

**NEED AND DEMAND ANALYSIS**  
**FOR THE PROPOSED LAKEVIEW APARTMENTS**  
**IN**  
**SENECA, SOUTH CAROLINA**

**Prepared for**  
**the Connelly Development**  
**for submission to**  
**the South Carolina State Housing Finance and Development Authority**

May 2022

**T Ronald Brown: Research & Analysis**  
P.O. Box 18534  
Asheville, NC 28814-0534

---

## TABLE OF CONTENTS

INTRODUCTION .....	Page 1
PURPOSE .....	Page 1
ASSUMPTIONS AND CONDITIONS .....	Page 1
EXECUTIVE SUMMARY .....	Page 3
A. PROJECT DESCRIPTION .....	Page 5
B. SITE DESCRIPTION .....	Page 11
C. MARKET AREA .....	Page 17
D. MARKET AREA ECONOMY .....	Page 19
EMPLOYMENT BY INDUSTRY .....	Page 19
MAJOR EMPLOYERS .....	Page 20
LABOR FORCE AND EMPLOYMENT .....	Page 23
COMMUTING .....	Page 24
E. COMMUNITY DEMOGRAPHIC DATA .....	Page 26
POPULATION TRENDS AND PROJECTIONS .....	Page 26
AGE .....	Page 27
HOUSEHOLD TRENDS AND PROJECTIONS .....	Page 28
TENURE .....	Page 29
HOUSEHOLD SIZE .....	Page 30
HOUSEHOLD INCOME .....	Page 31
RENTER HOUSEHOLD INCOME .....	Page 32
RESIDENTIAL CONSTRUCTION SINCE 2000 .....	Page 33
F. PROJECT SPECIFIC DEMAND ANALYSIS .....	Page 34
INCOME RESTRICTIONS .....	Page 34
ABSORPTION RATES .....	Page 42
G. EXISTING RENTAL UNITS .....	Page 43
H. INTERVIEWS .....	Page 66
I. RECOMMENDATIONS .....	Page 67
J. SIGNED STATEMENT .....	Page 68
ANALYST QUALIFICATIONS .....	Page 69
MARKET STUDY TERMINOLOGY .....	Page 70

## LIST OF TABLES

Table 1 - Employment by Industry, Market Area . . . . .	Page 19
Table 2 - Major Employers . . . . .	Page 20
Table 3 - Oconee County Labor Force and Employment . . . . .	Page 23
Table 4 - Commuting Data . . . . .	Page 24
Table 5 - Commuting Patterns . . . . .	Page 25
Table 6 - Population . . . . .	Page 26
Table 7 - Age Distribution . . . . .	Page 27
Table 8 - Household Trends . . . . .	Page 28
Table 9 - Tenure . . . . .	Page 29
Table 10 - Household Size, by Tenure . . . . .	Page 30
Table 11 - Household Income . . . . .	Page 31
Table 12 - Household Income, Renter Households . . . . .	Page 32
Table 13 - Residential Construction Since 2000 . . . . .	Page 33
Table 14 - Income Limits . . . . .	Page 34
Table 15 - Rents and Income Targeting . . . . .	Page 35
Table 16 - Qualifying Income Ranges . . . . .	Page 36
Table 17 - Household Income, Renter Households . . . . .	Page 38
Table 18 - Demand Calculations . . . . .	Page 40
Table 19 - Capture Rates . . . . .	Page 41
Table 20 - Market Rate Properties . . . . .	Page 48

## INTRODUCTION

### PURPOSE

The purpose of this report is to present the findings of an analysis of the need and demand for the proposed Lakeview Apartments in Seneca, South Carolina. A total of 40 units are to be developed: four one-bedroom units, 20 two-bedroom units, and 16 three-bedroom units. The apartments will rent to households whose incomes qualify their apartments for tax credit status.

### ASSUMPTIONS AND CONDITIONS

The findings of this study are predicated upon the assumption that the proposed development, as presented to us, will be located at the site described in the report, that it will be funded through the program under which it was prepared, and within the stated projection period.

Further, the findings are based on the assumption that once funded, the complex will be well-designed, well-marketed, and professionally managed.

The data and analysis in this study are based on information relating to conditions in the town, market area, county, and state in which the project is to be located, and has been obtained from the most pertinent and current available sources. Likewise, every effort has been made to ensure its accuracy and reliability. However, we can assume no responsibility for inaccuracies in reporting by any local, regional, state, or federal agency cited, nor for any information withheld or erroneously reported by the sources cited during the normal course of our professional research. Consequently, we reserve the right to alter our findings and conclusions, if necessary, on the basis of any discovered material inaccuracies.

It is important to stress that coverage from the 2010 Census does not equate with the coverage provided in previous decennial Censuses. Thus, other sources - notably the Census Bureau's American Community Survey - is necessarily to be relied upon. The latter is based on a relatively small sample (compared with earlier sample-based Census reports) and therefore is subject to large statistical margins of error. Thus, use of these data is subject to the *caveat* that those data may not be as rigorous or as reliable as Census data prior to 2010. In this regard, if the data suggest outcomes at variance with our observations from other sources, these will be highlighted in our findings.

The site of the proposed apartments was visited (on May 13, 2021 ). In addition, interviews are held with persons with particular knowledge pertinent to the study.

The report is designed to satisfy the underwriting criteria of the reviewing agency for which it was performed, and the conclusions, based on the results of our research, experience, and expertise reflect the predicted ability of the project, as presented to us, to meet or exceed that reviewing agency's guidelines. Thus, a positive conclusion does not necessarily imply that the project would be found to be feasible or successful under different underwriting standards, and this study does not necessarily incorporate generally accepted professional market study standards and elements pre-empted by the guidelines set out by the reviewing agency.

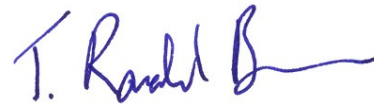
It is stated that we have no responsibility for opinions requiring expertise in other fields of expertise - these would include, for example, legal, environmental, architectural, and engineering matters.

To the best of our knowledge, this report is an accurate representation of market conditions. While due care and professional housing market study techniques were used, no guarantee is made of the findings.

It is stated that we do not have, nor will have in the future, any material interest in the proposed development, and that there is no identity of interest between us and the party for whom the project was prepared. Further, we state that the payment of the fee is not contingent upon a favorable conclusion, nor approval of the project by any agency before or after the fact. The payment of the fee does not include payment for testimony nor further consultation.

**Submitted, and attested to, by:**

T. Ronald Brown, President  
T. Ronald Brown: Research & Analysis  
P.O. Box 18534  
Asheville, North Carolina 28814-0534  
(919) 233.0670 or 919.612.5328  
trb@tronaldbrown.com



Date:: May 20, 2022

## EXECUTIVE SUMMARY

The following provides a brief summary of each of the major sections in the market analysis.

The proposed development will comprise the development of 40 units of low income tax credit financed housing. The apartments will rent to households whose incomes qualify their apartments for tax credit status, with units to be targeted to households at 20 percent, 60 percent, and 70 percent of the local area median income.

The proposed Lakeview Apartments are to be located on the south side of West Main Street, to the west of Seneca, in Oconee County, in north central South Carolina.

The market area for the proposed apartments is Oconee County.

In 2020, the Oconee County labor force comprised an estimated 35,056 persons. Of this total, 33,180 were employed and 1,876 or 5.4 percent were unemployed. Unemployment increased by 941 between 2019 and 2020 as a consequence of the COVID-19 pandemic (where unemployment reached 10.7 percent in April, 2020). Prior to 2019, employment grew consistently on an annual basis - with the rate of unemployment decreasing from 8.6 percent in 2012.

The population of the project market area is projected to increase from 74,273 in 2010, to 81,036 in 2021, to 82,621 in 2024. The number of households is projected to increase from 30,676 in 2010 to 33,993 in 2021, to 34,747 in 2024. There were 7,634 renter households in the market area in 2010: which is projected to increase to 9,887 by 2021, and to 10,546 by 2023.

There are several apartment complexes located throughout the Oconee County. These include several market rate properties, properties financed with low income housing tax credits, and subsidized housing for low and very low income renters (financed through USDA/Rural Development and/or HUD).

Based on the information at our disposal, occupancy at the one tax credit property is 100 percent, that for the market rate properties is 99.6 percent, and that for the subsidized complexes, 99.5 percent. This yields a 99.2 percent overall occupancy level for the total survey.

The total potential need for tax credit units such as is proposed in the project market area by 2024 is calculated to be for 738 units. Given the calculated need, the proposed 40-unit development amounts to 5.4 percent of the total net need. The proposed development is considered very marketable.

Based on the above, the project could expect to lease-up over a period of up to four- to six months, or so.

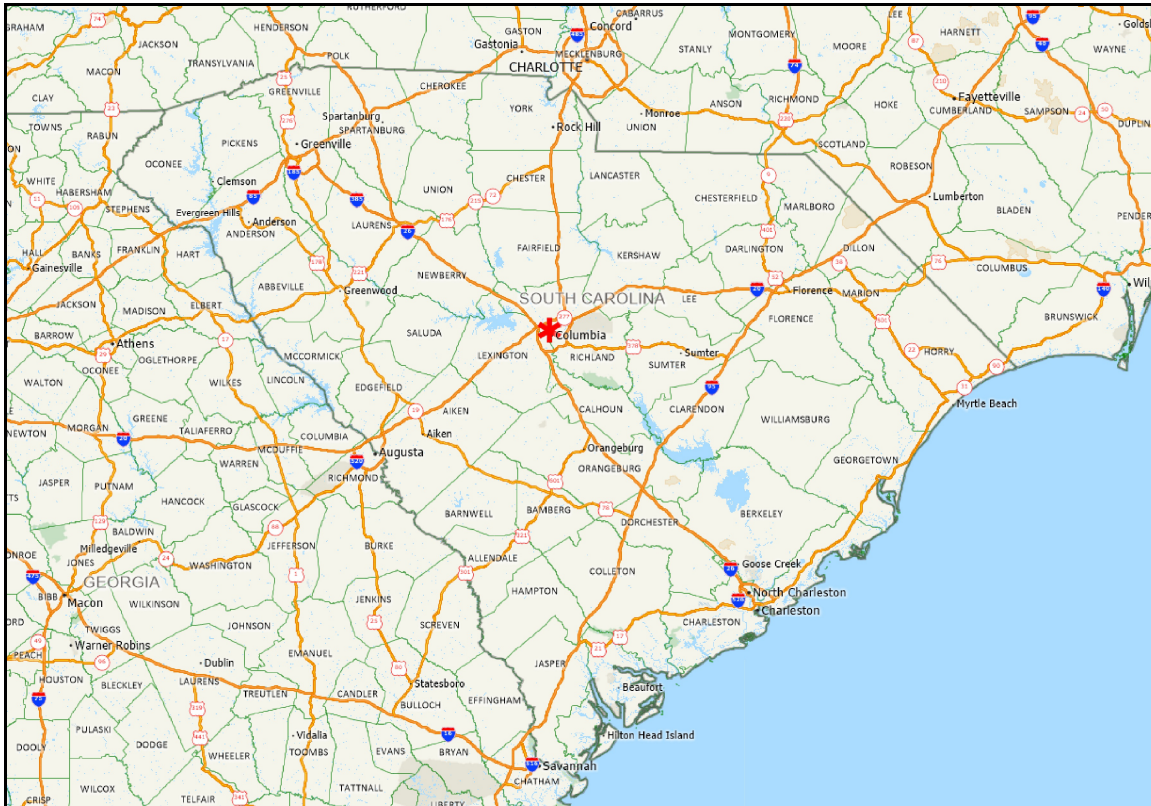
**Report for the Proposed Lakeview Apartments in Seneca, South Carolina**

EXHIBIT S - 2 SC SHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:											
Development Name		Lakeview Place						Total units:		40	
Location		West North First Street, Seneca						LIHTC units:		40	
PMA Boundary		Oconee County									
Development Type		Family <input checked="" type="checkbox"/>		Older		Farthest Boundary Distance to subject:				21 miles	
Rental Housing Stock (found on pages 43-49)											
Type	Properties	Total Units	Vacant Units	Average Occupancy							
All Rental Housing	10	824	41	95.0%							
Market Rate Housing	4	408	24	94.1%							
Assisted/Subsidized Housing, not to include LIHTC	5	267	12	95.5%							
LIHTC (all that are stabilized)*	3	149	5	96.6%							
Subsidized comps**	3	149	5	96.6%							
Non-stabilized comps											
* Stabilized occupancy of at least 93% (excludes projects still in lease-up)											
** comps are those 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 comp rent			
Units	Bedrooms	Baths	Size (sf)	Proposed Rent	per unit	per sf	Advantage	per unit	per sf		
2	1	1	853	\$145	\$613	\$0.72	76.35	\$985	\$1.15		
2	1	1	853	\$650	\$613	\$0.72	-6.04	\$985	\$1.15		
2	2	1	1,030	\$155	\$806	\$0.78	80.77	\$1,065	\$1.03		
17	2	1	1,030	\$750	\$806	\$0.78	6.95	\$1,065	\$1.03		
1	2	1	1,030	\$800	\$806	\$0.78	0.74	\$1,065	\$1.03		
1	3	2	1,429	\$155	\$1,041	\$0.73	85.11	\$1,145	\$0.80		
15	3	2	1,429	\$850	\$1,041	\$0.73	18.35	\$1,145	\$0.80		
Gross Potential Rent Monthly*				\$28,355	\$35,228		19.51				
* market advantage is calculated using the following formula: gross adjusted market rent (minus) gross proposed rent (divided by) gross adjusted market rent The calculation should be expressed as a percentage rounded to two decimal places. The rent calculation Excel worksheet must be provided with the Exhibit S-2 form											
Demographic Data (found on pages 29,30)											
					2010		2021		2024		
Renter Households					7,634	24.9	9,887	29.1	10,546	30.4	
Income-Qualified Renter Households (LIHTC)					n/a	n/a	1,601	16.2	1,708	16.2	
Income qualified Renter HHs (MR) if applicable											
Targeted Income-Qualified Renter Household Demand (found on page 40)											
Type of demand					20%	60%	70%		Market Rate/Other	Overall	
Renter Household Growth					27	64	144			107	
Existing Households (over burdened+substandard)					278	336	662			632	
Homeowner conversion (senior)											
Other											
Less comparable/competitive supply					0	0	0			0	
Net income-qualified renter hholds					306	399	806			738	
Capture Rates (found on page 41)											
Targeted population					20%	60%	70%		Market Rate/Other	Overall	
Capture rate					1.6	8.5	0.1			5.4	
Absorption Rate (found on page 42)											
Four to six months											

A. PROJECT DESCRIPTION

Project Location

The proposed Lakeview Apartments are to be located at on the north side of West North First Street, in northwestern Seneca, in Oconee County in Upstate South Carolina.



Construction type: New construction

The property comprises five two- and/or three-story residential, buildings, with an office/community building.

Occupancy type :Family

Target income group: 20 percent, 60 percent, and 70 percent of the local area median income

Special population target: not applicable



**Report for the Proposed Lakeview Apartments in Seneca, South Carolina**

---

Proposed unit mix, etc.

	<u>Units</u>	<u>sq. ft</u>	<u>Rent</u>	<u>Targeting*</u>
1 bedroom/1 bath	2	853	\$145	less than 20 percent
1 bedroom/1 bath	2	853	\$650	less than 60 percent
2 bedroom/ 1 bath	2	1,030	\$155	less than 20 percent
2 bedroom/ 1 bath	17	1,030	\$750	less than 60 percent
2 bedroom/ 1 bath	1	1,030	\$800	less than 70 percent
3 bedroom/2 bath	1	1,245	\$155	less than 20 percent
3 bedroom/2 bath	15	1,245	\$850	less than 60 percent

\* percent of area median income

Rental Assistance: none

With respect to utilities, the units will be all-electric. Each tenant will be responsible for water, sewer, heating, cooling and other electricity. The owner will responsible for trash collection. The utility allowance is \$122 for a one-bedroom unit, \$164 for a two-bedroom unit, and \$216 for a three-bedroom unit.

The complex comprises five, two-story buildings. In addition, the project will feature a community building which houses a rental office, laundry facilities, an exercise room, computer room, and a kitchenette. There are also outdoor play/recreation areas.

Unit amenities include a fully equipped kitchen, washer and dryer connections, and ceiling fans and mini-blinds. The units will be centrally-heated and air conditioned, with carpet and vinyl flooring.

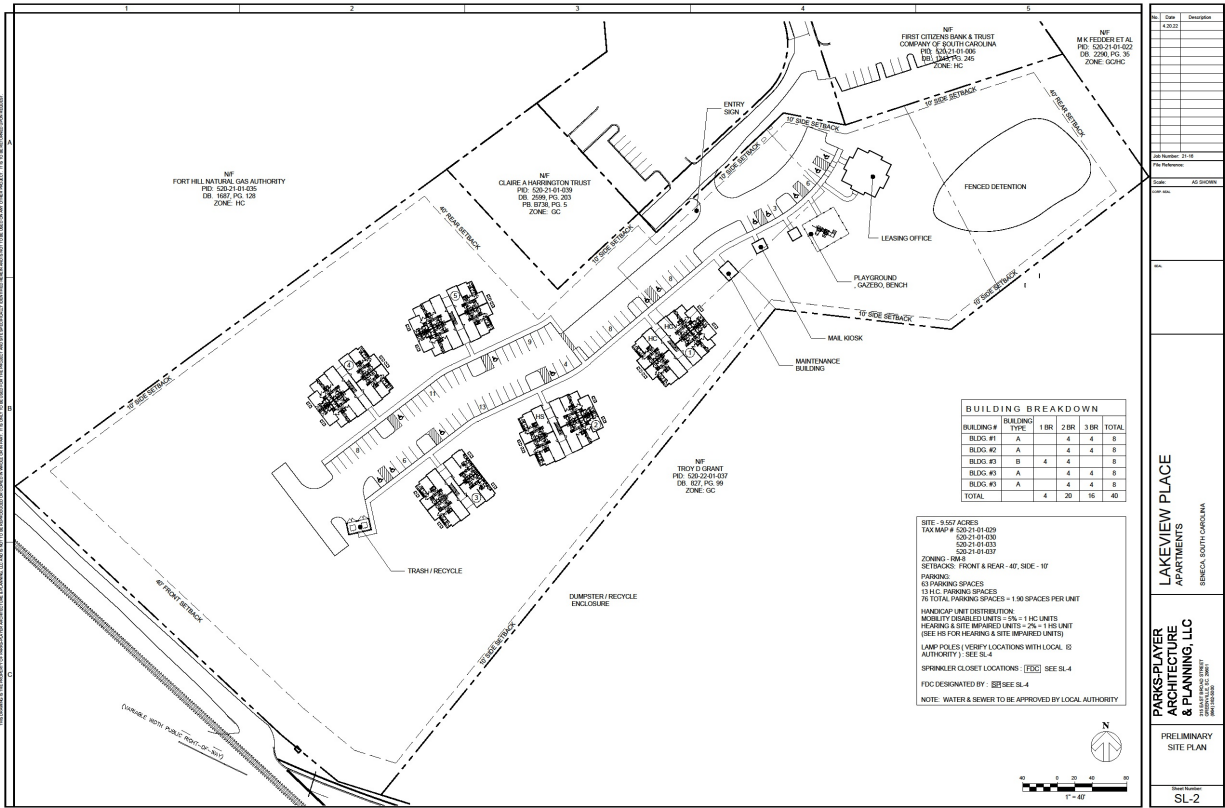
Information submitted by the developer suggests that construction would start in June 2023, with completion around 14 months thereafter.

Representative architectural drawings/plans are set out on the following pages.

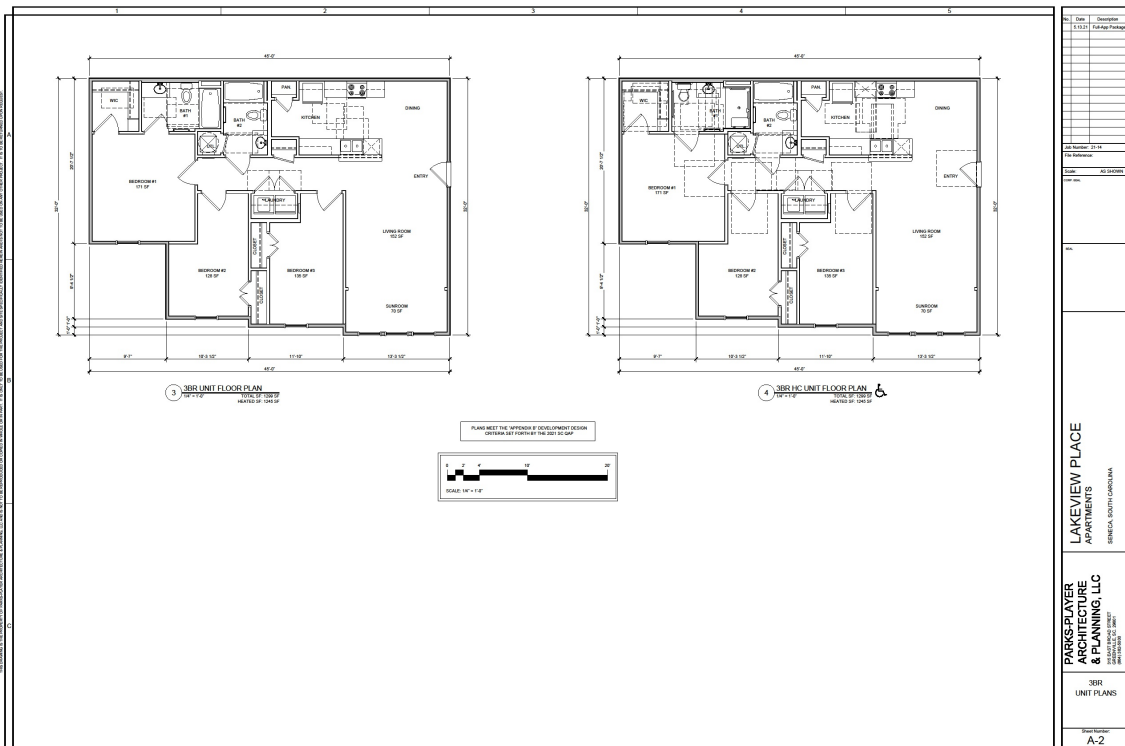
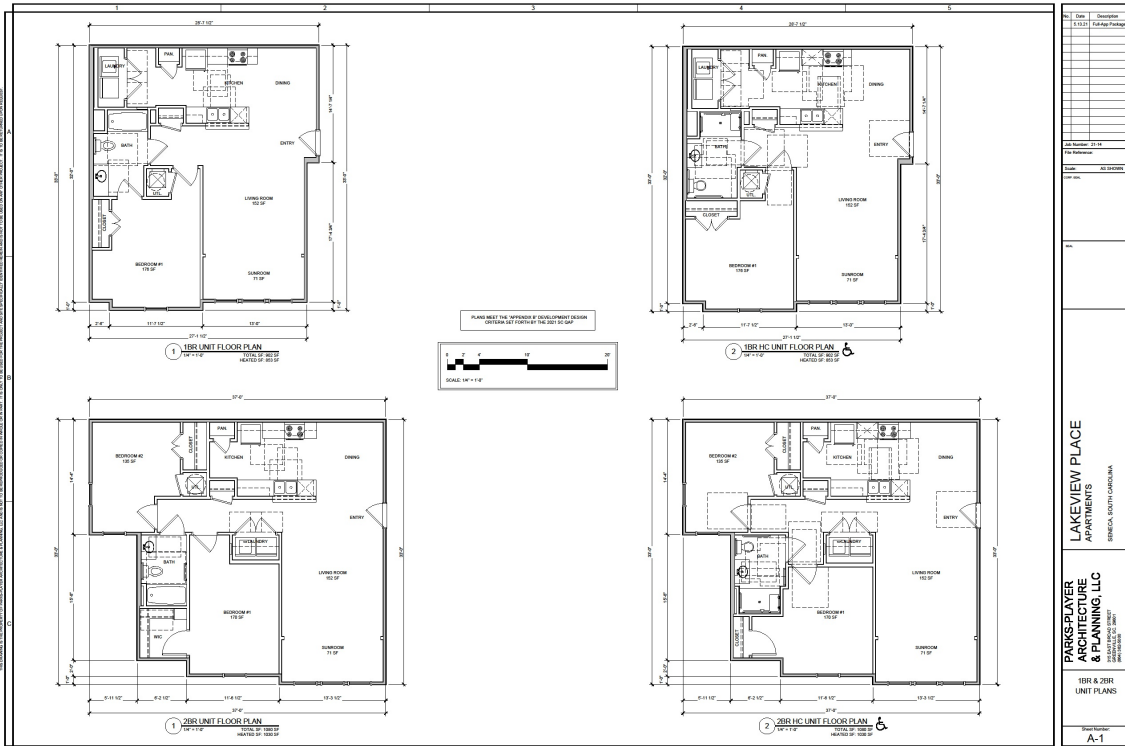
Rehabilitation information: n/a

# Report for the Proposed Lakeview Apartments in Seneca, South Carolina

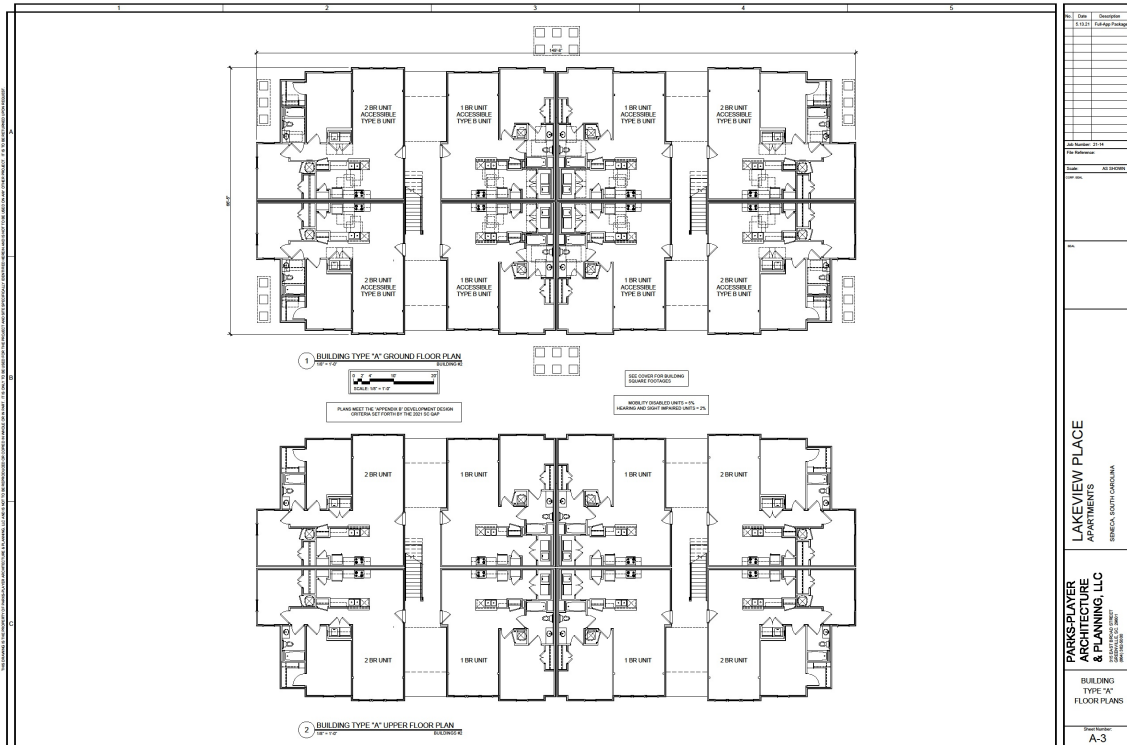
## Site plan



# Report for the Proposed Lakeview Apartments in Seneca, South Carolina



# Report for the Proposed Lakeview Apartments in Seneca, South Carolina



# Report for the Proposed Lakeview Apartments in Seneca, South Carolina



No.	Date	Description
1	11/25/23	

Job Number: 23-06  
 Date: 11/25/23  
 Scale: AS NOTED

---

**LAKEVIEW PLACE**  
 APARTMENTS  
 SENECA, SOUTH CAROLINA

---

**PARKS-PLAYER**  
 ARCHITECTURE  
 & PLANNING, LLC  
 1000 GAITHER ROAD  
 SUITE 200  
 ASHEVILLE, NC 28705  
 PH: 828.252.3111  
 WWW.PARKS-PLAYER.COM

---

**BUILDING TYPE 'A'**  
 ELEVATIONS

Sheet Number:  
**A-4.00**

B. SITE DESCRIPTION

The proposed Lakeview Apartments are to be located on the north side of West North First Street, south of its intersection with Sandifer Boulevard (US 76/US 123), in northwestern Seneca.

Adjacent properties include various businesses fronting on First Street (including a relatively new Dollar General store at Yarid Street), and also on Sandifer Boulevard, and undeveloped land. An abandoned railroad track is located along the western boundary of the site, following First Street.



There are no apparent physical, environmental, or other constraints upon the construction and marketing of the proposed project at this location.



View onto property



View onto property



View towards site, from W North 1<sup>st</sup> St.



View east on W North 1<sup>st</sup> St., at site



View west on W North 1<sup>st</sup> St., at site



View across W North 1<sup>st</sup> St., at site



**Report for the Proposed Lakeview Apartments in Seneca, South Carolina**

---

The following distances from the site to various local services and amenities.

<u>Category</u>	<u>Neighborhood/Community Amenity</u>	<u>Distance (miles)</u>
Highways	Sandifer Boulevard (US 76/US123)	0.3
Public transportation	CAT bus - Oconee Connector	adjacent
Retail - Grocery	Food Lion	0.6
	ALDI	1.0
Retail - Other	Dollar General	0.1
	Big Lots	0.2
	Belk	1.1
	Wal Mart	1.6
Pharmacies *	Walgreens	1.2
Schools	Northside Elementary School	2.1
	Seneca Middle School	2.4
	Seneca High School	1.9
City Hall	City of Seneca	1.9
Post Office	Seneca	2.2
Library	Seneca	2.2
Hospital	Prisma Health Oconee Memorial	0.8

\* excluding those in grocery stores, etc.

Access from the site to major thoroughfares, sources of employment, shopping, schools, health, local services is good.

The site is located off West North First Street - a significant east-west route serving the area. The site is within one-third of one mile of the intersection of West North First Street and Sandifer Boulevard (US 76/123) This is a major focus for commercial and other development in northern Seneca.

West North First Street is served by the Oconee Connector route on the Catbus (Clemson Area Transit) system.

The site is within one or so miles of the BiLo Place Shopping Center, which is located on Sandifer Boulevard. This shopping center is anchored by a Food Lion grocery store, and other outlets include a Family Dollar, Staples, and a Lowes Home Improvement store. The Applewood Square shopping center is located within one or so of the site of the proposed development. This shopping center is also located on the south side of Sandifer Boulevard, and includes a Belk department store, an ALDI grocery store, and a Dollar Tree. There are a variety of restaurants, banks, and other retail and service outlets in this area.

The site is within one and two-third miles of a Walmart Supercenter located on the north side of Sandifer Boulevard, west of the Hospital.

The site of the proposed apartments is quite well-located with respect to local schools. The Northside Elementary School, for example, is just over two miles from the site, and the Seneca Middle School and Seneca High School are between two and two and one-half miles of the site, to the south.

The Seneca Library and the Seneca Post Office are located in the downtown area, within two and one-fourth miles of the site.

The Prisma Health Oconee Memorial Hospital and associated medical services are within one mile of the site of the proposed apartments.

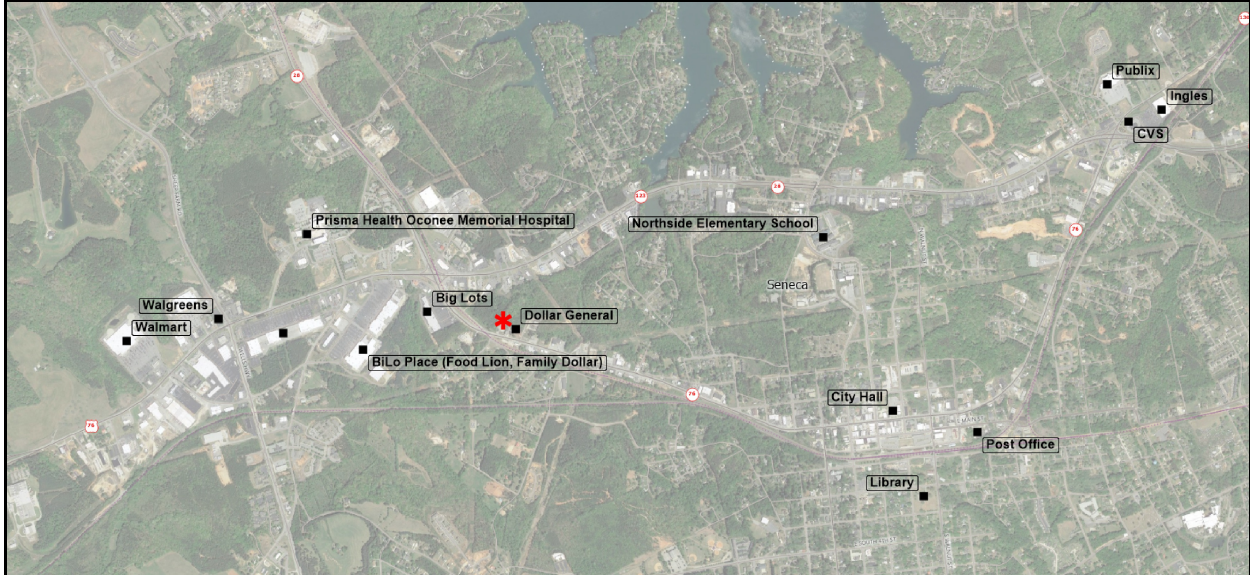
The site is within two- to two- and one-half miles, or so, of the government, shopping, and other services and sources of employment located in downtown Seneca.

It is understood that there are no significant road or other infrastructure projects under way or planned for this area.

Based on our observations during our site visit, there is no reason to expect that the risk of crime in this neighborhood would be greater or less than that for other parts of the market area. It is not expected that crime or the perception of crime in the area, would impact the project's marketability - nonetheless, as is prudent, security should be considered in the design and marketing of the project.

There are no apparent physical, environmental, or other constraints upon the construction and ongoing marketing of the proposed project at this location.

The locations of various amenities relative to the site of the proposed development are mapped, below.



### C. MARKET AREA

Market areas are defined on the basis of the consideration of many inter-related factors. These include consideration of the site location, consideration of socio-demographic characteristics of the area (tenure, income, rent-levels, etc.), local commuting patterns, physical (or other) boundaries, census geographies, and especially the location of comparable and/or potentially competing communities.

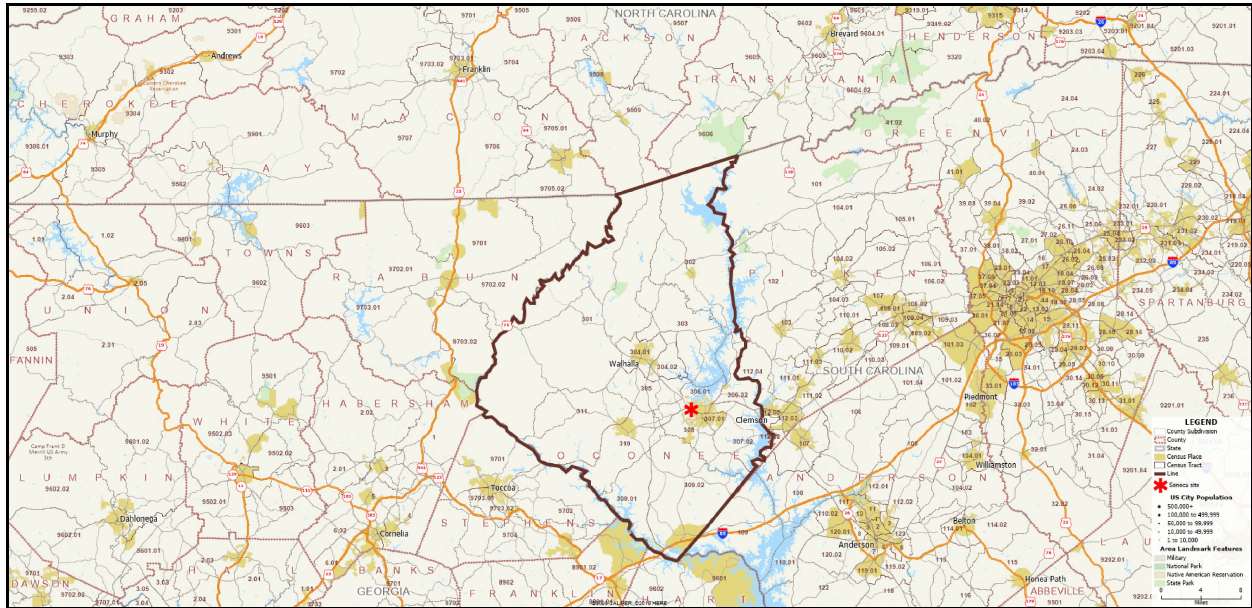
In communities such as county seats where that community is the county's largest community and is centrally located and can draw from the entire county, the county may be the market area. In circumstances where there are potentially competing communities in one county, the market area will be that part of the county (and, potentially, portions of adjacent counties) which the proposed development is most likely to draw from. Here, a combination of census tracts may be used to define the market area. In urban or suburban markets, the market area will be areas adjacent to the site and will extend to all locations of relatively similar character, and with residents or potential residents likely to be interested in the project. Here combinations of census tracts, may be used to define the market area.

Seneca is located in central Oconee County in western Upstate South Carolina. The market area for the proposed development is Oconee County. This area is focused on the site of the proposed development and extends up to an approximately six-mile hinterland to the east, up to 21 miles or so to the west and north and up to 12 miles to the south. (except to the west, where it extends approximately one mile, to the Broad River). The area includes Seneca, and adjacent communities such as Walhalla and Westminster, but excludes neighboring and potentially competing communities such as Clemson and Toccoa, Georgia. This constitutes the geographic area immediately adjacent to the site, and extends to all locations of relatively similar character, and with residents, or potential residents, likely to be interested in the project.

The market area is roughly diamond-shaped, where the North Carolina state line is the northern boundary and Lake Keowee and Lake Hartwell are the eastern boundary. The Georgia and Tennessee state lines comprise the western boundary.

# Report for the Proposed Lakeview Apartments in Seneca, South Carolina

## Market area map



D. MARKET AREA ECONOMY

EMPLOYMENT BY INDUSTRY

This distribution of employment, by industry, for the project market area is set out in Table 1, below. This information is from the 2016 to 2020 American Community Survey (and as such is subject to the limitations of those data). Based on those data, the largest source of employment is manufacturing which accounts for 18.8 percent of the total. Other significant sectors include education, retail trade, professional and other services, and healthcare.

---

Table 1 - Employment by Industry, Market Area

---

	<u>number</u>	<u>percent</u>
Agriculture, etc	464	1.4
Construction	2,683	8.1
Manufacturing	6,202	18.8
Wholesale Trade	464	1.4
Retail Trade	3,363	10.2
Transp, Warehousing	800	2.4
Utilities	1,096	3.3
Information	283	0.9
Finance, Insurance, Real Estate	1,257	3.8
Professional, scientific, management	3,306	10.0
Educational Services	3,906	11.8
Health care	3,531	10.7
Arts, entertainment, recreation	517	1.6
Accommodation and food services	2,668	8.1
Other services	1,778	5.4
Public Administration	690	2.1

Source: 2016 to 2020 American Community Survey; T Ronald Brown: Research & Analysis

---

MAJOR EMPLOYERS

The major employers in Oconee County are listed in Table 2, below. From this table it is seen that the largest employers in the area are the local school system and Duke Energy - with each employing at least 1,500 persons. Other significant employers include the local hospital, in addition to local governments. There are several large manufacturers in the area - Itron, for example, employs 1,100, and Borg Warner employs 900.

---

Table 2 - Major Employers

---

<u>Employer Name</u>	<u>Product/Service</u>	<u>Employees</u>
School District of Oconee County	Education	1,549
Duke Energy	Power generation	1,500
Oconee Memorial Hospital	Healthcare	1,300
Itron	Electronic Measuring Devices	1,100
Borg Warner	Charging Stations	900
JTEKT/Koyo Bearings	Automotive bearings	625
Schneider Electric	Motor control centers	532
Oconee County	County Government	470
Sandvik/Greenfield Industries	Cutting tools	385
U.S. Engine Valve Corporation	Engine Valves	383

Source: Oconee Alliance

---

Recently published Information from the South Carolina Department of Commerce shows two announcements since the start of 2021. Curtec - a packaging manufacturer announced plans to establish operations in the area - adding 32 new jobs over five years. Additionally, BASF Corporation announced a 50-job expansion.

SC WARN notices for 2020 to 2022, to date, show that in Seneca there were 65 jobs lost to layoffs at Peak Workforce Solutions.

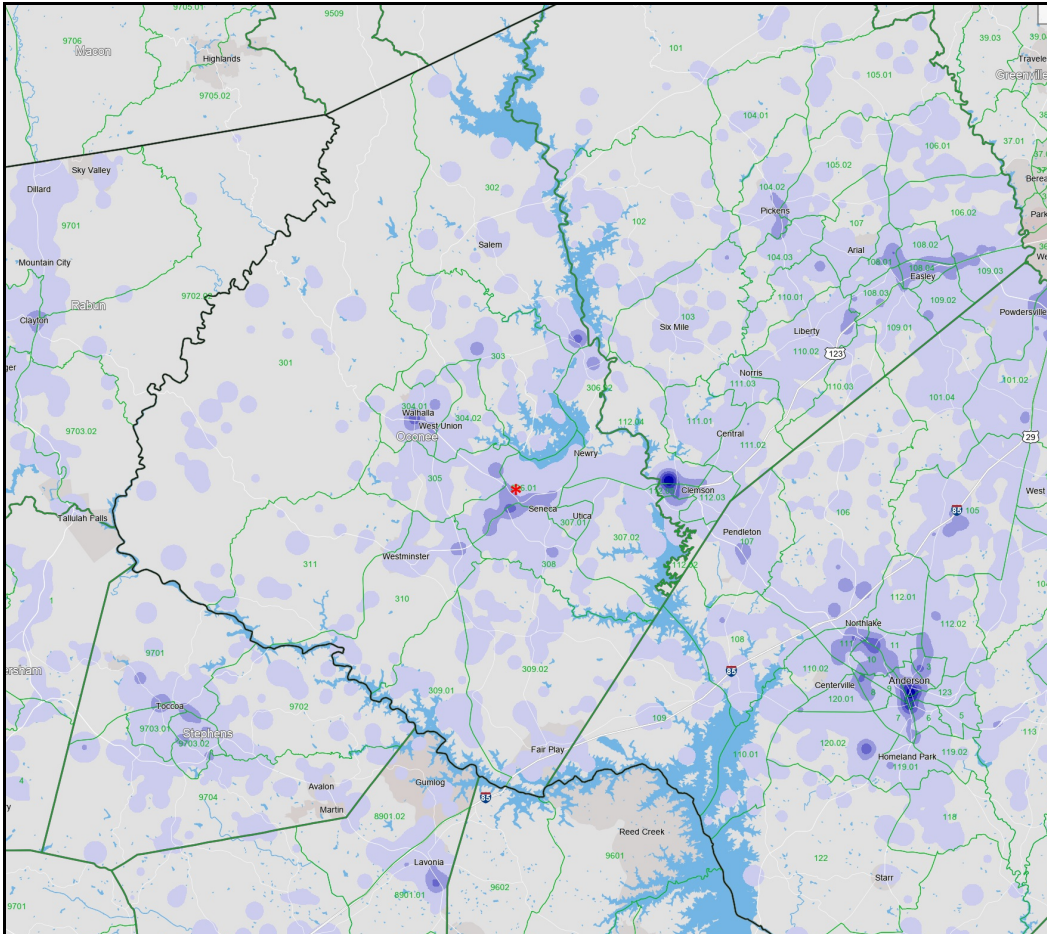


---

## Report for the Proposed Lakeview Apartments in Seneca, South Carolina

---

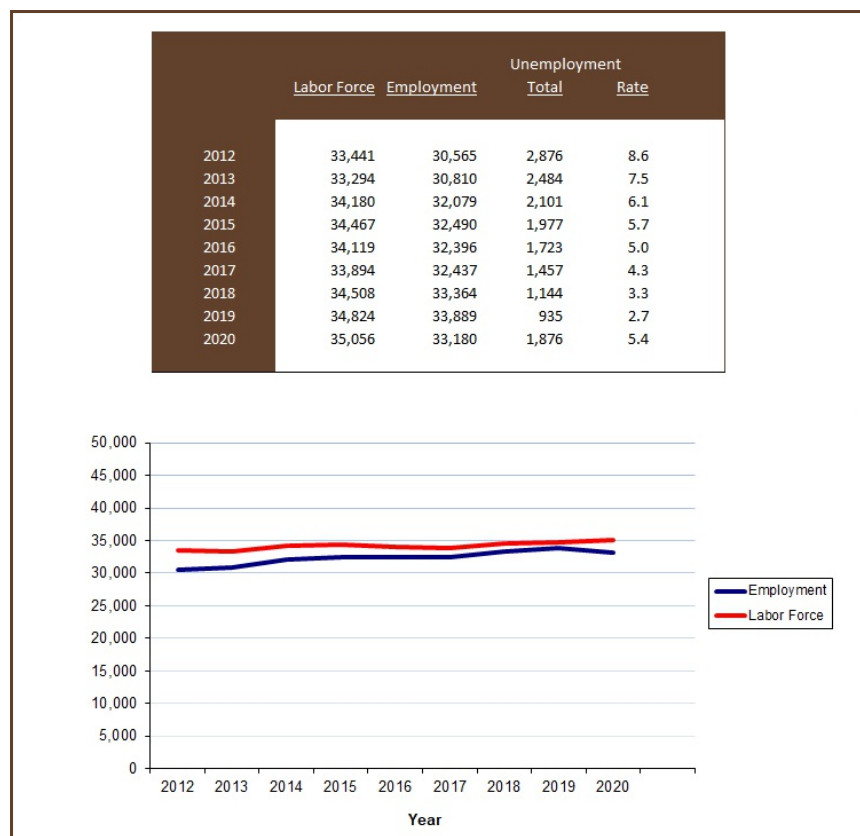
Based on information from the Census, the location of the site relative to the distribution of employment in the wider Seneca area is illustrated in the map, below. Here it is seen that many persons work in the Seneca area, with a significant number of jobs being located in Clemson.



LABOR FORCE AND EMPLOYMENT

The makeup and trends of the labor force and employment have a strong influence on the growth and stability of the local housing market in general. In 2020, the most recent year for which annualized data are available, the Oconee County labor force comprised an estimated 35,056 persons. Of this total, 33,180 were employed and 1,876 or 5.4 percent were unemployed. Unemployment increased by 941 between 2019 and 2020 as a consequence of the COVID-19 pandemic (where unemployment reached 10.7 percent in April, 2020). Prior to 2019, employment grew consistently on an annual basis - with the rate of unemployment decreasing from 9.9 percent in 2011.

Table 3 - Oconee County Labor Force and Employment



Source: US Department of Labor

COMMUTING

Based on data from the American Community Survey, 16.2 percent of workers resident in Seneca were employed in Seneca, with 65.2 percent employed in Oconee County as a whole. The average driving time to work for residents of Seneca was 19.9 minutes.

---

Table 4 - Commuting Data

---

	<u>number</u>	<u>percent</u>
Total Workers	3,879	100.0
Worked in Place of residence	628	16.2
Worked in County of residence	2,529	65.2
Worked outside Place of residence	3,251	83.8
Worked outside County of residence	1,350	34.8
Mean travel time to work (minutes)	19.9	

Source: 2016 to 2020 American Community Survey; T Ronald Brown: Research & Analysis

---

Commuting patterns data are no longer provided in the Decennial Census. Here, data are obtained from the LEHD Origin-Destination Statistics program available from the Census Bureau's OnTheMap application. These data, on commuting patterns for persons who live and/or work in Oconee County are set out, below.

Here it is seen that very many persons (3,645) who live in Oconee County commute to work in adjacent Pickens County, with a larger number - 4,705 - commuting to Greenville County. A total of 2,502 persons employed in Oconee County commute to work there from Pickens County.

---

Table 5 - Commuting Patterns

---

Working in Oconee County	13,365
Where Oconee County residents are commuting to:	
Greenville County	4,705
Pickens County	3,645
Anderson County	2,683
Spartanburg County	946
Richland County	787
Lexington County	476
Charleston County	467
York County	244
Laurens County	167
Elsewhere	3,123
Where Oconee County workers are commuting from:	
Pickens County	2,502
Anderson County	2,149
Greenville County	1,364
Spartanburg County	481
York County	222
Stephens County , GA	198
Richland County	188
Horry County	172
Lexington County	157
Elsewhere	3,098

Source: LEHD Origin-Destination Statistics program/OnTheMap; T.Ronald Brown: Research & Analysis

---

**E. COMMUNITY DEMOGRAPHIC DATA**

POPULATION TRENDS AND PROJECTIONS

In 2000, the population of Oconee County was 66,215, and in 2010 the population was recorded as 74,273. Population projections for Oconee County are provided by the South Carolina Revenue and Fiscal Affairs Health and Demographics Section. Based on these data, the population of the county is projected to be 81,036 by 2021, and to be 82,621 by 2024.

Information on population trends and changes between 2000 and 2024 are set out in Table 6, below.

Table 6 - Population Trends

	Seneca	Oconee County
2000	7,652	66,215
2010	7,487	74,273
2021	n/a	81,036
2024	n/a	82,621
absolute change		
2000-2010	-165	8,058
2010-2021	n/a	6,763
2021-2024	n/a	1,585
annual change		
2000-2010	-17	806
2010-2021	n/a	615
2021-2024	n/a	528

Source: 2000 Census and 2010 Census; SC Revenue and Fiscal Affairs; T Ronald Brown: Research & Analysis

AGE

The distribution of the population, by age, for Seneca and for Oconee County are set out in Table 7, below. These data are from the 2010 Census.

Table 7 - Age Distribution

	Seneca		Oconee County	
	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>
Under 5 years	615	8.2	4,168	5.6
5 to 9 years	442	5.9	4,240	5.7
10 to 14 years	451	6.0	4,498	6.1
15 to 19 years	509	6.8	4,798	6.5
20 to 24 years	517	6.9	4,228	5.7
25 to 29 years	459	6.1	3,826	5.2
30 to 34 years	492	6.6	3,903	5.3
35 to 39 years	430	5.7	4,390	5.9
40 to 44 years	455	6.1	4,566	6.1
45 to 49 years	489	6.5	5,079	6.8
50 to 54 years	591	7.9	5,556	7.5
55 to 59 years	610	8.1	5,327	7.2
60 to 64 years	511	6.8	5,588	7.5
65 to 69 years	454	6.1	4,828	6.5
70 to 74 years	364	4.9	3,619	4.9
75 to 79 years	295	3.9	2,760	3.7
80 to 84 years	213	2.8	1,604	2.2
85 years and over	205	2.7	1,295	1.7
55 and older	2,652	35.4	25,021	33.7
65 and older	1,531	20.4	14,106	19.0
Total	7,487		74,273	

Source: 2010 Census; T Ronald Brown: Research & Analysis

**HOUSEHOLD TRENDS AND PROJECTIONS**

Projections of the number of households for Seneca and the Oconee County market area are out in Table 8, below. These projections are based on the population projections set out, above.

The projection is that in 2020 the County/market area will have around 33,356 households, and around 34,210 in 2023. In 2010, there were 40,676 households in the market area.

Table 8 - Household Trends

---

	Seneca	Oconee County
2000	3,286	27,283
2010	3,511	30,676
2021	n/a	33,993
2024	n/a	34,747
absolute change		
2000-2010	225	3,393
2010-2021	n/a	3,317
2021-2024	n/a	754
annual change		
2000-2010	23	339
2010-2021	n/a	302
2021-2024	n/a	251

Source: 2000 Census and 2010 Census; T Ronald Brown: Research & Analysis

---

**TENURE**

Table 9, below, sets out the number and proportion of owner and renter households for Seneca and for Oconee County. In the years beyond 2010, the tenure proportions are based on the 2000 to 2010 tenure trends. In 2010, 43.7 percent of households in Seneca were renters, compared with 24.9 percent in the county.

Table 9 - Tenure

---

Seneca	<u>population</u>	<u>households</u>	<u>persons per household</u>	<u>Owner-occupied</u>		<u>Renter-occupied</u>	
				<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>
2000	7,652	3,286	2.33	1,986	60.4	1,300	39.6
2010	7,487	3,511	2.13	1,976	56.3	1,535	43.7
2021	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2024	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Oconee County	<u>population</u>	<u>households</u>	<u>persons per household</u>	<u>Owner-occupied</u>		<u>Renter-occupied</u>	
				<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>
2000	66,215	27,283	2.43	21,391	78.4	5,892	21.6
2010	74,273	30,676	2.42	23,042	75.1	7,634	24.9
2021	81,036	33,993	2.38	24,106	70.9	9,887	29.1
2024	82,621	34,747	2.38	24,201	69.6	10,546	30.4

Source: 2000 Census and 2010 Census; T Ronald Brown: Research & Analysis

---

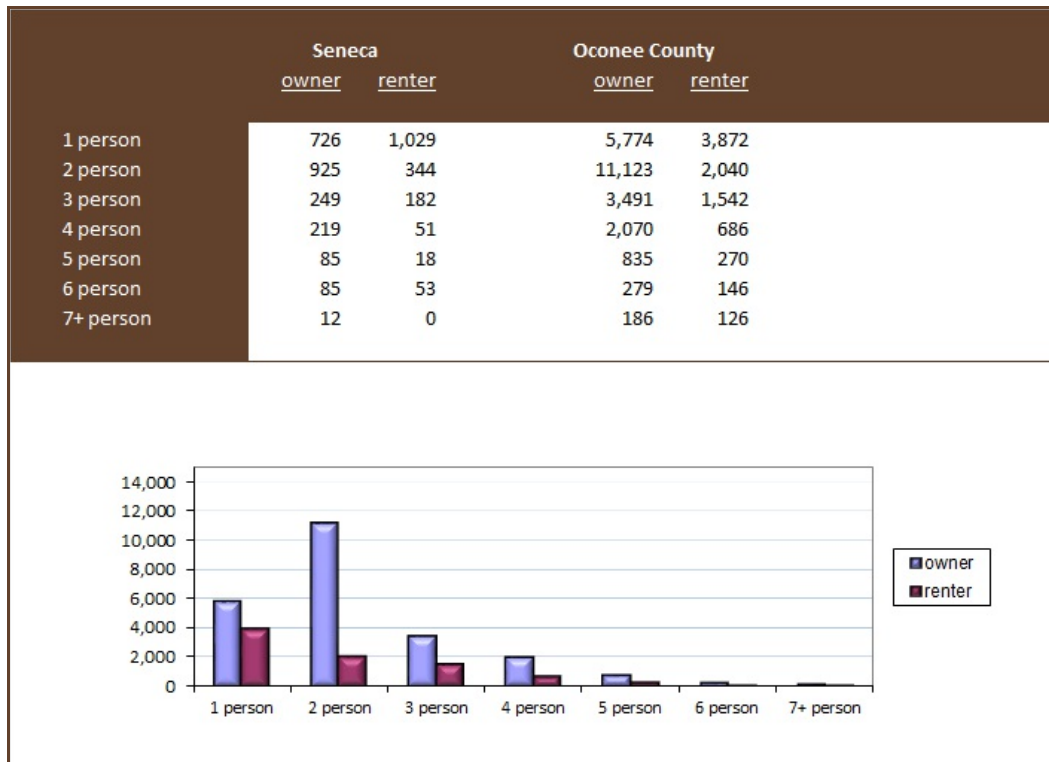


HOUSEHOLD SIZE

Table 10 below, sets out household size, by tenure, for households in Seneca and Oconee County.

The distribution of household sizes, by tenure, for the County/market area is also illustrated.

Table 10 - Household Size, by Tenure



Source: 2016 to 2020 American Community Survey; T Ronald Brown: Research & Analysis

**HOUSEHOLD INCOME**

The distribution of household incomes for Seneca and for Oconee County are set out in Table 11, below. These figures are taken from the 2016 to 2020 American Community Survey, and as such are subject to the limitations imposed by this source.

Here, it is seen that the median household income in Seneca was \$42,150 and that for Oconee County as a whole was seen to be \$49,691.

The median income for the census tract in which the site of the proposed development is located is estimated to be around \$69,107 - based on the American Community Survey data.

**Table 11 - Household Income**

---

	Seneca		Oconee County	
	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>
less than \$10,000	277	7.1	2,183	6.7
\$10,000 to \$14,999	320	8.2	2,112	6.5
\$15,000 to \$19,999	197	5.0	1,877	5.8
\$20,000 to \$24,999	329	8.4	1,946	6.0
\$25,000 to \$29,999	224	5.7	1,718	5.3
\$30,000 to \$34,999	406	10.4	1,859	5.7
\$35,000 to \$39,999	71	1.8	1,598	4.9
\$40,000 to \$44,999	294	7.5	1,627	5.0
\$45,000 to \$49,999	139	3.6	1,399	4.3
\$50,000 to \$59,999	257	6.6	2,720	8.4
\$60,000 to \$74,999	306	7.8	3,180	9.8
\$75,000 to \$99,999	411	10.5	3,301	10.2
\$100,000 to \$124,999	313	8.0	2,611	8.0
\$125,000 to \$149,999	129	3.3	1,449	4.5
\$150,000 to \$199,999	140	3.6	1,356	4.2
\$200,000 or more	93	2.4	1,504	4.6
median income	\$42,150		\$49,691	

Source: 2016 to 2020 American Community Survey; T Ronald Brown: Research & Analysis

---

RENTER HOUSEHOLD INCOME

The distribution of household incomes for renter households for Seneca and Oconee County set out in Table 12, below. These figures are also taken from the 2016 to 2020 American Community Survey.

Here, it is seen that the median renter household income in Seneca was \$22,494, and that for Oconee County as a whole was seen to be \$25,505.

The median renter income for the census tract in which the site of the proposed development is located is estimated to be around \$50,606 - based on the American Community Survey data.

Table 12 - Household Income, Renter Households

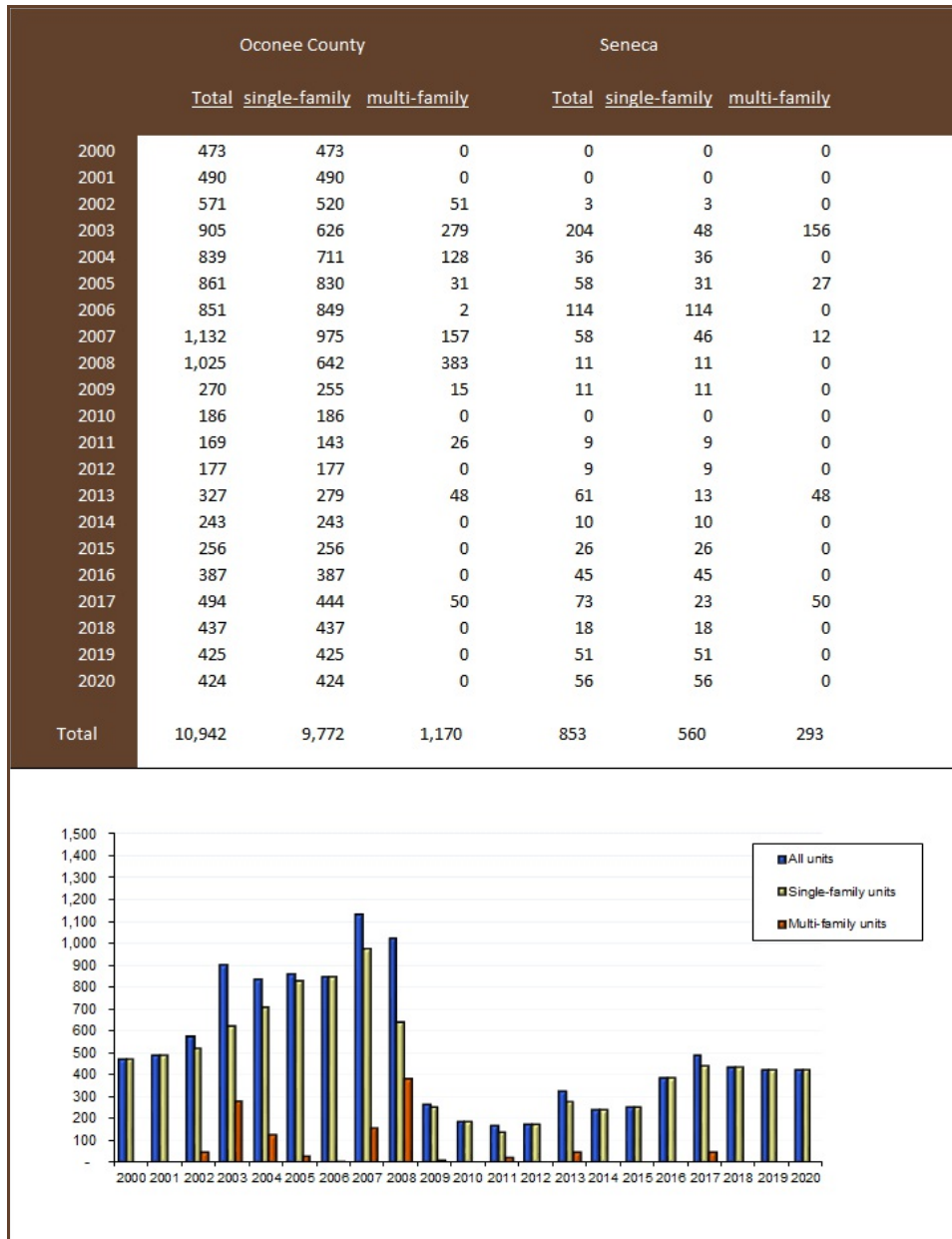
	Seneca		Oconee County	
	<u>number</u>	<u>percent</u>	<u>number</u>	<u>percent</u>
less than \$10,000	222	13.2	1,320	15.2
\$10,000 to \$19,999	420	25.0	1,879	21.6
\$20,000 to \$34,999	550	32.8	2,549	29.4
\$35,000 to \$49,999	159	9.5	1,308	15.1
\$50,000 to \$74,999	138	8.2	786	9.1
\$75,000 to \$99,999	90	5.4	351	4.0
\$100,000 or more	98	5.8	489	5.6
median income	\$22,494		\$25,505	

Source: 2016 to 2020 American Community Survey; T Ronald Brown: Research & Analysis

RESIDENTIAL CONSTRUCTION SINCE 2000

Table 13 below gives details of residential construction in Oconee County since 2000. Here it can be seen that a total of 10,942 units were added in Oconee County, with 853 units added in the City of Seneca.

Table 13 - Residential Construction Since 2000



Source: Current Construction Reports, C-40; Bureau of the Census; T Ronald Brown: Research & Analysis

**F. PROJECT SPECIFIC DEMAND ANALYSIS**

The market for the proposed apartments is derived from two principal sources: the population and household growth market, and from existing households currently living in the area who could move to the project were it to be made available.

**INCOME RESTRICTIONS**

Income is a key variable in the analysis of housing markets. Of the 40 units proposed, five will be targeted to households with incomes up to 20 percent of the median, with 34 units targeted at 60 percent of the median and one unit at the 70 percent level - and therefore qualify the apartments for low income housing tax credit status. There will be a mix of one-, two-, and three- bedroom units.

The income limits for a rural site in Oconee County are set out below, along with maximum housing expenses. The maximum housing expenses for the proposed units are based on these income limits and assume an average 1.5 persons per household and that renters will pay no more than 30 percent of their incomes on housing expenses (rent plus utilities).

Table 14 - Income Limits and Maximum Housing Costs

Income Limits			
	<u>20 percent</u>	<u>60 percent</u>	<u>70 percent</u>
1 person	\$10,000	\$30,000	\$35,000
2 person	\$11,420	\$34,260	\$39,970
3 person	\$12,840	\$38,520	\$44,940
4 person	\$14,260	\$42,780	\$49,910
5 person	\$15,420	\$46,260	\$53,970
6 person	\$16,560	\$49,680	\$57,960
Maximum Housing Costs			
	<u>20 percent</u>	<u>60 percent</u>	<u>70 percent</u>
1 bedroom	\$268	\$803	\$937
2 bedroom	\$321	\$963	\$1,124
3 bedroom	\$371	\$1,113	\$1,299

Source: HUD

Information as to rents and income targeting, and qualifying income ranges are set out in Table 15, below

**Table 15 - Rents and Income Targeting**

---

income targeting				
	<u>20 percent</u>	<u>60 percent</u>	<u>70 percent</u>	<u>Total</u>
1 bedroom	2	2	0	4
2 bedroom	2	17	1	20
3 bedroom	1	15	0	16
<b>Total</b>	<b>5</b>	<b>34</b>	<b>1</b>	<b>40</b>
proposed rents				
	<u>20 percent</u>	<u>60 percent</u>	<u>70 percent</u>	
1 bedroom	\$145	\$650		
2 bedroom	\$155	\$750	\$800	
3 bedroom	\$155	\$850		
proposed rents as a proportion (%) of maximum				
	<u>20 percent</u>	<u>60 percent</u>	<u>70 percent</u>	
1 bedroom	99.5	95.4		
2 bedroom	98.7	93.9	83.4	
3 bedroom	100.0	94.8		

Source: Applicant; T Ronald Brown: Research & Analysis

---

The utility allowances for the proposed development are \$122, \$164, and \$216 for the one-, two-, and three-bedroom units, respectively.

From the table above, it can be seen that housing expenses at the proposed apartments fall effectively at 94 to 100 percent of the maximum allowable, except for the unit at 70 percent, which is 83 percent of the maximum. This will provide an attractive and relatively affordable property, given that rents are typically reasonably below the maximum allowable.

**Report for the Proposed Lakeview Apartments in Seneca, South Carolina**

---

Qualifying income ranges are a function of the income needed to afford the proposed units and the mandated upper income limits. There is no official lower income limit for the proposed apartments. However, for the purposes of this report it is assumed that tenants will pay no more than 35 percent of their income on housing costs (rent and utilities). The upper limits are a function of household size - based on a standard of one and one-half persons per bedroom.

Table 16 - Qualifying Income Ranges

---

<u>20 percent</u>		
	lower	upper
1 bedroom	\$9,154	\$10,710
2 bedroom	\$10,937	\$12,840
3 bedroom	\$12,720	\$14,840
<u>60 percent</u>		
	lower	upper
1 bedroom	\$26,469	\$32,130
2 bedroom	\$31,337	\$38,520
3 bedroom	\$36,549	\$44,520
<u>70 percent</u>		
	lower	upper
2 bedroom	\$33,051	\$44,940

Source: Applicant; T Ronald Brown: Research & Analysis

---

Incomes for households qualifying for the proposed project are seen to range from \$9,154 to \$44,940, reflecting the target incomes used.

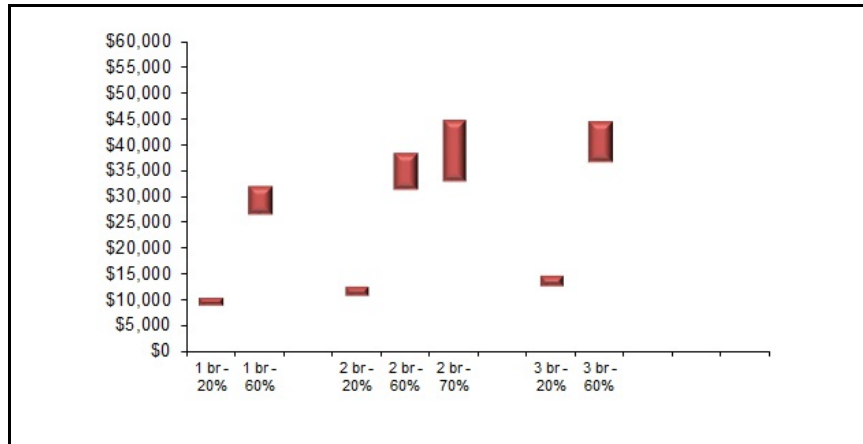
---

## Report for the Proposed Lakeview Apartments in Seneca, South Carolina

---

This table, and the graph below, show that the qualifying income ranges are relatively narrow, but not as narrow as would be the case if the rents were set at the maximum allowable.

Any overlap between the target income ranges (and any gaps between them) will be taken into consideration in our calculations.





The major variables to be examined are age, tenure, and income. These data are no longer available from the Decennial Census. Nonetheless, data can be extrapolated from the most recent American Community Survey - again, subject the limitations of those data. These data, for the market area for the proposed complex, are set out below.

Table 17 - Household Income, Renter Households

---

Income	Overburdened Renters			
	Number	Percent	Number	Percent
Up to \$10,000	1,320	15.2	917	25.6
\$10,000 - \$19,999	1,879	21.6	1,138	31.7
\$20,000 - \$34,999	2,549	29.4	1,203	33.5
\$35,000 - \$50,000	1,308	15.1	256	7.1
\$50,000 - \$75,000	786	9.1	31	0.9
\$75,000 - \$100,000	351	4.0	0	0.0
\$100,000 and over	489	5.6	44	1.2
<b>Total</b>	<b>8,682</b>		<b>3,589</b>	

Source: 2016 to 2020 American Community Survey; T.Ronald Brown: Research & Analysis

---

As noted, these data are necessarily from the American Community Survey and are based on the 5-year average for the period from 2016 to 2010 - and not for a specific year.

From this table it can be seen that 15.2 percent of the market area renter households have incomes less than \$10,000 and a further 21.6 percent have incomes between \$10,000 and \$20,000. Around 29.4 percent of renters are seen to be in the \$25,000 to \$35,000 income range. Around 41.3 percent of all renters are rent-overburdened. This table also illustrates how rent-overburdened households are concentrated in the lower income groups - those below \$35,000.

Based on the income ranges set out in Table 16 and the income distribution set out in Table 17, it is found that around 4.2 percent of market area renter households qualify for units at 20 percent of the median, the corresponding figures for the units at 60 percent and 70 percent are 9.7 percent, and 13.4 percent, respectively.

Projections of need and demand are based upon a 2021 to 2024 projection period and the resulting calculations are corrected to account for any construction of comparable projects and/or planned comparable units.

Based on the projections set out in Table 9 a total of 659 new rental units are needed between 2021 and 2024. A total of 107 units will be for households eligible for the proposed project: 27 households at the 20 percent level, 64 households at the 60 percent level, and 88 at 70 percent.

Again, the market for the proposed apartments comprises not only demand from population and household growth, but also from existing renter households who would move to the new apartments were they made available. The extent to which any new development is able to attract a certain share of this market is largely a factor of several interrelated factors. These include the location of the development, the amenities it offers, the quality of design and the effectiveness of the development's marketing and management. That is, the perceived value of the community in terms of price, convenience, and life-style.

Our calculations show that there will be a total of 1,708 renter households in the qualifying income ranges in the project market area. This figure has to be adjusted to reflect the proportion that are likely to move to a new complex. With respect to existing households in the project market area it is found that, based on the most recent American Community Survey data, 61.6 percent of renters qualifying for units at the 20 percent level are rent overburdened, with 31.3 percent and 26.1 percent of those at the 60 percent and 70 percent levels being rent overburdened. Here, these proportions are applied to the number of income eligible existing renter households to estimate how many of those households are likely to consider moving to the proposed apartments.

State Agency market study guidelines allow for the replacement of rental units due to demolition, abandonment, obsolescence and the like. This based on an annual average rate of 0.6 percent of the rental housing stock. The proportion is based on a two-year loss of 1.2 percent of rental units detailed in the 2016 Edition of "Components of Inventory Change" published by HUD. Based on the number of rental units in the project market area this translates to a need for an additional 31 units.

Total demand is therefore seen to amount to 738 units: 306 qualifying for units at 20 percent of the median, 399 qualifying at 60 percent of the median, and 482 at the 70 percent level.

These figures are based on a 2021 to 2024 projection period and therefore have been corrected to account for the funding and/or construction of any directly comparable projects in the market area. No directly comparable projects have been added in the project market area over the projection period, nor have any been funded or are under construction.

The preceding calculations are summarized in the table on the following page.

Table 18 - Demand Calculations

	<u>20 percent</u>	<u>60 percent</u>	<u>70 percent</u>	<u>Total</u>
(i) income eligible new renter households	27	64	88	107
(ii) income eligible existing renter households	439	1,020	1,413	1,708
(iii) existing households, likely to move	270	317	368	601
(iv) need from obsolete housing	8	18	26	31
Total demand (i)+(iii)+(iv)	306	399	482	738
Supply	0	0	0	0
Net demand	306	399	482	738

Source: T. Ronald Brown: Research & Analysis

Demand has to be segmented to determine demand by number of bedrooms per unit. Based on the distribution of household size in the market area and given data from the American Housing Survey correlating typical household size and number of bedrooms, we have determined that one-bedroom units should account for 30 percent of the total, two-bedroom units should account for 40 percent of the total, and three-bedroom units should account for 23 percent of the total with four- or more bedroom units accounting for 7 percent. Here, it is important to note that the need and demand for three- bedroom units (which account for 40 percent of the 40-unit total) is based on renter household size - with a focus on four-or-more person households for the three-bedroom units.

Capture rates are illustrated in the table on the following page.

**Report for the Proposed Lakeview Apartments in Seneca, South Carolina**

Table 19 - Capture Rates

	<u>20 percent</u>	<u>60 percent</u>	<u>70 percent</u>	<u>Total*</u>
<b>Total demand</b>				
1 bedroom	92	120	145	222
2 bedroom	121	159	191	293
3 bedroom	69	90	109	167
4 bedroom	23	30	36	55
<b>Total</b>	<b>306</b>	<b>399</b>	<b>482</b>	<b>738</b>
<b>Supply</b>				
1 bedroom	0	0	0	0
2 bedroom	0	0	0	0
3 bedroom	0	0	0	0
4 bedroom	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net demand</b>				
1 bedroom	92	120	145	222
2 bedroom	121	159	191	293
3 bedroom	69	90	109	167
4 bedroom	23	30	36	55
<b>Total</b>	<b>306</b>	<b>399</b>	<b>482</b>	<b>738</b>
<b>Units proposed</b>				
1 bedroom	2	2	0	4
2 bedroom	2	17	1	20
3 bedroom	1	15	0	16
4 bedroom	0	0	0	0
<b>Total</b>	<b>5</b>	<b>34</b>	<b>1</b>	<b>40</b>
<b>Capture rates</b>				
1 bedroom	2.2%	1.7%	0.0%	1.8%
2 bedroom	1.6%	10.7%	0.5%	6.8%
3 bedroom	1.4%	16.6%	0.0%	9.6%
4 bedroom	0.0%	0.0%	0.0%	0.0%
<b>Total</b>	<b>1.6%</b>	<b>8.5%</b>	<b>0.2%</b>	<b>5.4%</b>

Source: T. Ronald Brown: Research & Analysis

Given the calculated need, the proposed 40-unit development amounts to 5.4 percent of the total net need. The development equates to 5.9 percent of the net need for 683 one-, two-, and three- bedroom units.

The capture rate for the five units targeted at 20 percent of the median is 1.6 percent. The capture rate for the 34 units targeted at 60 percent of the median determined to be 8.5 percent (with the capture rate for the unit at the 70 percent level being 0.2 percent. The corresponding rates for one-, two-, and three-bedroom units only are 1.8 percent, 9.2 percent, and 0.2 percent, respectively.

The capture rates, by bedroom, are determined to be 1.8 percent for the four one-bedroom units, 6.8 percent for the 20 two-bedroom units, and 9.6 percent for the 16 three-bedroom units.

These capture rates are considered to be very realistic - and the proposed development is considered very marketable, all things considered.

#### ABSORPTION RATES

As noted, the capture rates presented above are considered realistic - and reflect the impact of the size of the project, bedroom mix, different target income ranges, the absolute affordability of the units at the 20 and 30 percent target income ranges, and the relative affordability of the proposed rents at each level (including those at the 60 percent level). Were the project to be developed as proposed it would expect to lease up over a period of four- to six months, or so.

### G. EXISTING RENTAL UNITS

There are several apartment complexes located throughout Oconee County. These include several market rate properties, properties financed with low income housing tax credits, and subsidized housing for low and very low income renters (financed through USDA/Rural Development and/or HUD). Where useful information was made available to us, this is presented below.

Applewood Villas is a 50-unit tax credit-financed complex that opened in 2011. Here, there is a mix of one-, two-, and three bedroom units. Rents range from \$391 to \$630 for a one-bedroom unit, from \$539 to \$675 for a two-bedroom unit, and the three-bedroom units are in the \$630 to \$775 range. Occupancy is reported at 94 percent at present - reflecting turnover - with the project remaining effectively fully occupied, with a waiting list.

Hunter Oaks is a 60-unit property that was awarded tax credits in 2016. It is understood that there are 40 two-bedroom units and 20 three-bedroom units at this complex. Here rents for a two-bedroom unit are \$536 and \$661, and the three-bedroom units are \$607 and \$739 range. Occupancy is reported at 97 percent at present - reflecting turnover - with the project remaining effectively fully occupied, with a waiting list.

Seneca Heights is a 39-unit tax credit property that dates from 2013. There are four two-bedroom units, 31 three-bedroom units, and four four-bedroom units at this location. There, units are targeted at 50 and 60 percent of the median, with rents from \$415 to \$570. The project is reported to be fully occupied, with a waiting list..

As noted, there are several HUD and/or USDA/Rural Development properties in the Seneca market. These provide 403 units at eight locations. These complexes date from 1972 to 1983 - with some having been rehabilitated or are in the process of being rehabilitated.

There are four market rate properties on the area - offering 616 units in complexes that date from 1973 to 2003. The area's newest property is Crescent Pointe which has 144 units - three of which are reported to be vacant (97.9 percent occupancy). One-bedroom units are available for \$1,185, and two-bedroom rents are \$1,285. The three-bedroom units rent for \$1,395 to \$1,545.

Highland Glen is a 64-unit property that opened in 2003 under the tax credit program. It is no longer income-restricted, and rents are \$695 for a one-bedroom units, \$795 for a two-bedroom unit, and \$905 for a three- bedroom unit. The property is reported to be 92 percent occupied at present.

There are no comparable or competing complexes in the general vicinity of the site of the proposed development.

Based on the information at our disposal, occupancy at three tax credit properties is 96.6 percent - with these being effectively fully occupied. Occupancy for the market rate properties is 94.1 percent, and that for the subsidized complexes, 94.1 percent. This yields a 95.0 percent overall occupancy level for the total survey.

Details of the various properties surveyed are summarized as follows:

Complex name	Financing	Year built	Total units	Vacant units	Occupancy (%)
Applewood Villas	LIHTC	2011	50	3	94.0
Clemson Ridge	conventional	1998	120	13	89.2
Country Ridge	USDA/RD	1974	32	0	100.0
Crescent Pointe	conventional	2003	144	3	97.9
Fair Oaks Village	USDA/RD	1980	64	3	95.3
Greenfield	HUD §236/§8	1974	52	n/a	n/a
Heritage Hills	conventional	1996	208	n/a	n/a
Highland Glen	conventional	2003	64	5	92.2
Hunter Oaks	LIHTC	2017	60	2	96.7
Keoway Village	conventional	1972	80	3	96.3
Seneca Gardens	HUD § 8	1972	77	5	93.5
Seneca Heights	LIHTC	2013	39	0	100.0
Springbrook	USDA/RD	1988	44	1	97.7
Standpoint Vista	HUD § 8	1983	60	n/a	n/a
Walhalla Gardens	HUD § 8	1968	68	n/a*	n/a
Westminster East	USDA/RD	1974	50	3	94.0

\* undergoing or awaiting rehabilitation

**Report for the Proposed Lakeview Apartments in Seneca, South Carolina**

	0 br/1ba			1 br/1ba		
	<u>number</u>	<u>size (sq. ft.)</u>	<u>rent</u>	<u>number</u>	<u>size (sq. ft.)</u>	<u>rent</u>
<i>Subject</i>				12	853	\$145-650
Applewood Villas				4	600	\$391-630
Clemson Ridge						
Country Ridge						
Crescent Pointe				38	730-823	\$1,185
Fair Oaks Village				24	600	boi
Greenfield				16	725	boi
Heritage Hills				104	485-670	\$575-700
Highland Glen				16	730	\$695
Hunter Oaks						
Keoway Village				30	772	\$625-635
Seneca Gardens				13	n/a	boi
Seneca Heights						
Springbrook				16	n/a	boi
Standpoint Vista				24	n/a	boi
Walhalla Gardens				16	622-672	n/a
Westminster East				26	750	boi

	2 br/1-1½ ba			2 br/2 ba		
	<u>number</u>	<u>size (sq. ft.)</u>	<u>rent</u>	<u>number</u>	<u>size (sq. ft.)</u>	<u>rent</u>
<i>Subject</i>	30	1,030	\$155-800			
Applewood Villas	32	800	\$539-675			
Clemson Ridge				60	1,050	\$1,278
Country Ridge	32	641	boi			
Crescent Pointe				70	1,059-1,150	\$1,285
Fair Oaks Village	40	700	boi			
Greenfield	24	890	boi			
Heritage Hills	n/a	790	\$675	n/a	935	\$800
Highland Glen	32	935	\$795			
Hunter Oaks				40	1,088	\$536-661
Keoway Village	40	987	\$655-685			
Seneca Gardens	40	n/a	boi			
Seneca Heights				4	1,200	\$415
Springbrook	21	n/a	boi			
Standpoint Vista	28	n/a	boi			
Walhalla Gardens	32	830-833	n/a			
Westminster East	24	950	boi			



**Report for the Proposed Lakeview Apartments in Seneca, South Carolina**

<i>Subject</i>	3 br/1-1½ ba			3 br/2+ ba		
	<u>number</u>	<u>size (sq. ft.)</u>	<u>rent</u>	<u>number</u>	<u>size (sq. ft.)</u>	<u>rent</u>
Applewood Villas				18	1,245	\$155-850
Clemson Ridge				14	1,060	\$630-775
Country Ridge				60	1,195	\$1,438
Crescent Pointe				36	1,248-1,341	\$1,395-1,545
Fair Oaks Village						
Greenfield				12	1,093	boi
Heritage Hills						
Highland Glen				16	1,150	\$905
Hunter Oaks				20	1,219	\$607-739
Keoway Village	10	1,067	\$740-780			
Seneca Gardens	16	n/a	boi			
Seneca Heights				31	1,340	\$475-545
Springbrook						
Standpoint Vista	12	n/a	boi			
Walhalla Gardens	16	960-980	n/a			
Westminster East						

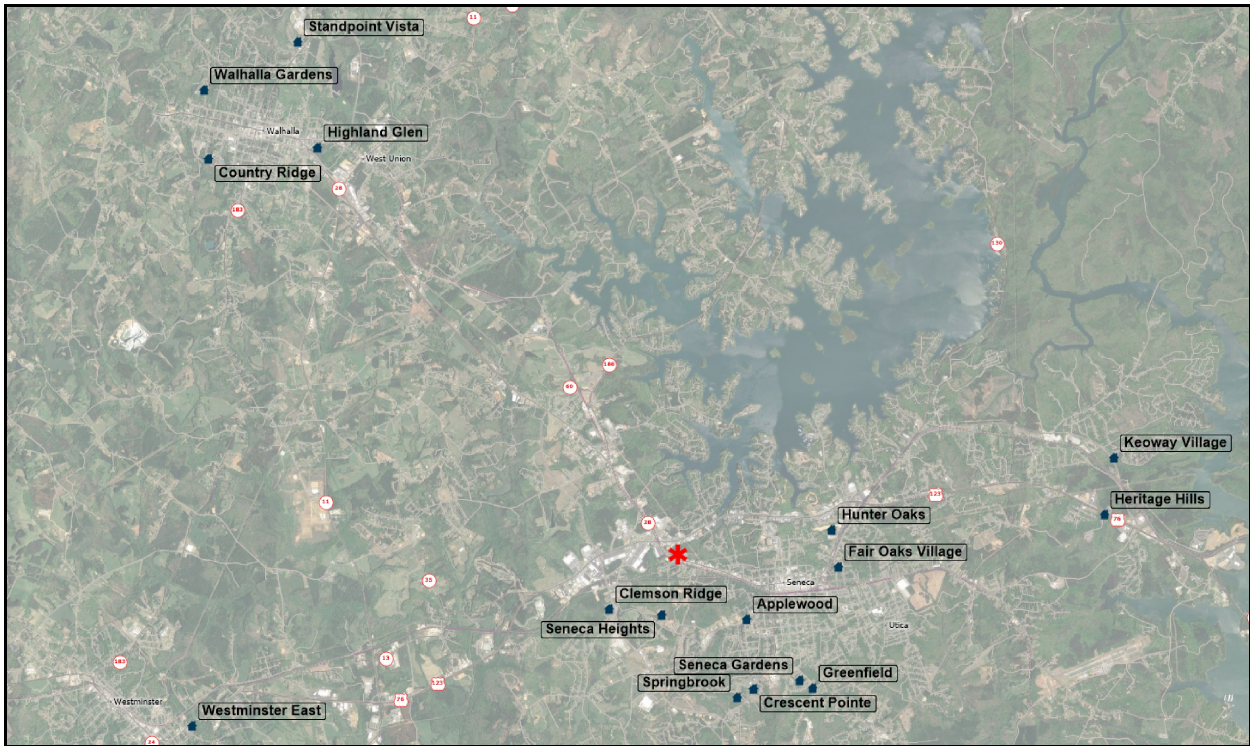
<i>Subject</i>	4 br		
	<u>number</u>	<u>size (sq. ft.)</u>	<u>rent</u>
Seneca Gardens	7	n/a	boi
Seneca Heights	4	1,500	\$570
Walhalla Gardens	4	1,106	n/a

---

## Report for the Proposed Lakeview Apartments in Seneca, South Carolina

---

A map showing the locations of these properties, relative to the site of the proposed apartments is provided, below.



**Report for the Proposed Lakeview Apartments in Seneca, South Carolina**

The four market rate apartment developments in the project market area can be used in the determination of market rents. Information for the one-, two- and three--bedroom units at these properties are summarized below.

Table 20 - Market Rate Properties

Property	Year built	One-bedroom rents	Two-bedroom Rents	Three-bedroom rents
Crescent Pointe	2003	\$1,185	\$1,285	\$1,395-1,545
Clemson Ridge	1998		\$1,278	\$1,438
Heritage Hills	1972	\$575-700	\$655-685	\$740-780
Keoway Village	1996	\$615-635	\$715	\$780

Source: Apartment Managers; T Ronald Brown: Research & Analysis

The location, rent levels, unit size, age, features, and amenities at these properties were analyzed in order to try to establish an estimate of market rent levels for the subject property. Following this approach we have determined that, all things being equal, these market properties suggest a rent of around \$886 for a one-bedroom unit, \$1,026 for a two-bedroom unit, and \$1,235 for a three-bedroom unit.

Based on the proposed rents at the proposed development, those rents is found to be reasonably below the gross adjusted market rent (38.72 percent less).

Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent	Adjusted Market Rent	Gross Adjusted Market Rent	Tax Credit Gross Rent Advantage
	0 BR					
	0 BR					
	0 BR					
	1 BR					
2	1 BR	\$145	\$290	\$886	\$1,772	
2	1 BR	\$650	\$1,300	\$886	\$1,772	
	2 BR					
	2 BR					
2	2 BR	\$155	\$310	\$1,026	\$2,053	
17	2 BR	\$750	\$12,750	\$1,026	\$17,448	
1	2 BR	\$800	\$800	\$1,026	\$1,026	
	2 BR					
1	3 BR	\$155	\$155	\$1,235	\$1,235	
15	3 BR	\$750	\$11,250	\$1,235	\$18,520	
	3 BR					
	4 BR					
	4 BR					
Totals	40		\$26,855		\$43,826	38.72%

**Report for the Proposed Lakeview Apartments in Seneca, South Carolina**

---

The relationship between the proposed rents and the HUD Fair Market Rents (FMRs), as per the S-2 Exhibit, are set out, below.

Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent	Gross HUD FMR	Gross HUD FMR Total	Tax Credit Gross Rent Advantage
	0 BR					
	0 BR					
	0 BR					
	1 BR					
2	1 BR	\$145	\$290	\$613	\$1,226	
2	1 BR	\$650	\$1,300	\$613	\$1,226	
	2 BR					
	2 BR					
2	2 BR	\$155	\$310	\$806	\$1,612	
17	2 BR	\$750	\$12,750	\$806	\$13,702	
1	2 BR	\$800	\$800	\$806	\$806	
	3 BR					
1	3 BR	\$155	\$155	\$1,041	\$1,041	
15	3 BR	\$850	\$12,750	\$1,041	\$15,615	
	3 BR					
	4 BR					
	4 BR					
Totals	40		\$28,355		\$35,228	19.51%



**Applewood Villas**

**Location:** 410 West South Street, Seneca

**Financing:** LIHTC (50% and 60% of AMI)

**Year Built:** 2011

**Total units:** 50

**Vacant units:** 3, turnover (94.0 percent occupied)

**Waiting list:**

**Telephone:** 864.882.2182

**Management:** Intermark Management

**Contact:** (5/2) telephone  onsite  other

<u>Br/Ba</u>	<u>Units</u>	<u>Sq. Feet</u>	<u>Rent</u>	<u>UA</u>	<u>Community Amenities</u>	
1/1	4	600	\$391-630	\$159-216	Clubhouse/community room	<input checked="" type="checkbox"/>
					Fitness Center	<input type="checkbox"/>
2/1½	32	800	\$539-675	\$186	Business Center	<input checked="" type="checkbox"/>
					Pool	<input type="checkbox"/>
3/2	14	1,060	\$630-775	\$216	Playground	<input checked="" type="checkbox"/>
					Controlled access/gated	<input type="checkbox"/>
					Elevator	<input type="checkbox"/>
					Garages	<input type="checkbox"/>
					Storage	<input type="checkbox"/>
					Laundry	<input checked="" type="checkbox"/>
					<u>Unit Amenities</u>	
					Microwave	<input checked="" type="checkbox"/>
					Dishwasher	<input checked="" type="checkbox"/>
					Washer/dryer	<input type="checkbox"/>
					Washer/dryer hook-up	<input checked="" type="checkbox"/>
					9' ceilings	<input type="checkbox"/>
					High-end kitchen	<input type="checkbox"/>
					Wood/style floors	<input type="checkbox"/>
					Fireplaces	<input type="checkbox"/>
					Patios/balconies	<input type="checkbox"/>

**Utilities in rent:**

Water/sewer  Trash  Electricity  Heat



**Clemson Ridge**

**Location:** 116 Northwood Drive, Seneca

**Year Built:** 1998

**Total units:** 120

**Vacant units:** 13 (89.2 percent occupied)

**Waiting list:**

**Telephone:** 865.882.3557

**Management:** Strategic Management Partners

**Contact:** (5/17) telephone  onsite  other

<u>Br/Ba</u>	<u>Units</u>	<u>Sq. Feet</u>	<u>Rent</u>	<u>Rent/sq. ft.</u>	<u>Community Amenities</u>
2/2	60	1,050	\$1,278	\$1.22	Clubhouse/community room <input checked="" type="checkbox"/> Fitness Center <input checked="" type="checkbox"/> Business Center <input checked="" type="checkbox"/> Pool <input checked="" type="checkbox"/> Playground <input checked="" type="checkbox"/> Controlled access/gated <input type="checkbox"/> Elevator <input type="checkbox"/> Garages <input type="checkbox"/> Storage <input type="checkbox"/> Laundry <input checked="" type="checkbox"/>
3/2	60	1,195	\$1,438	\$1.20	
					<u>Unit Amenities</u>
					Microwave <input checked="" type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Washer/dryer <input type="checkbox"/> Washer/dryer hook-up <input type="checkbox"/> 9' ceilings <input type="checkbox"/> High-end kitchen <input type="checkbox"/> Wood/style floors <input checked="" type="checkbox"/> Fireplaces <input type="checkbox"/> Patos/balconies <input checked="" type="checkbox"/>
					<u>Utilities in rent:</u>
					Water/sewer <input type="checkbox"/> Trash <input checked="" type="checkbox"/> Electricity <input type="checkbox"/> Heat <input type="checkbox"/>



**Country Ridge**

**Location:** 100 Pine Manor Circle, Walhalla

**Financing:** USDA/RD

**Year Built:** 1974/2016

**Total units:** 32 (24 rent-assisted)

**Vacant units:** 0 ( 100 percent occupied)

**Waiting list:**

**Telephone:** 864.638.0074

**Management:** CAHEC Management

**Contact:** Victoria (4/11) telephone  onsite  other

<u>Br/Ba</u>	<u>Units</u>	<u>Sq. Feet</u>	<u>Basic/Market Rent</u>	<u>Community Amenities</u>
2/1	32	641	\$555/698	Clubhouse/community room <input type="checkbox"/> Fitness Center <input type="checkbox"/> Business Center <input type="checkbox"/> Pool <input type="checkbox"/> Playground <input checked="" type="checkbox"/> Controlled access/gated <input type="checkbox"/> Elevator <input type="checkbox"/> Garages <input type="checkbox"/> Storage <input type="checkbox"/> Laundry <input checked="" type="checkbox"/>
				<u>Unit Amenities</u>
				Microwave <input type="checkbox"/> Dishwasher <input type="checkbox"/> Washer/dryer <input type="checkbox"/> Washer/dryer hook-up <input type="checkbox"/> 9' ceilings <input type="checkbox"/> High-end kitchen <input type="checkbox"/> Wood/style floors <input type="checkbox"/> Fireplaces <input type="checkbox"/> Patios/balconies <input type="checkbox"/>
				<u>Utilities in rent:</u>
				Water/sewer <input type="checkbox"/> Trash <input checked="" type="checkbox"/> Electricity <input type="checkbox"/> Heat <input type="checkbox"/>



**Crescent Pointe**

**Location:** 11500 South Oak Street, Seneca

**Year Built:** 2003

**Total units:** 144

**Vacant units:** 3 (97.9 percent occupied)

**Waiting list:**

**Telephone:** 864.882.4377

**Management:** Strategic Management Partners

**Contact:** Kelly (4/11) telephone  onsite  other

<u>Br/Ba</u>	<u>Units</u>	<u>Sq. Feet</u>	<u>Rent</u>	<u>Rent/sq. ft.</u>	<u>Community Amenities</u>
1/1	38	730-823	\$1,185	\$1.53	Clubhouse/community room <input checked="" type="checkbox"/> Fitness Center <input checked="" type="checkbox"/> Business Center <input checked="" type="checkbox"/> Pool <input checked="" type="checkbox"/> Playground <input type="checkbox"/> Controlled access/gated <input type="checkbox"/> Elevator <input type="checkbox"/> Garages <input checked="" type="checkbox"/> Storage <input type="checkbox"/> Laundry <input checked="" type="checkbox"/>
2/2	70	1,050-1,150	\$1,285	\$1.14	
3/2	36	1,248-1,341	\$1,395-1,545	\$1.13	
					<u>Unit Amenities</u>
					Microwave <input checked="" type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Washer/dryer <input type="checkbox"/> Washer/dryer hook-up <input checked="" type="checkbox"/> 9' ceilings <input type="checkbox"/> High-end kitchen <input type="checkbox"/> Wood/style floors <input type="checkbox"/> Fireplaces <input type="checkbox"/> Patio/balconies <input checked="" type="checkbox"/>
					<u>Utilities in rent:</u>
					Water/sewer <input type="checkbox"/> Trash <input checked="" type="checkbox"/> Electricity <input type="checkbox"/> Heat <input type="checkbox"/>





**Fair Oaks Village**

**Location:** 1200 Fair Oaks Circle, Seneca

**Financing:** USDA/RD

**Year Built:** 1980

**Total units:** 64

**Vacant units:** 3 (95 percent occupied)

**Waiting list:**

**Telephone:** 864.882.5932

**Management:** Landura Management

**Contact:** Alex (4/11) telephone  onsite  other

<u>Br/Ba</u>	<u>Units</u>	<u>Sq. Feet</u>	<u>Basic/Market Rent</u>	<u>Community Amenities</u>
1/1	24	600	\$531/587	Clubhouse/community room <input type="checkbox"/> Fitness Center <input type="checkbox"/> Business Center <input type="checkbox"/> Pool <input type="checkbox"/> Playground <input type="checkbox"/> Controlled access/gated <input type="checkbox"/> Elevator <input type="checkbox"/> Garages <input type="checkbox"/> Storage <input type="checkbox"/> Laundry <input type="checkbox"/>
2/1	40	700	\$531/607	<p style="text-align: center;"><u>Unit Amenities</u></p> Microwave <input type="checkbox"/> Dishwasher <input type="checkbox"/> Washer/dryer <input type="checkbox"/> Washer/dryer hook-up <input type="checkbox"/> 9' ceilings <input type="checkbox"/> High-end kitchen <input type="checkbox"/> Wood/style floors <input type="checkbox"/> Fireplaces <input type="checkbox"/> Patios/balconies <input type="checkbox"/>
				<p style="text-align: center;"><u>Utilities in rent:</u></p> Water/sewer <input type="checkbox"/> Trash <input type="checkbox"/> Electricity <input type="checkbox"/> Heat <input type="checkbox"/>



**Greenfield**

**Location:** 1096 Fairfield Drive, Seneca

**Financing:** HUD § 8

**Year Built:** 1974

**Total units:** 52

**Vacant units:** n/a ( percent occupied)

**Waiting list:**

**Telephone:** 864.882.1330

**Management:**

**Contact:** telephone  onsite  other

<u>Br/Ba</u>	<u>Units</u>	<u>Sq. Feet</u>	<u>Contract rent</u>	<u>Community Amenities</u>	
n/a	n/a	n/a	n/a	Clubhouse/community room	<input checked="" type="checkbox"/>
				Fitness Center	<input type="checkbox"/>
				Business Center	<input type="checkbox"/>
				Pool	<input type="checkbox"/>
				Playground	<input checked="" type="checkbox"/>
				Controlled access/gated	<input type="checkbox"/>
				Elevator	<input type="checkbox"/>
				Garages	<input type="checkbox"/>
				Storage	<input type="checkbox"/>
				Laundry	<input checked="" type="checkbox"/>
				<u>Unit Amenities</u>	
				Microwave	<input type="checkbox"/>
				Dishwasher	<input type="checkbox"/>
				Washer/dryer	<input type="checkbox"/>
				Washer/dryer hook-up	<input checked="" type="checkbox"/>
				9' ceilings	<input type="checkbox"/>
				High-end kitchen	<input type="checkbox"/>
				Wood/style floors	<input type="checkbox"/>
				Fireplaces	<input type="checkbox"/>
				Patios/balconies	<input type="checkbox"/>
				<u>Utilities in rent:</u>	
				Water/sewer	<input checked="" type="checkbox"/>
				Trash	<input checked="" type="checkbox"/>
				Electricity	<input type="checkbox"/>
				Heat	<input type="checkbox"/>



**Heritage Hills**

**Location:** 98 Heritage Hills Drive, Seneca

**Year Built:** 1996

**Total units:** 208

**Vacant units:** n/a ( percent occupied)

**Waiting list:**

**Telephone:** 864.653.5506

**Management:** Burton Properties

**Contact:** (4/11) telephone  onsite  other

<u>Br/Ba</u>	<u>Units</u>	<u>Sq. Feet</u>	<u>Rent</u>	<u>Rent/sq. ft.</u>	<u>Community Amenities</u>
1/1	104	485-670	\$575-700	\$1.10	Clubhouse/community room <input type="checkbox"/>
					Fitness Center <input checked="" type="checkbox"/>
2/1	n/a	790	\$675	\$0.85	Business Center <input type="checkbox"/>
					Pool <input checked="" type="checkbox"/>
2/2	n/a	935	\$800	\$0.86	Playground <input type="checkbox"/>
					Controlled access/gated <input type="checkbox"/>
					Elevator <input type="checkbox"/>
					Garages <input type="checkbox"/>
					Storage <input type="checkbox"/>
					Laundry <input type="checkbox"/>
					<u>Unit Amenities</u>
					Microwave <input checked="" type="checkbox"/>
					Dishwasher <input checked="" type="checkbox"/>
					Washer/dryer <input checked="" type="checkbox"/>
					Washer/dryer hook-up <input type="checkbox"/>
					9' ceilings <input type="checkbox"/>
					High-end kitchen <input type="checkbox"/>
					Wood/style floors <input type="checkbox"/>
					Fireplaces <input type="checkbox"/>
					Patios/balconies <input type="checkbox"/>
					<u>Utilities in rent:</u>
					Water/sewer <input type="checkbox"/> Trash <input type="checkbox"/> Electricity <input type="checkbox"/> Heat <input type="checkbox"/>



**Highland Glen**

**Location:** 800 Highland Glen Court, Walhalla

**Year Built:** 2003

**Total units:** 64

**Vacant units:** 5 (92.2 percent occupied)

**Waiting list:**

**Telephone:** 864.638.3885

**Management:** Broad Management Group

**Contact:** Shelvia (4/21) telephone  onsite  other

<u>Br/Ba</u>	<u>Units</u>	<u>Sq. Feet</u>	<u>Rent</u>	<u>Rent/sq. ft.</u>	<u>Community Amenities</u>
1/1	16	730	\$695	\$0.95	Clubhouse/community room <input checked="" type="checkbox"/> Fitness Center <input type="checkbox"/> Business Center <input type="checkbox"/> Pool <input type="checkbox"/> Playground <input checked="" type="checkbox"/> Controlled access/gated <input type="checkbox"/> Elevator <input type="checkbox"/> Garages <input type="checkbox"/> Storage <input type="checkbox"/> Laundry <input checked="" type="checkbox"/>
2/1	32	935	\$795	\$0.85	
3/2	16	1,150	\$905	\$0.79	
					<u>Unit Amenities</u>
					Microwave <input type="checkbox"/> Dishwasher <input type="checkbox"/> Washer/dryer <input type="checkbox"/> Washer/dryer hook-up <input checked="" type="checkbox"/> 9' ceilings <input type="checkbox"/> High-end kitchen <input type="checkbox"/> Wood/style floors <input type="checkbox"/> Fireplaces <input type="checkbox"/> Patio/balconies <input type="checkbox"/>
					<u>Utilities in rent:</u>
					Water/sewer <input checked="" type="checkbox"/> Trash <input checked="" type="checkbox"/> Electricity <input type="checkbox"/> Heat <input type="checkbox"/>



**Hunter Oaks**

**Location:** 911 East North First Street, Seneca

**Financing:** LHITC (targeting - 50% and 60% of AMI)

**Year Built:** 2017

**Telephone:** 864.601.5099

**Total units:** 60

**Management:** Intermark Management

**Vacant units:** 2- turnover ( 96.7 percent occupied)

**Contact:** Brian (5/18) telephone  onsite  other

**Waiting list:**

<u>Br/Ba</u>	<u>Units</u>	<u>Sq. Feet</u>	<u>Rent</u>	<u>UA</u>	<u>Community Amenities</u>
2/2	40	1,088	\$536-661	\$94	<input type="checkbox"/> Clubhouse/community room <input type="checkbox"/> Fitness Center <input type="checkbox"/> Business Center <input type="checkbox"/> Pool <input type="checkbox"/> Playground <input type="checkbox"/> Controlled access/gated <input type="checkbox"/> Elevator <input type="checkbox"/> Garages <input type="checkbox"/> Storage <input type="checkbox"/> Laundry
3/2	20	1,219	\$607-739	\$113	<input type="checkbox"/> Microwave <input type="checkbox"/> Dishwasher <input type="checkbox"/> Washer/dryer <input type="checkbox"/> Washer/dryer hook-up <input type="checkbox"/> 9' ceilings <input type="checkbox"/> High-end kitchen <input type="checkbox"/> Wood/style floors <input type="checkbox"/> Fireplaces <input type="checkbox"/> Patios/balconies
					<b>Unit Amenities</b>
					<b>Utilities in rent:</b>
					Water/sewer <input type="checkbox"/> Trash <input type="checkbox"/> Electricity <input type="checkbox"/> Heat <input type="checkbox"/>



**Keoway Village**

**Location:** 50 Keoway Drive, Seneca

**Year Built:** 1972

**Total units:** 80

**Vacant units:** 3 (96.3 percent occupied)

**Waiting list:**

**Telephone:** 844.856.0802

**Management:** Arbour Valley Communities

**Contact:** Debbie (4/11) telephone  onsite  other

<u>Br/Ba</u>	<u>Units</u>	<u>Sq. Feet</u>	<u>Rent</u>	<u>Rent/sq. ft.</u>	<u>Community Amenities</u>
1/1	30	772	\$615-635	\$0.81	Clubhouse/community room <input type="checkbox"/>
					Fitness Center <input type="checkbox"/>
2/1	40	987	\$655-685	\$0.68	Business Center <input type="checkbox"/>
					Pool <input checked="" type="checkbox"/>
3/1½	10	1,067	\$740-780	\$0.71	Playground <input checked="" type="checkbox"/>
					Controlled access/gated <input type="checkbox"/>
					Elevator <input type="checkbox"/>
					Garages <input type="checkbox"/>
					Storage <input type="checkbox"/>
					Laundry <input checked="" type="checkbox"/>
<u>Unit Amenities</u>					
					Microwave <input type="checkbox"/>
					Dishwasher <input checked="" type="checkbox"/>
					Washer/dryer <input type="checkbox"/>
					Washer/dryer hook-up <input type="checkbox"/>
					9' ceilings <input type="checkbox"/>
					High-end kitchen <input type="checkbox"/>
					Wood/style floors <input type="checkbox"/>
					Fireplaces <input type="checkbox"/>
					Patios/balconies <input type="checkbox"/>
<u>Utilities in rent:</u>					
					Water/sewer <input checked="" type="checkbox"/> Trash <input checked="" type="checkbox"/> Electricity <input type="checkbox"/> Heat <input type="checkbox"/>



**Seneca Gardens**

**Location:** 819 Laing Court, Seneca

**Financing:** HUD § 8

**Year Built:** 1972/2008

**Total units:** 77

**Vacant units:** 5 (93.5 percent occupied)

**Waiting list:**

**Telephone:** 864.882.1067

**Management:** Ambling

**Contact:** Theresa (4/12) telephone  onsite  other

<u>Br/Ba</u>	<u>Units</u>	<u>Sq. Feet</u>	<u>Contract Rent</u>
1/1	13	n/a	\$835
2/1	40	n/a	\$931
3/1	16	n/a	\$1,201
4/1	7	n/a	\$1,334

**Community Amenities**

- Clubhouse/community room
- Fitness Center
- Business Center
- Pool
- Playground
- Controlled access/gated
- Elevator
- Garages
- Storage
- Laundry

**Unit Amenities**

- Microwave
- Dishwasher
- Washer/dryer
- Washer/dryer hook-up
- 9' ceilings
- High-end kitchen
- Wood/style floors
- Fireplaces
- Patios/balconies

**Utilities in rent:**

- Water/sewer  Trash  Electricity  Heat



**Seneca Heights**

**Location:** 336 Maple Grove Road, Seneca

**Financing:** LIHTC (targeting: 50% and 60% of AMI)

**Year Built:** 2013

**Total units:** 39

**Vacant units:** 0 (100 percent occupied)

**Waiting list:**

**Telephone:** 864.882.0080

**Management:** Guardian Asset Management

**Contact:** Joan (4/13) telephone  onsite  other

<u>Br/Ba</u>	<u>Units</u>	<u>Sq. Feet</u>	<u>Rent</u>	<u>UA</u>	<u>Community Amenities</u>
2/2	4	1,200	\$415	n/a	Clubhouse/community room <input checked="" type="checkbox"/> Fitness Center <input checked="" type="checkbox"/> Business Center <input checked="" type="checkbox"/> Pool <input type="checkbox"/> Playground <input checked="" type="checkbox"/> Controlled access/gated <input type="checkbox"/> Elevator <input type="checkbox"/> Garages <input type="checkbox"/> Storage <input type="checkbox"/> Laundry <input checked="" type="checkbox"/>
3/2½	31	1,340	\$475-545	n/a	
4/3	4	1,500	\$570	n/a	
					<u>Unit Amenities</u>
					Microwave <input type="checkbox"/> Dishwasher <input type="checkbox"/> Washer/dryer <input type="checkbox"/> Washer/dryer hook-up <input type="checkbox"/> 9' ceilings <input type="checkbox"/> High-end kitchen <input type="checkbox"/> Wood/style floors <input type="checkbox"/> Fireplaces <input type="checkbox"/> Patio/balconies <input type="checkbox"/>
					<u>Utilities in rent:</u>
					Water/sewer <input type="checkbox"/> Trash <input checked="" type="checkbox"/> Electricity <input type="checkbox"/> Heat <input type="checkbox"/>





**Springbrook**

**Location:** 15 Dalton Road, Seneca

**Financing:** USDA/RD

**Year Built:** 1988

**Total units:** 44

**Vacant units:** 1 (97.7 percent occupied)

**Waiting list:**

**Telephone:** 864.882.5932

**Management:** Partnership Property Management

**Contact:** telephone  onsite  other

<u>Br/Ba</u>	<u>Units</u>	<u>Sq. Feet</u>	<u>Basic/Market Rent</u>	<u>Community Amenities</u>
1/1	16	n/a	\$669/790	Clubhouse/community room <input checked="" type="checkbox"/> Fitness Center <input type="checkbox"/> Business Center <input type="checkbox"/> Pool <input type="checkbox"/> Playground <input type="checkbox"/> Controlled access/gated <input type="checkbox"/> Elevator <input type="checkbox"/> Garages <input type="checkbox"/> Storage <input type="checkbox"/> Laundry <input checked="" type="checkbox"/>
2/1	28	n/a	\$696/891	
				<u>Unit Amenities</u>
				Microwave <input type="checkbox"/> Dishwasher <input type="checkbox"/> Washer/dryer <input type="checkbox"/> Washer/dryer hook-up <input type="checkbox"/> 9' ceilings <input type="checkbox"/> High-end kitchen <input type="checkbox"/> Wood/style floors <input type="checkbox"/> Fireplaces <input type="checkbox"/> Patos/balconies <input type="checkbox"/>
				<u>Utilities in rent:</u>
				Water/sewer <input checked="" type="checkbox"/> Trash <input checked="" type="checkbox"/> Electricity <input type="checkbox"/> Heat <input type="checkbox"/>



**Standpoint Vista**

**Location:** 10 Managers Court, Walhalla

**Financing:** HUD § 8

**Year Built:** 1983/2004

**Total units:** 60

**Vacant units:** (    percent occupied)

**Waiting list:**

**Telephone:** 864.638.7786

**Management:**

**Contact:**    telephone     onsite     other

<u>Br/Ba</u>	<u>Units</u>	<u>Sq. Feet</u>	<u>Contract Rent</u>	<u>Community Amenities</u>	
1/1	24			Clubhouse/community room	<input type="checkbox"/>
2/1	28			Fitness Center	<input type="checkbox"/>
3/1	12			Business Center	<input type="checkbox"/>
				Pool	<input type="checkbox"/>
				Playground	<input type="checkbox"/>
				Controlled access/gated	<input type="checkbox"/>
				Elevator	<input type="checkbox"/>
				Garages	<input type="checkbox"/>
				Storage	<input type="checkbox"/>
				Laundry	<input type="checkbox"/>
				<u>Unit Amenities</u>	
				Microwave	<input type="checkbox"/>
				Dishwasher	<input type="checkbox"/>
				Washer/dryer	<input type="checkbox"/>
				Washer/dryer hook-up	<input type="checkbox"/>
				9' ceilings	<input type="checkbox"/>
				High-end kitchen	<input type="checkbox"/>
				Wood/style floors	<input type="checkbox"/>
				Fireplaces	<input type="checkbox"/>
				Patios/balconies	<input type="checkbox"/>
				<u>Utilities in rent:</u>	
				Water/sewer <input type="checkbox"/>	Trash <input type="checkbox"/>
				Electricity <input type="checkbox"/>	Heat <input type="checkbox"/>



**Walhalla Gardens/New Walhalla Gardens**

**Location:** 100 Walhalla Gardens Circle, Walhalla

**Financing:** LIHTC (targeting: 30%, 50% and 60% of AMI)

**Year Built:** 1968-70

**Telephone:** 864.718.5755

**Total units:** 68

**Management:** Independent Management Services

**Vacant units:** 24 (awaiting renovations)

**Contact:** Rachel (4/11) telephone  onsite  other

**Waiting list:**

<u>Br/Ba</u>	<u>Units</u>	<u>Sq. Feet</u>	<u>Rent</u>	<u>UA</u>	<u>Community Amenities</u>
1/1	16	622-672			Clubhouse/community room <input type="checkbox"/>
2/1	32	830-833			Fitness Center <input type="checkbox"/>
3/1½	16	960-980			Business Center <input type="checkbox"/>
4	4	1,160			Pool <input type="checkbox"/>
					Playground <input type="checkbox"/>
					Controlled access/gated <input type="checkbox"/>
					Elevator <input type="checkbox"/>
					Garages <input type="checkbox"/>
					Storage <input type="checkbox"/>
					Laundry <input type="checkbox"/>
					<u>Unit Amenities</u>
					Microwave <input type="checkbox"/>
					Dishwasher <input type="checkbox"/>
					Washer/dryer <input type="checkbox"/>
					Washer/dryer hook-up <input type="checkbox"/>
					9' ceilings <input type="checkbox"/>
					High-end kitchen <input type="checkbox"/>
					Wood/style floors <input type="checkbox"/>
					Fireplaces <input type="checkbox"/>
					Patios/balconies <input type="checkbox"/>
					<u>Utilities in rent:</u>
					Water/sewer <input type="checkbox"/> Trash <input type="checkbox"/> Electricity <input type="checkbox"/> Heat <input type="checkbox"/>



**Westminster East**

**Location:** 100 Sunshine Circle, Westminster

**Financing:** USDA/RD

**Year Built:** 1974

**Total units:** 50

**Vacant units:** 3 (94.0 percent occupied)

**Waiting list:**

**Telephone:** 864.647.6093

**Management:** Partnership Property Management

**Contact:** telephone  onsite  other

<u>Br/Ba</u>	<u>Units</u>	<u>Sq. Feet</u>	<u>Basic/Market Rent</u>	<u>Community Amenities</u>
1/1	26	750	\$570/705	Clubhouse/community room <input checked="" type="checkbox"/> Fitness Center <input type="checkbox"/> Business Center <input type="checkbox"/> Pool <input type="checkbox"/> Playground <input checked="" type="checkbox"/> Controlled access/gated <input type="checkbox"/> Elevator <input type="checkbox"/> Garages <input type="checkbox"/> Storage <input type="checkbox"/> Laundry <input checked="" type="checkbox"/>
2/1	24	950	\$620/751	
				<u>Unit Amenities</u>
				Microwave <input type="checkbox"/> Dishwasher <input type="checkbox"/> Washer/dryer <input type="checkbox"/> Washer/dryer hook-up <input type="checkbox"/> 9' ceilings <input type="checkbox"/> High-end kitchen <input type="checkbox"/> Wood/style floors <input type="checkbox"/> Fireplaces <input type="checkbox"/> Patio/balconies <input type="checkbox"/>
				<u>Utilities in rent:</u>
				Water/sewer <input checked="" type="checkbox"/> Trash <input checked="" type="checkbox"/> Electricity <input type="checkbox"/> Heat <input type="checkbox"/>

#### H. INTERVIEWS

As part of the research for this market study, interviews were held with property managers, local government officials, and others with particular knowledge of the local housing market. The proposed development will offer an attractive, new, apartment complex - to be leased subject to the provisions of the Low Income Housing Tax Credit program. Property managers of existing complexes and/or other representatives of management companies were a potential source of information.

As noted, property managers are a major source of information for a project such as that proposed (their contact details are provided as part of the rental survey set out in the previous pages).

The manager at the Applewood Villas believes that the area could absorb another tax credit property given that the existing properties are working off waiting lists.

The manager at Seneca Heights said that there is most definitely a need for additional tax credit units.

## I. RECOMMENDATIONS

It is our recommendation that, based upon our analysis, the proposed apartments should be developed as proposed, and that the project should be awarded low income housing tax credits. This conclusion is based on our analysis of the economic and demographic criteria of the project market area as defined and on our project specific demand analysis and survey of the supply of rental housing in the market--as set out in the foregoing report and summarized in the Executive Summary.

**J. SIGNED STATEMENT**

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



Market Analyst

Date: May 20, 2022

## ANALYST QUALIFICATIONS

T. Ronald Brown: Research & Analysis is a planning and economics consulting firm which provides real estate market analysis.

The President of the firm is T. Ronald Brown. He has more than 30 years experience in the provision of market studies for subsidized and unsubsidized apartment developments and for-sale housing. Over the last two decades or so, Mr. Brown has produced more than 2,500 studies in at least 20 states, predominantly in the Southeast.

Mr. Brown has a Honours Master of Arts degree in Geographical Studies from the University of St. Andrews in St. Andrews, Scotland.

The firm has primary experience in market analysis for residential projects including both single-family homes and multi-family units (for sale and for rent). A significant proportion of the firm's business focuses on apartment market studies—for family renters and for elderly persons. These reports include conventionally financed projects (including HUD 221 (d) (4) projects), affordable housing (including low income tax credit financed projects) and subsidized housing.

Mr. Brown is a member of several groups that promote housing in general and affordable housing in particular. These include the North Carolina Housing Coalition, Preservation North Carolina, the Virginia Housing Alliance, and the National Council of Housing Market Analysts.

Clients include for-profit developers, non-profit developers and community development corporations, state housing finance agencies, syndicators, and municipalities.



## MARKET STUDY TERMINOLOGY

The following presents the accepted definitions of various terms typically found in real estate market studies. These definitions are typically followed unless reviewing agency requirements differ.

**Absorption period** - the period of time necessary for a newly constructed or renovated property to achieve the *stabilized level of occupancy*. The absorption period begins when the first certificate of occupancy is issued and ends when the last unit to reach the *stabilized level of occupancy* has a signed lease. Assumes a typical premarketing period, prior to the issuance of the certificate of occupancy, of about three to six months. The month that leasing is assumed to begin should accompany all absorption estimates.

**Absorption rate** - the average number of units rented each month during the *absorption period*.

**Acceptable rent burden** - the rent-to-income ratio used to qualify tenants for both income-restricted and non-income restricted units. The acceptable rent burden varies depending on the requirements of funding sources, government funding sources, target markets, and local conditions.

**Achievable rents** - See *Market Rent, Achievable Restricted Rent*.

**Affordable housing** - housing affordable to low or very low-income tenants.

**Amenity** - tangible or intangible benefits offered to a tenant. Typical amenities include on-site recreational facilities, planned programs, services and activities.

**Annual demand** - the total estimated demand present to the market in any one year for the type of units proposed.

**Assisted housing** - housing where federal, state or other programs *subsidize* the monthly costs to the tenants.

**Bias** - a proclivity or preference, particularly one that inhibits or entirely prevents an impartial judgment.

**Capture rate** - the percentage of age, size, and income qualified renter households in the *primary market area* that the property must capture to fill the units. Funding agencies may require restrictions to the qualified households used in the calculation including age, income, living in substandard housing, mover-ship and other comparable factors. The *Capture Rate* is calculated by dividing the total number of units at the property by the total number of age, size and income qualified renter households in the *primary market area*. See also: penetration rate.

**Comparable property** - a property that is representative of the rental housing choices of the subject's *primary market area* and that is similar in construction, size, amenities, location, and/or age. Comparable and *competitive* properties are generally used to derive market rent and to evaluate the subject's position in the market.

**Competitive property** - a property that is comparable to the subject and that competes at nearly the same rent levels and tenant profile, such as age, family or income.

**Comprehensive market study** - NCHMA (the National Council of Housing Market Analysts) defines a comprehensive market study for the purposes of IRC Section 42 as a market study compliant with its Model Content Standards for Market Studies for Rental Housing. Additionally, use of the suggested wording in the NCHMA certification without limitations regarding the comprehensive nature of the study, shows compliance with the IRC Section 42 request for completion of a market study by a 'disinterested party.'

**Concession** - discount given to a prospective tenant to induce the tenant to sign a lease. Concessions typically are in the form of reduced rent or free rent for a specific lease term, or for free amenities, which are normally charged separately (i.e. washer/dryer, parking).

**Demand** - the total number of households in a defined market area that would potentially move into the proposed new or renovated housing units. These households must be the appropriate age, income, tenure and size for a specific proposed development. Components of demand vary and can include household growth; turnover, those living in substandard conditions, rent over-burdened households, and demolished housing units. Demand is project specific.

**Effective rents** - contract rent less concessions.

**Household trends** - changes in the number of households for a particular area over a specific period of time, which is a function of new household formations (e.e. at marriage or separation), changes in average household size, and net *migration*.

**Income band** - the range of incomes of households that can afford to pay a specific rent but do not have below any applicable program-specific maximum income limits. The minimum household income typically is based on a defined *acceptable rent burden* percentage and the maximum typically<sup>7</sup> is pre-defined by specific program requirements or by general market parameters.

**Infrastructure** - services and facilities including roads, highways, water, sewerage, emergency services, parks and recreation, etc. Infrastructure includes both public and private facilities.

**Market advantage** - the difference, expressed as a percentage, between the estimated market rent for an apartment property without income restrictions and the lesser of (a) the owner's proposed rents or (b) the maximum rents permitted by the financing program for the same apartment property.  $(\text{market rent} - \text{proposed rent}) / \text{market rent} * 100$

**Market analysis** - a study of real estate market conditions for a specific type of property.

**Market area** - See *primary market area*.

**Market demand** - the total number of households in a defined market area that would potentially move into any new or renovated housing units. Market demand is not project specific and refers to the universe of tenure appropriate households, independent of income. The components of market demand are similar to those used in determining project-specific demand. A common example of market demand used by HUD's MAP program, which is based on three years of renter household growth, loss of existing units due to demolition, and market conditions.

**Market rent** - the rent that an apartment, without rent or income restrictions or rent subsidies, would command in the *primary market area* considering its location, features and amenities. Market rent should be adjusted for *concessions* and owner paid utilities included in the rent.

**Market study** - a comprehensive study of a specific proposal including a review of the housing market in a defined market area. Project specific market studies are often used by developers, syndicators, and government entities to determine the appropriateness of a proposed development, whereas market specific market studies are used to determine what housing needs, if any, exist within a specific geography.

**Marketability** - the manner in which the subject fits into the market; the relative desirability of a property (for sale or lease) in comparison with similar or competing properties in the area.

**Market vacancy rate, economic** - percentage of rent loss due to concessions, vacancies, and non-payment of rent on occupied units.

**Market vacancy rate, physical** - average number of apartment units in any market which are unoccupied divided by the total number of apartment units in the same market, excluding units in properties which are in the lease-up stage.

**Migration** - the movement of households into or out of an area, especially a *primary market area*.

**Mixed income property** - an apartment property containing (1) both income restricted and unrestricted units or (2) units restricted at two or more income limits (i.e. low income tax credit property with income limits of 30%, 50%, and 60%).

**Mobility** - the ease with which people move from one location to another.

**Move-up demand** - an estimate of how many consumers are able and willing to relocate to more expensive or desirable units. Examples: tenants who move from class-C properties to class-B properties, or tenants who move from older tax credit properties to new tax credit properties.

**Multi-family** - structures that contain more than two housing units.

**Neighborhood** - an area of a city or town with common demographic and economic features that distinguish it from adjoining areas.

**Net rent (also referred to as contract rent or lease rent)** - Gross rent less *tenant paid utilities*.

**Penetration rate** - The percentage of age and income qualified renter households in the *primary market area* that all existing and proposed properties, to be completed with six months of the subject, and which are competitively priced to the subject that must be captured to achieve the *stabilized level of occupancy*. Funding agencies may require restrictions to the qualified households used in the calculation including age, income, living in substandard housing, mover ship and other comparable factors. Units in all proposals / households in market \* 100, see also: capture rate.

**Pent-up demand** - a market in which there is a scarcity of supply and vacancy rates are very low.

**Population trends** - changes in population levels for a particular area over a specific period of time – which is a function of the level of births, deaths, and net *migration*.

**Primary market area** - a geographic area from which a property is expected to draw the majority of its residents.

**Programmatic rents** - See *restricted rents*.

**Project based rent assistance** - rental assistance from any source that is allocated to the property or a specific number of units in the property and is available to each income eligible tenant of the property or an assisted unit.

**Redevelopment** - the redesign or rehabilitation of existing properties.

**Rent burden** - gross rent divided by adjusted monthly household income.

**Rent burdened households** - households with *rent burden* above the level determined by the lender, investor, or public program to be an acceptable rent-to-income.

**Restricted rent** - the rent charged under the restrictions of a specific housing program or subsidy.

**Restricted rent, achievable** - the rents that the project can attain taking into account both market conditions and rent in the *primary market area* and income restrictions.

**Saturation** - the point at which there is no longer demand to support additional unit. Saturation usually refers to a particular segment of a specific market.

**Secondary market area** - the portion of a market that supplies additional support to an apartment property beyond that provided by the primary market area.

**Special needs population** - specific market niche that is typically not catered to in a conventional apartment property. Examples of special needs population include: substance abusers, visually impaired person or persons with mobility limitations.

**Stabilized level of occupancy** - the underwritten or actual number of occupied units that a property is expected to maintain after the initial rent-up period, expressed as a percentage of the total units.

**Subsidy** - monthly income received by a tenant or by an owner on behalf of a tenant to pay the difference between the apartment's *contract rent* and the amount paid by the tenant toward rent.

**Substandard conditions** - housing conditions that are conventionally considered unacceptable which may be defined in terms of lacking plumbing facilities, one or more major systems not functioning properly, or overcrowded conditions.

**Target income band** - the *income band* from which the subject property will draw tenants.

**Target population** - the market segment or segments a development will appeal or cater to. State agencies often use target population to refer to various income set asides, elderly v. family, etc.

**Tenant paid utilities** - the cost of utilities (not including cable, telephone, or internet) necessary for the habitation of a dwelling unit, which are paid by the tenant.

**Turnover period** - 1. An estimate of the number of housing units in a market area as a percentage of total housing units in the market area that will likely change occupants in any one year. See also: vacancy period. Housing units with new occupants / housing units \* 100 2. The percent of occupants in a given apartment complex that move in one year.

**Unmet housing need** - new units required in the market area to accommodate household growth, homeless people, and housing in substandard conditions.

**Unrestricted rents** - rents that are not subject to *restriction*.

**Unrestricted units** - units that are not subject to any income or rent restrictions.

**Vacancy period** - the amount of time that an apartment remains vacant and available for rent.

**Vacancy rate-economic vacancy rate - physical** - maximum potential revenue less actual rent revenue divided by maximum potential rent revenue. The number of total habitable units that are vacant divided by the total number of units in the property.

## Other Terms

The following terms are also to be found in professional market studies - here, this information is drawn from various sources including HUD, the Census Bureau, and the Urban Land Institute.

**Area Median Income (AMI)** - 100% of the gross median household income for a specific Metropolitan Statistical Area, county or non-metropolitan area established annually by HUD.

**Attached housing** - two or more dwelling units connected with party walls (e.g. townhouses or flats).

**Basic rent** - the maximum monthly rent that tenants who do not have rental assistance pay to lease units developed through the USDA-RD Section 515 Program, the HUD Section 236 Program and HUD Section 223(d)(3) Below Market Interest Rate Program. The Basic Rent is calculated as the amount of rent required to operate the property, maintain debt service on a subsidized mortgage with a below-market interest rate, and provide a return on equity to the developer in accordance with the regulatory documents governing the property.

**Below Market Interest Rate program (BMIR)** - Program targeted to renters with income not exceeding 80% or area median income by limiting rents based on HUD's BMIR Program requirements and through the provision of an interest reduction contract subsidize the market interest rate to a below-market rate. Interest rates are typically subsidized to effective rates of one percent or three percent.

**Census tract** - a small, relatively permanent statistical subdivision delineated by a local committee of census data users for the purpose of presenting data. Census tract boundaries normally follow visible features, but may follow governmental unit boundaries and other non-visible features; they always nest within counties. They are designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time of establishment. Census tracts average about 4,000 inhabitants.

**Central Business District (CBD)** - the center of commercial activity within a town or city; usually the largest and oldest concentration of such activity.

**Community Development Corporation (CDC)** - entrepreneurial institution combining public and private resources to aid in the development of socio-economically disadvantaged areas.

**Condominium** - a form of joint ownership and control of property in which specified volumes of space (for example, apartments) are owned individually while the common elements of the property (for example, outside walls) are owned jointly.

**Contract rent** - 1. The actual monthly rent payable by the tenant, including any rent subsidy paid on behalf of the tenant, to the owner, inclusive of all terms of the lease. (HUD & RD) 2. The monthly rent agreed to between a tenant and a landlord (Census).

**Difficult Development Area (DDA)** - an area designated by HUD as an area that has high construction, land, and utility costs relative to the Area Median Gross Income. A project located in a DDA and utilizing the Low Income Housing Tax Credit may qualify for up to 130% of eligible basis for the purpose of calculating the Tax Credit allocation.

**Detached housing** - a freestanding dwelling unit, typically single-family, situated on its own lot.

**Elder or senior housing** - housing where (1) all units in the property are restricted for occupancy by persons 62 years of age or older or (2) at least 80% of the units in each building are restricted for occupancy by households where at least one household member is 55 years of age or older and the housing is designed with amenities and facilities designed to meet the needs of senior citizens.

**Extremely low income** - person or household with income below 30% of the Area Median Income adjusted for household size.

**Fair Market Rent (FMR)** - the estimates established by HUD of the Gross rents (Contract rent plus Tenant Paid Utilities) needed to obtain modest rental units in acceptable condition in a specific county or metropolitan statistical area. HUD generally set FMR so that 40% of the rental units have rents below FMR. In rental markets with a shortage of lower priced rental units HUD may approve the use of Fair Market Rents that are as high as the 50<sup>th</sup> percentile of rents.

**Garden apartments** - apartments in low-rise buildings (typically two or four stories) that feature low density, ample open-space around buildings, and on-site parking.

**Gross rent** - the monthly housing cost to a tenant which equals the Contract rent provided for in the lease plus the estimated cost of all Tenant Paid Utilities.

**High-rise** - a residential building having more than ten stories.

**Household** - one or more people who occupy a housing unit as their usual place of residence.

**Housing unit** - house, apartment, mobile home, or group of rooms used as a separate living quarters by a single household.

**Housing Choice Voucher (Section 8 Program)** - federal rent subsidy program under Section 8 of the U.S. Housing Act, which issues rent vouchers to eligible households in the use of the housing of their choice. The voucher payment subsidizes the difference between the Gross Rent and tenant's contribution of 30% of adjusted income, (or 10% of gross income, whichever is greater). In cases where 30% of the tenants' income is less than the utility allowance, the tenant will receive an assistance payment. In other cases, the tenant is responsible for paying his share of the rent each month.

**Housing Finance Agency (FHA)** - state or local agencies responsible for financing housing and administering assisted housing programs.

**HUD Section 8 Program** - federal program that provides project based rental assistance. Under the program HUD contracts directly with the owner for the payment of the difference between the contract rent and a specified percentage of tenants' adjusted income.

**HUD Section 202 Program** - federal program which provides direct capital assistance (i.e. grant) and operating or rental assistance to finance housing designed for occupancy by elderly households who have income not exceeding 50% of Area Median Income. The program is limited to housing owned by 501(c)(3) nonprofit organizations or by limited partnerships where the sole general partner is a 501(c)(3) nonprofit organization. Units receive HUD project based rental assistance that enables tenants to occupy units at rents based on 30% of tenant income.

**HUD Section 811 Program** - federal program which provides direct capital assistance and operating of rental assistance to finance housing designed for occupancy by persons with disabilities who have income not exceeding 50% of Area Median Income. The program is limited to housing owned by 501(c)(3) nonprofit organizations or by limited partnerships where the sole general partner is a 510(c)(3) nonprofit organization.

**HUD Section 236 Program** - federal program which provides interest reduction payments for loans which finance housing targeted to households with income not exceeding 80% of area median income who pay rent equal to the greater of Basic Rent or 30 percent of their adjusted income. All rents are capped at a HUD approved market rent.

**Income limits** - maximum household income by county or Metropolitan Statistical Area, adjusted for household size and expressed as a percentage of the Area Median Income for the purpose of establishing an upper limit for eligibility for a specific housing program. Income limits for federal, state and local rental housing programs typically are established at 30%, 50%, 60% or 80% of AMI. HUD publishes income limits each year for 30% median. Very low income (50%), and low income (80%), for households with 1 through 8 people.

**Low income** - person or household with gross household income below 80% of Area Median Income adjusted for household size.

**Low income housing tax credit** - a program to generate equity for investment in affordable rental housing authorized pursuant to Section 42 of the Internal Revenue Code, as amended. The program requires that a certain percentage of units built be restricted for occupancy to households earning 60% or less of Area Median Income, and that the rents on those units be restricted accordingly.

**Low rise building** - a building with one to three stories.

**Metropolitan Statistical Area (MSA)** - a geographic entity defined by the federal Office of Management and Budget for use by federal statistical agencies, based on the concept of a core area with a large population nucleus, plus adjacent communities have a high degree of economic and social integration with that core. Qualification of an MSA requires the presence of a city with 50,000 or more inhabitants, or the presence of an Urbanized Area (UA) and a total population of at least 100,000 (75,000 in New England). The county or counties containing the largest city and surrounding densely settled territory are central counties of the MSA. Additional outlying counties qualify to be included in the MSA by meeting certain other criteria of metropolitan character, such as a specified minimum population density or percentage of the population that is urban.

**Mid-rise** - a building with four to ten stories.

**Moderate income** - person or household with gross household income between 80 and 120 percent of area median income adjusted for household size.



**Public Housing or Low Income Conventional Public Housing** - HUD program administered by local (or regional) Housing Authorities which serves low- and very-low income households with rent based on the same formula used for HUD Section 8 assistance.

**Qualified Census Tract (QCT)** - any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50% of households have an income less than 60% of the area median income or where the poverty rate is at least 25%. A project located in a QCT and receiving Low Income Housing Tax Credit may qualify for up to 130% of the eligible basis for the purpose of calculating the Tax Credit allocation.

**Rural Development (RD) market rent** - a monthly rent that can be charged for an apartment under a specific USDA-RD housing program, that reflects the agency's estimate of the rent required to operate the property, maintain debt service on an unsubsidized mortgage and provide an adequate return to the property owner. The rent is the maximum rent that a tenant can pay at an RD Property.

**Rural Development (RD) Program (Formerly the Farmers Home Administration Section 515 Rural Rental Housing Program)** - federal program which provides the low interest loans to finance housing which serves low- and moderate-income persons in rural areas who pay 30 percent of their adjusted income on rent or the basic rent, which is the higher (but not exceeding the market rent). The program may include property based rental assistance and interest reduction contracts to write down the interest on the loan to as low as one percent.

**Single-family housing** - a dwelling unit, either attached or detached, designed for use by one household and with the direct access to a street. It does not share heating facilities or other essential building facilities with any other dwelling.

**State Data Center (SDC)** - a state agency or university facility identified by the governor of each state to participate in the Census Bureau's cooperative network for the dissemination of the census data.

**Tenant** - one who rents real property from another.

**Tenure** - the distinction between owner-occupied and renter-occupied housing units.

**Townhouse (or Row House)** - single-family attached residence separated from another by party walls, usually on a narrow lot offering small front and back-yards; also called row house.

**Very low income** - person or household whose gross household income does not exceed 50% of Area Median Income adjusted for household size.

**Zoning** - classification and regulation of land by local governments according to use categories (zones); often also includes density designations.