

Market Analysis
for
Autumn Hill Apartments

Tax Credit (Sec. 42) Apartments
in
Powdersville, South Carolina
Anderson County

Prepared For:

The Humanities Foundation

By:

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PCN: 14-053



Formerly known as
National Council of Affordable
Housing Market Analysts

Member of the National Council of Housing Market Analysts

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, repetitious of some of the other statements in this section, which are required by other clients *exactly as they are worded*.

I affirm that I have made a physical inspection of the market and surrounding area and the information obtained in the field has been used to determine the need and demand for LIHTC units. I understand that any misrepresentation of this statement may result in the denial of further participation in the South Carolina State Housing Finance & Development Authority's programs. I also affirm that I have no financial interest in the project or current business relationship with the ownership entity and my compensation is not contingent on this project being funded. This report was written according to the SCSHFDA's market study requirements. The information included is accurate and can be relied upon by SCSHFDA to present a true assessment of the low-income housing rental market.

1.5.3 NCHMA MEMBER CERTIFICATION

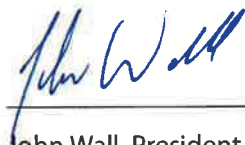
This market study has been prepared by John Wall and Associates, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the *Standard 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

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(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

March 4, 2014

Date



Joe Burriss, Market Analyst

JOHN WALL and ASSOCIATES

March 4, 2014

Date



Bob Rogers, Market Analyst

JOHN WALL and ASSOCIATES

March 4, 2014

Date

2 TABLE OF CONTENTS

1	FOREWORD	2	10.6	QUALIFYING INCOME RANGES	44
1.1	QUALIFICATIONS STATEMENT	2	10.7	PROGRAMMATIC AND PRO FORMA RENT ANALYSIS	45
1.2	RELEASE OF INFORMATION	2	10.8	HOUSEHOLDS WITH QUALIFIED INCOMES	46
1.3	TRUTH AND ACCURACY	2	11	DEMAND	49
1.4	IDENTITY OF INTEREST	2	11.1	DEMAND FROM NEW HOUSEHOLDS	49
1.5	CERTIFICATIONS	2	11.2	DEMAND FROM EXISTING HOUSEHOLDS	49
2	TABLE OF CONTENTS	4	12	DEMAND FOR NEW UNITS	52
2.1	TABLE OF TABLES	5	13	SUPPLY ANALYSIS (AND COMPARABLES)	53
2.2	TABLE OF MAPS	5	13.1	TENURE	53
3	INTRODUCTION	6	13.2	BUILDING PERMITS ISSUED	55
3.1	PURPOSE	6	13.3	SURVEY OF APARTMENTS	55
3.2	SCOPE	6	13.4	NEW "SUPPLY"	55
3.3	METHODOLOGY	6	13.5	SCHEDULE OF PRESENT RENTS, UNITS, AND VACANCIES	56
3.4	LIMITATIONS	6	13.6	OTHER AFFORDABLE HOUSING ALTERNATIVES	56
4	EXECUTIVE SUMMARY	8	13.7	COMPARABLES	58
4.1	DEMAND	8	13.8	PUBLIC HOUSING	58
4.2	CAPTURE RATE	9	13.9	LONG TERM IMPACT OF THE SUBJECT ON EXISTING TAX CREDIT UNITS	58
4.3	NCHMA CAPTURE RATE	9	13.10	APARTMENT INVENTORY	58
4.4	CONCLUSIONS	10	13.11	MARKET ADVANTAGE	58
4.5	SCSHFDA EXHIBIT S-2	12	14	INTERVIEWS	60
4.6	RENT CALCULATION WORKSHEET	13	14.1	APARTMENT MANAGERS	60
5	PROJECT DESCRIPTION	14	14.2	ECONOMIC DEVELOPMENT	60
5.1	DEVELOPMENT LOCATION	14	15	APPENDIX A – MARKET RENTS	62
5.2	CONSTRUCTION TYPE	14	16	NCHMA MARKET STUDY INDEX/CHECKLIST	63
5.3	OCCUPANCY	14	17	BUSINESS REFERENCES	64
5.4	TARGET INCOME GROUP	14	18	RÉSUMÉS	65
5.5	SPECIAL POPULATION	14			
5.6	STRUCTURE TYPE	14			
5.7	UNIT SIZES, RENTS AND TARGETING	14			
5.8	DEVELOPMENT AMENITIES	14			
5.9	UNIT AMENITIES	14			
5.10	UTILITIES INCLUDED	15			
5.11	PROJECTED CERTIFICATE OF OCCUPANCY DATE	15			
6	SITE EVALUATION	16			
6.1	DATE OF SITE VISIT	18			
6.2	DESCRIPTION OF SITE AND ADJACENT PARCELS	18			
6.3	VISIBILITY AND CURB APPEAL	18			
6.4	ACCESS AND INGRESS	18			
6.5	PHYSICAL CONDITIONS	18			
6.6	ADJACENT LAND USES AND CONDITIONS	18			
6.7	VIEWS	18			
6.8	NEIGHBORHOOD	18			
6.9	SHOPPING, GOODS, SERVICES AND AMENITIES	18			
6.10	EMPLOYMENT OPPORTUNITIES	19			
6.11	TRANSPORTATION	19			
6.12	OBSERVED VISIBLE ENVIRONMENTAL OR OTHER CONCERNS	19			
6.13	CRIME	19			
6.14	CONCLUSION	19			
6.15	SITE AND NEIGHBORHOOD PHOTOS	21			
7	MARKET AREA	28			
7.1	MARKET AREA DETERMINATION	29			
7.2	DRIVING TIMES AND PLACE OF WORK	29			
7.3	MARKET AREA DEFINITION	29			
8	DEMOGRAPHIC ANALYSIS	30			
8.1	POPULATION	30			
8.2	HOUSEHOLDS	31			
9	MARKET AREA ECONOMY	36			
9.1	MAJOR EMPLOYERS	39			
9.2	NEW OR PLANNED CHANGES IN WORKFORCE	40			
9.3	EMPLOYMENT (CIVILIAN LABOR FORCE)	40			
9.4	WORKFORCE HOUSING	41			
9.5	ECONOMIC SUMMARY	41			
10	INCOME RESTRICTIONS AND AFFORDABILITY	42			
10.1	HOUSEHOLDS RECEIVING HUD RENTAL ASSISTANCE	42			
10.2	HOUSEHOLDS NOT RECEIVING RENTAL ASSISTANCE	42			
10.3	HOUSEHOLDS QUALIFYING FOR TAX CREDIT UNITS	42			
10.4	HOUSEHOLDS LIVING IN MARKET RATE UNITS	43			
10.5	ESTABLISHING TAX CREDIT QUALIFYING INCOME RANGES	43			

2.1 TABLE OF TABLES

Capture Rate by Unit Size (Bedrooms) and Targeting9
 NCHMA Capture Rate.....9
 Crimes Reported to Police 19
 Workers' Travel Time to Work for the Market Area
 (Time in Minutes)..... 29
 Population Trends and Projections 30
 Persons by Age 30
 Race and Hispanic Origin 31
 Renter Households by Age of Householder..... 31
 Household Trends and Projections 32
 Occupied Housing Units by Tenure 32
 Housing Units by Persons in Unit..... 34
 Renter Persons Per Unit For The Market Area 34
 Number of Households in Various Income Ranges..... 35
 Occupation of Employed Persons Age 16 Years And
 Over 36
 Occupation for the State and Market Area..... 36
 Industry of Employed Persons Age 16 Years And Over..... 37
 Industry for the State and Market Area..... 38
 Median Wages by Industry 38
 Wages by Industry for the County 39
 Employment Trends 40
 County Employment Trends 40
 Percent of Workers by Occupation for the Market Area 41
 Maximum Income Limit (HUD FY 2014)..... 43
 Minimum Incomes Required and Gross Rents 44
 Qualifying Income Ranges by Bedrooms and Persons
 Per Household..... 44
 Qualifying and Proposed and Programmatic Rent
 Summary 45
 Targeted Income Ranges 45
 Number of Specified Households in Various Income
 Ranges by **Tenure**..... 46
 Percent of Renter Households in Appropriate Income
 Ranges for the Market Area 46
 Change in Renter Household Income 47

New Renter Households in Each Income Range for the
 Market Area 49
 Percentage of Income Paid For Gross Rent (Renter
 Households in Specified Housing Units) 50
 Rent Overburdened Households in Each Income
 Range for the Market Area 50
 Substandard Occupied Units 51
 Substandard Conditions in Each Income Range for the
 Market Area 51
 Tenure by Bedrooms 53
 Tenure by Bedrooms for the State and Market Area..... 53
 Building Permits Issued..... 55
 List of Apartments Surveyed 55
 Apartment Units Built or Proposed Since the Base Year 55
 Schedule of Rents, Number of Units, and Vacancies for
Unassisted Apartment Units..... 56
 Comparison of Comparables to Subject 58

2.2 TABLE OF MAPS

REGIONAL LOCATOR MAP 6
 AREA LOCATOR MAP 7
 SITE LOCATION MAP 16
 NEIGHBORHOOD MAP 17
 SITE AND NEIGHBORHOOD PHOTOS AND
 ADJACENT LAND USES MAP 20
 MARKET AREA MAP 28
 TENURE MAP 33
 EMPLOYMENT CONCENTRATIONS MAP 37
 MEDIAN HOUSEHOLD INCOME MAP 48
 MEDIAN HOME VALUE MAP 54
 MEDIAN GROSS RENT MAP 57
 APARTMENT LOCATIONS MAP 59

3 INTRODUCTION

3.1 PURPOSE

The purpose of this report is to analyze the apartment market for a specific site in Powdersville, 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.

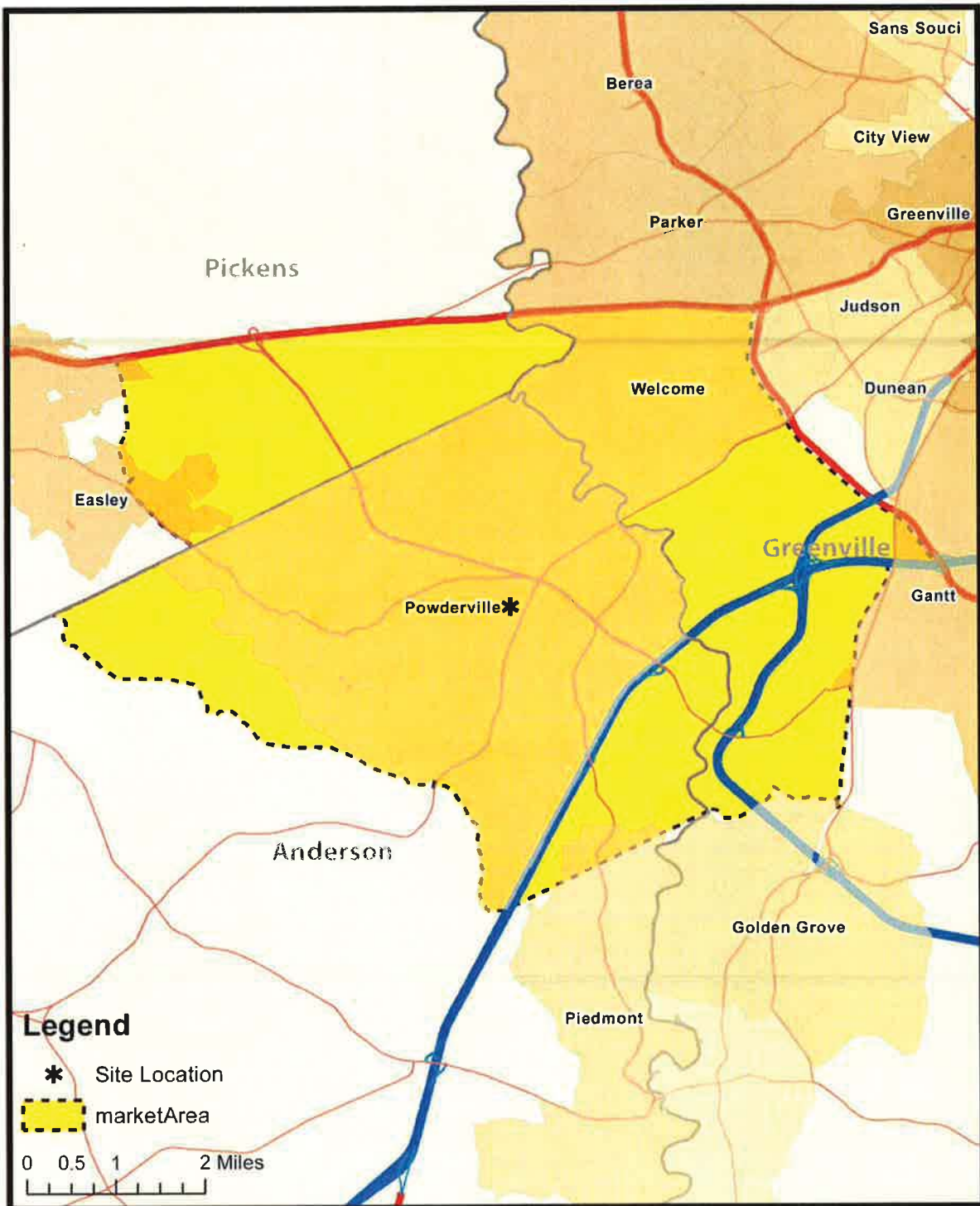
3.4 LIMITATIONS

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 on or before 12/31/2016.

The market area (conservative) consists of Census tracts 101.02 (31%), 101.03, and 102 (10%) in Anderson County, 35 (50%), 36.01 (77%), and 36.02 in Greenville County, as well as 109.03 in Pickens County.

The proposed project consists of 56 units of new construction.

The proposed project is for family households with incomes at 50% and 60% of AMI. Rents range from \$344 to \$610.

4.1 DEMAND

	50% AMI: \$14,400 to \$28,200	60% AMI: \$15,460 to \$33,840	Overall Tax Credit: \$14,400 to \$33,840
New Housing Units Required	25	31	33
Rent Overburden Households	238	262	292
Substandard Units	31	38	40
Demand	294	331	365
Less New Supply	0	0	0
NET DEMAND	294	331	365

4.1.1 RECOMMENDED BEDROOM MIX

The following bedroom mix is recommended:

Bedrooms	Recommended Mix
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 6 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: \$14,400 to \$28,200				Capture
	<u>Demand</u>	<u>%</u>	<u>Proposal</u>	<u>Rate</u>
1-Bedroom	88	30%	4	4.5%
2-Bedrooms	147	50%	8	5.4%
3-Bedrooms	59	20%	2	3.4%
4 or More Bedrooms	0	0%	0	—
Total	294	100%	14	4.8%

60% AMI: \$15,460 to \$33,840				Capture
	<u>Demand</u>	<u>%</u>	<u>Proposal</u>	<u>Rate</u>
1-Bedroom	99	30%	8	8.1%
2-Bedrooms	166	50%	16	9.6%
3-Bedrooms	66	20%	18	27.3%
4 or More Bedrooms	0	0%	0	—
Total	331	100%	42	12.7%

Overall Tax Credit: \$14,400 to \$33,840				Capture
	<u>Demand</u>	<u>%</u>	<u>Proposal</u>	<u>Rate</u>
1-Bedroom	110	30%	12	10.9%
2-Bedrooms	183	50%	24	13.1%
3-Bedrooms	73	20%	20	27.4%
4 or More Bedrooms	0	0%	0	—
Total	365	100%	56	15.3%

* 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: \$14,400 to \$28,200	556	14	2.5%
60% AMI: \$15,460 to \$33,840	688	42	6.1%
Overall Tax Credit: \$14,400 to \$33,840	729	56	7.7%

4.4 CONCLUSIONS

4.4.1 SUMMARY OF FINDINGS

- The **site** appears suitable for the project. It is flat and clear.
- The **neighborhood** is compatible with the project. It is a mix of residential and commercial.
- The **location** is suitable to the project. It is convenient to goods and services. It is adjacent to an Ingles grocery store and an elementary school.
- The **population and household growth** in the market area is good. The market area will grow by 359 households from 2013 to 2016.
- The **economy** has been improving.
- The **demand** for the project is good. Overall demand is 365.
- The **capture rates** for the project are reasonable. The overall capture rate is 15.3%
- The **most comparable** apartments are Fairhill, Fair Meadow, Grove Station, and Heritage Trace. These are all of the apartments in the market area.
- Total **vacancy rates** of the most comparable projects are 0.0%, 0.0%, 1.3%, and 5.0%, respectively.
- The **average vacancy** rate reported at **comparable projects** is 2.9%.
- There are **no LIHTC** apartments in the market area.
- The overall **vacancy rate** in the market for units surveyed without PBRA is 2.9%.
- There are few **Concessions** in the comparables; Heritage Trace is offering ½ off the first month's rent.
- The **rents**, given prevailing rents, vacancy rates, and concessions in the market area, are good. The 1-bedroom and 2-bedroom units will be the lowest in the market. The 3-bedroom units will be among the lowest.
- 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. The smallest ratio between proposed gross rent and maximum allowed is 2.3%; The largest is 26.1%.
- Those **interviewed** felt the project should be successful.
- The proposal would have no long term **impact** on existing LIHTC projects (there are none in the market area).

4.4.2 RECOMMENDATIONS

None.

4.4.3 NOTES

None.

4.4.3.1 STRENGTHS

- Would be the only tax credit property in the area.
- Growing area.
- Very close to goods and services.
- Adjacent to grocery store.
- Large number of rent overburdened households.
- Lowest rents in area.

4.4.3.2 WEAKNESSES

- Limited visibility.

4.4.4 CONCLUSION

The subject should be very successful as proposed. Based on market criteria it should be built.

4.5 SCSHFDA EXHIBIT S-2

Revised 1/30/14

2014 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:			
Development Name:	Autumn Hill	Total # Units:	56
Location:	Powdersville	# LIHTC Units:	56
PMA Boundary:	N: 123; E: 25; S: past I-85; W: Brushy Creek (see map p. 28)		
Development Type:	<input checked="" type="checkbox"/> Family <input type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject:	4 miles

RENTAL HOUSING STOCK (found on page 56)				
Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	5	966	28	2.9%
Market-Rate Housing	5	966	28	2.9%
Assisted/Subsidized Housing not to include LIHTC	0	0	0	—%
LIHTC (All that are stabilized)*	0			%
Stabilized Comps**	5	966	28	2.9%
Non-stabilized Comps	0	0	0	—%

* Stabilized occupancy of at least 93% (Excludes projects still in initial lease up).

** Comps are those comparable to the subject and those that compete at nearly the same rent levels and tenant profile, such as age, family and income.

Subject Development					Adjusted Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
4	1	1	750	\$344	\$560	\$1.63	38.6%	465	\$0.58
8	2	2	950	495	664	1.34	25.5%	625	0.63
2	3	2	1,100	550	771	1.40	28.7%	725	0.60
8	1	1	750	375	560	1.49	33.0%	465	0.58
16	2	2	950	505	664	1.31	23.9%	625	0.63
18	3	2	1,100	\$610	\$771	1.26	20.9%	\$725	\$0.60
Gross Potential Rent Monthly*				\$28,496	\$38,076		25.16%		

*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 9, 32)						
	2000		2013		2016	
Renter Households	2,155	25.1%	2,247	25.1%	2,337	25.1%
Income-Qualified Renter HHs (LIHTC)	729	33.8%	759	33.8%	790	33.8%
Income-Qualified Renter HHs (MR)	(if applicable)	%		%		%

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 52)						
Type of Demand	50%	60%	Market-rate	Other: __	Other: __	Overall
Renter Household Growth	25	31				33
Existing Households (Overburd + Substand)	269	300				332
Homeowner conversion (Seniors)						
Other:						
Less Comparable/Competitive Supply						
Net Income-qualified Renter HHs	294	331				365

CAPTURE RATES (found on page 9)						
Targeted Population	50%	60%	Market-rate	Other: __	Other: __	Overall
Capture Rate	4.8%	12.7%				15.3%

ABSORPTION RATE (found on page 8)		
Absorption Period	6	months

4.6 RENT CALCULATION WORKSHEET

2014 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	
4	1 BR	\$344	\$1,376	\$560	\$2,240	
8	1 BR	\$375	\$3,000	\$560	\$4,480	
	1 BR		\$0		\$0	
8	2 BR	\$495	\$3,960	\$664	\$5,312	
16	2 BR	\$505	\$8,080	\$664	\$10,624	
	2 BR		\$0		\$0	
2	3 BR	\$550	\$1,100	\$771	\$1,542	
18	3 BR	\$610	\$10,980	\$771	\$13,878	
	3 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	56		\$28,496		\$38,076	25.16%

5 PROJECT DESCRIPTION

The project description is provided by the developer.

5.1 DEVELOPMENT LOCATION

The site is in Powdersville, South Carolina. It is located on Enterprise Drive, near the intersection with Cooper Road.

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 one community and three 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

AMI	Bedrooms	Baths	Number of Units	Square Feet	Net Rent	Utility Allow.	Gross Rent	Target Population
50%	1	1	4	750	344	76	420	Tax Credit
50%	2	2	8	950	495	101	596	Tax Credit
50%	3	2	2	1,100	550	126	676	Tax Credit
60%	1	1	8	750	375	76	451	Tax Credit
60%	2	2	16	950	505	101	606	Tax Credit
60%	3	2	18	1,100	610	126	736	Tax Credit
Total Units			56					
Tax Credit Units			56					
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, playground, and fitness center

5.9 UNIT AMENITIES

Refrigerator, stove, microwave, washer/dryer connection, HVAC, blinds, and pre-wired telephone/cable

5.10 UTILITIES INCLUDED

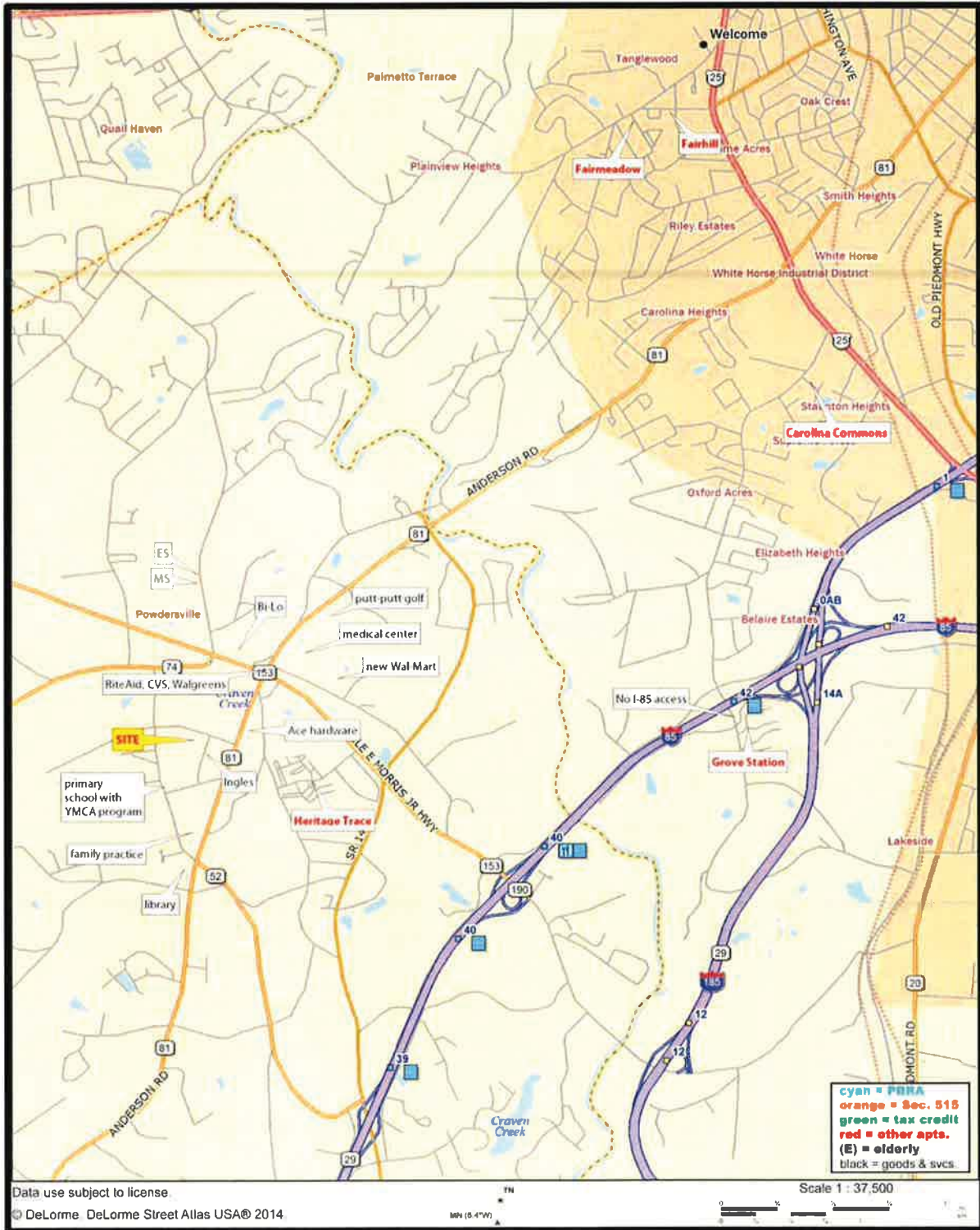
Water, sewer, and trash

5.11 PROJECTED CERTIFICATE OF OCCUPANCY DATE

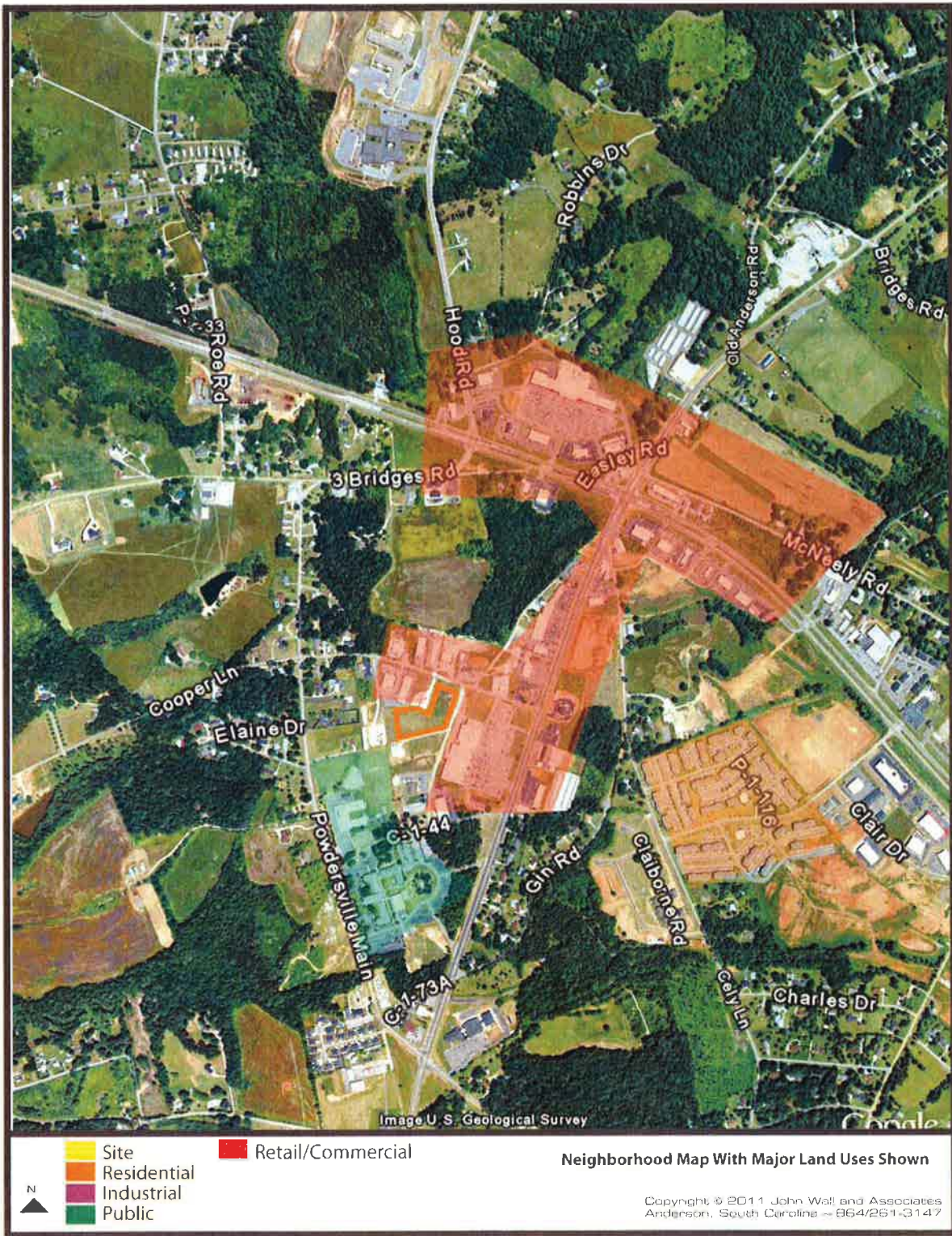
It is anticipated that the subject will have its final certificates of occupancy on or before 12/31/2016.

6 SITE EVALUATION

SITE LOCATION MAP



NEIGHBORHOOD MAP



6.1 DATE OF SITE VISIT

Bob Rogers visited the site on February 22, 2014.

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 Enterprise Drive and from Cooper Road, which are both neighborhood roads. There are no impediments to good curb appeal.

6.4 ACCESS AND INGRESS

Access to the site is from Enterprise Drive. There are no problems with access and ingress.

6.5 PHYSICAL CONDITIONS

The site is flat and mowed.

6.6 ADJACENT LAND USES AND CONDITIONS

N: A vacant lot, then Cooper Road, then small businesses including a hair salon and a waste disposal company (All Waste). The disposal company has their offices and equipment at this location but it is not a disposal site or landfill.

E: Enterprise drive, then an Ingles shopping center.

S: Small businesses including a graphic design shop and a primary care (M.D.) office.

SW: A primary school.

W: Small businesses including an auto glass repair shop and a custom wood products shop.

6.7 VIEWS

There are no views out from the site that could be considered detrimental to the success of the proposal.

6.8 NEIGHBORHOOD

The immediate neighborhood is primarily small businesses. A little further to the west are some single family homes. The intersection of 81 and 153, a little north of the site (see Site Location Map) has major retail development.

6.9 SHOPPING, GOODS, SERVICES AND AMENITIES

The site is adjacent to an Ingles Grocery store and a primary school. There is a BiLo and a Medical Center at the intersection of 81 and 153, about a half mile from the site. A new Wal-Mart is under construction there as well, and should be open prior to the completion of the proposal. A branch library is about a half mile south of the site.

3.10 EMPLOYMENT OPPORTUNITIES

There are many employment opportunities in retail and small businesses near the site. The site is six miles from downtown Greenville on Highway 81.

6.11 TRANSPORTATION

The site is well located for automobile transportation. It is located near the intersection of Highway 153, which connects Highway 123 with I-85, and Highway 81, which connects Anderson with Greenville.

The site is not serviced by the Green Link (the Greenville transit system). The closest Green Link bus stop to the site is at the intersection of Anderson Road and White Horse Road, which is three miles from the site. Taxi cab service is available.

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:	-	-
Violent Crime	-	776
Murder	-	11
Rape	-	46
Robbery	-	84
Assault	-	635
Property Crime	-	6,900
Burglary	-	2,061
Larceny	-	4,123
Motor Vehicle Theft	-	716
Arson	-	37

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>

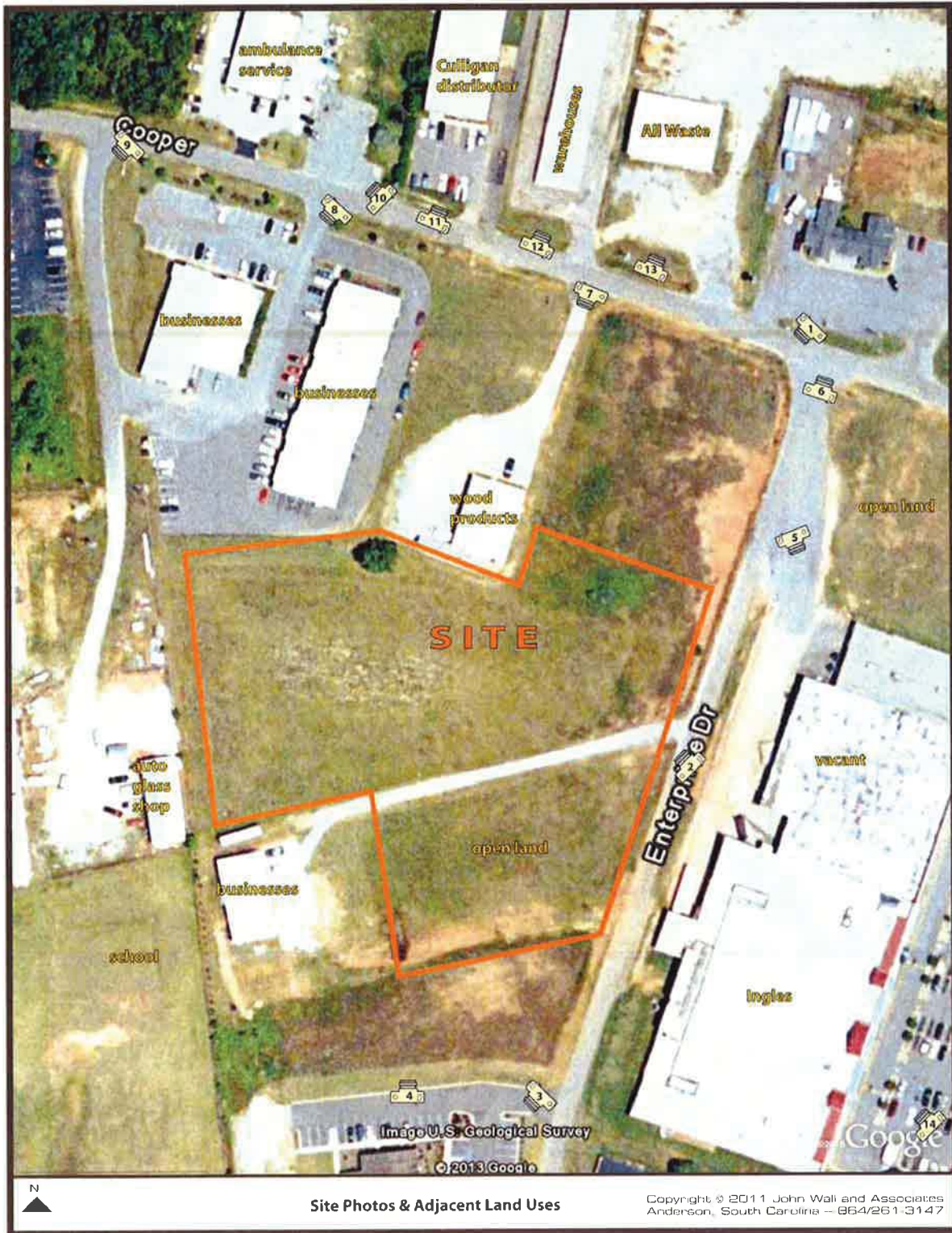
<http://www.fbi.gov/about-us/cjis/ucr/crime-in-the-u.s/2011/crime-in-the-u.s.-2011/offenses-known-to-law-enforcement/standard-links/county-agency>

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

6.14 CONCLUSION

The site is well suited for the proposed development.

SITE AND NEIGHBORHOOD PHOTOS AND ADJACENT LAND USES MAP



3.15 SITE AND NEIGHBORHOOD PHOTOS



Photo 1—Looking towards the site from the intersection of Enterprise and Cooper.



Photo 2—The site.



Photo 3—Family practice nearly adjacent to the site.



Photo 4—Looking north across the site.



Photo 5—The back of the Ingles grocery store and other shops. The site is across the road on the right.



Photo 6—Small businesses near the site.



Photo 7—Level Best wood products adjacent to the site.



Photo 8—Small businesses and offices near the site.



Photo 9—The driveway for an auto glass shop.



Photo 10—Ambulance service near the site.



Photo 11—Business near the site.



Photo 12—Storage near the site.



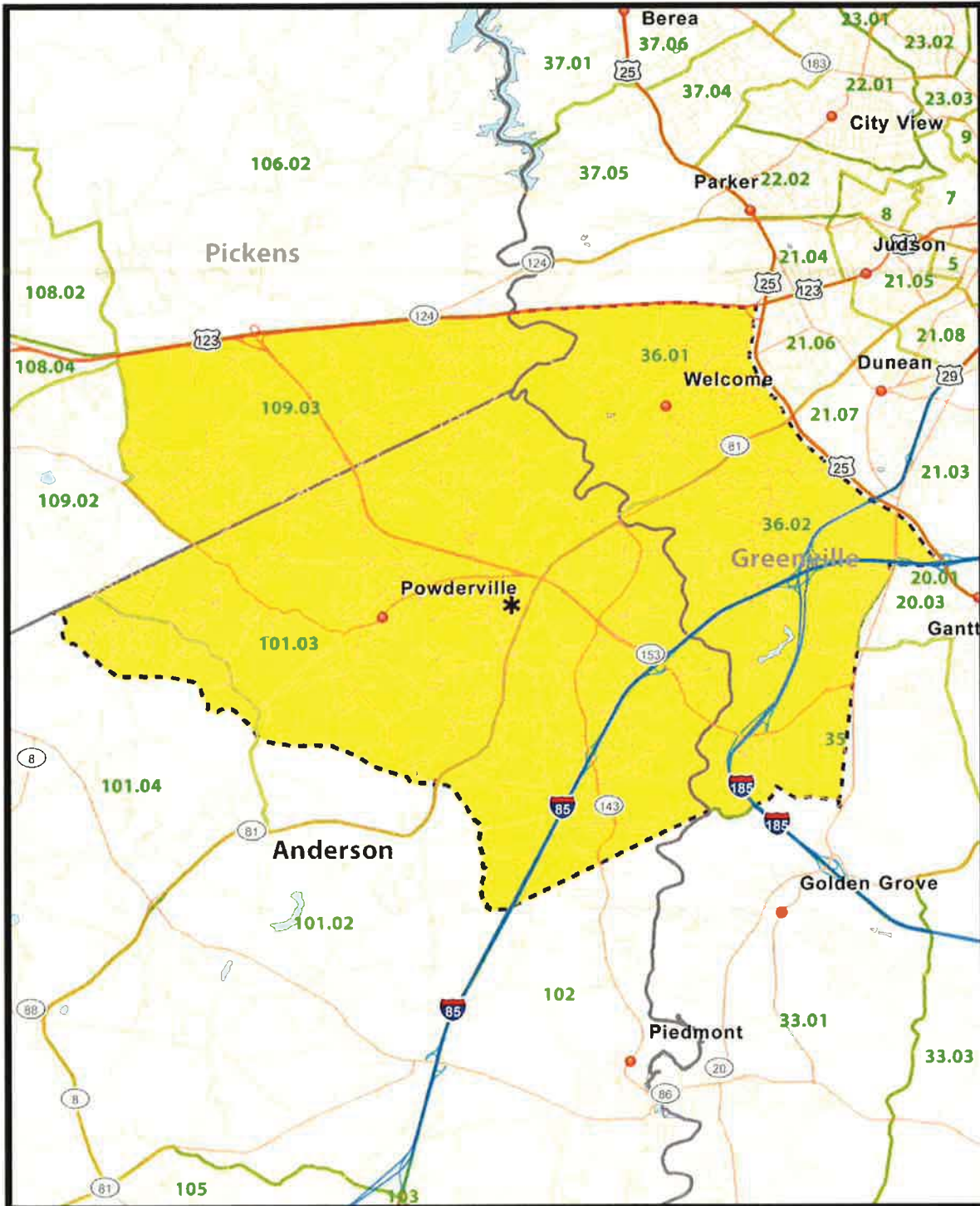
Photo 13—All Waste (offices and storage lot).



Photo 14—The grocery store across Enterprise Drive from the site.

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:	1,914,792		75,935		9,419		3,600	
Less than 5 minutes	61,660	3.2%	2,846	3.7%	188	2.0%	93	2.6%
5 to 9 minutes	199,805	10.4%	7,897	10.4%	596	6.3%	290	8.1%
10 to 14 minutes	289,667	15.1%	11,969	15.8%	1,208	12.8%	497	13.8%
15 to 19 minutes	333,122	17.4%	12,803	16.9%	2,076	22.0%	698	19.4%
20 to 24 minutes	314,842	16.4%	12,129	16.0%	2,017	21.4%	731	20.3%
25 to 29 minutes	120,838	6.3%	5,373	7.1%	730	7.8%	250	6.9%
30 to 34 minutes	262,448	13.7%	9,373	12.3%	1,514	16.1%	589	16.4%
35 to 39 minutes	51,510	2.7%	2,402	3.2%	198	2.1%	58	1.6%
40 to 44 minutes	56,004	2.9%	2,494	3.3%	224	2.4%	87	2.4%
45 to 59 minutes	126,794	6.6%	5,347	7.0%	435	4.6%	241	6.7%
60 to 89 minutes	65,409	3.4%	2,161	2.8%	144	1.5%	55	1.5%
90 or more minutes	32,693	1.7%	1,141	1.5%	89	0.9%	11	0.3%

Source: 2011-5yr ACS (Census)

7.3 MARKET AREA DEFINITION

The market area for this report has been defined as Census tracts 101.02 (31%), 101.03, and 102 (10%) in Anderson County, 35 (50%), 36.01 (77%), and 36.02 in Greenville County, as well as 109.03 in Pickens 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 Anderson County and Greenville 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	165,740	19,749	5,362
2008	4,511,428	183,691	23,319	7,998
2010	4,625,364	187,126	23,246	7,618
2013	4,809,370	193,542	24,295	8,295
2016	4,993,375	199,958	25,344	8,972

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 24,295 in 2013 and is projected to increase by 1,049 persons from 2013 to 2016.

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		187,126		23,245		7,618	
Under 20	1,224,425	26.8%	49,815	26.8%	6,810	30.1%	2,161	27.7%
20 to 34	924,550	20.2%	32,210	17.3%	3,947	17.4%	1,248	16.0%
35 to 54	1,260,720	27.6%	52,609	28.3%	6,787	30.0%	2,345	30.1%
55 to 61	418,651	9.1%	17,116	9.2%	2,076	9.2%	725	9.3%
62 to 64	165,144	3.6%	7,047	3.8%	815	3.6%	273	3.5%
65 plus	631,874	13.8%	28,329	15.3%	2,811	12.4%	866	11.1%
55 plus	1,215,669	26.6%	52,492	28.3%	5,702	25.2%	1,864	23.9%
62 plus	797,018	17.4%	35,376	19.1%	3,626	16.0%	1,139	14.6%

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

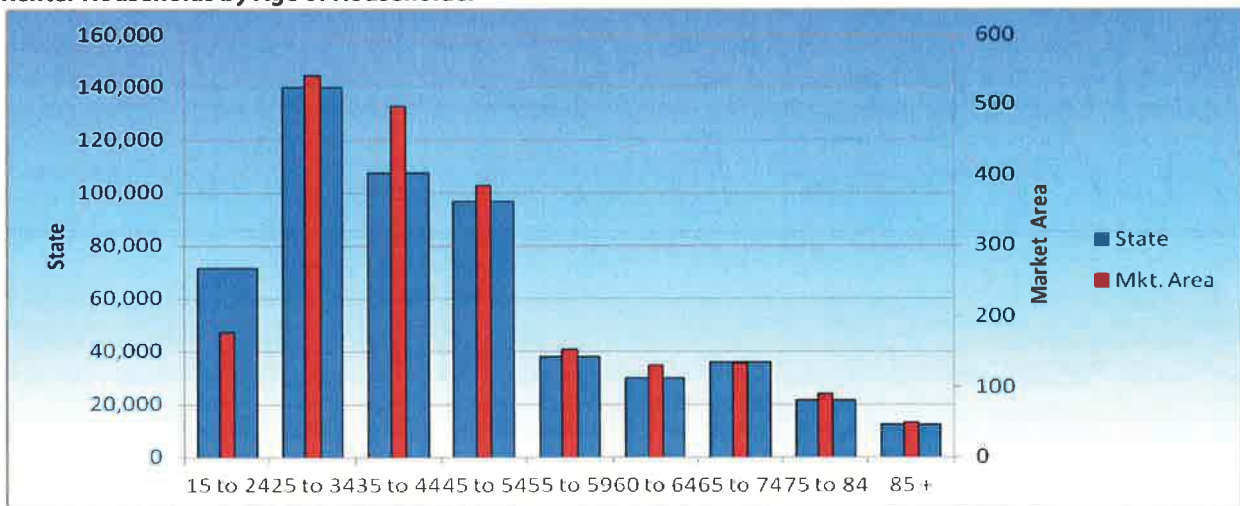
	State	%	County	%	Market Area	%	City	%
Total	4,625,364		187,126		23,246		7,618	
Not Hispanic or Latino	4,389,682	94.9%	181,679	97.1%	21,559	92.7%	7,340	96.4%
White	2,962,740	64.1%	147,362	78.8%	16,853	72.5%	6,514	85.5%
Black or African American	1,279,998	27.7%	29,810	15.9%	4,146	17.8%	569	7.5%
American Indian	16,614	0.4%	420	0.2%	54	0.2%	20	0.3%
Asian	58,307	1.3%	1,384	0.7%	181	0.8%	125	1.6%
Native Hawaiian	2,113	0.0%	29	0.0%	7	0.0%	4	0.1%
Some Other Race	5,714	0.1%	183	0.1%	34	0.1%	14	0.2%
Two or More Races	64,196	1.4%	2,491	1.3%	284	1.2%	94	1.2%
Hispanic or Latino	235,682	5.1%	5,447	2.9%	1,686	7.3%	278	3.6%
White	97,260	2.1%	2,456	1.3%	588	2.5%	134	1.8%
Black or African American	10,686	0.2%	210	0.1%	24	0.1%	4	0.1%
American Indian	2,910	0.1%	58	0.0%	30	0.1%	3	0.0%
Asian	744	0.0%	21	0.0%	3	0.0%	0	0.0%
Native Hawaiian	593	0.0%	14	0.0%	0	0.0%	0	0.0%
Some Other Race	107,750	2.3%	2,317	1.2%	925	4.0%	107	1.4%
Two or More Races	15,739	0.3%	371	0.2%	117	0.5%	30	0.4%

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	65,649	7,396	1,989
2008	1,741,994	71,973	8,262	2,791
2010	1,801,181	73,829	8,592	2,827
2013	1,881,379	76,283	8,951	3,078
2016	1,961,577	78,737	9,310	3,330
Growth 2013 to 2016	80,198	2,454	359	251

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

In 2000, the market area had 7,396 households and thus a demand for the same number of housing units (because each household lives in its own housing unit). Similarly, there were 8,951 households in 2013, and there will be 9,310 in 2016. These figures indicate that the market area needs to provide 359 housing units from 2013 to 2016.

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.

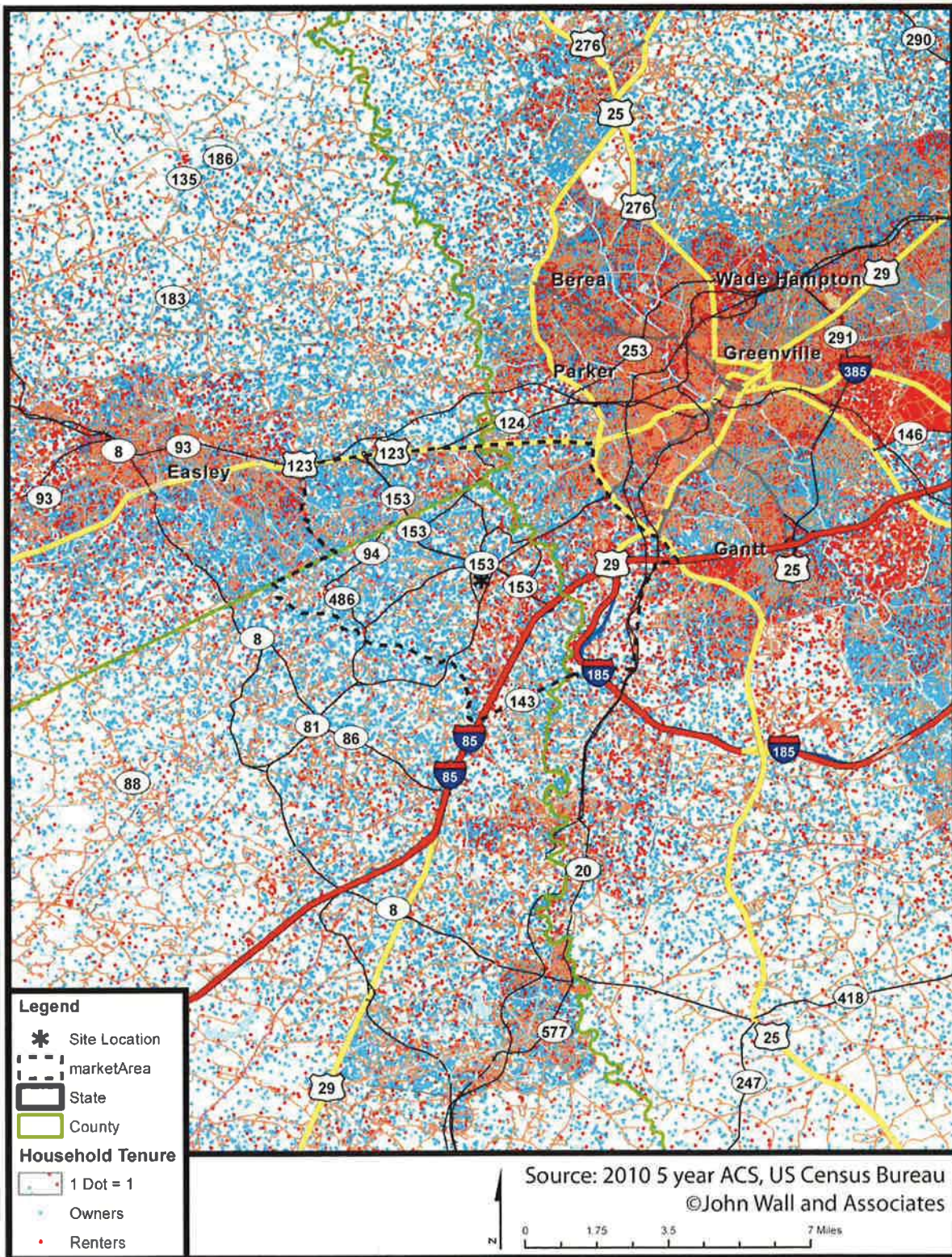
Occupied Housing Units by Tenure

	<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	—	73,829	—	8,592	—	2,827	—
Owner	1,248,805	69.3%	53,015	71.8%	6,437	74.9%	2,091	74.0%
Renter	552,376	30.7%	20,814	28.2%	2,155	25.1%	736	26.0%

Source: 2010 Census

From the table above, it can be seen that 25.1% 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.

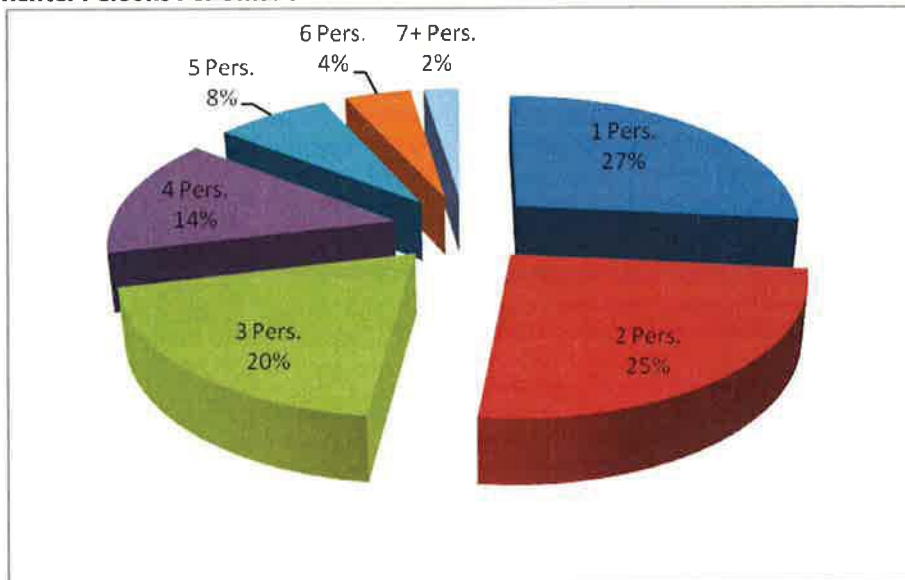
Housing Units by Persons in Unit

	<u>State</u>		<u>County</u>		<u>Market Area</u>		<u>City</u>	
Owner occupied:	1,248,805	—	53,015	—	6,437	—	2,091	—
1-person	289,689	23.2%	11,749	22.2%	1,218	18.9%	353	16.9%
2-person	477,169	38.2%	20,552	38.8%	2,348	36.5%	766	36.6%
3-person	210,222	16.8%	8,957	16.9%	1,157	18.0%	392	18.7%
4-person	164,774	13.2%	7,348	13.9%	1,045	16.2%	348	16.6%
5-person	69,110	5.5%	2,981	5.6%	437	6.8%	154	7.4%
6-person	24,016	1.9%	968	1.8%	159	2.5%	60	2.9%
7-or-more	13,825	1.1%	460	0.9%	73	1.1%	18	0.9%
Renter occupied:	552,376	—	20,814	—	2,155	—	736	—
1-person	188,205	34.1%	6,977	33.5%	575	26.7%	189	25.7%
2-person	146,250	26.5%	5,626	27.0%	543	25.2%	218	29.6%
3-person	93,876	17.0%	3,537	17.0%	418	19.4%	154	20.9%
4-person	67,129	12.2%	2,580	12.4%	308	14.3%	108	14.7%
5-person	33,904	6.1%	1,279	6.1%	163	7.6%	38	5.2%
6-person	13,817	2.5%	497	2.4%	95	4.4%	20	2.7%
7-or-more	9,195	1.7%	318	1.5%	51	2.4%	9	1.2%

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, 14.3% 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:	1,758,732		72,519		8,159		2,739	
Less than \$10,000	161,299	9.2%	6,361	8.8%	632	7.7%	106	3.9%
\$10,000 to \$14,999	114,539	6.5%	5,158	7.1%	488	6.0%	47	1.7%
\$15,000 to \$19,999	111,169	6.3%	4,982	6.9%	584	7.2%	158	5.8%
\$20,000 to \$24,999	109,908	6.2%	5,101	7.0%	485	5.9%	99	3.6%
\$25,000 to \$29,999	102,925	5.9%	4,382	6.0%	490	6.0%	115	4.2%
\$30,000 to \$34,999	102,087	5.8%	4,624	6.4%	416	5.1%	189	6.9%
\$35,000 to \$39,999	95,708	5.4%	3,772	5.2%	456	5.6%	200	7.3%
\$40,000 to \$44,999	88,704	5.0%	3,200	4.4%	311	3.8%	130	4.7%
\$45,000 to \$49,999	76,909	4.4%	2,724	3.8%	405	5.0%	201	7.3%
\$50,000 to \$59,999	148,132	8.4%	6,587	9.1%	548	6.7%	147	5.4%
\$60,000 to \$74,999	174,323	9.9%	7,538	10.4%	940	11.5%	328	12.0%
\$75,000 to \$99,999	199,795	11.4%	8,216	11.3%	1,168	14.3%	501	18.3%
\$100,000 to \$124,999	116,342	6.6%	4,706	6.5%	581	7.1%	236	8.6%
\$125,000 to \$149,999	61,272	3.5%	2,063	2.8%	264	3.2%	150	5.5%
\$150,000 to \$199,999	51,528	2.9%	1,949	2.7%	263	3.2%	86	3.1%
\$200,000 or more	44,092	2.5%	1,156	1.6%	127	1.6%	46	1.7%

Source: 2011-5yr 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	1,999,063		80,174		9,938		3,796	
Management, business, science, and arts occupations:	639,009	32%	23,205	29%	2,778	28%	1,088	29%
Management, business, and financial occupations:	249,209	12%	8,453	11%	1,104	11%	451	12%
Management occupations	173,854	9%	5,942	7%	756	8%	287	8%
Business and financial operations occupations	75,355	4%	2,511	3%	348	4%	164	4%
Computer, engineering, and science occupations:	80,373	4%	2,780	3%	367	4%	109	3%
Computer and mathematical occupations	31,483	2%	1,043	1%	89	1%	34	1%
Architecture and engineering occupations	37,922	2%	1,378	2%	253	3%	63	2%
Life, physical, and social science occupations	10,968	1%	359	0%	25	0%	12	0%
Education, legal, community service, arts, and media occupations:	198,264	10%	7,317	9%	765	8%	310	8%
Community and social service occupations	34,337	2%	1,369	2%	187	2%	26	1%
Legal occupations	19,246	1%	493	1%	68	1%	26	1%
Education, training, and library occupations	117,367	6%	4,505	6%	335	3%	195	5%
Arts, design, entertainment, sports, and media occupations	27,314	1%	950	1%	174	2%	63	2%
Healthcare practitioners and technical occupations:	111,163	6%	4,655	6%	543	5%	218	6%
Health diagnosing and treating practitioners and other technical occupations	72,155	4%	2,977	4%	321	3%	122	3%
Health technologists and technicians	39,008	2%	1,678	2%	221	2%	96	3%
Service occupations:	353,430	18%	12,462	16%	1,652	17%	451	12%
Healthcare support occupations	44,181	2%	2,113	3%	188	2%	52	1%
Protective service occupations:	44,364	2%	1,223	2%	99	1%	0	0%
Fire fighting and prevention, and other protective service workers including supervisors	23,591	1%	605	1%	16	0%	0	0%
Law enforcement workers including supervisors	20,773	1%	618	1%	83	1%	0	0%
Food preparation and serving related occupations	120,050	6%	4,004	5%	560	6%	137	4%
Building and grounds cleaning and maintenance occupations	83,748	4%	2,660	3%	521	5%	79	2%
Personal care and service occupations	61,087	3%	2,462	3%	285	3%	183	5%
Sales and office occupations:	504,216	25%	20,811	26%	2,713	27%	1,249	33%
Sales and related occupations	233,729	12%	10,344	13%	1,102	11%	572	15%
Office and administrative support occupations	270,487	14%	10,467	13%	1,610	16%	677	18%
Natural resources, construction, and maintenance occupations:	209,357	10%	8,547	11%	1,147	12%	376	10%
Farming, fishing, and forestry occupations	10,636	1%	310	0%	0	0%	0	0%
Construction and extraction occupations	115,943	6%	4,302	5%	701	7%	245	6%
Installation, maintenance, and repair occupations	82,778	4%	3,935	5%	446	4%	131	3%
Production, transportation, and material moving occupations:	293,051	15%	15,149	19%	1,649	17%	632	17%
Production occupations	168,826	8%	9,805	12%	986	10%	359	9%
Transportation occupations	67,832	3%	2,696	3%	203	2%	106	3%
Material moving occupations	56,393	3%	2,648	3%	461	5%	167	4%

Source: 2011-5yr ACS (Census)

Occupation for the State and Market Area



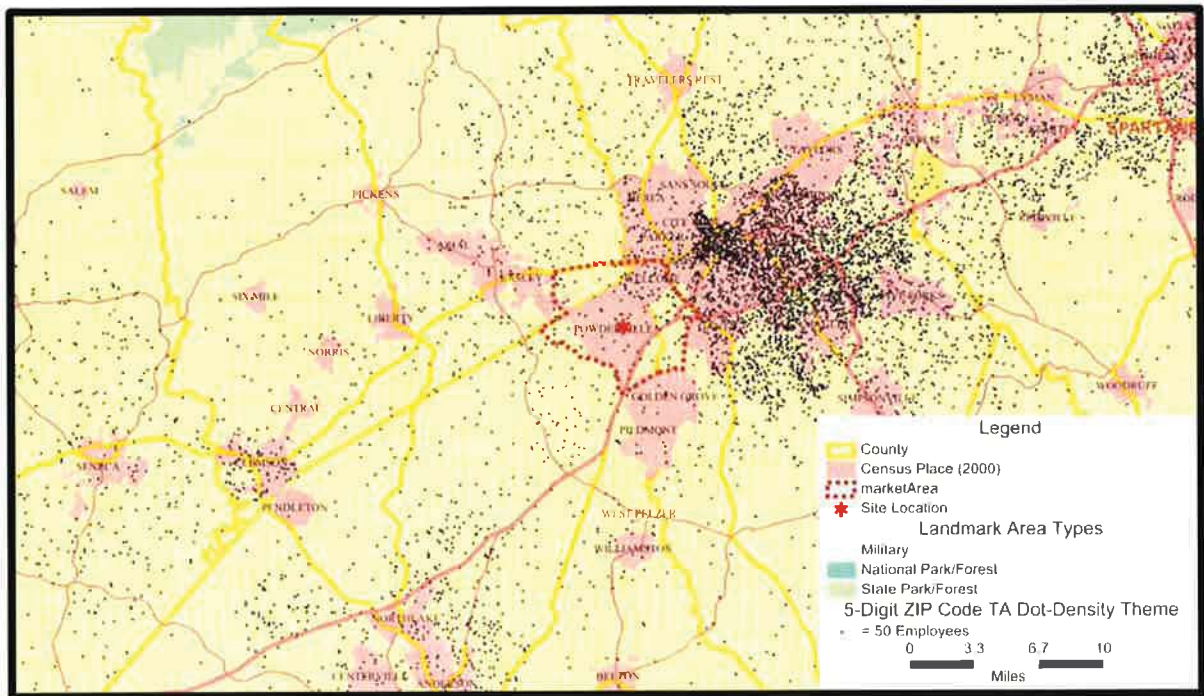
Industry of Employed Persons Age 16 Years And Over

	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Total:	1,999,063		80,174		9,938		3,796	
Agriculture, forestry, fishing and hunting, and mining:	21,131	1%	517	1%	12	0%	12	0%
Agriculture, forestry, fishing and hunting	19,990	1%	443	1%	0	0%	0	0%
Mining, quarrying, and oil and gas extraction	1,141	0%	74	0%	12	0%	12	0%
Construction	153,713	8%	5,885	7%	987	10%	384	10%
Manufacturing	275,557	14%	16,426	20%	1,874	19%	664	17%
Wholesale trade	55,080	3%	2,996	4%	493	5%	378	10%
Retail trade	241,558	12%	10,689	13%	1,150	12%	486	13%
Transportation and warehousing, and utilities:	97,956	5%	3,221	4%	304	3%	70	2%
Transportation and warehousing	72,582	4%	2,456	3%	253	3%	60	2%
Utilities	25,374	1%	765	1%	51	1%	10	0%
Information	36,010	2%	1,038	1%	154	2%	57	2%
Finance and insurance, and real estate and rental and leasing:	119,303	6%	3,353	4%	431	4%	189	5%
Finance and insurance	80,723	4%	2,293	3%	326	3%	132	3%
Real estate and rental and leasing	38,580	2%	1,060	1%	105	1%	57	2%
Professional, scientific, and management, and administrative and waste management services:	181,854	9%	5,111	6%	1,112	11%	260	7%
Professional, scientific, and technical services	95,168	5%	2,357	3%	516	5%	145	4%
Management of companies and enterprises	967	0%	47	0%	9	0%	0	0%
Administrative and support and waste management services	85,719	4%	2,707	3%	587	6%	115	3%
Educational services, and health care and social assistance:	426,188	21%	18,148	23%	1,743	18%	784	21%
Educational services	180,113	9%	6,762	8%	442	4%	203	5%
Health care and social assistance	246,075	12%	11,386	14%	1,302	13%	581	15%
Arts, entertainment, and recreation, and accommodation and food services:	193,760	10%	5,672	7%	888	9%	274	7%
Arts, entertainment, and recreation	33,014	2%	889	1%	150	2%	22	1%
Accommodation and food services	160,746	8%	4,783	6%	737	7%	252	7%
Other services, except public administration	98,073	5%	4,492	6%	460	5%	168	4%
Public administration	98,880	5%	2,626	3%	330	3%	70	2%

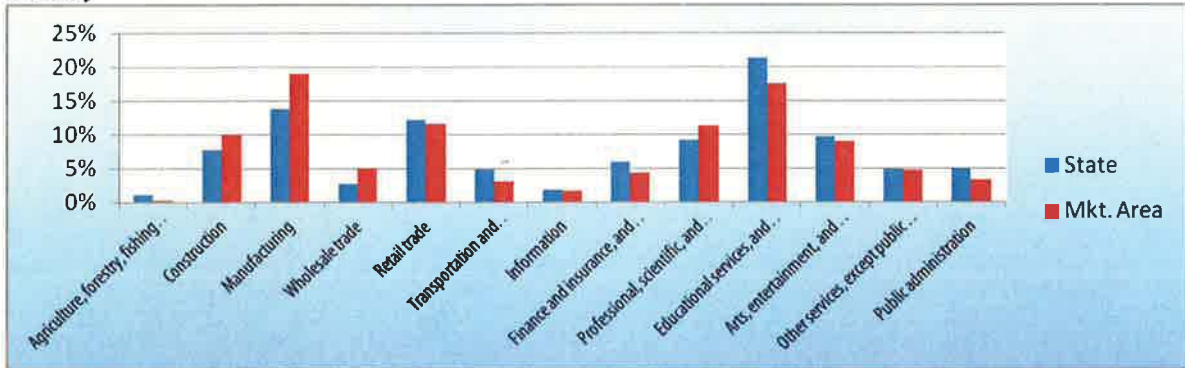
Source: 2011-5yr ACS (Census)

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

EMPLOYMENT CONCENTRATIONS MAP



Industry for the State and Market Area



Source: 2011-5yr ACS (Census)

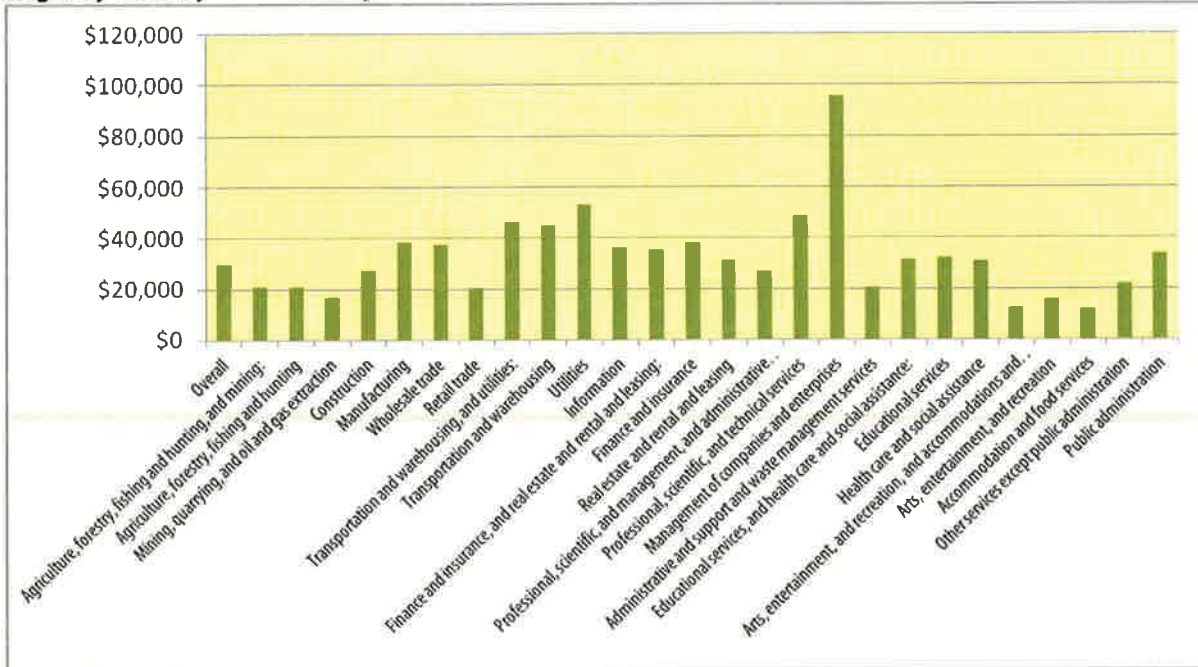
Median Wages by Industry

	State	County	City
Overall	\$30,192	\$30,181	\$31,832
Agriculture, forestry, fishing and hunting, and mining:			
Agriculture, forestry, fishing and hunting	\$24,671	\$21,009	—
Mining, quarrying, and oil and gas extraction	\$45,804	\$17,313	—
Construction	\$30,393	\$27,740	\$22,917
Manufacturing	\$38,068	\$38,258	\$46,058
Wholesale trade	\$36,945	\$37,520	\$36,875
Retail trade	\$20,083	\$20,464	\$25,369
Transportation and warehousing, and utilities:			
Transportation and warehousing	\$38,416	\$44,870	\$52,857
Utilities	\$51,732	\$53,250	—
Information	\$37,154	\$36,458	\$70,489
Finance and insurance, and real estate and rental and leasing:			
Finance and insurance	\$35,816	\$35,625	\$51,563
Real estate and rental and leasing	\$37,425	\$38,701	\$47,250
Real estate and rental and leasing	\$31,764	\$31,286	\$105,759
Professional, scientific, and management, and administrative and waste management services:			
Professional, scientific, and technical services	\$46,916	\$48,750	\$49,099
Management of companies and enterprises	\$42,423	\$95,625	—
Administrative and support and waste management services	\$21,812	\$20,513	\$21,847
Educational services, and health care and social assistance:			
Educational services	\$31,598	\$31,202	\$27,466
Health care and social assistance	\$33,823	\$32,507	\$34,769
Health care and social assistance	\$30,305	\$30,769	\$26,627
Arts, entertainment, and recreation, and accommodations and food services:			
Arts, entertainment, and recreation	\$13,970	\$12,717	\$16,189
Arts, entertainment, and recreation	\$17,237	\$16,424	—
Accommodation and food services	\$13,513	\$12,334	\$15,854
Other services except public administration	\$21,979	\$21,829	\$13,409
Public administration	\$37,768	\$33,672	\$12,244

Source: 2011-5yr ACS (Census)

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

Wages by Industry for the County



2011-5yr ACS (Census)

9.1 MAJOR EMPLOYERS

The following is a list of major employers in the Anderson County:

<u>Company</u>	<u>Employees</u>
Anderson County School Districts	3,837
AnMed Health	3,462
Electrolux Home Products	1,863
State of SC	1,631
Robert Bosch Corp.	1,200
Michelin North America, Inc.	900

Source: Chamber of Commerce

The following is a list of major employers in the Pickens County:

<u>Company</u>	<u>Employees</u>
SC State Government	4,807
Clemson University	3,400
Pickens County School District	1,893
Aramark Services	800
Pickens County Government	592

Source: Chamber of Commerce

The following is a list of major employers in the Greenville County:

<u>Company</u>	<u>Employees</u>
School District of Greenville County	10,850
Greenville Hospital System	10,350
Bon Secours St. Francis Health	4,200
GE Energy	3,200
SC State Government	3,036

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)

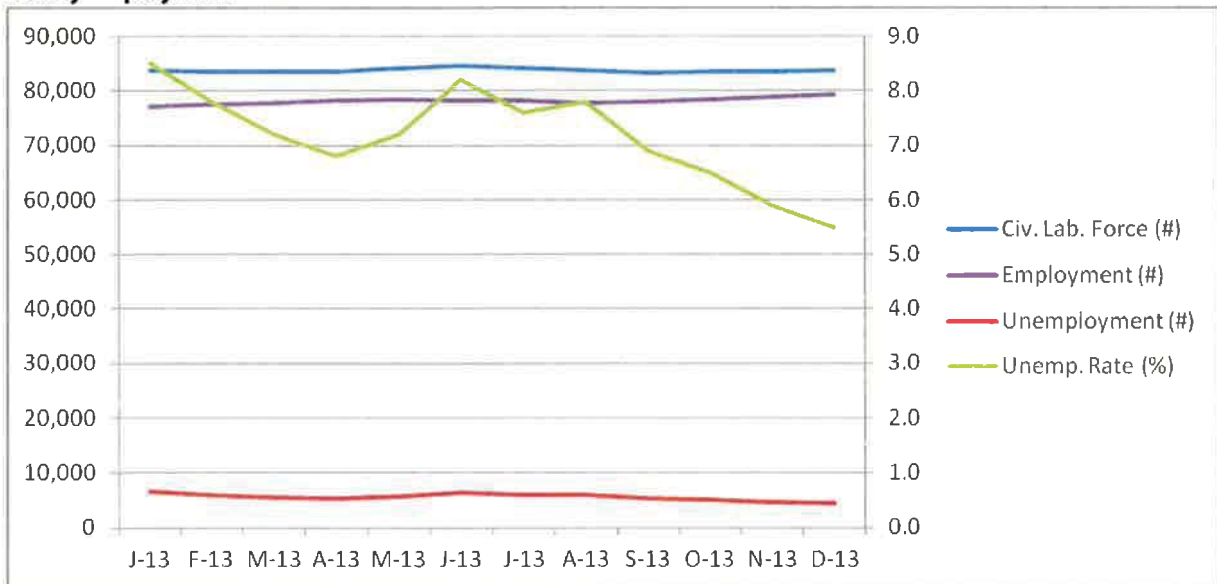
In order to determine how employment affects the market area and whether the local economy is expanding, declining, or stable, it is necessary to inspect employment statistics for several years. The table below shows the increase or decrease in employment and the percentage of unemployed at the county 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			Rate (%)	Employment	Employment Change		Annual Change	
	Force	Unemployment				Number	Pct.	Number	Pct.
2000	84,262	2,454		3.0	81,808	—	—	—	—
2010	83,765	8,572		11.4	75,193	-6,615	-8.1%	-662	-0.9%
2011	84,904	7,648		9.9	77,256	2,063	2.7%	2,063	2.7%
2012	84,437	6,687		8.6	77,750	494	0.6%	494	0.6%
J-13	83,669	6,555		8.5	77,114	-636	-0.8%		
F-13	83,598	6,049		7.8	77,549	435	0.6%		
M-13	83,409	5,602		7.2	77,807	258	0.3%		
A-13	83,565	5,321		6.8	78,244	437	0.6%		
M-13	84,090	5,648		7.2	78,442	198	0.3%		
J-13	84,619	6,413		8.2	78,206	-236	-0.3%		
J-13	84,158	5,944		7.6	78,214	8	0.0%		
A-13	83,797	6,063		7.8	77,734	-480	-0.6%		
S-13	83,364	5,381		6.9	77,983	249	0.3%		
O-13	83,572	5,101		6.5	78,471	488	0.6%		
N-13	83,446	4,649		5.9	78,797	326	0.4%		
D-13	83,705	4,364		5.5	79,341	544	0.7%		

Source: State Employment Security Commission

County Employment Trends



Source: State Employment Security Commission

9.4 WORKFORCE HOUSING

The subject is not located in an area that is drawn from for some other area (e.g., a resort area) so this topic is not relevant.

9.5 ECONOMIC SUMMARY

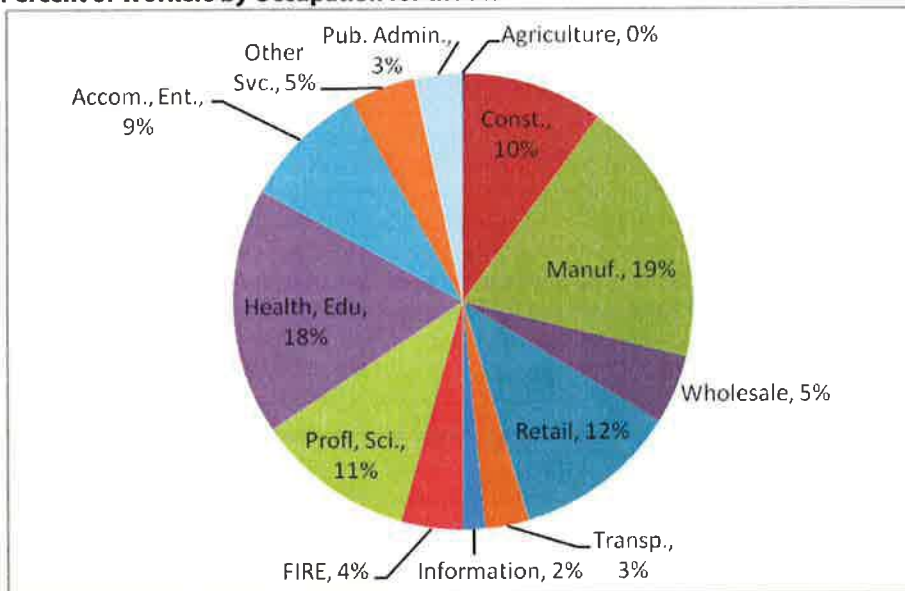
The largest number of persons in the market area is employed in the "Management, professional, and related occupations" occupation category and in the "Manufacturing" industry category.

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 increasing over the past several years.

Employment has been increasing over the past several years. For the past 12 months the unemployment rate has varied from 7.9–9.8; in the last month reported it was 5.5.

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: 2011-5yr 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.

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 2014)

<u>Pers.</u>	<u>VLIL</u>	<u>50%</u>	<u>60%</u>
1	19,000	19,000	22,800
2	21,700	21,700	26,040
3	24,400	24,400	29,280
4	27,100	27,100	32,520
5	29,300	29,300	35,160
6	31,450	31,450	37,740
7	33,650	33,650	40,380
8	35,800	35,800	42,960

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%	1	4	344	420	\$14,400	Tax Credit
50%	2	8	495	596	\$20,434	Tax Credit
50%	3	2	550	676	\$23,177	Tax Credit
60%	1	8	375	451	\$15,463	Tax Credit
60%	2	16	505	606	\$20,777	Tax Credit
60%	3	18	610	736	\$25,234	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%	1	1	420	14,400	4,600	19,000
50%	1	2	420	14,400	7,300	21,700
50%	2	2	596	20,430	1,270	21,700
50%	2	3	596	20,430	3,970	24,400
50%	2	4	596	20,430	6,670	27,100
50%	3	3	676	23,180	1,220	24,400
50%	3	4	676	23,180	3,920	27,100
50%	3	5	676	23,180	6,120	29,300
50%	3	6	676	23,180	8,270	31,450
60%	1	1	451	15,460	7,340	22,800
60%	1	2	451	15,460	10,580	26,040
60%	2	2	606	20,780	5,260	26,040
60%	2	3	606	20,780	8,500	29,280
60%	2	4	606	20,780	11,740	32,520
60%	3	3	736	25,230	4,050	29,280
60%	3	4	736	25,230	7,290	32,520
60%	3	5	736	25,230	9,930	35,160
60%	3	6	736	25,230	12,510	37,740

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>1-BR</u>	<u>2-BR</u>	<u>3-BR</u>
50% Units			
Number of Units	4	8	2
Max Allowable Gross Rent	\$508	\$610	\$705
Pro Forma Gross Rent	\$420	\$596	\$676
Difference (\$)	\$88	\$14	\$29
Difference (%)	17.3%	2.3%	4.1%
60% Units			
Number of Units	8	16	18
Max Allowable Gross Rent	\$610	\$732	\$846
Pro Forma Gross Rent	\$451	\$606	\$736
Difference (\$)	\$159	\$126	\$110
Difference (%)	26.1%	17.2%	13.0%

Targeted Income Ranges



An income range of \$14,400 to \$28,200 is reasonable for the 50% AMI units.

An income range of \$15,460 to \$33,840 is reasonable for the 60% AMI units.

An income range of \$14,400 to \$33,840 is reasonable for the tax credit units (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:	1,226,873		53,282		6,142		1,991	
Less than \$5,000	27,356	2.2%	1,032	1.9%	72	1.2%	0	0.0%
\$5,000 to \$9,999	35,300	2.9%	1,433	2.7%	205	3.3%	78	3.9%
\$10,000 to \$14,999	60,463	4.9%	2,780	5.2%	282	4.6%	33	1.7%
\$15,000 to \$19,999	60,462	4.9%	3,076	5.8%	408	6.6%	149	7.5%
\$20,000 to \$24,999	64,197	5.2%	3,121	5.9%	229	3.7%	99	5.0%
\$25,000 to \$34,999	127,190	10.4%	6,049	11.4%	599	9.8%	119	6.0%
\$35,000 to \$49,999	178,235	14.5%	7,340	13.8%	846	13.8%	244	12.3%
\$50,000 to \$74,999	252,114	20.5%	11,807	22.2%	1,272	20.7%	336	16.9%
\$75,000 to \$99,999	170,124	13.9%	7,426	13.9%	1,044	17.0%	443	22.3%
\$100,000 to \$149,999	161,380	13.2%	6,226	11.7%	812	13.2%	358	18.0%
\$150,000 or more	90,052	7.3%	2,992	5.6%	375	6.1%	132	6.6%
Renter occupied:	531,859		19,237		2,016		748	
Less than \$5,000	44,306	8.3%	1,553	8.1%	164	8.1%	14	1.9%
\$5,000 to \$9,999	54,337	10.2%	2,343	12.2%	191	9.5%	14	1.9%
\$10,000 to \$14,999	54,076	10.2%	2,378	12.4%	207	10.3%	14	1.9%
\$15,000 to \$19,999	50,707	9.5%	1,906	9.9%	177	8.8%	9	1.2%
\$20,000 to \$24,999	45,711	8.6%	1,980	10.3%	256	12.7%	0	0.0%
\$25,000 to \$34,999	77,822	14.6%	2,957	15.4%	307	15.2%	185	24.7%
\$35,000 to \$49,999	83,086	15.6%	2,356	12.2%	327	16.2%	287	38.4%
\$50,000 to \$74,999	70,341	13.2%	2,318	12.0%	216	10.7%	139	18.6%
\$75,000 to \$99,999	29,671	5.6%	790	4.1%	124	6.2%	58	7.8%
\$100,000 to \$149,999	16,234	3.1%	543	2.8%	33	1.6%	28	3.7%
\$150,000 or more	5,568	1.0%	113	0.6%	16	0.8%	0	0.0%

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.

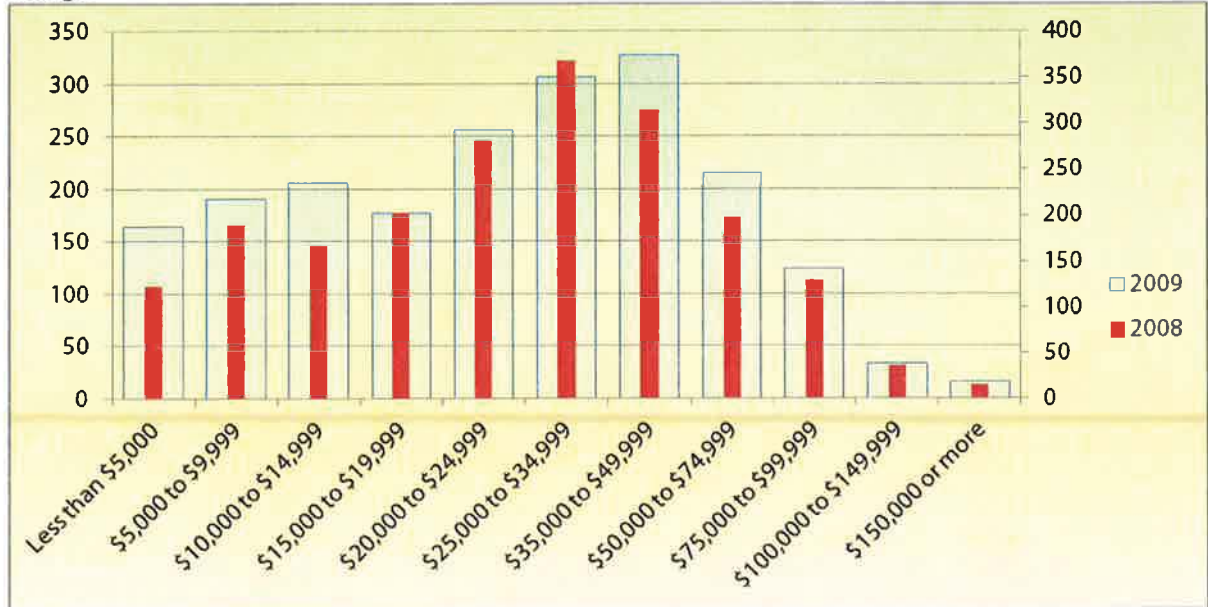
Percent of Renter Households in Appropriate Income Ranges for the Market Area

AMI		50%		60%		Tx. Cr.	
Lower Limit		14,400		15,460		14,400	
Upper Limit		28,200		33,840		33,840	
	Households	%	#	%	#	%	#
Renter occupied:							
Less than \$5,000	164	—	0	—	0	—	0
\$5,000 to \$9,999	191	—	0	—	0	—	0
\$10,000 to \$14,999	207	0.12	25	—	0	0.12	25
\$15,000 to \$19,999	177	1.00	177	0.91	161	1.00	177
\$20,000 to \$24,999	256	1.00	256	1.00	256	1.00	256
\$25,000 to \$34,999	307	0.32	98	0.88	271	0.88	271
\$35,000 to \$49,999	327	—	0	—	0	—	0
\$50,000 to \$74,999	216	—	0	—	0	—	0
\$75,000 to \$99,999	124	—	0	—	0	—	0
\$100,000 to \$149,999	33	—	0	—	0	—	0
\$150,000 or more	16	—	0	—	0	—	0
Total	2,016		556		688		729
Percent in Range			27.6%		34.1%		36.2%

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., 556, or 27.6% of the renter households in the market area are in the 50% range.)

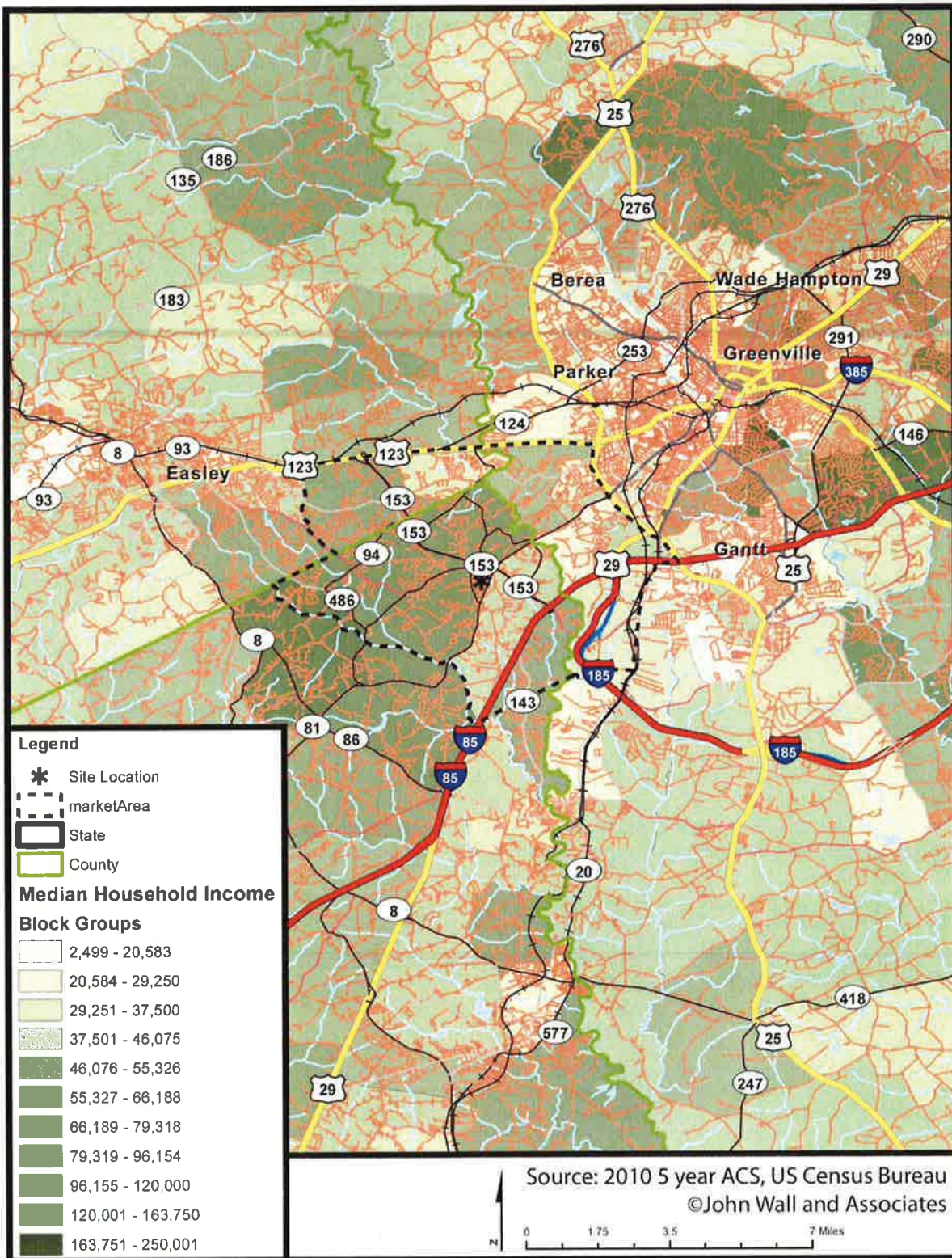
Change in Renter Household Income



Sources: 2010 and 2011-5yr ACS (Census)

The above table shows the change in renter households in various income ranges. The more current data is reflected on the left axis.

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 359 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 25.1%. Therefore, 90 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: \$14,400 to \$28,200	90	27.6%	25
60% AMI: \$15,460 to \$33,840	90	34.1%	31
Overall Tax Credit: \$14,400 to \$33,840	90	36.2%	33

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:	98,643		3,896		355		28	
30.0% to 34.9%	2,529	2.6%	98	2.5%	0	0.0%	0	0.0%
35.0% or more	61,392	62.2%	2,665	68.4%	185	52.1%	14	50.0%
\$10,000 to \$19,999:	104,783		4,284		383		23	
30.0% to 34.9%	6,758	6.4%	299	7.0%	44	11.5%	0	0.0%
35.0% or more	74,143	70.8%	3,070	71.7%	284	74.2%	9	39.1%
\$20,000 to \$34,999:	123,533		4,937		563		185	
30.0% to 34.9%	19,478	15.8%	843	17.1%	167	29.7%	41	22.2%
35.0% or more	47,803	38.7%	1,576	31.9%	144	25.6%	35	18.9%
\$35,000 to \$49,999:	83,086		2,356		327		287	
30.0% to 34.9%	7,875	9.5%	97	4.1%	6	1.8%	0	0.0%
35.0% or more	8,356	10.1%	158	6.7%	92	28.1%	60	20.9%
\$50,000 to \$74,999:	70,341		2,318		216		139	
30.0% to 34.9%	2,094	3.0%	0	0.0%	0	0.0%	0	0.0%
35.0% or more	2,477	3.5%	36	1.6%	0	0.0%	0	0.0%
\$75,000 to \$99,999:	29,671		790		124		58	
30.0% to 34.9%	325	1.1%	19	2.4%	12	9.7%	0	0.0%
35.0% or more	393	1.3%	9	1.1%	0	0.0%	0	0.0%
\$100,000 or more:	21,802		656		49		28	
30.0% to 34.9%	135	0.6%	0	0.0%	0	0.0%	0	0.0%
35.0% or more	244	1.1%	0	0.0%	0	0.0%	0	0.0%

Source: 2011-5yr 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		50%		60%		Tx. Cr.	
AMI		14,400		15,460		14,400	
Lower Limit		28,200		33,840		33,840	
Upper Limit							
	<u>Mkt. Area</u>	<u>Households</u>					
Less than \$10,000:	185	—	0	—	0	—	0
\$10,000 to \$19,999:	284	0.56	159	0.45	129	0.56	159
\$20,000 to \$34,999:	144	0.55	79	0.92	133	0.92	133
\$35,000 to \$49,999:	92	—	0	—	0	—	0
\$50,000 to \$74,999:	0	—	0	—	0	—	0
\$75,000 to \$99,999:	0	—	0	—	0	—	0
\$100,000 or more:	0	—	0	—	0	—	0
Column Total	705		238		262		292

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 complete 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:	1,226,873		53,282		6,142		1,991	
Complete plumbing:	1,222,823	100%	53,066	100%	6,142	100%	1,991	100%
1.00 or less	1,210,054	99%	52,232	98%	6,105	99%	1,981	99%
1.01 to 1.50	9,845	1%	660	1%	14	0%	0	0%
1.51 or more	2,924	0%	174	0%	23	0%	10	1%
Lacking plumbing:	4,050	0%	216	0%	0	0%	0	0%
1.00 or less	3,955	0%	216	0%	0	0%	0	0%
1.01 to 1.50	54	0%	0	0%	0	0%	0	0%
1.51 or more	41	0%	0	0%	0	0%	0	0%
Renter occupied:	531,859		19,237		2,016		748	
Complete plumbing:	527,765	99%	18,853	98%	2,013	100%	748	100%
1.00 or less	505,927	95%	18,360	95%	1,905	94%	725	97%
1.01 to 1.50	13,642	3%	323	2%	108	5%	23	3%
1.51 or more	8,196	2%	170	1%	0	0%	0	0%
Lacking plumbing:	4,094	1%	384	2%	3	0%	0	0%
1.00 or less	3,927	1%	384	2%	3	0%	0	0%
1.01 to 1.50	88	0%	0	0%	0	0%	0	0%
1.51 or more	79	0%	0	0%	0	0%	0	0%
Total Renter Substandard					111			

Source: 2011-5yr ACS (Census)

From these tables, the need from substandard rental units can be drawn. There are 111 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 Substandard Units</u>	<u>Percent Income Qualified</u>	<u>Demand due to Substandard</u>
50% AMI: \$14,400 to \$28,200	111	27.6%	31
60% AMI: \$15,460 to \$33,840	111	34.1%	38
Overall Tax Credit: \$14,400 to \$33,840	111	36.2%	40

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: \$14,400 to \$28,200	60% AMI: \$15,460 to \$33,840	Overall Tax Credit: \$14,400 to \$33,840
New Housing Units Required	25	31	33
Rent Overburden Households	238	262	292
Substandard Units	31	38	40
Demand	294	331	365
Less New Supply	0	0	0
NET DEMAND	294	331	365

* 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.

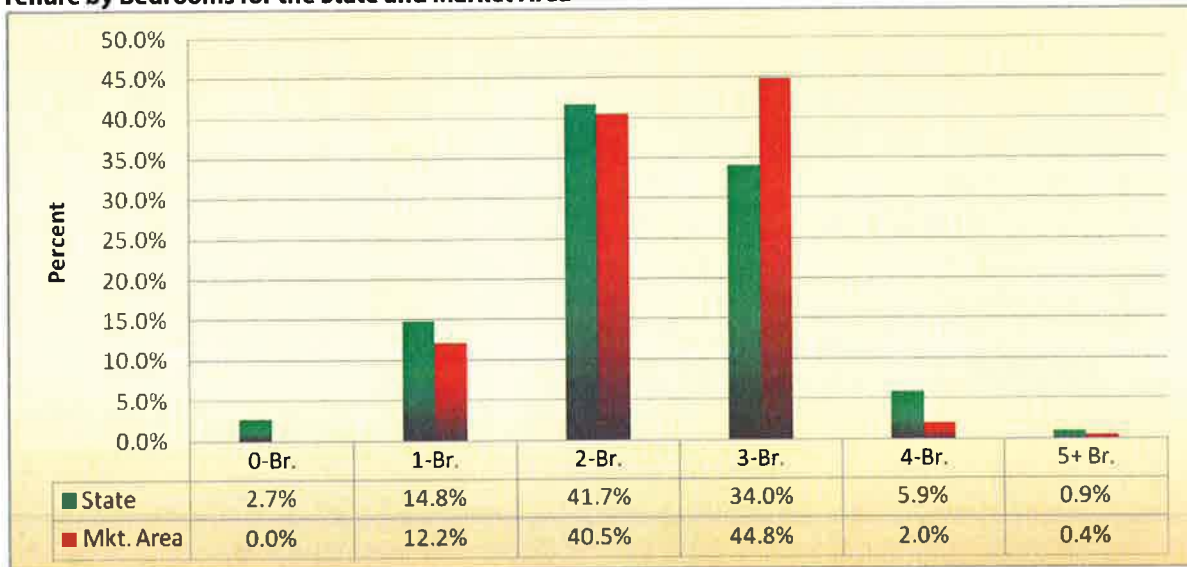
13.1 TENURE

Tenure by Bedrooms

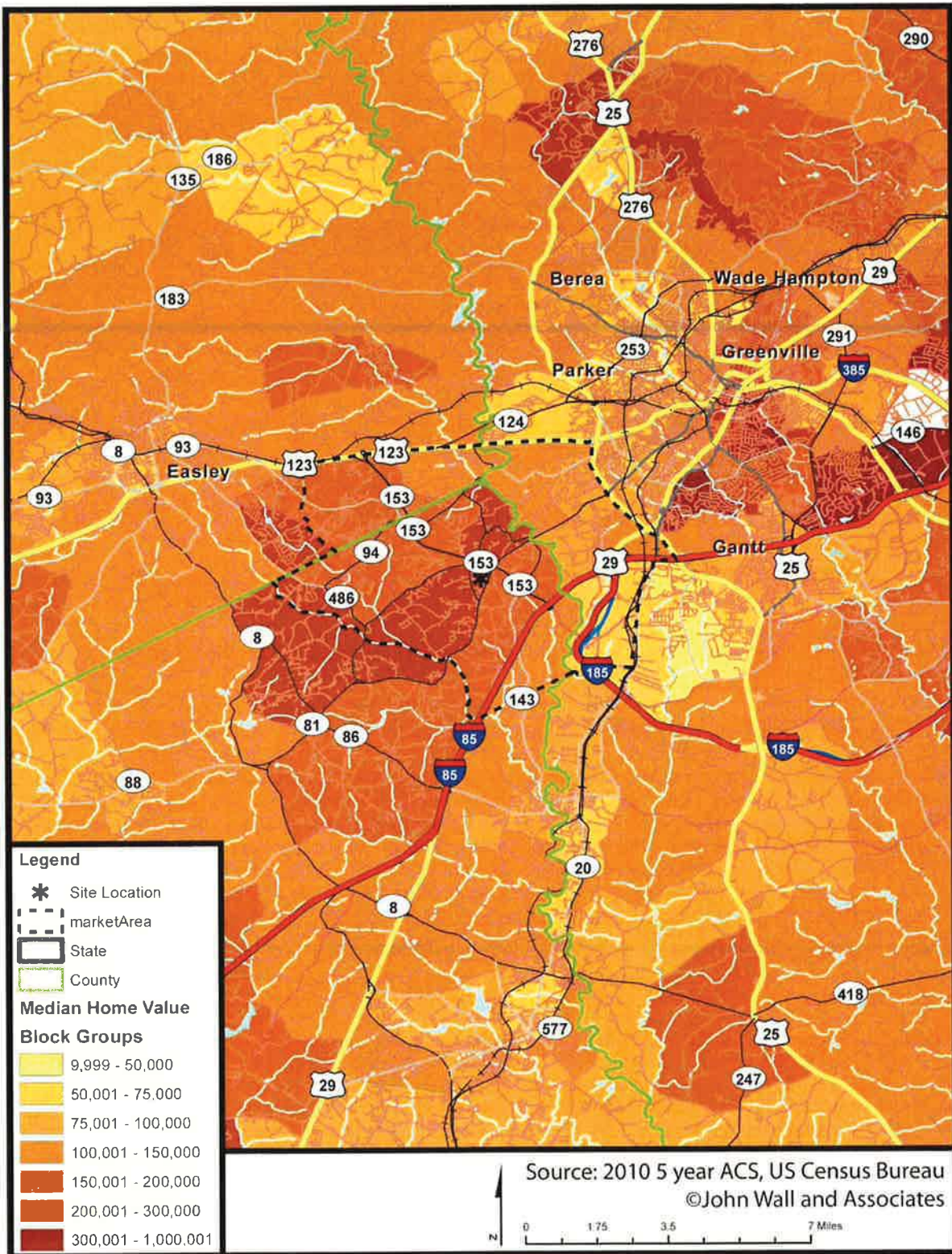
	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Owner occupied:	1,226,873		53,282		6,142		1,991	
No bedroom	3,158	0.3%	134	0.3%	28	0.5%	10	0.5%
1 bedroom	14,610	1.2%	806	1.5%	108	1.8%	17	0.9%
2 bedrooms	194,718	15.9%	9,455	17.7%	980	16.0%	194	9.7%
3 bedrooms	722,029	58.9%	32,017	60.1%	3,435	55.9%	1,014	50.9%
4 bedrooms	240,190	19.6%	9,246	17.4%	1,322	21.5%	664	33.4%
5 or more bedrooms	52,168	4.3%	1,624	3.0%	270	4.4%	92	4.6%
Renter occupied:	531,859		19,237		2,016		748	
No bedroom	14,446	2.7%	563	2.9%	0	0.0%	0	0.0%
1 bedroom	78,663	14.8%	2,477	12.9%	246	12.2%	14	1.9%
2 bedrooms	221,773	41.7%	8,938	46.5%	817	40.5%	385	51.5%
3 bedrooms	180,686	34.0%	6,166	32.1%	904	44.8%	319	42.6%
4 bedrooms	31,438	5.9%	853	4.4%	40	2.0%	0	0.0%
5 or more bedrooms	4,853	0.9%	240	1.2%	9	0.4%	30	4.0%

Source: 2011-5yr 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	1,110	952	158	NA	NA	NA
2001	1,117	995	122	NA	NA	NA
2002	1,554	1,150	404	NA	NA	NA
2003	1,384	1,092	292	NA	NA	NA
2004	1,248	1,212	36	NA	NA	NA
2005	1,931	1,415	516	NA	NA	NA
2006	1,596	1,219	377	NA	NA	NA
2007	1,226	1,156	70	NA	NA	NA
2008	652	561	91	NA	NA	NA
2009	280	280	0	NA	NA	NA
2010	284	284	136	NA	NA	NA
2011	268	268	12	NA	NA	NA
2012	404	404	16	NA	NA	NA

KEY: X = Did not issue permits at that time; NA = Data not available

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
Carolina Commons	43	0.0%	Conventional; Sec 8=6	
Fairhill	80	0.0%	Conventional	
Fairmeadow Townhomes	71	0.0%	Conventional	
Grove Station (fka Lakeshore Apartments)	308	1.3%	Conventional; Sec 8	
Heritage Trace I & II	464	5.0%	Conventional	

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

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

* 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.

There are no new or proposed units to deduct.

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 table below 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			4-Bedroom Units		
Rents	Units	Vacancies	Rents	Units	Vacancies	Rents	Units	Vacancies	Rents	Units	Vacancies
344	4	Subj. 50%	495	8	Subj. 50%	550	2	Subj. 50%	640	16	1
375	8	Subj. 60%	505	16	Subj. 60%	608	96	1			
416	40	1	505	56	0	610	18	Subj. 60%			
455	24	0	515	46	0	615	23	0			
465	2	0	531	156	1	712	104	6			
480	43	1	672	360	17						

Orange = Subject
 Green = Tax Credit
 Median

	1-Bedroom	2-Bedrooms	3-Bedrooms	4-Bedrooms	TOTAL
Vacant Units	2	18	7	1	28
Total Units	109	618	223	16	966
Vacancy Rate	1.8%	2.9%	3.1%	6.3%	2.9%
Median Rent	\$455	\$612	\$615	\$640	N/A

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

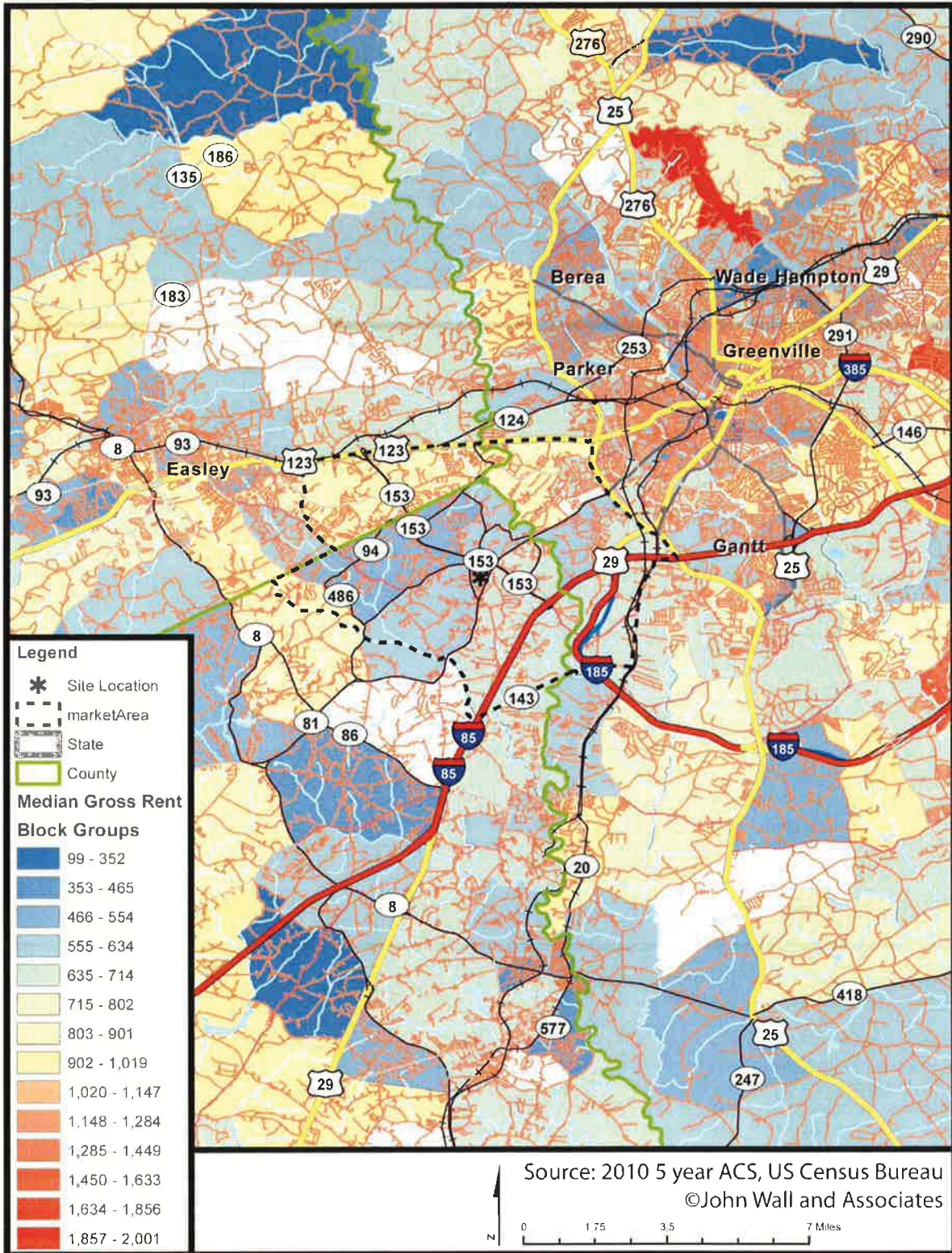
Source: John Wall and Associates

A vacancy rate of 5.0% is considered normal. The overall vacancy rate in the market is 2.9%.

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.

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>
Fairhill	3.5 mi.		Moderate
Fairmeadow Townhomes	3.5 mi.		Moderate
Grove Station	2.5 mi.		Low
Heritage Trace	½ mile		Fair

There are no good comparables in the market area. All of the apartments in the market area will be used as comps.

13.8 PUBLIC HOUSING

Because the subject does not have PBRA units and because the subject will not require section 8 voucher support the housing authority was not surveyed regarding the number of available vouchers.

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

The proposed housing units will have little no impact on existing tax credit apartments. There are no LIHTC apartments in the market area.

13.10 APARTMENT INVENTORY

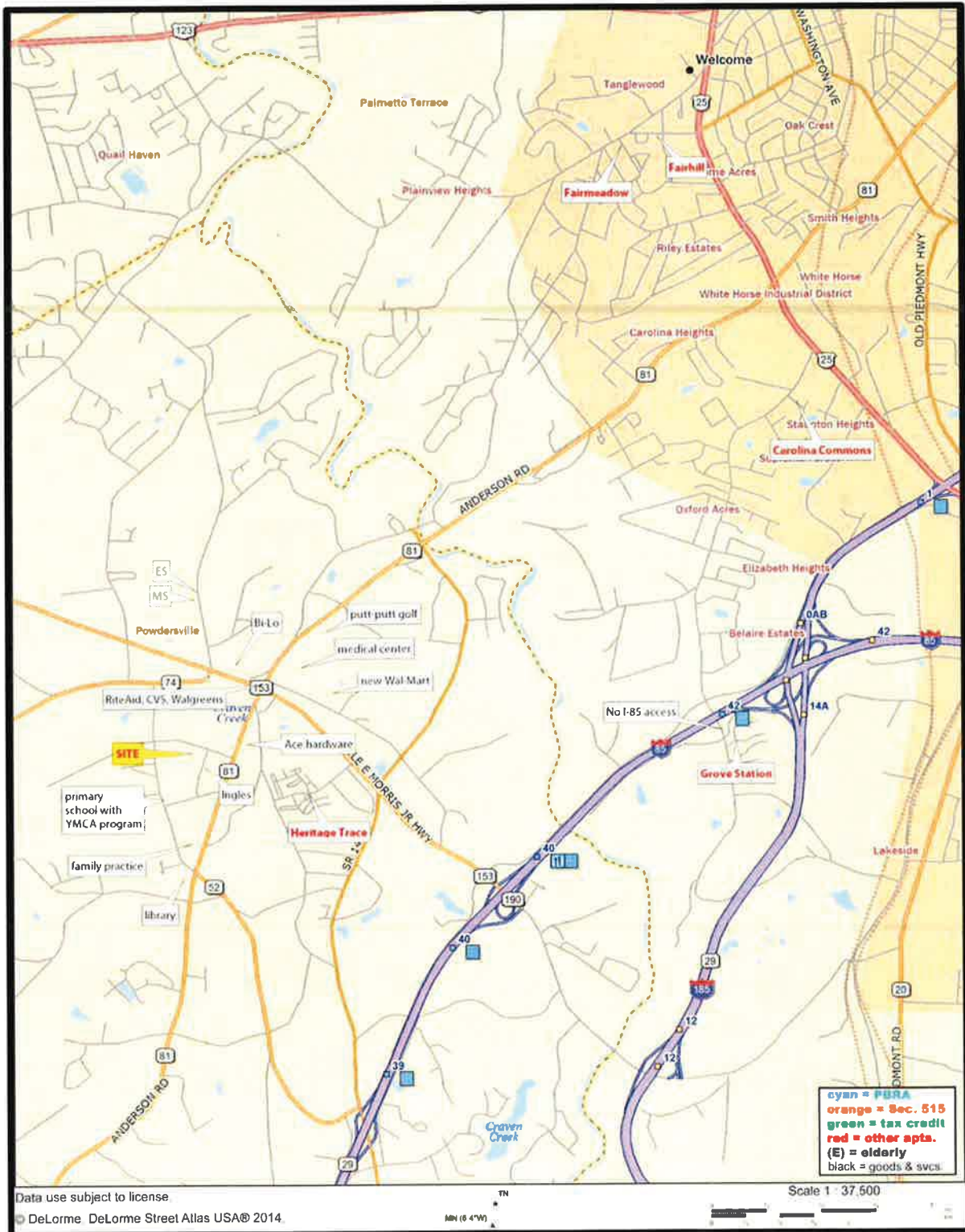
The apartment inventory follows this page. Summary information is shown for each apartment surveyed and detailed information is provided on individual property photo sheets.

13.11 MARKET ADVANTAGE

	<u>Bedrooms</u>	<u>Number of Units</u>	<u>Net Rent</u>	<u>Market Rent</u>	<u>Market Advantage</u>
50%	1	4	344	560	38.6%
50%	2	8	495	664	25.5%
50%	3	2	550	771	28.7%
60%	1	8	375	560	33.0%
60%	2	16	505	664	23.9%
60%	3	18	610	771	20.9%

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 20%. The Rent Calculation Worksheet shows an overall market advantage of 25.16%. See market rent calculations in Appendix A.

APARTMENT LOCATIONS MAP



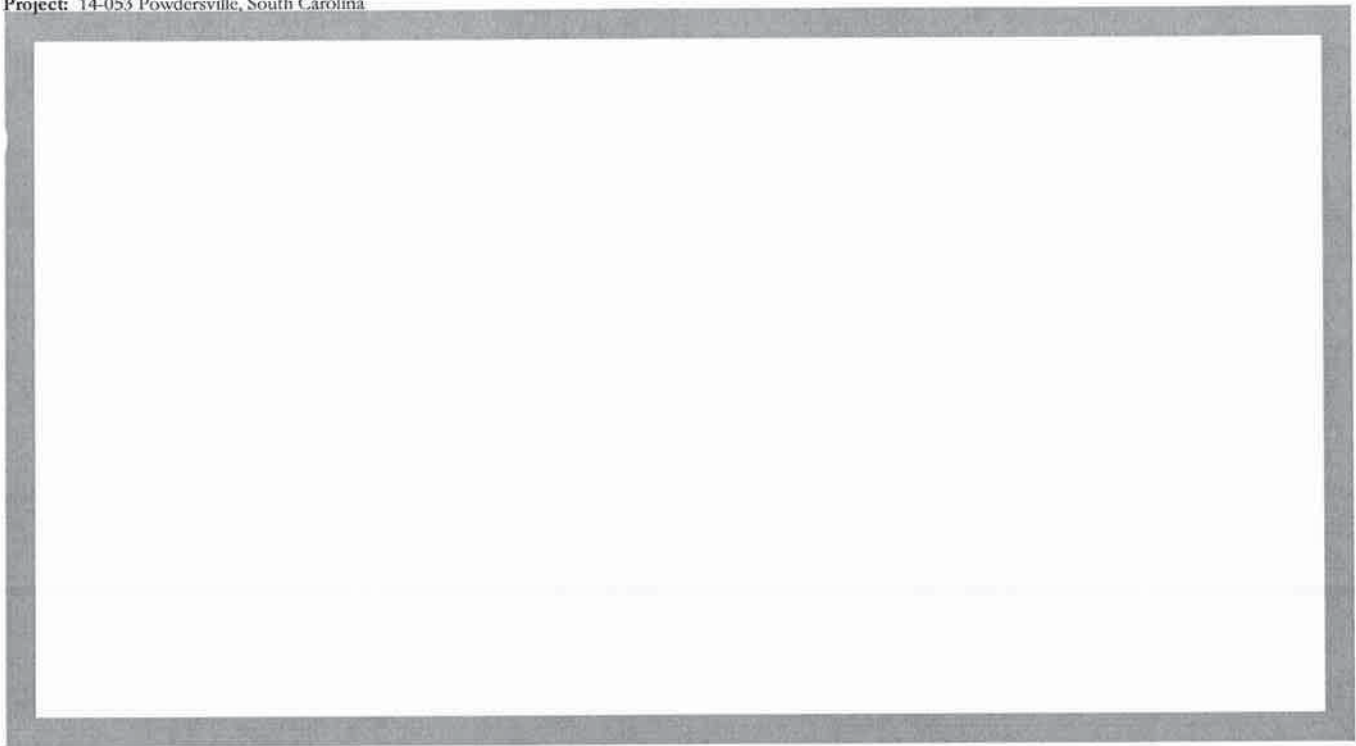
APARTMENT INVENTORY

14-053 Powdersville, South Carolina

ID#	Apartment Name	Year Built	Efficiency/Studio (e)				Two Bedroom				Three Bedroom				Four Bedroom				COMMENTS
			Units	Vacant	Rent		Units	Vacant	Rent		Units	Vacant	Rent		Units	Vacant	Rent		
	14-053 Subject Autumn Hill Apartments Powdersville	Proposed	4	P	344	8	P	495	2	P	550	16	P	505	18	P	610		TC, (50%, 60%)
	Carolina Commons 13 Staunton Bridge Rd. Greenville Linda (2-11-14) 864-237-7931	2005 2008	43	1	480														WI=0 Conventional; Sec 8=6
	Fairhill 715 Welcome Ave. Ext. Greenville Cathy (2-11-14) 864-269-8090	1980 0%	24	0	455	56	0	505											WI=0 Conventional; Sec 8=not accepted Four staff members; \$20 added to 1BR rent for water and \$30 added to 2BR rent for water (this fee is included in rents shown above); The pool is located at Fair Meadow apartments; Fairhill tenants are allowed to use it.
	Fairmeadow Townhomes 15 Best Dr. Greenville Cathy (2-11-14) 864-269-9446	1974 0%	2	0	465	46	0	515	23	0	615								WI=0 Conventional; Sec 8=not accepted Four staff members; \$20 is added to 1BR rent, \$30 is added to 2BR rent, and \$30 is added to 3BR rent for water (this fee is included in rents shown above).
	Grove Station (aka Lakeshore Apartments) 1 Lakeside Rd. (Greenville) Taya (2-11-14) 864-422-8551	1970 1998 Rehab 1.3%	40	1	416	156	1	531	96	1	608	16	1	640					WI=0 Conventional; Sec 8=yes Converted to conventional in 1998; 4 staff members; Taya said she doesn't know how many of her tenants are using Section 8 vouchers and that she cannot give us that information.
	Heritage Trace I & II 101 Charles Town Dr Piedmont Tammy (2-11-14) 864-295-8808	2000 2003 5%				360	17	600-625	104	6	700-725								Special=Half off the first month on 2BRs only WI=0 Conventional; Sec 8=not accepted

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	Garbage Disposal	W/D Connection	Washer, Dryer	Microwave Oven	Other	Fireplace	Free Cable	Furnished	Air Conditioning	Drapes/Blinds	Cable Pre-Wired	Utilities Included	Other											
	14-053 Subject	Proposed	1 BR	2 BR	3 BR	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	950	495									
	Vacancy Rates:					4 BR overall																					950	505									
	Carolina Commons	2005	1 BR	2 BR	3 BR	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x												
	Vacancy Rates:					4 BR overall																															
	Fairhill	1980	1 BR	2 BR	3 BR	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	950	505										
	Vacancy Rates:					4 BR overall																															
	Fairmeadow Townhomes	1974	1 BR	2 BR	3 BR	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	987	515										
	Vacancy Rates:					4 BR overall																															
	Grove Station	1970	1 BR	2 BR	3 BR	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	840	531										
	Vacancy Rates:					4 BR overall																															
	Heritage Trace I & II	2000	1 BR	2 BR	3 BR	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	1000	600-625										
	Vacancy Rates:					4 BR overall																															

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



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	4	1	P	750	344
1 BR vacancy rate	8	1	P	750	375
Two-Bedroom					
	8	2	P	950	495
2 BR vacancy rate	16	2	P	950	505
Three-Bedroom					
	2	2	P	1100	550
3 BR vacancy rate	18	2	P	1100	610
Four-Bedroom					
4 BR vacancy rate					
TOTALS	56		0		

Complex:
 14-053 Subject
 Autumn Hill Apartments
 Powdersville

Map Number:

Year Built:
 Proposed

Last Rent Increase

Specials

Waiting List

Subsidies
 TC (50%, 60%)

- 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	43	1	1	800	480
1 BR vacancy rate					
Two-Bedroom					
2 BR vacancy rate					
Three-Bedroom					
3 BR vacancy rate					
Four-Bedroom					
4 BR vacancy rate					
TOTALS	43		1		

Complex: Carolina Commons
 13 Staunton Bridge Rd.
 Greenville
 Linda (2-11-14)
 864-237-7931

Map Number:

Year Built:
 2005
 2008

Last Rent Increase

Specials

Waiting List
 WL=0

Subsidies
 Conventional; 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
 - 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	24	1	0	650	455
1 BR vacancy rate	0.0%				
Two-Bedroom					
2 BR vacancy rate	56	1	0	950	505
	0.0%				
Three-Bedroom					
3 BR vacancy rate					
Four-Bedroom					
4 BR vacancy rate					
TOTALS	0.0%	80	0		

Complex: Fairhill
 715 Welcome Ave. Ext.
 Greenville
 Cathy (2-11-14)
 864-269-8090

Map Number:

Year Built:
 1980

Last Rent Increase

Specials

Waiting List
 WL=0

Subsidies
 Conventional; Sec 8=not accepted

- 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: Four staff members; \$20 added to 1BR rent for water and \$30 added to 2BR rent for water (this fee is included in rents shown above); The pool is located at Fair Meadow apartments; Fairhill tenants are allowed to use it.



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	2	1.5	0	800	465
1 BR vacancy rate	0.0%				
Two-Bedroom					
Two-Bedroom	46	1.5	0	987	515
2 BR vacancy rate	0.0%				
Three-Bedroom					
Three-Bedroom	23	1.5	0	1150	615
3 BR vacancy rate	0.0%				
Four-Bedroom					
4 BR vacancy rate					
TOTALS	0.0%	71	0		

Complex: Fairmeadow Townhomes
 15 Best Dr.
 Greenville
 Cathy (2-11-14)
 864-269-9446

Map Number:

Year Built:
 1974

Last Rent Increase

Specials

Waiting List
 WL=0

Subsidies
 Conventional; Sec 8=not accepted

- 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: Four staff members; \$20 is added to 1BR rent, \$30 is added to 2BR rent, and \$30 is added to 3BR rent for water (this fee is included in rents shown above).



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	40	1	1	660-714	416
1 BR vacancy rate	2.5%				
Two-Bedroom	156	1	1	840	531
2 BR vacancy rate	0.6%				
Three-Bedroom	96	1-1.5	1	950-960	608
3 BR vacancy rate	1.0%				
Four-Bedroom	16	1	1	998	640
4 BR vacancy rate	6.3%				
TOTALS	1.3%	308	4		

Complex: Grove Station
 (fka Lakeshore Apartments)
 1 Lakeside Rd. (Greenville)
 Taya (2-11-14)
 864-422-8551

Map Number:

Year Built:
 1970
 1998 Rehab

Last Rent Increase

Specials

Waiting List
 WL=0

Subsidies
 Conventional; Sec 8=yes

- Amenities**
- Laundry Facility
 - Tennis Court
 - Swimming Pool
 - Club House
 - Garages
 - 4 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: Converted to conventional in 1998; 4 staff members; Taya said she doesn't know how many of her tenants are using Section 8 vouchers and that she cannot give us that information.



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom					
1 BR vacancy rate					
<hr/>					
Two-Bedroom	360	2	17	1000	600-625
2 BR vacancy rate 4.7%					
<hr/>					
Three-Bedroom	104	2	6	1200	700-725
3 BR vacancy rate 5.8%					
<hr/>					
Four-Bedroom					
4 BR vacancy rate					
<hr/>					
TOTALS	5.0%	464	23		

Complex:

Heritage Trace I & II
 101 Charles Town Dr
 Piedmont
 Tammy (2-11-14)
 864-295-8808

Map Number:

Year Built:

2000
 2003

Last Rent Increase

Specials

Special=Half off the first month on 2BRs only

Waiting List

WL=0

Subsidies

Conventional; Sec 8=not accepted

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:

14 INTERVIEWS

The following interviews were conducted regarding demand for the subject.

14.1 APARTMENT MANAGERS

Linda, manager of Carolina Commons said she is not familiar with Powdersville at all and did not want to participate.

Cathy, manager of Fairhill and Fairmeadows Townhomes said the subject's location is good, and the rents are good. Cathy said the unit mix is also good. She thought having more two bedroom units in the mix is good because she seems to get more calls for them. Cathy did not think the subject would have any problems renting up.

Kenin with Grove Station apartments said the subject's location is good. Kenin said the rents and amenities are very good. He thought they could build a few more units, possibly a few more one bedroom units.

Tammy, manager of Heritage Trace I and II said the subject's rents and amenities sound very good. Tammy said although Heritage Trace does not offer one bedroom units, she receives call all of the time from people looking for one. She thought the subject should plan on building more one bedroom units. Tammy also mentioned that her company is thinking about building a 200 unit two and three bedroom gated rental community very close to Heritage Trace. She mentioned that nothing has been approved yet.

14.2 ECONOMIC DEVELOPMENT

Powdersville, SC CDP

According to the SC Department of Commerce and Powdersville local news sources, there have been three companies to locate in or expand in Powdersville within the past year creating a total of 360 new jobs in Powdersville. A new Walmart opened in March 2013 in Powdersville near the intersection of SC 81 and SC 153 and will create 275 new jobs. Medical Center of Powdersville opened in January 2013 and added 40 new jobs to the area. Duke Sandwich Productions announced in April 2012 plans to establish a new plant in Powdersville and create 45 new jobs over the next five years. Duke Sandwich will acquire the former Rock Tenn building located at 211 Pine Road.

According the South Carolina Department of Employment and Workforce, there have been no businesses to close or downsize in Powdersville within the past year.

Anderson County, SC

According to Anderson County Today Economic Development and local news sources, there have been 7 companies to come on line or to expand or make announcements to do so since January 2013 which will create a total of 612 new jobs in Anderson County. Orion Rugs announced in February 2014 that it will expand and create 125 new jobs (Anderson). Baldor Electric announced it will expand and create 45 new jobs (Belton). McLaughlin Body Company announced in April 2013 that it will establish a new facility in Anderson and create 250 new jobs over the next five years. SMF, Inc. also announced in April that it would locate a new production facility in Anderson and create 146 new jobs. General Machine of Anderson announced in May 2013 that it will expand operations and add 20 new jobs. Sekido Technology Corp. announced in June that is will expand and create 6 new jobs (Williamston).

Chromarat announced it will expand and create 20 new jobs at Alliance Park on I-85 (Anderson).

On the down side, according to the South Carolina Department of Employment and Workforce, there have been 2 companies to close since January 2013 resulting in a total of 127 jobs lost in Anderson County. General Nutrition Companies, Inc. (Anderson) closed with 50 jobs lost, and Joy Global (Belton) closed with 77 jobs lost.

Pickens County, SC

According to Alliance Pickens, there has been one company to make an announcement to locate in Pickens County within the past year. TaylorMade Golf Company will move its golf ball production facility to the Pickens County Commerce Park located at US 123 and Cartee Road near Liberty from Westminster. The company will employ 125. The number of new jobs was not reported as it will depend on how many of their employees decide to move or commute or retire.

According to the South Carolina Department of Employment and Workforce, there have been no major closings or downsizings within the past year.

Greenville County, SC

According to the Greenville Area Development Corporation, there have been 14 companies to come on line, expand or make announcements to do so in Greenville County since January 2013 which will create a total of 922 new jobs in Greenville County. Esurance announced in February 2014 that it would locate a new sales and claims office in Greenville and create 450 new jobs. Chartsan Medical Technologies will establish its headquarters in Greenville County and create 41 new jobs. Stueken, LLC will expand in Fountain Inn and create 27 new jobs. Advanced Composite Material will expand and create 8 new jobs in Greer. KL Logistics will establish its North American headquarters in Greenville at the Matrix Center and create 149 new jobs and be fully operational by July 2014. Materials Sciences Corp will expand and create 23 new jobs in Greenville. Sweet Street Desserts purchased the former Sara Lee building at 1916 Piedmont Highway in Greenville/Piedmont area and will create 80 new jobs. Fiesta Simpsonville will expand and create 32 new jobs. Roding Technology will establish operations at the Clemson University International Center for Auto Research (CU-ICAR) and create 5 new jobs. Crown Group will open a new plant at 101 Milledge Road in Greenville and create 42 new jobs over the next 5 years. ACS established new operations and created 10 new jobs. In-Tech Automotive Engineering will establish a new facility at CU-ICAR and create 20 new jobs. TIGGES launched its new U.S. operations at CU-ICAR and created 5 new jobs. SC Tool Inc. will expand and create 30 new jobs in Travelers Rest.

On the down side, according to the South Carolina Department of Employment and Workforce, there have been 7 companies to close or to downsize since January 2013 resulting in a total of 631 jobs lost in Greenville County. Bi-Lo had layoffs with 130 jobs lost. Sunland Logistics Solutions had layoffs with 47 jobs lost. Sunland Staffing had layoffs with 52 jobs lost. Capitol Management Services, LP closed with 36 jobs lost. First Center, LLC closed with 85 jobs lost. International Automotive Components, LLC closed with 164 jobs lost. Gannett Publishing Services closed with 117 jobs lost.

15 APPENDIX A – MARKET RENTS

MARKET RENT ANALYSIS USING CONVENTIONAL PROJECTS
 Powdersville, South Carolina — PCN 13-036

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	1				1BR	2 BR	3 BR		
Fairhill	1980	80	0.0	7	7	7	7	6.5	7.5	—	6	2	2	75.0	77.0	—	455	505	—	1.0		
Fairmeadow TH	1974	71	0.0	7	7	7	7	8.0	7.9	8.5	5	2	2	77.0	76.8	78.0	465	515	615	1.0		
Grove Station	1970	292	1.3	7	6	6	5	6.9*	6.5	6.6	5	2	2	66.8	66.0	66.2	416	531	608*	1.0	1998 rehab	
Heritage Trace	2000	464	5.0	8	7	8	9	—	8.0	9.0	8	2	2	88.0	90.0	—	—	613*	713*	1.0		
(SUBJECT)	P	56	N/A	8	8	9	8	7.5	8.5	8.0	10	2	2	91.0	93.0	92.0	375	505	610	N/A	subject's 60% rents	
																	560	604*	771			Subject's average market rent
																	33.1%	23.9%	20.8%			Market advantage for 80% 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 = Finish Market rent. * = Average. a = Approximate. Points for the age of a project represent an average of the original construction and the rehabilitation. e = effective
 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
 ©2009 John Wall and Associates

Because there are so few complexes in the market area, all of the apartments in the market area are used as rent comps. They are all conventional. Heritage Trace would be considered a solid B property, while Fairhill and Fairmeadow would be B to B- and Grove Station would be a C.

The subject is close to Heritage Trace so it is comparable from a location perspective. Both of them are superior to the other three. Fairhill and Fairmeadow both have somewhat drab appearances. Grove Station is very worn.

Grove Station is lacking in amenities. Heritage Trace is slightly superior to the subject because it has a swimming pool, garbage disposals, and dishwashers. Fairhill and Fairmeadow are slightly inferior because they do not have a clubhouse or a fitness center.

The calculated market rents are higher than those seen in the comps. This is a function of several factors:

- Unit size: the subject has larger units than many of the comps.
- Age: the newest of the comps is 14 years old.
- Design: most of the comps look old and feature dated designs and lack the greens pace the subject will offer.
- Amenities: the subject is better amenitized than most of the comps.

16 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	53
2. Concise description of the site and adjacent parcels	12	32. Area building permits	55
3. Project summary	14	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	55
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	14	38. Narrative of subject property compared to comparable properties	V
9. Utilities (and utility sources) included rent and paid by landlord or tenant?	14	39. Discussion of other affordable housing options including homeownership	56
10. Project design description	14	40. Discussion of subject property on existing housing	56
11. Unit and project amenities; parking	14	41. Map of comparable properties	59
12. Public programs included	14	42. Description of overall rental market including share of market-rate and affordable properties	55
13. Date of construction/preliminary completion	15	43. List of existing and proposed LIHTC properties	55, V
14. Reference to review/status of project plans	14	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	29	46. Income levels required to live at subject site	44
17. Description of site characteristics	16	47. Market rent and programmatic rent for subject	NA, 45
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	19	51. Discussion of future changes in housing population	30
22. Population and household counts	30	52. Discussion of risks or other mitigating circumstances impacting project projection	10
23. Households by tenure	32	53. Preparation date of report	2
24. Distribution of income	34	54. Date of field work	18
25. Employment by industry	36	55. Certification	8
26. Area major employers	38	56. Statement of qualifications	16
27. Historical unemployment rate	40	57. Sources of data	**
28. Five-year employment growth	40	58. Utility allowance schedule	14
29. Typical wages by occupation	40		
30. Discussion of commuting patterns of area workers	29		

* 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 55 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.

17 BUSINESS REFERENCES

Ms. Laura Nicholson
SC State Housing Finance & Development Authority
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803/896-9194

Mr. Wayne Rogers, Director
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Mr. Scott Farmer
North Carolina Housing Finance Agency
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60 Executive Park South, NE
Atlanta, Georgia 30329
404/679-1590

18 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)