



**NOVOGRADAC
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CERTIFIED PUBLIC ACCOUNTANTS

**A MARKET FEASIBILITY STUDY OF:
573 MEETING STREET**

A MARKET FEASIBILITY STUDY OF:

573 MEETING STREET

573 Meeting Street
Charleston, Charleston County, South Carolina 29403

Effective Date: March 14, 2019
Report Date: March 27, 2019

Prepared for:
Ms. Stacey Denaux
CEO
One80 Place
PO Box 20038
Charleston, South Carolina 29413

Prepared by:
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March 27, 2019

Ms. Stacey Denaux
CEO
One80 Place
PO Box 20038
Charleston, South Carolina 29413

Re: Market Study for 573 Meeting Street, located in Charleston, Charleston County, South Carolina

Dear Mr. Denaux:

At your request, Novogradac & Company LLP has performed a study of the multifamily rental market in the Charleston, Charleston County, South Carolina area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project known as 573 Meeting Street, (the Subject).

The purpose of this market study is to assess the viability of 573 Meeting Street, a proposed 70-unit LIHTC project. The property will be a newly constructed affordable LIHTC project, with 70 revenue generating units restricted to households earning 50 and 60 percent of the Area Median Income (AMI) or less. Furthermore, all 25 of the units restricted to 50 percent of AMI will be subsidized, and will have a soft set-aside for homeless and formerly homeless tenants.

The 70 affordable units will be located in a mixed-use building, which will include one floor of dorm-style rooms to provide temporary shelter to homeless women and families. This space will be designed to provide privacy and dignity for homeless women and families as they work to obtain permanent housing. Families will be housed in three-bedroom, one-bathroom units. Individual women will be housed in five-bedroom, two bathroom units. The temporary shelter combined with supportive services will help homeless women and families move from homelessness to permanent housing. The shelter will be operated and accessed separately from the affordable units with separate elevators with frequency operated button (FOB) access. Analysis of the shelter space is outside of the scope of work for this report.

We have previously completed a rent and demand letter for the Subject in March of 2019. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. The scope of this report meets the requirements of the South Carolina State Housing Finance and Development Agency (SCSHFDA), including the following:

- Inspecting the site of the proposed Subject and the general location.
- Analyzing appropriateness of the proposed Subject's unit mix, rent levels, available amenities and site.
- Estimating market rent, absorption and stabilized occupancy levels for the market area.
- Investigating the health and conditions of the multifamily housing market.
- Calculating income bands, given the proposed Subject rents.
- Estimating the number of income-eligible households.
- Reviewing relevant public records and contacting appropriate public agencies.
- Analyzing the economic and social conditions in the market area in relation to the proposed project.
- Establishing the Subject Primary and Secondary Market Area(s) if applicable.
- Surveying competing projects, both Low-Income Housing Tax Credit (LIHTC) and market rate.

MS. STACEY DENAUX
ONE80 PLACE
573 MEETING STREET
MARCH 27, 2019
PAGE 2

This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The report also includes a thorough analysis of the scope of the study, regional and local demographic and economic studies, and market analyses including conclusions. The depth of discussion contained in the report is specific to the needs of the client. Without limiting the general applicability of this paragraph, under no circumstances may the Report be used in advertisements, solicitations and/or any form of securities offering.

The Stated Purpose of this assignment is for application. You agree not to use the Report other than for the Stated Purpose, and you agree to indemnify us for any claims, damages or losses that we may incur as the result of your use of the Report for other than the Stated Purpose. Without limiting the general applicability of this paragraph, under no circumstances may the Report be used in advertisements, solicitations and/or any form of securities offering.

Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac & Company LLP can be of further assistance. It has been our pleasure to assist you with this project.

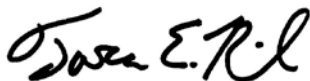
Respectfully submitted,
Novogradac & Company LLP



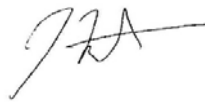
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EXECUTIVE SUMMARY

Property Summary of Subject

Subject Property Overview:

573 Meeting Street, the Subject, is a proposed 70-unit apartment community restricted to households earning 50 and 60 percent of the AMI or less. All 25 of the units restricted to 50 percent of AMI will be subsidized, and will have a soft set-aside for homeless and formerly homeless tenants. The 70 affordable units will be located in a mixed-use building, which will include one floor of dorm-style rooms to provide temporary shelter to homeless women and families. This space will be designed to provide privacy and dignity for homeless women and families as they work to obtain permanent housing. Families will be housed in three-bedroom, one-bathroom units. Individual women will be housed in five-bedroom, two bathroom units. The temporary shelter combined with supportive services will help homeless women and families move from homelessness to permanent housing. The shelter will be operated and accessed separately from the affordable units with separate elevators with frequency operated button (FOB) access. Analysis of the shelter space is outside of the scope of work for this report.

The Subject will be located along the west side of Meeting Street in a seven-story highrise building.

Targeted Tenancy:

For SCSHFDA purposes, the tenancy is considered general population. The targeted tenancy is not age restricted and will consist of primarily one, two and three person households. All 25 of the units restricted to 50 percent of AMI will be subsidized, and will have a soft set-aside for homeless and formerly homeless tenants.

Proposed Rents, Unit Mix and Utility Allowance:

The following table details the Subject’s proposed rents, utility allowances, unit mix, and unit sizes. The rents listed for the 50 percent of AMI rents are contract rents. Tenants in these units will pay up to 30 percent of their income towards rent.

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2018 LIHTC Maximum Allowable Gross Rent	2019 HUD Fair Market Rents	
<i>@50% (Project Based Rental Assistance - PBRA)</i>								
OBR / 1BA	400	20	\$553	\$99	\$652	\$652	\$818	
1BR / 1BA	500	5	\$579	\$119	\$698	\$698	\$967	
<i>@60%</i>								
OBR / 1BA	400	28	\$684	\$99	\$783	\$783	\$818	
1BR / 1BA	500	11	\$719	\$119	\$838	\$838	\$967	
2BR / 2BA	750	6	\$854	\$152	\$1,006	\$1,006	\$1,118	
		70						

Notes (1) Source of Utility Allowance provided by the Developer.

Market Vacancy

The following tables illustrate the market vacancy at the comparable properties. It should be noted that The Guild and The Heyward are still in the absorption phase.

MARKET RATE VACANCY

Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Ivy Ridge*	LIHTC	72	2	2.8%
Marsh View Place Apartments*	LIHTC	53	0	0.0%
Osprey Place	LIHTC/ Market	102	3	2.9%
Palmilla Apartments*	LIHTC	228	8	3.5%
Rivers Place Apartments*	LIHTC	48	0	0.0%
35 Folly*	Market	301	21	7.0%
Bridgeside At Patriots Point*	Market	324	29	9.0%
Elan Midtown	Market	200	11	5.5%
The Guild	Market	226	75	33.2%
The Heyward*	Market	260	21	8.1%
The Standard*	Market	280	25	8.9%
Overall Total		2,094	195	9.3%
Total Excluding Properties in Absorption		1,608	99	6.2%

*Located outside of the PMA

LIHTC VACANCY

Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Ivy Ridge*	LIHTC	72	2	2.8%
Marsh View Place Apartments*	LIHTC	53	0	0.0%
Osprey Place	LIHTC/ Market	102	3	2.9%
Palmilla Apartments*	LIHTC	228	8	3.5%
Rivers Place Apartments*	LIHTC	48	0	0.0%
Total LIHTC		503	13	2.6%

*Located outside of the PMA

MARKET RATE VACANCY

Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
35 Folly*	Market	301	21	7.0%
Bridgeside At Patriots Point*	Market	324	29	9.0%
Elan Midtown	Market	200	11	5.5%
The Guild	Market	226	75	33.2%
The Heyward*	Market	260	21	8.1%
The Standard*	Market	280	25	8.9%
Total Market Rate		1,591	182	11.4%
Total Market Rate Excluding Properties in Absorption		1,105	86	7.8%

*Located outside of the PMA

The comparables reported vacancy rates ranging from zero to 33.2 percent. Overall vacancy in the local market is operating at an average 6.5 percent vacancy rate for comparables in the PMA and a 9.3 percent vacancy rate among all 11 surveyed comparable projects. Managers at two of the five LIHTC properties reported being fully occupied. The average vacancy rate reported by the affordable comparables was 2.6 percent, well below the 11.4 percent average reported by the market rate properties. Excluding The Guild and The Heyward, which were built in 2018 and 2017, respectively, and are currently in their initial leasing phases, the overall vacancy rate amongst all of the comparables is 6.2 percent, while the market rate vacancy rate drops to 7.8 percent.

A majority of the market rate comparables reported elevated vacancy rates. According to a CoStar market report on the Downtown Charleston submarket, the overall vacancy rate in the submarket is 23.8 percent,

with 4&5-star properties operating at 37.4 percent vacancy. According to CoStar, “Four-Star buildings are constructed with higher end finishes and specifications, providing desirable amenities to residents and designed/built to competitive and contemporary standards, while a five-star building represents the luxury end of multi-family buildings defined by finishes, amenities, the overall interior/exterior design and the highest level of specifications for its style (garden, low-rise, mid-rise, or high-rise).” The tables below show key information regarding vacancy rates in the downtown submarket.

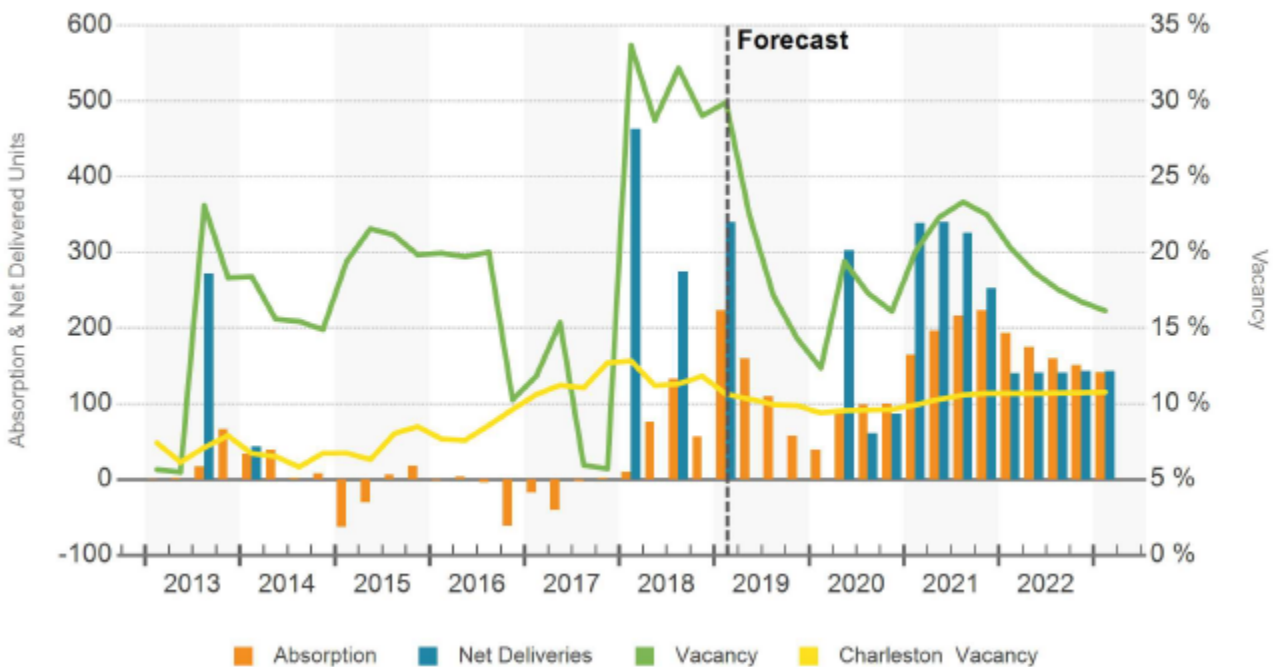
KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	1,016	37.4%	\$2,024	\$1,937	93	0	1,383
3 Star	224	5.5%	\$2,174	\$2,160	1	0	0
1 & 2 Star	560	6.4%	\$1,347	\$1,337	1	0	0
Submarket	1,800	23.8%	\$1,935	\$1,865	95	0	1,383

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	1.6%	9.6%	18.6%	33.7%	2018 Q1	4.4%	2008 Q2
Absorption Units	364	12	568	275	2018 Q4	(125)	2017 Q2
Delivered Units	464	55	621	737	2018 Q4	0	2017 Q4
Demolished Units	0	20	11	342	2017 Q3	0	2018 Q4
Asking Rent Growth (YOY)	9.1%	1.8%	0.8%	11.8%	2018 Q3	-3.5%	2009 Q4
Effective Rent Growth (YOY)	6.3%	1.7%	0.6%	10.7%	2018 Q3	-3.4%	2009 Q4
Sales Volume	\$8.4 M	\$11.1M	N/A	\$81.3M	2015 Q3	\$0	2012 Q1

Source: Costar, March 2019

ABSORPTION, NET DELIVERIES & VACANCY



Source: Costar, March 2019

We believe this is due to a boom in supply, as 2018 developments increased the submarket's inventory by roughly 70 percent, and that the market is over supplied. The forecast for the submarket also shows a high

vacancy rate in 2021 as well. Before 2018, the downtown submarket posted vacancies around six percent. This is supported by the fact that all of the comparables with vacancy rates of above six percent were delivered in 2015 or later. According to CoStar, the overall stabilized vacancy rate within the PMA amongst stabilized properties is 3.7 percent. A majority of the properties opening in 2018 were market-rate properties, which will not be directly competitive with the Subject as proposed. The CoStar submarket vacancies are reflective of the downtown market and heavily impacted by new additions to supply, and is not reflective of the likely performance of the Subject or affordable properties comparable to it. Furthermore, as can be seen in the tables above, LIHTC vacancy is much lower than the market rate properties. This is further illustrated by management at Rivers Place Apartments, who stated that there is strong demand for affordable housing in the area. The Subject's achievable rent advantage also allows for this separation. As the demand analysis demonstrates, there is moderate demand for affordable housing at the Subject's anticipated price point. We believe the new LIHTC supply will absorb quickly.

We researched the collocation of the shelter in the same building to determine the impact on the performance of the Subject. We interviewed management companies and researched the Novogradac rent database which consists of 103,294 multifamily properties. While we have not identified other similar properties in the Charleston market, we identified two properties in Washington, DC and Brooklyn, NY which offer a similar use in the building. Though these properties are in different markets than the proposed Subject's, we believe the information below culled from manager of the respective properties is informative in regards to mixed-use properties similar to the Subject as proposed.

SOME Benning Road in Washington, DC offers 20 single room occupancy (SRO) units on the second floor that are non-revenue producing, which are for people that are at risk of homelessness. Given the units and job training/services are located on the first few floors, separate from the remaining 30 two, three, and four-bedroom units, this is a similar property compared to the proposed Subject. The property also offers transitional programs helping people move from homeless to formerly homeless, while also housing single adults that have already transitioned. The property is fully occupied with a waiting list that will reopen in March.

The Schermerhorn in Brooklyn, New York operates with all 116 of the subsidized units set aside for formerly homeless tenants, while also offering 100 60 percent of AMI units open to the general public, without subsidy. The property was fully occupied with a waiting list at the time of this report.

Due to the strong demand for affordable housing in this market, we believe that the LIHTC units at the Subject will perform well due to the design, condition, amenity package offered at the Subject. We considered the elevated market vacancy in our determination of achievable market rents. Based on the performance of the LIHTC comparables, we expect the Subject will operate a vacancy rate of approximately five percent as a LIHTC property and eight percent as an unrestricted property.

Capture Rates

The following table illustrates the capture rates for the Subject.

CAPTURE RATE ANALYSIS CHART

Bedrooms/AMI Level	Total Demand	Supply	Net Demand	Units Proposed	Capture Rate
Studio @50% (PBRA)	289	0	289	20	6.9%
Studio @60%	75	0	75	28	37.4%
Studio Overall	344	0	344	48	14.0%
1BR @50% (PBRA)	1,185	0	1,185	5	0.4%
1BR @60%	306	0	306	11	3.6%
1BR Overall	1,409	0	1,409	16	1.1%
2BR @60%	300	0	300	6	2.0%
2BR Overall	1,380	0	1,380	6	0.4%
@50% (PBRA) Overall	1,474	0	1,474	25	1.7%
@60% Overall	681	0	681	45	6.6%
Overall	3,133	0	3,133	70	2.2%

As the analysis illustrates, the Subject’s capture rates vary from 0.4 to 37.4 percent with an overall capture rate of 2.2 percent. The Subject’s overall capture rate is within SCSHFDA guidelines of 35 percent, and we believe that there is ample demand for the Subject’s units. Furthermore, as mentioned previously, All 25 of the units restricted to 50 percent of AMI will have a soft set-aside for homeless and formerly homeless tenants.

Projected Absorption Period

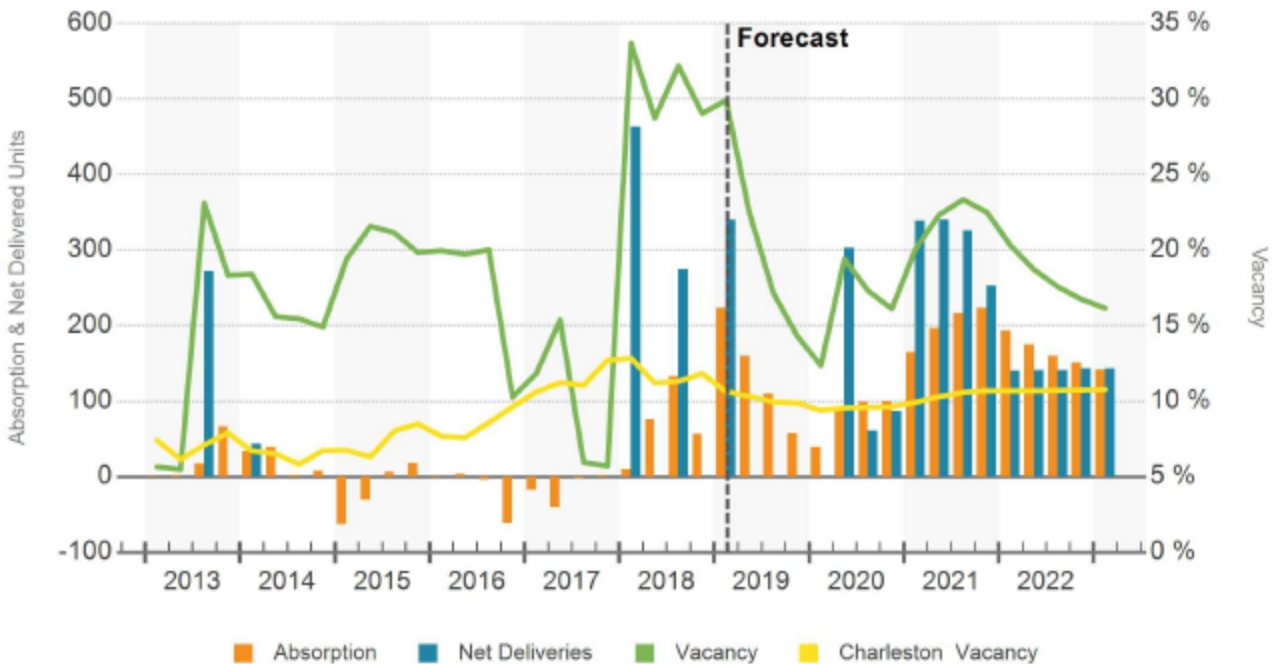
One of the comparable properties was able to report absorption data. We have also provided several recently built properties and subsequent absorption data, none of which are located within the Subject’s PMA. Our findings are highlighted below.

ABSORPTION

Property Name	Rent	City	Year	Total Units	Absorption Rate
Alta Brighton Park	Market	Summerville	2018	329	17
Waters At St. James	LIHTC	Summerville	2017	336	26
Waters At Magnolia Bay	LIHTC	Summerville	2017	300	14
Legends At Azalea	Market	Summerville	2017	258	18
Comet Creek	Market	Summerville	2017	264	15
The Ashley Apartments	Market	Charleston	2016	174	22
Rivers Place Apartments	LIHTC	North Charleston	2016	48	48
Crowne At Live Oak Square	Market	Johns Island	2016	282	10

We obtained absorption data from eight properties, located between 5.4 and 22.6 miles from the Subject site. These properties reported absorption rates ranging from 10 to 48 units per month, with an overall average of 21 units per month. Though The Guild was reluctant to give absorption information, we have learned through internet research that the property began leasing in March 2018. As of February 2019, the property had absorbed 151 units, for an absorption rate of 14 units per month, which is within the range of the properties named above. Though The Heyward was reluctant to give absorption information, we have learned through internet research that the property began leasing in November of 2017. As of February 2019, the property had absorbed 239 units, for an absorption rate of 15 units per month, which is within the range of the properties named above. Additionally, Costar provides information on new units placed in service, absorption, and market vacancy. The following tables illustrate the five-year projections for these statistics for the Downtown Charleston submarket.

ABSORPTION, NET DELIVERIES & VACANCY



OVERALL SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2023	4,915	551	12.6%	559	11.4%	1.0
2022	4,364	552	14.5%	680	15.6%	0.8
2021	3,812	1,244	48.4%	800	21.0%	1.6
2020	2,568	437	20.5%	331	12.9%	1.3
2019	2,131	331	18.4%	550	25.8%	0.6
YTD	1,800	0	0%	95	5.3%	0
2018	1,800	737	69.3%	275	15.3%	2.7
2017	1,063	(122)	-10.3%	(59)	-5.6%	2.1
2016	1,185	(220)	-15.7%	(63)	-5.3%	3.5
2015	1,405	0	0%	(69)	-4.9%	0
2014	1,405	43	3.2%	84	6.0%	0.5
2013	1,362	272	25.0%	82	6.0%	3.3
2012	1,090	0	0%	(3)	-0.3%	0
2011	1,090	0	0%	1	0.1%	0
2010	1,090	(24)	-2.2%	(13)	-1.2%	1.8
2009	1,114	0	0%	2	0.2%	0
2008	1,114	0	0%	(5)	-0.4%	0
2007	1,114	0	0%	(11)	-1.0%	0

Source: Costar, March 2019

It should be noted that the above projections indicate that market absorption will outpace new units placed in service in the Downtown Charleston submarket and the overall vacancy rate will fall to approximately 16 percent over the next five years. Additionally, the data above reflects the overall market, including inferior product, and higher end market rate product that will not compete at the Subject’s price point.

Therefore, based upon the demand calculations presented within this report, which indicate capture rates within SCSHFDA guidelines, an ample number income-qualified households, and the Subject's tenancy, we believe that the Subject could absorb approximately 20 units per month. This equates to an absorption period of approximately three to four months. We expect the Subject to reach stabilized occupancy within four months.

Market Conclusions

Overall vacancy in the local market is operating at an average 9.3 percent vacancy rate in the PMA and a 9.3 percent vacancy rate among all 11 surveyed comparable projects. Excluding the comparables that is in the absorption phase, the overall vacancy amongst the comparables decreases from 9.3 percent to 6.4 percent. The five LIHTC properties reported 13 total vacancies and three of these properties maintain waiting lists, suggesting latent demand for affordable housing.

When compared to the current 50 and 60 percent rents at the LIHTC properties, the Subject's proposed 50 and 60 percent AMI rents appear reasonable, and overall they are more than 34 percent below our estimated achievable market rents. Overall, we believe that the Subject will be successful in the local market as proposed.

Recommendations

We believe there is ample demand for the Subject in the PMA and the market supports the Subject development as proposed. The Subject's overall capture rate is 2.2 percent, which is within acceptable demand thresholds. Individual capture rates by bedroom type range from 0.4 to 37.4 percent, which are all considered reasonable. In addition, the Subject is in a community (Charleston) that has few affordable housing alternatives. Between 2018 and market entry, the total number of households is expected to increase at a rate of 2.2 percent annually in the PMA. The Subject site is located within one mile of most community services and facilities that tenants would utilize on a consistent basis.

There are only 13 vacancies among LIHTC comparables. The developer's LIHTC rents represent greater than a 34 percent overall advantage below achievable market rents. The proposed rents will also compete well with the LIHTC rents at the most similar LIHTC comparables we surveyed.

Long Term Impact on Existing LIHTC Properties in the PMA

There are 13 total comparable vacant LIHTC units surveyed, and three of the five LIHTC comparables maintain waiting lists. There are nine LIHTC properties we surveyed in the PMA, three of which (Osprey Place, Enston Home, and The Palace Apartments) have general population tenancy. These three properties are 92 to 97 percent occupied; however, it should be noted that we were unable to contact Enston Homes or The Palace Apartments, and thus we have excluded them as comparables within this report. With a limited supply of affordable housing options for the general population in the market and a stable and growing base of low-income tenants, we believe the Subject's opening and lease-up will have no long-term impact on the existing area LIHTC apartments other than to help fill a void in the market for affordable housing. Between 2018 and market entry, the total number of households is expected to increase at a rate of 2.2 percent annually in the PMA. Since the Subject will operate with a partial subsidy, we do not expect any impact on the existing low-income rental assisted housing in the market.

573 MEETING STREET – CHARLESTON, SC – APPLICATION MARKET STUDY

Summary Table:										
(must be completed by the analyst and included in the executive summary)										
Development Name:		573 Meeting Street					Total # Units:			70
Location:		573 Meeting Street Charleston, SC 29403					# LIHTC Units:			70
PMA Boundary:		North: McMillan Avenue and Cooper River; South: Cooper River, Ashley River; East: Cooper River; West: Ashley River, Cosgrove Avenue.								
Farthest Boundary Distance to Subject:								4.5 Miles		
Rental Housing Stock***										
Type	# Properties*	Total Units	Vacant Units	Average Occupancy						
All Rental Housing	39	3,776	500	86.8%						
Market-Rate Housing	15	1,396	358	74.4%						
Assisted/Subsidized Housing not to include LIHTC	17	1,960	122	93.8%						
LIHTC	7	420	20	95.2%						
Stabilized Comps	34	2,812	105	96.3%						
Properties in Construction & Lease Up	5	964	395	59.0%						
*Only includes properties in PMA										
Subject Development					Average Market Rent*			Highest Unadjusted Comp Rent		
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF	
20	OBR at 50% AMI (PBRA)	1	400	\$553	\$1,767	\$4.42	219%	\$3,270	\$4.67	
5	1BR at 50% AMI (PBRA)	1	500	\$579	\$1,748	\$3.50	202%	\$4,819	\$5.07	
28	OBR at 60% AMI	1	400	\$684	\$1,767	\$4.42	158%	\$3,270	\$2.97	
11	1BR at 60% AMI	1	500	\$719	\$1,748	\$3.50	143%	\$4,819	\$4.67	
6	2BR at 60% AMI	2	750	\$854	\$2,220	\$2.96	160%	\$4,689	\$5.07	
Demographic Data (found on page 34 to 38)										
	2010		2018		January 2021					
Renter Households	10,252	64.93%	11,162	59.59%	11,948	56.50%				
Income-Qualified Renter HHs (LIHTC)	7,064	68.90%	7,178	64.31%	7,444	62.30%				
Targeted Income-Qualified Renter Household Demand (found on pages 42 to 51)										
Type of Demand	@50%	@60%	0%	Market-rate	Other:___	Overall*				
Renter Household Growth	187	92	0	0	-	262				
Existing Households (Overburdened + Substandard)	2,952	719	0	0	-	3,469				
Homeowner conversion (Seniors)	0	0	0	0	-	0				
Total Primary Market Demand	3,139	811	0	0	0	3,731				
Less Comparable/Competitive Supply	0	0	0	0	-	0				
Adjusted Income-qualified Renter HHs**	3,139	811	0	0	-	3,731				
Capture Rates (found on page 52)										
Targeted Population	@50%	@60%	0%	Market-rate	Other:___	Overall				
Capture Rate:	1.7%	6.6%	-	-	-	2.2%				

*Includes LIHTC and unrestricted (when applicable)

**Not adjusted for demand by bedroom-type.

***Based on CoStar Data. Please refer to occupancy data on page 2 for data for comparables used in our survey, which range from 66.8 to 100.0 percent, for an average occupancy rate of 90.7 percent.

As seen in the table above, the capture rates by targeted population are 1.7 percent, 6.6 percent, and 2.2 percent at 50 percent of AMI, 60 percent of AMI, and for all units, respectively. The table below illustrates the gross rent advantage the subject's proposed tenant paid rents have over the adjusted market rent.

SUBJECT COMPARISON TO MARKET RENTS

Bedroom Type	# Units	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent by Bedroom Type	Adjusted Market Rent	Gross Adjusted Market Rent by Bedroom Type	Tax Credit Gross Rent Advantage
OBR / 1BA	20	\$553	\$11,060	\$1,200	\$24,000	46%
OBR / 1BA	5	\$579	\$2,895	\$1,200	\$6,000	48%
1BR / 1BA	28	\$684	\$19,152	\$1,500	\$42,000	46%
1BR / 1BA	11	\$719	\$7,909	\$1,500	\$16,500	48%
2BR / 2BA	<u>6</u>	\$854	<u>\$5,124</u>	\$1,900	<u>\$11,400</u>	<u>45%</u>
Totals	70		\$46,140		\$99,900	46%

Source: SCSHFDA, Novogradac & Company LLP, March 2019

As seen in the table above, the Subject’s proposed rents have a 45 to 48 percent rent advantage over the adjusted market rents.

A. PROJECT DESCRIPTION

PROPERTY DESCRIPTION

- Development Location:** The Subject will be located at 573 Meeting Street in Charleston, Charleston County, South Carolina.
- Construction Type:** The Subject will be constructed together with the shelter and service offices in one, six-story residential building.
- Occupancy Type:** For SCSHFDA purposes, the tenancy is considered general population. The targeted tenancy is not age restricted and will consist of primarily one, two and three person households. All 25 of the units restricted to 50 percent of AMI will be subsidized, and will have a soft set-aside for homeless and formerly homeless tenants.
- Target Income Group:** The Subject will be restricted to households earning 50 and 60 percent of the AMI or less. The minimum allowable household income for the Subject is \$0 based on the subsidy for the Subject’s least expensive rent (studio unit at 50 percent AMI as proposed) and the maximum allowable household income will be \$40,260 (the 60 percent AMI income for a three-person household).
- Special Population Target:** All 25 of the units restricted to 50 percent of AMI will be subsidized, and will have a soft set-aside for homeless and formerly homeless tenants.
- Number of Units by Unit Type:** The Subject will include 48 studio units, 16 one-bedroom units, and six two-bedroom units.
- Number of Buildings and Stories:** The Subject will be constructed in one, six-story residential building. The 70 affordable units will be located in a mixed-use building, which will include one floor of dorm-style rooms to provide temporary shelter to homeless women and families. This space will be designed to provide privacy and dignity for homeless women and families as they work to obtain permanent housing. Families will be housed in three-bedroom, one-bathroom units. Individual women will be housed in five-bedroom, two bathroom units. The temporary shelter combined with supportive services will help homeless women and families move from homelessness to permanent housing. The shelter will be operated and accessed separately from the affordable units with separate elevators with frequency operated button (FOB) access. Analysis of the shelter space is outside of the scope of work for this report.
- Unit Mix:** The following table summarizes the Subject’s proposed unit sizes.

UNIT MIX AND SQUARE FOOTAGE

Unit Type	Number of Units	Unit Size (SF)	Net Leasable Area
OBR / 1BA	48	400	19,200
1BR / 1BA	16	500	8,000
2BR / 2BA	6	750	4,500
TOTAL	70		31,700

Structure Type/Design: The Subject will offer one six-story elevator-serviced residential building.

Proposed Rents and Utility Allowance: The following table details the Subject’s proposed rents, utility allowances, unit mix, and unit sizes. The rents listed for the 50 percent of AMI rents are contract rents. Tenants in these units will pay up to 30 percent of their income towards rent.

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2018 LIHTC Maximum Allowable Gross Rent	2019 HUD Fair Market Rents	
<i>@50% (Project Based Rental Assistance - PBRA)</i>								
OBR / 1BA	400	20	\$553	\$99	\$652	\$652	\$818	
1BR / 1BA	500	5	\$579	\$119	\$698	\$698	\$967	
<i>@60%</i>								
OBR / 1BA	400	28	\$684	\$99	\$783	\$783	\$818	
1BR / 1BA	500	11	\$719	\$119	\$838	\$838	\$967	
2BR / 2BA	750	6	\$854	\$152	\$1,006	\$1,006	\$1,118	
		70						

Notes (1) Source of Utility Allowance provided by the Developer.

Utility Structure/Allowance: The landlord will pay for trash expenses, while the tenant will be responsible for all electric expenses including heating, cooling, water heating, cooking, and general electric usage, as well as cold water and sewer expenses. The developer-provided estimated utility allowances for the Subject are \$99, \$119, and \$152 for the studio, one, and two-bedroom units, respectively.

Existing or Proposed Project-Based Rental Assistance: The Subject is proposed; all 25 of the units restricted to 50 percent of AMI will be subsidized via Project Based Rental Assistance (PBRA), and will have a soft set-aside for homeless and formerly homeless tenants.

Community Amenities See following Subject Profile sheet.

Unit Amenities See following Subject Profile sheet.

Current Occupancy/Rent Levels: The Subject will be proposed new construction.

Scope of Renovations: The Subject will be proposed new construction.

PROPERTY PROFILE REPORT

573 Meeting Street

Effective Rent Date	2/22/2019
Location	573 Meeting Street Charleston, SC 29403 Charleston County
Distance	N/A
Units	70
Vacant Units	N/A
Vacancy Rate	N/A
Type	Highrise (6 stories)
Year Built/Renovated	2020 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	N/A
Tenant Characteristics	N/A
Contact Name	N/A
Phone	N/A



Market Information

Program	@50% (Project Based Rental Assistance -
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	N/A
Annual Chg. in Rent	N/A
Concession	N/A
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Highrise (6 stories)	20	400	\$553	\$0	@50% (Project Based Rental Assistance - PBRA)	N/A	N/A	N/A	yes	None
0	1	Highrise (6 stories)	28	400	\$684	\$0	@60%	N/A	N/A	N/A	yes	None
1	1	Highrise (6 stories)	5	500	\$579	\$0	@50% (Project Based Rental Assistance - PBRA)	N/A	N/A	N/A	yes	None
1	1	Highrise (6 stories)	11	500	\$719	\$0	@60%	N/A	N/A	N/A	yes	None
2	2	Highrise (6 stories)	6	750	\$854	\$0	@60%	N/A	N/A	N/A	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$553	\$0	\$553	\$0	\$553	Studio / 1BA	\$684	\$0	\$684	\$0	\$684
1BR / 1BA	\$579	\$0	\$579	\$0	\$579	1BR / 1BA	\$719	\$0	\$719	\$0	\$719
						2BR / 2BA	\$854	\$0	\$854	\$0	\$854

Amenities

In-Unit		Security	Services
Blinds	Carpeting	Intercom (Buzzer)	None
Central A/C	Dishwasher	Limited Access	
Ceiling Fan	Microwave		
Oven	Refrigerator		
Washer/Dryer	Washer/Dryer		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Commercial/Retail	Courtyard		
Elevators	Exercise Facility		
Central Laundry	Non-shelter Services		
Off-Street Parking(\$0.00)	On-Site Management		
Picnic Area	Wi-Fi		

Comments

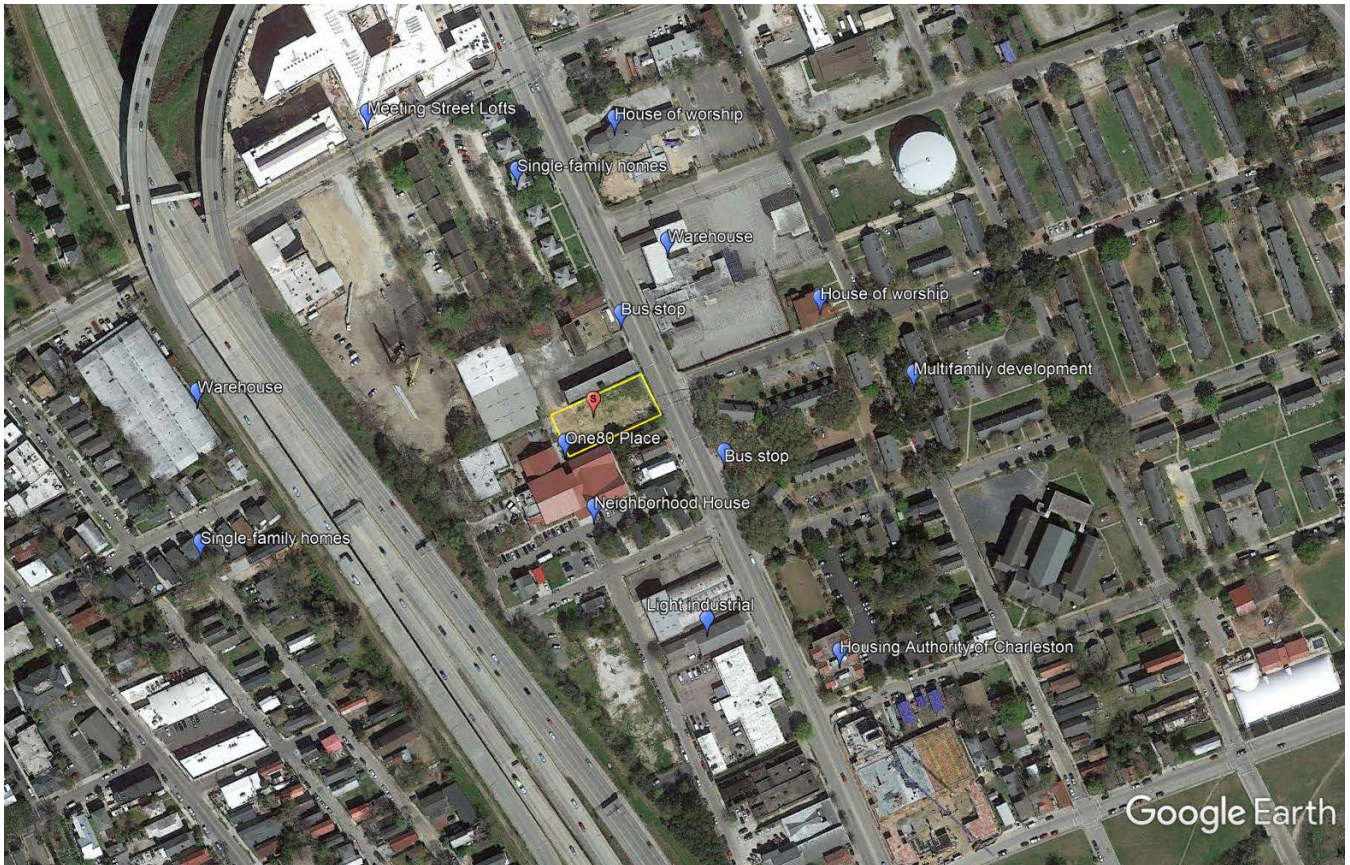
The property will offer non-shelter services including but not limited to case management, job training, and employment assistance. The developer has indicated the total number of parking spaces to be 40 for tenants at the property.

B. SITE DESCRIPTION

The location of a multifamily property can have a substantial negative or positive impact upon the performance, safety and appeal of the project. The site description discusses the physical features of the site, as well as the layout, access issues, and traffic flow.

Date of Site Visit: March 14, 2019.

Surrounding Land Uses: The following map and pictures illustrate the surrounding land uses.



Source: Google Earth, March 2019

Physical Features of Site: The Subject site is located in Charleston, South Carolina and is currently undeveloped land.

Location/Surrounding Uses: The Subject site is located in a mixed use neighborhood consisting of single-family residential, multifamily developments, warehouses, light industrial, retail/commercial developments. Immediately north of the Subject site are single-family homes that exhibit average condition followed by a warehouse and Meeting Street Lofts. East of the Subject site are multifamily rowhomes that exhibit average condition. Further east are additional small multifamily properties in fair to average condition. These properties have been excluded from the report, as they are not professionally managed, and are in inferior condition compared to the Subject as proposed. Immediately south of the Subject site is One80 Place followed by light industrial and

commercial properties in fair to average condition, as well as Neighborhood House, a social services provider. One80 Place offers culinary training programs, as well as other trainings and certifications to help homeless and formerly homeless people secure employment or higher paying jobs. Immediately west of the Subject site is Interstate 26 followed by single-family homes in poor to average condition. Overall, the Subject site is considered an average site for rental housing.

Photographs of Subject Site and Surrounding Uses



View of Subject site



View of Subject site



View of Subject site with adjacent improvements



View east along Johnson Street



View north along Meeting Street



View south along Meeting Street



One80 Place adjacent to Subject site



Warehouse south of Subject site



Vacant properties north of Subject site



Single-family home south of Subject site



Single-family home north of Subject site



Park in Subject's neighborhood



Bus stop east of Subject site



Meeting Street Lofts north of Subject site



Single-family homes in Subject's neighborhood



View west of Subject site



View west of Subject site

Visibility/Views:

Views from the Subject site include retail/commercial uses in average condition and single-family homes in average condition to the north, a warehouse facility and place of worship to the east, One80 Place to the south, One80 Place offers culinary training programs, as well as other trainings and certifications to help homeless and formerly homeless people secure employment or higher paying jobs, and Interstate 26 to the west. Overall, the Subject site is located within a mixed-use neighborhood with good access and visibility.

Detrimental Influence:

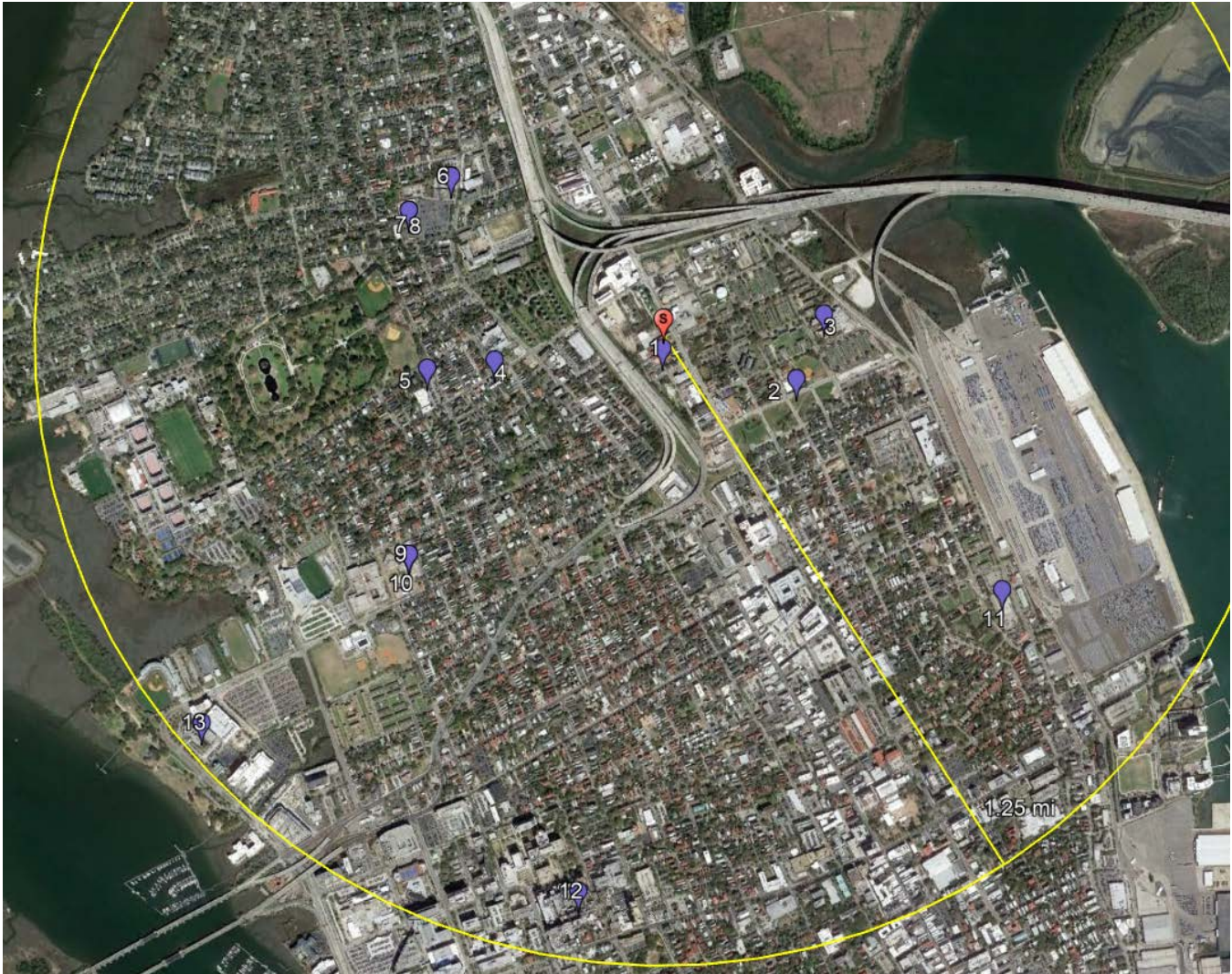
As previously indicated, the affordable units at the Subject will be located in a mixed-use building that will also house a shelter to homeless women and families. This space will be designed to provide privacy and dignity for homeless women and families as they work to obtain permanent housing. Families will be housed in three-bedroom, one-bathroom units. Individual women will be housed in five-bedroom, two bathroom units. The temporary shelter combined with supportive services will help homeless women and families move from homelessness to permanent housing. It is important to note that although the shelter will be located in the same building as the housing units, it will be operated separately from the Subject. The developer has requested that we identify and research other properties with similar uses to determine marketability as the collocation with the shelter may have a detrimental impact on the appeal and marketability of the LIHTC only units. Our research is presented in the vacancy discussion in the Supply Analysis.

The Subject will also be located adjacent to One80 Place, the Subject's proposed service provider, which offers culinary training programs, as well as other trainings and certifications to help homeless and formerly homeless people secure employment or higher paying jobs. However, given the demand for low-income housing in the Subject's immediate area, we do not believe this service provider to be a detrimental influence.

The Subject's neighborhood is populated by several vacant properties, and light industrial warehouse. Furthermore, the Subject is in close proximity to a highway, which will be visible and audible from the Subject. These uses may be considered detrimental.

Proximity to Local Services:

The Subject is located in reasonable proximity to local services including medical services and retail. The following table details the Subject's distance from key locational amenities. A *Locational Amenities Map*, corresponding to the following table is below.



Source: Google Earth, March 2019

LOCATIONAL AMENITIES

Map #	Service or Amenity	Distance from Subject (Crow)
1	One80 Place (Social Services Provider)	0.0 miles
2	Martin Luther King Jr Pool and Park	0.3 miles
3	Sanders-Clyde Elementary School	0.3 miles
4	Charleston Fire Department	0.3 miles
5	South State Bank	0.5 miles
6	John L Dart Library	0.5 miles
7	Food Lion	0.6 miles
8	CVS Pharmacy	0.6 miles
9	Simmons Pinckney Middle School	0.7 miles
10	Burke High School	0.7 miles
11	US Post Office	0.8 miles
12	Medical University of South Carolina	1.1 miles
13	Charleston Police Department	1.2 miles

Availability of Public Transportation: Charleston Area Regional Transportation Authority (CARTA) provides public transportation throughout Charleston County and surrounding areas. Bus service is available Monday through Sunday from 6:05 am to 12:47 pm. Low-income Fares are \$1.25 each way, and regular fares are \$2.00 a ride. One day passes are \$7.00. The closest bus stop is serviced by bus routes 10 and 40, which provide access throughout Downtown Charleston.

Road/Infrastructure Proposed Improvements: We witnessed no current road improvements within the Subject’s immediate neighborhood.

Crime Rates: The following table illustrates crime statistics in the Subject’s PMA compared to the MSA.

2018 CRIME INDICES

	PMA	Charleston-North Charleston, SC Metropolitan Statistical Area
Total Crime*	262	149
Personal Crime*	278	158
Murder	269	146
Rape	157	142
Robbery	270	125
Assault	296	176
Property Crime*	260	147
Burglary	184	133
Larceny	287	153
Motor Vehicle Theft	239	138

Source: Esri Demographics 2018, Novogradac & Company LLP, March 2019

*Unweighted aggregations

Total crime risk indices in the PMA are more than double the national average, and above the surrounding MSA. Both geographic areas feature crime risk indices above the overall nation. The Subject’s security features will include limited access and intercom systems. We believe the Subject will be market-oriented without additional security features.

Access and Traffic Flow: The Subject site is accessible via Meeting Street. Meeting Street is a moderately trafficked four-way road that traverses northwest to southeast. Interstate 26 intersects with Meeting Street approximately 0.1 miles north of the Subject site. Interstate 26 provides access throughout Charleston and northwest to Columbia. Overall, access and traffic flow are considered good.

Positive/Negative Attributes: The Subject will have overall good access to area retail and community services in Charleston, most of which are within 1.0 miles of the Subject site. As previously indicated, the affordable units at the Subject will be located in a mixed-use building that will also house a shelter to homeless women and families.

The Subject will also be located adjacent to One80 Place, the Subject's proposed service provider, which offers culinary training programs, as well as other trainings and certifications to help homeless and formerly homeless people secure employment or higher paying jobs. However, given the demand for low-income housing in the Subject's immediate area, we do not believe this service provider to be a detrimental influence.

The Subject's neighborhood is populated by several vacant properties, and light industrial warehouse. Furthermore, the Subject is in close proximity to a highway, which will be visible and audible from the Subject. These uses may be considered detrimental.

C. MARKET AREA

PRIMARY MARKET AREA

For the purpose of this study, it is necessary to define the market area, or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much “neighborhood oriented” and are generally very reluctant to move from the area where they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below market rents.

The Subject is a proposed 70-unit development to be constructed in Charleston, South Carolina. The PMA is defined as McMillan Avenue and the Cooper River to the north, the Cooper River to the east, The Cooper and Ashley Rivers to the south, and the Ashley River and Cosgrove Avenue to the west. The Subject will be one of few LIHTC properties in Charleston County, and as such will be able to draw from approximately a 15 to 20-minute drive time of the site. Based on interviews with local property managers, most of the tenants will originate from Charleston and several other communities in Charleston County as well as some of the smaller communities in surrounding counties. Therefore, we anticipate that the majority of the Subject’s tenants will come from within the boundaries of the PMA. The Subject’s PMA is 12 square miles. Approximate distances to the farthest boundaries of the PMA in each direction are as follows:

- North: 4 miles
- East: 1 miles
- South: 2 miles
- West: 1.5 miles

The PMA includes all or part of the following census tracts:

Census Tracts		
45019000100	45019000900	45019004400
45019000200	45019001000	45019005100
45019000400	45019001100	45019005200
45019000500	45019001500	45019005300
45019000600	45019001600	45019005400
45019000700	45019004300	45019005500

The primary market area has been identified based upon conversations with management at market rate and LIHTC properties in the area as well as other market participants in addition to demographic characteristics of census tracts within the area. Although we believe that neighborhood characteristics and geographic/infrastructure barriers are typically the best indicators of PMA boundaries, we have also examined demographic characteristics of census tracts in and around the Charleston area in an effort to better identify the Subject’s PMA. It is important to note however that we do not base our PMA determinations on census tract information alone as these boundaries are rarely known to the average person.

As per SCSHFDA guidelines, we have provided a table that illustrates the racial characteristics of the PMA, as well as data for the MSA.

2010 POPULATION BY RACE

	PMA		SMA		USA	
Total	39,856	-	663,999	-	308,745,538	-
White	21,359	53.6%	435,299	65.6%	223,553,265	72.4%
Black	17,179	43.1%	183,903	27.7%	38,929,319	12.6%
American Indian	97	0.2%	3,035	0.5%	2,932,248	0.9%
Asian	426	1.1%	10,811	1.6%	14,674,252	4.8%
Pacific	15	0.0%	629	0.1%	540,013	0.2%
Other	244	0.6%	16,440	2.5%	19,107,368	6.2%
Two or More Races	536	1.3%	13,882	2.1%	9,009,073	2.9%
Total Hispanic	855	-	35,683	-	50,477,594	-
Hispanic: White	458	53.6%	15,507	43.5%	26,735,713	53.0%
Hispanic: Black	104	12.2%	1,656	4.6%	1,243,471	2.5%
Hispanic: American Indian	12	1.4%	437	1.2%	685,150	1.4%
Hispanic: Asian	8	0.9%	160	0.4%	209,128	0.4%
Hispanic: Pacific	0	0.0%	110	0.3%	58,437	0.1%
Hispanic: Other	208	24.3%	15,257	42.8%	18,503,103	36.7%
Hispanic: Two or More Races	64	7.5%	2,556	7.2%	3,042,592	6.0%

Source: Esri Demographics 2018, Novogradac & Company LLP, March 2019

Per SCSHFDA guidelines, we have not accounted for leakage and have assumed 100 percent of demand will come from within the PMA boundaries.

The following map outlines the PMA and identifies the census tracts included within these boundaries.

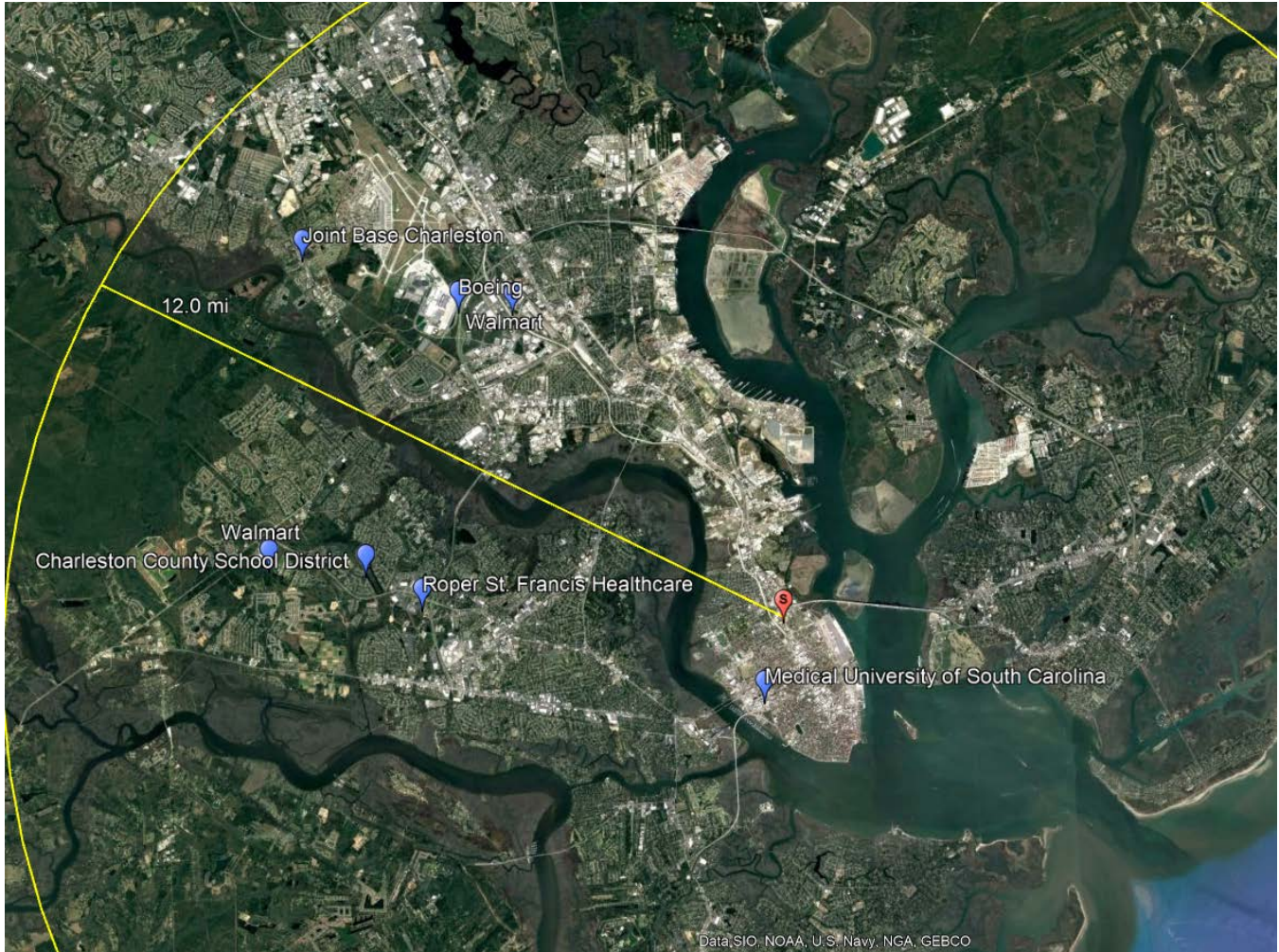


D. MARKET AREA ECONOMY

REGIONAL AND LOCAL ECONOMIC OVERVIEW

Map of Employment Centers

The following map illustrates the Subject's location compared to major employment centers in the surrounding areas.



Source: Google Earth, March 2019

Employment by Industry

The following table illustrates employment by industry for the PMA as of 2018.

2018 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Accommodation/Food Services	3,601	19.2%	11,958,374	7.6%
Healthcare/Social Assistance	2,565	13.7%	22,154,439	14.0%
Retail Trade	2,018	10.8%	17,381,607	11.0%
Educational Services	1,910	10.2%	14,568,337	9.2%
Prof/Scientific/Tech Services	1,790	9.6%	11,673,939	7.4%
Manufacturing	1,026	5.5%	15,694,985	9.9%
Other Services	908	4.8%	7,758,801	4.9%
Admin/Support/Waste Mgmt Svcs	820	4.4%	6,943,459	4.4%
Arts/Entertainment/Recreation	718	3.8%	3,672,444	2.3%
Construction	648	3.5%	10,333,928	6.5%
Transportation/Warehousing	507	2.7%	6,660,099	4.2%
Real Estate/Rental/Leasing	498	2.7%	3,165,171	2.0%
Finance/Insurance	452	2.4%	7,284,572	4.6%
Public Administration	415	2.2%	7,345,537	4.7%
Wholesale Trade	402	2.1%	4,028,405	2.6%
Information	257	1.4%	2,881,691	1.8%
Utilities	130	0.7%	1,433,069	0.9%
Agric/Forestry/Fishing/Hunting	60	0.3%	2,273,158	1.4%
Mgmt of Companies/Enterprises	0	0.0%	87,511	0.1%
Mining	0	0.0%	591,596	0.4%
Total Employment	18,725	100.0%	157,891,122	100.0%

Source: Esri Demographics 2018, Novogradac & Company LLP, March 2019

Employment in the PMA is concentrated in the accommodation/food services, healthcare/social assistance, and retail trade industries, which collectively comprise 43.7 percent of local employment. The large share of PMA employment in accommodation/food services and retail trade is notable as both industries are historically volatile, and prone to contraction during recessionary periods. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Relative to the overall nation, the PMA features comparatively greater employment in the accommodation/food services, prof/scientific/tech services, and arts/entertainment/recreation industries. Conversely, the PMA is underrepresented in the manufacturing, construction, and public administration industries.

The following table illustrates the changes in employment by industry from 2000 to 2018, in the Subject's PMA.

2000-2018 CHANGE IN EMPLOYMENT - PMA

Industry	2000		2018		2000-2018	
	Number Employed	Percent Employed	Number Employed	Percent Employed	Growth	Annualized Percent
Accommodation/Food Services	2,681	17.1%	3,601	19.2%	920	1.9%
Healthcare/Social Assistance	1,978	12.6%	2,565	13.7%	587	1.6%
Retail Trade	1,995	12.7%	2,018	10.8%	23	0.1%
Educational Services	1,676	10.7%	1,910	10.2%	234	0.8%
Prof/Scientific/Tech Services	882	5.6%	1,790	9.6%	908	5.7%
Manufacturing	682	4.4%	1,026	5.5%	344	2.8%
Other Services	895	5.7%	908	4.8%	13	0.1%
Admin/Support/Waste Mgmt Svcs	575	3.7%	820	4.4%	245	2.4%
Arts/Entertainment/Recreation	530	3.4%	718	3.8%	188	2.0%
Construction	951	6.1%	648	3.5%	-303	-1.8%
Transportation/Warehousing	413	2.6%	507	2.7%	94	1.3%
Real Estate/Rental/Leasing	398	2.5%	498	2.7%	100	1.4%
Finance/Insurance	428	2.7%	452	2.4%	24	0.3%
Public Administration	732	4.7%	415	2.2%	-317	-2.4%
Wholesale Trade	303	1.9%	402	2.1%	99	1.8%
Information	440	2.8%	257	1.4%	-183	-2.3%
Utilities	70	0.4%	130	0.7%	60	4.8%
Agric/Forestry/Fishing/Hunting	29	0.2%	60	0.3%	31	5.9%
Mgmt of Companies/Enterprises	0	0.0%	0	0.0%	0	0.0%
Mining	17	0.1%	0	0.0%	-17	-5.6%
Total Employment	15,675	100.0%	18,725	100.0%	3,050	1.1%

Source: Esri Demographics 2018, Novogradac & Company LLP, March 2019

*Industry data current as of 2010. Other projections current as of 2018.

* Change in percentage is calculated as a rate of change by industry.

Total employment in the PMA increased at an annualized rate of 1.1 percent between 2000 and 2017. The industries which expanded most substantially during this period include accommodation/food services, prof/scientific/tech services, and healthcare/social assistance. Conversely, the public administration, construction, and information sectors experienced the least growth.

Major Employers

The following table details major employers in Charleston County as of September 2018 (the most recent available).

MAJOR EMPLOYERS Charleston County

Employer Name	Industry	# Of Employees
Joint Base Charleston	Area U.S. military commands	22,000
Medical University Of South Carolina	Healthcare	13,000
The Boeing Company	Aircraft manufacturing	7,000
Charleston County School District	Education/public schools	6,500
Roper St. Francis Healthcare	Healthcare	5,500
Charleston County	Local government	2,600
Trident Health System	Hospital system	2,500
Walmart Inc.	Retail merchandise	2,300
College of Charleston	Post-secondary education	2,000
U.S. Postal Service	Postal service	2,000
Robert Bosch LLC	Antilock brake systems, fuel injectors	2,000
City of Charleston	Local government	1,700
The Sanctuary at Kiawah	Resort	1,500
City of North Charleston	Local government	1,200
Trident Technical College	Post-secondary education	1,200
Publix Supermarkets	Retail grocery stores	1,200
Verizon Wireless	Inbound/outbound call center	1,200
KapStone Charleston Kraft LLC	Paper, packaging manufacturing	1,000
Totals		76,400

Source: Charleston County, SC Economic Development, March 2019

The major employers in Charleston County are in sectors including military, government, education, financial services, and healthcare/social assistance. Some of these sectors, such as healthcare and education, are less susceptible to economic cycles. From July 2016-June 2017, Charleston County announced new and expanding business projects accounting for over 2,800 new jobs and \$85 million in capital investment. Nutramax Laboratories and its family of companies, a leading manufacturer and marketer of nutritional supplement products for people and their pets, as of October 2018 are in the process of expanding operations in Charleston County. The company is investing an additional \$20 million in the project, creating 225 new jobs in Charleston, S.C. Joint Base Charleston, the largest employer in the County, services a total population of 90,000 active-duty, reserve and civilian personnel, family members and retirees.

Expansions/Contractions

According to the Charleston Regional Development Alliance there have been multiple business expansions in the Charleston County region in the past year.

- DeepBD, an operator of artificial intelligence platforms, announced the opening of new facilities in Charleston County that is expected to create 30 new jobs.
- Mercedes Benz invested in its manufacturing campus just outside of North Charleston. The site is expected to create an additional 400 jobs due to Mercedes Benz recent partnership with Amazon.
- Nanobebe, a life sciences manufacturer, announced in October 2018, that it would be opening its first US Operation in the city of Charleston.

The following table illustrates the contractions to the economy of the PMA provided by the South Carolina Department of Employment and Workforce between 2015 and December 2018. Jobs affected represent job losses.

WARN LISTINGS

CHARLESTON AND NORTH CHARLESTON: JANUARY 2017 - MARCH 2019 YTD

Company	Location	Industry	Employees Affected	Layoff Date
IHG	North Charleston	Hospitality	626	11/2/2018
Verizon	North Charleston	Telecommunications	92	9/29/2018
On Demand Publishing, LLC (1)	North Charleston	Publishing	58	7/3/2018
JCPenny	Charleston	Retail	58	7/31/2017
Aramark	Charleston	Uniform Services	151	6/30/2017
Amazon	North Charleston	Retail	149	2/15/2017
Stryker Communications	North Charleston	Medical Technologies	88	12/31/2016
Dial America	North Charleston	Call Center	150	1/11/2016
Total			1,372	

Source: SC WARN Notification Report, March 2019

As the table depicts, there were 1,372 layoffs/closures in the Charleston and North Charleston that took effect between January 2016 and March 2019. However, as previously noted, recent employment expansions exceed these contractions.

Employment and Unemployment Trends

According to the BLS, the Subject is located in the Charleston-North Charleston, SC MSA. As such, the following table details employment and unemployment trends for the Columbia, SC MSA from 2002 to 2018 (through December).

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

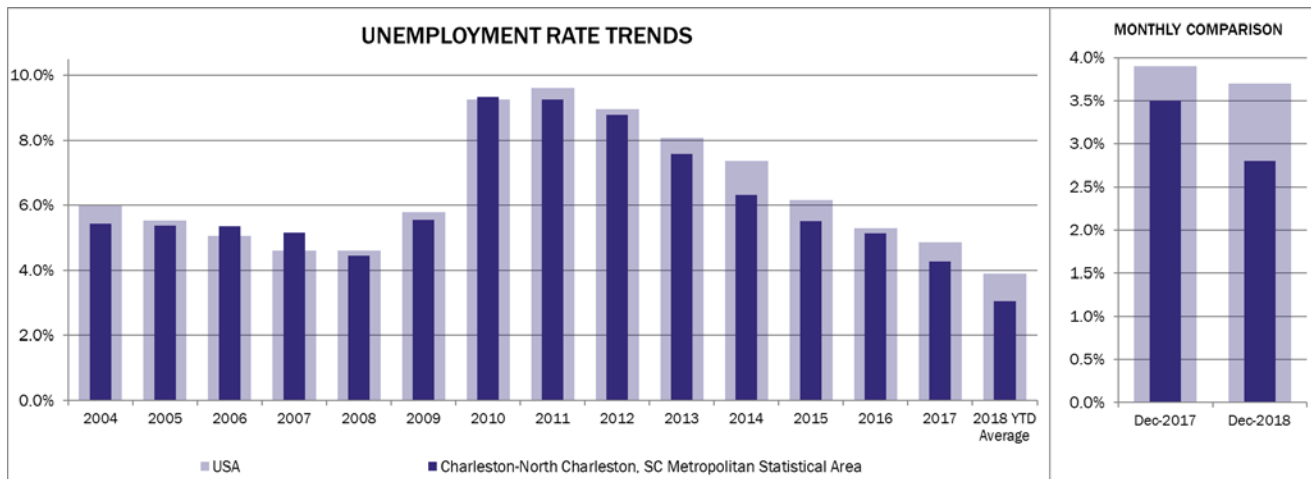
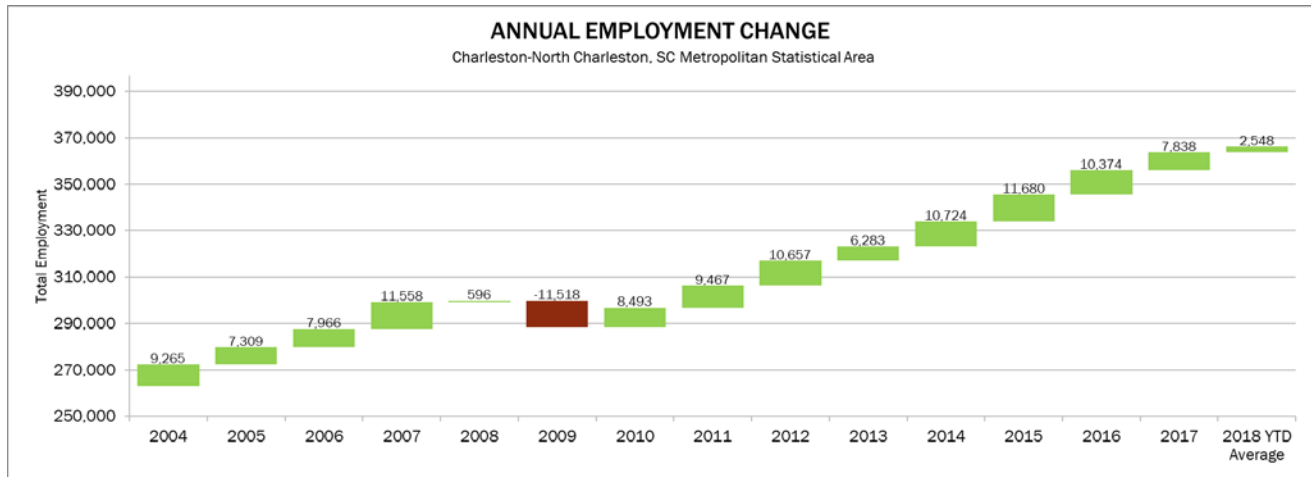
Year	Charleston-North Charleston, SC Metropolitan Statistical Area					USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change	
2002	255,525	-	4.4%	-	136,485,000	-	5.8%	-	
2003	263,215	3.0%	5.5%	1.0%	137,736,000	0.9%	6.0%	0.2%	
2004	272,480	3.5%	5.4%	-0.1%	139,252,000	1.1%	5.5%	-0.5%	
2005	279,789	2.7%	5.4%	0.0%	141,730,000	1.8%	5.1%	-0.5%	
2006	287,755	2.8%	5.2%	-0.2%	144,427,000	1.9%	4.6%	-0.5%	
2007	299,313	4.0%	4.5%	-0.7%	146,047,000	1.1%	4.6%	0.0%	
2008	299,909	0.2%	5.6%	1.1%	145,363,000	-0.5%	5.8%	1.2%	
2009	288,390	-3.8%	9.3%	3.8%	139,878,000	-3.8%	9.3%	3.5%	
2010	296,883	2.9%	9.3%	-0.1%	139,064,000	-0.6%	9.6%	0.3%	
2011	306,350	3.2%	8.8%	-0.5%	139,869,000	0.6%	9.0%	-0.7%	
2012	317,007	3.5%	7.6%	-1.2%	142,469,000	1.9%	8.1%	-0.9%	
2013	323,289	2.0%	6.3%	-1.3%	143,929,000	1.0%	7.4%	-0.7%	
2014	334,014	3.3%	5.5%	-0.8%	146,305,000	1.7%	6.2%	-1.2%	
2015	345,694	3.5%	5.1%	-0.4%	148,833,000	1.7%	5.3%	-0.9%	
2016	356,068	3.0%	4.3%	-0.9%	151,436,000	1.7%	4.9%	-0.4%	
2017	363,905	2.2%	3.6%	-0.6%	153,337,000	1.3%	4.4%	-0.5%	
2018 YTD Average*	366,453	0.7%	3.0%	-0.6%	155,761,000	1.6%	3.9%	-0.4%	
Dec-2017	360,371	-	3.5%	-	153,602,000	-	3.9%	-	
Dec-2018	368,841	2.4%	2.8%	-0.7%	156,481,000	1.9%	3.7%	-0.2%	

Source: U.S. Bureau of Labor Statistics, March 2019

*2018 data is through December

Prior to the national recession, average employment growth in the MSA generally exceeded the nation. Annual job growth in the MSA outpaced the nation in every year between 2003 and 2007. Comparatively speaking, the MSA economy performed well during the recession. Total MSA employment contracted by only 3.8 percent (2008-2009), less than the 4.8 percent decline reported by the overall nation (2007-2010). Employment in the MSA recovered and surpassed pre-recessionary levels in 2011, three years prior to the overall nation. More recently, employment growth in the MSA exceeded the nation in every year since 2012. As of December 2018, total employment in the MSA is at a post-recessionary record and increasing at an annualized rate of 2.4 percent, compared to 1.9 percent across the overall nation.

The MSA experienced a lower average unemployment rate relative to the overall nation during the years preceding the recession. The local labor market demonstrated relative strength during the recession, as the rate of unemployment increased by only 4.9 percentage points, compared to a 5.0 percentage point increase across the overall nation. Since 2012, the MSA generally experienced a lower unemployment rate compared to the overall nation. According to the most recent labor statistics, the unemployment rate in the MSA is 2.8 percent, lower than the current national unemployment rate of 3.7 percent. Overall, the local economy appears to have fully recovered from the national recession and entered into an expansionary phase.



Housing and Economy

There are seven LIHTC and seven subsidized properties in the Subject’s PMA. Given the very low vacancy rates and presence of waiting lists among the LIHTC comparables, the availability of housing for low to very low income renters is considered limited. The state of the economy has affected both the multifamily rental and the single-family home market in the PMA.

According to RealtyTrac’s January 2019 estimates, the City of Charleston experienced a low foreclosure rate of one in every 2,138 housing units. Charleston County experienced a slightly lower foreclosure rate compared to the City of Charleston, and experienced a foreclosure rate of one in every 2,320 housing units in January 2019. The state of South Carolina had a foreclosure rate of one in every 1,809 housing units, a rate higher than Charleston and Charleston County.

COMMUTING PATTERNS

The following table details travel time to work for residents within the PMA. The average travel time is approximately 20 minutes. Approximately 67.8 percent of households within the PMA have commute times of less than 20 minutes.

COMMUTING PATTERNS		
ACS Commuting Time to Work	Number of Commuters	Percentage
Travel Time < 5 min	486	2.8%
Travel Time 5-9 min	3,414	19.7%
Travel Time 10-14 min	4,098	23.6%
Travel Time 15-19 min	3,769	21.7%
Travel Time 20-24 min	2,225	12.8%
Travel Time 25-29 min	793	4.6%
Travel Time 30-34 min	1,164	6.7%
Travel Time 35-39 min	86	0.5%
Travel Time 40-44 min	194	1.1%
Travel Time 45-59 min	439	2.5%
Travel Time 60-89 min	437	2.5%
Travel Time 90+ min	257	1.5%
Weighted Average	20 minutes	

Source: US Census 2018, Novogradac & Company, LLP March 2019

CONCLUSION

As of December 2018, total employment in the MSA is at a post-recessionary record and increasing at an annualized rate of 2.4 percent, compared to 1.9 percent across the overall nation. Since 2012, the MSA generally experienced a lower unemployment rate compared to the overall nation. According to the most recent labor statistics, the unemployment rate in the MSA is 2.8 percent, lower than the current national unemployment rate of 3.7 percent.

E. COMMUNITY DEMOGRAPHIC DATA

COMMUNITY DEMOGRAPHIC DATA

The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied to determine if the Primary Market Area (PMA) and Charleston-North Charleston, SC MSA, which serves as the Secondary Market Area, are areas of growth or contraction. The discussions will also describe typical household size and will provide a picture of the health of the community and the economy. The following demographic tables are specific to the populations of the PMA, MSA, and nation.

Population Trends

The following tables illustrate (a) Total Population and (b) Population by Age Group, and (c) Population Growth Rate.

POPULATION (A,C)

Year	PMA		Charleston-North Charleston, SC Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	41,415	-	546,889	-	281,038,168	-
2010	39,855	-0.4%	663,998	2.1%	308,745,538	1.0%
2018	42,827	0.9%	782,474	2.2%	330,088,686	0.8%
Projected Mkt Entry January 2021	45,232	2.2%	822,136	2.0%	337,021,685	0.8%
2023	47,637	2.2%	861,798	2.0%	343,954,683	0.8%

Source: Esri Demographics 2018, Novogradac & Company LLP, March 2019

POPULATION BY AGE GROUP (B, C)

Age Cohort	PMA				
	2000	2010	2018	Projected Mkt Entry January 2021	2023
0-4	1,892	2,153	2,063	2,234	2,404
5-9	2,165	1,549	1,692	1,819	1,945
10-14	2,388	1,299	1,445	1,582	1,719
15-19	5,262	4,876	4,831	4,981	5,130
20-24	6,437	8,916	9,210	9,284	9,357
25-29	2,923	3,527	3,915	4,001	4,086
30-34	2,245	2,068	2,383	2,626	2,868
35-39	2,357	1,510	1,717	1,907	2,097
40-44	2,331	1,471	1,331	1,530	1,728
45-49	2,301	1,828	1,583	1,617	1,651
50-54	2,197	1,979	1,890	1,910	1,929
55-59	1,790	2,019	2,202	2,219	2,235
60-64	1,493	1,949	2,349	2,494	2,639
65-69	1,372	1,449	2,074	2,259	2,443
70-74	1,342	1,012	1,464	1,718	1,971
75-79	1,252	855	1,048	1,263	1,477
80-84	925	691	756	859	962
85+	744	704	874	935	996
Total	41,416	39,855	42,827	45,232	47,637

Source: Esri Demographics 2018, Novogradac & Company LLP, March 2019

The PMA experienced declining population growth between 2000 and 2010, and lagged behind the surrounding MSA, which reported positive growth over the same time period. However, population growth in

the broader MSA exceeded the nation by 1.2 percent during the same time period. Population growth in the PMA increased significantly between 2010 and 2018, however, grew by slightly less than the MSA. According to ESRI demographic projections, annualized PMA growth is expected to rise to 2.2 percent through 2023, slightly above the MSA and above the overall nation.

The population in the PMA in 2018 was concentrated heavily in the age groups of 15-29, combined these age groups represent 41.9 percent of the total population in the PMA. Through market entry these age groups will have the highest representation in the PMA. Growth in these age cohorts bodes well for the Subject.

HOUSEHOLD TRENDS

Total Number of Households, Average Household Size, and Group Quarters

HOUSEHOLDS

Year	PMA		Charleston-North Charleston, SC Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	16,317	-	207,374	-	105,403,008	-
2010	15,790	-0.3%	259,730	2.5%	116,716,296	1.1%
2018	17,205	1.1%	305,756	2.1%	124,110,017	0.8%
Projected Mkt Entry January 2021	18,144	2.2%	320,895	2.0%	126,482,974	0.8%
2023	19,083	2.2%	336,034	2.0%	128,855,931	0.8%

Source: Esri Demographics 2018, Novogradac & Company LLP, March 2019

AVERAGE HOUSEHOLD SIZE

Year	PMA		Charleston-North Charleston, SC Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.22	-	2.55	-	2.59	-
2010	2.14	-0.3%	2.48	-0.3%	2.58	-0.1%
2018	2.14	0.0%	2.51	0.1%	2.59	0.1%
Projected Mkt Entry January 2021	2.16	0.4%	2.51	0.1%	2.60	0.1%
2023	2.18	0.4%	2.52	0.1%	2.61	0.1%

Source: Esri Demographics 2018, Novogradac & Company LLP, March 2019

POPULATION IN GROUP QUARTERS

Year	PMA		Charleston-North Charleston, SC Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	5,258.00	-	18,527.00	-	7,596,362.00	-
2010	6,013.00	1.4%	20,369.00	1.0%	8,043,577.00	0.6%
2018	5,941.00	-0.1%	15,983.00	-2.6%	8,082,433.00	0.0%
Projected Mkt Entry January 2021	5,941.00	0.0%	15,983.00	0.0%	8,082,433.00	0.0%
2023	5,941.00	0.0%	15,983.00	0.0%	8,082,433.00	0.0%

Source: Esri Demographics 2018, Novogradac & Company LLP, March 2019

The PMA experienced declined household growth between 2000 and 2010, and lagged behind the surrounding MSA, which reported positive growth over the same time period. Although PMA growth also trended below the nation, household growth in the broader MSA exceeded the nation by 1.5 percent during

the same time period. Household growth in the PMA increased significantly between 2010 and 2018, however, grew by slightly less than the MSA. According to ESRI demographic projections, annualized PMA growth is expected to rise to 2.2 percent through 2023, slightly above the MSA and above the overall nation. The average household sizes are expected to remain relatively stable for all areas of analysis. The number of persons in group quarters increased in the PMA between 2000 and 2018. Note that forecasted data for the population in group quarters is not available as growth in this population is more often a result of changes to local facilities than macro demographic trends.

Households by Tenure

The table below depicts household growth by tenure from 2000 through 2023.

TENURE PATTERNS PMA				
Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	6,185	37.9%	10,132	62.1%
2018	6,043	35.1%	11,162	64.9%
Projected Mkt Entry January 2021	6,196	34.1%	11,948	65.9%
2023	6,349	33.3%	12,734	66.7%

Source: Esri Demographics 2018, Novogradac & Company LLP, March 2019

The preceding table details household tenure patterns in the PMA since 2000. The percentage of renter households in the PMA remained relatively stable between 2000 and 2018, and is estimated to be 64.9 percent as of 2018. This is more than the estimated 33 percent of renter households across the overall nation. According to ESRI demographic projections, the percentage of renter households in the PMA is expected to remain relatively stable through 2023.

Household Income Distribution

The following table depicts household income in the PMA from 2018 to 2023.

HOUSEHOLD INCOME PMA

Income Cohort	2018		PMA 2023		Annual Change 2018 to 2023	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	3,355	19.5%	3,486	18.3%	26	0.8%
\$10,000-19,999	2,388	13.9%	2,525	13.2%	27	1.1%
\$20,000-29,999	1,941	11.3%	2,022	10.6%	16	0.8%
\$30,000-39,999	1,449	8.4%	1,621	8.5%	34	2.4%
\$40,000-49,999	1,311	7.6%	1,347	7.1%	7	0.5%
\$50,000-59,999	935	5.4%	1,132	5.9%	39	4.2%
\$60,000-74,999	1,152	6.7%	1,236	6.5%	17	1.5%
\$75,000-99,999	1,253	7.3%	1,462	7.7%	42	3.3%
\$100,000-124,999	838	4.9%	998	5.2%	32	3.8%
\$125,000-149,999	544	3.2%	694	3.6%	30	5.5%
\$150,000-199,999	632	3.7%	773	4.1%	28	4.5%
\$200,000+	1,407	8.2%	1,787	9.4%	76	5.4%
Total	17,205	100.0%	19,083	100.0%		

Source: HISTA Data / Ribbon Demographics 2018, Novogradac & Company LLP, March 2019

As proposed, the Subject will target households earning between \$0 and \$40,260, and between \$22,354 and \$40,260 absent subsidy. As the table above depicts, approximately 44.7 percent of households in the PMA earned between \$0 and \$29,999 in 2018.

Renter Household Income Distribution

The following tables depict renter household incomes in the PMA in 2018, market entry, and 2023.

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2018		Projected Mkt Entry January 2021		2023	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	2,873	25.7%	2,937	24.6%	3,001	23.6%
\$10,000-19,999	1,847	16.5%	1,914	16.0%	1,981	15.6%
\$20,000-29,999	1,416	12.7%	1,473	12.3%	1,530	12.0%
\$30,000-39,999	1,019	9.1%	1,092	9.1%	1,165	9.1%
\$40,000-49,999	887	7.9%	924	7.7%	960	7.5%
\$50,000-59,999	612	5.5%	699	5.8%	785	6.2%
\$60,000-74,999	653	5.9%	710	5.9%	766	6.0%
\$75,000-99,999	688	6.2%	775	6.5%	862	6.8%
\$100,000-124,999	318	2.8%	373	3.1%	427	3.4%
\$125,000-149,999	200	1.8%	252	2.1%	303	2.4%
\$150,000-199,999	223	2.0%	268	2.2%	313	2.5%
\$200,000+	426	3.8%	534	4.5%	641	5.0%
Total	11,162	100.0%	11,948	100.0%	12,734	100.0%

Source: HISTA Data / Ribbon Demographics 2018, Novogradac & Company LLP, March 2019

Renter households with incomes between \$0 and \$29,999 represent 55.0 percent of the renter households in the PMA in 2018, and this share is expected to decline slightly through market entry.

RENTER HOUSEHOLDS BY NUMBER OF PERSONS IN THE HOUSEHOLD

The following table illustrates household size for renter households in the PMA.

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA

Household Size	2018		Projected Mkt Entry January 2021		2023	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
1 Person	5,105	45.7%	5,507	46.1%	5,908	46.4%
2 Persons	3,074	27.5%	3,283	27.5%	3,492	27.4%
3 Persons	1,568	14.0%	1,665	13.9%	1,761	13.8%
4 Persons	768	6.9%	810	6.8%	852	6.7%
5+ Persons	647	5.8%	684	5.7%	721	5.7%
Total Households	11,162	100%	11,948	100%	12,734	100%

Source: HISTA Data / Ribbon Demographics 2018, Novogradac & Company LLP, March 2019

Approximately 73.3 percent of renter households resided in a one to two-person household in the PMA in 2018. Over the next five years, this percentage is projected to increase.

CONCLUSION

The PMA experienced declined household growth between 2000 and 2010, and lagged behind the surrounding MSA, which reported positive growth over the same time period. Although PMA growth also trended below the nation, household growth in the broader MSA exceeded the nation by 1.5 percent during the same time period. Household growth in the PMA increased significantly between 2010 and 2018, however, grew by slightly less than the MSA. According to ESRI demographic projections, annualized PMA growth is expected to rise to 2.2 percent through 2023, slightly above the MSA and above the overall nation. The average household sizes are expected to remain relatively stable for all areas of analysis. Renter households with incomes between \$0 and \$29,999 represent 55.0 percent of the renter households in the PMA in 2018, and this share is expected to decline slightly through market entry. Many of these households would income-qualify at the Subject.

F. PROJECT-SPECIFIC DEMAND ANALYSIS

PROJECT SPECIFIC DEMAND ANALYSIS

The following demand analysis evaluates the potential amount of qualified households, which the Subject would have a fair chance at capturing. The structure of the analysis is based on the guidelines provided by SCSHFDA.

1. Income Restrictions

LIHTC rents are based upon a percentage of the Area Median Gross Income (AMI), adjusted for household size and utilities. South Carolina State Housing Finance and Development Agency (SCSHFDA) will estimate the relevant income levels, with annual updates. The rents are calculated assuming that the maximum gross rent a family household will pay is 35 percent of its household income at the appropriate AMI level and the maximum gross rent a senior household will pay is 40 percent of its household income at the appropriate AMI level.

According to SCSHFDA, household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. For example, for one-bedroom units we assume the average income limits of a one- and two-person household and for three-bedroom units we assume the average income limits for a four- and five-person household. This applies to family projects. For elderly projects, we have used a maximum income based on two-person households.

To assess the likely number of tenants in the market area eligible to live in the Subject, we use Census information as provided by ESRI Business Information Solutions to estimate the number of potential tenants who would qualify to occupy the Subject as a LIHTC project.

The maximum income levels are based upon information obtained from the Rent and Income Limits Guidelines Table as accessed from Novogradac & Company’s website.

2. Affordability

As discussed above, the maximum income for LIHTC units is set by SCSHFDA while the minimum is based upon the minimum income needed to support affordability. This is based upon a standard of 35 percent. Lower and moderate-income families typically spend greater than 30 percent of their income on housing. These expenditure amounts can range higher than 50 percent depending upon market area. However, the 30 to 40 percent range is generally considered a reasonable range of affordability. SCSHFDA guidelines utilize 35 for families and 40 percent for senior households, which we will use to set the minimum income levels for the demand analysis.

3. Minimum and Maximum Income Levels

The following tables illustrate the minimum and maximum allowable income levels for the Subject’s units.

GENERAL POPULATION INCOME LIMITS - AS PROPOSED

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@50% (Project Based Rental Assistance - PBRA)		@60%	
OBR	\$0	\$26,100	\$26,846	\$31,320
1BR	\$0	\$29,800	\$28,731	\$35,760
2BR	-	-	\$34,491	\$40,260

GENERAL POPULATION INCOME LIMITS - ABSENT SUBSIDY

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@50%		@60%	
OBR	\$22,354	\$26,100	\$26,846	\$31,320
1BR	\$23,931	\$29,800	\$28,731	\$35,760
2BR	-	-	\$34,491	\$40,260

4. Demand

The demand for the Subject will be derived from two sources: existing households and new households. These calculations are illustrated on the attached table.

4a. Demand from New Renter Households

The number of new households entering the market is the first level of demand calculated. SCSHFDA has requested that we utilize 2018 as the base year for the analysis, with demographic projections to 2021. This is considered the gross potential demand for the Subject property. This number is adjusted for income eligibility and renter tenure.

4b. Demand from Existing Households

Demand for existing households is estimated by summing three sources of potential tenants. (a) The first source is tenants who are rent overburdened. These are households who are paying over 35 percent of their income in housing costs for general occupancy housing or over 40 percent of their income in housing costs for elderly housing. This number is estimated using census 2010 or American Community Survey (ACS) data. (b) The second source is households living in substandard housing. This number is estimated using 2000 Census data. (c) The third source is those seniors likely to move from their own homes into rental housing. Data from the American Housing Survey and interviews with area senior apartment property managers regarding the number or share of current renters who originated from homeownership must be used to refine the analysis. The Subject is rural and generally not likely to attract homeowners seeking to downsize into a family rental unit. (d) The fourth potential “Other” source of demand is demand which may exist that is not captured by the above methods, which may be allowed if the factors used can be fully justified.

4c. Additions to Supply

SCSHFDA guidelines indicate that units in all competing projects that were allocated, under construction, placed in service, or funded in 2018 as well as those units at properties that have not reached a stabilized occupancy of 93 percent should be removed from the demand analysis. There are no such properties in the PMA.

5. Method – Capture Rates

The above calculations and derived capture rates are illustrated in the following table.

50% AMI (PBRA)

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @50% (PBRA)

Minimum Income Limit		\$0		Maximum Income Limit		\$29,800	
Income Category	New Renter Households - Total Change in Households PMA 2018 to Prj Mrkt Entry January 2021		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	\$0-9,999	64			8.1%	\$9,999	100.0%
\$10,000-19,999	67	8.5%	\$9,999	100.0%	67		
\$20,000-29,999	57	7.3%	\$9,801	98.0%	56		
\$30,000-39,999	73	9.3%	\$0	0.0%	0		
\$40,000-49,999	37	4.6%	\$0	0.0%	0		
\$50,000-59,999	87	11.0%	\$0	0.0%	0		
\$60,000-74,999	57	7.2%	\$0	0.0%	0		
\$75,000-99,999	87	11.1%	\$0	0.0%	0		
\$100,000-124,999	55	6.9%	\$0	0.0%	0		
\$125,000-149,999	52	6.6%	\$0	0.0%	0		
\$150,000-199,999	45	5.7%	\$0	0.0%	0		
\$200,000+	108	13.7%	\$0	0.0%	0		
Total	786	100.0%		23.8%	187		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @50% (PBRA)

Minimum Income Limit		\$0		Maximum Income Limit		\$29,800	
Income Category	Total Renter Households PMA 2018		Income Brackets	Percent within Cohort	Households within Bracket		
	\$0-9,999	2,873			25.7%	\$9,999	100.0%
\$10,000-19,999	1,847	16.5%	\$9,999	100.0%	1,847		
\$20,000-29,999	1,416	12.7%	\$9,801	98.0%	1,388		
\$30,000-39,999	1,019	9.1%	\$0	0.0%	0		
\$40,000-49,999	887	7.9%	\$0	0.0%	0		
\$50,000-59,999	612	5.5%	\$0	0.0%	0		
\$60,000-74,999	653	5.9%	\$0	0.0%	0		
\$75,000-99,999	688	6.2%	\$0	0.0%	0		
\$100,000-124,999	318	2.8%	\$0	0.0%	0		
\$125,000-149,999	200	1.8%	\$0	0.0%	0		
\$150,000-199,999	223	2.0%	\$0	0.0%	0		
\$200,000+	426	3.8%	\$0	0.0%	0		
Total	11,162	100.0%		54.7%	6,108		

ASSUMPTIONS - @50% (PBRA)

Tenancy Rural/Urban	General Population		% of Income towards Housing			35%
	Urban		Maximum # of Occupants			2
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	20%	70%	10%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	60%	40%	0%	
4	0%	0%	30%	40%	30%	
5+	0%	0%	0%	50%	50%	

Demand from New Renter Households 2018 to January 2021

Income Target Population	@50% (PBRA)
New Renter Households PMA	786
Percent Income Qualified	23.8%
New Renter Income Qualified Households	187

Demand from Existing Households 2018

Demand from Rent Overburdened Households

Income Target Population	@50% (PBRA)
Total Existing Demand	11,162
Income Qualified	54.7%
Income Qualified Renter Households	6,108
Percent Rent Overburdened Prj Mrkt Entry January 2021	48.0%
Rent Overburdened Households	2,929

Demand from Living in Substandard Housing

Income Qualified Renter Households	6,108
Percent Living in Substandard Housing	0.4%
Households Living in Substandard Housing	23

Senior Households Converting from Homeownership

Income Target Population	@50% (PBRA)
Total Senior Homeowners	0
Rural Versus Urban	2.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households	2,952
Total New Demand	187
Total Demand (New Plus Existing Households)	3,139

Demand from Seniors Who Convert from Homeownership	0
Percent of Total Demand From Homeownership Conversion	0.0%
Is this Demand Over 20 percent of Total Demand?	No

By Bedroom Demand

One Person	46.1%	1,447
Two Persons	27.5%	862
Three Persons	13.9%	437
Four Persons	6.8%	213
Five Persons	5.7%	180
Total	100.0%	3,139

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	20%	289
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	70%	1013
Of two-person households in 1BR units	20%	172
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	145
Of two-person households in 2BR units	80%	690
Of three-person households in 2BR units	60%	262
Of four-person households in 2BR units	30%	64
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	175
Of four-person households in 3BR units	40%	85
Of five-person households in 3BR units	50%	90
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	64
Of five-person households in 4BR units	50%	90
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
Total Demand		3,139

Total Demand (Subject Unit Types)			Additions to Supply			Net Demand		
0 BR	289	-	0	=	289			
1 BR	1,185	-	0	=	1,185			
2 BR	-	-	-	=	-			
3 BR	-	-	-	=	-			
4 BR	-	-	-	=	-			
5 BR	-	-	-	=	-			
Total	1,474		0		1,474			

Developer's Unit Mix			Net Demand			Capture Rate		
0 BR	20	/	289	=	6.9%			
1 BR	5	/	1,185	=	0.4%			
2 BR	-	/	-	=	-			
3 BR	-	/	-	=	-			
4 BR	-	/	-	=	-			
5 BR	-	/	-	=	-			
Total	25		1,474		1.7%			

60% AMI

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$26,846		Maximum Income Limit		\$40,260	
Income Category	New Renter Households - Total Change in Households PMA 2018 to Prj Mrkt Entry January 2021		Income Brackets	Percent within Cohort	Renter Households within Bracket		
\$0-9,999	64	8.1%	\$0	0.0%	0		
\$10,000-19,999	67	8.5%	\$0	0.0%	0		
\$20,000-29,999	57	7.3%	\$3,153	31.5%	18		
\$30,000-39,999	73	9.3%	\$9,999	100.0%	73		
\$40,000-49,999	37	4.6%	\$261	2.6%	1		
\$50,000-59,999	87	11.0%	\$0	0.0%	0		
\$60,000-74,999	57	7.2%	\$0	0.0%	0		
\$75,000-99,999	87	11.1%	\$0	0.0%	0		
\$100,000-124,999	55	6.9%	\$0	0.0%	0		
\$125,000-149,999	52	6.6%	\$0	0.0%	0		
\$150,000-199,999	45	5.7%	\$0	0.0%	0		
\$200,000+	108	13.7%	\$0	0.0%	0		
Total	786	100.0%		11.7%	92		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$26,846		Maximum Income Limit		\$40,260	
Income Category	Total Renter Households PMA 2018		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	2,873	25.7%	\$0	0.0%	0		
\$10,000-19,999	1,847	16.5%	\$0	0.0%	0		
\$20,000-29,999	1,416	12.7%	\$3,153	31.5%	447		
\$30,000-39,999	1,019	9.1%	\$9,999	100.0%	1,019		
\$40,000-49,999	887	7.9%	\$261	2.6%	23		
\$50,000-59,999	612	5.5%	\$0	0.0%	0		
\$60,000-74,999	653	5.9%	\$0	0.0%	0		
\$75,000-99,999	688	6.2%	\$0	0.0%	0		
\$100,000-124,999	318	2.8%	\$0	0.0%	0		
\$125,000-149,999	200	1.8%	\$0	0.0%	0		
\$150,000-199,999	223	2.0%	\$0	0.0%	0		
\$200,000+	426	3.8%	\$0	0.0%	0		
Total	11,162	100.0%		13.3%	1,489		

ASSUMPTIONS - @60%

ASSUMPTIONS - @60%					
Tenancy		General Population		% of Income towards Housing	
Rural/Urban		Urban		Maximum # of Occupants	
Persons in Household	OBR	1BR	2BR	3BR	4BR+
1	20%	70%	10%	0%	0%
2	0%	20%	80%	0%	0%
3	0%	0%	60%	40%	0%
4	0%	0%	30%	40%	30%
5+	0%	0%	0%	50%	50%

Demand from New Renter Households 2018 to January 2021

Income Target Population	@60%
New Renter Households PMA	786
Percent Income Qualified	11.7%
New Renter Income Qualified Households	92

Demand from Existing Households 2018

Demand from Rent Overburdened Households

Income Target Population	@60%
Total Existing Demand	11,162
Income Qualified	13.3%
Income Qualified Renter Households	1,489
Percent Rent Overburdened Prj Mrkt Entry January 2021	48.0%
Rent Overburdened Households	714

Demand from Living in Substandard Housing

Income Qualified Renter Households	1,489
Percent Living in Substandard Housing	0.4%
Households Living in Substandard Housing	6

Senior Households Converting from Homeownership

Income Target Population	@60%
Total Senior Homeowners	0
Rural Versus Urban	2.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households	719
Total New Demand	92
Total Demand (New Plus Existing Households)	811

Demand from Seniors Who Convert from Homeownership	0
Percent of Total Demand From Homeownership Conversion	0.0%
Is this Demand Over 20 percent of Total Demand?	No

By Bedroom Demand

One Person	46.1%	374
Two Persons	27.5%	223
Three Persons	13.9%	113
Four Persons	6.8%	55
Five Persons	5.7%	46
Total	100.0%	811

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	20%	75
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	70%	262
Of two-person households in 1BR units	20%	45
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	37
Of two-person households in 2BR units	80%	178
Of three-person households in 2BR units	60%	68
Of four-person households in 2BR units	30%	17
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	45
Of four-person households in 3BR units	40%	22
Of five-person households in 3BR units	50%	23
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	17
Of five-person households in 4BR units	50%	23
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
Total Demand		811

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	75	-	0	=	75
1 BR	306	-	0	=	306
2 BR	300	-	0	=	300
3 BR	-	-	-	=	-
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
Total	681		0		681

	Developer's Unit Mix		Net Demand		Capture Rate
0 BR	28	/	75	=	37.4%
1 BR	11	/	306	=	3.6%
2 BR	6	/	300	=	2.0%
3 BR	-	/	-	=	-
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
Total	45		681		6.6%

Overall

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Overall

Minimum Income Limit		\$0		Maximum Income Limit		\$40,260	
Income Category	New Renter Households - Total Change in Households PMA 2018 to Prj Mrkt Entry January 2021		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	\$0-9,999	64			8.1%	\$9,999	100.0%
\$10,000-19,999	67	8.5%	\$9,999	100.0%	67		
\$20,000-29,999	57	7.3%	\$9,999	100.0%	57		
\$30,000-39,999	73	9.3%	\$9,999	100.0%	73		
\$40,000-49,999	37	4.6%	\$261	2.6%	1		
\$50,000-59,999	87	11.0%	\$0	0.0%	0		
\$60,000-74,999	57	7.2%	\$0	0.0%	0		
\$75,000-99,999	87	11.1%	\$0	0.0%	0		
\$100,000-124,999	55	6.9%	\$0	0.0%	0		
\$125,000-149,999	52	6.6%	\$0	0.0%	0		
\$150,000-199,999	45	5.7%	\$0	0.0%	0		
\$200,000+	108	13.7%	\$0	0.0%	0		
Total	786	100.0%		33.3%	262		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Overall

Minimum Income Limit		\$0		Maximum Income Limit		\$40,260	
Income Category	Total Renter Households PMA 2018		Income Brackets	Percent within Cohort	Households within Bracket		
	\$0-9,999	2,873			25.7%	\$9,999	100.0%
\$10,000-19,999	1,847	16.5%	\$9,999	100.0%	1,847		
\$20,000-29,999	1,416	12.7%	\$9,999	100.0%	1,416		
\$30,000-39,999	1,019	9.1%	\$9,999	100.0%	1,019		
\$40,000-49,999	887	7.9%	\$261	2.6%	23		
\$50,000-59,999	612	5.5%	\$0	0.0%	0		
\$60,000-74,999	653	5.9%	\$0	0.0%	0		
\$75,000-99,999	688	6.2%	\$0	0.0%	0		
\$100,000-124,999	318	2.8%	\$0	0.0%	0		
\$125,000-149,999	200	1.8%	\$0	0.0%	0		
\$150,000-199,999	223	2.0%	\$0	0.0%	0		
\$200,000+	426	3.8%	\$0	0.0%	0		
Total	11,162	100.0%		64.3%	7,178		

ASSUMPTIONS - Overall

ASSUMPTIONS - Overall						
Tenancy	General Population			% of Income towards Housing		35%
Rural/Urban	Urban			Maximum # of Occupants		3
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	20%	70%	10%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	60%	40%	0%	
4	0%	0%	30%	40%	30%	
5+	0%	0%	0%	50%	50%	

Demand from New Renter Households 2018 to January 2021

Income Target Population	Overall
New Renter Households PMA	786
Percent Income Qualified	33.3%
New Renter Income Qualified Households	262

Demand from Existing Households 2018

Demand from Rent Overburdened Households

Income Target Population	Overall
Total Existing Demand	11,162
Income Qualified	64.3%
Income Qualified Renter Households	7,178
Percent Rent Overburdened Prj Mrkt Entry January 2021	48.0%
Rent Overburdened Households	3,443

Demand from Living in Substandard Housing

Income Qualified Renter Households	7,178
Percent Living in Substandard Housing	0.4%
Households Living in Substandard Housing	27

Senior Households Converting from Homeownership

Income Target Population	Overall
Total Senior Homeowners	0
Rural Versus Urban	2.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households	3,469
Total New Demand	262
Total Demand (New Plus Existing Households)	3,731

Demand from Seniors Who Convert from Homeownership	0
Percent of Total Demand From Homeownership Conversion	0.0%
Is this Demand Over 20 percent of Total Demand?	No

By Bedroom Demand

One Person	46.1%	1,720
Two Persons	27.5%	1,025
Three Persons	13.9%	520
Four Persons	6.8%	253
Five Persons	5.7%	214
Total	100.0%	3,731

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	20%	344
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	70%	1204
Of two-person households in 1BR units	20%	205
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	172
Of two-person households in 2BR units	80%	820
Of three-person households in 2BR units	60%	312
Of four-person households in 2BR units	30%	76
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	208
Of four-person households in 3BR units	40%	101
Of five-person households in 3BR units	50%	107
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	76
Of five-person households in 4BR units	50%	107
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
Total Demand		3,731

	Total Demand (Subject Unit Types)		Additions to Supply			Net Demand
0 BR	344	-	0	=	344	
1 BR	1,409	-	0	=	1,409	
2 BR	1,380	-	0	=	1,380	
3 BR	-	-	0	=	-	
4 BR	-	-	0	=	-	
5 BR	-	-	0	=	-	
Total	3,133		0		3,133	

	Developer's Unit Mix		Net Demand			Capture Rate
0 BR	48	/	344	=	14.0%	
1 BR	16	/	1,409	=	1.1%	
2 BR	6	/	1,380	=	0.4%	
3 BR	-	/	-	=	-	
4 BR	-	/	-	=	-	
5 BR	-	/	-	=	-	
Total	70		3,133		2.2%	

Conclusions

Several factors affect the indicated capture rates and are discussed following.

- The number of general population households in the PMA is expected to increase 2.2 percent between 2018 and projected market entry 2021.
- This demand analysis does not measure the PMA's or Subject's ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

The following table illustrates demand and net demand for the Subject's units. Note that these capture rates are not based on appropriate bedroom types, as calculated previously.

DEMAND AND NET DEMAND

	HH at @50% AMI (PBRA) (\$0 to \$29,800)	HH at @60% AMI (\$26,846 to \$40,260)	Overall Demand
Demand from New Households (age and income appropriate)	187	92	262
PLUS	+	+	+
Demand from Existing Renter Housholds - Rent Overburdened Households	2,929	714	3,443
PLUS	+	+	+
Demand from Existing Renter Households - Substandard Housing	23	6	27
=	=	=	=
Sub Total	3,139	811	3,731
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	0	0	0
Equals Total Demand	3,139	811	3,731
Less	-	-	-
New Supply	0	0	0
Equals Net Demand	3,139	811	3,731

Note that the above *Demand and Net Demand* estimates include all income-eligible renter households. These estimates are then adjusted to reflect only the size-appropriate households by bedroom type in the following *Capture Rate Analysis*.

CAPTURE RATE ANALYSIS CHART

Bedrooms/AMI Level	Total Demand	Supply	Net Demand	Units Proposed	Capture Rate
Studio @50% (PBRA)	289	0	289	20	6.9%
Studio @60%	75	0	75	28	37.4%
Studio Overall	344	0	344	48	14.0%
1BR @50% (PBRA)	1,185	0	1,185	5	0.4%
1BR @60%	306	0	306	11	3.6%
1BR Overall	1,409	0	1,409	16	1.1%
2BR @60%	300	0	300	6	2.0%
2BR Overall	1,380	0	1,380	6	0.4%
@50% (PBRA) Overall	1,474	0	1,474	25	1.7%
@60% Overall	681	0	681	45	6.6%
Overall	3,133	0	3,133	70	2.2%

As the analysis illustrates, the Subject’s capture rates vary from 0.4 to 37.4 percent with an overall capture rate of 2.2 percent. The Subject’s overall capture rate is within SCSHFDA guidelines of 35 percent, and we believe that there is ample demand for the Subject’s units. Furthermore, as mentioned previously, All 25 of the units restricted to 50 percent of AMI will have a soft set-aside for homeless and formerly homeless tenants.

SECONDARY DEMAND ANALYSIS – HOMELESS HOUSEHOLDS

All of the Subject’s 25 subsidized units will have a soft set-aside for homeless households. The Subject’s tenants are expected to come from the PMA as well as other areas throughout the county.

According to the 2018 South Carolina Point in Time Count Report prepared by the South Carolina Interagency Council of Homelessness, there are 451 homeless people residing in the South Carolina Lowcountry, which covers seven counties, including Charleston County.

We spoke with Karen Medbury who is in charge of the Veterans Affairs Supportive Housing (VASH) program in the City of Charleston. Ms. Medbury stated that there is only one large property that accepts VASH vouchers in the city as of now, Rutledge Place Apartments, which is a 40-unit age restricted property. However, this property is set to renovate and raise their rents, which will force the VASH tenants out, as rents will be too high for the vouchers. There used to be three other highrise properties that accepted VASH tenants, but all have either closed or renovated to market rate properties due to gentrification. There are also a handful of privately owned smaller multifamily properties that accepts VASH vouchers. Currently, Ms. Medbury has 44 veterans with vouchers that have nowhere to use their vouchers. We also spoke with Mr. Samuel Berry of the Charleston County Housing & Redevelopment Authority. Mr. Berry stated that there are 1,069 vouchers currently administered through the CCHRA and that the waiting list is closed. Mr. Berry stated they do not have special vouchers for specific tenancies. A representative of the Housing Authority of the City of Charleston stated that the VASH Program assists 120 participants. The contact also stated there is a demand for homeless housing, but could not provide additional information on specialty vouchers.

The table following illustrates the indicated capture rate of homeless people.

HOMELESS DEMAND ANALYSIS	
Number of Subsidized Units at the Subject with soft set-aside	25
	/
Total Number of Homeless People in the Lowcountry Region*	451
	=
Overall Penetration Rate - Homeless Units	5.5%

*Source: South Carolina Point in Time Survey, 2018

As the preceding table illustrates, the Subject would need to capture 5.5 percent of homeless people in the Lowcountry. As mentioned, the Lowcountry includes a seven county area. We believe it is likely that at least a quarter of those persons would be located in a reasonable proximity to Charleston, as urban areas generally provide more resources and services to these populations. Therefore, even if only a quarter of the 451 homeless people found the Subject to be locationally appropriate, there would be adequate demand. Overall, there appears to be a sufficient level of demand for the Subject’s restricted population within the area. Additionally, as indicated by Karen Medbury, there is need for affordable veterans housing in the area.

Absorption Rate

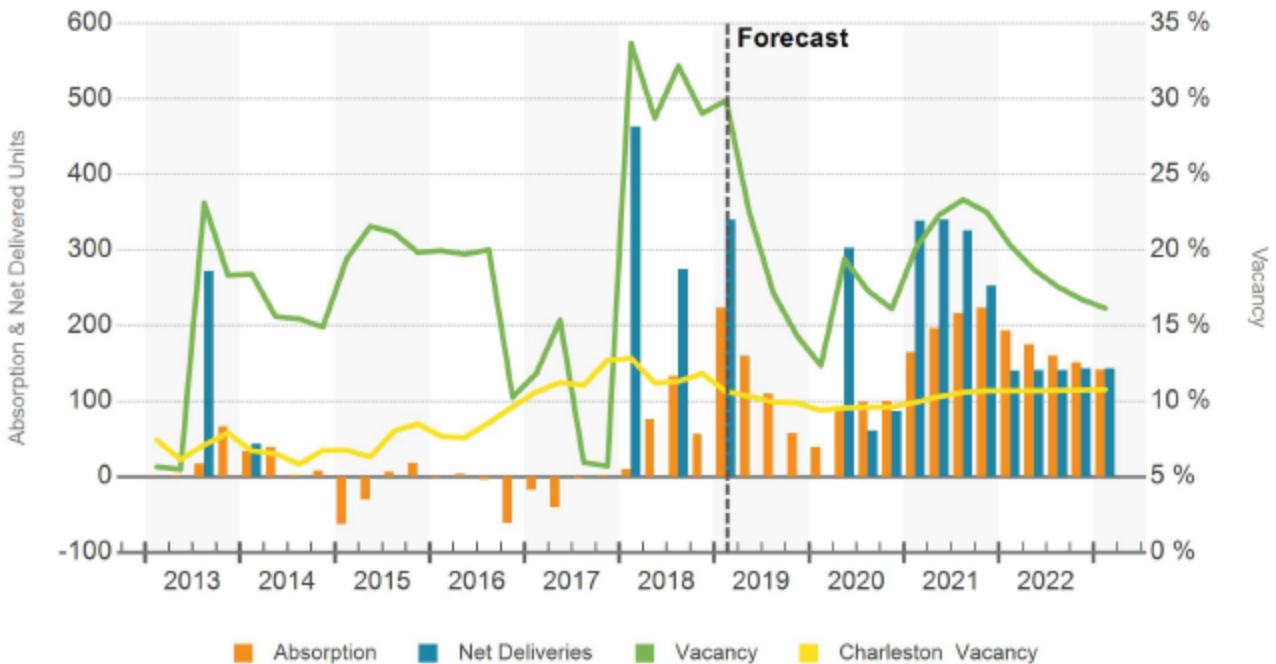
Projected Absorption Period

One of the comparable properties was able to report absorption data. We have also provided several recently built properties and subsequent absorption data, none of which are located within the Subject’s PMA. Our findings are highlighted below.

ABSORPTION					
Property Name	Rent	City	Year	Total Units	Absorption Rate
Alta Brighton Park	Market	Summerville	2018	329	17
Waters At St. James	LIHTC	Summerville	2017	336	26
Waters At Magnolia Bay	LIHTC	Summerville	2017	300	14
Legends At Azalea	Market	Summerville	2017	258	18
Comet Creek	Market	Summerville	2017	264	15
The Ashley Apartments	Market	Charleston	2016	174	22
Rivers Place Apartments	LIHTC	North Charleston	2016	48	48
Crowne At Live Oak Square	Market	Johns Island	2016	282	10

We obtained absorption data from eight properties, located between 5.4 and 22.6 miles from the Subject site. These properties reported absorption rates ranging from 10 to 48 units per month, with an overall average of 21 units per month. Though The Guild was reluctant to give absorption information, we have learned through internet research that the property began leasing in March 2018. As of February 2019, the property had absorbed 151 units, for an absorption rate of 14 units per month, which is within the range of the properties named above. Though The Heyward was reluctant to give absorption information, we have learned through internet research that the property began leasing in November of 2017. As of February 2019, the property had absorbed 239 units, for an absorption rate of 15 units per month, which is within the range of the properties named above. Additionally, Costar provides information on new units placed in service, absorption, and market vacancy. The following tables illustrate the five-year projections for these statistics for the Downtown Charleston submarket.

ABSORPTION, NET DELIVERIES & VACANCY



OVERALL SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2023	4,915	551	12.6%	559	11.4%	1.0
2022	4,364	552	14.5%	680	15.6%	0.8
2021	3,812	1,244	48.4%	800	21.0%	1.6
2020	2,568	437	20.5%	331	12.9%	1.3
2019	2,131	331	18.4%	550	25.8%	0.6
YTD	1,800	0	0%	95	5.3%	0
2018	1,800	737	69.3%	275	15.3%	2.7
2017	1,063	(122)	-10.3%	(59)	-5.6%	2.1
2016	1,185	(220)	-15.7%	(63)	-5.3%	3.5
2015	1,405	0	0%	(69)	-4.9%	0
2014	1,405	43	3.2%	84	6.0%	0.5
2013	1,362	272	25.0%	82	6.0%	3.3
2012	1,090	0	0%	(3)	-0.3%	0
2011	1,090	0	0%	1	0.1%	0
2010	1,090	(24)	-2.2%	(13)	-1.2%	1.8
2009	1,114	0	0%	2	0.2%	0
2008	1,114	0	0%	(5)	-0.4%	0
2007	1,114	0	0%	(11)	-1.0%	0

Source: Costar, March 2019

It should be noted that the above projections indicate that market absorption will outpace new units placed in service in the Downtown Charleston submarket and the overall vacancy rate will fall to approximately 16 percent over the next five years. Additionally, the data above reflects the overall market, including inferior product, and higher end market rate product that will not compete at the Subject’s price point.

Therefore, based upon the demand calculations presented within this report, which indicate capture rates within SCSHFDA guidelines, an ample number income-qualified households, and the Subject's tenancy, we believe that the Subject could absorb approximately 20 units per month. This equates to an absorption period of approximately three to four months. We expect the Subject to reach stabilized occupancy within four months.

G. SUPPLY ANALYSIS

SURVEY OF COMPARABLE PROJECTS

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. We surveyed many properties that we chose not to use in the survey because they were not as comparable to the Subject as others that were selected.

Description of Property Types Surveyed/Determination of Number of Tax Credit Units

We interviewed numerous properties to determine which ones were considered “true” competition for the Subject. Several properties in the market area were interviewed and not included because of their dissimilarity or other factors. Fully subsidized properties were excluded due to differing rent structures from the Subject without a subsidy; however, it should be noted that subsidized properties in the market area were found to have stable occupancies.

The following table illustrates the excluded properties and the vacancy rates, where they were available, for the excluded properties.

EXCLUDED LIST

Property Name	Rent Structure	Tenancy	Reason for Exclusion	Number of Units	2019 Vacancy Rate
930 NoMo	Market	Student	Student Tenancy	151	31.8%
Ansonborough House	Section 8	Senior	Subsidized, Senior Tenancy	77	2.6%
Bridgeview Village Apartments	Section 8	General	Subsidized	300	4.0%
Cannon Saint Philips Apartments	Market	General	Only One-Bedroom Units, Unable to Contact Via	42	7.1%
Cherokee Place Apartments	Market	General	Only One-Bedroom Units, Unable to Contact Via	76	1.3%
Clement Arms	Market	General	More Comparable Properties	50	6.0%
College Lodge	Market	Student	Student Tenancy	100	7.0%
Cornerstone Apartment Homes	Market	General	Unable to Contact Via Phone or in Person	43	9.3%
Florida Apartments	Market	General	Only One-Bedroom Units, Unable to Contact Via	20	5.0%
Gadsden Green Homes	Section 8	General	Subsidized	120	6.7%
George Street Apartments	Market	Student	Student Tenancy	55	7.3%
Glen McConnell Residence Hall	Market	Student	Student Tenancy	45	6.7%
Joseph Floyd Manor	Section 8	Senior	Subsidized, Senior Tenancy	156	6.4%
Kelly House	Market	Student	Student Tenancy	58	6.9%
King Street Apartment I & II	LIHTC	Senior	Senior Tenancy	70	7.1%
Kings Crossing	LIHTC	Senior	Senior Tenancy	48	6.3%
McAlister Hall	Market	Student	Student Tenancy	500	6.8%
Meeting Street Lofts - East Central	Market	General	Unable to Contact Via Phone or in Person	72	6.9%
Meeting Street Manor - Cooper River	Section 8	General	Subsidized	417	6.7%
My House on Meeting	Market	Student	Student Tenancy	41	0.0%
North Central Apartments	LIHTC	Senior	Senior Tenancy	36	8.3%
Nunan Apartment	LIHTC	General	Unable to Contact Via Phone or in Person	20	5.0%
Palace Apartments	LIHTC	General	Unable to Contact Via Phone or in Person	75	8.0%
Radcliffe Manor	LIHTC	Senior	Senior Tenancy	63	3.2%
Robert Mills Manor Apartments	Public	General	Subsidized	156	6.4%
Rutledge Place	LIHTC	Senior	Senior Tenancy	41	2.4%
SkyGarden	Market	Student	Student Tenancy	94	1.1%
Sterling Campus Center Apartments	Market	Student	Student Tenancy	191	2.1%
The Canterbury House	Section 8	Senior	Subsidized, Senior Tenancy	250	6.8%
Warren Place Apartments	Market	Student	Student Tenancy	84	7.1%
William E Enston Homes	Public	General	Subsidized	110	6.4%
Williams Terrace Senior Housing	LIHTC	Senior	Senior Tenancy	41	7.3%
Wragg Borough	Public	General	Subsidized	40	7.5%
Total LIHTC Only				394	6.0%
Total Assisted				1,626	5.9%
Total All Affordable				2,020	5.9%

Pipeline Construction/LIHTC Competition

According to CoStar and additional internet research, there are 14 market rate properties, which will not compete with the Subject, that are planned or under construction in the Subject’s PMA.

PLANNED DEVELOPMENT						
Property Name	Rent Structure	Tenancy	Total Units	Competitive Units	Construction Status	Distance to Subject
10 WestEdge	Market	General Population	340	0	Under Construction	1.2 miles
320 E Bay St	Market	General Population	50	0	Proposed	1.3 miles
445 Meeting St	Market	General Population	450	0	Proposed	0.5 miles
577 Apartments	Market	General Population	118	0	Under Construction	0.0 miles
655 East Bay	Market	General Population	51	0	Proposed	0.7 miles
Atlantic 55	Market	General Population	220	0	Proposed	0.5 miles
Five Eleven Meeting	Market	General Population	221	0	Under Construction	0.3 miles
Foundry Point	Market	General Population	275	0	Under Construction	0.7 miles
Future Lorelei Multifamily Site	Market	General Population	350	0	Proposed	0.9 miles
Hoffler Place	Market	Student	74	0	Under Construction	0.5 miles
Huger Street Apartments	Market	General Population	198	0	Under Construction	0.1 miles
Meeting and Romney Street	Market	General Population	34	0	Proposed	0.5 miles
Summit Place	Market	Student	114	0	Under Construction	0.2 miles
The Merchant	Market	General Population	231	0	Under Construction	0.7 miles
Totals			2,726	0		

Source: CoStar, March 2019

According to the SC Housing LIHTC allocation lists, no properties have been allocated tax credits within the PMA since 2016.

Comparable Properties

Property managers and realtors were interviewed for information on unit mix, size, absorption, unit features and project amenities, tenant profiles, and market trends in general. Our competitive survey includes 12 “true” comparable properties containing 944 units.

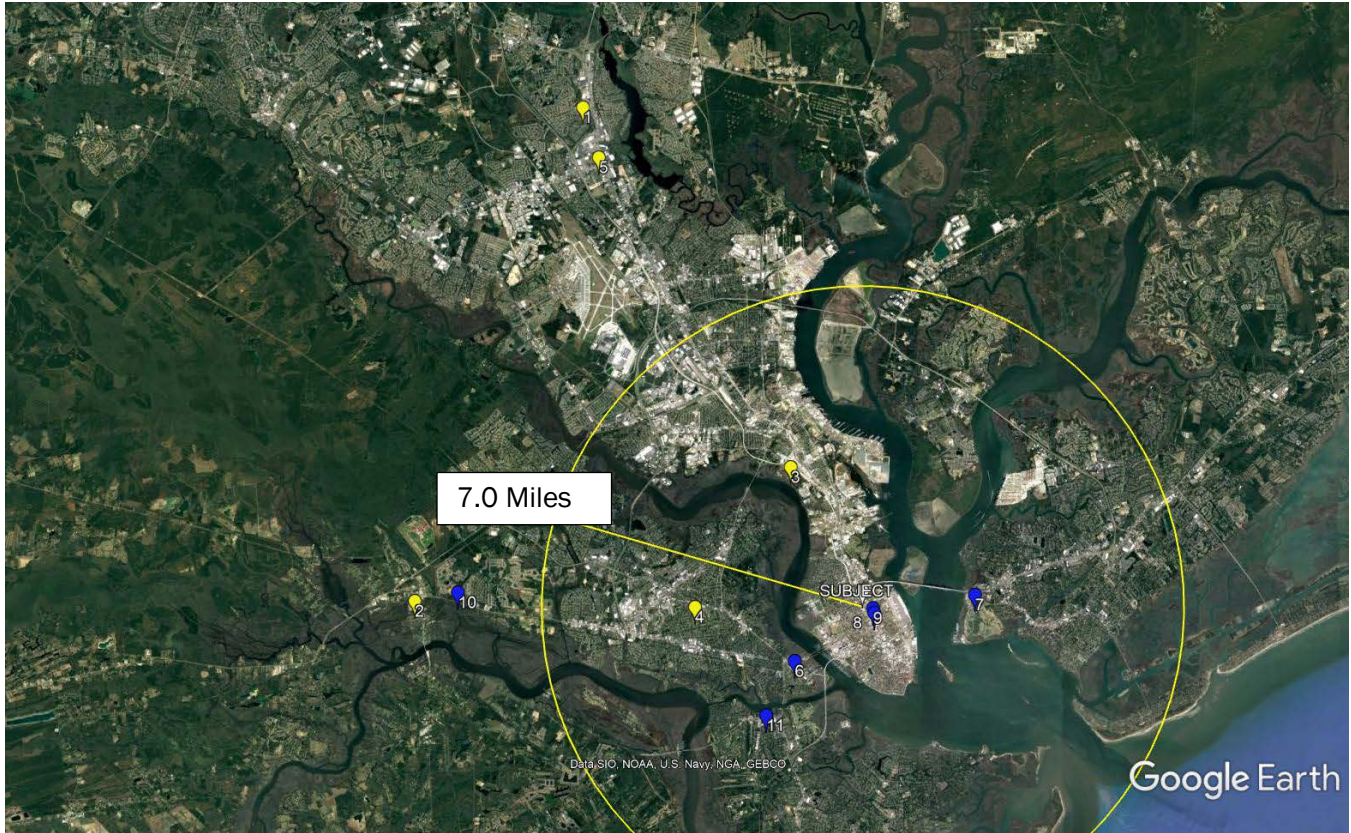
The availability of LIHTC data is considered fair. Only one of the LIHTC comparables is located within the Subject’s PMA. However, according to the LIHTC allocation list, only three LIHTC properties offering units to families exist within the Subject’s PMA, Osprey Place, Nunan Apartment, and Palace Apartments. We were unable to contact Nunan Apartment and Palace Apartments. We have previously interviewed The Palace Apartments in February of 2018. At the time of that interview, the property was 94.7 percent occupied, and reported all LIHTC units were achieving maximum allowable rents. Other LIHTC properties within the PMA have been excluded because they are also benefitting from subsidy programs such as Section 8 or Public Housing.

We also included four market rate comparables located outside of the Subject’s PMA. Though there are several market rate properties located within the Subject’s PMA that we have not included, these properties are in generally fair or poor condition, inferior to the Subject as proposed. We endeavored to compare the Subject to newer properties given its new condition, and we had to expand our search to other properties in the county. We have also included The Guild, which is located within the Subject’s PMA and offers a similar condition compared to the Subject as proposed, but is considered a high end product. As such, we have not relied heavily on this comparable in our determination of achievable market rents. We included the market rate properties from outside of the PMA due to their new construction and excellent condition. Overall, we believe the availability of data is adequate to support our conclusions. Overall, we believe the market-rate properties we used in our analysis are the most comparable. Other market-rate properties were excluded based on proximity and unit types.

A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A Comparable Properties Map, illustrating the location of the Subject in relation to

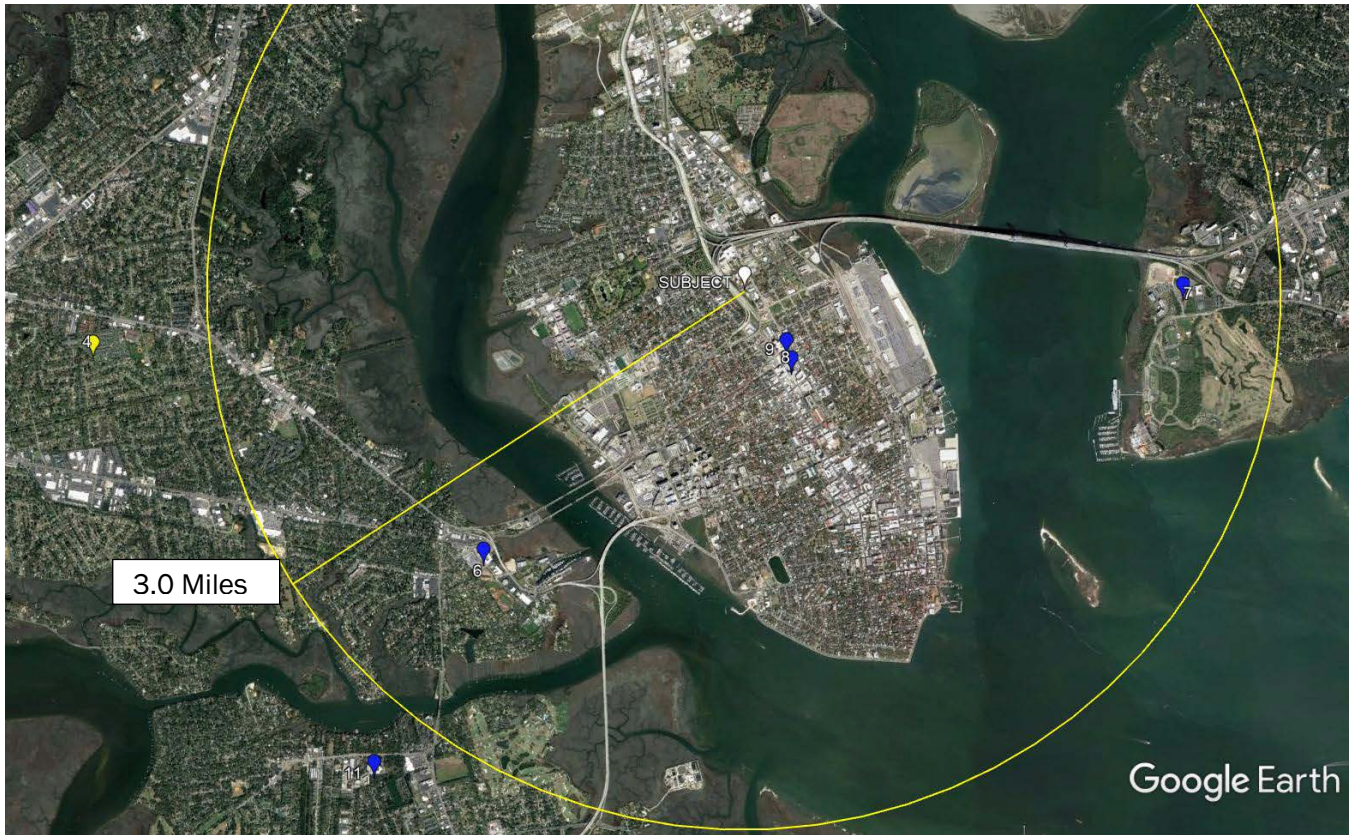
comparable properties is also provided on the following page. The properties are further profiled in the write-ups following. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available. Throughout the course of performing this analysis of the local rental market, many apartment managers, realtors, leasing agents, and owners were contacted in person, or through the telephone or email.

COMPARABLE RENTAL PROPERTY MAP - GENERAL



Source: Google Earth, March 2019.

COMPARABLE RENTAL PROPERTY MAP - DETAILED



Source: Google Earth, March 2019.

COMPARABLE PROPERTIES

#	Comparable Property	City	Rent Structure	Distance to Subject
S	573 Meeting Street	Charleston	@50% (Project Based Rental Assistance - PBRA), @60%	-
1	Ivy Ridge*	North Charleston	@50%	12.1 miles
2	Marsh View Place Apartments*	Charleston	@50%, @60%	9.7 miles
3	Osprey Place	North Charleston	@50%, @60%, Market	3.1 miles
4	Palmilla Apartments*	Charleston	@60%	3.7 miles
5	Rivers Place Apartments*	North Charleston	@50%, @60%	11.0 miles
6	35 Folly*	Charleston	Market	2.1 miles
7	Bridgeside At Patriots Point*	Mount Pleasant	Market	2.4 miles
8	Elan Midtown	Charleston	Market	0.5 miles
9	The Guild	Charleston	Market	0.4 miles
10	The Heyward*	Charleston	Market	8.8 miles
11	The Standard*	Charleston	Market	3.4 miles

*Located outside PMA

The following tables illustrate unit mix by bedroom type and income level, square footage by bedroom type, year built, common area and in-unit amenities, rent per square foot, monthly rents and utilities included, and vacancy information for the comparable properties and the Subject in a comparative framework.

SUMMARY MATRIX

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
Subject	573 Meeting Street 573 Meeting Street Charleston, SC 29403 Charleston County	-	Highrise 6-stories 2020 / n/a	@50% (Project Based Rental Assistance - PBRA), @60%	OBR / 1BA	20	28.6%	400	@50% (Project Based Rental Assistance - PBRA)	\$553	Yes	N/A	N/A	N/A
					OBR / 1BA	28	40.0%	400	@60%	\$684	Yes	N/A	N/A	N/A
					1BR / 1BA	5	7.1%	500	@50% (Project Based Rental Assistance - PBRA)	\$579	Yes	N/A	N/A	N/A
					1BR / 1BA	11	15.7%	500	@60%	\$719	Yes	N/A	N/A	N/A
					2BR / 2BA	6	8.6%	750	@60%	\$854	Yes	N/A	N/A	N/A
					<u>70</u>									
1	Ivy Ridge 2215 Greenridge Road North Charleston, SC 29406 Charleston County	12.1 miles	Garden 3-stories 2007 / n/a	@50%	1BR / 1BA	12	16.7%	825	@50%	\$543	Yes	Yes	0	0.0%
					2BR / 2BA	42	58.3%	986	@50%	\$646	Yes	Yes	2	4.8%
					3BR / 2BA	18	25.0%	1,075	@50%	\$731	Yes	Yes	0	0.0%
					<u>72</u>									
												2	2.8%	
2	Marsh View Place Apartments 516 McIernon Trace Charleston, SC 29455 Charleston County	9.7 miles	Garden 3-stories 2015 / n/a	@50%, @60%	1BR / 1BA	2	3.8%	850	@50%	\$580	Yes	Yes	0	0.0%
					2BR / 2BA	12	22.6%	1,100	@50%	\$683	Yes	Yes	0	0.0%
					2BR / 2BA	24	45.3%	1,100	@60%	\$851	Yes	Yes	0	0.0%
					3BR / 2BA	15	28.3%	1,250	@60%	\$970	Yes	Yes	0	0.0%
					<u>53</u>									
												0	0.0%	
3	Osprey Place 2390 Baker Hospital Boulevard North Charleston, SC 29405 Charleston County	3.1 miles	Garden 3-stories 2004 / n/a	@50%, @60%, Market	2BR / 2BA	30	29.4%	933	@50%	\$599	Yes	No	0	0.0%
					2BR / 2BA	6	5.9%	933	@60%	\$755	Yes	No	0	0.0%
					3BR / 2BA	15	14.7%	1,104	@50%	\$663	Yes	No	0	0.0%
					3BR / 2BA	15	14.7%	1,104	@60%	\$843	Yes	No	0	0.0%
					3BR / 2BA	18	17.7%	1,104	Market	\$887	N/A	No	0	0.0%
					<u>18</u>							3	16.7%	
					<u>102</u>									
												3	2.9%	
4	Palmilla Apartments 1385 Ashley River Road Charleston, SC 29407 Charleston County	3.7 miles	Garden 2-stories 1968 / 2015	@60%	1BR / 1BA	48	21.1%	760	@60%	\$706	Yes	No	0	0.0%
					2BR / 1BA	156	68.4%	840	@60%	\$833	Yes	No	8	5.1%
					3BR / 1BA	24	10.5%	1,035	@60%	\$934	Yes	No	0	0.0%
					<u>228</u>									
												8	3.5%	
5	Rivers Place Apartments 7511 Rivers Avenue North Charleston, SC 29406 Charleston County	11.0 miles	Lowrise 3-stories 2016 / n/a	@50%, @60%	1BR / 1BA	N/A	N/A	850	@50%	\$550	No	Yes	0	N/A
					1BR / 1BA	12	25.0%	850	@60%	\$675	No	Yes	0	0.0%
					2BR / 2BA	N/A	N/A	1,140	@50%	\$635	No	Yes	0	N/A
					2BR / 2BA	24	50.0%	1,140	@60%	\$800	No	Yes	0	0.0%
					3BR / 2BA	N/A	N/A	1,272	@50%	\$715	No	Yes	0	N/A
					<u>12</u>							0	0.0%	
					<u>48</u>									
												0	0.0%	
6	35 Folly 35 Folly Road Boulevard Charleston, SC 29407 Charleston County	2.1 miles	Midrise 4-stories 2016 / n/a	Market	1BR / 1BA	N/A	N/A	528	Market	\$1,298	N/A	N/A	1	N/A
					1BR / 1BA	N/A	N/A	648	Market	\$1,361	N/A	N/A	0	N/A
					1BR / 1BA	N/A	N/A	695	Market	\$1,272	N/A	N/A	6	N/A
					1BR / 1BA	N/A	N/A	722	Market	\$1,348	N/A	N/A	2	N/A
					1BR / 1BA	N/A	N/A	795	Market	\$1,618	N/A	N/A	0	N/A
					1BR / 1BA	N/A	N/A	813	Market	\$1,431	N/A	N/A	1	N/A
					1BR / 1BA	N/A	N/A	951	Market	\$1,468	N/A	N/A	3	N/A
					2BR / 2BA	N/A	N/A	888	Market	\$1,695	N/A	N/A	0	N/A
					2BR / 2BA	N/A	N/A	965	Market	\$1,685	N/A	N/A	1	N/A
					2BR / 2BA	N/A	N/A	1,055	Market	\$1,800	N/A	N/A	2	N/A
					2BR / 2BA	N/A	N/A	1,076	Market	\$1,795	N/A	N/A	1	N/A
										<u>N/A</u>				
					<u>301</u>							21	7.0%	
7	Bridgeside At Patriots Point 175 Harbor Bridge Lane Mount Pleasant, SC 29464 Charleston County	2.4 miles	Midrise 4-stories 2016 / n/a	Market	OBR / 1BA	12	3.7%	601	Market	\$1,473	N/A	N/A	5	41.7%
					1BR / 1BA	192	59.3%	761	Market	\$1,646	N/A	N/A	15	7.8%
					1BR / 1BA	N/A	N/A	899	Market	\$1,748	N/A	N/A	N/A	N/A
					1BR / 1BA	N/A	N/A	675	Market	\$1,545	N/A	N/A	N/A	N/A
					2BR / 2BA	120	37.0%	1,192	Market	\$2,315	N/A	N/A	7	5.8%
					2BR / 2BA	N/A	N/A	1,265	Market	\$2,430	N/A	N/A	N/A	N/A
					2BR / 2BA	N/A	N/A	1,095	Market	\$2,200	N/A	N/A	N/A	N/A
					<u>N/A</u>							29	9.0%	
					<u>324</u>									
8	Elan Midtown 441 Meeting Street Charleston, SC 29403 Charleston County	0.5 miles	Midrise 5-stories 2013 / n/a	Market	OBR / 1BA	N/A	N/A	529	Market	\$1,583	N/A	No	2	N/A
					1BR / 1BA	N/A	N/A	690	Market	\$1,843	N/A	No	4	N/A
					2BR / 2BA	N/A	N/A	1,277	Market	\$2,576	N/A	No	5	N/A
					<u>200</u>									
												11	5.5%	
9	The Guild 128 Columbus Street Charleston, SC 29403 Charleston County	0.4 miles	Midrise 8-stories 2018 / n/a	Market	OBR / 1BA	82	36.3%	627	Market	\$2,159	N/A	N/A	21	25.6%
					OBR / 1BA	N/A	N/A	926	Market	\$3,270	N/A	N/A	N/A	N/A
					OBR / 1BA	N/A	N/A	477	Market	\$2,045	N/A	N/A	N/A	N/A
					1BR / 1BA	68	30.1%	846	Market	\$2,811	N/A	N/A	32	47.1%
					1BR / 1BA	N/A	N/A	1,188	Market	\$4,819	N/A	N/A	N/A	N/A
					1BR / 1BA	N/A	N/A	604	Market	\$2,095	N/A	N/A	N/A	N/A
					2BR / 2BA	N/A	N/A	1,204	Market	\$4,093	N/A	N/A	22	N/A
2BR / 2BA	N/A	N/A	1,495	Market	\$4,689	N/A	N/A	N/A	N/A					
					<u>N/A</u>							N/A	N/A	
					<u>226</u>							75	33.2%	
10	The Heyward 3220 Hatchet Bay Dr Charleston, SC 29414 Charleston County	8.8 miles	Midrise 4-stories 2017 / n/a	Market	OBR / 1BA	N/A	N/A	699	Market	\$1,135	N/A	No	0	N/A
					OBR / 1BA	N/A	N/A	765	Market	\$1,235	N/A	No	1	N/A
					1BR / 1BA	N/A	N/A	767	Market	\$1,250	N/A	No	0	N/A
					1BR / 1BA	N/A	N/A	769	Market	\$1,185	N/A	No	0	N/A
					1BR / 1BA	N/A	N/A	865	Market	\$1,243	N/A	No	16	N/A
					2BR / 1BA	N/A	N/A	889	Market	\$1,385	N/A	No	2	N/A
					2BR / 2BA	N/A	N/A	1,103	Market	\$1,375	N/A	No	2	N/A
					2BR / 2BA	N/A	N/A	1,128	Market	\$1,425	N/A	No	0	N/A
					2BR / 2BA	N/A	N/A	1,336	Market	\$1,565	N/A	No	0	N/A
					3BR / 2BA	N/A	N/A	1,318	Market	\$1,675	N/A	No	0	N/A
					<u>N/A</u>							0	N/A	
					<u>260</u>							21	8.1%	
11	The Standard 215 Promenade Vista St Charleston, SC 29412 Charleston County	3.4 miles	Midrise 4-stories 2015 / n/a	Market	OBR / 1BA	37	13.2%	658	Market	\$1,234	N/A	No	4	10.8%
					1BR / 1BA	130	46.4%	799	Market	\$1,486	N/A	No	11	8.5%
					2BR / 2BA	86	30.7%	1,136	Market	\$1,925	N/A	No	7	8.1%
					3BR / 2BA	27	9.6%	1,235	Market	\$2,214	N/A	No	3	11.1%
					<u>280</u>							25	8.9%	

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.

		Units Surveyed:	2,094	Weighted Occupancy:	90.7%	
		Market Rate	1,591	Market Rate	88.6%	
		Tax Credit	503	Tax Credit	97.4%	
		Studio One Bath		One-Bedroom One Bath		
		Two-Bedroom Two Bath				
		Property	Average	Property	Average	
		Property	Average	Property	Average	
RENT	The Guild (Market)	\$3,270	The Guild (Market)	\$4,819	The Guild (Market)	\$4,689
	The Guild (Market)	\$2,159	The Guild (Market)	\$2,811	The Guild (Market)	\$4,093
	The Guild (Market)	\$2,045	The Guild (Market)	\$2,095	The Guild (Market)	\$3,149
	Elan Midtown (Market)	\$1,583	Elan Midtown (Market)	\$1,843	Elan Midtown (Market)	\$2,576
	Bridgeside At Patriots Point (Market)	\$1,473	Bridgeside At Patriots Point (Market)	\$1,748	Bridgeside At Patriots Point (Market)	\$2,430
	The Heyward (Market)	\$1,235	Bridgeside At Patriots Point (Market)	\$1,646	Bridgeside At Patriots Point (Market)	\$2,315
	The Standard (Market)	\$1,234	35 Folly (Market)	\$1,618	Bridgeside At Patriots Point (Market)	\$2,200
	The Heyward (Market)	\$1,135	Bridgeside At Patriots Point (Market)	\$1,545	The Standard (Market)	\$1,925
	573 Meeting Street (@60%)	\$684	The Standard (Market)	\$1,486	35 Folly (Market)	\$1,800
	573 Meeting Street (@50%)	\$553	35 Folly (Market)	\$1,468	35 Folly (Market)	\$1,795
			35 Folly (Market)	\$1,431	35 Folly (Market)	\$1,695
			35 Folly (Market)	\$1,361	35 Folly (Market)	\$1,685
			35 Folly (Market)	\$1,348	35 Folly (Market)	\$1,645
			35 Folly (Market)	\$1,298	The Heyward (Market)	\$1,565
			35 Folly (Market)	\$1,272	The Heyward (Market)	\$1,425
			The Heyward (Market)	\$1,250	The Heyward (Market)(1BA)	\$1,385
			The Heyward (Market)	\$1,243	The Heyward (Market)	\$1,375
			The Heyward (Market)	\$1,185	573 Meeting Street (@60%)	\$854
			573 Meeting Street (@60%)	\$719	Marsh View Place Apartments (@60%)	\$851
			Palmilla Apartments (@60%)	\$706	Palmilla Apartments (@60%)(1BA)	\$833
			Rivers Place Apartments (@60%)	\$675	Rivers Place Apartments (@60%)	\$800
			Marsh View Place Apartments (@50%)	\$580	Osprey Place (@60%)	\$755
			573 Meeting Street (@50%)	\$579	Marsh View Place Apartments (@50%)	\$683
			Rivers Place Apartments (@50%)	\$550	Ivy Ridge (@50%)	\$646
			Ivy Ridge (@50%)	\$543	Rivers Place Apartments (@50%)	\$635
				Osprey Place (@50%)	\$599	
SQUARE FOOTAGE	The Guild (Market)	926	The Guild (Market)	1,188	The Guild (Market)	1,495
	The Heyward (Market)	765	35 Folly (Market)	951	The Heyward (Market)	1,336
	The Heyward (Market)	699	Bridgeside At Patriots Point (Market)	899	Elan Midtown (Market)	1,277
	The Standard (Market)	658	The Heyward (Market)	865	Bridgeside At Patriots Point (Market)	1,265
	The Guild (Market)	627	Marsh View Place Apartments (@50%)	850	The Guild (Market)	1,204
	Bridgeside At Patriots Point (Market)	601	Rivers Place Apartments (@60%)	850	Bridgeside At Patriots Point (Market)	1,192
	Elan Midtown (Market)	529	Rivers Place Apartments (@50%)	850	35 Folly (Market)	1,153
	The Guild (Market)	477	The Guild (Market)	846	Rivers Place Apartments (@60%)	1,140
	573 Meeting Street (@60%)	400	Ivy Ridge (@50%)	825	Rivers Place Apartments (@50%)	1,140
	573 Meeting Street (@50%)	400	35 Folly (Market)	813	The Standard (Market)	1,136
			The Standard (Market)	799	The Heyward (Market)	1,128
			35 Folly (Market)	795	The Heyward (Market)	1,103
			The Heyward (Market)	769	Marsh View Place Apartments (@50%)	1,100
			The Heyward (Market)	767	Marsh View Place Apartments (@60%)	1,100
			Bridgeside At Patriots Point (Market)	761	Bridgeside At Patriots Point (Market)	1,095
			Palmilla Apartments (@60%)	760	35 Folly (Market)	1,076
			35 Folly (Market)	722	35 Folly (Market)	1,055
			35 Folly (Market)	695	Ivy Ridge (@50%)	986
			Elan Midtown (Market)	690	The Guild (Market)	965
			Bridgeside At Patriots Point (Market)	675	35 Folly (Market)	965
			35 Folly (Market)	648	Osprey Place (@60%)	933
			The Guild (Market)	604	Osprey Place (@50%)	933
			35 Folly (Market)	528	The Heyward (Market)(1BA)	889
			573 Meeting Street (@50%)	500	35 Folly (Market)	888
			573 Meeting Street (@60%)	500	Palmilla Apartments (@60%)(1BA)	840
				573 Meeting Street (@60%)	750	
RENT PER SQUARE FOOT	The Guild (Market)	\$4.29	The Guild (Market)	\$4.06	The Guild (Market)	\$3.40
	The Guild (Market)	\$3.53	The Guild (Market)	\$3.47	The Guild (Market)	\$3.26
	The Guild (Market)	\$3.44	The Guild (Market)	\$3.32	The Guild (Market)	\$3.14
	Elan Midtown (Market)	\$2.99	Elan Midtown (Market)	\$2.67	Elan Midtown (Market)	\$2.02
	Bridgeside At Patriots Point (Market)	\$2.45	35 Folly (Market)	\$2.46	Bridgeside At Patriots Point (Market)	\$2.01
	The Standard (Market)	\$1.88	Bridgeside At Patriots Point (Market)	\$2.29	Bridgeside At Patriots Point (Market)	\$1.94
	573 Meeting Street (@60%)	\$1.71	Bridgeside At Patriots Point (Market)	\$2.16	Bridgeside At Patriots Point (Market)	\$1.92
	The Heyward (Market)	\$1.62	35 Folly (Market)	\$2.10	35 Folly (Market)	\$1.91
	The Heyward (Market)	\$1.61	35 Folly (Market)	\$2.04	35 Folly (Market)	\$1.75
	573 Meeting Street (@50%)	\$1.38	Bridgeside At Patriots Point (Market)	\$1.94	35 Folly (Market)	\$1.71
			35 Folly (Market)	\$1.87	The Standard (Market)	\$1.69
			The Standard (Market)	\$1.86	35 Folly (Market)	\$1.67
			35 Folly (Market)	\$1.83	The Heyward (Market)(1BA)	\$1.56
			35 Folly (Market)	\$1.76	35 Folly (Market)	\$1.43
			The Heyward (Market)	\$1.63	The Heyward (Market)	\$1.26
			35 Folly (Market)	\$1.54	The Heyward (Market)	\$1.25
			The Heyward (Market)	\$1.54	The Heyward (Market)	\$1.17
			573 Meeting Street (@60%)	\$1.44	573 Meeting Street (@60%)	\$1.14
			The Heyward (Market)	\$1.44	Palmilla Apartments (@60%)(1BA)	\$0.99
			573 Meeting Street (@50%)	\$1.16	Osprey Place (@60%)	\$0.81
			Palmilla Apartments (@60%)	\$0.93	Marsh View Place Apartments (@60%)	\$0.77
			Rivers Place Apartments (@60%)	\$0.79	Rivers Place Apartments (@60%)	\$0.70
			Marsh View Place Apartments (@50%)	\$0.68	Ivy Ridge (@50%)	\$0.66
			Ivy Ridge (@50%)	\$0.66	Osprey Place (@50%)	\$0.64
			Rivers Place Apartments (@50%)	\$0.65	Marsh View Place Apartments (@50%)	\$0.62
				Rivers Place Apartments (@50%)	\$0.56	

AMENITY MATRIX

	Subject	Ivy Ridge	Marsh View Place Apartments	Osprey Place	Palmillla Apartments	Rivers Place Apartments	35 Folly	Bridgeside At Patriots Point	Elan Midtown	The Guild	The Heyward	The Standard
Rent Structure	LIHTC/PBRA	LIHTC	LIHTC	LIHTC/	LIHTC	LIHTC	Market	Market	Market	Market	Market	Market
Building												
Property Type	Highrise	Garden	Garden	Garden	Garden	Lowrise	Midrise	Midrise	Midrise	Midrise	Midrise	Midrise
# of Stories	7-stories	3-stories	3-stories	3-stories	2-stories	3-stories	4-stories	4-stories	5-stories	8-stories	4-stories	4-stories
Year Built	2020	2007	2015	2004	1968	2016	2016	2016	2013	2018	2017	2015
Year Renovated	n/a	n/a	n/a	n/a	2015	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Commercial	yes	no	no	no	no	no	no	no	no	yes	no	no
Elevators	yes	no	no	no	no	no	yes	yes	yes	yes	yes	yes
Courtyard	yes	no	no	no	yes	no	yes	yes	yes	yes	no	no
Utility Structure												
Cooking	no	no	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no	no	no
Water	no	yes	no	yes	yes	no	yes	no	no	no	no	no
Sewer	no	yes	no	yes	yes	no	yes	no	no	no	no	no
Trash	yes	yes	yes	yes	yes	yes	yes	no	no	no	no	yes
Unit Amenities												
Balcony/Patio	no	no	no	yes	yes	no	yes	yes	yes	yes	yes	yes
Carpeting	yes	yes	yes	yes	yes	yes	no	yes	yes	yes	yes	no
Hardwood	no	no	no	no	yes	yes	yes	yes	no	yes	no	yes
Central A/C	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	yes	yes	yes	yes	yes	yes	yes	no	no	yes	yes	yes
Coat Closet	no	yes	yes	yes	yes	yes	yes	no	no	yes	yes	yes
Exterior Storage	no	no	no	no	no	no	no	no	yes	yes	no	no
Fireplace	no	no	no	no	no	no	no	no	no	no	yes	no
Vaulted Ceilings	no	no	no	no	no	no	yes	no	yes	no	no	no
Walk-In Closet	no	yes	yes	yes	no	no	yes	yes	no	yes	no	yes
Window A/C	no	no	no	no	yes	no	no	no	no	no	no	no
Washer/Dryer	yes	no	yes	no	no	no	yes	yes	yes	yes	yes	yes
W/D Hookup	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Kitchen												
Dishwasher	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes
Disposal	no	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes
Microwave	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Community												
Business Center	yes	yes	yes	no	no	yes	yes	no	no	no	yes	yes
Community Room	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	yes
Central Laundry	yes	yes	no	yes	yes	yes	no	no	yes	no	no	no
On-Site Mgmt	yes	yes	yes	yes	yes	yes	yes	no	no	yes	yes	yes
Concierge	no	no	no	no	no	no	no	no	no	yes	no	no
Recreation												
Exercise Facility	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Playground	no	yes	yes	yes	yes	yes	no	no	no	no	no	no
Swimming Pool	no	no	no	no	yes	no	yes	yes	yes	yes	yes	yes
Picnic Area	yes	yes	yes	no	yes	no	yes	yes	yes	yes	yes	yes
Sport Court	no	no	no	no	no	no	yes	no	no	no	no	no
Theatre	no	no	no	no	no	no	no	no	no	no	yes	yes
Recreational Area	no	no	no	no	no	no	yes	yes	no	no	no	no
WiFi	yes	no	no	no	no	no	no	yes	no	yes	no	yes
Adult Education	no	yes	no	no	no	no	no	no	no	no	no	no
Non-Shelter	yes	no	no	no	no	no	no	no	no	no	no	no
Service	no	no	no	no	no	no	no	no	no	yes	no	no
Security												
Intercom (Buzzer)	yes	no	no	no	no	yes	yes	yes	yes	yes	yes	yes
Limited Access	yes	no	no	no	no	yes	yes	yes	yes	yes	yes	yes
Patrol	no	no	no	no	yes	no	no	no	yes	no	no	no
Parking												
Garage	no	no	no	no	no	no	yes	yes	no	yes	yes	no
Garage Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$175	\$0
Off-Street Parking	yes	yes	yes	yes	yes	yes	no	yes	yes	yes	yes	yes

PROPERTY PROFILE REPORT

573 Meeting Street

Effective Rent Date	2/22/2019
Location	573 Meeting Street Charleston, SC 29403 Charleston County
Distance	N/A
Units	70
Vacant Units	N/A
Vacancy Rate	N/A
Type	Highrise (7 stories)
Year Built/Renovated	2020 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	N/A
Tenant Characteristics	N/A
Contact Name	N/A
Phone	N/A



Market Information

Program	@50% (Project Based Rental Assistance -
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	N/A
Annual Chg. in Rent	N/A
Concession	N/A
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Highrise (7 stories)	20	400	\$553	\$0	@50% (Project Based Rental Assistance - PBRA)	N/A	N/A	N/A	yes	None
0	1	Highrise (7 stories)	28	400	\$684	\$0	@60%	N/A	N/A	N/A	yes	None
1	1	Highrise (7 stories)	5	500	\$579	\$0	@50% (Project Based Rental Assistance - PBRA)	N/A	N/A	N/A	yes	None
1	1	Highrise (7 stories)	11	500	\$719	\$0	@60%	N/A	N/A	N/A	yes	None
2	2	Highrise (7 stories)	6	750	\$854	\$0	@60%	N/A	N/A	N/A	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$553	\$0	\$553	\$0	\$553	Studio / 1BA	\$684	\$0	\$684	\$0	\$684
1BR / 1BA	\$579	\$0	\$579	\$0	\$579	1BR / 1BA	\$719	\$0	\$719	\$0	\$719
						2BR / 2BA	\$854	\$0	\$854	\$0	\$854

Amenities

In-Unit		Security	Services
Blinds	Carpeting	Intercom (Buzzer)	None
Central A/C	Dishwasher	Limited Access	
Ceiling Fan	Microwave		
Oven	Refrigerator		
Washer/Dryer	Washer/Dryer		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Commercial/Retail	Courtyard		
Elevators	Exercise Facility		
Central Laundry	Non-shelter Services		
Off-Street Parking(\$0.00)	On-Site Management		
Picnic Area	Wi-Fi		

Comments

The property will offer non-shelter services including but not limited to case management, job training, and employment assistance. The developer has indicated the total number of parking spaces to be 40 for tenants at the property.

Photos



PROPERTY PROFILE REPORT

Ivy Ridge

Effective Rent Date	2/20/2019
Location	2215 Greenridge Road North Charleston, SC 29406 Charleston County
Distance	12.1 miles
Units	72
Vacant Units	2
Vacancy Rate	2.8%
Type	Garden (3 stories)
Year Built/Renovated	2007 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	None identified
Contact Name	Ms. Williams
Phone	843-797-0210



Market Information

Program	@50%
Annual Turnover Rate	10%
Units/Month Absorbed	N/A
HCV Tenants	25%
Leasing Pace	Within two weeks
Annual Chg. in Rent	None
Concession	None
Waiting List	1BR - 2 years, 2BR and 3BR - Three to six months

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	12	825	\$590	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (3 stories)	42	986	\$709	\$0	@50%	Yes	2	4.8%	yes	None
3	2	Garden (3 stories)	18	1,075	\$824	\$0	@50%	Yes	0	0.0%	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$590	\$0	\$590	-\$47	\$543
2BR / 2BA	\$709	\$0	\$709	-\$63	\$646
3BR / 2BA	\$824	\$0	\$824	\$0	\$824

Amenities

In-Unit

Blinds
Central A/C
Dishwasher
Garbage Disposal
Oven
Walk-In Closet

Carpeting
Coat Closet
Ceiling Fan
Microwave
Refrigerator
Washer/Dryer hookup

Security

None

Services

Adult Education
Computer Tutoring

Property

Business Center/Computer Lab
Exercise Facility
Off-Street Parking(\$0.00)
Picnic Area

Clubhouse/Meeting Room/Community
Central Laundry
On-Site Management
Playground

Premium

None

Other

None

Comments

The contact stated that this property rarely has any move outs; however, when tenants do move out it is because they buy a house. The contact stated the rents increased to the maximum allowable levels.

Trend Report

Vacancy Rates

4Q17	1Q18	2Q18	1Q19
2.8%	4.2%	0.0%	2.8%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	0.0%	\$537	\$0	\$537	\$490
2018	1	0.0%	\$537	\$0	\$537	\$490
2018	2	0.0%	\$537	\$0	\$537	\$490
2019	1	0.0%	\$590	\$0	\$590	\$543

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	4.8%	\$646	\$0	\$646	\$583
2018	1	0.0%	\$646	\$0	\$646	\$583
2018	2	0.0%	\$646	\$0	\$646	\$583
2019	1	4.8%	\$709	\$0	\$709	\$646

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	0.0%	\$751	\$0	\$751	\$751
2018	1	16.7%	\$751	\$0	\$751	\$751
2018	2	0.0%	\$751	\$0	\$751	\$751
2019	1	0.0%	\$824	\$0	\$824	\$824

Trend: Comments

4Q17	The waiting list currently consists of four households. Housing Choice Vouchers are accepted but the property manager was unsure of the percentage of units that are occupied by voucher tenants. Both vacancies are currently pre-leased.
1Q18	The contact stated that this property rarely has any move outs, however, when tenants do move out it is because they buy a house.
2Q18	The contact stated that this property rarely has any move outs; however, when tenants do move out it is because they buy a house. The contact indicated that the property is currently charging the 2017 maximum allowable rents and plans to increase rents to the 2018 maximum allowable levels. The contact was unsure of when this rent increase is scheduled to occur.
1Q19	The contact stated that this property rarely has any move outs; however, when tenants do move out it is because they buy a house. The contact stated the rents increased to the maximum allowable levels.

Photos



PROPERTY PROFILE REPORT

Marsh View Place Apartments

Effective Rent Date	2/19/2019
Location	516 McLernon Trace Charleston, SC 29455 Charleston County
Distance	9.7 miles
Units	53
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (3 stories)
Year Built/Renovated	2015 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	None identified
Contact Name	Carla
Phone	843-972-0123



Market Information

Program	@50%, @60%
Annual Turnover Rate	5%
Units/Month Absorbed	N/A
HCV Tenants	15%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased to max
Concession	None
Waiting List	Six months to a year

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	2	850	\$580	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (3 stories)	12	1,100	\$683	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (3 stories)	24	1,100	\$851	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Garden (3 stories)	15	1,250	\$970	\$0	@60%	Yes	0	0.0%	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$580	\$0	\$580	\$0	\$580	2BR / 2BA	\$851	\$0	\$851	\$0	\$851
2BR / 2BA	\$683	\$0	\$683	\$0	\$683	3BR / 2BA	\$970	\$0	\$970	\$0	\$970

Marsh View Place Apartments, continued

Amenities

In-Unit		Security	Services
Blinds	Carpeting	None	None
Central A/C	Coat Closet		
Dishwasher	Ceiling Fan		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Off-Street Parking(\$0.00)		
On-Site Management	Picnic Area		
Playground			

Comments

The contact stated that the wait list is six months to a year and that there is significant demand for the homeless population, though the property does not serve this population.

Marsh View Place Apartments, continued

Trend Report

Vacancy Rates

4Q16	1Q18	1Q19
3.8%	0.0%	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	0.0%	\$420	\$0	\$420	\$420
2018	1	0.0%	\$503	\$0	\$503	\$503
2019	1	0.0%	\$580	\$0	\$580	\$580

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	0.0%	\$625	\$0	\$625	\$625
2018	1	0.0%	\$742	\$0	\$742	\$742
2019	1	0.0%	\$851	\$0	\$851	\$851

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	8.3%	\$565	\$0	\$565	\$565
2018	1	0.0%	\$586	\$0	\$586	\$586
2019	1	0.0%	\$683	\$0	\$683	\$683

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	6.7%	\$725	\$0	\$725	\$725
2018	1	0.0%	\$831	\$0	\$831	\$831
2019	1	0.0%	\$970	\$0	\$970	\$970

Trend: Comments

4Q16	The contact could not comment on the length of the waiting list but stated it is currently closed and extensive in length. The contact has only been the property manager for one month and was unable to confirm additional details regarding voucher usage, turnover rate, leasing pace and the absorption rate.
1Q18	The contact could not comment on the length of the waiting list but stated it is currently closed and extensive in length.
1Q19	The contact stated that the wait list is six months to a year and that there is significant demand for the homeless population, though the property does not serve this population.

Photos



PROPERTY PROFILE REPORT

Osprey Place

Effective Rent Date	2/22/2019
Location	2390 Baker Hospital Boulevard North Charleston, SC 29405 Charleston County
Distance	3.1 miles
Units	102
Vacant Units	3
Vacancy Rate	2.9%
Type	Garden (3 stories)
Year Built/Renovated	2004 / N/A
Marketing Began	1/01/2004
Leasing Began	12/01/2004
Last Unit Leased	7/28/2005
Major Competitors	Barony Place
Tenant Characteristics	Locals from Charleston and many from out of state
Contact Name	Cecilia
Phone	843-566-9111



Market Information

Program	@50%, @60%, Market
Annual Turnover Rate	11%
Units/Month Absorbed	14
HCV Tenants	50%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased one percent
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (3 stories)	30	933	\$662	\$0	@50%	No	0	0.0%	yes	None
2	2	Garden (3 stories)	6	933	\$818	\$0	@60%	No	0	0.0%	yes	None
3	2	Garden (3 stories)	15	1,104	\$756	\$0	@50%	No	0	0.0%	yes	None
3	2	Garden (3 stories)	15	1,104	\$936	\$0	@60%	No	0	0.0%	yes	None
3	2	Garden (3 stories)	18	1,104	\$980	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (3 stories)	18	1,149	\$1,050	\$0	Market	No	3	16.7%	N/A	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$662	\$0	\$662	-\$63	\$599	2BR / 2BA	\$818	\$0	\$818	-\$63	\$755
3BR / 2BA	\$756	\$0	\$756	\$0	\$756	3BR / 2BA	\$936	\$0	\$936	\$0	\$936
Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent						
3BR / 2BA	\$980 - \$1,050	\$0	\$980 - \$1,050	\$0	\$980 - \$1,050						

Osprey Place, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Clubhouse/Meeting Room/Community	Central Laundry	None	None
Off-Street Parking(\$0.00)	On-Site Management		
Playground			

Comments

The contact stated that they do not maintain a waiting list although there is high demand for the affordable housing units at this property.

Trend Report

Vacancy Rates

4Q16	1Q17	1Q18	1Q19
0.0%	0.0%	2.9%	2.9%

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	0.0%	\$648	\$0	\$648	\$585
2017	1	0.0%	\$648	\$0	\$648	\$585
2018	1	0.0%	\$662	\$0	\$662	\$599
2019	1	0.0%	\$662	\$0	\$662	\$599

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	0.0%	\$740 - \$900	\$0	\$740 - \$900	\$740 - \$900
2017	1	0.0%	\$740	\$0	\$740	\$740
2018	1	0.0%	\$756	\$0	\$756	\$756
2019	1	0.0%	\$756	\$0	\$756	\$756

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	0.0%	\$802	\$0	\$802	\$739
2017	1	0.0%	\$802	\$0	\$802	\$739
2018	1	0.0%	\$818	\$0	\$818	\$755
2019	1	0.0%	\$818	\$0	\$818	\$755

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	0.0%	\$900	\$0	\$900	\$900
2017	1	0.0%	\$900	\$0	\$900	\$900
2018	1	0.0%	\$936	\$0	\$936	\$936
2019	1	0.0%	\$936	\$0	\$936	\$936

Trend: Market

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	N/A	\$950 - \$1,015	\$0	\$950 - \$1,015	\$950 - \$1,015
2017	1	N/A	\$950 - \$1,015	\$0	\$950 - \$1,015	\$950 - \$1,015
2018	1	8.3%	\$980 - \$1,050	\$0	\$980 - \$1,050	\$980 - \$1,050
2019	1	8.3%	\$980 - \$1,050	\$0	\$980 - \$1,050	\$980 - \$1,050

Trend: Comments

4Q16	The property manager stated that their occupancy rate last year was 99.5 percent. Any unit that receives a 60-day notice to vacate is pre-leased prior to tenant move-out. Management has been able to increase rental rates on all of their units in the past year. Since June 2015, affordable units have increased by \$45. Market rate units were \$800 at the same time period and have continued to increase each month. Base rents for tax credit units include water, sewer and trash collection. Market rate units only have trash collection included in their base rents.
1Q17	The property manager stated that their occupancy rate last year was 99.5 percent. Any unit that receives a 60-day notice to vacate is pre-leased prior to tenant move-out. Management has been able to increase rental rates on all of their units in the past year. Since June 2015, affordable units have increased by \$45. Market rate units have continued to increase each month since the same time period. Base rents for tax credit units include water, sewer and trash collection. Market rate units only have trash collection included in their base rents. We have illustrated base rents in this profile.
1Q18	The contact stated that they do not maintain a waiting list although there is high demand for the affordable housing units at this property.
1Q19	N/A

Photos



PROPERTY PROFILE REPORT

Palmilla Apartments

Effective Rent Date	2/21/2019
Location	1385 Ashley River Road Charleston, SC 29407 Charleston County
Distance	3.7 miles
Units	228
Vacant Units	8
Vacancy Rate	3.5%
Type	Garden (2 stories)
Year Built/Renovated	1968 / 2015
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Majority from local area
Contact Name	Val
Phone	843-556-5072



Market Information

Program	@60%
Annual Turnover Rate	5%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Pre-leased to one week
Annual Chg. in Rent	Increased three percent
Concession	None
Waiting List	None

Utilities

A/C	not included -- window
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	48	760	\$753	\$0	@60%	No	0	0.0%	yes	None
2	1	Garden (2 stories)	156	840	\$896	\$0	@60%	No	8	5.1%	yes	None
3	1	Garden (2 stories)	24	1,035	\$1,027	\$0	@60%	No	0	0.0%	yes	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$753	\$0	\$753	-\$47	\$706
2BR / 1BA	\$896	\$0	\$896	-\$63	\$833
3BR / 1BA	\$1,027	\$0	\$1,027	\$0	\$1,027

Palmilla Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Patrol	None
Carpet/Hardwood	Carpeting		
Coat Closet	Ceiling Fan		
Microwave	Oven		
Refrigerator	Window A/C		
Washer/Dryer hookup			
Property		Premium	Other
Clubhouse/Meeting Room/Community	Courtyard	None	None
Exercise Facility	Central Laundry		
Off-Street Parking(\$0.00)	On-Site Management		
Picnic Area	Playground		
Swimming Pool			

Comments

This property was formerly known as St. Andrews Gardens Apartments. The contact stated that the property does accept housing choice vouchers, however she could not provide a percentage of tenants who utilize them.

Trend Report

Vacancy Rates

3Q14	2Q18	1Q19
N/A	7.0%	3.5%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	N/A	\$626	\$0	\$626	\$579
2018	2	N/A	\$699	\$0	\$699	\$652
2019	1	0.0%	\$753	\$0	\$753	\$706

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	N/A	\$731	\$0	\$731	\$668
2018	2	N/A	\$829	\$0	\$829	\$766
2019	1	5.1%	\$896	\$0	\$896	\$833

3BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	N/A	\$819	\$0	\$819	\$819
2018	2	N/A	\$948	\$0	\$948	\$948
2019	1	0.0%	\$1,027	\$0	\$1,027	\$1,027

Trend: Comments

3Q14	The contact stated that the property offers balcony/patios on the upstairs units. The contact added that the local police patrol the property twice per day, but noted that crime is not a concern in the area.
2Q18	This property was formerly known as St. Andrews Gardens Apartments. The contact stated that the property is 93 percent occupied and 95 percent pre-leased. The contact was unable to comment on which specific units were vacant. The contact was also unable to estimate the length of the waiting list.
1Q19	This property was formerly known as St. Andrews Gardens Apartments. The contact stated that the property does accept housing choice vouchers, however she could not provide a percentage of tenants who utilize them.

Photos



PROPERTY PROFILE REPORT

Rivers Place Apartments

Effective Rent Date	2/21/2019
Location	7511 Rivers Avenue North Charleston, SC 29406 Charleston County
Distance	11 miles
Units	48
Vacant Units	0
Vacancy Rate	0.0%
Type	Lowrise (3 stories)
Year Built/Renovated	2016 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Collins Park, Hallmark Timberlake
Tenant Characteristics	Local families
Contact Name	Heidi
Phone	843-764-9602



Market Information

Program	@50%, @60%
Annual Turnover Rate	N/A
Units/Month Absorbed	48
HCV Tenants	N/A
Leasing Pace	Pre-leased
Annual Chg. in Rent	N/A
Concession	None
Waiting List	Yes; unknown length

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (3 stories)	N/A	850	\$550	\$0	@50%	Yes	0	N/A	no	None
1	1	Lowrise (3 stories)	12	850	\$675	\$0	@60%	Yes	0	0.0%	no	None
2	2	Lowrise (3 stories)	N/A	1,140	\$635	\$0	@50%	Yes	0	N/A	no	None
2	2	Lowrise (3 stories)	24	1,140	\$800	\$0	@60%	Yes	0	0.0%	no	None
3	2	Lowrise (3 stories)	N/A	1,272	\$715	\$0	@50%	Yes	0	N/A	no	None
3	2	Lowrise (3 stories)	12	1,272	\$880	\$0	@60%	Yes	0	0.0%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$550	\$0	\$550	\$0	\$550	1BR / 1BA	\$675	\$0	\$675	\$0	\$675
2BR / 2BA	\$635	\$0	\$635	\$0	\$635	2BR / 2BA	\$800	\$0	\$800	\$0	\$800
3BR / 2BA	\$715	\$0	\$715	\$0	\$715	3BR / 2BA	\$880	\$0	\$880	\$0	\$880

Rivers Place Apartments, continued

Amenities

In-Unit		Security	Services
Blinds	Carpet/Hardwood	Intercom (Buzzer)	None
Carpeting	Central A/C	Limited Access	
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Central Laundry		
Off-Street Parking(\$0.00)	On-Site Management		
Playground			

Comments

The contact reported strong demand for affordable housing in the area. The property was reportedly fully-leased within a matter of days after leasing began. The contact stated that the property will be moving towards rents at the maximum allowable levels in the near future. The contact stated there are 10 units restricted to 50 percent of the AMI and 38 units restricted to 60 percent of the AMI, however she could not provide a detailed breakdown by unit type.

Rivers Place Apartments, continued

Trend Report

Vacancy Rates

4Q17	4Q18	1Q19
N/A	0.0%	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	N/A	\$550	\$0	\$550	\$550

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	N/A	\$635	\$0	\$635	\$635

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	1	N/A	\$715	\$0	\$715	\$715

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	N/A	\$550	\$0	\$550	\$550
2018	4	0.0%	\$550	\$0	\$550	\$550
2019	1	0.0%	\$675	\$0	\$675	\$675

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	N/A	\$675	\$0	\$675	\$675
2018	4	0.0%	\$675	\$0	\$675	\$675
2019	1	0.0%	\$800	\$0	\$800	\$800

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	N/A	\$750	\$0	\$750	\$750
2018	4	0.0%	\$750	\$0	\$750	\$750
2019	1	0.0%	\$880	\$0	\$880	\$880

Trend: Comments

4Q17 N/A

4Q18 The contact reported strong demand for affordable housing in the area. The property was reportedly fully-leased within a matter of days after leasing began.

1Q19 The contact reported strong demand for affordable housing in the area. The property was reportedly fully-leased within a matter of days after leasing began. The contact stated that the property will be moving towards rents at the maximum allowable levels in the near future. The contact stated there are 10 units restricted to 50 percent of the AMI and 38 units restricted to 60 percent of the AMI, however she could not provide a detailed breakdown by unit type.

Photos



PROPERTY PROFILE REPORT

35 Folly

Effective Rent Date	2/20/2019
Location	35 Folly Road Boulevard Charleston, SC 29407 Charleston County
Distance	2.1 miles
Units	301
Vacant Units	21
Vacancy Rate	7.0%
Type	Midrise (4 stories)
Year Built/Renovated	2016 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	N/A
Tenant Characteristics	N/A
Contact Name	Dolly
Phone	866-991-5408



Market Information

Program	Market
Annual Turnover Rate	10%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	N/A
Annual Chg. in Rent	Increased 3 percent
Concession	N/A
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	N/A	528	\$1,345	\$0	Market	N/A	1	N/A	N/A	None
1	1	Midrise (4 stories)	N/A	648	\$1,408	\$0	Market	N/A	0	N/A	N/A	None
1	1	Midrise (4 stories)	N/A	695	\$1,319	\$0	Market	N/A	6	N/A	N/A	None
1	1	Midrise (4 stories)	N/A	722	\$1,395	\$0	Market	N/A	2	N/A	N/A	None
1	1	Midrise (4 stories)	N/A	795	\$1,665	\$0	Market	N/A	0	N/A	N/A	None
1	1	Midrise (4 stories)	N/A	813	\$1,478	\$0	Market	N/A	1	N/A	N/A	None
1	1	Midrise (4 stories)	N/A	951	\$1,515	\$0	Market	N/A	3	N/A	N/A	None
2	2	Midrise (4 stories)	N/A	888	\$1,758	\$0	Market	N/A	0	N/A	N/A	None
2	2	Midrise (4 stories)	N/A	965	\$1,748	\$0	Market	N/A	1	N/A	N/A	None
2	2	Midrise (4 stories)	N/A	1,055	\$1,863	\$0	Market	N/A	2	N/A	N/A	None
2	2	Midrise (4 stories)	N/A	1,076	\$1,858	\$0	Market	N/A	1	N/A	N/A	None
2	2	Midrise (4 stories)	N/A	1,153	\$1,708	\$0	Market	N/A	4	N/A	N/A	None

35 Folly, continued

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,319 - \$1,665	\$0	\$1,319 - \$1,665	-\$47	\$1,272 - \$1,618
2BR / 2BA	\$1,708 - \$1,863	\$0	\$1,708 - \$1,863	-\$63	\$1,645 - \$1,800

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpet/Hardwood	Central A/C	Limited Access	
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator	Vaulted Ceilings		
Walk-In Closet	Washer/Dryer		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Courtyard	Elevators		
Exercise Facility	Garage(\$0.00)		
On-Site Management	Picnic Area		
Recreation Areas	Sport Court		
Swimming Pool			

Comments

The contact does not accept Section 8 Vouchers, and stated that the property does not have a waiting list.

Photos



PROPERTY PROFILE REPORT

Bridgeside At Patriots Point

Effective Rent Date	2/21/2019
Location	175 Harbor Bridge Lane Mount Pleasant, SC 29464 Charleston County
Distance	2.4 miles
Units	324
Vacant Units	29
Vacancy Rate	9.0%
Type	Midrise (4 stories)
Year Built/Renovated	2016 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Families and young professionals
Contact Name	Leasing
Phone	855-864-1521



Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	N/A
Annual Chg. in Rent	None
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Midrise (4 stories)	12	601	\$1,473	\$0	Market	N/A	5	41.7%	N/A	None
1	1	Midrise (4 stories)	192	761	\$1,646	\$0	Market	N/A	15	7.8%	N/A	AVG*
1	1	Midrise (4 stories)	N/A	899	\$1,748	\$0	Market	N/A	N/A	N/A	N/A	HIGH*
1	1	Midrise (4 stories)	N/A	675	\$1,545	\$0	Market	N/A	N/A	N/A	N/A	LOW*
2	2	Midrise (4 stories)	120	1,192	\$2,315	\$0	Market	N/A	7	5.8%	N/A	AVG*
2	2	Midrise (4 stories)	N/A	1,265	\$2,430	\$0	Market	N/A	N/A	N/A	N/A	HIGH*
2	2	Midrise (4 stories)	N/A	1,095	\$2,200	\$0	Market	N/A	N/A	N/A	N/A	LOW*

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$1,473	\$0	\$1,473	\$0	\$1,473
1BR / 1BA	\$1,545 - \$1,748	\$0	\$1,545 - \$1,748	\$0	\$1,545 - \$1,748
2BR / 2BA	\$2,200 - \$2,430	\$0	\$2,200 - \$2,430	\$0	\$2,200 - \$2,430

Bridgeside At Patriots Point, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpet/Hardwood	Carpeting	Limited Access	
Central A/C	Dishwasher		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer		
Washer/Dryer hookup			
Property		Premium	Other
Clubhouse/Meeting Room/Community	Courtyard	None	None
Elevators	Exercise Facility		
Garage(\$0.00)	Off-Street Parking(\$0.00)		
Picnic Area	Recreation Areas		
Swimming Pool	Wi-Fi		

Comments

None

Bridgeside At Patriots Point, continued

Trend Report

Vacancy Rates

1Q18	1Q19
9.0%	9.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	1	N/A	\$1,521 - \$1,685	\$0	\$1,521 - \$1,685	\$1,521 - \$1,685
2019	1	N/A	\$1,545 - \$1,748	\$0	\$1,545 - \$1,748	\$1,545 - \$1,748

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	1	N/A	\$2,080 - \$2,385	\$0	\$2,080 - \$2,385	\$2,080 - \$2,385
2019	1	N/A	\$2,200 - \$2,430	\$0	\$2,200 - \$2,430	\$2,200 - \$2,430

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	1	8.3%	\$1,510	\$0	\$1,510	\$1,510
2019	1	41.7%	\$1,473	\$0	\$1,473	\$1,473

Trend: Comments

1Q18	Information verified with Costar
1Q19	N/A

Photos



PROPERTY PROFILE REPORT

Elan Midtown

Effective Rent Date	2/19/2019
Location	441 Meeting Street Charleston, SC 29403 Charleston County
Distance	0.5 miles
Units	200
Vacant Units	11
Vacancy Rate	5.5%
Type	Midrise (5 stories)
Year Built/Renovated	2013 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	None identified
Contact Name	Kayla
Phone	844-575-1453



Market Information

Program	Market
Annual Turnover Rate	36%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one month
Annual Chg. in Rent	None
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Midrise (5 stories)	N/A	529	\$1,583	\$0	Market	No	2	N/A	N/A	None
1	1	Midrise (5 stories)	N/A	690	\$1,843	\$0	Market	No	4	N/A	N/A	None
2	2	Midrise (5 stories)	N/A	1,277	\$2,576	\$0	Market	No	5	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$1,583	\$0	\$1,583	\$0	\$1,583
1BR / 1BA	\$1,843	\$0	\$1,843	\$0	\$1,843
2BR / 2BA	\$2,576	\$0	\$2,576	\$0	\$2,576

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpeting	Central A/C	Limited Access	
Dishwasher	Exterior Storage	Patrol	
Garbage Disposal	Microwave		
Oven	Refrigerator		
Vaulted Ceilings	Washer/Dryer		
Washer/Dryer hookup			
Property		Premium	Other
Courtyard	Elevators	None	None
Exercise Facility	Central Laundry		
Off-Street Parking(\$125.00)	Picnic Area		
Swimming Pool			

Comments

The contact reported there is a \$125 per month charge for off-street parking. The property does not maintain a waiting list. The property does not accept Housing Choice Vouchers. The contact reported there has been a substantial amount of new market rate development in the area.

Trend Report

Vacancy Rates

1Q18	2Q18	1Q19
9.5%	9.5%	5.5%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	1	N/A	\$1,866	\$0	\$1,866	\$1,866
2018	2	N/A	\$1,866	\$0	\$1,866	\$1,866
2019	1	N/A	\$1,843	\$0	\$1,843	\$1,843

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	1	N/A	\$2,501	\$0	\$2,501	\$2,501
2018	2	N/A	\$2,501	\$0	\$2,501	\$2,501
2019	1	N/A	\$2,576	\$0	\$2,576	\$2,576

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	1	N/A	\$1,833	\$0	\$1,833	\$1,833
2018	2	N/A	\$1,833	\$0	\$1,833	\$1,833
2019	1	N/A	\$1,583	\$0	\$1,583	\$1,583

Trend: Comments

1Q18	The contact reported there is a \$125 per month charge for off-street parking. The property does not maintain a waiting list. The property does not accept Housing Choice Vouchers.
2Q18	The contact reported there is a \$125 per month charge for off-street parking. The property does not maintain a waiting list. The property does not accept Housing Choice Vouchers. The contact reported there has been a substantial amount of new market rate development in the area.
1Q19	N/A

Photos



PROPERTY PROFILE REPORT

The Guild

Effective Rent Date	2/22/2019
Location	128 Columbus Street Charleston, SC 29403 Charleston County
Distance	0.4 miles
Units	226
Vacant Units	75
Vacancy Rate	33.2%
Type	Midrise (8 stories)
Year Built/Renovated	2018 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	N/A
Tenant Characteristics	N/A
Contact Name	Leasing
Phone	843-970-2290



Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	N/A
Annual Chg. in Rent	N/A
Concession	N/A
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Midrise (8 stories)	82	627	\$2,159	\$0	Market	N/A	21	25.6%	N/A	AVG*
0	1	Midrise (8 stories)	N/A	926	\$3,270	\$0	Market	N/A	N/A	N/A	N/A	HIGH*
0	1	Midrise (8 stories)	N/A	477	\$2,045	\$0	Market	N/A	N/A	N/A	N/A	LOW*
1	1	Midrise (8 stories)	68	846	\$2,811	\$0	Market	N/A	32	47.1%	N/A	AVG*
1	1	Midrise (8 stories)	N/A	1,188	\$4,819	\$0	Market	N/A	N/A	N/A	N/A	HIGH*
1	1	Midrise (8 stories)	N/A	604	\$2,095	\$0	Market	N/A	N/A	N/A	N/A	LOW*
2	2	Midrise (8 stories)	N/A	1,204	\$4,093	\$0	Market	N/A	22	N/A	N/A	AVG*
2	2	Midrise (8 stories)	N/A	1,495	\$4,689	\$0	Market	N/A	N/A	N/A	N/A	HIGH*
2	2	Midrise (8 stories)	N/A	965	\$3,149	\$0	Market	N/A	N/A	N/A	N/A	LOW*

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$2,045 - \$3,270	\$0	\$2,045 - \$3,270	\$0	\$2,045 - \$3,270
1BR / 1BA	\$2,095 - \$4,819	\$0	\$2,095 - \$4,819	\$0	\$2,095 - \$4,819
2BR / 2BA	\$3,149 - \$4,689	\$0	\$3,149 - \$4,689	\$0	\$3,149 - \$4,689

The Guild, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpet/Hardwood	Carpeting	Limited Access	
Central A/C	Coat Closet		
Dishwasher	Exterior Storage		
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer	Washer/Dryer hookup		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Commercial/Retail	None	None
Concierge	Courtyard		
Elevators	Exercise Facility		
Garage(\$0.00)	Off-Street Parking(\$0.00)		
On-Site Management	Picnic Area		
Service Coordination	Swimming Pool		
Wi-Fi			

Comments

None

Trend Report

Vacancy Rates

1Q18	1Q19
N/A	33.2%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	1	N/A	\$2,214 - \$4,169	\$0	\$2,214 - \$4,169	\$2,214 - \$4,169
2019	1	N/A	\$2,095 - \$4,819	\$0	\$2,095 - \$4,819	\$2,095 - \$4,819

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	1	N/A	\$2,854 - \$4,344	\$0	\$2,854 - \$4,344	\$2,854 - \$4,344
2019	1	N/A	\$3,149 - \$4,689	\$0	\$3,149 - \$4,689	\$3,149 - \$4,689

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	1	N/A	\$893 - \$2,184	\$0	\$893 - \$2,184	\$893 - \$2,184
2019	1	N/A	\$2,045 - \$3,270	\$0	\$2,045 - \$3,270	\$2,045 - \$3,270

Trend: Comments

1Q18	N/A
1Q19	N/A

PROPERTY PROFILE REPORT

The Heyward

Effective Rent Date	2/20/2019
Location	3220 Hatchet Bay Dr Charleston, SC 29414 Charleston County
Distance	8.8 miles
Units	260
Vacant Units	21
Vacancy Rate	8.1%
Type	Midrise (4 stories)
Year Built/Renovated	2017 / N/A
Marketing Began	11/01/2017
Leasing Began	11/01/2017
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Varies; locals and out of area transfers
Contact Name	Talia
Phone	843-852-7808



Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	N/A
Annual Chg. in Rent	N/A
Concession	N/A
Waiting List	None

Utilities

A/C	not included
Cooking	not included
Water Heat	not included
Heat	not included
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Midrise (4 stories)	N/A	699	\$1,135	\$0	Market	No	0	N/A	N/A	None
0	1	Midrise (4 stories)	N/A	765	\$1,235	\$0	Market	No	1	N/A	N/A	None
1	1	Midrise (4 stories)	N/A	767	\$1,250	\$0	Market	No	0	N/A	N/A	None
1	1	Midrise (4 stories)	N/A	769	\$1,185	\$0	Market	No	0	N/A	N/A	None
1	1	Midrise (4 stories)	N/A	865	\$1,243	\$0	Market	No	16	N/A	N/A	None
2	1	Midrise (4 stories)	N/A	889	\$1,385	\$0	Market	No	2	N/A	N/A	None
2	2	Midrise (4 stories)	N/A	1,103	\$1,375	\$0	Market	No	2	N/A	N/A	None
2	2	Midrise (4 stories)	N/A	1,128	\$1,425	\$0	Market	No	0	N/A	N/A	None
2	2	Midrise (4 stories)	N/A	1,336	\$1,565	\$0	Market	No	0	N/A	N/A	None
3	2	Midrise (4 stories)	N/A	1,318	\$1,675	\$0	Market	No	0	N/A	N/A	None
3	2	Midrise (4 stories)	N/A	1,407	\$1,675	\$0	Market	No	0	N/A	N/A	None

Trend Report

Vacancy Rates

1Q18	1Q19
94.2%	8.1%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	1	N/A	\$1,185 - \$1,260	\$0	\$1,185 - \$1,260	\$1,185 - \$1,260
2019	1	N/A	\$1,185 - \$1,250	\$0	\$1,185 - \$1,250	\$1,185 - \$1,250

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	1	N/A	\$1,385	\$0	\$1,385	\$1,385
2019	1	N/A	\$1,385	\$0	\$1,385	\$1,385

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	1	N/A	\$1,355 - \$1,565	\$0	\$1,355 - \$1,565	\$1,355 - \$1,565
2019	1	N/A	\$1,375 - \$1,565	\$0	\$1,375 - \$1,565	\$1,375 - \$1,565

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	1	N/A	\$1,395 - \$1,675	\$0	\$1,395 - \$1,675	\$1,395 - \$1,675
2019	1	N/A	\$1,675	\$0	\$1,675	\$1,675

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	1	N/A	\$1,090 - \$1,124	\$0	\$1,090 - \$1,124	\$1,090 - \$1,124
2019	1	N/A	\$1,135 - \$1,235	\$0	\$1,135 - \$1,235	\$1,135 - \$1,235

Trend: Comments

- 1Q18 This property is currently in its initial leasing phase. The property contact was unable to provide a breakdown of the number of units by unit type. According to the contact, the property began leasing in November 2017 and is currently six percent occupied, which equates to 7.5 units absorbed per month. Premium amenities include a dog park and grooming station, coffee bar, and walking trails. This property does not accept Housing Choice Vouchers.
- 1Q19 This property is currently in its initial leasing phase. The property contact was unable to provide a breakdown of the number of units by unit type. According to the contact, the property began leasing in November 2017. Premium amenities include a dog park and grooming station, coffee bar, and walking trails. This property does not accept Housing Choice Vouchers.

Photos



PROPERTY PROFILE REPORT

The Standard

Effective Rent Date	2/21/2019
Location	215 Promenade Vista Street Charleston, SC 29412 Charleston County
Distance	3.4 miles
Units	280
Vacant Units	25
Vacancy Rate	8.9%
Type	Midrise (4 stories)
Year Built/Renovated	2015 / N/A
Marketing Began	N/A
Leasing Began	7/01/2015
Last Unit Leased	8/01/2016
Major Competitors	None identified
Tenant Characteristics	None identified
Contact Name	Stephanie
Phone	843-406-7646



Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	21
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Fluctuates daily
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Midrise (4 stories)	37	658	\$1,234	\$0	Market	No	4	10.8%	N/A	None
1	1	Midrise (4 stories)	130	799	\$1,486	\$0	Market	No	11	8.5%	N/A	AVG*
2	2	Midrise (4 stories)	86	1,136	\$1,925	\$0	Market	No	7	8.1%	N/A	AVG*
3	2	Midrise (4 stories)	27	1,235	\$2,214	\$0	Market	No	3	11.1%	N/A	AVG*

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$1,234	\$0	\$1,234	\$0	\$1,234
1BR / 1BA	\$1,486	\$0	\$1,486	\$0	\$1,486
2BR / 2BA	\$1,925	\$0	\$1,925	\$0	\$1,925
3BR / 2BA	\$2,214	\$0	\$2,214	\$0	\$2,214

The Standard, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpet/Hardwood	Central A/C	Limited Access	
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Elevators	Exercise Facility		
Off-Street Parking(\$0.00)	On-Site Management		
Picnic Area	Swimming Pool		
Theatre	Wi-Fi		

Comments

The manager indicated that rents typically range based on number of vacancies and demand for particular unit types. However, the manager could only provide the rent for the next available unit.

Trend Report

Vacancy Rates

4Q16	3Q17	1Q19
3.9%	0.7%	8.9%

Trend: Market

1.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	N/A	\$1,927 - \$2,605	\$0	\$1,927 - \$2,605	\$1,927 - \$2,605
2017	3	0.0%	\$2,088	\$0	\$2,088	\$2,088

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	N/A	\$1,315 - \$1,653	\$0	\$1,315 - \$1,653	\$1,315 - \$1,653
2017	3	0.0%	\$1,751	\$0	\$1,751	\$1,751
2019	1	8.5%	\$1,486	\$0	\$1,486	\$1,486

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	N/A	\$1,853 - \$2,275	\$0	\$1,853 - \$2,275	\$1,853 - \$2,275
2017	3	0.0%	\$1,925	\$0	\$1,925	\$1,925
2019	1	8.1%	\$1,925	\$0	\$1,925	\$1,925

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	N/A	\$2,216 - \$3,165	\$0	\$2,216 - \$3,165	\$2,216 - \$3,165
2017	3	5.9%	\$2,274	\$0	\$2,274	\$2,274
2019	1	11.1%	\$2,214	\$0	\$2,214	\$2,214

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	N/A	\$1,251 - \$1,370	\$0	\$1,251 - \$1,370	\$1,251 - \$1,370
2017	3	2.7%	\$1,288	\$0	\$1,288	\$1,288
2019	1	10.8%	\$1,234	\$0	\$1,234	\$1,234

Trend: Comments

4Q16	The larger one-bedroom, one bathroom units are live/work apartments.
3Q17	The manager indicated that rents typically range based on number of vacancies and demand for particular unit types. However, the manager could only provide the rent for the next available unit.
1Q19	N/A

Photos



Comparable Property Analysis

Location

LOCATION COMPARISON SUMMARY

#	Property Name	City	Rent Structure	Distance to Subject	Household Income	Median Home Value	Median Rent	Crime Index	Walk Score	Vacant Housing	% Renter HH
S	573 Meeting Street	Charleston	LIHTC/PBRA	-	\$22,705	\$304,200	\$878	234	72	18.2%	60.8%
1	Ivy Ridge*	North Charleston	LIHTC	12.1 miles	\$47,379	\$115,300	\$863	96	43	5.4%	71.4%
2	Marsh View Place Apartments*	Charleston	LIHTC	9.7 miles	\$58,655	\$277,700	\$1,046	112	26	23.1%	30.2%
3	Osprey Place	North Charleston	LIHTC/ Market	3.1 miles	\$27,118	\$108,100	\$794	340	13	10.0%	59.1%
4	Palmilla Apartments*	Charleston	LIHTC	3.7 miles	\$37,029	\$225,600	\$931	124	39	8.3%	54.3%
5	Rivers Place Apartments*	North Charleston	LIHTC	11.0 miles	\$36,236	\$115,300	\$863	121	54	12.4%	71.2%
6	35 Folly*	Charleston	Market	2.1 miles	\$93,998	\$225,600	\$931	213	47	11.2%	44.0%
7	Bridgeside At Patriots Point*	Mount Pleasant	Market	2.4 miles	\$63,273	\$367,800	\$1,281	58	28	15.9%	65.4%
8	Elan Midtown	Charleston	Market	0.5 miles	\$28,159	\$304,200	\$878	236	94	17.3%	65.0%
9	The Guild	Charleston	Market	0.4 miles	\$25,412	\$304,200	\$878	222	93	17.9%	65.4%
10	The Heyward*	Charleston	Market	8.8 miles	\$63,123	\$202,100	\$1,086	112	4	24.1%	31.7%
11	The Standard*	Charleston	Market	3.4 miles	\$55,958	\$252,300	\$1,125	158	42	9.3%	50.1%

*Located outside of the PMA

The Subject site is located in a mixed use neighborhood consisting of single-family residential, multifamily developments, and retail/commercial developments. The Subject will have overall good access to area retail and community services in Charleston, most of which are within 1.0 miles of the Subject site.

The Subject's neighborhood is populated by several vacant properties, and light industrial warehouse. Furthermore, the Subject is in close proximity to a highway, which will be visible and audible from the Subject. These uses may be considered detrimental. Weaknesses of the Subject's location include a low median household income level. The Subject's location is designated 'Very Walkable' by Walk Score with a score of 72, indicating most errands can be accomplished on foot.

The affordable properties are located between 3.1 and 12.1 miles from the Subject site. The LIHTC comparables are generally in neighborhoods considered similar to the Subject's location. One exception is Osprey Place, which offers lower median home prices, lower median rents, higher crime risk indices, and a lower Walk Score, and is considered slightly inferior to the Subject's neighborhood. Another exception is Marsh View Place Apartments, which features a higher median household income, higher median rent, and lower crime index, and is considered superior to the Subject's neighborhood.

The market rate developments are located between 0.4 and 8.8 miles from the Subject site. The market rate comparables are generally in neighborhoods considered superior to the Subject's location. These locations generally offer higher median income levels, lower vacancy rates, and higher median rents compared to the Subject's location. None of the market rate comparables are in neighborhoods considered inferior to the Subject. On balance, the locations of Elan Midtown and The Guild are considered similar to the Subject's neighborhood.

Unit Size

The following table summarizes unit sizes in the market Point area, and provides a comparison of the Subject’s unit size and the surveyed average unit sizes in the market.

UNIT SIZE COMPARISON

Bedroom Type	0BR	1BR	2BR
Subject	400	500	750
Average	660	789	1,096
Min	477	528	840
Max	926	1,188	1,495
Advantage/Disadvantage	-65%	-58%	-46%

The Subject’s proposed studio, one, and two-bedroom unit sizes are below the surveyed average of the comparables, and below the comparable range, making them the smallest units in the market. The Guild, 35 Folly, and Palmilla Apartments offer the smallest unit sizes amongst the comparables. Excluding The Guild, which is undergoing absorption, the comparables are operating at 93 to 97 percent occupancy, among the highest rates compared to the other comparables. As is the case, we believe the Subject will be competitive and well received in the market with respect to unit sizes. However, we considered the Subject’s proposed unit sizes in our determination of achievable rents, and consider the significantly smaller studio and two-bedroom unit sizes to be unfavorable. The following table ranks the Subject’s unit sizes to the unit sizes at the comparable properties.

SQUARE FOOTAGE RANKING COMPARISON

Studio One Bath		One-Bedroom One Bath		Two-Bedroom Two Bath	
Property Name	Size	Property Name	Size	Property Name	Size
The Guild (Market)	926	The Guild (Market)	1,188	The Guild (Market)	1,495
The Heyward (Market)	765	35 Folly (Market)	951	The Heyward (Market)	1,336
The Heyward (Market)	699	Bridgeside At Patriots Point (Market)	899	Elan Midtown (Market)	1,277
The Standard (Market)	658	The Heyward (Market)	865	Bridgeside At Patriots Point (Market)	1,265
The Guild (Market)	627	Marsh View Place Apartments (@50%)	850	The Guild (Market)	1,204
Bridgeside At Patriots Point (Market)	601	Rivers Place Apartments (@60%)	850	Bridgeside At Patriots Point (Market)	1,192
Elan Midtown (Market)	529	Rivers Place Apartments (@50%)	850	35 Folly (Market)	1,153
The Guild (Market)	477	The Guild (Market)	846	Rivers Place Apartments (@60%)	1,140
573 Meeting Street (@60%)	400	Ivy Ridge (@50%)	825	Rivers Place Apartments (@50%)	1,140
573 Meeting Street (@50%)	400	35 Folly (Market)	813	The Standard (Market)	1,136
		The Standard (Market)	799	The Heyward (Market)	1,128
		35 Folly (Market)	795	The Heyward (Market)	1,103
		The Heyward (Market)	769	Marsh View Place Apartments (@50%)	1,100
		The Heyward (Market)	767	Marsh View Place Apartments (@60%)	1,100
		Bridgeside At Patriots Point (Market)	761	Bridgeside At Patriots Point (Market)	1,095
		Palmilla Apartments (@60%)	760	35 Folly (Market)	1,076
		35 Folly (Market)	722	35 Folly (Market)	1,055
		35 Folly (Market)	695	Ivy Ridge (@50%)	986
		Elan Midtown (Market)	690	The Guild (Market)	965
		Bridgeside At Patriots Point (Market)	675	35 Folly (Market)	965
		35 Folly (Market)	648	Osprey Place (@60%)	933
		The Guild (Market)	604	Osprey Place (@50%)	933
		35 Folly (Market)	528	The Heyward (Market)(1BA)	889
		573 Meeting Street (@50%)	500	35 Folly (Market)	888
		573 Meeting Street (@60%)	500	Palmilla Apartments (@60%)(1BA)	840
				573 Meeting Street (@60%)	750

Vacancy

The following tables illustrate the market vacancy at the comparable properties. It should be noted that The Guild and The Heyward are still in the absorption phase.

MARKET RATE VACANCY

Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Ivy Ridge*	LIHTC	72	2	2.8%
Marsh View Place Apartments*	LIHTC	53	0	0.0%
Osprey Place	LIHTC/ Market	102	3	2.9%
Palmilla Apartments*	LIHTC	228	8	3.5%
Rivers Place Apartments*	LIHTC	48	0	0.0%
35 Folly*	Market	301	21	7.0%
Bridgeside At Patriots Point*	Market	324	29	9.0%
Elan Midtown	Market	200	11	5.5%
The Guild	Market	226	75	33.2%
The Heyward*	Market	260	21	8.1%
The Standard*	Market	280	25	8.9%
Overall Total		2,094	195	9.3%
Total Excluding Properties in Absorption		1,608	99	6.2%

*Located outside of the PMA

LIHTC VACANCY

Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Ivy Ridge*	LIHTC	72	2	2.8%
Marsh View Place Apartments*	LIHTC	53	0	0.0%
Osprey Place	LIHTC/ Market	102	3	2.9%
Palmilla Apartments*	LIHTC	228	8	3.5%
Rivers Place Apartments*	LIHTC	48	0	0.0%
Total LIHTC		503	13	2.6%

*Located outside of the PMA

MARKET RATE VACANCY

Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
35 Folly*	Market	301	21	7.0%
Bridgeside At Patriots Point*	Market	324	29	9.0%
Elan Midtown	Market	200	11	5.5%
The Guild	Market	226	75	33.2%
The Heyward*	Market	260	21	8.1%
The Standard*	Market	280	25	8.9%
Total Market Rate		1,591	182	11.4%
Total Market Rate Excluding Properties in Absorption		1,105	86	7.8%

*Located outside of the PMA

The comparables reported vacancy rates ranging from zero to 33.2 percent. Overall vacancy in the local market is operating at an average 6.5 percent vacancy rate for comparables in the PMA and a 9.3 percent vacancy rate among all 11 surveyed comparable projects. Managers at two of the five LIHTC properties reported being fully occupied. The average vacancy rate reported by the affordable comparables was 2.6 percent, well below the 11.4 percent average reported by the market rate properties. Excluding The Guild and The Heyward, which were built in 2018 and 2017, respectively, and are currently in their initial leasing phases, the overall vacancy rate amongst all of the comparables is 6.2 percent, while the market rate vacancy rate drops to 7.8 percent.

A majority of the market rate comparables reported elevated vacancy rates. According to a CoStar market report on the Downtown Charleston submarket, the overall vacancy rate in the submarket is 23.8 percent,

with 4&5-star properties operating at 37.4 percent vacancy. According to CoStar, “Four-Star buildings are constructed with higher end finishes and specifications, providing desirable amenities to residents and designed/built to competitive and contemporary standards, while a five-star building represents the luxury end of multi-family buildings defined by finishes, amenities, the overall interior/exterior design and the highest level of specifications for its style (garden, low-rise, mid-rise, or high-rise).” The tables below show key information regarding vacancy rates in the downtown submarket.

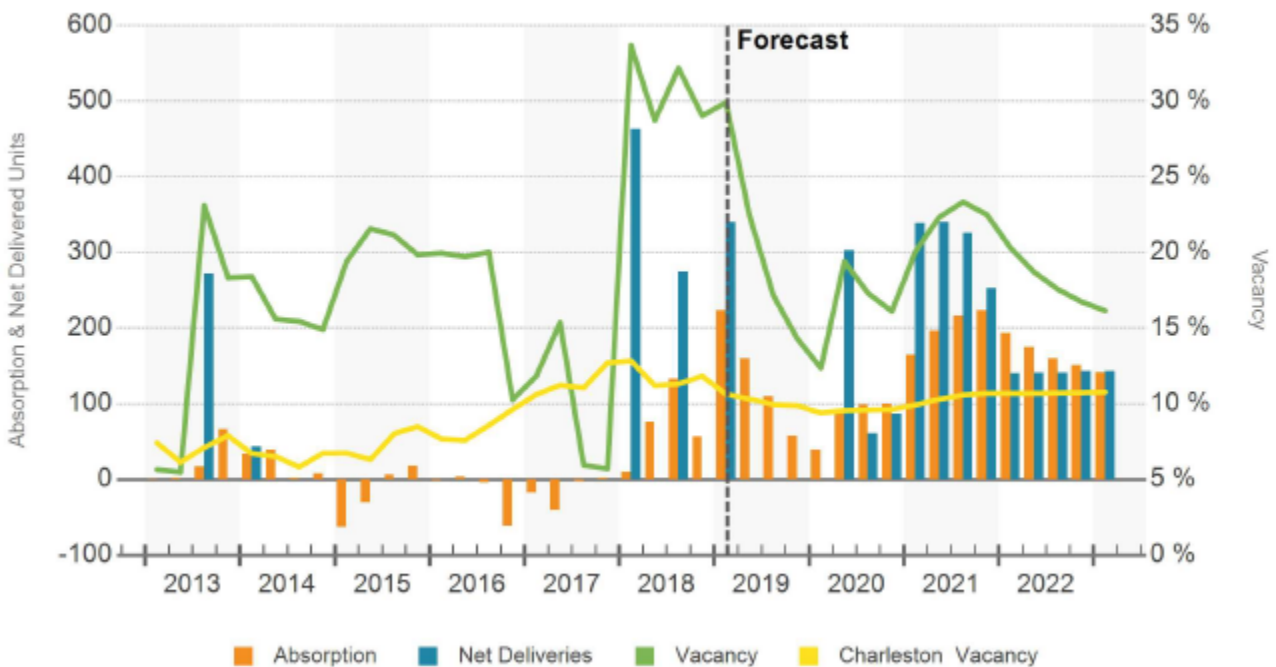
KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	1,016	37.4%	\$2,024	\$1,937	93	0	1,383
3 Star	224	5.5%	\$2,174	\$2,160	1	0	0
1 & 2 Star	560	6.4%	\$1,347	\$1,337	1	0	0
Submarket	1,800	23.8%	\$1,935	\$1,865	95	0	1,383

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	1.6%	9.6%	18.6%	33.7%	2018 Q1	4.4%	2008 Q2
Absorption Units	364	12	568	275	2018 Q4	(125)	2017 Q2
Delivered Units	464	55	621	737	2018 Q4	0	2017 Q4
Demolished Units	0	20	11	342	2017 Q3	0	2018 Q4
Asking Rent Growth (YOY)	9.1%	1.8%	0.8%	11.8%	2018 Q3	-3.5%	2009 Q4
Effective Rent Growth (YOY)	6.3%	1.7%	0.6%	10.7%	2018 Q3	-3.4%	2009 Q4
Sales Volume	\$8.4 M	\$11.1M	N/A	\$81.3M	2015 Q3	\$0	2012 Q1

Source: Costar, March 2019

ABSORPTION, NET DELIVERIES & VACANCY



Source: Costar, March 2019

We believe this is due to a boom in supply, as 2018 developments increased the submarket's inventory by roughly 70 percent, and that the market is over supplied. The forecast for the submarket also shows a high

vacancy rate in 2021 as well. Before 2018, the downtown submarket posted vacancies around six percent. This is supported by the fact that all of the comparables with vacancy rates of above six percent were delivered in 2015 or later. According to CoStar, the overall stabilized vacancy rate within the PMA amongst stabilized properties is 3.7 percent. A majority of the properties opening in 2018 were market-rate properties, which will not be directly competitive with the Subject as proposed. The CoStar submarket vacancies are reflective of the downtown market and heavily impacted by new additions to supply, and is not reflective of the likely performance of the Subject or affordable properties comparable to it. Furthermore, as can be seen in the tables above, LIHTC vacancy is much lower than the market rate properties. This is further illustrated by management at Rivers Place Apartments, who stated that there is strong demand for affordable housing in the area. The Subject's achievable rent advantage also allows for this separation. As the demand analysis demonstrates, there is moderate demand for affordable housing at the Subject's anticipated price point. We believe the new LIHTC supply will absorb quickly.

We researched the collocation of the shelter in the same building to determine the impact on the performance of the Subject. We interviewed management companies and researched the Novogradac rent database which consists of 103,294 multifamily properties. While we have not identified other similar properties in the Charleston market, we identified two properties in Washington, DC and Brooklyn, NY which offer a similar use in the building. Though these properties are in different markets than the proposed Subject's, we believe the information below culled from manager of the respective properties is informative in regards to mixed-use properties similar to the Subject as proposed.

SOME Benning Road in Washington, DC offers 20 single room occupancy (SRO) units on the second floor that are non-revenue producing, which are for people that are at risk of homelessness. Given the units and job training/services are located on the first few floors, separate from the remaining 30 two, three, and four-bedroom units, this is a similar property compared to the proposed Subject. The property also offers transitional programs helping people move from homeless to formerly homeless, while also housing single adults that have already transitioned. The property is fully occupied with a waiting list that will reopen in March.

The Schermerhorn in Brooklyn, New York operates with all 116 of the subsidized units set aside for formerly homeless tenants, while also offering 100 60 percent of AMI units open to the general public, without subsidy. The property was fully occupied with a waiting list at the time of this report.

Due to the strong demand for affordable housing in this market, we believe that the LIHTC units at the Subject will perform well due to the design, condition, amenity package offered at the Subject. We considered the elevated market vacancy in our determination of achievable market rents. Based on the performance of the LIHTC comparables, we expect the Subject will operate a vacancy rate of approximately five percent as a LIHTC property and eight percent as an unrestricted property.

LIHTC Vacancy – All LIHTC Properties in PMA

There are 66 total LIHTC units in the PMA that we included in this comparable analysis, all of which are located within Osprey Place. There are no vacancies among these units. This indicates strong demand for affordable rental housing in the PMA. This is further illustrated by management at Rivers Place Apartments, who stated that there is strong demand for affordable housing in the area.

REASONABILITY OF RENTS

This report is written to SCSHFDA guidelines. Therefore, the conclusions contained herein may not be replicated by a more stringent analysis. We recommend that the sponsor understand the guidelines of all those underwriting the Subject development to ensure the proposed rents are acceptable to all.

Rents provided by property managers at some properties may include all utilities while others may require tenants to pay all utilities. To make a fair comparison of the Subject rent levels to comparable properties, rents at comparable properties are typically adjusted to be consistent with the Subject. Adjustments are made using the SCSHFDA utility allowance for the Upstate Region, effective January 1, 2019, the most recent available. The rent analysis is based on net rents at the Subject as well as surveyed properties.

The following table summarizes the Subject’s proposed 50 and 60 percent AMI net rents compared to the maximum allowable 50 and 60 percent AMI rents in the MSA where comparables are located, the net rents at the comparables, and the averages of these comparable net rents.

LIHTC RENT COMPARISON @50%

Property Name	0BR	1BR	Rents at Max?
573 Meeting Street	\$553	\$579	Yes
LIHTC Maximum Rent (Net)	\$553	\$579	
Ivy Ridge	-	\$543	Yes
Marsh View Place Apartments	-	\$580	Yes
Rivers Place Apartments	-	\$550	No
Average	-	\$558	
Achievable LIHTC Rent	\$553	\$579	

LIHTC RENT COMPARISON @60%

	0BR	1BR	2BR	Rents at Max?
573 Meeting Street	\$684	\$719	\$854	Yes
LIHTC Maximum Rent (Net)	\$684	\$719	\$854	
Marsh View Place Apartments	-	-	\$851	Yes
Osprey Place	-	-	\$755	No
Palmilla Apartments	-	\$706	\$833	No
Rivers Place Apartments	-	\$675	\$800	Yes
Average	-	\$691	\$810	
Achievable LIHTC Rent	\$684	\$719	\$854	

Upon completion of construction, the Subject will be most similar to Marsh View Place Apartments and Rivers Place Apartments. Marsh View Place Apartments is a 53-unit garden-style development located 9.7 miles west of the Subject site, in a neighborhood considered superior relative to the Subject's location. The property was built in 2015, and currently exhibits similar condition relative to the Subject, which will be new construction. As seen in the amenity matrix seen previously within the report, Marsh View Place Apartments offers walk-in closets, disposals, and a playground, all of which the proposed Subject will lack. However, the Subject will offer WiFi, which is not provided by Marsh View Place Apartments. On balance, we believe the in-unit and property amenity packages offered by Marsh View Place Apartments to be superior and similar relative to the Subject, respectively. This comparable also offers superior unit sizes compared to the proposed Subject. The manager at Marsh View Place Apartments reported the property as fully occupied, indicating the current rents are well accepted in the market. In overall terms, we believe the Subject will be a slightly inferior product relative to Marsh View Place Apartments.

Rivers Place Apartments is a 48-unit lowrise development located 11.0 miles northwest of the Subject site, in a neighborhood considered similar to the Subject's location, as this comparable's location offers higher median household incomes, but lower median home values, and similar median rents when compared to the Subject's location. The property was built in 2016, and currently exhibits similar condition relative to the Subject, which will be new construction. As seen in the amenity matrix seen previously within the report, Rivers Place Apartments offers hardwood flooring, disposals, and a playground, all of which the proposed Subject will lack. However, the proposed Subject will offer washer/dryers and WiFi, neither of which are offered by Rivers

Place Apartments. On balance, we believe the in-unit and property amenity packages offered by Rivers Place Apartments to be similar relative to the Subject. This comparable also offers superior unit sizes compared to the proposed Subject. The manager at Rivers Place Apartments reported the property as fully occupied, indicating the current rents are well accepted in the market. In overall terms, we believe the Subject will be a slightly superior product relative to Rivers Place Apartments. Given the low vacancy rates amongst the LIHTC properties and the overall lack of affordable housing within the Subject’s PMA, as well as the proposed services offered, we believe the Subject will be able to achieve the maximum allowable rents at 50 and 60 percent of AMI, assuming the Subject’s 50 percent of AMI units were to lose subsidy. Additionally the LIHTC rents offer a significant advantage to market.

Achievable Market Rents

Based on the quality of the surveyed comparable properties and the anticipated quality of the proposed Subject, we conclude that the Subject’s rental rates are below the achievable market rates for the Subject’s area. The following table shows both market rent comparisons and achievable market rents.

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Rent Level	Subject Achievable LIHTC Rent	Surveyed Min	Surveyed Max	Surveyed Average	Achievable Market Rent	Subject Rent Advantage
OBR / 1BA	@50% (Project Based Rental Assistance - PBRA)	\$553	\$1,135	\$3,270	\$1,767	\$1,200	54%
OBR / 1BA	@60%	\$684	\$1,135	\$3,270	\$1,767	\$1,200	43%
1BR / 1BA	@50% (Project Based Rental Assistance - PBRA)	\$579	\$1,185	\$4,819	\$1,748	\$1,500	61%
1BR / 1BA	@60%	\$719	\$1,185	\$4,819	\$1,748	\$1,500	52%
2BR / 2BA	@60%	\$854	\$1,375	\$4,689	\$2,220	\$1,900	55%

The Subject’s achievable LIHTC rents are well below the achievable market rents, and below the range of the market rate comparables. The Subject’s achievable LIHTC rents represent a rent advantage of 43 to 61 percent over the achievable market rents. We compared the Subject to Elan Midtown and Bridgeside At Patriots Point, as they are the most similar comparables to the Subject as proposed.

Elan Midtown is a 200-unit midrise development located 0.5 miles southeast of the Subject site, in a neighborhood considered similar to the Subject's location. The property was built in 2013, and currently exhibits slightly inferior condition relative to the Subject, which will be new construction. As seen in the amenity matrix seen previously within the report, Elan Midtown offers balconies/patios, exterior storage, vaulted ceilings, disposals, and a swimming pool, all of which the proposed Subject will lack. However, the Subject will offer a business center, a community room, on-site management, and WiFi, none of which are provided by Elan Midtown. On balance, we believe the in-unit and property amenity packages offered by Elan Midtown to be superior and similar relative to the Subject, respectively. This comparable also offers superior unit sizes compared to the proposed Subject. In overall terms, we believe the Subject will be a slightly inferior product relative to the Elan Midtown. The following table compares the Subject with Elan Midtown.

SUBJECT COMPARISON TO ELAN MIDTOWN

Unit Type	Subject Achievable Market Rent	Square Feet	Subject RPSF	Elan Midtown Rent	Square Feet	Elan Midtown RPSF
OBR / 1BA	\$1,200	400	\$3.00	\$1,583	529	\$2.99
1BR / 1BA	\$1,500	500	\$3.00	\$1,843	690	\$2.67
2BR / 2BA	\$1,900	750	\$2.53	\$2,576	1,277	\$2.02

Bridgeside At Patriots Point is a 324-unit midrise development located 2.4 miles east of the Subject site, in a neighborhood considered superior relative to the Subject's location. The property was built in 2016, and currently exhibits similar condition relative to the Subject, which will be new construction. As seen in the amenity matrix seen previously within the report, Bridgeside At Patriots Point offers balconies/patios, hardwood flooring, walk-in closets, disposals, a swimming pool, recreational areas, and garages, all of which the proposed Subject will lack. However, the proposed Subject will offer a business center and on-site

management, neither of which are offered by Bridgeside At Patriots Point. On balance, we believe the in-unit and property amenity packages offered by Bridgeside At Patriots Point to be superior and similar relative to the Subject, respectively. This comparable also offers superior unit sizes compared to the proposed Subject. In overall terms, we believe the Subject will be a slightly superior product relative to the Bridgeside At Patriots Point. The following table compares the Subject with Bridgeside At Patriots Point.

SUBJECT COMPARISON TO BRIDGESIDE AT PATRIOTS POINT

Unit Type	Subject Achievable Market Rent	Square Feet	Subject RPSF	Bridgeside At Patriots Point Rent	Square Feet	Bridgeside At Patriots Point RPSF
OBR / 1BA	\$1,200	400	\$3.00	\$1,473	601	\$2.45
1BR / 1BA	\$1,500	500	\$3.00	\$1,646	761	\$2.16
2BR / 2BA	\$1,900	750	\$2.53	\$2,315	1,192	\$1.94

In conclusion, we believe that the Subject’s achievable market rents are **\$1,200, \$1,500, and \$1,900** for its studio, one, and two-bedroom units, respectively. Our concluded market rents result in a rent advantage of 43 to 61 percent for the Subject’s achievable LIHTC rents.

Impact of Subject on Other Affordable Units in Market

There are 13 total comparable vacant LIHTC units surveyed, and three of the five LIHTC comparables maintain waiting lists. There are nine LIHTC properties we surveyed in the PMA, three of which (Osprey Place, Enston Home, and The Palace Apartments) have general population tenancy. These three properties are 92 to 97 percent occupied; however, it should be noted that we were unable to contact Enston Homes or The Palace Apartments, and thus we have excluded them as comparables within this report. With a limited supply of affordable housing options for the general population in the market and a stable and growing base of low-income tenants, we believe the Subject’s opening and lease-up will have no long-term impact on the existing area LIHTC apartments other than to help fill a void in the market for affordable housing. Between 2018 and market entry, the total number of households is expected to increase at a rate of 2.2 percent annually in the PMA. Since the Subject will operate with a partial subsidy, we do not expect any impact on the existing low-income rental assisted housing in the market.

Availability of Affordable Housing Options

There are nine LIHTC properties we surveyed in the PMA, three of which (Osprey Place, Enston Home, and The Palace Apartments) have general population tenancy. These three properties are 92 to 97 percent occupied; however, it should be noted that we were unable to contact Enston Homes or The Palace Apartments, and thus we have excluded them as comparables within this report. The availability of general population LIHTC housing targeting moderate incomes is considered limited given the demographic stability of the PMA. The Subject would bring better balance to the supply of affordable rental housing in the PMA.

SUMMARY EVALUATION OF THE PROPOSED PROJECT

Overall vacancy in the local market is operating at an average 9.3 percent vacancy rate in the PMA and a 9.3 percent vacancy rate among all 11 surveyed comparable projects. Excluding the comparables that is in the absorption phase, the overall vacancy amongst the comparables decreases from 9.3 percent to 6.4 percent. The five LIHTC properties reported 13 total vacancies and three of these properties maintain waiting lists, suggesting latent demand for affordable housing.

When compared to the current 50 and 60 percent rents at the LIHTC properties, the Subject’s proposed 50 and 60 percent AMI rents appear reasonable, and overall they are more than 34 percent below our estimated achievable market rents. Overall, we believe that the Subject will be successful in the local market as proposed.

H. INTERVIEWS

INTERVIEWS

The following section details interviews with local market participants regarding the housing market.

Planning

We spoke to Ms. Tina Young (803-635-6005), Planner with the Town of Charleston. Ms. Young indicated that there are currently no multifamily properties currently proposed in Charleston County. We also consulted a CoStar new construction report and South Carolina LIHTC allocation lists for information about recently allocated LIHTC properties in the area. Our research uncovered no new LIHTC or market rate properties in the area.

Section 8/Public Housing

We contacted the Charleston Housing Authority (843-722-4564), for information regarding the local voucher program. The contact indicated that the Housing Authority is authorized to distribute 247 tenant-based Housing Choice Vouchers. All of these vouchers are currently in use. According to Ms. Johnson, the waiting list is currently closed and was last open on November 16, 2018. There are currently 148 households on the waiting list. The current payment standards are illustrated in the table below:

Unit Type	Standard
Studio	\$719
One-Bedroom	\$848
Two-Bedroom	\$966

Source: Housing Authority of the City of Charleston, effective January 2019

The Subject's proposed rents are below the current payment standards, which indicates that voucher tenants would be able to reside at the Subject without paying out of pocket.

Property Managers

The results from our interviews with property managers are included in the comments section of the property profile reports.

I. RECOMMENDATIONS

Recommendations

We believe there is ample demand for the Subject in the PMA and the market supports the Subject development as proposed. The Subject's overall capture rate is 2.2 percent, which is within acceptable demand thresholds. Individual capture rates by bedroom type range from 0.4 to 37.4 percent, which are all considered reasonable. In addition, the Subject is in a community (Charleston) that has few affordable housing alternatives. Between 2018 and market entry, the total number of households is expected to increase at a rate of 2.2 percent annually in the PMA. The Subject site is located within one mile of most community services and facilities that tenants would utilize on a consistent basis.

A majority of the market rate comparables reported elevated vacancy rates. According to a CoStar market report on the Downtown Charleston submarket, the overall vacancy rate in the submarket is 23.8 percent, with 4&5-star properties operating at 37.4 percent vacancy. We believe this is due to a boom in supply, as 2018 developments increased the submarket's inventory by roughly 70 percent, and that the market is over supplied. The forecast for the submarket also shows a high vacancy rate in 2021 as well. Before 2018, the downtown submarket posted vacancies around six percent. This is supported by the fact that all of the comparables with vacancy rates of above six percent were delivered in 2015 or later. According to CoStar, the overall stabilized vacancy rate within the PMA amongst stabilized properties is 3.7 percent. A majority of the properties opening in 2018 were market-rate properties, which will not be directly competitive with the Subject as proposed. However, if the Subject were to compete with these properties, we believe its location near a busy highway, warehouses, and light industrial uses, as well as its small proposed unit sizes, would be considered detrimental.

There are only 13 vacancies among LIHTC comparables. The developer's LIHTC rents represent greater than a 34 percent overall advantage below achievable market rents. The proposed rents will also compete well with the LIHTC rents at the most similar LIHTC comparables we surveyed.

J. SIGNED STATEMENT REQUIREMENTS

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

Respectfully submitted,
Novogradac & Company LLP

March 14, 2019

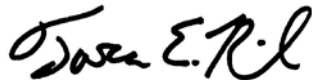
Date



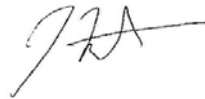
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Manager
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Analyst
James.Mitman@novoco.com

ADDENDA

ADDENDUM A
Qualifications of Consultants

STATEMENT OF PROFESSIONAL QUALIFICATIONS

H. BLAIR KINCER, MAI, CRE

I. Education

Duquesne University, Pittsburgh, Pennsylvania
Masters in Business Administration
Graduated Summa Cum Laude

West Virginia University, Morgantown, West Virginia
Bachelor of Science in Business Administration
Graduated Magna Cum Laude

II. Licensing and Professional Affiliation

Member of the Appraisal Institute (MAI)
Member, The Counselors of Real Estate (CRE)
LEED Green Associate
Member, National Council of Housing Market Analysts (NCHMA)
Past Member Frostburg Housing Authority

Certified General Real Estate Appraiser, No. RCG1046 – State of Connecticut
Certified General Real Estate Appraiser, No. CG1694 – State of Maine
Certified General Real Estate Appraiser, No. 1326 – State of Maryland
Certified General Real Estate Appraiser, No. 103789 – State of Massachusetts
Certified General Real Estate Appraiser, No. NHCG-939 – State of New Hampshire
Certified General Real Estate Appraiser, No. 46000039124 – State of New York
Certified General Real Estate Appraiser, No. A6765 – State of North Carolina
Certified General Real Estate Appraiser, No. GA001407L – Commonwealth of Pennsylvania
Certified General Real Estate Appraiser, No. 5930 – State of South Carolina
Certified General Real Estate Appraiser, No. 3918 – State of Tennessee
Certified General Real Estate Appraiser, No. 4001004822 – Commonwealth of Virginia
Certified General Real Estate Appraiser, No. CG360 – State of West Virginia

III. Professional Experience

Partner, Novogradac & Company LLP
Vice President/Owner, Capital Realty Advisors, Inc.
Vice President - Acquisitions, The Community Partners Development Group, LLC
Commercial Loan Officer/Work-Out Specialist, First Federal Savings Bank of Western MD
Manager - Real Estate Valuation Services, Ernst & Young LLP
Senior Associate, Joseph J. Blake and Associates, Inc.
Senior Appraiser, Chevy Chase, F.S.B.
Senior Consultant, Pannell Kerr Forster

IV. Professional Training

Have presented at and attended various industry conferences regarding the HTC, RETC, NMTC and LIHTC and various market analysis and valuation issues.

Obtained the MAI designation in 1998, maintaining continuing education requirements since. Registered as completing additional professional development programs administered by the Appraisal Institute in the following topic areas:

- 1) Valuation of the Components of a Business Enterprise
- 2) Valuation of Sustainable Buildings: Commercial
- 3) Valuation of Sustainable Buildings: Residential

V. Real Estate Assignments – Examples

In general, have managed and conducted numerous market analyses and appraisals for all types of commercial real estate since 1988.

- Performed numerous appraisals for the US Army Corps of Engineers US Geological Survey and the GSA. Property types included Office, Hotel, Residential, Land, Gymnasium, warehouse space, border patrol office. Properties located in varied locations such as the Washington, DC area, Yuma, AZ, Moscow, ID, Blaine, WA, Lakewood, CO, Seattle, WA
- Performed appraisals of commercial properties such as hotels, retail strip centers, grocery stores, shopping centers etc for properties in various locations throughout Pennsylvania, New Jersey, Maryland, New York for Holiday, Fenoglio, Fowler, LP and Three Rivers Bank.
- Have managed and conducted numerous market and feasibility studies for affordable housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis. An area of special concentration has been the category of Senior Independent living properties. Work has been national in scope.
- Provided appraisal and market studies for a large portfolio of properties located throughout the United States. The reports provided included a variety of property types including vacant land, office buildings, multifamily rental properties, gas stations, hotels, retail buildings, industrial and warehouse space, country clubs and golf courses, etc. The portfolio included more than 150 assets and the work was performed for the SBA through Metec Asset Management LLP.
- Have managed and conducted numerous appraisals of affordable housing (primarily LIHTC developments). Appraisal assignments typically involved determining the as is, as if complete and the as if complete and stabilized values. Additionally, encumbered

(LIHTC) and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and Pilot agreements.

- Performed numerous appraisals in 17 states of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing program. These appraisals meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide.
- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA and the developer in the underwriting process. Market studies are compliant to State, FannieMae and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.
- Completed numerous FannieMae appraisals of affordable and market rate multi-family properties for Fannie DUS Lenders. Currently have ongoing assignment relationships with several DUS Lenders.
- In accordance with HUD's Section 8 Renewal Policy and Chapter 9, Mr. Kincer has completed numerous Rent Comparability Studies for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.
- Completed Fair Market Value analyses for solar panel installations, wind turbine installations, and other renewable energy assets in connection with financing and structuring analyses performed by various clients. The clients include lenders, investors, and developers. The reports are used by clients and their advisors to evaluate certain tax consequences applicable to ownership. Additionally, the reports have been used in the ITC funding process and in connection with the application for the federal grant identified as Section 1603 American Recovery & Reinvestment Act of 2009.

**STATEMENT OF PROFESSIONAL QUALIFICATIONS
KELLY MCNANY GORMAN**

I. Education

Virginia Tech, Blacksburg, VA
Bachelor of Arts in Urban Affairs and Planning

II. Professional Experience

Principal, Novogradac & Company LLP
Manager, Novogradac & Company LLP
Asset Manager, Housing Opportunities Commission of Montgomery County, MD
Senior Real Estate Analyst, Novogradac & Company LLP
Acquisitions Associate, Kaufman & Broad Multi-Housing Group, Inc. (KBMH)

III. Certifications, Professional Training and Continuing Education

Licensed Certified General Appraiser, CT License #RCG.0001437
Licensed Certified General Appraiser, NJ License #42RG00245500
Licensed Certified General Appraiser, NY License #46000051239
Licensed Certified General Appraiser, PA License #GA004390

Attended and presented at tax credit application training sessions and seminars, valuation of GP Interest sessions, numerous conferences and classes in real estate valuation, finance, asset management and affordable housing development using tax credits and tax exempt financing.

IV. Real Estate Assignments – Examples

A representative sample of Asset Management, Market Study, Due Diligence and Valuation Engagements includes the following:

- Managed and conducted valuations of General Partnership or Limited Partnership Interests for LIHTC properties.
- Managed and conducted market studies and appraisals of various LIHTC, affordable and market rate properties for numerous clients. The subjects include both new construction and rehabilitation properties in both rural and metro regions throughout the United States. Market analysis included; preliminary property screening, market analysis, comparable rent surveys, operating expense and demand analysis. Appraisals included various value scenarios including hypothetical land value as if vacant, insurable value, value of LIHTC, abatements and PILOTs, below market debt, ground leases, value of historic credits, etc. Work has been national in scope.
- Reviewed appraisals and market studies for various state agencies for LIHTC application. Market studies were reviewed for adherence to NCHMA, state guidelines and overall reasonableness. Appraisals reviewed for adherence to USPAP, state guidelines, reasonableness.

- Provided appraisals and market studies for a variety of properties types located throughout the United States. The reports provided included a variety of property types including vacant land, multifamily rental properties, retail buildings, etc.
- Managed a portfolio of ten multifamily properties with a total of over 2,000 units. Portfolio a range of property types including an historic property, garden style, luxury high rise, two senior independent living and one assisted living facility. Responsible for the management, oversight, financial analysis and financial reporting. Coordinated the preparation of property operating budgets, capital budgets and long range plans. Monitored compliance with regulations, policies and procedures. Completed special property management projects consisting of research and reporting. Analyzed property management financial statements and multifamily rental markets surveys.
- Managed and assisted in the preparation of Rent Comparability Studies according the HUD Section 8 Renewal Policy in the Chapter 9 guidelines. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Performed a variety of asset management services for a lender including monitoring and reporting property performance on a monthly basis. Data points monitored include economic vacancy, levels of concessions, income and operating expense levels, NOI and status of capital projects. Data used to determine these effects on the project's ability to meet its income-dependent obligations. Recommendations included a workout for one of the 16 assets.
- Performed asset management services for lenders and syndicators on underperforming assets to identify significant issues facing the property and recommend solutions. Scope of work included analysis of property condition and deferred maintenance, security issues, signage, marketing strategy and staffing plan. Performed a physical inspection of the assets, to include interior and exterior of property and assess how the property compares to competition. Analyzed operating expense results.

NMTC Consulting Assignments

Performed investment due diligence for a variety of NMTC transactions.

- Performed loan consulting engagements in which GoVal provided opinions regarding whether third party lenders would reasonably lend to NMTC projects based upon deal structure and likelihood of repayment. These engagements involved the analysis of sources of collateral, sources of repayment and reviewing transaction documents, surveying lenders and examining the deal structure.
- Oversaw an analysis of NMTC activity analyzing sizing and recommending strategies for a NMTC investor. Engagement consisted of compilation of NMTC award data from CDFI by location, CDE type, year, award amount and conduct interviews with market participants to better understand investment objectives and competitor activity.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Tara Rial

I. Education

Loyola University Maryland, Baltimore, MD
Bachelors of Business Administration

II. Professional Experience

Manager, Novogradac & Company LLP
Analyst, Novogradac & Company LLP
Senior Research Associate, CoStar Group,

III. Research Assignments

- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, large family, and acquisition with rehabilitation. Completed market studies in all states.
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties, USDA Rural Development, and market rate multifamily developments. Analysis includes property screenings, valuation analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis.
- Reviewed appraisals and market studies for various state agencies for LIHTC application. Market studies were reviewed for adherence to NCHMA, state guidelines and overall reasonableness. Appraisals reviewed for adherence to USPAP, state guidelines, reasonableness.
- Assisted with a variety of asset management services for a developer including monitoring and reporting property performance on a quarterly basis. Data points monitored include economic vacancy, levels of concessions, income and operating expense levels, NOI and status of capital projects.
- Conducted valuations of General Partnership or Limited Partnership Interests for LIHTC properties.
- Assisted in appraisal work for retail and commercial properties in various parts of the country for various lenders. The client utilized the study for underwriting purposes.

- Conducted market studies for projects under the HUD Multifamily Accelerated Processing program.
- Assisted in the preparation of Rent Comparability Studies for expiring Section 8 contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Performed all aspects of data collection and data mining for web-based rent reasonableness systems for use by local housing authorities.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

James F. Mitman

I. Education

Boston College, Chestnut Hill, MA
Bachelor of Science in Business with a concentration in Marketing
Bachelor of Arts in Sociology

II. Professional Experience

Junior Analyst, Novogradac & Company LLP, July 2013 – 2016
Analyst, Novogradac & Company LLP, December 2016 – Present

III. Real Estate Assignments

A representative sample of work on various types of projects:

- Assist in performing and writing market studies and appraisals of proposed and existing Low-Income Housing Tax credit (LIHTC) properties
- Research web-based rent reasonableness systems and contact local housing authorities for utility allowance schedules, payment standards, and housing choice voucher information
- Assisted numerous market and feasibility studies for family and senior affordable housing. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of market-rate and Low-Income Housing Tax Credit (LIHTC) properties. Analysis typically includes: unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.