maximum allowable rates; however, the contact reported that higher rents are likely achievable. The contact also reported that there is a high demand for low income housing in the area.

Photos



PROPERTY PROFILE REPORT

Oakmont Place

Effective Rent Date	3/17/2025
Location	104 Pampas Drive Greenwood, SC 29649 Greenwood County
Distance	4.7 miles
Units	56
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	2013 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy with majority families; roughly five percent seniors
Contact Name	Sandra
Phone	864-803-3638



Market Information

Program	@50%, @60%
Annual Turnover Rate	15%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased to 2024 max
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	3	850	\$665	\$0	@50%	No	0	0.0%	yes	None
1	1	Garden (2 stories)	5	850	\$810	\$0	@60%	No	0	0.0%	yes	None
2	1	Garden (2 stories)	5	1,100	\$790	\$0	@50%	No	0	0.0%	yes	None
2	1	Garden (2 stories)	15	1,100	\$964	\$0	@60%	No	0	0.0%	yes	None
3	2	Garden (2 stories)	5	1,250	\$914	\$0	@50%	No	0	0.0%	yes	None
3	2	Garden (2 stories)	15	1,250	\$1,115	\$0	@60%	No	0	0.0%	yes	None
4	2	Garden (2 stories)	8	1,400	\$1,232	\$0	@60%	No	0	0.0%	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$665	\$0	\$665	\$0	\$665	1BR / 1BA	\$810	\$0	\$810	\$0	\$810
2BR / 1BA	\$790	\$0	\$790	\$0	\$790	2BR / 1BA	\$964	\$0	\$964	\$0	\$964
3BR / 2BA	\$914	\$0	\$914	\$0	\$914	3BR / 2BA	\$1,115	\$0	\$1,115	\$0	\$1,115
						4BR / 2BA	\$1,232	\$0	\$1,232	\$0	\$1,232

Oakmont Place, continued

Amenities

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

Comments

The property typically has a waiting list; however, units are currently being rented on a first come first serve basis, as the property builds back up its waiting list. According to the contact there is a strong demand for affordable housing in the area.

Oakmont Place, continued

Trend Report

Vacancy Rates

1Q20	1Q21	2Q22	1Q25
1.8%	0.0%	1.8%	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	1	0.0%	\$475	\$0	\$475	\$475
2021	1	0.0%	\$475	\$0	\$475	\$475
2022	2	0.0%	\$478	\$0	\$478	\$478
2025	1	0.0%	\$665	\$0	\$665	\$665

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	1	0.0%	\$564	\$0	\$564	\$564
2021	1	0.0%	\$564	\$0	\$564	\$564
2022	2	0.0%	\$567	\$0	\$567	\$567
2025	1	0.0%	\$790	\$0	\$790	\$790

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	1	0.0%	\$652	\$0	\$652	\$652
2021	1	0.0%	\$652	\$0	\$652	\$652
2022	2	20.0%	\$658	\$0	\$658	\$658
2025	1	0.0%	\$914	\$0	\$914	\$914

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	1	0.0%	\$580	\$0	\$580	\$580
2021	1	0.0%	\$580	\$0	\$580	\$580
2022	2	0.0%	\$584	\$0	\$584	\$584
2025	1	0.0%	\$810	\$0	\$810	\$810

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	1	6.7%	\$690	\$0	\$690	\$690
2021	1	0.0%	\$690	\$0	\$690	\$690
2022	2	0.0%	\$694	\$0	\$694	\$694
2025	1	0.0%	\$964	\$0	\$964	\$964

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	1	0.0%	\$798	\$0	\$798	\$798
2021	1	0.0%	\$798	\$0	\$798	\$798
2022	2	0.0%	\$805	\$0	\$805	\$805
2025	1	0.0%	\$1,115	\$0	\$1,115	\$1,115

4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	1	0.0%	\$881	\$0	\$881	\$881
2021	1	0.0%	\$881	\$0	\$881	\$881
2022	2	0.0%	\$889	\$0	\$889	\$889
2025	1	0.0%	\$1,232	\$0	\$1,232	\$1,232

Trend: Comments

1Q20	The manager had no further comments.
1Q21	The property manager reported a strong demand for affordable housing in the area. Overall, the property manager did not report any significant impact to the property as a result of the COVID-19 pandemic.
2Q22	The contact reported that the property has roughly five percent senior tenant occupancy. Rents at the property have increased slightly since 1Q 2021. The contact reported rents at 50 percent AMI are at maximum allowable levels while the 60 percent AMI rents are not. The contact stated that the property would be able to support higher rents for the 60 percent AMI units, if they were raised to the maximum allowable levels. According to the contact there is a strong demand for affordable housing in the area.
1Q25	The property typically has a waiting list; however, units are currently being rented on a first come first serve basis, as the property builds back up its waiting list. According to the contact there is a strong demand for affordable housing in the area.

Photos



PROPERTY PROFILE REPORT

Sterling Ridge

Effective Rent Date	3/13/2025
Location	128 Leslie Drive Greenwood, SC 29649 Greenwood County
Distance	6 miles
Units	39
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	2013 / N/A
Marketing Began	N/A
Leasing Began	8/01/2013
Last Unit Leased	11/01/2013
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy from the Greenwood area; roughly 50 percent senior
Contact Name	Linda
Phone	864-396-5043



Market Information

Program	@50%, @60%
Annual Turnover Rate	3%
Units/Month Absorbed	13
HCV Tenants	23%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased up to 7%
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	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (2 stories)	4	1,100	\$525	\$0	@50%	Yes	0	0.0%	no	None
3	2.5	Garden (2 stories)	10	1,450	\$595	\$0	@50%	Yes	0	0.0%	no	None
3	2.5	Garden (2 stories)	21	1,450	\$665	\$0	@60%	Yes	0	0.0%	no	None
4	2.5	Garden (2 stories)	4	1,540	\$740	\$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
2BR / 2BA	\$525	\$0	\$525	\$100	\$625	3BR / 2.5BA	\$665	\$0	\$665	\$139	\$804
3BR / 2.5BA	\$595	\$0	\$595	\$139	\$734	4BR / 2.5BA	\$740	\$0	\$740	\$173	\$913

Amenities

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

Comments

The contact reported rents being set below the maximum allowable levels. However, the contact reported higher rents were likely achievable. The contact also noted there is a high demand for low income housing in the area.

Sterling Ridge, continued

Trend Report

Vacancy Rates

2021	2022	2024	1Q25
0.0%	0.0%	0.0%	0.0%

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	2	0.0%	\$405	\$0	\$405	\$505
2022	2	0.0%	\$420	\$0	\$420	\$520
2024	2	0.0%	\$500	\$0	\$500	\$600
2025	1	0.0%	\$525	\$0	\$525	\$625

3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	2	0.0%	\$460	\$0	\$460	\$599
2022	2	0.0%	\$475	\$0	\$475	\$614
2024	2	0.0%	\$555	\$0	\$555	\$694
2025	1	0.0%	\$595	\$0	\$595	\$734

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	2	0.0%	\$490	\$0	\$490	\$590
2022	2	0.0%	\$510	\$0	\$510	\$610

3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	2	0.0%	\$520	\$0	\$520	\$659
2022	2	0.0%	\$535	\$0	\$535	\$674
2024	2	0.0%	\$625	\$0	\$625	\$764
2025	1	0.0%	\$665	\$0	\$665	\$804

4BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	2	0.0%	\$545	\$0	\$545	\$718
2022	2	0.0%	\$560	\$0	\$560	\$733
2024	2	0.0%	\$700	\$0	\$700	\$873
2025	1	0.0%	\$740	\$0	\$740	\$913

Trend: Comments

2Q21	The manager reported that higher rents are achievable but that the owners intentionally keep rents low to promote affordability. The manager noted a high demand for low income housing in the area. Overall, the contact did not report any significant impact to the property as a result of the COVID-19 pandemic. This property is under the same management as Liberty Village.
2Q22	The property is not charging maximum allowable rents. However, the contact reported higher rents were likely achievable. The contact reported a high demand for affordable housing in the area.
2Q24	The contact reported that the property no longer offers any two-bedroom units at the 60 percent AMI level. The contact noted that the waiting list is shared with Liberty Village. However, the contact reported higher rents were likely achievable. The contact also noted there is a high demand for low income housing in the area.
1Q25	The contact reported rents being set below the maximum allowable levels. However, the contact reported higher rents were likely achievable. The contact also noted there is a high demand for low income housing in the area.

Photos



PROPERTY PROFILE REPORT

The Gardens At Parkway

Effective Rent Date	3/21/2025
Location	1508 Parkway Greenwood, SC 29646 Greenwood County
Distance	5 miles
Units	48
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	2003 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Newer properties within Greenwood
Tenant Characteristics	Mixed tenancy, with majority families; roughly 20 percent seniors
Contact Name	Laura
Phone	864-223-6837



Market Information

Program	@50%, @60%
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	73%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased to 2024 max
Concession	None
Waiting List	Yes; seven households total

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (2 stories)	7	900	\$820	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (2 stories)	25	900	\$920	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	4	1,000	\$950	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	12	1,000	\$1,100	\$0	@60%	Yes	0	0.0%	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$820	\$0	\$820	\$0	\$820	2BR / 2BA	\$920	\$0	\$920	\$0	\$920
3BR / 2BA	\$950	\$0	\$950	\$0	\$950	3BR / 2BA	\$1,100	\$0	\$1,100	\$0	\$1,100

The Gardens At Parkway, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpeting	Central A/C	Limited Access	
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Elevators	None	None
Central Laundry	Off-Street Parking		
On-Site Management	Playground		

Comments

The contact provided no additional comments.

The Gardens At Parkway, continued

Trend Report

Vacancy Rates

2Q21	2Q22	2Q24	1Q25
2.1%	0.0%	6.2%	0.0%

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	2	0.0%	\$580	\$0	\$580	\$580
2022	2	0.0%	\$580	\$0	\$580	\$580
2024	2	0.0%	\$800	\$0	\$800	\$800
2025	1	0.0%	\$820	\$0	\$820	\$820

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	2	0.0%	\$672	\$0	\$672	\$672
2022	2	0.0%	\$672	\$0	\$672	\$672
2024	2	0.0%	\$950	\$0	\$950	\$950
2025	1	0.0%	\$950	\$0	\$950	\$950

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	2	4.0%	\$709	\$0	\$709	\$709
2022	2	0.0%	\$709	\$0	\$709	\$709
2024	2	8.0%	\$845	\$0	\$845	\$845
2025	1	0.0%	\$920	\$0	\$920	\$920

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	2	0.0%	\$821	\$0	\$821	\$821
2022	2	0.0%	\$821	\$0	\$821	\$821
2024	2	8.3%	\$1,025	\$0	\$1,025	\$1,025
2025	1	0.0%	\$1,100	\$0	\$1,100	\$1,100

Trend: Comments

2Q21	The property manager reported the property is typically fully-occupied, and the one vacant unit is being processed from the waiting list. Further, the property has experienced no significant impact from the COVID-19 pandemic. Additionally, the demand for rental housing in the area is high.
2Q22	The contact stated the property has roughly 20 percent senior tenant occupancy. Additionally, the demand for affordable housing in the area is high.
2Q24	The contact noted that the property is under new management as of November 2023. The contact noted that one vacant unit is pre-leased and the property is working to fill the remaining two vacancies from the waiting list.
1Q25	The contact provided no additional comments.

Photos



PROPERTY PROFILE REPORT

Cardinal Glen

Effective Rent Date	3/13/2025
Location	1524 Parkway Greenwood, SC 29646 Greenwood County
Distance	N/A
Units	64
Vacant Units	13
Vacancy Rate	20.3%
Type	Garden (2 stories)
Year Built/Renovated	2003 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Phoenix Place, Gardens at Parkway
Tenant Characteristics	Majority families. Most of the tenants are from Greenwood with some from the Ninety-Six and Lawrence area's.
Contact Name	Tom
Phone	864-943.8883



Market Information

Program	Market
Annual Turnover Rate	3%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased 5%
Concession	None
Waiting List	Yes; five households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	16	730	\$949	\$0	Market	No	N/A	N/A	N/A	None
2	1	Garden (2 stories)	32	935	\$999	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (2 stories)	16	1,150	\$1,249	\$0	Market	No	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$949	\$0	\$949	\$70	\$1,019
2BR / 1BA	\$999	\$0	\$999	\$100	\$1,099
3BR / 2BA	\$1,249	\$0	\$1,249	\$139	\$1,388

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	Adult Education
Carpeting	Central A/C		Afterschool Program
Coat Closet	Dishwasher		Computer Tutoring
Exterior Storage	Ceiling Fan		Tutoring
Garbage Disposal	Oven		
Pull Cords	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Central Laundry	None	None
Off-Street Parking	On-Site Management		
Playground			

Comments

The contact could not provide a reason for the elevated vacancy. The property does not accept Housing Choice Vouchers.

Cardinal Glen, continued

Trend Report

Vacancy Rates

1Q20	1Q21	2Q22	1Q25
1.6%	1.6%	3.1%	20.3%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	1	0.0%	\$650	\$0	\$650	\$720
2021	1	0.0%	\$725	\$0	\$725	\$795
2022	2	6.2%	\$810	\$0	\$810	\$880
2025	1	N/A	\$949	\$0	\$949	\$1,019

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	1	3.1%	\$750	\$0	\$750	\$850
2021	1	3.1%	\$825	\$0	\$825	\$925
2022	2	3.1%	\$905	\$0	\$905	\$1,005
2025	1	N/A	\$999	\$0	\$999	\$1,099

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	1	0.0%	\$875	\$0	\$875	\$1,014
2021	1	0.0%	\$995	\$0	\$995	\$1,134
2022	2	0.0%	\$1,090	\$0	\$1,090	\$1,229
2025	1	N/A	\$1,249	\$0	\$1,249	\$1,388

Trend: Comments

1Q20	The property is no longer operating under LIHTC restrictions as of January 2020. However, former LIHTC qualified tenants have up to two years to remain at the property under the former restricted rent levels. Thus far there have been only a couple of each unit type leased at the new market rate rent levels.
1Q21	The property manager reported a strong demand for rental housing in the area. During the COVID-19 pandemic, a few residents have been unable to pay their rent on time. However, payment plans are in place for the delinquent tenants. Further, the property manager reported an increase in the amount of traffic and inquiries on units recently.
2Q22	The contact reported there are two vacancies on the property, one two-bedroom unit and one one-bedroom unit. The contact was unable to report how many senior tenants lived on property. The property manager reported a strong demand for rental housing in the area.
1Q25	The contact could not provide a reason for the elevated vacancy. The property does not accept Housing Choice Vouchers.

Photos



PROPERTY PROFILE REPORT

Foxfield Apartments

Effective Rent Date	3/11/2025
Location	400 North Emerald Road Greenwood, SC 29646 Greenwood County
Distance	2.1 miles
Units	112
Vacant Units	7
Vacancy Rate	6.2%
Type	Garden (2 stories)
Year Built/Renovated	1990/1995 / 2024
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy
Contact Name	Christy
Phone	864-942-8890



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	Increased 2% since 202024
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1	Garden (2 stories)	56	830	\$1,095	\$0	Market	No	1	1.8%	N/A	HIGH*
2	1	Garden (2 stories)	56	830	\$905	\$0	Market	No	6	10.7%	N/A	LOW*

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1BA	\$905 - \$1,095	\$0	\$905 - \$1,095	\$0	\$905 - \$1,095

Amenities

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

Comments

The property is renovating units as they turn over. The "high" rents listed in the profile indicate renovated units, while the "low" rents indicate units that have not been renovated. Renovations include new paint, appliances, fixtures, and carpeting throughout the unit. The contact noted the elevated vacancy rate is due to the property holding units vacant for pending or ongoing renovations. The contact noted that internet is included in the rent. The contact was unable to comment on the property's annual turnover rate or use of Housing Choice Vouchers.

Foxfield Apartments, continued

Trend Report

Vacancy Rates

1Q15	1Q16	2Q24	1Q25
0.0%	0.0%	0.0%	6.2%

Trend: Market

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$589	\$0	\$589	\$589
2016	1	0.0%	\$609	\$0	\$609	\$609
2024	2	0.0%	\$895 - \$1,069	\$0	\$895 - \$1,069	\$895 - \$1,069
2025	1	6.2%	\$905 - \$1,095	\$0	\$905 - \$1,095	\$905 - \$1,095

Trend: Comments

1Q15	None.
1Q16	The contact was unable to provide updated turnover rate.
2Q24	The property is renovating units as they turn over. The "high" rents listed in the profile indicate renovated units, while the "low" rents indicate units that have not been renovated. Renovations include new paint, appliances, fixtures, and carpeting throughout the unit. The contact noted that internet is included in the rent. The contact was unable to comment on the property's annual turnover rate or use of Housing Choice Vouchers.
1Q25	The property is renovating units as they turn over. The "high" rents listed in the profile indicate renovated units, while the "low" rents indicate units that have not been renovated. Renovations include new paint, appliances, fixtures, and carpeting throughout the unit. The contact noted the elevated vacancy rate is due to the property holding units vacant for pending or ongoing renovations. The contact noted that internet is included in the rent. The contact was unable to comment on the property's annual turnover rate or use of Housing Choice Vouchers.

Photos



PROPERTY PROFILE REPORT

Huntington Apartments

Effective Rent Date	3/21/2025
Location	1814 Bypass 72 NE Greenwood, SC 29649 Greenwood County
Distance	4.3 miles
Units	92
Vacant Units	1
Vacancy Rate	1.1%
Type	Various (2 stories)
Year Built/Renovated	1981 / 2018
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy
Contact Name	Kim
Phone	864-649-9076



Market Information

Program	Market
Annual Turnover Rate	13%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Incr. 0-44% since 2Q2024
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	550	\$875	\$0	Market	No	0	N/A	N/A	None
2	1.5	Townhouse (2 stories)	N/A	915	\$975	\$0	Market	No	1	N/A	N/A	None
3	2	Townhouse (2 stories)	N/A	1,100	\$1,095	\$0	Market	No	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$875	\$0	\$875	\$0	\$875
2BR / 1.5BA	\$975	\$0	\$975	\$0	\$975
3BR / 2BA	\$1,095	\$0	\$1,095	\$0	\$1,095

Huntington Apartments, continued

Amenities

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

Comments

High-speed internet is included in the rent. The property does not accept Housing Choice Vouchers.

Huntington Apartments, continued

Trend Report

Vacancy Rates

2021	2022	2024	1Q25
2.2%	2.2%	2.2%	1.1%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	2	N/A	\$755	\$0	\$755	\$755
2022	2	N/A	\$815	\$0	\$815	\$815
2024	2	N/A	\$609	\$0	\$609	\$609
2025	1	N/A	\$875	\$0	\$875	\$875

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	2	N/A	\$839	\$0	\$839	\$839
2022	2	N/A	\$959	\$0	\$959	\$959
2024	2	N/A	\$829	\$0	\$829	\$829
2025	1	N/A	\$975	\$0	\$975	\$975

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	2	N/A	\$899	\$0	\$899	\$899
2022	2	N/A	\$1,139	\$0	\$1,139	\$1,139
2024	2	N/A	\$1,095	\$0	\$1,095	\$1,095
2025	1	N/A	\$1,095	\$0	\$1,095	\$1,095

Trend: Comments

2021	The property has renovated select units upon turnover, with the scope generally including new bathrooms and kitchens, new flooring, and new appliances. However, the contact was unable to provide the number of renovated units. Renovated units rent for a premium of \$125 to \$185 compared to non-renovated units. The rents in the property profile reflect renovated units. During the COVID-19 pandemic, a few residents have been unable to pay their rent on time. However, payment plans are in place for the delinquent tenants. Further, the property manager reported demand for rental housing in the area was high.
2022	The contact reported that the property does not accept Housing Choice Vouchers. The property began renovations in 2018, as units became available. Scope of renovations include new bathrooms and kitchens, new flooring, and new appliances. Renovated units rent for a premium of \$125 to \$185 compared to non-renovated units. The rents in the property profile reflect renovated units. The contact reported that the property offers a basic internet package which is included in the rent.
2024	The contact reported that the property offers a basic internet package which is included in the rent. The property does not accept Housing Choice Vouchers.
1Q25	High-speed internet is included in the rent. The property does not accept Housing Choice Vouchers.

Photos



PROPERTY PROFILE REPORT

University Commons

Effective Rent Date	3/14/2025
Location	1010 Grace St. Greenwood, SC 29649 Greenwood County
Distance	4.2 miles
Units	106
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	1977 / 2009
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Georgetown Apartments
Tenant Characteristics	Mixture of families, students, singles, and elderly
Contact Name	Erlene
Phone	864-229-3044



Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Within two weeks
Annual Chg. in Rent	None reported
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	4	718	\$850	\$0	Market	None	0	0.0%	N/A	HIGH*
1	1	Garden (2 stories)	4	718	\$705	\$0	Market	None	0	0.0%	N/A	LOW*
2	1.5	Garden (2 stories)	29	900	\$950	\$0	Market	None	0	0.0%	N/A	HIGH*
2	1.5	Garden (2 stories)	29	900	\$850	\$0	Market	None	0	0.0%	N/A	LOW*
3	1.5	Garden (2 stories)	20	1,150	\$1,050	\$0	Market	None	0	0.0%	N/A	HIGH*
3	1.5	Garden (2 stories)	20	1,150	\$950	\$0	Market	None	0	0.0%	N/A	LOW*

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$705 - \$850	\$0	\$705 - \$850	\$0	\$705 - \$850
2BR / 1.5BA	\$850 - \$950	\$0	\$850 - \$950	\$0	\$850 - \$950
3BR / 1.5BA	\$950 - \$1,050	\$0	\$950 - \$1,050	\$0	\$950 - \$1,050

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Fireplace	Garbage Disposal		
Microwave	Oven		
Refrigerator	Vinyl Plank Flooring		
Washer/Dryer hookup			
Property		Premium	Other
Clubhouse/Meeting Room/Community	Exercise Facility	None	None
Central Laundry	Off-Street Parking		
On-Site Management	Recreation Areas		
Sport Court	Swimming Pool		

Comments

The "high" rents listed in the profile indicate renovated units, while the "low" rents indicate units that have not been renovated. Renovations include new countertops, cabinets, and appliances. The contact reported that the property does not accept Housing Choice Vouchers. The contact noted the high turnover is due to many of the tenants being students. The contact reported that the property does not accept Housing Choice Vouchers.

Trend Report

Vacancy Rates

2Q19	4Q19	2Q24	1Q25
2.8%	0.9%	1.9%	0.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	2	12.5%	\$600	\$0	\$600	\$600
2019	4	0.0%	\$625	\$0	\$625	\$625
2024	2	0.0%	\$705 - \$850	\$0	\$705 - \$850	\$705 - \$850
2025	1	0.0%	\$705 - \$850	\$0	\$705 - \$850	\$705 - \$850

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	2	3.4%	\$699	\$0	\$699	\$699
2019	4	1.7%	\$700	\$0	\$700	\$700
2024	2	3.4%	\$800 - \$950	\$0	\$800 - \$950	\$800 - \$950
2025	1	0.0%	\$850 - \$950	\$0	\$850 - \$950	\$850 - \$950

3BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	2	0.0%	\$765	\$0	\$765	\$765
2019	4	0.0%	\$785	\$0	\$785	\$785
2024	2	0.0%	\$900 - \$1,050	\$0	\$900 - \$1,050	\$900 - \$1,050
2025	1	0.0%	\$950 - \$1,050	\$0	\$950 - \$1,050	\$950 - \$1,050

Trend: Comments

2Q19	N/A
4Q19	University commons is not restricted to students, however, many tenants are students of Lander University.
2Q24	The property is not restricted to students; however, many tenants are students of Lander University. The "high" rents listed in the profile indicate renovated units, while the "low" rents indicate units that have not been renovated. Renovations include new countertops, cabinets, and appliances. The contact reported that the property does not accept Housing Choice Vouchers.
1Q25	The "high" rents listed in the profile indicate renovated units, while the "low" rents indicate units that have not been renovated. Renovations include new countertops, cabinets, and appliances. The contact reported that the property does not accept Housing Choice Vouchers. The contact noted the high turnover is due to many of the tenants being students. The contact reported that the property does not accept Housing Choice Vouchers.

Photos



PROPERTY PROFILE REPORT

Winter Ridge Apartments

Effective Rent Date	3/13/2025
Location	102 Winter Way Greenwood, SC 29649 Greenwood County
Distance	3.9 miles
Units	196
Vacant Units	1
Vacancy Rate	0.5%
Type	Garden (2 stories)
Year Built/Renovated	2007 / N/A
Marketing Began	N/A
Leasing Began	6/03/2006
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy; 50 percent students, 40 percent families, and approximately 10 percent seniors
Contact Name	Ashley
Phone	864-610-5288



Market Information

Program	Market
Annual Turnover Rate	5%
Units/Month Absorbed	32
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased up to 9%
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	665	\$965	\$0	Market	Yes	1	N/A	N/A	None
2	2	Garden (2 stories)	N/A	985	\$1,100	\$0	Market	Yes	0	N/A	N/A	None
2	2	Garden (2 stories)	N/A	990	\$1,135	\$0	Market	Yes	0	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,000	\$1,145	\$0	Market	Yes	0	N/A	N/A	None
3	2	Garden (2 stories)	N/A	1,180	\$1,330	\$0	Market	Yes	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$965	\$0	\$965	\$70	\$1,035
2BR / 2BA	\$1,100 - \$1,145	\$0	\$1,100 - \$1,145	\$100	\$1,200 - \$1,245
3BR / 2BA	\$1,330	\$0	\$1,330	\$139	\$1,469

Winter Ridge Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Patrol	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Exterior Storage	Ceiling Fan		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Vinyl Plank Flooring	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Off-Street Parking	On-Site Management	None	None

Comments

The property does not accept Housing Choice Vouchers.

Winter Ridge Apartments, continued

Trend Report

Vacancy Rates

1Q21	2Q22	2Q24	1Q25
0.0%	0.0%	1.0%	0.5%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	1	0.0%	\$730	\$0	\$730	\$800
2022	2	0.0%	\$775	\$0	\$775	\$845
2024	2	N/A	\$905	\$0	\$905	\$975
2025	1	N/A	\$965	\$0	\$965	\$1,035

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	1	0.0%	\$855 - \$895	\$0	\$855 - \$895	\$955 - \$995
2022	2	0.0%	\$885 - \$950	\$0	\$885 - \$950	\$985 - \$1,050
2024	2	N/A	\$1,035 - \$1,085	\$0	\$1,035 - \$1,085	\$1,135 - \$1,185
2025	1	N/A	\$1,100 - \$1,145	\$0	\$1,100 - \$1,145	\$1,200 - \$1,245

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2021	1	0.0%	\$1,125	\$0	\$1,125	\$1,264
2022	2	0.0%	\$1,300	\$0	\$1,300	\$1,439
2024	2	N/A	\$1,305	\$109	\$1,196	\$1,335
2025	1	N/A	\$1,330	\$0	\$1,330	\$1,469

Trend: Comments

1Q21	According to the property manager, the property has experienced no significant impact from the COVID-19 pandemic. Further, the contact stated demand for rental housing in the area is high.
2Q22	The contact confirmed the property has approximately ten percent senior tenant occupancy. The contact also stated the property does not accept Housing Choice Vouchers. Further, the contact stated demand for affordable rental housing in the area is high.
2Q24	The base rents are shown in the profile; rents range based on condition, location, and floor level. The contact stated demand for housing in the area is strong. The property does not accept Housing Choice Vouchers. Exterior balcony storage is included in the rent.
1Q25	The property does not accept Housing Choice Vouchers.

Photos



PROPERTY CHARACTERISTICS

Following are relevant characteristics of the comparable properties surveyed:

Location

The following table compares the Subject's location to the comparable locations.

#	Property Name	Program	Distance Subject	Household Income	Median Home Value	Median Rent	Crime Index	Walk Score	Vacant Housing	% Renter HH
S	Swann Meadows Apartments	LIHTC/USDA		\$43,829	\$163,388	\$666	131	0	10.6%	23.4%
1	Clinton Green Apartments*	LIHTC	22.4 miles	\$59,782	\$169,031	\$571	81	49	13.5%	27.0%
2	Liberty Village	LIHTC	6.1 miles	\$67,518	\$214,690	\$829	144	34	8.3%	40.3%
3	Oakmont Place	LIHTC	4.7 miles	\$51,681	\$214,690	\$829	115	1	9.0%	30.0%
4	Sterling Ridge	LIHTC	6.0 miles	\$67,518	\$214,690	\$829	144	41	8.3%	40.3%
5	The Gardens At Parkway	LIHTC	5.0 miles	\$46,710	\$163,388	\$666	143	1	8.3%	30.6%
6	Foxfield Apartments	Market	2.1 miles	\$33,071	\$163,388	\$666	154	19	11.8%	36.5%
7	Huntington Apartments	Market	4.3 miles	\$64,032	\$214,690	\$829	128	38	9.4%	31.9%
8	University Commons	Market	4.2 miles	\$64,032	\$214,690	\$829	128	31	9.7%	29.2%
9	Winter Ridge Apartments	Market	3.9 miles	\$46,942	\$214,690	\$829	125	21	9.5%	32.4%

*Located outside PMA

The Subject is located in the eastern portion of Greenwood in a neighborhood consisting primarily of single-family and mobile homes, agricultural uses, light industrial uses, government offices, and commercial/retail uses, as well as vacant, heavily wooded, undeveloped land.

The LIHTC comparables are located between 4.7 and 22.4 miles from the Subject. One of the LIHTC comparables is located in Clinton, while the remaining four are all located in Greenwood. According to the 2023 Census estimates, Clinton contains approximately 7,714 residents, which equates to approximately 34 percent of the population of Greenwood, with approximately 22,498 residents. Clinton Green Apartments is located in Clinton, in a neighborhood with generally similar demographics relative to the Subject's location. However, Clinton Green Apartments is considered to offer inferior access to desirable amenities and employment opportunities relative to the Subject's location. Overall, Clinton Green Apartments is considered to be located in a slightly inferior neighborhood relative to the Subject's location. The Gardens At Parkway is located in a neighborhood with similar demographics relative to the Subject's location, while the remaining three comparables, Liberty Village, Oakmont Place, and Sterling Ridge, are located in neighborhoods with generally superior demographics relative to the Subject's location. Oakmont Place and The Gardens At Parkway offer similar walkability relative to the Subject's location, while the remaining LIHTC comparable offer slightly superior walkability; however, none of these locations are considered walkable. Liberty Village and Sterling Ridge are all located in closer proximity to downtown Greenwood, offering slightly superior access to desirable amenities and employment centers relative to the Subject's location. Overall, Liberty Village and Sterling Ridge are considered to be located in slightly superior neighborhoods, while The Gardens At Parkway and Oakmont Place are considered to be located in similar neighborhoods relative to the Subject's location.

The market rate comparables are located between 2.1 and 4.3 miles from the Subject. Foxfield Apartments is located in a neighborhood with generally similar demographics, as well as similar access to desirable amenities and employment opportunities relative to the Subject's location. Overall, Foxfield Apartments is considered to be located in a similar neighborhood relative to the Subject's location. Huntington Apartments, University Commons, and Winter Ridge Apartments are located in neighborhoods in closer proximity to downtown Greenwood, in neighborhoods with slightly superior demographics and access to desirable amenities and employment opportunities relative to the Subject's location. Overall, Huntington Apartments, University Commons, and Winter Ridge Apartments are considered to be located in slightly superior neighborhoods relative to the Subject's location.

Age, Condition, and Design

The Subject was originally constructed in 1980, renovated in 2002, and currently exhibits average condition.

The affordable comparables were built between 2003 and 2015. Clinton Green Apartments, Sterling Ridge, Oakmont Place, and Liberty Village were constructed between 2010 and 2015 and exhibit good condition, slightly superior relative to the Subject. The Gardens At Parkway was constructed in 2003 and exhibits average condition, similar relative to the Subject. The market rate comparables were built between 1977 and 2007, three of which reported subsequent renovations in 2024 (Foxfield Apartments), 2018 (Huntington Apartments), and 2009 (University Commons). Huntington Apartments and University Commons exhibit average condition, similar relative to the Subject, while Foxfield Apartments and Winter Ridge Apartments exhibit good condition, slightly superior relative to the Subject.

The Subject offers a two-story garden-style design, similar to the majority of comparables, which offer two and three-story garden-style designs. Huntington Apartments offers a two-story garden-style design, as well as a townhouse-style design, which is considered slightly superior to Subject's garden-style design.

Amenities

AMENITY MATRIX

	Swann Meadows Apartments	Clinton Green Apartments	Liberty Village	Oakmont Place	Sterling Ridge	The Gardens At Parkway	Foxfield Apartments	Huntington Apartments	University Commons	Winter Ridge Apartments
Program	LIHTC/USDA	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market
Tenancy	Family	Family	Family	Family	Family	Family	Family	Family	Family	Family
Building										
Property Type	Garden	Garden	Garden	Garden	Garden	Garden	Garden	Various	Garden	Garden
# Stories	2	2	2	2	2	2	2	2	2	2
Year Built	1980	2010	2015	2013	2013	2003	1995	1981	1977	2007
Year Renovated	2002	-	-	-	-	-	2024	2018	2009	-
Elevators	no	no	no	no	no	yes	no	no	no	no
Utility Structure										
Heat	no	no	no	no	no	no	no	no	no	no
Cooking	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no
Air Conditioning	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no
Water	yes	no	no	yes	no	yes	yes	yes	yes	no
Sewer	yes	no	no	yes	no	yes	yes	yes	yes	no
Trash	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Unit										
Balcony	no	yes	yes	no	yes	yes	no	no	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite	no	no	no	no	no	no	yes	yes	no	no
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	no	yes	yes	yes	yes	yes	no	no	no	yes
Central/AC	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	no	no	no	no	no	no	no	yes
Fireplace	no	no	no	no	no	no	no	no	yes	no
Vinyl Plank Flooring	yes	yes	no	no	no	no	no	no	yes	yes
Walk-In-Closet	yes	no	no	no	no	yes	no	no	no	yes
W/D Hookups	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Kitchen										
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Microwave	no	no	yes	yes	yes	no	no	no	yes	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Community										
Business Center	no	yes	yes	yes	yes	no	no	no	no	no
Central Laundry	no	yes	yes	yes	yes	yes	no	yes	yes	no
Clubhouse	no	yes	yes	yes	yes	yes	no	no	yes	no
On-Site Mgmt	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Recreation										
Basketball Court	yes	no	no	no	no	no	no	no	no	no
Exercise Facility	no	no	yes	yes	yes	no	no	no	yes	no
Picnic Area	no	yes	yes	yes	yes	no	no	no	no	no
Playground	yes	yes	yes	yes	yes	yes	no	yes	no	no
Recreational Area	no	no	yes	yes	yes	no	no	no	yes	no
Sport Court	no	no	no	no	no	no	no	no	yes	no
Swimming Pool	no	no	no	no	no	no	yes	yes	yes	no
Security										
Intercom (Buzzer)	no	no	no	no	no	yes	no	no	no	no
Limited Access	no	no	no	no	no	yes	no	no	no	no
Patrol	no	no	no	no	no	no	no	no	no	yes
Video Surveillance	no	no	yes	no	no	no	no	no	no	no
Parking										
Surface	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes

The Subject's unit amenities include blinds, central air conditioning, carpet, walk-in closets, and vinyl plank flooring. Appliances include refrigerators, ranges/ovens, and washer/dryer hookups, as well as dishwashers in some units. Additionally, accessible units feature grab bars, pull cords, and hand rails. The surveyed comparables offer slightly superior unit amenities relative to the Subject, as many offer balconies/patios, ceiling fans, coat closets, garbage disposals, and microwaves, though some comparables do not offer vinyl plank flooring or walk-in closets.

The Subject's common area amenities include a sport court, on-site management, and a playground. The surveyed comparables offer similar to superior property amenities relative to the Subject, as many offer exercise facilities, business centers, picnic areas, and swimming pools, though most do not offer a basketball court, and some do not offer a playground.

The Subject offers 102 off-street parking spaces, or 1.82 spaces per unit, for no additional fee. All of the comparables offer off-street parking included in the monthly rent. The Subject's parking is considered similar to the comparables as all offer only off-street parking included in rent.

According to ESRI Demographic data, crime risk indices in the Subject's location are above the national averages and those of the SMA. The Subject does not offer any security features, similar to six of the comparables. The remaining three comparables reported offering some sort of security feature. We believe the Subject to be similar to slightly inferior to the comparables in terms of security features.

Unit Size

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

UNIT SIZE COMPARISON	
Bedroom Type	2BR
Subject	779
Average	966
Min	830
Max	1,100
Advantage/Disadvantage	-19.4%

The Subject's two-bedroom unit sizes are just below the range of the surveyed comparable unit sizes. The Subject's two-bedroom unit sizes are 19.4 percent smaller than the surveyed average among the comparables. We have considered the Subject's unit sizes in determining our achievable market rents.

MARKET CHARACTERISTICS

Following are relevant market characteristics for the comparable properties surveyed.

Turnover

The following table illustrates reported turnover for the comparable properties.

TURNOVER			
Property Name	Program	Tenancy	Annual Turnover
Clinton Green Apartments*	LIHTC	Family	3%
Liberty Village	LIHTC	Family	3%
Oakmont Place	LIHTC	Family	15%
Sterling Ridge	LIHTC	Family	3%
The Gardens At Parkway	LIHTC	Family	25%
Foxfield Apartments	Market	Family	N/A
Huntington Apartments	Market	Family	13%
University Commons	Market	Family	25%
Winter Ridge Apartments	Market	Family	5%
Average Turnover			12%

*Located outside PMA

The comparable properties reported turnover ranging between three and 25 percent, with an overall average of 12 percent. The LIHTC comparables operate with an average turnover rate of ten percent, which is below the 14 percent average reported by the market rate properties. Historical turnover for the Subject was unavailable. Based on the performance of the LIHTC comparables, we expect the Subject will operate with a turnover rate of approximately 10 percent.

Vacancy Levels

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

OVERALL VACANCY					
Property Name	Program	Tenancy	Total Units	Vacant Units	Vacancy %
Clinton Green Apartments*	LIHTC	Family	40	0	0.0%
Liberty Village	LIHTC	Family	36	0	0.0%
Oakmont Place	LIHTC	Family	56	0	0.0%
Sterling Ridge	LIHTC	Family	39	0	0.0%
The Gardens At Parkway	LIHTC	Family	48	0	0.0%
Foxfield Apartments	Market	Family	112	7	6.2%
Huntington Apartments	Market	Family	92	1	1.1%
University Commons	Market	Family	106	0	0.0%
Winter Ridge Apartments	Market	Family	196	1	0.5%
LIHTC Total			219	0	0.0%
Market Total			506	9	1.8%
Overall Total			725	9	1.2%

*Located outside PMA

The comparable properties reported vacancy rates ranging from zero to 6.2 percent, with an overall weighted average of 1.2 percent. Managers at all five of the LIHTC properties reported being fully occupied, which is indicative of supply-constrained conditions. With the exception of Foxfield Apartments, the market rate properties reported vacancy rates of 1.1 percent or less. Management at Foxfield Apartments, which reported a vacancy rate of 6.2 percent, reported that property is currently holding units vacant for pending or ongoing renovations.

According to the rent roll, dated March 10, 2025, the Subject was 96.4 percent occupied, with two vacant units. According to historical financial statements, the Subject's annual vacancy and collection loss was 12.0 and 9.6 percent in 2022 and 2023, respectively. Historical financials for 2024 were unavailable. According to information from the Subject's property manager, a high historic employee turnover in maintenance positions resulted in higher vacancy rates in 2022 and 2023 than the property had normally experienced. The Subject maintains a waiting list of an undetermined length. Based on the performance of the comparables, as well as the Subject historical performance, we expect the Subject would operate with vacancy and collection loss of seven percent assuming unrestricted operations. We have concluded to vacancy and collection loss in line with the approved USDA budgets, which equates to a vacancy and collection loss of approximately 7.00 percent under the restricted scenario.

Concessions

None of the comparable properties reported offering concessions. Given the lack of concessions offered in the market, we do not believe that the Subject would need to offer concessions to be competitive both as restricted and hypothetically unrestricted.

Projected Absorption Period

We analyzed absorption information from one of the comparables. Given the lack of new development and availability of absorption data in Greenwood, we also obtained absorption information for several new properties located within 50 miles of the Subject, as detailed in the following table.

ABSORPTION							
Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)	Distance to Subject
Parkside At Butler I	LIHTC	Family	Mauldin	2023	72	12	43.1 miles
Palisades At Langley Pond	Market	Family	Graniteville	2023	270	34	48.1 miles
Avvio & Prossimo At Bridgeway Station	Market	Family	Simpsonville	2023	190	13	42.3 miles
Evolve At Homestead	Market	Family	Greenville	2023	240	21	44.1 miles
The Aster	Market	Family	Mauldin	2021	330	34	42.9 miles
The Vista Apartments And Townhomes	Market	Family	Warrenville	2021	299	18	48.9 miles
Village At Dupont Landing	LIHTC	Senior	Aiken	2020	46	23	48.6 miles
Pleasantburg Senior	LIHTC	Senior	Greenville	2020	38	38	46.6 miles
Aldon At Keys Crossing	Market	Family	Greenville	2020	241	29	46.1 miles
Legacy Haywood	Market	Family	Greenville	2020	244	28	46.6 miles
The Pointe At Lake Murray	LIHTC	Family	Irmo	2019	60	12	49.6 miles
Cypress Mill	LIHTC	Family	Ninety Six	2018	36	18	4.3 miles
Liberty Village*	LIHTC	Family	Greenwood	2015	36	12	6.1 miles
Average Affordable					48	19	
Average Market					259	25	
Overall Average					162	22	

*Comparable Property

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. The affordable properties detailed above reported absorption rates ranging from 12 to 38 units per month, with an average of 19 units per month. The two properties located in Greenwood or Ninety Six reported absorption rates of 12 and 18 units per month, with an average of 15 units per month. Overall, we have concluded to an absorption rate of approximately 15 units per month. This equates to an absorption period of approximately four months to reach a stabilized occupancy rate of 95 percent, or higher. As of the rent roll, dated March 10, 2025, the Subject was 96.4 percent occupied, with two vacant units.

Reasonability of Rents

The following table outlines the Subject's current basic and note rents from the approved rent notice provided by the client and effective as of January 1, 2025. As the Subject qualifies as a rural area under the 2008

Housing Act, the Subject's LIHTC rents are bound by the national non-metropolitan maximum allowable rents, which are higher than the Greenwood County LIHTC limits.

CURRENT RENTS AND UNIT MIX

Unit Type	Unit Size (SF)	# of Units	USDA Basic Rent (1)	Utility Allowance (1)	Gross Rent	2024 National Non-Metro LIHTC Maximum Allowable Gross Rent**	Note Rent (1)
@50%/USDA (Rental Assistance)*							
2BR/1.5BA	779	6	\$853	\$97	\$950	\$871	\$929
@60%/USDA (Rental Assistance)*							
2BR/1.5BA	779	44	\$853	\$97	\$950	\$1,045	\$929
@60%/USDA							
2BR/1.5BA	779	6	\$853	\$97	\$950	\$1,045	\$929
Total		56					

(1) Based on the approved rent notice provided by the client and effective as of January 1, 2025

*Tenants contribute 30 percent of their income towards rent

Achievable Market Rents As Is (Comparable Rents for Comparable Units)

The achievable market rents were determined by comparing the aesthetic quality, amenities, unit sizes, etc. to that of the market rate projects in the area. Novogradac concluded that the Subject will be competitive with the market rate competition; as such, achievable rents are within the market rental range. The following illustrates the RCS grids utilized to determine the Subject's achievable market rents, as is.

Rent Comparability Grid **Unit Type: 2BR/1BA - Garden - 779 sf - As Is** **Subject FHA#: -**

Rent Comparability Grid **Unit Type: 2BR/1BA - Garden - 779 sf - As Is** **Subject FHA#: -**

Rent Comparability Grid **Unit Type: 2BR/1BA - Garden - 779 sf - As Is** **Subject FHA#: -**

Subject		Comparable #6		Comparable #7		Comparable #8		Comparable #9		
	Swann Meadows Apartments	Data	Foxfield Apartments	Huntington Apartments		University Commons		Winter Ridge Apartments		
	1091 Parkland Place Road	on	400 North Emerald Road	1814 Bypass 72 NE		1010 Grace St.		102 Winter Way		
	Greenwood, Greenwood County, SC	Subject	Greenwood, Greenwood County, SC	Greenwood, Greenwood County, SC		Greenwood, Greenwood County, SC		Greenwood, Greenwood County, SC		
A.	Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?		\$1,095	N	\$975	N	\$950	N	\$1,100	N
2	Date Last Leased (mo/yr)		Mar-25		Mar-25		Mar-25		Mar-25	
3	Rent Concessions		N		N		N		N	
4	Occupancy for Unit Type		98%		99%		100%		99%	
5	Effective Rent & Rent/ sq. ft		\$1,095	\$1.32	\$975	\$1.07	\$950	\$1.06	\$1,100	\$1.12
B.	Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	G / 2	G / 2		T / 2	(\$5)	G / 2		G / 2	
7	Yr. Built / Yr. Renovated	1980 / 2002	1995 / 2024		1981 / 2018		1977 / 2009		2007	
8	Condition / Street Appeal	A	G	(\$220)	A		A		G	(\$220)
9	Neighborhood	A	A		G	(\$30)	G	(\$30)	G	(\$30)
10	Same Market? Miles to Subj.		Y/2.1		Y/4.3		Y/4.2		Y/3.9	
C.	Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2.0	2.0		2.0		2.0		2.0	
12	# Bathrooms	1.0	1.0		1.5	(\$15)	1.5	(\$15)	2.0	(\$30)
13	Unit Interior Sq. Ft.	779	830	(\$13)	915	(\$29)	900	(\$26)	985	(\$46)
14	Balcony / Patio	N	N		N		Y	(\$10)	Y	(\$10)
15	AC: Central / Wall	C	C		C		C		C	
16	Range / Refrigerator	R / F	R / F		R / F		R / F		R / F	
17	Microwave / Dishwasher	D	D		D		M / D		M / D	
18	Washer / Dryer	HU	HU		L / HU	(\$5)	L / HU	(\$5)	HU	
19	Floor Coverings	C / V	C		C		C / V		C / V	
20	Window Coverings	B	B		B		B		B	
21	Cable / Satellite / Internet	N	Y	(\$5)	Y	(\$5)	N		N	
22	Special Features	WIC	GD		GD		GD / F	(\$5)	CF / GD / WIC	(\$10)
D.	Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	L	L		L		L		L	
25	Extra Storage	N	N		N		N		Y (\$0)	(\$5)
26	Security	N	N		N		N		Y	(\$5)
27	Clubhouse / Meeting Rooms	N	N		N		MR	(\$10)	N	
28	Pool / Recreation Areas	RR	P		P / R	(\$5)	P / E / RR	(\$15)	N	\$10
29	Business Ctr / Nbhd Network	N	N		N		N		N	
30	Service Coordination	N	N		N		N		N	
31	Non-shelter Services	N	N		N		N		N	
32	Neighborhood Networks	N	N		N		N		N	
E.	Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent? / type)	N / E	N / E		N / E		N / E		N / E	
34	Cooling (in rent? / type)	N / C	N / C		N / C		N / C		N / C	
35	Cooking (in rent? / type)	N / E	N / E		N / E		N / E		N / E	
36	Hot water (in rent? / type)	N / E	N / G		N / E		N / E		N / E	
37	Other Electric	N	N		N		N		N	
38	Cold Water / Sewer	Y / Y	Y / Y		Y / Y		Y / Y		N / N	\$100
39	Trash / Recycling	Y	Y		Y		Y		Y	
F.	Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D		0	(3)	0	(7)	0	(8)	1	(8)
41	Sum Adjustments B to D			(\$238)		(\$94)		(\$116)	\$10	(\$356)
42	Sum Utility Adjustments								\$100	
			Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net / Gross Adjustments B to E		(\$238)	\$238	(\$94)	\$94	(\$116)	\$116	(\$246)	\$466
G.	Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5 + 43)		\$857		\$881		\$834		\$854	
45	Adj Rent / Last rent			78%		90%		88%		78%
46	Estimated Market Rent	\$855	\$1.10 Estimated Market Rent / Sq. Ft							

SUBJECT COMPARISON TO MARKET RENTS – AS IS AFTER ADJUSTMENT

Unit Type	Rent Level	Square Feet	Adjusted Min	Adjusted Max	Adjusted Average	Achievable Market Rent – As Is
2BR/1BA	@50%/USDA (RA)	779	\$834	\$881	\$857	\$855
2BR/1BA	@60%/USDA (RA)	779	\$834	\$881	\$857	\$855
2BR/1BA	@60%/USDA	779	\$834	\$881	\$857	\$855

The following is our explanation of our determination for market rents.

Two-Bedroom – As Is

The following table summarizes the adjusted rents for the Subject's two-bedroom unit analysis.

2BR/1BA - GARDEN - 779 SF							
#6		#7		#8		#9	
Foxfield Apartments		Huntington Apartments		University Commons		Winter Ridge Apartments	
Greenwood, SC		Greenwood, SC		Greenwood, SC		Greenwood, SC	
Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
\$857		\$881		\$834		\$854	
	78%		90%		88%		78%

The adjusted rents among the four comparables ranged from \$834 to \$881, with an average of \$857 and median of \$856. We placed the most reliance on University Commons and Huntington Apartments, as these properties received the least percentage, gross, and net adjustments. Overall, we determined the Subject's two-bedroom achievable market rent (as is) to be \$855. Our conclusion is within the range of the comparables and similar to the average and median adjusted rent.

We used the achievable market rents in the hypothetical unrestricted valuation.

VI. HIGHEST AND BEST USE

HIGHEST AND BEST USE

According to the Appraisal Institute, The Dictionary of Real Estate Appraisal, Seventh Edition. (Chicago: Appraisal Institute, 2022), the Highest and Best Use is defined as: "The reasonably probable and legal use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity."

Investors continually attempt to maximize profits on invested capital. The observations of investor activities in the area are an indication of that use which can be expected to produce the highest value. The principle of conformity holds, in part, that conformity in use is usually a highly desirable adjunct of real property, since it generally helps create and/or maintains maximum value.

It is to be recognized that in cases where a site has existing improvements on it, the highest and best use may be determined to be different from the existing use. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use. Implied in this definition is that the determination of highest and best use takes into account the contribution of a specific use to the community and community development goals as well as the benefits of that use to individual property owners. The principle of Highest and Best Use may be applied to the site if vacant and to the site as it is improved.

The Highest and Best Use determination is a function of neighborhood land use trends, property size, shape, zoning, and other physical factors, as well as the market environment in which the property must compete. Four tests are typically used to determine the highest and best use of a particular property. Thus, the following areas are addressed.

- 1. Physically Possible:** The uses to which it is physically possible to put on the site in question.
- 2. Legally Permissible:** The uses that are permitted by zoning and deed restrictions on the site in question.
- 3. Feasible Use:** The possible and permissible uses that will produce any net return to the owner of the site.
- 4. Maximally Productive:** Among the feasible uses, the use that will produce the highest net return or the highest present worth.

HIGHEST AND BEST USE AS IF VACANT

Physically Possible

The Subject site is 8.0 acres, or 348,480 square feet, in size. The site is comprised of an irregularly shaped parcel that exhibits level topography. The site has good accessibility and visibility and is not located in a flood plain. The site is considered adequate for a variety of legally permissible uses.

Legally Permissible

The Subject site is encumbered by a LIHTC land use restriction agreement (LURA). According to the Greenwood County Planning Department, the Subject site is zoned PDD (Planned Development District). This zoning district permits single-family, two-family, and multifamily residential uses, as well as mobile homes, courts, parks, various commercial uses, and several light industrial uses. Developments in this district are approved on a case-by-case basis, and there is not a set maximum allowable density requirement for multifamily developments. Given the physical characteristics and the zoning of the Subject site, multifamily use is most likely. The site is also encumbered by an existing LURA that restricts the site to 56 affordable multifamily units.

The comparable land sales have densities of 5.1 to 8.4 units per acre, with an average of 6.7 units per acre. The following table illustrates the closest and most recently built density comparables we were able to identify in the Subject's area.

NEARBY MULTIFAMILY DENSITIES

Name	Type	Year Built	Total Units	Acres	Density
Ponder Place Townhomes	Market	2022	82	6.9	11.9
Hamilton Park	Market	2022	264	16.6	15.9
Cypress Mill	LIHTC	2018	36	6.0	6.0
Liberty Village	LIHTC	2015	36	8.0	4.5
Sterling Ridge	LIHTC	2013	39	7.0	5.6
Oakmont Place	LIHTC	2013	56	5.1	11.0
Average			86	8.3	9.2

The average density among these recent comparable properties is 9.2 units per acre. Based upon the densities of these properties and the land sales, we believe the Subject site could support a density of approximately 7.0 units per acre. This would equate to a total development size of 56 units per acre. This development size is in accordance with the LURA.

Financially Feasible

The cost of the land limits those uses that are financially feasible for the site. Any uses of the Subject site that provide a financial return to the land in excess of the cost of the land are those uses that are financially feasible. The Subject's feasible uses are restricted to those that are allowed by zoning classifications and are physically possible. As previously noted, the most likely use of the site is for multifamily development. Based on our analysis and the lack of market rate multifamily projects in the area, multifamily development is only financially feasible with the benefit for tax credits or other gap funding. Further, the Subject site is encumbered by a LURA that restricts the site to affordable housing.

Maximally Productive

Based upon our analysis, the maximally productive use of this site as if vacant would be to construct a 56-unit affordable multifamily development with gap funding such as tax credits.

CONCLUSION

Highest and Best Use “As If Vacant”

The Subject’s highest and best use “as if vacant” is to construct a 56-unit multifamily rental property with gap funding such as tax credits, per the LURA.

HIGHEST AND BEST USE “AS IMPROVED”

The Subject property currently operates as a LIHTC/USDA multifamily property, and it is in average condition. The property currently generates positive cash flow, and it is not deemed feasible to tear it down for an alternative use. Therefore, the highest and best use of the site, as improved, would be to continue to operate as an affordable multifamily housing development.

VII. APPRAISAL METHODOLOGY

APPRAISAL METHODOLOGY

Contemporary appraisers usually gather and process data according to the discipline of the three approaches to value.

The cost approach consists of a summation of land value and the cost to reproduce or replace the improvements, less appropriate deductions for depreciation. Reproduction cost is the cost to construct a replica of the Subject improvements. Replacement cost is the cost to construct improvements having equal utility.

The sales comparison approach involves a comparison of the appraised property with similar properties that have sold recently. When properties are not directly comparable, sale prices may be broken down into units of comparison, which are then applied to the Subject for an indication of its likely selling price.

The income capitalization approach involves an analysis of the investment characteristics of the property under valuation. The earnings potential of the property is carefully estimated and converted into an estimate of the property's market value.

Applicability to the Subject Property

The cost approach consists of a summation of land value (as though vacant) and the cost to reproduce or replace the improvements, less appropriate deductions for depreciation. Reproduction cost is the cost to construct a replica of the Subject improvements. Replacement cost is the cost to construct improvements having equal utility. Given the restricted nature of the Subject property and lack of financial feasibility, this valuation technique was not undertaken since we do not believe the approach would yield a reliable indication of value for the Subject property. However, we have provided a land value for the Subject as if vacant.

In the sales comparison approach, we estimate the value of a property by comparing it with similar, recently sold properties in surrounding or competing areas. Inherent in this approach is the principle of substitution, which holds that when a property is replaceable in the market, its value tends to be set at the cost of acquiring an equally desirable substitute property, assuming that no costly delay is encountered in making the substitution. There is adequate information to use both an EGIM and sales price per unit analyses in valuing the Subject property.

The income capitalization approach requires estimation of the anticipated economic benefits of ownership, gross and net incomes, and capitalization of these estimates into an indication of value using investor yield or return requirements. Yield requirements reflect the expectations of investors in terms of property performance, risk and alternative investment possibilities. The Subject will be an income producing property and this is considered to be the best method of valuation.

VIII. LAND VALUATION

LAND VALUATION

To arrive at an estimated land value for the Subject site, the appraisers have analyzed actual sales of comparable properties in the competitive area.

No two parcels of land are alike; therefore, these sales have been adjusted for various factors including location, size, shape, topography, utility, and marketability. The adjustments made are the result of a careful analysis of market data, as well as interviews with various informed buyers, sellers, real estate brokers, builders and lending institutions. The following pages outline our findings.

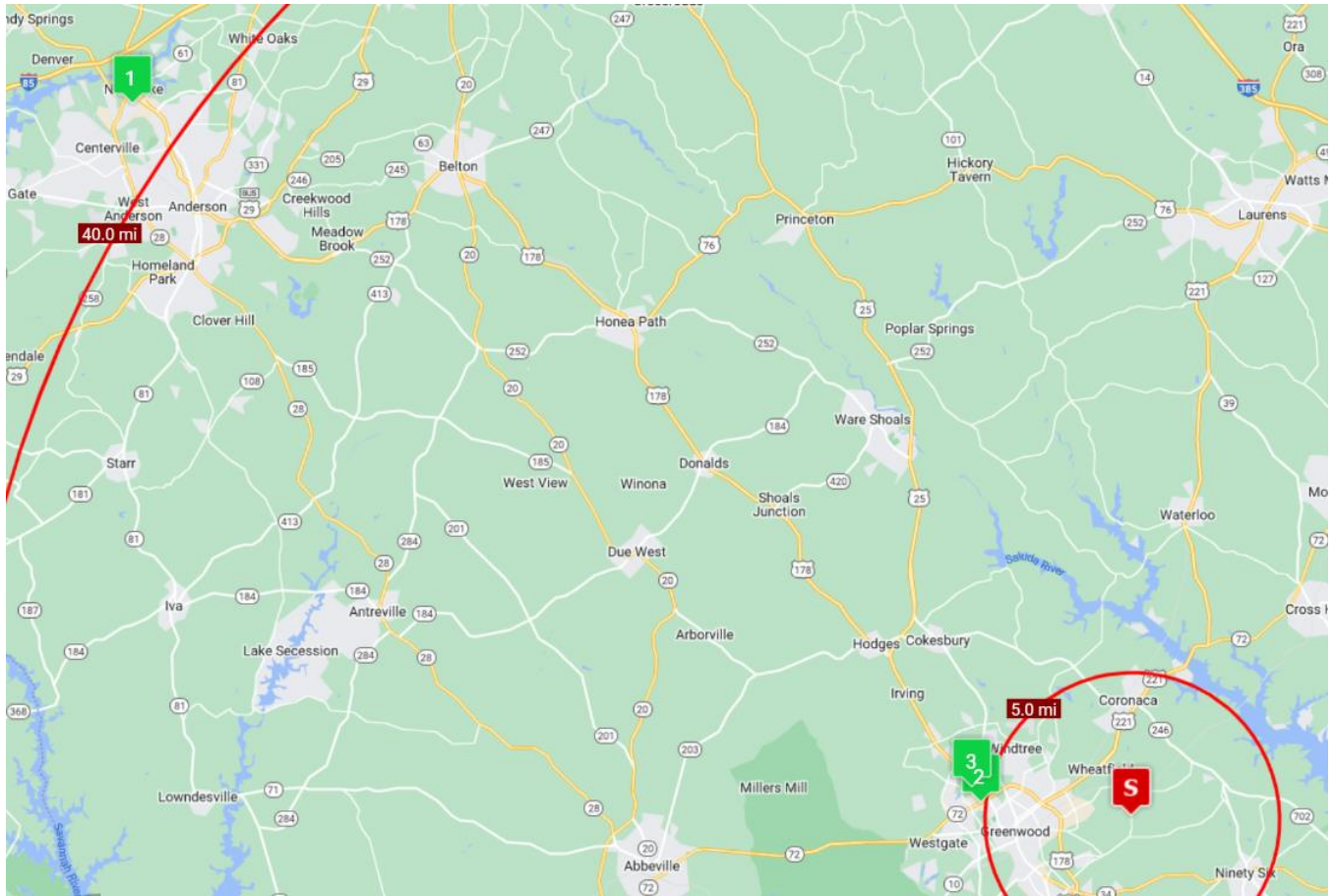
The sales comparison approach typically reflects the actions of buyers and sellers in the marketplace and serves as an excellent benchmark as to what a potential buyer would be willing to pay for the Subject property. We researched the subject's market area for recent sales of comparable vacant land. From our research, we selected transactions that represent the most recent competitive alternative sales in the marketplace.

The previous highest and best use analysis concluded multifamily was the most likely type of development. The comparable land sales represent proposed multifamily developments ranging from 48 to 90 units. The following table details the land sale comparables used in our analysis.

COMPARABLE LAND SALES

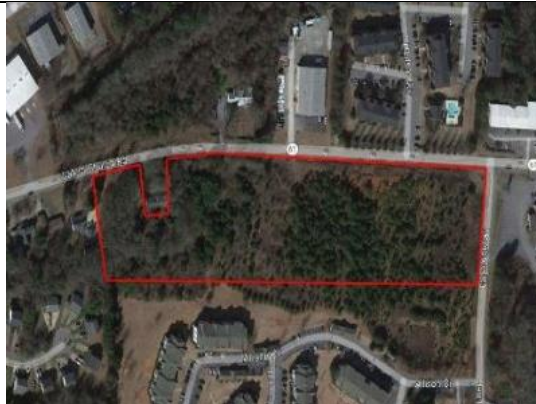
#	Address	Location	Sale Date	Sale Price	Land Acres	# Units	Price Per Unit
1	340 Aston Place	Anderson, SC	2022-08-25	\$525,000	10.66	90	\$5,833
2	1228 Mathis Road	Greenwood, SC	2022-02-23	\$610,000	7.38	48	\$12,708
3	1365 Mathis Road	Greenwood, SC	2022-02-17	\$570,000	9.36	48	\$11,875

Comparable Land Sales Map



Google Maps, March 2025

Aston Pointe



Transaction

Address	340 Aston Place	Sale Date	Aug/2022
City	Anderson	Sale Price	\$525,000
State	SC	Sale Status	Closed
Zip	29625	Sale Conditions	Typical
County	Anderson	Rights Conveyed	Fee Simple
Buyer	Aston Pointe LP	Verification	Anderson County Assessor's Office, LIHTC application
Seller	Hembree Land Partners LLC		

Site

Land Acres	10.66	Topography	Level
Land Sq Ft	464,350	Zoning	R-MA
Shape	Irregular	Corner	True

Improvements and Ratios

Proposed Units	90	Price \$/Proposed Unit	\$5,833
		Price \$/SF	\$1.13

Remarks

The vacant site was purchased to develop Aston Pointe, a 90-unit LIHTC development that will offer units at 20, 40, and 60 percent AMI levels. The development was completed in 2024.

Havenwood Mathis I



Transaction

Address	1228 Mathis Road	Sale Date	Feb/2022
City	Greenwood	Sale Price	\$610,000
State	SC	Sale Status	Closed
Zip	29649	Sale Conditions	Conventional
County	Greenwood	Rights Conveyed	Fee Simple
Buyer	Havenwood Mathis LP	Verification	Public records, Buyer
Seller	Various		

Site

Land Acres	7.38	Topography	Gently rolling
Land Sq Ft	321,473	Zoning	Multifamily
Shape	Irregular	Corner	False

Improvements and Ratios

Proposed Units	48	Price \$/Proposed Unit	\$12,708
		Price \$/SF	\$1.90

Remarks

This site was purchased for the development of a 48-unit family LIHTC development to be known as Havenwood Mathis I. The development is currently under construction, with an unconfirmed completion date.

Dogwood Senior



Transaction

Address	1365 Mathis Road	Sale Date	Feb/2022
City	Greenwood	Sale Price	\$570,000
State	SC	Sale Status	Closed
Zip	29649	Sale Conditions	Conventional
County	Greenwood	Rights Conveyed	Fee Simple
Buyer	Dogwood Senior Village LP	Verification	Public Records, Buyer
Seller	Central Trust Company		

Site

Land Acres	9.36	Topography	Gently rolling
Land Sq Ft	407,722	Zoning	Multifamily
Shape	Irregular	Corner	False

Improvements and Ratios

Proposed Units	48	Price \$/Proposed Unit	\$11,875
		Price \$/SF	\$1.40

Remarks

This site was purchased for the development of a 48-unit senior LIHTC development to be known as Dogwood Senior Village. The development is currently under construction, with an unconfirmed completion date.

Explanation of Adjustments

We have analyzed the sales on a per unit basis. In determining which adjustments are appropriate to make to the comparable sales, property rights conveyed, financing terms, conditions of sale, and market conditions are considered first. After these adjustments are made, other criteria, such as location, zoning, topography, shape, and size are taken into consideration.

As illustrated, adjustments have been made based on price differences created by the following factors:

- Property Rights
- Financing
- Conditions of Sale
- Expenditures Immediately After Purchase
- Market Conditions
- Location
- Zoning/Density
- Shape
- Site Characteristics
- Size/Number of Units

Property Rights

All sales were of fee simple interest; therefore, no adjustments are necessary.

Financing

The sales were cash (or equivalent) transactions; therefore, no adjustments are necessary.

Conditions of Sale

This adjustment is used if there are any unusual circumstances surrounding the transactions such as foreclosures, bulk sales, related parties, assemblages, etc. All of the comparable sales are considered to be market-oriented, arms-length transactions. Accordingly, no adjustment is necessary.

Post-Sale Expenditures

None of the comparables required expenditures after the sale; therefore, no adjustment is necessary.

Market Conditions

Real estate values vary over time due to changes in market conditions. The rate of this change fluctuates due to investor's perceptions and responses to prevailing market conditions. This adjustment category reflects market differences occurring between the effective date of the appraisal and the sale date of the comparables, when values have appreciated or depreciated.

PwC Real Estate Investor Survey - National Apartment Market					
Overall Capitalization Rate					
Quarter	Cap Rate	Change (pp)	Quarter	Cap Rate	Change (pp)
2Q20	5.19	-	4Q22	4.89	0.14
3Q20	5.22	0.03	1Q23	5.01	0.12
4Q20	5.22	0.00	2Q23	5.25	0.24
1Q21	5.04	-0.18	3Q23	5.28	0.03
2Q21	4.96	-0.08	4Q23	5.59	0.31
3Q21	4.59	-0.37	1Q24	5.42	-0.17
4Q21	4.42	-0.17	2Q24	5.44	0.02
1Q22	4.40	-0.02	3Q24	5.38	-0.06
2Q22	4.45	0.05	4Q24	5.16	-0.22
3Q22	4.75	0.30	1Q25	5.25	0.09

Source: PwC Real Estate Investor Survey, 1Q 2025

The comparable sales occurred between February 2022 and August 2022. Capitalization rates have increased by 19.3 percent since the first quarter of 2022 (Sales 2 and 3) and have increased by 10.5 percent since the third quarter of 2022 (Sale 1). However, at the time of Sale 1, capitalization rates rose significantly from the previous quarter, one of the largest quarter-over-quarter increases in the last three years. Taking all of this into account, we have applied a downward adjustment of 10 percent to Sales 2 and 3, while no adjustment was necessary for Sale 1.

Location

Location encompasses a number of issues, including location within different market areas with different supply/demand pressures, the character/condition of surrounding development, access, and visibility. It is important to assess which factors truly impact value for different types of real estate. We have addressed this issue (as well as the remaining elements of comparison) on a comparable-by-comparable basis. The following table illustrates the median household income, median rent, and median home value of the Subject's neighborhood (measured as the zip code) relative to that of the locations of the sales.

LAND SALES - LOCATION COMPARISON

#	Property Name	City	Zip Code	Median Income	Median Rent	Median Home Value	Income Differential	Rent Differential	Home Value Differential	Average Delta
S	Swann Meadows Apartments	Greenwood	29646	\$43,829	\$666	\$163,388	-	-	-	-
1	Aston Pointe	Anderson	29625	\$57,286	\$834	\$242,672	-23.5%	-20.1%	-32.7%	-25.4%
2	Havenwood Mathis I	Greenwood	29649	\$56,004	\$829	\$214,690	-21.7%	-19.7%	-23.9%	-21.8%
3	Dogwood Senior	Greenwood	29649	\$56,004	\$829	\$214,690	-21.7%	-19.7%	-23.9%	-21.8%

#	Property Name	Walk Score	Designation
S	Swann Meadows Apartments	0	Car-Dependent (almost all errands require a car)
1	Aston Pointe	45	Car-Dependent (most errands require a car)
2	Havenwood Mathis I	50	Car-Dependent (most errands require a car)
3	Dogwood Senior	47	Car-Dependent (most errands require a car)

Sale 1 is located in Anderson, in a neighborhood with a slightly higher median income and median rent, as well as a higher median home value relative to the Subject's location. In terms of walkability, Sale 1, with a Walk Score of 45, is considered slightly superior relative to the Subject's location. Sales 2 and 3 are located in Greenwood, in a neighborhood with a slightly higher median income, median home value, and median rent relative to the Subject's location. In terms of walkability, Sales 2 and 3, with a Walk Score of 50 and 47, respectively, are considered slightly superior relative to the Subject's location. However, these locations are not considered walkable, as most errands require a car. Overall, all three of the sales are considered to be located in slightly superior neighborhoods relative to the Subject's location and received downward adjustments of 10 to 15 percent.

Zoning

All sales have zoning designations that permit multifamily development, similar to the Subject site. Therefore, no adjustments are warranted.

Topography

The Subject exhibits level topography, similar to Sale 1. Sales 2 and 3 exhibit gently rolling topography. However, all of the land sales appear to be functional. Thus, no adjustments were warranted.

Shape

The Subject site is irregular but functional in shape, similar to all of the comparable sales. As such, no adjustments were warranted.

Size (Number of Units)

With respect to size, the general convention is that larger properties tend to sell for less on a per unit basis than smaller properties. Conversely, smaller properties typically sell for more per unit than larger properties. The pool of potential purchasers decreases as property size (and purchase price) increases, effectively reducing competition. The pricing relationship is not linear and certain property sizes, while different, may not receive differing prices based on the grouping within levels. Typically, smaller sites exhibit higher price per unit. As previously indicated in the Highest and Best Use section of this report, the Subject could support 56 total units. Sales 2 and 3 are similar in size, both with 48 units, while Sale 1, with 90 units, is larger in size. We have applied an upward adjustment of 10 percent to Sale 1, while no adjustments are necessary for Sales 2 and 3.

Land Value Estimate

The land sales grid is presented following:

LAND SALES DATA ADJUSTMENT GRID				
Property Name	Subject	1	2	3
Address	Swann Meadows Apartments	Aston Pointe	Havenwood Mathis I	Dogwood Senior
City	1091 Parkland Place Road Greenwood	340 Aston Place Anderson	1228 Mathis Road Greenwood	1365 Mathis Road Greenwood
Parcel Data				
Zoning		R-MA	Multifamily	Multifamily
Topography	Level	Level	Gently rolling	Gently rolling
Shape	Rectangular	Irregular	Irregular	Irregular
Size (SF)	348,480	464,350	321,473	407,722
Size (Acres)	8.00	10.66	7.38	9.36
Units	56	90	48	48
Units Per Acre	7.00	8.44	6.50	5.13
Sales Data				
Date		2022-08-25	2022-02-23	2022-02-17
Interest		Fee Simple	Fee Simple	Fee Simple
Price		\$525,000	\$610,000	\$570,000
Price (Per Unit)		\$5,833	\$12,708	\$11,875
Adjustments				
Property Rights		Fee Simple	Fee Simple	Fee Simple
Adjustment		\$0	\$0	\$0
		\$525,000	\$610,000	\$570,000
Financing Terms		Typical	Conventional	Conventional
Adjustment		\$0	\$0	\$0
		\$525,000	\$610,000	\$570,000
Conditions of Sale		Typical	Conventional	Conventional
Adjustment		\$0	\$0	\$0
		\$525,000	\$610,000	\$570,000
Expenditures After Purchase		None	None	None
Adjustment		\$0	\$0	\$0
		\$525,000	\$610,000	\$570,000
Market Conditions		1.0	0.9	0.9
Adjusted Sales Price		\$525,000	\$549,000	\$513,000
Adjusted Price (Per Unit)		\$5,833	\$11,438	\$10,688
Adjustments				
Location		-10.0%	-15.0%	-15.0%
Zoning/Use		0.0%	0.0%	0.0%
Topography		0.0%	0.0%	0.0%
Shape		0.0%	0.0%	0.0%
Size		10.0%	0.0%	0.0%
Overall Adjustment		0.0%	-15.0%	-15.0%
Adjusted Price (Per Unit)		\$5,833	\$9,722	\$9,084

ADJUSTED SALES (PER UNIT)

Minimum	\$5,833
Maximum	\$9,722
Mean	\$8,213
Median	\$9,084

The sales indicate an adjusted per unit range of \$5,833 to \$9,722, with a mean of \$8,213 and a median of \$9,084 per unit. We have placed equal weight on all of the sales and concluded to \$8,200 per unit for the value of the land 'As If Vacant.'

LURA Discount

A land use restriction agreement (LURA) is currently in place that restricts the use of the Subject to affordable housing. None of the comparables have any use restrictions in place. In order to estimate the magnitude of the adjustment for the LURA we have taken our estimate of the Subject's restricted net operating income (NOI) and compared it to the Subject's hypothetical unrestricted NOI. Given that none of the comparable land sales were restricted by a LURA at the time of sale, we applied a downward adjustment of approximately 42.6 percent to account for the difference between restricted NOI and the Subject's hypothetical unrestricted NOI.

LAND VALUE						
Scenario	No. of Units	Value/Unit	Indicated Value (Unrounded)	Discount of LURA (Rounded)	Indicated Value with LURA (Unrounded)	Indicated Value (Rounded)
Subject	56	\$8,200	\$459,200	(\$196,119)	\$263,081	\$260,000

As a result of our investigation and analysis, it is our opinion that, subject to the limiting conditions and assumptions contained herein, the estimated value of the underlying land, as if hypothetically vacant, in the fee simple interest, as of March 21, 2025, is:

TWO HUNDRED SIXTY THOUSAND DOLLARS
(\$260,000)

Please refer to the assumptions and limiting conditions in the addenda of this report.

IX. INCOME CAPITALIZATION APPROACH

INCOME CAPITALIZATION APPROACH

Introduction

We were asked to provide several value estimates, including:

- Market value “as restricted” of the fee simple interest in the property.
- Hypothetical market value “as hypothetically unrestricted” of the fee simple interest in the property.
- Value of the Interest Credit Subsidy.

As discussed, we were asked to provide an estimate of the Subject’s value under as is restricted and as hypothetically unrestricted.

The Income Capitalization Approach to value is based upon the premise that the value of an income-producing property is largely determined by the ability of the property to produce future economic benefits. The value of such a property to the prudent investor lies in anticipated annual cash flows and an eventual sale of the property. An estimate of the property’s market value is derived via the capitalization of these future income streams.

The Subject’s “as is” values were determined via the income capitalization approach.

INCOME ANALYSIS

Potential Gross Income

In our search for properties comparable to the Subject, we concentrated on obtaining information on those projects considered similar to the Subject improvements on the basis of location, size, age, condition, design, quality of construction and overall appeal. In our market analysis we provided the results of our research regarding properties considered generally comparable or similar to the Subject.

Potential Gross Income – As Is Assuming Restricted Rents

The potential gross income of the Subject is the total annual income capable of being generated by all sources, including rental revenue and other income sources. The Subject currently operates as a USDA Rural Development project. For our estimate of the Subject’s potential rental income for the restricted scenario, we will utilize the Subject’s 2025 USDA budget, the most recently approved budget for the property, illustrated below.

POTENTIAL GROSS INCOME (AS IS - RESTRICTED)

Unit Type	Program	# Units	Square Feet	USDA Basic Rent*	Monthly Gross Rent	Annual Gross Rent
2BR/1BA	@50%/USDA (RA)	6	779	\$853	\$5,118	\$61,416
2BR/1BA	@60%/USDA	6	779	\$853	\$5,118	\$61,416
2BR/1BA	@60%/USDA (RA)	44	779	\$853	\$37,532	\$450,384
Total		56			\$47,768	\$573,216

*Based on the approved 2025 USDA Budget

Potential Gross Income – As Is Assuming Unrestricted Rents

The potential rental income in the hypothetical unrestricted scenario is based upon achievable market rents as derived in the *Supply Section* of this report. The following tables illustrate the potential gross income as restricted and as unrestricted.

POTENTIAL GROSS INCOME (AS IS - UNRESTRICTED)

Unit Type	Program	# Units	Square Feet	Achievable Rent	Monthly Gross Rent	Annual Gross Rent
2BR/1BA	Market	56	779	\$855	\$47,880	\$574,560
Total		56			\$47,880	\$574,560

Other Income

Miscellaneous income includes fees for late rent fees, damages and cleaning fees and other miscellaneous fees. The comparables indicate other income ranging from \$57 to \$1,078 per unit, with an average of \$459. The Subject's other income historically ranged from \$80 to \$121 per unit, with an average of \$103 per unit. Based on the USDA budget, we have used other income of \$43 per unit for the as is restricted scenario. We have concluded to other income of \$150 per unit for the as is unrestricted scenario, which is within the range of the comparables and slightly above the Subject's historical range.

Vacancy and Collection Loss

As previously indicated, we have concluded to vacancy and collection loss in line with the approved USDA budgets, which equates to a vacancy and collection loss of approximately 7.0 percent under the restricted scenario. Based on the performance of the comparables, as well as the Subject historical performance, we expect the Subject would operate with vacancy and collection loss of seven percent assuming unrestricted operations.

EXPLANATION OF EXPENSES

Typical deductions from the calculated Effective Gross Income fall into three categories on real property: fixed, variable, and non-operating expenses. Historical operating expenses of comparable properties were relied upon in estimating the Subject's operating expenses. The comparable data can be found on the following pages.

It is important to note that the projections of income and expenses are based on the basic assumption that the apartment complex will be managed and staffed by competent personnel and that the property will be professionally advertised and aggressively promoted.

Comparable operating expense data was collected from a combination of affordable and market rate properties in the area. The following table provides additional information on each of the comparable expense properties.

COMPARABLE EXPENSES

	Subject	Comp 1	Comp 2	Comp 3	Comp 4
City	Greenwood	Anderson	Simpsonville	Simpsonville	Greenville
Year Built / Renovated	1980 / 2002	1971 / 2018	2015	1999	2021
Structure	Garden	Various	Garden	Garden	Garden
Tenancy	Family	Family	Family	Family	Family
Rent Restrictions	LIHTC/USDA	Section 8	Market	Market	LIHTC

Typical deductions from the calculated Effective Gross Income fall into three categories on real property: fixed, variable, and non-operating expenses. We included four expenses comparables, as well as 2022, 2023, and 2024 historical data for the Subject based on information supplied by the client. At the direction of USDA, for the restricted scenario we have concluded in line with USDA's current (2025) budgeted amounts. We also provide operating expense benchmarks for the southeast region and for properties that are similar to the Subject's unit count (50-100).

- Scenario Property Program Tenancy Statement Type Year City, State Year Built / Renovated Number of Units	NOVOCO As Is - Restricted Swann Meadows Apartments LIHTC/USDA Family Pro Forma - Greenwood, SC 1980 / 2026 56		NOVOCO As Is - Unrestricted Swann Meadows Apartments LIHTC/USDA Family Pro Forma - Greenwood, SC 1980 / 2026 56		SUBJECT Budget Swann Meadows Apartments LIHTC/USDA Family Budget 2025 Greenwood, SC 1980 / 2002 56		SUBJECT Audited Swann Meadows Apartments LIHTC/USDA Family Audited 2024 Greenwood, SC 1980 / 2002 56		SUBJECT Audited Swann Meadows Apartments LIHTC/USDA Family Audited 2023 Greenwood, SC 1980 / 2002 56		SUBJECT Audited Swann Meadows Apartments LIHTC/USDA Family Audited 2022 Greenwood, SC 1980 / 2002 56	
INCOME CATEGORY	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit
Rental Income	\$573,216	\$10,236	\$574,560	\$10,260	\$573,216	\$10,236	\$507,360	\$9,060	\$405,382	\$7,239	\$408,576	\$7,296
Other Income	\$2,400	\$43	\$8,400	\$150	\$2,400	\$43	\$4,464	\$80	\$6,769	\$121	\$6,109	\$109
Vacancy Loss	(\$40,125)	(\$717) 6.97%	(\$40,807)	(\$729) 7.00%	(\$40,125)	(\$717) 6.97%	(\$59,967)	(\$1,071) 11.72%	(\$39,746)	(\$710) 9.64%	(\$49,642)	(\$886) 11.97%
SUBTOTAL	\$535,491	\$9,562	\$542,153	\$9,681	\$535,491	\$9,562	\$451,857	\$8,069	\$372,405	\$6,650	\$365,043	\$6,519
EXPENSE CATEGORY												
ADMINISTRATION												
Professional Fees	\$5,700	\$102	\$1,120	\$20	\$5,700	\$102	\$5,100	\$91	\$5,321	\$95	\$4,848	\$87
Other Administrative	\$22,283	\$398	\$14,000	\$250	\$22,283	\$398	\$30,246	\$540	\$15,576	\$278	\$12,040	\$215
Advertising/Marketing	\$2,200	\$39	\$3,920	\$70	\$2,200	\$39	\$2,773	\$50	\$1,289	\$23	\$357	\$6
SUBTOTAL	\$30,183	\$539	\$19,040	\$340	\$30,183	\$539	\$38,119	\$681	\$22,186	\$396	\$17,245	\$308
OPERATING/MAINTENANCE												
Elevator	-	-	-	-	-	-	-	-	-	-	-	-
Pest Control	-	-	-	-	-	-	-	-	-	-	-	-
Repairs and Supplies	\$11,910	\$213	\$53,200	\$950	\$11,910	\$213	\$155,185	\$2,771	\$58,520	\$1,045	\$50,025	\$893
Painting & Decorating	\$12,600	\$225	\$11,200	\$200	\$12,600	\$225	\$11,030	\$197	\$8,097	\$145	\$15,338	\$274
Trash Removal	\$13,500	\$241	\$12,880	\$230	\$13,500	\$241	\$10,285	\$184	\$12,783	\$228	\$11,409	\$204
Security	-	-	-	-	-	-	-	-	-	-	-	-
Pool and Grounds	\$14,500	\$259	\$11,200	\$200	\$14,500	\$259	\$16,287	\$291	\$9,900	\$177	\$14,991	\$268
Contract	\$23,400	\$418	\$6,720	\$120	\$23,400	\$418	\$58,151	\$1,038	-	-	-	-
SUBTOTAL	\$75,910	\$1,356	\$95,200	\$1,700	\$75,910	\$1,356	\$250,938	\$4,481	\$89,300	\$1,595	\$91,763	\$1,639
UTILITIES												
Heating & Fuel	-	-	-	-	-	-	-	-	-	-	-	-
Electricity	\$7,620	\$136	\$9,520	\$170	\$7,620	\$136	\$5,708	\$102	\$9,080	\$162	\$8,491	\$152
Gas	-	-	-	-	-	-	-	-	-	-	-	-
Water & Sewer	\$73,344	\$1,310	\$68,880	\$1,230	\$73,344	\$1,310	\$94,668	\$1,691	\$68,538	\$1,224	\$68,035	\$1,215
Other Utilities	-	-	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	\$80,964	\$1,446	\$78,400	\$1,400	\$80,964	\$1,446	\$100,376	\$1,792	\$77,618	\$1,386	\$76,526	\$1,367
PAYROLL												
Repair & Maintenance	\$46,468	\$830	\$30,000	\$536	\$46,468	\$830	\$32,600	\$582	\$12,603	\$225	\$32,013	\$572
Payroll	\$48,024	\$858	\$35,000	\$625	\$48,024	\$858	\$30,759	\$549	\$23,941	\$428	\$14,167	\$253
Management Payroll	-	-	-	-	-	-	-	-	-	-	-	-
Service Coordinator	-	-	-	-	-	-	-	-	-	-	-	-
Staff Unit	-	-	-	-	-	-	-	-	-	-	-	-
Benefits/Taxes	\$18,373	\$328	\$12,800	\$229	\$18,373	\$328	\$15,178	\$271	\$6,985	\$125	\$7,929	\$142
SUBTOTAL	\$112,865	\$2,015	\$77,800	\$1,389	\$112,865	\$2,015	\$78,537	\$1,402	\$43,529	\$777	\$54,109	\$966
TAXES/INSURANCE												
Real Estate Taxes	\$32,004	\$572	\$38,789	\$693	\$32,004	\$572	\$32,775	\$585	\$29,514	\$527	\$25,446	\$454
Direct Assessments/Other	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	\$30,359	\$542	\$30,352	\$542	\$30,359	\$542	\$26,652	\$476	\$23,297	\$416	\$17,686	\$316
SUBTOTAL	\$62,363	\$1,114	\$69,141	\$1,235	\$62,363	\$1,114	\$59,427	\$1,061	\$52,811	\$943	\$43,132	\$770
MANAGEMENT FEE	\$60,480	\$1,080 11.29%	\$21,686	\$387 4.00%	\$60,480	\$1,080 11.29%	\$53,280	\$951 11.79%	\$49,860	\$890 13.39%	\$48,268	\$862 13.22%
REPLACEMENT RESERVES	\$18,500	\$330	\$16,800	\$300	\$18,500	\$330	\$18,500	\$330	\$16,800	\$300	\$16,800	\$300
Total All Expenses	\$441,265	\$7,880	\$378,067	\$6,751	\$441,265	\$7,880	\$599,177	\$10,700	\$352,104	\$6,288	\$347,843	\$6,211
Total Expenses less TUR	\$309,797	\$5,532	\$244,078	\$4,359	\$309,797	\$5,532	\$447,526	\$7,992	\$228,172	\$4,075	\$229,071	\$4,091

- Scenario Property Program Tenancy Statement Type Year City, State Year Built / Renovated Number of Units	NOVOCO As Is - Restricted Swann Meadows Apartments LIHTC/USDA Family Pro Forma - Greenwood, SC 1980 / 2026 56		NOVOCO As Is - Unrestricted Swann Meadows Apartments LIHTC/USDA Family Pro Forma - Greenwood, SC 1980 / 2026 56		COMPARABLE Audited Confidential Section 8 Family Audited 2024 Anderson, SC 1971 / 2018 160		COMPARABLE Actuals Confidential Market Family Actuals 2023 Simpsonville, SC 2015 304		COMPARABLE Actuals Confidential Market Family Actuals 2023 Simpsonville, SC 1999 116		COMPARABLE Actuals Confidential LIHTC Family Actuals 2023 Greenville, SC 2021 146	
INCOME CATEGORY	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit
Rental Income	\$573,216	\$10,236	\$574,560	\$10,260	\$2,502,042	\$15,638	\$7,423,616	\$24,420	\$1,765,992	\$15,224	\$935,745	\$6,409
Other Income	\$2,400	\$43	\$8,400	\$150	\$9,071	\$57	\$327,709	\$1,078	\$73,418	\$633	\$9,912	\$68
Vacancy Loss	(\$40,125)	(\$717) 6.97%	(\$40,807)	(\$729) 7.00%	(\$172,564)	(\$1,079) 6.87%	(\$958,869)	(\$3,154) 12.37%	(\$302,923)	(\$2,611) 16.47%	(\$15,360)	(\$105) 1.62%
SUBTOTAL	\$535,491	\$9,562	\$542,153	\$9,681	\$2,338,549	\$14,616	\$6,792,456	\$22,344	\$1,536,487	\$13,246	\$930,297	\$6,372
EXPENSE CATEGORY												
ADMINISTRATION												
Professional Fees	\$5,700	\$102	\$1,120	\$20	\$27,300	\$171	\$45,874	\$151	\$43,104	\$372	\$33,549	\$230
Other Administrative	\$22,283	\$398	\$14,000	\$250	\$68,185	\$426	\$31,054	\$102	-	-	-	-
Advertising/Marketing	\$2,200	\$39	\$3,920	\$70	\$3,127	\$20	\$54,637	\$180	\$7,485	\$65	\$159	\$1
SUBTOTAL	\$30,183	\$539	\$19,040	\$340	\$98,612	\$616	\$131,565	\$433	\$50,589	\$436	\$33,708	\$231
OPERATING/MAINTENANCE												
Elevator	-	-	-	-	-	-	-	-	-	-	-	-
Pest Control	-	-	-	-	\$10,920	\$68	-	-	-	-	-	-
Repairs and Supplies	\$11,910	\$213	\$53,200	\$950	\$191,070	\$1,194	\$258,646	\$851	\$248,766	\$2,145	\$48,144	\$330
Painting & Decorating	\$12,600	\$225	\$11,200	\$200	-	-	-	-	-	-	-	-
Trash Removal	\$13,500	\$241	\$12,880	\$230	\$22,396	\$140	-	-	-	-	-	-
Security	-	-	-	-	\$27,193	\$170	-	-	-	-	-	-
Pool and Grounds	\$14,500	\$259	\$11,200	\$200	\$26,480	\$166	-	-	-	-	-	-
Contract	\$23,400	\$418	\$6,720	\$120	-	-	\$10,311	\$34	\$7,333	\$63	\$18,432	\$126
SUBTOTAL	\$75,910	\$1,356	\$95,200	\$1,700	\$278,059	\$1,738	\$268,957	\$885	\$256,099	\$2,208	\$66,576	\$456
UTILITIES												
Heating & Fuel	-	-	-	-	-	-	-	-	-	-	-	-
Electricity	\$7,620	\$136	\$9,520	\$170	\$19,488	\$122	-	-	-	-	-	-
Gas	-	-	-	-	\$1,980	\$12	-	-	-	-	-	-
Water & Sewer	\$73,344	\$1,310	\$68,880	\$1,230	\$139,028	\$869	-	-	-	-	-	-
Other Utilities	-	-	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	\$80,964	\$1,446	\$78,400	\$1,400	\$160,496	\$1,003	\$129,646	\$426	\$94,102	\$811	\$82,485	\$565
PAYROLL												
Repair & Maintenance												
Payroll	\$46,468	\$830	\$30,000	\$536	\$216,722	\$1,355	-	-	-	-	-	-
Management Payroll	\$48,024	\$858	\$35,000	\$625	\$157,768	\$986	-	-	-	-	-	-
Service Coordinator	-	-	-	-	\$13,978	\$87	-	-	-	-	-	-
Staff Unit	-	-	-	-	\$23,050	\$144	-	-	-	-	-	-
Benefits/Taxes	\$18,373	\$328	\$12,800	\$229	\$67,049	\$419	-	-	-	-	-	-
SUBTOTAL	\$112,865	\$2,015	\$77,800	\$1,389	\$478,567	\$2,991	\$237,608	\$782	\$162,169	\$1,398	\$108,285	\$742
TAXES/INSURANCE												
Real Estate Taxes	\$32,004	\$572	\$38,789	\$693	\$97,994	\$612	\$460,069	\$1,513	\$150,053	\$1,294	\$50,895	\$349
Direct Assessments/Other	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	\$30,359	\$542	\$30,352	\$542	\$80,368	\$502	\$134,283	\$442	\$75,009	\$647	\$54,972	\$377
SUBTOTAL	\$62,363	\$1,114	\$69,141	\$1,235	\$178,362	\$1,115	\$594,352	\$1,955	\$225,062	\$1,940	\$105,867	\$725
MANAGEMENT FEE	\$60,480	\$1,080 11.29%	\$21,686	\$387 4.00%	\$120,221	\$751 5.14%	\$101,821	\$335 1.50%	\$61,458	\$530 4.00%	\$46,515	\$319 5.00%
REPLACEMENT RESERVES	\$18,500	\$330	\$16,800	\$300	\$48,000	\$300	\$76,000	\$250	\$29,000	\$250	\$36,500	\$250
Total All Expenses	\$441,265	\$7,880	\$378,067	\$6,751	\$1,362,317	\$8,514	\$1,539,949	\$5,066	\$878,479	\$7,573	\$479,936	\$3,287
Total Expenses less TUR	\$309,797	\$5,532	\$244,078	\$4,359	\$1,055,827	\$6,599	\$874,234	\$2,876	\$605,324	\$5,218	\$310,056	\$2,124

General Administrative and Marketing

This category includes all professional fees for items such as legal, accounting, marketing, and office. The following table details the historical general administrative and marketing expenses at the Subject, in addition to the comparable figures and benchmarks. This category includes all professional fees for items such as legal, accounting, marketing, and office.

Administration													
Subject					Comp 1	Comp 2	Comp 3	Comp 4					
Type	Budget	Audited	Audited	Audited	Audited	Actuals	Actuals	Actuals	Range (Comparables)			Range (Benchmarks)	
Year	2025	2024	2023	2022	2024	2023	2023	2023	Min	Max	Average	Region	Unit Count
Expense	\$539	\$681	\$396	\$308	\$616	\$433	\$436	\$231	\$231	\$616	\$429	\$634	\$876

The comparables indicate administrative and marketing expenses ranging from \$231 to \$616 per unit, with an average of \$429. The Subject's historicals have ranged from \$308 to \$681 per unit. Based on the USDA budget, we have concluded to an administration expense of \$539 per unit in the restricted scenario. We have concluded to an administration expense of \$340 in the unrestricted scenario, which is within the comparable expense range and the Subject historicals.

Operating, Repairs and Maintenance

The following table details the historical operating, repairs, and maintenance expenses at the Subject, in addition to the comparable figures and benchmarks. Included in this expense are normal costs of operating a multifamily property including unit turnover, painting/decorating, trash removal, ground expenses, and security costs, as well as normal items of repair and maintenance, cleaning contracts, and pest control.

Operating, Repairs & Maintenance													
Subject					Comp 1	Comp 2	Comp 3	Comp 4					
Type	Budget	Audited	Audited	Audited	Audited	Actuals	Actuals	Actuals	Range (Comparables)			Range (Benchmarks)	
Year	2025	2024	2023	2022	2024	2023	2023	2023	Min	Max	Average	Region	Unit Count
Expense	\$1,356	\$4,481	\$1,595	\$1,639	\$1,738	\$885	\$2,208	\$456	\$456	\$2,208	\$1,322	\$1,455	\$1,698

The comparables indicate operating, repairs and maintenance expense ranging from \$456 to \$2,208 per unit, with an average of \$1,322. The Subject's historicals have ranged from \$1,595 to \$4,481 per unit. However, 2024 was a high outlier, as the property incurred extensive insurance-related expenses related to furniture replacement. Based on the USDA budget, we have concluded to an operating, repairs and maintenance expense of \$1,356 per unit in the restricted scenario. We concluded to an operating, repairs and maintenance expense of \$1,700 per unit in the unrestricted scenario, which is within the comparable expense range and above the Subject historicals.

Utilities

The Subject offers central air conditioning and electric cooking, heating, and water heating. Tenants are responsible for the cooking, hot water, heating, and electric expenses. The landlord is responsible for the cold water, sewer, and trash costs, in addition to common area utility expenses.

Utility													
Subject					Comp 1	Comp 2	Comp 3	Comp 4					
Type	Budget	Audited	Audited	Audited	Audited	Actuals	Actuals	Actuals	Range (Comparables)			Range (Benchmarks)	
Year	2025	2024	2023	2022	2024	2023	2023	2023	Min	Max	Average	Region	Unit Count
Expense	\$1,446	\$1,792	\$1,386	\$1,367	\$1,003	\$426	\$811	\$565	\$426	\$1,003	\$701	\$863	\$1,046

SWANN MEADOWS APARTMENTS - GREENWOOD, SOUTH CAROLINA - APPRAISAL

The comparables indicate total utility expenses ranging from \$426 to \$1,003 per unit, with an average of \$701. The Subject's historicals have ranged from \$1,367 to \$1,792 per unit. Due to the fact that properties often vary in terms of utility responsibilities, comparisons are difficult. Therefore, we placed greater weight on the historical expenses, as well as the housing authority estimates, in the unrestricted scenario. Based on the USDA budget, we have concluded to utility expenses of \$1,446 per unit in the restricted scenario. We concluded to utility expenses of \$1,400 per unit in the unrestricted scenario, which is above the comparable expense range and just above the Subject historicals and housing authority estimates.

Type	Power	Responsibility	2BR	Annual Total
Heating	electric	Tenant	\$17	\$204
Cooking	electric	Tenant	\$10	\$120
Electric	N/A	Tenant	\$37	\$444
Air Conditioning	central	Tenant	\$26	\$312
Hot Water	electric	Tenant	\$21	\$252
Cold Water	N/A	Landlord	\$40	\$480
Sewer	N/A	Landlord	\$60	\$720
Total			\$211	
Landlord			\$100	
Tenant			\$111	
Unit Counts			56	56
Vacancy Utility Cost (Per Unit - Annual)			\$67	
Vacancy Utility Cost (Total)			\$3,730	\$3,730
Landlord Paid Utilities (Per Unit - Annual)			\$1,200	
Landlord Paid Utilities (Total)			\$67,200	\$67,200
Common Area Utilities (Per Unit - Annual)			\$50	
Common Area Utilities (Total)			\$2,800	\$2,800
Total Cost (Per Unit - Annual)				\$1,317
Total Cost (Overall)				\$73,730

Source: SC State Housing Finance & Development Agency Midlands Region, January 2025

Payroll and Leasing Expenses

The following table details the historical payroll and leasing expenses at the Subject, in addition to the comparable figures and benchmarks. Payroll expenses are directly connected to the administration of the complex, including office, maintenance and management salaries. In addition, employee benefits and employment related taxes are included in the category.

Payroll													
Subject					Comp 1	Comp 2	Comp 3	Comp 4					
Type	Budget	Audited	Audited	Audited	Audited	Actuals	Actuals	Actuals	Range (Comparables)			Range (Benchmarks)	
Year	2025	2024	2023	2022	2024	2023	2023	2023	Min	Max	Average	Region	Unit Count
Expense	\$2,015	\$1,402	\$777	\$966	\$2,991	\$782	\$1,398	\$742	\$742	\$2,991	\$1,478	\$1,452	\$1,686

Overall, we typically find that properties the size of the Subject operate with a staff of one part time manager and one part time maintenance supervisor. Benefits for the Subject's employees are estimated at \$2,500 and \$5,000 for part and full-time employees, respectively. Payroll taxes are calculated as 12 percent of the salary cost. The comparables indicate total payroll expenses ranging from \$742 to \$2,991 per unit, with an average of \$1,478. The Subject's historicals have ranged from \$777 to \$1,402 per unit. Based on the USDA budget, we have concluded to payroll expenses of \$2,015 per unit in the as is restricted scenario. We concluded to a payroll expense of \$1,389 per unit in the as is unrestricted scenario, which is within the comparable expense range and above the Subject historicals.

PAYROLL - UNRESTRICTED

Type	Quantity	Annual Salary	Full Cost
Manager (PT)	1	\$35,000	\$35,000
Maintenance Supervisor (PT)	1	\$30,000	\$30,000
Subtotal			\$65,000
Payroll taxes at 12.0%			\$7,800
Benefits			\$5,000
Total Payroll			\$77,800
Total Per Unit			\$1,389

Taxes

Our tax analysis was discussed previously in this report.

Insurance

Insurance													
Subject					Comp 1	Comp 2	Comp 3	Comp 4	Range (Comparables)			Range (Benchmarks)	
Type	Budget	Audited	Audited	Audited	Audited	Actuals	Actuals	Actuals					
Year	2025	2024	2023	2022	2024	2023	2023	2023	Min	Max	Average	Region	Unit Count
Expense	\$542	\$476	\$416	\$316	\$502	\$442	\$647	\$377	\$377	\$647	\$492	\$588	\$534

The comparables indicate an insurance cost ranging from \$377 to \$647 per unit, with an average of \$492. The Subject's historicals have ranged from \$316 to \$476 per unit. Based on the USDA budget, we have concluded to an insurance cost of \$542 per unit in the restricted scenario, as well as the unrestricted scenario. Our conclusion is within the comparable expense range and above the Subject historicals.

Management Fees

Management													
Subject					Comp 1	Comp 2	Comp 3	Comp 4	Range (Comparables)			Range (Benchmarks)	
Type	Budget	Audited	Audited	Audited	Audited	Actuals	Actuals	Actuals					
Year	2025	2024	2023	2022	2024	2023	2023	2023	Min	Max	Average	Region	Unit Count
Expense	\$1,080	\$951	\$890	\$862	\$751	\$335	\$530	\$319	\$319	\$751	\$484	\$625	\$697

Historically, the Subject's management fee has ranged from \$862 to \$951 per unit, which equates to approximately 11.79 to 13.39 percent of EGI. The comparables illustrate a range of 1.50 to 5.14 percent of EGI. Based on the USDA budget, we have concluded to management fee expenses of \$1,080 per unit in the as is restricted scenario, which equates to a management fee expense of approximately 11.29 percent. We concluded to a management fee expense of 4.0 percent in the unrestricted scenario, which is within the range of the comparable expenses and below the Subject historicals.

Replacement Reserves

The reserve for replacement allowance is often considered a hidden expense of ownership not normally seen on an expense statement. Reserves must be set aside for future replacement of items such as the roof, HVAC systems, parking area, appliances and other capital items. It is difficult to ascertain market information for replacement reserves, as it is not a common practice in the marketplace for properties of the Subject's size and investment status. Underwriting requirements for replacement reserve for existing properties typically ranges from \$250 to \$350 per unit per year. New properties typically charge \$200 to \$250 for reserves. Based on the USDA budget, the Subject's transfer to reserve is \$18,500, or approximately \$330 per unit, as is restricted. We have used an expense of \$300 per unit based on the unit mix, tenancy, and age/condition of the Subject property as is assuming unrestricted operations.

Summary

Operating expenses were estimated based upon the USDA budgeted expenses, historical expenses, and comparable expenses. In the following tables, we compared historical operating expenses, budgeted operating expenses, comparables operating expenses, and concluded expenses per unit. We have also illustrated the expenses less taxes, utilities, and reserves.

TOTAL EXPENSES PER UNIT		TOTAL EXPENSES PER UNIT LESS TUR	
Subject Expenses		Subject Expenses	
2025 (Budget)	\$7,880	2025 (Budget)	\$5,532
2024 (Audited)	\$10,700	2024 (Audited)	\$7,992
2023 (Audited)	\$6,288	2023 (Audited)	\$4,075
2022 (Audited)	\$6,211	2022 (Audited)	\$4,091
Comparable Properties		Comparable Properties	
Comp 1	\$8,514	Comp 1	\$6,599
Comp 2	\$5,066	Comp 2	\$2,876
Comp 3	\$7,573	Comp 3	\$5,218
Comp 4	\$3,287	Comp 4	\$2,124
Subject Conclusions		Subject Expenses	
As Is - Restricted	\$7,880	As Is - Restricted	\$5,532
As Is - Unrestricted	\$6,751	As Is - Unrestricted	\$4,359

The concluded expenses for the restricted scenario (less taxes, utilities, and reserves) are in line with the 2025 USDA budgeted expenses of \$5,532 per unit. The concluded expenses for the unrestricted scenario (less taxes, utilities, and reserves) are \$4,359 per unit, which is within the range of the comparables and just above the Subject's historicals.

DIRECT CAPITALIZATION

We have provided an estimate of the Subject's as is value for the restricted and unrestricted scenarios. To quantify the income potential of the Subject, a direct capitalization of a stabilized cash flow is employed. In this analytical method, we estimate the present values of future cash flow expectations by applying the appropriate overall capitalization rate to the forecast net operating income. In order to estimate the appropriate capitalization rate, we relied upon several methods, discussed below.

Market Extraction

The table below summarizes the recent improved sales of the most comparable properties that were used in our market extraction analysis:

IMPROVED SALES

#	Property Name	Location	Program	Sale Date	Sales Price	# Units	Year Built	Price / Unit	EGIM	Cap Rate
1	San Souci Apartments	Greenville	Market	Nov/2024	\$2,270,000	38	1960	\$59,737	5.64	6.00%
2	The Farmhouse At Easley	Easley	Market	May/2023	\$40,350,000	224	2022	\$180,134	10.12	6.00%
3	2950 North	Greenville	Market	Dec/2022	\$20,757,000	156	1984/2017	\$133,058	9.80	4.94%
4	Park Terrace Apartments	Greenwood	Market	Jun/2022	\$1,512,000	24	1966	\$63,000	5.29	7.78%
Average						111		\$108,982	8.03	6.18%

We have selected comparable sales from the Subject's area. The sales illustrate a range of overall rates from 4.94 to 7.78 percent, with an average of 6.18 percent. All of the sales represent typical market transactions for multifamily market rate properties in the area. It should be noted that we searched for affordable, both LIHTC and Section 8, multifamily sales in the area and were unable to locate any. Therefore, we utilized four additional conventional market rate developments in our sales approach. We believe the improved sales we chose for our analysis represent the typical multifamily market in the Subject's area.

The primary factors that influence the selection of an overall rate is the Subject's condition, size, location, and market conditions. In terms of condition, the Subject is slightly superior to Sales 1 and 4, which were built between 1960 and 1966, inferior to Sale 2, which was built in 2022, and slightly inferior to Sale 3, which was built in 1984 and renovated in 2017. In terms of size, the Subject is similar to Sale 1, with 40 units, slightly larger than Sale 4, with 24 units, and smaller than Sales 2 and 3, with 224 and 156 units, respectively. The Subject is considered slightly inferior relative to Sale 2 in terms of location, as this location offers a slightly higher median home value, median household income, and median rent. The Subject is considered inferior to Sales 1 and 3 in terms of location, as these sales are located in close proximity to downtown Greenville and in areas with a higher median rent, median household income, and median home value relative to the Subject's location, as well as superior access to desirable amenities and employment opportunities. The Subject is considered similar to Sale 4 in terms of location, as the sale is located in Greenwood and in an area with similar demographic indicators. Sales 1 and 2 transferred in November 2024 and May 2023, respectively in similar market conditions to the present. Sales 3 and 4 transferred in December 2022 and June 2022, respectively, in slightly superior market conditions to the present. Overall, we have concluded to a capitalization rate of 6.50 percent for both the restricted and unrestricted scenarios based on market extraction, which is above the average of the sales and appears reasonable.

The PwC Real Estate Investor Survey

The *PwC Real Estate Investor Survey* tracks capitalization rates utilized by national investors in commercial and multifamily real estate. The following summarizes the information for the national multifamily housing market:

PwC REAL ESTATE INVESTOR SURVEY

National Apartment Market

Overall Capitalization Rate

Range:	4.00% - 6.25%
Average:	5.25%

Institutional Grade Investments

Range:	5.50% - 6.00%
Average:	5.75%

Non-Institutional Grade Investments

Range:	5.50% - 6.50%
Average:	6.00%

Source: PwC Real Estate Investor Survey, 1Q 2025

The *PwC Real Estate Investor Survey* defines “Institutional – Grade” real estate as real property investments that are sought out by institutional buyers and have the capacity to meet generally prevalent institutional investment criteria³. Typical “Institutional – Grade” apartment properties are newly constructed, well amenitized, market-rate properties in urban or suburban locations. Rarely could subsidized properties, either new construction or acquisition/rehabilitation, be considered institutional grade real estate. Therefore, for our purpose, the Non-Institutional Grade capitalization rate is most relevant; this is currently 25 basis points higher than the Institutional Grade rate on average. However, local market conditions have significant weight when viewing capitalization rates.

PwC Investor Survey



³ PwC Real Estate Investor Survey

PwC Real Estate Investor Survey - National Apartment Market								
Overall Capitalization Rate								
Quarter	Cap Rate	Change	Quarter	Cap Rate	Change	Quarter	Cap Rate	Change
1Q03	8.14	-	4Q10	6.51	-1.34	3Q18	5.23	-0.09
2Q03	7.92	-0.22	1Q11	6.29	-0.22	4Q18	5.16	-0.07
3Q03	7.61	-0.31	2Q11	6.10	-0.19	1Q19	5.03	-0.13
4Q03	7.45	-0.16	3Q11	5.98	-0.12	2Q19	5.14	0.11
1Q04	7.25	-0.20	4Q11	5.80	-0.18	3Q19	5.10	-0.04
2Q04	7.13	-0.12	1Q12	5.83	0.03	4Q19	5.15	0.05
3Q04	7.05	-0.08	2Q12	5.76	-0.07	1Q20	5.14	-0.01
4Q04	7.01	-0.04	3Q12	5.74	-0.02	2Q20	5.19	0.05
1Q05	6.74	-0.27	4Q12	5.72	-0.02	3Q20	5.22	0.03
2Q05	6.52	-0.22	1Q13	5.73	0.01	4Q20	5.22	0.00
3Q05	6.28	-0.24	2Q13	5.70	-0.03	1Q21	5.04	-0.18
4Q05	6.13	-0.15	3Q13	5.61	-0.09	2Q21	4.96	-0.08
1Q06	6.07	-0.06	4Q13	5.80	0.19	3Q21	4.59	-0.37
2Q06	6.01	-0.06	1Q14	5.79	-0.01	4Q21	4.42	-0.17
3Q06	5.98	-0.03	2Q14	5.59	-0.20	1Q22	4.40	-0.02
4Q06	5.97	-0.01	3Q14	5.51	-0.08	2Q22	4.45	0.05
1Q07	5.89	-0.08	4Q14	5.36	-0.15	3Q22	4.75	0.30
2Q07	5.80	-0.09	1Q15	5.36	0.00	4Q22	4.89	0.14
3Q07	5.76	-0.04	2Q15	5.30	-0.06	1Q23	5.01	0.12
4Q07	5.75	-0.01	3Q15	5.39	0.09	2Q23	5.25	0.24
1Q08	5.79	0.04	4Q15	5.35	-0.04	3Q23	5.28	0.03
2Q08	5.75	-0.04	1Q16	5.35	0.00	4Q23	5.59	0.31
3Q08	5.86	0.11	2Q16	5.29	-0.06	1Q24	5.42	-0.17
4Q08	6.13	0.27	3Q16	5.25	-0.04	2Q24	5.44	0.02
1Q09	6.88	0.75	4Q16	5.26	0.01	3Q24	5.38	-0.06
2Q09	7.49	0.61	1Q17	5.33	0.07	4Q24	5.16	-0.22
3Q09	7.84	0.35	2Q17	5.40	0.07	1Q25	5.25	0.09
4Q09	8.03	0.19	3Q17	5.35	-0.05			
1Q10	7.85	-0.18	4Q17	5.32	-0.03			
2Q10	7.68	-0.17	1Q18	5.33	0.01			
3Q10	7.12	-0.56	2Q18	5.26	-0.07			

Source: PwC Real Estate Investor Survey, Q1 2025

As the graph and table indicate, the overall national average capitalization rate decreased 100 basis points from the second quarter of 2017 to the first quarter of 2022 (5.40 percent to 4.40 percent). Over this period, the rate generally decreased quarter-over-quarter, with a few exceptions. However, the recent increases in interest rates appear to be directly impacting capitalization rates as the overall average national capitalization rate increased 0.43 percentage points since the first quarter of 2023. However, capitalization rates decreased for the first time in two years between fourth quarter 2023 and first quarter 2024, and while the capitalization rates continued to decrease in the second half of 2024, capitalization rates increased slightly in the first quarter of 2025. We have considered the current market conditions and we have estimated a capitalization rate of 6.50 percent, which is within the range of the Non-Institutional Grade capitalization rates.

Debt Coverage Ratio

The debt coverage ratio (DCR) is frequently used as a measure of risk by lenders wishing to measure the margin of safety and by purchasers analyzing leveraged property. It can be applied to test the reasonableness of a project in relation to lender loan specifications. Lenders typically use the debt coverage ratio as a quick test to determine project feasibility. The debt coverage ratio has two basic components: the properties net operating income and its annual debt service (represented by the mortgage constant). The ratio used is:

Net Operating Income / Annual Debt Service = Debt Coverage Ratio

One procedure by which the debt coverage ratio can be used to estimate the overall capitalization rate is by multiplying the debt coverage ratio by the mortgage constant and the lender required loan-to-value ratio. The indicated formula is:

$$RO = D.C.R \times RM \times M$$

Where:

RO = Overall Capitalization Rate

D.C.R = Debt Coverage Ratio

RM = Mortgage Constant

M = Loan-to-Value Ratio

Band of Investment

This method involves deriving the property's equity dividend rate from the improved comparable sales and applying it, at current mortgage rate and terms, to estimate the value of the income stream.

The formula is:

$$RO = M \times RM + (1-M) \times RE$$

Where:

RO = Overall Capitalization Rate

M = Loan-to-Value Ratio

RM = Mortgage Constant

RE = Equity Dividend

The equity dividend rate (RE) also known as the cash on cash return rate, is the rate of return that an equity investor expects on an annual basis. It is a component of the overall return requirement. The equity dividend rate is impacted by the returns on other similar investments as well as the risk profile of the investment market and finally the expectation for future value growth. The equity dividend rate is lower in cases where the market is strong and there is a perception of lower risk related to the return of the investment. Further, the dividend rate is lower in markets that have greater expectation for capital appreciation. In some cases we have seen dividend rates that are zero or even negative, suggesting that buyers are willing to forego an annual return because of a larger expectation of capital appreciation. Of course the converse is also true. Generally, we see equity dividend rates ranging from two to 10 percent. We believe an equity dividend estimate of 7.25 percent is considered reasonable in this analysis.

The Mortgage Constant (RM) is based upon the calculated interest rate from the ten year treasury. We have utilized 7.25 percent as our estimate of equity return. The following table summarizes calculations for the two previously discussed methods of capitalization rate derivation. We will utilize a market oriented interest rate of 6.75 percent. Based on our work files, the typical amortization period is 25 to 30 years and the loan to value ratio is 70 to 80 percent with interest rates between 5.50 and 8.00 percent. Therefore, we believe a

6.75 percent interest rate with a 30 year amortization period and a loan to value of 75.00 percent is reasonable. The following table illustrates the band of investment for the Subject property.

CAPITALIZATION RATE DERIVATION

Inputs and Assumptions					Interest Rate Calculations				
DCR	1.2				Treasury Bond Basis				
Rm	0.0778				10 Year T-Bond Rate (Mar/2025)				4.23%
Interest (per annum)*	6.75%				Interest rate spread				252
Amortization (years)	30.0				Interest Rate (per annum)				6.75%
M	0.75								
Re	7.25%								
Debt Coverage Ratio									
	Ro	=	DCR	X	Rm	X	M		
	7.00%	=	1.2	X	0.0778	X	75.0%		
Band of Investment									
	Ro	=	(M	X	Rm)	+	((1 - M)	X	Re)
	7.65%	=	75.0%	X	0.0778	+	25.0%	X	7.25%

Source: Bloomberg.com, March 2025

Conclusion of Overall Rate Selection

CAPITALIZATION RATE SELECTION SUMMARY

Method	Indicated Rate
Market Extraction	6.50%
The PWC Investor Survey	6.50%
Debt Coverage Ratio	7.00%
Band of Investment	7.65%

The following issues impact the determination of a capitalization rate for the Subject:

- Current market health
- Existing competition
- Subject's construction type, tenancy and physical appeal
- The demand growth expected over the next three years
- Local market overall rates

The various approaches indicate a range from 6.50 to 7.65 percent. We reconciled a 6.50 percent capitalization rate based primarily upon the market-extracted rate.

A summary of the direct capitalization analysis follows.

DIRECT CAPITALIZATION ANALYSIS

Operating Revenues

Apartment Rentals	Market Unit Mix	As Is - Restricted		As Is - Unrestricted	
		Average Rent (Monthly)	Total Revenue	Average Rent (Monthly)	Total Revenue
Potential Rental Income	56	\$853	\$573,216	\$855	\$574,560
Other Income					
Miscellaneous		\$43	\$2,400	\$150	\$8,400
Total Potential Revenue		\$10,279	\$575,616	\$10,410	\$582,960
Vacancy Loss		(\$717)	(\$40,125)	(\$729)	(\$40,807)
Vacancy Percentage			7.00%		7.00%
Effective Gross Income		\$9,562	\$535,491	\$9,681	\$542,153

Operating Expenses

	As Is - Restricted		As Is - Unrestricted	
Administration	\$539	\$30,183	\$340	\$19,040
Operating/Maintenance	\$1,356	\$75,910	\$1,700	\$95,200
Utilities	\$1,446	\$80,964	\$1,400	\$78,400
Payroll	\$2,015	\$112,865	\$1,389	\$77,800
Real Estate Taxes	\$572	\$32,004	\$693	\$38,789
Insurance	\$542	\$30,359	\$542	\$30,352
Management Fee	\$1,080	\$60,480	\$387	\$21,686
Replacement Reserves	\$330	\$18,500	\$300	\$16,800
Total Operating Expenses	\$7,880	\$441,265	\$6,789	\$380,207
Expenses as ratio of EGI		82.4%		69.7%

Valuation

	As Is - Restricted		As Is - Unrestricted	
Net Operating Income	\$1,683	\$94,226	\$2,930	\$164,086
Capitalization Rate		6.50%		6.50%
Indicated Value Rounded	\$25,893	\$1,450,000	\$45,000	\$2,520,000

Value of Interest Credit Subsidy

The Subject is a Rural Development that benefits from an interest credit subsidy. At the direction of SCSHFDA, we have added the value of the interest credit subsidy to our as is restricted value. The calculation below details the value of the interest credit subsidy. The client was unable to provide the terms of the USDA loan, other than the outstanding balance. As such, we have estimated the terms, interest, and note rates based on our work files of similar USDA properties. It is an extraordinary assumption of this report that the USDA loan terms utilized to value the interest credit subsidy are correct.

VALUE OF INTEREST CREDIT SUBSIDY - NEW RATES AND TERMS			
Loan Amount	\$	1,131,712	
Market			
Market Term - Months		360	
Market Interest Rate		6.75%	
Market Monthly Mortgage Payment			\$7,340
Subsidized			
Amortization Term - Months		600	
Balloon Due in Months		360	
Remaining Economic Life		35	
Remaining Loan Term - used in calculations		600	
USDA Base rent Interest Rate		1.00%	
USDA Note Interest Rate		2.50%	
1% Subsidized Monthly Mortgage Payment			\$2,398
Value on Subsidized Income Stream			
Monthly Savings in Income Stream			\$4,943
Discount Rate (Market Mortgage Rate)		6.75%	
Terms of Savings		360	
Present value of the subsidy			\$762,048
Adjustment for Balloon Amortization			
Note Rate Payment - Full term of Subsidized Loan			(\$3,306)
Balloon Due at end of amortized Term			(\$623,928)
Present Worth of the 30th Year Balloon Payment			\$82,823
Value of Interest Credit Subsidy			\$679,224
Rounded			\$679,200

DIRECT CAPITALIZATION ANALYSIS

Scenario	Cap Rate	Net Operating Income	Indicated Value (Rounded)	Value of Interest Credit Subsidy (Rounded)	Indicated Value (Rounded)
As Is - Restricted	6.50%	\$94,226	\$1,450,000	\$679,200	\$2,130,000
As Is - Unrestricted	6.50%	\$164,086	\$2,520,000	-	\$2,520,000

Conclusion

As a result of our analysis of the Subject's restricted scenario, our estimate of the fair market value, combined with our estimate of the value of the USDA interest credit subsidy, as of March 21, 2025, is:

**TWO MILLION ONE HUNDRED THIRTY THOUSAND DOLLARS
(\$2,130,000)**

As a result of our analysis of the Subject's hypothetical unrestricted scenario, the fee simple market value "As Is," as of March 21, 2025, is:

**TWO MILLION FIVE HUNDRED TWENTY THOUSAND DOLLARS
(\$2,520,000)**

For the purposes of our unrestricted analysis, we have employed a hypothetical condition assuming unrestricted, conventional operations. It is an extraordinary assumption that there are no Recognized Environmental Concerns (RECs) that would impact the value of the Subject property. We requested a copy of a Physical Condition Assessment report. The status of this report is still pending. Thus, it is an extraordinary assumption that there are no necessary critical repairs that will significantly impact the value of the Subject. The client was unable to provide the terms of the USDA loan, other than the outstanding balance. As such, we have estimated the terms, interest, and note rates based on our work files of similar USDA properties. It is an extraordinary assumption of this report that the USDA loan terms utilized to value the interest credit subsidy are correct.

The use of extraordinary assumptions and/or hypothetical conditions may have an impact on assignment results.

Please refer to the assumptions and limiting conditions in the of this report.

X. SALES COMPARISON APPROACH

SALES COMPARISON APPROACH

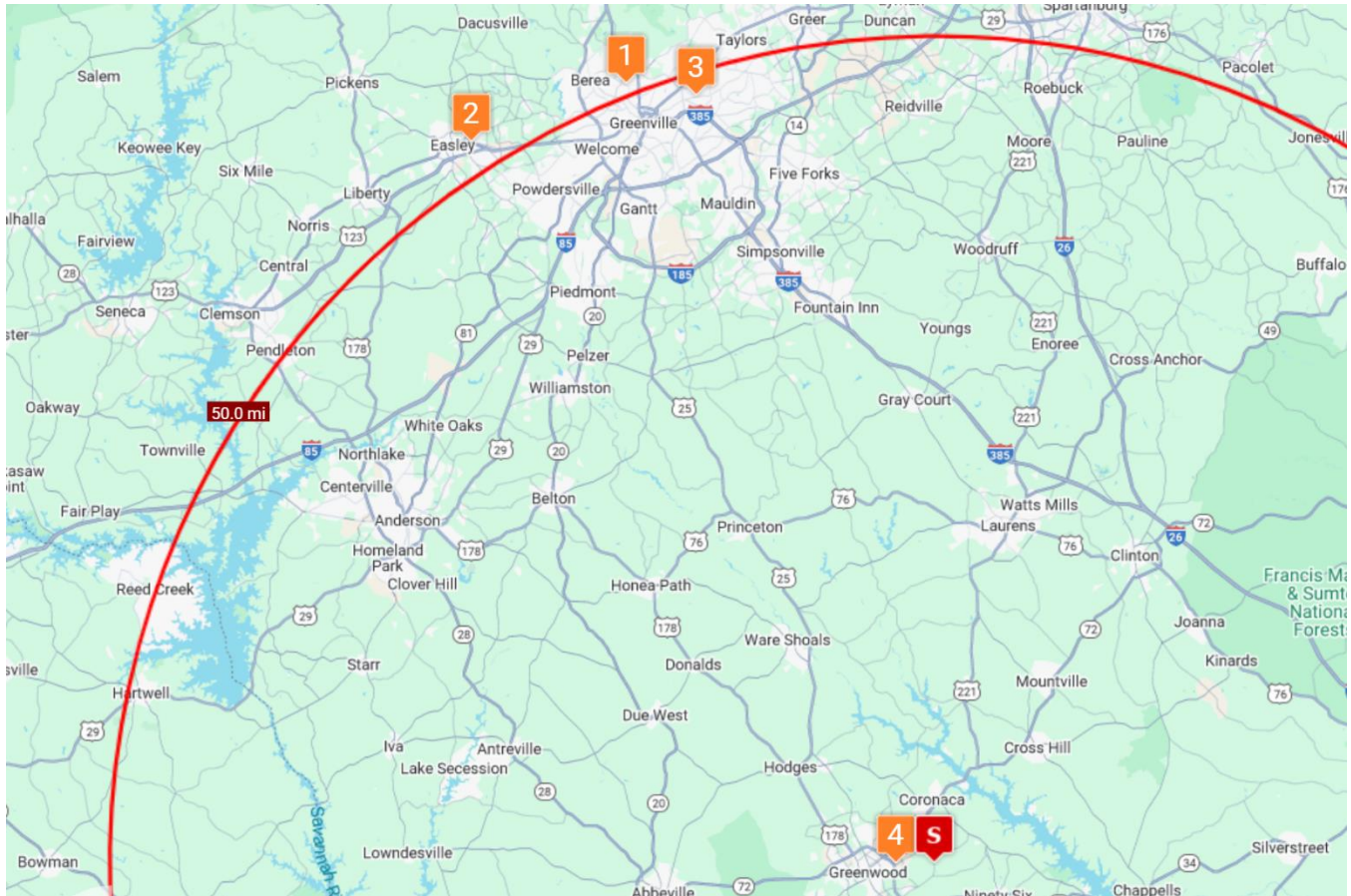
The sales comparison approach to value is a process of comparing market data; that is, the price paid for similar properties, prices asked by owners, and offers made by hypothetical purchasers willing to buy or lease. It should be noted, the sales utilized represent the best sales available. Market data is good evidence of value because it represents the actions of users and investors. The sales comparison approach is based on the principle of substitution, which states that a prudent investor would not pay more to buy or rent a property than it will cost them to buy or rent a comparable substitute. The sales comparison approach recognizes that the typical buyer will compare asking prices and work through the most advantageous deal available. In the sales comparison approach, the appraisers are observers of the buyer's actions. The buyer is comparing those properties that constitute the market for a given type and class.

IMPROVED SALES VALUATION

We searched for LIHTC multifamily sales in the area and were unable to locate any. It should be noted that any potential sale of the Subject property would be constrained by the limitations and penalties of the LIHTC program, specifically the recapture/penalty provision upon transfer. Because of this, there are a limited number of properties that have sold nationwide that have the restrictions associated with Section 42 provisions. We believe the improved sales we have chosen for our analysis represents the typical multifamily market in the Subject's area. Therefore, we have utilized four conventional market rate developments in our sales approach.

The following pages supply the analyzed sale data and will conclude with a value estimate considered reasonable.

Improved Sales Map



Source: Google Maps, March 2025

IMPROVED SALES

#	Property Name	Location	Program	Sale Date	Sales Price	# Units	Year Built	Price / Unit	EGIM	Cap Rate
1	San Souci Apartments	Greenville	Market	Nov/2024	\$2,270,000	38	1960	\$59,737	5.64	6.00%
2	The Farmhouse At Easley	Easley	Market	May/2023	\$40,350,000	224	2022	\$180,134	10.12	6.00%
3	2950 North	Greenville	Market	Dec/2022	\$20,757,000	156	1984/2017	\$133,058	9.80	4.94%
4	Park Terrace Apartments	Greenwood	Market	Jun/2022	\$1,512,000	24	1966	\$63,000	5.29	7.78%
Average						111		\$108,982	8.03	6.18%

Improved Sale: San Souci Apartments



Transaction

Name	San Souci Apartments	Sale Date	Nov/2024
Address	3001 Old Buncombe Rd	Sale Price	\$2,270,000
City	Greenville	Price Per Unit	\$59,737
State	SC	Sale Status	Closed
Zip	29609	Sale Conditions	Typical
County	Greenville	Financing	Conventional
Buyer	Progressive Properties of Greenville	Verification	CoStar, Public Records
Seller	Arlan G Hawkins		

Site and Improvements

No. of Units	38	Land Acres	0.98
Year Built	1960	Land Sq Ft	42,689
Year Renovated		Structure	Garden

Financial Data

EGI	\$402,200	NOI	\$136,200
Total Expenses	\$266,000	Expense Ratio	66.1%
Expenses / Unit	\$7,000	EGIM (\$)	5.64
Cap Rate	6.00%		

Remarks

This market rate property offers 38 one-bedroom units. The details of this transaction were confirmed via CoStar, who confirmed the sale details with the buyer and their broker. Novogradac estimated expenses at \$7,000 per unit.

Improved Sale: The Farmhouse At Easley



Transaction

Name	The Farmhouse At Easley	Sale Date	May/2023
Address	105 Gettys Lane	Sale Price	\$40,350,000
City	Easley	Price Per Unit	\$180,134
State	SC	Sale Status	Closed
Zip	29640	Sale Conditions	Typical
County	Pickens	Financing	Conventional
Buyer	Gettys Middle Holdings LLC	Verification	Costar, Buyer
Seller	HPI Easley LLC		

Site and Improvements

No. of Units	224	Land Acres	16.0
Year Built	2022	Land Sq Ft	696,960
Year Renovated		Structure	Garden

Financial Data

EGI	\$3,989,000	NOI	\$2,421,000
Total Expenses	\$1,568,000	Expense Ratio	39.3%
Expenses / Unit	\$7,000	EGIM (\$)	10.12
Cap Rate	6.00%		

Remarks

This market rate development offers 224 one, two, and three-bedroom units. The property was 62 percent occupied at the time of sale. Novoco estimated expenses at \$7,000 per unit.

Improved Sale: 2950 North



Transaction			
Name	2950 North	Sale Date	Dec/2022
Address	2950 E North St	Sale Price	\$20,757,000
City	Greenville	Price Per Unit	\$133,058
State	SC	Sale Status	Closed
Zip	29615	Sale Conditions	Typical
County	Greenville	Financing	Conventional
Buyer	Morrison Avenue Capital Partners, LLC	Verification	CoStar
Seller	Stonecutter Capital Management LLC		
Site and Improvements			
No. of Units	156	Land Acres	11.3
Year Built	1984	Land Sq Ft	492,228
Year Renovated	2017	Structure	Garden
Financial Data			
EGI	\$2,117,396	NOI	\$1,025,396
Total Expenses	\$1,092,000	Expense Ratio	51.6%
Expenses / Unit	\$7,000	EGIM (\$)	9.8
Cap Rate	4.94%		
Remarks			
This market rate development offers 60 one and 96 two-bedroom units. The vacancy rate at the time of sale was not available. Novogradac has estimated expenses at \$7,000 per unit.			

Improved Sale: Park Terrace Apartments



Transaction

Name	Park Terrace Apartments	Sale Date	Jun/2022
Address	104 Park Terrace	Sale Price	\$1,512,000
City	Greenwood	Price Per Unit	\$63,000
State	SC	Sale Status	Closed
Zip	29646	Sale Conditions	Typical
County	Greenwood	Financing	Conventional
Buyer	Park Terrace Greenwood LLC	Verification	CoStar, Public Records
Seller	Greg S & Julie M Miner		

Site and Improvements

No. of Units	24	Land Acres	3.18
Year Built	1966	Land Sq Ft	138,521
Year Renovated		Structure	Garden

Financial Data

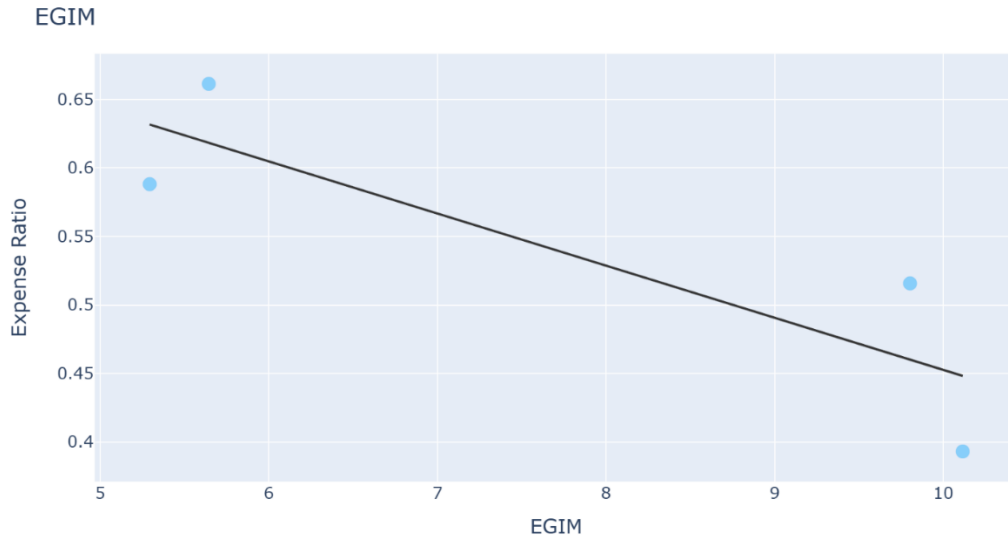
EGI	\$285,634	NOI	\$117,634
Total Expenses	\$168,000	Expense Ratio	58.8%
Expenses / Unit	\$7,000	EGIM (\$)	5.29
Cap Rate	7.78%		

Remarks

This market rate development offers 12 one and 12 two-bedroom units. The details of this transaction were confirmed via CoStar. Novogradac estimated expenses at \$7,000 per unit.

EGIM Analysis

We first estimate the Subject's value using the EGIM analysis. The EGIM compares the ratios of sales price to the annual gross income for the property, less a deduction for vacancy and collection loss. A reconciled multiplier for the Subject is then used to convert the Subject's anticipated effective gross income into an estimate of value. The following chart highlights the correlation between the EGIM and the expense ratios reported by the comparable sales utilized in our analysis.



Typically, the higher the operating expense ratio the lower the EGIM. The previous table generally follows this trend. The Subject's expense ratio is 82.4 percent in the restricted scenario, and 69.7 percent in the unrestricted scenario, both of which are above the range of the comparables. Overall, we have estimated an EGIM of 2.7 in the restricted scenario and 4.6 in the unrestricted scenario, both of which are below the range of the comparables and considered reasonable given the Subject is an affordable development. The Subject's indicated value using the EGIM method is presented in the following table.

IMPROVED SALES

#	Property Name	Sales Price	EGI	Expense Ratio	Total Expenses	EGIM
1	San Souci Apartments	\$2,270,000	\$402,200	66.1%	\$266,000	5.64
2	The Farmhouse At Easley	\$40,350,000	\$3,989,000	39.3%	\$1,568,000	10.12
3	2950 North	\$20,757,000	\$2,117,396	51.6%	\$1,092,000	9.80
4	Park Terrace Apartments	\$1,512,000	\$285,634	58.8%	\$168,000	5.29
	As Is - Restricted		\$535,330	82.4%	\$441,202	2.70
	As Is - Unrestricted		\$542,153	69.7%	\$378,067	4.60

Value of Interest Credit Subsidy

The Subject is a Rural Development that benefits from an interest credit subsidy. At the direction of SCSHFDA, we have added the value of the interest credit subsidy to our as is restricted value. The value of the interest credit subsidy was calculated previously in the Direct Capitalization section of this report.

EGIM ANALYSIS

Scenario	EGIM	Effective Gross Income	Indicated Value (Rounded)	Value of Interest Credit Subsidy (Rounded)	Indicated Value (Rounded)
As Is - Restricted	2.7	\$535,491	\$1,450,000	\$679,200	\$2,130,000
As Is - Unrestricted	4.6	\$542,153	\$2,500,000	-	\$2,500,000

NOI/UNIT ANALYSIS

The available sales data also permits the use of the NOI/Unit analysis. The NOI/Unit analysis examines the income potential of a property relative to the price paid per unit. The sales indicate that, in general, investors are willing to pay more for properties with greater income potential. Based on this premise, we are able to gauge the Subject's standing in our market survey group, thereby estimating a value on a price per unit applicable to the Subject. This analysis allows us to provide a quantitative adjustment process and avoids qualitative, speculative adjustments.

To estimate an appropriate price/unit for the Subject, we examined the change in NOI/Unit and how it affects the price/unit. By determining the percent variance of the comparable properties NOI/Unit to the Subject, we determine an adjusted price/unit for the Subject.

The table(s) below summarize the calculated adjustment factors and the indicated adjusted prices.

NOI/UNIT ANALYSIS – AS IS - RESTRICTED

No.	Subject's Stabilized NOI/Unit	/	Sale's NOI/Unit	=	Adjustment Factor	X	Unadjusted Price Per Unit	=	Adjusted Price/Unit
1	\$1,683	/	\$3,584	=	0.469	X	\$59,737	=	\$28,045
2	\$1,683	/	\$10,808	=	0.156	X	\$180,134	=	\$28,044
3	\$1,683	/	\$6,573	=	0.256	X	\$133,058	=	\$34,061
4	\$1,683	/	\$4,901	=	0.343	X	\$63,000	=	\$21,629
Average			\$6,467		0.306		\$108,982		\$27,945

NOI/UNIT ANALYSIS – AS IS - UNRESTRICTED

No.	Subject's Stabilized NOI/Unit	/	Sale's NOI/Unit	=	Adjustment Factor	X	Unadjusted Price Per Unit	=	Adjusted Price/Unit
1	\$2,930	/	\$3,584	=	0.818	X	\$59,737	=	\$48,835
2	\$2,930	/	\$10,808	=	0.271	X	\$180,134	=	\$48,835
3	\$2,930	/	\$6,573	=	0.446	X	\$133,058	=	\$59,314
4	\$2,930	/	\$4,901	=	0.598	X	\$63,000	=	\$37,662
Average			\$6,467		0.533		\$108,982		\$48,661

Value of Interest Credit Subsidy

The Subject is a Rural Development that benefits from an interest credit subsidy. At the direction of SCSHFDA, we have added the value of the interest credit subsidy to our as is restricted value. The value of the interest credit subsidy was calculated previously in the Direct Capitalization section of this report.

NOI/UNIT ANALYSIS

Scenario	Number of Units	Value per unit	Indicated Value (Rounded)	Value of Interest Credit Subsidy (Rounded)	Indicated Value (Rounded)
As Is - Restricted	56	\$27,000	\$1,510,000	\$679,200	\$2,190,000
As Is - Unrestricted	56	\$48,000	\$2,700,000	-	\$2,700,000

Conclusion

As a result of our analysis of the Subject's restricted scenario, our estimate of the fair market value, combined with our estimate of the value of the USDA interest credit subsidy, as of March 21, 2025, via the Sales Comparison Approach, is:

TWO MILLION ONE HUNDRED NINETY THOUSAND DOLLARS
(\$2,190,000)

As a result of our analysis of the Subject's hypothetical unrestricted scenario, fee simple value "As Is," as of March 21, 2025, via the Sales Comparison Approach, is:

**TWO MILLION SEVEN HUNDRED THOUSAND DOLLARS
(\$2,700,000)**

For the purposes of our unrestricted analysis, we have employed a hypothetical condition assuming unrestricted, conventional operations. It is an extraordinary assumption that there are no Recognized Environmental Concerns (RECs) that would impact the value of the Subject property. We requested a copy of a Physical Condition Assessment report. The status of this report is still pending. Thus, it is an extraordinary assumption that there are no necessary critical repairs that will significantly impact the value of the Subject. The client was unable to provide the terms of the USDA loan, other than the outstanding balance. As such, we have estimated the terms, interest, and note rates based on our work files of similar USDA properties. It is an extraordinary assumption of this report that the USDA loan terms utilized to value the interest credit subsidy are correct.

The use of extraordinary assumptions and/or hypothetical conditions may have an impact on assignment results.

Please refer to the assumptions and limiting conditions in the addenda of this report.

XI. RECONCILIATION

RECONCILIATION

We considered the traditional approaches in the estimation of the Subject's value. The resulting value estimates are presented following:

LAND VALUE

Scenario	No. of Units	Value/Unit	Indicated Value (Unrounded)	Discount of LURA (Rounded)	Indicated Value with LURA (Unrounded)	Indicated Value (Rounded)
Subject	56	\$8,200	\$459,200	(\$196,119)	\$263,081	\$260,000

DIRECT CAPITALIZATION ANALYSIS

Scenario	Cap Rate	Net Operating Income	Indicated Value (Rounded)	Value of Interest Credit Subsidy (Rounded)	Indicated Value (Rounded)
As Is - Restricted	6.50%	\$94,226	\$1,450,000	\$679,200	\$2,130,000
As Is - Unrestricted	6.50%	\$164,086	\$2,520,000	-	\$2,520,000

EGIM ANALYSIS

Scenario	EGIM	Effective Gross Income	Indicated Value (Rounded)	Value of Interest Credit Subsidy (Rounded)	Indicated Value (Rounded)
As Is - Restricted	2.7	\$535,491	\$1,450,000	\$679,200	\$2,130,000
As Is - Unrestricted	4.6	\$542,153	\$2,500,000	-	\$2,500,000

NOI/UNIT ANALYSIS

Scenario	Number of Units	Value per unit	Indicated Value (Rounded)	Value of Interest Credit Subsidy (Rounded)	Indicated Value (Rounded)
As Is - Restricted	56	\$27,000	\$1,510,000	\$679,200	\$2,190,000
As Is - Unrestricted	56	\$48,000	\$2,700,000	-	\$2,700,000

The value indicated by the income capitalization approach is a reflection of a prudent investor's analysis of an income producing property. In this approach, income is analyzed in terms of quantity, quality, and durability. Due to the fact that the Subject is income producing in nature, this approach is the most applicable method of valuing the Subject property.

The sales comparison approach reflects an estimate of value as indicated by the sales market. In this approach, we searched the local market for transfers of similar type properties. These transfers were analyzed for comparative units of value based upon the most appropriate indices (i.e. \$/Unit, OAR, etc.). Our search revealed several sales over the past two years. While there was substantial information available on each sale, the sales varied in terms of location, quality of income stream, condition, etc. As a result, the appraisers used both an EGIM and a sales price/unit analysis. These analyses provide a good indication of the Subject's market value.

In the final analysis, we considered the influence of the two developed approaches in relation to one another and in relation to the Subject. Both are considered reasonable indications of value, but substantially more weight was placed on the income approach, given that the Subject is a subsidized, income generating multifamily development.

As a result of our analysis, the value of the Subject's underlying land, "As If Vacant," of the fee simple interest, as of March 21, 2025, is:

**TWO HUNDRED SIXTY THOUSAND DOLLARS
(\$260,000)**

As a result of our analysis of the Subject's restricted scenario, our estimate of the fair market value, combined with our estimate of the value of the USDA interest credit subsidy, as of March 21, 2025, is:

TWO MILLION ONE HUNDRED THIRTY THOUSAND DOLLARS
(\$2,130,000)

As a result of our analysis of the Subject's hypothetical unrestricted scenario, the fee simple market value "As Is," as of March 21, 2025, is:

TWO MILLION FIVE HUNDRED TWENTY THOUSAND DOLLARS
(\$2,520,000)

For the purposes of our unrestricted analysis, we have employed a hypothetical condition assuming unrestricted, conventional operations. It is an extraordinary assumption that there are no Recognized Environmental Concerns (RECs) that would impact the value of the Subject property. We requested a copy of a Physical Condition Assessment report. The status of this report is still pending. Thus, it is an extraordinary assumption that there are no necessary critical repairs that will significantly impact the value of the Subject. The client was unable to provide the terms of the USDA loan, other than the outstanding balance. As such, we have estimated the terms, interest, and note rates based on our work files of similar USDA properties. It is an extraordinary assumption of this report that the USDA loan terms utilized to value the interest credit subsidy are correct.

The use of extraordinary assumptions and/or hypothetical conditions may have an impact on assignment results.

Please refer to the assumptions and limiting conditions in the addenda of this report.

Reasonable Exposure Time:

Advisory Opinion 35 (AO-35), Appraisal Standards to USPAP notes that reasonable exposure time is one of a series of conditions in most market value definitions. Exposure time is always presumed to precede the effective date of the appraisal.

It is defined as "an opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal." Based on our read of the market, historical information provided by the PwC Investor Survey and recent sales of similar product, an exposure time of nine to 12 months appears reasonable.

Marketing Time Projection

Marketing Time is defined as the period from the date of initial listing to the settlement date. The projected marketing time for the Subject property "As Is" will vary greatly, depending upon the aggressiveness of the marketing agent, the method of marketing, the market that is targeted, interest rates and the availability of credit at the time the property is marketed, the supply and demand of similar properties for sale or having been recently purchased, and the perceived risks at the time it is marketed.

Discussions with area Realtors indicate that a marketing period of nine to twelve months is reasonable for properties such as the Subject. This is supported by data obtained from several of the comparable sales and consistent with information obtained from the PwC Survey. This estimate assumes a strong advertising and marketing program during the marketing period.

ADDENDUM A

Assumptions and Limiting Conditions, Certification

Assumptions and Limiting Conditions

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the appraiser has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the author assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All encumbrances, including mortgages, liens, leases, and servitudes, were disregarded in this valuation unless specified in the report. It was recognized, however, that the typical purchaser would likely take advantage of the best available financing, and the effects of such financing on property value were considered.
4. All information contained in the report which others furnished was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
5. The report was made assuming responsible ownership and capable management of the property.
6. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
7. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
8. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors.
9. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the appraiser did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
10. Any distribution of total property value between land and improvements applies only under the existing or specified program of property utilization. Separate valuations for land and buildings must not be used in conjunction with any other study or appraisal and are invalid if so used.
11. A valuation estimate for a property is made as of a certain day. Due to the principles of change and anticipation the value estimate is only valid as of the date of valuation. The real estate market is non-static and change and market anticipation is analyzed as of a specific date in time and is only valid as of the specified date.
12. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the author particularly as to value conclusions, the identity of the author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general

public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the appraiser. Nor shall the appraiser, firm, or professional organizations of which the appraiser is a member be identified without written consent of the appraiser.

13. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional appraisal organization with which the appraiser is affiliated: specifically, the Appraisal Institute.
14. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
15. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
16. Opinions of value contained herein are estimates. There is no guarantee, written or implied, that the Subject property will sell or lease for the indicated amounts.
17. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report.
18. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
19. On all appraisals, subject to satisfactory completion, repairs, or alterations, the appraisal report and value conclusions are contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time. A final inspection and value estimate upon the completion of said improvements should be required.
20. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not subject to flood plain or utility restrictions or moratoriums, except as reported to the appraiser and contained in this report.
21. The party for whom this report is prepared has reported to the appraiser there are no original existing condition or development plans that would subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
22. Unless stated otherwise, no percolation tests have been performed on this property. In making the appraisal, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use, as detailed in this report.
23. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The appraiser does not warrant the condition or adequacy of such systems.
24. No in-depth inspection of existing insulation was made. It is specifically assumed no Urea Formaldehyde Foam Insulation (UFFI), or any other product banned or discouraged by the Consumer Product Safety Commission has been introduced into the appraised property. The appraiser reserves the right to review and/or modify this appraisal if said insulation exists on the Subject property.
25. Acceptance of and/or use of this report constitute acceptance of all assumptions and the above conditions. Estimates presented in this report are not valid for syndication purposes.

For the purposes of our unrestricted analysis, we have employed a hypothetical condition assuming unrestricted, conventional operations. It is an extraordinary assumption that there are no Recognized Environmental Concerns (RECs) that would impact the value of the Subject property. We requested a copy of a Physical Condition Assessment report. The status of this report is still pending. Thus, it is an extraordinary assumption that there are no necessary critical repairs that will significantly impact the value of the Subject. The client was unable to provide the terms of the USDA loan, other than the outstanding balance. As such, we have estimated the terms, interest, and note rates based on our work files of similar USDA properties. It is an extraordinary assumption of this report that the USDA loan terms utilized to value the interest credit subsidy are correct.

The use of extraordinary assumptions and/or hypothetical conditions may have an impact on assignment results.

Please refer to the assumptions and limiting conditions in the addenda of this report.

Certification

The undersigned hereby certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct;
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions;
- We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved;
- We are concurrently preparing an application market study for the Subject property with the same effective date as this report. We previously prepared an application market study and appraisal for the Subject in May 2024, and have performed no other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the previous three-year period;
- We have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment;
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results;
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal;
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice;
- Austin Perkins has made a personal inspection of the property that is the subject of this report and comparable market data incorporated in this report and is competent to perform such analyses. Rebecca Arthur did not inspect the Subject but is familiar with the market area.
- Ryan Browder, Sophia Bourne, and Austin Perkins provided significant professional assistance to the appraisers including conducting internet research, compiling and coalescing data, analyzing data trends, evaluating and analyzing comparable data, inspecting the site, and drafting text and documents. No one other than those listed on this page provided any significant real property appraisal assistance;
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute;
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, Rebecca S. Arthur, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.



Rebecca S. Arthur, MAI
Certified General Real Estate Appraiser
SC License No.: 8417

ADDENDUM B

Qualifications of Consultants

39

REBECCA S ARTHUR
REBECCA S ARTHUR
6700 ANTIOCH ROAD
SUITE 450
MERRIAM KS 66204

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: 06/30/2026

POCKET CARD


Board Executive

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: 06/30/2026

OFFICE COPY


Board Executive

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 Connecticut Certified General Real Estate Appraiser No. RCG.0001770
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 Massachusetts Certified General Real Estate Appraiser No. 1000327-RA-CG
State of Maryland Certified General Real Estate Appraiser No. 35109
State of Michigan Certified General Real Estate Appraiser No. 1205074011
State of Minnesota Certified General Real Estate Appraiser No. 40219655
State of Missouri Certified General Real Estate Appraiser No. 2004035401
State of New Jersey Certified General Real Estate Appraiser No. 42RG00289900
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 Rhode Island Certified General Real Estate Appraiser No. CGA.0020164
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

ADDENDUM C
Subject Photos



Subject exterior



Subject exterior



Subject exterior



Subject exterior



Parking area



Mailboxes



Sport/basketball court



Playground



Leasing office



Leasing office



Maintenance office



Typical living room



Typical kitchen



Typical washer/dryer hookup



Typical bedroom



Typical bedroom and closet



Typical water closet



Typical hallway



Typical closet



Typical bedroom



Typical bathroom



Typical bathroom



Typical bedroom



Typical living room



View along Parkland Place Road facing south



View along Parkland Place Road facing north



View along Reynolds Avenue facing west



View along Reynolds Avenue facing east



Vacant land to the south



Commercial use to the south



Typical single-family house to the north



Typical single-family house to the north



Typical single-family house to the north



Typical gas station in Subject's neighborhood



Bank in Subject's neighborhood



Typical commercial/light industrial use in Subject's neighborhood



Typical single-family homes west of Subject



Typical single-family homes west of Subject



House of worship in Subject's neighborhood



Piedmont Technical College in Subject's neighborhood



Typical commercial uses in Subject's neighborhood



Typical commercial uses in Subject's neighborhood

ADDENDUM D
Rent Roll

Affordable Rent Roll
Property: Swann Meadows Apartments (165)

As of Date: 03/10/2025

Property	Unit	Unit Type	Unit Sq Ft	Bed Rooms	Tenant Name	Contract Program	Tran No.	Effective Date	Market Rent	Gross Rent	Contract Rent	RD Basic Rent	Subsidy	Tenant Rent	Utility Allowance	Other Non-Optional Charges	TTP	Utility Reim.
Swann Meadows Apartments (165)	A1	165118	777	2	Smith, Mary	Rental Assistance	AR	11/01/24	804	849	755	755	367	388	94	0	482	0
	A2	165118	777	2	DeLong, Tracie	Rental Assistance	AR	09/01/24	804	849	755	755	576	179	94	0	273	0
	A3	165118	777	2	Smith, Janice	Rental Assistance	AR	04/01/24	804	849	755	755	566	189	94	0	283	0
	A4	165118	777	2	Parks, Ladaisha	Rental Assistance	AR	09/01/24	804	849	755	755	437	318	94	0	412	0
	A5	165118	777	2	Foster, Sherri	No Deep Tenant !	MI	08/09/24	804	849	755	755	0	755	94	0	849	0
	A6	165118	777	2	Bledsoe, Sharly	Rental Assistance	AR	01/01/24	804	849	755	755	738	17	94	0	111	0
	A7	165118	777	2	Kako, Tasha	Rental Assistance	MI	06/28/24	804	849	755	755	576	179	94	0	273	0
	A8	165118	777	2	Davis, Talliyah	Rental Assistance	GR	01/01/24	804	849	755	755	819	0	94	0	30	64
	B1	165118	777	2	Frazier, Dorothy	Rental Assistance	AR	10/01/24	804	849	755	755	576	179	94	0	273	0
	B2	165118	777	2	Robinson, Mary	Rental Assistance	AR	01/01/24	804	849	755	755	658	97	94	0	191	0
	B3	165118	777	2	VACANT				804	0	0	0	0	0	94	0	0	0
	B4	165118	777	2	Logan, JaNiya	Rental Assistance	MI	08/02/24	804	849	755	755	405	350	94	0	444	0
	B5	165118	777	2	VACANT				804	0	0	0	0	0	94	0	0	0
	B6	165118	777	2	Foster, Wanda	Rental Assistance	AR	04/01/24	804	849	755	755	417	338	94	0	432	0
	B7	165118	777	2	Hawkins, John	Rental Assistance	AR	01/01/24	804	849	755	755	570	185	94	0	279	0
	B8	165118	777	2	Long, Kimmica	Rental Assistance	AR	04/01/24	804	849	755	755	723	32	94	0	126	0
	C1	165118	777	2	Ingram, Brianna	Rental Assistance	RA	06/28/24	804	849	755	755	132	623	94	0	717	0
	C2	165118	777	2	Loveless, Hailey	HUD Voucher	AR	11/01/23	804	724	631	631	608	0	93	0	93	0
	C3	165118	777	2	Terry, Rhunette	Rental Assistance	AR	06/01/24	804	849	755	755	461	294	94	0	388	0
	C4	165118	777	2	Minyard, Jerneisha	HUD Voucher	MI	07/30/24	804	849	755	755	0	755	94	0	849	0
	C5	165118	777	2	Rodriguez, Alexandria	Rental Assistance	MI	04/18/24	804	849	755	755	486	269	94	0	363	0
	C6	165118	777	2	Price, Nikia	Rental Assistance	AR	03/01/24	804	849	755	755	705	50	94	0	144	0
	C7	165118	777	2	Reidout, Purdrakes	Rental Assistance	AR	10/01/24	804	849	755	755	804	0	94	0	45	49
	C8	165118	777	2	Pratt, Brionne	Rental Assistance	AR	04/01/24	804	849	755	755	623	132	94	0	226	0
	D1	165119	777	2	Spencer, Wakeevia	None			804	849	0	755	0	1,355	94	0	0	0
	D2	165119	777	2	Brooks, Lorinda	Rental Assistance	AR	10/01/24	804	849	755	755	333	422	94	0	516	0
	D3	165119	777	2	Baker, Kayla	Rental Assistance	MI	04/11/24	804	849	755	755	783	0	94	0	66	28
	D4	165119	777	2	Williams, Jasmea	Rental Assistance	AR	01/01/24	804	849	755	755	673	82	94	0	176	0
	D5	165119	777	2	Little, Kesia	Rental Assistance	AR	09/01/24	804	849	755	755	480	275	94	0	369	0
	D6	165119	777	2	Butler, Ziare	Rental Assistance	MI	04/22/24	804	849	755	755	593	162	94	0	256	0
	D7	165119	777	2	Dunlap, Alice	Rental Assistance	AR	04/01/24	804	849	755	755	449	306	94	0	400	0
	D8	165119	777	2	Day, Ke`Erra	Rental Assistance	AR	08/01/24	804	849	755	755	248	507	94	0	601	0
	E1	165124	777	2	Cain, Angela	Rental Assistance	AR	06/01/24	804	849	755	755	569	186	94	0	280	0
	E2	165119	777	2	Hackett, Janasha	Rental Assistance	GR	01/01/24	804	849	755	755	831	0	94	0	18	76
	E3	165124	777	2	Tollison, Brenda	Rental Assistance	AR	03/01/24	804	849	755	755	576	179	94	0	273	0
	E4	165119	777	2	Anderson, Natasha	Rental Assistance	AR	05/01/24	804	849	755	755	686	69	94	0	163	0
	E5	165119	777	2	Elmore, Cedria	Rental Assistance	GR	01/01/24	804	849	755	755	699	56	94	0	150	0
	E6	165119	777	2	Johnson, Dominicke	Rental Assistance	GR	01/01/24	804	849	755	755	684	71	94	0	165	0
	E7	165124	777	2	Johnson, Bobby	Rental Assistance	AR	11/01/24	804	849	755	755	317	438	94	0	532	0
	E8	165119	777	2	Tatum, Talia	Rental Assistance	AR	08/01/24	804	849	755	755	771	0	94	0	78	16
	F1	165119	777	2	Towns, Leonard	Rental Assistance	GR	01/01/24	804	849	755	755	417	338	94	0	432	0
	F2	165119	777	2	Marshall, Tyler	HUD Voucher	AR	11/01/23	804	724	631	631	528	88	93	0	181	0
	F3	165119	777	2	Robinson, Tyrus	HUD Voucher	AR	02/01/24	804	849	755	755	593	0	94	0	94	0
	F4	165119	777	2	Turner, Regina	Rental Assistance	AR	07/01/24	804	849	755	755	565	190	94	0	284	0
	F5	165119	777	2	Cross, Cokethy	Rental Assistance	AR	11/01/24	804	849	755	755	590	165	94	0	259	0
	F6	165119	777	2	Cheatham, Janila	Rental Assistance	GR	01/01/24	804	849	755	755	801	0	94	0	48	46
	F7	165119	777	2	Moore, Elizabeth	Rental Assistance	AR	11/01/24	804	849	755	755	570	185	94	0	279	0
	F8	165119	777	2	Logan, Jekita	Rental Assistance	AR	05/01/24	804	849	755	755	763	0	94	0	86	8
	G1	165119	777	2	Hackett, Zoe	Rental Assistance	GR	01/01/24	804	849	755	755	731	24	94	0	118	0
	G2	165119	777	2	Sumner, Deyaunna	Rental Assistance	MI	04/30/24	804	849	755	755	751	4	94	0	98	0
	G3	165119	777	2	Wilson, Princess	Rental Assistance	AR	01/01/24	804	849	755	755	682	73	94	0	167	0
	G4	165119	777	2	Reidout, Apersha	Rental Assistance	MI	05/22/24	804	849	755	755	828	0	94	0	21	73
	G5	165119	777	2	Gary, Tasheka	Rental Assistance	GR	01/01/24	804	849	755	755	844	0	94	0	5	89
	G6	165119	777	2	Smith, Antwan	Rental Assistance	AR	11/01/24	804	849	755	755	714	41	94	0	135	0
	G7	165119	777	2	Sheppard, Miangel	Rental Assistance	MI	07/12/24	804	849	755	755	768	0	94	0	81	13
	G8	165119	777	2	Smith, Ron	Rental Assistance	AR	03/01/24	804	849	755	755	526	229	94	0	323	0
Total			43,512						45,024	45,596	39,767	40,522	30,610	10,774	5,262	0	13,937	462

ADDENDUM E

Financials

Proposed Budget

Project Name:	SWANN MEADOWS APTS
Borrower Name:	SWANN MEADOWS LP
Borrower ID and Project No:	767430393 01-2
Date of Operation:	12/27/2002

Loan/Transfer Amount:	
Note Rate Payment:	
IC Payment:	\$2,779.28

Reporting
Period

☒ Annual
☐ Quarterly
☐ Monthly

Budget Type

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

Project Rental
Type

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

Profit Type

☐ Full Profit
☒ Limited Profit
☐ Non-Profit

___I hereby request ___ units of RA. Current number of RA units 50 .

The following utilities are
master metered:

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

Borrower Accounting Method

☐ Cash
☐ Accrual

Project Name: SWANN MEADOWS APTS State: 46 Servicing Office: 639 County: 24
 Borrower Name: SWANN MEADOWS LP Borr ID: 767430393 Prj Nbr: 01-2 Paid Code: Active
 Classification: C Fiscal Year: 2025 Version: 01/01/2025 TRANSMITD Totals: By Project Analyzed: Y

Item	Current Budget	Actual	Proposed Budget	Comment
Effective Dates:	01/01/2024	01/01/2024	01/01/2025	
Ending Dates:	12/31/2024	12/31/2024	12/31/2025	
PART I - CASH FLOW STATEMENT				
Operational Cash Sources				
1. Rental Income	507,360.00		573,216.00	
2. RHS Rental Assist. Received				
3. Application Fee Received				
4. Laundry And Vending	0.00		0.00	
5. Interest Income	0.00		0.00	
6. Tenant Charges	920.00		2,400.00	
7. Other - Project Sources	0.00		0.00	
8. Less (Vcnyc @ Cntgncy Allw)	-35,520.00		-40,125.12	7.0%
9. Less (Agncy Aprvd Incentv)	0.00		0.00	
10. Sub-Ttl [(1 thru 7)-(8@9)]	472,760.00		535,490.88	
Non-Operational Cash Sources				
11. Cash - Non Project	0.00		0.00	
12. Authorized Loan (Non-RHS)	0.00		0.00	
13. Transfer From Reserve	61,550.00		27,550.00	
14. Sub-Total (11 thru 13)	61,550.00		27,550.00	
15. Total Cash Sources (10+14)	534,310.00		563,040.88	
Operational Cash Uses				
16. Ttl O@M Exp (From Part II)	399,115.16		461,790.00	
17. RHS Debt Payment	33,357.00		33,357.00	
18. RHS Payment (Overage)				
19. RHS Payment (Late Fee)				
20. Reductn In Prior Yr Pybles				
21. Tenant Utility Payments				
22. Transfer to Reserve	18,500.00		18,500.00	
23. RTN Owner/NP Asset Mgt Fee	9,964.00		9,964.00	2024 RTO
24. Sub-Total (16 thru 23)	460,936.16		523,611.00	
Non-Operational Cash Uses				
25. Authzd Debt Pymnt (NonRHS)	11,592.00		11,592.00	
26. Capital Budget (III 4-6)	61,550.00		27,550.00	
27. Miscellaneous	0.00		0.00	
28. Sub-Total (25 thru 27)	73,142.00		39,142.00	
29. Total Cash Uses (24+28)	534,078.16		562,753.00	
30. Net (Deficit) (15-29)	231.84		287.88	
Cash Balance				
31. Beginning Cash Balance	16,823.00		6,834.50	
32. Accrual To Cash Adjustment				
33. Ending Cash Bal (30+31+32)	17,054.84		7,122.38	

Proposed Budget

Project Name: SWANN MEADOWS APTS State: 46 Servicing Office: 639 County: 24
 Borrower Name: SWANN MEADOWS LP Borr ID: 767430393 Prj Nbr: 01-2 Paid Code: Active
 Classification: C Fiscal Year: 2025 Version: 01/01/2025 TRANSMITD Totals: By Project Analyzed: Y

Item	Current Budget	Actual	Proposed Budget	Comment
Effective Dates:	01/01/2024	01/01/2024	01/01/2025	
Ending Dates:	12/31/2024	12/31/2024	12/31/2025	
PART II - O&M EXPENSE SCHEDULE				
1. Maint. @ Repairs Payroll	36,712.00		46,468.00	
2. Maint. @ Repairs Supply	7,545.00		8,450.00	
3. Maint. @ Repairs Contract	29,900.00		23,400.00	
4. Painting	18,525.00		12,600.00	
5. Snow Removal	0.00		0.00	
6. Elevator Maint./Contract	0.00		0.00	
7. Grounds	15,600.00		14,500.00	
8. Services	2,820.00		3,460.00	
9. Cptl Bgt(Part V operating)	8,475.00		39,025.00	
10. Other Operating Expenses	0.00		0.00	
11. Sub-Ttl O&M (1 thru 10)	119,577.00		147,903.00	
12. Electricity	3,953.00		7,620.00	
13. Water	35,916.00		37,344.00	
14. Sewer	36,912.00		36,000.00	
15. Fuel (Oil/Coal/Gas)	0.00		0.00	
16. Garbage @ Trash Removal	12,540.00		13,500.00	
17. Other Utilities	0.00		0.00	
18. Sub-Ttl Util. (12 thru 17)	89,321.00		94,464.00	
19. Site Management Payroll	39,752.00		48,024.00	
20. Management Fee	57,120.00		60,480.00	
21. Project Auditing Expense	4,841.00		5,200.00	
22. Proj. Bookkeeping/Accting	0.00		0.00	
23. Legal Expenses	400.00		500.00	
24. Advertising	175.00		2,200.00	
25. Phone @ Answering Service	2,676.00		4,368.00	
26. Office Supplies	1,525.00		2,180.00	
27. Office Furniture @ Equip.	700.00		9,360.00	
28. Training Expense	1,400.00		250.00	
29. Hlth Ins. @ Other Benefits	35.00		7,871.00	
30. Payroll Taxes	6,422.00		7,890.00	
31. Workmans Compensation	2,822.00		2,612.00	
32. Other Admin.Expenses	11,182.00		6,125.00	SEE NARRATIVE
33. Sub-Ttl Admin (19 thru 32)	129,050.00		157,060.00	
34. Real Estate Taxes	31,755.00		32,004.00	
35. Special Assessments	0.00		0.00	
36. Othr Taxes, Lcnsses, Permts	0.00		0.00	
37. Property @ Liability Ins.	29,412.16		30,359.00	
38. Fidelity Coverage Ins.	0.00		0.00	
39. Other Insurance	0.00		0.00	
40. Sub-Ttl Tx/In (34 thru 39)	61,167.16		62,363.00	
41. Ttl O&M Exps (11+18+33+40)	399,115.16		461,790.00	

Project Name: SWANN MEADOWS APTS

State: 46

Servicing Office: 639

County: 24

Borrower Name: SWANN MEADOWS LP

Borr ID: 767430393

Prj Nbr: 01-2

Paid Code: Active

Classification: C

Fiscal Year: 2025

Version: 01/01/2025 TRANSMITD

Totals: By Project

Analyzed: Y

Item	Current Budget	Actual	Proposed Budget	Comment
Effective Dates:	01/01/2024	01/01/2024	01/01/2025	
Ending Dates:	12/31/2024	12/31/2024	12/31/2025	
PART III - ACCT BUDGET/STATUS				
Reserve Account				
1.Beginning Balance	57,440.18		23,663.31	
2. Transfer to Reserve	18,500.00		18,500.00	
Transfer From Reserve				
3. Operating Deficit	0.00		0.00	
4. Cptl Bgt (Part V reserve)	61,550.00		27,550.00	
5. Building @ Equip Repair	0.00		0.00	
6. Othr Non-Operating Expenses	0.00		0.00	
7. Total (3 thru 6)	61,550.00		27,550.00	
8. Ending Balance [(1+2)-7)]	14,390.18		14,613.31	
General Operating Account				
Beginning Balance				
Ending Balance				
Real Estate Tax And Ins Escrow				
Beginning Balance				
Ending Balance				
Tenant Security Deposit Acct				
Beginning Balance				
Ending Balance				
Number of Applicants on Waiting List	0	Reserve Acct. Req. Balance		-20,694.18
Number of Applicants Needing RA		Amount Ahead/Behind		31,237.28

Project Name: SWANN MEADOWS APTS State: 46 Servicing Office: 639 County: 24
 Borrower Name: SWANN MEADOWS LP Borr ID: 767430393 Prj Nbr: 01-2 Paid Code: Active
 Classification: C Fiscal Year: 2025 Version: 01/01/2025 TRANSMITD Totals: By Project Analyzed: Y

PART IV RENT SCHEDULE**A. CURRENT APPROVED RENTS/UTILITY ALLOWANCE: 01/01/2024**

Unit Description						Rental Rates			Potential Income From Each Rate			Utility
Type	Size	HC	Rev	Unit	Number	Basic	Note	HUD	Basic	Note	HUD	Allowance
N	2	All			56	755	804	0	507,360	540,288	0	94
CURRENT RENT TOTALS									507,360	540,288	0	

EFFECTIVE DATE OF RENTS/UTILITY ALLOWANCE: 01/01/2024

Unit Description					Utility Types						
Type	Size	HC	Rev	Unit	Elect	Gas	Sewer	Trash	Water	Other	Total Allow
N	2	All			94	0	0	0	0	0	94

B. PROPOSED CHANGE OF RENTS/UTILITY ALLOWANCE: 01/01/2025

Unit Description						Rental Rates			Potential Income From Each Rate			Utility
Type	Size	HC	Rev	Unit	Number	Basic	Note	HUD	Basic	Note	HUD	Allowance
N	2	All			56	853	929	0	573,216	624,288	0	97
PROPOSED RENT TOTALS									573,216	624,288	0	

EFFECTIVE DATE OF RENTS/UTILITY ALLOWANCE: 01/01/2025

Unit Description					Utility Types						
Type	Size	HC	Rev	Unit	Elect	Gas	Sewer	Trash	Water	Other	Total Allow
N	2	All			97	0	0	0	0	0	97

Project Name: SWANN MEADOWS APTS State: 46 Servicing Office: 639 County: 24
 Borrower Name: SWANN MEADOWS LP Borr ID: 767430393 Prj Nbr: 01-2 Paid Code: Active
 Classification: C Fiscal Year: 2025 Version: 01/01/2025 TRANSMITD Totals: By Project Analyzed: Y

Item	Proposed Number Units/Items	Proposed From Reserve	Actual From Reserve	Proposed From Operating	Actual From Operating	Actual Total Cost	Total Actual Units/Items
Effective Dates:	01/01/2024	01/01/2025	01/01/2024	01/01/2025	01/01/2024	01/01/2024	01/01/2024
Ending Dates:	12/31/2024		12/31/2024		12/31/2024	12/31/2024	12/31/2024
ANNUAL CAPITAL BUDGET							
Appliances							
Appliances - Range	6	1,300.00	0.00	2,600.00	0.00	0.00	0
Appliances - Refrigerator	6	1,650.00	0.00	3,400.00	0.00	0.00	0
Appliances - Range Hood	6	400.00	0.00	800.00	0.00	0.00	0
Appliances - Washers @ Dryers	0	0.00	0.00	0.00	0.00	0.00	0
Appliances - Other	0	0.00	0.00	0.00	0.00	0.00	0
Carpet and Vinyl							
Carpet @ Vinyl - 1 Br.	0	0.00	0.00	0.00	0.00	0.00	0
Carpet @ Vinyl - 2 Br.	6	4,800.00	0.00	11,700.00	0.00	0.00	0
Carpet @ Vinyl - 3 Br.	0	0.00	0.00	0.00	0.00	0.00	0
Carpet @ Vinyl - 4 Br.	0	0.00	0.00	0.00	0.00	0.00	0
Carpet @ Vinyl - Other	0	0.00	0.00	0.00	0.00	0.00	0
Cabinets							
Cabinets - Kitchens	0	0.00	0.00	0.00	0.00	0.00	0
Cabinets - Bathroom	4	0.00	0.00	2,000.00	0.00	0.00	0
Cabinets - Other	0	0.00	0.00	0.00	0.00	0.00	0
Doors							
Doors - Exterior	0	0.00	0.00	0.00	0.00	0.00	0
Doors - Interior	0	0.00	0.00	0.00	0.00	0.00	0
Doors - Other	0	0.00	0.00	0.00	0.00	0.00	0
Window Coverings							
Window Coverings - Detail	30	0.00	0.00	1,800.00	0.00	0.00	0
Window Coverings - Other	0	0.00	0.00	0.00	0.00	0.00	0
Heat and Air Conditioning							
Heat @ Air - Heating	2	5,000.00	0.00	5,000.00	0.00	0.00	0
Heat @ Air - Air Conditioning	1	5,000.00	0.00	0.00	0.00	0.00	0
Heat @ Air - Other	0	0.00	0.00	0.00	0.00	0.00	0
Plumbing							
Plumbing - Water Heater	6	2,400.00	0.00	3,600.00	0.00	0.00	0
Plumbing - Bath Sinks	10	2,000.00	0.00	0.00	0.00	0.00	0
Plumbing - Kitchen Sinks	3	0.00	0.00	625.00	0.00	0.00	0
Plumbing - Faucets	0	0.00	0.00	0.00	0.00	0.00	0
Plumbing - Toilets	0	0.00	0.00	0.00	0.00	0.00	0
Plumbing - Other	0	0.00	0.00	0.00	0.00	0.00	0
Major Electrical							
Major Electrical - Detail	0	0.00	0.00	0.00	0.00	0.00	0
Major Electrical - Other	0	0.00	0.00	0.00	0.00	0.00	0
Structures							
Structures - Windows	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Screens	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Walls	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Roofing	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Siding	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Exterior Painting	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Other	0	0.00	0.00	0.00	0.00	0.00	0

Project Name: SWANN MEADOWS APTS

State: 46

Servicing Office: 639

County: 24

Borrower Name: SWANN MEADOWS LP

Borr ID: 767430393

Prj Nbr: 01-2

Paid Code: Active

Classification: C

Fiscal Year: 2025

Version: 01/01/2025 TRANSMITD

Totals: By Project

Analyzed: Y

Item	Proposed Number Units/Items	Proposed From Reserve	Actual From Reserve	Proposed From Operating	Actual From Operating	Actual Total Cost	Total Actual Units/Items
Effective Dates:	01/01/2024	01/01/2025	01/01/2024	01/01/2025	01/01/2024	01/01/2024	01/01/2024
Ending Dates:	12/31/2024		12/31/2024		12/31/2024	12/31/2024	12/31/2024
Paving							
Paving - Asphalt	0	0.00	0.00	0.00	0.00	0.00	0
Paving - Concrete	0	0.00	0.00	0.00	0.00	0.00	0
Paving - Seal and Stripe	0	0.00	0.00	0.00	0.00	0.00	0
Paving - Other	0	0.00	0.00	0.00	0.00	0.00	0
Landscape and Grounds							
Lndscp@Grnds - Landscaping	0	0.00	0.00	0.00	0.00	0.00	0
Lndscp@Grnds - Lawn Equipment	0	0.00	0.00	0.00	0.00	0.00	0
Lndscp@Grnds - Fencin	0	0.00	0.00	0.00	0.00	0.00	0
Lndscp@Grnds - Recreation Area	0	0.00	0.00	0.00	0.00	0.00	0
Lndscp@Grnds - Signs	0	0.00	0.00	2,500.00	0.00	0.00	0
Lndscp@Grnds - Other	0	0.00	0.00	0.00	0.00	0.00	0
Accessibility Features							
Accessibility Features - Detail	0	5,000.00	0.00	5,000.00	0.00	0.00	0
Accessibility Features - Other	0	0.00	0.00	0.00	0.00	0.00	0
Automation Equipment							
Automation Equip. -Site Mngt.	0	0.00	0.00	0.00	0.00	0.00	0
Automation Equip. -Common Area	0	0.00	0.00	0.00	0.00	0.00	0
Automation Equip. -Other	0	0.00	0.00	0.00	0.00	0.00	0
Other							
List: ?	0	0.00	0.00	0.00	0.00	0.00	0
List: ?	0	0.00	0.00	0.00	0.00	0.00	0
List: ?	0	0.00	0.00	0.00	0.00	0.00	0
Total Capital Expenses	0	27,550.00	0.00	39,025.00	0.00	0.00	0

Project Name: SWANN MEADOWS APTS	State: 46	Servicing Office: 639	County: 24
Borrower Name: SWANN MEADOWS LP	Borr ID: 767430393	Prj Nbr: 01-2	Paid Code: Active
Classification: C	Fiscal Year: 2025	Version: 01/01/2025 TRANSMITD	Totals: By Project Analyzed: Y

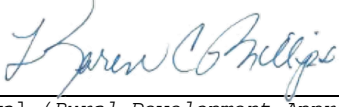
Part VI - SIGNATURES, DATES AND COMMENTS

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

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

_____ (Date Submitted)	FITCH IRICK MANAGEMENT, LLC (Management Agency)	MA295502 (MA#)
---------------------------	--	-------------------

_____ (Date)	_____ (Signature of Borrower or Borrower's Representative)
-----------------	---

_____ (Title)	_____ 	12/21/2024 (Date)
Agency Approval (Rural Development Approval Official):		

Proposed Budget

Project Name: SWANN MEADOWS APTS	State: 46	Servicing Office: 639	County: 24
Borrower Name: SWANN MEADOWS LP	Borr ID: 767430393	Prj Nbr: 01-2	Paid Code: Active
Classification: C	Fiscal Year: 2025	Version: 01/01/2025 TRANSMITD	Totals: By Project Analyzed: Y

SPVS Comment:

Batched/ II 093024/ II 122124

Narrative:

BUDGET NARRATIVE Swann Meadows ApartmentsA brief description of the project and its status Swann Meadows consistof 56 two bedroom units with full rental assistance. The property is currentlyat 91.7%. A statement of project compliance The property is currently in compliance with RD regulations. A description of the project's financial status The property does not meet RD's definition of financial integrity at this time. An explanation of any changes in project expenses or cash sources that exceed the tolerance threshold Part I Line10 exceeds the tolerance threshold due to increased rental revenue. Part I Lines 14 & 28 exceed the tolerance threshold due to fewer capital items from Reserve. Part I Line 24 exceeds the tolerance threshold due to increased O&M expenses.Part II Line 11 exceeds the tolerance threshold due to increased capital items from GOA. Part II Line 18 exceeds the tolerance threshold due to increased electric and garbage expenses. Part II Line 33 exceeds the tolerance threshold due toincreased site manager payroll and management fee. An explanation of projected capital expenditures and reserve withdrawals Anticipated expenditures from Reserve include appliances, flooring, HVAC, sinks and 504 work. Anticipated expenditures from GOA include appliances, flooring, blinds, HVAC, waterheaters, sinks and 504 work. If applicable, a statement that the proposed budget includes a rent increase and reasons for the increase A \$98increase is included in the budget due to increased maintenance, utility and administrative expenses. Any additional documentation necessary for the Agency to establish that requirements have been metPart II Line 32 Administrative Expenses CategoryAmount Temp Help0 Uniforms500 Credit Reports0 Drug Testing0 Employee Meals200 Rental Car Mileage700 General & A

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)

FINANCIAL AND COMPLIANCE REPORT

YEARS ENDED DECEMBER 31, 2024 AND 2023

Auditor Information: Bernard Robinson & Company, L.L.P.
Post Office Box 19608
Greensboro, North Carolina 27419
Telephone: (336) 294-4494
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Auditor Contact: Tim Smith
Auditor Contact Title: Partner
Auditor Contact Email: tsmith@brccpa.com



SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Table of Contents

	<u>Page No.</u>
Financial and Compliance Report	
Independent Auditor's Report	1
<i>Financial Statements</i>	
Balance Sheets	3
Statements of Operations	4
Statements of Partners' Deficit	5
Statements of Cash Flows	6
Notes to Financial Statements	7
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	13
Independent Auditor's Report on Compliance for Major RD Program and Report on Internal Control over Compliance Required by the <i>Audit Guide for Audits of RD Programs</i>	15
Schedule of Findings and Questioned Costs	17
Schedule of Prior Year Findings and Questioned Costs	18
<i>Supplementary Information</i>	
Independent Auditor's Report on Supplementary Information	19
Schedule of Supplementary Information Required by USDA Rural Development ...	20
Schedule of Project Operational and Maintenance Expenses	21
USDA RD Forms RD 3560	



Independent Auditor's Report

To the Partners
Swann Meadows Limited Partnership
Charlotte, North Carolina

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Swann Meadows Limited Partnership (the "Partnership"), (a South Carolina limited partnership), D/B/A Swan Meadows Apartments, which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of operations, partners' deficit, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Swann Meadows Limited Partnership as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of the Partnership, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General, will always detect a material misstatement when it exists.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated February 19, 2025, on our consideration of the Partnership's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Partnership's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Partnership's internal control over financial reporting and compliance.

Bernard Robinson & Company, L.L.P.

Greensboro, North Carolina
February 19, 2025

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Balance Sheets
December 31, 2024 and 2023

	<u>Assets</u>	
	<u>2024</u>	<u>2023</u>
Current assets:		
Cash and cash equivalents:		
Operating	\$ 23,927.84	\$ 8,398.87
Tax and insurance escrow deposits	27,150.00	-
Total cash and cash equivalents	51,077.84	8,398.87
Tenant receivables, net of allowance	3,969.94	4,439.14
Accounts receivable, management agent	280.00	-
Deposits	7,480.00	-
Total current assets	62,807.78	12,838.01
Restricted deposits and funded reserves:		
Tenant security deposits, funded	11,397.00	9,048.70
Reserve for replacements	70,919.24	10,543.10
	82,316.24	19,591.80
Fixed assets:		
Land	83,000.00	83,000.00
Land improvements	88,468.00	88,468.00
Building	1,708,762.70	1,708,762.70
Furniture and equipment	172,017.00	172,017.00
	2,052,247.70	2,052,247.70
Less accumulated depreciation	1,189,913.69	1,146,107.77
	862,334.01	906,139.93
	<u><u>\$ 1,007,458.03</u></u>	<u><u>\$ 938,569.74</u></u>

Liabilities and Partners' Deficit

Current liabilities:		
Current maturities of mortgages payable	\$ 26,055.76	\$ 25,035.49
Accounts payable	167,926.84	19,619.41
Accrued interest, mortgages	83.09	91.87
Prepaid rent	1,406.23	3,279.18
Total current liabilities	195,471.92	48,025.95
Tenant security deposits	11,397.00	8,881.60
Mortgages payable, less current maturities	1,204,125.41	1,230,181.17
Advance, general partner	120,000.00	10,000.00
	1,530,994.33	1,297,088.72
Partners' deficit	(523,536.30)	(358,518.98)
	<u><u>\$ 1,007,458.03</u></u>	<u><u>\$ 938,569.74</u></u>

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Statements of Operations
Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Revenues:		
Rent:		
Tenants	\$ 162,541.27	\$ 141,460.17
Rental assistance, net of overage and utility allowance	344,818.73	282,571.83
Vacancy loss	(57,782.67)	(39,746.57)
Net rental revenue	449,577.33	384,285.43
Interest income	618.79	221.03
Credit losses	(2,184.49)	(18,648.49)
Insurance proceeds	68,744.63	-
Other revenue	4,463.87	6,769.23
Total revenues	<u>521,220.13</u>	<u>372,627.20</u>
Expenses:		
Operating and maintenance	273,254.43	89,122.71
Utilities	110,660.64	90,402.67
Administrative	137,338.04	102,977.25
Taxes	32,774.88	29,514.71
Insurance	26,651.89	23,297.39
Operating expenses	580,679.88	335,314.73
Net operating income (loss)	<u>(59,459.75)</u>	<u>37,312.47</u>
Other expenses:		
Repairs funded from reserve for replacements	31,890.96	55,224.79
Mortgage interest	70,973.61	71,938.69
Mortgage subsidy	(51,076.92)	(51,076.92)
Depreciation	43,805.92	44,868.65
Miscellaneous	-	-
Total other expenses	<u>95,593.57</u>	<u>120,955.21</u>
Net loss	<u>\$ (155,053.32)</u>	<u>\$ (83,642.74)</u>

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Statements of Partners' Deficit
Years Ended December 31, 2024 and 2023

	General Partner	Limited Partners	Total
Deficit at January 1, 2023	\$ (214,941.74)	\$ (59,934.50)	\$ (274,876.24)
Distributions	-	-	-
Net loss	(8.36)	(83,634.38)	(83,642.74)
Deficit at December 31, 2023	(214,950.10)	(143,568.88)	(358,518.98)
Distributions	(9,964.00)	-	(9,964.00)
Net loss	(15.51)	(155,037.81)	(155,053.32)
Deficit at December 31, 2024	<u>\$ (224,929.61)</u>	<u>\$ (298,606.69)</u>	<u>\$ (523,536.30)</u>
	<u>Ownership percentages</u>		
General Partner:			
Flatiron Holdings, LLC	0.010%		
Limited Partners:			
Flatiron Holdings, LLC		99.989%	
Flatiron SLP Corp.		0.001%	

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Statements of Cash Flows
Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Net loss	\$ (155,053.32)	\$ (83,642.74)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation	43,805.92	44,868.65
Credit losses	2,184.49	18,648.49
Allowance for credit losses	556.71	-
(Increase) decrease in:		
Tenant receivables	(2,272.00)	(14,681.88)
Accounts receivable, management agent	(280.00)	-
Deposits	(7,480.00)	-
Increase (decrease) in:		
Accounts payable	148,307.43	1,135.16
Accrued interest, mortgages	(8.78)	(8.69)
Prepaid rent	(1,872.95)	(1,706.25)
Tenant security deposits, held	2,515.40	833.54
Net cash provided by (used in) operating activities	<u>30,402.90</u>	<u>(34,553.72)</u>
Cash flows from investing activities:		
Purchase of fixed assets	-	-
Net cash provided by investing activities	<u>-</u>	<u>-</u>
Cash flows from financing activities:		
Payments on mortgages payable	(25,035.49)	(24,070.50)
Distributions to partners	(9,964.00)	-
Advance, general partner	110,000.00	10,000.00
Net cash provided by (used in) financing activities	<u>75,000.51</u>	<u>(14,070.50)</u>
Increase (decrease) in cash, cash equivalents and restricted cash	105,403.41	(48,624.22)
Cash, cash equivalents and restricted cash - beginning	27,990.67	76,614.89
Cash, cash equivalents and restricted cash - ending	<u>\$ 133,394.08</u>	<u>\$ 27,990.67</u>
Supplemental disclosures of cash flow information:		
Cash payments for interest	<u>\$ 19,905.47</u>	<u>\$ 20,870.46</u>
Reconciliation of cash, cash equivalents and restricted cash reported on the balance sheets to cash, cash equivalents and restricted cash shown above:		
Cash and cash equivalents	\$ 51,077.84	\$ 8,398.87
Restricted deposits and funded reserves	82,316.24	19,591.80
	<u>\$ 133,394.08</u>	<u>\$ 27,990.67</u>

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Notes to Financial Statements

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Swann Meadows Limited Partnership (the "Partnership") is a South Carolina limited partnership organized for the purpose of constructing and operating a 56 unit apartment complex (the "Project") for low and moderate income individuals pursuant to Section 515(b) of the National Housing Act of 1949, as amended, which provides for interest and rent subsidies and Section 42 of the Internal Revenue Code, which provides for tax credits to the partners. The Project is located in Greenwood, South Carolina and is regulated by USDA Rural Development ("USDA RD") as to rent charges, operating methods, and partner distributions.

Principles of Reporting

The financial statements are reported on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

Cash, Cash Equivalents, Restricted Cash and Funded Reserves

For purposes of reporting the statements of cash flows, the Partnership includes all cash investments and certificates of deposit with a maturity of three months or less as cash, cash equivalents, restricted cash and funded reserves. Restricted cash includes reserves and tenant security deposits.

Tenant Receivables and Credit Loss Policy

Tenant rent charges for the current month are due on the first of the month. Tenants who are evicted or move-out are charged with damages or cleaning fees, if applicable. Tenant receivables consist of amounts due for rental income, security deposit or the charges for damages and cleaning fees. The Partnership does not accrue interest on the tenant receivable balances.

Tenant receivables are stated at the amount the Partnership expects to collect from outstanding balances. The Partnership recognizes an expected allowance for credit losses at year end based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts. The Partnership writes off tenant receivables when there is information that indicates that there is no possibility of recovery. If any recoveries are made from any tenant accounts previously written off, they will be recognized as an offset to credit loss expense in the year of recovery. The total amount of write-offs was immaterial to the financial statements for the years ended December 31, 2024 and 2023.

	<u>2024</u>	<u>2023</u>
Allowance for credit losses	<u>\$ 556.71</u>	<u>\$ -</u>

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Notes to Financial Statements

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fixed Assets

Fixed assets are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Rental Income

Rental income is recognized as rentals become due. Rental payments secured in advance are deferred until earned. All leases between the Partnership and the tenants are short-term operating leases.

Income Taxes

No provision has been made for federal or state income taxes as those taxes are the responsibility of the individual partners. It is the Partnership's policy to evaluate all tax positions to identify any that may be considered uncertain. All identified material tax positions are assessed and measured by a "more-likely-than-not" threshold to determine if the tax position is uncertain and what, if any, the effect of the uncertain tax position may have on the financial statements. No material uncertain tax positions were identified for 2024 and 2023.

Impairment of Long-Lived Assets

The Partnership reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount to the future net undiscounted cash flow expected to be generated and any estimated proceeds from the eventual disposition. If the long-lived assets are considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount exceeds the fair value as determined by an appraisal, discounted cash flows analysis or other valuation technique. There were no impairment losses recognized for 2024 and 2023.

Subsequent Events

The Partnership has evaluated events and transactions for potential recognition or disclosure through February 19, 2025, which is the date the financial statements were available to be issued.

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Notes to Financial Statements

NOTE B - MORTGAGES PAYABLE

The mortgages are payable to USDA RD, in monthly installments, including interest. The monthly payments are reduced by payment subsidies under interest credit agreements, which continue as long as the Partnership remains in compliance with the provisions of the loan agreements. The mortgages are expected to mature in December 2032 and October 2033 and are collateralized by deeds of trust on the properties of the Partnership and an assignment of all rents, profits and income. Rents received in excess of "basic rents" on a per unit basis are remitted to USDA RD.

Mortgage is payable to the South Carolina State Housing Finance and Development Authority ("SCSHFDA") as administrator of the HOME Program. The loan calls for 360 equal monthly installments of principal and interest as detailed below, with an estimated maturity date of January 15, 2034. The terms of the HOME Program loan agreement include regulations related to affordability under 24 CFR 92.252(e). The mortgage is collateralized by a security interest in the property of the Partnership.

Loan Description	Monthly Payment	Payment Subsidy	Interest Rate	Balance at December 31, 2024
RD-Acquisition	\$ 2,486.19	\$ 1,484.56	6.000%	\$ 403,710.28
RD-Acquisition	1,825.47	1,090.03	6.000%	296,425.28
RD-Rehab	2,724.03	1,681.82	6.375%	430,336.32
SCSHFDA-Rehab	965.80	-	1.000%	99,709.29
	<u>\$ 8,001.49</u>	<u>\$ 4,256.41</u>		<u>1,230,181.17</u>
Less current maturities				<u>26,055.76</u>
				<u><u>\$ 1,204,125.41</u></u>

Future maturities of the mortgages payable at December 31, 2024 are as follows:

2025	\$ 26,055.76
2026	27,134.91
2027	28,276.46
2028	29,484.38
2029	30,762.74
Thereafter	<u>1,088,466.92</u>
	<u><u>\$ 1,230,181.17</u></u>

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Notes to Financial Statements

NOTE C - RESERVE FOR REPLACEMENTS

The Partnership is required to maintain a reserve for replacements. An analysis of the reserve for replacements activity is as follows:

	<u>2024</u>	<u>2023</u>
Beginning balance	\$ 10,543.10	\$ 48,638.16
Transfer to reserve	22,903.68	16,958.70
Insurance proceeds	68,744.63	59,862.39
Interest income	618.79	221.03
Bank charges	-	(50.00)
Authorized withdrawals	<u>(31,890.96)</u>	<u>(115,087.18)</u>
Ending balance	70,919.24	10,543.10
Required balance per USDA RD	3,652.60	11,912.97
Amount ahead (behind) per USDA RD	<u>\$ 67,266.64</u>	<u>\$ (1,369.87)</u>
 Scheduled annual contribution required	 <u>\$ 18,500.00</u>	 <u>\$ 18,500.00</u>

NOTE D - RELATED PARTY TRANSACTIONS

Transactions and balances with entities related through common ownership are as follows:

	<u>2024</u>	<u>2023</u>
Costs or expenses:		
Fitch Irick Management, LLC:		
Management fees	\$ 53,280.00	\$ 49,860.00
Central office support fee	2,279.20	2,486.40
Rural Housing Reinsurance Co., International, Ltd.: Property insurance	26,651.89	20,029.39
Accounts receivable, Fitch Irick Management, LLC reimbursements	280.00	-
Accounts payable, Fitch Irick Management, LLC management fees and reimbursements	48,935.18	4,923.76

The Project is managed by Fitch Irick Management, LLC, formerly operating under the name GEM Management, LLC.

During 2024 and 2023, the general partner made a working capital advances to the company in the amounts of \$110,000 and \$10,000, respectively. The advances are non-interest bearing and will be repaid only from return to owner or sales proceeds.

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Notes to Financial Statements

NOTE E - CONCENTRATIONS, COMMITMENTS AND CONTINGENCIES

The Partnership maintains its cash in financial institutions insured by the Federal Deposit Insurance Corporation. Deposit accounts, at times, may exceed federally insured limits.

The Partnership's revenues are derived from the Project's operations. The Project's operations are concentrated in the multifamily real estate market. The operations of the Project are subject to the administrative directives, rules and regulations of federal and state regulatory agencies. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by the governmental agency.

The Partnership has entered into a Rental Assistance Payments Agreement with USDA RD pursuant to Section 521 of the Housing Act of 1949 to make rental assistance payments to the Partnership on behalf of qualified tenants.

The Project also receives Housing Assistance Payments (HAP).

	<u>2024</u>	<u>2023</u>
Rental assistance USDA RD	\$ 333,332.00	\$ 257,001.00
Housing Assistance Payments	16,202.73	92,533.73
	<u>\$ 349,534.73</u>	<u>\$ 349,534.73</u>

In accordance with the loan and regulatory agreements, the Partnership is a "limited profit" partnership and distributions from operations ("return to owner") are limited to a maximum of 8% of the original invested capital or \$9,964.00 per year. The return to owner is computed at year end per USDA RD guidelines and paid from operations during the next year. The return to owner may be used by the Partnership for distributions, non-operating entity expenses or repayments of development payables.

Each building of the Project was qualified and allocated low-income housing tax credits pursuant to Internal Revenue Code Section 42, which regulates the use of the Project as to occupant eligibility and unit gross rent, among other requirements. Each building of the Project must meet the provisions of these regulations during each of 15 consecutive years in order to continue to qualify to receive the tax credits. In addition, the Partnership has executed a Land Use Restriction Agreement, which requires the utilization of the Project pursuant to Section 42 for a minimum of 30 years, even if the Partnership disposes of the Project.

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Notes to Financial Statements

NOTE F - TAXABLE LOSS

A reconciliation of financial statement net loss to taxable loss of the Partnership for the years ended December 31, 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
Financial statement net loss	\$ (155,053.32)	\$ (83,642.74)
Depreciation	(4,826.15)	(3,763.45)
Prepaid rent	(1,872.95)	(1,706.25)
Allowance for credit losses	556.71	-
Taxable loss	<u>\$ (161,195.71)</u>	<u>\$ (89,112.44)</u>

NOTE G - INSURANCE REPAIRS

During 2024, insurance proceeds of \$68,744.63 were received and deposited to the reserve for replacements. Expenses payable of \$71,387.34 related to the repairs are included in accounts payable at December 31, 2024.

NOTE H - INSURANCE CLAIMS

During September of the current year, the Project sustained damage to the roof, as a result of Hurricane Helene. At December 31, 2024, repairs were in progress. At date of report issuance, repairs totaling \$14,960.00 had been completed and related insurance proceeds, of \$13,960.00, had been received.

During September of the current year, the Project had two units sustain damage related to a water leak. At December 31, 2024, repairs were in progress. At date of report issuance, repairs totaling \$57,427.34 had been completed and related insurance proceeds, of \$54,927.34 had been received.



**Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

To the Partners
Swann Meadows Limited Partnership
Charlotte, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of Swann Meadows Limited Partnership (the "Partnership"), which comprise the balance sheet as of December 31, 2024, and the related statements of operations, partners' deficit, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 19, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Partnership's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control. Accordingly, we do not express an opinion on the effectiveness of the Partnership's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Partnership's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Partnership's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Partnership's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Partnership's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bernard Robinson & Company, L.L.P.

Greensboro, North Carolina
February 19, 2025



**Independent Auditor's Report on Compliance For
Major RD Program and Report on Internal Control Over Compliance
Required by the *Audit Guide for Audits of RD Programs***

To the Partners
Swann Meadows Limited Partnership
Charlotte, North Carolina

Report on Compliance for Major RD Program

Opinion on Major RD Program

We have audited Swann Meadows Limited Partnership's (the "Partnership") compliance with the compliance requirements described in the *Audit Guide for Audits of RD Programs* (the Guide) that could have a direct and material effect on the Partnership's major U.S. Department of Rural Development (RD) program for the year ended December 31, 2024. The Partnership's major RD program and the related direct and material compliance requirements are as follows:

Name of Major RD Program	Direct and Material Compliance Requirements
Section 515 Rural Rental Housing Loan	Mortgage status, replacement reserve, return on investment or return to owner, equity skimming, cash receipts, cash disbursements, tenant security deposits, management functions, unauthorized change of ownership or acquisition of liabilities and unauthorized loans of project funds.

In our opinion, the Partnership complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major RD program for the year ended December 31, 2024.

Basis for Opinion on Major RD Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Guide. Our responsibilities under those standards and the audit guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Partnership and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that our audit provides a reasonable basis for our opinion on compliance for the major RD program. Our audit does not provide a legal determination of the Partnership's compliance.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements applicable to its RD program and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, regulations, rules and provisions of contracts or and grant agreements applicable to its RD program.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Partnership's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Partnership's compliance with the requirements of its major RD program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Partnership's compliance with the compliance requirements applicable to its major RD program and performing such other procedures as we consider necessary in the circumstances.
- Obtain an understanding of the Partnership's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Guide, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a compliance requirement of a RD program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement of a RD program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a compliance requirement of a RD program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Guide. Accordingly, this report is not suitable for any other purpose.

Bernard Robinson & Company, L.L.P.

Greensboro, North Carolina
February 19, 2025

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Schedule of Findings and Questioned Costs
Year Ended December 31, 2024

None

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Schedule of Prior Year Findings and Questioned Costs
Year Ended December 31, 2024

Finding 2023-1:

Statement of Condition: As of December 31, 2023, annual required deposits to the reserve for replacements account was underfunded by \$1,370.27, causing the reserves to be behind schedule by \$1,369.87.

Reporting Views of Responsible Officials: Management acknowledges the entire required deposit was not made for the year ended December 31, 2023 due to a miscalculation in deposits made during the year. On February 9, 2024, a deposit of \$1,370.27 was made to fully fund the 2023 reserve deposits.

Current Status: Resolved



**Independent Auditor's Report
on Supplementary Information**

To the Partners
Swann Meadows Limited Partnership
Charlotte, North Carolina

We have audited the financial statements of Swann Meadows Limited Partnership as of and for the years ended December 31, 2024 and 2023 and our report thereon dated February 19, 2025, which expressed an unmodified opinion on those financial statements, appears on pages 1 and 2. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, as shown on the table of contents, is presented for purposes of additional analysis as required by the United States Department of Agriculture Rural Development.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements, except for the 3560-7 Part I, II, and III Proposed Budget columns and the Part IV Rent Schedule and Utility Allowance information which is unaudited. That information, except for the 3560-7 Part I, II, and III Proposed Budget columns and the Part IV Rent Schedule and Utility Allowance information, has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, that information is fairly stated, in all material respects, in relation to the financial statements as a whole. The 3560-7 Part I, II, and III Proposed Budget columns and the Part IV Rent Schedule and Utility Allowance information has not been subjected to the auditing procedures applied in the audits of the financial statements and accordingly, we do not express an opinion or provide any assurance on it.

Bernard Robinson & Company, L.L.P.

Greensboro, North Carolina
February 19, 2025

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Schedule of Supplementary Information Required by USDA Rural Development
Years Ended December 31, 2024 and 2023

Management Fee Calculation

The management fee is based on a fee per unit occupied by tenants during the month.

	2024	2023
Total Occupied Units	624.0	620
Fee Per Unit	\$ 80.00	\$ 75.00
	49,920.00	46,500.00
Add-On Fee	3,360.00	3,360.00
Management fee expense	\$ 53,280.00	\$ 49,860.00

Insurance Coverage

The Partnership maintains insurance coverage as follows:

Coverage Type	Coverage Amount
Property insurance on building	\$ 7,501,109
Comprehensive business liability	\$ 2,000,000
Fidelity bond on manager and trustee of funds	\$ 3,000,000

Return to Owner

The allowable return to owner computed per USDA RD guidelines was used by the Partnership as follows:

	2024	2023
Return to owner	\$ 9,964.00	\$ -
	\$ 9,964.00	\$ -

Schedule of Changes in Fixed Assets

	Beginning Balance	Additions	Disposals	Ending Balance
Land	\$ 83,000.00	\$ -	\$ -	\$ 83,000.00
Land improvements	88,468.00	-	-	88,468.00
Building	1,708,762.70	-	-	1,708,762.70
Furniture and equipment	172,017.00	-	-	172,017.00
Total fixed assets	\$ 2,052,247.70	\$ -	\$ -	\$ 2,052,247.70
Accumulated depreciation:				
Land improvements	\$ 84,844.70	\$ 1,519.30	\$ -	\$ 86,364.00
Building	889,246.07	42,286.62	-	931,532.69
Furniture and equipment	172,017.00	-	-	172,017.00
Total accumulated depreciation	\$ 1,146,107.77	\$ 43,805.92	\$ -	\$ 1,189,913.69

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Schedule of Project Operational and Maintenance Expenses
Years Ended December 31, 2024 and 2023

	2024	2023
Operating and Maintenance:		
Maintenance and repairs - payroll	\$ 32,600.16	\$ 12,603.01
Maintenance and repairs - supply	16,178.92	5,625.80
Maintenance and repairs - contract	58,150.99	21,930.22
Painting	11,030.54	8,097.76
Snow removal	-	-
Grounds	16,287.15	9,900.00
Services	8,352.19	5,370.00
Furniture and furnishing replacement	130,654.48	25,595.92
Other operating expenses	-	-
	<u>273,254.43</u>	<u>89,122.71</u>
Utilities:		
Electricity	5,708.43	9,080.55
Water	23,093.90	54,134.58
Sewer	71,573.73	14,404.38
Fuel	-	-
Garbage and trash removal	10,284.58	12,783.16
	<u>110,660.64</u>	<u>90,402.67</u>
Administrative:		
Site manager salary	30,758.72	23,941.44
Management fees	53,280.00	49,860.00
Project auditing expense	5,100.00	4,700.00
Legal expenses	-	621.17
Advertising	2,773.54	1,289.84
Telephone and answering service	3,231.29	3,935.24
Office supplies	2,898.73	1,101.33
Office furniture and equipment	7,181.66	2,373.40
Training expense	143.85	-
Health insurance and other employee benefits	8,573.56	3,426.95
Payroll taxes	4,738.05	2,778.71
Worker's compensation	1,866.95	781.62
Other administrative expenses	16,791.69	8,167.55
	<u>137,338.04</u>	<u>102,977.25</u>
Taxes and insurance:		
Real estate taxes	32,774.88	29,514.71
Other taxes, licenses and permits	-	-
Property and liability insurance	26,651.89	23,297.39
	<u>59,426.77</u>	<u>52,812.10</u>
	<u><u>\$ 580,679.88</u></u>	<u><u>\$ 335,314.73</u></u>

Position 3
**MULTI-FAMILY HOUSING
BORROWER BALANCE SHEET**
PART I - BALANCE SHEET

PROJECT NAME	BORROWER NAME	BORROWER ID AND PROJECT NO.
--------------	---------------	-----------------------------

	CURRENT YEAR	PRIOR YEAR	COMMENTS
BEGINNING DATES >	(- -)	(- -)	
ENDING DATES >	(- -)	(- -)	

ASSETS

CURRENT ASSETS

1. GENERAL OPERATING ACCOUNT			
2. R.E. TAX & INSURANCE ACCOUNT			
3. RESERVE ACCOUNT			
4. SECURITY DEPOSIT ACCOUNT			
5. OTHER CASH (<i>identify</i>)			
6. OTHER (<i>identify</i>)			
7. TOTAL ACCOUNTS RECEIVABLE (<i>Attach list</i>)			
ACCTS RCVBL 0-30 DAYS \$			
ACCTS RCVBL 30-60 DAYS \$			
ACCTS RCVBL 60-90 DAYS \$			
ACCTS RCVBL OVER 90 DAYS \$			
8. LESS: ALLOWANCE FOR DOUBTFUL ACCOUNTS			
9. INVENTORIES (<i>supplies</i>)	()	()	
10. PREPAYMENTS			
11.			
12. TOTAL CURRENT ASSETS (<i>Add 1 thru 11</i>)			

FIXED ASSETS

13. LAND			
14. BUILDINGS			
15. LESS: ACCUMULATED DEPRECIATION	()	()	
16. FURNITURE & EQUIPMENT			
17. LESS: ACCUMULATED DEPRECIATION	()	()	
18.			
19. TOTAL FIXED ASSETS (<i>Add 13 thru 18</i>)			

OTHER ASSETS

20.			
21. TOTAL ASSETS (<i>Add 12, 19, and 20</i>)			

LIABILITIES AND OWNERS EQUITY

CURRENT LIABILITIES

22. TOTAL ACCOUNTS PAYABLE (<i>Attach list</i>)			
ACCTS PAYABLE 0-30 DAYS \$			
ACCTS PAYABLE 30-60 DAYS \$			
ACCTS PAYABLE 60-90 DAYS \$			
ACCTS PAYABLE OVER 90 DAYS \$			
23. NOTES PAYABLE (<i>Attach list</i>)			
24. SECURITY DEPOSITS			
25. TOTAL CURRENT LIABILITIES (<i>Add 22 thru 24</i>)			

LONG-TERM LIABILITIES

26. NOTES PAYABLE RURAL DEVELOPMENT

27. OTHER (Identify) _____

28. **TOTAL LONG-TERM LIABILITIES** (Add 26 and 27).29. **TOTAL LIABILITIES** (Add 25 and 28)

30. OWNER'S EQUITY (Net Worth) (21 minus 29)

31. **TOTAL LIABILITIES AND OWNER'S EQUITY**
(Add 29 and 30)

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

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

3/22/25

(Date)

Edward Kershner

(Signature of Borrower or Borrower's Representative)

Property Accounting Manager

(Title)

PART II - THIRD PARTY VERIFICATION OF REVIEW

I/We have reviewed the borrower's records. The accompanying balance sheet, and statement of actual budget and income on Form RD 3560-7, is a fair presentation of the borrower's records.

I/We certify that no identity of interest exists between me/us and any individual or organization doing business with the project or borrower.

(Date)

(Signature)

(Name and Title)

(Address)

☒ In lieu of the above verification and signature, a review completed, dated and signed by a person or firm qualified by license or certification is attached.

**MULTIPLE FAMILY HOUSING PROJECT BUDGET/
UTILITY ALLOWANCE**

PROJECT NAME			BORROWER NAME		BORROWER ID AND PROJECT NO.	
Loan/Transfer Amount \$			Note Rate Payment \$		IC Payment \$	
Reporting Period <input type="checkbox"/> Annual <input type="checkbox"/> Quarterly <input type="checkbox"/> Monthly	Budget Type <input type="checkbox"/> Initial <input type="checkbox"/> Regular Report <input type="checkbox"/> Rent Change <input type="checkbox"/> SNR <input type="checkbox"/> Other Servicing	Project Rental Type <input type="checkbox"/> Family <input type="checkbox"/> Elderly <input type="checkbox"/> Congregate <input type="checkbox"/> Group Home <input type="checkbox"/> Mixed <input type="checkbox"/> LH	Profit Type <input type="checkbox"/> Full Profit <input type="checkbox"/> Limited Profit <input type="checkbox"/> Non-Profit	The following utilities are master metered: <input type="checkbox"/> Electricity <input type="checkbox"/> Gas <input type="checkbox"/> Water <input type="checkbox"/> Sewer <input type="checkbox"/> Trash <input type="checkbox"/> Other _____	<input type="checkbox"/> I hereby request _____ units of RA. Current number of RA units _____. Borrower Accounting Method <input type="checkbox"/> Cash <input type="checkbox"/> Accrual	

PART I—CASH FLOW STATEMENT

	BEGINNING DATES ENDING DATES	CURRENT BUDGET (- -) (- -)	ACTUAL (- -) (- -)	PROPOSED BUDGET (- -) (- -)	COMMENTS or (YTD) (- -) (- -)
OPERATIONAL CASH SOURCES					
1. RENTAL INCOME					
2. RHS RENTAL ASSISTANCE RECEIVED					
3. APPLICATION FEES RECEIVED					
4. LAUNDRY AND VENDING					
5. INTEREST INCOME					
6. TENANT CHARGES					
7. OTHER - PROJECT SOURCES					
8. LESS (Vacancy and Contingency Allowance)		()		()	
9. LESS (Agency Approved Incentive Allowance)		()		()	
10. SUB-TOTAL [(1 thru 7) - (8 & 9)]					
NON-OPERATIONAL CASH SOURCES					
11. CASH - NON PROJECT					
12. AUTHORIZED LOAN (Non-RHS)					
13. TRANSFER FROM RESERVE					
14. SUB-TOTAL (11 thru 13)					
15. TOTAL CASH SOURCES (10+14)					
OPERATIONAL CASH USES					
16. TOTAL O&M EXPENSES (From Part II)					
17. RHS DEBT PAYMENT					
18. RHS PAYMENT (Overage)					
19. RHS PAYMENT (Late Fee)					
20. REDUCTION IN PRIOR YEAR PAYABLES					
21. TENANT UTILITY PAYMENTS					
22. TRANSFER TO RESERVE					
23. RETURN TO OWNER /NP ASSET MANAGEMENT FEE .					
24. SUB-TOTAL (16 thru 23)					
NON-OPERATIONAL CASH USES					
25. AUTHORIZED DEBT PAYMENT (Non-RHS)					
26. ANNUAL CAPITAL BUDGET (From Part III, Lines 4-6)					
27. MISCELLANEOUS					
28. SUB-TOTAL (25 thru 27)					
29. TOTAL CASH USES (24+28)					
30. NET CASH (DEFICIT) (15-29)					
CASH BALANCE					
31. BEGINNING CASH BALANCE					
32. ACCRUAL TO CASH ADJUSTMENT					
33. ENDING CASH BALANCE (30+31+32)					

PART II—OPERATING AND MAINTENANCE EXPENSE SCHEDULE

	CURRENT BUDGET	ACTUAL	PROPOSED BUDGET	COMMENTS or (YTD)
1. MAINTENANCE AND REPAIRS PAYROLL				
2. MAINTENANCE AND REPAIRS SUPPLY				
3. MAINTENANCE AND REPAIRS CONTRACT				
4. PAINTING				
5. SNOW REMOVAL				
6. ELEVATOR MAINTENANCE/CONTRACT				
7. GROUNDS				
8. SERVICES				
9. ANNUAL CAPITAL BUDGET(<i>From Part V - Operating</i>)				
10. OTHER OPERATING EXPENSES (<i>Itemize</i>)				
11. SUB-TOTAL MAINT. & OPERATING (<i>1 thru 10</i>)				
12. ELECTRICITY				
13. WATER				
14. SEWER				
15. FUEL (<i>Oil/Coal/Gas</i>)				
16. GARBAGE & TRASH REMOVAL				
17. OTHER UTILITIES				
18. SUB-TOTAL UTILITIES (<i>12 thru 17</i>)				
19. SITE MANAGEMENT PAYROLL				
20. MANAGEMENT FEE				
21. PROJECT AUDITING EXPENSE				
22. PROJECT BOOKKEEPING/ACCOUNTING				
23. LEGAL EXPENSES				
24. ADVERTISING				
25. TELEPHONE & ANSWERING SERVICE				
26. OFFICE SUPPLIES				
27. OFFICE FURNITURE & EQUIPMENT				
28. TRAINING EXPENSE				
29. HEALTH INS. & OTHER EMP. BENEFITS				
30. PAYROLL TAXES				
31. WORKER'S COMPENSATION				
32. OTHER ADMINISTRATIVE EXPENSES (<i>Itemize</i>)				
33. SUB-TOTAL ADMINISTRATIVE (<i>19 thru 32</i>)				
34. REAL ESTATE TAXES				
35. SPECIAL ASSESSMENTS				
36. OTHER TAXES, LICENSES & PERMITS				
37. PROPERTY & LIABILITY INSURANCE				
38. FIDELITY COVERAGE INSURANCE				
39. OTHER INSURANCE				
40. SUB-TOTAL TAXES & INSURANCE (<i>34 thru 39</i>)				
41. TOTAL O&M EXPENSES (<i>11+18+33+40</i>)				

PART III—ACCOUNT BUDGETING/STATUS

	CURRENT BUDGET	ACTUAL	PROPOSED BUDGET	COMMENTS or (YTD)
RESERVE ACCOUNT:				
1. BEGINNING BALANCE				
2. TRANSFER TO RESERVE				
TRANSFER FROM RESERVE.....				
3. OPERATING DEFICIT				
4. ANNUAL CAPITAL BUDGET (<i>Part V - Reserve</i>)				
5. BUILDING & EQUIPMENT REPAIR				
6. OTHER NON-OPERATING EXPENSES				
7. TOTAL (3 thru 6)	()	()	()	
8. ENDING BALANCE [(1+2)-7]				

GENERAL OPERATING ACCOUNT:*

BEGINNING BALANCE
ENDING BALANCE

**REAL ESTATE TAX AND INSURANCE ESCROW
ACCOUNT:***

BEGINNING BALANCE
ENDING BALANCE

TENANT SECURITY DEPOSIT ACCOUNT:*

BEGINNING BALANCE
ENDING BALANCE

(*Complete upon submission of actual expenses.)

NUMBER OF APPLICANTS ON THE WAITING LIST		RESERVE ACCT. REQ. BALANCE.....	
NUMBER OF APPLICANTS NEEDING RA.....		AMOUNT AHEAD/BEHIND	

PART IV—RENT SCHEDULE AND UTILITY ALLOWANCE**A. CURRENT APPROVED RENTS/ UTILITY ALLOWANCE**

UNIT DESCRIPTION			RENTAL RATES			POTENTIAL INCOME FROM EACH RATE			UTILITY ALLOWANCE
BR SIZE	UNIT TYPE	NUMBER	BASIC	NOTE RATE	HUD	BASIC	NOTE RATE	HUD	
CURRENT RENT TOTALS:									
						BASIC	NOTE	HUD	

B. PROPOSED RENTS - Effective Date: ____/____/____

UNIT DESCRIPTION			RENTAL RATES			POTENTIAL INCOME FROM EACH RATE		
BR SIZE	UNIT TYPE	NUMBER	BASIC	NOTE RATE	HUD	BASIC	NOTE RATE	HUD
PROPOSED RENT TOTALS:								
						BASIC	NOTE	HUD

C. PROPOSED UTILITY ALLOWANCE - Effective Date: ____/____/____**MONTHLY DOLLAR ALLOWANCES**

BR SIZE	UNIT TYPE	NUMBER	ELECTRIC	GAS	WATER	SEWER	TRASH	OTHER	TOTAL

PART V - ANNUAL CAPITAL BUDGET

	Proposed Number of Units/Items	Proposed from Reserve	Actual from Reserve	Proposed from Operating	Actual from Operating	Actual Total Cost	Total Actual Units/Items
Appliances:							
Range							
Refrigerator							
Range Hood							
Washers & Dryers							
Other:							
Carpet & Vinyl:							
1BR							
2BR							
3BR							
4BR							
Other:							
Cabinets:							
Kitchens							
Bathrooms							
Other:							
Doors:							
Exterior							
Interior							
Other:							
Window Coverings:							
List:							
Other:							
Heating & Air Conditioning:							
Heating							
Air Conditioning							
Other:							
Plumbing:							
Water Heater							
Bath Sinks							
Kitchen Sinks							
Faucets							
Toilets							
Other							
Major Electrical:							
List:							
Other:							
Structures:							
Windows							
Screens							
Walls							
Roofing							
Siding							
Exterior Painting							
Other							
Paving:							
Asphalt							
Concrete							
Seal & Stripe							
Other:							
Landscape & Grounds:							
Landscaping							
Lawn Equipment							
Fencing							
Recreation Area							
Signs							
Other:							
Accessibility Features:							
List:							
Other:							
Automation Equipment:							
Site Management							
Common Area							
Other:							
Other:							
List:							
List:							
List:							
TOTAL CAPITAL EXPENSES:							

PART VI -- SIGNATURES, DATES AND COMMENTS

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

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

3/22/25

(DATE)

Edward Kershner

(Signature of Borrower or Borrower's Representative)

Property Accounting Manager

(Title)

AGENCY APPROVAL (*Rural Development Approval Official*):

DATE:

COMMENTS:

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)

FINANCIAL AND COMPLIANCE REPORT

YEARS ENDED DECEMBER 31, 2023 AND 2022

Auditor Information:	Bernard Robinson & Company, L.L.P. Post Office Box 19608 Greensboro, North Carolina 27419
Telephone:	(336) 294-4494
Fax:	(336)-294-4495
Auditor Contact:	Tim Smith
Auditor Contact Title:	Partner
Auditor Contact Email:	tsmith@brccpa.com



SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Table of Contents

	<u>Page No.</u>
Financial and Compliance Report	
Independent Auditor's Report	1
<i>Financial Statements</i>	
Balance Sheets	3
Statements of Operations	4
Statements of Partners' Deficit	5
Statements of Cash Flows	6
Notes to Financial Statements	7
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	13
Independent Auditor's Report on Compliance for Major RD Program and Report on Internal Control over Compliance Required by the <i>Audit Guide for Audits of RD Programs</i>	15
Schedule of Findings and Questioned Costs	17
Schedule of Prior Year Findings and Questioned Costs	18
Corrective Action Plan	19
<i>Supplementary Information</i>	
Independent Auditor's Report on Supplementary Information	20
Schedule of Supplementary Information Required by USDA Rural Development ...	21
Schedule of Project Operational and Maintenance Expenses	22
USDA RD Forms RD 3560	



Independent Auditor's Report

To the Partners
Swann Meadows Limited Partnership
Charlotte, North Carolina

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Swann Meadows Limited Partnership (the "Partnership"), (a South Carolina limited partnership), D/B/A Swan Meadows Apartments, which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of operations, partners' deficit, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Swann Meadows Limited Partnership as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of the Partnership, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General, will always detect a material misstatement when it exists.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 22, 2024, on our consideration of the Partnership's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Partnership's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Partnership's internal control over financial reporting and compliance.

Bernard Robinson & Company, L.L.P.

Greensboro, North Carolina
February 22, 2024

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Balance Sheets
December 31, 2023 and 2022

	<u>Assets</u>	
	<u>2023</u>	<u>2022</u>
Current assets:		
Cash and cash equivalents:		
Operating	\$ 8,398.87	\$ 628.67
Tax and insurance escrow deposits	-	19,300.00
Total cash and cash equivalents	<u>8,398.87</u>	<u>19,928.67</u>
Tenant receivables, net of allowance	<u>4,439.14</u>	<u>8,405.75</u>
Total current assets	<u>12,838.01</u>	<u>28,334.42</u>
Restricted deposits and funded reserves:		
Tenant security deposits, funded	9,048.70	8,048.06
Reserve for replacements	<u>10,543.10</u>	<u>48,638.16</u>
	<u>19,591.80</u>	<u>56,686.22</u>
Fixed assets:		
Land	83,000.00	83,000.00
Land improvements	88,468.00	88,468.00
Building	1,708,762.70	1,708,762.70
Furniture and equipment	<u>172,017.00</u>	<u>172,017.00</u>
	<u>2,052,247.70</u>	<u>2,052,247.70</u>
Less accumulated depreciation	<u>1,146,107.77</u>	<u>1,101,239.12</u>
	<u>906,139.93</u>	<u>951,008.58</u>
	<u><u>\$ 938,569.74</u></u>	<u><u>\$ 1,036,029.22</u></u>

Liabilities and Partners' Deficit

Current liabilities:		
Current maturities of mortgages payable	\$ 25,035.49	\$ 24,070.50
Accounts payable	19,619.41	18,484.25
Accrued interest, mortgages	91.87	100.56
Prepaid rent	<u>3,279.18</u>	<u>4,985.43</u>
Total current liabilities	<u>48,025.95</u>	<u>47,640.74</u>
Tenant security deposits	8,881.60	8,048.06
Mortgages payable, less current maturities	1,230,181.17	1,255,216.66
Advance. general partner	<u>10,000</u>	<u>-</u>
	<u>1,297,088.72</u>	<u>1,310,905.46</u>
Partners' deficit	<u>(358,518.98)</u>	<u>(274,876.24)</u>
	<u><u>\$ 938,569.74</u></u>	<u><u>\$ 1,036,029.22</u></u>

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Statements of Operations
Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Revenues:		
Rent:		
Tenants	\$ 141,460.17	\$ 149,454.06
Rental assistance, net of overage and utility allowance	282,571.83	259,121.94
Vacancy loss	(39,746.57)	(49,642.94)
Net rental revenue	384,285.43	358,933.06
Interest income	221.03	-
Uncollectible write-offs	(18,648.49)	(18,750.15)
Other revenue	6,769.23	6,109.60
Total revenues	<u>372,627.20</u>	<u>346,292.51</u>
Expenses:		
Operating and maintenance	89,122.71	112,370.18
Utilities	90,402.67	87,936.17
Administrative	102,977.25	87,613.02
Taxes	29,514.71	25,446.67
Insurance	23,297.39	17,686.05
Operating expenses	335,314.73	331,052.09
Net operating income	<u>37,312.47</u>	<u>15,240.42</u>
Other expenses:		
Repairs funded from reserve for replacements	55,224.79	11,700.00
Mortgage interest	71,938.69	72,977.70
Mortgage subsidy	(51,076.92)	(51,076.92)
Depreciation	44,868.65	45,084.72
Miscellaneous	-	-
Total other expenses	<u>120,955.21</u>	<u>78,685.50</u>
Net loss	<u>\$ (83,642.74)</u>	<u>\$ (63,445.08)</u>

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Statements of Partners' Deficit
Years Ended December 31, 2023 and 2022

	General Partner	Limited Partners	Total
Balance (deficit) at January 1, 2022	\$ (204,971.40)	\$ 3,504.24	\$ (201,467.16)
Distributions	(9,964.00)	-	(9,964.00)
Net loss	(6.34)	(63,438.74)	(63,445.08)
Deficit at December 31, 2022	(214,941.74)	(59,934.50)	(274,876.24)
Distributions	-	-	-
Net loss	(8.36)	(83,634.38)	(83,642.74)
Deficit at December 31, 2023	<u><u>\$ (214,950.10)</u></u>	<u><u>\$ (143,568.88)</u></u>	<u><u>\$ (358,518.98)</u></u>
	Ownership percentages		
General Partner:			
Flatiron Holdings, LLC	0.010%		
Limited Partners:			
Flatiron Holdings, LLC		99.989%	
Flatiron SLP Corp.		0.001%	

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Statements of Cash Flows
Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Net loss	\$ (83,642.74)	\$ (63,445.08)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	44,868.65	45,084.72
Uncollectible write-offs	18,648.49	18,750.15
(Increase) decrease in:		
Tenant receivables	(14,681.88)	(19,712.29)
Accounts receivable, other	-	-
Increase (decrease) in:		
Accounts payable	1,135.16	9,525.32
Accrued interest, mortgages	(8.69)	(9.31)
Prepaid rent	(1,706.25)	4,163.89
Tenant security deposits, held	833.54	1,128.09
Net cash used in operating activities	<u>(34,553.72)</u>	<u>(4,514.51)</u>
Cash flows from investing activities:		
Purchase of fixed assets	-	-
Net cash provided by investing activities	<u>-</u>	<u>-</u>
Cash flows from financing activities:		
Payments on mortgages payable	(24,070.50)	(23,996.67)
Distributions to partners	-	(9,964.00)
Advance. general partner	10,000.00	-
Net cash used in financing activities	<u>(14,070.50)</u>	<u>(33,960.67)</u>
Decrease in cash, cash equivalents and restricted cash	(48,624.22)	(38,475.18)
Cash, cash equivalents and restricted cash - beginning	76,614.89	115,090.07
Cash, cash equivalents and restricted cash - ending	<u>\$ 27,990.67</u>	<u>\$ 76,614.89</u>
Supplemental disclosures of cash flow information:		
Cash payments for interest	<u>\$ 20,870.46</u>	<u>\$ 21,910.09</u>
Reconciliation of cash, cash equivalents and restricted cash reported on the balance sheets to cash, cash equivalents and restricted cash shown above:		
Cash and cash equivalents	\$ 8,398.87	\$ 19,928.67
Restricted deposits and funded reserves	19,591.80	56,686.22
	<u>\$ 27,990.67</u>	<u>\$ 76,614.89</u>

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Notes to Financial Statements

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Swann Meadows Limited Partnership (the "Partnership") is a South Carolina limited partnership organized for the purpose of constructing and operating a 56 unit apartment complex (the "Project") for low and moderate income individuals pursuant to Section 515(b) of the National Housing Act of 1949, as amended, which provides for interest and rent subsidies and Section 42 of the Internal Revenue Code, which provides for tax credits to the partners. The Project is located in Greenwood, South Carolina and is regulated by USDA Rural Development ("USDA RD") as to rent charges, operating methods, and partner distributions.

Principles of Reporting

The financial statements are reported on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

Cash, Cash Equivalents, Restricted Cash and Funded Reserves

For purposes of reporting the statements of cash flows, the Partnership includes all cash investments and certificates of deposit with a maturity of three months or less as cash, cash equivalents, restricted cash and funded reserves. Restricted cash includes reserves and tenant security deposits.

Recently Adopted Accounting Guidance

On June 16, 2016, the Financial Accounting Standards Board (FASB) issued an Accounting Standards Update (ASU) 2016-13, *Credit Losses*, which changes how entities are required to measure credit losses for most financial assets and certain other instruments that are not measured at fair value through net income. The most significant change from this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Partnership that are subject to the guidance in FASB ASC 326 are trade accounts receivable.

The Partnership adopted the standard effective January 1, 2023. The impact of the adoption was not considered material to the financial statements.

Tenant Receivables and Credit Loss Policy

Tenant rent charges for the current month are due on the first of the month. Tenants who are evicted or move-out are charged with damages or cleaning fees, if applicable. Tenant receivables consist of amounts due for rental income, security deposit or the charges for damages and cleaning fees. The Partnership does not accrue interest on the tenant receivable balances.

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Notes to Financial Statements

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Tenant Receivables and Credit Loss Policy (Continued)

The Partnership has not established an allowance for credit losses and does not use the allowance method for recognizing credit losses. Credit losses are treated as direct write-offs in the period management determines collection is not probable. If any recoveries are made from any tenant accounts previously written off, they will be recognized as income or an offset to credit loss expense in the year of recovery. Accounting principles generally accepted in the United States of America require the allowance method be used for recognizing credit losses; however, the effect of using the direct write-off method is not material to the financial statements for the years ended December 31, 2023 and 2022.

Fixed Assets

Fixed assets are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Rental Income

Rental income is recognized as rentals become due. Rental payments secured in advance are deferred until earned. All leases between the Partnership and the tenants are short-term operating leases.

Income Taxes

No provision has been made for federal or state income taxes as those taxes are the responsibility of the individual partners. It is the Partnership's policy to evaluate all tax positions to identify any that may be considered uncertain. All identified material tax positions are assessed and measured by a "more-likely-than-not" threshold to determine if the tax position is uncertain and what, if any, the effect of the uncertain tax position may have on the financial statements. No material uncertain tax positions were identified for 2023 and 2022.

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Notes to Financial Statements

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of Long-Lived Assets

The Partnership reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount to the future net undiscounted cash flow expected to be generated and any estimated proceeds from the eventual disposition. If the long-lived assets are considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount exceeds the fair value as determined by an appraisal, discounted cash flows analysis or other valuation technique. There were no impairment losses recognized for 2023 and 2022.

Reclassifications

Certain balances as previously reported have been reclassified to be consistent with those classifications used in the current year.

Subsequent Events

The Partnership has evaluated events and transactions for potential recognition or disclosure through February 22, 2024, which is the date the financial statements were available to be issued.

NOTE B - MORTGAGES PAYABLE

The mortgages are payable to USDA RD, in monthly installments, including interest. The monthly payments are reduced by payment subsidies under interest credit agreements, which continue as long as the Partnership remains in compliance with the provisions of the loan agreements. The mortgages are expected to mature in December 2032 and October 2033 and are collateralized by deeds of trust on the properties of the Partnership and an assignment of all rents, profits and income. Rents received in excess of "basic rents" on a per unit basis are remitted to USDA RD.

Mortgage is payable to the South Carolina State Housing Finance and Development Authority ("SCSHFDA") as administrator of the HOME Program. The loan calls for 360 equal monthly installments of principal and interest as detailed below, with an estimated maturity date of January 15, 2034. The terms of the HOME Program loan agreement include regulations related to affordability under 24 CFR 92.252(e). The mortgage is collateralized by a security interest in the property of the Partnership.

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Notes to Financial Statements

NOTE B - MORTGAGES PAYABLE (Continued)

Loan Description	Monthly Payment	Payment Subsidy	Interest Rate	Balance at December 31, 2023
RD-Acquisition	\$ 2,486.19	\$ 1,484.56	6.000%	\$ 409,143.73
RD-Acquisition	1,825.47	1,090.03	6.000%	300,414.56
RD-Rehab	2,724.03	1,681.82	6.375%	435,413.71
SCSHFDA-Rehab	965.80	-	1.000%	110,244.66
	<u>\$ 8,001.49</u>	<u>\$ 4,256.41</u>		<u>1,255,216.66</u>
Less current maturities				<u>25,035.49</u>
				<u><u>\$ 1,230,181.17</u></u>

Future maturities of the mortgages payable at December 31, 2023 are as follows:

2024	\$ 25,035.49
2025	26,055.76
2026	27,134.91
2027	28,276.46
2028	29,484.38
Thereafter	<u>1,119,229.66</u>
	<u><u>\$ 1,255,216.66</u></u>

NOTE C - RESERVE FOR REPLACEMENTS

The Partnership is required to maintain a reserve for replacements. An analysis of the reserve for replacements activity is as follows:

	<u>2023</u>	<u>2022</u>
Beginning balance	\$ 48,638.16	\$ 66,897.16
Transfer to reserve	16,958.70	18,500.40
Insurance proceeds	59,862.39	-
Interest income	221.03	-
Bank charges	(50.00)	-
Authorized withdrawals	(115,087.18)	(36,759.40)
Ending balance	10,543.10	48,638.16
Required balance per USDA RD	11,912.97	48,637.76
Amount ahead (behind) per USDA RD	<u>\$ (1,369.87)</u>	<u>\$ 0.40</u>
Scheduled annual contribution required	<u>\$ 18,500.00</u>	<u>\$ 18,500.00</u>

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Notes to Financial Statements

NOTE D - RELATED PARTY TRANSACTIONS

Transactions and balances with entities related through common ownership are as follows:

	<u>2023</u>	<u>2022</u>
Costs or expenses:		
GEM Management, LLC:		
Management fees	\$ 49,860.00	\$ 48,268.00
Central office support fee	2,486.40	2,486.40
Rural Housing Reinsurance Co.,		
International, Ltd.: Property insurance	20,029.39	16,920.26
Accounts payable, GEM Management, LLC		
management fees and reimbursements	4,923.76	8,820.82

During 2023, the general partner made a working capital advance to the company in the amount of \$10,000. The advance is non-interest bearing and will be repaid only from return to owner or sales proceeds.

NOTE E - CONCENTRATIONS, COMMITMENTS AND CONTINGENCIES

The Partnership maintains its cash in financial institutions insured by the Federal Deposit Insurance Corporation. Deposit accounts, at times, may exceed federally insured limits.

The Partnership's revenues are derived from the Project's operations. The Project's operations are concentrated in the multifamily real estate market. The operations of the Project are subject to the administrative directives, rules and regulations of federal and state regulatory agencies. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by the governmental agency.

The Partnership has entered into a Rental Assistance Payments Agreement with USDA RD pursuant to Section 521 of the Housing Act of 1949 to make rental assistance payments to the Partnership on behalf of qualified tenants.

The Project also receives Housing Assistance Payments (HAP).

	<u>2023</u>	<u>2022</u>
Rental assistance USDA RD	\$ 257,001.00	\$ 246,137.00
Housing Assistance Payments	26,723.83	14,601.94
	<u>\$ 283,724.83</u>	<u>\$ 260,738.94</u>

In accordance with the loan and regulatory agreements, the Partnership is a "limited profit" partnership and distributions from operations ("return to owner") are limited to a maximum of 8% of the original invested capital or \$9,964.00 per year. The return to owner is computed at year end per USDA RD guidelines and paid from operations during the next year. The return to owner may be used by the Partnership for distributions, non-operating entity expenses or repayments of development payables.

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Notes to Financial Statements

NOTE E - CONCENTRATIONS, COMMITMENTS AND CONTINGENCIES (Continued)

Each building of the Project was qualified and allocated low-income housing tax credits pursuant to Internal Revenue Code Section 42, which regulates the use of the Project as to occupant eligibility and unit gross rent, among other requirements. Each building of the Project must meet the provisions of these regulations during each of 15 consecutive years in order to continue to qualify to receive the tax credits. In addition, the Partnership has executed a Land Use Restriction Agreement, which requires the utilization of the Project pursuant to Section 42 for a minimum of 30 years, even if the Partnership disposes of the Project.

NOTE F - TAXABLE LOSS

A reconciliation of financial statement net loss to taxable loss of the Partnership for the years ended December 31, 2023 and 2022 is as follows:

	<u>2023</u>	<u>2022</u>
Financial statement net loss	\$ (83,642.74)	\$ (63,445.08)
Depreciation	(3,763.45)	(3,547.35)
Prepaid rent	(1,706.25)	4,163.89
Taxable loss	<u>\$ (89,112.44)</u>	<u>\$ (62,828.54)</u>



**Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

To the Partners
Swann Meadows Limited Partnership
Charlotte, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Swann Meadows Limited Partnership (the "Partnership"), which comprise the balance sheet as of December 31, 2023, and the related statements of operations, partners' deficit, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 22, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Partnership's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control. Accordingly, we do not express an opinion on the effectiveness of the Partnership's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Partnership's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Partnership's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as Finding 2023-1.

Management's Response to the Finding

Management's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Management's response was not subjected to the auditing procedures applied in the audit of financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Partnership's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Partnership's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bernard Robinson & Company, L.L.P.

Greensboro, North Carolina
February 22, 2024



**Independent Auditor's Report on Compliance For
Major RD Program and Report on Internal Control Over Compliance
Required by the *Audit Guide for Audits of RD Programs***

To the Partners
Swann Meadows Limited Partnership
Charlotte, North Carolina

Report on Compliance for Major RD Program

Opinion on Major RD Program

We have audited Swann Meadows Limited Partnership's (the "Partnership") compliance with the compliance requirements described in the *Audit Guide for Audits of RD Programs* (the Guide) that could have a direct and material effect on the Partnership's major U.S. Department of Rural Development (RD) program for the year ended December 31, 2023. The Partnership's major RD program and the related direct and material compliance requirements are as follows:

Name of Major RD Program	Direct and Material Compliance Requirements
Section 515 Rural Rental Housing Loan	Mortgage status, replacement reserve, return on investment or return to owner, equity skimming, cash receipts, cash disbursements, tenant security deposits, management functions, unauthorized change of ownership or acquisition of liabilities and unauthorized loans of project funds.

In our opinion, the Partnership complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major RD program for the year ended December 31, 2023.

Basis for Opinion on Major RD Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Guide. Our responsibilities under those standards and the audit guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Partnership and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that our audit provides a reasonable basis for our opinion on compliance for the major RD program. Our audit does not provide a legal determination of the Partnership's compliance.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements applicable to its RD program and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, regulations, rules and provisions of contracts or and grant agreements applicable to its RD program.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Partnership's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Partnership's compliance with the requirements of its major RD program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Partnership's compliance with the compliance requirements applicable to its major RD program and performing such other procedures as we consider necessary in the circumstances.
- Obtain an understanding of the Partnership's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Guide, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Guide and which is described in the accompanying schedule of findings and questioned costs as Finding 2023-1. Our opinion on each major RD program is not modified with respect to this matter.

Responsible Official's views of the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Reporting views of responsible officials was not subjected to auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a compliance requirement of a RD program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement of a RD program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a compliance requirement of a RD program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Guide. Accordingly, this report is not suitable for any other purpose.

Bernard Robinson & Company, L.L.P.

Greensboro, North Carolina
February 22, 2024

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Schedule of Findings and Questioned Costs
Year Ended December 31, 2023

Finding 2023-1:

Statement of Condition: As of December 31, 2023, annual required deposits to the reserve for replacements account was underfunded by \$1,370.27, causing the reserves to be behind schedule by \$1,369.87.

Criteria: USDA Handbook 2-3560, Chapter 4, Section 4.11 states annual deposits are the amount of funds that must be deposited annually to the reserve account according to the borrower's loan agreement/resolution. According to the loan agreement with USDA RD, a reserve for replacements is to be funded in the amount of \$18,500.00 annually.

Cause of Condition: Miscalculation of deposits made during the year.

Effect of Condition: Noncompliance with RD regulations.

Recommendation: Management should monitor the reserve for replacements deposit schedule to ensure total deposits for the year are made each year and the reserve for replacements account is fully funded in a timely manner.

Questioned Costs: N/A

Information based on Universe and Population Size: The finding noted above was not a result of sampling.

Sample Size Information: The finding noted above was not a result of sampling.

Reporting Views of Responsible Officials: Management acknowledges the entire required deposit was not made for the year ended December 31, 2023 due to a miscalculation in deposits made during the year. On February 9, 2024, a deposit of \$1,370.27 was made to fully fund the 2023 reserve deposits.

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Schedule of Prior Year Findings and Questioned Costs
Year Ended December 31, 2023

None

**SWANN MEADOWS LIMITED PARTNERSHIP
GREENWOOD, SOUTH CAROLINA**

CORRECTIVE ACTION PLAN

February 22, 2024

USDA, Rural Development
South Region

Swann Meadows Limited Partnership respectfully submits the following Corrective Action Plan for the year ended December 31, 2023.

Bernard Robinson & Company, L.L.P.
1501 Highwoods Blvd., Suite 300
Greensboro, North Carolina 27410

Audit period: Year ended December 31, 2023

The finding from the December 31, 2023 Schedule of Findings and Questioned Costs is discussed below. The finding is numbered consistently with the number assigned in the schedule.

Finding No. 2023-1:

Comment on the Finding and Recommendation: We concur with the finding and are in agreement with the recommendation.

Action(s) Taken or Planned on the Finding: Management acknowledges the entire required deposit was not made for the year ended December 31, 2023 due to a miscalculation in deposits made during the year. On February 9, 2024, a deposit of \$1,370.27 was made to fully fund the 2023 reserve deposits.

If you have any questions regarding this plan, please call (704) 335-9112

Sincerely yours,

DocuSigned by:

8EA4137A2C7948D...

Brandon Underdahl
President of Management



**Independent Auditor's Report
on Supplementary Information**

To the Partners
Swann Meadows Limited Partnership
Charlotte, North Carolina

We have audited the financial statements of Swann Meadows Limited Partnership as of and for the years ended December 31, 2023 and 2022 and our report thereon dated February 22, 2024, which expressed an unmodified opinion on those financial statements, appears on pages 1 and 2. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, as shown on the table of contents, is presented for purposes of additional analysis as required by the United States Department of Agriculture Rural Development.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements, except for the 3560-7 Part I, II, and III Proposed Budget columns and the Part IV Rent Schedule and Utility Allowance information which is unaudited. That information, except for the 3560-7 Part I, II, and III Proposed Budget columns and the Part IV Rent Schedule and Utility Allowance information, has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, that information is fairly stated, in all material respects, in relation to the financial statements as a whole. The 3560-7 Part I, II, and III Proposed Budget columns and the Part IV Rent Schedule and Utility Allowance information has not been subjected to the auditing procedures applied in the audits of the financial statements and accordingly, we do not express an opinion or provide any assurance on it.

Bernard Robinson & Company, L.L.P.

Greensboro, North Carolina
February 22, 2024

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Schedule of Supplementary Information Required by USDA Rural Development
Years Ended December 31, 2023 and 2022

Management Fee Calculation

The management fee is based on a fee per unit occupied by tenants during the month.

	2023	2022
Total Occupied Units	620.0	611
Fee Per Unit	\$ 75.00	\$ 68.00
	46,500.00	41,548.00
Add-On Fee	3,360.00	6,720.00
Management fee expense	\$ 49,860.00	\$ 48,268.00

Insurance Coverage

The Partnership maintains insurance coverage as follows:

Coverage Type	Coverage Amount
Property insurance on building	\$ 6,393,163
Comprehensive business liability	\$ 2,000,000
Fidelity bond on manager and trustee of funds	\$ 2,000,000

Return to Owner

The allowable return to owner computed per USDA RD guidelines was used by the Partnership as follows:

	2023	2022
Return to owner	\$ -	\$ 9,964.00
	\$ -	\$ 9,964.00

Schedule of Changes in Fixed Assets

	Beginning Balance	Additions	Disposals	Ending Balance
Land	\$ 83,000.00	\$ -	\$ -	\$ 83,000.00
Land improvements	88,468.00	-	-	88,468.00
Building	1,708,762.70	-	-	1,708,762.70
Furniture and equipment	172,017.00	-	-	172,017.00
Total fixed assets	\$ 2,052,247.70	\$ -	\$ -	\$ 2,052,247.70
Accumulated depreciation:				
Land improvements	\$ 82,911.38	\$ 1,933.32	\$ -	\$ 84,844.70
Building	846,310.74	42,935.33	-	889,246.07
Furniture and equipment	172,017.00	-	-	172,017.00
Total accumulated depreciation	\$ 1,101,239.12	\$ 44,868.65	\$ -	\$ 1,146,107.77

SWANN MEADOWS LIMITED PARTNERSHIP
(A South Carolina Limited Partnership)
Schedule of Project Operational and Maintenance Expenses
Years Ended December 31, 2023 and 2022

	2023	2022
Operating and Maintenance:		
Maintenance and repairs - payroll	\$ 12,603.01	\$ 32,013.01
Maintenance and repairs - supply	5,625.80	5,128.09
Maintenance and repairs - contract	21,930.22	22,684.39
Painting	8,097.76	15,338.92
Snow removal	-	-
Grounds	9,900.00	14,991.98
Services	5,370.00	1,959.69
Furniture and furnishing replacement	25,595.92	20,254.10
Other operating expenses	-	-
	89,122.71	112,370.18
Utilities:		
Electricity	9,080.55	8,491.63
Water	54,134.58	68,035.00
Sewer	14,404.38	-
Fuel	-	-
Garbage and trash removal	12,783.16	11,409.54
	90,402.67	87,936.17
Administrative:		
Site manager salary	23,941.44	14,167.39
Management fees	49,860.00	48,268.00
Project auditing expense	4,700.00	4,500.00
Legal expenses	621.17	348.50
Advertising	1,289.84	357.53
Telephone and answering service	3,935.24	2,237.91
Office supplies	1,101.33	1,565.13
Office furniture and equipment	2,373.40	2,401.08
Training expense	-	-
Health insurance and other employee benefits	3,426.95	2,190.46
Payroll taxes	2,778.71	4,180.71
Worker's compensation	781.62	1,559.30
Other administrative expenses	8,167.55	5,837.01
	102,977.25	87,613.02
Taxes and insurance:		
Real estate taxes	29,514.71	25,446.67
Other taxes, licenses and permits	-	-
Property and liability insurance	23,297.39	17,686.05
Fidelity coverage insurance	-	-
Other insurance	-	-
	52,812.10	43,132.72
	\$ 335,314.73	\$ 331,052.09

Form RD 3560-10
(02-05)

Position 3
**MULTI-FAMILY HOUSING
BORROWER BALANCE SHEET**
PART I - BALANCE SHEET

FORM APPROVED
OMB NO. 0575-0189

PROJECT NAME Swann Meadows Apartments	BORROWER NAME Swann Meadows Limited Partnership	BORROWER ID AND PROJECT NO. 767430393 01-2
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<u>ASSETS</u>	BEGINNING DATES>	CURRENT YEAR (01 - 01 - 2023)	PRIOR YEAR (01 - 01 - 2022)	COMMENTS
	ENDING DATES>	(12 - 31 - 2023)	(12 - 31 - 2022)	
CURRENT ASSETS				
1. GENERAL OPERATING ACCOUNT		8248.87	478.67	
2. R.E. TAX & INSURANCE ACCOUNT		0.00	19300.00	
3. RESERVE ACCOUNT		10543.10	48638.16	
4. SECURITY DEPOSIT ACCOUNT		9048.70	8048.06	
5. OTHER CASH (<i>identify</i>)		150.00	150.00	Petty Cash
6. OTHER (<i>identify</i>)		0.00	0.00	
7. TOTAL ACCOUNTS RECEIVABLE (<i>Attach list</i>)		4439.14		
ACCTS RCVBL 0-30 DAYS \$ 1244.31			3773.60	Rent
ACCTS RCVBL 30-60 DAYS \$ 1678.40			1099.37	
ACCTS RCVBL 60-90 DAYS \$ 269.00			120.00	
ACCTS RCVBL OVER 90 DAYS \$ 1247.43			3412.78	
8. LESS: ALLOWANCE FOR DOUBTFUL ACCOUNTS		0.00	0.00	
9. INVENTORIES (<i>supplies</i>)		(0.00)	(0.00)	
10. PREPAYMENTS		0.00	0.00	
11. _____		0.00	0.00	A/R GEM
12. TOTAL CURRENT ASSETS (<i>Add 1 thru 11</i>)		32429.81	85020.64	

FIXED ASSETS

13. LAND	171468.00	171468.00	
14. BUILDINGS	1708762.70	1708762.70	
15. LESS: ACCUMULATED DEPRECIATION	(0.00)	(0.00)	
16. FURNITURE & EQUIPMENT	172017.00	172017.00	
17. LESS: ACCUMULATED DEPRECIATION	(1146107.77)	(1101239.12)	
18. _____	0.00	0.00	
19. TOTAL FIXED ASSETS (<i>Add 13 thru 18</i>)	906139.93	951008.58	

OTHER ASSETS

20. _____	0.00	0.00	
21. TOTAL ASSETS (<i>Add 12, 19, and 20</i>)	938569.74	1036029.22	

LIABILITIES AND OWNERS EQUITY

CURRENT LIABILITIES

22. TOTAL ACCOUNTS PAYABLE (<i>Attach list</i>)	22990.46		
ACCTS PAYABLE 0-30 DAYS \$ 22990.46		23570.24	A/P & Accr. Int.
ACCTS PAYABLE 30-60 DAYS \$ 0.00		0.00	
ACCTS PAYABLE 60-90 DAYS \$ 0.00		0.00	
ACCTS PAYABLE OVER 90 DAYS \$ 0.00		0.00	
23. NOTES PAYABLE (<i>Attach list</i>)	10000.00	0.00	
24. SECURITY DEPOSITS	8881.60	8048.06	
25. TOTAL CURRENT LIABILITIES (<i>Add 22 thru 24</i>)	41872.06	31618.30	

LONG-TERM LIABILITIES

26. NOTES PAYABLE RURAL DEVELOPMENT
27. OTHER (Identify) _____
28. **TOTAL LONG-TERM LIABILITIES** (Add 26 and 27).

1144972.00 1158611.93

110244.66	120675.23	SCSHFDA loan
1255216.66	1279287.16	

29. **TOTAL LIABILITIES** (Add 25 and 28)

1297088.72	1310905.46	
------------	------------	--

30. OWNER'S EQUITY (Net Worth) (21 minus 29)

-358518.98	-274876.24	
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31. **TOTAL LIABILITIES AND OWNER'S EQUITY**
(Add 29 and 30)

938569.74	1036029.22	
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Warning: Section 1001 of Title 18, United States Code provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

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

2/13/24

(Date)

Lory Coker

(Signature of Borrower or Borrower's Representative)

Property Accountant

(Title)

PART II-THIRD PARTY VERIFICATION OF REVIEW

I/We have reviewed the borrower's records. The accompanying balance sheet, and statement of actual budget and income on Form RD 3560-7, is a fair presentation of the borrower's records.

I/We certify that no identity of interest exists between me/us and any individual or organization doing business with the project or borrower.

(Date)

(Signature)

(Name and Title)

(Address)

☒ In lieu of the above verification and signature, a review completed, dated and signed by a person or firm qualified by license or certification is attached.

Form RD 3560-7
(Rev. 05-06)**MULTIPLE FAMILY HOUSING PROJECT BUDGET/
UTILITY ALLOWANCE**FORM APPROVED
OMB NO.0575-0189

PROJECT NAME Swann Meadows Apartments		BORROWER NAME Swann Meadows Limited Partnership		BORROWER ID AND PROJECT NO. 767430393 01-2	
Loan/Transfer Amount \$ 2,779.28		Note Rate Payment \$ 0.00		IC Payment \$ 0.00	
Reporting Period <input checked="" type="checkbox"/> Annual <input type="checkbox"/> Quarterly <input type="checkbox"/> Monthly	Budget Type <input type="checkbox"/> Initial <input checked="" type="checkbox"/> Regular Report <input type="checkbox"/> Rent Change <input type="checkbox"/> SNR <input type="checkbox"/> Other Servicing	Project Rental Type <input checked="" type="checkbox"/> Family <input type="checkbox"/> Elderly <input type="checkbox"/> Congregate <input type="checkbox"/> Group Home <input type="checkbox"/> Mixed <input type="checkbox"/> LH	Profit Type <input type="checkbox"/> Full Profit <input checked="" type="checkbox"/> Limited Profit <input type="checkbox"/> Non-Profit	The following utilities are master metered: <input type="checkbox"/> Electricity <input type="checkbox"/> Gas <input type="checkbox"/> Water <input type="checkbox"/> Sewer <input type="checkbox"/> Trash <input type="checkbox"/> Other _____	
				<input type="checkbox"/> I hereby request _____ units of RA. Current number of RA units <u>50</u> . Borrower Accounting Method <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual	

PART I—CASH FLOW STATEMENT

	BEGINNING DATES ENDING DATES	CURRENT BUDGET (01 - 01 - 2023) (12 - 31 - 2023)	ACTUAL (01 - 01 - 2023) (12 - 31 - 2023)	PROPOSED BUDGET (01 - 01 - 2024) (12 - 31 - 2024)	COMMENTS or (YTD) (- -) (- -)
OPERATIONAL CASH SOURCES					
1. RENTAL INCOME		424,032.00	128,437.43	507,360.00	
2. RHS RENTAL ASSISTANCE RECEIVED			257,001.00		
3. APPLICATION FEES RECEIVED			625.00		
4. LAUNDRY AND VENDING		0.00	0.00	0.00	
5. INTEREST INCOME		0.00	221.03	0.00	
6. TENANT CHARGES		2,890.00	6,144.23	920.00	
7. OTHER - PROJECT SOURCES		0.00	0.00	0.00	
8. LESS (Vacancy and Contingency Allowance)		(35,195.00)		(35,520.00)	
9. LESS (Agency Approved Incentive Allowance)		(0.00)		(0.00)	
10. SUB-TOTAL [(1 thru 7) - (8 & 9)]		391,727.00	392,428.69	472,760.00	
NON-OPERATIONAL CASH SOURCES					
11. CASH - NON PROJECT		0.00	59,862.39	0.00	
12. AUTHORIZED LOAN (Non-RHS)		0.00	10,000.00	0.00	
13. TRANSFER FROM RESERVE		49,850.00	115,137.18	61,550.00	
14. SUB-TOTAL (11 thru 13)		49,850.00	184,999.57	61,550.00	
15. TOTAL CASH SOURCES (10+14)		441,577.00	577,428.26	534,310.00	
OPERATIONAL CASH USES					
16. TOTAL O&M EXPENSES (From Part II)		318,149.00	335,314.73	399,115.16	
17. RHS DEBT PAYMENT		33,351.00	33,351.36	33,357.00	
18. RHS PAYMENT (Overage)			666.00		
19. RHS PAYMENT (Late Fee)			0.00		
20. REDUCTION IN PRIOR YEAR PAYABLES			0.00		
21. TENANT UTILITY PAYMENTS			487.00		
22. TRANSFER TO RESERVE		18,500.00	77,042.12	18,500.00	
23. RETURN TO OWNER /NP ASSET MANAGEMENT FEE .		9,964.00	0.00	9,964.00	2023 RTO
24. SUB-TOTAL (16 thru 23)		379,964.00	446,861.21	460,936.16	
NON-OPERATIONAL CASH USES					
25. AUTHORIZED DEBT PAYMENT (Non-RHS)		11,590.00	11,589.60	11,592.00	
26. ANNUAL CAPITAL BUDGET (From Part III, Lines 4-6)		49,850.00	115,087.18	61,550.00	
27. MISCELLANEOUS		0.00	0.00	0.00	
28. SUB-TOTAL (25 thru 27)		61,440.00	126,676.78	73,142.00	
29. TOTAL CASH USES (24+28)		441,404.00	573,537.99	534,078.16	
30. NET CASH (DEFICIT) (15-29)		173.00	3,890.27	231.84	
CASH BALANCE					
31. BEGINNING CASH BALANCE		23,862.00	19,928.67	16,823.00	
32. ACCRUAL TO CASH ADJUSTMENT			- 15,420.07		
33. ENDING CASH BALANCE (30+31+32)		24,035.00	8,398.87	17,054.84	

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0189. The time required to complete this information collection is estimated to average 2 1/2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

PART II—OPERATING AND MAINTENANCE EXPENSE SCHEDULE

	CURRENT BUDGET	ACTUAL	PROPOSED BUDGET	COMMENTS or (YTD)
1. MAINTENANCE AND REPAIRS PAYROLL	19,760.00	12,603.01	36,712.00	
2. MAINTENANCE AND REPAIRS SUPPLY	5,910.00	5,625.80	7,545.00	
3. MAINTENANCE AND REPAIRS CONTRACT	20,100.00	21,930.22	29,900.00	
4. PAINTING	4,800.00	8,097.76	18,525.00	
5. SNOW REMOVAL	0.00	0.00	0.00	
6. ELEVATOR MAINTENANCE/CONTRACT	0.00	0.00	0.00	
7. GROUNDS	13,600.00	9,900.00	15,600.00	
8. SERVICES	2,408.00	5,370.00	2,820.00	
9. ANNUAL CAPITAL BUDGET (From Part V - Operating)	27,520.00	25,595.92	8,475.00	
10. OTHER OPERATING EXPENSES (Itemize)	0.00	0.00	0.00	
11. SUB-TOTAL MAINT. & OPERATING (1 thru 10)	94,098.00	89,122.71	119,577.00	
12. ELECTRICITY If master metered	4,780.00	9,080.55	3,953.00	
13. WATER check box on	62,400.00	54,134.58	35,916.00	
14. SEWER front.	0.00	14,404.38	36,912.00	
15. FUEL (Oil/Coal/Gas)	0.00	0.00	0.00	
16. GARBAGE & TRASH REMOVAL	7,980.00	12,783.16	12,540.00	
17. OTHER UTILITIES	0.00	0.00	0.00	
18. SUB-TOTAL UTILITIES (12 thru 17)	75,160.00	90,402.67	89,321.00	
19. SITE MANAGEMENT PAYROLL	23,792.00	23,941.44	39,752.00	
20. MANAGEMENT FEE	53,760.00	49,860.00	57,120.00	
21. PROJECT AUDITING EXPENSE	4,200.00	4,700.00	4,841.00	
22. PROJECT BOOKKEEPING/ACCOUNTING	0.00	0.00	0.00	
23. LEGAL EXPENSES	150.00	621.17	400.00	
24. ADVERTISING	300.00	1,289.84	175.00	
25. TELEPHONE & ANSWERING SERVICE	2,726.00	3,935.24	2,676.00	
26. OFFICE SUPPLIES	1,800.00	1,101.33	1,525.00	
27. OFFICE FURNITURE & EQUIPMENT	0.00	2,373.40	700.00	
28. TRAINING EXPENSE	150.00	0.00	1,400.00	
29. HEALTH INS. & OTHER EMP. BENEFITS	6,563.00	3,426.95	35.00	
30. PAYROLL TAXES	3,549.00	2,778.71	6,422.00	
31. WORKER'S COMPENSATION	1,237.00	781.62	2,822.00	
32. OTHER ADMINISTRATIVE EXPENSES (Itemize)	7,726.00	8,167.55	11,182.00	See Narrative
33. SUB-TOTAL ADMINISTRATIVE (19 thru 32)	105,953.00	102,977.25	129,050.00	
34. REAL ESTATE TAXES	25,193.00	29,514.71	31,755.00	
35. SPECIAL ASSESSMENTS	0.00	0.00	0.00	
36. OTHER TAXES, LICENSES & PERMITS	0.00	0.00	0.00	
37. PROPERTY & LIABILITY INSURANCE	17,745.00	23,297.39	29,412.16	
38. FIDELITY COVERAGE INSURANCE	0.00	0.00	0.00	
39. OTHER INSURANCE	0.00	0.00	0.00	
40. SUB-TOTAL TAXES & INSURANCE (34 thru 39)	42,938.00	52,812.10	61,167.16	
41. TOTAL O&M EXPENSES (11+18+33+40)	318,149.00	335,314.73	399,115.16	

PART III—ACCOUNT BUDGETING/STATUS

	CURRENT BUDGET	ACTUAL	PROPOSED BUDGET	COMMENTS or (YTD)
RESERVE ACCOUNT:				
1. BEGINNING BALANCE	88,743.94	48,638.16	57,440.18	
2. TRANSFER TO RESERVE	18,500.00	77,042.12	18,500.00	
TRANSFER FROM RESERVE.....				
3. OPERATING DEFICIT	0.00	50.00	0.00	bank fees
4. ANNUAL CAPITAL BUDGET (<i>Part V - Reserve</i>)	49,850.00	115,087.18	61,550.00	
5. BUILDING & EQUIPMENT REPAIR	0.00	0.00	0.00	
6. OTHER NON-OPERATING EXPENSES	0.00	0.00	0.00	
7. TOTAL (3 thru 6)	(49,850.00)	(115,137.18)	(61,550.00)	
8. ENDING BALANCE [(1+2)-7]	57,393.94	10,543.10	14,390.18	

GENERAL OPERATING ACCOUNT:*

BEGINNING BALANCE	628.67	
ENDING BALANCE	8,398.87	

REAL ESTATE TAX AND INSURANCE ESCROW ACCOUNT:*

BEGINNING BALANCE	19,300.00	
ENDING BALANCE	0.00	

TENANT SECURITY DEPOSIT ACCOUNT:*

BEGINNING BALANCE	8,048.06	
ENDING BALANCE	9,048.70	

(*Complete upon submission of actual expenses.)

NUMBER OF APPLICANTS ON THE WAITING LIST	6	RESERVE ACCT. REQ. BALANCE.....	11,912.97
NUMBER OF APPLICANTS NEEDING RA.....	6	AMOUNT AHEAD/BEHIND	- 1,369.87

PART IV—RENT SCHEDULE AND UTILITY ALLOWANCE

A. CURRENT APPROVED RENTS/ UTILITY ALLOWANCE

UNIT DESCRIPTION			RENTAL RATES			POTENTIAL INCOME FROM EACH RATE			UTILITY ALLOWANCE
BR SIZE	UNIT TYPE	NUMBER	BASIC	NOTE RATE	HUD	BASIC	NOTE RATE	HUD	
2.00	N	56.00	631.00	680.00	0.00	424,032.00	456,960.00	0.00	93.00
0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CURRENT RENT TOTALS:						424,032.00	456,960.00	0.00	
						BASIC	NOTE	HUD	

B. PROPOSED RENTS - Effective Date: ____/____/____

UNIT DESCRIPTION			RENTAL RATES			POTENTIAL INCOME FROM EACH RATE		
BR SIZE	UNIT TYPE	NUMBER	BASIC	NOTE RATE	HUD	BASIC	NOTE RATE	HUD
PROPOSED RENT TOTALS:								
						BASIC	NOTE	HUD

C. PROPOSED UTILITY ALLOWANCE - Effective Date: ____/____/____

MONTHLY DOLLAR ALLOWANCES

BR SIZE	UNIT TYPE	NUMBER	ELECTRIC	GAS	WATER	SEWER	TRASH	OTHER	TOTAL

PART V - ANNUAL CAPITAL BUDGET

		Proposed Number of Units/Items	Proposed from Reserve	Actual from Reserve	Proposed from Operating	Actual from Operating	Actual Total Cost	Total Actual Units/Items
Appliances:								
	Range	4.00	1,950.00	0.00	600.00	955.06	955.06	2.00
	Refrigerator	4.00	2,250.00	922.34	750.00	1,162.13	2,084.47	3.00
	Range Hood	0.00	0.00	0.00	0.00	247.78	247.78	3.00
	Washers & Dryers	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Other:	0.00	0.00	0.00	0.00	350.00	350.00	1.00
Carpet & Vinyl:								
	1BR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	2BR	5.00	7,500.00	21,585.12	5,000.00	3,367.10	24,952.22	21.00
	3BR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	4BR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Other:	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cabinets:								
	Kitchens	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Bathrooms	2.00	0.00	0.00	450.00	0.00	0.00	0.00
	Other:	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Doors:								
	Exterior	5.00	750.00	0.00	0.00	0.00	0.00	0.00
	Interior	2.00	0.00	0.00	150.00	0.00	0.00	0.00
	Other:	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Window Coverings:								
	List:	30.00	0.00	0.00	300.00	1,171.86	1,171.86	40.00
	Other:	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Heating & Air Conditioning:								
	Heating	3.00	15,500.00	0.00	0.00	3,800.00	3,800.00	1.00
	Air Conditioning	0.00	0.00	14,975.00	0.00	11,911.22	26,886.22	5.00
	Other:	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Plumbing:								
	Water Heater	3.00	1,900.00	0.00	900.00	2,480.77	2,480.77	2.00
	Bath Sinks	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Kitchen Sinks	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Faucets	6.00	500.00	0.00	175.00	150.00	150.00	1.00
	Toilets	2.00	200.00	0.00	0.00	0.00	0.00	0.00
	Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Major Electrical:								
	List:		0.00	0.00	0.00	0.00	0.00	
	Other:		0.00	0.00	0.00	0.00	0.00	
Structures:								
	Windows	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Screens	10.00	0.00	0.00	150.00	0.00	0.00	0.00
	Walls		0.00	0.00	0.00	0.00	0.00	
	Roofing		0.00	0.00	0.00	0.00	0.00	
	Siding		0.00	0.00	0.00	0.00	0.00	
	Exterior Painting		0.00	0.00	0.00	0.00	0.00	
	Other		4,000.00	0.00	0.00	0.00	0.00	
Paving:								
	Asphalt		12,000.00	0.00	0.00	0.00	0.00	
	Concrete		0.00	0.00	0.00	0.00	0.00	
	Seal & Stripe		0.00	0.00	0.00	0.00	0.00	
	Other:		0.00	0.00	0.00	0.00	0.00	
Landscape & Grounds:								
	Landscaping		0.00	0.00	0.00	0.00	0.00	
	Lawn Equipment		0.00	0.00	0.00	0.00	0.00	
	Fencing		0.00	0.00	0.00	0.00	0.00	
	Recreation Area		0.00	0.00	0.00	0.00	0.00	
	Signs		0.00	0.00	0.00	0.00	0.00	
	Other:		0.00	0.00	0.00	0.00	0.00	
Accessibility Features:								
	List:		0.00	0.00	0.00	0.00	0.00	
	Other:		0.00	0.00	0.00	0.00	0.00	
Automation Equipment:								
	Site Management		0.00	0.00	0.00	0.00	0.00	
	Common Area		15,000.00	0.00	0.00	0.00	0.00	
	Other:		0.00	0.00	0.00	0.00	0.00	
Other:								
	List:		0.00	77,604.72	0.00	0.00	77,604.72	
	List:		0.00	0.00	0.00	0.00	0.00	
	List:		0.00	0.00	0.00	0.00	0.00	
TOTAL CAPITAL EXPENSES:		76	61,550.00	115,087.18	8,475.00	25,595.92	140,683.10	79

PART VI -- SIGNATURES, DATES AND COMMENTS

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

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

2/13/24

(DATE)

Lory Coker

(Signature of Borrower or Borrower's Representative)

Property Accountant

(Title)

AGENCY APPROVAL (*Rural Development Approval Official*):

DATE:

COMMENTS:

ADDENDUM F
Purchase and Sale Agreement, LURA, Etc.
(As Applicable)

STATE OF SOUTH CAROLINA

:

OPTION AGREEMENT

COUNTY OF GREENWOOD

:

THIS OPTION AGREEMENT ("Agreement"), made and entered into as of the 5th day of February, 2025 by and between **SWANN MEADOWS LIMITED PARTNERSHIP**, a South Carolina limited partnership (hereinafter called "Seller"), and **FITCH IRICK SC LLC.**, a South Carolina limited liability company (hereinafter called "Buyer");

W I T N E S S E T H :

That for and in consideration of Ten and No/100 Dollars (\$10.00) (the "Option Money") and other good and valuable considerations paid to Seller by Buyer, the receipt of which is hereby acknowledged, and in further consideration of the mutual promises and conditions expressed below, Seller hereby grants to Buyer, its successors and assigns, the sole and exclusive right to purchase, at the price and subject to the terms, conditions and provisions hereinafter stated, that certain tract, or parcel, of land located at 1091 Parkland Place Road, Greenwood, South Carolina commonly known as the Swann Meadow Apartments , and being more particularly described on **Exhibit A** attached hereto (the "Property").

NOW, THEREFORE, the parties hereto agree each with the other as follows:

1. Term. This Option shall become effective as of the date set forth above and shall exist and continue through midnight on the 31st day of December 2026, at which time it will expire (the foregoing time period and any extended term, if any, shall be deemed the "Option Term").
2. Option Money. The Option Money and Additional Option Money, if any, shall be credited against the purchase price of the Property.
3. Exercise of Option. The option herein granted may be exercised only by the giving of written notice of exercise of the Option to Seller by Buyer, which notice shall be in accordance with the provisions of Paragraph 12 hereof, and which may be given at any time within the Option Term.
4. Purchase Price. The Purchase Price for the Property shall be: (i) cash in the amount of \$347,005 plus (ii) the assumption of the outstanding principal and interest owed on Seller's existing loan from the United States Department of Agriculture, Rural Development and the repayment of South Carolina State Housing Finance and Development Authority HOME Loan as of the Closing Date.
5. Closing Date. Closing on the Property shall be no later than December 31st 2026, or earlier upon no less than five (5) days notice to Seller.
6. Title. At Closing, Seller shall deliver to Buyer indefeasible and marketable fee simple title to the Property, free and clear of any deeds of trust, liens, security interests,

encumbrances or other restrictions other than easements currently existing of record, except Seller's existing loan from United States Department of Agriculture, Rural Development which will be assumed by Buyer. If Buyer's title search and/or title insurance commitment reveals any objectionable title matters (in Buyer's reasonable discretion), Buyer shall have the right to notify Seller in writing of any defect or condition related to the title insurance commitment that materially affects the title to the Property or the use of the Property as a multi-family residential development. Seller shall have five (5) days after the receipt of such written notice to correct said defects or conditions. If Seller is unable or unwilling to correct such defects or conditions, and unless Buyer elects to purchase the Property with the particular defect or condition uncorrected, Buyer shall have the option to terminate this Agreement and receive a return of the Option Money, regardless of whether the Option has been exercised. If Seller is unable or unwilling to correct such defects within said five (5) days, Buyer shall then have five (5) days in which to notify Seller of the Buyer's election to terminate this Agreement. The failure of the Buyer to give Seller written notice of its election to terminate the Agreement shall constitute a waiver of the condition or defect and shall be deemed an election to purchase the Property with the particular defect or condition uncorrected.

Title shall be conveyed by a general warranty deed in recordable form with all required tax stamps affixed conveying marketable indefeasible, fee simple (in fact, and insurable so to be) title, free and clear of all liens and encumbrances save and except only easements of record as of the date of this Option and exceptions consented to by Buyer as set forth in the foregoing paragraph, ad valorem taxes for the calendar year of Closing (to be prorated on a calendar year basis as of the Closing Date), and such state of facts as is revealed by a current and accurate survey of the Property which reveals items arising after the date of this Option. Except as consented to by Buyer, Seller shall do nothing which impairs such title to the Property as Seller now owns during the Option Term.

7. Closing Costs. At closing Seller shall pay the cost of the deed preparation, the excise tax stamps to be placed on the deed, if any, all State and Local Grantor tax, any instruments which may be required to clear the title of any prior liens, and any counsel fees for counsel employed or retained by Seller. Buyer shall pay for title examination, title policy, surveys, recording fees, and for any counsel fees Buyer incurs in the transaction.

8. Inspection. Seller does hereby agree to provide access to Buyer and its engineers and agents to the Property for purposes of undertaking such surveys, inspections or such other tests and analyses as Buyer may deem necessary and appropriate. Seller consents to Buyer applying for any zoning and/or land use permits, applying for a reservation of housing tax credits from SC Housing, determining the permits, approvals and licenses necessary for its use of the Property, performing tests and audits at the Property, securing any approvals from the State of South Carolina and local municipalities that Buyer determines necessary, and conducting a survey of the Property. Seller shall cooperate with Buyer in any applications it files for zoning and/or land use permits; securing of approvals, licenses and permits; surveying the Property; obtaining title insurance; conducting tests and audits; and inspecting the property. All expenses associated with the inspection of the property shall be paid for by Buyer. Buyer does hereby agree to indemnify and hold Seller harmless from any loss or liability that may occur as a result of such inspection activity that may be undertaken by Buyer, its engineers or agents.

9. Condemnation. If prior to Closing all or any portion of the Property is taken by eminent domain, Buyer may at its option close on the Property or terminate this Option Agreement

and receive a return of the Option Money. If Buyer elects to close, then Seller shall assign to Buyer the entire proceeds resulting from such taking and Buyer shall be entitled to pursue the claim and retain all it is able to collect for such taking.

10. Closing Documents. At Closing Seller will execute, acknowledge and deliver to Buyer a general warranty deed with tax stamps affixed conveying title as hereinbefore required, will deliver such lien waiver or affidavit as Buyer's title insurer may require to insure against any possible unfiled and unpaid laborer's or materialmen's liens, together with such other papers and documents as may be reasonably necessary in connection with the completion of the closing.

11. Possession. Subject to the rights of residential tenants on the Property, possession of the Property shall be delivered to Buyer at the time of Closing.

12. Notices. Any notice or other communications hereunder shall be in writing and shall be deemed to have been given (unless otherwise set forth herein), if delivered in person, delivered by facsimile, delivered by email, deposited with an overnight express agency, fees prepaid, or mailed by United States express, certified or registered mail, postage prepaid, return receipt requested, to the appropriate party at the following addresses:

Seller:

Swann Meadows Limited Partnership
c/o Ira M. Slomka
1515 Mockingbird Lane, Suite 1010
Charlotte, NC 28200
Email: Ira@fitchirick.com

Buyer:

Fitch Irick SC LLC
c/o James Bernstein
1515 Mockingbird Lane, Suite 1010
Charlotte, NC 28200
Email: jay@fitchirick.com

13. Representations of Seller. Seller represents and warrants to Buyer that, to the best of the knowledge of Seller, the following:

a. There is not now, nor has there ever been located in, on, or about the Property any pollutants, contaminants, gas or petroleum products, or other hazardous or toxic materials, the presence of which is either penalized or prohibited or removal required by any local, state, or federal government instrumentality or by applicable laws, statutes, or regulations. The parties acknowledge that Buyer, as a part of its due diligence, may obtain a Phase I Environmental Audit, at the Buyer's sole cost and expense, to determine the environmental condition of the Property. If an environmental condition occurs which adversely affects the Property between the time of the initial Phase I and any Phase I update, then Buyer shall have the right to terminate this Agreement and receive a refund of all Option Money, regardless of whether the Option has been exercised.

b. The Option has been duly executed and delivered by Seller, constitutes the valid and binding agreement of Seller, and is enforceable in accordance with its terms.

c. There is no action, suit, or proceeding, pending or known to be threatened, against Seller, the Property or which would affect the Property.

d. Seller has not filed a petition or an answer seeking reorganization or an arrangement with creditors or to take advantage of any insolvency or bankruptcy law.

e. Seller has fee simple title to the Property, has the exclusive right of possession of the Property and there are no leases affecting the Property except leases to residential tenants of the Property.

f. Seller has not entered into any agreement, oral or written, other than this Agreement, with reference to the Property.

g. Seller has not received any notice from any city, county or other governmental authority of any taking of the Property, or any portion thereof, by eminent domain or similar proceeding, and no such taking or other condemnation of the Property, or any portion thereof, shall be threatened or contemplated by any governmental authority.

h. Seller has no knowledge of any change or proposed change in the route, grade or width of or otherwise affecting, any street or road adjacent to or serving the Property.

14. Entire Agreement. This Agreement and any exhibits hereto and other documents incorporated or referred to herein, contains the entire Agreement of the parties and there are no representations, inducements or other provisions other than those expressed in writing. All changes, additions or deletions hereto must be in writing and signed by all the parties. Any and all references herein to the Seller or Buyer shall be deemed to include their respective successors, heirs or permitted assigns.

15. Assignment. The rights of Buyer hereunder shall be assignable.

16. Default. Should Buyer default under this Option and if and such default is not cured within ten (10) days of written notice from Seller to Buyer (or such additional period of time as shall be necessary to effect a cure provided Buyer is proceeding in good faith with a cure), there shall be deemed an event of default hereunder by Buyer. For any event of default by Buyer hereunder, Seller shall retain the Option Money as its sole and exclusive remedy.

In the event Seller shall default hereunder, Buyer may either elect to (i) terminate this Option and receive a return of the Option Money or (ii) seek specific performance of Seller's obligation to convey title to the Property to Buyer in accordance herewith.

17. Situs. This Agreement shall be governed in all respects by and construed under the laws of the State of South Carolina.

18. Memorandum. On request of Buyer, Seller agrees to execute a memorandum of this Agreement in recordable form, setting forth in general terms the rights granted to Buyer hereunder.

19. HUD Language. Notwithstanding any provision of this Agreement, if U.S. Department of Housing and Urban Development (HUD) funds are used, including, but not limited to HOME funds, the parties agree and acknowledge that this Agreement does not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of an environmental review and receipt of a release of funds notice from the U.S. Department of HUD under 24 CFR Part 58. The parties further agree that the provision of any federal funds to the project is conditioned on the determination to proceed with, modify or cancel the project based on the results of a subsequent environmental review. If no HUD funds are utilized in regard to this property, this provision shall be considered null and void.

IN WITNESS WHEREOF, Seller and Buyer, intending to be legally bound, have executed this Agreement as of the day and year first above written.

BUYER:

FITCH IRICK SC LLC

By: 
James Bernstein, Manager

SELLER:

SWANN MEADOWS LIMITED PARTNERSHIP

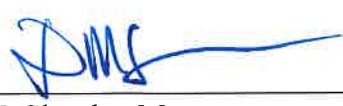
By: 
Ira M. Slomka, Manager

Exhibit A



6876-020-344

FILED FOR RECORD 10/15/2003
AT 09:45:05AM BOOK 00808 PAGE 00223
Emmett F. Brooks - Clerk of Court
Greenwood County Courthouse 000014470

STATE OF SOUTH CAROLINA)
)
)
COUNTY OF GREENWOOD)

AGREEMENT AS TO RESTRICTIVE COVENANTS

14470 BK:808 Pg:223

This Agreement As To Restrictive Covenants, dated as of October 6, 2003, by and between Swann Meadows, L.P., its heirs, successors, and assigns, forever, (the "Owner") and the South Carolina State Housing Finance and Development Authority, together with its successors (the "Authority").

WITNESSETH:

WHEREAS, the OWNER IS THE OWNER of certain real property located in Greenwood, South Carolina, more particularly described in Exhibit A attached hereto, and, by reference incorporated herein (the "Property"); and

WHEREAS, the Authority has been designated by the Governor of the State of South Carolina as the housing credit agency for the State of South Carolina for the allocation of Low-Income Housing Tax Credit Dollars (the "Credit"); and

WHEREAS, the Owner has applied to the Authority for an allocation of Credit for a rental housing development which has been constructed or which will be constructed on the Property (the "Development") in an amount not to exceed \$70,205.52 Dollars; and

WHEREAS, the Owner has represented to the Authority, in the Owner's Low-Income Housing Tax Credit Application (the "Application"), that the Owner will lease at least Forty percent (40%) of the units in the Development to individuals or families whose income is Sixty percent (60%) of the median gross income (including adjustments for family size) for the area in which the property is located, as required by section 42 of the Internal Revenue Code of 1986, as amended, together with applicable final, or temporary or regulations and revenue rulings issued or amended with respect thereto ("Low-Income Tenants"); and

WHEREAS, the Authority has determined that an allocation of Credit to the Development in an amount not to exceed \$70,205.52 is appropriate under the provisions of section 42 of the Internal Revenue Code of 1986, as amended, together with applicable final or temporary regulations and revenue rulings issued or amended with respect thereto (the "Code"); and

WHEREAS, the Owner has represented to the Authority in the Owner's Application that it will impose additional rent restrictions or will covenant to maintain the rent and income restrictions required by section 42 of the Code for an additional period of time; and

WHEREAS, the Code has required as a condition precedent to an allocation of the Credit that the Owner and the Authority execute, deliver, and record in the office of the Clerk of Court or Register of Deeds, as appropriate, this Agreement As To Restrictive Covenants, (the "Covenants") in order to create certain covenants appurtenant to and running with the Property for the purpose of enforcing the requirements of section 42 of the Code and for the further purpose of monitoring the Owner's compliance with such provisions; and

WHEREAS, the Owner, in order to induce the Authority to make an allocation of the Credit to the Development, and in order to satisfy the requirements of section 42 of the Code, and in order to implement the Covenants made by the Owner in the application, that were relied upon by the Authority, intends, declares and covenants that the Restrictive Covenants set forth herein governing the use, occupancy and transfer of the Development shall be covenants appurtenant to and running with the Property for the term dated herein and are to be binding upon all subsequent owners of the Property for such term, and are not merely personal covenants of the Owner.

Deliver To: MEL MELTON
GEM MANAGEMENT
2021 CROSS BEAM DR
CHARLOTTE NC 28217

EXHIBIT A

14470 Bk:808 Ps:224

TRACT 1. "ALL those certain pieces, parcels or tracts of land, situate, lying, and being in the County of Greenwood, State of South Carolina, containing 1.17 acres, more or less, designated as Property of R. Brooks Scurry & Jack C. Scurry, and 2.62 acres, more or less, designated as Phase II, respectively, which are contiguous and when taken as a whole, contain 3.79 acres, more or less, is irregular in shape, and is bounded as follows: On the North by property of R. Brooks Scurry, et al, for a distance of 329.68 feet, more or less; on the Northwest by property of R. Brooks Scurry, et al, for a distance of 450.97 feet, more or less; on the South by property now or formerly of L. B. Adams, Jr. for a distance of 685.41 feet, more or less; and on the East by property of Parkland Place North Properties, a Limited Partnership, designated as Tract A for a distance of 329.82 feet, more or less, and has such shape, metes, courses, and distances as will more fully appear by reference to a plat prepared by G. L. Marshall, Jr., registered L.S. and C.E., dated November 6, 1980, and recorded in the Office of the Clerk of Court for Greenwood County in Plat Book 35, at Page 158."

Being the identical property conveyed to the Parkland Place North Properties, A Limited Partnership by Deed of R. Brooks Scurry and Jack C. Scurry, dated May 5, 1981, recorded in the Office of the Clerk of Court for Greenwood County in Deed Book 282, at Page 42.

ALSO, Tract 2. "ALL those certain pieces, parcels or tracts of land, situate, lying and being on the Eastern side of Parkland Place Road in the County of Greenwood, State of South Carolina, known and designated as the Apartment Tract containing 3.52 acres, more or less, and Tract A containing .98 acres, more or less, which are contiguous and, when taken as a whole, are bounded as follows: On the North by the centerline of Park Road North, a proposed road, and property of J. B. Construction, Inc. for a distance of 582.37 feet, more or less; on the East by Tract 1, hereinabove described, for a distance of 329.83 feet, more or less; on the South by property of L. B. Adams, Jr., for a distance of 584.27 feet, more or less; and on the West by the centerline of Parkland Place Road for a distance of 360.00 feet, more or less, and has such shape, metes, courses, and distances as will more fully appear by reference to a plat prepared by John H. Welborn and Company, Inc., Engineers, dated January 25, 1979, and recorded in the Office of the Clerk of Court for Greenwood County in Plat Book 33, at Page 199. This is a portion of the real estate heretofore conveyed to R. Brooks Scurry and Jack C. Scurry by two deeds of L.C.H. Construction, Inc.; the first being dated January 14, 1977, and recorded in the Office of the Clerk of Court for Greenwood County in Deed Book 257, at Page 514; and the second being dated January 19, 1977, and recorded in the Office of the Clerk of Court for Greenwood County in Deed Book 257, at Page 634."

Being the identical property conveyed to Parkland Place North Properties, A Limited Partnership, by Deed of R. Brooks Scurry and Jack C. Scurry, dated July 18, 1979, and recorded in the Office of the Clerk of Court for Greenwood County in Deed Book 274, at Page 389, on December 17, 1979.

ALSO, Tract 3. "ALL the right, title and interest of Parkland Place North Properties, A Limited Partnership, in that certain easement and right-of-way for sewer purposes being twenty (20) feet in width as more fully described in that certain Right-of-Way Deed of J. B. Construction, Inc. to Parkland Place North Properties, A Limited Partnership, dated December 17, 1979, and recorded in Deed Book 274, at Page 402. Said Easement and Right-of-Way being more fully shown on a plat entitled, "Parkland Place North Sanitary Sewer Profile", dated February 24, 1979, and drawn by John H. Welborn and revised June 11, 1980, by G. L. Marshall, Jr., C.E. and L.S., said plat being recorded in the Office of the Clerk of Court for Greenwood County in Plat Book 35, at Page 158."

NOW, THEREFORE, for and in consideration of the promises and covenants hereinafter set forth, and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Owner and the Authority hereby agree and covenant as follows:

1. All words and phrases defined in section 42 of the Code shall have the same meaning in these Covenants.
2. The Owner hereby declares that the Property and every part thereof is and shall be owned (legally and beneficially), leased, or otherwise conveyed, transferred, developed, rehabilitated, improved, built upon, occupied, or otherwise used, subject to these Covenants.
3. The Owner acknowledges that these Covenants are for the benefit of the Development and are in the nature of a covenant appurtenant to and running with the Property and every part thereof, and are not merely personal covenants of the Owner, and that these Covenants are to be binding upon the Owner and all property owners, tenants, licensees, occupants and their successors in interest with respect to the Property throughout the term specified herein. For the longer of the period the Credit is claimed or the term of these Covenants, each and every contract, deed, or other instrument hereafter executed conveying the Development or any portion thereof shall expressly provide that such conveyance is subject to these Covenants; provided, however, the covenants contained herein shall survive and be effective regardless of whether or not such contract, deed, or other instrument hereafter executed conveying the Development or any portion thereof provides that such conveyance is subject to these Covenants;

The Owner agrees to obtain the consent to these Covenants of any holder of a prior lien upon the Property. The Owner agrees that the obtaining of such consent shall be a condition precedent to the issuance of Internal Revenue Service Form 8609, which form evidences final allocation of the Credit.

4. The Owner hereby represents and warrants to the Authority:

The Owner is qualified to transact business under the laws of the State of South Carolina, has the power and authority to own its properties and transact its business as now being conducted, and has the full legal right, power, and authority to execute and deliver these Covenants;

The execution and performance of these Covenants by the Owner (a) will not violate or, as applicable, have not violated any provision of law, rule or regulation or any order of any court or other agency or governmental body, (b) will not violate or, as applicable, have not violated any provision of any indenture, agreement, mortgage, mortgage note or other instrument to which the Owner is a party or by which the Development is bound and (c) will not result in the creation or imposition of any prohibited encumbrance of any nature;

The Owner will, at the time of execution and delivery of these Covenants, have good and marketable title to the premises constituting the Development free and clear of any lien or encumbrance (subject to encumbrances created pursuant to this Covenant, any loan documents relating to the Development or other permitted encumbrances);

There is no action, suit or proceeding at law or in equity or by or before any governmental instrumentality or other agency now pending, or, to the knowledge of the Owner, threatened against or affecting it, or any of its properties or rights, which, if adversely determined, would materially impair its right to carry on business substantially as now conducted (and as now contemplated by these Covenants) or would materially adversely affect its financial condition;

The Development constitutes or will constitute a qualified Low-Income Building or qualified Low-Income Development, as applicable, as defined in section 42 of the Code and applicable regulations;

Each unit in the Development contains complete facilities for living, sleeping, eating, cooking and sanitation (unless the Development qualifies as a single-room occupancy development or transitional housing for the homeless) which are to be used on other than a transient basis;

During the term of these Covenants, all units subject to the Credit shall be leased and rented members of the general public who qualify as Low-Income Tenants (or otherwise qualify for occupancy of the low-income units) under the applicable election specified in section 42(g) of the Code. Section 42(h)(6)(B)(iv) prohibits the refusal to lease to a holder of a voucher or certificate of eligibility under Section 8 of the United States Housing Act of 1937 because of the status of the prospective tenant as such a holder;

The Owner agrees to comply fully with the requirements of all federal and state statutes relating to Fair Housing as they may from time to time be amended;

During the term of these Covenants, the Owner covenants, agrees and warrants that each Low-Income Unit will remain suitable for occupancy and will be used other than on a transient basis;

Subject to the requirements of section 42 of the Code and these Covenants, the Owner may sell, transfer or exchange the entire Development at any time, but the Owner shall notify in writing and obtain the agreement of any buyer or successor or other person acquiring the Development or any interest therein that such acquisition is subject to the requirements of these Covenants and to the requirements of section 42 of the Code and applicable regulations. This provision shall not act to waive any other restriction on sale, transfer or exchange of the development or any low-income portion of the Development. The Authority may void any sale, transfer or exchange of the Development if the buyer or successor or other person fails to assume in writing the requirements of these Covenants and the requirements of section 42 of the Code;

The Owner agrees to notify the Authority in writing of any sale, transfer or exchange of the entire Development or any low-income portion of the Development;

The Owner shall not demolish any part of the Development or substantially subtract from any real or personal property of the Development or permit the use of any residential rental unit for any purpose other than rental housing during the term of these Covenants unless required by law;

The Owner represents, warrants and agrees that if the Development, or any part thereof, shall be damaged or destroyed or shall be condemned or acquired for public use, the Owner will use its best efforts to repair and restore the Development to substantially the same condition as existed prior to the event causing such damage or destruction, or to relieve the condemnation, and thereafter to operate the Development in accordance with the terms of these Covenants;

The Owner warrants that it has not and will not execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and that in any event, the requirement of these Covenants are paramount and controlling as to the rights and obligations set forth herein and supersede any other requirements in conflict herewith.

5. The Owner represents, warrants and covenants that throughout the term of these Covenants, and in order to satisfy the requirements of section 42 of the Code, at least Forty percent (40%) or more of the residential units in the Development are both rent-restricted and occupied by Low-Income Tenants;

The determination as to whether or not a tenant meets the low-income requirement shall be made by the Owner at least annually on the basis of the then current gross income of each such low-income tenant.

6. In its Application, the owner elected the following special needs targeting for the development:

Single Room Occupancy Housing	0	units
Transitional Housing	0	units
Elderly	0	units
Special Needs Population	0	units
Family units with 25% having at least 3 or more bedrooms and 1 ½ bathrooms	0	units
Units at or below 50% Income and Rent Levels	28	units
Conversion to tenant ownership after 15 year compliance period	No	units
Three (3) Supportive Services appropriate to targeted tenant population provided for initial 15-year compliance period.	Yes	
Three (3) Supportive Services provided by eligible CDC or CHDO for no less than three (3) years from the placed-in-service date.	No	

For and during the term of this Agreement, occupancy of the development shall be restricted to reflect the special needs targeting elected by the owner. This restriction is in addition to any other restrictions contained in this Agreement as to Restrictive Covenants. If for purposes of 42(g)(1) of the Code, a project has made the 40/60 election, but has voluntarily elected to further restrict the targeting of certain units within the development, the Owner may, if after five years (a) the development has had at least a two year history of vacancies averaging at least 20% which can be evidenced to the Authority through project audits, and/or (b) the Applicant can demonstrate to the Authority that other conditions exist which threaten the economic viability of the development, petition the Authority for permission to terminate such additional restriction and revert back to the irrevocable 40/60 election. **The Authority may grant or refuse any waiver requested in its sole discretion.**

7. The order to make enforceable those extended use or deeper targeting covenants that the Owner represented to the Authority in its Application, and in reliance upon which covenants the Authority has made its determination as to the propriety of an allocation of Credit to the Development, the Owner represents, warrants, and covenants that throughout the term of these Covenants and for an additional term of five (5) years the Development shall be occupied by tenants whose income are recited herein; provided, however, the Owner did not represent within the Application that the development would convert to tenant ownership after the initial 15 year compliance period. For and during such additional term these Covenants shall remain in full force and effect. Forty percent (40%) of the units within the Development shall be occupied by tenants whose income does not exceed sixty percent (60%) of median gross income (including adjustment for family size) for the area in which the Development is located.
8. These Covenants shall commence on the first day in the Compliance Period (as defined by section 42 of the Code) on which any building in the Development is placed in service and shall end on the latest of: (a) the date which is 15 years after the close of the Compliance Period. Notwithstanding the foregoing provision, the Owner shall comply with the provisions of section 42 of the Code relating to extended use for an additional 15 years provided, however, that the extended use period for any building in the development shall terminate on the date any such building is acquired by foreclosure (or by any instrument in lieu of foreclosure), or on the last day of the one year period beginning on the date (after the 14th year of the compliance period) the Owner submits a written request that the Authority find a person to acquire the Owner's interest in any such building who will agree to continue to operate such building as a qualified Low-Income building, and the Authority has been unable to locate such a purchaser. Provided, further, that the development convert to tenant ownership after the initial 15 year compliance period if represented as such within its

Application. Provided, further, that the rent restrictions contained in section 42 of the Code shall continue for a period of three years following the termination of the extended use period pursuant to the preceding sentence. During such three year period, no Low-Income tenant residing in such building shall be evicted other than for good cause and the gross rent charged for any Low-Income unit shall not be increased above the maximum allowed under the Code for such Low-Income unit; (b) the date on which the last of the indebtedness represented by the bonds used to finance the development has been paid, or (c) the end of the "Qualified Project Period" as determined under section 142 (d)(2)(a) of the Code.

9. The Owner covenants that it will not knowingly take or permit any action that would result in a violation of the requirements of section 42 of the Code and applicable provisions of these Covenants. Moreover, Owner covenants to take any lawful action (including amendment of these Covenants as may be necessary, in the opinion of the Authority) to comply fully with the Code and with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated by the United States Treasury Department or the Internal Revenue Service, from time to time pertaining to Owner's obligations under section 42 of the Code and affecting the Development;

The Owner and the Authority each acknowledges that the primary purpose for requiring compliance by the Owner with the restrictions provided in these Covenants is to assure compliance of the Development and the Owner with the Code and with the Covenants made by the Owner that were relied upon by the Authority in determining the propriety of awarding Credits to the development BY REASON THEREOF, THE OWNER IN CONSIDERATION FOR RECEIVING LOW-INCOME HOUSING CREDITS FOR THIS DEVELOPMENT HEREBY AGREES AND CONSENTS THAT THE AUTHORITY AND ANY INDIVIDUAL WHO MEETS THE INCOME LIMITATION APPLICABLE UNDER SECTION 42 (WHETHER PROSPECTIVE, PRESENT OR FORMER OCCUPANT) SHALL BE ENTITLED, FOR ANY BREACH OF THE PROVISIONS HEREOF, AND IN ADDITION TO ALL OTHER REMEDIES PROVIDED BY LAW OR IN EQUITY, TO ENFORCE SPECIFIC PERFORMANCE BY THE OWNER OF ITS OBLIGATIONS UNDER THIS AGREEMENT IN A COURT OF COMPETENT JURISDICTION. The Owner hereby further specifically acknowledges that the beneficiaries of the Owner's obligations hereunder cannot be adequately compensated by monetary damages in the event of any default hereunder;

The Owner hereby agrees that the representations and covenants contained herein may be relied upon by the Authority and all persons interested in Development compliance under section 42 of the Code.

10. The Owner covenants that it will maintain records for the Development and file reports with the Authority with respect to occupancy and rent requirements and will permit the Authority to inspect such records at all reasonable times. Such records shall be maintained in the format prescribed by the Authority and shall contain information as to the occupants of units designated for Low-Income Tenants;

The Authority shall be permitted to inspect such records and the units designated to be occupied by Federal Low-Income Tenants at all reasonable times. Such inspection shall be for the purpose of verifying the accuracy of such records and the reports made to the Authority;

The Owner shall report requested information to the Authority periodically about the Development and its occupants necessary to enable the Authority to monitor compliance with these Covenants. The Owner agrees that the Authority may contact any tenant in the Development for the purpose of verifying the accuracy of such records.

11. The Owner shall provide the Authority an annual financial operating statement as to the Development containing a balance sheet and a statement of income and expenses.

12. In the event the Authority detects noncompliance with the rent and occupancy requirements contained in section 42 of the Code, the Authority shall notify the Internal Revenue Service, and shall be entitled to take such other action as it shall deem necessary or advisable to enforce the provisions of the Code or these Covenants.
13. In the event the Owner enters into any agreement for the management of the Development, such agreement shall contain provisions authorizing the termination thereof at the direction of the Authority upon failure of such Manager to comply with the provisions of these Covenants.
14. For and during the term of these Covenants, the Owner agrees to pay to the Authority an annual administrative fee to compensate the Authority for its monitoring of the Owner's compliance with section 42 of the Code and the covenants contained in the Owner's application.
15. In the event the Owner fails to promptly cure any violation hereof after notice by or on behalf of the Authority or (any Low-Income Tenant), such violation may be enjoined, abated, restrained, or otherwise remedied by appropriate legal or equitable proceedings. In the event of proceedings are brought to enforce or restrain violation of any of these Covenants, or to determine the rights of any person hereunder, the prevailing party in such proceeding may recover reasonable attorney's fees to be fixed by the court in addition to court costs and any other relief awarded by the court in such proceedings.
16. The invalidity of any clause or provision of these Covenants shall not affect the validity of the remaining portions thereof.
17. These Covenants are subordinate to the loan and loan documents, if any, on the Development, except insofar and to the extent that section 42 of the Code requires otherwise.
18. This instrument shall be construed in accordance with and governed by the laws of the State of South Carolina.
19. The obligations of the Owner set forth herein and in the Application shall survive the allocation of the Credit and shall not be deemed to terminate or merge with the awarding of the allocation of the Credit.

IN WITNESS WHEREOF, the parties have set their hands and seals as of the 6TH
day of OCTOBER, 2003.

WITNESS:

Jay Ragon
[Signature]
WITNESS:
[Signature]
[Signature]

SOUTH CAROLINA STATE HOUSING FINANCE
AND DEVELOPMENT AUTHORITY

BY: Valarie M. Williams
Valarie M. Williams
ITS: Housing Development Director

Swann Meadows Limited Partnership
BY: Melvin B. Melton
Melvin B. Melton
ITS: General Partner

STATE OF SOUTH CAROLINA)
)
)
 COUNTY OF RICHLAND)

PROBATE

PERSONALLY APPEARED before me Jay Ragon, who being duly sworn, deposes and says that he saw the South Carolina State Housing Finance and Development Authority by Valarie M. Williams, its Housing Development Director, sign, and as its act and deed deliver the foregoing Agreement As To Restrictive Covenants for the uses and purposes mentioned therein, and who together with Lanaa Nicholson witnessed the execution thereof.

Jay Ragon
 WITNESS

sworn to before me this 6th
 day of October, 2003.

Landra Walker (L.S.)
 Notary Public for South Carolina
 My Commission Expires January 9, 2011

STATE OF North Carolina
)
)
)
 COUNTY OF Mecklenburg

PROBATE

PERSONALLY APPEARED before me R. Craig Gentry, who being duly sworn, deposes and says that he saw Swann Meadows Limited Partnership by Melvin B. Melton, its General Partner sign, and as its act and deed deliver the foregoing Agreement As To Restrictive Covenants for the uses and purposes mentioned therein, and who together with Lisa K. Poore witnessed the execution thereof.

RCG
 WITNESS

sworn to before me this 6th
 day of October, 2003.

Patricia L. Bryant (L.S.)
 Notary Public for State of North Carolina, County of Union
 My Commission Expires April 24, 2006

