



REAL PROPERTY **RESEARCH** GROUP

ATLANTA ■ WASHINGTON/BALTIMORE

Market Feasibility Analysis

The Grove on Johns Island Apartments

Johns Island, Charleston County, South Carolina

Prepared for: Resource Housing Group and
The South Carolina State Housing Finance and Development Authority

Site Inspection: May 4, 2022

Effective Date: May 4, 2022





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EXECUTIVE SUMMARY

Proposed Site

The site is in a residential setting on Johns Island, roughly six miles southwest of downtown Charleston.

- The site is surrounded by residential uses to the north, east, and west including single-family detached homes, condominiums, and apartments; a 240-unit apartment community (Fenwick Village) is under construction directly east/southeast of the site along Maybank Highway. Commercial uses are common to the south along Maybank Highway including Food Lion, Dollar General, convenience stores, CVS Pharmacy, and restaurants.
- Neighborhood amenities are convenient to the site including shopping, a grocery store, a pharmacy, convenience stores, a bank, and medical facilities within two miles; many of these amenities are within one-half mile of the site.
- The subject site is convenient to regional transportation arteries including Maybank Highway which provides access to major traffic arteries in the region. Interstate 26 is within six miles of the site.
- RPRG did not identify any land uses that would negatively impact the proposed development's viability in the marketplace.

Proposed Unit Mix and Rent Schedule

- The Grove on Johns Island will offer 90 LIHTC units addressing households earning at or below 20 percent, 30 percent, and 60 percent of Area Median Income (AMI).
- The unit mix will include 12 one-bedroom units (13.4 percent), 39 two-bedroom units (43.3 percent), and 39 three-bedroom units (43.3 percent).
- The proposed tenant paid rents represent significant advantages relative to the estimate of market rent. All proposed rents are reasonable based on the product to be constructed and current market conditions.

Proposed Amenities

- The Grove on Johns Island will offer a dishwasher, microwave, washer and dryer connections, ceiling fans, and patio/balcony which is comparable to the LIHTC communities in the market area. Most of the market rate communities in the market area offer upscale unit features/finishes including a washer and dryer, stainless appliances, and solid surface counters which are superior to the basic features/finishes proposed at the subject property found at the existing LIHTC communities in the market area. The proposed unit features will be competitive in the market area given the low proposed rents.
- The Grove on Johns Island will offer a community room, fitness center, playground, and business/computer center. These proposed amenities are comparable or superior to those offered at the two LIHTC communities in the market area and will be competitive and well received in the market area at the proposed rents.
- The proposed features and amenities will be competitive in the Grove Market Area and are appropriate given the income target and project location.



Economic Analysis

Charleston County's economy was growing prior to the onset of the COVID-19 pandemic. The county's overall and employed portion of the labor force has rebounded following losses due to the pandemic and are higher than pre-pandemic annual figures.

- The county's unemployment rate steadily declined from a peak of 8.9 percent in 2010 during the previous recession-era to 2.3 percent in 2019. Reflecting the impact of the COVID-19 pandemic, the county's unemployment increased to 6.2 percent in 2020 before rebounding to 3.6 percent in 2021. On a monthly basis, the unemployment rate increased to 12.0 percent in April 2020 at the onset of the pandemic but has rebounded to 2.9 percent in December 2021 which is below the state rate (3.3 percent) and national rate (3.7 percent).
- Charleston County added jobs each year from 2010 to 2019 with the net addition of 58,497 jobs (29.1 percent), reaching an all-time high At-Place Employment of 259,723 jobs in 2019. Charleston County lost 17,480 jobs in 2020 during the pandemic but the county recovered more than half of these losses by the third quarter of 2021 with the addition of 11,157 jobs.
- Trade-Transportation-Utilities and Government are Charleston County's largest economic sectors, accounting for a combined 36.5 percent of the county's jobs with the Government sector much larger in the county on a percentage basis compared to the nation (18.6 percent versus 14.1 percent). Three additional sectors (Leisure-Hospitality, Education-Health, and Professional-Business) each account for 12.9 percent to 15.5 percent of the county's jobs. In addition to the Government sector, the Leisure-Hospitality sector accounts for a significantly higher proportions of the county's jobs compared to the nation. The Education-Health and Manufacturing sectors are much smaller on a percentage basis in the county compared to jobs nationally.
- Charleston County's economy was growing prior to 2020 and the overall and employed portions of the labor force have completely recovered since lows during the pandemic, a leading economic indicator.

Demographic Analysis

The Grove Market Area had steady population and household growth between 2000 and 2010 census counts. Growth accelerated over the past 12 years and is expected to accelerate further over the next two years.

- The market area's net growth from 2000 to 2010 was 13.6 percent for population and 16.8 percent for households. The market area's average annual growth was 674 people (1.3 percent) and 343 households (1.6 percent) over the decade. By comparison, Charleston County increased at average annual rates of 1.2 percent for population and 1.6 percent for households.
- Growth rates accelerated in the market area over the past 12 years with average annual growth of 1,041 people (1.7 percent) and 451 households (1.7 percent) from 2010 to 2022. Charleston County's rate of annual growth was similar to the market area over this period at 1.7 percent for population and 1.8 percent for households.
- The market area is projected to reach 70,743 people and 30,215 households by 2024 with annual growth of 1,066 people (1.5 percent) and 461 households (1.6 percent) from 2022 to 2024. Charleston County's growth is projected to outpace the market area slightly on a percentage basis from 2022 to 2024 with annual growth rates of 1.7 percent for population and households.
- The median age of the population is 41 in the Grove Market Area and 38 in Charleston County. Adults age 35-61 comprise the largest percentage of each area's population at 36.4 percent in the Grove Market Area and 33.5 percent in the county. The remaining three age cohorts each account for roughly 19 to 24 percent of the market area's population.



- Multi-family households without children were the most common household type in the market area accounting for 46.5 percent of market area households while household with children accounted for 25.7 percent. Single-person households accounted for 27.7 percent of households in the market area.
- The Grove Market Area's renter percentage of 27.2 percent in 2022 is lower than the county's 40.2 percent. The market area's renter percentage has increased from 25.0 percent in 2000 as the number of renter households has increased by 55.4 percent or 2,838 renter households over the past 22 years. RPRG projects renter households will account for 32.1 percent of net household growth over the next two years which is equal to the trend over the past 22 years.
- Roughly two-thirds (66.4 percent) of renter households in the Grove Market Area had one or two people with a comparable distribution among one and two-persons households. Twenty-seven percent of renter households had three or four people and 6.6 percent had 5+ people in the Grove Market Area.
- Esri estimates that the current median income for the Grove Market Area of \$90,472 is \$17,837 or 24.6 percent higher than Charleston County's median income of \$72,635.
- Median incomes by tenure in the Grove Market Area as of 2022 are \$66,763 among renters and \$102,610 among owner households. Among renter households, 15.3 percent earn less than \$25,000, 20.5 percent earn \$25,000 to \$49,999, and 21.1 percent earn \$50,000 to \$74,999.

Affordability Analysis

- The affordability capture rates indicate a sufficient number of income-qualified renter households will exist within the Grove Market Area for the units proposed at The Grove on Johns Island. A projected 2,706 renter households fall within the subject property's income range of \$11,794 to \$59,520, resulting in an overall capture rate of 3.3 percent.
- Capture rates by floorplan range from 0.4 percent to 5.5 percent.

Demand and Capture Rates

- The project's overall capture rate based on SCSHFDA LIHTC demand methodology is 8.2 percent.
- Capture rates by income level are 5.6 percent for 20 percent units, 3.6 percent for 30 percent units, and 9.8 percent for 60 percent units.

Competitive Environment

The multi-family rental housing stock is performing well with limited vacancies among market rate and LIHTC units in Grove Market Area. RPRG surveyed 12 multi-family rental communities including 10 market rate communities and two comparable Low Income Housing Tax Credit (LIHTC) communities.

- The average year built of all surveyed communities is 2009. The two surveyed LIHTC communities were built in 2004 (Sea Island) and 2018 (Oakside).
- Garden structures are the most common design in the market area and offered at 10 of 12 surveyed communities including both LIHTC communities.
- The surveyed communities range from 38 to 301 units for an average of 180 units per community. The LIHTC communities are the smallest communities in the market area with 48 or less units.
- The aggregate vacancy rate among all surveyed communities is 0.9 percent. LIHTC communities are also performing well with two vacancies among 86 combined units for an aggregate vacancy rate of 2.3 percent.



- Average effective rents among the surveyed communities:
 - **One-bedroom** units at \$1,452 for 778 square feet or \$1.87 per square foot.
 - **Two-bedroom** units at \$1,787 for 1,086 square feet or \$1.65 per square foot.
 - **Three-bedroom** units at \$2,010 for 1,294 square feet or \$1.55 per square foot.

The overall averages include a mix of market rate rents and LIHTC units at 50 percent and 60 percent AMI. LIHTC communities are the lowest priced in the market area and well below all existing market rate rents.

- The estimated market rents for the units at The Grove on Johns Island are \$1,441 for one bedroom units, \$1,949 for two bedroom units, and \$2,438 for three bedroom units. The proposed 20 percent and 30 percent AMI units all have rent advantages of at least 71 percent while the proposed 60 percent AMI rents have rent advantages ranging from 34.79 percent to 48.48 percent. The overall weighted market advantage is 52.43 percent.
- RPRG did not identify any proposed comparable general occupancy LIHTC communities in the market area.

Absorption Estimate

The projected absorption rate of the subject property is based on a variety of market factors, including the following:

- Existing communities are performing well with an aggregate stabilized vacancy rate of 0.9 percent including two vacancies among 86 combined LIHTC units.
- Annual household growth is projected to increase to 461 households over the next two years; renter households are projected to account for 32.1 percent of the market area's net household growth during this period.
- The proposed product will be competitive in the market area with rents well below existing market rate rents in the market area.
- Low capture rates based on affordability and LIHTC demand methodology.

Based on the factors noted above, we estimate the subject property will lease at an average monthly rate of 20 units per month. At this rate, the subject property will reach stabilization within four to five months.

Final Conclusion/Recommendation

Given the renter household growth projected for the Grove Market Area, strong rental market conditions, and limited comparable affordable rental options in the market, we believe the construction of the units at The Grove on Johns Island will not have a negative impact on existing communities in the Grove Market Area including those with tax credits.

Based on affordability and demand estimates, current rental market conditions, and socio-economic and demographic characteristics of the Grove Market Area, RPRG believes that the subject property will be able to successfully reach and maintain a stabilized occupancy of at least 95 percent following its entrance into the rental market. The subject property will be competitively positioned with existing rental communities in the Grove Market Area and the units will be well received by the target market.

We recommend proceeding with the project as proposed.



SCSHFDA Summary Form – Exhibit S-2

EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:			
Development Name:	The Grove at Johns Island	Total # Units:	90
Address:	River Road, Johns Island, Charleston County	# LIHTC Units:	90
PMA Boundary:	Stono River / U.S. Highway 17 (N), Charleston Harbor (E), Kiawah Island (S), Wadmalaw River (W)		
Development Type:	<input checked="" type="checkbox"/> Family <input type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject:	10.6 miles

RENTAL HOUSING STOCK (found on pages 9, 46, 52-55)				
Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	12	2,163	19	99.1%
Market-Rate Housing	10	2,077	17	99.2%
Assisted/Subsidized Housing not to include LIHTC	-	-	-	-
LIHTC (All that are stabilized)**	2	86	2	97.7%
Stabilized Comps*	12	2,163	19	99.1%
Non-stabilized Comps				

* 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 Comp Rent	
Units	Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
2	1	1	751	\$236	\$1,441	\$1.92	83.62%	\$1,949	\$2.90
1	1	1	751	\$408	\$1,441	\$1.92	71.68%	\$1,949	\$2.90
9	1	1	751	\$925	\$1,441	\$1.92	35.79%	\$1,949	\$2.90
4	2	1	900	\$274	\$1,949	\$2.24	85.94%	\$2,700	\$2.42
4	2	1	900	\$481	\$1,949	\$2.24	75.32%	\$2,700	\$2.42
7	2	1	900	\$1,101	\$1,949	\$2.24	43.52%	\$2,700	\$2.42
24	2	1	853	\$1,101	\$1,949	\$2.24	43.52%	\$2,700	\$2.42
3	3	2	1,102	\$301	\$2,438	\$2.15	87.65%	\$4,359	\$2.68
4	3	2	1,102	\$540	\$2,438	\$2.15	77.85%	\$4,359	\$2.68
11	3	2	1,102	\$1,256	\$2,438	\$2.15	48.48%	\$4,359	\$2.68
21	3	2	1,160	\$1,256	\$2,438	\$2.15	48.48%	\$4,359	\$2.68
Gross Potential Rent Monthly*				\$89,611	\$188,385		52.43%		

* Market Advantage is calculated using the following formula: Estimated Market Rent (minus) Net Proposed Tenant Rent (divided by) Estimated Market Rent. The calculation should be expressed as a percentage and rounded to two decimal points. This is consistent with the market study guidelines on page A-6 in Appendix A.

DEMOGRAPHIC DATA (found on pages 32-33, 38-39)						
	2010		2022		2024	
Renter Households	6,504	27.2%	7,959	27.2%	8,255	27.3%
Income-Qualified Renter HHS (LIHTC)	2,940	45.2%	2,711	34.1%	2,706	32.8%
Income-Qualified Renter HHS (MR)						

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on pages 40-41)						
Type of Demand	20%	30%	60%			Overall
Renter Household Growth	12	19	55			82
Existing Households (Overburd + Substand)	149	233	680			1,017
Homeowner conversion (Seniors)						
Other:						
Less Comparable/Competitive Supply	0	0	0			0
Net Income-qualified Renter HHS	161	251	735			1,099

CAPTURE RATES (found on pages 41)						
Targeted Population	20%	30%	60%		Other:	Overall
	5.6%	3.6%	9.8%			8.2%

ABSORPTION RATE (found on page 61)

20 units per month, stabilization in 4-5 months



1. INTRODUCTION

A. Overview of Subject

The subject of this report is The Grove on Johns Island, a proposed affordable multi-family rental community in Johns Island, Charleston County, South Carolina. The Grove on Johns Island will offer 90 newly constructed Low Income Housing Tax Credit (LIHTC) units reserved for renter households earning up to 20 percent, 30 percent, and 60 percent of the Area Median Income (AMI), adjusted for household size. The developer intends to apply for nine percent Low Income Housing Tax Credits through the South Carolina State Housing Finance and Development Authority (SCSHFDA).

B. Purpose

The purpose of this market study is to perform a market feasibility analysis through an examination of site characteristics, the economic context, a demographic analysis of the defined market area, a competitive housing analysis, a derivation of demand, and affordability analyses. RPRG expects this study to be submitted to SCSHFDA in conjunction with an application for nine percent Low Income Housing Tax Credits.

C. Format of Report

The report format is comprehensive and conforms to SCSHFDA's 2022 Market Study Requirements. The market study also considered the National Council of Housing Market Analysts' (NCHMA) recommended Model Content Standards and Market Study Index.

D. Client, Intended User, and Intended Use

The Client is Resource Housing Group (Developer). Along with the Client, the Intended Users are lenders/investors and SCSHFDA.

E. Applicable Requirements

This market study is intended to conform to the requirements of the following:

- SCSHFDA's 2022 Market Study Requirements as detailed in Appendix A of SCSHFDA's 2022 QAP.
- National Council of Housing Market Analyst's (NCHMA) Model Content Standards and Market Study Checklist.

F. Scope of Work

To determine the appropriate scope of work for the assignment, we considered the intended use of the market study, the needs of the user, the complexity of the property, and other pertinent factors. Our concluded scope of work is described below:

- Please refer to Appendix 2 for the National Council of Housing Market Analyst's (NCHMA) Model Content Standards and Market Study Checklist.
- Brett Welborn (Analyst) conducted visits to the subject site, neighborhood, and market area on May 4, 2022.
- Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property



managers and leasing agents. As part of our housing market research, RPRG contacted planners with Charleston, James Island, and Charleston County.

- All pertinent information obtained was incorporated in the appropriate section(s) of this report.

G. Report Limitations

The conclusions reached in a market assessment are inherently subjective and should not be relied upon as a determinative predictor of results that will actually occur in the marketplace. There can be no assurance that the estimates made or assumptions employed in preparing this report will in fact be realized or that other methods or assumptions might not be appropriate. The conclusions expressed in this report are as of the date of this report, and an analysis conducted as of another date may require different conclusions. The actual results achieved will depend on a variety of factors, including the performance of management, the impact of changes in general and local economic conditions, and the absence of material changes in the regulatory or competitive environment. Reference is made to the statement of Underlying Assumptions and Limiting Conditions contained in Appendix I of this report.

H. Other Pertinent Remarks

None.

2. PROJECT DESCRIPTION

A. Project Overview

The Grove on Johns Island will offer 90 newly constructed apartments, all of which will benefit from Low Income Housing Tax Credits and target renter households earning up to 20 percent, 30 percent, and 60 percent of the Area Median Income (AMI), adjusted for household size.

B. Project Type and Target Market

The Grove on Johns Island will target very low to low-income renter households earning up to 20 percent, 30 percent, and 60 percent AMI. The proposed unit mix includes one, two, and three-bedroom units, which will target a range of households including single-person households, couples, roommates, and families with children.

C. Building Types and Placement

The Grove on Johns Island’s 90 rental units will be contained within three-story garden-style buildings while the subject property will also offer a separate community building near one of two entrances along a newly built road (Northern Pitchfork Road). The site will have two entrances along the newly built road which will provide access to surface parking adjacent to each building.

Figure 1 Site Plan, The Grove on Johns Island



Source: Resource Housing Group



D. Detailed Project Description

1. Project Description

- The proposed unit mix includes 12 one-bedroom units (13.4 percent), 39 two-bedroom units (43.3 percent), and 39 three-bedroom units (43.3 percent) (Table 1). One and two-bedroom units will each have one bathroom and three-bedroom units will have two bathrooms.
- Proposed unit sizes (gross heated) are 751 square feet for one-bedroom units, 853 and 900 square feet for two-bedroom units (weighted average of 871 square feet), and 1,102 and 1,160 square feet for three-bedroom units (weighted average of 1,133 square feet).
- The site’s address is 1735 River Road, Charleston, SC 29455.
- The subject property will be new construction.
- The subject property will offer garden apartments and will not have Project Based Rental Assistance (PBRA).
- The proposed rents will include trash removal with tenants responsible for all remaining utilities.
- Proposed unit features and community amenities are detailed in Table 2.

Table 1 Project Summary, The Grove on Johns Island

Unit Mix/Rents							
Bed	Bath	Income Target	Size (sqft)	Quantity	Gross Rent	Utility	Proposed Rent
1	1	20% AMI	751	2	\$344	\$108	\$236
1	1	30% AMI	751	1	\$516	\$108	\$408
1	1	60% AMI	751	9	\$1,033	\$108	\$925
1 BR Subtotal/Avg			751	12			
2	1	20% AMI	900	4	\$413	\$139	\$274
2	1	30% AMI	900	4	\$620	\$139	\$481
2	1	60% AMI	900	7	\$1,240	\$139	\$1,101
2	1	60% AMI	853	24	\$1,240	\$139	\$1,101
2 BR Subtotal/Avg			871	39			
3	2	20% AMI	1,102	3	\$477	\$176	\$301
3	2	30% AMI	1,102	4	\$716	\$176	\$540
3	2	60% AMI	1,102	11	\$1,432	\$176	\$1,256
3	2	60% AMI	1,160	21	\$1,432	\$176	\$1,256
3 BR Subtotal/Avg			1,133	39			
Total				90			

Rents include trash removal.

Source: Resource Housing Group, Inc.



Table 2 Unit Features and Community Amenities, The Grove on Johns Island

Unit Features	Community Amenities
<ul style="list-style-type: none"> • Kitchens with refrigerator, stove, dishwasher, and microwave • Washer/dryer connections • Central heating and air-conditioning • Ceiling fans • Patio/balcony • Window blinds 	<ul style="list-style-type: none"> • Community room with laundry area • Playground • Fitness center • Business/computer center • Early learning center

Source: Resource Housing Group

2. Other Proposed Uses

None.

3. Proposed Timing of Development

The Grove on Johns Island is expected to begin construction in 2023 with construction completion and first move-ins in October 2024. The subject property’s placed-in-service year is 2024 for the purposes of this report, consistent with SCSHFDA’s 2022 Market Study Requirements.

3. SITE AND NEIGHBORHOOD ANALYSIS

A. Site Analysis

1. Site Location

The subject site is on the east side of River Road, just north of Maybank Highway on Johns Island, the largest island in South Carolina roughly six miles southwest of downtown Charleston, South Carolina (Map 1).

Map 1 Site Location, The Grove on Johns Island



2. Existing Uses and Proposed Uses

The subject property will be developed on a 9.353-acre wooded parcel; the overall site is an irregular shape with a flat topography (Figure 2). The Grove on Johns Island will comprise 90 affordable apartments.

Figure 2 Views of Subject Site



River Road facing north (site on the right)



River Road facing south (site on the left)



Site frontage along River Road



Site facing east from River Road

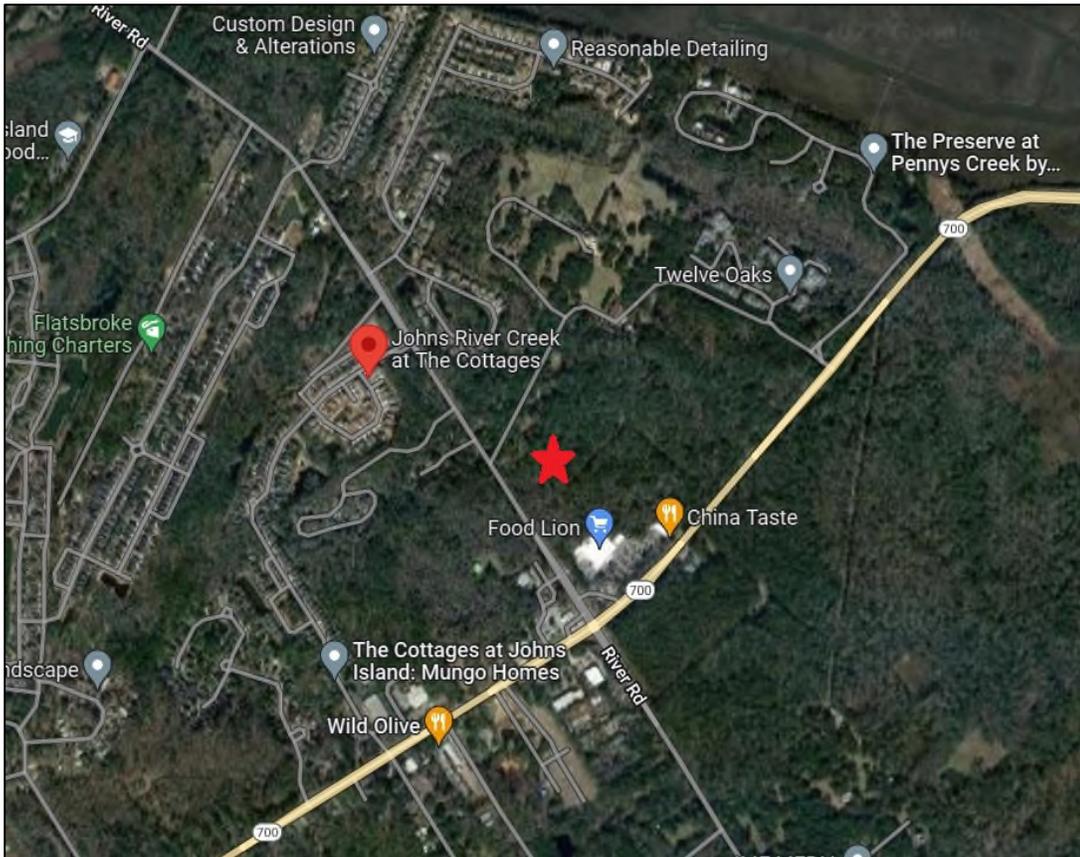


Site facing northeast from Dollar General

3. General Description of Land Uses Surrounding the Subject Site

The subject site is in a residential neighborhood surrounded by a mixture of residential uses to the north, east, and west while commercial uses are along Maybank Highway to the south. The Forest at Fenwick Apartments is just west of the site while single-family detached homes, duplexes, and a condominium complex (Johns River Creek at The Cottages) are just north and northwest of the site. Twelve Oaks condominiums are east of the site while a 240-unit market rate rental community (Village at Fenwick) is under construction just to the east along Maybank Highway. Commercial uses within one-quarter mile south of the site include Food Lion, Dollar General, convenience stores, restaurants, CVS Pharmacy, and several small businesses (Figure 3).

Figure 3 Satellite Image of Site and Surrounding Land Uses



4. Specific Identification of Land Uses Surrounding the Subject Site

Bordering and nearby land uses include (Figure 4):

- **North:** Single-family detached homes
- **East:** Wooded land and 240-unit market rate apartment community under construction along Maybank Highway
- **South:** Commercial uses along Maybank Highway to the south including Food Lion, convenience stores, Dollar General, several restaurants
- **West:** The Forest at Fenwick Apartments and single-family detached homes



The Forest at Fenwick Apartments to the west



Single-family detached home to the north



Convenience store to the south



Condominiums to the northwest



Food Lion to the south



B. Neighborhood Analysis

1. General Description of Neighborhood

The subject site is on Johns Island roughly six miles southwest of downtown Charleston. Johns Island is South Carolina's largest Island and is primarily comprised of a mix of residential uses including single-family detached homes, condominiums, and apartments. Much of the development on the island is within five miles of the site along or near Maybank Highway. Maybank Highway is the major traffic artery on the Island and contains most of the commercial uses in the region. Maybank Highway is also the primary connection to the more densely developed areas to the east on James Island and the West Ashley district of Charleston.

2. Neighborhood Investment and Planning Activities

Several new for-sale single-family detached home neighborhoods are under construction on Johns Island with homes generally ranging from \$450,000 to \$700,000 while a 240-unit market rate rental community (Fenwick Village) is under construction just east of the site on Maybank Highway.

C. Site Visibility and Accessibility

1. Visibility

The subject property will have good visibility along River Road which has moderate traffic. The Grove on Johns Island will have adequate visibility.

2. Vehicular Access

The Grove on Johns Island's will have an entrance on a newly built road (Northern Pitchfork Road) which is expected to have light traffic. Northern Pitchfork Road will connect to Maybank Highway within one-quarter mile south of the site. RPRG does not expect problems with ingress or egress.

3. Availability of Inter Regional and Public Transit

Maybank Highway (State Highway 700) is within one-quarter mile south of the site and connects to areas of Johns Island and Wadmalaw Island to the west while providing access to James Island and downtown Charleston to the east and northeast. River Road (on which the site is located) connects to more coastal areas to the south and Main Road to the northwest which provides access to the West Ashley district to the north. Interstate 26 is roughly seven miles northeast of the site via U.S. Highway 17 while Interstate 526 is within nine miles, both of which connect Charleston to the region.

4. Pedestrian Access

The immediate area does not have sidewalks so none of the nearby neighborhood amenities are considered walkable which is acceptable given the commuter orientation of the region.

5. Accessibility Improvements under Construction and Planned

Roadway Improvements under Construction and Planned

RPRG reviewed information from local stakeholders to assess whether any capital improvement projects affecting road, transit, or pedestrian access to the subject site are currently underway or

likely to commence within the next few years. Observations made during the site visit contributed to this process. RPRG did not identify any major roadway improvements that are planned or underway that would significantly affect the subject property.

Transit and Other Improvements Under Construction and Planned

None Identified.

6. Public Safety

CrimeRisk is a census tract level index that measures the relative risk of crime compared to a national average. AGS analyzes known socio-economic indicators for local jurisdictions that report crime statistics to the FBI under the Uniform Crime Reports (UCR) program. An index of 100 reflects a total crime risk on par with the national average, with values below 100 reflecting below average risk and values above 100 reflecting above average risk. Based on detailed modeling of these relationships, CrimeRisk provides a detailed view of the risk of total crime as well as specific crime types at the census tract level. In accordance with the reporting procedures used in the UCR reports, aggregate indexes have been prepared for personal and property crimes separately as well as a total index. However, it must be recognized that these are un-weighted indexes, in that a murder is weighted no more heavily than purse snatching in this computation. The analysis provides a useful measure of the relative overall crime risk in an area but should be used in conjunction with other measures.

The 2021 CrimeRisk Index for the census tracts in the general vicinity of the subject site is displayed in gradations from white (least risk) to purple (most risk) (Map 2). The subject site’s census tract has a CrimeRisk of under 100, which is below the national average of 100. Based on this data as well as observations made during our site inspection, RPRG does not anticipate any issues associate with crime or perceptions of crime.

Map 2 Crime Index Map



D. Residential Support Network

1. Key Facilities and Services near the Subject Property

The appeal of any given community is often based in part to its proximity to those facilities and services required daily. Key facilities and services and their distances from the subject site are listed in Table 3 and their locations are plotted on Map 3.

Table 3 Key Facilities and Services

Establishment	Type	Address	Driving Distance
Food Lion	Grocery	2770 Maybank Hwy.	0.1 mile
Dollar General	General Retail	1752 River Rd.	0.1 mile
CVS Pharmacy	Pharmacy	2803 Maybank Hwy.	0.2 mile
Speedway	Convenience Store	2790 Maybank Hwy.	0.2 mile
BP	Convenience Store	2802 Maybank Hwy.	0.2 mile
Pinnacle Financial Partners	Bank	2753 Maybank Hwy.	0.3 mile
Post Office	Post Office	2860 Maybank Hwy.	0.4 mile
Cane Bay Primary Care	Doctor/Medical	1807 Crowne Commons Way	1.3 miles
St Johns Fire Department	Fire	3327 Maybank Hwy.	2 miles
Johns Island Regional Library	Library	3531 Maybank Hwy.	3 miles
Charleston County Sheriff Department	Police	617 Riverland Dr.	3.7 miles
Haut Gap Middle School	Public School	1861 Bohicket Rd.	4.3 miles
St John's High School	Public School	1518 Main Rd.	4.3 miles
Angel Oak Elementary School	Public School	6134 Chisolm Rd.	4.6 miles
Walmart Supercenter	General Retail	1231 Folly Rd.	6.6 miles
Roper Hospital	Hospital	316 Calhoun St.	7.2 miles
Citadel Mall	Mall	2070 Sam Rittenberg Blvd.	9.6 miles

Source: Field and Internet Survey, RPRG, Inc.

Map 3 Location of Key Facilities and Services



2. Essential Services

Health Care

Roper Hospital is the closest major medical center to the subject site at roughly seven miles to the northeast in downtown Charleston. The medical center offers extensive services including 24-hour emergency care, primary care, imaging/lab, cardiac care, women’s health, neuroscience, and surgery.

Cane Bay Primary Care provides medical services just over one mile southwest of the site along Maybank Highway.

Education

The Grove on Johns Island is in the Charleston County School District, which provides public education for nearly 50,000 students. School age children residing at the subject property would attend Angle Oak Elementary (4.6 miles), Haut Gap Middle (4.3 miles), and St John’s High School (4.3 miles).

3. Shopping

The subject site is within one half mile of a grocery store (Food Lion), pharmacy (CVS Pharmacy), convenience stores (Speedway and BP), bank (Pinnacle Financial Partners), and Dollar General. Walmart Supercenter is 6.6 miles southeast of the site on James Island while the closest regional shopping mall is Citadel Mall roughly 10 miles to the north. Citadel Mall is anchored by Target, Belk, and Dillard’s and offers many smaller retailers and a food court.



E. Conclusion

The subject site is in a residential setting and the proposed development of affordable apartments is appropriate. Neighborhood amenities are convenient to the site and Maybank Highway is within one-quarter mile which provides access to the region including other major traffic arteries. The Grove on Johns Island will have good visibility and will be easily accessible.



4. HOUSING MARKET AREA

A. Introduction

The primary market area for The Grove on Johns Island is defined as the geographic area from which future residents of the community would primarily be drawn and in which competitive rental housing alternatives are located. In defining the market area, RPRG sought to accommodate the joint interests of conservatively estimating housing demand and reflecting the realities and dynamics of the local rental housing marketplace.

B. Delineation of Market Area

The Grove Market Area of census tracts comprising most of Johns Island, James Island, and Wadmalaw Island, southwest of the Charleston peninsula. The Grove Market Area focuses on the portion of the county that is most comparable to the immediate area surrounding the subject site. The Grove Market Area includes the most comparable multi-family rental communities and residents of these areas would likely consider the subject site as an acceptable shelter location. Maybank Highway runs east to west connecting the three islands and it provides access to Folly Road Boulevard which connects to the small portion of the market area in West Ashley, just across the Stono River. The market area is bound by bodies of water to the east and west and does not extend into the beach areas of Kiawah Island and Folly Beach given a difference in neighborhood composition. The market area includes a small portion of West Ashley to the north given proximity and connectivity via Maybank Highway to Folly Road Boulevard. The Affordability Analysis later in this report indicates sufficient income qualified renter households will exist in this market area for the proposed unit mix and rents.

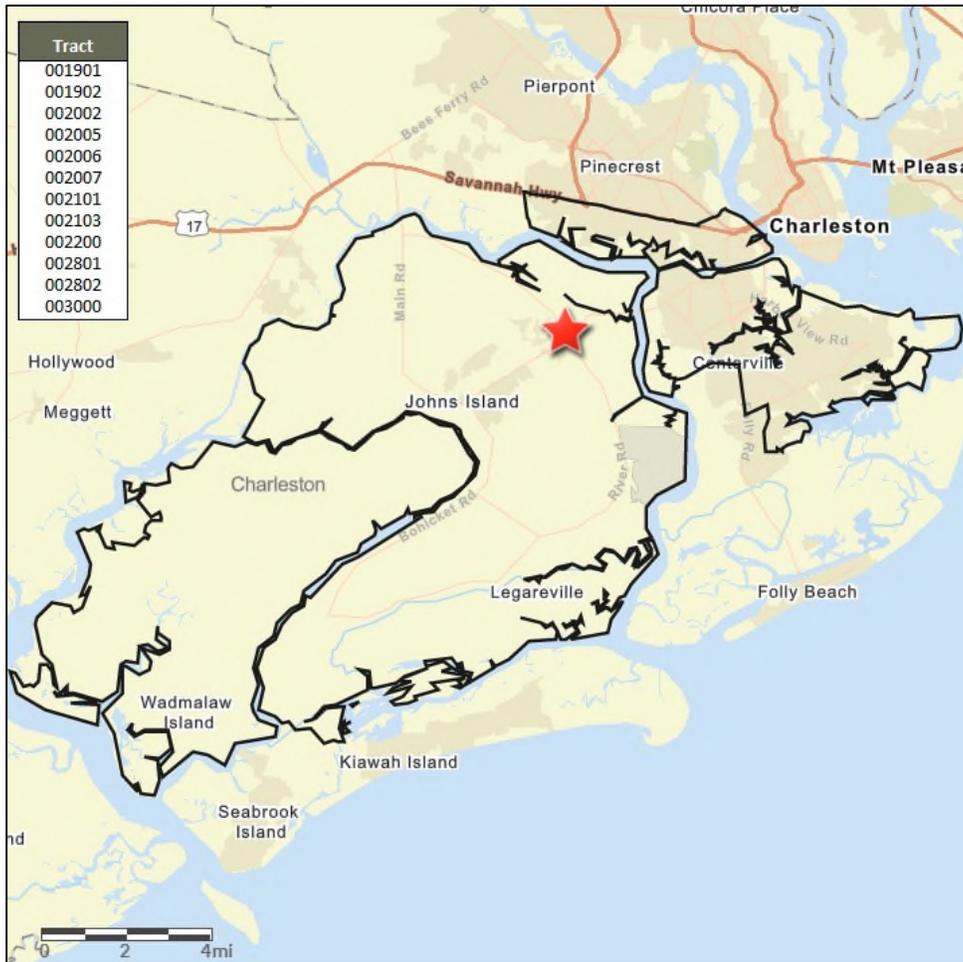
The approximate boundaries of the Grove Market Area and their distance from the subject site are:

- North:** Stono River / U.S. Highway 173.0 miles
- East:** Charleston Harbor9.1 miles
- South:** Kiawah Island7.3 miles
- West:** Wadmalaw River10.6 miles

As appropriate for this analysis, the Grove Market Area is compared to Charleston County, which is considered the secondary market area; however, demand will be computed based solely on the Grove Market Area.



Map 4 Grove Market Area





5. ECONOMIC CONTEXT

A. Introduction

This section of the report focuses primarily on economic trends and conditions in Charleston County, South Carolina, the county in which the subject site is located. Economic trends in South Carolina and the nation are also discussed for comparison purposes. This section presents the latest economic data available at the local and national levels. The combination of At-Place Employment and Resident Labor Force data provide an indicator of the impact of the COVID-19 pandemic on the local economy relative to state and national trends.

B. Labor Force, Resident Employment, and Unemployment

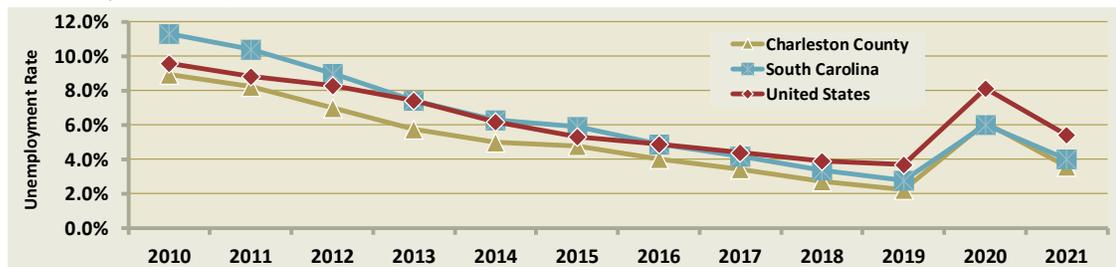
1. Trends in Annual Average Labor Force and Unemployment Data

Charleston County added 26,369 net workers (14.6 percent) from 2010 to 2019 while the employed portion of the labor force increased at a faster pace with the net addition of 37,783 employed workers (23.0 percent) over this period (Table 4). The number of unemployed workers decreased by 70.9 percent from a peak of 16,097 in 2010 to 4,683 unemployed workers in 2019. The county lost a modest 384 workers in 2020 due to the COVID-19 pandemic while the employed portion of the labor force decreased by 8,391 employed workers or 4.2 percent; the number of unemployed workers nearly tripled from 4,683 in 2019 to 12,690 in 2020. The county rebounded to all-time highs of 210,944 workers and 203,337 employed workers in 2021 while the number of unemployed workers decreased by roughly 40 percent.

Table 4 Annual Average Labor Force and Unemployment Data

Annual Average Unemployment	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Labor Force	180,349	183,865	186,874	188,255	192,347	198,083	201,188	199,512	201,964	206,718	206,334	210,944
Employment	164,252	168,779	173,805	177,472	182,709	188,588	193,146	192,647	196,411	202,035	193,644	203,337
Unemployment	16,097	15,086	13,069	10,783	9,638	9,495	8,042	6,865	5,553	4,683	12,690	7,607
Unemployment Rate												
Charleston County	8.9%	8.2%	7.0%	5.7%	5.0%	4.8%	4.0%	3.4%	2.7%	2.3%	6.2%	3.6%
South Carolina	11.3%	10.4%	9.0%	7.4%	6.3%	5.9%	4.9%	4.2%	3.4%	2.8%	6.0%	4.0%
United States	9.6%	8.8%	8.3%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%	8.1%	5.4%

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



Charleston County’s annual average unemployment rate steadily declined from 2010 to 2019 and reached 2.3 percent in 2019, below state (2.8 percent) and national (3.7 percent) rates. Annual average unemployment rates increased in all three areas in 2020 due to the COVID-19 pandemic with the county’s 6.2 percent just above the state rate (6.0 percent) and well below the national rate (8.1 percent). The county’s unemployment rate recovered significantly to 3.6 percent in 2021 which was below the state rate (4.0 percent) and national rate (5.4 percent).



2. Trends in Recent Monthly Labor Force and Unemployment Data

The impact of the COVID-19 pandemic on the Charleston County economy is presented in recent monthly labor force and unemployment data (Table 5). Charleston County’s total and employed labor force remained stable in the first quarter of 2020 prior to losses of 2,541 workers (1.2 percent) and 21,226 employed workers (10.7 percent) in April at the onset of the COVID-19 pandemic. The number of unemployed workers more than quadrupled from 5,538 in March 2020 to 24,223 in April 2020. The county’s overall and employed portions of the labor force have more than recovered to 213,073 total workers and 206,934 employed workers in December 2021 which are roughly 2-3 percent higher than pre-pandemic annual figures in 2019.

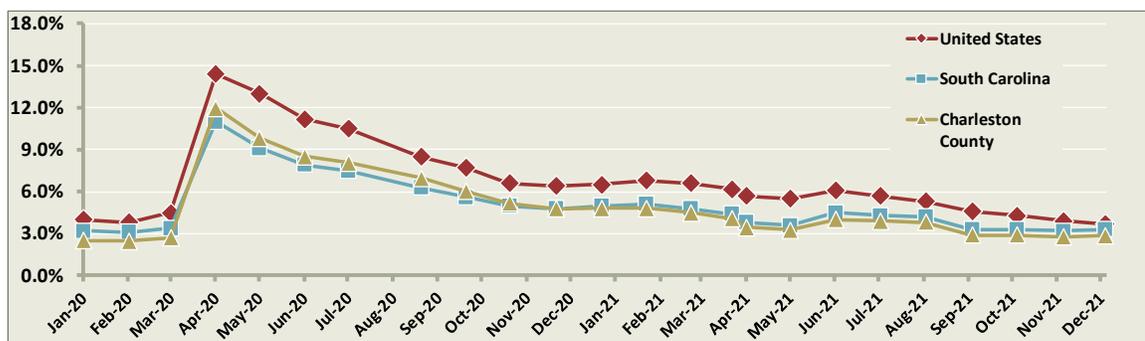
During the first three months of 2020, the unemployment rate remained low in all three geographies, but climbed dramatically in April as the economy was negatively impacted by closures related to the COVID-19 pandemic. Unemployment rates increased to 12.0 percent in the county, 11.0 percent in the state, and 14.4 percent nationally in April 2020 before improving significantly to 2.9 percent, 3.3 percent, and 3.7 percent, respectively, by December 2021.

Table 5 Recent Monthly Labor Force and Unemployment Data

2020 Monthly Unemployment	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Labor Force	205,859	207,315	204,717	202,176	203,288	207,729	209,113	208,477	206,371	207,990	206,290	206,692
Employment	200,665	202,136	199,179	177,953	183,327	190,000	192,224	193,979	193,954	197,182	196,410	196,724
Unemployment	5,194	5,179	5,538	24,223	19,961	17,729	16,889	14,498	12,417	10,808	9,880	9,968
Unemployment Rate												
Charleston County	2.5%	2.5%	2.7%	12.0%	9.8%	8.5%	8.1%	7.0%	6.0%	5.2%	4.8%	4.8%
South Carolina	3.2%	3.1%	3.4%	11.0%	9.1%	7.9%	7.5%	6.3%	5.6%	5.0%	4.8%	5.0%
United States	4.0%	3.8%	4.5%	14.4%	13.0%	11.2%	10.5%	8.5%	7.7%	6.6%	6.4%	6.5%

2021 Monthly Unemployment	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Labor Force	207,029	208,277	208,156	207,933	209,431	213,563	215,692	213,411	210,418	211,790	212,550	213,073
Employment	197,019	198,913	199,700	200,739	202,594	205,002	207,282	205,284	204,293	205,611	206,672	206,934
Unemployment	10,010	9,364	8,456	7,194	6,837	8,561	8,410	8,127	6,125	6,179	5,878	6,139
Unemployment Rate												
Charleston County	4.8%	4.5%	4.1%	3.5%	3.3%	4.0%	3.9%	3.8%	2.9%	2.9%	2.8%	2.9%
South Carolina	5.1%	4.8%	4.4%	3.8%	3.6%	4.5%	4.3%	4.2%	3.3%	3.3%	3.2%	3.3%
United States	6.8%	6.6%	6.2%	5.7%	5.5%	6.1%	5.7%	5.3%	4.6%	4.3%	3.9%	3.7%

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



C. Commutation Patterns

According to 2016-2020 American Community Survey (ACS) data, the market area’s workers are employed locally. Roughly 46 percent of the workers residing in the Grove Market Area commuted under 25 minutes including 14.4 percent commuting less than 15 minutes while 24.3 percent commuted 25 to 34 minutes and 21.3 percent commuted 35+ minutes (Table 6).

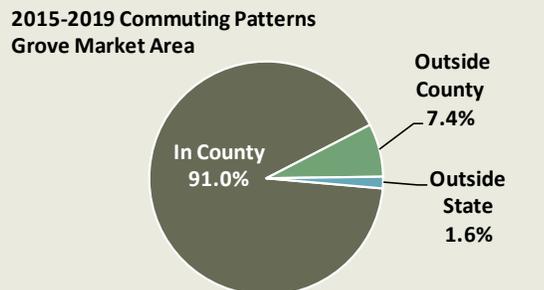


The vast majority of market area workers are employed in Charleston County while 7.4 percent are employed in another South Carolina county. Nearly two percent of workers in the market area are employed outside the state.

Table 6 Commutation Data, Grove Market Area

Travel Time to Work			Place of Work		
Workers 16 years+	#	%	Workers 16 years and over	#	%
Did not work at home	23,192	91.0%	Worked in state of residence:	25,074	98.4%
Less than 5 minutes	272	1.1%	Worked in county of residence	23,194	91.0%
5 to 9 minutes	1,168	4.6%	Worked outside county of residence	1,880	7.4%
10 to 14 minutes	2,224	8.7%	Worked outside state of residence	407	1.6%
15 to 19 minutes	3,423	13.4%	Total	25,481	100%
20 to 24 minutes	4,501	17.7%			
25 to 29 minutes	1,750	6.9%			
30 to 34 minutes	4,434	17.4%			
35 to 39 minutes	457	1.8%			
40 to 44 minutes	1,171	4.6%			
45 to 59 minutes	2,784	10.9%			
60 to 89 minutes	508	2.0%			
90 or more minutes	500	2.0%			
Worked at home	2,289	9.0%			
Total	25,481				

Source: American Community Survey 2016-2020



Source: American Community Survey 2016-2020

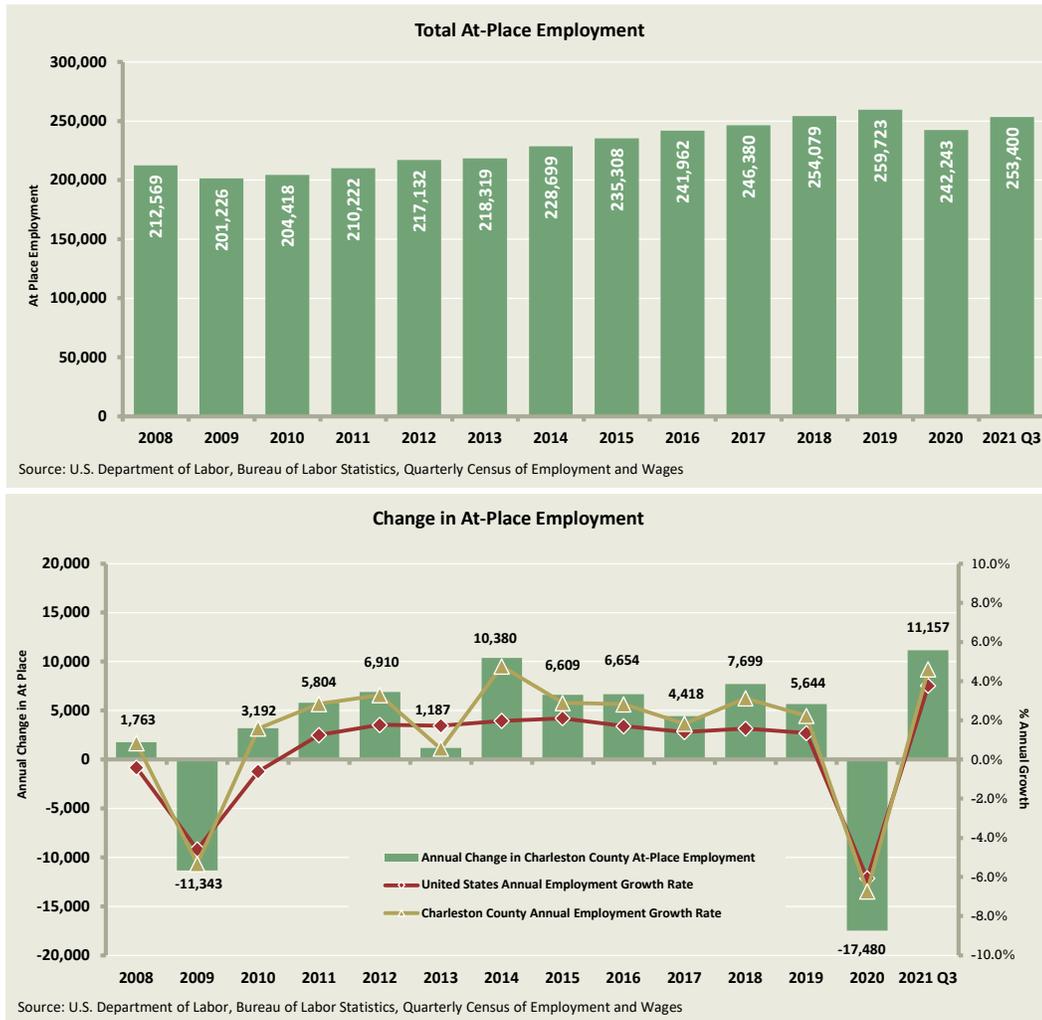
D. At-Place Employment

1. Trends in Total At-Place Employment

Charleston County’s At-Place Employment (jobs located in the county) grew by 29.1 percent from 2010 to 2019 with the net addition of 58,497 jobs since the previous recession-era (Figure 5). The county added jobs each year from 2011 to 2019 including at least 4,418 new jobs each year from 2014 to 2019; the county averaged 6,901 new jobs each year from 2014 to 2019. The county lost 17,480 jobs in 2020, reflecting the onset of the COVID-19 pandemic, which was slightly larger on a percentage basis when compared to the nation (6.7 percent versus 6.1 percent). Growth resumed in 2021 with the addition of 11,157 jobs through the third quarter of 2021, recouping 63.8 percent of jobs lost in 2020.



Figure 5 At-Place Employment, Charleston County

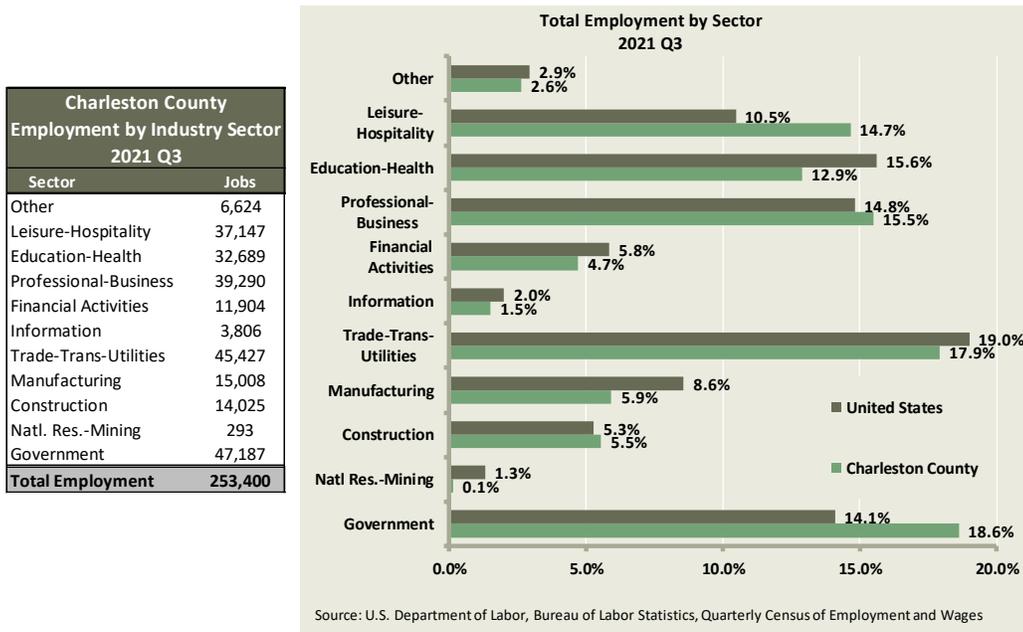


2. At-Place Employment by Industry Sector

Government is Charleston County’s largest economic sector, accounting for 18.6 percent of the county’s total At-Place Employment compared to 14.1 percent of jobs nationally (Figure 6). Reflecting a balance economy, four sectors (Trade-Transportation-Utilities, Professional-Business, Education-Health, and Leisure-Hospitality) each accounted for 12.9 percent to 17.9 percent of the county’s total At-Place Employment. Compared to the nation, the county has much higher percentages of jobs in the Government and Leisure-Hospitality sectors. Conversely, the county has a much smaller percentage of jobs in the Education-Health and Manufacturing sectors.

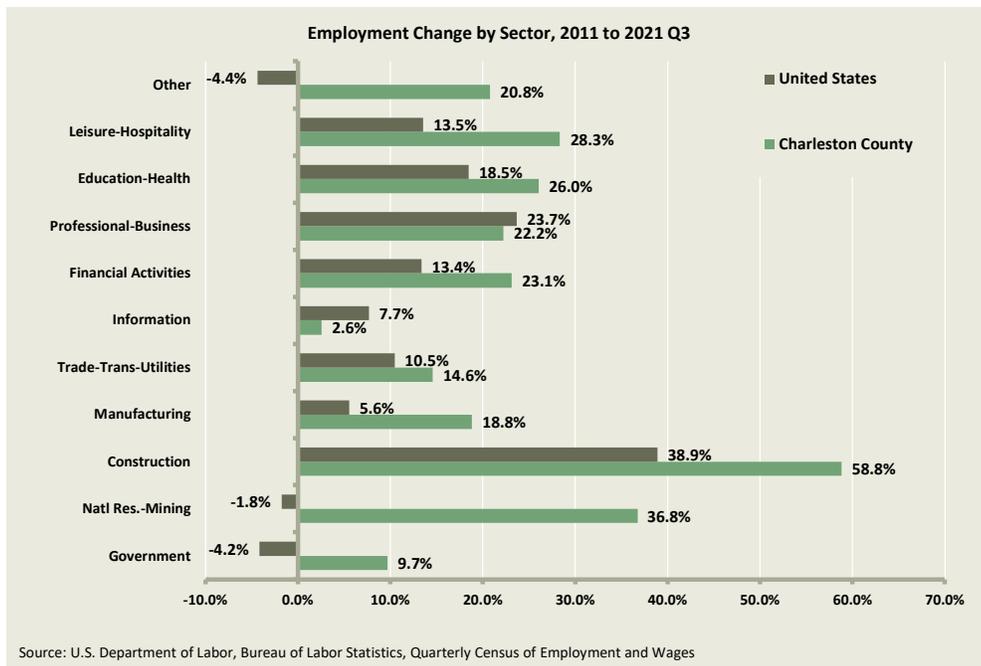


Figure 6 Total Employment by Sector, Charleston County 2021 (Q3)



All economic sectors added jobs in Charleston County from 2011 to 2021 Q3 (compared to eight sectors nationally). The county’s largest sector (Government) grew by 9.7 percent while seven sectors grew by at least 20.8 percent including three of the five largest sectors in the county and a 58.8 percent growth rate in the Construction sector, the highest percentage growth in Charleston County (Figure 7).

Figure 7 Employment Change by Sector, Charleston County 2011 – 2021 (Q3)



3. Major Employers

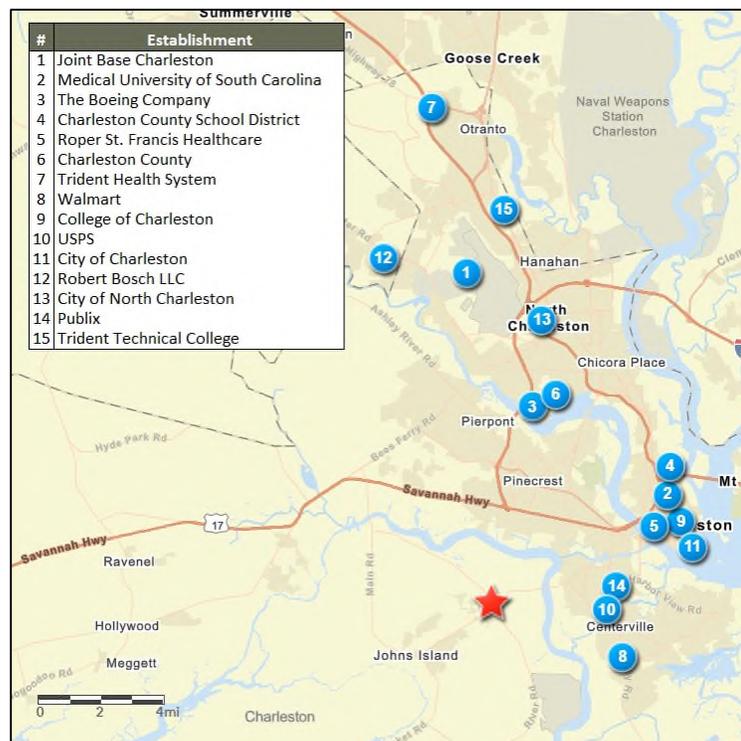
The Charleston Region’s largest employers cover a range of employment sectors including government/military, manufacturing, education, and healthcare (Table 7). The region’s largest employers are generally north and northeast of the site along the I-26 corridor including North Charleston and Charleston (Map 5).

Table 7 Major Employers, Charleston Region

Rank	Name	Sector	Employment
1	Joint Base Charleston	Area U.S. military commands	22,000
2	Medical University of South Carolina	Hospital, post secondary education	16,000
3	The Boeing Company	Aircraft Manufacturing	6,869
4	Charleston County School District	Education/public schools	5,900
5	Roper St. Francis Healthcare	Hospital System	5,700
6	Berkeley County School District	Education/public schools	3,500
7	Dorchester County School District II	Education/public schools	2,800
9	Trident Health System	Hospital System	2,600
10	Walmart Inc	Retail/Grocery	2,300
11	College of Charleston	Post secondary Education	2,000
12	U.S. Postal Service	Postal Service	2,000
8	City of Charleston	Local Government	1,700
13	Robert Bosch LLC	Engineering/Technology	1,600
14	Volvo Car USA	Manufacturing	1,600
15	Mercedes-Benz Vans, LLC	Manufacturing	1,600
16	Blackbaud, Inc	Software Development	1,400
17	BenefitFocus	Software Development	1,250
18	Publix Supermarkets	Retail/Grocery	1,200
19	Berkeley County	Local Government	1,200
20	City of North Charleston	Local Government	1,200

Source: Charleston Regional Development Alliance (Berkeley, Charleston, and Dorchester Counties)

Map 5 Major Employers, Charleston Region





E. Recent Employment Expansions and Contractions

As reflected in the At-Place Employment data, Charleston County has had steady growth over the past several years. Based on a review of job expansions identified by the Charleston Regional Development Alliance, growth is projected to continue with myriad of expansions noted over the past several years.

F. Wage Data

The 2020 average annual wage in Charleston County was \$55,885, \$6,331 or 12.8 percent lower than the state-wide average of \$49,554. The county’s average was below the national average of \$64,013 by \$8,128 or 12.7 percent (Table 8). Charleston County’s average annual wage in 2020 represents an increase of approximately \$15,415 or 38.1 percent since 2010.

The average national wage was higher for most sectors when compared to that of Charleston County’s sectors with the Manufacturing and Education-Health sectors the exceptions (Figure 8). The highest paying sectors in Charleston County were Financial Activities, Information, and Manufacturing with average annual wages of \$73,564 or more. Four additional sectors have annual average wages of roughly \$62,000 to \$66,000.

Table 8 Wage Data, Charleston County

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Charleston County	\$40,470	\$41,432	\$42,157	\$42,751	\$44,301	\$45,694	\$47,092	\$48,606	\$49,710	\$52,016	\$55,885
South Carolina	\$37,553	\$38,427	\$39,286	\$39,792	\$40,797	\$42,002	\$42,881	\$44,177	\$44,729	\$46,383	\$49,554
United States	\$46,751	\$48,043	\$49,289	\$49,808	\$51,364	\$52,942	\$53,621	\$55,390	\$57,266	\$59,209	\$64,013

Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Figure 8 Wage by Sector, Charleston County



Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages



6. DEMOGRAPHIC ANALYSIS

A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the Grove Market Area and Charleston County using U.S. Census data and data from Esri, a national data vendor which prepares small area estimates and projections of population and households. Building permit trends collected from the HUD State of the Cities Data Systems (SOCDS) database were also considered. Demographic data is presented for 2022 and 2024 which matches the demand years outlined in the South Carolina State Housing Finance and Development Authority's 2022 market study guidelines.

It is important to note that all demographic data is based on historic Census data and the most recent local area projections available for the Grove Market Area and Charleston County. RPRG utilized estimates and projection derived by Esri in 2021, which were developed following the onset of the COVID-19 pandemic.

B. Trends in Population and Households

1. Recent Past Trends

The Grove Market Area added 6,739 net people (13.6 percent) and 3,434 households (16.8 percent) from 2000 to 2010 (Table 9); annual gains were 674 people (1.3 percent) and 343 households (1.6 percent). Charleston County grew at a similar rate during the decade with net increases of 12.9 percent for population and 16.9 percent for households; the region's annual growth rates were 1.2 percent for population and 1.6 percent for households.

The Grove Market Area's growth accelerated over the past 12 years with the net addition of 12,497 people and 5,410 households from 2010 to 2022 with average annual increases of 1,041 people (1.7 percent) and 451 households (1.7 percent). Charleston County grew at a similar pace from 2010 to 2022 on a percentage basis with annual growth rates of 1.7 percent for population and 1.8 percent for households.

2. Projected Trends

Based on Esri data, RPRG projects the Grove Market Area's growth will accelerate on a nominal basis over the next two years with annual growth of 1,066 people (1.5 percent) and 461 households (1.6 percent) from 2022 to 2024. Charleston County's growth will also accelerate on a nominal basis over the next two years; the region will increase by 1.7 percent among population and 1.7 percent among households annually.

The average household size in the market area of 2.33 persons per household in 2022 represents a decrease from 2.34 in 2010 and is expected to remain the same through 2024 (Table 10).



Table 9 Population and Household Estimates and Projections

		Charleston County				Grove Market Area				
Population	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	310,294					49,376				
2010	350,209	39,915	12.9%	3,992	1.2%	56,115	6,739	13.6%	674	1.3%
2022	430,486	80,277	22.9%	6,690	1.7%	68,612	12,497	22.3%	1,041	1.7%
2024	445,289	14,804	3.4%	7,402	1.7%	70,743	2,132	3.1%	1,066	1.5%

Households	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	123,442					20,448				
2010	144,309	20,867	16.9%	2,087	1.6%	23,882	3,434	16.8%	343	1.6%
2022	178,207	33,898	23.5%	2,825	1.8%	29,292	5,410	22.7%	451	1.7%
2024	184,498	6,291	3.5%	3,146	1.7%	30,215	922	3.1%	461	1.6%

Source: 2000 Census; 2010 Census; Esri; and Real Property Research Group, Inc.

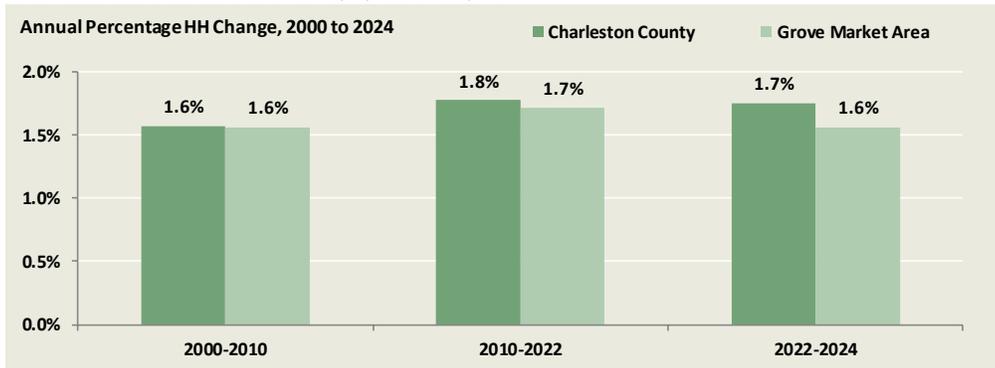


Table 10 Persons per Household, Grove Market Area

Average Household Size			
Year	2010	2022	2024
Population	56,115	68,612	70,743
Group Quarters	217	370	326
Households	23,882	29,292	30,215
Avg. HH Size	2.34	2.33	2.33

Source: 2010 Census; Esri; and RPRG, Inc.

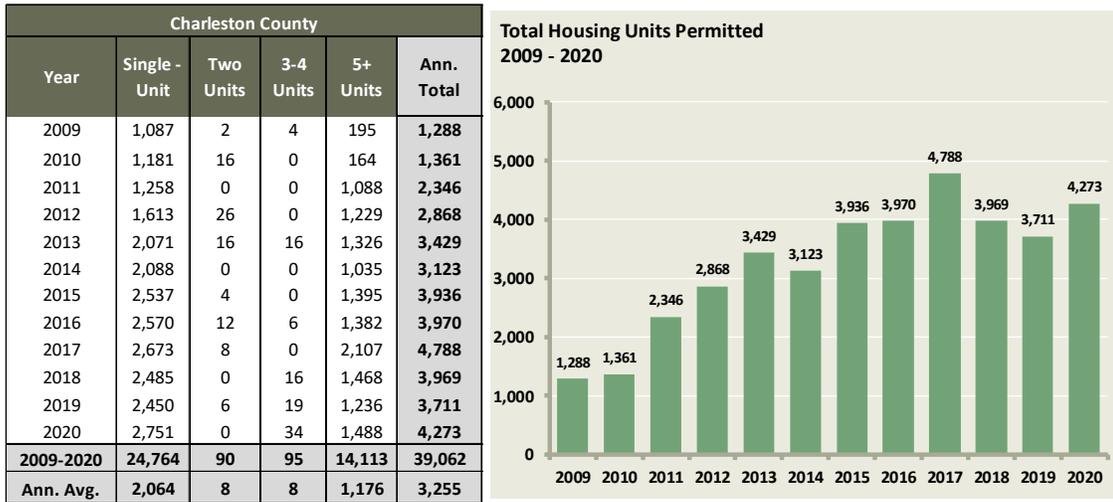
3. Building Permit Trends

Permit activity in Charleston County increased steadily from a low of 1,288 permitted units in 2009 to 3,936 permitted units in 2015 before plateauing with a range from 3,711 to 4,273 permitted units in five of the past six years. The county permitted an annual average of 4,108 units since 2015, a 71 percent increase over the annual average of 2,403 permitted units from 2009 to 2014 (Table 11).

Single-unit structures account for roughly 63 percent of all permitted units since 2009 while more than one-third (36.1 percent) of permitted units were in multi-family structures with five or more units.



Table 11 Building Permits by Structure Type, Charleston County



Source: U.S. Census Bureau, C-40 Building Permit Reports.

C. Demographic Characteristics

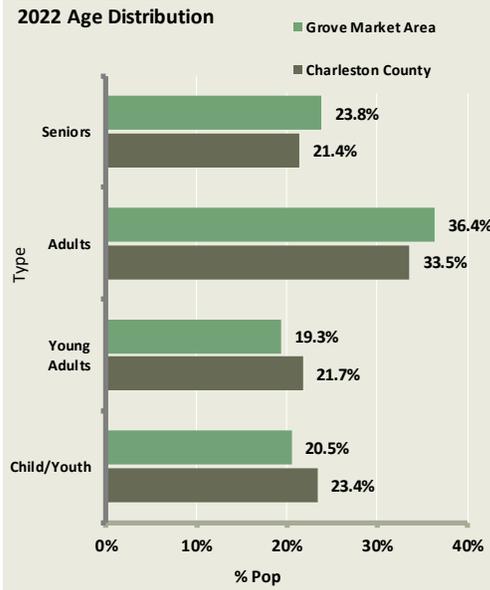
1. Age Distribution and Household Type

The median age of the population is 41 in the Grove Market Area and 38 in Charleston County (Table 12). Adults ages 35-61 comprise the largest percentage of each area’s population at 36.4 percent in the Grove Market Area and 33.5 percent in Charleston County. Children/Youth under the age of 20 account for 20.5 percent of the Grove Market Area’s population compared to 23.4 percent in the county while Seniors ages 62 and older account for 23.8 percent of the market area’s population. Young Adults are more common in the county at 21.7 percent compared to 19.3 percent in the market area.



Table 12 Age Distribution

2022 Age Distribution	Charleston County		Grove Market Area	
	#	%	#	%
Children/Youth	100,523	23.4%	14,068	20.5%
Under 5 years	24,855	5.8%	3,487	5.1%
5-9 years	24,667	5.7%	3,603	5.3%
10-14 years	24,721	5.7%	3,743	5.5%
15-19 years	26,280	6.1%	3,235	4.7%
Young Adults	93,533	21.7%	13,273	19.3%
20-24 years	31,644	7.4%	3,398	5.0%
25-34 years	61,889	14.4%	9,874	14.4%
Adults	144,421	33.5%	24,941	36.4%
35-44 years	59,093	13.7%	10,395	15.2%
45-54 years	48,625	11.3%	8,206	12.0%
55-61 years	36,704	8.5%	6,340	9.2%
Seniors	92,008	21.4%	16,330	23.8%
62-64 years	15,730	3.7%	2,717	4.0%
65-74 years	45,194	10.5%	7,967	11.6%
75-84 years	22,800	5.3%	4,224	6.2%
85 and older	8,284	1.9%	1,422	2.1%
TOTAL	430,486	100%	68,612	100%
Median Age	38		41	

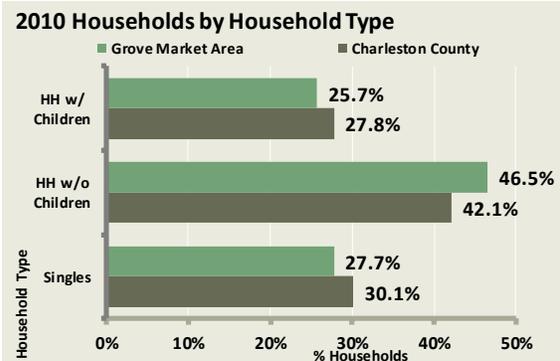


Source: Esri; RPRG, Inc.

Multi-person households with children were the most common household type in the Grove Market Area accounting for 46.5 percent households while households with children accounted for 25.7 percent of households (Table 13); roughly 29 percent of households in the Grove Market Area were married households without children which includes young couples and empty nesters. Single-person households were also common in the market area accounting for 27.7 percent of households. Charleston County had a larger proportion of single-person households and households with children when compared to the market area.

Table 13 Households by Household Type

2010 Households by Household Type	Charleston County		Grove Market Area	
	#	%	#	%
Married w/Children	23,231	16.1%	4,146	17.4%
Other w/ Children	16,816	11.7%	1,996	8.4%
Households w/ Children	40,047	27.8%	6,142	25.7%
Married w/o Children	35,150	24.4%	6,811	28.5%
Other Family w/o Children	10,818	7.5%	1,668	7.0%
Non-Family w/o Children	14,809	10.3%	2,634	11.0%
Households w/o Children	60,777	42.1%	11,113	46.5%
Singles	43,485	30.1%	6,627	27.7%
Total	144,309	100%	23,882	100%



Source: 2010 Census; RPRG, Inc.

2. Renter Household Characteristics

The Grove Market Area’s renter percentage of 27.2 percent in 2022 is lower than Charleston County’s 40.2 percent (Table 14). The market area’s renter percentage has increased from 25.0 percent in 2000 as the number of renter households has increased 55.4 percent over the past 22 years from 5,121 to 7,959. Charleston County’s renter percentage has increased from 39.0 percent in 2000 to 40.2 percent in 2022 as the number of renter households increased by 49.0 percent. Renter households accounted



for 32.1 percent of the Grove Market Area’s net household growth from 2000 to 2022 compared to 43.1 percent in Charleston County.

Table 14 Households by Tenure, 2000-2022

Charleston County	2000		2010		2022		Change 2000-2022				% of Change 2000 - 2022
							Total Change		Annual Change		
Housing Units	#	%	#	%	#	%	#	%	#	%	
Owner Occupied	75,349	61.0%	87,068	60.3%	106,530	59.8%	31,181	41.4%	1,417	1.6%	56.9%
Renter Occupied	48,093	39.0%	57,241	39.7%	71,676	40.2%	23,583	49.0%	1,072	1.8%	43.1%
Total Occupied	123,442	100%	144,309	100%	178,207	100%	54,765	44.4%	2,489	1.7%	100%
Total Vacant	17,709		25,675		28,786						
TOTAL UNITS	141,151		169,984		206,993						

Grove Market Area	2000		2010		2022		Change 2000-2022				% of Change 2000 - 2022
							Total Change		Annual Change		
Housing Units	#	%	#	%	#	%	#	%	#	%	
Owner Occupied	15,327	75.0%	17,378	72.8%	21,334	72.8%	6,007	39.2%	273	1.5%	67.9%
Renter Occupied	5,121	25.0%	6,504	27.2%	7,959	27.2%	2,838	55.4%	129	2.0%	32.1%
Total Occupied	20,448	100%	23,882	100%	29,292	100%	8,844	43.3%	402	1.6%	100%
Total Vacant	1,095		2,383		2,570						
TOTAL UNITS	21,543		26,265		31,862						

Source: U.S. Census of Population and Housing, 2000, 2010; Esri, RPRG, Inc.

Esri data suggests renter households will contribute only 16.4 percent of the market area’s net household growth over the next two years which is a departure from the trend over the past 22 years (32.1 percent) and below the market area’s 2022 renter percentage (27.2 percent) (Table 15). Based on our research including an analysis of demographic and multi-family trends, RPRG projects renter households to continue accounting for 32.1 percent of net household growth over the next two years which results in the annual addition of 148 renter households, above annual growth of 129 renter households from 2000 to 2022 based on higher overall household growth.

Table 15 Households by Tenure, 2022-2024

Grove Market Area	2022		2024 Esri HH by Tenure		Esri Change by Tenure		Annual Change by Tenure	
Housing Units	#	%	#	%	#	%	#	%
Owner Occupied	21,334	72.8%	22,105	73.2%	771	83.6%	386	1.8%
Renter Occupied	7,959	27.2%	8,110	26.8%	151	16.4%	76	0.9%
Total Occupied	29,292	100%	30,215	100%	922	100%	461	1.6%
Total Vacant	2,570		2,639					
TOTAL UNITS	31,862		32,854					

Grove Market Area	2022		2024 RPRG HH by Tenure		RPRG Change by Tenure		Annual Change by Tenure	
Housing Units	#	%	#	%	#	%	#	%
Owner Occupied	21,334	72.8%	21,960	72.7%	626	67.9%	313	1.5%
Renter Occupied	7,959	27.2%	8,255	27.3%	296	32.1%	148	1.9%
Total Occupied	29,292	100%	30,215	100%	922	100%	461	1.6%
Total Vacant	2,570		2,639					
TOTAL UNITS	31,862		32,854					

Source: Esri, RPRG, Inc.

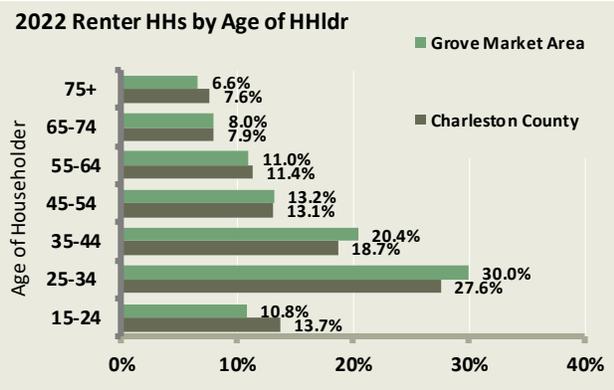


Young working age householders ages 25 to 44 account for 50.4 percent of all renter households in the Grove Market Area compared to 46.3 percent in Charleston County (Table 16). Roughly 24 percent of renter householders in the Grove Market Area are older adults age 45-64 in the market area while 14.6 percent are ages 65+ and 10.8 percent are under the age of 25. Charleston County has a higher percentage of renter households under 25 years old (13.7 percent versus 10.8 percent) and renter households ages 75 and older when compared to the market area (7.6 percent versus 6.6 percent).

Table 16 Renter Households by Age of Householder

Renter Households	Charleston County		Grove Market Area	
	#	%	#	%
Age of HHldr				
15-24 years	9,842	13.7%	861	10.8%
25-34 years	19,761	27.6%	2,386	30.0%
35-44 years	13,415	18.7%	1,626	20.4%
45-54 years	9,392	13.1%	1,050	13.2%
55-64 years	8,143	11.4%	876	11.0%
65-74 years	5,683	7.9%	637	8.0%
75+ years	5,441	7.6%	522	6.6%
Total	71,676	100%	7,959	100%

Source: Esri, Real Property Research Group, Inc.

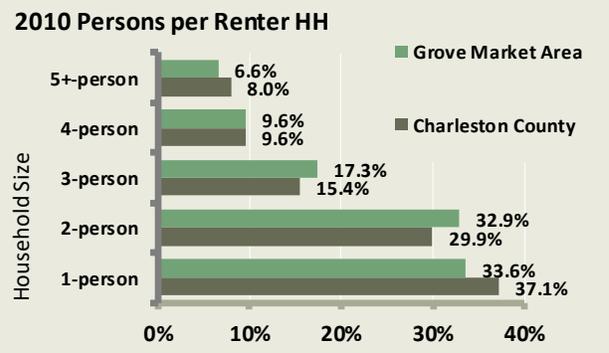


Roughly two-thirds (66.4 percent) of renter households in the Grove Market Area had one or two people including 33.6 percent with one person (Table 17). Twenty-seven percent of Grove Market Area renter households had three or four people and 6.6 percent had 5+ people. Charleston County had a larger portion of single-person renter households when compared to the Grove Market Area (37.1 percent versus 33.6 percent) and a higher percentage of larger renter households with 5+ people (8.0 percent versus 6.6 percent).

Table 17 Renter Households by Household Size

Renter Occupied	Charleston County		Grove Market Area	
	#	%	#	%
1-person hhld	21,247	37.1%	2,183	33.6%
2-person hhld	17,136	29.9%	2,138	32.9%
3-person hhld	8,824	15.4%	1,128	17.3%
4-person hhld	5,469	9.6%	625	9.6%
5+-person hhld	4,565	8.0%	430	6.6%
TOTAL	57,241	100%	6,504	100%

Source: 2010 Census



3. Population by Race

SCSHFDA’s requests population by race for the subject census tract. The subject site’s census tract (0021.01) has 81.2 percent White residents and 16.7 percent Black residents (Table 18). These percentages are comparable with the market area but are less diverse than the county which contains 68.3 percent White residents and 26.7 percent Black residents. The subject site’s census tract and market area are not in areas of minority concentration.



Table 18 Population by Race

2020 Population	Tract 21.01		Grove Market Area		Charleston County	
	#	%	#	%	#	%
White Population	11,371	81.2%	52,173	82.3%	273,817	68.3%
Black/African American Population	2,344	16.7%	9,131	14.4%	107,239	26.7%
American Indian/Alaska Native Population	0	0.0%	98	0.2%	751	0.2%
Asian Population	17	0.1%	1,094	1.7%	6,052	1.5%
Pacific Islander Population	0	0.0%	4	0.0%	269	0.1%
Other Race Population	0	0.0%	130	0.2%	4,760	1.2%
Population of Two or More Races	275	2.0%	765	1.2%	8,277	2.1%
Total Population	14,007	100%	63,395	100%	401,165	100%

Source: American Community Survey 2016-2020

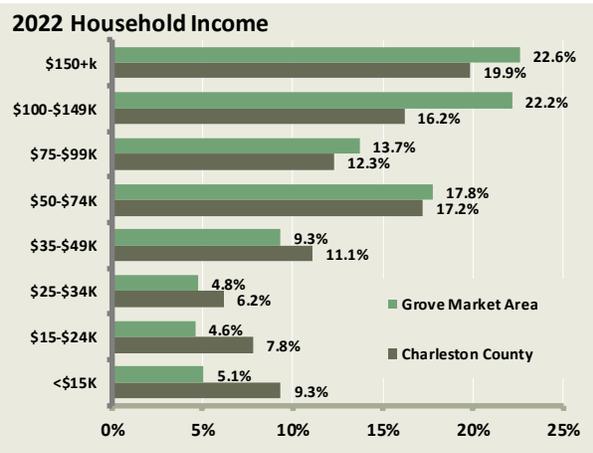
4. Income Characteristics

The Grove Market Area’s 2022 median income of \$90,472 is \$17,837 or 24.6 percent higher than the Charleston County median income of \$72,635 (Table 19). Roughly 14 percent of the market area’s households earn less than \$35,000, 27.1 percent earn \$35,000 to \$74,999, and 58.5 percent earn upper incomes of at least \$75,000 including 44.8 percent earning \$100,000 or more.

Table 19 Household Income

Estimated 2022 Household Income	Charleston County		Grove Market Area	
	#	%	#	%
less than \$15,000	16,639	9.3%	1,488	5.1%
\$15,000 \$24,999	13,884	7.8%	1,345	4.6%
\$25,000 \$34,999	10,970	6.2%	1,392	4.8%
\$35,000 \$49,999	19,806	11.1%	2,728	9.3%
\$50,000 \$74,999	30,707	17.2%	5,207	17.8%
\$75,000 \$99,999	21,936	12.3%	4,017	13.7%
\$100,000 \$149,999	28,868	16.2%	6,494	22.2%
\$150,000 Over	35,395	19.9%	6,622	22.6%
Total	178,207	100%	29,292	100%
Median Income	\$72,635		\$90,472	

Source: Esri; Real Property Research Group, Inc.

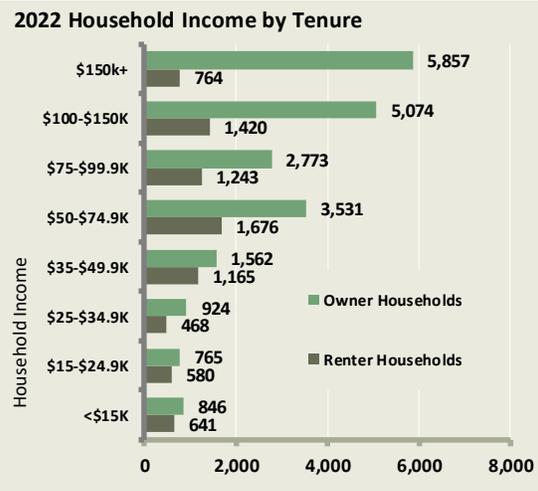


Based on the relationship between owner and renter incomes as recorded in the 2016-2020 American Community Survey, the breakdown of tenure, and household estimates, RPRG estimates that the 2022 median income of renter households in the Grove Market Area is \$66,763 compared to an owner median of \$102,610 (Table 20). Among renter households, roughly 15 percent earn less than \$25,000, 20.5 percent earn \$25,000 to \$49,999, and 21.1 percent earn \$50,000 to \$75,000.



Table 20 Household Income by Tenure

Estimated 2022 HH Income		Renter Households		Owner Households	
Grove Market Area		#	%	#	%
less than \$15,000		641	8.1%	846	4.0%
\$15,000 \$24,999		580	7.3%	765	3.6%
\$25,000 \$34,999		468	5.9%	924	4.3%
\$35,000 \$49,999		1,165	14.6%	1,562	7.3%
\$50,000 \$74,999		1,676	21.1%	3,531	16.5%
\$75,000 \$99,999		1,243	15.6%	2,773	13.0%
\$100,000 \$149,999		1,420	17.8%	5,074	23.8%
\$150,000 over		764	9.6%	5,857	27.5%
Total		7,959	100%	21,334	100%
Median Income		\$66,763		\$102,610	



Source: American Community Survey 2016-2020 Estimates, RPRG, Inc.

Roughly 38 percent of renter households in the Grove Market Area pay at least 35 percent of their income toward rent (Table 21). Less than two percent of renter households are living in substandard conditions which includes only overcrowding and incomplete plumbing.

Table 21 Substandard and Cost Burdened Calculations, Grove Market Area

Rent Cost Burden		
Total Households	#	%
Less than 10.0 percent	43	1.0%
10.0 to 14.9 percent	485	11.3%
15.0 to 19.9 percent	488	11.4%
20.0 to 24.9 percent	564	13.1%
25.0 to 29.9 percent	534	12.5%
30.0 to 34.9 percent	312	7.3%
35.0 to 39.9 percent	448	10.4%
40.0 to 49.9 percent	356	8.3%
50.0 percent or more	652	15.2%
Not computed	407	9.5%
Total	4,289	100.0%
> 35% income on rent	1,456	37.5%

Source: American Community Survey 2016-2020

Substandardness	
Total Households	
Owner occupied:	
Complete plumbing facilities:	13,745
1.00 or less occupants per room	13,635
1.01 or more occupants per room	110
Lacking complete plumbing facilities:	4
Overcrowded or lacking plumbing	114
Renter occupied:	
Complete plumbing facilities:	4,289
1.00 or less occupants per room	4,226
1.01 or more occupants per room	63
Lacking complete plumbing facilities:	0
Overcrowded or lacking plumbing	63
Substandard Housing	177
% Total Stock Substandard	1.0%
% Rental Stock Substandard	1.5%



7. PROJECT SPECIFIC DEMAND ANALYSIS

A. Affordability Analysis

1. Methodology

The Affordability Analysis tests the percentage of income-qualified households in the market area that the subject community must capture to achieve full occupancy.

The first component of the Affordability/Penetration Analyses involves looking at total income and renter income among primary market area households for the target year. Using 2024 as our target year for this analysis, RPRG calculated the income distribution for both total households and renter households based on the relationship between owner and renter household incomes by income cohort from the 2016-2020 American Community Survey with estimates and projected income growth since the Census (Table 22).

A particular housing unit is typically said to be affordable to households that would be expending a certain percentage of their annual income or less on the expenses related to living in that unit. In the case of rental units, these expenses are generally of two types – monthly contract rents paid to landlords and payment of utility bills for which the tenant is responsible. The sum of the contract rent and utility bills is referred to as a household’s ‘gross rent burden’. For the Affordability Analysis, RPRG employs a 35 percent gross rent burden as all units will be income restricted.

Table 22 2024 Total and Renter Income Distribution

Grove Market Area		2024 Total Households		2024 Renter Households	
		#	%	#	%
less than	\$15,000	1,379	4.6%	609	7.4%
	\$15,000 \$24,999	1,245	4.1%	549	6.7%
	\$25,000 \$34,999	1,327	4.4%	457	5.5%
	\$35,000 \$49,999	2,720	9.0%	1,190	14.4%
	\$50,000 \$74,999	5,201	17.2%	1,714	20.8%
	\$75,000 \$99,999	4,151	13.7%	1,315	15.9%
	\$100,000 \$149,999	6,966	23.1%	1,559	18.9%
	\$150,000 Over	7,225	23.9%	862	10.4%
Total		30,215	100%	8,255	100%
Median Income		\$94,483		\$69,292	

Source: American Community Survey 2016-2020 Projections, RPRG, Inc.

HUD has computed a 2022 median household income of \$96,400 for the Charleston-North Charleston MSA. Based on that median income, adjusted for household size, the maximum income limit and minimum income requirements are computed for each floor plan (Table 23). The proposed units at The Grove on Johns Island will target renter households earning up to 20 percent, 30 percent, and 60 percent of the Area Median Income (AMI), adjusted for household size. The minimum income limits are calculated assuming up to 35 percent of income is spent on total housing cost (rent plus utilities). The maximum income limits and rents are based on an average of household size of 1.5 percent per bedroom rounded up to the next whole numbers per SCSHFDA’s 2022 market study guidelines.



Table 23 LIHTC Income and Rent Limits, Charleston-North Charleston MSA

HUD 2022 Median Household Income										
Charleston-North Charleston, SC MSA										\$96,400
Very Low Income for 4 Person Household										\$45,900
2022 Computed Area Median Gross Income										\$91,800
Utility Allowance:										
1 Bedroom										\$108
2 Bedroom										\$139
3 Bedroom										\$176
Household Income Limits by Household Size:										
Household Size	20%	30%	50%	60%	80%	100%	120%	150%	200%	
1 Person	\$12,860	\$19,290	\$32,150	\$38,580	\$51,440	\$64,300	\$77,160	\$96,450	\$128,600	
2 Persons	\$14,700	\$22,050	\$36,750	\$44,100	\$58,800	\$73,500	\$88,200	\$110,250	\$147,000	
3 Persons	\$16,540	\$24,810	\$41,350	\$49,620	\$66,160	\$82,700	\$99,240	\$124,050	\$165,400	
4 Persons	\$18,360	\$27,540	\$45,900	\$55,080	\$73,440	\$91,800	\$110,160	\$137,700	\$183,600	
5 Persons	\$19,840	\$29,760	\$49,600	\$59,520	\$79,360	\$99,200	\$119,040	\$148,800	\$198,400	
Imputed Income Limits by Number of Bedroom (Assuming 1.5 persons per bedroom):										
Persons	# Bed-rooms	20%	30%	50%	60%	80%	100%	120%	150%	200%
2	1	\$14,700	\$22,050	\$36,750	\$44,100	\$58,800	\$73,500	\$88,200	\$110,250	\$147,000
3	2	\$16,540	\$24,810	\$41,350	\$49,620	\$66,160	\$82,700	\$99,240	\$124,050	\$165,400
5	3	\$19,840	\$29,760	\$49,600	\$59,520	\$79,360	\$99,200	\$119,040	\$148,800	\$198,400
LIHTC Tenant Rent Limits by Number of Bedrooms (assumes 1.5 persons per bedroom):										
# Persons	20%		30%		50%		60%		80%	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
1 Bedroom	\$344	\$236	\$516	\$408	\$861	\$753	\$1,033	\$925	\$1,378	\$1,270
2 Bedroom	\$413	\$274	\$620	\$481	\$1,033	\$894	\$1,240	\$1,101	\$1,654	\$1,515
3 Bedroom	\$477	\$301	\$716	\$540	\$1,193	\$1,017	\$1,432	\$1,256	\$1,910	\$1,734

Source: U.S. Department of Housing and Urban Development

2. Affordability Analysis

The steps in the affordability analysis (Table 24) are as follows:

- The overall shelter cost for a one-bedroom unit at 20 percent AMI (upper left corner) at the proposed rent would be \$344 (\$236 net rent plus a \$108 utility allowance to cover all utilities except trash removal).
- We determined that a one-bedroom unit at 20 percent AMI would be affordable to households earning at least \$11,794 per year by applying a 35 percent rent burden to the gross rent. A projected 7,776 renter households residing in the market area will earn at least this amount in 2024.
- Assuming a household size of two people, the maximum income limit for a one-bedroom unit at 20 percent AMI would be \$14,700. According to the interpolated income distribution for 2024, 7,658 renter households will reside in the market area with incomes exceeding this income limit.
- Subtracting the 7,658 renter households with incomes above the maximum income limit from the 7,776 renter households that could afford to rent this unit, RPRG computes that a projected 118 renter households in the Grove Market Area are in the band of affordability for The Grove on Johns Island’s one-bedroom units at 20 percent AMI.
- The Grove on Johns Island would need to capture 1.7 percent of these income-qualified renter households to absorb the 20 percent AMI one-bedroom unit.
- Using the same methodology, we determined the band of qualified renter households for the remaining units by bedroom and income, as well as the project overall. Remaining capture rates by floorplan range from 0.4 percent to 5.5 percent.



- Renter capture rates by AMI level are 2.3 percent for 20 percent AMI units, 1.5 percent for 30 percent AMI units, and 4.0 percent for 60 percent AMI units. Overall, the 90 units at the subject property represent 3.3 percent of the 2,706 income-qualified renter households; the overall capture does not include renter households earning between the 30 percent maximum income and the 60 percent minimum income.

Table 24 Affordability Analysis

20% AMI		35% Rent Burden		One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		2		4		3			
Net Rent		\$236		\$274		\$301			
Gross Rent		\$344		\$413		\$477			
Income Range (Min, Max)		\$11,794 \$14,700		\$14,160 \$16,540		\$16,354 \$19,840			
Renter Households									
Range of Qualified Hhlds		7,776 7,658		7,680 7,561		7,572 7,380			
# Qualified Hhlds		118		119		191			
Renter HH Capture Rate		1.7%		3.4%		1.6%			

30% AMI		35% Rent Burden		One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
Number of Units		1		4		4			
Net Rent		\$408		\$481		\$540			
Gross Rent		\$516		\$620		\$716			
Income Range (Min, Max)		\$17,691 \$22,050		\$21,257 \$24,810		\$24,549 \$29,760			
Renter Households									
Range of Qualified Hhlds		7,498 7,259		7,302 7,107		7,121 6,879			
# Qualified Hhlds		239		195		242			
Renter HH Capture Rate		0.4%		2.0%		1.7%			

60% AMI		35% Rent Burden		One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
Number of Units		9		31		32			
Net Rent		\$925		\$1,101		\$1,256			
Gross Rent		\$1,033		\$1,240		\$1,432			
Income Range (Min, Max)		\$35,417 \$44,100		\$42,514 \$49,620		\$49,097 \$59,520			
Renter Households									
Range of Qualified Hhlds		6,607 5,918		6,044 5,480		5,522 4,797			
# Qualified Households		689		564		724			
Renter HH Capture Rate		1.3%		5.5%		4.4%			

Income Target	# Units	Renter Households = 8,255				# Qualified Hhlds	Capture Rate
		Band of Qualified Hhlds					
20% AMI	9	Income Households	\$11,794 7,776	\$19,840 7,380	396	2.3%	
30% AMI	9	Income Households	\$17,691 7,498	\$29,760 6,879	619	1.5%	
60% AMI	72	Income Households	\$35,417 6,607	\$59,520 4,797	1,809	4.0%	
Total Units	90	Income Households	\$11,794 7,776	\$59,520 4,797	2,706	3.3%	

Source: Income Projections, RPRG, Inc.



B. Demand Estimates and Capture Rates

1. Methodology

SCSHFDA's LIHTC demand methodology for general occupancy communities consists of three components:

- The first component of demand is household growth. This number is the number of income qualified renter households anticipated to move into the Grove Market Area between the base year of 2022 and estimated placed in service date of 2024.
- The second component is income qualified renter households living in substandard households. "Substandard" is defined as having more than 1.01 persons per room and/or lacking complete plumbing facilities. According to 2015-2019 American Community Survey (ACS) data, 1.5 percent of the market area's renter households live in "substandard" housing (see Table 21 on page 36).
- The third and final component of demand is cost burdened renters, which is defined as those renter households paying more than 35 percent of household income for housing costs. According to ACS data, 37.5 percent of Grove Market Area renter households are categorized as cost burdened (see Table 21 on page 36).

2. Demand Analysis

Directly comparable units approved or built in the Grove Market Area since the base year must be subtracted from the demand estimates per SCSHDA's market study requirements. RPRG did not identify any comparable LIHTC communities allocated in the Grove Market Area that have not stabilized.

The project's overall demand capture rate is 8.2 percent (Table 25). Capture rates by income level are 5.6 percent for 20 percent units, 3.6 percent for 30 percent units, and 9.8 percent for 60 percent units. We further calculated capture rates by bedroom/income level with individual rates ranging from 1.0 percent to 32.4 percent; capture rates for three-bedroom units have been adjusted to account for only large renter households. All capture rates are acceptable; the SCSHFDA threshold is 30 percent for the project overall.



Table 25 Overall SCSHFDA LIHTC Demand Estimates and Capture Rates

<i>Income Target</i>	20% AMI	30% AMI	60% AMI	Total Units
<i>Minimum Income Limit</i>	\$11,794	\$17,691	\$35,417	\$11,794
<i>Maximum Income Limit</i>	\$19,840	\$29,760	\$59,520	\$59,520
(A) Renter Income Qualification Percentage	4.8%	7.5%	21.9%	32.8%
Demand from New Renter Households <i>Calculation: (C-B) * A</i>	12	19	55	82
Plus				
Demand from Substandard Housing <i>Calculation: B * D * F * A</i>	6	9	26	38
Plus				
Demand from Rent Over-burdened Households <i>Calculation: B * E * F * A</i>	143	224	654	979
Equals				
Total PMA Demand	161	251	735	1,099
Less				
Comparable Units	0	0	0	0
Equals				
Net Demand	161	251	735	1,099
Proposed Units	9	9	72	90
Capture Rate	5.6%	3.6%	9.8%	8.2%

Demand Calculation Inputs	
A). % of Renter Hhlds with Qualifying Income	see above
B). 2022 Households	29,292
C). 2024 Households	30,215
(D) ACS Substandard Percentage	1.5%
(E) ACS Rent Over-Burdened Percentage	37.5%
(F) 2022 Renter Percent	27.2%



Table 26 SCSHFDA LIHTC Demand Estimates and Capture Rates by Floorplan

one Bedroom Units	20% AMI	30% AMI	60% AMI	Total Units
<i>Minimum Income Limit</i>	\$11,794	\$17,691	\$35,417	\$11,794
<i>Maximum Income Limit</i>	\$14,700	\$22,050	\$44,100	\$44,100
<i>Income Qualification Percentage</i>	1.4%	2.9%	8.3%	12.7%
Total Demand	48	97	280	425
Supply	0	0	0	0
Net Demand	48	97	280	425
Units Proposed	2	1	9	12
Capture Rate	4.2%	1.0%	3.2%	2.8%
two Bedroom Units	20% AMI	30% AMI	60% AMI	Total Units
<i>Minimum Income Limit</i>	\$14,160	\$21,257	\$42,514	\$14,160
<i>Maximum Income Limit</i>	\$16,540	\$24,810	\$49,620	\$49,620
<i>Income Qualification Percentage</i>	1.4%	2.4%	6.8%	10.6%
Total Demand	48	79	229	356
Supply	0	0	0	0
Net Demand	48	79	229	356
Units Proposed	4	4	31	39
Capture Rate	8.3%	5.0%	13.5%	10.9%
three Bedroom Units	20% AMI	30% AMI	60% AMI	Total Units
<i>Minimum Income Limit</i>	\$16,354	\$24,549	\$49,097	\$16,354
<i>Maximum Income Limit</i>	\$19,840	\$29,760	\$59,520	\$59,520
<i>Income Qualification Percentage</i>	2.3%	2.9%	8.8%	14.0%
Total Demand	78	98	294	470
Supply	0	0	0	0
Net Demand	78	98	294	470
Large Household Size Adjustment	33.6%	33.6%	33.6%	33.6%
Adjusted Demand	26	33	99	158
Units Proposed	3	4	32	39
Capture Rate	11.5%	12.1%	32.4%	24.7%

Demand by floor plan is based on gross demand multiplied by each floor plan's income qualification percentage.



8. COMPETITIVE HOUSING ANALYSIS

A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of housing in the Grove Market Area. We pursued several avenues of research to identify residential rental projects that are actively being planned or that are currently under construction within the Grove Market Area. Information was gathered through contact with the Charleston County Planning Department. We also reviewed online resources including lists of Low Income Housing Tax Credit allocations provided by SCSHFDA. The rental survey, conducted in April 2022, includes a range of communities including those deemed most comparable with the subject property. Age-restricted and deep subsidy communities were excluded from the analysis. The rents at deeply subsidized communities are based on a percentage of each tenant incomes and minimum income limits do not apply; thus, these communities are not considered comparable.

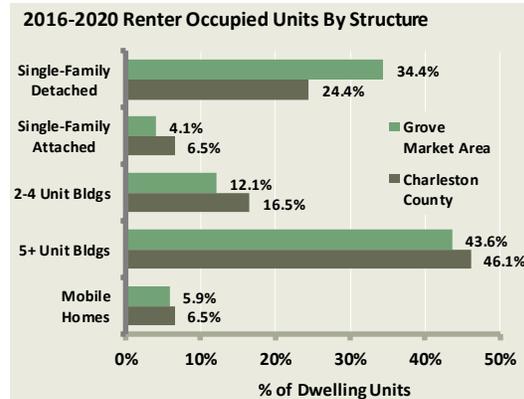
B. Overview of Market Area Housing Stock

Based on the 2016-2020 ACS survey, the Grove Market Area’s rental housing is contained with a range of structured types including 43.6 percent in larger multi-family buildings with five or more units, 34.4 percent in single-family detached homes, and 12.1 percent in structures with two to four units (Table 27). Charleston County’s renter occupied housing stock is comparable but includes a larger percentage of units in multi-family structures with two or more units and smaller share of single-family detached renter occupied units.

Table 27 Renter Occupied Dwelling Units by Structure Type

Renter Occupied Housing Units	Charleston County		Grove Market Area	
	#	%	#	%
Single-Family Detached	15,101	24.4%	1,475	34.4%
Single-Family Attached	3,997	6.5%	176	4.1%
2-4 Unit Bldgs	10,208	16.5%	518	12.1%
5+ Unit Bldgs	28,459	46.1%	1,868	43.6%
Mobile Homes	4,004	6.5%	252	5.9%
Total	61,769	100%	4,289	100%

Source: American Community Survey 2016-2020



The Grove Market Area’s renter housing stock is younger than Charleston County’s with a median year built of 1988 and 1984, respectively (Table 28). Roughly one-third (34.0 percent) of renter-occupied units in the Grove Market Area have been built since 2000 compared to 26.0 percent in the county. Approximately 32 percent of the Grove Market Area’s renter occupied stock was built in the 1980’s or 1990’s while 33.8 percent were built prior to 1980. Owner occupied units in the market area are slightly older when compared to renter occupied units with a median year built of 1986; roughly one-third (33.0 percent) of market area owner occupied units have been built since 2000.



Table 28 Dwelling Units by Year Built and Tenure

Year Built	Owner Occupied				Renter Occupied			
	Charleston County		Grove Market Area		Charleston County		Grove Market Area	
	#	%	#	%	#	%	#	%
2014 or later	8,267	8.1%	1,390	10.1%	4,886	7.9%	488	11.4%
2010 to 2013	4,628	4.6%	616	4.5%	3,070	5.0%	93	2.2%
2000 to 2009	20,071	19.8%	2,525	18.4%	8,113	13.1%	879	20.5%
1990 to 1999	17,352	17.1%	1,873	13.6%	9,581	15.5%	641	14.9%
1980 to 1989	12,729	12.5%	1,661	12.1%	9,902	16.0%	738	17.2%
1970 to 1979	12,379	12.2%	1,301	9.5%	11,041	17.9%	449	10.5%
1960 to 1969	10,691	10.5%	2,059	15.0%	5,415	8.8%	513	12.0%
1950 to 1959	7,781	7.7%	1,608	11.7%	3,942	6.4%	259	6.0%
1940 to 1949	2,896	2.9%	432	3.1%	2,323	3.8%	196	4.6%
1939 or earlier	4,795	4.7%	284	2.1%	3,549	5.7%	33	0.8%
TOTAL	101,589	100%	13,749	100%	61,822	100%	4,289	100%
MEDIAN YEAR BUILT	1989		1986		1984		1988	

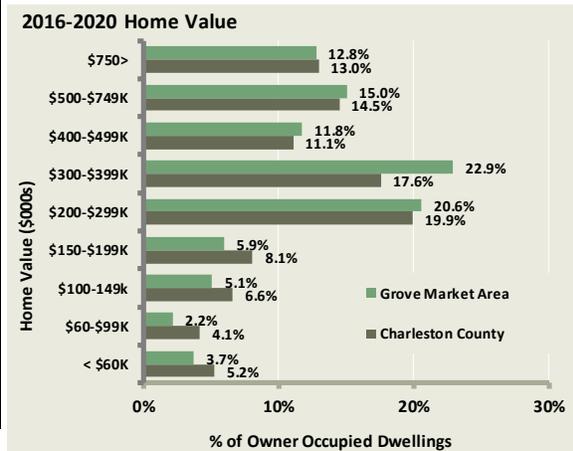
Source: American Community Survey 2016-2020

According to ACS data, the median value among owner-occupied housing units in the Grove Market Area as of 2016-2020 was \$354,523, which is \$19,930 or 6.0 percent above Charleston County's median of \$334,593 (Table 29). This data is a less accurate and reliable indicator of home prices in an area than actual sales data but offers insight on relative housing values among two or more areas.

Table 29 Value of Owner-Occupied Housing Stock

2016-2020 Home Value	Charleston County		Grove Market Area	
	#	%	#	%
less than \$60,000	5,313	5.2%	512	3.7%
\$60,000 - \$99,999	4,207	4.1%	296	2.2%
\$100,000 - \$149,999	6,673	6.6%	701	5.1%
\$150,000 - \$199,999	8,199	8.1%	817	5.9%
\$200,000 - \$299,999	20,232	19.9%	2,831	20.6%
\$300,000 - \$399,999	17,837	17.6%	3,150	22.9%
\$400,000 - \$499,999	11,240	11.1%	1,617	11.8%
\$500,000 - \$749,999	14,717	14.5%	2,069	15.0%
\$750,000 over	13,171	13.0%	1,756	12.8%
Total	101,589	100%	13,749	100%
Median Value	\$334,593		\$354,523	

Source: American Community Survey 2016-2020



C. Survey of General Occupancy Rental Communities

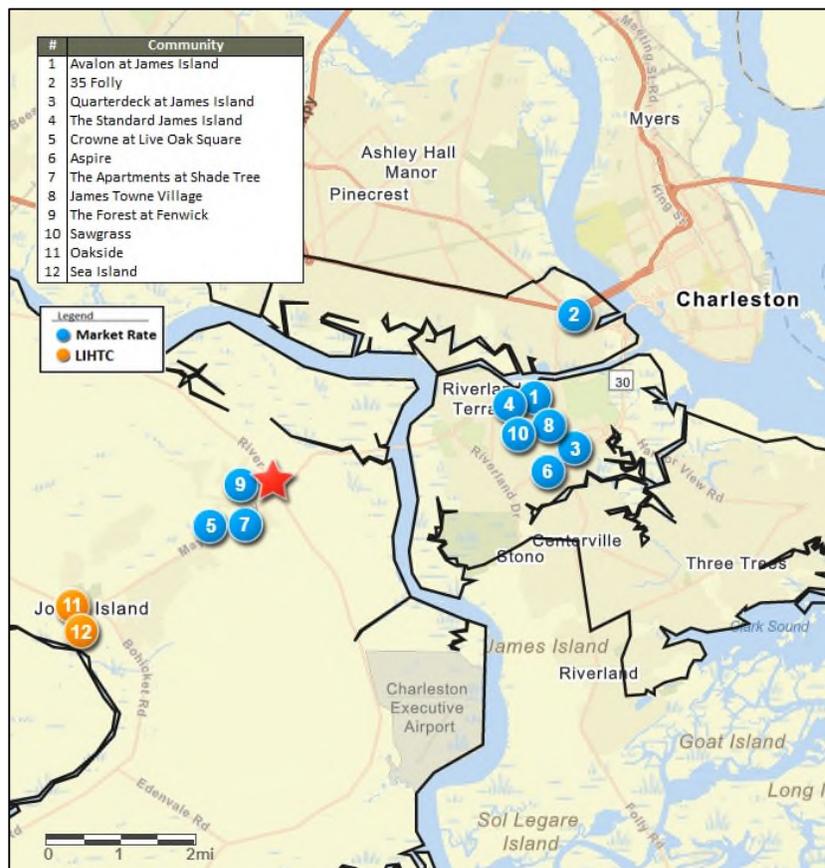
1. Introduction to the Rental Housing Survey

RPRG surveyed 12 multi-family rental communities in the Grove Market Area including 10 market rate and two LIHTC communities. The existing LIHTC communities are most comparable to the subject property given similar income and rent restrictions. Neither deeply subsidized nor senior communities are comparable with the subject property, thus are not included in our analysis. Profile sheets with detailed information on each surveyed community are attached as Appendix 5.

2. Location

Five surveyed communities are on Johns Island including three market rate communities within roughly one mile of the site and two LIHTC communities roughly 3-4 miles to the southwest. Seven surveyed communities (including the four highest-priced market rate communities) are on James Island or are in the West Ashley district to the east/northeast of the site (Map 6).

Map 6 Surveyed Rental Communities, Grove Market Area



3. Age of Communities

The average year built of all surveyed communities is 2009 (Table 30). The two surveyed LIHTC communities were built in 2004 (Sea Island) and 2018 (Oakside) while six of nine market rate communities reporting a year built have been built since 2016.



4. Structure Type

Ten of 12 surveyed communities offer garden apartments including both LIHTC communities. One of the highest-priced communities (35 Folly) offers a mid-rise building while The Forest at Fenwick offers townhomes (Table 30).

5. Size of Communities

The surveyed communities range from 38 to 301 units for an average of 180 units per community (Table 30). The two LIHTC communities are the smallest communities in the market area with 38 units (Oakside) and 48 units (Sea Island). Six of the seven highest-priced market rate communities offer 230 to 301 units.

Table 30 Summary, Surveyed Rental Communities

Map #	Community	Year Built	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Incentives
	Subject Property - 20% AMI		Gar	9			\$236	\$274	
	Subject Property - 30% AMI		Gar	9			\$408	\$481	
	Subject Property - 60% AMI		Gar	72			\$925	\$1,101	
	Total			90					
1	Avalon at James Island	2019	Gar	273	0	0.0%	\$1,910	\$2,700	1 month free for 3BR
2	35 Folly	2016	Mid Rise	301	1	0.3%	\$1,862	\$2,381	None
3	Quarterdeck at James Island	1987	Gar	230	3	1.3%	\$1,689	\$2,343	None
4	The Standard James Island	2016	Gar	280	1	0.4%	\$1,755	\$2,318	None
5	Crowne at Live Oak Square	2016	Gar	282	6	2.1%	\$1,825	\$2,125	None
6	Aspire	2020	Gar	127	4	3.1%	\$1,722	\$1,997	None
7	The Apartments at Shade Tree	2016	Gar	248	0	0.0%	\$1,572	\$1,870	None
8	James Towne Village	1979	Gar	112	0	0.0%	\$1,614	\$1,719	None
9	The Forest at Fenwick	2007	TH	80	2	2.5%	\$1,685	\$1,685	None
10	Sawgrass	-	Gar	144	0	0.0%	\$1,328	\$1,535	None
11	Oakside*	2018	Gar	38	2	5.3%	\$728	\$872	None
12	Sea Island*	2004	Gar	48	0	0.0%	\$654	\$776	None
	Total			2,163	19	0.9%			
	Average	2009		180			\$1,514	\$1,860	
	LIHTC Total			86	2	2.3%			
	LIHTC Average	2011		43			\$691	\$824	

(1) Rent is contract rent, and not adjusted for utilities or incentives (*) LIHTC

Source: Phone Survey, RPRG, Inc. April 2022

6. Vacancy Rates

The market area’s rental stock is performing very well with an aggregate vacancy rate of 0.9 percent among 2,163 total units (Table 30). Eight of 12 surveyed communities have a vacancy rate of 1.2 percent or less including five communities which are fully occupied. The LIHTC communities are performing well with two vacancies among 86 combined units for an aggregate vacancy rate of 2.3 percent.

Among communities able to provide unit distributions and vacancies by floorplan, vacancy rates are 0.0 percent for one bedroom units, 0.6 percent for two bedroom units, and 0.0 percent for three bedroom units (Table 31).



Table 31 Vacancy by Floor Plan, Surveyed Rental Communities

Community	Total Units		Vacant Units by Floorplan								
			One Bedroom Units			Two Bedroom Units			Three Bedroom Units		
			Units	Vacant	Vac. Rate	Units	Vacant	Vac. Rate	Units	Vacant	Vac. Rate
James Towne Village	112	0	24	0	0.0%	48	0	0.0%	40	0	0.0%
Sawgrass	144	0	40	0	0.0%	64	0	0.0%	40	0	0.0%
Sea Island*	48	0	12	0	0.0%	24	0	0.0%	12	0	0.0%
The Apartments at Shade Tree	248	0	100	0	0.0%	132	0	0.0%	16	0	0.0%
The Forest at Fenwick	80	2				80	2	2.5%			
Total Reporting Breakdown	632	2	176	0	0.0%	348	2	0.6%	108	0	0.0%

Source: Phone Survey, RPRG, Inc. April 2022

(*) LIHTC

7. Rent Concessions

The highest-priced community (Avalon at James Island) is offering one month free rent for three-bedroom units while none of the other surveyed communities are offering rental incentives.

8. Absorption History

Management could not provide absorption timing for Oakside (LIHTC). Lease up data was available for one of the two market rate communities placed in service since 2019:

- **Aspire** (Market Rate) opened in 2020 and leased all 127 units in 13 months for an average monthly absorption of roughly 10 to 11 units. This includes a period of preleasing activity which likely slowed the overall absorption average.

D. Analysis of Rental Pricing and Product

1. Payment of Utility Costs

Most market rate communities do not include the cost of any utilities; 2 of 10 market rate communities offer the cost of trash removal in the rent (Table 32). Both LIHTC communities include the cost of trash removal in the rent including Sea Island which also offers water and sewer in the rent.



Table 32 Utility Arrangement and Unit Features, Surveyed Rental Communities

Community	Utilities Included in Rent						Dish-washer	Micro-wave	In Unit Laundry
	Heat	Hot Water	Cooking	Electric	Water	Trash			
Subject Property	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Hook Ups
Avalon at James Island	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	STD - Full
35 Folly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	STD - Full
Quarterdeck at James Island	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	STD - Full
The Standard James Island	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	STD - Full
Crowne at Live Oak Square	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	Hook Ups
Aspire	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	STD - Full
The Apartments at Shade Tree	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	STD - Full
James Towne Village	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Hook Ups
The Forest at Fenwick	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	STD - Full
Sawgrass	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Hook Ups
Oakside*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Hook Ups
Sea Island*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Hook Ups

Source: Phone Survey, RPRG, Inc. April 2022

(*) LIHTC

2. Unit Features

All surveyed communities include a dishwasher, microwave, and washer and dryer connections including seven generally higher-priced communities which include a washer and dryer in each unit (Table 32). Many of the existing market rate communities offer enhanced unit features and finishes including stainless appliances and solid-surface countertops of granite or quartz while the LIHTC communities and several of the lower priced market rate communities offer generally basic unit features/finishes.

3. Parking

Eleven of 12 surveyed communities include free surface parking as the standard parking option while The Apartments at Shade Tree offer optional detached garage parking for a monthly fee of \$155. 35 Folly (mid-rise market rate community) offers structured garage parking included in the rent.

4. Community Amenities

Most market rate communities include an array of community amenities including community room, fitness room, and swimming pool at nine of 10 market rate communities with six of these communities also offering a business center (Table 33). Reflecting the smaller size, neither of the two LIHTC communities offer a swimming pool while both offer a community room and Oakside also offers a fitness center and business center.



Table 33 Community Amenities, Surveyed Rental Communities

Community	Clubhouse	Fitness Room	Outdoor Pool	Playground	Tennis	Business Center
Subject Property	☒	☒	☐	☒	☐	☒
Avalon at James Island	☒	☒	☒	☐	☐	☐
35 Folly	☒	☒	☒	☐	☐	☒
Quarterdeck at James Island	☒	☒	☒	☐	☐	☒
The Standard James Island	☒	☒	☒	☐	☐	☒
Crowne at Live Oak Square	☒	☒	☒	☐	☐	☒
Aspire	☒	☒	☒	☐	☐	☐
The Apartments at Shade Tree	☒	☒	☒	☐	☐	☒
James Towne Village	☒	☐	☒	☒	☒	☒
The Forest at Fenwick	☒	☒	☒	☐	☐	☐
Sawgrass	☒	☒	☒	☒	☒	☐
Oakside*	☒	☒	☐	☒	☐	☒
Sea Island*	☒	☐	☐	☐	☐	☐

Source: Phone Survey, RPRG, Inc. April 2022

(*) LIHTC

5. Distribution of Units by Bedroom Type

All surveyed communities offer two-bedroom units while 11 of 12 communities offer one-bedroom units and eight communities offer three-bedroom units. Eight of 12 surveyed communities offer all three floor plans including both LIHTC communities. Six surveyed communities were able to provide unit distributions, containing 42.3 percent of surveyed units. Among communities reporting distributions, over half (53.6 percent) of units have two bedrooms. One-bedroom units (31.5 percent) are more common than three-bedroom units (14.9 percent).

6. Effective Rents

Unit rents presented in Table 34 are net or effective rents, as opposed to street or advertised rents. We applied adjustments to street rents to control for current rental incentives. The net rents further reflect adjustments to street rents to equalize the impact of utility expenses across complexes. Specifically, the net rents represent the hypothetical situation where rents include the cost of trash removal.

Average effective rents among the surveyed communities in the market area:

- **One-bedroom** units at \$1,452 for 778 square feet or \$1.87 per square foot.
- **Two-bedroom** units at \$1,787 for 1,086 square feet or \$1.65 per square foot.
- **Three-bedroom** units at \$2,010 for 1,294 square feet or \$1.55 per square foot.

The overall averages include a mix of market rate rents and LIHTC units at 50 percent and 60 percent AMI. LIHTC communities are the lowest priced in the market area and well below all existing market rate rents.



Table 34 Unit Distribution, Size, and Pricing, Surveyed Rental Communities

Community	Total Units	One Bedroom Units				Two Bedroom Units				Three Bedroom Units			
		Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
Subject - 20% AMI	9	2	\$236	751	\$0.31	4	\$274	871	\$0.31	3	\$301	1,133	\$0.27
Subject - 30% AMI	9	1	\$408	751	\$0.54	4	\$481	871	\$0.55	4	\$540	1,133	\$0.48
Subject - 60% AMI	72	9	\$925	751	\$1.23	31	\$1,101	871	\$1.26	32	\$1,256	1,133	\$1.11
Total	90	12				39				39			
Avalon at James Island	273		\$1,920	784	\$2.45		\$2,710	1,160	\$2.34		\$4,006	1,627	\$2.46
35 Folly	301		\$1,872	701	\$2.67		\$2,391	991	\$2.41				
Quarterdeck at James Island	230		\$1,699	768	\$2.21		\$2,353	1,140	\$2.06				
The Standard James Island	280		\$1,765	1,017	\$1.74		\$2,328	1,150	\$2.02		\$2,480	1,245	\$1.99
Crowne at Live Oak Square	282	112	\$1,835	809	\$2.27	142	\$2,135	1,287	\$1.66	28	\$3,025	1,513	\$2.00
Aspire	127		\$1,732	796	\$2.18		\$2,007	1,220	\$1.64				
The Apartments at Shade Tree	248	100	\$1,582	694	\$2.28	132	\$1,880	1,048	\$1.79	16	\$2,210	1,138	\$1.94
James Towne Village	112	24	\$1,614	753	\$2.14	48	\$1,719	938	\$1.83	40	\$1,793	1,285	\$1.40
The Forest at Fenwick	80					80	\$1,695	950	\$1.78				
Sawgrass	144	40	\$1,328	800	\$1.66	64	\$1,535	1,100	\$1.40	40	\$1,750	1,200	\$1.46
Oakside 60% AMI*	38		\$795	750	\$1.06		\$954	1,100	\$0.87		\$1,080	1,250	\$0.86
Oakside 50% AMI*	-		\$641	750	\$0.85		\$769	1,100	\$0.70		\$881	1,250	\$0.70
Sea Island 50% AMI*	48	12	\$639	710	\$0.90	24	\$756	932	\$0.81	12	\$865	1,142	\$0.76
Total/Average Unit Distribution	2,163		\$1,452	778	\$1.87		\$1,787	1,086	\$1.65		\$2,010	1,294	\$1.55
% of Total	42.3%	31.5%				53.6%				136			14.9%

(1) Rent is adjusted to include trash, and Incentives

(*) LIHTC

Source: Phone Survey, RPRG, Inc. April 2022

E. Housing Authority Data/Subsidized Community List

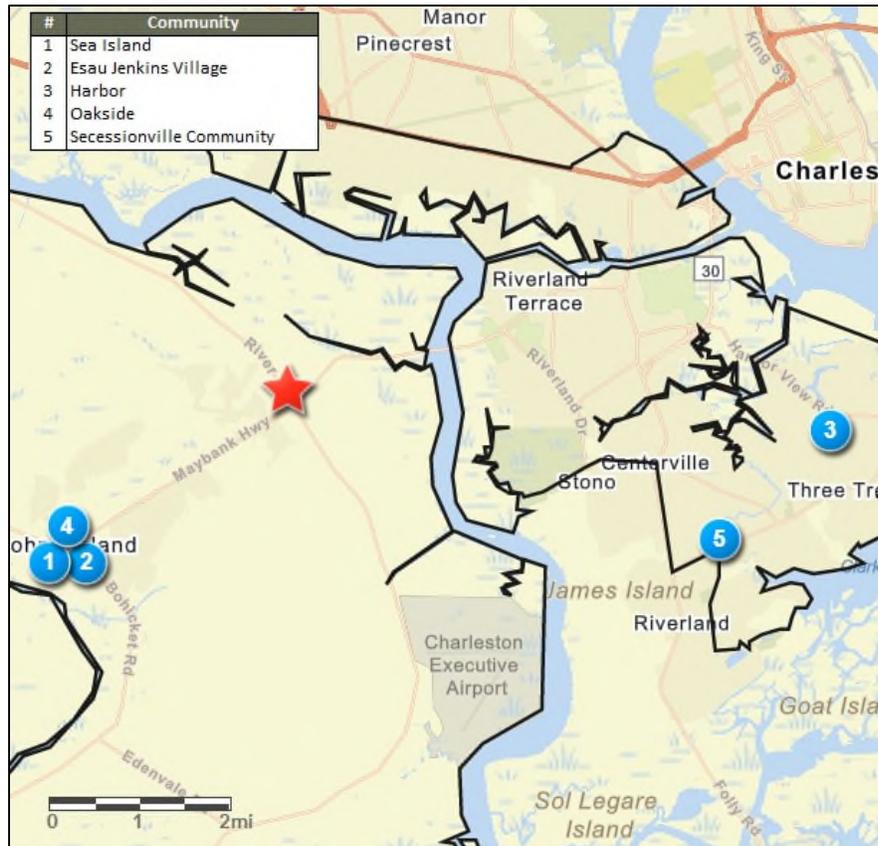
The Grove Market Area has five income-restricted and/or deeply subsidized rental options including two comparable general occupancy LIHTC communities which we surveyed for inclusion in this report. The market area also includes an age-restricted LIHTC community, an age restricted LIHTC community that is allocated but not completed, and a deeply subsidized age restricted community, all of which were excluded from our survey (Table 35, Map 7).

Table 35 Subsidized Rental Communities, Grove Market Area

Community	Subsidy	Type	Address	Distance
Sea Island	LIHTC	Family	3672 Maybank Hwy.	1.8 miles
Esau Jenkins Village	LIHTC	Senior	3627 Maybank Hwy.	1.8 miles
Harbor	LIHTC	Senior	801 Affirmation Blvd.	10.2 miles
Oakside	LIHTC	Family	1725 Brownswood Rd.	1.8 miles
Secessionville Community	Section 8	Senior	1217 Secessionville Rd.	9.5 miles
Allocated Low Income Housing Tax Credits				

Source: HUD, SCSHFDA

Map 7 Subsidized Rental Communities, Grove Market Area



F. Potential Competition from For-Sale Housing

As all proposed units will be rent and income restricted, we do not believe for-sale housing will compete with The Grove on Johns Island. The demand estimates are based on only on renter households and do not account for conversion of homeowners to support the proposed units.

G. Proposed and Under Construction Rental Communities

RPRG did not identify any comparable general occupancy LIHTC communities as allocated or under construction in the market area. Esau Jenkins Village was allocated tax credits in 2020 for 72 age restricted rental units (ages 55 and older) at 3627 Maybank Highway; however, this community will not compete with the subject property given a difference in age targeting.

H. Estimate of Market Rent

To better understand how the proposed rents compare with the rental market, rents of the most comparable communities are adjusted for a variety of factors including curb appeal, square footage, utilities, and amenities. Three market rate communities offering one, two, and three-bedroom units were utilized in this analysis including two on Johns Island and one on James Island. The adjustments made in this analysis are broken down into four classifications. These classifications and an explanation of the adjustments made follows:



- Rents Charged – current rents charged, adjusted for utilities and incentives, if applicable.
- Design, Location, Condition – adjustments made in this section include:
 - Building Design - An adjustment was made, if necessary, to reflect the attractiveness of the proposed product relative to the comparable communities above and beyond what is applied for year built and/or condition (Table 36).
 - Year Built/Rehabbed - We applied a value of \$0.75 for each year newer a property is relative to a comparable.
 - Condition and Neighborhood – We rated these features on a scale of 1 to 5 with 5 being the most desirable. An adjustment of \$20 per variance was applied for condition as this factor is also accounted for in “year built.” The Neighborhood or location adjustment was \$50 for The Standard James Island given the community is on James Island which is closer to denser employment and neighborhood amenities when compared to the site.

Table 36 Estimate of Market Rent Adjustments Summary

- An adjustment of \$50 per variance was applied to the degree of interior finishes.
- Square Footage - Differences between comparables and the subject property are accounted for by an adjustment of \$0.25 per foot.
- Unit Equipment/Amenities – Adjustments were made for amenities included or excluded at the subject property. The exact value of each specific value is somewhat subjective as particular amenities are more attractive to certain renters and less important to others. Adjustment values were between \$5 and \$25 for each amenity.
- Site Equipment – Adjustments were made in the same manner as with the unit amenities. Adjustment values were between \$5 and \$15 for each amenity.

Rent Adjustments Summary	
B. Design, Location, Condition	
Structure / Stories	
Year Built / Condition	\$0.75
Quality/Street Appeal	\$20.00
Upscale Finishes	\$50.00
Location	\$50.00
C. Unit Equipment / Amenities	
Number of Bedrooms	\$75.00
Number of Bathrooms	\$30.00
Unit Interior Square Feet	\$0.25
Balcony / Patio / Porch	\$5.00
AC Type:	\$5.00
Range / Refrigerator	\$25.00
Microwave / Dishwasher	\$5.00
Washer / Dryer: In Unit	\$25.00
Washer / Dryer: Hook-ups	\$5.00
D. Site Equipment / Amenities	
Parking (\$ Fee)	
Club House	\$10.00
Pool	\$15.00
Recreation Areas	\$5.00
Fitness Center	\$10.00

According to our adjustment calculations, the estimated market rents for the units at The Grove on Johns Island are \$1,441 for one bedroom units (Table 37), \$1,949 for two bedroom units (Table 38), and \$2,438 for three bedroom units (Table 39). The proposed 20 percent and 30 percent AMI units all have rent advantages of at least 71 percent while the proposed 60 percent AMI rents have rent advantages ranging from 34.79 percent to 48.48 percent (Table 40). The overall weighted market advantage is 52.43 percent.



Table 37 Estimate of Market Rent, One-Bedroom Units

One Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
The Grove at Johns Island River Road Johns Island, Charleston County, SC	The Standard James Island 215 Promenade Vista St. Charleston		Crowne at Live Oak Square 3014 Reva Ridge Dr. Johns Island		The Apartments at Shade Tree 2030 Wildts Battery Blvd. Charleston		
	Charleston	Charleston	Johns Island	Charleston	Johns Island	Charleston	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent (60% LHTC)	\$925	\$1,755	\$0	\$1,825	\$0	\$1,573	\$0
Utilities Included	T	None	\$10	None	\$10	None	\$10
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$925	\$1,765		\$1,835		\$1,583	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Garden	Garden	\$0	Garden	\$0	Garden	\$0
Year Built / Condition	2024	2016	\$6	2016	\$6	2016	\$6
Quality/Street Appeal	Above Average	Above Average	\$0	Above Average	\$0	Above Average	\$0
Upscale Finishes	No	Yes	(\$50)	Yes	(\$50)	Yes	(\$50)
Location	Average	Above Average	(\$50)	Average	\$0	Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	1	1	\$0	1	\$0	1	\$0
Number of Bathrooms	1	1	\$0	1	\$0	1	\$0
Unit Interior Square Fee	751	1,017	(\$67)	809	(\$15)	708	\$11
Balcony / Patio / Porch	Yes	Yes	\$0	Yes	\$0	Yes	\$0
AC Type:	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwashe	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Washer / Dryer: In Unit	No	Yes	(\$25)	No	\$0	Yes	(\$25)
Washer / Dryer: Hook-u	Yes	Yes	\$0	Yes	\$0	Yes	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	Free Surface	Free Surface	\$0	Free Surface	\$0	Free Surface	\$0
Club House	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Pool	No	Yes	(\$15)	Yes	(\$15)	Yes	(\$15)
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		1	5	1	3	2	3
Sum of Adjustments B to D		\$6	(\$207)	\$6	(\$80)	\$17	(\$90)
F. Total Summary							
Gross Total Adjustment		\$213		\$86		\$107	
Net Total Adjustment		(\$201)		(\$74)		(\$73)	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,564		\$1,761		\$1,510	
% of Effective Rent		88.6%		96.0%		95.4%	
Estimated Market Rent	\$1,441						
Rent Advantage \$	\$516						
Rent Advantage %	35.8%						



Table 38 Estimate of Market Rent, Two-Bedroom Units

Two Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
The Grove at Johns Island River Road Johns Island, Charleston County, SC	The Standard James Island 215 Promenade Vista St. Charleston		Crowne at Live Oak Square 3014 Reva Ridge Dr. Johns Island		The Apartments at Shade Tree 2030 Wildts Battery Blvd. Charleston		
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent (60% LHTC)	\$1,101	\$2,318	\$0	\$2,125	\$0	\$1,870	\$0
Utilities Included	T	None	\$10	None	\$10	None	\$10
Rent Concessions		\$0	\$0	None	\$0	None	\$0
Effective Rent	\$1,101	\$2,328		\$2,135		\$1,880	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Garden	Garden	\$0	Garden	\$0	Garden	\$0
Year Built / Condition	2024	2016	\$6	2016	\$6	2016	\$6
Quality/Street Appeal	Above Average	Above Average	\$0	Above Average	\$0	Above Average	\$0
Upscale Finishes	No	Yes	(\$50)	Yes	(\$50)	Yes	(\$50)
Location	Average	Above Average	(\$50)	Average	\$0	Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	2	2	\$0	2	\$0	2	\$0
Number of Bathrooms	2	2	\$0	2	\$0	2	\$0
Unit Interior Square Fee	871	1,150	(\$70)	1,287	(\$104)	1,048	(\$44)
Balcony / Patio / Porch	Yes	Yes	\$0	Yes	\$0	Yes	\$0
AC Type:	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Washer / Dryer: In Unit	No	Yes	(\$25)	No	\$0	Yes	(\$25)
Washer / Dryer: Hook-u	Yes	Yes	\$0	Yes	\$0	Yes	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	Free Surface	Free Surface	\$0	Free Surface	\$0	Free Surface	\$0
Club House	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Pool	No	Yes	(\$15)	Yes	(\$15)	Yes	(\$15)
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		1	5	1	3	1	4
Sum of Adjustments B to D		\$6	(\$210)	\$6	(\$169)	\$6	(\$134)
F. Total Summary							
Gross Total Adjustment		\$216		\$175		\$140	
Net Total Adjustment		(\$204)		(\$163)		(\$128)	
G. Adjusted And Achievable Rents							
		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$2,124		\$1,972		\$1,752	
% of Effective Rent		91.2%		92.4%		93.2%	
Estimated Market Rent	\$1,949						
Rent Advantage \$	\$848						
Rent Advantage %	43.5%						



Table 39 Estimate of Market Rent, Three-Bedroom Units

Three Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
The Grove at Johns Island River Road Johns Island, Charleston County, SC	The Standard James Island 215 Promenade Vista St. Charleston		Crowne at Live Oak Square 2000 Front Street Charleston		The Apartments at Shade Tree 2030 Wildts Battery Blvd. Johns Island		
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent (60% LIHTC)	\$1,256	\$2,470	\$0	\$3,015	\$0	\$2,200	\$0
Utilities Included	T	None	\$10	None	\$10	None	\$10
Rent Concessions		\$0	\$0	None	\$0	None	\$0
Effective Rent	\$1,256	\$2,480		\$3,025		\$2,210	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Garden	Garden	\$0	Garden	\$0	Garden	\$0
Year Built / Condition	2024	2016	\$6	2016	\$6	2016	\$6
Quality/Street Appeal	Above Average	Above Average	\$0	Above Average	\$0	Above Average	\$0
Upscale Finishes	No	Yes	(\$50)	Yes	(\$50)	Yes	(\$50)
Location	Average	Above Average	(\$50)	Average	\$0	Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	3	3	\$0	3	\$0	3	\$0
Number of Bathrooms	2	2	\$0	2	\$0	2	\$0
Unit Interior Square Fee	1,133	1,245	(\$28)	1,513	(\$95)	1,138	(\$1)
Balcony / Patio / Porch	Yes	Yes	\$0	Yes	\$0	Yes	\$0
AC Type:	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Washer / Dryer: In Unit	No	Yes	(\$25)	No	\$0	Yes	(\$25)
Washer / Dryer: Hook-up	Yes	Yes	\$0	Yes	\$0	Yes	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	Free Surface	Free Surface	\$0	Free Surface	\$0	Free Surface	\$0
Club House	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Pool	No	Yes	(\$15)	Yes	(\$15)	Yes	(\$15)
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		1	5	1	3	1	4
Sum of Adjustments B to D		\$6	(\$168)	\$6	(\$160)	\$6	(\$91)
F. Total Summary							
Gross Total Adjustment		\$174		\$166		\$97	
Net Total Adjustment		(\$162)		(\$154)		(\$85)	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$2,318		\$2,871		\$2,125	
% of Effective Rent		93.5%		94.9%		96.2%	
Estimated Market Rent	\$2,438						
Rent Advantage \$	\$1,182						
Rent Advantage %	48.5%						

Table 40 Rent Advantage Summary, Estimated Market Rent

	One Bedroom	Two Bedroom	Three Bedroom		One Bedroom	Two Bedroom	Three Bedroom
20% AMI Units				30% AMI Units			
Subject Rent	\$236	\$274	\$301	Subject Rent	\$408	\$481	\$540
Est. Market Rent	\$1,441	\$1,949	\$2,438	Est. Market Rent	\$1,441	\$1,949	\$2,438
Rent Advantage (\$)	\$1,205	\$1,675	\$2,137	Rent Advantage (\$)	\$1,033	\$1,468	\$1,898
Rent Advantage (%)	83.62%	85.94%	87.65%	Rent Advantage (%)	71.68%	75.32%	77.85%
Proposed Units	2	4	3	Proposed Units	1	4	4
60% AMI Units							
Subject Rent	\$925	\$1,101	\$1,256				
Est. Market Rent	\$1,441	\$1,949	\$2,438				
Rent Advantage (\$)	\$516	\$848	\$1,182				
Rent Advantage (%)	35.79%	43.52%	48.48%				
Proposed Units	9	31	32				

9. FINDINGS AND CONCLUSIONS

A. Key Findings

Based on the preceding review of the subject project and demographic and competitive housing trends in the Grove Market Area, RPRG offers the following key findings:

1. Site and Neighborhood Analysis

The site is in a residential setting on Johns Island, roughly six miles southwest of downtown Charleston.

- The site is surrounded by residential uses to the north, east, and west including single-family detached homes, condominiums, and apartments; a 240-unit apartment community (Fenwick Village) is under construction directly east/southeast of the site along Maybank Highway. Commercial uses are common to the south along Maybank Highway including Food Lion, Dollar General, convenience stores, CVS Pharmacy, and restaurants.
- Neighborhood amenities are convenient to the site including shopping, a grocery store, a pharmacy, convenience stores, a bank, and medical facilities within two miles; many of these amenities are within one-half mile of the site.
- The subject site is convenient to regional transportation arteries including Maybank Highway which provides access to major traffic arteries in the region. Interstate 26 is within six miles of the site.
- RPRG did not identify any land uses that would negatively impact the proposed development's viability in the marketplace.

2. Economic Context

Charleston County's economy was growing prior to the onset of the COVID-19 pandemic. The county's overall and employed portion of the labor force has rebounded following losses due to the pandemic and are higher than pre-pandemic annual figures.

- The county's unemployment rate steadily declined from a peak of 8.9 percent in 2010 during the previous recession-era to 2.3 percent in 2019. Reflecting the impact of the COVID-19 pandemic, the county's unemployment increased to 6.2 percent in 2020 before rebounding to 3.6 percent in 2021. On a monthly basis, the unemployment rate increased to 12.0 percent in April 2020 at the onset of the pandemic but has rebounded to 2.9 percent in December 2021 which is below the state rate (3.3 percent) and national rate (3.7 percent).
- Charleston County added jobs each year from 2010 to 2019 with the net addition of 58,497 jobs (29.1 percent), reaching an all-time high At-Place Employment of 259,723 jobs in 2019. Charleston County lost 17,480 jobs in 2020 during the pandemic but the county recovered more than half of these losses by the third quarter of 2021 with the addition of 11,157 jobs.
- Trade-Transportation-Utilities and Government are Charleston County's largest economic sectors, accounting for a combined 36.5 percent of the county's jobs with the Government sector much larger in the county on a percentage basis compared to the nation (18.6 percent versus 14.1 percent). Three additional sectors (Leisure-Hospitality, Education-Health, and Professional-Business) each account for 12.9 percent to 15.5 percent of the county's jobs. In addition to the Government sector, the Leisure-Hospitality sector accounts for a significantly higher proportions of the county's jobs compared to the nation. The Education-Health and Manufacturing sectors are much smaller on a percentage basis in the county compared to jobs nationally.

- Charleston County's economy was growing prior to 2020 and the overall and employed portions of the labor force have completely recovered since lows during the pandemic, a leading economic indicator.

3. Population and Household Trends

The Grove Market Area had steady population and household growth between 2000 and 2010 census counts. Growth accelerated over the past 12 years and is expected to accelerate further over the next two years.

- The market area's net growth from 2000 to 2010 was 13.6 percent for population and 16.8 percent for households. The market area's average annual growth was 674 people (1.3 percent) and 343 households (1.6 percent) over the decade. By comparison, Charleston County increased at average annual rates of 1.2 percent for population and 1.6 percent for households.
- Growth rates accelerated in the market area over the past 12 years with average annual growth of 1,041 people (1.7 percent) and 451 households (1.7 percent) from 2010 to 2022. Charleston County's rate of annual growth was similar to the market area over this period at 1.7 percent for population and 1.8 percent for households.
- The market area is projected to reach 70,743 people and 30,215 households by 2024 with annual growth of 1,066 people (1.5 percent) and 461 households (1.6 percent) from 2022 to 2024. Charleston County's growth is projected to outpace the market area slightly on a percentage basis from 2022 to 2024 with annual growth rates of 1.7 percent for population and households.

4. Demographic Analysis

The Grove Market Area is older, more affluent, and less likely to rent compared to the county.

- The median age of the population is 41 in the Grove Market Area and 38 in Charleston County. Adults age 35-61 comprise the largest percentage of each area's population at 36.4 percent in the Grove Market Area and 33.5 percent in the county. The remaining three age cohorts each account for roughly 19 to 24 percent of the market area's population.
- Multi-family households without children were the most common household type in the market area accounting for 46.5 percent of market area households while household with children accounted for 25.7 percent. Single-person households accounted for 27.7 percent of households in the market area.
- The Grove Market Area's renter percentage of 27.2 percent in 2022 is lower than the county's 40.2 percent. The market area's renter percentage has increased from 25.0 percent in 2000 as the number of renter households has increased by 55.4 percent or 2,838 renter households over the past 22 years. RPRG projects renter households will account for 32.1 percent of net household growth over the next two years which is equal to the trend over the past 22 years.
- Roughly two-thirds (66.4 percent) of renter households in the Grove Market Area had one or two people with a comparable distribution among one and two-persons households. Twenty-seven percent of renter households had three or four people and 6.6 percent had 5+ people in the Grove Market Area.
- Esri estimates that the current median income for the Grove Market Area of \$90,472 is \$17,837 or 24.6 percent higher than Charleston County's median income of \$72,635.
- Median incomes by tenure in the Grove Market Area as of 2022 are \$66,763 among renters and \$102,610 among owner households. Among renter households, 15.3 percent earn less

than \$25,000, 20.5 percent earn \$25,000 to \$49,999, and 21.1 percent earn \$50,000 to \$74,999.

5. Competitive Housing Analysis

The multi-family rental housing stock is performing well with limited vacancies among market rate and LIHTC units in Grove Market Area. RPRG surveyed 12 multi-family rental communities including 10 market rate communities and two comparable Low Income Housing Tax Credit (LIHTC) communities.

- The average year built of all surveyed communities is 2009. The two surveyed LIHTC communities were built in 2004 (Sea Island) and 2018 (Oakside).
- Garden structures are the most common design in the market area and offered at 10 of 12 surveyed communities including both LIHTC communities.
- The surveyed communities range from 38 to 301 units for an average of 180 units per community. The LIHTC communities are the smallest communities in the market area with 48 or less units.
- The aggregate vacancy rate among all surveyed communities is 0.9 percent. LIHTC communities are also performing well with two vacancies among 86 combined units for an aggregate vacancy rate of 2.3 percent.
- Average effective rents among the surveyed communities:
 - **One-bedroom** units at \$1,452 for 778 square feet or \$1.87 per square foot.
 - **Two-bedroom** units at \$1,787 for 1,086 square feet or \$1.65 per square foot.
 - **Three-bedroom** units at \$2,010 for 1,294 square feet or \$1.55 per square foot.

The overall averages include a mix of market rate rents and LIHTC units at 50 percent and 60 percent AMI. LIHTC communities are the lowest priced in the market area and well below all existing market rate rents.

- The estimated market rents for the units at The Grove on Johns Island are \$1,441 for one bedroom units, \$1,949 for two bedroom units, and \$2,438 for three bedroom units. The proposed 20 percent and 30 percent AMI units all have rent advantages of at least 71 percent while the proposed 60 percent AMI rents have rent advantages ranging from 34.79 percent to 48.48 percent. The overall weighted market advantage is 52.43 percent.
- RPRG did not identify any proposed comparable general occupancy LIHTC communities in the market area.

B. Product Evaluation

Considered in the context of the competitive environment and proposed product to be developed, the relative position of The Grove on Johns Island is as follows:

- **Site:** The subject site is in a residential setting and the proposed development of affordable apartments is appropriate. Neighborhood amenities are convenient to the site and Maybank Highway is within one-quarter mile which provides access to the region including other major traffic arteries. The Grove on Johns Island will have good visibility and will be easily accessible. The site competes well with existing rental communities on Johns Island while the surveyed communities on James Island and in West Ashley have superior locations due to closer proximity to larger concentrations of employment and neighborhood amenities.

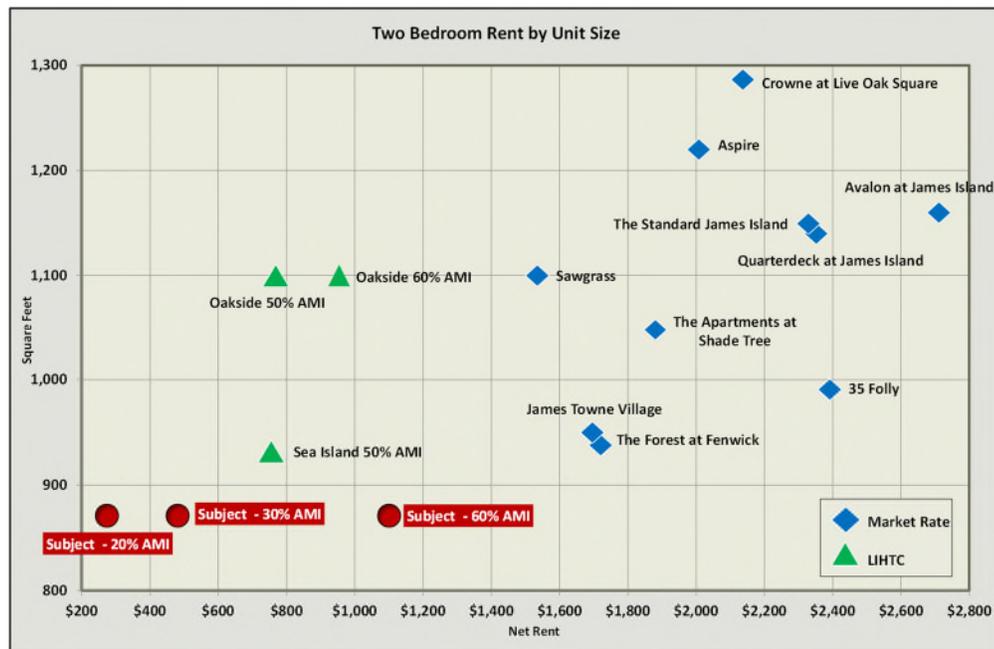
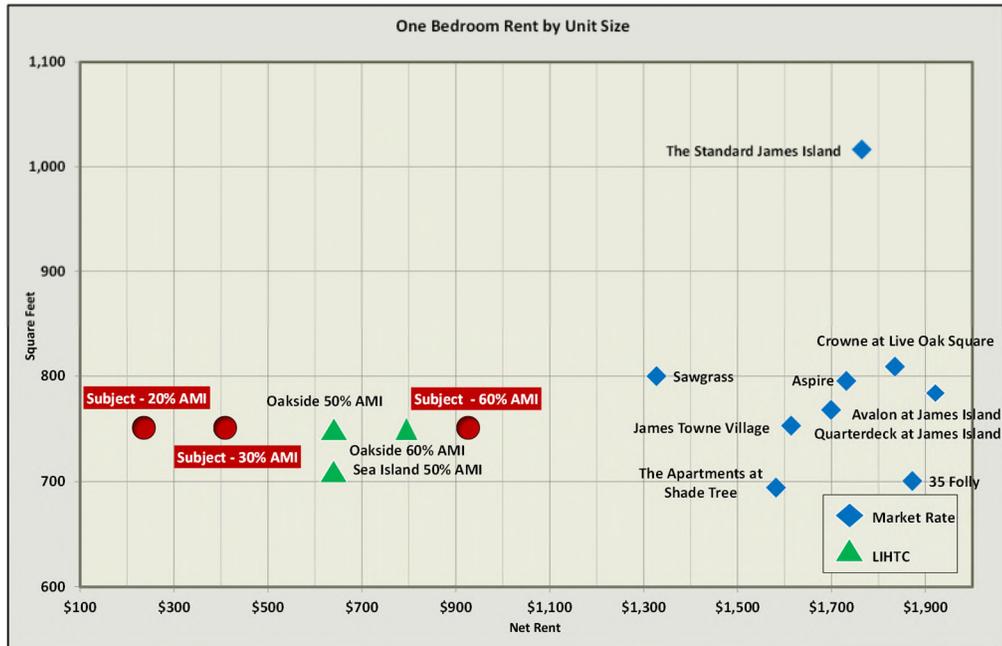
- **Unit Distribution:** The proposed unit mix at The Grove on Johns Island includes 12 one bedroom units (13.4 percent), 39 two bedroom units (43.3 percent), and 39 three bedroom units (43.3 percent). All three floor plans are common in the market area with eight of 12 surveyed communities offering all three floor plans including both LIHTC communities. The subject property will be weighted heavier toward three-bedroom units when compared to the market average (43.3 percent versus 14.9 percent) which is acceptable given the significant proportion of renter households with three or more people in the market area (33.6 percent) and proportion of multi-person households in the market area (72.3 percent) including 25.7 percent or 6,142 households with children. Additionally, the Affordability Analysis indicates significant income qualified renter households for the proposed unit mix and rents. LIHTC units generally appeal to larger households and the proposed unit distribution is acceptable.
- **Unit Size:** The proposed weighted average unit sizes of 751 square feet for one bedroom, 871 square feet for two bedroom, and 1,133 square feet for three-bedroom units will be among the smallest units in the market area, which is acceptable given the low proposed rents that are well below all market rate rents in the market area. The proposed unit sizes are accounted for in the estimated market rent calculation.
- **Unit Features:** The Grove on Johns Island will offer a dishwasher, microwave, washer and dryer connections, ceiling fans, and patio/balcony which is comparable to the LIHTC communities in the market area. Most of the market rate communities in the market area offer upscale unit features/finishes including a washer and dryer, stainless appliances, and solid surface counters which are superior to the basic features/finishes proposed at the subject property found at the existing LIHTC communities in the market area. The proposed unit features will be competitive in the market area given the low proposed rents.
- **Community Amenities:** The Grove on Johns Island will offer a community room, fitness center, playground, and business/computer center. These proposed amenities are comparable or superior to those offered at the two LIHTC communities in the market area and will be competitive and well received in the market area at the proposed rents.
- **Marketability:** The Grove on Johns Island will offer a new and attractive rental community that will be competitively positioned in the market. The newly constructed units will target a wide range of price points and will be highly appealing to very low and low-income renters.

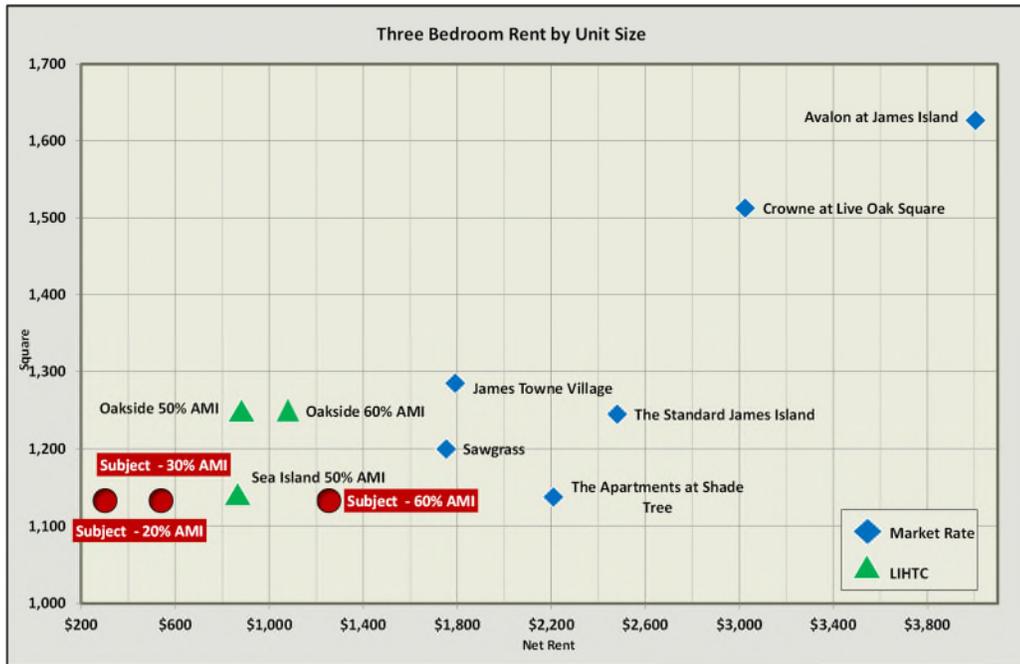
C. Price Position

The proposed 20 percent and 30 percent AMI rents will be the lowest rents in the market area while the proposed 60 percent AMI rents will be well below all market rate rents and result in market rent advantages of at least 35 percent (Figure 9). All proposed rents are reasonable based on the product to be constructed and current market conditions.



Figure 9 Price Position, The Grove on Johns Island





D. Absorption Estimate

The projected absorption rate of the subject property is based on a variety of market factors, including the following:

- Existing communities are performing well with an aggregate stabilized vacancy rate of 0.9 percent including two vacancies among 86 combined LIHTC units.
- Annual household growth is projected to increase to 461 households over the next two years; renter households are projected to account for 32.1 percent of the market area’s net household growth during this period.
- The proposed product will be competitive in the market area with rents well below existing market rate rents in the market area.
- Low capture rates based on affordability and LIHTC demand methodology.

Based on the factors noted above, we estimate the subject property will lease at an average monthly rate of 20 units per month. At this rate, the subject property will reach stabilization within four to five months.

E. Impact on Existing Market

Given the renter household growth projected for the Grove Market Area, strong rental market conditions, and limited comparable affordable rental options in the market, we believe the construction of the units at The Grove on Johns Island will not have a negative impact on existing communities in the Grove Market Area including those with tax credits.



F. Final Conclusion and Recommendation

Based on affordability and demand estimates, current rental market conditions, and socio-economic and demographic characteristics of the Grove Market Area, RPRG believes that the subject property will be able to successfully reach and maintain a stabilized occupancy of at least 95 percent following its entrance into the rental market. The subject property will be competitively positioned with existing rental communities in the Grove Market Area and the units will be well received by the target market.

We recommend proceeding with the project as proposed.

Handwritten signature of Brett Welborn in black ink.

Brett Welborn
Analyst

Handwritten signature of Tad Scepaniak in black ink.

Tad Scepaniak
Managing Principal



10. APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

In conducting the analysis, we will make the following assumptions, except as otherwise noted in our report:

1. There are no zoning, building, safety, environmental or other federal, state or local laws, regulations or codes which would prohibit or impair the development, marketing or operation of the subject project in the manner contemplated in our report, and the subject project will be developed, marketed, and operated in compliance with all applicable laws, regulations and codes.
2. No material changes will occur in (a) any federal, state or local law, regulation or code (including, without limitation, the Internal Revenue Code) affecting the subject project, or (b) any federal, state or local grant, financing or other program which is to be utilized in connection with the subject project.
3. The local, national, and international economies will not deteriorate, and there will be no significant changes in interest rates or in rates of inflation or deflation.
4. The subject project will be served by adequate transportation, utilities, and governmental facilities.
5. The subject project will not be subjected to any war, energy crisis, embargo, strike, earthquake, flood, fire or other casualty or act of God.
6. The subject project will be on the market at the time and with the product anticipated in our report, and at the price position specified in our report.
7. The subject project will be developed, marketed, and operated in a highly professional manner.
8. No projects will be developed which will be in competition with the subject project, except as set forth in our report.
9. There are neither existing judgments nor any pending or threatened litigation, which could hinder the development, marketing, or operation of the subject project.



The analysis will be subject to the following limiting conditions, except as otherwise noted in our report:

1. The analysis contained in this report necessarily incorporates numerous estimates and assumptions with respect to property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates and the variations may be material.
2. Our absorption estimates are based on the assumption that the product recommendations set forth in our report will be followed without material deviation.
3. All estimates of future dollar amounts are based on the current value of the dollar, without any allowance for inflation or deflation.
4. We have no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal matters, environmental matters, architectural matters, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural, and other engineering matters.
5. Information, estimates and opinions contained in or referred to in our report, which we have obtained from sources outside of this office, are assumed to be reliable and have not been independently verified.
6. The conclusions and recommendations in our report are subject to these Underlying Assumptions and Limiting Conditions and to any additional assumptions or conditions set forth in the body of our report.



11.APPENDIX 2 NCHMA CHECKLIST

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3	Unit mix including bedrooms, bathrooms, square footage, rents, and income targeting	9
4	Utilities (and utility sources) included in rent	9
5	Target market/population description	8
6	Project description including unit features and community amenities	10
7	Date of construction/preliminary completion	10
8	If rehabilitation, scope of work, existing rents, and existing vacancies	N/A
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10	Site photos/maps	11-14
11	Map of community services	18
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13	PMA description	20
14	PMA MAP	21
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15	At-Place employment trends	24
16	Employment by sector	25
17	Unemployment rates	22,23
18	Area major employers/employment centers and proximity to site	27
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20	Population and household estimates and projections	29
21	Area building permits	30
22	Population and household characteristics including income, tenure, and size	31-35
23	For senior or special needs projects, provide data specific to target market	N/A
Competitive Environment		
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25	Map of comparable properties	45
26	Existing rental housing evaluation including vacancy and rents	43- 49
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35	Evaluation of proposed rent levels including estimate of market/achievable rents.	59
36	Precise statement of key conclusions	62
37	Market strengths and weaknesses impacting project	62
38	Recommendations and/or modification to project discussion	62
39	Discussion of subject property's impact on existing housing	61
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43	Statement of qualifications	Appendix
44	Sources of data not otherwise identified	N/A



12.APPENDIX 3 ANALYST RESUMES

TAD SCEPANIAK **Managing Principal**

Tad Scepaniak assumed the role of Real Property Research Group's Managing Principal in November 2017 following more than 15 years with the firm. Tad has extensive experience conducting market feasibility studies on a wide range of residential and mixed-use developments for developers, lenders, and government entities. Tad directs the firm's research and production of feasibility studies including large-scale housing assessments to detailed reports for a specific project on a specific site. He has extensive experience analyzing affordable rental communities developed under the Low-Income Housing Tax Credit (LIHTC) program and market-rate apartments developed under the HUD 221(d)(4) program and conventional financing. Tad is the key contact for research contracts many state housing finance agencies, including several that commission market studies for LIHTC applications.

Tad is Immediate Past Chair of the National Council of Housing Market Analysts (NCHMA) and previously served as National Chair and Co-Chair of Standards Committee. He has taken a lead role in the development of the organization's Standard Definitions and Recommended Market Study Content, and he has authored and co-authored white papers on market areas, derivation of market rents, and selection of comparable properties. Tad is also a founding member of the Atlanta chapter of the Lambda Alpha Land Economics Society.

Areas of Concentration:

- Low Income Tax Credit Rental Housing: Mr. Scepaniak has worked extensively with the Low-Income Tax Credit program throughout the United States, with special emphasis on the Southeast and Mid-Atlantic regions.
- Senior Housing: Mr. Scepaniak has conducted feasibility analysis for a variety of senior oriented rental housing. The majority of this work has been under the Low-Income Tax Credit program; however, his experience includes assisted living facilities and market rate senior rental communities.
- Market Rate Rental Housing: Mr. Scepaniak has conducted various projects for developers of market rate rental housing. The studies produced for these developers are generally used to determine the rental housing needs of a specific submarket and to obtain financing.
- Public Housing Authority Consultation: Tad has worked with Housing Authorities throughout the United States to document trends rental and for sale housing market trends to better understand redevelopment opportunities. He has completed studies examining development opportunities for housing authorities through the Choice Neighborhood Initiative or other programs in Florida, Georgia, North Carolina, South Carolina, Texas, and Tennessee.

Education:

Bachelor of Science – Marketing; Berry College – Rome, Georgia



ROBERT M. LEFENFELD
Founding Principal

Mr. Lefenfeld, Founding Principal of the firm, with over 30 years of experience in the field of residential market research. Before founding Real Property Research Group in 2001, Bob served as an officer of research subsidiaries of Reznick Fedder & Silverman and Legg Mason. Between 1998 and 2001, Bob was Managing Director of RF&S Realty Advisors, conducting residential market studies throughout the United States. From 1987 to 1995, Bob served as Senior Vice President of Legg Mason Realty Group, managing the firm's consulting practice and serving as publisher of a Mid-Atlantic residential data service, Housing Market Profiles. Prior to joining Legg Mason, Bob spent ten years with the Baltimore Metropolitan Council as a housing economist. Bob also served as Research Director for Regency Homes between 1995 and 1998, analyzing markets throughout the Eastern United States and evaluating the company's active building operation.

Bob provides input and guidance for the completion of the firm's research and analysis products. He combines extensive experience in the real estate industry with capabilities in database development and information management. Over the years, he has developed a series of information products and proprietary databases serving real estate professionals.

Bob has lectured and written extensively about residential real estate market analysis. Bob has created and teaches the market study module for the MBA HUD Underwriting course and has served as an adjunct professor for the Graduate Programs in Real Estate Development, School of Architecture, Planning and Preservation, University of Maryland College Park. He is the past National Chair of the National Council of Housing Market Analysts (NCHMA) and currently chairs its FHA Committee.

Areas of Concentration:

- **Strategic Assessments:** Mr. Lefenfeld has conducted numerous corridor analyses throughout the United States to assist building and real estate companies in evaluating development opportunities. Such analyses document demographic, economic, competitive, and proposed development activity by submarket and discuss opportunities for development.
- **Feasibility Analysis:** Mr. Lefenfeld has conducted feasibility studies for various types of residential developments for builders and developers. Subjects for these analyses have included for-sale single-family and townhouse developments, age-restricted rental and for-sale developments, large multi-product PUDs, urban renovations and continuing care facilities for the elderly.
- **Information Products:** Bob has developed a series of proprietary databases to assist clients in monitoring growth trends. Subjects of these databases have included for sale housing, pipeline information, and rental communities.

Education:

Master of Urban and Regional Planning; The George Washington University.
Bachelor of Arts - Political Science; Northeastern University.



BRETT WELBORN
Analyst

Brett Welborn entered the field of Real Estate Market Research in 2008, joining Real Property Research Group's (RPRG) Atlanta office as a Research Associate upon college graduation. During Brett's time as a Research Associate, he gathered economic, demographic, and competitive data for market feasibility analyses and other consulting projects completed by the firm. Through his experience, Brett progressed to serve as Analyst for RPRG for the past seven years and has conducted market studies for LIHTC and market rate communities.

Areas of Concentration:

- Low Income Housing Tax Credit Rental Housing: Brett has worked with the Low Income Housing Tax Credit program, evaluating general occupancy and senior oriented developments for State allocating agencies, lenders, and developers. His work with the LIHTC program has spanned a range of project types, including newly constructed communities and rehabilitations.
- Market Rate Rental Housing: Brett has conducted projects for developers of market rate rental housing. The studies produced for these developers are generally used to determine the rental housing needs of a specific submarket and to obtain financing.

Education:

Bachelor of Business Administration – Real Estate; University of Georgia, Athens, GA



13.APPENDIX 4 ANALYST CERTIFICATIONS

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

A handwritten signature in black ink, appearing to read 'Brett Welborn', is written over a horizontal line.

May 4, 2022

Brett Welborn
Analyst
Real Property Research Group, Inc.

Date

Warning: Title 18 U.S.C. 1001, provides in part that whoever knowingly and willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry, in any manner in the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years or both.



14.APPENDIX 5 RENTAL COMMUNITY PROFILES

35 Folly



ADDRESS 35 Folly Road Blvd, Charleston, SC, 29407 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 4 Story - Mid Rise **UNITS** 301 **VACANCY** 0.3 % (1 Units) as of 04/18/22 **OPENED IN** 2016



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$1,862	701	\$2.66
Two	0%	\$2,381	991	\$2.40

Community Amenities
 Clubhouse, Community Room, Fitness Room, Outdoor Pool, Business Center, Computer Center, Dog Park, Pet Spa, Firepit, Picnic Area, Elevators, Elevator Served

Features	
Standard	Dishwasher, Disposal, Microwave, Ceiling Fan, Patio Balcony
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
SS	Appliances
Granite	Countertops

Parking		Contacts	
Parking Description	Structured Garage	Owner / Mgmt.	Flournoy Properties Group
Parking Description #2	Fee for Reserved — \$50	Phone	843-380-5209

Comments
 Vacant unit is F1 floorplan.
 Valet trash, water + pest fees: 1br-\$75, 2br-\$85

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
35F-1,2,3 Mid Rise - Elevator		1	1.0		\$1,776	612	\$2.90	Market	-
35F-4,5,6,7 Mid Rise - Elevator		1	1.0		\$1,949	790	\$2.47	Market	-
35F-8,9 Mid Rise - Elevator		2	2.0		\$2,212	927	\$2.39	Market	-
35F-10,11,12 Mid Rise - Elevator		2	2.0		\$2,551	1,055	\$2.42	Market	-

Historic Vacancy & Eff. Rent (1)	
Date	04/18/22
% Vac	0.3%
One	\$1,862
Two	\$2,381

Adjustments to Rent	
Incentives	None
Utilities in Rent	

35 Folly

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Aspire



ADDRESS 1743 Central Park Rd., Charleston, SC, 29412 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 4 Story - Garden **UNITS** 127 **VACANCY** 3.1 % (4 Units) as of 04/22/22 **OPENED IN** 2020



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	0%	\$1,445	650	\$2.22
One	0%	\$1,722	796	\$2.16
Two	0%	\$1,997	1,220	\$1.64

Community Amenities
Clubhouse, Community Room, Fitness Room, Outdoor Pool, Picnic Area

Features

Standard	Dishwasher, Disposal, Microwave, Patio Balcony
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
SS	Appliances
Granite	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	Metzger & Company
Parking Description #2		Phone	843-804-4300

Comments

Started preleasing in Feb. 2020, stabilized March 2021.
Trash-\$25, pest-\$5.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		0	1.0		\$1,445	650	\$2.22	Market	-
Garden		1	1.0		\$1,722	796	\$2.16	Market	-
Garden		2	2.0		\$1,997	1,220	\$1.64	Market	-

Historic Vacancy & Eff. Rent (1)	
Date	04/22/22
% Vac	3.1%
Studio	\$1,445
One	\$1,722
Two	\$1,997

Adjustments to Rent	
Incentives	None
Utilities in Rent	

Aspire

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Avalon at James Island



ADDRESS
202 Promenade Vista St., Charleston, SC, 29412

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
4 Story - Garden

UNITS
273

VACANCY
0.0 % (0 Units) as of 04/18/22

OPENED IN
2019



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$1,910	784	\$2.44
Two	0%	\$2,700	1,160	\$2.33
Three	0%	\$3,996	1,627	\$2.46

Community Amenities
Clubhouse, Community Room, Fitness Room, Dog Park, Picnic Area, Outdoor Pool, Parcel Lockers

Features

Standard	Dishwasher, Disposal, Microwave, Ceiling Fan, Patio Balcony
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
SS	Appliances
Quartz	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	Stoltz Management
Parking Description #2		Phone	843-410-5640

Comments

Valet trash-\$37, pest-\$5, storage-\$50. Management was unable to provide unit mix and square footage for 2br units. Management was unable to provide lease-up info as they acquired property in August 2021.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0		\$1,902	768	\$2.48	Market	-
Garden		1	1.0		\$1,919	800	\$2.40	Market	-
Garden		2	2.0		\$2,700	1,160	\$2.33	Market	-
Garden		3	2.0		\$4,359	1,627	\$2.68	Market	-

Historic Vacancy & Eff. Rent (1)	
Date	04/18/22
% Vac	0.0%
One	\$1,910
Two	\$2,700
Three	\$4,359

Adjustments to Rent	
Incentives	Look and lease: 1 month free on 3br
Utilities in Rent	

Avalon at James Island

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Crowne at Live Oak Square



ADDRESS 3014 Reva Ridge Dr., John's Island, SC, 29455 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 4 Story - Garden **UNITS** 282 **VACANCY** 2.1 % (6 Units) as of 04/19/22 **OPENED IN** 2016



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	40%	\$1,825	809	\$2.26
Two	50%	\$2,125	1,287	\$1.65
Three	10%	\$3,015	1,513	\$1.99

Community Amenities
Elevators, Outdoor Pool, EV Charging Station, Fitness Room, Business Center, Computer Center, Pet Spa, Dog Park, Community Room, Clubhouse, Elevator Served

Features

Standard Dishwasher, Disposal, Microwave, Patio Balcony, Ceiling Fan
Central / Heat Pump Air Conditioning
Select Units Fireplace
Hook Ups In Unit Laundry
SS Appliances
Granite Countertops

Parking
Parking Description Free Surface Parking
Parking Description #2

Contacts
Owner / Mgmt. Crowne Partners, Inc.
Phone 844-566-0603

Comments

Valet trash-\$25.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	112	\$1,825	809	\$2.26	Market	-
Garden		2	2.0	142	\$2,125	1,287	\$1.65	Market	-
Garden		3	2.0	28	\$3,015	1,513	\$1.99	Market	-

Historic Vacancy & Eff. Rent (1)	
Date	04/19/22
% Vac	2.1%
One	\$1,825
Two	\$2,125
Three	\$3,015

Adjustments to Rent
Incentives None
Utilities in Rent

Crowne at Live Oak Square

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

James Towne Village



ADDRESS 3 Sawgrass Rd., Charleston, SC, 29412 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 2 Story - Garden **UNITS** 112 **VACANCY** 0.0 % (0 Units) as of 04/18/22 **OPENED IN** 1979



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	21%	\$1,604	753	\$2.13
Two	43%	\$1,709	938	\$1.82
Three	36%	\$1,783	1,285	\$1.39

Community Amenities
Clubhouse, Central Laundry, Outdoor Pool, Basketball, Tennis, Playground, Business Center, Computer Center, Firepit, Picnic Area

Features

Standard Dishwasher, Disposal, Microwave, Ceiling Fan
Hook Ups In Unit Laundry
Central / Heat Pump Air Conditioning
Standard - In Unit Storage
SS Appliances
Laminate Countertops

Parking
Parking Description Free Surface Parking
Parking Description #2

Contacts
Owner / Mgmt. AMCS
Phone 877-383-5730

Comments

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	24	\$1,614	753	\$2.14	Market	-
Garden		2	1.0	48	\$1,719	938	\$1.83	Market	-
Garden		3	1.5	40	\$1,793	1,285	\$1.40	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	04/18/22	04/17/13	02/05/13
% Vac	0.0%	7.1%	14.3%
One	\$1,614	\$0	\$0
Two	\$1,719	\$0	\$0
Three	\$1,793	\$0	\$0

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

James Towne Village

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Oakside



ADDRESS 1725 Brownswood Rd, Johns Island, SC, 29455 **COMMUNITY TYPE** LIHTC - General **STRUCTURE TYPE** 3 Story – Garden **UNITS** 38 **VACANCY** 5.3 % (2 Units) as of 04/20/22 **OPENED IN** 2018



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$718	750	\$0.96
Two	0%	\$862	1,100	\$0.78
Three	0%	\$981	1,250	\$0.78

Community Amenities
 Playground, Central Laundry, Community Room, Clubhouse, Fitness Room, Business Center, Computer Center

Features

Standard Dishwasher, Disposal, Microwave, Patio Balcony
Hook Ups In Unit Laundry
Central / Heat Pump Air Conditioning
Black Appliances
Laminate Countertops

Parking

Parking Description Free Surface Parking
Parking Description #2

Contacts

Owner / Mgmt. GEM Management
Phone 854-444-3401

Comments

Management was unable to provide lease-up information.
 Unit mix: 4 1br, 24 2br, 10 3br.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0		\$651	750	\$0.87	LIHTC	50%
Garden		1	1.0		\$805	750	\$1.07	LIHTC	60%
Garden		2	2.0		\$779	1,100	\$0.71	LIHTC	50%
Garden		2	2.0		\$964	1,100	\$0.88	LIHTC	60%
Garden		3	2.0		\$1,090	1,250	\$0.87	LIHTC	60%
Garden		3	2.0		\$891	1,250	\$0.71	LIHTC	50%

Historic Vacancy & Eff. Rent (1)	
Date	04/20/22
% Vac	5.3%
One	\$728
Two	\$872
Three	\$991

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash

Oakside

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Quarterdeck at James Island



ADDRESS 550 Harbor Cove Ln., Charleston, SC, 29412 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 2 Story - Garden **UNITS** 230 **VACANCY** 1.3 % (3 Units) as of 04/18/22 **OPENED IN** 1987



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$1,689	768	\$2.20
Two	0%	\$2,343	1,140	\$2.06

Community Amenities
Fitness Room, Clubhouse, Community Room, Outdoor Pool, Picnic Area, Business Center, Computer Center

Features

Standard	Dishwasher, Disposal, Microwave, Patio Balcony
Central / Heat Pump	Air Conditioning
Standard - Full	In Unit Laundry
SS	Appliances
Laminate	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	MAA
Parking Description #2		Phone	844-873-5304

Comments

Community, trash + pest-\$18.
Management was unable to provide unit mix.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Cooper Garden		1	1.0		\$1,628	712	\$2.29	Market	-
Edisto Garden		1	1.0		\$1,751	824	\$2.12	Market	-
Wando Garden		2	2.0		\$2,343	1,140	\$2.06	Market	-

Historic Vacancy & Eff. Rent (1)	
Date	04/18/22
% Vac	1.3%
One	\$1,689
Two	\$2,343

Adjustments to Rent	
Incentives	None
Utilities in Rent	

Quarterdeck at James Island

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent

(2) Published Rent is rent as quoted by management.

Sawgrass



ADDRESS
35 Cross Creek Dr., Charleston, SC

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
Garden

UNITS
144

VACANCY
0.0 % (0 Units) as of 04/15/22



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	28%	\$1,318	800	\$1.65
Two	44%	\$1,525	1,100	\$1.39
Three	28%	\$1,740	1,200	\$1.45

Community Amenities
Clubhouse, Community Room, Fitness Room, Central Laundry, Outdoor Pool, Tennis, Playground, Picnic Area

Features

Standard	Dishwasher, Disposal, Microwave, Patio Balcony
Hook Ups	In Unit Laundry
Central / Heat Pump	Air Conditioning
Black	Appliances
Granite	Countertops

Parking

Parking Description	Free Surface Parking
Parking Description #2	

Contacts

Phone	843-795-8466
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Comments

Waitlist: 15 households.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	40	\$1,328	800	\$1.66	Market	-
Garden		2	1.5	64	\$1,535	1,100	\$1.40	Market	-
Garden		3	2.0	40	\$1,750	1,200	\$1.46	Market	-

Historic Vacancy & Eff. Rent (1)			
Date	04/15/22	02/05/13	12/12/11
% Vac	0.0%	0.0%	0.0%
One	\$1,328	\$0	\$0
Two	\$1,535	\$0	\$0
Three	\$1,750	\$0	\$0

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Sawgrass

Sea Island



ADDRESS 3672 Maybank Hwy., Johns Island, SC, 29455 **COMMUNITY TYPE** LIHTC - General **STRUCTURE TYPE** Garden **UNITS** 48 **VACANCY** 0.0 % (0 Units) as of 04/19/22 **OPENED IN** 2004



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	25%	\$629	710	\$0.89
Two	50%	\$746	932	\$0.80
Three	25%	\$855	1,142	\$0.75

Community Amenities
Clubhouse, Central Laundry

Features	
Standard	Dishwasher, Disposal, Microwave, IceMaker, Ceiling Fan, Patio Balcony
Hook Ups	In Unit Laundry
Central / Heat Pump	Air Conditioning

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

Contacts	
Owner / Mgmt.	GEM Management
Phone	843-559-1593

Comments
Property has 12 PBRA units Waitlist: 22 households

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	12	\$654	710	\$0.92	LIHTC	50%
Garden		2	2.0	24	\$776	932	\$0.83	LIHTC	50%
Garden		3	2.0	12	\$890	1,142	\$0.78	LIHTC	50%

Historic Vacancy & Eff. Rent (1)			
Date	04/19/22	04/17/13	02/05/13
% Vac	0.0%	0.0%	0.0%
One	\$654	\$0	\$0
Two	\$776	\$0	\$0
Three	\$890	\$0	\$0

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Electric

Sea Island

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

The Apartments at Shade Tree



ADDRESS
2030 Wildts Battery Blvd., Johns Island, SC, 29455

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
3 Story - Garden

UNITS
248

VACANCY
0.0 % (0 Units) as of 04/21/22

OPENED IN
2016



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	40%	\$1,572	694	\$2.26
Two	53%	\$1,870	1,048	\$1.78
Three	6%	\$2,200	1,138	\$1.93

Community Amenities
Outdoor Pool, Fitness Room, Business Center, Computer Center, Dog Park, Firepit, Parcel Lockers, Picnic Area, Clubhouse, Community Room, Car Wash

Features

Standard	Dishwasher, Disposal, Patio Balcony, Ceiling Fan, Microwave
Black	Appliances
Quartz	Countertops
Central / Heat Pump	Air Conditioning
Standard - Full	In Unit Laundry

Parking

Parking Description	Free Surface Parking
Parking Description #2	Detached Garage — \$155

Contacts

Owner / Mgmt.	Rangewater
Phone	843-588-5509

Comments

Boat/trailer storage-\$50. W/S/T/P fees: 1br-\$75, 2br-\$85, 3br-\$95.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
1A Garden		1	1.0	36	\$1,520	585	\$2.60	Market	-
1B Garden		1	1.0	48	\$1,573	708	\$2.22	Market	-
1C Garden		1	1.0	16	\$1,685	899	\$1.87	Market	-
2 Garden		2	2.0	132	\$1,870	1,048	\$1.78	Market	-
3 Garden		3	2.0	16	\$2,200	1,138	\$1.93	Market	-

Historic Vacancy & Eff. Rent (1)	
Date	04/21/22
% Vac	0.0%
One	\$1,593
Two	\$1,870
Three	\$2,200

Adjustments to Rent	
Incentives	None
Utilities in Rent	

The Apartments at Shade Tree

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent

(2) Published Rent is rent as quoted by management.

The Forest at Fenwick



ADDRESS
15 Stardust Way, Johns Island, SC, 29455

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
Townhouse

UNITS
80

VACANCY
2.5 % (2 Units) as of 04/19/22

OPENED IN
2007



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Two	100%	\$1,685	950	\$1.77

Community Amenities
Clubhouse, Community Room, Fitness Room, Picnic Area, Outdoor Pool, Firepit

Features	
Standard	Dishwasher, Microwave, Disposal, Ceiling Fan
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning
Black	Appliances
Granite	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	Southwood Realty
Parking Description #2		Phone	843-396-2652

Comments
 Maintenance fee includes W/S/T - \$70
 Management would not share vacancy information; availability found online.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Townhouse		2	2.0	80	\$1,685	950	\$1.77	Market	-

Historic Vacancy & Eff. Rent (1)	
Date	04/19/22
% Vac	2.5%
Two	\$1,685

Adjustments to Rent	
Incentives	None
Utilities in Rent	

The Forest at Fenwick

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

The Standard James Island



ADDRESS 215 Promenade Vista St., Charleston, SC, 29412 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 4 Story - Garden **UNITS** 280 **VACANCY** 0.4 % (1 Units) as of 04/21/22 **OPENED IN** 2016



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	0%	\$0	658	\$
One	0%	\$1,755	1,017	\$1.73
Two	0%	\$2,318	1,150	\$2.02
Three	0%	\$2,470	1,245	\$1.98

Community Amenities
 Outdoor Pool, Fitness Room, Community Room, Clubhouse, Business Center, Computer Center, Picnic Area, Dog Park, Parcel Lockers

Features	
Standard	Dishwasher, Disposal, Microwave, Patio Balcony
Central / Heat Pump	Air Conditioning
Standard - Full	In Unit Laundry
SS	Appliances
Granite	Countertops
Community Security	Gated Entry

Parking		Contacts	
Parking Description	Free Surface Parking	Owner / Mgmt.	Northland
Parking Description #2		Phone	843-406-7646

Comments
 Pricing unavailable for studio units.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		0	1.0		\$0	658	\$0.00	Market	-
Garden		1	1.0		\$1,755	1,017	\$1.73	Market	-
Garden		2	2.0		\$2,318	1,150	\$2.02	Market	-
Garden		3	2.0		\$2,470	1,245	\$1.98	Market	-

Historic Vacancy & Eff. Rent (1)	
Date	04/21/22
% Vac	0.4%
Studio	\$0
One	\$1,755
Two	\$2,318
Three	\$2,470

Adjustments to Rent	
Incentives	None
Utilities in Rent	

The Standard James Island

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.



SCSHFDA Summary Form – Exhibit S-2

EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:			
Development Name:	The Grove at Johns Island	Total # Units:	90
Address:	River Road, Johns Island, Charleston County	# LIHTC Units:	90
PMA Boundary:	Stono River / U.S. Highway 17 (N), Charleston Harbor (E), Kiawah Island (S), Wadmalaw River (W)		
Development Type:	<input checked="" type="checkbox"/> Family <input type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject:	10.6 miles

RENTAL HOUSING STOCK (found on pages 9, 46, 52-55)				
Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	12	2,163	19	99.1%
Market-Rate Housing	10	2,077	17	99.2%
Assisted/Subsidized Housing not to include LIHTC	-	-	-	-
LIHTC (All that are stabilized)**	2	86	2	97.7%
Stabilized Comps*	12	2,163	19	99.1%
Non-stabilized Comps				

* 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 Comp Rent	
Units	Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
2	1	1	751	\$236	\$1,441	\$1.92	83.62%	\$1,949	\$2.90
1	1	1	751	\$408	\$1,441	\$1.92	71.68%	\$1,949	\$2.90
9	1	1	751	\$925	\$1,441	\$1.92	35.79%	\$1,949	\$2.90
4	2	1	900	\$274	\$1,949	\$2.24	85.94%	\$2,700	\$2.42
4	2	1	900	\$481	\$1,949	\$2.24	75.32%	\$2,700	\$2.42
7	2	1	900	\$1,101	\$1,949	\$2.24	43.52%	\$2,700	\$2.42
24	2	1	853	\$1,101	\$1,949	\$2.24	43.52%	\$2,700	\$2.42
3	3	2	1,102	\$301	\$2,438	\$2.15	87.65%	\$4,359	\$2.68
4	3	2	1,102	\$540	\$2,438	\$2.15	77.85%	\$4,359	\$2.68
11	3	2	1,102	\$1,256	\$2,438	\$2.15	48.48%	\$4,359	\$2.68
21	3	2	1,160	\$1,256	\$2,438	\$2.15	48.48%	\$4,359	\$2.68
Gross Potential Rent Monthly*				\$89,611	\$188,385		52.43%		

* Market Advantage is calculated using the following formula: Estimated Market Rent (minus) Net Proposed Tenant Rent (divided by) Estimated Market Rent. The calculation should be expressed as a percentage and rounded to two decimal points. This is consistent with the market study guidelines on page A-6 in Appendix A.

DEMOGRAPHIC DATA (found on pages 32-33, 38-39)						
	2010		2022		2024	
Renter Households	6,504	27.2%	7,959	27.2%	8,255	27.3%
Income-Qualified Renter HHS (LIHTC)	2,940	45.2%	2,711	34.1%	2,706	32.8%
Income-Qualified Renter HHS (MR)						

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on pages 40-41)						
Type of Demand	20%	30%	60%			Overall
Renter Household Growth	12	19	55			82
Existing Households (Overburd + Substand)	149	233	680			1,017
Homeowner conversion (Seniors)						
Other:						
Less Comparable/Competitive Supply	0	0	0			0
Net Income-qualified Renter HHS	161	251	735			1,099

CAPTURE RATES (found on pages 41)						
Targeted Population	20%	30%	60%		Other:	Overall
	5.6%	3.6%	9.8%			8.2%

ABSORPTION RATE (found on page 61)

20 units per month, stabilization in 4-5 months