



**BOWEN
NATIONAL
RESEARCH**

Market Feasibility Analysis

Indigo Townes

Vacant Lot Behind 953 & 1115 South Irby Street
Florence, Florence County, South Carolina 29501

Prepared For

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125 Old Chapin Road
Lexington, South Carolina 29072

Effective Date

April 27, 2021

Job Reference Number

21-239 JP

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 – Achievable Market Rent

2021 EXHIBIT S-2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:

Development Name:	Indigo Townes	Total # Units:	60
Location:	West of 953 & 1115 South Irby Street, Florence, SC	# LIHTC Units:	60
PMA Boundary:	The boundaries of the Site PMA include the Florence County line, McIver Road, and East Ashby Road to the north; North Williston Road, Freedom Boulevard, Becky's Parkway, and South Stadium Road to the east; East Palmetto Street, South McCall Boulevard, Freedom Boulevard, Pamplico Highway, Sally Hill Road, and East Howe Spring Road to the south; and the Florence County line to the west.		
Development Type:	<input checked="" type="checkbox"/> Family	<input type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject: <u>8.4 miles</u>

RENTAL HOUSING STOCK (found on page H-1, 15 and Add. A)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	25	2,210	20	99.1%
Market-Rate Housing	16	1,741	20	98.9%
Assisted/Subsidized Housing not to include LIHTC	0	0	0	-
LIHTC (All that are stabilized)*	9	469	0	100.0%
Stabilized Comps**	6	332	0	100.0%
Non-stabilized Comps	0	0	0	-

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

** Comparables - 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
3	Two-Br.	1.5	1,108	\$70 (20%)	\$809	\$0.73	91.35%	\$1,635	\$1.60
25	Two-Br.	1.5	1,124	\$630 (60%)	\$809	\$0.72	22.13%	\$1,635	\$1.60
1	Two-Br.	1.5	1,108	\$630 (60%)	\$809	\$0.73	22.13%	\$1,635	\$1.60
1	Two-Br.	1.5	1,108	\$765 (70%)	\$809	\$0.73	5.44%	\$1,635	\$1.60
3	Three-Br.	2.0	1,381	\$70 (20%)	\$1,024	\$0.74	93.16%	\$1,635	\$1.60
1	Three-Br.	2.0	1,381	\$540 (50%)	\$1,024	\$0.74	47.27%	\$1,635	\$1.60
1	Three-Br.	2.0	1,381	\$700 (60%)	\$1,024	\$0.74	31.64%	\$1,635	\$1.60
25	Three-Br.	2.0	1,391	\$700 (60%)	\$1,024	\$0.74	31.64%	\$1,635	\$1.60
Gross Potential Rent Monthly*				\$36,330	\$54,990		33.98%		

*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	2020		2023	
Renter Households		10,532	37.9%	10,691	37.9%
Income-Qualified Renter HHs (LIHTC)		2,211	21.0%	2,133	20.0%
Income-Qualified Renter HHs (MR)		-	-	-	-

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

Type of Demand	20%	50%	60%	70%	Other:___	Overall
Renter Household Growth	-32	-26	-40	-17	-	-78
Existing Households (Overburd + Substand)	586	365	500	195	-	1,161
Homeowner conversion (Seniors)	0	0	0	0	-	0
Other:	0	0	0	0	-	0
Less Comparable/Competitive Supply	0	6	32	0	-	38
Net Income-qualified Renter HHs	554	333	428	178	-	1,045

CAPTURE RATES (found on page G-5)						
Targeted Population	20%	50%	60%	70%	Other:___	Overall
Capture Rate	1.1%	0.3%	12.1%	0.6%	-	5.7%
ABSORPTION RATE (found on page G-7)						
Absorption Period 5 months						

2021 S-2 RENT CALCULATION WORKSHEET

# Units	Bedroom Type	Proposed Tenant Paid Rent	Net Proposed Tenant Rent by Bedroom Type	Gross HUD FMR	Gross HUD FMR Total	Tax Credit Gross Rent Advantage
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
3	2 BR	\$70	\$210	\$809	\$2,427	
26	2 BR	\$630	\$16,380	\$809	\$21,034	
1	2 BR	\$765	\$765	\$809	\$809	
3	3 BR	\$70	\$210	\$1,024	\$3,072	
1	3 BR	\$540	\$540	\$1,024	\$1,024	
26	3 BR	\$700	\$18,200	\$1,024	\$26,624	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	60		\$36,305		\$54,990	33.98%

B. Project Description

Project Name:	Indigo Townes
Location:	Vacant Lot Behind 953 & 1115 South Irby Street, Florence, South Carolina 29501 (Florence County)
Census Tract:	12.00
Target Market:	Family
Construction Type:	New Construction
Funding Source:	LIHTC

The subject project involves the new construction of the 60-unit Indigo Townes rental community to be located behind 953 & 1115 South Irby Street in Florence, South Carolina. The project will target general-occupancy (family) households earning up to 20%, 50%, 60% and 70% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. None of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be completed by June 2023. Additional details of the subject development are summarized as follows:

Proposed Unit Configuration									
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Program Rents			
						Collected Rent	Utility Allowance	Gross Rent	Max. Allowable LIHTC Gross Rent
3	Two-Br.	1.5	TH	1,108	20%	\$70	\$186	\$256	\$272
25	Two-Br.	1.5	TH	1,124	60%	\$630	\$186	\$816	\$817
1	Two-Br.	1.5	TH	1,108	60%	\$630	\$186	\$816	\$817
1	Two-Br.	1.5	TH	1,108	70%	\$765	\$186	\$951	\$953
3	Three-Br.	2.0	TH	1,381	20%	\$70	\$243	\$313	\$314
1	Three-Br.	2.0	TH	1,381	50%	\$540	\$243	\$783	\$786
1	Three-Br.	2.0	TH	1,381	60%	\$700	\$243	\$943	\$944
25	Three-Br.	2.0	TH	1,391	60%	\$700	\$243	\$943	\$944
60	Total								

Source: Connelly Development, LLC

AMHI – Area Median Household Income (Florence, SC HUD Metro FMR Area; 2021)

TH – Townhome

Building/Site Information	
Residential Buildings:	15 2.0-story buildings
Building Style:	Townhomes
Community Space:	Stand-alone building
Acres:	7.4

Construction Timeline	
Original Year Built:	Not Applicable
Construction Start:	April 2022
Begin Preleasing:	May 2023
Construction End:	June 2023

Unit Amenities		
• Electric Range	• Microwave	• Carpet & Composite Flooring
• Refrigerator w/Icemaker	• In-Unit Washer/Dryer Hookups	• Window Blinds
• Garbage Disposal	• Central Air Conditioning	• Patio/Balcony
• Dishwasher	• Walk-In Closet	• Ceiling Fans

Community Amenities

- Computer Center
- On-Site Management
- Fitness Center
- Surface Parking Lot (133 Spaces)
- Copy/Print/Fax
- Community Room with Kitchen
- Playground
- Laundry Room
- Gazebo
- CCTV/Cameras

Utility Responsibility

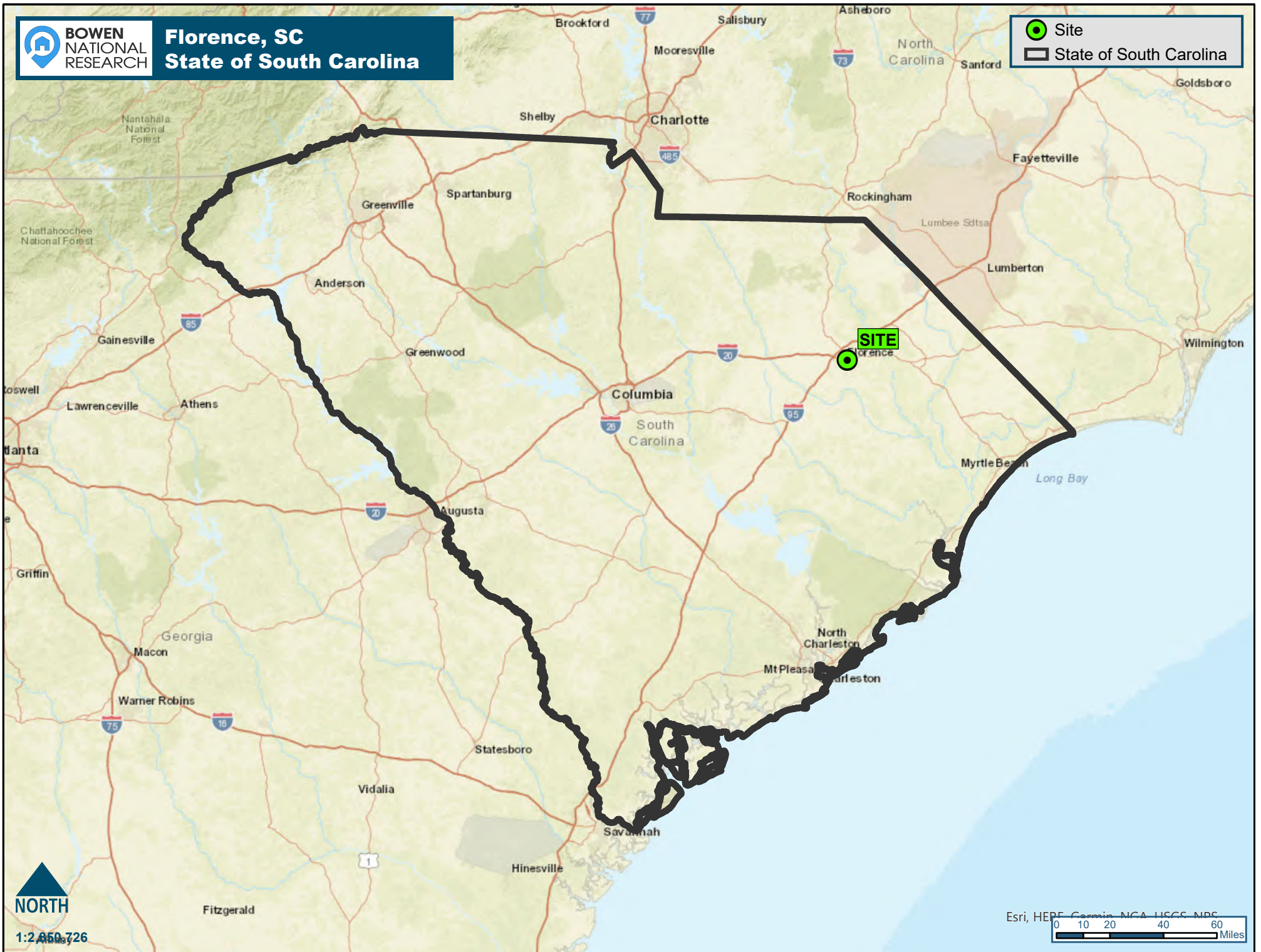
	Heat	Hot Water	Cooking	General Electric	Cold Water	Sewer	Trash
Paid By	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant	Landlord
Source	Electric	Electric	Electric				

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



Florence, SC State of South Carolina

● Site
▭ State of South Carolina



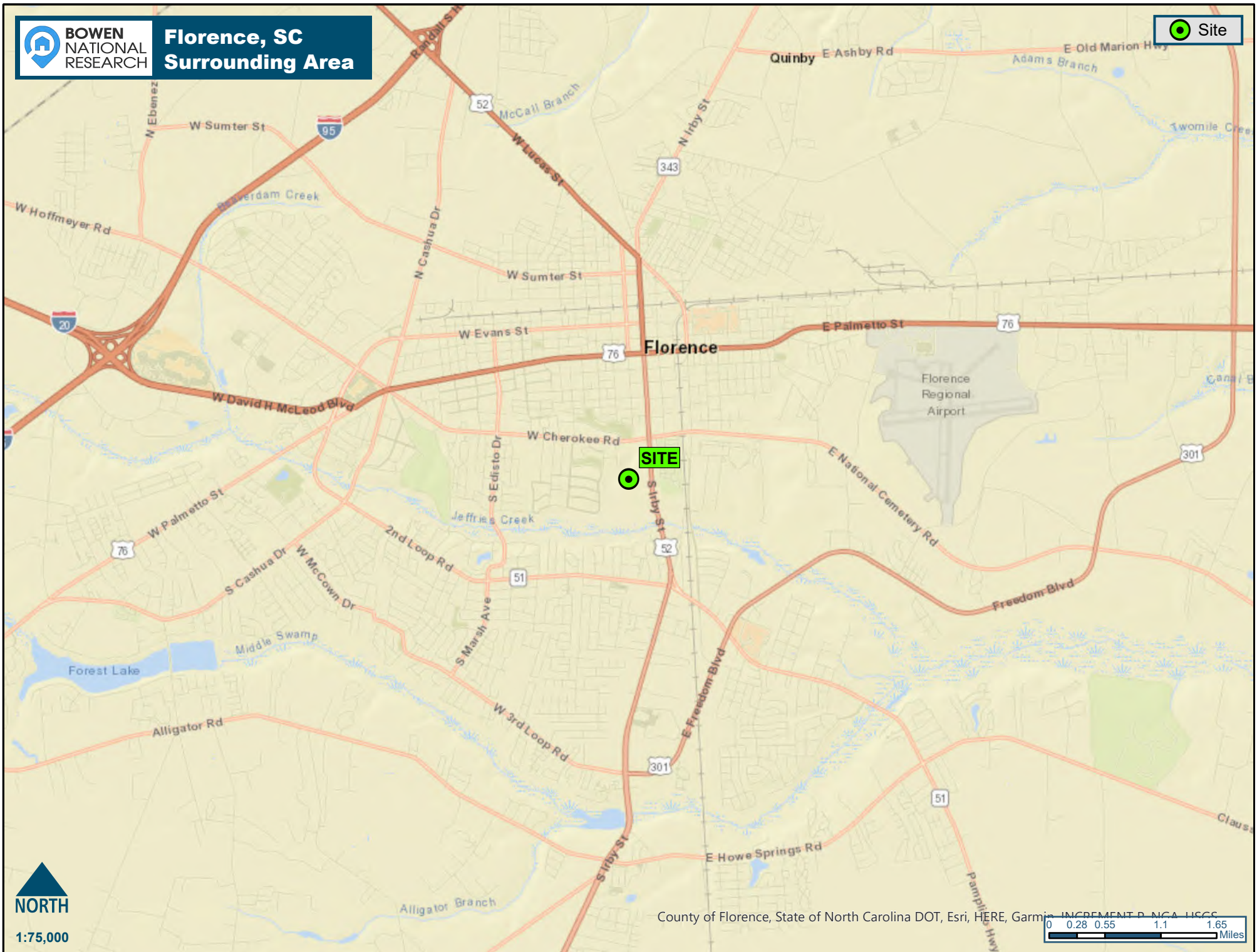
1:2,850,726

Esri, HERE, Garmin, NGA, USGS, NPS
0 10 20 40 60 Miles



Florence, SC Surrounding Area

Site



1:75,000

County of Florence, State of North Carolina DOT, Esri, HERE, Garmin, INCREMENT P, NCA, USGS
0 0.28 0.55 1.1 1.65 Miles

C. Site Description and Evaluation

1. SITE INSPECTION DATE

Bowen National Research personally inspected the subject site during the week of March 29, 2021. 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 consists of approximately 7.4 acres of wooded land located near 1115 South Irby Street/U.S. Highway 52 (herein referred to as "South Irby Street") in Florence, South Carolina. Located in the central portion of Florence County, the city of Florence is situated approximately 61.0 miles northwest of Myrtle Beach, South Carolina and approximately 74.0 miles east of Columbia, South Carolina. Following is a description of surrounding land uses:

North -	The northern site boundary is defined by the moderately traveled Cherokee Road. Extending north are a small shopping plaza anchored by a Piggly Wiggly grocery store, Timrod Park, various small businesses and community services, the new Tax Credit Belmont Apartments rental community and single-family homes in good condition.
East -	The eastern site boundary is defined by numerous commercial and residential structures situated along South Irby Street. These structures include a podiatry office, the Hallmark Square shopping plaza, the Indigo Pointe Tax Credit senior rental community in good condition and several parcels of undeveloped land. Extending east are various commercial businesses and a cemetery.
South -	The southern site boundary is primarily defined by a small water treatment plant, a vehicular access roadway to this plant and the future site of the Creekside Bar and Grill restaurant. Extending south are undeveloped wooded land, Jefferies Creek, various businesses/community services and single-family homes in good condition.
West -	The western site boundary is defined by the Immanuel Baptist Church and a wooded tree line that separates the site from neighborhoods of single-family homes in good condition. These single-family neighborhoods extend west.

The proposed development is within proximity of various business and shopping centers which will contribute to the marketability of the site. Surrounding residential structures are generally in good condition, notably including the adjacent Indigo Pointe senior apartment community. Overall, the subject property fits well with the surrounding land uses, which should contribute to the marketability of the site.

3. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

The site is served by the community services detailed in the following table. The distances of relevant community services were measured from 1115 South Irby Street, the street address for the adjacent Creekside Bar and Grill.

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	U.S. Highway 52	0.1 East
	State Route 51	0.6 South
	U.S. Highway 301	1.9 Southeast
Public Bus Stop	PDRTA Stop	0.3 East
Major Employers/ Employment Centers	Florence School District One	1.2 North
	Carolinas Hospital System McLeod	1.5 Southeast
	Regional Medical Center	2.0 Northeast
Convenience Store	BP	0.6 North
	Exxon	0.6 South
	BP	1.0 Southeast
Grocery	Piggly Wiggly	0.7 North
	Food Lion	1.1 Southeast
	ALDI	1.2 South
Discount Department Store	Dollar Tree	0.3 East
	Dollar General	0.4 East
	Rose's Discount Store	0.8 South
Shopping Center/Mall	Hallmark Square	0.3 East
	Florence Mall	3.0 West
	Magnolia Mall	4.4 West
Schools: Elementary Middle/Junior High High	Briggs Elementary School	1.9 West
	Southside Middle School	3.2 South
	South Florence High School	3.1 South
Hospital	Regency Florence	1.5 Southeast
Police	Florence Police Department	1.7 North
Fire	Florence Fire Department	1.5 North
Post Office	U.S. Post Office	1.1 South
Bank	Wells Fargo	0.7 South
	SouthState Bank	0.8 South
	Carolina Bank and Trust	0.8 South
Recreational/Community Facilities	Juila 4 Cinema	0.2 East
	Timrod Park	1.0 North
	DEFY Florence	1.1 South
Gas Station	BP	0.6 North
	Exxon	0.6 South
	BP	1.0 Southeast
Pharmacy	Medicine Mart	0.4 South
	CVS Pharmacy	0.7 North
	Walgreens	0.7 North
Restaurant	Vallarta Bar & Grill	0.2 East
	Pizza Hut	0.2 East
	Jumping J's	0.3 East
Day Care	Southside Baptist Daycare Center	0.6 South
	Child Development Center at Woods Road	2.1 West
Senior Center	Leatherman Senior Citizen Center	1.7 Southeast
Library	Florence County Library	1.2 North

The subject site is situated along South Irby Street, which serves as a major commercial thoroughfare and provides access to nearly all essential services within 2.0 miles of the site. Notable services within 2.0 miles include grocery stores, banks, restaurants, pharmacies, discount retailers, a shopping center, recreational areas, a library, gas stations and convenience stores. All public schools that serve the subject site are within approximately 2.0 to 3.0 miles. The site is also within walking distance of the adjacent Hallmark Square shopping center, which offers numerous discount shopping options and retailers.

Public safety services are provided by the Florence Police and Fire Departments, which are 1.7 and 1.5 mile north of the site, respectively. The nearest hospital, Regency Florence, is within 1.5 mile of the site. Several pharmacies are also within 0.7 mile of the site, which will provide site residents with nearby options for filling prescription medications. Recreational options, including a movie theater, a park and a recreational center, are all within 1.1 mile of the site. Additional services are also accessible via the public bus services of the Pee Dee Regional Transportation Authority (PDRTA), which operates a fixed-route stop within walking distance of the site. Overall, the site's proximity to community services is considered good and is expected to positively impact marketability.

4. SITE PHOTOGRAPHS

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



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: North view of South Irby Street



Streetscape: South view of South Irby Street



Streetscape: East view of Cherokee Road



Streetscape: West view of Cherokee Road

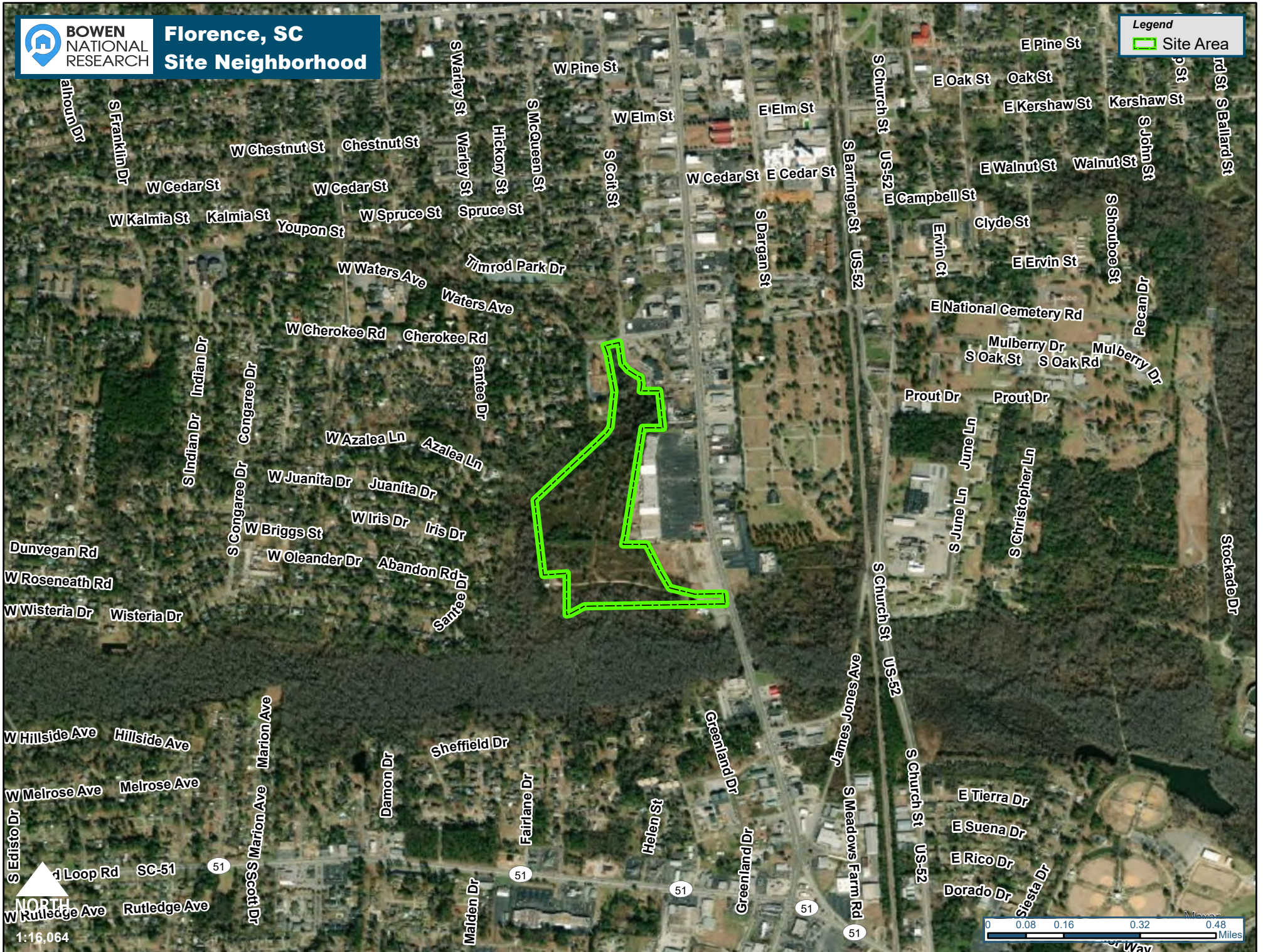
5. SITE AND COMMUNITY SERVICES MAPS

Maps of the subject site and relevant community services follow.

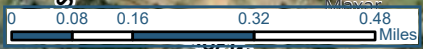


Florence, SC Site Neighborhood

Legend
 Site Area



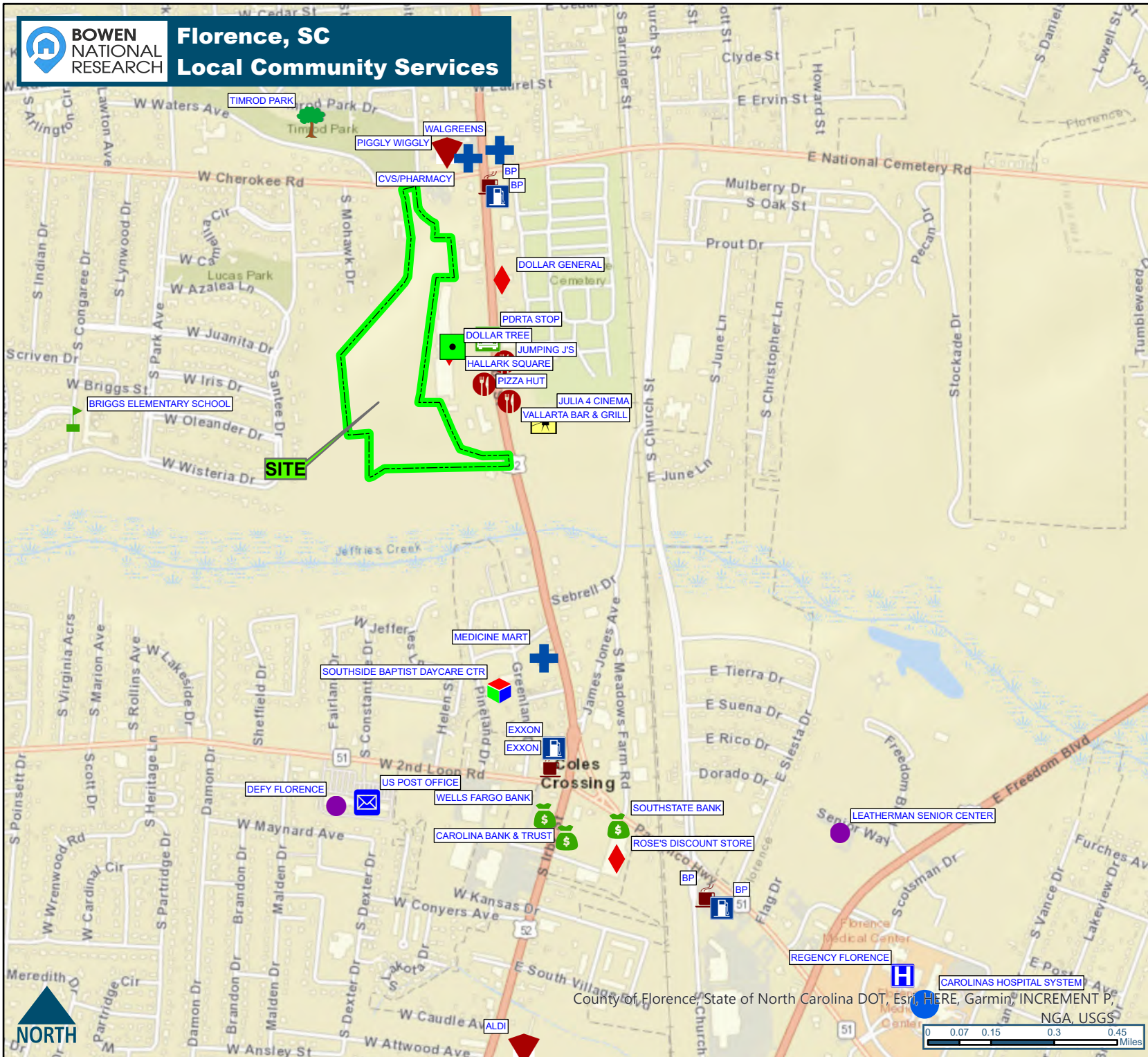
SC-51
 W Rutledge Ave
 Rutledge Ave
 1:16,064





Florence, SC

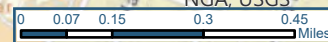
Local Community Services



- Legend**
- Site Area
 - Bank
 - Child Care
 - Cinema
 - Convenience Store
 - Elementary School
 - Gas
 - Grocery
 - Pharmacy
 - Post Office
 - Recreation Center
 - Restaurant
 - Shopping
 - Transit
 - Employer 1000-5000
 - Shopping Center



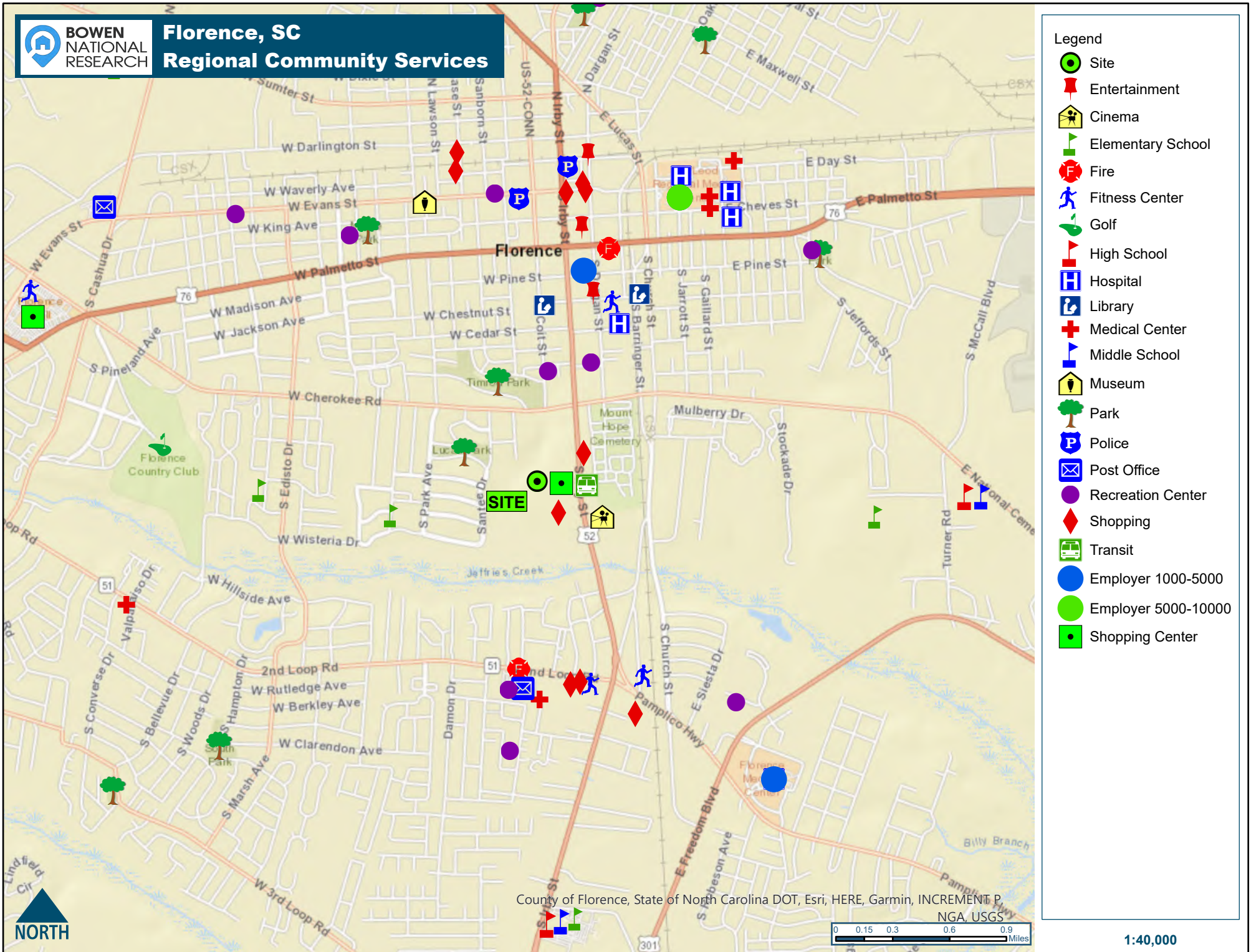
County of Florence, State of North Carolina DOT, Esri, HERE, Garmin, INCREMENT P, NGA, USGS



1:20,000



Florence, SC Regional Community Services



County of Florence, State of North Carolina DOT, Esri, HERE, Garmin, INCREMENT P, NGA, USGS



1:40,000

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 for the site’s ZIP Code is 176, with an overall personal crime index of 152 and a property crime index of 180. Total crime risk for Florence County is 153, with indexes for personal and property crime of 158 and 153, respectively.

	Crime Risk Index	
	Site ZIP Code	Site ZIP Code
Total Crime	176	153
Personal Crime	152	158
Murder	139	161
Rape	97	102
Robbery	103	101
Assault	182	191
Property Crime	180	153
Burglary	176	171
Larceny	189	151
Motor Vehicle Theft	121	127

Source: Applied Geographic Solutions

The crime risk index within the subject’s ZIP Code (176) is above both those of Florence County (153) and the nation (100). Regardless, all rental properties in the area report high occupancy rates, illustrating that crime has not impacted marketability. In addition, the subject project will include an on-site management office and CCTV/security cameras, features which typically deter crime. As such, the perception of crime within the area is not expected to play a significant role in the subject’s marketability.

A map illustrating crime risk is on the following page.



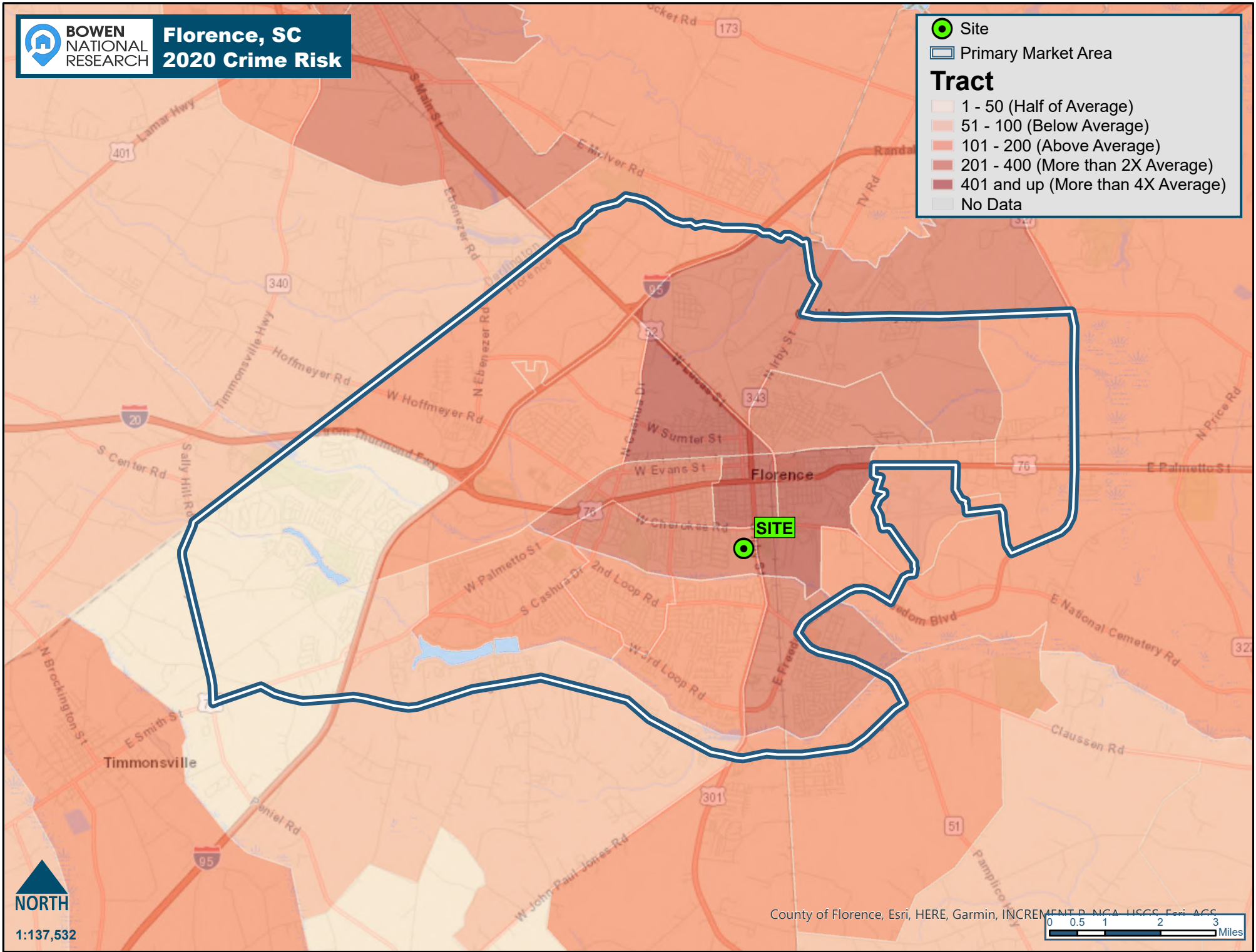
Florence, SC 2020 Crime Risk

Site

Primary Market Area

Tract

- 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
1:137,532

County of Florence, Esri, HERE, Garmin, INCREMENT P, NGA, USGS, Esri, ACS
 Miles

7. ACCESS AND VISIBILITY

The subject site is expected to be primarily visible to traffic along South Irby Street, a five-lane roadway with moderate to heavy traffic patterns situated east of the site. Per the South Carolina Department of Transportation (SCDOT), the segment of South Irby Street nearest the site maintains an annual average daily traffic (AADT) volume of 24,500 vehicles. This is among the highest traffic volumes in Florence, and visibility of the site is considered good, assuming temporary and/or permanent property signage is placed along this roadway. The site will also be visible to persons utilizing the nearby Hallmark Square shopping center. Overall, visibility of the site is considered good (given the proximity of South Irby Street) and is expected to positively impact marketability.

While site plans were not available at the time of analysis, the site is expected to maintain at least one vehicular access point along either South Irby Street or the moderately traveled Cherokee Road. While traffic patterns in the area are moderate to heavy, numerous traffic signals along South Irby Street and Cherokee Road will help mitigate any potential traffic disruptions caused by site traffic. Both roadways also maintain central turning lanes near potential site entryways, which will improve vehicular access. The site is within 2.0 miles of several major highways and area thoroughfares, which improve access to and from the site throughout the greater Florence area. The site is also within walking distance of a public bus stop operated by the PDRTA. This service provides improves accessibility of the site and is considered beneficial to the target population of low-income families. Overall, accessibility of the site is considered good and is expected to positively impact marketability.

8. VISIBLE OR ENVIRONMENTAL ISSUES

As previously mentioned, the site is situated nearby a small water treatment plant. While a light chlorine odor was observed near this plant at the time of analysis, the odors of sewage and/or wastewater were not noticed. The site is also situated near the Hallmark Square shopping center and graffiti was observed on the rear of the building. These potential visible/environmental issues are expected to have minimal impact on site marketability, though wooded buffering near each structure can help mitigate potential nuisances. Overall, these structures are not anticipated to have a negative impact on the proposed development's marketability.

9. OVERALL SITE CONCLUSIONS

The subject site consists of a wooded parcel situated near 1115 South Irby Street in Florence, South Carolina. Surrounding land uses are mixed-use, consisting primarily of well-maintained commercial businesses and residential structures in good condition. Visibility and access are considered good, given the site's proximity to the arterial South Irby Street. Several arterial highways within 2.0 miles improve accessibility of the site. The site is within 2.0 miles of all essential shopping, employment, recreation, entertainment and medical services. Notable services within 2.0 miles include grocery stores, banks, restaurants, pharmacies, discount retailers, a shopping center, recreational areas, a library, public safety services, gas stations and convenience stores. Notably, all public schools that serve the site are within approximately 2.0 to 3.0 miles. Additional services throughout Florence are conveniently accessible through the PDRTA bus service, which operates a stop within walking distance of the site. Overall, we consider the site's location and proximity to community services to have a positive impact on its marketability.

D. Primary Market Area Delineation

The Primary Market Area (PMA) is the geographical area from which most of the support for the subject development is expected to originate. The Florence Site PMA was determined through interviews with area leasing and real estate agents 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 Florence Site PMA includes all of Florence, as well as portions of Quinby and some of the surrounding areas of Florence County. The boundaries of the Site PMA include the Florence County line, McIver Road, and East Ashby Road to the north; North Williston Road, Freedom Boulevard, Becky’s Parkway, and South Stadium Road to the east; East Palmetto Street, South McCall Boulevard, Freedom Boulevard, Pamplico Highway, Sally Hill Road, and East Howe Spring Road to the south; and the Florence County line to the west. All boundaries of the Site PMA are generally within 8.4 miles from the site. The Site PMA includes all of, or portions of, the following Census Tracts:

1.01	1.02	2.01	2.02
3.00	4.00	5.02	6.00
7.00	8.00	9.00	10.00
11.00	*12.00	13.00	14.00
15.03	15.04	15.05	16.01
9801.00	-	-	-

*Subject site location

Kimberly Brockington is the Property Manager at Coit Village (Map ID 6), a comparable Tax Credit property in the central portion of the Site PMA. Ms. Brockington confirmed the Site PMA, stating that most of her tenants are long-time residents of Florence or were already living in Florence County before moving to her property. Ms. Brockington noted that many tenants stay in the area due to the numerous ongoing revitalization efforts in Florence, as evidenced by the construction of projects like the nearby Belmont Apartments. Ms. Brockington added that tenants stay in the area for its proximity to major employers, citing the McCleod Hospital as one such employer.

Jerrick Brown is the Leasing Manager at Cambridge Court (Map ID 4), a comparable Tax Credit property in the central portion of the Site PMA. Mr. Brown confirmed the boundaries of the Site PMA, stating that local residents tend to stay within the city of Florence. Mr. Brown noted that the availability of public transit and the proximity of several major employers tends to keep tenants in the area, as opposed to the outlying rural areas of Florence County.

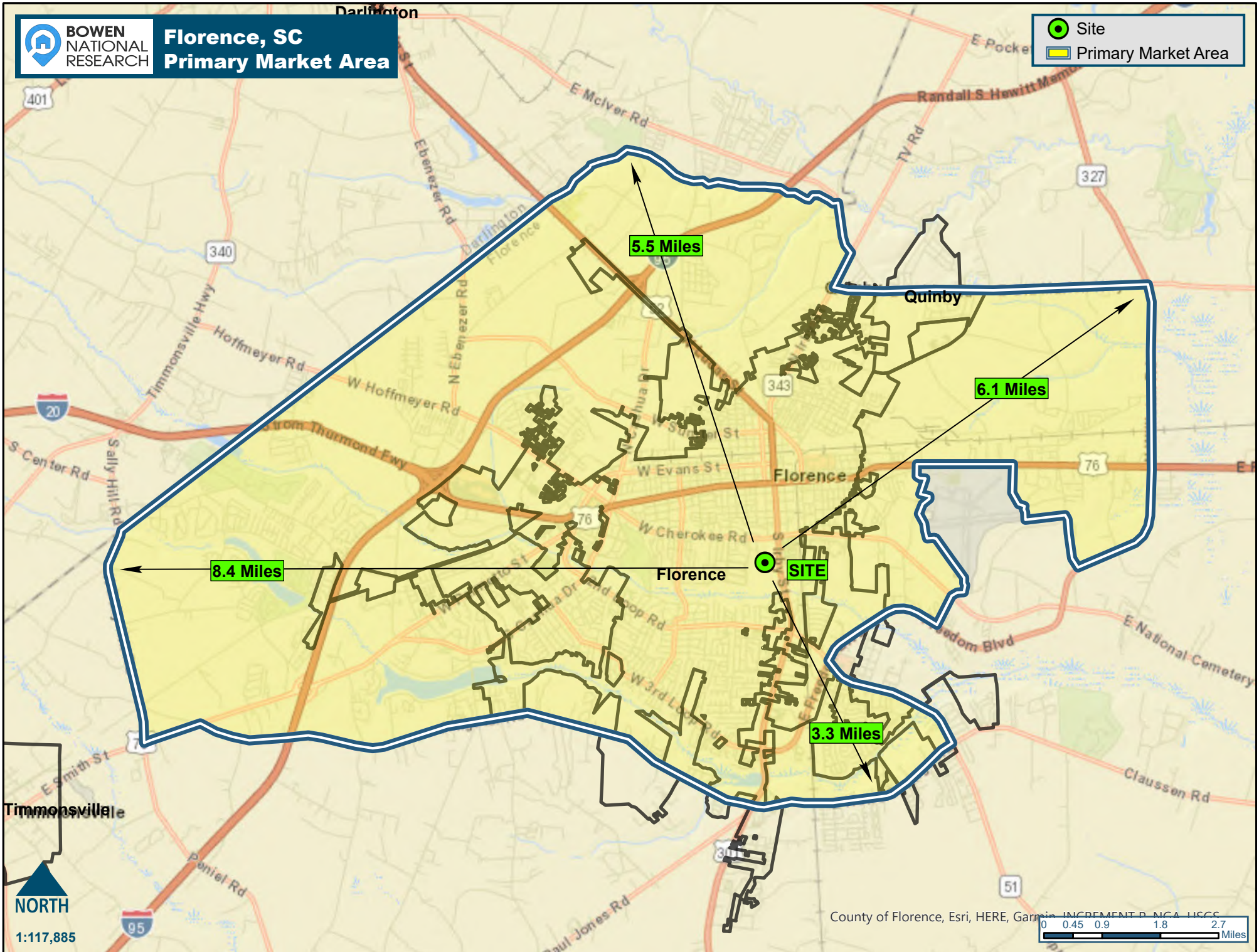
A small portion of support may originate from some of the outlying areas of the Site PMA; we have not, however, considered any secondary market area in this report.

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



Florence, SC Primary Market Area

- Site
- ▭ Primary Market Area



NORTH
1:117,885

County of Florence, Esri, HERE, Garmin, INCREMENT P, NGA, USGS
0 0.45 0.9 1.8 2.7 Miles

E. Market Area Economy

1. EMPLOYMENT BY INDUSTRY

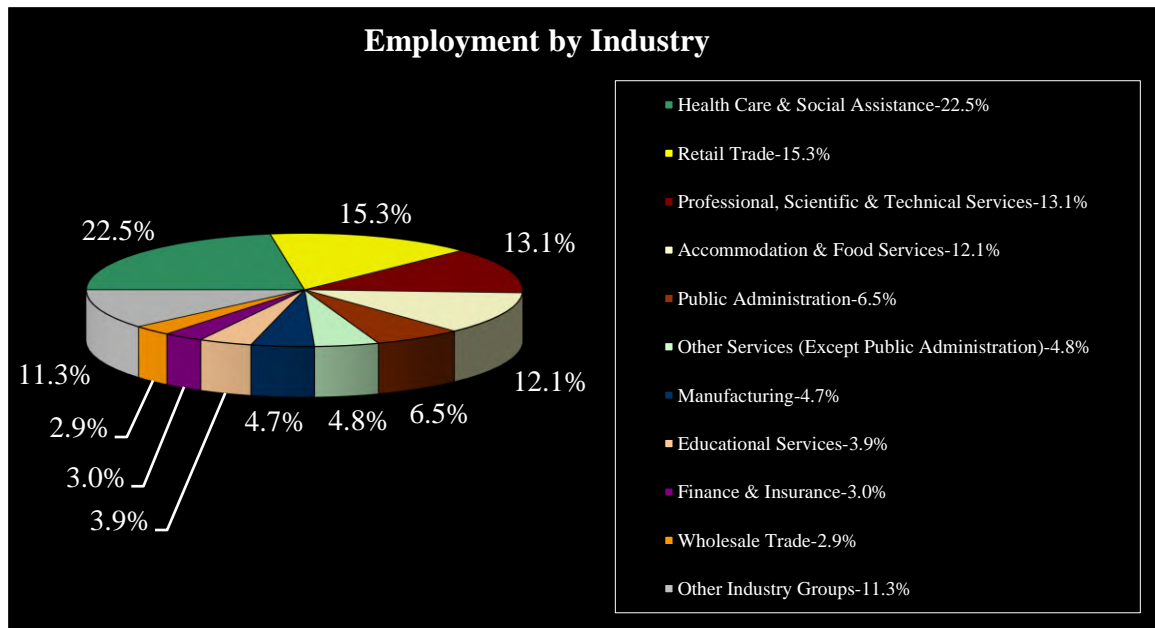
The labor force within the Florence Site PMA is based primarily in four sectors. Health Care & Social Assistance (which comprises 22.5%), Retail Trade, Professional, Scientific & Technical Services and Accommodation & Food Services comprise approximately 63% of the Site PMA labor force. Employment in the Florence Site PMA, as of 2020, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	3	0.1%	22	0.0%	7.3
Mining	2	0.1%	9	0.0%	4.5
Utilities	5	0.2%	232	0.5%	46.4
Construction	130	4.0%	1,231	2.5%	9.5
Manufacturing	92	2.8%	2,265	4.7%	24.6
Wholesale Trade	107	3.3%	1,402	2.9%	13.1
Retail Trade	618	18.9%	7,433	15.3%	12.0
Transportation & Warehousing	40	1.2%	556	1.1%	13.9
Information	49	1.5%	1,129	2.3%	23.0
Finance & Insurance	242	7.4%	1,434	3.0%	5.9
Real Estate & Rental & Leasing	156	4.8%	778	1.6%	5.0
Professional, Scientific & Technical Services	224	6.8%	6,369	13.1%	28.4
Management of Companies & Enterprises	4	0.1%	31	0.1%	7.8
Administrative, Support, Waste Management & Remediation Services	98	3.0%	1,019	2.1%	10.4
Educational Services	54	1.6%	1,913	3.9%	35.4
Health Care & Social Assistance	402	12.3%	10,924	22.5%	27.2
Arts, Entertainment & Recreation	35	1.1%	446	0.9%	12.7
Accommodation & Food Services	270	8.2%	5,895	12.1%	21.8
Other Services (Except Public Administration)	429	13.1%	2,317	4.8%	5.4
Public Administration	148	4.5%	3,165	6.5%	21.4
Nonclassifiable	165	5.0%	38	0.1%	0.2
Total	3,273	100.0%	48,608	100.0%	14.9

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

E.P.E. - Average Employees Per Establishment

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



2. LOW-INCOME EMPLOYMENT OPPORTUNITIES

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

Typical Wage by Occupation Type		
Occupation Type	Florence MSA	South Carolina
Management Occupations	\$112,280	\$109,500
Business and Financial Occupations	\$61,230	\$70,470
Computer and Mathematical Occupations	\$67,720	\$77,080
Architecture and Engineering Occupations	\$71,100	\$80,470
Community and Social Service Occupations	\$42,830	\$44,530
Art, Design, Entertainment and Sports Medicine Occupations	\$44,330	\$50,930
Healthcare Practitioners and Technical Occupations	\$73,360	\$76,850
Healthcare Support Occupations	\$26,320	\$29,220
Protective Service Occupations	\$37,890	\$39,760
Food Preparation and Serving Related Occupations	\$21,350	\$23,250
Building and Grounds Cleaning and Maintenance Occupations	\$24,630	\$27,650
Personal Care and Service Occupations	\$27,770	\$28,850
Sales and Related Occupations	\$34,110	\$37,680
Office and Administrative Support Occupations	\$37,540	\$37,870
Construction and Extraction Occupations	\$45,910	\$44,550
Installation, Maintenance and Repair Occupations	\$47,610	\$46,990
Production Occupations	\$42,280	\$40,730
Transportation and Moving Occupations	\$34,230	\$34,010

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

Most annual blue-collar salaries range from \$21,350 to \$47,610 within the Florence MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$77,138. It is important to note that most occupational types within the Florence MSA have lower typical wages than South Carolina's typical wages.

3. AREA'S LARGEST EMPLOYERS

The ten largest employers within the Florence area comprise a total of 18,290 employees. These employers are summarized as follows:

Employer Name	Business Type	Total Employed
McLeod Regional Medical Center	Healthcare	8,500
Florence School District 1	Education	1,920
Carolinas Hospital System	Healthcare	1,500
Honda of South Carolina Mfg.	Manufacturer	1,400
Assurant	Insurance	940
Nan Ya Plastics Corporation	Manufacturer	918
TRICARE (Blue Cross Blue Shield) PGBA	Insurance	800
McCall Farms	Food Service Products	800*
Florence County	Public - Government	792
Ruiz Foods	Food Service Products	720
Total		18,290

Source: Florence County Economic Development Partnership (April 2018)

*Seasonally grows to 1,400.

The COVID-19 pandemic has affected the Florence County economy, especially the service industry. South Carolina received nearly \$2 billion in federal relief funds from the CARES Act. The majority of the funds were allocated for unemployment benefits, schools, and to extend broadband to rural communities. Florence County saw the largest number of cases in January 2021 and continues to operate under restricted indoor gatherings and infection control measures in place for schools. The mask mandates are gradually being lifted and the COVID-19 vaccination is now available to all residents 16 and older.

Despite multiple attempts, we were unable to receive a response from local economic development representatives regarding the current status of the local Florence economy and/or recent or ongoing economic development activity. The following was obtained via extensive online research:

- Buc-ee's, a chain gas station based in Texas, is constructing a new travel mart at 3390 North Williston Road in Florence. The new facility has 53,200 square feet, 120 fueling stations, a mini-mart and food items. The facility will add 200 new full-time jobs with full benefits once it is open in early 2022.

- McCall Farms, which recently underwent several large production expansions in 2015, 2017 and 2019, is again undergoing a \$50 million expansion to their facility in Effingham. This production line expansion will allow the company to add new lines and increase productivity on existing lines. This latest expansion will create 140 jobs for the area and was completed in 2020.
- In 2017, WestRock Company invested \$410 million over a two-year period for a new manufacturing facility. The company also plans to invest an additional \$60 million over the next five years to support the facility's new machines and other mill projects.
- LiUazZi Café opened at 163 North Dargan Street in downtown Florence in January 2021. The café serves breakfast and lunch. The new café has nine employees.
- Florence County will develop the McLendon Young industrial site off Interstate 95 at the Honda Way exit near Timmonsville. The site is 274 acres with water, sewer, gas, and power already available at the site.
- McLeod Regional Medical Center added a four-story addition to expand its trauma and emergency room. The new addition opened in March 2021.
- Woodforest National Bank added a new location inside the Walmart on Irby Street in Florence. The bank opened in March 2021.
- A \$16 million baseball and track complex is planned in the city of Florence. The new complex will have a full-size track, stadium and five little league fields. Construction of the new facility started March 2021.
- Precious and Hope Healthcare LLC opened a new facility at 203 West Smith Street in Florence. The new facility opened October 2020.

Infrastructure Projects

Florence County has a strong infrastructure reinvestment plan. The county has enacted a penny tax that is in effect through 2021. The penny tax is projected to generate \$145 million and some of the funds are used for needed infrastructure projects. Several infrastructure projects currently underway or that have recently been completed in Florence County are summarized as follows:

- U.S. Highway 301 Bypass between Alligator Road and West Palmetto Street will be widened along a 7.5 mile stretch of the highway. This is a \$73.4 million project and is expected to be complete in Spring 2021.

- The South Carolina Department of Transportation plans to replace the S-76 Bridge over Jefferies Creek and make improvements to the intersection along Francis Marion Road at Claussen Road in Florence County. The proposed improvements also include constructing a roundabout. There is no estimated completion date as of the time of this report, as the project is still up for bids.
- A new parking garage was opened in February 2021. The four-story garage cost around \$14 million and was partially funded by the penny sales tax savings plan.

WARN (layoff notices):

WARN Notices of large-scale layoffs/closures were reviewed in April 2021 and according to South Carolina Works, there have been no WARN notices reported for Florence County over the past 12 months.

4. EMPLOYMENT TRENDS

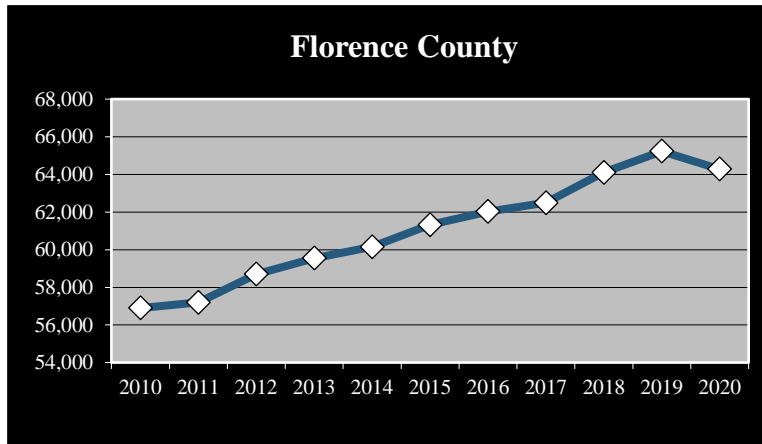
The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

Excluding 2020, the employment base has increased by 6.4% over the past five years in Florence 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 Florence County, the state of South Carolina and the United States.

Year	Total Employment					
	Florence County		South Carolina		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2010	56,905	-	1,928,442	-	140,469,139	-
2011	57,197	0.5%	1,957,493	1.5%	141,791,255	0.9%
2012	58,697	2.6%	1,992,957	1.8%	143,621,634	1.3%
2013	59,546	1.4%	2,034,404	2.1%	145,017,562	1.0%
2014	60,153	1.0%	2,082,941	2.4%	147,313,048	1.6%
2015	61,322	1.9%	2,134,087	2.5%	149,500,941	1.5%
2016	62,024	1.1%	2,174,301	1.9%	151,887,366	1.6%
2017	62,493	0.8%	2,200,602	1.2%	154,160,937	1.5%
2018	64,107	2.6%	2,242,438	1.9%	156,081,212	1.2%
2019	65,235	1.8%	2,302,573	2.7%	158,102,439	1.3%
2020	64,284	-1.5%	2,237,407	-2.8%	148,739,082	-5.9%

Source: Department of Labor; Bureau of Labor Statistics

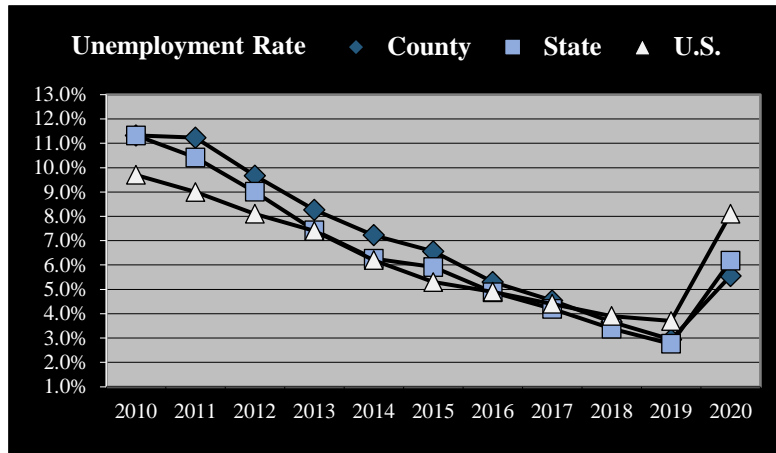


As the preceding illustrates, the Florence County employment base experienced consistent growth between 2010 and 2019. However, between 2019 and 2020, the county’s employment base declined by 1.5% as the result of the COVID-19 pandemic.

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

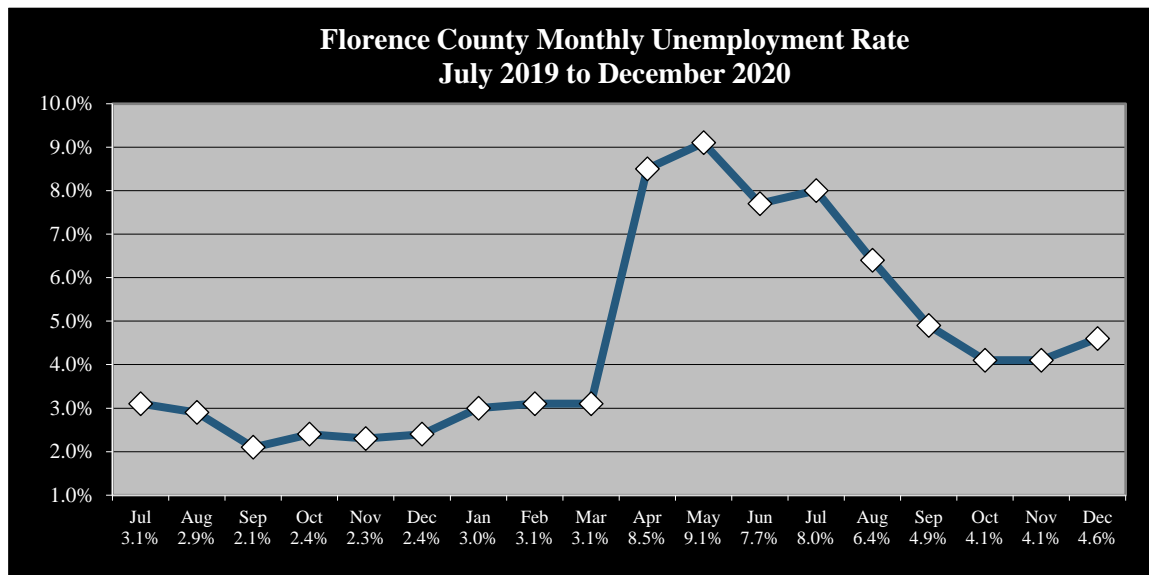
Year	Unemployment					
	Florence County		South Carolina		United States	
	Total Number	Percent	Total Number	Percent	Total Number	Percent
2010	7,268	11.3%	246,093	11.3%	15,070,017	9.7%
2011	7,233	11.2%	227,678	10.4%	14,035,049	9.0%
2012	6,276	9.7%	197,246	9.0%	12,691,553	8.1%
2013	5,364	8.3%	163,472	7.4%	11,634,201	7.4%
2014	4,692	7.2%	139,485	6.3%	9,776,089	6.2%
2015	4,302	6.6%	133,750	5.9%	8,417,793	5.3%
2016	3,464	5.3%	111,753	4.9%	7,854,801	4.9%
2017	2,969	4.5%	96,477	4.2%	7,093,912	4.4%
2018	2,428	3.7%	78,442	3.4%	6,385,787	3.9%
2019	1,976	2.9%	65,112	2.8%	6,073,924	3.7%
2020	3,795	5.6%	147,183	6.2%	13,039,335	8.1%

Source: Department of Labor; Bureau of Labor Statistics



The unemployment rate in Florence County consistently decreased between 2010 and 2019, then increased by nearly three percentage points between 2019 and 2020 due to the COVID-19 pandemic.

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



The *monthly* unemployment rate in Florence County was relatively stable between July 2019 and March 2020. However, between March and May 2020, the monthly unemployment rate within the county spiked by six percentage points. On a positive note, the county’s monthly unemployment rate has generally trended downward since to a rate of 4.6% reported in December.

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 Florence County.

In-Place Employment Florence County			
Year	Employment	Change	Percent Change
2010	59,132	-	-
2011	59,034	-98	-0.2%
2012	60,082	1,048	1.8%
2013	59,493	-589	-1.0%
2014	60,445	952	1.6%
2015	61,398	953	1.6%
2016	62,254	856	1.4%
2017	62,780	526	0.8%
2018	64,771	1,991	3.2%
2019	66,089	1,318	2.0%
2020*	63,280	-2,809	-4.3%

Source: Department of Labor, Bureau of Labor Statistics

*Through September

Data for 2019, the most recent year that year-end figures are available, indicates in-place employment in Florence County to be 101.3% of the total Florence County employment. This means that Florence County has more employed persons coming to the county from other counties for work (daytime employment) than those who both live and work there.

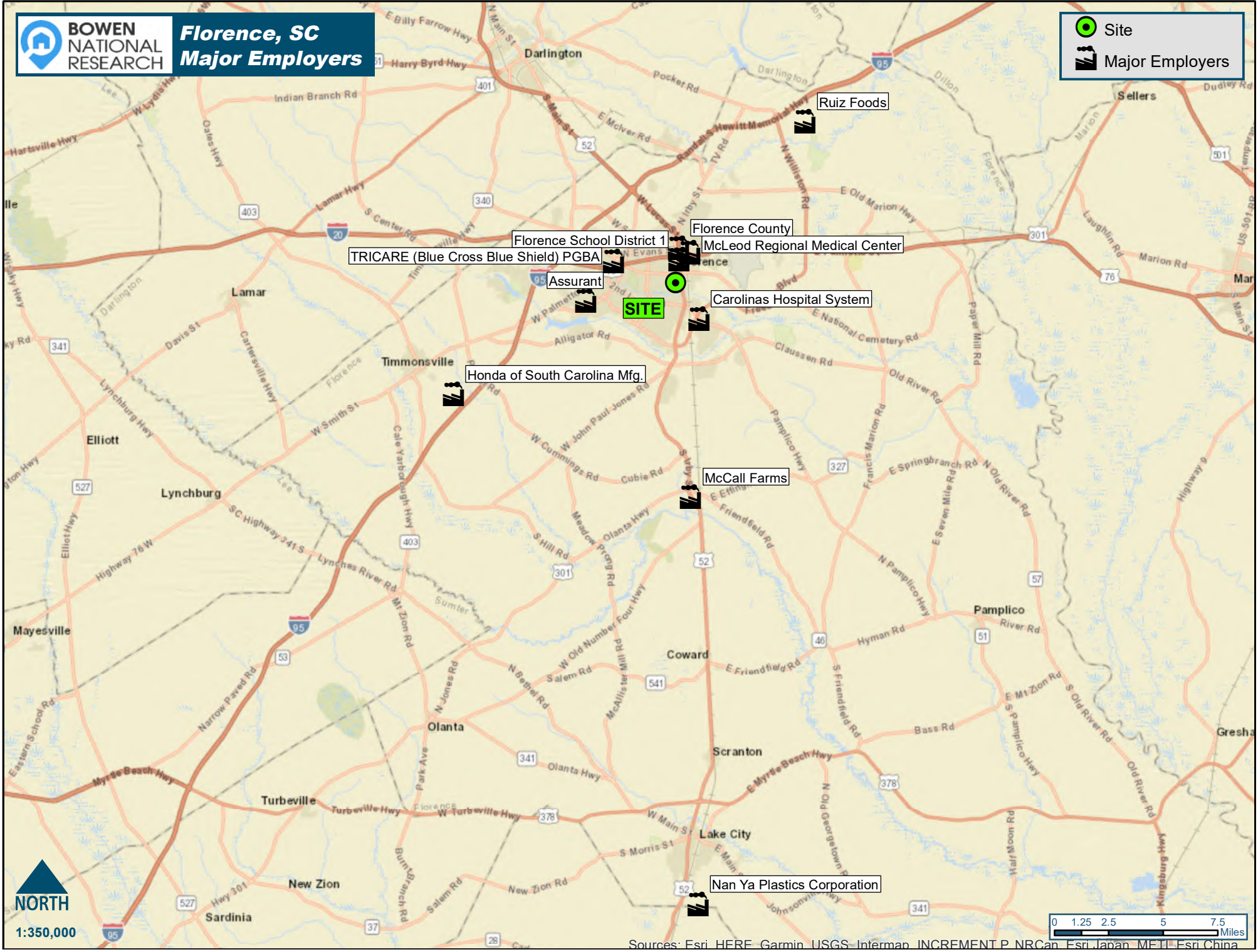
5. **EMPLOYMENT CENTERS MAP**

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



Florence, SC Major Employers

- Site
- Major Employers



NORTH
1:350,000



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

6. COMMUTING PATTERNS

Based on the American Community Survey (2015-2019), 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	26,633	85.4%
Carpooled	2,276	7.3%
Public Transit	83	0.3%
Walked	188	0.6%
Other Means	489	1.6%
Worked at Home	1,528	4.9%
Total	31,197	100.0%

Source: American Community Survey (2015-2019); ESRI; Urban Decision Group; Bowen National Research

Over 85% of all workers drove alone, 7.3% carpooled and only 0.3% 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	10,398	33.3%
15 to 29 Minutes	13,014	41.7%
30 to 44 Minutes	3,487	11.2%
45 to 59 Minutes	1,222	3.9%
60 or More Minutes	1,547	5.0%
Worked at Home	1,528	4.9%
Total	31,196	100.0%

Source: American Community Survey (2015-2019); ESRI; Urban Decision Group; Bowen National Research

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

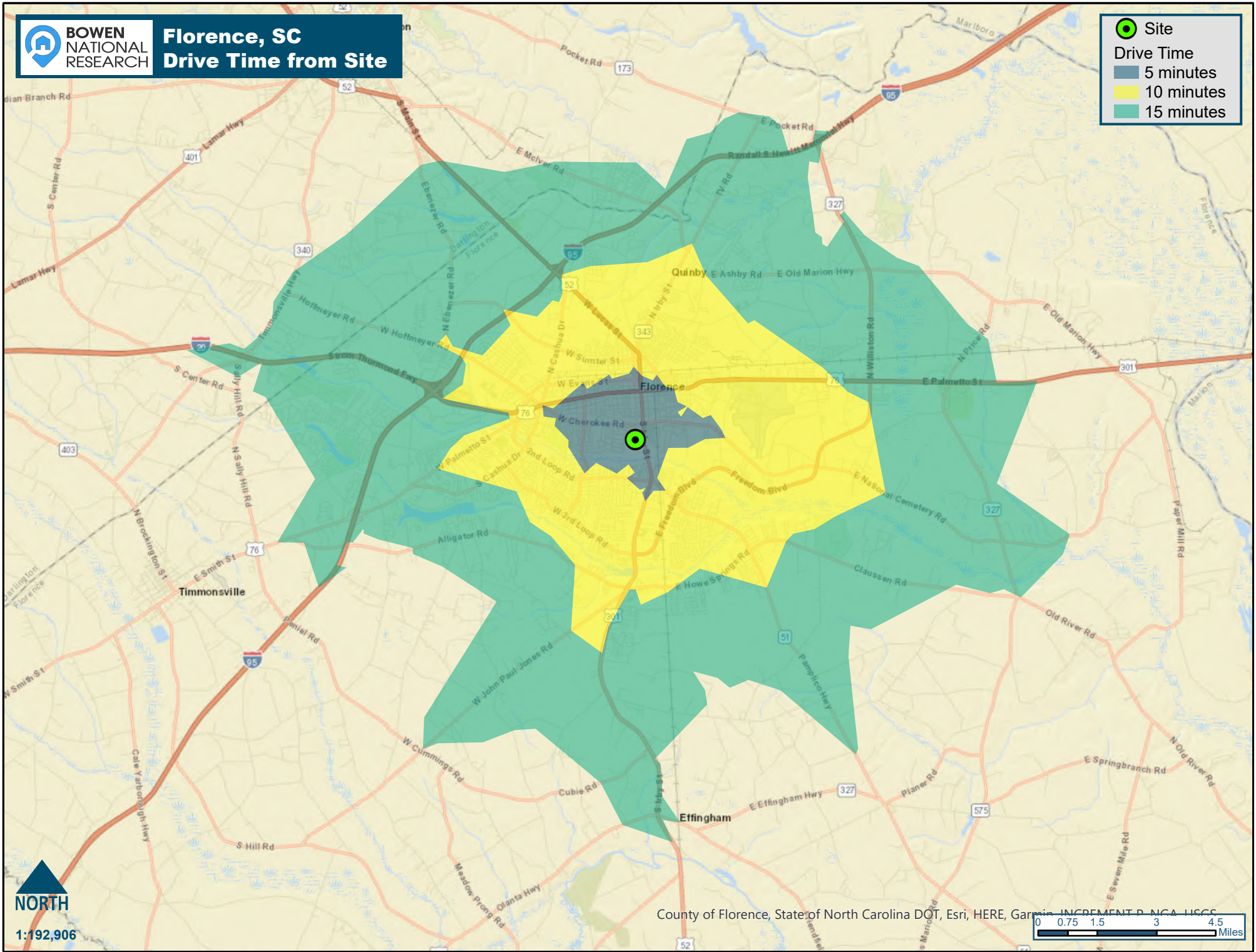


Florence, SC Drive Time from Site

● Site

Drive Time

- 5 minutes
- 10 minutes
- 15 minutes



NORTH
1:192,906

County of Florence, State of North Carolina DOT, Esri, HERE, Garmin, INCREMENT P, NGA, USGS
0 0.75 1.5 3 4.5 Miles

7. ECONOMIC FORECAST AND HOUSING IMPACT

The Florence County economy experienced continued job growth between 2010 and 2019. However, between 2019 and 2020, the county declined by over 950 jobs, or 1.5%, likely, in part, as the result of the COVID-19 pandemic, which caused many area businesses to experience a significant reduction in business activity, increasing unemployment and decreasing the county's employment base. This correlates with unemployment rate trends, as the county experienced an increase of nearly three percentage points during the same time frame. Specifically, between March and May 2020, the unemployment rate within Florence County spiked by six percentage points; however, the county's unemployment rate has generally been trending downward since. Nonetheless, several of the businesses impacted include those within the Retail Trade and Accommodation & Food Services sectors, which account for over 27.0% of the market's labor force and provide lower wage paying positions. The subject site will provide a good quality affordable housing option in an economy where lower-wage employees are most vulnerable.

F. Community Demographic Data

The following demographic data relates to the Site PMA. It is important to note that not all 2023 projections quoted in this section agree because of the variety of sources and rounding methods used. In most cases, the differences in the 2023 projections do not vary more than 1.0%.

1. POPULATION TRENDS

a. Total Population

The Site PMA population bases for 2000, 2010, 2020 (estimated) and 2023 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2020 (Estimated)	2023 (Projected)
Population	59,021	65,951	69,390	70,596
Population Change	-	6,930	3,439	1,206
Percent Change	-	11.7%	5.2%	1.7%

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

The Florence Site PMA population base increased by 6,930 between 2000 and 2010. This represents an 11.7% increase over the 2000 population, or an annual rate of 1.1%. Between 2010 and 2020, the population increased by 3,439, or 5.2%. It is projected that the population will increase by 1,206, or 1.7%, between 2020 and 2023.

Based on the 2010 Census, the population residing in group-quarters is represented by 1.7% of the Site PMA population, as demonstrated in the following table:

	Number	Percent
Population in Group Quarters	1,141	1.7%
Population not in Group Quarters	64,810	98.3%
Total Population	65,951	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)		2020 (Estimated)		2023 (Projected)		Change 2020-2023	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	17,436	26.4%	16,932	24.4%	17,069	24.2%	137	0.8%
20 to 24	4,097	6.2%	4,023	5.8%	3,965	5.6%	-58	-1.4%
25 to 34	8,479	12.9%	9,488	13.7%	9,387	13.3%	-101	-1.1%
35 to 44	8,896	13.5%	8,618	12.4%	9,014	12.8%	396	4.6%
45 to 54	9,397	14.2%	8,838	12.7%	8,752	12.4%	-86	-1.0%
55 to 64	8,534	12.9%	9,049	13.0%	8,949	12.7%	-100	-1.1%
65 to 74	5,066	7.7%	7,336	10.6%	7,621	10.8%	285	3.9%
75 & Over	4,046	6.1%	5,106	7.4%	5,840	8.3%	734	14.4%
Total	65,951	100.0%	69,390	100.0%	70,596	100.0%	1,206	1.7%

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

As the preceding table illustrates, nearly 52% of the population is expected to be between 25 and 64 years old in 2020. This age group is the primary group of potential support for the subject site and will likely represent 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%	12.2%
Black or African American	27.9%	27.9% + 20.0% = 47.9%	5.0%
American Indian	0.4%	0.4% + 20.0% = 20.4%	0.0%
Asian/Hawaiian/Pacific Islander	1.4%	1.4% + 20.0% = 21.4%	2.6%
Hispanic or Latino	5.1%	5.1% + 20.0% = 25.1%	3.2%

Source: SC Housing and 2020 FFIEC Census Report

2. HOUSEHOLD TRENDS

a. Total Households

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

	Year			
	2000 (Census)	2010 (Census)	2020 (Estimated)	2023 (Projected)
Households	23,063	26,534	27,754	28,211
Household Change	-	3,471	1,220	457
Percent Change	-	15.1%	4.6%	1.6%
Household Size	2.56	2.49	2.46	2.46

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

Within the Florence Site PMA, households increased by 3,471 (15.1%) between 2000 and 2010. Between 2010 and 2020, households increased by 1,220 or 4.6%. By 2023, there will be 28,211 households, an increase of 457 households, or 1.6% over 2020 levels. This is an increase of approximately 152 households annually over the next three years.

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

Households by Age	2010 (Census)		2020 (Estimated)		2023 (Projected)		Change 2020-2023	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	1,215	4.6%	1,068	3.8%	1,061	3.8%	-7	-0.7%
25 to 34	4,054	15.3%	4,326	15.6%	4,252	15.1%	-74	-1.7%
35 to 44	4,797	18.1%	4,501	16.2%	4,653	16.5%	152	3.4%
45 to 54	5,365	20.2%	4,812	17.3%	4,733	16.8%	-79	-1.6%
55 to 64	5,167	19.5%	5,247	18.9%	5,152	18.3%	-95	-1.8%
65 to 74	3,354	12.6%	4,616	16.6%	4,748	16.8%	132	2.9%
75 to 84	1,891	7.1%	2,271	8.2%	2,576	9.1%	305	13.4%
85 & Over	691	2.6%	913	3.3%	1,035	3.7%	122	13.4%
Total	26,534	100.0%	27,754	100.0%	28,211	100.0%	457	1.6%

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

Between 2020 and 2023, the greatest growth among household age groups is projected to be among those between the ages of 75 and 84, illustrating that there will be an increasing need for housing for seniors in the market. However, over 70% of all households are projected to be under the age of 65 in 2023. This demonstrates that a larger number of age-appropriate households will 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)		2020 (Estimated)		2023 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	16,624	62.7%	17,223	62.1%	17,520	62.1%
Renter-Occupied	9,910	37.3%	10,532	37.9%	10,691	37.9%
Total	26,534	100.0%	27,755	100.0%	28,211	100.0%

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

In 2020, homeowners occupied 62.1% of all occupied housing units, while the remaining 37.9% were occupied by renters. Renters are projected to increase by 159, or 1.5%, between 2020 and 2023.

c. Households by Income

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

Household Income	2010 (Census)		2020 (Estimated)		2023 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	2,472	9.3%	2,176	7.8%	2,057	7.3%
\$10,000 to \$19,999	3,529	13.3%	2,950	10.6%	2,757	9.8%
\$20,000 to \$29,999	3,249	12.2%	2,650	9.5%	2,505	8.9%
\$30,000 to \$39,999	3,030	11.4%	2,579	9.3%	2,485	8.8%
\$40,000 to \$49,999	2,699	10.2%	2,374	8.6%	2,279	8.1%
\$50,000 to \$59,999	2,148	8.1%	2,565	9.2%	2,518	8.9%
\$60,000 to \$74,999	2,373	8.9%	3,181	11.5%	3,400	12.1%
\$75,000 to \$99,999	2,821	10.6%	2,956	10.7%	3,220	11.4%
\$100,000 to \$124,999	1,828	6.9%	2,166	7.8%	2,338	8.3%
\$125,000 to \$149,999	1,175	4.4%	1,571	5.7%	1,726	6.1%
\$150,000 to \$199,999	721	2.7%	1,437	5.2%	1,621	5.7%
\$200,000 & Over	489	1.8%	1,150	4.1%	1,305	4.6%
Total	26,534	100.0%	27,755	100.0%	28,211	100.0%
Median Income	\$43,657		\$54,478		\$58,034	

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

In 2010, the median household income was \$43,657. This increased by 24.8% to \$54,478 in 2020. By 2023, it is projected that the median household income will be \$58,034, an increase of 6.5% over 2020.

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, 2020 and 2023 for the Florence Site PMA:

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	562	468	294	197	159	1,680
\$10,000 to \$19,999	779	571	359	240	194	2,143
\$20,000 to \$29,999	541	438	276	185	149	1,589
\$30,000 to \$39,999	399	365	230	154	124	1,272
\$40,000 to \$49,999	317	292	183	123	99	1,014
\$50,000 to \$59,999	170	164	103	69	56	562
\$60,000 to \$74,999	187	181	114	76	62	620
\$75,000 to \$99,999	153	145	91	61	49	500
\$100,000 to \$124,999	75	66	42	28	23	234
\$125,000 to \$149,999	45	43	27	18	15	148
\$150,000 to \$199,999	28	25	16	11	9	88
\$200,000 & Over	18	17	11	7	6	60
Total	3,274	2,776	1,746	1,169	944	9,910

Source: ESRI; Urban Decision Group

Renter Households	2020 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	554	366	231	163	151	1,464
\$10,000 to \$19,999	731	415	262	185	171	1,763
\$20,000 to \$29,999	528	330	208	147	136	1,348
\$30,000 to \$39,999	427	291	184	130	120	1,151
\$40,000 to \$49,999	346	249	157	111	103	965
\$50,000 to \$59,999	351	258	163	115	106	992
\$60,000 to \$74,999	433	320	202	142	132	1,229
\$75,000 to \$99,999	224	174	110	77	72	657
\$100,000 to \$124,999	130	100	63	44	41	378
\$125,000 to \$149,999	94	72	46	32	30	274
\$150,000 to \$199,999	59	45	28	20	18	171
\$200,000 & Over	52	35	22	16	15	139
Total	3,928	2,654	1,675	1,182	1,093	10,532

Source: ESRI; Urban Decision Group

Renter Households	2023 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	533	333	212	151	143	1,372
\$10,000 to \$19,999	687	373	238	169	160	1,626
\$20,000 to \$29,999	499	301	192	137	129	1,258
\$30,000 to \$39,999	417	270	172	123	116	1,099
\$40,000 to \$49,999	341	235	150	107	101	933
\$50,000 to \$59,999	404	274	175	125	118	1,095
\$60,000 to \$74,999	545	373	238	170	161	1,487
\$75,000 to \$99,999	246	190	121	86	82	725
\$100,000 to \$124,999	152	117	75	54	51	449
\$125,000 to \$149,999	114	86	55	39	37	332
\$150,000 to \$199,999	59	46	29	21	20	174
\$200,000 & Over	50	36	23	16	15	141
Total	4,046	2,633	1,680	1,200	1,132	10,691

Source: ESRI; Urban Decision Group

Demographic Summary

More than one-third (37.9%) of the market is occupied by renter households. Overall, population and household trends within the Site PMA have been positive since 2000 and are projected to remain positive through 2023. Renters are projected to increase by 159, or 1.5%, between 2020 and 2023. Additionally, the 10,532 renter households estimated in 2020 represent a sufficient base of support in the market for the subject development. 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 there is a need for additional affordable housing options within the Site PMA, particularly when factoring in rent overburdened households or those living in substandard housing.

G. Project-Specific Demand Analysis

1. INCOME RESTRICTIONS

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

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

The subject site is within the Florence, SC HUD Metro FMR Area, which has a median four-person household income of \$61,100 for 2021. The subject property will be restricted to households with incomes of up to 20%, 50%, 60% and 70% of AMHI. The following table summarizes the maximum allowable income by household size and targeted AMHI level:

Household Size	Maximum Allowable Income			
	20%	50%	60%	70%
One-Person	\$8,480	\$21,200	\$25,440	\$29,680
Two-Person	\$9,680	\$24,200	\$29,040	\$33,880
Three-Person	\$10,900	\$27,250	\$32,700	\$38,150
Four-Person	\$12,100	\$30,250	\$36,300	\$42,350
Five-Person	\$13,080	\$32,700	\$39,240	\$45,780

The largest proposed units (three-bedroom) at the subject site are expected to house up to five-person households. As such, the maximum allowable income at the subject site is **\$39,240**.

2. AFFORDABILITY

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

The proposed LIHTC units will have a lowest gross rent of \$256. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$3,072. 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 **\$8,777**.

Based on the preceding analyses, the income-appropriate ranges required for residency at the subject project with units built to serve households at 20% and 60% of AMHI are included in the following table:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited To 20% Of AMHI)	\$8,777	\$13,080
Tax Credit (Limited To 50% Of AMHI)	\$26,846	\$32,700
Tax Credit (Limited To 60% Of AMHI)	\$27,977	\$39,240
Tax Credit (Limited To 70% Of AMHI)	\$32,606	\$38,150
Overall Project*	\$8,777	\$39,240

*Excludes those earning between \$13,081 and \$26,845 due to gap in affordability levels

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 2020 Census data estimates and projecting forward to the anticipated placed-in-service date of the project (2023) 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) 2015-2019 5-year estimates, approximately 23.3% to 78.5% of renter households within the targeted income band in 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 2019 ACS 5-Year Estimates Table B25016, 5.4% 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.*
- 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 2020 must be subtracted to calculate net demand. Vacancies in projects placed in service prior to 2020 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, we identified one LIHTC property that was funded in 2019 and has not yet finished construction and the directly competitive units at this project have been considered in our demand estimates. This project in the development pipeline is summarized as follows:

Project Name	Year Allocated	LIHTC Units	Units at Targeted AMHI			
			20% AMHI	50% AMHI	60% AMHI	70% AMHI
Belmont	2019	One-Br.	0	0	0	0
		Two-Br.	0	2	14	0
		Three-Br.	0	6	18	0

The directly comparable Tax Credit units at this property have been included in our demand analysis.

The following is a summary of our demand calculations:

Demand Component	Percent Of Median Household Income				
	20% AMHI (\$8,777 - \$13,081)	50% AMHI (\$26,846- \$32,700)	60% AMHI (\$27,977 - \$39,240)	70% AMHI (\$32,606- \$38,150)	Overall (\$8,777 - \$39,240)*
Demand From New Renter Households (Age- And Income-Appropriate)	690 - 722 = -32	710 - 736 = -26	1,296 - 1,336 = -40	621 - 638 = -17	2,133 - 2,211 = -78
+					
Demand From Existing Households (Rent Overburdened)	722 X 75.8% = 547	736 X 44.2% = 325	1,336 X 32.0% = 428	638 X 25.0% = 160	2,211 X 47.1% = 1,042
+					
Demand From Existing Households (Renters In Substandard Housing)	722 X 5.4% = 39	736 X 5.4% = 40	1,336 X 5.4% = 72	638 X 5.4% = 35	2,211 X 5.4% = 119
+					
Demand From Existing Households (Senior Homeowner Conversion)	N/A	N/A	N/A	N/A	N/A
=					
Total Demand	554	339	460	178	1,083
-					
Supply (Directly Comparable Units Built And/Or Funded Since 2020)	0	6	32	0	38
=					
Net Demand	554	333	428	178	1,045
Proposed Units	6	1	52	1	60
Proposed Units/ Net Demand	6 / 554	1 / 333	52 / 428	1 / 178	60 / 1,045
Capture Rate	1.1%	0.3%	12.1%	0.6%	5.7%

*Accounts for gap in affordability levels

The capture rates by AMHI level range from 0.3% to 12.1% and the overall capture rate is 5.7%. Typically, capture rates up to 30.0% are considered acceptable utilizing the methodology. Thus, the subject's capture rates, both by AMHI level and overall, are considered low and demonstrate a deep base of potential support for the subject project within the Florence Site PMA.

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

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

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

Units Targeting 20% Of AMHI (554 Units Of Demand)					
Bedroom Size (Share Of Demand)	Total Demand	Supply*	Net Demand By Bedroom Type	Proposed Subject Units	Capture Rate By Bedroom Type
One-Bedroom (25%)	138	0	138	0	-
Two-Bedroom (50%)	277	0	277	3	1.1%
Three-Bedroom (25%)	139	0	139	3	2.2%

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

Units Targeting 50% Of AMHI (339 Units Of Demand)					
Bedroom Size (Share Of Demand)	Total Demand	Supply*	Net Demand By Bedroom Type	Proposed Subject Units	Capture Rate By Bedroom Type
One-Bedroom (25%)	85	0	85	0	-
Two-Bedroom (50%)	170	2	168	0	-
Three-Bedroom (25%)	84	6	78	1	1.3%

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

Units Targeting 60% Of AMHI (460 Units Of Demand)					
Bedroom Size (Share Of Demand)	Total Demand	Supply*	Net Demand By Bedroom Type	Proposed Subject Units	Capture Rate By Bedroom Type
One-Bedroom (25%)	115	0	115	0	-
Two-Bedroom (50%)	230	14	216	26	12.0%
Three-Bedroom (25%)	115	18	97	26	26.8%

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

Units Targeting 70% Of AMHI (178 Units Of Demand)					
Bedroom Size (Share Of Demand)	Total Demand	Supply*	Net Demand By Bedroom Type	Proposed Subject Units	Capture Rate By Bedroom Type
One-Bedroom (25%)	44	0	44	0	-
Two-Bedroom (50%)	89	0	89	1	1.1%
Three-Bedroom (25%)	45	0	45	0	-

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

The capture rates by bedroom type and AMHI level range from 1.1% to 26.8% and therefore are considered low and achievable within the Florence Site PMA.

Considering that the subject project will offer 30 three-bedroom units, which will comprise 50.0% of all subject units offered, the following analysis has been conducted to consider only large-households (three-person+) and the subject's three-bedroom units.

Demand Component	Percent Of Median Household Income			
	20% AMHI (\$10,731 - \$13,081)	50% AMHI (\$26,846 - \$32,700)	60% AMHI (\$32,331 - \$39,240)	Overall* (\$10,731 - \$39,240)
Demand from New Larger Renter Households (Income-Appropriate)	133 - 144 = -11	338 - 362 = -24	284 - 299 = -15	667 - 710 = -43
+				
Demand from Existing Households (Rent Overburdened)	144 X 78.5% = 113	362 X 44.2% = 160	299 X 23.3% = 70	710 X 30.1% = 214
+				
Demand from Existing Households (Renters in Substandard Housing)	144 X 5.4% = 8	362 X 5.4% = 20	299 X 5.4% = 16	710 X 5.4% = 38
=				
Total Large Household Demand	110	156	71	209
-				
Supply (Directly Comparable (Three-Br.+) Units Built and/or Funded Since 2020)	0	6	18	24
=				
Net Large Household Demand	110	150	53	185
Proposed (Three-Br.+) Units	3	1	26	30
Proposed (Three-Br.+) Units/ Net Large Household Demand	3 / 110	1 / 150	26 / 53	30 / 185
Large-Household Capture Rate	= 2.7%	= 0.7%	= 49.1%	= 16.2%

*Accounts for gap in affordability levels

The capture rates for the subject's larger unit size range from 0.7% to 49.1%, with an overall capture rate of 16.2%, which are considered achievable, especially considering the pent-up demand that exists for larger affordable unit types within the Site PMA. It is important to note that the net demand for the subject's larger unit sizes in the preceding table differs from the net demand by bedroom type on the preceding page. The analysis in the preceding table only considers larger household sizes that will income-qualify to reside at the subject's three-bedroom units.

6. ABSORPTION PROJECTIONS

Considering the facts contained in the market study, as well as the preceding factors, and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the proposed development. It is our opinion that the 60 units proposed for the subject site will reach a stabilized occupancy of at least 93.0% within five months of opening. This absorption period is based on an average monthly absorption rate of approximately 11 units per month.

These absorption projections assume a June 2023 opening date. A different opening may impact (positively or negatively) the absorption potential for the subject project. Further, these absorption projections assume the project will be built and operated as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period.

The preceding absorption projections and findings/conclusions detailed throughout this report also assume market conditions remain constant and/or favorable to the continued development of affordable housing product. Should market conditions change, primarily/specifically due to the ongoing COVID-19 pandemic, the findings of this market study could vary.

H. Rental Housing Analysis (Supply)

1. COMPETITIVE DEVELOPMENTS

The subject property will offer two- and three-bedroom units targeting general-occupancy (family) households earning up to 20%, 50%, 60% and 70% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Within the Florence Site PMA, we identified and surveyed a total of six general-occupancy LIHTC properties which offer unit types similar to those proposed for the subject development that we consider the most comparable to the subject site.

These six comparable/competitive LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address, phone number, contact name and utility responsibility is included in the Field Survey of Conventional Rentals.

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Indigo Townes	2023	60	-	-	-	Families; 20%, 50%, 60% & 70% AMHI
1	Attwood Pointe Apts.	2018	52	100.0%	1.5 Miles	300 HH	Families; 50% & 60% AMHI
4	Cambridge Court Apts.	2003	64	100.0%	2.1 Miles	300 HH	Families; 50% & 60% AMHI
6	Coit Village	2008	60	100.0%	1.9 Miles	32 HH	Families; 50% & 60% AMHI
16	Lakota Crossing	2004	72	100.0%	1.3 Miles	117 HH	Families; 50% & 60% AMHI
18	McGowan Commons	2012	36	100.0%	3.5 Miles	18 HH	Families; 50% AMHI
19	Palmetto Station	2014	48	100.0%	2.6 Miles	6 HH	Families; 50% & 60% AMHI

OCC. – Occupancy
HH - Households

The six comparable LIHTC projects have a combined occupancy rate of 100.0% and all six maintain waiting lists for their next available units. Notably, the newest of the six properties, Attwood Pointe Apartments (Map ID 1), maintains one of the most extensive waiting lists (300 households) among the comparable properties. Based on the occupancy rates and waiting lists reported among these properties, there is clearly significant pent-up demand for additional general-occupancy LIHTC product within the Florence market. The subject property will help alleviate a portion of this pent-up demand.

The newest Tax Credit property surveyed is Attwood Pointe Apartments (Map ID 1), which opened in July of 2018 and is currently 100.0% occupied with a 300-household waiting list. According to management, Attwood Pointe Apartments first reached 100.0% occupancy in October of 2018. Management also indicated, however, that this property began preleasing units in April of 2018. The following table summarizes the absorption trends for Attwood Pointe Apartments, based on the preceding factors.

Absorption Trends of Recently Opened Tax Credit Properties

Map ID	Project Name	Population	Total Units	Occ. Rate	Start of Preleasing	Date of Opening	Date of 100.0% Occupancy	Absorption Rate	
								From Preleasing	From Opening
1	Attwood Pointe Apts.	Family	52	100.0%	4/2018	7/2018	10/2018	7 UPM	13 UPM

It is likely the effective absorption rate for this property fell somewhere between the preleasing and opening date absorption rates detailed in the preceding table. Regardless, the aforementioned Attwood Pointe Apartments experienced a good absorption rate upon entrance to the Florence rental market. This has been considered in our absorption projections for the subject property.

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
1	Attwood Pointe Apts.	52	10	19.2%
4	Cambridge Court Apts.	64	30	46.9%
6	Coit Village	60	25	41.7%
16	Lakota Crossing	72	N/A	-
18	McGowan Commons	36	16	44.4%
19	Palmetto Station	48	24	50.0%
Total		260	105	40.4%

N/A – Number not available (units not included in total)

There are a total of approximately 105 voucher holders residing at the comparable properties within the market that provided such information. This comprises 40.4% of the 260 total non-subsidized LIHTC units offered among these properties. This is considered a moderate share of voucher support but also indicates the gross rents reported among these properties are achievable and will serve as accurate benchmarks with which to compare the subject site, as nearly 60.0% of the units offered among the comparable properties are occupied by non-voucher holders.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Indigo Townes	-	\$256/20% (3) \$816/60% (26) \$951/70% (1)	\$313/20% (3) \$783/50% (1) \$943/60% (26)	-
1	Attwood Pointe Apts.	-	\$656/50% (6/0) \$741/60% (16/0)	\$748/50% (5/0) \$883/60% (25/0)	None
4	Cambridge Court Apts.	-	\$687/50% (20/0) \$787/60% (12/0)	\$789/50% (23/0) \$989/60% (9/0)	None
6	Coit Village	-	\$698/50% (12/0) \$791/60% (18/0)	\$804/50% (12/0) \$893/60% (18/0)	None
16	Lakota Crossing	\$578/50% (4/0)	\$695/50% (37/0) \$775/60% (3/0)	\$798/50% (26/0) \$888/60% (2/0)	None
18	McGowan Commons	-	\$656/50% (18/0)	\$757/50% (18/0)	None
19	Palmetto Station	-	\$695/50% (10/0) \$832/60% (14/0)	\$802/50% (10/0) \$960/60% (14/0)	None

The proposed subject gross rents targeting households earning up to 60% of AMHI range from \$256 to \$943 and will be within the range of the rents being achieved at the comparable LIHTC properties targeting similar income levels. Given that all LIHTC projects are fully occupied with a waiting list, it is likely that these projects could charge higher rents without having a significant adverse impact on their marketability. Although the subject's 70% of AMHI rent will be the highest rent among the comparable LIHTC properties, this is to be expected given the higher income targeting level. Overall, we believe the proposed subject rents are appropriately positioned within the Florence Site PMA.

Also note that the subject development will be the only LIHTC development targeting households earning up to 20% and 70% of AMHI. This will position the project at a market advantage, as it will provide an affordable rental housing alternative to low-income households that are currently underserved within the Site PMA.

Based on information obtained at the time of our survey, five of the comparable LIHTC properties experienced rent growth over the past year. According to management of these properties, rent growth over the past year has ranged from 2.7% to 9.9%, depending upon unit type. This is considered good to significant rent growth and is further indication of the strength of the LIHTC market within the Florence Site PMA. This is particularly true when considering the strong occupancy rates and waiting lists maintained at these properties following these rent increases.

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

1 Attwood Pointe Apts. 1.5 miles to site



Address: 155 W. Attwood Ave., Florence, SC 29501
 Phone: (843) 259-4194 Contact: Keebie (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 52 Year Built: 2018
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2
 Waitlist: 300 HH
 Rent Special: None

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

Notes: Tax Credit; Preleasing 4/2018, opened 7/2018, 100% occupied 10/2018



Features And Utilities

Utility Schedule Provided by: Housing Authority of Florence
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

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

Property Amenities: Bike Racks / Storage; Business Center (Computer, Copy); Clubhouse, Community Room; Courtyard; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Grill, Playground); Social Services (Social Services Coordinator); WiFi

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	6	0	1,198 - 1,210	\$0.46 - \$0.45	\$550	50%
2	2	G	16	0	1,198 - 1,210	\$0.53 - \$0.52	\$635	60%
3	2	G	5	0	1,349 - 1,376	\$0.46 - \$0.45	\$615	50%
3	2	G	25	0	1,349 - 1,376	\$0.56 - \$0.55	\$750	60%

*Adaptive Reuse

*DTS is based on drive time

4 Cambridge Court Apts. 2.1 miles to site



Address: 550 W. Darlington St., Florence, SC 29501
 Phone: (843) 413-0586 Contact: Jerrick (In Person)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 64 Year Built: 2003
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2,3
 Waitlist: 300 HH
 Rent Special: None

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

Notes: Tax Credit; HOME Funds (32 units)



Features And Utilities

Utility Schedule Provided by: Housing Authority of Florence

Utility Type & Responsibility: Landlord pays Trash

Unit Amenities: Dishwasher; Disposal; Range; Refrigerator; Central AC; Balcony; Deck / Patio; Ceiling Fan; W/D Hookup; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite)

Property Amenities: Concierge Services (Package Receiving); On-Site Management; Recreation Areas (Playground); Extra Storage

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	20	0	900	\$0.59	\$530	50%
2	2	G	12	0	900	\$0.70	\$630	60%
3	2	G	23	0	1,000	\$0.60	\$600	50%
3	2	G	9	0	1,000	\$0.80	\$800	60%

*Adaptive Reuse

*DTS is based on drive time

6 Coit Village 1.9 miles to site



Address: 240 W. Darlington St., Florence, SC 29501
 Phone: (843) 662-7008 Contact: Kimberly (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 60 Year Built: 2008
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 3
 Waitlist: 32 HH
 Rent Special: None

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

Notes: Tax Credit

Features And Utilities

Utility Schedule Provided by: Housing Authority of Florence
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

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

Property Amenities: Business Center (Computer, Copy, Fax); Community Room; Gazebo; Laundry Room; On-Site Management; Recreation Areas (Library, Playground); CCTV

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	12	0	950	\$0.62	\$592	50%
2	2	G	18	0	950	\$0.72	\$685	60%
3	2	G	12	0	1,100	\$0.61	\$671	50%
3	2	G	18	0	1,100	\$0.69	\$760	60%

*Adaptive Reuse

*DTS is based on drive time

16 Lakota Crossing 1.3 miles to site



Address: 1741 Lakota Dr., Florence, SC 29501
 Phone: (843) 664-9030 Contact: Shamonte (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 72 Year Built: 2004
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 1
 Waitlist: 117 HH
 Rent Special: None

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

Notes: Tax Credit; HOME Funds (72 units)



Features And Utilities

Utility Schedule Provided by: Housing Authority of Florence
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

Unit Amenities: Dishwasher; Icemaker; Range; Refrigerator; Central AC; Deck / Patio; Ceiling Fan; Controlled Access; W/D Hookup; Walk-In Closet; Window Treatments; Flooring (Carpet, Vinyl)

Property Amenities: Business Center (Computer, Copy); Community Room; Gazebo; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Playground); WiFi

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	4	0	750	\$0.66	\$493	50%
2	1	G	37	0	950	\$0.62	\$589	50%
2	1	G	3	0	950	\$0.70	\$669	60%
3	2	G	26	0	1,100	\$0.60	\$665	50%
3	2	G	2	0	1,100	\$0.69	\$755	60%

*Adaptive Reuse

*DTS is based on drive time

18 McGowan Commons 3.5 miles to site



Address: 709 Mechanic St, Florence, SC 29506
 Phone: (843) 317-6736 Contact: Verlie
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 36 Year Built: 2012
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 1-2
 Waitlist: 18 HH
 Rent Special: None

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

Notes: Tax Credit

Features And Utilities

Utility Schedule Provided by: Housing Authority of Florence

Utility Type & Responsibility: Landlord pays 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, Copy, Fax); Activity-Craft Room, Community Room; Gazebo; Laundry Room; On-Site Management; Recreation Areas (Playground); CCTV; Extra Storage

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2.5	T	18	0	954	\$0.52	\$499	50%
3	2	T	18	0	1,240	\$0.46	\$568	50%

*Adaptive Reuse

*DTS is based on drive time

19 Palmetto Station 2.6 miles to site



Address: 2401 Freedom Blvd., Florence, SC 29505
 Phone: (843) 407-5031 Contact: Sabrina (In Person)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 48 Year Built: 2014
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2
 Waitlist: 6 HH
 Rent Special: None

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

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Housing Authority of Florence

Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

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

Property Amenities: Business Center (Computer, Copy, Fax); Clubhouse; Gazebo; Laundry Room; On-Site Management; Recreation Areas (Grill, Picnic Table / Area, Playground)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	10	0	1,074	\$0.55	\$589	50%
2	2	G	14	0	1,074	\$0.68	\$726	60%
3	2	G	10	0	1,235	\$0.54	\$669	50%
3	2	G	14	0	1,235	\$0.67	\$827	60%

*Adaptive Reuse

*DTS is based on drive time

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.
Site	Indigo Townes	-	1,108 - 1,124	1,381 - 1,391
1	Attwood Pointe Apts.	-	1,198 - 1,210	1,349 - 1,376
4	Cambridge Court Apts.	-	900	1,000
6	Coit Village	-	950	1,100
16	Lakota Crossing	750	950	1,100
18	McGowan Commons	-	954	1,240
19	Palmetto Station	-	1,074	1,235

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Indigo Townes	-	1.5	2.0
1	Attwood Pointe Apts.	-	2.0	2.0
4	Cambridge Court Apts.	-	2.0	2.0
6	Coit Village	-	2.0	2.0
16	Lakota Crossing	1.0	1.0	2.0
18	McGowan Commons	-	2.5	2.0
19	Palmetto Station	-	2.0	2.0

The proposed development will be competitive with the existing LIHTC projects in the market based on unit size (square footage) and the number of baths offered.

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

Tax Credit Unit Amenities by Map ID								
	Site*	1	4	6	16	18	19	
Appliances	Dishwasher	X	X	X	X	X	X	X
	Disposal	X		X	X		X	X
	Icemaker	X	X		X	X	X	X
	Microwave	X	X		X		X	X
	Range	X	X	X	X	X	X	X
	Refrigerator	X	X	X	X	X	X	X
	No Appliances							
Unit Amenities	AC-Central	X	X	X	X	X	X	X
	AC-Other							
	Balcony	X	X	X			X	
	Deck / Patio	X	X	X		S	X	
	Basement							
	Ceiling Fan	X	X	X	X	X	X	X
	Controlled Access					X		
	E-Call System							
	Fireplace							
	Furnished							
	Security System							
	Sunroom							
	W/D Hookup	X	X	X	X	X	X	X
	W/D							
	Walk-In Closet	X	X	X		X		
Window Treatments	X	X	X	X	X	X	X	
Flooring	Carpet	X	X	X	X	X	X	X
	Ceramic Tile							
	Composite (VCT)(LVT)	X		X	X			
	Hardwood							
	Finished Concrete							
	Vinyl		X			X	X	X
Wood Laminate / Plank		X						
Upgraded	Premium Appliances							
	Premium Countertops							
	Premium Cabinetry							
	Premium Fixtures							
	High Ceilings							
	Vaulted Ceilings							
	Crown Molding							
	Oversized Windows							
Parking	Attached Garage							
	Detached Garage							
	Street Parking							
	Surface Lot	X	X	X	X	X	X	X
	Carport							
	Property Parking Garage							
	Podium Parking							
No Provided Parking								

◆ - Senior Property

* Proposed Site(s): Indigo Townes

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

** Details in Comparable Property Profile Report

Continued on Next Page

Tax Credit Property Amenities by Map ID

	Site*	1	4	6	16	18	19	
Bike Racks / Storage		X						
Business Center **	X	X		X	X	X	X	
Car Care **								
Common Patio								
Community Garden								
Community Space	Activity / Craft Room					X		
	Chapel							
	Clubhouse		X				X	
	Conference Room							
	Community Kitchen	X						
	Community Room	X	X		X	X	X	
	Dining Room - Private							
	Dining Room - Public							
	Rooftop Lounge							
	Study Lounge							
	TV Lounge							
	Concierge Service **			X				
	Convenience Amenities **							
Courtyard		X						
Covered Outdoor Area **	X			X	X	X	X	
Elevator								
Laundry Room	X	X		X	X	X	X	
Meals								
On-Site Management	X	X	X	X	X	X	X	
Pet Care **								
Recreation	Basketball							
	Bocce Ball							
	Firepit							
	Fitness Center	X	X			X		
	Grill		X				X	
	Game Room - Billiards							
	Hiking - Walking Trail							
	Hot Tub							
	Library				X			
	Media Room / Theater							
	Picnic Table / Area						X	
	Playground	X	X	X	X	X	X	X
	Putting Green							
	Racquetball							
	Shuffleboard							
	Sports Court							
	Swimming Pool - Indoor							
	Swimming Pool - Outdoor							
	Tennis							
	Volleyball							
Security	CCTV	X			X	X		
	Courtesy Officer							
	Gated Community							
	Gated Parking							
	Police Substation							
	Social Services **		X					
	Storage - Extra			X			X	
	Water Feature							
WiFi		X			X			

◆ - Senior Property

* Proposed Site(s): Indigo Townes

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

** Details in Comparable Property Profile Report

The subject property will offer a comprehensive unit amenity package which will include key features such as dishwashers, microwaves, washer/dryer hookups, patio/balcony, and walk-closets. The community amenity package will feature on-site management, a community room with kitchen, computer center, laundry room, fitness center and playground. Overall, the subject's amenity package is expected to have a positive impact on its overall marketability within the Florence market and does not lack any key amenities that would adversely impact marketability.

Comparable/Competitive Tax Credit Summary

The six comparable LIHTC properties surveyed in the Florence Site PMA are 100.0% occupied and maintain waiting lists of up to 300 households for their next available unit. The newest of the LIHTC properties, Attwood Pointe Apartments, opened in July of 2018 and reached 100.0% occupancy by October of 2018. This further demonstrates the strong demand for LIHTC product in the market.

The subject's proposed gross Tax Credit rents are competitive with those reported among existing product in the Site PMA. The property will also be very competitive in terms of unit design (square feet and number of bathrooms) and amenities offered. Overall, the subject property is considered marketable and will represent a good value to low-income renters within the Florence Site PMA.

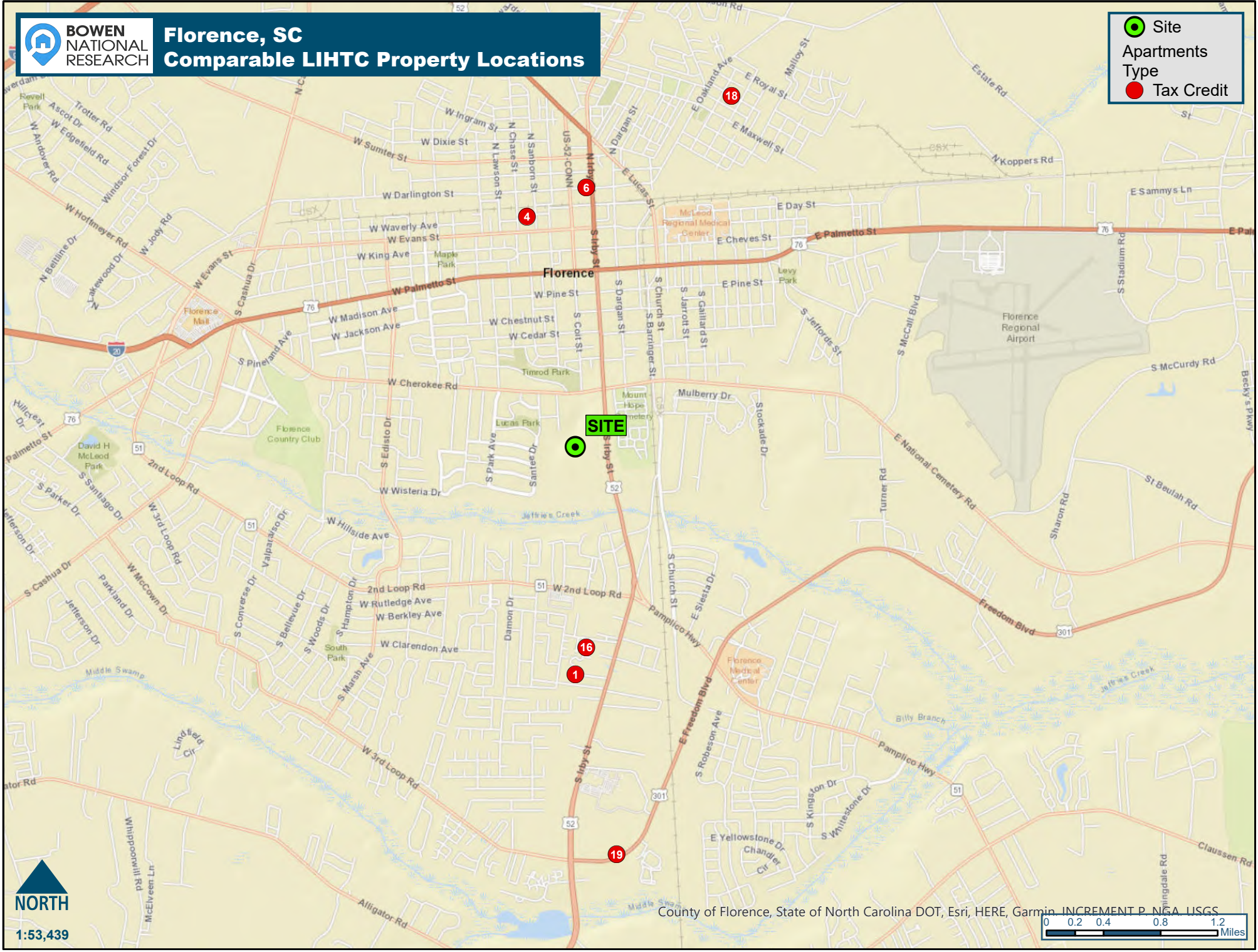
2. COMPARABLE TAX CREDIT PROPERTIES MAP

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



Florence, SC Comparable LIHTC Property Locations

- Site
- Apartments
- Tax Credit



1:53,439

3. RENTAL HOUSING OVERVIEW

The distributions of the area housing stock within the Florence Site PMA in 2010 and 2020 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2020 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	26,534	90.1%	27,754	88.5%
Owner-Occupied	16,624	62.7%	17,223	62.1%
Renter-Occupied	9,910	37.3%	10,532	37.9%
Vacant	2,901	9.9%	3,623	11.5%
Total	29,435	100.0%	31,377	100.0%

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

Based on a 2020 update of the 2010 Census, of the 31,377 total housing units in the market, 11.5% were vacant. In 2020, it was estimated that homeowners occupied 62.1% of all occupied housing units, while the remaining 37.9% were occupied by renters.

Conventional Apartments

We identified and personally surveyed 25 conventional housing projects containing a total of 2,210 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 99.1%, a strong rate for rental housing. Each rental housing segment surveyed is summarized in the following table:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	16	1,741	20	98.9%
Tax Credit	9	469	0	100.0%
Total	25	2,210	20	99.1%

As the preceding illustrates, we identified and surveyed 25 market-rate and non-subsidized Tax Credit properties in the Florence market. Each of these segments are performing well with occupancy rates of 98.9% and 100.0%, respectively. It is also of note that all non-subsidized Tax Credit properties surveyed maintain waiting lists for their next available units, a clear indication of pent-up demand for such product within the Florence Site PMA.

Tax Credit Property Disclosure: In addition to the nine non-subsidized Tax Credit properties surveyed, we are also aware of one additional Tax Credit properties in the Florence Site PMA. This property, Indigo Pointe was built in 2016 and is age-restricted to seniors age 55 and older. Therefore, this property has not been included in our analysis as it is not considered comparable to/competitive with the proposed subject property which will be general-occupancy. This is particularly true when considering the subject property will offer only two- and three-bedroom units which are generally less desirable among senior households, relative to properties which offer one- and two-bedroom units.

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	355	20.4%	3	0.8%	\$1,168
Two-Bedroom	1.0	128	7.4%	0	0.0%	\$878
Two-Bedroom	1.5	96	5.5%	0	0.0%	\$873
Two-Bedroom	2.0	891	51.2%	17	1.9%	\$1,131
Two-Bedroom	2.5	8	0.5%	0	0.0%	\$1,158
Three-Bedroom	2.0	237	13.6%	0	0.0%	\$1,358
Three-Bedroom	2.5	26	1.5%	0	0.0%	\$1,705
Total Market-Rate		1,741	100.0%	20	1.1%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	24	5.1%	0	0.0%	\$595
Two-Bedroom	1.0	40	8.5%	0	0.0%	\$695
Two-Bedroom	2.0	225	48.0%	0	0.0%	\$733
Two-Bedroom	2.5	18	3.8%	0	0.0%	\$656
Three-Bedroom	2.0	162	34.5%	0	0.0%	\$802
Total Tax Credit		469	100.0%	0	0.0%	-

The majority of non-subsidized Tax Credit units offered among the general-occupancy properties surveyed are two- and three-bedroom units, as one-bedroom units comprise 5.1% of the 469 Tax Credit units surveyed. Considering the 100.0% occupancy rate reported for non-subsidized Tax Credit product, it is clear that product type similar to that proposed for the subject property (two- and three-bedroom units) is in high demand within the Florence Site PMA. Also note the median gross Tax Credit rents reported in the preceding table as they are positioned well below those reported for similar unrestricted market-rate product. This demonstrates the value non-subsidized Tax Credit product represents within this market.

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	0	0	0.0%
1970 to 1979	2	152	0.0%
1980 to 1989	5	604	0.2%
1990 to 1999	1	48	2.1%
2000 to 2009	5	632	1.1%
2010 to 2014	4	264	4.2%
2015	0	0	0.0%
2016	1	83	0.0%
2017	2	98	0.0%
2018	3	272	0.0%
2019	1	49	0.0%
2020	1	8	0.0%
2021*	0	0	0.0%

*As of March

Vacancy rates do not exceed 4.2% regardless of age. As such, there is not likely a correlation between age and vacancies in this market.

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
A	3	271	0.0%
A-	1	50	0.0%
B+	3	448	3.6%
B	5	492	0.8%
B-	2	160	0.0%
C+	1	272	0.0%
C	1	48	0.0%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	7	345	0.0%
B	2	124	0.0%

Non-subsidized Tax Credit product surveyed in the Site PMA is generally of good to very good condition/quality, as indicated by the quality ratings assigned by our analyst. The quality of these properties has likely contributed to the 0.0% vacancy rates reported. The subject property is expected to have a very good overall quality upon completion, which is expected to have a positive impact on the subject's overall marketability.

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

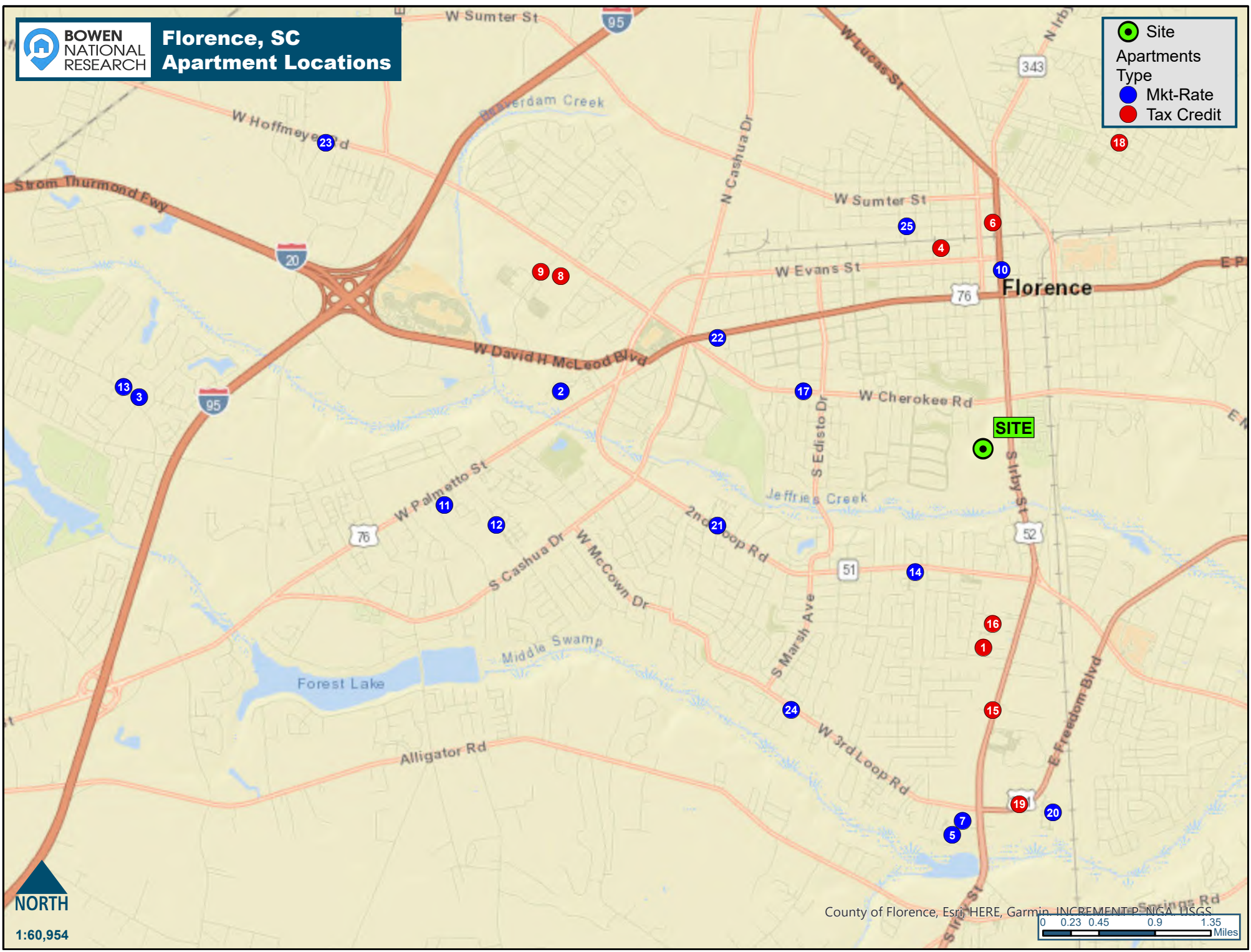
4. RENTAL HOUSING INVENTORY MAP

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



Florence, SC Apartment Locations

● Site
 Apartments Type
● Mkt-Rate
● Tax Credit



NORTH
 1:60,954

County of Florence, Esri, HERE, Garmin, INCREMENT P, NGA, USGS
 0 0.23 0.45 0.9 1.35 Miles

5. & 6. PLANNED AND PROPOSED DEVELOPMENTS

Based on our interviews with planning representatives, it was determined that there are five rental housing projects in the development pipeline within the Site PMA, which are summarized as follows:

- Waterchase Apartments, located at 3220 Hoffmeyer Road, is a 336-unit multifamily market-rate community that currently has 180 units completed and 156 units under construction. Once complete, there will be a total of 192 two-bedroom/two-bath units at 1,095 square feet and 144 three-bedroom/two-bath units at 1,325 square feet. All floor plans are garden style and the rents are \$1,050 to \$1,100 for a two-bedroom unit and \$1,275 to \$1,325 for a three-bedroom unit. The first units came online in October of 2018. It is unknown when the remaining 156 units will be online. The project was originally anticipated to be complete in January 2021; however, the project is delayed due to lumber price increases. This property has been included in our Field Survey of Conventional Rentals.
- Millstone Place Apartments is a proposed 72-unit project to be located at the corner of Millstone Road and South Irby Road in Florence. The project is currently under review for permitting and is proposed by Power's Construction Group. When complete, at an unknown time, the project will contain a mix of two- and three-bedroom market-rate units. Additional details of this project were unavailable at the time of this analysis.
- The Grove Townhomes, to be located off Pine Needles Road in Florence, is a currently under construction 141-unit project. Six of the total sixteen buildings are expected to be complete by the summer of 2020, with the remainder opening in phases after that. This project is market-rate and will consist of two- and three-bedroom townhomes when completed.
- The Belmont, to be located at 719 South Irby Street in Florence, is a planned LIHTC project that was allocated in 2019. There will be 40 two- and three-bedroom units. The two-bedroom units will have two baths and 1,004 square feet. Two of the units will be set at 50% AMHI and 14 units will be set at 60% AMHI. The three-bedroom units will have two baths and 1,178 square feet. Six of the units will be set at 50% AMHI and 18 of the units will be set at 60% AMHI. The developer is Progress Carolina, LLC and as of April 2021, the project is almost completed.
- Attwood Pointe Apartments, Phase II, AKA Magnolia Pointe Apartments and Mission Village of Florence, to be located at 154 & 158 West Attwood Drive in Florence, is a planned 24-unit project being developed by CDC SC, LLC. The project is for seniors and is expected to be completed in spring 2021.

Considering only Belmont will offer unit types that are similar to the subject site (two- and three-bedroom Tax Credit units), only these units will have competitive overlap with the subject site. The units at this project have been considered in our demand estimates in *Section G*.

7. MARKET ADVANTAGE

Per the direction of the SC Housing, the subject’s market advantage must be based on current HUD Fair Market Rents (FMRs) for the statistical area the site is located.

The current (2021) HUD FMRs within the Florence, South Carolina HUD Metro FMR Area are \$809 for a two-bedroom unit and \$1,024 for a three-bedroom unit. The following table illustrates the subject project’s market advantages when compared to FMRs for the area:

Bedroom Type	% AMHI	Proposed Collected Rent	Fair Market Rent	Market Advantage
Two-Br.	20%	\$70	\$809	91.35%
Two-Br.	60%	\$630	\$809	22.13%
Two-Br.	70%	\$765	\$809	5.44%
Three-Br.	20%	\$70	\$1,024	93.16%
Three-Br.	50%	\$540	\$1,024	47.27%
Three-Br.	60%	\$700	\$1,024	31.64%
Weighted Average				33.98%

As the preceding illustrates, the subject’s market advantages range between 5.44% and 93.16%, when compared to the area’s HUD FMRs. The weighted average market advantage is 33.98%. As such, the subject project will represent a substantial value to low-income households.

8. AFFORDABLE HOUSING IMPACT

Given that all affordable rental communities surveyed within the market are occupied and maintain a waiting list, this illustrates that there is pent-up demand for additional LIHTC product in this market and the development of the subject project is expected to alleviate a portion of this pent-up demand.

9. OTHER HOUSING OPTIONS (BUY VERSUS RENT)

According to ESRI, the median home value within the Site PMA was \$183,690. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$183,690 home is \$1,105, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$183,690
Mortgaged Value = 95% of Median Home Price	\$174,506
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$884
Estimated Taxes and Insurance*	\$221
Estimated Monthly Mortgage Payment	\$1,105

*Estimated at 25% of principal and interest

In comparison, the collected Tax Credit rents for the subject property range from \$70 to \$765 per month. Therefore, the cost of a monthly mortgage for a typical home in the area is at least \$340 more than the cost of renting at the subject project. Therefore, we do not anticipate any competitive impact on or from the homebuyer market.

10. HOUSING VOIDS

As noted throughout this section of the report, all affordable rental communities surveyed in the market are fully occupied and maintain a waiting list, illustrating that pent-up demand exists for additional affordable rental housing. The subject development will fill a rental housing void within the Site PMA.

I. Interviews

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

- Jerrick Brown is the Leasing Manager at Cambridge Court (Map ID 4), a comparable Tax Credit property in the central portion of the Site PMA. Mr. Brown stated that the demand for more affordable housing in Florence is very high, noting that the COVID-19 pandemic has exacerbated the demand further. Mr. Brown noted that the majority of calls his property receives are from residents seeking project-based Section 8 housing and added that new properties offering this form of rental assistance are no longer built in Florence. Mr. Brown's property is also 100.0% occupied with a 300-household waiting list. (843) 413-0586
- Kimberly Brockington is the Property Manager at Coit Village (Map ID 6), a comparable Tax Credit property in the central portion of the Site PMA. Ms. Brockington stated that there is a very high demand for more affordable housing in Florence, noting that the average incomes of Florence residents have not increased alongside the rapidly increasing rents of local market-rate properties. Additionally, Ms. Brockington's property is 100.0% occupied with a 32-household waiting list. (843) 662-7008

J. Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 60 units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

The proposed subject gross rents, ranging from \$256 to \$951, will be competitive with the rents being achieved at the comparable LIHTC properties targeting similar income levels. Given that all LIHTC projects are fully occupied with a waiting list, it is likely that these projects could charge higher rents without having a significant adverse impact on their marketability. Overall, we believe the proposed subject rents are appropriately positioned within the Florence Site PMA. In fact, based on our achievable market rent analysis illustrated later in *Addendum C* of this report, the proposed rents should be perceived as substantial values within the Florence Site PMA.

As noted, the six comparable LIHTC projects have a combined occupancy rate of 100.0% and all six of the properties maintain a waiting list for their next available unit. This illustrates that pent-up demand exists for additional affordable rental housing within the market. As shown in the Project Specific Demand Analysis section of this report, with an overall Tax Credit capture rate of 5.7% (SC Housing maximum threshold is 30%), there is a good amount of support for the subject development within the Florence Site PMA. Therefore, it is our opinion that the subject project will have no significant impact on the existing non-subsidized Tax Credit development in the Site PMA. 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 South Carolina (SC) Housing'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 SC Housing's market study requirements. The information included is accurate and can be relied upon by SC Housing to present a true assessment of the low-income housing rental market.

Certified:



Jeff Peters (Primary Contact)
Market Analyst
jeffp@bowennational.com
Date: April 27, 2021



Nathan Stelts
Market Analyst
nathans@bowennational.com
Date: April 27, 2021



Patrick M. Bowen
President/Market Analyst
Bowen National Research
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Date: April 27, 2021

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

Craig Rupert, Market Analyst, has conducted more than 1,000 market feasibility studies throughout the United States since 2010, within both urban and rural markets as well as on various tribal reservations. Mr. Rupert has prepared market studies for numerous types of housing including market-rate, Tax Credit, and various government-subsidized rental product, for-sale product, senior living (assisted living, nursing care, etc.), as well as market studies for retail/commercial space. Market studies prepared by Mr. Rupert have been used for submittal as part of state finance agency Tax Credit and HUD 221 (d)(4) applications, as well as various other financing applications submitted to local, regional, and national-level lenders/financial institutions. Mr. Rupert has a bachelor's 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.

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.

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.

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.

Sidney McCrary, Market Analyst, is experienced in the on-site analysis of residential and commercial properties. He has the ability to analyze a site's location in relation to community services, competitive properties and the ease of access and visibility. Mr. McCrary has a Bachelor of Science in Business Administration from Ohio Dominican University.

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.

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.

Jonathan Kabat, 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. Kabat graduated from The Ohio State University with a Bachelor of Art in History and a minor in Geography.

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.

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.

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.

M. Methodologies, Disclaimers & Sources

This market feasibility analysis complies with the requirements established by South Carolina (SC) Housing 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 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 subject property. The information in this survey was collected through a variety of methods, including phone surveys, in-person visits, email and fax. The contact person for each property is listed in *Addendum A: Field Survey of Conventional Rentals*.

- 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 SC's Housing'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 SC Housing; 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
- SC Housing

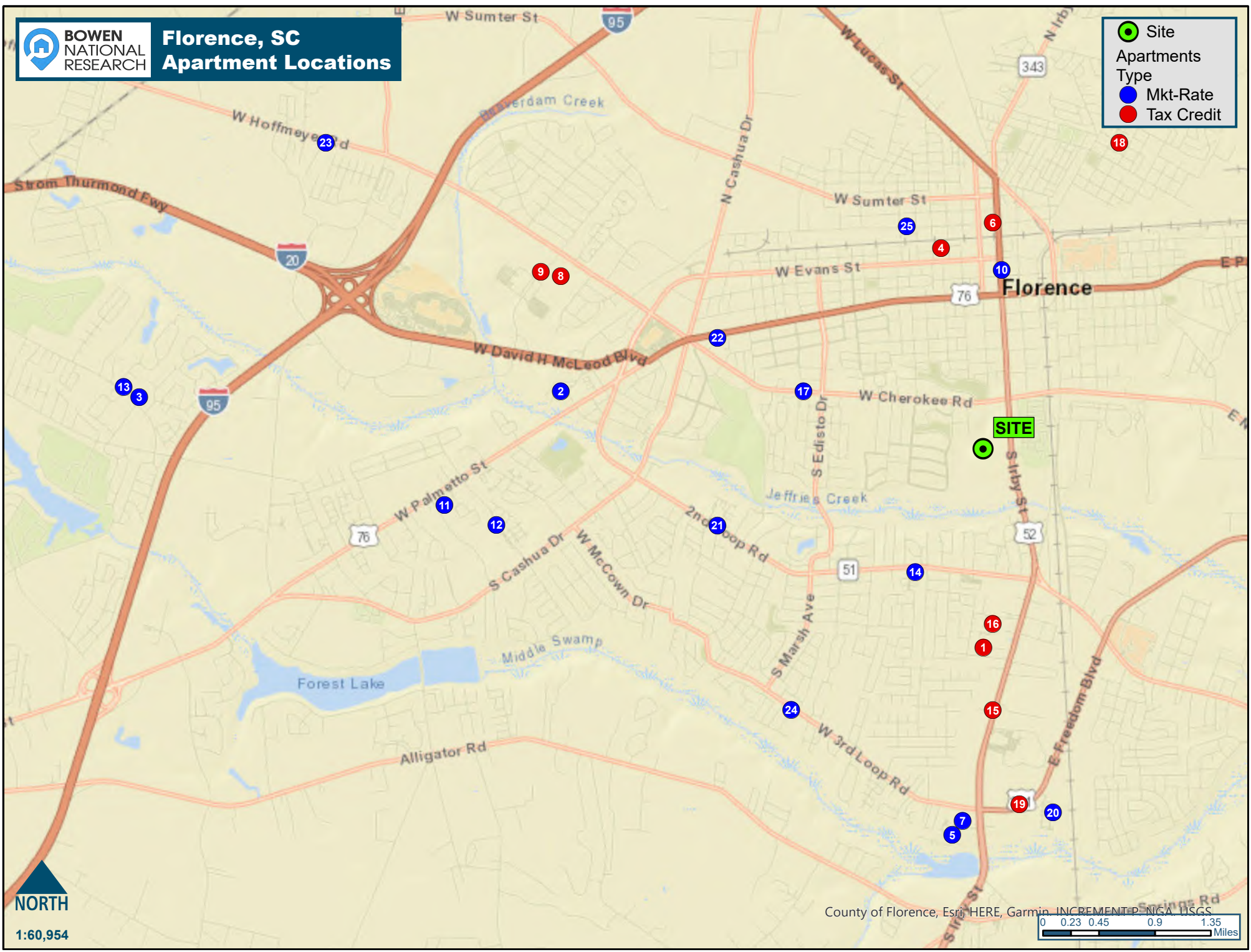
ADDENDUM A:

FIELD SURVEY OF CONVENTIONAL RENTALS



Florence, SC Apartment Locations

● Site
 Apartments Type
● Mkt-Rate
● Tax Credit



NORTH
 1:60,954


County of Florence, Esri, HERE, Garmin, INCREMENT P, NGA, USGS
 0 0.23 0.45 0.9 1.35 Miles


Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
✓ 1	Attwood Pointe Apts.	TAX	B+	2018	52	0	100.0%	1.5
2	Bentree Apartment Homes	MRR	B	1982	132	0	100.0%	4.4
3	Cambridge Apts.	MRR	B	1987	112	1	99.1%	8.1
✓ 4	Cambridge Court Apts.	TAX	B	2003	64	0	100.0%	2.1
✓ 5	Charles Pointe	MRR	B	2001	168	2	98.8%	2.8
✓ 6	Coit Village	TAX	B	2008	60	0	100.0%	1.9
7	Columns at Millstone	MRR	B+	2010	60	0	100.0%	2.6
◆ 8	Crescent Villas I	TAX	B+	2017	48	0	100.0%	3.9
◆ 9	Crescent Villas II	TAX	B+	2019	49	0	100.0%	4.2
✓ 10	Emerson	MRR	A	2016	83	0	100.0%	1.6
11	Festival Townhomes	MRR	A	2020	8	0	100.0%	5.4
12	Gate Line Woodlake Apts.	MRR	B+	2014	120	11	90.8%	4.8
13	Hunters Glen Apts.	MRR	B	1995	48	1	97.9%	8.2
14	Huntington Place Apts.	MRR	B-	1988	56	0	100.0%	1.5
◆ 15	Irby Senior Village	TAX	B+	2018	40	0	100.0%	1.7
✓ 16	Lakota Crossing	TAX	B+	2004	72	0	100.0%	1.3
✓ 17	Landmark Woods	MRR	B-	1974	104	0	100.0%	2.1
✓ 18	McGowan Commons	TAX	B+	2012	36	0	100.0%	3.5
✓ 19	Palmetto Station	TAX	B+	2014	48	0	100.0%	2.6
✓ 20	Reserve at Mill Creek	MRR	B+	2008	268	5	98.1%	2.7
21	Sedgefield	MRR	C+	1980	272	0	100.0%	2.9
22	Village Square Apts.	MRR	B	1986	32	0	100.0%	3.0
✓ 23	Waterchase Apts.	MRR	A	2018	180	0	100.0%	5.7
24	Waxwing Townhomes	MRR	A-	2017	50	0	100.0%	3.3
25	Wyndham Place Apts.	MRR	C	1970	48	0	100.0%	2.5


*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 & Government-Subsidized	(ING) Income-Restricted (not LIHTC) & Government-Subsidized
(MRT) Market-Rate & Tax Credit	(TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)	(GSS) Government-Subsidized
(MRG) Market-Rate & Government-Subsidized	(TIN) Tax Credit & Income-Restricted (not LIHTC)	(ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
(MIN) Market-Rate & Income-Restricted (not LIHTC)	(TMG) Tax Credit, Market-Rate & Government-Subsidized	




1	Attwood Pointe Apts. 155 W. Attwood Ave., Florence, SC 29501	Contact: Keebie Phone: (843) 259-4194
		<p>Total Units: 52 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2018 BR: 2, 3 Vacant Units: 0 Waitlist: 300 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; Preleasing 4/2018, opened 7/2018, 100% occupied 10/2018</p>


2	Bentree Apartment Homes 200 Bentree Ln, Florence, SC 29501	Contact: Bernard Phone: (843) 669-5399
		<p>Total Units: 132 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1982 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 16 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Higher rent for renovated units</p>

3	Cambridge Apts. 3703 Southborough Rd., Florence, SC 29501	Contact: Elizabeth Phone: (844) 390-7831
		<p>Total Units: 112 UC: 0 Occupancy: 99.1% Stories: 2 Year Built: 1987 BR: 2 Vacant Units: 1 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:</p>




4	Cambridge Court Apts. 550 W. Darlington St., Florence, SC 29501	Contact: Jerrick Phone: (843) 413-0586
		<p>Total Units: 64 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 2003 BR: 2, 3 Vacant Units: 0 Waitlist: 300 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; HOME Funds (32 units)</p>




5	Charles Pointe 201 Millstone Rd, Florence, SC 29505	Contact: Cindy Phone: (843) 661-0111
		<p>Total Units: 168 UC: 0 Occupancy: 98.8% Stories: 3 Year Built: 2001 BR: 1, 2, 3 Vacant Units: 2 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range due to ongoing remodeling by unit & 1st-floor units are an additional \$20</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 & Government-Subsidized	(ING) Income-Restricted (not LIHTC) & Government-Subsidized
(MRT) Market-Rate & Tax Credit	(TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)	(GSS) Government-Subsidized
(MRG) Market-Rate & Government-Subsidized	(TIN) Tax Credit & Income-Restricted (not LIHTC)	(ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
(MIN) Market-Rate & Income-Restricted (not LIHTC)	(TMG) Tax Credit, Market-Rate & Government-Subsidized	




6	Coit Village 240 W. Darlington St., Florence, SC 29501	Contact: Kimberly Phone: (843) 662-7008
	 <p>Total Units: 60 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 2008 BR: 2, 3 Vacant Units: 0 Waitlist: 32 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit</p>	

7	Columns at Millstone 155 Millstone RD., Florence, SC 29501	Contact: Danielle Phone: (843) 667-4900
	 <p>Total Units: 60 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 2010 BR: 2 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:</p>	




8	Crescent Villas I 2424 Hoffmeyer Rd, Florence, SC 29501	Contact: Makeshia Phone: (843) 407-6688
	 <p>Total Units: 48 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 2017 BR: 2 Vacant Units: 0 Waitlist: 10 HH AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit; Preleasing 11/2016, opened & 100% occupied 1/2017</p>	

























9	Crescent Villas II 326 N Beltline Dr, Florence, SC 18488	Contact: Makeshia Phone: (843) 407-6688
	 <p>Total Units: 49 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 2019 BR: 1, 2 Vacant Units: 0 Waitlist: 6 HH AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit</p>	




10	Emerson 150 S Irby St, Florence, SC 29501	Contact: Kristin Phone: (833) 610-2777
	 <p>Total Units: 83 UC: 0 Occupancy: 100.0% Stories: 4 w/Elevator Year Built: 2016 BR: 1, 2 Vacant Units: 0 Waitlist: 20 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:</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 & Government-Subsidized	(ING) Income-Restricted (not LIHTC) & Government-Subsidized
(MRT) Market-Rate & Tax Credit	(TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)	(GSS) Government-Subsidized
(MRG) Market-Rate & Government-Subsidized	(TIN) Tax Credit & Income-Restricted (not LIHTC)	(ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
(MIN) Market-Rate & Income-Restricted (not LIHTC)	(TMG) Tax Credit, Market-Rate & Government-Subsidized	


11	Festival Townhomes S Festival Dr, Florence, SC 29501	Contact: Jean Phone: (843) 662-2557
	Total Units: 8 UC: 8 Occupancy: 100.0% Stories: 2 Year Built: 2020 BR: 2 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: 8 additional units UC, unknown completion date	
12	Gate Line Woodlake Apts. 1347 Jefferson Dr., Florence, SC 29501	Contact: Anna Phone: (866) 959-4233
	Total Units: 120 UC: 0 Occupancy: 90.8% Stories: 3 Year Built: 2014 BR: 2, 3 Vacant Units: 11 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range based on unit location	
13	Hunters Glen Apts. 3731 Southborough Rd., Florence, SC 29501	Contact: June Phone: (843) 662-9213
	Total Units: 48 UC: 0 Occupancy: 97.9% Stories: 2 Year Built: 1995 BR: 2 Vacant Units: 1 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:	
14	Huntington Place Apts. 1520 Heritage Ln., Florence, SC 29505	Contact: Bradley Phone: (843) 673-0790
	Total Units: 56 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1988 BR: 2 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range based on unit location	
15	Irby Senior Village 125 Federal Ct., Florence, SC 29501	Contact: Clair Phone: (843) 799-6226
	Total Units: 40 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 2018 BR: 1, 2 Vacant Units: 0 Waitlist: 12 HH AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit; Preleasing 2/2018, opened 5/2018, 100% occupied 7/2018	

 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 & Government-Subsidized	 (ING) Income-Restricted (not LIHTC) & Government-Subsidized
 (MRT) Market-Rate & Tax Credit	 (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)	 (GSS) Government-Subsidized
 (MRG) Market-Rate & Government-Subsidized	 (TIN) Tax Credit & Income-Restricted (not LIHTC)	 (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
 (MIN) Market-Rate & Income-Restricted (not LIHTC)	 (TMG) Tax Credit, Market-Rate & Government-Subsidized	




16	Lakota Crossing 1741 Lakota Dr., Florence, SC 29501	Contact: Shamonte Phone: (843) 664-9030			
		Total Units: 72 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes: Tax Credit; HOME Funds (72 units)	Occupancy: 100.0% Vacant Units: 0	Stories: 1 Waitlist: 117 HH	Year Built: 2004 AR Year: Yr Renovated:




17	Landmark Woods 1400 Cherokee Rd., Florence, SC 29501	Contact: Vanessa Phone: (843) 407-6580			
		Total Units: 104 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes:	Occupancy: 100.0% Vacant Units: 0	Stories: 2 Waitlist: 3-br; 3 HH	Year Built: 1974 AR Year: Yr Renovated:




18	McGowan Commons 709 Mechanic St, Florence, SC 29506	Contact: Verlie Phone: (843) 317-6736			
		Total Units: 36 UC: 0 BR: 2, 3 Target Population: Family Rent Special: None Notes: Tax Credit	Occupancy: 100.0% Vacant Units: 0	Stories: 1-2 Waitlist: 18 HH	Year Built: 2012 AR Year: Yr Renovated:








19	Palmetto Station 2401 Freedom Blvd., Florence, SC 29505	Contact: Sabrina Phone: (843) 407-5031			
		Total Units: 48 UC: 0 BR: 2, 3 Target Population: Family Rent Special: None Notes: Tax Credit	Occupancy: 100.0% Vacant Units: 0	Stories: 2 Waitlist: 6 HH	Year Built: 2014 AR Year: Yr Renovated:



20	Reserve at Mill Creek 2350 Freedom Blvd., Florence, SC 29505	Contact: Megan Phone: (843) 665-5311			
		Total Units: 268 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes: Higher rent for 1st-floor units based on den, view, or upgrades	Occupancy: 98.1% Vacant Units: 5	Stories: 3 Waitlist: None	Year Built: 2008 AR Year: Yr Renovated:

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 & Government-Subsidized	(ING) Income-Restricted (not LIHTC) & Government-Subsidized
(MRT) Market-Rate & Tax Credit	(TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)	(GSS) Government-Subsidized
(MRG) Market-Rate & Government-Subsidized	(TIN) Tax Credit & Income-Restricted (not LIHTC)	(ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
(MIN) Market-Rate & Income-Restricted (not LIHTC)	(TMG) Tax Credit, Market-Rate & Government-Subsidized	

<p>21</p>	<p>Sedgefield 1300 Valparaiso Dr, Florence, SC 29503</p> 	<p>Contact: Jennifer Phone: (843) 667-6063</p>
<p>Total Units: 272 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1980 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 2 mos AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:</p>		
<p>22</p>	<p>Village Square Apts. 314 Rainbow Dr., Florence, SC 29501</p> 	<p>Contact: Bradley Phone: (843) 673-0790</p>
<p>Total Units: 32 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1986 BR: 1, 2 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range based on unit location</p>		
<p>23</p>	<p>Waterchase Apts. 3220 Hoffmeyer Rd. & 202 Westfield Dr., Florence, SC 29501</p> 	<p>Contact: John Phone: (843) 667-4900</p>
<p>Total Units: 180 UC: 156 Occupancy: 100.0% Stories: 3 Year Built: 2018 BR: 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Preleasing & 1st units opened 10/2018; 156 additional units UC, unknown completion date; Rent range based on floor level</p>		
<p>24</p>	<p>Waxwing Townhomes 1185 Waxwing Dr., Florence, SC 29505</p> 	<p>Contact: Tracy Phone: (843) 857-6249</p>
<p>Total Units: 50 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2017 BR: 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:</p>		
<p>25</p>	<p>Wyndham Place Apts. 805 W. Darlington St., Florence, SC 29532</p> 	<p>Contact: Ms. Robinson Phone: (843) 669-6619</p>
<p>Total Units: 48 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1970 BR: 2 Vacant Units: 0 Waitlist: 30 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:</p>		



<p>✓ Comparable Property</p> <p>◆ Senior Restricted</p> <p>■ (MRR) Market-Rate</p> <p>■ (MRT) Market-Rate & Tax Credit</p> <p>■ (MRG) Market-Rate & Government-Subsidized</p> <p>■ (MIN) Market-Rate & Income-Restricted (not LIHTC)</p>	<p>■ (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized</p> <p>■ (TAX) Tax Credit</p> <p>■ (TGS) Tax Credit & Government-Subsidized</p> <p>■ (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)</p> <p>■ (TIN) Tax Credit & Income-Restricted (not LIHTC)</p> <p>■ (TMG) Tax Credit, Market-Rate & Government-Subsidized</p>	<p>■ (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized</p> <p>■ (INR) Income-Restricted (not LIHTC)</p> <p>■ (ING) Income-Restricted (not LIHTC) & Government-Subsidized</p> <p>■ (GSS) Government-Subsidized</p> <p>■ (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted</p>
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Source: Housing Authority of Florence
Effective: 10/2018

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	12	12	14	16	19	19	12	12	14	16	19	19
	+Base Charge	11	11	11	11	11	11	11	11	11	11	11	11
	Bottled Gas	28	28	33	38	44	44	28	28	33	38	44	44
	Electric	18	18	23	27	33	33	18	18	23	27	33	33
	Heat Pump	9	9	11	13	16	16	9	9	11	13	16	16
	Oil	34	34	40	46	54	54	34	34	40	46	54	54
Cooking	Natural Gas	3	3	5	5	6	6	3	3	5	5	6	6
	Bottled Gas	7	7	10	11	14	14	7	7	10	11	14	14
	Electric	6	6	8	9	11	11	6	6	8	9	11	11
Other Electric	25	25	30	36	41	41	25	25	30	36	41	41	
+Base Charge	8	8	8	8	8	8	8	8	8	8	8	8	
Air Conditioning	10	10	13	16	18	18	10	10	13	16	18	18	
Water Heating	Natural Gas	13	13	16	22	29	29	13	13	16	22	29	29
	Bottled Gas	29	29	36	49	63	63	29	29	36	49	63	63
	Electric	18	18	24	37	50	50	18	18	24	37	50	50
	Oil	0	0	0	0	0	0	0	0	0	0	0	0
Water	16	16	19	21	23	23	16	16	19	21	23	23	
Sewer	28	28	32	35	39	39	28	28	32	35	39	39	
Trash Collection	6	6	6	6	6	6	6	6	6	6	6	6	
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
Date: April 27, 2021



Jeff Peters (Primary Contact)
Market Analyst
jeffp@bowennational.com
Date: April 27, 2021

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

CHECKLIST (Continued)

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

CHECKLIST (Continued)

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

Addendum C – Achievable Market Rent Analysis

A. INTRODUCTION

We identified five market-rate properties within the Florence Site PMA that we consider comparable in terms of unit and project amenities to the proposed subject development. These selected properties are used to derive market rent for a project with characteristics similar to the proposed 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 proposed 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 proposed 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 proposed 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 proposed subject development and the five selected properties include the following:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	Indigo Townes	2023	60	-	-	30 (-)	30 (-)
5	Charles Pointe	2001	168	98.8%	42 (95.2%)	114 (100.0%)	12 (100.0%)
10	Emerson	2016	83	100.0%	56 (100.0%)	27 (100.0%)	-
17	Landmark Woods	1974	104	100.0%	24 (100.0%)	56 (100.0%)	24 (100.0%)
20	Reserve at Mill Creek	2008	268	98.1%	122 (99.2%)	122 (96.7%)	24 (100.0%)
23	Waterchase Apts.	2018	180 + 156*	100.0%	-	132 (100.0%)	48 (100.0%)

Occ. – Occupancy

*Units under construction

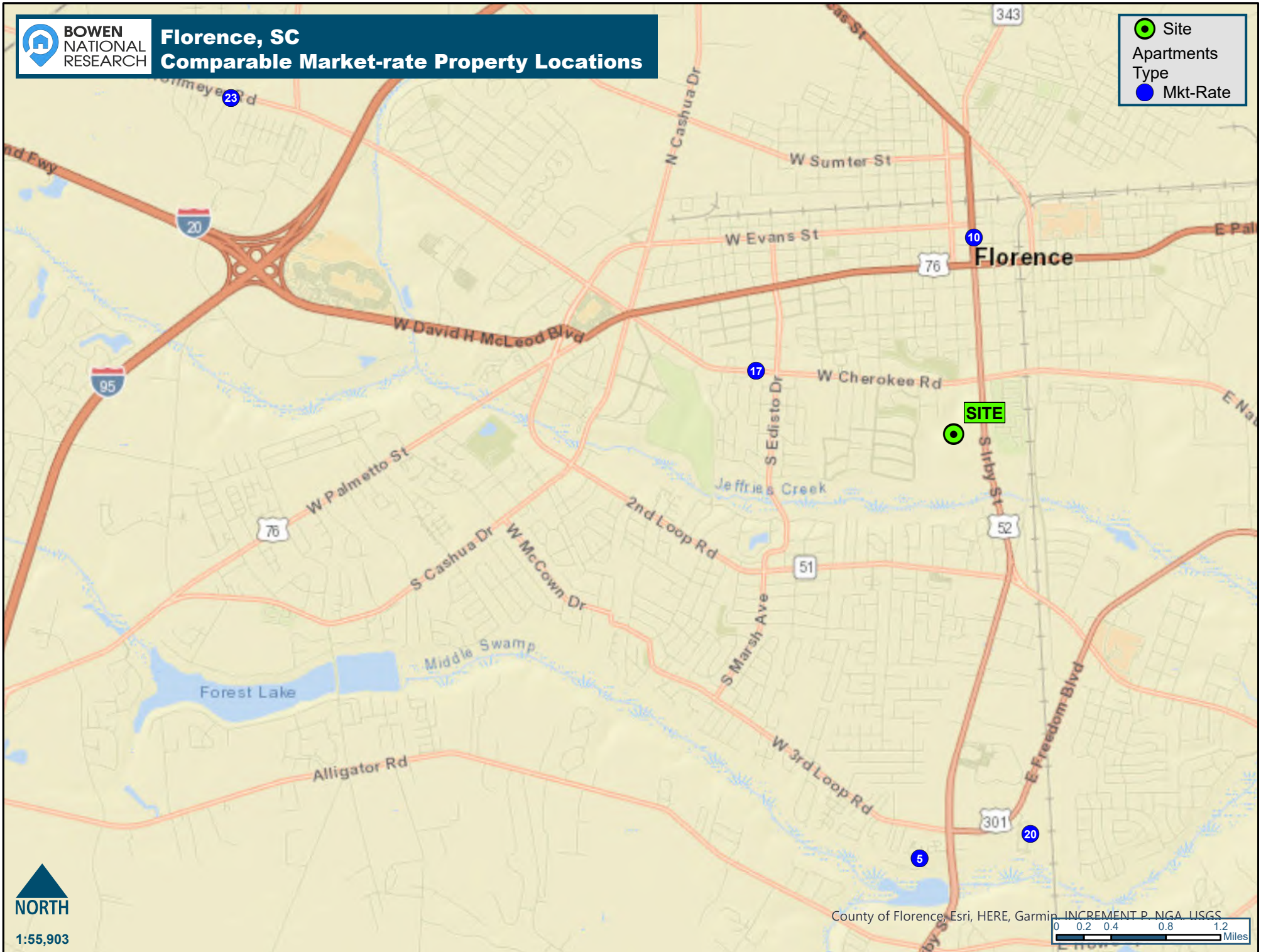
The five selected market-rate projects have a combined total of 803 units with an overall occupancy rate of 99.1%, a strong rate for rental housing. This demonstrates that these comparable properties have been well-received within the market and will serve as accurate benchmarks with which to compare to the subject project.

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 among the selected properties and the proposed subject development. Preceding the Rent Comparability Grids is a map of the comparable market-rate properties in relation to the location of the subject project.



Florence, SC Comparable Market-rate Property Locations

- Site
- Apartments
- Type
- Mkt-Rate



1:55,903

County of Florence, Esri, HERE, Garmin, INCREMENT P, NGA, USGS



Rent Comparability Grid

Unit Type → **TWO-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Indigo Townes		Charles Pointe		Emerson		Landmark Woods		Reserve at Mill Creek		Waterchase Apts.	
Vacant lot behind 953 & 1115 South Irby Street		201 Millstone Rd		150 S Irby St		1400 Cherokee Rd.		2350 Freedom Blvd.		3220 Hoffmeyer Rd. & 202 Westfiled Dr.	
Florence, SC		Florence, SC		Florence, SC		Florence, SC		Florence, SC		Florence, SC	
Data		Data		Data		Data		Data		Data	
on		on		on		on		on		on	
Subject		Subject		Subject		Subject		Subject		Subject	
A. Rents Charged		Data		Data		Data		Data		Data	
1	\$ Last Rent / Restricted?	\$1,055		\$1,635		\$875		\$1,290		\$1,075	
2	Date Surveyed	Mar-21		Mar-21		Mar-21		Mar-21		Apr-21	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		100%		97%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,055	1.04	\$1,635	1.60	\$875	0.92	\$1,290	1.14	\$1,075	0.98
B. Design, Location, Condition		Data		Data		Data		Data		Data	
6	Structure / Stories	TH/2.0	WU/3	EE/4		WU/2		WU/3		WU/3	
7	Yr. Built/Yr. Renovated	2023	2001	2016	\$7	1974	\$49	2008	\$15	2018	\$5
8	Condition/Street Appeal	E	G	E		G	\$15	G	\$15	E	
9	Neighborhood	G	G	G		G		G		E	(\$10)
10	Same Market?		Yes	Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data		Data		Data		Data		Data	
11	# Bedrooms	2	2	2		2		2		2	
12	# Baths	1.5	2	2	(\$15)	2	(\$15)	2	(\$15)	2	(\$15)
13	Unit Interior Sq. Ft.	1124	1010	1020	\$30	946	\$51	1130	(\$2)	1095	\$8
14	Patio/Balcony	Y	Y	Y		Y		Y		Y	
15	AC: Central/Wall	C	C	C		C		C		C	
16	Range/Refrigerator	R/F	R/F	R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y	Y/Y	Y/Y		Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	HU/L	HU	W/D	(\$25)	HU	\$5	W/D	(\$25)	HU	\$5
19	Floor Coverings	C/V	C/V	C/L		C/V		C/V		C/L	
20	Window Treatments	Y	Y	Y		Y		Y		Y	
21	Secured Entry	N	N	N		N		N		N	
22	Garbage Disposal	Y	Y	Y		Y		Y		Y	
23	Ceiling Fan/Storage	Y/N	Y/N	Y/N		Y/N		Y/Y	(\$5)	Y/N	
D. Site Equipment/ Amenities		Data		Data		Data		Data		Data	
24	Parking (\$ Fee)	LOT/\$0	LOT/\$0	P-GAR	(\$30)	LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y	Y	Y		Y		Y		Y	
26	Security Features	Y	Y	N	\$5	Y		Y		Y	
27	Community Space	Y	N	Y		Y		Y		Y	
28	Pool/Recreation Areas	F	P/F	F	(\$10)	P	(\$5)	P/F/L	(\$13)	P/F	(\$10)
29	Computer/Business Center	Y	N	N	\$3	Y		Y		Y	
30	Picnic Area/Grill	N	Y	N	(\$3)	N		Y	(\$3)	N	
31	Playground	Y	Y	N	\$3	N	\$3	Y		N	\$3
32	Social Services	N	N	N		N		N		N	
E. Utilities		Data		Data		Data		Data		Data	
33	Heat (in rent?/ type)	N/E	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		N/E	
35	Cooking (in rent?/ type)	N/E	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		N/E	
37	Other Electric	N	N	N		N		N		N	
38	Cold Water/Sewer	N/N	N/N	N/N		N/N		N/N		Y/Y	(\$51)
39	Trash/Recycling	Y/N	Y/N	Y/N		Y/N		N/N	\$6	Y/N	
F. Adjustments Recap		Pos		Neg		Pos		Neg		Pos	
40	# Adjustments B to D	6	3	5	3	5	2	2	6	4	3
41	Sum Adjustments B to D	\$82	(\$28)	\$48	(\$70)	\$123	(\$20)	\$30	(\$63)	\$21	(\$35)
42	Sum Utility Adjustments							\$6			(\$51)
		Net		Gross		Net		Gross		Net	
43	Net/ Gross Adjmts B to E	\$54	\$110	(\$22)	\$118	\$103	\$143	(\$27)	\$99	(\$65)	\$107
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,109		\$1,613		\$978		\$1,263		\$1,010	
45	Adj Rent/Last rent		105%		99%		112%		98%		94%
46	Estimated Market Rent	\$1,110	\$0.99	← Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type → **THREE-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Indigo Townes		Charles Pointe		Emerson		Landmark Woods		Reserve at Mill Creek		Waterchase Apts.	
Vacant lot behind 953 & 1115 South Irby Street		201 Millstone Rd		150 S Irby St		1400 Cherokee Rd.		2350 Freedom Blvd.		3220 Hoffmeyer Rd. & 202 Westfiled Dr.	
Florence, SC		Florence, SC		Florence, SC		Florence, SC		Florence, SC		Florence, SC	
Data		Data		Data		Data		Data		Data	
on		on		on		on		on		on	
Subject		Subject		Subject		Subject		Subject		Subject	
A. Rents Charged		Data		Data		Data		Data		Data	
1	\$ Last Rent / Restricted?	\$1,285		\$1,635		\$950		\$1,520		\$1,300	
2	Date Surveyed	Mar-21		Mar-21		Mar-21		Mar-21		Apr-21	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,285	1.04	\$1,635	1.60	\$950	0.79	\$1,520	1.18	\$1,300	0.98
B. Design, Location, Condition		Data		Data		Data		Data		Data	
6	Structure / Stories	TH/2.0	WU/3	EE/4		WU/2		WU/3		WU/3	
7	Yr. Built/Yr. Renovated	2023	2001	2016	\$7	1974	\$49	2008	\$15	2018	\$5
8	Condition/Street Appeal	E	G	E		G	\$15	G	\$15	E	
9	Neighborhood	G	G	G		G		G		E	(\$10)
10	Same Market?		Yes	Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data		Data		Data		Data		Data	
11	# Bedrooms	3	3	2	\$50	3		3		3	
12	# Baths	2	2	2		2		2		2	
13	Unit Interior Sq. Ft.	1381	1230	1020	\$100	1200	\$50	1285	\$26	1325	\$15
14	Patio/Balcony	Y	Y	Y		Y		Y		Y	
15	AC: Central/Wall	C	C	C		C		C		C	
16	Range/Refrigerator	R/F	R/F	R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y	Y/Y	Y/Y		Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	HU/L	HU	W/D	(\$25)	HU	\$5	W/D	(\$25)	HU	\$5
19	Floor Coverings	C/V	C/V	C/L		C/V		C/V		C/L	
20	Window Treatments	Y	Y	Y		Y		Y		Y	
21	Secured Entry	N	N	N		N		N		N	
22	Garbage Disposal	Y	Y	Y		Y		Y		Y	
23	Ceiling Fan/Storage	Y/N	Y/N	Y/N		Y/N		Y/Y	(\$5)	Y/N	
D. Site Equipment/ Amenities		Data		Data		Data		Data		Data	
24	Parking (\$ Fee)	LOT/\$0	LOT/\$0	P-GAR	(\$30)	LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y	Y	Y		Y		Y		Y	
26	Security Features	Y	Y	N	\$5	Y		Y		Y	
27	Community Space	Y	N	Y		Y		Y		Y	
28	Pool/Recreation Areas	F	P/F	F		P	(\$5)	P/F/L	(\$13)	P/F	(\$10)
29	Computer/Business Center	Y	N	N	\$3	Y		Y		Y	
30	Picnic Area/Grill	N	Y	N	(\$3)	N		Y	(\$3)	N	
31	Playground	Y	Y	N	\$3	N	\$3	Y		N	\$3
32	Social Services	N	N	N		N		N		N	
E. Utilities		Data		Data		Data		Data		Data	
33	Heat (in rent?/ type)	N/E	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		N/E	
35	Cooking (in rent?/ type)	N/E	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		N/E	
37	Other Electric	N	N	N		N		N		N	
38	Cold Water/Sewer	N/N	N/N	N/N		N/N		N/N		Y/Y	(\$56)
39	Trash/Recycling	Y/N	Y/N	Y/N		Y/N		N/N	\$6	Y/N	
F. Adjustments Recap		Pos		Neg		Pos		Neg		Pos	
40	# Adjustments B to D	6	2	6	2	5	1	3	4	4	2
41	Sum Adjustments B to D	\$92	(\$13)	\$168	(\$55)	\$122	(\$5)	\$56	(\$46)	\$28	(\$20)
42	Sum Utility Adjustments							\$6			(\$56)
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$79	\$105	\$113	\$223	\$117	\$127	\$16	\$108	(\$48)	\$104
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,364		\$1,748		\$1,067		\$1,536		\$1,252	
45	Adj Rent/Last rent		106%		107%		112%		101%		96%
46	Estimated Market Rent	\$1,340	\$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 proposed subject development are \$1,110 for a two-bedroom unit, \$1,340 for a three-bedroom unit, which are illustrated as follows:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Advantage
Two-Br.	20%	\$70	\$1,110	93.69%
Two-Br.	60%	\$630	\$1,110	43.24%
Two-Br.	70%	\$765	\$1,110	31.08%
Three-Br.	20%	\$70	\$1,340	94.78%
Three-Br.	50%	\$540	\$1,340	59.70%
Three-Br.	60%	\$700	\$1,340	47.76%
Weighted Average				50.61%

Typically, Tax Credit rents should represent market rent advantages around 10.0% in order to be considered a value in most markets. Therefore, the proposed subject rents will likely be perceived as substantial values within the Florence Site PMA, as they represent market rent advantages ranging from 31.08% to 94.78%, depending upon bedroom type.

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.

7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between 1974 and 2018. As such, we have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties.

8. It is anticipated that the proposed subject project will have an excellent appearance, once construction is complete. We have made adjustments for the one property that we consider to be of slightly inferior quality compared to the subject development.
9. One of the selected properties is located in a more desirable neighborhood than the subject project. As such, we have made adjustments to account for differences in neighborhood desirability among this project and the subject project.
11. All of the selected properties offer two-bedroom units; however, one of the selected properties does not offer three-bedroom units, similar to the subject site. Therefore, we have utilized the two-bedroom units at this property and adjusted upwards of \$50 per bedroom to reflect the additional bedrooms to be offered at the subject development.
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 proposed subject project will offer a unit amenity package generally inferior to 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 proposed project offers a comprehensive project amenities package. We have made monetary adjustments to reflect the difference between the proposed 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.