



The City of Aiken **2020 INVESTORS PROSPECTUS**

Deal Flow: Page 21

America's Best Small Town

The community hosts world class events and festivals that showcase music, dance, concerts, food, ideal for people of all ages. Proudly embracing its rich equine heritage, Aiken holds horse-themed events year-round, is home to some of the finest training facilities, and offers horse-themed lodging and retail. In Aiken, there's always something new to discover.

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Contents

Discovering Aiken	01
Opportunity Zones	05
Community Assets	07
Aiken's Quality of Life	09
Military Related Growth	13
Historic Places	15
Existing Conditions	17
Deal Flow	21
Projects	23
Additional Opportunity Zone Real Estate	41
Industry Data	43
Education + Workforce	45

Discovering Aiken

Recognized with the All-America City Award by the National Civic League and named the best small town of the south by Southern Living, it is no surprise Aiken has been a growing destination to live, work, and play. A trip to Aiken means getting outdoors, experiencing history, meandering through beautiful parks and bustling downtown. In Aiken, there are unbounded possibilities for people and commerce. Aiken also offers a rich arts and culture scene and includes one of the nation's largest urban forests.

The community hosts world class events and festivals that showcase music, dance, concerts, food, and more which are ideal for people of all ages. Proudly embracing its rich equine heritage, Aiken holds equine-themed events year-round. In Aiken, there's always something new to discover.

**Aiken is a place
like no other.**

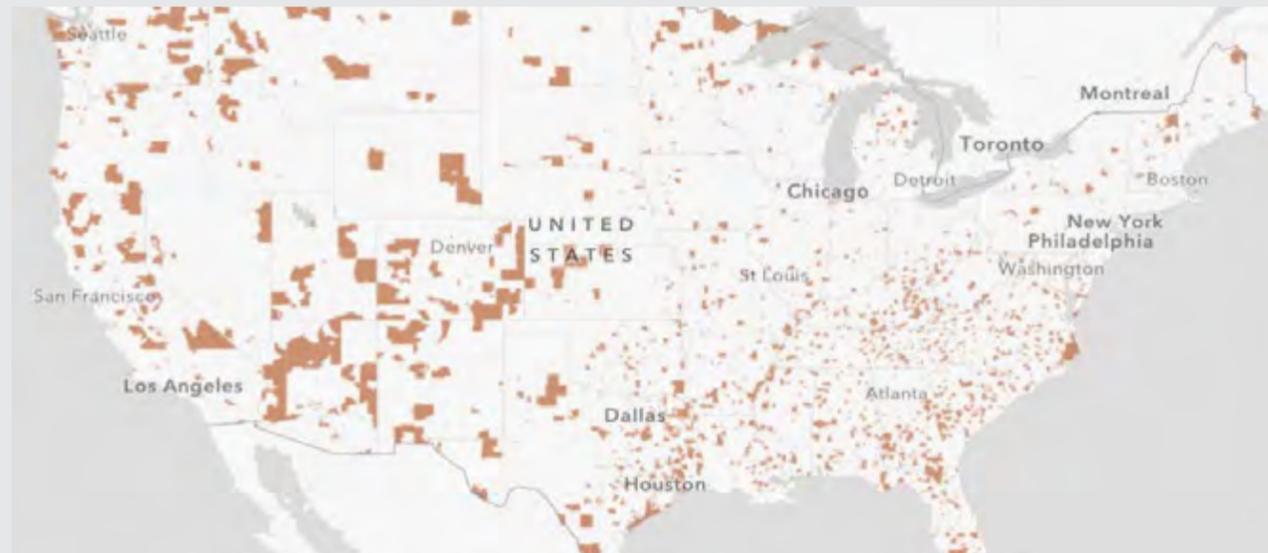




About Opportunity Zones

Opportunity Zones offer a new economic development tool that promotes investment in distressed census tracts through legislation enacted by the Federal Tax Cuts and Jobs Act of 2017. There are 8,700 census tracts across the United States that have been designated as Opportunity Zones by the U.S. Department of Treasury, incentivizing investments in business growth, housing improvements, and infrastructure updates in these distressed areas.

A Vehicle for Economic Growth



Opportunity Zones in the United States

U.S. investors will potentially generate an estimated \$6.1 trillion in unrealized capital gains. Opportunity Zones leverage this pool of money to promote economic development by providing federal capital gains tax advantages for investments made in these areas. Investors can realize deferral and reduction of capital gains taxes in investments held for at least 5 years with additional incentives available for investments maintained in Opportunity Zones for 7 and 10 years. To be eligible, investments must be made through Qualified Opportunity Funds which are vehicles formed for investing in qualified Opportunity Zone property.

There are over 8,700 Opportunity Zones throughout the United States creating competition among communities to attract investment. The City of Aiken has

one Opportunity Zone that covers the northern portion of the city and is home to 5,837 residents and includes over 300 businesses that create over 4,900 jobs. The zone has connectivity to the northern portion of downtown Aiken. Downtown Aiken has seen significant recent and ongoing investment and this momentum is expected to carry over into the City's Opportunity Zone.

Downtown Aiken includes a variety of shops, eateries, and unique features such as the Alley, a former road turned into a walkable public space that is closed to vehicular traffic. Restaurants and shops line each side of the Alley and it is a popular destination for residents and visitors. Downtown Aiken has some high-end residential development but not many housing options other than that in this high demand area. Portions of the

“The typical profile of an OZ real estate investor is someone who is interested in tax savings, wealth-building, and preservation with a medium- to long-term hold period.”

-Meg Epstein Forbes Councils

Opportunity Zone near downtown could support mixed use or denser residential development that capitalizes on demand for downtown living options that are accessible to a wide spectrum of residents.

The City of Aiken's Opportunity Zone includes a variety of redevelopment opportunities that could support residential, mixed-use, and commercial development along major thoroughfares such as York Street, Laurens Street, Hampton Avenue, and Richland Avenue. The community has worked diligently to identify investment grade projects which are included in this prospectus.

While each Opportunity Zone offers investors the same federal capital gains tax advantages, all Zones are not created equal. All Opportunity Zones will compete for the large pool of investment, but some Zones will stand out immediately due to obvious pro-investment market conditions. The City of Aiken's community stands out among others as it offers a stable framework for sustainable and collaborative capital investment because of committed local leadership, favorable business environment, and unique quality of life assets.

Most Zones given their designation as “distressed,” will have to strategically position themselves to attract investors. Aiken has positioned its Opportunity Zone through months of planning and engagement with local stakeholders and residents to create a strategic vision. This vision is conveyed in the following prospectus which positions Aiken, with its unique quality of life, history, and cultural offerings, to leverage the city's strengths and macroeconomic opportunities to promote transformative development in Aiken's Opportunity Zone.

The 3 Main Benefits of Opportunity Fund Investing



Defer Payment

Opportunity Funds allow investors to defer payment of the capital gains until December 31st, 2026



Reduce Owed Taxes

Opportunity Fund investing reduces the tax investors owe by up to 15% after seven years.



Pay Zero Tax on Gains

Investors can enjoy tax free capital gains earned from investments through the Opportunity Fund

“To create a brighter tomorrow for communities that have been left behind, we need to capitalize on the private-sector resources that can help boost these areas in ways we haven't seen before.”

-Senator Tim Scott, (R) South Carolina

Community Assets

Aiken is in the heart of South Carolina Thoroughbred Country, and is rich with tradition and heritage. The area features many quality community assets that impact residents and commuters' quality of life in a positive way. Aiken offers a public library and a diverse range of recreational activities – polo matches, equestrian training facilities such as the Aiken mile and training track, and a horse racing hall of fame. Aiken is also the home to many other historically notable places such as the Aiken Tennis Club and the Old Aiken Post Office, which is a former U.S. Post Office turned office building that has been occupied by numerous politicians, including two U.S. Senators.

There are ample opportunities for golf and outdoor recreation at places like Aiken State Park, which has camping and boating. Aiken also has a robust arts and culture community that includes the Aiken County Historical Museum, the Aiken Center for the Arts, and an art gallery the Art & Soul of Aiken. In addition, there are three historic architecture districts, which include structures listed in the National Register of Historical Places. There is also the Center for African American history, art, and culture, which is housed in the historic Immanuel Institute Building, located on the corner of York and Richland streets.

Aiken is the home to quality education institutions that span across all age cohorts. The University of South Carolina at Aiken offers undergraduate and masters programs in business, education, and applied clinical psychology. Aiken Technical College is one of the sixteen colleges in the South Carolina Technical College System and has been in the community for over 40 years. Since its founding, the college has grown into a multi-service, two-year college offering ample educational opportunities in a variety of fields. Additionally, Aiken has high quality

public schools and several private and charter schools. The high quality of local education shows in Aiken's talented workforce.

One of Aiken's considerable assets is the City of Aiken Regional Airport, formerly the Aiken Air Force Station. The location serves the general airport community and is a city-owned, public-use airport located five miles (15-minute drive) north of the central business and historical district of Aiken. The airport serves the general aviation community in Aiken, SC; Augusta, GA; and 11 other counties comprising the Central Savannah River Area. It is also easily accessible by Interstate 20, US 1, US 378, and South Carolina Route 19. With over 43,000 annual aircraft operations, Aiken Regional Airport can easily and safely accommodate the general aviation community including air taxi's, military, single and multiple engine, and jets. For the 12-month period ending March 11, 2019, the airport had 28,300 aircraft operations, an average of 78 per day: 93% general aviation, 6% air taxi, 1% military.¹

Moreover, Aiken is part of the Fort Gordon Cyber District, a unique combination of technological advancement and southern culture. The Cyber District is located across Georgia and South Carolina and is comprised of seven counties. The district is located around the U.S. Military Base, Fort Gordon, with the Savannah River running straight through this region providing a magnificent landscape. The Cyber District's location is a combination of city, suburban, and outdoor life. There are unbounded opportunities for recreation; if you're seeking a local boutique in downtown Augusta, a coffee shop with live music in Evans, or want to walk the Arboretum Trail in Aiken, the Cyber District is the destination to live, work, and play.

Another community anchor, the Savannah River Site (SRS), a key U.S. Department of Energy industrial complex, is a driver of the local economy by providing over 11,000 jobs. Further, SRS has a \$2.6 billion annual regional impact across the two-state area and spends approximately \$200 million in annual, local procurements. Ultimately, SRS processes and stores nuclear materials in support of national defense and U.S. nuclear proliferation efforts. SRS also develops and deploys technologies to improve the environment and treat nuclear and hazardous wastes left from the Cold War.

¹FAA Airport Master Record - Aiken, SC
(<https://www.gcr1.com/5010web/airport.cfm?Site=AIK>)





Aiken's Quality of Life



Downtown

In historic downtown Aiken, one will find locally owned shops, chef-owned restaurants and cafés, clothing boutiques, gift stores, antique stores, and a theater with home-grown talent lining the streets. Different events are planned throughout the year to spotlight downtown Aiken and showcase the variety of shops, restaurants and services that the city has to offer. Serving as a vibrant public gathering space, the historical year-round farmers market is the oldest (in continuous operation at the same location) county farmers market in the State of South Carolina. In addition to recurring weekly events, downtown serves as a host for special annual events such as Oktoberfest, Annual Downtown Tree Lighting Ceremony, and Hops N' Hogs featuring Aiken's breweries, BBQ, and music.

Fountains and flowers add color to downtown intersections, creating an attractive destination for travelers and locals alike. While much of the art and culture is easily seen, an important piece of the Aiken culture is food. A recently created food tour guides small groups through the unique cuisine lining the streets of downtown. The tour features stops at Betsy's Round the Corner, City Billiards, Taj Aiken Indian Cuisine, Cyndi's Sweet Shoppe, Tailgate Tavern, High Country Oils, and Aiken Ice Cream.

The City of Aiken is a **safe and welcoming** community offering a variety of activities in the heart of the city's downtown for all to enjoy.



Equine Community

Aiken has a rich history when it comes to all things equestrian. Today, this is displayed in horse-themed stores, restaurants, training facilities, and events drawing thousands of people from around the world. The city was named after railroad magnate William Aiken, who had built a new line connecting the coastal port town of Charleston to the Georgia border at the Savannah River. Though the town's roots might have been in railroading, the town came into its own as a getaway for equine sports.

Supporting the equine industry is Aiken's famous Dogwood Stables, producing seven Kentucky Derby contenders, a Preakness and Belmont winner, and many varying course winners. Additionally, many of the town's annual events revolve around horses. The most popular are the Fall Steeplechase and the spring's Triple Crown, the latter of which brings thousands of spectators and competitors from around the world for three consecutive weekends of events. Another event that pays tribute Aiken's equine heritage is Blessing of the Hounds; an annual tradition focused on the days of horse riders hunting foxes in the woods.

Known as a world-class training location, Aiken draws people in with community-oriented culture and history around equine talent and opportunity.



Military Related Growth

The U.S. Military's operations in South Carolina are of strategic importance and a major economic driver for the state. South Carolina promotes sustainability of U.S. Armed Forces and is engaged in the defense of U.S. interests. Military installations in South Carolina are in direct support of combat operations, wherever they may be.

The large military presence in the state equates to a \$24.1 billion total economic impact, encompassing over 180,000 jobs and approximately 8.4% of the state's total economy. Military related industries generate one out of every twelve jobs in South Carolina. The state collects over \$880 million annually in tax revenue generated from military operations in South Carolina, and the military has a \$776 million economic impact. This spending both directly and indirectly benefits the Aiken community.

Each military installation in the state supports economic activity through its purchase of goods and services from the state's business community as well as through wages paid to military and civilian personnel. This initial injection of funding into the state's economy causes additional rounds of spending through various economic multiplier effects¹. Military expenditures are derived from the federal government, therefore, injecting funds into the state and community that would have not originally been there otherwise. This results in a net increase of jobs and income to the state; contrasted with state tax revenue funding, which only re-allocates jobs and incomes from one sector of the economy to another. One of the important components of economic growth in any region is the ability to attract spending from outside the region. Therefore, national and international firms, tourism, and export-oriented manufacturing are important to South Carolina's economic growth. These sectors bring new spending to the state, which then translates into new jobs and additional income. Similarly, federal funding that enters the state through military expenditures will have a comparable effect. Additionally, military installations draw military members to South Carolina that often stay in the state after their service is over. These military retirees use medical care, retail, and recreational facilities, stimulating the local economy.

The Aiken/North Augusta Region contains the sixth largest military presence in South Carolina, with an annual economic impact of approximately \$776 million that is supported by 5,649 jobs. This impact includes the Savannah River Site's National Nuclear Security Administration (NNSA), assorted Department of Defense (DOD) contractor activities, South Carolina military retirees and veterans, and portions of the South Carolina National Guard and the U.S. Army Reserve. In addition, there are likely some residual economic impacts from Fort Gordon in Augusta, Georgia – because some military personnel working at Fort Gordon live in South Carolina. Additionally, Fort Gordon is expanding quickly and adding significant infrastructure to the U.S. Army's Cyber Command, which will bring a measurable impact to the local economy in the future.

Aiken/North Augusta Region

Annual Economic Impact: \$776.3 million
Number of Jobs Supported: 5,649
Labor Income Generated: \$285.3 million

The noteworthy NNSA, a partner of the Savannah River Site (SRS) in Aiken, works to enhance national security through the military application of nuclear science. Over \$200 million in funding from the U.S. DOD is appropriated to SRS every year for NNSA programs. The following tables, adapted from the 2017 Economic Impact study of South Carolina's Military presence, shows the significant impact from NNSA in the state and Aiken, while the other shows the impact from NNSA in different industrial sectors.²

¹"The Economic Impact of South Carolina's Military", Joseph C. Von Nessen, Research Economist – Moore School of Business, <https://www.charlestonchamber.org/wp-content/uploads/2019/04/Military-Impact-Study.pdf>

²"The Economic Impact of South Carolina's Military", Joseph C. Von Nessen, Research Economist – Moore School of Business, <https://www.charlestonchamber.org/wp-content/uploads/2019/04/Military-Impact-Study.pdf>, see Tables 37 and 38. Note that estimates in tables only include UNCLASSIFIED spending.

State of South Carolina Military Community

	Employment	Labor Income	Economic Output
Direct Effect	1,113	\$102.3 million	\$242 million
Multiplier Effect	1,243	\$52.7 million	\$169.3 million
TOTAL	2,356	\$155 million	\$411.3 million

Source: The 2017 Economic Impact of South Carolina's Military Community, NNSA

State of South Carolina Military Community

Scientific Research and development	\$63.6 million
Environmental and technical consulting	\$60.9 million
Real Estate	\$28.8 million
Monetary authorities and depository credit intermediation	\$9.9 million
Power boiler and heat exchanger manufacturing	\$7.9 million
Wholesale trade	\$5.6 million
Architecture, engineering, related services	\$5.3 million
Management Consulting services	\$5.2 million
Legal Services	\$5.1 million
Insurance carriers	\$4.9 million

Source: The 2017 Economic Impact of South Carolina's Military Community, NNSA

Historic Places



Hitchcock Woods

Hitchcock Woods is among the largest urban forest in the nation, with about 2,100 acres of forest habitat. The forest is privately-owned and managed by the Hitchcock Woods Foundation, a nonprofit organization that makes this vast outdoor resource available to the residents and visitors of Aiken. Today, equestrians, hikers, dog walkers, and runners enjoy the 65 miles of sandy trails that provide access to the spectacular Woods. Hitchcock Woods is home to the rustic Aiken Horse Show in the spring, one of the oldest annual horse shows in the country. Additionally, a river of sand called “Sand River” runs through the Hitchcock Woods. After a heavy rain, the sand river becomes a real river for a short time and the sand can become quicksand. Aside from the potentially dangerous quicksand encounters, Hitchcock Woods is home to a variety of wildlife and plant species offering a beautiful escape into the ecosystem of Aiken.



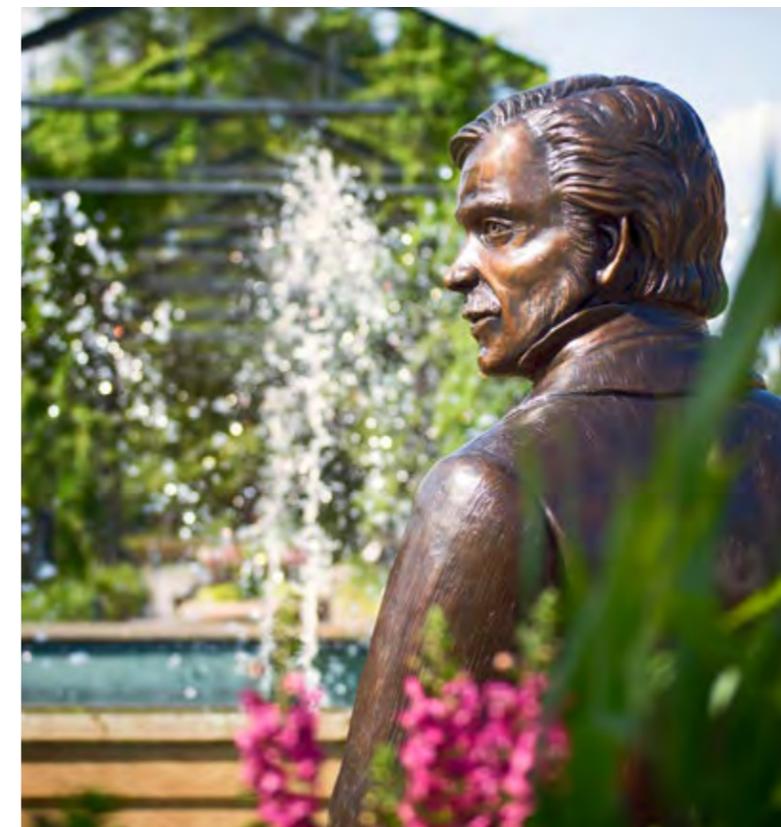
The Depot

The Train Depot is located on the second floor of the visitor’s center and offers nine dioramas that depict the towns along the original South Carolina Canal and Railroad Company right-of-way. The building looks very much like it did between 1899 and 1954 but uses modern building materials. The dioramas are complimented by interactive displays depicting railroad history. The Center is home to various artifacts highlighting the community’s rich rail history, once representing the longest railroad in the world. The Depot is the perfect venue for receptions, meetings, and weddings, offering beautiful views and landscaped grounds. In addition to larger events, the space will soon offer romantic dining in vintage train cars, a stylish setting for fine dining. The Train Depot enhances the heritage of Aiken, while enriching the future.



Hopelands Gardens

Bestowed to the City of Aiken by Mrs. C. Oliver Iselin, this 14-acre estate was opened in 1969 as a public garden. Radiating throughout the gardens is a web of paths shaded under 100-year-old live oak trees. Curving paths lead visitors around garden sites, Oak Alley, Fountains, a Reflection Pool, Swings, and Aiken’s Thoroughbred Racing Hall of Fame & Museum. The Wetlands border Hopelands Gardens and act as a natural filtration system for rainwater run-off from Whiskey Road. In the Wetlands, visitors and residents can enjoy a walk out on the floating boardwalk and experience a variety of plants, trees, ducks, turtles and fish. The garden is designed to be peaceful, offering beauty for the enjoyment of all Aiken citizens and tourists.





Existing Conditions



Existing Conditions

Census Tract: 45003021400

Opportunity Zone : 45003021400 | Aiken, SC Micropolitan Statistical Area | South Carolina

2018 Population

5,837
31,391
5,108,693

Projected Annual Change 2018-2023

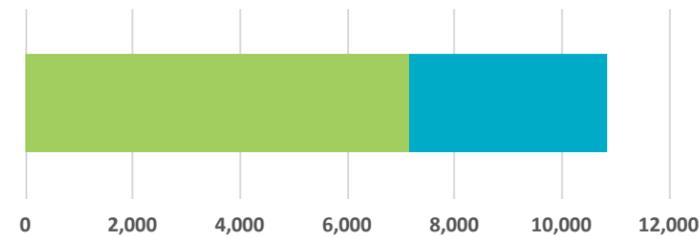
0.14%
0.80%
1.25%

Aiken Age Groups 2018-2023

15-44: -0.4%
65+: 2.8%

2018 Daytime Population

Workers | Residents

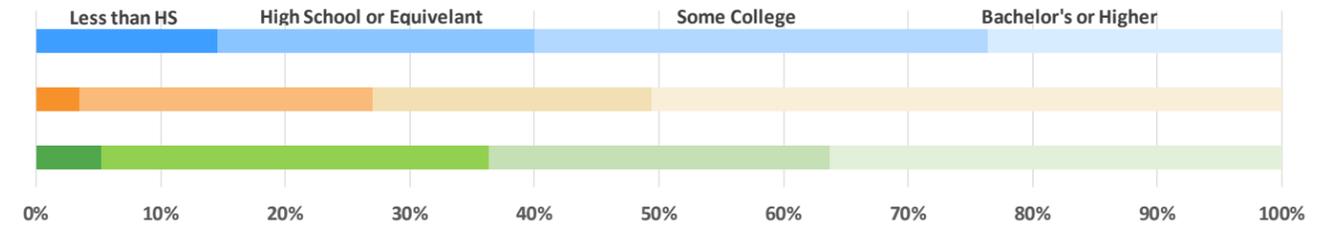


Median Household Income

\$19,873
\$57,504
\$50,748

Education Attainment

Opportunity Zone : 45003021400 | Aiken, SC Micropolitan Statistical Area | South Carolina



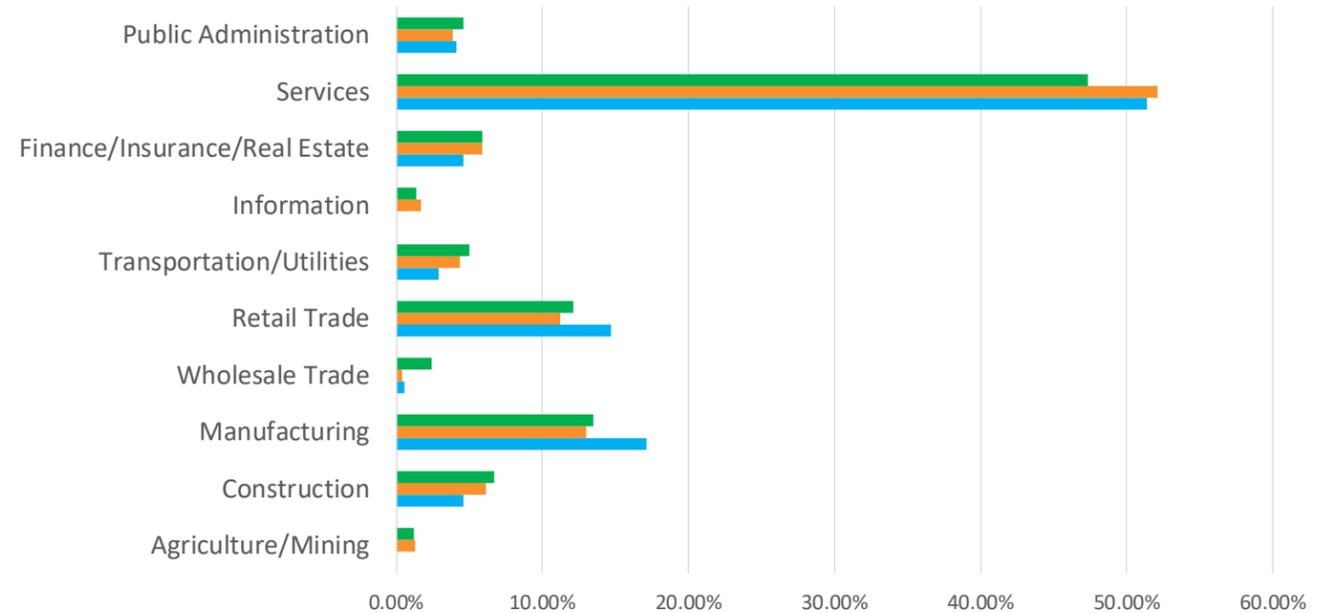
Households by Income

Opportunity Zone : 45003021400 | Aiken, SC Micropolitan Statistical Area | South Carolina



2018 Employed Population 16+ by Industry

Opportunity Zone : 45003021400 | Aiken, SC Micropolitan Statistical Area | South Carolina



Our Deal Flow

The City of Aiken is in a prime position for inclusive development. Featuring a region with a growing population, a proven business presence, a variety of existing business-ready locations, and infrastructure that puts business in the heart of a fluid transportation grid, Aiken is positioned for new investment. Backed by a resilient, talented community and local leadership willing to partner with interested stakeholders, the City of Aiken is ready to

leverage private capital to develop and provide returns, all while accomplishing the City's sustainable development goals. Specifically, the City offers three mixed use, one residential mixed use, one commercial redevelopment, two multi-family residential, and one single family residential prospective projects. All the projects feature their own uniquely attractive components and will be evaluated further in the deal flow section of this prospectus.



Aiken Hotel Redevelopment

Mixed Use

The Opportunity:

A new ten-acre mixed-use development is proposed for the Old Aiken County Hospital. This project will feature a select-service hotel associated with a nationally recognized brand. In addition to the hotel component, the project is planned to include a conference center (attached to the hotel), a two-story parking garage or sufficient surface parking, luxury residential units, and open space that will be used for other amenities or the development of a park. The proposed site for this development is located about a half-mile from the heart of Downtown Aiken. Regional

access to the site is considered good as it is served by Highway 78 and Interstate 20 as well as the Augusta Regional Airport.

This mixed-use development will satisfy multiple local and regional market demands for a larger-size hotel and conference space. A feasibility completed for the hotel found that year-to-date data shows strong growth in both average rate and occupancy owing to the strength of the local market; numerous equestrian events that take place in the City; The Masters in nearby Augusta, Georgia; and

anticipated growth in activity at Fort Gordon, the Savannah River Site (SRS), and equine events.¹

This project will create a strong gateway for the western part of the City and its proximity to Downtown Aiken further increases appeal. The total development is anticipated to create a \$240 million economic impact for the community over 20 years and create 54 jobs that will improve economic opportunities for local residents.

¹ HVS Consulting & Valuation. (2019). Feasibility Study: Proposed Hotel Aiken.



Potential Project:

The entire project is anticipated to utilize ten acres of land and feature a nationally recognized soft-brand hotel. The hotel property will feature 100 rooms, a fine-dining restaurant, square feet of meeting space, an outdoor pool, a fitness center, a business center or a lobby workstation, and a gift shop or market pantry. The hotel will also contain the appropriate parking capacity (380 parking spaces) and all necessary back-of-the-house space. Additional uses within the development include an attached 8,500- square foot conference center, a two-story parking garage or sufficient surface parking, 80 luxury residential units, and open space that could be developed into a park or used for other amenities.

The Old Aiken County Hospital currently occupies a portion of the site. This will need to be demolished to support construction of the new development. Upon completion of construction, the site will not contain any significant portion of undeveloped land that could be sold, entitled, and developed for alternate use. It is expected that the site will be developed fully with building and site improvements, thus contributing to the overall profitability of the hotel.



Project Sources & Uses Summary

Total Development Cost Est. \$65,000,000

USES		
Project Development	\$1,950,000	3%
Real Estate Acquisition	\$3,500,000	5%
Construction	\$50,450,000	78%
A/E/C Design	\$4,550,000	7%
Legal / Finance	\$4,550,000	7%
TOTAL	\$65,000,000	100%

SOURCES		
Developer Equity	\$14,000,000	22%
Conventional Debt	\$31,000,000	48%
South Carolina Investment Credit	\$750,000	1%
Public/Institutional	\$4,000,000	6%
OZ/Opp Fund Equity	\$15,250,000	23%
TOTAL	\$65,000,000	100%

Save-a-Lot Redevelopment

Mixed-Use

The Opportunity:

The former Save-a-Lot grocery store was an anchor for the Hampton Ave and York Street intersection, one of the most trafficked intersections in the City of Aiken. The grocery store is now vacant, but the big box development it occupied includes two active businesses, a beauty salon and nightclub. There is also an active gas station and convenience store in the out-lot. The former Save-a-Lot grocery store and associated parking lot is currently for sale by the property owner. The Save-a-Lot parcel is approximately 1.93 acres. The entire development, including the

out-lot gas station, beauty salon, and night club is approximately 4.5 acres. There is the possibility to package additional property with the Save-a-Lot site.

Directly north of the Save-a-Lot property is approximately 3.5 acres of developable land that could be combined with the Save-a-Lot site. This property is currently for sale and would create eight acres of developable land, if packaged with the Save-a-Lot site.

Together, the properties described above make up the York St. development area. This area

represents a transition point between downtown Aiken and rural Aiken County. With a significant amount of developable land, there is an opportunity to complete a truly transformative development for the City of Aiken. Aiken has a need for quality affordable housing and the York St. development area could support this type of development through multi-family and single-family options. Commercial development could complement any housing built in this area.

Potential Project:

The ideal project for this site is a mixed-use redevelopment consisting of 69 apartments located in three or four two-story buildings with a total footprint of 86,000 sq. ft., 62,400 in residential use and 15,000 in commercial uses. Commercial uses are at rents of \$10.00 per sq. ft. Residential rents are projected at \$0.85 per sq. ft. which should be at about 80% AMI to qualify for LIHTC and remains reflective of the immediate residential rent levels for apartment units in vicinity. This project's cap rate is likely 8% reflective of limited recent development in the immediate area.

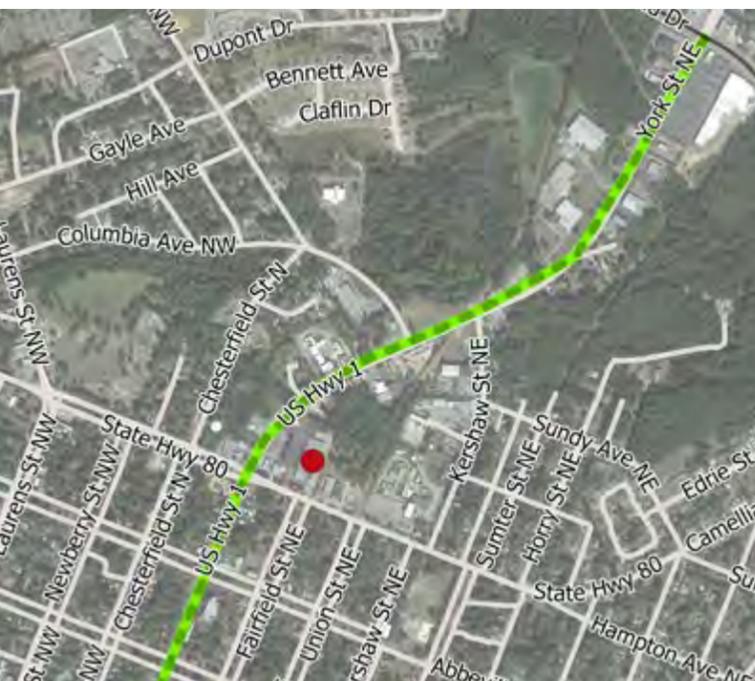
Based on a preliminary housing demand model, Aiken has a need for over 250 additional rental units and over 500 owner-occupied units. The Save-a-Lot property is likely a commercial development/redevelopment opportunity but could incorporate some type of housing development. Ideally, the final project could include a new grocery store with a smaller footprint that better aligns with the local market such as an Aldi.

Project Sources & Uses Summary

Total Development Cost Est. **\$15,200,000**

USES		
Project Development	\$456,000	3%
Real Estate Acquisition	\$743,600	5%
Construction	\$11,872,400	78%
A/E/C Design	\$1,064,000	7%
Legal / Finance	\$1,064,000	7%
TOTAL	\$15,200,000	100%

SOURCES		
Developer Equity	\$1,672,000	11%
Conventional Debt	\$3,803,240	25%
OZ / Opp Fund Equity	\$5,487,680	36%
LIHTC 4% (50% units)	\$4,237,080	28%
TOTAL	\$15,200,000	100%



Hahn Village Site Redevelopment

Residential Mixed-Use

The Opportunity:

Hahn Village is a public housing development in the City of Aiken and is set to be razed, creating an opportunity for new development. The Hahn Village site includes approximately 20 acres of developable land along Laurens St NW, one of the busiest streets in Aiken. Currently, Hahn Village includes about 100 housing units built in 1979 which are now outdated and have plans to be demolished. This will create a development opportunity

addressing the need for nearly 800 additional housing units in the City of Aiken and 4,600 additional housing units in Aiken County over the next five years.

The site is currently controlled by Aiken Housing Authority (AHA) and the City is working with AHA to determine the best way to position the site for future development. The community would like to see transformational development that changes the character of

this area while also addressing a need for quality affordable housing. This site is located north of downtown Aiken in a transitional area between the City's urban core and the more rural Aiken County. Ideally, this project would promote connectivity to downtown Aiken by building walkable options such as trails, sidewalks, or bike paths. Transformative development on this site would also create a gateway anchor on the northern side of Aiken.

Potential Project:

The Aiken community would like to see a truly transformational project developed on this site that could erase the stigma developed around the Hahn Village. There is a need for quality yet affordable housing in Aiken, especially in the Opportunity Zone. When current housing in Hahn Village is razed, nearly 20 acres of land will be opened for new development in the city which could support a variety of housing types. Housing near Laurens St. could be higher density such as duplexes, and development deeper in the 20-acre parcel could include single family options.

The project on this site would include affordable townhomes financed with 9% Low Income Housing Tax Credits (LIHTC). Townhomes would be a unique development that would differentiate the project from previous uses on the property, and making them affordable will allow the housing to be accessible to neighborhood residents. The property could support 160 units with 8 units per acre. Under these development circumstances, each unit would be 1,500 sq. ft.

Project Sources & Uses Summary

Total Development Cost Est. **\$32,000,000**

USES		
Project Development	\$960,000	3%
Real Estate Acquisition	\$0	0%
Construction	\$26,560,000	83%
A/E/C Design	\$2,240,000	7%
Legal / Finance	\$2,240,000	7%
TOTAL	\$32,000,000	100%

SOURCES		
Developer Equity	\$300,000	11%
Conventional Debt	\$7,000,000	22%
OZ / Opp Fund Equity	\$5,454,400	17%
LIHTC 9% (100% units)	\$19,245,600	60%
TOTAL	\$32,000,000	100%



Jackson Petroleum Site

Commercial Redevelopment

The Opportunity:

The Jackson Petroleum site is located at the corner of Williamsburg Street and Richland Avenue. The site was formerly used by a petroleum distributor for commercial sales and warehousing needs. Buildings remain onsite, but all have been vacant for the past ten years and would likely need to be demolished to support new development. The site is approximately two total acres and is currently undergoing environmental testing to determine if it is a brownfield or needs any remediation. The current property owner is looking to sell the property.

The property is attractive because it stretches nearly half a city block and is accessible by three streets. The property is also directly west of the Aiken County Farmers Market which is a large attraction and destination for Aiken residents. Downtown Aiken is predominantly built out and quality commercial space in or near downtown is difficult to acquire. This property could be redeveloped to help fill this demand.

Commercial development could be tied to the farmers market and complement the traffic that the farmers market draws on a regular

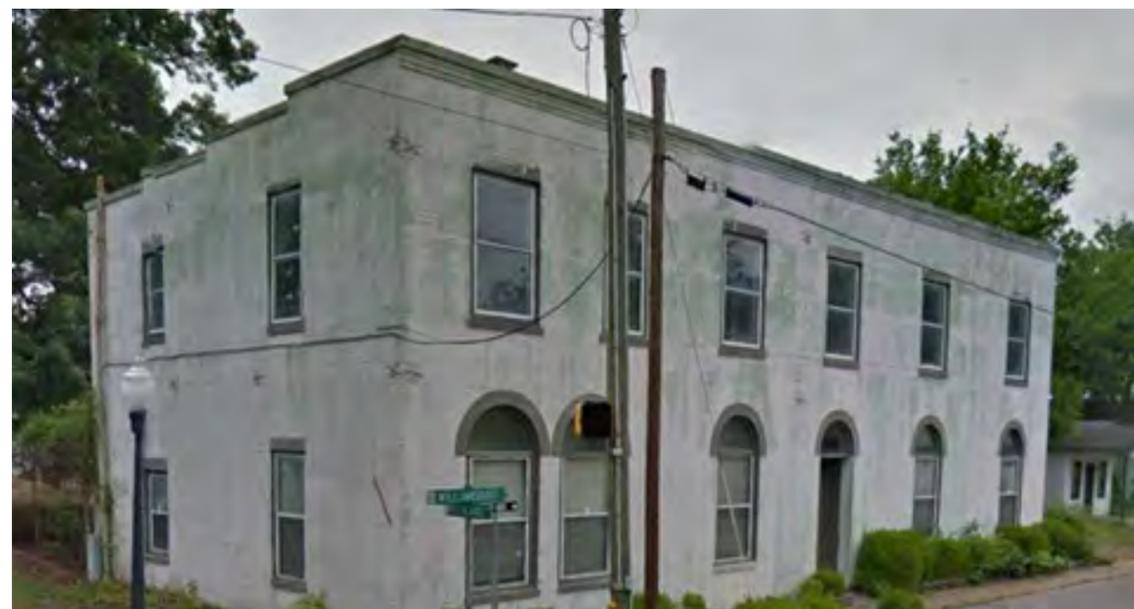
basis. The equine industry is deeply rooted in Aiken as the city is known for polo horses and racehorses, and equine related commercial operations could also fit on this site.

The site could also support commercial offices and capitalize on demand as there is limited available office space in downtown Aiken. Warehousing or light industrial could also be a potential development option on this site, though some zoning changes may be necessary depending on the use.

Potential Project:

The buildings on this site are in poor condition and likely need to be demolished for future development on the site. However, the site is in a prime location from a commercial development standpoint due to its location to the Aiken County Farmers Market and downtown. This site is likely best suited for commercial development.

The project could include 5,000 sq. ft. of commercial space on the lower level that could be easily accessed by patrons of the Aiken County Farmers Market or automotive traffic, which could use approximately 40 parking spaces on-site. Residential development could be incorporated on the second floor of the project. This development would incorporate 30, 900 sq. ft. apartment units which could be financed with 4% LIHTC. The total square footage of the project would be 35,000 sq. ft. including both the commercial and residential uses.



Project Sources & Uses Summary

Total Development Cost Est. **\$8,500,000**

USES		
Project Development	\$255,000	3%
Real Estate Acquisition	\$95,000	1%
Construction	\$6,960,000	82%
A/E/C Design	\$595,000	7%
Legal / Finance	\$595,000	7%
TOTAL	\$8,500,000	100%

SOURCES		
Developer Equity	\$900,000	11%
Conventional Debt	\$2,100,000	25%
OZ / Opp Fund Equity	\$3,246,850	38%
LIHTC 4% (100% units)	\$2,253,150	27%
TOTAL	\$8,500,000	100%

Union & Barnwell

Multi-Family Residential

The Opportunity:

The Union Barnwell site is located at the intersection of Union Street and Barnwell Avenue. The residential area around the intersection is in an ideal location for residential development and features many new investment ready qualities, most of all a demand for quality housing stock. There is currently a market gap for quality multi-family housing, which means there is ample opportunity for development that meets community goals and offers a prospective investor a favorable rate of return. Additionally, Schofield Middle School - one

of the quality public schools in Aiken - could be leveraged as a community anchor. A school at the heart of the neighborhood offers a tremendous opportunity to build community fabric around the building. This would make the area walkable, which would attract young families, the demographic seeking walkability and greater access to community assets. Smith Hazel Recreation Center is another community anchor in this neighborhood that offers 4.75 acres of park space that includes shaded eating areas, a walking path, a playground, basketball

park, and is constructing a new community pool.

The project would ultimately create the housing projects that young families desire, dense and walkable, with access to a quality school. With the demographic data showing the City of Aiken experiencing a population increase, this project is a great opportunity to complement a community anchor and offer housing to an area that is need of multi-family options.

Potential Project:

The community would like to see an increase in multi-family housing in the area, setting the stage for this project to be an important step forward to the transformation of the community. The site is ideal for mixed-use redevelopment and could feature up to 35 one- and two-bedroom walk-up units. Placing twelve units per acre, this development could create an attractive pocket neighborhood. Ultimately, higher density, transformative growth would be the catalyst Aiken needs to align the city, greater community, and prospective private capital all towards inclusive development for all.

Commercial and residential units would be in three or four two-story buildings with total footprint of 35,000 sq. ft. with 33,600 sq. ft. in residential use as direct walk-ups and 1,400 sq. ft. in commercial uses. Commercial uses are designed as neighborhood-oriented "3rd place-cafe" rents of \$10.00 per sq. ft. Residential rents are projected at \$0.85 per sq. ft. which should be at about 80% AMI to qualify for 4% LIHTC. This would represent 17 units and the remaining would be "market rate" at \$1.00 per sq. ft. which remains reflective of the immediate residential rent levels for apartment units in the vicinity. Cap rate is 7.5% reflective of limited recent development in the immediate blocks.



Project Sources & Uses Summary

Total Development Cost Est. **\$5,800,000**

USES		
Project Development	\$174,000	3%
Real Estate Acquisition	\$50,000	1%
Construction	\$4,764,000	82%
A/E/C Design	\$406,000	7%
Legal / Finance	\$406,000	7%
TOTAL	\$5,800,000	100%

SOURCES		
Developer Equity	\$1,100,000	19%
Conventional Debt	\$2,800,000	48%
OZ / Opp Fund Equity	\$1,040,500	18%
LIHTC 4% (50% units)	\$859,500	15%
TOTAL	\$5,800,000	100%

Second Baptist Residential

Single-Family Residential

The Opportunity:

Second Baptist Church plays a significant community development role in Aiken, having led developments including Dupont Landing, a successful single-family residential neighborhood that provides quality affordable living options. The Church owns approximately 40 additional undeveloped acres southeast of their Dupont Landing development that includes frontage along York Street. About half of this land is developable and could support additional single-family housing that links to Dupont Landing and the Clyburn Center for Primary Care, which is west of Second

Baptist's property. The Clyburn Center is a community anchor in this development area and provides accessible, quality, comprehensive primary healthcare services in a dignified and culturally competent manner to the population in Aiken County and surrounding areas. The City could also link downtown Aiken with development along York Street by creating a greenway trail that runs north from downtown to Rutland Avenue. The City could also combine the greenway trail with a York Street road diet. These assets would make this area an attractive place to live should land be developed.

In addition to this property's location near significant assets, there is demand for new housing in Aiken. This is substantiated by analysis demonstrating the need for approximately 750 new units (250 rental units and 500 owner occupied) and discussions with Second Baptist Church suggesting there are approximately 200 people on the waiting list for a home in Dupont Landing. A similar project that plays off this demand would fit well in this area.

Potential Project:

The ideal project would include single-family residential development on the 20 developable acres owned by Second Baptist Church. This property could support approximately four units per acre and has the potential for 80 homes to be developed, ideally over the course of three to four years. Development of these homes would occur in phases with approximately 20 being completed per year. The total cost of this development will be approximately \$15 million. An investor in this project would have prominent local partners with experience developing single-family homes. These partners would include Second Baptist Church and Nehemiah Corporation. Second Baptist worked closely with Nehemiah Corporation on the Dupont Landing development. Nehemiah Corporation specializes in homeownership, affordable housing, and community development.

This project could address the demand for affordable housing by allowing homeowners to lease to own these homes. This financing model would be similar to the one used by Second Baptist with the Dupont Landing neighborhood which has been highly successful and demonstrates that this model works in the community.



Project Sources & Uses Summary

Total Development Cost Est. **\$15,000,000**

USES		
Project Development	\$0	0%
Real Estate Acquisition	\$0	0%
Construction	\$14,000,000	93%
A/E/C Design	\$500,000	3%
Legal / Finance	\$500,000	3%
TOTAL	\$15,000,000	100%

SOURCES		
Developer Equity	\$450,000	3%
Conventional Debt	\$3,750,000	25%
OZ / Opp Fund Equity	\$10,800,000	72%
TOTAL	\$15,000,000	100%

156 Williamsburg & 141 Marlboro

Multi-Family Residential

The Opportunity:

Richland Avenue is a major corridor that runs east to west into downtown Aiken. This corridor has the potential to be the eastern gateway into the community if it is developed correctly. There are many opportunities to redevelop existing buildings along this corridor that align with the community vision. This involves replacing underused properties with residential and commercial development. The corridor's proximate connectivity to downtown makes it attractive for future residential development

as affordable downtown living options are in demand, but there is limited space immediately downtown for new development or redevelopment. Two warehouses located at the corner of Williamsburg Street, NE and Marlboro Street, NE in the Richland Corridor development area would be ideal for multi-family housing.

These properties are adjacent to each other and located on the same block. Currently, they are both used for warehousing on short-term leases and the

owners of each property have indicated that they are willing to sell. Together, these properties promote access to three roads which include Williamsburg Street, Marlboro Street, and Barnwell Ave. In total, there are approximately two-acres of developable land. Due to the composition and condition of the buildings, they will need to be demolished to support new multi-family development.

Potential Project:

This potential project could include a mix of market rate and affordable housing options. The project would likely be financed with 4% LIHTC allowing this development to address market demand for affordable housing. It is estimated that total cost of this development will be \$6.3 million and LIHTC could fund approximately 12% of the development.

A full demolition of the existing buildings on the site will be necessary to create a two-story building with 30 units. The average square footage per unit will be 900 sq. ft. and the total development will be 27,000 sq. ft. The site should have ample space for parking as it is bordered by three streets and includes 31,500 sq. ft. of land on-site that could be set aside for 30 parking spaces.



Project Sources & Uses Summary

Total Development Cost Est. **\$6,300,000**

USES		
Project Development	\$189,000	3%
Real Estate Acquisition	\$500,000	8%
Construction	\$4,729,000	75%
A/E/C Design	\$441,000	7%
Legal / Finance	\$441,000	7%
TOTAL	\$6,300,000	100%

SOURCES		
Developer Equity	\$750,000	12%
Conventional Debt	\$1,700,000	27%
OZ / Opp Fund Equity	\$3,094,768	49%
LIHTC 4% (100% units)	\$755,232	12%
TOTAL	\$6,300,000	100%

Former Second Baptist Church on Laurens Street

Mixed-Use

The Opportunity:

Located at the intersection of Abbeville Avenue and Laurens Street, the building is currently a school operated by Second Baptist Church, which is a highly respected major development player in Aiken. The Church is willing to sell the building or partner with a developer looking to adaptively re-use the current building. The current building is over 100 years old and harbors a deep emotional

connection to the community. The building is in good condition and has valuable frontage on Laurens Street, which is a major thoroughfare in Aiken.

Moreover, the building has seamless connectivity to downtown Aiken which is about four blocks south. There is current demand for downtown living options and office space; however, there is

not enough property to develop and redevelop in the heart of downtown. The development of a mixed-use property just four blocks away from downtown could adequately address this demand.

Potential Project:

The community would like to see an adaptive reuse of the building, redeveloping it into office space, residential houses, or a mix. The building is approximately 20,000 sq. ft. and has two stories. The building also has historic value, which would allow a developer to incorporate historic tax credits into the development strategy. This development would be unique and culturally significant to the community of Aiken.

Of the 20,000 sq. ft. of this building, 14,000 sq. ft. could be developed as residential apartment units for a total of 16 units at an average of 900 sq. ft. Apartment units could be partially financed by 4% LIHTC creating affordable housing options for residents in the Opportunity Zone. The remaining 6,000 sq. ft. could be redeveloped into commercial space to support a development like a neighborhood retail café. The property would have ample parking as it is surrounded by three streets.



Project Sources & Uses Summary

Total Development Cost Est. **\$3,500,000**

USES		
Project Development	\$105,000	3%
Real Estate Acquisition	\$0	0%
Construction	\$2,905,000	83%
A/E/C Design	\$245,000	7%
Legal / Finance	\$245,000	7%
TOTAL	\$6,300,000	100%

SOURCES		
Developer Equity	\$300,000	9%
Conventional Debt	\$720,000	21%
OZ / Opp Fund Equity	\$1,540,400	44%
LIHTC 4% (100% units)	\$939,600	27%
TOTAL	\$6,300,000	100%

Aiken Learning Center

Learning Center

The Opportunity:

The Aiken Learning Center would provide non-traditional education courses and training for non-traditional students to advance into full-time employment. The offered courses may or may not be affiliated with an educational institution, but the education and training should be linked to job skills needed for existing or pending jobs with employers in the greater Aiken area. Besides education and training programming, the Learning Center would provide on-site childcare for its students and a coffee shop and co-working area.

The goal for the Aiken Learning Center is to be the go-to place for career advancement in the York Street Corridor neighborhoods.

The educational programming would be aligned with local Aiken business workforce needs. The idea is to provide a one-stop shop that focuses on the individual's skill set and providing guidance and training opportunities for full-time employment.

While many programs would be linked directly to higher educational advancement such as a GED or other job certification programs,

individual students would also receive life-skill training for "soft" skills that focus on the entire individual's skill development for long-term employment and advancement. The Learning Center would be a central hub to provide holistic skill development on an individual by individual basis. Furthermore, the Learning Center would also be a point of reference for students for other socio-economic programs that may serve themselves or their extended family needs.

Potential Project:

The Learning Center would consist of 5,000 sq. ft. with 4,000 sq. ft. for educational rooms including a small childcare center and 1,000 sq. ft. for a coffee shop/co-working space. The intent is for the Learning Center to serve the educational and employment needs of the immediate neighborhood residents with the flexibility of space and programming that is required to serve many different skill development needs in a single location.

It is anticipated that this project would be financed from a pooled Opportunity Fund with a broad community-based mission.



Project Sources & Uses Summary

Total Development Cost Est. **\$2,500,000**

USES		
Project Development	\$0	0%
Real Estate Acquisition	\$100,000	4%
Construction	\$2,050,000	82%
A/E/C Design	\$175,000	7%
Legal / Finance	\$175,000	7%
TOTAL	\$2,500,000	100%

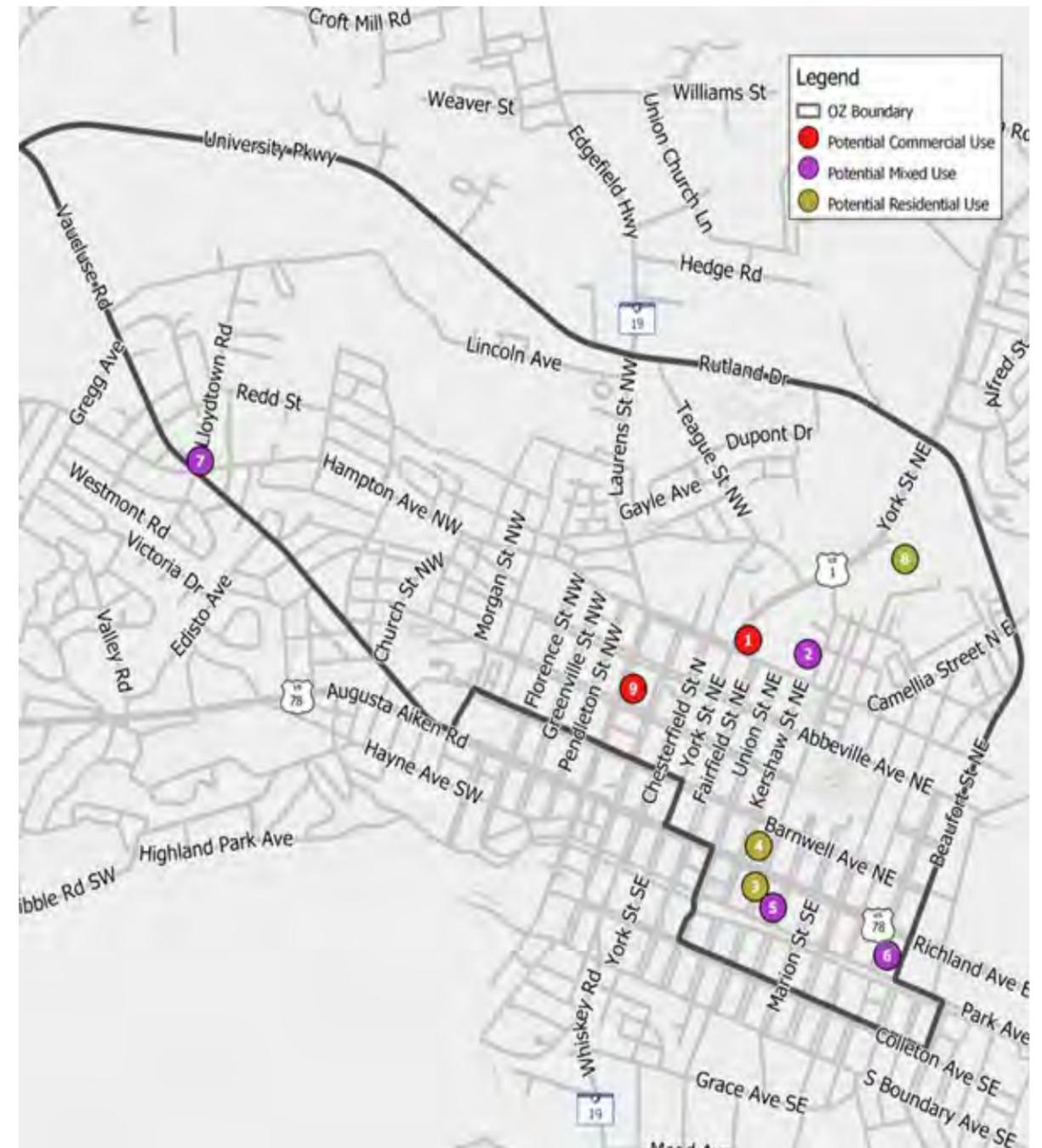
SOURCES		
Developer Equity	\$0	0%
Conventional Debt	\$0	0%
OZ / Opp Fund Equity	\$1,900,000	76%
LIHTC 4% (100% units)	\$600,000	24%
TOTAL	\$2,500,000	100%

Additional Opportunity Zone Real Estate

Aiken has a variety of real estate opportunities inside its Opportunity Zone in addition to the eight defined projects listed in the Deal Flow section. The properties listed below were identified through the City's due diligence to identify specific projects. The vision for these properties is less defined than the eight specific projects listed in this prospectus, but each of these properties has significant development potential.

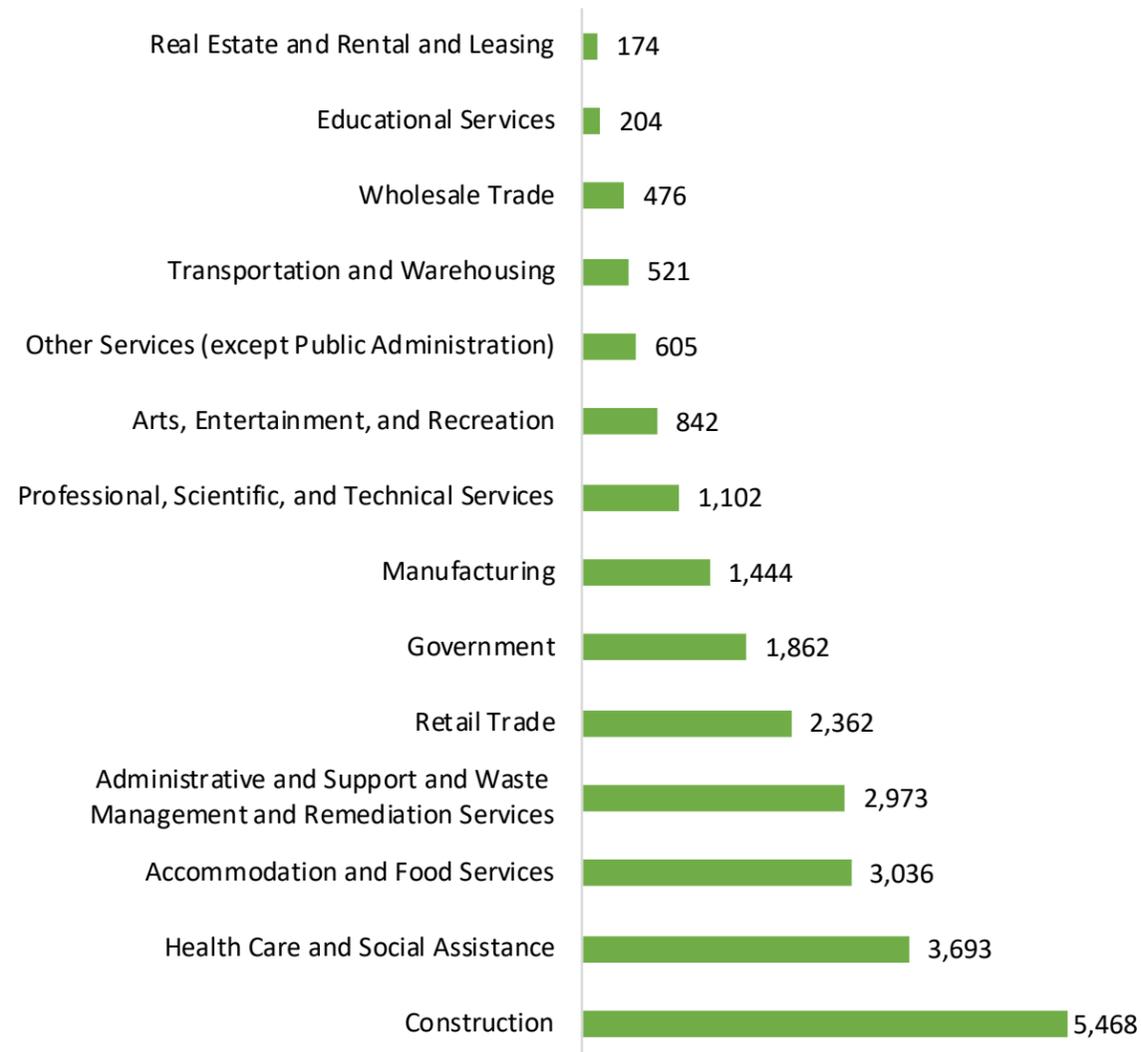
The following table and associated map identify each property, likely potential land use based on neighboring land uses and development goals of the City, property address, and a brief description of the property's current condition.

Potential Land-use	Address	Property Description
Commercial	244 Hampton Ave NE, Aiken, SC, 29801	Property attached to former grocery store. Current use is a small entertainment venue but would support commercial development/redevelopment.
Mixed-Use	420 Hampton Ave NE, Aiken, SC, 29801	Current use is the Aiken County Sheriff's Office, but property may become available for redevelopment.
Residential	119 Sumter St SE, Aiken, SC, 29801	Vacant parcel in neighborhood near downtown suitable for residential development.
Residential	123 Sumter St SE, Aiken, SC, 29801	Vacant parcel in neighborhood near downtown suitable for residential development.
Mixed-Use	618 Park Ave SE, Aiken, SC, 29801	Site has preliminary plans for community oriented commercial development to create small-scale market/workspace for local artisans.
Mixed-Use	1100 Park Ave SE, Aiken, SC, 29801	Former bowling alley suited for complete redevelopment as current structure has no roof. This site is located between two major east/west roadways creating an attractive mixed-use redevelopment opportunity.
Mixed-Use	Hampton Ave & Vacluse Rd, Aiken, SC, 29801	This intersection is in the center of the Six-Points area which includes a variety of redevelopment opportunities. Current uses are primarily commercial, but this area could support residential development in addition to commercial development
Residential	680 Kershaw St, Aiken, SC, 29801	Tract of developable land suitable for new residential development.
Commercial	304 Laurens St NE, Aiken, SC, 29801	Medical office space currently for sale that could be adaptively re-used for commercial uses. This building is located just north of downtown and is in a prime location to capitalize on related growth.



Industry Data

Top Growing Industries 2013-2018



The top growing industries in the MSA include construction, followed by healthcare, food services, and administrative support and waste management and remediation. These industries have all experienced significant growth in the region.

Top Employers in Aiken

EMPLOYER	EMPLOYEES	PRODUCT / SERVICE	COUNTY
Department of Energy, Savannah River Site	11,200	Engineering, construction, technical services & liquid waste management	Aiken
Amick Farms	2,100	Poultry Processing	Saluda
Bridgestone PSR Plant	1,486	Passenger and light truck tires	Aiken
Kimberly-Clark Corp	1,103	Consumer paper products	Aiken
AGY	731	Fiberglass insulation & circuit boards	Aiken
Shaw Industries	602	Fibers Manufacturing	Aiken
UPS Customhouse Brokerage	597	International Customhouse Brokerage	Aiken
ASCO Valve Inc.	407	Solenoid valve technology	Aiken
Bridgestone ORR Plant	388	Large and Ultra large tires	Aiken
Hubbell Power Systems	350	High voltage insulators and Arrestors	Aiken
Dominion Energy	335	Electric and natural gas services	Aiken/Edgefield/McCormick/Saluda
Medac	325	Provider of services and products to anesthesia-related health care providers	Aiken
CVS Distribution Center	280	Supply Chain Management/Distribution Center for CVS Pharmacy locations	Aiken
Milliken & Co	263	Fabric formation (weave)	Aiken
MTU America, Inc.	250	Diesel engines and components, military propulsion systems assembly, R&D	Aiken
Autoneum North America, Inc.	244	Vehicle carpet and trunk systems, heat shields and underbody shields	Aiken

Education & Workforce

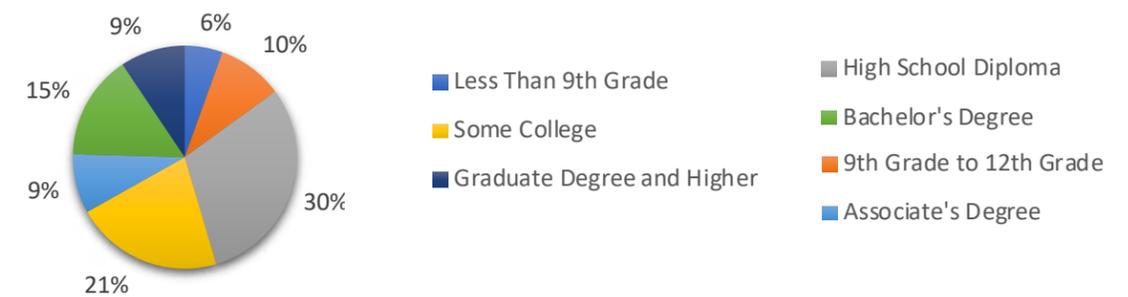
Top Growing Jobs 2013-2018

Top growing jobs in the MSA include construction laborers and food preparation/service workers. There is also a noteworthy increase in the amount of registered nurses and material movers/freight laborers. Personal aides and cashiers also saw significant increases in opportunity. Both increased by over 900 jobs.



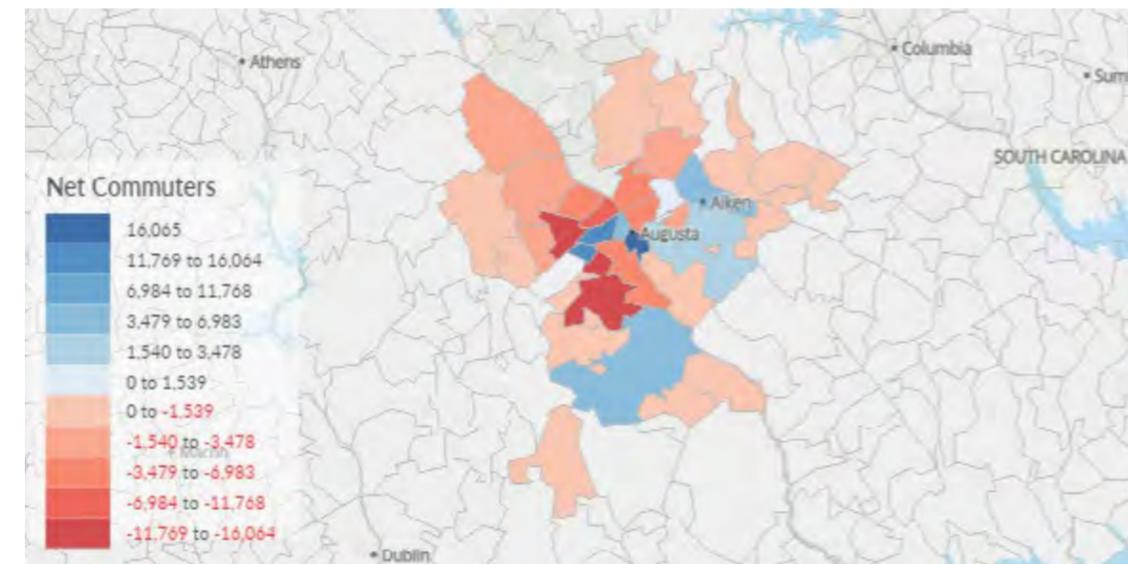
Educational Attainment

% of Population with Certain Educational Attainment



Net Commuters

The analyzed MSA features commuters from throughout the region. There a heavy commuting base near Augusta and a moderate base closer to Aiken, with some areas in both Gerogia and South Carolina in the red in terms of their net commuters.





For more information on the content provided in this prospectus, please contact:

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