



**BOWEN
NATIONAL
RESEARCH**

Market Feasibility Analysis

Timbers at Oak Grove
Oak Grove Road
Spartanburg, Spartanburg County, South Carolina 29301

Prepared For

Mr. Butch Richardson
Olympia Development, LLC
404 East McKinney Avenue
Albertville, Alabama 35950

Effective Date

April 20, 2021

Job Reference Number

21-230 JW

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:	Timbers at Oak Grove	Total # Units:	83
Location:	Oak Grove Road, Spartanburg, SC 29301	# LIHTC Units:	83
PMA Boundary:	Hampton Road, Holly Springs Road, Shiloh Church Road, Inman Road, Gibbs Road, Hope Road, Campground Road, New Cut Road, Interstate 26 and Interstate 85 to the north; Pine Street, Union Street and Cedar Springs Road to the east; Carolina Country Club Road, Christy Lane, Happy Lane, U.S. Highway 221, Interstate 26, Old Georgia Road, Anderson Mill Road, Monroe Road, Moore Duncan Highway, State Route 417, South Tyger River and Interstate 85 to the south; State Route 88, Interstate 26 and Interstate 85 to the south; State Route 101, Green Road, Robinson Road, State Route 290, South Tyger River and State Route 80 to the west.		
Development Type:	Family	<input checked="" type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject: 10.2 miles

RENTAL HOUSING STOCK (found on page H-1, 13, 14 & 16)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	33	4,831	98	98.0%
Market-Rate Housing	16	3,324	98	97.1%
Assisted/Subsidized Housing not to include LIHTC	4	481	0	100.0%
LIHTC (All that are stabilized)*	14	1,026	0	100.0%
Stabilized Comps**	4	367	0	100.0%
Non-stabilized Comps	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	One	1.0	834	\$121	\$735	\$0.88	83.54%	\$1,123	\$1.23
4	One	1.0	834	\$364	\$735	\$0.88	50.48%	\$1,123	\$1.23
7	One	1.0	834	\$520	\$735	\$0.88	29.25%	\$1,123	\$1.23
4	One	1.0	834	\$725	\$735	\$0.88	1.36%	\$1,123	\$1.23
6	Two	2.0	1,071	\$131	\$845	\$0.79	84.50%	\$1,235	\$1.05
11	Two	2.0	1,071	\$423	\$845	\$0.79	49.94%	\$1,235	\$1.05
36	Two	2.0	1,071	\$610	\$845	\$0.79	27.81%	\$1,235	\$1.05
12	Two	2.0	1,071	\$850	\$845	\$0.79	-0.59%	\$1,235	\$1.05
Gross Potential Rent Monthly*				\$45,958	\$68,155		32.57%		

*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)

	2012	2020		2023	
Renter Households 55+		4,569	24.2%	5,064	25.0%
Income-Qualified Renter HHs (LIHTC)		2,428	53.1%	2,537	50.1%
Income-Qualified Renter HHs (MR)		-	-	-	-

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

Type of Demand	20%	40%	60%	80%	Other: __	Overall
Renter Household Growth	1	-2	49	99		109
Existing Households (Overburd + Substand)	199	592	466	355		1,195
Homeowner conversion (Seniors)	6	22	43	56		96
Other:	-	-	-	-		-
Less Comparable/Competitive Supply	0	0	40	0		40
Net Income-qualified Renter HHs	206	612	518	510		1,360

CAPTURE RATES (found on page G-5)

Targeted Population	20%	40%	60%	80%	Other: __	Overall
Capture Rate	4.4%	2.5%	8.3%	3.1%		6.1%

ABSORPTION RATE (found on page G-6)

Absorption Period: 7 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	
3	1 BR	\$121	\$363	\$735	\$2,205	
4	1 BR	\$364	\$1,456	\$735	\$2,940	
7	1 BR	\$520	\$3,640	\$735	\$5,145	
4	1 BR	\$725	\$2,900	\$735	\$2,940	
6	2 BR	\$131	\$786	\$845	\$5,070	
11	2 BR	\$423	\$4,653	\$845	\$9,295	
36	2 BR	\$610	\$21,960	\$845	\$30,420	
12	2 BR	\$850	\$10,200	\$845	\$10,140	
	3 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	83		\$45,958		\$68,155	32.57%

B. Project Description

Project Name:	Timbers at Oak Grove
Location:	Oak Grove Road, Spartanburg, South Carolina 29301 (Spartanburg County)
Census Tract:	219.02
Target Market:	Senior 55+
Construction Type:	New Construction
Funding Source:	LIHTC

The subject project involves the new construction of the 84-unit Timbers at Oak Grove rental community on Oak Grove Road in Spartanburg, South Carolina. The project will target senior households ages 55 and older earning up to 20%, 40%, 60% and 80% 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. Note that one non-revenue management unit has been excluded from the remainder of this analysis. The proposed project is expected to be complete by December 2022. Additional details of the subject development are summarized as follows:

Proposed Unit Configuration									
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
3	One-Br.	1.0	Garden	834	20%	\$121	\$121	\$242	\$255
4	One-Br.	1.0	Garden	834	40%	\$364	\$121	\$485	\$510
7	One-Br.	1.0	Garden	834	60%	\$520	\$121	\$641	\$765
4	One-Br.	1.0	Garden	834	80%	\$725	\$121	\$846	\$1,020
6	Two-Br.	2.0	Garden	1,071	20%	\$131	\$160	\$291	\$306
11	Two-Br.	2.0	Garden	1,071	40%	\$423	\$160	\$583	\$612
36	Two-Br.	2.0	Garden	1,071	60%	\$610	\$160	\$770	\$918
12	Two-Br.	2.0	Garden	1,071	80%	\$850	\$160	\$1,010	\$1,224
83*	Total								

*Excludes one non-revenue two-bedroom management unit

Source: Olympia Development, LLC

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

Building/Site Information	
Residential Buildings:	One (1) three-story building
Building Style:	Elevator
Community Space:	Integrated throughout
Acres:	5.5

Construction Timeline	
Original Year Built:	Not Applicable
Construction Start:	March 2022
Begin Preleasing:	September 2022
Construction End:	December 2022

Unit Amenities		
• Electric Range	• Washer/Dryer Hookups	• Composite Flooring
• Refrigerator w/Icemaker	• Central Air Conditioning	• Window Blinds
• Dishwasher	• Walk-In Closet	• Emergency Call System
• Microwave	• Patio/Balcony with Storage Closet	• Ceiling Fans

Community Amenities

- | | | |
|---------------------------|-----------------------|-----------------------------------|
| • Computer Center | • Copy/Print/Fax | • Elevator |
| • Laundry Room | • On-Site Management | • Community Room with Kitchenette |
| • Gazebo | • TV Lounge | • Fitness Center |
| • Picnic Area with Grills | • CCTV/Cameras | • Parties/Picnics |
| • Covered Entry | • Surface Parking Lot | |

Utility Responsibility

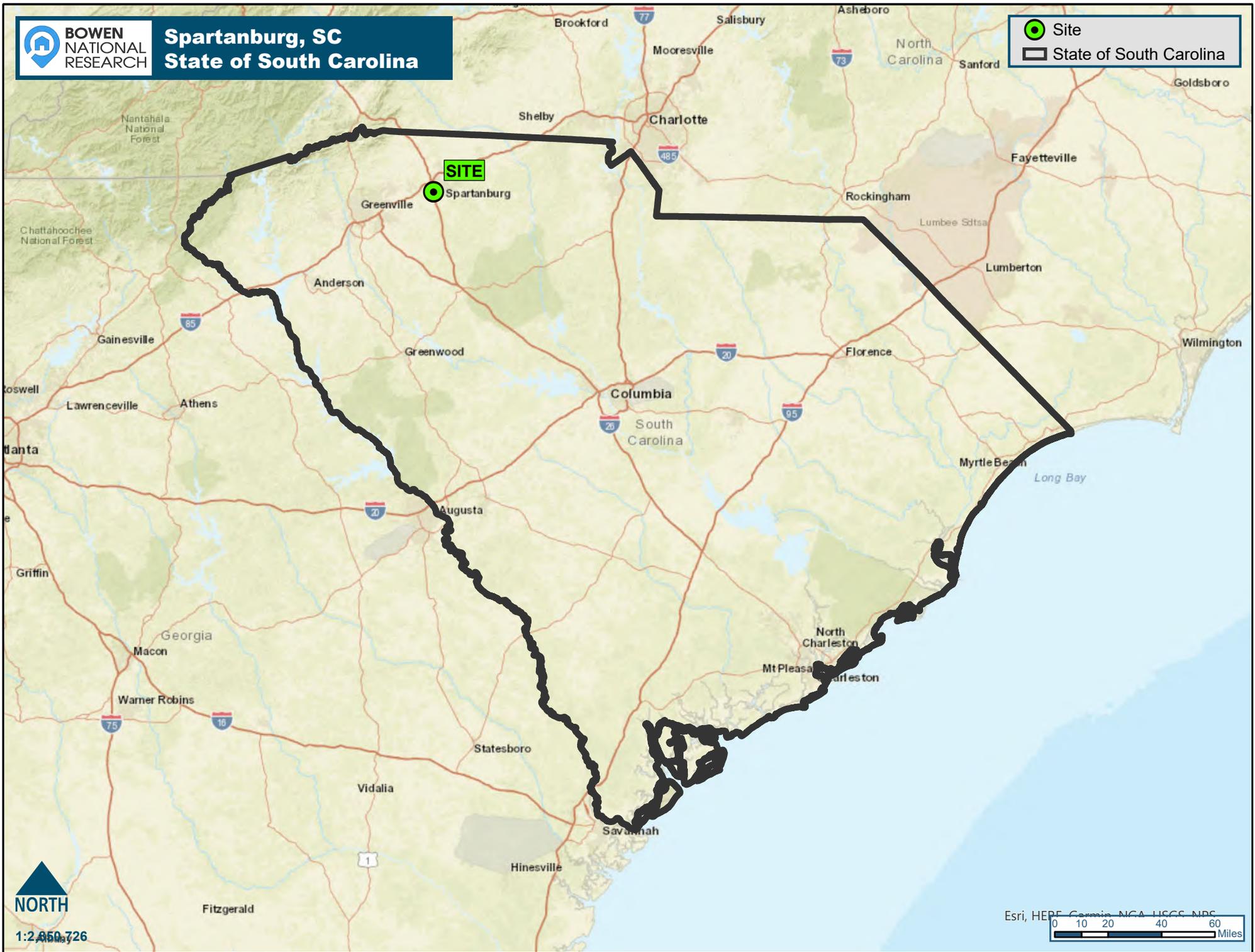
	Heat	Hot Water	Cooking	General Electric	Cold Water	Sewer	Trash
Paid By	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant	Landlord
Source	Electric	Electric	Electric				

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



Spartanburg, SC State of South Carolina

● Site
▭ State of South Carolina



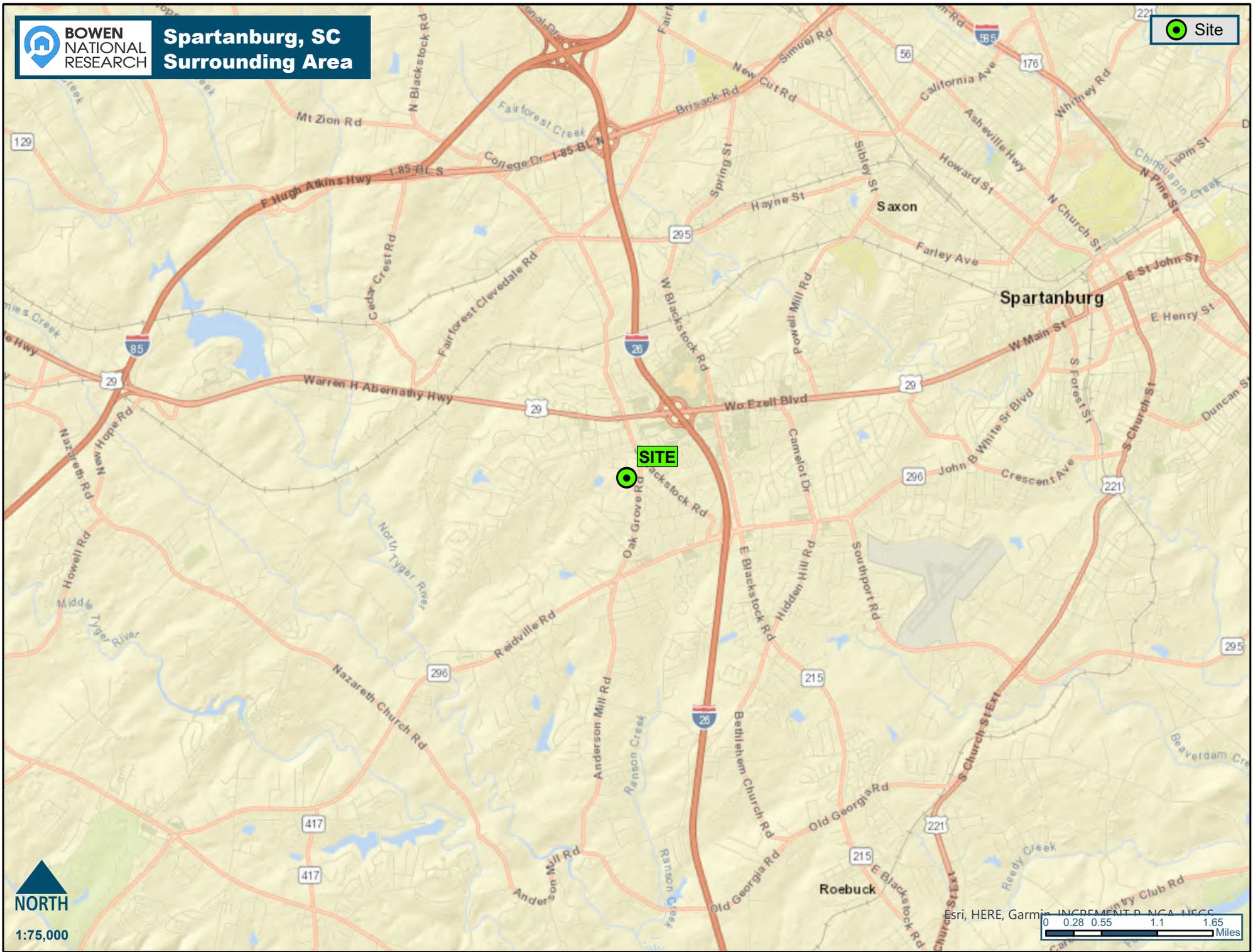
1:2,850,726

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



Spartanburg, SC Surrounding Area

Site



NORTH
1:75,000

Esri, HERE, Garmin, INCREMENT P, NGA, 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, Timbers at Oak Grove, is located at 350 Oak Grove Road in Spartanburg. Located within Spartanburg County, Spartanburg is approximately 32.0 miles east of Greenville, South Carolina and approximately 77.0 miles southwest of Charlotte, North Carolina. Surrounding land uses include single-family homes, an elementary school, a pediatric doctor's office, salon, wooded land, and other small commercial land uses. Following is a description of surrounding land uses:

North -	The northern boundary is defined by single-family homes in good condition. Single-family homes continue north, along with Blossom Salon and Spa, Heartbreakers Tattoo and KT Pebbles clothing store. Farther north is Blackstock Road, a moderately-traveled roadway.
East -	The eastern boundary is defined by Oak Grove Road, a two-lane light to moderately-traveled roadway. Continuing east are the Pediatrics Unlimited doctor's office, Head & Shoulders hair salon and single-family homes in fair to good condition.
South -	The southern boundary is defined by undeveloped land, followed by West View Elementary School. Farther south are single-family homes and a variety of shops and offices, including law offices, a hair salon and a restaurant, all of which are in fair to good condition.
West -	The western boundary is defined by wooded land, followed by single-family homes in fair to good condition and the Willis Road YMCA/Grace Church - Spartanburg.

The neighborhood of the proposed site is a medium-density, mixed-use neighborhood, with single-family homes in fair to good condition the primary land use within the immediate area. It is also worth noting that the proposed development is within very close proximity to various businesses and shopping centers. Overall, the subject property fits well with the surrounding land uses, which should contribute to its marketability.

3. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	U.S. Highway 29	0.5 North
	Interstate 26	1.0 Northeast
	State Route 296	1.2 Southeast
Public Bus Stop	SPARTA	0.4 North
Major Employers/ Employment Centers	Walmart Supercenter	1.8 Northeast
	Adidas	3.5 Northwest
	Spartanburg County Courthouse	4.9 East
Convenience Store	Express Mart	0.6 North
	7-Eleven	1.1 South
Grocery	Asian Groceries	0.7 North
	Ingles Market	0.7 North
	Lidl	0.9 Northwest
Discount Department Store	Big Lots	0.8 North
	Dollar General	0.8 South
	Dollar Tree	0.9 Northwest
	Target	0.9 Northwest
	Walmart Supercenter	1.8 Northeast
Shopping Center/Mall	Harrison's	0.8 South
	Blackstock Plaza	1.8 Northeast
	WestGate Mall	2.1 Northeast
Hospital/Medical Center	Immediate Care Center - Westside	0.6 North
	Spartanburg Hospital	5.4 Northeast
Police	Spartanburg Police Department	4.8 East
Fire	Westview-Fairforest Fire Department Station 1	0.7 North
Post Office	U.S. Post Office	2.2 North
Bank	SunTrust Bank	0.6 North
	Arthur State Bank	1.1 Northwest
Recreational Facilities	Willis Road YMCA	0.9 West
	Woodland Heights Recreation Center	3.2 East
Gas Station	Texaco	0.4 Northeast
	Sam's Club Fuel Center	0.9 Northeast
Pharmacy	CVS Pharmacy	0.7 Northwest
	Ingles Market Pharmacy	0.7 North
Restaurant	Smokey Blues BBQ	0.5 South
	Taste of Thai	0.6 North
	Apollo's House of Pizza	0.7 North
Senior Center	Shepherd's Center	5.4 Northeast
Community Center	Northwest Community Center	4.3 Northeast
Library	Cyrill-Westside Library	0.7 South

Most area services, such as dining, discount shopping, groceries, pharmacies, gas stations/convenience stores, banks and public transit, are located within 1.0 mile of the subject site. These community services are easily accessible given the site's proximity to U.S. Highway 29, which serves as a commercial corridor within the immediate area. Community services such as a community center, senior center and recreational facilities are no more than 5.4 miles from the subject site.

Public safety services are provided by the Spartanburg Police Department and Westview-Fairforest Fire Department. A Spartanburg Police Precinct is located approximately 4.8 miles east of the site, while the nearest fire station is approximately 0.7 miles north of the site. The nearest full-service hospital is the Spartanburg Hospital, 5.4 miles northeast of the site. However, Immediate Care Center – Westside is 0.6 miles to the north.

Overall, the abundance of community services within close proximity of the site will have a positive impact on its marketability.

4. SITE PHOTOGRAPHS

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

Timbers at Oak Grove



View of site from the north



View of site from the southeast



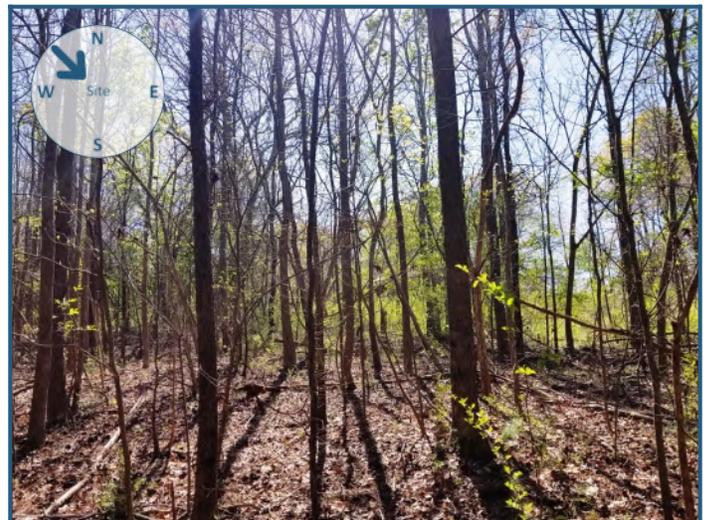
View of site from the south



View of site from the southwest



View of site from the west



View of site from the northwest

Timbers at Oak Grove



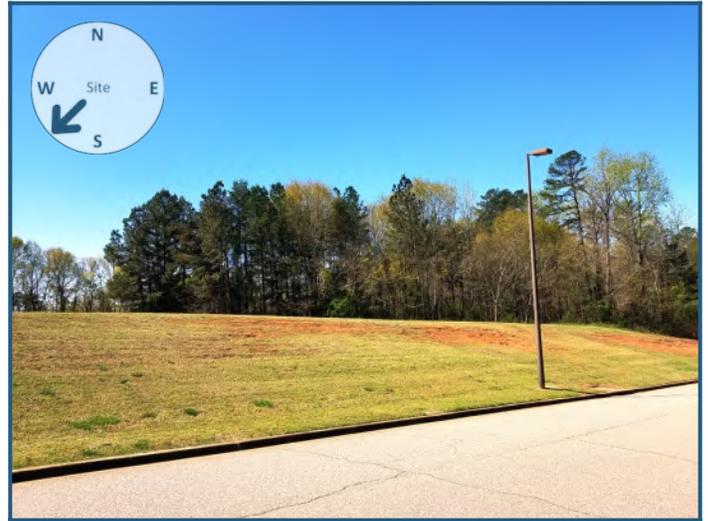
North view from site



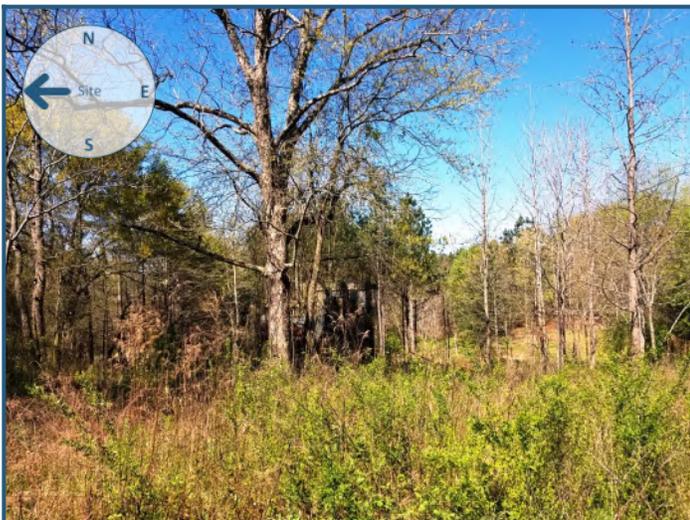
Southeast view from site



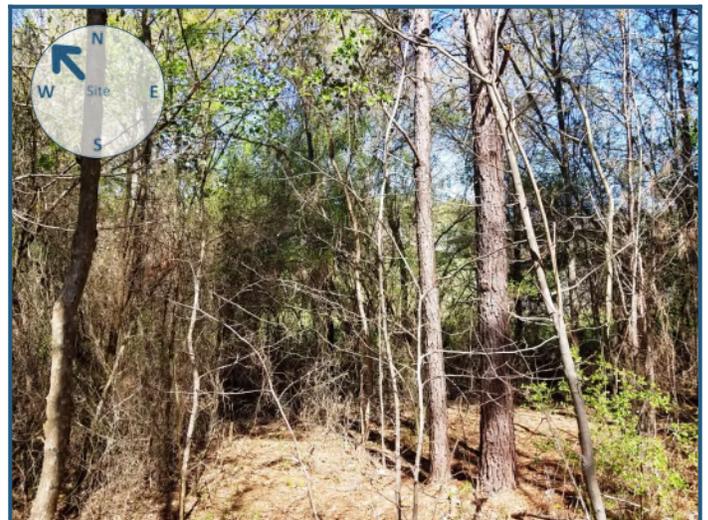
South view from site



Southwest view from site



West view from site



Northwest view from site

5. SITE AND COMMUNITY SERVICES MAPS

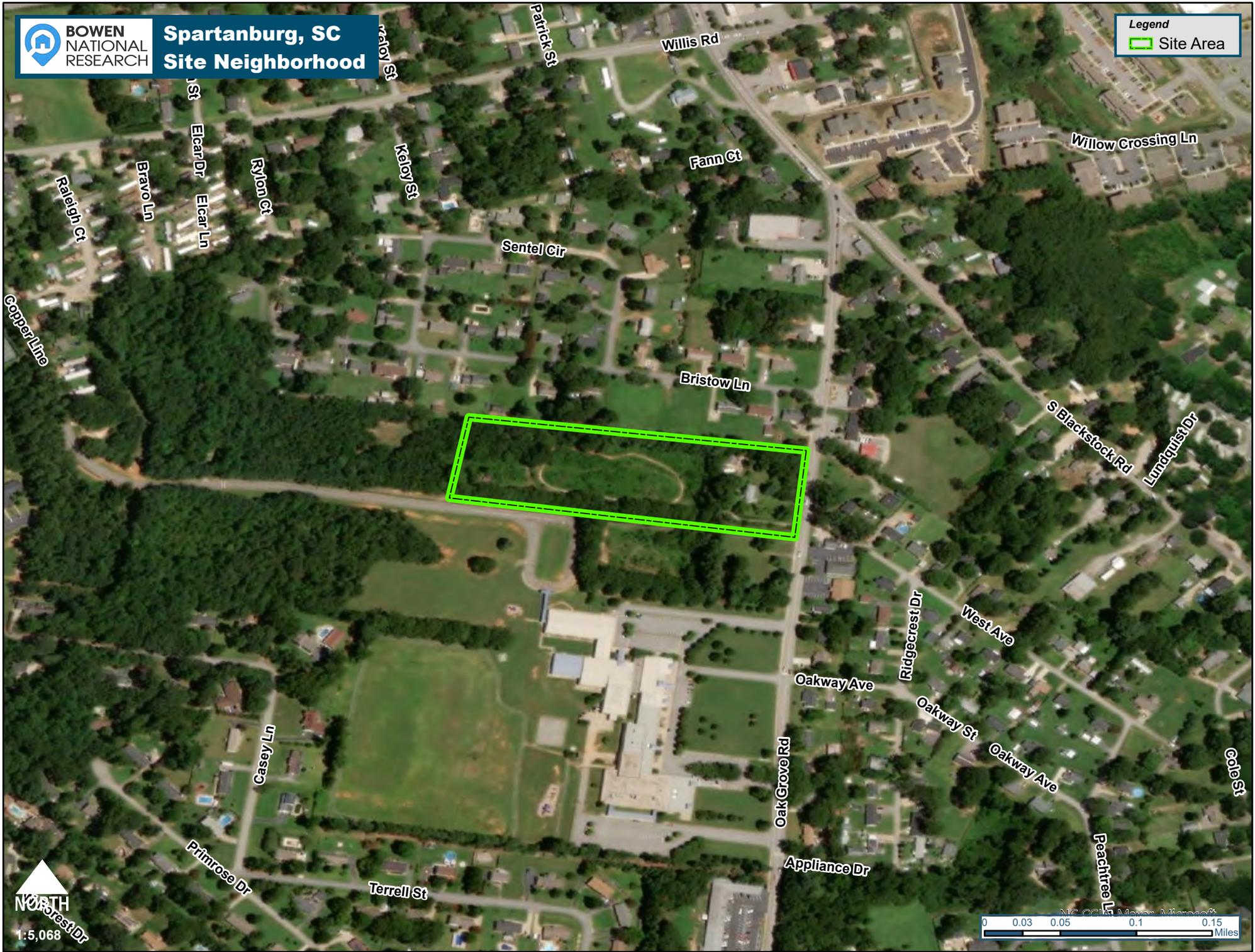
Maps of the subject site and relevant community services follow.



Spartanburg, SC Site Neighborhood

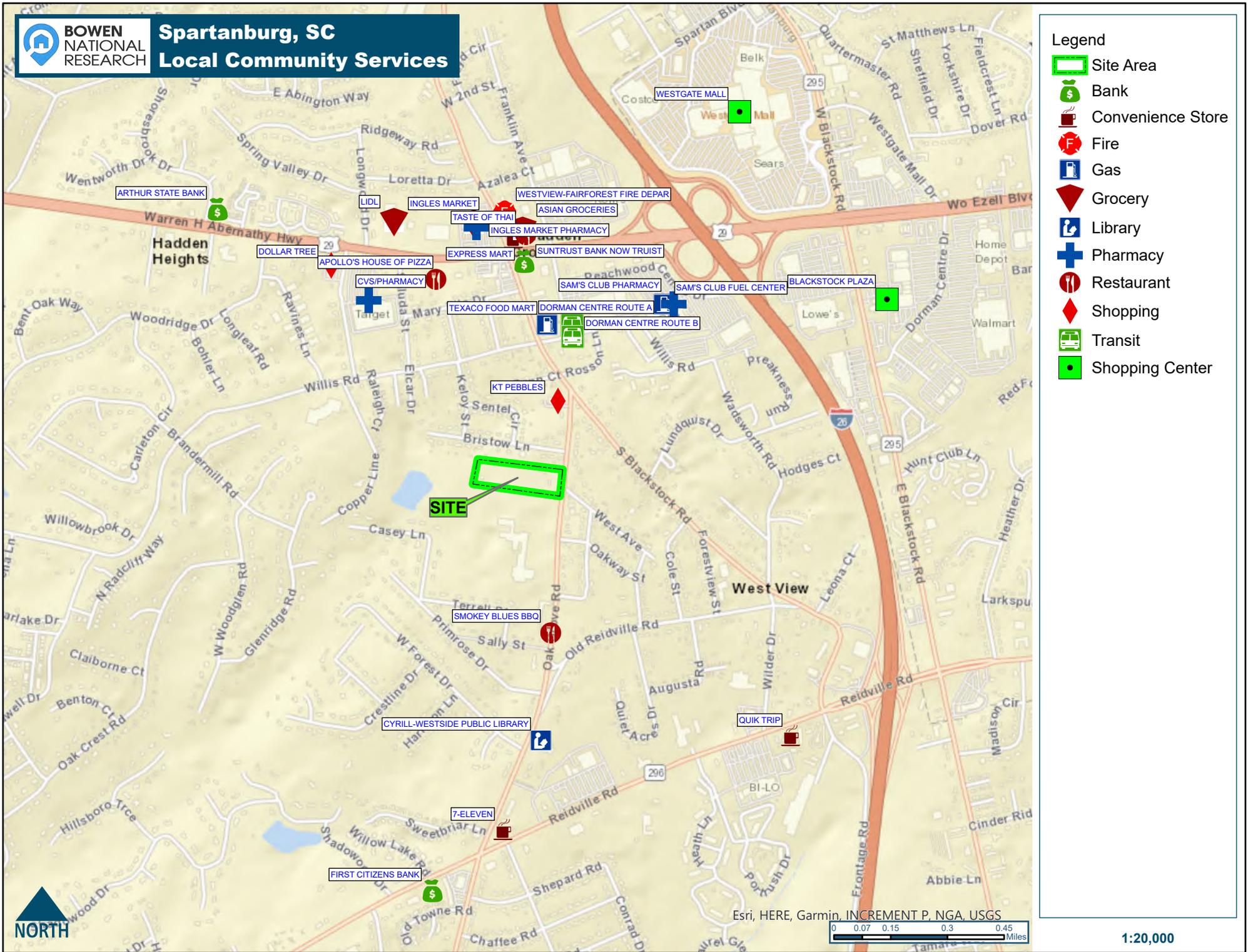
Legend

Site Area



NORTH
1:5,068

0 0.03 0.05 0.1 0.15 Miles

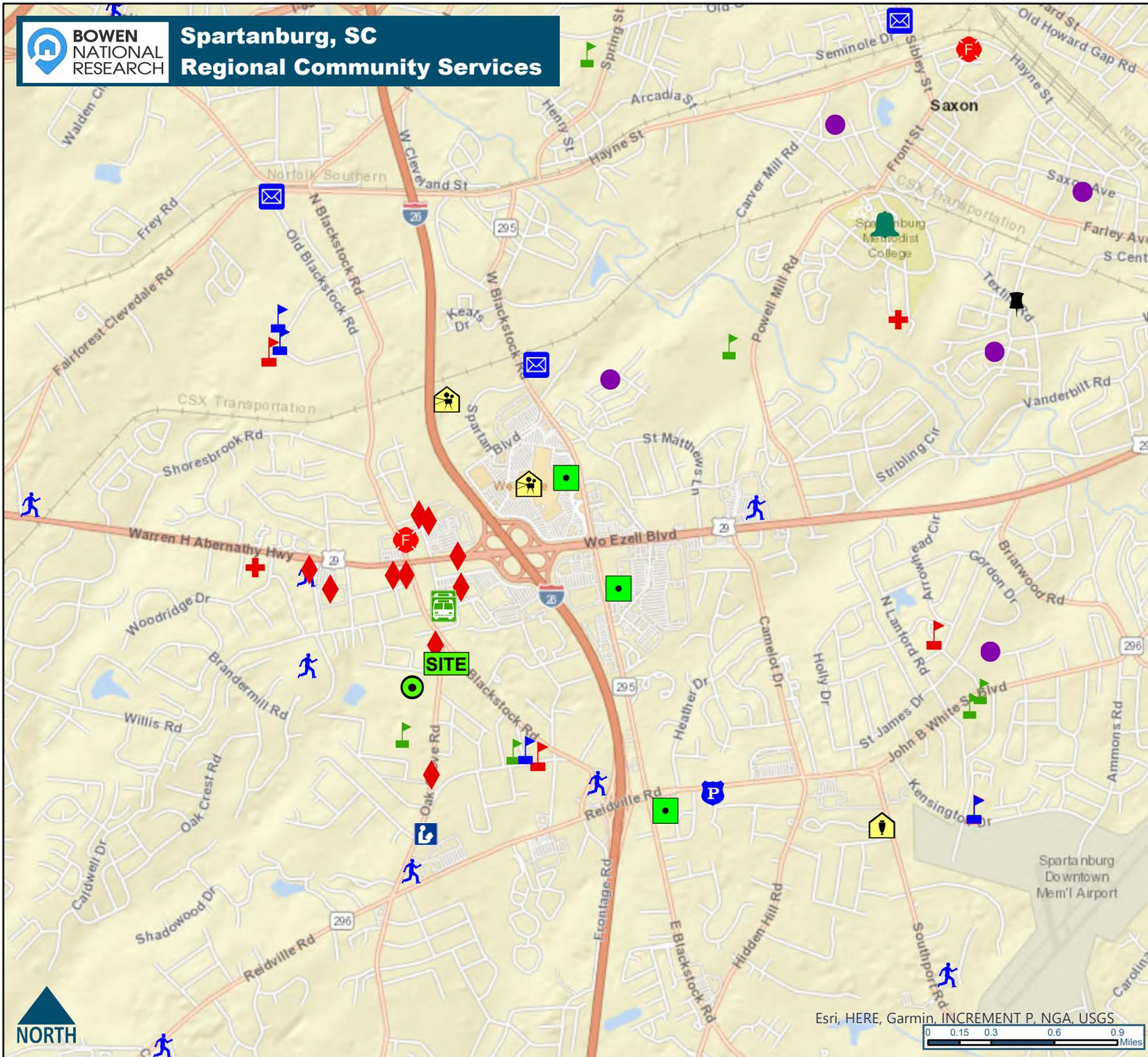


- Legend**
-  Site Area
 -  Bank
 -  Convenience Store
 -  Fire
 -  Gas
 -  Grocery
 -  Library
 -  Pharmacy
 -  Restaurant
 -  Shopping
 -  Transit
 -  Shopping Center





Spartanburg, SC Regional Community Services



- Legend**
- Site
 - Cinema
 - Elementary School
 - Fire
 - Fitness Center
 - High School
 - Library
 - Medical Center
 - Middle School
 - Museum
 - Police
 - Post Office
 - Recreation Center
 - Shopping
 - Stadium
 - Transit
 - University
 - Shopping Center



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 195, with an overall personal crime index of 205 and a property crime index of 193. Total crime risk for Spartanburg County is 129, with indexes for personal and property crime of 124 and 130, respectively.

	Crime Risk Index	
	Site ZIP Code	Spartanburg County
Total Crime	195	129
Personal Crime	205	124
Murder	213	108
Rape	196	141
Robbery	108	69
Assault	247	145
Property Crime	193	130
Burglary	212	142
Larceny	190	129
Motor Vehicle Theft	178	112

Source: Applied Geographic Solutions

The crime risk index within the site's ZIP Code (195) is well above those of Spartanburg County (129) and the nation (100). However, higher crime indices such as that reported for the site area are not uncommon of established and more densely populated markets such as the subject site area. In addition, the subject property will feature on-site management and CCTV, which will further enhance the sense of security within the subject property. Lastly, several existing area rental properties are located within proximity of the subject property and report strong occupancy rates, a good indication that crime does not play a significant role in marketability. A map illustrating crime risk is on the following page.



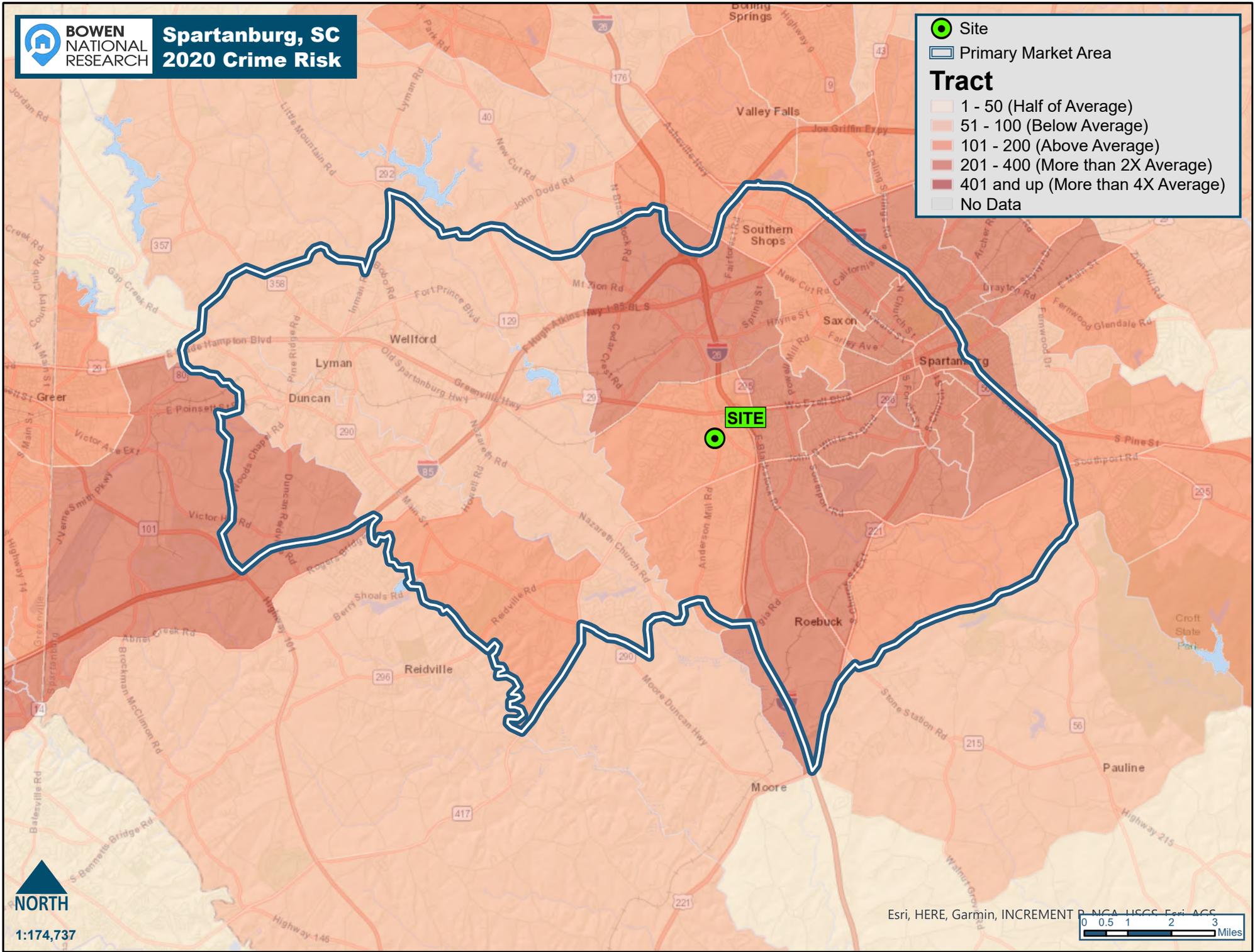
Spartanburg, SC 2020 Crime Risk

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

1:174,737

Esri, HERE, Garmin, INCREMENT, NCA, USGS, Esri, ACS

0 0.5 1 2 3 Miles

7. ACCESS AND VISIBILITY

The subject site will likely maintain frontage and will be visible for motorists traveling along Oak Grove Road, a light to moderately-traveled roadway. Note, however, that the site will not be visible from arterial roadways within the area. As such, promotional signage is recommended near the intersection of South Blackstock Road and Oak Grove Road, as well as along U.S. Highway 29 and State Route 296, to increase the subject's awareness during construction and initial lease-up.

Access to and from the site will also derive from Oak Grove Road and no significant traffic delays are expected upon ingress and egress. Clear lines of sight are also provided in both directions of travel. Additionally, the subject development is within 1.2 miles of State Route 296, U.S. Highway 29 and Interstate 26. Lastly, the Spartanburg Area Regional Transit Agency (SPARTA) provides public transportation services in the area and operates a bus stop within 0.4 miles of the site at the corner of Willis Road and Franklin Avenue. SPARTA also provides an on-demand (appointment only) transportation service to local area residents. The ease of access to public transportation is anticipated to enhance access to the subject site and overall marketability. Overall, access to the subject site is considered good.

8. VISIBLE OR ENVIRONMENTAL ISSUES

No environmental or visible nuisances that would impact marketability exist within proximity to the subject site.

9. OVERALL SITE CONCLUSIONS

The neighborhood of the proposed site is a medium-density, mixed-use neighborhood with single-family homes in fair to good condition as the primary land use. It is also worth noting that the proposed development is within very close proximity to various businesses and shopping centers. As such, the subject project fits in well with surrounding land uses. Visibility of the site is considered good within the immediate area; however, it will not be visible from nearby arterial roadways. As such, promotional signage is recommended throughout the market area to increase its awareness during its initial lease-up period. Access to and from the site is considered good, as it is within 1.2 miles of State Route 296, U.S. Highway 29 and Interstate 26, and public transportation services provided by SPARTA are within 0.4 miles. The site is within 1.5 miles of most shopping, employment, recreation and entertainment opportunities. Social and public safety services are all within 5.4 miles. 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 Spartanburg Site PMA was determined through interviews with area leasing 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 Spartanburg Site PMA includes Duncan, Lyman, Wellford, Roebuck, the majority of Spartanburg and the surrounding unincorporated areas of Spartanburg County. The boundaries of the Site PMA generally consist of Hampton Road, Holly Springs Road, Shiloh Church Road, Inman Road, Gibbs Road, Hope Road, Campground Road, New Cut Road, Interstate 26 and Interstate 85 to the north; Pine Street, Union Street and Cedar Springs Road to the east; Carolina Country Club Road, Christy Lane, Happy Lane, U.S. Highway 221, Interstate 26, Old Georgia Road, Anderson Mill Road, Monroe Road, Moore Duncan Highway, State Route 417, South Tyger River and Interstate 85 to the south; State Route 88, Interstate 26 and Interstate 85 to the south; State Route 101, Green Road, Robinson Road, State Route 290, South Tyger River and State Route 80 to the west. All boundaries of the Site PMA are generally within 10.2 miles from the site. The Site PMA includes all of, or portions of, the following Census Tracts:

203.01	204.00	205.00	206.01	206.02	206.03
207.01	207.02	208.00	209.00	210.01	211.00
212.00	215.00	216.00	217.00	218.04	218.05
219.02*	219.03	219.04	220.03	220.05	220.06
220.07	230.02	230.04	231.01	231.03	231.04
232.02	234.01	234.02	234.06	234.07	238.03

*Subject site location

Joy Walker, Property Manager of Cedar Springs Place (Map ID 6), an age-restricted Tax Credit and government-subsidized property within the market, indicated that proximity to family and familiar services anchor tenants to the area. She also confirmed that properties west of central Spartanburg have greater ease of access to Duncan than to eastern Spartanburg, confirming the Site PMA.

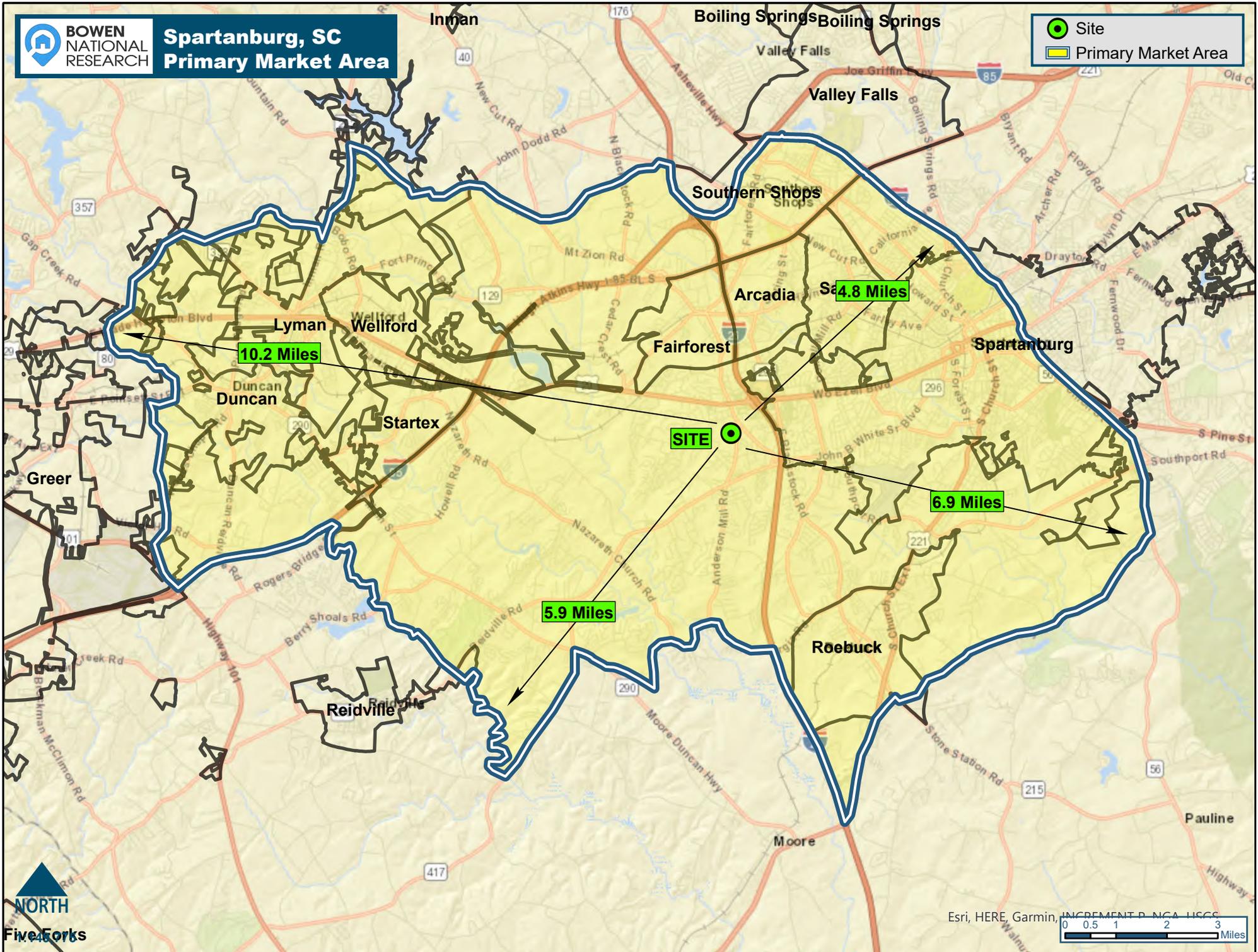
A modest portion of support may originate from some of the outlying areas of the Site PMA; we have not, however, considered any secondary market area in this report.

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



Spartanburg, SC Primary Market Area

- Site
- Primary Market Area



E. Market Area Economy

1. EMPLOYMENT BY INDUSTRY

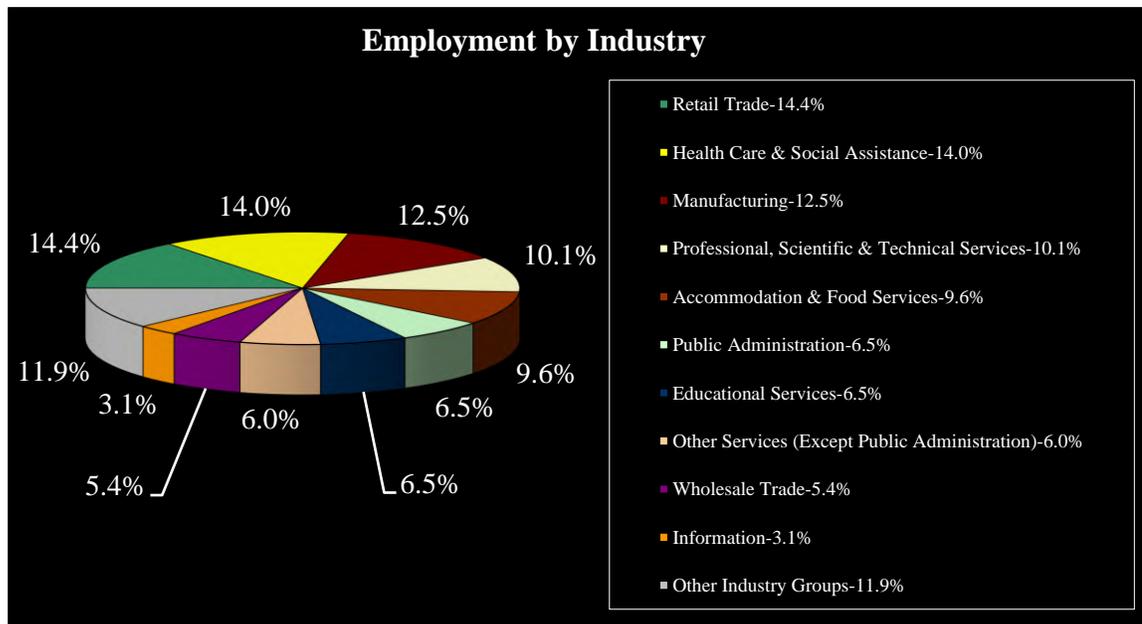
The labor force within the Spartanburg Site PMA is based primarily in four sectors. Retail Trade (which comprises 14.4%), Health Care & Social Assistance, Manufacturing and Professional, Scientific & Technical Services comprise over 51% of the Site PMA labor force. Employment in the Spartanburg Site PMA, as of 2020, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	8	0.2%	43	0.1%	5.4
Mining	3	0.1%	7	0.0%	2.3
Utilities	6	0.1%	459	0.6%	76.5
Construction	216	5.1%	2,021	2.8%	9.4
Manufacturing	210	4.9%	8,947	12.5%	42.6
Wholesale Trade	168	3.9%	3,838	5.4%	22.8
Retail Trade	705	16.5%	10,266	14.4%	14.6
Transportation & Warehousing	94	2.2%	1,267	1.8%	13.5
Information	77	1.8%	2,180	3.1%	28.3
Finance & Insurance	272	6.4%	1,672	2.3%	6.1
Real Estate & Rental & Leasing	215	5.0%	906	1.3%	4.2
Professional, Scientific & Technical Services	310	7.2%	7,208	10.1%	23.3
Management of Companies & Enterprises	3	0.1%	6	0.0%	2.0
Administrative, Support, Waste Management & Remediation Services	133	3.1%	998	1.4%	7.5
Educational Services	92	2.2%	4,608	6.5%	50.1
Health Care & Social Assistance	348	8.1%	9,987	14.0%	28.7
Arts, Entertainment & Recreation	74	1.7%	578	0.8%	7.8
Accommodation & Food Services	314	7.3%	6,857	9.6%	21.8
Other Services (Except Public Administration)	616	14.4%	4,259	6.0%	6.9
Public Administration	164	3.8%	4,661	6.5%	28.4
Nonclassifiable	248	5.8%	532	0.7%	2.1
Total	4,276	100.0%	71,300	100.0%	16.7

*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 Spartanburg Metropolitan Statistical Area (MSA) are compared with those of South Carolina in the following table:

Typical Wage by Occupation Type		
Occupation Type	Spartanburg MSA	South Carolina
Management Occupations	\$112,050	\$109,500
Business and Financial Occupations	\$74,900	\$70,470
Computer and Mathematical Occupations	\$69,570	\$77,080
Architecture and Engineering Occupations	\$82,470	\$80,470
Community and Social Service Occupations	\$45,180	\$44,530
Art, Design, Entertainment and Sports Medicine Occupations	\$47,100	\$50,930
Healthcare Practitioners and Technical Occupations	\$73,680	\$76,850
Healthcare Support Occupations	\$28,950	\$29,220
Protective Service Occupations	\$39,140	\$39,760
Food Preparation and Serving Related Occupations	\$23,490	\$23,250
Building and Grounds Cleaning and Maintenance Occupations	\$27,500	\$27,650
Personal Care and Service Occupations	\$27,860	\$28,850
Sales and Related Occupations	\$36,310	\$37,680
Office and Administrative Support Occupations	\$38,210	\$37,870
Construction and Extraction Occupations	\$44,060	\$44,550
Installation, Maintenance and Repair Occupations	\$45,360	\$46,990
Production Occupations	\$43,280	\$40,730
Transportation and Moving Occupations	\$36,460	\$34,010

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

Most annual blue-collar salaries range from \$23,490 to \$47,100 within the Spartanburg MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$82,534. It is important to note that most occupational types within the Spartanburg MSA have similar typical wages as the State of South Carolina's typical wages.

3. AREA'S LARGEST EMPLOYERS

The ten largest employers within the Spartanburg area comprise a total of 36,409 employees and are summarized as follows:

Employer Name	Business Type	Total Employed
BMW Manufacturing Corp.	Automobile Manufacturing	11,000
Spartanburg Regional Healthcare System	Hospital	9,648
Spartanburg County School Districts	Public K-12 Schools	6,063
Adidas	Sporting goods	2,540
Spartanburg County	Local Government	1,545
Draexlmaier Automotive of America, LLC	Wire Harnesses	1,225
Michelin North America	Radial Heavy Truck	1,165
Benore Logistics Systems Incorporated	Logistics	1,100
Magna International	Automotive Seating	1,070
Milliken & Company	Textile Manufacturing	1,053
	Total	36,409

Source: Spartanburg County (2020)

According to a representative with OneSpartanburg, the Spartanburg economy is growing and improving. The ongoing COVID-19 pandemic, while causing the local restaurant and hospitality industries to struggle, has not had any major negative impact on local businesses and businesses continue to open and expand into the area. The pandemic has highlighted the benefits they have locally that large companies would like, such as their location close to major cities, and excellent supply chain service in the area. It was further noted that Spartanburg County and South Carolina, in general, have kept a pro-business approach in responding to the COVID-19 pandemic.

Spartanburg County has had multiple positive economic factors come to fruition in the past year. The most notable of these are Project Black Bull, which is slated to create 1,068 jobs within the county and Project Replay, which will create 450 jobs, both of which are still in the early stages of planning and detailed information has yet to be released to the public. Additionally, Pall Corporation, a filtration company, announced plans in February 2021 to establish operations in the county. Construction is expected to be completed by May 2021 and will create 425 jobs. A handful of restaurants and retailers are opening in the county as well. While these are only a few of many notable positive impacts, they reflect the growth and improvement of Spartanburg's economy.

As far as infrastructure goes, along with a multitude of small road and bridge repairment projects, projects of note include a new 340,000 square-foot judicial center complete with a parking garage is underway, along with a new police and fire station. These projects will be followed by a new 200,000 square-foot city/county government complex and adjoining parking garage, all funded by a capital penny referendum.

WARN (layoff notices):

WARN Notices of large-scale layoffs/closures were reviewed in April 2021 and according to South Carolina Works, there have been five WARN notices reported for Spartanburg over the past 12 months. Below is a table summarizing these notices:

Company	Jobs	Effective Date
John Manville	30	5/15/2020
John Manville	10	6/16/2020
TC Transcontinental Packaging	106	7/31/2020
LSC Communications US, LLC	401	2/18/2021
DISH Network (Remanufacturing Operations)	150	3/5/2021

4. EMPLOYMENT TRENDS

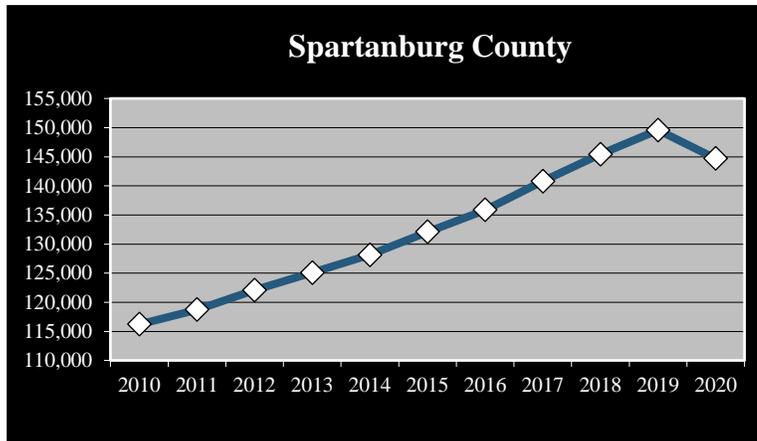
The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

Excluding 2020, the employment base has increased by 13.2% over the past five years in Spartanburg County, more 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 Spartanburg County, the state of South Carolina and the United States.

Year	Total Employment					
	Spartanburg County		South Carolina		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2010	116,205	-	1,928,442	-	140,469,139	-
2011	118,717	2.2%	1,957,493	1.5%	141,791,255	0.9%
2012	122,074	2.8%	1,992,957	1.8%	143,621,634	1.3%
2013	125,081	2.5%	2,034,404	2.1%	145,017,562	1.0%
2014	128,147	2.5%	2,082,941	2.4%	147,313,048	1.6%
2015	132,080	3.1%	2,134,087	2.5%	149,500,941	1.5%
2016	135,864	2.9%	2,174,301	1.9%	151,887,366	1.6%
2017	140,787	3.6%	2,200,602	1.2%	154,160,937	1.5%
2018	145,417	3.3%	2,242,438	1.9%	156,081,212	1.2%
2019	149,576	2.9%	2,302,573	2.7%	158,102,439	1.3%
2020	144,704	-3.3%	2,237,407	-2.8%	148,739,082	-5.9%

Source: Department of Labor; Bureau of Labor Statistics

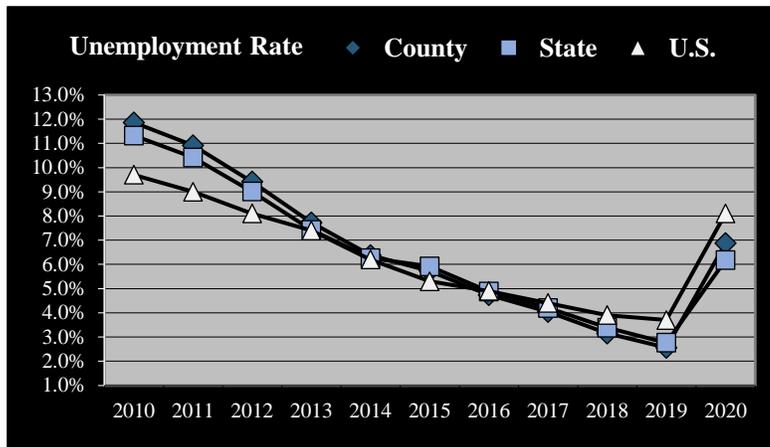


As the preceding illustrates, the Spartanburg County employment base experienced consistent growth between 2010 and 2019. However, the county experienced a 3.3% reduction of jobs in 2020 due to the COVID-19 pandemic.

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

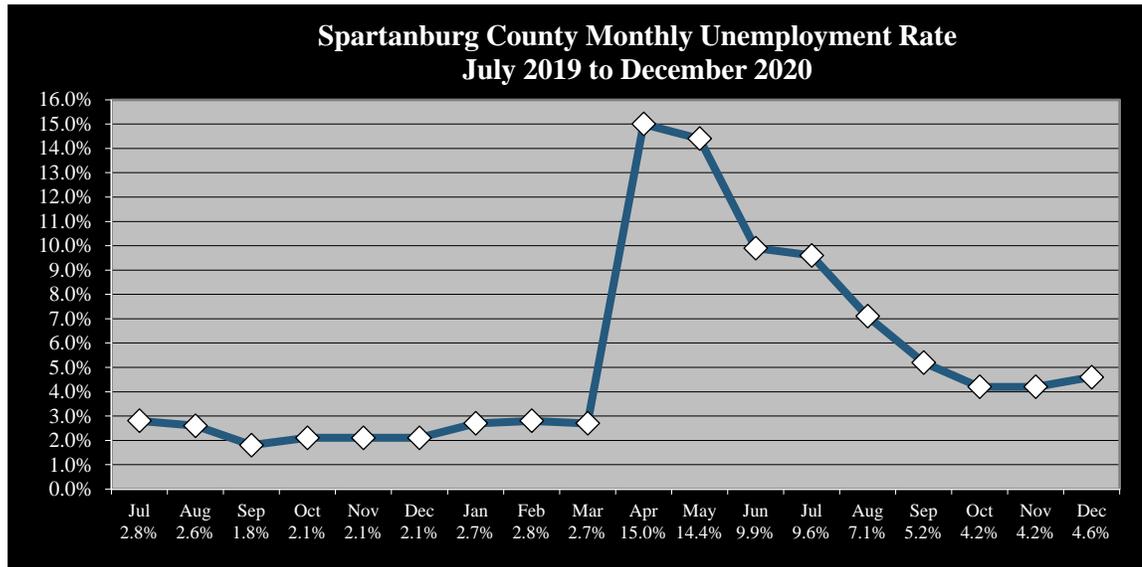
Year	Unemployment					
	Spartanburg County		South Carolina		United States	
	Total Number	Percent	Total Number	Percent	Total Number	Percent
2010	15,613	11.9%	246,093	11.3%	15,070,017	9.7%
2011	14,543	10.9%	227,678	10.4%	14,035,049	9.0%
2012	12,707	9.4%	197,246	9.0%	12,691,553	8.1%
2013	10,472	7.7%	163,472	7.4%	11,634,201	7.4%
2014	8,715	6.4%	139,485	6.3%	9,776,089	6.2%
2015	8,026	5.7%	133,750	5.9%	8,417,793	5.3%
2016	6,757	4.7%	111,753	4.9%	7,854,801	4.9%
2017	5,908	4.0%	96,477	4.2%	7,093,912	4.4%
2018	4,717	3.2%	78,442	3.4%	6,385,787	3.9%
2019	3,920	2.6%	65,112	2.8%	6,073,924	3.7%
2020	10,821	6.9%	147,183	6.2%	13,039,335	8.1%

Source: Department of Labor; Bureau of Labor Statistics



The unemployment rate in Spartanburg County consistently declined between 2010 and 2019, then increased by over four percentage points in 2020 due to the COVID-19 pandemic.

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



The *monthly* unemployment rate within Spartanburg County was generally stable between July 2019 and March 2020, which then spiked by over 12 percentage points between March and April. On a positive note, the county’s monthly unemployment rate has been generally declining since; however, it is still considered relatively high at 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 Spartanburg County.

Year	In-Place Employment Spartanburg County		
	Employment	Change	Percent Change
2010	109,848	-	-
2011	111,288	1,440	1.3%
2012	114,561	3,273	2.9%
2013	119,385	4,824	4.2%
2014	123,466	4,081	3.4%
2015	127,009	3,543	2.9%
2016	131,655	4,646	3.7%
2017	137,148	5,493	4.2%
2018	141,952	4,804	3.5%
2019	147,638	5,686	4.0%
2020*	143,294	-4,344	-2.9%

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 Spartanburg County to be 98.7% of the total Spartanburg County employment. This means that Spartanburg County has a high share of employed persons staying in the county for daytime employment. This will likely have a positive impact on the subject's marketability for seniors still within the workforce.

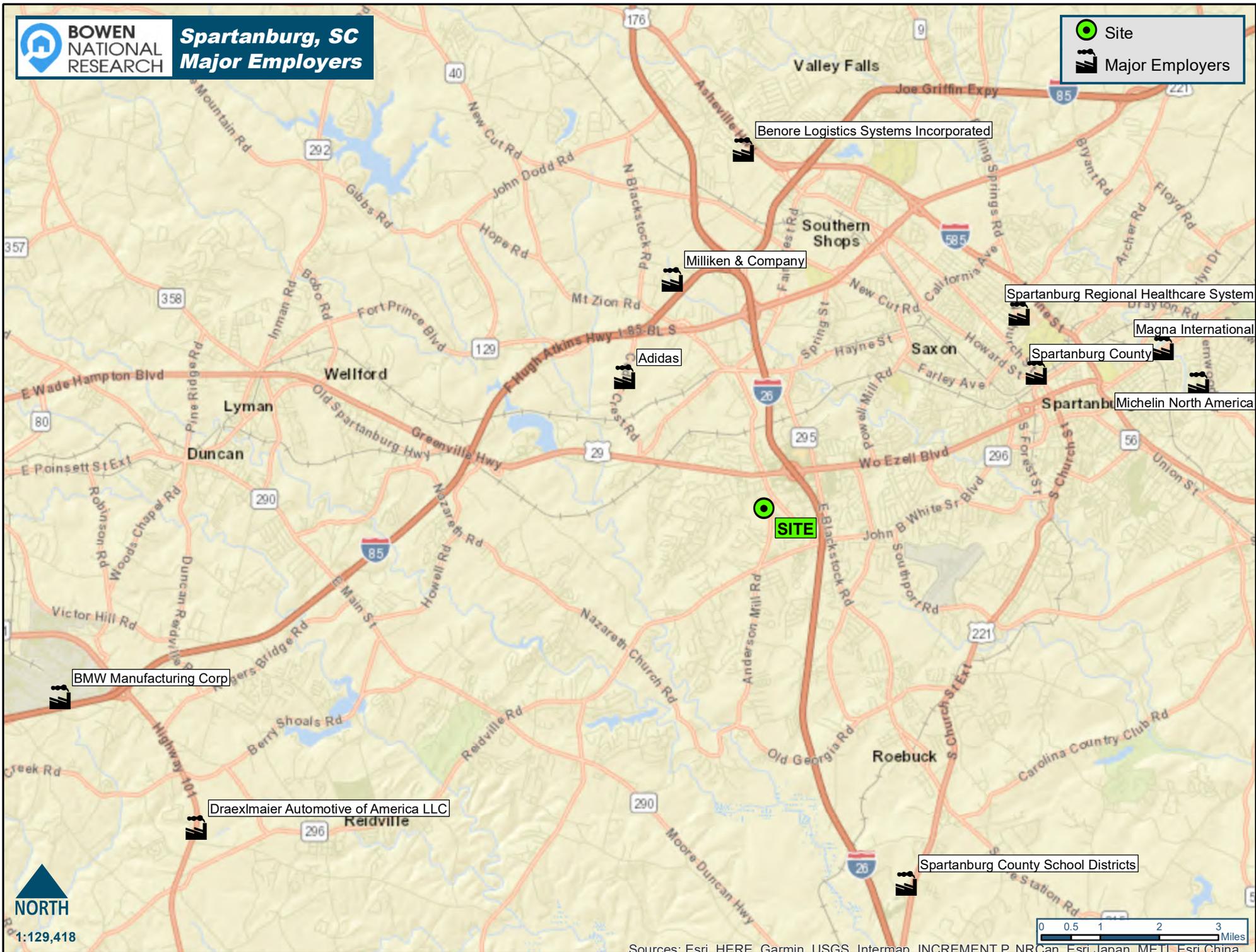
5. EMPLOYMENT CENTERS MAP

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

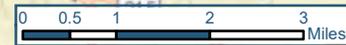


Spartanburg, SC Major Employers

- Site
- Major Employers



NORTH
1:129,418



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	37,562	82.7%
Carpooled	5,288	11.6%
Public Transit	204	0.4%
Walked	611	1.3%
Other Means	346	0.8%
Worked at Home	1,386	3.1%
Total	45,397	100.0%

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

Nearly 83% of all workers drove alone, 11.6% carpooled and only 0.4% 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	13,212	29.1%
15 to 29 Minutes	19,946	43.9%
30 to 44 Minutes	7,304	16.1%
45 to 59 Minutes	1,979	4.4%
60 or More Minutes	1,569	3.5%
Worked at Home	1,386	3.1%
Total	45,396	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 15-minute drive to most of the area's largest employers, which should contribute to its marketability. A drive-time map for the subject site is on the following page.

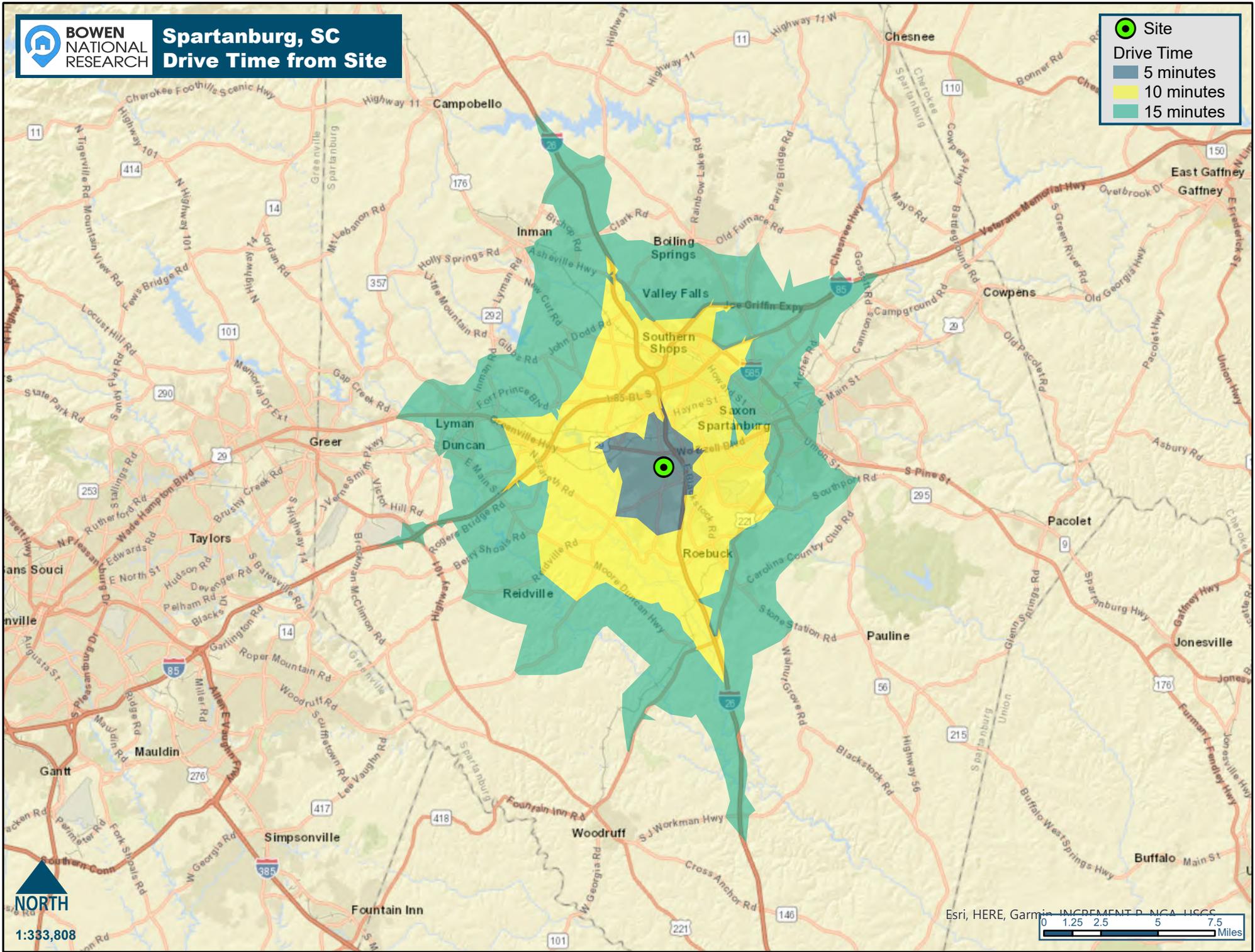


Spartanburg, SC Drive Time from Site

● Site

Drive Time

- 5 minutes
- 10 minutes
- 15 minutes



NORTH
1:333,808

Esri, HERE, Garmin, INCREMENT P, NOAA, USGS
0 1.25 2.5 5 7.5 Miles

7. ECONOMIC FORECAST AND HOUSING IMPACT

The Spartanburg County economy experienced continued job growth between 2010 and 2019. However, between 2019 and 2020, the county declined by over 4,870 jobs, or 3.3%, 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 over four percentage points during the same time frame. Specifically, between March and April 2020, the unemployment rate within Spartanburg County spiked by over 12 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 approximately 24% 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	86,737	93,542	108,874	113,440
Population Change	-	6,805	15,332	4,566
Percent Change	-	7.8%	16.4%	4.2%

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

The Spartanburg Site PMA population base increased by 6,805 between 2000 and 2010. This represents a 7.8% increase from the 2000 population base, or an annual rate of 0.8%. Between 2010 and 2020, the population increased by 15,332, or 16.4%. It is projected that the population will increase by 4,566, or 4.2%, between 2020 and 2023.

Based on the 2010 Census, the population residing in group-quarters is represented by 4.4% of the Site PMA population, as demonstrated in the following table:

	Number	Percent
Population in Group Quarters	4,132	4.4%
Population not in Group Quarters	89,410	95.6%
Total Population	93,542	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	26,986	28.8%	28,499	26.2%	29,737	26.2%	1,238	4.3%
20 to 24	7,117	7.6%	7,240	6.6%	7,171	6.3%	-69	-1.0%
25 to 34	11,789	12.6%	15,356	14.1%	15,028	13.2%	-328	-2.1%
35 to 44	12,421	13.3%	13,331	12.2%	14,697	13.0%	1,366	10.2%
45 to 54	13,097	14.0%	13,594	12.5%	13,487	11.9%	-107	-0.8%
55 to 64	10,808	11.6%	13,778	12.7%	14,133	12.5%	355	2.6%
65 to 74	6,544	7.0%	10,449	9.6%	11,387	10.0%	938	9.0%
75 & Over	4,780	5.1%	6,627	6.1%	7,800	6.9%	1,173	17.7%
Total	93,542	100.0%	108,874	100.0%	113,440	100.0%	4,566	4.2%

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

As the preceding table illustrates, over 28% of the population is expected to be age 55 and older 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 following compares the PMA's elderly (age 55+) and non-elderly population.

Population Type	Year		
	2010 (Census)	2020 (Estimated)	2023 (Projected)
Elderly (Age 55+)	22,132	30,854	33,320
Non-Elderly	71,410	78,020	80,120
Total	93,542	108,874	113,440

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

The elderly population is projected to increase by 2,466, or 8.0%, between 2020 and 2023. This increase among the targeted age cohort will likely increase the demand of senior-oriented housing.

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%	30.1%
Black or African American	27.9%	27.9% + 20.0% = 47.9%	18.5%
American Indian	0.4%	0.4% + 20.0% = 20.4%	0.4%
Asian/Hawaiian/Pacific Islander	1.4%	1.4% + 20.0% = 21.4%	5.1%
Hispanic or Latino	5.1%	5.1% + 20.0% = 25.1%	3.7%

Source: SC Housing and 2020 FFIEC Census Report

2. HOUSEHOLD TRENDS

a. Total Households

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

	Year			
	2000 (Census)	2010 (Census)	2020 (Estimated)	2023 (Projected)
Households	33,099	35,410	41,267	43,056
Household Change	-	2,311	5,857	1,789
Percent Change	-	7.0%	16.5%	4.3%
Household Size	2.62	2.64	2.54	2.54

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

Within the Spartanburg Site PMA, households increased by 2,311 (7.0%) between 2000 and 2010. Between 2010 and 2020, households increased by 5,857, or 16.5%. By 2023, there will be 43,056 households, an increase of 1,789 households, or 4.3%, from 2020. This is an increase of approximately 596 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	2,152	6.1%	1,672	4.1%	1,716	4.0%	44	2.6%
25 to 34	5,406	15.3%	6,811	16.5%	6,630	15.4%	-181	-2.7%
35 to 44	6,507	18.4%	6,724	16.3%	7,360	17.1%	636	9.5%
45 to 54	7,212	20.4%	7,190	17.4%	7,085	16.5%	-105	-1.5%
55 to 64	6,530	18.4%	7,948	19.3%	8,086	18.8%	138	1.7%
65 to 74	4,251	12.0%	6,450	15.6%	6,964	16.2%	514	8.0%
75 to 84	2,507	7.1%	3,445	8.3%	4,017	9.3%	572	16.6%
85 & Over	845	2.4%	1,027	2.5%	1,198	2.8%	171	16.7%
Total	35,410	100.0%	41,267	100.0%	43,056	100.0%	1,789	4.3%

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 35 and 44, increasing by 636, or 9.5%. Households between the ages of 65 and 84 are also projected to experience notable growth, increasing by 1,086, or 11.0%. These trends illustrate that there will likely be an increasing need for housing for both families and seniors within the Spartanburg Site PMA.

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	21,565	60.9%	24,908	60.4%	26,001	60.4%
Renter-Occupied	13,845	39.1%	16,359	39.6%	17,056	39.6%
Total	35,410	100.0%	41,267	100.0%	43,056	100.0%

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

In 2020, homeowners occupied 60.4% of all occupied housing units, while the remaining 39.6% were occupied by renters.

Households by tenure for those age 55 and older in 2010, 2020 (estimated) and 2023 (projected) are distributed as follows:

Tenure Age 55+	2010 (Census)		2020 (Estimated)		2023 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	10,916	77.2%	14,301	75.8%	15,201	75.0%
Renter-Occupied	3,217	22.8%	4,569	24.2%	5,064	25.0%
Total	14,133	100.0%	18,870	100.0%	20,265	100.0%

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

As illustrated in the preceding table, senior renters age 55 and older within the market are projected to increase by 495, or 10.8%, between 2020 and 2023. This further illustrates that there will likely be an increasing need for age-restricted rental housing within the Site PMA.

c. Households by Income

The distribution of households by income age 55 and older within the Spartanburg Site PMA is summarized as follows:

Household Income 55+	2010 (Census)		2020 (Estimated)		2023 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	1,616	11.4%	1,351	7.2%	1,362	6.7%
\$10,000 to \$19,999	3,294	23.3%	2,798	14.8%	2,792	13.8%
\$20,000 to \$29,999	1,968	13.9%	2,328	12.3%	2,366	11.7%
\$30,000 to \$39,999	1,497	10.6%	2,179	11.5%	2,247	11.1%
\$40,000 to \$49,999	1,237	8.8%	1,752	9.3%	1,843	9.1%
\$50,000 to \$59,999	1,027	7.3%	1,523	8.1%	1,588	7.8%
\$60,000 to \$74,999	1,142	8.1%	1,852	9.8%	2,173	10.7%
\$75,000 to \$99,999	840	5.9%	2,572	13.6%	2,952	14.6%
\$100,000 to \$124,999	595	4.2%	869	4.6%	989	4.9%
\$125,000 to \$149,999	315	2.2%	518	2.7%	592	2.9%
\$150,000 to \$199,999	362	2.6%	575	3.0%	682	3.4%
\$200,000 & Over	240	1.7%	553	2.9%	680	3.4%
Total	14,133	100.0%	18,870	100.0%	20,266	100.0%
Median Income	\$31,259		\$44,446		\$47,410	

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

In 2010, the median household income for households age 55 and older was \$31,259. This increased by 42.2% to \$44,446 in 2020. By 2023, it is projected that the median household income will be \$47,410, an increase of 6.7% from 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 age 55 and older for 2010, 2020 and 2023 for the Spartanburg Site PMA:

Renter Age 55+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	351	130	78	51	36	647
\$10,000 to \$19,999	774	254	153	100	70	1,351
\$20,000 to \$29,999	264	94	57	37	26	478
\$30,000 to \$39,999	134	52	32	21	15	253
\$40,000 to \$49,999	123	49	29	19	14	233
\$50,000 to \$59,999	33	13	8	5	4	63
\$60,000 to \$74,999	43	18	11	7	5	83
\$75,000 to \$99,999	20	9	5	3	2	40
\$100,000 to \$124,999	14	6	4	2	2	28
\$125,000 to \$149,999	7	3	2	1	1	15
\$150,000 to \$199,999	7	3	2	1	1	15
\$200,000 & Over	5	2	1	1	1	10
Total	1,776	634	382	249	176	3,217

Source: ESRI; Urban Decision Group

Renter Age 55+ Households	2020 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	394	121	70	47	39	671
\$10,000 to \$19,999	793	210	121	81	67	1,272
\$20,000 to \$29,999	421	120	69	46	38	693
\$30,000 to \$39,999	349	102	59	40	32	582
\$40,000 to \$49,999	275	82	47	32	26	463
\$50,000 to \$59,999	134	46	27	18	15	239
\$60,000 to \$74,999	176	57	33	22	18	306
\$75,000 to \$99,999	126	43	25	17	14	225
\$100,000 to \$124,999	23	8	5	3	3	42
\$125,000 to \$149,999	16	6	3	2	2	29
\$150,000 to \$199,999	12	4	3	2	1	22
\$200,000 & Over	13	5	3	2	2	24
Total	2,732	806	464	311	256	4,569

Source: ESRI; Urban Decision Group

Renter Age 55+ Households	2023 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	408	123	71	48	40	690
\$10,000 to \$19,999	784	202	117	78	65	1,246
\$20,000 to \$29,999	459	127	74	49	41	750
\$30,000 to \$39,999	419	118	69	46	38	690
\$40,000 to \$49,999	338	92	54	36	30	550
\$50,000 to \$59,999	167	56	33	22	18	296
\$60,000 to \$74,999	259	74	43	29	24	429
\$75,000 to \$99,999	150	48	28	18	15	259
\$100,000 to \$124,999	30	10	6	4	3	53
\$125,000 to \$149,999	20	7	4	3	2	37
\$150,000 to \$199,999	17	6	3	2	2	30
\$200,000 & Over	20	7	4	3	2	35
Total	3,071	869	505	337	281	5,064

Source: ESRI; Urban Decision Group

The following tables illustrate owner household income by household size for age 55 and older for 2010, 2020 and 2023 for the Spartanburg Site PMA:

Owner Age 55+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	329	310	152	102	76	969
\$10,000 to \$19,999	708	598	293	197	147	1,943
\$20,000 to \$29,999	520	470	230	155	116	1,490
\$30,000 to \$39,999	405	406	199	133	100	1,244
\$40,000 to \$49,999	322	330	162	109	81	1,004
\$50,000 to \$59,999	305	319	156	105	79	964
\$60,000 to \$74,999	324	356	174	117	88	1,059
\$75,000 to \$99,999	234	274	134	90	68	800
\$100,000 to \$124,999	162	196	96	65	48	567
\$125,000 to \$149,999	86	104	51	34	26	300
\$150,000 to \$199,999	98	120	59	40	30	347
\$200,000 & Over	64	80	39	26	20	230
Total	3,557	3,561	1,748	1,172	878	10,916

Source: ESRI; Urban Decision Group

Owner Age 55+ Households	2020 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	243	214	102	68	53	680
\$10,000 to \$19,999	573	466	222	149	116	1,526
\$20,000 to \$29,999	595	509	242	163	127	1,635
\$30,000 to \$39,999	555	510	242	163	127	1,597
\$40,000 to \$49,999	437	417	198	133	104	1,289
\$50,000 to \$59,999	414	426	202	136	106	1,284
\$60,000 to \$74,999	508	508	241	162	126	1,546
\$75,000 to \$99,999	748	782	372	250	195	2,347
\$100,000 to \$124,999	256	279	133	89	70	827
\$125,000 to \$149,999	151	165	79	53	41	489
\$150,000 to \$199,999	172	186	89	60	46	553
\$200,000 & Over	164	179	85	57	44	529
Total	4,815	4,641	2,206	1,484	1,156	14,301

Source: ESRI; Urban Decision Group

Owner Age 55+ Households	2023 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	241	211	100	67	52	672
\$10,000 to \$19,999	575	476	226	151	118	1,546
\$20,000 to \$29,999	588	505	240	160	125	1,617
\$30,000 to \$39,999	547	496	236	157	122	1,557
\$40,000 to \$49,999	451	413	196	131	102	1,294
\$50,000 to \$59,999	430	423	201	134	104	1,292
\$60,000 to \$74,999	593	565	268	179	139	1,744
\$75,000 to \$99,999	891	884	420	280	218	2,693
\$100,000 to \$124,999	303	310	148	98	77	936
\$125,000 to \$149,999	180	184	88	58	45	556
\$150,000 to \$199,999	212	216	103	68	53	652
\$200,000 & Over	209	213	101	68	53	644
Total	5,219	4,897	2,327	1,551	1,208	15,202

Source: ESRI; Urban Decision Group

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

Demographic Summary

Nearly two-fifths of the market is occupied by renter households. Overall, population and household trends have been positive since 2000 and are projected to remain positive through 2023. Specifically, senior renters age 55 and older are projected to increase by 495, or 10.8%, between 2020 and 2023, illustrating that there will likely be an increasing need for age-restricted rental housing within the Spartanburg Site PMA. As discussed later in Section H of this report, all affordable rental communities surveyed in the market are 100.0% occupied. This indicates that pent-up demand exists for such housing and the continuing need for additional affordable housing options within the Site PMA, particularly when factoring in rent overburdened households or those living in substandard housing.

G. Project-Specific Demand Analysis

1. INCOME RESTRICTIONS

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

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

The subject site is within the Spartanburg, South Carolina HUD Metro FMR Area, which has a four-person median household income of \$68,800 for 2021. The subject property will be restricted to senior households with incomes of up to 20%, 40%, 60% and 80% of AMHI. The following table summarizes the maximum allowable income by household size and targeted income levels:

Household Size	Maximum Allowable Income			
	20%	40%	60%	80%
One-Person	\$9,520	\$19,040	\$28,560	\$38,080
Two-Person	\$10,880	\$21,760	\$32,640	\$43,520

The largest proposed units (two-bedroom) at the subject site are expected to generally house up to two-person senior households. As such, the maximum allowable income at the subject site is **\$43,520**.

2. AFFORDABILITY

Leasing industry standards typically require households to have rent-to-income ratios of 25% to 30%. Pursuant to South Carolina (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 \$242. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$2,904. Applying a 40% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of **\$7,260**.

Based on the preceding analyses, the income-appropriate ranges required for residency at the subject project with units built to serve households at 20%, 40%, 60% and 80% of AMHI are included in the following table:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited To 20% Of AMHI)	\$7,260	\$10,880
Tax Credit (Limited To 40% Of AMHI)	\$14,550	\$21,760
Tax Credit (Limited To 60% Of AMHI)	\$19,230	\$32,640
Tax Credit (Limited To 80% Of AMHI)	\$25,380	\$43,520
Overall Project	\$7,260	\$43,520

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 2023, per state requirements, 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 28.4% to 67.7% (depending upon the targeted income level) of renter households within the market were rent overburdened. These households have been included in our demand analysis.

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

Based on the 2019 ACS 5-Year Estimates Table B25016, 4.9% of all households within the market were living in substandard housing (lacking complete indoor plumbing and overcrowded households/1+ persons per room).

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

The subject project is located in an urban area of South Carolina. As a result, we anticipate that 2.0% of senior homeowners will consider the subject project as a housing alternative. Therefore, we used a 2.0% homeowner conversion rate in our capture rate estimates.

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

4. METHODOLOGY

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

- a. **Demand:** The two overall demand components (3a and 3b) added together represent total demand for the project.
- b. **Supply:** Comparable/competitive units funded, under construction, or placed in service since 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 comparable age-restricted LIHTC rental community within the development pipeline. This property, The Ellington, will offer 50 one- and two-bedroom units targeting senior households earning up to 50% (ten units) and 60% (40 units) of AMHI. The three (3) one- and 37 two-bedroom units set aside at 60% of AMHI have been considered in our demand estimates illustrated in the tables on the following pages. Note that there are no existing non-subsidized age-restricted LIHTC communities within the Spartanburg Site PMA.

Demand Component	Percent of Median Household Income				
	20% AMHI (\$7,260-\$10,880)	40% AMHI (\$14,550-\$21,760)	60% AMHI (\$19,230-\$32,640)	80% AMHI (\$25,380-\$43,520)	Overall (\$7,260-\$43,520*)
Demand from New Renter Households (Age- & Income-Appropriate)	297 - 296 = 1	813 - 815 = -2	994 - 945 = 49	1,164 - 1,065 = 99	2,537 - 2,428 = 109
+					
Demand from Existing Households (Rent Overburdened)	296 X 62.7% = 185	815 X 67.7% = 552	945 X 44.4 = 420	1,065 X 28.4% = 303	2,428 X 44.4% = 1,077
+					
Demand from Existing Households (Renters in Substandard Housing)	296 X 4.9% = 14	815 X 4.9% = 40	945 X 4.9% = 46	1,065 X 4.9% = 52	2,428 X 4.9% = 118
+					
Demand from Existing Households (Senior Homeowner Conversion)	321 X 2.0% = 6	1,119 X 2.0% = 22	2,173 X 2.0% = 43	2,806 X 2.0% = 56	4,838 X 2.0% = 96
=					
Total Demand	206	612	558	510	1,400
-					
Supply (Directly Comparable Units Built and/or Funded Since 2020)	0	0	40	0	40
=					
Net Demand	206	612	518	510	1,360
Subject Units	9	9	43	22	83
Subject Units / Net Demand	9 / 206	15 / 612	43 / 518	16 / 510	83 / 1,360
Capture Rate	= 4.4%	= 2.5%	= 8.3%	= 3.1%	= 6.1%

*Excludes senior households earning between \$10,880 and \$14,550

Typically, under this methodology, capture rates below 30.0% are acceptable, while capture rates under 20.0% are ideal. As such, the subject's capture rates by AMHI level ranging from 2.5% to 8.3%, as well as the overall capture rate of 6.1%, are considered low and easily achievable. This demonstrates that a significant base of demographic support exists for the subject site.

Based on the distribution of persons per senior 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	60.0%
Two-Bedroom	40.0%
Total	100.0%

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

Units Targeting 20% Of AMHI (206 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 (60.0%)	124	0	124	3	2.4%
Two-Bedroom (40.0%)	82	0	82	6	7.3%

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

Units Targeting 40% Of AMHI (612 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 (60.0%)	367	0	367	4	1.1%
Two-Bedroom (40.0%)	245	0	245	11	4.5%

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

Units Targeting 60% Of AMHI (558 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 (60.0%)	335	3	332	7	2.1%
Two-Bedroom (40.0%)	223	37	186	36	19.4%

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

Units Targeting 80% Of AMHI (510 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 (60.0%)	306	0	306	4	1.3%
Two-Bedroom (40.0%)	204	0	204	12	5.9%

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

The capture rates by bedroom type are low and easily achievable, ranging from 1.1% to 19.4%. These capture rates indicate that good support exists for the development of the subject project.

6. ABSORPTION PROJECTIONS

For the purpose of this analysis, we assume the absorption period at the proposed subject site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow state agency guidelines that assume a 2023 opening date for the site, we also assume that the first completed units at the site will be available for rent sometime in 2023. Further, these absorption projections assume the project will be built 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 will continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development ultimately receives.

It is our opinion that the proposed 83 LIHTC units at the subject site will experience an average initial absorption rate of approximately 11 units per month and reach a stabilized occupancy of 93.0% in seven months.

H. Rental Housing Analysis (Supply)

1. COMPETITIVE DEVELOPMENTS

We did not identify any *existing* age-restricted, non-subsidized Low-Income Housing Tax Credit (LIHTC) projects within the Spartanburg Site PMA. Therefore, we have selected four family (general-occupancy) rental developments that offer non-subsidized LIHTC units within the market for this comparability analysis, as they offer first-floor, entry-level one- and/or two-bedroom units that likely appeal to seniors and represent a reasonable base of comparison for the senior units at the site. The four comparable LIHTC properties and the proposed subject development are summarized as follows:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Timbers at Oak Grove	2022	83	-	-	-	Seniors 55+; 20%, 40%, 60% & 80% AMHI
8	Companion at Lee's Crossing I	2010	192	100.0%	3.4 Miles	5 HH	Families; 60% AMHI
9	Country Garden Estates I & II	2002	90*	100.0%	3.7 Miles	25 HH	Families; 50% & 60% AMHI
23	Regency at Blackstock	2019	37	100.0%	0.8 Miles	175 HH	Families; 50% & 60% AMHI
30	Willow Crossing	2012	48	100.0%	0.7 Miles	12 Months	Families; 50% & 60% AMHI

OCC. – Occupancy

HH – Households

*Non-subsidized Tax Credit unit only

The four LIHTC projects have a combined occupancy rate of 100.0%, all of which maintain a waiting list, illustrating that pent-up demand exists for additional affordable rental housing within the market. The subject project will be able to accommodate a portion of this unmet demand.

The newest comparable rental community surveyed within the market, Regency at Blackstock (Map ID 23), opened in March 2019 and leased 35 units within the first month of opening. Preleasing efforts began in February 2019, yielding an absorption rate of approximately 17 to 18 units per month, a rapid rate for affordable rental housing. This illustrates that new affordable rental product has been very well received within the market, which will bode well in the demand of the subject units.

The gross rents for the comparable LIHTC 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.	
		\$242/20% (3) \$485/40% (4) \$641/60% (7) \$846/80% (4)	\$291/20% (6) \$583/40% (11) \$710/60% (36) \$1,010/80% (12)	-	-
8	Companion at Lee's Crossing I	\$679/60% (36/0)	\$820/60% (98/0)	\$942/60% (58/0)	None
9	Country Garden Estates I & II	\$599/50% (4/0) \$723/60% (4/0)	\$743/50% (12/0) \$891/60% (12/0)	\$1,006/50% (4/0) \$1,048/60% (54/0)	None
23	Regency at Blackstock	-	\$570/50% (3/0) \$645/60% (10/0)	\$667/50% (5/0) \$717/60% (19/0)	None
30	Willow Crossing	-	\$595/50% (8/0) \$675/60% (8/0)	\$782/50% (4/0) \$782/60% (28/0)	None

The proposed subject gross rents set aside at 60% of AMHI of \$641 and \$710 are generally within the range of rents offered at the comparable LIHTC projects within the market targeting a similar income level and, as such, are considered appropriately positioned.

Notably, the subject project will be the only LIHTC project within the market to offer units set aside at 20%, 40% and 80% of AMHI. This will position the site at a market advantage, as it will be able to accommodate low- and moderate-income senior households that are currently underserved within the Site PMA. Additionally, while the subject project's rents set aside at 80% of AMHI of \$846 and \$1,010 will be the highest LIHTC rents within the market, given that these units are able to accommodate those with higher incomes, this will enable such units to charge higher rents. Given the depth of support for such units (as illustrated earlier in Section G of this report) and the anticipated value the subject rents will represent (as illustrated later in Addendum C), we believe the proposed subject rents are appropriately positioned within the market.

The following table identifies the comparable Tax Credit 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
8	Companion at Lee's Crossing I	192	115	59.9%
9	Country Garden Estates I & II	90*	50	55.6%
23	Regency at Blackstock	37	25	67.6%
30	Willow Crossing	48	12	25.0%
Total		367	202	55.0%

*Non-subsidized Tax Credit units only

As the preceding table illustrates, there are a total of approximately 202 Voucher holders residing at the comparable LIHTC properties within the market. This comprises 55.0% of the 367 total non-subsidized LIHTC units offered among these properties. This is considered a high share of Voucher support, demonstrating that many residents within the non-subsidized units offered at these properties are actually paying subsidized rents under the Voucher program. This high share of Voucher support is a good indication that the units at the subject project will likely receive some support from Voucher holders within the market. This has been considered in our absorption estimates.

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

8 Companion at Lee's Crossing I 3.4 miles to site



Address: 100 Lees Crossing Dr., Spartanburg, SC 29301
 Phone: (864) 481-1422 Contact: Kelly
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 192 Year Built: 2010
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 3,4
 Waitlist: 5 HH
 Rent Special: None

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

Notes: Tax Credit; Tax Credit Bond



Features And Utilities

Utility Schedule Provided by: SC State Housing Finance and Development Agency
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

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

Property Amenities: Car Care (Car Vacuum, Car Wash); Community Room; Laundry Room; On-Site Management; Pet Stations; Recreation Areas (Fitness Center, Playground, Outdoor Swimming Pool)

Parking Type: Detached Garage; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	36	0	730	\$0.83	\$605	60%
2	2	G	98	0	1,057	\$0.69	\$725	60%
3	2	G	58	0	1,248	\$0.66	\$825	60%

*Adaptive Reuse

*DTS is based on drive time

9 Country Garden Estates I & II 3.7 miles to site



Address: 346 N. Sunflower Way, Moore, SC 29369
 Phone: (864) 574-0072 Contact: Carolyn
 Property Type: Tax Credit, Government Subsidized
 Target Population: Family
 Total Units: 100 Year Built: 2002
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 1,2
 Waitlist: 25 HH
 Rent Special: None

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

Notes: Tax Credit (90 units); PBV/RAD & Tax Credit (10 units); HOPE VI; 3-br garden unit is a single-family home



Features And Utilities

Utility Schedule Provided by: SC State Housing Finance and Development Agency

Utility Type & Responsibility: Landlord pays Trash

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

Property Amenities: On-Site Management

Parking Type: Detached Garage; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	2	0	907	Subsidized	Subsidized	Subsidized
1	1	G	4	0	907	\$0.51	\$460	50%
1	1	G	4	0	907	\$0.64	\$584	60%
2	1.5 - 2	T	6	0	1,184	Subsidized	Subsidized	Subsidized
2	1.5 - 2	T	12	0	1,184	\$0.47	\$562	50%
2	1.5 - 2	T	12	0	1,184	\$0.60	\$710	60%
3	2.5	H	1	0	1,272	\$0.64	\$811	60%
3	2.5	T	2	0	1,272	Subsidized	Subsidized	Subsidized
3	2.5	T	4	0	1,272	\$0.60	\$769	50%
3	2.5	T	53	0	1,272	\$0.64	\$811	60%

*Adaptive Reuse

*DTS is based on drive time

23 Regency at Blackstock 0.8 miles to site



Address: 320 Rosson Ln, Spartanburg, SC 29301
 Phone: (864) 586-1837 Contact: Tammy
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 37 Year Built: 2019
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2
 Waitlist: 175 HH
 Rent Special: None

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

Notes: Tax Credit; Preleasing 2/2019, opened 3/2019, stabilized occupancy 4/2019



Features And Utilities

Utility Schedule Provided by: SC State Housing Finance and Development Agency
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

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

Property Amenities: Business Center (Computer, Copy); Clubhouse, Community Room; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Picnic Table / Area, Playground); CCTV; Extra Storage

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	3	0	1,000	\$0.48	\$475	50%
2	2	G	10	0	1,000	\$0.55	\$550	60%
3	2	G	5	0	1,250	\$0.44	\$550	50%
3	2	G	19	0	1,250	\$0.48	\$600	60%

*Adaptive Reuse

*DTS is based on drive time

30 Willow Crossing 0.7 miles to site



Address: 101 Willow Crossing Ln., Spartanburg, SC 29301
 Phone: (864) 699-9965 Contact: Diane
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 48 Year Built: 2012
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2
 Waitlist: 12 mos
 Rent Special: None

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

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: SC State Housing Finance and Development Agency

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; Window Treatments; Flooring (Composite, Hardwood, Vinyl)

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

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	8	0	1,100	\$0.45	\$500	50%
2	2	G	8	0	1,100	\$0.53	\$580	60%
3	2	G	4	0	1,200	\$0.55	\$665	50%
3	2	G	28	0	1,200	\$0.55	\$665	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	Timbers at Oak Grove	834	1,071	-
8	Companion at Lee's Crossing I	730	1,057	1,248
9	Country Garden Estates I & II	907	1,184	1,272
23	Regency at Blackstock	-	1,000	1,250
30	Willow Crossing	-	1,100	1,200

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Timbers at Oak Grove	1.0	2.0	-
8	Companion at Lee's Crossing I	1.0	2.0	2.0
9	Country Garden Estates I & II	1.0	1.5 - 2.0	2.5
23	Regency at Blackstock	-	2.0	2.0
30	Willow Crossing	-	2.0	2.0

As the preceding tables illustrate, the subject's unit sizes (square feet) will be competitive with those offered at the comparable LIHTC projects within the market and, therefore, are considered appropriately positioned. The two full bathrooms to be provided in the subject's two-bedroom units will be appealing to senior households.

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* ♦	8	9	23	30
Appliances	Dishwasher	X	X	X	X	X
	Disposal		X	X	X	
	Icemaker	X			X	X
	Microwave	X			X	X
	Range	X	X	X	X	X
	Refrigerator	X	X	X	X	X
	No Appliances					
Unit Amenities	AC-Central	X	X	X	X	X
	AC-Other					
	Balcony	X	X		X	X
	Deck / Patio	X	X	X	X	X
	Basement					
	Ceiling Fan	X	X	X	X	X
	Controlled Access					
	E-Call System	X				
	Fireplace					
	Furnished					
	Security System					
	Sunroom					
	W/D Hookup	X	X	X	X	X
	W/D					
	Walk-In Closet	X		X	X	
Window Treatments	X	X	X	X	X	
Flooring	Carpet		X	X	X	
	Ceramic Tile					
	Composite (VCT)(LVT)	X		X		X
	Hardwood					X
	Finished Concrete					
	Vinyl		X	X	X	X
Wood Laminate / Plank						
Upgraded	Premium Appliances					
	Premium Countertops					
	Premium Cabinetry					
	Premium Fixtures					
	High Ceilings					
	Vaulted Ceilings					
	Crown Molding					
	Oversized Windows					
Parking	Attached Garage					
	Detached Garage		O	S		
	Street Parking					
	Surface Lot	X	X	X	X	X
	Carport					
	Property Parking Garage					
	Podium Parking					
	No Provided Parking					

♦ - Senior Property

* Proposed Site(s): Timbers at Oak Grove

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*♦	8	9	23	30
Bike Racks / Storage					
Business Center **	X			X	X
Car Care **		X			
Common Patio					
Community Garden					
Community Space					
Activity / Craft Room					
Chapel					
Clubhouse				X	X
Conference Room					
Community Kitchen	X				
Community Room	X	X		X	
Dining Room - Private					
Dining Room - Public					
Rooftop Lounge					
Study Lounge					
TV Lounge	X				
Concierge Service **					
Convenience Amenities **					
Courtyard					
Covered Outdoor Area **	X				X
Elevator	X				
Laundry Room	X	X		X	X
Meals					
On-Site Management	X	X	X	X	X
Pet Care **		X			
Recreation					
Basketball					
Bocce Ball					
Firepit					
Fitness Center	X	X		X	X
Grill	X				
Game Room - Billiards					
Hiking - Walking Trail					
Hot Tub					
Library					
Media Room / Theater					
Picnic Table / Area	X			X	X
Playground		X		X	X
Putting Green					
Racquetball					
Shuffleboard					
Sports Court					
Swimming Pool - Indoor					
Swimming Pool - Outdoor		X			
Tennis					
Volleyball					
Security					
CCTV	X			X	
Courtesy Officer					
Gated Community					
Gated Parking					
Police Substation					
Social Services **	X				
Storage - Extra	X			X	X
Water Feature					
WiFi					

♦ - Senior Property

* Proposed Site(s): Timbers at Oak Grove

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

** Details in Comparable Property Profile Report

As the preceding table illustrates, the subject project will offer an amenities package considered very similar with those offered at the comparable LIHTC projects. The subject project will not lack any amenity that will inhibit its ability to successfully operate as a LIHTC development.

Comparable Tax Credit Summary

Based on our analysis of the proposed rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing low-income properties within the market, it is our opinion that the subject development will be very marketable. In fact, there are no *existing* non-subsidized, age restricted LIHTC rental communities within the Site PMA and the subject development will be the only LIHTC project within the market to offer units set aside at 20%, 40% and 80% of AMHI. This will position the project at a market advantage, as it will provide an affordable rental housing alternative to low- and moderate-income senior households that are currently underserved within the area. This will bode well in the demand of the subject units and has been considered in our absorption estimates.

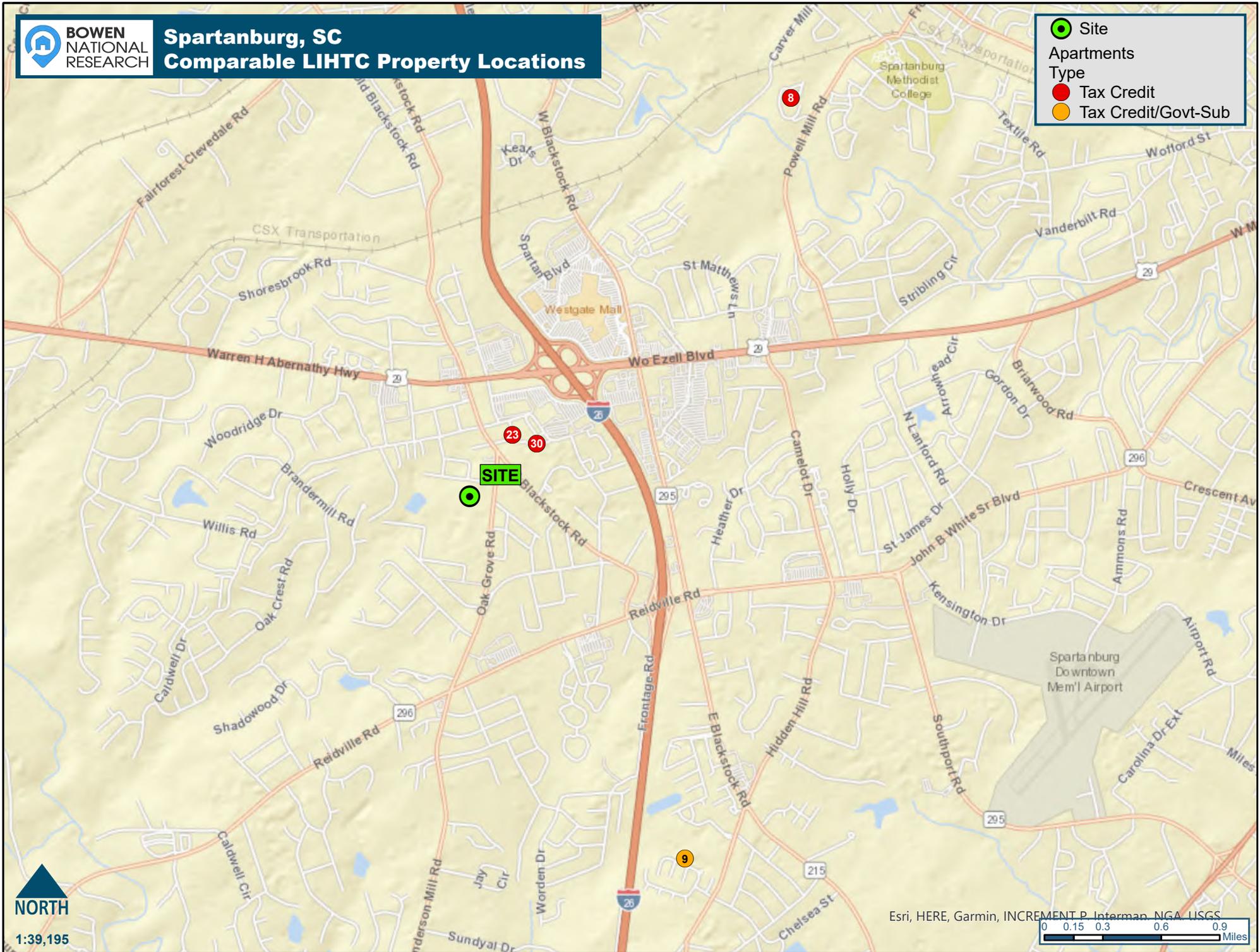
2. COMPARABLE TAX CREDIT PROPERTIES MAP

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



Spartanburg, SC Comparable LIHTC Property Locations

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



1:39,195

3. RENTAL HOUSING OVERVIEW

The distributions of the area housing stock within the Spartanburg 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	35,410	87.7%	41,267	89.5%
Owner-Occupied	21,565	60.9%	24,908	60.4%
Renter-Occupied	13,845	39.1%	16,359	39.6%
Vacant	4,960	12.3%	4,863	10.5%
Total	40,370	100.0%	46,130	100.0%

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

Based on a 2020 update of the 2010 Census, of the 46,130 total housing units in the market, 10.5% were vacant. In 2020, it was estimated that homeowners occupied 60.4% of all occupied housing units, while the remaining 39.6% were occupied by renters. The share of renters is considered typical for a market of this size and the 16,359 renter households estimated in 2020 represent a deep base of potential support in the market for the subject project.

Conventional Apartments

We identified and personally surveyed 33 conventional housing projects containing a total of 4,831 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 98.0%, a very strong rate for rental housing. The following table summarizes the project types identified in the Site PMA:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	15	3,323	98	97.1%
Market-rate/Government-Subsidized	1	150	0	100.0%
Tax Credit	4	305	0	100.0%
Tax Credit/Government-Subsidized	10	721	0	100.0%
Government-Subsidized	3	332	0	100.0%
Total	33	4,831	98	98.0%

As the preceding table illustrates, all rental housing segments are performing very well, as none have an occupancy rate below 97.1%. In fact, all affordable rental developments surveyed are fully occupied and maintain a waiting list, illustrating that significant pent-up demand exists for additional affordable rental housing within the Spartanburg Site PMA. The subject development will be able to accommodate a portion of this unmet demand.

In addition to the 14 projects surveyed that offer Tax Credit units, there are two additional *existing* Tax Credit developments within the market that we were unable to survey at the time this report was issued. The following table summarizes these Tax Credit projects we were unable to survey:

Project Name	Address	Year Built/Rehab	Total Units
Monarch Place	200 Monarch Pl., Wellford	1999	64
West Winfield Acres	518 Lavendula St., Spartanburg	1999	40

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

Market-rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Studio	1.0	21	0.6%	0	0.0%	\$932
One-Bedroom	1.0	989	29.8%	22	2.2%	\$1,049
One-Bedroom	1.5	26	0.8%	2	7.7%	\$885
Two-Bedroom	1.0	82	2.5%	3	3.7%	\$1,029
Two-Bedroom	1.5	104	3.1%	1	1.0%	\$1,106
Two-Bedroom	2.0	1,448	43.6%	52	3.6%	\$1,208
Three-Bedroom	1.5	6	0.2%	0	0.0%	\$1,153
Three-Bedroom	2.0	632	19.0%	18	2.8%	\$1,442
Three-Bedroom	2.5	16	0.5%	0	0.0%	\$1,418
Total Market-rate		3,324	100.0%	98	2.9%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	44	11.1%	0	0.0%	\$679
Two-Bedroom	1.5	12	3.0%	0	0.0%	\$817
Two-Bedroom	2.0	147	37.2%	0	0.0%	\$820
Three-Bedroom	2.0	134	33.9%	0	0.0%	\$782
Three-Bedroom	2.5	58	14.7%	0	0.0%	\$1,048
Total Tax Credit		395	100.0%	0	0.0%	-

As the preceding table illustrates, the median gross Tax Credit rents are well below the corresponding median gross market-rate rents. Therefore, Tax Credit product likely represents a substantial value to low-income renters within the market. This is further evidenced by the 0.0% vacancy rate identified among all Tax Credit units surveyed within the Spartanburg Site PMA.

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

Year Built	Projects	Units	Vacancy Rate
1970 to 1979	2	345	1.2%
1980 to 1989	5	709	2.4%
1990 to 1999	4	1,080	4.4%
2000 to 2009	4	978	2.6%
2010 to 2014	3	512	1.0%
2015	1	28	0.0%
2016 to 2018	0	0	0.0%
2019	2	67	0.0%
2020 to 2021*	0	0	0.0%

*As of March

Regardless of age, all rental properties surveyed broken out by year built are maintaining low vacancy levels no higher than 4.4%, illustrating that no significant correlation exists between age and vacancies within the Spartanburg rental housing market. In fact, all rental properties surveyed built since 2015 are fully occupied, demonstrating that new rental housing product has been very well received within the Site PMA. This will bode well in the demand of the subject units.

As illustrated in the table on the preceding page, we identified and surveyed two rental communities within the market that were built within the past two years, 198 Main & Morgan (Map ID 1) and Regency at Blackstock (Map ID 23). While lease-up information was unavailable for 198 Main & Morgan, Regency at Blackstock, a Tax Credit property, opened in March 2019 and leased 35 units within the first month of opening. Preleasing efforts began in February 2019, yielding an absorption rate of approximately 17 to 18 units per month, a rapid rate for affordable rental housing. This illustrates that new affordable rental product has been very well received within the market, which will have a positive impact on the subject’s marketability.

We rated each 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	4	1,160	2.6%
A-	2	380	6.6%
B+	6	1,001	3.5%
B	4	783	1.0%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	3	277	0.0%
B	2	118	0.0%

Regardless of quality, vacancy levels are low at or below 6.6%. As such, it can also be concluded that quality has not had any significant impact on the Spartanburg rental housing market.

Government-Subsidized

We identified and surveyed 14 projects that offer government-subsidized units within the Site PMA. Generally, these properties have few amenities, are older and offer small unit sizes (square feet). The government-subsidized units (both with and without Tax Credits) in the Site PMA are summarized in the table on the following page.

Subsidized Tax Credit					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	118	18.7%	0	0.0%
Two-Bedroom	1.0	81	12.8%	0	0.0%
Two-Bedroom	1.5	97	15.4%	0	0.0%
Two-Bedroom	2.0	3	0.5%	0	0.0%
Two-Bedroom	2.5	24	3.8%	0	0.0%
Three-Bedroom	1.0	115	18.2%	0	0.0%
Three-Bedroom	1.5	24	3.8%	0	0.0%
Three-Bedroom	2.0	8	1.3%	0	0.0%
Three-Bedroom	2.5	125	19.8%	0	0.0%
Four-Bedroom	1.0	36	5.7%	0	0.0%
Total Subsidized Tax Credit		631	100.0%	0	0.0%
Government-Subsidized					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
Studio	1.0	158	32.8%	0	0.0%
One-Bedroom	1.0	321	66.7%	0	0.0%
Two-Bedroom	1.0	2	0.4%	0	0.0%
Total Subsidized		481	100.0%	0	0.0%

All government-subsidized units surveyed, both with and without Tax Credits, are fully occupied and maintain a waiting list. This illustrates that pent-up demand exists for very low-income rental housing within the Spartanburg Site PMA.

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

4. RENTAL HOUSING INVENTORY MAP

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

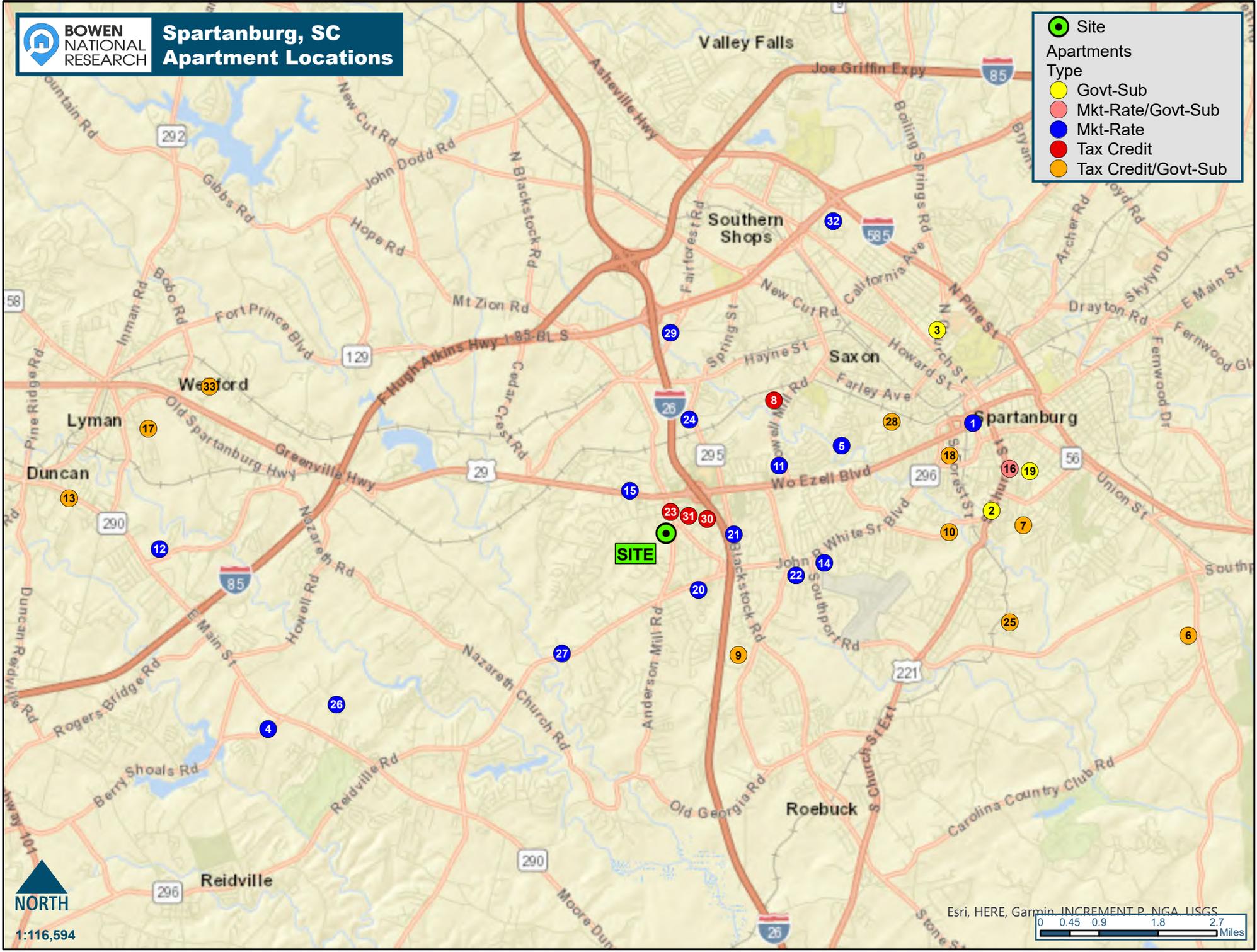


Spartanburg, SC Apartment Locations

● Site

Apartments Type

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



NORTH
1:116,594

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

5. & 6. PLANNED AND PROPOSED DEVELOPMENTS

From interviews with planning representatives that responded to our inquiries, as well as from extensive online research and the observations of our analyst while in the field, it was determined there are several rental housing communities within the development pipeline in the Site PMA, which are summarized as follows:

- Northside Apartments is currently under construction at 400 Howard Street in Spartanburg. This project received funding through the 4% Tax-Exempt Bond program in 2018 and will offer 90 one- and two-bedroom units targeting family (general-occupancy) households. Construction is expected to be completed in July 2021.
- The Ellington is currently under construction at 548 Magnolia Street in Spartanburg. The project received funding through the Tax Credit program in 2019 and will offer four (4) one- and 46 two-bedroom units targeting senior households ages 55 and older earning up to 50% (ten units) and 60% (40 units) of AMHI. The project is expected to be completed in the fall of 2021.
- The Liberty Street Apartments is currently under construction in downtown Spartanburg at 215 East Daniel Morgan Avenue. Developed by Forge Capital Partners, who is investing \$30 million on the project over the next five years, the development will include 192 studio-, one-, two-, and three-bedroom market-rate apartments and eight townhomes. The project is planned to be completed in May 2021.
- The Kennedy Street Apartments, to be located at 327 East Kennedy Street in Spartanburg, received its final design approval in March 2021. Plans include one building to be four stories containing 132 one-, two-, and three-bedroom market-rate apartments and a pool. The developer hopes to break ground by May 2021.
- 500 Northside Station, a mixed-income rental development containing nine market-rate and 82 affordable apartments at 500 Howard Street in Spartanburg is currently under construction. Developed by Spartanburg Housing Partners, construction is expected to be completed in the fall of 2021. The entire project will cost \$17 million and will contain one-, two-, and three-bedroom units. Upon completion, the apartments will be managed by NHE. Spartanburg Housing will begin taking applications for 18 RAD units for the property in April 2021.

- The Northside Townhomes, to be located on the northeast corner of Howard and Raindrop streets in Spartanburg, was approved in the fall of 2020. Plans for the seven (7) three-story buildings include 130 three-bedroom/2.5-bathroom units at 1,771 square feet, one quarter of which are planned to be affordable housing. The first phase of construction will include 47 apartments and it is not known at this time when construction will begin. The project is being developed by Montgomery Development Group.
- The Universal at Pine Ridge is currently in the very early stages of planning in Lyman. The property will be located at Pine Ridge Road, north of Greenville Highway. Plans include 216 one-, two-, and three-bedroom market-rate apartments. The developer, Watauga Developers, LLC, has not yet submitted any site plans for review, but received rezoning approval in December 2020. Amenities will include a clubhouse and pool.
- Victoria Gardens is an existing 80-unit Public Housing community located at 695 Howards Street in Spartanburg that received funding through the Tax Credit program in 2019 to extensively renovate the property. The property offers one-, two-, three-, four- and five-bedroom units that will target households earning up to 60% of AMHI.
- Robert Small Apartments is a planned LIHTC community to be located at 561 Wofford Street in Spartanburg. This property received funding through the Tax-Exempt Bond program in 2020 and will offer 190 one-, two-, three- and four-bedroom units targeting households earning up to 60% of AMHI.
- Westview Terrace is a planned LIHTC project to be located at 2062 Old Reidville Road in Spartanburg. The development was allocated funding in 2020 for 48 two- and three-bedroom units targeting households earning up to 30%, 50% and 60% of AMHI.

Of the aforementioned rental communities within the development pipeline in the Site PMA, The Ellington will target a similar age and income demographic as the subject site. As such, this property has been considered in our demand estimates illustrated earlier in Section G of this report.

7. MARKET ADVANTAGE

Per the direction of South Carolina (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 HUD FMRs within the Spartanburg, South Carolina HUD Metro FMR Area are \$735 for a one-bedroom unit and \$845 for a two-bedroom unit. The following table illustrates the subject project's market advantages when compared to FMRs for the area:

Bedroom Type	Proposed Collected Rent (AMHI)	Fair Market Rent	Market Advantage
One-Bedroom	\$121 (20%)	\$735	83.54%
	\$364 (40%)		50.48%
	\$520 (60%)		29.25%
	\$725 (80%)		1.36%
Two-Bedroom	\$131 (20%)	\$845	84.50%
	\$423 (40%)		49.94%
	\$610 (60%)		27.81%
	\$850 (80%)		-0.59%
Weighted Average			32.57%

As the preceding illustrates, the subject's market advantages range between -0.59% and 84.50%, when compared to the area's HUD FMRs. The weighted average market advantage is 32.57%. Regardless, we have provided an *achievable market rent* analysis for the proposed subject units to determine the true value the proposed rents will represent to low-income seniors within the area, which is illustrated later in Addendum C of this report.

8. AFFORDABLE HOUSING IMPACT

As noted throughout this section, there are no *existing* non-subsidized age-restricted LIHTC communities within the Site PMA. As such, the subject project is not anticipated to have any tangible impact on the existing LIHTC properties within the market. While there is one age-restricted LIHTC rental community currently under construction within the market that will have some competitive overlap with the site, considering the depth of demographic support that will exist for both projects to operate simultaneously, it is expected that both projects will be successful.

9. OTHER HOUSING OPTIONS (BUY VERSUS RENT)

According to ESRI, the median home value within the Site PMA was \$136,074. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$136,074 home is \$819, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$136,074
Mortgaged Value = 95% of Median Home Price	\$129,270
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$655
Estimated Taxes and Insurance*	\$164
Estimated Monthly Mortgage Payment	\$819

*Estimated at 25% of principal and interest

In comparison, nearly all of the rents at the subject site are well below the cost of a monthly mortgage for a typical home in the market area. Therefore, it is very unlikely that tenants that would qualify to reside at the subject project would be able to afford the monthly payments required to own a home or who would be able to afford the down payment on such a home. In fact, as the subject project will target senior households, we expect some support from elderly homeowners downsizing from their homes and seeking a maintenance free housing alternative. Therefore, we do not anticipate any competitive impact on or from the homebuyer market.

10. HOUSING VOIDS

As indicated throughout this section, there are no *existing* non-subsidized age-restricted LIHTC rental communities within the Spartanburg Site PMA and all affordable rental housing alternatives surveyed are fully occupied with a waiting list. This illustrates that pent-up demand exists for additional affordable rental housing within the Spartanburg Site PMA, particularly for seniors. Additionally, the subject project will be the only LIHTC development within the market to offer units set aside at 20%, 40% and 80% of AMHI. The subject project will provide an affordable rental housing alternative to low- and moderate-income senior households that are currently underserved within the Spartanburg Site PMA.

I. Interviews

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

- According to Chris Guy, City Administrator for the Wellford Town Office, there is a need for affordable housing for seniors in Spartanburg County. Mr. Guy stated that several seniors in the county are in need of affordable housing and cannot afford most of the housing available to them in the area currently due to the fact that many of them are living on social security. He further noted that the lack of affordable housing is mainly due to the fact that affordable housing simply is not being built in the area. (864) 439-4875
- Joy Walker, Property Manager of Cedar Springs Place (Map ID 6), a senior Tax Credit and government-subsidized property in Spartanburg, indicated that there is a need for affordable senior housing in the Spartanburg area. Ms. Walker stated that most seniors in the area are on low fixed incomes and demand for affordable housing has been high for her property. This is evidenced by the 20-household waitlist Cedar Springs Place maintains. (864) 253-8450
- According to Katherine O'Neill, Chief Economic Development Officer of One Spartanburg Incorporated, there is a need for affordable rental housing in Spartanburg, as a result of the county's steady stream of job announcements over the last ten years bringing people to the area and increasing the need for all types of rental housing. (864) 415-9469
- Tiffany Askew, Director of Leased Housing of Spartanburg, stated that there is a need for affordable housing for seniors in Spartanburg. Most of the applicants currently on the Housing Choice Voucher waitlist are seniors. Ms. Askew further stated that there is no non-subsidized affordable senior housing in Spartanburg. There is space for senior housing to be built, and a great need for it, but nobody is building any. (864) 598-6000

J. Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 83 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 subject project will be very marketable in terms of location, proposed rents, unit sizes (square feet) and amenities offered. In fact, there are no *existing* age-restricted Tax Credit rental communities within the market and all affordable rental housing project surveyed are fully occupied with a waiting list. Also note that the subject project will be the only Tax Credit development to offer units set aside at 20%, 40% and 80% of Area Median Household Income (AMHI). Therefore, the subject project will provide an affordable rental housing alternative to low- and moderate-income senior households that are currently underserved within the Spartanburg Site PMA. This will bode very well in the demand of the subject units.

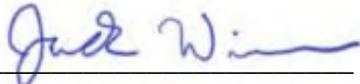
As noted, all affordable rental projects surveyed are 100.0% occupied, illustrating that pent-up demand exists for additional affordable rental housing within the Spartanburg Site PMA. As shown in the Project Specific Demand Analysis section of this report, with an overall Tax Credit capture rate of 6.1% (SC Housing maximum threshold is 30%), there is a good amount of support for the subject development within the Spartanburg 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, especially considering that none are age-restricted. Even when considering the one age-restricted LIHTC rental community within the development pipeline in the market, there is still an ample amount of demographic support for the project.

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:



Jack Wiseman (Primary Contact)

Market Analyst

jackw@bowennational.com

Date: April 20, 2021



Jonathan Kabat

Market Analyst

jonathank@bowennational.com

Date: April 20, 2021



Patrick M. Bowen

President/Market Analyst

Bowen National Research

155 E. Columbus St., Suite 220

Pickerington, OH 43147

(614) 833-9300

patrickb@bowennational.com

Date: April 20, 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

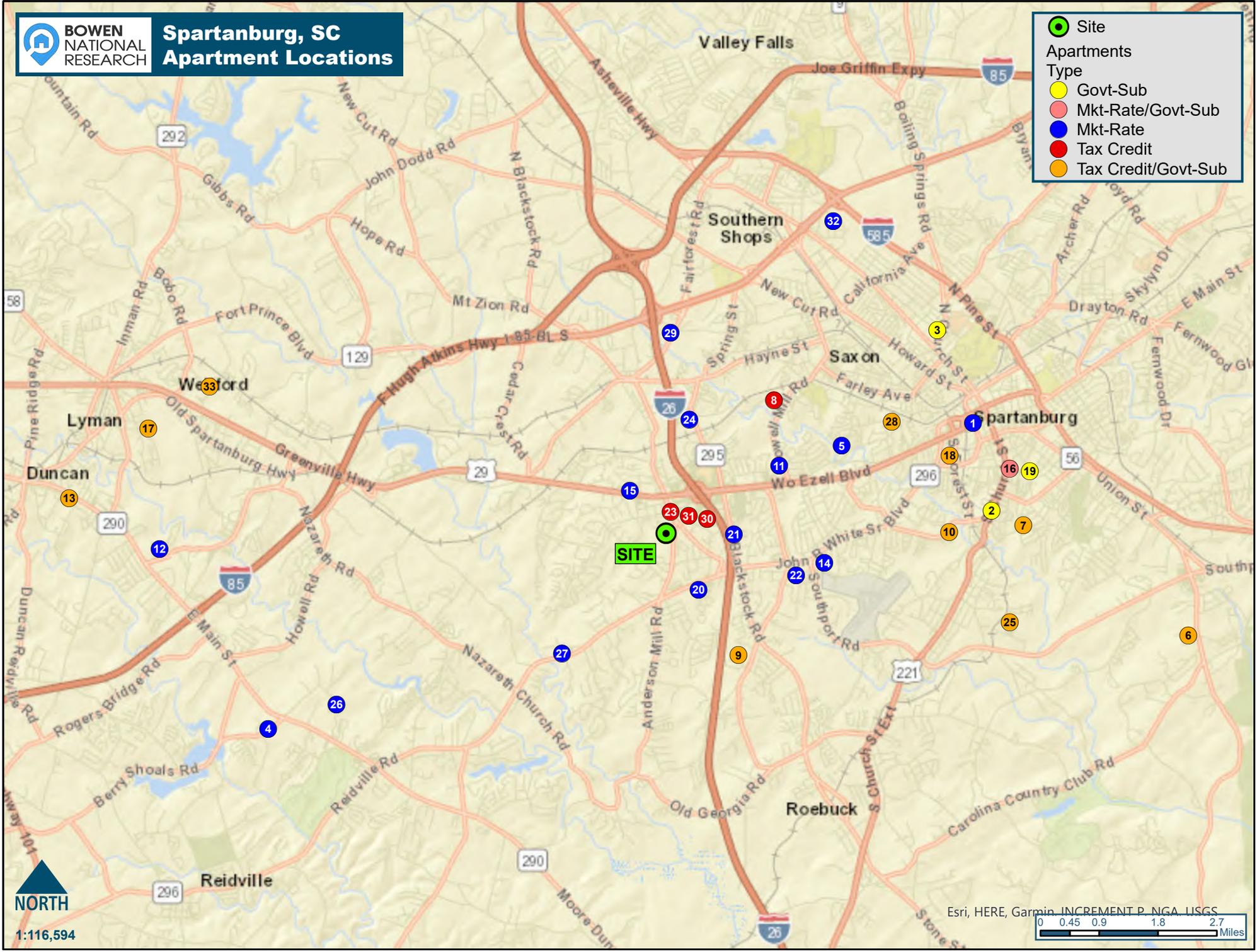


Spartanburg, SC Apartment Locations

● Site

Apartments Type

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



NORTH
1:116,594

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

Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
1	198 Main & Morgan	MRR	B+	2019	30	0	100.0%	4.8
2	Archibald Rutledge Towers	GSS	B-	1971	150	0	100.0%	5.0
3	Archibald Rutledge Village	GSS	B-	1970	50	0	100.0%	7.9
4	Berry Shoals	MRR	A	2003	248	2	99.2%	6.7
5	Bluffs	MRR	B	1982	144	2	98.6%	3.1
6	Cedar Springs Place	TGS	B+	2008	48	0	100.0%	9.1
7	Collins Park & Cottage Grove	TGS	B	2007	108	0	100.0%	5.4
8	Companion at Lee's Crossing I	TAX	B+	2010	192	0	100.0%	3.4
9	Country Garden Estates I & II	TGS	B	2002	100	0	100.0%	3.7
10	Crescent Hill Apts.	TGS	C	1971	150	0	100.0%	4.3
11	Crown Point	MRR	B	1974	241	4	98.3%	2.4
12	Culpepper Landing I & II	MRR	A-	1998	192	19	90.1%	7.8
13	Duncan Village	TGS	B+	1983	48	0	100.0%	9.7
14	Georgetown Village & Timberlane	MRR	B+	1989	166	13	92.2%	2.6
15	Grove	MRR	A-	1998	188	6	96.8%	1.1
16	Heritage Court	MRG	B+	1985	150	0	100.0%	5.6
17	Hidden Valley	TGS	B	1989	40	0	100.0%	8.2
18	Highland Crossing Apts.	TGS	B+	2016	72	0	100.0%	4.7
19	J.C. Bull Apts.	GSS	B-	1981	132	0	100.0%	5.6
20	Laurel	MRR	B+	1996	496	19	96.2%	1.5
21	Park at Vietti	MRR	B	1986	214	0	100.0%	1.8
22	Park Place	MRR	B	1986	184	2	98.9%	2.8
23	Regency at Blackstock	TAX	B+	2019	37	0	100.0%	0.8
24	Reserve at Park West I & II	MRR	A	2008	408	20	95.1%	2.4
25	Ridge at Southport	TGS	A	2009	78	0	100.0%	6.2
26	River Falls	MRR	A	2008	232	3	98.7%	6.4
27	River Run	MRR	A	2010	272	5	98.2%	2.3
28	Summer Place	TGS	A-	2008	53	0	100.0%	3.8
29	Valley Creek	MRR	B+	1972	104	0	100.0%	2.8
30	Willow Crossing	TAX	B+	2012	48	0	100.0%	0.7
31	Willow Trace Townhomes	TAX	B	2015	28	0	100.0%	0.7
32	Willows at North End	MRR	B+	1996	204	3	98.5%	6.4
33	Woodstream Apts.	TGS	C+	1985	24	0	100.0%	6.9

*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	198 Main & Morgan 198 W. Main Ave., Spartanburg, SC 29306	Contact: Royce Phone: (864) 990-3081
	Total Units: 30 UC: 0 BR: 1, 2 Target Population: Family Rent Special: None Notes:	Occupancy: 100.0% Vacant Units: 0 Stories: 5 Waitlist: 3 HH Year Built: 2019 AR Year: Yr Renovated:
2	Archibald Rutledge Towers 764 N. Church St., Spartanburg, SC 29303	Contact: Rhonda Phone: (864) 598-6001
	Total Units: 150 UC: 0 BR: 0, 1 Target Population: Senior 62+ Rent Special: None Notes: Public Housing	Occupancy: 100.0% Vacant Units: 0 Stories: 12 w/Elevator Waitlist: Waitlist maintained by H.A; 500 Year Built: 1971 AR Year: Yr Renovated:
3	Archibald Rutledge Village 140 W. Centennial St., Spartanburg, SC 29303	Contact: Rhonda Phone: (864) 598-6085
	Total Units: 50 UC: 0 BR: 0, 1, 2 Target Population: Senior 62+ Rent Special: None Notes: Public Housing	Occupancy: 100.0% Vacant Units: 0 Stories: 1 Waitlist: Waitlist maintained by H.A; 400 Year Built: 1970 AR Year: Yr Renovated:
4	Berry Shoals 200 Tralee Dr., Duncan, SC 29334	Contact: Alana Phone: (864) 486-9808
	Total Units: 248 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes: Rent range based on floor level & unit location	Occupancy: 99.2% Vacant Units: 2 Stories: 3,4 Waitlist: None Year Built: 2003 AR Year: Yr Renovated:
5	Bluffs 100 Vanderbilt Ln., Spartanburg, SC 29303	Contact: Bryantae Phone: (864) 574-4877
	Total Units: 144 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes:	Occupancy: 98.6% Vacant Units: 2 Stories: 2 Waitlist: None Year Built: 1982 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	

6	Cedar Springs Place		Contact: Joy Walker			
	200 Serenity Springs Ln., Spartanburg, SC 29302		Phone: (864) 253-8450			
	Total Units: 48	UC: 0	Occupancy: 100.0%	Stories: 2	w/Elevator	Year Built: 2008
	BR: 1		Vacant Units: 0	Waitlist: 20 HH		AR Year:
	Target Population: Senior 55+				Yr Renovated:	
	Rent Special: None					
	Notes: Tax Credit & HUD Section 8 (29 units); Public Housing & Tax Credit (19 units)					

7	Collins Park & Cottage Grove		Contact: Emily			
	106 Rev. Booker T. Sears St., Spartanburg, SC 29306		Phone: (864) 598-6256			
	Total Units: 108	UC: 0	Occupancy: 100.0%	Stories: 2		Year Built: 2007
	BR: 1, 2, 3		Vacant Units: 0	Waitlist: 182 HH		AR Year:
	Target Population: Family				Yr Renovated:	
	Rent Special: None					
	Notes: Tax Credit & Public Housing (60 units); HUD Section 8 & Tax Credit (48 units); HOPE VI					

8	Companion at Lee's Crossing I		Contact: Kelly			
	100 Lees Crossing Dr., Spartanburg, SC 29301		Phone: (864) 481-1422			
	Total Units: 192	UC: 0	Occupancy: 100.0%	Stories: 3,4		Year Built: 2010
	BR: 1, 2, 3		Vacant Units: 0	Waitlist: 5 HH		AR Year:
	Target Population: Family				Yr Renovated:	
	Rent Special: None					
	Notes: Tax Credit; Tax Credit Bond					

9	Country Garden Estates I & II		Contact: Carolyn			
	346 N. Sunflower Way, Moore, SC 29369		Phone: (864) 574-0072			
	Total Units: 100	UC: 0	Occupancy: 100.0%	Stories: 1,2		Year Built: 2002
	BR: 1, 2, 3		Vacant Units: 0	Waitlist: 25 HH		AR Year:
	Target Population: Family				Yr Renovated:	
	Rent Special: None					
	Notes: Tax Credit (90 units); PBV/RAD & Tax Credit (10 units); HOPE VI; 3-br garden unit is a single-family home					

10	Crescent Hill Apts.		Contact: Calandra			
	108 Pineneedle Dr., Spartanburg, SC 29306		Phone: (864) 582-7877			
	Total Units: 150	UC: 0	Occupancy: 100.0%	Stories: 2		Year Built: 1971
	BR: 2, 3, 4		Vacant Units: 0	Waitlist: 11 HH		AR Year:
	Target Population: Family				Yr Renovated: 2001	
	Rent Special: None					
	Notes: Tax Credit; HUD Section 8					

 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>11</p>	<p>Crown Point 201 Powell Mill Rd., Spartanburg, SC 29301</p> 	<p>Contact: Adriana Phone: (864) 576-7670</p> <p>Total Units: 241 UC: 0 Occupancy: 98.3% Stories: 2,3 Year Built: 1974 BR: 1, 2, 3 Vacant Units: 4 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2007 Rent Special: None Notes:</p>
<p>12</p>	<p>Culpepper Landing I & II 201 Culpepper Landing Dr., Duncan, SC 29334</p> 	<p>Contact: i Phone: (864) 486-0022</p> <p>Total Units: 192 UC: 0 Occupancy: 90.1% Stories: 3 Year Built: 1998 BR: 2, 3 Vacant Units: 19 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: 50% off 1st month's rent Notes: Former Tax Credit property</p>
<p>13</p>	<p>Duncan Village 100 Duncan St., Duncan, SC 29334</p> 	<p>Contact: Kimberly Phone: (864) 439-4304</p> <p>Total Units: 48 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1983 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 36 mos AR Year: Target Population: Family Yr Renovated: 2007 Rent Special: None Notes: Tax Credit; HUD Section 8</p>
<p>14</p>	<p>Georgetown Village & Timberlane 106 Kensington Dr., Spartanburg, SC 29306</p> 	<p>Contact: Trisha Phone: (864) 641-6423</p> <p>Total Units: 166 UC: 0 Occupancy: 92.2% Stories: 2,3 Year Built: 1989 BR: 1, 2, 3 Vacant Units: 13 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range based on renovated units</p>
<p>15</p>	<p>Grove 315 Birchrun Dr., Spartanburg, SC 29301</p> 	<p>Contact: Natallie Phone: (864) 595-6216</p> <p>Total Units: 188 UC: 0 Occupancy: 96.8% Stories: 3 Year Built: 1998 BR: 0, 1, 2, 3 Vacant Units: 6 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2014 Rent Special: None Notes:</p>

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

16	Heritage Court 425 S. Church St., Spartanburg, SC 29306		Contact: Nicole Phone: (864) 585-8595	
		Total Units: 150 UC: 0 BR: 0, 1 Target Population: Senior 60+ Rent Special: None Notes: Market-rate (1 unit); HUD Section 8 (149 units)	Occupancy: 100.0% Vacant Units: 0	Stories: 5 Waitlist: 24 mos

17	Hidden Valley 10 Valley Rd., Lyman, SC 29365		Contact: Tammy Phone: (864) 439-3231	
		Total Units: 40 UC: 0 BR: 1, 2 Target Population: Family Rent Special: None Notes: Tax Credit; Tax Credit bond; RD 515, no RA	Occupancy: 100.0% Vacant Units: 0	Stories: 1,2 Waitlist: 6 HH

18	Highland Crossing Apts. 230 Highland Ave., Spartanburg, SC 29306		Contact: Phyllis Phone: (864) 586-3107	
		Total Units: 72 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes: Tax Credit; PBV/PBRA	Occupancy: 100.0% Vacant Units: 0	Stories: 2,3 Waitlist: 89 HH

19	J.C. Bull Apts. 101 Marion Ave., Spartanburg, SC 29306		Contact: Nadine Phone: (864) 598-6100	
		Total Units: 132 UC: 0 BR: 1 Target Population: Senior 62+ Rent Special: None Notes: HUD Section 8	Occupancy: 100.0% Vacant Units: 0	Stories: 1 Waitlist: 90 HH

20	Laurel 200 Heath Ln, Spartanburg, SC 29301		Contact: Sheron Phone: (864) 664-2369	
		Total Units: 496 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes: Rent range based on phase & unit amenities; Rents change daily	Occupancy: 96.2% Vacant Units: 19	Stories: 2,3 Waitlist: None

 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>Park at Vietti 1000 Hunt Club Ln., Spartanburg, SC 29301</p> <p>Total Units: 214 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 floor level & upgrades; Rents change daily</p>	<p>Contact: Amanda Phone: (864) 576-0928</p>
<p>22</p> 	<p>Park Place 110 Southport Rd., Spartanburg, SC 29306</p> <p>Total Units: 184 UC: 0 Occupancy: 98.9% Stories: 2 Year Built: 1986 BR: 1, 2, 3 Vacant Units: 2 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rents change daily</p>	<p>Contact: Jewell Phone: (864) 576-4319</p>
<p>23</p> 	<p>Regency at Blackstock 320 Rosson Ln, Spartanburg, SC 29301</p> <p>Total Units: 37 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2019 BR: 2, 3 Vacant Units: 0 Waitlist: 175 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; Preleasing 2/2019, opened 3/2019, stabilized occupancy 4/2019</p>	<p>Contact: Tammy Phone: (864) 586-1837</p>
<p>24</p> 	<p>Reserve at Park West I & II 100 Keats Dr., Spartanburg, SC 29301</p> <p>Total Units: 408 UC: 0 Occupancy: 95.1% Stories: 3 Year Built: 2008 BR: 1, 2, 3 Vacant Units: 20 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: Select units get \$500 off the 1st full months rent Notes: Rents change daily; Phase II (144 units); Rent range based on phase</p>	<p>Contact: Heather Phone: (864) 208-0900</p>
<p>25</p> 	<p>Ridge at Southport 305 Grand Central Ave., Spartanburg, SC 29306</p> <p>Total Units: 78 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2009 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 120 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit & Public Housing (52 units); HUD Section 8 & Tax Credit (26 units); HOPE VI</p>	<p>Contact: Deanne Phone: (864) 598-6190</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>
--	--	---



26	River Falls 105 Churchill Falls Dr, Duncan, SC 29334		Contact: Megan Phone: (864) 486-1119	
		Total Units: 232 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes: Rents change daily	Occupancy: 98.7% Vacant Units: 3	Stories: 3,4 Waitlist: None



27	River Run 901 Meridian River Run, Spartanburg, SC 29301		Contact: Ashley Phone: (864) 595-7474	
		Total Units: 272 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes: Rent range based on floor level & view	Occupancy: 98.2% Vacant Units: 5	Stories: 3,4 Waitlist: None

28	Summer Place 700 Vanderbilt Rd., Spartanburg, SC 29301		Contact: Joy Phone: (864) 598-6045	
		Total Units: 53 UC: 0 BR: 3 Target Population: Family Rent Special: None Notes: Tax Credit; HUD Section 8; Part of HOPE VI	Occupancy: 100.0% Vacant Units: 0	Stories: 1,2 Waitlist: 11 HH

29	Valley Creek 9085 Fairforest Rd., Spartanburg, SC 29301		Contact: Della Phone: (864) 576-6830	
		Total Units: 104 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes:	Occupancy: 100.0% Vacant Units: 0	Stories: 2.5 Waitlist: None



30	Willow Crossing 101 Willow Crossing Ln., Spartanburg, SC 29301		Contact: Diane Phone: (864) 699-9965	
		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: 12 mos

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	

31	Willow Trace Townhomes 300 Willow Crossing Ln., Spartanburg, SC 29301	Contact: Tammy Phone: (864) 327-8496
	Total Units: 28 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2015 BR: 2, 3 Vacant Units: 0 Waitlist: 24-36 mos AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit	
32	Willows at North End 425 Willowdale Dr., Spartanburg, SC 29303	Contact: LeAnna Phone: (864) 707-9537
	Total Units: 204 UC: 0 Occupancy: 98.5% Stories: 3 Year Built: 1996 BR: 1, 2, 3 Vacant Units: 3 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range based on unit upgrades	
33	Woodstream Apts. 313 N. Craft St., Wellford, SC 29385	Contact: Tammy Phone: (864) 439-0808
	Total Units: 24 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1985 BR: 1, 2 Vacant Units: 0 Waitlist: 6 HH AR Year: Target Population: Family Yr Renovated: 2010 Rent Special: None Notes: Tax Credit; Tax Credit Bond; RD 515, no RA	

 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	

Source: SC State Housing Finance and Development Agency
Effective: 02/2021

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	15	18	20	23	25	27	15	18	20	23	25	27
	+Base Charge	9	9	9	9	9	9	9	9	9	9	9	9
	Bottled Gas	55	65	74	83	92	100	55	65	74	83	92	100
	Electric	13	15	19	24	29	34	13	15	19	24	29	34
	Heat Pump	11	13	15	17	19	22	11	13	15	17	19	22
	Oil	37	43	49	55	61	67	37	43	49	55	61	67
Cooking	Natural Gas	2	3	4	5	7	8	2	3	4	5	7	8
	Bottled Gas	9	11	16	20	25	30	9	11	16	20	25	30
	Electric	5	5	8	10	13	15	5	5	8	10	13	15
Other Electric	17	20	28	36	44	52	17	20	28	36	44	52	
+Base Charge	12	12	12	12	12	12	12	12	12	12	12	12	12
Air Conditioning	7	9	12	15	19	23	7	9	12	15	19	23	
Water Heating	Natural Gas	5	6	9	12	15	18	5	6	9	12	15	18
	Bottled Gas	21	24	35	46	57	67	21	24	35	46	57	67
	Electric	11	13	16	20	23	27	11	13	16	20	23	27
	Oil	14	16	23	30	37	45	14	16	23	30	37	45
Water	20	21	29	43	59	77	20	21	29	43	59	77	
Sewer	36	39	54	77	101	124	36	39	54	77	101	124	
Trash Collection	16	16	16	16	16	16	16	16	16	16	16	16	
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

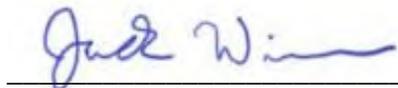
This market study has been prepared by Bowen National Research, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the *Standard 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 20, 2021



Jack Wiseman (Primary Contact)
Market Analyst
jackw@bowennational.com
Date: April 20, 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 Spartanburg 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
- 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/ Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)			
					Studio	One-Br.	Two-Br.	Three-Br.
Site	Timbers at Oak Grove	2022	83	-	-	18 (-)	65 (-)	-
4	Berry Shoals	2003	248	99.2%	-	84 (100.0%)	112 (98.2%)	52 (100.0%)
15	Grove	1998 / 2014	188	96.8%	21 (100.0%)	43 (95.3%)	102 (98.0%)	22 (90.9%)
24	Reserve at Park West I & II	2008	408	95.1%	-	138 (92.8%)	176 (94.9%)	94 (98.9%)
26	River Falls	2008	232	98.7%	-	102 (97.1%)	104 (100.0%)	26 (100.0%)
27	River Run	2010	272	98.2%	-	68 (100.0%)	120 (96.7%)	84 (98.8%)

Occ. – Occupancy

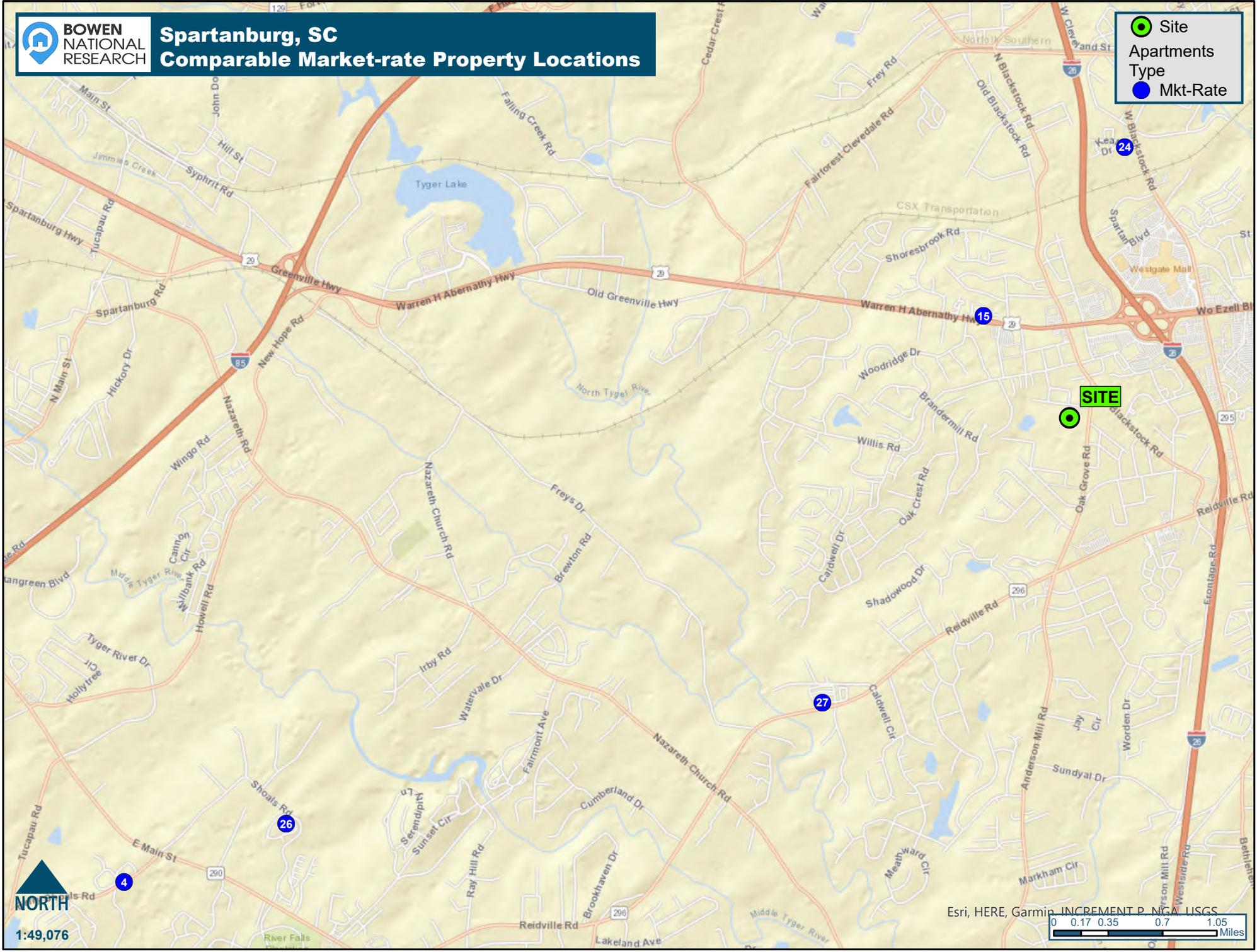
The five selected market-rate projects have a combined total of 1,348 units with an overall occupancy rate of 97.3%, a strong rate for rental housing. This demonstrates that these comparable properties have been well-received within the market and will serve as accurate benchmarks with which to compare 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.



Spartanburg, SC Comparable Market-rate Property Locations

- Site
- Apartments
- Type
- Mkt-Rate



NORTH
1:49,076

Esri, HERE, Garmin, INCREMENT P, NGA, USGS
0 0.17 0.35 0.7 1.05 Miles

Rent Comparability Grid

Unit Type → **ONE-BEDROOM**

	Subject	Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
	Timbers at Oak Grove	Berry Shoals		Grove		Reserve at Park West I & II		River Falls		River Run	
	Oak Street	200 Tralee Dr.		315 Birchrun Dr.		100 Keats Dr.		105 Churchill Falls Dr		901 Meridian River Run	
	Spartanburg, SC	Duncan, SC		Spartanburg, SC		Spartanburg, SC		Duncan, SC		Spartanburg, SC	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$900		\$810		\$978		\$999		\$1,123	
2	Date Surveyed	Mar-21		Mar-21		Mar-21		Mar-21		Mar-21	
3	Rent Concessions	None		None		Yes (\$42)		None		None	
4	Occupancy for Unit Type	100%		95%		93%		97%		100%	
5	Effective Rent & Rent/ sq. ft	\$900	1.03	\$810	1.43	\$936	1.13	\$999	1.11	\$1,123	1.23
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	EE/3		WU/3,4		WU/3		WU/3,4		WU/3,4	
7	Yr. Built/Yr. Renovated	2022	\$19	2003	\$19	1998/2014	\$16	2008	\$14	2008	\$12
8	Condition/Street Appeal	E		E		E		E		E	
9	Neighborhood	G		G		G		E	(\$10)	E	(\$10)
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		1		1		1	
12	# Baths	1		1		1		1		1	
13	Unit Interior Sq. Ft.	834	(\$11)	872	\$79	566	\$79	828	\$2	904	(\$21)
14	Patio/Balcony	Y		Y		Y		Y		Y	
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		Y/Y		Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	HU/L		HU/L		HU/L		HU/L		W/D	(\$25)
19	Floor Coverings	V		C/V/L		W/L		C		C/V/L	
20	Cable/Internet Included?	N/N		N/N		N/N		Y/Y	(\$60)	N/N	
21	Secured Entry	N		N		N		Y	(\$3)	N	
22	Garbage Disposal	N	(\$5)	Y	(\$5)	N		Y	(\$5)	Y	(\$5)
23	Ceiling Fan/E-Call System	Y/Y	\$5	Y/N	\$5	Y/N	\$5	Y/N	\$5	Y/N	\$5
D.	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y	\$5	N	\$5	N	\$5	Y		N	\$5
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	F	(\$10)	P/F	(\$10)	P/F	(\$10)	P/F/S/L/MT	(\$19)	P/F	(\$10)
29	Computer/Business Center	Y		Y		Y		Y		Y	
30	Picnic Area/Storage	Y/Y	\$5	Y/N	\$5	Y/N	\$5	Y/Y	\$5	Y/Y	
31	Library	N		N		N		N		N	
32	Social Services	N		N		N		N		N	
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		Y/Y	(\$60)
39	Trash/Recycling	Y/N	\$16	N/N	\$16	N/N	\$16	Y/N		N/N	\$16
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	4	3	5	1	5	4	2	4	3	7
41	Sum Adjustments B to D	\$34	(\$26)	\$110	(\$10)	\$31	(\$87)	\$19	(\$46)	\$22	(\$107)
42	Sum Utility Adjustments	\$16		\$16				\$16			(\$60)
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$24	\$76	\$116	\$136	(\$56)	\$118	(\$11)	\$81	(\$145)	\$189
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$924		\$926		\$880		\$988		\$978	
45	Adj Rent/Last rent		103%		114%		94%		99%		87%
46	Estimated Market Rent	\$935	\$1.12 ←	Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type → **TWO-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Timbers at Oak Grove		Berry Shoals		Grove		Reserve at Park West I & II		River Falls		River Run	
Oak Street		200 Tralee Dr.		315 Birchrun Dr.		100 Keats Dr.		105 Churchill Falls Dr		901 Meridian River Run	
Spartanburg, SC		Duncan, SC		Spartanburg, SC		Spartanburg, SC		Duncan, SC		Spartanburg, SC	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,079		\$975		\$1,235		\$1,119		\$1,190	
2	Date Surveyed	Mar-21		Mar-21		Mar-21		Mar-21		Mar-21	
3	Rent Concessions	None		None		Yes (\$42)		None		None	
4	Occupancy for Unit Type	98%		98%		95%		100%		97%	
5	Effective Rent & Rent/ sq. ft	\$1,079	0.94	\$975	1.13	\$1,193	1.02	\$1,119	0.99	\$1,190	1.10
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	EE/3		WU/3,4		WU/3		WU/3,4		WU/3,4	
7	Yr. Built/Yr. Renovated	2022	\$19	2003	\$19	1998/2014	\$16	2008	\$14	2008	\$12
8	Condition/Street Appeal	E		E		E		E		E	
9	Neighborhood	G		G		G		E	(\$10)	E	(\$10)
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	2		2		2		2		2	
13	Unit Interior Sq. Ft.	1071	(\$20)	1148	\$53	866	\$53	1173	(\$26)	1133	(\$16)
14	Patio/Balcony	Y		Y		Y		Y		Y	
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		Y/Y		Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	HU/L		HU/L		HU/L		HU/L		W/D	(\$25)
19	Floor Coverings	V		C/V/L		W/L		C		C/V/L	
20	Cable/Internet Included?	N/N		N/N		N/N		Y/Y	(\$60)	N/N	
21	Secured Entry	N		N		N		Y	(\$3)	N	
22	Garbage Disposal	N	(\$5)	Y	(\$5)	N		Y	(\$5)	Y	(\$5)
23	Ceiling Fan/E-Call System	Y/Y	\$5	Y/N	\$5	Y/N	\$5	Y/N	\$5	Y/N	\$5
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y	\$5	N	\$5	N	\$5	Y		N	\$5
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	F	(\$10)	P/F	(\$10)	P/F	(\$10)	P/F/S/L/MT	(\$19)	P/F	(\$10)
29	Computer/Business Center	Y		Y		Y		Y		Y	
30	Picnic Area/Storage	Y/Y	\$5	Y/N	\$5	Y/N	\$5	Y/Y	\$5	Y/Y	
31	Library	N		N		N		N		N	
32	Social Services	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		Y/Y	(\$83)
39	Trash/Recycling	Y/N	\$16	N/N	\$16	Y/N		N/N	\$16	Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	4	3	5	1	4	5	2	4	3	7
41	Sum Adjustments B to D	\$34	(\$35)	\$84	(\$10)	\$29	(\$113)	\$19	(\$41)	\$22	(\$87)
42	Sum Utility Adjustments	\$16		\$16				\$16			(\$83)
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$15	\$85	\$90	\$110	(\$84)	\$142	(\$6)	\$76	(\$148)	\$192
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,094		\$1,065		\$1,109		\$1,113		\$1,042	
45	Adj Rent/Last rent		101%		109%		93%		99%		88%
46	Estimated Market Rent	\$1,090		\$1.02		← 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 \$935 for a one-bedroom unit and \$1,090 for a two-bedroom unit, which are illustrated as follows:

Bedroom Type	Proposed Collected Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
One-Br.	\$121 (20%)	\$935	87.06%
	\$364 (40%)		61.07%
	\$520 (60%)		44.39%
	\$725 (80%)		22.46%
Two-Br.	\$131 (20%)	\$1,090	87.98%
	\$423 (40%)		61.19%
	\$610 (60%)		44.04%
	\$850 (80%)		22.02%
Weighted Average			47.58%

Typically, Tax Credit rents targeting households earning up to 60% of AMHI are set at least 10% below market rent to ensure the property represents a value and has a sufficient flow of prospective tenants within most markets. While units targeting households up to 80% of AMHI often do not need to represent a market rent advantage of 10% to be perceived a value, it is often recommended that such units/rents represent around a 5% market rent advantage.

As detailed in the preceding table, the subject rents represent market rent advantages ranging from 22.02% to 87.98%, depending upon unit type and targeted income level. Thus, the subject rents should represent significant values within the Spartanburg Site PMA.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

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

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions.

3. One of the selected properties, Reserve at Park West I & II (Comp #3), is offering a rent special of \$500 off first month's rent on available units. This concession has been prorated and deducted from this property's quoted rents, yielding their respective effective rents (line 5).
7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between 1998 and 2010; however, one was extensively renovated in 2014. As such, we have adjusted the rents at the selected properties by \$1 per year of (effective) age difference to reflect the age of these properties.
9. Two of the selected properties are located in more desirable neighborhoods than the subject project. As such, we have made adjustments to account for differences in neighborhood desirability among these projects and the subject project.
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 similar to the selected properties. We have, however, 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.