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RESEARCH**

# Market Feasibility Analysis

Sykes Park  
Near 300 Old Blackstock Road  
Spartanburg, Spartanburg County, South Carolina 29301

*Prepared For*

Mr. T. Kevin Connelly  
Connelly Development, LLC  
125 Old Chapin Road  
Lexington, South Carolina 29072

*Effective Date*

September 19, 2023

*Job Reference Number*

23-385 JW

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## B. Project Description

Project Name:	<b>Sykes Park</b>
Location:	Near 300 Old Blackstock Road, Spartanburg, South Carolina 29301 (Spartanburg County)
Census Tract:	219.03
Target Market:	Family
Construction Type:	New Construction
Funding Source:	4% Tax-Exempt Bond

The subject project involves the new construction of the 164-unit Sykes Park rental community near 300 Old Blackstock Road in Spartanburg, South Carolina. The project will target family (general occupancy) households earning up to 40%, 60% and 80% of Area Median Household Income (AMHI) under the 4% Tax-Exempt Bond program. None of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be complete by April 2026. Additional details of the subject development are summarized as follows:

Proposed Unit Configuration									
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
10	One-Br.	1.0	Garden	823	40%	\$460	\$133	\$593	\$593
4	One-Br.	1.0	Garden	823	60%	\$755	\$133	\$888	\$890
4	One-Br.	1.0	Garden	823	80%	\$1,050	\$133	\$1,183	\$1,187
14	Two-Br.	1.0	Garden	1,001	40%	\$530	\$178	\$708	\$712
4	Two-Br.	1.0	Garden	1,001	60%	\$890	\$178	\$1,068	\$1,068
6	Two-Br.	1.0	Garden	1,001	80%	\$1,245	\$178	\$1,423	\$1,424
14	Three-Br.	2.0	Garden	1,193	40%	\$585	\$237	\$822	\$823
52	Three-Br.	2.0	Garden	1,193	60%	\$995	\$237	\$1,232	\$1,234
20	Three-Br.	2.0	Garden	1,193	80%	\$1,405	\$237	\$1,642	\$1,646
8	Four-Br.	2.0	Garden	1,312	40%	\$620	\$298	\$918	\$918
22	Four-Br.	2.0	Garden	1,312	60%	\$1,075	\$298	\$1,373	\$1,377
6	Four-Br.	2.0	Garden	1,312	80%	\$1,535	\$298	\$1,833	\$1,836
164	Total								

Source: Connelly Development, LLC

AMHI – Area Median Household Income (Spartanburg, SC MSA; 2023)

Building/Site Information	
Residential Buildings:	Seven (7) three-story buildings
Building Style:	Walk-up
Community Space:	Stand-alone building
Acres:	20.5

Construction Timeline	
Original Year Built:	Not Applicable
Construction Start:	January 2025
Begin Preleasing:	January 2026
Construction End:	April 2026

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

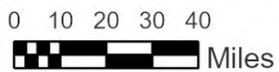
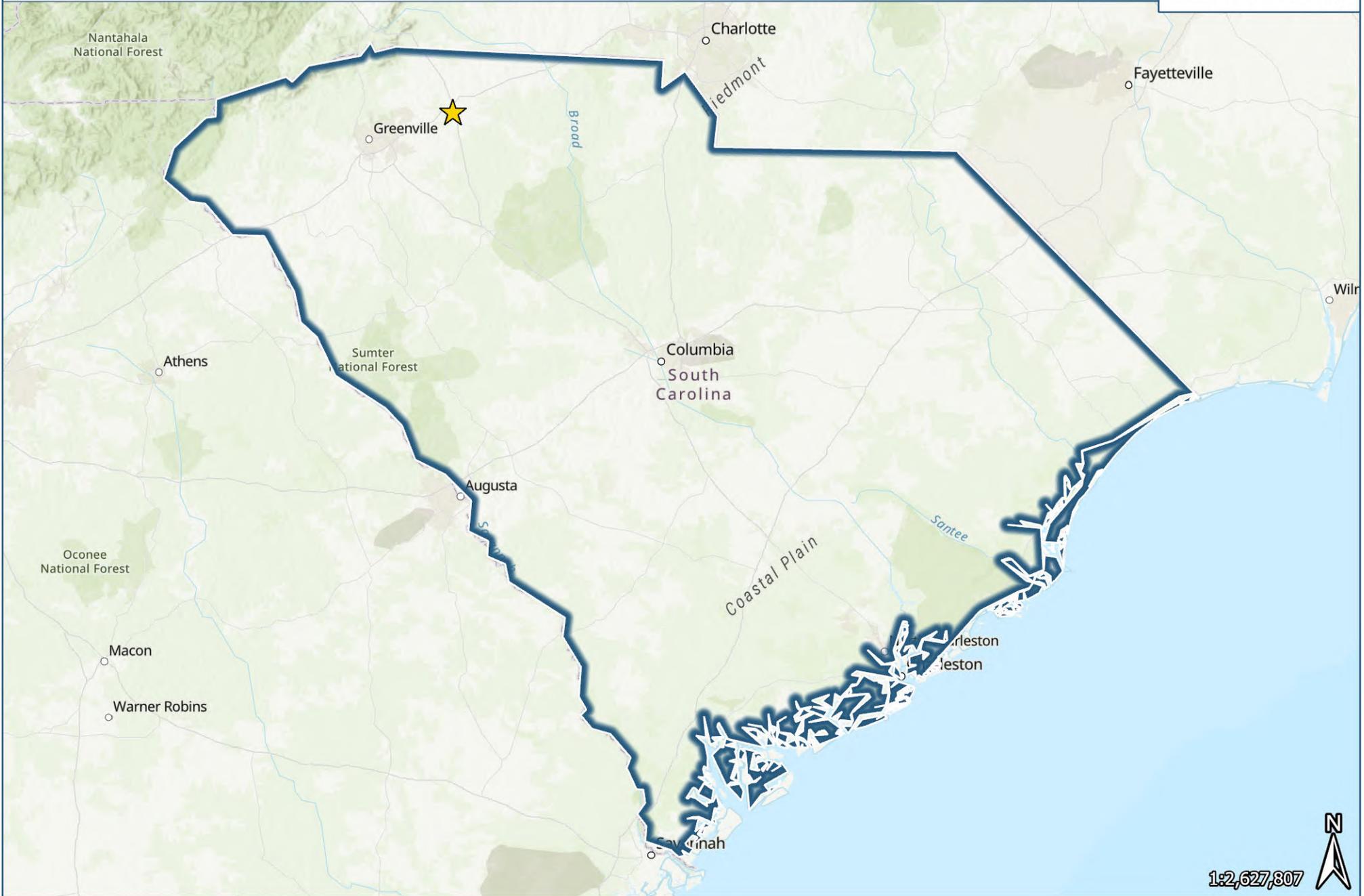
**Community Amenities**

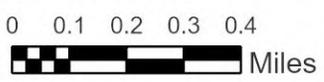
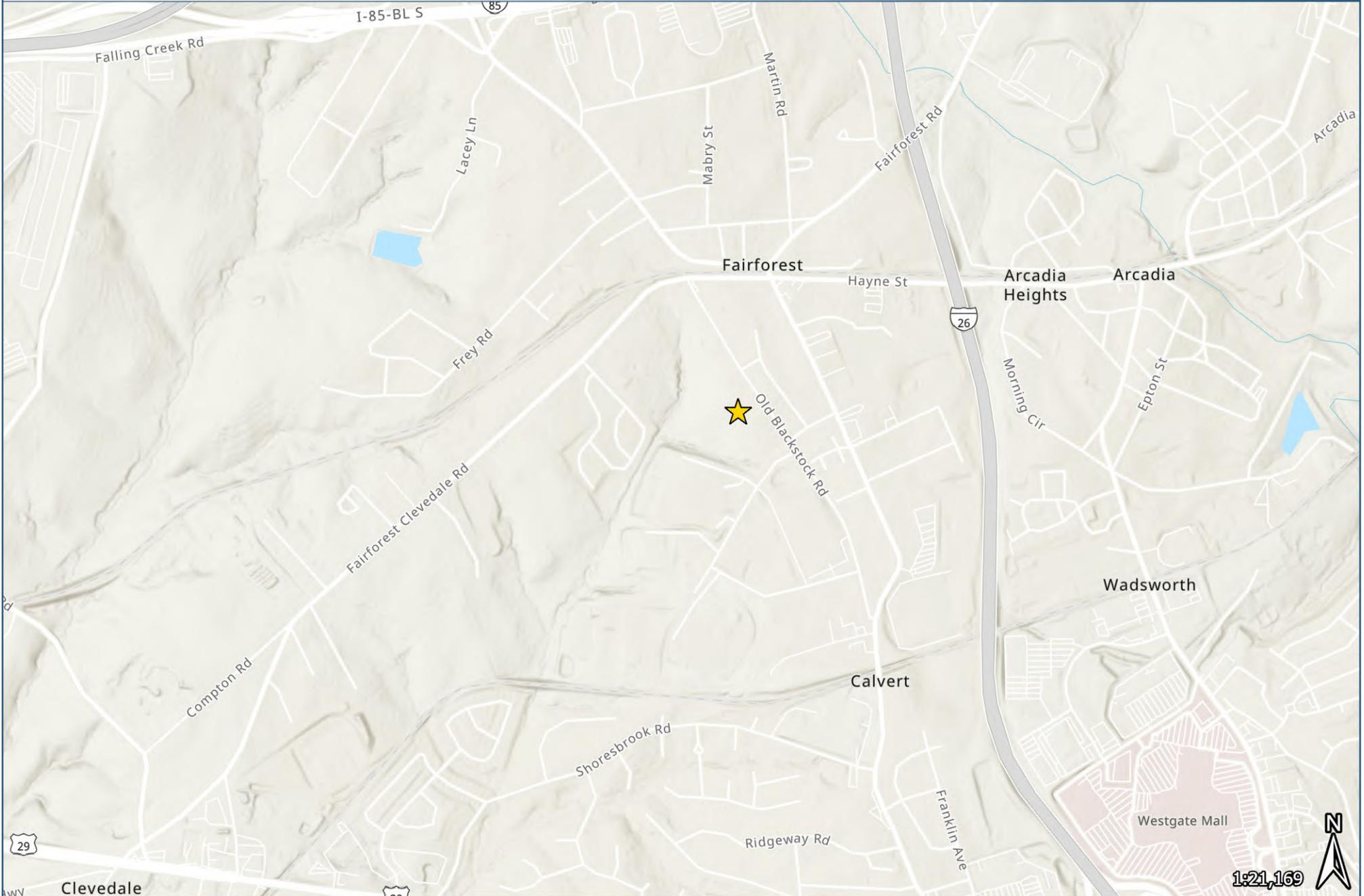
- On-Site Management
- Clubhouse/Community Room
- Community Kitchen
- Laundry Facility
- Business/Computer Center
- Fitness Center
- Gazebo/Pavilion
- CCTV/Cameras
- Common Area Wi-Fi
- Playground
- Surface Parking Lot (286 Spaces)

**Utility Responsibility**

	<b>Heat</b>	<b>Hot Water</b>	<b>Cooking</b>	<b>General Electric</b>	<b>Cold Water</b>	<b>Sewer</b>	<b>Trash</b>
<b>Paid By</b>	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant	Landlord
<b>Source</b>	Electric	Electric	Electric				

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





Esri, NASA, NGA, USGS, FEMA, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, US Census Bureau, USDA  
Additional Source(s): Bowen National Research



## C. Site Description and Evaluation

### 1. SITE INSPECTION DATE

Bowen National Research personally inspected the subject site during the week of September 4, 2023. The following is a summary of our site evaluation, including an analysis of the site’s proximity to community services.

### 2. SITE DESCRIPTION AND SURROUNDING LAND USES

The proposed subject site consists of undeveloped land and an existing shed located near 300 Old Blackstock Road in Spartanburg. Note that the existing structure will be razed during the development process. Located within Spartanburg County, Spartanburg is approximately 27.0 miles northeast of Greenville, South Carolina and approximately 65.0 miles southwest of Charlotte, North Carolina. Following is a description of surrounding land uses:

<b>North -</b>	The northern boundary is defined by single-family homes in fair to good condition and undeveloped land. Extending out to the north are additional single-family homes, various automotive repair and part shops, a U.S. Post Office, District 6 Early Learning Center, various churches and retail/commercial businesses, all of which are in fair to good condition.
<b>East -</b>	The eastern boundary is defined by a single-family home in good condition and Old Blackstock Road, a two-lane roadway with light traffic patterns. Continuing east are additional single-family homes, District 6 Child Development Center, Tindall Corporation, Hotspot gas station and convenience store, undeveloped land and Red’s Grill restaurant, with existing structures in fair to good condition. Farther east is Interstate 26.
<b>South -</b>	The southern boundary is defined by Forest Chapel CME Church in fair condition and a thick tree line, immediately followed by the Fairforest Middle School and Lincoln Science Center and Planetarium in good condition. Undeveloped/wooded land, various industrial facilities (including thyssenkrupp Supply Chain Services, Tietex International, Innovative-Fibers and Southeastern Paper Group) and the Oakbrook Preparatory School extend farther south.
<b>West -</b>	The western boundary is defined by wooded land, followed by Technico Inc machining warehouse and the Palmetto West Mobile Home Park, both of which were observed to be in poor to fair condition. Extending out to the west are a various commercial/retail businesses, Fairforest Church of God, undeveloped land and single-family homes.

The subject site is located in a mixed-use but primarily residential area of Spartanburg. Most surrounding structures are maintained in fair to good condition. There are some industrial land uses present within a half mile of the site; however, these structures are obscured by wooded land or are a significant enough distance away from the site to not be a visual or auditory nuisance. In fact, the location of these industrial facilities provides employment opportunities within proximity of the site. Additionally, there are various mobile homes in poor condition near the site to the west, although these land uses are buffered by wooded land. Overall, the subject property generally fits well with the surrounding land uses, which should contribute to its marketability.

### **3. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE**

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

<b>Community Services</b>	<b>Name</b>	<b>Driving Distance From Site (Miles)</b>
Major Highways	Interstate 85 U.S. Highway 29 Interstate 26	1.2 Northwest 1.4 South 1.7 Southeast
Public Bus Stop	SPARTA	On-Demand
Major Employers/ Employment Centers	Southeastern Paper Group Tietex International Tindall Corporation	0.4 South 0.6 Southeast 0.6 East
Convenience Store	Hot Spot	0.4 Northeast
Grocery	Ingles Markets Lidl	1.3 South 1.5 South
Discount Department Store	Dollar General Big Lots Dollar Tree Target Walmart Supercenter	1.2 East 1.3 Southeast 1.7 South 1.7 South 2.4 Southeast
Shopping Center/Mall	The Dorman Centre Westgate Mall	2.2 Southeast 2.2 Southeast
Schools: Elementary Middle/Junior High High College/University	Arcadia Elementary School Fairforest Middle School Dorman High School Spartanburg Community College	1.9 East 0.3 South 10.0 South 2.3 Northeast
Medical Facilities	Immediate Care Center – Westside Spartanburg Medical Center	1.6 Southeast 5.0 East
Police	Spartanburg Police Department	5.6 East
Fire	Westview-Fairforest Fire Department Station 3	1.3 Northwest
Post Office	U.S. Post Office	0.2 North
Bank	Arthur State Bank	2.0 South
Recreational Facilities	9 Round Fitness Wilbur Wilbanks Field Big Air Trampoline Park Willis Road YMCA	1.4 Southeast 1.4 East 2.0 Southeast 2.0 South

(Continued)

Community Services	Name	Driving Distance From Site (Miles)
Gas Station	Hot Spot	0.4 Northeast
Pharmacy	Buy Low Pharmacy	1.4 South
Restaurant	Red's Grill	0.7 Northeast
	Taste of Thai	1.4 Southeast
	Taco Bell	1.4 Southeast
	Applebee's	1.4 Southeast
Day Care	District 6 Child Development Center	0.3 East
Community Center	Pineview Hills Community Center	3.7 East
Church	Forest Chapel CME Church	Adjacent Southeast
Park	Salvation Army Century of Service Park	2.5 East

The proposed subject site is located within 1.5 miles of most area services, including convenience stores/gas stations, grocery stores, discount shopping opportunities, pharmacies and restaurants. Most area services are located along the U.S. Highway 29 commercial corridor.

Public safety services are provided by the Spartanburg Police and Westview-Fairforest Fire departments, which are located 5.6 and 1.3 mile from the site, respectively. Spartanburg Medical Center is the nearest full-service hospital with an emergency department and is located approximately 5.0 miles east of the site; however, Immediate Care Center – Westside is within 1.6 miles. Spartanburg District 6 Public Schools serve the site neighborhood and all applicable attendance schools can be accessed within 10.0 miles of the site.

Overall, the proximity of essential services to the site is very favorable, which should improve overall marketability.

#### **4. SITE PHOTOGRAPHS**

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



View of site from the north



View of site from the northeast



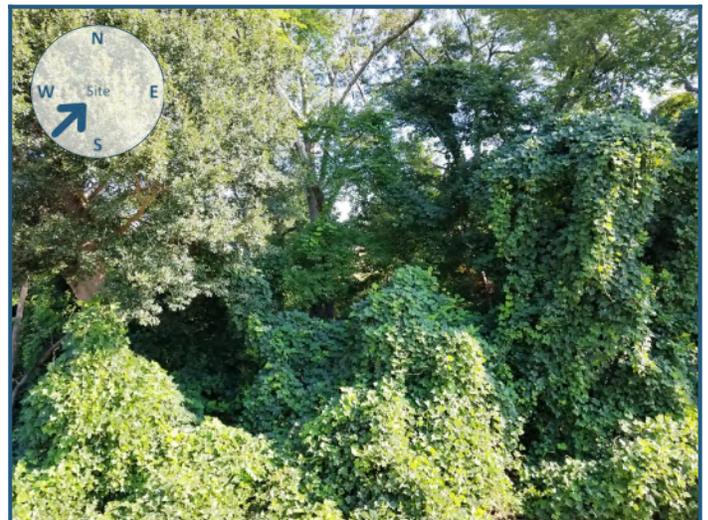
View of site from the east



View of site from the southeast



View of site from the south



View of site from the southwest



North view from site



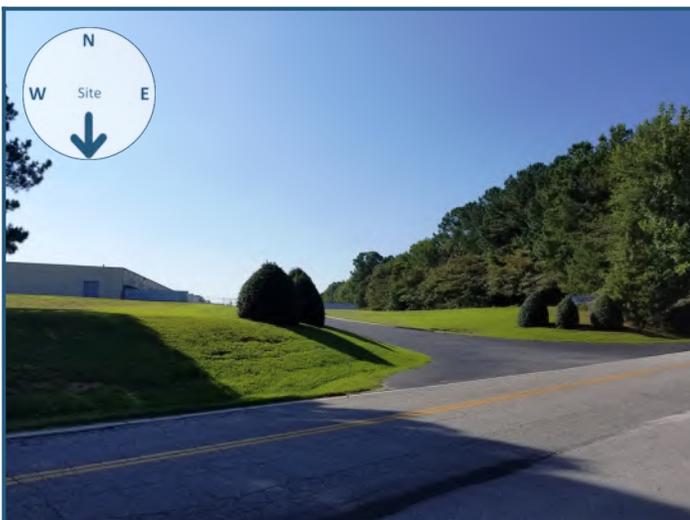
Northeast view from site



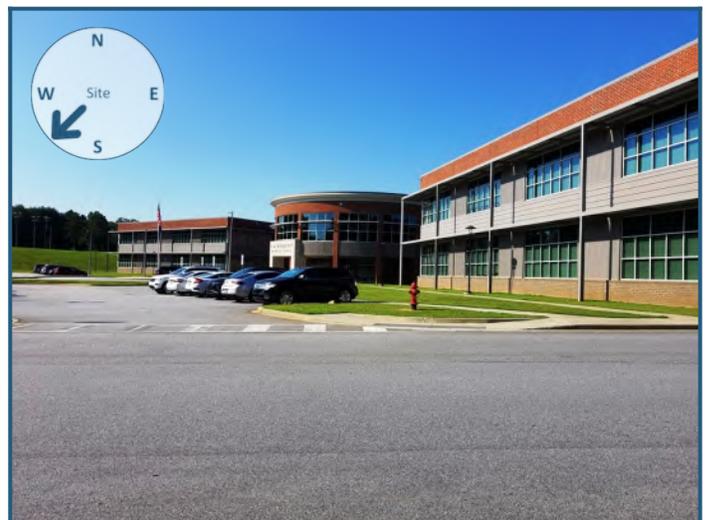
East view from site



Southeast view from site



South view from site



Southwest view from site



Streetscape: North view of Old Blackstock Road



Streetscape: South view of Old Blackstock Road



Streetscape: Northeast view of Lincoln School Road



Streetscape: Southwest view of Lincoln School Road

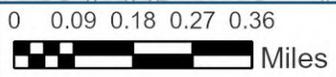
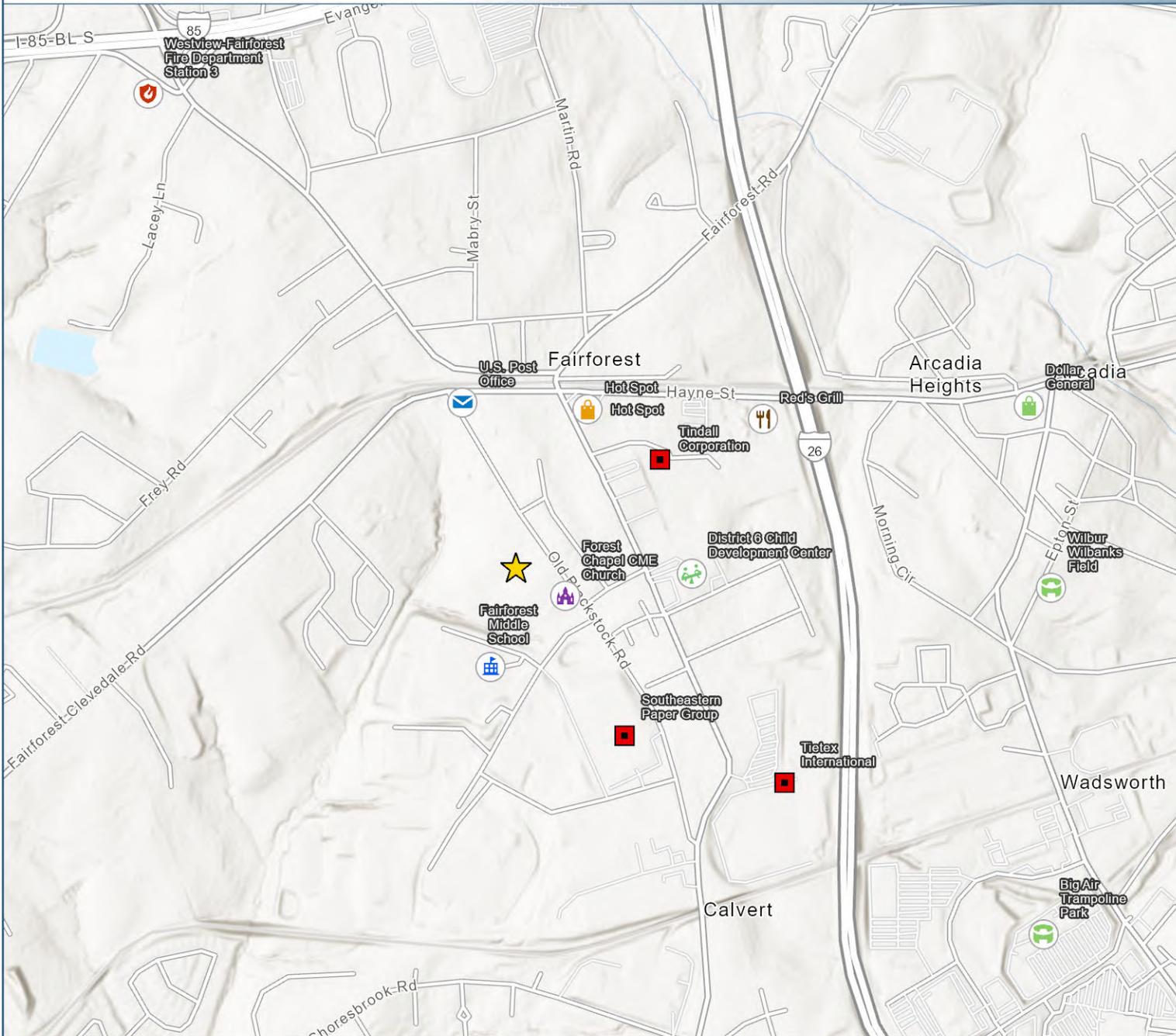
**5. SITE AND COMMUNITY SERVICES MAPS**

Maps of the subject site and relevant community services follow.



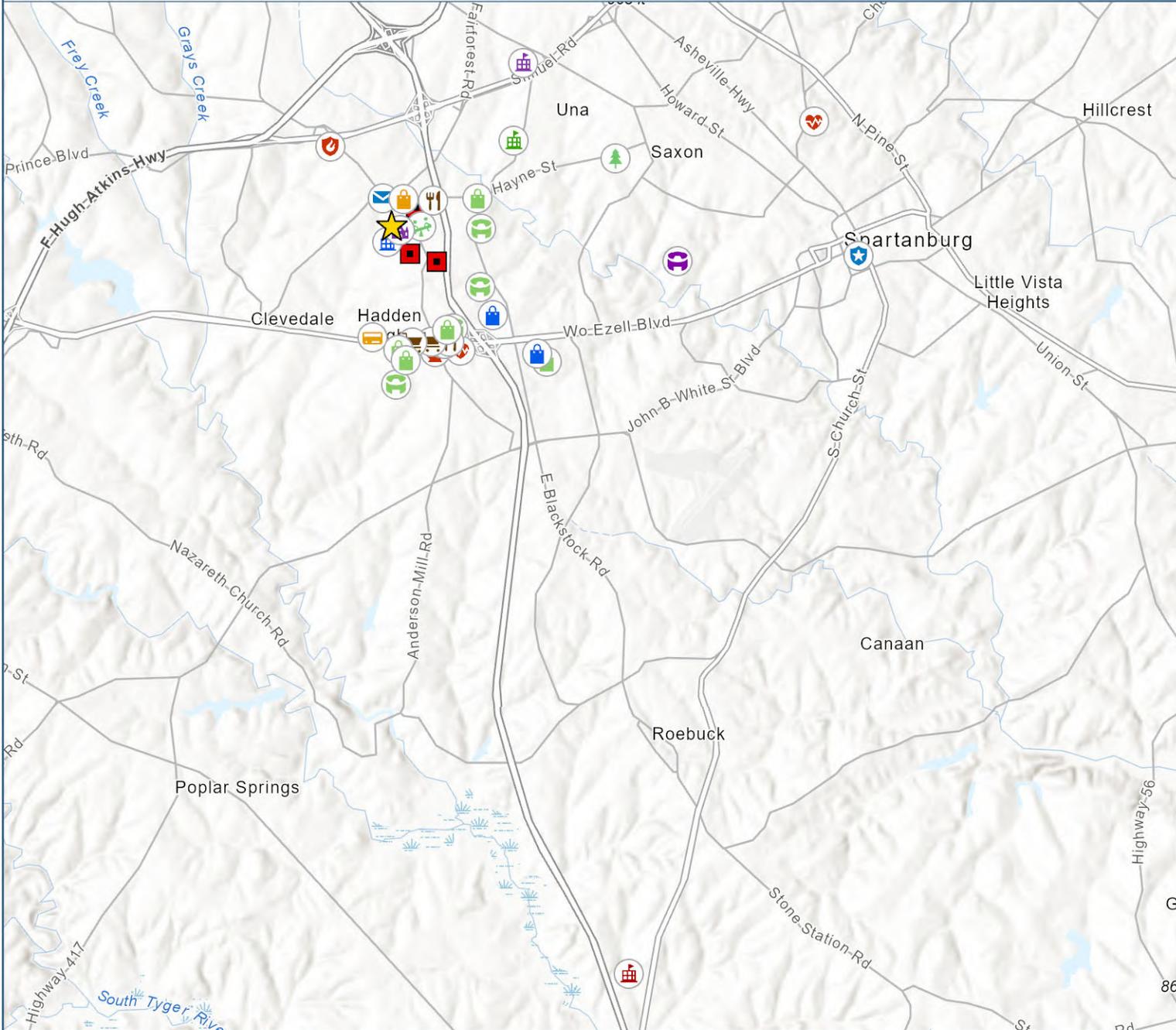
**Community Services**

-  Major Employers/Employment Centers
-  Fire
-  Post Office
-  Gas Station
-  Day Care
-  Schools, Middle/Junior High
-  Recreational Facility
-  Church
-  Restaurant
-  Convenience Store
-  Discount Department Store



**Community Services**

-  Major Employers/Employment Centers
-  Hospital/Medical Center
-  Police
-  Fire
-  Post Office
-  Pharmacy
-  Gas Station
-  Bank
-  Day Care
-  Schools, Elementary
-  Schools, Middle/Junior High
-  Schools, High
-  Schools, College/University
-  Park
-  Recreational Facility
-  Community Center
-  Church
-  Restaurant
-  Grocery
-  Convenience Store
-  Discount Department Store
-  Shopping Center/Mall



## 6. CRIME ISSUES

The primary source for Crime Risk data is the FBI Uniform Crime Report (UCR). The FBI collects data from each of roughly 16,000 separate law enforcement jurisdictions across the country and compiles this data into the UCR. The most recent update showed an overall coverage rate of 95% of all jurisdictions nationwide with a coverage rate of 97% of all jurisdictions in metropolitan areas.

Applied Geographic Solutions uses the UCR at the jurisdictional level to model each of the seven crime types at other levels of geography. Risk indexes are standardized based on the national average. A Risk Index value of 100 for a particular risk indicates that, for the area, the relative probability of the risk is consistent with the average probability of that risk across the United States.

It should be noted that aggregate indexes for total crime, personal crime and property crime are not weighted, and murder is no more significant statistically in these indexes than petty theft. Thus, caution should be exercised when using them.

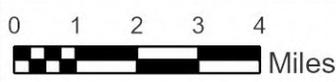
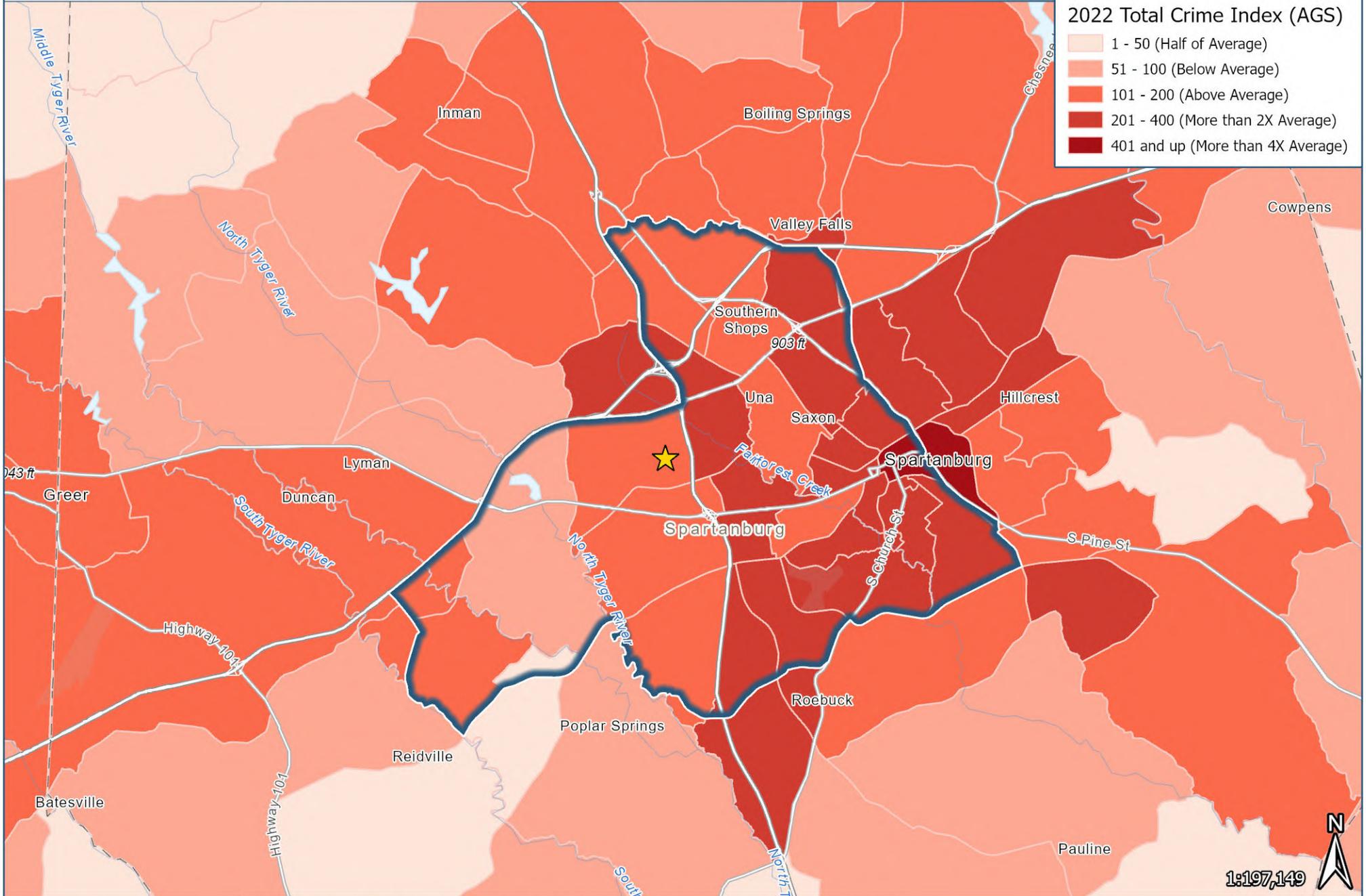
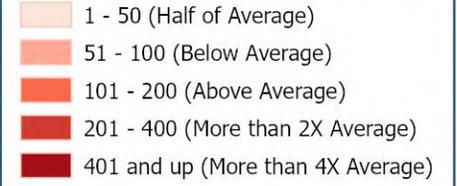
The following table illustrates the crime risk indexes for the Primary Market Area (PMA) and Spartanburg County:

	Crime Risk Index	
	PMA	Spartanburg County
<b>Total Crime Index</b>	<b>191</b>	<b>130</b>
<b>Personal Crime Index</b>	<b>188</b>	<b>120</b>
Murder	261	142
Rape	188	131
Robbery	113	59
Assault	211	137
<b>Property Crime Index</b>	<b>192</b>	<b>132</b>
Burglary	204	138
Larceny	190	134
Motor Vehicle Theft	181	108

Source: Applied Geographic Solutions, FBI, ESRI

The crime risk index within the PMA (191) is well above those of Spartanburg County (130) and the nation (100). However, higher crime indices are not uncommon in established and more densely populated markets such as the PMA. In addition, the subject property will feature on-site management and CCTV, which will further enhance the sense of security within the subject property. Lastly, all rental properties surveyed within the PMA are performing well, a good indication that crime does not play a significant role in the marketability of the Spartanburg rental housing market. A map illustrating crime risk is on the following page.

**2022 Total Crime Index (AGS)**



## **7. ACCESS AND VISIBILITY**

The proposed subject site is situated along the west side of Old Blackstock Road, a two-lane roadway with light traffic. No obstructions are present, and the site is clearly visible to both northbound and southbound traffic along Old Blackstock Road. However, the subject project is not visible from more highly traveled roadways. As such, it is recommended that promotional marketing is utilized throughout the market area to increase the subject's awareness during the initial lease-up process.

As noted, the subject site will be accessed via Old Blackstock Road. Given the light traffic patterns along this roadway, ingress and egress are considered convenient, with clear lines of sight provided in both directions of travel. Old Blackstock Road ultimately connects with Warren H. Abernathy Highway/U.S. Highway 29 to the south, which provides greater access to and from various arterial roadways within the Spartanburg area. Additionally, The Spartanburg Area Regional Transit Agency (SPARTA) provides an on-demand transit service, in accordance with ADA guidelines. This is a volunteer service that operates 6:00 a.m. to 6:00 p.m. on weekdays and 10:00 a.m. to 6:00 p.m. on weekends. Based on the preceding analysis, accessibility of the subject site and site neighborhood is considered good.

## **8. VISIBLE OR ENVIRONMENTAL ISSUES**

There are various industrial facilities within a half mile of the site; however, these are maintained in good condition and do not contribute to significant noise pollution or unpleasant sights or scents. In fact, the presence of these facilities provides employment opportunities within close proximity of the site, which is expected to have a positive impact on its marketability.

## **9. OVERALL SITE CONCLUSIONS**

The proposed subject site consists of undeveloped land and an existing shed located near 300 Old Blackstock Road in Spartanburg. Note that the existing structure will be razed during the development process. The subject site neighborhood is mixed-use but is primarily residential. Most surrounding structures are maintained in fair to good condition. While there are various industrial facilities and structures in poor condition within proximity of the site, these land uses are obstructed from view due to the wooded land that buffers the site to the south and west and are not anticipated to have any significant adverse impact on marketability. In fact, the location of the industrial land uses provides employment opportunities within close proximity of the site. Visibility of the site is considered good within the immediate area; however, it is not visible from highly traveled roadways. Therefore, promotional marketing is recommended to be utilized throughout the market area to increase the subject's awareness during the initial lease-up process. Access to and from the site is considered good, as it

is within 1.7 miles of U.S. Highway 29 and Interstates 26 and 85. Additionally, on-demand transportation services are available via SPARTA. The proposed subject site is located within 1.5 miles of most area services, including convenience stores/gas stations, grocery stores, discount shopping opportunities, pharmacies and restaurants. Overall, the site location and proximity to community services are anticipated to have a positive impact on its marketability.

## D. Primary Market Area Delineation

The Primary Market Area (PMA) is the geographical area from which most of the support for the subject development is expected to originate. The Spartanburg Site PMA was determined through interviews with area leasing and real estate agents, as well as the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

The Spartanburg Site PMA includes all or portions of Spartanburg, Wellford and Duncan, the Census-Designated Places (CDPs) of Fairforest, Arcadia, Saxon, Southern Shops and Valley Falls, as well as the surrounding unincorporated areas of Spartanburg County. Specifically, the boundaries of the Site PMA generally include Interstate 85, Interstate 26 and Lawsons Fork Creek to the north; Boiling Springs Road, U.S. Highway 176/State Route 9 and State Route 56 to the east; State Route 295, U.S. Highway 221, Old Georgia Road, North Tyger River and State Route 296 to the south; and South Tyger River, Tucapau Road and East Main Street to the west. All boundaries of the Site PMA are generally within 7.3 miles from the site. The Site PMA includes all of, or portions of, the following Census Tracts:

203.01	204.00	205.00	206.01	206.02
206.03	207.01	207.02	208.00	209.00
210.01	211.00	216.00	217.00	218.03
218.04	218.05	218.06	219.02	219.03*
220.05	220.07	234.01	234.06	

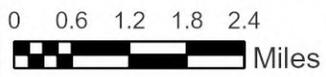
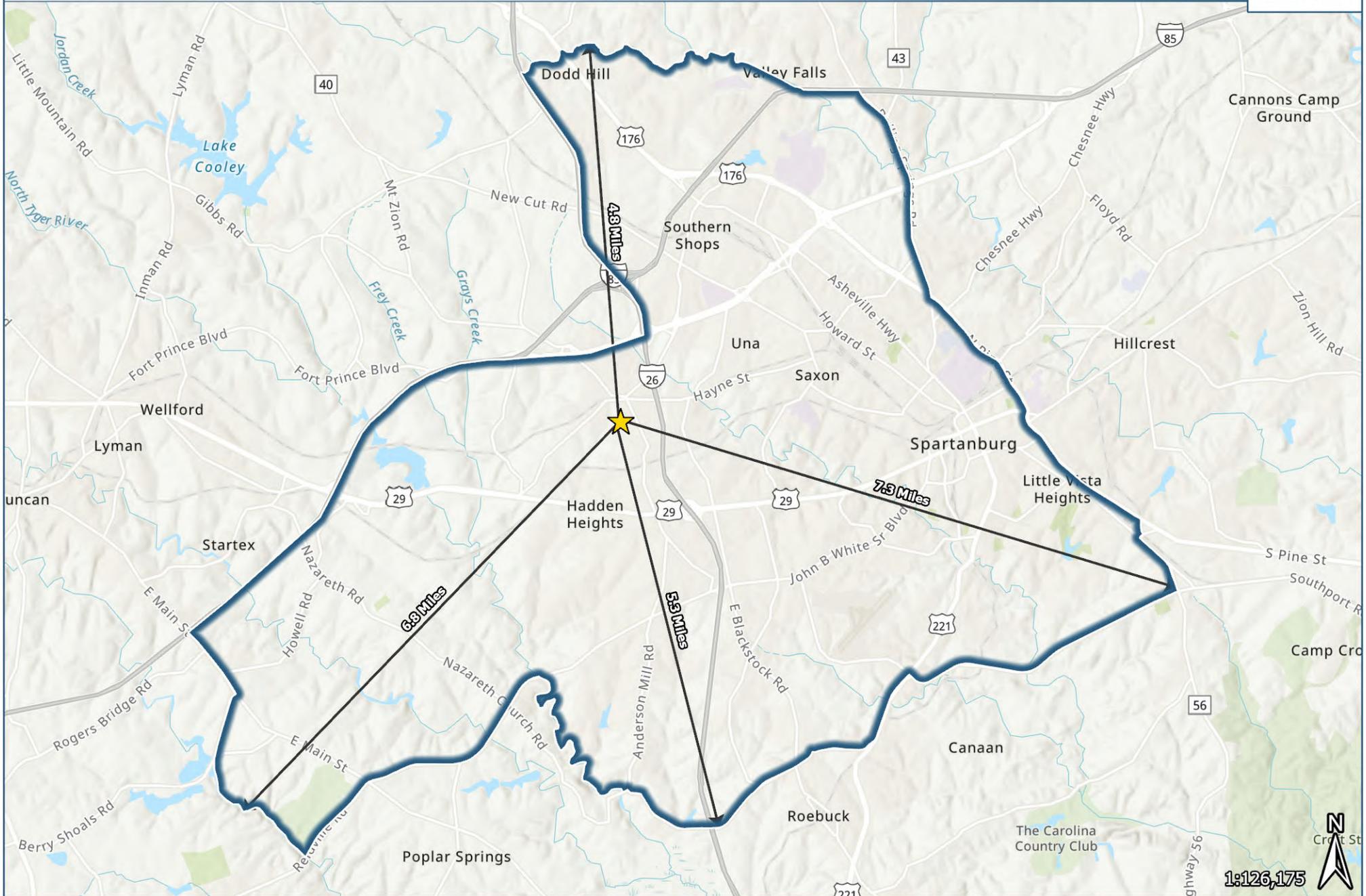
\*Subject site location

Hope Smith, Community Engagement Associate for Crescent Hill Apartments (Map ID 7), a government-subsidized Tax Credit community in Spartanburg, confirmed the boundaries of the Site PMA. Ms. Smith indicated that a majority of support for her project originates from areas west of North Pine Street and expects the subject site to experience similar trends. While Ms. Smith added that support within the PMA for her community is mostly concentrated towards central portions of Spartanburg, the site will likely attract support from areas west of Spartanburg due to its location outside of the incorporated Spartanburg city limits to the west.

Anne Medez, Assistant Manager for Lawson's Ridge (Map ID 16), a Tax Credit property that completed construction and opened this year in Spartanburg, also confirmed the boundaries of the Site PMA. Ms. Medez indicated that most support for her project originates from western and central Spartanburg. Ms. Medez added that communities outside the PMA are generally comprised of high-income households that do not provide much support for her community.

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

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



## E. Market Area Economy

### 1. EMPLOYMENT BY INDUSTRY

The labor force within the Spartanburg Site PMA is based primarily in five sectors. Health Care & Social Assistance (which comprises 16.7%), Professional, Scientific & Technical Services, Manufacturing, Retail Trade, and Accommodation & Food Services comprise approximately 62.0% of the Site PMA labor force. Employment in the Spartanburg Site PMA, as of 2023, was distributed as follows:

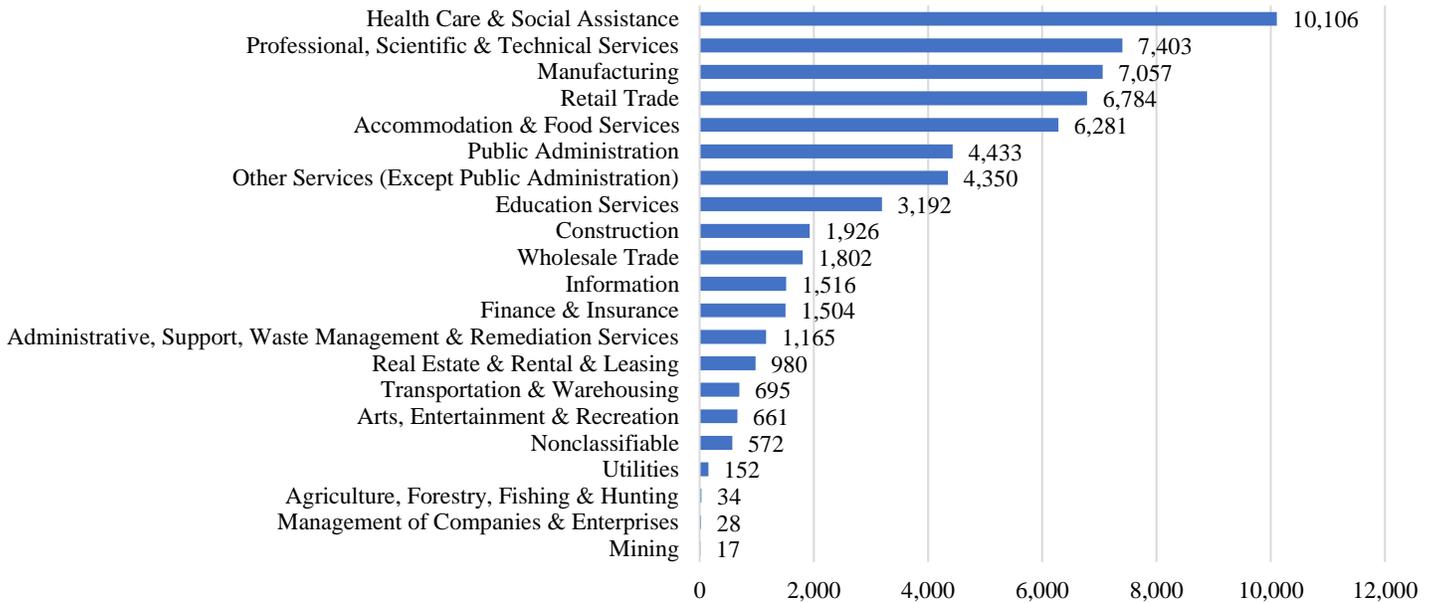
NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	7	0.2%	34	0.1%	5
Mining	3	0.1%	17	< 0.1%	6
Utilities	2	0.1%	152	0.3%	76
Construction	193	5.2%	1,926	3.2%	10
Manufacturing	158	4.3%	7,057	11.6%	45
Wholesale Trade	135	3.7%	1,802	3.0%	13
Retail Trade	563	15.3%	6,784	11.2%	12
Transportation & Warehousing	75	2.0%	695	1.1%	9
Information	76	2.1%	1,516	2.5%	20
Finance & Insurance	243	6.6%	1,504	2.5%	6
Real Estate & Rental & Leasing	181	4.9%	980	1.6%	5
Professional, Scientific & Technical Services	306	8.3%	7,403	12.2%	24
Management of Companies & Enterprises	7	0.2%	28	< 0.1%	4
Administrative, Support, Waste Management & Remediation Services	117	3.2%	1,165	1.9%	10
Education Services	80	2.2%	3,192	5.3%	40
Health Care & Social Assistance	351	9.5%	10,106	16.7%	29
Arts, Entertainment & Recreation	66	1.8%	661	1.1%	10
Accommodation & Food Services	296	8.0%	6,281	10.4%	21
Other Services (Except Public Administration)	518	14.0%	4,350	7.2%	8
Public Administration	139	3.8%	4,433	7.3%	32
Nonclassifiable	173	4.7%	572	0.9%	3
<b>Total</b>	<b>3,689</b>	<b>100.0%</b>	<b>60,658</b>	<b>100.0%</b>	<b>16</b>

Source: Bowen National Research, ESRI, Census

E.P.E.- Average Employees Per Establishment

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

## Total Employment by Industry



## 2. LOW-INCOME EMPLOYMENT OPPORTUNITIES

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

Typical Wage by Occupation Type		
Occupation Type	MSA	South Carolina
Management Occupations	\$62,867	\$65,697
Business and Financial Occupations	\$58,522	\$59,347
Computer and Mathematical Occupations	\$68,264	\$72,770
Architecture and Engineering Occupations	\$77,861	\$79,555
Community and Social Service Occupations	\$39,911	\$40,777
Art, Design, Entertainment, Sports, and Media Occupations	\$42,650	\$36,422
Healthcare Practitioners and Technical Occupations	\$57,122	\$57,874
Healthcare Support Occupations	\$20,599	\$22,536
Protective Service Occupations	\$47,473	\$41,376
Food Preparation and Serving Related Occupations	\$14,528	\$14,842
Building And Grounds Cleaning and Maintenance Occupations	\$24,007	\$21,465
Personal Care and Service Occupations	\$17,605	\$17,342
Sales and Related Occupations	\$28,799	\$30,419
Office and Administrative Support Occupations	\$31,947	\$32,271
Construction and Extraction Occupations	\$36,709	\$33,641
Installation, Maintenance and Repair Occupations	\$49,329	\$47,129
Production Occupations	\$37,354	\$36,446
Transportation Occupations	\$47,710	\$37,861
Material Moving Occupations	\$24,226	\$23,352

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

As the preceding table illustrates, most occupational types within the MSA have similar typical wages as the state's typical wages.

### 3. AREA'S LARGEST EMPLOYERS

The ten largest employers within the Spartanburg area comprise a total of 33,625 employees and are summarized as follows:

Employer Name	Business Type	Total Employed
BMW of North America, LLC.	Automotive Manufacturing	10,916
Spartanburg County School Districts	Public Education	6,063
ABM Onsite Services, Inc.	Infrastructure Solutions	4,500
Spartanburg Regional Health Services District, Inc.	Health Care	3,444
Spartanburg Regional Healthcare System	Health Care	2,662
Spartanburg County	Local Government	1,545
Daa Draexlmaier Automotive of America, LLC	Wire Harnesses Manufacturing	1,225
Benore Logistic Systems, Inc.	Transportation	1,100
Cryovac, LLC	Food Packaging	1,100
Magna Seating of America, Inc.	Automotive Systems Manufacturing	1,070
	Total	33,625

Source: Spartanburg County (2020)

According to a representative with OneSpartanburg, the Spartanburg economy is thriving. The economy is very diverse and comprised of large industrial sectors, Fortune 500 companies, automotive industries, advanced materials, distribution, energy, biosciences, and aerospace industries. Spartanburg County has had multiple positive economic developments in the past year. There has been \$3.2 billion in capital investments, of which 15% have been expansions and 85% new developments, comprising 36 total projects and creating 1,742 new jobs.

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

The most notable projects within the area, Project Black Bull and Project Replay, are slated to create over 1,500 jobs within the county. Both projects are still in the early stages of planning and detailed information has yet to be released to the public. A handful of restaurants and retailers are opening in the county as well.

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

The following table summarizes some recent and/or ongoing economic development projects within Spartanburg County:

Project Name	Investment	Job Creation	Scope of Work/Details
Minor League Baseball Stadium	\$250 million	N/A	A 16-acre mixed-use site with a 3,500-seat baseball stadium, 5,000 square-foot club room, office space, entertainment areas, and multifamily housing units, planned for the downtown area; ECD 2025.
Hammer-IMS	N/A	N/A	Opening a new facility at the Spark Center in Spartanburg; ECD September 2023.
Pan Technology, Inc.	7.2 million	72	Expanding its manufacturing, lab, and warehouse operations to Spartanburg; ECD end of 2023.
Time Bicycles	\$6.5 million	105	Establishing a carbon fiber bicycle factory at an existing 140,000 square-foot facility in Landrum; Operations expected to begin fourth quarter 2023.
Milo's Tea Company	\$130 million	103	Building a new 110,000 square-foot plant in Spartanburg; Operations expected to begin end of 2024.
Highland Baking Company	\$35 million	80	Expanding its existing facility; Will upgrade its existing building and infrastructure to support a new full production line; ECD October 2023.
Visual Comfort & Co.	\$62 million	125	Established distribution operations in Spartanburg in January 2023; The investment will create 125 new jobs through 2027.
BMW Plant Spartanburg	\$1.7 billion	300	Building a new plant to produce electric vehicles in Spartanburg and a new battery assembly facility in Woodruff; Announced October 2022.
Boysen USA	\$4.5 million	88	Establishing a new manufacturing facility in Boysen; Announced October 2022.

N/A – Not Available  
 ECD – Estimated Completion Date

### Infrastructure

The following summarizes other notable infrastructure projects ongoing within the area:

Project Name	Scope of Work
Interstate 85	Widening and rehabilitation of the existing Interstate 85 at mile marker 77 to the North Carolina state line; From mile maker 77 to 98 the Interstate will be widened from four-lanes to six lanes
I-85 at SC 290	Interchange Improvements
Country Club Corridor Project	SCDOT project to widen the existing roadway, an investment of \$22.9 million; Construction began fall 2022.
Lyman Traffic Triangle	SCDOT improvements to three main intersection areas in Lyman, an investment of \$12.7 million; U.S. 29 at Pine Ridge Road, SC 358 at Pine Ridge Road, and SC 129 at Holly Springs Road; Construction began early 2023.

### WARN (layoff notices)

WARN Notices of large-scale layoffs/closures were reviewed in September 2023 and according to South Carolina Works, there have been two WARN notices reported for Spartanburg County over the past 12 months, which are summarized in the following table:

Company	Jobs	Effective Date
Phenix Engineered Textiles, Inc.	30	2/10/2023
Kohler Co. – Vitreous Operations	133	12/12/2022

#### 4. EMPLOYMENT TRENDS

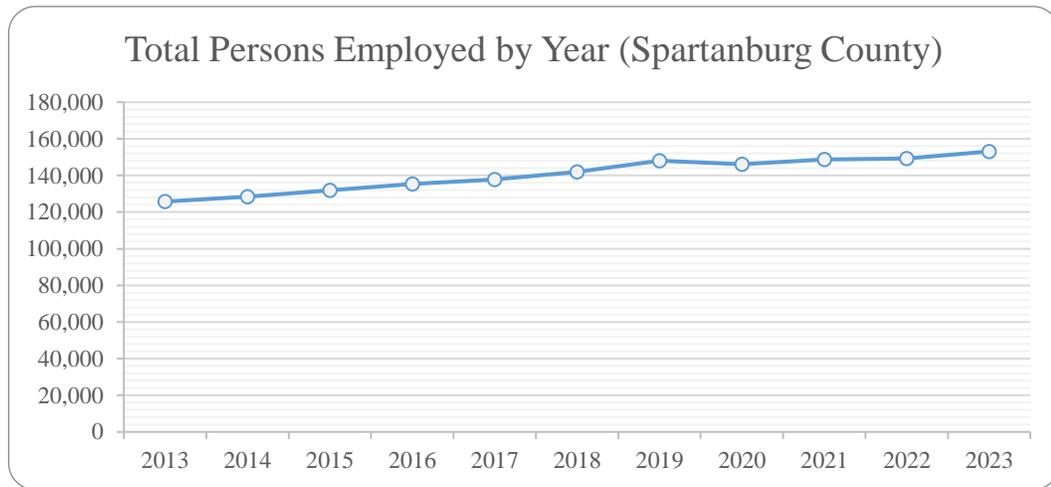
The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

The following illustrates the total employment base for Spartanburg County, the state of South Carolina, and the United States. Total employment reflects the number of employed persons who live within the county.

Year	Total Employment					
	Spartanburg County		South Carolina		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2013	125,746	-	2,034,404	-	143,929,000	-
2014	128,416	2.1%	2,082,941	2.4%	146,305,000	1.7%
2015	131,890	2.7%	2,134,087	2.5%	148,833,000	1.7%
2016	135,410	2.7%	2,174,301	1.9%	151,436,000	1.7%
2017	137,850	1.8%	2,166,708	-0.3%	153,337,000	1.3%
2018	141,962	3.0%	2,205,356	1.8%	155,761,000	1.6%
2019	148,026	4.3%	2,259,807	2.5%	157,538,000	1.1%
2020	146,077	-1.3%	2,195,171	-2.9%	147,795,000	-6.2%
2021	148,786	1.9%	2,261,060	3.0%	152,581,000	3.2%
2022	149,194	0.3%	2,297,927	1.6%	158,291,000	3.7%
2023*	153,107	2.6%	2,360,274	2.7%	160,774,000	1.6%

Source: Bureau of Labor Statistics

\*Through July 2023



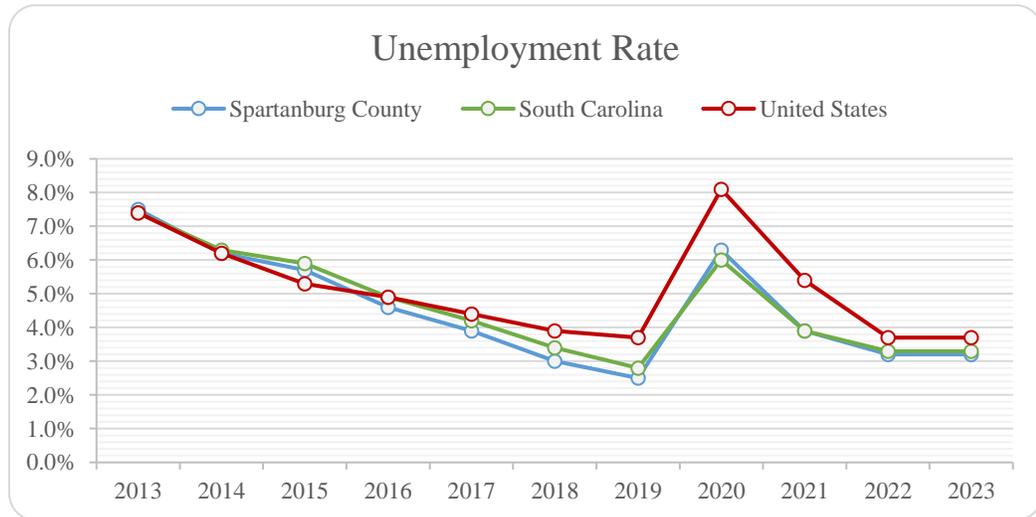
As the preceding illustrates, the Spartanburg County employment base experienced consistent growth between 2013 and 2019. While the county experienced a 1.3% reduction in its employment base due to the COVID-19 pandemic in 2020, it was less impacted as compared to the state and nation, which experienced declines of 2.9% and 6.2%, respectively. Notably, the employment base within Spartanburg County has been experiencing similar trends as those preceding the pandemic and has increased by 4.8% since 2020. Total employment within the county is also at a ten-year high.

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

Year	Unemployment					
	Spartanburg County		South Carolina		United States	
	Total Number	Percent	Total Number	Percent	Total Number	Percent
2013	10,236	7.5%	163,472	7.4%	11,460,000	7.4%
2014	8,455	6.2%	139,485	6.3%	9,616,000	6.2%
2015	7,900	5.7%	133,750	5.9%	8,296,000	5.3%
2016	6,547	4.6%	111,753	4.9%	7,751,000	4.9%
2017	5,674	3.9%	95,058	4.2%	6,982,000	4.4%
2018	4,466	3.0%	76,666	3.4%	6,314,000	3.9%
2019	3,760	2.5%	64,693	2.8%	6,001,000	3.7%
2020	9,883	6.3%	139,855	6.0%	12,948,000	8.1%
2021	6,079	3.9%	92,908	3.9%	8,623,000	5.4%
2022	4,851	3.2%	77,048	3.3%	5,996,000	3.7%
2023*	5,020	3.2%	79,633	3.3%	6,135,000	3.7%

Source: Department of Labor; Bureau of Labor Statistics

\*Through July 2023



Between 2013 and 2019, the annual unemployment rate within Spartanburg County declined by five percentage points, then increased by nearly three percentage points between 2019 and 2020 due to the COVID-19 pandemic. Similar to the county’s employment base, its unemployment rate has been improving since 2020, declining by over three percentage points and is similar to pre-pandemic levels.

In-place employment reflects the total number of jobs within the county regardless of the employee’s county of residence. The following illustrates the total in-place employment base for Spartanburg County.

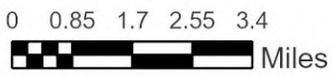
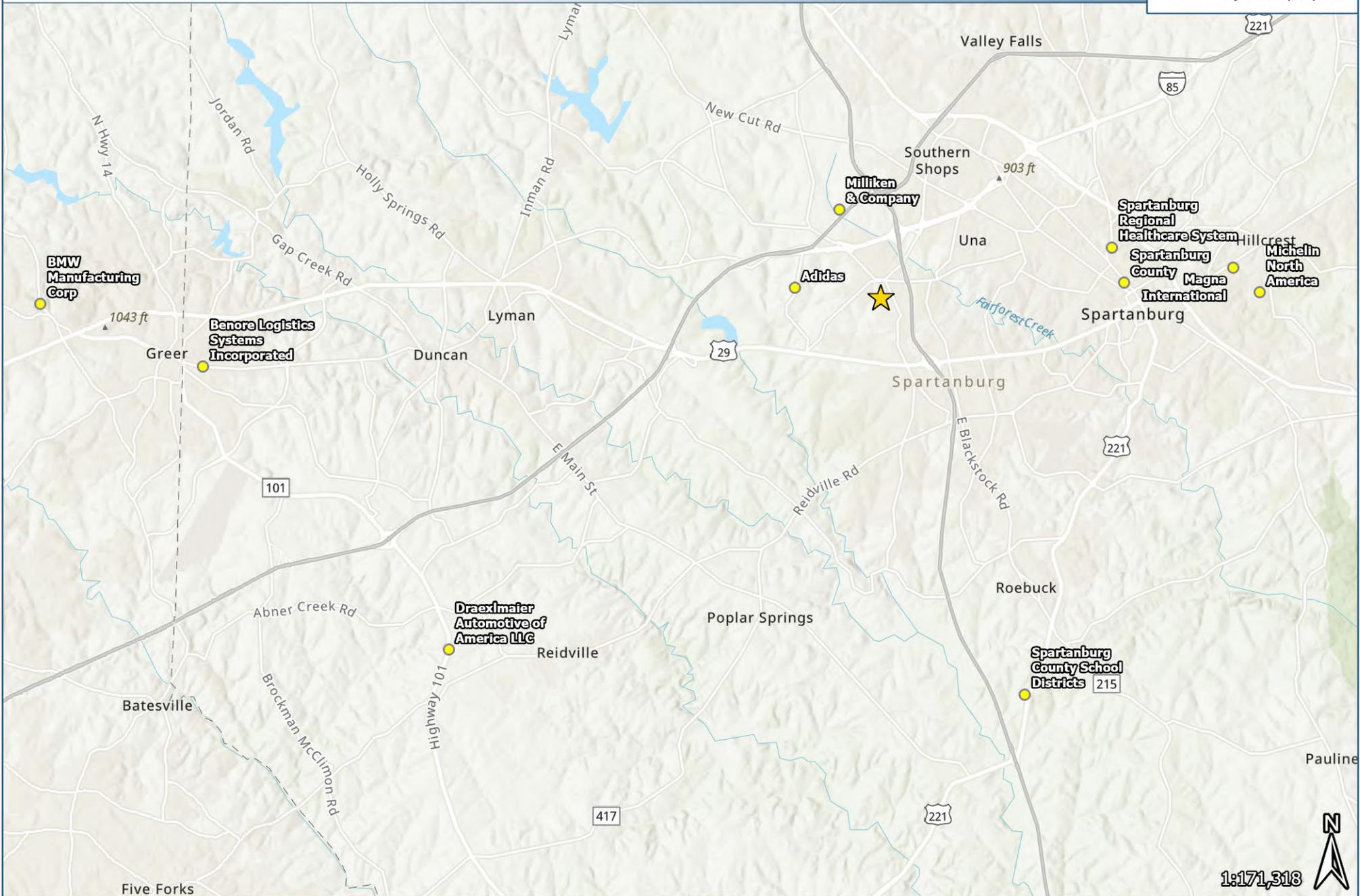
In-Place Employment Spartanburg County			
Year	Employment	Change	Percent Change
2013	119,385	-	-
2014	123,466	4,081	3.4%
2015	127,009	3,543	2.9%
2016	131,655	4,646	3.7%
2017	137,148	5,493	4.2%
2018	141,952	4,804	3.5%
2019	147,638	5,686	4.0%
2020	144,453	-3,185	-2.2%
2021	147,039	2,586	1.8%
2022	149,838	2,799	1.9%
2023*	151,662	1,824	1.2%

Source: Department of Labor, Bureau of Labor Statistics  
 \*Through March

Data for 2022, the most recent year that year-end figures are available, indicates in-place employment in Spartanburg County to be 100.4% of the total Spartanburg County employment. This means that Spartanburg County has more employed persons coming to the county from other counties for work (daytime employment) than those who both live and work there.

**5. EMPLOYMENT CENTERS MAP**

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



## 6. COMMUTING PATTERNS

The following is a distribution of commuting patterns for Site PMA workers age 16 and over:

Mode of Transportation	Workers Age 16+	
	Number	Percent
Drove Alone	31,300	80.9%
Carpooled	4,608	11.9%
Public Transit	225	0.6%
Walked	685	1.8%
Motorcycle	99	0.3%
Bicycle	0	0.0%
Other Means	344	0.9%
Worked at Home	1,406	3.6%
<b>Total</b>	<b>38,667</b>	<b>100.0%</b>

Source: Bowen National Research, ESRI

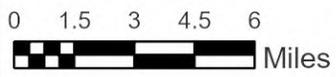
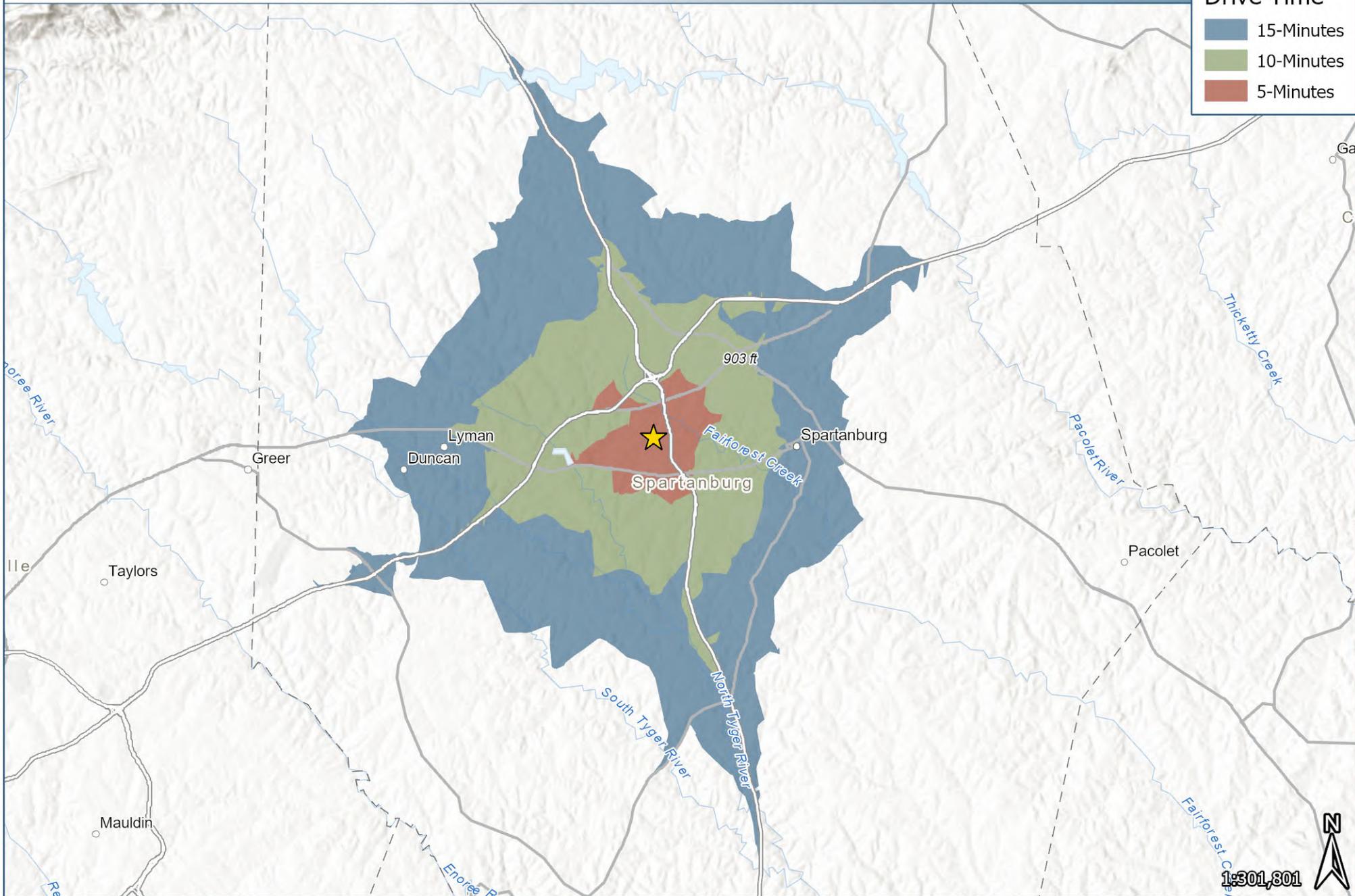
Nearly 81.0% of all workers drove alone, 11.9% carpoled, and 0.6% used public transportation.

Typical travel times to work for Site PMA residents are illustrated as follows:

Travel Time	Workers Age 16+	
	Number	Percent
Less Than 15 Minutes	12,104	32.4%
15 – 29 Minutes	16,407	43.9%
30 – 44 Minutes	5,899	15.8%
45 – 59 Minutes	1,603	4.3%
60 + Minutes	1,334	3.6%
<b>Total</b>	<b>37,347</b>	<b>100.0%</b>

Source: Bowen National Research, ESRI

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



## **7. ECONOMIC FORECAST AND HOUSING IMPACT**

Based on data provided by the State of South Carolina Department of Labor, the Spartanburg County economy experienced consistent growth between 2013 and 2019. However, beginning in 2020, the area was negatively impacted by the COVID-19 pandemic, similar to many communities throughout the state and nation. During this time, the Spartanburg County employment base declined by 1.3% (albeit at a much lower rate than those experienced by the state and nation) and its unemployment rate increased by nearly three percentage points. On a positive note, the county has been experiencing economic trends similar to those preceding the pandemic since 2020, with total employment increasing to a ten-year high of over 153,000 jobs and unemployment averaging an annual rate of 3.2% through July 2023.

These are good indications that the Spartanburg County economy has fully recovered from the initial impact of the pandemic. This, in turn, will continue to create a stable environment for the local housing market.

## F. Community Demographic Data

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

### 1. POPULATION TRENDS

#### a. Total Population

The Site PMA population bases for 2010, 2020, 2023 (estimated), and 2026 (projected) are summarized as follows:

	Year			
	2010 (Census)	2020 (Census)	2023 (Estimated)	2026 (Projected)
Population	77,244	85,861	90,373	92,328
Population Change	-	8,617	4,512	1,955
Percent Change	-	11.2%	5.3%	2.2%

Source: 2010 & 2020 Census; ESRI; Bowen National Research

The Spartanburg Site PMA population base increased by 8,617 between 2010 and 2020. This represents an 11.2% increase from the 2010 population base, or an annual rate of 1.1%. Between 2020 and 2023, the population increased by 4,512, or 5.3%. It is projected that the population will increase by 1,955, or 2.2%, between 2023 and 2026.

Based on the 2020 Census, population residing in group quarters represented 5.6% of the PMA population, as demonstrated in the following table:

	Number	Percent
Population in Group Quarters	4,773	5.6%
Population not in Group Quarters	81,088	94.4%
Total Population	85,861	100.0%

Source: 2020 Census; ESRI; Bowen National Research

**b. Population by Age Group**

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

Population by Age	2010 (Census)		2023 (Estimated)		2026 (Projected)		Change 2023-2026	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	22,538	29.2%	23,771	26.3%	24,354	26.4%	583	2.5%
20 to 24	7,476	9.7%	7,206	8.0%	7,201	7.8%	-5	-0.1%
25 to 34	9,942	12.9%	12,701	14.1%	12,024	13.0%	-677	-5.3%
35 to 44	9,706	12.6%	11,035	12.2%	11,907	12.9%	872	7.9%
45 to 54	10,283	13.3%	10,131	11.2%	10,188	11.0%	57	0.6%
55 to 64	8,515	11.0%	10,676	11.8%	10,549	11.4%	-127	-1.2%
65 to 74	5,038	6.5%	9,027	10.0%	9,331	10.1%	304	3.4%
75 & Older	3,744	4.8%	5,825	6.4%	6,772	7.3%	947	16.3%
<b>Total</b>	<b>77,244</b>	<b>100.0%</b>	<b>90,373</b>	<b>100.0%</b>	<b>92,328</b>	<b>100.0%</b>	<b>1,955</b>	<b>2.2%</b>

Source: Bowen National Research, ESRI, Census

As the preceding table illustrates, over 49.0% of the population is expected to be between 25 and 64 years old in 2023. This age group is the primary group of potential support for the subject site and will likely represent a significant number of the tenants.

**c. Elderly and Non-Elderly Population**

The subject project is not age-restricted; therefore, all persons with appropriate incomes will be eligible to live at the subject development. As a result, we have not included an analysis of the PMA’s senior and non-senior population.

**d. Special Needs Population**

The subject project will not offer special needs units. Therefore, we have not provided any population data regarding special needs populations.

**2. HOUSEHOLD TRENDS**

**a. Total Households**

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

	Year			
	2010 (Census)	2020 (Census)	2023 (Estimated)	2026 (Projected)
Households	29,241	33,064	34,942	35,866
Household Change	-	3,823	1,878	924
Percent Change	-	13.1%	5.7%	2.6%
Average Household Size	2.49	2.48	2.45	2.44

Source: Bowen National Research, ESRI, Census

Within the Spartanburg Site PMA, households increased by 3,823, or 13.1%, between 2010 and 2020. Between 2020 and 2023, households increased by 1,878, or 5.7%. By 2026, there will be 35,866 households, an increase of 924 households, or 2.6%, from 2023. This is an increase of approximately 308 households annually over the next three years.

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

Households by Age	2010 (Census)		2023 (Estimated)		2026 (Projected)		Change 2023-2026	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	2,471	8.5%	1,983	5.7%	2,006	5.6%	23	1.2%
25 to 34	4,718	16.1%	5,941	17.0%	5,642	15.7%	-299	-5.0%
35 to 44	5,128	17.5%	5,742	16.4%	6,191	17.3%	449	7.8%
45 to 54	5,731	19.6%	5,480	15.7%	5,511	15.4%	31	0.6%
55 to 64	5,247	17.9%	6,297	18.0%	6,223	17.4%	-74	-1.2%
65 to 74	3,302	11.3%	5,624	16.1%	5,794	16.2%	170	3.0%
75 & Older	2,643	9.0%	3,875	11.1%	4,498	12.5%	623	16.1%
<b>Total</b>	<b>29,241</b>	<b>100.0%</b>	<b>34,942</b>	<b>100.0%</b>	<b>35,866</b>	<b>100.0%</b>	<b>924</b>	<b>2.6%</b>

Source: Bowen National Research, ESRI, Census

Between 2023 and 2026, the greatest growth among household age groups is projected to be among those ages 75 and older, increasing by 623, or 16.1%. Households between the ages of 35 and 44 are also projected to experience significant growth, increasing by 449, or 7.8%, during the same timeframe. These trends illustrate that there will likely be an increasing need for housing for both seniors and families within the Spartanburg Site PMA.

**b. Households by Tenure**

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2023 (Estimated)		2026 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	16,124	55.1%	19,809	56.7%	20,506	57.2%
Renter-Occupied	13,117	44.9%	15,133	43.3%	15,360	42.8%
<b>Total</b>	<b>29,241</b>	<b>100%</b>	<b>34,942</b>	<b>100.0%</b>	<b>35,866</b>	<b>100.0%</b>

Source: Bowen National Research, ESRI, Census

As the preceding table illustrates, renter households within the market are projected to increase by 227, or 1.5%, between 2023 and 2026. This further illustrates that there will likely be an increasing need for rental housing within the market.

**c. Households by Income**

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

Household Income	2010 (Census)		2023 (Estimated)		2026 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Less Than \$15,000	6,277	21.5%	5,156	14.8%	4,977	13.9%
\$15,000 - \$24,999	3,695	12.6%	3,592	10.3%	3,516	9.8%
\$25,000 - \$34,999	3,937	13.5%	3,135	9.0%	3,002	8.4%
\$35,000 - \$49,999	3,766	12.9%	5,244	15.0%	5,238	14.6%
\$50,000 - \$74,999	5,330	18.2%	6,503	18.6%	6,640	18.5%
\$75,000 - \$99,999	2,754	9.4%	4,172	11.9%	4,341	12.1%
\$100,000 - \$149,999	2,381	8.1%	3,978	11.4%	4,431	12.4%
\$150,000 & Higher	1,101	3.8%	3,161	9.0%	3,720	10.4%
<b>Total</b>	<b>29,241</b>	<b>100.0%</b>	<b>34,942</b>	<b>100.0%</b>	<b>35,866</b>	<b>100.0%</b>
Median Income	\$37,834		\$50,877		\$54,515	

Source: Bowen National Research, ESRI, Census

In 2023, the median household income is estimated to be \$50,877. By 2026, it is projected that the median household income will be \$54,515, an increase of 7.2% from 2023.

**d. Average Household Size**

Information regarding average household size is considered in 2. a. *Total Households* of this section.

**e. Households by Income by Tenure**

The following tables illustrate renter household income by household size for 2020, 2023, and 2026 for the Spartanburg Site PMA:

Renter Households	2020 (ACS)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	2,463	672	422	319	157	4,033
\$15,000 - \$24,999	1,057	503	337	223	165	2,283
\$25,000 - \$34,999	592	477	327	171	180	1,748
\$35,000 - \$49,999	709	821	366	301	184	2,381
\$50,000 - \$74,999	303	776	405	321	410	2,217
\$75,000 - \$99,999	95	272	314	247	170	1,099
\$100,000 - \$149,999	55	244	114	171	230	814
\$150,000 & Higher	66	94	110	36	24	332
<b>Total</b>	<b>5,339</b>	<b>3,861</b>	<b>2,395</b>	<b>1,790</b>	<b>1,521</b>	<b>14,906</b>

Source: ESRI, Bowen National Research

Renter Households	2023 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	2,431	645	397	309	147	3,929
\$15,000 - \$24,999	1,066	492	323	220	157	2,257
\$25,000 - \$34,999	588	461	309	167	169	1,694
\$35,000 - \$49,999	737	826	360	306	180	2,409
\$50,000 - \$74,999	327	810	412	338	414	2,302
\$75,000 - \$99,999	106	292	328	268	176	1,170
\$100,000 - \$149,999	68	286	129	204	259	946
\$150,000 & Higher	91	122	136	48	29	427
<b>Total</b>	<b>5,413</b>	<b>3,934</b>	<b>2,394</b>	<b>1,860</b>	<b>1,532</b>	<b>15,133</b>

Source: ESRI, Bowen National Research

Renter Households	2026 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	2,399	618	372	299	137	3,825
\$15,000 - \$24,999	1,075	481	309	217	149	2,231
\$25,000 - \$34,999	584	445	291	163	158	1,640
\$35,000 - \$49,999	765	831	354	311	176	2,437
\$50,000 - \$74,999	351	844	419	355	418	2,387
\$75,000 - \$99,999	117	312	342	289	182	1,241
\$100,000 - \$149,999	81	328	144	237	288	1,078
\$150,000 & Higher	116	150	162	60	34	522
<b>Total</b>	<b>5,487</b>	<b>4,007</b>	<b>2,393</b>	<b>1,930</b>	<b>1,543</b>	<b>15,360</b>

Source: ESRI, Bowen National Research

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

### Demographic Summary

Over two-fifths of the market is occupied by renter households. Overall, population and household trends have been increasing since 2010 and are projected to remain positive through 2026, increasing by 1,955 (2.2%) and 924 (2.6%) from 2023, respectively. Additionally, renter households are projected to increase by 227 (1.5%) during the projection period. As discussed later in Section H of this report, all of the affordable rental communities surveyed in the market are performing at high occupancy levels. This indicates that high demand exists for such housing and the continuing need for additional affordable housing options within the Site PMA, particularly when factoring in rent overburdened households or those living in substandard housing.

## G. Project-Specific Demand Analysis

### 1. INCOME RESTRICTIONS

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

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

The subject site is within the Spartanburg, South Carolina MSA, which has a four-person median household income of \$80,200 for 2023. The subject property will be restricted to households with incomes of up to 40%, 60% and 80% of AMHI. The following table summarizes the maximum allowable income by household size at the targeted income level:

Household Size	Maximum Allowable Income		
	40%	60%	80%
One-Person	\$22,160	\$33,240	\$44,320
Two-Person	\$25,320	\$37,980	\$50,640
Three-Person	\$28,480	\$42,720	\$56,960
Four-Person	\$31,640	\$47,460	\$63,280
Five-Person	\$34,200	\$51,300	\$68,400
Six-Person	\$36,720	\$55,080	\$73,440

The largest proposed units (four-bedroom) at the subject site are expected to house up to six-person households. As such, the maximum allowable income at the subject site is **\$73,440**.

### 2. AFFORDABILITY

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

The proposed LIHTC units will have a lowest gross rent of \$593. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$7,116. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of **\$20,331**.

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

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited To 40% Of AMHI)	\$20,331	\$36,720
Tax Credit (Limited To 60% Of AMHI)	\$30,446	\$55,080
Tax Credit (Limited To 80% Of AMHI)	\$40,560	\$73,440
<b>Overall Project</b>	<b>\$20,331</b>	<b>\$73,440</b>

### 3. **DEMAND COMPONENTS**

The following are the demand components as outlined by the SC Housing:

- a. **Demand from New Renter Households.** *New rental units required in the market area due to projected renter household growth. Determinations must be made using the current base year of 2023 and projecting forward to the anticipated placed-in-service date (2026). The household projections must be limited to the age and income cohort and the demand for each income group targeted (i.e. 50% of median income) must be shown separately.*

*In instances where more than 20% of proposed rental units are comprised of three-bedroom units or larger, analysts must also conduct an additional refined large-household capture rate analysis by considering the number of large households (three-persons and larger).*

- b. **Demand from Existing Households:** *The second source of demand should be determined using 2010 census data or the most current American Community Survey (ACS) data and projected from:*

- 1) **Rent overburdened households, if any, within the age group, income cohorts and tenure (renters) targeted for the proposed development.** *Analysts should assume that the rent-overburdened analysis includes households paying greater than 35% or in the case of elderly 40% of their gross income toward gross rent rather than some greater percentage.*

Based on Table B25074 of the American Community Survey (ACS) 2017-2021 5-year estimates, approximately 37.5% of renter households within the market were rent overburdened. These households have been included in our demand analysis.

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

Based on the 2021 ACS 5-Year Estimates Table B25016, 6.5% of renter households within the market were living in substandard housing (lacking complete indoor plumbing and overcrowded households/1+ persons per room).

- 3) **Elderly Homeowners likely to convert to rentership:** *A narrative of the steps taken to arrive at this demand figure should be included. The elderly homeowner conversion demand component shall not account for more than 20% of the total demand.*
- 4) **Other:** *The analyst may also use other indicators to estimate demand (such as household turnover rates) if fully justified (e.g., an analysis of an under-built or over-built market in the base year). Any such additional indicators should be calculated separately and be easily added or subtracted from the demand analysis described above.*

#### 4. **METHODOLOGY**

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

- a. **Demand:** The two overall demand components (3a and 3b) added together represent total demand for the project.
- b. **Supply:** Comparable/competitive units funded, under construction, or placed in service since 2022 must be subtracted to calculate net demand. Vacancies in comparable/competitive projects placed in service prior to 2022 which have not reach stabilized occupancy must also be considered as part of the supply.
- c. **Capture Rates:** Capture rates must be calculated for each targeted income group and each bedroom size proposed as well as for the project overall.
- d. **Absorption Rates:** The absorption rate determination should consider such factors as the overall estimate of new renter household growth, the available supply of comparable/competitive units, observed trends in absorption of comparable/competitive units, and the availability of subsidies and rent specials.

## 5. DEMAND/CAPTURE RATE CALCULATIONS

We identified three family (general occupancy) non-subsidized LIHTC communities within the Spartanburg Site PMA that have received funding and/or were placed in service in or after 2022 that will likely compete with the subject site. The following table summarizes these projects' unit mix of competitive units:

Project Name	Year Built	Competitive Units	Bedroom Type	Units at Targeted AMHI		
				40% AMHI	60% AMHI	80% AMHI
Lawson's Ridge	2023	172	One	14	32	-
			Two	18	54	-
			Three	12	30	-
			Four	6	6	-
Westview Terrace	2023	33	Two	-	15	-
			Three	-	18	-
Bridge Creek Pointe	2024	81	One	3	12	-
			Two	4	38	-
			Three	2	22	-

The 286 directly comparable units set aside at 40% and 60% of AMHI at the aforementioned rental communities have been considered in the subject's demand estimates illustrated below. Note that we did not identify any existing LIHTC projects that have yet to reach a stabilized occupancy level, other than those illustrated within the preceding table.

Demand Component	Percent Of Median Household Income			
	40% AMHI (\$20,331-\$36,720)	60% AMHI (\$30,446-\$55,080)	80% AMHI (\$40,560-\$73,440)	Overall (\$20,331-\$73,440)
Demand From New Renter Households (Income-Appropriate)	2,961 - 3,024 = -63	3,668 - 3,648 = 20	3,772 - 3,674 = 98	7,356 - 7,315 = 41
+				
Demand From Existing Households (Rent Overburdened)	3,024 x 37.5% = 1,134	3,648 x 37.5% = 1,368	3,674 x 37.5% = 1,378	7,315 x 37.5% = 2,743
+				
Demand From Existing Households (Renters In Substandard Housing)	3,024 x 6.5% = 197	3,648 x 6.5% = 238	3,674 x 6.5% = 239	7,315 x 6.5% = 477
+				
Demand From Existing Households (Senior Homeowner Conversion)	N/A			
=				
Total Demand	1,268	1,626	1,715	3,261
-				
Supply (Directly Comparable Units Built and/or Funded Since 2022)	59	227	0	286
=				
Net Demand	1,209	1,399	1,715	2,975
Proposed Units	46	82	36	164
Proposed Units / Net Demand	46 / 1,209	82 / 1,399	36 / 1,715	164 / 2,975
Capture Rate	= 3.8%	= 5.9%	= 2.1%	= 5.5%

N/A – Not Applicable

The capture rates for units targeting households at 40%, 60% and 80% of AMHI, ranging from 2.1% to 5.9%, are considered very low and easily achievable. This is especially true, considering the general lack of available affordable rental units within the Site PMA. The overall capture rate for the subject project is also very low and easily achievable at 5.5%, demonstrating that there is a substantial base of income-qualified renter households that will be able to support the subject project.

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

Estimated Demand by Bedroom	
Bedroom Type	Percent
One-Bedroom	20.0%
Two-Bedroom	40.0%
Three-Bedroom	30.0%
Four-Bedroom	10.0%
Total	100.0%

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

Units Targeting 40% Of AMHI (1,268 Units of Demand)					
Bedroom Size (Share of Demand)	Total Demand	Supply*	Net Demand by Bedroom Type	Proposed Subject Units	Capture Rate by Bedroom Type
One-Bedroom (20%)	254	17	237	10	4.2%
Two-Bedroom (40%)	507	22	485	14	2.9%
Three-Bedroom (30%)	380	14	366	14	3.8%
Four-Bedroom (10%)	127	6	121	8	6.6%

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

Units Targeting 60% Of AMHI (1,626 Units of Demand)					
Bedroom Size (Share of Demand)	Total Demand	Supply*	Net Demand by Bedroom Type	Proposed Subject Units	Capture Rate by Bedroom Type
One-Bedroom (20%)	325	44	281	4	1.4%
Two-Bedroom (40%)	650	107	543	4	0.7%
Three-Bedroom (30%)	488	70	418	52	12.4%
Four-Bedroom (10%)	163	6	157	22	14.0%

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

Units Targeting 80% Of AMHI (1,715 Units of Demand)					
Bedroom Size (Share of Demand)	Total Demand	Supply*	Net Demand by Bedroom Type	Proposed Subject Units	Capture Rate by Bedroom Type
One-Bedroom (20%)	343	0	343	4	1.2%
Two-Bedroom (40%)	686	0	686	6	0.9%
Three-Bedroom (30%)	515	0	515	20	3.9%
Four-Bedroom (10%)	171	0	171	6	3.5%

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

The subject project’s capture rates by bedroom type and targeted income level range from 0.7% to 14.0%, which are also considered very low and easily achievable.

Considering that the subject project will include 122 three- and four-bedroom units, which comprise 74.4% of all subject units to be offered, the following analysis has been conducted to consider only large-households (three-person+) and the proposed three- and four-bedroom units:

Larger Demand Component	Percent Of Median Household Income			
	40% AMHI (\$28,183-\$36,720)	60% AMHI (\$42,240-\$55,080)	80% AMHI (\$56,297-\$73,440)	Overall (\$28,183-\$73,440*)
Size- & Income-Appropriate Renter Households - 2026	513	677	818	2,008
Competitive Three-Br.+ Units Built and/or Funded Since 2022	- 20	- 76	- 0	- 96
Net Large Household Demand	= 493	= 601	= 818	= 1,912
Proposed (Three-Br.+) Units/ Net Large Household Demand	22 / 493	74/ 601	26 / 818	122 / 1,912
Large-Household Capture Rate	= 4.5%	= 12.3%	= 3.2%	= 6.4%

\*Accounts for the income gaps that exist between targeted income levels

When considering the number of larger (three-person+) renter households that are income-qualified to reside in the subject’s three- and four-bedroom units in 2026 and subtracting the number of competitive three- and four-bedroom units within the development pipeline in the market, the subject’s larger demand capture rates by income level range from 3.2% to 12.3%, with an overall larger demand capture rate of 6.4%. These capture rates are considered low and easily achievable.

**6. ABSORPTION PROJECTIONS**

For the purpose of this analysis, we assume the absorption period at the proposed subject site begins as soon as the first units are available for occupancy in 2026. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project’s rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and will continue to monitor market conditions during the project’s initial lease-up period. Note that voucher support has been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of voucher support the subject development ultimately receives.

It is our opinion that the proposed 164 LIHTC units at the subject site will experience an average initial absorption rate of approximately 15 to 16 units per month and reach a stabilized occupancy of at least 93.0% within approximately ten months of opening. This absorption rate takes into consideration the competitiveness of the subject project, the general lack of available LIHTC rental housing within the market, absorption trends of the newest LIHTC project surveyed within the market, the high demand that exists for affordable housing, its low capture rates, its market rent advantages and the competitive units within the pipeline. Further it is anticipated that the subject units set aside at 80% of AMHI will lease up the slowest, given that the proposed subject rents at the aforementioned income level are untested within the market. However, the proposed rents at the higher set aside are believed to be achievable within the Spartanburg Site PMA, based on other key metrics illustrated later in this report.

## H. Rental Housing Analysis (Supply)

### 1. COMPETITIVE DEVELOPMENTS

We identified and surveyed five family (general occupancy) rental communities within the Spartanburg Site PMA that offer non-subsidized Low-Income Housing Tax Credit (LIHTC) units. These properties target households earning up to 40%, 50%, 60% and/or 70% of Area Median Household Income (AMHI) and, therefore, are considered directly competitive with the subject site. These surveyed properties and the subject development are summarized in the following table:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
<b>Site</b>	<b>Sykes Park</b>	<b>2026</b>	<b>164</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>Families; 40%, 60% &amp; 80% AMHI</b>
5	Companion at Lee's Crossing I	2010	192	100.0%	3.3 Miles	3 Months	Families; 60% AMHI
6	Country Garden Estates I & II	2002	90*	100.0%	4.7 Miles	30 HH	Families; 50% & 60% AMHI
16	Lawson's Ridge	2023	228	61.4%	5.6 Miles	None	Families; 40%, 60%, & 70% AMHI
26	Willow Crossing Apts.	2012	48	100.0%	1.9 Miles	24 Months	Families; 50% & 60% AMHI
27	Willow Trace Townhomes	2015	28	100.0%	1.9 Miles	14 HH	Families; 50% & 60% AMHI

OCC. – Occupancy

HH – Households

\*Non-subsidized Tax Credit units only

The five competitive LIHTC projects surveyed have a combined occupancy rate of 85.2%. It should be noted that all vacant units among these projects are located at Lawson's Ridge (Map ID 16), which recently opened in June 2023 and is still in lease-up. This project has leased 140 units, yielding an absorption rate of approximately 47 units per month (or 35 units per month when considering preleasing efforts that took place in May 2023), a very high rate for affordable rental housing. Combined with the fact that all other comparable LIHTC properties are fully occupied and maintain a waiting list for the next available unit, this illustrates that significant pent-up demand exists for additional affordable rental housing within the Spartanburg Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

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

		Gross Rent/Percent of AMHI (Number of Units/Vacancies)			
Map I.D.	Project Name	One-Br.	Two-Br.	Three-Br.	Four-Br.
		\$593/40% (10)	\$708/40% (14)	\$822/40% (14)	\$918/40% (8)
		\$888/60% (4)	\$1,068/60% (4)	\$1,232/60% (52)	\$1,373/60% (22)
<b>Site</b>	<b>Sykes Park</b>	<b>\$1,183/80% (4)</b>	<b>\$1,423/80% (6)</b>	<b>\$1,642/80% (20)</b>	<b>\$1,833/80% (6)</b>
5	Companion at Lee's Crossing I	\$907/60% (36/0)	\$1,090/60% (98/0)	\$1,263/60% (58/0)	-
6	Country Garden Estates I & II	\$697/50% (4/0) \$840/60% (4/0)	\$862/50% (12/0) \$1,033/60% (12/0)	\$951/50% (4/0) \$951/60% (1/0) \$1,194/60% (53/0)	-
16	Lawson's Ridge	\$588/40% (14/4) \$771/60% (32/25) \$921/70% (14/7)	\$699/40% (18/3) \$899/60% (54/24) \$1,074/70% (24/15)	\$802/40% (12/1) \$1,027/60% (30/3) \$1,227/70% (12/4)	\$883/40% (6/0) \$1,156/60% (6/0) \$1,381/70% (6/2)
26	Willow Crossing Apts.	-	\$674/50% (8/0) \$804/60% (8/0)	\$814/50% (4/0) \$899/60% (28/0)	-
27	Willow Trace Townhomes	-	\$674/50% (3/0) \$804/60% (5/0)	\$784/50% (4/0) \$899/60% (16/0)	-

The proposed subject gross rents set aside at 30% and 60% of AMHI, ranging from \$593 to \$1,373, will generally be within the range of those offered at the competitive LIHTC projects surveyed for similar unit types. Given that all competitive LIHTC projects surveyed are performing very well and the fact that the subject's rents at the aforementioned set asides are competitively positioned, they are considered appropriate.

The proposed subject gross rents set aside at 80% of AMHI, ranging from \$1,183 to \$1,833, will be significantly above the LIHTC rents currently offered within the market. However, it is important to note that the higher targeted income level will enable these specific subject units to charge higher rents. Additionally, given the depth of support (capture rate) and the significant market rent advantages these rents represent compared to similar market-rate product in the market (as illustrated later in Addendum C of this report), it is likely that the subject rents set aside at 80% of AMHI are achievable. Nonetheless, as the proposed rents set aside at 80% of AMHI are untested within the Spartanburg Site PMA, they could result in a slower than anticipated absorption for such units. These rent levels could also leave the property vulnerable to higher than typical levels of tenant turnover, particularly in the event that additional comparable product becomes available and/or is added to the market at a more affordable price point.

The following table identifies the comparable Tax Credit properties that accept Housing Choice Vouchers, as well as the approximate number of units occupied by residents utilizing Housing Choice Vouchers:

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
5	Companion at Lee's Crossing I	192	N/A	-
6	Country Garden Estates I & II	90*	50	55.6%
16	Lawson's Ridge	228	26	11.4%
26	Willow Crossing Apts.	48	12	25.0%
27	Willow Trace Townhomes	28	6	21.4%
Total		394	94	23.9%

N/A – Not Available (units not included in total)

\*Non-subsidized Tax Credit units only

As the preceding table illustrates, there are a total of approximately 94 voucher holders residing at the four comparable LIHTC properties surveyed within the market that provided such information. This comprises 23.9% of these 394 comparable non-subsidized LIHTC units. As such, it can be concluded that these projects are relying on some voucher support, but that a majority of the units are occupied by households paying the quoted rents.

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

**5 Companion at Lee's Crossing I** 3.3 miles to site



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

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

Notes: Tax Credit; Tax Credit Bond



**Features And Utilities**

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

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

Property Amenities: Car Care (Car Wash Area); Multipurpose Room, Clubhouse/Community Room; Laundry Room; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Playground, Outdoor Swimming Pool)

Parking Type: Detached Garage; Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	36	0	730	\$1.11	\$807	60%
2	2	G	98	0	1,057	\$0.91	\$961	60%
3	2	G	58	0	1,248	\$0.88	\$1,104	60%

\*Adaptive Reuse

\*DTS is based on drive time

**6** Country Garden Estates I & II 4.7 miles to site



Address: 346 N Sunflower Way, Moore, SC 29369  
 Phone: (864) 574-0072 Contact: Carolyn  
 Property Type: Tax Credit, Government Subsidized  
 Target Population: Family  
 Total Units: 100 Year Built: 2002  
 Vacant Units: 0 \*AR Year:  
 Occupancy: 100.0% Yr Renovated:  
 Turnover: Stories: 1,2  
 Waitlist: 30 HH  
 Rent Special: None

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

Notes: Tax Credit (90 units); PBV/RAD & Tax Credit (10 units); HOPE VI



**Features And Utilities**

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

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

Property Amenities: On-Site Management

Parking Type: Detached Garage; Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	2	0	907	Subsidized	Subsidized	Subsidized
1	1	G	4	0	907	\$0.58	\$528	50%
1	1	G	4	0	907	\$0.74	\$671	60%
2	1.5 - 2	T	6	0	1,184	Subsidized	Subsidized	Subsidized
2	1.5 - 2	T	12	0	1,184	\$0.54	\$643	50%
2	1.5 - 2	T	12	0	1,184	\$0.69	\$814	60%
3	2.5	H	1	0	1,272	\$0.54	\$684	60%
3	2.5	T	2	0	1,272	Subsidized	Subsidized	Subsidized
3	2.5	T	4	0	1,272	\$0.54	\$684	50%
3	2.5	T	53	0	1,272	\$0.73	\$927	60%

\*Adaptive Reuse

\*DTS is based on drive time

**16** Lawson's Ridge 5.6 miles to site



Address: 421 Old Boiling Springs Rd, Spartanburg, SC 29303  
 Phone: (803) 744-9229 Contact: Andrea Mayes  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 228 Year Built: 2023  
 Vacant Units: 88 \*AR Year:  
 Occupancy: 61.4% Yr Renovated:  
 Turnover: Stories: 3  
 Waitlist: None  
 Rent Special: None

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

Notes: Tax Credit; Preleasing 5/2023, opened 6/2023, still in lease-up



**Features And Utilities**

Utility Schedule Provided by: Spartanburg Housing Authority

Utility Type & Responsibility: Landlord pays Trash

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

Property Amenities: Business Center (Computer/Business Center); Multipurpose Room, Community Kitchen, Clubhouse/Community Room; Pavilion/Gazebo; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Playground); CCTV

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	14	4	850	\$0.49	\$417	40%
1	1	G	32	25	850	\$0.71	\$600	60%
1	1	G	14	7	850	\$0.88	\$750	70%
2	1	G	18	3	1,032	\$0.46	\$475	40%
2	1	G	54	24	1,032	\$0.65	\$675	60%
2	1	G	24	15	1,032	\$0.82	\$850	70%
3	2	G	12	1	1,229	\$0.43	\$525	40%
3	2	G	30	3	1,229	\$0.61	\$750	60%
3	2	G	12	4	1,229	\$0.77	\$950	70%
4	2	G	6	0	1,413	\$0.39	\$552	40%
4	2	G	6	0	1,413	\$0.58	\$825	60%

\*Adaptive Reuse

\*DTS is based on drive time

Continued on Next Page

16 Unit Configuration- cont.								
Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
4	2	G	6	2	1,413	\$0.74	\$1,050	70%

**26 Willow Crossing Apts.** 1.9 miles to site



Address: 101 Willow Crossing Ln, Spartanburg, SC 29301  
 Phone: (864) 699-9965      Contact: Lee (In Person)  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 48      Year Built: 2012  
 Vacant Units: 0      \*AR Year:  
 Occupancy: 100.0%      Yr Renovated:  
 Turnover:      Stories: 2  
 Waitlist: 24 mos  
 Rent Special: None

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

Notes: Tax Credit



**Features And Utilities**

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

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

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

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	8	0	1,100	\$0.50	\$545	50%
2	2	G	8	0	1,100	\$0.61	\$675	60%
3	2	G	4	0	1,200	\$0.55	\$655	50%
3	2	G	28	0	1,200	\$0.62	\$740	60%

\*Adaptive Reuse

\*DTS is based on drive time

**27 Willow Trace Townhomes** 1.9 miles to site



Address: 300 Willow Crossing Ln., Spartanburg, SC 29301  
 Phone: (864) 327-8496 Contact: Lee (In Person)  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 28 Year Built: 2015  
 Vacant Units: 0 \*AR Year:  
 Occupancy: 100.0% Yr Renovated:  
 Turnover: Stories: 2  
 Waitlist: 14 HH  
 Rent Special: None

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

Notes: Tax Credit



**Features And Utilities**

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

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

Property Amenities: Business Center (Computer/Business Center); Multipurpose Room, Clubhouse/Community Room; Cafe / Coffee Bar; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Playground); CCTV; Extra Storage; WiFi

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	T	3	0	1,100	\$0.50	\$545	50%
2	2	T	5	0	1,100	\$0.61	\$675	60%
3	2	T	4	0	1,250	\$0.50	\$625	50%
3	2	T	16	0	1,250	\$0.59	\$740	60%

\*Adaptive Reuse

\*DTS is based on drive time

The unit sizes (square footage) and number of bathrooms included in each of the comparable LIHTC unit types offered in the market are compared with the subject development in the following tables:

Map I.D.	Project Name	Square Footage			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
<b>Site</b>	<b>Sykes Park</b>	<b>823</b>	<b>1,001</b>	<b>1,193</b>	<b>1,312</b>
5	Companion at Lee's Crossing I	730	1,057	1,248	-
6	Country Garden Estates I & II	907	1,184	1,272	-
16	Lawson's Ridge	850	1,032	1,229	1,413
26	Willow Crossing Apts.	-	1,100	1,200	-
27	Willow Trace Townhomes	-	1,100	1,250	-

Map I.D.	Project Name	Number of Baths			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
<b>Site</b>	<b>Sykes Park</b>	<b>1.0</b>	<b>1.0</b>	<b>2.0</b>	<b>2.0</b>
5	Companion at Lee's Crossing I	1.0	2.0	2.0	-
6	Country Garden Estates I & II	1.0	1.5 - 2.0	2.5	-
16	Lawson's Ridge	1.0	1.0	2.0	2.0
26	Willow Crossing Apts.	-	2.0	2.0	-
27	Willow Trace Townhomes	-	2.0	2.0	-

As the preceding tables illustrate, the subject unit sizes are competitively positioned with those offered at the surveyed LIHTC projects within the market and, therefore, are considered appropriate. While the lack of an additional bathroom within the subject's two-bedroom units will position it at a competitive disadvantage, this inferior unit characteristic is not expected to have a significant adverse impact on the site's marketability. Nonetheless, this has been considered in our achievable market rent analysis illustrated later in Addendum C of this report.

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

		Tax Credit Unit Amenities by Map ID					
		Site*	5	6	16	26	27
Appliances	Dishwasher	X	X	X	X	X	X
	Disposal	X	X	X	X		
	Microwave	X			X	X	X
	Range	X	X	X	X	X	X
	Refrigerator	X	X	X	X	X	X
	W/D Hookup	X	X	X	X	X	X
	W/D						
	No Appliances						
Unit Amenities	AC-Central	X	X	X	X	X	X
	AC-Other						
	Balcony/ Patio/ Sunroom	X	X	X		S	X
	Basement						
	Ceiling Fan	X	X	X	X	X	X
	Controlled Access						
	E-Call System						
	Furnished						
	Walk-In Closet	X		X	X		
	Window Treatments	X	X	X	X	X	X
Flooring	Carpet	X	X	X	X		X
	Ceramic Tile						
	Hardwood					X	X
	Finished Concrete						
	Composite/Vinyl/Laminate	X	X	X	X	X	
Upgraded	Premium Appliances						
	Premium Countertops						
	Premium Cabinetry						
	Premium Fixtures						
	High/Vaulted Ceilings						
	Oversized Windows						
Parking	Attached Garage						
	Detached Garage		O	S			
	Street Parking						
	Surface Lot	X	X	X	X	X	X
	Carport						
	Property Parking Garage						
	No Provided Parking						

◆ - Senior Property

\* Proposed Site(s): Sykes Park

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

\*\* Details in Comparable Property Profile Report

Continued on Next Page

Tax Credit Property Amenities by Map ID

	Site*	5	6	16	26	27	
	Bike Racks / Storage						
	Computer/Business Center	X		X	X	X	
	Car Care **		X				
	Community Garden						
Community	Multipurpose Room	X	X	X	X	X	
	Chapel						
	Community Kitchen	X		X			
	Dining Room - Private						
	Dining Room - Public						
	Rooftop Terrace						
	Concierge Service **						
	Convenience Amenities **					X	
	Covered Outdoor Area **	X			X		
	Elevator						
Laundry Room	X	X		X	X	X	
On-Site Management	X	X	X	X	X	X	
Pet Care **		X					
Recreation	Basketball						
	Bocce Ball						
	Firepit						
	Fitness Center	X	X		X	X	X
	Grilling Area						
	Game Room - Billiards						
	Walking Path						
	Hot Tub						
	Library						
	Media Room / Theater						
	Playground	X	X		X	X	X
	Putting Green						
	Racquetball						
	Shuffleboard						
	Swimming Pool - Indoor						
	Swimming Pool - Outdoor		X				
	Tennis						
Volleyball							
Security	CCTV	X		X	X	X	
	Courtesy Officer						
	Security Gate						
	Social Services **						
	Storage - Extra				X	X	
	Common Space WiFi	X			X	X	

◆ - Senior Property

\* Proposed Site(s): Sykes Park

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

\*\* Details in Comparable Property Profile Report

The amenity packages to be included at the subject development will be very similar with those offered at the competitive LIHTC projects surveyed. The subject development does not appear to lack any amenity that would hinder its ability to operate as a Tax Credit project.

#### Competitive Tax Credit Summary

A total of four of the comparable LIHTC properties surveyed are fully occupied and maintain a waiting list and one is in lease-up, absorbing units at a rate of 47 per month (or 35 units per month when considering preleasing efforts). These are clear indications of strong and pent-up demand for LIHTC product in this market. The subject property will offer the only 80% AMHI units among the comparable properties surveyed in the Spartanburg Site PMA. This is expected to create a competitive advantage for the property, as it will provide an affordable rental housing alternative to moderate-income renters that appear to be underserved within the market. However, it is also important to point out that these units have proposed rents which are positioned well above the LIHTC rents offered in the market. Conversely, when considering various factors detailed throughout this report and summarized earlier in our competitive analysis, the subject rents are considered attainable within the Spartanburg Site PMA. At the same time, these rents are also expected to have a slowing impact on the absorption potential for the subject's 80% of AMHI units, as they are untested within the Spartanburg Site PMA. This has been considered throughout our analysis and in our absorption projections. In terms of overall design, the subject project is expected to be very competitive, in regard to unit size (square feet), number of bathrooms, and amenities offered.

## **2. COMPARABLE TAX CREDIT PROPERTIES MAP**

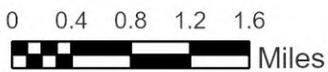
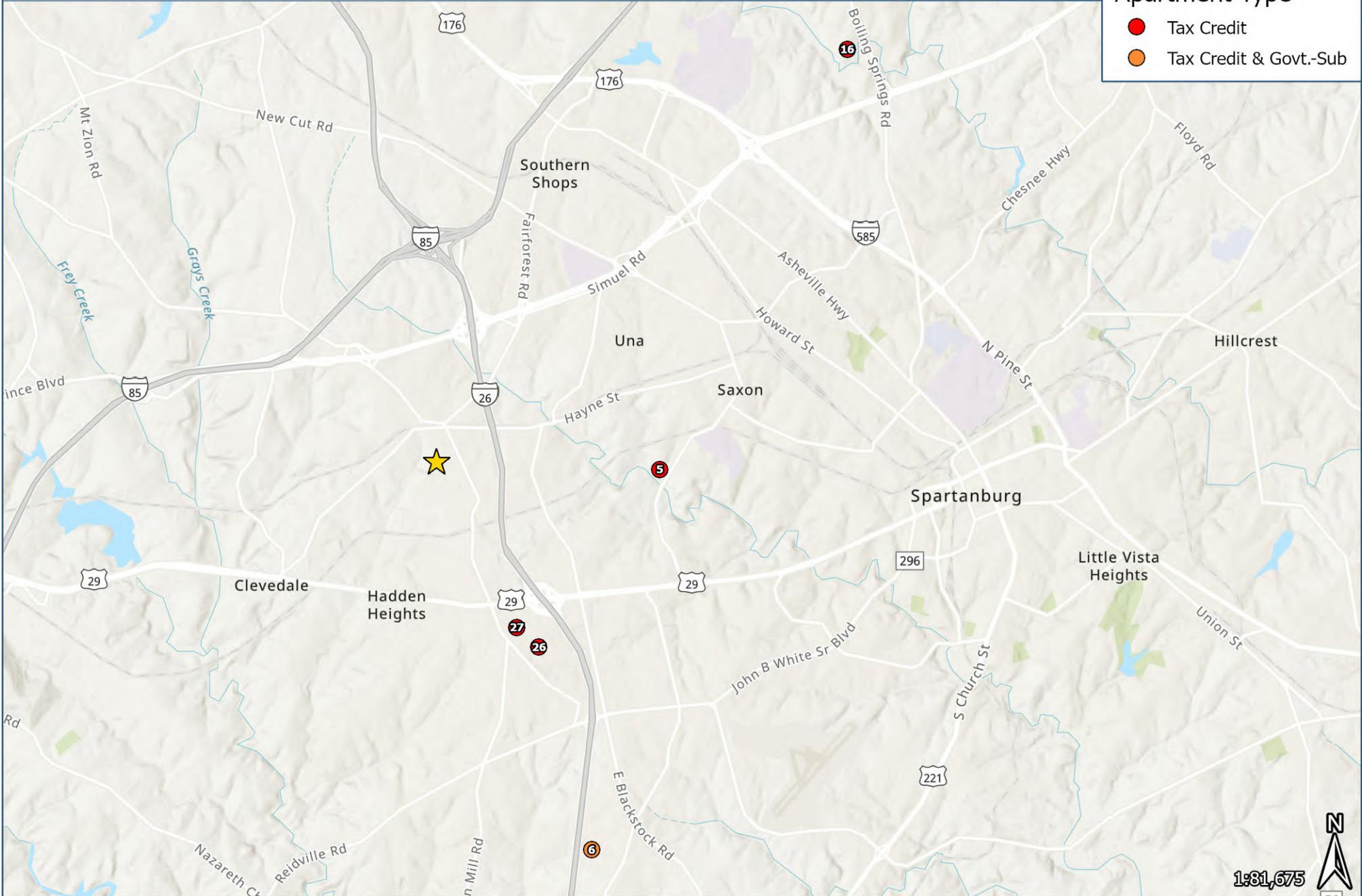
A map illustrating the location of the comparable Tax Credit properties we surveyed is on the following page.

★ Site

**Apartment Type**

● Tax Credit

● Tax Credit & Govt.-Sub



### 3. RENTAL HOUSING OVERVIEW

The distributions of the area housing stock within the Spartanburg Site PMA in 2010 and 2023, are summarized in the following table:

Housing Status	2010 (Census)		2023 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	29,241	87.2%	34,942	90.5%
Owner-Occupied	16,124	55.1%	19,809	56.7%
Renter-Occupied	13,117	44.9%	15,133	43.3%
Vacant	4,298	12.8%	3,679	9.5%
Total	33,539	100.0%	38,621	100.0%

Source: 2010 Census, ESRI, Bowen National Research

In 2023, it is estimated that homeowners occupy 56.7% of all occupied housing units within the market, while the remaining 43.3% are occupied by renters. The share of renters is considered typical of a market of this size.

#### Conventional Apartments

We identified and personally surveyed 28 conventional housing projects containing a total of 4,825 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 95.0%, a good rate for rental housing. The following table summarizes the project types identified in the Site PMA:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	15	3,516	151	95.7%
Tax Credit	4	496	88	82.3%
Tax Credit/Government-Subsidized	7	641	0	100.0%
Government-Subsidized	2	172	0	100.0%
Total	28	4,825	239	95.0%

While the four non-subsidized Tax Credit projects surveyed have a combined occupancy rate of 82.3%, as pointed out earlier in this section, all vacancies among this product type are located at Lawson’s Ridge (Map ID 16), which recently opened in June 2023 and is still within lease-up. Given that all other rental housing segments surveyed are reporting overall occupancy levels no lower than 95.7%, it can be concluded that there are no significant deficiencies within the Spartanburg rental housing market.

Non-Subsidized

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

Market-rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Studio	1.0	46	1.3%	0	0.0%	\$1,189
One-Bedroom	1.0	1,084	30.8%	53	4.9%	\$1,313
One-Bedroom	1.5	20	0.6%	1	5.0%	\$1,158
Two-Bedroom	1.0	90	2.6%	5	5.6%	\$1,339
Two-Bedroom	1.5	12	0.3%	0	0.0%	\$1,323
Two-Bedroom	2.0	1,661	47.2%	74	4.5%	\$1,519
Three-Bedroom	1.5	6	0.2%	0	0.0%	\$1,554
Three-Bedroom	2.0	597	17.0%	18	3.0%	\$1,702
<b>Total Market-rate</b>		<b>3,516</b>	<b>100.0%</b>	<b>151</b>	<b>4.3%</b>	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	104	17.7%	36	34.6%	\$840
Two-Bedroom	1.0	96	16.4%	42	43.8%	\$899
Two-Bedroom	1.5	12	2.0%	0	0.0%	\$948
Two-Bedroom	2.0	134	22.9%	0	0.0%	\$1,090
Three-Bedroom	2.0	164	28.0%	8	4.9%	\$1,027
Three-Bedroom	2.5	58	9.9%	0	0.0%	\$1,194
Four-Bedroom	2.0	18	3.1%	2	11.1%	\$1,156
<b>Total Tax Credit</b>		<b>586</b>	<b>100.0%</b>	<b>88</b>	<b>15.0%</b>	-

As the preceding table illustrates, the median gross non-subsidized Tax Credit rents are well below the corresponding median gross market-rate rents. As such, non-subsidized product likely represents a substantial value to low-income renters within the market.

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

Year Built	Projects	Units	Vacancy Rate
Before 1970	1	107	5.6%
1970 to 1979	1	241	0.0%
1980 to 1989	2	321	4.0%
1990 to 1999	3	883	2.0%
2000 to 2009	5	1,176	3.0%
2010 to 2014	3	512	3.9%
2015	1	28	0.0%
2016 to 2017	0	0	-
2018	1	266	3.0%
2019	0	0	-
2020	1	208	6.3%
2021	0	0	-
2022	0	0	0.0%
2023*	2	360	35.0%

\*As of September

When excluding the two rental communities surveyed built in 2023 that are still in lease up, vacancy levels are no higher than 6.3% when broken out by year built. This illustrates that there is no correlation between age and vacancies within the Spartanburg rental housing market.

As pointed out earlier in this section, the newest Tax Credit community surveyed, Lawson’s Ridge (Map ID 16), opened in June 2023 and has been leasing units at a rate of approximately 47 per month, or 35 units per month when considering preleasing efforts that took place one month prior to opening. The newest market-rate rental project surveyed, Fitzgerald (Map ID 9), opened in May 2023 and has leased 94 units to date, yielding an absorption rate of approximately 23 to 24 units per month. When considering preleasing efforts that took place in January 2023, this property is leasing up at a rate of approximately 12 units per month. These are considered high rates for rental housing and illustrate that this housing type is being very well received within the Spartanburg Site PMA.

We rated each property surveyed on a scale of "A" through "F". All non-subsidized properties surveyed were rated based on quality and overall appearance (i.e. aesthetic appeal, building appearance, landscaping and grounds appearance). Following is a distribution by quality rating, units and vacancies.

Market-rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A+	1	208	6.3%
A	5	1,292	6.5%
A-	3	647	4.0%
B+	4	944	2.6%
B	2	425	0.7%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	2	276	31.9%
B	3	310	0.0%

Excluding those properties still in lease up, vacancy rates are no higher than 6.5% when broken out by quality. As such, it can also be concluded that there is no correlation between appearance and vacancies within the Spartanburg rental housing market.

Government-Subsidized

We identified and surveyed nine rental properties within the Site PMA that offer government-subsidized units. Generally, these properties have few amenities, are older and offer small unit sizes (square feet). The government-subsidized units (both with and without Tax Credits) in the Site PMA are summarized as follows:

Subsidized Tax Credit					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	51	9.3%	0	0.0%
Two-Bedroom	1.0	91	16.5%	0	0.0%
Two-Bedroom	1.5	3	0.5%	0	0.0%
Two-Bedroom	2.0	35	6.4%	0	0.0%
Two-Bedroom	2.5	24	4.4%	0	0.0%
Three-Bedroom	1.0	146	26.5%	0	0.0%
Three-Bedroom	2.0	26	4.7%	0	0.0%
Three-Bedroom	2.5	125	22.7%	0	0.0%
Four-Bedroom	1.0	36	6.5%	0	0.0%
Four-Bedroom	1.5	8	1.5%	0	0.0%
Five-Bedroom	2.0	6	1.1%	0	0.0%
<b>Total Subsidized Tax Credit</b>		<b>551</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>
Government-Subsidized					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	18	10.5%	0	0.0%
Two-Bedroom	1.0	20	11.6%	0	0.0%
Two-Bedroom	1.5	77	44.8%	0	0.0%
Three-Bedroom	1.0	16	9.3%	0	0.0%
Three-Bedroom	2.0	41	23.8%	0	0.0%
<b>Total Subsidized</b>		<b>172</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>

All government-subsidized units surveyed in the market are occupied and maintain a waiting list. This illustrates that pent-up demand exists for very low-income rental housing within the Spartanburg Site PMA.

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

**Tax Credit Property Disclosure:** In addition to the 11 properties surveyed that offer Tax Credit units, we identified six additional properties within the Site PMA that operate under the LIHTC program that we were unable to survey at the time of this report. The known details of these projects based on previous surveys conducted by Bowen National Research in the Spartanburg area and from our review of the state Tax Credit allocation list are summarized in the table on the following page.

Name	Location	Year Built	Total Units	Target Population
500 Northside Station	500 Howard St.	2021	90	Family; Tax Credit & Market-Rate
Ellington Apts.	548 Magnolia St.	2022	50	Senior; Tax Credit
Regency at Blackstock	320 Rosson Ln.	2019	37	Family; Tax Credit
Robert Smalls	561 Wofford St.	2022	190	Family; Subsidized Tax Credit
West Winfield Acres	518 Lavendula St.	1999	40	Family; Tax Credit & Market-Rate
Westview Terrace	1110 Westview Falls Terr.	2023	48	Family; Tax Credit

#### 4. RENTAL HOUSING INVENTORY MAP

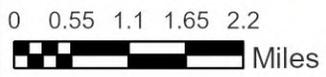
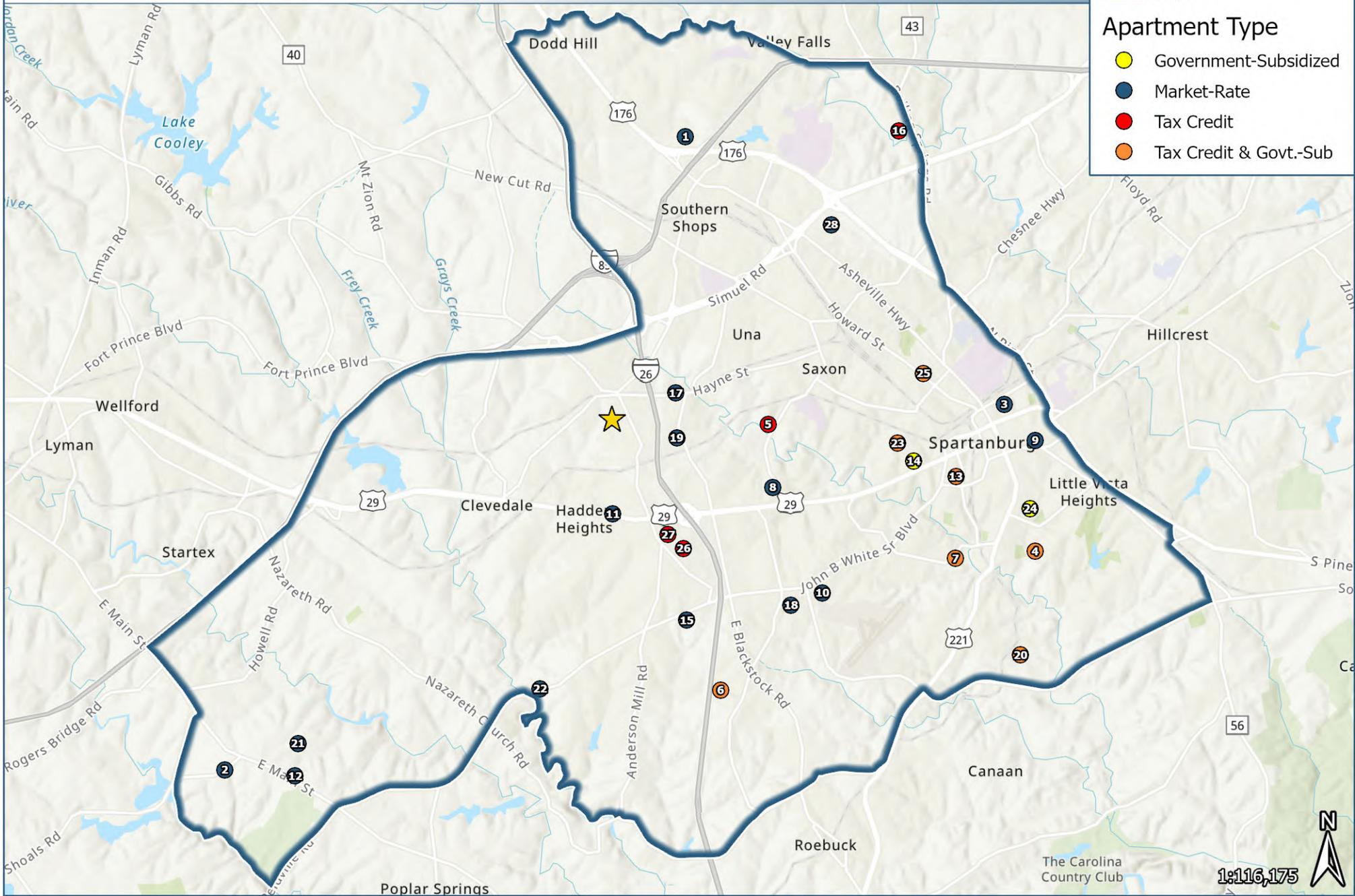
A map identifying the location of all properties surveyed within the Spartanburg Site PMA is on the following page.

★ Site

▬ PMA

**Apartment Type**

- Government-Subsidized
- Market-Rate
- Tax Credit
- Tax Credit & Govt.-Sub



Esri, NASA, NGA, USGS, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA  
Additional Source(s): Bowen National Research



## 5. & 6. PLANNED AND PROPOSED DEVELOPMENTS

According to the planning and building departments of various municipalities in the Spartanburg Site PMA, there are several rental housing communities within the development pipeline in the market, which are summarized in the following table:

Project Name & Address	Type	Units	Developer	Status/Details
<b>Bridge Creek Pointe</b> 1 Oak Forest Road Spartanburg	Tax Credit	90	Prestwick Development	<b>Under Construction:</b> Allocated 2021; 24 one-bedroom units with 800 square feet, nine at 20%, three at 40% and 12 at 60% AMHI; 42 two-bedroom units with 1,070 square feet and two bathrooms, four at 40% and 38 at 60% AMHI; 24 three-bedroom units with 1,340 square feet and two bathrooms, two at 40% and 22 at 60% AMHI; Amenities include a community room, courtyard, laundry room, playground, fitness center, and business center; ECD April 2024.
<b>Fairview Terrace</b> 184 Quinn Drive Duncan	Tax Credit	90	South Creek Development	<b>Proposed:</b> The project will target family households earning up to 50%, 60% and 70% of AMHI under the LIHTC program if funded. Additionally, nine units will target persons with disabilities earning up to 20% of AMHI; one-, two- and three-bedroom garden units; Unit amenities include all appliances, washer/dryer hookups, central air conditioning, walk-in closet, patio/balcony, controlled access, and ceiling fans; Community amenities include a business center, fitness center, community room, picnic area, courtyard, playground, and on-site management.
<b>Timbers at Oak Grove</b> 350 Oak Grove Road Spartanburg	Tax Credit	84	Olympia Development, LLC	<b>Proposed:</b> The project will target senior households ages 55 and older earning up to 20%, 40%, 60% and 80% AMHI if funded; One- and two-bedroom garden units; Unit amenities include all appliances, washer/dryer hookups, central air conditioning, walk-in closet, patio/balcony with storage closet, emergency call system, and ceiling fans; Community amenities include a community room with kitchen, fitness center, business center, laundry room, gazebo, picnic area with grills, business center, TV lounge, elevator, and CCTV/cameras.
<b>1097 Union Street</b> Spartanburg	Market Rate & Affordable	160	Lat Purser and Associates	<b>Proposed:</b> Redevelopment of the former cotton warehouses; One- and two-bedroom apartments; Will include at least 2,000 square feet of retail, commercial, and restaurant space; ten percent of the units will be available for workforce housing for tenants earning at or below 80% AMHI; Announced June 2022.
<b>South Converse and Kennedy Streets</b> Spartanburg	Tax Credit	55	Blue Walls RE LLC	<b>Proposed:</b> 17 studio, 17 one- and 21 two-bedroom units; Plans to apply for LIHTC and be available to residents making no more than 80% AMHI; Construction expected to begin 2023.
<b>307-355 West Main Street</b> Spartanburg	Market Rate	250 to 300	Blackstock Development	<b>Proposed:</b> Expected to be four-stories and include 10,000 square feet of retail space; Announced March 2022.
<b>109 &amp; 111 East Main Street</b> Spartanburg	Market Rate	25	NAI Earle Furman	<b>Proposed:</b> Redevelopment of the former Montgomery Ward department store and new five-story building; One-, two- and three-bedroom units; 5,000 square feet of retail space on the ground floor; Announced May 2022.
<b>Schoolhouse Lofts Phase II</b> 261 Caulder Avenue Spartanburg	Market Rate	50 to 60	Montgomery Development Group	<b>Proposed:</b> Phase II new building; to start early 2024 with 50-60 units behind the current building; Construction expected to begin 2024.
<b>New Hope Farm</b> Highway 29 & Interstate 85 Wellford	Market Rate	28	Evolve Companies LLC	<b>Proposed;</b> Redevelopment of a Victorian house built in 1885; Mixed use with one-, two- and three-bedroom units; Ranging from 800 to 1,300 square feet; Amenities include a fitness center, outdoor swimming pool, pool house, grilling area, pickleball courts, and a dog part; Announced July 2022; ECD 2025

ECD – Estimated Completion Date

While there are various rental communities within the development pipeline in the market that could potentially compete with the subject development, only one of these projects received funding through the Tax Credit program, Bridge Creek Pointe. As such, this project has been considered in our demand estimates illustrated earlier in Section G of this report.

## 7. MARKET ADVANTAGE

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

Based on the current HUD FMRs for the Spartanburg, South Carolina MSA, the following table illustrates the subject project's market advantages:

Bedroom Type	% AMHI	Proposed Collected Rent	Fair Market Rent	Market Advantage
One-Bedroom	40%	\$460	\$854	46.14%
	60%	\$755		11.59%
	80%	\$1,050		-22.95%
Two-Bedroom	40%	\$530	\$965	45.08%
	60%	\$890		7.77%
	80%	\$1,245		-29.02%
Three-Bedroom	40%	\$585	\$1,254	53.35%
	60%	\$995		20.65%
	80%	\$1,405		-12.04%
Four-Bedroom	40%	\$620	\$1,296	52.16%
	60%	\$1,075		17.05%
	80%	\$1,535		-18.44%
<b>Weighted Average</b>				<b>19.12%</b>

As the preceding illustrates, the subject's market advantages range between -29.02% and 53.35%, when compared to the area's HUD FMRs. The weighted average market advantage is 19.12%. Regardless, we have provided an *achievable market rent* analysis for the proposed subject units to determine the true value the proposed rents will represent to low-income renters within the area, which is illustrated later in Addendum C of this report.

## 8. AFFORDABLE HOUSING IMPACT

The anticipated occupancy rates of the existing comparable Tax Credit developments surveyed within the Site PMA following stabilization of the subject property are as follows:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2026
5	Companion at Lee's Crossing I	100.0%	95.0%+
6	Country Garden Estates I & II	100.0%	95.0%+
16	Lawson's Ridge	61.4%	95.0%+
26	Willow Crossing Apts.	100.0%	95.0%+
27	Willow Trace Townhomes	100.0%	95.0%+

Considering the high demand that exists for affordable rental housing within the Site PMA, it is not expected that the subject project will have any negative impact on the existing comparable Tax Credit projects within the Site PMA. A total of four comparable properties are fully occupied and maintain a waiting list, while the newest LIHTC property surveyed, Lawson’s Ridge (Map ID 16), is leasing up at a rate of 47 units per month. Given that all affordable rental housing communities surveyed within the market are performing at very high levels, we expect all Tax Credit projects to operate at or above 95.0% if the subject project is developed.

**9. OTHER HOUSING OPTIONS (BUY VERSUS RENT)**

According to ESRI, the median home value in the Site PMA was \$183,658. At an estimated interest rate of 7.22% and a 30-year term (and 95% LTV), the monthly mortgage for a \$183,658 home is \$1,484, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price – ESRI	\$183,658
Mortgaged Value = 95% Of Median Home Price	\$174,475
Interest Rate – MortgageNewsDaily.Com	7.22%
Term	30
Monthly Principal & Interest	\$1,187
Estimated Taxes & Insurance*	\$297
<b>Estimated Monthly Mortgage Payment:</b>	<b>\$1,484</b>

\*Estimated at 25% of principal and interest.

In comparison, the majority of the proposed collected Tax Credit rents at the site are well below the cost of a typical home in the area. Therefore, it is unlikely that tenants that would qualify to reside at the subject project would be able to afford the monthly payments required to own a home or who would be able to afford the down payment on such a home. As such, we do not anticipate any competitive impact on or from the homebuyer market.

**10. HOUSING VOIDS**

As indicated throughout this section of the report, nearly all comparable LIHTC projects within the market are 100.0% occupied and maintain a waiting list. The one LIHTC property surveyed that does have available units, Lawson’s Ridge (Map ID 16), recently opened in June 2023 and is leasing up units at a rate of approximately 47 per month (or 35 units per month when considering preleasing efforts). These trends illustrate that significant pent-up demand exists for additional affordable rental housing within the Spartanburg Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

Additionally, we did not identify any rental communities within the Spartanburg Site PMA that offer units set aside at 80% of AMHI. This will position the subject project at a market advantage, as it will provide an affordable rental housing alternative to moderate-income renter households who appear to be underserved within the PMA.

## I. Interviews

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

- Hope Smith, Community Engagement Associate for Crescent Hill Apartments (Map ID 7), a government-subsidized Tax Credit community within Spartanburg, confirmed the need for affordable housing in the area. Ms. Smith indicated her property is fully occupied and maintains a waitlist that extends up to 24 months. Ms. Smith added that vacated units are always filled within a month of the vacancy opening, as the demand in the market area is high. (864) 582-7877
- Katherine O’Neill, Chief Economic Development Officer with One Spartanburg Inc., stated there is a need for additional affordable housing in the area. In fact, Spartanburg needs all types of housing across all income levels. Ms. O’Neill explained that the area is experiencing population growth with approximately 20 new residents moving to the Spartanburg area each day. The area is also drawing residents that work from home due to the pandemic. It was noted that Spartanburg has the land space to support new construction of multi-family and single-family homes. (861) 415-9469
- Teresa Moultrie, Director of Leased Housing with the Spartanburg Housing Authority, noted that there is a need for additional affordable housing in the area. Ms. Moultrie stated that rents within Spartanburg have increased drastically and there are more people vying for the same units because they are being priced out of units that used to be affordable.

Additionally, there are approximately 2,187 Housing Choice Vouchers (HCVs) issued within the housing authority’s jurisdiction. However, it was also revealed that approximately 86 issued vouchers are currently going unused, likely due to holders of these vouchers being unable to locate/obtain a quality affordable rental housing unit that will accept the voucher. The waiting list is closed, and it is unknown when it will reopen. Annual turnover within the voucher program is estimated at 220 households. This reflects the continuing need for affordable housing alternatives and/or HCV assistance. (864) 598-6053

## J. Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 164 units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

The project will be very competitive within the market area in terms of amenities and unit sizes. While the proposed rents set aside at 40% and 60% of Area Median Household Income (AMHI) are also competitively positioned, the proposed rents set aside at 80% of AMHI are well above the current LIHTC rents offered in the market. However, given the higher targeted income level at the site and the fact that we did not identify any rental property within the market that offers units at the aforementioned set aside, this will enable such units to charge higher rents. Further, given that these specific subject rents represent market rent advantages of at least 7.53% (as illustrated in Addendum C of this report), it is anticipated that they will be perceived as substantial values in the marketplace. Additionally, the proposed rents set aside at 80% of AMHI are demographically supportable in the market, as evidenced by their capture rate of just 2.1%. Nonetheless, it is anticipated that the subject units set aside at 80% of AMHI will lease up the slowest, as the proposed 80% of AMHI rents are untested within the Spartanburg Site PMA.

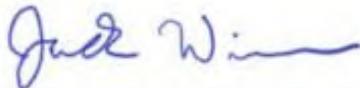
Nearly all general-occupancy LIHTC rental communities surveyed within the market are fully occupied and maintain a waiting list. The one LIHTC property identified and surveyed within the Site PMA that does have availability recently opened in June 2023 and is currently absorbing units at a rate of 47 per month (or 35 units per month when considering preleasing efforts that took place one month prior to opening). These trends illustrate that significant pent-up demand exists for additional affordable rental housing within the market. As shown in the Project Specific Demand Analysis section of this report, with an overall Tax Credit capture rate of just 5.5% (SC Housing maximum threshold is 30%), there is a deep base of support for the subject development within the Spartanburg Site PMA. Therefore, it is our opinion that the subject project will have no significant impact on the existing non-subsidized Tax Credit developments in the market.

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

## K. Signed Statement Requirement

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

Certified:



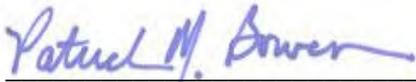
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Jack Wiseman (Primary Contact)  
Market Analyst  
[jackw@bowennational.com](mailto:jackw@bowennational.com)  
Date: September 19, 2023



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Jonathan Kabat  
Market Analyst  
[jonathank@bowennational.com](mailto:jonathank@bowennational.com)  
Date: September 19, 2023



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Patrick M. Bowen  
President/Market Analyst  
Bowen National Research  
155 E. Columbus St., Suite 220  
Pickerington, OH 43147  
(614) 833-9300  
[patrickb@bowennational.com](mailto:patrickb@bowennational.com)  
Date: September 19, 2023

## L. Qualifications

### The Company

Bowen National Research employs an expert staff to ensure that each market study is of the utmost quality. Each staff member has hands-on experience evaluating sites and comparable properties, analyzing market characteristics and trends, and providing realistic recommendations and conclusions. The Bowen National Research staff has the expertise to provide the answers for your development.

### Company Leadership

**Patrick Bowen** is the President of Bowen National Research. He has prepared and supervised thousands of market feasibility studies for all types of real estate products, including affordable family and senior housing, multifamily market-rate housing and student housing, since 1996. He has also prepared various studies for submittal as part of HUD 221(d)(3) & (4), HUD 202 developments and applications for housing for Native Americans. He has also conducted studies and provided advice to city, county and state development entities as it relates to residential development, including affordable and market rate housing, for both rental and for-sale housing. Mr. Bowen has worked closely with many state and federal housing agencies to assist them with their market study guidelines. Mr. Bowen has his bachelor's degree in legal administration (with emphasis on business and law) from the University of West Florida.

**Desireé Johnson** is the Director of Operations for Bowen National Research. Ms. Johnson is responsible for all client relations, the procurement of work contracts, and the overall supervision and day-to-day operations of the company. She has been involved in the real estate market research industry since 2006. Ms. Johnson has an Associate of Applied Science in Office Administration from Columbus State Community College.

### Market Analysts

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

**Jack Wiseman**, Market Analyst, has conducted extensive market research in over 200 markets throughout the United States since 2007. He provides thorough evaluation of site attributes, area competitors, market trends, economic characteristics and a wide range of issues impacting the viability of real estate development. He has evaluated market conditions for a variety of real estate alternatives, including affordable and market-rate apartments, retail and office establishments, student housing, and a variety of senior residential alternatives. Mr. Wiseman has a Bachelor of Arts degree in Economics from Miami University.

**Jeff Peters**, Market Analyst, has conducted on-site inspection and analysis for rental properties throughout the country since 2014. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Peters graduated from The Ohio State University with a Bachelor of Arts in Economics.

**Christopher T. Bunch**, Market Analyst has over ten years of professional experience in real estate, including five years of experience in the real estate market research field. Mr. Bunch is responsible for preparing market feasibility studies for a variety of clients. Mr. Bunch earned a bachelor's degree in Geography with a concentration in Urban and Regional Planning from Ohio University in Athens, Ohio.

**Lisa Goff**, Market Analyst, has conducted site-specific analyses in both rural and urban markets throughout the country. She is also experienced in the day-to-day operation and financing of Low-Income Housing Tax Credit and subsidized properties, which gives her a unique understanding of the impact of housing development on current market conditions.

**Jonathan Kabat**, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market. Mr. Kabat graduated from The Ohio State University with a Bachelor of Art in History and a minor in Geography.

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

**Jacob Serio**, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Serio holds a Bachelor of Science in Business Administration from The Ohio State University.

**Nathan Stelts**, Market Analyst, is experienced in the assessment of housing operating under various programs throughout the country, as well as other development alternatives. He is also experienced in evaluating projects in the development pipeline and economic trends. Mr. Stelts has a Bachelor of Science in Business Administration from Bowling Green State University.

### **Research Staff**

Bowen National Research employs a staff of in-house researchers who are experienced in the surveying and evaluation of all rental and for-sale housing types, as well as in conducting interviews and surveys with city officials, economic development offices, chambers of commerce, housing authorities and residents.

**June Davis**, Office Manager of Bowen National Research, has been in the market feasibility research industry since 1988. Ms. Davis has overseen production on over 20,000 market studies for projects throughout the United States.

**Stephanie Viren** is the Research and Travel Coordinator at Bowen National Research. Ms. Viren focuses on collecting detailed data concerning housing conditions in various markets throughout the United States. Ms. Viren has extensive interviewing skills and experience and also possesses the expertise necessary to conduct surveys of diverse pools of respondents regarding population and housing trends, housing marketability, economic development and other socioeconomic issues relative to the housing industry. Ms. Viren's professional specialty is condominium and senior housing research. Ms. Viren earned a Bachelor of Arts in Business Administration from Heidelberg University.

**Kelly Wiseman**, Research Specialist Director, has significant experience in the evaluation and surveying of housing projects operating under a variety of programs. In addition, she has conducted numerous interviews with experts throughout the country, including economic development, planning, housing authorities and other stakeholders.

## M. Methodologies, Disclaimers & Sources

This market feasibility analysis complies with the requirements established by South Carolina (SC) Housing and conforms to the standards adopted by the National Council of Housing Market Analysts (NCHMA). These standards include the acceptable definitions of key terms used in market studies for affordable housing projects and model standards for the content of market studies for affordable housing projects. The standards are designed to enhance the quality of market studies and to make them easier to prepare, understand and use by market analysts and end users.

### 1. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

- The Primary Market Area (PMA) generated for the proposed site is identified. The PMA is generally described as the smallest geographic area expected to generate most of the support for the proposed project. PMAs are not defined by a radius. The use of a radius is an ineffective approach because it does not consider mobility patterns, changes in the socioeconomic or demographic character of neighborhoods or physical landmarks that might impede development.

PMAs are established using a variety of factors, including, but not limited to:

- A detailed demographic and socioeconomic evaluation
  - Interviews with area planners, realtors and other individuals who are familiar with area growth patterns
  - A drive-time analysis for the site
  - Personal observations of the field analyst
- A field survey of modern apartment developments is conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the apartment market. This is accomplished by an evaluation of unit mix, vacancies, rent levels and overall quality of product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the subject property. The information in this survey was collected through a variety of methods, including phone surveys, in-person visits, email and fax. The contact person for each property is listed in *Addendum A: Field Survey of Conventional Rentals*.

- Two types of directly comparable properties are identified through the field survey. They include other Section 42 LIHTC developments and market-rate developments that offer unit and project amenities similar to those of the proposed development. An in-depth evaluation of these two property types provides an indication of the potential of the proposed development.
- Economic and demographic characteristics of the area are evaluated. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics and area growth perceptions. The demographic evaluation uses the most recently issued Census information and projections that determine what the characteristics of the market will be when the proposed project opens and achieves a stabilized occupancy.
- Area building statistics and interviews with officials familiar with area development provide identification of the properties that might be planned or proposed for the area that will have an impact on the marketability of the proposed development. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, the timing of the project and its impact on the market and the proposed development.
- An analysis of the proposed project's market capture of income-appropriate renter households within the PMA is conducted. This analysis follows SC's Housing's methodology for calculating potential demand. The resulting capture rates are compared with acceptable market capture rates for similar types of projects to determine whether the proposed development's capture rate is achievable.
- Achievable market rent for the proposed subject development is determined. Using a Rent Comparability Grid, the features of the proposed development are compared item by item to the most comparable properties in the market. Adjustments are made for each feature that differs from that of the proposed subject development. These adjustments are then included with the collected rent resulting in an achievable market rent for a unit comparable to the proposed unit. This analysis is done for each bedroom type proposed for the site.

Please note that non-numbered items in this report are not required by SC Housing; they have been included, however, based on Bowen National Research's opinion that it is necessary to consider these details to effectively address the development potential of proposed projects.

## **2. REPORT LIMITATIONS**

The intent of this report is to collect and analyze significant levels of data to forecast the market success of the subject property within an agreed to time period. Bowen National Research relies on a variety of sources of data to generate this report. These data sources are not always verifiable; Bowen National Research, however, makes a significant effort to ensure accuracy. While this is not always possible, we believe our effort provides an acceptable standard margin of error. Bowen National Research is not responsible for errors or omissions in the data provided by other sources.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved. Our compensation is not contingent on an action or event (such as the approval of a loan) resulting from the analyses, opinions, conclusions in or the use of this study.

Any reproduction or duplication of this report without the express approval of Bowen National Research is strictly prohibited.

## **3. SOURCES**

Bowen National Research uses various sources to gather and confirm data used in each analysis. These sources, which are cited throughout this report, include the following:

- The 2010 and 2020 Census on Housing
- American Community Survey
- ESRI
- Applied Geographic Solutions
- Area Chamber of Commerce
- U.S. Department of Labor
- U.S. Department of Commerce
- Management for each property included in the survey
- Local planning and building officials
- Local housing authority representatives
- SC Housing

# ADDENDUM A:

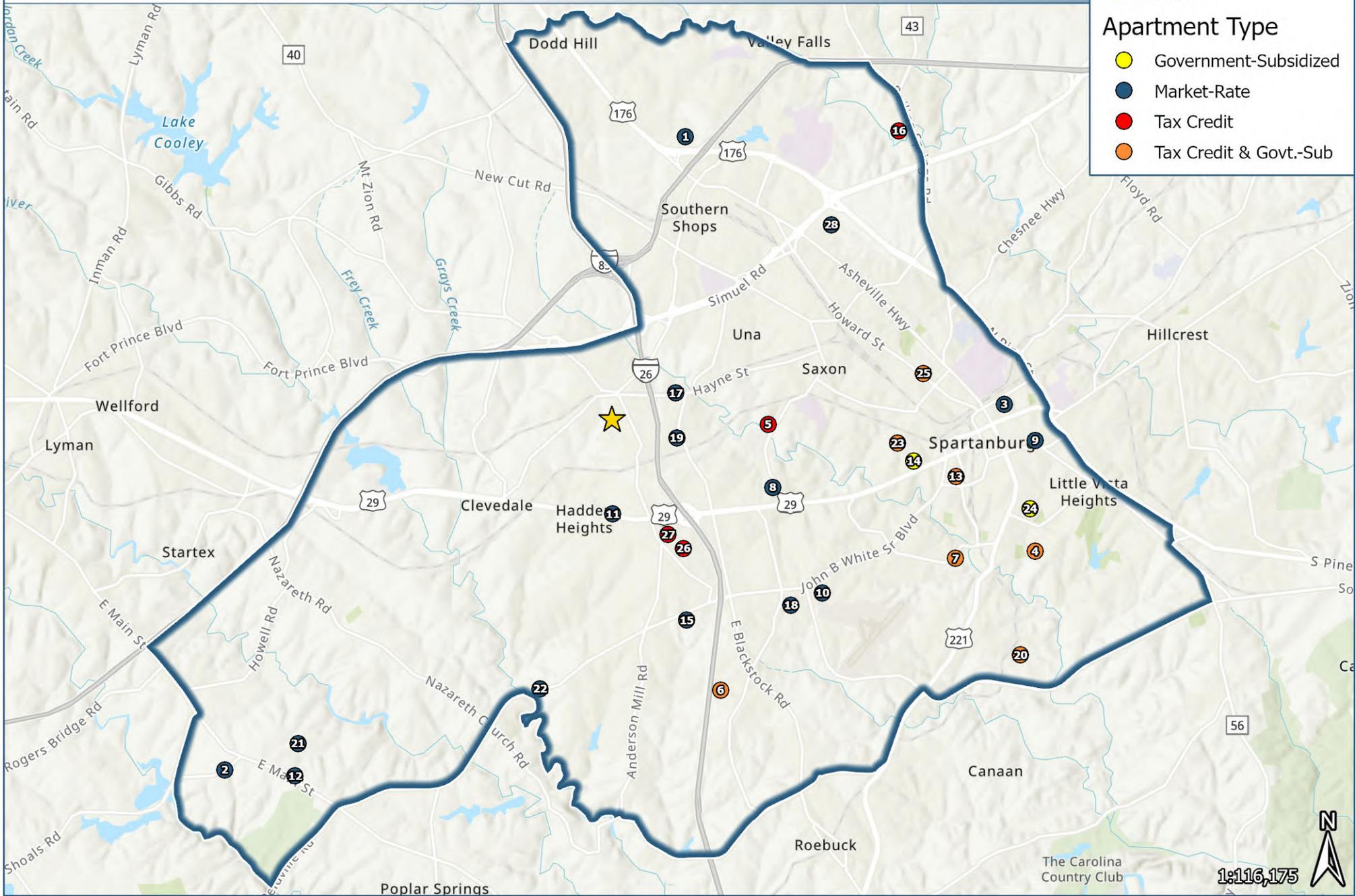
## FIELD SURVEY OF CONVENTIONAL RENTALS

★ Site

▬ PMA

**Apartment Type**

- Government-Subsidized
- Market-Rate
- Tax Credit
- Tax Credit & Govt.-Sub



Esri, NASA, NGA, USGS, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA  
Additional Source(s): Bowen National Research



Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
1	Autumn Park	MRR	A-	2002	198	9	95.5%	4.3
✓ 2	Berry Shoals	MRR	A	2003	248	2	99.2%	8.5
3	Charles on Liberty Street Apts.	MRR	A+	2020	208	13	93.8%	5.6
4	Collins Park & Cottage Grove	TGS	B	2007	108	0	100.0%	6.6
✓ 5	Companion at Lee's Crossing I	TAX	B	2010	192	0	100.0%	3.3
✓ 6	Country Garden Estates I & II	TGS	B	2002	100	0	100.0%	4.7
7	Crescent Hill Apts.	TGS	C	1971	150	0	100.0%	5.4
8	Crown Pointe	MRR	B	1974	241	0	100.0%	3.2
9	Fitzgerald	MRR	A	2023	132	38	71.2%	6.1
10	Georgetown Village & Timberlane	MRR	B+	1989	137	10	92.7%	4.1
11	Grove Apts.	MRR	A-	1998	183	9	95.1%	1.8
✓ 12	Groves at Berry Creek	MRR	A-	2018	266	8	97.0%	7.8
13	Highland Crossing Apts.	TGS	B+	2016	72	0	100.0%	5.3
14	J. Curtis Anderson Town Houses	GSS	A-	2007	54	0	100.0%	4.6
✓ 15	Laurel	MRR	B+	1996	496	7	98.6%	2.8
✓ 16	Lawson's Ridge	TAX	B+	2023	228	88	61.4%	5.6
17	Mayfair Lofts	MRR	B+	1922	107	6	94.4%	1.3
18	Park Place	MRR	B	1986	184	3	98.4%	4.3
✓ 19	Reserve at Park West Apts. I & II	MRR	A	2008	408	19	95.3%	1.7
20	Ridge at Southport	TGS	A	2009	78	0	100.0%	7.7
21	River Falls	MRR	A	2008	232	5	97.8%	8.3
✓ 22	River Run	MRR	A	2010	272	20	92.6%	4.1
23	Summer Place	TGS	A-	2008	53	0	100.0%	4.5
24	Tobias B. Hartwell Campus	GSS	B+	2001	118	0	100.0%	6.8
25	Victoria Garden	TGS	B-	1970	80	0	100.0%	4.4
✓ 26	Willow Crossing Apts.	TAX	B+	2012	48	0	100.0%	1.9
✓ 27	Willow Trace Townhomes	TAX	B	2015	28	0	100.0%	1.9
28	Willows at North End	MRR	B+	1996	204	2	99.0%	4.1

\*Drive distance in miles

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

<b>1</b>	<b>Autumn Park</b> 105 Turning Leaf Cir., Boiling Springs, SC 29316	Contact: Tammy Phone: (864) 814-3322
	Total Units: 198 UC: 0 Occupancy: 95.5% Stories: 3 Year Built: 2002 BR: 1, 2, 3 Vacant Units: 9 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:	
<b>2</b>	<b>Berry Shoals</b> 200 Tralee Dr., Duncan, SC 29334	Contact: Michelle Phone: (864) 486-9808
	Total Units: 248 UC: 0 Occupancy: 99.2% Stories: 3,4 Year Built: 2003 BR: 1, 2, 3 Vacant Units: 2 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range based on floor level & unit location	
<b>3</b>	<b>Charles on Liberty Street Apts.</b> 201 N Liberty St, Spartanburg, SC 29302	Contact: Leanna Phone: (877) 540-1282
	Total Units: 208 UC: 0 Occupancy: 93.8% Stories: 3,4 w/Elevator Year Built: 2020 BR: 0, 1, 2, 3 Vacant Units: 13 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: \$1000 off 1st months rent Notes: Preleasing & opened 12/2020	
<b>4</b>	<b>Collins Park &amp; Cottage Grove</b> 106 Rev. Booker T. Sears St., Spartanburg, SC 29306	Contact: Bri Phone: (864) 598-6256
	Total Units: 108 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2007 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 150 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit & Public Housing (60 units); HUD Section 8 & Tax Credit (48 units); HOPE VI	
<b>5</b>	<b>Companion at Lee's Crossing I</b> 100 Lees Crossing Dr, Spartanburg, SC 29301	Contact: Chris Phone: (864) 481-1422
	Total Units: 192 UC: 0 Occupancy: 100.0% Stories: 3,4 Year Built: 2010 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 3 mos AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; Tax Credit Bond	

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



<b>6</b>	<b>Country Garden Estates I &amp; II</b>		Contact: Carolyn		
	346 N Sunflower Way, Moore, SC 29369		Phone: (864) 574-0072		
	Total Units: 100	UC: 0	Occupancy: 100.0%	Stories: 1,2	Year Built: 2002
	BR: 1, 2, 3		Vacant Units: 0	Waitlist: 30 HH	AR Year:
	Target Population: Family				Yr Renovated:
	Rent Special: None				
	Notes: Tax Credit (90 units); PBV/RAD & Tax Credit (10 units); HOPE VI				

<b>7</b>	<b>Crescent Hill Apts.</b>		Contact: Hope		
	108 Pineneedle Dr., Spartanburg, SC 29306		Phone: (864) 582-7877		
	Total Units: 150	UC: 0	Occupancy: 100.0%	Stories: 2	Year Built: 1971
	BR: 2, 3, 4		Vacant Units: 0	Waitlist: 3-24 mos	AR Year:
	Target Population: Family				Yr Renovated: 2001
	Rent Special: None				
	Notes: Tax Credit; HUD Section 8				

<b>8</b>	<b>Crown Pointe</b>		Contact: Adriana		
	201 Powell Mill Rd., Spartanburg, SC 29301		Phone: (864) 576-7670		
	Total Units: 241	UC: 0	Occupancy: 100.0%	Stories: 2,3	Year Built: 1974
	BR: 1, 2, 3		Vacant Units: 0	Waitlist: None	AR Year:
	Target Population: Family				Yr Renovated: 2007
	Rent Special: None				
	Notes:				

<b>9</b>	<b>Fitzgerald</b>		Contact: Alexis		
	327 E Kennedy St, Spartanburg, SC 29302		Phone: (855) 641-1431		
	Total Units: 132	UC: 0	Occupancy: 71.2%	Stories: 4	w/Elevator Year Built: 2023
	BR: 1, 2, 3		Vacant Units: 38	Waitlist: None	AR Year:
	Target Population: Family				Yr Renovated:
	Rent Special: None				
	Notes:				

<b>10</b>	<b>Georgetown Village &amp; Timberlane</b>		Contact: Megan		
	106 Kensington Dr, Spartanburg, SC 29306		Phone: (864) 641-6423		
	Total Units: 137	UC: 27	Occupancy: 92.7%	Stories: 2,3	Year Built: 1989
	BR: 1, 2, 3		Vacant Units: 10	Waitlist: None	AR Year:
	Target Population: Family				Yr Renovated:
	Rent Special: None				
	Notes: 27 units under renovation, ECD 11/2023				

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

11		<b>Grove Apts.</b> 315 Birchrun Dr., Spartanburg, SC 29301		Contact: Natallie Phone: (864) 661-5765	
		Total Units: 183    UC: 0    Occupancy: 95.1%    Stories: 3    Year Built: 1998 BR: 0, 1, 2, 3    Vacant Units: 9    Waitlist: None    AR Year: Target Population: Family    Yr Renovated: 2014 Rent Special: None Notes:			

12		<b>Groves at Berry Creek</b> 101 Halehaven Dr, Duncan, SC 29334		Contact: Julia Phone: (864) 660-0546	
		Total Units: 266    UC: 0    Occupancy: 97.0%    Stories: 3    Year Built: 2018 BR: 1, 2, 3    Vacant Units: 8    Waitlist: None    AR Year: Target Population: Family    Yr Renovated: Rent Special: \$300 off first month rent Notes:			

13		<b>Highland Crossing Apts.</b> 230 Highland Ave., Spartanburg, SC 29306		Contact: Penny Phone: (864) 586-3107	
		Total Units: 72    UC: 0    Occupancy: 100.0%    Stories: 2,3    Year Built: 2016 BR: 1, 2, 3    Vacant Units: 0    Waitlist: 173 HH    AR Year: Target Population: Family    Yr Renovated: Rent Special: None Notes: Tax Credit; PBV/PBRA			

14		<b>J. Curtis Anderson Town Houses</b> 770 Baltimore St., Spartanburg, SC 29301		Contact: Katie Phone: (864) 598-6060	
		Total Units: 54    UC: 0    Occupancy: 100.0%    Stories: 1,2    Year Built: 2007 BR: 1, 2, 3    Vacant Units: 0    Waitlist: Yes    AR Year: Target Population: Family    Yr Renovated: Rent Special: None Notes: Public Housing; Part of HOPE VI			

15		<b>Laurel</b> 200 Heath Ln, Spartanburg, SC 29301		Contact: Sharron Phone: (864) 664-2369	
		Total Units: 496    UC: 0    Occupancy: 98.6%    Stories: 2,3    Year Built: 1996 BR: 1, 2, 3    Vacant Units: 7    Waitlist: None    AR Year: Target Population: Family    Yr Renovated: Rent Special: None Notes: Phase II built in 1998; Phase III built in 2003; Rent range based on phase & unit amenities; Rents change daily			

✓ Comparable Property ♦ Senior Restricted (MRR) Market-Rate (MRT) Market-Rate & Tax Credit (MRG) Market-Rate & Government-Subsidized (MIN) Market-Rate & Income-Restricted (not LIHTC)	(MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized (TAX) Tax Credit (TGS) Tax Credit & Government-Subsidized (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC) (TIN) Tax Credit & Income-Restricted (not LIHTC) (TMG) Tax Credit, Market-Rate & Government-Subsidized	(TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized (INR) Income-Restricted (not LIHTC) (ING) Income-Restricted (not LIHTC) & Government-Subsidized (GSS) Government-Subsidized (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
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<b>16</b>	<b>Lawson's Ridge</b> 421 Old Boiling Springs Rd, Spartanburg, SC 29303	Contact: Andrea Mayes Phone: (803) 744-9229
	 <p>Total Units: 228 UC: 0 Occupancy: 61.4% Stories: 3 Year Built: 2023                  BR: 1, 2, 3, 4 Vacant Units: 88 Waitlist: None AR Year:                  Target Population: Family Yr Renovated:                  Rent Special: None                  Notes: Tax Credit; Preleasing 5/2023, opened 6/2023, still in lease-up</p>	

<b>17</b>	<b>Mayfair Lofts</b> 100 W. Cleveland St., Spartanburg, SC 29301	Contact: Sue Phone: (864) 576-1073
	 <p>Total Units: 107 UC: 0 Occupancy: 94.4% Stories: 4 w/Elevator Year Built: 1922                  BR: 1, 2 Vacant Units: 6 Waitlist: None AR Year: 2007                  Target Population: Family Yr Renovated:                  Rent Special: None                  Notes: Higher rent for 2-br remodeled units</p>	

<b>18</b>	<b>Park Place</b> 110 Southport Rd, Spartanburg, SC 29306	Contact: Jewell Phone: (864) 576-4319
	 <p>Total Units: 184 UC: 0 Occupancy: 98.4% Stories: 2 Year Built: 1986                  BR: 1, 2, 3 Vacant Units: 3 Waitlist: None AR Year:                  Target Population: Family Yr Renovated:                  Rent Special: None                  Notes: Rents change daily</p>	



<b>19</b>	<b>Reserve at Park West Apts. I &amp; II</b> 100 Keats Dr., Spartanburg, SC 29301	Contact: Melissa Phone: (864) 208-0900
	 <p>Total Units: 408 UC: 0 Occupancy: 95.3% Stories: 3 Year Built: 2008                  BR: 1, 2, 3 Vacant Units: 19 Waitlist: None AR Year:                  Target Population: Family Yr Renovated:                  Rent Special: 1-br &amp; 3-br: \$500 off the 1st full months rent                  Notes: Rents change daily; Phase II (144 units); Rent range based on phase</p>	

<b>20</b>	<b>Ridge at Southport</b> 305 Grand Central Ave., Spartanburg, SC 29306	Contact: Keri Phone: (864) 598-6190
	 <p>Total Units: 78 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2009                  BR: 1, 2, 3 Vacant Units: 0 Waitlist: 999 HH AR Year:                  Target Population: Family Yr Renovated:                  Rent Special: None                  Notes: Tax Credit &amp; Public Housing (52 units); HUD Section 8 &amp; Tax Credit (26 units); HOPE VI</p>	

<ul style="list-style-type: none"> <li> Comparable Property</li> <li> Senior Restricted</li> <li> (MRR) Market-Rate</li> <li> (MRT) Market-Rate &amp; Tax Credit</li> <li> (MRG) Market-Rate &amp; Government-Subsidized</li> <li> (MIN) Market-Rate &amp; Income-Restricted (not LIHTC)</li> </ul>	<ul style="list-style-type: none"> <li> (MIG) Market-Rate, Income-Restricted (not LIHTC) &amp; Govt-Subsidized</li> <li> (TAX) Tax Credit</li> <li> (TGS) Tax Credit &amp; Government-Subsidized</li> <li> (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)</li> <li> (TIN) Tax Credit &amp; Income-Restricted (not LIHTC)</li> <li> (TMG) Tax Credit, Market-Rate &amp; Government-Subsidized</li> </ul>	<ul style="list-style-type: none"> <li> (TIG) Tax Credit, Income-Restricted (not LIHTC) &amp; Govt-Subsidized</li> <li> (INR) Income-Restricted (not LIHTC)</li> <li> (ING) Income-Restricted (not LIHTC) &amp; Government-Subsidized</li> <li> (GSS) Government-Subsidized</li> <li> (ALL) Tax Credit, Market-Rate, Govt-Subsidized &amp; Income-Restricted</li> </ul>
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21	River Falls 105 Churchill Falls Dr, Duncan, SC 29334		Contact: Mellisa Phone: (864) 486-1119	
		Total Units: 232 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes: Rents change daily	Occupancy: 97.8% Vacant Units: 5	Stories: 3,4 Waitlist: None

22	River Run 901 Meridian River Run, Spartanburg, SC 29301		Contact: Trey Phone: (864) 595-7474	
		Total Units: 272 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes: Phase II opened in 2016; Rent range based on floor level & view	Occupancy: 92.6% Vacant Units: 20	Stories: 3,4 Waitlist: None

23	Summer Place 700 Vanderbilt Rd, Spartanburg, SC 29301		Contact: Tanya Phone: (864) 598-6045	
		Total Units: 53 UC: 0 BR: 3 Target Population: Family Rent Special: None Notes: Tax Credit; HUD Section 8; Part of HOPE VI	Occupancy: 100.0% Vacant Units: 0	Stories: 1,2 Waitlist: 100 HH

24	Tobias B. Hartwell Campus 154 Geo. Washington Carver Dr., Spartanburg, SC 29306		Contact: Katie Phone: (864) 598-6060	
		Total Units: 118 UC: 0 BR: 2, 3 Target Population: Family Rent Special: None Notes: Public Housing	Occupancy: 100.0% Vacant Units: 0	Stories: 1,2 Waitlist: Yes

25	Victoria Garden 695 Howard St., Spartanburg, SC 29303		Contact: Kathy Phone: (864) 598-6090	
		Total Units: 80 UC: 0 BR: 1, 2, 3, 4, 5 Target Population: Family Rent Special: None Notes: Tax Credit; PBV/PBRA RAD	Occupancy: 100.0% Vacant Units: 0	Stories: 2 Waitlist: Yes

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



26	Willow Crossing Apts. 101 Willow Crossing Ln, Spartanburg, SC 29301		Contact: Lee Phone: (864) 699-9965	
		Total Units: 48 UC: 0 BR: 2, 3 Target Population: Family Rent Special: None Notes: Tax Credit	Occupancy: 100.0% Vacant Units: 0	Stories: 2 Waitlist: 24 mos



27	Willow Trace Townhomes 300 Willow Crossing Ln., Spartanburg, SC 29301		Contact: Lee Phone: (864) 327-8496	
		Total Units: 28 UC: 0 BR: 2, 3 Target Population: Family Rent Special: None Notes: Tax Credit	Occupancy: 100.0% Vacant Units: 0	Stories: 2 Waitlist: 14 HH

28	Willows at North End 425 Willowdale Dr., Spartanburg, SC 29303		Contact: LeAnna Phone: (864) 664-2470	
		Total Units: 204 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes:	Occupancy: 99.0% Vacant Units: 2	Stories: 3 Waitlist: None

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

Source: Spartanburg Housing Authority  
Effective: 11/2023

Monthly Dollar Allowances

		Garden						Townhome					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	16	19	22	25	28	31	16	19	22	25	28	31
	+Base Charge	9	9	9	9	9	9	9	9	9	9	9	9
	Bottled Gas	65	81	92	100	111	127	65	81	92	100	111	127
	Electric	17	20	26	32	38	44	17	20	26	32	38	44
	Heat Pump	15	18	21	24	26	29	15	18	21	24	26	29
	Oil	46	53	63	70	76	83	46	53	63	70	76	83
Cooking	Natural Gas	3	3	5	6	8	9	3	3	5	6	8	9
	Bottled Gas	12	12	19	27	35	38	12	12	19	27	35	38
	Electric	6	8	11	14	18	21	6	8	11	14	18	21
Other Electric	24	29	40	51	62	73	24	29	40	51	62	73	
+Base Charge	13	13	13	13	13	13	13	13	13	13	13	13	13
Air Conditioning	10	12	16	21	26	30	10	12	16	21	26	30	
Water Heating	Natural Gas	7	8	13	16	20	23	7	8	13	16	20	23
	Bottled Gas	27	31	46	58	73	84	27	31	46	58	73	84
	Electric	15	18	23	28	33	38	15	18	23	28	33	38
	Oil	17	20	30	40	50	56	17	20	30	40	50	56
Water	22	22	28	34	40	46	22	22	28	34	40	46	
Sewer	47	49	67	84	101	119	47	49	67	84	101	119	
Trash Collection	15	15	15	15	15	15	15	15	15	15	15	15	
Internet*	20	20	20	20	20		20	20	20	20	20		
Cable*	20	20	20	20	20		20	20	20	20	20		
Alarm Monitoring*													

\* Estimated- not from source

## Addendum B – Member Certification & Checklist

This market study has been prepared by Bowen National Research, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the *Standard Definitions of Key Terms Used in Market Studies for Housing Projects*, and *Model Content Standards for the Content of Market Studies for Housing Projects*. These Standards are designed to enhance the quality of market studies and to make them easier to prepare, understand, and use by market analysts and by the end users. These Standards are voluntary only, and no legal responsibility regarding their use is assumed by the National Council of Housing Market Analysts.

Bowen National Research is duly qualified and experienced in providing market analysis for Housing. The company's principals participate in the National Council of Housing Market Analysts (NCHMA) educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Bowen National Research is an independent market analyst. No principal or employee of Bowen National Research has any financial interest whatsoever in the development for which this analysis has been undertaken.

Certified:

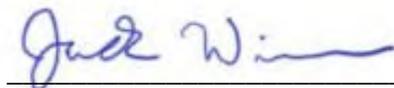


Patrick M. Bowen

President

[patrickb@bowennational.com](mailto:patrickb@bowennational.com)

Date: September 19, 2023



Jack Wiseman (Primary Contact)

Market Analyst

[jackw@bowennational.com](mailto:jackw@bowennational.com)

Date: September 19, 2023

Note: Information on the National Council of Housing Market Analysts may be obtained by calling 202-939-1750, or by visiting <http://www.housingonline.com>.

## ADDENDUM-MARKET STUDY INDEX

### A. INTRODUCTION

Members of the National Council of Housing Market Analysts provide a checklist referencing all components of their market study. This checklist is intended to assist readers on the location content of issues relevant to the evaluation and analysis of market studies.

### B. DESCRIPTION AND PROCEDURE FOR COMPLETING

The following components have been addressed in this market study. The section number of each component is noted below. Each component is fully discussed in that section. In cases where the item is not relevant, the author has indicated 'N/A' or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a 'VAR' (variation) with a comment explaining the conflict.

### C. CHECKLIST

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

**CHECKLIST (Continued)**

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

**CHECKLIST (Continued)**

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

## Addendum C – Achievable Market Rent Analysis

### A. INTRODUCTION

We identified five market-rate properties within the Spartanburg Site PMA that we consider comparable in terms of unit and project amenities to the proposed subject development. These selected properties are used to derive market rent for a project with characteristics similar to the proposed subject development and the subject property's market advantage. It is important to note that, for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the proposed subject units without maximum income and rent restrictions.

The basis for the selection of these projects includes, but is not limited to, the following factors:

- Surrounding neighborhood characteristics
- Target market (seniors, families, disabled, etc.)
- Unit types offered (garden or townhouse, bedroom types, etc.)
- Building type (single-story, midrise, high-rise, etc.)
- Unit and project amenities offered
- Age and appearance of property

Since it is unlikely that any two properties are identical, we adjust the collected rent (the actual rent paid by tenants) of the selected properties according to whether or not they compare favorably with the subject development. Rents of projects that have additional or better features than the subject site are adjusted negatively, while projects with inferior or fewer features are adjusted positively. For example, if the proposed subject project does not have a washer or dryer and a selected property does, then we lower the collected rent of the selected property by the estimated value of a washer and dryer to derive an *achievable market rent* for a project similar to the proposed project.

The rent adjustments used in this analysis are based on various sources, including known charges for additional features within the Site PMA, estimates made by area property managers and realtors, quoted rental rates from furniture rental companies and Bowen National Research's prior experience in markets nationwide.

It is important to note that one or more of the selected properties may be more similar to the subject property than others. These properties are given more weight in terms of reaching the final achievable market rent determination. While monetary adjustments are made for various unit and project features, the final market rent determination is based upon the judgments of our market analysts.

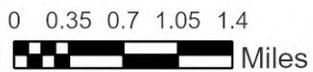
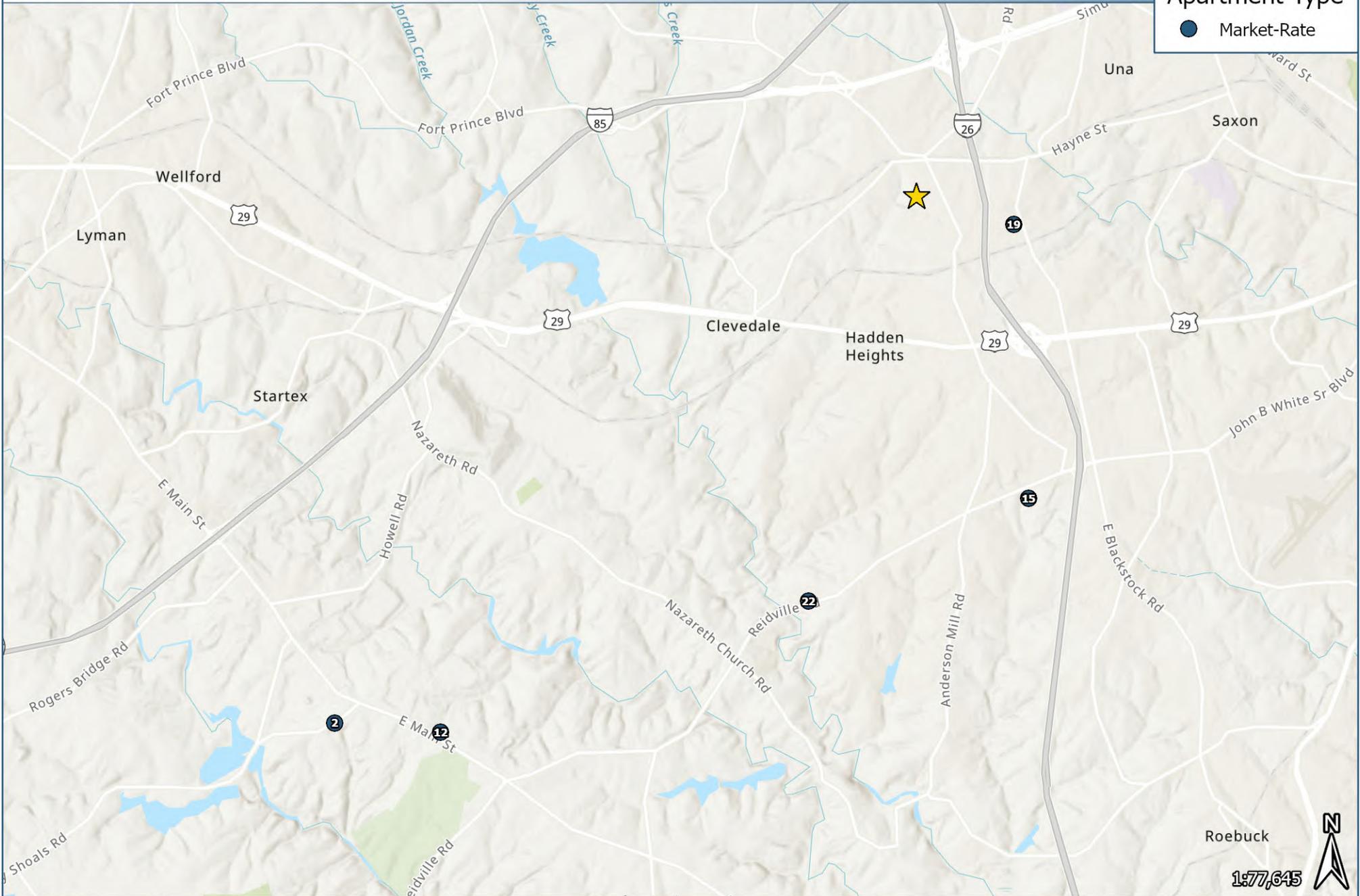
The proposed subject development and the five selected properties include the following:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)			
					One-Br.	Two-Br.	Three-Br.	Four-Br.
<b>Site</b>	<b>Sykes Park</b>	<b>2026</b>	<b>164</b>	<b>-</b>	<b>18 (-)</b>	<b>24 (-)</b>	<b>86 (-)</b>	<b>36 (-)</b>
2	Berry Shoals	2003	248	99.2%	84 (100.0%)	112 (100.0%)	52 (96.2%)	-
12	Groves at Berry Creek	2018	266	97.0%	80 (97.5%)	160 (97.5%)	26 (92.3%)	-
15	Laurel	1996	496	98.6%	163 (97.5%)	253 (99.2%)	80 (98.8%)	-
19	Reserve at Park West Apts. I & II	2008	408	95.3%	138 (96.4%)	176 (94.3%)	94 (95.7%)	-
22	River Run	2010	272	92.6%	68 (95.6%)	120 (90.0%)	84 (94.0%)	-

Occ. – Occupancy

The five selected market-rate projects have a combined total of 1,690 units with an overall occupancy rate of 96.7%, a strong rate for rental housing. This demonstrates that these comparable properties have been well-received within the market and will serve as accurate benchmarks with which to compare to the subject project.

The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate the adjustments made (as needed) for various features and location or neighborhood characteristics, as well as quality differences that exist among the selected properties and the proposed subject development. Preceding the Rent Comparability Grids is a map of the comparable market-rate properties in relation to the location of the subject project.



**Rent Comparability Grid**

Unit Type → **ONE-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Sykes Park		Berry Shoals		Groves at Berry Creek		Laurel		Reserve at Park West Apts. I & II		River Run	
Near 300 Old Blackstock Road		200 Tralee Dr.		101 Halehaven Dr		200 Heath Ln		100 Keats Dr.		901 Meridian River Run	
Spartanburg, SC		Duncan, SC		Duncan, SC		Spartanburg, SC		Spartanburg, SC		Spartanburg, SC	
<b>A. Rents Charged</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
1	\$ Last Rent / Restricted?	\$1,235		\$1,270		\$1,316		\$1,110		\$1,233	
2	Date Surveyed	Sep-23		Aug-23		Aug-23		Aug-23		Aug-23	
3	Rent Concessions	None		Yes (\$25)		None		Yes (\$42)		None	
4	Occupancy for Unit Type	100%		98%		98%		96%		96%	
5	Effective Rent & Rent/ sq. ft	\$1,235	1.42	\$1,245	1.48	\$1,316	1.72	\$1,068	1.29	\$1,233	1.35
<b>B. Design, Location, Condition</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
6	Structure / Stories	WU/3		WU/3		WU/2,3		WU/3		WU/3,4	
7	Yr. Built/Yr. Renovated	2026	\$23	2018	\$8	2003	\$23	2008	\$18	2016	\$10
8	Condition/Street Appeal	E		E		G	\$15	E		E	
9	Neighborhood	G		G		E (\$10)		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
<b>C. Unit Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
11	# Bedrooms	1		1		1		1		1	
12	# Baths	1		1		1		1		1	
13	Unit Interior Sq. Ft.	823	(\$18)	840	(\$6)	764	\$22	828	(\$2)	916	(\$34)
14	Patio/Balcony/Sunroom	Y		N	\$5	Y		Y		Y	
15	AC: Central/Wall	C		C		C		C		C/W	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		Y/Y		Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	HU/L		HU	\$5	HU/L		HU/L		W/D	(\$25)
19	Floor Coverings	C/V		C/V		C/W/V		C/V		C/V	
20	Cable Included?	N		N		N		N		Y	(\$30)
21	Secured Entry	N		Y	(\$3)	N		Y	(\$3)	Y	(\$3)
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fan/Storage	Y/N		Y/N		Y/N		Y/N		Y/Y	(\$5)
<b>D. Site Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
24	Parking ( \$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y	\$5	Y		N	\$5	N	\$5	N	\$5
27	Community Space	Y		N	\$5	Y		Y		Y	
28	Pool/Recreation Areas	F	(\$10)	P/F	(\$10)	P/F	(\$10)	P/F/S/L/MT	(\$19)	P/F	(\$10)
29	Business/Computer Center	Y		N	\$3	Y		Y		Y	
30	Grilling Area	N	(\$3)	Y	(\$3)	Y	(\$3)	Y	(\$3)	Y	(\$3)
31	Playground	Y		N	\$3	Y		Y		Y	
32	Social Services	N		N		N		N		N	
<b>E. Utilities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		Y/Y	(\$71)
39	Trash/Recycling	Y/N	\$15	Y/N		Y/N		Y/N		Y/N	
<b>F. Adjustments Recap</b>		<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>
40	# Adjustments B to D	2	3	6	4	4	3	2	4	2	7
41	Sum Adjustments B to D	\$28	(\$31)	\$29	(\$22)	\$65	(\$23)	\$23	(\$27)	\$15	(\$110)
42	Sum Utility Adjustments	\$15									(\$71)
		<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>
43	Net/ Gross Adjmts B to E	\$12	\$74	\$7	\$51	\$42	\$88	(\$4)	\$50	(\$166)	\$196
<b>G. Adjusted &amp; Market Rents</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44	Adjusted Rent (5+ 43)	\$1,247		\$1,252		\$1,358		\$1,064		\$1,067	
45	Adj Rent/Last rent		101%		101%		103%		100%		87%
46	Estimated Market Rent	\$1,215	\$1.48 ←	Estimated Market Rent/ Sq. Ft							

**Rent Comparability Grid**

Unit Type →

**TWO-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Sykes Park		Berry Shoals		Groves at Berry Creek		Laurel		Reserve at Park West Apts. I & II		River Run	
Near 300 Old Blackstock Road		200 Tralee Dr.		101 Halehaven Dr		200 Heath Ln		100 Keats Dr.		901 Meridian River Run	
Spartanburg, SC		Duncan, SC		Duncan, SC		Spartanburg, SC		Spartanburg, SC		Spartanburg, SC	
<b>A. Rents Charged</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
1	\$ Last Rent / Restricted?	\$1,325		\$1,440		\$1,440		\$1,247		\$1,363	
2	Date Surveyed	Sep-23		Aug-23		Aug-23		Aug-23		Aug-23	
3	Rent Concessions	None		Yes (\$25)		None		None		None	
4	Occupancy for Unit Type	100%		98%		99%		94%		90%	
5	Effective Rent & Rent/ sq. ft	\$1,325	1.27	\$1,415	1.38	\$1,440	1.38	\$1,247	1.06	\$1,363	1.26
<b>B. Design, Location, Condition</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
6	Structure / Stories	WU/3		WU/3		WU/2,3		WU/3		WU/3,4	
7	Yr. Built/Yr. Renovated	2026	\$23	2018	\$8	2003	\$23	2008	\$18	2016	\$10
8	Condition/Street Appeal	E		E		G	\$15	E		E	
9	Neighborhood	G		G		E (\$10)		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
<b>C. Unit Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
11	# Bedrooms	2		2		2		2		2	
12	# Baths	1	(\$30)	2	(\$30)	2	(\$30)	2	(\$30)	2	(\$30)
13	Unit Interior Sq. Ft.	1001	(\$12)	1022	(\$7)	1040	(\$12)	1173	(\$55)	1086	(\$27)
14	Patio/Balcony/Sunroom	Y		N	\$5	Y		Y		Y	
15	AC: Central/Wall	C		C		C		C		C/W	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		Y/Y		Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	HU/L		HU	\$5	HU/L		HU/L		W/D	(\$25)
19	Floor Coverings	C/V		C/V		C/W/V		C/V		C/V	
20	Cable Included?	N		N		N		N		Y	(\$30)
21	Secured Entry	N		Y	(\$3)	N		Y	(\$3)	Y	(\$3)
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fan/Storage	Y/N		Y/N		Y/N		Y/N		Y/Y	(\$5)
<b>D. Site Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
24	Parking ( \$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y	\$5	Y		N	\$5	N	\$5	N	\$5
27	Community Space	Y		N	\$5	Y		Y		Y	
28	Pool/Recreation Areas	F	(\$10)	P/F	(\$10)	P/F	(\$10)	P/F/S/L/MT	(\$19)	P/F	(\$10)
29	Business/Computer Center	Y		N	\$3	Y		Y		Y	
30	Grilling Area	N	(\$3)	Y	(\$3)	Y	(\$3)	Y	(\$3)	Y	(\$3)
31	Playground	Y		N	\$3	Y		Y		Y	
32	Social Services	N		N		N		N		N	
<b>E. Utilities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		Y/Y	(\$95)
39	Trash/Recycling	Y/N	\$15	Y/N		Y/N		Y/N		Y/N	
<b>F. Adjustments Recap</b>		<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>
40	# Adjustments B to D	2	4	6	5	3	5	2	5	2	8
41	Sum Adjustments B to D	\$28	(\$55)	\$29	(\$53)	\$43	(\$65)	\$23	(\$110)	\$15	(\$133)
42	Sum Utility Adjustments	\$15									(\$95)
		<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>
43	Net/ Gross Adjmts B to E	(\$12)	\$98	(\$24)	\$82	(\$22)	\$108	(\$87)	\$133	(\$213)	\$243
<b>G. Adjusted &amp; Market Rents</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44	Adjusted Rent (5+ 43)	\$1,313		\$1,391		\$1,418		\$1,160		\$1,150	
45	Adj Rent/Last rent		99%		98%		98%		93%		84%
46	Estimated Market Rent	\$1,355		\$1.35 ←		Estimated Market Rent/ Sq. Ft					

**Rent Comparability Grid**

Unit Type → **THREE-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Sykes Park		Berry Shoals		Groves at Berry Creek		Laurel		Reserve at Park West Apts. I & II		River Run	
Near 300 Old Blackstock Road		200 Tralee Dr.		101 Halehaven Dr		200 Heath Ln		100 Keats Dr.		901 Meridian River Run	
Spartanburg, SC		Duncan, SC		Duncan, SC		Spartanburg, SC		Spartanburg, SC		Spartanburg, SC	
<b>A. Rents Charged</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
1	\$ Last Rent / Restricted?	\$1,545		\$1,770		\$1,643		\$1,378		\$1,563	
2	Date Surveyed	Sep-23		Aug-23		Aug-23		Aug-23		Aug-23	
3	Rent Concessions	None		Yes (\$25)		None		Yes (\$42)		None	
4	Occupancy for Unit Type	96%		92%		99%		96%		94%	
5	Effective Rent & Rent/ sq. ft	\$1,545	1.22	\$1,745	1.34	\$1,643	1.45	\$1,336	1.08	\$1,563	1.22
<b>B. Design, Location, Condition</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
6	Structure / Stories	WU/3		WU/3		WU/2,3		WU/3		WU/3,4	
7	Yr. Built/Yr. Renovated	2026	\$23	2018	\$8	2003	\$23	2008	\$18	2016	\$10
8	Condition/Street Appeal	E		E		G	\$15	E		E	
9	Neighborhood	G		G		E (\$10)		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
<b>C. Unit Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
11	# Bedrooms	3		3		3		3		3	
12	# Baths	2		2		2		2		2	
13	Unit Interior Sq. Ft.	1193	(\$22)	1298	(\$33)	1130	\$20	1236	(\$14)	1280	(\$28)
14	Patio/Balcony/Sunroom	Y		N	\$5	Y		Y		Y	
15	AC: Central/Wall	C		C		C		C		C/W	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		Y/Y		Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	HU/L		HU	\$5	HU/L		HU/L		W/D	(\$25)
19	Floor Coverings	C/V		C/V		C/W/V		C/V		C/V	
20	Cable Included?	N		N		N		N		Y	(\$30)
21	Secured Entry	N		Y	(\$3)	N		Y	(\$3)	Y	(\$3)
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fan/Storage	Y/N		Y/N		Y/N		Y/N		Y/Y	(\$5)
<b>D. Site Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
24	Parking ( \$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y	\$5	Y		N	\$5	N	\$5	N	\$5
27	Community Space	Y		N	\$5	Y		Y		Y	
28	Pool/Recreation Areas	F	(\$10)	P/F	(\$10)	P/F	(\$10)	P/F/S/L/MT	(\$19)	P/F	(\$10)
29	Business/Computer Center	Y		N	\$3	Y		Y		Y	
30	Grilling Area	N	(\$3)	Y	(\$3)	Y	(\$3)	Y	(\$3)	Y	(\$3)
31	Playground	Y		N	\$3	Y		Y		Y	
32	Social Services	N		N		N		N		N	
<b>E. Utilities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		Y/Y	(\$118)
39	Trash/Recycling	Y/N	\$15	Y/N		Y/N		Y/N		Y/N	
<b>F. Adjustments Recap</b>		<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>
40	# Adjustments B to D	2	3	6	4	4	3	2	4	2	7
41	Sum Adjustments B to D	\$28	(\$35)	\$29	(\$49)	\$63	(\$23)	\$23	(\$39)	\$15	(\$104)
42	Sum Utility Adjustments	\$15									(\$118)
		<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>
43	Net/ Gross Adjmts B to E	\$8	\$78	(\$20)	\$78	\$40	\$86	(\$16)	\$62	(\$207)	\$237
<b>G. Adjusted &amp; Market Rents</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44	Adjusted Rent (5+ 43)	\$1,553		\$1,725		\$1,683		\$1,320		\$1,356	
45	Adj Rent/Last rent		101%		99%		102%		99%		87%
46	Estimated Market Rent	\$1,545	\$1.30 ←	Estimated Market Rent/ Sq. Ft							

**Rent Comparability Grid**

Unit Type → **FOUR-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Sykes Park		Berry Shoals		Groves at Berry Creek		Laurel		Reserve at Park West Apts. I & II		River Run	
Near 300 Old Blackstock Road		200 Tralee Dr.		101 Halehaven Dr		200 Heath Ln		100 Keats Dr.		901 Meridian River Run	
Spartanburg, SC		Duncan, SC		Duncan, SC		Spartanburg, SC		Spartanburg, SC		Spartanburg, SC	
<b>A. Rents Charged</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
1	\$ Last Rent / Restricted?	\$1,615		\$1,790		\$1,643		\$1,498		\$1,563	
2	Date Surveyed	Sep-23		Aug-23		Aug-23		Aug-23		Aug-23	
3	Rent Concessions	None		Yes (\$25)		None		Yes (\$42)		None	
4	Occupancy for Unit Type	96%		92%		99%		96%		94%	
5	Effective Rent & Rent/ sq. ft	\$1,615	1.18	\$1,765	1.29	\$1,643	1.45	\$1,456	1.12	\$1,563	1.22
<b>B. Design, Location, Condition</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
6	Structure / Stories	WU/3		WU/3		WU/2,3		WU/3		WU/3,4	
7	Yr. Built/Yr. Renovated	2026	\$23	2018	\$8	2003	\$23	2008	\$18	2016	\$10
8	Condition/Street Appeal	E		E		G	\$15	E		E	
9	Neighborhood	G		G		E (\$10)		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
<b>C. Unit Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
11	# Bedrooms	4	\$50	3	\$50	3	\$50	3	\$50	3	\$50
12	# Baths	2		2		2		2		2	
13	Unit Interior Sq. Ft.	1312	(\$18)	1370	(\$18)	1130	\$57	1304	\$3	1280	\$10
14	Patio/Balcony/Sunroom	Y		Y		N	\$5	Y		Y	
15	AC: Central/Wall	C		C		C		C		C/W	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		Y/Y		Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	HU/L		HU/L	\$5	HU/L		HU/L		W/D	(\$25)
19	Floor Coverings	C/V		C/V		C/W/V		C/V		C/V	
20	Cable Included?	N		N		N		N		Y	(\$30)
21	Secured Entry	N		N	(\$3)	N		Y	(\$3)	Y	(\$3)
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fan/Storage	Y/N		Y/N		Y/N		Y/N		Y/Y	(\$5)
<b>D. Site Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
24	Parking ( \$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y	\$5	N		Y		N	\$5	N	\$5
27	Community Space	Y		Y	\$5	Y		Y		Y	
28	Pool/Recreation Areas	F	(\$10)	P/F	(\$10)	P/F	(\$10)	P/F/S/L/MT	(\$19)	P/F	(\$10)
29	Business/Computer Center	Y		Y	\$3	Y		Y		Y	
30	Grilling Area	N	(\$3)	Y	(\$3)	Y	(\$3)	Y	(\$3)	Y	(\$3)
31	Playground	Y		Y		N	\$3	Y		Y	
32	Social Services	N		N		N		N		N	
<b>E. Utilities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		Y/Y	(\$141)
39	Trash/Recycling	Y/N	\$15	Y/N		Y/N		Y/N		Y/N	
<b>F. Adjustments Recap</b>		<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>
40	# Adjustments B to D	3	3	7	4	5	3	4	3	4	6
41	Sum Adjustments B to D	\$78	(\$31)	\$79	(\$34)	\$150	(\$23)	\$76	(\$25)	\$75	(\$76)
42	Sum Utility Adjustments	\$15									(\$141)
		<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>
43	Net/ Gross Adjmts B to E	\$62	\$124	\$45	\$113	\$127	\$173	\$51	\$101	(\$142)	\$292
<b>G. Adjusted &amp; Market Rents</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44	Adjusted Rent (5+ 43)	\$1,677		\$1,810		\$1,770		\$1,507		\$1,421	
45	Adj Rent/Last rent		104%		103%		108%		103%		91%
46	Estimated Market Rent	\$1,660		\$1.27 ←		Estimated Market Rent/ Sq. Ft					

Once all adjustments to collected rents were made, the adjusted rents for each comparable were used to derive an achievable market rent for each bedroom type. Each property was considered and weighed based upon its proximity to the subject site and its amenities and unit layout compared to the subject site.

Based on the preceding Rent Comparability Grids, it was determined that the present-day achievable market rents for units similar to the subject development are as follows:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Bedroom	40%	\$460	\$1,215	62.14%
	60%	\$755		37.86%
	80%	\$1,050		13.58%
Two-Bedroom	40%	\$530	\$1,355	60.89%
	60%	\$890		34.32%
	80%	\$1,245		8.12%
Three-Bedroom	40%	\$585	\$1,545	62.14%
	60%	\$995		35.60%
	80%	\$1,405		9.06%
Four-Bedroom	40%	\$620	\$1,660	62.65%
	60%	\$1,075		35.24%
	80%	\$1,535		7.53%
<b>Weighted Average</b>				<b>36.80%</b>

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

As detailed in the preceding table, the subject rents represent market rent advantages ranging from 7.53% to 62.65%, depending upon unit type and targeted income level. Thus, the subject rents should represent significant values within the Spartanburg Site PMA.

**B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)**

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

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions.
3. Two of the selected properties are offering rent specials on available units. These rent concessions have been prorated and deducted from their respective quoted rents, yielding their corresponding effective rents (line 5).
7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between 2003 and 2018. As such, we have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties.
8. It is anticipated that the proposed subject project will have an excellent appearance, once construction is complete. We have made an adjustment for the one selected property that we consider to be of inferior quality compared to the subject development.
9. One of the selected properties is located in a more desirable neighborhood than the subject project. As such, we have made an adjustment to account for differences in neighborhood desirability among this project and the subject site.
11. All of the selected properties offer one-, two- and three-bedroom units; however, none offer four-bedroom units similar to the subject project. We have used the three-bedroom rents offered at the comparable properties and made an upward adjustment of \$50 to reflect the inclusion of an additional defined bedroom within the subject's four-bedroom units.
12. All comparable market-rate two-bedroom units offer two full bathrooms, compared to just one full bathroom to be provided in the subject's two-bedroom units. As such, we have made adjustments of \$30 to reflect the difference in the number of bathrooms offered at the site as compared with the comparable properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar-for-dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. The proposed subject project will offer a unit amenity package generally similar to those offered at the selected properties. However, we have made adjustments for features lacking at the subject property and, in some cases, for features the subject project does offer.

- 24.-32. The proposed project offers a comprehensive project amenities package, yet considered inferior to those offered at the selected properties. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.