

# Market Feasibility Analysis

Walhalla Gardens  
100 Walhalla Gardens Circle  
Walhalla, Oconee County, South Carolina 29691

*Prepared For*

Mr. Mark Tuckfield  
American Community Developers  
20250 Harper Avenue  
Detroit, Michigan 48225

*Effective Date*

January 24, 2020

*Job Reference Number*

19-599 JP



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
  - Addendum E – Achievable Market Rent

## 2020 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY (WITH SUBSIDY):

Development Name:	Walhalla Gardens	Total # Units: 68
Location:	100 Walhalla Garden Circle, Walhalla (Oconee County), SC 29691	68
PMA Boundary:	Oconee County	# LIHTC Units: _____
Development Type:	<input checked="" type="checkbox"/> Family <input type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject: 22.0 miles

### RENTAL HOUSING STOCK (found on page H-1, 12 & 13)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	17	1,202	23	98.1%
Market-Rate Housing	9	736	23	96.9%
Assisted/Subsidized Housing not to include LIHTC	5	210	0	100.0%
<b>LIHTC (All that are stabilized)*</b>	7	98	0	100.0%
Stabilized Comps**	2	83	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					HUD Area FMR			Highest Unadjusted Comparable Rent	
Units	Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
1	One-Br.	1.0	622	\$272	\$525	\$0.84	48.19%	\$860	\$0.87
1	One-Br.	1.0	622	\$508	\$525	\$0.84	3.24%	\$860	\$0.87
1	One-Br.	1.0	622	\$626	\$525	\$0.84	-19.24%	\$860	\$0.87
5	One-Br.	1.0	622	\$110	\$525	\$0.84	25.72%	\$860	\$0.87
1	Two-Br.	1.0	833	\$748	\$694	\$0.83	-7.78%	\$895	\$0.85
15	Two-Br.	1.0	833	\$98	\$694	\$0.83	85.88%	\$895	\$0.85
1	Three-Br.	1.5	960	\$368	\$984	\$1.03	62.60%	\$985	\$0.90
1	Three-Br.	1.5	960	\$696	\$984	\$1.03	29.27%	\$985	\$0.90
4	Three-Br.	1.5	960	\$859	\$984	\$1.03	12.70%	\$985	\$0.90
2	Three-Br.	1.5	960	\$134	\$984	\$1.03	86.38%	\$985	\$0.90
<b>Walhalla Gardens II</b>									
8	One-Br.	1.0	672	\$110	\$525	\$0.78	79.05%	\$860	\$0.87
16	Two-Br.	1.0	830	\$98	\$694	\$0.84	85.88%	\$895	\$0.85
8	Three-Br.	1.5	980	\$134	\$984	\$1.00	86.38%	\$985	\$0.90
4	Four-Br.	1.5	1,106	\$51	\$1,219	\$1.10	95.82%	\$985	\$0.90
<b>Gross Potential Rent Monthly*</b>				<b>\$12,784</b>	<b>\$51,228</b>		<b>75.04%</b>		

\*Market Advantage is calculated using the following formula: Gross HUD FMR (minus) Net Proposed Tenant Rent (divided by) Gross HUD FMR. 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-4 & G-5)

	2010	2019		2022	
Renter Households		10,003	30.4%	10,202	30.3%
Income-Qualified Renter HHs (LIHTC)		6,686	66.8%	6,463	63.4%
Income-Qualified Renter HHs (MR)		-	-	-	-

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

Type of Demand	30%	50%	60%	Tax/Section 8	Other:___	Overall
Renter Household Growth	-59	-70	-72	-201	-	-223
Existing Households (Overburd + Substand)	1,264	1,053	993	3,372	-	3,644
Homeowner conversion (Seniors)	0	0	0	0	-	0
Other:	0	0	0	0	-	0
Less Comparable/Competitive Supply	0	0	12	29	-	41
<b>Net Income-qualified Renter HHs</b>	<b>1,205</b>	<b>983</b>	<b>909</b>	<b>3,142</b>	<b>-</b>	<b>3,380</b>

**CAPTURE RATES (found on page G-5)**

Targeted Population	30%	50%	60%	Tax/Section 8	Other:___	Overall
Capture Rate	0.2%	0.2%	0.7%	1.8%	-	2.0%

**ABSORPTION RATE (found on page G-11)**

Absorption Period 4 months
----------------------------

2/2020

2020 S-2 RENT CALCULATION WORKSHEET (AS PROPOSED WITH SUBSIDY)

# Units	Bedroom Type	Current Tenant Paid Rent	Gross Tenant Rent by Bedroom Type	Fair Market Rent	Gross Adjusted Market Rent by Bedroom Type	Tax Credit Gross Rent Advantage
1	1 BR	\$390	\$390	\$525	\$525	
1	1 BR	\$508	\$508	\$525	\$525	
1	1 BR	\$626	\$626	\$525	\$525	
5	1 BR	\$110	\$550	\$525	\$2,625	
1	2 BR	\$748	\$748	\$694	\$694	
15	2 BR	\$98	\$1,470	\$694	\$10,410	
1	3 BR	\$368	\$368	\$984	\$984	
1	3 BR	\$696	\$696	\$984	\$984	
4	3 BR	\$859	\$3,436	\$984	\$3,936	
2	3 BR	\$134	\$268	\$984	\$1,968	
8	1 BR	\$110	\$880	\$525	\$4,200	
16	2 BR	\$98	\$1,568	\$694	\$11,104	
8	3 BR	\$134	\$1,072	\$984	\$7,872	
4	4 BR	\$51	\$204	\$1,219	\$4,876	
Totals	68		\$12,784		\$51,228	75.04%

## 2020 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY (WITH SUBSIDY):

Development Name:	Walhalla Gardens	Total # Units: 68
Location:	100 Walhalla Garden Circle, Walhalla (Oconee County), SC 29691	68
PMA Boundary:	Oconee County	# LIHTC Units: _____
Development Type:	<input checked="" type="checkbox"/> Family <input type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject: 22.0 miles

### RENTAL HOUSING STOCK (found on page H-1, 12 & 13)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	17	1,202	23	98.1%
Market-Rate Housing	9	736	23	96.9%
Assisted/Subsidized Housing not to include LIHTC	5	210	0	100.0%
<b>LIHTC (All that are stabilized)*</b>	7	98	0	100.0%
Stabilized Comps**	2	83	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					HUD Area FMR			Highest Unadjusted Comparable Rent	
Units	Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
2	One-Br.	1.0	622	\$272	\$525	\$0.84	48.19%	\$860	\$0.87
2	One-Br.	1.0	622	\$508	\$525	\$0.84	3.24%	\$860	\$0.87
4	One-Br.	1.0	622	\$626	\$525	\$0.84	-19.24%	\$860	\$0.87
4	Two-Br.	1.0	833	\$323	\$694	\$0.83	54.59%	\$895	\$0.85
4	Two-Br.	1.0	833	\$606	\$694	\$0.83	12.68%	\$895	\$0.85
8	Two-Br.	1.0	833	\$748	\$694	\$0.83	-7.78%	\$895	\$0.85
2	Three-Br.	1.5	960	\$368	\$984	\$1.03	62.60%	\$985	\$0.90
2	Three-Br.	1.5	960	\$696	\$984	\$1.03	29.27%	\$985	\$0.90
4	Three-Br.	1.5	960	\$859	\$984	\$1.03	12.70%	\$985	\$0.90
<b>Walhalla Gardens II</b>									
2	One-Br.	1.0	672	\$272	\$525	\$0.78	48.19%	\$860	\$0.87
2	One-Br.	1.0	672	\$508	\$525	\$0.78	3.24%	\$860	\$0.87
4	One-Br.	1.0	672	\$626	\$525	\$0.78	-19.24%	\$860	\$0.87
4	Two-Br.	1.0	830	\$323	\$694	\$0.84	54.59%	\$895	\$0.85
4	Two-Br.	1.0	830	\$606	\$694	\$0.84	12.68%	\$895	\$0.85
8	Two-Br.	1.0	830	\$748	\$694	\$0.84	-7.78%	\$895	\$0.85
2	Three-Br.	1.5	980	\$368	\$984	\$1.00	62.60%	\$985	\$0.90
2	Three-Br.	1.5	980	\$696	\$984	\$1.00	29.27%	\$985	\$0.90
4	Three-Br.	1.5	980	\$859	\$984	\$1.00	12.70%	\$985	\$0.90
1	Four-Br.	1.5	1,106	\$405	\$1,219	\$1.10	66.80%	\$985	\$0.90
1	Four-Br.	1.5	1,106	\$770	\$1,219	\$1.10	36.83%	\$985	\$0.90
2	Four-Br.	1.5	1,106	\$953	\$1,219	\$1.10	21.82%	\$985	\$0.90
<b>Gross Potential Rent Monthly*</b>				<b>\$41,737</b>	<b>\$51,228</b>	<b>18.53%</b>			

\*Market Advantage is calculated using the following formula: Gross HUD FMR (minus) Net Proposed Tenant Rent (divided by) Gross HUD FMR. 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-4 & G-6)**

	2010	2019		2022	
Renter Households		10,003	30.4%	10,202	30.3%
Income-Qualified Renter HHs (LIHTC)		4,913	49.1%	4,775	46.8%
Income-Qualified Renter HHs (MR)		-	-	-	-

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

Type of Demand	30%	50%	60%	Other:	Other:___	Overall
Renter Household Growth	-59	-70	-72	-	-	-138
Existing Households (Overburd + Substand)	1,264	1,053	993	-	-	2,378
Homeowner conversion (Seniors)	0	0	0	-	-	0
Other:	0	0	0	-	-	0
Less Comparable/Competitive Supply	0	0	12	-	-	12
<b>Net Income-qualified Renter HHs</b>	<b>1,205</b>	<b>983</b>	<b>909</b>	<b>-</b>	<b>-</b>	<b>2,366</b>

**CAPTURE RATES (found on page G-5)**

Targeted Population	30%	50%	60%	Other:	Other:___	Overall
Capture Rate	1.4%	1.7%	3.7%	-	-	3.1%

**ABSORPTION RATE (found on page G-11)**

Absorption Period 6 months
----------------------------

2/2020

2019 S-2 RENT CALCULATION WORKSHEET

# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent by Bedroom Type	Fair Market Rent	Gross Adjusted Market Rent by Bedroom Type	Tax Credit Gross Rent Advantage
2	1 BR	\$272	\$544	\$525	\$1,050	
2	1 BR	\$508	\$1,016	\$525	\$1,050	
4	1 BR	\$626	\$2,504	\$525	\$2,100	
4	2 BR	\$323	\$1,292	\$694	\$2,776	
4	2 BR	\$606	\$2,424	\$694	\$2,776	
8	2 BR	\$748	\$5,984	\$694	\$5,552	
2	3 BR	\$368	\$736	\$984	\$1,968	
2	3 BR	\$696	\$1,392	\$984	\$1,968	
4	3 BR	\$859	\$3,436	\$984	\$3,936	
2	1 BR	\$272	\$544	\$525	\$1,050	
2	1 BR	\$508	\$1,016	\$525	\$1,050	
4	1 BR	\$626	\$2,504	\$525	\$2,100	
4	2 BR	\$323	\$1,292	\$694	\$2,776	
4	2 BR	\$606	\$2,424	\$694	\$2,776	
8	2 BR	\$748	\$5,984	\$694	\$5,552	
2	3 BR	\$368	\$736	\$984	\$1,968	
2	3 BR	\$696	\$1,392	\$984	\$1,968	
4	3 BR	\$859	\$3,436	\$984	\$3,936	
1	4 BR	\$405	\$405	\$1,219	\$1,219	
1	4 BR	\$770	\$770	\$1,219	\$1,219	
2	4 BR	\$953	\$1,906	\$1,219	\$2,438	
<b>Totals</b>	68		\$41,737		\$51,228	18.53%

## B. Project Description

Project Name:	<b>Walhalla Gardens</b>
Location:	100 Walhalla Garden Circle, Walhalla, South Carolina 29691 (Oconee County)
Census Tract:	304.01
Target Market:	Family
Construction Type:	Renovation of Existing Development
Funding Source:	LIHTC and Section 8

The proposed project involves the renovation of the 68-unit New Walhalla Gardens and Walhalla Gardens II apartment properties at 100 Walhalla Garden Circle in Walhalla, South Carolina. Built in 1968 and 1970, the projects operate under the HUD Section 8 program, with 58 units receiving a direct subsidy. The subsidy allows tenants to pay up to 30% of their adjusted gross household incomes towards shelter costs (rent and utilities). The remaining 10 units operate as unrestricted market-rate. According to management, the projects are currently 100.0% occupied and maintain a 64-household waiting list, collectively.

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 be known as Walhalla Gardens and will target households with incomes of up to 30%, 50% and 60% of Area Median Household Income (AMHI). Notably, the 58 subsidized units will continue to operate under the HUD Section 8 program. All renovations are expected to be complete by December 2021. Additional details of the subject project are as follows:

Proposed Unit Configuration										
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Current Contract Rent	Proposed Rents			Max. Allowable LIHTC Gross Rent
							Collected Rent	Utility Allowance	Gross Rent	
<b>New Walhalla Gardens</b>										
1	One-Br.	1.0	Townhome	622	30%	\$718	\$272	\$82	\$354	\$354
1	One-Br.	1.0	Townhome	622	50%	\$718	\$508	\$82	\$590	\$590
1	One-Br.	1.0	Townhome	622	60%	\$718	\$626	\$82	\$708	\$708
1	One-Br.	1.0	Townhome	622	30%/S8	\$718	\$272	\$82	\$354	\$354
1	One-Br.	1.0	Townhome	622	50%/S8	\$718	\$508	\$82	\$590	\$590
3	One-Br.	1.0	Townhome	622	60%/S8	\$718	\$626	\$82	\$708	\$708
4	Two-Br.	1.0	Townhome	833	30%/S8	\$780	\$323	\$102	\$425	\$425
4	Two-Br.	1.0	Townhome	833	50%/S8	\$780	\$606	\$102	\$708	\$708
7	Two-Br.	1.0	Townhome	833	60%/S8	\$780	\$748	\$102	\$850	\$850
1	Two-Br.	1.0	Townhome	833	60%	\$780	\$748	\$102	\$850	\$850
1	Three-Br.	1.5	Townhome	960	30%	\$946	\$368	\$122	\$490	\$490
1	Three-Br.	1.5	Townhome	960	50%	\$946	\$696	\$122	\$818	\$818
4	Three-Br.	1.5	Townhome	960	60%	\$946	\$859	\$122	\$981	\$981
1	Three-Br.	1.5	Townhome	960	30%/S8	\$946	\$368	\$122	\$490	\$490
1	Three-Br.	1.5	Townhome	960	50%/S8	\$946	\$696	\$122	\$818	\$818
<b>Walhalla Gardens II</b>										
2	One-Br.	1.0	Garden	672	30%/S8	\$661	\$272	\$82	\$354	\$354
2	One-Br.	1.0	Garden	672	50%/S8	\$661	\$508	\$82	\$590	\$590
4	One-Br.	1.0	Garden	672	60%/S8	\$661	\$626	\$82	\$708	\$708
4	Two-Br.	1.0	Garden	830	30%/S8	\$778	\$323	\$102	\$425	\$425
4	Two-Br.	1.0	Garden	830	50%/S8	\$778	\$606	\$102	\$708	\$708
8	Two-Br.	1.0	Garden	830	60%/S8	\$778	\$748	\$102	\$850	\$850
2	Three-Br.	1.5	Garden	980	30%/S8	\$888	\$368	\$122	\$490	\$490
2	Three-Br.	1.5	Garden	980	50%/S8	\$888	\$696	\$122	\$818	\$818
4	Three-Br.	1.5	Garden	980	60%/S8	\$888	\$859	\$122	\$981	\$981
1	Four-Br.	1.5	Garden	1,106	30%/S8	\$1,030	\$405	\$142	\$547	\$547
1	Four-Br.	1.5	Garden	1,106	50%/S8	\$1,030	\$770	\$142	\$912	\$912
2	Four-Br.	1.5	Garden	1,106	60%/S8	\$1,030	\$953	\$142	\$1,095	\$1,095
68	Total									

Source: American Community Developers  
AMHI – Area Median Household Income (Oconee County, SC MSA; 2020)  
S8 – Section 8

*Note that tenants residing at the 58 subsidized units effectively pay up to 30% of their adjusted gross household income towards gross rent. The maximum allowable LIHTC gross rents of between \$354 and \$1,095 are the programmatic limits for units targeting households earning up to 30%, 50% and 60% of AMHI. However, these limits would only apply in the unlikely scenario that the subject project ceased to operate with a project-based subsidy. In the unlikely event the subject project lost its project-based subsidy, it will be configured as illustrated on the following page.*

Proposed Unit Configuration									
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
<b>New Walhalla Gardens</b>									
2	One-Br.	1.0	Townhome	622	30%	\$272	\$82	\$354	\$354
2	One-Br.	1.0	Townhome	622	50%	\$508	\$82	\$590	\$590
4	One-Br.	1.0	Townhome	622	60%	\$626	\$82	\$708	\$708
4	Two-Br.	1.0	Townhome	833	30%	\$323	\$102	\$425	\$425
4	Two-Br.	1.0	Townhome	833	50%	\$606	\$102	\$708	\$708
8	Two-Br.	1.0	Townhome	833	60%	\$748	\$102	\$850	\$850
2	Three-Br.	1.5	Townhome	960	30%	\$368	\$122	\$490	\$490
2	Three-Br.	1.5	Townhome	960	50%	\$696	\$122	\$818	\$818
4	Three-Br.	1.5	Townhome	960	60%	\$859	\$122	\$981	\$981
<b>Walhalla Gardens II</b>									
2	One-Br.	1.0	Garden	672	30%	\$272	\$82	\$354	\$354
2	One-Br.	1.0	Garden	672	50%	\$508	\$82	\$590	\$590
4	One-Br.	1.0	Garden	672	60%	\$626	\$82	\$708	\$708
4	Two-Br.	1.0	Garden	830	30%	\$323	\$102	\$425	\$425
4	Two-Br.	1.0	Garden	830	50%	\$606	\$102	\$708	\$708
8	Two-Br.	1.0	Garden	830	60%	\$748	\$102	\$850	\$850
2	Three-Br.	1.5	Garden	980	30%	\$368	\$122	\$490	\$490
2	Three-Br.	1.5	Garden	980	50%	\$696	\$122	\$818	\$818
4	Three-Br.	1.5	Garden	980	60%	\$859	\$122	\$981	\$981
1	Four-Br.	1.5	Garden	1,106	30%	\$405	\$142	\$547	\$547
1	Four-Br.	1.5	Garden	1,106	50%	\$770	\$142	\$912	\$912
2	Four-Br.	1.5	Garden	1,106	60%	\$953	\$142	\$1,095	\$1,095
68	Total								

Source: American Community Developers  
AMHI – Area Median Household Income (Oconee County, SC MSA; 2020)

Building/Site Information	
Residential Buildings:	7 one- and two-story buildings
Building Style:	Walk-up
Community Buildings:	1
Acres:	6.6

Construction Timeline	
Original Year Built:	1968 & 1970
Renovation Start:	January 2021
Begin Preleasing:	In-Place Renovation
Renovation End:	December 2021

Unit Amenities		
• Electric Range	• Central Air Conditioning (32 Units)	• Carpet & Composite Flooring
• Refrigerator w/ Icemaker	• Wall Air Conditioning (36 Units)	• Window Blinds
• Microwave*	• Garbage Disposal*	• Washer/Dryer Appliances*

\*To be added during renovations

Community Amenities		
• On-Site Management	• Laundry Room	• Computer Center*
• Copy/Print/Fax*	• Clubhouse*	• Community Room with Kitchen*
• Playground*	• CCTV/Cameras*	• Surface Parking Lot

\*To be added during renovations

Utility Responsibility							
	Heat	Hot Water	Cooking	General Electric	Cold Water	Sewer	Trash
Paid By	Tenant	Tenant	Tenant	Tenant	Landlord	Landlord	Landlord
Source	Electric	Electric	Electric				

Current Occupancy Status			
Total Units	Vacant Units	Occupancy Rate	Waiting List
68	0	100.0%	64 Households

**PLANNED RENOVATION & CURRENT OCCUPANCY:**

Based on information provided by the developer, the subject property will be substantially renovated (~\$65,800/unit) and will include, but not limited to the following renovations:

- Replace all flooring
- New kitchen appliances
- Paint the interior of all the units
- Replacement of all windows
- Addition of a clubhouse
- Addition of a computer center
- Addition of a community room with kitchen
- Install new entry doors
- Repair all sidewalks to remove any trip hazards
- Repair, seal coat and re-stripe the parking lots
- Replace roofs where necessary

Note that the scope of renovations proposed at the subject project is included in *Addendum C* of this report.

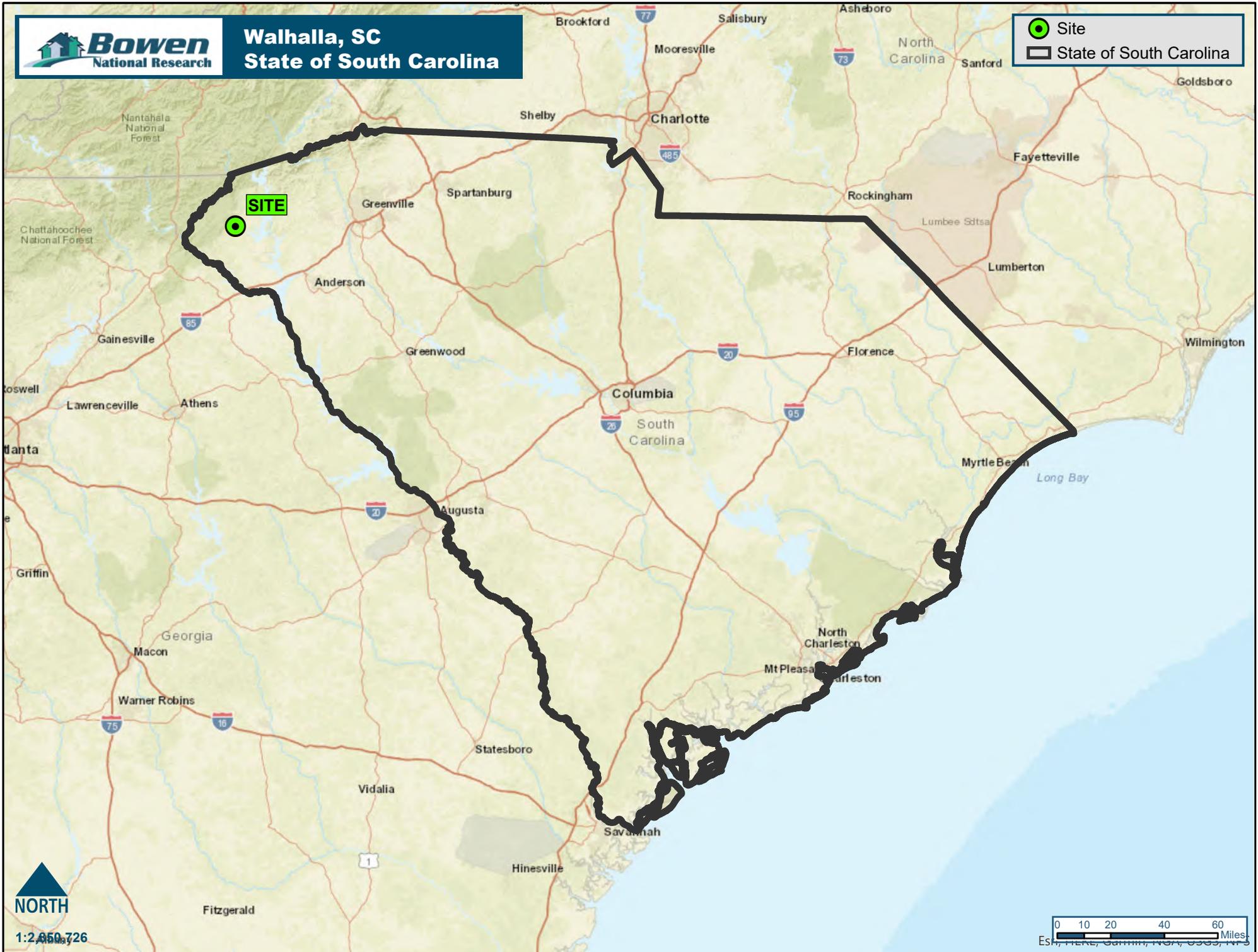
The subject project consists of 68 one-, two-, three- and four-bedroom units that are 100.0% occupied with a 64-household waiting list. The subject project currently operates with a Section 8 subsidy available to most units, allowing tenants of these units to pay up to 30% of their income towards rent. Due to the subsidy that is available to most of the subject units, the average tenant-paid subsidized rents are \$110, \$98, \$134 and \$51 for a one-, two-, three- and four-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 the majority of units. It is anticipated that most, if not all, current tenants are expected to continue to income-qualify to reside at the subject project.

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



# Walhalla, SC State of South Carolina

- Site
- State of South Carolina



NORTH

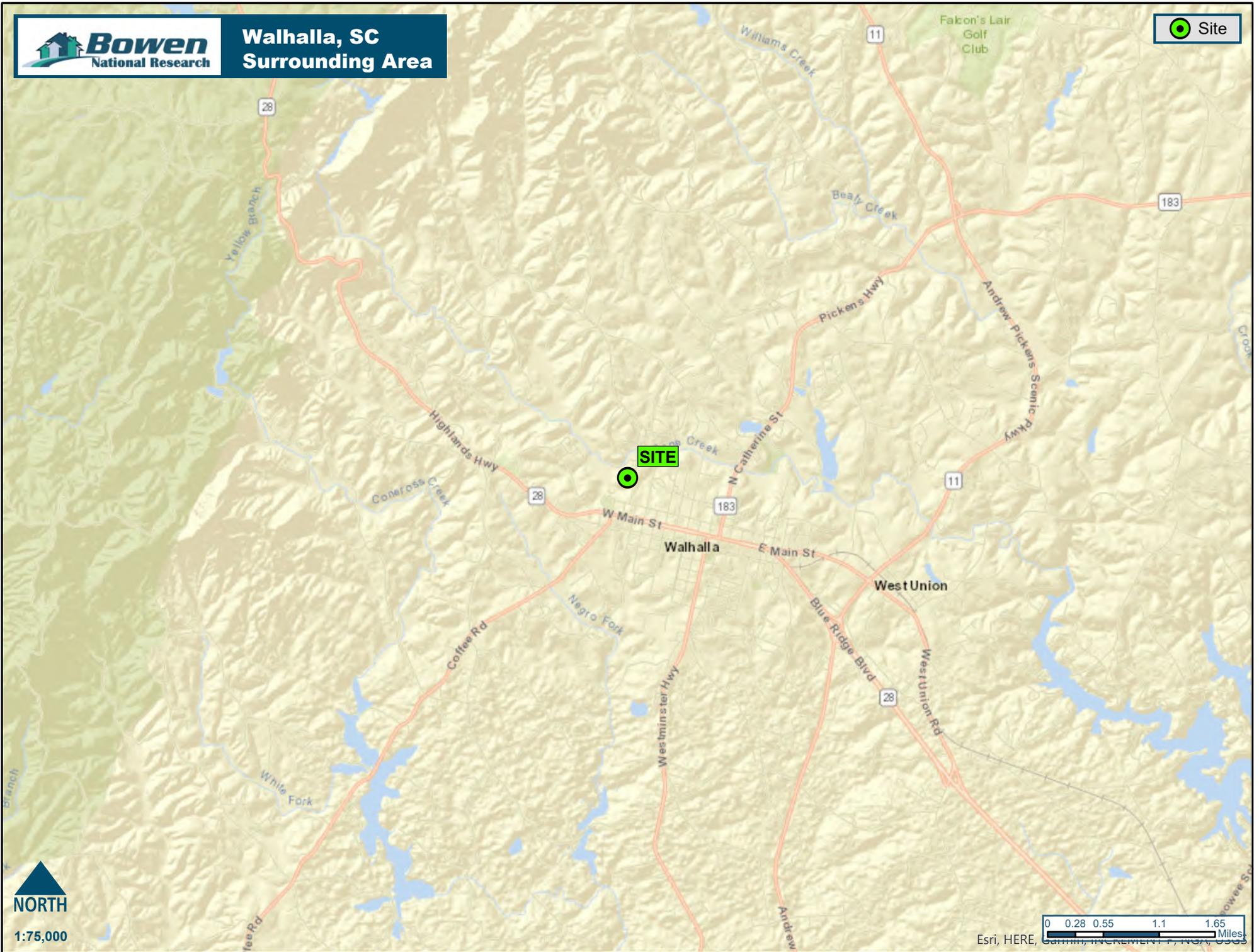
1:2,850,726

0 10 20 40 60 Miles

ESRI, HERE, Garmin, NAVI, USGS, FWS



# Walhalla, SC Surrounding Area



1:75,000



Esri, HERE, Garmin, DeLorme

## C. Site Description and Evaluation

### 1. SITE INSPECTION DATE

Bowen National Research personally inspected the subject site during the week of December 16, 2019. 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 is an existing rental property located at 100 Walhalla Gardens Circle in Walhalla, South Carolina. Located within Oconee County, Walhalla is 45.0 miles west of Greenville, South Carolina. Following is a description of surrounding land uses:

<b>North -</b>	The northern boundary is defined by a fence that separates the property from single-family homes in good condition. Continuing north are additional single-family homes in good condition, Cane Creek and undeveloped land.
<b>East -</b>	The eastern boundary is defined by North Laurel Street, a lightly traveled two-lane roadway. A single-family home in good condition and heavily wooded land extend farther east towards the downtown portion of Walhalla.
<b>South -</b>	The southern boundary of the site is defined by a fence that buffers the site from manufactured homes in fair condition. Single-family homes in fair to good condition extend south along North Laurel Street towards State Route 28, a moderately traveled arterial roadway.
<b>West -</b>	The western boundary is defined by wooded land and undeveloped land, which extend west towards a neighborhood of single-family homes in good condition.

The site is situated within a partially established and primarily residential portion of Walhalla comprised of single-family homes in fair to good condition. As such, renovated apartments are expected to fit well with the surrounding land uses and they should continue to contribute to its marketability.

### 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	South Carolina Highway 28	0.4 South
Major Employers/ Employment Centers	Oconee County Schools Walmart Supercenter Schneider Electric	7.4 East 8.5 Southeast 9.9 South
Convenience Store	Head's Grocery Exxon Shell	0.5 South 1.2 Southeast 2.7 Southeast
Grocery	Walhalla Food Store Ingles Market	0.9 Southeast 2.7 Southeast
Discount Department Store	Dollar Tree Family Dollar Dollar General	2.3 Southeast 2.3 Southeast 2.8 Southeast
Shopping Center/Mall	Applewood Shopping Center Anderson Mall	8.3 Southeast 32.1 Southeast
Schools: Elementary Middle/Junior High High	James M. Brown Elementary Walhalla Middle School Walhalla High School	0.9 South 2.3 Northeast 5.8 North
Hospital	GHS Family Medicine Walhalla Oconee Memorial Hospital	2.7 Southeast 8.0 Southeast
Police	Walhalla Police Department	1.2 Southeast
Fire	Walhalla Fire Department	1.1 Southeast
Post Office	United States Postal Service	0.8 Southeast
Bank	Blue Ridge Bank Community First Bank Bank of America	1.0 Southeast 2.0 Southeast 8.5 Southeast
Recreational Facilities	Walhalla City Recreation Department	1.0 Southeast
Gas Station	Head's Grocery Exxon Shell	0.5 South 1.2 Southeast 2.7 Southeast
Pharmacy	Walhalla Pharmacy CVS	1.1 Southeast 2.3 Southeast
Restaurant	King's Taco Bantam Chef of Walhalla Arby's	0.8 Southwest 1.0 Southeast 1.1 Southeast
Day Care	Upstate Children's Center of Walhalla Kid's Korner Child Care of Westminster	1.8 Southeast 8.7 South
Library	Oconee County Library	0.7 Southeast

As the preceding illustrates, several area services such as dining, banking, shopping, and schools, as well as various other basic community services are located within approximately 2.0 miles of the subject site and are easily accessible given the site's proximity to State Route 29, which serves as a commercial corridor and arterial roadway within the area and is accessed 0.4 miles south of the site. Notable services within approximately 1.0 mile of the subject site include, but are not limited to: King's Taco, Blue Ridge Bank, Oconee Public Library Head's Grocery, and James M. Brown Elementary School.

Public safety services are provided by the Walhalla Police and Fire departments, which are located 1.2 miles and 1.1 miles southeast of the site, respectively. The nearest full-service hospital is the Oconee Memorial Hospital, which is located 8.0 miles southeast of the site in Seneca. Overall, the subject project's proximity to area community services is expected to continue to contribute to the marketability of the site.

#### **4. SITE PHOTOGRAPHS**

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



Typical exterior of building - Walhalla Gardens II



Entryway Signage - Walhalla Gardens II



Typical exterior of building - New Walhalla Gardens



Entryway Signage - New Walhalla Gardens



Site Entryway



View of site from the north



View of site from the northeast



View of site from the east



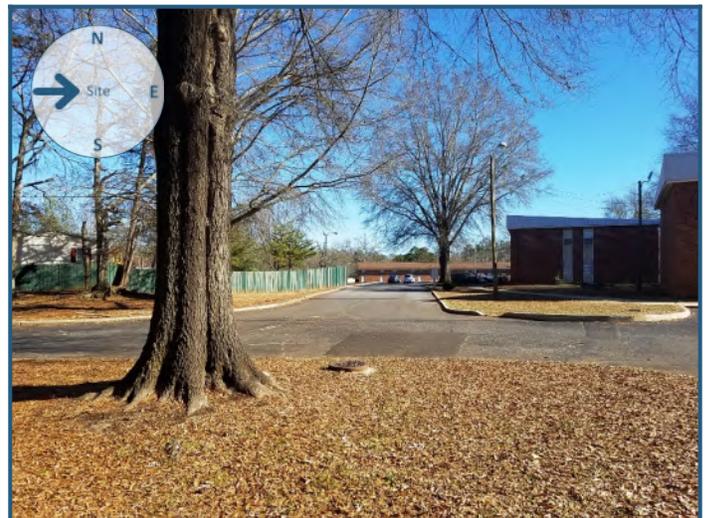
View of site from the southeast



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



East view from site



Southeast view from site



South view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape: South view of State Road 37-181



Streetscape: North view of State Road 37-181



Recreation Area: Playground



Laundry Facility



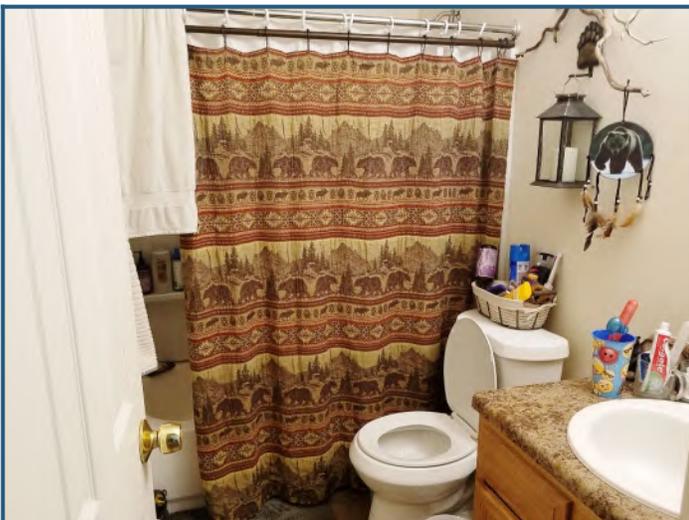
One-Bedroom (Living Room)



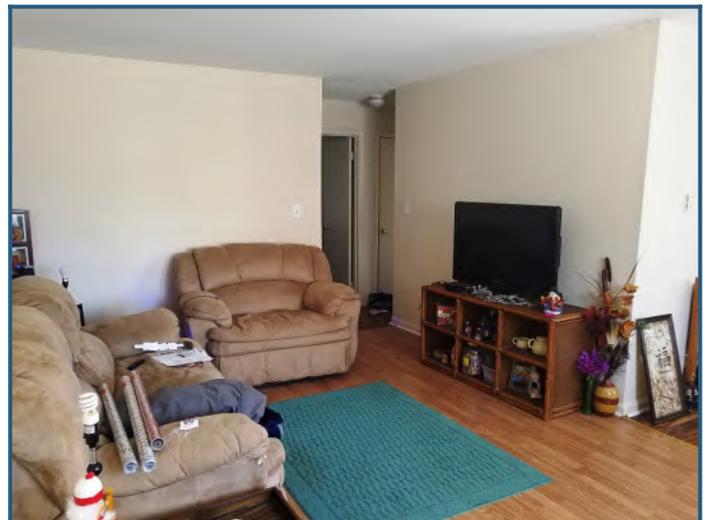
One-Bedroom (Kitchen)



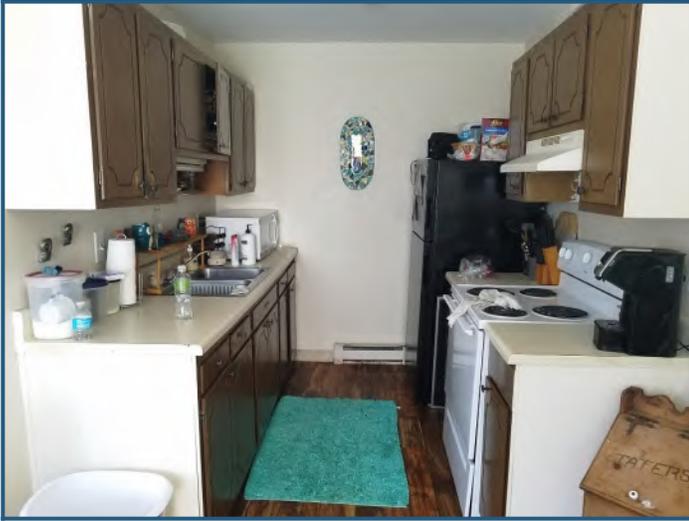
One-Bedroom (Bedroom)



One-Bedroom (Bathroom)



Two-Bedroom (Living Room)



Two-Bedroom (Kitchen)



Two-Bedroom (Master Bedroom)



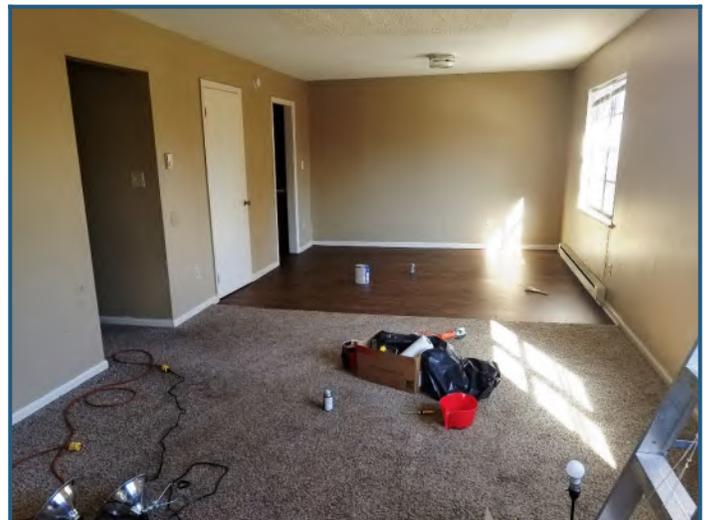
Two-Bedroom (Second Bedroom)



Two-Bedroom (Full Bathroom)



Two-Bedroom (Dining Room)



Three-Bedroom (Living Room)



Three-Bedroom (Kitchen)



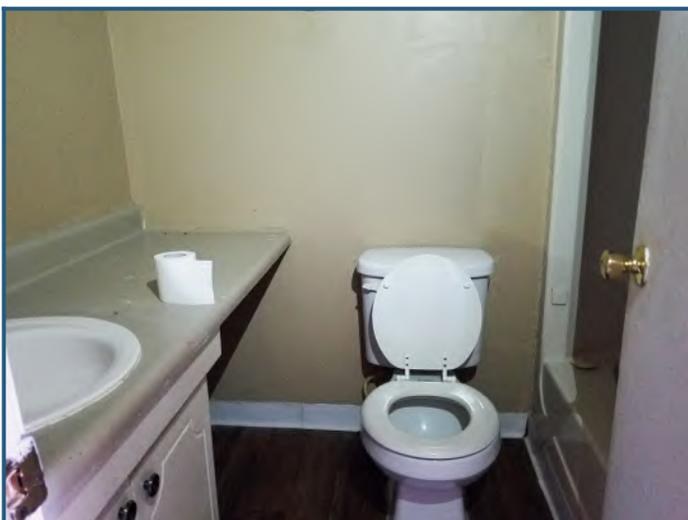
Three-Bedroom (Master Bedroom - View A)



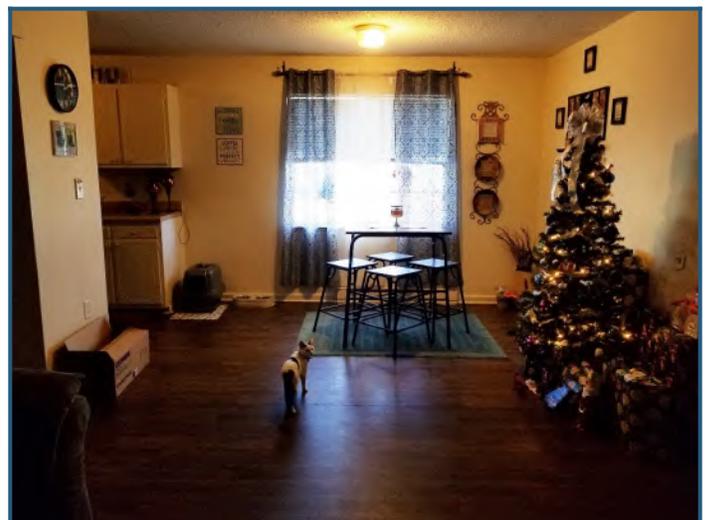
Three-Bedroom (Second Bedroom - View A)



Three-Bedroom (Third Bedroom - View A)



Three-Bedroom (Full Bathroom)



Four-Bedroom (Living Room)



Four-Bedroom (Kitchen)



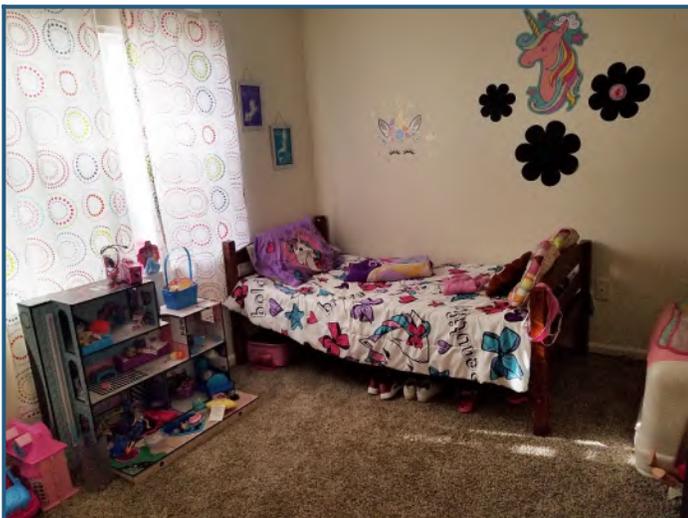
Four-Bedroom (Master Bedroom - View A)



Four-Bedroom (Second Bedroom - View A)



Four-Bedroom (Third Bedroom - View A)



Four-Bedroom (Fourth Bedroom - View A)



Four-Bedroom (Full Bathroom)



Four-Bedroom (Half-Bath)

**5. SITE AND COMMUNITY SERVICES MAPS**

Maps of the subject site and relevant community services follow.

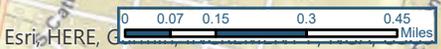
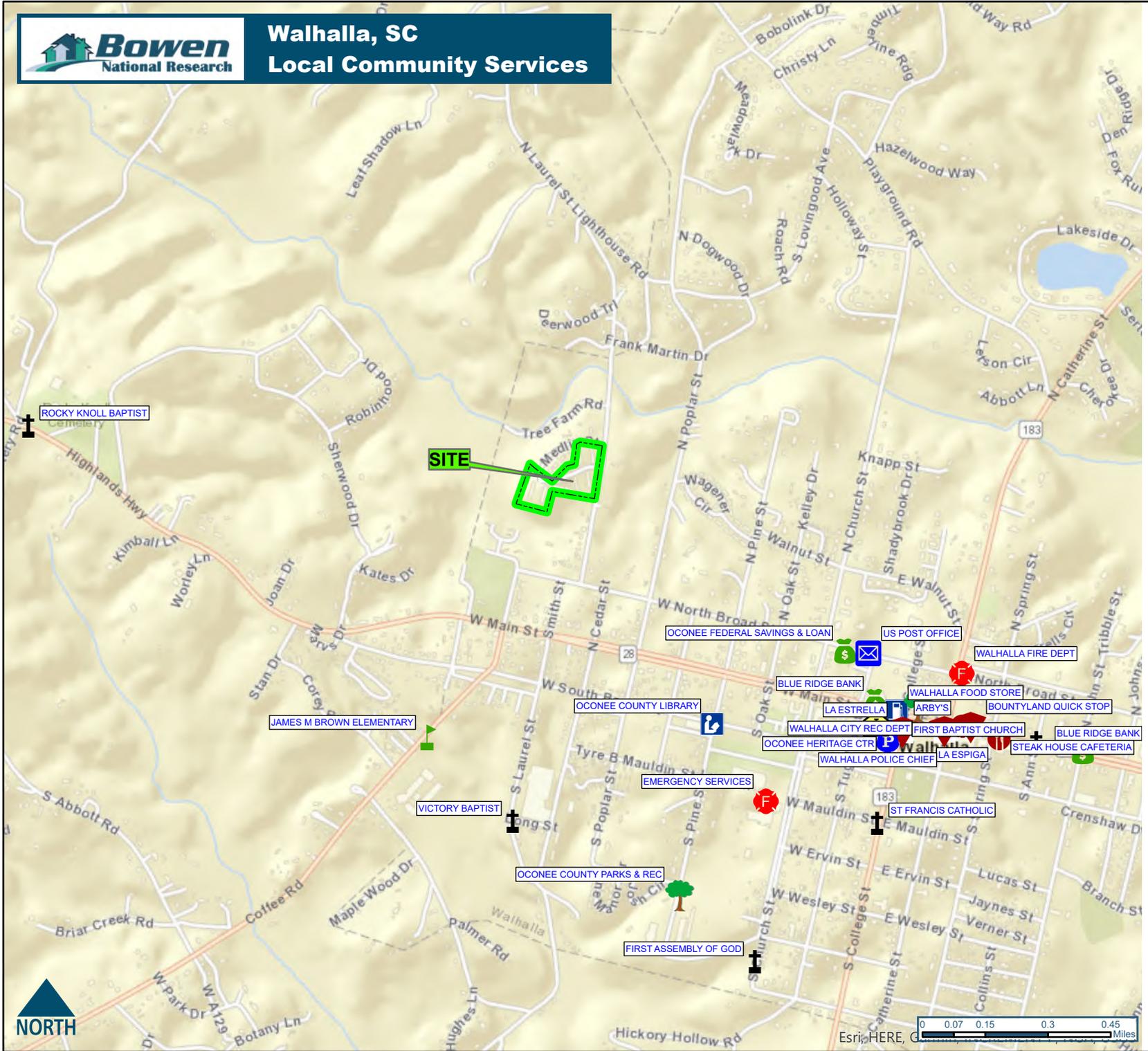




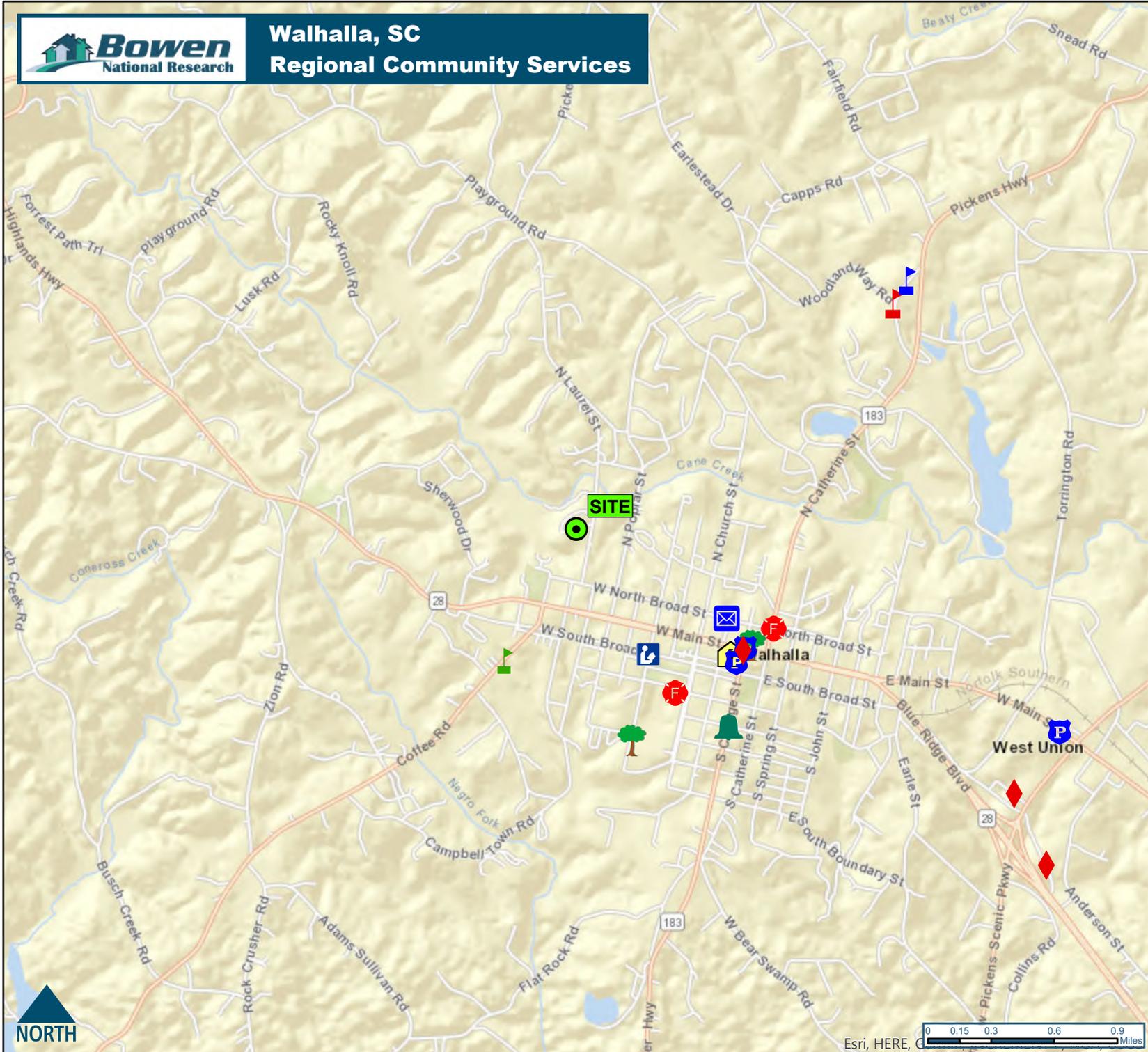


# Walhalla, SC Local Community Services

- Legend
- Site Area
  - Bank
  - Church
  - Elementary School
  - Fire
  - Gas
  - Grocery
  - Library
  - Museum
  - Park
  - Police
  - Post Office
  - Restaurant



1:20,000



- Legend**
-  Site
  -  Elementary School
  -  Fire
  -  High School
  -  Library
  -  Middle School
  -  Museum
  -  Park
  -  Police
  -  Post Office
  -  Shopping
  -  University



**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 (66) for the Site ZIP Code is below the national average with an overall personal crime index of 66 and a property crime index of 66. Total crime risk (90) for Oconee County is below the national average with indexes for personal and property crime of 86 and 90, respectively.

	Crime Risk Index	
	Site ZIP Code	Oconee County
<b>Total Crime</b>	<b>66</b>	<b>90</b>
<b>Personal Crime</b>	<b>66</b>	<b>86</b>
Murder	77	98
Rape	96	112
Robbery	17	26
Assault	82	108
<b>Property Crime</b>	<b>66</b>	<b>90</b>
Burglary	92	115
Larceny	60	86
Motor Vehicle Theft	49	68

Source: Applied Geographic Solutions

The crime risk indices within both the site’s ZIP Code (66) and Oconee County (90) are below the national average (100). As such, crime likely does not adversely impact the marketability of rental properties in this market, as evidenced by the strong occupancy levels maintained at nearly all rental properties surveyed, including the subject site. As such, the perception of crime within the area is not anticipated to have an impact on the site’s continued marketability. A map illustrating crime risk is on the following page.

A map illustrating crime risk is on the following page.

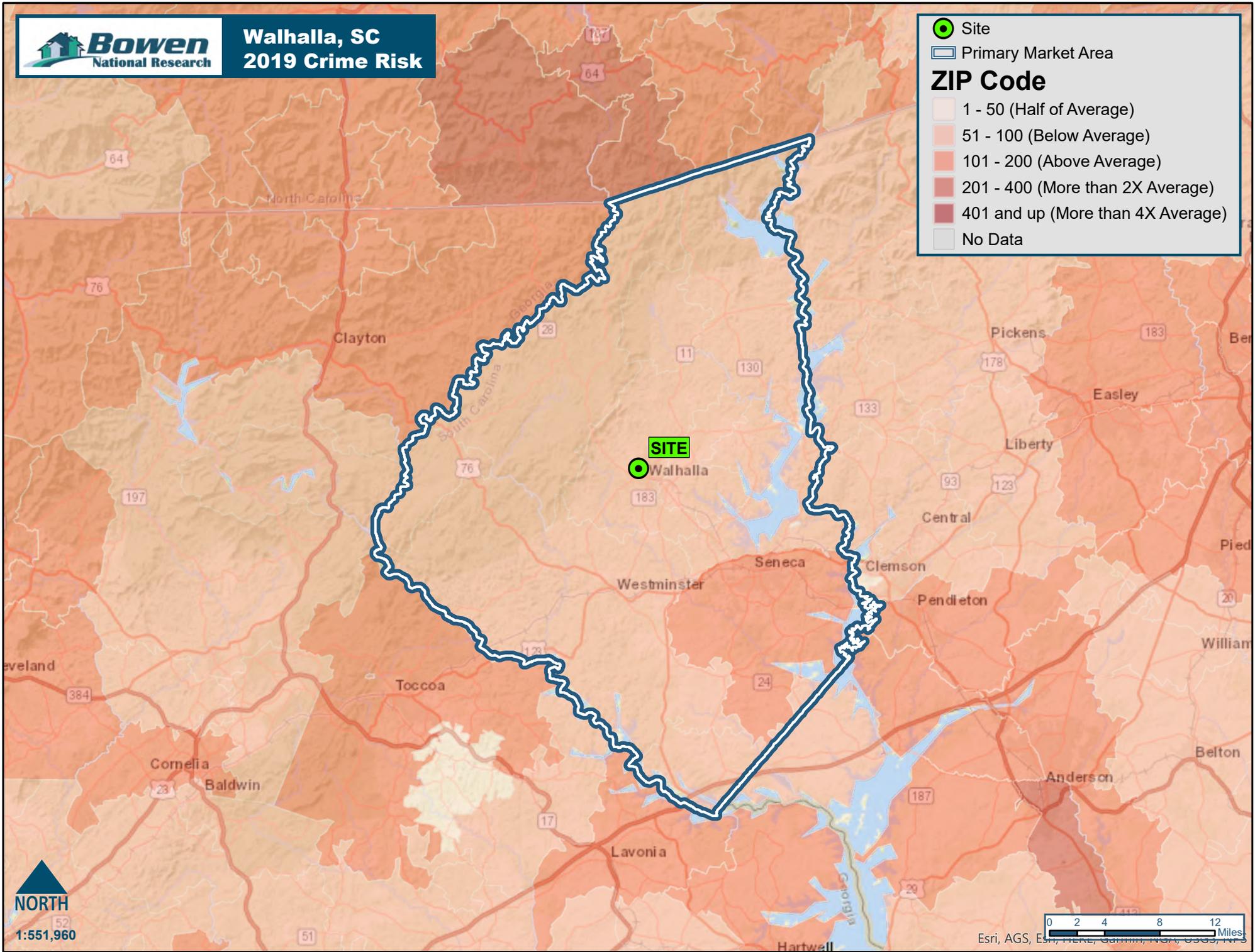


# Walhalla, SC 2019 Crime Risk

- Site
- ▭ Primary Market Area

### ZIP Code

- 1 - 50 (Half of Average)
- 51 - 100 (Below Average)
- 101 - 200 (Above Average)
- 201 - 400 (More than 2X Average)
- 401 and up (More than 4X Average)
- No Data



**NORTH**  
1:551,960



Esri, AGS, Esri, HERE, Garmin, NAV, OSGS, TMS

## **7. ACCESS AND VISIBILITY**

The subject property derives access from North Laurel Street, a two-lane roadway that borders the site to the east and is lightly traveled. The light vehicular traffic experienced along this aforementioned roadway allows for convenient ingress and egress. This roadway also provides access to and from State Route 28, an arterial roadway and commercial corridor in Walhalla. Overall, access is considered good.

Visibility is considered limited due to the mostly obstructed views from the surrounding land uses, such as wooded land and houses bordering the site in all directions. However, the property is clearly visible upon ingress from North Laurel Street and signage is present at the subject site entryways. Nonetheless, the limited visibility has not had an adverse impact on the site's marketability, as evidenced by its full occupancy and waiting list. Therefore, visibility of the site is considered adequate.

## **8. VISIBLE OR ENVIRONMENTAL ISSUES**

There were no visible or environmental issues observed while conducting the site visit.

## **9. OVERALL SITE CONCLUSIONS**

The subject site is situated within a partially established and primarily residential area of Walhalla and fits well with the surrounding land uses. Visibility of the subject site is limited due to the mostly obstructed views from the surrounding land uses; however, the high occupancy rate demonstrates that the limited visibility has not adversely impacted the property's marketability. Access to and from the site is considered good, due to the light traffic on North Laurel Street, a two-lane roadway that borders the site to the east. The site is close to shopping, employment, recreation, entertainment and education opportunities, and social and public safety services are all within 2.0 miles. Proximity and ease of access to State Route 28 enhances access and marketability, as this is an arterial roadway that can be conveniently accessed 0.4 miles south of the site. Overall, we consider the site's location and proximity to community services to have a positive effect on its continued 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 continue to originate. The Walhalla Site PMA was determined through interviews with management at the subject site, area leasing and real estate professionals, government officials, economic development representatives 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 Walhalla Site PMA includes all, or portions of, Walhalla, Seneca, Westminster and Salem, as well as outlying portions of unincorporated areas of Oconee County. The boundaries of the Site PMA consist of Oconee County in all directions. All boundaries of the Site PMA are generally within 22.0 miles from the site. The Site PMA includes all of, or portions of, the following Census Tracts:

301	302	303	*304.01
304.02	305	306.01	306.02
307.01	307.02	308	309.01
309.02	310	311	-

\*Subject site location

Lisa Holbrooks is the Community Manager at Walhalla Gardens (subject site). Ms. Holbrooks confirmed the boundaries of the Site PMA, stating that most applicants at the subject site originate from within Walhalla, Seneca and the surrounding areas within Oconee County.

La'Teaka Keesley is the Property Manager at Applewood Villas (Map ID 3), a comparable Tax Credit property in Seneca. Ms. Keesley confirmed the boundaries of the Site PMA, stating that most of her applicants are from Walhalla and Seneca. Ms. Keesley also stated that the households located within the rural areas within Oconee County would relocate to affordable housing if it became available in Walhalla and Seneca.

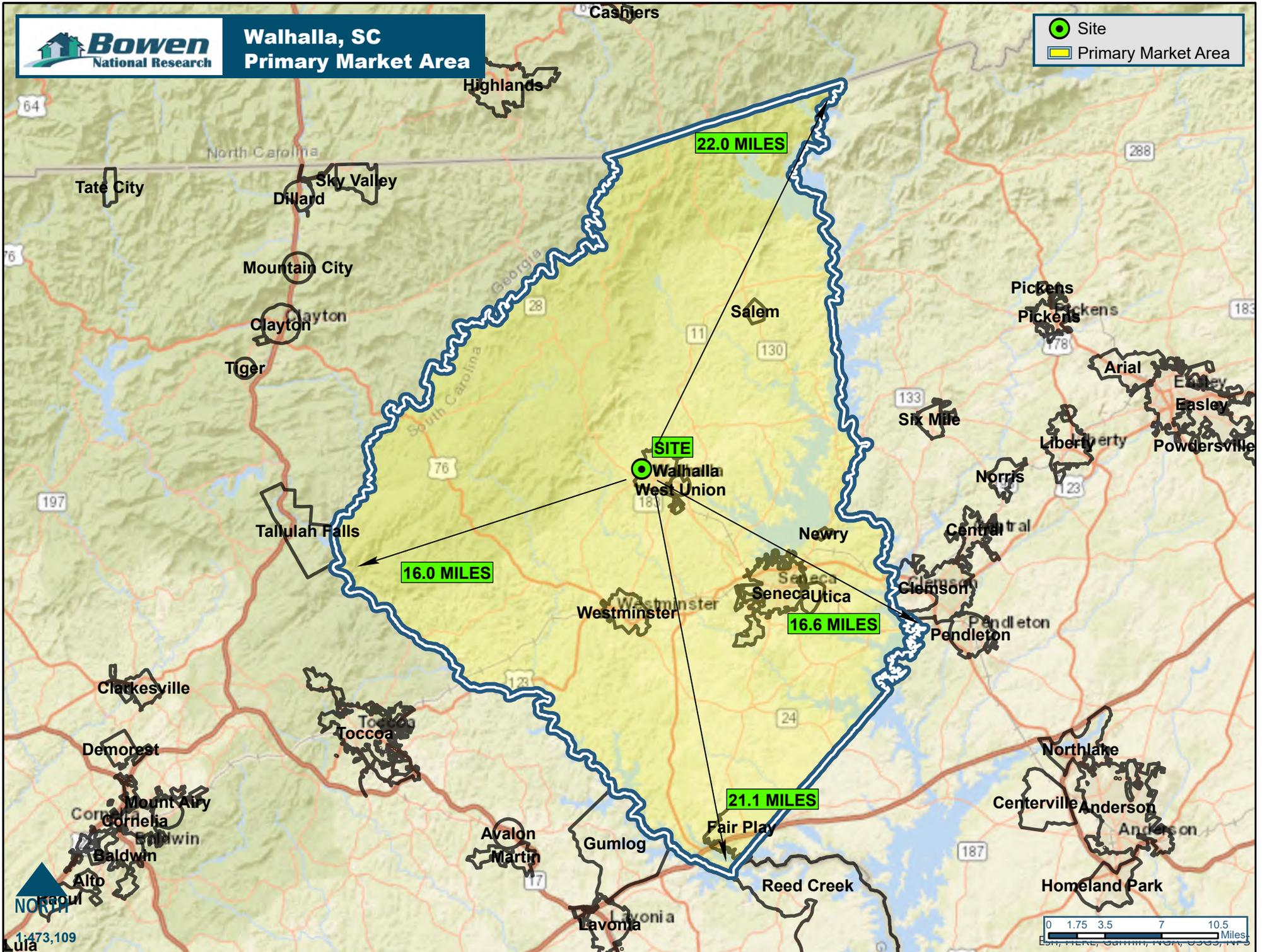
A modest portion of support may originate from some of the outlying areas of the market; we have not, however, considered any secondary market area in this report.

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



# Walhalla, SC Primary Market Area

● Site  
▭ Primary Market Area



North  
1:473,109



## E. Market Area Economy

### 1. EMPLOYMENT BY INDUSTRY

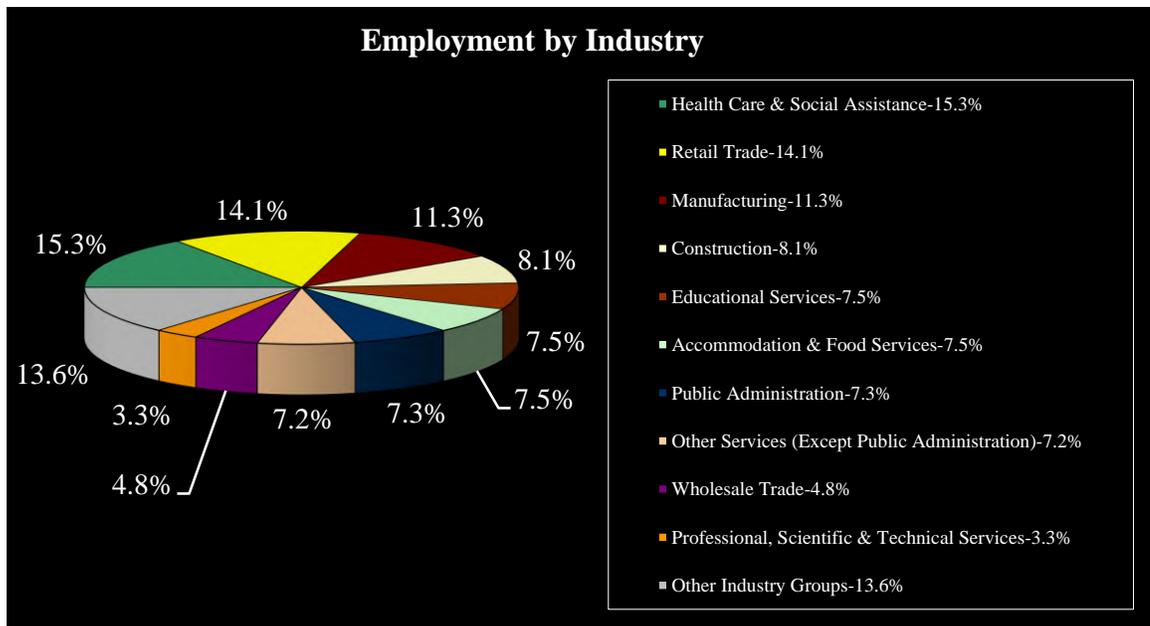
The labor force within the Walhalla Site PMA is based primarily in three sectors. Health Care & Social Assistance (which comprises 15.3%), Retail Trade and Manufacturing comprise nearly 41% of the Site PMA labor force. Employment in the Walhalla Site PMA, as of 2019, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	21	0.9%	70	0.3%	3.3
Mining	4	0.2%	49	0.2%	12.3
Utilities	14	0.6%	255	1.1%	18.2
Construction	170	7.5%	1,957	8.1%	11.5
Manufacturing	90	3.9%	2,721	11.3%	30.2
Wholesale Trade	70	3.1%	1,160	4.8%	16.6
Retail Trade	364	16.0%	3,397	14.1%	9.3
Transportation & Warehousing	33	1.4%	172	0.7%	5.2
Information	34	1.5%	352	1.5%	10.4
Finance & Insurance	124	5.4%	546	2.3%	4.4
Real Estate & Rental & Leasing	152	6.7%	712	2.9%	4.7
Professional, Scientific & Technical Services	122	5.3%	797	3.3%	6.5
Management of Companies & Enterprises	4	0.2%	43	0.2%	10.8
Administrative, Support, Waste Management & Remediation Services	83	3.6%	304	1.3%	3.7
Educational Services	49	2.1%	1,809	7.5%	36.9
Health Care & Social Assistance	178	7.8%	3,689	15.3%	20.7
Arts, Entertainment & Recreation	54	2.4%	610	2.5%	11.3
Accommodation & Food Services	148	6.5%	1,806	7.5%	12.2
Other Services (Except Public Administration)	338	14.8%	1,746	7.2%	5.2
Public Administration	143	6.3%	1,769	7.3%	12.4
Nonclassifiable	86	3.8%	178	0.7%	2.1
<b>Total</b>	<b>2,281</b>	<b>100.0%</b>	<b>24,142</b>	<b>100.0%</b>	<b>10.6</b>

\*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 Upper Savannah South Carolina Nonmetropolitan Area are compared with those of South Carolina in the following table:

Typical Wage By Occupation Type		
Occupation Type	Upper Savannah South Carolina Nonmetropolitan Area	South Carolina
Management Occupations	\$83,590	\$103,100
Business and Financial Occupations	\$57,930	\$64,640
Computer and Mathematical Occupations	\$67,920	\$74,030
Architecture and Engineering Occupations	\$76,380	\$79,960
Community and Social Service Occupations	\$39,740	\$43,170
Art, Design, Entertainment and Sports Medicine Occupations	\$38,310	\$48,550
Healthcare Practitioners and Technical Occupations	\$75,060	\$73,040
Healthcare Support Occupations	\$27,410	\$29,070
Protective Service Occupations	\$34,960	\$38,670
Food Preparation and Serving Related Occupations	\$20,310	\$21,910
Building and Grounds Cleaning and Maintenance Occupations	\$24,020	\$25,170
Personal Care and Service Occupations	\$24,230	\$24,210
Sales and Related Occupations	\$29,190	\$34,590
Office and Administrative Support Occupations	\$32,730	\$34,970
Construction and Extraction Occupations	\$38,380	\$41,220
Installation, Maintenance and Repair Occupations	\$44,620	\$44,730
Production Occupations	\$37,800	\$39,000
Transportation and Moving Occupations	\$30,480	\$33,870

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

Most annual blue-collar salaries range from \$20,310 to \$44,620 within the Upper Savannah South Carolina Nonmetropolitan Area. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$72,176. It is important to note that most occupational types within the Upper Savannah South Carolina Nonmetropolitan Area have lower typical wages than the state of South Carolina's typical wages. As such, 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 Oconee County comprise a total of 9,982 employees and are summarized as follows:

Employer Name	Business Type	Total Employed
Duke Energy Corporation	Power Generation	3,038
School District of Oconee County	Education	1,549
Oconee Memorial Hospital	Healthcare	1,300
BorgWarner	Transfer Cases/Electric Vehicle Charging Stations	900
Itron, Inc.	Electronic Measuring Devices	780
JTEKT/Koyo Bearings USA, LLC	Automotive Bearings	625
Schneider Electric	Motor Control Centers	552
Oconee County Government	Government	470
Sandvik Inc./Greenfield Industries	Cutting Tools	385
U. S. Engine Valve Corp	Engine Valves	383
Total		9,982

Source: Oconee Economic Alliance (August 2017)

Despite multiple attempts, we were unsuccessful in our correspondence with area economic officials. Below are summaries of key economic factors impacting the local employment base based on extensive online research:

- ACI Plastics, in Westminster, is a thermoplastics processing and recycling facility, that recently announced plans to expand into Oconee County. The company is partnering with PreZero, another recycling company, to help manage the \$10 million expansion. The expansion is expected to be complete in April of 2020.
- Horton Holding, which manufactures engine-cooling systems, is expanding their new operations into Seneca, creating 125 new jobs for the area. The new facility is expected to be open in early 2020, and the company has already begun hiring ahead of the opening of the facility.
- JTEKT North America, one of the county's largest employers underwent a \$19.4 million expansion to their Koyo Bearings facility in Columbia. This expansion added an additional 18,000-square-feet to the facility and created an additional 56 jobs for the area.

- BorgWarner Incorporated announced that the company will be expanding its automotive supply facility in Oconee County. The company is leasing a 100,000 square-foot building in the Seneca Commerce Center to increase its production of transfer cases. This is a \$72 million investment and is expected to create 160 new positions by 2020.
- ITT Corporation announced in September 2017 that they had plans for expansion at their Westminster facility, by building a new testing area for natural gas vehicle components. The new facility is a \$1 million investment and the company has plans to invest another \$1.5 million in their operations by May 2020.

WARN (layoff notices):

WARN Notices of large-scale layoffs/closures were reviewed on December 13, 2019 and according to the South Carolina Works there have been no WARN notices reported for Oconee County over the past 18 months.

**4. EMPLOYMENT TRENDS**

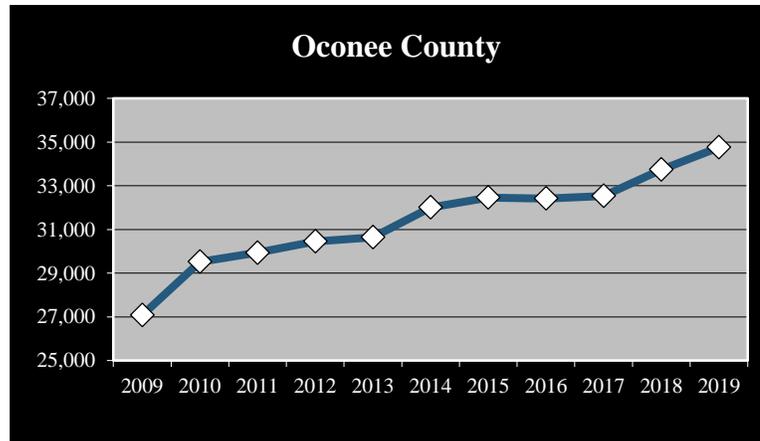
The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

Excluding 2019, the employment base has increased by 5.4% over the past five years in Oconee County, less than the South Carolina state increase of 7.9%. Total employment reflects the number of employed persons who live within the county.

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

Year	Total Employment					
	Oconee County		South Carolina		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2009	27,082	-	1,910,670	-	140,696,560	-
2010	29,522	9.0%	1,915,045	0.2%	140,469,139	-0.2%
2011	29,935	1.4%	1,945,900	1.6%	141,791,255	0.9%
2012	30,452	1.7%	1,985,618	2.0%	143,621,634	1.3%
2013	30,647	0.6%	2,023,642	1.9%	145,017,562	1.0%
2014	32,012	4.5%	2,078,592	2.7%	147,313,048	1.6%
2015	32,460	1.4%	2,132,099	2.6%	149,564,649	1.5%
2016	32,415	-0.1%	2,175,584	2.0%	151,965,225	1.6%
2017	32,537	0.4%	2,207,404	1.5%	154,271,036	1.5%
2018	33,741	3.7%	2,243,656	1.6%	156,328,502	1.3%
2019*	34,762	3.0%	2,306,293	2.8%	157,533,049	0.8%

Source: Department of Labor; Bureau of Labor Statistics  
\*Through November



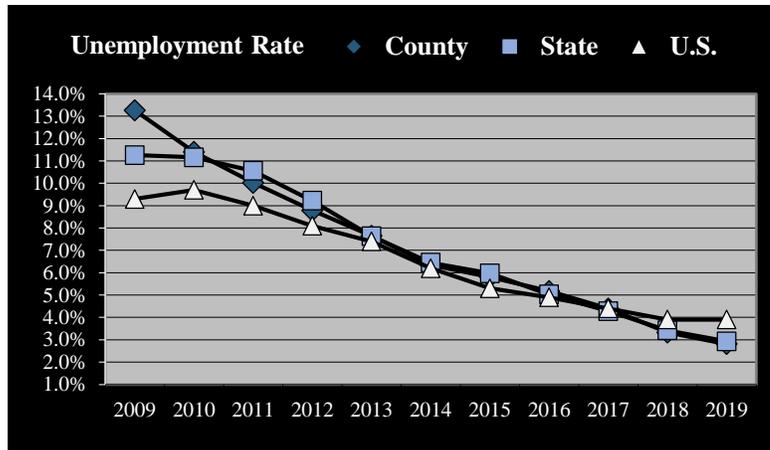
As the preceding illustrates, the Oconee County employment base has increased by 7,680 jobs, or 28.4%, between 2009 and through November 2019. In addition, the employment base has improved nearly every year since 2009.

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

Year	Unemployment					
	Oconee County		South Carolina		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2009	4,145	13.3%	242,075	11.3%	14,430,158	9.3%
2010	3,792	11.4%	240,623	11.2%	15,070,017	9.7%
2011	3,337	10.0%	229,623	10.6%	14,035,049	9.0%
2012	2,936	8.8%	201,260	9.2%	12,691,553	8.1%
2013	2,542	7.7%	167,326	7.6%	11,634,201	7.4%
2014	2,164	6.3%	143,753	6.5%	9,776,089	6.2%
2015	2,002	5.8%	135,450	6.0%	8,421,481	5.3%
2016	1,771	5.2%	114,978	5.0%	7,858,728	4.9%
2017	1,491	4.4%	98,617	4.3%	7,098,786	4.4%
2018	1,159	3.3%	79,553	3.4%	6,395,831	3.9%
2019*	1,005	2.8%	69,803	2.9%	6,310,591	3.9%

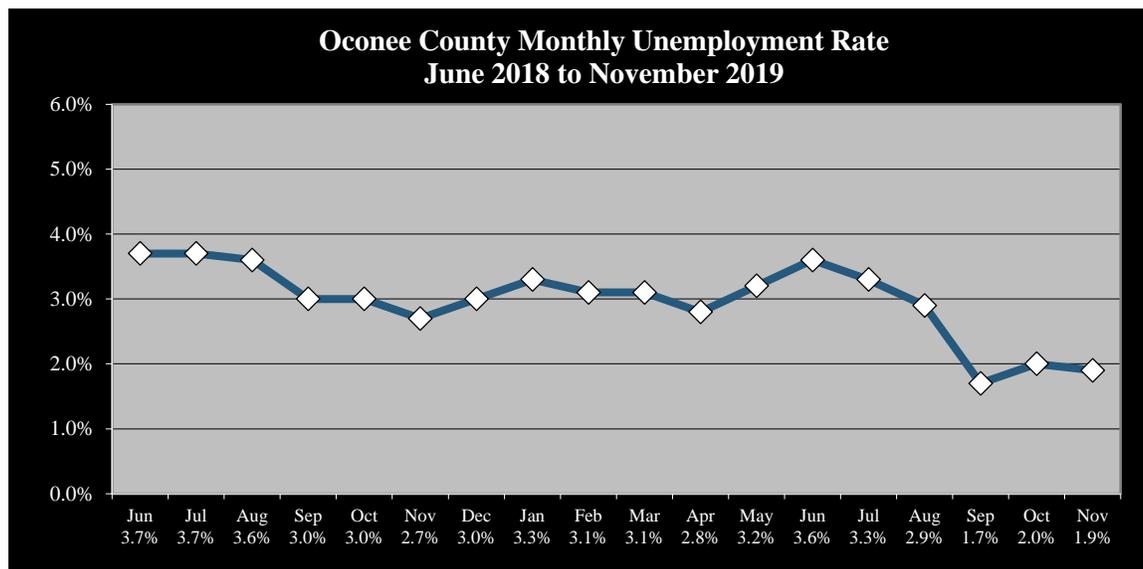
Source: Department of Labor; Bureau of Labor Statistics

\*Through November



As the preceding illustrates, the unemployment rate within the county has trended downward within the preceding ten-year period. Notably, the county's current unemployment rate of 2.8% (through November 2019) is the lowest rate in the last ten years.

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



During the previous 18-month period, the unemployment rate has generally trended downward from a high of 3.7% reported in June 2019 to 1.9% reported in November 2019.

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 Oconee County.

<b>In-Place Employment Oconee County</b>			
<b>Year</b>	<b>Employment</b>	<b>Change</b>	<b>Percent Change</b>
2009	21,124	-	-
2010	21,285	161	0.8%
2011	21,491	206	1.0%
2012	21,904	413	1.9%
2013	21,901	-3	0.0%
2014	23,083	1,182	5.4%
2015	23,397	314	1.4%
2016	23,301	-96	-0.4%
2017	23,428	127	0.5%
2018	24,242	814	3.5%
2019*	24,247	5	0.0%

Source: Department of Labor, Bureau of Labor Statistics

\*Through June

Data for 2018, the most recent year that year-end figures are available, indicates in-place employment in Oconee County to be 71.8% of the total Oconee County employment. This means that Oconee County has more employed persons staying in the county for daytime employment than those who work outside the county. This will continue to have a positive impact on the site's marketability, as it is likely that many of its residents have minimal commute times to their place of employment.

## **5. EMPLOYMENT CENTERS MAP**

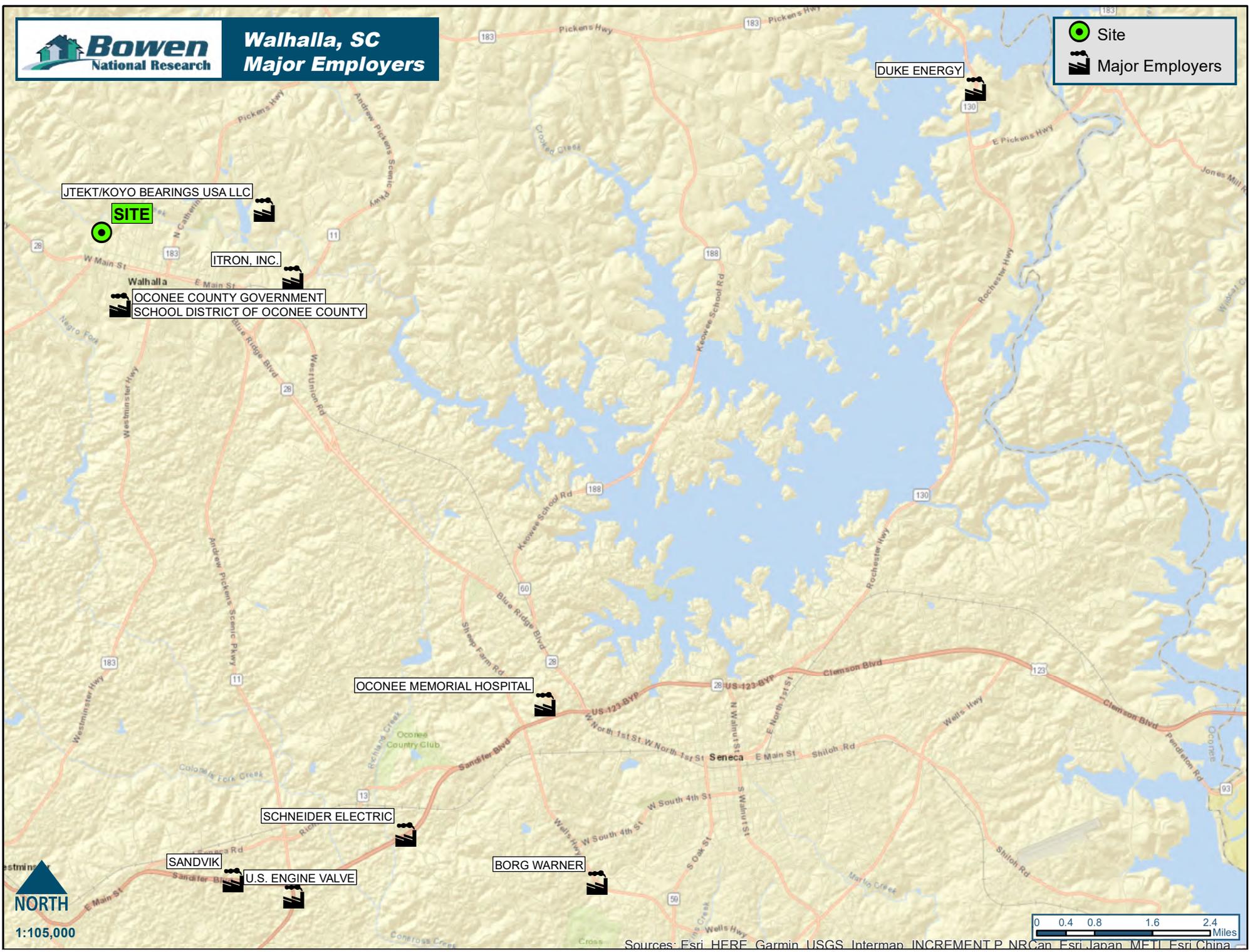
A map illustrating the location of the area's largest employers is included on the following page.



# Walhalla, SC Major Employers

Site

Major Employers



NORTH  
1:105,000

Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri, Japan, METI, Esri, China

## 6. COMMUTING PATTERNS

Based on the American Community Survey (2013-2017), 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	25,650	84.1%
Carpooled	3,023	9.9%
Public Transit	192	0.6%
Walked	319	1.0%
Other Means	284	0.9%
Worked at Home	1,021	3.3%
Total	30,489	100.0%

Source: American Community Survey (2013-2017); ESRI; Urban Decision Group; Bowen National Research

More than 84.0% of all workers drove alone, 9.9% carpoled and 0.6% used public transportation.

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	8,902	29.2%
15 to 29 Minutes	11,947	39.2%
30 to 44 Minutes	4,461	14.6%
45 to 59 Minutes	1,871	6.1%
60 or More Minutes	2,287	7.5%
Worked at Home	1,021	3.3%
Total	30,489	100.0%

Source: American Community Survey (2013-2017); 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 15-minute drive to most of the area's largest employers, which should continue to contribute to its marketability. A drive-time map for the subject site is on the following page.

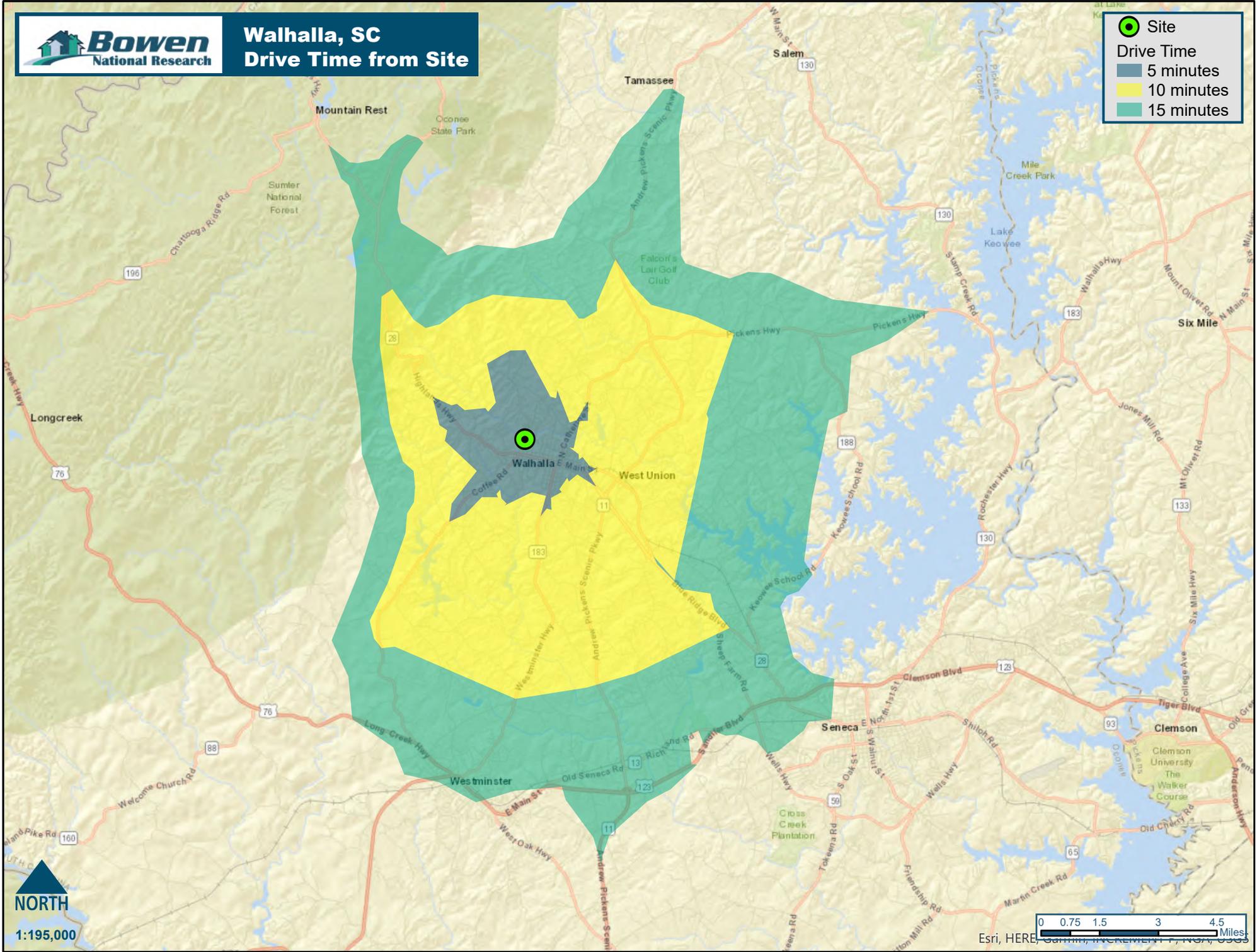


# Walhalla, SC Drive Time from Site

● Site

Drive Time

- 5 minutes
- 10 minutes
- 15 minutes



**NORTH**  
1:195,000



Esri, HERE, Garmin, INCREMENT P, NOAA, USGS

## **7. ECONOMIC FORECAST AND HOUSING IMPACT**

Based on extensive online research, the area's economy continues to experience growth. There have been various new business/business expansion projects in Oconee County, expected to create additional jobs within the next several years. Additionally, based on data provided by the U.S. Department of Labor: Bureau of Labor Statistics, the Oconee County employment base has increased by 7,680 jobs, or 28.4%, and its unemployment rate has decreased by nearly 11 percentage points to 2.8% (through November 2019) since the end of the national recession in 2009. Notably the county's unemployment is the lowest it has been within the past decade. Based on these trends, it is expected that the local economy will continue to experience growth within the foreseeable future. In turn, this will continue to create a stable environment for housing.

## F. Community Demographic Data

The following demographic data relates to the Site PMA. It is important to note that not all 2022 projections quoted in this section agree because of the variety of sources and rounding methods used. In most cases, the differences in the 2022 projections do not vary more than 1.0%.

### 1. POPULATION TRENDS

#### a. Total Population

The Site PMA population bases for 2000, 2010, 2019 (estimated) and 2022 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2019 (Estimated)	2022 (Projected)
Population	66,215	74,273	79,435	81,254
Population Change	-	8,058	5,162	1,819
Percent Change	-	12.2%	7.0%	2.3%

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

The Walhalla Site PMA population base increased by 8,058 between 2000 and 2010. This represents a 12.2% increase over the 2000 population, or an annual rate of 1.2%. Between 2010 and 2019, the population increased by 5,162, or 7.0%. It is projected that the population will increase by 1,819, or 2.3%, between 2019 and 2022.

Based on the 2010 Census, the population residing in group-quarters is represented by 1.1% of the Site PMA population, as demonstrated in the following table:

	Number	Percent
Population in Group Quarters	795	1.1%
Population not in Group Quarters	73,478	98.9%
Total Population	74,273	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)		2019 (Estimated)		2022 (Projected)		Change 2019-2022	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	17,704	23.8%	17,128	21.6%	17,615	21.7%	487	2.8%
20 to 24	4,228	5.7%	3,973	5.0%	3,857	4.7%	-116	-2.9%
25 to 34	7,729	10.4%	9,153	11.5%	8,601	10.6%	-552	-6.0%
35 to 44	8,956	12.1%	8,808	11.1%	9,365	11.5%	557	6.3%
45 to 54	10,635	14.3%	9,922	12.5%	9,878	12.2%	-44	-0.4%
55 to 64	10,915	14.7%	11,832	14.9%	11,698	14.4%	-134	-1.1%
65 to 74	8,447	11.4%	10,949	13.8%	11,519	14.2%	570	5.2%
75 & Over	5,659	7.6%	7,670	9.7%	8,721	10.7%	1,051	13.7%
Total	74,273	100.0%	79,435	100.0%	81,254	100.0%	1,819	2.3%

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

As the preceding table illustrates, approximately 50% of the population is expected to be between 25 and 64 years old in 2019. This age group is the primary group of current and potential support 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%	16.5%
Black or African American	27.9%	27.9% + 20.0% = 47.9%	5.3%
American Indian and Alaska Native	0.4%	0.4% + 20.0% = 20.4%	0.8%
Asian	1.3%	1.3% + 20.0% = 21.3%	0.8%
Native Hawaiian and Other Pacific Islander	0.1%	0.1% + 20.0% = 20.1%	0.1%
Hispanic or Latino	5.1%	5.1% + 20.0% = 25.1%	11.5%

Source: U.S. Census Bureau, 2010 Census

Based on the preceding table, the site Census Tract does not contain a high share of minorities.

## 2. HOUSEHOLD TRENDS

### a. Total Households

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

	Year			
	2000 (Census)	2010 (Census)	2019 (Estimated)	2022 (Projected)
Households	27,283	30,676	32,854	33,619
Household Change	-	3,393	2,178	765
Percent Change	-	12.4%	7.1%	2.3%
Household Size	2.43	2.42	2.39	2.39

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

Within the Walhalla Site PMA, households increased by 3,393 (12.4%) between 2000 and 2010. Between 2010 and 2019, households increased by 2,178 or 7.1%. By 2022, there will be 33,619 households, an increase of 765 households, or 2.3% over 2019 levels. This is an increase of approximately 255 households annually over the next three years.

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

Households by Age	2010 (Census)		2019 (Estimated)		2022 (Projected)		Change 2019-2022	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	1,282	4.2%	1,089	3.3%	1,104	3.3%	15	1.4%
25 to 34	3,443	11.2%	3,926	11.9%	3,668	10.9%	-258	-6.6%
35 to 44	4,697	15.3%	4,447	13.5%	4,682	13.9%	235	5.3%
45 to 54	5,906	19.3%	5,299	16.1%	5,233	15.6%	-66	-1.2%
55 to 64	6,273	20.4%	6,563	20.0%	6,447	19.2%	-116	-1.8%
65 to 74	5,236	17.1%	6,536	19.9%	6,836	20.3%	300	4.6%
75 to 84	3,001	9.8%	3,849	11.7%	4,355	13.0%	506	13.1%
85 & Over	838	2.7%	1,145	3.5%	1,295	3.9%	150	13.1%
Total	30,676	100.0%	32,854	100.0%	33,619	100.0%	765	2.3%

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

Between 2019 and 2022, the greatest growth among household age groups is projected to be those ages 65 and older, increasing by 956, or 8.3%. This projected growth among senior households indicates that there will be an increasing need for housing for seniors in the market. However, nearly 63.0% of all households are projected to be under the age of 65 in 2022. This demonstrates that a larger number of age-appropriate households will continue to be present within the Site PMA to support the subject project.

**b. Households by Tenure**

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2019 (Estimated)		2022 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	23,042	75.1%	22,851	69.6%	23,417	69.7%
Renter-Occupied	7,634	24.9%	10,003	30.4%	10,202	30.3%
Total	30,676	100.0%	32,854	100.0%	33,619	100.0%

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

In 2019, homeowners occupied 69.6% of all occupied housing units, while the remaining 30.4% were occupied by renters. The number of renters is projected to increase by 199, or 2.0%, between 2019 and 2022, which will increase the need for rental housing.

**c. Households by Income**

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

Household Income	2010 (Census)		2019 (Estimated)		2022 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	3,079	10.0%	2,136	6.5%	2,022	6.0%
\$10,000 to \$19,999	4,742	15.5%	4,046	12.3%	3,984	11.9%
\$20,000 to \$29,999	4,215	13.7%	3,425	10.4%	3,300	9.8%
\$30,000 to \$39,999	3,330	10.9%	3,405	10.4%	3,338	9.9%
\$40,000 to \$49,999	3,061	10.0%	3,644	11.1%	3,732	11.1%
\$50,000 to \$59,999	2,644	8.6%	3,142	9.6%	3,246	9.7%
\$60,000 to \$74,999	3,027	9.9%	3,827	11.6%	4,141	12.3%
\$75,000 to \$99,999	2,965	9.7%	2,895	8.8%	3,097	9.2%
\$100,000 to \$124,999	1,584	5.2%	2,623	8.0%	2,768	8.2%
\$125,000 to \$149,999	754	2.5%	1,386	4.2%	1,518	4.5%
\$150,000 to \$199,999	514	1.7%	1,236	3.8%	1,319	3.9%
\$200,000 & Over	761	2.5%	1,089	3.3%	1,154	3.4%
Total	30,676	100.0%	32,854	100.0%	33,619	100.0%
Median Income	\$39,916		\$49,372		\$51,336	

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

In 2010, the median household income was \$39,916. This increased by 23.7% to \$49,372 in 2019. By 2022, it is projected that the median household income will be \$51,336, an increase of 4.0% from 2019.

**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, 2019 and 2022 for the Walhalla Site PMA:

Renter Households	2010 (Census)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	495	419	292	194	111	1,512
\$10,000 to \$19,999	749	521	363	241	138	2,012
\$20,000 to \$29,999	437	373	260	173	99	1,341
\$30,000 to \$39,999	273	255	178	118	68	892
\$40,000 to \$49,999	226	222	155	103	59	764
\$50,000 to \$59,999	102	105	73	49	28	356
\$60,000 to \$74,999	116	120	84	56	32	408
\$75,000 to \$99,999	63	64	45	30	17	219
\$100,000 to \$124,999	19	19	13	9	5	65
\$125,000 to \$149,999	10	9	6	4	2	31
\$150,000 to \$199,999	5	4	3	2	1	14
\$200,000 & Over	7	5	4	2	1	20
<b>Total</b>	<b>2,502</b>	<b>2,115</b>	<b>1,475</b>	<b>980</b>	<b>562</b>	<b>7,634</b>

Source: ESRI; Urban Decision Group

Renter Households	2019 (Estimated)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	451	381	226	160	91	1,309
\$10,000 to \$19,999	906	561	332	235	134	2,167
\$20,000 to \$29,999	568	416	246	174	99	1,502
\$30,000 to \$39,999	426	375	222	157	90	1,270
\$40,000 to \$49,999	364	350	207	146	84	1,150
\$50,000 to \$59,999	216	223	132	93	53	718
\$60,000 to \$74,999	270	269	159	112	64	874
\$75,000 to \$99,999	120	128	76	54	31	407
\$100,000 to \$124,999	82	88	52	37	21	280
\$125,000 to \$149,999	46	45	27	19	11	148
\$150,000 to \$199,999	28	29	17	12	7	94
\$200,000 & Over	26	25	15	11	6	83
<b>Total</b>	<b>3,501</b>	<b>2,891</b>	<b>1,711</b>	<b>1,209</b>	<b>691</b>	<b>10,003</b>

Source: ESRI; Urban Decision Group

Renter Households	2022 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	428	363	210	150	86	1,236
\$10,000 to \$19,999	879	553	320	228	131	2,110
\$20,000 to \$29,999	556	402	233	166	95	1,453
\$30,000 to \$39,999	419	366	212	151	87	1,236
\$40,000 to \$49,999	363	342	198	141	81	1,124
\$50,000 to \$59,999	238	239	138	99	57	771
\$60,000 to \$74,999	317	300	173	124	71	984
\$75,000 to \$99,999	143	147	85	61	35	470
\$100,000 to \$124,999	112	115	66	47	27	367
\$125,000 to \$149,999	66	61	35	25	14	202
\$150,000 to \$199,999	41	41	24	17	10	132
\$200,000 & Over	37	35	20	14	8	116
Total	3,599	2,963	1,716	1,222	702	10,202

Source: ESRI; Urban Decision Group

The following tables illustrate owner household income by household size for 2010, 2019 and 2022 for the Walhalla Site PMA:

Owner Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	386	655	218	201	107	1,567
\$10,000 to \$19,999	787	1,077	359	331	175	2,730
\$20,000 to \$29,999	734	1,186	396	365	193	2,874
\$30,000 to \$39,999	571	1,035	345	318	169	2,438
\$40,000 to \$49,999	494	999	333	307	163	2,297
\$50,000 to \$59,999	470	1,008	336	310	164	2,288
\$60,000 to \$74,999	524	1,161	387	357	189	2,619
\$75,000 to \$99,999	550	1,217	406	374	198	2,746
\$100,000 to \$124,999	319	665	222	204	108	1,519
\$125,000 to \$149,999	159	313	104	96	51	723
\$150,000 to \$199,999	106	218	73	67	36	500
\$200,000 & Over	159	323	108	99	53	741
Total	5,260	9,857	3,288	3,030	1,606	23,042

Source: ESRI; Urban Decision Group

Owner Households	2019 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	208	348	126	90	55	827
\$10,000 to \$19,999	564	740	267	191	116	1,879
\$20,000 to \$29,999	560	767	277	198	120	1,923
\$30,000 to \$39,999	538	899	325	232	141	2,135
\$40,000 to \$49,999	574	1,081	391	279	169	2,494
\$50,000 to \$59,999	528	1,067	386	276	167	2,424
\$60,000 to \$74,999	647	1,298	469	335	203	2,953
\$75,000 to \$99,999	514	1,111	402	287	174	2,488
\$100,000 to \$124,999	492	1,042	377	269	163	2,343
\$125,000 to \$149,999	280	539	195	139	84	1,238
\$150,000 to \$199,999	242	507	183	131	79	1,142
\$200,000 & Over	206	451	163	116	71	1,006
Total	5,352	9,851	3,560	2,546	1,542	22,851

Source: ESRI; Urban Decision Group

Owner Households	2022 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	195	333	122	84	52	786
\$10,000 to \$19,999	557	742	271	188	116	1,874
\$20,000 to \$29,999	538	738	269	187	115	1,846
\$30,000 to \$39,999	524	890	325	225	139	2,103
\$40,000 to \$49,999	607	1,127	412	285	176	2,608
\$50,000 to \$59,999	543	1,089	398	276	170	2,475
\$60,000 to \$74,999	701	1,384	506	351	216	3,157
\$75,000 to \$99,999	550	1,171	428	296	182	2,627
\$100,000 to \$124,999	513	1,064	389	270	166	2,401
\$125,000 to \$149,999	304	570	208	144	89	1,316
\$150,000 to \$199,999	255	525	192	133	82	1,187
\$200,000 & Over	212	466	170	118	73	1,039
Total	5,498	10,099	3,688	2,558	1,574	23,417

Source: ESRI; Urban Decision Group

The following tables illustrate all household income by household size for 2010, 2019 and 2022 for the Walhalla Site PMA:

All Households	2010 (Census)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	881	1,074	511	395	218	3,079
\$10,000 to \$19,999	1,537	1,597	722	572	314	4,742
\$20,000 to \$29,999	1,171	1,559	656	537	292	4,215
\$30,000 to \$39,999	843	1,290	523	436	236	3,330
\$40,000 to \$49,999	720	1,221	488	410	222	3,061
\$50,000 to \$59,999	572	1,113	409	358	192	2,644
\$60,000 to \$74,999	640	1,282	471	413	221	3,027
\$75,000 to \$99,999	613	1,282	451	404	215	2,965
\$100,000 to \$124,999	339	684	235	213	113	1,584
\$125,000 to \$149,999	169	321	110	100	53	754
\$150,000 to \$199,999	111	222	75	69	37	514
\$200,000 & Over	166	328	111	102	54	761
Total	7,762	11,973	4,763	4,010	2,168	30,676

Source: ESRI; Urban Decision Group

All Households	2019 (Estimated)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	659	730	352	250	146	2,136
\$10,000 to \$19,999	1,470	1,301	599	426	250	4,046
\$20,000 to \$29,999	1,127	1,183	523	372	219	3,425
\$30,000 to \$39,999	963	1,275	547	389	231	3,405
\$40,000 to \$49,999	937	1,431	598	426	253	3,644
\$50,000 to \$59,999	745	1,290	518	369	220	3,142
\$60,000 to \$74,999	917	1,567	628	448	267	3,827
\$75,000 to \$99,999	633	1,239	477	341	205	2,895
\$100,000 to \$124,999	574	1,130	429	306	184	2,623
\$125,000 to \$149,999	326	585	222	158	95	1,386
\$150,000 to \$199,999	270	536	201	143	86	1,236
\$200,000 & Over	231	476	178	127	77	1,089
Total	8,853	12,742	5,271	3,755	2,234	32,854

Source: ESRI; Urban Decision Group

All Households	2022 (Projected)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	623	696	332	234	138	2,022
\$10,000 to \$19,999	1,436	1,295	591	416	247	3,984
\$20,000 to \$29,999	1,094	1,140	502	353	210	3,300
\$30,000 to \$39,999	943	1,256	537	377	225	3,338
\$40,000 to \$49,999	970	1,469	610	426	257	3,732
\$50,000 to \$59,999	781	1,328	536	374	226	3,246
\$60,000 to \$74,999	1,017	1,684	679	474	287	4,141
\$75,000 to \$99,999	692	1,318	513	357	217	3,097
\$100,000 to \$124,999	625	1,179	455	317	193	2,768
\$125,000 to \$149,999	370	631	244	170	103	1,518
\$150,000 to \$199,999	296	566	215	150	92	1,319
\$200,000 & Over	250	501	190	132	81	1,154
Total	9,097	13,062	5,404	3,781	2,275	33,619

Source: ESRI; Urban Decision Group

Data from the preceding tables is used in our demand estimates.

### Demographic Summary

Nearly one-third of the market is occupied by renter households. Overall, population and household trends have generally been positive since 2010 and are projected to continue to grow through 2022. In addition, the number of renters is projected to increase by 199, or 2.0%, between 2019 and 2022, which will increase the need for rental housing. As discussed later in *Section H* of this report, all affordable rental communities surveyed in the market are 100.0% occupied. This indicates that pent-up demand exists 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 in the Oconee County, SC MSA, which has a four-person median household income of \$65,500 for 2020. The subject property will be restricted to households with incomes up to 30%, 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size at various levels of AMHI:

Household Size	Maximum Allowable Income		
	30%	50%	60%
One-Person	\$13,800	\$22,050	\$26,460
Two-Person	\$15,750	\$25,200	\$30,240
Three-Person	\$17,730	\$28,350	\$34,020
Four-Person	\$19,680	\$31,450	\$37,740
Five-Person	\$21,270	\$34,000	\$40,800
Six-Person	\$22,830	\$36,500	\$43,800

The largest subject units (four-bedroom) at the subject site will continue to generally house up to six-person households. As such, the maximum allowable income at the subject site is **\$43,800**.

### 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 lowest gross programmatic LIHTC rent for a one-bedroom unit at the site is \$354. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$4,248. 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 **\$12,137**.

Considering that the subject project will continue to offer a project-based subsidy on 58 of the 68 total 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
<b>As Proposed with Subsidy</b>		
Section 8 (Limited To 50% AMHI)	\$0	\$36,500
Tax Credit (Limited to 30% AMHI)	\$12,137	\$22,830
Tax Credit (Limited to 50% AMHI)	\$20,229	\$36,500
Tax Credit (Limited to 60% AMHI)	\$24,274	\$43,800
Overall Tax Credit with Subsidy (Limited to 60% AMHI)	\$0	\$43,800
<b>As Proposed without Subsidy</b>		
Tax Credit (Limited to 30% AMHI)	\$12,137	\$22,830
Tax Credit (Limited to 50% AMHI)	\$20,229	\$36,500
Tax Credit (Limited to 60% AMHI)	\$24,274	\$43,800
Tax Credit Overall (Limited to 60% AMHI)	\$16,183	\$43,800

### 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 2019 Census data estimates and projecting forward to the anticipated placed-in-service date of the project (2022) 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) 2013-2017 5-year estimates, approximately 43.7% to 54.4% (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 2017 ACS 5-Year Estimates Table B25016, 5.0% 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 2019 must be subtracted to calculate net demand. Vacancies in projects placed in service prior to 2019 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 is one comparable affordable housing project that was funded and/or built during the projection period (2019 to current). This property, Greenfield Apartments, is an existing property that is currently undergoing LIHTC renovations. Upon completion of renovations, this property will offer subsidized Tax Credit units and non-subsidized Tax Credit units. The directly comparable units at this property are summarized as follows:

Map I.D.	Project Name	Year Built	Total LIHTC Units	Units At Targeted AMHI	
				60%/S8 AMHI	60% AMHI
9	Greenfield Apartments	1974	52	29	12

S8 – Section 8



The directly competitive subsidized LIHTC units and non-subsidized LIHTC units at this property have been included in the following demand calculations.

As Proposed

Demand Component	Capture Rates by Percent of Median Household Income				
	Tax Credit/ Section 8 (\$0-\$36,500)	Tax Credit Only			Overall (\$0-\$43,800)
		30% AMHI (\$12,137-\$22,830)	50% AMHI (\$20,229-\$36,500)	60% AMHI (\$24,274-\$43,800)	
Demand From New Renter Households (Income-Appropriate)	5,603 - 5,804 = -201	2,070 - 2,129 = -59	2,223 - 2,293 = -70	2,495 - 2,567 = -72	6,463 - 6,686 = -223
+					
Demand From Existing Households (Rent Overburdened)	5,804 X 53.1% = 3,082	2,129 X 54.4% = 1,158	2,293 X 40.9% = 938	2,567 X 33.7% = 865	6,686 X 49.5% = 3,310
+					
Demand From Existing Households (Renters In Substandard Housing)	5,804 X 5.0% = 290	2,129 X 5.0% = 106	2,293 X 5.0% = 115	2,567 X 5.0% = 128	6,686 X 5.0% = 334
+					
Demand From Existing Households (Senior Homeowner Conversion)	N/A	N/A	N/A	N/A	N/A
=					
Total Demand	3,171	1,205	983	921	3,421
-					
Supply (Directly Comparable Units Built And/Or Funded Since 2019)	29	0	0	12	41
=					
Net Demand	3,142	1,205	983	909	3,380
Subject Units	58	2	2	6	68
Subject Units/ Net Demand	58 / 3,142	2 / 1,205	2 / 983	6 / 909	68 / 3,380
Capture Rate	= 1.8%	= 0.2%	= 0.2%	= 0.7%	= 2.0%

N/A - Not Applicable

Tax Credit Only

Demand Component	Percent of Median Household Income			
	Tax Credit Only			
	30% AMHI (\$12,137-\$22,830)	50% AMHI (\$20,229-\$36,500)	60% AMHI (\$24,274-\$43,800)	Overall (\$12,137-\$43,800)
Demand from New Renter Households (Income-Appropriate)	2,070 - 2,129 = -59	2,223 - 2,293 = -70	2,495 - 2,567 = -72	4,775 - 4,913 = -138
+				
Demand from Existing Households (Rent Overburdened)	2,129 X 54.4% = 1,158	2,293 X 40.9% = 938	2,567 X 33.7% = 865	4,913 X 43.4% = 2,132
+				
Demand from Existing Households (Renters in Substandard Housing)	2,129 X 5.0% = 106	2,293 X 5.0% = 115	2,567 X 5.0% = 128	4,913 X 5.0% = 246
+				
Demand from Existing Households (Senior Homeowner Conversion)	N/A	N/A	N/A	N/A
=				
Total Demand	1,205	983	921	2,240
-				
Supply (Directly Comparable Units Built and/or Funded Since 2019)	0	0	12	12
=				
Net Demand	1,205	983	909	2,228
-				
Subject Units	17	17	34	68
-				
Subject Units/ Net Demand	17 / 1,205	17 / 983	34 / 909	68 / 2,228
-				
Capture Rate	= 1.4%	= 1.7%	= 3.7%	= 3.1%

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 subject's overall capture rates in either scenario of 2.0% and 3.1%, are considered very low and easily achievable. In addition, the subject's capture rates by AMHI level are also very low, ranging from 0.2% to 3.7%. This demonstrates that a significant base of demographic support exists for the site as proposed (with subsidy), as well as in the unlikely scenario the subject project lost its subsidy and had to exclusively operate as a non-subsidized LIHTC community. 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	45.0%
Three-Bedroom	20.0%
Four-Bedroom	10.0%
Total	100.0%

Applying the preceding shares to the income-qualified households yields demand and capture rates of the proposed units by bedroom type as illustrated in the following tables. Similar to the preceding analysis, the first set of tables illustrate capture rates for the subject project as proposed with the subsidy, while the second set of tables illustrate the subject project's capture rates in the unlikely event it lost its subsidy and operated exclusively under the LIHTC program.

### As Proposed

Tax Credit with Section 8 (3,171 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%)	793	12	781	13	1.7%
Two-Bedroom (45%)	1,427	10	1,417	31	2.2%
Three-Bedroom (20%)	634	7	627	10	1.6%
Four-Bedroom (10%)	317	0	317	4	1.3%

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

Units Targeting 30% Of AMHI Tax Credit Only (1,205 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%)	301	0	301	1	0.3%
Two-Bedroom (45%)	542	0	542	0	-
Three-Bedroom (20%)	241	0	241	1	0.4%
Four-Bedroom (10%)	121	0	121	0	-

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

Units Targeting 50% Of AMHI Tax Credit Only (983 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%)	246	0	246	1	0.4%
Two-Bedroom (45%)	442	0	442	0	-
Three-Bedroom (20%)	197	0	197	3	1.5%
Four-Bedroom (10%)	98	0	98	0	-

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

Units Targeting 60% Of AMHI Tax Credit Only (921 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%)	230	1	229	1	0.4%
Two-Bedroom (45%)	415	10	405	1	0.2%
Three-Bedroom (20%)	184	1	183	4	2.2%
Four-Bedroom (10%)	92	0	92	0	-

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

Tax Credit Only

Units Targeting 30% Of AMHI Tax Credit Only (1,103 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%)	301	0	301	4	1.3%
Two-Bedroom (45%)	542	0	542	8	1.5%
Three-Bedroom (20%)	241	0	241	4	1.7%
Four-Bedroom (10%)	121	0	121	1	0.8%

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

Units Targeting 50% Of AMHI Tax Credit Only (983 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%)	246	0	246	4	1.6%
Two-Bedroom (45%)	442	0	442	8	1.8%
Three-Bedroom (20%)	197	0	197	4	2.0%
Four-Bedroom (10%)	98	0	98	1	1.0%

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

Units Targeting 60% Of AMHI Tax Credit Only (921 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%)	230	1	229	8	3.5%
Two-Bedroom (45%)	415	10	405	16	4.0%
Three-Bedroom (20%)	184	1	183	8	4.4%
Four-Bedroom (10%)	92	0	92	2	2.2%

\*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 0.2% to 4.4%. These capture rates are considered very low and easily achievable.

Considering that the subject project includes 20 three- and four-bedroom units, which comprise 29.4% 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- and four-bedroom units.

As Proposed

Demand Component	Percent Of Median Household Income			
	As Proposed w/Subsidy (\$0-\$36,500)	Tax Credit		
		30% AMHI (\$16,800-\$22,830)	50% AMHI (\$28,046-\$36,500)	60% AMHI (\$33,634-\$43,800)
Demand From New Larger Renter Households (Age- And Income-Appropriate)	1,912 - 2,001 = -89	357 - 371 = -14	390 - 406 = -16	446 - 465 = -19
+				
Demand From Existing Households (Rent Overburdened)	2,001 X 53.1% = 1,063	371 X 51.6% = 191	406 X 39.4% = 160	465 X 19.8% = 92
+				
Demand From Existing Households (Renters In Substandard Housing)	2,001 X 5.0% = 100	371 X 5.0% = 19	406 X 5.0% = 20	465 X 5.0% = 23
=				
Total Large Household Demand	1,074	196	164	96
-				
Supply (Directly Comparable (Three-Br.+) Units Built And/Or Funded Since 2019)	7	0	0	12
=				
Net Large Household Demand	1,067	196	164	84
+				
Proposed (Three-Br.+) Units	14	1	1	4
+				
Proposed (Three-Br.+) Units/ Net Large Household Demand	14 / 1,067	1 / 196	1 / 164	4 / 84
=				
Large-Household Capture Rate	= 1.3%	= 0.5%	= 0.6%	= 4.8%

Tax Credit Only

Demand Component	Percent Of Median Household Income			
	Tax Credit			
	30% AMHI (\$16,800-\$22,830)	50% AMHI (\$28,046-\$36,500)	60% AMHI (\$33,634-\$43,800)	Overall *(\$16,800-\$43,800)
Demand From New Larger Renter Households (Age- And Income-Appropriate)	357 - 371 = -14	390 - 406 = -16	446 - 465 = -19	1,063 - 1,106 = -43
+				
Demand From Existing Households (Rent Overburdened)	371 X 51.6% = 191	406 X 39.4% = 160	465 X 19.8% = 92	1,106 X 30.8% = 341
+				
Demand From Existing Households (Renters In Substandard Housing)	371 X 5.0% = 19	406 X 5.0% = 20	465 X 5.0% = 23	1,106 X 5.0% = 55
=				
Total Large Household Demand	196	164	96	353
-				
Supply (Directly Comparable (Three-Br.+) Units Built And/Or Funded Since 2019)	0	0	12	12
=				
Net Large Household Demand	196	164	84	341
-				
Proposed (Three-Br.+) Units	5	5	10	20
-				
Proposed (Three-Br.+) Units/ Net Large Household Demand	5 / 196	5 / 164	10 / 84	20 / 341
-				
Large-Household Capture Rate	= 2.6%	= 3.0%	= 11.9%	= 5.9%

\*Accounts for gaps in affordability levels

Regardless if the project retains the subsidy as proposed, or if it operates exclusively under the LIHTC program, the overall capture rates for the subject's three- and four-bedroom units of 4.8% and 5.9% are both considered low and easily achievable. 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- and four-bedroom units, regardless of bedroom type preference.

## 6. ABSORPTION PROJECTIONS

The subject project is currently 100.0% occupied and maintains a waiting list for the next available unit. 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. However, for the purposes of this analysis, we assume that all 68 subject units will be vacated and that all units will have to be re-rented, assuming the project-based subsidy is still offered on the majority of the units. We also assume the absorption period at the site begins as soon as the first renovated units are available for occupancy and that initial renovated units at the site will be available for rent sometime in 2021.

It is our opinion that the 58 Section 8 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 13 units per month. Our absorption projections assume that the renovations at the subject project will be completed as outlined in this report. These absorption projections also assume that the subsidy will be maintained. The 10 remaining units that operate without a subsidy but under the LIHTC program will likely lease-up within less than two months of completion of renovations.

Should the Section 8 subsidy not be secured and the units at the project had to operate exclusively under the LIHTC program, the 68 subject units would likely have an extended absorption period of approximately six months.

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 two existing family (general-occupancy) Low-Income Housing Tax Credit (LIHTC) properties that offer non-subsidized units within the Walhalla Site PMA. These properties target households with incomes of up to 30% and 60% of Area Median Household Income (AMHI); therefore, they are considered competitive properties. Note that one of these properties operates under the RD 515 program, however, this property only offers Rental Assistance (RA) to 17 of the 32 units. As such, tenants within the non-RA units are paying non-subsidized rents. Due to the limited supply of comparable LIHTC product within the Site PMA, we identified and surveyed one additional property outside the Site PMA in Easley. This property located outside the Site PMA is not considered competitive with the subject development and has only been included for comparability purposes. 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 *Section H – Comparable Property Profiles*.

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
<b>Site</b>	<b>Walhalla Gardens</b>	<b>1968 &amp; 1970 / 2021</b>	<b>68</b>	<b>100.0%</b>	<b>-</b>	<b>64 HH</b>	<b>Families; 30%, 50% and 60% AMHI &amp; Section 8</b>
3	Applewood Villas	1974 / 2014	51	100.0%	10.4 Miles	5 HH	Families; 50% & 60% AMHI
5	Country Ridge Apts.	1974 / 2016	32	100.0%	1.2 Miles	None	Families; 60% AMHI & RD 515
906	Pope Field Terrace	2013	55	100.0%	34.6 Miles	80 HH	Families; 50% & 60% AMHI

Map ID 906 is located outside the Site PMA

OCC. – Occupancy

HH - Households

The three LIHTC projects have a combined occupancy rate of 100.0% and two of the three properties maintain a waiting list for their next available units, the longest of which contains 80 households. This is a clear indication of high and likely pent-up demand for affordable rental product in this market. The subject development will continue to accommodate a portion of this unmet demand.

The gross rents for the comparable 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.	Four-Br.	
Site	Walhalla Gardens	\$354/30% (2)	\$425/30% (4)	\$490/30% (2)	\$547/30% (1)	-
		\$590/50% (2)	\$708/50% (4)	\$818/50% (2)	\$912 /50% (1)	
		\$708/60% (4)	\$850/60% (8)	\$981/60% (4)	\$1,095/60% (2)	
3	Applewood Villas	\$605/50% (2/0)	\$709/50% (5/0)	\$789/50% (5/0)	-	None
		\$583/60% (2/0)	\$712/50% (2/0)	\$793/50% (5/0)		
		\$583/60% (2/0)	\$843/60% (20/0)	\$944/60% (8/0)		
5	Country Ridge Apts.	-	\$693-\$836/60% (32/0)	-	-	None
906	Pope Field Terrace	\$587/50% (6/0)	\$683/50% (5/0)	\$762/50% (5/0)	-	None
		\$637/60% (6/0)	\$723/60% (23/0)	\$812/60% (10/0)		

Map ID 906 is located outside the Site PMA

Note that the subject project is anticipated to retain a subsidy on the majority of its units, allowing tenants to pay up to 30% of their gross adjusted incomes towards housing costs. Therefore, tenants residing in such units will not pay the quoted rents noted in the preceding table. As such, the majority of the units at the subject project will continue to represent substantial values to low-income households within the market.

In the unlikely event the subsidy was not offered and the subject project operated exclusively as a non-subsidized property, its proposed LIHTC rents ranging from \$354 to \$1,095 will be competitive when compared with the gross LIHTC rents being achieved at the comparable properties. As such, the subject's proposed LIHTC gross rents appear to be appropriate for this 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
3	Applewood Villas	51	8	15.7%
5	Country Ridge Apts.	15*	1	3.1%
906	Pope Field Terrace	55	10	18.2%
Total		121	19	15.7%

Map ID 906 is located outside the Site PMA

\*Non-RA units only

As the preceding table illustrates, there are a total of approximately 19 units are occupied by Voucher holders among the comparable LIHTC properties in the market and region. The 19 units occupied by Voucher holders comprise only 15.7% of these comparable affordable units. This demonstrates that over 84.0% of these comparable non-subsidized LIHTC units are occupied by tenants which are not currently receiving rental assistance. Therefore, the gross rents charged at the aforementioned projects in the market and region are achievable.

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

**3** **Applewood Villas** 10.4 miles to site



Address: 410 W. South 4th St., Seneca, SC 29678  
 Phone: (864) 882-2182      Contact: Lateaka (In Person)  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 51      Year Built: 1974  
 Vacant Units: 0      \*AR Year:  
 Occupancy: 100.0%      Yr Renovated: 2014  
 Turnover:      Stories: 1,2  
 Waitlist: 5 HH;  
 Rent Special:

Ratings  
 Quality: B  
 Neighborhood: B  
 Access/Visibility: B+/B+

Notes: Tax Credit; HOME Funds (12 units); HCV (8 units)



**Features And Utilities**

Utility Schedule Provided by: SC Regional Housing Authority No. 1

Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Icemaker; Microwave; Range; Refrigerator; Central AC; Deck / Patio; Ceiling Fan; W/D Hookup; Window Treatments; Flooring (Carpet, Wood Laminate / Plank)

Property Amenities: Business Center (Computer, Copy, Fax); Community Kitchen, Community Room; Gazebo; Laundry Room; On-Site Management; Recreation Areas (Grill, Hiking-Walking Trail, Picnic Table / Area, Playground); Gated Community

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	2	0	664	\$0.59	\$390	50%
1	1	G	2	0	664	\$0.55	\$368	60%
1	1	T	2	0	664	\$0.55	\$368	60%
2	1.5	T	5	0	828 - 825	\$0.54 - \$0.55	\$450	50%
2	1.5	T	2	0	828	\$0.55	\$453	50%
2	1.5	T	20	0	828	\$0.71	\$584	60%
3	1.5	T	5	0	1,056	\$0.46	\$490	50%
3	1.5	T	5	0	1,056	\$0.47	\$494	50%
3	1.5	T	8	0	1,056	\$0.61	\$645	60%

\* Adaptive Reuse

**5 Country Ridge Apts. 1.2 miles to site**



Address: 100 Pine Manor Cir., Walhalla, SC 29691  
 Phone: (864) 638-0074      Contact: Victoria (In Person)  
 Property Type: Tax Credit, Government Subsidized  
 Target Population: Family  
 Total Units: 32      Year Built: 1974      Ratings  
 Vacant Units: 0      \*AR Year:      Quality: B-  
 Occupancy: 100.0%      Yr Renovated: 2016      Neighborhood: B  
 Turnover:      Stories: 1      Access/Visibility: C/B  
 Waitlist:  
 Rent Special:

Notes: Tax Credit; RD 515, has RA (17 units); HCV (1 unit)



**Features And Utilities**

Utility Schedule Provided by: SC Regional Housing Authority No. 1  
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash  
 Unit Amenities: Range; Refrigerator; Central AC; Deck / Patio; Window Treatments; Flooring (Carpet, Vinyl)  
 Property Amenities: Laundry Room; On-Site Management; Recreation Areas (Playground)  
 Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1	G	32	0	641	\$0.81 - \$1.03	\$520 - \$663	60%

\* Adaptive Reuse

**906** Pope Field Terrace 34.6 miles to site



Address: 110 Pearson Terrace Dr., Easley, SC 29640  
 Phone: (704) 885-5397      Contact: Suzie (In Person)  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 55      Year Built: 2013  
 Vacant Units: 0      \*AR Year:  
 Occupancy: 100.0%      Yr Renovated:  
 Turnover:      Stories: 2  
 Waitlist: 80 HH;  
 Rent Special:

Ratings  
 Quality: B+  
 Neighborhood: B  
 Access/Visibility: B/B

Notes: Tax Credit; HCV (10 units)

**Features And Utilities**

Utility Schedule Provided by: SC Regional Housing Authority No. 1  
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Balcony; Deck / Patio; Ceiling Fan; W/D Hookup; Window Treatments; Flooring (Carpet, Vinyl)

Property Amenities: Business Center (Computer); Clubhouse, Conference Room, Community Kitchen; Gazebo; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Hiking-Walking Trail, Playground); CCTV, Courtesy Officer; Social Services (Parties / Picnics); Extra Storage; Water Feature

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	6	0	852	\$0.53	\$450	50%
1	1	G	6	0	852	\$0.59	\$500	60%
2	2	G	5	0	1,103	\$0.46	\$510	50%
2	2	G	23	0	1,103	\$0.50	\$550	60%
3	2	G	5	0	1,254	\$0.45	\$560	50%
3	2	G	10	0	1,254	\$0.49	\$610	60%

\* Adaptive Reuse

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 tables:

Map I.D.	Project Name	Square Footage			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
<b>Site</b>	<b>Walhalla Gardens</b>	<b>622 - 672</b>	<b>830 - 833</b>	<b>960 - 980</b>	<b>1,106</b>
3	Applewood Villas	664	828	1,056	-
5	Country Ridge Apts.	-	641	-	-
906	Pope Field Terrace	852	1,103	1,254	-

Map ID 906 is located outside the Site PMA

Map I.D.	Project Name	Number of Baths			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
<b>Site</b>	<b>Walhalla Gardens</b>	<b>1.0</b>	<b>1.0</b>	<b>1.5</b>	<b>1.5</b>
3	Applewood Villas	1.0	1.5	1.5	-
5	Country Ridge Apts.	-	1.0	-	-
906	Pope Field Terrace	1.0	2.0	2.0	-

Map ID 906 is located outside the Site PMA

The proposed development will be competitive with the existing LIHTC projects in the market and region based on unit size (square footage). However, the subject will generally offer a lesser number of bathrooms in the two-bedroom and larger unit types. This could limit the subject’s rent potential in the non-subsidize scenario. Regardless, the subject will continue to operate with a subsidy available to most units and the lesser number of bathrooms has clearly not adversely impacted the subject site, as evidenced by its 100.0% occupancy rate and waiting list.

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



Tax Credit Unit Amenities by Map ID				
	Site**	3	5	906
Appliances	Dishwasher	X		X
	Disposal	X		X
	Icemaker	X	X	X
	Microwave	X	X	X
	Range	X	X	X
	Refrigerator	X	X	X
	No Appliances			
Unit Amenities	AC-Central	S	X	X
	AC-Other	S		
	Balcony			X
	Deck / Patio		S	X
	Basement			
	Ceiling Fan		X	X
	Controlled Access			
	E-Call System			
	Fireplace			
	Furnished			
	Security System			
	Sunroom			
	W/D Hookup		S	X
	W/D	X		
	Walk-In Closet			
	Window Treatments	X	X	X
Flooring	Carpet	X	X	X
	Ceramic Tile			
	Composite (VCT)(LVT)	X		
	Hardwood			
	Finished Concrete			
	Vinyl			X
Upgraded	Wood Laminate / Plank		X	
	Premium Appliances			
	Premium Countertops			
	Premium Cabinetry			
	Premium Fixtures			
	High Ceilings			
	Vaulted Ceilings			
	Crown Molding			
Oversized Windows				
Parking	Attached Garage			
	Detached Garage			
	Surface Lot	X	X	X
	Carport			
	Property Parking Garage			
	Podium Parking			
No Provided Parking				

\*\* Proposed Site(s): Walhalla Gardens

X = All Units, S = Some Units, O = Optional with Fee

\* Details in Comparable Property Profile Report

Tax Credit Property Amenities by Map ID

	Site**	3	5	906
Bike Racks / Storage				
Business Center *	X	X		X
Car Care *				
Common Patio				
Community Garden				
Community Space				
Activity / Craft Room				
Chapel				
Clubhouse	X			X
Conference Room				X
Community Kitchen	X	X		X
Community Room	X	X		
Dining Room - Private				
Dining Room - Public				
Rooftop Lounge				
Study Lounge				
TV Lounge				
Concierge Service *				
Convenience Amenities *				
Courtyard				
Covered Outdoor Area *		X		X
Elevator				
Laundry Room	X	X	X	X
Meals				
On-Site Management	X	X	X	X
Pet Care *				
Recreation				
Basketball				
Bocce Ball				
Firepit				
Fitness Center				X
Grill		X		
Game Room - Billiards				
Hiking - Walking Trail		X		X
Hot Tub				
Library				
Media Room / Theater				
Picnic Table / Area		X		
Playground	X	X	X	X
Putting Green				
Racquetball				
Shuffleboard				
Sports Court				
Swimming Pool - Indoor				
Swimming Pool - Outdoor				
Tennis				
Volleyball				
Security				
CCTV	X			X
Courtesy Officer				X
Gated Community		X		
Gated Parking				
Police Substation				
Social Services *				X
Storage - Extra				X
Water Feature				X
WiFi				

\*\* Proposed Site(s): Walhalla Gardens

X = All Units, S = Some Units, O = Optional with Fee

\* Details in Comparable Property Profile Report

Once renovations are complete and additions are made, the subject's amenities package will be very similar to those offered at the comparable LIHTC developments within the market. The subject project will not lack any amenity that will prohibit it from operating successfully as a LIHTC project.

#### Comparable Tax Credit Summary

Based on our analysis of the unit sizes, amenities, location, quality and occupancy rates of the existing low-income properties within the market and region, it is our opinion that the subject development will continue to be very marketable. The comparable LIHTC properties in the market and region are performing well and the subject's proposed gross LIHTC rents will generally be competitive with those currently being achieved in the market and region. Regardless, the subject will continue to operate with a subsidy available to most units and the proposed renovations will significantly enhance the subject's overall quality and enable it to continue to compete well in this market.

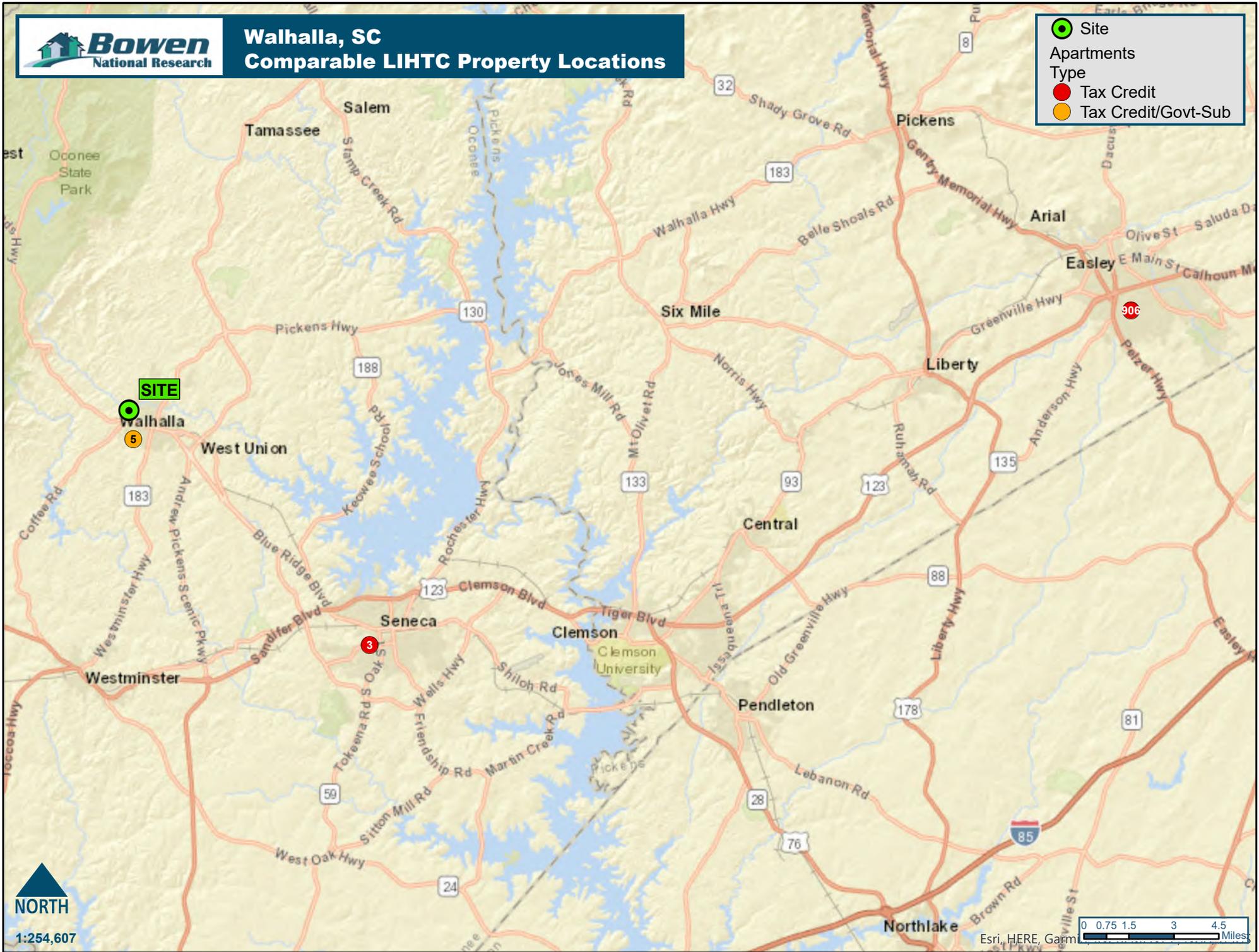
## **2. COMPARABLE TAX CREDIT PROPERTIES MAP**

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



# Walhalla, SC Comparable LIHTC Property Locations

- Site
- Apartments
- Type
  - Tax Credit
  - Tax Credit/Govt-Sub



1:254,607

Esri, HERE, Garmin



### 3. RENTAL HOUSING OVERVIEW

The distributions of the area housing stock within the Walhalla Site PMA in 2010 and 2019 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2019 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	30,676	79.1%	32,854	78.8%
Owner-Occupied	23,042	75.1%	22,851	69.6%
Renter-Occupied	7,634	24.9%	10,003	30.4%
Vacant	8,087	20.9%	8,824	21.2%
Total	38,763	100.0%	41,678	100.0%

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

Based on a 2019 update of the 2010 Census, of the 41,678 total housing units in the market, 21.2% were vacant. In 2019, it was estimated that homeowners occupied 69.6% of all occupied housing units, while the remaining 30.4% were occupied by renters. The share of renters is considered typical for a rural market, such as the Walhalla Site PMA, and the 10,003 renter households in 2019 represent a good base of current and potential support in the market for the subject development.

#### Conventional Apartments

We identified and personally surveyed 17 conventional housing projects containing a total of 1,202 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 98.1%, a very good 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	7	715	23	96.8%
Market-rate/Government-Subsidized	2	75	0	100.0%
Tax Credit	2	98	0	100.0%
Tax Credit/Government-Subsidized	3	158	0	100.0%
Government-Subsidized	3	156	0	100.0%
Total	17	1,202	23	98.1%

As the preceding table illustrates, each rental housing segment within the market is performing well, as none are operating at occupancy levels lower than 96.8%. As such, there appear to be no significant deficiencies within the Walhalla rental housing market.

The following table summarizes the breakdown of market-rate and non-subsidized Tax Credit units surveyed within the Site PMA.

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	238	32.3%	8	3.4%	\$747
Two-Bedroom	1.0	178	24.2%	6	3.4%	\$796
Two-Bedroom	2.0	204	27.7%	6	2.9%	\$1,061
Three-Bedroom	1.5	16	2.2%	0	0.0%	\$892
Three-Bedroom	2.0	100	13.6%	3	3.0%	\$1,170
<b>Total Market-Rate</b>		<b>736</b>	<b>100.0%</b>	<b>23</b>	<b>3.1%</b>	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	30	30.6%	0	0.0%	\$607
Two-Bedroom	1.5	27	27.6%	0	0.0%	\$843
Two-Bedroom	2.0	23	23.5%	0	0.0%	\$688
Three-Bedroom	1.5	18	18.4%	0	0.0%	\$793
<b>Total Tax Credit</b>		<b>98</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>	-

As the preceding table illustrates, the median gross Tax Credit rents are generally below their corresponding median gross market-rate rents. Therefore, Tax Credit product likely represents good values to low-income renters within the market. This is further illustrated by the combined occupancy rate of 100.0% among all non-subsidized Tax Credit units within the Walhalla Site PMA.

The following is a distribution of non-subsidized units surveyed by year built for the Site PMA:

Year Built	Projects	Units	Vacancy Rate
Before 1970	1	9	0.0%
1970 to 1979	5	242	0.4%
1980 to 1989	0	0	0.0%
1990 to 1999	2	328	2.4%
2000 to 2009	2	208	6.7%
2010 to 2014	1	47	0.0%
2015	0	0	0.0%
2016	0	0	0.0%
2017	0	0	0.0%
2018	0	0	0.0%
2019*	0	0	0.0%

\*As of December

No new non-subsidized rental units have been added to the market since 2014. As such, the rental housing market is generally comprised of older properties. The renovations to the subject site will provide much needed modernized units in market comprised of older properties.

We rated each non-subsidized property surveyed on a scale of "A" through "F". All non-subsidized properties were rated based on quality and overall appearance (i.e. aesthetic appeal, building appearance, landscaping and grounds appearance). Following is a distribution by quality rating, units and vacancies.

Market-Rate			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	1	120	0.0%
B	3	416	5.3%
C+	3	164	0.6%
C	1	24	0.0%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	1	47	0.0%
B	1	51	0.0%

The non-subsidized properties surveyed are generally of average to good quality, as all properties were assigned a quality rating of "C" or better. Regardless, the subject property will have an improved quality upon completion or renovations, which will enhance the marketability of the subject site.

#### Government-Subsidized

The government-subsidized units (both with and without Tax Credits) in the Site PMA are summarized as follows.

Subsidized Tax Credit					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	39	24.7%	0	0.0%
Two-Bedroom	1.0	56	35.4%	0	0.0%
Two-Bedroom	1.5	40	25.3%	0	0.0%
Three-Bedroom	1.5	16	10.1%	0	0.0%
Four-Bedroom	2.0	7	4.4%	0	0.0%
<b>Total Subsidized Tax Credit</b>		<b>158</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>
Government-Subsidized					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	49	23.3%	0	0.0%
Two-Bedroom	1.0	82	39.0%	0	0.0%
Two-Bedroom	1.5	44	21.0%	0	0.0%
Three-Bedroom	1.0	8	3.8%	0	0.0%
Three-Bedroom	1.5	23	11.0%	0	0.0%
Four-Bedroom	1.5	4	1.9%	0	0.0%
<b>Total Subsidized</b>		<b>210</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>

The subsidized Tax Credit units are 100.0% occupied and the government-subsidized units are 100.0% occupied. This high occupancy rate among all government-subsidized product surveyed illustrates high demand for very low-income housing.

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

**4. RENTAL HOUSING INVENTORY MAP**

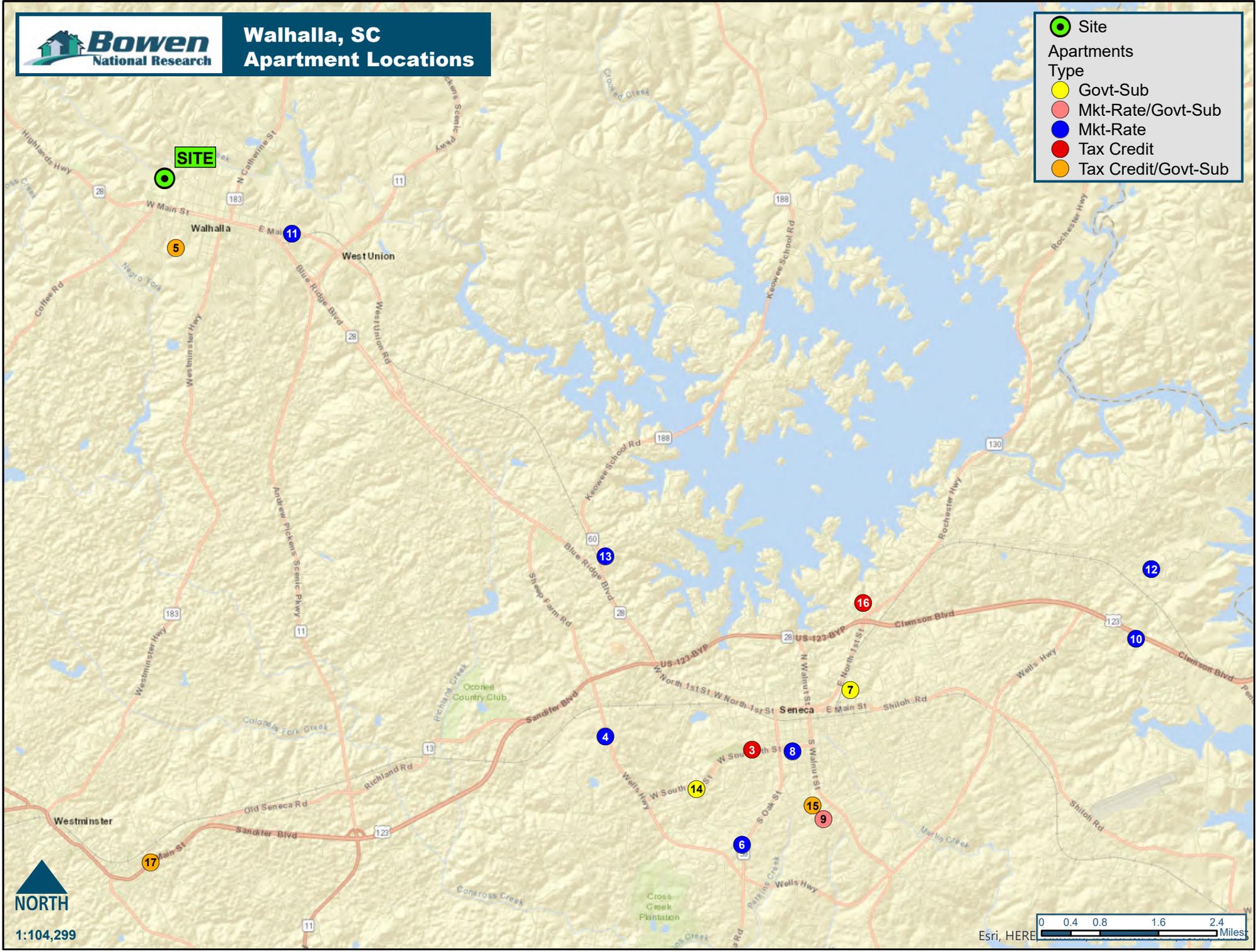
A map identifying the location of all properties surveyed within the Walhalla Site PMA is on the following page.



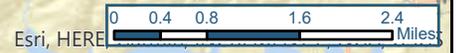
# Walhalla, SC Apartment Locations

**Site**  
Apartment  
Type

- Govt-Sub
- Mkt-Rate/Govt-Sub
- Mkt-Rate
- Tax Credit
- Tax Credit/Govt-Sub



**NORTH**  
1:104,299



## 5. & 6. PLANNED AND PROPOSED DEVELOPMENTS

Based on our interviews with planning representatives, it was determined that there is one rental housing project in the development pipeline, which is summarized as follows:

- Greenfield Apartments, located at 1096 Fairfield Drive in Seneca, is a 52-unit market-rate and government-subsidized property that was originally built in 1974. This property was allocated Tax Credits in 2018 to undergo renovations. The renovations are being done in eight units at a time and the renovations are expected to be complete by the end of 2020.

This project in the development pipeline involves the renovation of an existing affordable property that is 100.0% occupied. Considering this property will offer Tax Credit units, we have included the directly competitive units at this property in our demand calculations in *Section G*.

## 7. MARKET ADVANTAGE

Per the direction of the South Carolina State Housing Finance and Development Authority (SCSHFDA), the subject's market advantage must be based on current HUD Fair Market Rents (FMRs) for the statistical area the site is located. All developments must have an overall minimum market advantage of **10%**.

The current HUD FMRs within Oconee County are \$525 for a one-bedroom unit, \$694 for a two-bedroom unit, \$984 for a three-bedroom unit and \$1,219 for a four-bedroom unit. Note that we have provided two market advantage analyses for the purposes of this report. The first analysis compares the FMRs with the *average current tenant-paid rent* per subsidized bedroom type, assuming that the subsidy is retained on the majority of units as proposed and all current tenants continue to reside at the project post LIHTC renovations. The second analysis compares the FMRs with the proposed/programmatic Tax Credit rents in the unlikely event the subject project lost its subsidy and solely operated as a LIHTC development.

### Market Advantage – Current Rents

Per SCSHFDA methodology, for existing projects that offer a project-based subsidy, the subject's market 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 FMRs. Based on the project's current rent roll, as illustrated in *Addendum D* of this report, the average tenant rent paid within the subsidized units are \$110, \$98, \$134 and \$51 for a one-, two-, three- and four-bedroom unit, respectively. The following table illustrates the subject project's market-rent advantages with the retention of the subsidy on the majority of the units.

Bedroom Type	Current Collected Rent (AMHI)	Fair Market Rent	Market Advantage
One-Bedroom	\$110 (SUB)	\$525	79.05%
	\$272 (30%)		48.19%
	\$508 (50%)		3.24%
	\$626 (60%)		-19.24%
Two-Bedroom	\$98 (SUB)	\$694	85.88%
	\$748 (60%)		-7.78%
Three-Bedroom	\$134 (SUB)	\$984	86.38%
	\$368 (30%)		62.60%
	\$696 (50%)		29.27%
	\$859 (60%)		12.70%
Four-Bedroom	\$51 (SUB)	\$1,219	95.82%
<b>Weighted Average</b>			<b>75.04%</b>

SUB - Subsidized

As the preceding illustrates, the subject's market advantages range between -19.24% and 95.82% as proposed with the subsidy retained on most units. The weighted average market advantage is 75.04%, which is well above the minimum SCSHFDA threshold of 10.0%. This demonstrates that the subject project will continue to represent a significant value within the Walhalla market, which is further evident by its 100.0% occupancy rate.

#### Market Advantage - Proposed 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 advantages for the proposed LIHTC rents evaluated throughout this report are illustrated in the following table:

Bedroom Type	Proposed LIHTC Rent (AMHI)	Fair Market Rent	Market Advantage
One-Bedroom	\$272 (30%)	\$525	48.19%
	\$508 (50%)		3.24%
	\$626 (60%)		-19.24%
Two-Bedroom	\$323 (30%)	\$694	54.59%
	\$606 (50%)		12.68%
	\$748 (60%)		-7.78%
Three-Bedroom	\$368 (30%)	\$984	62.60%
	\$696 (50%)		29.27%
	\$859 (60%)		12.70%
Four-Bedroom	\$405 (30%)	\$1,219	66.80%
	\$770 (50%)		36.83%
	\$953 (60%)		21.82%
<b>Weighted Average</b>			<b>18.53%</b>

The proposed collected Tax Credit rents represent market advantages between -19.24% and 66.80%. Note that the weighted average market advantage is 18.53%. This is above the SCSHFDA minimum threshold of 10.0%.

Achievable Tax Credit Rent Conclusions

Although not required by SCSHFDA, we have derived achievable Tax Credit rents for the subject project, assuming the project is renovated as outlined in this report. The achievable Tax Credit rents are the highest rent an income-eligible renter would be expected (or willing) to pay. These rents are determined by considering the achievable market rents (as shown in *Addendum E*), the rents, occupancy rates and quality levels of competing/comparable LIHTC properties (as detailed earlier in this section), the performance of other affordable projects, the status and occupancy rates of other rental choices and the depth of support (capture rate) from income-eligible renters within the Site PMA.

Bedroom Type	Programmatic Rent* (AMHI)	Proposed Collected Rent (AMHI)	Achievable LIHTC Rent (AMHI)
One-Bedroom	\$272 (30%)	\$272 (30%)	\$272 (30%)
	\$508 (50%)	\$508 (50%)	\$508 (50%)
	\$626 (60%)	\$626 (60%)	\$626 (60%)
Two-Bedroom	\$323 (30%)	\$323 (30%)	\$323 (30%)
	\$606 (50%)	\$606 (50%)	\$606 (50%)
	\$748 (60%)	\$748 (60%)	\$748 (60%)
Three-Bedroom	\$368 (30%)	\$368 (30%)	\$368 (30%)
	\$696 (50%)	\$696 (50%)	\$696 (50%)
	\$859 (60%)	\$859 (60%)	\$859 (60%)
Four-Bedroom	\$405 (30%)	\$405 (30%)	\$405 (30%)
	\$770 (50%)	\$770 (50%)	\$770 (50%)
	\$953 (60%)	\$953 (60%)	\$953 (60%)

\*Maximum allowable rents less the value of tenant-paid utilities

As illustrated in the preceding table, all of the programmatic LIHTC subject rents are positioned equal to the achievable LIHTC rent levels. Therefore, in the unlikely event the subject lost its subsidy on most units and operated exclusively as a LIHTC project, the subject would be able to achieve maximum allowable LIHTC rents. This is especially true considering properties in the market are 100.0% occupied and currently achieving higher rents.

**8. AFFORDABLE HOUSING IMPACT**

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

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2021*
3	Applewood Villas	100.0%	95.0%+
5	Country Ridge Apts.	100.0%	95.0%+

\*Anticipated year of completion of renovations at the subject property

The two comparable LIHTC developments within the Site PMA are 100.0% occupied and maintain waiting lists. In addition, the subject project is currently 100.0% occupied with a waiting list and tenant displacement is not anticipated during renovations. As such, we do not believe the renovation of the subject site will have a tangible impact on the occupancy rate of the comparable LIHTC properties within the market.

**9. OTHER HOUSING OPTIONS (BUY VERSUS RENT)**

According to ESRI, the median home value within the Site PMA was \$175,199. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$175,199 home is \$1,054, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$175,199
Mortgaged Value = 95% of Median Home Price	\$166,439
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$843
Estimated Taxes and Insurance*	\$211
Estimated Monthly Mortgage Payment	\$1,054

\*Estimated at 25% of principal and interest

In comparison, nearly all of the rents for the subject property are subsidized where residents pay up to 30% of their adjusted gross income towards housing costs. As such, residents are unlikely to be able to afford the monthly payments required to own a home. Therefore, we do not anticipate any competitive impact on or from the homebuyer market.

**10. HOUSING VOIDS**

As previously noted, we identified and surveyed two comparable Tax Credit projects located *within the Site PMA*. These properties are 100.0% occupied with waiting lists. In fact, all affordable rental units identified and surveyed within the market (including the subject project) are occupied and maintain waiting lists, illustrating that pent-up demand exists for additional low-income 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 a wait list of up to 64 households for the next available unit.



## I. Interviews

The following are summaries of interviews conducted with various government and private sector individuals:

- Lisa Holbrooks, Community Manager at Walhalla Gardens (subject site) stated that there is a great demand for affordable housing in the area. Ms. Holbrooks added that many hopeful applicants come to her hoping to move in soon but are often denied due to the waiting lists maintained and then the renter is forced to wait. Ms. Holbrooks also stated that more low-income housing would alleviate the large homeless population in Seneca and Walhalla. 864-718-5155
- La'Teaka Keesley, Property Manager at Applewood Villas (Map ID 3), a comparable Tax Credit property, stated that the demand for affordable housing in the county is high. Ms. Keesley believes that all affordable properties in the area maintain extensive waiting lists and that additional affordable housing is needed. 864-882-2182

## 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 68-unit Walhalla Gardens, assuming it is renovated as detailed in this report and retains the project-based subsidy available to most units 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 a waiting list of up to 64 households for the next available unit. As the 58 units that currently operate with a subsidy 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, 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 to most units. As such, we have no recommendations or suggested modifications for the subject project at this time.

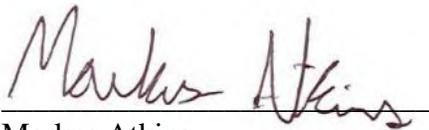
## K. Signed Statement Requirement

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.

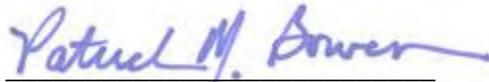
Certified:



Jeff Peters (Primary Contact)  
Market Analyst  
[jeffp@bowennational.com](mailto:jeffp@bowennational.com)  
Date: January 24, 2020



Markus Atkins  
Market Analyst  
[marka@bowennational.com](mailto:marka@bowennational.com)  
Date: January 24, 2020



Patrick M. Bowen  
President/Market Analyst  
Bowen National Research  
155 E. Columbus St., Suite 220  
Pickerington, OH 43147  
(614) 833-9300  
[patrickb@bowennational.com](mailto:patrickb@bowennational.com)  
Date: January 24, 2020

## 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 for Bowen National Research. Ms. Johnson is responsible for all client relations, the procurement of work contracts, and the overall supervision and day-to-day operations of the company. She has been involved in the real estate market research industry since 2006. Ms. Johnson has an Associate of Applied Science in Office Administration from Columbus State Community College.

### Market Analysts

**Markus Atkins**, Market Analyst, is experienced in surveying apartments and other housing alternatives throughout the United States. He can identify key metrics that affect a site's marketability, as well as to determine its impact on the overall housing market. Mr. Atkins graduated from Arizona State University and has a Bachelor of Arts degree in Business Administration.

**Christopher T. Bunch**, Market Analyst has over ten years of professional experience in real estate, including five years of experience in the real estate market research field. Mr. Bunch is responsible for preparing market feasibility studies for a variety of clients. Mr. Bunch earned a bachelor's degree in Geography with a concentration in Urban and Regional Planning from Ohio University in Athens, Ohio.

**Jeff Peters**, Market Analyst, has conducted on-site inspection and analysis for rental properties throughout the country since 2014. 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.

**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.

**Ambrose Lester**, Market Analyst, has conducted detailed research and analysis on a variety of residential alternatives, including rental and for-sale housing. She has conducted on-site research of buildable sites, surveyed existing rental and for-sale housing and conducted numerous stakeholder interviews. She has also conducted research on unique housing issues such as accessory dwelling units, government policy and programs and numerous special needs populations. Ms. Lester has a degree in Economics from Franciscan University of Steubenville.

**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.

**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.

**Ron Pompey**, 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. Pompey has a Bachelor of Science in Electrical Engineering from the University of Florida.

**Nathan Stelts**, 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. Stelts has a Bachelor of Science in Business Administration from Bowling Green State 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 University.

**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

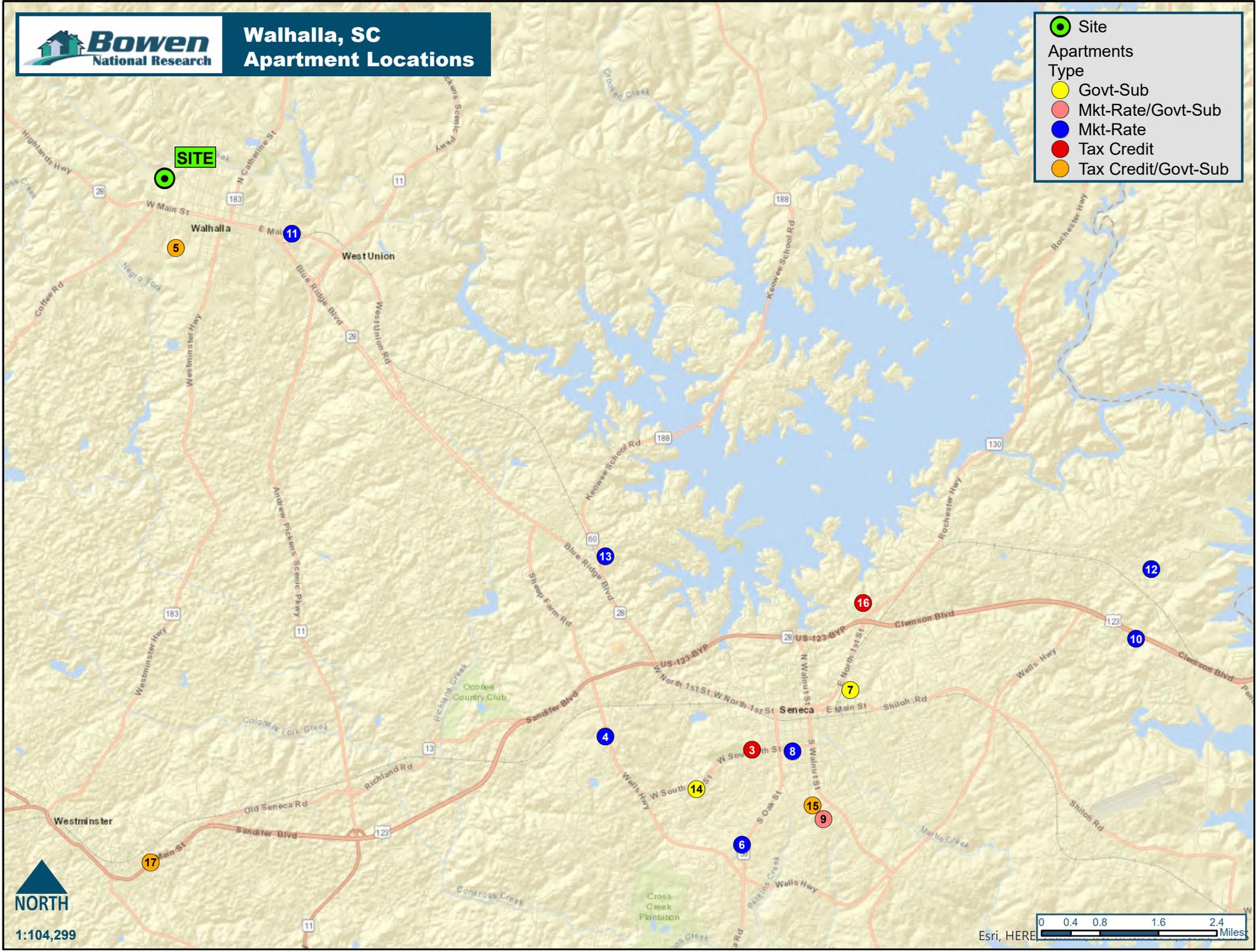
FIELD SURVEY OF  
CONVENTIONAL RENTALS



# Walhalla, SC Apartment Locations

**Site**  
Apartment  
Type

- Govt-Sub
- Mkt-Rate/Govt-Sub
- Mkt-Rate
- Tax Credit
- Tax Credit/Govt-Sub



**NORTH**  
1:104,299



Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
1	New Walhalla Gardens	MRG	C+	1968	31	0	100.0%	-
2	Walhalla Gardens II	GSS	C+	1970	36	0	100.0%	-
✓ 3	Applewood Villas	TAX	B	1974	51	0	100.0%	10.4
✓ 4	Clemson Ridge	MRR	B+	1996	120	0	100.0%	8.9
✓ 5	Country Ridge Apts.	TGS	B-	1974	32	0	100.0%	1.2
✓ 6	Crescent Pointe Apts.	MRR	B	2003	144	6	95.8%	11.0
7	Fair Oaks Village	GSS	C+	1980	64	0	100.0%	11.7
8	Fairplay Commons	MRR	C	1978	24	0	100.0%	10.3
9	Greenfield Apts.	MRG		1974	44	0	100.0%	11.4
10	Heritage Hills	MRR	B	1996	208	8	96.2%	13.8
✓ 11	Highland Glen Apts.	MRR	B	2003	64	8	87.5%	1.8
✓ 12	Keoway Village	MRR	C+	1970	80	0	100.0%	14.4
13	Keowee Cove Apts.	MRR	C+	1972	75	1	98.7%	7.3
14	Pine Ridge	GSS	C+	1972	56	0	100.0%	10.2
15	Seneca Gardens Apts.	TGS	B-	1972	76	0	100.0%	11.2
◆ 16	Serenity Place	TAX	B+	2014	47	0	100.0%	10.8
17	Westminster East Apts.	TGS	B	1981	50	0	100.0%	9.6
✓ 905	Hunter's Glen	MRG	B-	1984	100	0	100.0%	20.6
✓ 906	Pope Field Terrace	TAX	B+	2013	55	0	100.0%	34.6

\*Drive distance in miles

✓ Comparable Property	(MIG) Market-Rate, Income Restricted (not LIHTC) & Govt Subsidized	(TIG) Tax Credit, Income Restricted (not LIHTC) & Govt Subsidized
◆ Senior Restricted	(TAX) Tax Credit	(INR) Income Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Govt Subsidized	(ING) Income Restricted (not LIHTC) & Govt Subsidized
(MRT) Market-Rate & Tax Credit	(TIN) Tax Credit & Income Restricted (not LIHTC)	(GSS) Govt Subsidized
(MRG) Market-Rate & Govt Subsidized	(TMG) Tax Credit, Market-Rate & Govt Subsidized	(ALL) Tax Credit, Market-Rate, Govt Subsidized & Income Restricted
(MIN) Market-Rate & Income Restricted (not LIHTC)		

<b>1</b>	<b>New Walhalla Gardens</b> 100 Walhalla Gardens Cir., Walhalla, SC 29691	Contact: Lisa (In Person) Phone: (864) 718-5155
	Total Units: 31 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1968 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 28 HH; AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Market-Rate (9 units); HUD Section 8 (22 units); Does not accept HCV	
<b>2</b>	<b>Walhalla Gardens II</b> 101 Walhalla Gardens Cir., Walhalla, SC 29691	Contact: Lisa (In Person) Phone: (864) 718-5155
	Total Units: 36 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1970 BR: 1, 2, 3, 4 Vacant Units: 0 Waitlist: 36 HH; AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: HUD Section 8	
<b>3</b>	<b>Applewood Villas</b> 410 W. South 4th St., Seneca, SC 29678	Contact: Lateaka (In Person) Phone: (864) 882-2182
	Total Units: 51 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1974 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 5 HH; AR Year: Target Population: Family Yr Renovated: 2014 Rent Special: Notes: Tax Credit; HOME Funds (12 units); HCV (8 units)	
<b>4</b>	<b>Clemson Ridge</b> 116 Northwoods Dr., Seneca, SC 29678	Contact: Janine (In Person) Phone: (864) 882-3557
	Total Units: 120 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 1996 BR: 2, 3 Vacant Units: 0 Waitlist: AR Year: Target Population: Family Yr Renovated: 2018 Rent Special: Notes: Does not accept HCV; Rent range based on floor level	
<b>5</b>	<b>Country Ridge Apts.</b> 100 Pine Manor Cir., Walhalla, SC 29691	Contact: Victoria (In Person) Phone: (864) 638-0074
	Total Units: 32 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1974 BR: 2 Vacant Units: 0 Waitlist: AR Year: Target Population: Family Yr Renovated: 2016 Rent Special: Notes: Tax Credit; RD 515, has RA (17 units); HCV (1 unit)	

 Comparable Property	 Senior Restricted	 (MIG) Market-Rate, Income Restricted (not LIHTC) & Govt Subsidized	 (TIG) Tax Credit, Income Restricted (not LIHTC) & Govt Subsidized
 (MRR) Market-Rate	 (TAX) Tax Credit	 (INR) Income Restricted (not LIHTC)	
 (MRT) Market-Rate & Tax Credit	 (TGS) Tax Credit & Govt Subsidized	 (ING) Income Restricted (not LIHTC) & Govt Subsidized	
 (MRG) Market-Rate & Govt Subsidized	 (TIN) Tax Credit & Income Restricted (not LIHTC)	 (GSS) Govt Subsidized	
 (MIN) Market-Rate & Income Restricted (not LIHTC)	 (TMG) Tax Credit, Market-Rate & Govt Subsidized	 (ALL) Tax Credit, Market-Rate, Govt Subsidized & Income Restricted	



<b>6</b>	<b>Crescent Pointe Apts.</b> 1500 S. Oak St., Seneca, SC 29678	Contact: Rayleen (In Person) Phone: (864) 882-4377
	Total Units: 144 UC: 0 Occupancy: 95.8% Stories: 3 Year Built: 2003 BR: 1, 2, 3 Vacant Units: 6 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV; Higher rent for upgraded units	

<b>7</b>	<b>Fair Oaks Village</b> 1200 Fairoaks Cir, Seneca, SC 29678	Contact: Lenora (In Person) Phone: (864) 882-8188
	Total Units: 64 UC: 0 Occupancy: 100.0% Stories: 1, 2 Year Built: 1980 BR: 1, 2 Vacant Units: 0 Waitlist: 25 HH; AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: RD 515, has RA (63 units); HCV (1 unit)	

<b>8</b>	<b>Fairplay Commons</b> 401 S. Fairplay St., Seneca, SC 29678	Contact: Janice (In Person) Phone: (864) 238-4450
	Total Units: 24 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1978 BR: 2 Vacant Units: 0 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: HCV (1 unit)	

<b>9</b>	<b>Greenfield Apts.</b> 1096 Fairfield Dr, Seneca, SC 29678	Contact: Linda (In Person) Phone: (864) 882-1330
Picture Not Available	Total Units: 44 UC: 8 Occupancy: 100.0% Stories: 2 Year Built: 1974 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 40 HH; AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Market-Rate (12 units); HUD Section 8 & 236 (32 units); HCV (2 units); 8 units offline due to renovations	

<b>10</b>	<b>Heritage Hills</b> 10836 Clemson Blvd., Seneca, SC 29678	Contact: Name not given (In Person) Phone: (864) 653-5506
	Total Units: 208 UC: 0 Occupancy: 96.2% Stories: 2 Year Built: 1996 BR: 1, 2 Vacant Units: 8 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV; Phase II (128 units) opened in 2008; Rent range based on newer units & view	

Comparable Property	(MIG) Market-Rate, Income Restricted (not LIHTC) & Govt Subsidized	(TIG) Tax Credit, Income Restricted (not LIHTC) & Govt Subsidized
Senior Restricted	(TAX) Tax Credit	(INR) Income Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Govt Subsidized	(ING) Income Restricted (not LIHTC) & Govt Subsidized
(MRT) Market-Rate & Tax Credit	(TIN) Tax Credit & Income Restricted (not LIHTC)	(GSS) Govt Subsidized
(MRG) Market-Rate & Govt Subsidized	(TMG) Tax Credit, Market-Rate & Govt Subsidized	(ALL) Tax Credit, Market-Rate, Govt Subsidized & Income Restricted
(MIN) Market-Rate & Income Restricted (not LIHTC)		



<b>11</b>	<b>Highland Glen Apts.</b> 800 Highland Glen Ct., Walhalla, SC 29691	Contact: Kathy Phone: (864) 638-3885	(In Person)
		Total Units: 64 UC: 0 Occupancy: 87.5% Stories: 2 BR: 1, 2, 3 Vacant Units: 8 Waitlist: Target Population: Family Rent Special: Notes: HCV (1 unit)	Year Built: 2003 AR Year: Yr Renovated:



<b>12</b>	<b>Keoway Village</b> 50 Keoway Dr., Seneca, SC 29672	Contact: Debbie Phone: (864) 654-5135	(In Person)
		Total Units: 80 UC: 0 Occupancy: 100.0% Stories: 2 BR: 1, 2, 3 Vacant Units: 0 Waitlist: Target Population: Family Rent Special: Notes: Does not accept HCV; Rent range based on renovated units	Year Built: 1970 AR Year: Yr Renovated: 2004

<b>13</b>	<b>Keowee Cove Apts.</b> 100 Gail Ct., Seneca, SC 29672	Contact: Ashley Phone: (864) 882-0636	(In Person)
		Total Units: 75 UC: 0 Occupancy: 98.7% Stories: 2 BR: 1, 2 Vacant Units: 1 Waitlist: Target Population: Family Rent Special: Notes: Does not accept HCV	Year Built: 1972 AR Year: Yr Renovated:

<b>14</b>	<b>Pine Ridge</b> 1000 Hillsborough Rd., Seneca, SC 29678	Contact: Kerri Phone: (864) 882-1701	(In Person)
		Total Units: 56 UC: 0 Occupancy: 100.0% Stories: 2 BR: 2, 3 Vacant Units: 0 Waitlist: 21 HH; Target Population: Family Rent Special: Notes: HUD Section 8	Year Built: 1972 AR Year: Yr Renovated:

<b>15</b>	<b>Seneca Gardens Apts.</b> 819 Laing Ct., Seneca, SC 29678	Contact: Brenda Phone: (864) 882-1067	(In Person)
		Total Units: 76 UC: 0 Occupancy: 100.0% Stories: 1,2 BR: 1, 2, 3, 4 Vacant Units: 0 Waitlist: 22 HH; Target Population: Family Rent Special: Notes: Tax Credit; HUD Section 8; Does not accept HCV	Year Built: 1972 AR Year: Yr Renovated: 2008

Comparable Property	(MIG) Market-Rate, Income Restricted (not LIHTC) & Govt Subsidized	(TIG) Tax Credit, Income Restricted (not LIHTC) & Govt Subsidized
Senior Restricted	(TAX) Tax Credit	(INR) Income Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Govt Subsidized	(ING) Income Restricted (not LIHTC) & Govt Subsidized
(MRT) Market-Rate & Tax Credit	(TIN) Tax Credit & Income Restricted (not LIHTC)	(GSS) Govt Subsidized
(MRG) Market-Rate & Govt Subsidized	(TMG) Tax Credit, Market-Rate & Govt Subsidized	(ALL) Tax Credit, Market-Rate, Govt Subsidized & Income Restricted
(MIN) Market-Rate & Income Restricted (not LIHTC)		

16	<b>Serenity Place</b> 117 Northside Cir., Seneca, SC 29678	Contact: Carolyn (In Person) Phone: (864) 873-9550
		<p>Total Units: 47 UC: 0 Occupancy: 100.0% Stories: 2 w/Elevator Year Built: 2014</p> <p>BR: 1, 2 Vacant Units: 0 Waitlist: 60 HH; AR Year:</p> <p>Target Population: Senior 55+ Yr Renovated:</p> <p>Rent Special:</p> <p>Notes: Tax Credit; HOME Funds (8 units); HCV (3 units)</p>

17	<b>Westminster East Apts.</b> 100 Sunshine Cir., Westminster, SC 29693	Contact: Lee (In Person) Phone: (864) 647-6093
		<p>Total Units: 50 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1981</p> <p>BR: 1, 2 Vacant Units: 0 Waitlist: 12 HH; AR Year:</p> <p>Target Population: Family Yr Renovated: 1994</p> <p>Rent Special:</p> <p>Notes: Tax Credit; RD 515, has RA (45 units); Accepts HCV</p>

905	<b>Hunter's Glen</b> 854 Issaqueena Trl, Central, SC 29630	Contact: Judy (In Person) Phone: (864) 654-0058
		<p>Total Units: 100 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1984</p> <p>BR: 1, 2, 3 Vacant Units: 0 Waitlist: 30 HH; AR Year:</p> <p>Target Population: Family Yr Renovated: 1999</p> <p>Rent Special:</p> <p>Notes: Market-Rate (80 units); HUD Section 8 (20 units); Does not accept HCV</p>

906	<b>Pope Field Terrace</b> 110 Pearson Terrace Dr., Easley, SC 29640	Contact: Suzie (In Person) Phone: (704) 885-5397
		<p>Total Units: 55 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2013</p> <p>BR: 1, 2, 3 Vacant Units: 0 Waitlist: 80 HH; AR Year:</p> <p>Target Population: Family Yr Renovated:</p> <p>Rent Special:</p> <p>Notes: Tax Credit; HCV (10 units)</p>

 Comparable Property	 (MIG) Market-Rate, Income Restricted (not LIHTC) & Govt Subsidized	 (TIG) Tax Credit, Income Restricted (not LIHTC) & Govt Subsidized
 Senior Restricted	 (TAX) Tax Credit	 (INR) Income Restricted (not LIHTC)
 (MRR) Market-Rate	 (TGS) Tax Credit & Govt Subsidized	 (ING) Income Restricted (not LIHTC) & Govt Subsidized
 (MRT) Market-Rate & Tax Credit	 (TIN) Tax Credit & Income Restricted (not LIHTC)	 (GSS) Govt Subsidized
 (MRG) Market-Rate & Govt Subsidized	 (TMG) Tax Credit, Market-Rate & Govt Subsidized	 (ALL) Tax Credit, Market-Rate, Govt Subsidized & Income Restricted
 (MIN) Market-Rate & Income Restricted (not LIHTC)		

Source: SC Regional Housing Authority No. 1  
Effective: 01/2020

Monthly Dollar Allowances

		Garden						Townhome					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	22	22	28	30	33	33	22	22	28	30	33	33
	+Base Charge	0	0	0	0	0	0	0	0	0	0	0	0
	Bottled Gas	47	47	63	70	78	78	47	47	63	70	78	78
	Electric	46	46	62	69	76	76	46	46	62	69	76	76
	Heat Pump	28	28	38	42	47	47	28	28	38	42	47	47
	Oil	31	31	41	46	51	51	31	31	41	46	51	51
Cooking	Natural Gas	7	7	8	9	10	10	7	7	8	9	10	10
	Bottled Gas	15	15	18	21	22	22	15	15	18	21	22	22
	Electric	6	6	8	9	9	9	6	6	8	9	9	9
Other Electric	48	48	55	65	71	71	48	48	55	65	71	71	
+Base Charge	0	0	0	0	0	0	0	0	0	0	0	0	
Air Conditioning	15	15	21	26	30	30	15	15	21	26	30	30	
Water Heating	Natural Gas	14	14	17	20	22	22	14	14	17	20	22	22
	Bottled Gas	31	31	38	46	56	56	31	31	38	46	56	56
	Electric	22	22	27	33	42	42	22	22	27	33	42	42
	Oil	20	20	25	31	36	36	20	20	25	31	36	36
Water	30	30	34	39	47	47	30	30	34	39	47	47	
Sewer	35	35	39	45	55	55	35	35	39	45	55	55	
Trash Collection	13	13	13	13	13	13	13	13	13	13	13	13	
Internet*	20	20	20	20	20	20	20	20	20	20	20	20	
Cable*	20	20	20	20	20	20	20	20	20	20	20	20	
Alarm Monitoring*	0	0	0	0	0	0	0	0	0	0	0	0	

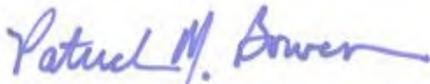
\* Estimated- not from source

## 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](mailto:patrickb@bowennational.com)  
Date: January 24, 2020



Jeff Peters (Primary Contact)  
Market Analyst  
[jeffp@bowennational.com](mailto:jeffp@bowennational.com)  
Date: January 24, 2020

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>.

## 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)
<b>Executive Summary</b>		
1.	Executive Summary (Exhibit S-2)	A
<b>Project Description</b>		
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
<b>Location and Market Area</b>		
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)
<b>EMPLOYMENT AND ECONOMY</b>		
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
<b>DEMOGRAPHIC CHARACTERISTICS</b>		
24.	Population and household estimates and projections	F
25.	Area building permits	H
26.	Distribution of income	F
27.	Households by tenure	F
<b>COMPETITIVE ENVIRONMENT</b>		
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
<b>ANALYSIS/CONCLUSIONS</b>		
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 & Addendum E
46.	Derivation of Achievable Restricted Rent	H
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)**

<b>OTHER REQUIREMENTS</b>		<b>Section (s)</b>
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

# St. Clair Construction Company

## Construction Budget:

### Walhalla Apartments, Walhalla, SC

Category
<b>Metals</b>
Gutter installation
<b>Rough Carpentry</b>
Convert 4 units (5%) to Sec. 504/UFAS Mobility Impaired units
<b>Insulation</b>
Increase Attic insulation (to R-38)
<b>Roofing</b>
Decking repairs Replace Roofing (30 year asphalt shingle)
<b>Sheet Metal / Siding</b>
Replace existing vinyl siding w/ New
<b>Doors</b>
Replace Bldg. Entry Door/s (Steel w/ insulated core) Replace unit entry door hardware (Schlage Electronic) Replace interior doors
<b>Windows</b>
Replace Windows (E-Star rated for Zone -5, & 90 mph or DPMmin.)
<b>Resilient Flooring</b>
Replace flooring in units - vinyl planking
<b>Painting and Decorating</b>
Paint unit interiors (Low VOC) Paint Entry Doors (Low VOC) Paint (Stain) exterior brick Paint exterior stairs and under decking
<b>Specialties</b>
Install "Accessible" tenant mailboxes Community Bldg.: Computer station/Tables & chairs/Sitting areas & supportive services program space
<b>Cabinets &amp; Countertops</b>
Unit kitchens & Bathroom Vanities

<b>Appliances</b>
Refrigerator (E-Star) Stove/Range Microwave Range Queens
<b>Blinds/Shades/Artwork</b>
Replace vertical blinds
<b>Special Construction</b>
ACM Abatement/Encapsulation (Flooring/Piping) New Community Bldg.:
<b>Plumbing and Hot Water</b>
Replace Toilets (1.0 gpm) Replace bath tubs & surrounds (3 piece kit) Replace tub with Roll in shower Meets Sec 504/UFAS mobility impaired Replace shower valves Replace shower heads (1.5 gpm) Replace hot water tanks (E-Star) Replace faucets in kitchen (1.5 gpm) & bathrooms (0.5 gpm) Replace kitchen/bathroom sinks Unit water shut offs <b>(Lever handles on all faucets)</b>
<b>Heat and Ventilation</b>
Heat Pumps Bath exhaust fans
<b>Electrical</b>
Replace Building entry lights (front/rear) (LED) Install Bldg. lighting (LED) Sec 504/UFAS Audio/Visual Impaired units Replace interior light fixtures (LED) Upgrade service panel Microwave circuit Site lighting
<b>Low Voltage Electrical</b>
Install CCTV (including tie-in to main office) Install Combo Smoke/ CO2 Detectors (hardwire) <b>NOTE: INSTALL CO2 DETECTORS IN ALL UNITS</b>
<b>Roads &amp; Walks</b>
Seal coat & stripe Dumpster enclosure (2 side walls & a concrete apron)
<b>Site Improvements</b>
Site signage H/C parking signs for Sec. 504/UFAS units
<b>Lawns and Plantings</b>
Landscaping Clean and remove old/dead trees & brush from entire site. Install new native plants & trees throughout including new landscaping at Bldg. entries.

# ADDENDUM D

## RENT ROLL

Affordable Rent Roll with Lease Charges  
 Property: New Walhalla Gardens Holdings LLC (newwal)  
 As Of Date: 11/04/2019  
 Balance Month: 11/2019

Unit	Unit Type	Unit Sq Ft	Unit/Lease Status	Resident	Name	Market Charge Rent Code	Amount	U.R. Amount	Resident Deposit	Lease From	Lease Expiration	Move In Date	Move Out Date	Balance
<b>New Walhalla Gardens Holdings LLC (newwal)</b>														
<b>Current/Notice Residents</b>														
00-0001	new.1bnw	0.00	Occupied No Notice	t0013145	[REDACTED]	718.00 rent	325.00	0.00	325.00	10/1/2017	10/31/2018	8/1/2015		325.00
						<b>Total</b>	<b>325.00</b>							
00-0002	new.1bnw	0.00	Occupied No Notice	t0018836	[REDACTED]	615.00 rent	174.00	0.00	283.00	11/21/2016	11/20/2017	11/21/2016		661.00
						sec8	441.00							
						<b>Total</b>	<b>615.00</b>							
00-0003	new.2bnw	0.00	Occupied No Notice	t0019784	[REDACTED]	685.00 rent	0.00	47.00	0.00	3/21/2017	3/20/2018	3/21/2017		1,482.00
						sec8	732.00							
						<b>Total</b>	<b>732.00</b>							
00-0004	new.2bnw	0.00	Occupied No Notice	t0012250	[REDACTED]	685.00 rent	112.00	0.00	185.00			11/2/2012		1,993.00
						sec8	573.00							
						<b>Total</b>	<b>685.00</b>							
00-0005	new.2bnw	0.00	Occupied No Notice	t0018589	[REDACTED]	685.00 rent	0.00	62.00	287.00	10/27/2016	10/26/2017	10/27/2016		540.00
						sec8	747.00							
						<b>Total</b>	<b>747.00</b>							
00-0006	new.2bnw	0.00	Occupied No Notice	t0025484	[REDACTED]	685.00 rent	0.00	70.00	50.00	9/21/2018	9/20/2019	9/21/2018		755.00
						sec8	755.00							
						<b>Total</b>	<b>755.00</b>							
00-0007	new.1bnw	0.00	Occupied No Notice	t0012253	[REDACTED]	615.00 rent	47.00	0.00	200.00			9/28/2001		629.00
						sec8	568.00							
						<b>Total</b>	<b>615.00</b>							
00-0008	new.1bnw	0.00	Occupied No Notice	t0012254	[REDACTED]	615.00 rent	8.00	0.00	208.00			9/18/2001		606.00
						sec8	607.00							
						<b>Total</b>	<b>615.00</b>							
00-0009	new.1bnw	0.00	Occupied No Notice	t0021908	[REDACTED]	615.00 rent	118.00	0.00	147.00	8/25/2017	8/24/2018	8/25/2017		614.00
						sec8	497.00							
						<b>Total</b>	<b>615.00</b>							
00-0010	new.1bnw	0.00	Vacant Unrented Unit Ready	VACANT	[REDACTED]	615.00	0.00	0.00	0.00					0.00
						<b>Total</b>	<b>0.00</b>							
00-0011	new.2bnw	0.00	Occupied No Notice	t0018791	[REDACTED]	780.00 rent	450.00	0.00	130.00	11/7/2016	11/6/2017	11/7/2016		1,011.00
						<b>Total</b>	<b>450.00</b>							
00-0012	new.2bnw	0.00	Occupied No Notice	t0020205	[REDACTED]	685.00 rent	0.00	56.00	50.00	10/11/2017	10/10/2018	10/11/2017		679.00
						sec8	741.00							
						<b>Total</b>	<b>741.00</b>							
00-0013	new.2bnw	0.00	Occupied No Notice	t0028493	[REDACTED]	685.00 rent	0.00	47.00	50.00	9/18/2019	9/30/2020	9/18/2019		1,781.00
						sec8	732.00							
						<b>Total</b>	<b>732.00</b>							
00-0014	new.2bnw	0.00	Occupied No Notice	t0012260	[REDACTED]	685.00 rent	86.00	0.00	199.00			2/2/2010		1,125.00
						sec8	599.00							
						<b>Total</b>	<b>685.00</b>							

Affordable Rent Roll with Lease Charges  
 Property: New Walhalla Gardens Holdings LLC (newwal)  
 As Of Date: 11/04/2019  
 Balance Month: 11/2019

Unit	Unit Type	Sq Ft	Unit/Lease Status	Resident	Name	Market Charge		U.R. Amount	Resident Deposit	Lease From	Lease Expiration	Move In Date	Move Out Date	Balance
						Rent Code	Amount							
00-0015	new.1bnw	0.00	Occupied No Notice	t0022835	[REDACTED]	615.00 rent	124.00	0.00	0.00	12/19/2017	12/18/2018	12/19/2017		615.00
						sec8	491.00							
						<b>Total</b>	<b>615.00</b>							
00-0016	new.1bnw	0.00	Occupied No Notice	t0026666	[REDACTED]	718.00 rent	325.00	0.00	0.00	1/11/2019	1/10/2020	1/11/2019		325.16
						<b>Total</b>	<b>325.00</b>							
00-0017	new.3bnw	0.00	Occupied No Notice	t0012265	[REDACTED]	946.00 rent	500.00	0.00	475.00			10/1/2014		500.00
						<b>Total</b>	<b>500.00</b>							
00-0018	new.3bnw	0.00	Occupied No Notice	t0028065	[REDACTED]	820.00 rent	189.00	0.00	150.00	7/2/2019	7/1/2020	7/2/2019		979.00
						sec8	631.00							
						<b>Total</b>	<b>820.00</b>							
00-0019	new.2bnw	0.00	Notice Unrented	t0018715	[REDACTED]	685.00 rent	281.00	0.00	276.00	11/14/2016	11/13/2017	11/14/2016	10/31/2019	670.00
						sec8	404.00							
						<b>Total</b>	<b>685.00</b>							
00-0020	new.2bnw	0.00	Occupied No Notice	t0022915	[REDACTED]	685.00 rent	0.00	70.00	149.00	12/29/2017	12/28/2018	12/29/2017		932.00
						sec8	755.00							
						<b>Total</b>	<b>755.00</b>							
00-0021	new.2bnw	0.00	Occupied No Notice	t0012269	[REDACTED]	685.00 rent	0.00	70.00	50.00			12/27/2013		782.00
						sec8	755.00							
						<b>Total</b>	<b>755.00</b>							
00-0022	new.2bnw	0.00	Occupied No Notice	t0023645	[REDACTED]	685.00 rent	168.00	0.00	0.00	3/28/2018	3/27/2019	3/28/2018		522.00
						sec8	517.00							
						<b>Total</b>	<b>685.00</b>							
00-0023	new.3bnw	0.00	Vacant Unrented Not Ready	VACANT	[REDACTED]	820.00	0.00	0.00	0.00					0.00
						<b>Total</b>	<b>0.00</b>							
00-0024	new.3bnw	0.00	Occupied No Notice	t0028259	[REDACTED]	946.00 rent	500.00	0.00	0.00	8/5/2019	8/4/2020	8/5/2019		0.00
						<b>Total</b>	<b>500.00</b>							
00-0025	new.3bnw	0.00	Occupied No Notice	t0015737	[REDACTED]	946.00 rent	712.00	0.00	0.00	1/1/2015		1/1/2015		0.00
						mgmtunit	-712.00							
						<b>Total</b>	<b>0.00</b>							
00-0026	new.3bnw	0.00	Occupied No Notice	t0024865	[REDACTED]	946.00 rent	500.00	0.00	0.00	8/1/2018	7/31/2019	8/1/2018		2,745.00
						<b>Total</b>	<b>500.00</b>							
00-0027	new.2bnw	0.00	Occupied No Notice	t0019739	[REDACTED]	685.00 rent	114.00	0.00	194.00	4/24/2017	4/23/2018	4/24/2017		681.00
						sec8	571.00							
						<b>Total</b>	<b>685.00</b>							
00-0028	new.2bnw	0.00	Occupied No Notice	t0022456	[REDACTED]	685.00 rent	229.00	0.00	50.00	10/23/2017	10/22/2018	10/23/2017		1,366.00
						sec8	456.00							
						<b>Total</b>	<b>685.00</b>							
00-0029	new.2bnw	0.00	Occupied No Notice	t0026377	[REDACTED]	685.00 rent	0.00	59.00	50.00	11/21/2018	11/20/2019	11/21/2018		744.00
						sec8	744.00							
						<b>Total</b>	<b>744.00</b>							

Affordable Rent Roll with Lease Charges  
 Property: New Walhalla Gardens Holdings LLC (newwal)  
 As Of Date: 11/04/2019  
 Balance Month: 11/2019

Unit	Unit Type	Sq Ft	Lease Status	Unit/ Resident	Name	Market Charge		U.R. Amount	Resident Deposit	Lease From	Lease Expiration	Move In Date	Move Out Date	Balance	
						Rent Code	Amount								
00-0030	new.2brw	0.00	Occupied No Notice	t0017472	[REDACTED]	685.00 rent	0.00	70.00	0.00	7/2/2016	7/1/2017	7/2/2016		1,855.00	
						sec8	755.00								
						<b>Total</b>	<b>755.00</b>								
00-0031	new.3brw	0.00	Occupied No Notice	t0025205	[REDACTED]	738.00 rent	609.00	0.00	500.00	9/5/2018	9/4/2019	9/5/2018		500.00	
						sec8	129.00								
						<b>Total</b>	<b>738.00</b>								
00-0032	new.3brw	0.00	Occupied No Notice	t0012279	[REDACTED]	820.00 rent	214.00	0.00	92.00			7/13/2001		695.00	
						sec8	606.00								
						<b>Total</b>	<b>820.00</b>								
<b>(newwal)</b>	<b>Total</b>					<b>23,163.00</b>	<b>18,879.00</b>	<b>551.00</b>	<b>4,100.00</b>					<b>26,112.16</b>	

Summary Groups	Square Footage	Market Rent	Lease Charges	Security Deposit	Other Deposits	# Of Units	% Unit Occupancy	% SqFt Occupancy	Balance
Current/Notice Residents			18,879.00	4,100.00	0.00				26,112.16
Future Residents/Applicants			0.00	0.00	0.00				0.00
Occupied Units	0.00	21,728.00				30	93.75	0.00	
Vacant Units	0.00	1,435.00				2	6.25	0.00	
<b>Totals</b>	<b>0.00</b>	<b>23,163.00</b>	<b>18,879.00</b>	<b>4,100.00</b>	<b>0.00</b>	<b>32</b>	<b>100.00</b>	<b>0.00</b>	<b>26,112.16</b>

**Summary of Charges by Charge Code**  
**(Current/Notice residents only)**  
 Note: 50059 Tenants only.

Charge Code	Amount
rent	2,473.00
sec8	13,806.00
Utility Reimbursement	551.00
<b>Total</b>	<b>16,830.00</b>

**Summary of Charges by Charge Code**  
**(Current/Notice residents only)**  
 Note: This table does not include rent and hap charges for 50059 tenants.

Charge Code	Amount
mgmtunit	-712.00
rent	3,312.00
<b>Total</b>	<b>2,600.00</b>

Affordable Rent Roll with Lease Charges  
 Property: Walhalla Gardens Holdings LLC (walhalla)  
 As Of Date: 11/04/2019  
 Balance Month: 11/2019

Unit	Unit Type	Unit Sq Ft	Unit/Lease Status	Resident	Name	Market Charge Rent Code	Amount	U.R. Amount	Resident Deposit	Lease From	Lease Expiration	Move In Date	Move Out Date	Balance
<b>Walhalla Gardens Holdings LLC (walhalla)</b>														
<b>Current/Notice Residents</b>														
00-0033	wal.4br1	0.00	Occupied No Notice	t0028637	[REDACTED]	791.00 rent sec8	87.00 704.00	0.00	0.00	10/25/2019	10/31/2020	10/25/2019		1,177.00
						<b>Total</b>	<b>791.00</b>							
00-0034	wal.1br1	0.00	Occupied No Notice	t0026205	[REDACTED]	600.00 rent sec8	172.00 428.00	0.00	220.00	11/7/2018	11/6/2019	11/7/2018		664.00
						<b>Total</b>	<b>600.00</b>							
00-0035	wal.4br1	0.00	Occupied No Notice	t0028392	[REDACTED]	920.00 rent sec8	0.00 1,005.00	85.00	50.00	8/29/2019	8/31/2020	8/29/2019		1,005.00
						<b>Total</b>	<b>1,005.00</b>							
00-0036	wal.1br1	0.00	Occupied No Notice	t0010252	[REDACTED]	600.00 rent sec8	0.00 631.00	31.00	25.00			11/21/2000		631.00
						<b>Total</b>	<b>631.00</b>							
00-0037	wal.1br1	0.00	Occupied No Notice	t0026813	[REDACTED]	600.00 rent sec8	157.00 443.00	0.00	100.00	2/8/2019	2/7/2020	2/8/2019		600.00
						<b>Total</b>	<b>600.00</b>							
00-0038	wal.1br1	0.00	Occupied No Notice	t0026706	[REDACTED]	600.00 rent sec8	158.00 442.00	0.00	50.00	1/25/2019	1/24/2020	1/25/2019		284.00
						<b>Total</b>	<b>600.00</b>							
00-0039	wal.1br1	0.00	Occupied No Notice	t0026534	[REDACTED]	600.00 rent sec8	0.00 631.00	31.00	50.00	1/29/2019	1/28/2020	1/29/2019		631.00
						<b>Total</b>	<b>631.00</b>							
00-0040	wal.1br1	0.00	Occupied No Notice	t0026740	[REDACTED]	600.00 rent sec8	158.00 442.00	0.00	50.00	2/1/2019	1/31/2020	2/1/2019		600.00
						<b>Total</b>	<b>600.00</b>							
00-0041	wal.1br1	672.00	Occupied No Notice	t0010239	[REDACTED]	600.00 rent sec8	166.00 434.00	0.00	198.00			7/21/2010		545.00
						<b>Total</b>	<b>600.00</b>							
00-0042	wal.4br1	0.00	Occupied No Notice	t0028667	[REDACTED]	920.00 rent sec8	85.00 835.00	0.00	0.00	10/28/2019	10/31/2020	10/28/2019		1,234.00
						<b>Total</b>	<b>920.00</b>							
00-0043	wal.1br1	0.00	Occupied No Notice	t0026835	[REDACTED]	600.00 rent sec8	154.00 446.00	0.00	100.00	2/21/2019	2/20/2020	2/21/2019		600.00
						<b>Total</b>	<b>600.00</b>							
00-0044	wal.4br1	0.00	Occupied No Notice	t0023917	[REDACTED]	920.00 rent sec8	30.00 890.00	0.00	250.00	6/8/2018	6/7/2019	6/8/2018		1,376.00
						<b>Total</b>	<b>920.00</b>							
00-0045	wal.2br1	0.00	Occupied No Notice	t0025483	[REDACTED]	670.00 rent sec8	235.00 435.00	0.00	0.00	10/3/2019	10/31/2020	10/3/2019		1,334.25
						<b>Total</b>	<b>670.00</b>							
00-0046	wal.2br1	0.00	Occupied No Notice	t0023613	[REDACTED]	670.00 rent	238.00	0.00	340.00	3/29/2018	3/28/2019	3/29/2018		668.00

Affordable Rent Roll with Lease Charges  
 Property: Walhalla Gardens Holdings LLC (walhalla)  
 As Of Date: 11/04/2019  
 Balance Month: 11/2019

Unit	Unit Type	Unit Sq Ft	Unit/Lease Status	Resident	Name	Market Charge Rent Code	Amount	U.R. Amount	Resident Deposit	Lease From	Lease Expiration	Move In Date	Move Out Date	Balance
						sec8	432.00							
						<b>Total</b>	<b>670.00</b>							
00-0047	wal.2br1	0.00	Occupied No Notice	t0028242	[REDACTED]	670.00 rent	0.00	30.00	0.00	8/2/2019	8/1/2020	8/2/2019		654.00
						sec8	700.00							
						<b>Total</b>	<b>700.00</b>							
00-0048	wal.2br1	0.00	Vacant Unrented Not Ready	VACANT	[REDACTED]	670.00	0.00	0.00	0.00					0.00
						<b>Total</b>	<b>0.00</b>							
00-0049	wal.3br1	0.00	Occupied No Notice	t0021748	[REDACTED]	790.00 rent	0.00	73.00	50.00	8/11/2017	8/10/2018	8/11/2017		1,736.00
						sec8	863.00							
						<b>Total</b>	<b>863.00</b>							
00-0050	wal.3br1	0.00	Occupied No Notice	t0023890	[REDACTED]	790.00 rent	0.00	73.00	0.00	9/20/2019	9/19/2020	9/20/2019		989.00
						sec8	863.00							
						<b>Total</b>	<b>863.00</b>							
00-0051	wal.3br1	0.00	Occupied No Notice	t0023889	[REDACTED]	790.00 rent	0.00	56.00	50.00	5/22/2018	5/21/2019	5/22/2018		848.00
						sec8	846.00							
						<b>Total</b>	<b>846.00</b>							
00-0052	wal.3br1	0.00	Occupied No Notice	t0023343	[REDACTED]	790.00 rent	0.00	73.00	50.00	6/18/2018	6/17/2019	6/18/2018		865.00
						sec8	863.00							
						<b>Total</b>	<b>863.00</b>							
00-0053	wal.2br1	0.00	Occupied No Notice	t0023813	[REDACTED]	670.00 rent	105.00	0.00	50.00	4/25/2018	4/24/2019	4/25/2018		622.00
						sec8	565.00							
						<b>Total</b>	<b>670.00</b>							
00-0054	wal.2br1	0.00	Occupied No Notice	t0026096	[REDACTED]	670.00 rent	320.00	0.00	239.00	10/12/2018	10/11/2019	10/12/2018		679.00
						sec8	350.00							
						<b>Total</b>	<b>670.00</b>							
00-0055	wal.2br1	0.00	Occupied No Notice	t0026290	[REDACTED]	670.00 rent	0.00	83.00	0.00	3/11/2019	3/10/2020	3/11/2019		753.00
						sec8	753.00							
						<b>Total</b>	<b>753.00</b>							
00-0056	wal.2br1	0.00	Occupied No Notice	t0023153	[REDACTED]	670.00 rent	0.00	83.00	0.00	1/8/2018	1/7/2019	1/8/2018		753.00
						sec8	753.00							
						<b>Total</b>	<b>753.00</b>							
00-0057	wal.2br1	0.00	Occupied No Notice	t0013867	[REDACTED]	670.00 rent	0.00	83.00	25.00	11/3/2015	11/2/2016	11/4/2015		756.00
						sec8	753.00							
						<b>Total</b>	<b>753.00</b>							
00-0058	wal.2br1	0.00	Occupied No Notice	t0024861	[REDACTED]	670.00 rent	235.00	0.00	125.00	8/3/2018	8/2/2019	8/3/2018		791.00
						sec8	435.00							
						<b>Total</b>	<b>670.00</b>							
00-0059	wal.2br1	0.00	Occupied No Notice	t0028564	[REDACTED]	670.00 rent	89.00	0.00	197.00	9/27/2019	9/30/2020	9/27/2019		1,328.00
						sec8	581.00							
						<b>Total</b>	<b>670.00</b>							
00-0060	wal.2br1	0.00	Occupied No Notice	t0027068	[REDACTED]	670.00 rent	100.00	0.00	208.00	2/27/2019	2/26/2020	2/27/2019		636.00

Affordable Rent Roll with Lease Charges  
 Property: Walhalla Gardens Holdings LLC (walhalla)  
 As Of Date: 11/04/2019  
 Balance Month: 11/2019

Unit	Unit Type	Unit Sq Ft	Unit/Lease Status	Resident	Name	Market Charge		U.R. Amount	Resident Deposit	Lease From	Lease Expiration	Move In Date	Move Out Date	Balance	
						Rent Code	Amount								
							sec8	570.00							
							<b>Total</b>	<b>670.00</b>							
00-0061	wal.3br1	0.00	Notice Unrented	t0010245			790.00 rent	94.00	0.00	25.00	5/14/2015	5/13/2016	5/14/2015	10/31/2019	3,405.87
							sec8	696.00							
							<b>Total</b>	<b>790.00</b>							
00-0062	wal.3br1	0.00	Occupied No Notice	t0018935			790.00 rent	0.00	70.00	50.00	12/16/2016	12/15/2017	12/16/2016		862.00
							sec8	860.00							
							<b>Total</b>	<b>860.00</b>							
00-0063	wal.3br1	0.00	Occupied No Notice	t0022671			790.00 rent	0.00	73.00	0.00	11/28/2017	11/27/2018	11/28/2017		1,541.00
							sec8	863.00							
							<b>Total</b>	<b>863.00</b>							
00-0064	wal.3br1	0.00	Occupied No Notice	t0023839			790.00 rent	97.00	0.00	0.00	5/8/2018	5/7/2019	5/8/2018		788.00
							sec8	693.00							
							<b>Total</b>	<b>790.00</b>							
00-0065	wal.2br1	0.00	Occupied No Notice	t0022404			670.00 rent	0.00	83.00	0.00	10/19/2017	10/18/2018	10/19/2017		753.00
							sec8	753.00							
							<b>Total</b>	<b>753.00</b>							
00-0066	wal.2br1	0.00	Occupied No Notice	t0010247			670.00 rent	290.00	0.00	25.00			1/18/2012		1,258.00
							sec8	380.00							
							<b>Total</b>	<b>670.00</b>							
00-0067	wal.2br1	0.00	Occupied No Notice	t0015047			670.00 rent	114.00	0.00	219.00	3/21/2017	3/20/2018	3/21/2017		2,173.57
							sec8	556.00							
							<b>Total</b>	<b>670.00</b>							
00-0068	wal.2br1	0.00	Occupied No Notice	t0010223			670.00 rent	112.00	0.00	88.00			1/7/2004		631.00
							sec8	558.00							
							<b>Total</b>	<b>670.00</b>							
<b>(walhalla)</b>	<b>Total</b>						<b>25,391.00</b>	<b>25,648.00</b>	<b>927.00</b>	<b>2,834.00</b>					<b>34,171.69</b>

Summary Groups	Square Footage	Market Rent	Lease Charges	Security Deposit	Other Deposits	# Of Units	% Unit Occupancy	% SqFt Occupancy	Balance
Current/Notice Residents			25,648.00	2,834.00	0.00				34,171.69
Future Residents/Applicants			0.00	0.00	0.00				0.00
Occupied Units	672.00	24,721.00				35	97.22	100.00	
Vacant Units	0.00	670.00				1	2.77	0.00	
<b>Totals</b>	<b>672.00</b>	<b>25,391.00</b>	<b>25,648.00</b>	<b>2,834.00</b>	<b>0.00</b>	<b>36</b>	<b>100.00</b>	<b>100.00</b>	<b>34,171.69</b>

Summary of Charges by Charge Code (Current/Notice residents only)	
Charge Code	Amount
rent	3,196.00
sec8	22,452.00
Utility Reimbursement	927.00
<b>Total</b>	<b>26,575.00</b>

Affordable Rent Roll with Lease Charges  
 Property: Walhalla Gardens Holdings LLC (walhalla)  
 As Of Date: 11/04/2019  
 Balance Month: 11/2019

Unit	Unit	Unit/	Market Charge			U.R.	Resident	Lease	Lease	Move In	Move Out		
Type	Sq Ft	Lease Status	Resident	Name	Rent Code	Amount	Amount	Deposit	From	Expiration	Date	Date	Balance

Summary of Charges by Charge Code	
(Current/Notice residents only)	
Note: This table does not include rent and hap charges for 50059 tenants.	
Charge Code	Amount
<b>Total</b>	<b>0.00</b>

## Addendum E – Achievable Market Rent Analysis

### A. INTRODUCTION

We identified five market-rate properties within and near the Walhalla Site PMA that we consider comparable in terms of unit and project amenities to the subject development. These selected properties are used to derive market rent for a project with characteristics similar to the subject development and the subject property's market advantage. 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, midrise, 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 or dryer and a selected property does, then we lower the collected rent of the selected property by the estimated value of a washer and dryer to derive an *achievable market rent* for a project similar to the 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 Bowen National Research's prior experience in markets nationwide.

It is important to note that one or more of the selected properties may be more similar to the subject property than others. These properties are given more weight in terms of reaching the final achievable market rent determination. While monetary adjustments are made for various unit and project features, the final market rent determination is based upon the judgments of our market analysts.

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.	Four-Br.
<b>Site</b>	<b>Walhalla Gardens</b>	<b>1968 &amp; 1970 / 2021</b>	<b>68</b>	<b>100.0%</b>	<b>17 (100.0%)</b>	<b>32 (100.0%)</b>	<b>15 (100.0%)</b>	<b>4 (100.0%)</b>
4	Clemson Ridge	1996 / 2018	120	100.0%	-	60 (100.0%)	60 (100.0%)	-
6	Crescent Pointe Apts.	2003	144	95.8%	28 (96.4%)	92 (95.7%)	24 (95.8%)	-
11	Highland Glen Apts.	2003	64	87.5%	16 (87.5%)	32 (87.5%)	16 (87.5%)	-
12	Keoway Village	1970 / 2004	80	100.0%	30 (100.0%)	40 (100.0%)	10 (100.0%)	-
905	Hunter's Glen	1984 / 1999	80*	100.0%	18 (100.0%)	51 (100.0%)	11 (100.0%)	-

Map ID 905 is located outside the Site PMA

Occ. – Occupancy

\*Market-rate units only

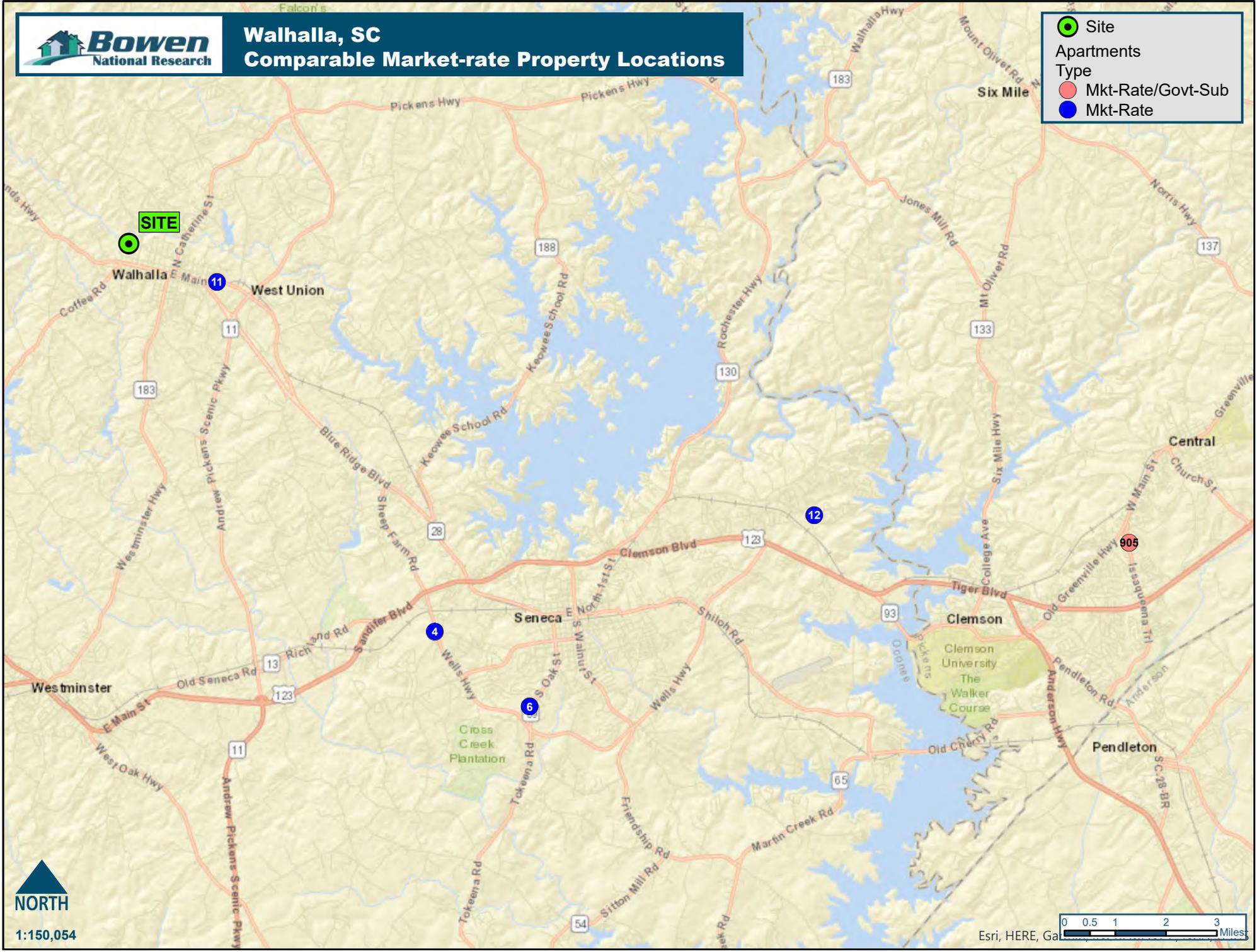
The five selected market-rate projects have a combined total of 488 units with an overall occupancy rate of 97.1%, a good rate for rental housing. This illustrates that these projects have been well received within the market and region and will serve as accurate benchmarks with which to compare the 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. Preceding the Rent Comparability Grids is a map of the location of the comparable market-rate developments in relation to the location of the subject site.



# Walhalla, SC Comparable Market-rate Property Locations

● Site  
● Apartments Type  
● Mkt-Rate/Govt-Sub  
● Mkt-Rate



**NORTH**  
1:150,054

Esri, HERE, Ga  
0 0.5 1 2 3 Miles

**Rent Comparability Grid**

Unit Type →

**ONE-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Walhalla Gardens		Clemson Ridge		Crescent Pointe Apts.		Highland Glen Apts.		Keoway Village		Hunter's Glen	
100 Walhalla Garden Circle		116 Northwoods Dr.		1500 S. Oak St.		800 Highland Glen Ct.		50 Keoway Dr.		854 Issaqueena Trl	
Walhalla, SC		Seneca, SC		Seneca, SC		Walhalla, SC		Seneca, SC		Central, SC	
<b>A. Rents Charged</b>	<b>Data</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
1	\$ Last Rent / Restricted?	\$860		\$795		\$510		\$580		\$764	
2	Date Surveyed	Dec-19		Dec-19		Jan-20		Dec-19		Dec-19	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		96%		83%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$860	0.87	\$795	1.14	\$510	0.70	\$580	0.80	\$764	1.11
<b>B. Design, Location, Condition</b>	<b>Data</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
6	Structure / Stories	WU/1,2		WU/3		WU/2		WU/2		WU/2	
7	Yr. Built/Yr. Renovated	1970/2021		1996/2018	(\$11)	2003	(\$7)	2003	(\$7)	1970/2004	\$9
8	Condition/Street Appeal	G+	\$100	G	\$100	G	\$100	F	\$125	G	\$100
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		No	
<b>C. Unit Equipment/ Amenities</b>	<b>Data</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
11	# Bedrooms	1	(\$50)	2		1		1		1	
12	# Baths	1	(\$30)	2		1		1		1	
13	Unit Interior Sq. Ft.	646	(\$78)	988	(\$11)	695	(\$19)	722	(\$17)	690	(\$10)
14	Patio/Balcony	N	(\$5)	Y	(\$5)	Y	(\$5)	N		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	Y/N	(\$10)	Y/Y	(\$10)	Y/Y	(\$10)	N/Y	(\$5)	N/Y	(\$5)
18	Washer/Dryer	W/D	\$25	HU	\$25	HU/L	\$25	HU/L	\$25	L	\$35
19	Floor Coverings	C/V		C/L		C/V		C/V		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y	\$5	N		Y		Y		Y	
23	Ceiling Fan/Storage	N/N	(\$5)	N/Y	(\$5)	Y/Y	(\$10)	Y/N	(\$5)	N/N	
<b>D. Site Equipment/ Amenities</b>	<b>Data</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
24	Parking ( \$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y	\$5	N	\$5	Y		N	\$5	N	\$5
27	Community Space	Y		Y		Y		N	\$5	Y	
28	Pool/Recreation Areas	F	(\$13)	P/F/G	(\$13)	P/F	(\$10)	N	\$5	P	(\$5)
29	Computer/Business Center	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
30	Picnic Area/Grills	N	(\$3)	Y		N		N		N	
31	Playground	Y		Y		N	\$3	Y		N	\$3
32	Social Services	N		N		N		N		N	
<b>E. Utilities</b>	<b>Data</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	Y/Y		Y/Y		N/N	\$65	Y/Y		Y/Y	
39	Trash/Recycling	Y/N	\$13	N/N		Y/N		Y/N		Y/N	
<b>F. Adjustments Recap</b>	<b>Pos</b>	<b>Neg</b>		<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>
40	# Adjustments B to D	5	9	5	6	4	5	7	3	5	6
41	Sum Adjustments B to D	\$138	(\$205)	\$136	(\$53)	\$133	(\$41)	\$185	(\$27)	\$147	(\$49)
42	Sum Utility Adjustments	\$13		\$65							
		<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>
43	Net/ Gross Adjmts B to E	(\$54)	\$356	\$148	\$254	\$92	\$174	\$158	\$212	\$98	\$196
<b>G. Adjusted &amp; Market Rents</b>	<b>Adj. Rent</b>			<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44	Adjusted Rent (5+ 43)	\$806		\$943		\$602		\$738		\$862	
45	Adj Rent/Last rent		94%		119%		118%		127%		113%
46	Estimated Market Rent	\$805		\$1.25 ←		Estimated Market Rent/ Sq. Ft					

**Rent Comparability Grid**

Unit Type →

**TWO-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Walhalla Gardens		Clemson Ridge		Crescent Pointe Apts.		Highland Glen Apts.		Keoway Village		Hunter's Glen	
100 Walhalla Garden Circle		116 Northwoods Dr.		1500 S. Oak St.		800 Highland Glen Ct.		50 Keoway Dr.		854 Issaqueena Trl	
Walhalla, SC		Seneca, SC		Seneca, SC		Walhalla, SC		Seneca, SC		Central, SC	
<b>A. Rents Charged</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
1	\$ Last Rent / Restricted?	\$860		\$895		\$610		\$635		\$864	
2	Date Surveyed	Dec-19		Dec-19		Jan-20		Dec-19		Dec-19	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		96%		88%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$860	0.87	\$895	0.85	\$610	0.65	\$635	0.64	\$864	0.87
<b>B. Design, Location, Condition</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
6	Structure / Stories	WU/1,2		WU/3		WU/2		WU/2		WU/2	
7	Yr. Built/Yr. Renovated	1970/2021		1996/2018 (\$11)		2003 (\$7)		2003 (\$7)	\$9	1970/2004	\$4
8	Condition/Street Appeal	G+	\$100	G	\$100	G	\$100	F	\$125	G	\$100
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		No	
<b>C. Unit Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
11	# Bedrooms	2		2		2		2		2	
12	# Baths	1	(\$30)	2	(\$30)	1		1		2	(\$30)
13	Unit Interior Sq. Ft.	832	(\$30)	988	(\$43)	1053	(\$20)	987	(\$30)	990	(\$31)
14	Patio/Balcony	N	(\$5)	Y	(\$5)	Y	(\$5)	N		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	Y/N	(\$10)	Y/Y	(\$10)	N/Y	(\$5)	N/Y	(\$5)	Y/Y	(\$10)
18	Washer/Dryer	W/D	\$25	HU	\$25	HU/L	\$25	L	\$35	HU/L	\$25
19	Floor Coverings	C/V		C/L		C/V		C/V		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y	\$5	Y		Y		Y		Y	
23	Ceiling Fan/Storage	N/N	(\$5)	N/Y	(\$10)	Y/N	(\$5)	N/N		Y/N	(\$5)
<b>D. Site Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
24	Parking ( \$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y	\$5	N	\$5	Y		N	\$5	N	\$5
27	Community Space	Y		Y		Y		N	\$5	Y	
28	Pool/Recreation Areas	F	(\$13)	P/F/G	(\$10)	N	\$5	P	(\$5)	P/F/S/T	(\$16)
29	Computer/Business Center	Y	\$3	N	\$3	N	\$3	N	\$3	Y	
30	Picnic Area/Grills	N	(\$3)	Y		N		N		Y	(\$3)
31	Playground	Y		Y	\$3	Y		N	\$3	N	\$3
32	Social Services	N		N		N		N		N	
<b>E. Utilities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	Y/Y		Y/Y	\$73	Y/Y		Y/Y		Y/Y	
39	Trash/Recycling	Y/N	\$13	N/N		Y/N		Y/N		Y/N	
<b>F. Adjustments Recap</b>		<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>
40	# Adjustments B to D	5	8	5	7	4	5	7	3	5	7
41	Sum Adjustments B to D	\$138	(\$107)	\$136	(\$115)	\$133	(\$42)	\$185	(\$40)	\$137	(\$100)
42	Sum Utility Adjustments	\$13		\$73							
		<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>
43	Net/ Gross Adjmts B to E	\$44	\$258	\$94	\$324	\$91	\$175	\$145	\$225	\$37	\$237
<b>G. Adjusted &amp; Market Rents</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44	Adjusted Rent (5+ 43)	\$904		\$989		\$701		\$780		\$901	
45	Adj Rent/Last rent		105%		110%		115%		123%		104%
46	Estimated Market Rent	\$860	\$1.03 ←	Estimated Market Rent/ Sq. Ft							

**Rent Comparability Grid**

Unit Type →

**THREE-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>		
Walhalla Gardens		Clemson Ridge		Crescent Pointe Apts.		Highland Glen Apts.		Keoway Village		Hunter's Glen		
100 Walhalla Garden Circle		116 Northwoods Dr.		1500 S. Oak St.		800 Highland Glen Ct.		50 Keoway Dr.		854 Issaqueena Trl		
Walhalla, SC		Seneca, SC		Seneca, SC		Walhalla, SC		Seneca, SC		Central, SC		
<b>A.</b>	<b>Rents Charged</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	
1	\$ Last Rent / Restricted?	\$925		\$985		\$700		\$740		\$985		
2	Date Surveyed	Dec-19		Dec-19		Jan-20		Dec-19		Dec-19		
3	Rent Concessions	None		None		None		None		None		
4	Occupancy for Unit Type	100%		96%		83%		100%		100%		
5	Effective Rent & Rent/ sq. ft	\$925	0.82	\$985	0.79	\$700	0.61	\$740	0.69	\$985	0.90	
<b>B.</b>	<b>Design, Location, Condition</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	
6	Structure / Stories	WU/1,2		WU/3		WU/2		WU/2		WU/2		
7	Yr. Built/Yr. Renovated	1970/2021		1996/2018 (\$11)		2003 (\$7)		2003 (\$7)		1970/2004 \$9		
8	Condition/Street Appeal	G+	\$100	G	\$100	G	\$100	F	\$125	G	\$100	
9	Neighborhood	G		G		G		G		G		
10	Same Market?	Yes		Yes		Yes		Yes		No		
<b>C.</b>	<b>Unit Equipment/ Amenities</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	
11	# Bedrooms	3		3		3		3		3		
12	# Baths	1.5	(\$15)	2	(\$15)	2	(\$15)	1.5		2	(\$15)	
13	Unit Interior Sq. Ft.	971	(\$30)	1128	(\$53)	1150	(\$34)	1067	(\$18)	1100	(\$25)	
14	Patio/Balcony	N	(\$5)	Y	(\$5)	Y	(\$5)	N		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	Y/N	(\$10)	Y/Y	(\$10)	N/Y	(\$5)	N/Y	(\$5)	Y/Y	(\$10)	
18	Washer/Dryer	W/D	\$25	HU	\$25	HU/L	\$25	L	\$35	HU/L	\$25	
19	Floor Coverings	C/V		C/L		C/V		C/V		C/V		
20	Window Treatments	Y		Y		Y		Y		Y		
21	Secured Entry	N		N		N		N		N		
22	Garbage Disposal	Y	\$5	N		Y		Y		Y		
23	Ceiling Fan/Storage	N/N	(\$5)	N/Y	(\$5)	Y/Y	(\$10)	Y/N	(\$5)	N/N	(\$5)	
<b>D.</b>	<b>Site Equipment/ Amenities</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	
24	Parking ( \$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		
25	On-Site Management	Y		Y		Y		Y		Y		
26	Security Features	Y	\$5	N	\$5	Y		N	\$5	N	\$5	
27	Community Space	Y		Y		Y		N	\$5	Y		
28	Pool/Recreation Areas	F	(\$13)	P/F/G	(\$10)	N	\$5	P	(\$5)	P/F/S/T	(\$16)	
29	Computer/Business Center	Y	\$3	N	\$3	N	\$3	N	\$3	Y		
30	Picnic Area/Grills	N	(\$3)	Y		N		N		Y	(\$3)	
31	Playground	Y		Y		N	\$3	Y		N	\$3	
32	Social Services	N		N		N		N		N		
<b>E.</b>	<b>Utilities</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E		
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E		
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E		
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E		
37	Other Electric	N		N		N		N		N		
38	Cold Water/Sewer	Y/Y		Y/Y	\$84	Y/Y		Y/Y		Y/Y		
39	Trash/Recycling	Y/N	\$13	N/N		Y/N		Y/N		Y/N		
<b>F.</b>	<b>Adjustments Recap</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	
40	# Adjustments B to D	5	8	5	7	4	6	7	3	5	7	
41	Sum Adjustments B to D	\$138	(\$92)	\$136	(\$110)	\$133	(\$71)	\$185	(\$28)	\$137	(\$79)	
42	Sum Utility Adjustments	\$13		\$84								
		<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	
43	Net/ Gross Adjmts B to E	\$59	\$243	\$110	\$330	\$62	\$204	\$157	\$213	\$58	\$216	
<b>G.</b>	<b>Adjusted &amp; Market Rents</b>	<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		
44	Adjusted Rent (5+ 43)	\$984		\$1,095		\$762		\$897		\$1,043		
45	Adj Rent/Last rent		106%		111%		109%		121%		106%	
46	Estimated Market Rent	\$975		\$1.00 ←								
				Estimated Market Rent/ Sq. Ft								

**Rent Comparability Grid**

Unit Type →

**FOUR-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Walhalla Gardens		Clemson Ridge		Crescent Pointe Apts.		Highland Glen Apts.		Keoway Village		Hunter's Glen	
100 Walhalla Garden Circle		116 Northwoods Dr.		1500 S. Oak St.		800 Highland Glen Ct.		50 Keoway Dr.		854 Issaqueena Trl	
Walhalla, SC		Seneca, SC		Seneca, SC		Walhalla, SC		Seneca, SC		Central, SC	
<b>A. Rents Charged</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
1	\$ Last Rent / Restricted?	\$925		\$985		\$700		\$740		\$985	
2	Date Surveyed	Dec-19		Dec-19		Jan-20		Dec-19		Dec-19	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		96%		83%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$925	0.82	\$985	0.79	\$700	0.61	\$740	0.69	\$985	0.90
<b>B. Design, Location, Condition</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
6	Structure / Stories	WU/1,2		WU/3		WU/2		WU/2		WU/2	
7	Yr. Built/Yr. Renovated	1970/2021		1996/2018 (\$11)		2003 (\$7)		1970/2004 \$9		1984/1999 \$4	
8	Condition/Street Appeal	G		G		G		F \$15		G	
9	Neighborhood	G+		G \$100		G \$100		F \$125		G \$100	
10	Same Market?	Yes		Yes		Yes		Yes		No	
<b>C. Unit Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
11	# Bedrooms	4	\$50	3	\$50	3	\$50	3	\$50	3	\$50
12	# Baths	1.5	(\$15)	2	(\$15)	2	(\$15)	1.5		2	(\$15)
13	Unit Interior Sq. Ft.	1106	(\$4)	1128	(\$27)	1150	(\$8)	1067	\$7	1100	\$1
14	Patio/Balcony	N	(\$5)	Y	(\$5)	Y	(\$5)	N		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	Y/N	(\$10)	Y/Y	(\$10)	N/Y	(\$5)	N/Y	(\$5)	Y/Y	(\$10)
18	Washer/Dryer	W/D	\$25	HU	\$25	HU/L	\$25	L	\$35	HU/L	\$25
19	Floor Coverings	C/V		C/L		C/V		C/V		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y	\$5	Y		Y		Y		Y	
23	Ceiling Fan/Storage	N/N	(\$5)	N/Y	(\$5)	Y/N	(\$5)	N/N		Y/N	(\$5)
<b>D. Site Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
24	Parking ( \$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y	\$5	N	\$5	Y		N	\$5	N	\$5
27	Community Space	Y		Y		Y		N	\$5	Y	
28	Pool/Recreation Areas	F	(\$13)	P/F/G	(\$10)	N	\$5	P	(\$5)	P/F/S/T	(\$16)
29	Computer/Business Center	Y	\$3	N	\$3	N	\$3	N	\$3	Y	
30	Picnic Area/Grills	N	(\$3)	Y		N		N		Y	(\$3)
31	Playground	Y		Y	\$3	Y		N	\$3	N	\$3
32	Social Services	N		N		N		N		N	
<b>E. Utilities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	Y/Y		Y/Y	\$102	Y/Y		Y/Y		Y/Y	
39	Trash/Recycling	Y/N	\$13	N/N		Y/N		Y/N		Y/N	
<b>F. Adjustments Recap</b>		<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>
40	# Adjustments B to D	6	8	6	7	5	6	10	2	7	6
41	Sum Adjustments B to D	\$188	(\$66)	\$186	(\$84)	\$183	(\$45)	\$257	(\$10)	\$188	(\$54)
42	Sum Utility Adjustments	\$13		\$102							
		<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>
43	Net/ Gross Adjmts B to E	\$135	\$267	\$204	\$372	\$138	\$228	\$247	\$267	\$134	\$242
<b>G. Adjusted &amp; Market Rents</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44	Adjusted Rent (5+ 43)	\$1,060		\$1,189		\$838		\$987		\$1,119	
45	Adj Rent/Last rent		115%		121%		120%		133%		114%
46	Estimated Market Rent	\$1,075	\$0.97 ←	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.

Based on the preceding Rent Comparability Grids, it was determined that the present-day achievable market rents for units similar to the subject development are \$660 for a one-bedroom unit, \$775 for a two-bedroom unit, \$880 for a three-bedroom unit and \$1,025 for a four-bedroom unit, which are illustrated as follows:

Bedroom Type	Proposed LIHTC Rent (AMHI)	Achievable Market Rent	Market Advantage
One-Bedroom	\$272 (30%)	\$660	58.8%
	\$508 (50%)		23.0%
	\$626 (60%)		5.2%
Two-Bedroom	\$323 (30%)	\$775	58.3%
	\$606 (50%)		21.8%
	\$748 (60%)		3.5%
Three-Bedroom	\$368 (30%)	\$880	58.2%
	\$696 (50%)		20.9%
	\$859 (60%)		2.4%
Four-Bedroom	\$405 (30%)	\$1,025	60.5%
	\$770 (50%)		24.9%
	\$953 (60%)		7.0%

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 ensure a steady flow of tenants that will allow the project to operate at a stabilized occupancy rate. The proposed collected rents at the site represent rent advantages between 2.4% and 60.5%. As such, the subject project will be perceived as a modest value in the unlikely non-subsidized scenario. It is important to note that in markets such as the Walhalla market that generally lack modern non-subsidized rental product, LIHTC product can be the highest quality non-subsidized rental product in the market. It is believed that this is true in this market and that the subject project will still represent a value to area renters with market rent advantages below 10.0%.

Regardless, 58 of the 68 units at the subject project will continue to operate with a subsidy, allowing 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.

**B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)**

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. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions. When multiple rent levels were offered, we included an average rent.
7. Upon completion of renovations, the subject project will have an effective age of a project built in 1996. The selected properties were built between 1970 and 2003; three of which were extensively renovated between 1999 and 2018. 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 an improved appearance, once renovations are complete. We have made adjustments for those properties that we consider to be of superior or inferior quality compared to the subject development.
10. One of the selected properties is located outside of the Walhalla Site PMA in Central. The Central market is very similar to the Walhalla market in terms of population, community services and apartment selections. Therefore no out of market adjustments were warranted for this property.
11. We have made adjustments for the differences in the number of bedrooms offered at the selected market-rate projects due to the fact that none of the selected properties offer four-bedroom units. A conservative adjustment of \$50 per bedroom was used to reflect this difference.
12. There is a variety of the number of bathrooms offered at each of the selected properties. We have made adjustments of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared with the comparable properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. The subject project will offer a unit amenity package inferior to 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 inferior to 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 in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.