

Market Feasibility Analysis

**Brockington Heights Apartments
201 Saleeby Loop
Darlington, Darlington County, South Carolina 29532**

Prepared For

**Mr. Andrew Bailey
Millennia Housing Development, Ltd.
8111 Rockside Road
Valley View, Ohio 44125**

Effective Date

February 20, 2017

Job Reference Number

17-129 JW



155 E. Columbus Street, Suite 220
Pickerington, Ohio 43147
Phone: (614) 833-9300
Bowennational.com

Table of Contents

- A. Primary Market Area Analysis Summary (Exhibit S-2)
- B. Project Description
- C. Site Description and Evaluation
- D. Primary Market Area Delineation
- E. Market Area Economy
- F. Community Demographic Data
- G. Project-Specific Demand Analysis
- H. Rental Housing Analysis (Supply)
 - I. Interviews
 - J. Recommendations
- K. Signed Statement Requirement
- L. Qualifications
- M. Methodologies, Disclaimers & Sources
 - Addendum A – Field Survey of Conventional Rentals
 - Addendum B – NCHMA Member Certification & Checklist
 - Addendum C – Scope of Renovations
 - Addendum D – Rent Roll

2017 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY (WITH SUBSIDY):

Development Name:	Brockington Heights Apartments	Total # Units:	50
Location:	201 Saleeby Loop, Darlington, SC 29532	# LIHTC Units:	50
PMA Boundary:	South Carolina Central Railroad, Harmony Hall Drive, Greenfield Road and Mechanicsville Highway to the north; State Route 34, Fountain Branch and the Darlington County boundary to the east; Interstate 95, the Darlington County boundary and Interstate 20 to the south; and Oates Highway/State Route 403 and Flinns Road to the west.		
Development Type:	<input checked="" type="checkbox"/> Family <input type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject:	11.5 miles

RENTAL HOUSING STOCK (found on page H-1 & 8)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	11	433	0	100.0%
Market-Rate Housing	2	23	0	100.0%
Assisted/Subsidized Housing not to include LIHTC	5	238	0	100.0%
LIHTC (All that are stabilized)*	4	172	0	100.0%
Stabilized Comps**	3	100	0	100.0%
Non-stabilized Comps	0	-	-	-

* Stabilized occupancy of at least 93% (Excludes projects still in initial lease up).

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

Subject Development					Adjusted Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Current Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
24	Two	1.0	816	\$120	\$600	\$0.74	80.00%	\$865	\$0.87
26	Three	1.0	964	\$56	\$675	\$0.70	91.70%	\$1,020	\$0.83
Gross Potential Rent Monthly*				\$4,336	\$31,950		86.43%		

*Market Advantage is calculated using the following formula: (Gross Adjusted Market Rent (minus) Gross Proposed Tenant Rent) (divided by) Gross Adjusted Market Rent. The calculation should be expressed as a percentage and rounded to two decimal points. The Rent Calculation Excel Worksheet must be provided with the Exhibit S-2 form.

DEMOGRAPHIC DATA (found on page F-3 & G-5)

	2000	2016		2019	
Renter Households		3,639	32.9%	3,617	32.8%
Income-Qualified Renter HHs (LIHTC)		2,239	61.5%	2,327	64.3%
Income-Qualified Renter HHs (MR)		N/A	N/A	N/A	N/A

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page G-5)

Type of Demand	50%	60%	Market-rate	Other: Section 8	Other: __	Overall
Renter Household Growth				88		88
Existing Households (Overburd + Substand)				1,340		1,340
Homeowner conversion (Seniors)				0		0
Other:				0		0
Less Comparable/Competitive Supply				0		0
Net Income-qualified Renter HHs				1,428		1,428

CAPTURE RATES (found on page G-5)

Targeted Population	50%	60%	Market-rate	Other: Section 8	Other: __	Overall
Capture Rate				3.5%		3.5%

ABSORPTION RATE (found on page G-8)

Absorption Period: 4 months

2017 S-2 RENT CALCULATION WORKSHEET (AS PROPOSED WITH SUBSIDY)

# 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		\$0		\$0	
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
	2 BR		\$0		\$0	
24	2 BR	\$120	\$2,880	\$600	\$14,400	
	2 BR		\$0		\$0	
	3 BR		\$0		\$0	
26	3 BR	\$56	\$1,456	\$675	\$17,550	
	3 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	50		\$4,336		\$31,950	86.43%

2017 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY (LIHTC-ONLY):

Development Name:	Brockington Heights Apartments	Total # Units:	50
Location:	201 Saleeby Loop, Darlington, SC 29532	# LIHTC Units:	50
PMA Boundary:	South Carolina Central Railroad, Harmony Hall Drive, Greenfield Road and Mechanicsville Highway to the north; State Route 34, Fountain Branch and the Darlington County boundary to the east; Interstate 95, the Darlington County boundary and Interstate 20 to the south; and Oates Highway/State Route 403 and Flinns Road to the west.		
Development Type:	<input checked="" type="checkbox"/> Family <input type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject:	11.5 miles

RENTAL HOUSING STOCK (found on page H-1 & 8)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	11	433	0	100.0%
Market-Rate Housing	2	23	0	100.0%
Assisted/Subsidized Housing not to include LIHTC	5	238	0	100.0%
LIHTC (All that are stabilized)*	4	172	0	100.0%
Stabilized Comps**	3	100	0	100.0%
Non-stabilized Comps	0	-	-	-

* Stabilized occupancy of at least 93% (Excludes projects still in initial lease up).

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

Subject Development					Adjusted Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
5	Two	1.0	816	\$495	\$600	\$0.74	17.50%	\$865	\$0.87
19	Two	1.0	816	\$615	\$600	\$0.74	-2.50%	\$865	\$0.87
6	Three	1.0	964	\$574	\$675	\$0.70	14.96%	\$1,020	\$0.83
20	Three	1.0	964	\$712	\$675	\$0.70	-5.48%	\$1,020	\$0.83
Gross Potential Rent Monthly*				\$31,844	\$31,950		0.33%		

*Market Advantage is calculated using the following formula: (Gross Adjusted Market Rent (minus) Gross Proposed Tenant Rent) (divided by) Gross Adjusted Market Rent. The calculation should be expressed as a percentage and rounded to two decimal points. The Rent Calculation Excel Worksheet must be provided with the Exhibit S-2 form.

DEMOGRAPHIC DATA (found on page F-3 & G-5)

	2000	2016		2019	
Renter Households		3,639	32.9%	3,617	32.8%
Income-Qualified Renter HHs (LIHTC)		913	25.1%	931	25.7%
Income-Qualified Renter HHs (MR)		N/A	N/A	N/A	N/A

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page G-5)

Type of Demand	50%	60%	Market-rate	Other:___	Other:___	Overall
Renter Household Growth	42	-36				18
Existing Households (Overburd + Substand)	181	167				276
Homeowner conversion (Seniors)	0	0				0
Other:	0	0				0
Less Comparable/Competitive Supply	0	0				0
Net Income-qualified Renter HHs	223	131				294

CAPTURE RATES (found on page G-5)

Targeted Population	50%	60%	Market-rate	Other:___	Other:___	Overall
Capture Rate	4.9%	29.8%				17.0%

ABSORPTION RATE (found on page G-8)

Absorption Period: > 12 months

2017 S-2 RENT CALCULATION WORKSHEET (LIHTC-ONLY)

# 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		\$0		\$0	
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
	2 BR		\$0		\$0	
5	2 BR	\$495	\$2,475	\$600	\$3,000	
19	2 BR	\$615	\$11,685	\$600	\$11,400	
	3 BR		\$0		\$0	
6	3 BR	\$574	\$3,444	\$675	\$4,050	
20	3 BR	\$712	\$14,240	\$675	\$13,500	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	50		\$31,844		\$31,950	0.33%

B. PROJECT DESCRIPTION

The subject project involves the renovation of the existing 50-unit Brockington Heights Apartments in Darlington, South Carolina. Originally built in 1970, the project currently operates under the HUD Section 8 program, with all 50 units receiving a direct subsidy. The subsidy requires tenants to pay up to 30% of their adjusted gross household incomes towards shelter costs (collected rent and tenant-paid utilities). According to management, the project is currently 100% occupied and maintains an 11-household waiting list.

The project will be renovated utilizing funding from the Low-Income Housing Tax Credit (LIHTC) program, which will involve the extensive rehabilitation of each unit and the community spaces. Once renovations are complete, the project will target households with incomes of up to 50% and 60% of Area Median Household Income (AMHI). Notably, the project will continue to operate under the HUD Section 8 program. All renovations are expected to be complete by fall 2018. Additional details of the subject project are as follows:

- a. Property Location:** 201 Saleeby Loop
Darlington, South Carolina 29532
(Darlington County)
- b. Construction Type:** Rehabilitation
- c. Occupancy Type:** Low-Income Families
- d. Target Income Group:** 50% and 60% AMHI
- e. Special Needs Population:** None
- f. and h. to j. Unit Configuration and Rents:**

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Current Rent	Proposed Rents			Max. Allowable LIHTC Gross Rent
							Collected Rent	Utility Allowance	Gross Rent	
5	Two-Br.	1.0	Garden	811-826	50%	\$782	\$495	\$105	\$600	\$600
19	Two-Br.	1.0	Garden	811-826	60%	\$782	\$615	\$105	\$720	\$720
6	Three-Br.	1.0	Garden	962-984	50%	\$901	\$574	\$119	\$693	\$693
20	Three-Br.	1.0	Garden	962-984	60%	\$901	\$712	\$119	\$831	\$831
50	Total									

Source: Millennia Housing Development, Ltd.
AMHI – Area Median Household Income (Darlington County, SC HUD Metro FMR Area; 2016)

- g. Number Of Stories/Buildings:** Five (5) two-story walk-up residential buildings and one 1,600 square-foot community building.



k. Project-Based Rental Assistance (Existing or Proposed):

All 50 units will continue to operate with a project-based subsidy.

l. Community Amenities:

Once renovations are complete, the subject property will include the following community features:

- On-Site Management
- Community Room*
- Picnic Area*
- Security Camera System*
- Laundry Facility*
- Two Playgrounds*(one serving children under the age of 8 and one to serve children ages 8 and older)

*Amenities to be added post renovations

m. Unit Amenities:

Once renovations are complete, each unit will include the following amenities:

- Gas Range
- Refrigerator
- Dishwasher*
- Washer & Dryer Connections
- Ceiling Fan*
- Window Blinds
- Vinyl Flooring
- Central Air Conditioning*

*Amenities to be added post renovations

n. Parking:

A surface parking lot including 78 parking spaces will be available to tenants at no additional charge.

o. Renovations and Current Occupancy:

A detailed scope of work provided by the developer at the time of this report is included in *Addendum C*.

The subject project consists of 50 two- and three-bedroom units that are 100% occupied and maintain an 11-household waiting list. The project currently charges \$782 and \$901 for the two- and three-bedroom units, respectively, with all units receiving a direct subsidy from HUD. Due to the subsidy that is available on all of the subject units, the average tenant-paid rent is \$120 and \$56 for a two- and three-bedroom unit, respectively, based on the subject project's current rent roll, as illustrated in *Addendum D*. Following Tax Credit renovations, the subsidy will be retained on all 50 units. It is anticipated that most, if not all, current tenants are expected to continue to income-qualify to reside at the subject project.

p. Utility Responsibility:

Cold water, sewer and trash collection are included in the rent, while tenants are responsible for all other utilities and services, including the following:

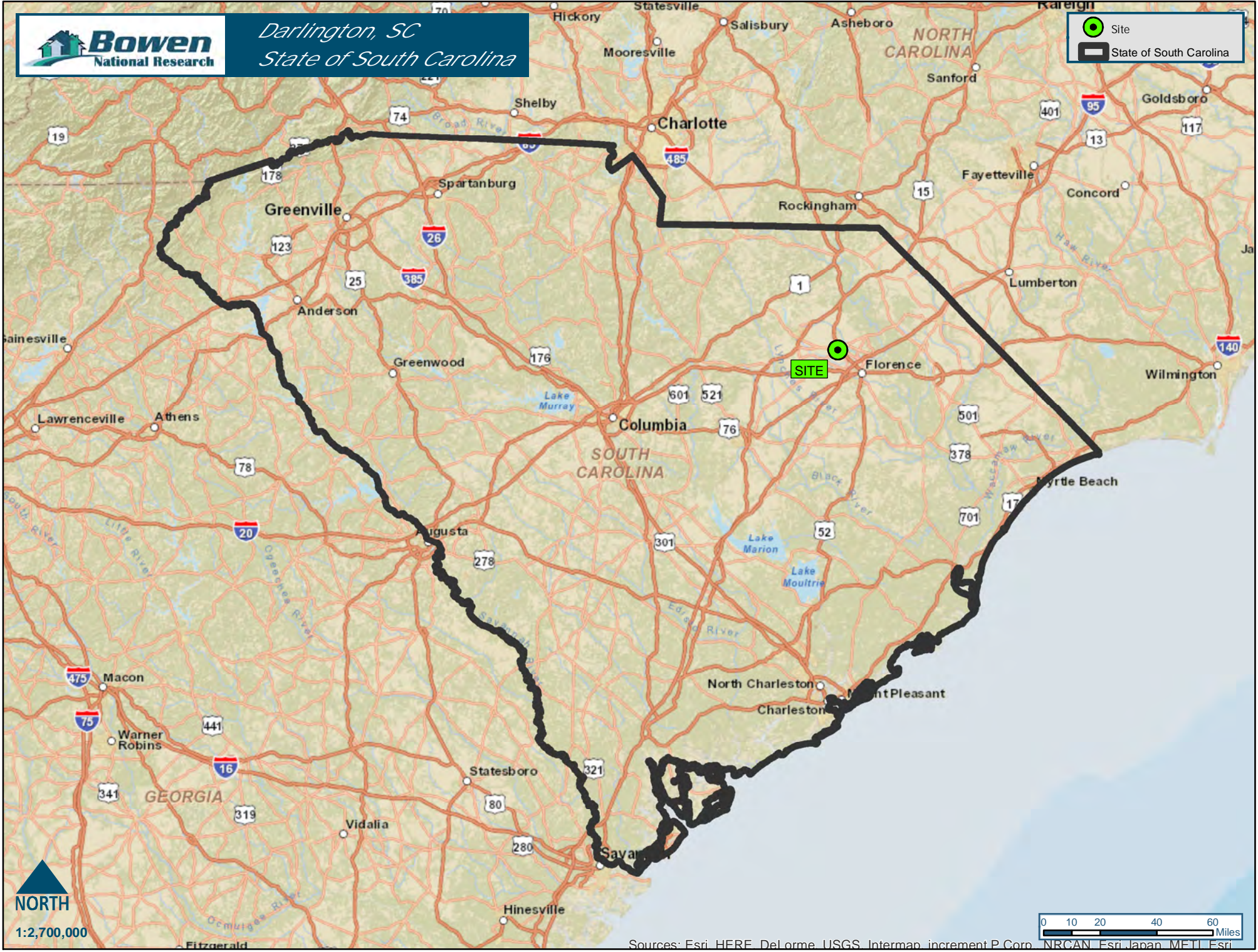
- Electricity
- Gas Hot Water
- Gas Cooking
- Gas Heat

A state map and an area map are on the following pages.



Darlington, SC
State of South Carolina

Site
State of South Carolina



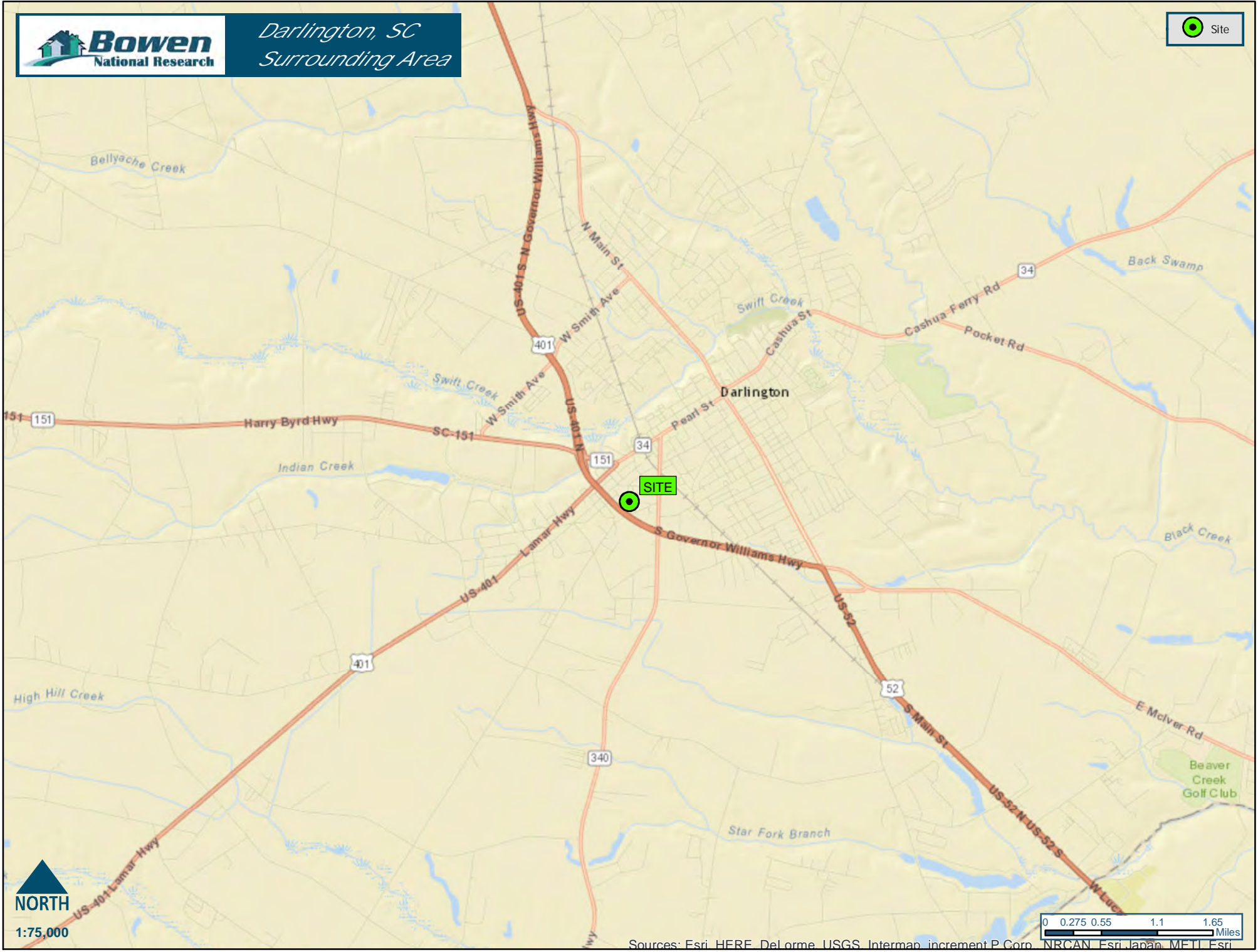
NORTH
1:2,700,000

0 10 20 40 60
Miles

Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri



Darlington, SC
Surrounding Area



NORTH
1:75,000

0 0.275 0.55 1.1 1.65
Miles

Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

C. Site Description and Evaluation

1. SITE INSPECTION DATE

Bowen National Research personally inspected the subject site during the week of January 30, 2017. The following is a summary of our site evaluation, including an analysis of the site's proximity to community services.

2. SITE DESCRIPTION AND SURROUNDING LAND USES

The subject site, Brockington Heights Apartments, consists of five (5) two-story buildings and a one-story office building located at 201 Saleeby Loop in Darlington, South Carolina. Located within Darlington County, Darlington is approximately 11.0 miles northwest of Florence, South Carolina and approximately 76.0 miles northeast of Columbia, South Carolina. Following is a description of surrounding land uses:

North -	A wooded tree line defines the northern site boundary. Continuing north is a predominately residential neighborhood comprised of single-family homes on lightly wooded lots, considered to be in satisfactory condition. Farther north are various small commercial businesses, the South Carolina Department of Transportation Maintenance Facility and a vacant warehouse along Pearl Street. All are considered to be in satisfactory condition.
East -	Single-family homes border the subject site to the east and are considered to be in satisfactory condition. Continuing east are Cannon Cemetery and additional single-family homes on lightly wooded lots considered to be in satisfactory condition. Hartsville Oil Mill, a peanut oil mill/crusher facility, extends beyond.
South -	A fence line defines the southern site boundary. Continuing south are wooded land, Fresenius Medical Care (a dialysis facility only) and single-family homes considered to be in satisfactory condition, immediately followed by Brockington Road, a two-lane residential road. Extending beyond are wooded land and U.S. Highway 52 (also known as Governor Williams Highway), a four-lane arterial highway, and Brockington Elementary School.
West -	Wooded land and Diamond Way define the western site boundary. Continuing west are single-family and modular homes considered to be in satisfactory condition on wooded lots, and U.S. Highway 52.

The subject development is within very close proximity to various businesses and shopping centers, which will contribute to the site's continued marketability. Overall, the subject property fits well with the surrounding land uses, as evidenced by its 100.0% occupancy rate and waiting list.

3. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

The site is served by the community services detailed in the following table:

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	U.S. Highway 52	0.2 South
	U.S. Highway 401	0.4 Northwest
	Interstate 95	6.9 Southeast
Public Bus Stop	PDRTA	Adjacent South
Major Employers/Employment Centers	Hartsville Oil Mill	0.3 East
	Darlington Raceway	1.6 West
	Walmart Supercenter	2.3 Southeast
	McLeod Medical Center-Darlington	3.4 Northeast
Convenience Store	Sav Way	0.7 Northwest
	E-Z Stop	0.8 North
	Fastrack	0.9 Southwest
Grocery	Bi-Lo	0.5 Northwest
	Piggly Wiggly	1.2 Northeast
	Food Lion	1.7 East
Discount Department Store	Goody's	0.6 West
	Dollar Tree	0.6 West
	Citi Trends	0.7 Northwest
	Dollar General	0.8 Southwest
	Walmart Supercenter	2.3 Southeast
Shopping Malls/Shopping Centers	Darlington Plaza Shopping Center	0.5 West
	Crossroads Shopping Center	1.7 East
Schools:	Brockington Elementary	0.2 South
	Pate Elementary School	0.9 West
	Darlington Middle School	3.2 West
	Darlington High School	2.8 North
Hospital/ Medical Center	McLeod Urgent Care	1.7 East
	McLeod Medical Center-Darlington	3.4 Northeast
Police	Darlington Police Department	1.1 Northeast
Fire	Darlington Fire Department	1.2 Northeast
Post Office	U.S. Post Office	2.6 North
Bank	Wells Fargo Bank	0.5 Northwest
	Carolina Bank & Trust	1.6 Northeast
Recreational Facilities	YMCA	1.4 Northeast

(Continued)

Community Services	Name	Driving Distance From Site (Miles)
Gas Station	Sav-Way	0.7 Northwest
	E-Z Stop	0.8 North
	Fastrack	0.9 Southwest
Pharmacy	Rite Aid	0.5 Northwest
	Walgreens	1.7 East
	CVS Pharmacy	1.7 East
Restaurant	Burger King	0.5 Northwest
	Subway	0.7 Northwest
	Domino's Pizza	1.0 Northeast
Day Care	Kid Stop Daycare & Preschool	0.8 Northeast
	Merryland Daycare	0.9 West
	True Investment Child Care	1.6 East
Library	Darlington County Library	1.6 Northeast
Fitness Center	Fitness World Gym	0.8 Northwest
Museum	Darlington Raceway Museum	1.5 West
Park	Williamson Park	2.0 Northeast
Church	New Covenant Assembly In Christ	0.3 Northwest
	Shining Light Pentecostal Church	0.4 West

There are numerous community services within close proximity of the subject site, many of which can be found in the Darlington Plaza shopping center. The shopping center contains a grocery store and discount retailers, with a restaurant and pharmacy adjacent, all of which are considered beneficial to the targeted population at the subject site. Further, there are pharmacies, gas stations, convenience stores, and financial institutions all within close proximity. The Pee Dee Regional Transport Authority offers a regional bus stop adjacent south of the site and grants access to the surrounding community services and the surrounding area.

The Darlington County School District serves the site with all applicable schools of attendance located within 3.2 miles. Further, the site area is served by both the Darlington Police and Fire departments, both of which are within 1.2 miles. The nearest, acute-care hospital is the McLeod Medical Center-Darlington, 3.4 miles northeast of the site. Additionally, McLeod Urgent Care offers walk-in emergency services and is within 1.7 miles east of the site.

Overall, the proximity of the subject site to most basic community services, all public safety services as well as all applicable attendance schools is considered beneficial to its continued marketability.

4. SITE PHOTOGRAPHS

Photographs of the subject site and surrounding land uses are on the following pages.

SITE PHOTOGRAPHS



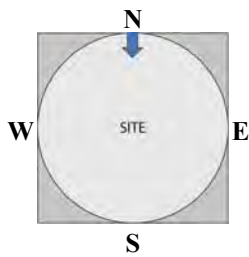
Site Entryway



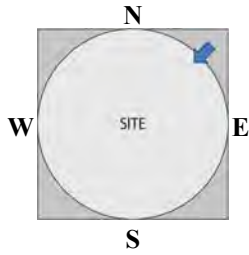
Site Entryway Signage



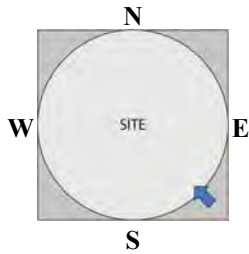
Typical Building Exterior



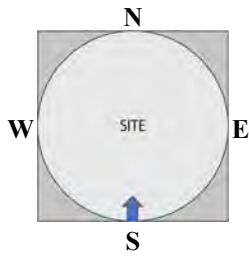
View of site from the north



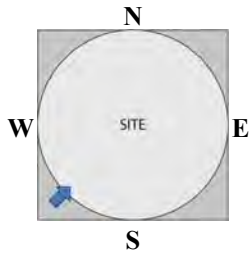
View of site from the northeast



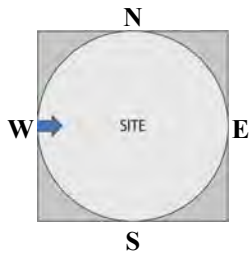
View of site from the southeast



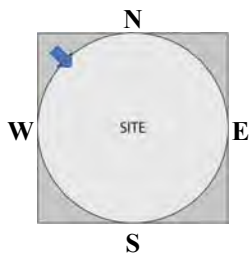
View of site from the south



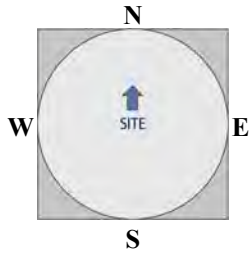
View of site from the southwest



View of site from the west



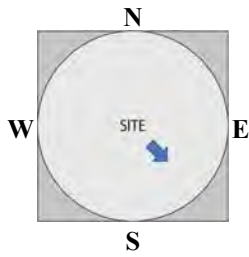
View of site from the northwest



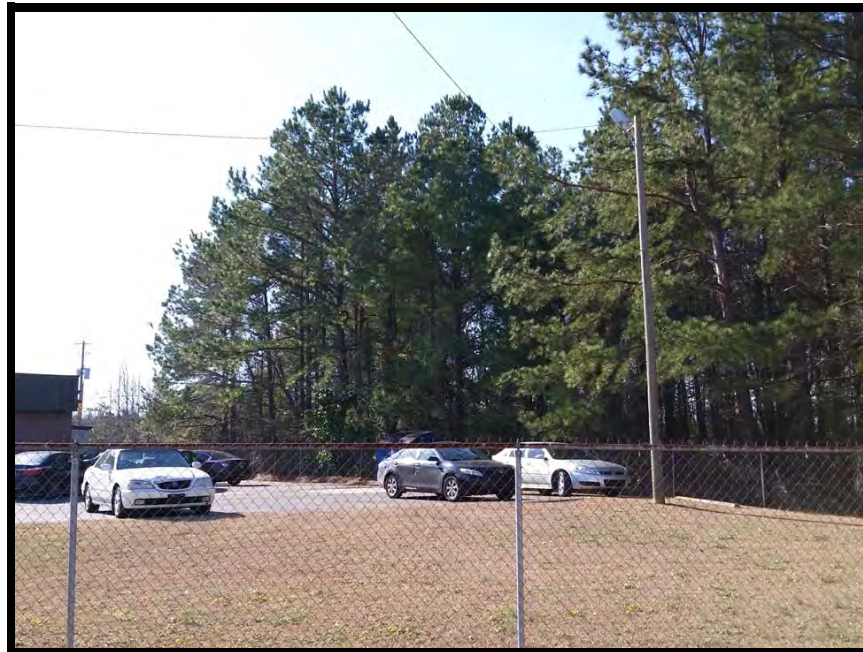
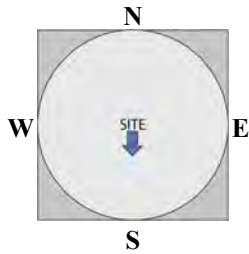
North view from site



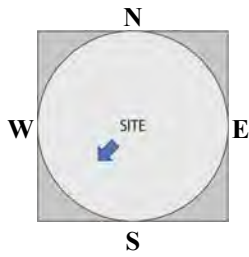
Northeast view from site



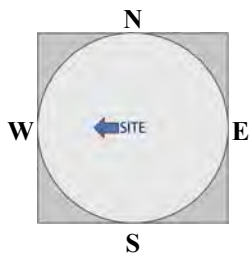
Southeast view from site



South view from site



Southwest view from site



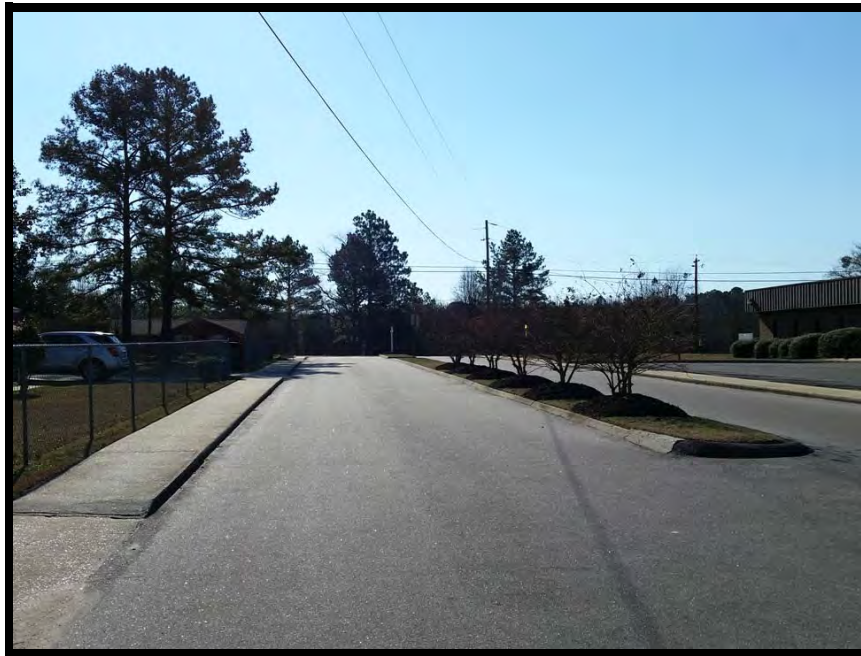
West view from site



Northwest view from site



Streetscape: North view of Saleeby Loop



Streetscape: South view of Saleeby Loop



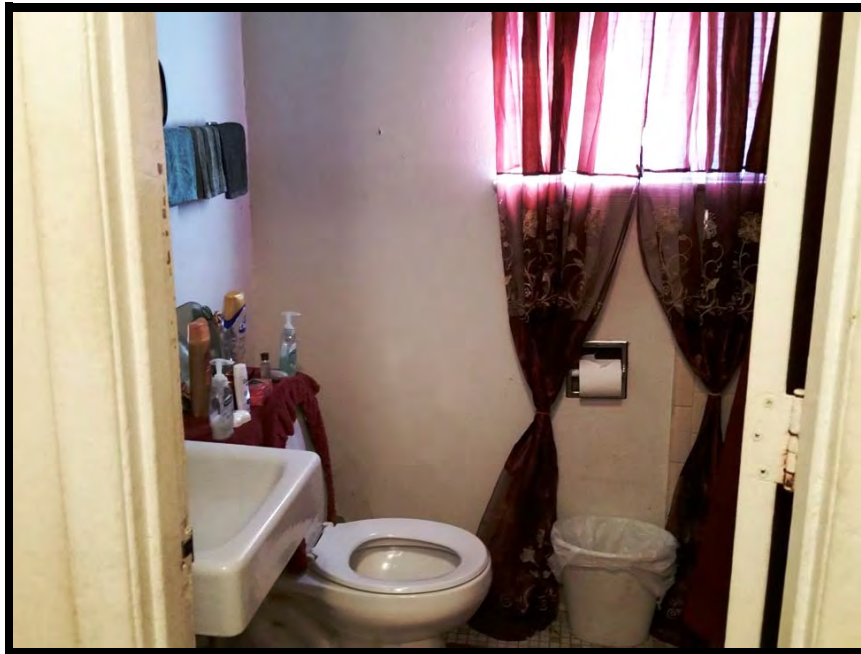
Streetscape: East view of Brockington Road



Streetscape: West view of Brockington Road



Typical Kitchen Area



Typical Bathroom



Typical Dining Area



Typical Bedroom



Typical Living Area



Typical Laundry Area

5. SITE AND COMMUNITY SERVICES MAPS

Maps of the subject site and relevant community services follow.





Darlington, SC
Site Neighborhood

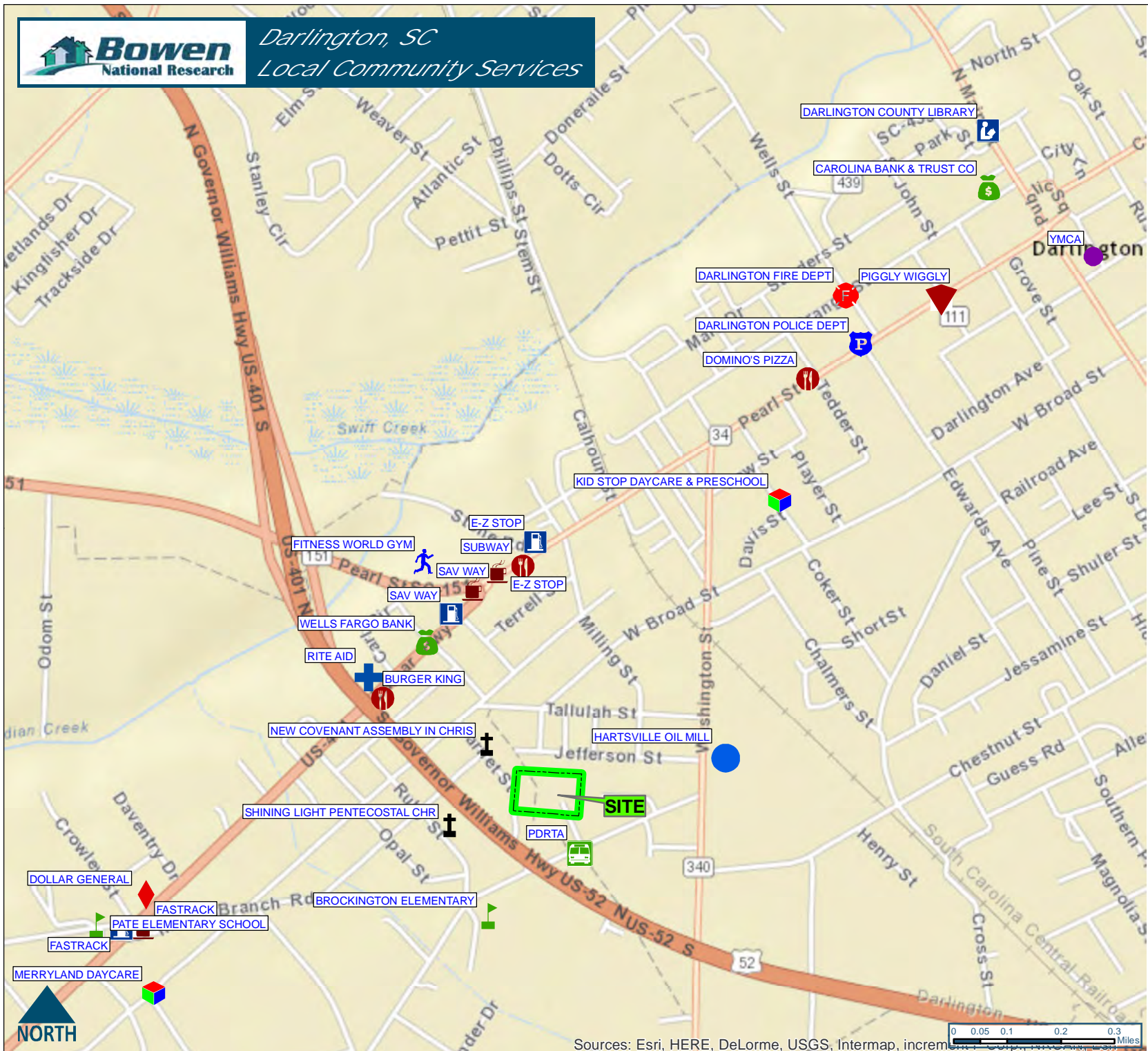
Legend
Site Area





















NORTH
1:3,000

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community

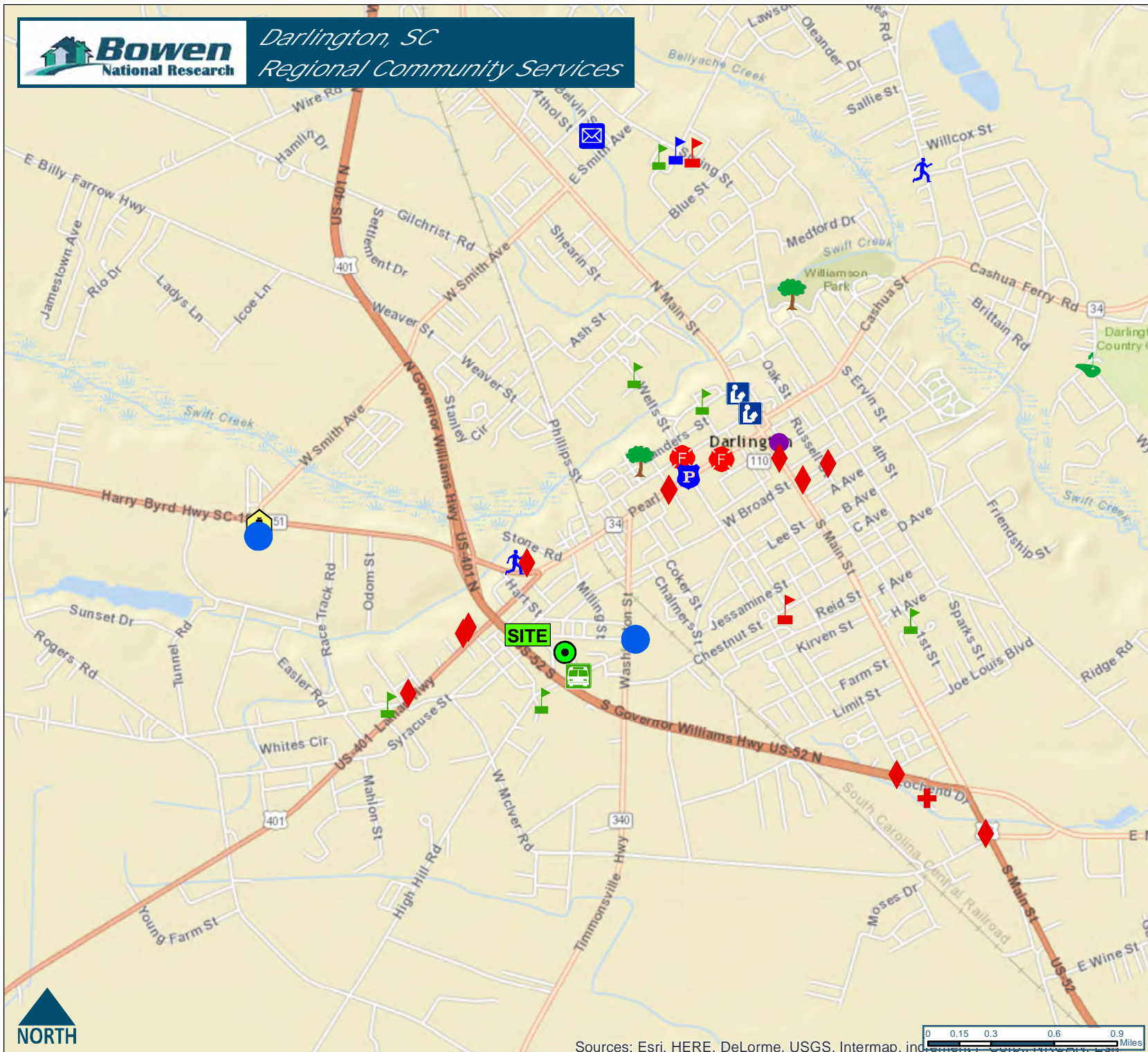
0	0.015	0.03	0.06	0.09
Miles				



Legend

-  Site Area
-  bank
-  child care
-  church
-  convenience store
-  elementary school
-  fire
-  fitness center
-  gas
-  grocery
-  library
-  pharmacy
-  police
-  recreation center
-  restaurant
-  shopping
-  transit
-  employers_1000_5000





Legend

- Site
- elementary school
- fire
- fitness center
- golf
- high school
- library
- medical center
- middle school
- museum
- park
- police
- post office
- recreation center
- shopping
- transit
- employers_1000_5000



6. CRIME ISSUES

The primary source for Crime Risk data is the FBI Uniform Crime Report (UCR). The FBI collects data from each of roughly 16,000 separate law enforcement jurisdictions across the country and compiles this data into the UCR. The most recent update showed an overall coverage rate of 95% of all jurisdictions nationwide with a coverage rate of 97% of all jurisdictions in metropolitan areas.

Applied Geographic Solutions uses the UCR at the jurisdictional level to model each of the seven crime types at other levels of geography. Risk indexes are standardized based on the national average. A Risk Index value of 100 for a particular risk indicates that, for the area, the relative probability of the risk is consistent with the average probability of that risk across the United States.









It should be noted that aggregate indexes for total crime, personal crime and property crime are not weighted, and murder is no more significant statistically in these indexes than petty theft. Thus, caution should be exercised when using them.

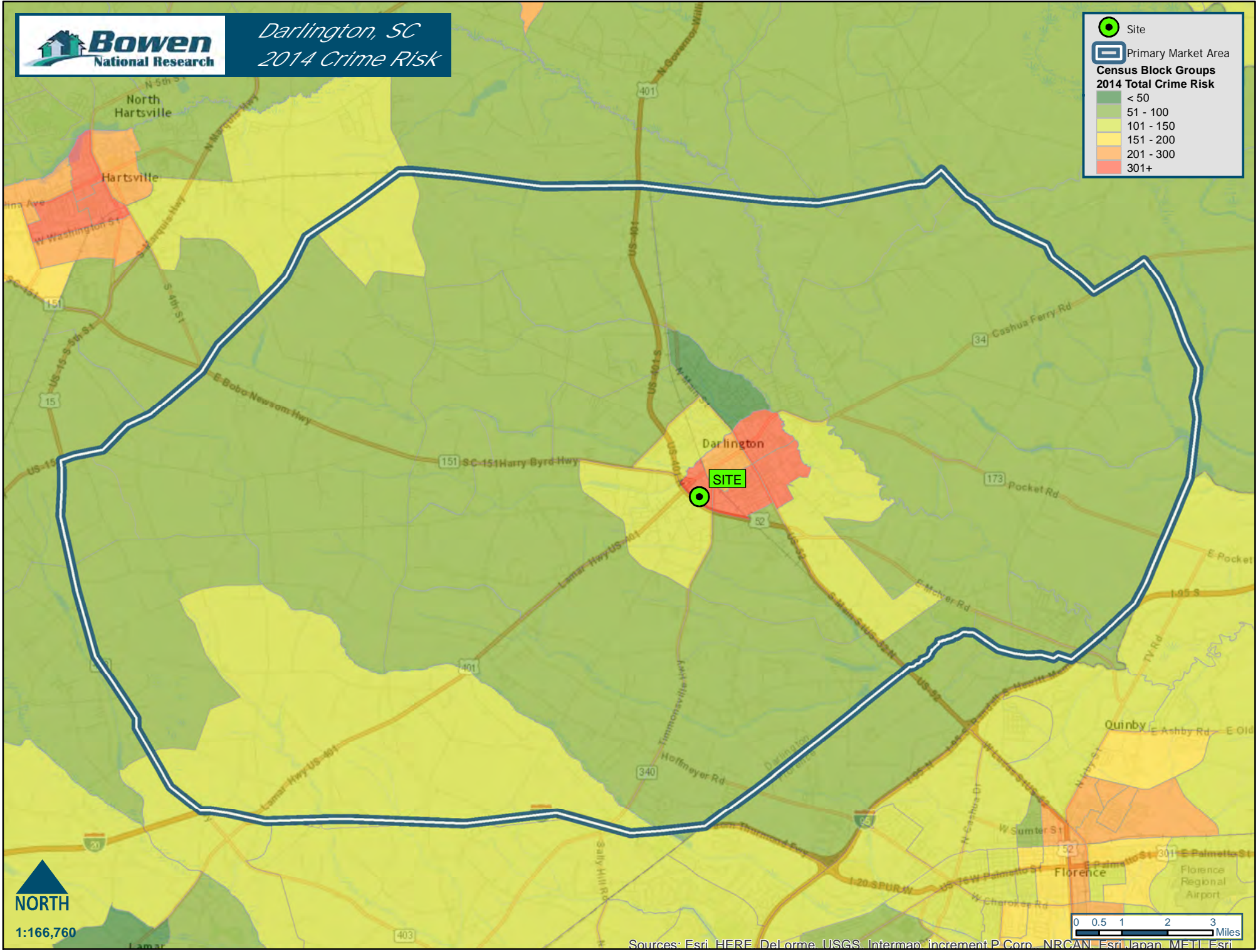
Total crime risk (125) for the Site PMA is above the national average with an overall personal crime index of 145 and a property crime index of 130. Total crime risk (129) for Darlington County is above the national average with indexes for personal and property crime of 162 and 123, respectively.


	Crime Risk Index	
	Site PMA	Darlington County
Total Crime	125	129
Personal Crime	145	162
Murder	130	147
Rape	124	125
Robbery	67	86
Assault	182	208
Property Crime	130	123
Burglary	167	151
Larceny	109	110
Motor Vehicle Theft	93	88

Source: Applied Geographic Solutions

Although the crime risk indices for the Site PMA (125) and Darlington County (129) are slightly above the national average (100), all rental properties identified and surveyed within the market are 100.0% occupied, including the subject project. This illustrates that crime has not had an adverse impact on the Darlington rental housing market. In addition, the subject project will include on-site management and a security camera system, which will likely help mitigate potential perceptions of crime. Therefore, it is unlikely that the perception of crime will have any tangible impact on the continued marketability of the subject project. A map illustrating crime risk is on the following page.

-  Site
-  Primary Market Area
- Census Block Groups**
- 2014 Total Crime Risk**
-  < 50
-  51 - 100
-  101 - 150
-  151 - 200
-  201 - 300
-  301+




NORTH
1:166,760

0 0.5 1 2 3
Miles

7. ACCESS AND VISIBILITY

Primary access to the proposed site is from Brockington Road, a two-lane residential neighborhood street. Ingress and egress from the site via this roadway is considered easy due to clear lines of sight provided in both directions of travel. Access to the site is further enhanced, as U.S. Highway 52, a moderately traveled arterial highway, is located 0.2 miles south of the subject site and grants direct access to Interstate 95. Pedestrian traffic is insignificant. Overall access is considered good.

Visibility of the site is mostly obstructed by the surrounding land uses. However, the lack of visibility has not had an adverse impact on the subject project, as evidenced by its 100.0% occupancy and waitlist. Overall, visibility is considered adequate.

8. VISIBLE OR ENVIRONMENTAL ISSUES

There were no visible or environmental issues observed while conducting the on-site evaluation of the subject location.

9. OVERALL SITE CONCLUSIONS

The subject site is located within a developed area in the southwest portion of Darlington. Structures within the immediate site neighborhood are generally considered to be in satisfactory condition and are conducive for multifamily housing. Notably, the site is within close proximity of numerous community services and is within walking distance of grocery, discount retailers, a restaurant and pharmacy. The proximity of community and public safety services is considered beneficial to the marketability of the site. It is also of note that access to and from the site is considered good due to its close proximity to numerous arterial roadways, such as U.S. Highways 52 and 401 and Interstate 95. Additionally, Pee Dee Regional Transport Authority (PDRTA) offers a regional bus stop adjacent to the site, which grants access to the surrounding community services and the surrounding area. Visibility is mostly obstructed by the surrounding land uses; however, the lack of visibility has not had an adverse impact on the subject's marketability. Overall, we consider the site's location and proximity to community services to continue to have a positive impact on its marketability.

D. Primary Market Area Delineation

The Primary Market Area (PMA) is the geographical area from which most of the support for the subject development is expected to originate. The Darlington Site PMA was determined through interviews with management at the subject site, area leasing and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

The Darlington Site PMA includes Darlington and the surrounding unincorporated areas of Darlington County. Specifically, the Darlington Site PMA generally consists of the South Carolina Central Railroad, Harmony Hall Drive, Greenfield Road and Mechanicsville Highway to the north; State Route 34, Fountain Branch and the Darlington County boundary to the east; Interstate 95, the Darlington County boundary and Interstate 20 to the south; and Oates Highway/State Route 403 and Flinns Road to the west. The Site PMA comprises Census Tract numbers:

101.00	106.00	108.00	109.00
110.00	111.00	112.00*	113.00
114.00	115.00		

*Subject site location

Kiarra Stephenson, Property Manager at Brockington Heights Apartments (subject site), noted that nearly all of the residents at Brockington Heights previously resided in Darlington and the immediate surrounding areas. Ms. Stephenson further noted that very rarely does she receive inquiries from residents of Hartsville or Florence, thus confirming the Site PMA.

Betty Frierson, Property Manager at Indian Creek (Map ID 4), a government-subsidized community located in Darlington, stated that almost all of her residents originated from the Darlington area with few inquiries from households residing outside of Darlington, thus confirming the Site PMA.

Helen Richardson, Property Manager at Pecan Grove (Map ID 6) and Darlington Lofts (Map ID 3), both Tax Credit communities located in the Site PMA, stated that most of her properties' residents are from Darlington. Ms. Richardson further stated that while she occasionally receives inquiries from persons residing in Hartsville or Florence, it is rare that they move into Darlington. Ms. Richardson confirmed the boundaries of the Site PMA and stated residents will primarily come from Darlington.

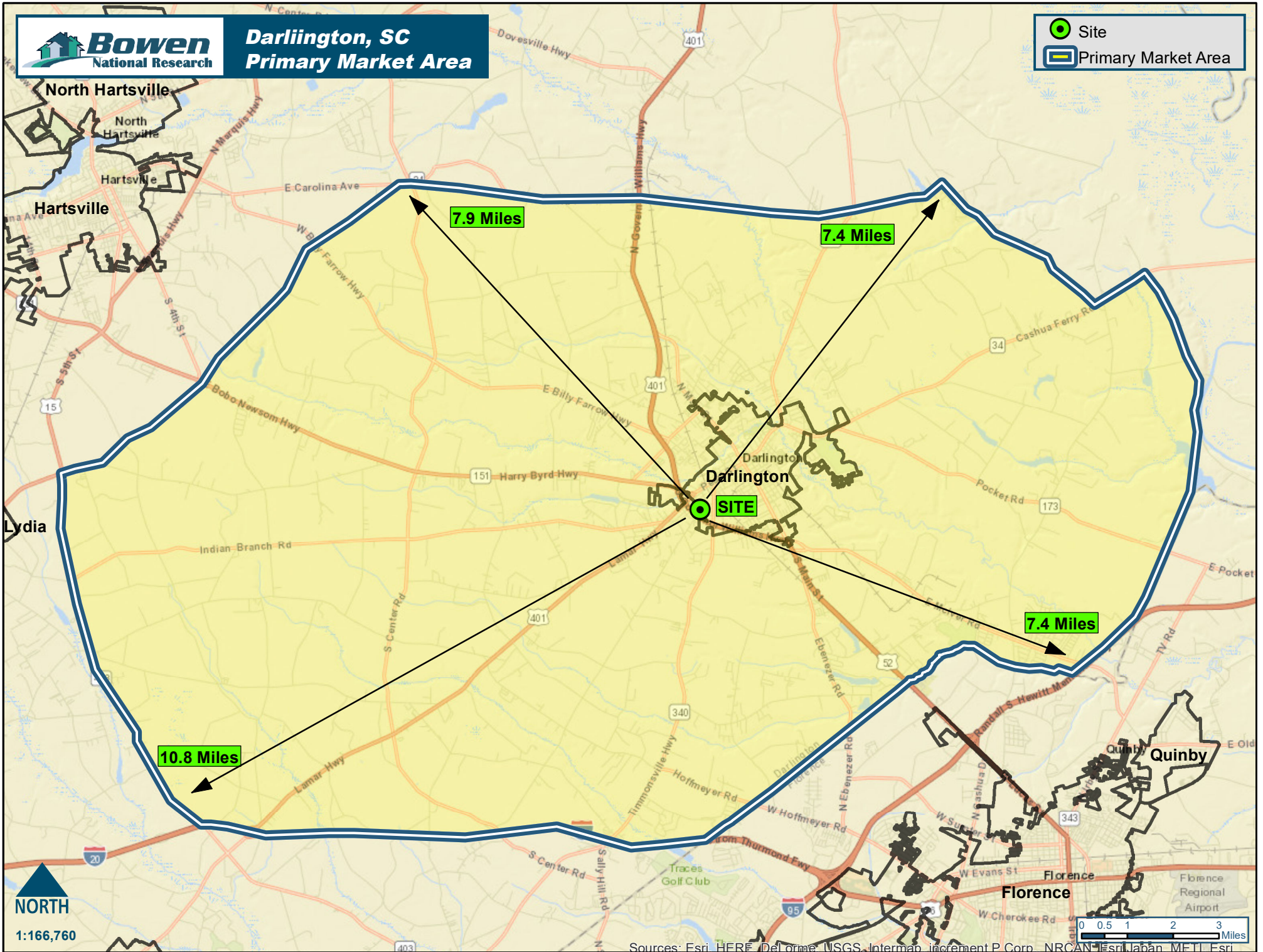
Though we expect a portion of prospective residents to originate from outside the delineated borders of the PMA, due to the rural nature of the surrounding area, we believe the majority of the prospective site population will come from the areas within the PMA. We have therefore not included a secondary market area for this study.

A map delineating the boundaries of the Site PMA is included on the following page.



Darlington, SC Primary Market Area

● Site
▭ Primary Market Area



E. Market Area Economy

1. EMPLOYMENT BY INDUSTRY

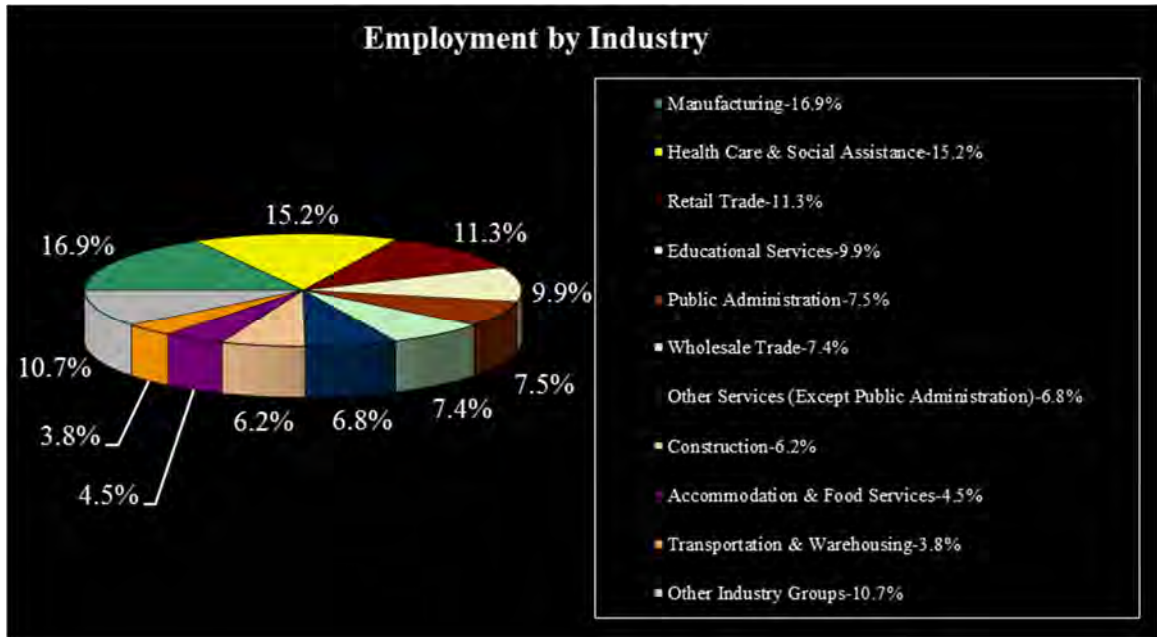
The labor force within the Darlington Site PMA is based primarily in three sectors. Manufacturing (which comprises 16.9%), Health Care & Social Assistance and Retail Trade comprise over 43% of the Site PMA labor force. Employment in the Darlington Site PMA, as of 2016, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	7	0.8%	32	0.4%	4.6
Mining	2	0.2%	3	0.0%	1.5
Utilities	3	0.4%	141	1.6%	47.0
Construction	49	5.8%	542	6.2%	11.1
Manufacturing	31	3.7%	1,475	16.9%	47.6
Wholesale Trade	48	5.7%	643	7.4%	13.4
Retail Trade	129	15.4%	991	11.3%	7.7
Transportation & Warehousing	32	3.8%	329	3.8%	10.3
Information	6	0.7%	27	0.3%	4.5
Finance & Insurance	81	9.7%	197	2.3%	2.4
Real Estate & Rental & Leasing	29	3.5%	73	0.8%	2.5
Professional, Scientific & Technical Services	38	4.5%	196	2.2%	5.2
Management of Companies & Enterprises	1	0.1%	44	0.5%	44.0
Administrative, Support, Waste Management & Remediation Services	23	2.7%	139	1.6%	6.0
Educational Services	23	2.7%	864	9.9%	37.6
Health Care & Social Assistance	54	6.4%	1,326	15.2%	24.6
Arts, Entertainment & Recreation	13	1.5%	69	0.8%	5.3
Accommodation & Food Services	31	3.7%	395	4.5%	12.7
Other Services (Except Public Administration)	151	18.0%	592	6.8%	3.9
Public Administration	68	8.1%	653	7.5%	9.6
Nonclassifiable	20	2.4%	12	0.1%	0.6
Total	839	100.0%	8,743	100.0%	10.4

*Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

E.P.E. - Average Employees Per Establishment

Note: Since this survey is conducted of establishments and not of residents, some employees may not live within the Site PMA. These employees, however, are included in our labor force calculations because their places of employment are located within the Site PMA.



2. LOW-INCOME EMPLOYMENT OPPORTUNITIES

Typical wages by job category for the Florence Metropolitan Statistical Area (MSA) are compared with those of South Carolina in the following table:

Typical Wage by Occupation Type		
Occupation Type	Florence MSA	South Carolina
Management Occupations	\$97,310	\$95,340
Business and Financial Occupations	\$54,380	\$60,240
Computer and Mathematical Occupations	\$62,220	\$69,040
Architecture and Engineering Occupations	\$74,640	\$74,930
Community and Social Service Occupations	\$36,000	\$40,270
Art, Design, Entertainment and Sports Medicine Occupations	\$42,520	\$44,040
Healthcare Practitioners and Technical Occupations	\$71,750	\$70,740
Healthcare Support Occupations	\$24,000	\$26,400
Protective Service Occupations	\$32,920	\$35,230
Food Preparation and Serving Related Occupations	\$18,970	\$20,410
Building and Grounds Cleaning and Maintenance Occupations	\$20,810	\$22,840
Personal Care and Service Occupations	\$21,340	\$22,570
Sales and Related Occupations	\$31,240	\$32,250
Office and Administrative Support Occupations	\$32,130	\$32,810
Construction and Extraction Occupations	\$35,700	\$38,370
Installation, Maintenance and Repair Occupations	\$40,510	\$42,030
Production Occupations	\$39,250	\$35,990
Transportation and Moving Occupations	\$30,060	\$31,720

Source: U.S. Department of Labor, Bureau of Statistics

Most annual blue-collar salaries range from \$18,970 to \$42,520 within the MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$72,060. It is important to note that most occupational types within the MSA have slightly lower typical wages than the State of South Carolina's typical wages. The area employment base has a significant number of income-appropriate occupations from which the subject project will continue to draw renter support.

3. AREA'S LARGEST EMPLOYERS

The ten largest employers within the Darlington area comprise a total of 7,823 employees. These employers are summarized as follows:

Employer Name	Business Type	Total Employed
Darlington County School District	Education	1,948
Sonoco Products Company	Packing Products Manufacturer	1,578
HB Robinson Nuclear Plant	Power Plant	830
Carolina Pines Regional Medical Center	Health Care	638
Dixie/ Georgia Pacific	Paper Products Manufacturer	535
Coker College	Education	525
Nucor	Steel Bar Manufacturer	510
Galey & Lord	Textile Mill	499
Darlington County	Local Government	460
Walmart Supercenter	Retail	300
	Total	7,823

Source: Darlington County Economic Development Partnership (2016)

According to a representative with the Darlington County Economic Development Partnership, while flooding in 2015, followed by Hurricane Matthew in 2016 had a significant negative impact on family farms and homes in the area, the Darlington economy is improving. The following are summaries of key economic factors impacting the local employment base:

- Hartsville has had several business expansions and growth, specifically in its downtown area. Hartsville is one of the fastest growing areas of the county.
- In early 2016, a new Walmart Supercenter opened in Darlington. This location employs 300 people, making it one of the largest employers in the county.
- In August 2015, Cypress Creek Renewables, an ownership and development of long-term solar energy projects, announced that they will be investing \$10 million in a solar energy project located off Gilchrist Road in Darlington County. The plant will produce 10 megawatts of energy, enough for 2,000 homes. The plant should be fully operational by the end of 2016 and will create 40 to 60 jobs during construction.

- In February 2015, Rogers Brothers Farm announced that they would be growing and processing peanuts at their Hartsville plant, investing \$6 million into the new facility and creating 30 new jobs. The new plant opened in July 2015
- In September 2014, Birdsong Corporation opened a new peanut processing plant located in Darlington County, a \$47.3 million investment. This is expected to create 55 new jobs over a five-year period.

WARN (layoff notices):

According to the South Carolina Department of Employment and Workforce, there has been one WARN notice of large-scale layoffs/closures reported for Darlington County since January 2015. In April 2016, the Galey and Lord textile plant in Society Hill announced that it would be closing in June 2016. This closure affected more than 100 employees. At one point, the plant employed nearly 1,600 people in the county.

4. EMPLOYMENT TRENDS

The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

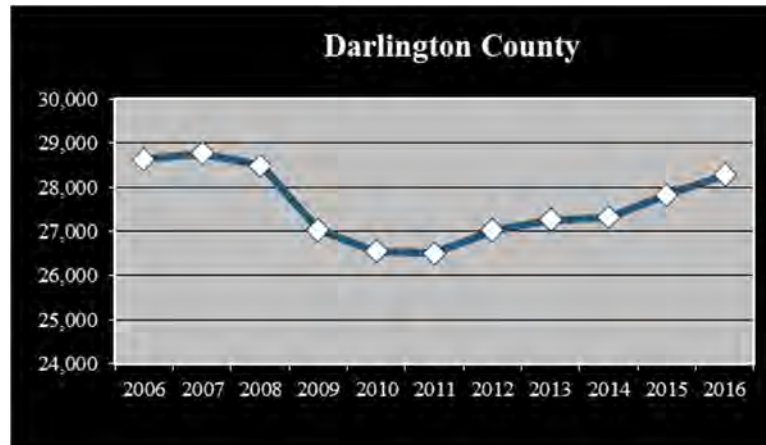
Excluding 2016, the employment base has increased by 4.9% over the past five years in Darlington County, less than the South Carolina state increase of 9.1%. Total employment reflects the number of employed persons who live within the county.

The following illustrates the total employment base for Darlington County, South Carolina and the United States.

Year	Total Employment					
	Darlington County		South Carolina		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2006	28,639	-	1,973,337	-	145,000,042	-
2007	28,762	0.4%	2,005,686	1.6%	146,388,400	1.0%
2008	28,493	-0.9%	1,996,409	-0.5%	146,047,748	-0.2%
2009	27,033	-5.1%	1,910,670	-4.3%	140,696,560	-3.7%
2010	26,556	-1.8%	1,915,045	0.2%	140,469,139	-0.2%
2011	26,518	-0.1%	1,945,900	1.6%	141,791,255	0.9%
2012	27,020	1.9%	1,983,506	1.9%	143,688,931	1.3%
2013	27,260	0.9%	2,022,444	2.0%	145,126,067	1.0%
2014	27,307	0.2%	2,074,277	2.6%	147,604,328	1.7%
2015	27,829	1.9%	2,122,573	2.3%	149,950,804	1.6%
2016*	28,280	1.6%	2,183,741	2.9%	152,400,435	1.6%

Source: Department of Labor; Bureau of Labor Statistics

*Through December



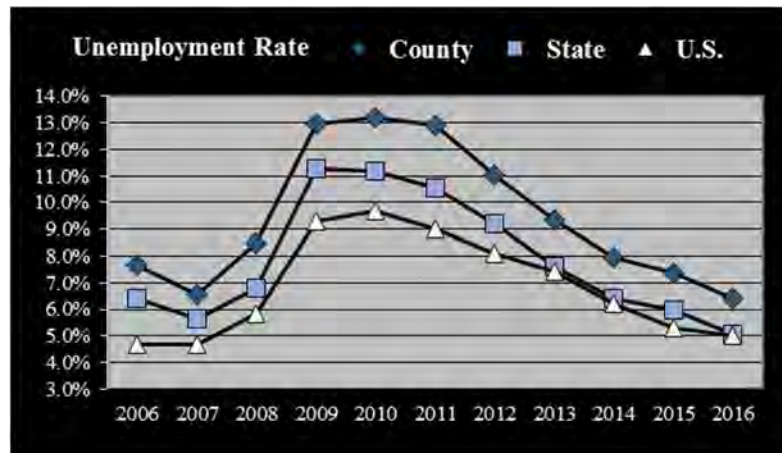
As the preceding illustrates, the Darlington County employment base experienced a significant decline between 2008 and 2010, similar to trends experienced by much of the country during the national recession. Since 2010, the employment base within the county has generally been experiencing growth, increasing by 1,724 jobs, or 6.5%, through December 2016.

Unemployment rates for Darlington County, South Carolina and the United States are illustrated as follows:

Year	Unemployment Rate					
	Darlington County		South Carolina		United States	
	Total Number	Percent	Total Number	Percent	Total Number	Percent
2006	2,381	7.7%	135,760	6.4%	7,134,635	4.7%
2007	2,008	6.5%	120,205	5.7%	7,190,052	4.7%
2008	2,650	8.5%	145,823	6.8%	9,059,270	5.8%
2009	4,035	13.0%	242,075	11.3%	14,430,158	9.3%
2010	4,035	13.2%	240,623	11.2%	15,070,017	9.7%
2011	3,933	12.9%	229,623	10.6%	14,035,049	9.0%
2012	3,353	11.0%	200,607	9.2%	12,698,111	8.1%
2013	2,803	9.3%	166,924	7.6%	11,642,668	7.4%
2014	2,359	8.0%	142,505	6.4%	9,796,479	6.2%
2015	2,225	7.4%	134,504	6.0%	8,439,309	5.3%
2016*	1,930	6.4%	116,942	5.1%	7,937,201	5.0%

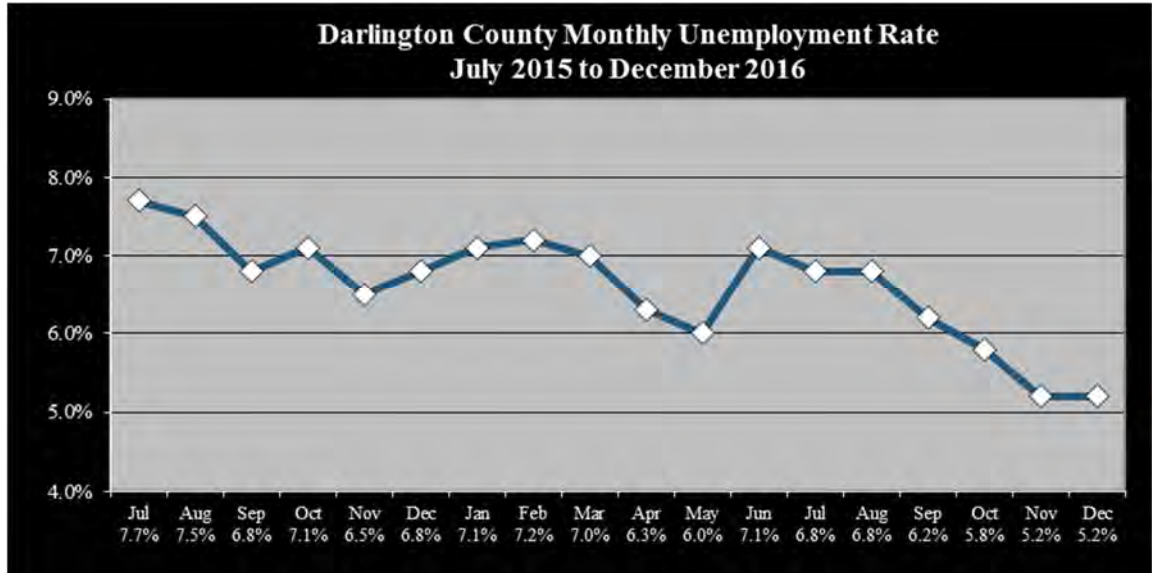
Source: Department of Labor; Bureau of Labor Statistics

*Through December



The unemployment rate in Darlington County has ranged between 6.4% and 13.2%, above both the state and national averages since 2006. Between 2007 and 2010, the unemployment rate increased by nearly seven percentage points as a result of the national recession. On a positive note, the unemployment rate has consistently decreased over the preceding six-year period and is at its lowest point (6.4%) within the past decade.

The following table illustrates the monthly unemployment rate in Darlington County for the most recent 18-month period for which data is currently available.



As the preceding table illustrates, the unemployment rate within Darlington County has generally trended downward during the preceding 18-month period.

In-place employment reflects the total number of jobs within the county regardless of the employee's county of residence. The following illustrates the total in-place employment base for Darlington County.

In-Place Employment Darlington County			
Year	Employment	Change	Percent Change
2006	20,983	-	-
2007	20,675	-308	-1.5%
2008	20,342	-333	-1.6%
2009	18,406	-1,936	-9.5%
2010	18,168	-238	-1.3%
2011	18,382	214	1.2%
2012	18,621	239	1.3%
2013	19,479	858	4.6%
2014	19,528	49	0.3%
2015	19,808	280	1.4%
2016*	20,016	208	1.1%

Source: Department of Labor, Bureau of Labor Statistics

*Through June

Data for 2015, the most recent year that year-end figures are available, indicates in-place employment in Darlington County to be 71.2% of the total Darlington County employment. This means that Darlington County has more employed persons staying in the county for daytime employment than those who work outside of the county. This will continue to have a positive impact on the subject site's marketability, as it is likely that many of the residents have minimal commute times to their place of employment.

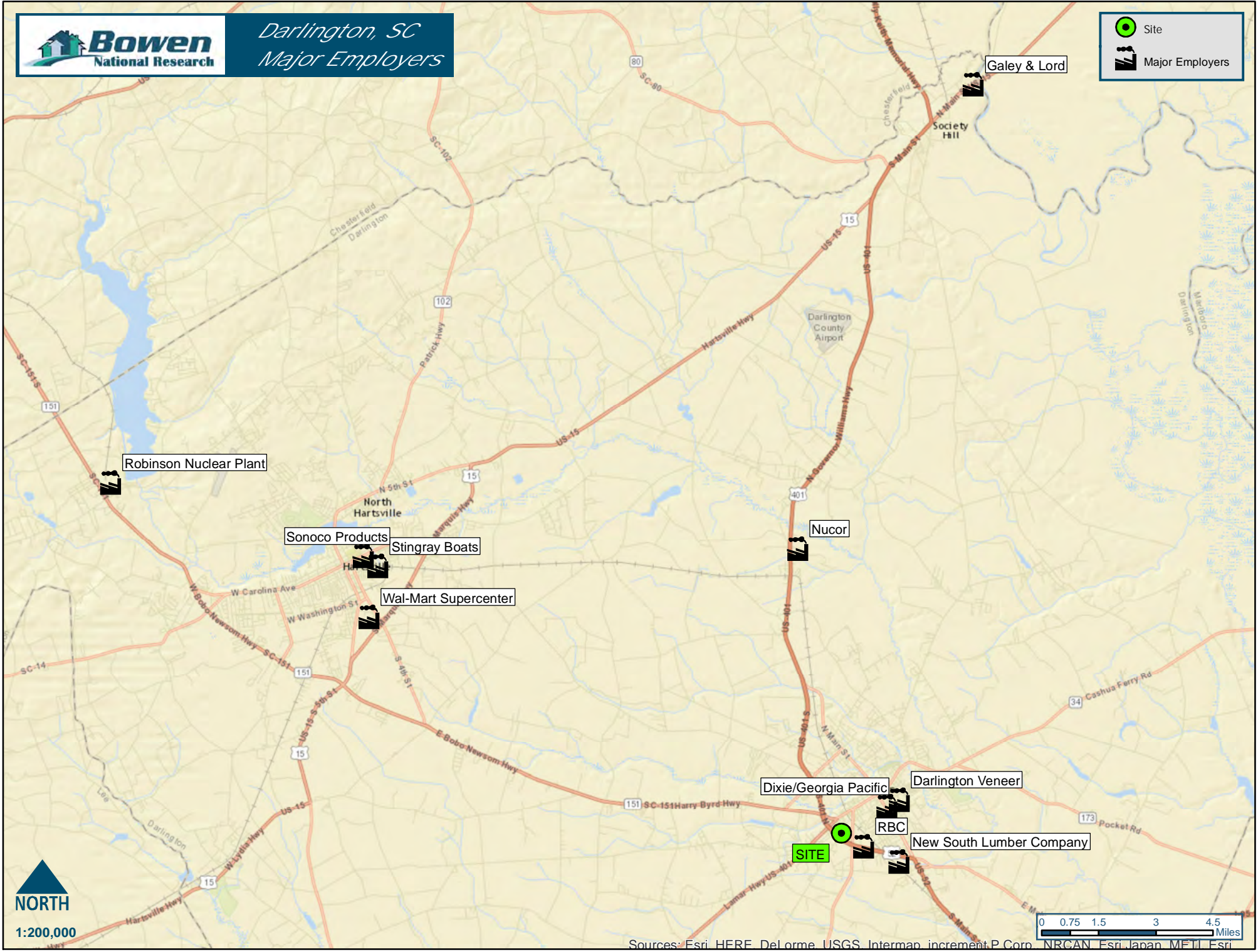
5. **EMPLOYMENT CENTERS MAP**


A map illustrating the location of the area's largest employers is included on the following page.



Darlington, SC Major Employers

 Site
 Major Employers




NORTH
1:200,000

0 0.75 1.5 3 4.5
Miles

Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

6. COMMUTING PATTERNS

Based on the American Community Survey (2011-2015), the following is a distribution of commuting patterns for Site PMA workers age 16 and over:

Mode of Transportation	Workers Age 16+	
	Number	Percent
Drove Alone	9,279	85.5%
Carpooled	912	8.4%
Public Transit	0	0.0%
Walked	234	2.2%
Other Means	101	0.9%
Worked at Home	327	3.0%
Total	10,853	100.0%

Source: American Community Survey (2011-2015); ESRI; Urban Decision Group; Bowen National Research

Nearly 85% of all workers drove alone, 8.4% carpooled.

Typical travel times to work for the Site PMA residents are illustrated as follows:

Travel Time	Workers Age 16+	
	Number	Percent
Less Than 15 Minutes	3,353	30.9%
15 to 29 Minutes	4,721	43.5%
30 to 44 Minutes	1,678	15.5%
45 to 59 Minutes	309	2.8%
60 or More Minutes	466	4.3%
Worked at Home	327	3.0%
Total	10,854	100.0%

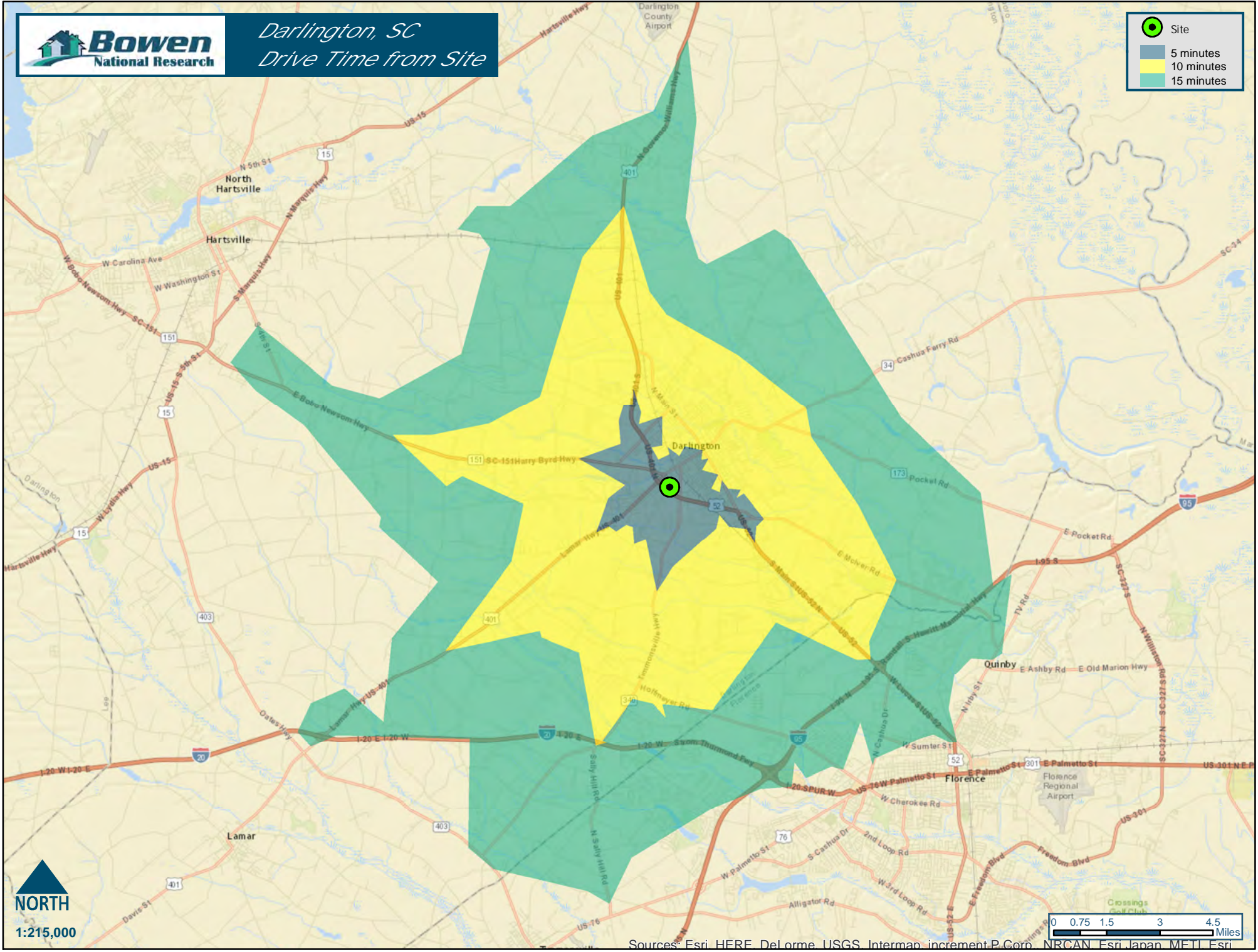
Source: American Community Survey (2011-2015); ESRI; Urban Decision Group; Bowen National Research

The largest share of area commuters has typical travel times to work ranging from 15 to 29 minutes. The subject site is within a 20-minute drive to most of the area's largest employers, which should contribute to the project's marketability. A drive-time map for the subject site is on the following page.



Darlington, SC Drive Time from Site

- Site
- 5 minutes
- 10 minutes
- 15 minutes



NORTH
1:215,000



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P, Corp., NRCAN, Esri, Japan, METI, Esri

7. ECONOMIC FORECAST AND HOUSING IMPACT

According to a representative with the Darlington County Economic Development Partnership and based on data provided by the U.S. Department of Labor: Bureau of Labor Statistics, the Darlington County economy has been consistently improving since the impact of the national recession between 2007 and 2010. During this time period, the county's employment base declined by 2,236, or 7.8%, and the unemployment rate increased by nearly seven percentage points. On a positive note, since 2010, the employment base within the county has generally been experiencing growth, increasing by 1,724 jobs, or 6.5%, through December 2016. Similarly, the unemployment rate has consistently declined during the preceding six-year period and is at its lowest point (6.4%) within the past decade. Considering the recent investment announcements within the county, it is anticipated that the local economy will continue to improve for the foreseeable future. This will provide a positive economic environment for the subject project and the overall housing market.

F. Community Demographic Data

The following demographic data relates to the Site PMA. It is important to note that not all 2019 projections quoted in this section agree because of the variety of sources and rounding methods used. In most cases, the differences in the 2019 projections do not vary more than 1.0%.

1. POPULATION TRENDS

a. Total Population

The Site PMA population bases for 2000, 2010, 2016 (estimated) and 2019 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2016 (Estimated)	2019 (Projected)
Population	27,622	28,473	28,234	28,046
Population Change	-	851	-239	-188
Percent Change	-	3.1%	-0.8%	-0.7%

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The market's population base has been generally stable since 2000. These trends are projected to remain relatively stable through 2019.

Based on the 2010 Census, the population residing in group-quarters is represented by 2.1% of the Site PMA population, as demonstrated in the following table:

	Number	Percent
Population in Group Quarters	600	2.1%
Population not in Group Quarters	27,873	97.9%
Total Population	28,473	100.0%

Source: 2010 Census

b. Population by Age Group

The Site PMA population bases by age are summarized as follows:

Population by Age	2010 (Census)		2016 (Estimated)		2019 (Projected)		Change 2016-2019	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	7,646	26.9%	7,003	24.8%	6,942	24.8%	-61	-0.9%
20 to 24	1,656	5.8%	1,647	5.8%	1,481	5.3%	-166	-10.1%
25 to 34	3,321	11.7%	3,481	12.3%	3,299	11.8%	-182	-5.2%
35 to 44	3,554	12.5%	3,443	12.2%	3,385	12.1%	-58	-1.7%
45 to 54	4,159	14.6%	3,638	12.9%	3,550	12.7%	-88	-2.4%
55 to 64	3,986	14.0%	4,177	14.8%	4,038	14.4%	-139	-3.3%
65 to 74	2,403	8.4%	2,972	10.5%	3,285	11.7%	313	10.5%
75 & Over	1,748	6.1%	1,873	6.6%	2,065	7.4%	192	10.3%
Total	28,473	100.0%	28,234	100.0%	28,046	100.0%	-188	-0.7%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, over 52% of the population is expected to be between 25 and 64 years old in 2016. This age group is the primary group of current and potential renters for the subject site and likely represents a significant number of the tenants.

c. Elderly and Non-Elderly Population

The subject project is not age-restricted; therefore, all persons with appropriate incomes will be eligible to live at the subject development. As a result, we have not included an analysis of the PMA’s senior and non-senior population.

d. Special Needs Population

The subject project will not offer special needs units. Therefore, we have not provided any population data regarding special needs populations.

e. Minority Concentrations

The following table compares the concentration of minorities in the state of South Carolina to the site Census Tract.

Minority Group	Statewide Share	Equal To or Greater Than	Site Census Tract Share
Total Minority Population	33.8%	33.8% + 20.0% = 53.8%	51.9%
Black or African American	27.9%	27.9% + 20.0% = 47.9%	48.0%
American Indian and Alaska Native	0.4%	0.4% + 20.0% = 20.4%	0.2%
Asian	1.3%	1.3% + 20.0% = 21.3%	0.2%
Native Hawaiian and Other Pacific Islander	0.1%	0.1% + 20.0% = 20.1%	0.0%
Hispanic or Latino	5.1%	5.1% + 20.0% = 25.1%	2.3%

Source: U.S. Census Bureau, 2010 Census

Based on the data in the preceding table, the site Census Tract does contain a high share of minorities. However, based on Table B25074 of the American Community Survey (ACS) 2011-2015 5-year estimates, over 40% of households residing in the site Census Tract are considered to be rent overburdened. Combined with the fact that all affordable developments within the market are 100.0% occupied, most of which maintain wait lists, low-income renter households within the subject site's Census Tract are in need of good quality affordable rental housing and currently have no other alternative. The subject project will continue to accommodate a portion of this unmet demand.

2. HOUSEHOLD TRENDS

a. Total Households

Household trends within the Darlington Site PMA are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2016 (Estimated)	2019 (Projected)
Households	10,620	11,005	11,067	11,031
Household Change	-	385	62	-36
Percent Change	-	3.6%	0.6%	-0.3%
Household Size	2.60	2.59	2.50	2.49

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Similar to population trends, households within the market have been generally stable since 2000. These trends are projected to remain stable through 2019.

b. Households by Tenure

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2016 (Estimated)		2019 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	7,585	68.9%	7,428	67.1%	7,414	67.2%
Renter-Occupied	3,420	31.1%	3,639	32.9%	3,617	32.8%
Total	11,005	100.0%	11,067	100.0%	11,031	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2016, homeowners occupied 67.1% of all occupied housing units, while the remaining 32.9% were occupied by renters. The share of renters is considered typical for a rural market, such as the Darlington Site PMA, and the 3,639 renter households in 2016 represent a good base of current and potential support in the market for the subject development.

c. Households by Income

The distribution of households by income within the Darlington Site PMA is summarized as follows:

Household Income	2010 (Census)		2016 (Estimated)		2019 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$15,000	2,359	21.4%	2,151	19.4%	2,197	19.9%
\$15,000 to \$24,999	1,470	13.4%	1,624	14.7%	1,690	15.3%
\$25,000 to \$34,999	1,745	15.9%	1,465	13.2%	1,423	12.9%
\$35,000 to \$49,999	1,891	17.2%	1,693	15.3%	1,605	14.6%
\$50,000 to \$74,999	1,924	17.5%	1,937	17.5%	1,880	17.0%
\$75,000 to \$99,999	878	8.0%	1,027	9.3%	1,026	9.3%
\$100,000 to \$149,999	434	3.9%	750	6.8%	778	7.1%
\$150,000 to \$199,999	186	1.7%	195	1.8%	204	1.8%
\$200,000 & Over	119	1.1%	225	2.0%	228	2.1%
Total	11,006	100.0%	11,067	100.0%	11,031	100.0%
Median Income	\$34,593		\$37,600		\$36,924	

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2010, the median household income was \$34,593. This increased by 8.7% to \$37,600 in 2016. By 2019, it is projected that the median household income will be \$36,924, a decline of 1.8% from 2016.

d. Average Household Size

Information regarding average household size is considered in 2. a. *Total Households* of this section.

e. Households by Income by Tenure

The following tables illustrate renter household income by household size for 2010, 2016 and 2019 for the Darlington Site PMA:

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	477	291	262	190	83	1,303
\$15,000 to \$24,999	247	164	147	108	48	714
\$25,000 to \$34,999	150	117	104	75	33	479
\$35,000 to \$49,999	144	123	111	80	35	493
\$50,000 to \$74,999	65	65	58	43	16	247
\$75,000 to \$99,999	40	37	33	25	9	144
\$100,000 to \$149,999	2	3	3	0	0	8
\$150,000 to \$199,999	6	6	6	3	0	21
\$200,000 & Over	3	3	3	3	0	12
Total	1,134	809	727	527	224	3,421

Source: ESRI; Urban Decision Group



Renter Households	2016 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	381	368	193	143	73	1,158
\$15,000 to \$24,999	303	269	142	105	53	872
\$25,000 to \$34,999	178	176	92	68	37	551
\$35,000 to \$49,999	167	179	94	68	36	544
\$50,000 to \$74,999	98	115	61	44	24	342
\$75,000 to \$99,999	32	37	20	14	6	109
\$100,000 to \$149,999	11	14	6	6	2	39
\$150,000 to \$199,999	3	4	2	1	0	10
\$200,000 & Over	4	5	3	1	0	13
Total	1,177	1,167	613	450	231	3,638

Source: ESRI; Urban Decision Group

Renter Households	2019 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	371	358	189	139	72	1,129
\$15,000 to \$24,999	352	308	162	120	63	1,005
\$25,000 to \$34,999	160	165	87	64	33	509
\$35,000 to \$49,999	163	180	95	69	36	542
\$50,000 to \$74,999	78	93	50	36	18	274
\$75,000 to \$99,999	31	37	19	13	5	105
\$100,000 to \$149,999	10	13	6	5	1	35
\$150,000 to \$199,999	3	3	1	1	0	9
\$200,000 & Over	3	4	2	1	0	9
Total	1,170	1,160	610	448	228	3,616

Source: ESRI; Urban Decision Group

Demographic Summary

Nearly one-third of the market is occupied by renter households. Overall, population and household trends have generally been stable since 2000 and are projected to remain stable through 2019. Regardless, the 3,638 renter households in 2016 represent a good base of current and potential support in the market for the subject development. As discussed later in Section H of this report, all LIHTC communities in the market are 100.0% occupied. This indicates that there is pent-up demand for such housing and the continuing need for additional affordable housing options within the Site PMA, particularly when factoring in rent overburdened households or those living in substandard housing.

G. Project-Specific Demand Analysis

1. INCOME RESTRICTIONS

The number of income-eligible households necessary to support the project from the Site PMA is an important consideration in evaluating the subject project's potential.

Under the Low-Income Housing Tax Credit (LIHTC) program, household eligibility is based on household income not exceeding the targeted percentage of Area Median Household Income (AMHI), depending upon household size.

The subject site is within the Darlington County, South Carolina HUD Metro FMR Area, which has a four-person median household income of \$40,800 for 2016. The project location, however, is eligible for the National Non-Metropolitan Income and Rent Floor adjustment. Therefore, the income restrictions for the subject project are based on the national non-metropolitan four-person median household income of \$53,300 in 2016. The subject property will be restricted to households with incomes up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size and targeted income level:

Household Size	Maximum Allowable Income	
	50%	60%
One-Person	\$18,650	\$22,380
Two-Person	\$21,300	\$25,560
Three-Person	\$24,000	\$28,800
Four-Person	\$26,650	\$31,980
Five-Person	\$28,800	\$34,560

The largest subject units (three-bedroom) at the subject site are expected to continue to house up to five-person households. As such, the maximum allowable income at the subject site is **\$34,560**.

2. AFFORDABILITY

Leasing industry standards typically require households to have rent-to-income ratios of 25% to 30%. Pursuant to SCSHFDA market study guidelines, the maximum rent-to-income ratio permitted for a family project is 35% and for a senior project is 40%.

The proposed LIHTC units will have a lowest gross rent of \$600. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$7,200. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of **\$20,571**.

Considering that the subject project will continue to offer a project-based subsidy on all 50 units post LIHTC renovations, it will continue to serve households with little or no income. Therefore, we used \$0 as the minimum income requirement for the subject's Section 8 units.

Based on the preceding analyses, the income-appropriate ranges required to live at the renovated subject project are illustrated in the following table. Note that income ranges have been provided for the subject project to operate with a project-based subsidy as proposed, as well as in the unlikely event the subject project lost its subsidy and operated exclusively under the Tax Credit program.

Unit Type	Income Range	
	Minimum	Maximum
Section 8 (Limited To 50% AMHI)	\$0	\$28,800
Tax Credit (Limited To 50% AMHI)	\$20,571	\$28,800
Tax Credit (Limited to 60% AMHI)	\$24,686	\$34,560

3. DEMAND COMPONENTS

The following are the demand components as outlined by the South Carolina State Housing Finance and Development Authority:

- a. **Demand for New Households.** *New units required in the market area due to projected household growth should be determined using 2016 Census data estimates and projecting forward to the anticipated placed-in-service date of the project (2019) using a growth rate established from a reputable source such as ESRI. The population projected must be limited to the age and income cohort and the demand for each income group targeted (i.e. 50% of median income) must be shown separately.*

In instances where a significant number (more than 20%) of proposed rental units are comprised of three- and/or four-bedroom units, analysts must conduct the required capture rate analysis, followed by an additional refined overall capture rate analysis for the proposed three- and/or four-bedroom units by considering only the number of large households (generally three- or four+-persons). A demand analysis which does not consider both the overall capture rate and the additional refined larger-households analysis may not accurately illustrate the demographic support base.

- b. **Demand from Existing Households:** *The second source of demand should be determined using 2000 and 2010 Census data (as available), ACS 5 year estimates or demographic estimates provided by reputable companies. All data in tables should be projected from the same source:*

- 1) **Rent overburdened households, if any, within the age group, income cohorts and tenure (renters) targeted for the subject development.** *In order to achieve consistency in methodology, all analysts should assume that the rent-overburdened analysis includes households paying greater than 35%, or in the case of elderly 40%, of their gross income toward gross rent rather than some greater percentage. If an analyst feels strongly that the rent-overburdened analysis should focus on a greater percentage, they must give an in-depth explanation why this assumption should be included. Any such additional indicators should be calculated separately and be easily added or subtracted from the required demand analysis.*

Based on Table B25074 of the American Community Survey (ACS) 2011-2015 5-year estimates, approximately 27.3% to 56.9% (depending upon the targeted income level) of renter households within the market were rent overburdened. These households have been included in our demand analysis.

- 2) **Households living in substandard housing (units that lack complete plumbing or those that are overcrowded).** *Households in substandard housing should be adjusted for age, income bands and tenure that apply. The analyst should use their own knowledge of the market area and project to determine if households from substandard housing would be a realistic source of demand. The market analyst is encouraged to be conservative in their estimate of demand from both households that are rent-overburdened and/or living in substandard housing.*

Based on the 2015 ACS 5-Year Estimates Table B25016, 2.9% of all households within the market were living in substandard housing (lacking complete indoor plumbing and overcrowded households/1+ persons per room).

- 3) **Elderly Homeowners likely to convert to rentership:** *The Authority recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly Tax Credit housing. A narrative of the steps taken to arrive at this demand figure should be included. The elderly homeowner conversion demand component shall not account for more than 20% of the total demand.*

The subject project is not age-restricted, thus we have not considered elderly homeowner conversion in our demand estimates.

- 4) **Other:** *Please note, the Authority does not, in general, consider household turnover rates other than those of elderly to be an accurate determination of market demand. However, if an analyst firmly believes that demand exists which is not being captured by the above methods, she/he may be allowed to consider this information in their analysis. The analyst may also use other indicators to estimate demand if they can be fully justified (e.g. an analysis of an under-built or over-built market in the base year). Any such additional indicators should be calculated separately and be easily added or subtracted from the demand analysis described above.*

4. **METHODOLOGY**

Please note that the Authority's stabilized level of occupancy is 93.0%

- a. **Demand:** The two overall demand components (3a and 3b) added together represent total demand for the project.
- b. **Supply:** Comparable/competitive units funded, under construction, or placed in service since 2016 must be subtracted to calculate net demand. Vacancies in projects placed in service prior to 2016 which have not reach stabilized occupancy must also be considered as part of the supply.
- c. **Capture Rates:** Capture rates must be calculated for each targeted income group and each bedroom size proposed as well as for the project overall.
- d. **Absorption Rates:** The absorption rate determination should consider such factors as the overall estimate of new renter household growth, the available supply of comparable/competitive units, observed trends in absorption of comparable/competitive units, and the availability of subsidies and rent specials.

5. **DEMAND/CAPTURE RATE CALCULATIONS**

Within the Site PMA, there are no affordable housing projects that were funded and/or built during the projection period (2016 to current). We did not identify any projects that were placed in service prior to 2016 that have not reached a stabilized occupancy. As such, no units were included in the following demand estimates.

The table on the following page is a summary of our demand calculations.

Demand Component	Percent Of Median Household Income			
	As Proposed w/Subsidy (\$0-\$28,800)	Tax Credit Only (Without Subsidy)		
		50% AMHI (\$20,571-\$28,800)	60% AMHI (\$24,686-\$34,560)	Overall (\$20,571-\$34,560)
Demand From New Renter Households (Income-Appropriate)	2,327 - 2,239 = 88	638 - 596 = 42	518 - 554 = -36	931 - 913 = 18
+				
Demand From Existing Households (Rent Overburdened)	2,239 X 56.9% = 1,274	596 X 27.3% = 163	554 X 27.3% = 151	913 X 27.3% = 249
+				
Demand From Existing Households (Renters In Substandard Housing)	2,239 X 2.9% = 66	596 X 2.9% = 18	554 X 2.9% = 16	913 X 2.9% = 27
+				
Demand From Existing Households (Senior Homeowner Conversion)	N/A	N/A	N/A	N/A
=				
Total Demand	1,428	223	131	294
-				
Supply (Directly Comparable Units Built And/Or Funded Since 2016)	0	0	0	0
=				
Net Demand	1,428	223	131	294
Subject Units	50	11	39	50
Subject Units/ Net Demand	50 / 1,428	11 / 223	39 / 131	50 / 294
Capture Rate	= 3.5%	= 4.9%	= 29.8%	= 17.0%

N/A - Not Applicable

Typically under this methodology, capture rates below 30.0% are acceptable, while capture rates under 20.0% are ideal. As such, the capture rate of 3.5% for the subject project as proposed with the retention of a project-based subsidy is considered low and easily achievable. In the unlikely event that the subject project would ever lose its project-based subsidy and operated solely under the LIHTC program, the capture rate would increase to 17.0%. This illustrates that sufficient demographic support exists for the subject project in this unlikely scenario. Regardless, the subject project will continue to operate with a subsidy and is 100.0% occupied. Therefore, the effective capture rate is 0.0%.

Based on the distribution of persons per household and the share of rental units in the market, we estimate the share of demand by bedroom type within the Site PMA as follows:

Estimated Demand By Bedroom	
Bedroom Type	Percent
One-Bedroom	25.0%
Two-Bedroom	50.0%
Three-Bedroom	25.0%
Total	100.0%

Applying the preceding shares to the income-qualified households yields demand and capture rates of the subject units by bedroom type as illustrated in the following tables:

As Proposed with Subsidy

Units Targeting 50% Of AMHI with Section 8 (1,428 Units Of Demand)					
Bedroom Size (Share Of Demand)	Total Demand	Supply*	Net Demand By Bedroom Type	Subject Units	Capture Rate By Bedroom Type
One-Bedroom (25%)	357	0	357	-	-
Two-Bedroom (50%)	714	0	714	24	3.4%
Three-Bedroom (25%)	357	0	357	26	7.3%

*Directly comparable units built and/or funded in the project market over the projection period.

LIHTC-Only

Units Targeting 50% Of AMHI Tax Credit Only (223 Units Of Demand)					
Bedroom Size (Share Of Demand)	Total Demand	Supply*	Net Demand By Bedroom Type	Subject Units	Capture Rate By Bedroom Type
One-Bedroom (25%)	56	0	56	-	-
Two-Bedroom (50%)	111	0	111	5	4.5%
Three-Bedroom (25%)	56	0	56	6	10.7%

*Directly comparable units built and/or funded in the project market over the projection period.

Units Targeting 60% Of AMHI Tax Credit Only (131 Units Of Demand)					
Bedroom Size (Share Of Demand)	Total Demand	Supply*	Net Demand By Bedroom Type	Subject Units	Capture Rate By Bedroom Type
One-Bedroom (25%)	33	0	33	-	-
Two-Bedroom (50%)	65	0	65	19	29.2%
Three-Bedroom (25%)	33	0	33	20	60.6%

*Directly comparable units built and/or funded in the project market over the projection period.

Capture rates by bedroom type for each scenario range from 3.4% to 60.6%. While the capture rates for the units as proposed with a subsidy are considered low and easily achievable, ranging from 3.4% to 7.3%, the capture rates by bedroom type for the units without a subsidy set aside at 60% AMHI are considered relatively high. Regardless, as previously stated, the subject project is expected to retain its subsidy and is 100.0% occupied. Additionally, all tenants are anticipated to income-qualify post renovations. Therefore, the effective capture rate is 0.0% for each bedroom type.

Considering that the subject project offers 26 three-bedroom units, which comprise 52.0% of all subject units offered, the analysis on the following page has been conducted to consider only large-households (three-person+) and the subject's three-bedroom units.

Demand Component	Percent Of Median Household Income			
	As Proposed w/Subsidy (\$0-\$28,800)	Tax Credit Only (Without Subsidy)		
		50% AMHI (\$23,760-\$28,800)	60% AMHI (\$28,491-\$34,560)	Overall (\$23,760-\$34,560)
Demand From New Larger Renter Households (Age- And Income-Appropriate)	814 - 784 = 30	113 - 112 = 1	112 - 119 = -7	219 - 225 = -6
+				
Demand From Existing Households (Rent Overburdened)	784 X 56.9% = 446	112 X 27.3% = 31	119 X 27.3% = 32	225 X 27.3% = 61
+				
Demand From Existing Households (Renters In Substandard Housing)	784 X 2.9% = 23	112 X 2.9% = 3	119 X 2.9% = 3	225 X 2.9% = 7
=				
Total Large Household Demand	499	35	28	62
-				
Supply (Directly Comparable (Three-Br.+) Units Built And/Or Funded Since 2016)	0	0	0	0
=				
Net Large Household Demand	499	35	28	62
Subject (Three-Br.+) Units	26	6	20	26
Subject (Three-Br.+) Units/ Net Large Household Demand	26 / 499	6 / 35	20 / 28	26 / 62
Large-Household Capture Rate	= 5.2%	= 17.1%	= 71.4%	= 41.9%

N/A - Not Applicable

The capture rate for the subject's three-bedroom units as proposed with the retention of the project-based subsidy of 5.2% is considered low and easily achievable when considering larger (three-person+) household sizes. This is further illustrated by the subject's 100.0% occupancy rate. Conversely, the Tax Credit only overall capture rate of 41.9% for such units is considered moderate. Regardless, the subject project is expected to retain its subsidy and all tenants are anticipated to income-qualify post renovations. Therefore, the effective capture rate is 0.0%. It is important to note that the net demand for the subject's three-bedroom units in the preceding table differs from the net demand by bedroom type on the preceding page. The analysis in the preceding table considers all larger household sizes that will income-qualify to reside at the subject's three-bedroom units, regardless of bedroom type preference.

6. ABSORPTION PROJECTIONS

All 50 of the subject units are occupied with the project maintaining an 11-household waiting list. It is important to note that the renovations at the subject site will not necessitate the displacement of current residents. As a result, it is anticipated that none or very few of the current tenants will move from the project during or following renovations. Therefore, few if any of the subject units will have to be re-rented immediately following renovations. However, for the purposes of this analysis, we assume that all 50 subject units will be vacated and that all units will have to be re-rented under the Section 8 program. We also assume the absorption period at the site begins as soon as the first renovated units are available for occupancy. We also assume that initial renovated units at the site will be available for rent sometime in 2019, though the actual completion time may be earlier.

It is our opinion that the 50 units at the subject site will reach a stabilized occupancy of 93.0% within approximately four months following renovations, assuming total displacement of existing tenants. This absorption period is based on an average absorption rate of approximately 12 units per month. Our absorption projections assume that no other projects targeting a similar income group will be developed during the projection period and that the renovations will be completed as outlined in this report. These absorption projections also assume that the subsidy will be maintained.

Should the Section 8 subsidy not be secured and the project had to operate exclusively under the LIHTC program, the 50 LIHTC units at the subject site would likely have an extended absorption period of beyond 12 months if all units were vacated simultaneously. Note that if the subject project were to operate exclusively under the limitations of the Tax Credit program, we do not expect all existing tenants to remain at the site, as all existing residents would likely not be able or willing to pay the rent increase based on the current project's rent roll provided by management.

In reality, the absorption period for this project will be less than one month, as most tenants are expected to remain at the project and continue to pay up to 30% of their adjusted gross income towards housing costs.

H. Rental Housing Analysis (Supply)

1. COMPETITIVE DEVELOPMENTS

We identified and surveyed three non-subsidized Low-Income Housing Tax Credit (LIHTC) properties within the Darlington Site PMA. These properties target households with income of up to 50% and 60% of Area Median Household Income (AMHI); therefore, they are considered comparable properties. These three LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address, phone number, contact name and utility responsibility is included in the Field Survey of Conventional Rentals.

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Brockington Heights Apartments	1970 / 2018	50	100.0%	-	11 H.H.	Families; 50% & 60% AMHI & Section 8
2	Autumn Run	2004	40	100.0%	1.6 Miles	3 H.H.	Families; 50% & 60% AMHI
3	Darlington Lofts	2007	28	100.0%	1.6 Miles	10 H.H.	Families; 50% & 60% AMHI
6	Pecan Grove	2007	32	100.0%	2.0 Miles	5 H.H.	Families; 50% & 60% AMHI

OCC. – Occupancy

H.H. - Households

The three LIHTC projects have a combined occupancy rate of 100.0%, all of which maintain wait lists. This illustrates that pent-up demand exists for additional low-income rental housing within the market.

The gross rents for the competing projects and the proposed rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Brockington Heights Apartments	-	\$600/50% (5) \$720/60% (19)	\$693/50% (6) \$831/60% (20)	-
2	Autumn Run	-	\$588-\$634/50% (18/0) \$756/60% (10/0)	\$688/50% (6/0) \$881/60% (6/0)	None
3	Darlington Lofts	\$466/50% (9/0) \$522/60% (6/0)	\$609/50% (8/0) \$613/60% (4/0)	\$722/60% (1/0)	None
6	Pecan Grove	\$466/50% (6/0) \$538/60% (6/0)	\$540-\$590/50% (8/0) \$610/60% (7/0)	\$609-\$664/50% (2/0) \$698/60% (3/0)	None

The proposed subject gross rents, ranging from \$600 to \$831, will be generally within the range of LIHTC rents offered in the market. However, it is important to note that the subject project, although renovated, will continue to be significantly older than the comparable LIHTC projects, offering some of the smallest unit sizes (square feet and number of bathrooms offered) and an inferior amenities package (as illustrated later in this section of the report). As such, it is likely that the proposed rents at 60% AMHI will need to be lowered to levels below the 60% AMHI LIHTC rents offered at the newest comparable LIHTC projects to better compete within the market. Regardless, the subject project will continue to offer a subsidy on all units, requiring residents to pay up to 30% of their gross adjusted income towards housing costs. As such, the subject units will continue to represent substantial values to low-income renters within the market.

The following table identifies the comparable LIHTC properties that accept Housing Choice Vouchers, as well as the approximate number of units occupied by residents utilizing Housing Choice Vouchers:

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
2	Autumn Run	40	8	20.0%
3	Darlington Lofts	28	4	14.3%
6	Pecan Grove	32	6	18.8%
Total		100	18	18.0%

As the preceding table illustrates, there are a total of approximately 18 units that are occupied by Voucher holders among the three comparable LIHTC projects in the market. The 18 units occupied by Voucher holders comprise 18.0% of these comparable units. This illustrates over 80% of the comparable Tax Credit units in the market are occupied by tenants which are not currently receiving rental assistance. Therefore, the gross rents charged at the aforementioned LIHTC projects are achievable.

One-page summary sheets, including property photographs of each comparable Tax Credit property, are included on the following pages.



2

Autumn Run

1.6 miles to site



Address 405 Wells St.
Darlington, SC 29532

Phone (843) 398-1981 **Contact** Mary

Total Units 40 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Tax Credit

Year Open 2004 **Floors** 2

Concessions No Rent Specials

Parking Surface Parking

Waiting List 3 households

Quality Rating B+ **Neighborhood Rating** B

Remarks 50% & 60% AMHI; HCV (8 units); HOME Funds (20 units)



Features and Utilities

Utilities No landlord paid utilities

Unit Amenities Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Ceiling Fan, Blinds

Project Amenities On-site Management, Laundry Facility, Meeting Room, Playground, CCTV

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
2	1	G	10	0	850	\$0.68	\$574	60%
2	1	G	4	0	850	\$0.53	\$452	50%
2	1	G	14	0	850	\$0.48	\$406	50%
3	2	G	6	0	1000	\$0.65	\$649	60%
3	2	G	6	0	1000	\$0.46	\$456	50%

3 Darlington Lofts

1.6 miles to site



Address	107 Orange St. Darlington, SC 29532		
Phone	(843) 409-9094	Contact	Helen
Total Units	28	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2007	Floors	1,2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	10 households		
Quality Rating	B+	Neighborhood Rating	A
Remarks	50% & 60% AMHI; HCV (4 units); HOME Funds (Nine 1-br units); Adaptive reuse of historic building, built in 1900; Square footage estimated		



Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	On-site Management, Laundry Facility, Meeting Room, Computer Lab

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	6	0	600	\$0.74	\$445	60%
1	1	G	9	0	600	\$0.65	\$389	50%
2	2	G	4	0	820	\$0.63	\$514	60%
2	2	G	8	0	820	\$0.62	\$510	50%
3	2	G	1	0	1100	\$0.54	\$599	60%

6 Pecan Grove

2.0 miles to site



Address	1218 S. Main St. Darlington, SC 29532		
Phone	(843) 393-3009	Contact	Helen
Total Units	32	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2007	Floors	1
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	5 households		
Quality Rating	A	Neighborhood Rating	B
Remarks	50% & 60% AMHI; HCV (6 units); HOME Funds (7 units); Square footage estimated by mgmt.		

Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	On-site Management, Laundry Facility, Meeting Room, Fitness Center, Playground, Computer Lab, Picnic Area

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	2	0	570	\$0.68	\$389	50%
1	1	G	6	0	570	\$0.81	\$461	60%
1	1	G	4	0	570	\$0.68	\$389	50%
2	2	G	4	0	700	\$0.63	\$441	50%
2	2	G	7	0	700	\$0.73	\$511	60%
2	2	G	4	0	700	\$0.70	\$491	50%
3	2	G	1	0	837	\$0.58	\$486	50%
3	2	G	3	0	837	\$0.69	\$575	60%
3	2	G	1	0	837	\$0.65	\$541	50%

The unit sizes (square footage) and number of bathrooms included in each of the different LIHTC unit types offered in the market are compared with the subject development in the following table:

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Brockington Heights Apartments	-	811-826	962-984
2	Autumn Run	-	850	1,000
3	Darlington Lofts	600	820	1,100
6	Pecan Grove	570	700	837

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Brockington Heights Apartments	-	1.0	1.0
2	Autumn Run	-	1.0	2.0
3	Darlington Lofts	1.0	2.0	2.0
6	Pecan Grove	1.0	2.0	2.0

The subject's unit sizes (square feet and number of bathrooms offered), will continue to be some of the smallest LIHTC unit sizes offered in the market. Nonetheless, this has not had an adverse impact on its marketability, as evidenced by its 100.0% occupancy rate and wait list.

The following tables compare the amenities of the subject development with the other LIHTC projects in the market.



COMPARABLE PROPERTIES AMENITIES - DARLINGTON, SE

MAP ID	APPLIANCES							UNIT AMENITIES											
	RANGE	REFRIGERATOR	ICEMAKER	DISHWASHER	DISPOSAL	MICROWAVE	CENTRAL AC	WINDOW AC	FLOOR COVERING	WASHER AND DRYER	W/D HOOKUP	PATIO/DECK/BALCONY	CEILING FAN	BASEMENT	INTERCOM	SECURITY	WINDOW TREATMENTS	E-CALL BUTTONS	PARKING
SITE	X	X		X			X		>							B		S	
2	X	X	X	X	X	X	X		C		X					B		S	
3	X	X	X	X	X	X	X		C		X	S	X			B		S	
6	X	X	X	X	X	X	X		C		X	X	X			B		S	

MAP ID	PROJECT AMENITIES																OTHER		
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE	COMPUTER LAB	LIBRARY	PICNIC AREA		SOCIAL SERVICES	BUSINESS CENTER
SITE		X	X		X		X									X			Security Camera System
2		X	X		X		X												CCTV
3		X	X		X								X						
6		X	X		A	X	X						X		X				

◆ Senior Restricted
■ Market-rate
■ Market-rate/Tax Credit
■ Market-rate/Government-subsidized
■ Market-rate/Tax Credit/Government-subsidized
■ Tax Credit
■ Tax Credit/Government-subsidized
■ Government-subsidized

X - All Units
S - Some Units
O - Optional

Window Treatments
B - Blinds
C - Curtains
D - Drapes

Parking
A - Attached
C - Carport
D - Detached
O - On Street
S - Surface
G - Parking Garage
(o) - Optional
(s) - Some

Sports Courts
B - Basketball
D - Baseball Diamonds
P - Putting Green
T - Tennis
V - Volleyball
X - Multiple

Floor Covering
C - Carpet
H - Hardwood
V - Vinyl
W - Wood
T - Tile

Community Space
A - Activity Room
L - Lounge/Gathering Room
T - Training Room

Once renovations are complete and additions are made, the subject's amenity package will be inferior than those offered at the comparable LIHTC developments within the market. In terms of unit amenities, the subject development will be the only LIHTC project to not offer microwave ovens and garbage disposals, and one of two to not offer a patio/balcony. Regarding project amenities, the subject project will be one of two to not include a computer center. Nonetheless, the lack of the aforementioned amenities has not had an adverse impact on the subject's marketability, as evidenced by its 100.0% occupancy rate and wait list.

Based on our analysis of the unit sizes (square footage), amenities, location, quality and occupancy rates of the existing low-income properties within the market, it is our opinion that the subject development will continue to be marketable, assuming the project-based subsidy is offered post LIHTC renovations as proposed. In the unlikely event the subject project were to not offer a subsidy and exclusively operate as a LIHTC project, the rents set aside at 60% AMHI will need to be lowered to levels below those offered at the newest comparable LIHTC projects in order to better compete within the Darlington Site PMA. This has been considered in our absorption estimates.

2. COMPARABLE TAX CREDIT PROPERTIES MAP

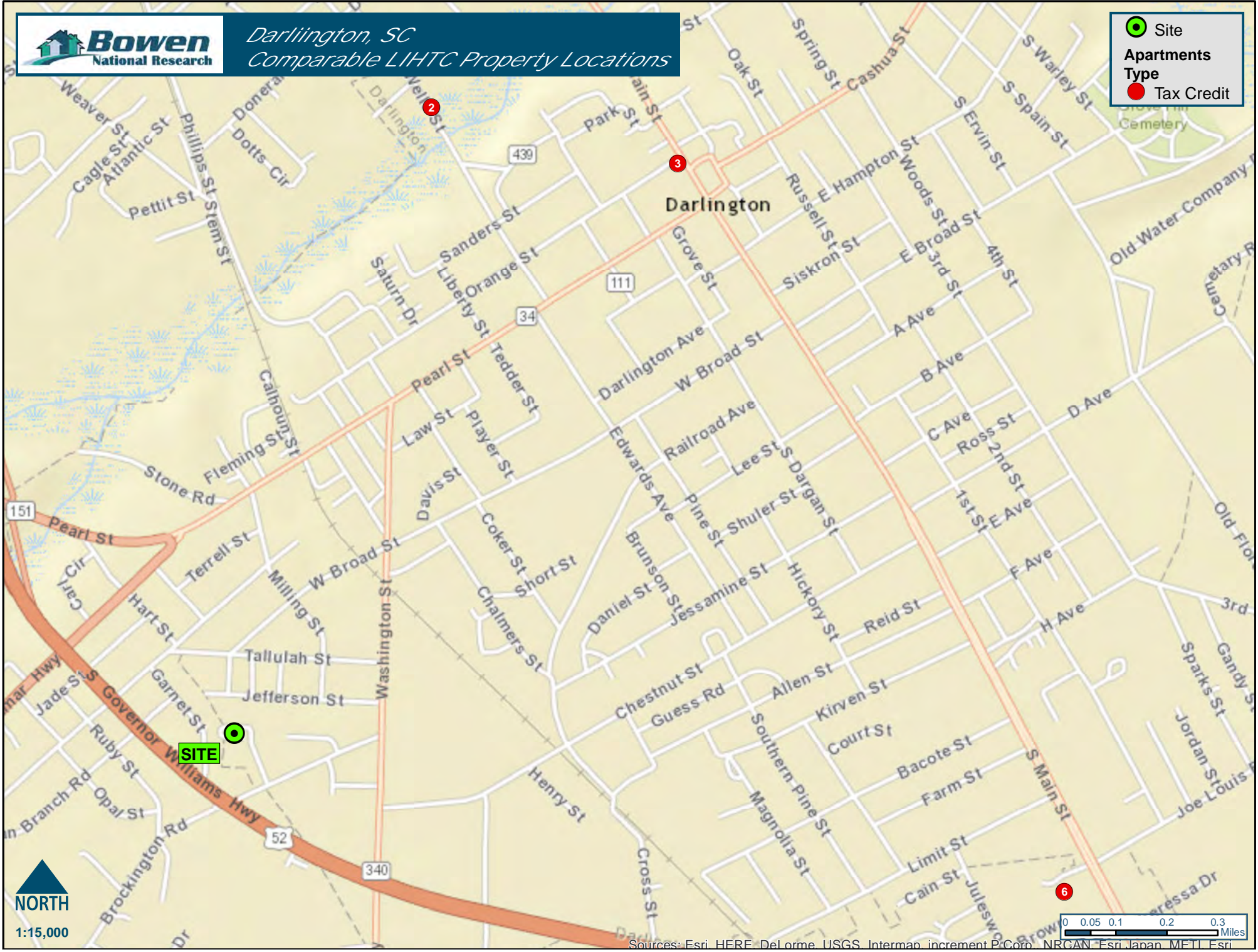
A map illustrating the location of the comparable LIHTC properties we surveyed is on the following page.



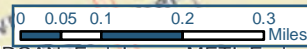
Darlington, SC

Comparable LIHTC Property Locations

- Site
- Apartments
- Tax Credit



NORTH
1:15,000



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P, Corp., NRCAN, Esri, Japan, METI, Esri

3. RENTAL HOUSING OVERVIEW

The distributions of the area housing stock within the Darlington Site PMA in 2010 and 2016 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2016 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	11,005	88.8%	11,067	88.5%
Owner-Occupied	7,585	68.9%	7,428	67.1%
Renter-Occupied	3,420	31.1%	3,639	32.9%
Vacant	1,394	11.2%	1,444	11.5%
Total	12,399	100.0%	12,511	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Based on a 2016 update of the 2010 Census, of the 12,511 total housing units in the market, 11.5% were vacant. In 2016, it was estimated that homeowners occupied 67.1% of all occupied housing units, while the remaining 32.9% were occupied by renters. The share of renters is considered typical for a rural market, such as the Darlington Site PMA, and the 3,639 renter households in 2016 represent a good base of current and potential renters in the market for the subject project.

We identified and personally surveyed 11 conventional housing projects containing a total of 433 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 100.0%, a very strong rate for rental housing.

The following table summarizes project types identified in the Site PMA:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	2	23	0	100.0%
Tax Credit	3	100	0	100.0%
Tax Credit/Government-Subsidized	1	72	0	100.0%
Government-Subsidized	5	238	0	100.0%
Total	11	433	0	100.0%

As noted in the preceding table, all rental properties identified and surveyed in the market are 100.0% occupied, nearly all of which maintain wait lists. This illustrates that pent-up demand exists for all types of rental housing within the Darlington Site PMA.

A complete list of all properties surveyed is included in Addendum A, Field Survey of Conventional Rentals.

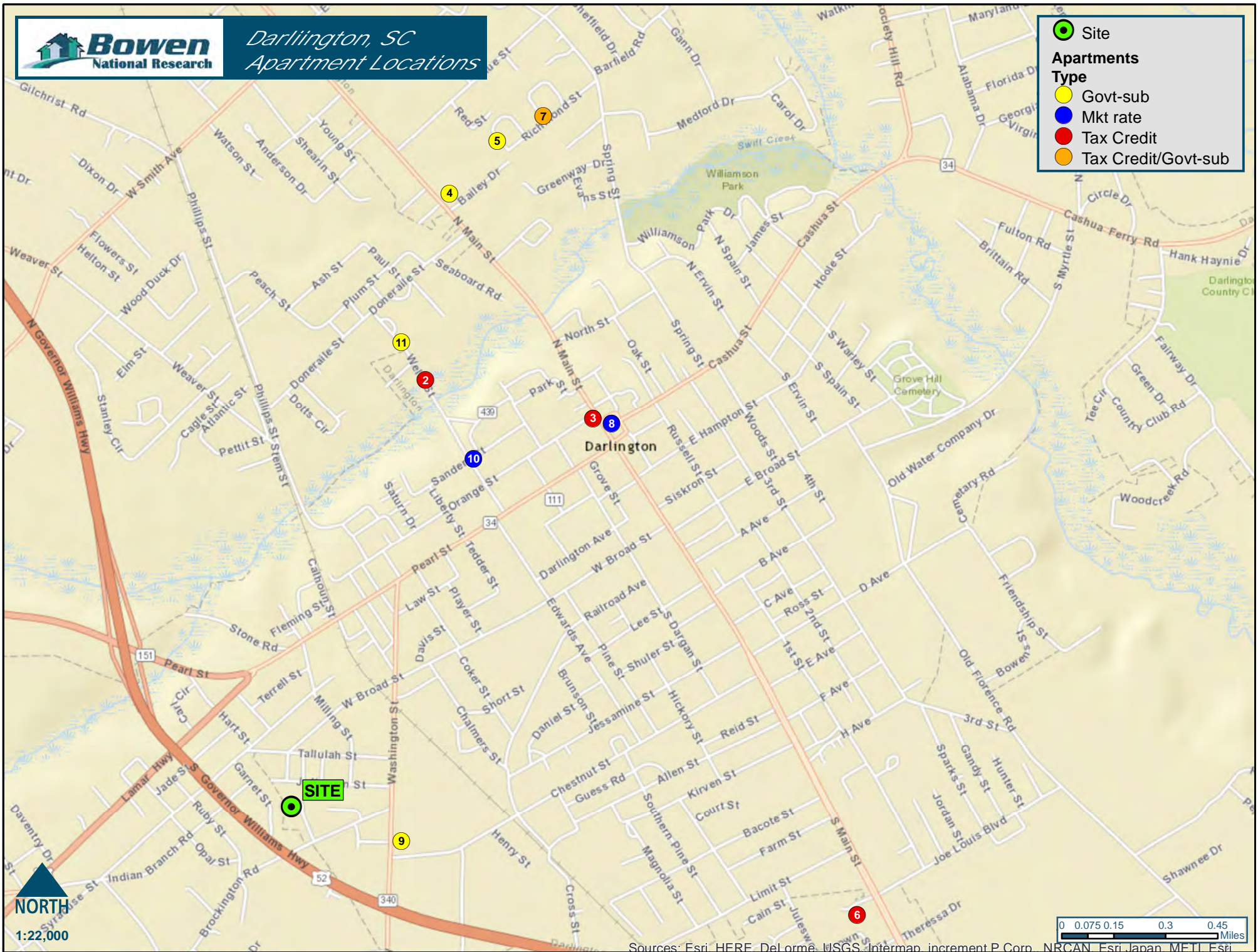
4. RENTAL HOUSING INVENTORY MAP

A map identifying the location of all properties surveyed within the Darlington Site PMA is on the following page.



Darlington, SC Apartment Locations

- Site
- Apartments Type**
- Govt-sub
- Mkt rate
- Tax Credit
- Tax Credit/Govt-sub



NORTH
1:22,000

5. & 6. PLANNED AND PROPOSED DEVELOPMENTS

Based on our interviews with planning representatives, it was determined that there is one rental housing project/rehab planned within the Site PMA. This planned development is summarized as follows:

- A vacant apartment building located at 710 Cashua Street in Darlington is in the beginning stages of being renovated into 30 market-rate apartments. Additional information regarding this project was unavailable at the time of our research.

Considering that the aforementioned project will be a market-rate development, it will have no tangible impact on the continued marketability of the subject project.

7. MARKET RENT ADVANTAGE

We identified and surveyed one market-rate property within the Darlington Site PMA that we consider comparable to the subject project. Due to the lack of market-rate product within the market, we identified four additional market-rate projects outside of the market, but within the region in Florence. These selected properties are used to derive market rent for a project with characteristics similar to the subject development. It is important to note that for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the subject units without maximum income and rent restrictions.

The basis for the selection of these projects includes, but is not limited to, the following factors:

- Surrounding neighborhood characteristics
- Target market (seniors, families, disabled, etc.)
- Unit types offered (garden or townhouse, bedroom types, etc.)
- Building type (single-story, mid-rise, high-rise, etc.)
- Unit and project amenities offered
- Age and appearance of property

Since it is unlikely that any two properties are identical, we adjust the collected rent (the actual rent paid by tenants) of the selected properties according to whether or not they compare favorably with the subject development. Rents of projects that have additional or better features than the subject site are adjusted negatively, while projects with inferior or fewer features are adjusted positively. For example, if the subject project does not have a washer and dryer and a selected property does, we lower the collected rent of the selected property by the estimated value of a washer and dryer so that we may derive a *market rent advantage* for a project similar to the subject project.

The rent adjustments used in this analysis are based on various sources, including known charges for additional features within the Site PMA, estimates made by area property managers and realtors, quoted rental rates from furniture rental companies and the prior experience of Bowen National Research in markets nationwide.

The subject development and the five selected properties include the following:

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	Brockington Heights Apartments	1970 / 2018	50	100.0%	-	24 (100.0%)	26 (100.0%)
10	121 Sanders St.	1966	16	100.0%	-	16 (100.0%)	-
901	Sedgefield	1980	272	100.0%	67 (100.0%)	160 (100.0%)	45 (100.0%)
902	Charles Pointe Apts.	2001	168	99.4%	42 (100.0%)	114 (99.1%)	12 (100.0%)
903	Bentree Apt. Homes	1982	132	100.0%	36 (100.0%)	72 (100.0%)	24 (100.0%)
904	Sterling Apts.	1974	72	100.0%	16 (100.0%)	48 (100.0%)	8 (100.0%)

Occ. – Occupancy
 900 series Map IDs located outside of Site PMA

The five selected market-rate projects have a combined total of 660 units with an overall occupancy rate of 99.8%, a very strong rate for rental housing. These high occupancy rates indicate that these projects have been well received within the market and region and will serve as accurate benchmarks with which to compare the subject development.

The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate the adjustments made (as needed) for various features and location or neighborhood characteristics, as well as quality differences that exist between the selected properties and the subject development.



Rent Comparability Grid

Unit Type →

TWO BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Brockington Heights Apartments		121 Sanders St.		Sedgefield		Charles Pointe Apts.		Bentree Apt. Homes		Sterling Apts.	
201 Saleeby Loop		121 Sanders St.		1300 Valparaiso Dr.		201 Millstone Rd.		200 Bentree Ln.		1100 S. Mayfair Ter.	
Darlington, SC		Darlington, SC		Florence, SC		Florence, SC		Florence, SC		Florence, SC	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$475		\$655		\$865		\$735		\$575	
2	Date Surveyed	Jan-17		Jan-17		Jan-17		Jan-17		Jan-17	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		99%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$475	0.55	\$655	0.73	\$865	0.87	\$735	0.86	\$575	0.61
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2		WU/2		WU/3		WU/2		WU/2	
7	Yr. Built/Yr. Renovated	1970/2018		1966	\$28	1980	\$14	2001	(\$7)	1982	\$12
8	Condition /Street Appeal	G		F	\$15	F	\$15	G		F	\$15
9	Neighborhood	F		F		G	(\$10)	E	(\$20)	G	(\$10)
10	Same Market?			Yes		No	(\$131)	No	(\$173)	No	(\$147)
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	1		1		2	(\$30)	1.5	(\$15)	1	
13	Unit Interior Sq. Ft.	816	(\$10)	871	(\$10)	900	(\$15)	1000	(\$33)	850	(\$6)
14	Balcony/ Patio	N		N		Y	(\$5)	Y	(\$5)	Y	(\$5)
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	N/Y	\$10	N/N	\$10	N/Y		Y/Y	(\$5)	N/Y	
18	Washer/Dryer	HU/L	\$15	N	\$15	HU/L	\$5	HU	\$5	L	\$10
19	Floor Coverings	V		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Intercom/Security System	N/N		N/N		N/N		N/N		N/N	
22	Garbage Disposal	N		N		Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fans	Y	\$5	N	\$5	Y		Y		Y	
D.	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y	\$5	N	\$5	Y		Y		Y	
26	Security Gate or Cameras	Y	\$5	N	\$5	N	\$5	N	\$5	Y	
27	Clubhouse/ Meeting Space	Y	\$5	N	\$5	N	\$5	Y		N	\$5
28	Pool/ Recreation Areas	N		N		P	(\$10)	P/F	(\$15)	P	(\$10)
29	Computer/Business Center	N		N		N		N		N	
30	Picnic Area	Y	\$3	N	\$3	N	\$3	Y		N	\$3
31	Playground	Y	\$3	N	\$3	Y		Y		N	\$3
32	Social Services	N		N		N		N		N	
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/G		N/E		N/E		N/G		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/G		N/E		N/E		N/G		N/E	
36	Hot Water (in rent?/ type)	N/G		N/E		N/E		N/G		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/ Sewer	Y/Y	\$68	N/N	\$68	N/N	\$68	N/N	\$68	Y/Y	
39	Trash /Recycling	Y/N	\$15	N/N	\$15	Y/N		Y/N		Y/N	
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	10	1	5	6	3	9	4	7	6	3
41	Sum Adjustments B to D	\$94	(\$10)	\$42	(\$176)	\$15	(\$293)	\$30	(\$198)	\$56	(\$144)
42	Sum Utility Adjustments	\$83		\$68		\$68		\$68		\$68	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$167	\$187	(\$66)	\$286	(\$210)	\$376	(\$100)	\$296	(\$88)	\$200
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$642		\$589		\$655		\$635		\$487	
45	Adj Rent/Last rent		135%		90%		76%		86%		85%
46	Estimated Market Rent	\$600		\$0.74		← Estimated Market Rent/ Sq. Ft					

Rent Comparability Grid

Unit Type →

THREE BEDROOM

<i>Subject</i>		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>		<i>Comp #5</i>	
Brockington Heights Apartments		121 Sanders St.		Sedgefield		Charles Pointe Apts.		Bentree Apt. Homes		Sterling Apts.	
201 Saleeby Loop		121 Sanders St.		1300 Valparaiso Dr.		201 Millstone Rd.		200 Bentree Ln.		1100 S. Mayfair Ter.	
Darlington, SC		Darlington, SC		Florence, SC		Florence, SC		Florence, SC		Florence, SC	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$475		\$795		\$1,020		\$840		\$675	
2	Date Surveyed	Jan-17		Jan-17		Jan-17		Jan-17		Jan-17	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$475	0.55	\$795	0.73	\$1,020	0.83	\$840	0.76	\$675	0.58
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2		WU/2		WU/3		WU/2		WU/2	
7	Yr. Built/Yr. Renovated	1970/2018		1966	\$28	1980	\$14	2001	(\$7)	1982	\$12
8	Condition /Street Appeal	G		F	\$15	F	\$15	G		G	\$15
9	Neighborhood	F		F		G	(\$10)	E	(\$20)	G	(\$10)
10	Same Market?			Yes		No	(\$159)	No	(\$204)	No	(\$168)
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	3	\$50	2	\$50	3		3		3	
12	# Baths	1		1		2	(\$30)	2	(\$30)	2	(\$30)
13	Unit Interior Sq. Ft.	964	\$16	871	\$16	1085	(\$21)	1230	(\$46)	1100	(\$24)
14	Balcony/ Patio	N		N		Y	(\$5)	Y	(\$5)	Y	(\$5)
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	N/Y	\$10	N/N	\$10	N/Y		Y/Y	(\$5)	N/Y	
18	Washer/Dryer	HU/L	\$15	N	\$15	HU/L	\$5	HU	\$5	HU/L	\$5
19	Floor Coverings	V		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Intercom/Security System	N/N		N/N		N/N		N/N		N/N	
22	Garbage Disposal	N		N		Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fans	Y	\$5	N	\$5	Y		Y		Y	
D.	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y	\$5	N	\$5	Y		Y		Y	
26	Security Gate or Cameras	Y	\$5	N	\$5	N	\$5	N	\$5	Y	\$5
27	Clubhouse/ Meeting Space	Y	\$5	N	\$5	N	\$5	Y		N	\$5
28	Pool/ Recreation Areas	N		N		P	(\$10)	P/F	(\$15)	P	(\$10)
29	Computer/Business Center	N		N		N		N		N	
30	Picnic Area	Y	\$3	N	\$3	N	\$3	Y	\$3	N	\$3
31	Playground	Y	\$3	N	\$3	Y		Y		Y	
32	Social Services	N		N		N		N		N	
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/G		N/E		N/E		N/G		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/G		N/E		N/E		N/G		N/E	
36	Hot Water (in rent?/ type)	N/G		N/E		N/E		N/G		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/ Sewer	Y/Y	\$94	N/N	\$94	N/N	\$94	N/N	\$94	Y/Y	\$94
39	Trash /Recycling	Y/N	\$15	N/N	\$15	Y/N		Y/N		Y/N	
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D			12		5	7	3	9	3	7
41	Sum Adjustments B to D			\$160		\$42	(\$240)	\$15	(\$337)	\$20	(\$252)
42	Sum Utility Adjustments			\$109		\$94		\$94		\$94	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$269	\$269	(\$104)	\$376	(\$228)	\$446	(\$138)	\$366	(\$118)	\$230
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$744		\$691		\$792		\$702		\$557	
45	Adj Rent/Last rent		157%		87%		78%		84%		82%
46	Estimated Market Rent	\$675		\$0.70		← Estimated Market Rent/ Sq. Ft					

Once all adjustments to collected rents were made, the adjusted rents for each comparable were used to derive an achievable market rent for each bedroom type. Each property was considered and weighed based upon its proximity to the subject site and its amenities and unit layout compared to the subject site. Note that the weighted average square footage was utilized to determine the subject project’s corresponding achievable market rents.

Based on the preceding Rent Comparability Grids, it was determined that the current achievable market rents for units similar to the subject development are \$600 for a two-bedroom unit and \$675 for a three-bedroom unit. Note that we have provided two market-rent advantage analyses for the purposes of this report. The first analysis compares the achievable market rent with the *average current tenant-paid rent* per subsidized bedroom type, assuming that the subsidy is retained on all units as proposed and all current tenants continue to reside at the project post LIHTC renovations. The second analysis compares the achievable market rents with the proposed Tax Credit rents in the unlikely event the subject project lost its subsidy and solely operated as a LIHTC development.

Market Rent Advantage – Current Rents

Per SCSHFDA methodology, for existing projects that offer a project-based subsidy, the subject’s market rent advantage should be calculated utilizing current tenant-paid rents to represent the “true” value the availability of the subsidy represents to low-income households, relative to comparable unrestricted market-rate product. Based on the project’s current rent roll, as illustrated in *Addendum D* of this report, the average tenant rent paid at the subject site are \$120 for a two- and \$56 for a three-bedroom unit. The following table illustrates the subject project’s market-rent advantages with the retention of the subsidy on all units:

Bedroom Type	Current Collected Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
Two-Bedroom	\$120	\$600	80.00%
Three-Bedroom	\$56	\$675	91.70%
Weighted Average			86.43%

As the preceding illustrates, the subject’s market rent advantages as proposed with the subsidy retained on all units are 80.00% and 91.70%. The weighted average market rent advantage is 86.43%, which is well above the SCSHFDA threshold of 35.0%. This demonstrates that the subject project will continue to represent a significant value within the Darlington market, which is further evident by its 100.0% occupancy rate and waiting list.



Market Rent Advantage - Proposed/Programmatic Tax Credit Rents

As previously discussed, the proposed LIHTC rents evaluated throughout this report are only effective in the unlikely event the project-based subsidy was lost. Regardless, the market rent advantages for the proposed LIHTC rents evaluated throughout this report are illustrated in the following table:

Bedroom Type	Proposed Collected Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
Two-Bedroom	\$495 (50%)	\$600	17.50%
	\$615 (60%)		-2.50%
Three-Bedroom	\$574 (50%)	\$675	14.96%
	\$712 (60%)		-5.48%
Weighted Average			0.33%

Typically, Tax Credit rents must represent at least a 10.0% market rent advantage in order to be viewed as a value within a market area. Tax Credit rents that represent a value can help to insure a steady flow of tenants that will allow the project to operate at a stabilized occupancy rate. Regardless, all 50 units at the subject project will continue to operate with a subsidy, requiring residents to pay up to 30% of their adjusted gross incomes towards housing costs. Thus, the subject project will continue to represent a substantial value to low-income renters within the Site PMA.

None of the selected properties offer the same amenities as the subject property. As a result, we have made adjustments to the collected rents to reflect the differences between the subject property and the selected properties. The following are explanations (preceded by the line reference number on the comparability grid table) for each rent adjustment made to each selected property.

1. Rents for each property are reported as collected rents. This is the actual rent paid by tenants and does not consider tenant-paid utilities. The rent reported is typical and does not consider rent concessions or special promotions.

7. Upon completion of renovations, the subject project will have an effective age of a project built in 1994. The selected properties were built between 1966 and 2001. As such, we have adjusted the rents at the selected properties by \$1 per year of effective age difference to reflect the age of these properties.



8. It is anticipated that the subject project will have a quality finished look and an attractive aesthetic appeal. We have made adjustments for those properties that we consider to have an inferior quality compared to the subject development.
9. Three of the selected properties are located in a more desirable neighborhood than the subject project. As such, we have made an adjustment to account for differences in neighborhood desirability among these projects and the subject project.
10. Four of the selected market-rate properties are located outside of the Darlington Site PMA in Florence. The Florence market is larger than Darlington in terms of population, community services and apartment selections. Given the difference in markets, the rents that are achievable in Florence will not directly translate to the Darlington market. Therefore, we have adjusted each collected rent at these comparable projects by approximately 20.0% to account for these market differences.
11. All of the selected properties have two-bedroom units. For those projects lacking three-bedroom units, we have used the two-bedroom units and made adjustments to reflect the difference in the number of bedrooms offered.
12. The number of bathrooms offered at each of the selected properties varies. We have made adjustments to reflect the difference in the number of bathrooms offered at the site and the number offered by the competitive properties.
- 13.-23. The subject project will offer a unit amenity package generally inferior than those offered at the selected properties. We have made adjustments for features lacking at the subject project, and in some cases, we have made adjustments for features the subject property does offer.
- 24.-32. The subject project will offer a project amenities package generally superior than those offered at the selected market-rate properties. We have made monetary adjustments to reflect the difference between the subject project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences between the subject project's and the selected properties' utility responsibility. The utility adjustments were based on the local housing authority's utility cost estimates.

8. AFFORDABLE HOUSING IMPACT

The anticipated occupancy rates of the existing comparable Tax Credit developments located within the Site PMA following renovations at the subject property are as follows:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2018*
2	Autumn Run	100.0%	95.0%+
3	Darlington Lofts	100.0%	95.0%+
6	Pecan Grove	100.0%	95.0%+

*Anticipated year of completion of renovations at the subject property

The three competitive LIHTC developments within the Site PMA are 100.0% occupied and maintain wait lists. Further, the subject project is currently 100.0% occupied and tenant displacement is not anticipated during renovations. As such, we do not believe the renovation of Brockington Heights Apartments will have a tangible impact on the occupancy rates of the competitive properties.

9. OTHER HOUSING OPTIONS (BUY VERSUS RENT)

According to ESRI, the median home value within the Site PMA was \$80,492. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for an \$80,492 home is \$484, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$80,492
Mortgaged Value = 95% of Median Home Price	\$76,467
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$387
Estimated Taxes and Insurance*	\$97
Estimated Monthly Mortgage Payment	\$484

*Estimated at 25% of principal and interest

In comparison, the collected Tax Credit rents at the subject project range from \$495 to \$712 per month. Therefore, the cost of a monthly mortgage for a typical home in the area is \$11 to \$228 lower than renting at the subject site, depending on unit type and targeted income level. While some tenants may choose to purchase a home in this scenario, the number of tenants who would be able to afford the down payment or qualify is considered minimal. In addition, the subject site will offer newly renovated units with amenities that will likely not be provided in a home valued at \$80,492 within the Site PMA. As such, it is likely that the subject site will be perceived as a greater value. Further, the subject project will offer a project-based subsidy on all units, requiring tenants to pay up to 30% of their gross adjusted income towards housing costs. Based

on the preceding table, along with the high occupancy rates of affordable communities within the Site PMA and the project-based subsidy that will be available on all of the units at the site, we believe there will be little competitive impact on or from the homebuyer market.

10. HOUSING VOIDS

As previously noted, we identified and surveyed three comparable Tax Credit projects located within the Darlington Site PMA. These projects have an overall occupancy of 100.0%, all of which maintain wait lists. In fact, all rental communities identified and surveyed within the market (including the subject project) are 100.0% occupied, illustrating that pent-up demand exists for additional rental housing. The subject development will continue to fill a rental housing void within the Site PMA.

Additionally, it is our opinion that the renovations at the subject site will add much needed modern affordable rental units to a market that is generally aging and in need of updating. The subject site currently is, and will continue to accommodate a portion of the housing void that exists in the market, as the project is currently 100.0% occupied with an 11-household wait list.

I. Interviews

The following are summaries of interviews conducted with various government and private sector individuals regarding the need for affordable housing within the Darlington Site PMA:

- Ms. Kiara Stephenson, Property Manager of Brockington Heights Apartments (subject site), stated that there is a need for more low-income housing in the area. Ms. Stephenson explained that because of long wait lists, as well as rising rents within the area, low-income residents are experiencing difficulties locating affordable housing. Ms. Stephenson also stated that the number of families moving away from the area has decreased, increasing the need for additional two-bedroom and three-bedroom units.
- Ms. Betty Frierson, Property Manager of Indian Creek (Map ID 4), a government-subsidized community in Darlington, stated that there is a need for more income-restricted housing. This is due to the fact that Indian Creek is fully occupied and maintains an extensive waitlist for the next available unit.
- Jamie Steen, Executive Director of the Housing Authority of Darlington, stated that there is a need for more affordable housing in the area. She explained that most of the current affordable housing stock is only in one part of Darlington and, therefore, only helps a portion of the city. Ms. Steen also stated that there is a large demand for one-bedroom units not designated for seniors. Ms. Steen added that the longest waitlist the Housing Authority has is for one-bedroom units in Public Housing. She concluded that more affordable housing with rents lower than those offered at Tax Credit projects are also in need. (843) 393-0436

J. Recommendations

Based on the findings reported in our market study, it is our opinion that a market will continue to exist following renovations at the 50-unit Brockington Heights Apartments, assuming it is renovated as detailed in this report and retains the project-based subsidy as proposed. Note that changes in the project's scope of renovations or renovation completion date may alter these findings.

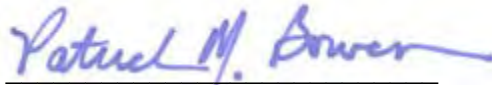
The subject site is currently 100.0% occupied with an 11-household waiting list. As all 50 units are anticipated to continue to offer a subsidy, we expect all tenants to remain at the subject project. As such, the "effective" capture rate for the subject development is 0.0%. However, it should be noted that in the unlikely event the subject project lost its subsidy, it is likely that the proposed rents at 60% AMHI will need to be lowered to levels below those offered at the newest comparable LIHTC developments in order to better compete within the market. This conclusion is based on the fact that the subject project, although renovated, will continue to be the oldest affordable development within the market, offering some of the smallest unit sizes (square feet and number of bathrooms offered) and an inferior amenities package. Additionally, as the proposed collected Tax Credit rents set aside at 60% AMHI will represent no rent advantages within the market, this further indicates that they will have to be reduced in this unlikely scenario.

However, the subject project is considered competitive with the affordable housing options within the market and will represent a significant value within the market, as long as the subsidy is offered. So long as the HAP contract remains in place, we have no recommendations or suggested modifications for the subject project at this time.

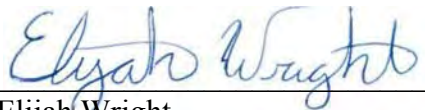
K. Signed Statement Requirement

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 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.

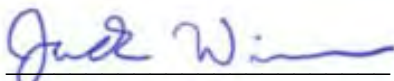
Certified:



Patrick M. Bowen
President/Market Analyst
Bowen National Research
155 E. Columbus St., Suite 220
Pickerington, OH 43147
(614) 833-9300
patrickb@bowennational.com
Date: February 20, 2017



Elijah Wright
Market Analyst
elijahw@bowennational.com
Date: February 20, 2017



Jack Wiseman
Market Analyst
jackw@bowennational.com
Date: February 20, 2017

L. Qualifications

The Company

Bowen National Research employs an expert staff to ensure that each market study is of the utmost quality. Each staff member has hands-on experience evaluating sites and comparable properties, analyzing market characteristics and trends, and providing realistic recommendations and conclusions. The Bowen National Research staff has the expertise to provide the answers for your development.

Company Leadership

Patrick Bowen is the President of Bowen National Research. He has prepared and supervised thousands of market feasibility studies for all types of real estate products, including affordable family and senior housing, multifamily market-rate housing and student housing, since 1996. He has also prepared various studies for submittal as part of HUD 221(d)(3) & (4), HUD 202 developments and applications for housing for Native Americans. He has also conducted studies and provided advice to city, county and state development entities as it relates to residential development, including affordable and market rate housing, for both rental and for-sale housing. Mr. Bowen has worked closely with many state and federal housing agencies to assist them with their market study guidelines. Mr. Bowen has his bachelor's degree in legal administration (with emphasis on business and law) from the University of West Florida.

Desireé Johnson is the Director of Operations at Bowen National Research. Ms. Johnson is involved in the day-to-day communication with clients. She has been involved in extensive market research in a variety of project types since 2006. Ms. Johnson has the ability to research, find, analyze and manipulate data in a multitude of ways. Ms. Johnson has an Associate of Applied Science in Office Administration from Columbus State Community College.

Market Analysts

Lisa Goff, Market Analyst, has conducted site-specific analyses in both rural and urban markets throughout the country. She is also experienced in the day-to-day operation and financing of Low-Income Housing Tax Credit and subsidized properties, which gives her a unique understanding of the impact of housing development on current market conditions.

Luke Mortensen, Market Analyst, is experienced in the assessment of housing operating under various programs throughout the country, as well as other development alternatives. He is also experienced in evaluating projects in the development pipeline and economic trends. Mr. Mortensen received his Bachelor's Degree in Sports Leadership and Management from Miami University.

Jeff Peters, Market Analyst, has conducted on-site inspection and analysis for rental properties throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Peters graduated from The Ohio State University with a Bachelor of Arts in Economics.

Gregory Piduch, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Piduch holds a Bachelor of Arts in Communication and Rhetoric from the University of Albany, State University of New York and a Master of Professional Studies in Sports Industry Management from Georgetown University.

Craig Rupert, Market Analyst, has conducted market analysis in both urban and rural markets throughout the United States since 2010. Mr. Rupert is experienced in the evaluation of multiple types of housing programs, including market-rate, Tax Credit and various government subsidies and uses this knowledge and research to provide both qualitative and quantitative analysis. Mr. Rupert has a degree in Hospitality Management from Youngstown State University.

Garth Semple, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market. Mr. Semple graduated from Elizabethtown College and has a Bachelor of Arts degree in Sociology.

Jack Wiseman, Market Analyst, has conducted extensive market research in over 200 markets throughout the United States since 2007. He provides thorough evaluation of site attributes, area competitors, market trends, economic characteristics and a wide range of issues impacting the viability of real estate development. He has evaluated market conditions for a variety of real estate alternatives, including affordable and market-rate apartments, retail and office establishments, student housing, and a variety of senior residential alternatives. Mr. Wiseman has a Bachelor of Arts degree in Economics from Miami University.

Elijah Wright, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Wright holds a Bachelor of Arts degree in Integrated Media from Ohio University.

Research Staff

Bowen National Research employs a staff of in-house researchers who are experienced in the surveying and evaluation of all rental and for-sale housing types, as well as in conducting interviews and surveys with city officials, economic development offices, chambers of commerce, housing authorities and residents.

Stephanie Viren is the Research and Travel Coordinator at Bowen National Research. Ms. Viren focuses on collecting detailed data concerning housing conditions in various markets throughout the United States. Ms. Viren has extensive interviewing skills and experience and also possesses the expertise necessary to conduct surveys of diverse pools of respondents regarding population and housing trends, housing marketability, economic development and other socioeconomic issues relative to the housing industry. Ms. Viren's professional specialty is condominium and senior housing research. Ms. Viren earned a Bachelor of Arts in Business Administration from Heidelberg College.

Kelly Wiseman, Research Specialist Director, has significant experience in the evaluation and surveying of housing projects operating under a variety of programs. In addition, she has conducted numerous interviews with experts throughout the country, including economic development, planning, housing authorities and other stakeholders.

June Davis, Office Manager of Bowen National Research, has been in the market feasibility research industry since 1988. Ms. Davis has overseen production on over 20,000 market studies for projects throughout the United States.

M. Methodologies, Disclaimers & Sources

This market feasibility analysis complies with the requirements established by the South Carolina State Housing Finance and Development Authority (SCSHFDA) and conforms to the standards adopted by the National Council of Housing Market Analysts (NCHMA). These standards include the acceptable definitions of key terms used in market studies for affordable housing projects and model standards for the content of market studies for affordable housing projects. The standards are designed to enhance the quality of market studies and to make them easier to prepare, understand and use by market analysts and end users.

1. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

- The Primary Market Area (PMA) generated for the proposed site is identified. The PMA is generally described as the smallest geographic area expected to generate most of the support for the proposed project. PMAs are not defined by a radius. The use of a radius is an ineffective approach because it does not consider mobility patterns, changes in the socioeconomic or demographic character of neighborhoods or physical landmarks that might impede development.

PMAs are established using a variety of factors, including, but not limited to:

- A detailed demographic and socioeconomic evaluation
 - Interviews with area planners, realtors and other individuals who are familiar with area growth patterns
 - A drive-time analysis for the site
 - Personal observations of the field analyst
- A field survey of modern apartment developments is conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the apartment market. This is accomplished by an evaluation of the unit mix, vacancies, rent levels and overall quality of product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the proposed property.
- Two types of directly comparable properties are identified through the field survey. They include other Section 42 LIHTC developments and market-rate developments that offer unit and project amenities similar to those of the proposed development. An in-depth evaluation of these two property types provides an indication of the potential of the proposed development.

- Economic and demographic characteristics of the area are evaluated. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics and area growth perceptions. The demographic evaluation uses the most recently issued Census information and projections that determine what the characteristics of the market will be when the proposed project opens and achieves a stabilized occupancy.
- Area building statistics and interviews with officials familiar with area development provide identification of the properties that might be planned or proposed for the area that will have an impact on the marketability of the proposed development. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, the timing of the project and its impact on the market and the proposed development.
- An analysis of the proposed project's market capture of income-appropriate renter households within the PMA is conducted. This analysis follows SCSHFDA's methodology for calculating potential demand. The resulting capture rates are compared with acceptable market capture rates for similar types of projects to determine whether the proposed development's capture rate is achievable.
- Achievable market rent for the proposed subject development is determined. Using a Rent Comparability Grid, the features of the proposed development are compared item by item to the most comparable properties in the market. Adjustments are made for each feature that differs from that of the proposed subject development. These adjustments are then included with the collected rent resulting in an achievable market rent for a unit comparable to the proposed unit. This analysis is done for each bedroom type proposed for the site.

Please note that non-numbered items in this report are not required by SCSHFDA; they have been included, however, based on Bowen National Research's opinion that it is necessary to consider these details to effectively address the development potential of proposed projects.

2. REPORT LIMITATIONS

The intent of this report is to collect and analyze significant levels of data to forecast the market success of the subject property within an agreed to time period. Bowen National Research relies on a variety of sources of data to generate this report. These data sources are not always verifiable; Bowen National Research, however, makes a significant effort to ensure accuracy. While this is not always possible, we believe our effort provides an acceptable standard margin of error. Bowen National Research is not responsible for errors or omissions in the data provided by other sources.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, 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 or bias with respect to the parties involved. Our compensation is not contingent on an action or event (such as the approval of a loan) resulting from the analyses, opinions, conclusions in or the use of this study.

Any reproduction or duplication of this report without the express approval of Bowen National Research is strictly prohibited.

3. SOURCES

Bowen National Research uses various sources to gather and confirm data used in each analysis. These sources, which are cited throughout this report, include the following:

- The 2000 and 2010 Census on Housing
- American Community Survey
- ESRI
- Urban Decision Group (UDG)
- Applied Geographic Solutions
- Area Chamber of Commerce
- U.S. Department of Labor
- U.S. Department of Commerce
- Management for each property included in the survey
- Local planning and building officials
- Local housing authority representatives
- South Carolina State Housing Finance and Development Authority

ADDENDUM A: FIELD SURVEY OF CONVENTIONAL RENTALS

DARLINGTON, SOUTH CAROLINA

The following section is a field survey of conventional rental properties. These properties were identified through a variety of sources including area apartment guides, yellow page listings, government agencies, the Chamber of Commerce, and our own field inspection. The intent of this field survey is to evaluate the overall strength of the existing rental market, identify trends that impact future development, and identify those properties that would be considered most comparable to the subject site.

The field survey has been organized by the type of project surveyed. Properties have been color coded to reflect the project type. Projects have been designated as market-rate, Tax Credit, government-subsidized, or a combination of the three project types. The field survey is organized as follows:

- A color-coded map indicating each property surveyed and the project type followed by a list of properties surveyed.
- Properties surveyed by name, address, telephone number, project type, year built or renovated (if applicable), number of floors, total units, occupancy rate, quality rating, rent incentives, and Tax Credit designation. Housing Choice Vouchers and Rental Assistance are also noted here. Note that projects are organized by project type.
- Distribution of non-subsidized and subsidized units and vacancies in properties surveyed.
- Listings for unit and project amenities, parking options, optional charges, utilities (including responsibility), and appliances.
- Collected rent by unit type and bedrooms.
- Unit size by unit type and bedrooms.
- Calculations of rent per square foot (all utilities are adjusted to reflect similar utility responsibility). Data is summarized by unit type.
- An analysis of units, vacancies, and median rent. Where applicable, non-subsidized units are distributed separately.
- An analysis of units added to the area by project construction date and, when applicable, by year of renovation.
- Aggregate data and distributions for all non-subsidized properties are provided for appliances, unit amenities and project amenities.

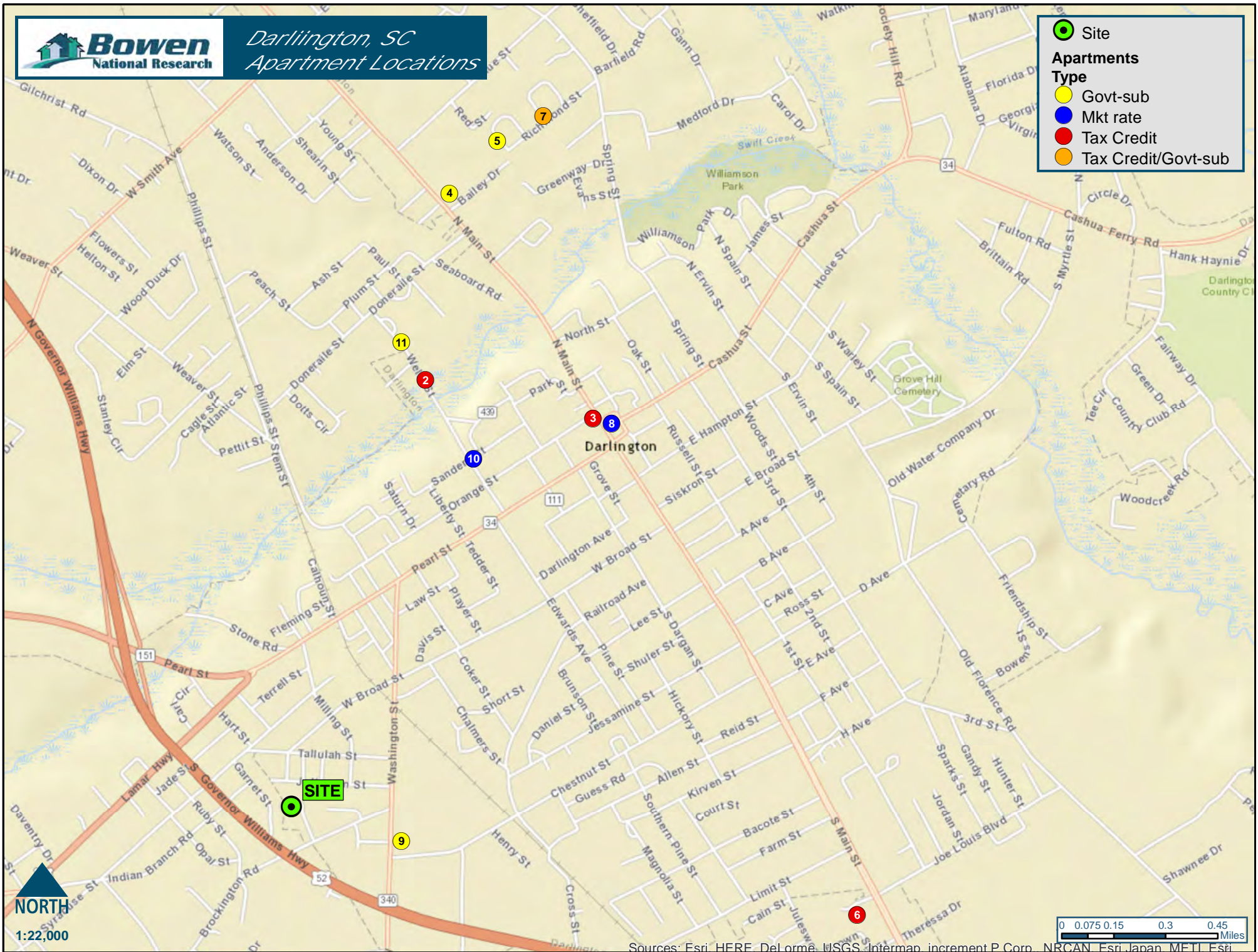
- A rent distribution is provided for all market-rate and non-subsidized Tax Credit units by unit type. Note that rents are adjusted to reflect common utility responsibility.
- Aggregation of projects by utility responsibility (market-rate and non-subsidized Tax Credit only).
- A utility allowance worksheet.

Note that other than the property listing following the map, data is organized by project types. Market-rate properties (blue designation) are first followed by variations of market-rate and Tax Credit properties. Non-government subsidized Tax Credit properties are red and government-subsidized properties are yellow. See the color codes at the bottom of each page for specific project types.



Darlington, SC Apartment Locations

- Site
- Apartment Type
 - Govt-sub
 - Mkt rate
 - Tax Credit
 - Tax Credit/Govt-sub



NORTH
1:22,000



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

MAP IDENTIFICATION LIST - DARLINGTON, SOUTH CAROLINA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
1	Brockington Heights (Site)	GSS	C-	1970	50	0	100.0%	-
2	Autumn Run	TAX	B+	2004	40	0	100.0%	1.6
3	Darlington Lofts	TAX	B+	2007	28	0	100.0%	1.6
4	Indian Creek	GSS	C+	1984	50	0	100.0%	2.2
5	Palmetto Apts.	GSS	B	1984	50	0	100.0%	2.9
6	Pecan Grove	TAX	A	2007	32	0	100.0%	2.0
7	Springfield Apts.	TGS	B+	1980	72	0	100.0%	2.7
8	McKellan	MRR	B	2009	7	0	100.0%	1.6
9	Washington Square	GSS	C	1989	40	0	100.0%	0.4
10	121 Sanders St.	MRR	C+	1966	16	0	100.0%	1.4
11	New Swift Creek Villas	GSS	C+	1972	48	0	100.0%	1.7

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	2	23	0	100.0%	0
TAX	3	100	0	100.0%	0
TGS	1	72	0	100.0%	0
GSS	5	238	0	100.0%	0

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

* - Drive Distance (Miles)

Survey Date: January 2017

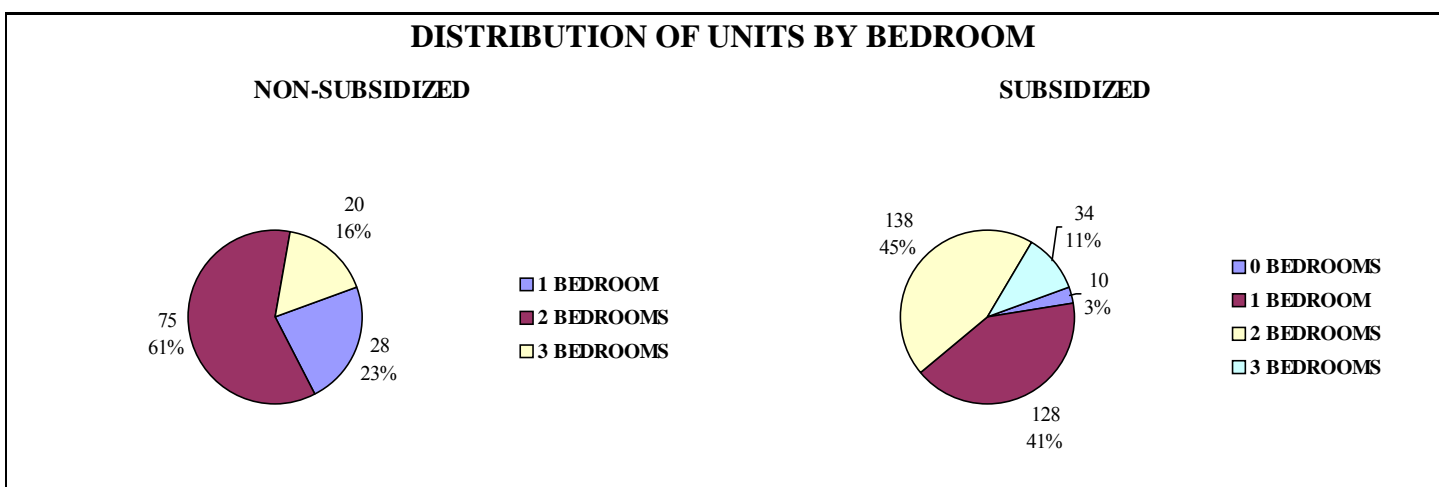
DISTRIBUTION OF UNITS - DARLINGTON, SOUTH CAROLINA

MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	1	4.3%	0	0.0%	\$642
2	1	20	87.0%	0	0.0%	\$657
3	1	2	8.7%	0	0.0%	\$788
TOTAL		23	100.0%	0	0.0%	




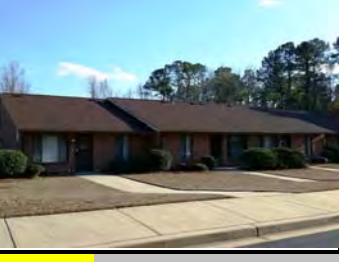

TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	27	27.0%	0	0.0%	\$466
2	1	28	28.0%	0	0.0%	\$588
2	2	27	27.0%	0	0.0%	\$609
3	2	18	18.0%	0	0.0%	\$698
TOTAL		100	100.0%	0	0.0%	

TAX CREDIT, GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	28	38.9%	0	0.0%	N.A.
2	1	44	61.1%	0	0.0%	N.A.
TOTAL		72	100.0%	0	0.0%	

GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	
0	1	10	4.2%	0	0.0%	N.A.
1	1	100	42.0%	0	0.0%	N.A.
2	1	94	39.5%	0	0.0%	N.A.
3	1	26	10.9%	0	0.0%	N.A.
3	1.5	8	3.4%	0	0.0%	N.A.
TOTAL		238	100.0%	0	0.0%	
GRAND TOTAL		433	-	0	0.0%	



SURVEY OF PROPERTIES - DARLINGTON, SOUTH CAROLINA






1 Brockington Heights (Site)			
	Address 201 Saleeby Loop Darlington, SC 29532	Phone (843) 395-1261 (Contact in person)	Total Units 50
	Year Built 1970 Comments HUD Section 8; Washer hookup only	Contact Kiara	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating C- Waiting List 11 households
2 Autumn Run			
	Address 405 Wells St. Darlington, SC 29532	Phone (843) 398-1981 (Contact in person)	Total Units 40
	Year Built 2004 Comments 50% & 60% AMHI; HCV (8 units); HOME Funds (20 units)	Contact Mary	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B+ Waiting List 3 households
3 Darlington Lofts			
	Address 107 Orange St. Darlington, SC 29532	Phone (843) 409-9094 (Contact in person)	Total Units 28
	Year Built 2007 Comments 50% & 60% AMHI; HCV (4 units); HOME Funds (Nine 1-br units); Adaptive reuse of historic building, built in 1900; Square footage estimated	Contact Helen	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating B+ Waiting List 10 households
4 Indian Creek			
	Address 415 N. Main St. Darlington, SC 29532	Phone (843) 453-6773 (Contact in person)	Total Units 50
	Year Built 1984 Comments HUD Section 8	Contact Betty	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating C+ Waiting List 175 households
5 Palmetto Apts. (Darlington)			
	Address 200 Palmetto Cir. Darlington, SC 29532	Phone (843) 395-3133 (Contact in person)	Total Units 50
	Year Built 1984 Comments RD 515, has RA (49 units)	Contact Thelma	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B Waiting List 25 households

Project Type

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: January 2017

SURVEY OF PROPERTIES - DARLINGTON, SOUTH CAROLINA


6 Pecan Grove			
	Address 1218 S. Main St. Darlington, SC 29532	Phone (843) 393-3009 (Contact in person)	Total Units 32
	Year Built 2007	Contact Helen	Vacancies 0
	Comments 50% & 60% AMHI; HCV (6 units); HOME Funds (7 units); Square footage estimated by mgmt.		Occupied 100.0%
			Floors 1
			Quality Rating A
			Waiting List 5 households
7 Springfield Apts.			
	Address 100 Springfield Cir. Darlington, SC 29532	Phone (843) 393-7521 (Contact in person)	Total Units 72
	Year Built 1980 Renovated 1995	Contact Tracy	Vacancies 0
	Comments 60% AMHI; RD 515, has RA (51 units); HCV (6 units)		Occupied 100.0%
			Floors 1,2
			Quality Rating B+
			Waiting List 5 households
8 McKellan			
	Address 20 Public Square Darlington, SC 29532	Phone (843) 393-6297 (Contact in person)	Total Units 7
	Year Built 2009	Contact Helen	Vacancies 0
	Comments HCV (1 unit); Renovated with Historic Tax Credits, units income restricted to 80% AMHI		Occupied 100.0%
			Floors 2
			Quality Rating B
			Waiting List 4 households
9 Washington Square			
	Address 600 Washington St Darlington, SC 29532	Phone (843) 393-8067 (Contact in person)	Total Units 40
	Year Built 1989	Contact Rujone	Vacancies 0
	Comments HUD Sections 8; HUD Section 202		Occupied 100.0%
			Floors 1
			Quality Rating C
			Senior Restricted (62+)
			Waiting List None
10 121 Sanders St.			
	Address 121 Sanders St. Darlington, SC 29532	Phone (843) 395-2434 (Contact in person)	Total Units 16
	Year Built 1966	Contact Billy	Vacancies 0
	Comments HCV (2 units)		Occupied 100.0%
			Floors 2
			Quality Rating C+
			Waiting List None

Project Type

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: January 2017

SURVEY OF PROPERTIES - DARLINGTON, SOUTH CAROLINA

11 New Swift Creek Villas			
	Address 411 Wells St. Darlington, SC 29532 Year Built 1972 Comments HUD Section 8	Phone (843) 393-5112 (Contact in person) Contact Betty	Total Units 48 Vacancies 0 Occupied 100.0% Floors 2 Quality Rating C+ Waiting List 250 households

Project Type

	Market-rate
	Market-rate/Tax Credit
	Market-rate/Government-subsidized
	Market-rate/Tax Credit/Government-subsidized
	Tax Credit
	Tax Credit/Government-subsidized
	Government-subsidized

Survey Date: January 2017

COLLECTED RENTS - DARLINGTON, SOUTH CAROLINA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
2			\$406 to \$574	\$456 to \$649					
3		\$389 to \$445	\$510 to \$514	\$599					
6		\$389 to \$461	\$441 to \$511	\$486 to \$575					
8		\$565	\$615	\$665					
10			\$475						

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: January 2017

PRICE PER SQUARE FOOT - DARLINGTON, SOUTH CAROLINA

ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
8	McKellan	1	1000	\$642	\$0.64
3	Darlington Lofts	1	600	\$466 to \$522	\$0.78 to \$0.87
6	Pecan Grove	1	570	\$466 to \$538	\$0.82 to \$0.94
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
8	McKellan	1	1186	\$714	\$0.60
10	121 Sanders St.	1	871	\$657	\$0.75
2	Autumn Run	1	850	\$588 to \$756	\$0.69 to \$0.89
3	Darlington Lofts	2	820	\$609 to \$613	\$0.74 to \$0.75
6	Pecan Grove	2	700	\$540 to \$610	\$0.77 to \$0.87
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
8	McKellan	1	1265	\$788	\$0.62
2	Autumn Run	2	1000	\$688 to \$881	\$0.69 to \$0.88
3	Darlington Lofts	2	1100	\$722	\$0.66
6	Pecan Grove	2	837	\$609 to \$698	\$0.73 to \$0.83

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: January 2017

AVERAGE GROSS RENT PER SQUARE FOOT - DARLINGTON, SOUTH CAROLINA

MARKET-RATE			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.64	\$0.72	\$0.62
TOWNHOUSE	\$0.00	\$0.00	\$0.00

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.84	\$0.78	\$0.78
TOWNHOUSE	\$0.00	\$0.00	\$0.00

COMBINED			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.84	\$0.77	\$0.77
TOWNHOUSE	\$0.00	\$0.00	\$0.00

TAX CREDIT UNITS - DARLINGTON, SOUTH CAROLINA

ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
6	Pecan Grove	2	570	1	50%	\$389
6	Pecan Grove	4	570	1	50%	\$389
3	Darlington Lofts	9	600	1	50%	\$389
3	Darlington Lofts	6	600	1	60%	\$445
6	Pecan Grove	6	570	1	60%	\$461
7	Springfield Apts.	28	624	1	60%	\$515 - \$606
TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
2	Autumn Run	14	850	1	50%	\$406
6	Pecan Grove	4	700	2	50%	\$441
2	Autumn Run	4	850	1	50%	\$452
6	Pecan Grove	4	700	2	50%	\$491
3	Darlington Lofts	8	820	2	50%	\$510
6	Pecan Grove	7	700	2	60%	\$511
3	Darlington Lofts	4	820	2	60%	\$514
7	Springfield Apts.	44	990	1	60%	\$538 - \$676
2	Autumn Run	10	850	1	60%	\$574
THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
2	Autumn Run	6	1000	2	50%	\$456
6	Pecan Grove	1	837	2	50%	\$486
6	Pecan Grove	1	837	2	50%	\$541
6	Pecan Grove	3	837	2	60%	\$575
3	Darlington Lofts	1	1100	2	60%	\$599
2	Autumn Run	6	1000	2	60%	\$649

QUALITY RATING - DARLINGTON, SOUTH CAROLINA

MARKET-RATE PROJECTS AND UNITS

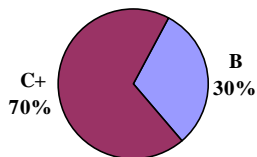
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
B	1	7	0.0%		\$642	\$714	\$788	
C+	1	16	0.0%			\$657		

TAX CREDIT (NON-SUBSIDIZED) PROJECTS AND UNITS

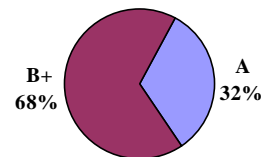
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A	1	32	0.0%		\$466	\$590	\$698	
B+	2	68	0.0%		\$466	\$609	\$722	

DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



YEAR BUILT - DARLINGTON, SOUTH CAROLINA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	1	16	0	0.0%	16	13.0%
1970 to 1979	0	0	0	0.0%	16	0.0%
1980 to 1989	0	0	0	0.0%	16	0.0%
1990 to 1999	0	0	0	0.0%	16	0.0%
2000 to 2005	1	40	0	0.0%	56	32.5%
2006	0	0	0	0.0%	56	0.0%
2007	2	60	0	0.0%	116	48.8%
2008	0	0	0	0.0%	116	0.0%
2009	1	7	0	0.0%	123	5.7%
2010	0	0	0	0.0%	123	0.0%
2011	0	0	0	0.0%	123	0.0%
2012	0	0	0	0.0%	123	0.0%
2013	0	0	0	0.0%	123	0.0%
2014	0	0	0	0.0%	123	0.0%
2015	0	0	0	0.0%	123	0.0%
2016**	0	0	0	0.0%	123	0.0%
TOTAL	5	123	0	0.0%	123	100.0 %

* Only Market-Rate and Tax Credit projects. Does not include government-subsidized projects.

** As of January 2017

Survey Date: January 2017

A-14



APPLIANCES AND UNIT AMENITIES - DARLINGTON, SOUTH CAROLINA

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	5	100.0%	123
REFRIGERATOR	5	100.0%	123
ICEMAKER	3	60.0%	100
DISHWASHER	4	80.0%	107
DISPOSAL	3	60.0%	100
MICROWAVE	3	60.0%	100
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	5	100.0%	123
AC - WINDOW	0	0.0%	
FLOOR COVERING	5	100.0%	123
WASHER/DRYER	0	0.0%	
WASHER/DRYER HOOK-UP	4	80.0%	107
PATIO/DECK/BALCONY	3	60.0%	67
CEILING FAN	4	80.0%	107
FIREPLACE	0	0.0%	
BASEMENT	0	0.0%	
INTERCOM SYSTEM	0	0.0%	
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	5	100.0%	123
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	0	0.0%	

* - Does not include units where appliances/amenities are optional; Only includes market-rate or non-government subsidized Tax Credit.

PROJECT AMENITIES - DARLINGTON, SOUTH CAROLINA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	0	0.0%	
ON-SITE MANAGEMENT	4	80.0%	107
LAUNDRY	3	60.0%	100
CLUB HOUSE	0	0.0%	
MEETING ROOM	3	60.0%	100
FITNESS CENTER	1	20.0%	32
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	2	40.0%	72
COMPUTER LAB	2	40.0%	60
SPORTS COURT	0	0.0%	
STORAGE	0	0.0%	
LAKE	0	0.0%	
ELEVATOR	0	0.0%	
SECURITY GATE	0	0.0%	
BUSINESS CENTER	0	0.0%	
CAR WASH AREA	0	0.0%	
PICNIC AREA	1	20.0%	32
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	0	0.0%	

DISTRIBUTION OF UTILITIES - DARLINGTON, SOUTH CAROLINA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
LANDLORD			
ELECTRIC	1	40	9.2%
TENANT			
ELECTRIC	9	343	79.2%
GAS	1	50	11.5%
			100.0%
COOKING FUEL			
LANDLORD			
ELECTRIC	1	40	9.2%
TENANT			
ELECTRIC	9	343	79.2%
GAS	1	50	11.5%
			100.0%
HOT WATER			
LANDLORD			
ELECTRIC	1	40	9.2%
TENANT			
ELECTRIC	9	343	79.2%
GAS	1	50	11.5%
			100.0%
ELECTRIC			
LANDLORD	1	40	9.2%
TENANT	10	393	90.8%
			100.0%
WATER			
LANDLORD	7	255	58.9%
TENANT	4	178	41.1%
			100.0%
SEWER			
LANDLORD	7	255	58.9%
TENANT	4	178	41.1%
TRASH PICK-UP			
LANDLORD	8	305	70.4%
TENANT	3	128	29.6%
			100.0%

UTILITY ALLOWANCE - DARLINGTON, SOUTH CAROLINA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	\$30	\$11		\$9	\$8	\$11	\$4	\$5	\$40	\$22	\$25	\$15	\$20
1	GARDEN	\$34	\$13		\$11	\$10	\$13	\$4	\$6	\$45	\$23	\$27	\$15	\$20
1	TOWNHOUSE	\$34	\$13		\$11	\$10	\$13	\$4	\$6	\$45	\$23	\$27	\$15	\$20
2	GARDEN	\$36	\$16		\$13	\$14	\$16	\$6	\$8	\$59	\$31	\$37	\$15	\$20
2	TOWNHOUSE	\$36	\$16		\$13	\$14	\$16	\$6	\$8	\$59	\$31	\$37	\$15	\$20
3	GARDEN	\$39	\$19		\$15	\$18	\$20	\$8	\$11	\$73	\$42	\$52	\$15	\$20
3	TOWNHOUSE	\$39	\$19		\$15	\$18	\$20	\$8	\$11	\$73	\$42	\$52	\$15	\$20
4	GARDEN	\$42	\$23		\$16	\$23	\$24	\$10	\$16	\$88	\$54	\$68	\$15	\$20
4	TOWNHOUSE	\$42	\$23		\$16	\$23	\$24	\$10	\$13	\$88	\$54	\$68	\$15	\$20

SC-Midlands Region (1/2017) Fees

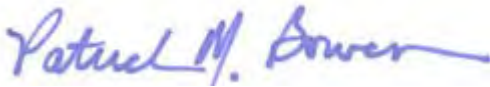
Survey Date: January 2017

Addendum B – Member Certification & Checklist

This market study has been prepared by Bowen National Research, 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 for Housing Projects*, and *Model Content Standards for the Content of Market Studies for Housing Projects*. These Standards are designed to enhance the quality of market studies and to make them easier to prepare, understand, and use by market analysts and by the end users. These Standards are voluntary only, and no legal responsibility regarding their use is assumed by the National Council of Housing Market Analysts.

Bowen National Research is duly qualified and experienced in providing market analysis for Housing. The company's principals participate in the National Council of Housing Market Analysts (NCHMA) educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Bowen National Research is an independent market analyst. No principal or employee of Bowen National Research has any financial interest whatsoever in the development for which this analysis has been undertaken.

Certified:

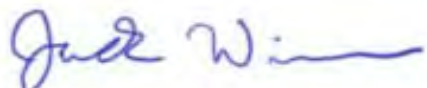


Patrick M. Bowen

President

patrickb@bowennational.com

Date: February 20, 2017



Jack Wiseman

Market Analyst

jackw@bowennational.com

Date: February 20, 2017

Note: Information on the National Council of Housing Market Analysts may be obtained by calling 202-939-1750, or by visiting

<http://www.housingonline.com/MarketStudiesNCAHMA/AboutNCAHMA/tabid/234/Default.aspx>

ADDENDUM-MARKET STUDY INDEX

A. INTRODUCTION

Members of the National Council of Housing Market Analysts provide a checklist referencing all components of their market study. This checklist is intended to assist readers on the location content of issues relevant to the evaluation and analysis of market studies.

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

The following components have been addressed in this market study. The section number of each component is noted below. Each component is fully discussed in that section. In cases where the item is not relevant, the author has indicated 'N/A' or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a 'VAR' (variation) with a comment explaining the conflict.

C. CHECKLIST

		Section (s)
Executive Summary		
1.	Executive Summary (Exhibit S-2)	A
Project Description		
2.	Proposed number of bedrooms and baths proposed, income limitations, proposed rents and utility allowances	B
3.	Utilities (and utility sources) included in rent	B
4.	Project design description	B
5.	Unit and project amenities; parking	B
6.	Public programs included	B
7.	Target population description	B
8.	Date of construction/preliminary completion	B
9.	If rehabilitation, existing unit breakdown and rents	B
10.	Reference to review/status of project plans	B
Location and Market Area		
11.	Market area/secondary market area description	D
12.	Concise description of the site and adjacent parcels	C
13.	Description of site characteristics	C
14.	Site photos/maps	C
15.	Map of community services	C
16.	Visibility and accessibility evaluation	C
17.	Crime Information	C

CHECKLIST (Continued)

		Section (s)
EMPLOYMENT AND ECONOMY		
18.	Employment by industry	E
19.	Historical unemployment rate	E
20.	Area major employers	E
21.	Five-year employment growth	E
22.	Typical wages by occupation	E
23.	Discussion of commuting patterns of area workers	E
DEMOGRAPHIC CHARACTERISTICS		
24.	Population and household estimates and projections	F
25.	Area building permits	H
26.	Distribution of income	F
27.	Households by tenure	F
COMPETITIVE ENVIRONMENT		
28.	Comparable property profiles	H
29.	Map of comparable properties	H
30.	Comparable property photographs	H
31.	Existing rental housing evaluation	H
32.	Comparable property discussion	H
33.	Area vacancy rates, including rates for Tax Credit and government-subsidized	H
34.	Comparison of subject property to comparable properties	H
35.	Availability of Housing Choice Vouchers	H
36.	Identification of waiting lists	H & Addendum A
37.	Description of overall rental market including share of market-rate and affordable properties	H
38.	List of existing LIHTC properties	H
39.	Discussion of future changes in housing stock	H
40.	Discussion of availability and cost of other affordable housing options including homeownership	H
41.	Tax Credit and other planned or under construction rental communities in market area	H
ANALYSIS/CONCLUSIONS		
42.	Calculation and analysis of Capture Rate	G
43.	Calculation and analysis of Penetration Rate	N/A
44.	Evaluation of proposed rent levels	H
45.	Derivation of Achievable Market Rent and Market Advantage	H
46.	Derivation of Achievable Restricted Rent	N/A
47.	Precise statement of key conclusions	J
48.	Market strengths and weaknesses impacting project	J
49.	Recommendations and/or modification to project discussion	J
50.	Discussion of subject property's impact on existing housing	H
51.	Absorption projection with issues impacting performance	G & J
52.	Discussion of risks or other mitigating circumstances impacting project projection	J
53.	Interviews with area housing stakeholders	I

CHECKLIST (Continued)

OTHER REQUIREMENTS		Section (s)
54.	Preparation date of report	Title Page
55.	Date of Field Work	C
56.	Certifications	K
57.	Statement of qualifications	L
58.	Sources of data not otherwise identified	D
59.	Utility allowance schedule	Addendum A

Addendum C

Scope of Renovations

Brockington Heights Apartments
Darlington, South Carolina
50 Units - (24) 2BR, (26) 3BR

Updated 2.22.17

Description	Quantity	Unit	Unit Cost	Total
EXTERIOR/SITE:				
Demo community building	1	Ea.	4,000	4,000
Construct new community building	1,600	Sf.	150	240,000
Main property signage	1	Ea.	4,800	4,800
Mail kiosk with new mailboxes	1	Ea.	5,500	5,500
Landscape allowance	1	Ea.	69,300	69,300
Coach lights	100	Ea.	135	13,500
Install exterior rated GFI and cover	50	Ea.	125	6,250
Replace exterior unit door/hardware	100	Ea.	525	52,500
Storm doors	50	Ea.	285	14,250
Grind/repave asphalt	1	Ea.	88,000	88,000
Construct new front porch structure with porches and stairs	10	Ea.	6,000	82,500
Replace large gable louvers	20	Ea.	225	4,500
Accessible/visitor parking signage	5	Ea.	160	800
Perimeter fencing allowance	1	Ea.	50,000	50,000
Security camera system	1	Ea.	57,000	57,000
Concrete collar at catch basin	6	Ea.	900	5,400
Picnic pavilion (medium size)	2	Ea.	13,000	26,000
Picnic tables	6	Ea.	850	5,100
Grills	4	Ea.	300	1,200
Trash cans	2	Ea.	600	1,200
Tear off/re-shingle roofs	570	Sq.	260	148,200
Gutters/downspouts	4,910	Lf.	3.50	17,185
Address numbers	50	Ea.	50	2,500
Building numbers	5	Ea.	250	1,250
Playground	1	Ea.	35,000	35,000
Replace hose bibbs	10	Ea.	225	2,250
Tree work allowance	1	Ea.	3,000	3,000
Walking path	1	Ea.	44,200	44,200
Replace broken concrete curbing	300	Lf.	22	6,600
Replace concrete flat work	1,000		6	6,000
Patio concrete (30@100Sf/ea.)	3,000	Sf.	6	18,000
Decorative lighting poles	20	Ea.	1,750	35,000
Dumpster Enclosures - incl. concrete pad, bollards	2	Ea.	3,750	7,500
Replace windows: (Energy Star rated)				
- Double	150	Ea.	395	59,250
-Single	126	Ea.	285	35,910
Drywall repair/touch up at windows	276	Ea.	30	8,280
Window blinds	276	Ea.	21	5,796
Panels/soffit/fascia/trim	1	Ea.	79,320	79,320
Landscape irrigation	1	Ea.	22,500	22,500
Attic insulation/air sealing (per building)	5	Ea.	5,500	27,500
Recycling center	1	Ea.	2,000	2,000
Masonry repair	1	Ea.	10,000	10,000
Units:				
Demo/Haul kitchens	50	Ea.	150	7,500

Brockington Heights Apartments
Darlington, South Carolina
50 Units - (24) 2BR, (26) 3BR

Updated 2.22.17

Description	Quantity	Unit	Unit Cost	Total
Base Cabinets	500	Lf.	125	62,500
Wall Cabinets	850	Lf.	75	63,750
Laminate top	600	Lf.	26	15,600
Kitchen sink/faucet	50	Ea.	275	13,750
Refrigerator - 100% - incl. icemaker, Energy Star	50	Ea.	700	35,000
Stove - 100%	50	Ea.	465	23,250
Dishwasher - Energy Star rated	50	Ea.	485	24,250
Microwave hood	50	Ea.	475	23,750
Grease shield	50	Ea.	65.00	3,250
Tub/shower unit	50	Ea.	2,150.00	107,500
Commode	50	Ea.	300	15,000
Vanity top/faucet	50	Ea.	400	20,000
Bath exhaust fan (E-star)	50	Ea.	325	16,250
LAV accessories	50	Ea.	45	2,250
Mirror (medicine cabinet)	50	Ea.	160	8,000
Smoke detectors - hardwire - incl. CO detector (1)	300	Ea.	150	45,000
Lighting fixtures				
-Kitchen	50	Ea.	150	7,500
- Bath	50	Ea.	135	6,750
-Bedroom	250	Ea.	125	31,250
- Hall/other	150	Ea.	115	17,250
-Ceiling fan - Living room - incl. switch	50	Ea.	250	12,500
Drywall repairs - Ceilings	50	Ea.	600	30,000
Abatement allowance	50	Ea.	950	47,500
Replace fixture shut-offs	250	Ea.	25	6,250
Replace panel box	50	Ea.	800	40,000
Replace electrical devices - 2 Bedroom - Alumicon connectors	24	Ea.	600	14,400
Replace electrical devices - 3 Bedroom - Alumicon connectors	26	Ea.	800	20,800
Replace H2O tanks	25	Ea.	600	15,000
Energy star HVAC unit complete - incl. 15 SEER A/C	50	Ea.	4,500	225,000
Replace unit vinyl flooring throughout	37,500	Sf.	4	131,250
Prep/re-paint complete unit - 2 Bedroom	24	Ea.	850	20,400
Prep/re-paint complete unit - 3 Bedroom	26	Ea.	1,100	28,600
Replace pre-hung doors	402	Ea.	190	76,380
Add bath GFI	50	Ea.	150	7,500
Dryer hook ups (wash exists)	50	Ea.	350	17,500
Unit cleaning	50	Ea.	150	7,500
Fire extinguisher	50	Ea.	40	2,000
Accessible unit allowance	3	Ea.	5,000	15,000
Units with hearing/visually impaired upgrades	1	Ea.	1,200	1,200
High speed internet cabling	50	Ea.	250	12,500
Range hood fire suppression	50	Ea.	80	4,000
General/Other:				
Superintendent	26	Wks	1,600	41,600
General labor	1,040	Hrs.	15	15,600
Permits	1	Ea.	20,000	20,000

Brockington Heights Apartments
Darlington, South Carolina
50 Units - (24) 2BR, (26) 3BR

Updated 2.22.17

Description	Quantity	Unit	Unit Cost	Total
Dumpsters	24	Ea.	400	9,600
Storage containers	1	Ea.	5,500	5,500
Tools/Supplies	1	Ea.	3,700	3,700
Porta Lav	6	Mo.	220	1,320
Travel	6	Mo.	850	5,100
Lodging	6	Mo.	900	5,400
Office	6	Mo.	250	1,500
Subtotal				2,702,991.00
General Condition 6%				162,179.46
Overhead 4%				108,119.64
Profit 4%				108,119.64
TOTAL:				3,081,409.74
Bond premium .0075				20,272.43
*(61,628/unit (50))				

ADDENDUM D:
RENT ROLL

Brockington Heights Apartments
RENT ROLL DETAIL
2/8/2017 2:38:14 PM
As of Date: 2/6/2017

Unit	Floor Plan	SQFT	Unit/Lease Status	Name	Move-In	Lease Start	Lease End	Market + Addl.	Dep On Hand	Balance	Total Charges	SUBRENT	RENT	
1	0A 01	3 Bdrm	800	Occupied	HUDSON, SHIRLEY	11/02/2006	11/01/2012	10/31/2013	782.00	50.00	703.00	782.00	703.00	79.00
2	0A 02	3 Bdrm	800	Occupied	SAWYER, VERONICA	03/27/2013	03/27/2013	02/28/2014	782.00	50.00	710.00	782.00	782.00	0.00
3	0A 03	3 Bdrm	800	Occupied	TAYLOR, DAKAJA	04/07/2016	04/07/2016	04/06/2017	782.00	18.00	948.00	782.00	782.00	0.00
4	0A 04	3 Bdrm	800	Occupied	Hunter, Tyshekia	03/31/2016	03/31/2016	03/01/2017	782.00	80.00	782.00	782.00	782.00	0.00
5	0A 05	3 Bdrm	800	Occupied	COOPER, BEVERLY	03/14/2014	03/14/2014	03/31/2015	782.00	409.00	702.00	782.00	531.00	251.00
6	0A 06	3 Bdrm	800	Occupied	MOUZON, CYNTHIA	08/22/2014	08/22/2014	08/31/2015	782.00	83.00	179.00	782.00	413.00	369.00
7	0A 07	3 Bdrm	800	Occupied	TAYLOR, BRITTANY	06/06/2014	06/06/2014	06/30/2015	782.00	50.00	-649.00	782.00	782.00	0.00
8	0A 08	3 Bdrm	800	Occupied	Johnson, Francisca	02/22/2016	02/22/2016	02/21/2017	782.00	310.00	728.00	782.00	728.00	54.00
9	0A 09	3 Bdrm	800	Occupied	WRIGHT, ASHLEE	01/31/2017	01/31/2017	01/30/2018	782.00	58.00	807.00	782.00	782.00	0.00
10	0A 10	3 Bdrm	800	Occupied	MACK, GWENDOLYN	01/25/2014	01/25/2014	01/31/2015	782.00	50.00	667.00	782.00	683.00	99.00
11	0B 01	2 Bdrm	700	Occupied	ANDERSON, ANNIE	04/05/2016	04/05/2016	04/01/2017	677.00	75.00	36.00	677.00	669.00	8.00
12	0B 02	3 Bdrm	800	Occupied	JACKSON, SHAMEKIA	06/30/2011	06/01/2012	05/31/2013	782.00	50.00	580.00	782.00	670.00	112.00
13	0B 03	3 Bdrm	800	Occupied	JACKSON, LUCREATIA	10/15/2008	10/01/2012	09/30/2013	782.00	41.00	786.00	782.00	706.00	76.00
14	0B 04	3 Bdrm	800	Occupied	CHAVIS, ADRIENNE	10/05/2016	10/05/2016	10/31/2017	782.00	28.00	782.00	782.00	782.00	0.00
15	0B 05	3 Bdrm	800	Occupied	SMITH, SHEHEHCORAH	01/10/2014	01/10/2014	01/31/2015	782.00	51.00	888.00	782.00	782.00	0.00
16	0B 06	2 Bdrm	700	Occupied	GOODMAN, SHENIQUYA	04/05/2016	04/05/2016	04/01/2017	677.00	394.00	168.00	677.00	580.00	97.00
17	0B 07	3 Bdrm	800	Occupied	BOATWRIGHT, BRENDA	04/19/2016	04/19/2016	04/18/2017	782.00	33.00	364.00	782.00	782.00	0.00
18	0B 08	3 Bdrm	800	Occupied	SMITH, ERROLKA	05/14/2015	05/14/2015	05/31/2016	782.00	151.00	733.00	782.00	782.00	0.00
19	0B 09	3 Bdrm	800	Occupied	Fox, Latonya	01/20/2016	01/20/2016	01/19/2017	782.00	184.00	669.00	782.00	602.00	180.00
20	0B 10	3 Bdrm	800	Occupied	HAWKINS, WHITNEY	02/27/2012	02/01/2013	01/31/2014	782.00	416.00	782.00	782.00	782.00	0.00
21	0C 01	2 Bdrm	700	Occupied	WINGATE, LESLIE	09/01/2010	09/01/2012	08/31/2013	677.00	574.00	1001.00	677.00	336.00	341.00
22	0C 02	2 Bdrm	700	Occupied	COOKS, BERNICE	10/27/1997	10/01/2012	09/30/2013	677.00	37.00	677.00	677.00	677.00	0.00
23	0C 03	2 Bdrm	700	Occupied	MOUZON, WHITTNEY	06/01/2015	06/01/2015	05/31/2016	677.00	273.00	425.00	677.00	425.00	252.00
24	0C 04	2 Bdrm	700	Occupied	ROBINSON, LILLIE	10/05/2010	10/01/2012	09/30/2013	677.00	304.00	566.00	677.00	566.00	111.00
25	0C 05	2 Bdrm	700	Occupied	BULLARD, MARISSA	12/01/2016	12/01/2016	11/30/2017	677.00	199.90	583.00	677.00	583.00	94.00
26	0C 06	2 Bdrm	700	Occupied	Dundy, Timeshia	05/04/2016	05/04/2016	04/30/2017	677.00	218.00	568.00	677.00	569.00	108.00
27	0C 07	2 Bdrm	700	Occupied	WILLIAMS, JACKEE	06/12/2002	06/01/2012	05/31/2013	677.00	238.00	598.00	662.00	189.00	473.00
28	0C 08	2 Bdrm	700	Occupied	KINNEY, KEONDRA	11/10/2014	11/10/2014	11/30/2015	677.00	54.00	167.00	677.00	677.00	0.00
29	0C 09	2 Bdrm	700	Occupied	HUDSON, REBECCA	08/05/2016	08/05/2016	08/31/2017	677.00	332.00	426.00	677.00	451.00	226.00
30	0C 10	2 Bdrm	700	Occupied	Hill, Yana	01/29/2016	01/29/2016	01/28/2017	677.00	41.00	626.00	677.00	628.00	49.00
31	0D 01	2 Bdrm	700	Occupied	MCFARLAND, BEVERLY	02/16/2016	02/16/2016	02/15/2017	677.00	85.00	677.00	677.00	677.00	0.00
32	0D 02	2 Bdrm	700	Occupied	MCCAIN, FRANK	12/01/1995	12/01/2012	11/30/2013	677.00	257.00	455.00	677.00	456.00	221.00
33	0D 03	2 Bdrm	700	Occupied	Floyd, Lavounda	01/20/2016	01/20/2016	01/19/2017	677.00	48.00	677.00	677.00	677.00	0.00
34	0D 04	2 Bdrm	700	Occupied	MCFARLAND, ANGELICA	06/19/2015	06/19/2015	06/30/2016	677.00	50.00	677.00	677.00	677.00	0.00
35	0D 05	2 Bdrm	700	Vacant				677.00	0.00	0.00	0.00	0.00	0.00	0.00
36	0D 06	2 Bdrm	700	Occupied	THOMAS, ROBERT	09/30/2016	09/30/2016	09/30/2017	677.00	138.00	688.00	677.00	646.00	31.00
37	0D 07	2 Bdrm	700	Occupied	JOHNSON, CHERRY	06/19/2015	06/19/2015	06/30/2016	677.00	50.00	533.00	677.00	677.00	0.00
38	0D 08	2 Bdrm	700	Occupied	GIBSON, VANESSA	12/05/2012	12/05/2012	11/30/2013	677.00	50.00	677.00	677.00	677.00	0.00
39	0D 09	2 Bdrm	700	Occupied	TAYLOR, LOUISE	10/19/1974	08/01/2012	07/31/2013	677.00	191.00	433.00	677.00	439.00	238.00
40	0D 10	2 Bdrm	700	Occupied	LUCAS, ELIZABETH	11/01/2013	11/01/2013	10/31/2014	677.00	182.00	570.00	677.00	572.00	105.00
41	0E 01	2 Bdrm	700	Vacant				677.00	0.00	0.00	0.00	0.00	0.00	0.00
42	0E 02	3 Bdrm	800	Occupied	MCCULLOUGH, ASHLEY	10/05/2016	10/05/2016	11/01/2017	782.00	209.00	692.00	782.00	692.00	90.00
43	0E 03	3 Bdrm	800	Occupied	HUDSON, AMELIA	04/17/2015	04/17/2015	04/30/2016	782.00	50.00	710.00	782.00	710.00	72.00
44	0E 04	3 Bdrm	800	Occupied	DUNDY, YASHAVETTA	05/05/2016	05/05/2016	04/30/2017	782.00	81.00	782.00	782.00	782.00	0.00
45	0E 05	3 Bdrm	800	Occupied	ROBINSON, SHEARON	03/21/2014	03/21/2014	03/20/2015	782.00	50.00	706.00	782.00	782.00	0.00
46	0E 06	2 Bdrm	700	Occupied	BENNETT, GLORIA	07/19/2004	07/01/2012	06/30/2013	677.00	320.00	369.00	677.00	389.00	288.00
47	0E 07	3 Bdrm	800	Occupied	BOWDEN, BOBBIE	01/19/2017	01/19/2017	01/31/2018	782.00	60.00	1110.00	782.00	782.00	0.00
48	0E 08	3 Bdrm	800	Occupied	DARGAN, DIANNA	09/27/2010	09/01/2012	08/31/2013	782.00	50.00	782.00	782.00	782.00	0.00
49	0E 09	3 Bdrm	800	Occupied	WILLIAMS, SARAH	09/01/1970	09/01/2012	08/31/2013	782.00	233.00	2127.00	782.00	709.00	73.00
50	0E 10	3 Bdrm	800	Occupied	MCFARLAND, NEFERTIRI	07/02/2014	07/02/2014	07/31/2015	782.00	120.00	782.00	782.00	782.00	0.00
TOTAL								36,580.00	7,075.90		35,193.00	31,096.00	4,097.00	