NEED AND DEMAND ANALYSIS

FOR THE OLD WRIGHT APARTMENTS

IN

ABBEVILLE, SOUTH CAROLINA

Prepared for
The Old Wright, LLC
for submission to
the South Carolina State Housing Finance and Development Authority

May 2026

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TABLE OF CONTENTS

INTRODUCTION . . . . . Page 1
PURPOSE . . . . . Page 1

EXECUTIVE SUMMARY . . . . . Page 4

A. PROJECT DESCRIPTION . . . . . Page 5

B. SITE DESCRIPTION . . . . . Page 12

C. MARKET AREA . . . . . Page 19

D. MARKET AREA ECONOMY . . . . . Page 21
EMPLOYMENT BY INDUSTRY . . . . . Page 21
MAJOR EMPLOYERS . . . . . Page 22
LABOR FORCE AND EMPLOYMENT . . . . . Page 24
COMMUTING . . . . . Page 25

E. COMMUNITY DEMOGRAPHIC DATA . . . . . Page 27
POPULATION TRENDS AND PROJECTIONS . . . . . Page 27
AGE . . . . . Page 28
HOUSEHOLD TRENDS AND PROJECTIONS . . . . . Page 29
TENURE . . . . . Page 30
HOUSEHOLD SIZE . . . . . Page 31
HOUSEHOLD INCOME . . . . . Page 32
RENTER HOUSEHOLD INCOME . . . . . Page 33
RESIDENTIAL CONSTRUCTION SINCE 2010 . . . . . Page 34

F. PROJECT SPECIFIC DEMAND ANALYSIS . . . . . Page 35
INCOME RESTRICTIONS . . . . . Page 35
ABSORPTION RATES . . . . . Page 42

G. EXISTING RENTAL UNITS . . . . . Page 43

H. INTERVIEWS . . . . . Page 55

I. RECOMMENDATIONS . . . . . Page 56

J. SIGNED STATEMENT . . . . . Page 57

ANALYST QUALIFICATIONS . . . . . Page 58

MARKET STUDY TERMINOLOGY . . . . . Page 60

LIST OF TABLES

Table 1 - Employment by Industry, Market Area. . . . . Page 21
Table 2 - Major Employers . . . . . Page 22
Table 3 - Abbeville County Labor Force and Employment . . . . . Page 24
Table 4 - Commuting Data. . . . . Page 25
Table 5 - Commuting Patterns . . . . . Page 26
Table 6 - Population . . . . . Page 27
Table 7 - Age Distribution . . . . . Page 28
Table 8 - Household Trends. . . . . Page 29
Table 9 - Tenure . . . . . Page 30
Table 10 - Household Size, by Tenure . . . . . Page 31
Table 11 - Household Income . . . . . Page 32
Table 12- Household Income, Renter Households . . . . . Page 33
Table 13 - Residential Construction Since 2010 . . . . . Page 34
Table 14 - Income Limits . . . . . Page 35
Table 15 - Rents and Income Targeting . . . . . Page 36
Table 16 - Qualifying Income Ranges . . . . . Page 38
Table 17 - Demand Calculations . . . . . Page 40
Table 18 - Capture Rates . . . . . Page 41
Table 19 - Market Rate Properties . . . . . Page 46

INTRODUCTION

PURPOSE

The purpose of this report is to present the findings of an analysis of the need and demand for the renovation of the Old Wright School Apartments in Abbeville, South Carolina. A total of 38 units are to be developed: three studio units, five one-bedroom units, 23 two-bedroom units, and seven three-bedroom units. The apartments will rent to households whose incomes qualify their apartments for tax credit status.

ASSUMPTIONS AND CONDITIONS

The findings of this study are predicated upon the assumption that the proposed development, as presented to us, will be located at the site described in the report, that it will be funded through the program under which it was prepared, and within the stated projection period.

Further, the findings are based on the assumption that once funded, the complex will be well-designed, well-marketed, and professionally managed.

The data and analysis in this study are based on information relating to conditions in the town, market area, county, and state in which the project is to be located, and has been obtained from the most pertinent and current available sources. Likewise, every effort has been made to ensure its accuracy and reliability. However, we can assume no responsibility for inaccuracies in reporting by any local, regional, state, or federal agency cited, nor for any information withheld or erroneously reported by the sources cited during the normal course of our professional research. Consequently, we reserve the right to alter our findings and conclusions, if necessary, on the basis of any discovered material inaccuracies.

It is important to stress that coverage from the 2010 Census does not equate with the coverage provided in previous decennial Censuses. Thus, other sources - notably the Census Bureau's American Community Survey - is necessarily to be relied upon. The latter is based on a relatively small sample (compared with earlier sample-based Census reports) and therefore is subject to large statistical margins of error. Thus, use of these data is subject to the *caveat* that those data may not be as rigorous or as reliable as Census data prior to 2010. In this regard, if the data suggest outcomes at variance with our observations from other sources, these will be highlighted in our findings.

The site of the proposed apartments was visited (on April 18, 2026). In addition, interviews are held with persons with particular knowledge pertinent to the study.

The report is designed to satisfy the underwriting criteria of the reviewing agency for which it was performed, and the conclusions, based on the results of our research, experience, and expertise reflect the predicted ability of the project, as presented to us, to meet or exceed that reviewing agency's guidelines. Thus, a positive conclusion does not necessarily imply that the project would be found to be feasible or successful under different underwriting standards, and this study does not necessarily incorporate generally accepted professional market study standards and elements pre-empted by the guidelines set out by the reviewing agency.

It is stated that we have no responsibility for opinions requiring expertise in other fields of expertise - these would include, for example, legal, environmental, architectural, and engineering matters.

To the best of our knowledge, this report is an accurate representation of market conditions. While due care and professional housing market study techniques were used, no guarantee is made of the findings.

It is stated that we do not have, nor will have in the future, any material interest in the proposed development, and that there is no identity of interest between us and the party for whom the project was prepared. Further, we state that the payment of the fee is not contingent upon a favorable conclusion, nor approval of the project by any agency before or after the fact. The payment of the fee does not include payment for testimony nor further consultation.

Submitted, and attested to, by:

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Date: May 11,2026

EXHIBIT S - 2 SC SHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:						
Development Name	**The Old Wright**				Total units:	38
Location	Branch Street, Abbeville				LIHTC units:	38
PMA Boundary	Abbeville County					
Development Type	Family ✓		Older		Fartherest Boundary Distance to subject:	21 miles

Rental Housing Stock (found on page 43, 48)				
Type	Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	6	353	11	96.9%
Market Rate Housing	0	0	0	
Assisted/Subsidized Housing, not to include LIHTC	4	273	3	96.9%
LIHTC (all that are stabilized)*	2	80	4	95.0%
Subsidized comps**	2	80	4	95.0%
Non-stabilized comps				

* Stabilized occupancy of at least 93% (excludes projects still in lease-up

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

Subject Development					HUD Area FMR			Highest Unadjusted comp rent	
Units	Bedrooms	Baths	Size (sf)	Proposed Rent	per unit	per sf	Advantage	per unit	per sf
3	0	1	659	$216	$678	$1.03	68.14	n/a	n/a
1	1	1	788	$227	$725	$0.92	68.69	n/a	n/a
1	1	1	788	$595	$725	$0.92	17.93	n/a	n/a
2	1	1	788	$900	$725	$0.92	-24.14	n/a	n/a
1	1	1	788	$900	$725	$0.92	-24.14	n/a	n/a
4	2	1	987	$636	$902	$0.91	29.49	n/a	n/a
6	2	1	987	$725	$902	$0.91	19.62	n/a	n/a
4	2	1	987	$830	$902	$0.91	7.98	n/a	n/a
5	2	1	987	$1,025	$902	$0.91	-13.64	n/a	n/a
4	2	1	987	$1,025	$902	$0.91	-13.64	n/a	n/a
2	3	2	1,175	$727	$1,220	$1.04	40.41	n/a	n/a
2	3	2	1,175	$865	$1,220	$1.04	29.10	n/a	n/a
2	3	2	1,175	$1,225	$1,220	$1.04	-0.41	n/a	n/a
1	3	2	1,175	$1,225	$1,220	$1.04	-0.41	n/a	n/a
Gross Potential Rent Monthly*				$30,468	$34,945		12.81		

* market advantage is calculated using the following formula: gross adjusted market rent (minus) gross proposed rent (divided by) gross adjusted market rent

The calculation should be expressed as a percentage rounded to two decimal places.

The rent calculation Excel worksheet must be provided with the Exhibit S-2 form

Demographic Data (found on page 30, 39)						
	2020		2025		2028	
Renter Households	2,235	22.8	2,247	22.4	2,245	22.2
Income-Qualified Renter Households (LIHTC)	n/a	n/a	1,489	66.3	1,488	66.3
income qualified Renter HHs (MR) if applicable						

Targeted Income-Qualified Renter Household Demand (found on page 40)							
Type of demand	30%	40%	50%	60%	70%	80%	Overall
Renter Household Growth	0	0	0	0	0	0	0
Existing Households (over burdened+substandard)	405	173	218	142	201	170	579
Homeowner conversion (senior)							
Other							
Less comparable/competitive supply	0	0	0	0	0	0	0
Net income-qualfied renter hholds	405	172	218	142	201	170	579

Capture Rates (found on page 41)							
Targeted population	30%	40%	50%	60%	70%	80%	Overall
Capture rate	1.0%	3.5%	4.1%	2.8%	4.5%	3.5%	6.6%

Absorption Rate (found on page 42)
six months

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

Market Analyst/Author: T. Ronald Brown Company: T. Ronald Brown: Research & Analysis

Signature  Date May 12, 2026

EXECUTIVE SUMMARY

The following provides a brief summary of each of the major sections in the market analysis.

The proposed development will comprise the development of 38 units of low income tax credit financed housing. The apartments will rent to households whose incomes qualify their apartments for tax credit status, with units to be targeted to households at 30 percent, 40 percent, 50 percent, 60 percent, 70 percent, and 80 percent of the local area median income.

The Old Wright Apartments are to be located in the former Wright School, on the south side of Branch Street, in eastern Abbeville, in south-central Abbeville County, in northwest South Carolina.

The market area for the proposed apartments is Abbeville County.

In 2024, the most recent year for which annualized data are available, the Abbeville County labor force comprised an estimated 10,350 persons. Of this total, 9,887 were employed and 463 or 4.5 percent were unemployed. Unemployment increased by 315 between 2019 and 2020 as a consequence of the COVID-19 pandemic (where unemployment reached 12.0 percent in April, 2020). Prior to 2020, employment fluctuated somewhat on an annual basis, and employment levels are currently around pre-COVID levels.

The population of the project market area decreased from 25,417 in 2010, to 24,295 in 2020, and is projected to increase to 24,457 in 2025 and to 2 4,464 in 2028. The number of households fell from 9,990 in 2010 to 9,818 in 2020, and is projected to increase to 10,015 in 2025 and to 10,097 in 2028. There were 2,235 renter households in the market area in 2020: which is projected to decrease to 2,247 by 2025, and to 2,245 by 2028.

There are several apartment complexes located throughout the Abbeville area - these include two properties financed with Low Income Housing Tax Credits, and other properties subsidized through HUD and USDA/Rural Development.

Occupancy in the tax credit properties is 95.0 percent, and the overall occupancy rate is found to be 96.8 percent.

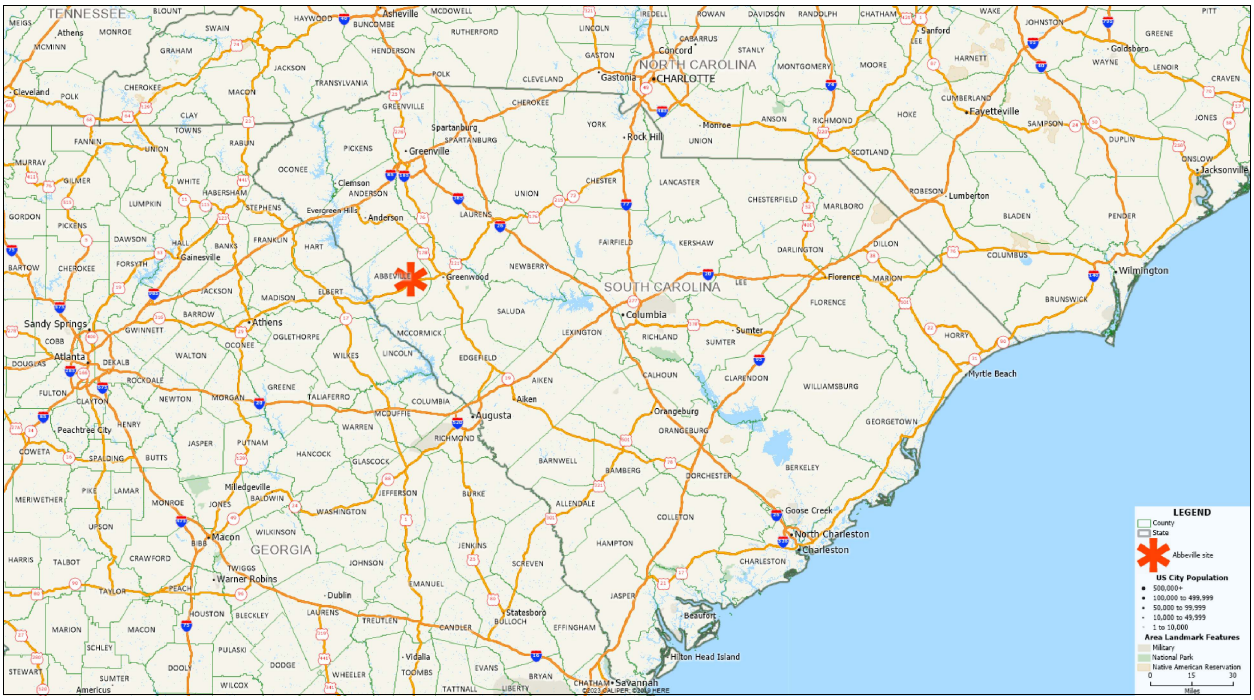
The total potential demand for tax credit units such as is proposed in the project market area by 2028 is calculated to be for 579 units. The net demand is for 579 units. Given the calculated demand, the proposed 60-unit development amounts to 6.6 percent of the total net demand. The proposed development is considered marketable, for a project of its size in a non-urban market, with four bedroom types, and six target income ranges.

Based on the above, the project could expect to lease-up over a period of up to six months, or so.

A. PROJECT DESCRIPTION

Project Location

The Old Wright Apartments are to be located in the former Wright School, on the south side of Branch Street, in eastern Abbeville, in south-central Abbeville County, in northwest South Carolina.



Construction type: rehabilitation /adaptive re-use of the former Wright High School to provide affordable apartments

The property comprises one single story building

Occupancy type :Family

Target income group: 30 percent, 40 percent, 50 percent, 60 percent, 70 percent, and 80 percent of the local area median income.

Special population target: not applicable

Proposed unit mix, etc.

	Units	Rent	Utility Allowance	Targeting*
0 bedroom/1 bath	3	$216	$72	less than 30 percent
1 bedroom/ 1 bath	1	$227	$82	less than 30 percent
1 bedroom/ 1 bath	1	$595	$82	less than 50 percent
1 bedroom/ 1 bath	2	$900	$82	less than 70 percent
1 bedroom/ 1 bath	1	$900	$82	less than 80 percent
2 bedroom/ 1 bath	4	$636	$105	less than 40 percent
2 bedroom/ 1 bath	6	$725	$105	less than 50 percent
2 bedroom/ 1 bath	4	$830	$105	less than 60 percent
2 bedroom/ 1 bath	5	$1,025	$105	less than 70 percent
2 bedroom/ 1 bath	4	$1,025	$105	less than 80 percent
3 bedroom/ 2 bath	2	$727	$129	less than 40 percent
3 bedroom/ 2 bath	2	$865	$129	less than 50 percent
3 bedroom/ 2 bath	2	$1,225	$129	less than 70 percent
3 bedroom/ 2 bath	1	$1,225	$129	less than 80 percent

* percent of area median income

Rental Assistance: none

With respect to utilities, the units will be all-electric. Each tenant will be responsible for heating, cooling and other electricity. The owner will responsible for water and sewer and trash collection. The utility allowance is $72 for a studio unit, $82 for a one-bedroom unit, $105 for a two-bedroom unit, and $129 for a three-bedroom unit.

The complex comprises a single one--story building. The project will feature a multi-purpose community room, management office, fitness room, computer room, storage rooms, laundry room, and a playground.

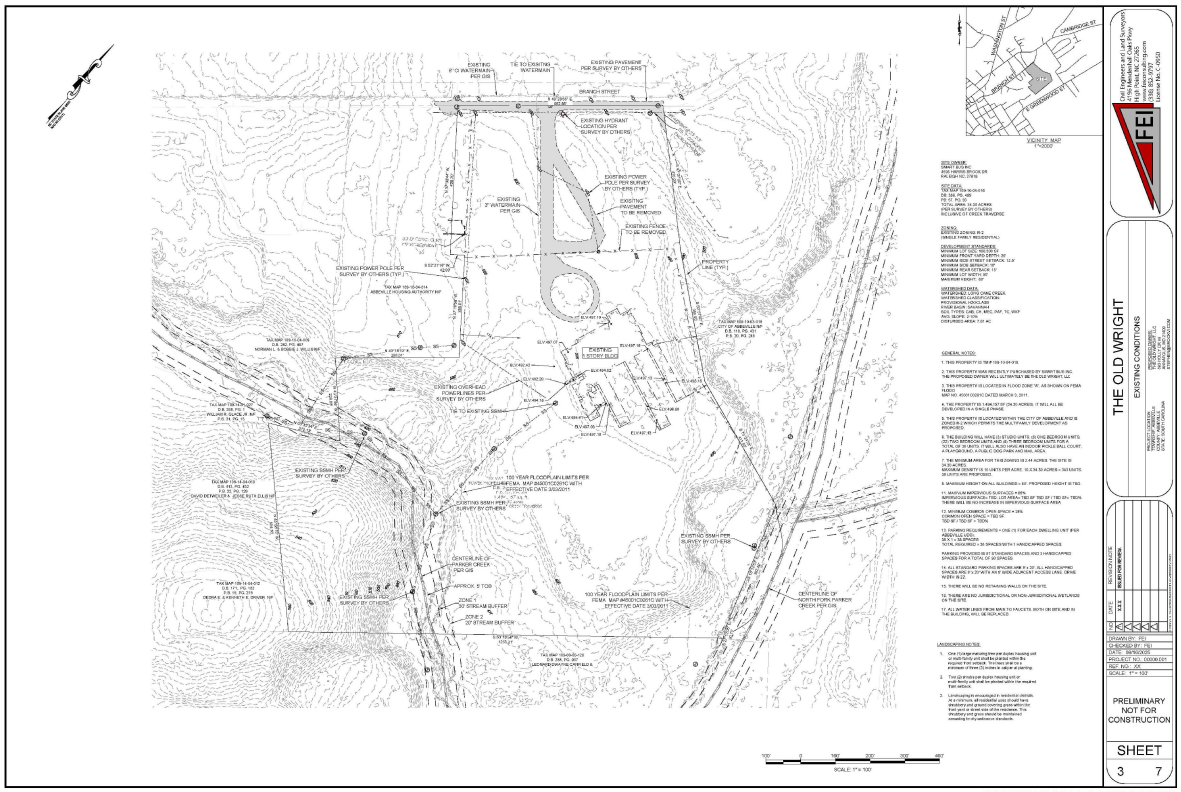
Unit amenities include a fully equipped kitchen, washer and dryer hookups, ceiling fans and mini-blinds. The units will be centrally-heated and air conditioned.

Information submitted by the developer suggests that the rehabilitation would start in Fall 2027, with completion around 18 months thereafter.

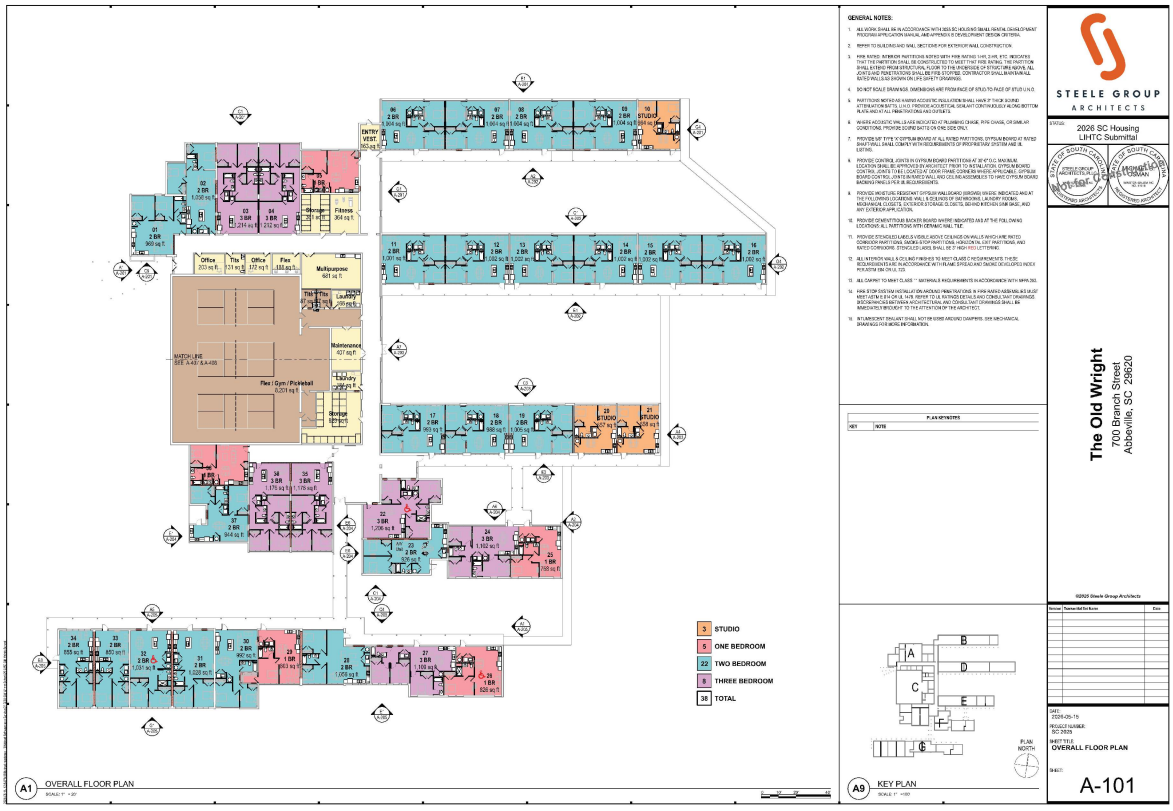
Representative architectural drawings/plans are set out on the following pages.

Rehabilitation information: The complex comprises single story school buildings to be fully rehabilitated and converted to apartments per the appropriate rehabilitation and green building standards . The work to be completed includes installing new roof systems on all buildings; upgrading all the HVAC to energy efficient heat pumps; installing new flooring in all units; installing new hot water heaters; window restoration; installing new tub/shower units with new plumbing; installing new kitchen cabinets and countertops; installing new ranges/ovens; and installing new refrigerators.

Site plan

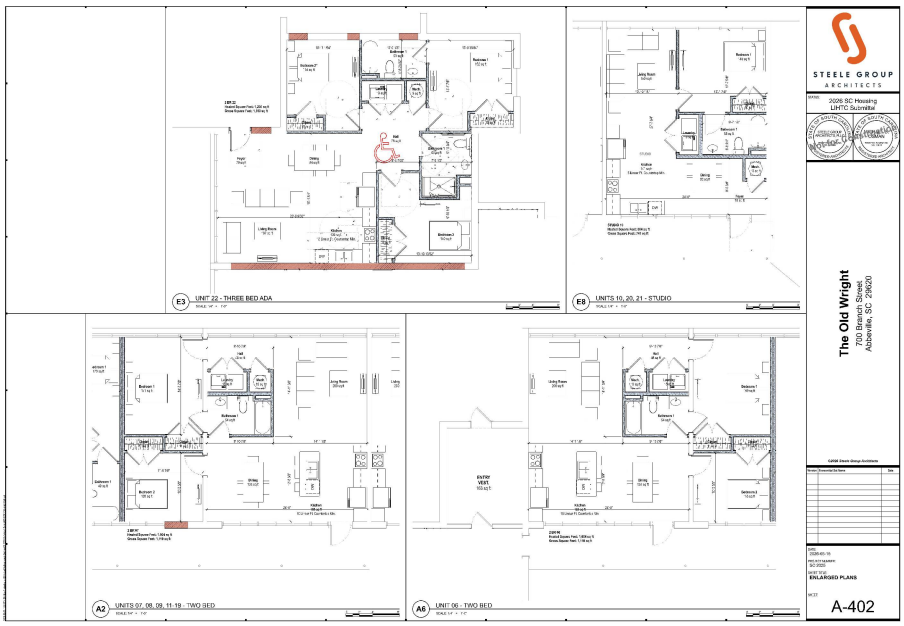

THE OLD WRIGHT
EXISTING CONDITIONS
PRELIMINARY
NOT FOR
CONSTRUCTION
SHEET
3 7
PRELIMINARY-NOT FOR CONSTRUCTION

Over floor plan

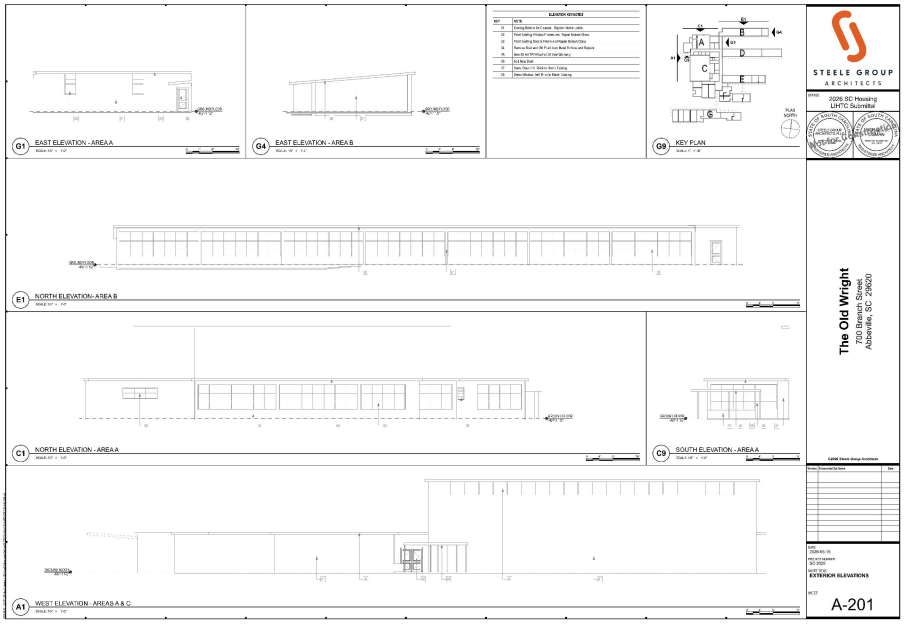


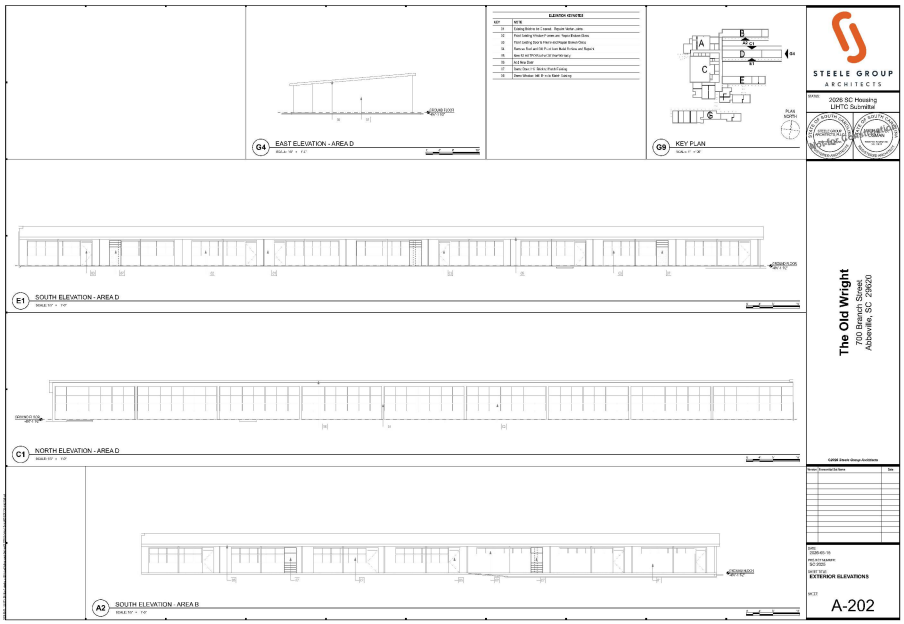
Unit plans


STEELE GROUP
ARCHITECTS
2026 SC Housing
LIHTC Submittal
The Old Wright
700 Branch Street
Abbeville, SC 29620
ENLARGED PLANS
A-401
A1 UNITS 03, 04, 35, 36 - THREE BED
A4 UNIT 02 - TWO BED
E7 UNITS 05, 38 - ONE BED
A7 UNIT 01 - TWO BED


STEELE GROUP
ARCHITECTS
2026 SC Housing
LIHTC Submittal
The Old Wright
700 Branch Street
Abbeville, SC 29620
ENLARGED PLANS
A-402
E3 UNIT 22 - THREE BED ADA
E8 UNITS 10, 20, 21 - STUDIO
A2 UNITS 07, 08, 09, 11-19 - TWO BED
A6 UNIT 06 - TWO BED

Elevations


G1 EAST ELEVATION - AREA A
G4 EAST ELEVATION - AREA B
G9 KEY PLAN
E1 NORTH ELEVATION- AREA B
C1 NORTH ELEVATION - AREA A
C9 SOUTH ELEVATION - AREA A
A1 WEST ELEVATION - AREAS A & C
STEELE GROUP ARCHITECTS
2026 SC Housing LIHTC Submittal
The Old Wright
700 Branch Street
Abbeville, SC 29620
EXTERIOR ELEVATIONS
A-201


G4 EAST ELEVATION - AREA D
G9 KEY PLAN
E1 SOUTH ELEVATION - AREA D
C1 NORTH ELEVATION - AREA D
A2 SOUTH ELEVATION - AREA B
STEELE GROUP ARCHITECTS
2026 SC Housing LIHTC Submittal
The Old Wright
700 Branch Street
Abbeville, SC 29620
EXTERIOR ELEVATIONS
A-202

B. SITE DESCRIPTION

The Old Wright Apartments are to be located in the former Wright High School, on the south side of Branch Street, in eastern Abbeville, in south-central Abbeville County, in northwest South Carolina. Adjacent properties include a public works facility, an established Housing Authority property, some single family homes and mobile homes, and undeveloped land.



The site is relatively flat, and is wooded to the rear where the school building is located, behind a secure fence. There are no apparent physical, environmental, or other constraints upon the renovation and marketing of the proposed project at this location.



View onto property, from near Branch St.



View towards fence



View through fence looking towards school location



View towards Branch St., from fence



View west on Branch St., at site



View east on Branch St., at site



View across Branch St., at site

The following distances from the site to various local services and amenities.

Category	Neighborhood/Community Amenity	Distance (miles)
Highways	SC 72	0.9
Retail - Grocery	Ingles	2.4
	DG Market	2.5
Retail - Other	Dollar General	1.0
	Dollar Tree	2.0
	Family Dollar	2.3
Drugstores*	CVS	2.4
Medical	Abbeville Area Medical Center	2.5
Schools	Westwood Elementary School	3.7
	Wright Middle School	2.6
	Abbeville High School	0.9
Post Office	Abbeville	2.3
Government	Abbeville City Hall	1.0
Library	Abbeville County	2.3

* excluding those in supermarkets

Access from the site to major thoroughfares, sources of employment, shopping, schools, and other local services is good.

The site of the proposed development is within one mile SC Highway 72, the major east-west route serving the area.

A Dollar General store is within one mile of the site, on South Main Street. The site is within two and one-half miles of an Ingles supermarket, Family Dollar Store, and a post office on North Main Street, near SC Highway 28, to the north and west. The site is a similar distance to a DG Market and CVS pharmacy, on SC 72, to the south.

The Abbeville Area Medical Center, and associated medical services, are located off SC 72, to the south, within two and one-half miles of the site.

The Abbeville High School is within one mile of the site, and the Wright Middle School is within three miles of the site (and the Westwood Elementary School is within four miles).

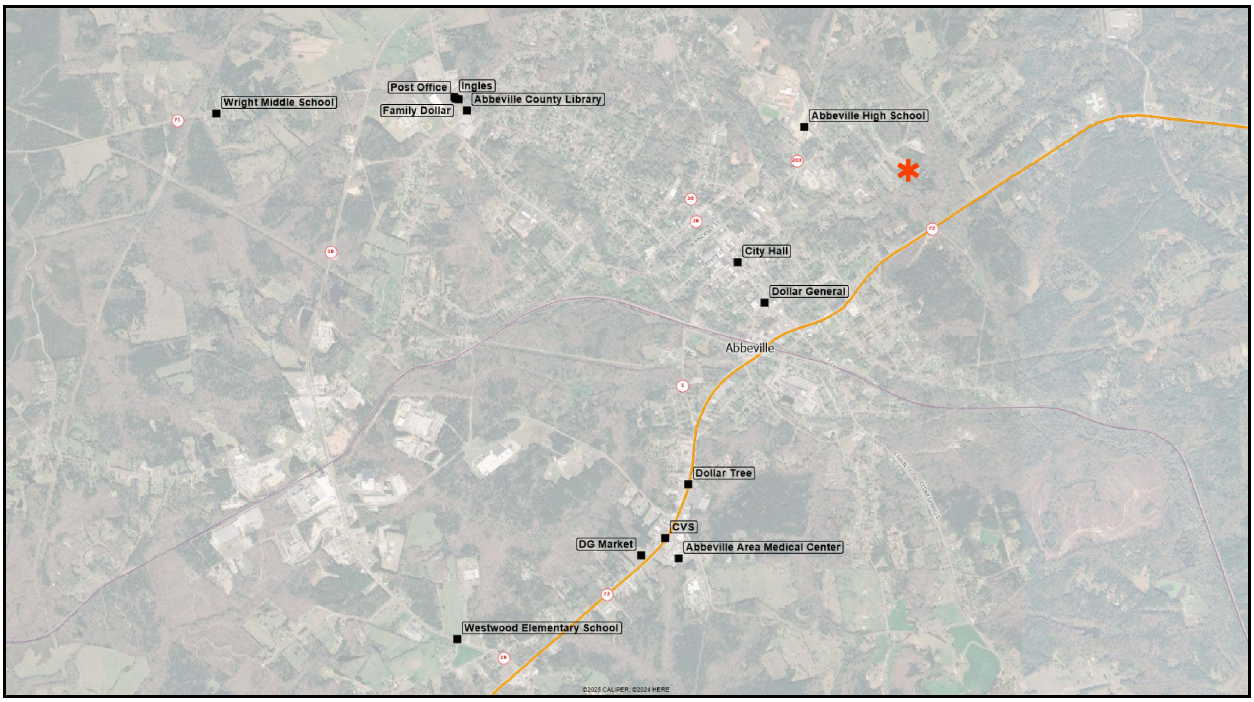
The site is within one mile, or so, of the government, shopping, and other services located in downtown Abbeville.

It is understood that there are no significant road or other infrastructure projects under way or planned for this area.

Based on our observations during our site visit, there is no reason to expect that the risk of crime in this neighborhood would be greater or less than that for other parts of the market area. It is not expected that crime or the perception of crime in the area, would impact the project's marketability - nonetheless, as is prudent, security should be considered in the design and marketing of the project.

There are no apparent physical, environmental, or other constraints upon the renovation and ongoing marketing of the proposed project at this location.

The locations of various amenities relative to the site of the proposed development are mapped, below.



C. MARKET AREA

Market areas are defined on the basis of the consideration of many inter-related factors. These include consideration of the site location, consideration of socio-demographic characteristics of the area (tenure, income, rent-levels, etc.), local commuting patterns, physical (or other) boundaries, census geographies, and especially the location of comparable and/or potentially competing communities.

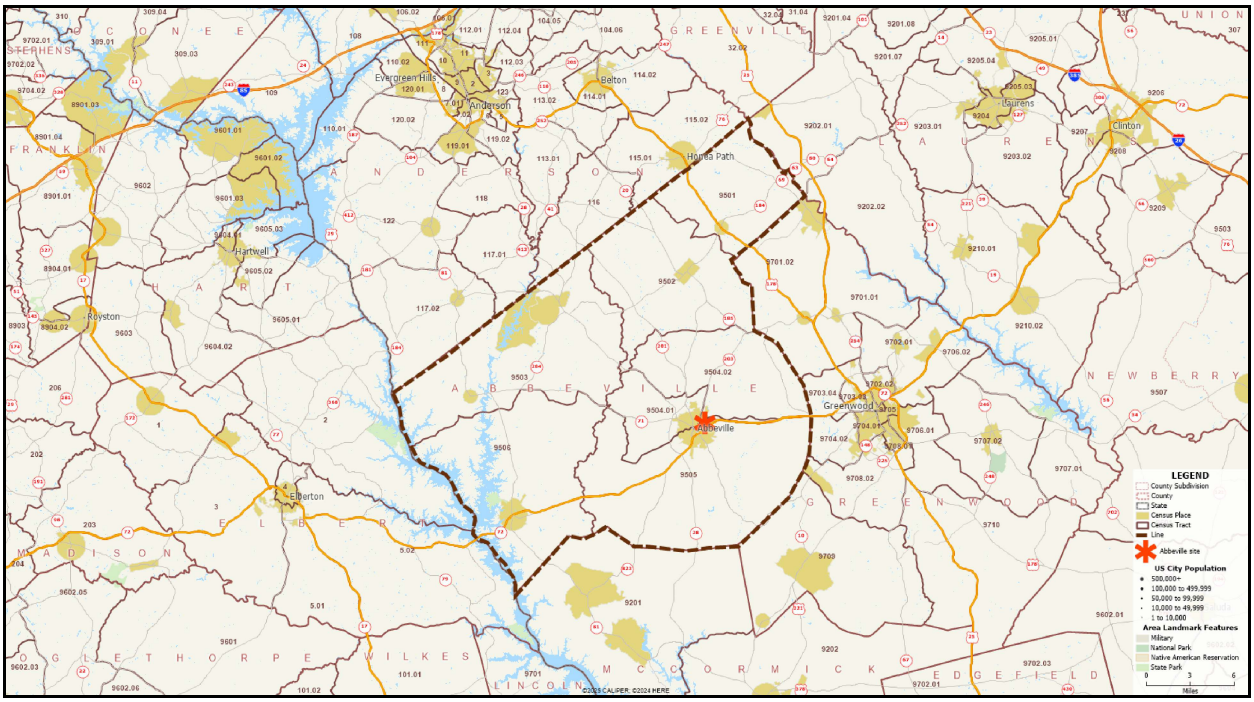
In communities such as county seats where that community is the county's largest community and is centrally located and can draw from the entire county, the county may be the market area. In circumstances where there are potentially competing communities in one county, the market area will be that part of the county (and, potentially, portions of adjacent counties) which the proposed development is most likely to draw from. Here, a combination of census tracts may be used to define the market area. In urban or suburban markets, the market area will be areas adjacent to the site and will extend to all locations of relatively similar character, and with residents or potential residents likely to be interested in the project. Here combinations of census tracts, may be used to define the market area.

Abbeville is located in south-central Abbeville County in northwestern South Carolina. The market area for the proposed development is Abbeville County. This area is roughly centered on the site of the proposed development and extends up to an approximately eight - to 21 mile hinterland.

The market area is irregularly-shaped and is located to the south of Anderson County, west of Laurens County and Greenwood County, north of Greenwood County and McCormick County, and is east of the Savannah River/Georgia state line.

The area is focused on Abbeville, and excludes neighboring and potentially competing communities, such as Greenwood, Honea Path, and Ware Shoals. The area constitutes the geographic area immediately adjacent to the site and extends to all locations of relatively similar characteristics, and with residents, or potential residents, likely to be interested in the project.

Market area map



D. MARKET AREA ECONOMY

EMPLOYMENT BY INDUSTRY

This distribution of employment, by industry, for the Abbeville market area is set out in Table 1, below. This information is from the 2020 to 2024 American Community Survey (and as such is subject to the limitations of those data). Based on those data, the largest source of employment are education, healthcare and social assistance and manufacturing - each of which employ more than 20 percent of the total.

Table 1 - Employment by Industry, Market Area

	number	percent
Agriculture, etc	133	1.3
Construction	932	9.4
Manufacturing	2,230	22.6
Wholesale Trade	112	1.1
Retail Trade	1,148	11.6
Transportation, Warehousing, Utilities	417	4.2
Information	210	2.1
Finance, Insurance, Real Estate	430	4.4
Professional, scientific, management	549	5.6
Educational Services, Health care, Social Assistance	2,355	23.8
Arts, Entertainment, Recreation, Accommodation, Food Service	501	5.1
Other services	412	4.2
Public Administration	448	4.5

Source: 2020 to 2024 American Community Survey; T Ronald Brown: Research & Analysis

MAJOR EMPLOYERS

The major employers in the Abbeville area are listed in Table 3, below. From this table it is seen that the largest, and most significant employer would include local government entities, schools, and healthcare, with several manufacturers.

Table 2 - Major Employers

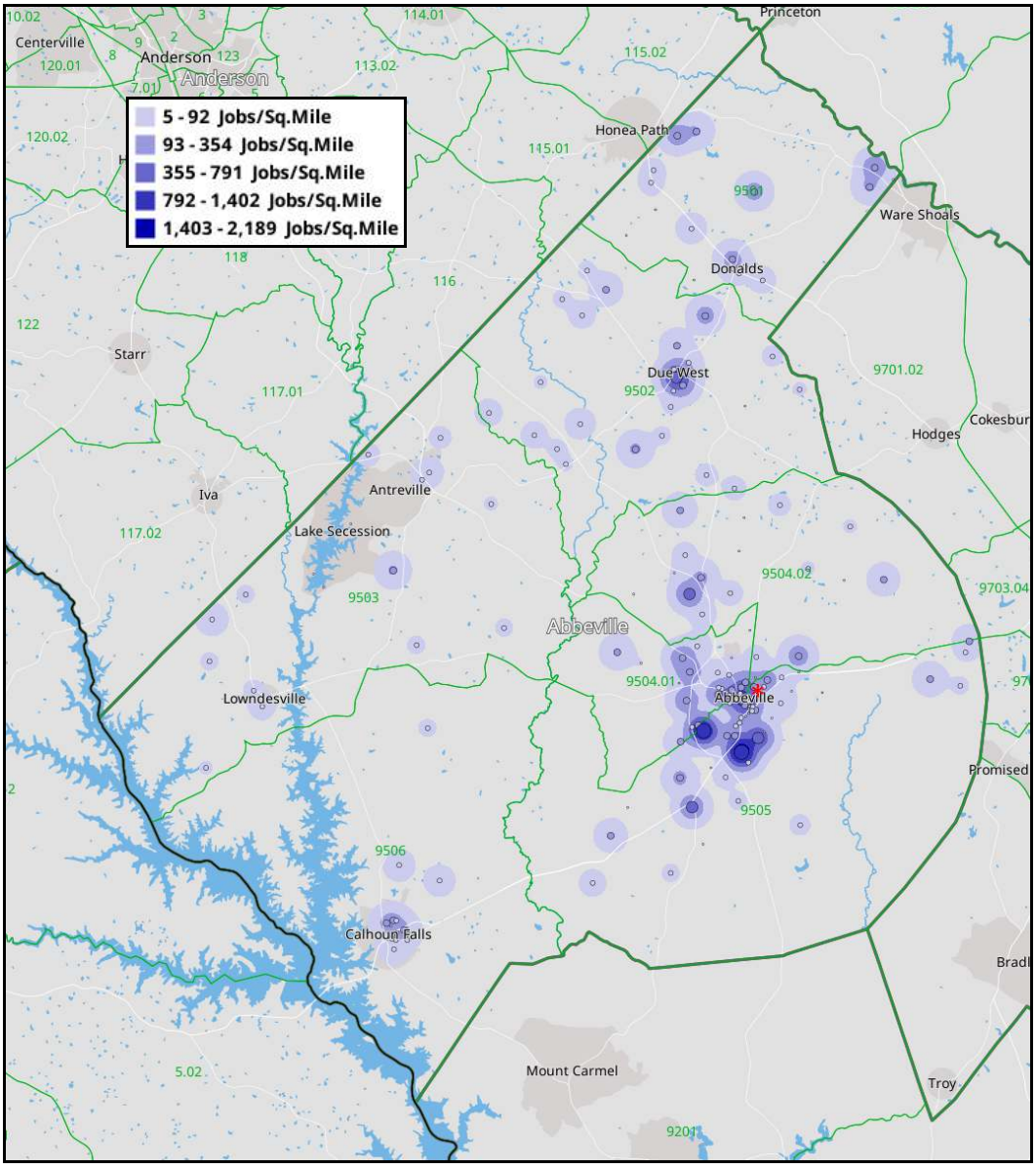
Employer Name
Abbeville County
Abbeville County School District
ACS Manufacturing
Aramark Campus
Ayvaz Pizza
Burnstein Von Seelen Precision Casting
City of Abbeville
Flexible Technologies
Global Refirgeration
Hardees Restaurants
Ingles Markets
Prysmian Communications
Reelco of Abbeville
Royal Metal Products
Sage Automotive Interiors
SC Department of Mental Health
Self Regional Healthcare
Stoll Fireplace Equipment
Trustees of Erskine College
West Carolina Communications

Source: Abbeville County Economic Development

Information from the South Carolina Department of Commerce shows that since the start of 2024 there have been no firms announcing new plans in Abbeville County.

SC WARN notices show that for 2024, 2025, and 2026, to date there area no announced closures in Abbeville County.

Based on information from the Census, the location of the site relative to the distribution of employment in Abbeville County is illustrated in the map, below.

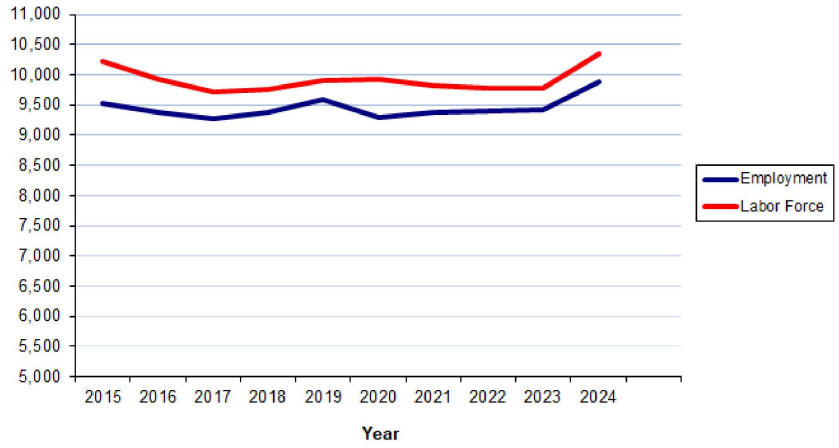


LABOR FORCE AND EMPLOYMENT

The makeup and trends of the labor force and employment have a strong influence on the growth and stability of the local housing market in general. In 2024, the most recent year for which annualized data are available, the Abbeville County labor force comprised an estimated 10,350 persons. Of this total, 9,887 were employed and 463 or 4.5 percent were unemployed. Unemployment increased by 315 between 2019 and 2020 as a consequence of the COVID-19 pandemic (where unemployment reached 12.0 percent in April, 2020). Prior to 2020, employment fluctuated somewhat on an annual basis, and employment levels are currently around pre-COVID levels.

Table 3 - Abbeville County Labor Force and Employment

	Labor Force	Employment	Unemployment Total	Unemployment Rate
2015	10,219	9,522	697	6.8
2016	9,931	9,388	543	5.5
2017	9,723	9,282	441	4.5
2018	9,763	9,382	381	3.9
2019	9,905	9,583	322	3.3
2020	9,926	9,289	637	6.4
2021	9,812	9,380	432	4.4
2022	9,770	9,406	364	3.7
2023	9,772	9,419	353	3.6
2024	10,350	9,887	463	4.5



Source: US Department of Labor

COMMUTING

Based on data from the American Community Survey, 31.4 percent of workers resident in Abbeville were employed in Abbeville, with 56.3 percent employed in Abbeville County as a whole. The average driving time to work for residents of Abbeville was 20.8 minutes, compared with 25.6 minutes for the State as a whole.

Table 4 - Commuting Data

	number	percent
Total Workers	1,672	100.0
Worked in Place of residence	525	31.4
Worked in County of residence	941	56.3
Worked outside Place of residence	1,147	68.6
Worked outside County of residence	731	43.7
Mean travel time to work (minutes)	20.8	

Source: 2020 to 2024 American Community Survey; T Ronald Brown: Research & Analysis

Commuting patterns data are no longer provided in the Decennial Census. Here, data are obtained from the LEHD Origin-Destination Statistics program available from the Census Bureau's OnTheMap application. These data, on commuting patterns for persons who live and/or work in Abbeville County are set out, below.

Here it is seen that many persons who work in Abbeville County commute into the County from adjacent counties - primarily Greenwood County Similarly, many residents of Abbeville County commute to work in neighboring counties - and to Greenwood County and Anderson County, in particular.

Table 5 - Commuting Patterns

Working in Abbeville County	2,547
Where Abbeville County residents are commuting to:	
Greenwood County	2,183
Anderson County	1,581
Greenville COunty	966
Richland County	419
Spartnaburg County	339
Lexington County	315
Laurens County	237
Aiken County	164
Charleston County	147
Elsewhere	1,624
Where Abbeville County workers are commuting from:	
Greenwood County	1,002
Anderson County	605
Greenville COunty	194
Laurens County	158
McCormick County	112
Spartanburg County	94
Richland County	84
Pickens County	772
Oconee County	56
Elsewhere	671

Source: : LEHD Origin-Destination Statistics program/OnTheMap; T.Ronald Brown: Research & Analysis

E. COMMUNITY DEMOGRAPHIC DATA

POPULATION TRENDS AND PROJECTIONS

In 2010, the population of Abbeville County was 25,417, and in 2020 the population was recorded as 24,295. Population projections for Abbeville County are provided by the South Carolina Revenue and Fiscal Affairs Health and Demographics Section. Based on these data, the population of the county is projected to be 24,257 by 2025, and to be 24,464 by 2028.

Information on population trends and changes between 2010 and 2028 are set out in Table 6, below.

Table 6 - Population Trends

	Abbeville	Market Area/Abbeville County
2010	5,237	25,417
2020	4,874	24,295
2025	n/a	24,457
2028	n/a	24,464
absolute change		
2010-2020	-363	-1,122
2020-2025	n/a	162
2025-2028	n/a	7
annual change		
2010-2020	-36	-112
2020-2025	n/a	32
2025-2028	n/a	2

Source: 2010 Census, 2020 Census; SC Revenue and Fiscal Affairs; T Ronald Brown: Research & Analysis

AGE

The distribution of the population, by age, for Abbeville and for Abbeville County are set out in Table 7, below. These data are from the 2020 Census.

Table 7 - Age Distribution

	Abbeville		Market Area		Abbeville County	
	number	percent	number	percent	number	percent
Under 5 years	324	6.6	1,227	5.1	1,227	5.1
5 to 9 years	316	6.5	1,321	5.4	1,321	5.4
10 to 14 years	323	6.6	1,532	6.3	1,532	6.3
15 to 19 years	259	5.3	1,687	6.9	1,687	6.9
20 to 24 years	282	5.8	1,502	6.2	1,502	6.2
25 to 29 years	296	6.1	1,254	5.2	1,254	5.2
30 to 34 years	310	6.4	1,193	4.9	1,193	4.9
35 to 39 years	263	5.4	1,231	5.1	1,231	5.1
40 to 44 years	213	4.4	1,199	4.9	1,199	4.9
45 to 49 years	251	5.1	1,454	6.0	1,454	6.0
50 to 54 years	292	6.0	1,634	6.7	1,634	6.7
55 to 59 years	297	6.1	1,718	7.1	1,718	7.1
60 to 64 years	325	6.7	1,854	7.6	1,854	7.6
65 to 69 years	362	7.4	1,838	7.6	1,838	7.6
70 to 74 years	273	5.6	1,502	6.2	1,502	6.2
75 to 79 years	181	3.7	973	4.0	973	4.0
80 to 84 years	161	3.3	641	2.6	641	2.6
85 years and over	146	3.0	535	2.2	535	2.2
55 and older	1,745	35.8	9,061	37.3	9,061	37.3
65 and older	1,123	23.0	5,489	22.6	5,489	22.6
Total	4,874		24,295		24,295	

Source: 2020 Census; T Ronald Brown: Research & Analysis

HOUSEHOLD TRENDS AND PROJECTIONS

Projections of the number of households for Abbeville and for Abbeville County are set out in Table 8, below. These projections are based on the population projections set out, above.

The projection is that in 2024 the Abbeville County market area will have around 10,015 households, and around 10,097 in 2028. In 2010, there were 9,818 households in the market area.

Table 8 - Household Trends

	Abbeville	Market Area/Abbeville County
2010	2,232	9,990
2020	2,107	9,818
2025	n/a	10,015
2028	n/a	10,097
absolute change		
2010-2020	-125	-172
2020-2025	n/a	197
2025-2028	n/a	82
annual change		
2010-2020	-13	-17
2020-2025	n/a	39
2025-2028	n/a	27

Source: 2010 Census, 2020 Census; SC Revenue and Fiscal Affairs; T Ronald Brown: Research & Analysis

TENURE

Table 9, below, sets out the number and proportion of owner and renter households for Abbeville and for Abbeville County. In the years beyond 2010, the tenure proportions are based on 2010 to 2020 trends. In 2020, 22.8 percent of households in the Abbeville County market area were renters, compared with 42.2 percent for Abbeville.

Table 9 - Tenure

Abbeville	population	households	persons per household	Owner-occupied number	Owner-occupied percent	Renter-occupied number	Renter-occupied percent
2010	5,237	2,232	2.35	1,324	59.3	908	40.7
2020	4,874	2,107	2.31	1,218	57.8	889	42.2
2025	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2028	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Market Area/Abbeville County	**population**	**households**	**persons per household**	**Owner-occupied number**	**Owner-occupied percent**	**Renter-occupied number**	**Renter-occupied percent**
2010	25,417	9,990	2.54	7,648	76.6	2,342	23.4
2020	24,295	9,818	2.47	7,583	77.2	2,235	22.8
2025	24,457	10,015	2.44	7,768	77.6	2,247	22.4
2028	24,464	10,097	2.42	7,852	77.8	2,245	22.2

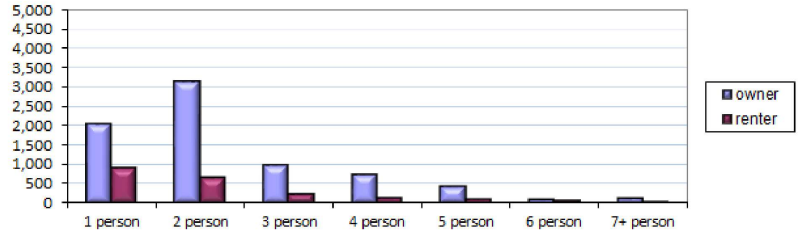
Source: 2010 Census and 2020 Census; T Ronald Brown: Research & Analysis

HOUSEHOLD SIZE

Table 10 below, sets out household size, by tenure, for households in Abbeville and the Abbeville County market area.

Table 10 - Household Size, by Tenure

	Abbeville		Market Area/Abbeville County	
	owner	renter	owner	renter
1 person	324	397	2,043	890
2 person	400	237	3,129	643
3 person	157	85	995	248
4 person	27	38	762	120
5 person	77	97	445	110
6 person	77	50	105	79
7+ person	21	44	149	44



Source: 2020 to 2024 American Community Survey; T Ronald Brown: Research & Analysis

HOUSEHOLD INCOME

The distribution of household incomes for Abbeville and for Abbeville County are set out in Table 11, below. These figures are taken from the 2020 to 2024 American Community Survey, and as such are subject to the limitations imposed by this source.

Here, it is seen that the median household income in Abbeville was $40,575, and that for Abbeville County as a whole was seen to be $51,139.

The median income for the census tract in which the site of the proposed development is located is estimated to be around $40,452 - based on the American Community Survey data.

Table 11 - Household Income

	Abbeville		Market area/Abbeville County	
	number	percent	number	percent
less than $10,000	192	9.8	442	4.5
$10,000 to $14,999	199	10.2	493	5.1
$15,000 to $19,999	290	14.8	859	8.8
$20,000 to $24,999	34	1.7	433	4.4
$25,000 to $29,999	35	1.8	326	3.3
$30,000 to $34,999	77	3.9	586	6.0
$35,000 to $39,999	110	5.6	586	6.0
$40,000 to $44,999	262	13.4	605	6.2
$45,000 to $49,999	54	2.8	356	3.6
$50,000 to $59,999	104	5.3	670	6.9
$60,000 to $74,999	147	7.5	881	9.0
$75,000 to $99,999	124	6.3	906	9.3
$100,000 to $124,999	115	5.9	845	8.7
$125,000 to $149,999	22	1.1	442	4.5
$150,000 to $199,999	99	5.1	708	7.3
$200,000 or more	90	4.6	624	6.4
median income	$40,575		$51,139	

Source: 2020 to 2024 American Community Survey; T Ronald Brown: Research & Analysis

RENTER HOUSEHOLD INCOME

The distribution of household incomes for renter households for Abbeville and Abbeville County set out in Table 12 below. These figures are also taken from the 2020 to 2024 American Community Survey.

The median household income for renter households in Abbeville was $35,417, and that for Abbeville County was $36,780.

The median income for the census tract in which the site of the proposed development is located is estimated to be around $38,365 - based on the American Community Survey data.

Table 12- Household Income, Renter Households

	Abbeville		Market area/Abbeville County	
	number	percent	number	percent
less than $10,000	177	18.7	270	12.7
$10,000 to $19,999	208	21.9	438	20.5
$20,000 to $34,999	85	9.0	310	14.5
$35,000 to $49,999	290	30.6	410	19.2
$50,000 to $74,999	62	6.5	310	14.5
$75,000 to $99,999	29	3.1	85	4.0
$100,000 or more	97	10.2	311	14.6
median income	$35,417		$36,780	

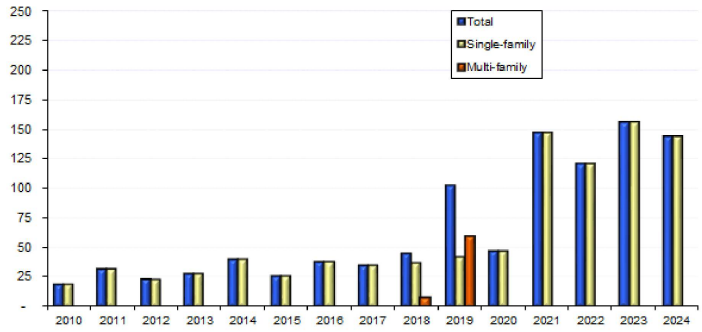
Source: 2020 to 2024 American Community Survey; T Ronald Brown: Research & Analysis

RESIDENTIAL CONSTRUCTION SINCE 2010

Table 13 below gives details of residential construction in Abbeville County since 2010. Where the data exist, it can be seen that a total of 1,012 units were added in Abbeville County.

Table 13 - Residential Construction Since 2010

	Abbeville County		
	Total	single-family	multi-family
2010	19	19	0
2011	32	32	0
2012	23	23	0
2013	28	28	0
2014	41	41	0
2015	26	26	0
2016	39	39	0
2017	36	36	0
2018	46	38	8
2019	103	43	60
2020	48	48	0
2021	148	148	0
2022	121	121	0
2023	157	157	0
2024	145	145	0
Total	1,012	944	68



Source: Current Construction Reports, C-40; Bureau of the Census; T Ronald Brown: Research & Analysis

F. PROJECT SPECIFIC DEMAND ANALYSIS

The market for the proposed apartments is derived from two principal sources: the population and household growth market, and from existing households currently living in the area who could move to the project were it to be made available.

INCOME RESTRICTIONS

Income is a key variable in the analysis of housing markets. Of the 38 units proposed, four will be targeted to households with incomes up to 30 percent of the median, six units targeted to households with incomes up to 40 percent of the median, nine units will be targeted at the 50 percent level, four units targeted at 60 percent of the median, nine units targeted at the 70 percent level, and six units will be targeted at the 80 percent level, and therefore qualify the apartments for low income housing tax credit status. There will be a mix of studio, one-, two-, and three- bedroom units.

Given that the project will include units targeted to households with incomes in excess of 60 percent of the local area median income, income averaging is applied. Here, the average target income, overall, cannot exceed 60 percent of the median, and the average targeted income for any bedroom type cannot exceed 60 percent of the median.

The income limits for a rural site in Abbeville County are set out below, along with maximum housing expenses. The maximum housing expenses for the proposed units are based on these income limits and assume an average 1.5 persons per household (one person for studio units), and that renters will pay no more than 30 percent of their incomes on housing expenses (rent plus utilities).

Table 14 - Income Limits and Maximum Housing Costs

Income Limits	30 percent	40 percent	50 percent	60 percent	70 percent	80 percent
1 person	$17,310	$23,080	$28,850	$34,620	$40,390	$46,160
2 person	$19,770	$26,360	$32,950	$39,540	$46,130	$52,720
3 person	$22,230	$29,640	$37,050	$44,460	$51,870	$59,280
4 person	$24,690	$32,920	$41,150	$49,380	$57,610	$65,840
5 person	$26,670	$35,560	$44,450	$53,340	$62,230	$71,120
6 person	$28,650	$38,200	$47,750	$57,300	$66,850	$76,400

Maximum Housing Costs	30 percent	40 percent	50 percent	60 percent	70 percent	80 percent
0 bedroom	$433	$577	$721	$866	$1,010	$1,154
1 bedroom	$464	$618	$773	$927	$1,082	$1,236
2 bedroom	$556	$741	$926	$1,112	$1,297	$1,482
3 bedroom	$642	$856	$1,070	$1,284	$1,498	$1,712

Source: HUD

The median income for Abbeville County in 2025 is $72,400 - having been $70,700 in 2024, and $49,400 in 2015. This represents a 2.4 percent increase over the previous year, and a 46.6 percent increase over the last decade (or an average of 3.90 percent per year).

Information as to rents and income targeting, and qualifying income ranges are set out in Table 15, below

Table 15 - Rents and Income Targeting

income targeting

	30 percent	40 percent	50 percent	60 percent	70 percent	80 percent	Total
0 bedroom	3	0	0	0	0	0	3
1 bedroom	1	0	1	0	2	1	5
2 bedroom	0	4	6	4	5	4	23
3 bedroom	0	2	2	0	2	1	7
Total	4	6	9	4	9	6	38

proposed rents

	30 percent	40 percent	50 percent	60 percent	70 percent	80 percent
0 bedroom	$216					
1 bedroom	$227		$595		$900	$900
2 bedroom		$636	$725	$830	$1,025	$1,025
3 bedroom		$727	$865		$1,225	$1,225

proposed rents as a proportion (%) of maximum

	30 percent*	40 percent	50 percent	60 percent	70 percent	80 percent
0 bedroom	99.8					
1 bedroom	100.0		86.2		90.0	78.0
2 bedroom		100.0	88.3	82.5	86.0	74.4
3 bedroom		100.0	91.9		89.5	77.4

* based on 20 percent

Source: Applicant; T Ronald Brown: Research & Analysis

The utility allowances for the proposed development are $72, $82, $105, and $129 for the studio, one-, two-, and three bedroom units, respectively.

From the table above, it can be seen that housing expenses at the proposed apartments fall at the maximum allowable for the units 30 percent level (based on 20 percent limits), and at the 40 percent level. Those units targeted at the 50 percent level are seen to be between 86 and 92 percent of the maximum, with those at the 60 percent level are at 82.5 percent of the maximum. Those units targeted at the 70 percent level are seen to be between 86 and 90 percent of the maximum allowable, and those at the 80 percent level being between 74 and 78 percent of the maximum.

Qualifying income ranges are a function of the income needed to afford the proposed units and the mandated upper income limits. There is no official lower income limit for the proposed apartments. It is assumed that tenants will pay no more than 35 percent of their income on housing costs (rent and utilities). The upper limits are a function of household size - based on a standard of one and one-half persons per bedroom (and one person for the studio units).

Incomes for households qualifying for the proposed project are seen to range from $9,874 to $68,480, reflecting the target incomes used.

Any gaps between the target income ranges (and overlaps between them) will be taken into consideration in our calculations.

Table 16 - Qualifying Income Ranges

	30 percent	
	lower	upper
0 bedroom	$9,874	$17,310
1 bedroom	$10,594	$18,540
2 bedroom	$12,703	$22,230
3 bedroom	$14,674	$25,680
4 bedroom	$16,371	$28,650
	40 percent	
	lower	upper
0 bedroom	$19,783	$29,640
1 bedroom	$21,189	$24,720
2 bedroom	$25,406	$29,640
3 bedroom	$29,349	$34,240
4 bedroom	$32,743	$38,200
	50 percent	
	lower	upper
0 bedroom	$21,390	$28,850
1 bedroom	$23,211	$30,900
2 bedroom	$28,457	$37,050
3 bedroom	$34,080	$42,800
4 bedroom	$36,634	$47,750
	60 percent	
	lower	upper
0 bedroom	$25,457	$34,620
1 bedroom	$27,292	$37,080
2 bedroom	$32,057	$44,460
3 bedroom	$37,885	$51,360
4 bedroom	$42,299	$57,300
	70 percent	
	lower	upper
0 bedroom	$26,582	$40,390
1 bedroom	$33,669	$43,260
2 bedroom	$38,743	$51,870
3 bedroom	$46,423	$59,920
4 bedroom	$45,304	$66,850
	80 percent	
	lower	upper
0 bedroom	$30,662	$46,160
1 bedroom	$33,669	$49,440
2 bedroom	$38,743	$59,280
3 bedroom	$46,423	$68,480
4 bedroom	$47,986	$76,400

Source: Applicant; T Ronald Brown: Research & Analysis

Projections of need and demand are based upon a 2025 to 2028 projection period and the resulting calculations are corrected to account for any construction of comparable projects and/or planned comparable units.

Based on the projections set out in Table 9, no new rental units are needed between 2025 and 2028.

Again, the market for the proposed apartments comprises not only demand from population and household growth, but also from existing renter households who would move to the new apartments were they made available. The extent to which any new development is able to attract a certain share of this market is largely a factor of several interrelated factors. These include the location of the development, the amenities it offers, the quality of design and the effectiveness of the development's marketing and management. That is, the perceived value of the community in terms of price, convenience, and life-stye.

Our calculations show that there will be a total of 1,488 renter households in the qualifying income ranges in the project market area. This figure has to be adjusted to reflect the proportion that are likely to move to a new complex. With respect to existing households in the project market area it is found that, based on the most recent American Community Survey data, as many as 60.3 percent of renters qualifying for units at the 30 percent level are rent overburdened, with 38.5 percent at the 40 percent level being over-burdened, with 31.1 percent, 32.2 percent, 22.3 percent, and 18.0 percent of renters at the 50 percent, 60 percent,70 percent, and 80 percent levels, respectively, being over-burdened. Here, these proportions are applied to the number of income eligible existing renter households to estimate how many of those households are likely to consider moving to the proposed apartments.

State Agency market study guidelines allow for the replacement of rental units due to demolition, abandonment, obsolescence and the like. This based on an annual average rate of 0.6 percent of the rental housing stock. The proportion is based on a two-year loss of 1.2 percent of rental units detailed in the 2016 Edition of "Components of Inventory Change" published by HUD. Based on the number of rental units in the project market area this translates to a need for an additional 27 units.

Total demand is therefore seen to amount to 579 units: as many as 405 qualifying for units at the 30 percent level, and 172 and 218 qualifying for units at the 40 and 50 percent levels, with 142, 201, and 170 qualifying at 60, 70, and 80 percent of the median.

These figures are based on a 2025 to 2028 projection period and therefore have been corrected to account for the funding and/or construction of any directly comparable projects in the market area. No potentially comparable projects have and no other comparable projects have been funded or are under construction. Therefore, the net need is for 579 units.

The preceding calculations are summarized in the table on the following page.

Table 17 - Demand Calculations

	30 percent	40 percent	50 percent	60 percent	70 percent	80 percent	Total
(i) income eligible new renter households	0	0	0	0	0	0	0
(ii) income eligible existing renter households	652	428	663	417	834	857	1,488
(iii) existing households, likely to move	394	165	206	134	186	155	552
(iv) need from obsolete housing	12	8	12	8	15	16	27
Total demand *(i)+(iii)+(iv)*	405	172	218	142	201	170	579
Supply	0	0	0	0	0	0	0
Net demand	405	172	218	142	201	170	579

** excludes gap/overlap*

Source: T. Ronald Brown: Research & Analysis

Demand has to be segmented to determine demand by number of bedrooms per unit. Based on the distribution of household size in the market area and given data from the American Housing Survey correlating typical household size and number of bedrooms, we have determined that studio units will account for 6 percent of the total, and one-bedroom units should account for 23 percent of the total, two-bedroom units should account for 40 percent of the total, and three-bedroom units should account for 22 percent of the total with four- or more bedroom units accounting for 8 percent. Here, it is important to note that the need and demand for three- bedroom units is based on renter household size - with a focus on four-or-more person households.

Capture rates are illustrated in the table on the following page.

Table 18 - Capture Rates

Total demand	30 percent	40 percent	50 percent	60 percent	70 percent	80 percent	Total
0 bedroom	25	11	14	9	13	11	36
1 bedroom	94	40	51	33	47	40	135
2 bedroom	163	69	87	57	81	68	232
3 bedroom	91	39	49	32	45	38	130
4 bedroom	32	14	17	11	16	14	46
Total	405	172	218	142	201	170	579
Supply							
0 bedroom	0	0	0	0	0	0	0
1 bedroom	0	0	0	0	0	0	0
2 bedroom	0	0	0	0	0	0	0
3 bedroom	0	0	0	0	0	0	0
4 bedroom	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0
Net demand							
0 bedroom							
1 bedroom	94	40	51	33	47	40	135
2 bedroom	163	69	87	57	81	68	232
3 bedroom	91	39	49	32	45	38	130
4 bedroom	32	14	17	11	16	14	46
Total	405	172	218	142	201	170	579
Units proposed							
0 bedroom	3	0	0	0	0	0	3
1 bedroom	1	0	1	0	2	1	5
2 bedroom	0	4	6	4	5	4	23
3 bedroom	0	2	2	0	2	1	7
4 bedroom	0	0	0	0	0	0	0
Total	4	6	9	4	9	6	38
Capture rates							
0 bedroom	11.8%	0.0%	0.0%	0.0%	0.0%	0.0%	8.3%
1 bedroom	1.1%	0.0%	2.0%	0.0%	4.3%	2.5%	3.7%
2 bedroom	0.0%	5.8%	6.9%	7.0%	6.2%	5.9%	9.9%
3 bedroom	0.0%	5.2%	4.1%	0.0%	4.4%	2.6%	5.4%
4 bedroom	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	1.0%	3.5%	4.1%	2.8%	4.5%	3.5%	6.6%

** excludes gap/overlap*

Source: T. Ronald Brown: Research & Analysis

Given the calculated demand, the proposed 38-unit development amounts to 6.6 percent of the total net demand.

The capture rate for the four units targeted at 30 percent of the median being 1.0 percent, with that for the six units targeted at the 40 percent level being 3.5 percent, and the nine units at the 50 percent level and the four units at the 60 percent level being 4.1 percent and 2.8 percent, respectively. The capture rate for the nine units targeted at 70 percent of the median determined to be 4.5 percent, and that for the six units targeted at the 80 percent level being 3.5 percent.

The capture rates, by bedroom, are determined to be 8.3 percent for the three studio units, 3.7 percent for the five one-bedroom units, 9.9 percent for the 23 two-bedroom units, and 5.4 percent for the eight three-bedroom units.

These capture rates are considered to be realistic for community of its size in a non-urban market, with four bedroom types, and six target income ranges.

The proposed project is considered marketable.

ABSORPTION RATES

As noted, the capture rates presented above are considered realistic - and reflect the impact of the size of the project, with four bedroom types, and six target income ranges. Were the project to be developed as proposed it would expect to lease-up over a period of six months, or so.

G. EXISTING RENTAL UNITS

There are several apartment complexes located throughout the Abbeville area - these are predominantly subsidized properties (two USDA/RD complexes and two HUD properties), and two tax credit properties. There are no unsubsidized market rate properties in the area.

The two properties financed with Low Income Housing Tax Credits are the Ferguson Williams Apartments and the Refinery Apartments. The Ferguson Williams property - which opened in 1995 - is located in the former hospital, and provides 20 units (seven one-bedroom units and 13 two-bedroom units). The units are targeted at 50 percent of the area median income, and rent for $615 and $700. The Refinery Apartments comprise 60 units, dating from 2019. The property has 52 tax credit units targeted at the 50 and 60 percent levels, with eight market rate units. There is a mix of one-, two-, and three-bedroom units, with rents in the $560 to $774 range. The market rate units have rents of $900, $1,025, and $1,225 (which match the rents at the 70 percent and 80 percent level at the proposed development, which will not come on-line until 2027 at the earliest).

The occupancy in the tax credit properties is 95.0 percent. The overall occupancy rate for all units surveyed is found to be 96.9 percent.

As noted, there are no market rate apartment complexes in the area.

Details of the various properties surveyed are summarized as follows:

Complex name	Location	Financing	Year built	Total units	Vacant units	Occupancy (%)
Abbeville Arms	104 Oakland Avenue	HUD §8	1981	72	0	100.0
Coleman Street	110 Coleman Street	USDA/RD	1975	49	0	100.0
Ferguson Williams	200 Ellis Street	LIHTC	1885/1995	20	3	85.0
Hickory Heights and Oakland	1108 Cambridge Street	HUD §8	1974 (2021)	112	7	93.8
Pecan Grove	71 Carwellyn Road	USDA/RD	n/a	40	0	100.0
Refinery	313 Washington Street	LIHTC	2019	60	1	98.3

	0 br/1ba			1 br/1ba		
	number	size (sq. ft).	rent	number	size (sq. ft).	rent
Old Wright School	3	664	$216	5	758-826	$227-900
Abbeville Arms				48	n/a	boi
Coleman Street				24	596	boi
Ferguson Williams				7	600	$515
Hickory Heights and Oakland				28	688-755	boi
Pecan Grove				8	n/a	boi
Refinery				12	750	$560-900

	2 br/1-1½ ba			2 br/2 ba		
	number	size (sq. ft).	rent	number	size (sq. ft).	rent
Old Wright School	22	850-1,058	$636-1,025			
Abbeville Arms	24	n/a	boi			
Coleman Street	25	752	boi			
Ferguson Williams	13	800	$700			
Hickory Heights and Oakland	64	826-900	boi			
Pecan Grove	24	n/a	boi			
Refinery	24	950	$634-688			

	3 br/1-1½ ba			3 br/2+ ba		
	number	size (sq. ft).	rent	number	size (sq. ft).	rent
Old Wright School	8	1,102-1,214	$727-1,225			
Abbeville Arms						
Coleman Street						
Ferguson Williams						
Hickory Heights and Oakland	20	1.033-1,070	boi			
Pecan Grove				8	n/a	boi
Refinery				24	1,100	$774-1,225

A map showing the locations of these properties surveyed, relative to the site of the proposed apartments, is provided, below.



In order estimate market rents, following South Carolina Housing guidelines, several market rate properties have been identified as potential comparable properties in an adjacent market (Greenwood). These have been chosen on the basis of age, location, and bedroom mix. Information for studio, one-, two-, and three-bedroom units in these properties are summarized below

Table 19 - Market Rate Properties

Property	Year built	Studio rents	One-bedroom rents	Two-bedroom Rents	Three-bedroom rents
Hamilton Park	2022	$1,156-1,186	$1,261	$1,474-1,514	
Lakeview	1975		$795	$900	$1,015
Regency	2001		$999-1,295	$1,075-1,495	$1,245-1,695
University Commons	1976		$750	$900-1,000	$1,000
Winter Ridge	2005		$1,020-1,050	1,170-1,230	$1,430

Source: Apartment Managers; T. Ronald Brown: Research & Analysis



Hamilton Park



Lakeview



Regency Park



University Commons



Winter Ridge

The location, rent levels, unit size, age, features, and amenities at these properties were analyzed in order to try to establish an estimate of market rent levels for the subject property. Following this approach we have determined that, all things being equal, these market properties suggest a rent of around $927 for a studio unit, $974 for a one-bedroom unit, $1,050 for a two-bedroom unit ,and $1,196 for a three-bedroom unit.

Based on the proposed rents at the proposed development, those rents is found to be reasonably below the gross adjusted market rent (24.16 percent less).

Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent	Adjusted Market Rent	Gross Adjusted Market Rent	Tax Credit Gross Rent Advantage
	0 BR					
3	0 BR	$216	$648	$927	$2,782	
	1 BR					
1	1 BR	$227	$227	$974	$974	
1	1 BR	$595	$595	$974	$974	
2	1 BR	$900	$1,800	$974	$1,949	
1	1 BR	$900	$900	$974	$974	
	2 BR					
4	2 BR	$636	$2,544	$1,050	$4,199	
6	2 BR	$725	$4,350	$1,050	$6,299	
4	2 BR	$830	$3,320	$1,050	$4,199	
5	2 BR	$1,025	$5,125	$1,050	$5,249	
4	2 BR	$1,025	$4,100	$1,050	$4,199	
	3 BR					
2	3 BR	$727	$1,454	$1,196	$2,393	
2	3 BR	$865	$1,730	$1,196	$2,393	
2	3 BR	$1,225	$2,450	$1,196	$2,393	
1	3 BR	$1,225	$1,225	$1,196	$1,196	
	4 BR					
Totals	38		$30,468		$40,174	24.16%

The relationship between the proposed rents and the HUD Fair Market Rents (FMRs), as per the S-2 Exhibit, are set out, below.

Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent	Adjusted FMR	Gross Adjusted FMR	Tax Credit Gross Rent Advantage
	0 BR					
3	0 BR	$216	$648	$678	$2,034	
	1 BR					
1	1 BR	$227	$227	$725	$725	
1	1 BR	$595	$595	$725	$725	
2	1 BR	$900	$1,800	$725	$1,450	
1	1 BR	$900	$900	$725	$725	
	2 BR					
4	2 BR	$636	$2,544	$903	$3,612	
6	2 BR	$725	$4,350	$903	$5,418	
4	2 BR	$830	$3,320	$903	$3,612	
5	2 BR	$1,025	$5,125	$903	$4,515	
4	2 BR	$1,025	$4,100	$903	$3,612	
	3 BR					
2	3 BR	$727	$1,454	$1,220	$2,440	
2	3 BR	$865	$1,730	$1,220	$2,440	
2	3 BR	$1,225	$2,450	$1,220	$2,440	
1	3 BR	$1,225	$1,225	$1,220	$1,220	
	4 BR					
Totals	38		$30,468		$34,968	12.87%



Abbeville Arms

Location: 104 Oakland Avenue
Abbeville

Financing: HUD §8
Year Built: 1981
Total Units: 72
Vacant units: 0 100.0% occupied

Telephone: 864.366.9258
Management: SDMC
[4/6]

Br/ba	Units	Sq. ft	Contract Rent
1/1	48	n/a	n/a
2/1	24	n/a	n/a

Utilities in Rent
Water
Sewer
Trash

Unit Amenities
Microwave
Dishwasher
Washer/dryer
Washer/dryer hook-up
9' Ceilings
High-end kitchen
Wood/style floors
Fireplaces
Patios/balconies

Community Amenities
Clubhouse/community room
Fitness center
Business center
Pool
Playground •
Controlled access/gated
Elevator
Garages
Storage
Laundry •



Coleman Street

Location: 110 Coleman Street
Abbeville

Financing: USDA/RD 48 units rental assistance
Year Built: 1975 Telephone: 864.459.8358
Total Units: 49 Management: Fitch-Irick
Vacant units: 0 100.0% occupied [4/8]

Br/ba	Units	Sq. ft	Basic Rent	Market Rent
1/1	24	596	$725	n/a
2/1	25	752	$766	n/a

Utilities in Rent

Water	
Sewer	
Trash	•

Unit Amenities

Microwave	
Dishwasher	
Washer/dryer	
Washer/dryer hook-up	
9' Ceilings	
High-end kitchen	
Wood/style floors	
Fireplaces	
Patios/balconies	

Community Amenities

Clubhouse/community room	•
Fitness center	
Business center	
Pool	
Playground	•
Controlled access/gated	
Elevator	
Garages	
Storage	
Laundry	•



Ferguson Williams

Location: 200 Ellis Street
Abbeville

Financing: LIHTC
Year Built: 1885/1995
Total Units: 20
Vacant units: 3 85.0% occupied

Telephone: 864.366.9170
Management: Landmark Property Management
[4/7]

Br/ba	Units	Sq. ft	Targeting	Rent	U/A	Rent/sq.ft
1/1	7	600	50%	$515	$91	$0.86
2/1	13	800	50%	$700	$110	$0.88

Utilities in Rent

Water	●
Sewer	●
Trash	●

Unit Amenities
Microwave
Dishwasher
Washer/dryer
Washer/dryer hook-up
9' Ceilings
High-end kitchen
Wood/style floors
Fireplaces
Patios/balconies

Community Amenities
Clubhouse/community room
Fitness center
Business center
Pool
Playground
Controlled access/gated
Elevator
Garages
Storage
Laundry ●



Hickory Heights and Oakland

Location: 1108 Cambridge Street
Abbeville

Financing: HUD §8
Year Built: 1974 (2021)
Total Units: 112
Vacant units: 7 93.8% occupied

Telephone: 864.453.2043
Management: DGA Residential
[4/27]

Br/ba	Units	Sq. ft	Contract Rent
1/1	20	688	$908
1/1	8	755	$908
2/1	48	826	$999
2/1	16	900	$999
3/1½	12	1,033	$1,188
3/1½	8	1,070	$1,188

Utilities in Rent
Water
Sewer
Trash

Unit Amenities	
Microwave	•
Dishwasher	
Washer/dryer	
Washer/dryer hook-up	•
9' Ceilings	
High-end kitchen	
Wood/style floors	
Fireplaces	
Patios/balconies	

Community Amenities	
Clubhouse/community room	•
Fitness center	
Business center	
Pool	
Playground	•
Controlled access/gated	
Elevator	
Garages	
Storage	
Laundry	•



Pecan Grove

Location: 71 Carwellyn Road
Abbeville

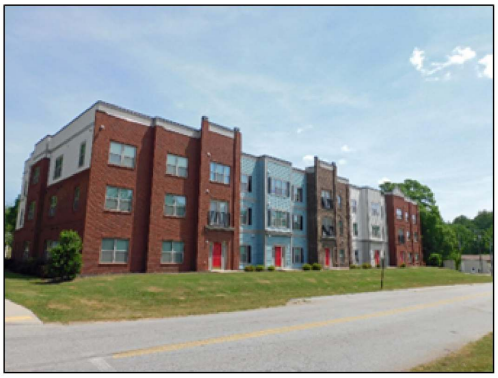
Financing: USDA/RD 10 units rental assistance
Year Built: n/a 20 Telephone: 864.366.9441
Total Units: 40 Management: CAHEC Managemernt
Vacant units: 0 100.0% occupied (waiting list) [4/27]

Br/ba	Units	Sq. ft	Basic Rent	Market Rent
1/1	8	n/a	$599	$614
2/1½	24	n/a	$707	$722
3/2	8	n/a	$779	$794

Utilities in Rent
Water
Sewer
Trash

Unit Amenities	
Microwave	
Dishwasher	
Washer/dryer	
Washer/dryer hook-up	•
9' Ceilings	
High-end kitchen	
Wood/style floors	
Fireplaces	
Patios/balconies	

Community Amenities	
Clubhouse/community room	
Fitness center	
Business center	
Pool	
Playground	•
Controlled access/gated	
Elevator	
Garages	
Storage	
Laundry	•



Refinery

Location: 313 Washington Street
Abbeville

Financing: LIHTC
Year Built: 2019
Total Units: 60
Vacant units: 1 98.3% occupied

Telephone: 864.366.6358
Management: NHE
[4/30]

Br/ba	Units	Sq. ft	Targeting	Rent	U/A	Rent/sq.ft
1/1	2	750	50%	$560	n/a	$0.75
1/1	7	750	60%	$593	n/a	$0.79
1/1	3	750	market	$900	n/a	$1.20
2/2	8	950	50%	$634	n/a	$0.67
2/2	13	950	60%	$688	n/a	$0.72
2/2	2	950	market	$1,025	n/a	$1.08
3/2	2	1,100	50%	$774	n/a	$0.70
3/2	19	1,100	60%	$774	n/a	$0.70
3/2	3	1,100	market	$1,225	n/a	$1.11

Utilities in Rent

Water	●
Sewer	●
Trash	●

Unit Amenities

Microwave	●
Dishwasher	●
Washer/dryer	
Washer/dryer hook-up	
9' Ceilings	
High-end kitchen	
Wood/style floors	●
Fireplaces	
Patios/balconies	

Community Amenities

Clubhouse/community room	●
Fitness center	●
Business center	●
Pool	
Playground	●
Controlled access/gated	
Elevator	
Garages	
Storage	
Laundry	●

H. INTERVIEWS

As part of the research for this market study, interviews were held with property managers, local government officials, and others with particular knowledge of the local housing market. The proposed development will offer and attractive, new, apartment complex - to be leased subject to the provisions of the Low Income Housing Tax Credit program. Property managers of existing complexes and/or other representatives of management companies were a potential source of information.

The manager at the most recent, comparable, tax credit property - the Refinery - is in that position temporarily and did not feel qualified to address the need for a new property.

I. RECOMMENDATIONS

It is our recommendation that, based upon our analysis, the proposed apartments should be developed as proposed, and that the project should be awarded low income housing tax credits. This conclusion is based on our analysis of the economic and demographic criteria of the project market area as defined and on our project specific demand analysis and survey of the supply of rental housing in the market--as set out in the foregoing report and summarized in the Executive Summary.

J. SIGNED STATEMENT

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



Market Analyst

Date: May 12, 2026

ANALYST QUALIFICATIONS

T. Ronald Brown: Research & Analysis is a planning and economics consulting firm which provides real estate market analysis.

The President of the firm is T. Ronald Brown. He has more than 40 years experience in the provision of market studies for subsidized and unsubsidized apartment developments and for-sale housing. Over the last two decades or so, Mr. Brown has produced more than 2,500 studies in at least 20 states, predominantly in the Southeast.

Mr. Brown has a Honours Master of Arts degree in Geographical Studies from the University of St. Andrews in St. Andrews, Scotland.

The firm has primary experience in market analysis for residential projects including both single-family homes and multi-family units (for sale and for rent). A significant proportion of the firm's business focuses on apartment market studies–for family renters and for elderly persons. These reports include conventionally financed projects (including HUD 221 (d) (4) projects), affordable housing (including low income tax credit financed projects) and subsidized housing.

Mr. Brown is a member of several groups that promote housing in general and affordable housing in particular. These include the North Carolina Housing Coalition, Preservation North Carolina, the Virginia Housing Alliance, and the National Council of Housing Market Analysts.

Clients include for-profit developers, non-profit developers and community development corporations, state housing finance agencies, syndicators, and municipalities.

NCHMA MEMBER CERTIFICATION

This market study has been prepared by T. Ronald Brown: Research & Analysis, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the *Standard Definitions of Key Terms used in Market Studies*, and *Model Content Standards for the Content of Market Studies.* These Standards are designed to enhance the quality of market studies and to make them easier to prepare, understand, and use by market analysts and the by the end users. These Standards are voluntary only, and no legal responsibility regarding their use is assumed by the National Council of Housing Market Analysts .

T.Ronald Brown: Research & Analysis is duly qualified and experienced in providing market analysis for Affordable Housing. The company's principal participates in the National Council of Housing Market Analysts (NCHMA) educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. T.Ronald Brown: Research and Analysis is an independent market analyst. No principle or employee of T. Ronald Brown: Research & Analysis has any financial interest whatsoever in the development for which this analysis has been undertaken.

Attested by:





T. Ronald Brown

MARKET STUDY TERMINOLOGY

The following presents the accepted definitions of various terms typically found in real estate market studies. These definitions are typically followed unless reviewing agency requirements differ.

Absorption period - the period of time necessary for a newly constructed or renovated property to achieve the *stabilized level of occupancy*. The absorption period begins when the first certificate of occupancy is issued and ends when the last unit to reach the *stabilized level of occupancy* has a signed lease. Assumes a typical premarketing period, prior to the issuance of the certificate of occupancy, of about three to six months. The month that leasing is assumed to begin should accompany all absorption estimates.

Absorption rate - the average number of unites rented each month during the *absorption period*.

Acceptable rent burden - the rent-to-income ratio used to qualify tenants for both income-restricted and non-income restricted units. The acceptable rent burden varies depending on the requirements of funding sources, government funding sources, target markets, and local conditions.

Achievable rents - *See Market Rent, Achievable Restricted Rent.*

Affordable housing - housing affordable to low or very low-income tenants.

Amenity - tangible or intangible benefits offered to a tenant. Typical amenities include on-site recreational facilities, planned programs, services and activities.

Annual demand - the total estimated demand present to the market in any one year for the type of units proposed.

Assisted housing - housing where federal, state or other programs *subsidize* the monthly costs to the tenants.

Bias - a proclivity or preference, particularly one that inhibits or entirely prevents an impartial judgment.

Capture rate - the percentage of age, size, and income qualified renter households in the *primary market area* that the property must capture to fill the units. Funding agencies may require restrictions to the qualified households used in the calculation including age, income, living in substandard housing, mover-ship and other comparable factors. The *Capture Rate* is calculated by dividing the total number of units at the property by the total number of age, size and income qualified renter households in the *primary market area.* See also: penetration rate.

Comparable property - a property that is representative of the rental housing choices of the subject's *primary market area* and that is similar in construction, size, amenities, location, and/or age. Comparable and *competitive* properties are generally used to derive market rent and to evaluate the subject's position in the market.

Competitive property - a property that is comparable to the subject and that competes at nearly the same rent levels and tenant profile, such as age, family or income.

Comprehensive market study - NCHMA (the National Council of Housing Market Analysts) defines a comprehensive market study for the purposes of IRC Section 42 as a market study compliant with its Model Content Standards for Market Studies for Rental Housing. Additionally, use of the suggested wording in the NCHMA certification without limitations regarding the comprehensive nature of the study, shows compliance with the IRC Section 42 request for completion of a market study by a 'disinterested party.'

Concession - discount given to a prospective tenant to induce the tenant to sign a least. Concessions typically are in the form of reduced rent or free rent for a specific lease term, or for free amenities, which are normally charged separately (i.e. washer/dryer, parking).

Demand - the total number of households in a defined market area that would potentially move into the proposed new or renovated housing units. These households must be the appropriate age, income, tenure and size for a specific proposed development. Components of demand vary and can include household growth; turnover, those living in substandard conditions, rent over-burdened households, and demolished housing units. Demand is project specific.

Effective rents - contract rent less concessions.

Household trends - changes in the number of households for a particular area over a specific period of time, which is a function of new household formations (e.e. at marriage or separation), changes in average household size, and net *migration*.

Income band - the range of incomes of households that can afford to pay a specific rent but do not have below any applicable program-specific maximum income limits. The minimum household income typically is based on a defined *acceptable rent burden* percentage and the maximum typically7 is pre-defined by specific program requirements or by general market parameters.

Infrastructure - services and facilities including roads, highways, water, sewerage, emergency services, parks and recreation, etc. Infrastructure includes both public and private facilities.

Market advantage - the difference, expressed as a percentage, between the estimated market rent for an apartment property without income restrictions and the lesser of (a) the owner's proposed rents or (b) the maximum rents permitted by the financing program for the same apartment property. (*market rent - proposed rent*) / *market rent * 100*

Market analysis - a study of real estate market conditions for a specific type of property.

Market area - *See primary market area.*

Market demand - the total number of households in a defined market area that would potentially move into any new or renovated housing units. Market demand is not project specific and refers to the universe of tenure appropriate households, independent of income. The components of market demand are similar to those used in determining project-specific demand. A common example of market demand used by HUD's MAP program, which is based on three years of renter household growth, loss of existing units due to demolition, and market conditions.

Market rent - the rent that an apartment, without rent or income restrictions or rent subsidies, would command in the *primary market area* considering its location, features and amenities. Market rent should be adjusted for *concessions* and owner paid utilities included in the rent.

Market study - a comprehensive study of a specific proposal including a review of the housing market in a defined market area. Project specific market studies are often used by developers, syndicators, and government entities to determine the appropriateness of a proposed development, whereas market specific market studies are used to determine what housing needs, if any, exist within a specific geography.

Marketability - the manner in which the subject fits into the market; the relative desirability of a property (for sale or lease) in comparison with similar or competing properties in the area.

Market vacancy rate, economic - percentage of rent loss due to concessions, vacancies, and non-payment of rent on occupied units.

Market vacancy rate, physical - average number of apartment units in any market which are unoccupied divided by the total number of apartment units in the same market, excluding units in properties which are in the lease-up stage.

Migration - the movement of households into or out of an area, especially a *primary market area*.

Mixed income property - an apartment property containing (1) both income restricted and unrestricted units or (2) units restricted at two or more income limits (i.e. low income tax credit property with income limits of 30%, 50%, and 60%).

Mobility - the ease with which people move from one location to another.

Move-up demand - an estimate of how many consumers are able and willing to relocate to more expensive or desirable units. Examples: tenants who move from class-C properties to class-B properties, or tenants who move from older tax credit properties to new tax credit properties.

Multi-family - structures that contain more than two housing units.

Neighborhood - an area of a city or town with common demographic and economic features that distinguish it from adjoining areas.

Net rent (also referred to as contract rent or lease rent) - Gross rent less *tenant paid utilities.*

Penetration rate - The percentage of age and income qualified renter households in the *primary market area* that all existing and proposed properties, to be completed with six months of the subject, and which are competitively priced to the subject that must be captured to achieve the *stabilized level of occupancy*. Funding agencies may require restrictions to the qualified households used in the calculation including age, income, living in substandard housing, mover ship and other comparable factors. Units in all proposals / households in market * 100, see also: capture rate.

Pent-up demand - a market in which there is a scarcity of supply and vacancy rates are very low.

Population trends - changes in population levels for a particular area over a specific period of time – which is a function of the level of births, deaths, and net *migration*.

Primary market area - a geographic area from which a property is expected to draw the majority of its residents.

Programmatic rents - See *restricted rents.*

Project based rent assistance - rental assistance from any source that is allocated to the property or a specific number of units in the property and is available to each income eligible tenant of the property or an assisted unit.

Redevelopment - the redesign or rehabilitation of existing properties.

Rent burden - gross rent divided by adjusted monthly household income.

Rent burdened households - households with *rent burden* above the level determined by the lender, investor, or public program to be an acceptable rent-to-income.

Restricted rent - the rent charged under the restrictions of a specific housing program or subsidy.

Restricted rent, achievable - the rents that the project can attain taking into account both market conditions and rent in the *primary market area* and income restrictions.

Saturation - the point at which there is no longer demand to support additional unit. Saturation usually refers to a particular segment of a specific market.

Secondary market area - the portion of a market that supplies additional support to an apartment property beyond that provided by the primary market area.

Special needs population - specific market niche that is typically not catered to in a conventional apartment property. Examples of special needs population include: substance abusers, visually impaired person or persons with mobility limitations.

Stabilized level of occupancy - the underwritten or actual number of occupied units that a property is expected to maintain after the initial rent-up period, expressed as a percentage of the total units.

Subsidy - monthly income received by a tenant or by an owner on behalf of a tenant to pay the difference between the apartment's *contract rent* and the amount paid by the tenant toward rent.

Substandard conditions - housing conditions that are conventionally considered unacceptable which may be defined in terms of lacking plumbing facilities, one or more major systems not functioning properly, or overcrowded conditions.

Target income band - the *income band* from which the subject property will draw tenants.

Target population - the market segment or segments a development will appeal or cater to. State agencies often use target population to refer to various income set asides, elderly v. family, etc.

Tenant paid utilities - the cost of utilities (not including cable, telephone, or internet) necessary for the habitation of a dwelling unit, which are paid by the tenant.

Turnover period - 1. An estimate of the number of housing units in a market area as a percentage of total housing units in the market area that will likely change occupants in any one year. See also: vacancy period. Housing units with new occupants / housing units * 100 2. The percent of occupants in a given apartment complex that move in one year.

Unmet housing need - new units required in the market area to accommodate household growth, homeless people, and housing in substandard conditions.

Unrestricted rents - rents that are not subject to *restriction*.

Unrestricted units - units that are not subject to any income or rent restrictions.

Vacancy period - the amount of time that an apartment remains vacant and available for rent.

Vacancy rate-economic vacancy rate - physical - maximum potential revenue less actual rent revenue divided by maximum potential rent revenue. The number of total habitable units that are vacant divided by the total number of units in the property.

Other Terms

The following terms are also to be found in professional market studies - here, this information is drawn from various sources including HUD, the Census Bureau, and the Urban Land Institute.

Area Median Income (AMI) - 1005 of the gross median household income for a specific Metropolitan Statistical Area, county or non-metropolitan area established annually by HUD.

Attached housing - two or more dwelling units connected with party walls (e.g. townhouses or flats).

Basic rent - the maximum monthly rent that tenants who do not have rental assistance pay to lease units developed through the USDA-RD Section 515 Program, the HUD Section 236 Program and HUD Section 223(d)(3) Below Market Interest Rate Program. The Basic Rent is calculated as the amount of rent required to operate the property, maintain debt service on a subsidized mortgage with a below-market interest rate, and provide a return on equity to the developer in accordance with the regulatory documents governing the property.

Below Market Interest Rate program (BMIR) - Program targeted to renters with income not exceeding 80% or area median income by limiting rents based on HUD's BMIR Program requirements and through the provision of an interest reduction contract subsidize the market interest rate to a below-market rate. Interest rates are typically subsidized to effective rates of one percent or three percent.

Census tract - a small, relatively permanent statistical subdivision delineated by a local committee of census data users for the purpose of presenting data. Census tract boundaries normally follow visible features, but may follow governmental unit boundaries and other non-visible features; they always nest within counties. They are designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time of establishment. Census tracts average about 4,000 inhabitants.

Central Business District (CBD) - the center of commercial activity within a town or city; usually the largest and oldest concentration of such activity.

Community Development Corporation (CDC) - entrepreneurial institution combining public and private resources to aid in the development of socio-economically disadvantaged areas.

Condominium - a form of join ownership and control of property in which specified volumes of space (for example, apartments) are owned individually while the common elements of the property (for example, outside walls) are owned jointly.

Contract rent - 1. The actual monthly rent payable by the tenant, including any rent subsidy paid on behalf of the tenant, to the owner, inclusive of all terms of the lease. (HUD & RD) 2. The monthly rent agreed to between a tenant and a landlord (Census).

Difficult Development Area (DDA) - an area designated by HUD as an area that has high construction, land, and utility costs relative to the Area Median Gross Income. A project located in a DDA and utilizing the Low Income Housing Tax Credit may qualify for up to 130% of eligible basis for the purpose of calculating the Tax Credit allocation.

Detached housing - a freestanding dwelling unit, typically single-family, situated on its own lot.

Elder or senior housing - housing where (1) all units in the property are restricted for occupancy by persons 62 years of age order or (2) at least 80% of the units in each building are restricted for occupancy by households where at least one household member is 55 years of age or older and the housing is designed with amenities and facilities designed to meet the needs of senior citizens.

Extremely low income - person or household with income below 30% of the Area Median Income adjusted for household size.

Fair Market Rent (FMR) - the estimates established by HUD of the Gross rents (Contract rent plus Tenant Paid Utilities) needed to obtain modest rental units in acceptable condition in a specific county or metropolitan statistical area. HUD generally set FMR so that 40% of the rental units have rents below FMR. In rental markets with a shortage of lower priced rental units HUD may approve the use of Fair Market Rents that are as high as the 50th percentile of rents.

Garden apartments - apartments in low-rise buildings (typically two or four stories) that feature low density, ample open-space around buildings, and on-site parking.

Gross rent - the monthly housing cost to a tenant which equals the Contract rent provided for in the lease plus the estimated cost of all Tenant Paid Utilities.

High-rise - a residential building having more than ten stories.

Household - one or more people who occupy a housing unit as their usual place of residence.

Housing unit - house, apartment, mobile home, or group of rooms used as a separate living quarters by a single household.

Housing Choice Voucher (Section 8 Program) - federal rent subsidy program under Section 8 of the U.S. Housing Act, which issues rent vouchers to eligible households in the use of the housing of their choice. The voucher payment subsidizes the difference between the Gross Rent and tenant's contribution of 30% of adjusted income, (or 10% of gross income, whichever is greater). In cases where 30% of the tenants' income is less than the utility allowance, the tenant will receive an assistance payment. In other cases, the tenant is responsible for paying his share of the rent each month.

Housing Finance Agency (FHA) - state or local agencies responsible for financing housing and administering assisted housing programs.

HUD Section 8 Program - federal program that provides project based rental assistance. Under the program HUD contracts directly with the owner for the payment of the difference between the contract rent and a specified percentage of tenants' adjusted income.

HUD Section 202 Program - federal program which provides direct capital assistance (i.e. grant) and operating or rental assistance to finance housing designed for occupancy by elderly households who have income not exceeding 50% of Area Median Income. The program is limited to housing owned by 501(c)(3) nonprofit organizations or by limited partnerships where the sole general partner is a 501(c)(3) nonprofit organization. Units receive HUD project based rental assistance that enables tenants to occupy units at rents based on 30% of tenant income.

HUD Section 811 Program - federal program which provides direct capital assistance and operating of rental assistance to finance housing designed for occupancy by persons with disabilities who have income not exceeding 50% of Area Median Income. The program is limited to housing owned by 501(c)(3) nonprofit organizations or by limited partnerships where the sole general partner is a 510(c)(3) nonprofit organization.

HUD Section 236 Program - federal program which provides interest reduction payments for loans which finance housing targeted to households with income not exceeding 80% of area median income who pay rent equal to the greater of Basic Rent or 30 percent of their adjusted income. All rents are capped at a HUD approved market rent.

Income limits - maximum household income by county or Metropolitan Statistical Area, adjusted for household size and expressed as a percentage of the Area Median Income for the purpose of establishing an upper limit for eligibility for a specific housing program. Income limits for federal, state and local rental housing programs typically are established at 30%, 50%, 60% or 80% of AMI. HUD publishes income limits each year for 30% median. Very low income (50%), and low income (80%), for households with 1 through 8 people.

Low income - person or household with gross household income below 80% of Area Median Income adjusted for household size.

Low income housing tax credit - a program to generate equity for investment in affordable rental housing authorized pursuant to Section 42 of the Internal Revenue Code, as amended. The program requires that a certain percentage of units built be restricted for occupancy to households earning 60% or less of Area Median Income, and that the rents on those units be restricted accordingly.

Low rise building - a building with one to three stories.

Metropolitan Statistical Area (MSA) - a geographic entity defined by the federal Office of Management and Budget for use by federal statistical agencies, based on the concept of a core area with a large population nucleus, plus adjacent communities have a high degree of economic and social integration with that core. Qualification of an MSA requires the presence of a city with 50,000 or more inhabitants, or the presence of an Urbanized Area (UA) and a total population of at least 100,000 (75,000 in New England). The county or counties containing the largest city and surrounding densely settled territory are central counties of the MSA. Additional outlying counties qualify to be included in the MSA by meeting certain other criteria of metropolitan character, such as a specified minimum population density or percentage of the population that is urban.

Mid-rise - a building with four to ten stories.

Moderate income - person or household with gross household income between 80 and 120 percent of area median income adjusted for household size.

Public Housing or Low Income Conventional Public Housing - HUD program administered by local (or regional) Housing Authorities which serves low- and very-low income households with rent based on the same formula used for HUD Section 8 assistance.

Qualified Census Tract (QCT) - any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50% of households have an income less than 60% of the area median income or where the poverty rate is at lease 25%. A project located in a QCT and receiving Low Income Housing Tax Credit may qualify for up to 130% of the eligible basis for the purpose of calculating the Tax Credit allocation.

Rural Development (RD) market rent - a monthly rent that can be charged for an apartment under a specific USDA-RD housing program, that reflects the agency's estimate of the rent required to operate the property, maintain debt service on an unsubsidized mortgage and provide an adequate return to the property owner. The rent is the maximum rent that a tenant can pay at an RD Property.

Rural Development (RD) Program (Formerly the Farmers Home Administration Section 515 Rural Rental Housing Program) - federal program which provides the low interest loans to finance housing which serves low- and moderate-income persons in rural areas who pay 30 percent of their adjusted income on rent or the basic rent, which is the higher (but not exceeding the market rent). The program may include property based rental assistance and interest reduction contracts to write down the interest on the loan to as low as one percent.

Single-family housing - a dwelling unit, either attached or detached, designed for use by one household and with the direct access to a street. It does not share heating facilities or other essential building facilities with any other dwelling.

State Data Center (SDC) - a state agency or university facility identified by the governor of each state to participate in the Census Bureau's cooperative network for the dissemination of the census data.

Tenant - one who rents real property from another.

Tenure - the distinction between owner-occupied and renter-occupied housing units.

Townhouse (or Row House) - single-family attached residence separated from another by party walls, usually on a narrow lot offering small front and back-yards; also called row house.

Very low income - person or household whose gross household income does not exceed 50% of Area Median Income adjusted for household size.

Zoning - classification and regulation of land by local governments according to use categories (zones); often also includes density designations.