



**BOWEN
NATIONAL
RESEARCH**

Market Feasibility Analysis

Greystone Estates
Boundary Street and Oak Street
Conway, Horry County, South Carolina 29526

Prepared For

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404 E. McKinney Ave.
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Effective Date

April 20, 2021

Job Reference Number

21-231 JW

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

Development Name:	Greystone Estates	Total # Units:	83
Location:	Boundary & Oak Streets, Conway, SC 29526	# LIHTC Units:	83
PMA Boundary:	Jordanville Road, Lundy Short Cut Road, Knotty Branch Road, U.S. Highway 501 and State Route 22 to the north; State Route 22 to the east; State Route 90, Myrtle Beach National Golf Course, Myrtle Ridge Drive, Waccamaw National Wild Life Refuge, U.S. Highway 701 and State Route 135 to the south; and Pee Dee Highway to the west.		
Development Type:	Family	<input checked="" type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject: 13.9 miles

RENTAL HOUSING STOCK (found on page H-1 & 14; Addendum A)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	14	786	0	100.0%
Market-Rate Housing	2	80	0	100.0%
Assisted/Subsidized Housing not to include LIHTC	5	254	0	100.0%
LIHTC (All that are stabilized)*	8	452	0	100.0%
Stabilized Comps**	3	246	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	\$113	\$763	\$0.91	85.19%	\$1,400	\$1.66
4	One	1.0	834	\$332	\$763	\$0.91	56.49%	\$1,400	\$1.66
7	One	1.0	834	\$470	\$763	\$0.91	38.40%	\$1,400	\$1.66
4	One	1.0	834	\$650	\$763	\$0.91	14.81%	\$1,400	\$1.66
6	Two	2.0	1,071	\$126	\$898	\$0.84	85.97%	\$1,450	\$1.15
11	Two	2.0	1,071	\$388	\$898	\$0.84	56.79%	\$1,450	\$1.15
36	Two	2.0	1,071	\$550	\$898	\$0.84	38.75%	\$1,450	\$1.15
12	Two	2.0	1,071	\$750	\$898	\$0.84	16.48%	\$1,450	\$1.15
Gross Potential Rent Monthly*				\$41,381	\$72,104		42.61%		

*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-4)

	2012	2020		2023	
Renter Households 55+		1,342	11.9%	1,375	11.1%
Income-Qualified Renter HHs (LIHTC)		689	51.3%	682	49.6%
Income-Qualified Renter HHs (MR)		-	-	-	-

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page G-4)

Type of Demand	20%	40%	60%	80%	Other: __	Overall
Renter Household Growth	-1	-6	-8	1		-7
Existing Households (Overburd + Substand)	41	203	226	161		430
Homeowner conversion (Seniors)	10	43	54	40		105
Other:	-	-	-	-		-
Less Comparable/Competitive Supply	0	0	0	0		0
Net Income-qualified Renter HHs	50	240	272	202		528

CAPTURE RATES (found on page G-4)

Targeted Population	20%	40%	60%	80%	Other: __	Overall
Capture Rate	18.0%	6.3%	15.8%	7.9%		15.7%

ABSORPTION RATE (found on page G-6)

Absorption Period: 9 months

2021 S-2 RENT CALCULATION WORKSHEET

# Units	Bedroom Type	Proposed Tenant Paid Rent	Net Proposed Tenant Rent by Bedroom	Gross HUD FMR	Gross HUD FMR Total	Tax Credit Gross Rent Advantage
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
3	1 BR	\$113	\$339	\$763	\$2,289	
4	1 BR	\$332	\$1,328	\$763	\$3,052	
7	1 BR	\$470	\$3,290	\$763	\$5,341	
4	1 BR	\$650	\$2,600	\$763	\$3,052	
6	2 BR	\$126	\$756	\$898	\$5,388	
11	2 BR	\$388	\$4,268	\$898	\$9,878	
36	2 BR	\$550	\$19,800	\$898	\$32,328	
12	2 BR	\$750	\$9,000	\$898	\$10,776	
	3 BR		\$0		\$0	
	3 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	83		\$41,381		\$72,104	42.61%

B. Project Description

Project Name:	Greystone Estates
Location:	Boundary Street and Oak Street, Conway, South Carolina 29526 (Horry County)
Census Tract:	703.00
Target Market:	Senior 55+
Construction Type:	New Construction
Funding Source:	LIHTC

The subject project involves the new construction of the 84-unit Greystone Estates rental community at Boundary Street and Oak Street in Conway, 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%	\$113	\$105	\$218	\$237
4	One-Br.	1.0	Garden	834	40%	\$332	\$105	\$437	\$475
7	One-Br.	1.0	Garden	834	60%	\$470	\$105	\$575	\$713
4	One-Br.	1.0	Garden	834	80%	\$650	\$105	\$755	\$951
6	Two-Br.	2.0	Garden	1,071	20%	\$126	\$136	\$262	\$285
11	Two-Br.	2.0	Garden	1,071	40%	\$388	\$136	\$524	\$571
36	Two-Br.	2.0	Garden	1,071	60%	\$550	\$136	\$686	\$856
12	Two-Br.	2.0	Garden	1,071	80%	\$750	\$136	\$886	\$1,142
83*	Total								

*Excludes one non-revenue two-bedroom management unit

Source: Olympia Development, LLC

AMHI – Area Median Household Income (2021 National Nonmetropolitan Median Income)

Building/Site Information	
Residential Buildings:	One (1) three-story building
Building Style:	Elevator
Community Space:	Integrated throughout
Acres:	7.5

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 (126 Spaces) | |

Utility Responsibility

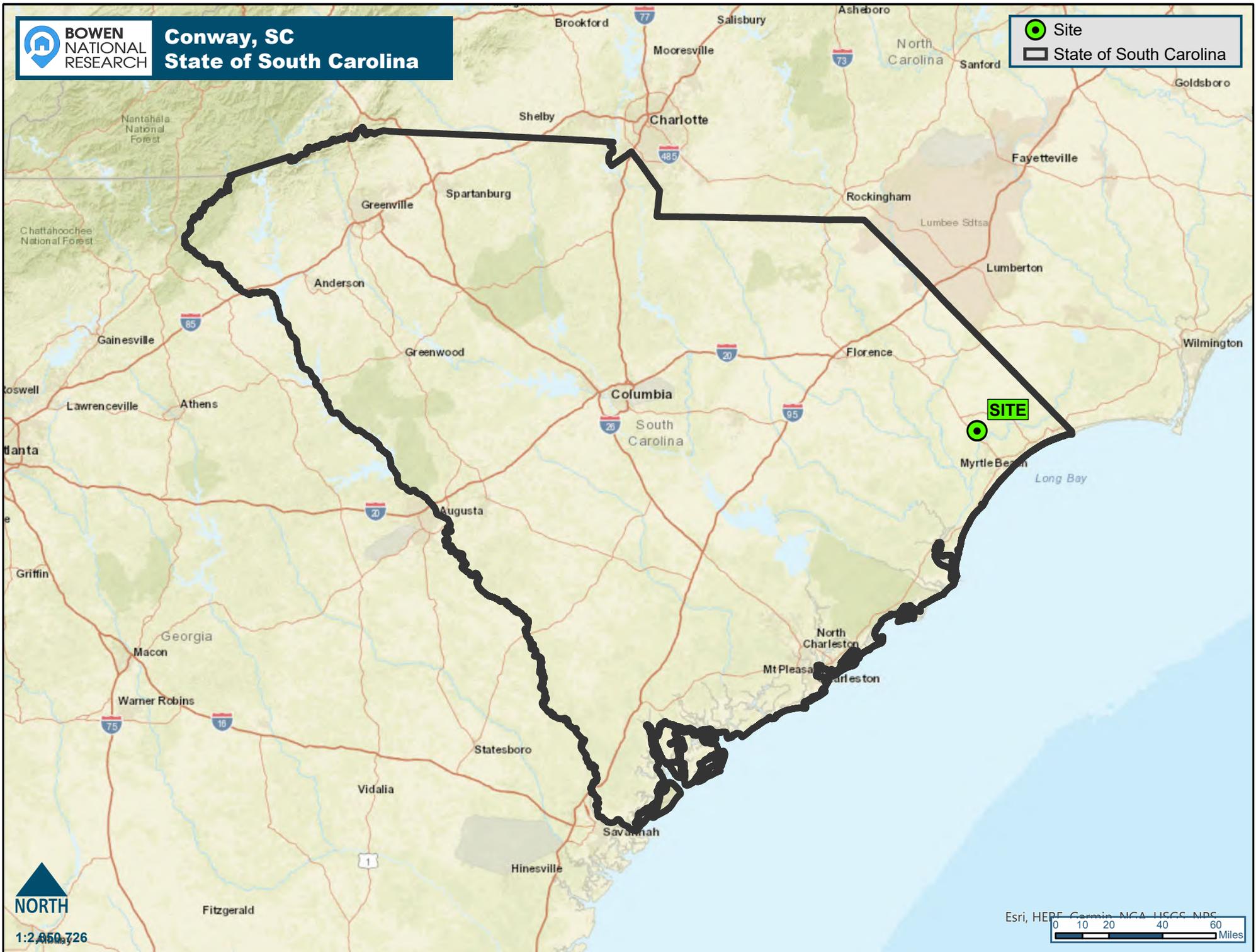
	Heat	Hot Water	Cooking	General Electric	Cold Water	Sewer	Trash
Paid By	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant	Landlord
Source	Electric	Electric	Electric				

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



Conway, SC State of South Carolina

● Site
▭ State of South Carolina



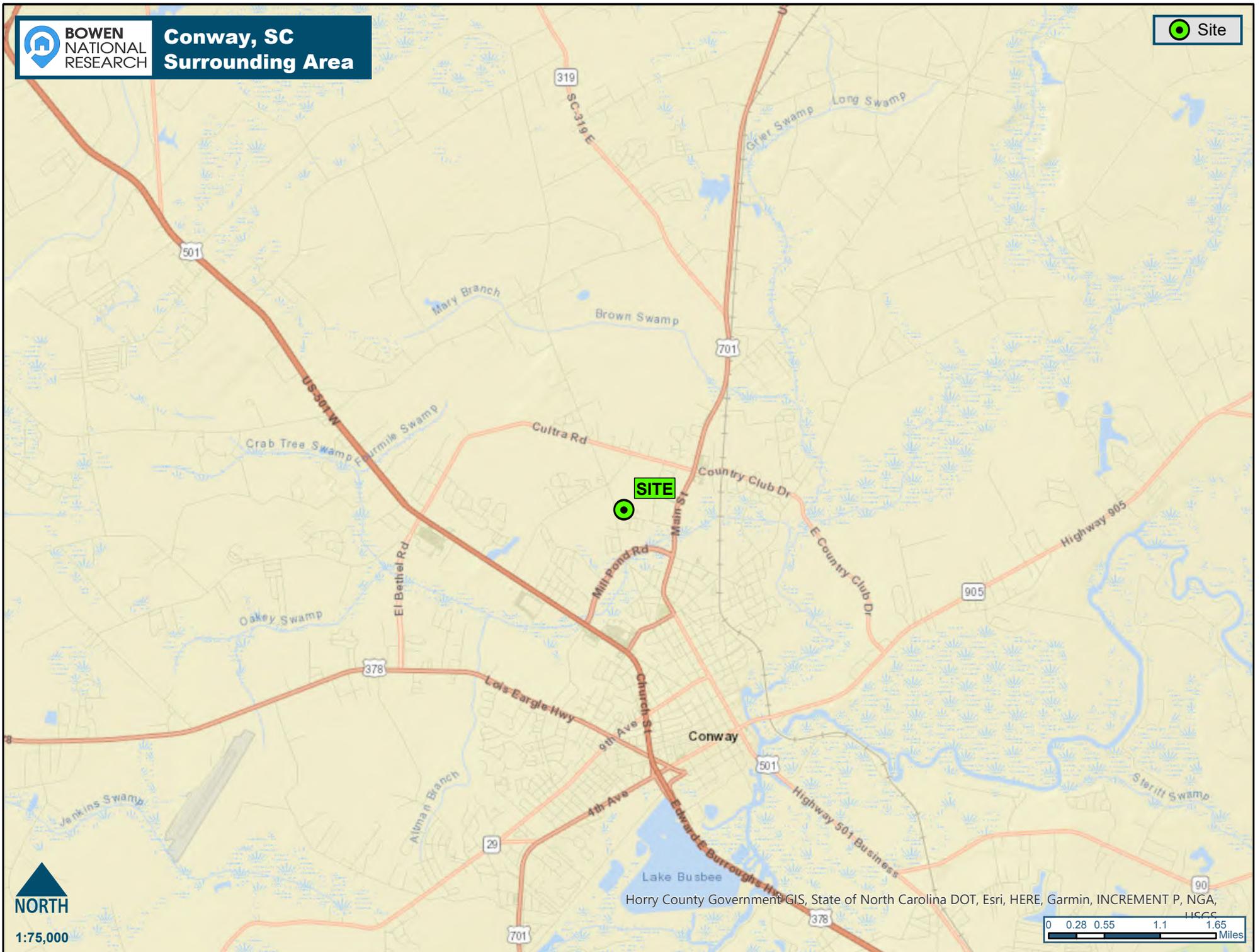
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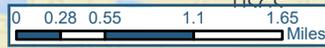
Esri, HERE, Garmin, NGA, USGS, NPS



Conway, SC Surrounding Area



Horry County Government GIS, State of North Carolina DOT, Esri, HERE, Garmin, INCREMENT P, NGA, USGS



NORTH
1:75,000

C. Site Description and Evaluation

1. SITE INSPECTION DATE

Bowen National Research personally inspected the subject site during the week of March 29, 2021. The following is a summary of our site evaluation, including an analysis of the site's proximity to community services.

2. SITE DESCRIPTION AND SURROUNDING LAND USES

The subject site consists of approximately 7.6 acres of wooded land located at the northeast corner of Boundary and Oak streets in Conway. Located in the central portion of Horry County, the site is situated approximately 16.0 miles northwest of Myrtle Beach, South Carolina and approximately 46.0 miles southeast of Florence, South Carolina. Following is a description of surrounding land uses:

North -	The northern site boundary is defined by wooded land, which continues and extends farther north, along with single-family homes in fair to good condition.
East -	The eastern site boundary is defined by Patriots Place, a market-rate apartment community in fair condition. Extending east are single-family homes in good condition, a small electrical substation and various community services along U.S. Highway 701.
South -	The southern site boundary is defined by Boundary Street, a two-lane roadway with light vehicular traffic. Extending south are the Leehaven and Sanders (Map ID 8) Public Housing complex in fair condition, wooded land and single-family homes in good condition.
West -	The western site boundary is defined by Oak Street, a two-lane roadway with moderate vehicular traffic. Extending west are the North Oaks Apartments (Map ID 11), wooded land and single-family homes in good condition.

The proposed development is within very close proximity of three separate rental communities in fair condition and the general makeup of the site neighborhood is residential. Additionally, the nearby single-family homes were observed to be well-maintained. Overall, the subject development is expected to fit 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 701	0.5 East
	U.S. Highway 501	1.0 South
	U.S. Highway 378	1.8 South
Public Bus Stop	Coast RTA	0.2 North
Major Employers/ Employment Centers	Food Lion	1.2 East
	Horry County School District	2.3 South
	Walmart	2.3 West
Convenience Store	Speedway	0.5 East
	Sun House Petroleum	0.6 North
Grocery	Food Lion	1.2 East
	Conway IGA	1.4 South
	Walmart	2.3 West
Discount Department Store	Dollar General	1.1 Northeast
	Dollar Tree	2.3 West
	Walmart	2.3 West
Shopping Center/Mall	Coastal Centre	1.3 South
	Bay Village	1.6 West
	Gateway Plaza	2.3 West
Hospital/Medical Center	Doctors Care	1.6 South
	Conway Medical Center	7.2 Southeast
Police	Horry County Police Department	0.8 East
Fire	Horry County Fire and Rescue	0.8 East
Post Office	U.S. Post Office	0.9 East
Bank	Carolina Trust Federal Credit Union	0.8 East
	Conway National Bank	1.1 Northeast
Senior Facilities	Conway Senior Center	1.5 South
Gas Station	Speedway	0.5 East
	Sun House Petroleum	0.6 North
Pharmacy	Rivertown Pharmacy	0.9 Southeast
	Medicine Mart Pharmacy	1.2 South
Restaurant	Dunkin'	0.5 East
	Taqueria Guanajuato	0.9 South
	Donzelle's Restaurant	0.9 South
Recreational/Community Center	Collins Park	0.9 South
	Conway Recreation Center	1.5 South
Library	Conway Public Library	1.7 South

The subject site is situated near several major retail corridors and is subsequently within 2.0 miles of most essential community services, including grocery stores, banks, restaurants, pharmacies, discount retailers, a park, a recreation center, a library and gas stations/convenience stores. Notably, the site is within 1.5 miles of the Conway Senior Center, which offers numerous senior-oriented activities, services and enrichment opportunities. Several of the area's largest employers, including Food Lion and Walmart, operate facilities within approximately 2.0 miles of the site.

Public safety services are provided by the Conway Police and Fire and Rescue departments, each of which are situated 0.8 miles east of the site. The nearest hospital, Conway Medical Center, is situated 7.2 miles from the site. However, there is a Doctors Care within 1.6 miles. The site is within approximately 17.0 miles of downtown Myrtle Beach, which offers numerous shopping, dining and recreational opportunities. Many of these services are accessible along the Coast RTA bus line, which operates a stop within walking distance of the site. Overall, the site's proximity to community services is considered good and is expected to positively impact marketability.

4. SITE PHOTOGRAPHS

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



View of site from the northeast



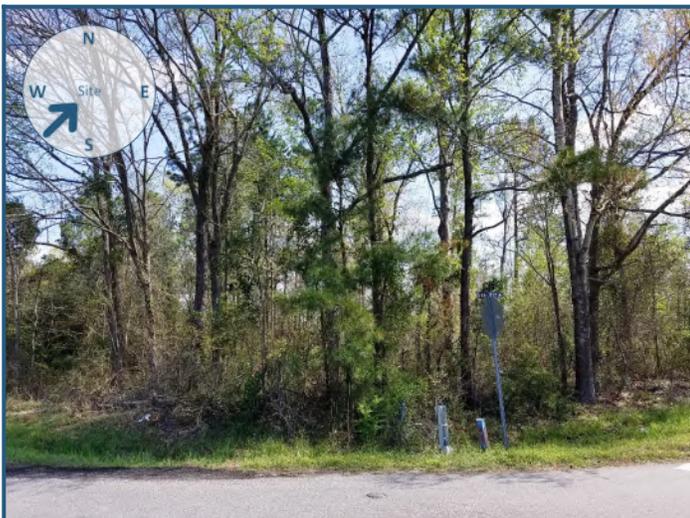
View of site from the east



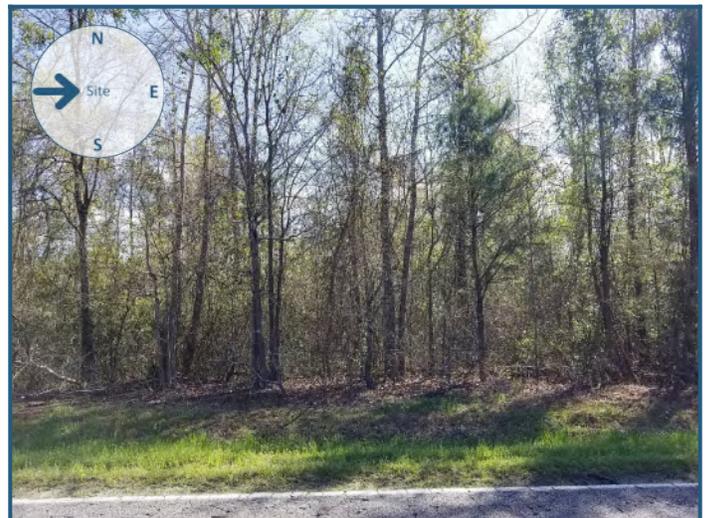
View of site from the southeast



View of site from the south



View of site from the southwest



View of site from the west



View of site from the northwest



Northeast view from site



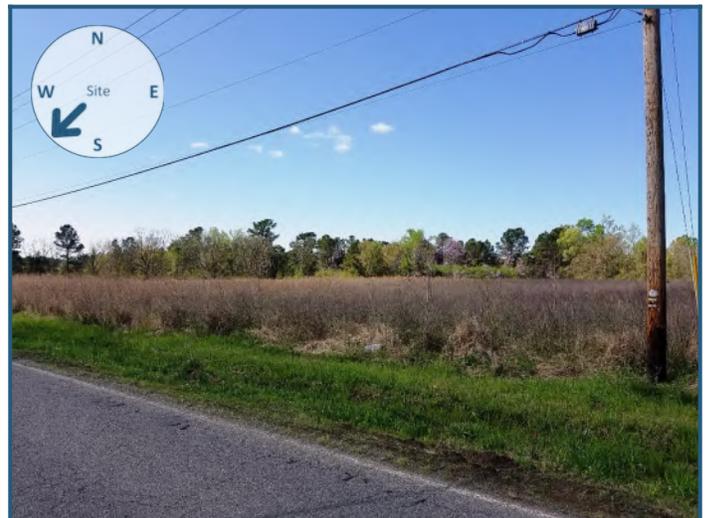
East view from site



Southeast view from site



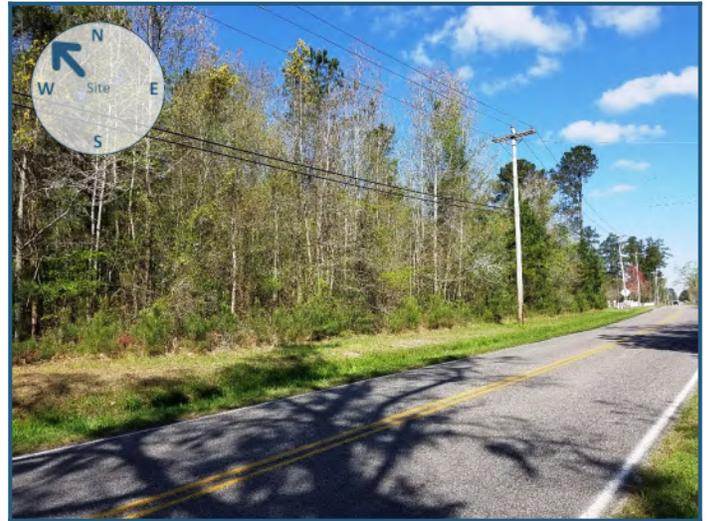
South view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape: North view of Oak Street



Streetscape: South view of Oak Street



Streetscape: East view of Boundary Street



Streetscape: West view of Boundary Street

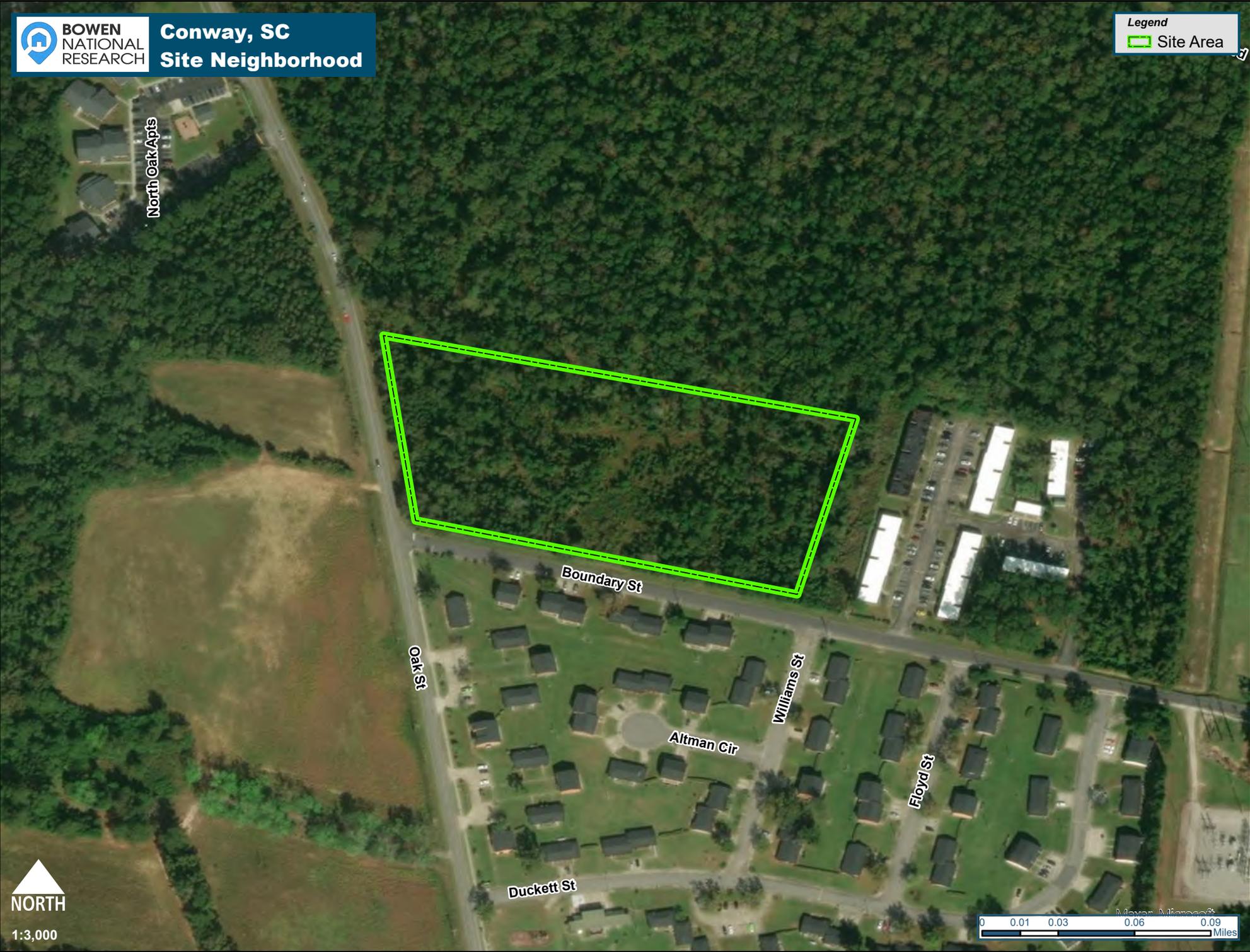
5. SITE AND COMMUNITY SERVICES MAPS

Maps of the subject site and relevant community services follow.



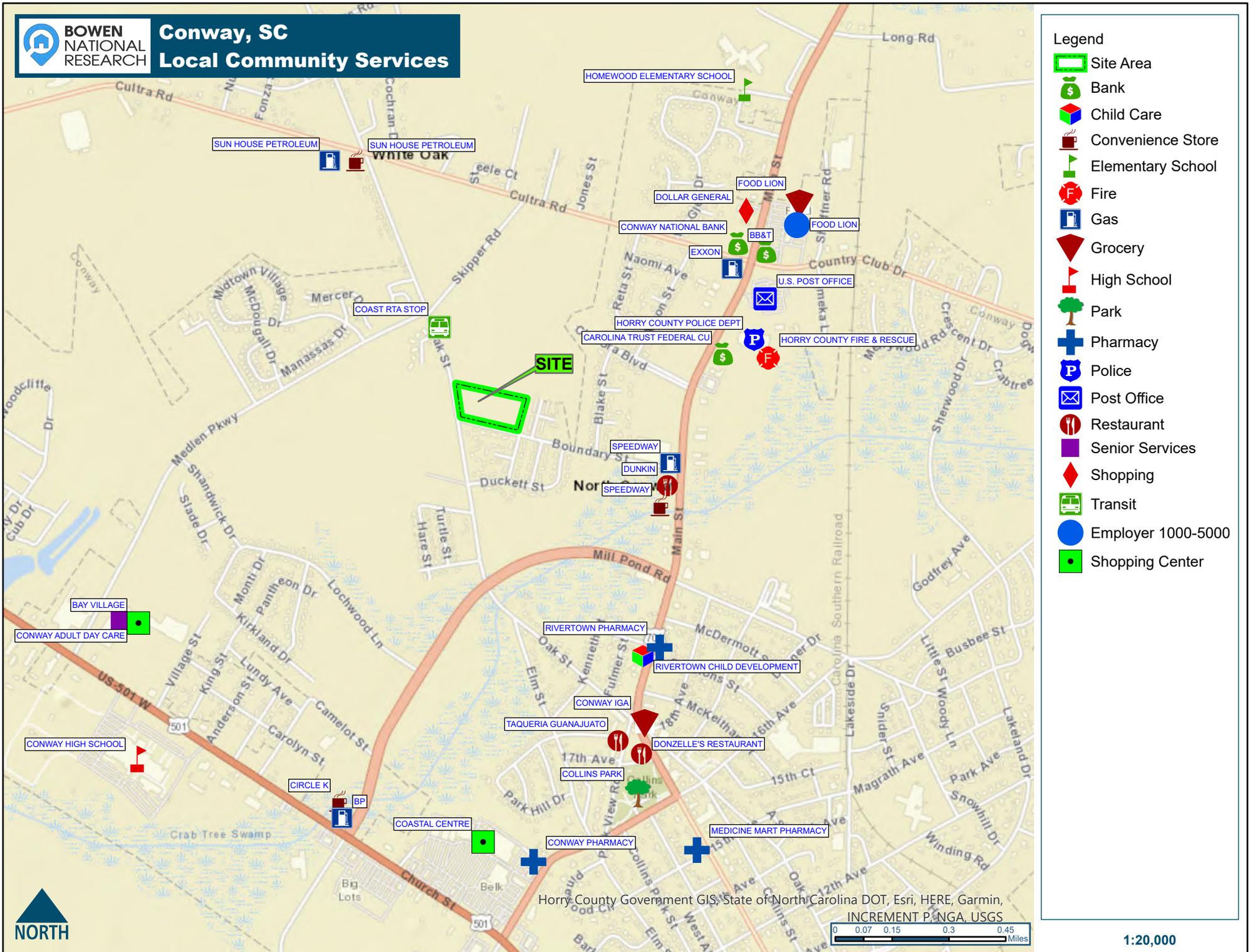
Conway, SC
Site Neighborhood

Legend
Site Area



NORTH
1:3,000

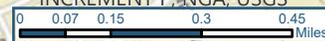
0 0.01 0.03 0.06 0.09 Miles



- Legend**
- Site Area
 - Bank
 - Child Care
 - Convenience Store
 - Elementary School
 - Fire
 - Gas
 - Grocery
 - High School
 - Park
 - Pharmacy
 - Police
 - Post Office
 - Restaurant
 - Senior Services
 - Shopping
 - Transit
 - Employer 1000-5000
 - Shopping Center



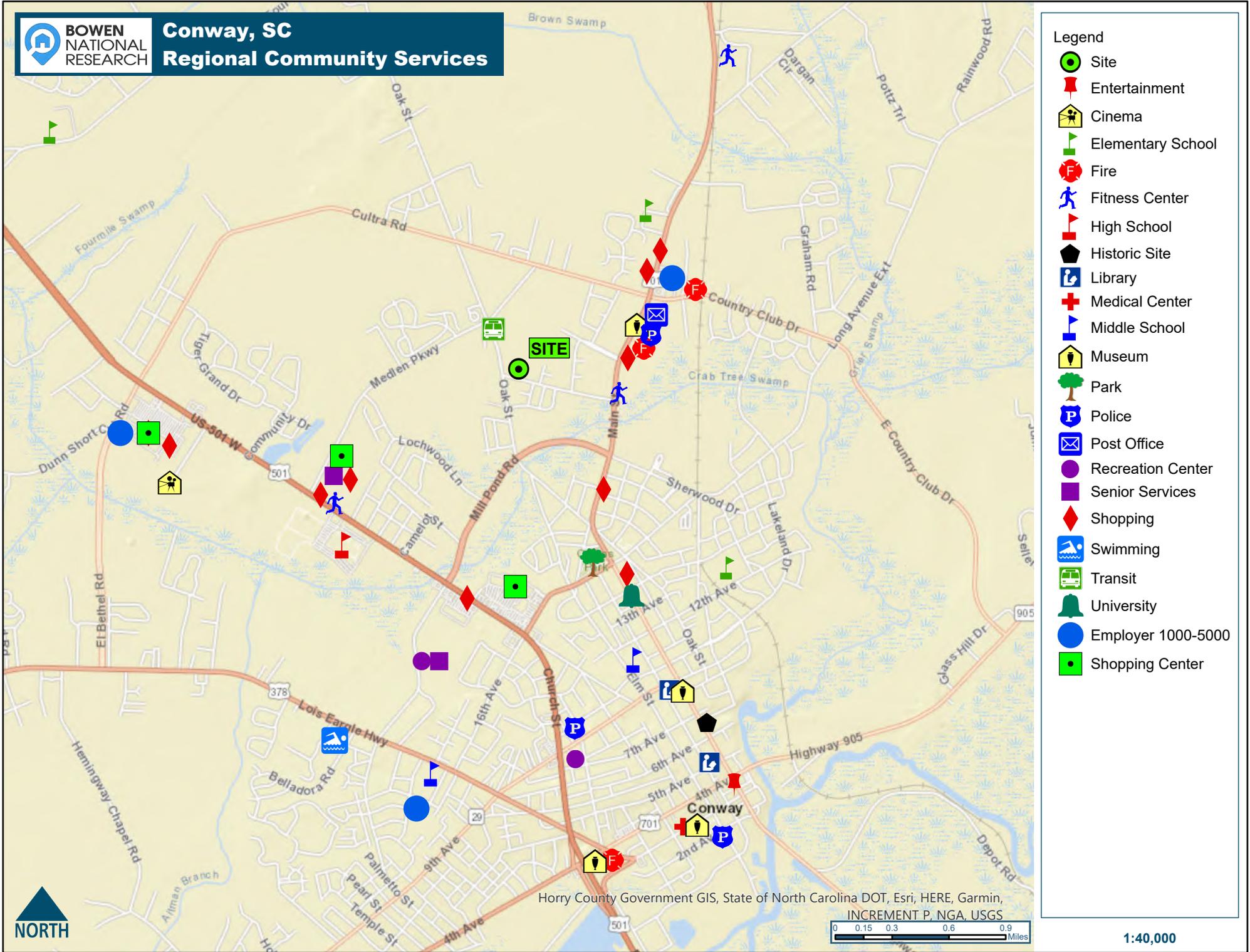
Horry County Government GIS, State of North Carolina DOT, Esri, HERE, Garmin, INCREMENT P, NGA, USGS



1:20,000



Conway, SC Regional Community Services



Horry County Government GIS, State of North Carolina DOT, Esri, HERE, Garmin, INCREMENT P, NGA, USGS



Legend

- Site
- Entertainment
- Cinema
- Elementary School
- Fire
- Fitness Center
- High School
- Historic Site
- Library
- Medical Center
- Middle School
- Museum
- Park
- Police
- Post Office
- Recreation Center
- Senior Services
- Shopping
- Swimming
- Transit
- University
- Employer 1000-5000
- Shopping Center

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 150, with an overall personal crime index of 121 and a property crime index of 154. Total crime risk for Horry County is 209, with indexes for personal and property crime of 166 and 215, respectively.

	Crime Risk Index	
	Site ZIP Code	Horry County
Total Crime	150	209
Personal Crime	121	166
Murder	138	157
Rape	120	202
Robbery	62	105
Assault	145	187
Property Crime	154	215
Burglary	143	192
Larceny	163	228
Motor Vehicle Theft	117	165

Source: Applied Geographic Solutions

Although the total crime risk index for the Site's ZIP Code (150) is above the national average (100), interviews with management at nearby rental communities and the personal observations of our analyst revealed that, despite the higher-than-average crime risk, the occupancy levels of all rental housing projects surveyed have not been adversely impacted (all rental properties surveyed within the market are fully occupied with waiting lists). As a result, we do not anticipate that the relatively high crime risk will have a significant impact on the marketability of the subject site.

A map illustrating crime risk is on the following page.



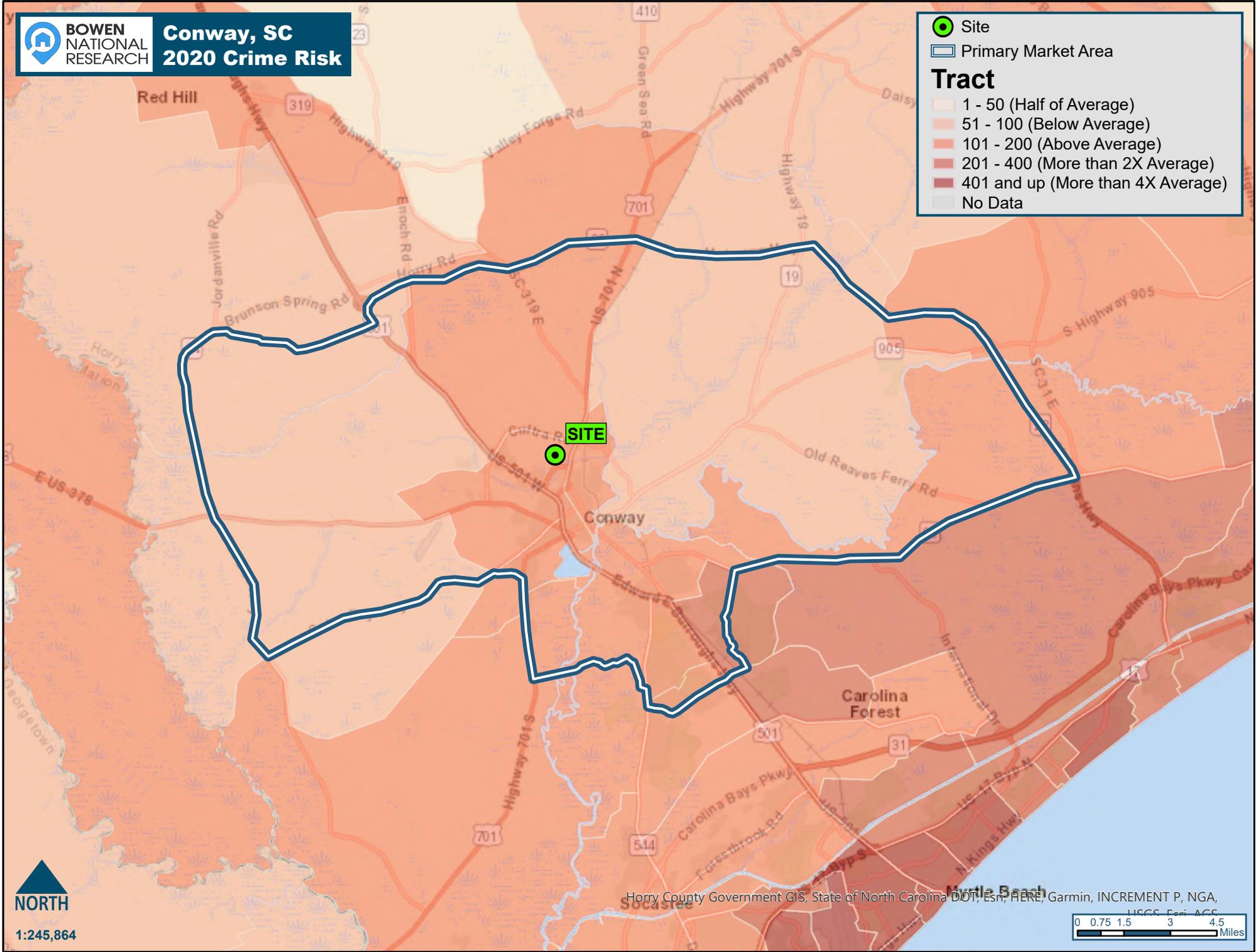
Conway, SC 2020 Crime Risk

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
1:245,864

Horry County Government GIS, State of North Carolina DOT, Esri, HERE, Garmin, INCREMENT P, NGA, USGS, Fugro, ACSS



7. ACCESS AND VISIBILITY

The site is expected to be primarily visible to passerby traffic along Oak Street, a two-lane roadway with moderate vehicular traffic. Per the South Carolina Department of Transportation (SCDOT), Oak Street maintains an annual average daily traffic (AADT) volume of 3,900 vehicles. Visibility of the site can be improved by the utilization of temporary signage along U.S. Highway 701 during lease-up, which maintains an AADT of 23,500 vehicles. However, visibility of the site is likely sufficient given the high occupancies reported by other nearby properties.

While plans for the site development were not available at the time of analysis, the site is expected to maintain at least one vehicular access point along either Oak Street or Boundary Street. Given the light to moderate area traffic patterns, direct vehicular ingress and egress are considered convenient. The site is also within 2.0 miles of several area thoroughfares, including U.S. Highway 701, which is situated 0.5 miles east of the site. Additionally, fixed-route public transportation is available through Coast RTA, with the nearest bus stop within walking distance of the site. This service provides access throughout Horry County and is considered beneficial to the targeted site population of low-income seniors. Overall, accessibility of the site is considered good and is expected to positively impact marketability.

8. VISIBLE OR ENVIRONMENTAL ISSUES

The subject site is withing approximately 750 feet of an electrical substation. However, this structure is not expected to impact marketability of the site development, as the site is buffered from this structure by the nearby Leehaven and Sanders Public Housing community, which is 100.0% occupied.

9. OVERALL SITE CONCLUSIONS

The subject site consists of wooded land located at the intersection of Boundary and Oak streets in Conway. Surrounding land uses are primarily residential, with nearby homes and rental communities in fair to good condition. Visibility of the site is considered good within the immediate area. However, temporary signage located along more highly traveled roadways throughout the market area may prove beneficial to the site's marketability during the initial lease-up process. Access to and from the site is considered good. The site is within 2.0 miles of most shopping, employment, recreation and entertainment opportunities. Notable services within 2.0 miles include grocery stores, banks, restaurants, pharmacies, discount retailers, a park, a recreation center, a library and gas stations/convenience stores. Services and accessibility are further enhanced by the presence of a Coast RTA stop within walking distance of the site along Oak Street. 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 Conway Site PMA was determined through interviews with area leasing and real estate agents, government officials, economic development representatives and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

The Site PMA includes Conway, northern portions of Red Hill and the surrounding unincorporated areas of Horry County. Specifically, the boundaries of the Site PMA include Jordanville Road, Lundy Short Cut Road, Knotty Branch Road, U.S. Highway 501 and State Route 22 to the north; State Route 22 to the east; State Route 90, Myrtle Beach National Golf Course, Myrtle Ridge Drive, Waccamaw National Wild Life Refuge, U.S. Highway 701 and State Route 135 to the south; and Pee Dee Highway to the west. All boundaries of the Site PMA are generally within 13.9 miles of the site. The Site PMA includes all of, or portions of, the following Census Tracts:

301.02	601.01	603.01	604.03	604.04
604.05	604.06	701.01	701.02	702.00
703.00*	704.00	705.00	706.01	706.02
707.01	707.02	802.00		

*Site location

Donald Stokes is the Maintenance Technician for North Oaks Apartments (Map ID 11), a Tax Credit and Rural Development Section 515 (RD 515) property in the central portion of the Site PMA. Mr. Stokes confirmed the boundaries of the Site PMA, noting that residents of Conway tend to stay in the area due to Conway's quieter residential makeup, as opposed to the more tourist-heavy regions of Myrtle Beach. Mr. Stokes added that Conway residents tend to stay in the area due to its convenient access to entertainment options and major employers in Myrtle Beach.

Kenny Tyree is the Property Manager for Carolina Pines (Map ID 1), a market-rate and Tax Credit development in the central portion of the Site PMA. Mr. Tyree stated that while most demand for his property comes from within the Site PMA, approximately 30.0% to 40.0% of his support comes from residents of Myrtle Beach. Mr. Tyree stated that these residents are typically driven from the coastal area due to increasing rents in Myrtle Beach. Mr. Tyree added that a minor support component for his property comes from students at the nearby Coastal Carolina University.

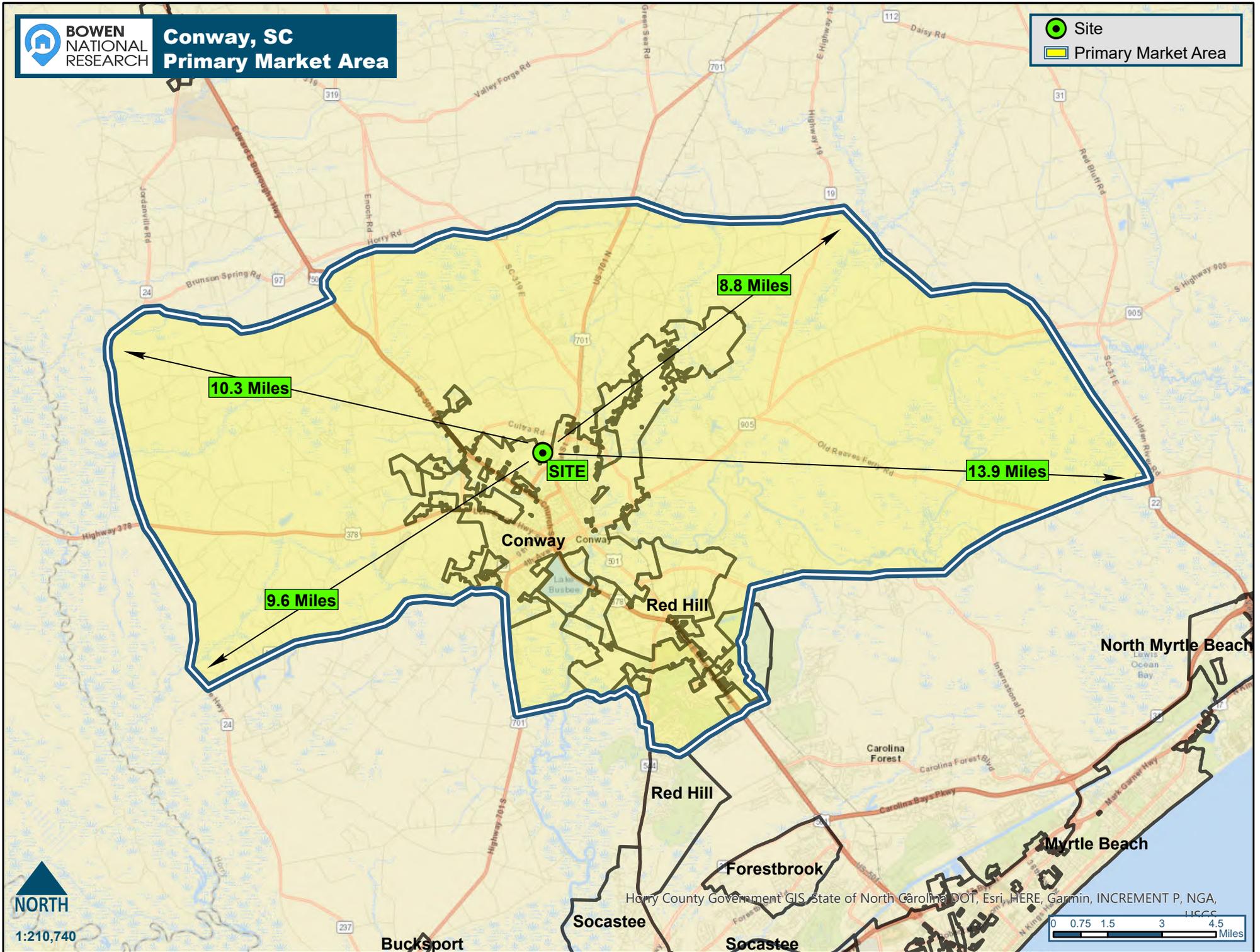
A modest portion of support may originate from some of the outlying areas of the Site PMA; we have not, however, considered any secondary market area in this report.

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



**Conway, SC
Primary Market Area**

- Site
- Primary Market Area



1:210,740

Horry County Government GIS, State of North Carolina DOT, Esri, HERE, Garmin, INCREMENT P, NGA, USGS



E. Market Area Economy

1. EMPLOYMENT BY INDUSTRY

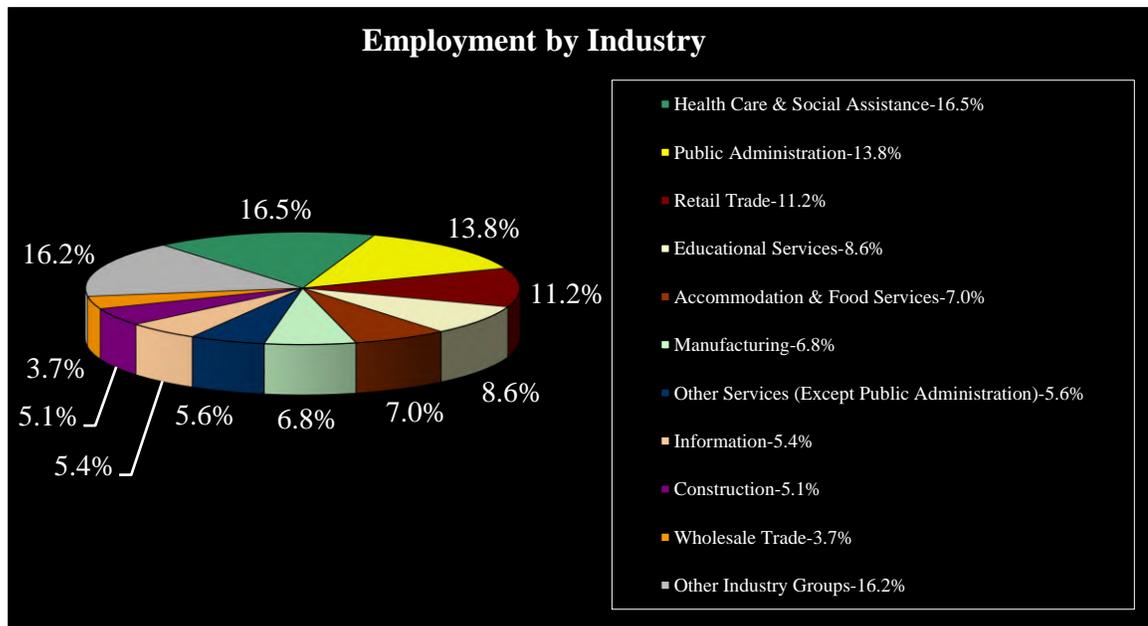
The labor force within the Conway Site PMA is based primarily in three sectors. Health Care & Social Assistance (which comprises 16.5%), Public Administration and Retail Trade comprise nearly 42% of the Site PMA labor force. Employment in the Conway Site PMA, as of 2020, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	7	0.3%	20	0.1%	2.9
Mining	2	0.1%	11	0.0%	5.5
Utilities	9	0.4%	641	2.4%	71.2
Construction	199	8.7%	1,367	5.1%	6.9
Manufacturing	76	3.3%	1,815	6.8%	23.9
Wholesale Trade	70	3.0%	978	3.7%	14.0
Retail Trade	373	16.2%	3,001	11.2%	8.0
Transportation & Warehousing	52	2.3%	391	1.5%	7.5
Information	23	1.0%	1,458	5.4%	63.4
Finance & Insurance	116	5.0%	619	2.3%	5.3
Real Estate & Rental & Leasing	116	5.0%	429	1.6%	3.7
Professional, Scientific & Technical Services	162	7.0%	959	3.6%	5.9
Management of Companies & Enterprises	5	0.2%	126	0.5%	25.2
Administrative, Support, Waste Management & Remediation Services	78	3.4%	547	2.0%	7.0
Educational Services	47	2.0%	2,307	8.6%	49.1
Health Care & Social Assistance	208	9.0%	4,411	16.5%	21.2
Arts, Entertainment & Recreation	48	2.1%	592	2.2%	12.3
Accommodation & Food Services	160	7.0%	1,879	7.0%	11.7
Other Services (Except Public Administration)	339	14.7%	1,504	5.6%	4.4
Public Administration	127	5.5%	3,708	13.8%	29.2
Nonclassifiable	83	3.6%	13	0.0%	0.2
Total	2,300	100.0%	26,776	100.0%	11.6

*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 Myrtle Beach-Conway-North Myrtle Beach Metropolitan Statistical Area (MSA) are compared with those of South Carolina in the following table:

Typical Wage by Occupation Type		
Occupation Type	Myrtle Beach-Conway-North Myrtle Beach MSA	South Carolina
Management Occupations	\$95,380	\$109,500
Business and Financial Occupations	\$67,020	\$70,470
Computer and Mathematical Occupations	\$65,670	\$77,080
Architecture and Engineering Occupations	\$68,760	\$80,470
Community and Social Service Occupations	\$45,140	\$44,530
Art, Design, Entertainment and Sports Medicine Occupations	\$50,990	\$50,930
Healthcare Practitioners and Technical Occupations	\$77,320	\$76,850
Healthcare Support Occupations	\$29,530	\$29,220
Protective Service Occupations	\$39,710	\$39,760
Food Preparation and Serving Related Occupations	\$23,190	\$23,250
Building and Grounds Cleaning and Maintenance Occupations	\$26,850	\$27,650
Personal Care and Service Occupations	\$26,510	\$28,850
Sales and Related Occupations	\$32,160	\$37,680
Office and Administrative Support Occupations	\$34,400	\$37,870
Construction and Extraction Occupations	\$40,150	\$44,550
Installation, Maintenance and Repair Occupations	\$41,390	\$46,990
Production Occupations	\$40,150	\$40,730
Transportation and Moving Occupations	\$32,890	\$34,010

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

Most annual blue-collar salaries range from \$23,190 to \$50,990 within the Myrtle Beach-Conway-North Myrtle Beach MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$74,830. It is important to note that most occupational types within the Myrtle Beach-Conway-North Myrtle Beach MSA have similar typical wages as the State of South Carolina's typical wages.

3. AREA'S LARGEST EMPLOYERS

The ten largest employers within Horry County comprise a total of 19,249 employees and are summarized as follows:

Employer Name	Business Type	Total Employed
Horry County School District	Education K-12	5,650
Walmart	Retail/Grocery	2,800
Horry County Government	Government	2,200
Coastal Carolina University	High Education	2,125
Conway Hospital	Healthcare	1,400
Grand Strand Regional Medical Center	Healthcare	1,350
Food Lion	Grocery	1,150
McLeod Loris Seacoast	Healthcare	980
City of Myrtle Beach	Government	904
Horry Telephone Cooperative	Telecommunications	690
	Total	19,249

Source: Myrtle Beach Regional Economic Development (January 2020)

According to a representative with the Myrtle Beach Regional Economic Development, the area economy is struggling due to the COVID-19 pandemic. Although the local economy has shown continuous growth in previous years, the city's unemployment numbers are the highest in the state as of March 2021 due to the pandemic. Nearly all businesses have reopened; however, some with limited occupancy and physical distancing guidelines. The following are additional factors impacting the local economy:

- In winter 2020, Skutchi Designs, Incorporated, a workplace product manufacturer, announced a \$3.5 million plan to relocate into Conway's upcoming Ascott Valley Industrial Park. The expansion will create 41 jobs in Horry County and is expected to be completed by 2022.
- In late 2019, local stakeholders began the first phase of their Downtown Master Plan for Myrtle Beach. The second phase, which is a continuation of Phase I, began January 2020 and will take a few years to complete. They hope to make the downtown area the heart of the community again and create a pedestrian-friendly, walkable and bikeable downtown. They have acquired over \$140 million in private investment to help with the plan.

- In February 2020, plans were announced for a Holiday Inn Vacation Oceanfront Resort on the south end of Ocean Boulevard in Myrtle Beach. This project included two (2) six-story towers with multiple outdoor pools and hot tubs, along with other high-end amenities. It is unknown when this project was completed, but the resort is now open.
- There are plans for a new cultural arts center and theater in downtown Myrtle Beach, with a theater for 300 guests, a reception area, an art gallery, and rehearsal space. The performing arts department of Coastal Carolina University will be the main user of the center, and the city will also be putting on up to 30 productions annually. Construction of the new cultural arts center is planned to begin in 2021 and open in the spring of 2022.
- Plans were approved in 2019 for the Gateway Galleria in downtown Myrtle Beach and construction has begun. The project will be a mixed-use development with 18,000 square feet of retail and commercial businesses on the first level with three levels of for-sale condominiums.
- In 2020, owners of the Myrtle Beach Mall started planning a \$150 million redevelopment named The District. The plans include some waterfront restaurants, sports bars, additional retail, a boutique hotel, a promenade, and gardens.
- Surfworks surf park is planned to open in 2022, that will produce 1,000, two-to six-foot waves hourly. There will also be a 15,000-seat amphitheater.
- In October 2019, United Parcel Service (UPS) announced an expansion in Myrtle Beach to build a new package delivery facility just off Water Tower Road in North Myrtle Beach. This project will create 50 new jobs by 2025. The new facility appears to have been completed 2020. It was an \$11 million investment.
- CRP Industries Inc, a manufacturer in the automotive parts and industrial products, opened a new facility in Conway in December 2019, a \$2.5 million investment. The manufacturing facility is planned to create 115 new jobs by 2025.

Infrastructure

There are multiple infrastructure projects underway in Horry County. The most notable projects being the widening of U.S. Highway 701, which is slated to begin in 2022 and will take place from Dogwood Street to the State Route 9 interchange, and the realignment of U.S. Highway 501 around downtown with construction slated to begin in spring 2022. The latter project will take roughly a year and a half to complete. Additionally, the Ascott Valley Industrial Park Infrastructure Project is currently in the early stages of planning. The project will be located off of Adrian Highway and Chow Lane in Conway.

WARN (layoff notices):

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

Company	Location	Jobs	Notice Date
Medieval Times Medieval Knights	Myrtle Beach	131	4/12/2020
Hard Rock Cafe	Myrtle Beach	82	4/13/2020
Hilton Grand Vacations	Myrtle Beach	112	7/1/2020
DoubleTree by Hilton	Myrtle Beach	6	7/22/2020
Avis Budget Group	Myrtle Beach	3	8/28/2020
VISTANA MB MANAGEMENT INC Sheraton Broadway Planation	Myrtle Beach	1	11/13/2020
VSE Myrtle Beach, LLC Sheraton Broadway Planation	Myrtle Beach	67	11/13/2020
P.F. Chang's China Bistro	Myrtle Beach	75	9/17/2020
VSE Myrtle Beach, LLC Sheraton Broadway	Myrtle Beach	1	1/22/2021
Kingston Resorts	Myrtle Beach	94	7/03/2021

4. EMPLOYMENT TRENDS

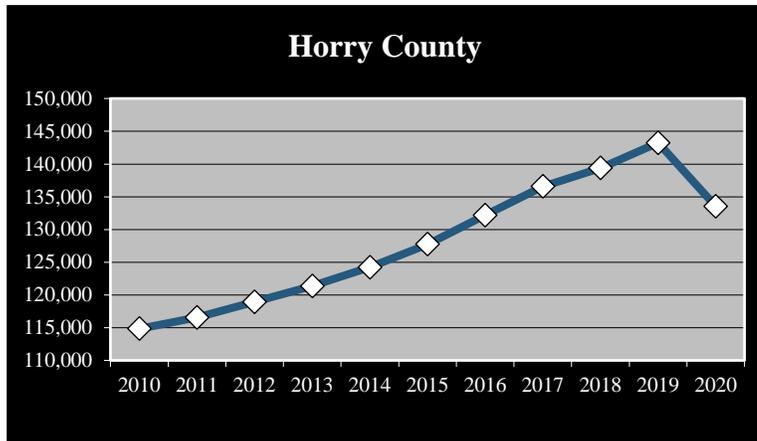
The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

Excluding 2020, the employment base has increased by 12.1% over the past five years in Horry 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 Horry County, South Carolina and the United States.

Year	Total Employment					
	Horry County		South Carolina		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2010	114,859	-	1,928,442	-	140,469,139	-
2011	116,578	1.5%	1,957,493	1.5%	141,791,255	0.9%
2012	118,938	2.0%	1,992,957	1.8%	143,621,634	1.3%
2013	121,377	2.1%	2,034,404	2.1%	145,017,562	1.0%
2014	124,239	2.4%	2,082,941	2.4%	147,313,048	1.6%
2015	127,746	2.8%	2,134,087	2.5%	149,500,941	1.5%
2016	132,187	3.5%	2,174,301	1.9%	151,887,366	1.6%
2017	136,558	3.3%	2,200,602	1.2%	154,160,937	1.5%
2018	139,387	2.1%	2,242,438	1.9%	156,081,212	1.2%
2019	143,234	2.8%	2,302,573	2.7%	158,102,439	1.3%
2020	133,532	-6.8%	2,237,407	-2.8%	148,739,082	-5.9%

Source: Department of Labor; Bureau of Labor Statistics

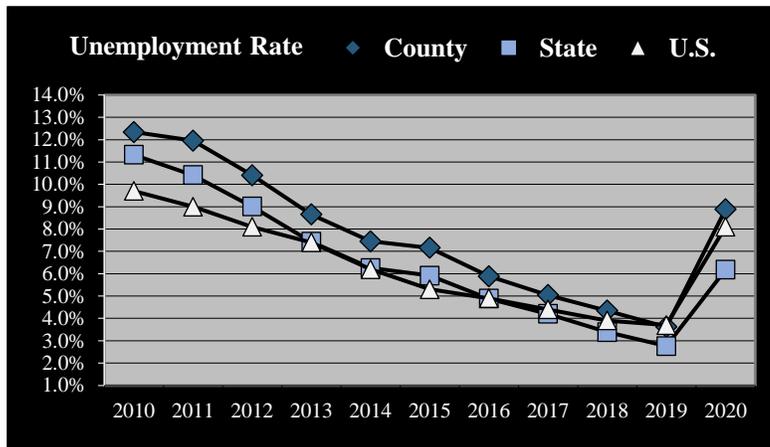


As the preceding illustrates, the Horry County employment base experienced consistent growth between 2010 and 2019. However, the county experienced a 6.8% reduction of jobs in 2020 due to the COVID-19 pandemic.

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

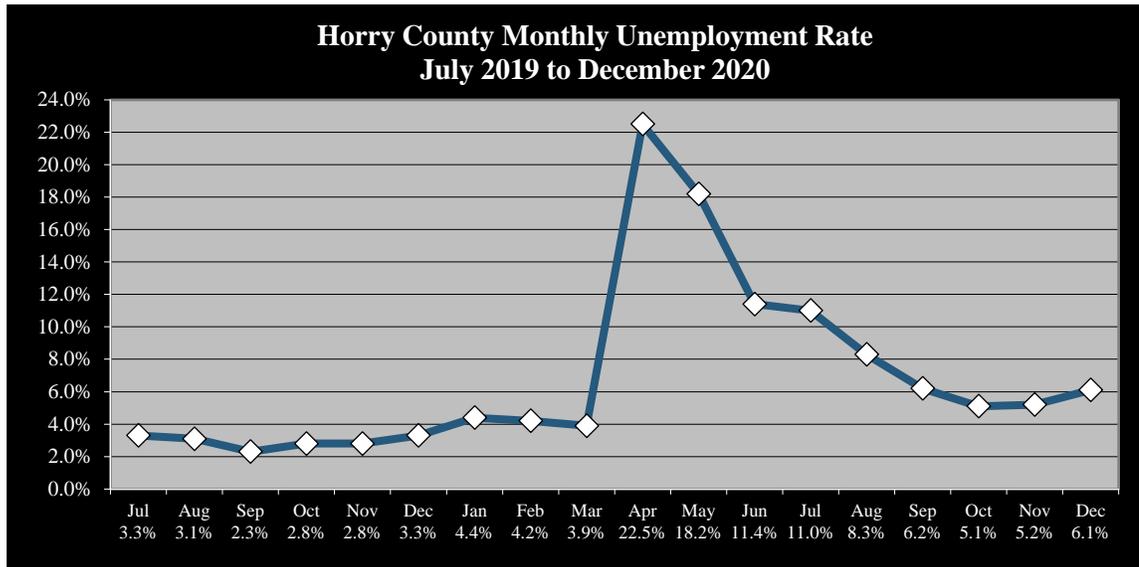
Year	Unemployment					
	Horry County		South Carolina		United States	
	Total Number	Percent	Total Number	Percent	Total Number	Percent
2010	16,087	12.3%	246,093	11.3%	15,070,017	9.7%
2011	15,766	12.0%	227,678	10.4%	14,035,049	9.0%
2012	13,743	10.4%	197,246	9.0%	12,691,553	8.1%
2013	11,447	8.7%	163,472	7.4%	11,634,201	7.4%
2014	9,938	7.5%	139,485	6.3%	9,776,089	6.2%
2015	9,820	7.2%	133,750	5.9%	8,417,793	5.3%
2016	8,237	5.9%	111,753	4.9%	7,854,801	4.9%
2017	7,218	5.0%	96,477	4.2%	7,093,912	4.4%
2018	6,304	4.3%	78,442	3.4%	6,385,787	3.9%
2019	5,339	3.6%	65,112	2.8%	6,073,924	3.7%
2020	13,180	8.9%	147,183	6.2%	13,039,335	8.1%

Source: Department of Labor; Bureau of Labor Statistics



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

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



The *monthly* unemployment rate within Horry County was generally stable between July 2019 and March 2020, which then spiked by nearly 19 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 6.1% 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 Horry County.

In-Place Employment Horry County			
Year	Employment	Change	Percent Change
2010	105,678	-	-
2011	107,598	1,920	1.8%
2012	109,572	1,974	1.8%
2013	111,820	2,248	2.1%
2014	115,476	3,656	3.3%
2015	118,291	2,815	2.4%
2016	122,156	3,865	3.3%
2017	127,045	4,889	4.0%
2018	131,240	4,195	3.3%
2019	133,871	2,631	2.0%
2020*	121,668	-12,203	-9.1%

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 Horry County to be 93.5% of the total Horry County employment. This means that Horry 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

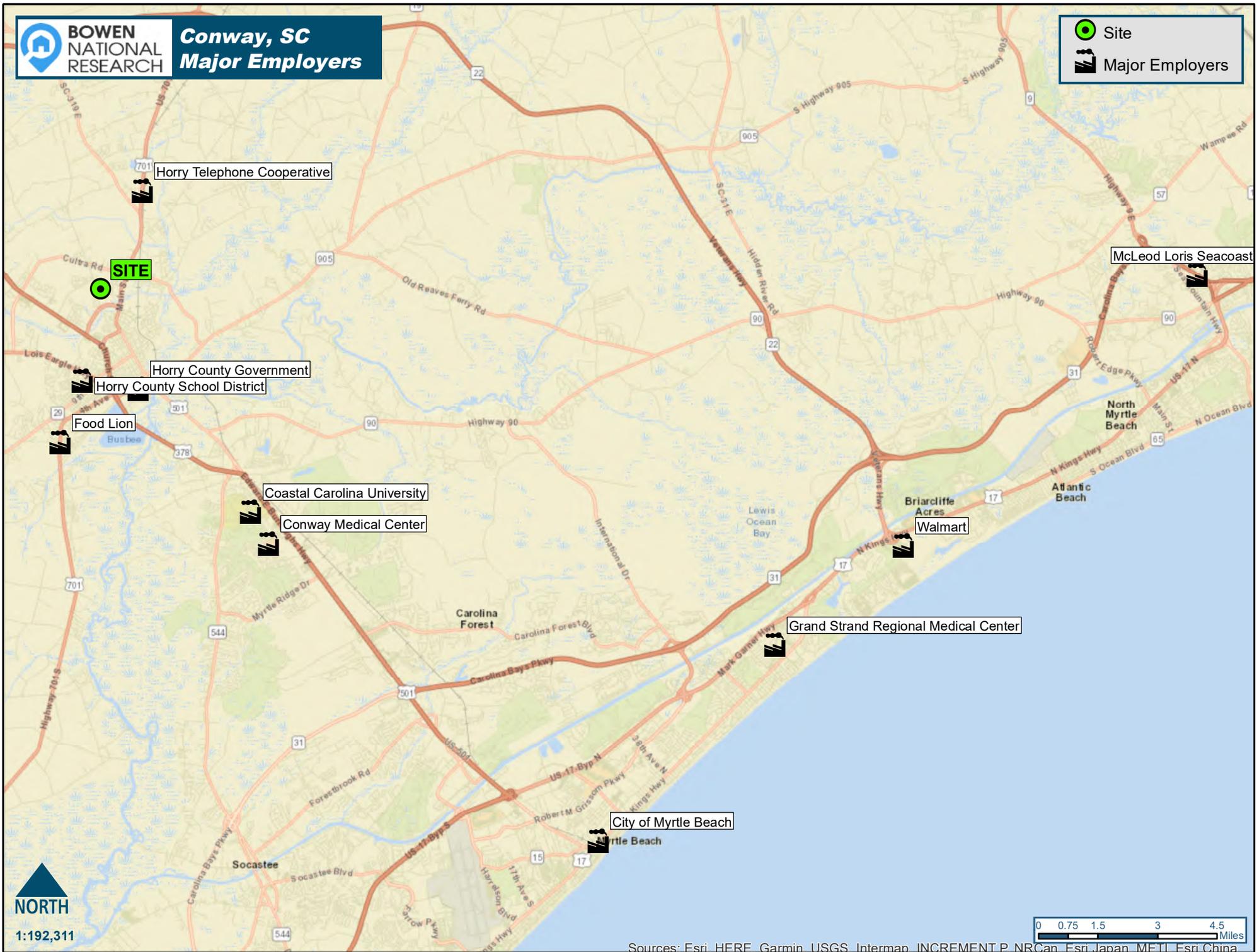
A map illustrating the location of the area's largest employers is included on the following page.



Conway, SC Major Employers

 Site

 Major Employers



NORTH

1:192,311



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	20,857	81.1%
Carpooled	2,804	10.9%
Public Transit	133	0.5%
Walked	480	1.9%
Other Means	281	1.1%
Worked at Home	1,152	4.5%
Total	25,707	100.0%

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

Over 81% of all workers drove alone, 10.9% carpoled and only 0.5% 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	5,758	22.4%
15 to 29 Minutes	10,025	39.0%
30 to 44 Minutes	5,996	23.3%
45 to 59 Minutes	1,636	6.4%
60 or More Minutes	1,138	4.4%
Worked at Home	1,152	4.5%
Total	25,705	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.

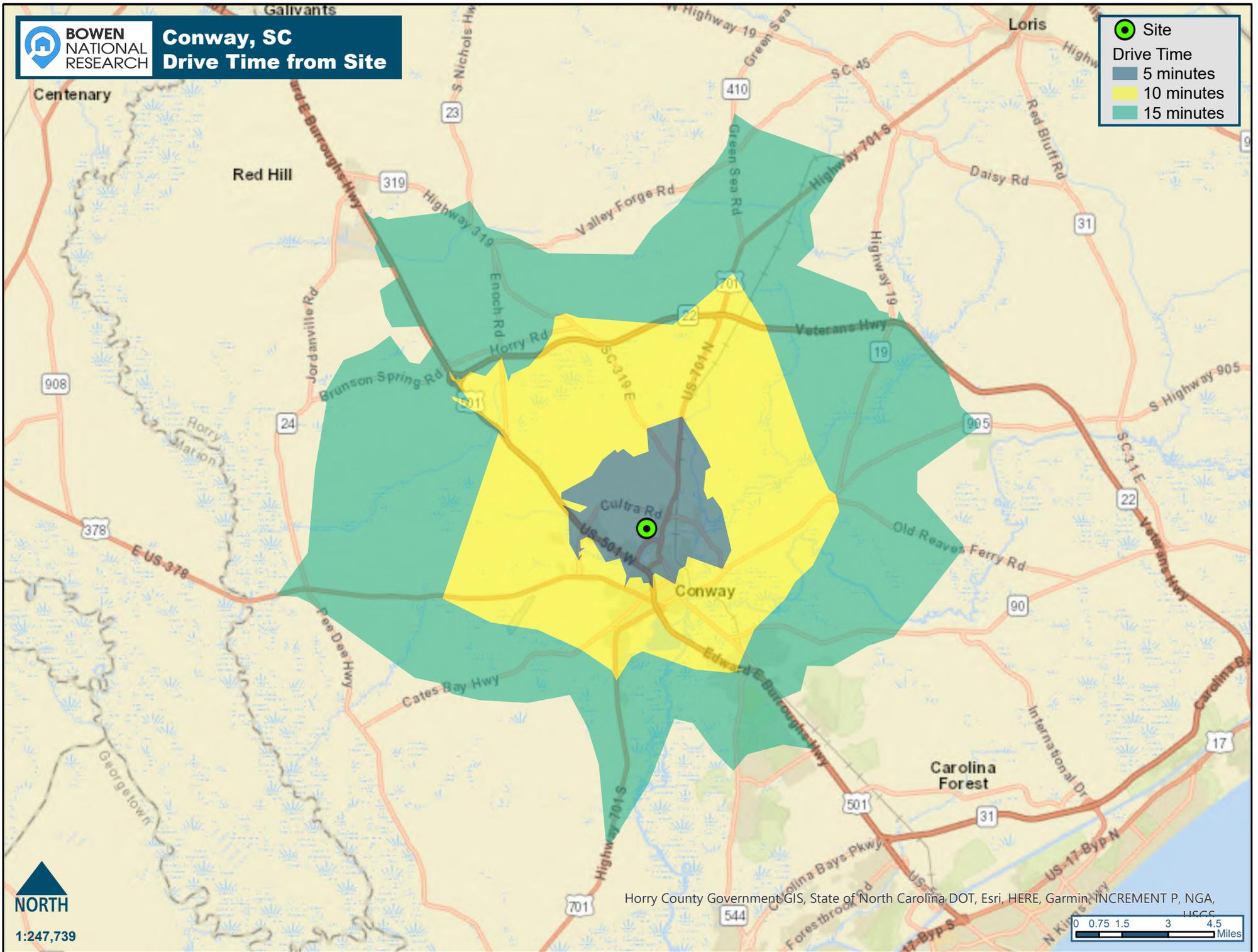


Conway, SC Drive Time from Site

● Site

Drive Time

- 5 minutes
- 10 minutes
- 15 minutes



1:247,739

Horry County Government GIS, State of North Carolina DOT, Esri, HERE, Garmin, INCREMENT P, NGA, USGS



7. ECONOMIC FORECAST AND HOUSING IMPACT

The Horry County economy experienced continued job growth between 2010 and 2019. However, between 2019 and 2020, the county declined by over 9,700 jobs, or 6.8%, 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 five percentage points during the same time frame. Specifically, between March and April 2020, the unemployment rate within Horry County spiked by nearly 19 percentage points; however, the county's unemployment rate has generally been trending downward since. Nonetheless, several of the businesses impacted include those within the Retail Trade and Accommodation & Food Services sectors, which account for over 18% 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	39,130	49,410	65,343	70,025
Population Change	-	10,280	15,933	4,682
Percent Change	-	26.3%	32.2%	7.2%

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

The Conway Site PMA population base increased by 10,280 between 2000 and 2010. This represents a 26.3% increase from the 2000 population base, or an annual rate of 2.4%. Between 2010 and 2020, the population increased by 15,933, or 32.2%. It is projected that the population will increase by 4,682, or 7.2%, between 2020 and 2023.

Based on the 2010 Census, the population residing in group-quarters is represented by 8.8% of the Site PMA population, as demonstrated in the following table:

	Number	Percent
Population in Group Quarters	4,345	8.8%
Population not in Group Quarters	45,065	91.2%
Total Population	49,410	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	13,765	27.9%	17,515	26.8%	18,777	26.8%	1,262	7.2%
20 to 24	4,743	9.6%	6,194	9.5%	6,373	9.1%	179	2.9%
25 to 34	5,983	12.1%	8,127	12.4%	8,095	11.6%	-32	-0.4%
35 to 44	5,848	11.8%	7,485	11.5%	8,298	11.9%	813	10.9%
45 to 54	6,623	13.4%	7,311	11.2%	7,799	11.1%	488	6.7%
55 to 64	5,817	11.8%	7,956	12.2%	8,272	11.8%	316	4.0%
65 to 74	3,958	8.0%	6,463	9.9%	7,221	10.3%	758	11.7%
75 & Over	2,673	5.4%	4,292	6.6%	5,189	7.4%	897	20.9%
Total	49,410	100.0%	65,343	100.0%	70,025	100.0%	4,682	7.2%

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

As the preceding table illustrates, nearly 29% 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+)	12,448	18,711	20,683
Non-Elderly	36,962	46,632	49,342
Total	49,410	65,343	70,025

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

The elderly population is projected to increase by 1,972, or 10.5%, 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%	52.9%
Black or African American	27.9%	27.9% + 20.0% = 47.9%	49.1%
American Indian	0.4%	0.4% + 20.0% = 20.4%	0.0%
Asian/Hawaiian/Pacific Islander	1.4%	1.4% + 20.0% = 21.4%	2.1%
Hispanic or Latino	5.1%	5.1% + 20.0% = 25.1%	1.1%

Source: SC Housing and 2020 FFIEC Census Report

2. HOUSEHOLD TRENDS

a. Total Households

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

	Year			
	2000 (Census)	2010 (Census)	2020 (Estimated)	2023 (Projected)
Households	14,461	18,564	24,035	25,884
Household Change	-	4,103	5,471	1,849
Percent Change	-	28.4%	29.5%	7.7%
Household Size	2.71	2.66	2.54	2.54

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

Within the Conway Site PMA, households increased by 4,103 (28.4%) between 2000 and 2010. Between 2010 and 2020, households increased by 5,471, or 29.5%. By 2023, there will be 25,884 households, an increase of 1,849 households, or 7.7%, from 2020. This is an increase of approximately 616 households annually over the next three years.

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

Households by Age	2010 (Census)		2020 (Estimated)		2023 (Projected)		Change 2020-2023	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	1,579	8.5%	1,749	7.3%	1,826	7.1%	77	4.4%
25 to 34	2,622	14.1%	3,422	14.2%	3,414	13.2%	-8	-0.2%
35 to 44	3,031	16.3%	3,744	15.6%	4,130	16.0%	386	10.3%
45 to 54	3,627	19.5%	3,840	16.0%	4,074	15.7%	234	6.1%
55 to 64	3,443	18.5%	4,538	18.9%	4,691	18.1%	153	3.4%
65 to 74	2,509	13.5%	3,984	16.6%	4,423	17.1%	439	11.0%
75 to 84	1,380	7.4%	2,210	9.2%	2,664	10.3%	454	20.6%
85 & Over	373	2.0%	548	2.3%	661	2.6%	113	20.6%
Total	18,564	100.0%	24,035	100.0%	25,884	100.0%	1,849	7.7%

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 65 and 84, increasing by 893, or 14.4%. This illustrates that there will likely be an increasing need for housing for seniors within the Conway 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	12,470	67.2%	16,906	70.3%	18,204	70.3%
Renter-Occupied	6,094	32.8%	7,130	29.7%	7,680	29.7%
Total	18,564	100.0%	24,036	100.0%	25,884	100.0%

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

In 2020, homeowners occupied 70.3% of all occupied housing units, while the remaining 29.7% 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	6,367	82.6%	9,938	88.1%	11,065	88.9%
Renter-Occupied	1,338	17.4%	1,342	11.9%	1,375	11.1%
Total	7,705	100.0%	11,280	100.0%	12,439	100.0%

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

A total of 1,342 (11.9%) of all households age 55 and older within the Site PMA were renters in 2020.

c. Households by Income

The distribution of households by income age 55 and older within the Conway 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	810	10.5%	730	6.5%	729	5.9%
\$10,000 to \$19,999	1,480	19.2%	1,535	13.6%	1,540	12.4%
\$20,000 to \$29,999	1,177	15.3%	1,575	14.0%	1,594	12.8%
\$30,000 to \$39,999	987	12.8%	1,361	12.1%	1,370	11.0%
\$40,000 to \$49,999	795	10.3%	1,204	10.7%	1,310	10.5%
\$50,000 to \$59,999	583	7.6%	1,091	9.7%	1,179	9.5%
\$60,000 to \$74,999	707	9.2%	1,265	11.2%	1,575	12.7%
\$75,000 to \$99,999	620	8.0%	1,135	10.1%	1,403	11.3%
\$100,000 to \$124,999	222	2.9%	645	5.7%	811	6.5%
\$125,000 to \$149,999	116	1.5%	289	2.6%	354	2.8%
\$150,000 to \$199,999	106	1.4%	235	2.1%	302	2.4%
\$200,000 & Over	102	1.3%	215	1.9%	273	2.2%
Total	7,705	100.0%	11,280	100.0%	12,440	100.0%
Median Income	\$33,906		\$43,646		\$47,537	

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

In 2010, the median household income for households age 55 and older was \$33,906. This increased by 28.7% to \$43,646 in 2020. By 2023, it is projected that the median household income will be \$47,537, an increase of 8.9% 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 Conway Site PMA:

Renter Age 55+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	111	46	37	21	21	236
\$10,000 to \$19,999	199	74	60	33	34	400
\$20,000 to \$29,999	129	48	39	21	22	259
\$30,000 to \$39,999	71	27	22	12	12	144
\$40,000 to \$49,999	49	19	15	9	9	101
\$50,000 to \$59,999	23	9	8	4	4	48
\$60,000 to \$74,999	34	14	11	6	6	71
\$75,000 to \$99,999	21	9	7	4	4	44
\$100,000 to \$124,999	6	3	2	1	1	14
\$125,000 to \$149,999	3	1	1	1	1	6
\$150,000 to \$199,999	3	1	1	1	1	7
\$200,000 & Over	3	1	1	1	1	7
Total	652	251	203	113	117	1,338

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	83	26	20	12	9	151
\$10,000 to \$19,999	198	55	43	26	19	342
\$20,000 to \$29,999	135	39	30	18	13	235
\$30,000 to \$39,999	87	25	20	12	9	153
\$40,000 to \$49,999	80	26	20	12	9	147
\$50,000 to \$59,999	42	13	11	6	5	77
\$60,000 to \$74,999	56	18	14	9	6	103
\$75,000 to \$99,999	38	12	9	6	4	69
\$100,000 to \$124,999	17	5	4	3	2	31
\$125,000 to \$149,999	8	3	2	1	1	15
\$150,000 to \$199,999	5	2	1	1	1	10
\$200,000 & Over	5	2	1	1	1	10
Total	754	225	178	108	77	1,342

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	82	25	20	12	8	147
\$10,000 to \$19,999	189	54	43	26	18	329
\$20,000 to \$29,999	128	38	30	18	12	226
\$30,000 to \$39,999	89	27	21	13	9	160
\$40,000 to \$49,999	96	31	25	15	10	176
\$50,000 to \$59,999	42	14	11	7	5	78
\$60,000 to \$74,999	59	20	15	9	6	109
\$75,000 to \$99,999	39	12	10	6	4	71
\$100,000 to \$124,999	19	6	5	3	2	35
\$125,000 to \$149,999	9	3	3	2	1	18
\$150,000 to \$199,999	7	2	2	1	1	13
\$200,000 & Over	7	2	2	1	1	12
Total	765	234	186	113	77	1,375

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 Conway Site PMA:

Owner Age 55+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	166	218	92	63	34	574
\$10,000 to \$19,999	341	395	167	115	62	1,080
\$20,000 to \$29,999	290	336	142	98	53	918
\$30,000 to \$39,999	251	316	134	92	50	843
\$40,000 to \$49,999	198	265	112	77	42	694
\$50,000 to \$59,999	147	207	88	60	33	535
\$60,000 to \$74,999	179	244	103	71	38	636
\$75,000 to \$99,999	160	222	94	65	35	576
\$100,000 to \$124,999	53	82	35	24	13	208
\$125,000 to \$149,999	29	43	18	13	7	110
\$150,000 to \$199,999	27	39	16	11	6	99
\$200,000 & Over	25	38	16	11	6	95
Total	1,866	2,403	1,018	701	379	6,367

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	180	241	79	53	26	579
\$10,000 to \$19,999	392	486	158	106	52	1,193
\$20,000 to \$29,999	428	552	180	120	59	1,340
\$30,000 to \$39,999	378	503	164	109	54	1,208
\$40,000 to \$49,999	313	451	147	98	49	1,057
\$50,000 to \$59,999	295	436	142	95	47	1,014
\$60,000 to \$74,999	337	499	163	109	54	1,162
\$75,000 to \$99,999	315	455	148	99	49	1,066
\$100,000 to \$124,999	174	267	87	58	29	614
\$125,000 to \$149,999	76	120	39	26	13	274
\$150,000 to \$199,999	64	98	32	21	11	225
\$200,000 & Over	58	89	29	19	10	205
Total	3,010	4,196	1,367	913	452	9,938

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	180	245	78	53	26	582
\$10,000 to \$19,999	395	499	159	107	52	1,212
\$20,000 to \$29,999	432	572	182	122	60	1,368
\$30,000 to \$39,999	374	511	163	109	54	1,210
\$40,000 to \$49,999	335	487	155	104	51	1,133
\$50,000 to \$59,999	317	479	153	102	50	1,101
\$60,000 to \$74,999	415	643	204	137	67	1,466
\$75,000 to \$99,999	386	578	184	123	60	1,332
\$100,000 to \$124,999	215	343	109	73	36	776
\$125,000 to \$149,999	90	150	48	32	16	336
\$150,000 to \$199,999	79	128	41	27	13	289
\$200,000 & Over	71	116	37	25	12	261
Total	3,288	4,751	1,514	1,015	497	11,065

Source: ESRI; Urban Decision Group

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

Demographic Summary

Nearly one-third of the market is occupied by renter households. Overall, population and household trends have been positive since 2000 and are projected to remain positive through 2023. Specifically, senior households age 55 and older are projected to increase by 1,159, or 10.3%, between 2020 and 2023, illustrating that there will likely be an increasing need for age-restricted housing within the Conway 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 Myrtle Beach-North Myrtle Beach-Conway, South Carolina HUD Metro FMR Area, which has a four-person median household income of \$61,300 for 2020. The project location, however, is eligible for the National Non-Metropolitan Income and Rent Floor adjustment. Therefore, the income restrictions for the subject project are based on the national non-metropolitan four-person median household income of \$63,400 in 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	\$8,880	\$17,760	\$26,640	\$35,520
Two-Person	\$10,140	\$20,280	\$30,420	\$40,560

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 **\$40,560**.

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 \$218. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$2,616. 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 **\$6,540**.

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)	\$6,540	\$10,140
Tax Credit (Limited To 40% Of AMHI)	\$13,110	\$20,280
Tax Credit (Limited To 60% Of AMHI)	\$17,250	\$30,420
Tax Credit (Limited To 80% Of AMHI)	\$22,650	\$40,560
Overall Project	\$6,540	\$40,560

3. DEMAND COMPONENTS

The following are the demand components as outlined by South Carolina (SC) Housing.

- 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 43.5% to 79.1% (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 a rural area of South Carolina. As a result, we anticipate that 5.0% of senior homeowners will consider the subject project as a housing alternative. Therefore, we used a 5.0% 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, there are no age-restricted LIHTC projects within the development pipeline. Additionally, all surveyed properties within the market are fully occupied with waiting lists. Therefore, no existing units were utilized within the following demand analysis.

Demand Component	Percent of Median Household Income				
	20% AMHI (\$6,540-\$10,140)	40% AMHI (\$13,110-\$20,280)	60% AMHI (\$17,250-\$30,420)	80% AMHI (\$22,650-\$40,560)	Overall (\$6,540-\$40,560*)
Demand from New Renter Households (Age- & Income-Appropriate)	56 - 57 = -1	236 - 242 = -6	328 - 336 = -8	335 - 334 = 1	682 - 689 = -7
+					
Demand from Existing Households (Rent Overburdened)	57 X 67.4% = 38	242 X 79.1% = 191	336 X 62.5% = 210	334 X 43.5% = 145	689 X 57.5% = 396
+					
Demand from Existing Households (Renters in Substandard Housing)	57 X 4.9% = 3	242 X 4.9% = 12	336 X 4.9% = 16	334 X 4.9% = 16	689 X 4.9% = 34
+					
Demand from Existing Households (Senior Homeowner Conversion)	217 X 5.0% = 10**	860 X 5.0% = 43	1,718 X 5.0% = 54**	2,252 X 5.0% = 40**	3,646 X 5.0% = 105**
=					
Total Demand	50	240	272	202	528
-					
Supply (Directly Comparable Units Built and/or Funded Since 2020)	0	0	0	0	0
=					
Net Demand	50	240	272	202	528
Subject Units	9	15	43	16	83
Subject Units / Net Demand	9 / 50	15 / 240	43 / 272	16 / 202	83 / 528
Capture Rate	= 18.0%	= 6.3%	= 15.8%	= 7.9%	= 15.7%

*Excludes senior households earning between \$10,140 and \$13,110

**Demand from homeowners is limited to no more than 20% of overall demand

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 6.3% to 18.0%, as well as the overall capture rate of 15.7%, are considered achievable. This demonstrates that a sufficient 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	50.0%
Two-Bedroom	50.0%
Total	100.0%

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

Units Targeting 20% Of AMHI (50 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 (50.0%)	25	0	25	3	12.0%
Two-Bedroom (50.0%)	25	0	25	6	24.0%

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

Units Targeting 40% Of AMHI (240 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 (50.0%)	120	0	120	4	3.3%
Two-Bedroom (50.0%)	120	0	120	11	9.2%

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

Units Targeting 60% Of AMHI (272 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 (50.0%)	136	0	136	7	5.1%
Two-Bedroom (50.0%)	136	0	136	36	26.5%

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

Units Targeting 80% Of AMHI (202 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 (50.0%)	101	0	101	4	4.0%
Two-Bedroom (50.0%)	101	0	101	12	11.9%

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

The capture rates by bedroom type are achievable, ranging from 3.3% to 26.5%. These capture rates indicate that a good base of support exists for the development of the subject project, especially considering the pent-up demand that exists for affordable age-restricted rental housing within the market.

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 nine units per month and reach a stabilized occupancy of 93.0% in less than nine months.

H. Rental Housing Analysis (Supply)

1. COMPETITIVE DEVELOPMENTS

We identified and surveyed one age-restricted Low-Income Housing Tax Credit (LIHTC) property within the Site PMA. This property, Leyland Grove (Map ID 9), targets senior households ages 55 and older earning up to 50% and 60% of Area Median Household Income (AMHI) and, therefore, is considered directly competitive with the subject development. Given the limited amount of age-restricted LIHTC product within the market, we have selected two general-occupancy LIHTC developments within the Site PMA for this comparability analysis, as they offer first-floor, entry-level two-bedroom units that likely appeal to seniors within the area. Lastly, we selected two age-restricted LIHTC projects located outside of the market, but within the region in Loris and Myrtle Beach. Note, however, that these two age-restricted LIHTC communities outside of the market are not considered directly competitive, as they derive demographic support from a different geographical region. These two projects outside of the Site PMA were selected for comparability purposes only. The five comparable LIHTC properties and the proposed subject development are summarized as follows:

Map I.D.	Project Name	Year Built/Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Greystone Estates	2022	83	-	-	-	Seniors 55+; 20%, 40%, 60% & 80% AMHI
3	Cornerstone Commons	1998 / 2012	112	100.0%	8.0 Miles	130 HH	Families; 60% & 80% AMHI
9	Leyland Grove	2017	44	100.0%	2.2 Miles	150 HH	Seniors 55+; 50% & 60% AMHI
10	New Legacy Apts.	1999 / 2011	90	100.0%	8.1 Miles	5-12 Months	Families; 50% & 60% AMHI
907	Loris Gardens Apts.	2005	36	100.0%	17.0 Miles	2 HH	Seniors 55+; 50% & 60% AMHI
912	Villas at Oleander	2019	49	100.0%	18.1 Miles	50 HH	Seniors 55+; 50% & 60% AMHI

OCC. – Occupancy

HH – Households

900 series Map IDs are located outside the Site PMA

The five 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 and region. The subject project will be able to accommodate a portion of this unmet demand.

The newest comparable LIHTC project surveyed, Villas at Oleander (Map ID 912), opened in January 2019 and reached full occupancy by May 2019. This yields an absorption rate of approximately 12 units per month, a good rate for affordable age-restricted rental housing. This illustrates that new affordable rental product has been well received within the region, which will bode well in the demand of the subject units.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Greystone Estates	\$218/20% (3) \$437/40% (4) \$575/60% (7) \$755/80% (4)	\$262/20% (6) \$524/40% (11) \$686/60% (36) \$886/80% (12)	-	-
3	Cornerstone Commons	-	\$820/60% (28/0) \$1,120/80% (28/0)	\$960/60% (28/0) \$1,260/80% (28/0)	None
9	Leyland Grove	\$578/50% (5/0) \$638/60% (12/0)	\$664/50% (4/0) \$704/60% (23/0)	-	None
10	New Legacy Apts.	-	\$689/50% (9/0) \$827/60% (33/0)	\$800/50% (9/0) \$959/60% (39/0)	None
907	Loris Gardens Apts.	\$575/50% (18/0) \$690/60% (10/0)	\$690/50% (4/0) \$780/60% (4/0)	-	None
912	Villas at Oleander	-	\$722/50% (10/0) \$810/60% (39/0)	-	None

900 series Map IDs are located outside the Site PMA

The proposed subject gross rents set aside at 60% of AMHI of \$575 and \$686 will be the lowest LIHTC rents for similar unit types within the market and region. This will position such units at a competitive advantage.

are within the range of rents offered at the comparable LIHTC projects within the market and region targeting a similar income level and, as such, are considered appropriately positioned.

Notably, the subject project will be the only age-restricted LIHTC project within the market and region 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, the subject's proposed rents set aside at 80% of AMHI of \$755 and \$886 will be well below the 80% of AMHI rents offered within the market and are also considered achievable. This is further illustrated by the depth of support within the market 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).

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
3	Cornerstone Commons	112	38	33.9%
9	Leyland Grove	44	5	11.4%
10	New Legacy Apts.	90	28	31.1%
907	Loris Gardens Apts.	36	3	8.3%
912	Villas at Oleander	49	10	20.4%
Total		331	84	25.4%

900 series Map IDs are located outside the Site PMA

As the preceding table illustrates, there are a total of approximately 84 Voucher holders residing at the comparable LIHTC properties within the market and region. This comprises 25.4% of the 332 total comparable non-subsidized LIHTC units. As such, it can be concluded that these projects are relying on some Voucher support, but that a majority of the units are occupied by households paying the quoted rents.

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

3 Cornerstone Commons 8.0 miles to site



Address: 330 Commonwealth Cir., Conway, SC 29526
 Phone: (843) 347-2185 Contact: Michelle
 Property Type: Tax Credit, Income Restricted
 Target Population: Family
 Total Units: 112 Year Built: 1998
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated: 2012
 Turnover: Stories: 3
 Waitlist: 130 HH
 Rent Special: None

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

Notes: Tax Credit (56 units); Income-restricted, not LIHTC (56 units)



Features And Utilities

Utility Schedule Provided by: Housing Authority of Conway
 Utility Type & Responsibility: Landlord pays Trash

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

Property Amenities: Community Room; Laundry Room; On-Site Management; Recreation Areas (Playground); CCTV; Extra Storage; WiFi

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	28	0	1,080	\$0.60	\$651	60%
2	2	G	28	0	1,080	\$0.88	\$951	80%
3	2	G	28	0	1,323	\$0.57	\$751	60%
3	2	G	28	0	1,323	\$0.79	\$1,051	80%

*Adaptive Reuse

*DTS is based on drive time

9 Leyland Grove 2.2 miles to site



Address: 1224 Pine St., Conway, SC 29526
 Phone: (256) 760-9624 Contact: Ryn
 Property Type: Tax Credit
 Target Population: Senior 55+
 Total Units: 44 Year Built: 2017
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 3 (w/Elev)
 Waitlist: 150 HH
 Rent Special: None

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

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Housing Authority of Conway
 Utility Type & Responsibility: Landlord pays Trash

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

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

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	5	0	850	\$0.51	\$435	50%
1	1	G	12	0	850	\$0.58	\$495	60%
2	2	G	4	0	1,000	\$0.50	\$495	50%
2	2	G	23	0	1,000	\$0.54	\$535	60%

*Adaptive Reuse

*DTS is based on drive time

10 New Legacy Apts. 8.1 miles to site



Address: 204 Legacy Way, Conway, SC 29526
 Phone: (843) 347-4701 Contact: Jessica
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 90 Year Built: 1999
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated: 2011
 Turnover: Stories: 3
 Waitlist: 5-12 mos
 Rent Special: None

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

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Housing Authority of Conway
 Utility Type & Responsibility: Landlord pays Trash

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

Property Amenities: Business Center (Computer, Copy); Community Room; Concierge Services (Package Receiving); Gazebo; Laundry Room; On-Site Management; Recreation Areas (Playground); CCTV; Social Services (Parties / Picnics)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	9	0	1,080	\$0.49	\$525	50%
2	2	G	33	0	1,080	\$0.61	\$663	60%
3	2	G	9	0	1,323	\$0.46	\$606	50%
3	2	G	39	0	1,323	\$0.58	\$765	60%

*Adaptive Reuse

*DTS is based on drive time

907 Loris Gardens Apts. 17.0 miles to site



Address: 4265 Suggs St., Loris, SC 29569
 Phone: (843) 716-0659 Contact: Janice
 Property Type: Tax Credit
 Target Population: Senior 55+
 Total Units: 36 Year Built: 2005
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2 (w/Elev)
 Waitlist: 2 HH
 Rent Special: None

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

Notes: Tax Credit



Features And Utilities

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

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

Property Amenities: Business Center (Computer, Copy); Conference Room; Gazebo; Elevator; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Library); Social Services (Parties / Picnics); WiFi

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	18	0	671	\$0.69	\$460	50%
1	1	G	10	0	671	\$0.86	\$575	60%
2	1	G	4	0	879	\$0.63	\$555	50%
2	1	G	4	0	879	\$0.73	\$645	60%

*Adaptive Reuse

*DTS is based on drive time

912 Villas at Oleander 18.1 miles to site



Address: 3810 Oleander Dr, Myrtle Beach, SC 29577
 Phone: (843) 839-1159 Contact: JoAnne
 Property Type: Tax Credit
 Target Population: Senior 55+
 Total Units: 49 Year Built: 2019
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 3 (w/Elev)
 Waitlist: 50 HH
 Rent Special: None

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

Notes: Tax Credit; Preleasing 10/2018, opened 1/2019, 100% occupied 5/2019

Features And Utilities

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

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

Property Amenities: Business Center (Computer, Copy); Common Patio; Community Room; Gazebo; Elevator; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Picnic Table / Area); CCTV; Social Services (Parties / Picnics)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	10	0	965	\$0.61	\$587	50%
2	2	G	39	0	965	\$0.70	\$675	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 and region are compared with the subject development in the following tables:

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Greystone Estates	834	1,071	-
3	Cornerstone Commons	-	1,080	1,323
9	Leyland Grove	850	1,000	-
10	New Legacy Apts.	-	1,080	1,323
907	Loris Gardens Apts.	671	879	-
912	Villas at Oleander	-	965	-

900 series Map IDs are located outside the Site PMA

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Greystone Estates	1.0	2.0	-
3	Cornerstone Commons	-	2.0	2.0
9	Leyland Grove	1.0	2.0	-
10	New Legacy Apts.	-	2.0	2.0
907	Loris Gardens Apts.	1.0	1.0	-
912	Villas at Oleander	-	2.0	-

900 series Map IDs are located outside the Site PMA

As the preceding tables illustrate, the subject’s unit sizes (square feet) will be some of the largest LIHTC unit sizes within the market and region. This will position the subject project at a competitive advantage. 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 and region.

		Tax Credit Unit Amenities by Map ID					
		Site* ♦	3	9 ♦	10	907♦	912♦
Appliances	Dishwasher	X	X	X	X	X	X
	Disposal		X		X	X	X
	Icemaker	X	X		X	X	X
	Microwave	X	S	X	X	X	X
	Range	X	X	X	X	X	X
	Refrigerator	X	X	X	X	X	X
	No Appliances						
Unit Amenities	AC-Central	X	X	X	X	X	X
	AC-Other						
	Balcony	X	S	X	X	X	
	Deck / Patio	X	S	X	X	X	
	Basement						
	Ceiling Fan	X	X	X	X	X	X
	Controlled Access					X	X
	E-Call System	X		X			
	Fireplace						
	Furnished						
	Security System						
	Sunroom		S		X		
	W/D Hookup	X	X	X	X	X	X
	W/D						
	Walk-In Closet	X	X		X	X	X
	Window Treatments	X	X	X	X	X	X
	Flooring	Carpet		X	X		X
Ceramic Tile							
Composite (VCT)(LVT)		X			X	X	X
Hardwood							
Finished Concrete							
Vinyl			X	X			
Upgraded	Wood Laminate / Plank				X		
	Premium Appliances						
	Premium Countertops						
	Premium Cabinetry						
	Premium Fixtures						
	High Ceilings						
	Vaulted Ceilings						
	Crown Molding						
Oversized Windows							
Parking	Attached Garage						
	Detached Garage						
	Street Parking						
	Surface Lot	X	X	X	X	X	X
	Carport						
	Property Parking Garage						
	Podium Parking						
No Provided Parking							

♦ - Senior Property

* Proposed Site(s): Greystone Estates

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*◆	3	9 ◆	10	907◆	912◆	
Bike Racks / Storage							
Business Center **	X		X	X	X	X	
Car Care **							
Common Patio						X	
Community Garden							
Community Space	Activity / Craft Room						
	Chapel						
	Clubhouse			X			
	Conference Room					X	
	Community Kitchen	X					
	Community Room	X	X	X	X		X
	Dining Room - Private						
	Dining Room - Public						
	Rooftop Lounge						
	Study Lounge						
	TV Lounge	X					
	Concierge Service **				X		
	Convenience Amenities **						
Courtyard							
Covered Outdoor Area **	X			X	X	X	
Elevator	X		X		X	X	
Laundry Room	X	X	X	X	X	X	
Meals							
On-Site Management	X	X	X	X	X	X	
Pet Care **							
Recreation	Basketball						
	Bocce Ball						
	Firepit						
	Fitness Center	X		X		X	X
	Grill	X					
	Game Room - Billiards						
	Hiking - Walking Trail						
	Hot Tub						
	Library			X		X	
	Media Room / Theater						
	Picnic Table / Area	X		X			X
	Playground		X		X		
	Putting Green						
	Racquetball						
	Shuffleboard						
	Sports Court						
	Swimming Pool - Indoor						
	Swimming Pool - Outdoor						
	Tennis						
	Volleyball						
Security	CCTV	X	X	X	X	X	
	Courtesy Officer						
	Gated Community						
	Gated Parking						
	Police Substation						
	Social Services **	X			X	X	X
	Storage - Extra	X	S	X			
	Water Feature						
	WiFi		X			X	

◆ - Senior Property

* Proposed Site(s): Greystone Estates

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 and region, it is our opinion that the subject development will be very marketable. In fact, the subject development will be the only age-restricted 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.

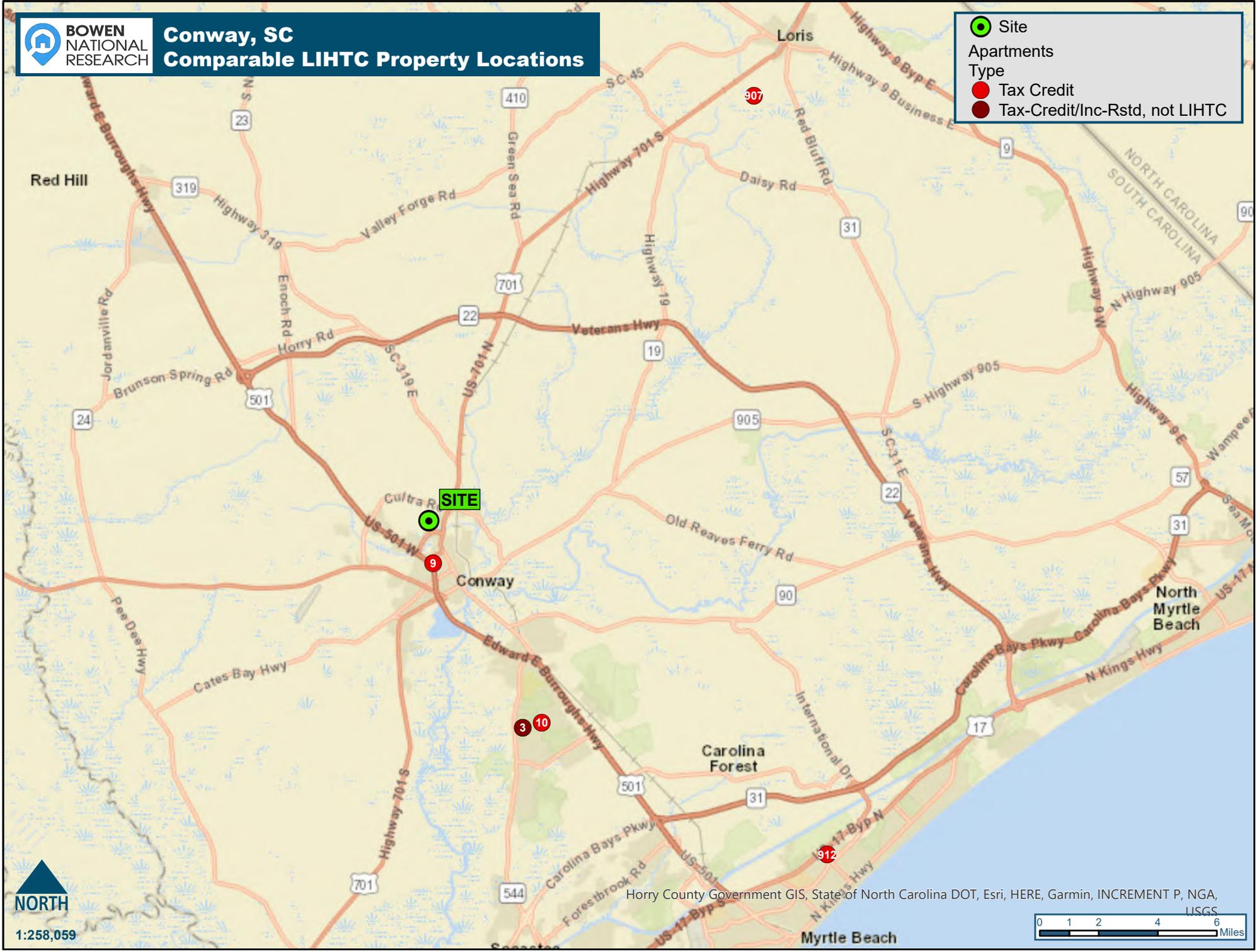
2. COMPARABLE TAX CREDIT PROPERTIES MAP

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



Conway, SC Comparable LIHTC Property Locations

- Site
- Apartments
- Tax Credit
- Tax-Credit/Inc-Rstd, not LIHTC



NORTH
1:258,059

Horry County Government GIS, State of North Carolina DOT, Esri, HERE, Garmin, INCREMENT P, NGA, USGS



3. RENTAL HOUSING OVERVIEW

The distributions of the area housing stock within the Conway 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	18,564	86.2%	24,035	89.0%
Owner-Occupied	12,470	67.2%	16,906	70.3%
Renter-Occupied	6,094	32.8%	7,130	29.7%
Vacant	2,984	13.8%	2,956	11.0%
Total	21,548	100.0%	26,991	100.0%

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

Based on a 2020 update of the 2010 Census, of the 26,991 total housing units in the market, 11.0% were vacant. In 2020, it was estimated that homeowners occupied 70.3% of all occupied housing units, while the remaining 29.7% were occupied by renters. The share of renters is considered typical for a rural market, such as the Conway Site PMA, and the 7,130 renter households estimated in 2020 represent a sufficient base of potential support in the market for the subject project.

Conventional Apartments

We identified and personally surveyed 14 conventional housing projects containing a total of 786 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 100.0%, a very strong rate for rental housing. The following table summarizes the project types identified in the Site PMA:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	1	40	0	100.0%
Market-rate/Tax Credit	1	60	0	100.0%
Tax Credit	3	246	0	100.0%
Tax Credit/Government-Subsidized	4	186	0	100.0%
Government-Subsidized	5	254	0	100.0%
Total	14	786	0	100.0%

As noted, all rental communities surveyed within the market are fully occupied. Notably, all properties maintain a waiting list, illustrating that significant pent-up demand exists for all types of rental housing within the Conway Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

In addition to the eight projects surveyed that offer Tax Credit units, there are two additional 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	Total Units
Blackwater Cove	1761 Ernest Finney Ave., Conway	2004	30
Crabtree Commons	301 El Bethel Rd., Conway	2008	48

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

4. RENTAL HOUSING INVENTORY MAP

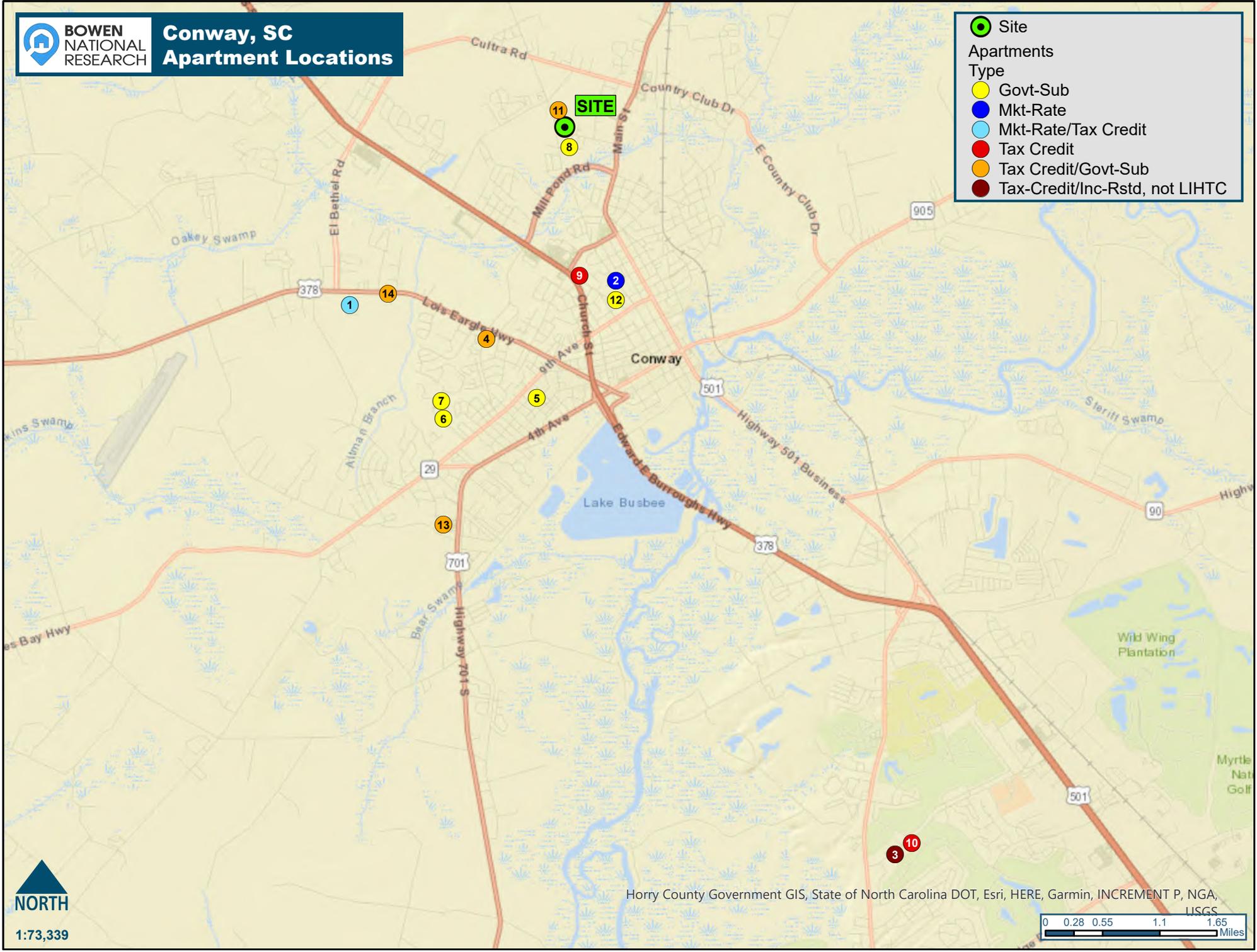
A map identifying the location of all properties surveyed within the Conway Site PMA is on the following page.



Conway, SC Apartment Locations

Site
Apartment Type

- Govt-Sub
- Mkt-Rate
- Mkt-Rate/Tax Credit
- Tax Credit
- Tax Credit/Govt-Sub
- Tax-Credit/Inc-Rstd, not LIHTC



1:73,339

Horry County Government GIS, State of North Carolina DOT, Esri, HERE, Garmin, INCREMENT P, NGA, USGS



5. & 6. PLANNED AND PROPOSED DEVELOPMENTS

Despite multiple attempts to contact local planning and building officials, no response was received at the time this report was issued. Based on extensive online research and the observations of our analyst while in the field, it was determined there is one rental housing project within the development pipeline in the Site PMA, which is summarized as follows:

- A market-rate apartment complex is currently in the early stages of planning on the corner of Kingston Street and Fourth Avenue in downtown Conway. The development was announced in early 2020 and could begin construction as soon as 2022. The development will more than likely be mixed-use, with retail and restaurants on the first floor.

As the aforementioned rental community within the development pipeline will target a different income demographic than the site, it is not anticipated to have any tangible impact on the subject's marketability.

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 Myrtle Beach-North Myrtle Beach-Conway, South Carolina HUD Metro FMR Area are \$763 for a one-bedroom unit and \$898 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	\$113 (20%)	\$763	85.19%
	\$332 (40%)		56.49%
	\$470 (60%)		38.40%
	\$650 (80%)		14.81%
Two-Bedroom	\$126 (20%)	\$898	85.97%
	\$388 (40%)		56.79%
	\$550 (60%)		38.75%
	\$750 (80%)		16.48%
Weighted Average			42.61%

As the preceding illustrates, the subject's market advantages range between 14.81% and 85.97%, when compared to the area's HUD FMRs. The weighted average market advantage is 42.61%. 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 in this section, there is one age-restricted LIHTC rental community within the market. This project, Leyland Grove (Map ID 9), is fully occupied and maintains an extensive waiting list of up to 150 households for the next available unit. Given the significant pent-up demand that exists for additional age-restricted LIHTC rental housing within the Conway Site PMA, we do not anticipate that the subject project will have any adverse impact on the marketability of the one existing age-restricted LIHTC rental community within the market.

9. OTHER HOUSING OPTIONS (BUY VERSUS RENT)

According to ESRI, the median home value within the Site PMA was \$172,865. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$172,865 home is \$1,040, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$172,865
Mortgaged Value = 95% of Median Home Price	\$164,222
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$832
Estimated Taxes and Insurance*	\$208
Estimated Monthly Mortgage Payment	\$1,040

*Estimated at 25% of principal and interest

In comparison, 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, the one age-restricted LIHTC rental community within the Conway Site PMA is fully occupied and maintains an extensive waiting list. This illustrates that significant pent-up demand exists for this type of rental housing within the market. Additionally, the subject project will be the only age-restricted 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 Conway Site PMA.

I. Interviews

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

- Devin Parks, Director of Economic Development of Conway Now, stated that there is a need for affordable housing for seniors in Horry County. The population of Horry County is 320,000, with the majority of the population being senior citizens, but Horry County has only a few senior housing developments. Mr. Parks further explained that the majority of Horry County would be considered rural and many of those in the rural areas of the county qualify for affordable housing. (843) 248-2273
- Donald Stokes is the Maintenance Technician for North Oaks Apartments (Map ID 11), a Tax Credit and Rural Development Section 515 (RD 515) property in the central portion of the Site PMA. Mr. Stokes stated that there is a very large demand for affordable housing in Conway, noting that three- and four-bedroom units are in the highest demand. Mr. Stokes noted that families generally comprise the demographic of residents that are most in need of housing, but the need for senior housing is also growing. Mr. Stokes estimated that a new affordable property in the area with 40 or more units would be easily filled, regardless of whether the property targeted seniors or families. Mr. Stokes' property is also 100.0% occupied with a nine-household waiting list. (843) 248-9191
- Kenny Tyree is the Property Manager at Carolina Pines (Map ID 1), a market-rate and Tax Credit development in the central portion of the Site PMA. Mr. Tyree stated that there is not enough affordable housing in Conway, also noting that the area will be losing more affordable housing inventory, as his property continues to convert former Tax Credit units to market-rate as tenants move out. Mr. Tyree stated that demand is also increasing as county residents are driven out of Myrtle Beach, noting that most tenants moving from Myrtle Beach cite increasing utility bills and rents as their reasons for leaving. Mr. Tyree's property is also 100.0% occupied with a 65-household waiting list. (843) 397-7024
- Shaquita Richardson, HCV Administrator for the Housing Authority of Conway, stated that there is a need for affordable housing in Conway. Many within the city receive Housing Choice Vouchers but are unable to find affordable housing. Many voucher holders' vouchers expire before they ever get the chance to use them due to the lack of available affordable housing in Conway. Ms. Richardson further explained that Conway's shortage of affordable housing is due to the demand for for-sale homes in the area, causing the great need for affordable housing to be overlooked by developers. (843) 248-7327

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, the one age-restricted Tax Credit rental community within the market, Leyland Grove (Map ID 9), is fully occupied and maintains an extensive waiting list of up to 150 households for the next available unit. This illustrates that significant pent-up demand exists for additional affordable age-restricted rental housing. The subject project will be able to accommodate a portion of this unmet demand. In addition, the subject project will be the only age-restricted Tax Credit development within the market and region 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 Conway Site PMA. This will bode very well in the demand of the subject units.

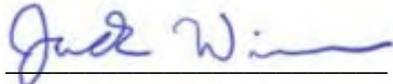
As shown in the Project Specific Demand Analysis section of this report, with an overall Tax Credit capture rate of 15.7% (SC Housing maximum threshold is 30%), there is a sufficient amount of support for the subject development within the Conway Site PMA. Therefore, it is our opinion that the subject project will have no significant impact on the existing non-subsidized Tax Credit development in the Site PMA.

We have no recommendations or suggested modifications for the subject project at this time.

K. Signed Statement Requirement

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

Certified:



Jack Wiseman (Primary Contact)

Market Analyst

jackw@bowennational.com

Date: April 20, 2021

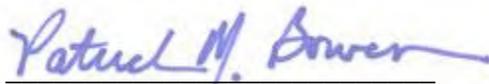


Nathan Stelts

Market Analyst

nathans@bowennational.com

Date: April 20, 2021



Patrick M. Bowen

President/Market Analyst

Bowen National Research

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Pickerington, OH 43147

(614) 833-9300

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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 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:

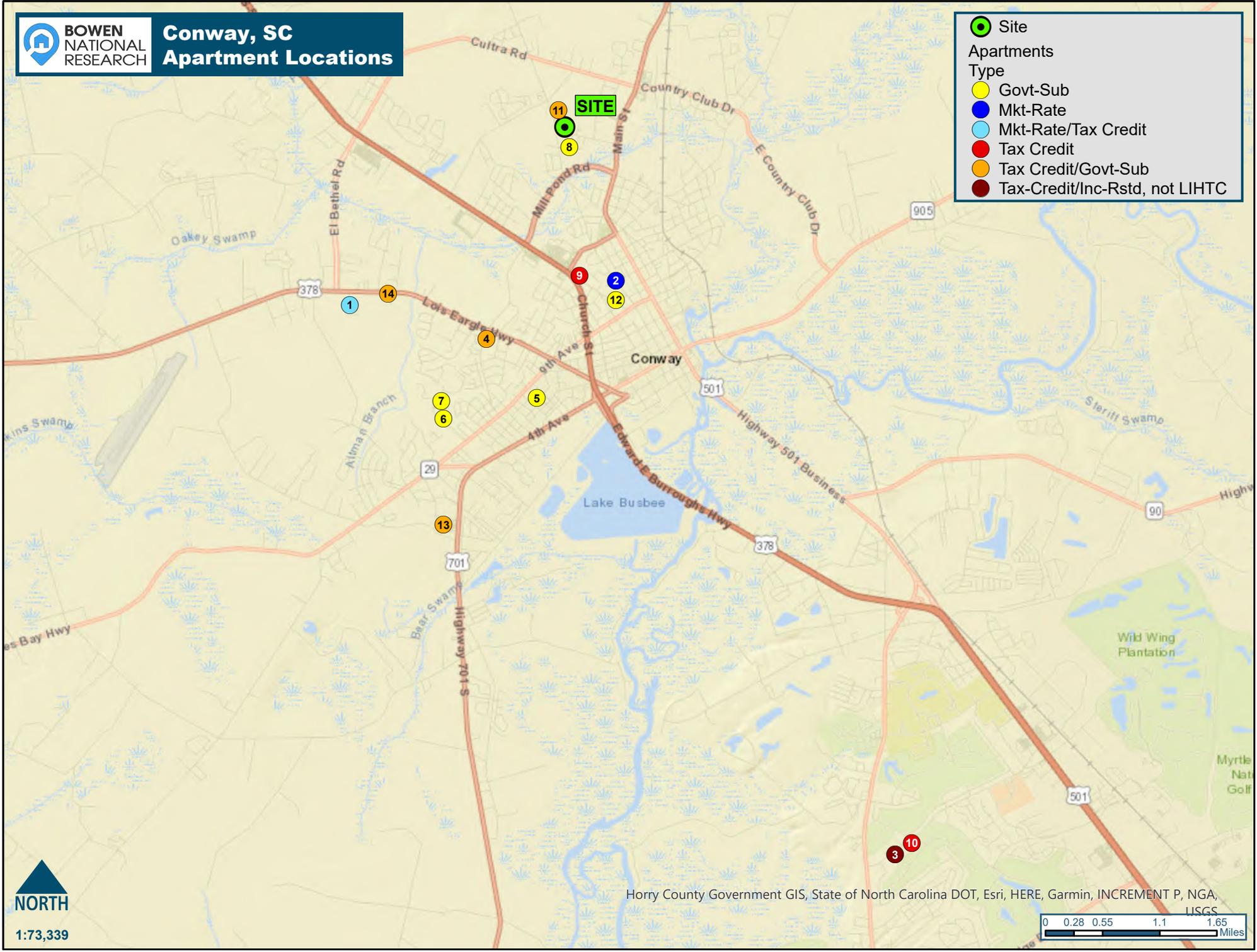
FIELD SURVEY OF CONVENTIONAL RENTALS



Conway, SC Apartment Locations

Site
Apartment Type

- Govt-Sub
- Mkt-Rate
- Mkt-Rate/Tax Credit
- Tax Credit
- Tax Credit/Govt-Sub
- Tax-Credit/Inc-Rstd, not LIHTC



1:73,339

Horry County Government GIS, State of North Carolina DOT, Esri, HERE, Garmin, INCREMENT P, NGA, USGS



Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
1	Carolina Pines	MRT	C+	2000	60	0	100.0%	3.3
2	Conway Borough	MRR	B-	1975	40	0	100.0%	1.6
3	Cornerstone Commons	TIN	B	1998	112	0	100.0%	8.0
4	Crane Creek	TGS	B-	1981	56	0	100.0%	2.1
5	EME Apartments of Conway	GSS	C	1956	50	0	100.0%	3.1
6	Gate Bay Apts. I	GSS	B+	1984	52	0	100.0%	3.4
7	Gate Bay Apts. II	GSS	B+	1985	50	0	100.0%	3.6
8	Leehaven & Sanders	GSS	C	1980	58	0	100.0%	0.2
9	Leyland Grove	TAX	B+	2017	44	0	100.0%	2.2
10	New Legacy Apts.	TAX	B	1999	90	0	100.0%	8.1
11	North Oaks Apts.	TGS	B-	1989	44	0	100.0%	0.4
12	Oaks	GSS	B	1976	44	0	100.0%	1.9
13	Raintree Apts.	TGS	B	1990	40	0	100.0%	4.0
14	Shady Moss Townhomes	TGS	B	1986	46	0	100.0%	3.0
901	Alta Surf Apts.	MRR	A	2007	216	1	99.5%	16.5
903	Haven Pointe at Carolina Forest	MRR	A	2019	304	6	98.0%	15.0
906	Lively at Carolina Forest	MRR	A	2017	305	10	96.7%	16.8
907	Loris Gardens Apts.	TAX	B	2005	36	0	100.0%	17.0
909	Mosby Carolina Forest	MRR	A	2019	332	4	98.8%	16.9
912	Villas at Oleander	TAX	B+	2019	49	0	100.0%	18.1
914	Vinings	MRR	A	2014	264	0	100.0%	16.8

*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	Carolina Pines 1801 Ernest Finney Ave., Conway, SC 29527	Contact: Kenny Phone: (843) 397-7024
	Total Units: 60 UC: 26 Occupancy: 100.0% Stories: 2 Year Built: 2000 BR: 3, 4 Vacant Units: 0 Waitlist: 65 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Market-rate (40 units); Tax Credit (20 units)	
2	Conway Borough 1204 12th Ave., Conway, SC 29526	Contact: De'Ebony Phone: (843) 248-6724
	Total Units: 40 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1975 BR: 2 Vacant Units: 0 Waitlist: 11 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:	
3	Cornerstone Commons 330 Commonwealth Cir., Conway, SC 29526	Contact: Michelle Phone: (843) 347-2185
	Total Units: 112 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 1998 BR: 2, 3 Vacant Units: 0 Waitlist: 130 HH AR Year: Target Population: Family Yr Renovated: 2012 Rent Special: None Notes: Tax Credit (56 units); Income-restricted, not LIHTC (56 units)	
4	Crane Creek 1519 Grainger Rd., Conway, SC 29526	Contact: Pam Phone: (843) 248-4961
	Total Units: 56 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1981 BR: 1, 2 Vacant Units: 0 Waitlist: 46 HH AR Year: Target Population: Family Yr Renovated: 2005 Rent Special: None Notes: Tax Credit; RD 515, has RA (54 units)	
5	EME Apartments of Conway 1911 9th Ave., Conway, SC 29527	Contact: Ms. Ross Phone: (843) 248-9286
	Total Units: 50 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1956 BR: 2, 3 Vacant Units: 0 Waitlist: 6-12 mos AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: 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	

6	Gate Bay Apts. I 1200 Creel St., Conway, SC 29526	Contact: Pat Phone: (843) 248-7192
	Total Units: 52 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1984 BR: 1, 2 Vacant Units: 0 Waitlist: Yes, # unknown AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: RD 515, has RA (16 units)	

7	Gate Bay Apts. II 1300 Creel St., Conway, SC 29526	Contact: Pat Phone: (843) 248-7192
	Total Units: 50 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1985 BR: 1, 2 Vacant Units: 0 Waitlist: Yes, # unknown AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: RD 515, has RA (43 units)	

8	Leehaven & Sanders 2000 Duckett St, Conway, SC 29526	Contact: Kristin Phone: (843) 248-7327
	Total Units: 58 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1980 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 100 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: HUD Section 8	



9	Leyland Grove 1224 Pine St., Conway, SC 29526	Contact: Ryn Phone: (256) 760-9624
	Total Units: 44 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 2017 BR: 1, 2 Vacant Units: 0 Waitlist: 150 HH AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit	



10	New Legacy Apts. 204 Legacy Way, Conway, SC 29526	Contact: Jessica Phone: (843) 347-4701
	Total Units: 90 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 1999 BR: 2, 3 Vacant Units: 0 Waitlist: 5-12 mos AR Year: Target Population: Family Yr Renovated: 2011 Rent Special: None Notes: Tax Credit	

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

11	North Oaks Apts. 2501 Oak St. Ext., Conway, SC 29526	Contact: Kiara Phone: (843) 248-9191
	Total Units: 44 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1989 BR: 1,2 Vacant Units: 0 Waitlist: 9 HH AR Year: Target Population: Family Yr Renovated: 2009 Rent Special: None Notes: Tax Credit; RD 515, has RA (22 units)	
12	Oaks 1002 Pine St., Conway, SC 29526	Contact: De'Ebony Phone: (843) 248-7388
	Total Units: 44 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1976 BR: 1,2 Vacant Units: 0 Waitlist: 40 HH AR Year: Target Population: Family Yr Renovated: 2012 Rent Special: None Notes: RD 515, has RA (43 units)	
13	Raintree Apts. 500 Johnson St., Conway, SC 29526	Contact: Dee Phone: (843) 248-3525
	Total Units: 40 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1990 BR: 1,2 Vacant Units: 0 Waitlist: Yes, refused to provide # AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; RD 515, has RA (16 units)	
14	Shady Moss Townhomes 1705 Shady Moss Ct., Conway, SC 29527	Contact: Nancy Phone: (843) 397-5141
	Total Units: 46 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1986 BR: 1,2 Vacant Units: 0 Waitlist: 7 HH AR Year: Target Population: Family Yr Renovated: 2017 Rent Special: None Notes: Tax Credit; RD 515, has RA (25 units)	
901	Alta Surf Apts. 101 Breakers Dr, Myrtle Beach, SC 29577	Contact: Melissa Phone: (843) 903-0403
	Total Units: 216 UC: 0 Occupancy: 99.5% Stories: 3 Year Built: 2007 BR: 1,2 Vacant Units: 1 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:	



 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	



903	Haven Pointe at Carolina Forest 1001 Scotney Ln, Myrtle Beach, SC 29579	Contact: Austin Phone: (843) 236-2010
	 <p>Total Units: 304 UC: 0 Occupancy: 98.0% Stories: 2,3 Year Built: 2019 BR: 1, 2, 3 Vacant Units: 6 Waitlist: 1 & 2-br; 7 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Preleasing 5/2019, opened 8/2019; Rents change daily</p>	



906	Lively at Carolina Forest 107 Village Center Blvd, Myrtle Beach, SC 29579	Contact: Jill Phone: (843) 236-0100
	 <p>Total Units: 305 UC: 0 Occupancy: 96.7% Stories: 2,4 w/Elevator Year Built: 2017 BR: 0, 1, 2, 3 Vacant Units: 10 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Preleasing 6/2017, opened 8/2017, stabilized occupancy 6/2018; Rent range based on floorplan, location & view</p>	



907	Loris Gardens Apts. 4265 Suggs St., Loris, SC 29569	Contact: Janice Phone: (843) 716-0659
	 <p>Total Units: 36 UC: 0 Occupancy: 100.0% Stories: 2 w/Elevator Year Built: 2005 BR: 1, 2 Vacant Units: 0 Waitlist: 2 HH AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit</p>	



909	Mosby Carolina Forest 915 Brentmoor Dr, Myrtle Beach, SC 29579	Contact: Cheryl Phone: (843) 594-2526
	 <p>Total Units: 332 UC: 0 Occupancy: 98.8% Stories: 3,4 w/Elevator Year Built: 2019 BR: 1, 2, 3 Vacant Units: 4 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Preleasing 5/2019, opened 9/2019; Rent range based on floorplan, location & view</p>	



912	Villas at Oleander 3810 Oleander Dr, Myrtle Beach, SC 29577	Contact: JoAnne Phone: (843) 839-1159
	 <p>Total Units: 49 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 2019 BR: 2 Vacant Units: 0 Waitlist: 50 HH AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit; Preleasing 10/2018, opened 1/2019, 100% occupied 5/2019</p>	

<ul style="list-style-type: none"> Comparable Property Senior Restricted (MRR) Market-Rate (MRT) Market-Rate & Tax Credit (MRG) Market-Rate & Government-Subsidized (MIN) Market-Rate & Income-Restricted (not LIHTC) 	<ul style="list-style-type: none"> (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized (TAX) Tax Credit (TGS) Tax Credit & Government-Subsidized (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC) (TIN) Tax Credit & Income-Restricted (not LIHTC) (TMG) Tax Credit, Market-Rate & Government-Subsidized 	<ul style="list-style-type: none"> (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized (INR) Income-Restricted (not LIHTC) (ING) Income-Restricted (not LIHTC) & Government-Subsidized (GSS) Government-Subsidized (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
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914	Vinings 501 Hinson Dr., Myrtle Beach, SC 29579	Contact: Danielle Phone:
	Total Units: 264 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 2014	
	BR: 1, 2, 3 Vacant Units: 0 Waitlist: None AR Year:	
	Target Population: Family Yr Renovated:	
	Rent Special: None	
	Notes:	

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: Housing Authority of Conway
Effective: 07/2020

Monthly Dollar Allowances

		Garden						Townhome					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	16	19	22	24	28	34	16	19	22	24	28	34
	+Base Charge	11	11	11	11	11	11	11	11	11	11	11	11
	Bottled Gas	39	46	53	59	67	82	39	46	53	59	67	82
	Electric	20	25	30	35	41	52	20	25	30	35	41	52
	Heat Pump	10	13	16	18	21	27	10	13	16	18	21	27
	Oil	28	34	39	44	51	63	28	34	39	44	51	63
Cooking	Natural Gas	6	7	8	9	9	10	6	7	8	9	9	10
	Bottled Gas	16	16	20	21	23	24	16	16	20	21	23	24
	Electric	9	10	11	12	13	14	9	10	11	12	13	14
Other Electric	33	37	41	47	50	60	33	37	41	47	50	60	
+Base Charge	13	13	13	13	13	13	13	13	13	13	13	13	
Air Conditioning	11	12	16	19	21	26	11	12	16	19	21	26	
Water Heating	Natural Gas	10	13	16	22	29	35	10	13	16	22	29	35
	Bottled Gas	25	32	40	55	71	87	25	32	40	55	71	87
	Electric	11	18	24	37	51	64	11	18	24	37	51	64
	Oil	0	0	0	0	0	0	0	0	0	0	0	0
Water	13	15	17	22	26	31	13	15	17	22	26	31	
Sewer	9	13	17	24	32	40	9	13	17	24	32	40	
Trash Collection	19	19	19	19	19	19	19	19	19	19	19	19	
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

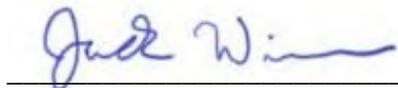
This market study has been prepared by Bowen National Research, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the *Standard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

Given the lack of modern market-rate rental housing alternatives surveyed within the market, we identified and surveyed five market-rate properties located outside of the Site PMA, but within the region in Myrtle Beach that we consider comparable to the subject project based on bedroom types offered, modern design and age. 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	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)			
					Studio	One-Br.	Two-Br.	Three-Br.
Site	Greystone Estates	2022	83	-	-	18 (-)	65 (-)	-
901	Alta Surf Apts.	2007	216	99.5%	-	96 (99.0%)	120 (100.0%)	-
903	Haven Pointe at Carolina Forest	2019	304	98.0%	-	100 (100.0%)	104 (100.0%)	100 (94.0%)
906	Lively at Carolina Forest	2017	305	96.7%	95 (95.8%)	70 (95.7%)	95 (96.8%)	45 (100.0%)
909	Mosby Carolina Forest	2019	332	98.8%	-	100 (99.0%)	132 (97.7%)	100 (100.0%)
914	Vinings	2014	264	100.0%	-	96 (100.0%)	132 (100.0%)	36 (100.0%)

Occ. – Occupancy

900 series Map IDs are located outside the Site PMA

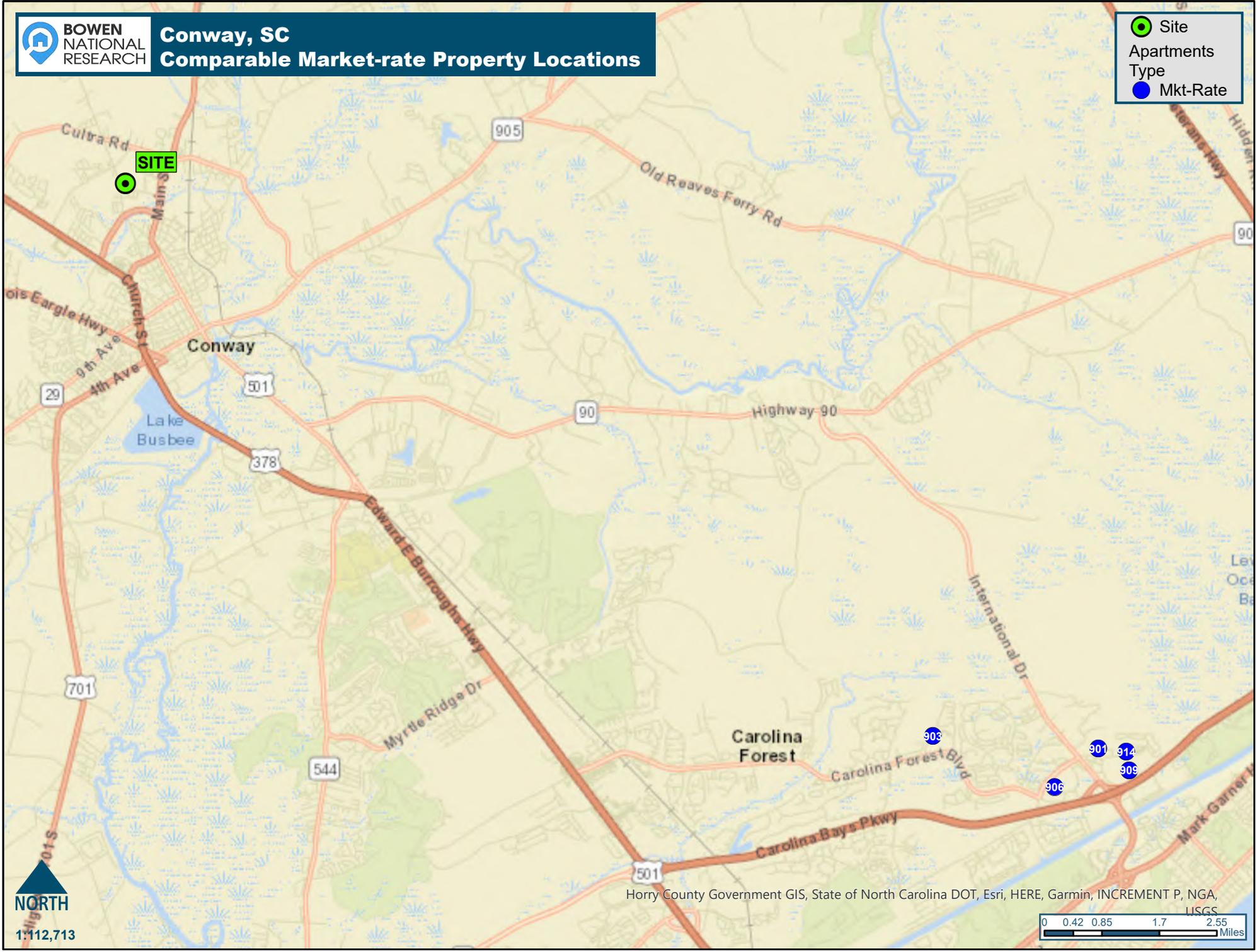
The five selected market-rate projects have a combined total of 1,421 units with an overall occupancy rate of 98.5%, a very strong rate for rental housing. This demonstrates that these comparable properties have been well received within the region and will serve as accurate benchmarks with which to compare to the proposed subject development.

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



Conway, SC Comparable Market-rate Property Locations

- Site
- Apartment Type
- Mkt-Rate



Horry County Government GIS, State of North Carolina DOT, Esri, HERE, Garmin, INCREMENT P, NGA, USGS



NORTH
1:112,713

Rent Comparability Grid

Unit Type → **ONE-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Greystone Estates		Alta Surf Apts.		Haven Pointe at Carolina Forest		Lively at Carolina Forest		Mosby Carolina Forest		Vinings	
Boundary Street & Oak Street		101 Breakers Dr		1001 Scotney Ln		107 Village Center Blvd		915 Brentmoor Dr		501 Hinson Dr.	
Conway, SC		Myrtle Beach, SC		Myrtle Beach, SC		Myrtle Beach, SC		Myrtle Beach, SC		Myrtle Beach, SC	
Data		Data		Data		Data		Data		Data	
on		Subject		Subject		Subject		Subject		Subject	
Subject		Subject		Subject		Subject		Subject		Subject	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,190		\$1,290		\$1,330		\$1,400		\$1,135	
2	Date Surveyed	Mar-21		Apr-21		Mar-21		Mar-21		Mar-21	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	99%		100%		96%		99%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,190	1.43	\$1,290	1.44	\$1,330	1.23	\$1,400	1.66	\$1,135	1.32
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	EE/3		WU/2,3		EE/4		EE/4		WU/3	
7	Yr. Built/Yr. Renovated	2022	\$15	2019	\$3	2017	\$5	2019	\$3	2014	\$8
8	Condition/Street Appeal	E		E		E		E		E	
9	Neighborhood	G		G		E	(\$10)	G		E	(\$10)
10	Same Market?	No	(\$238)	No	(\$258)	No	(\$266)	No	(\$280)	-114	(\$227)
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	\$0	893	(\$21)	1078	(\$86)	845	(\$4)	859	(\$9)
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	\$5	W/D	(\$25)	W/D	(\$25)	W/D	(\$25)
19	Floor Coverings	V		C/L		C/V/C		C/V		C/L	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		Y	(\$3)	Y	(\$3)	N	
22	Garbage Disposal	N	(\$5)	Y	(\$5)	Y	(\$5)	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		NONE	\$10	LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y		Y		N	\$5	Y		N	\$5
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	F	(\$10)	P/F/S/L	(\$16)	P/F/GR/L	(\$16)	P/F/GR/L/WT	(\$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/N	\$5	Y/N	\$5
31	Library	N		N		N		N		N	
32	Social Services	N	(\$10)	Y	(\$10)	Y	(\$10)	Y	(\$10)	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	(\$28)
39	Trash/Recycling	Y/N	\$19	N/N	\$19	Y/N		Y/N		Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	4	4	5	5	3	8	4	7	4	6
41	Sum Adjustments B to D	\$25	(\$263)	\$23	(\$310)	\$15	(\$421)	\$23	(\$346)	\$23	(\$286)
42	Sum Utility Adjustments	\$19		\$19							(\$28)
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$219)	\$307	(\$268)	\$352	(\$406)	\$436	(\$323)	\$369	(\$291)	\$337
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$971		\$1,022		\$924		\$1,077		\$844	
45	Adj Rent/Last rent		82%		79%		69%		77%		74%
46	Estimated Market Rent	\$970	\$1.16 ←	Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type → **TWO-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Greystone Estates		Alta Surf Apts.		Haven Pointe at Carolina Forest		Lively at Carolina Forest		Mosby Carolina Forest		Vinings	
Boundary Street & Oak Street		101 Breakers Dr		1001 Scotney Ln		107 Village Center Blvd		915 Brentmoor Dr		501 Hinson Dr.	
Conway, SC		Myrtle Beach, SC		Myrtle Beach, SC		Myrtle Beach, SC		Myrtle Beach, SC		Myrtle Beach, SC	
Data		Data		Data		Data		Data		Data	
on		Subject		Subject		Subject		Subject		Subject	
Subject		Subject		Subject		Subject		Subject		Subject	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,340		\$1,410		\$1,450		\$1,403		\$1,320	
2	Date Surveyed	Mar-21		Apr-21		Mar-21		Mar-21		Mar-21	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		97%		98%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,340	1.18	\$1,410	1.23	\$1,450	1.15	\$1,403	1.34	\$1,320	1.14
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	EE/3		WU/2,3		EE/4		EE/4		WU/3	
7	Yr. Built/Yr. Renovated	2022	\$15	2019	\$3	2017	\$5	2019	\$3	2014	\$8
8	Condition/Street Appeal	E		E		E		E		E	
9	Neighborhood	G		G		E	(\$10)	G		E	(\$10)
10	Same Market?	No	(\$268)	No	(\$282)	No	(\$290)	No	(\$281)	No	(\$264)
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	(\$21)	1150	(\$24)	1257	(\$56)	1049	\$7	1153	(\$25)
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	\$5	W/D	(\$25)	W/D	(\$25)	W/D	(\$25)
19	Floor Coverings	V		C/L		C/V/C		C/V		C/L	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		Y	(\$3)	Y	(\$3)	N	
22	Garbage Disposal	N	(\$5)	Y	(\$5)	Y	(\$5)	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		NONE	\$10	LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y		Y		N	\$5	Y		N	\$5
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	F	(\$10)	P/F/S/L	(\$16)	P/F/GR/L	(\$16)	P/F/GR/L/WT	(\$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/N	\$5	Y/N	\$5
31	Library	N		N		N		N		N	
32	Social Services	N	(\$10)	Y	(\$10)	Y	(\$10)	Y	(\$10)	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	(\$34)
39	Trash/Recycling	Y/N	\$19	N/N	\$19	Y/N		Y/N		Y/N	
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	3	5	5	5	3	8	5	6	4	6
41	Sum Adjustments B to D	\$25	(\$314)	\$23	(\$337)	\$15	(\$415)	\$30	(\$343)	\$23	(\$339)
42	Sum Utility Adjustments	\$19		\$19							(\$34)
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$270)	\$358	(\$295)	\$379	(\$400)	\$430	(\$313)	\$373	(\$350)	\$396
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,070		\$1,115		\$1,050		\$1,090		\$970	
45	Adj Rent/Last rent		80%		79%		72%		78%		74%
46	Estimated Market Rent	\$1,065	\$0.99 ←	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 \$970 for a one-bedroom unit and \$1,065 for a two-bedroom unit, which are illustrated as follows:

Bedroom Type	Proposed Collected Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
One-Br.	\$113 (20%)	\$970	88.35%
	\$332 (40%)		65.77%
	\$470 (60%)		51.55%
	\$650 (80%)		32.99%
Two-Br.	\$126 (20%)	\$1,065	88.17%
	\$388 (40%)		63.57%
	\$550 (60%)		48.36%
	\$750 (80%)		29.58%
Weighted Average			49.81%

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 29.58% to 88.35%, depending upon unit type and targeted income level. Thus, the subject rents should represent substantial values within the Conway 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.

7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between 2007 and 2019. As such, we have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties.
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.
10. As previously stated, all of the selected properties are located outside of the Conway Site PMA in Myrtle Beach. The Myrtle Beach market is larger than Conway in terms of population, community services and apartment selections. Given the difference in markets, the rents that are achievable in Myrtle Beach will not directly translate to the Conway market. Therefore, we have adjusted each collected rent at these comparable projects by approximately 20.0% to account for this market difference.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar-for-dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. The proposed subject project will offer a unit amenity package generally inferior to the selected properties. We have made adjustments for features lacking at the subject project, and in some cases, we have made adjustments for features the subject property does offer.
- 24.-32. The proposed project offers a comprehensive project amenities package. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.