



REAL PROPERTY **RESEARCH** GROUP

WASHINGTON/BALTIMORE ■ ATLANTA

Market Feasibility Analysis

Two Creeks Crossing

Spartanburg, Spartanburg County, South Carolina

Prepared for:

Mission First Housing Development Corporation

Site Inspection: March 11, 2015

Effective Date: March 18, 2015



10400 Little Patuxent Parkway ■ Suite 450 ■ Columbia, Maryland 21044 ■ 410.772.1004 ■ Fax 866.243.5057

3227 South Cherokee Lane ■ Suite 1360 ■ Woodstock, Georgia 30188 ■ 770.517.2666 ■ Fax 866.243.5057



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EXECUTIVE SUMMARY

Proposed Site

- The Two Creeks Crossing's site is located on the edge of downtown Spartanburg along W Main Street.
- The subject site is surrounded by a mixture of surrounding landed uses, mainly commercial and automotive related uses. Residential uses within one-half mile are limited but include single-family detached homes and three newer loft communities in downtown.
- The site is within close proximity to community amenities including shopping, medical, traffic arteries/public transportation, and cultural amenities.
- The site is located adjacent to railroad tracks and some vacant commercial uses. These uses would restrict achievable rents for market rate units, but are not expected to be an issue given the low income renters targeted for the proposed units.

Proposed Unit Mix and Rent Schedule

- The proposed 51 units will include 45 one-bedroom units and 6 two bedroom units. Proposed square footages are 755 square feet for one bedroom units and 956 square feet for two bedroom units.
- Income target will include 10 units at 50 percent AMI and 41 units at 60 percent AMI.
- Proposed one bedroom rents are \$412 and 508; all two bedroom units will rent for \$602.
- The proposed LIHTC rents are comparable to existing LIHTC communities and lower than most market rate communities. All proposed rents will have at least a 20.1 percent rent advantage and the overall rent advantage is 27.18 percent.

Proposed Amenities

- The newly constructed units at the subject property will offer fully equipped kitchens with new energy star appliances (refrigerator with ice maker, range, garbage disposal, and dishwasher). Flooring will be a combination of wall-to-wall carpeting and hard surface flooring in the kitchen/bathrooms. In addition, all units will include washer/dryer connections, patios/balconies, central heat/air conditioning, and window blinds. The proposed unit features at Two Creeks Crossing will be competitive with the existing affordable rental stock in the market area.
- Two Creeks Crossing's amenity package will include a community room, fitness center, on-site management, and areas for special needs services.
- The proposed features and amenities will be competitive in the Two Creeks Market Area and are appropriate given the proposed rent levels and target market.

Economic Analysis

- Spartanburg County's economy has rebounded over the past several years with steady job growth and a decreasing unemployment rate.



- The employed portion of the labor force has increased for each of the past four years including more than 2,000 additional workers in 2013-2014.
- The unemployment rate in the county has decreased significantly since the national recession from 12.1 percent in 2009 to 5.6 percent in 2014. The county's most recent unemployment rate is below the state (6.4 percent) and national (6.2 percent) unemployment rate.
- Total At-Place Employment in Spartanburg County has increased by 12,519 jobs between 2010 and 2014(Q2), representing full recovery of the jobs lost during the national recession.

Household and Population Trends

- Between 2000 and 2010 Census counts, the population of the Two Creeks Market Area decreased by 3,816 people from 40,676 to 36,860. The market area's household base declined by 1,732 during this decade from 15,753 to 14,021 households in 2010.
- Between 2010 and 2014, the market area is estimated to have added 204 people and 95 households for total growth of 0.6 percent and 0.7 percent, respectively. Annual average household growth was 24 households or 0.2 percent in the market area. Average annual growth between 2014 and 2017 in the market area is projected to be 71 people (0.2 percent) and 31 households (0.2 percent).
- Growth rates in the county are projected to be remain faster among both population and households during the same time period. Between 2014 and 2017, Spartanburg County is projected to add 6,289 people and 2,495 households. The annual rates of growth will be 0.7 percent for both population and households.

Demographic Trends

- The median income in the market area was 33, compared to 38 in the county. While adults age 35-61 percent are the largest percentage in both areas, nearly 51 percent of the market area's population is under the age of 35. The greatest disparity is among Young Adults age 20-34 as the market area's 23 percent in this cohort is nearly four percentage points above the county.
- Market area households are evenly divided with roughly one-third represented in each households with children, households with at least two adults but no children, and single person households. Relative to the county, the market area has a higher percentage of single-person households and a smaller percentage of households with more than one person
- The Two Creeks Market Area has significantly more renters on a percentage basis than Spartanburg County with 2010 renter percentages of 51.2 percent in the market area and 30.2 percent in the county. Renter percentages are projected to increase in both areas, reaching 53.5 percent in the Two Creeks Market Area and 31.9 percent in Spartanburg County by 2017.
- One and two person households combined for 63.2 percent of all renter households in the Two Creeks Market Area and 60.7 percent in Spartanburg County in 2010. Three person households accounted for roughly 17 percent of the renter households in both areas. Large households with four or more people comprise 20 percent of the market area's renter households compared to 22.5 percent in the county.
- Renter households in the market area include a range of householder age with 34.1 percent under 35, 34.5 percent age 35-54, and 31.4 percent age 55 and older. Relative to the county,



- the market area has a higher percentage of renter households under 25 and between 45 and 75 years.
- RPRG estimates that the 2014 median household income in the Two Creeks Market Area is \$28,825, 34.9 percent lower than the county-wide median of \$44,286.
 - The market area's median income by tenure is \$19,686 for renters and \$43,831 for owners. Among renter households. Over 60 percent of renter households earn less than \$25,000 including 40.3 percent less than \$15,000. Almost one-quarter (23.8 percent) of renter households earn \$25,000 to \$49,999.

Affordability Analysis

- As proposed, Two Creeks Crossing will target households earning at or below 50 percent and 60 percent AMI.
- The proposed 50 percent units will target renter households earning from \$16,423 to \$19,175. With 390 renter households earning within this range, the capture rate for the 10 units at 50 percent of Area Median Income is 2.6 percent.
- The proposed 60 percent units will target renter households earning from \$19,714 to \$27,600. With 992 renter households earning within this range, the capture rate for the 41 units at 60 percent of Area Median Income is 3.5 percent.
- The overall capture rate for the 51 units is 3.5 percent.

Demand and Capture Rates

- By income target, demand capture rates are 5.2 percent for 50 percent units, 9.4 percent for 60 percent units, and 7.7 percent for all units.
- Capture rates by floor plan range from 3.3 percent to 16.5 percent. The highest capture rate is among the one bedroom units at 60 percent AMI, which contain 35 of 51 total units.
- All capture rates are within acceptable ranges. These capture rates are net of LIHTC units under construction at Highland Crossing, although Highland Crossing will have PBRA.

Competitive Environment

The surveyed multi-family rental stock is performing well and includes 10 market rate and three LIHTC communities.

- Among the stabilized communities providing vacancy data, 20 of 773 units were reported vacant for a rate of 2.6 percent. Only two of 291 LIHTC units were reported vacant for a rate of 0.7 percent.
- Among the properties providing unit distributions and vacancy by floor plan, vacancy rates were 1.0 percent for one bedroom units, 3.3 percent for two bedroom units, and 7.1 percent for three bedroom units.
- The historic vacancy rate among all LIHTC communities was 3.44 percent for the second quarter of 2014 and 6.19 percent for the fourth quarter of 2014. The average occupancy rate for both quarters was 95.19 percent per SCSHFDA's 2014 Public Analysis.
- Among the rental communities surveyed, net rents, unit sizes, and rents per square foot are as follows:



- **One bedroom** rents averaged \$634 for 721 square feet or \$0.88 per square foot. One bedroom rents range from \$408 to \$1,050.
- **Two bedroom** rents averaged \$697 for 916 square feet or \$0.76 per square foot. Two bedroom rents ranged from \$469 to \$1,275.
- **Three bedroom** rents averaged \$808 for 1,332 square feet or \$0.61 per square foot. Three bedroom rents ranged from \$558 to \$1,500.
- The estimated market rents for the units at Two Creeks Crossing are \$678 for one bedroom units and \$754 for two bedroom units. Rents advantages are at least 20 percent for all units and the weighted rent advantage is 27.18 percent.
- One LIHTC is under construction in the market area, but will have PBRA on all units and will not be directly comparable with the units at Two Creeks Crossing.

Final Conclusion/Recommendation

Given the relatively small number of units, projected household growth, low existing vacancy rates, and projected increased demand for rental units, the construction of Two Creeks Crossing is not expected to have an adverse impact on existing rental communities in the Two Creeks Market Area. Overall, the rental market in the Two Creeks Market Area is performing well with limited vacancies and an aggregate LIHTC vacancy rate of 0.7 percent among 291 units.

Based on an analysis of household growth trends, overall affordability and demand estimates, current rental market conditions, and socio-economic and demographic characteristics of the Two Creeks Market Area, RPRG believes that the proposed Two Creeks Crossing will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent following entrance into the rental market. Given the product to be constructed, the subject property will be competitively positioned with existing market rate and LIHTC communities in the Two Creeks Market Area and the units will be well received by the target market. The targeted tenant bases may allow the project to pull from outside the market area, thus increasing demand beyond what is evident in the market. We recommend proceeding with the project as proposed.

2015 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
10	1 BR	\$412	\$4,120	\$678	\$6,780	
35	1 BR	\$508	\$17,780	\$678	\$23,730	
6	2 BR	\$602	\$3,612	\$754	\$4,524	
Totals	51		\$25,512		\$35,034	27.18%



SCSHFDA Summary Form – Exhibit S-2

2015 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:

Development Name:	Two Creek Crossing	Total # Units:	51
Location:	307 West Main	# LIHTC Units:	51
PMA Boundary:	North: I-85, East: E of downtown, South: Southport Rd, West: I-26		
Development Type :	General Occupancy/Special Needs	Farthest Boundary Distance to Subject:	4.5 miles

RENTAL HOUSING STOCK (found on page 42-50)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	13	861	50	94.2%
Market-Rate Housing	10	570	48	91.6%
Assisted/Subsidized Housing not to include LIHTC				
LIHTC (All that are stabilized)*	3	291	2	99.3%
Stabilized Comps**	12	773	20	97.4%
Non-stabilized Comps				

*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
10	1	1	755	\$412	\$678	\$0.89	39.26%	\$648	\$0.98
35	1	1	755	\$508	\$678	\$0.89	25.11%	\$648	\$0.98
6	2	2	956	\$602	\$754	\$0.79	20.12%	\$732	\$0.80
Gross Potential Rent Monthly*				\$25,512	\$35,034		27.18%		

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 34, 55)

	2000		2014		2017	
Renter Households	7,738	49.1%	7,434	52.7%	7,599	53.5%
Income-Qualified Renter HHs (LIHTC)	1,617	20.9%	1,552	20.9%	1,413	18.6%

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 57)

Type of Demand	50%	60%	Overall
Renter Household Growth	3	6	9
Existing Households (Overburd + Substand)	188	479	667
Homeowner conversion (Seniors)			
Other:			
Less Comparable/Competitive Supply	0	48	628
Net Income-qualified Renter HHs			628

CAPTURE RATES (found on page 57)

Targeted Population	50%	60%	Overall
Capture Rate	5.2%	9.4%	8.1%

ABSORPTION RATE (found on page 61)

Absorption Period	5	months
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1. INTRODUCTION

A. Overview of Subject

The subject of this report is Two Creeks Crossing, a proposed multi-family rental community in Spartanburg, Spartanburg County, South Carolina. Two Creeks Crossing will be newly constructed community adjacent to a former mill building located on the western edge of downtown Spartanburg and is expected to be financed in part by Low Income Housing Tax Credits (LIHTC) allocated by the South Carolina State Housing Finance Development Authority (SCSHFDA). Upon completion, Two Creeks Crossing will contain 51 rental units reserved for households earning at or below 50 percent and 60 percent of the Area Median Income (AMI), adjusted for household size. The developer intends to target the special needs populations of veterans and artists.

B. Purpose of Report

The purpose of this market study is to perform a market feasibility analysis through an examination of the economic context, a demographic analysis of the defined market area, a competitive housing analysis, a derivation of demand, and an affordability analysis. RPRG expects this study to be submitted along with an application for Low Income Housing Tax Credits to the South Carolina State Housing Finance Development Authority.

C. Format of Report

The report format is comprehensive and conforms to SCSHFDA's 2015 Market Study Requirements. The market study also considered the National Council of Housing Market Analysts' (NCHMA) recommended Model Content Standards and Market Study Index.

D. Client, Intended User, and Intended Use

The Client is Mission First Housing Development Corporation. Along with the Client, the intended users are SCSHFDA and potential investors.

E. Applicable Requirements

This market study is intended to conform to the requirements of the following:

- SCSHFDA's 2015 Market Study Requirements
- The National Council of the Housing Market Analyst's (NCHMA) Model Content Standards and Market Study Index.

F. Scope of Work

To determine the appropriate scope of work for the assignment, we considered the intended use of the market study, the needs of the user, the complexity of the property, and other pertinent factors. Our concluded scope of work is described below:

- Please refer to Appendix 4 for a detailed list of NCHMA requirements and the corresponding pages of requirements within the report.



- Tad Scepaniak (Principal), conducted visits to the subject site, neighborhood, and market area on March 11, 2015.
- Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers, the Spartanburg Housing Authority, and planning officials with the city of Spartanburg.
- All pertinent information obtained was incorporated in the appropriate section(s) of this report.
- The proposed development will target the special needs populations of Veterans and Artists, but will be open to all income qualified households. As such, we have conducted demand based on general occupancy requirements and supplied supplemental data relating to the special needs target markets.

G. Report Limitations

The conclusions reached in a market assessment are inherently subjective and should not be relied upon as a determinative predictor of results that will actually occur in the marketplace. There can be no assurance that the estimates made or assumptions employed in preparing this report will in fact be realized or that other methods or assumptions might not be appropriate. The conclusions expressed in this report are as of the date of this report, and an analysis conducted as of another date may require different conclusions. The actual results achieved will depend on a variety of factors, including the performance of management, the impact of changes in general and local economic conditions, and the absence of material changes in the regulatory or competitive environment. Reference is made to the statement of Underlying Assumptions and Limiting Conditions contained in Appendix I of this report.

H. Other Pertinent Remarks

None.



2. PROJECT DESCRIPTION

A. Project Overview

Two Creeks Crossing will contain 51 rental units, all of which will benefit from Low Income Housing Tax Credits. The LIHTC units will be subject to maximum allowable rents and prospective renters will be subject to maximum income limits. The community will be a newly constructed building adjacent to a former mill, just west of downtown Spartanburg. The developer intends to target special needs populations of Veterans and Artists, although the community will be general occupancy for purposes of funding and analysis.

B. Project Type and Target Market

Two Creeks Crossing will target low to moderate income renter households with a mixture of one and two bedroom units. The developer intends to target the special needs populations of Artists and Veterans. Given the product type and location, we believe seniors will be a secondary target market for the units as well.

C. Building Type and Placement

Two Creeks Crossing will be a newly constructed building located on a vacant lot adjacent to the former Main Street Mill, a portion of which is vacant. The newly constructed building will feature four stories plus a basement. The “L” shaped building will have brick and hardiplank exteriors with urban design features including flat roofs. The building will feature common and secure entrances and elevator service.

D. Detailed Project Description

1. Project Description

The 51 rental units at Two Creeks Crossing will include 45 one bedroom/one bathroom units and 6 two bedroom/two bathroom units (Table 1). The proposed unit sizes are 755 square feet for one bedroom units and 956 square feet for two bedroom units. Rents will include the cost of water/sewer and trash removal with residents responsible for all other utilities. Ten percent of units will be handicapped accessible.

The following **unit features** are planned:

- Kitchens with refrigerator with ice maker, range, dishwasher, microwave, and disposal.
- Washer and dryer connections.
- Wall-to-wall carpeting in bedrooms, vinyl flooring in kitchen/bath.
- Central air conditioning.

The following **community amenities** are planned:

- Management office.
- Community room, gathering space, and gallery.
- Common laundry area.
- Fitness center.



- Services including counseling and therapy.

Table 1 Two Creeks Crossing Project Summary

Two Creeks Crossing 307 West Main Street Spartanburg, SC							
Unit Mix/Rents							
# Bed	# Bath	% AMI	Size (sqft)	Quantity	Net Rent	Utility Allowance	Gross Rent
1	1	50%	755	10	\$412	\$67	\$479
1	1	60%	755	35	\$508	\$67	\$575
2	2	60%	956	6	\$602	\$88	\$690
Total/Avg.			779	51	\$500		
Rents will include water/sewer and trash removal							
Project Information				Additional Information			
Number of Residential Buildings		1		Construction Start Date		11/1/15	
Building Type		Mid-Rise/Elevator		Date of First Move-In		12/1/16	
Number of Stories		4 + basement		Construction Finish Date		11/1/16	
Construction Type		New Const.		Parking Type		Surface	
Design Characteristics (exterior)		Fits within urban context, flat roof.		Parking Cost		Free	
Community Amenities	Fitness center, common laundry (hook-ups available in apartments), community room and on-site management office. Services will include: financial counseling, health and wellness counseling (including nutrition); art therapy; Veterans-focused counseling; and other.			Kitchen Amenities			
				Dishwasher		Yes	
				Disposal		Yes	
				Microwave		Yes	
				In Unit Laundry		No	
W/D Connections		Yes					
Unit Features	Carpet in bedrooms; hard surface flooring in kitchen and living areas; ten percent of units will be accessible. Icemakers in refrigerators.			Utilities Included			
				Water/Sewer		Owner	
				Trash		Owner	
				Heat		Tenant	
				Heat Source		Elec	
				Hot/Water		Tenant	
				Electricity		Tenant	
Other:							

Source: Developer

2. Other Proposed Uses

None

3. Proposed Timing of Construction

Two Creeks Crossing is expected to begin construction in the fourth quarter of 2015 and the estimated construction completion is the end of 2016.



3. SITE AND NEIGHBORHOOD ANALYSIS

A. Site Analysis

1. Site Location

The subject site is located on the south side of West Main Street on the western edge of downtown Spartanburg, adjacent to the former Main Street Mill (Map 1, Figure 1). The site is just west of Warehouse Street, which serves as an access road and parking lot for the adjacent building.

2. Existing Uses

The site is a grassy field and does not contain any existing structures. Former mill buildings are located on the overall site, but will not be included in the development of Two Creeks Crossing (Figure 2). One building (northern) has direct frontage on West Main Street and currently houses Cohen's, a discount clothing store, and Friends and Company Bistro. Given the slope of the site, this building is single-story along West Main Street, but two and three stories in the back (southern end). The second building is located on the southern portion of the site and includes a three-story mill and two-story warehouse.

The developer plans to redevelop the southern mill at later date, perhaps as a second phase of the subject property.

3. Size, Shape, and Topography

The subject site comprises approximately 4.0 acres, is generally flat, and rectangular in shape.

4. General Description of Land Uses Surrounding the Subject Site

The subject site is located on the south side of West Main Street just west of downtown Spartanburg. The surrounding land uses are mostly commercial and light industrial including several automotive sales lots. Several buildings in the immediate area are vacant.

Residential uses in the immediate neighborhood are sparse and include a small number of single-family detached homes to the west and southwest of the subject site. Several deeply subsidized rental communities are located in and around downtown Spartanburg with the closest being southwest of the site.

5. Specific Identification of Land Uses Surrounding the Subject Site

The land uses directly bordering the subject property include:

- **North:** West Main Street, Wakefield Buick/GMC, CarQuest Autoparts.
- **East:** Railroad tracks and light industrial uses.
- **South:** Thin tree line and light industrial/warehouse building.
- **West:** Auto Fleet storage lot – former used car dealership.



Map 1 Site Location.

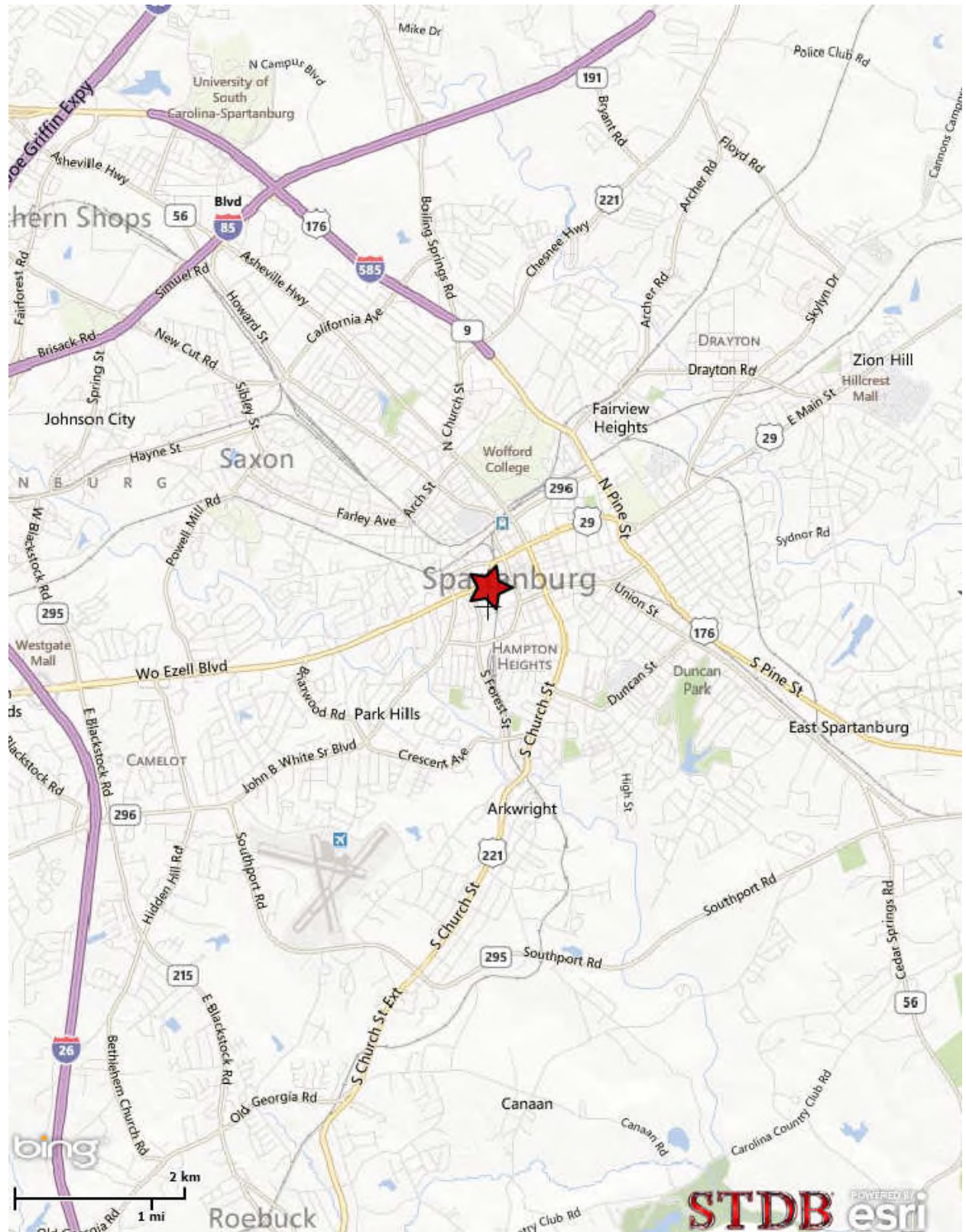


Figure 1 Satellite Image of Subject Site



Figure 2 Views of the Subject Site and Nearby Mill Buildings



Site facing north towards Main Street



View of site facing south, adjacent to mill.



View of site and adjacent mill building, facing southwest.



View from site facing west toward existing buildings.

Figure 3 Views of Surrounding Land Uses



Bistro at site entrance on West Main



Car dealership across street



Auto Fleet lot to north west on W Main Street.



Downtown Spartanburg, ¼ mile east of site.



B. Neighborhood Analysis

1. General Description of Neighborhood

The subject site is on the western edge of downtown Spartanburg along West Main Street just west of active railroad track, which serve as an unofficial border between downtown Spartanburg and western neighborhoods. Development becomes significantly denser to the east of the railroad tracks with office buildings with ground-floor commercial space and redevelopment efforts including several newer restaurants and a public park.

W. Main Street is largely a commercial thoroughfare west of the subject site and runs to Interstate 26. Land uses immediately west of the site along Main Street include automotive related businesses (dealerships/repair/gas stations) and other retailers and office buildings.

2. Neighborhood Investment and Planning Activities

Downtown Spartanburg has experienced significant growth and redevelopment over the past several years, although none immediately surrounding the site. Recent and proposed developments near downtown Spartanburg include:

- The City of Spartanburg adopted the Northside Initiative, which is a collective effort with the Community Services Office, Housing Authority, and Mary Black Foundation. The plan for the Northside Neighborhood includes mixed-income housing, mixed-use housing, commercial development, redevelopment of Cleveland Elementary School (complete), and the redevelopment of the T.K. Gregg Community Center (ongoing). This portion of Spartanburg is outside of the market area, but is evidence of the continued redevelopment of the area surrounding downtown.
- The Edward Via College of Osteopathic Medicine (VCOM) opened in 2011 through an adaptive re-use of the Spartan Mills just northwest of downtown Spartanburg. VCOM is expected to have an enrollment of 600 students by the end of 2015 with total employment of 60 jobs.
- Magnolia Lofts, an adaptive re-use, was placed in service in 2013 with luxury rental units.
- The Schuyler Building was renovated in 2014 and converted into 88 market rate one bedroom units with rents ranging from \$685 to \$985 per month depending on unit size and location (floor).
- OTO Development plans to build a hotel that will include at least 100 rooms and represent at least a \$20 million investment near the subject site on West Main Street.

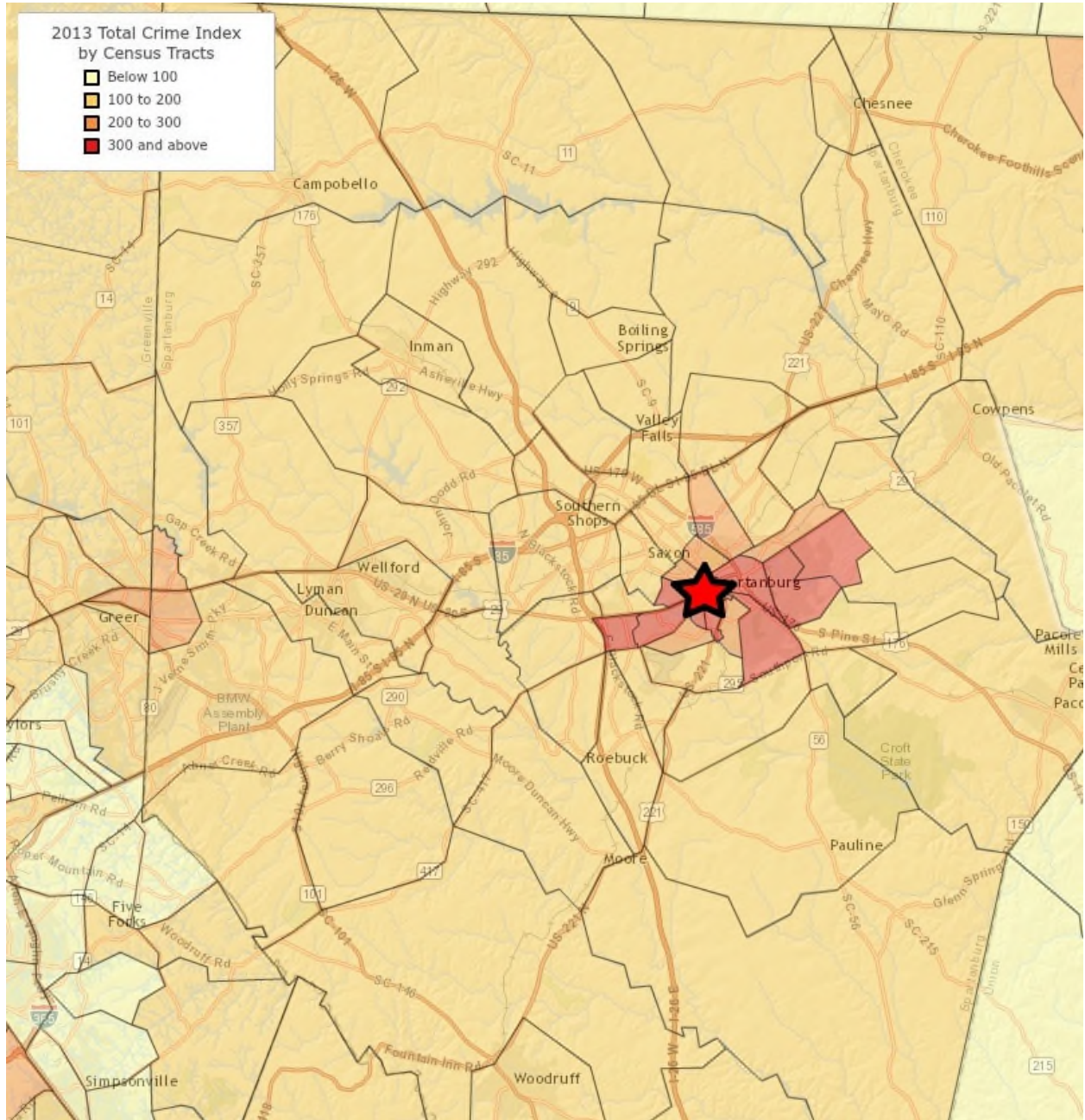
3. Crime Index

CrimeRisk is a block-group level index that measures the relative risk of crime compared to a national average. AGS analyzes known socio-economic indicators for local jurisdictions that report crime statistics to the FBI under the Uniform Crime Reports (UCR) program. Based on detailed modeling of these relationships, CrimeRisk provides a detailed view of the risk of total crime as well as specific crime types at the block group level. In accordance with the reporting procedures used in the UCR reports, aggregate indexes have been prepared for personal and property crimes separately as well as a total index. However it must be recognized that these are un-weighted indexes, in that a murder is weighted no more heavily than purse snatching in this computation. The analysis provides a useful measure of the relative overall crime risk in an area but should be used in conjunction with other measures.



Map 2 displays the 2013 CrimeRisk Index for the census tracts in the general vicinity of the subject site. The relative risk of crime is displayed in gradations from yellow (least risk) to red (most risk). The census tracts in and around downtown Spartanburg have a higher crime index than other portions of the county. The subject census tract's crime index is comparable to other portions of downtown, thus is not considered to be a cause for concern. Based on site observations and the proposed target market/rents, crime is not expected to be an issue for the subject site. Several market rate communities near downtown are achieved high rents.

Map 2 Crime Index Map





C. Site Visibility and Accessibility

1. Visibility

The subject site will be on West Main Street just west of downtown Spartanburg. The community will be highly visible given the proximity to downtown and the four-story building design.

2. Vehicular Access

Two Creeks Crossing will be accessible via the existing West Main Street (Warehouse Street). Warehouse Street changes names to St. John Street on the opposite side of Main Street. A traffic light serves this intersection, which will facilitate ingress/egress to and from the site. Traffic in front of the site is moderate, which will further reduce accessibility issues. Problems with accessibility are not anticipated.

3. Availability of Public and Inter Regional Transit

The Spartanburg Area Regional Transit Agency (SPARTA) provides public bus service through Spartanburg and the surrounding areas. The closest bus stop is located in front of the site at the intersection of W Main Street and Warehouse Street and provides connections to the transportation center.

Spartanburg is served by Interstates 85 and 26, which provide access throughout the Upstate region including Greenville and Columbia. Major highways serving downtown Spartanburg include U.S. 29 (Main Street), U.S. 221, and U.S. 176. Main Street runs in front of the site and provides access to downtown and Interstate 26. The closest major airport to Two Creeks Crossing is the Greenville-Spartanburg International Airport, located approximately ten miles to the southwest.

4. Pedestrian Access

Main Street is served by sidewalks; downtown Spartanburg and surrounding commercial uses are within walking distance of the site.

5. Accessibility Improvements under Construction and Planned

Roadway Improvements under Construction and Planned

RPRG reviewed information from local stakeholders to assess whether any capital improvement projects affecting road, transit, or pedestrian access to the subject site are currently underway or likely to commence within the next few years. Observations made during the site visit contributed to the process. Through this research, RPRG did not identify any projects that would have a direct impact on this market.

Transit and Other Improvements Under Construction and Planned

None Identified.



D. Residential Support Network

1. Key Facilities and Services near the Subject Sites

The appeal of any given community is often based in part to its proximity to those facilities and services required on a daily basis. Key facilities and services and their driving distances from the subject site are listed in Table 2. The location of those facilities is plotted on Map 3.

Given the niche target market of artists, Spartanburg's major cultural arts facilities are shown on Map 4. Downtown Spartanburg within one-half mile of the site is the county's focal point for cultural facilities.

2. Essential Services

Health Care

Spartanburg's largest medical provider, Spartanburg Regional Medical Center, is located on the north side of downtown Spartanburg approximately 1.3 miles from the site. This major medical provider includes a wide range of services including general medicine and emergency care. Several medical clinics are within one mile of the subject site including St. Luke's Free Medical Clinic and Barnet Park Family Medicine.

Education

Two Creeks Crossing will be located in Spartanburg Public School District 7, which includes nine elementary schools, three middle schools, and one high school. The district serves nearly 7,500 students and employs 1,268 full-time faculty and staff. Students residing at the subject site would attend Wright Elementary (0.7 mile), Carver Junior High School (0.8 mile), and Spartanburg High School (2.4 miles).

Post-secondary educational options in the Greenville / Spartanburg area include Bob Jones University, Greenville Technical College, Furman University, Spartanburg Methodist College, Spartanburg Community College, University of South Carolina Upstate, and Converse College. Wofford College, Converse College, and University of South Carolina Upstate are all located near downtown Spartanburg.

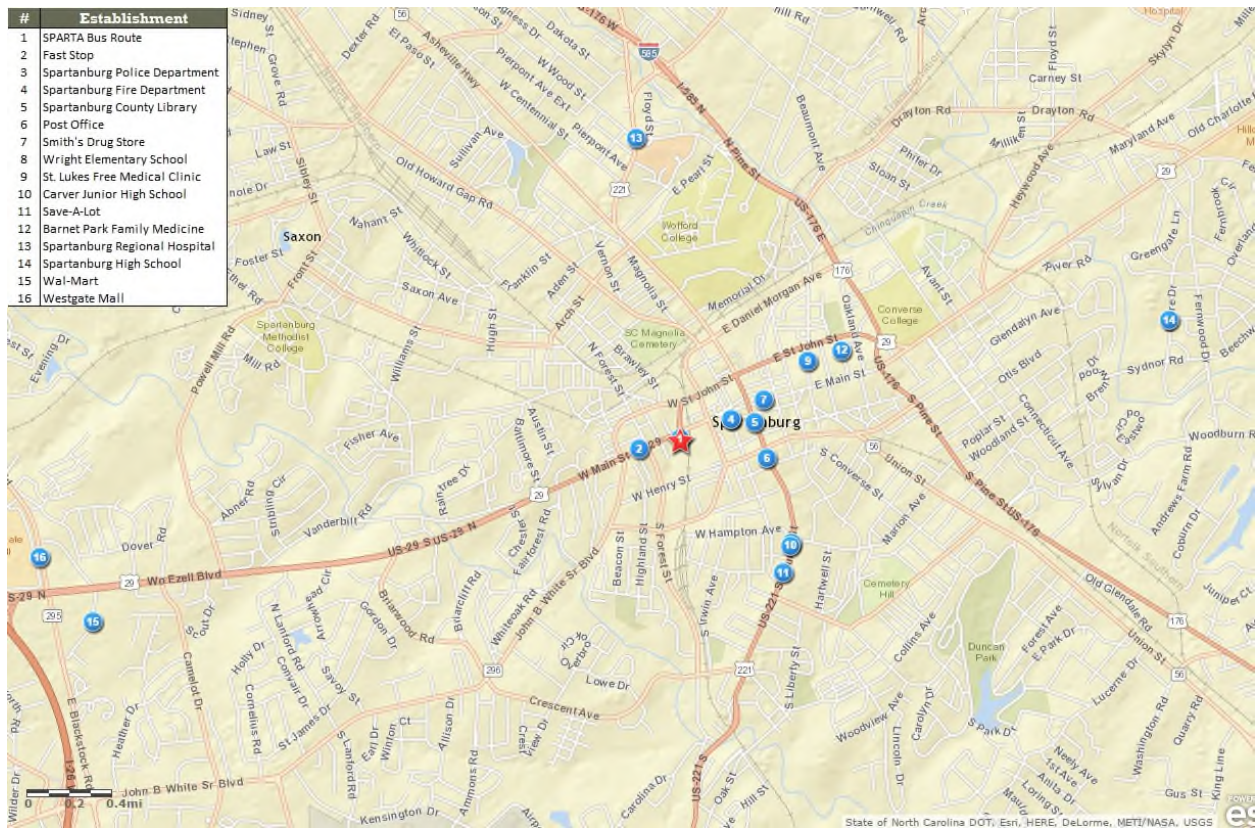


Table 2 Key Facilities and Services

Establishment	Type	Address	Distance
SPARTA Bus Route	Public Transit	Warehouse St.	0.1 mile
Fast Stop	Convenience Store	401 W Main St.	0.2 mile
Spartanburg Police Department	Police	145 W Broad St.	0.3 mile
Spartanburg Fire Department	Fire	145 W Broad St.	0.3 mile
Spartanburg County Library	Library	151 S Church St.	0.4 mile
Post Office	Post Office	250 S Church St.	0.4 mile
Smith's Drug Store	Pharmacy	142 E Main St.	0.5 mile
Wright Elementary School	Public School	457 S Church St.	0.7 mile
St. Lukes Free Medical Clinic	Doctor/Medical	162 N Dean St.	0.7 mile
Carver Junior High School	Public School	467 S Church St.	0.8 mile
Save-A-Lot	Grocery	550 S Church St.	0.8 mile
Barnet Park Family Medicine	Doctor/Medical	169 Hall St.	0.9 mile
Spartanburg Regional Hospital	Hospital	101 E Wood St.	1.3 miles
Spartanburg High School	Public School	500 Dupre Dr.	2.4 miles
Wal-Mart	General Retail	141 Dorman Centre Dr.	2.9 miles
Westgate Mall	Mall	205 W Blackstock Rd.	3 miles

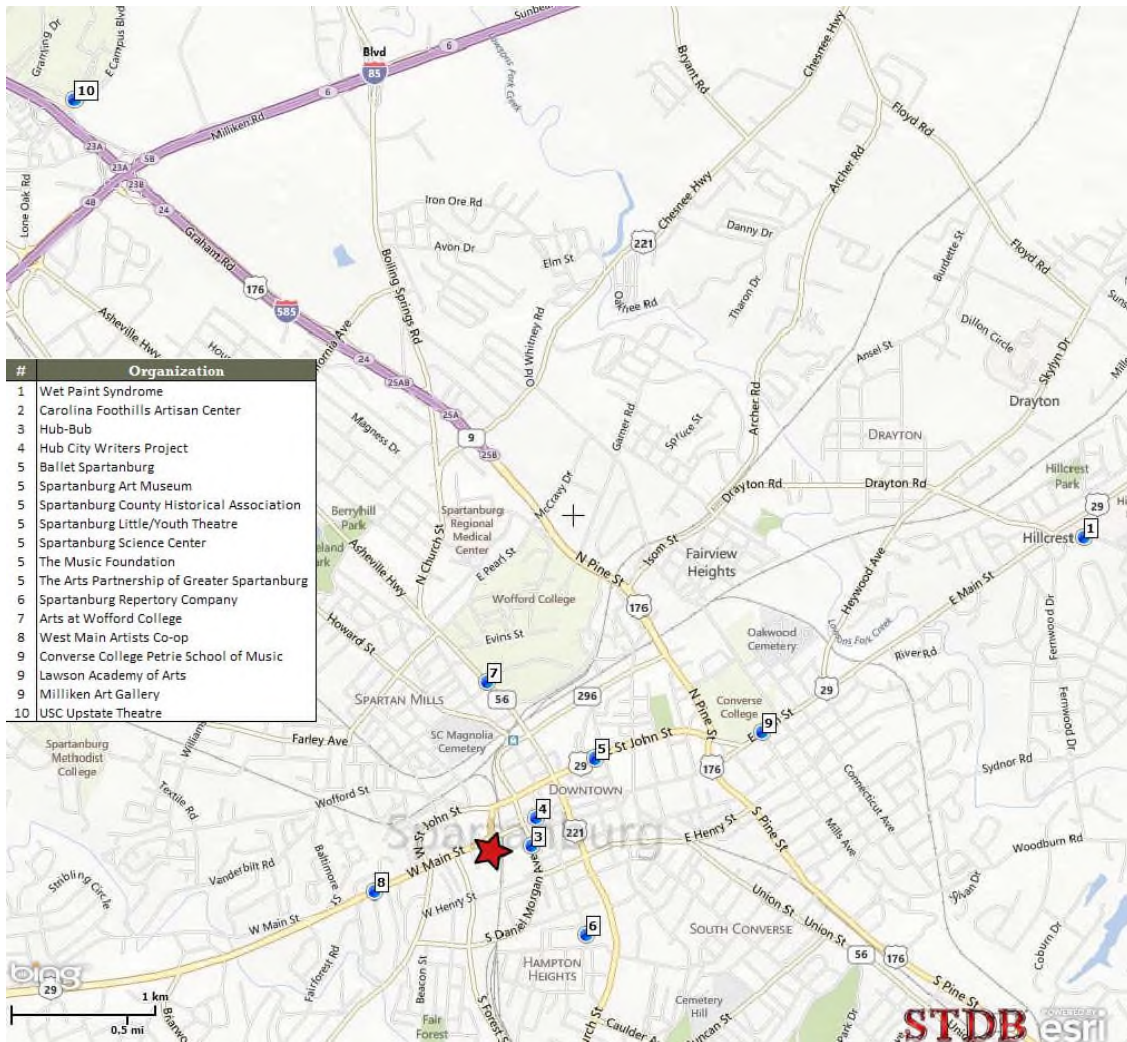
Source: Field and Internet Survey, RPRG, Inc.

Map 3 Location of Key Facilities and Services





Map 4 Cultural Amenities



3. Commercial Goods and Services

Convenience Goods

The term “convenience goods” refers to inexpensive, nondurable items that households purchase on a frequent basis and for which they generally do not comparison shop. Examples of convenience goods are groceries, fast food, health and beauty aids, household cleaning products, newspapers, and gasoline.

The site is within one mile of several retailers located in and around downtown Spartanburg with many smaller retailers and restaurants within walking distance of the site. The closest grocery store is Sav-A-Lot, located on Church Street. Smith’s Drug Store is within one-half mile of the site on E Main Street in downtown.

Shoppers Goods

The term “shoppers goods” refers to larger ticket merchandise that households purchase on an infrequent basis and for which they usually comparison shop. The category is sometimes called



“comparison goods.” Examples of shoppers goods are apparel and accessories, furniture and home furnishings, appliances, jewelry, and sporting goods.

WestGate Mall is Spartanburg’s largest concentration of commercial development and located 3.1 miles west of the site near Main Street and Interstate 26. Westgate Mall features nearly 1 million square feet of retail space and seven anchor stores: Bed Bath & Beyond, Belk, Costco, Dick’s Sporting Goods, Dillard’s, J.C. Penney, and Sears. Several shopping centers and big box retailers are near the subject site.



4. ECONOMIC CONTEXT

A. Introduction

This section focuses on economic trends and conditions in Spartanburg County, South Carolina, the county in which the subject property is located. For purposes of comparison, economic trends in South Carolina and the nation are also discussed.

B. Labor Force, Resident Employment, and Unemployment

1. Trends in County Labor Force and Resident Employment

Spartanburg County's labor force increased most years between 2002 and 2013 with a peak of nearly 140,000 workers in 2013 and an increase of nearly 10,000 since 2000 (Table 3). The overall labor force decreased in 2014; however, the employed portion of the labor force increased by 2,000 workers between 2013 and 2014.

2. Trends in County Unemployment Rate

The unemployment rate in Spartanburg County ranged from 5.4 percent to 7.5 percent from 2001 to 2008 (Table 3). The county's unemployment rate peaked at 12.1 percent in 2009 compared to 11.4 percent in the state and 9.3 percent in the United States. The unemployment rate has decreased in all three areas over the past several years with 2014 unemployment rates of 5.6 percent in the county, 6.04 percent in the state, and 6.2 percent in the country.

C. Commutation Patterns

According to 2009-2013 American Community Survey (ACS) data, over half (55.6 percent) of the workers residing in the Two Creeks Market Area commuted 10-24 minutes to work (Table 4). Only 17.7 percent of workers commuted 30 minutes or more and 19.2 percent commuted less than 10 minutes.

An overwhelming majority of workers (89.5 percent) residing in the Two Creeks Market Area work in Spartanburg County while 9.4 percent work in another South Carolina county. Only 1.1 percent of market area workers worked in another state. The large percentages of workers commuting less than 30 minutes and working inside their county of residence illustrate the large number of jobs located in close proximity to the market area.



Table 3 Labor Force and Unemployment Rates

Annual Unemployment Rates - Not Seasonally Adjusted

Annual Unemployment	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Labor Force	130,780	127,299	127,224	129,147	131,004	131,300	133,575	134,468	135,777	135,985	134,209	134,639	137,642	139,242	138,912
Employment	126,228	120,439	118,657	119,840	121,099	121,427	124,782	126,961	126,553	119,559	118,884	120,695	125,463	129,074	131,073
Unemployment	4,552	6,860	8,567	9,307	9,905	9,873	8,793	7,507	9,224	16,426	15,325	13,944	12,179	10,168	7,839
Unemployment Rate															
Spartanburg County	3.5%	5.4%	6.7%	7.2%	7.6%	7.5%	6.6%	5.6%	6.8%	12.1%	11.4%	10.4%	8.8%	7.3%	5.6%
South Carolina	3.8%	5.2%	5.8%	6.9%	6.8%	6.7%	6.4%	5.7%	6.8%	11.2%	11.2%	10.5%	9.2%	7.6%	6.4%
United States	4.0%	4.7%	5.8%	6.0%	5.5%	5.1%	4.6%	4.6%	5.8%	9.3%	9.6%	8.8%	8.3%	7.4%	6.2%

Source: U.S. Department of Labor, Bureau of Labor Statistics

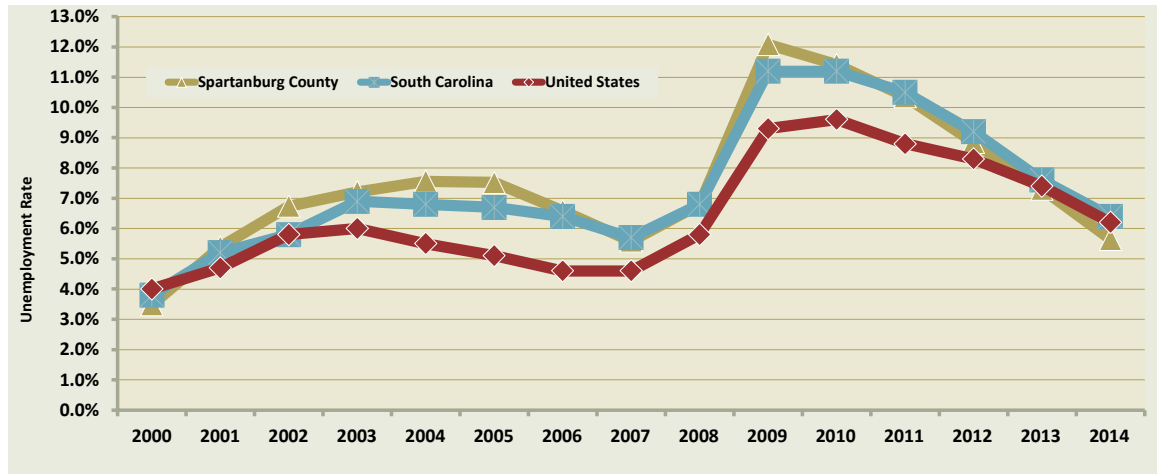
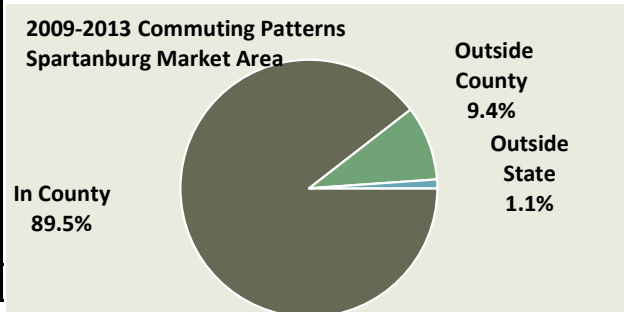


Table 4 Commutation Data, Two Creeks Market Area

Travel Time to Work			Place of Work		
Workers 16 years+	#	%	Workers 16 years and over	#	%
Did not work at home:	14,342	97.8%	Worked in state of residence:	14,511	98.9%
Less than 5 minutes	495	3.4%	Worked in county of residence	13,135	89.5%
5 to 9 minutes	2,319	15.8%	Worked outside county of residence	1,376	9.4%
10 to 14 minutes	2,954	20.1%	Worked outside state of residence	161	1.1%
15 to 19 minutes	2,919	19.9%	Total	14,672	100%
20 to 24 minutes	2,285	15.6%			
25 to 29 minutes	769	5.2%			
30 to 34 minutes	1,375	9.4%			
35 to 39 minutes	202	1.4%			
40 to 44 minutes	225	1.5%			
45 to 59 minutes	434	3.0%			
60 to 89 minutes	170	1.2%			
90 or more minutes	195	1.3%			
Worked at home	330	2.2%			
Total	14,672				

Source: American Community Survey 2009-2013



Source: American Community Survey 2009-2013



D. County At-Place Employment

1. Trends in Total At-Place Employment

Spartanburg County's At-Place Employment has been cyclical since 2000 with a minimal net change between 2000 and 2014(Q2). Most recently, the county has added jobs in four consecutive years following significant losses in 2009 and 2010 in concert with the national recession and prolonged economic downturn. The net gain in At-Place Employment since 2011 is 12,519 jobs which represents full recovery of the 9,824 jobs lost in 2009-2010. The rate of jobs growth has been accelerating each of the past four years with nearly 5,000 jobs added in 2013 and 2,980 jobs added in the first half of 2014.

As illustrated by the red line in Figure 4, the county's rate of job loss was greater in 2009-2010; however, the rate of recovery has also outpaced national trends.

2. At-Place Employment by Industry Sector

Trade-Transportation-Utilities (22.4 percent) and Manufacturing (20.9 percent) are the largest sectors of Spartanburg County's economy (Figure 5). The combined 43.4 percent of county jobs within these two sectors is well above the 28.1 percent nationally. Government is the third largest economic sector in both the county and nation with roughly 16 percent of all jobs. Three sectors each comprise 8.9 percent to 11.0 percent of the county's jobs, but these sectors' proportion of employment trails national figures.

Between 2001 and 2014(Q2), six of 11 economic sectors added jobs in Spartanburg County including the largest sector of Trade-Transportation-Utilities with annual growth of 1.3 percent. Four additional sectors grew at annual rates of 1.4 percent to 2.3 percent including moderately sized sectors of Education-Health and Professional-Business. The only significant sector losing jobs over this time period was Manufacturing with an annual loss of 2.3 percent. The largest percentage loss was among Natural Resources-Mining at 5.7 percent per year; however, this sector accounted for only 0.2 percent of total jobs in Spartanburg County.

3. Major Employers

Major employers in Spartanburg County are dominated by three sectors, as 19 of the top 20 employers all fall within the Manufacturing, Education-Healthcare, or Government sector (Table 5). The largest single employer in the county is BMW, which has a manufacturing facility along Interstate 85 between Spartanburg and Greenville. Most of the other large manufacturers in the county are automotive related and attributable to BMW's presence. The second largest employer is the Spartanburg Regional Health System. State and local governments are each in the top five employers. Major employers in Spartanburg County are clustered near downtown and near the BMW campus along Interstate 85 southwest of downtown Spartanburg.



Figure 4 At-Place Employment, Spartanburg County

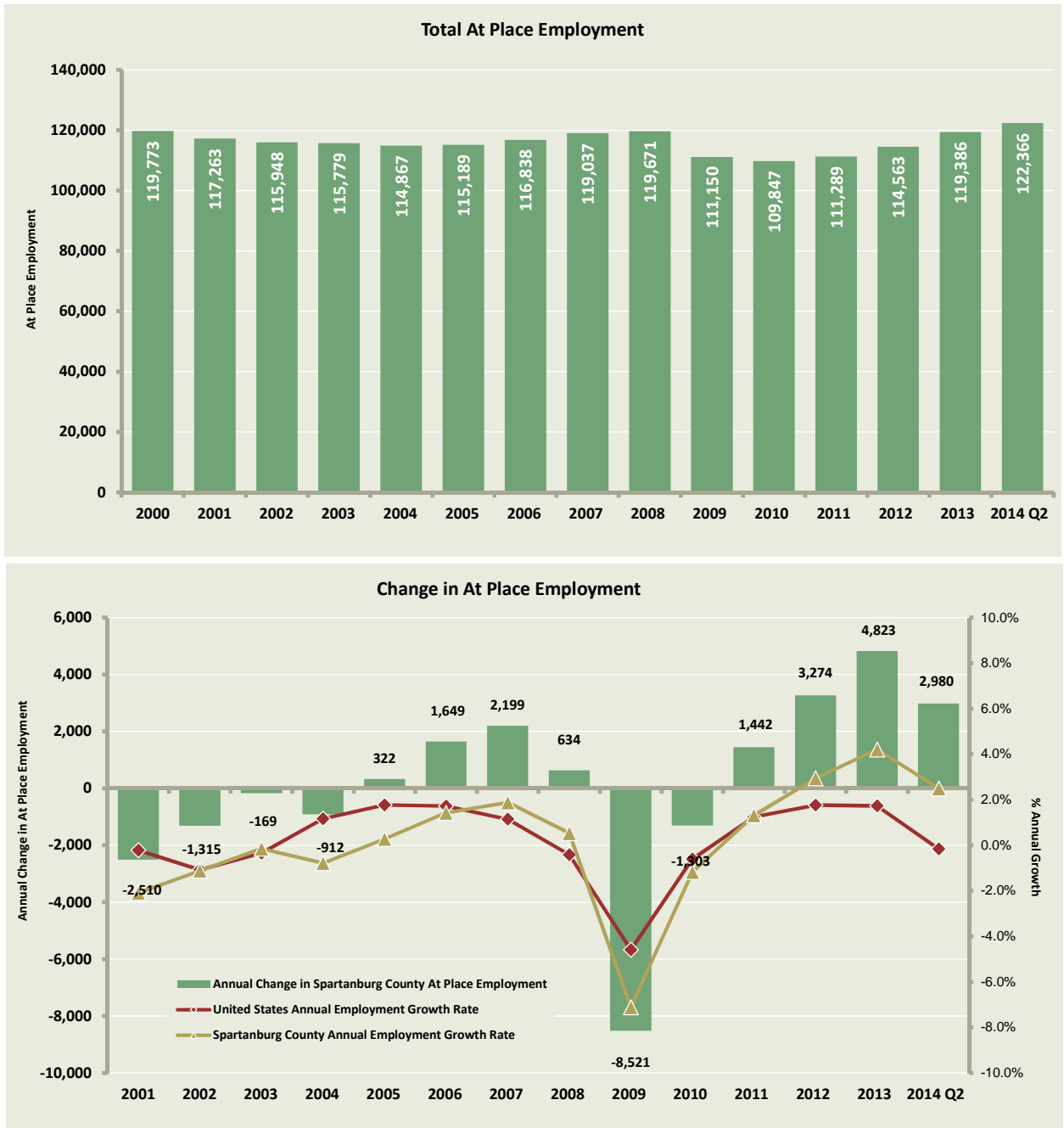
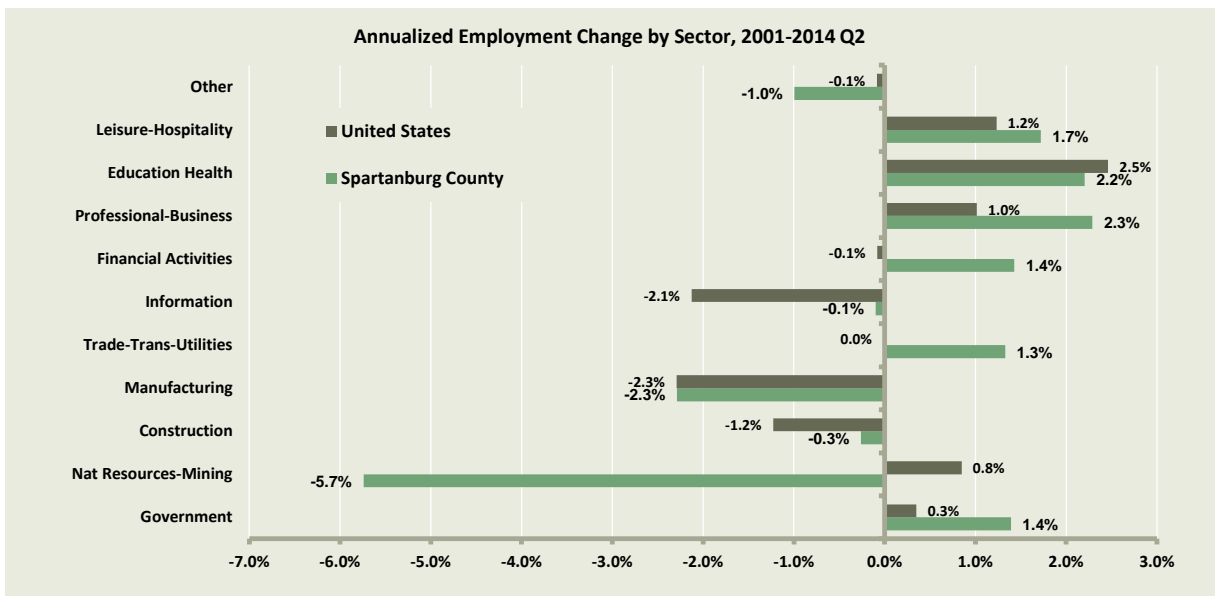
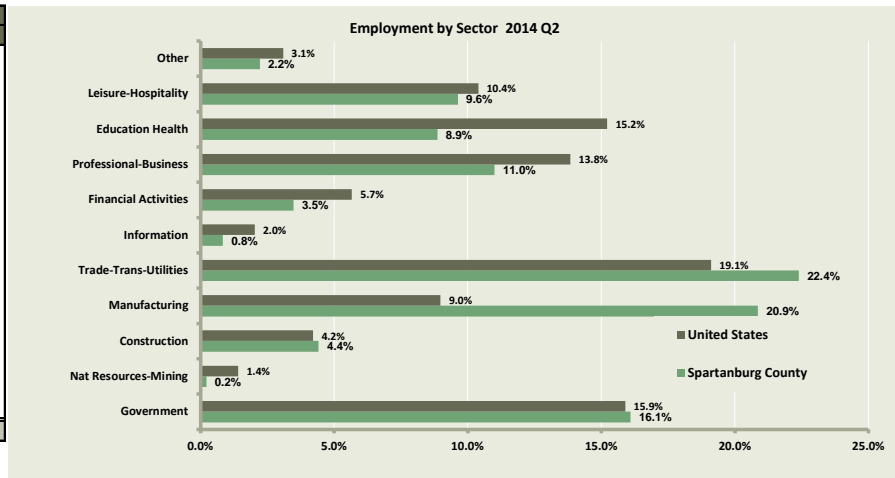




Figure 5 Total Employment and Employment Change by Sector, 2000-2014(Q2)

Employment by Industry Sector - 2014 (Q2)	
Sector	Jobs
Government	19,694
Federal	483
State	2,950
Local	16,262
Private Sector	102,672
Goods-Producing	31,193
Natural Resources-Mining	265
Construction	5,408
Manufacturing	25,520
Service Providing	71,480
Trade-Trans-Utilities	27,391
Information	1,023
Financial Activities	4,266
Professional-Business	13,456
Education-Health	10,847
Leisure-Hospitality	11,783
Other	2,714
Unclassified	
Total Employment	122,366



Source: Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages

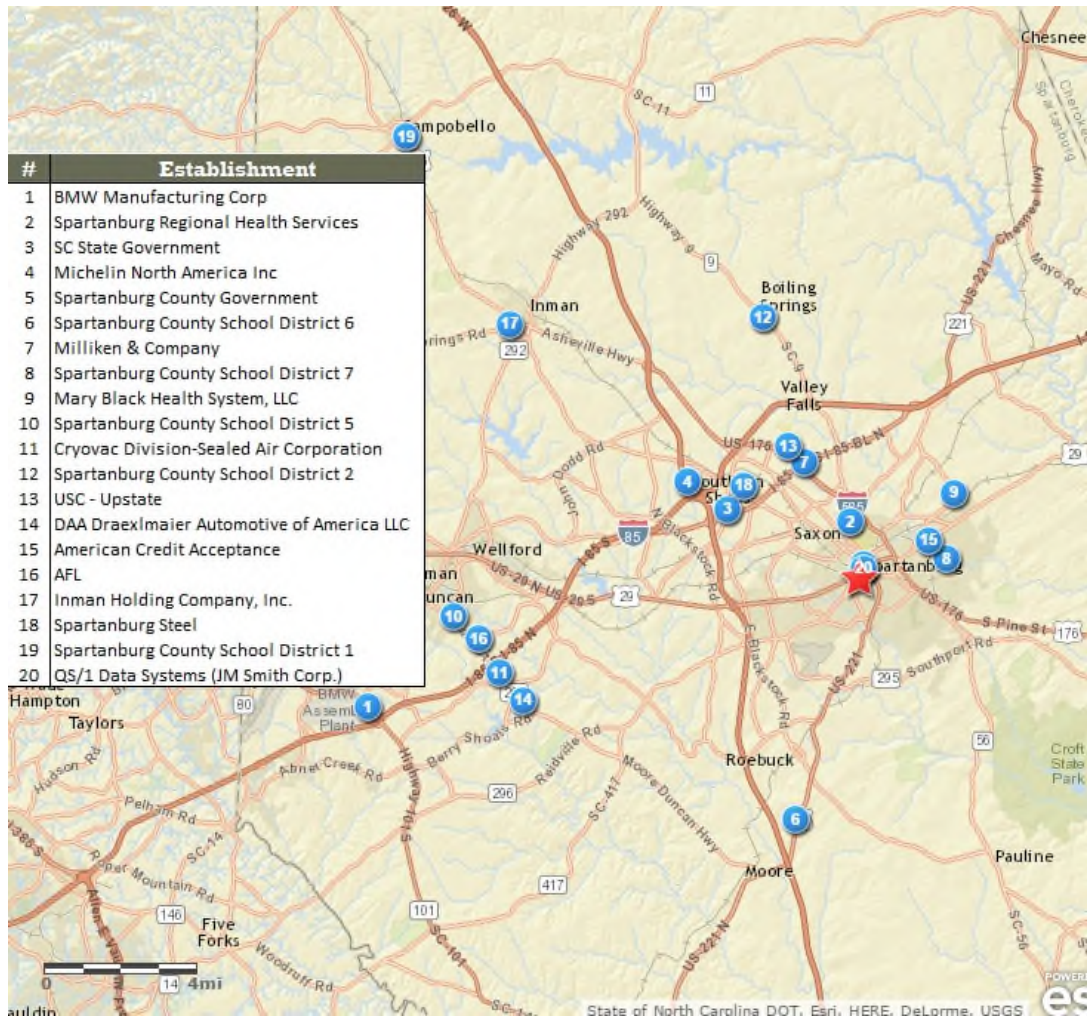
**Table 5 Major Employers, Spartanburg County**

Rank	Name	Industry	Employment
1	BMW Manufacturing Corp	Manufacturing	8,000
2	Spartanburg Regional Health Services	Healthcare	5,627
3	SC State Government	Government	3,232
4	Michelin North America Inc	Manufacturing	3,085
5	Spartanburg County Government	Government	1,723
6	Spartanburg County School District 6	Education	1,342
7	Milliken & Company	Manufacturing	1,300
8	Spartanburg County School District 7	Education	1,175
9	Mary Black Health System, LLC	Healthcare	1,145
10	Spartanburg County School District 5	Education	1,128
11	Cryovac Division-Sealed Air Corporation	Manufacturing	1,100
12	Spartanburg County School District 2	Education	1,013
13	USC - Upstate	Education	888
14	DAA Draexlmaier Automotive of America LLC	Manufacturing	800
15	American Credit Acceptance	Financial	715
16	AFL	Manufacturing	670
17	Inman Holding Company, Inc.	Manufacturing	652
18	Spartanburg Steel	Manufacturing	650
19	Spartanburg County School District 1	Education	594
20	QS/1 Data Systems (JM Smith Corp.)	Manufacturing	515

Source: SC Appalachian Council of Governments



Map 5 Major Employers, Spartanburg County



E. Employment Expansions

Information provided by the Spartanburg Economic Futures Group shows eight announced new or expanding companies in 2014 with a total job creation of 1,605 jobs and economic investment of more than \$2 Billion (Table 6). Two companies represent the vast majority of the job creations as BWM and Toray will create a combined 1,200 jobs and each will invest \$1 Billion. New job creation announced in 2014 continues past growth trends and surpasses job growth in any of the past five years.

**Table 6 Economic Expansions, Spartanburg County****New & Expanding Companies - 2014**

Date Announced	Company Name	Type	New Jobs	Investment (Millions)
10/28/2014	F3 Engineering	New	53	\$3.9
8/5/2014	Bosch Security Systems	New	50	
7/17/2014	Mohawk Industries	Expansion	20	\$10.0
5/6/2014	Trelleborg Wheel Systems	New	150	\$50.0
4/16/2014	Bass Pro Shops Mega Store	New		
4/1/2014	Copac	Expansion	32	\$14.8
3/28/2014	BMW	Expansion	800	\$1,000.0
2/18/2014	Toray	New	500	\$1,000.0
Total			1,605	\$2,078.7

Source: Spartanburg Economic Futures Group

Capital Investment / Job Creation

Year	New Jobs	Investment (Millions)
2013	1,211	\$112.6
2012	1,178	\$1,026.9
2011	964	\$269.6
2010	1,428	\$92.8
2009	1,257	\$148.2
Total	6,038	\$1,650.1

Source: Spartanburg Economic Futures Group



5. HOUSING MARKET AREA

A. Introduction

The primary market area for the proposed Two Creeks Crossing is defined as the geographic area from which future residents of the community would primarily be drawn and in which competitive rental housing alternatives are located. In defining the Two Creeks Market Area, RPRG sought to accommodate the joint interests of conservatively estimating housing demand and reflecting the realities of the local rental housing marketplace.

B. Delineation of Market Area

The proposed subject would compete with rental communities located in and near downtown Spartanburg. The site will benefit from its location along West Main Street, which provides access to downtown Spartanburg to the east and Interstate 26 to the west. The market area essentially includes the downtown portion of Spartanburg and the immediately surrounding areas. The portions of the county not included in the market area are more suburban in nature and not directly comparable with the areas near downtown. Residents of this market area would be likely to consider the subject site an acceptable location for affordable rental housing.

The primary market area defined by RPRG is depicted in Map 6 and the census tracts that comprise the market area are listed on the edge of the map. For the purpose of this report, this geographic area is called the Two Creeks Market Area.

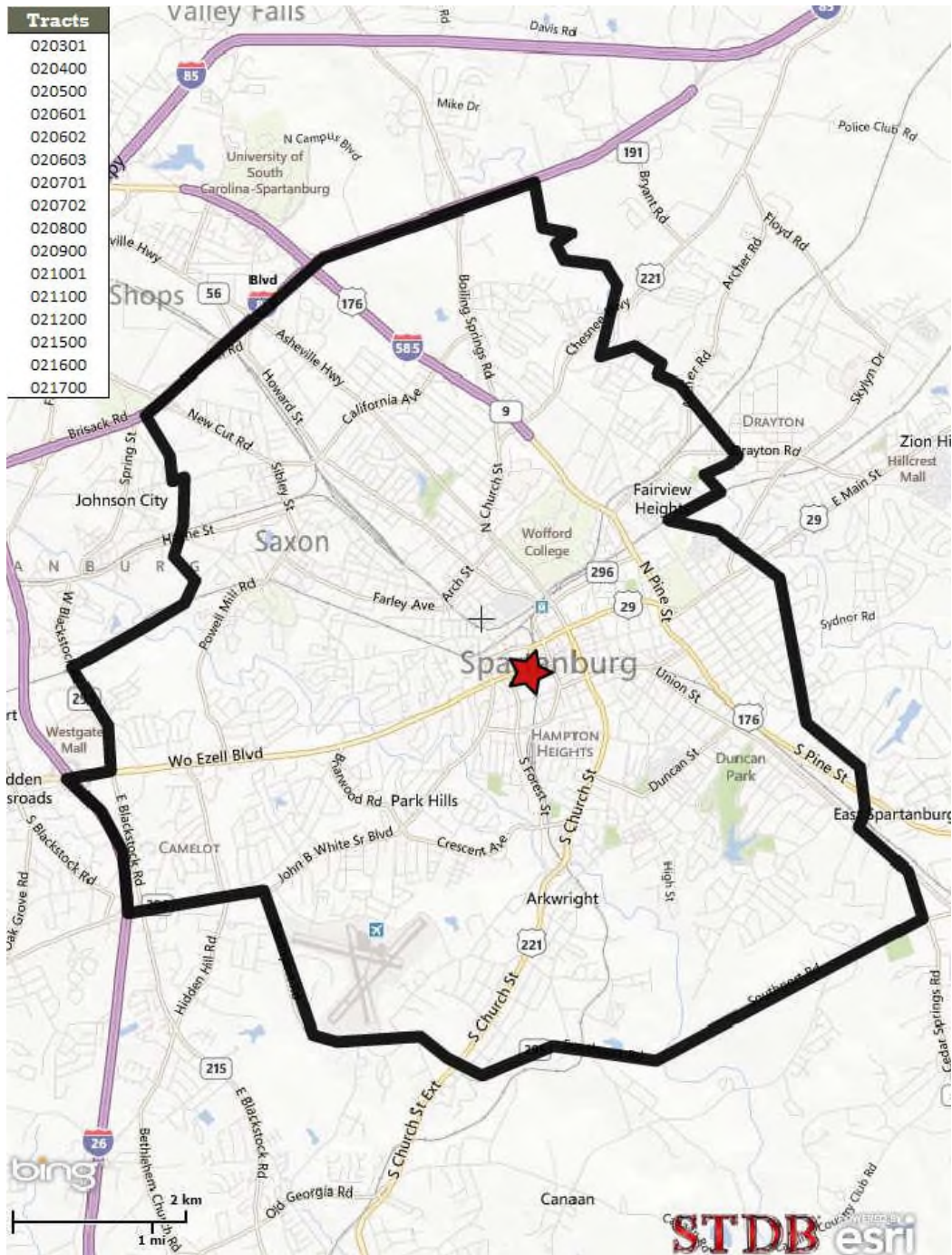
The approximate boundaries of the market area and their distance from the subject site are:

- North:** Interstate 85 (Business) – 3.3 miles
- East:** Railroad east of downtown – 2.0 miles
- South:** Southport Road – 4.5 miles
- West:** Interstate 26 – 3.4 miles

As appropriate for this analysis, the market area is compared and contrasted to Spartanburg County as a whole. This can be considered a secondary market area for the subject.



Map 6 Two Creeks Market Area





6. DEMOGRAPHIC ANALYSIS

A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the Two Creeks Market Area and Spartanburg County using several sources. Projections of population and households are based on data prepared by Esri, a national data vendor. The estimates and projections were examined, compared, and evaluated in the context of decennial U.S. Census data (from 2000 and 2010) as well as building permit trend information.

B. Trends in Population and Households

1. Recent Past Trends

Between 2000 and 2010 Census counts, the population of the Two Creeks Market Area decreased by 3,816 people from 40,676 to 36,860. The annual rate of population loss was 382 people or 1.0 percent. The market area's household base declined by 1,732 during this decade from 15,753 to 14,021 households in 2010. The annual average household loss in the county was 173 households or 1.2 percent.

Spartanburg County grew by 30,516 people (12.0 percent) and 11,511 households (11.8 percent) between 2000 and 2010. Annual growth in the county was 3,052 people (1.1 percent) and 1,151 households (1.1 percent).

2. Projected Trends

Based upon Esri's projections, the recent trend in the market area is expected to reverse with minor population and household gains. Between 2010 and 2014, the market area is estimated to have added 204 people and 95 households for total growth of 0.6 percent and 0.7 percent, respectively. Annual average household growth was 24 households or 0.2 percent in the market area. Average annual growth between 2014 and 2017 in the market area is projected to be 71 people (0.2 percent) and 31 households (0.2 percent).

Growth rates in the county are projected to remain faster among both population and households during the same time period. Between 2014 and 2017, Spartanburg County is projected to add 6,289 people and 2,495 households. The annual rates of growth will be 0.7 percent for both population and households.

The average household size in the market area of 2.37 persons per household is projected to remain constant through 2017 (Table 8).

Table 7 Population and Household Projections

		Spartanburg County				Two Creeks Market Area				
Population	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	253,791					40,676				
2010	284,307	30,516	12.0%	3,052	1.1%	36,860	-3,816	-9.4%	-382	-1.0%
2014	292,597	8,290	2.9%	2,073	0.7%	37,064	204	0.6%	51	0.1%
2017	298,887	6,289	2.1%	2,096	0.7%	37,276	212	0.6%	71	0.2%

		Spartanburg County				Two Creeks Market Area				
Households	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	97,735					15,753				
2010	109,246	11,511	11.8%	1,151	1.1%	14,021	-1,732	-11.0%	-173	-1.2%
2014	112,573	3,327	3.0%	832	0.8%	14,116	95	0.7%	24	0.2%
2017	115,068	2,495	2.2%	832	0.7%	14,208	93	0.7%	31	0.2%

Source: 2000 Census; 2010 Census; Esri; and Real Property Research Group, Inc.

**Table 8 Average Household Size, Two Creeks Market Area**

Average Household Size			
Year	2010	2014	2017
Population	36,860	37,064	37,276
Group Quarters	3,627	3,627	3,627
Households	14,021	14,116	14,208
Household Size	2.37	2.37	2.37

Source: 2000 Census; 2010 Census; Esri; and Real Property Research Group, Inc.

3. Building Permit Trends

Annual building permit activity in Spartanburg County averaged 1,707 units permitted between 2000 and 2009, which was higher than the average annual household growth of 1,151 households in the county between the 2000 and 2010 census counts. Permit activity ranged from 1,986 to 2,219 per year between 2002 and 2006 with an average of 2,115 units permitted each year (Table 9). Permit activity has averaged 788 units per year since 2009, although more than 1,000 units per permitted in each of the past two years.

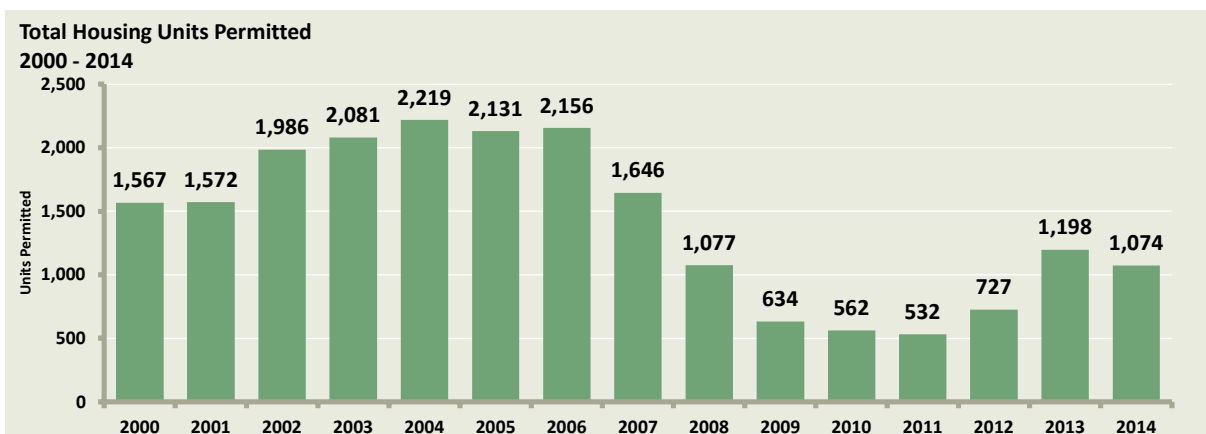


Since 2000, 93 percent of all units permitted have been single-family detached homes and six percent have been in multi-family structures with five or more units. One percent of permitted units were contained within structures with 2-4 units.

Table 9 Building Permits by Structure Type, Spartanburg County

Spartanburg County																2000-2014	Annual Average
2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014			
Single Family	1,515	1,396	1,532	1,789	1,947	2,123	2,156	1,646	1,077	606	562	532	727	954	1,054	19,616	1,308
Two Family	16	22	82	44	4	4	0	0	0	0	0	0	0	4	20	196	13
3 - 4 Family	16	0	20	0	4	4	0	0	0	0	0	0	0	0	0	44	3
5+ Family	20	154	352	248	264	0	0	0	0	28	0	0	0	240	0	1,306	87
Total	1,567	1,572	1,986	2,081	2,219	2,131	2,156	1,646	1,077	634	562	532	727	1,198	1,074	21,162	1,411

Source: U.S. Census Bureau, C-40 Building Permit Reports.



C. Demographic Characteristics

1. Age Distribution and Household Type

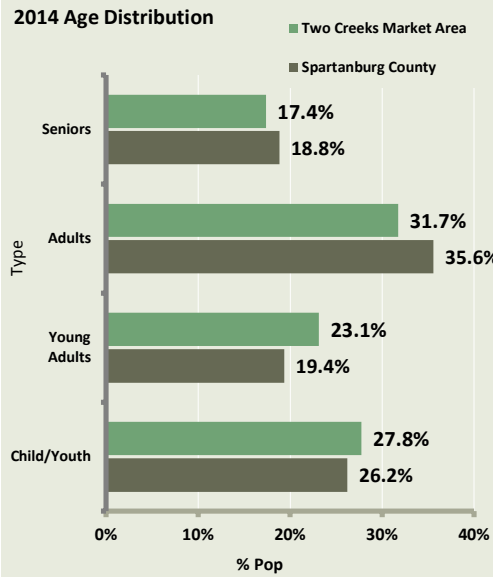
The population of the Two Creeks Market Area is much younger than Spartanburg County with median ages of 33 in the market area and 38 in the county, reflecting younger residents in downtown locations. While adults age 35-61 percent are the largest percentage in both areas, nearly 51 percent of the market area's population is under the age of 35 (Table 10). The greatest disparity is among Young Adults age 20-34 as the market area's 23 percent in this cohort is nearly four percentage points above the county.



Table 10 2014 Age Distribution

	Spartanburg County		Two Creeks Market Area	
	#	%	#	%
Children/Youth	76,722	26.2%	10,288	27.8%
Under 5 years	18,725	6.4%	2,691	7.3%
5-9 years	19,226	6.6%	2,432	6.6%
10-14 years	19,151	6.5%	2,066	5.6%
15-19 years	19,620	6.7%	3,099	8.4%
Young Adults	56,656	19.4%	8,573	23.1%
20-24 years	20,310	6.9%	3,787	10.2%
25-34 years	36,346	12.4%	4,785	12.9%
Adults	104,142	35.6%	11,765	31.7%
35-44 years	36,914	12.6%	4,103	11.1%
45-54 years	40,982	14.0%	4,624	12.5%
55-61 years	26,247	9.0%	3,038	8.2%
Seniors	55,076	18.8%	6,438	17.4%
62-64 years	11,249	3.8%	1,302	3.5%
65-74 years	26,481	9.1%	2,909	7.8%
75-84 years	12,567	4.3%	1,511	4.1%
85 and older	4,780	1.6%	716	1.9%
TOTAL	292,597	100%	37,064	100%
Median Age	38		33	

Source: Esri; RPRG, Inc.

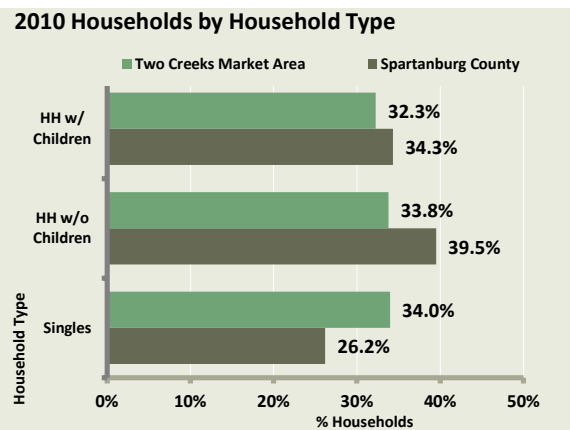


Market area households are evenly divided with roughly one-third represented in each households with children, households with at least two adults but no children, and single person households (Table 11). Relative to the county, the market area has a higher percentage of single-person households and a smaller percentage of households with more than one person.

Table 11 2010 Households by Household Type

Households by Household Type	Spartanburg County		Two Creeks Market Area	
	#	%	#	%
Married w/Children	23,128	21.2%	1,769	11.5%
Other w/ Children	14,368	13.2%	3,205	20.8%
Households w/ Children	37,496	34.3%	4,974	32.3%
Married w/o Children	30,278	27.7%	2,704	17.5%
Other Family w/o Children	7,960	7.3%	1,663	10.8%
Non-Family w/o Children	4,903	4.5%	844	5.5%
Households w/o Children	43,141	39.5%	5,211	33.8%
Singles Living Alone	28,609	26.2%	5,237	34.0%
Singles	28,609	26.2%	5,237	34.0%
Total	109,246	100%	15,422	100%

Source: 2010 Census; RPRG, Inc.



2. Renter Household Characteristics

The Two Creeks Market Area has significantly more renters on a percentage basis than Spartanburg County with 2010 renter percentages of 51.2 percent in the market area and 30.2 percent in the county (Table 12). Renter percentages are projected to increase in both areas, reaching 53.5 percent in the Two Creeks Market Area and 31.9 percent in Spartanburg County by 2017.



Table 12 Households by Tenure

Spartanburg County Housing Units	2000		2010		2014		2017	
	#	%	#	%	#	%	#	%
Owner Occupied	70,339	72.0%	76,260	69.8%	77,281	68.6%	78,316	68.1%
Renter Occupied	27,396	28.0%	32,986	30.2%	35,292	31.4%	36,753	31.9%
Total Occupied	97,735	100%	109,246	100%	112,573	100%	115,068	100%
Total Vacant	9,251		13,382		13,790		14,095	
TOTAL UNITS	106,986		122,628		126,363		129,164	

Two Creeks Market Area Housing Units	2000		2010		2014		2017	
	#	%	#	%	#	%	#	%
Owner Occupied	8,015	50.9%	6,849	48.8%	6,682	47.3%	6,609	46.5%
Renter Occupied	7,738	49.1%	7,172	51.2%	7,434	52.7%	7,599	53.5%
Total Occupied	15,753	100.0%	14,021	100.0%	14,116	100.0%	14,208	100.0%
Total Vacant	1,857		2,619		2,637		2,654	
TOTAL UNITS	17,610		16,640		16,752		16,862	

Source: 2000 Census; 2010 Census; Esri; RPRG, Inc.

One and two person households combined for 63.2 percent of all renter households in the Two Creeks Market Area and 60.7 percent in Spartanburg County (Table 13) in 2010. Three person households accounted for roughly 17 percent of the renter households in both areas. Large households with four or more people comprise 20 percent of the market area’s renter households compared to 22.5 percent in the county.

Renter households in the market area include a range of householder age with 34.1 percent under 35, 34.5 percent age 35-54, and 31.4 percent age 55 and older. Relative to the county, the market area has a higher percentage of renter households under 25 and between 45 and 75 years (Table 14).

Table 13 2010 Renter Households by Household Size

Renter Occupied	Spartanburg County		Two Creeks Market Area	
	#	%	#	%
1-person hhld	11,553	35.0%	2,878	37.3%
2-person hhld	8,478	25.7%	2,001	25.9%
3-person hhld	5,529	16.8%	1,292	16.7%
4-person hhld	3,984	12.1%	794	10.3%
5+-person hhld	3,442	10.4%	752	9.7%
TOTAL	32,986	100%	7,717	100%

Source: 2010 Census

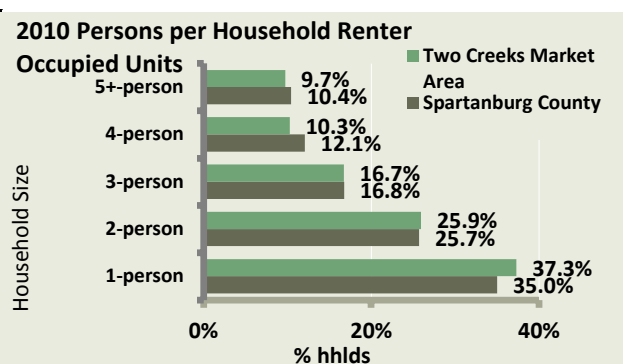
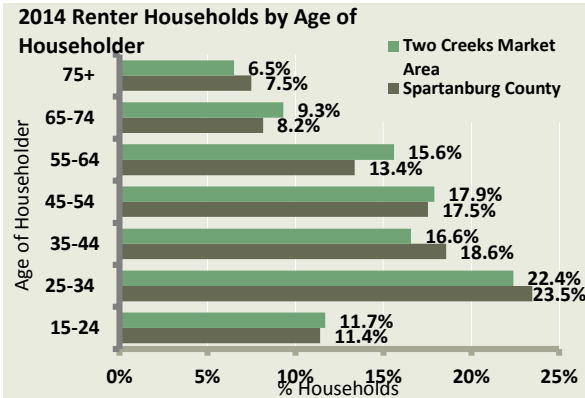


Table 14 Renter Households by Age of Householder

Renter Households	Spartanburg County		Two Creeks Market Area	
	#	%	#	%
Age of HHldr				
15-24 years	4,026	11.4%	870	11.7%
25-34 years	8,280	23.5%	1,664	22.4%
35-44 years	6,553	18.6%	1,233	16.6%
45-54 years	6,190	17.5%	1,331	17.9%
55-64 years	4,720	13.4%	1,160	15.6%
65-74 years	2,881	8.2%	693	9.3%
75+ years	2,642	7.5%	484	6.5%
Total	35,292	100%	7,434	100%

Source: Esri, Real Property Research Group, Inc.



3. Population by Race

SCSHFDA's has requested population by race for the subject census tract. As detailed in Table 14, 91.7 percent of the population in the subject census tract is black. Roughly five percent is white and others contain roughly three percent.

Table 15 Population by Race, Tract 0208.00

Race	Tract 0208.00	
	#	%
Total	1,484	100.0%
Population Reporting One Race	1,457	98.2%
White	71	4.8%
Black	1,361	91.7%
American Indian	0	0.0%
Asian	5	0.3%
Pacific Islander	0	0.0%
Some Other Race	20	1.3%
Population Reporting Two Races	27	1.8%
Total Hispanic Population (Already Counted)	34	2.3%

Source: 2010 Census

4. Veterans Data

Veterans are an expected special needs target for the units at Two Creeks Crossing, although none of the units will be specifically reserved for veterans. As such, we have compiled demographic data on veteran's residing in Spartanburg County per the Census Bureau's 2011-2013 American Community Survey (ACS). Given the unique target market, these special needs units are likely to be attracted from throughout the county and not just the market area (Table 16). Highlights of the veteran data for Spartanburg County include:

- 21,235 total veterans with 64.3 percent of veterans age 55 or older.
- An overall median income of \$31,806, which is more than \$12,000 below the county's overall median income.
- An unemployment rate of 9.7 percent, which is well above the county's
- Only 8.6 percent are living below the poverty rate.

**Table 16 Veteran Status, Spartanburg County**

2011-2013 Veteran Status		
Spartanburg County	#	%
Age		
18-34 years	2,145	10.1%
35-54 yaers	5,436	25.6%
55-64 years	4,757	22.4%
65-74 years	4,735	22.3%
75 years and over	4,162	19.6%
TOTAL Veterans	21,235	100%
Medium Income		
Civilian population 18 years and over with income	\$31,614	
Male	\$31,568	
Female	\$31,806	
Employment Status		
Civilian Labor Force 18-64 years	9,507	
Employment	8,585	90.3%
Unemployment	922	9.7%
Poverty Status		
Civilian population 18 years and over - reporting Below Poverty in the last 12 months	20,968	
	1,803	8.6%

Source: U.S. Census Bureau, American Community Survey

5. Income Characteristics

Based on Esri estimates, the Two Creeks Market Area's 2014 median income of \$28,825 is \$15,461 or 34.9 percent below the county-wide median of \$44,286 (Table 17). Over 45 percent of the market area's households earn less than \$25,000 compared to 29.7 percent in the county. Over one quarter (26.3 percent) earn \$25,000 to \$49,999.

Looking at households by tenure, renters have a median income of \$19,686 compared to an owner median of \$43,831 (Table 18). Over 60 percent of renter households earn less than \$25,000 including 40.3 percent less than \$15,000. Almost one-quarter (23.8 percent) of renter households earn \$25,000 to \$49,999.



Table 17 2014 Household Income, Two Creeks Market Area

Estimated 2014 Household Income		Spartanburg County		Two Creeks Market Area	
		#	%	#	%
less than	\$15,000	18,722	16.6%	4,259	30.2%
	\$15,000 - \$24,999	14,712	13.1%	2,178	15.4%
	\$25,000 - \$34,999	12,616	11.2%	1,624	11.5%
	\$35,000 - \$49,999	16,534	14.7%	2,085	14.8%
	\$50,000 - \$74,999	22,678	20.1%	2,046	14.5%
	\$75,000 - \$99,999	13,422	11.9%	945	6.7%
	\$100,000 - \$149,999	7,933	7.0%	543	3.8%
	\$150,000 Over	5,956	5.3%	436	3.1%
Total		112,573	100%	14,116	100%
Median Income		\$44,286		\$28,825	

Source: Esri; Real Property Research Group, Inc.

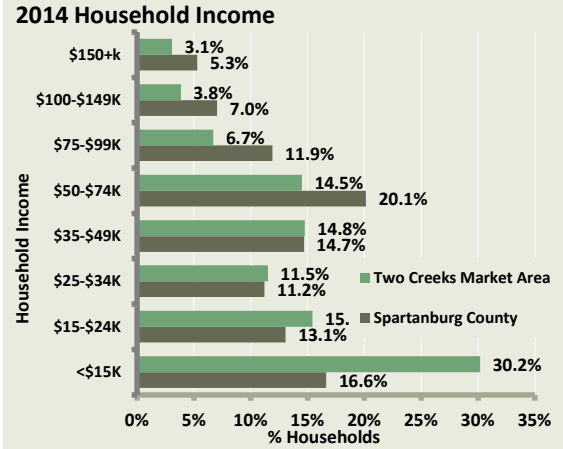
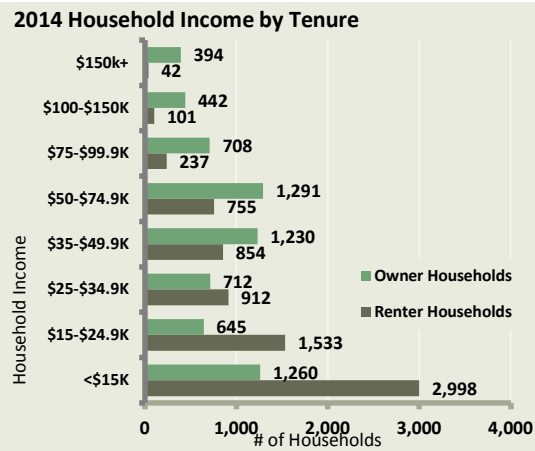


Table 18 2014 Income by Tenure

Two Creeks Market Area		Renter Households		Owner Households	
		#	%	#	%
less than	\$15,000	2,998	40.3%	1,260	18.9%
	\$15,000 - \$24,999	1,533	20.6%	645	9.6%
	\$25,000 - \$34,999	912	12.3%	712	10.7%
	\$35,000 - \$49,999	854	11.5%	1,230	18.4%
	\$50,000 - \$74,999	755	10.2%	1,291	19.3%
	\$75,000 - \$99,999	237	3.2%	708	10.6%
	\$100,000 - \$149,999	101	1.4%	442	6.6%
	\$150,000 over	42	0.6%	394	5.9%
Total		7,434	100%	6,682	100%
Median Income		\$19,686		\$43,831	

Source: American Community Survey 2009-2013 Estimates, RPRG, Inc.





7. COMPETITIVE HOUSING ANALYSIS

A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of housing in the Two Creeks Market Area. We pursued several avenues of research in an attempt to identify residential rental projects that are actively being planned or that are currently under construction within the Two Creeks Market Area. Site visit observations and past RPRG work in the region also informed this process. The rental survey of competitive projects was conducted in March 2015.

B. Overview of Market Area Housing Stock

Based on the 2009-2013 ACS survey, renter occupied units are contained within a variety of structure including single-family detached homes at 34.7 percent and structures with 2-4 units containing 28.7 percent of all renter occupied housing. Multi-family structures with five or more units contain 29.9 percent of the rentals in the market area and 27.2 percent for the county (Table 19).

The housing stock in the Two Creeks Market Area is much older than the county overall, but renter occupied units are younger than the county. The median year built of renter occupied units was 1970 in the market area and 1980 in the county. Among market area rentals, nearly two-thirds were built from 1950 to 1989. Only 11.2 percent of market area rentals have been constructed since 2000, compared to 17.7 percent in the county. Owner occupied units were much older in the market area with a median year built of 1959 compared to 1983 in the county (Table 20). Only 12 percent of owner occupied units have been constructed since 1990.

According to ACS data, the median value among owner-occupied housing units in the Two Creeks Market Area was \$95,070, 23.1 percent below the \$123,628 median in the county overall (Table 21). Nearly 55 percent of the owner occupied units in the Two Creeks Market Area were valued at less than \$100,000 and 34.8 percent was valued at \$100,000 to \$199,999. Only 10.4 percent was valued at \$200,000 or above. ACS estimates home values based upon homeowners' assessments of the values of their homes. This data is traditionally a less accurate and reliable indicator of home prices in an area than actual sales data, but offers insight of relative housing values among two or more areas.



Table 19 Renter Occupied Units by Structure

Renter Occupied	Spartanburg County		Two Creeks Market Area	
	#	%	#	%
1, detached	12,116	37.1%	2,599	34.7%
1, attached	1,030	3.2%	165	2.2%
2	2,833	8.7%	1,016	13.6%
3-4	2,118	6.5%	1,130	15.1%
5-9	3,103	9.5%	831	11.1%
10-19	2,746	8.4%	538	7.2%
20+ units	3,014	9.2%	875	11.7%
Mobile home	5,654	17.3%	341	4.5%
Boat, RV, Van	18	0.1%	0	0.0%
TOTAL	32,632	100%	7,495	100%

Source: American Community Survey 2009-2013

2009-2013 Renter Occupied Units By Structure

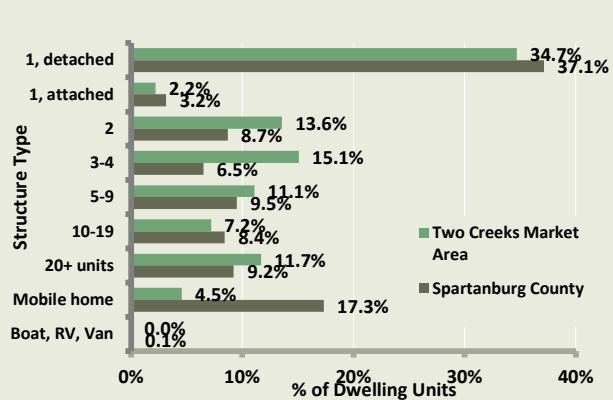


Table 20 Dwelling Units by Year Built and Tenure

Owner Occupied	Spartanburg County		Two Creeks Market Area	
	#	%	#	%
2010 or later	529	0.7%	0	0.0%
2000 to 2009	15,475	20.7%	369	4.8%
1990 to 1999	15,149	20.3%	551	7.2%
1980 to 1989	9,651	12.9%	376	4.9%
1970 to 1979	11,550	15.5%	917	11.9%
1960 to 1969	8,626	11.5%	1,633	21.2%
1950 to 1959	6,165	8.3%	1,648	21.4%
1940 to 1949	2,695	3.6%	772	10.0%
1939 or earlier	4,878	6.5%	1,430	18.6%
TOTAL	74,718	100%	7,696	100%
MEDIAN YEAR BUILT	1983		1959	

Source: American Community Survey 2009-2013

Renter Occupied	Spartanburg County		Two Creeks Market Area	
	#	%	#	%
2010 or later	574	1.8%	71	0.9%
2000 to 2009	5,174	15.9%	775	10.3%
1990 to 1999	5,056	15.5%	436	5.8%
1980 to 1989	5,641	17.3%	969	12.9%
1970 to 1979	5,977	18.3%	1,506	20.1%
1960 to 1969	3,325	10.2%	1,281	17.1%
1950 to 1959	2,979	9.1%	1,186	15.8%
1940 to 1949	1,380	4.2%	563	7.5%
1939 or earlier	2,526	7.7%	708	9.4%
TOTAL	32,632	100%	7,495	100%
MEDIAN YEAR BUILT	1980		1970	

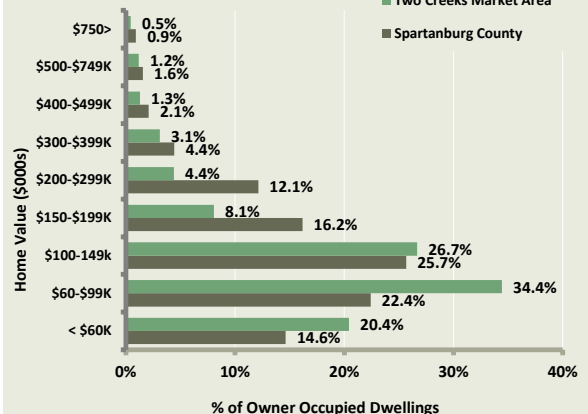
Source: American Community Survey 2009-2013

Table 21 Value of Owner Occupied Housing Stock

2009-2013 Home Value	Spartanburg County		Two Creeks Market Area	
	#	%	#	%
less than \$60,000	10,655	14.6%	1,539	20.4%
\$60,000 - \$99,999	16,320	22.4%	2,595	34.4%
\$100,000 - \$149,999	18,681	25.7%	2,011	26.7%
\$150,000 - \$199,999	11,781	16.2%	607	8.1%
\$200,000 - \$299,999	8,832	12.1%	331	4.4%
\$300,000 - \$399,999	3,229	4.4%	234	3.1%
\$400,000 - \$499,999	1,527	2.1%	97	1.3%
\$500,000 - \$749,999	1,135	1.6%	90	1.2%
\$750,000 over	669	0.9%	34	0.5%
Total	72,829	100%	7,538	100%
Median Value	\$123,628		\$95,070	

Source: American Community Survey 2009-2013

2009-2013 Home Value



C. Survey of Competitive Rental Communities

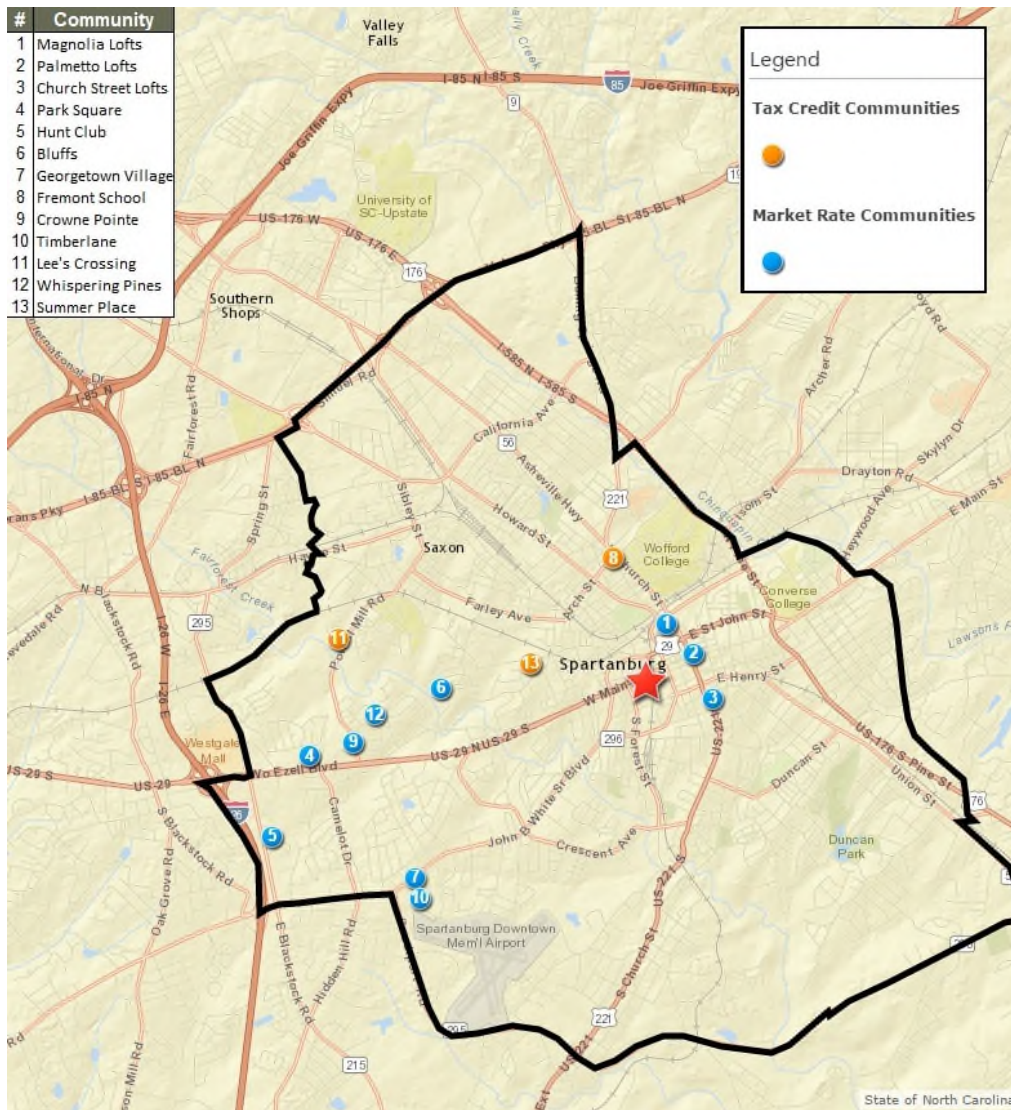
1. Introduction to the Rental Housing Survey

As part of this analysis, RPRG surveyed 13 general occupancy communities in the Two Creeks Market Area including 10 market rate and three LIHTC communities. These 13 communities include a wide range of price points and have a combined 1,566 units including 291 LIHTC units. Profile sheets with detailed information on each surveyed community, including photographs, are attached as Appendix 5.

2. Location

The three highest priced communities are loft communities east of the site in the downtown Spartanburg. Most of the surveyed communities are west and northwest of the site a greater distance from downtown (Map 7). The site will benefit from the close proximity to downtown, but lacks adjacent established uses like the three communities in downtown. The site is considered comparable with communities west of the site.

Map 7 Surveyed General Occupancy Rental Communities





3. Age of Communities

The average year built of all surveyed communities is 1993; the average year built of LIHTC communities is 2007 (Table 22). The three highest priced market rate communities are adaptive reuse communities placed in service in 2007, 2013, and 2014. Six market rate communities are least 30 years old (built 1985 or earlier). Among the LIHTC communities, the years built are 2004, 2006, and 2010.

4. Structure Type

Communities in the market area include a variety of structures including adaptive reuse of a furniture store, office building, and school building. Seven communities offer garden style units, one include townhouse floorplans, and one is a duplex community. The newest market rate community is a gut-rehab of an old senior affordable rental community, but now offers luxury market rate units. It would be inaccurate to describe this community as a renovation of the Schuyler building.

5. Size of Communities

The surveyed communities average 120 units for all communities and 97 for LIHTC communities. One LIHTC community has 192 units and two have 46-53 units each. Six of the ten market rate communities have fewer than 100 units.

6. Vacancy Rates

One of the market rate communities is undergoing initial lease up with 30 of 88 units vacant, a rate of 34.1 percent. Three market rate communities refused to provide vacancy data. Among the stabilized communities providing vacancy data, 20 of 773 units were reported vacant for a rate of 2.6 percent (Table 22). Only two of 291 LIHTC units were reported vacant for a rate of 0.7 percent.

Among the properties providing unit distributions and vacancy by floor plan, vacancy rates were 1.0 percent for one bedroom units, 3.3 percent for two bedroom units, and 7.1 percent for three bedroom units (Table 23).

The historic vacancy rate among all LIHTC communities was 3.44 percent for the second quarter of 2014 and 6.19 percent for the fourth quarter of 2014 (Table 24). The average occupancy rate for both quarters was 95.19 percent per SCSHFDA's 2014 Public Analysis.

7. Rent Concessions

Two market rate communities reported rental incentives; none of the LIHTC communities offer rental incentives.

8. Absorption History

The newest community in the market area, Church Street Lofts, opened in September 2014 and has leased 58 units in six months. The average monthly absorption was 10 units.



Table 22 Rental Summary, Surveyed Rental Communities

Map #	Community	Year Built	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Incentive
	Subject - 50%		Mid Rise	45			\$412		
	Subject - 60%		Mid Rise	6			\$508	\$602	
1	Magnolia Lofts	2013	Adaptive Reuse	27	2	7.4%	\$1,050		None
2	Palmetto Lofts	2007	Adaptive Reuse	21	0	0.0%	\$1,025	\$1,275	None
3	Church Street Lofts	2014	High Rise	88	30	34.1%	\$948		Reduced rent for 1BR
4	Park Square	1968	Gar	64	5	7.8%		\$750	None
5	Hunt Club	1986	Gar	204	6	2.9%	\$649	\$722	None
6	Bluffs	1985	Gar/TH	144	N/A	N/A	\$625	\$691	None
7	Georgetown Village	1968	TH	74	2	2.7%	\$525	\$650	1/2 mo off
8	Fremont School **	2004	Adaptive Reuse	46	2	4.3%	\$556	\$649	None
9	Crowne Pointe	1975	Gar	241	N/A	N/A	\$565	\$635	None
10	Timberlane	1996	Gar	92	3	3.3%	\$550	\$625	None
11	Lee's Crossing **	2010	Gar	192	0	0.0%	\$515	\$608	None
12	Whispering Pines	1978	Gar	320	N/A	N/A	\$513	\$555	None
13	Summer Place **	2006	Duplex	53	0	0.0%			None
	Total			1,566					
	Average	1993		120			\$684	\$716	
	Reporting Total			861	50	5.8%			
	Stabilized Total Reporting			773	20	2.6%			
	LIHTC Total			291	2	0.7%			
	LIHTC Average	2007		97			\$536	\$629	

(**) Tax Credit Communities

(1) Rent is contract rent, and not adjusted for utilities or incentives

Source: Field Survey, Real Property Research Group, Inc. March 2015.

Undergoing Lease-Up

Occupancy information unavailable.

Table 23 Vacancy by Floor Plan

Community	Total Units		Vacant Units by Floorplan								
	Units	Vacant	One Bedroom			Two Bedroom			Three Bedroom		
			Units	Vacant	Vac. Rate	Units	Vacant	Vac. Rate	Units	Vacant	Vac. Rate
Georgetown Village	74	2	8	0	0.0%	58	1	1.7%	8	1	12.5%
Hunt Club	204	6	76	1	1.3%	128	5	3.9%			
Timberlane	92	3	18	0	0.0%	54	2	3.7%	20	1	5.0%
Total Reporting Breakdown	370	11	102	1	1.0%	240	8	3.3%	28	2	7.1%

LIHTC Community**

Source: Field Survey, Real Property Research Group, Inc. March 2015

Table 24 Historic LIHTC Occupancy

Community	Total Units	6/30/2014			12/31/2014		Avg. Occupancy	Type
		Occupied Units	Occupancy Rate	Occupied Units	Occupancy Rate			
Freemont School	46	40	86.96%	36	78.26%	82.61%	Family	
Lee's Crossing (Companion at Franklin)	192	190	98.96%	185	96.35%	97.66%	Family	
Summer Place	53	51	96.23%	52	98.11%	97.17%	Family	
Grand Total	291	281	96.56%	273	93.81%	95.19%		

Source: SC Public Analysis 2014



D. Analysis of Rental Pricing and Product

1. Payment of Utility Costs

Among the 13 surveyed communities, eight include the cost of only trash removal. Four also include the cost of water/sewer (Table 25). One community includes the cost all utilities. Two Creeks Crossing will include the cost of water/sewer and trash removal.

2. Unit Features

All of the surveyed communities include a dishwasher and two include a microwave. Eleven of 13 communities include washer/dryer connections and two do not include in-unit laundry. Two Creeks Crossing will be competitive with surveyed rental communities as features will include dishwashers, microwaves, washer/dryer connections, and additional storage.

Table 25 Utilities and Unit Features– Surveyed Rental Communities

Community	Heat Type	Utilities Included in Rent					Dish-washer	Micro-wave	Parking	In-Unit Laundry	
		Heat	Hot Water	Cooking	Electric	Water					Trash
Subject	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups
Timberlane	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std		Surface	Hook Ups
Bluffs	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std		Surface	Hook Ups
Hunt Club	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std		Surface	Hook Ups
Georgetown Village	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std		Surface	
Fremont School**	Elec	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Std		Surface	
Crowne Pointe	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std		Surface	Hook Ups
Whispering Pines	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std		Surface	Hook Ups
Lee's Crossing**	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Std		Surface	Hook Ups
Park Square	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std		Surface	Hook Ups
Summer Place**	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std		Surface	Hook Ups
Palmetto Lofts	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Std	Std	Surface	Hook Ups
Magnolia Lofts	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Std		Surface	Hook Ups
Church Street Lofts	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Std	Std	Surface	Hook Ups

(**) Tax Credit Communities

Source: Field Survey, Real Property Research Group, Inc. March 2015.

3. Parking

All surveyed communities include free surface parking as their standard parking option. None of the surveyed communities offer structured or covered parking.

4. Community Amenities

Most communities include a variety of community amenities as eight of 13 communities offer at least three communities amenities. Smaller communities, including two high priced loft communities, offer few if any amenities (Table 26). The most common recreational amenities in the market area are community rooms (nine properties), swimming pool (nine properties), playground (eight properties), and fitness rooms (six properties).



Table 26 Community Amenities – Surveyed Rental Communities

Community	Clubhouse	Fitness Room	Pool	Hot Tub	Sauna	Playground	Tennis Court	Business Center
Subject	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Timberlane	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bluffs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Hunt Club	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Georgetown Village	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Fremont School**	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Crowne Pointe	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Whispering Pines	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Lee's Crossing**	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Park Square	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Summer Place**	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Palmetto Lofts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Magnolia Lofts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Church Street Lofts	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(**) Tax Credit Communities

Source: Field Survey, Real Property Research Group, Inc. March 2015.

5. Distribution of Units by Bedroom Type

Full unit distributions were available for about half of the surveyed communities. Among the properties providing unit distributions, 33.8 percent are one bedroom units, 51.3 percent are two bedroom units, and 14.9 percent are three bedroom units (Table 27). Among the three LIHTC communities, all offer one bedroom units, two offer two bedroom units, and two offer three bedroom units.

6. Effective Rents

Unit rents presented in Table 27 are net or effective rents, as opposed to street or advertised rents. To arrive at effective rents, we apply downward adjustments to street rents at some communities in order to control for current rental incentives. The net rents further reflect adjustments to street rents to equalize the impact of utility expenses across complexes. Specifically, the net rents represent the hypothetical situation where water/sewer and trash removal is included in monthly rents at all communities, with tenants responsible for other utility costs.

Among all surveyed rental communities, net rents, unit sizes, and rents per square foot are as follows:

- **One bedroom** rents averaged \$634 for 721 square feet or \$0.88 per square foot. One bedroom rents range from \$408 to \$1,050.
- **Two bedroom** rents averaged \$697 for 916 square feet or \$0.76 per square foot. Two bedroom rents ranged from \$469 to \$1,275.
- **Three bedroom** rents averaged \$808 for 1,332 square feet or \$0.61 per square foot. Three bedroom rents ranged from \$558 to \$1,500.



These overall averages include market rate communities and LIHTC communities with both 50 percent and 60 percent of the Area Median Income. The highest priced market rate units are priced significantly higher than these overall averages.

Table 27 Salient Characteristics, Surveyed Rental Communities

Community	Type	Total Units	One Bedroom Units				Two Bedroom Units				Three Bedroom Units				
			Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	
Subject - 50% AMI	Mid Rise	10	10	\$412	755	\$0.81									
Subject - 60% AMI	Mid Rise	41	35	\$508	755	\$0.67	6	\$602	956	\$0.63					
Magnolia Lofts	Mid Rise	27	11	\$1,050	750	\$1.40									
Palmetto Lofts	Adaptive Reuse	21	17	\$1,025	875	\$1.17	3	\$1,275	1,150	\$1.11	1	\$1,500	2,887	\$0.52	
Church Street Lofts	High Rise	88	22	\$888	827	\$1.07									
Park Square	Gar	64						\$770	950	\$0.81		\$875	1,150	\$0.76	
Hunt Club	Gar	204	76	\$664	760	\$0.87	128	\$742	930	\$0.80					
Bluffs	Gar/TH	144	48	\$640	650	\$0.98	80	\$711	895	\$0.79	16	\$870	1,225	\$0.71	
Crowne Pointe	Gar	241		\$580	756	\$0.77		\$655	915	\$0.72		\$724	1,098	\$0.66	
Timberlane	Gar	92	18	\$565	650	\$0.87	54	\$645	912	\$0.71	20	\$775	1,185	\$0.65	
Georgetown Village	TH	74	8	\$518	720	\$0.72	58	\$643	860	\$0.75	8	\$744	1,100	\$0.68	
Lee's Crossing 60% **	Gar	192		\$515	687	\$0.75		\$608	932	\$0.65		\$693	1,107	\$0.63	
Whispering Pines	Gar	320		\$528	600	\$0.88		\$575	900	\$0.64		\$675	1,000	\$0.68	
Fremont School 60% **	Adaptive Reuse	23	11	\$494	775	\$0.64	7	\$569	818	\$0.70					
Fremont School 50% **	Adaptive Reuse	23	11	\$408	775	\$0.53	7	\$469	818	\$0.57					
Summer Place 50% **	Duplex	14		\$528	600	\$0.88					14	\$558	1,284	\$0.43	
Summer Place 60% **	Duplex	39		\$468	670	\$0.70					39	\$670	1,284	\$0.52	
Total/Average		1,566		\$634	721	\$0.88		\$697	916	\$0.76		\$808	1,332	\$0.61	
Unit Distribution		657	222				337				98				
% of Total		42.0%	33.8%				51.3%				14.9%				

(**) Tax Credit Communities

(1) Rent is adjusted to include only Water/Sewer and Trash and incentives

Source: Field Survey, Real Property Research Group, Inc. March 2015.

E. Housing Authority Data / Subsidized Housing List

The Spartanburg Housing Authority owns and operates approximately 1,600 total units including: public housing units, LIHTC units with Project Based Section 8 Vouchers, Section 8 units, and market rate units. The only vacant units at Housing Authority communities were temporary due to recent move-outs or ongoing renovations to units. The housing authority’s waiting list was more than 3,000 households.

A list of all subsidized communities in the market area is detailed in Table 28 and their location relative to the subject property is shown on Map 8.



Table 28 Subsidized Rental Communities, Two Creeks Market Area

Community	Subsidy	Type	Address	Distance
Harry C White Manor	Sec. 8	Senior	250 Hudson C Barksdale Blvd.	1.1 miles
Fremont School	LIHTC	Family	600 Magnolia St.	1.1 miles
Heritage Court	Sec. 8	Senior	425 S Church St.	1.1 miles
J.C. Bull	Sec. 8	Senior	101 Marion Ave.	1.1 miles
Norris Ridge	Sec. 8	Family	350 Norris St.	1.1 miles
Archibald Rutledge	Public Housing	Senior	764 N Church St.	0.9 mile
Oakview	Sec. 8	Family	650 Howard St.	1.2 miles
Victoria Gardens	Public Housing	Family	695 Howard St.	1.3 miles
Summer Place	LIHTC	Family	461 Alma Byrd Ln.	1.2 miles
Frank Gooch	Public Housing	Senior	765 John B White Sr. Blvd.	1.5 miles
Kensington Manor	Sec. 8	Family	170 Kensington Dr.	2.7 miles
Lee's Crossing	LIHTC	Family	100 Lee's Crossing Dr.	3.3 miles
Collins Park / Cottage Grove	Public Housing	Family	201 Caulder Rd.	3.6 miles
The Ridge at Southport	Public Housing/Sec. 8	Family	305 Grand Central Ave.	3.5 miles

Source: HUD, SCSHFDA, USDA

Map 8 Subsidized Rental Communities, Two Creeks Market Area



F. Potential Competition from For-Sale Housing/Scattered Site Rental

Few scattered site rentals were identified in the market area and are not expected to be a source of significant competition for the units at Two Creeks Crossing as the market area has a significant number of multi-family apartments. The proposed mix includes primarily one bedroom units, further reducing potential competition with for-sale housing. Given the low proposed rents and income ranges targeted, we do not believe for-sale housing will compete with Two Creeks Crossing.



G. Proposed and Under Construction Rental Communities

One new affordable rental community was identified in the market area for Two Creeks Crossing. Highland Crossing is under construction west of the subject site and will include 72 LIHTC units including 16 one bedroom units, 32 two bedroom units, and 24 three bedroom units. All units will target households at 60 percent AMI and will have PBRA through HUD's RAD program as the community is the redevelopment of a former public housing community. Given the additional rental subsidies, this community will not compete with the proposed units at Two Creeks Crossing.

H. Estimate of Market Rent

To better understand how the proposed rents compare with the rental market, rents of the most comparable communities are adjusted for a variety of factors including curb appeal, square footage, utilities, and amenities. The adjustments made in this analysis are broken down into four classifications. These classifications and an explanation of the adjustments made follows:

- Rents Charged – current rents charged, adjusted for utilities and incentives, if applicable.
- Design, Location, Condition – adjustments made in this section include:
 - Building Design - An adjustment was made, if necessary, to reflect the attractiveness of the proposed product relative to the comparable communities above and beyond what is applied for year built and/or condition.
 - Year Built/Rehabbed - We applied a value of \$0.75 for each year newer a property is relative to a comparable.
 - Condition and Neighborhood – We rated these features on a scale of 1 to 5 with 5 being the most desirable. A conservative adjustment of \$10 per variance was applied for condition as this factor is also accounted for in “year built.” The Neighborhood or location adjustment was also \$10 per numerical variance.
 - Square Footage - Differences between comparables and the subject property are accounted for by an adjustment of \$0.25 per foot.
- Unit Equipment/Amenities – Adjustments were made for amenities included or excluded at the subject property. The exact value of each specific value is somewhat subjective as particular amenities are more attractive to certain renters and less important to others. Adjustment values were between \$5 and \$30 for each amenity.
- Site Equipment – Adjustments were made in the same manner as with the unit amenities. Adjustment values were between \$5 and \$10 for each amenity.

The communities used in this estimate of market rent include the mid-tier market rate communities. We used these older market rate communities as the three loft communities are unique in the market area and are not comparable with the proposed affordable units.

According to our adjustment calculations, the estimated market rents for the units at Two Creeks Crossing are \$678 for a one bedroom unit (Table 29) and \$754 for two bedroom units (Table 30). All proposed rents result in market advantages of at least 20 percent and the overall weighted average market advantage is 27.18 percent (Table 31). The maximum achievable/restricted rent for LIHTC units would be less of estimated market rents and LIHTC maximums.



Table 29 Estimate of Market Rent, One Bedroom Units

One Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
Two Creeks Crossing 307 West Main Street Spartanburg, Spartanburg County	Bluffs		Crown Pointe		Hunt Club		
	100 Vanderbilt Ln.		201 Powell Mill Rd.		1000 Hunt Club Ln.		
	Spartanburg	Spartanburg	Spartanburg	Spartanburg	Spartanburg	Spartanburg	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent (60%)	\$508	\$625	\$0	\$565	\$0	\$648	\$0
Utilities Included	W,S,T	T	\$15	T	\$15	T	\$15
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$508	\$640		\$580		\$663	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Mid Rise / 4	Garden	\$0	Garden / 2	\$0	Garden / 2	\$0
Year Built / Condition	2016	1985	\$23	1975	\$31	1986	\$23
Quality/Street Appeal	Above Average	Average	\$20	Below Average	\$40	Average	\$20
Location	Average	Average	\$0	Average	\$0	Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	1	1	\$0	1	\$0	1	\$0
Number of Bathrooms	1	1	\$0	1	\$0	1	\$0
Unit Interior Square Feet	755	650	\$26	756	\$0	760	(\$1)
Balcony / Patio / Porch	No	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)
AC Type:	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	No / Yes	\$5	No / Yes	\$5	No / Yes	\$5
Washer / Dryer: In Unit	No	No	\$0	No	\$0	No	\$0
Washer / Dryer: Hook-ups	Yes	Yes	\$0	Yes	\$0	Yes	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	Free Surface	Free Surface	\$0	Free Surface	\$0	Free Surface	\$0
Club House	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Pool	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		4	2	3	2	3	3
Sum of Adjustments B to D		\$74	(\$15)	\$76	(\$15)	\$48	(\$16)
F. Total Summary							
Gross Total Adjustment		\$89		\$91		\$64	
Net Total Adjustment		\$59		\$61		\$32	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$699		\$641		\$695	
% of Effective Rent		109.2%		110.5%		104.8%	
Estimated Market Rent	\$678						
Rent Advantage \$	\$170						
Rent Advantage %	25.1%						



Table 30 Estimate of Market Rent, Two Bedroom Units

Two Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
Two Creeks Crossing 307 West Main Street Spartanburg, Spartanburg County	Bluffs		Crown Pointe		Hunt Club		
	100 Vanderbilt Ln.		201 Powell Mill Rd.		1000 Hunt Club Ln.		
	Spartanburg	Spartanburg	Spartanburg	Spartanburg	Spartanburg	Spartanburg	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent (60%)	\$602	\$675	\$0	\$645	\$0	\$732	\$0
Utilities Included	W,S,T	T	\$20	T	\$20	T	\$20
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$602	\$695		\$665		\$752	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Mid Rise / 4	Garden	\$0	Garden / 2	\$0	Garden / 2	\$0
Year Built / Condition	2016	1985	\$23	1975	\$31	1986	\$23
Quality/Street Appeal	Above Average	Average	\$20	Below Average	\$40	Average	\$20
Location	Average	Average	\$0	Average	\$0	Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	2	2	\$0	2	\$0	2	\$0
Number of Bathrooms	2	2	\$0	2	\$0	2	\$0
Unit Interior Square Feet	956	875	\$20	915	\$10	988	(\$8)
Balcony / Patio / Porch	No	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)
AC: (C)entral / (W)all / (N)on	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	No / Yes	\$5	No / Yes	\$5	No / Yes	\$5
Washer / Dryer: In Unit	No	No	\$0	No	\$0	No	\$0
Washer / Dryer: Hook-ups	Yes	Yes	\$0	Yes	\$0	Yes	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	Free Surface	Free Surface	\$0	Free Surface	\$0	Free Surface	\$0
Club House	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Pool	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		4	2	4	2	3	3
Sum of Adjustments B to D		\$68	(\$15)	\$86	(\$15)	\$48	(\$23)
F. Total Summary							
Gross Total Adjustment		\$83		\$101		\$71	
Net Total Adjustment		\$53		\$71		\$25	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$748		\$736		\$777	
% of Effective Rent		107.6%		110.7%		103.3%	
Estimated Market Rent	\$754						
Rent Advantage \$	\$152						
Rent Advantage %	20.1%						



Table 31 Rent Advantage Summary

50% AMI Units	Bedroom	Bedroom
Subject Rent	\$412	
Estimated Market Ren	\$678	
Rent Advantage (\$)	\$266	
Rent Advantage (%)	39.3%	
Proposed Units	10	
60% AMI Units	Bedroom	Bedroom
Subject Rent	\$508	\$602
Estimated Market Ren	\$678	\$754
Rent Advantage (\$)	\$170	\$152
Rent Advantage (%)	25.1%	20.1%
Proposed Units	35	6
Weighted Average		27.18%

Table 32 Estimate of Market Rent Adjustments Summary

Rent Adjustments Summary	
B. Design, Location, Condition	
Structure / Stories	
Year Built / Condition	\$0.75
Quality/Street Appeal	\$10.00
Location	\$10.00
C. Unit Equipment / Amenities	
Number of Bathrooms	\$30.00
Unit Interior Square Feet	\$0.25
Balcony / Patio / Porch	\$5.00
AC Type:	\$5.00
Range / Refrigerator	\$25.00
Microwave / Dishwasher	\$5.00
Washer / Dryer: In Unit	\$25.00
Washer / Dryer: Hook-ups	\$5.00
D. Site Equipment / Amenities	
Parking (\$ Fee)	
Learning Center	\$10.00
Club House	\$10.00
Pool	\$10.00
Recreation Areas	\$5.00
Fitness Center	\$10.00



8. FINDINGS AND CONCLUSIONS

A. Key Findings

Based on the preceding review of the subject project, demographic and competitive housing trends in the Two Creeks Market Area, RPRG offers the following key findings:

1. Site and Neighborhood Analysis

The Two Creeks Crossing's site is located on the edge of downtown Spartanburg along W Main Street.

- The subject site is surrounded by a mixture of surrounding landed uses, mainly commercial and automotive related uses. Residential uses within one-half mile are limited but include single-family detached homes and three newer loft communities in downtown.
- The site is within close proximity to community amenities including shopping, medical, traffic arteries/public transportation, and cultural amenities.
- The site is located adjacent to railroad tracks and some vacant commercial uses. These uses would restrict achievable rents for market rate units, but are not expected to be an issue given the low income renters targeted for the proposed units.

2. Economic Context

Spartanburg County's economy has rebounded over the past several years with steady job growth and a decreasing unemployment rate.

- The employed portion of the labor force has increased for each of the past four years including more than 2,000 additional workers in 2013-2014.
- The unemployment rate in the county has decreased significantly since the national recession from 12.1 percent in 2009 to 5.6 percent in 2014. The county's most recent unemployment rate is below the state (6.4 percent) and national (6.2 percent) unemployment rate.
- Total At-Place Employment in Spartanburg County has increased by 12,519 jobs between 2010 and 2014(Q2), representing full recovery of the jobs lost during the national recession.

3. Growth Trends

The Two Creeks Market Area lost population and households between 2000 and 2010, but is expected to stabilize through 2017.

- Between 2000 and 2010 Census counts, the population of the Two Creeks Market Area decreased by 3,816 people from 40,676 to 36,860. The market area's household base declined by 1,732 during this decade from 15,753 to 14,021 households in 2010.
- Between 2010 and 2014, the market area is estimated to have added 204 people and 95 households for total growth of 0.6 percent and 0.7 percent, respectively. Annual average household growth was 24 households or 0.2 percent in the market area. Average annual growth between 2014 and 2017 in the market area is projected to be 71 people (0.2 percent) and 31 households (0.2 percent).
- Growth rates in the county are projected to be remain faster among both population and households during the same time period. Between 2014 and 2017, Spartanburg County is projected to add 6,289 people and 2,495 households. The annual rates of growth will be 0.7 percent for both population and households.

4. Demographic Trends

Reflecting its downtown location, the market area is younger, more likely to rent, and less affluent than the county as a whole.

- The median income in the market area was 33, compared to 38 in the county. While adults age 35–61 percent are the largest percentage in both areas, nearly 51 percent of the market area’s population is under the age of 35. The greatest disparity is among Young Adults age 20–34 as the market area’s 23 percent in this cohort is nearly four percentage points above the county.
- Market area households are evenly divided with roughly one-third represented in each households with children, households with at least two adults but no children, and single person households. Relative to the county, the market area has a higher percentage of single-person households and a smaller percentage of households with more than one person
- The Two Creeks Market Area has significantly more renters on a percentage basis than Spartanburg County with 2010 renter percentages of 51.2 percent in the market area and 30.2 percent in the county. Renter percentages are projected to increase in both areas, reaching 53.5 percent in the Two Creeks Market Area and 31.9 percent in Spartanburg County by 2017.
- One and two person households combined for 63.2 percent of all renter households in the Two Creeks Market Area and 60.7 percent in Spartanburg County in 2010. Three person households accounted for roughly 17 percent of the renter households in both areas. Large households with four or more people comprise 20 percent of the market area’s renter households compared to 22.5 percent in the county.
- Renter households in the market area include a range of householder age with 34.1 percent under 35, 34.5 percent age 35–54, and 31.4 percent age 55 and older. Relative to the county, the market area has a higher percentage of renter households under 25 and between 45 and 75 years.
- RPRG estimates that the 2014 median household income in the Two Creeks Market Area is \$28,825, 34.9 percent lower than the county-wide median of \$44,286.
- The market area’s median income by tenure is \$19,686 for renters and \$43,831 for owners. Among renter households. Over 60 percent of renter households earn less than \$25,000 including 40.3 percent less than \$15,000. Almost one-quarter (23.8 percent) of renter households earn \$25,000 to \$49,999.

5. Competitive Housing Analysis

The surveyed multi-family rental stock is performing well and includes 10 market rate and three LIHTC communities.

- Among the stabilized communities providing vacancy data, 20 of 773 units were reported vacant for a rate of 2.6 percent. Only two of 291 LIHTC units were reported vacant for a rate of 0.7 percent.
- Among the properties providing unit distributions and vacancy by floor plan, vacancy rates were 1.0 percent for one bedroom units, 3.3 percent for two bedroom units, and 7.1 percent for three bedroom units.
- The historic vacancy rate among all LIHTC communities was 3.44 percent for the second quarter of 2014 and 6.19 percent for the fourth quarter of 2014. The average occupancy rate for both quarters was 95.19 percent per SCSHFDA’s 2014 Public Analysis.
- Among the rental communities surveyed, net rents, unit sizes, and rents per square foot are as follows:



- **One bedroom** rents averaged \$634 for 721 square feet or \$0.88 per square foot. One bedroom rents range from \$408 to \$1,050.
- **Two bedroom** rents averaged \$697 for 916 square feet or \$0.76 per square foot. Two bedroom rents ranged from \$469 to \$1,275.
- **Three bedroom** rents averaged \$808 for 1,332 square feet or \$0.61 per square foot. Three bedroom rents ranged from \$558 to \$1,500.
- The estimated market rents for the units at Two Creeks Crossing are \$678 for one bedroom units and \$754 for two bedroom units. Rents advantages are at least 20 percent for all units and the weighted rent advantage is 27.18 percent.
- One LIHTC is under construction in the market area, but will have PBRA on all units and will not be directly comparable with the units at Two Creeks Crossing.

B. Affordability Analysis

1. Methodology

The Affordability Analysis tests the percent of income-qualified households in the market area that the subject community must capture in order to achieve full occupancy.

The first component of the Affordability Analyses involves looking at the total household income distribution and renter household income distribution among primary market area households for the target year of 2016. RPRG calculated the income distribution for both total households and renter households based on the relationship between owner and renter household incomes by income cohort from the 2009-2013 American Community Survey along with estimates and projected income growth as projected by Esri (Table 33).

A particular housing unit is typically said to be affordable to households that would be expending a certain percentage of their annual income or less on the expenses related to living in that unit. In the case of rental units, these expenses are generally of two types – monthly contract rents paid to landlords and payment of utility bills for which the tenant is responsible. The sum of the contract rent and utility bills is referred to as a household's 'gross rent burden'. For the Affordability Analyses, RPRG employs a 35 percent gross rent burden.

LIHTC units will target renter households earning up 50 percent and 60 percent of the Area Median Income (AMI), adjusted for household size. Maximum income limits are derived from 2015 income limits using the Spartanburg, SC MSA Median Income as computed by HUD and are based on average household sizes of 1.5 persons per bedroom.

Table 33 2016 Income Distribution by Tenure

Two Creeks Market Area		Total Households		Renter Households	
		#	%	#	%
less than	\$15,000	4,230	29.8%	3,058	40.5%
	\$15,000 - \$24,999	1,962	13.8%	1,418	18.8%
	\$25,000 - \$34,999	1,615	11.4%	931	12.3%
	\$35,000 - \$49,999	2,148	15.2%	904	12.0%
	\$50,000 - \$74,999	2,137	15.1%	810	10.7%
	\$75,000 - \$99,999	1,005	7.1%	259	3.4%
	\$100,000 - \$149,999	605	4.3%	116	1.5%
	\$150,000 - Over	475	3.4%	47	0.6%
Total		14,177	100%	7,544	100%
Median Income		\$30,551		\$20,030	

Source: American Community Survey 2009-2013 Projections, RPRG, Inc.

2. Affordability Analysis

The steps in the affordability analysis (Table 34) are as follows:

- Looking at the one bedroom units at 50 percent AMI, the overall average shelter cost at the proposed rent would be \$479 (\$412 net rent plus a \$67 allowance to cover all utilities except water/sewer and trash removal).
- By applying a 35 percent rent burden to this gross rent, we determined that a 50 percent one-bedroom unit would be affordable to households earning at least \$16,423 per year. A total of 9,668 households are projected to earn at least this amount in 2016.
- Based on an average household size of 1.5 persons per bedroom, the maximum income limit for a one bedroom unit at 50 percent of the AMI is \$19,175. According to the interpolated income distribution for 2016, 9,128 market area households will have incomes exceeding this 50 percent LIHTC income limit.
- Subtracting the 9,128 households with incomes above the maximum income limit from the 9,668 households that could afford to rent this unit, RPRG computes that 540 households in the market area will be within the band of affordability for the subject's one-bedroom units at 50 percent AMI.
- The subject property would need to capture 1.9 percent of these income-qualified households to absorb the ten proposed one-bedroom units at 50 percent AMI.
- RPRG next tested the range of qualified renter households and determined that 4,284 renter households can afford to rent a unit at the subject property. Of these, 3,893 have incomes above the maximum income of \$19,175. The net result is 390 renter households within the income band. To absorb the ten proposed one-bedroom units at 50 percent AMI, the subject property would need to capture 2.6 percent of income-qualified renter households.
- Using the same methodology, we determined the band of qualified households for remaining floor plan types and income levels offered in the community. We also computed the capture rates for all units. Renter capture rates for 60 percent units are 7.5 percent for one bedroom units and 1.4 percent for two bedroom units.
- The overall renter capture rates are 2.6 percent for 50 percent units, 4.1 percent for 60 percent units, and 3.7 percent for all units. As a small gap exists between the maximum 50 percent rent and the minimum 60 percent rent, the total income qualified households is the sum of the two income levels.



- All of these capture rates are within reasonable and achievable levels, indicating sufficient income qualified renter households exist in the Two Creeks Market Area to support the proposed units.

Table 34 Affordability Analysis for Two Creeks Crossing

50% Units	One Bedroom		Two Bedroom	
	Min.	Max.	Min.	Max.
Number of Units	10			
Net Rent	\$412			
Gross Rent	\$479			
% Income for Shelter	35%			
Income Range (Min, Max)	\$16,423	\$19,175		
Total Households				
Range of Qualified Hslds	9,668	9,128		
# Qualified Households	540			
Total HH Capture Rate	1.9%			
Renter Households				
Range of Qualified Hhlds	4,284	3,893		
# Qualified Hhlds	390			
Renter HH Capture Rate	2.6%			

60% Units	One Bedroom		Two Bedroom	
Number of Units	35		6	
Net Rent	\$508		\$602	
Gross Rent	\$575		\$690	
% Income for Shelter	35%		35%	
Income Range (Min, Max)	\$19,714	\$23,010	\$23,657	\$27,600
Total Households				
Range of Qualified Hslds	9,022	8,376	8,249	7,565
# Qualified Households	647		683	
Unit Total HH Capture Rate	5.4%		0.9%	
Renter Households				
Range of Qualified Hhlds	3,817	3,349	3,257	2,825
# Qualified Hhlds	467		433	
Renter HH Capture Rate	7.5%		1.4%	

Income Target	Units	All Households = 14,177					Renter Households = 7,544		
			Band of Qualified Hhlds	# Qualified HHs	Capture Rate	Band of Qualified Hhlds	# Qualified HHs	Capture Rate	
50% Units	10	Income Households	\$16,423 - \$19,175	540	1.9%	\$16,423 - \$19,175	390	2.6%	
60% Units	41	Income Households	\$19,714 - \$27,600	1,457	2.8%	\$19,714 - \$27,600	992	4.1%	
Total Units	51	Income Households	\$16,423 - \$27,600	2,103	2.4%	\$16,423 - \$27,600	1,382	3.7%	

Source: 2010 U.S. Census, Esri, Estimates, RPRG, Inc.

C. Derivation of Demand

1. Demand Methodology

The South Carolina State Housing Finance and Development Authority's LIHTC demand methodology for general occupancy communities consists of three components:

- The first component of demand is household growth. This number is the number of income qualified renter households projected to move into the Two Creeks Market Area between the base year of 2014 and estimated placed in service date of 2017.
- The second component of demand is income qualified renter households living in substandard households. "Substandard" is defined as having more than 1.01 persons per room and/or lacking complete plumbing facilities. According to 2009-2013 American Community Survey (ACS) data, 3.0 percent of the renter occupied units in the Two Creeks Market Area are "substandard" (Table 35).
- The third and final component of demand is cost burdened renters, which is defined as those renter households paying more than 35 percent of household income for housing costs. According to ACS data, 45.9 percent of Two Creeks Market Area renter households are categorized as cost burdened.

Table 35 Substandard and Cost Burdened Calculations, Two Creeks Market Area

Rent Cost Burden			Substandardness	
Total Households	#	%	Total Households	
Less than 10.0 percent	226	3.0%	Owner occupied:	
10.0 to 14.9 percent	379	5.1%	Complete plumbing facilities:	7,659
15.0 to 19.9 percent	721	9.6%	1.00 or less occupants per room	7,590
20.0 to 24.9 percent	771	10.3%	1.01 or more occupants per room	69
25.0 to 29.9 percent	838	11.2%	Lacking complete plumbing facilities:	37
30.0 to 34.9 percent	569	7.6%	Overcrowded or lacking plumbing	106
35.0 to 39.9 percent	466	6.2%	Renter occupied:	
40.0 to 49.9 percent	570	7.6%	Complete plumbing facilities:	7,454
50.0 percent or more	1,939	25.9%	1.00 or less occupants per room	7,267
Not computed	1,016	13.6%	1.01 or more occupants per room	187
Total	7,495	100.0%	Lacking complete plumbing facilities:	41
			Overcrowded or lacking plumbing	228
			Substandard Housing	334
			% Total Stock Substandard	2.2%
			% Rental Stock Substandard	3.0%
> 35% income on rent	2,975	45.9%		

Source: American Community Survey 2009-2013

2. Demand Analysis

Directly comparable units built or approved in the Two Creeks Market Area since the base year are subtracted from the demand estimates. Although they are not directly comparable due to PBRA, we have subtracted the similar units at Highland Crossing to be conservative. This community will have 16 one bedroom units and 32 two bedroom units.

The overall demand capture rates by AMI level are 5.2 percent for 50 percent units, 9.4 percent for 60 percent units, and 8.1 percent for the project as a whole. By floor plan, capture rates range from 3.3 percent to 16.5 percent. All capture rates are well within acceptable levels.

Table 36 Demand by AMI Level

<i>Income Target</i>	50% Units	60% Units	Total Units
<i>Minimum Income Limit</i>	\$16,423	\$19,714	\$16,423
<i>Maximum Income Limit</i>	\$19,175	\$27,600	\$27,600
<i>(A) Renter Income Qualification Percentage</i>	5.2%	13.1%	18.3%
Demand from New Renter Households <i>Calculation: (C-B) * A</i>	3	6	9
Plus			
Demand from Substandard Housing <i>Calculation: B * D * F * A</i>	12	30	41
Plus			
Demand from Rent Over-burdened Households <i>Calculation: B * E * F * A</i>	177	449	625
Equals			
Total PMA Demand	191	485	676
Less			
Comparable Units	0	48	48
Equals			
Net Demand	191	437	628
Proposed Units	10	41	51
Capture Rate	5.2%	9.4%	8.1%

Demand Calculation Inputs	
(B) 2014 HH	14,116
(C) 2017 HH	14,208
(D) ACS Substandard Percentage	3.0%
(E) ACS Rent Over-Burdened Percentage	45.9%
(F) 2014 Renter Percent	52.7%

Table 37 Demand by Floor Plan

One Bedroom Units	50% Units	60% Units
<i>Minimum Income Limit</i>	\$16,423	\$19,714
<i>Maximum Income Limit</i>	\$19,175	\$23,010
<i>Renter Income Qualification Percentage</i>	5.2%	6.2%
Total Demand	191	229
Supply	0	16
Net Demand	191	213
Units Proposed	10	35
Capture Rate	5.2%	16.5%

Two Bedroom Units	50% Units	60% Units
<i>Minimum Income Limit</i>		\$23,657
<i>Maximum Income Limit</i>		\$27,600
<i>Renter Income Qualification Percentage</i>		5.7%
Total Demand		212
Supply		32
Net Demand		180
Units Proposed		6
Capture Rate		3.3%

Demand by floor plan is based on gross demand multiplied by each floor plan's income qualification percentage.



D. Target Markets

For the purposes of this analysis, we have treated Two Creeks Crossing as a general occupancy community for demand and rent evaluation. As such, sufficient demand exists in the market area for 51 affordable rental units. The developer plans to market the proposed units to the special needs populations of veteran's and artist housing. We would expect the building design and downtown location would be attractive to both these special needs populations, detailed income data is not available for either. A secondary target market is likely to be senior renters given the downtown location and elevator building; a large percentage renter households in the market area are age 55 and older. Beyond these special needs target markets, the proposed one and two bedroom units are likely to attract small renter households drawn to the affordable rents and a downtown location.

E. Product Evaluation

Considered in the context of the competitive environment and in light of the planned development, the relative position of Two Creeks Crossing is as follows:

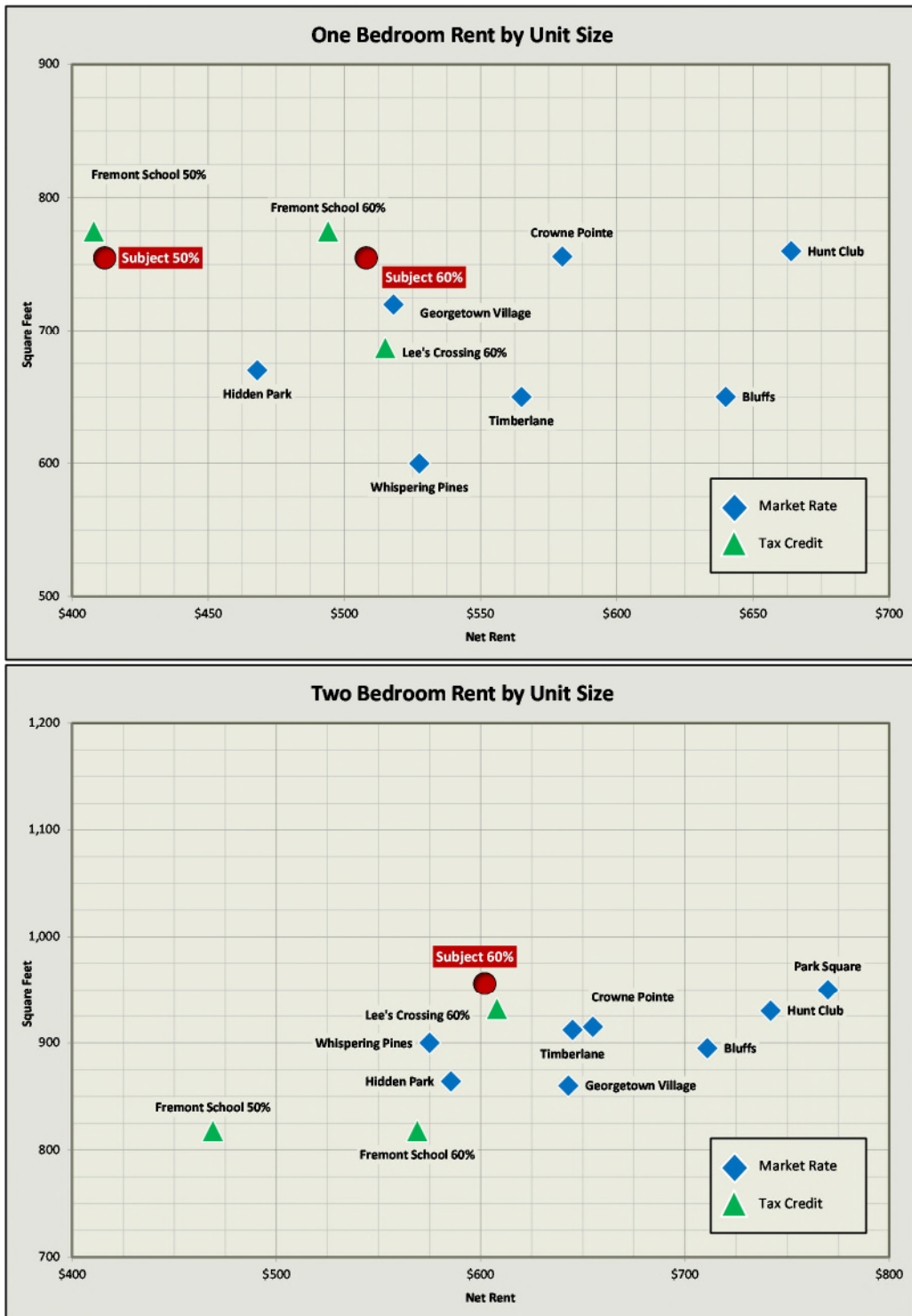
- **Site:** Two Creeks Crossing will be just west of downtown within walking distance of the central business district and many cultural attractions. The site will benefit from the proximity to community amenities and continued redevelopment of downtown Spartanburg. Negative land uses including railroad tracks and vacant buildings will be offset by the very low rents.
- **Unit Distribution:** The proposed unit mix includes 45 one-bedroom units and 6 two-bedroom units, both of which are common in the market area. While the distribution is more heavily weighted to one bedroom units, the total number of units is small and these units are appropriate for the market area. Over 60 percent of all renter households in the market area have one or two persons, including 37.3 percent single person households.
- **Unit Size:** The proposed unit sizes of 755 square feet for one bedroom units and 956 square feet for two bedroom units are larger than the average unit sizes in the market area of 721 square feet and 916 square feet, respectively. The proposed unit sizes are appropriate.
- **Unit Features:** The newly constructed units at the subject property will offer fully equipped kitchens with new energy star appliances (refrigerator with ice maker, range, garbage disposal, and dishwasher). Flooring will be a combination of wall-to-wall carpeting and hard surface flooring in the kitchen/bathrooms. In addition, all units will include washer/dryer connections, patios/balconies, central heat/air conditioning, and window blinds. The proposed unit features at Two Creeks Crossing will be competitive with the existing affordable rental stock in the market area.
- **Community Amenities:** Two Creeks Crossing's amenity package will include a community room, fitness center, on-site management, and areas for special needs services. These amenities are comparable with existing LIHTC communities.
- **Marketability:** The proposed units at Two Creeks Crossing will be well received in the market area. The proposed rents will be among the lowest in the market and appeal to a wide range of renter households, including the targeted special needs populations.

F. Price Position

As shown in Figure 6, the proposed rents at Two Creeks Crossing will be positioned in the lower half of the market area's rents and comparable with existing LIHTC units with larger than average units. These LIHTC rents are below most market rate communities. Figure 6 does not include the loft communities in the market area, which have rents several hundred dollars above the remainder of the surveyed rental communities.



Figure 6 Price Position of Two Creeks Crossing



G. Absorption Estimate

The only community in the market area to provide absorption history is a luxury market rate community still in lease up. Main Street lofts has leased roughly 10 units per month over the past 5 months.

In addition to the experience of existing communities, the absorption rate for Two Creeks Crossing is based on the following:

- The market area is stable with modest household growth projected over the next three years.
- The stabilized vacancy rate is 2.6 percent among all communities and 0.7 percent among LIHTC communities.
- Capture rates based on affordability and LIHTC demand are low and indicate sufficient demand to support the proposed units.

Based on the low vacancy rates among LIHTC communities, low proposed rents, acceptable capture rates, and increasing renter percentage, we estimate absorption of 10 units per month. At this pace, Two Creeks Crossing will reach stabilized occupancy (93 percent) within five months.

This does not reflect the enhanced demand available by the two targeted tenant bases; veterans and artists which might pull residents from outside the PMA.

H. Impact on Existing Market

Given the relatively small number of units, projected household growth, low existing vacancy rates, and projected increased demand for rental units, the construction of Two Creeks Crossing is not expected to have an adverse impact on existing rental communities in the Two Creeks Market Area. Overall, the rental market in the Two Creeks Market Area is performing well with limited vacancies and an aggregate LIHTC vacancy rate of 0.7 percent among 291 units.

I. Final Conclusion and Recommendation

Based on an analysis of household growth trends, overall affordability and demand estimates, current rental market conditions, and socio-economic and demographic characteristics of the Two Creeks Market Area, RPRG believes that the proposed Two Creeks Crossing will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent following entrance into the rental market. Given the product to be constructed, the subject property will be competitively positioned with existing market rate and LIHTC communities in the Two Creeks Market Area and the units will be well received by the target market. The targeted tenant bases may allow the project to pull from outside the market area, thus increasing demand beyond what is evident in the market. We recommend proceeding with the project as proposed.

A handwritten signature in black ink, appearing to read 'Tad Scepaniak'.

Tad Scepaniak
Principal



APPENDIX 1 UNDERLYING ASSUMPTION AND LIMITING CONDITIONS

In conducting the analysis, we will make the following assumptions, except as otherwise noted in our report:

1. There are no zoning, building, safety, environmental or other federal, state or local laws, regulations or codes which would prohibit or impair the development, marketing or operation of the subject project in the manner contemplated in our report, and the subject project will be developed, marketed, and operated in compliance with all applicable laws, regulations and codes.
2. No material changes will occur in (a) any federal, state or local law, regulation or code (including, without limitation, the Internal Revenue Code) affecting the subject project, or (b) any federal, state or local grant, financing or other program which is to be utilized in connection with the subject project.
3. The local, national, and international economies will not deteriorate, and there will be no significant changes in interest rates or in rates of inflation or deflation.
4. The subject project will be served by adequate transportation, utilities, and governmental facilities.
5. The subject project will not be subjected to any war, energy crisis, embargo, strike, earthquake, flood, fire or other casualty or act of God.
6. The subject project will be on the market at the time and with the product anticipated in our report, and at the price position specified in our report.
7. The subject project will be developed, marketed, and operated in a highly professional manner.
8. No projects will be developed which will be in competition with the subject project, except as set forth in our report.
9. There are no existing judgments nor any pending or threatened litigation, which could hinder the development, marketing, or operation of the subject project.



The analysis will be subject to the following limiting conditions, except as otherwise noted in our report:

1. The analysis contained in this report necessarily incorporates numerous estimates and assumptions with respect to property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates and the variations may be material.
2. Our absorption estimates are based on the assumption that the product recommendations set forth in our report will be followed without material deviation.
3. All estimates of future dollar amounts are based on the current value of the dollar, without any allowance for inflation or deflation.
4. We have no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal matters, environmental matters, architectural matters, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural, and other engineering matters.
5. Information, estimates and opinions contained in or referred to in our report, which we have obtained from sources outside of this office, are assumed to be reliable and have not been independently verified.
6. The conclusions and recommendations in our report are subject to these Underlying Assumptions and Limiting Conditions and to any additional assumptions or conditions set forth in the body of our report.



APPENDIX 2 ANALYST CERTIFICATIONS

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.

A handwritten signature in black ink, appearing to read 'Tad Scepaniak', is written over a horizontal line.

March 11, 2015

Tad Scepaniak
Principal
Real Property Research Group, Inc.

Date

Warning: Title 18 U.S.C. 1001, provides in part that whoever knowingly and willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry, in any manner in the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years or both.



APPENDIX 3 ANALYST RESUMES

ROBERT M. LEFENFELD

Mr. Lefenfeld is the Managing Principal of the firm with over 30 years of experience in the field of residential market research. Before founding Real Property Research Group in February, 2001, Bob served as an officer of research subsidiaries of the accounting firm of Reznick Fedder & Silverman and Legg Mason. Between 1998 and 2001, Bob was Managing Director of RF&S Realty Advisors, conducting market studies throughout the United States on rental and for sale projects. From 1987 to 1995, Bob served as Senior Vice President of Legg Mason Realty Group, managing the firm's consulting practice and serving as publisher of a Mid-Atlantic residential data service, Housing Market Profiles. Prior to joining Legg Mason, Bob spent ten years with the Baltimore Metropolitan Council as a housing economist. Bob also served as Research Director for Regency Homes between 1995 and 1998, analyzing markets throughout the Eastern United States and evaluating the company's active building operation.

Bob oversees the execution and completion of all of the firm's research assignments, ranging from a strategic assessment of new development and building opportunities throughout a region to the development and refinement of a particular product on a specific site. He combines extensive experience in the real estate industry with capabilities in database development and information management. Over the years, he has developed a series of information products and proprietary databases serving real estate professionals.

Bob has lectured and written extensively on the subject of residential real estate market analysis. He has served as a panel member, speaker, and lecturer at events held by the National Association of Homebuilders, the National Council on Seniors' Housing and various local homebuilder associations. Bob serves as a visiting professor for the Graduate Programs in Real Estate Development, School of Architecture, Planning and Preservation, University of Maryland College Park. He has served as National Chair of the National Council of Affordable Housing Market Analysts (NCAHMA) and is currently a board member of the Baltimore chapter of Lambda Alpha Land Economics Society.

Areas of Concentration:

Strategic Assessments: Mr. Lefenfeld has conducted numerous corridor analyses throughout the United States to assist building and real estate companies in evaluating development opportunities. Such analyses document demographic, economic, competitive, and proposed development activity by submarket and discuss opportunities for development.

Feasibility Analysis: Mr. Lefenfeld has conducted feasibility studies for various types of residential developments for builders and developers. Subjects for these analyses have included for-sale single-family and townhouse developments, age-restricted rental and for-sale developments, large multi-product PUDs, urban renovations and continuing care facilities for the elderly.

Information Products: Bob has developed a series of proprietary databases to assist clients in monitoring growth trends. Subjects of these databases have included for sale housing, pipeline information, and rental communities. Information compiled is committed to a Geographic Information System (GIS), facilitating the comprehensive integration of data.

Education:

Master of Urban and Regional Planning; The George Washington University.
Bachelor of Arts - Political Science; Northeastern University.

**TAD SCEPANIAK**

Tad Scepaniak directs the Atlanta office of Real Property Research Group and leads the firm's affordable housing practice. Tad directs the firm's efforts in the southeast and south central United States and has worked extensively in North Carolina, South Carolina, Georgia, Florida, Tennessee, Iowa, and Michigan. He specializes in the preparation of market feasibility studies for rental housing communities, including market-rate apartments developed under the HUD 221(d)(4) program and affordable housing built under the Low-Income Housing Tax Credit program. Along with work for developer clients, Tad is the key contact for research contracts with the North Carolina, South Carolina, Georgia, Michigan, and Iowa Housing Finance agencies. Tad is also responsible for development and implementation of many of the firm's automated systems.

Tad is Vice Chair of the National Council of Housing Market Analysts (NCHMA) and previously served as the Co-Chair of Standards Committee. He has taken a lead role in the development of the organization's Standard Definitions and Recommended Market Study Content, and he has authored and co-authored white papers on market areas, derivation of market rents, and selection of comparable properties. Tad is also a founding member of the Atlanta chapter of the Lambda Alpha Land Economics Society.

Areas of Concentration:

Low Income Tax Credit Rental Housing: Mr. Scepaniak has worked extensively with the Low Income Tax Credit program throughout the United States, with special emphasis on the Southeast and Mid-Atlantic regions.

Senior Housing: Mr. Scepaniak has conducted feasibility analysis for a variety of senior oriented rental housing. The majority of this work has been under the Low Income Tax Credit program; however his experience includes assisted living facilities and market rate senior rental communities.

Market Rate Rental Housing: Mr. Scepaniak has conducted various projects for developers of market rate rental housing. The studies produced for these developers are generally used to determine the rental housing needs of a specific submarket and to obtain financing.

Public Housing Authority Consultation: Tad has worked with Housing Authorities throughout the United States to document trends rental and for sale housing market trends to better understand redevelopment opportunities. He has completed studies examining development opportunities for housing authorities through the Choice Neighborhood Initiative or other programs in Florida, Georgia, North Carolina, South Carolina, Texas, and Tennessee.

Education:

Bachelor of Science – Marketing; Berry College – Rome, Georgia



9. APPENDIX 4 NCHMA CHECKLIST

Introduction: Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. By completion of this checklist, the analyst asserts that he/she has completed all required items per section.

		Page Number(s)
Executive Summary		
1	Executive Summary	1
Scope of Work		
2	Scope of Work	6
Project Description		
3	Unit mix including bedrooms, bathrooms, square footage, rents, and income targeting	9
4	Utilities (and utility sources) included in rent	9
5	Target market/population description	8
6	Project description including unit features and community amenities	9
7	Date of construction/preliminary completion	9
8	If rehabilitation, scope of work, existing rents, and existing vacancies	N/A
Location		
9	Concise description of the site and adjacent parcels	10
10	Site photos/maps	11, 12, 13
11	Map of community services	14
12	Site evaluation/neighborhood including visibility, accessibility, and crime	12- 14
Market Area		
13	PMA description	29
14	PMA MAP	30
Employment and Economy		
15	At-Place employment trends	23
16	Employment by sector	23
17	Unemployment rates	21
18	Area major employers/employment centers and proximity to site	23, 27
19	Recent or planned employment expansions/reductions	27
Demographic Characteristics		
20	Population and household estimates and projections	32
21	Area building permits	33
22	Population and household characteristics including income, tenure, and size	35-38
23	For senior or special needs projects, provide data specific to target market	N/A
Competitive Environment		
24	Comparable property profiles and photos	Appendix
25	Map of comparable properties	41
26	Existing rental housing evaluation including vacancy and rents	39-45
27	Comparison of subject property to comparable properties	44



28	Discussion of availability and cost of other affordable housing options including homeownership, if applicable	n/a
29	Rental communities under construction, approved, or proposed	48
30	For senior or special needs populations, provide data specific to target market	N/A
Affordability, Demand, and Penetration Rate Analysis		
31	Estimate of demand	58
32	Affordability analysis with capture rate	56
33	Penetration rate analysis with capture rate	N/A
Analysis/Conclusions		
34	Absorption rate and estimated stabilized occupancy for subject	61
35	Evaluation of proposed rent levels including estimate of market/achievable rents.	48
36	Precise statement of key conclusions	61
37	Market strengths and weaknesses impacting project	61
38	Recommendations and/or modification to project discussion	61
39	Discussion of subject property's impact on existing housing	61
40	Discussion of risks or other mitigating circumstances impacting project projection	61
41	Interviews with area housing stakeholders	6
Other Requirements		
42	Certifications	Appendix
43	Statement of qualifications	Appendix
44	Sources of data not otherwise identified	N/A



10. APPENDIX 5 MARKET AREA RENTAL COMMUNITY PROFILES

Bluffs

Multifamily Community Profile

100 Vanderbilt Lane
Spartanburg, SC

Community Type: Market Rate - General

Structure Type: Garden/TH

144 Units Occupancy data not currently available

Opened in 1985



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	33.3%	\$640	650	\$0.98	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	55.6%	\$711	895	\$0.79	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	11.1%	\$870	1,225	\$0.71	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units: Fireplace	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

Comments

Management refused occupancy information.

Floorplans (Published Rents as of 3/11/2015) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	48	\$625	650	\$0.96	Market	3/11/15	--	\$640	\$711	\$870
Garden	--	2	2	48	\$675	875	\$0.77	Market	6/12/13	--	\$552	\$643	\$857
Townhouse	--	2	1.5	32	\$715	925	\$0.77	Market	8/31/06	4.2%	\$490	\$591	\$710
Townhouse	--	3	2.5	16	\$845	1,225	\$0.69	Market	2/22/06	0.0%	\$473	\$574	\$693

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Church Street Lofts

Multifamily Community Profile

275 South Street Church St.
Spartanburg, SC 29306

Community Type: Market Rate - General

Structure Type: High Rise

88 Units 34.1% Vacant (30 units vacant) as of 3/24/2015

Last Major Rehab in 2013 Opened in 1950

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	75.0%	\$718	611	\$1.18	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	25.0%	\$888	827	\$1.07	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	--	--	--	Elevator: <input checked="" type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	
Features						
Standard: Dishwasher; Disposal; Microwave; Ice Maker; In Unit Laundry (Hooks); Central A/C; Stained Concrete						
Select Units: Patio/Balcony						
Optional(\$): --						
Security: Gated Entry; Patrol						
Parking 1: Free Surface Parking			Parking 2: --			
Fee: --			Fee: --			
Property Manager: --						
Owner: --						

Comments

SS appliances. Quartz countertops. Rooftop amenities: fitness room, pool, sundeck.

55' Flatscreen TV in each unit. 2 community officers live on property.

Utilities are only included w/ 12 month lease.

Floorplans (Published Rents as of 3/24/2015) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Soho / High Rise - Elevat	--	Eff	1	44	\$685	566	\$1.21	Market	3/24/15*	34.1%	\$888	--	--
Midtown / High Rise - Ele	--	Eff	1	22	\$785	702	\$1.12	Market	* Indicates initial lease-up.				
Sunset / High Rise - Elev	Patio/Balcony	1	1	22	\$948	827	\$1.15	Market					

Adjustments to Rent

Incentives:

Reduced rent for 1BR

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Crowne Pointe

Multifamily Community Profile

201 Powell Mill Rd
Spartanburg, SC

Community Type: Market Rate - General

Structure Type: Garden

241 Units Occupancy data not currently available

Opened in 1975



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$580	756	\$0.77	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	--	\$655	915	\$0.72	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	\$724	1,098	\$0.66	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input checked="" type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager:	--
Owner:	--

Comments

1 bedroom's do not have washer and dryer hook-ups.
Management refused occupancy information.

Floorplans (Published Rents as of 3/10/2015) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$565	756	\$.75	Market	3/10/15	--	\$580	\$655	\$724
Garden	--	2	1	--	\$615	915	\$.67	Market	7/3/13	3.7%	\$493	\$578	\$653
Garden	--	2	2	--	\$645	915	\$.70	Market	3/25/08	2.1%	\$474	\$569	\$615
Garden	--	2	2	--	\$645	915	\$.70	Market					
Garden	--	3	2	--	\$699	1,098	\$.64	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Fremont School

Multifamily Community Profile

600 Magnolia St
Spartanburg, SC

Community Type: LIHTC - General

Structure Type: Adaptive Reuse

46 Units 4.3% Vacant (2 units vacant) as of 3/20/2015

Opened in 2004



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	\$390	391	\$1.00	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	--	\$451	775	\$0.58	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$519	818	\$0.63	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Central A/C; HighCeilings; Storage (In Unit)	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager:	--
Owner:	--

Comments

Vacancy: 2-2BR.

10 Studios, 22-1 bedrooms, 14-2 bedrooms

Floorplans (Published Rents as of 3/20/2015) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Reuse	--	Eff	1	--	\$478	391	\$1.22	LIHTC/ 50%	3/20/15	4.3%	\$451	\$519	--
Reuse	--	Eff	1	--	\$478	391	\$1.22	LIHTC/ 60%	7/10/13	6.5%	\$429	\$486	--
Reuse	--	1	1	--	\$513	775	\$.66	LIHTC/ 50%	3/25/08	2.2%	\$370	\$453	--
Reuse	--	1	1	--	\$599	775	\$.77	LIHTC/ 60%					
Reuse	--	2	1	--	\$599	818	\$.73	LIHTC/ 50%					
Reuse	--	2	1	--	\$699	818	\$.85	LIHTC/ 60%					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Fremont School

SC083-010883

Georgetown Village

Multifamily Community Profile

1421 John B White Sr. Blvd
Spartanburg, SC

Community Type: Market Rate - General

Structure Type: 2-Story Townhouse

74 Units 2.7% Vacant (2 units vacant) as of 3/11/2015

Opened in 1968



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	10.8%	\$518	720	\$0.72	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	78.4%	\$643	860	\$0.75	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	10.8%	\$744	1,100	\$0.68	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Central A/C; Patio/Balcony	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

Comments

Vacancy: 1-2BR, 1-3BR.

Floorplans (Published Rents as of 3/11/2015) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	1	1.5	8	\$525	720	\$0.73	Market	3/11/15	2.7%	\$518	\$643	\$744
Townhouse	--	2	1.5	58	\$650	860	\$0.76	Market	7/3/13	4.1%	\$507	\$580	\$700
Townhouse	--	3	1.5	8	\$750	1,100	\$0.68	Market	3/25/08	16.2%	\$473	\$553	\$683

Adjustments to Rent

Incentives:
1/2 mo off

Utilities in Rent: Heat Fuel: Natural Gas

Heat: Cooking: Wtr/Swr:
Hot Water: Electricity: Trash:

Hidden Park

Multifamily Community Profile

320 Spruce St.
Spartanburg, SC

CommunityType: Market Rate - General

Structure Type: Garden

100 Units 3.0% Vacant (3 units vacant) as of 3/11/2015

Opened in 1975



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt		
Eff	--	--	--	--	Clubhouse:	<input type="checkbox"/> Pool-Outdr:
One	--	\$468	670	\$0.70	Comm Rm:	<input type="checkbox"/> Basketball:
One/Den	--	--	--	--	Centrl Lndry:	<input checked="" type="checkbox"/> Tennis:
Two	--	\$586	864	\$0.68	Elevator:	<input type="checkbox"/> Volleyball:
Two/Den	--	--	--	--	Fitness:	<input type="checkbox"/> CarWash:
Three	--	\$579	991	\$0.58	Hot Tub:	<input type="checkbox"/> BusinessCtr:
Four+	--	--	--	--	Sauna:	<input type="checkbox"/> ComputerCtr:
					Playground:	<input checked="" type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; Central A/C	
Select Units: Ceiling Fan	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

Comments

Vacancy: 1-1BR, 1-2BR, 1-3BR.

Floorplans (Published Rents as of 3/11/2015) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$468	670	\$0.70	Market	3/11/15	3.0%	\$468	\$586	\$579
Garden	--	2	1	--	\$586	864	\$0.68	Market	6/12/13	4.0%	\$446	\$522	\$583
Garden	--	3	1.5	--	\$579	991	\$0.58	Market					

Adjustments to Rent

Incentives:

Daily Pricing - Yieldstar

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Hidden Park

SC083-019144

Hunt Club

Multifamily Community Profile

1000 Hunt Club Ln
Spartanburg, SC

CommunityType: Market Rate - General

Structure Type: Garden

204 Units 2.9% Vacant (6 units vacant) as of 3/10/2015

Opened in 1986



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	37.3%	\$664	760	\$0.87	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	62.7%	\$742	930	\$0.80	Elevator: <input type="checkbox"/>	Volleyball: <input checked="" type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input checked="" type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units: Fireplace	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

Comments

Vacancy: 1-1BR, 4-2BR/2BA, 1-2BR/1BA.

Floorplans (Published Rents as of 3/10/2015) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	76	\$649	760	\$.85	Market	3/10/15	2.9%	\$664	\$742	--
Garden	--	2	1	64	\$712	872	\$.82	Market	7/3/13	4.9%	\$724	\$790	--
Garden	--	2	2	64	\$732	988	\$.74	Market	3/25/08	5.9%	\$624	\$664	--
									8/31/06	1.0%	\$594	\$654	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Hunt Club

SC083-008532

Lee's Crossing

Multifamily Community Profile

100 Lee's Crossing Dr.
Spartanburg, SC

CommunityType: LIHTC - General

Structure Type: Garden

192 Units 0.0% Vacant (0 units vacant) as of 3/10/2015

Opened in 2010



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$515	687	\$0.75	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$608	932	\$0.65	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	--	\$693	1,107	\$0.63	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ice Maker; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; HighCeilings; Storage (In Unit)	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$50
Property Manager: --	
Owner: --	

Comments

Wait list.

Floorplans (Published Rents as of 3/10/2015) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$515	687	\$.75	LIHTC/ 60%	3/10/15	0.0%	\$515	\$608	\$693
Garden	--	2	2	--	\$608	932	\$.65	LIHTC/ 60%	7/3/13	6.8%	\$515	\$610	\$700
Garden	--	3	2	--	\$693	1,107	\$.63	LIHTC/ 60%					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Magnolia Lofts

Multifamily Community Profile

249 Magnolia St.
Spartanburg, SC

Community Type: Market Rate - General

Structure Type: Mid Rise

27 Units 7.4% Vacant (2 units vacant) as of 3/11/2015

Opened in 2013



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	\$750	400	\$1.88	<input type="checkbox"/>	<input type="checkbox"/>
One	--	\$1,050	750	\$1.40	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; HighCeilings	
Select Units: --	
Optional(\$): --	
Security: Keyed Bldg Entry	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

Comments

Opened in April 2013 and is currently in lease-up.

Vacancy: 2-Eff units.

Floorplans (Published Rents as of 3/11/2015) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Mid Rise	Loft	Eff	1	--	\$750	400	\$1.88	Market	3/11/15	7.4%	\$1,050	--	--
Mid Rise	Loft	1	1	--	\$1,050	750	\$1.40	Market	7/9/13*	51.9%	\$1,150	--	--

* Indicates initial lease-up.

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Palmetto Lofts

Multifamily Community Profile

100 E Main St.
Spartanburg, SC 29306

CommunityType: Market Rate - General
Structure Type: 3-Story Adaptive Reuse

21 Units 0.0% Vacant (0 units vacant) as of 3/11/2015

Opened in 2007



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	81.0%	\$1,025	875	\$1.17	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	14.3%	\$1,275	1,150	\$1.11	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	4.8%	\$1,500	2,887	\$0.52	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	
					<input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; HighCeilings	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: MidSouth Mgt. Co. Owner: --	

Comments

Off-street parking.
Wait list: approx 5hhlds.
Alt phone #: 864-641-7282

Floorplans (Published Rents as of 3/11/2015) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Mid Rise - Elevator	--	1	1	17	\$1,025	875	\$1.17	Market	3/11/15	0.0%	\$1,025	\$1,275	\$1,500
Mid Rise - Elevator	--	2	2	3	\$1,275	1,150	\$1.11	Market	2/11/15	0.0%	\$1,025	\$1,300	\$1,500
Mid Rise - Elevator	--	3	2	1	\$1,500	2,887	\$.52	Market	11/17/14	4.8%	\$1,000	\$1,200	\$1,500
									10/22/14	4.8%	\$1,003	\$1,300	\$1,500

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Park Square

Multifamily Community Profile

1480 W.O. Ezell Blvd.
Spartanburg, SC

Community Type: Market Rate - General

Structure Type: Garden

64 Units 7.8% Vacant (5 units vacant) as of 3/11/2015

Opened in 1968



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	--	--	--	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$770	950	\$0.81	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	\$875	1,150	\$0.76	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Storage (In Unit)	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager:	--
Owner:	--

Comments

Vacancy: 5-2BR.

Floorplans (Published Rents as of 3/11/2015) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	--	\$750	950	\$0.79	Market	3/11/15	7.8%	--	\$770	\$875
Garden	--	3	2	--	\$850	1,150	\$0.74	Market	7/3/13	6.3%	--	\$735	\$840

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Summer Place

Multifamily Community Profile

461 Alma Byrd Ln.
Spartanburg, SC

Community Type: LIHTC - General

Structure Type: Duplex

53 Units 0.0% Vacant (0 units vacant) as of 3/20/2015

Opened in 2006

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	100.0%	\$640	1,284	\$0.50	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: --	
Owner: --	

Comments

Short wait list.

Floorplans (Published Rents as of 3/20/2015) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Duplex	--	3	2.5	14	\$533	1,284	\$.42	LIHTC/ 50%	3/20/15	0.0%	--	--	\$640
Duplex	--	3	2.5	39	\$645	1,284	\$.50	LIHTC/ 60%	7/3/13	0.0%	--	--	\$640

Date	%Vac	1BR \$	2BR \$	3BR \$
3/20/15	0.0%	--	--	\$640
7/3/13	0.0%	--	--	\$640

Adjustments to Rent

Incentives:
None

Utilities in Rent: Heat Fuel: Electric
 Heat: Cooking: Wtr/Swr:
 Hot Water: Electricity: Trash:

Summer Place

SC083-019224

Timberlane

Multifamily Community Profile

106 Kensington Dr
Spartanburg, SC

Community Type: Market Rate - General

Structure Type: Garden

92 Units 3.3% Vacant (3 units vacant) as of 3/11/2015

Opened in 1996



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	19.6%	\$565	650	\$0.87	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	58.7%	\$645	912	\$0.71	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	21.7%	\$775	1,185	\$0.65	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units: Fireplace	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

Comments

Vacancy: 2-2BR, 1-3BR.

Floorplans (Published Rents as of 3/11/2015) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	18	\$550	650	\$.85	Market	3/11/15	3.3%	\$565	\$645	\$775
Garden	--	2	2	54	\$625	912	\$.69	Market	7/3/13	3.3%	\$515	\$618	\$725
Garden	--	3	2	20	\$750	1,185	\$.63	Market	3/25/08	8.7%	\$490	\$595	\$700
									8/31/06	1.1%	\$515	\$620	\$725

Adjustments to Rent	
Incentives: None	
Utilities in Rent:	Heat Fuel: Electric
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

Timberlane

SC083-008524

Whispering Pines

Multifamily Community Profile

408 Abner Rd
Spartanburg, SC

Community Type: Market Rate - General

Structure Type: Garden

320 Units

Occupancy data not currently available

Opened in 1978



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$528	600	\$0.88	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	--	\$575	900	\$0.64	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	\$675	1,000	\$0.68	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager:	--
Owner:	--

Comments

Management refused occupancy information.

Floorplans (Published Rents as of 3/10/2015) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$513	600	\$.85	Market	3/10/15	--	\$528	\$575	\$675
Garden	--	2	2	--	\$555	900	\$.62	Market	7/3/13	--	\$482	\$502	\$577
Garden	--	3	2	--	\$650	1,000	\$.65	Market	3/25/08	--	\$435	\$515	\$555

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash: