



**BOWEN
NATIONAL
RESEARCH**

Market Feasibility Analysis

Upper Mill Apartments
Adjacent to 519 Anderson Street
Pelzer, Anderson County, South Carolina 29669

Prepared For

Mr. Jon Toppen
Upper Mill Apartments LP
120 West Trinity Place, 4th Floor
Decatur, Georgia 30030

Effective Date

November 30, 2023

Job Reference Number

23-496 JW

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Exhibit S-2 SCSHFDA Primary Market Area Analysis Summary:

Development Name: Upper Mill Apartments Total # of Units: 80
 Address: Adjacent to 519 Anderson Street , Pelzer, SC 29669 # of LIHTC/TEB Units: 80
 PMA Boundary: Anderson/Pickens County boundary, State Route 153, Interstate 85, U.S. Highway 25, Interstate 185, and State Route 14 to the north; the Greenville/Laurens County boundary and Anderson/Abbeville County boundary to the east; the Honea Path city limits,
 Development Type: Older Persons Farthest Boundary Distance to Subject: 15.4 Miles

Rental Housing Stock (found on page H-1 &))				
Type	# of Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	27	4,862	139	97.10%
Market-Rate Housing	22	4,503	139	96.90%
Assisted/Subsidized Housing not to include LIHTC	1	100	0	100.00%
LIHTC (All that are stabilized)*	4	259	0	100.00%
Stabilized Comparables**	1	76	0	100.00%
Non Stabilized Comparables	0	0	0	-

* Stabilized occupancy of at least 93% (Excludes projects still in initial lease up).
 ** Comparables - comparable to the subject and those that compete at nearly the same rent levels and tenant profile, such as age, family and income.

Subject Development					HUD Area FMR			Highest Unadjusted Comparable Rent	
Units	Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage (%)	Per Unit	Per SF
60	One	1	750	\$575	\$709	\$ 0.95	18.90%	\$1,367	\$ 1.82
20	One	1	750	\$638	\$709	\$ 0.95	10.01%	\$1,367	\$ 1.82
						\$ -			\$ -
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Gross Potential Rent Monthly*				\$ 47,260	\$ 56,720		16.68%		

*Market Advantage is calculated using the following formula: Gross HUD FMR (minus) Net Proposed Tenant Rent (divided by) Gross HUD FMR. The calculation should be expressed as a percentage and rounded to two decimal points.

Demographic Data (found on page F-3 & G-1)						
	2010		2023		2025	
Renter Households	16,098	26.30%	16,093	21.40%	16,013	21.00%
Income-Qualified Renter HHs (LIHTC)	N/A	N/A	2,465	15.30%	2,467	15.40%
Income-Qualified Renter HHs (MR)	N/A	N/A	N/A	N/A	N/A	N/A

Targeted Income-Qualified Renter Household Demand (found on page G-4)						
Type of Demand	Sec. 202	60%	LIHTC Only Overall	Editable	Editable	Overall
Renter Household Growth	4	-5	-5			2
Existing Households (Overburd + Substand)	705	346	346			849
Homeowner conversion (Seniors)	177	85	85			212
Other:	0	0	0			0
Less Comparable/Competitive Supply	0	0	0			0
Net Income-qualified Renters HHs	886	426	426	0	0	1,063

Capture Rates (found on page G-4)						
Targeted Population	Sec. 202	60%	LIHTC Only Overall			Overall
Capture Rate	6.80%	4.70%	18.80%			7.50%

Absorption Rate (found on page **G-6)**

Absorption Period 6 to 7 months.

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

Market Analyst Author: Jack Wiseman Company: Bowen National Research

Signature:  Date: 11/29/2023

B. Project Description

Project Name:	Upper Mill Apartments
Location:	Adjacent to 519 Anderson Street, Pelzer, South Carolina 29669 (Anderson County)
Census Tract:	103.00
Target Market:	Senior Age 55+
Construction Type:	New Construction and Adaptive Reuse
Funding Source:	4% Tax-Exempt Bond/HUD 202 Grant

The subject project will involve the new construction and adaptive reuse of an early 1900s-built building into the 80-unit Upper Mill Apartments adjacent to Anderson Street in Pelzer, South Carolina. The project will target senior households ages 55 and older earning up to 60% of Area Median Household Income (AMHI) under the 4% Tax-Exempt Bond program. Additionally, 60 of the units are expected to operate under the HUD Section 202 program. The proposed project is expected to be complete by December 2025. 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	
60	One-Br.	1.0	Garden	750	60%/Section 202	\$575	\$67	\$642	\$846
20	One-Br.	1.0	Garden	750	60%	\$638	\$67	\$705	\$846
80	Total								

Source: Upper Mill Apartments LP

AMHI – Area Median Household Income (Anderson, SC HUD Metro FMR Area; 2023)

Building/Site Information	
Residential Buildings:	12 one-story buildings
Building Style:	Single-story
Community Space:	Stand-alone building
Acres:	~5.0

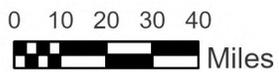
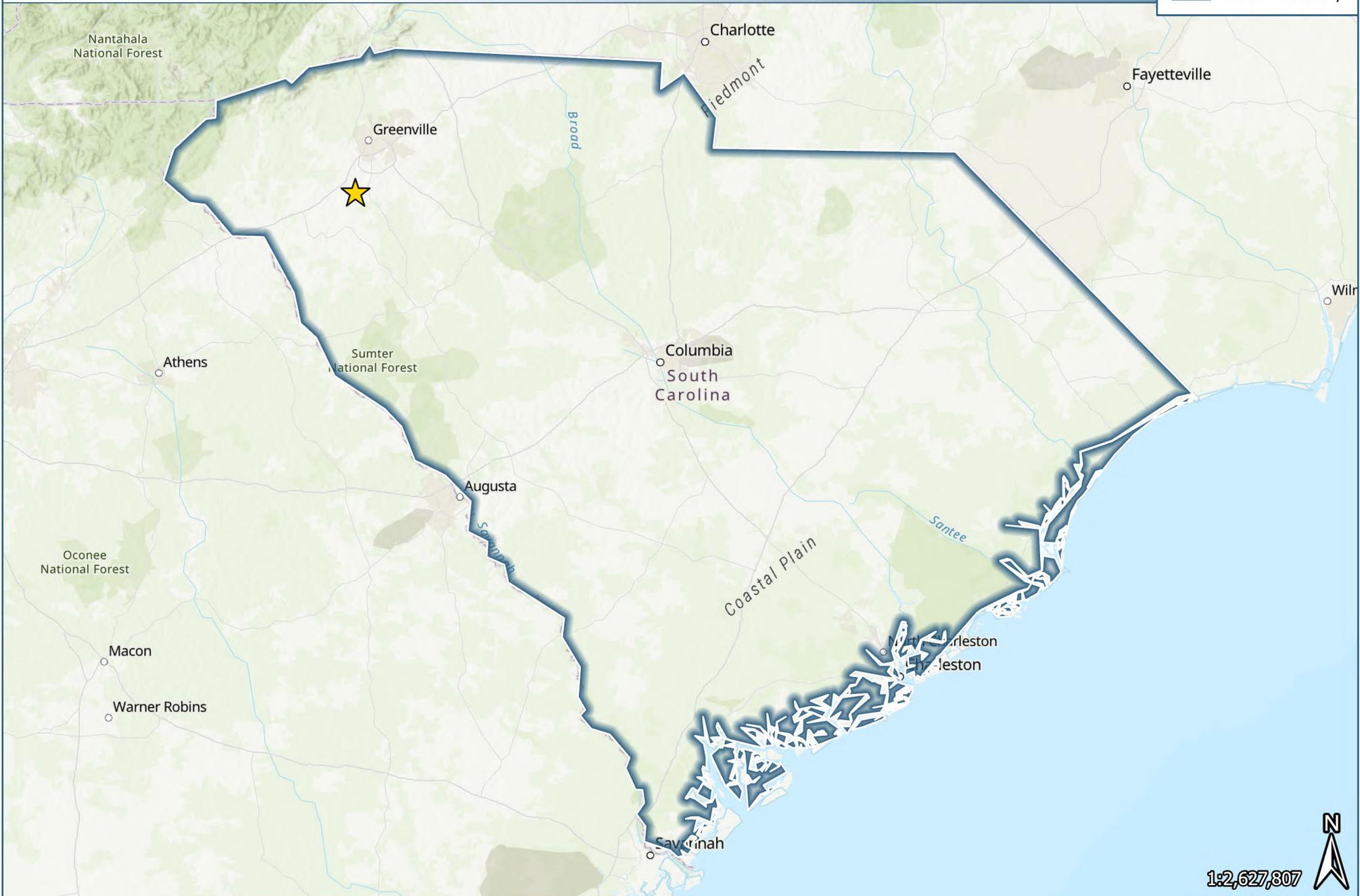
Construction Timeline	
Original Year Built:	Early 1900s
Construction Start:	October 2024
Begin Preleasing:	October 2024
Construction End:	December 2025

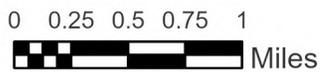
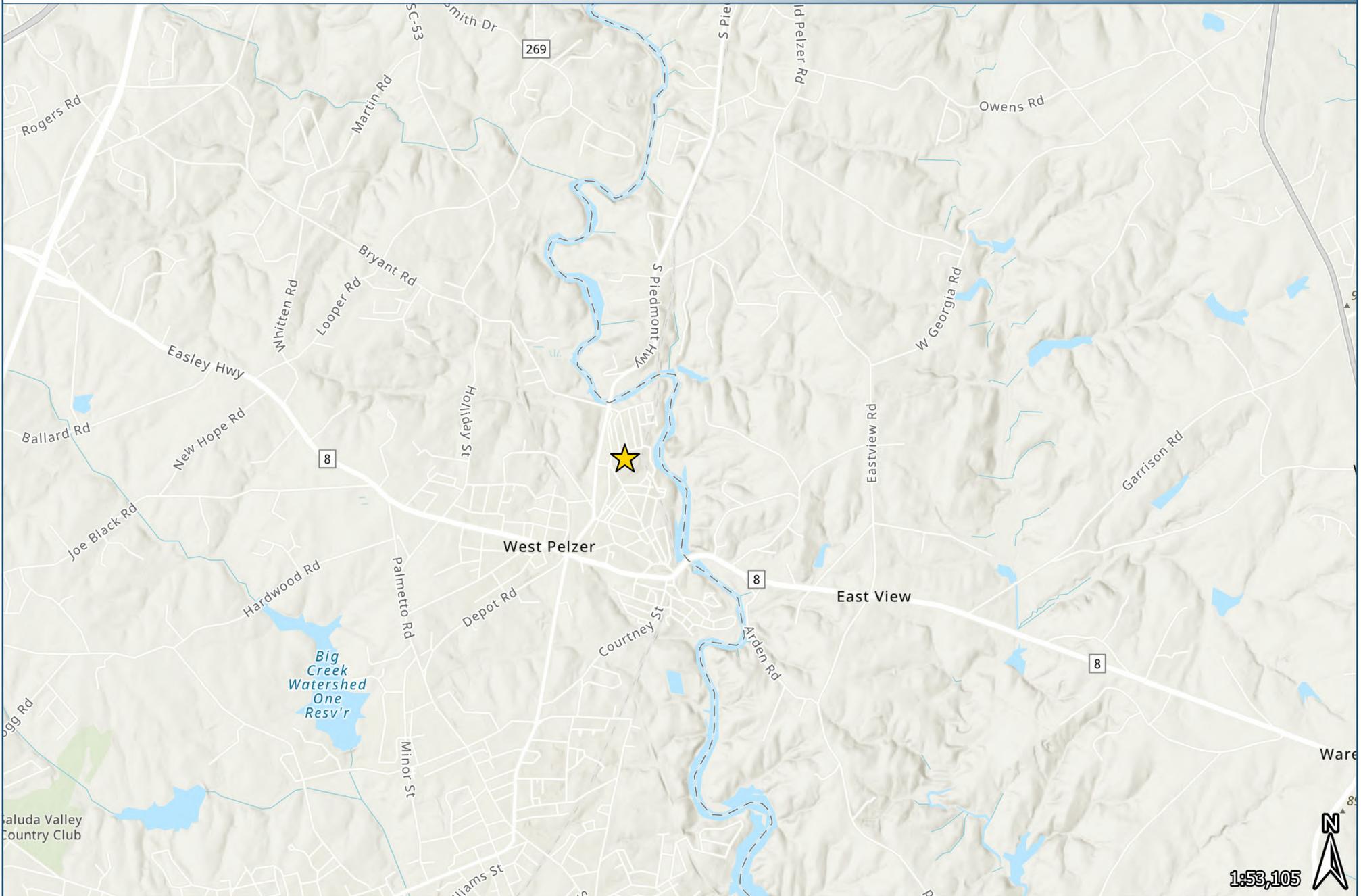
Unit Amenities		
• Electric Range	• Washer/Dryer Hookups	• Composite Flooring
• Refrigerator	• Central Air Conditioning	• Window Blinds
• Dishwasher	• Walk-In Closet	• Ceiling Fans
• Microwave		

Community Amenities		
• Business/Computer Center	• Laundry Room	• On-Site Management
• Community Garden	• Clubhouse/Community Room	• Multipurpose Room
• Fitness Center	• Game Room	• Library
• Media Room/Theater	• Grilling Area	• Common Area Wi-Fi
• Classes	• Health Screenings	• Surface Parking Lot (90 Spaces)

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

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





C. Site Description and Evaluation

1. SITE INSPECTION DATE

Bowen National Research personally inspected the subject site during the week of November 6, 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 subject site consists of approximately 5.0 acres of undeveloped land and an existing, vacant building located east of the intersection of Anderson Street and Smythe Street in Pelzer, South Carolina. Located within Anderson County, Pelzer is approximately 15.0 miles south of Greenville, South Carolina and approximately 20.0 miles northeast of Anderson, South Carolina. Surrounding land uses include single-family homes, a church, commercial facilities, and undeveloped land. Following is a description of surrounding land uses:

North -	The northern boundary is defined by Stevenson Street, a two-lane residential roadway with light traffic patterns. Continuing north are single-family homes observed to be in satisfactory condition. Undeveloped land and the Saluda River extend beyond. Northwest of the site is the Tabernacle Baptist Church in good condition.
East -	The eastern boundary is defined by undeveloped land, followed by railroad tracks. Continuing east are the Saluda River and wooded land.
South -	The southern boundary is defined by wooded land, followed by single-family homes observed to be in satisfactory condition. Single-family homes extend farther south of the site.
West -	The western boundary is defined by undeveloped land, followed by the Anderson Street and Smythe Street intersection. Continuing west are single-family homes in good condition and State Route 20, a two-lane arterial roadway with light to moderate traffic patterns. Farther west are wooded land and a cemetery.

The subject project is located within a residential area of Pelzer. While there are railroad tracks within close proximity of the site, it does not appear that these tracks are highly active based on our on-site observations. Additionally, the single-family homes surrounding the site appear to be occupied, providing evidence that the nearby railroad tracks are not a deterrent to residential development. Overall, the subject property fits well with the surrounding land uses, which should contribute to its marketability.

3. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance from Site (Miles)
Major Highways	State Route 20 State Route 8 Interstate 85	< 0.1 West 0.6 South 5.3 Northwest
Public Bus Stop	N/A	N/A
Major Employers/ Employment Centers	Food Lion Anderson School District One Bargain Fool Store	0.6 Southwest 0.8 South 1.3 Southeast
Convenience Store	7-Eleven Sav Way Jake's One Stop	0.6 Southwest 1.2 West 1.2 South
Grocery	Food Lion Bargain Food Store	0.6 South 1.3 Southeast
Discount Department Store	Dollar General Family Dollar	0.7 South 0.7 South
Hospital	AnMed Health Palmetto Family Medicine AnMed Medical Center Greenville Memorial Hospital	0.8 Southwest 14.0 Southwest 14.2 Northeast
Police	Williamston Police Department	2.7 Southwest
Fire	West Pelzer Fire Department	1.4 West
Post Office	U.S. Post Office	0.7 South
Bank	Sun Trust Bank Community First Bank First Citizens Bank	2.1 South 2.3 South 2.4 Southwest
Recreational Facilities	Flat Rock Youth Center YMCA	0.6 Northeast 13.0 Southwest
Gas Station	7-Eleven Sav Way	0.6 Southwest 1.2 West
Pharmacy	Food Lion Pharmacy CVS	0.6 South 0.6 South
Restaurant	El Maguey Mexican Mama Mia Pizzeria Mill Town Place	0.6 Southwest 0.7 Southeast 0.7 Southwest
Church	Tabernacle Baptist Church Pelzer Church of God Life Journey Church	< 0.1 Northwest 0.3 South 0.7 South
Community Center	Piedmont Community Center	4.2 North
Senior Center	Simpsonville Activity & Senior Center	15.2 Northeast
Library	Lander Memorial Library	1.5 South

N/A – Not Available

The site is within proximity of numerous community services, many of which are within 1.0 mile, including Family Dollar, Dollar General, churches, 7-Eleven, restaurants, CVS and Food Lion. Many of these services are located along Lebbby Road/State Route 8.

Public safety services are provided by the Williamston Police Station, situated 2.7 miles northwest, and the West Pelzer Fire Department, situated 1.4 miles west of the site. The nearest senior center is the Simpsonville Activity and Senior Center, 15.2 miles northeast of the site, which offers a range of services for seniors in the general region.

The AnMed Medical Center is the nearest full-service medical center, located 14.0 miles northwest from the site. However, AnMed Health Palmetto Family Medicine is within 0.8 mile.

Overall, the availability of and proximity to community services from the site are expected to benefit marketability.

4. SITE PHOTOGRAPHS

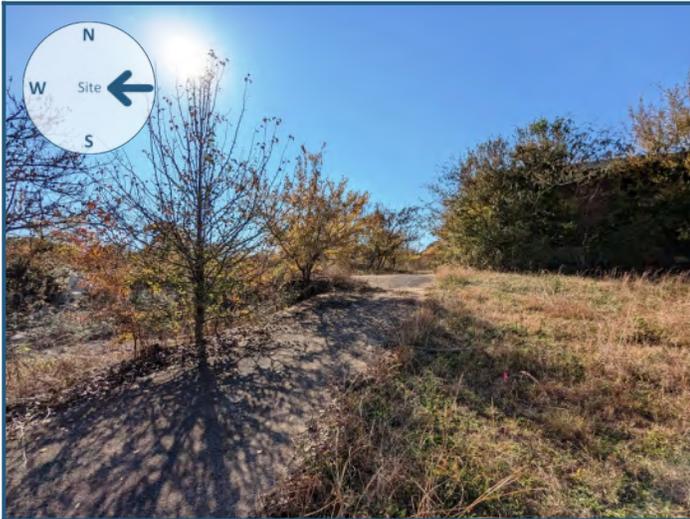
Photographs of the subject site and surrounding land uses are on the following pages.



View of site from the north



View of site from the northeast



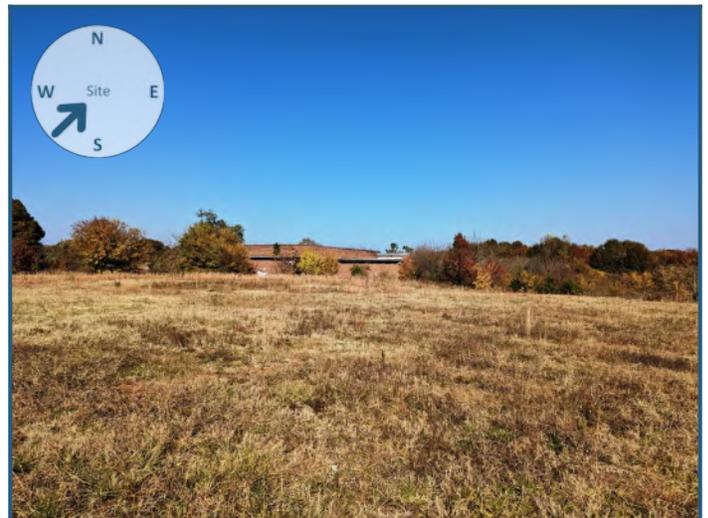
View of site from the east



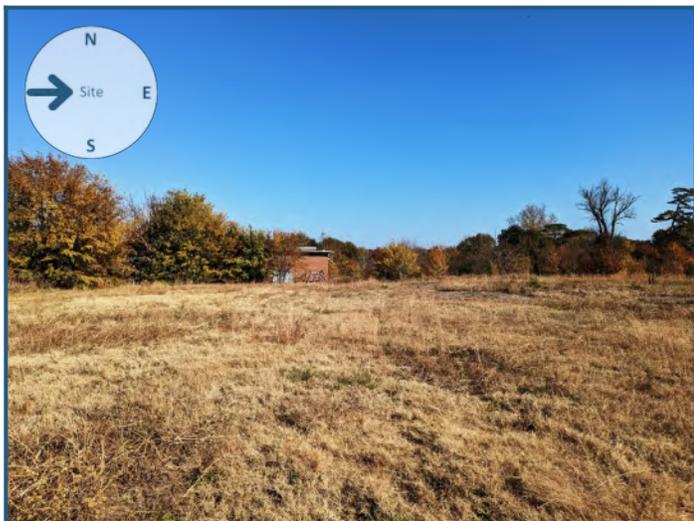
View of site from the southeast



View of site from the south



View of site from the southwest



View of site from the west



View of site from the northwest



North view from site



Northeast view from site



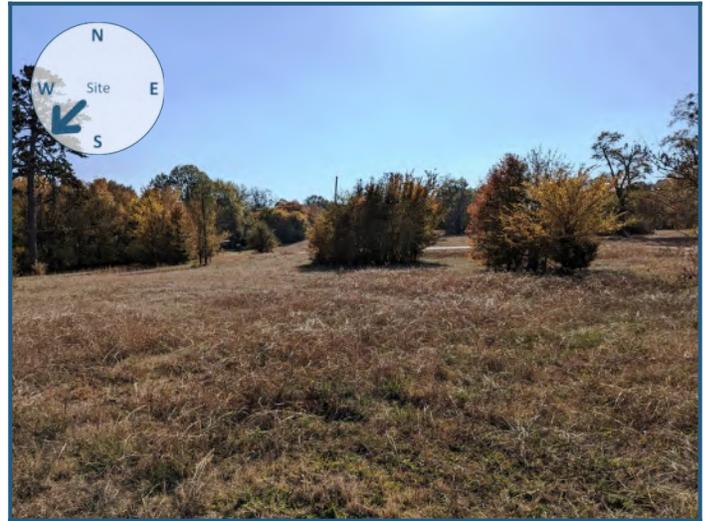
East view from site



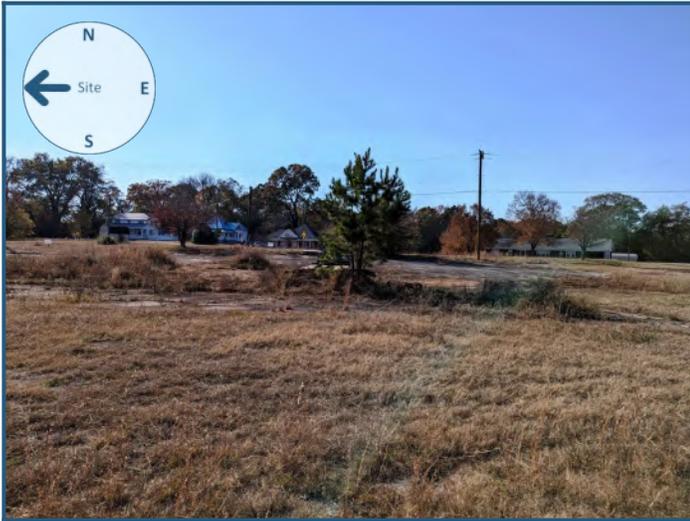
Southeast view from site



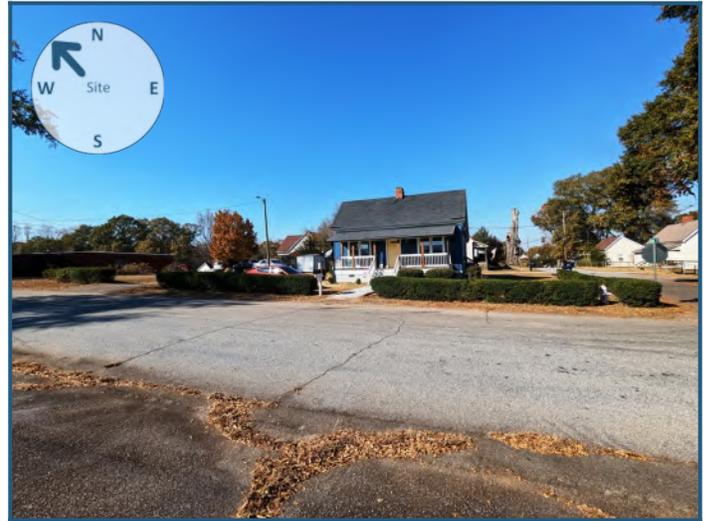
South view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape: North view of Orr Street



Streetscape: South view of Anderson Street



Streetscape: East view of Stevenson Street



Streetscape: West view of Stevenson Street



Streetscape: South view of Smythe Street



Streetscape: North view of Smythe Street

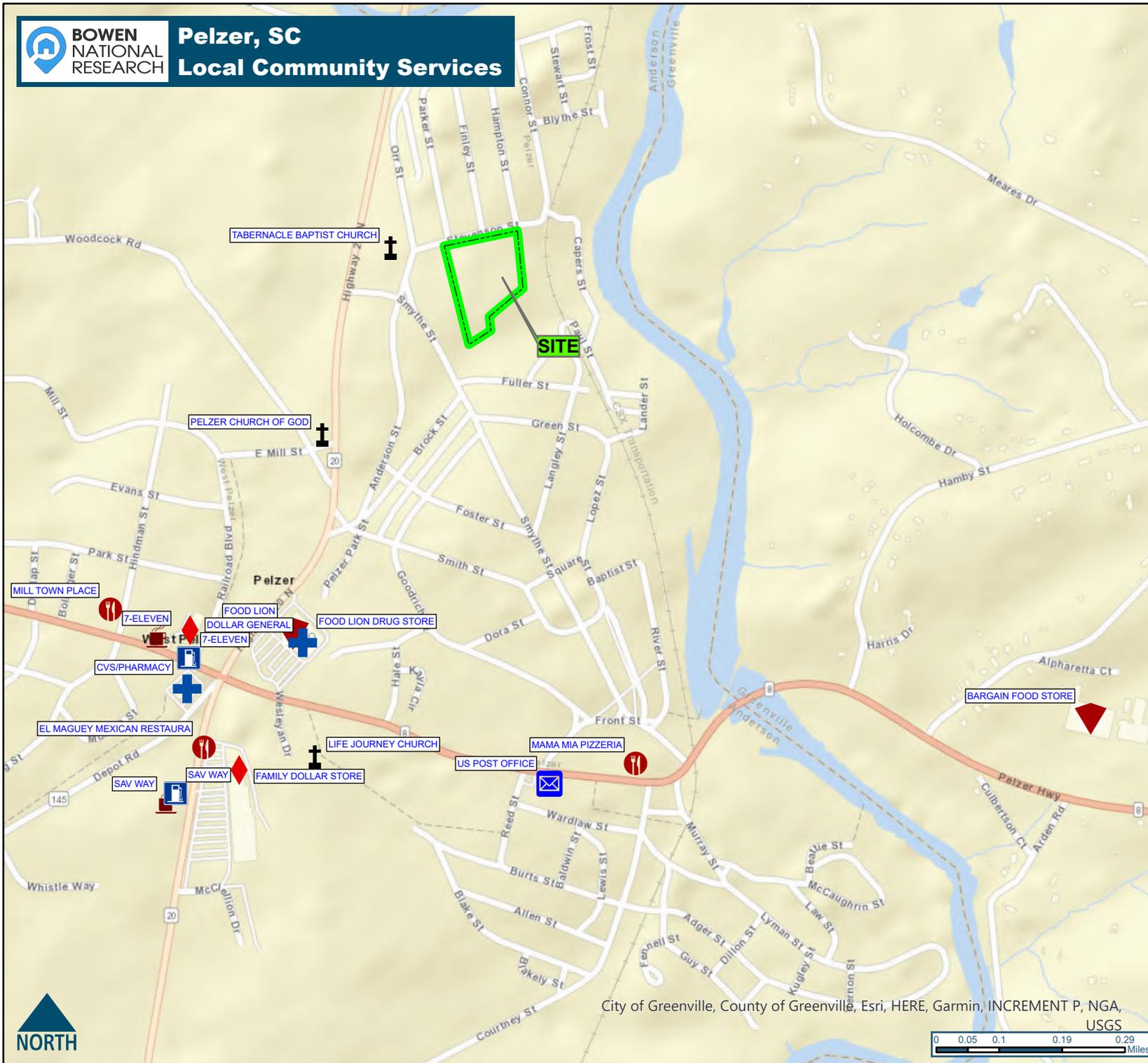
5. SITE AND COMMUNITY SERVICES MAPS

Maps of the subject site and relevant community services follow.



Legend

-  Site Area
-  Church
-  Convenience Store
-  Gas
-  Grocery
-  Pharmacy
-  Post Office
-  Restaurant
-  Shopping



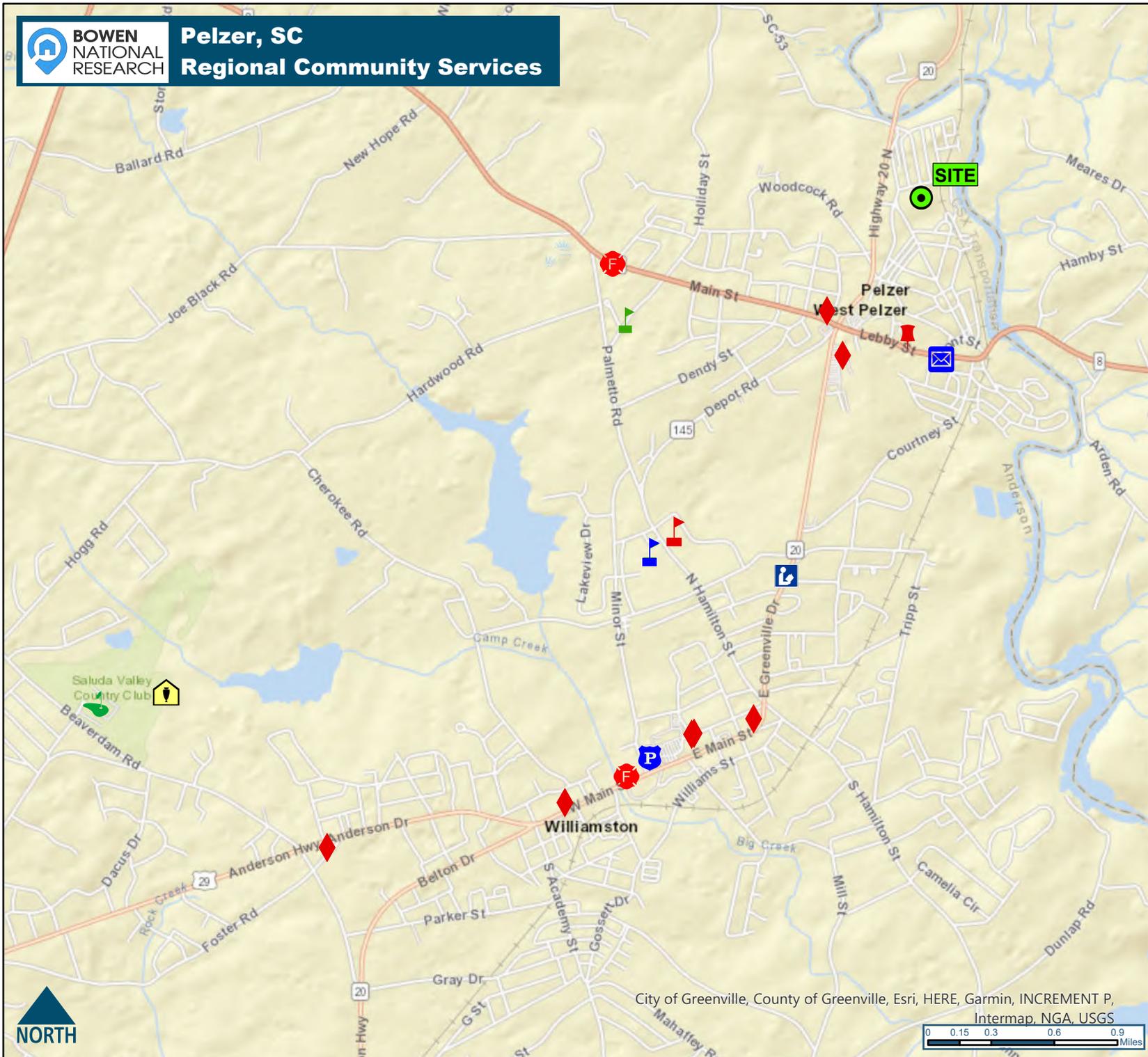
City of Greenville, County of Greenville, Esri, HERE, Garmin, INCREMENT P, NGA, USGS



1:12,800



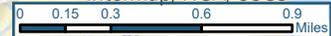
Pelzer, SC
Regional Community Services



- Legend**
- Site
 - Entertainment
 - Elementary School
 - Fire
 - Golf
 - High School
 - Library
 - Middle School
 - Museum
 - Police
 - Post Office
 - Shopping



City of Greenville, County of Greenville, Esri, HERE, Garmin, INCREMENT P, Intermap, NGA, USGS



1:40,000

6. CRIME ISSUES

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

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

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

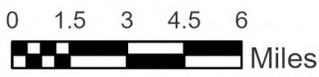
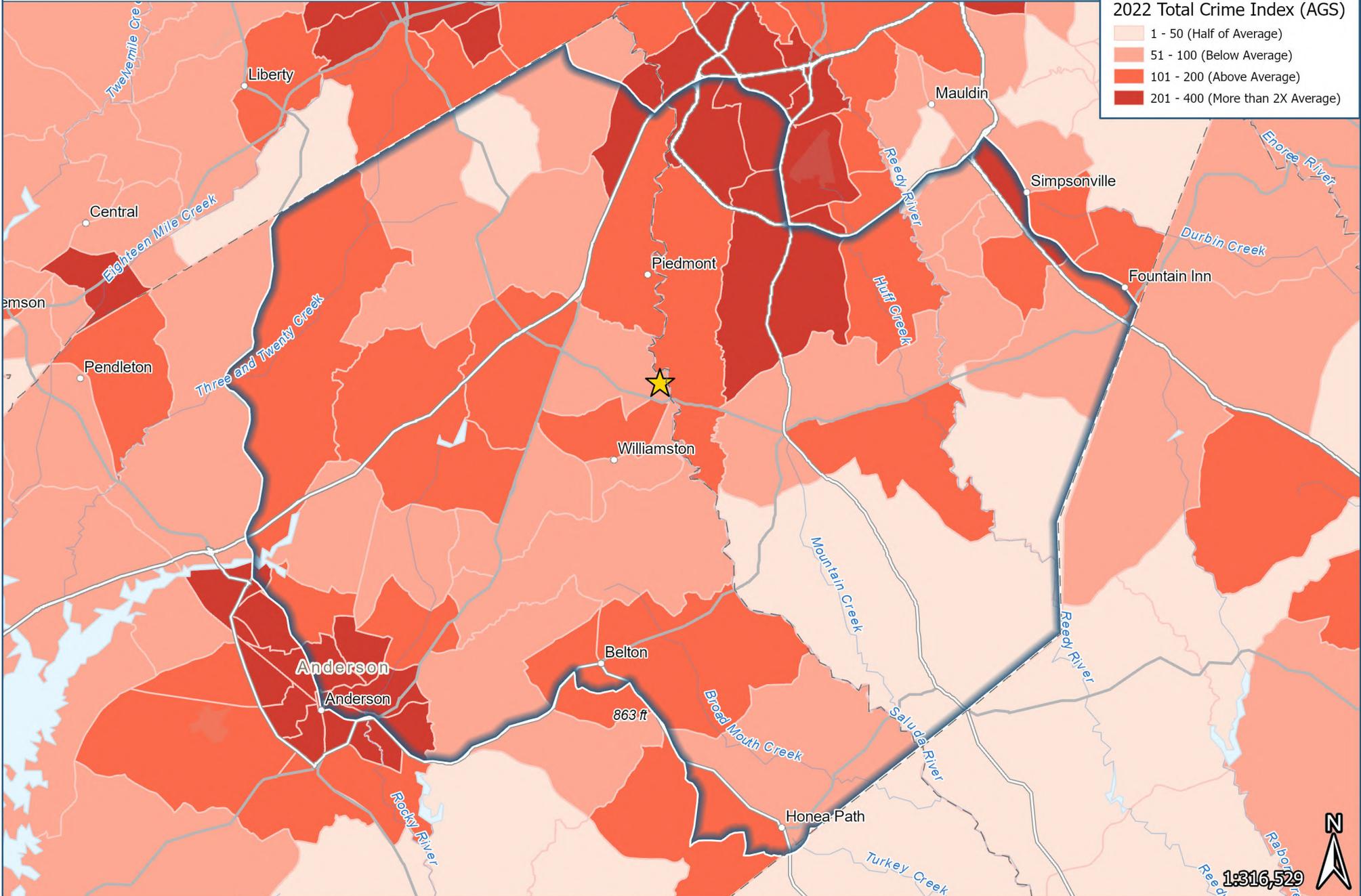
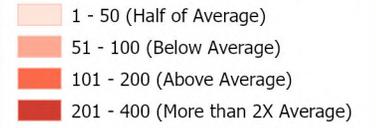
The following table illustrates the crime risk indexes for the Primary Market Area (PMA) and Anderson County:

	Crime Risk Index	
	PMA	Anderson County
Total Crime Index	116	114
Personal Crime Index	102	112
Murder	114	137
Rape	118	121
Robbery	46	51
Assault	118	130
Property Crime Index	119	114
Burglary	119	125
Larceny	123	116
Motor Vehicle Theft	90	89

Source: Applied Geographic Solutions, FBI, ESRI

The crime risk index within the PMA (116) is similar to that of Anderson County (114), both of which are slightly above the national average (100). Regardless, the slightly elevated crime risk index within the PMA has had no impact on the Pelzer rental housing market, as evidenced by the strong occupancy levels maintained at the majority of the rental communities surveyed. Therefore, it is not anticipated that the perception of crime will play a significant role in the subject's marketability. Also note that, based on the crime risk map on the following page, the site is located within an area that has a crime risk of between 51 and 100, which is below or similar to the national average.

2022 Total Crime Index (AGS)



7. ACCESS AND VISIBILITY

Based on the subject's site plan provided by the developer, the subject site will be accessed from Stevenson Street to the north, a two-lane residential roadway with light traffic patterns. Therefore, ingress and egress are expected to be convenient, with clear lines of sight provided in both directions of travel. Additionally, State Routes 8 and 20 are within 0.6 mile. Overall, access to and from the site is considered good.

Visibility of the site is considered good within the immediate area; however, traffic within the site neighborhood is primarily limited to residents and guests of the surrounding single-family homes. Additionally, the subject site will not be visible from nearby arterial roadways. As such, it is recommended that promotional marketing is utilized throughout the Site PMA to increase the subject's awareness during its initial lease-up process.

8. VISIBLE OR ENVIRONMENTAL ISSUES

As noted, railroad tracks exist within close proximity of the site to the east. Based on our on-site observations, these railroad tracks do not appear to be highly active. Additionally, the single-family homes surrounding the site appear to be occupied, providing evidence that the nearby railroad tracks are not a deterrent to residential development. Therefore, we do not believe that the nearby railroad tracks will have any significant impact on the subject's marketability.

9. OVERALL SITE CONCLUSIONS

The subject site is located within a residential area of Pelzer, predominantly surrounded by single-family homes and a church in satisfactory to good condition. While there are railroad tracks within close proximity of the site, they do not appear to be a deterrent to residential development, as evidenced by the surrounding occupied single-family homes. Access to the site is considered good, as it is within 0.6 mile of State Routes 8 and 20. However, the site will not be visible from highly traveled roadways and promotional marketing is recommended throughout the Site PMA to increase the subject's awareness during its initial lease-up period. The site is within 3.0 miles of many community services that are available in Pelzer, including grocery stores, discount department stores, restaurants, banks, gas stations/convenience stores and pharmacies. Most social and public safety services are within 5.0 miles. Overall, we consider the site's location and proximity to community services to have a positive impact on its marketability.

D. Primary Market Area Delineation

The Primary Market Area (PMA) is the geographical area from which most of the support for the subject development is expected to originate. The Pelzer 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 Pelzer Site Primary Market Area (PMA) includes all of Pelzer, West Pelzer, Williamston, Ware Place, Belton, Honea Path, Piedmont and Golden Grove, portions of Anderson, Greenville, Simpsonville, Fountain Inn, Powdersville, Gantt and Northlake, and the surrounding unincorporated areas of Anderson and Greenville counties. The boundaries of the Site PMA generally include the Anderson/Pickens County boundary, State Route 153, Interstate 85, U.S. Highway 25, Interstate 185, and State Route 14 to the north; the Greenville/Laurens County boundary and Anderson/Abbeville County boundary to the east; the Honea Path city limits, State Route 252, Barkers Creek Road, U.S. Highway 76/178 and Belton city limits to the south; and North Main Street, Clemson Boulevard and Liberty Highway to the west. All boundaries of the Site PMA are within approximately 15.4 miles from the site. The Site PMA includes all of, or portions of, the following Census Tracts:

2.00	3.00	5.00	11.00	20.03	30.05	30.12
30.13	30.14	30.16	30.17	31.03	31.04	32.02
32.03	32.04	33.01	33.03	33.04	35.00	101.03
101.05	101.06	101.07	101.08	102.00	103.00*	104.03
104.04	104.05	104.06	105.01	105.02	106.01	112.01
112.03	112.04	113.02	114.01	114.02	115.02	123.00

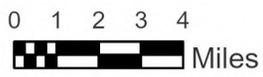
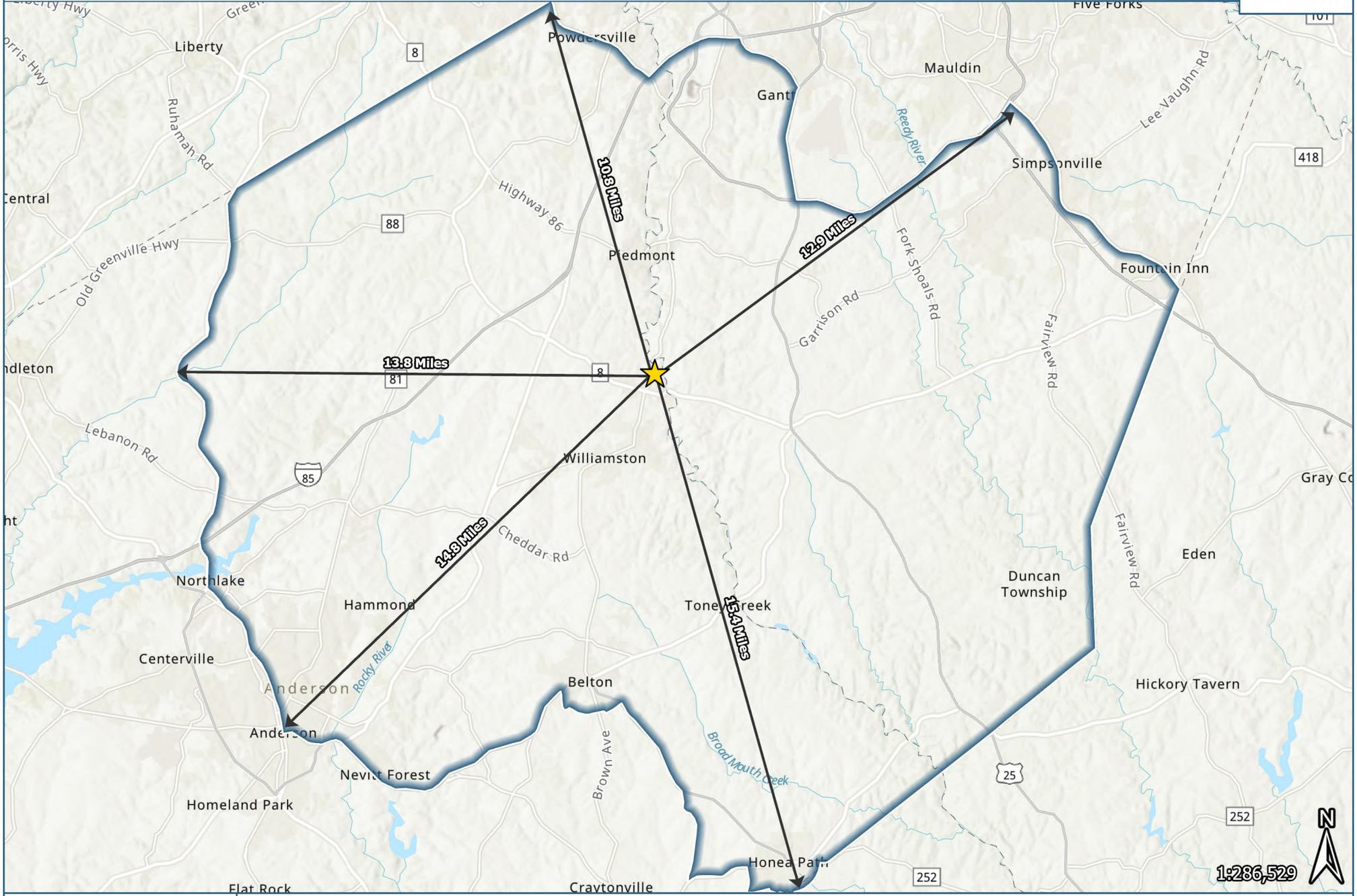
*Subject site location

Carrie Banner, Property Manager of Rocky Creek Village (Map ID 21), a Tax Credit community within the Site PMA in Anderson, stated that support for her property derives from Anderson and Pelzer, but her property reaches potential tenants from around Anderson and Greenville counties. Due to the high demand that exists for affordable rental housing within the region, Ms. Banner believes that an affordable rental community in Pelzer would generate support from similar areas, thus, confirming the Site PMA.

Billie Jo Hammel, Property Manager at Peachtree Senior Village (Map ID 904), an age-restricted Tax Credit community located outside of the Site PMA in Liberty, explained that an affordable senior development within Pelzer would receive great support from senior residents living in the immediate Pelzer area, as well as the areas expanding beyond Pelzer (including Anderson, southern portions of Greenville, Simpsonville, Fountain Inn and Honea Path), confirming the Site PMA.

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

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



E. Market Area Economy

1. EMPLOYMENT BY INDUSTRY

The labor force within the Pelzer Site PMA is based primarily in three sectors. Health Care & Social Assistance (which comprises 22.3%), Retail Trade, and Manufacturing comprise approximately 48.0% of the Site PMA labor force. Employment in the Pelzer Site PMA, as of 2023, was distributed as follows:

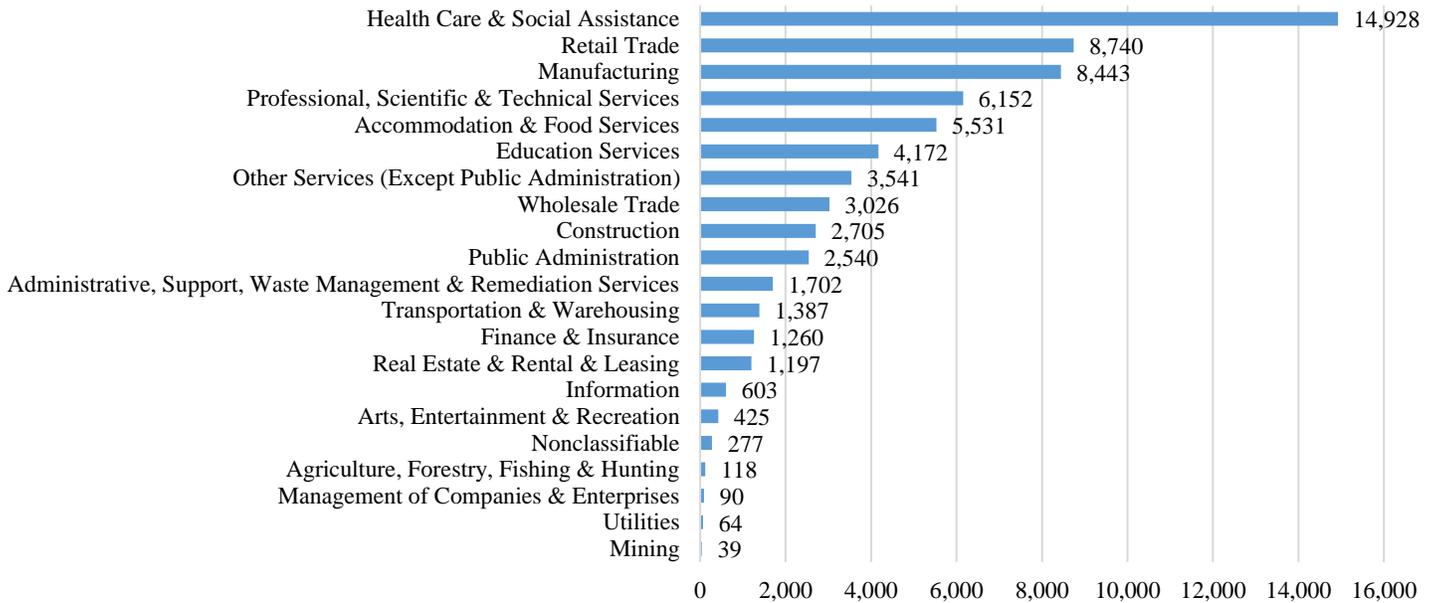
NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	25	0.5%	118	0.2%	5
Mining	2	< 0.1%	39	0.1%	20
Utilities	8	0.2%	64	0.1%	8
Construction	357	7.6%	2,705	4.0%	8
Manufacturing	224	4.8%	8,443	12.6%	38
Wholesale Trade	200	4.3%	3,026	4.5%	15
Retail Trade	701	15.0%	8,740	13.1%	12
Transportation & Warehousing	93	2.0%	1,387	2.1%	15
Information	65	1.4%	603	0.9%	9
Finance & Insurance	250	5.3%	1,260	1.9%	5
Real Estate & Rental & Leasing	241	5.1%	1,197	1.8%	5
Professional, Scientific & Technical Services	314	6.7%	6,152	9.2%	20
Management of Companies & Enterprises	6	0.1%	90	0.1%	15
Administrative, Support, Waste Management & Remediation Services	179	3.8%	1,702	2.5%	10
Education Services	105	2.2%	4,172	6.2%	40
Health Care & Social Assistance	465	9.9%	14,928	22.3%	32
Arts, Entertainment & Recreation	76	1.6%	425	0.6%	6
Accommodation & Food Services	362	7.7%	5,531	8.3%	15
Other Services (Except Public Administration)	656	14.0%	3,541	5.3%	5
Public Administration	136	2.9%	2,540	3.8%	19
Nonclassifiable	222	4.7%	277	0.4%	1
Total	4,687	100.0%	66,940	100.0%	14

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 Greenville-Anderson 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	\$67,257	\$65,697
Business And Financial Occupations	\$58,750	\$59,347
Computer And Mathematical Occupations	\$72,696	\$72,770
Architecture And Engineering Occupations	\$82,080	\$79,555
Community And Social Service Occupations	\$40,331	\$40,777
Art, Design, Entertainment, Sports, and Media Occupations	\$30,226	\$36,422
Healthcare Practitioners and Technical Occupations	\$57,249	\$57,874
Healthcare Support Occupations	\$21,956	\$22,536
Protective Service Occupations	\$39,178	\$41,376
Food Preparation and Serving Related Occupations	\$14,185	\$14,842
Building And Grounds Cleaning and Maintenance Occupations	\$22,244	\$21,465
Personal Care and Service Occupations	\$15,497	\$17,342
Sales And Related Occupations	\$32,772	\$30,419
Office And Administrative Support Occupations	\$32,487	\$32,271
Construction And Extraction Occupations	\$31,853	\$33,641
Installation, Maintenance and Repair Occupations	\$45,581	\$47,129
Production Occupations	\$37,002	\$36,446
Transportation Occupations	\$35,102	\$37,861
Material Moving Occupations	\$22,230	\$23,352

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

As the preceding table illustrates, most occupational types within the MSA have generally similar typical wages as those of the state.

3. AREA'S LARGEST EMPLOYERS

The ten largest employers within Anderson County are summarized in the following table. Note that total employment numbers were not available at the time this report was issued.

Employer Name	Business Type
Bosch	Engineering
Michelin North America Inc.	Manufacturing
AnMed	Healthcare
Arthrex Manufacturing Inc.	Manufacturing
Electrolux Home Products Inc.	Manufacturing
Glen Raven Custom Fabrics	Manufacturing
Vertiv/E&I Engineering Group	Manufacturing
Techtronic Cordless GP	Manufacturing
Milliken	Manufacturing
First Quality Tissue	Manufacturing

Source: Anderson County Economic Development (2023)

According to a representative with Anderson County Economic Development, the Anderson County economy is improving. The following table summarizes some recent and/or ongoing economic development projects within Anderson County at the time this report was issued:

Project Name	Investment	Job Creation	Scope of Work/Details
Mojave Energy Systems Expansion	\$4 million	200	Clean technology start-up that produces efficient commercial HVAC systems announced plans in October 2023 to establish manufacturing facility in Anderson County.
Smurfit Kappa Expansion	\$68 million	200	Paper-based packaging company announced plans to expand in Anderson County in November 2023; 259,000 square-foot facility planned in Anderson.
Bosch	\$200 million	350	Technology services provider announced expansion plans in Anderson in October 2022; Facility will produce fuel cell stacks to power hydrogen-powered trucks; Expected to be operational by 2026.
Gray Development Expansion	N/A	N/A	Industrial real estate company announced plans in September 2022 to construct a 408,000 square-foot class-A speculative facility over a 38-acre tract of land; ECD late 2023.

N/A – Not Available

ECD – Estimated Completion Date

Infrastructure

The following table summarizes some recent and/or ongoing infrastructure projects within Anderson County:

Project Name	Scope of Work	Status	Investment
I-85 and Liberty Hwy (Exit 27) Improvements	SCDOT to create an access roadway between Martin Road and SC-81 North.	Awarded \$9.2 million in funding in May 2023; Preliminary planning through 2024; ECD summer 2025.	\$10.4 million
US 76 (Clemson Highway) at S-60 (Welpine Road) safety Project	Safety improvements at US 76 (Clemson Highway) and S-60 (Welpine Road) intersection, including improved access to I-85.	Construction to begin fall 2023	\$4.3 million
US 29 and S-146 and S-331 Improvement Project	Safety improvements at intersection of US 29, S-146, and S-331, including reducing the number of driveways/intersections and construction of a roundabout.	Construction to begin spring 2024	\$4.2 million
S-75 (Cherokee Road) Bridge Replacement over US 29	Bridge replacement and interchange improvements along S-75 over US 29.	ECD late 2024.	N/A
SC 412 Culvert Project	Replacement of SC 412 (Rainey Road) bridge over Big Generostee Creek.	Construction to begin late 2023; ECD late 2024.	N/A
US 29 at S-96 (Welcome Road) Safety Intersection Improvements	Creation of single lane roundabout at intersection of S-96 and US 29 and resurfacing half a mile of road.	ECD November 2024.	N/A

ECD – Estimated Completion Date

N/A – Not available

WARN (layoff notices):

WARN Notices of large-scale layoffs/closures were reviewed in November 2023 and according to the South Carolina Department of Employment and Workforce, there has been one WARN notice reported for Anderson County over the past 12 months, which is summarized in the following table:

Company	Jobs	Notice Date	Effective Date
Fraenkische USA, LP	164	2/16/2023	12/31/2023

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.

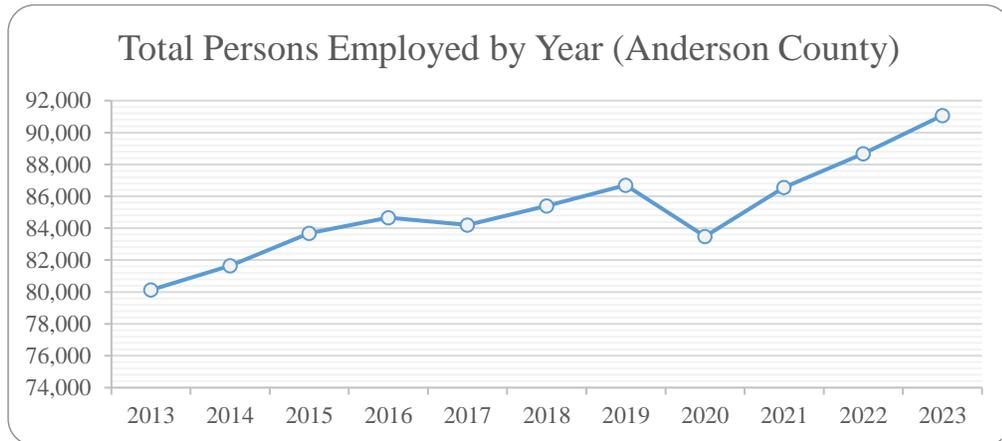
The following illustrates the total employment base for Anderson County, the state of South Carolina, and the United States. Total employment reflects the number of employed persons who live within the county.

Year	Total Employment					
	Anderson County		South Carolina		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2013	80,126	-	2,034,404	-	144,331,000	-
2014	81,652	1.9%	2,082,941	2.4%	146,305,000	1.4%
2015	83,693	2.5%	2,134,087	2.5%	148,833,000	1.7%
2016	84,665	1.2%	2,174,301	1.9%	151,436,000	1.7%
2017	84,199	-0.6%	2,166,708	-0.3%	153,337,000	1.3%
2018	85,402	1.4%	2,205,356	1.8%	155,761,000	1.6%
2019	86,708	1.5%	2,259,807	2.5%	157,538,000	1.1%
2020	83,485	-3.7%	2,195,171	-2.9%	147,795,000	-6.2%
2021	86,551	3.7%	2,261,060	3.0%	152,581,000	3.2%
2022	88,676	2.5%	2,297,927	1.6%	158,291,000	3.7%
2023	91,076*	2.7%	2,371,401**	3.2%	160,954,000**	1.7%

Source: Bureau of Labor Statistics

*Through September 2023

**Through October 2023



As the preceding illustrates, the Anderson County employment base generally experienced growth between 2013 and 2019. However, between 2019 and 2020, the county’s employment base decreased by 3.7% as the result of the COVID-19 pandemic. On a positive note, the county’s employment base has improved thus far through September 2023, as its employment base increased by 9.1%, more than offsetting all of the jobs lost during the pandemic. Notably, total employment within the county is at a ten-year high.

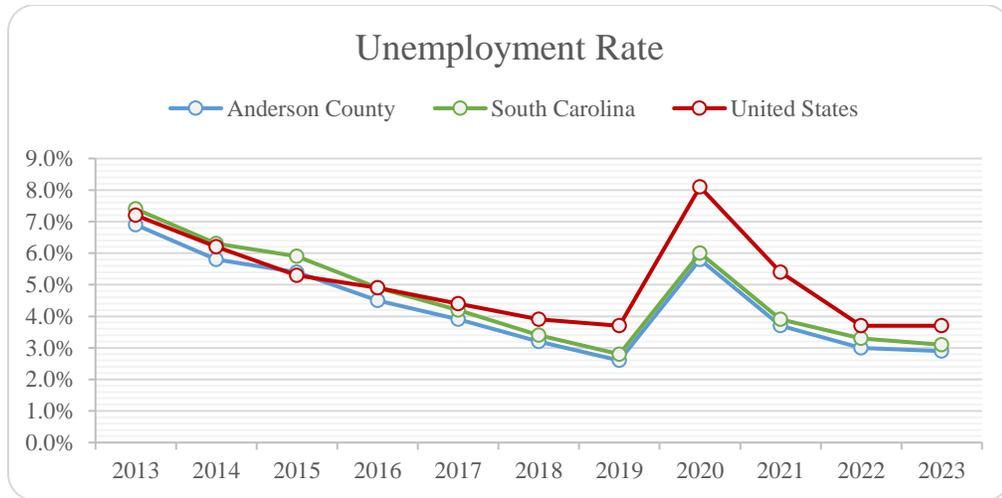
Unemployment rates for Anderson County, the state of South Carolina, and the United States are illustrated as follows:

Year	Anderson County		South Carolina		United States	
	Total Number	Percent of Workforce	Total Number	Percent of Workforce	Total Number	Percent of Workforce
2013	5,956	6.9%	163,472	7.4%	11,184,000	7.2%
2014	5,028	5.8%	139,485	6.3%	9,616,000	6.2%
2015	4,726	5.4%	133,750	5.9%	8,296,000	5.3%
2016	3,978	4.5%	111,753	4.9%	7,751,000	4.9%
2017	3,377	3.9%	95,058	4.2%	6,982,000	4.4%
2018	2,793	3.2%	76,666	3.4%	6,314,000	3.9%
2019	2,353	2.6%	64,693	2.8%	6,001,000	3.7%
2020	5,114	5.8%	139,855	6.0%	12,948,000	8.1%
2021	3,302	3.7%	92,908	3.9%	8,623,000	5.4%
2022	2,741	3.0%	77,048	3.3%	5,996,000	3.7%
2023	2,706*	2.9%	75,359**	3.1%	6,123,000**	3.7%

Source: Department of Labor, Bureau of Labor Statistics

*Through September 2023

**Through October 2023



Between 2013 and 2019, the annual unemployment rate within Anderson County declined by over four percentage points, then increased by over 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 nearly three percentage points and is generally similar to pre-pandemic levels.

At-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 Anderson County.

At-Place Employment Anderson County			
Year	Employment	Change	Percent Change
2013	60,294	-	-
2014	61,144	850	1.4%
2015	63,175	2,031	3.3%
2016	64,295	1,120	1.8%
2017	64,305	10	0.0%
2018	65,078	773	1.2%
2019	66,525	1,447	2.2%
2020	64,525	-2,000	-3.0%
2021	66,528	2,003	3.1%
2022	69,878	3,350	5.0%
2023*	70,177	299	0.4%

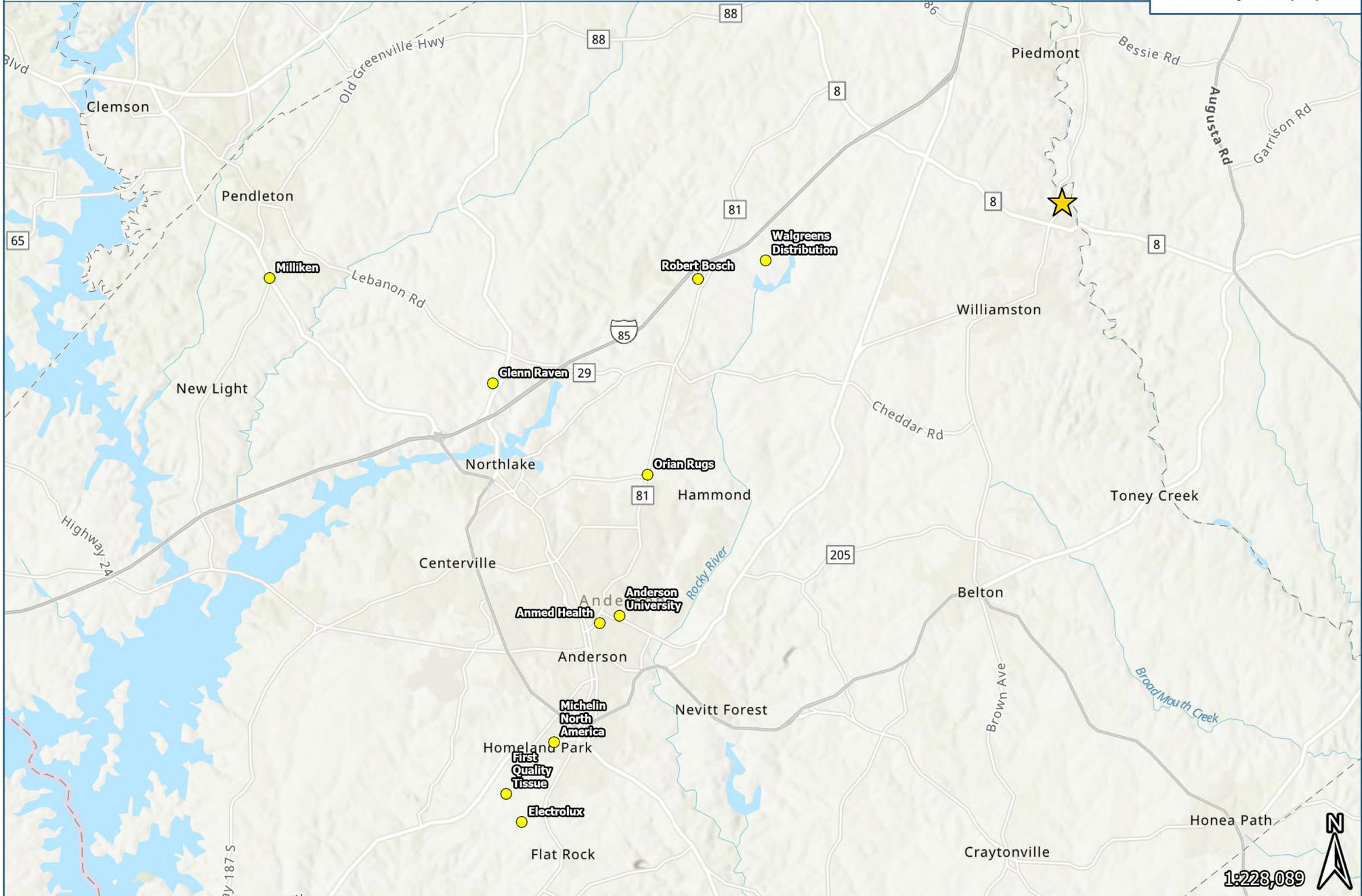
Source: Department of Labor, Bureau of Labor Statistics

*Through March

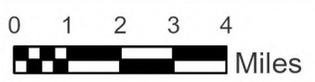
Data for 2022, the most recent year that year-end figures are available, indicates at-place employment in Anderson County to be 78.8% of the total Anderson County employment. This means that Anderson County has a relatively high share of employed persons staying in the county for daytime employment.

5. EMPLOYMENT CENTERS MAP

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



1:228,039



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	70,903	83.3%
Carpooled	7,339	8.6%
Public Transit	163	0.2%
Walked	760	0.9%
Motorcycle	57	0.1%
Bicycle	0	0.0%
Other Means	1,331	1.6%
Worked at Home	4,599	5.4%
Total	85,152	100.0%

Source: Bowen National Research, ESRI

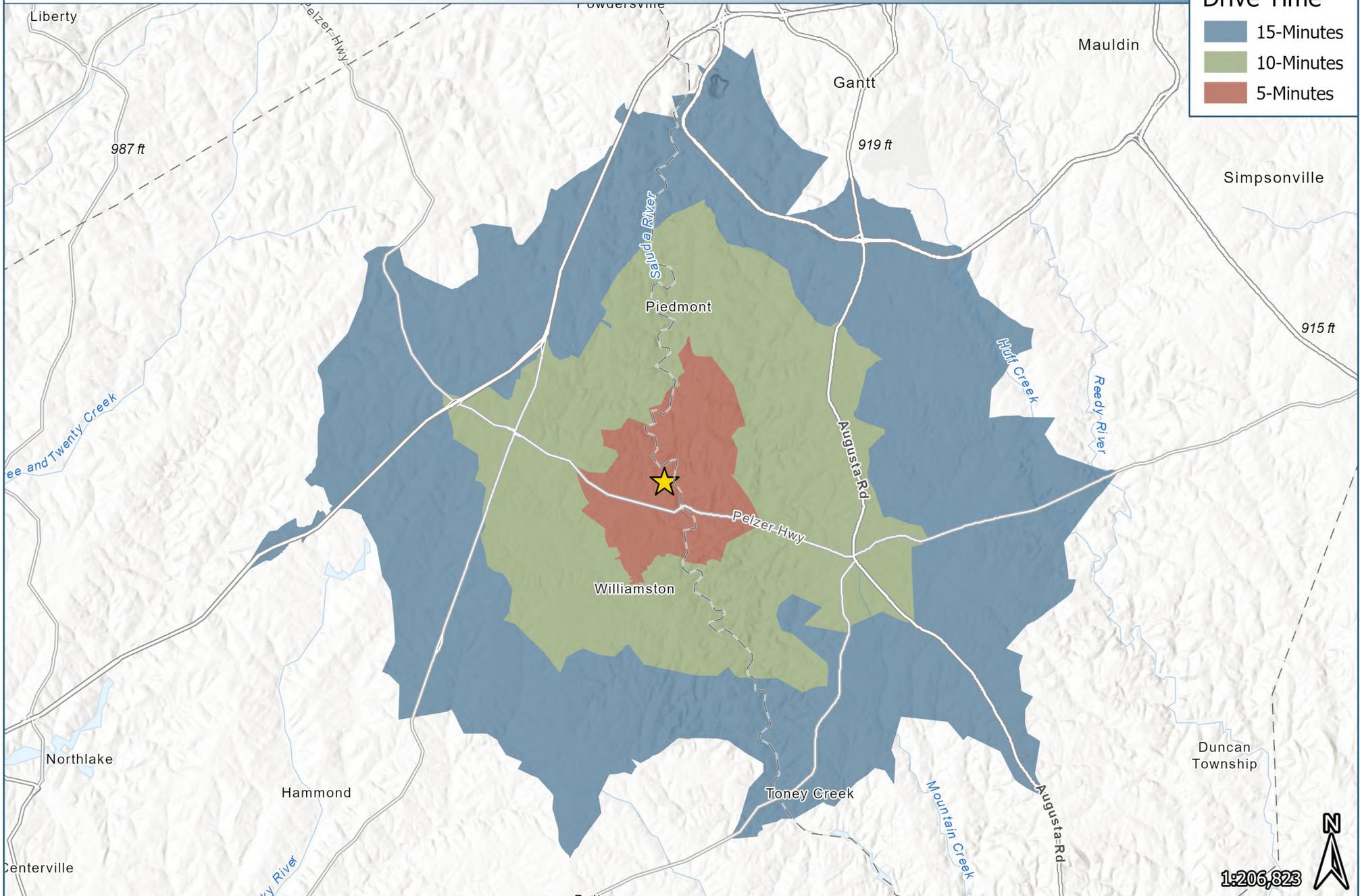
Over 83.0% of all workers drove alone, 8.6% carpooled and only 0.2% used public transportation.

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

Travel Time	Workers Age 16+	
	Number	Percent
Less Than 15 Minutes	18,960	23.5%
15 – 29 Minutes	32,657	40.5%
30 – 44 Minutes	20,028	24.8%
45 – 59 Minutes	5,579	6.9%
60 + Minutes	3,419	4.2%
Total	80,643	100.0%

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 30-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 local economy generally experienced growth between 2013 and 2019. However, beginning in 2020, the area was negatively impacted by the COVID-19 pandemic, which caused many area businesses to shut down in an attempt to mitigate the spread of the coronavirus. During this time, the Anderson County employment base declined by over 3,200 jobs, or 3.7%, and its annual unemployment rate increased by over three percentage points. On a positive note, the local economy has been experiencing consistent growth since 2020, with its employment base rising by 9.1%, more than offsetting the jobs lost during the pandemic, and annual unemployment decreasing to a rate of 2.9% through September 2023. Notably, total employment within the county is at a ten-year high. These are good indications that the Anderson 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 2025 (projected) are summarized as follows:

	Year			
	2010 (Census)	2020 (Census)	2023 (Estimated)	2025 (Projected)
Population	160,986	187,715	197,375	200,130
Population Change	-	26,729	9,660	2,755
Percent Change	-	16.6%	5.1%	1.4%

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

The Pelzer Site PMA population base increased by 26,729 between 2010 and 2020. This represents a 16.6% increase from the 2010 population, or an annual rate of 1.7%. Between 2020 and 2023, the population increased by 9,660, or 5.1%. It is projected that the population will increase by 2,755, or 1.4%, between 2023 and 2025.

Based on the 2020 Census, the population residing in group quarters represented 1.8% of the PMA population, as demonstrated in the following table:

	Number	Percent
Population in Group Quarters	3,379	1.8%
Population not in Group Quarters	184,336	98.2%
Total Population	187,715	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)		2025 (Projected)		Change 2023-2025	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	45,215	28.1%	49,300	25.0%	49,940	25.0%	640	1.3%
20 to 24	8,843	5.5%	11,163	5.7%	10,919	5.5%	-244	-2.2%
25 to 34	19,335	12.0%	24,949	12.6%	24,724	12.4%	-225	-0.9%
35 to 44	22,917	14.2%	25,684	13.0%	26,115	13.0%	431	1.7%
45 to 54	24,043	14.9%	25,251	12.8%	25,407	12.7%	156	0.6%
55 to 64	19,576	12.2%	26,173	13.3%	25,935	13.0%	-238	-0.9%
65 to 74	12,191	7.6%	21,514	10.9%	22,093	11.0%	579	2.7%
75 & Older	8,866	5.5%	13,343	6.8%	14,998	7.5%	1,655	12.4%
Total	160,986	100.0%	197,375	100.0%	200,130	100.0%	2,755	1.4%

Source: Bowen National Research, ESRI, Census

As the preceding table illustrates, approximately 31.0% of the population is expected to be aged 55 and older 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 non-elderly and elderly (age 55 and older) populations are distributed as follows:

Population Type	2010 (Census)		2023 (Estimate)		2025 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Elderly (55+)	40,633	25.2%	61,030	30.9%	63,025	31.5%
Non-Elderly	120,353	74.8%	136,347	69.1%	137,105	68.5%
Total	160,986	100.0%	197,375	100.0%	200,130	100.0%

Source: American Community Survey (2017-2021); ESRI; Bowen National Research

The elderly population is projected to increase by 1,995, or 3.3%, between 2023 and 2025. This increase among the targeted age cohort will likely increase the demand for senior-oriented housing.

d. Special Needs Population

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

2. HOUSEHOLD TRENDS

a. Total Households

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

	Year			
	2010 (Census)	2020 (Census)	2023 (Estimated)	2025 (Projected)
Households	61,134	71,224	75,160	76,395
Household Change	-	10,090	3,936	1,235
Percent Change	-	16.5%	5.5%	1.6%
Average Household Size	2.57	2.59	2.58	2.58

Source: Bowen National Research, ESRI, Census

Within the Pelzer Site PMA, households increased by 10,090 (16.5%) between 2010 and 2020. Between 2020 and 2023, households increased by 3,936, or 5.5%. By 2025, there will be 76,395 households, an increase of 1,235 households, or 1.6%, from 2023. This is an increase of approximately 618 households annually over the next five years.

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

Households by Age	2010 (Census)		2023 (Estimated)		2025 (Projected)		Change 2023-2025	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	2,107	3.4%	2,159	2.9%	2,176	2.8%	17	0.8%
25 to 34	8,657	14.2%	10,808	14.4%	10,696	14.0%	-112	-1.0%
35 to 44	11,958	19.6%	12,892	17.2%	13,072	17.1%	180	1.4%
45 to 54	13,352	21.8%	13,360	17.8%	13,395	17.5%	35	0.3%
55 to 64	11,411	18.7%	14,504	19.3%	14,316	18.7%	-188	-1.3%
65 to 74	7,717	12.6%	12,949	17.2%	13,245	17.3%	296	2.3%
75 & Older	5,925	9.7%	8,488	11.3%	9,494	12.4%	1,006	11.9%
Total	61,134	100.0%	75,160	100.0%	76,395	100.0%	1,235	1.6%

Source: Bowen National Research, ESRI, Census

Between 2023 and 2025, the greatest growth among household age groups is projected to be among those ages 65 and older, increasing by 1,302, or 6.1%. This illustrates that there will likely be an increasing need for housing for seniors within the Pelzer Site PMA.

b. Households by Tenure

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2023 (Estimated)		2025 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	45,036	73.7%	59,067	78.6%	60,383	79.0%
Renter-Occupied	16,098	26.3%	16,093	21.4%	16,013	21.0%
Total	61,134	100%	75,160	100.0%	76,395	100.0%

Source: Bowen National Research, ESRI, Census

In 2023, it is estimated that homeowners comprise 78.6% of all occupied housing units, while the remaining 21.4% are occupied by renters.

Households by tenure for those age 55 and older in 2023 (estimated) and 2025 (projected) are distributed as follows:

Tenure 55+	2023 (Estimated)		2025 (Projected)	
	Number	Percent	Number	Percent
Owner-Occupied	31,002	86.3%	31,971	86.3%
Renter-Occupied	4,939	13.7%	5,086	13.7%
Total	35,941	100.0%	37,056	100.0%

Source: Bowen National Research, ESRI, Census

As the preceding table illustrates, senior renter households ages 55 and older within the market are projected to increase by 147, or 3.0%, between 2023 and 2025. This further illustrates the increasing need for age-restricted rental housing within the Pelzer Site PMA.

c. Households by Income

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

Household Income	2010 (Census)		2023 (Estimated)		2025 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Less Than \$15,000	7,777	12.7%	6,220	8.3%	6,030	7.9%
\$15,000 - \$24,999	7,735	12.7%	5,450	7.3%	5,234	6.9%
\$25,000 - \$34,999	7,098	11.6%	5,827	7.8%	5,558	7.3%
\$35,000 - \$49,999	8,485	13.9%	9,759	13.0%	9,567	12.5%
\$50,000 - \$74,999	12,045	19.7%	15,303	20.4%	15,362	20.1%
\$75,000 - \$99,999	8,664	14.2%	11,001	14.6%	11,223	14.7%
\$100,000 - \$149,999	6,356	10.4%	11,841	15.8%	12,587	16.5%
\$150,000 & Higher	2,973	4.9%	9,760	13.0%	10,835	14.2%
Total	61,134	100.0%	75,160	100.0%	76,395	100.0%
Median Income	\$49,065		\$64,571		\$69,217	

Source: Bowen National Research, ESRI, Census

In 2023, the median household income is estimated to be \$64,571. By 2025, it is projected that the median household income will be \$69,217, an increase of 7.2% from 2023.

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

Household Income 55+	2023 (Estimated)		2025 (Projected)	
	Number	Percent	Number	Percent
Less Than \$15,000	2,953	8.2%	2,918	7.9%
\$15,000 - \$24,999	2,649	7.4%	2,581	7.0%
\$25,000 - \$34,999	2,662	7.4%	2,580	7.0%
\$35,000 - \$49,999	4,687	13.0%	4,661	12.6%
\$50,000 - \$74,999	7,192	20.0%	7,310	19.7%
\$75,000 - \$99,999	5,159	14.4%	5,329	14.4%
\$100,000 - \$149,999	5,771	16.1%	6,208	16.8%
\$150,000 & Higher	4,867	13.5%	5,469	14.8%
Total	35,941	100.0%	37,056	100.0%
Median Income	\$67,446		\$69,794	

Source: Bowen National Research, ESRI

In 2023, the median senior household income is estimated to be \$67,446. By 2025, it is projected that the median senior household income will be \$69,794, an increase of 3.5% 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 age 55 and older for 2020, 2023 and 2025 for the Pelzer Site PMA:

Renter Households 55+	2020 (ACS)			
	1-Person	2-Person	3+Person	Total
Less Than \$15,000	722	205	136	1,064
\$15,000 - \$24,999	346	141	75	562
\$25,000 - \$34,999	379	235	90	704
\$35,000 - \$49,999	371	352	117	839
\$50,000 - \$74,999	131	307	303	740
\$75,000 - \$99,999	53	123	169	344
\$100,000 - \$149,999	70	132	38	241
\$150,000 & Higher	44	35	10	89
Total	2,116	1,530	938	4,584

Source: 2020 Census, ESRI, Bowen National Research

Renter Households 55+	2023 (Estimated)			
	1-Person	2-Person	3+Person	Total
Less Than \$15,000	756	214	137	1,106
\$15,000 - \$24,999	358	145	74	577
\$25,000 - \$34,999	387	239	89	715
\$35,000 - \$49,999	397	376	120	893
\$50,000 - \$74,999	148	346	328	822
\$75,000 - \$99,999	62	144	189	395
\$100,000 - \$149,999	90	168	46	304
\$150,000 & Higher	63	50	13	126
Total	2,261	1,681	997	4,939

Source: 2020 Census, ESRI, Bowen National Research

Renter Households 55+	2025 (Projected)			
	1-Person	2-Person	3+Person	Total
Less Than \$15,000	764	215	135	1,114
\$15,000 - \$24,999	358	145	73	576
\$25,000 - \$34,999	385	237	86	709
\$35,000 - \$49,999	407	384	120	912
\$50,000 - \$74,999	157	366	339	862
\$75,000 - \$99,999	67	155	200	422
\$100,000 - \$149,999	101	190	51	342
\$150,000 & Higher	75	59	15	149
Total	2,315	1,752	1,018	5,086

Source: 2020 Census, ESRI, Bowen National Research

The following tables illustrate owner household income by household size for age 55 and older for 2020, 2023 and 2025 for the Pelzer Site PMA:

Owner Households 55+	2020 (ACS)			
	1-Person	2-Person	3+Person	Total
Less Than \$15,000	1,530	429	183	2,142
\$15,000 - \$24,999	1,469	683	279	2,431
\$25,000 - \$34,999	1,054	843	411	2,308
\$35,000 - \$49,999	1,390	1,820	1,115	4,326
\$50,000 - \$74,999	1,248	3,297	2,456	7,001
\$75,000 - \$99,999	435	2,214	2,446	5,095
\$100,000 - \$149,999	212	2,314	2,927	5,454
\$150,000 & Higher	262	2,125	1,949	4,335
Total	7,601	13,726	11,766	33,092

Source: 2020 Census, ESRI, Bowen National Research

Owner Households 55+	2023 (Estimated)			
	1-Person	2-Person	3+Person	Total
Less Than \$15,000	1,358	347	142	1,847
\$15,000 - \$24,999	1,303	551	217	2,072
\$25,000 - \$34,999	942	683	322	1,947
\$35,000 - \$49,999	1,329	1,552	913	3,794
\$50,000 - \$74,999	1,286	2,972	2,112	6,370
\$75,000 - \$99,999	479	2,091	2,194	4,764
\$100,000 - \$149,999	263	2,377	2,828	5,467
\$150,000 & Higher	364	2,360	2,016	4,741
Total	7,324	12,934	10,744	31,002

Source: 2020 Census, ESRI, Bowen National Research

Owner Households 55+	2025 (Projected)			
	1-Person	2-Person	3+Person	Total
Less Than \$15,000	1,353	322	129	1,804
\$15,000 - \$24,999	1,298	512	196	2,005
\$25,000 - \$34,999	942	637	292	1,871
\$35,000 - \$49,999	1,387	1,504	858	3,749
\$50,000 - \$74,999	1,400	2,991	2,057	6,448
\$75,000 - \$99,999	539	2,168	2,201	4,907
\$100,000 - \$149,999	311	2,584	2,970	5,866
\$150,000 & Higher	451	2,668	2,200	5,320
Total	7,682	13,386	10,903	31,971

Source: 2020 Census, ESRI, Bowen National Research

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

Demographic Summary

Over one-fifth of the market is occupied by renter households. Overall, population and household trends have been positive since 2010 and are projected to remain positive through 2025. Specifically, senior renter households age 55 and older are projected to increase by 147, or 3.0%, between 2023 and 2025, illustrating that there will likely be an increasing need for age-restricted rental housing within the Pelzer Site PMA. As discussed later in Section H of this report, all affordable rental communities surveyed in the market are 100.0% occupied. This indicates that pent-up demand exists for such housing and the continuing need for additional affordable housing options within the Site PMA, particularly when factoring in rent overburdened households or those living in substandard housing.

G. Project-Specific Demand Analysis

1. INCOME RESTRICTIONS

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

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

The subject site is within the Anderson, South Carolina HUD Metro FMR Area, which has a four-person median household income of \$75,200 for 2023. The subject property will be restricted to senior households with incomes of up to 50% of AMHI under the Section 202 program and 60% of AMHI under the LIHTC program. The following table summarizes the maximum allowable income by household size at the targeted income levels:

Household Size	Maximum Allowable Income	
	50%	60%
One-Person	\$26,350	\$31,620
Two-Person	\$30,100	\$36,120

The subject site will be entirely comprised of one-bedroom units, which are expected to house up to two-person senior households. As such, the maximum allowable income at the subject site is **\$36,120**.

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 non-subsidized gross rent of \$705. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$8,460. Applying a 40% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of **\$21,150**.

Considering that the subject project will offer a subsidy on 60 units, it will be able to serve senior households with little or no income. As such, we have also conducted a capture rate analysis that considers the project to operate with a subsidy.

Based on the preceding analyses, the income-appropriate ranges required to live at the proposed project, as proposed with the subsidy and in the unlikely event it did not offer a subsidy and operated exclusively under the LIHTC program, are as follows:

Unit Type	Income Range	
	Minimum	Maximum
As Proposed		
Tax Credit w/Section 202 (Limited to 50% of AMHI)	\$0	\$30,100
Tax Credit (Limited to 60% of AMHI)	\$21,150	\$36,120
Tax Credit Only		
Tax Credit (Limited to 60% of AMHI)	\$21,150	\$36,120

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 (2025). 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 29.4% 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, 5.1% 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.*

The subject project is located in a rural area of South Carolina. As a result, we anticipate that 5.0% of senior homeowners will consider the subject project as a housing alternative. Therefore, we used a 5.0% homeowner conversion rate in our capture rate estimates.

- 4) **Other:** *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

Within the Site PMA, there are no comparable affordable housing projects that were funded and/or built during the projection period (2022 to current). In addition, all existing affordable rental units surveyed within the market are occupied. Therefore, we did not utilize any existing units in the demand analysis illustrated in the following table:

Demand Component	Percent of Median Household Income			
	As Proposed			Tax Credit Only
	Section 202 Subsidy (\$0-\$30,100)	60% AMHI (\$21,150-\$36,120)	Overall (\$0-\$36,120)	60% AMHI/Overall (\$21,150-\$36,120)
Demand from New Renter Households (Age- & Income-Appropriate)	2,052 - 2,048 = 4	999 - 1,004 = -5	2,467 - 2,465 = 2	999 - 1,004 = -5
+				
Demand from Existing Households (Rent Overburdened)	2,048 x 29.4% = 601	1,004 x 29.4% = 295	2,465 x 29.4% = 724	1,004 x 29.4% = 295
+				
Demand from Existing Households (Renters in Substandard Housing)	2,048 x 5.1% = 104	1,004 x 5.1% = 51	2,465 x 5.1% = 125	1,004 x 5.1% = 51
+				
Demand from Existing Households (Senior Homeowner Conversion)	4,912 x 5.0% = 177*	3,028 x 5.0% = 85*	6,149 x 5.0% = 212*	3,028 x 5.0% = 85*
=				
Total Demand	886	426	1,063	426
-				
Supply (Directly Comparable Units Built and/or Funded Since 2022)	0	0	0	0
=				
Net Demand	886	426	1,063	426
Subject Units	60	20	80	80
Subject Units / Net Demand	60 / 886	20 / 426	80 / 1,063	80 / 426
Capture Rate	= 6.8%	= 4.7%	= 7.5%	= 18.8%

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

Typically, under this methodology, capture rates below 30.0% are acceptable, while capture rates under 20.0% are ideal. As such, the subject's overall capture rates for both scenarios of 7.5% and 18.8% are considered low and achievable. This demonstrates that a good base of demographic support exists for the site as proposed (with subsidy), as well as in the unlikely scenario the subject project did not offer a subsidy and had to exclusively operate as a non-subsidized LIHTC community.

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

Estimated Senior Demand by Bedroom	
Bedroom Type	Percent
One-Bedroom	60.0%
Two-Bedroom	40.0%
Total	100.0%

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

As Proposed

Units w/ Section 202 Subsidy (886 Units of Demand)					
Bedroom Size (Share of Demand)	Total Demand	Supply*	Net Demand by Bedroom Type	Subject Units	Capture Rate by Bedroom Type
One-Bedroom (60%)	532	0	532	60	11.3%
Two-Bedroom (40%)	354	0	354	-	-

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

Non-Subsidized Units Targeting 60% Of AMHI (426 Units of Demand)					
Bedroom Size (Share of Demand)	Total Demand	Supply*	Net Demand by Bedroom Type	Subject Units	Capture Rate by Bedroom Type
One-Bedroom (60%)	256	0	256	20	7.8%
Two-Bedroom (40%)	170	0	170	-	-

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

LIHTC-Only

Units Targeting 60% Of AMHI Tax Credit Only (426 Units of Demand)					
Bedroom Size (Share of Demand)	Total Demand	Supply*	Net Demand by Bedroom Type	Subject Units	Capture Rate by Bedroom Type
One-Bedroom (60%)	256	0	256	80	31.3%
Two-Bedroom (40%)	170	0	170	-	-

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

As proposed with the subsidy on most units, the subject's capture rates by bedroom type are 7.8% and 11.3%, which are considered low and achievable.

In the unlikely event the subject project did not offer a subsidy, its capture rate by bedroom type will be 31.3%. This is also considered achievable, especially considering the fact that *there are no non-subsidized age-restricted LIHTC projects within the Pelzer Site PMA.*

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 December 2025. Further, these absorption projections assume the project will be developed as outlined in this report. Changes to the project's amenities, floor plans 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.

It is our opinion that the proposed 80 units at the subject site will experience an average absorption rate of approximately 11 to 12 units per month and reach a stabilized occupancy of at least 93.0% in approximately six to seven months. This assumes the subject project operates as proposed with the subsidy on most units. If the subsidy was not offered, it is anticipated that the 80-unit subject development will stabilize within approximately eight to nine months, as a result of eight to nine units per month.

H. Rental Housing Analysis (Supply)

1. COMPETITIVE DEVELOPMENTS

Note that there are no age-restricted Low-Income Housing Tax Credit (LIHTC) developments within the Pelzer Site PMA. Therefore, we have selected the one non-subsidized family (general occupancy) LIHTC property within the market that offers first-floor, entry-level one-bedroom units that likely appeal to senior households for this comparability analysis. Given the lack of age-restricted LIHTC housing within the market, we identified and surveyed three age-restricted LIHTC properties outside of the Site PMA, but within the region in Easley, Anderson and Liberty, areas generally considered socioeconomically similar to Pelzer in terms of median gross rent, median household income and median home value. Note, however, that these developments outside of the market will not compete with the subject site, as they derive support from a different geographical region. These properties outside of the market were selected for comparability purposes only. The four selected LIHTC properties and the proposed 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
Site	Upper Mill Apartments	2025	80	-	-	-	Seniors 55+; 60% AMHI & Section 202
13	Laurel Street Village I & II	2016	76	100.0%	21.2 Miles	10 HH	Families; 50% & 60% AMHI
901	Companion at Horton Farms	2008	40	100.0%	15.7 Miles	5 HH	Seniors 55+; 50% & 60% AMHI
903	Kingston Pointe II	2009	44	100.0%	22.8 Miles	38 HH	Seniors 55+; 50% & 60% AMHI
904	Peachtree Senior Village	2017	40	100.0%	21.6 Miles	5 HH	Seniors 55+; 50% & 60% AMHI

OCC. – Occupancy

HH – Households

900 series Map IDs are located outside Site PMA

The four LIHTC projects have a combined occupancy rate of 100.0%, all of which maintain a waiting list, illustrating that pent-up demand exists for additional affordable rental housing within the market and region. Combined with the fact that there are no age-restricted LIHTC projects within the market, the subject project will provide an affordable rental housing alternative to low-income seniors who are severely underserved within the Site PMA. This will bode very well in the demand for the subject units.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)				Rent Special
		One-Br.	Two-Br.	Three-Br.	Four-Br.	
Site	Upper Mill Apartments	\$642-\$705/60% (80)	-	-	-	-
13	Laurel Street Village I & II	\$698/50% (4/0) \$758/60% (4/0)	\$729/50% (10/0) \$791/50% (5/0) \$734/60% (11/0) \$841/60% (4/0)	\$837/50% (10/0) \$942/50% (5/0) \$882/60% (11/0) \$977/60% (4/0)	\$1,051/50% (4/0) \$1,111/60% (4/0)	None
901	Companion at Horton Farms	\$887/50% (12/0) \$1,081/60% (12/0)	\$1,075/50% (8/0) \$1,307/60% (8/0)	-	-	None
903	Kingston Pointe II	\$742/50% (3/0) \$742/60% (6/0)	\$897/50% (9/0) \$897/60% (26/0)	-	-	None
904	Peachtree Senior Village	\$748/50% (1/0) \$803/60% (3/0)	\$871/50% (16/0) \$891/60% (20/0)	-	-	None

900 series Map IDs are located outside Site PMA

The proposed one-bedroom gross rents will be the lowest LIHTC one-bedroom rents within the market and region for similar unit types. This will position the subject project at a competitive position. Notably, most units at the site will operate with a subsidy, requiring residents to pay up to 30% of their gross adjusted income towards housing costs. Therefore, the subject project will represent an even greater value to low-income seniors within the Site PMA.

The following table identifies the comparable LIHTC 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
13	Laurel Street Village I & II	76	7	9.2%
901	Companion at Horton Farms	40	20	50.0%
903	Kingston Pointe II	44	N/A	-
904	Peachtree Senior Village	40	3	7.5%
Total		156	30	19.2%

900 series Map IDs are located outside Site PMA

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

As the preceding table illustrates, there are a total of approximately 30 voucher holders residing at the three comparable LIHTC properties within the market and region that provided such information. This comprises 19.2% of the 156 total non-subsidized LIHTC units offered at these properties. 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.

13 Laurel Street Village I & II 21.2 miles to site



Address: 90 Peachtree St, Honea Path, SC 29654
 Phone: (864) 368-9121 Contact: Brittany
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 76 Year Built: 2016
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 1,2
 Waitlist: 10 HH
 Rent Special: None

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

Notes: Tax Credit; HOME Funds (20 units)



Features And Utilities

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

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

Property Amenities: Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Grilling Area, Playground); Extra Storage

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	4	0	800	\$0.66	\$530	50%
1	1	G	4	0	800	\$0.74	\$590	60%
2	1	G	5	0	900	\$0.64	\$575	50%
2	1	G	4	0	900	\$0.69	\$625	60%
2	1	T	10	0	900	\$0.57	\$510	50%
2	1	T	11	0	900	\$0.57	\$515	60%
3	2	G	5	0	1,000	\$0.67	\$670	50%
3	2	G	4	0	1,000	\$0.71	\$705	60%
3	2	T	10	0	1,000	\$0.56	\$560	50%
3	2	T	11	0	1,000	\$0.61	\$605	60%
4	2	G	4	0	1,150	\$0.62	\$715	50%

*Adaptive Reuse

*DTS is based on drive time

Continued on Next Page

13 Unit Configuration- cont.								
Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
4	2	G	4	0	1,150	\$0.67	\$775	60%

901 Companion at Horton Farms 15.7 miles to site



Address: 201 Walnut Hill Dr, Easley, SC 29642
 Phone: (864) 855-0070 Contact: Sally (By Phone)
 Property Type: Tax Credit
 Target Population: Senior 55+
 Total Units: 40 Year Built: 2008
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 4 (w/Elev)
 Waitlist: 5 HH
 Rent Special: None

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

Notes: Tax Credit; HOME Funds (30 units)



Features And Utilities

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

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

Property Amenities: Business Center (Computer/Business Center); Multipurpose Room, Community Kitchen, Clubhouse/Community Room; Elevator; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Grilling Area); Extra Storage

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	12	0	750	\$0.99	\$746	50%
1	1	G	12	0	750	\$1.25	\$940	60%
2	2	G	8	0	950	\$0.95	\$900	50%
2	2	G	8	0	950	\$1.19	\$1,132	60%

*Adaptive Reuse

*DTS is based on drive time

903 Kingston Pointe II 22.8 miles to site



Address: 101 Fyffe Dr., Anderson, SC 29625
 Phone: (864) 224-6501 Contact: Crystal (By Phone)
 Property Type: Tax Credit
 Target Population: Senior 55+
 Total Units: 44 Year Built: 2009
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 1
 Waitlist: 38 HH
 Rent Special: None
 Ratings
 Quality: B+
 Neighborhood: B
 Access/Visibility: B/B

Notes: Tax Credit

Features And Utilities

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

Unit Amenities: Dishwasher; Range; Refrigerator; Central AC; E-Call System; W/D Hookup; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)

Property Amenities: Multipurpose Room, Clubhouse/Community Room; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Grilling Area, Library, Media Room / Theater); Social Services (Parties / Picnics); Extra Storage

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	3	0	780	\$0.77	\$601	50%
1	1	G	6	0	780	\$0.77	\$601	60%
2	2	G	9	0	980	\$0.74	\$722	50%
2	2	G	26	0	980	\$0.74	\$722	60%

*Adaptive Reuse

*DTS is based on drive time

904 Peachtree Senior Village 21.6 miles to site



Address: 120 N Peachtree St, Liberty, SC 29657
 Phone: (864) 520-5559 Contact: Billie Jo
 Property Type: Tax Credit
 Target Population: Senior 55+
 Total Units: 40 Year Built: 2017
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 3 (w/Elev)
 Waitlist: 5 HH
 Rent Special: None

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

Notes: Tax Credit

Features And Utilities

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

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

Property Amenities: Elevator; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Grilling Area, Hot Tub)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	1	0	750	\$0.77	\$580	50%
1	1	G	3	0	750	\$0.85	\$635	60%
2	2	G	16	0	950	\$0.69	\$655	50%
2	2	G	20	0	950	\$0.71	\$675	60%

*Adaptive Reuse

*DTS is based on drive time

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

Map I.D.	Project Name	Square Footage			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	Upper Mill Apartments	750	-	-	-
13	Laurel Street Village I & II	800	900	1,000	1,150
901	Companion at Horton Farms	750	950	-	-
903	Kingston Pointe II	780	980	-	-
904	Peachtree Senior Village	750	950	-	-

900 series Map IDs are located outside Site PMA

Map I.D.	Project Name	Number of Baths			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	Upper Mill Apartments	1.0	-	-	-
13	Laurel Street Village I & II	1.0	1.0	2.0	2.0
901	Companion at Horton Farms	1.0	2.0	-	-
903	Kingston Pointe II	1.0	2.0	-	-
904	Peachtree Senior Village	1.0	2.0	-	-

900 series Map IDs are located outside Site PMA

The proposed development’s one-bedroom unit size (square feet) is within the range of those offered at the comparable LIHTC projects within the market and region and, as such, is considered appropriately positioned.

The following tables compare the amenities of the subject development with the other LIHTC projects in the market and region.

Tax Credit Unit Amenities by Map ID						
	Site* ♦	13	901 ♦	903 ♦	904 ♦	
Appliances	Dishwasher	X	X	X	X	X
	Disposal		X	X		X
	Microwave	X	X			X
	Range	X	X	X	X	X
	Refrigerator	X	X	X	X	X
	W/D Hookup	X	X	X	X	X
	W/D					
	No Appliances					
Unit Amenities	AC-Central	X	X	X	X	X
	AC-Other					
	Balcony/ Patio/ Sunroom				X	
	Basement					
	Ceiling Fan	X	X	X		X
	Controlled Access					
	E-Call System			S	X	S
	Furnished					
	Walk-In Closet	X				
	Window Treatments	X	X	X	X	X
			X	X	X	X
Flooring	Carpet		X	X	X	X
	Ceramic Tile					
	Hardwood					
	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					
	Street Parking					
	Surface Lot	X	X	X	X	X
	Carport					
	Property Parking Garage					
	No Provided Parking					

♦ - Senior Property

* Proposed Site(s): Upper Mill Apts.

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*◆	13	901◆	903◆	904◆	
	X		X	X	X	
	X					
Community	X		X	X		
			X			
		X	X	X	X	X
		X	X	X	X	X
Recreation						
	X	X	X	X	X	
	X	X	X	X	X	
	X					
					X	
	X			X		
	X			X		
		X				
	Security					
X				X		
		X	O	X		
X						

◆ - Senior Property

* Proposed Site(s): Upper Mill Apts.

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

** Details in Comparable Property Profile Report

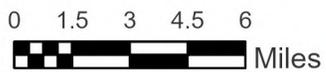
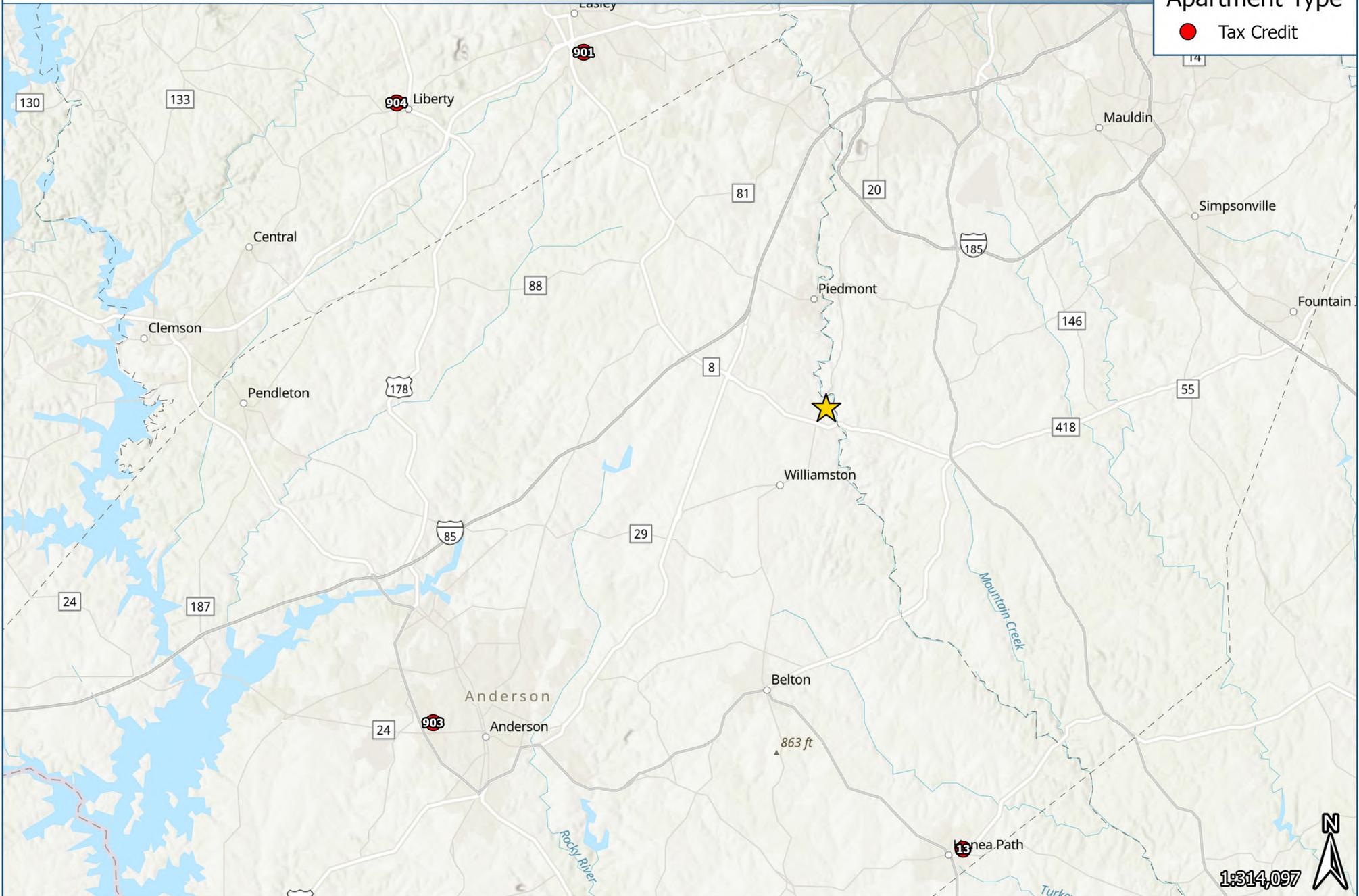
As the preceding tables illustrate, the subject's amenities package is considered superior to those offered at the comparable LIHTC projects within the market and region. In terms of unit amenities, the subject project will be the only LIHTC project to include walk-in closets. Regarding project amenities, the subject project will be the only LIHTC project to offer a community garden and game room, and one of two LIHTC projects to include a library and media room. The inclusion of the aforementioned amenities will position the subject project at a competitive advantage.

Comparable Tax Credit Summary

Based on our analysis of the proposed rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing low-income properties within the market and region, it is our opinion that the subject development will be very marketable. Notably, the subject project will be the newest LIHTC project within the market, offering a superior amenities package and the lowest LIHTC rents for similar unit types. Additionally, there are no age-restricted LIHTC projects within the *market*. The subject project will provide an affordable rental housing alternative to low-income seniors who are severely underserved within the Pelzer Site PMA, which will bode very well in the demand of the subject units. These factors have been considered in our absorption estimates.

2. COMPARABLE TAX CREDIT PROPERTIES MAP

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



3. RENTAL HOUSING OVERVIEW

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

Housing Status	2010 (Census)		2023 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	61,134	90.7%	75,160	93.0%
Owner-Occupied	45,036	73.7%	59,067	78.6%
Renter-Occupied	16,098	26.3%	16,093	21.4%
Vacant	6,271	9.3%	5,689	7.0%
Total	67,398	100.0%	80,849	100.0%

Source: 2010 Census, ESRI, Bowen National Research

Based on a 2023 update of the 2010 Census, of the 80,849 total housing units in the market, 7.0% are estimated to be vacant. This is a decline from the 9.3% vacancy rate reported in 2010, which is likely an indication of a strengthening housing market.

Conventional Apartments

We identified and personally surveyed 27 conventional housing projects containing a total of 4,862 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 97.1%, a strong rate for rental housing. The following table summarizes the project types surveyed in the Site PMA:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	22	4,503	139	96.9%
Tax Credit	2	111	0	100.0%
Tax Credit/Government-Subsidized	2	148	0	100.0%
Government-Subsidized	1	100	0	100.0%
Total	27	4,862	139	97.1%

The Pelzer rental housing market is performing very well, as all rental housing segments surveyed are maintaining occupancy levels at or above 96.9%. In fact, all affordable rental housing developments surveyed are fully occupied (all of which maintain a waiting list), illustrating that pent-up demand exists for additional low-income housing within the Pelzer Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

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	3	0.1%	0	0.0%	\$1,016
One-Bedroom	1.0	1,175	26.1%	36	3.1%	\$1,329
One-Bedroom	1.5	13	0.3%	0	0.0%	\$1,536
Two-Bedroom	1.0	322	7.2%	2	0.6%	\$1,174
Two-Bedroom	1.5	170	3.8%	0	0.0%	\$1,984
Two-Bedroom	2.0	2,201	48.9%	82	3.7%	\$1,624
Three-Bedroom	1.0	64	1.4%	2	3.1%	\$1,389
Three-Bedroom	1.5	32	0.7%	0	0.0%	\$1,418
Three-Bedroom	2.0	493	10.9%	17	3.4%	\$1,817
Four-Bedroom	1.0	30	0.7%	0	0.0%	\$1,599
Total Market-rate		4,503	100.0%	139	3.1%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	8	7.2%	0	0.0%	\$728
Two-Bedroom	1.0	41	36.9%	0	0.0%	\$734
Three-Bedroom	2.0	54	48.6%	0	0.0%	\$954
Four-Bedroom	2.0	8	7.2%	0	0.0%	\$1,081
Total Tax Credit		111	100.0%	0	0.0%	-

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

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

Year Built	Projects	Units	Vacancy Rate
Before 1970	1	42	2.4%
1970 to 1979	3	636	0.8%
1980 to 1989	3	616	4.7%
1990 to 1999	1	116	3.4%
2000 to 2009	8	1,280	4.3%
2010 to 2014	0	0	-
2015	1	304	0.0%
2016	1	76	0.0%
2017	0	0	-
2018	1	396	2.0%
2019	3	772	3.8%
2020	1	88	0.0%
2021	0	0	-
2022	1	288	2.8%
2023*	0	0	-

*As of November

Regardless of year built, all non-subsidized rental properties surveyed are maintaining low vacancy levels no higher than 4.7%. As such, it can be concluded that there is no significant correlation between age and vacancies within the Pelzer rental housing market.

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

Market-rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A	5	1,107	5.6%
A-	2	512	2.3%
B+	4	738	2.8%
B	8	1,610	2.5%
B-	1	176	0.0%
C+	1	152	0.0%
C	1	208	1.9%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	1	76	0.0%
B	1	35	0.0%

Regardless of quality, all non-subsidized rental properties surveyed are maintaining low vacancy levels no higher than 5.6%. Therefore, it can also be concluded that there is no correlation between appearance and vacancies within the Pelzer rental housing market.

Government-Subsidized

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

Subsidized Tax Credit					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	36	24.3%	0	0.0%
Two-Bedroom	1.0	58	39.2%	0	0.0%
Two-Bedroom	1.5	30	20.3%	0	0.0%
Three-Bedroom	1.5	24	16.2%	0	0.0%
Total Subsidized Tax Credit		148	100.0%	0	0.0%
Government-Subsidized					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	52	52.0%	0	0.0%
Two-Bedroom	1.0	28	28.0%	0	0.0%
Three-Bedroom	1.5	20	20.0%	0	0.0%
Total Subsidized		100	100.0%	0	0.0%

All subsidized rental units surveyed are occupied and maintain a waiting list. This illustrates that pent-up demand exists for very low-income rental housing within the market. The subject project will be able to accommodate a portion of this unmet demand.

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 four properties surveyed that offer Tax Credit units, we identified four 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 Pelzer area and from our review of the state Tax Credit allocation list are summarized in the following table:

Name	Location	Year Built/ Renovated	Total Units	Target Population
Belton Garden Apts.	431 Glenwood St., Belton	1979 / 2001	36	Family; Subsidized Tax Credit
Creekside Apts.	205 Saluda Dr., Piedmont	1986 / 2010	40	Family; Subsidized Tax Credit
Pecan Terrace Apts.	110 Gossett Dr., Williamston	1983 / 1994	40	Family; Subsidized Tax Credit
Piedmont Pointe Apts.	300 Old Pelzer Rd., Piedmont	1980 / 1994	40	Family; Subsidized Tax Credit

4. RENTAL HOUSING INVENTORY MAP

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



PMA

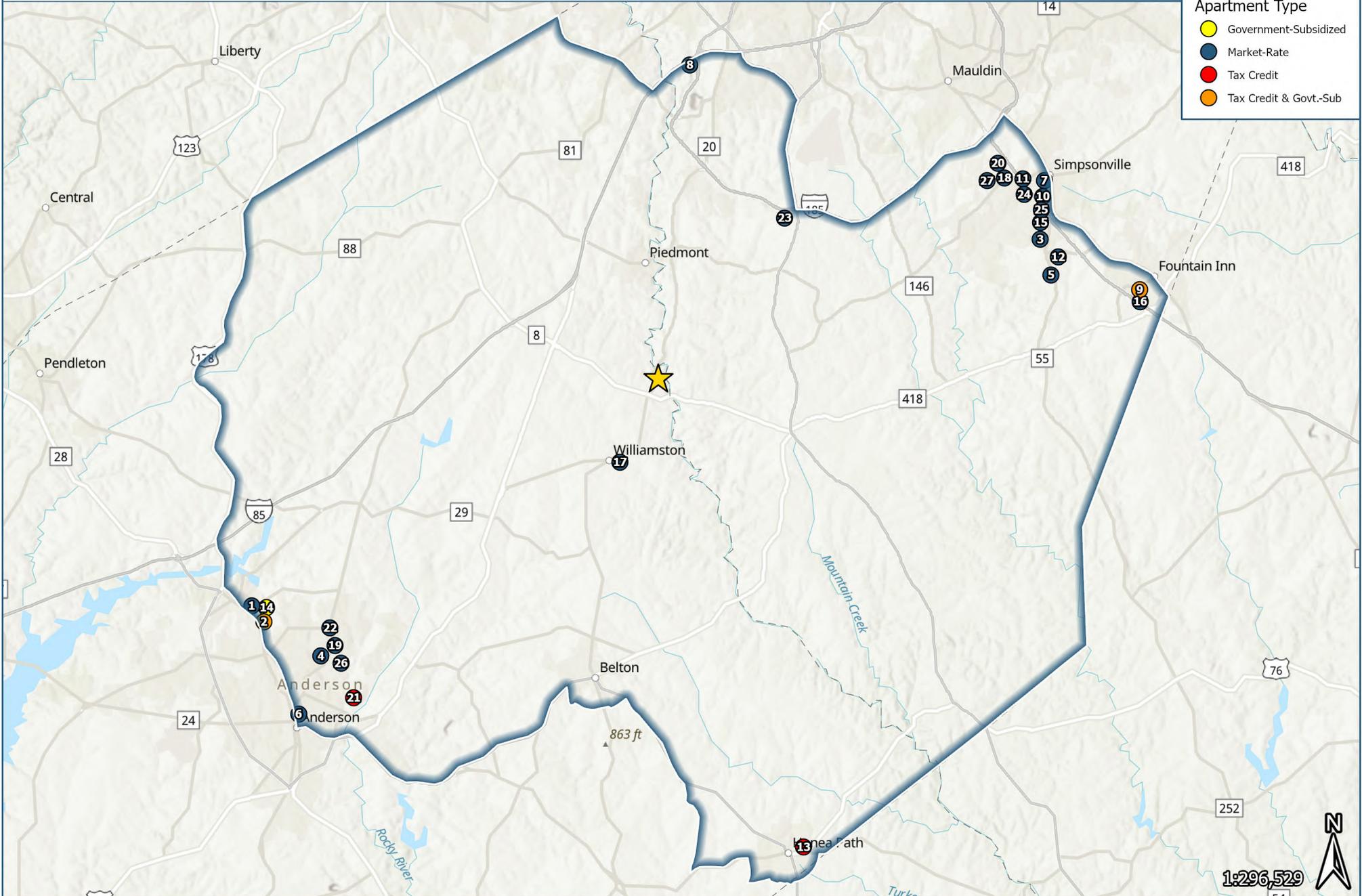
Apartment Type

Government-Subsidized

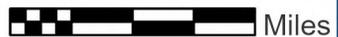
Market-Rate

Tax Credit

Tax Credit & Govt.-Sub



0 1.5 3 4.5 6



Miles

Esri, CGIAR, USGS, City of Greenville, Anderson County SC GIS, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS

Additional Source(s): Bowen National Research

5. & 6. PLANNED AND PROPOSED DEVELOPMENTS

From interviews with planning representatives who responded to our inquiries, extensive online research and the observations of our analyst while in the field, it was determined that there are five rental projects currently in the development pipeline within the Site PMA, which are summarized in the following table:

Project Name & Address	Type	Units	Developer	Status/Details
Fountain Walk Park Industrial Rd. & N. Woods Dr., Fountain Inn	Market-Rate	662	Contour Companies	Proposed: Announced summer 2021; Mixed-use; 15 buildings; Studio-, one-, two- and three-bedroom units; Was originally expected to break ground in late 2021; however, no construction was observed as of November 2023.
The Clevelander 109 Sue Cleveland School Rd., Piedmont	Tax Credit	90	KCG Development, LLC	Proposed: Applied for LIHTC funding in 2022; Demolition of Sue Cleveland Elementary School and new construction; 16 one-, 48 two and 26 three-bedroom units restricted to 50% and 60% AMHI, ranging in size from 752 to 1,126 square feet.
Anderson Apts. Brown Rd. & Beltline Connector, Anderson	Market-Rate	200	Paran Homes	Proposed: Three- and four-bedroom townhomes; Development proposed in 2021.
TBD Augusta Rd. & W. Georgia Rd., Pelzer	Market-Rate	100	N/A	Proposed: No further information was available at the time this report was issued.
Walls at Rivers Edge 909 Anderson St., Piedmont	Market-Rate	116	N/A	Proposed: No further information was available at the time this report was issued.

ECD – Estimated completion date

N/A – Not available

As none of the aforementioned rental communities within the development pipeline in the PMA will target a similar age- and income-demographic, these projects are not anticipated to have any competitive overlap with the subject development.

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 one-bedroom HUD FMR for the Anderson, South Carolina HUD Metro FMR Area, the following table illustrates the subject project's market advantages:

Bedroom Type	% AMHI	Proposed Collected Rent	Fair Market Rent	Market Advantage
One-Bedroom	60%	\$575	\$709	18.90%
	60%	\$638		10.01%
Weighted Average				16.68%

As the preceding illustrates, the subject’s market advantages are 10.01% and 18.90% when compared to the area’s one-bedroom HUD FMR. The weighted average market advantage is 16.68%. Regardless, we have provided an *achievable market rent* analysis for the proposed subject units to determine the true value the proposed rents will represent to low-income seniors within the area, which is illustrated later in Addendum C of this report.

8. AFFORDABLE HOUSING IMPACT

As previously noted, there are no age-restricted LIHTC rental communities within the market. As such, the development of the subject project is not expected to have any tangible impact on the affordable general occupancy LIHTC developments within the Pelzer Site PMA.

9. OTHER HOUSING OPTIONS (BUY VERSUS RENT)

According to ESRI, the median home value in the Site PMA was \$235,481. At an estimated interest rate of 7.32% and a 30-year term (and 95% LTV), the monthly mortgage for a \$235,481 home is \$1,921, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price – ESRI	\$235,481
Mortgaged Value = 95% Of Median Home Price	\$223,707
Interest Rate – MortgageNewsDaily.Com	7.32%
Term	30
Monthly Principal & Interest	\$1,537
Estimated Taxes & Insurance*	\$384
Estimated Monthly Mortgage Payment:	\$1,921

*Estimated at 25% of principal and interest.

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

10. HOUSING VOIDS

As indicated throughout this section, there are no age-restricted LIHTC rental communities within the Pelzer Site PMA. Additionally, there are only eight affordable one-bedroom units at the non-subsidized family (general occupancy) LIHTC projects within the market. Therefore, the subject project will provide an affordable rental housing alternative to low-income seniors who are severely underserved within the Site PMA. This will bode very well in the demand for the subject units.

I. Interviews

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

- Henry Youmans, Chief of Permits for Anderson County Planning and Development, stated that there is a great need for more affordable housing in Anderson County. Not only is there a housing shortage, but for-sale single family homes have become unattainably expensive for most county residents (the median income in Anderson County is roughly \$52,000). Unfortunately, rentals within the county cost roughly the same amount as the average mortgage. This not only deters but hinders many residents from having the option to rent. Mr. Youmans believes the addition of affordable housing would help alleviate financial burden of the county's residents and create more attainable housing options. *(864) 260-4720*
- Carrie Banner, Property Manager at Rocky Creek Village (Map ID 21), a Tax Credit community within the Site PMA in Anderson, explained that there is high demand for more senior housing within the region due to limited availability. Ms. Banner further noted that her property receives calls daily from seniors inquiring about available units but her wait list is over a year in length and her property's tenants typically live at her property for several years. *(864) 260-9011*
- Chris Darnell, Senior Planner for the City of Anderson, indicated that Anderson County needs affordable housing. The cost of housing is continuing to increase as availability steadily decreases. Anderson is growing but has a low housing stock. Many residents of the area report difficulty finding housing in general, let alone that they can afford. The addition of affordable housing to Anderson County's market would help many county residents. *(864) 260-4005*
- Jeff Trahan, Executive Director of the Housing Authority of Anderson, believes there is absolutely a need for more affordable housing within Anderson County. Over 83% of the housing authority's applicants are below the "very low-income" threshold. There is not adequate affordable housing to provide these individuals, and the market is very competitive. The end of the COVID-19 era Eviction Moratorium caused many people to lose their homes. It has become very difficult for these same individuals to find housing today. *(864) 716-3868*
- Cameron Ford, Project Manager for Anderson County Economic Development, noted that there is a need for more affordable housing for seniors. In the county's Comprehensive Plan, many strategies are listed to address Anderson County's housing needs. Addressing the needs of the county's aging population is mentioned in particular. One major goal listed is to make it feasible for older adults to age at home or in proximity to their families, expanding housing rehabilitation programs, and providing incentives for housing for seniors. *(864) 964-6746*

J. Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 80 units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

The subject project will be very marketable in terms of location, proposed rents, unit size (square feet) and amenities offered. In fact, as noted throughout this report, *there are no age-restricted LIHTC developments within the Pelzer Site PMA*. Additionally, there are only eight (8) one-bedroom LIHTC units offered within the market, all of which are occupied. The subject project will provide an affordable rental housing alternative to low-income senior households who are clearly underserved within the market. This will bode very well in the demand for the subject units.

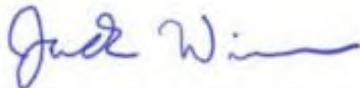
As shown in the Project Specific Demand Analysis section of this report, the subject project has an overall capture rate of 7.5% as proposed with the subsidy on the majority of units (SC Housing maximum threshold is 30%). This indicates that a deep base of demographic support will exist for the subject development within the Pelzer Site PMA, especially considering the lack of affordable age-restricted rental housing within the area.

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

K. Signed Statement Requirement

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

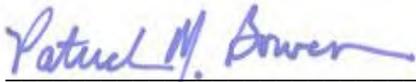
Certified:



Jack Wiseman (Primary Contact)
Market Analyst
jackw@bowennational.com
Date: November 30, 2023



Sidney McCrary
Market Analyst
sidneym@bowennational.com
Date: November 30, 2023



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President/Market Analyst
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patrickb@bowennational.com
Date: November 30, 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.

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.

Kwame Amoako, 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. Amoako holds a Bachelor of Arts in Business Management from Capital University.

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.

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



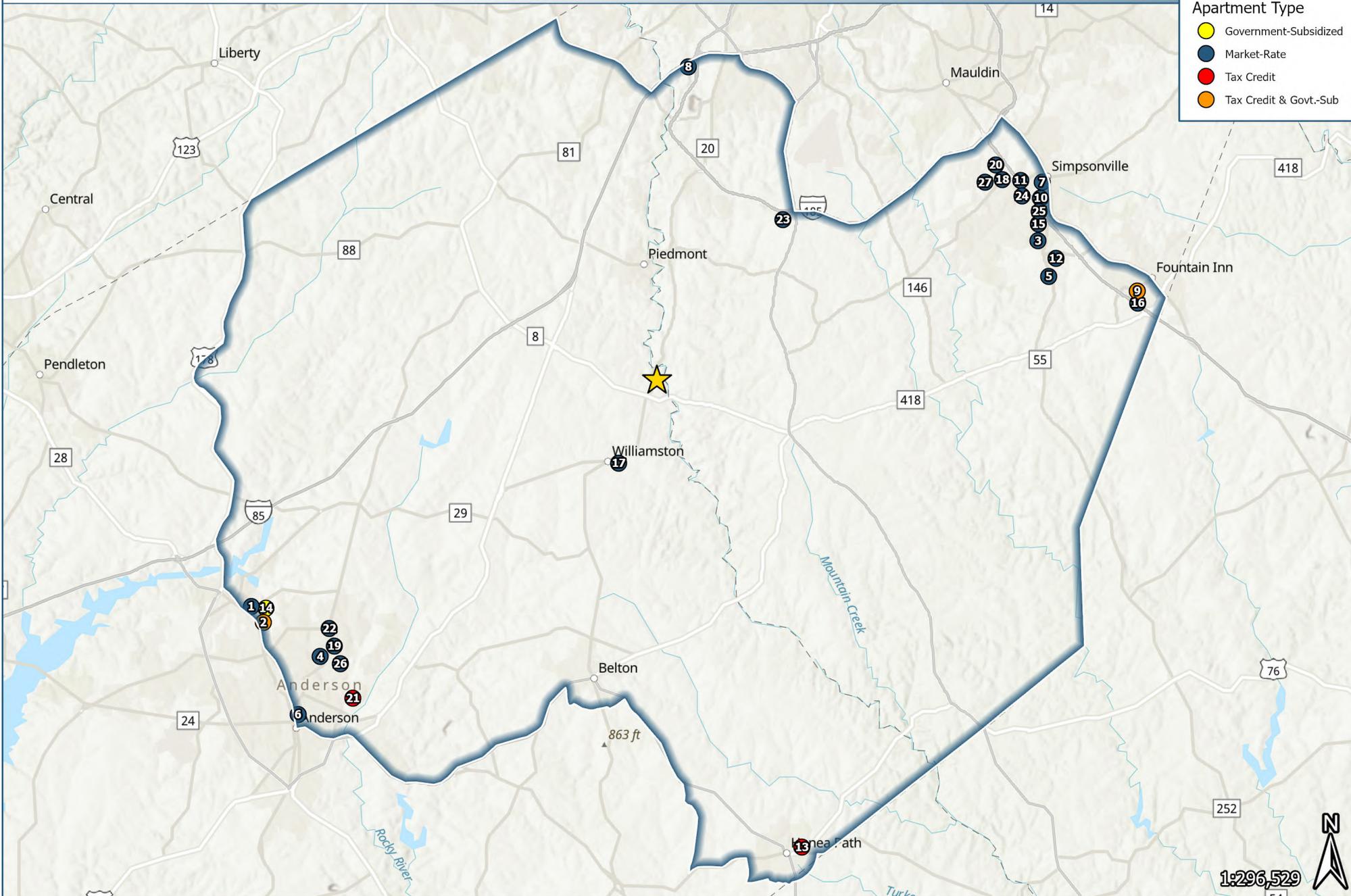
Site



PMA

Apartment Type

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



0 1.5 3 4.5 6



Esri, CGIAR, USGS, City of Greenville, Anderson County SC GIS, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS
Additional Source(s): Bowen National Research

Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
1	Anderson Crossing	MRR	C+	1978	152	0	100.0%	18.1
2	Anderson Village Apts.	TGS	B	1978	98	0	100.0%	19.9
3	Arbors at Fairview	MRR	A	2002	168	28	83.3%	16.4
4	Ashton Park Apts.	MRR	B+	2006	216	7	96.8%	15.1
5	Ballantyne Commons of Simpsonville	MRR	B	2015	304	0	100.0%	15.0
6	Calhoun Lofts	MRR	B+	1925	42	1	97.6%	17.4
7	Cotton Mill Apts.	MRR	B	2019	144	4	97.2%	15.1
8	Eagle Trace Apts.	MRR	B	1972	308	5	98.4%	10.9
9	Fountain Arms Apts.	TGS	B	1979	50	0	100.0%	16.8
10	Garden District Apts.	MRR	A	2008	223	9	96.0%	15.4
11	Hawthorne at Simpsonville Apts.	MRR	A	2019	244	2	99.2%	14.4
12	Jasmine Cove	MRR	B	2007	184	0	100.0%	16.4
13	Laurel Street Village I & II	TAX	B+	2016	76	0	100.0%	21.2
14	Mount Vernon Place	GSS	C+	1979	100	0	100.0%	20.0
15	Oak Pointe Apts.	MRR	A-	1997	116	4	96.6%	15.9
16	Palisades at Fountain Inn	MRR	A-	2018	396	8	98.0%	16.7
17	Parkview Apts.	MRR	B	2003	64	0	100.0%	3.1
18	Pointe Grand Apartment Homes	MRR	B+	2022	288	8	97.2%	13.9
19	Raintree Apts.	MRR	B-	1972	176	0	100.0%	15.3
20	Redwood Simpsonville Neely Ferry Road	MRR	A	2020	88	0	100.0%	17.4
21	Rocky Creek Village	TAX	B	2004	35	0	100.0%	15.2
22	Shadow Creek Apts.	MRR	B+	2000	192	5	97.4%	16.8
23	Signature Pointe Apts.	MRR	B	2004	198	6	97.0%	7.8
24	Spring Creek Apts.	MRR	C	1985	208	4	98.1%	14.5
25	Stillwater at Grandview	MRR	B	1989	240	24	90.0%	15.5
26	Tanglewood Apts.	MRR	B	1980	168	1	99.4%	15.2
27	Waterleaf at Neely Ferry Apts.	MRR	A	2019	384	23	94.0%	13.8
901	Companion at Horton Farms	TAX	B+	2008	40	0	100.0%	15.7
903	Kingston Pointe II	TAX	B+	2009	44	0	100.0%	22.8
904	Peachtree Senior Village	TAX	A-	2017	40	0	100.0%	21.6

*Drive distance in miles

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

1	Anderson Crossing 320 E. Beltline Blvd., Anderson, SC 29621	Contact: Marella Phone: (864) 224-8304
	Total Units: 152 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1978 BR: 1, 2 Vacant Units: 0 Waitlist: 3 HH AR Year: Target Population: Family Yr Renovated: 2012 Rent Special: None Notes:	
2	Anderson Village Apts. 200 Miracle Mile Rd., Anderson, SC 29621	Contact: Zakira Phone: (864) 225-7803
	Total Units: 98 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 1978 BR: 1, 2, 3 Vacant Units: 0 Waitlist: Yes AR Year: Target Population: Family Yr Renovated: 2007 Rent Special: None Notes: Tax Credit & HUD Section 8	
3	Arbors at Fairview Arbor Keats Dr, Simpsonville, SC 29680	Contact: Cindy/Nicole Phone: (864) 228-3892
	Total Units: 168 UC: 0 Occupancy: 83.3% Stories: 3 Year Built: 2002 BR: 1, 2, 3 Vacant Units: 28 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: \$500 off first months rent if you apply in October. Notes: Rents change daily; Rent range due to additional fees on top of the base rents (contact stated that these fees are not flat fees) but include pest control, pet fees, and renter insurance	
4	Ashton Park Apts. 50 Braeburn Dr, Anderson, SC 29621	Contact: Teresa Phone: (864) 835-8121
	Total Units: 216 UC: 0 Occupancy: 96.8% Stories: 3 Year Built: 2006 BR: 1, 2, 3 Vacant Units: 7 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rents change daily	
5	Ballantyne Commons of Simpsonville 5001 Ballantyne Dr, Simpsonville, SC 29680	Contact: Paris Phone: (864) 571-2534
	Total Units: 304 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 2015 BR: 1, 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:	



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

6	Calhoun Lofts 402 N. Main St., Anderson, SC 29621	Contact: Cheryl Phone: (864) 617-4828
	 <p>Total Units: 42 UC: 0 Occupancy: 97.6% Stories: 8 w/Elevator Year Built: 1925 BR: 0, 1, 2 Vacant Units: 1 Waitlist: Yes AR Year: 2002 Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range due to floorplan & unit location</p>	

7	Cotton Mill Apts. 6001 Spindle Cir, Simpsonville, SC 29681	Contact: Brittany Phone: (864) 326-4810
	 <p>Total Units: 144 UC: 0 Occupancy: 97.2% Stories: 3 Year Built: 2019 BR: 1, 2, 3 Vacant Units: 4 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Opened 5/2019</p>	

8	Eagle Trace Apts. 1 Lakeside Rd, Greenville, SC 29611	Contact: Rachel Phone: (864) 422-8551
	 <p>Total Units: 308 UC: 0 Occupancy: 98.4% Stories: 2 Year Built: 1972 BR: 1, 2, 3, 4 Vacant Units: 5 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:</p>	

9	Fountain Arms Apts. 111 Old Fairview Rd, Fountain Inn, SC 29644	Contact: Cathy Phone: (864) 862-2278
	 <p>Total Units: 50 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1979 BR: 1, 2 Vacant Units: 0 Waitlist: 26 HH AR Year: Target Population: Family Yr Renovated: 2020 Rent Special: None Notes: Tax Credit & RD 515, has RA (38 units)</p>	

10	Garden District Apts. 100 Garden District Dr, Simpsonville, SC 29681	Contact: Lori Phone: (864) 963-1000
	 <p>Total Units: 223 UC: 0 Occupancy: 96.0% Stories: 2,3 Year Built: 2008 BR: 1, 2, 3 Vacant Units: 9 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range based on floorplan</p>	

<ul style="list-style-type: none">  Comparable Property  Senior Restricted  (MRR) Market-Rate  (MRT) Market-Rate & Tax Credit  (MRG) Market-Rate & Government-Subsidized  (MIN) Market-Rate & Income-Restricted (not LIHTC) 	<ul style="list-style-type: none">  (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized  (TAX) Tax Credit  (TGS) Tax Credit & Government-Subsidized  (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)  (TIN) Tax Credit & Income-Restricted (not LIHTC)  (TMG) Tax Credit, Market-Rate & Government-Subsidized 	<ul style="list-style-type: none">  (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized  (INR) Income-Restricted (not LIHTC)  (ING) Income-Restricted (not LIHTC) & Government-Subsidized  (GSS) Government-Subsidized  (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
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<p>11</p>	<p>Hawthorne at Simpsonville Apts. 1500 Water Lily Dr, Simpsonville, SC 29680</p> 	<p>Contact: Sasha Phone: (864) 714-7280</p> <p>Total Units: 244 UC: 0 Occupancy: 99.2% Stories: 3 Year Built: 2019 BR: 1, 2, 3 Vacant Units: 2 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: Reduced rates if you apply before the end of October. Notes: Preleasing 2/2019, opened 6/2019</p>
<p>12</p>	<p>Jasmine Cove 1600 Jasmine Cove Cir, Simpsonville, SC 29680</p> 	<p>Contact: Jessie Phone: (864) 362-9068</p> <p>Total Units: 184 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2007 BR: 1, 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:</p>
<p>13</p>	<p>Laurel Street Village I & II 90 Peachtree St, Honea Path, SC 29654</p> 	<p>Contact: Brittany Phone: (864) 368-9121</p> <p>Total Units: 76 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 2016 BR: 1, 2, 3, 4 Vacant Units: 0 Waitlist: 10 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; HOME Funds (20 units)</p>
<p>14</p>	<p>Mount Vernon Place 203 Miracle Mile Dr., Anderson, SC 29621</p> 	<p>Contact: Tammy Phone: (864) 224-1627</p> <p>Total Units: 100 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1979 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 200 HH AR Year: Target Population: Family Yr Renovated: 2002 Rent Special: None Notes: HUD Section 8</p>
<p>15</p>	<p>Oak Pointe Apts. 112 Davenport Rd, Simpsonville, SC 29680</p> 	<p>Contact: Susan Phone: (864) 228-2686</p> <p>Total Units: 116 UC: 0 Occupancy: 96.6% Stories: 3 Year Built: 1997 BR: 1, 2, 3 Vacant Units: 4 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rents change daily</p>

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



16	Palisades at Fountain Inn 2 Palisades Knoll Dr, Fountain Inn, SC 29644		Contact: Amanda, Phone: (864) 479-4208	
		Total Units: 396 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: Select units: 50% off 1st month's rent Notes: Rent range due to floor level & amenities	Occupancy: 98.0% Vacant Units: 8	Stories: 3 Waitlist: None



17	Parkview Apts. 100 Williamston Ct, Williamston, SC 29697		Contact: Tom Phone: (864) 847-1996	
		Total Units: 64 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes:	Occupancy: 100.0% Vacant Units: 0	Stories: 2 Waitlist: Yes

18	Pointe Grand Apartment Homes 8001 Pointe Grand Pl, Simpsonville, SC 29680		Contact: Peyton Phone: (864) 565-9901	
		Total Units: 288 UC: 0 BR: 2 Target Population: Family Rent Special: \$100 off rent with a 12 month lease Notes: Rent range due to unit location; Does not keep a WL	Occupancy: 97.2% Vacant Units: 8	Stories: 3 Waitlist: None

19	Raintree Apts. 2420 Marchbanks Ave, Anderson, SC 29621		Contact: Lori Phone: (864) 224-2859	
		Total Units: 176 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes: Rent range due to floorplan & units with extra storage	Occupancy: 100.0% Vacant Units: 0	Stories: 2 Waitlist: 4 HH

20	Redwood Simpsonville Neely Ferry Road 401 Redvalley Ln, Simpsonville, SC 29680		Contact: Alisha Phone: (833) 368-5270	
		Total Units: 88 UC: 0 BR: 2 Target Population: Family Rent Special: None Notes: Rents change daily	Occupancy: 100.0% Vacant Units: 0	Stories: 1 Waitlist: None

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

<p>21</p>	<p>Rocky Creek Village 104 Gamewell Ct., Anderson, SC 29621</p> 	<p>Contact: Carrie Phone: (864) 260-9011</p> <p>Total Units: 35 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 2004 BR: 2, 3 Vacant Units: 0 Waitlist: 8 HH AR Year: Target Population: Family Yr Renovated: 2019 Rent Special: None Notes: Tax Credit</p>
<p>22</p>	<p>Shadow Creek Apts. 100 Shadow Creek Ln, Anderson, SC 29621</p> 	<p>Contact: Erica Phone: (864) 642-4961</p> <p>Total Units: 192 UC: 0 Occupancy: 97.4% Stories: 2,3 Year Built: 2000 BR: 1, 2, 3 Vacant Units: 5 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range due to amenities, renovations, floorplan & view</p>
<p>23</p>	<p>Signature Pointe Apts. 607 Emily Ln., Piedmont, SC 29673</p> 	<p>Contact: Tabatha Phone: (864) 277-2900</p> <p>Total Units: 198 UC: 0 Occupancy: 97.0% Stories: 3 Year Built: 2004 BR: 1, 2, 3 Vacant Units: 6 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range based on unit location and various units being renovated as they turnover' Rents change daily</p>
<p>24</p>	<p>Spring Creek Apts. 10 Capewood Rd, Simpsonville, SC 29680</p> 	<p>Contact: Marie Phone: (864) 967-3905</p> <p>Total Units: 208 UC: 0 Occupancy: 98.1% Stories: 2 Year Built: 1985 BR: 1, 2 Vacant Units: 4 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rents change daily; Does not keep a WL</p>
<p>25</p>	<p>Stillwater at Grandview 3714 Grandview Dr, Simpsonville, SC 29680</p> 	<p>Contact: Cary King Phone: (864) 967-2010</p> <p>Total Units: 240 UC: 0 Occupancy: 90.0% Stories: 2,3 Year Built: 1989 BR: 1, 2, 3 Vacant Units: 24 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2022 Rent Special: \$1,500.00 off, spread out over first three months of rent. Notes:</p>

<p>✓ Comparable Property</p> <p>◆ Senior Restricted</p> <p>■ (MRR) Market-Rate</p> <p>■ (MRT) Market-Rate & Tax Credit</p> <p>■ (MRG) Market-Rate & Government-Subsidized</p> <p>■ (MIN) Market-Rate & Income-Restricted (not LIHTC)</p>	<p>■ (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized</p> <p>■ (TAX) Tax Credit</p> <p>■ (TGS) Tax Credit & Government-Subsidized</p> <p>■ (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)</p> <p>■ (TIN) Tax Credit & Income-Restricted (not LIHTC)</p> <p>■ (TMG) Tax Credit, Market-Rate & Government-Subsidized</p>	<p>■ (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized</p> <p>■ (INR) Income-Restricted (not LIHTC)</p> <p>■ (ING) Income-Restricted (not LIHTC) & Government-Subsidized</p> <p>■ (GSS) Government-Subsidized</p> <p>■ (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted</p>
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26	Tanglewood Apts. 2418 Marchbanks Ave, Anderson, SC 29621	Contact: Mia Phone: (864) 550-1136			
		Total Units: 168 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes: Rents change daily; Does not keep a WL	Occupancy: 99.4% Vacant Units: 1	Stories: 2 Waitlist: None	Year Built: 1980 AR Year: Yr Renovated:

27	Waterleaf at Neely Ferry Apts. 7001 Wiley Dr, Simpsonville, SC 29680	Contact: Jenna Phone: (864) 936-0770			
		Total Units: 384 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: Move before the end of the month, get one month free. Notes: Rent range based on unit location and unit layout; Opened 10/2019	Occupancy: 94.0% Vacant Units: 23	Stories: 2,3 Waitlist: None	Year Built: 2019 AR Year: Yr Renovated:



901	Companion at Horton Farms 201 Walnut Hill Dr, Easley, SC 29642	Contact: Sally Phone: (864) 855-0070			
		Total Units: 40 UC: 0 BR: 1, 2 Target Population: Senior 55+ Rent Special: None Notes: Tax Credit; HOME Funds (30 units)	Occupancy: 100.0% Vacant Units: 0	Stories: 4 Waitlist: 5 HH	w/Elevator Year Built: 2008 AR Year: Yr Renovated:



903	Kingston Pointe II 101 Fyffe Dr., Anderson, SC 29625	Contact: Crystal Phone: (864) 224-6501			
		Total Units: 44 UC: 0 BR: 1, 2 Target Population: Senior 55+ Rent Special: None Notes: Tax Credit	Occupancy: 100.0% Vacant Units: 0	Stories: 1 Waitlist: 38 HH	Year Built: 2009 AR Year: Yr Renovated:



904	Peachtree Senior Village 120 N Peachtree St, Liberty, SC 29657	Contact: Billie Jo Phone: (864) 520-5559			
		Total Units: 40 UC: 0 BR: 1, 2 Target Population: Senior 55+ Rent Special: None Notes: Tax Credit	Occupancy: 100.0% Vacant Units: 0	Stories: 3 Waitlist: 5 HH	w/Elevator Year Built: 2017 AR Year: Yr Renovated:

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

Source: Housing Authority of Anderson
 Effective: 01/2023

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	11	14	16	20	24	30	12	14	17	21	26	32
	+Base Charge	9	9	9	9	9	9	9	9	9	9	9	9
	Bottled Gas	28	33	39	48	60	74	30	35	42	51	63	79
	Electric	23	27	32	39	49	60	24	29	34	42	52	64
	Heat Pump	22	26	31	37	46	57	23	27	33	40	49	61
	Oil	56	70	86	107	124	134	59	74	91	114	132	143
Cooking	Natural Gas	7	9	10	11	11	13	7	9	10	11	11	13
	Bottled Gas	17	21	24	26	27	30	17	21	24	26	27	30
	Electric	11	12	14	15	17	19	11	12	14	15	17	19
Other Electric	38	50	65	85	110	123	38	50	65	85	110	123	
+Base Charge	13	13	13	13	13	13	13	13	13	13	13	13	
Air Conditioning	14	16	20	24	31	34	15	17	21	26	32	36	
Water Heating	Natural Gas	14	18	21	25	28	32	14	16	21	25	28	32
	Bottled Gas	35	35	43	52	62	69	35	35	43	52	62	69
	Electric	17	23	31	38	44	50	17	23	31	38	44	50
	Oil	20	21	29	38	48	56	20	21	29	38	48	56
Water	14	14	19	25	30	34	14	14	19	25	30	34	
Sewer	13	13	22	33	42	51	13	13	22	33	42	51	
Trash Collection	11	11	11	11	11	11	11	11	11	11	11	11	
Internet*	20	20	20	20	20	20	20	20	20	20	20	20	
Cable*	20	20	20	20	20	20	20	20	20	20	20	20	
Alarm Monitoring*	0	0	0	0	0	0	0	0	0	0	0	0	

* Estimated- not from source

Addendum B – Member Certification & Checklist

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

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

Certified:

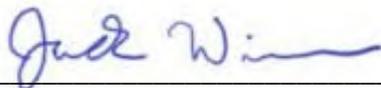


Patrick M. Bowen

President

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Date: November 30, 2023



Jack Wiseman (Primary Contact)

Market Analyst

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Date: November 30, 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)
Executive Summary		
1.	Executive Summary (Exhibit S-2)	A
Project Description		
2.	Proposed number of bedrooms and baths proposed, income limitations, proposed rents and utility allowances	B
3.	Utilities (and utility sources) included in rent	B
4.	Project design description	B
5.	Unit and project amenities; parking	B
6.	Public programs included	B
7.	Target population description	B
8.	Date of construction/preliminary completion	B
9.	If rehabilitation, existing unit breakdown and rents	B
10.	Reference to review/status of project plans	B
Location and Market Area		
11.	Market area/secondary market area description	D
12.	Concise description of the site and adjacent parcels	C
13.	Description of site characteristics	C
14.	Site photos/maps	C
15.	Map of community services	C
16.	Visibility and accessibility evaluation	C
17.	Crime Information	C

CHECKLIST (Continued)

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

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

Addendum C – Achievable Market Rent Analysis

A. INTRODUCTION

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

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

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

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

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

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

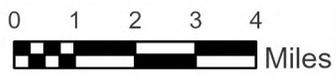
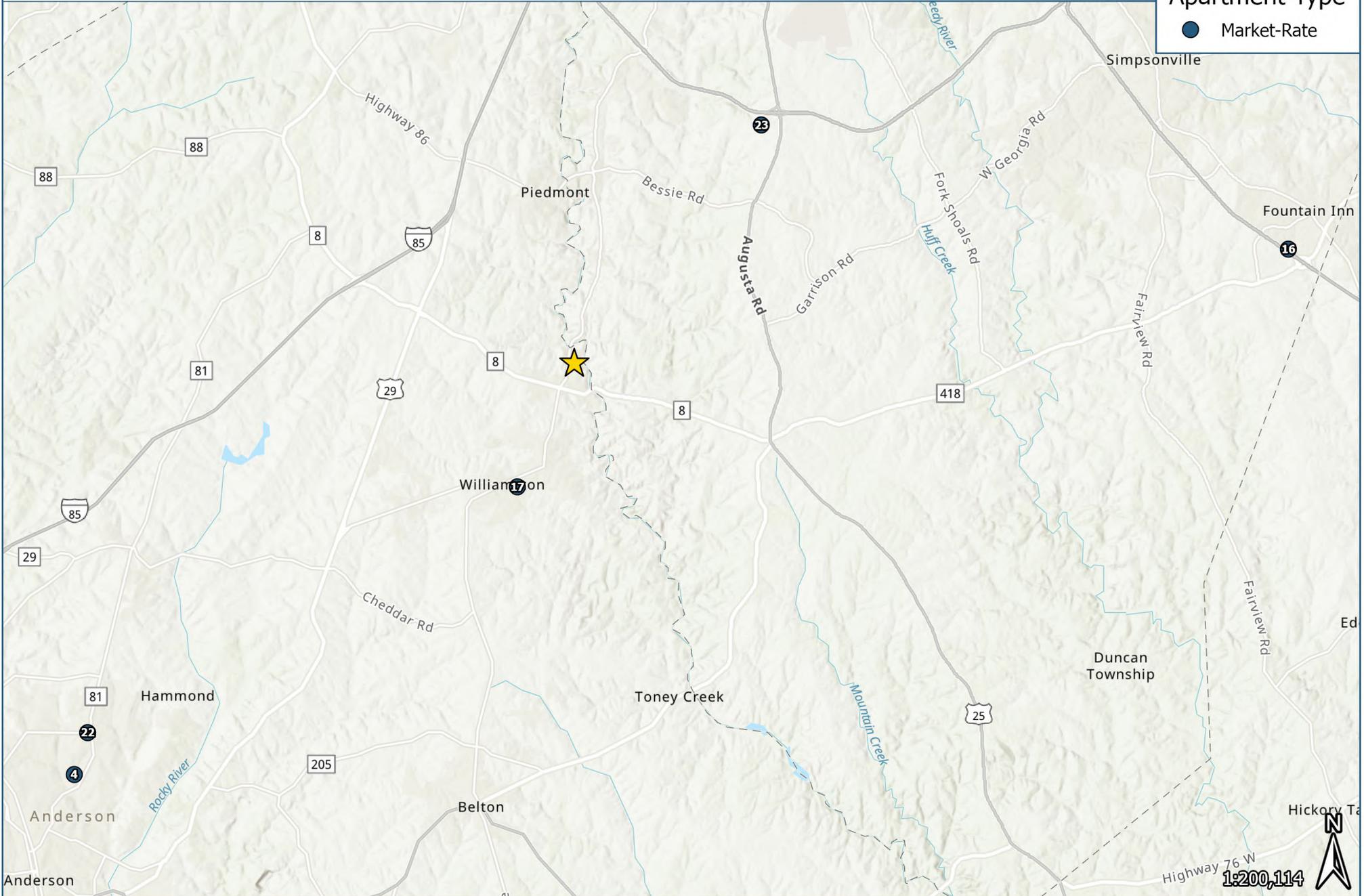
The proposed subject development and the five selected properties include the following:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	Upper Mill Apartments	2025	80	-	80 (-)	-	-
4	Ashton Park Apts.	2006	216	96.8%	60 (98.3%)	146 (96.6%)	10 (90.0%)
16	Palisades at Fountain Inn	2018	396	98.0%	117 (97.4%)	240 (98.8%)	39 (94.9%)
17	Parkview Apts.	2003	64	100.0%	16 (100.0%)	32 (100.0%)	16 (100.0%)
22	Shadow Creek Apts.	2000	192	97.4%	56 (98.2%)	93 (96.8%)	43 (97.7%)
23	Signature Pointe Apts.	2004	198	97.0%	26 (96.2%)	38 (89.5%)	134 (99.3%)

Occ. – Occupancy

The five selected market-rate projects have a combined total of 1,066 units with an overall occupancy rate of 97.6%, a strong rate for rental housing. This demonstrates that these comparable properties have been very well received within the market and will serve as accurate benchmarks with which to compare the subject project.

The Rent Comparability Grid on the following page shows the collected rents for each of the selected properties and illustrates 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 Grid 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**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Upper Mill Apartments		Ashton Park Apts.		Palisades at Fountain Inn		Parkview Apts.		Shadow Creek Apts.		Signature Pointe Apts.	
Adjacent to 519 Anderson St.		50 Braeburn Dr		2 Palisades Knoll Dr		100 Williamston Ct		100 Shadow Creek Ln		607 Emily Ln.	
Pelzer, SC		Anderson, SC		Fountain Inn, SC		Williamston, SC		Anderson, SC		Piedmont, SC	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,367		\$1,185		\$1,009		\$1,302		\$1,356	
2	Date Surveyed	Nov-23		Nov-23		Nov-23		Nov-23		Oct-23	
3	Rent Concessions	None		Yes (\$49)		None		None		None	
4	Occupancy for Unit Type	98%		97%		100%		98%		96%	
5	Effective Rent & Rent/ sq. ft	\$1,367	1.61	\$1,136	1.55	\$1,009	1.38	\$1,302	1.62	\$1,356	1.52
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	R/1		WU/3		WU/2		WU/2,3		WU/3	
7	Yr. Built/Yr. Renovated	2025		2006	\$19	2018	\$7	2003	\$22	2000	\$21
8	Condition/Street Appeal	E		G	\$15	E		G	\$15	G	\$15
9	Neighborhood	F		G	(\$137)	G	(\$114)	G	(\$50)	G	(\$130)
10	Same Market?			Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		1		1		1	
12	# Baths	1		1		1		1		1	
13	Unit Interior Sq. Ft.	750	(\$39)	850	\$6	730	\$8	804	(\$21)	895	(\$56)
14	Patio/Balcony/Sunroom	N		N		N		Y	(\$5)	Y	(\$5)
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		Y/Y		N/Y	\$5	Y/Y		Y/Y	
18	Washer/Dryer	HU/L		HU/L	(\$25)	HU/L		HU/L		W/D	(\$25)
19	Cable/Internet Included?	N		N		N		Y	(\$70)	Y	(\$70)
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N	(\$3)	Y	(\$3)	N		N		N	
22	Garbage Disposal	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fan/E-Call System	Y/N		Y/N	\$5	Y/N		Y/N		Y/N	
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	N		N	(\$5)	N		Y	(\$5)	Y	(\$5)
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	F/GR/MT/G	(\$7)	P/F/S/MT	(\$1)	N	\$14	P/F	(\$1)	P/F	(\$1)
29	Business/Computer Center	Y		Y	\$3	N	\$3	Y		Y	
30	Grilling Area/Storage	Y/N		Y/N		N/N	\$3	Y/N		Y/N	
31	Library	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
32	Social Services	Y	\$10	N	\$10	N	\$10	N	\$10	N	\$10
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	Y/Y	\$27	N/N	\$27	N/N	\$27	N/N	\$27	Y/Y	
39	Trash/Recycling	Y/N	\$11	N/N	\$11	Y/N		Y/N		Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	4	5	6	6	9	2	4	7	4	8
41	Sum Adjustments B to D	\$47	(\$191)	\$34	(\$153)	\$83	(\$55)	\$53	(\$237)	\$49	(\$235)
42	Sum Utility Adjustments	\$38		\$38		\$27		\$27			
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$106)	\$276	(\$81)	\$225	\$55	\$165	(\$157)	\$317	(\$186)	\$284
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,261		\$1,055		\$1,064		\$1,145		\$1,170	
45	Adj Rent/Last rent		92%		93%		105%		88%		86%
46	Estimated Market Rent	\$1,065	\$1.42 ←	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 Grid, it was determined that the present-day achievable market one-bedroom rent for units similar to the subject development is as follows:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Bedroom	60%	\$575	\$1,065	46.01%
	60%	\$638		40.09%
			Weighted Average	44.53%

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. As such, the proposed/programmatic subject LIHTC rents should represent an excellent value to low-income seniors, as they represent market rent advantages of 40.09% and 46.01%.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

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

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

3. One of the comparable properties, Palisades at Fountain Inn (Comp #2), is offering a rent special of half off first month’s rent. This concession has been prorated and deducted from this property’s quoted rent, yielding its effective rent (line item 5).

7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between 2000 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 adjustments for those properties that we consider to be of inferior quality compared to the subject development.
9. All of the selected properties are located in more desirable neighborhoods than that of the subject project. As such, we have made a rent adjustment of approximately 5% to 10% to account for the differences in neighborhood desirability between these projects and the subject project.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar-for-dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. The proposed subject project will offer a unit amenity package considered generally inferior to those offered at the selected properties. The largest adjustment made was for the lack of cable and internet services included in the rent at two of the comparable properties, which was based on the corresponding flat fee for such services.
- 24.-32. The proposed project offers a comprehensive project amenities package. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.