A Feasibility Analysis For

Legacy Commons

Village Drive
Chester, SC
Chester County
Census Tract 206.02

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Prepared for:

The Pendergraph Companies, LLC
3924 Browning Place, Raleigh, NC 27609

Prepared by:

Chris Vance

Market Analyst Professionals
701 4th Avenue South, Suite 500
Minneapolis, MN 55415
PH: 248-515-0496
cavance@mindspring.com
chris.vance@mapyourproject.com

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Section 1: Introduction

Market Analyst Professionals, LLC (MAP) has prepared the following report to determine the market feasibility of an affordable housing project located in Chester, South Carolina. The subject proposal is described in detail in Section 3. The study assumes Low Income Housing Tax Credits will be utilized in financing the subject property. The market study was prepared in accordance with South Carolina State Housing Finance and Development Authority (SCSHFDA) guidelines and industry accepted practices. Information contained within the report is assumed to be trustworthy and reliable. Recommendations and conclusions in the report are based on professional opinion. MAP does not guarantee the data nor assume any liability for any errors in fact, analysis or judgment resulting from the use of the report.

Section 2: Executive Summary

2013 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY: (APPENDIX C)

Development Name:	Legacy Commons	Total # Units:	44
Location:	Village Drive, Chester SC	# LIHTC Units:	44
PMA Boundary:	The PMA is defined as the entirety of Chester County, with the county border forming the boundaries of the PMA in all directions.		
Development Type: Senior		(Miles):	18 miles

RENTAL HOUSING STOCK (found on page 63)

Type	# Properties	Total Units	Vacant Units	Average Occupancy*
All Rental Housing	7	317	9	97.2%
Market-Rate Housing	1	15	3	80.0%
Assisted/Subsidized Housing not to include LIHTC	5	280	6	97.9%
LIHTC (All that are stabilized)**	1	22	0	100% Current Rate
Stabilized Comps***	4	170	3	98.2% Current Rate
Non-stabilized Comps	0	0	0	

* Average Occupancy percentages will be determined by using the second and fourth quarter rates reported for 2012.
** Stabilized occupancy of at least 93%.
*** 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					**Adjusted Market Rent**			**Highest Unadjusted Comp Rent**	
# Units	**# Bedrooms**	**Baths**	**Size (SF)**	**Proposed Tenant Rent**	**Per Unit**	**Per SF**	**Advantage**	**Per Unit**	**Per SF**
6	1 BR-Apt	1	822	**$290**	**$510**	**$0.62**	**43%**	**$602**	**$0.79**
18	1 BR-Apt	1	822	**$405**	**$510**	**$0.62**	**21%**	**$602**	**$0.79**
5	2 BR-Apt	2	1,050	**$480**	**$590**	**$0.56**	**19%**	**$642**	**$0.43**
15	2 BR-Apt	2	1,050	**$520**	**$590**	**$0.56**	**12%**	**$642**	**$0.43**
******Gross Potential Rent Monthly**				$19,230	$24,040		20%		

****Gross Potential Rent Monthly is calculated by multiplying the number of units for each bedroom type by the proposed tenant rent by bedroom. Sum of those is the Gross Potential Rent

DEMOGRAPHIC DATA (found on page 55)

	2010		2012		2015	
Renter Households	951	15.9%	977	15.9%	1,016	16.0%
Income-Qualified Renter HHs (LIHTC)	316	33.3%	325	33.3%	338	33.3%
Income-Qualified Renter HHs (MR)						

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 55)

Type of Demand	50%	60%	Market-rate	Other:__	Other:__	Overall
Renter Household Growth	**11**	**8**				**13**
Existing Households (Overburden + Substand)	**89**	**64**				**106**
Homeowner conversion (Seniors)	**22**	**22**				**31**
Other:						
Less Comparable/Competitive Supply	**0**	**0**				**0**
Net Income-qualified Renter HHs	**122**	**94**				**149**

CAPTURE RATES (found on page 55)

Targeted Population	50%	60%	Market-rate	Other:__	Other:__	Overall
Capture Rate	**9.0%**	**35.1%**				**29.5%**

ABSORPTION RATE (found on page 54)

Absorption Rate 12 months

# Units	Bedroom Type	Proposed Tenant Rent	Gross Potential Tenant Rent	Adjusted Market Rent	Gross Potential Market Rent	Tax Credit Gross Rent Advantage
6	1 BR-Apt	$290	$1,740	$510	$3,060	
18	1 BR-Apt	$405	$7,290	$510	$9,180	
5	2 BR-Apt	$480	$2,400	$590	$2,950	
15	2 BR-Apt	$520	$7,800	$590	$8,850	
44			$19,230		$24,040	20.01%

- Based on the analysis within this report, the proposal will be successful as is; no changes are deemed necessary. The proposal will offer units targeting senior households at 50 and 60 percent AMI. The site is located near existing multi-family residential, demonstrating the site's viability for residential housing. Amenities and employment opportunities are located in close proximity. Local economic conditions deteriorated along with the turmoil in the national economy in 2008 but are showing signs of recovery in terms of year over year employed and positive net jobs in the past four quarters. Additionally, the subject is slated to enter the market after 2013 at which point it is expected that the economy will have entered a more normal growth phase. Households have contracted very modestly in the past decade in the PMA, likely fueled by declining economic prospects in the county. Stabilization in the local economy is evident, which should stabilize or reverse recent contractions in households. Senior renter households in the PMA are forecasted to expand given increasing renter penetration as well as aging of the population. Additionally, derived demand statistics based on demographic data suggest sufficient demand to absorb the proposal. Demand statistics also suggest no similarly positioned senior units could enter the market before increasing capture rates above threshold levels. Furthermore, supply side data indicates rents for the subject will be competitively positioned in the area and the subject will be well positioned in the market and competitive with comparable projects. Moreover, given the limited number of senior rental housing options the subject helps serve a niche not currently being addressed in the market. As a result, the development of the proposal to more adequately serve the PMA's population is appropriate.

- Between 1990 and 2000, population and household trends increased at a very modest rate within the PMA and county, while decreasing within the city. Between 2000 and 2010, population and households declined modestly in the city, PMA and county, likely the poor economy in recent years contributed to the contraction in households. Nielsen forecasts a continuation of these trends through 2018 within the city, county and PMA with very modest demographic changes over this time in population and households. While this is consistent with growth between 2000 and 2010, a modest improvement in the economy will likely reverse this mild contraction. Senior trends are forecasted to increase at a faster rate than the overall population, leading to a modest increase in senior renter households through 2018.

- The site is a vacant wooded lot located on the south side of Village Drive, west of McCandless Road. The site is located in a sparsely developed area. To the immediate west of the site is Cottages of Chester, an excellent condition subsidized senior rental project. To the immediate south is a Fire Department building, and southwest Chester Middle School, to the immediate north is a church and east is largely vacant wooded lots. Farther removed from the site, land to the north, east and south is sparsely developed, while to the west is residential development and the city of Chester.

- No projects included in the survey were able to cite absorption information. MAP has utilized movership ratios from the American Housing Survey as well as estimated “capture” rates among these income eligible households to estimate absorption. Based on the limited number of new rental projects, the quality of unit offered and the competitive rents at the subject, the proposal can expect to capture a large percentage of eligible movers. Based on these estimates MAP projects an absorption period of 12 months.

- The proposal will be new construction operating under LIHTC guidelines and targeting local seniors. The most relevant projects for assessing demand for the proposal include senior units operating under income restriction guidelines in close proximity to the subject. Only one LIHTC project (a family project) was located in the market area, so the competitive set was expanded to include a Rural Development project as well as one market rate project (which are also used to gauge hypothetical market rents). One additional project was surveyed in March 2012 (Carriage Hills of Chester) and is deemed relevant but could not be reached for updated information. Information from last year is presented on the following pages. The only senior project was also included among the competitive set, although this project is subsidized and offers little insight into potential demand for the subject.

- The overall occupancy rate for the most comparable projects is 98.2 percent, with LIHTC projects in the competitive set reporting 100 percent occupancy. Among competitive set projects only Magnolia Apartments did not report a wait-list for occupancy with 3 vacancies among 15 units. The proposal will offer newly constructed one- and two-bedroom units. The proposal offers comparable amenities, construction type and unit sizes to similar facilities. The lack of existing senior projects in the area would help serve a niche not currently being met in the market. The subject's rents are consistent with comparable projects; however, considering the quality of the subject should be considered a value in the market.

- The introduction of the proposal will have no long-term negative impact on existing surveyed LIHTC projects. Strong demand is evident among existing competitive set projects with reported occupancy at the only LIHTC project of 100 percent. Strong demand in the overall rental market and ongoing obsolescence among housing in the area will fuel demand for the subject.

Section 3: Project Description

Name:	Legacy Commons
Address:	Village Drive Chester, SC 29706
Target Population:	Senior
Total Units:	44
Subsidized Units:	0
LIHTC Units:	44
Unrestricted Units:	0
Utilities Included in Rent	
Heat:	No
Electric:	No
Water:	Yes
Sewer:	Yes
Trash:	Yes
Heat Type:	Ele
Construction Detail:	
Construction:	New
Building Type:	Apartments
Total Buildings:	1
Stories:	2
Site Acreage:	3.4
Construction Schedule:	
Beginning:	2014
Ending:	2015
Total Parking Spaces:	
Surface:	96
Plans:	No

Unit Configuration

	AMI Target	# of Units	# of Baths	Type	Average Sq. Footage	Contract Rent	Utility Allowance	Gross Rent	Max Gross Rent	Maximum Income
Total		**44**								**$25,140**
Summary 1 BR		**24**								**$25,140**
1 BR-Apt	50%	6	1.0	Apt	822	$290	$84	$374	$491	$20,950
1 BR-Apt	60%	18	1.0	Apt	822	$405	$84	$489	$589	$25,140
Summary 2 BR		**20**								**$25,140**
2 BR-Apt	50%	5	2.0	Apt	1,050	$480	$109	$589	$590	$20,950
2 BR-Apt	60%	15	2.0	Apt	1,050	$520	$109	$629	$708	$25,140

Proposed and Recommended Amenities

Unit Amenities

Yes	**A/C - Central**		Microwave	**Yes**	**Patio/Balcony**
	A/C - Wall Unit	**Yes**	**Ceiling Fan**		Basement
	A/C - Sleeve Only		Walk-In Closet		Fireplace
	Garbage Disposal	**Yes**	**Window - Mini-Blinds**	**Yes**	**High Speed Internet**
Yes	**Dishwasher**		Window - Draperies		Individual Entry

Development Amenities

	Clubhouse *(separate building)*		Swimming Pool		Sports Courts *(b-ball, tennis, v-ball, etc.)*
Yes	**Community Room**		Playground/Tot Lot	**Yes**	**On-Site Management**
Yes	**Computer Center**	**Yes**	**Gazebo**		Secured Entry - Access Gate
Yes	**Exercise/Fitness Room**	**Yes**	**Elevator**		Secured Entry - Intercom or Camera
Yes	**Community Kitchen*(ette)***	**Yes**	**Exterior Storage Units**		

Laundry Type		**Parking Type**			
Yes	**Coin-Operated Laundry**	**Yes**	**Surface Lot**	**96**	Number of Spots Total
Yes	**In-Unit Hook-up Only**		Carport		
	In-Unit Washer/Dryer		Garage *(attached)*		
	None		Garage *(detached)*		

Senior Amenities ***(for senior-only projects)***

Yes	**Independent**	**Yes**	**Emergency Call** ***(or similar)***		Meals
	Assisted Living	**Yes**	**Organized Activities**		Housekeeping
	Nursing		Library		Healthcare Services
			24 Hour On Site Management		Transportation

Section 4: Site Profile

Date of Inspection:	3/9/2012	
Acreage:	**3.4**	
Total Residential Buildings:	**1**	
Density: (Acres/Building)	**3.4**	
Topography:	Vacant wooded lot	
Adjacent Land Uses:		**Impact:**
North:	Vacant, wooded lot	Favorable
East:	Vacant, wooded lot	Favorable
South:	Fire department, School complex	Favorable
West:	Senior MFD	Favorable

City and Neighborhood Characteristics

The subject is located in the city of Chester within Chester County, South Carolina. Chester is located approximately 10 miles from Interstate 77, which links to Rock Hill and Charlotte, North Carolina beyond Rock Hill to the north and Columbia to the south.

The site is a vacant wooded lot located on the south side of Village Drive, west of McCandless Road. The site is located in a sparsely developed area. To the immediate west of the site is Cottages of Chester, an excellent condition subsidized senior rental project. To the immediate south is a Fire Department building, and southwest Chester Middle School, to the immediate north is a church and east is largely vacant wooded lots. Farther removed from the site land to the north, east and south is sparsely developed, while to the west is residential development and the city of Chester.

No negative attributes of the site were apparent. The existing multi-family residential to the immediate west sets precedent for similar residential housing. Access to the site will be via Village Drive which does not appear to be a major thoroughfare for the area but likely attracts traffic to the school complex to the immediate south. Given the limited traffic, marketing efforts will be critical to draw potential tenants to the site. It is assumed an experienced management company, familiar with LIHTC guidelines and initial project lease ups, will manage the project.

Neighborhood Amenities/Retail/Services

The site is located less than two miles from downtown Chester, a vibrant looking area, which offers a variety of amenities. Less than 1.5 miles away is the largest commercial concentration in the area, which is anchored by Walmart and Food Lion. Another commercial concentration is located at Columbia Street and Bypass 121.

Health Care

The nearest major health care service is the Chester Regional Medical Center offering 82 beds in Chester, and is the only Hospital located within the county.

Road or Infrastructure Improvements

Planned or underway projects within Chester County according to the South Carolina Department of Transportation include the following:

In Design/Development
Chester - SC 97 Bridge over Rocky Creek

In Construction
Nothing

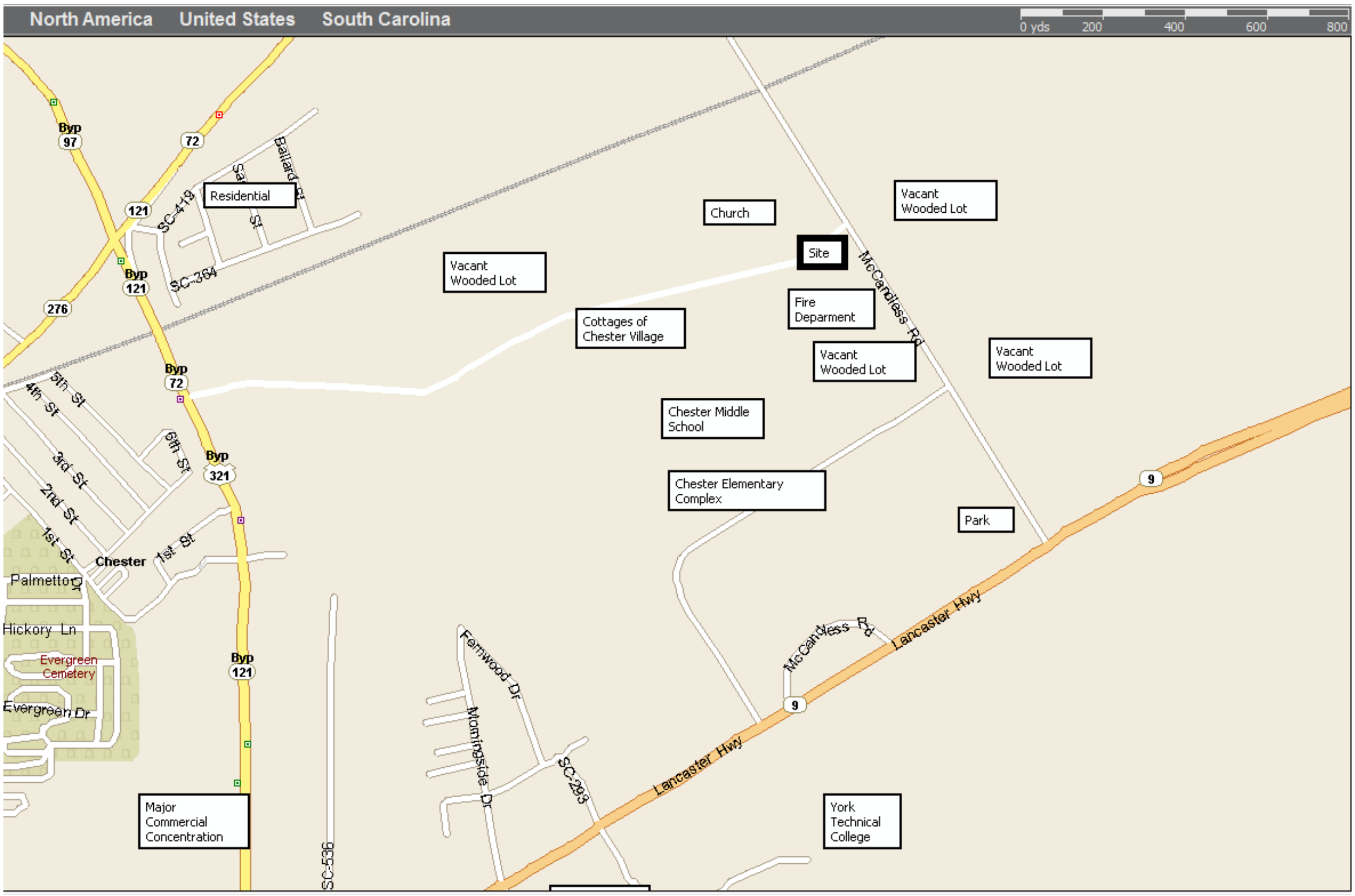
Crime

A crime index for the area is illustrated below. Total crime risk for the 29706 zip code is slightly higher than the state as a whole for most crime statistics. However, perception of crime is not deemed problematic for the site. The Crime Index score represents the combined risks of crime compared to the national average of 100. A score of 200 indicates twice the national average total crime risk, while 50 indicates half the national risk. The different types of crime are given equal weight in this score. Scores are based on demographic and geographic analyses of crime over seven years.

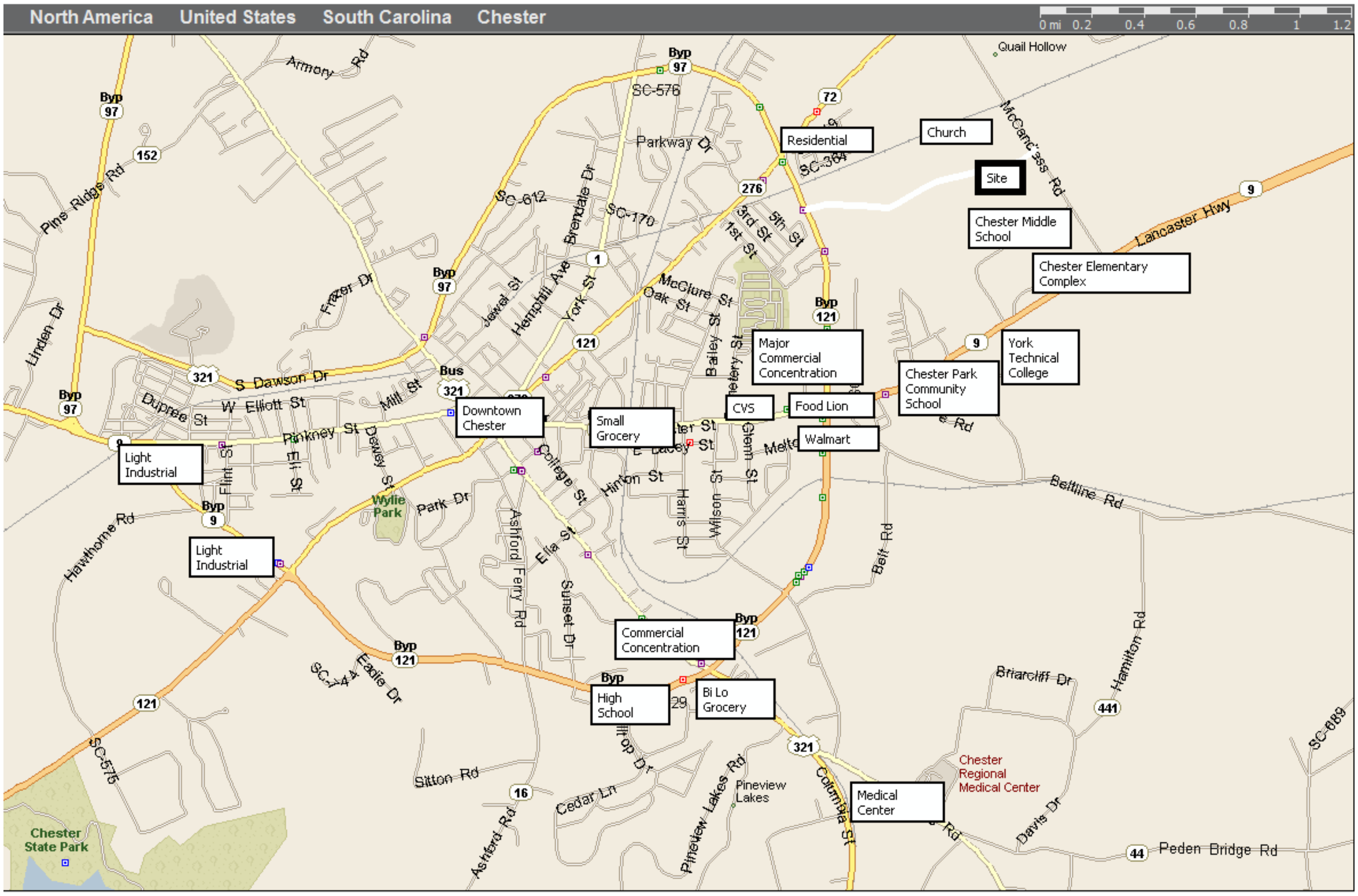
Area	Chester 29706	SC	National
Total Crime Risk	154	130	100
Personal Crime Index			
Personal Crime Risk	226	165	100
Murder Risk	165	138	100
Rape Risk	136	138	100
Robbery Risk	94	95	100
Assault Risk	390	200	100
Property Crime Index			
Property Crime Risk	119	124	100
Burglary Risk	155	137	100
Larceny Risk	115	125	100
Motor Vehicle Theft Risk	65	91	100

Source: Homefair.com

Map: Local Area and Amenities



Map: Local Area and Amenities



Site Photos

-Looking south at site

-Looking west from site

-Looking north from site

-Looking east from site

Section 5: Market Area Delineation

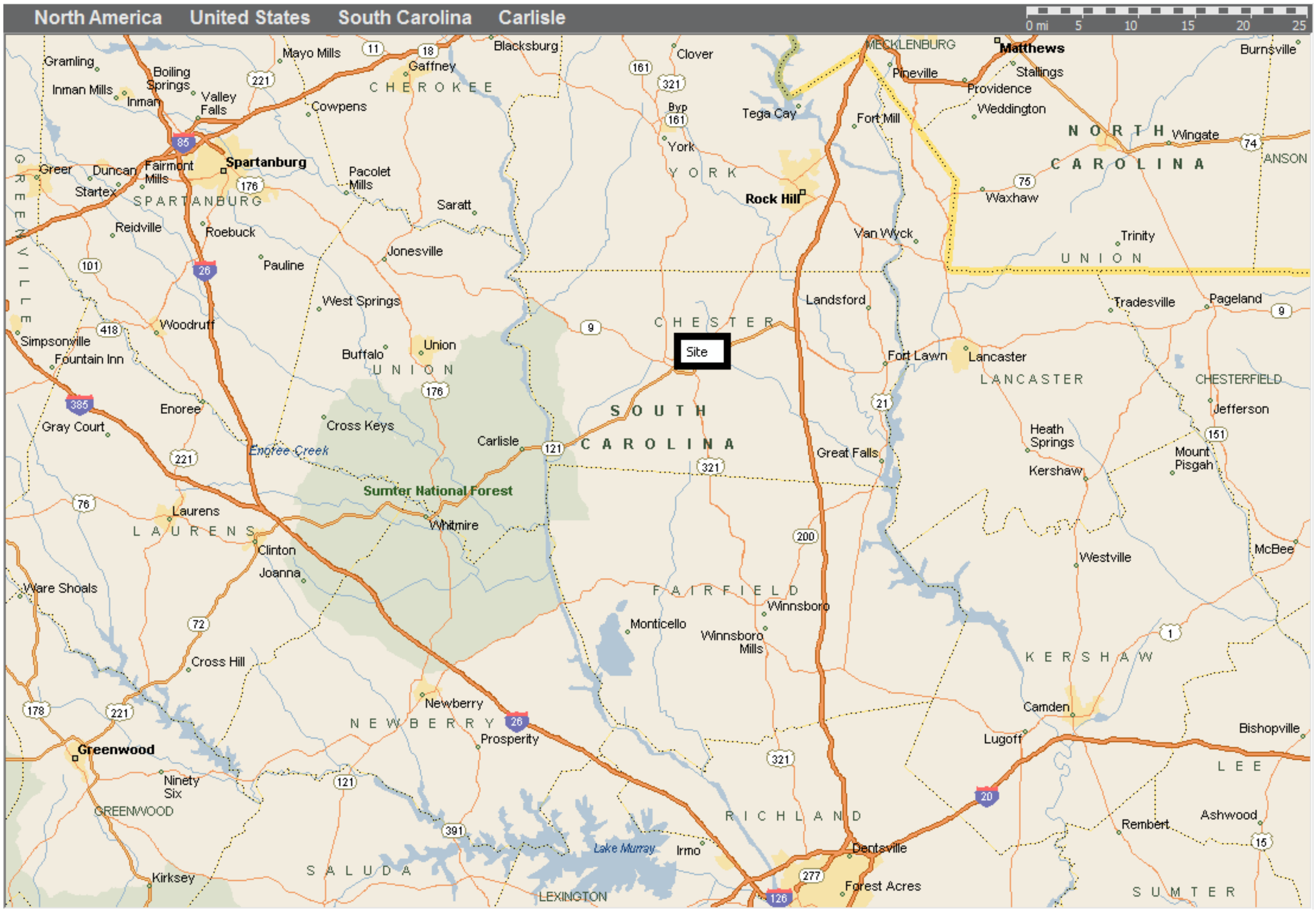
The following demographic information, comparables, and demand analysis are based on the Primary Market Area (PMA) as defined below and outlined in the following maps. The proposal is located in Chester, South Carolina, in Census Tract 206.02 of Chester County. For comparison purposes, data pertaining to the city of Chester and the state of South Carolina where appropriate have also been included throughout the analysis.

The PMA is defined as the entirety of Chester County, with the county border forming the boundaries of the PMA in all directions. The farthest boundary of the PMA is approximately 18 miles from the site to the east. From the site, the PMA approximately 7 miles to the north, 16 miles to the west, approximately 18 miles to the east and 11 miles to the south. Census Tracts defining the market area include:

Census Tract 201	Census Tract 206.02
Census Tract 202	Census Tract 207
Census Tract 203	Census Tract 208
Census Tract 204	Census Tract 209
Census Tract 205	Census Tract 210
Census Tract 206.01	

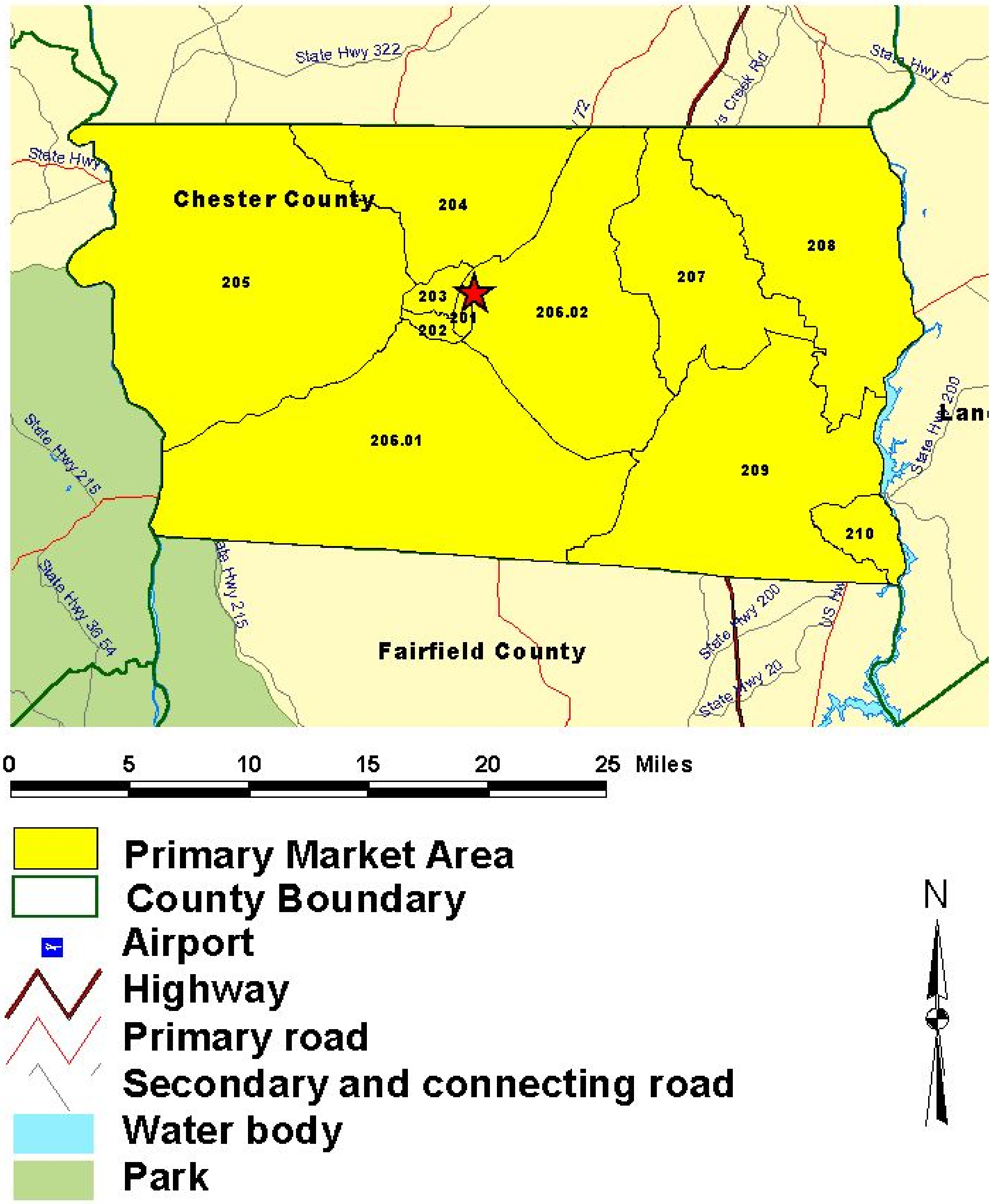
Major factors in defining the PMA were the lack of rental housing within the area and senior rental housing in particular, proximity to the site, competition with surrounding areas and socioeconomic conditions. The proposal is a senior project, located in Chester. Outside of the city there is little development, resulting in little competition for tenants within the county. The eastern most Census Tracts face increasing competition with Lancaster, however, this area is located outside of the county and tenants are assumed to target areas within their same county borders predominantly. Declining proximity and county borders were the primary factors in limiting the PMA’s further expansion particularly to the east and south where the subject would face little competition for tenants.

Map: Local Area



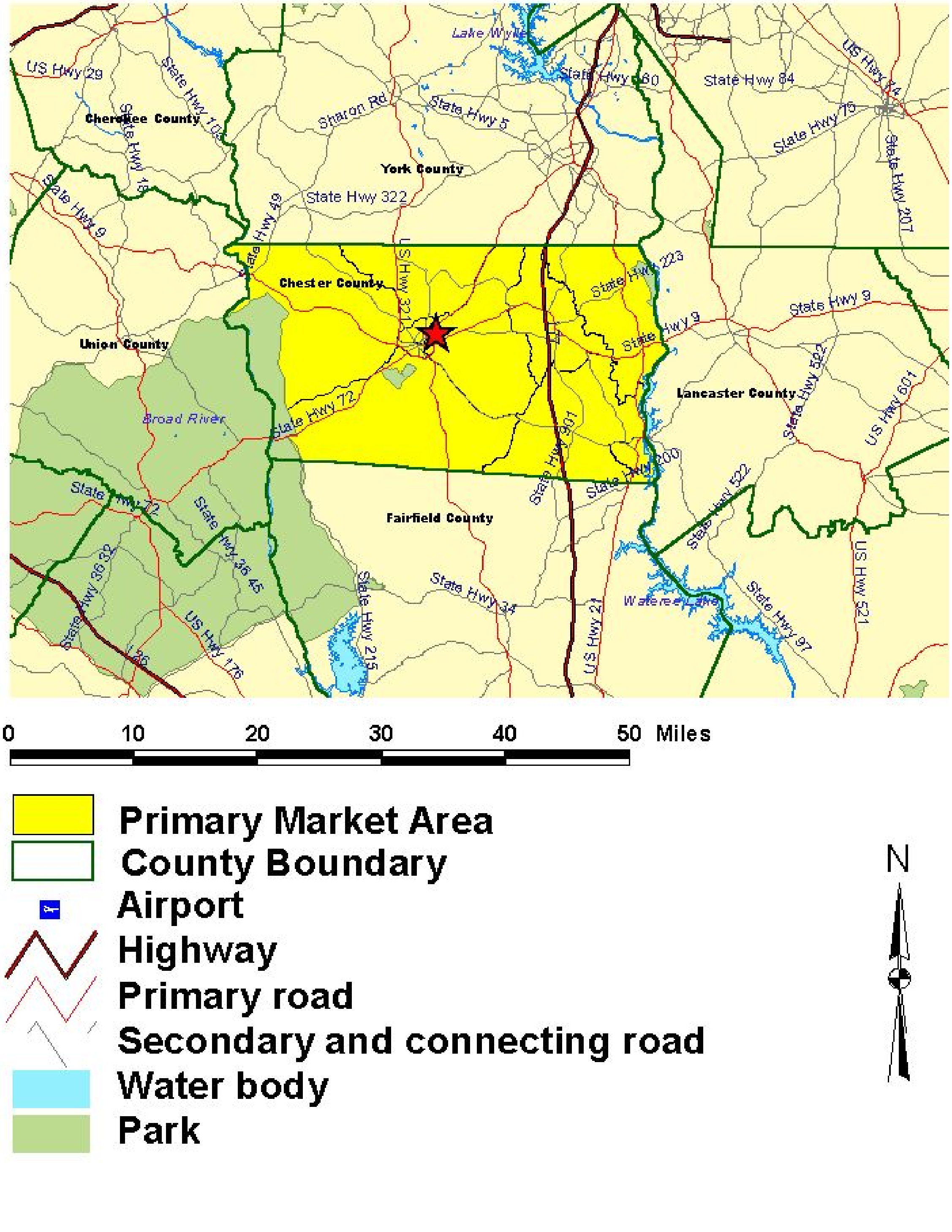
Map: Primary Market Area

Micro View



Map: Primary Market Area

Macro View



Section 6: Economic Analysis

Economic Overview

The proposal will offer units targeted at low and moderate income senior households within the Chester area. Economic analysis is provided for Chester County, which is deemed the most important for the area's economic viability. In addition, information for the State of South Carolina and United States are illustrated to put these trends into greater context.

Local economics are largely driven by the national economy, particularly for larger, more urban areas with greater economic diversification. This is visually evident in the unemployment rate comparison presented in the following pages (i.e., movements in the unemployment rate for the United States coincide with state and local movements). While generally moving in tandem with national levels, the unemployment rate in South Carolina has been higher in comparison to national levels in recent years with a dramatic surge evident in 2008--this can be attributed to a continual rise in the labor force combined with a decline in employment. In recent months the unemployment rate within the state has stabilized or reversed owing to an increase in employment outpacing growth in the labor force.

The national economy suffered a credit crisis in 2008, which led to worsening economic conditions including declining consumer confidence, continued pressure on an already fragile housing sector, declining consumer spending and a dramatic decline in automotive purchases all contributing to a worsening in economic conditions throughout the nation. While the credit crisis has largely passed and there are nascent signs of recovery, unemployment throughout the nation remains high relative to recent historical trends, but with renewed optimism among some economists. Analysis throughout this report is based on current economic conditions remaining stable with a more robust recovery beginning in 2014. The effects of a deceleration or stagnation in the economy generally serve to increase demand for affordable housing among those experiencing wage cuts while eliminating from consideration those who become unemployed.

Economic Characteristics and Trends

Chester is located within Chester County, with the bulk of employment concentrations within the county located in Chester. Within the PMA, 27 percent of workers find employment within a less than 15 minute travel time, while an additional 29 percent of workers find employment within a 30 minute radius.

Employee Commute Times

	City of Chester	PMA	State of SC
2010 Total Workers via Census	**1,659**	**12,385**	**1,988,734**
Travel Time: < 15 Minutes	619	3,381	572,755
Percent of Workers	37%	27%	29%
Travel Time: 15 - 29 Minutes	488	3,554	797,482
Percent of Workers	29%	29%	40%
Travel Time: 30 - 44 Minutes	270	2,601	383,826
Percent of Workers	16%	21%	19%
Travel Time: 45 - 59 Minutes	171	1,722	131,256
Percent of Workers	10%	14%	7%
Travel Time: 60+ Minutes	114	1,115	101,425
Percent of Workers	7%	9%	5%
Avg Travel Time in Minutes for Commuters	**23**	**27**	**23**

Source: Census of Population and Housing, U.S. Census Bureau; Nielsen

Industry employment concentrations in the city, county and state are illustrated below with national trends illustrated to put state and local trends into greater context. Locally within the city, industrial employment is more heavily concentrated in service occupations relative to the county and state. Generally, higher service occupations in the county are offset by a lower concentration in management, business, science and the arts employment relative to the state. Employment concentrations in the county are more concentrated in the production, transportation and material moving sectors relative to the state as a whole.

Industry Employment Concentrations

	City of Chester	County of Chester	USA
Ag, forestry, fishing and hunting, and mining	**0.6%**	**1.6%**	**1.9%**
Construction	**4.8%**	**7.1%**	**6.8%**
Manufacturing	**20.2%**	**22.9%**	**10.8%**
Wholesale trade	**2.3%**	**4.1%**	**2.9%**
Retail trade	**13.1%**	**11.6%**	**11.5%**
Transp and warehousing, and util	**4.5%**	**6.6%**	**5.1%**
Information	**2.4%**	**1.9%**	**2.3%**
Fin and ins, and r.estate and rent/lease	**6.0%**	**5.4%**	**6.9%**
Prof, sci, and mngt, and admin and waste	**7.3%**	**5.4%**	**10.5%**
Ed services, and hlth care and soc assist	**21.2%**	**18.9%**	**22.5%**
Arts, ent, and rec, and accommod/food	**10.1%**	**6.6%**	**9.0%**
Other services, except public administration	**4.2%**	**4.2%**	**4.9%**
Public administration	**3.5%**	**3.8%**	**4.9%**
Total Occupations			
Mngmt, bus, sci, and arts	21.9%	21.4%	35.7%
Service occupations	24.2%	16.9%	17.5%
Sales and office occupations	21.2%	23.8%	25.1%
Nat res, construction, and maintenance	10.8%	12.3%	9.6%
Prod, transp, and material moving	21.8%	25.6%	12.2%

Source: Census of Population and Housing, U.S. Census Bureau

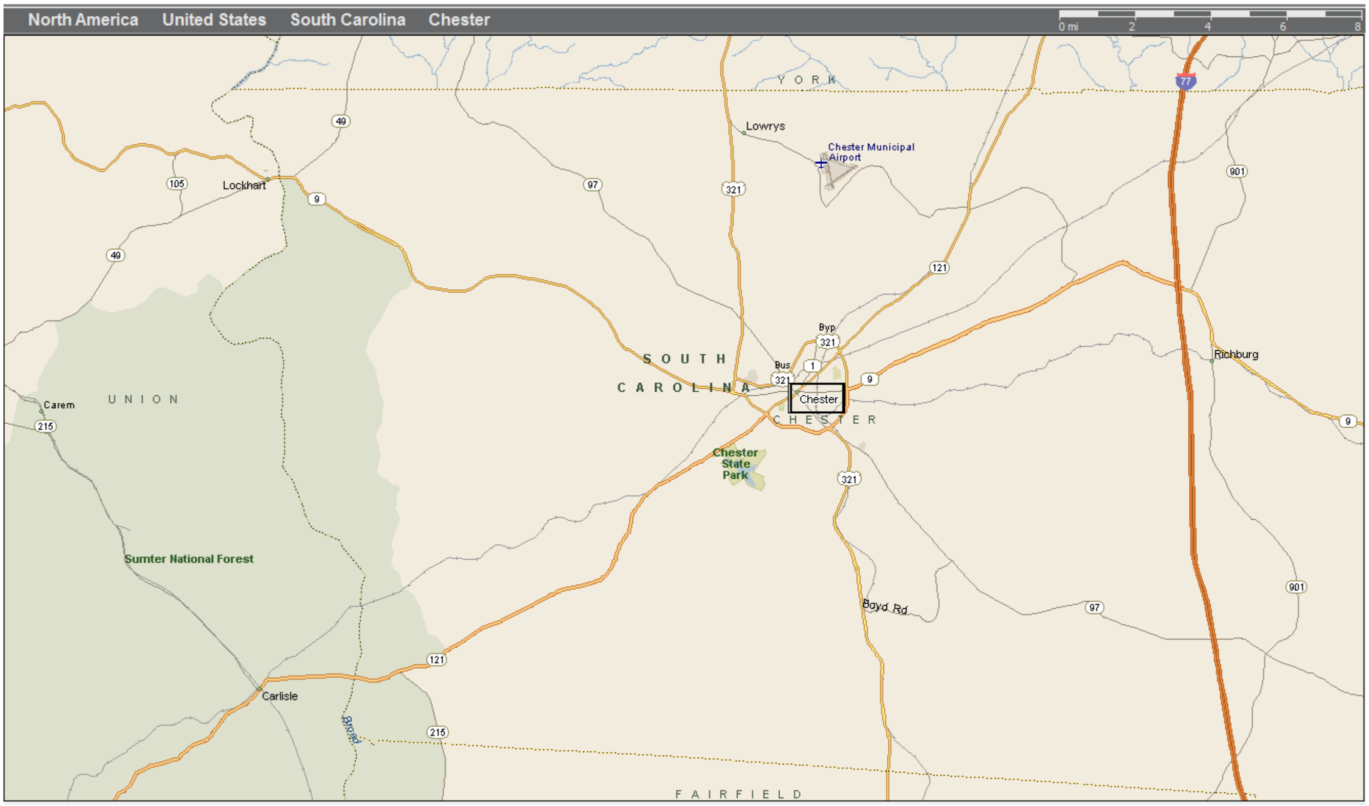
The major employers within Chester County are detailed below. Data was gathered from South Carolina Work Force in February 2013. Top employers in the area are largely engaged in the provision of health care and government services. Government sector positions are to some extent insulated from the recent turmoil in the economy. Net job flows in 2010 and 2011 are detailed on the following pages showing net positive job flows over the past four quarters within the county. The subject is slated for market entry in 2015 at which point it is anticipated the economy will have entered a recovery phase and growth will resume with resumption of job creation to more normal levels.

Employment within the county is concentrated in Chester which represents the highest population density area in the county. Chester is highlighted in the map on the following pages.

Top Employers within Chester County

Name	City	State	Zip	Estimated Employees
Chester Regional Medical Ctr	Chester	SC	29706	250-499
Springs Global	Fort Lawn	SC	29714	250-499
Guardian Industries Corp	Richburg	SC	29729	250-499
Grand Strand Regional Med Ctr	Edgemoor	SC	29712	250-499
Haddon House Food Products Inc	Richburg	SC	29729	250-499
Chester County Human Resource	Chester	SC	29706	250-499
United Contractors Inc	Great Falls	SC	29055	250-499
ATI Allvac	Richburg	SC	29729	100-249
Kohl's Department Store	Edgemoor	SC	29712	100-249
Walmart	Chester	SC	29706	100-249
David Redys Office	Chester	SC	29706	100-249
Morrison Textile Machinery Co	Fort Lawn	SC	29714	100-249
Chester Senior High School	Chester	SC	29706	100-249
GAF Materials Corp	Chester	SC	29706	100-249
OMNOVA Solutions Inc	Chester	SC	29706	100-249
Tom Harper Office	Chester	SC	29706	100-249
Tru Vista Communications	Chester	SC	29706	100-249
BI-LO	Chester	SC	29706	50-99
NHC Healtchare of Gdn City	Edgemoor	SC	29712	50-99
Zenith Engraving Co Inc	Chester	SC	29706	50-99
Transportation Dept Public	Chester	SC	29706	50-99
Chester Park Elementary School	Chester	SC	29706	50-99
South Carolina Mntnc Shop	Chester	SC	29706	50-99
BI-LO	Chester	SC	29706	50-99
Lewisville Elementary School	Richburg	SC	29729	50-99

Map: Employment Concentrations Chester County Area



Chester County Labor Market Dynamics

	Q4 2011	Average Last 4 Quarters	Q4 2010
Total Employment	8,017	7,835	7,733
Net Job Flows	**148**	**91**	**-12**
Job Creation	358	389	283
New Hires	766	838	736
Seperations	821	952	890
Turnover	7%	7%	7%
Avg Monthly Earnings	$3,296	$3,235	$3,315
Avg New Hire Earnings	$2,336	$2,420	$2,013

Source: US Census Bureau

Closures and Expansions

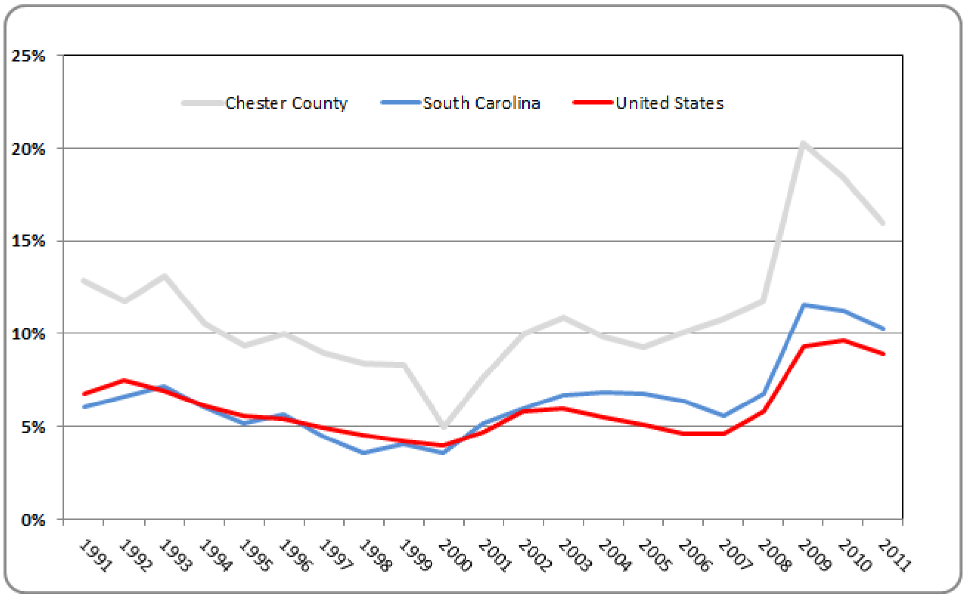
Company	Location	Effective Date	Positions	Type
None				

Source: South Carolina Works

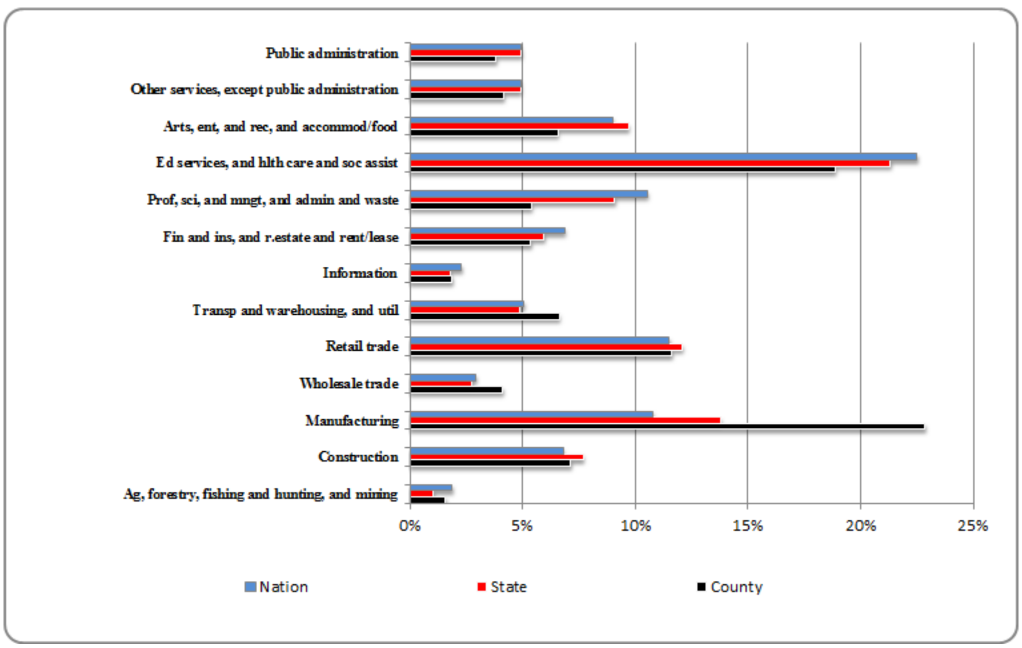
Company	Location	New Jobs	$ Investment (Millions)
Chester Wood Products	Chester County	20	$10.0
Boral Stone Products	Chester County	3	$6.0

Source: South Carolina Commerce

Graph: Unemployment Rate Comparison



Graph: Industry Employment Rate Concentrations



Annual Labor Force and Employment Statistics

	Chester County				South Carolina				U.S.
Year	Number Employed	Labor Force	Annual Change	Unemp. Rate	Number Employed	Labor Force	Annual Change	Unemp. Rate	Unemp. Rate
1991	13,918	15,967	NA	12.8%	1,653,770	1,760,801	NA	6.1%	6.8%
1992	14,230	16,121	312	11.7%	1,673,620	1,792,544	19,850	6.6%	7.5%
1993	13,812	15,897	(418)	13.1%	1,696,068	1,827,755	22,448	7.2%	6.9%
1994	14,001	15,654	189	10.6%	1,729,363	1,840,416	33,295	6.0%	6.1%
1995	13,973	15,411	(28)	9.3%	1,754,633	1,849,866	25,270	5.1%	5.6%
1996	14,301	15,891	328	10.0%	1,785,646	1,892,377	31,013	5.6%	5.4%
1997	14,061	15,447	(240)	9.0%	1,819,508	1,903,857	33,862	4.4%	4.9%
1998	14,241	15,548	180	8.4%	1,849,075	1,918,305	29,567	3.6%	4.5%
1999	14,559	15,877	318	8.3%	1,876,895	1,956,674	27,820	4.1%	4.2%
2000	15,620	16,438	1,061	5.0%	1,917,365	1,988,159	40,470	3.6%	4.0%
2001	14,896	16,134	(724)	7.7%	1,834,871	1,935,614	(82,494)	5.2%	4.7%
2002	14,050	15,616	(846)	10.0%	1,826,240	1,942,147	(8,631)	6.0%	5.8%
2003	13,941	15,647	(109)	10.9%	1,854,419	1,987,676	28,179	6.7%	6.0%
2004	14,048	15,582	107	9.8%	1,888,050	2,026,480	33,631	6.8%	5.5%
2005	14,385	15,850	337	9.2%	1,922,367	2,062,350	34,317	6.8%	5.1%
2006	14,493	16,121	108	10.1%	1,970,912	2,105,035	48,545	6.4%	4.6%
2007	13,820	15,491	(673)	10.8%	2,010,252	2,129,320	39,340	5.6%	4.6%
2008	13,533	15,335	(287)	11.8%	2,000,582	2,145,863	(9,670)	6.8%	5.8%
2009	12,485	15,654	(1,048)	20.2%	1,903,146	2,150,757	(97,436)	11.5%	9.3%
2010	12,321	15,103	(164)	18.4%	1,909,414	2,150,576	6,268	11.2%	9.6%
2011	12,425	14,790	104	16.0%	1,935,885	2,157,267	26,471	10.3%	8.9%
2012	12,502	14,502	77	13.8%	1,953,708	2,147,369	17,823	9.0%	8.1%

	Chester County			South Carolina		
	Number	*Percent*	*Annualized Rate*	*Number*	*Percent*	*Annualized Rate*
Change in Employment:						
(2006-2012):	**(1,619)**	**-10.0%**	**-1.5%**	**42,334**	**2.0%**	**0.3%**
(2009-2012):	**(1,152)**	**-7.4%**	**-1.9%**	**(3,388)**	**-0.2%**	**0.0%**
Change in Labor Force:						
(2006-2012):	**(1,991)**	**-13.7%**	**-2.1%**	**(17,204)**	**-0.9%**	**-0.1%**
(2009-2012):	**17**	**0.1%**	**0.0%**	**50,562**	**2.7%**	**0.7%**

Source: Bureau of Labor and Statistics

Monthly Labor Force and Employment Statistics (NSA)

	Chester County				South Carolina			
Date	Number Employed	Labor Force	Yr/Yr Employed	Yr/Yr Labor Force	Number Employed	Labor Force	Yr/Yr Employed	Yr/Yr Labor Force
Jan-10	12,102	15,365			1,855,594	2,123,087		
Feb-10	12,079	15,247			1,861,972	2,124,507		
Mar-10	12,194	15,183			1,883,675	2,130,429		
Apr-10	12,340	15,247			1,923,364	2,156,937		
May-10	12,435	15,156			1,933,813	2,166,765		
Jun-10	12,354	15,093			1,939,463	2,182,937		
Jul-10	12,338	15,030			1,938,341	2,180,864		
Aug-10	12,441	15,133			1,931,864	2,177,736		
Sep-10	12,395	14,979			1,918,399	2,149,196		
Oct-10	12,435	14,911			1,917,260	2,143,149		
Nov-10	12,365	14,945			1,905,474	2,138,149		
Dec-10	12,370	14,944			1,903,743	2,133,148		
Jan-11	12,343	15,093	2.0%	-1.8%	1,892,493	2,128,374	2.0%	0.2%
Feb-11	12,346	14,881	2.2%	-2.4%	1,899,851	2,131,529	2.0%	0.3%
Mar-11	12,444	14,915	2.1%	-1.8%	1,924,468	2,140,382	2.2%	0.5%
Apr-11	12,510	14,826	1.4%	-2.8%	1,946,288	2,157,622	1.2%	0.0%
May-11	12,542	14,896	0.9%	-1.7%	1,951,747	2,170,915	0.9%	0.2%
Jun-11	12,476	14,896	1.0%	-1.3%	1,954,479	2,191,324	0.8%	0.4%
Jul-11	12,403	14,782	0.5%	-1.7%	1,956,795	2,188,303	1.0%	0.3%
Aug-11	12,410	14,802	-0.2%	-2.2%	1,947,676	2,179,071	0.8%	0.1%
Sep-11	12,415	14,738	0.2%	-1.6%	1,936,432	2,158,359	0.9%	0.4%
Oct-11	12,447	14,688	0.1%	-1.5%	1,945,406	2,160,314	1.5%	0.8%
Nov-11	12,393	14,449	0.2%	-3.3%	1,941,084	2,144,669	1.9%	0.3%
Dec-11	12,370	14,518	0.0%	-2.9%	1,933,903	2,136,337	1.6%	0.1%
Jan-12	12,157	14,367	-1.5%	-4.8%	1,917,332	2,121,013	1.3%	-0.3%
Feb-12	12,443	14,556	0.8%	-2.2%	1,947,306	2,153,204	2.5%	1.0%
Mar-12	12,501	14,452	0.5%	-3.1%	1,954,458	2,140,077	1.6%	0.0%
Apr-12	12,486	14,360	-0.2%	-3.1%	1,955,578	2,138,035	0.5%	-0.9%
May-12	12,607	14,611	0.5%	-1.9%	1,966,155	2,167,814	0.7%	-0.1%
Jun-12	12,530	14,702	0.4%	-1.3%	1,966,462	2,183,156	0.6%	-0.4%
Jul-12	12,372	14,541	-0.2%	-1.6%	1,959,894	2,169,905	0.2%	-0.8%
Aug-12	12,360	14,426	-0.4%	-2.5%	1,941,203	2,142,412	-0.3%	-1.7%
Sep-12	12,617	14,478	1.6%	-1.8%	1,961,224	2,137,687	1.3%	-1.0%
Oct-12	12,666	14,529	1.8%	-1.1%	1,969,725	2,146,119	1.3%	-0.7%
Nov-12	12,642	14,449	2.0%	0.0%	1,956,943	2,133,407	0.8%	-0.5%
Dec-12	12,641	14,554	2.2%	0.2%	1,948,213	2,135,594	0.7%	0.0%

Source: Bureau of Labor and Statistics

Section 7: Demographic Trends and Characteristics

Demographic Overview

Between 1990 and 2000, population and household trends increased at a very modest rate within the PMA and county, while decreasing within the city. Between 2000 and 2010, population and households declined modestly in the city, PMA and county, likely the poor economy in recent years contributed to the contraction in households. Nielsen forecasts a continuation of these trends through 2018 within the city, county and PMA with very modest demographic changes over this time in population and households. While this is consistent with growth between 2000 and 2010, a modest improvement in the economy will likely reverse this mild contraction. Senior trends are forecasted to increase at a faster rate than the overall population, leading to a modest increase in senior renter households through 2018.

<u>Population Characteristics and Trends</u>

Population information for the PMA (Chester County) and the city of Chester is illustrated below. In addition, information for the state of South Carolina is provided to put demographic trends in greater context. After modest increase in the PMA between 1990 and 2000, population declined modestly in the PMA between 2000 and 2010. Population within the city declined from 1990 to 2000 and to 2010. Growth in all areas lagged the state as a whole. Population losses within the area can probably be attributed to poor economic performance between 2000 and 2010. Nielsen forecasts a continuation of these growth trends within all areas through 2018. While this is consistent with growth between 2000 and 2010, a modest improvement in the economy will likely reverse this mild contraction.

Population Trends and Forecast

	City of Chester	PMA	State of SC
1990 Population	**7,158**	**32,170**	**3,486,703**
2000 Population	**6,830**	**34,068**	**4,011,983**
Percent Change (1990 to 2000)	-4.6%	5.9%	15.1%
Total Change (1990 to 2000)	-328	1,898	525,280
Annual Change (1990 to 2000)	-33	190	52,528
Annualized Change (1990 to 2000)	-0.5%	0.6%	1.4%
2010 Population	**5,607**	**33,140**	**4,625,364**
Percent Change (2000 to 2010)	-17.9%	-2.7%	15.3%
Total Change (2000 to 2010)	-1,223	-928	613,381
Annual Change (2000 to 2010)	-122	-93	61,338
Annualized Change (2000 to 2010)	-2.0%	-0.3%	1.4%
2012 Population Estimate	**5,539**	**32,951**	**4,694,823**
Percent Change (2010 to 2012)	-1.2%	-0.6%	1.5%
Total Change (2010 to 2012)	-68	-189	69,459
Annual Change (2010 to 2012)	-34	-94	34,730
Annualized Change (2010 to 2012)	-0.6%	-0.3%	0.7%
2015 Population Forecast	**5,437**	**32,668**	**4,799,013**
Percent Change (2010 to 2015)	-3.0%	-1.4%	3.8%
Total Change (2010 to 2015)	-170	-472	173,649
Annual Change (2010 to 2015)	-34	-94	34,730
Annualized Change (2010 to 2015)	-0.6%	-0.3%	0.7%
2018 Population Forecast	**5,335**	**32,385**	**4,903,202**
Percent Change (2010 to 2018)	-4.9%	-2.3%	6.0%
Total Change (2010 to 2018)	-272	-755	277,838
Annual Change (2010 to 2018)	-34	-94	34,730
Annualized Change (2010 to 2018)	-0.6%	-0.3%	0.7%

Source: Census of Population and Housing, U.S. Census Bureau; Nielsen

All three submarkets share similar age distribution characteristics with the majority of the population concentrated in the 44 and under age cohorts. The aging of the Baby Boom generation has and will continue to shift the national age distribution toward the 45 and over population segments. This national trend is evident within both submarkets here as well with the majority of growth between 2000 and 2010 concentrated in the 45 and over age segments.

Population by Age Group

	City of Chester	PMA	State of SC
Age 24 and Under - 2000	**2,680**	**12,038**	**1,417,517**
Percent of total 2000 population	39.2%	35.3%	35.3%
Age Between 25 and 44 - 2000	**1,819**	**9,625**	**1,186,002**
Percent of total 2000 population	26.6%	28.3%	29.6%
Age Between 45 and 64 - 2000	**1,522**	**8,091**	**923,249**
Percent of total 2000 population	22.3%	23.7%	23.0%
Age 65 and Over - 2000	**809**	**4,314**	**485,215**
Percent of total 2000 population	11.8%	12.7%	12.1%
Age 24 and Under - 2010	**2,053**	**10,747**	**1,556,919**
Percent of total 2010 population	36.6%	32.4%	33.7%
Percent change (2000 to 2010)	-23.4%	-10.7%	9.8%
Age Between 25 and 44 - 2010	**1,331**	**7,962**	**1,193,348**
Percent of total 2010 population	23.7%	24.0%	25.8%
Percent change (2000 to 2010)	-26.8%	-17.3%	0.6%
Age Between 45 and 64 - 2010	**1,458**	**9,596**	**1,243,223**
Percent of total 2010 population	26.0%	29.0%	26.9%
Percent change (2000 to 2010)	-4.2%	18.6%	34.7%
Age 65 and Over - 2010	**765**	**4,835**	**631,874**
Percent of total 2010 population	13.6%	14.6%	13.7%
Percent change (2000 to 2010)	-5.4%	12.1%	30.2%
Age 24 and Under - 2018	**1,481**	**7,944**	**1,197,717**
Percent of total 2018 population	27.8%	24.5%	24.4%
Percent change (2010 to 2018)	-27.9%	-26.1%	-23.1%
Age Between 25 and 44 - 2018	**1,719**	**9,870**	**1,639,665**
Percent of total 2018 population	32.2%	30.5%	33.4%
Percent change (2010 to 2018)	29.1%	24.0%	37.4%
Age Between 45 and 64 - 2018	**1,288**	**8,883**	**1,259,925**
Percent of total 2018 population	24.1%	27.4%	25.7%
Percent change (2010 to 2018)	-11.6%	-7.4%	1.3%
Age 65 and Over - 2018	**847**	**5,687**	**805,895**
Percent of total 2018 population	15.9%	17.6%	16.4%
Percent change (2010 to 2018)	10.8%	17.6%	27.5%

Source: Census of Population and Housing, U.S. Census Bureau; Nielsen

Senior Population Trends

The proposal will target older persons (age 55 and older). Senior population trends are examined in greater detail below. The senior population expanded within both submarkets between 2000 and 2010 with the highest growth within the PMA. The PMA has a higher concentration of seniors relative to the city and state as a whole. Going forward, Nielsen forecasts continued growth in seniors within the PMA and the city, but lagging the state as a whole.

Senior Population Trends and Forecast 55+

	City of Chester	PMA	State of SC
2000 Senior Population 55+	**1,424**	**7,638**	**858,158**
Percent of Total Population	20.8%	22.4%	21.4%
2010 Senior Population 55+	**1,463**	**9,326**	**1,215,669**
Percent of Total Population	26.1%	28.1%	26.3%
Percent Change (2000 to 2010)	2.7%	22.1%	41.7%
Total Change (2000 to 2010)	39	1,688	357,511
Annual Change (2000 to 2010)	4	169	35,751
Annualized Change (2000 to 2010)	0.3%	2.0%	3.5%
2012 Senior Population 55+ Estimate	**1,474**	**9,549**	**1,270,874**
Percent of Total Population	26.6%	29.0%	27.1%
Percent Change (2010 to 2012)	0.8%	2.4%	4.5%
Total Change (2010 to 2012)	11	223	55,205
Annual Change (2010 to 2012)	6	111	27,602
Annualized Change (2010 to 2012)	0.4%	1.2%	2.2%
2015 Senior Population 55+ Forecast	**1,491**	**9,883**	**1,353,681**
Percent of Total Population	27.4%	30.3%	28.2%
Percent Change (2010 to 2015)	1.9%	6.0%	11.4%
Total Change (2010 to 2015)	28	557	138,012
Annual Change (2010 to 2015)	6	111	27,602
Annualized Change (2010 to 2015)	0.4%	1.2%	2.2%
2018 Senior Population 55+ Forecast	**1,509**	**10,217**	**1,436,488**
Percent of Total Population	28.3%	31.5%	29.3%
Percent Change (2010 to 2018)	3.1%	9.6%	18.2%
Total Change (2010 to 2018)	46	891	220,819
Annual Change (2010 to 2018)	6	111	27,602
Annualized Change (2010 to 2018)	0.4%	1.1%	2.1%

Source: Census of Population and Housing, U.S. Census Bureau; Nielsen

Senior Population Trends and Forecast 65+

	City of Chester	PMA	State of SC
2000 Senior Population 65+	**809**	**4,314**	**485,215**
Percent of Total Population	11.8%	12.7%	12.1%
2010 Senior Population 65+	**765**	**4,835**	**631,874**
Percent of Total Population	13.6%	14.6%	13.7%
Percent Change (2000 to 2010)	-5.4%	12.1%	30.2%
Total Change (2000 to 2010)	-44	521	146,659
Annual Change (2000 to 2010)	-4	52	14,666
Annualized Change (2000 to 2010)	-0.6%	1.1%	2.7%
2012 Senior Population 65+ Estimate	**786**	**5,048**	**675,379**
Percent of Total Population	14.2%	15.3%	14.4%
Percent Change (2010 to 2012)	2.7%	4.4%	6.9%
Total Change (2010 to 2012)	21	213	43,505
Annual Change (2010 to 2012)	10	107	21,753
Annualized Change (2010 to 2012)	1.3%	2.2%	3.4%
2015 Senior Population 65+ Forecast	**816**	**5,368**	**740,637**
Percent of Total Population	15.0%	16.4%	15.4%
Percent Change (2010 to 2015)	6.7%	11.0%	17.2%
Total Change (2010 to 2015)	51	533	108,763
Annual Change (2010 to 2015)	10	107	21,753
Annualized Change (2010 to 2015)	1.3%	2.1%	3.2%
2018 Senior Population 65+ Forecast	**847**	**5,687**	**805,895**
Percent of Total Population	15.9%	17.6%	16.4%
Percent Change (2010 to 2018)	10.8%	17.6%	27.5%
Total Change (2010 to 2018)	82	852	174,021
Annual Change (2010 to 2018)	10	107	21,753
Annualized Change (2010 to 2018)	1.3%	2.1%	3.1%

Source: Census of Population and Housing, U.S. Census Bureau; Nielsen

Household Characteristics and Trends

Household growth trends follow similar patterns to those observed in the overall population within all areas. Between 1990 and 2000, households showed a modest increase in the PMA followed by modest declines between 2000 and 2010. Nielsen forecasts households to remain virtually unchanged within the city and PMA through 2018.

Household Trends and Forecast

	City of Chester	PMA	State of SC
1990 Household	**2,597**	**11,448**	**1,258,044**
2000 Household	**2,592**	**12,880**	**1,533,839**
Percent Change (1990 to 2000)	-0.2%	12.5%	21.9%
Total Change (1990 to 2000)	-5	1,432	275,795
Annual Change (1990 to 2000)	-1	143	27,580
Annualized Change (1990 to 2000)	0.0%	1.2%	2.0%
2010 Household	**2,172**	**12,876**	**1,801,181**
Percent Change (2000 to 2010)	-16.2%	0.0%	17.4%
Total Change (2000 to 2010)	-420	-4	267,342
Annual Change (2000 to 2010)	-42	0	26,734
Annualized Change (2000 to 2010)	-1.8%	0.0%	1.6%
2012 Household Estimate	**2,154**	**12,829**	**1,831,163**
Percent Change (2010 to 2012)	-0.8%	-0.4%	1.7%
Total Change (2010 to 2012)	-18	-47	29,982
Annual Change (2010 to 2012)	-9	-23	14,991
Annualized Change (2010 to 2012)	-0.4%	-0.2%	0.8%
2015 Household Forecast	**2,127**	**12,759**	**1,876,136**
Percent Change (2010 to 2015)	-2.1%	-0.9%	4.2%
Total Change (2010 to 2015)	-45	-117	74,955
Annual Change (2010 to 2015)	-9	-23	14,991
Annualized Change (2010 to 2015)	-0.4%	-0.2%	0.8%
2018 Household Forecast	**2,100**	**12,689**	**1,921,109**
Percent Change (2010 to 2018)	-3.3%	-1.5%	6.7%
Total Change (2010 to 2018)	-72	-187	119,928
Annual Change (2010 to 2018)	-9	-23	14,991
Annualized Change (2010 to 2018)	-0.4%	-0.2%	0.8%

Source: Census of Population and Housing, U.S. Census Bureau; Nielsen

Average household size can reflect economic conditions (with household size increasing during periods of recession) or indicative of the construction of larger units within the area. Consistent with national trends, average household size decreased within all areas between 2000 and 2010, falling from 2.61 to 2.53 over this period within Chester and from 2.62 to 2.56 in the PMA. Average household size decreased within the state over this period from 2.53 to 2.49. Nielsen projections indicate a decline in average household size in the city and PMA through 2018.

Average Household Size and Group Quarters

	City of Chester	PMA	State of SC
2000 Average Household Size	**2.61**	**2.62**	**2.53**
2010 Average Household Size	**2.53**	**2.56**	**2.49**
Percent Change (2000 to 2010)	-2.9%	-2.4%	-1.5%
2012 Average Household Size Estimate	**2.53**	**2.55**	**2.49**
Percent Change (2010 to 2012)	-0.3%	-0.2%	-0.1%
2015 Average Household Size Forecast	**2.51**	**2.54**	**2.48**
Percent Change (2010 to 2015)	-0.8%	-0.5%	-0.3%
2018 Average Household Size Forecast	**2.50**	**2.54**	**2.48**
Percent Change (2010 to 2018)	-1.4%	-0.9%	-0.4%
2000 Group Quarters	**66**	**316**	**135,031**
2010 Group Quarters	**104**	**218**	**139,154**
Percent Change (2000 to 2010)	57.6%	-31.0%	3.1%
2012 Group Quarters Estimate	**100**	**218**	**139,198**
Percent Change (2010 to 2012)	-4.2%	0.1%	0.0%
2015 Group Quarters Forecast	**93**	**219**	**139,263**
Percent Change (2010 to 2015)	-10.5%	0.3%	0.1%
2018 Group Quarters Forecast	**87**	**219**	**139,328**
Percent Change (2010 to 2018)	-16.8%	0.4%	0.1%

Source: Census of Population and Housing, U.S. Census Bureau; Nielsen

Renter penetration rates increased within all submarkets between 2000 and 2010 consistent with the financial crisis of 2008 and lasting impacts on home ownership. The increase is consistent with an overall increase in the state as a whole. Renter penetration is the highest within the city at 44.7 percent, relative to the PMA at 25.7 percent. This is consistent with the higher density of the city relative to the county. Nielsen forecasts declining renter penetration rates through 2018, which coupled with nearly flat overall households lead to a very modest decline in renter households.

Renter Households

	City of Chester	PMA	State of SC
2000 Renter Households	**1,001**	**2,787**	**426,215**
Percent of Total HHs	38.6%	21.6%	27.8%
2010 Renter Households	**971**	**3,313**	**552,376**
Percent of Total HHs	44.7%	25.7%	30.7%
Percent Change (2000 to 2010)	-3.0%	18.9%	29.6%
Total Change (2000 to 2010)	-30	526	126,161
Annual Change (2000 to 2010)	-3	53	12,616
Annualized Change (2000 to 2010)	-0.3%	1.7%	2.6%
2012 Renter Households Estimate	**958**	**3,292**	**561,672**
Percent of Total HHs	44.5%	25.7%	30.7%
Percent Change (2010 to 2012)	-1.4%	-0.6%	1.7%
Total Change (2010 to 2012)	-13	-21	9,296
Annual Change (2010 to 2012)	-7	-11	4,648
Annualized Change (2010 to 2012)	-0.7%	-0.3%	0.8%
2015 Renter Households Forecast	**938**	**3,260**	**575,617**
Percent of Total HHs	44.1%	25.6%	30.7%
Percent Change (2010 to 2015)	-3.4%	-1.6%	4.2%
Total Change (2010 to 2015)	-33	-53	23,241
Annual Change (2010 to 2015)	-7	-11	4,648
Annualized Change (2010 to 2015)	-0.7%	-0.3%	0.8%
2018 Renter Households Forecast	**919**	**3,228**	**589,562**
Percent of Total HHs	43.7%	25.4%	30.7%
Percent Change (2010 to 2018)	-5.4%	-2.6%	6.7%
Total Change (2010 to 2018)	-53	-85	37,186
Annual Change (2010 to 2018)	-7	-11	4,648
Annualized Change (2010 to 2018)	-0.7%	-0.3%	0.8%

Source: Census of Population and Housing, U.S. Census Bureau; Nielsen

All three submarkets have similar renter persons per household distribution, with the highest concentration in one- to three-person households. The subject will offer one- and two-bedroom units targeting local seniors.

Households by Tenure by Number of Persons in Household

	City of Chester	PMA	State of SC
Total 2010 Owner Occupied HUs	**1,201**	**9,563**	**1,248,805**
1-person HH	338	2,307	289,689
2-person HH	418	3,477	477,169
3-person HH	193	1,679	210,222
4-person HH	128	1,216	164,774
5-person HH	70	563	69,110
6-person HH	34	188	24,016
7-person or more HH	20	133	13,825
Imputed Avg. Owner HH Size*	2.5	2.5	2.5
Total 2010 Renter Occupied HUs	**971**	**3,313**	**552,376**
1-person HH	330	1,023	188,205
2-person HH	209	737	146,250
3-person HH	183	638	93,876
4-person HH	125	509	67,129
5-person HH	68	237	33,904
6-person HH	29	101	13,817
7-person or more HH	27	68	9,195
Imputed Avg. Renter HH Size*	2.6	2.6	2.4
Percent 2010 Owner Occupied HUs	**1,201**	**9,563**	**1,248,805**
1-person HH	28.1%	24.1%	23.2%
2-person HH	34.8%	36.4%	38.2%
3-person HH	16.1%	17.6%	16.8%
4-person HH	10.7%	12.7%	13.2%
5-person HH	5.8%	5.9%	5.5%
6-person HH	2.8%	2.0%	1.9%
7-person or more HH	1.7%	1.4%	1.1%
Percent 2010 Renter Occupied HUs	**971**	**3,313**	**552,376**
1-person HH	34.0%	30.9%	34.1%
2-person HH	21.5%	22.2%	26.5%
3-person HH	18.8%	19.3%	17.0%
4-person HH	12.9%	15.4%	12.2%
5-person HH	7.0%	7.2%	6.1%
6-person HH	3.0%	3.0%	2.5%
7-person or more HH	2.8%	2.1%	1.7%

Source: Census of Population and Housing, U.S. Census Bureau; Nielsen
**-MAP estimated based on 7 persons per 7 or more HH size*

Tenure by Age by Household

	City of Chester	PMA	State of SC
Total 2010 Owner Occupied HUs	1,201	9,563	1,248,805
15 to 24 years	20	131	17,132
25 to 34 years	85	753	127,978
35 to 44 years	143	1,471	208,648
45 to 54 years	241	2,175	271,475
55 to 64 years	281	2,185	277,550
Total Non-senior (64 years and under)	**770**	**6,715**	**902,783**
65 years and over	**431**	**2,848**	**346,022**
Total 2010 Renter Occupied HUs	971	3,313	552,376
15 to 24 years	66	279	71,339
25 to 34 years	212	741	139,948
35 to 44 years	197	717	107,375
45 to 54 years	189	625	96,611
55 to 64 years	157	476	67,712
Total Non-senior (64 years and under)	**821**	**2,838**	**482,985**
65 years and over	**150**	**475**	**69,391**
Percent 2010 Owner Occupied HUs	1,201	9,563	1,248,805
15 to 24 years	1.7%	1.4%	1.4%
25 to 34 years	7.1%	7.9%	10.2%
35 to 44 years	11.9%	15.4%	16.7%
45 to 54 years	20.1%	22.7%	21.7%
55 to 64 years	23.4%	22.8%	22.2%
Total Non-senior (64 years and under)	**64.1%**	**70.2%**	**72.3%**
65 years and over	**35.9%**	**29.8%**	**27.7%**
Percent 2010 Renter Occupied HUs	971	3,313	552,376
15 to 24 years	6.8%	8.4%	12.9%
25 to 34 years	21.8%	22.4%	25.3%
35 to 44 years	20.3%	21.6%	19.4%
45 to 54 years	19.5%	18.9%	17.5%
55 to 64 years	16.2%	14.4%	12.3%
Total Non-senior (64 years and under)	**84.6%**	**85.7%**	**87.4%**
65 years and over	**15.4%**	**14.3%**	**12.6%**

Source: Census of Population and Housing, U.S. Census Bureau; Nielsen

Senior Household Trends

Senior household growth trends follow similar patterns to those observed in the overall senior population. In particular, senior households increased at the most rapid pace between 2000 and 2010 within the PMA and state. The concentration of seniors within the city increased approximately 10 percent and 30 percent in the PMA between 2000 and 2010 indicating the pace of senior household growth exceeded the market as a whole. Nielsen forecasts senior households to increase at a faster pace than the overall population, increasing the concentration of senior households within the area, through 2018. This results in modest growth through 2018 in senior households in the PMA.

Senior Household Trends and Forecast 55+

	City of Chester	PMA	State of SC
2000 Senior Households 55+	**931**	**4,617**	**508,050**
Percent of Total Households	35.9%	35.8%	33.1%
2010 Senior Households 55+	**1,019**	**5,984**	**760,675**
Percent of Total Households	46.9%	46.5%	42.2%
Percent Change (2000 to 2010)	9.5%	29.6%	49.7%
Total Change (2000 to 2010)	88	1,367	252,625
Annual Change (2000 to 2010)	9	137	25,263
Annualized Change (2000 to 2010)	0.9%	2.6%	4.1%
2012 Senior Households 55+ Estimate	**1,029**	**6,130**	**794,916**
Percent of Total Households	47.8%	47.8%	43.4%
Percent Change (2010 to 2012)	1.0%	2.4%	4.5%
Total Change (2010 to 2012)	10	146	34,241
Annual Change (2010 to 2012)	5	73	17,120
Annualized Change (2010 to 2012)	0.5%	1.2%	2.2%
2015 Senior Households 55+ Forecast	**1,045**	**6,348**	**846,276**
Percent of Total Households	49.1%	49.8%	45.1%
Percent Change (2010 to 2015)	2.5%	6.1%	11.3%
Total Change (2010 to 2015)	26	364	85,601
Annual Change (2010 to 2015)	5	73	17,120
Annualized Change (2010 to 2015)	0.5%	1.2%	2.2%
2018 Senior Households 55+ Forecast	**1,060**	**6,567**	**897,637**
Percent of Total Households	50.5%	51.8%	46.7%
Percent Change (2010 to 2018)	4.0%	9.7%	18.0%
Total Change (2010 to 2018)	41	583	136,962
Annual Change (2010 to 2018)	5	73	17,120
Annualized Change (2010 to 2018)	0.5%	1.2%	2.1%

Source: Census of Population and Housing, U.S. Census Bureau; Nielsen

Senior Household Trends and Forecast 65+

	City of Chester	PMA	State of SC
2000 Senior Households 65+	**534**	**2,601**	**285,376**
Percent of Total Households	20.6%	20.2%	18.6%
2010 Senior Households 65+	**581**	**3,323**	**415,413**
Percent of Total Households	26.7%	25.8%	23.1%
Percent Change (2000 to 2010)	8.8%	27.8%	45.6%
Total Change (2000 to 2010)	47	722	130,037
Annual Change (2000 to 2010)	5	72	13,004
Annualized Change (2000 to 2010)	0.8%	2.5%	3.8%
2012 Senior Households 65+ Estimate	**596**	**3,467**	**443,229**
Percent of Total Households	27.7%	27.0%	24.2%
Percent Change (2010 to 2012)	2.6%	4.3%	6.7%
Total Change (2010 to 2012)	15	144	27,816
Annual Change (2010 to 2012)	8	72	13,908
Annualized Change (2010 to 2012)	1.3%	2.1%	3.3%
2015 Senior Households 65+ Forecast	**619**	**3,683**	**484,954**
Percent of Total Households	29.1%	28.9%	25.8%
Percent Change (2010 to 2015)	6.5%	10.8%	16.7%
Total Change (2010 to 2015)	38	360	69,541
Annual Change (2010 to 2015)	8	72	13,908
Annualized Change (2010 to 2015)	1.3%	2.1%	3.1%
2018 Senior Households 65+ Forecast	**641**	**3,899**	**526,679**
Percent of Total Households	30.5%	30.7%	27.4%
Percent Change (2010 to 2018)	10.4%	17.3%	26.8%
Total Change (2010 to 2018)	60	576	111,266
Annual Change (2010 to 2018)	8	72	13,908
Annualized Change (2010 to 2018)	1.2%	2.0%	3.0%

Source: Census of Population and Housing, U.S. Census Bureau; Nielsen

Senior Renter Household Trends

Senior renter penetration follows a similar pattern to overall renter penetration with the higher rate within the city relative to the PMA. Senior renter household growth is forecasted to slightly exceed the overall senior market within the PMA, increasing the concentration of senior renter households through 2018. Because of relatively modest senior growth trends the number of senior renter households increases at a moderate rate over this period. Within the city contraction in senior renter households is very modest and the construction of the subject itself would likely reverse this trend.

Senior Renter Household Trends and Forecast 55+

	City of Chester	PMA	State of SC
2010 Senior RHH 55+	**307**	**951**	**137,103**
Percent of Senior Households 55+	30.1%	15.9%	18.0%
2012 Senior RHH 55+ Estimate	**309**	**977**	**144,240**
Percent of Senior Households 55+	30.0%	15.9%	18.1%
Percent Change (2010 to 2012)	0.6%	2.7%	5.2%
Total Change (2010 to 2012)	2	26	7,137
Annual Change (2010 to 2012)	1	13	3,568
Annualized Change (2010 to 2012)	0.3%	1.3%	2.6%
2015 Senior RHH 55+ Forecast	**311**	**1,016**	**154,944**
Percent of Senior Households 55+	29.8%	16.0%	18.3%
Percent Change (2010 to 2015)	1.4%	6.8%	13.0%
Total Change (2010 to 2015)	4	65	17,841
Annual Change (2010 to 2015)	1	13	3,568
Annualized Change (2010 to 2015)	0.3%	1.3%	2.5%
2018 Senior RHH 55+ Forecast	**314**	**1,054**	**165,649**
Percent of Senior Households 55+	29.6%	16.1%	18.5%
Percent Change (2010 to 2018)	2.3%	10.9%	20.8%
Total Change (2010 to 2018)	7	103	28,546
Annual Change (2010 to 2018)	1	13	3,568
Annualized Change (2010 to 2018)	0.3%	1.3%	2.4%

Source: Census of Population and Housing, U.S. Census Bureau; Nielsen

Senior Renter Household Trends and Forecast 65+

	City of Chester	PMA	State of SC
2010 Senior RHH 65+	**150**	**475**	**69,391**
Percent of Senior Households 65+	25.8%	14.3%	16.7%
2012 Senior RHH 65+ Estimate	**154**	**502**	**74,725**
Percent of Senior Households 65+	25.9%	14.5%	16.9%
Percent Change (2010 to 2012)	2.8%	5.8%	7.7%
Total Change (2010 to 2012)	4	27	5,334
Annual Change (2010 to 2012)	2	14	2,667
Annualized Change (2010 to 2012)	1.4%	2.8%	3.8%
2015 Senior RHH 65+ Forecast	**160**	**543**	**82,727**
Percent of Senior Households 65+	25.9%	14.8%	17.1%
Percent Change (2010 to 2015)	6.9%	14.4%	19.2%
Total Change (2010 to 2015)	10	68	13,336
Annual Change (2010 to 2015)	2	14	2,667
Annualized Change (2010 to 2015)	1.3%	2.7%	3.6%
2018 Senior RHH 65+ Forecast	**167**	**584**	**90,728**
Percent of Senior Households 65+	26.0%	15.0%	17.2%
Percent Change (2010 to 2018)	11.1%	23.0%	30.7%
Total Change (2010 to 2018)	17	109	21,337
Annual Change (2010 to 2018)	2	14	2,667
Annualized Change (2010 to 2018)	1.3%	2.6%	3.4%

Source: Census of Population and Housing, U.S. Census Bureau; Nielsen

Household Income

Median household income within all areas increased at a steady annual rate between 1989 and 1999, increasing at or in excess of the rate of inflation, indicating a real increase in purchasing power. Income levels within the county as a whole are higher relative to the city. Nielsen forecasts a decrease in the rate of growth for all areas through 2018, with income expected to decline 0.3 percent annual rate within the PMA over this period and incomes forecasted to decrease 0.6 percent annually within the city.

Median Household Income

	City of Chester	PMA	State of SC
1989 Median Household Income	**$19,693**	**$23,155**	**$26,431**
1999 Median Household Income	**$27,483**	**$32,773**	**$37,510**
Percent Change (1989 to 1999)	39.6%	41.5%	41.9%
Annualized Change (1989 to 1999)	3.4%	3.5%	3.6%
2012 Median Household Income Estimate	**$25,463**	**$31,580**	**$39,519**
Percent Change (1999 to 2012)	-7.3%	-3.6%	5.4%
Annualized Change (1999 to 2012)	-0.6%	-0.3%	0.4%
2015 Median Household Income Forecast	**$24,997**	**$31,305**	**$39,982**
Percent Change (1999 to 2015)	-9.0%	-4.5%	6.6%
Annualized Change (1999 to 2015)	-0.6%	-0.3%	0.4%
2018 Median Household Income Forecast	**$24,531**	**$31,030**	**$40,446**
Percent Change (1999 to 2018)	-10.7%	-5.3%	7.8%
Annualized Change (1999 to 2018)	-0.6%	-0.3%	0.4%

Source: Census of Population and Housing, U.S. Census Bureau; Nielsen

The subject will offer one and two-bedroom units targeted at local seniors. The table below presents household income by tenure for senior (ages 55 and over) households. Senior housing by income tenure is not available for the PMA. As a result, estimates below are based on extrapolations considering household income distribution by age, household growth, inflation rates and tenure. In particular, household income distribution based on 2000 (for seniors) and 2010 Census data is applied to forecasted households for 2014 and 2018. Additionally, these income distributions are inflated to current year dollars based on the Consumer Price Index. The income range for the proposed facility is approximately $11,220 to $25,140 (in current dollars), which equates to approximately 29 percent of senior households income qualified for the proposal.

Household Income Distribution by Tenure PMA

	Total Households	Owner Households	Renter Households
Less than $10,599	**1,566**	**753**	**813**
Percent of 2015 Households	12.3%	7.9%	24.9%
$10,599-$15,899	**1,353**	**879**	**474**
Percent of 2015 Households	10.6%	9.2%	14.6%
$15,899-$21,199	**994**	**591**	**403**
Percent of 2015 Households	7.8%	6.2%	12.4%
$21,199-$26,499	**1,090**	**803**	**287**
Percent of 2015 Households	8.5%	8.5%	8.8%
$26,499-$37,099	**1,832**	**1,297**	**535**
Percent of 2015 Households	14.4%	13.6%	16.4%
$37,099-$52,999	**1,741**	**1,297**	**444**
Percent of 2015 Households	13.6%	13.7%	13.6%
$52,999-$79,499	**2,061**	**1,789**	**272**
Percent of 2015 Households	16.2%	18.9%	8.3%
$79,500 or More	**2,122**	**2,090**	**32**
Percent of 2015 Households	16.6%	22.1%	1.0%

Source: Census of Population and Housing, U.S. Census Bureau; Bureau of Labor and Statistics

Senior Household (55+) Income Distribution by Tenure PMA

	Total Senior Households	Senior Owner Households	Senior Renter Households
Less than $10,599	**1,328**	**880**	**449**
Percent of 2015 Households	20.9%	16.4%	44.2%
$10,599-$15,899	**875**	**672**	**203**
Percent of 2015 SR Households	13.8%	12.6%	20.0%
$15,899-$21,199	**649**	**537**	**112**
Percent of 2015 SR Households	10.2%	10.1%	11.0%
$21,199-$26,499	**598**	**535**	**63**
Percent of 2015 SR Households	9.4%	10.0%	6.2%
$26,499-$37,099	**870**	**794**	**76**
Percent of 2015 SR Households	13.7%	14.9%	7.5%
$37,099-$52,999	**930**	**878**	**51**
Percent of 2015 SR Households	14.6%	16.5%	5.1%
$52,999-$79,499	**650**	**599**	**51**
Percent of 2015 SR Households	10.2%	11.3%	5.0%
$79,500 or More	**448**	**436**	**11**
Percent of 2015 SR Households	7.1%	8.2%	1.1%

Source: Census of Population and Housing, U.S. Census Bureau; Bureau of Labor and Statistics, MAP

Section 8: Demand Analysis

Demand for Rental Units

Utilizing methodology provided by SCSHFDA, demand estimates for the proposal are outlined in the following pages based on qualified income ranges for the proposal. Income ranges are based on an affordability ratio of 35 and 40 percent of income to gross rent for family and senior projects respectively, and maximum LIHTC rents and income limits for Chester County. Based on South Carolina requirements, demand estimates are measured from two key sources: new renter household growth and demand from existing households and elderly owner households converting to rentership for senior projects. For senior households, a 2.0 percent rate of conversion is used for senior owner households converting to rentals. Little data was available to further define the conversion rate, so a conservative estimate of 2.0 percent is utilized. The resulting calculations are illustrated in the following tables and discussed below.

Demand by bedroom is derived from the individual income ranges by bedroom by income targeting. Specifically, the income range is based on beginning gross rents by bedroom size and maximum income by income target. For three-bedroom and larger units the analysis is further refined taking into account only large size households.

Capture Rates

From the LIHTC demand calculations, capture rates provide an indication of the percentage of annual income-qualified demand necessary for the subject property. Lower capture rates indicate generally deeper markets, thus reducing risk and hastening potential absorption periods.

A capture rate of 29.5 percent for the total LIHTC units was determined based on the demand calculations outlined in the preceding pages (including renter household growth, substandard units and overburdened rental housing potential) within the threshold rate of 30 percent. Individual capture rates also fall at or near the threshold rate of 30 percent. The capture rates for the proposal should be considered to provide further evidence of potential demand for the subject.

Absorption Rate

No projects included in the survey were able to cite absorption information. MAP has utilized movership ratios from the American Housing Survey as well as estimated “capture” rates among these income eligible households to estimate absorption. Based on the limited number of new rental projects, the quality of unit offered and the competitive rents at the subject, the proposal can expect to capture a large percentage of eligible movers. Based on these estimates MAP projects an absorption period of 12 months.

Demand Estimates

Area Median Income Targeting		50%	60%	Total LIHTC
Minimum Income (based on lowest rent)		$11,220	$14,670	$11,220
Maximum Income (based on LIHTC County Limits)		$20,950	$25,140	$25,140
2000 Households		**5,984**	**5,984**	**5,984**
2000 Renter Households		951	951	951
2012 Households	55+	**6,130**	**6,130**	**6,130**
2012 Renter Households	55+	977	977	977
2015 Households	55+	**6,348**	**6,348**	**6,348**
2015 Renter Households	55+	1,016	1,016	1,016
DEMAND FROM NEW HOUSEHOLD GROWTH				
Renter Household Growth 2012 to 2015		39	39	39
Percent Income Qualified Renter Households		28.1%	20.3%	33.3%
Demand From New Households		11	8	13
DEMAND FROM EXISTING HOUSEHOLDS				
Percent of Renters in Substandard Housing		5.0%	5.0%	5.0%
Percent Income Qualified Renter Households		28.1%	20.3%	33.3%
Demand From Substandard Renter Households		14	10	16
Percent of Renters Rent-Overburdened		27.5%	27.5%	27.5%
Percent Income Qualified Renter Households		28.1%	20.3%	33.3%
Demand From Overburdened Renter Households		76	55	89
Percent of Income Qualified Senior Owner Households		20.7%	20.5%	28.6%
Owner to Renter Movership Rate		2.0%	2.0%	2.0%
Demand From Senior Owner Conversion to Renter		22	22	31
Demand From Existing Households		111	86	136
TOTAL DEMAND		122	94	149
LESS: Total Comparable Units Constructed Since 2010		0	0	0
LESS: Comparable Units Proposed/Under Construction		0	0	0
LESS: Vacancies in Existing Projects (<90%)		0	0	0
TOTAL NET DEMAND		122	94	149
PROPOSED NUMBER OF UNITS		11	33	44
CAPTURE RATE		**9.0%**	**35.1%**	**29.5%**

Source: Census of Population and Housing, U.S. Census Bureau; Claritas

Demand by Bedroom

BR	AMI	Total Demand	Adjusted Total Demand	Less Supply of:	Net Demand	Units Proposed	Capture Rate
1 BR	50%	122	122	0	122	6	4.9%
1 BR	60%	94	94	0	94	18	19.1%
1 BR	LIHTC	149	149	0	149	24	16.1%
2 BR	50%	31	31	0	31	5	16.1%
2 BR	60%	46	46	0	46	15	32.3%
2 BR	LIHTC	58	58	0	58	20	34.7%

Section 9: Supply Analysis and Characteristics

Local Rental Market Analysis

MAP completed a survey of existing rental projects within the market area in February 2013. There were an insufficient number of senior projects located within the PMA so the survey was expanded to include open projects. Additionally, the area was surveyed regarding current developments under construction; pipeline projects are detailed below. The overall occupancy rate for the surveyed projects was 97.2 percent with the only LIHTC project reporting 100 percent occupancy and the only senior project reported an occupancy rate of 100 percent—both rates are indicative of very strong demand for rental housing.

For those facilities providing information, the rental stock surveyed was weighted toward one- and two-bedroom units, which represent approximately 32 and 45 percent, respectively, of the surveyed rental stock. In terms of number of projects, the surveyed rental market is fairly evenly distributed between market rate and affordable housing projects. The average build year for the surveyed facilities was 1983.

Comparable Project Analysis

The proposal will be new construction operating under LIHTC guidelines and targeting local seniors. The most relevant projects for assessing demand for the proposal include senior units operating under income restriction guidelines in close proximity to the subject. Only one LIHTC project (a family project) was located in the market area, so the competitive set was expanded to include a Rural Development project as well as one market rate project (which are also used to gauge hypothetical market rents). One additional project was surveyed in March 2012 (Carriage Hills of Chester) and is deemed relevant but could not be reached for updated information. Information from last year is presented on the following pages. The only senior project was also included among the competitive set, although this project is subsidized and offers little insight into potential demand for the subject.

The overall occupancy rate for the most comparable projects is 98.2 percent, with LIHTC projects in the competitive set reporting 100 percent occupancy. Among competitive set projects only Magnolia Apartments did not report a wait-list for occupancy with 3 vacancies among 15 units. The proposal will offer newly constructed one- and two-bedroom units. The proposal offers comparable amenities, construction type and unit sizes to similar facilities. The lack of existing senior projects in the area would help serve a niche not currently being met in the market. The subject's rents are consistent with comparable projects; however, considering the quality of the subject should be considered a value in the market.

Despite declining demographics in the market area, the high occupancy among both total market and among competitive set projects as well as wait-lists among competitive set projects offers evidence of demand for the proposal. Competitive rents and strong demand for affordable housing in the area offer support for the success of the proposal.

Impact on Existing LIHTC Housing

The introduction of the proposal will have no long-term negative impact on existing surveyed LIHTC projects. Strong demand is evident among existing competitive set projects with reported occupancy at the only LIHTC project of 100 percent. Strong demand in the overall rental market and ongoing obsolescence among housing in the area will fuel demand for the subject.

Competitive Environment

The housing market throughout most of the nation has deteriorated considerably over the past several years. While this has created buying opportunities in many markets, credit restrictions, particularly for lower income buyers, have made purchasing a home outside the reach of potential buyers. Thus competition between rental and ownership options are limited, making rental housing the most viable option for low- to moderate-income families.

Pipeline Considerations

No comparable units in the planning stages were located within the area.

Rental Housing Survey-Competitive Set

Project Name	Program	Year Built (1)	Last Rehab (1)	Tenancy	Occ. Rate	Total Units	0BR	1BR	2BR	3BR	4BR	Heat Inc.	Ele. Inc.	Trash Inc.	Water Inc.	Sewer Inc.	Heat Type
Cottages Of Chester	BOI-HUD	2005		SR 62+	100%	19	0	19	0	0	0	No	No	Yes	Yes	Yes	ELE
The Mcaliley	LIHTC	U/K	1991	Open	100%	22	0	15	7	0	0	Yes	Yes	Yes	Yes	Yes	ELE
Magnolia Apartments	MARKET	U/K		Open	80%	15	0	0	15	0	0	No	No	Yes	No	No	ELE
New Chester Townhouses	RD	1977	2006	Open	100%	114	0	29	68		0	No	No	Yes	No	No	ELE
Totals and Averages:		**1991**	**1999**		**98.2%**	**170**	**0**	**63**	**90**	**0**	**0**	**25%**	**25%**	**100%**	**50%**	**50%**	
Subject Project:	**LIHTC**	**New**		**Senior**		**44**	**0**	**24**	**20**	**0**	**0**	**No**	**No**	**Yes**	**Yes**	**Yes**	**Ele**
LIHTC Averages:			**1991**		**100.0%**	**22**	**0**	**15**	**7**	**0**	**0**	**100%**	**100%**	**100%**	**100%**	**100%**	
Market Averages:					**80.0%**	**15**	**0**	**0**	**15**	**0**	**0**	**0%**	**0%**	**100%**	**0%**	**0%**	
Senior:		**2005**			**100.0%**	**19**	**0**	**19**	**0**	**0**	**0**	**0%**	**0%**	**100%**	**100%**	**100%**	

Project Name	Program	Low Rent 1BR	High Rent 1BR	Low SQFT 1BR	High SQFT 1BR	Rent per Square Foot		Low Rent 2BR	High Rent 2BR	Low SQFT 2BR	High SQFT 2BR	Rent per Square Foot	
Cottages Of Chester	BOI-HUD			520									
The Mcaliley	LIHTC	$405	$450					$480	$525				
Magnolia Apartments	MARKET							$400		930		$0.43	
New Chester Townhouses	RD	$370	$602	762		$0.49	$0.79	$440	$642				
Totals and Averages:		**$388**	**$526**	**641**		**$0.60**	**$0.82**	**$440**	**$584**	**930**		**$0.47**	**$0.63**
Subject Project:	**LIHTC**	**$290**	**$405**	**822**		**$0.35**	**$0.49**	**$480**	**$520**	**1,050**		**$0.46**	**$0.50**
LIHTC Averages:		$405	$450					$480	$525				
Market Averages:								$400		930		$0.43	
Senior:				520									

Project Name	Program	Low Rent 3BR	High Rent 3BR	Low SQFT 3BR	High SQFT 3BR	Rent per Square Foot	Low Rent 4BR	High Rent 4BR	Low SQFT 4BR	High SQFT 4BR	Rent per Square Foot
Cottages Of Chester	BOI-HUD										
The Mcaliley	LIHTC										
Magnolia Apartments	MARKET										
New Chester Townhouses	RD	$500	$701								
Totals and Averages:		**$500**	**$701**								
Subject Project:	**LIHTC**										
LIHTC Averages:											
Market Averages:											
Senior:											

Project Name	Disposal	Dishwasher	Microwave	Central Air	Wall Air	Mini-Blinds	Coin Op. Laundry	Hook Up Laundry	In-Unit W/D	Entry Security	Emergency Call	Library	Organized Activities
Cottages Of Chester	No	No	No	Yes	No	Yes	Yes	No	No	No	Yes	No	Yes
The Mcaliley	No	No	No	Yes	No	Yes	Yes	No	No	No	No	No	No
Magnolia Apartments	No	No	No	Yes	No	Yes	No	No	No	No	No	No	No
New Chester Townhouses	No	No	No	Yes	No	Yes	Yes	Yes	No	No	No	No	No
Totals and Averages:	**0%**	**0%**	**0%**	**100%**	**0%**	**100%**	**75%**	**25%**	**0%**	**0%**	**25%**	**0%**	**25%**
Subject Project:	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**Yes**	**Yes**	**No**	**No**	**Yes**	**No**	**Yes**
LIHTC Averages:	**0%**	**0%**	**0%**	**100%**	**0%**	**100%**	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
Market Averages:	**0%**	**0%**	**0%**	**100%**	**0%**	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
Senior:	**0%**	**0%**	**0%**	**100%**	**0%**	**100%**	**100%**	**0%**	**0%**	**0%**	**100%**	**0%**	**100%**

Rental Housing Survey-Total Survey

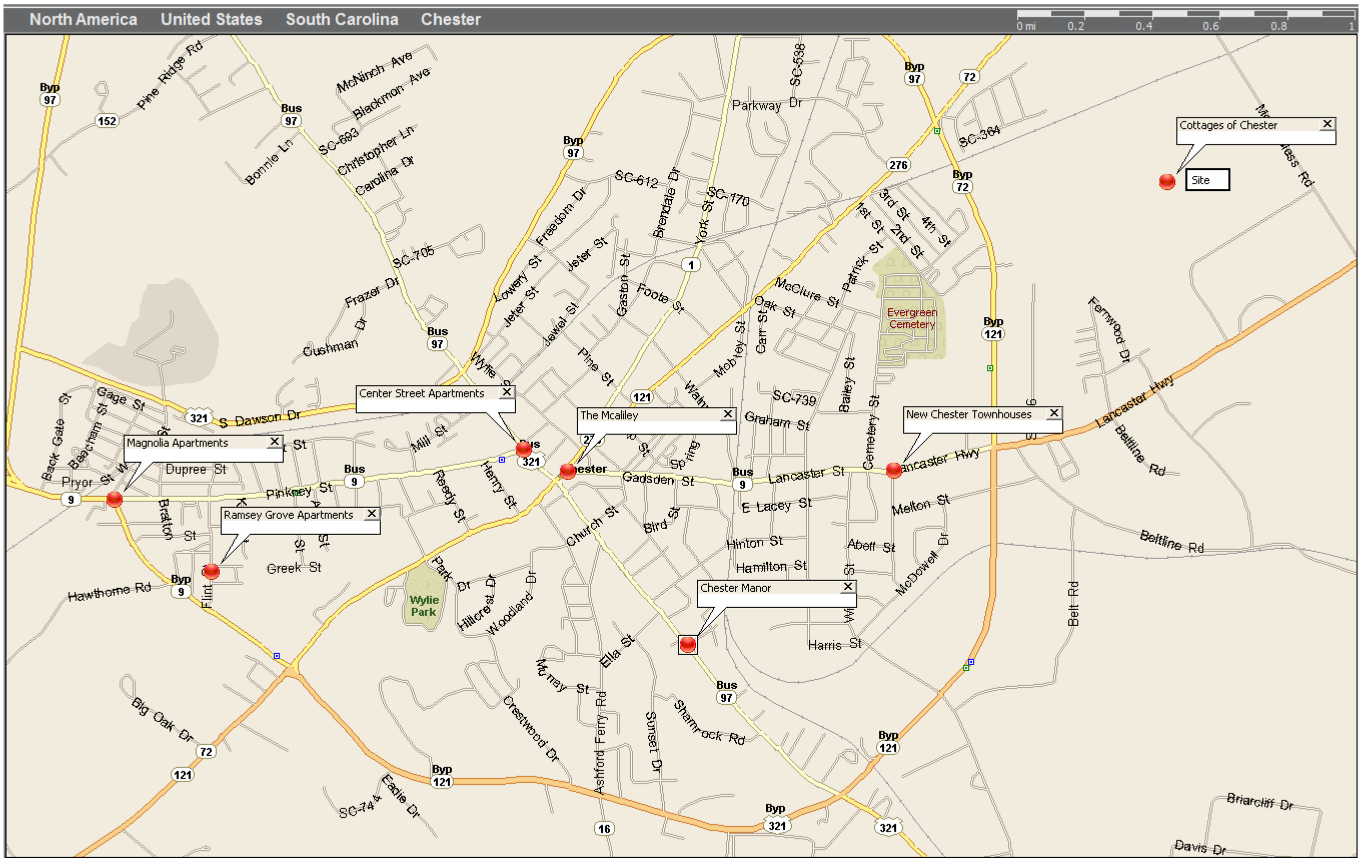
Project Name	Program	Year Built (1)	Last Rehab (1)	Tenancy	Occupancy Rate	Total Units	0BR	1BR	2BR	3BR	4BR	Heat Inc.	Ele. Inc.	Trash Inc.	Water Inc.	Sewer Inc.	Heat Type
Cottages Of Chester	BOI-HUD	2005		SR 62+	100%	19	0	19	0	0	0	No	No	Yes	Yes	Yes	ELE
The Mcaliley	LIHTC	U/K	1991	Open	100%	22	0	15	7	0	0	Yes	Yes	Yes	Yes	Yes	ELE
Magnolia Apartments	MARKET	U/K		Open	80%	15	0	0	15	0	0	No	No	Yes	No	No	ELE
Center Street Apartments	RD	1987		Open	100%	48	0	14	34	0	0	No	No	Yes	No	No	ELE
Ramsey Grove Apartments	BOI-HUD	1974		Open	91%	64	0	24	20	16	4	No	No	Yes	Yes	Yes	GAS
Chester Manor	BOI-HUD	1971		Open	100%	35	0	0	NA	NA	0	No	No	Yes	Yes	Yes	GAS
New Chester Townhouses	RD	1977	2006	Open	100%	114	0	29	68		0	No	No	Yes	No	No	ELE
Totals and Averages:		**1983**	**1999**		**97.2%**	**317**	**0**	**101**	**144**	**16**	**4**	**14%**	**14%**	**100%**	**57%**	**57%**	
Subject Project:	**LIHTC**	**New**		**Senior**		**44**	**0**	**24**	**20**	**0**	**0**	**No**	**No**	**Yes**	**Yes**	**Yes**	**Ele**
LIHTC Averages:			**1991**		**100.0%**	**22**	**0**	**15**	**7**	**0**	**0**	**100%**	**100%**	**100%**	**100%**	**100%**	
Market Averages:					**80.0%**	**15**	**0**	**0**	**15**	**0**	**0**	**0%**	**0%**	**100%**	**0%**	**0%**	
Senior:		**2005**			**100.0%**	**19**	**0**	**19**	**0**	**0**	**0**	**0%**	**0%**	**100%**	**100%**	**100%**	

Project Name	Program	Low Rent 1BR	High Rent 1BR	Low SQFT 1BR	High SQFT 1BR	Rent per Square Foot		Low Rent 2BR	High Rent 2BR	Low SQFT 2BR	High SQFT 2BR	Rent per Square Foot	
Cottages Of Chester	BOI-HUD			520									
The Mcaliley	LIHTC	$405	$450					$480	$525				
Magnolia Apartments	MARKET							$400		930		$0.43	
Center Street Apartments	RD	$430	$590	800		$0.54	$0.74	$450	$701	1,000		$0.45	$0.70
Ramsey Grove Apartments	BOI-HUD												
Chester Manor	BOI-HUD												
New Chester Townhouses	RD	$370	$602	762		$0.49	$0.79	$440	$642				
Totals and Averages:		**$402**	**$547**	**694**		**$0.58**	**$0.79**	**$443**	**$623**	**965**		**$0.46**	**$0.65**
Subject Project:	**LIHTC**	**$290**	**$405**	**822**		**$0.35**	**$0.49**	**$480**	**$520**	**1,050**		**$0.46**	**$0.50**
LIHTC Averages:		$405	$450					$480	$525				
Market Averages:								$400		930		$0.43	
Senior:				520									

Project Name	Program	Low Rent 3BR	High Rent 3BR	Low SQFT 3BR	High SQFT 3BR	Rent per Square Foot	Low Rent 4BR	High Rent 4BR	Low SQFT 4BR	High SQFT 4BR	Rent per Square Foot
Cottages Of Chester	BOI-HUD										
The Mcaliley	LIHTC										
Magnolia Apartments	MARKET										
Center Street Apartments	RD										
Ramsey Grove Apartments	BOI-HUD										
Chester Manor	BOI-HUD										
New Chester Townhouses	RD	$500	$701								
Totals and Averages:		**$500**	**$701**								
Subject Project:	**LIHTC**										
LIHTC Averages:											
Market Averages:											
Senior:											

Project Name	Disposal	Dishwasher	Microwave	Central Air	Wall Air	Mini-Blinds	Coin Op. Laundry	Hook Up Laundry	In-Unit W/D	Entry Security	Emergency Call	Library	Organized Activities
Cottages Of Chester	No	No	No	Yes	No	Yes	Yes	No	No	No	Yes	No	Yes
The Mcaliley	No	No	No	Yes	No	Yes	Yes	No	No	No	No	No	No
Magnolia Apartments	No	No	No	Yes	No	Yes	No	No	No	No	No	No	No
Center Street Apartments	No	No	No	Yes	No	Yes	Yes	Yes	No	No	No	No	No
Ramsey Grove Apartments	No	No	No	Yes	No	Yes	Yes	No	No	No	No	No	No
Chester Manor	No	No	No	No	No	Yes	No	No	No	No	No	No	No
New Chester Townhouses	No	No	No	Yes	No	Yes	Yes	Yes	No	No	No	No	No
Totals and Averages:	**0%**	**0%**	**0%**	**86%**	**0%**	**100%**	**71%**	**29%**	**0%**	**0%**	**14%**	**0%**	**14%**
Subject Project:	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**Yes**	**Yes**	**No**	**No**	**Yes**	**No**	**Yes**
LIHTC Averages:	**0%**	**0%**	**0%**	**100%**	**0%**	**100%**	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
Market Averages:	**0%**	**0%**	**0%**	**100%**	**0%**	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
Senior:	**0%**	**0%**	**0%**	**100%**	**0%**	**100%**	**100%**	**0%**	**0%**	**0%**	**100%**	**0%**	**100%**

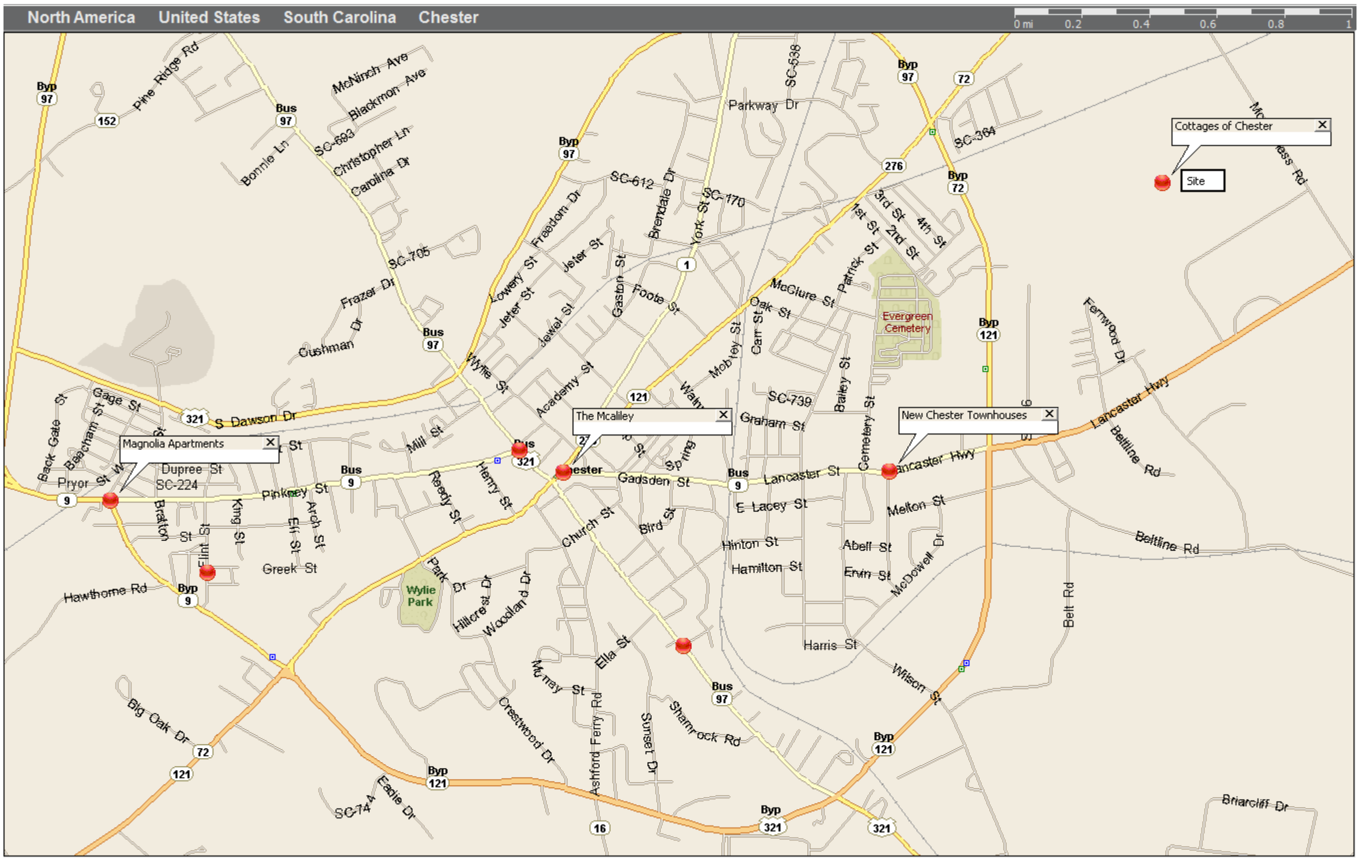
Map: Total Survey



Comp ID	Project Name	Program	Address	City	State	Phone	S-2 Summary ID
1	Cottages Of Chester	BOI-HUD	662 Village Dr	Chester	SC	(803) 385-5807	All-Ass/Sub
2	The Mcaliley	LIHTC	120 Main St	Chester	SC	(803) 385-5559	All-LIHTC
3	Magnolia Apartments	MARKET	102 Pinckney St	Chester	SC	(803) 581-0209	All-MR
4	Center Street Apartments	RD	301 Center St	Chester	SC	(803) 581-1336	All-Ass/Sub
5	Ramsey Grove Apartments	BOI-HUD	553 Flint St	Chester	SC	(803) 377-7118	All-Ass/Sub
6	Chester Manor	BOI-HUD	100 Torbit St	Chester	SC	(803) 581-4840	All-Ass/Sub
7	New Chester Townhouses	RD	628 Lancaster Hwy	Chester	SC	(803) 377-7970	All-Ass/Sub

Comparable Project Information

Map: Comparable Projects



Comp ID	Project Name	Program	Address	City	State	Phone	S-2 Summary ID
1	Cottages Of Chester	BOI-HUD	662 Village Dr	Chester	SC	(803) 385-5807	Stabilized Comp
2	The Mcaliley	LIHTC	120 Main St	Chester	SC	(803) 385-5559	Stabilized Comp
3	Magnolia Apartments	MARKET	102 Pinckney St	Chester	SC	(803) 581-0209	Stabilized Comp
7	New Chester Townhouses	RD	628 Lancaster Hwy	Chester	SC	(803) 377-7970	Stabilized Comp

Comparable Project Summary Sheets

Project Name: Cottages Of Chester

Address: 662 Village Dr
City: Chester
State: SC
Zip: 29706
Phone: (803) 385-5807
Contact Name: Robert
Contact Date: 02/26/13
Current Occupancy: 100%
Historical Occ.: 100%
as of Date: 03/14/12

Program: BOI-HUD
Primary Tenancy: SR 62+
Year Built: 2005
PBRA: 19

Included Utilities:
Heat: No
Electric: No
Trash: Yes
Sewer: Yes
Water: Yes
Heat Type: ELE

Unit	Type	Target	# of Units	Rental Rate Low	Rental Rate High	Sq. Feet Low	Sq. Feet High	# Vacant	Occ. Rate	Wait List	# Wait List
Total			**19**					**0**	**100%**	**Yes**	
1BR Summary			***19***					***0***	***100%***	***Yes***	
1BR 1Bth	Apt	BOI	19			520		0	100%	Yes	U/K Months

Unit Amenities

Yes	**A/C - Central**		Microwave	**Yes**	**Patio/Balcony**
	A/C - Wall Unit		Ceiling Fan		Basement
	A/C - Sleeve Only		Walk-In Closet		Fireplace
	Garbage Disposal	**Yes**	**Mini-blinds**		Internet
	Dishwasher		Draperies	**Yes**	**Individual Entry**

Development Amenities

	Clubhouse *(separate building)*		Swimming Pool		Sports Courts
Yes	**Community Room**		Playground/Tot Lot	**Yes**	**On-Site Mngt.**
	Computer Center		Gazebo		Security-Access Gate
	Exercise/Fitness Room		Elevator		Security-Intercom or Camera
Yes	**Community Kitchen*(ette)***		Storage Units		

Laundry Type			Parking Type
Yes	**Coin-Op. Laundry**	**Yes**	**Surface Lot Only *(not covered)***
	In-Unit Hook-up		Carport
	In-Unit Washer/Dryer		Garage *(att.)*
	None		Garage *(det.)*

Senior Amenities

Yes	**Independent**	**Yes**	**Emergency Call**		Meals
	Assisted Living	**Yes**	**Organized Act.**		Housekeeping
	Nursing		Library		Healthcare Services
			24 Hour On site Mngt		Transportation

Project Name: The Mcaliley

Address:	120 Main St
City:	Chester
State:	SC
Zip:	29706
Phone:	(803) 385-5559
Contact Name:	Cindy
Contact Date:	02/28/13
Current Occupancy:	**100%**
Historical Occ.:	100%
as of Date:	03/08/12
Program:	**LIHTC**
Primary Tenancy:	**Open**
Year Built:	**U/K**
Date of Last Rehab:	1991
PBRA:	0
Accept Vouchers:	Yes
# of Vouchers:	5

Included Utilities:

Heat:	Yes
Electric:	Yes
Trash:	Yes
Sewer:	Yes
Water:	Yes
Heat Type:	ELE

Unit	Type	Target	# of Units	Rental Rate Low	Rental Rate High	Sq. Feet Low	Sq. Feet High	# Vacant	Occ. Rate	Wait List	# Wait List
Total			**22**					**0**	**100%**	**Yes**	
1BR Summary			***15***					***0***	***100%***	***Yes***	
1BR 1Bth	Apt	60	NA	$450		VARIES		0	100%	Yes	
1BR 1Bth	Apt	50	NA	$405		VARIES		0	100%	Yes	
2BR Summary			***7***					***0***	***100%***	***Yes***	
2BR 1Bth	Apt	60	NA	$525		VARIES		0	100%	Yes	
2BR 1Bth	Apt	50	NA	$480		VARIES		0	100%	Yes	

Unit Amenities

Yes	**A/C - Central**		Microwave		Patio/Balcony
	A/C - Wall Unit	**Yes**	**Ceiling Fan**		Basement
	A/C - Sleeve Only		Walk-In Closet		Fireplace
	Garbage Disposal	**Yes**	**Mini-blinds**		Internet
	Dishwasher		Draperies	**Yes**	**Individual Entry**

Development Amenities

	Clubhouse *(separate building)*		Swimming Pool		Sports Courts
	Community Room		Playground/Tot Lot	**Yes**	**On-Site Management**
	Computer Center		Gazebo		Security-Access Gate
	Exercise/Fitness Room		Elevator		Security-Intercom or Camera
	Community Kitchen*(ette)*		Storage Units		

Laundry Type		**Parking Type**	
Yes	**Coin-Op. Laundry**	**Yes**	**Surface Lot Only (*not covered*)**
	In-Unit Hook-up		Carport
	In-Unit Washer/Dryer		Garage *(att.)*
	None		Garage *(det.)*

Project Name: Magnolia Apartments

Address:	102 Pinckney St
City:	Chester
State:	SC
Zip:	29706
Phone:	(803) 581-0209
Contact Name:	Lizzy
Contact Date:	02/26/13
Current Occupancy:	**80%**
Historical Occ.:	100%
as of Date:	03/08/12
Program:	**MARKET**
Primary Tenancy:	**Open**
Year Built:	**U/K**
Accept Vouchers:	Yes
# of Vouchers:	0

Included Utilities:

Heat:	No
Electric:	No
Trash:	Yes
Sewer:	No
Water:	No
Heat Type:	ELE

Unit	Type	Target	# of Units	Rental Rate Low	Rental Rate High	Sq. Feet Low	Sq. Feet High	# Vacant	Occ. Rate	Wait List	# Wait List
Total			**15**					**3**	**80%**	**No**	
2BR Summary			***15***					***3***	***80%***	***No***	
2BR 1Bth	Apt	Mrkt	15	$400		930		3	80%	No	

Unit Amenities

Yes	**A/C - Central**		Microwave		Patio/Balcony
	A/C - Wall Unit		Ceiling Fan		Basement
	A/C - Sleeve Only		Walk-In Closet		Fireplace
	Garbage Disposal	**Yes**	**Mini-blinds**		Internet
	Dishwasher		Draperies		Individual Entry

Development Amenities

	Clubhouse *(separate building)*		Swimming Pool		Sports Courts
	Community Room		Playground/Tot Lot	**Yes**	**On-Site Management**
	Computer Center		Gazebo		Security-Access Gate
	Exercise/Fitness Room		Elevator		Security-Intercom or Camera
	Community Kitchen*(ette)*		Storage Units	**Yes**	**Other**

Laundry Type			Parking Type
	Coin-Op. Laundry	**Yes**	**Surface Lot Only** ***(not covered)***
	In-Unit Hook-up		Carport
	In-Unit Washer/Dryer		Garage *(att.)*
	None		Garage *(det.)*

Project Name:	**New Chester Townhouses**
Address:	628 Lancaster Hwy
City:	Chester
State:	SC
Zip:	Enter
Phone:	(803) 377-7970
Contact Name:	Catherine
Contact Date:	02/28/13
Current Occupancy:	**100%**
Historical Occ.:	98%
as of Date:	02/24/12
Program:	**RD**
Primary Tenancy:	**Open**
Year Built:	**1977**
Date of Last Rehab:	2006
Accept Vouchers:	Yes
# of Vouchers:	NA
Included Utilities:	
Heat:	No
Electric:	No
Trash:	Yes
Sewer:	No
Water:	No
Heat Type:	ELE

Unit	Type	Target	# of Units	Rental Rate Low	Rental Rate High	Sq. Feet Low	Sq. Feet High	# Vacant	Occ. Rate	Wait List	# Wait List
Total			**114**					**0**	**100%**	**Yes**	
1BR Summary			***29***					***0***	***100%***	***Yes***	
1BR 1Bth	Apt	RD	29	$370	$602	762		0	100%	Yes	1 HHs
2BR Summary			***68***					***0***	***100%***	***Yes***	
2BR 1Bth	TH	RD	68	$440	$642			0	100%	Yes	3 HHs
3BR Summary								***0***	***100%***	***Yes***	
3BR 1Bth	TH	RD	17	$500	$701			0	100%	Yes	2 HHs

Unit Amenities

Yes	**A/C - Central**		Microwave		Patio/Balcony
	A/C - Wall Unit	**Yes**	**Ceiling Fan**		Basement
	A/C - Sleeve Only		Walk-In Closet		Fireplace
	Garbage Disposal	**Yes**	**Mini-blinds**		Internet
	Dishwasher		Draperies	**Yes**	**Individual Entry**

Development Amenities

	Clubhouse *(separate building)*		Swimming Pool		Sports Courts
	Community Room	**Yes**	**Playground/Tot Lot**	**Yes**	**On-Site Management**
	Computer Center		Gazebo		Security-Access Gate
	Exercise/Fitness Room		Elevator		Security-Intercom or Camera
	Community Kitchen*(ette)*	**Yes**	**Storage Units**		

Laundry Type			**Parking Type**
Yes	**Coin-Op. Laundry**	**Yes**	**Surface Lot Only** (*not covered*)
Yes	**In-Unit Hook-up**		Carport
	In-Unit Washer/Dryer		Garage *(att.)*
	None		Garage *(det.)*

Market and Achievable Rent

Market and achievable rents for the subject are illustrated below. These rents were estimated based on competitive positioning of the project in the area. An analysis utilizing both LIHTC and market rents is presented on the following page to help illustrate the competitive positioning of the subject and its positioning as a hypothetical market rate project and in comparison to similar LIHTC projects. Rents are adjusted based on appeal (including location, amenities and unit design), included utilities, unit size and where applicable by maximum allowable gross and a minimum 10 percent market advantage. Site location, condition and appeal scores are relative to the subject (i.e., the subject is always rated as 5). Based on these analyses, the subject's rents as proposed would be discounted more than 10 percent from market rents and are consistent with estimated achievable LIHTC rents.

Estimated achievable LIHTC and hypothetical market rent represent an assessment of what a comparable unit is receiving within the market. It is not an endorsement of rent at that level as the project was analyzed considering contract rent. Changes in contract rent will impact absorption, demand statistics and competitive positioning of the proposal and would necessitate additional analysis.

	AMI Target	Contract Rent	Est. Achievable LIHTC Rent	Est. Market Rent	Market Advantage	MAP Rent	MAP Market Advantage
Summary 1 BR							
1 BR-Apt	50%	$290	$407	$510	43%	$300	41%
1 BR-Apt	60%	$405	$474	$510	21%	$400	22%
Summary 2 BR							
2 BR-Apt	50%	$480	$481	$590	19%	$469	21%
2 BR-Apt	60%	$520	$554	$590	12%	$500	15%

Rent Derivation

Rent Derivation	Subject	Average Estimates	The Mcaliley		Magnolia Apartments	
			Data	Adjustments	Data	Adjustments
Program Type	LIHTC		LIHTC		MARKET	
Tenancy	Senior		Open		Open	
Year Built or Last Rehab	New		1991		0	
Qualitative Adjustments	**Rankings**		**Rankings**		**Rankings**	
Appeal	5		5		4	$10
Location	5		5		5	
Condition	5		4	$10	3	$20
Amenities and Features	**Included**		**Included**		**Included**	
A/C - Central	Yes		Yes		Yes	
Dishwasher	Yes		No	$5	No	$5
Ceiling Fan	Yes		Yes		No	$2
Patio/Balcony	Yes		No	$5	No	$5
Community Room	Yes		No	$3	No	$3
Computer Center	Yes		No	$2	No	$2
Exercise/Fitness Room	Yes		No	$8	No	$8
Exterior Storage Units	Yes		No	$5	No	$5
On-Site Management	Yes		Yes		Yes	
Coin-Operated Laundry	Yes		Yes		No	$5
In-Unit Hook-up Only	Yes		No	$8	No	$8
Emergency Call (or similar)	Yes		No	$10	No	$10
Organized Activities	Yes		No	$3	No	$3
Sum of Amenity Adjustments:				$49		$56
Avg. Square Feet						
One-Bedroom	822					
Two-Bedroom	1,050				930	$10
Number of Bathrooms						
One-Bedroom	1.0		1.0			
Two-Bedroom	2.0		1.0	$10	1.0	$10
Included Utilities						
Heat:	No		Yes		No	
Electric:	No		Yes		No	
Trash:	Yes		Yes		Yes	
Sewer:	Yes		Yes		No	
Water:	Yes		Yes		No	
Heat Type:	Ele		ELE		ELE	
Net Utility Adjustments						
One-Bedroom				-$35		
Two-Bedroom				-$40		$40
Total Adjustments						
One-Bedroom				$24		$116
Two-Bedroom				$29		$146
Rent Summary			**Unadjusted Rent**	**Adjusted Rent**	**Unadjusted Rent**	**Adjusted Rent**
Market Rent						
One-Bedroom		$510				
Two-Bedroom		$590			$400	$546
60% AMI Rent						
One-Bedroom		$474	$450	$474		
Two-Bedroom		$554	$525	$554		
50% AMI Rent						
One-Bedroom		$429	$405	$429		
Two-Bedroom		$509	$480	$509		

Section 10: Interviews

Contact:	Ann McKeown
Title:	Section 8 Director
Agency:	Chester Housing Authority
Phone Number:	803-581-6981
Area Covered:	City of Chester and Chester County
Number of Vouchers Issued:	250
Number of Vouchers in Use:	247
Waiting List:	Closed
Number of Persons on Waiting List:	Over 250

Opinion regarding the demand for affordable rental housing in area?
There is a need for affordable housing with so many people on the waiting list.

Contact:	Mack Paul
Title:	Building & Zoning Director
Phone Number:	803-581-0942 ext. 7
Location:	Chester County

Any multi family rental development under construction or in the pipeline?
None.

Opinion regarding the demand for affordable rental housing in area?
No comment.

Section 11: Recommendations and Conclusions

Based on the analysis within this report, the proposal will be successful as is; no changes are deemed necessary. The proposal will offer units targeting senior households at 50 and 60 percent AMI. The site is located near existing multi-family residential, demonstrating the site's viability for residential housing. Amenities and employment opportunities are located in close proximity. Local economic conditions deteriorated along with the turmoil in the national economy in 2008 but are showing signs of recovery in terms of year over year employed and positive net jobs in the past four quarters. Additionally, the subject is slated to enter the market after 2013 at which point it is expected that the economy will have entered a more normal growth phase. Households have contracted very modestly in the past decade in the PMA, likely fueled by declining economic prospects in the county. Stabilization in the local economy is evident, which should stabilize or reverse recent contractions in households. Senior renter households in the PMA are forecasted to expand given increasing renter penetration as well as aging of the population. Additionally, derived demand statistics based on demographic data suggest sufficient demand to absorb the proposal. Demand statistics also suggest no similarly positioned senior units could enter the market before increasing capture rates above threshold levels. Furthermore, supply side data indicates rents for the subject will be competitively positioned in the area and the subject will be well positioned in the market and competitive with comparable projects. Moreover, given the limited number of senior rental housing options the subject helps serve a niche not currently being addressed in the market. As a result, the development of the proposal to more adequately serve the PMA's population is appropriate.

Section 12: Qualifications of the Market Analyst

CHRIS VANCE

EDUCATION:

Michigan State University

Master of Arts, Economics
- Concentration in Industrial Organization
- Doctorate level curriculum

Oakland University

Bachelor of Science, Economics
- Concentrations in Finance and Computer Science
- Graduated with Honors

EMPLOYMENT HISTORY:

MARKET ANALYST PROFESSIONALS, LLC, a real estate market research company

***Founder (*12/03 to Present)**
- Founder
- Custom report development.

COMMUNITY RESEARCH GROUP, LLC, a real estate market research company.

***Market Analyst/Consultant (*2/00 to12/03)**
- Prepared real estate market feasibility studies considering site characteristics, economic and demographic trends, market forecasts and project guidelines.
- Developed analytical tools and improved methodologies.
- Provided project recommendations based on analysis of market area.
- Gathered information utilizing secondary market research and through personal interviews.

J.D. POWER AND ASSOCIATES, an automotive marketing information firm.

***Analyst-**Economic Analysis in Forecasting Group* **(6/98 to 9/99)**

***Senior Analyst-**Economic Analysis in Forecasting Group* **(9/99 to 2/00)**

- Wrote detailed analysis of economic, political and automotive market conditions of global economies for monthly, quarterly and annual reports.
- Developed forecasting models and analytical tools to enhance forecasting capabilities using computer, data collection and analysis skills.
- Analyzed the impact of automotive market dynamics on automotive sales and competition, including pricing and profitability analysis.
- Forecasted economic growth and automotive sales for North and South America and Asia.
- Traveled to Asia and Europe as needed to participate in the company's strategic growth and product positioning decisions.

Section 13: Signed Statement Requirements

I affirm that I have made a physical inspection of the market and surrounding area and the information obtained in the field has been used to determine the need and demand for LIHTC units. I understand that any misrepresentation of this statement may result in the denial of further participation in the South Carolina State Housing Finance and Development Authority's (SCSHFDA) 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.

Chris Vance
Market Analyst Professionals, LLC

Date: March 4, 2013

2013 Approved Market Study Provider

Acknowledgment, Release and Waiver of Liability

In consideration for being an approved market study provider, I acknowledge and agree to the following:

1. I, Chris Vance, am a duly authorized representative of Market Analyst Professionals. As an approved Market Study Provider for the Low Income Housing Tax Credit Program as administered by the South Carolina State Housing Finance and Development Authority (the "Authority"), my organization may prepare market studies on behalf of developers to be submitted as part of their application for Low Income Housing Tax Credits.

2. I understand and agree that any market study and applicable attachments submitted to the Authority are subject to a request for disclosure and I expressly consent to such disclosure on behalf of my organization.

3. I understand and agree that the Authority may upload any market study and applicable attachments to its website and I expressly consent to such disclosure on behalf of my organization.

4. On behalf of my organization, I agree to release, waive, discharge and covenant not to sue the Authority and its officers, agents, or employees from any and all liability, claims, demands and causes of action whatsoever arising out of or related to the Authority's use or disclosure of any market study and applicable attachments.

Signature: ______________________________

Date: March 4, 2013______________________

Bibliography

1990/2000/2010 U.S. Census of Population and Housing, U.S. Census Bureau

2018 Demographic Forecasts, Nielsen

American Housing Survey, U.S. Census Bureau and U.S. Department of Housing and Urban Development

Economic information – Bureau of Labor and Statistics

Local roadway maps—Microsoft Streets and Trips 2010

Interviews with local officials, managers and leasing specialists of local rental developments