

Market Analysis
for
Carolina Oaks

Tax Credit (Sec. 42) Apartments
in
Myrtle Beach, South Carolina
Horry County

Prepared For:

South Carolina State Housing Finance and Development Authority
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and
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1 FOREWORD

1.1 QUALIFICATIONS STATEMENT

John Wall and Associates has done over 2,500 market analyses, the majority of these being for apartment projects (conventional and government). However, the firm has done many other types of real estate market analyses, shopping center master plans, industrial park master plans, housing and demographic studies, land planning projects, site analysis, location analysis and GIS projects. Clients include private developers, government officials, syndicators, and lending institutions.

Prior to founding John Wall and Associates, Mr. Wall was the Planning Director for a city of 30,000 where he supervised the work of the Planning Department, including coordinating the activities of and making presentations to both the Planning and Zoning Commission and the Zoning Board of Adjustment and Appeals. His duties included site plan approval, subdivision review, annexation, downtown revitalization, land use mapping program, and negotiation of realistic, workable solutions with various groups.

While in the public and private sectors, Mr. Wall served on the Appalachian Regional Council of Governments Planning and Economic Development Committee for more than seven years.

Mr. Wall has also taught site analysis and site planning part-time at the graduate level for several semesters as a visiting professor at Clemson University College of Architecture, Planning Department.

Mr. Wall holds a Master's degree in City and Regional Planning and a BS degree in Pre-Architecture. In addition, he has studied at the Clemson College of Architecture Center for Building Research and Urban Studies at Genoa, Italy, and at Harvard University in the Management of Planning and Design Firms, Real Estate Finance, and Real Estate Development.

1.2 RELEASE OF INFORMATION

This report shall not be released by John Wall and Associates to persons other than the client and his/her designates for a period of at least sixty (60) days. Other arrangements can be made upon the client's request.

1.3 TRUTH AND ACCURACY

It is hereby attested to that the information contained in this report is true and accurate. The report can be relied upon as a true assessment of the low income housing rental market. However, no assumption of liability is being made or implied.

1.4 IDENTITY OF INTEREST

The market analyst will receive no fees contingent upon approval of the project by any agency or lending institution, before or after the fact, and the market analyst will have no interest in the housing project.

1.5 CERTIFICATIONS

1.5.1 CERTIFICATION OF PHYSICAL INSPECTION

I affirm that I, or an individual employed by my company, have made a physical inspection of the market area and that information has been used in the full assessment of the need and demand for new rental units.

1.5.2 REQUIRED STATEMENT

The statement below is required precisely as worded by some clients. It is, in part, repetitive of some of the other statements in this section, which are required by other clients *exactly as they* are worded.

I affirm that I, or an individual employed by my company, have made a physical inspection of the market area, and the information derived from that inspection has been used in the full study of the need and demand for new rental units.

To the best of my knowledge: the market can support the project to the extent shown in the study; the study was written according to The Client's *Market Study Guide*; the information is accurate; and the report can be relied upon by The Client to present a true assessment of the low-income rental housing market.

I understand that any misrepresentation of this statement may result in the denial of further participation in The Client's rental housing programs. I affirm that I have no interest in the project. I have no relationship with the ownership entity that has not been disclosed to The Client in accordance with the certifications in the *Proposal for Market Studies*. My compensation is not contingent on this project being funded.

1.5.3 NCHMA MEMBER CERTIFICATION

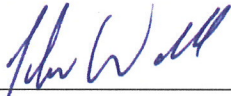
This market study has been prepared by John Wall and Associates, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the *Standard Definitions of Key Terms Used in Market Studies for Affordable Housing Projects*, and *Model Content Standards for the Content of Market Studies for Affordable Housing Projects*. These standards are designed to enhance the quality of market studies and to make them easier to prepare, understand, and use by market analysts and by the end users.

These Standards are voluntary only, and no legal responsibility regarding their use is assumed by the National Council of Housing Market Analysts.

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

(Note: Information on the National Council of Housing Market Analysts including *Standard Definitions of Key Terms and Model Content Standards* may be obtained by visiting <http://www.housingonline.com/mac/machome.htm>)

Submitted and attested to by:



John Wall, President

JOHN WALL and ASSOCIATES

2-27-13

Date



Bob Rogers, Market Analyst

JOHN WALL and ASSOCIATES

2-27-13

Date

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3 INTRODUCTION

3.1 PURPOSE

The purpose of this report is to analyze the apartment market for a specific site in Myrtle Beach, South Carolina.

3.2 SCOPE

Considered in this report are market depth, bedroom mix, rental rates, unit size, and amenities. These items are investigated principally through a field survey conducted by John Wall and Associates. Unless otherwise noted, all charts and statistics are the result of this survey.

In general, only complexes of 30 units or more built since 1980 are considered in the field survey. Older or smaller projects are sometimes surveyed when it helps the analysis. Projects with rent subsidized units are included, if relevant, and noted.

3.3 METHODOLOGY

Three separate approaches to the analysis are used in this report; each is a check on the other. By using three generally accepted approaches, reasonable conclusions can be drawn. The three approaches used are:

- (1) Statistical
- (2) Like-Kind Comparison
- (3) Interviews

The Statistical approach uses Census data and local statistics; 2010 is used as a base year. The population that would qualify for the proposed units is obtained from these figures.

The Like-Kind Comparison approach collects data on projects similar in nature to that which is being proposed and analyzes how they are doing. This approach assesses their strong points, as well as weak points, and compares them with the subject.

The last section, Interviews, assesses key individuals' special knowledge about the market area. While certainly subjective and limited in perspective, their collective knowledge, gathered and assessed, can offer valuable information.

Taken individually, these three approaches give a somewhat restricted view of the market. However, by examining them together, knowledge sufficient to draw reasonable conclusions can be achieved.

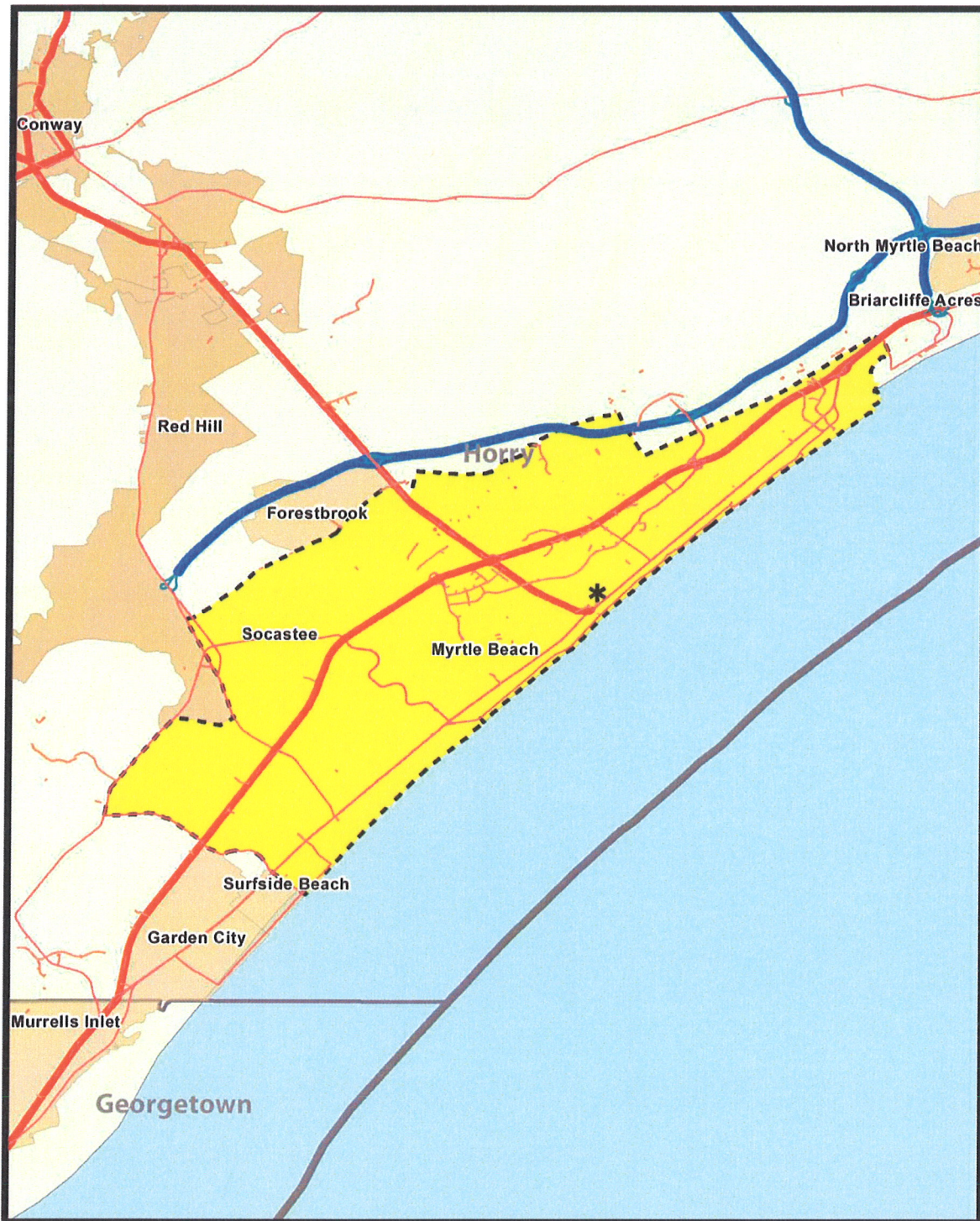
3.4 LIMITATIONS

This market study was written according to the Client's *Market Study Guide*. To the extent this guide differs from the NCHMA *Standard Definitions of Key Terms or Model Content Standards*, the client's guide has prevailed.

REGIONAL LOCATOR MAP



AREA LOCATOR MAP



4 EXECUTIVE SUMMARY

The projected completion date of the proposed project is 12/31/2015.

The market area (conservative) consists of Census tracts 501.02, 503.03, 504.01, 504.02, 505, 506, 507, 509, 510, 512.01, 514.03, 515.01, 515.02, 515.03, 516.01 (32%), 517, 602.04, 602.08, and 9801 in Horry County.

The proposed project consists of 44 units of new construction.

The proposed project is for family households with incomes at 50% and 60% of AMI. Rents range from \$389 to \$595.

4.1 DEMAND

	50% AMI: \$16,460 to \$27,200	60% AMI: \$20,570 to \$32,640	Overall Tax Credit: \$16,460 to \$32,640
New Housing Units Required	148	169	227
Rent Overburden Households	1,428	1,248	1,991
Substandard Units	393	449	603
Demand	1,969	1,866	2,821
Less New Supply	0	0	0
NET DEMAND	1,969	1,866	2,821

4.1.1 RECOMMENDED BEDROOM MIX

The following bedroom mix is recommended:

<u>Bedrooms</u>	<u>Recommended Mix</u>
1	30%
2	50%
3	20%
4	0%
Total	100%

4.1.2 ABSORPTION

Given reasonable marketing and management, the project should be able to rent up to 93% occupancy within 4 months — a few months longer if the project is completed in November, December, or January. The absorption rate determination considers such factors

as the overall estimate of new household growth, the available supply of competitive units, observed trends in absorption of comparable units, and the availability of subsidies and rent specials. The absorption period is considered to start as soon as the first units are released for occupancy.

4.2 CAPTURE RATE

Capture Rate by Unit Size (Bedrooms) and Targeting

50% AMI: \$16,460 to \$27,200				Capture
	<u>Demand</u>	<u>%</u>	<u>Proposal</u>	<u>Rate</u>
1-Bedroom	591	30%	0	0.0%
2-Bedrooms	985	50%	16	1.6%
3-Bedrooms	394	20%	12	3.0%
4 or More Bedrooms	0	0%	0	—
Total	1,969	100%	28	1.4%

60% AMI: \$20,570 to \$32,640				Capture
	<u>Demand</u>	<u>%</u>	<u>Proposal</u>	<u>Rate</u>
1-Bedroom	560	30%	0	0.0%
2-Bedrooms	933	50%	8	0.9%
3-Bedrooms	373	20%	8	2.1%
4 or More Bedrooms	0	0%	0	—
Total	1,866	100%	16	0.9%

Overall Tax Credit: \$16,460 to \$32,640				Capture
	<u>Demand</u>	<u>%</u>	<u>Proposal</u>	<u>Rate</u>
1-Bedroom	846	30%	0	0.0%
2-Bedrooms	1,411	50%	24	1.7%
3-Bedrooms	564	20%	20	3.5%
4 or More Bedrooms	0	0%	0	—
Total	2,821	100%	44	1.6%

* Numbers may not add due to rounding.

The capture rate is not intended to be used in isolation. A low capture rate does not guarantee a successful project, nor does a high capture rate assure failure; the capture rate should be considered in the context of all the other indicators presented in the study. It is one of many factors considered in reaching a conclusion.

4.3 NCHMA CAPTURE RATE

NCHMA defines capture rate as:

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

This definition varies from the capture rate used above.

NCHMA Capture Rate

	<u>Income Qualified Renter Households</u>	<u>Proposal</u>	<u>Capture Rate</u>
50% AMI: \$16,460 to \$27,200	2,188	28	1.3%
60% AMI: \$20,570 to \$32,640	2,498	16	0.6%
Overall Tax Credit: \$16,460 to \$32,640	3,358	44	1.3%

4.4 CONCLUSIONS

4.4.1 SUMMARY OF FINDINGS

- The **site** appears suitable for the project. It is flat and mostly clear.
- The **neighborhood** is compatible with the project. It is a mix of residential, commercial, and public uses.
- The **location** is suitable to the project. It is across the street from a Big-K shopping center, near goods and services and jobs.
- The **population and household growth** in the market area is good. The market area is projected to increase by 1,817 households by 2015.
- The **economy** has been stable for the past several years.
- The **demand** for the project is strong, 2,821 units overall.
- The **strength of the market** for the proposed project is reasonable.
- The **capture rates** for the project are low, 1.6% overall.
- The **most comparable** apartments are Bay Pointe I and II and Monticello Park I, II, & III.
- Total **vacancy rates** of the most comparable projects are 0.0% (zero vacancies in 298 units).
- The **average LIHTC vacancy rate** for units surveyed without PBRA is 2.4%.
- The overall **vacancy rate** in the market for units surveyed without PBRA is 11.9%, but Carolina Breeze has a vacancy rate of 43.9%. Excluding Carolina Breeze from the calculations yields an overall vacancy rate of 2.7%.
- **Concessions** in the comparables are non-existent.
- The **rents**, given prevailing rents, vacancy rates, and concessions in the market area, are reasonable.
- The proposed **bedroom mix** is reasonable for the market.
- The **unit sizes** are appropriate for the project.
- The subject's **amenities** are good and comparable or superior to similarly priced apartments.
- The subject's **value** should be perceived as good.
- The subject's **affordability** is good.
- All of those **interviewed** felt the project should be successful, that the rents were low, and that the location was good.
- The proposal would have no long term **impact** on existing LIHTC projects.

4.4.2 RECOMMENDATIONS

None.

4.4.3 NOTES

Despite being the off season, there were zero vacancies in the five most similar LIHTC properties.

While the ideal bedroom mix would include some one-bedroom units, the market is very hard. The lack of one-bedroom units will not adversely impact the proposal.

4.4.3.1 STRENGTHS

- Near goods and services.
- Near downtown jobs.
- Strong LIHTC market.
- Low rents.

4.4.3.2 WEAKNESSES

- None.

4.4.4 CONCLUSION

The subject should do well as proposed.

4.5 SCSHFDA EXHIBIT S-2

2013 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:		
Development Name:	Carolina Oaks	Total # Units: 44
Location:	Myrtle Beach	# LIHTC Units: 44
PMA Boundary:	See market area map page 25	
Development Type:	<input checked="" type="checkbox"/> Family <input type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject: 10 miles

RENTAL HOUSING STOCK (found on page 53)				
Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	9	628	17	97.3%
Market-Rate Housing ***	4	88	4	95.5%
Assisted/Subsidized Housing not to include LIHTC	n/a	n/a	n/a	n/a
LIHTC (All that are stabilized)**/****	7	540	13	97.6%
Stabilized Comps**	9			%
Non-stabilized Comps	0	n/a	n/a	n/a

* Stabilized occupancy of at least 93% (Excludes projects still in initial lease up). *** includes mkt rate units in LIHTC properties. **** excludes elderly
 ** Comps are those comparable to the subject and those that compete at nearby 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
16	2	2	1100	\$389	\$803	\$0.65	51.6%	\$521	\$0.65
8	2	2	1100	\$509	\$803	\$0.73	36.6%	\$730	\$0.71
12	3	2	1250	\$495	\$950	\$0.76	47.9%	\$830	\$0.65
8	3	2	1250	\$595	\$950	\$0.76	37.4%	\$830	\$0.65
Gross Potential Rent Monthly*				\$20,996	\$38,272		45.14		

*Market Advantage is calculated using the following formula: (Gross Adjusted Market Rent (minus) Gross Proposed Tenant Rent) (divided by) Gross Adjusted Market Rent. The calculation should be expressed as a percentage and rounded to two decimal points. The Rent Calculation Excel Worksheet must be provided with the Exhibit S-2 form.

DEMOGRAPHIC DATA (found on page 29, 10)						
	2010		2012		2015	
Renter Households	13172	43.8%	13693	43.8%	14489	43.8%
Income-Qualified Renter HHs (LIHTC)	3358	25.5%	3491	25.5%	3694	25.5%
Income-Qualified Renter HHs (MR)	(if applicable)	n/a	n/a	n/a	n/a	n/a

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 50)						
Type of Demand	50%	60%	Market-rate	Other:30%	Other:___	Overall
Renter Household Growth	148	169	—	—	—	227
Existing Households (Overburd + Substand)	1,821	1,697	—	—	—	2,594
Homeowner conversion (Seniors)	—	—	—	—	—	—
Other:	—	—	—	—	—	—
Less Comparable/Competitive Supply	0	0	—	—	—	0
Net Income-qualified Renter HHs	1,969	1,866	—	—	—	2,821

CAPTURE RATES (found on page 9)						
Targeted Population	50%	60%	Market-rate	Other:30%	Other:___	Overall
Capture Rate	1.4	0.9	—	—	—	1.6

ABSORPTION RATE (found on page 8)	
Absorption Period	4 months

4.6 SCSHFDA EXHIBIT S-2 RENT CALCULATION WORKSHEET

# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent	Adjusted Market Rent	Gross Adjusted Market Rent	Tax Credit Gross Rent Advantage
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
16	2 BR	\$389	\$6,224	\$803	\$12,848	
8	2 BR	\$509	\$4,072	\$803	\$6,424	
	2 BR		\$0		\$0	
12	3 BR	\$495	\$5,940	\$950	\$11,400	
8	3 BR	\$595	\$4,760	\$950	\$7,600	
	3 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	44		\$20,996		\$38,272	45.14%

5 PROJECT DESCRIPTION

The project description is provided by the developer.

5.1 DEVELOPMENT LOCATION

The site is in downtown Myrtle Beach, South Carolina. It is located on Oak Street between 13th and 16th.

5.2 CONSTRUCTION TYPE

New construction

5.3 OCCUPANCY

The proposal is for occupancy by family households.

5.4 TARGET INCOME GROUP

Low income

5.5 SPECIAL POPULATION

None

5.6 STRUCTURE TYPE

Garden; the subject has two residential buildings. The residential buildings have three floors.

Floor plans and elevations were not available at the time the study was conducted.

5.7 UNIT SIZES, RENTS AND TARGETING

<u>AMI</u>	<u>Bedrooms</u>	<u>Baths</u>	<u>Number of Units</u>	<u>Square Feet</u>	<u>Net Rent</u>	<u>Utility Allow.</u>	<u>Gross Rent</u>	<u>Target Population</u>
50%	2	2	16	1,100	389	91	480	Tax Credit
50%	3	2	12	1,250	495	110	605	Tax Credit
60%	2	2	8	1,100	509	91	600	Tax Credit
60%	3	2	8	1,250	595	110	705	Tax Credit
	Total Units		44					
	Tax Credit Units		44					
	PBRA Units		0					
	Mkt. Rate Units		0					

These *pro forma* rents will be evaluated in terms of the market in the Supply section of the study.

5.8 DEVELOPMENT AMENITIES

Laundry room, clubhouse, and playground

5.9 UNIT AMENITIES

Refrigerator, stove, microwave, dishwasher, garbage disposal, washer/dryer connections, ceiling fan, HVAC, drapes/blinds, and pre-wired telephone/cable

5.10 UTILITIES INCLUDED

Water, sewer, and trash

5.11 PROJECTED CERTIFICATE OF OCCUPANCY DATE

It is anticipated that the subject will have its final certificates of occupancy by 12/31/2015.

6 SITE EVALUATION

SITE LOCATION MAP



NEIGHBORHOOD MAP



6.1 DATE OF SITE VISIT

Bob Rogers visited the site on February 14, 2013.

6.2 DESCRIPTION OF SITE AND ADJACENT PARCELS

In addition to the following narrative, a visual description of the site and the adjacent parcels is provided in the maps on the preceding pages and the photographs on the following pages.

6.3 VISIBILITY AND CURB APPEAL

The site has good visibility from Oak Street, a well traveled road. There are no impediments to the site having good curb appeal.

6.4 ACCESS AND INGRESS

Access to the site is from Oak Street. There are no problems with access and ingress.

6.5 PHYSICAL CONDITIONS

The site is flat, rectangular, and mostly cleared.

6.6 ADJACENT LAND USES AND CONDITIONS

NE: Woods.

SE: Oak Street, then the back of a Big-K shopping center, an insurance agent, and the Chamber of Commerce & Visitor Center.

SW: A small vacant lot, then a church.

NW: A church and a single family home.

6.7 VIEWS

There are no views out from the site that could be considered negative.

6.8 NEIGHBORHOOD

NE: Various commercial activities nearby. A quarter mile away on Oak Street is the Sheraton Hotel & convention center. Past that are numerous banks. The Myrtle Beach Elementary School, Middle School, and High School are at 29th street.

SE: A large Big-K shopping center is directly across Oak Street. Included in the shopping center is an Medical Doctor (Urgent care). Two blocks away is US 17 Business, a major commercial corridor in Myrtle Beach. Several blocks past that is the Atlantic Ocean.

SW: There are a variety of commercial uses to the Southwest, including elderly apartments, apartments for the disabled, and the police station.

NW: The area northwest of the site is primarily single family residential.

6.9 SHOPPING, GOODS, SERVICES AND AMENITIES

In addition to the Big-K shopping center, there is a Piggly Wiggly grocery store on 17 Business, about three blocks from the site.

6.10 EMPLOYMENT OPPORTUNITIES

There are many employment opportunities a short distance from the site. In addition to all the retail and service establishments listed above, there are many small businesses on 17 Business.

6.11 TRANSPORTATION

The Coast RTA provides public transportation in the Myrtle Beach area. There are routes that run near the proposed site and the transfer center is within walking distance. Routes run Monday through Sunday from 9 a.m. to 5:55 p.m. One-way fare for adults is \$1.50; student fare is \$1.25; senior fare is \$0.75, and children are free up to six years old if accompanied by an adult. CCU students ride for free with a valid ID.

6.12 OBSERVED VISIBLE ENVIRONMENTAL OR OTHER CONCERNS

There were no environmental or other concerns observed.

6.13 CRIME

According to the FBI, in 2011 the following crimes were reported to police:

Crimes Reported to Police

	<u>City</u>	<u>County</u>
Population:	27,425	—
Violent Crime	443	0
Murder	4	0
Rape	36	0
Robbery	160	0
Assault	243	0
Property Crime	4,187	31
Burglary	590	0
Larceny	3,243	31
Motor Vehicle Theft	354	0
Arson	2	0

Source: 2011 Table 8 and Table 10, *Crime in the United States 2011*

<http://www.fbi.gov/about-us/cjis/ucr/crime-in-the-u.s/2011/crime-in-the-u.s.-2011/offenses-known-to-law-enforcement/standard-links/city-agency>

<http://www.fbi.gov/about-us/cjis/ucr/crime-in-the-u.s/2011/crime-in-the-u.s.-2011/offenses-known-to-law-enforcement/standard-links/county-agency>

Detailed crime statistics for the neighborhood are not available. The site does not appear to be in a problematic area. See map in appendix.

6.14 CONCLUSION

The site is well suited for the proposed development.

SITE AND NEIGHBORHOOD PHOTOS AND ADJACENT LAND USES MAP



Site Photos & Adjacent Land Uses

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6.15 SITE AND NEIGHBORHOOD PHOTOS



Photo 1 — On the site looking southwest on Oak Street.



Photo 2 — Looking west across the site.



Photo 3 — Looking north across the site.



Photo 4 — On the site looking northeast on Oak Street.



Photo 5 — Tourist attraction near the site.



Photo 6 — A view of the site from across Oak Street.



Photo 7 — A church near the site on Oak Street.



Photo 8 — The law enforcement center on Oak Street.



Photo 9 — Medical Doctor near the site.



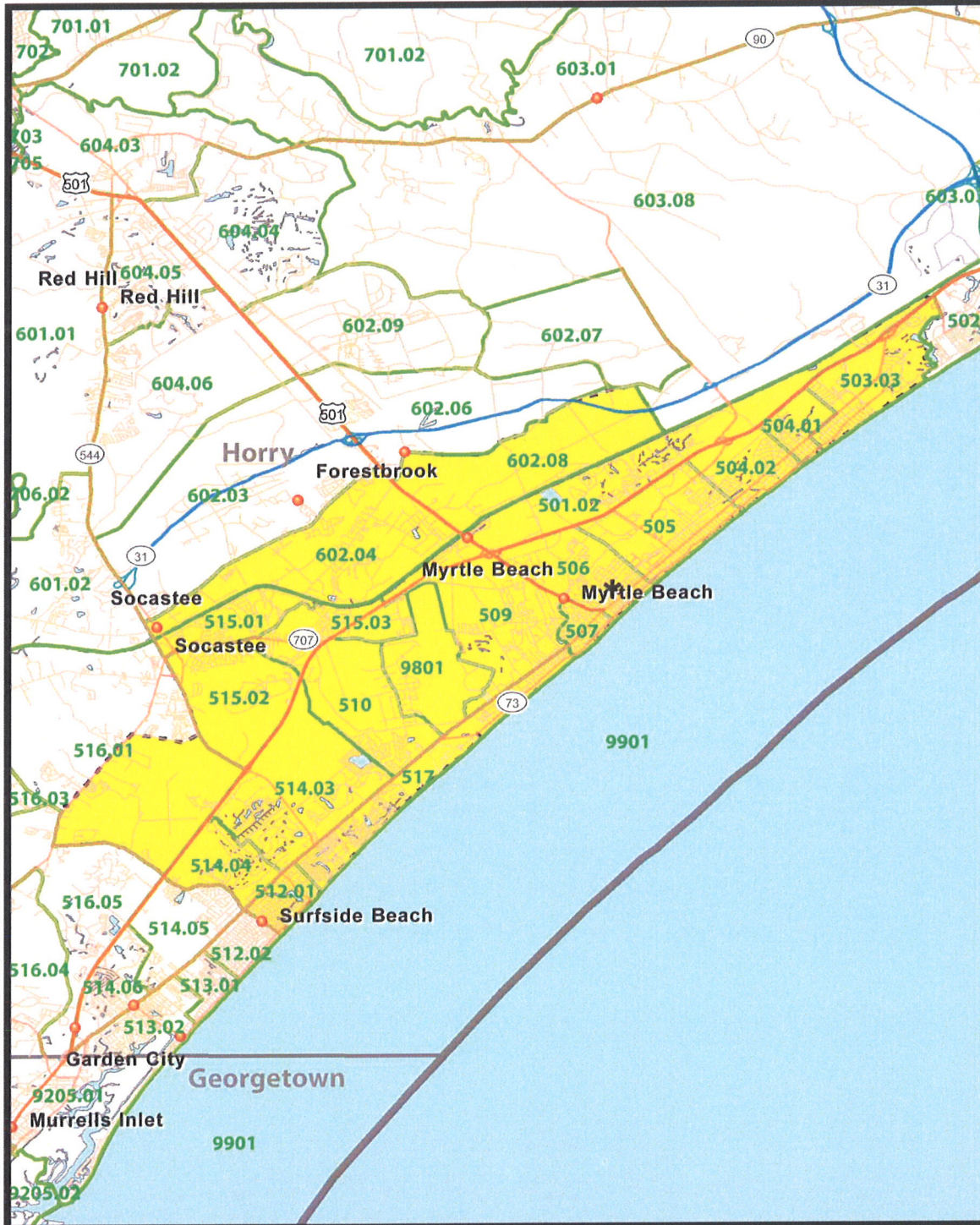
Photo 10 — Big K across Oak Street from the site.



Photo 11 — A view of the site (across Oak Street) from the Big K rear parking lot.

7 MARKET AREA

MARKET AREA MAP



7.1 MARKET AREA DETERMINATION

The market area is the community where the project will be located and only those outlying rural areas that will be significantly impacted by the project, generally excluding other significant established communities. The market area is considered to be the area from which most of the prospective tenants will be drawn. Some people will move into the market area from nearby towns, while others will move away. These households are accounted for in the "Household Trends" section. The border of the market area is based on travel time, commuting patterns, the gravity model, physical boundaries, and the distribution of renters in the area. The analyst visits the area before the market area definition is finalized.

Housing alternatives and local perspective will be presented in the Development Comparisons section of this report.

7.2 DRIVING TIMES AND PLACE OF WORK

Commuter time to work is shown below:

Workers' Travel Time to Work for the Market Area (Time in Minutes)

	State	%	County	%	Market Area	%	City	%
Total:	1,914,273		114,361		31,431		12,898	
Less than 5 minutes	63,596	3.3%	5,106	4.5%	1,441	4.6%	653	5.1%
5 to 9 minutes	205,256	10.7%	13,841	12.1%	5,024	16.0%	3,039	23.6%
10 to 14 minutes	288,412	15.1%	19,383	16.9%	6,876	21.9%	2,745	21.3%
15 to 19 minutes	334,106	17.5%	20,807	18.2%	6,961	22.1%	2,829	21.9%
20 to 24 minutes	311,477	16.3%	18,966	16.6%	4,934	15.7%	1,477	11.5%
25 to 29 minutes	121,423	6.3%	6,661	5.8%	941	3.0%	279	2.2%
30 to 34 minutes	259,858	13.6%	15,306	13.4%	2,863	9.1%	1,039	8.1%
35 to 39 minutes	51,581	2.7%	2,444	2.1%	463	1.5%	191	1.5%
40 to 44 minutes	55,438	2.9%	2,462	2.2%	305	1.0%	66	0.5%
45 to 59 minutes	126,162	6.6%	5,351	4.7%	759	2.4%	347	2.7%
60 to 89 minutes	64,390	3.4%	2,428	2.1%	399	1.3%	123	1.0%
90 or more minutes	32,574	1.7%	1,606	1.4%	467	1.5%	110	0.9%

Source: 2010-5yr ACS (Census)

7.3 MARKET AREA DEFINITION

The market area for this report has been defined as Census tracts 501.02, 503.03, 504.01, 504.02, 505, 506, 507, 509, 510, 512.01, 514.03, 515.01, 515.02, 515.03, 516.01 (32%), 517, 602.04, 602.08, and 9801 in Horry County (2010 Census). The market area is defined in terms of standard US Census geography so it will be possible to obtain accurate, verifiable information about it. The Market Area Map highlights this area.

7.3.1 SECONDARY MARKET AREA

The secondary market area for this report has been defined as Horry County. Demand will neither be calculated for, nor derived from, the secondary market area.

8 DEMOGRAPHIC ANALYSIS

8.1 POPULATION

8.1.1 POPULATION TRENDS

Housing demand is most closely associated with population trends. While no population projection presently exists for the market area, one is calculated from existing figures and shown below.

Population Trends and Projections

	<u>State</u>	<u>County</u>	<u>Market Area</u>	<u>City</u>
2000	4,012,012	196,629	54,087	22,759
2008	4,511,428	258,267	64,598	26,696
2010	4,625,364	269,291	68,779	27,109
2012	4,748,034	283,823	71,717	27,979
2015	4,932,040	305,622	76,125	29,284

Sources: 2000 Census; 2010 5yr ACS (Census); 2010 Census; others by John Wall and Associates from figures shown

As seen in the table above, the population in the market area was 71,717 in 2012 and is projected to increase by 4,408 persons from 2012 to 2015.

8.1.2 AGE

Population is shown below for several age categories. The percent figures are presented in such a way as to easily compare the market area to the state, which is a "norm." This will point out any peculiarities in the market area.

Persons by Age

	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Total	4,625,364		269,291		68,779		27,109	
Under 20	1,224,425	27.1%	61,889	24.0%	14,723	22.8%	5,626	21.1%
20 to 34	924,550	20.5%	52,266	20.2%	16,131	25.0%	6,433	24.1%
35 to 54	1,260,720	27.9%	70,540	27.3%	18,384	28.5%	7,566	28.3%
55 to 61	418,651	9.3%	26,502	10.3%	6,257	9.7%	2,379	8.9%
62 to 64	165,144	3.7%	12,024	4.7%	2,743	4.2%	1,005	3.8%
65 plus	631,874	14.0%	46,070	17.8%	10,545	16.3%	4,100	15.4%
55 plus	1,215,669	26.9%	84,596	32.8%	19,545	30.3%	7,484	28.0%
62 plus	797,018	17.7%	58,094	22.5%	13,288	20.6%	5,105	19.1%

Source: 2010 Census

8.1.3 RACE AND HISPANIC ORIGIN

The racial composition of the market area does not factor into the demand for units; the information below is provided for reference.

Note that "Hispanic" is not a racial category. "White," "Black," and "Other" represent 100% of the population. Some people in each of those categories also consider themselves "Hispanic." The percent figures allow for a comparison between the state ("norm") and the market area.

Race and Hispanic Origin

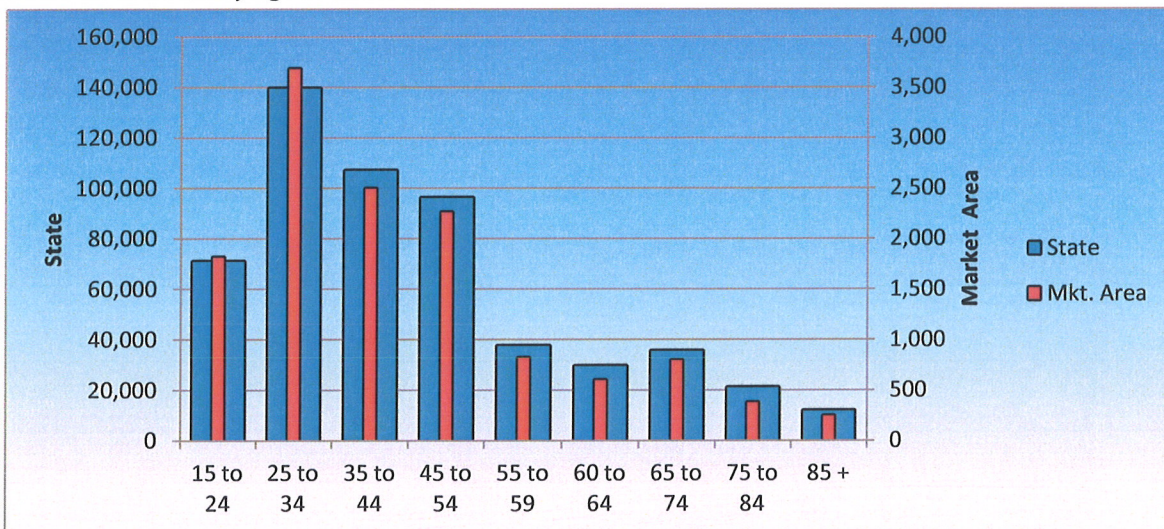
	State	%	County	%	Market Area	%	City	%
Total	4,625,364		269,291		68,779		27,109	
Not Hispanic or Latino	4,389,682	94.9%	252,608	93.8%	61,512	89.4%	23,401	86.3%
White	2,962,740	64.1%	208,096	77.3%	51,874	75.4%	18,380	67.8%
Black or African American	1,279,998	27.7%	35,753	13.3%	6,544	9.5%	3,712	13.7%
American Indian	16,614	0.4%	1,075	0.4%	277	0.4%	139	0.5%
Asian	58,307	1.3%	2,774	1.0%	1,129	1.6%	397	1.5%
Native Hawaiian	2,113	0.0%	232	0.1%	113	0.2%	67	0.2%
Some Other Race	5,714	0.1%	395	0.1%	217	0.3%	110	0.4%
Two or More Races	64,196	1.4%	4,283	1.6%	1,358	2.0%	596	2.2%
Hispanic or Latino	235,682	5.1%	16,683	6.2%	7,267	10.6%	3,708	13.7%
White	97,260	2.1%	6,975	2.6%	2,863	4.2%	1,208	4.5%
Black or African American	10,686	0.2%	449	0.2%	113	0.2%	52	0.2%
American Indian	2,910	0.1%	204	0.1%	103	0.1%	60	0.2%
Asian	744	0.0%	42	0.0%	7	0.0%	2	0.0%
Native Hawaiian	593	0.0%	73	0.0%	17	0.0%	14	0.1%
Some Other Race	107,750	2.3%	7,971	3.0%	3,793	5.5%	2,237	8.3%
Two or More Races	15,739	0.3%	969	0.4%	371	0.5%	135	0.5%

Source: 2010 Census

Note that the "Native Hawaiian" category above also includes "Other Pacific Islander" and the "American Indian" category also includes "Alaska Native."

8.2 HOUSEHOLDS

Renter Households by Age of Householder



Source: 2010 Census

The graph above shows the relative distribution of households by age in the market area as compared to the state.

8.2.1 HOUSEHOLD TRENDS

The following table shows the change in the number of households between the base year and the projected year of completion.

Household Trends and Projections

	<u>State</u>	<u>County</u>	<u>Market Area</u>	<u>City</u>
2000	1,533,854	81,800	23,995	10,413
2008	1,741,994	112,057	29,210	12,073
2010	1,801,181	112,225	30,052	12,113
2012	1,854,646	118,310	31,263	12,453
2015	1,934,845	127,438	33,081	12,963
Growth 2012 to 2015	80,198	9,128	1,817	510

Sources: 2000 Census; 2010 5yr ACS (Census); 2010 Census; others by John Wall and Associates from figures shown

In 2000, the market area had 23,995 households and thus a demand for the same number of housing units (because each household lives in its own housing unit). Similarly, there were 31,263 households in 2012, and there will be 33,081 in 2015. These figures indicate that the market area needs to provide 1,817 housing units from 2012 to 2015.

8.2.2 HOUSEHOLD TENURE

The tables below show how many units are occupied by owners and by renters. The percent of the households in the market area that are occupied by renters will be used later in determining the demand for new rental housing.

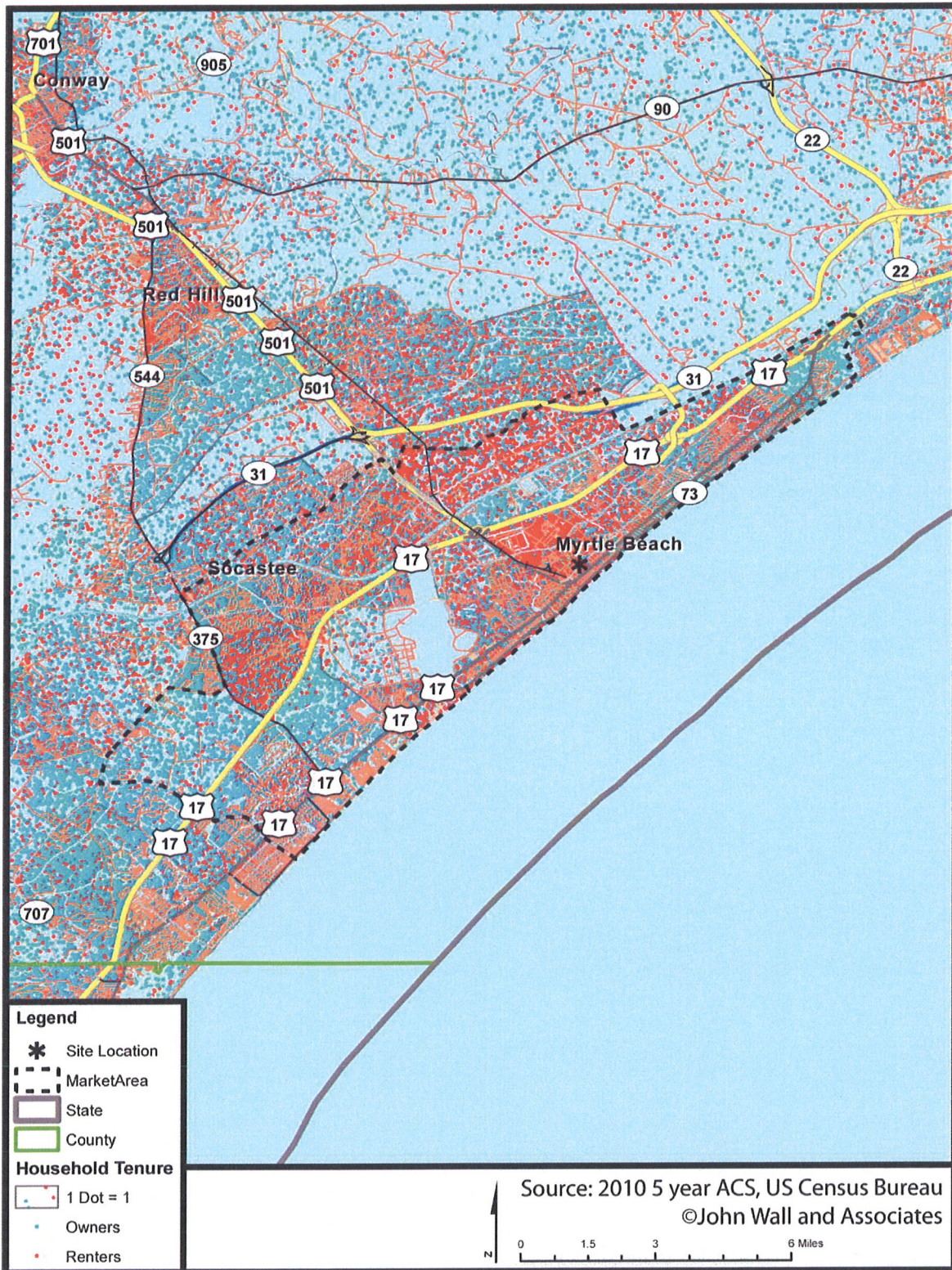
Occupied Housing Units by Tenure

	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Households	1,801,181	—	112,225	—	30,052	—	12,113	—
Owner	1,248,805	69.3%	76,997	68.6%	16,880	56.2%	5,903	48.7%
Renter	552,376	30.7%	35,228	31.4%	13,172	43.8%	6,210	51.3%

Source: 2010 Census

From the table above, it can be seen that 43.8% of the households in the market area rent. This percentage will be used later in the report to calculate the number of general occupancy units necessary to accommodate household growth.

TENURE MAP



8.2.3 HOUSEHOLD SIZE

Household size is another characteristic that needs to be examined. The household size of those presently renting can be used as a strong indicator of the bedroom mix required. Renters and owners have been shown separately in the tables below because the make-up of owner-occupied units is significantly different from that of renters. A comparison of the percent figures for the market area and the state ("norm") is often of interest.

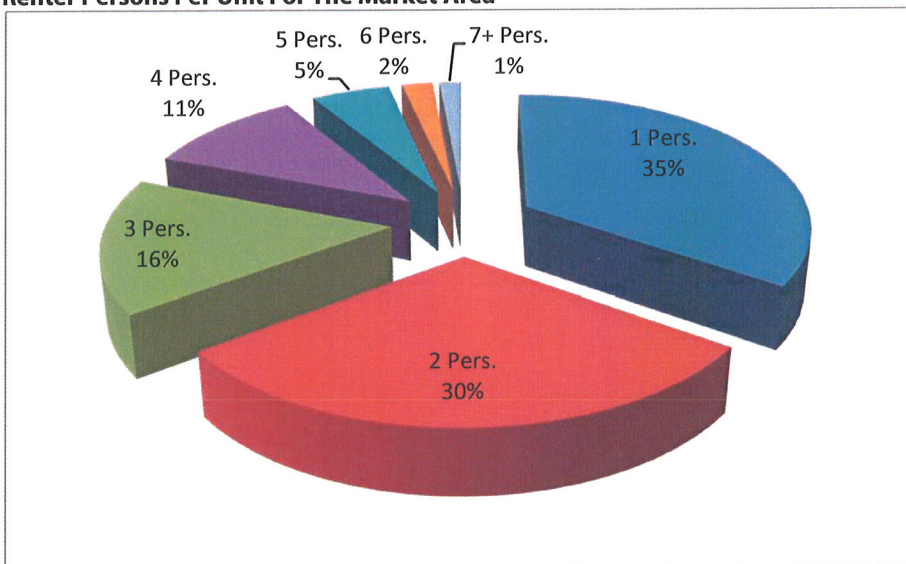
Housing Units by Persons in Unit

	<u>State</u>		<u>County</u>		<u>Market Area</u>		<u>City</u>	
Owner occupied:	1,248,805	—	76,997	—	16,879	—	5,903	—
1-person	289,689	23.2%	19,165	24.9%	4,781	28.3%	2,047	34.7%
2-person	477,169	38.2%	33,799	43.9%	7,362	43.6%	2,415	40.9%
3-person	210,222	16.8%	11,316	14.7%	2,313	13.7%	711	12.0%
4-person	164,774	13.2%	7,888	10.2%	1,513	9.0%	441	7.5%
5-person	69,110	5.5%	3,158	4.1%	590	3.5%	167	2.8%
6-person	24,016	1.9%	1,021	1.3%	198	1.2%	76	1.3%
7-or-more	13,825	1.1%	650	0.8%	123	0.7%	46	0.8%
Renter occupied:	552,376	—	35,228	—	13,172	—	6,210	—
1-person	188,205	34.1%	10,943	31.1%	4,583	34.8%	2,289	36.9%
2-person	146,250	26.5%	10,271	29.2%	3,978	30.2%	1,802	29.0%
3-person	93,876	17.0%	6,184	17.6%	2,095	15.9%	913	14.7%
4-person	67,129	12.2%	4,340	12.3%	1,377	10.5%	643	10.4%
5-person	33,904	6.1%	2,148	6.1%	681	5.2%	319	5.1%
6-person	13,817	2.5%	816	2.3%	268	2.0%	137	2.2%
7-or-more	9,195	1.7%	526	1.5%	190	1.4%	107	1.7%

Source: 2010 Census

The percent and number of large (5 or more persons) households in the market is an important fact to consider in projects with a significant number of 3 or 4 bedroom units. In such cases, this fact has been taken into account and is used to refine the analysis. It also helps to determine the upper income limit for the purpose of calculating demand. In the market area, 8.6% of the renter households are large, compared to 10.3% in the state.

Renter Persons Per Unit For The Market Area



8.2.4 HOUSEHOLD INCOMES

The table below shows the number of households (both renter and owner) that fall within various income ranges for the market area.

Number of Households in Various Income Ranges

	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Total:	1,741,994		112,057		29,210		12,073	
Less than \$10,000	161,884	9.3%	8,097	7.2%	1,894	6.5%	964	8.0%
\$10,000 to \$14,999	113,617	6.5%	7,333	6.5%	2,027	6.9%	916	7.6%
\$15,000 to \$19,999	110,653	6.4%	7,478	6.7%	2,043	7.0%	1,077	8.9%
\$20,000 to \$24,999	111,363	6.4%	7,403	6.6%	1,756	6.0%	922	7.6%
\$25,000 to \$29,999	102,778	5.9%	7,488	6.7%	2,111	7.2%	689	5.7%
\$30,000 to \$34,999	105,581	6.1%	7,865	7.0%	2,486	8.5%	1,083	9.0%
\$35,000 to \$39,999	91,997	5.3%	6,295	5.6%	1,737	5.9%	766	6.3%
\$40,000 to \$44,999	92,035	5.3%	6,586	5.9%	2,056	7.0%	644	5.3%
\$45,000 to \$49,999	79,852	4.6%	6,124	5.5%	1,798	6.2%	679	5.6%
\$50,000 to \$59,999	144,953	8.3%	9,367	8.4%	2,364	8.1%	925	7.7%
\$60,000 to \$74,999	175,421	10.1%	11,808	10.5%	2,607	8.9%	988	8.2%
\$75,000 to \$99,999	197,940	11.4%	12,394	11.1%	2,601	8.9%	979	8.1%
\$100,000 to \$124,999	110,288	6.3%	5,519	4.9%	1,370	4.7%	426	3.5%
\$125,000 to \$149,999	54,868	3.1%	3,336	3.0%	897	3.1%	323	2.7%
\$150,000 to \$199,999	47,663	2.7%	2,563	2.3%	515	1.8%	183	1.5%
\$200,000 or more	41,101	2.4%	2,401	2.1%	947	3.2%	509	4.2%

Source: 2010-5yr ACS (Census)

9 MARKET AREA ECONOMY

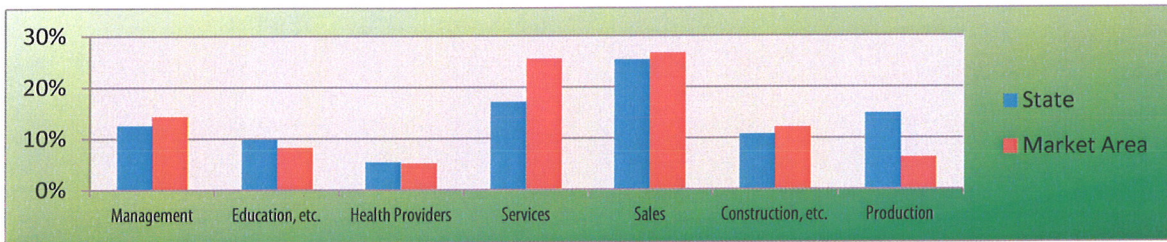
The economy of the market area will have an impact on the need for apartment units.

Occupation of Employed Persons Age 16 Years And Over

	State	%	County	%	Market Area	%	City	%
Total	2,002,289		121,515		33,247		13,795	
Management, business, science, and arts occupations:	636,616	32%	33,734	28%	9,842	30%	3,579	26%
Management, business, and financial occupations:	250,420	13%	14,600	12%	4,752	14%	1,529	11%
Management occupations	175,960	9%	10,830	9%	3,415	10%	1,124	8%
Business and financial operations occupations	74,460	4%	3,770	3%	1,337	4%	405	3%
Computer, engineering, and science occupations:	79,767	4%	2,160	2%	627	2%	364	3%
Computer and mathematical occupations	30,300	2%	823	1%	175	1%	72	1%
Architecture and engineering occupations	38,148	2%	1,169	1%	408	1%	270	2%
Life, physical, and social science occupations	11,319	1%	168	0%	44	0%	22	0%
Education, legal, community service, arts, and media occupations:	197,562	10%	10,948	9%	2,738	8%	1,075	8%
Community and social service occupations	33,648	2%	1,602	1%	400	1%	173	1%
Legal occupations	18,929	1%	1,317	1%	349	1%	201	1%
Education, training, and library occupations	117,112	6%	5,623	5%	1,353	4%	517	4%
Arts, design, entertainment, sports, and media occupations	27,873	1%	2,406	2%	637	2%	184	1%
Healthcare practitioners and technical occupations:	108,867	5%	6,026	5%	1,725	5%	611	4%
Health diagnosing and treating practitioners and other technical occupations	70,270	4%	3,906	3%	1,068	3%	494	4%
Health technologists and technicians	38,597	2%	2,120	2%	658	2%	117	1%
Service occupations:	344,070	17%	27,184	22%	8,463	25%	3,710	27%
Healthcare support occupations	43,555	2%	2,133	2%	539	2%	179	1%
Protective service occupations:	42,647	2%	3,682	3%	903	3%	248	2%
Fire fighting and prevention, and other protective service workers including supervisors	21,892	1%	2,211	2%	679	2%	199	1%
Law enforcement workers including supervisors	20,755	1%	1,471	1%	224	1%	49	0%
Food preparation and serving related occupations	118,134	6%	11,603	10%	4,317	13%	2,155	16%
Building and grounds cleaning and maintenance occupations	81,858	4%	6,070	5%	1,736	5%	801	6%
Personal care and service occupations	57,876	3%	3,696	3%	968	3%	327	2%
Sales and office occupations:	506,896	25%	36,512	30%	8,848	27%	3,641	26%
Sales and related occupations	235,500	12%	19,519	16%	5,026	15%	2,138	15%
Office and administrative support occupations	271,396	14%	16,993	14%	3,822	11%	1,503	11%
Natural resources, construction, and maintenance occupations:	216,593	11%	15,323	13%	4,018	12%	2,013	15%
Farming, fishing, and forestry occupations	10,650	1%	538	0%	29	0%	0	0%
Construction and extraction occupations	122,468	6%	10,020	8%	2,978	9%	1,425	10%
Installation, maintenance, and repair occupations	83,475	4%	4,765	4%	1,011	3%	588	4%
Production, transportation, and material moving occupations:	298,114	15%	8,762	7%	2,075	6%	852	6%
Production occupations	172,215	9%	3,451	3%	797	2%	314	2%
Transportation occupations	69,623	3%	3,535	3%	828	2%	381	3%
Material moving occupations	56,276	3%	1,776	1%	451	1%	157	1%

Source: 2010-5yr ACS (Census)

Occupation for the State and Market Area



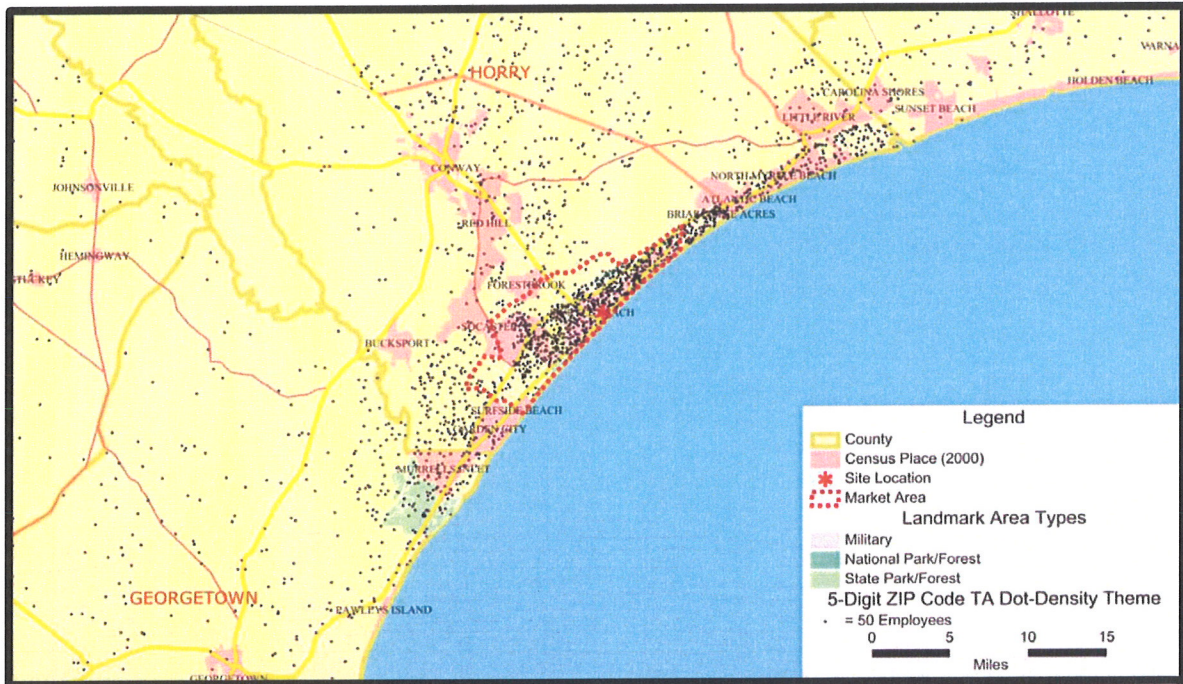
Industry of Employed Persons Age 16 Years And Over

	State	%	County	%	Market Area	%	City	%
Total:	2,002,289		121,515		33,247		13,795	
Agriculture, forestry, fishing and hunting, and mining:	20,615	1%	903	1%	22	0%	0	0%
Agriculture, forestry, fishing and hunting	19,407	1%	782	1%	22	0%	0	0%
Mining, quarrying, and oil and gas extraction	1,208	0%	121	0%	0	0%	0	0%
Construction	161,576	8%	13,515	11%	4,008	12%	1,715	12%
Manufacturing	280,960	14%	4,954	4%	1,122	3%	340	2%
Wholesale trade	57,999	3%	2,590	2%	508	2%	202	1%
Retail trade	241,018	12%	18,829	15%	4,726	14%	2,012	15%
Transportation and warehousing, and utilities:	97,304	5%	4,182	3%	783	2%	268	2%
Transportation and warehousing	72,411	4%	3,043	3%	664	2%	254	2%
Utilities	24,893	1%	1,139	1%	119	0%	14	0%
Information	35,860	2%	2,317	2%	471	1%	222	2%
Finance and insurance, and real estate and rental and leasing:	122,650	6%	9,575	8%	2,676	8%	982	7%
Finance and insurance	82,615	4%	4,974	4%	1,610	5%	482	3%
Real estate and rental and leasing	40,035	2%	4,601	4%	1,067	3%	500	4%
Professional, scientific, and management, and administrative and waste management services:	180,775	9%	11,420	9%	3,671	11%	1,643	12%
Professional, scientific, and technical services	94,059	5%	5,459	4%	1,843	6%	976	7%
Management of companies and enterprises	1,205	0%	10	0%	10	0%	0	0%
Administrative and support and waste management services	85,511	4%	5,951	5%	1,818	5%	667	5%
Educational services, and health care and social assistance:	417,392	21%	19,818	16%	4,385	13%	1,468	11%
Educational services	178,304	9%	8,591	7%	1,759	5%	620	4%
Health care and social assistance	239,088	12%	11,227	9%	2,625	8%	848	6%
Arts, entertainment, and recreation, and accommodation and food services:	191,768	10%	23,588	19%	8,468	25%	4,085	30%
Arts, entertainment, and recreation	32,606	2%	4,947	4%	1,110	3%	491	4%
Accommodation and food services	159,162	8%	18,641	15%	7,358	22%	3,594	26%
Other services, except public administration	97,153	5%	5,365	4%	1,564	5%	652	5%
Public administration	97,219	5%	4,459	4%	843	3%	206	1%

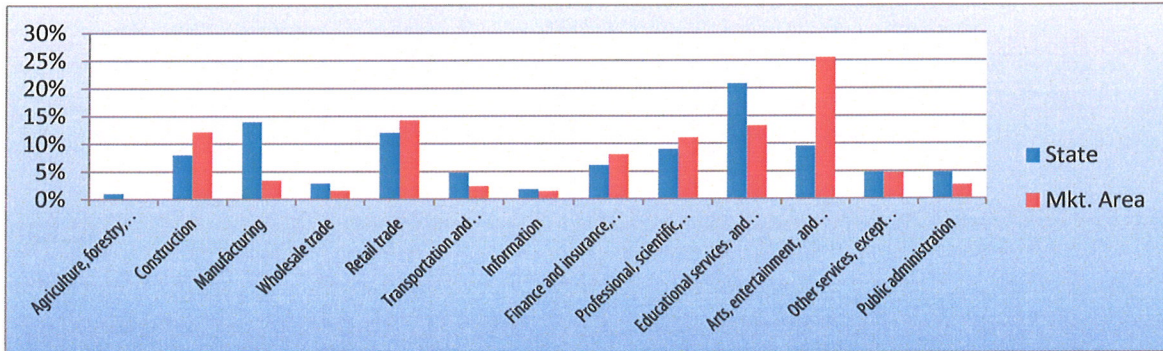
Source: 2010-5yr ACS (Census)

Note: Bold numbers represent category totals and add to 100%

EMPLOYMENT CONCENTRATIONS MAP



Industry for the State and Market Area



Source: 2010-5yr ACS (Census)

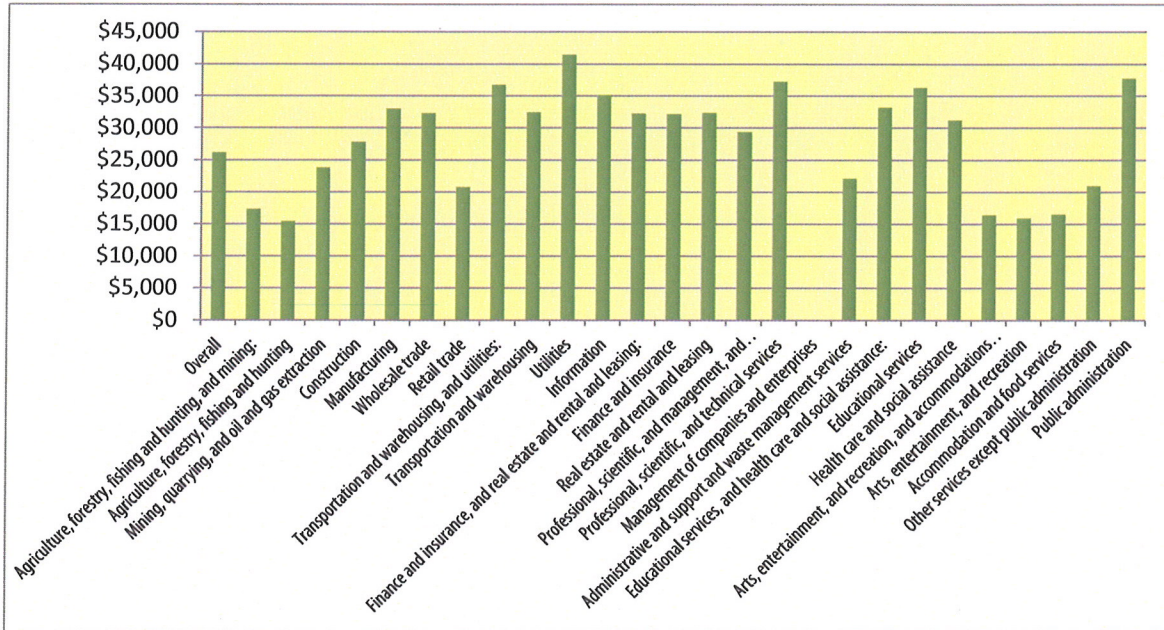
Median Wages by Industry

	State	County	City
Overall	\$29,563	\$26,146	\$22,735
Agriculture, forestry, fishing and hunting, and mining:	\$23,958	\$17,311	—
Agriculture, forestry, fishing and hunting	\$22,483	\$15,455	—
Mining, quarrying, and oil and gas extraction	\$40,816	\$23,803	—
Construction	\$29,949	\$27,816	\$18,361
Manufacturing	\$36,321	\$33,009	\$33,750
Wholesale trade	\$36,403	\$32,313	\$35,078
Retail trade	\$20,367	\$20,798	\$19,150
Transportation and warehousing, and utilities:	\$40,297	\$36,799	\$31,088
Transportation and warehousing	\$36,851	\$32,469	\$31,294
Utilities	\$50,551	\$41,454	—
Information	\$36,056	\$35,204	\$36,333
Finance and insurance, and real estate and rental and leasing:	\$35,009	\$32,258	\$34,881
Finance and insurance	\$36,579	\$32,203	\$40,000
Real estate and rental and leasing	\$31,502	\$32,350	\$33,929
Professional, scientific, and management, and administrative and waste management services:	\$31,660	\$29,365	\$32,172
Professional, scientific, and technical services	\$44,771	\$37,264	\$43,718
Management of companies and enterprises	\$41,619	—	—
Administrative and support and waste management services	\$21,508	\$22,109	\$25,044
Educational services, and health care and social assistance:	\$30,842	\$33,210	\$42,037
Educational services	\$32,448	\$36,295	\$37,318
Health care and social assistance	\$29,479	\$31,233	\$42,944
Arts, entertainment, and recreation, and accommodations and food services:	\$13,661	\$16,447	\$17,333
Arts, entertainment, and recreation	\$16,814	\$15,935	\$22,344
Accommodation and food services	\$13,150	\$16,527	\$17,138
Other services except public administration	\$21,878	\$20,995	\$20,233
Public administration	\$36,395	\$37,763	\$38,585

Source: 2010-5yr ACS (Census)

Note: Dashes indicate data suppressed by Census Bureau; no data is available for the market area.

Wages by Industry for the County



2010-5yr ACS (Census)

9.1 MAJOR EMPLOYERS

The following is a list of major employers in the county:

<u>Company</u>	<u>Product</u>	<u>Employees</u>
Horry County School District	Public School District	5,230
Wal-Mart Stores, Inc.	Retail	2,100
Grand Strand Regional Medical Center	Medical	1,280
Coastal Carolina University	Public University	1,253
Conway Medical Center	Medical	1,100
AVX Corporation	Electronics Manufacturing	400
Blue Cross/Blue Shield	Call Center	825
Burroughs & Chapin Company	Land Developers	269
New South Companies	Lumber, Sawmills	700
HTC Communications	Communications Company	664
Kingston Plantation	Hotels, Motels, & Resorts	633
Santee Cooper Electric	Electric Services	530
Ocean Lakes Family Campground	Lodging	415
Conbraco Industries, Inc.	Valve Manufacturing	330
The McClatchy Company	Publishing Company, News	267
Metglas, Inc.	Amorphous Metals Manufacturing	231
Wolverine Brass, Inc.	Plumbing Fittings	200
CHF Industries	Fabric Manufacturing & Distribution	187
Pepsi Cola Bottling Company	Soft Drink Manufacturing	184
Palmetto Paving Corporation	Asphalt Paving & Block Mfg	109
Precision Southeast	Injection Molding of Plastics Mfg	107

Source: Chamber of Commerce

9.2 NEW OR PLANNED CHANGES IN WORKFORCE

If there are any, they will be discussed in the Interviews section of the report.

9.3 EMPLOYMENT (CIVILIAN LABOR FORCE)

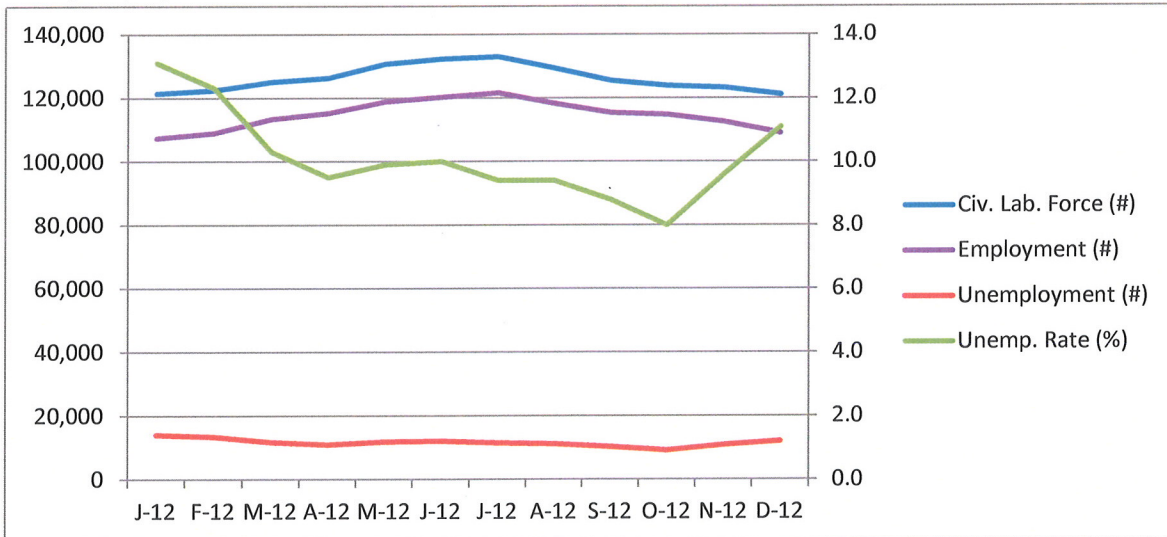
In order to determine how employment affects the market area and whether the local economy is expanding, declining, or stable, it is necessary to inspect employment statistics for several years. The table below shows the increase or decrease in employment and the percentage of unemployed at the county level. This table also shows the change in the size of the labor force, an indicator of change in housing requirements for the county.

Employment Trends

Year	Civilian Labor			Employment	Employment Change		Annual Change	
	Force	Unemployment	Rate (%)		Number	Pct.	Number	Pct.
2000	106,292	3,594	3.5	102,698	—	—	—	—
2009	128,370	13,754	12.0	114,616	11,918	11.6%	1,324	1.2%
2010	127,601	13,875	12.2	113,726	-890	-0.8%	-890	-0.8%
2011	127,317	13,131	11.5	114,186	460	0.4%	460	0.4%
J-12	121,459	14,068	13.1	107,391	-6,795	-6.0%		
F-12	122,429	13,409	12.3	109,020	1,629	1.5%		
M-12	125,070	11,679	10.3	113,391	4,371	4.0%		
A-12	126,218	10,950	9.5	115,268	1,877	1.7%		
M-12	130,643	11,769	9.9	118,874	3,606	3.1%		
J-12	132,321	12,029	10.0	120,292	1,418	1.2%		
J-12	133,049	11,432	9.4	121,617	1,325	1.1%		
A-12	129,309	11,111	9.4	118,198	-3,419	-2.8%		
S-12	125,441	10,146	8.8	115,295	-2,903	-2.5%		
O-12	123,837	9,173	8.0	114,664	-631	-0.5%		
N-12	123,241	10,795	9.6	112,446	-2,218	-1.9%		
D-12	121,120	12,101	11.1	109,019	-3,427	-3.0%		

Source: State Employment Security Commission

County Employment Trends



Source: State Employment Security Commission

9.4 WORKFORCE HOUSING

Myrtle Beach has a lot of seasonal employment. This report was conducted during the low season, and while there were visibly fewer people than there would be in the summer, most businesses, including touristy shops, were still open. The fact that the 5 most comparable tax credit complexes have zero vacancies indicates that there is strong year round demand for additional tax credit units.

9.5 ECONOMIC SUMMARY

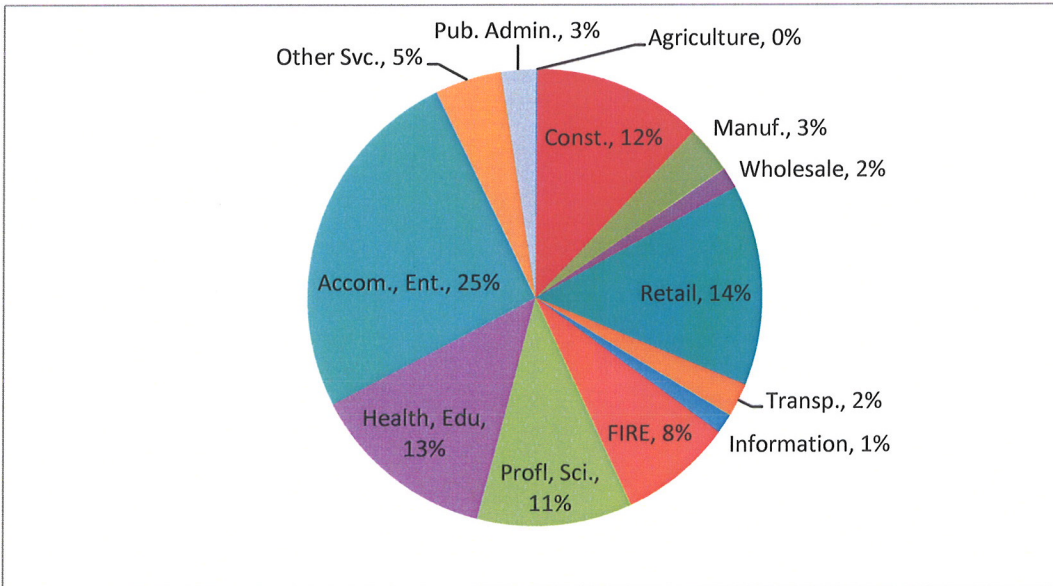
The largest number of persons in the market area is employed in the "Management, professional, and related occupations" occupation category and in the "Arts, entertainment, and recreation, and accommodation and food services" industry category.

A change in the size of labor force frequently indicates a corresponding change in the need for housing. The size of the labor force has been decreasing slightly over the past several years.

Employment has been fluctuating slightly over the past several years. For the past 12 months, it has remained about the same.

A downturn in the economy and thus a corresponding increase in unemployment will impact LIHTC properties without rental assistance. LIHTC properties without rental assistance require tenants who either earn enough money to afford the rent or have a rent subsidy voucher. When there is an increase in unemployment, there will be households where one or more employed persons become unemployed. Some households that could afford to live in the proposed units will no longer have enough income. By the same token, there will be other households that previously had incomes that were too high to live in the proposed units that will now be income qualified.

Percent of Workers by Occupation for the Market Area



Source: 2010-5yr ACS (Census)

10 INCOME RESTRICTIONS AND AFFORDABILITY

Several economic factors need to be examined in a housing market study. Most important is the number of households that would qualify for apartments on the basis of their incomes. A variety of circumstances regarding restrictions and affordability are outlined below.

These minimum and maximum incomes are used to establish the income *range* for households entering the project. Only households whose incomes fall within the range are considered as a source of demand.

Income data have been shown separately for owner and renter households. Only the renter household income data are used for determining demand for rental units.

Gross rent includes utilities, but it excludes payments of rental assistance by federal, state, and local entities. In this study, gross rent is always monthly.

10.1 HOUSEHOLDS RECEIVING HUD RENTAL ASSISTANCE

The lower limit of the acceptable income range for units with rental assistance is zero income. The upper limit of the acceptable income range for units with HUD rental assistance is established by the HUD guidelines. HUD allows very low income households (50% AMI or less) to receive rental assistance in the general case, and low income households (80% AMI or less) in some cases. HUD also requires that 75% of rental assistance to go to households at or below the 30% AMI level. For the purpose of this study, the tax credit set aside will be used to compute the income limits.

10.2 HOUSEHOLDS NOT RECEIVING RENTAL ASSISTANCE

Most households do not receive rental assistance. With respect to estimating which households may consider the subject a possible housing choice, we will evaluate the gross rent as a percent of their income according to the following formula:

$$\text{gross rent} \div X\% \times 12 \text{ months} = \text{annual income}$$

X% in the formula will vary, depending on the circumstance, as outlined in the next two sections.

10.3 HOUSEHOLDS QUALIFYING FOR TAX CREDIT UNITS

Households who earn less than a defined percentage (usually 50% or 60%) of the county or MSA median income as adjusted by HUD (AMI) qualify for low income housing tax credit (LIHTC) units. Therefore, feasibility for projects expecting to receive tax credits will be based in part on the incomes required to support the tax credit rents.

For those tax credit units occupied by low income households, the monthly gross rent should not realistically exceed 35% of the household income. However, elderly households can afford to pay a larger portion of their incomes on housing than family households. Elderly households should not realistically exceed 40% of the household income.

10.4 HOUSEHOLDS LIVING IN MARKET RATE UNITS

Minimum incomes for low (and sometimes moderate) income households in market rate units have been calculated the same as low income households in tax credit units (*i.e.*, 35% of income for gross rent).

The maximum likely income for market rate units is established by using 20% of income to be spent on gross rent.

Households in luxury/upscale apartments typically spend less than 30% of their income on rent plus utilities. In other words, the percent of income spent on rent goes down as the income goes up.

10.5 ESTABLISHING TAX CREDIT QUALIFYING INCOME RANGES

It is critical to establish the number of households that qualify for apartments under the tax credit program based on their incomes. The income ranges are established in two stages. First, the maximum incomes allowable are calculated by applying the tax credit guidelines. Then, minimum incomes required are calculated. According to United States Code, either 20% of the units must be occupied by households who earn under 50% of the area median gross income (AMI), OR 40% of the units must be occupied by households who earn under 60% of the AMI. Sometimes units are restricted for even lower income households. In many cases, the developer has chosen to restrict the rents for 100% of the units to be for low income households.

Maximum Income Limit (HUD FY 2013)

<u>Pers.</u>	<u>VLIL</u>	<u>50%</u>	<u>60%</u>
1	18,350	18,350	22,020
2	20,950	20,950	25,140
3	23,550	23,550	28,260
4	26,150	26,150	31,380
5	28,250	28,250	33,900
6	30,350	30,350	36,420
7	32,450	32,450	38,940
8	34,550	34,550	41,460

Source: *Very Low Income (50%) Limit and 60% limit: HUD, Low and Very-Low Income Limits by Family Size*
Others: John Wall and Associates, derived from HUD figures

The table above shows the maximum tax credit allowable incomes for households moving into the subject based on household size and the percent of area median gross income (AMI).

After establishing the maximum income, the lower income limit will be determined. The lower limit is the income a household must have in order to be able to afford the rent and utilities. The realistic lower limit of the income range is determined by the following formula:

Gross rent ÷ 35% [or 30% or 40%, as described in the subsections above] x 12 months = annual income

This provides for up to 35% [or 30% or 40%] of adjusted annual income (AAI) to be used for rent plus utilities.

The proposed gross rents, as supplied by the client, and the minimum incomes required to maintain 35% [or 30% or 40%] or less of income spent on gross rent are:

Minimum Incomes Required and Gross Rents

	<u>Bedrooms</u>	<u>Number of Units</u>	<u>Net Rent</u>	<u>Gross Rent</u>	<u>Minimum Income Required</u>	<u>Target Population</u>
50%	2	16	389	480	\$16,457	Tax Credit
50%	3	12	495	605	\$20,743	Tax Credit
60%	2	8	509	600	\$20,571	Tax Credit
60%	3	8	595	705	\$24,171	Tax Credit

Source: John Wall and Associates from data provided by client

From the tables above, the practical lower income limits for units *without* rental assistance can be established. Units *with* rental assistance will use \$0 as their lower income limit.

When the minimum incomes required are combined with the maximum tax credit limits, the income *ranges* for households entering the project can be established. Only households whose incomes fall within the ranges can be considered as a source of demand. Note that *both* the income limits *and* the amount of spread in the ranges are important.

10.6 QUALIFYING INCOME RANGES

The most important information from the tables above is summarized in the table below. Income requirements for any PBRA units will be calculated for the contract rent.

Qualifying Income Ranges by Bedrooms and Persons Per Household

<u>AMI</u>	<u>Bedrooms</u>	<u>Persons</u>	<u>Gross Rent</u>	<u>Income Based Lower Limit</u>	<u>Spread Between Limits</u>	<u>Upper Limit</u>
50%	2	2	480	16,460	4,490	20,950
50%	2	3	480	16,460	7,090	23,550
50%	2	4	480	16,460	9,690	26,150
50%	3	3	605	20,740	2,810	23,550
50%	3	4	605	20,740	5,410	26,150
50%	3	5	605	20,740	7,510	28,250
50%	3	6	605	20,740	9,610	30,350
60%	2	2	600	20,570	4,570	25,140
60%	2	3	600	20,570	7,690	28,260
60%	2	4	600	20,570	10,810	31,380
60%	3	3	705	24,170	4,090	28,260
60%	3	4	705	24,170	7,210	31,380
60%	3	5	705	24,170	9,730	33,900
60%	3	6	705	24,170	12,250	36,420

Sources: Gross rents: client; Limits: tables on prior pages; Spread: calculated from data in table

10.7 PROGRAMMATIC AND PRO FORMA RENT ANALYSIS

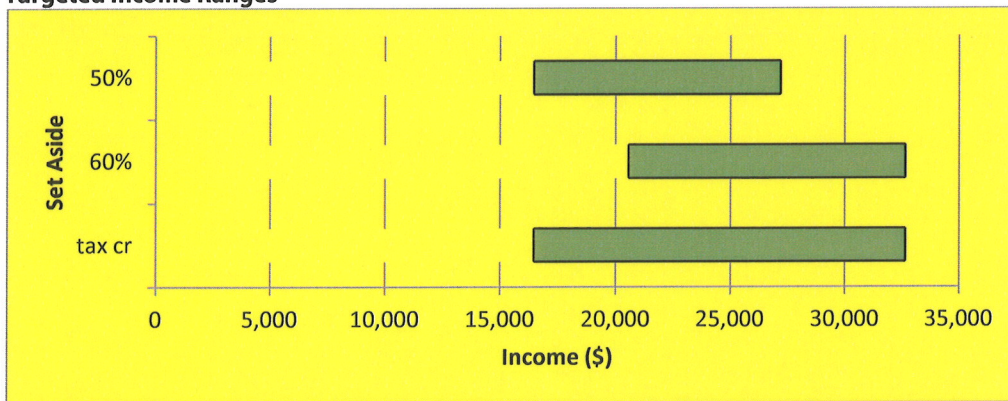
The table below shows a comparison of programmatic rent and *pro forma* rent.

Qualifying and Proposed and Programmatic Rent Summary

	<u>2-BR</u>	<u>3-BR</u>
50% Units		
Number of Units	16	12
Max Allowable Gross Rent	\$588	\$680
Pro Forma Gross Rent	\$480	\$605
Difference (\$)	\$108	\$75
Difference (%)	18.4%	11.0%

60% Units		
Number of Units	8	8
Max Allowable Gross Rent	\$706	\$816
Pro Forma Gross Rent	\$600	\$705
Difference (\$)	\$106	\$111
Difference (%)	15.0%	13.6%

Targeted Income Ranges



An income range of \$16,460 to \$27,200 is reasonable for the 50% AMI units.

An income range of \$20,570 to \$32,640 is reasonable for the 60% AMI units.

An income range of \$16,460 to \$32,640 is reasonable for the tax credit units (overall).

An income range of \$0 to \$32,640 is reasonable for the project overall.

10.8 HOUSEHOLDS WITH QUALIFIED INCOMES

The table below shows income levels for renters and owners separately. The number and percent of income qualified *renter* households is calculated from this table.

Number of Specified Households in Various Income Ranges by Tenure

	State	%	County	%	Market Area	%	City	%
Owner occupied:	1,217,502		79,600		17,428		6,683	
Less than \$5,000	26,805	2.2%	1,806	2.3%	338	1.9%	154	2.3%
\$5,000 to \$9,999	36,781	3.0%	1,921	2.4%	324	1.9%	198	3.0%
\$10,000 to \$14,999	61,214	5.0%	4,074	5.1%	850	4.9%	408	6.1%
\$15,000 to \$19,999	60,864	5.0%	4,571	5.7%	983	5.6%	497	7.4%
\$20,000 to \$24,999	65,239	5.4%	4,474	5.6%	791	4.5%	317	4.7%
\$25,000 to \$34,999	129,754	10.7%	9,598	12.1%	2,446	14.0%	800	12.0%
\$35,000 to \$49,999	180,665	14.8%	13,359	16.8%	3,187	18.3%	1,207	18.1%
\$50,000 to \$74,999	252,279	20.7%	17,051	21.4%	3,464	19.9%	1,258	18.8%
\$75,000 to \$99,999	169,733	13.9%	10,397	13.1%	1,862	10.7%	590	8.8%
\$100,000 to \$149,999	150,534	12.4%	7,826	9.8%	1,841	10.6%	625	9.4%
\$150,000 or more	83,634	6.9%	4,523	5.7%	1,341	7.7%	629	9.4%
Renter occupied:	524,492		32,457		11,782		5,390	
Less than \$5,000	42,710	8.1%	1,852	5.7%	667	5.7%	308	5.7%
\$5,000 to \$9,999	55,588	10.6%	2,518	7.8%	565	4.8%	304	5.6%
\$10,000 to \$14,999	52,403	10.0%	3,259	10.0%	1,177	10.0%	508	9.4%
\$15,000 to \$19,999	49,789	9.5%	2,907	9.0%	1,059	9.0%	580	10.8%
\$20,000 to \$24,999	46,124	8.8%	2,929	9.0%	965	8.2%	605	11.2%
\$25,000 to \$34,999	78,605	15.0%	5,755	17.7%	2,151	18.3%	972	18.0%
\$35,000 to \$49,999	83,219	15.9%	5,646	17.4%	2,404	20.4%	882	16.4%
\$50,000 to \$74,999	68,095	13.0%	4,124	12.7%	1,507	12.8%	655	12.2%
\$75,000 to \$99,999	28,207	5.4%	1,997	6.2%	739	6.3%	389	7.2%
\$100,000 to \$149,999	14,622	2.8%	1,029	3.2%	427	3.6%	124	2.3%
\$150,000 or more	5,130	1.0%	441	1.4%	120	1.0%	63	1.2%

Source: 2005-2009 5yr ACS (Census)

The percent of renter households in the appropriate income ranges will be applied to the renter household growth figures to determine the number of new renter households that will be income qualified to move into each of the different unit types the subject will offer.

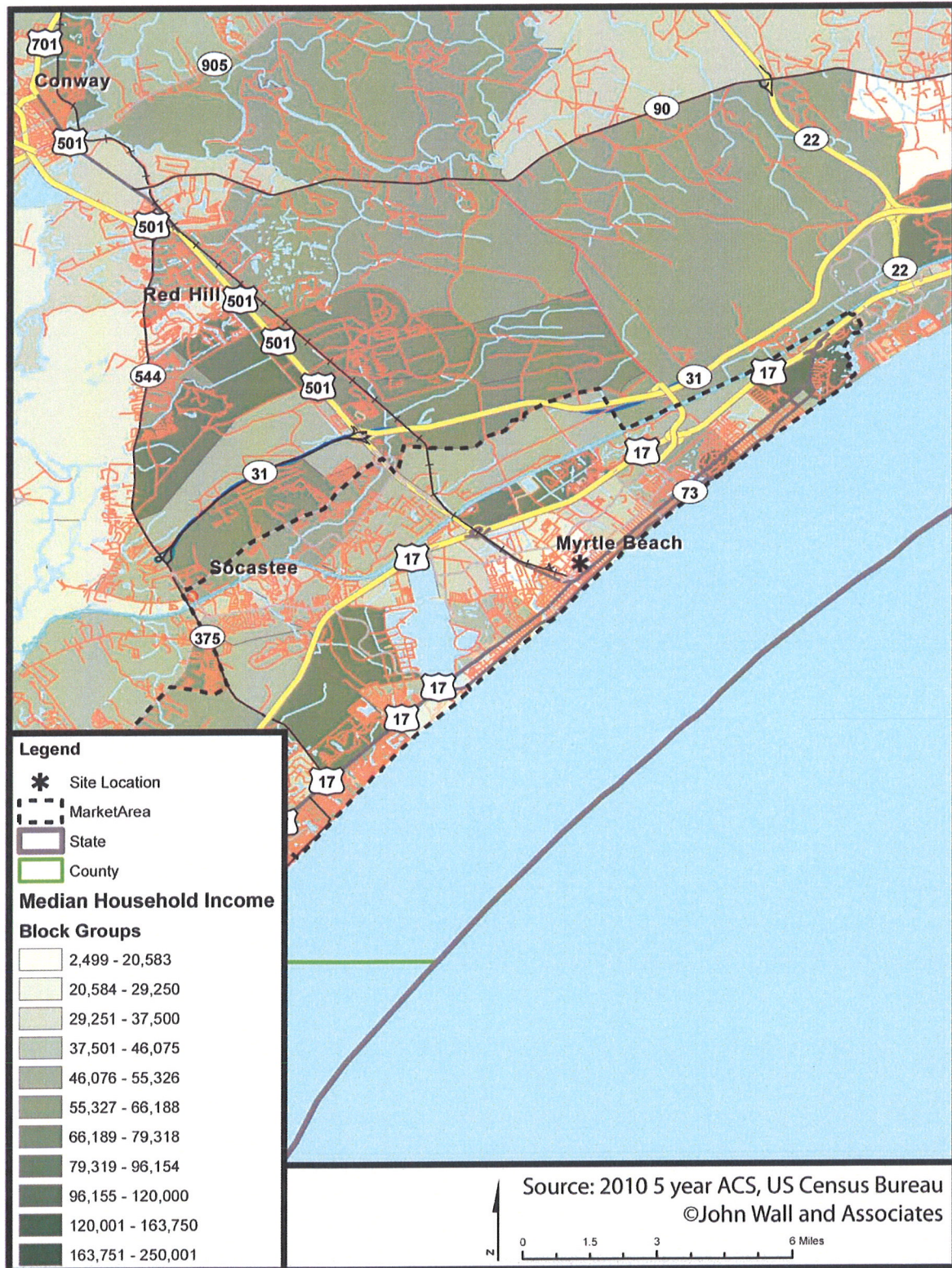
Percent of Renter Households in Appropriate Income Ranges for the Market Area

AMI		50%	60%	Tx. Cr.
Lower Limit		16,460	20,570	16,460
Upper Limit		27,200	32,640	32,640
	Households			
Renter occupied:	%	#	%	#
Less than \$5,000	—	0	—	0
\$5,000 to \$9,999	—	0	—	0
\$10,000 to \$14,999	—	0	—	0
\$15,000 to \$19,999	0.71	750	—	0.71
\$20,000 to \$24,999	1.00	965	0.89	855
\$25,000 to \$34,999	0.22	473	0.76	1,644
\$35,000 to \$49,999	—	0	—	0
\$50,000 to \$74,999	—	0	—	0
\$75,000 to \$99,999	—	0	—	0
\$100,000 to \$149,999	—	0	—	0
\$150,000 or more	—	0	—	0
Total		2,188	2,498	3,358
Percent in Range		18.6%	21.2%	28.5%

Source: John Wall and Associates from figures above

The table above shows how many renter households are in each income range. The number and percent are given in the last two rows (e.g., 2,188, or 18.6% of the renter households in the market area are in the 50% range.)

MEDIAN HOUSEHOLD INCOME MAP



11 DEMAND

11.1 DEMAND FROM NEW HOUSEHOLDS

11.1.1 NEW HOUSEHOLDS

It was shown in the Household Trends section of this study that 1,817 new housing units will be needed by the year of completion. It was shown in the Tenure section that the area ratio of rental units to total units is 43.8%. Therefore, 796 of these new units will need to be rental.

The table "Percent of Renter Households in Appropriate Income Ranges for the Market Area" shows the percentage of renter households in various income ranges. These percentages are applied to the total number of new rental units needed to arrive at the *number* of new rental units needed in the relevant income categories:

New Renter Households in Each Income Range for the Market Area

	New Renter Households	Percent Income Qualified	Demand due to new Households
50% AMI: \$16,460 to \$27,200	796	18.6%	148
60% AMI: \$20,570 to \$32,640	796	21.2%	169
Overall Tax Credit: \$16,460 to \$32,640	796	28.5%	227

Source: John Wall and Associates from figures above

11.2 DEMAND FROM EXISTING HOUSEHOLDS

11.2.1 DEMAND FROM RENT OVERBURDEN HOUSEHOLDS

A household is defined as rent overburdened when it pays 30% or more of its income on gross rent (rent plus utilities). Likewise, the household is *severely* rent overburdened if it pays 35% or more of its income on gross rent.

For tax credit units *without* rental assistance, households may pay 35% of their incomes for gross rent. Therefore, up to 35% of income for gross rent is used in establishing affordability in the "Demand from New Households" calculations. Hence, only *severely* (paying in excess of 35%) rent overburdened households are counted as a source of demand for tax credit units without rental assistance.

For units *with* rental assistance (tenants pay only 30% of their income for gross rent), any households paying more than 30% for gross rent would benefit by moving into the unit so all overburdened households in the relevant income range are counted as a source of demand.

The following table presents data on rent overburdened households in various income ranges.

Percentage of Income Paid For Gross Rent (Renter Households in Specified Housing Units)

	<u>State</u>		<u>County</u>		<u>Market Area</u>		<u>City</u>	
Less than \$10,000:	98,298		4,370		1,232		612	
30.0% to 34.9%	2,318	2.4%	58	1.3%	47	3.8%	35	5.7%
35.0% or more	61,970	63.0%	3,193	73.1%	901	73.1%	488	79.7%
\$10,000 to \$19,999:	102,192		6,166		2,236		1,088	
30.0% to 34.9%	6,952	6.8%	202	3.3%	53	2.4%	23	2.1%
35.0% or more	70,642	69.1%	5,017	81.4%	1,932	86.4%	872	80.1%
\$20,000 to \$34,999:	124,729		8,684		3,116		1,577	
30.0% to 34.9%	20,227	16.2%	1,514	17.4%	717	23.0%	368	23.3%
35.0% or more	43,270	34.7%	3,719	42.8%	1,551	49.8%	652	41.3%
\$35,000 to \$49,999:	83,219		5,646		2,404		882	
30.0% to 34.9%	6,972	8.4%	650	11.5%	243	10.1%	88	10.0%
35.0% or more	6,882	8.3%	542	9.6%	173	7.2%	112	12.7%
\$50,000 to \$74,999:	68,095		4,124		1,507		655	
30.0% to 34.9%	2,092	3.1%	94	2.3%	21	1.4%	0	0.0%
35.0% or more	1,711	2.5%	23	0.6%	10	0.7%	0	0.0%
\$75,000 to \$99,999:	28,207		1,997		739		389	
30.0% to 34.9%	279	1.0%	0	0.0%	0	0.0%	0	0.0%
35.0% or more	368	1.3%	0	0.0%	0	0.0%	0	0.0%
\$100,000 or more:	19,752		1,470		547		187	
30.0% to 34.9%	155	0.8%	7	0.5%	7	1.3%	7	3.7%
35.0% or more	53	0.3%	0	0.0%	0	0.0%	0	0.0%

Source: 2010-5yr ACS (Census)

From the table above, the number of rent overburdened households in each appropriate income range can be estimated in the table below.

Rent Overburdened Households in Each Income Range for the Market Area

35%+ Overburden							
AMI		50%		60%		Tx. Cr.	
Lower Limit		16,460		20,570		16,460	
Upper Limit		27,200		32,640		32,640	
		Mkt. Area					
		Households					
Less than \$10,000:	901	—	0	—	0	—	0
\$10,000 to \$19,999:	1,932	0.35	684	—	0	0.35	684
\$20,000 to \$34,999:	1,551	0.48	745	0.80	1,248	0.84	1,307
\$35,000 to \$49,999:	173	—	0	—	0	—	0
\$50,000 to \$74,999:	10	—	0	—	0	—	0
\$75,000 to \$99,999:	0	—	0	—	0	—	0
\$100,000 or more:	0	—	0	—	0	—	0
Column Total	4,567		1,428		1,248		1,991

Source: John Wall and Associates from figures above

11.2.2 DEMAND FROM SUBSTANDARD CONDITIONS

The Bureau of the Census defines substandard conditions as 1) lacking plumbing, or 2) 1.01 or more persons per room.

Substandard Occupied Units

	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Owner occupied:	1,217,502		79,600		17,428		6,683	
Complete plumbing:	1,212,991	100%	79,324	100%	17,292	99%	6,658	100%
1.00 or less	1,200,603	99%	78,281	98%	17,023	98%	6,540	98%
1.01 to 1.50	10,050	1%	602	1%	94	1%	30	0%
1.51 or more	2,338	0%	441	1%	174	1%	88	1%
Lacking plumbing:	4,511	0%	276	0%	136	1%	25	0%
1.00 or less	4,428	0%	276	0%	136	1%	25	0%
1.01 to 1.50	55	0%	0	0%	0	0%	0	0%
1.51 or more	28	0%	0	0%	0	0%	0	0%
Renter occupied:	524,492		32,457		11,782		5,390	
Complete plumbing:	520,655	99%	32,264	99%	11,774	100%	5,389	100%
1.00 or less	500,100	95%	27,989	86%	9,667	82%	4,743	88%
1.01 to 1.50	13,067	2%	1,241	4%	514	4%	283	5%
1.51 or more	7,488	1%	3,034	9%	1,594	14%	363	7%
Lacking plumbing:	3,837	1%	193	1%	8	0%	1	0%
1.00 or less	3,754	1%	192	1%	7	0%	0	0%
1.01 to 1.50	83	0%	1	0%	1	0%	1	0%
1.51 or more	0	0%	0	0%	0	0%	0	0%
Total Renter Substandard					2,116			

Source: 2010-5yr ACS (Census)

From these tables, the need from substandard rental units can be drawn. There are 2,116 substandard rental units in the market area.

From the figures above the number of substandard units in each appropriate income range can be estimated in the table below.

Substandard Conditions in Each Income Range for the Market Area

	<u>Total</u> <u>Substandard</u> <u>Units</u>	<u>Percent</u> <u>Income</u> <u>Qualified</u>	<u>Demand</u> <u>due to</u> <u>Substandard</u>
50% AMI: \$16,460 to \$27,200	2116	18.6%	393
60% AMI: \$20,570 to \$32,640	2116	21.2%	449
Overall Tax Credit: \$16,460 to \$32,640	2116	28.5%	603

Source: John Wall and Associates from figures above

12 DEMAND FOR NEW UNITS

The demand components shown in the previous section are summarized below.

	50% AMI: \$16,460 to \$27,200	60% AMI: \$20,570 to \$32,640	Overall Tax Credit: \$16,460 to \$32,640
New Housing Units Required	148	169	227
Rent Overburden Households	1,428	1,248	1,991
Substandard Units	393	449	603
Demand	1,969	1,866	2,821
Less New Supply	0	0	0
NET DEMAND	1,969	1,866	2,821

* Numbers may not add due to rounding.

13 SUPPLY ANALYSIS (AND COMPARABLES)

This section contains a review of statistical data on rental property in the market area and an analysis of the data collected in the field survey of apartments in the area.

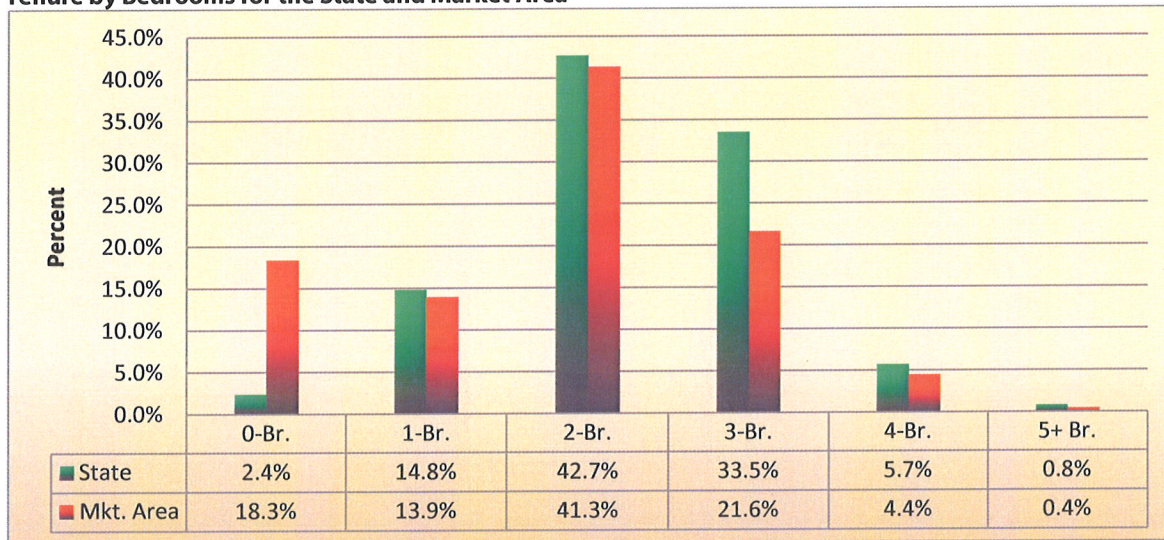
13.1 TENURE

Tenure by Bedrooms

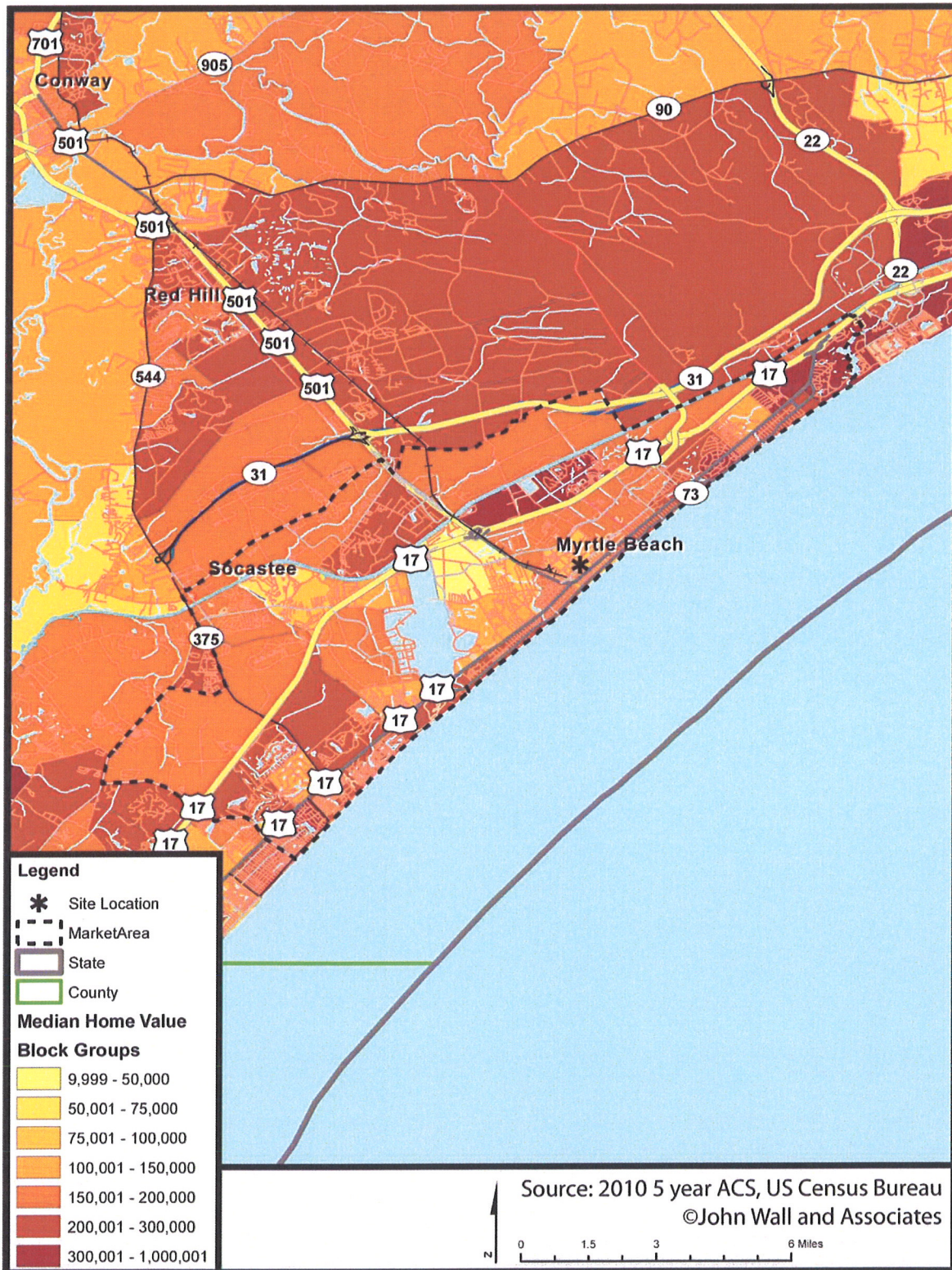
	State	%	County	%	Market Area	%	City	%
Owner occupied:	1,217,502		79,600		17,428		6,683	
No bedroom	2,428	0.2%	777	1.0%	407	2.3%	123	1.8%
1 bedroom	14,784	1.2%	1,219	1.5%	488	2.8%	275	4.1%
2 bedrooms	196,501	16.1%	15,099	19.0%	3,962	22.7%	2,008	30.0%
3 bedrooms	717,746	59.0%	47,864	60.1%	9,651	55.4%	3,247	48.6%
4 bedrooms	236,914	19.5%	12,227	15.4%	2,321	13.3%	821	12.3%
5 or more bedrooms	49,129	4.0%	2,414	3.0%	599	3.4%	209	3.1%
Renter occupied:	524,492		32,457		11,782		5,390	
No bedroom	12,492	2.4%	4,265	13.1%	2,159	18.3%	580	10.8%
1 bedroom	77,737	14.8%	3,363	10.4%	1,638	13.9%	765	14.2%
2 bedrooms	223,981	42.7%	12,280	37.8%	4,867	41.3%	2,652	49.2%
3 bedrooms	175,920	33.5%	10,817	33.3%	2,547	21.6%	1,147	21.3%
4 bedrooms	30,009	5.7%	1,566	4.8%	524	4.4%	232	4.3%
5 or more bedrooms	4,353	0.8%	166	0.5%	47	0.4%	14	0.3%

Source: 2010-5yr ACS (Census)

Tenure by Bedrooms for the State and Market Area



MEDIAN HOME VALUE MAP



13.2 BUILDING PERMITS ISSUED

Building permits are an indicator of the economic strength and activity of a community. While permits are never issued for a market area, the multi-family permits issued for the county and town are an indicator of apartments recently added to the supply:

Building Permits Issued

Year	County			City		
	Total	Single Family	Multi-Family	Total	Single Family	Multi-Family
2000	4,492	1,907	2,585	900	50	850
2001	4,268	2,030	2,238	236	98	138
2002	4,017	2,432	1,585	190	97	93
2003	5,130	3,362	1,767	565	107	458
2004	7,068	4,253	2,815	807	147	660
2005	11,828	6,471	5,357	1,716	323	1393
2006	10,335	6,484	3,851	1,318	331	987
2007	5,268	3,813	1,455	520	240	280
2008	2,997	1,867	1,130	588	57	531
2009	1,711	1,457	254	124	74	50
2010	1,508	1,388	120	119	119	0
2011	1,776	1,481	295	193	187	6

KEY: X = Did not issue permits at that time; NA = Data not available; S = No annual report received, or fewer than 9 monthly reports received

Source: C-40, U.S. Dept. of Commerce, Bureau of the Census, "Housing Units Authorized by Building Permits"

13.3 SURVEY OF APARTMENTS

John Wall and Associates conducted a survey of apartments in the area. All of the apartments of interest are surveyed. Some of them are included because they are close to the site, or because they help in understanding the context of the segment where the subject will compete. The full details of the survey are contained in the apartment photo sheets later in this report. A summary of the data focusing on rents is shown in the apartment inventory, also later in this report. A summary of vacancies sorted by rent is presented in the schedule of rents, units, and vacancies.

List of Apartments Surveyed

Name	Units	Vacancy Rate	Type	Comments
Alliance Inn	54	0.0%	TC Transitional	Not comparable
Balsam Place				Not comparable
Bay Pointe	50	0.0%	TC 50% Home, 60%; Sec 8=6	
Bay Pointe II	56	0.0%	TC 50% Home, 60%; Sec 8=11	
Carolina Breeze	180	43.9%	Conventional; Sec 8=12	
Carolina Cove	72	2.8%	TC (50%,60%), PBRA=0; Mkt=12	
Monticello Park I	80	0.0%	TC 50%, 60%; Mkt=12; Sec 8=14	
Monticello Park II	56	0.0%	TC 50%, 60%; Sec 8=2	
Monticello Park III	56	0.0%	TC 50%, 60%; Sec 8=8	
Patriots Way	64	6.3%	Conventional; Sec 8=yes	
Pipers Pointe	72	2.8%	TC 50%, 60%; Sec 8=19	
Swansgate I	34	14.7%	TC (45%,50%) Elderly HOME; PBRA=0; Sec 8=14	Not comparable
Swansgate II	24	0.0%	TC (50%,60%) Elderly; PBRA=0; Sec 8=12	Not comparable
Swansgate III	64	6.3%	TC (50%,60%) Elderly; PBRA=0; Sec 8=26	Not comparable

13.4 NEW "SUPPLY"

SCSHFDA requires comparable units built since 2012 and comparable units built in previous years that are not yet stabilized to be deducted from demand. Only comparable units within comparable complexes will be deducted from demand, as indicated by the asterisks.

Apartment Units Built or Proposed Since the Base Year

<u>Project Name</u>	<u>Year Built</u>	<u>Units With Rental Assistance</u>	<u>30% AMI, No Rental Assistance</u>	<u>50% AMI, No Rental Assistance</u>	<u>60% AMI, No Rental Assistance</u>	<u>Above Moderate Income</u>	<u>TOTAL</u>
NONE							

* Units that will be deducted from demand; parenthetical numbers indicate partial comparability. I.e., 100(50*) indicates that there are 100 new units of which only half are comparable.

No units have been built in the market area since 2012. No units are in the pipeline that would compete with the subject.

13.5 SCHEDULE OF PRESENT RENTS, UNITS, AND VACANCIES

The present housing situation is examined in this section. The rents, number of units, and vacancies of the apartments listed in the apartment inventory (shown separately later) are summarized in the tables below. Rents, units, and vacancies are tabulated separately for the various bedroom sizes, a necessary step in making bedroom mix recommendations.

The following table shows surveyed apartment complexes *without* rent subsidy in or near the market area. The *pro forma* rents, as given by the developer, are shown in orange in the table below. These rents will be compared to the other apartments in the area, and especially the comparable apartments to determine if they are reasonable. In addition to seeing how the *pro forma* rents compare in terms of absolute rents in the following table, it will be important to consider the amenities and locations of the other apartments.

Schedule of Rents, Number of Units, and Vacancies for *Unassisted* Apartment Units

1-Bedroom Units			2-Bedroom Units			3-Bedroom Units		
Rents	Units	Vacancies	Rents	Units	Vacancies	Rents	Units	Vacancies
404(E)	7	0	389	16	Subj 50%	495	12	Subj 50%
415	12	0	483	18	0	556	18	0
445(E)	14	2	497	26	0	571	26	0
457(E)	13	3	497	14	0	571	14	0
457(E)	14	0	497	15	0	571	14	0
457(E)	49	1	509	8	Subj 60%	571	15	0
509	25	6	515	42	2	595	8	Subj 60%
521	4	0	531	7	0	595	5	0
			531	7	0	609	6	0
			531	14	0	609	5	0
			545(E)	1	0	609	14	0
			545(E)	3	0	700	12	3
			571	14	0	715	18	0
			599	143	70	717	8	0
			624	8	0	717	5	0
			624	5	0	730	7	0
			624	18	2	735	11	0
			635	6	0	735	14	0
			650	64	4	830	4	0
			655	14	0	830	4	0
			655	14	0			
			672(E)	5	0			
			672(E)	3	1			
			725	8	0			
			730	8	0			

Orange = Subject

Green = Tax Credit

Median

	1-Bedroom	2-Bedrooms	3-Bedrooms	TOTAL
Vacant Units	8	9	0	17
Total Units	126	314	188	628
Vacancy Rate	6.3%	2.9%	0.0%	2.7%
Median Rent	\$457	\$599	\$609	—
Total Tax Credit Units	8	5	0	13
Vacant Tax Credit Units	126	234	180	540
Tax Credit Vacancy Rate	6.3%	2.1%	0.0%	2.4%
Tax Credit Median Rent	\$457	\$531	\$609	—

E=Elderly/Older Persons; b = basic rent; *italics* = average rent; UR = under rehabilitation; UC = under construction; RU= in rent up; PL = planned; N/A = information unavailable; totals exclude Carolina Breeze.

Source: John Wall and Associates

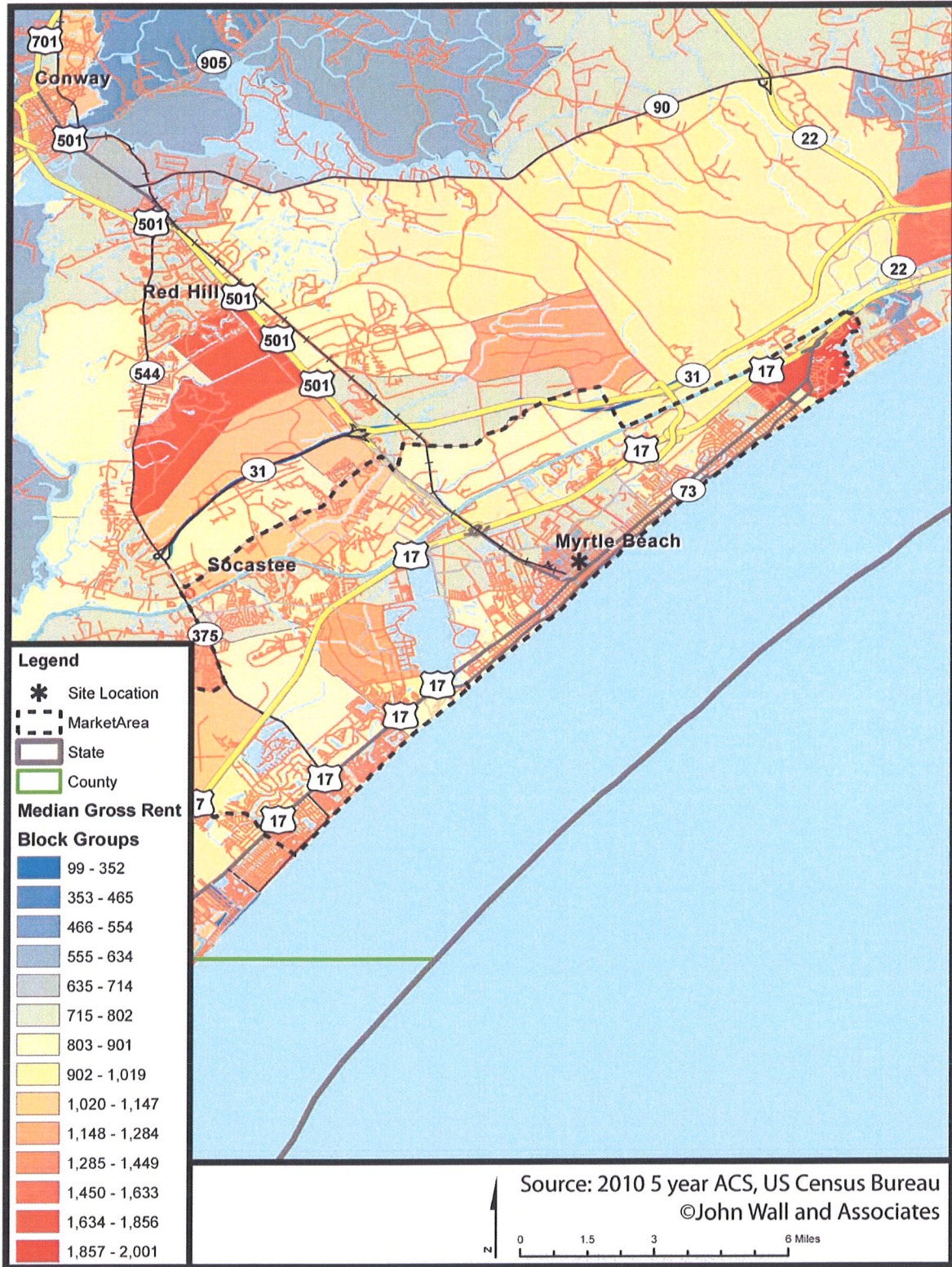
A vacancy rate of 5.0% is considered normal. The overall vacancy rate in the market is 2.7%, not including Carolina Breeze which is 43.9% vacant and primarily short term corporate rentals. The overall tax credit vacancy rate is 2.4%.

13.6 OTHER AFFORDABLE HOUSING ALTERNATIVES

The market area contains other apartments with comparable rents. These other apartments would be the primary other affordable housing alternatives. There are no reasons to believe the single family home and/or condominium market conditions will adversely impact the project. According to the 2009 American Housing Survey (US Census Bureau), 70.8% of households living in apartments did not consider any other type of housing choice. Similar percentages apply to households who chose to live in single family homes and mobile homes. Based on these statistics, it is reasonable to conclude that for most households, apartments, single family homes, and mobile home are not interchangeable options.

According to Realtor.com there are homes listed in the vicinity of the subject for \$140,000 to \$200,000. Based on the mortgage payment calculator the P & I would be \$806 for a \$140,000 mortgage, with 5.625% payable over 30 years. With taxes and insurance the cost would be higher — substantially more than the proposed rents.

MEDIAN GROSS RENT MAP



13.7 COMPARABLES

The apartments in the market most comparable to the subject are listed below:

Comparison of Comparables to Subject

<u>Project Name</u>	<u>Approximate Distance</u>	<u>Reason for Comparability</u>	<u>Degree of Comparability</u>
Bay Pointe I	½ mile	Recent LIHTC	High
Bay Pointe II	½ mile	Recent LIHTC	High
Monticello I	1 mile	Recent LIHTC	High
Monticello II	1 mile	Recent LIHTC	High
Monticello III	1 mile	Recent LIHTC	High

The apartments above are all similar in nature to the proposal being evaluated. There are no vacant units at any of the above apartments.

13.8 PUBLIC HOUSING

Because the subject has no PBRA units and does not require section 8 voucher holders for viability the housing authority was not surveyed.

13.9 LONG TERM IMPACT OF THE SUBJECT ON EXISTING TAX CREDIT UNITS

The tax credit market is strong. Most of the LIHTC vacancies are in Swansgate, a senior property in three phases.

13.10 APARTMENT INVENTORY

The apartment inventory follows this page. Summary information is shown for each apartment surveyed and detailed information is provided on individual property photo sheets.

13.11 MARKET ADVANTAGE

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
16	2	2	1100	\$389	\$803	\$0.65	51.6%	\$521	\$0.65
8	2	2	1100	\$495	\$803	\$0.73	36.6%	\$730	\$0.71
12	3	2	1250	\$509	\$950	\$0.76	47.9%	\$830	\$0.65
8	3	2	1250	\$595	\$950	\$0.76	37.4%	\$830	\$0.65

The subject was compared to several conventional properties in or near the market area. The calculations show all of the subject's proposed rents to have market advantages greater than 25%.

APARTMENT LOCATIONS MAP



APARTMENT INVENTORY

Myrtle Beach, South Carolina (PCN: 13-035)

KEY: P = proposed; UC= under construction; R = renovated; BOI = on income

ID#	Apartment Name	Year Built	Efficiency/Studio (e)		Two Bedroom		Three Bedroom		Four Bedroom		COMMENTS
			Units	Rent	Units	Rent	Units	Rent	Units	Rent	
	13-035 SUBJECT Carolina Oaks Oak Street Myrtle Beach	Proposed			16 P 8 P	389 509	12 P 8 P	495 595			TC (50%, 60%)
	Bay Pointe 1400 10th Ave. N. (aka Mr. Joe White Ave.) Myrtle Beach Dana (2-8-2013) 843-443-9382	2010 0%			7 0 7 C 14 C	551 551 655	6 0 5 0 11 0	609 609 735			WL=12 (both phases) TC 50% Home, 60% w/ 50% rent lmt, 60%, Sec 8=6 Funded 2009; 50 total units; *Balconies/patios; Dana says the property stays full and there is always a quick turnover when a unit becomes vacant.
	Bay Pointe II 1400 10th Ave. N (aka Mr. Joe White Ave.) Myrtle Beach Dana (2-8-2013) 843-443-9382	2011 0%			14 0 14 C	531 655	14 0 14 0	609 735			WL=12 (both phases) TC 50% Home, 60%, Sec 8=11 Funded 2010; 56 total units; *Balconies/patios; Dana says the property stays full and there is always a quick turnover when a unit becomes vacant.
	Carolina Brucee 100 Cedar St. Myrtle Beach Martha (2-6-2013) 843-626-2866	1970s 43.9%	25	6	143 70	599	12 3	700			Special=Half off February rent Conventional; Sec 8=12 *Half of the complex does have the water, sewer, and trash included; Dawn said these are more of seasonally rented units. They do mostly short-term leases 3-8 months; they also rarely rent to individuals, but rent corporate units (16-20 at a time)
	Carolina Cove 830 Carolina Cove Dr. Myrtle Beach Trisha (2-6-2013) 843-443-7899	2000 2.8%			42 2 6 C 8 C	515 635 725	5 0 7 0 4 0	595 730 830			WL=8 TC (50%,60%), PBRA=0; Mkt=12 Funded 1999; *Volleyball
	Monticello Park I 1300 Oscola St. Myrtle Beach Dale (2-8-2013) 843-946-0051	2004 0%			26 0 8 C 8 C	497 624 730	26 0 8 0 4 0	571 717 830			WL=0 TC 50%, 60%; Mkt=12; Sec 8=14 Funded 2002; 80 total units; *Sunrooms, business center
	Monticello Park II 1300 Oscola St. Myrtle Beach Dale (2-8-2013) 843-946-0051	2007 0%			14 0 14 C	497 571	14 0 14 0	571 571			WL=0 TC 50%, 60%, Sec 8=2 Funded 2005; 56 total units; Sunrooms, business center
	Monticello Park III 1300 Oscola St. Myrtle Beach Dale (2-8-2013) 843-946-0051	2007 0%	12	0	15 0 5 C	497 624	15 0 5 0	571 717			WL=0 TC 50%, 60%, Sec 8=8 Funded 2007; 56 total units; *Sunroom, business center
	Patriots Way 1500 Coastal Ln. Myrtle Beach Will (2-7-2013) 843-448-0027	1990 6.3%	64	4		650					WL=0 Conventional; Sec 8=yes
	Pipers Pointe 1310 Pipers Pointe Ln. Myrtle Beach Renca (2-8-2013) 843-448-0400	2006 2.8%	18	0	18 0 2	483 624	18 0 18 0	556 715			WL=short TC 50%, 60%, Sec 8=19 Funded 2004; 72 total units
	Swansgate I 1050 Mr. Joe White Ave. Myrtle Beach Sharon (2-6-2013) 843-946-6226	1995 14.7%	7	0	14 2 13 3	404 445 457					WL=0 TC (45%,50%) Elderly HOME; PBRA=0; Sec 8=14 Funded 1995; *Garden room and community room

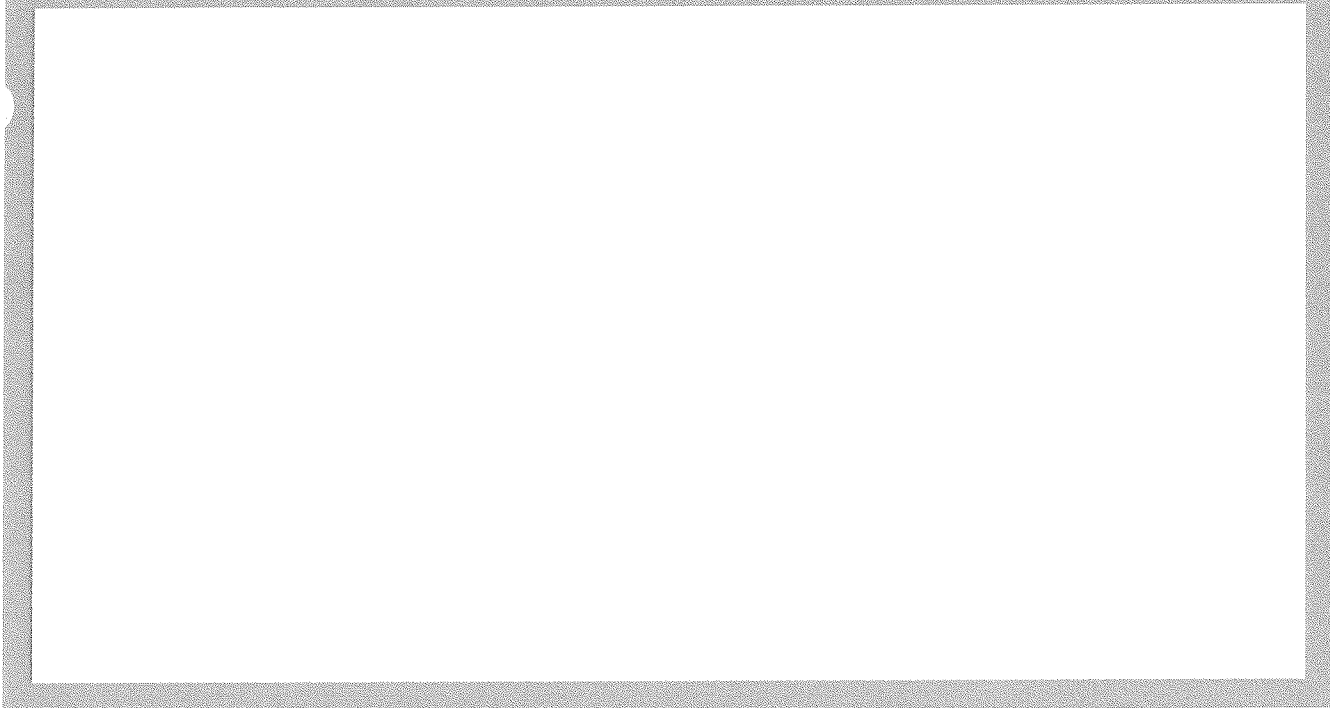
APARTMENT INVENTORY
Myrtle Beach, South Carolina (PCN: 13-035)

KEY: P = proposed; UC= under construction; R = renovated; BOI = on income

ID#	Apartment Name	Year Built	vac%	Efficiency/Studio (e)		One Bedroom		Two Bedroom		Three Bedroom		Four Bedroom		COMMENTS
				Units	Rent	Vacant	Rent	Units	Rent	Vacant	Rent	Units	Rent	
	SwanGate II 1021 Dunbar St. Myrtle Beach Sharon (2-6-2013) 843-946-6226	2000	0%	14	457	0	457	1	0	5	672	0	0	WL=0 TTC (50%, 60%) Elderly; PBRA=0; Sec 8=12 Funded 1998; *Community room and library
	SwanGate III 1025 and 1055 Furell Dr. Myrtle Beach Sharon (2-6-2013) 843-946-6226	2001	6.3%	49	457	1	457	5	0	5	672	0	0	WL=0 TTC (50%, 60%) Elderly; PBRA=0; Sec 8=26 Funded 1999; *Community room

Map Number	Complex:	Year Built:	Amenities												Appliances							Unit Features								Two-Bedroom Size (s.f.)	Rent
			Laundry Facility	Tennis Court	Swimming Pool	Club House	Garages	Playground	Access/Security Gate	Other	Refrigerator	Range/Oven	Dishwasher	Garage Disposal	W/D Connection	Washer, Dryer	Microwave Oven	Other	Fireplace	Free Cable	Furnished	Air Conditioning	Drapes/Blinds	Cable Pre-Wired	Utilities Included	Other					
	13-035 SUBJECT	Proposed																								1100	389				
	Vacancy Rates:	1 BR 2 BR 3 BR																								1100	509				
	Bay Pointe	2010																								1100	531				
	Vacancy Rates:	1 BR 2 BR 3 BR																								1100	531				
		0.0%	0.0%	0.0%																						1100	655				
	Bay Pointe II	2011																								1100	531				
	Vacancy Rates:	1 BR 2 BR 3 BR																								1100	655				
		0.0%	0.0%	0.0%																						1100	599				
	Carolina Breeze	1970s																								860	599				
	Vacancy Rates:	1 BR 2 BR 3 BR																								979	515				
		24.0%	49.0%	25.0%																						979	635				
	Carolina Cove	2000																								979	725				
	Vacancy Rates:	1 BR 2 BR 3 BR																								497	497				
		3.6%	0.0%	0.0%																						624	624				
	Monticello Park I	2004																								497	497				
	Vacancy Rates:	1 BR 2 BR 3 BR																								624	624				
		0.0%	0.0%	0.0%																						730	730				
	Monticello Park II	2007																								497	497				
	Vacancy Rates:	1 BR 2 BR 3 BR																								571	571				
		0.0%	0.0%	0.0%																						497	497				
	Monticello Park III	2007																								624	624				
	Vacancy Rates:	1 BR 2 BR 3 BR																								624	624				
		0.0%	0.0%	0.0%																						624	624				

KEY: P = proposed, UC = under construction, R = renovated, BOT = based on income, s = some, a = average, b = basic rent



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom					
1 BR vacancy rate					
Two-Bedroom					
2 BR vacancy rate	16	2	P	1100	389
	8	2	P	1100	509
Three-Bedroom					
3 BR vacancy rate	12	2	P	1250	495
	8	2	P	1250	595
Four-Bedroom					
4 BR vacancy rate					
TOTALS	44	0			

Complex:
 13-035 SUBJECT
 Carolina Oaks
 Oak Street
 Myrtle Beach

Map Number:

Year Built:
 Proposed

- Amenities**
- Laundry Facility
 - Tennis Court
 - Swimming Pool
 - Club House
 - Garages
 - Playground
 - Access/Security Gate
 - Fitness Center
 - Other

- Appliances**
- Refrigerator
 - Range/Oven
 - Microwave Oven
 - Dishwasher
 - Garbage Disposal
 - W/D Connection
 - Washer, Dryer
 - Ceiling Fan
 - Other

- Unit Features**
- Fireplace
 - Utilities Included
 - Furnished
 - Air Conditioning
 - Drapes/Blinds
 - Cable Pre-Wired
 - Free Cable
 - Free Internet
 - Other

Last Rent Increase

Specials

Waiting List

Subsidies
 TC (50%, 60%)

Comments:



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom					
1 BR vacancy rate					
Two-Bedroom					
2 BR vacancy rate	0.0%				
		7	2	0	1100
		7	2	0	1100
		14	2	0	1100
					655
Three-Bedroom					
3 BR vacancy rate	0.0%				
		6	2	0	1300
		5	2	0	1300
		11	2	0	1300
					735
Four-Bedroom					
4 BR vacancy rate					
TOTALS	0.0%	50	0		

Complex: Bay Pointe
 1400 10th Ave. N. (aka Mr. Joe White Ave.)
 Myrtle Beach
 Dana (2-8-2013)
 843-443-9382

Map Number:

Year Built:
 2010

Last Rent Increase

Specials

Waiting List

WL=12 (both phases)

Subsidies

TC 50% Home, 60% w/ 50%
 rent lmt, 60%; Sec 8=6

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- wst Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- * Other

Comments: Funded 2009; 50 total units; *Balconies/patios; Dana says the property stays full and there is always a quick turnover when a unit becomes vacant.



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom					
1 BR vacancy rate					
Two-Bedroom					
2 BR vacancy rate	14	2	0	1100	531
	0.0%	14	2	1100	655
Three-Bedroom					
3 BR vacancy rate	14	2	0	1300	609
	0.0%	14	2	1300	735
Four-Bedroom					
4 BR vacancy rate					
TOTALS	0.0%	56	0		

Complex: Bay Pointe II
 1400 10th Ave. N (aka Mr. Joe White Ave.)
 Myrtle Beach
 Dana (2-8-2013)
 843-443-9382

Map Number:

Year Built:
 2011

Last Rent Increase

Specials

Waiting List

WL=12 (both phases)

Subsidies

TC 50% Home, 60%; Sec 8=11

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments: Funded 2010; 56 total units; *Balconies/patios; Dana says the property stays full and there is always a quick turnover when a unit becomes vacant.



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	25	1	6	700	509
1 BR vacancy rate	24.0%				
Two-Bedroom					
2 BR vacancy rate	49.0%				
Three-Bedroom	12	1-1.5	3	960	700
3 BR vacancy rate	25.0%				
Four-Bedroom					
4 BR vacancy rate					
TOTALS	43.9%	180	79		

Complex:

Carolina Breeze
 100 Cedar St.
 Myrtle Beach
 Martha (2-6-2013)
 843-626-2866

Map Number:

Year Built:

1970s

Last Rent Increase

Specials

Special=Half off February rent

Waiting List

Subsidies

Conventional; Sec 8=12

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments: *Half of the complex does have the water, sewer, and trash included; Dawn said these are more of seasonally renaed units. They do mostly short-term leases 3-8 months; they also rarely rent to individuals, but rent corporate units (16-20 at a time)



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom					
1 BR vacancy rate					
Two-Bedroom					
2 BR vacancy rate	3.6%	42	2	2	979
		6	2	0	979
		8	2	0	979
Three-Bedroom					
3 BR vacancy rate	0.0%	5	2	0	1129
		7	2	0	1129
		4	2	0	1129
Four-Bedroom					
4 BR vacancy rate					
TOTALS	2.8%	72	2		

Complex:
 Carolina Cove
 830 Carolina Cove Dr.
 Myrtle Beach
 Trisha (2-6-2013)
 843-445-7899

Map Number:

Year Built:
 2000

Last Rent Increase

Specials

Waiting List
 WL=8

Subsidies
 TC (50%,60%), PBRA=0;
 Mkt=12

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- * Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- wst Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments: Funded 1999; *Volleyball



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom					
1 BR vacancy rate					
Two-Bedroom					
2 BR vacancy rate	0.0%	26	0		497
		8	0		624
		8	0		730
Three-Bedroom					
3 BR vacancy rate	0.0%	26	2	0	571
		8	2	0	717
		4	2	0	830
Four-Bedroom					
4 BR vacancy rate					
TOTALS	0.0%	80	0		

Complex:
 Monticello Park I
 1300 Osceola St.
 Myrtle Beach
 Dale (2-8-2013)
 843-946-0051

Map Number:

Year Built:
 2004

Last Rent Increase

Specials

Waiting List
 WL=0

Subsidies
 TC 50%, 60%; Mkt=12; Sec 8=14

- Amenities**
- Laundry Facility
 - Tennis Court
 - Swimming Pool
 - Club House
 - Garages
 - Playground
 - Access/Security Gate
 - Fitness Center
 - * Other

- Appliances**
- Refrigerator
 - Range/Oven
 - Microwave Oven
 - Dishwasher
 - Garbage Disposal
 - W/D Connection
 - Washer, Dryer
 - Ceiling Fan
 - Other

- Unit Features**
- Fireplace
 - wst Utilities Included
 - Furnished
 - Air Conditioning
 - Drapes/Blinds
 - Cable Pre-Wired
 - Free Cable
 - Free Internet
 - Other

Comments: Funded 2002; 80 total units; *Sunrooms, business center



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom					
1 BR vacancy rate					
Two-Bedroom					
2 BR vacancy rate	0.0%	14	0		497
		14	0		571
Three-Bedroom					
3 BR vacancy rate	0.0%	14	2	0	571
		14	2	0	571
Four-Bedroom					
4 BR vacancy rate					
TOTALS	0.0%	56	0		

Complex:
 Monticello Park II
 1300 Osceola St.
 Myrtle Beach
 Dale (2-8-2013)
 843-946-0051

Map Number:

Year Built:
 2007

Last Rent Increase

Specials

Waiting List
 WL=0

Subsidies
 TC 50%, 60%; Sec 8=2

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- *
- Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- wst Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments: Funded 2005; 56 total units; Sunrooms, business center



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	12	1	0		415
1 BR vacancy rate	0.0%	4	1	0	521
Two-Bedroom					
2 BR vacancy rate	0.0%	5		0	624
Three-Bedroom					
3 BR vacancy rate	0.0%	5	2	0	717
Four-Bedroom					
4 BR vacancy rate					
TOTALS	0.0%	56	0		

Complex:

Monticello Park III
 1300 Osceola St.
 Myrtle Beach
 Dale (2-8-2013)
 843-946-0051

Map Number:

Year Built:

2007

Last Rent Increase

Specials

Waiting List

WL=0

Subsidies

TC 50%, 60%; Sec 8=8

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- * Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- wst Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments: Funded 2007; 56 total units; *Sunroom, business center



No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio				
One-Bedroom				
1 BR vacancy rate				
Two-Bedroom				
64	2	4	960	650
2 BR vacancy rate 6.3%				
Three-Bedroom				
3 BR vacancy rate				
Four-Bedroom				
4 BR vacancy rate				
TOTALS	6.3%	64	4	

Complex:

Patriots Way
 1500 Coastal Ln.
 Myrtle Beach
 Will (2-7-2013)
 843-448-0027

Map Number:

Year Built:

1990

Last Rent Increase

Specials

Waiting List

WL=0

Subsidies

Conventional; Sec 8=yes

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments:



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom					
1 BR vacancy rate					
Two-Bedroom					
2 BR vacancy rate	18	2	0	1122	483
5.6%	18	2	2	1122	624
Three-Bedroom					
3 BR vacancy rate	18	2	0	1322	556
0.0%	18	2	0	1322	715
Four-Bedroom					
4 BR vacancy rate					
TOTALS	2.8%	72	2		

Complex:
 Pipers Pointe
 1310 Pipers Pointe Ln.
 Myrtle Beach
 Renea (2-8-2013)
 843-448-0400

Map Number:

Year Built:
 2006

Last Rent Increase

Specials

Waiting List

WL=short

Subsidies

TC 50%, 60%; Sec 8=19

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments: Funded 2004; 72 total units



	No. of Units	Baths	Vacant	Size (s.f.)	Rent	
Efficiency/Studio						
One-Bedroom	7	1	0	600	404	
1 BR vacancy rate	14.7%	14	1	2	600	445
		13	1	3	600	457
Two-Bedroom						
2 BR vacancy rate						
Three-Bedroom						
3 BR vacancy rate						
Four-Bedroom						
4 BR vacancy rate						
TOTALS	14.7%	34	5			

Complex: Swansgate I
 1050 Mr. Joe White Ave.
 Myrtle Beach
 Sharon (2-6-2013)
 843-946-6226

Map Number:

Year Built:
 1995

Last Rent Increase

Specials

Waiting List

WL=0

Subsidies

TC (45%,50%) Elderly HOME;
 PBRA=0; Sec 8=14

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments: Funded 1995; *Garden room and community room



	No. of Units	Baths	Vacant	Size (s.f.)	Rent	
Efficiency/Studio						
One-Bedroom	14	1	0	600	457	
1 BR vacancy rate	0.0%	4	1	0	600	563
Two-Bedroom						
2 BR vacancy rate	0.0%	5	2	0	875	672
Three-Bedroom						
3 BR vacancy rate						
Four-Bedroom						
4 BR vacancy rate						
TOTALS	0.0%	24	0			

Complex:

Swansgate II
 1021 Dunbar St.
 Myrtle Beach
 Sharon (2-6-2013)
 843-946-6226

Map Number:

Year Built:

2000

Last Rent Increase

Specials

Waiting List

WL=0

Subsidies

TC (50%,60%) Elderly; PBRA=0;
 Sec 8=12

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- * Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- wst Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments: Funded 1998; *Community room and library



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	49	1	1	600	457
1 BR vacancy rate	5.2%	9	1	2	600
Two-Bedroom	3	2	0	875	545
2 BR vacancy rate	16.7%	3	2	1	875
Three-Bedroom					
3 BR vacancy rate					
Four-Bedroom					
4 BR vacancy rate					
TOTALS	6.3%	64	4		

Complex: Swansgate III
Map Number: 1023 and 1053 Futrell Dr.

Myrtle Beach
 Sharon (2-6-2013)
 843-946-6226

Year Built:
 2001

Last Rent Increase

Specials

Waiting List

WL=0

Subsidies

TC (50%,60%) Elderly; PBRA=0;
 Sec 8=26

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- * Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- wst Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments: Funded 1999; *Community room

14 INTERVIEWS

The following interviews were conducted regarding demand for the subject.

14.1 APARTMENT MANAGERS

[Note that subsequent to the interviews, the one bedroom units were eliminated.]

Nancy, manager of Swansgate I, II, and III (Tax Credit, Elderly), said the location of the proposed apartments may be too commercial of an area for apartments. Regarding the bedroom mix, Nancy believes there is a big need for one-bedroom units in family projects. She said there is an abundance of two and three-bedroom units already in the market. Nancy said the rents for the two-bedroom units' sound comparable to others in the market, but that the three-bedroom 50% rent sounds low. She said the proposed amenities are good, and she believes the project would do well if built.

Renea, manager of Pipers Pointe (Tax Credit, Family), said the location for the proposed project is great. She said more units are needed in the area. Regarding the bedroom mix, she said there could be more one-bedroom units, but the mix for the two and three bedroom units sounds good. Renea said the proposed rents sound great. She said her 60% two-bedroom units rent for \$624 and she has no problem filling them so the proposed 60% two-bedroom rent of \$586 is really good. She said that her 60% three-bedroom units rent for \$715, but that she has difficulty renting these so she believes that the subject's proposed 60% three-bedroom rents of \$658 will do really well. Renea said the proposed amenities sound good, and overall, she believes the project, if built, will do fantastic.

Kay, manager of Bay Pointe I & II (Tax Credit, Family), said the proposed location is good. She said there is a need for more tax credit units in the area. She thinks 48 units is too small of a property and believes the market could hold more. She said the bedroom mix sounds fine. She does not have any one-bedroom units and does get asked about them a good bit. She also believes there is a demand for four-bedroom units in the area. She said the rents sound low if the units are going to be built to market rate standards and maintained. She said the amenities sound comparable to other apartments in the area. Overall, Kay believes the proposed project would do very well if built.

Trisha, manager of Carolina Cove (Tax Credit; Family), said the proposed location is good. She said there is a need for affordable apartments in Myrtle Beach. She said, as a property manager, she thinks there are too many three-bedroom units proposed. She said three-bedroom units mean a lot of children that will tear up the property and its community amenities. She said she would prefer more one and two-bedroom units. She said the rents sound good and low. She said the appliances in the units are comparable with other properties in the area, but a lot of properties do not have a playground because the children (which there will be a lot at the proposed site because of all the three-bedroom units) tear them up. Overall, Trisha believes the proposed project will rent up easily.

14.2 ECONOMIC DEVELOPMENT

According to the Myrtle Beach Regional Economic Development and the SC Department of Commerce, there have been five companies to announce a location or expansion in Horry County within the past year. These locations and expansions will create a total of 458 new jobs. BaushLinnemann North America will establish a new production facility in Myrtle Beach on Harrelson Boulevard and create 55 new jobs; the facility is expected to be completed this summer (2013). AvCraft Technical Services announced an expansion which will create 150 new jobs in Myrtle Beach. Canfor Southern Pine announced they would expand its existing lumber production facility in Conway and create 56 new jobs. Frontier Communications announced plans to expand its facility located at 919 Lumber Street in Myrtle Beach by adding a new call center which will create 110 new jobs. Native Sons, a leading screen-printing, embroidery and creative specialty corporation, announced plans to expand their facility in downtown Myrtle Beach and create 79 new jobs.

On the down side, according to the SC Works Layoff Notification Report, there have been seven companies to close or downsize within the past year in Horry County, which have caused a total of 238 jobs to be lost. Loris Community Hospital (Loris) had layoffs with 25 jobs lost, Seacoast Medical Center (Little River) had layoffs with 25 jobs lost, First American Cash Advance had two stores to close (Conway, Loris) with 4 jobs lost, Waccamaw Bank closed (Conway) with 3 jobs lost, Seagrass Linen closed (Conway) with 15 jobs lost, Aquasino (Little River) closed with 150 jobs lost, and a Hostess Brand store (Conway) closed with 16 jobs lost.

15 APPENDIX A – MARKET RENTS

The market rate units in the following four complexes were used to estimate market rents for the subject.

UNRESTRICTED MARKET RENT ANALYSIS USING CONVENTIONAL PROJECTS
Carolina Oaks — 13-035
Myrtle Beach, South Carolina

Project Name	Year Built	Number Of Units	Vacancy Rate	Location/Neighborhood	Design/Layout	Appearance/Condition	Amenities	Unit Size 1BR	Unit Size 2BR	Unit Size 3BR	Age	FACTOR:			Total Points 1BR	Total Points 2BR	Total Points 3BR	Rent			Comparability Factor	COMMENTS
												2	2	2				1BR	2BR	3BR		
Carolina Breeze	70s	180	43.9	7	7	6	5	7.0	7.8	7.6	5				69.0	70.2	70.2	509	599	700	1.0	
Carolina Cove	2000	12	0.0	7	9	8	9	—	8.8	8.3	8				91.6	90.6	—	725	830	—	1.0	only mkt rate units
Monticello Park I	2004	12	0.0	8	9	9	8	—	8.5	10.7	9				94.0	98.4	—	730	830	—	1.0	only mkt rate units
Patriots Way	1990	64	6.3	8	9	9	7	—	8.6	—	7				90.2	—	—	650	—	—	1.0	
																					1.0	
																					1.0	
																					1.0	
																					1.0	
																					1.0	
																					1.0	
																					1.0	
																					1.0	
																					1.0	
																					1.0	
																					1.0	
																					1.0	
																					1.0	
(SUBJECT)		48	N/A	9	9	9	8	8.5	10.0	10.5	10				97.0	100.0	101.0				N/A	60% AMI rents

Weighted average market rents for subject
 Market advantage for subject's highest rent

0 = Poor; 10 = Excellent: Points are relative and pertain to this market only

m = FmHA Market rent; * = Average; a = Approximate; Points for the age of a project represent an average of the original construction and the rehabilitation

Where information is unattainable, points may be awarded based on an estimate: This is also denoted by an "a"

g = garden; t = townhouse

b = adjusted age considering proposed renovations

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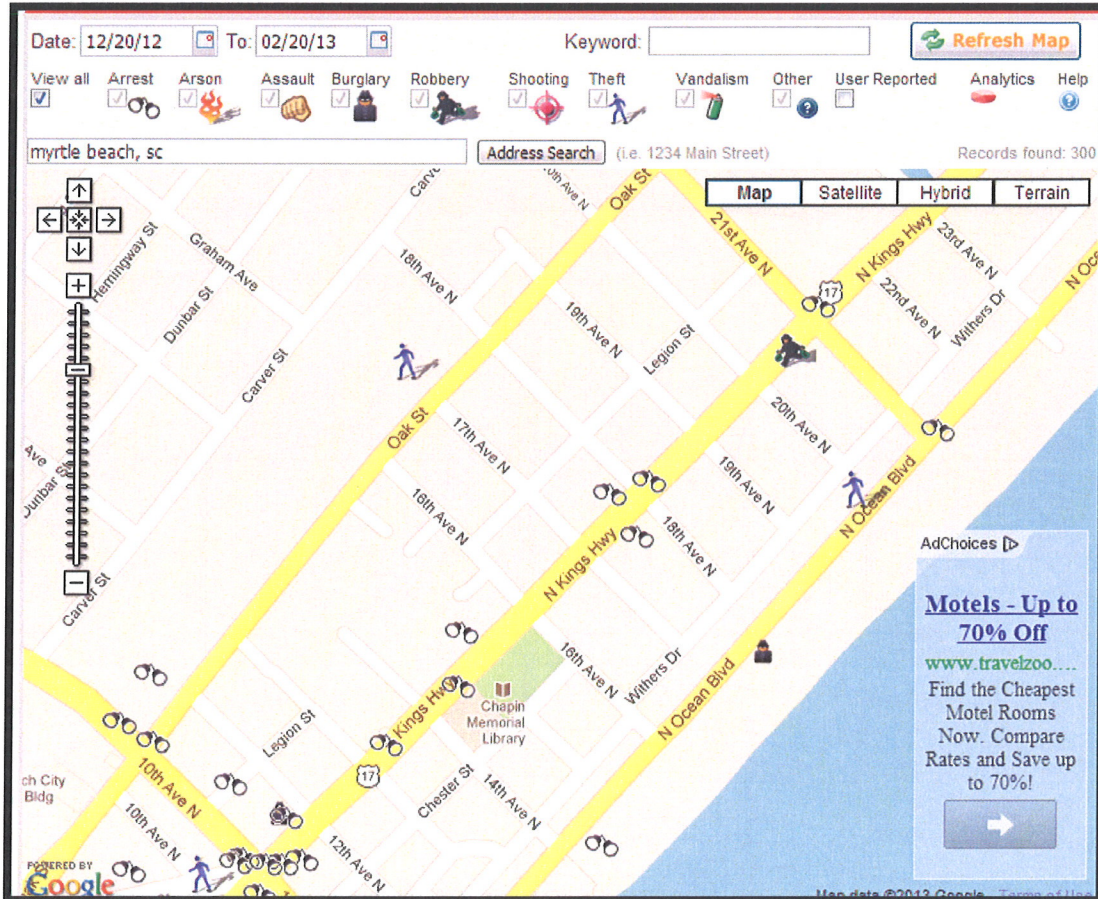
$$\frac{\text{market} - \text{subject}}{\text{market}} = \% \text{ mkt adv}$$

716 803 950
 100.0% 36.6% 37.4%

389 495 50% AMI rents

100.0% 51.6% 47.9% mkt adv for 50% rents

16 APPENDIX B – CRIMES REPORTED TO POLICE



17 NCHMA MARKET STUDY INDEX/CHECKLIST

A. Introduction: Members of the National Council of Housing Market Analysts provide a checklist referencing all components of their market study. This checklist is intended to assist readers on the location and content of issues relevant to the evaluation and analysis of market studies.

B. Description and Procedure for Completing: The following components have been addressed in this market study. The page number of each component is noted below. Each component is fully discussed on that page or pages. In cases where the item is not relevant, the author has indicated 'N/A' or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a 'V' (variation) with a comment explaining the conflict. (More detailed notations or explanations also acceptable)

C. Checklist:

1. Executive Summary	8	31. Existing rental housing discussion	51
2. Concise description of the site and adjacent parcels	12	32. Area building permits	53
3. Project summary	12	33. Comparable property discussion	*
4. Precise statement of key conclusions	11	34. Comparable property profiles	*
5. Recommendations and/or modification to project discussion	10	35. Area vacancy rates, including rates for Tax Credit and government-subsidized	54
6. Market strengths and weaknesses impacting project	10	36. Comparable property photos	*
7. Lease-up projection with issues impacting performance	8	37. Identification of waiting lists	*
8. Project description with exact number of bedrooms and baths proposed, income limitation, proposed rents and utility allowances	12	38. Narrative of subject property compared to comparable properties	V
9. Utilities (and utility sources) included rent and paid by landlord or tenant?	12	39. Discussion of other affordable housing options including homeownership	NA
10. Project design description	12	40. Discussion of subject property on existing housing	55
11. Unit and project amenities; parking	12	41. Map of comparable properties	59
12. Public programs included	12	42. Description of overall rental market including share of market-rate and affordable properties	54
13. Date of construction/preliminary completion	15	43. List of existing and proposed LIHTC properties	53, V
14. Reference to review/status of project plans	NA	44. Interviews with area housing stakeholders	60
15. Target population description	14	45. Availability of Housing Choice Vouchers	60
16. Market area/secondary market area description	28	46. Income levels required to live at subject site	43
17. Description of site characteristics	18	47. Market rent and programmatic rent for subject	NA, 44, 62
18. Site photos/maps	16	48. Capture rate for property	9
19. Map of community services	59	49. Penetration rate for area properties	9 V
20. Visibility and accessibility evaluation	18	50. Absorption rate discussion	8
21. Crime information	NA	51. Discussion of future changes in housing population	29
22. Population and household counts	29	52. Discussion of risks or other mitigating circumstances impacting project projection	10
23. Households by tenure	31	53. Preparation date of report	2
24. Distribution of income	33	54. Date of field work	18
25. Employment by industry	35	55. Certification	8
26. Area major employers	37	56. Statement of qualifications	16
27. Historical unemployment rate	39	57. Sources of data	**
28. Five-year employment growth	39	58. Utility allowance schedule	14
29. Typical wages by occupation	39		
30. Discussion of commuting patterns of area workers	28		

* Information on comparable properties, including profiles, and photographs, appear on the unnumbered photosheets, following page 59.

38(V): Some textual comparison is made on page 10, while numeric comparisons are made on page 54 and on the apartment inventory.

43(V) The page referenced shows proposed and newly constructed properties. Other existing properties are identified on the unnumbered inventory.

49(V) The client market study guide defines capture rate the way NCHMA defines penetration rate.

** Data are sourced where they are used throughout the study.

18 BUSINESS REFERENCES

Ms. Laura Nicholson
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Columbia, South Carolina 29210
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Mr. Scott Farmer
North Carolina Housing Finance Agency
3508 Bush Street
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Georgia Department of Community Affairs
60 Executive Park South, NE
Atlanta, Georgia 30329
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19 RÉSUMÉS**JOHN WALL****EXPERIENCE****PRESIDENT**

JWA, Inc., Anderson, South Carolina (June, 1990 to Present)

JWA, Inc. is an information services company providing demographic and other types of data, as well as geographic information system services, mapping, and research to market analysts and other clients.

PRESIDENT

John Wall & Associates, Anderson, South Carolina (December, 1982 to Present)

John Wall & Associates is a planning and analysis firm specializing in real estate market analysis and land development consultation. Initially, the firm concentrated on work in the southeastern portion of the United States. In 1990, the work was expanded to the entire United States. John Wall & Associates (Anderson, South Carolina office) has completed over 2,500 market analyses, the majority of these being for apartment projects (both government and conventional). The firm has also done many other types of real estate market analyses, shopping center master plans, industrial park master plans, housing and demographic studies, land planning projects, site analysis, location analysis, and GIS projects. Clients have included private developers, governments, syndicators, and lending institutions.

CHURCHILL STATESIDE GROUP INVESTMENT COMMITTEE, (March 2011 to Present)

MIDLAND MORTGAGE INVESTMENT COMMITTEE, MMI (October, 1992 to November, 2001)

MIDLAND ADVISORY SERVICES COMMITTEE, MAS (October, 1992 to November, 2001)

MIDLAND EQUITY COMMITTEE, MEC (March, 1995 to November, 2001)

VISITING PROFESSOR OF SITE PLANNING (PART-TIME)

Clemson University College of Architecture, Planning Dept., Clemson, South Carolina (1985 & 1986)

PLANNING DIRECTOR

Planning Department, City of Anderson, South Carolina (September, 1980 to December, 1982)

PLANNER

Planning Department, City of Anderson, South Carolina (December 1978 to September, 1980)

CARTOGRAPHER

Oconee County Tax Assessors' Office, Walhalla, South Carolina (October, 1976 to January, 1977)

ASSISTANT ENGINEER

American Concrete Pipe Association, Vienna, Virginia (January, 1969 to March, 1969)

PROFESSIONAL ORGANIZATION

National Council of Housing Market Analysts (NCHMA) Member Delegate (2002-Present)

PUBLICATIONS

Conducting Market Studies in Rural Area, NCHMA Publications

EDUCATION

Multifamily Accelerated Processing (MAP) Certificate, HUD (May 2012)

Continuing Education, National Council of Housing Market Analysts (2002-Present)

Real Estate Development, Harvard University, Cambridge, Massachusetts (July, 1989)

Fundamentals of Real Estate Finance, Harvard University, Cambridge, Massachusetts (July, 1989)

Management of Planning & Design Firms, Harvard University, Cambridge, Massachusetts (August, 1984)

Master of City & Regional Planning, Clemson University, Clemson, South Carolina (May, 1980)

BS Pre-Architecture, Clemson University, Clemson, South Carolina (May, 1978)

Graduate of Manlius Military Academy, Manlius, New York (June, 1965)

MILITARY

U.S. Navy, Interim Top Secret Clearance (April, 1969 to October, 1973; Honorable Discharge)

BOB ROGERS**EXPERIENCE****SENIOR MARKET ANALYST**

John Wall and Associates, Anderson, South Carolina (1992 to Present)

Responsibilities include: development of housing demand methodology; development of computer systems and technologies; analysis of demographic trends; creation and production of analytic maps and graphics; CRA compliance; courtroom presentation graphics.

MANAGER

Institute for Electronic Data Analysis, Knoxville, Tennessee (1990 to 1992)

Responsibilities included marketing, training new employees and users of US Bureau of the Census data products, and custom research.

CONSULTANT

Sea Ray Boats, Inc., Knoxville, Tennessee (1991)

Project included using various statistical techniques to create customer profiles that the senior management team used to create a marketing strategy.

CONSULTANT

Central Transport, High Point, North Carolina (1990)

Project included research and analysis in the area of driver retention and how to improve the company's turnover ratio.

PROFESSIONAL ORGANIZATION

National Council of Housing Market Analysts (NCHMA)

Executive Committee Member (2004-2010)

Standards Committee Co-Chair (2006-2010)

Standards Committee Vice Chair (2004-2006)

Member delegate (2002-Present)

PUBLICATIONS

Field Work for Market Studies, NCHMA White Paper, 2011

Ten Things Developers Should Know About Market Studies, Affordable Housing Finance Magazine, 2007

Selecting Comparable Properties (best practices), NCHMA publication 2006

EDUCATION

Multifamily Accelerated Processing (MAP) Certificate, HUD (May 2012)

Continuing education, National Council of Housing Market Analysts (2002 to present)

MBA Transportation and Logistics, The University of Tennessee, Knoxville, Tennessee (1991)

BS Business Logistics, Penn State, University Park, Pennsylvania (1989)

JOE BURRISS

EXPERIENCE

SENIOR MARKET ANALYST AND RESEARCHER

John Wall & Associates, Anderson, South Carolina (1999 to present)

Responsibilities include: Author of numerous apartment market studies; make, review and evaluate recommendations regarding student housing analysis; collect and analyze multifamily rental housing information (both field and census); conduct site and location analysis.

MARKETING DIRECTOR

John Wall & Associates, Anderson, South Carolina (2003 to present)

Responsibilities include: Design marketing plans and strategies; client development.

PROFESSIONAL ORGANIZATION

National Council of Housing Market Analysts (NCHMA)

FHA Lender and Underwriting (MAP) Committee (2012-Present)

Member Delegate (2002-Present)

EDUCATION

Multifamily Accelerated Processing (MAP) Certificate, HUD (May 2012)

Continuing Education, National Council of Housing Market Analysts (2002-Present)

BS Marketing, Clemson University, Clemson, South Carolina (2002)

4.5 SCSHFDA EXHIBIT S-2

2013 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:										
Development Name:		Carolina Oaks						Total # Units:		44
Location:		Myrtle Beach						# LIHTC Units:		44
PMA Boundary:		See market area map page 25								
Development Type:		<input checked="" type="checkbox"/> Family		<input type="checkbox"/> Older Persons		Farthest Boundary Distance to Subject:		10 miles		
RENTAL HOUSING STOCK (found on page 53)										
Type	# Properties	Total Units	Vacant Units	Average Occupancy						
All Rental Housing	9	628	17	97.3%						
Market-Rate Housing ***	4	88	4	95.5%						
Assisted/Subsidized Housing not to include LIHTC	n/a	n/a	n/a	n/a						
LIHTC (All that are stabilized)* / ****	7	540	13	97.6%						
Stabilized Comps**	9			%						
Non-stabilized Comps	0	n/a	n/a	n/a						
* Stabilized occupancy of at least 93% (Excludes projects still in initial lease up). *** includes mkt rate units in LIHTC properties. **** excludes elderly ** 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	
16	2	2	1100	\$389	\$803	\$0.65	51.6%	\$521	\$0.65	
8	2	2	1100	\$509	\$803	\$0.73	36.6%	\$730	\$0.71	
12	3	2	1250	\$495	\$950	\$0.76	47.9%	\$830	\$0.65	
8	3	2	1250	\$595	\$950	\$0.76	37.4%	\$830	\$0.65	
Gross Potential Rent Monthly*				\$20,996	\$38,272		45.14			
*Market Advantage is calculated using the following formula: (Gross Adjusted Market Rent (minus) Gross Proposed Tenant Rent) (divided by) Gross Adjusted Market Rent. The calculation should be expressed as a percentage and rounded to two decimal points. The Rent Calculation Excel Worksheet must be provided with the Exhibit S-2 form.										
DEMOGRAPHIC DATA (found on page 29, 10)										
	2010		2012		2015					
Renter Households	13172	43.8%	13693	43.8%	14489	43.8%				
Income-Qualified Renter HHs (LIHTC)	3358	25.5%	3491	25.5%	3694	25.5%				
Income-Qualified Renter HHs (MR)	(if applicable)	n/a	n/a	n/a	n/a	n/a				
TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 50)										
Type of Demand	50%	60%	Market-rate	Other:30%	Other:___	Overall				
Renter Household Growth	148	169	—	—	—	227				
Existing Households (Overburd + Substand)	1,821	1,697	—	—	—	2,594				
Homeowner conversion (Seniors)	—	—	—	—	—	—				
Other:	—	—	—	—	—	—				
Less Comparable/Competitive Supply	0	0	—	—	—	0				
Net Income-qualified Renter HHs	1,969	1,866	—	—	—	2,821				
CAPTURE RATES (found on page 9)										
Targeted Population	50%	60%	Market-rate	Other:30%	Other:___	Overall				
Capture Rate	1.4	0.9	—	—	—	1.6				
ABSORPTION RATE (found on page 8)										
Absorption Period	4 months									

.6 SCSHFDA EXHIBIT S-2 RENT CALCULATION WORKSHEET

# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent	Adjusted Market Rent	Gross Adjusted Market Rent	Tax Credit Gross Rent Advantage
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
16	2 BR	\$389	\$6,224	\$803	\$12,848	
8	2 BR	\$509	\$4,072	\$803	\$6,424	
	2 BR		\$0		\$0	
12	3 BR	\$495	\$5,940	\$950	\$11,400	
8	3 BR	\$595	\$4,760	\$950	\$7,600	
	3 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	44		\$20,996		\$38,272	45.14%