



## **PACES PRESERVATION** *Partners*

**Project:** Willowcreek at Wateree Apartments  
**Subject:** Project Narrative for SC Housing Tax Credit Application  
**Date:** June 20, 2025

### **Executive Summary**

Willowcreek at Wateree Apartments ("Project") will be a newly constructed, 112-unit residential community featuring two- and three-story split-level garden walk-up buildings designed for families. Situated in Unincorporated Richland County, South Carolina, the development will occupy approximately 15.894 acres of land near the Columbia Place Mall and Roof Street. The current site is undeveloped, offering a prime opportunity for a thoughtfully designed residential community that aligns with the aesthetic and functional needs of the surrounding neighborhood.

The Project will offer significant interior amenities and will be designed externally to meet neighborhood and corridor requirements, echoing the style of other successful developments by Paces Preservation Partners throughout the Southeast and Mid-Atlantic regions. The surrounding land uses include single-family homes, duplexes, multifamily housing, and a nearby school, which informed a design approach that harmonizes with the existing residential fabric of the community.

Paces Preservation Partners ("Developer"), a joint venture between The Paces Foundation and Soho Housing Partners, is an experienced developer and owner leading this initiative. This partnership was established to collaborate on developments like this one across the country. In this project, Willowcreek at Wateree Apartments, which will serve as replacement housing for 24 of Columbia Housing Authority (CHA) rent-subsidized families. These families will be relocated from outdated, obsolete housing stock into modern, high-quality homes.

CHA faces a pressing need to replace its aging public housing with new, suitable, and modernized affordable housing for its tenant population. This project is a pivotal step in CHA's broader strategy to transition and upgrade its housing portfolio. As part of its long-term vision, CHA aims to decentralize its housing developments, distributing new communities throughout Richland County and the greater Columbia metropolitan area. Willowcreek at Wateree represents one of the opportunities to realize this vision.

In addition to providing replacement housing for 24 families, this project will offer housing for 88 families through the use of project-based vouchers.

Paces Preservation Partners has meticulously selected their design team to ensure that the project meets the highest standards of design and construction quality. The team includes Progress Design Studio as the architects, Cox & Dinkins as the civil engineers, and Weaver Cooke as the general contractor. Each member of the design team brings extensive experience in LIHTC projects and a strong track record of working with South Carolina Housing. Michael Haynes (Founder of Progress Design Studio), in particular, is known for designing high-quality LIHTC properties across the state.

The architectural vision for Willowcreek at Wateree Apartments incorporates exterior materials such as brick and siding, and detailed building designs that create an aesthetically pleasing environment for residents and the surrounding community. In response to the community desire to create a home-like atmosphere, the design minimizes common area breezeways and corridors, providing each family with a singular access point, enhancing the feeling of homeownership.



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The project will offer a variety of amenities, including a water playground, a large outdoor play area, seating spaces, and a BBQ area for residents to enjoy. Indoor features include a spacious community room, a workout and yoga studio, a computer area, small libraries, cozy seating nooks, and complimentary Wi-Fi hotspots.





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The images above showcase renderings from two different elevations and perspectives. Below is an example of a developer community in Panama City, Florida, called Panama Commons, which highlights some of the design details planned for the family-oriented project.





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### **Utilities**

The tenant is expected to cover electric heating, cooking, lighting, air conditioning, and hot water, while the project will cover water, sewer, and trash services.

### **Number and type of units, bedrooms, parking space and income levels**

The project will feature 112 units of project-based rent-subsidized and Section 8 RAD housing, aimed at serving families in Richland County. The entire project will operate under a 20-year HAP Contract with 88 subsidized units and 24 Section 8 RAD units designated as replacement housing for Columbia Housing Authority residents relocating from older substandard properties. The project will offer a mix of 1-, 2-, 3-, and 4-bedroom units, accommodating larger families. It has applied for 4% LIHTC credits and plans to seek a \$17.7 million bond inducement from SC Housing, with the full bond amount expected to be utilized. Unit sizes will range from 753 square feet for the one-bedroom units to 1,167 square feet for the four-bedroom units, with spacious layouts designed to enhance appeal to the LIHTC tenant base. Please see unit types for the property below.



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UNIT TYPE	PERCENT OF MEDIAN	NUMBER OF UNITS	GROSS SQ. FT.
1/1- Sec 8 PBV	60.00%	12	968
2/2- Sec 8- PBV	60.00%	62	1205
3/2- Sec. 8- RAD	60.00%	18	1380
3/2- Sec. 8- PBV	60.00%	12	1380
4/2- Sec 8- RAD	60.00%	6	1580
4/2- LIHTC- PBV	60.00%	2	1580
<b>TOTALS:</b>		<b>112</b>	<b>1,225</b>

The below tables show the unit mix, set-aside mix, and contractual set-aside splits.

UNIT MIX:		
Unit Type:	# of Units:	Percent:
1/1	12	10.71%
2/2	62	55.36%
3/2	30	26.79%
4/2	8	7.14%
4/2	0	0.00%
	<b>112</b>	<b>100.00%</b>

HOUSING MIX:			
SECTION 8 RAD UNITS:	24	21.43%	
SECTION 8 PBV UNITS:	88	78.57%	
LIHTC UNITS:	0	0.00%	
	0	0.00%	
	0	0.00%	
Market Rate	0	0.00%	
	<b>112</b>	<b>100.00%</b>	

UNIT MIX:		
Units at 30% AMI	0	0.00%
Units at 40% AMI	0	0.00%
Units at 50% AMI	0	0.00%
Units at 60% AMI	112	100.00%
Units at 80% AMI	0	0.00%
Market Rate	0	0.00%
	<b>112</b>	<b>100.00%</b>

The project will provide at least 224 parking spaces, surpassing SC Housing requirements. It will also feature a COMET bus stop nearby and access to DART paratransit services, offering residents transportation throughout the Columbia MSA via the COMET network.



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### **Amenity Summary**

Paces aims to bring a high-quality development to the area, comparable to their previous projects, incorporating all required amenities by SC Housing and those desired by future residents. The project will include one, two, three, and four-bedroom apartments, designed to serve families in Columbia and Richland County, SC. Planned unit amenities include washers and dryers, Energy Star appliances, ceiling fans, showers, built-in microwaves, tankless water heaters, storage, covered entries, granite countertops, individual access pathways, front porches, and upgraded cabinets.

Community amenities will include a variety of exterior features such as a water feature/tot lot with a padded floor, a large playground, outdoor seating areas, a pavilion with a BBQ area, and interior amenities like a clubhouse with a workout and yoga studio, meeting room, computer room, and a Wi-Fi hotspot.

The project will have a single entrance off Roof Street Road, with retaining walls and buffers designed to reduce foot traffic and enhance security. The entrance and overall site design will limit pedestrian and vehicular access to the property, ensuring increased safety. Additional security measures will include security cameras, enhanced property lighting, and quality design features. Enhanced trash collection, including daily valet trash services, will help maintain cleanliness and avoid dumping issues. The project also benefits from proximity to a police substation.

On-site maintenance and management will ensure continuous monitoring of the property, and Paces plans to work with local law enforcement for nightly drive-throughs and check-ins. Our third-party management will be diligent in its approach administering tenant populations by conducting thorough credit and background checks for all residents.



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### Identity and Proximity of Services

Establishment	Type	Address	Driving Distance
Columbia Place Mall	Mall	7201 Two Notch Rd	0.4 mile
Two Notch Crossland WB	Bus Stop	Two Notch Crossland WB	0.6 mile
Richland County Sherriff's Department	Police Station	201 Columbia Mall Blvd Suite 173	0.6 mile
Stvg Food Mart LLC	Convenience Store	6624 Shakespeare Rd	0.7 mile
Legacy Caribbean Bar & Grill	Restaurant	215 Oneil Ct	0.8 mile
Richland Library Northeast	Library	7490 Parklane Rd	0.9 mile
My House Restaurant and Bar	Restaurant	7205 Two Notch Rd	1 mile
Columbia Fire Dept. Station 14	Fire Station	7214 Fire Lane Rd	1.1 miles
Dolllar General	General Retail	6246 Two Notch Rd	1.1 miles
Joseph Keels Elementary School	Public School	7500 Springcrest Dr	1.1 miles
Bank of America	Bank	7405 Two Notch Rd	1.2 miles
Dent Middle School	Public School	2721 Decker Blvd	1.4 miles
Food Lion	Grocery	2312 Decker Boulevard	1.9 miles
Walgreens Pharmacy	Pharmacy	2300 Decker Blvd	1.9 miles
Greenview Park	Public Park	6700 David Street	1.9 miles
Prisma Family Medicine	Doctor	115 Blarney Dr #209	2.3 miles
Richland Northeast High School	Public School	7500 Brookfield Rd	2.4 miles
United States Postal Service	Post Office	8505 Two Notch Rd	2.7 miles
Walmart	General Retail	5420 Forest Dr	4.7 miles
Palmetto Health Richland Hospital	Hospital	5 Richland Medical Park Dr	6.6 miles

Source: Field and Internet Research, RPRG, Inc.

### Financing Summary

Willowcreek at Wateree Apartments will seek a \$17,700,000 tax-exempt bond inducement from SC Housing. These bonds are anticipated to be directly purchased by a bank to generate the necessary funds for construction-period mortgage financing. Upon stabilization, the construction financing will be repaid using (1) permanent mortgage financing through a GSE loan with a term of at least 15 years and (2) investor equity generated from 4% federal and state low-income housing tax credits.

The current bond amount is expected to be \$17,700,000, as indicated in the debt commitment letters along with a \$6,200,000 bridge construction loan. The bond inducement will support the development and construction of a new 112-unit community, featuring two- and three-story split-level “big house” style apartments. The units will be spread across seven residential buildings, along with a clubhouse, as shown in earlier renderings in this narrative, to serve Columbia Housing’s subsidized low-income family population and Section 8 RAD tenants.



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The project is located in unincorporated Richland County, South Carolina, on approximately 15.9 acres near Columbia Place Mall and Roof Street Road. This project will include a 20-year HAP contract, ensuring that 100% of the property is covered under rental assistance, providing long-term affordability for residents.

The purpose of this tax credit application is to secure 4% federal and South Carolina state tax credits. Combined with tax-exempt bonds, these credits will enable the project to be constructed, maintained, owned, and operated within the LIHTC program for at least 15 years, providing affordable housing for rent-subsidized families and RAD tenants from CHA's tenant and voucher base.

The tax-exempt bonds, along with state and federal Low-Income Housing Tax Credits, which will be sold for equity to Redstone, is expected to sufficiently fund the financing, closing, and completion of the project. Despite increased costs for construction materials, labor, and land both regionally and nationwide, Paces, with its experienced team, has developed a top-quality design and secured the necessary resources to bring the project to fruition.

Below is a 20-year operational budget that demonstrates the sustainability of the project throughout the duration of the HAP contract and the LIHTC compliance period.

### Proposed Project 20-year Proforma

GROWTH FACTOR VACANCY RATE	INCOME		EXPENSES																	
	2.00%	3.00%																		
YEARS																				
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
INCOME:																				
Rental Income	1,803,879	1,839,957	1,876,756	1,914,291	1,952,577	1,991,628	2,031,461	2,072,090	2,113,532	2,155,802	2,198,919	2,242,897	2,287,755	2,333,510	2,380,180	2,427,784	2,476,339	2,525,866	2,576,384	2,627,911
Less: Vacancy	91,504	93,334	95,201	97,105	99,047	101,028	103,049	105,110	107,212	109,356	111,543	113,774	116,050	118,371	120,738	123,153	125,616	128,128	130,691	133,305
TOTAL INCOME	1,712,375	1,746,622	1,781,555	1,817,186	1,853,529	1,890,600	1,928,412	1,966,980	2,006,320	2,046,446	2,087,375	2,129,123	2,171,705	2,215,139	2,259,442	2,304,631	2,350,724	2,397,738	2,445,693	2,494,607
Other Income	26,208	26,732	27,267	27,812	28,368	28,936	29,514	30,105	30,707	31,321	31,947	32,586	33,238	33,903	34,581	35,273	35,978	36,698	37,431	38,180
GROSS INCOME	1,738,583	1,773,354	1,808,821	1,844,998	1,881,898	1,919,536	1,957,927	1,997,085	2,037,027	2,077,767	2,119,323	2,161,709	2,204,943	2,249,042	2,294,023	2,339,903	2,386,702	2,434,436	2,483,124	2,532,787
EXPENSES:																				
Payroll & Taxes	131,760	135,713	139,784	143,978	148,297	152,746	157,328	162,048	166,910	171,917	177,074	182,387	187,858	193,494	199,299	205,278	211,436	217,779	224,313	231,042
Repairs & Maintenance	94,976	97,825	100,760	103,783	106,896	110,103	113,406	116,809	120,313	123,922	127,640	131,469	135,413	139,475	143,660	147,970	152,409	156,981	161,690	166,541
General & Admin.	31,360	32,301	33,270	34,268	35,296	36,355	37,445	38,569	39,726	40,918	42,145	43,410	44,712	46,053	47,435	48,858	50,324	51,833	53,388	54,990
Management Fee	69,543	71,630	73,778	75,992	78,272	80,620	83,038	85,529	88,095	90,738	93,460	96,264	99,152	102,127	105,190	108,346	111,597	114,944	118,393	121,945
Utilities	98,896	101,863	104,919	108,066	111,308	114,648	118,087	121,630	125,278	129,037	132,908	136,895	141,002	145,232	149,589	154,077	158,699	163,460	168,364	173,415
Insurance	145,600	149,968	154,467	159,101	163,874	168,790	173,854	179,070	184,442	189,975	195,674	201,544	207,591	213,819	220,233	226,840	233,645	240,655	247,874	255,310
Real Estate Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	18,960	19,529	20,115	20,718	21,340	21,980	22,639	23,318	24,018	24,738	25,481	26,245	27,032	27,843	28,679	29,539	30,425	31,338	32,278	33,246
Replacement Resv	33,600	34,608	35,646	36,716	37,817	38,952	40,120	41,324	42,563	43,840	45,156	46,510	47,906	49,343	50,823	52,348	53,918	55,536	57,202	58,918
TOTAL EXPENSES	624,695	643,436	662,739	682,621	703,100	724,193	745,919	768,296	791,345	815,086	839,538	864,724	890,666	917,386	944,908	973,255	1,002,453	1,032,526	1,063,502	1,095,407
NET OPERATING INCOME:	1,113,887	1,129,918	1,146,082	1,162,376	1,178,798	1,195,343	1,212,008	1,228,789	1,245,681	1,262,682	1,279,784	1,296,985	1,314,277	1,331,656	1,349,115	1,366,649	1,384,249	1,401,909	1,419,622	1,437,380
1st Mtg Debt Service	968,509	968,509	968,509	968,509	968,509	968,509	968,509	968,509	968,509	968,509	968,509	968,509	968,509	968,509	968,509	968,509	968,509	968,509	968,509	968,509
1st D/S Coverage Ratio	1.150	1.167	1.183	1.200	1.217	1.234	1.251	1.269	1.286	1.304	1.321	1.339	1.357	1.375	1.393	1.411	1.429	1.447	1.466	1.484

### Final Summary

Paces Preservation Partners bring the financial strength, expertise, and experience necessary to successfully complete this project and manage it throughout its useful life. Our team is dedicated to delivering quality construction, thoughtful design, and exceptional workmanship to ensure the project remains sustainable and livable well beyond the initial tax credit compliance period.

We are available to answer any additional questions or provide further information about the property.

Thank you.