



Shaw Research & Consulting

Real Estate Analysis & Market Feasibility Services

**A SENIOR RENTAL HOUSING
MARKET FEASIBILITY ANALYSIS
FOR
SUMMERVILLE, SOUTH CAROLINA
*(Dorchester County)***

The Villas at Oakbrook

*Northwest corner of Ladson Road and Old Trolley Road
Summerville, South Carolina 29485*

March 1, 2016

Prepared for:

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CERTIFICATE OF ACCURACY AND RELIABILITY

I hereby attest that this market study has been completed by an independent third-party market consultant with no fees received contingent upon the funding of this proposal. Furthermore, information contained within the following report obtained through other sources is considered to be trustworthy and reliable. As such, Shaw Research and Consulting does not guarantee the data nor assume any liability for any errors in fact, analysis, or judgment resulting from the use of this data.



Steven R. Shaw
SHAW RESEARCH & CONSULTING, LLC

Date: March 1, 2016

INTRODUCTION

Shaw Research & Consulting, LLC has prepared the following rental housing study to examine and analyze the Summerville area as it pertains to the market feasibility of The Villas at Oakbrook Apartments, a proposed 42-unit affordable rental housing development targeted for low-income senior households 55 years and older. The subject proposal is to be located in the southeastern portion of Summerville at the northwest corner of Ladson Road and Old Trolley Road, approximately one-eighth mile south of Dorchester Road (NC 642). The site, which is approximately five miles south of Interstate 26, is situated within a neighborhood with a mix of commercial and retail properties, undeveloped wooded land, and residential usages to a lesser extent.

The purpose of this report is to analyze the market feasibility of the subject proposal based on the project specifications and site location presented in the following section. Findings and conclusions will be based through an analytic evaluation of demographic trends, recent economic patterns, existing rental housing conditions, detailed fieldwork and site visit, and a demand forecast for rental housing within the Summerville market area. All fieldwork and community data collection was conducted on February 22, 2016 by Steven Shaw. A phone survey of existing rental developments identified within the PMA, as well as site visits to those properties deemed most comparable to the subject, was also reviewed to further measure the potential market depth for the subject proposal.

This study assumes Low Income Housing Tax Credits (LIHTC) will be utilized in the development of the subject rental facility, along with the associated rent and income restrictions obtained from the South Carolina State Housing Finance and Development Authority (SCSHFDA). As a result, the proposed The Villas at Oakbrook will feature a total of 42 units (six one-bedroom units and 36 two-bedroom units) restricted to senior households at 50 percent and 60 percent of the area median income (AMI). Furthermore, there are no unrestricted (market rate) or project-based rental assistance (PBRA) units proposed within the subject development.

EXECUTIVE SUMMARY

Based on the information collected and presented within this report, sufficient evidence has been introduced for the successful introduction and absorption of the subject proposal, as described in the following project description, within the Summerville market area. As such, the following summary highlights the key findings and conclusions reached from this information:

- 1) The subject proposal is a 42-unit senior-only rental development targeting low-income senior households. The facility will consist of a mix of one and two bedroom units restricted to households at 50 and 60 percent of AMI.
- 2) Demand estimates for the proposed development show sufficient statistical support for the introduction and absorption of additional rental units within the Summerville PMA. Capture rates are presented in Exhibit S-2 (following the executive summary), and are reflective of the need for affordable rental housing locally.
- 3) Occupancy rates for affordable rental housing are quite positive throughout the Summerville market area at the current time. As such, an overall occupancy rate of 99.3 percent was calculated among nine LIHTC properties (six senior and three family) included in a February 2016 survey of rental developments identified and contacted within or near the PMA.
- 4) There are no senior tax credit developments within the defined PMA. However, considering the six most comparable senior tax credit developments within the area (including Goose Creek, North Charleston, and Charleston), a combined occupancy rate of 98.9 percent was determined along with each property reporting to be maintaining a long waiting list – providing a clear indication of the demand and need for affordable senior rental options locally.
- 5) Based on U.S. Census figures and ESRI forecasts, demographic patterns throughout the Summerville area have been quite positive since 2000. As such, the senior population (55 and over) within the PMA increased by 23 percent between 2010 and 2015, representing more than 6,250 additional senior residents during this time. Further, future projections indicate these gains will continue, with an additional increase of 18 percent anticipated between 2015 and 2020.
- 6) Considering the subject's proposed targeting, affordable rental rates, and competitive unit sizes and development features, the introduction of The Villas at Oakbrook should prove successful. Based on positive demographic patterns, and relatively high occupancy levels throughout the local rental stock, especially among senior properties, a newly constructed senior-only rental option would undoubtedly be successful within the Summerville PMA. As such, evidence presented within the market study suggests a normal lease-up period (between five and seven months) should be anticipated based on project characteristics as proposed. Furthermore, the development of the subject proposal will not have any adverse effect on any other existing rental property – either affordable or market rate.

2016 EXHIBIT S - 2 SCSHFD A PRIMARY MARKET AREA ANALYSIS SUMMARY:

Development Name:	<u>THE VILLAS AT OAKBROOK</u>	Total # Units:	<u>42</u>
Location:	<u>5010 Ladson Road</u>	# LIHTC Units:	<u>42</u>
PMA Boundary:	<u>North=Mallard Rd/Jedburg Rd; South=Ashley-Phosphate Rd; East=College Park Rd/U.S. 26; West=Central Ave/Dorchester Creek/Ashley River</u>		
Development Type:	<u>Family</u> <u>55+</u> <u>Older Persons</u>	Farthest Boundary Distance to Subject:	<u>6 Miles</u>

RENTAL HOUSING STOCK (found on page 57)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	20	2,473	79	96.8%
Market-Rate Housing	8	1,750	75	95.7%
Assisted/Subsidized Housing not to include LIHTC	3	176	0	100.0%
LIHTC (All that are stabilized)*	9	547	4	99.3%
Stabilized Comps**	9	547	4	99.3%
Non-stabilized Comps	0	0	0	NA

*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
2	1 BR	1.0	810	\$440	\$844	\$1.08	47.9%	\$965	\$1.32
4	1 BR	1.0	810	\$550	\$844	\$1.08	34.9%	\$965	\$1.32
9	2 BR	2.0	966	\$510	\$958	\$0.89	46.8%	\$1,180	\$1.05
27	2 BR	2.0	966	\$620	\$958	\$0.89	35.3%	\$1,180	\$1.05
0	3 BR	--	--	--	--	--	--	--	--
0	3 BR	--	--	--	--	--	--	--	--
Gross Potential Rent Monthly*				\$24,410	\$39,560		38.30%		

*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 35)

	2010		2015		2018	
Renter Households	3,090	18.2%	3,717	18.2%	4,094	18.2%
Income-Qualified Renter HHs (LIHTC)	673	21.8%	810	21.8%	892	21.8%
Income-Qualified Renter HHs (MR)	--	--	--	--	--	--

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 51)

Type of Demand	50%	60%	Market Rate	Other:	Other:	Overall
Renter Household Growth	63	61	--			82
Existing Households (Overburd + Substand)	247	237	--			319
Homeowner Conversion (Seniors)	26	30	--			38
Other:	--	--	--			--
Less Comparable/Competitive Supply	0	0	--			0
Net Income-Qualified Renter HHs	337	328	0	0	0	439

CAPTURE RATES (found on page 51)

Targeted Population	50%	60%	Market Rate	Other:	Other:	Overall
Capture Rate	3.3%	9.5%				9.6%

ABSORPTION RATE (found on page 53)

Absorption Period:	<u>5 to 7</u> months
--------------------	----------------------

2016 S-2 RENT CALCULATION WORKSHEET						
# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Potential Tenant Rent	Adjusted Market Rent	Gross Potential Market Rent	Tax Credit Gross Rent Advantage
0	0 BR		\$0		\$0	
0	0 BR		\$0		\$0	
0	0 BR		\$0		\$0	
2	1 BR	\$440	\$880	\$844	\$1,689	
4	1 BR	\$550	\$2,200	\$844	\$3,377	
0	1 BR		\$0		\$0	
9	2 BR	\$510	\$4,590	\$958	\$8,624	
27	2 BR	\$620	\$16,740	\$958	\$25,871	
0	2 BR		\$0		\$0	
0	3 BR		\$0		\$0	
0	3 BR		\$0		\$0	
0	3 BR		\$0		\$0	
0	4 BR		\$0		\$0	
0	4 BR		\$0		\$0	
0	4 BR		\$0		\$0	
Totals	42		\$24,410		\$39,560	38.30%

A. PROJECT DESCRIPTION

According to project information supplied by the sponsor of the subject proposal, the analysis presented within this report is based on the following development configuration and assumptions:

Project Name: THE VILLAS AT OAKBROOK Project Address: 5010 Ladson Road Project City: Summerville, South Carolina County: Dorchester County Total Units: 42 Occupancy Type: Older Persons (55+) Construction Type: New Construction Income Targeting*: Overall - \$15,510 to \$30,240 50% AMI - \$15,510 to \$25,200 60% AMI - \$18,810 to \$30,240									
Targeting/Mix	Number of Units	Unit Type	Number of Baths	Average Square Feet	Contract Rent	Utility Allow.	Gross Rent	Max. LIHTC Rent*	Incl. PBRA
One-Bedroom Units	6								
50% of Area Median Income	2	Apt	1.0	810	\$440	\$77	\$517	\$590	No
60% of Area Median Income	4	Apt	1.0	810	\$550	\$77	\$627	\$708	No
Two-Bedroom Units	36								
50% of Area Median Income	9	Apt	2.0	966	\$510	\$103	\$613	\$708	No
60% of Area Median Income	27	Apt	2.0	966	\$620	\$103	\$723	\$850	No

*Maximum LIHTC Rents and Income Limits are based on 2015 Income & Rent Limits (effective 3/6/2015) obtained from SCSHFDA website (www.schousing.com).

Project Description:

Development Location.....Summerville, South Carolina
 Construction Type.....New construction
 Occupancy TypeOlder Persons (*55 years and over*)
 Target Income Group.....100% LIHTC (*50% and 60% AMI*)
 Special Population GroupN/A
 Number of Units by Unit TypeSee previous page
 Unit SizesSee previous page
 Rents and Utility InformationSee previous page
 Proposed Rental Assistance (PBRA)None

Project Size:

Total Development Size.....42 units
 Number of Affordable Units.....42 units
 Number of Market Rate Units.....0 units
 Number of PBRA Units.....0 units
 Number of Employee Units0 units

Development Characteristics:

Number of Total Units42 units
 Number of Garden Apartments.....42 units
 Number of Townhouses0 units
 Number of Residential Buildings.....1 (*maximum three stories*)
 Number of Community Buildings0
 Exterior Construction.....Minimum 70% Brick

Unit Amenities:

- Frost Free Refrigerator
- Oven/Range
- Dishwasher
- Garbage Disposal
- Microwave
- Washer/Dryer Hook-Up
- Mini-Blinds/Vertical Blinds
- Central Air Conditioning
- Walk-In Closet
- In-Unit Emergency Call System

Development Amenities:

- Multi-Purpose Room w/ Kitchenette
- Equipped Computer Center
- Equipped Exercise Room
- On-Site Management Office
- On-Site Laundry Facility
- Elevator
- Covered Gazebo w/ Picnic Tables

Additional Assumptions:

- Water, sewer, and trash removal will be included in the rent. Electricity (including electric heat pump), cable television, internet access, and telephone charges will be paid by the tenant;
- Market entry is scheduled for late 2017/early 2018;

B. SITE DESCRIPTION

1. Site Visit Date

All fieldwork and community data collection was conducted on February 22, 2016 by Steven Shaw.

2. Site Neighborhood and Overview

The subject property is located within the southeastern portion of Summerville at the northwest corner of Ladson Road and Old Trolley Road, less than one-eighth mile south of Dorchester Road (NC 642). Overall characteristics of the immediate neighborhood are somewhat mixed, with retail/commercial properties adjacent to the north of the site, a family-oriented apartment development (Colonial Village at Waters Edge) is adjacent to the east, and undeveloped densely wooded property can be found adjacent to the south and west. The intersection of Ladson Road, Old Trolley Road, and Dorchester Road is largely commercial and retail, consisting of a mix of older and newer structures. Retail/commercial adjacent to the site include Aldi grocery store, Big Lots, Lady's Choice Fitness Center, and several restaurants (including McDonalds, Waffle House, and Hardee's) – with most in good condition. Furthermore, the apartment facility adjacent to the east is also in good condition.

The subject property consists of approximately 2.4 acres of undeveloped, moderately wooded property. Situated within Census Tract 108.08 of Dorchester County, the property is currently zoned as B-3 (General Business) - which allows for the development of multi-family units upon site plan approval. Based on current usages, zoning throughout the neighborhood should not impede or negatively affect the viability of the subject proposal. As such, adjacent land usage is as follows:

- North:** Retail/Commercial (*in good condition*)
- South:** Old Trolley Road/Undeveloped, densely wooded property
- West:** Old Trolley Road/Undeveloped, densely wooded property
- East:** Ladson Road/Apartments (*in good condition*)

The subject property's location is just south of a substantial retail area, which branches out along Dorchester Road, Old Trolley Road, and Ladson Road. The site is situated along a seemingly quiet and lightly-traveled secondary residential street, and provides a generally positive curb appeal with most nearby properties (commercial/retail or otherwise) in fair to good

condition. Although Dorchester Road is a relatively highly-traveled five-lane divided roadway, no significant traffic congestion was apparent along Ladson Road or Old Trolley Road south of Dorchester Road. Although the site will have only limited visibility from a well-traveled roadway, its location near Dorchester Road provides abundant retail opportunities for tenants, and should be considered a positive attribute and suitable for senior multi-family housing.

3. Nearby Retail

As previously stated, the subject property is situated near one of the foremost retail corridors within the southern portion of Summerville. In addition to an Aldi Grocery and Big Lots located adjacent to the site, several additional retail opportunities can be found within ½ mile of the site - including the Oakbrook Square shopping store (with the Community Thrift Store and several other services), Walgreens, Dollar General, Kmart, and Walmart Supercenter. Dorchester Road east of Ladson Road is becoming increasingly developed, with a Walmart Supercenter (approximately ½ mile from the site) and the Corner at Wescott shopping center constructed in recent years. Additional nearby concentrations are located north of the site along Ladson Road (with a Kmart less than ½ mile away) and Old Trolley Road (with two shopping centers within 1¼ miles).

4. Medical Offices and Hospitals

Numerous medical services and physician offices can be found throughout the immediate area as well. The nearest full-service hospital to the site is the Summerville Medical Center (a 94-bed, acute-care hospital with a 24-hour emergency room and comprehensive medical services), located approximately 1¼ miles to the north along Midland Parkway, just west of Ladson Road. An urgent care is situated along Dorchester Road just west of Old Trolley Road (less than ¼ mile from the site), while several physician offices and medical/specialty clinics can be found within 1½ miles of the subject property.

5. Other PMA Services

Additional services of note within the market area include a library, YMCA, and several parks, most of which are a short drive from the subject property. In addition, the Dorchester Senior Center can be found near downtown Summerville (approximately six miles northwest of the site), offering activities and various services for area seniors. Scheduled, fixed-route bus/transit services are provided locally through the Charleston Area Regional Transportation Authority (CARTA), which offers service from Summerville to other areas of the greater Charleston metropolitan area. While the nearest bus stop to the site is at the corner of Dorchester Road and Old Trolley Road, service only extends east along Dorchester Road to Charleston and not to downtown Summerville. TriCounty Link also provides transit services throughout Berkeley, Charleston, and Dorchester Counties, although no bus stops are located near the site.

The following identifies pertinent locations and features within the Summerville market area, and can be found on the following map by the number next to the corresponding description (*all distances are estimated by paved roadway*):

Retail

1. Oakbrook Square shopping center0.1 mile north
(includes Community Thrift Store, Expressions Hair Salon, Davis Cleaners, Liberty Tax, and Bingo)
2. Walgreens0.1 mile north
3. Aldi Groceryadjacent to north
4. Big Lots.....adjacent to north
5. Dollar General.....0.2 miles northwest
6. Kmart0.4 miles north
7. Walmart Supercenter0.5 miles east
8. Corner at Wescott shopping center1.8 miles southeast
(includes Harris Teeter grocery, Marshall's, Rack Room Shoes, Pet Supplies Plus, Gold Crown Hallmark, and Great Clips)
9. Publix Supermarket and Pharmacy1.1 miles north
10. Trolley Square shopping center1.2 miles north
(includes CVS/Pharmacy, Dairy Queen, Great Clips, Curves for Women, #1 Nails, and Ever So Sweet Bakery)
11. Dollar General.....2.2 miles north
12. Food Lion/Family Dollar2.6 miles north
13. Walmart Neighborhood Mark.....2.8 miles north

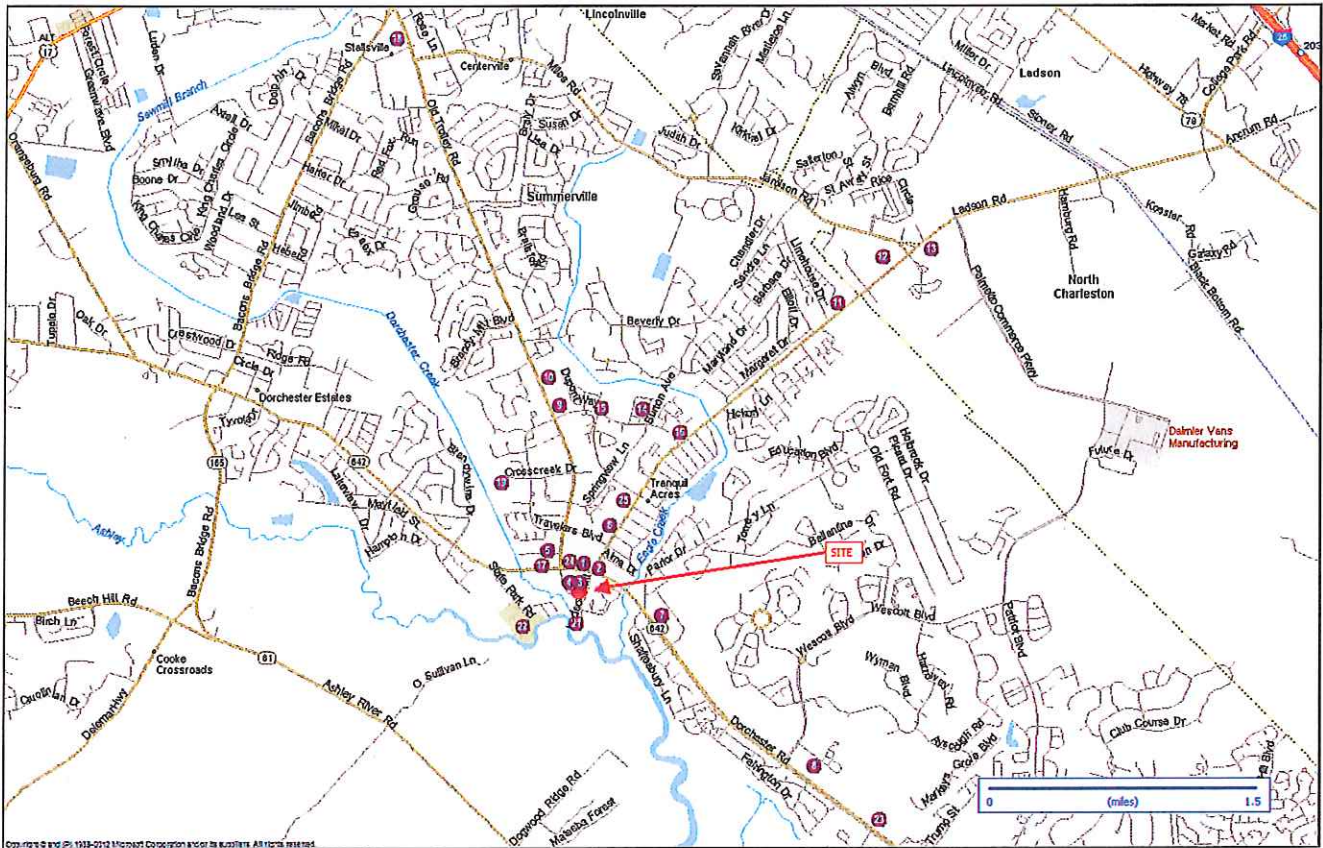
Medical

14. Summerville Medical Center1.2 miles north
15. Palmetto Wellness Center1.4 miles north
16. Nason Medical Urgent Care.....1.0 mile north
17. Doctor's Care Urgent Care0.2 miles northwest

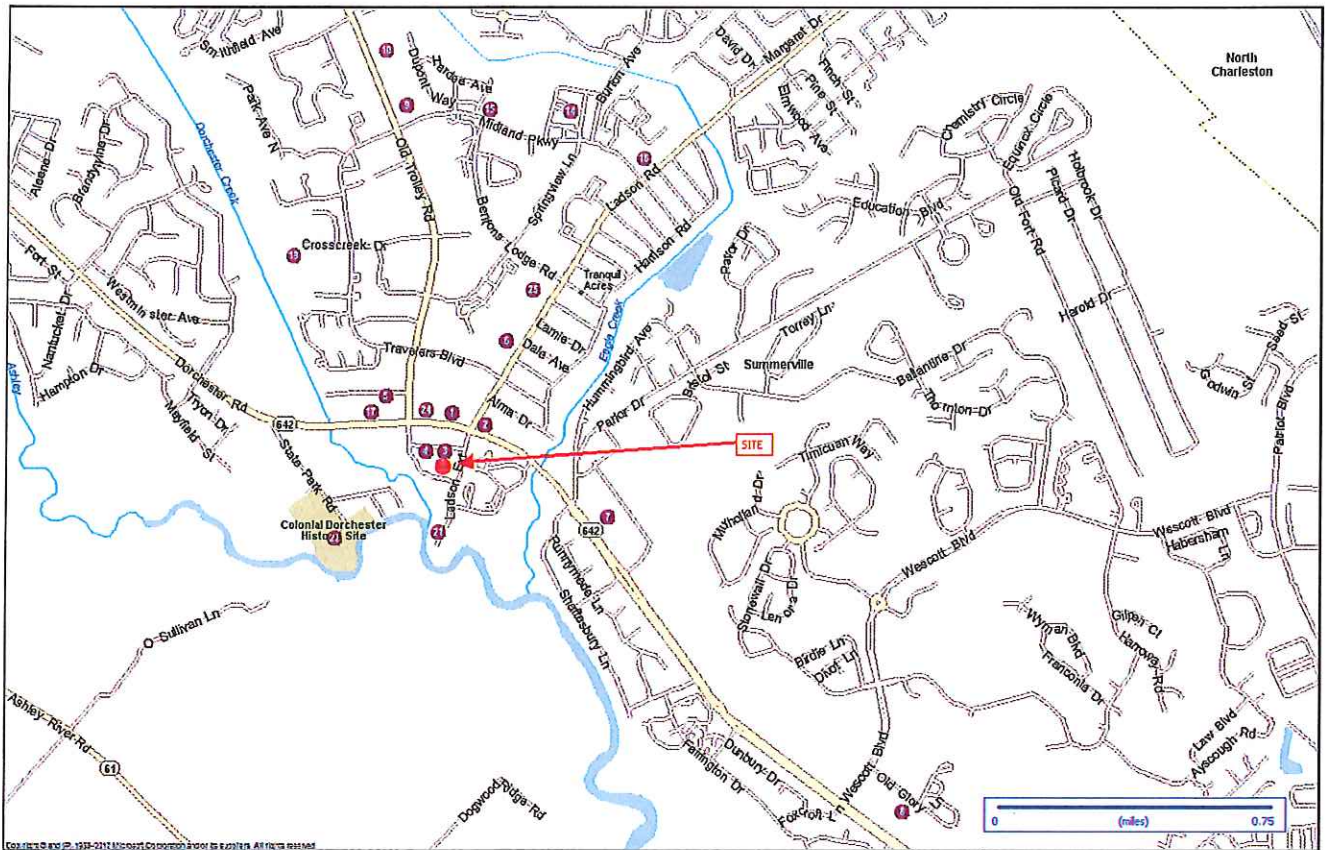
Recreation/Other

18. Dorchester County Library3.4 miles northwest
19. Summerville Family YMCA at Oakbrook.....0.9 miles northwest
20. Dorchester Senior Center *(not on map)*.....5.8 miles northwest
21. Rotary Centennial Park0.2 miles south
22. Old Fort Dorchester State Historic Park0.8 miles west
23. Wescott Park2.3 miles southeast
24. U.S. Post Office0.1 mile north
25. Cinemark Cinemas.....0.6 miles north
26. Downtown Summerville *(not on map)*.....5.2 miles northwest

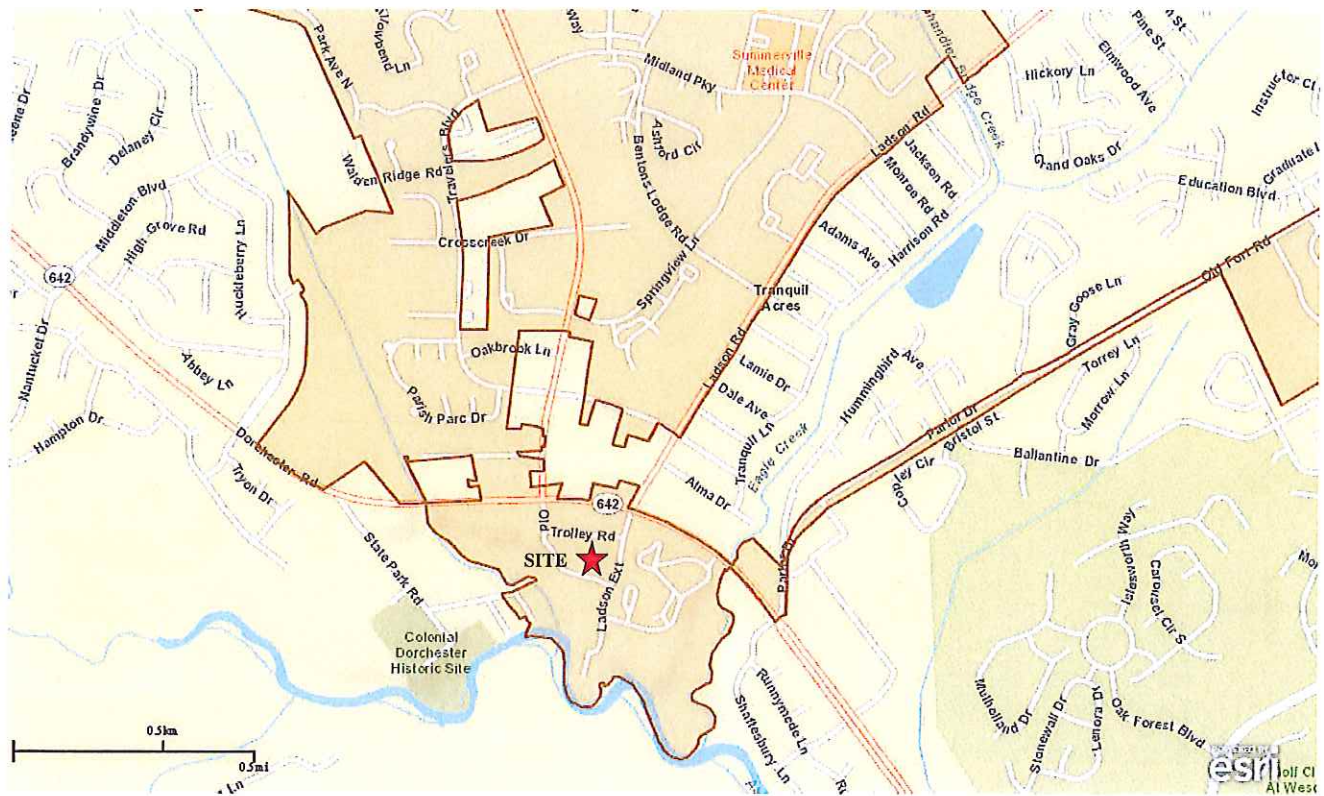
Map 1: Local Features/Amenities – Summerville Area



Map 2: Local Features/Amenities – Close View



Map 3: Site Location - Neighborhood Map



Map 4: Site Location - Aerial Photo

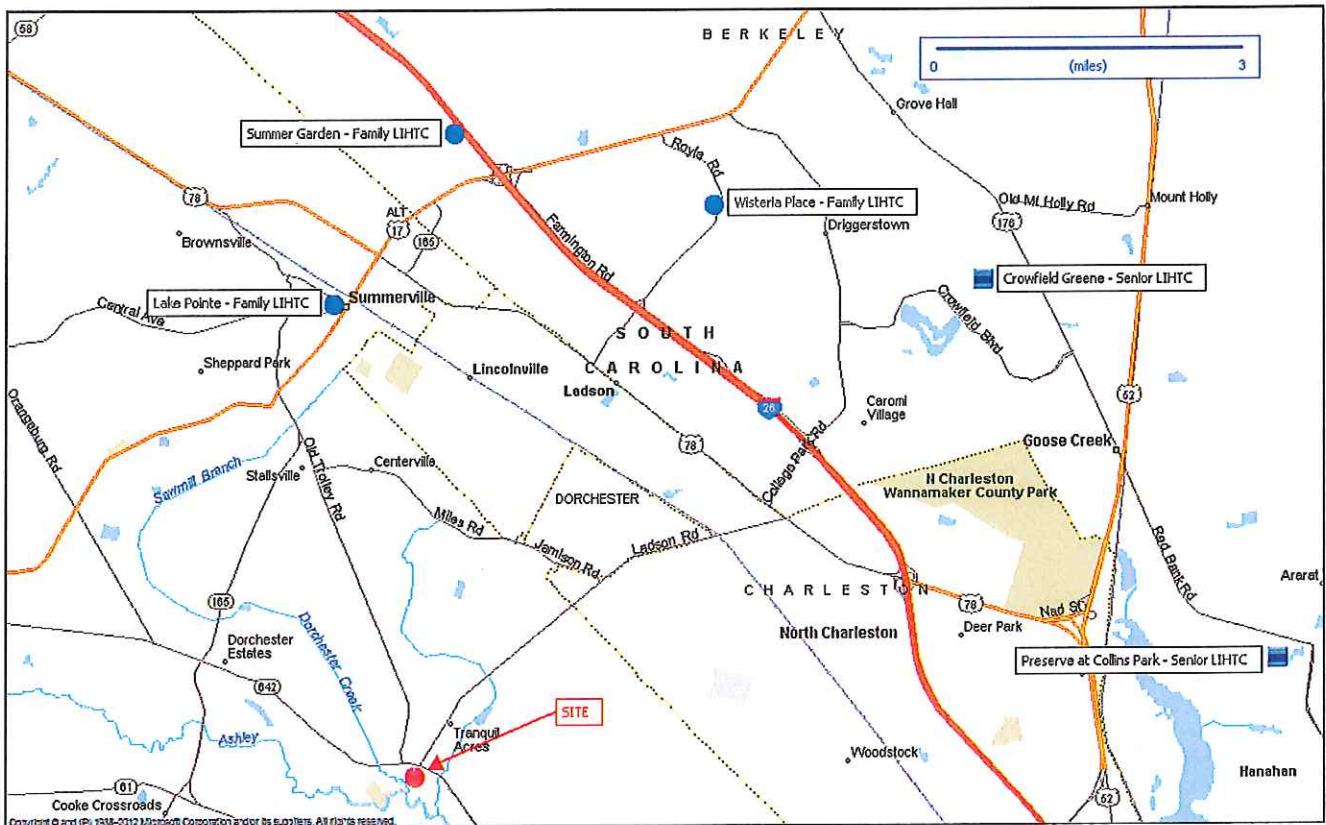


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 ARCHITECTURE PLANNING VISUALIZATION
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THE VILLAS AT OAKBROOK
 Location: Summerville, SC
 Bradley Summerville, LLC

PDS - 16201 - 03/04/2016.
 This document is intended to be used for presentation purposes only. Refer to Architectural and civil drawings for technical information and measurements

Map 5: Affordable Rental Housing



Site/Neighborhood Photos



**SITE – Facing west from Ladson Road
Summerville, SC**



**SITE – Facing south from rear of bowling center
Summerville, SC**



**SITE – Facing east from Old Trolley Road
Summerville, SC**



**SITE – Facing north from Old Trolley Road
Summerville, SC**



**Aldi grocery store adjacent to north of the site
Facing northwest from Ladson Road
Site is on left**



**Property line adjacent to north
Facing west from eastern edge of site
Site is on left, Aldi and Big Lots are on right**



**Property line between subject property and Big Lots
store adjacent to north
Facing east from western edge of site
Site is on right**



**Undeveloped, densely wooded property adjacent to
west of site
Facing west from Old Trolley Road**



**Apartments adjacent to east of site
Facing east from Ladson Road**



**Undeveloped, densely wooded property adjacent to
south of site
Facing south from Old Trolley Road**



Facing north along Ladson Road
Site is on left



Facing south along Ladson Road
Site is on right



Facing west along Old Trolley Road
Photo from corner of Ladson Road
Site is on right



Facing east along Old Trolley Road
Site is on left

6. Crime Assessment

According to crime data by zip code, the overall crime index within the immediate area is notably lower than both state and national levels. According to data obtained from HomeFair.com, which provides demographic and lifestyle statistics by zip code, the area in which the subject property is situated (zip code 29485) had a Total Crime Risk index of 72 – as compared to 130 for the state (whereas an index of 100 is the national average). According to index values, Rape Risk was the highest (at 127) and represented the only factor above national norms (albeit still below the state value). Conversely, Robbery Risk and Automotive Theft Risk (31 and 54, respectively) were the lowest of all factors. Considering these factors as well as information gathered during the site visit, there does not appear to be any noticeable security concerns within the immediate neighborhood surrounding the site, or community as a whole.

Table 1: Crime Risk Index

	Zip: 29485 <u>Index*</u>	State <u>Index*</u>
Total Crime Risk Index	72	130
Personal Crime Index	88	165
Murder Risk	65	138
Rape Risk	127	138
Robbery Risk	31	95
Assault Risk	78	200
Property Crime Index	73	124
Burglary Risk	74	137
Larceny Risk	79	125
Automotive Theft Risk	54	91
*Values are represented as an index, where the value 100 represents the national average.		
Source: HomeFair.com - Data by Zip Code		

7. Road/Infrastructure Improvements

Based on the site visit and evaluation of the local market area, no significant road work and/or infrastructure improvements were observed near the site that would have any impact (positive or negative) on the marketability or absorption of the subject proposal.

8. Overall Site Conclusions

Overall, the majority of necessary services are situated within a short distance of the site, with several retail centers, medical offices, parks and community centers, and other various services all located within the immediate area – much of which is less than two miles from the subject property. In addition, an Aldi Grocery and Big Lots are situated adjacent to the site, which can be considered a positive factor. Based on a site visit conducted February 22, 2016, overall site characteristics can be viewed as mostly positive, with no significant visible nuances that could have adverse effect on the marketability or absorption of the subject property. Furthermore, the subject property's location along a seemingly quiet and lightly traveled secondary street offers convenient access to Dorchester Road, and also provides a generally positive curb appeal with most nearby structures in good condition.

C. PRIMARY MARKET AREA DELINEATION

The Primary Market Area (PMA) is defined as the geographic area from which the subject property (either proposed or existing) is expected to draw the *majority* of its residents. For the purpose of this report, the Summerville PMA consists of the town of Summerville and the immediate surrounding area. More specifically, the PMA is comprised of a total of 25 census tracts (18 tracts in Dorchester County, four tracts in Berkeley County, and three tracts in Charleston County), and reaches approximately five miles to the north and west of the site, 5½ miles to the south, and roughly six miles to the east. As such, the aforementioned primary market area delineation can be considered as a realistic indication of the potential draw of the subject proposal based on a positive site location and the lack of similar tax credit rental options targeted specifically for seniors. Additionally, the site is located near several key roadways (including Dorchester Road, Alternate U.S. 17, U.S. 78, and I-26), each providing relatively convenient access throughout the majority of the PMA and Charleston region.

Factors such as socio-economic conditions and patterns, local roadway infrastructure, commuting patterns, a lack of similar senior LIHTC developments locally, physical boundaries, and personal experience were utilized when defining the primary market area. The PMA is comprised of the following census tracts (*utilizing 2010 boundaries*):

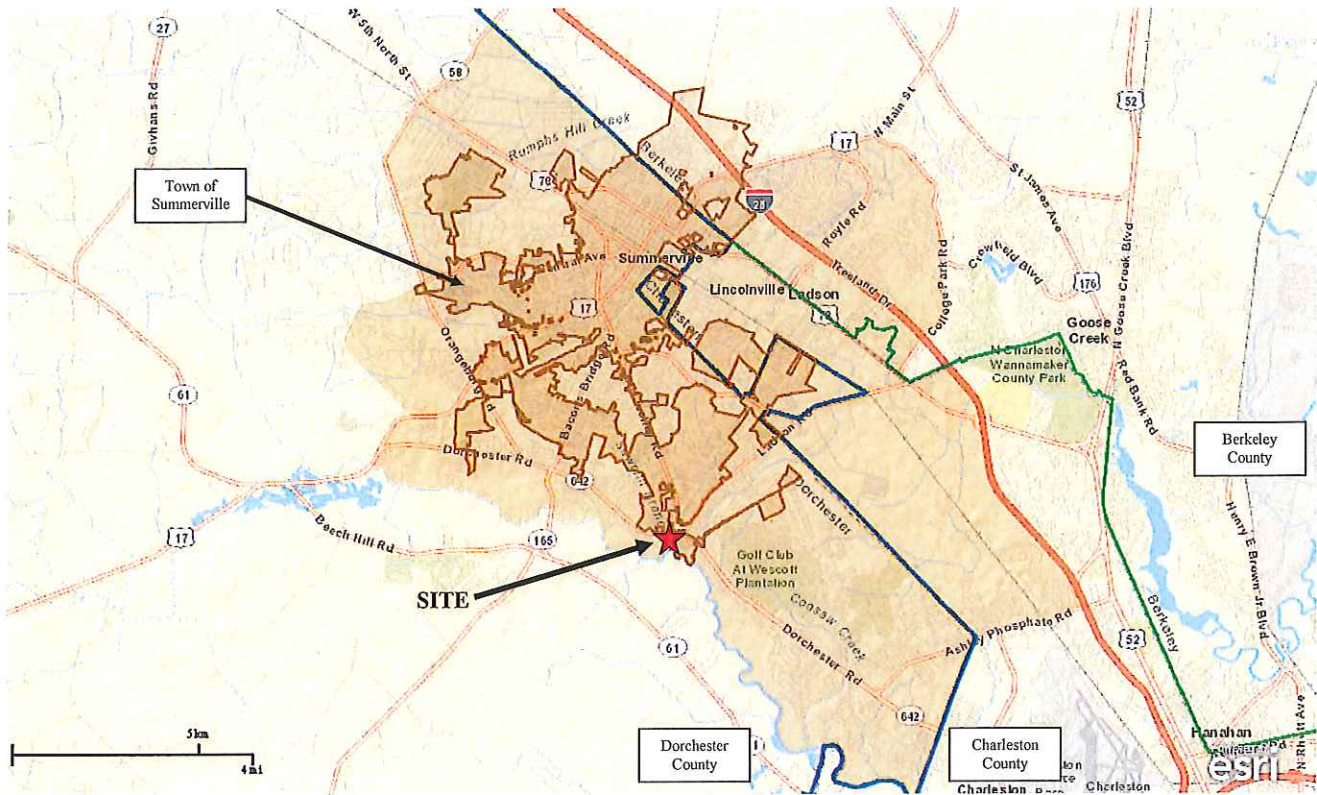
Dorchester County:	• Tract 105.04	• Tract 106.06	• Tract 108.13	• Tract 108.17
	• Tract 105.05	• Tract 107.00	• Tract 108.14	• Tract 108.18
	• Tract 106.03	• Tract 108.07	• Tract 108.15	• Tract 108.19
	• Tract 106.04	• Tract 108.08*	• Tract 108.16	• Tract 108.20
	• Tract 106.05	• Tract 108.09		
Berkeley County:	• Tract 207.14	• Tract 207.15	• Tract 207.16	• Tract 207.17
Charleston County:	• Tract 31.06	• Tract 31.07	• Tract 31.13	

While not included within the actual analysis throughout this report, it is important to note that neighboring areas close to the PMA could also yield potential residents for the proposed rental community. These areas comprise the Secondary Market Area (SMA), and primarily include persons currently residing within nearby communities, including North Charleston, Goose Creek, and Charleston. However, please keep in mind that secondary market considerations will not be included in the following market analysis or demand calculations. A visual representation of the PMA can be found in the maps on the following pages.

Map 6: State of South Carolina

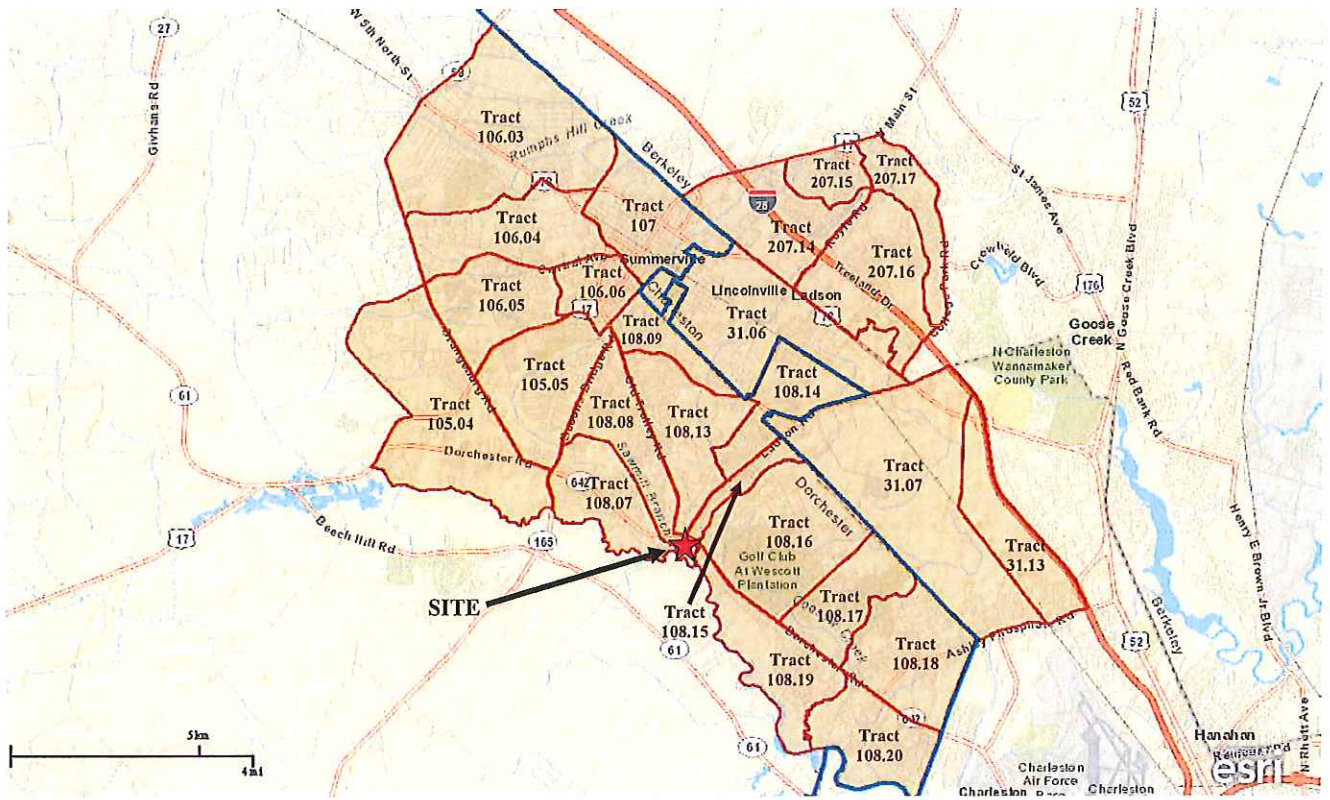


Map 7: Summerville Primary Market Area – County View



NOTE: Dark shaded area is Town of Summerville; Light shaded area is PMA; Blue line is Dorchester County border; Green line is other county borders.

Map 8: Summerville Primary Market Area – Census Tracts



Map 9: Town of Summerville

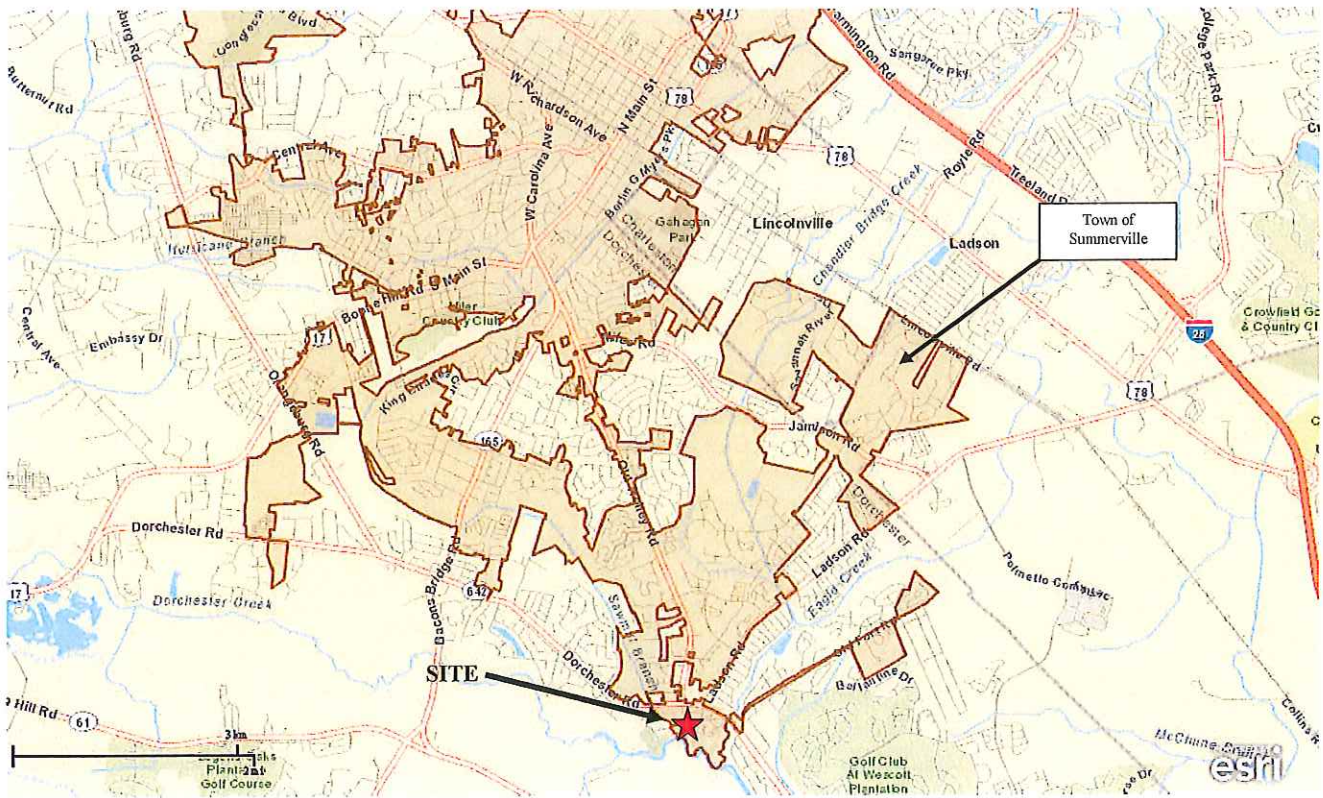


Table 2: Race Distribution (2010)

Census Tract 108.08 - Dorchester County, SC		
	<u>Number</u>	<u>Percent</u>
Total Population (all races)	7,253	100.0%
White*	5,825	80.3%
Black or African American*	1,316	18.1%
American Indian/Alaska Native*	97	1.3%
Asian*	111	1.5%
Native Hawaiian/Pacific Islander*	42	0.6%
Other Race*	106	1.5%

*NOTE: Race figures are "alone or in combination" - which allows persons to report their racial makeup as more than one race. As such, the sum of individual races may add up to more than the total population.

SOURCE: U.S. Census - 2010 - Table QT-P6

D. MARKET AREA ECONOMY

I. Employment by Industry

According to information from the South Carolina Department of Employment and Workforce, the largest individual employment industry within the private sector in Dorchester County was retail trade (at approximately 17 percent of all jobs), followed by persons employed in manufacturing (16 percent), and accommodation/food services (13 percent). Based on a comparison of employment by industry from 2010, the majority of industries experienced a net gain over the past five years. Administrative/waste services had the largest growth by far (with roughly 1,675 new jobs), followed by manufacturing (833 new jobs) and construction (increasing by more than 430 jobs or more). In contrast, industries experiencing the greatest declines include public administration and management, both declining by more than 165 jobs between 2010 and 2015.

Table 3: Employment by Industry – Dorchester County (2Q 2015)

Industry	2015 (2Q)		2010 (2Q)		Change (2010-2015)	
	Number Employed	Percent	Number Employed	Percent	Number Employed	Percent
Total, All Industries - Private	31,796	100.0%	28,533	100.0%	3,263	11%
Agriculture, forestry, fishing and hunting	66	0.2%	68	0.2%	(2)	(3%)
Mining	*	*	*	*	*	*
Utilities	125	0.4%	*	*	*	*
Construction	1,804	6.5%	1,373	4.8%	431	31%
Manufacturing	4,404	15.8%	3,571	12.6%	833	23%
Wholesale trade	604	2.2%	655	2.3%	(51)	(8%)
Retail trade	4,670	16.7%	4,732	16.7%	(62)	(1%)
Transportation and warehousing	851	3.0%	747	2.6%	104	14%
Information	236	0.8%	269	0.9%	(33)	(12%)
Finance and insurance	575	2.1%	585	2.1%	(10)	(2%)
Real estate and rental and leasing	380	1.4%	332	1.2%	48	14%
Professional and technical services	812	2.9%	701	2.5%	111	16%
Management of companies and enterprises	75	0.3%	242	0.9%	(167)	(69%)
Administrative and waste services	2,779	9.9%	1,102	3.9%	1,677	152%
Educational services	*	*	3,616	12.7%	*	*
Health care and social assistance	2,799	10.0%	2,707	9.5%	92	3%
Arts, entertainment, and recreation	530	1.9%	541	1.9%	(11)	(2%)
Accommodation and food services	3,659	13.1%	3,370	11.9%	289	9%
Other services, exc. public administration	1,193	4.3%	1,213	4.3%	(20)	(2%)
Public administration	2,368	8.5%	2,564	9.0%	(196)	(8%)

* - Data Not Available
Source: South Carolina Department of Employment & Workforce - Dorchester County, SC (2010 - 2015)

2. Commuting Patterns

Overall, far more workers commute away from Dorchester County for employment than commute to the county. Not surprisingly, based on the proximity, the counties with the greatest commuting interaction with Dorchester County are Charleston and Berkeley Counties. Based on place of employment (using 2014 American Community Survey data), just 39 percent of PMA residents are employed within Dorchester County, while 61 percent work outside of the county – with the vast majority working in Charleston County.

An overwhelming majority of workers throughout Dorchester County traveled alone to their place of employment, whether it was within the county or commuting outside of the area. According to ACS data, approximately 84 percent of workers within the PMA drove alone to their place of employment, while 10 percent carpooled in some manner. Only a relatively small number (approximately three percent) utilized public transportation, walked, or some other means to work.

Table 4: Place of Work/ Means of Transportation (2014)

EMPLOYMENT BY PLACE OF WORK						
	Town of Summerville		Summerville PMA		Dorchester County	
Total	20,259	100.0%	70,172	100.0%	65,012	100.0%
Worked in State of Residence	20,125	99.3%	69,373	98.9%	64,120	98.6%
Worked in County of Residence	8,014	39.6%	26,993	38.5%	24,794	38.1%
Worked Outside County of Residence	12,111	59.8%	42,380	60.4%	39,326	60.5%
Worked Outside State of Residence	134	0.7%	799	1.1%	892	1.4%

MEANS OF TRANSPORTATION TO WORK						
	Town of Summerville		Summerville PMA		Dorchester County	
Total	20,259	100.0%	70,172	100.0%	64,497	100.0%
Drove Alone - Car, Truck, or Van	17,280	85.3%	58,746	83.7%	53,997	83.7%
Carpooled - Car, Truck, or Van	1,697	8.4%	7,134	10.2%	6,257	9.7%
Public Transportation	56	0.3%	387	0.6%	303	0.5%
Walked	270	1.3%	658	0.9%	691	1.1%
Other Means	148	0.7%	732	1.0%	699	1.1%
Worked at Home	808	4.0%	2,515	3.6%	2,550	4.0%

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

Table 5: Employment Commuting Patterns (2010)

Persons Commuting TO Dorchester County		Persons Commuting FROM Dorchester County	
Commuters Living In:	<u>Number</u>	Commuters Working In :	<u>Number</u>
Charleston County, SC	5,533	Charleston County, SC	27,878
Berkely County, SC	5,429	Berkeley County, SC	7,573
Colleton County, SC	1,118	Colleton County, SC	633
Orangeburg County, SC	715	Orangeburg County, SC	581
Walton County, GA	127	Richland County, SC	232
Williamsburg County, SC	103	Beaufort County, SC	136
Clarendon County, SC	79	Sumter County, SC	75

Source: U.S. Census Bureau - 2010

3. Largest Employers

Below is a chart depicting the largest employers within Dorchester County, according to information obtained through the South Carolina Department of Employment and Workforce.

Dorchester County Top Employers (Listed Alphabetically)	
Bi-Lo Inc.	Dorchester County
Dorchester County Board of Disabilities	Dorchester School District #2
Dorchester School District #4	Durham D&M LLC
JKS&K Inc.	MAU Inc.
Meadwestvaco South Carolina LLC	Presbyterian Home of S.C.
Publix Super Markets Inc.	Robert Bosch Corporation
S.C. Department of Corrections	S.C. Dept. of Disabilities/Special Needs
Showa Denko Carbon Inc.	Six Continents Hotels Inc.
Summerville Family YMCA	The Waggoners Trucking
Town of Summerville	Wal-Mart Associates, Inc.

Source: SC Department of Employment & Workforce – 2013 Q2

4. Employment and Unemployment Trends

The overall economy throughout Dorchester County has been generally positive over the past decade, with employment increases in nine of the last ten years and an unemployment rate typically below the state average. As such, the county recorded an increase of more than 7,800 jobs between 2010 and 2015, representing an increase of 13 percent (an annual increase of 2.6 percent). In addition, the average annual unemployment rate for 2015 was calculated at 5.6 percent, the county's lowest rate since 2007. In comparison, the state and national annual unemployment rate for 2015 was 6.1 and 5.3 percent, respectively.

More recently, an increase of more than 2,300 jobs was recorded between December 2014 and December 2015. As such, the unemployment decreased from 5.7 percent to 4.9 percent – remaining slightly below the state average (5.3 percent).

Figure 1: Employment Growth

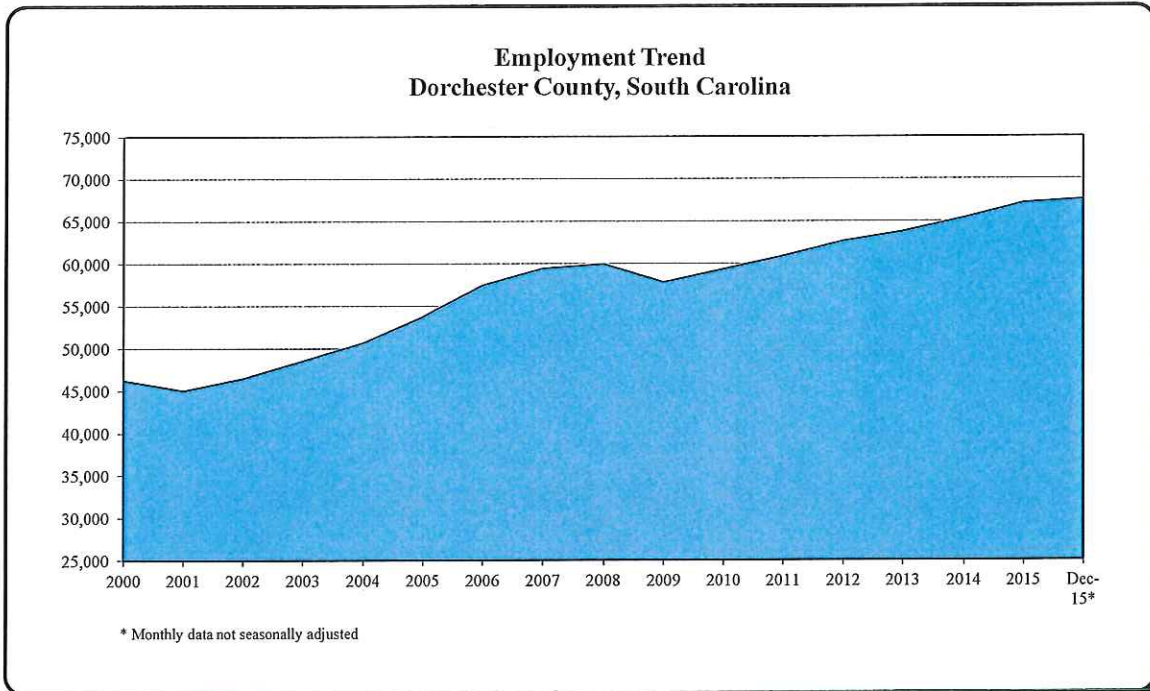


Figure 2: Historical Unemployment Rate

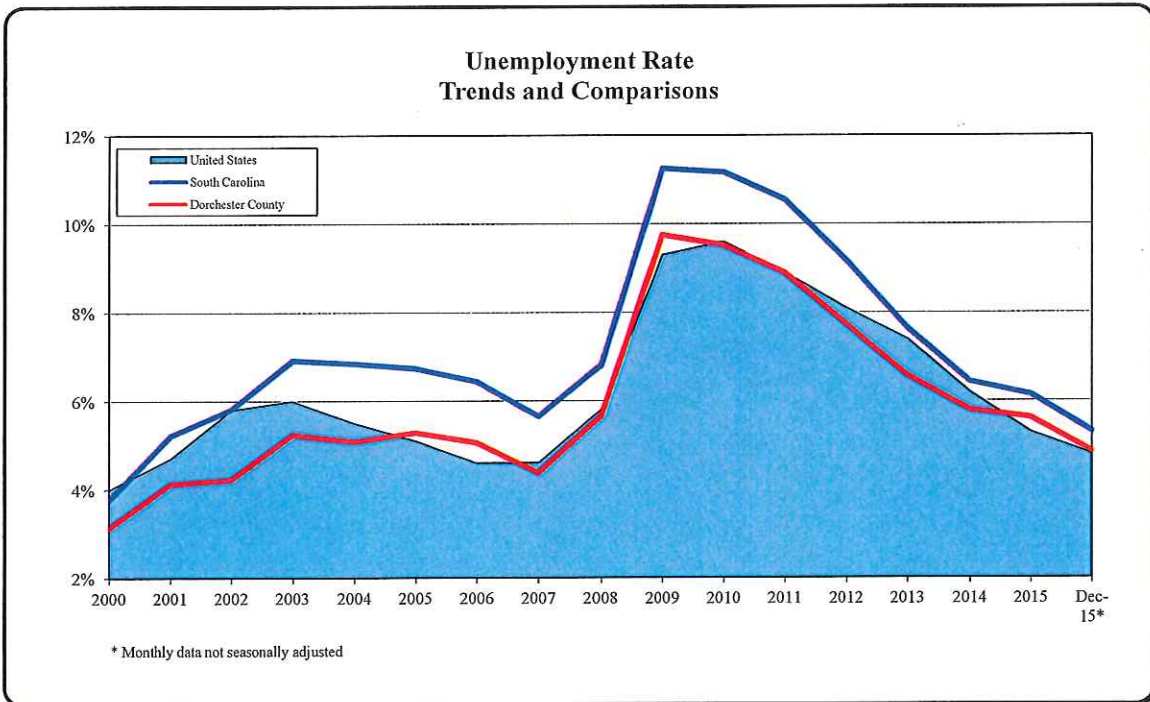


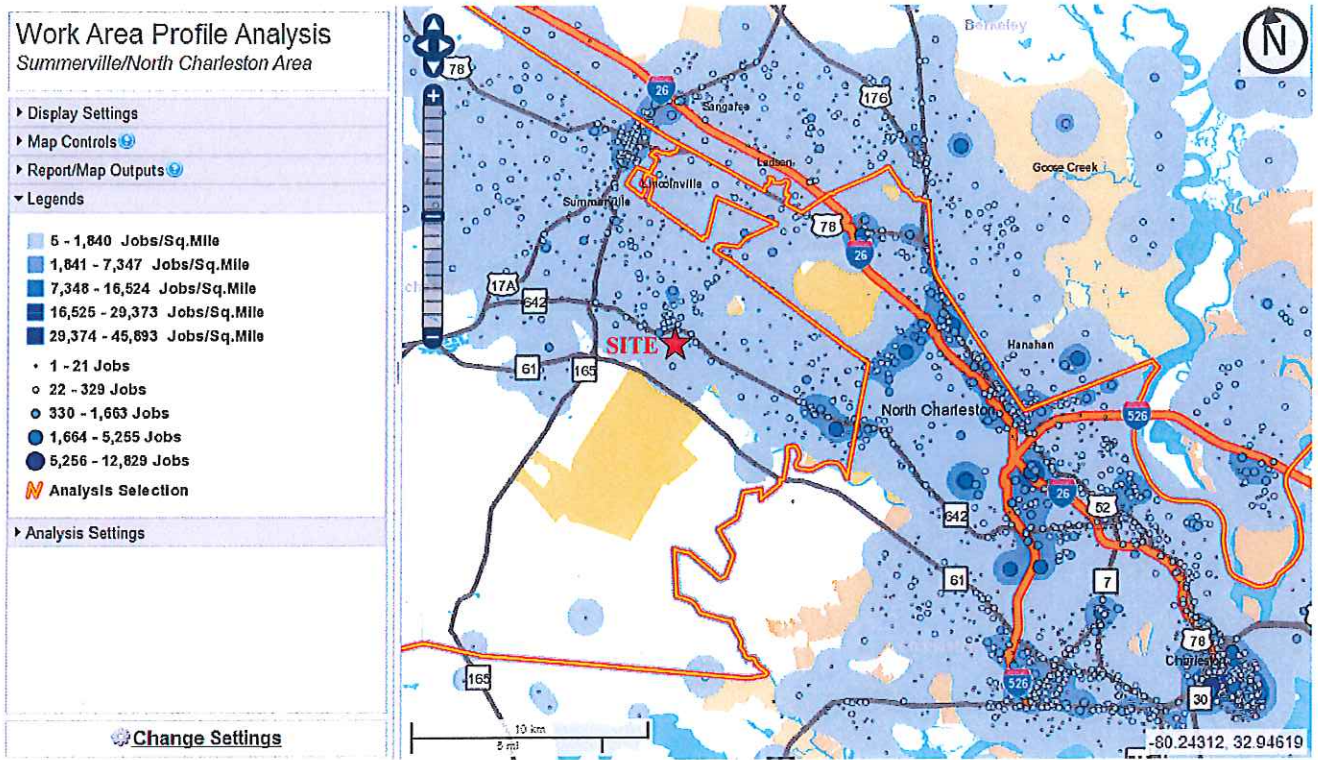
Table 6: Historical Employment Trends

Year	Dorchester County				Employment Annual Change			Unemployment Rate		
	Labor Force	Number Employed	Annual Change	Percent Change	Dorchester County	South Carolina	United States	Dorchester County	South Carolina	United States
2000	47,746	46,256	---	---	---	---	---	3.1%	3.8%	4.0%
2001	46,987	45,051	(1,205)	-2.6%	-2.6%	-3.7%	0.0%	4.1%	5.2%	4.7%
2002	48,526	46,477	1,426	3.2%	3.2%	-0.7%	-0.3%	4.2%	5.8%	5.8%
2003	51,237	48,553	2,076	4.5%	4.5%	1.3%	0.9%	5.2%	6.9%	6.0%
2004	53,399	50,685	2,132	4.4%	4.4%	1.8%	1.1%	5.1%	6.8%	5.5%
2005	56,737	53,739	3,054	6.0%	6.0%	1.9%	1.8%	5.3%	6.7%	5.1%
2006	60,523	57,459	3,720	6.9%	6.9%	2.3%	1.9%	5.1%	6.4%	4.6%
2007	62,138	59,419	1,960	3.4%	3.4%	1.6%	1.1%	4.4%	5.7%	4.6%
2008	63,518	59,928	509	0.9%	0.9%	-0.5%	-0.5%	5.7%	6.8%	5.8%
2009	64,044	57,801	(2,127)	-3.5%	-3.5%	-4.3%	-3.8%	9.7%	11.2%	9.3%
2010	65,564	59,322	1,521	2.6%	2.6%	0.2%	-0.6%	9.5%	11.2%	9.6%
2011	66,824	60,880	1,558	2.6%	2.6%	1.4%	0.6%	8.9%	10.5%	8.9%
2012	67,888	62,635	1,755	2.9%	2.9%	1.9%	1.9%	7.7%	9.2%	8.1%
2013	68,246	63,758	1,123	1.8%	1.8%	1.8%	1.0%	6.6%	7.6%	7.4%
2014	69,376	65,356	1,598	2.5%	2.5%	2.1%	1.7%	5.8%	6.4%	6.2%
2015	71,141	67,139	1,783	2.7%	2.7%	2.9%	1.7%	5.6%	6.1%	5.3%
Dec-14*	69,218	65,242	---	---	---	---	---	5.7%	6.4%	5.4%
Dec-15*	70,998	67,548	2,306	3.5%	3.5%	4.0%	1.7%	4.9%	5.3%	4.8%

Dorchester County				South Carolina		
	Number	Percent	Ann. Avg.		Percent	Ann. Avg.
Change (2000-Present):	21,292	46.0%	3.1%	Change (2000-Present):	11.2%	0.7%
Change (2005-Present):	13,809	25.7%	2.6%	Change (2005-Present):	10.6%	1.1%
Change (2010-Present):	8,226	13.9%	2.8%	Change (2010-Present):	11.4%	2.3%
Change (2000-2005):	7,483	16.2%	3.2%	Change (2000-2005):	0.6%	0.1%
Change (2005-2010):	5,583	10.4%	2.1%	Change (2005-2010):	-0.7%	-0.1%
Change (2010-2015):	7,817	13.2%	2.6%	Change (2010-2015):	10.4%	2.1%

*Monthly data not seasonally adjusted

Map 10: Employment Concentrations – Summerville/Charleston Area



E. COMMUNITY DEMOGRAPHIC DATA

1. Population Trends

Based on U.S. Census data and ESRI forecasts, much of Dorchester County has experienced extremely positive demographic gains since 2000, including Summerville and the immediate area. Overall, the PMA had an estimated population of 150,858 persons in 2015, representing an increase of eight percent from 2010 (a gain of more than 11,300 persons). Additionally, both the city and county had similar increases between 2010 and 2015.

Future projections indicate continued strong growth with an estimated increase of nine percent expected within the PMA between 2015 and 2020 (approximately 13,800 additional persons), and a similar eight percent gain for Summerville proper (3,900 persons).

Table 7: Population Trends (2000 to 2020)

	<u>2000</u>	<u>2010</u>	<u>2015</u>	<u>2018</u>	<u>2020</u>
Town of Summerville	30,835	43,392	46,478	48,038	50,379
Summerville PMA	99,647	139,536	150,858	156,384	164,673
Dorchester County	96,083	136,555	147,273	152,354	159,975
		<u>2000-2010</u>	<u>2010-2015</u>	<u>2015-2018</u>	<u>2015-2020</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
Town of Summerville		40.7%	7.1%	3.4%	8.4%
Summerville PMA		40.0%	8.1%	3.7%	9.2%
Dorchester County		42.1%	7.8%	3.4%	8.6%
		<u>2000-2010</u>	<u>2010-2015</u>	<u>2015-2018</u>	<u>2015-2020</u>
		<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>
Town of Summerville		3.5%	1.4%	1.1%	1.6%
Summerville PMA		3.4%	1.6%	1.2%	1.8%
Dorchester County		3.6%	1.5%	1.1%	1.7%

Source: U.S. Census - 2000/2010; ESRI Business Analyst; Shaw Research & Consulting

The largest population group for the PMA in 2010 consisted of persons between the ages of 20 and 44 years, accounting for 35 percent of all persons. In comparison, this age cohort represented a similar ratio of persons within the city and county as a whole. Persons under the age of 20 also accounted for a relatively large portion of the population in each area. As such, 31 percent of the total population in the PMA was within this age cohort in 2010, while representing comparable proportions of the overall city and county populations.

When reviewing distribution patterns between 2000 and 2020, the aging of the population is clearly evident within all three areas analyzed. The proportion of persons under the age of 44 has declined slightly since 2000, and is expected to decrease further through 2020. In contrast, the fastest growing portion of the population base is the older age segments. Within the PMA, persons 55 years and over, which represented 15 percent of the population in 2000, is expected to increase to account for 24 percent of all persons by 2020 – clearly demonstrating the aging of the baby boom generation.

As such, the increasing percentage of persons above the age of 55 seen throughout Summerville and the PMA (expected to represent approximately one in four persons in 2020) signifies positive trends for the subject proposal by providing a growing base of potential senior tenants for the subject development.

Table 8: Age Distribution (2000 to 2020)

	Town of Summerville				Summerville PMA				Dorchester County			
	2010 Number	2000 Percent	2010 Percent	2020 Percent	2010 Number	2000 Percent	2010 Percent	2020 Percent	2010 Number	2000 Percent	2010 Percent	2020 Percent
Under 20 years	12,770	31.1%	29.4%	27.5%	42,501	32.9%	30.5%	28.3%	40,554	31.4%	29.7%	27.4%
20 to 24 years	2,767	5.5%	6.4%	5.1%	8,975	5.7%	6.4%	5.5%	8,027	5.2%	5.9%	5.3%
25 to 34 years	6,328	14.6%	14.6%	14.3%	20,389	14.4%	14.6%	15.3%	18,582	14.0%	13.6%	14.5%
35 to 44 years	6,241	16.6%	14.4%	14.2%	19,859	18.0%	14.2%	14.6%	19,868	17.7%	14.5%	14.0%
45 to 54 years	6,001	14.2%	13.8%	12.1%	20,112	13.8%	14.4%	12.0%	20,260	14.0%	14.8%	12.6%
55 to 59 years	2,460	4.3%	5.7%	6.3%	8,064	4.6%	5.8%	6.2%	8,111	4.9%	5.9%	6.6%
60 to 64 years	2,267	3.2%	5.2%	5.6%	7,015	3.3%	5.0%	5.4%	7,304	3.7%	5.3%	5.8%
65 to 74 years	2,485	5.4%	5.7%	9.0%	7,975	4.4%	5.7%	8.2%	8,589	5.2%	6.3%	8.8%
75 to 84 years	1,428	3.8%	3.3%	4.3%	3,488	2.3%	2.5%	3.5%	3,895	3.0%	2.9%	3.9%
85 years and older	645	1.4%	1.5%	1.7%	1,158	0.7%	0.8%	1.0%	1,365	0.9%	1.0%	1.2%
Under 20 years	12,770	31.1%	29.4%	27.5%	42,501	32.9%	30.5%	28.3%	40,554	31.4%	29.7%	27.4%
20 to 44 years	15,336	36.7%	35.3%	33.5%	49,223	38.2%	35.3%	35.4%	46,477	36.9%	34.0%	33.8%
45 to 64 years	10,728	21.7%	24.7%	24.0%	35,191	21.6%	25.2%	23.7%	35,675	22.6%	26.1%	24.9%
65 years and older	4,558	10.6%	10.5%	15.0%	12,621	7.3%	9.0%	12.7%	13,849	9.1%	10.1%	13.9%
55 years and older	9,285	18.1%	21.4%	26.8%	27,700	15.2%	19.9%	24.4%	29,264	17.7%	21.4%	26.2%
75 years and older	2,073	5.2%	4.8%	6.0%	4,646	3.0%	3.3%	4.6%	5,260	3.9%	3.9%	5.1%
Non-Elderly (<65)	38,834	89.4%	89.5%	85.0%	126,915	92.7%	91.0%	87.3%	122,706	90.9%	89.9%	86.1%
Elderly (65+)	4,558	10.6%	10.5%	15.0%	12,621	7.3%	9.0%	12.7%	13,849	9.1%	10.1%	13.9%

Source: U.S. Census - 2000/2010; ESRI Business Analyst; Shaw Research & Consulting

2. Household Trends

Similar to population patterns, the Summerville area has experienced relatively strong household creation since 2000. As such, occupied households within the PMA numbered 56,397 units in 2015, representing an increase of nine percent from 2000 (a gain of more than 4,750 households). ESRI forecasts for 2020 indicate this number will continue to increase, with a forecasted growth rate of ten percent (roughly 5,350 additional households) anticipated between 2015 and 2020. In comparison, the number of households grew at a similar rate within Summerville and Dorchester County as a whole between 2010 and 2015 (nine percent), demonstrating relatively strong demographic patterns throughout the entire region.

Table 9: Household Trends (2000 to 2020)

	<u>2000</u>	<u>2010</u>	<u>2015</u>	<u>2018</u>	<u>2020</u>
Town of Summerville	11,465	16,866	18,297	18,944	19,915
Summerville PMA	35,552	51,635	56,397	58,543	61,762
Dorchester County	34,593	50,259	54,610	56,556	59,475
		<u>2000-2010</u>	<u>2010-2015</u>	<u>2015-2018</u>	<u>2015-2020</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
Town of Summerville		47.1%	8.5%	3.5%	8.8%
Summerville PMA		45.2%	9.2%	3.8%	9.5%
Dorchester County		45.3%	8.7%	3.6%	8.9%

Source: U.S. Census - 2000/2010; ESRI Business Analyst; Shaw Research & Consulting

Table 10: Average Household Size (2000 to 2020)

	<u>2000</u>	<u>2010</u>	<u>2015</u>	<u>2018</u>	<u>2020</u>
Town of Summerville	2.64	2.55	2.52	2.52	2.51
Summerville PMA	2.78	2.70	2.67	2.67	2.66
Dorchester County	2.72	2.68	2.66	2.66	2.66
		<u>2000-2010</u>	<u>2010-2015</u>	<u>2015-2018</u>	<u>2015-2020</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
Town of Summerville		-3.1%	-1.2%	-0.2%	-0.4%
Summerville PMA		-3.0%	-1.0%	-0.1%	-0.3%
Dorchester County		-1.5%	-0.6%	-0.1%	-0.2%

Source: U.S. Census - 2000/2010; ESRI Business Analyst; Shaw Research & Consulting

Renter-occupied households throughout the Summerville market area have exhibited notable gains over the past decade, increasing at a notably faster rate than overall household creation. According to U.S. Census figures and ESRI estimates, a total of 19,031 renter-occupied households are estimated within the PMA for 2015, representing an increase of 18 percent from 2010 figures (a gain of nearly 2,900 additional rental units). In comparison, it is estimated that the number of renter households increased at a more modest rate within Summerville itself (six percent).

Overall, a moderate ratio of renter households exists throughout the Summerville market area. For the PMA, the renter household percentage was calculated at 34 percent in 2015, slightly lower than the town ratio (36 percent), but slightly greater than the county’s renter representation (30 percent). Furthermore, it should also be noted that renter propensities within the PMA have increased since 2000, increasing approximately six percentage points between 2000 and 2015.

Table 11: Renter Household Trends (2000 to 2018)

	<u>2000</u>	<u>2010</u>	<u>2015</u>	<u>2018</u>	<u>2000-2010</u> <u>Change</u>	<u>2010-2015</u> <u>Change</u>	<u>2015-2018</u> <u>Change</u>
Town of Summerville	3,651	6,135	6,490	6,730	68.0%	5.8%	3.7%
Summerville PMA	10,096	16,150	19,031	19,782	60.0%	17.8%	3.9%
Dorchester County	8,653	14,186	16,486	17,079	63.9%	16.2%	3.6%
	<u>% Renter</u> <u>2000</u>	<u>% Renter</u> <u>2010</u>	<u>% Renter</u> <u>2015</u>	<u>% Renter</u> <u>2018</u>			
Town of Summerville	31.8%	36.4%	35.5%	35.6%			
Summerville PMA	28.4%	31.3%	33.7%	33.9%			
Dorchester County	25.0%	28.2%	30.2%	30.2%			

Source: U.S. Census - 2000/2010; ESRI Business Analyst; Shaw Research & Consulting

As with overall households, renter household sizes for the Summerville PMA were generally larger than those reported for Summerville, on average. In contrast to overall household patterns, however, average renter sizes increased over the past decade – from 2.61 persons per rental unit in 2000 to 2.71 persons per unit in 2010. Despite the increase in average size, the majority of units locally contained just one or two persons (54 percent), with three persons occupying 19 percent of units, and 28 percent of units with four or more persons.

Table 12: Rental Units by Size (2010)

	<u>One Person</u>	<u>Two Persons</u>	<u>Three Persons</u>	<u>Four Persons</u>	<u>5 or More Persons</u>	<u>Median Persons Per Rental Unit</u>	
						<u>2000</u>	<u>2010</u>
Town of Summerville	2,144	1,615	1,061	744	571	2.23	2.39
Summerville PMA	4,529	4,132	3,018	2,373	2,098	2.61	2.71
Dorchester County	4,143	3,594	2,627	2,089	1,733	2.47	2.63
	<u>1 Person Percent</u>	<u>2 Person Percent</u>	<u>3 Person Percent</u>	<u>4 Person Percent</u>	<u>5+ Person Percent</u>	<u>Median Change</u>	
Town of Summerville	34.9%	26.3%	17.3%	12.1%	9.3%	7.2%	
Summerville PMA	28.0%	25.6%	18.7%	14.7%	13.0%	3.8%	
Dorchester County	29.2%	25.3%	18.5%	14.7%	12.2%	6.5%	

Source: U.S. Census - 2000/2010; Shaw Research & Consulting

3. Senior-Specific Demographic Data

As noted earlier, the senior population cohort is anticipated to experience sizeable growth as compared to other age segments. As such, a total of 33,957 seniors (55 years and over) are estimated in the PMA for 2015, representing an increase of 23 percent from 2010 (roughly 6,250 additional seniors). The 2015 figure represents 23 percent of the overall population, which is an increase from a representation of just 15 percent in 2000. Furthermore, this extremely strong trend is anticipated to continue, with an increase of 18 percent (6,250 seniors) forecast between 2015 and 2020.

Future population trends for the older senior segment (65 years and older) are similar to those exhibited by the 55 and older age group, representing strong growth throughout the entire senior segment. As can be seen, overall senior growth and propensities are an encouraging indication of the long-term viability of the subject proposal. Additionally, while considering senior population counts have experienced extraordinary increases since 2000 and are expected to continue in the future, the demand for additional senior housing will likely escalate as well. In addition, the increasing percentage of persons over 55 years within the PMA is clearly representative of a steady source of potential renters as this group continues to age in place.

Table 13: Senior Population Trends (2000 to 2020)

55+ Population Trends					
	<u>2000</u>	<u>2010</u>	<u>2015</u>	<u>2018</u>	<u>2020</u>
Town of Summerville	5,023	9,285	11,399	12,667	13,512
Summerville PMA	15,169	27,700	33,957	37,711	40,214
Dorchester County	17,085	29,264	35,609	39,416	41,954
		<u>2000-2010</u>	<u>2010-2015</u>	<u>2015-2018</u>	<u>2015-2020</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
Town of Summerville		84.8%	22.8%	11.1%	18.5%
Summerville PMA		82.6%	22.6%	11.1%	18.4%
Dorchester County		71.3%	21.7%	10.7%	17.8%
<i>Percent of Population</i>					
	<u>2000</u>	<u>2010</u>	<u>2015</u>	<u>2018</u>	<u>2020</u>
Town of Summerville	16.3%	21.4%	24.5%	26.4%	26.8%
Summerville PMA	15.2%	19.9%	22.5%	24.1%	24.4%
Dorchester County	17.8%	21.4%	24.2%	25.9%	26.2%
65+ Population Trends					
	<u>2000</u>	<u>2010</u>	<u>2015</u>	<u>2018</u>	<u>2020</u>
Town of Summerville	2,940	4,558	6,051	6,947	7,544
Summerville PMA	7,317	12,621	16,787	19,286	20,952
Dorchester County	8,791	13,849	18,029	20,537	22,209
		<u>2000-2010</u>	<u>2010-2015</u>	<u>2015-2018</u>	<u>2015-2020</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
Town of Summerville		55.0%	32.8%	14.8%	24.7%
Summerville PMA		72.5%	33.0%	14.9%	24.8%
Dorchester County		57.5%	30.2%	13.9%	23.2%
<i>Percent of Population</i>					
	<u>2000</u>	<u>2010</u>	<u>2015</u>	<u>2018</u>	<u>2020</u>
Town of Summerville	9.5%	10.5%	13.0%	14.5%	15.0%
Summerville PMA	7.3%	9.0%	11.1%	12.3%	12.7%
Dorchester County	9.1%	10.1%	12.2%	13.5%	13.9%
Source: U.S. Census - 2000/2010; ESRI Business Analyst; Shaw Research & Consulting					

As with senior population patterns, senior household trends (age 55 years and older) have been equally as impressive within the PMA and are also expected to continue to increase through 2020. According to Census and ESRI data, the number of senior households within the PMA increased by 20 percent between 2010 and 2015 (adding roughly 3,400 additional senior households), while ESRI estimates a further gain of 17 percent between 2015 and 2020 – representing approximately 39 percent of all PMA households in 2020.

Table 14: Senior Household Trends (2000 to 2020)

55+ Household Trends					
	<u>2000</u>	<u>2010</u>	<u>2015</u>	<u>2018</u>	<u>2020</u>
Town of Summerville	3,077	5,863	7,098	7,838	8,332
Summerville PMA	9,128	16,955	20,397	22,462	23,839
Dorchester County	10,427	17,927	21,364	23,426	24,801
		2000-2010	2010-2015	2015-2018	2015-2020
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
Town of Summerville		90.5%	21.1%	10.4%	17.4%
Summerville PMA		85.7%	20.3%	10.1%	16.9%
Dorchester County		71.9%	19.2%	9.7%	16.1%
<i>Percent of Households</i>					
	<u>2000</u>	<u>2010</u>	<u>2015</u>	<u>2018</u>	<u>2020</u>
Town of Summerville	26.8%	34.8%	38.8%	41.4%	41.8%
Summerville PMA	25.7%	32.8%	36.2%	38.4%	38.6%
Dorchester County	30.1%	35.7%	39.1%	41.4%	41.7%
65+ Household Trends					
	<u>2000</u>	<u>2010</u>	<u>2015</u>	<u>2018</u>	<u>2020</u>
Town of Summerville	1,836	3,054	3,959	4,501	4,863
Summerville PMA	4,475	8,122	10,533	11,980	12,944
Dorchester County	5,523	9,016	11,414	12,852	13,811
		2000-2010	2010-2015	2015-2018	2015-2020
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
Town of Summerville		66.3%	29.6%	13.7%	22.8%
Summerville PMA		81.5%	29.7%	13.7%	22.9%
Dorchester County		63.2%	26.6%	12.6%	21.0%
<i>Percent of Households</i>					
	<u>2000</u>	<u>2010</u>	<u>2015</u>	<u>2018</u>	<u>2020</u>
Town of Summerville	16.0%	18.1%	21.6%	23.8%	24.4%
Summerville PMA	12.6%	15.7%	18.7%	20.5%	21.0%
Dorchester County	16.0%	17.9%	20.9%	22.7%	23.2%
Source: U.S. Census - 2000/2010; ESRI Business Analyst; Shaw Research & Consulting					

Despite the substantial growth in the senior population throughout the area, the percentage of senior renter households is notably smaller than the overall renter household percentage. As such, senior renter households (55 and over) within the PMA numbered 3,717 units in 2015, representing roughly 18 percent of all senior-occupied households within the market area. In comparison, Summerville itself contained 1,887 senior renter households, which was 27 percent of all senior households within the community in 2015.

Table 15: Senior Renter Household Trends (2000 to 2018)

Senior Renter HHs - 55+				2000-2010	2010-2015	2015-2018	
	<u>2000</u>	<u>2010</u>	<u>2015</u>	<u>2018</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
Town of Summerville	885	1,559	1,887	2,084	76.2%	21.1%	10.4%
Summerville PMA	1,517	3,090	3,717	4,094	103.7%	20.3%	10.1%
Dorchester County	1,602	3,039	3,622	3,971	89.7%	19.2%	9.7%
	<u>% Renter</u>	<u>% Renter</u>	<u>% Renter</u>	<u>% Renter</u>			
Town of Summerville	28.8%	26.6%	26.6%	26.6%			
Summerville PMA	16.6%	18.2%	18.2%	18.2%			
Dorchester County	15.4%	17.0%	17.0%	17.0%			
Senior Renter HHs - 65+				2000-2010	2010-2015	2015-2018	
	<u>2000</u>	<u>2010</u>	<u>2015</u>	<u>2018</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
Town of Summerville	593	900	1,167	1,326	51.8%	29.6%	13.7%
Summerville PMA	853	1,506	1,953	2,221	76.6%	29.7%	13.7%
Dorchester County	933	1,549	1,961	2,208	66.0%	26.6%	12.6%
	<u>% Renter</u>	<u>% Renter</u>	<u>% Renter</u>	<u>% Renter</u>			
Town of Summerville	32.3%	29.5%	29.5%	29.5%			
Summerville PMA	19.1%	18.5%	18.5%	18.5%			
Dorchester County	16.9%	17.2%	17.2%	17.2%			

Source: U.S. Census - 2000/2010; ESRI Business Analyst; Shaw Research & Consulting

4. Household Income Trends

Income levels throughout the Summerville area have experienced somewhat sluggish gains over the past decade. While the PMA and much of Dorchester County recorded annual increases of approximately two percent between 1999 and 2010, it is anticipated that income appreciation will slow to approximately less than one percent annually through 2018. In 2015, the median household income for the PMA was estimated at \$56,353, which was slightly greater than that estimated for Summerville proper (\$55,616) and nearly identical to that of Dorchester County (\$56,419). Furthermore, the PMA figure represents an increase of just one percent from 2010 (an average annual increase of just 0.1 percent), while the town and county both increased at similarly sluggish rates between 2010 and 2015.

According to ESRI data, the rate of income growth is forecast to remain lethargic through 2020. As such, it is projected that the median income within the PMA will increase by just 0.8 percent annually between 2015 and 2020, slightly below income appreciation anticipated throughout most of the county for the same time span.

Table 16: Median Household Incomes (1999 to 2020)

	<u>1999</u>	<u>2010</u>	<u>2015</u>	<u>2018</u>	<u>2020</u>
Town of Summerville	\$43,238	\$54,951	\$55,616	\$56,821	\$58,628
Summerville PMA	\$45,522	\$55,994	\$56,353	\$57,273	\$58,652
Dorchester County	\$42,939	\$55,034	\$56,419	\$57,662	\$59,527
		<u>1999-2010</u>	<u>2010-2015</u>	<u>2015-2018</u>	<u>2015-2020</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
Town of Summerville		27.1%	1.2%	1.2%	5.4%
Summerville PMA		23.0%	0.6%	0.6%	4.1%
Dorchester County		28.2%	2.5%	2.5%	5.5%
		<u>1999-2010</u>	<u>2010-2015</u>	<u>2015-2018</u>	<u>2015-2020</u>
		<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>
Town of Summerville		2.2%	0.2%	0.7%	1.1%
Summerville PMA		1.9%	0.1%	0.5%	0.8%
Dorchester County		2.3%	0.5%	0.7%	1.1%

Source: U.S. Census - 2000/2010; ESRI Business Analyst; Shaw Research & Consulting

According to the most recent American Housing Survey through the U.S. Census Bureau, approximately 30 percent of all households within the Summerville PMA had an annual income of less than \$35,000 in 2014 – the portion of the population with the greatest need for affordable housing options. In comparison, a similar 29 percent of town households had incomes within this range as well. With nearly one-third of all households within the immediate Summerville area earning less than \$35,000 per year, additional affordable housing options will undoubtedly be well received.

Table 17: Overall Household Income Distribution (2014)

	Town of Summerville		Summerville PMA		Dorchester County	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$10,000	988	6.0%	2,887	5.4%	3,337	6.5%
\$10,000 to \$14,999	652	3.9%	1,895	3.5%	2,192	4.3%
\$15,000 to \$19,999	901	5.4%	2,806	5.3%	2,710	5.3%
\$20,000 to \$24,999	613	3.7%	2,296	4.3%	2,242	4.4%
\$25,000 to \$29,999	849	5.1%	3,143	5.9%	2,857	5.6%
\$30,000 to \$34,999	801	4.8%	3,140	5.9%	2,807	5.5%
\$35,000 to \$39,999	887	5.4%	2,929	5.5%	2,612	5.1%
\$40,000 to \$44,999	948	5.7%	2,773	5.2%	2,360	4.6%
\$45,000 to \$49,999	721	4.4%	2,624	4.9%	2,323	4.5%
\$50,000 to \$59,999	1,582	9.6%	5,020	9.4%	4,807	9.3%
\$60,000 to \$74,999	1,856	11.2%	6,519	12.2%	5,943	11.6%
\$75,000 to \$99,999	2,204	13.3%	7,068	13.2%	6,800	13.2%
\$100,000 to \$124,999	1,652	10.0%	5,093	9.5%	4,922	9.6%
\$125,000 to \$149,999	814	4.9%	2,402	4.5%	2,502	4.9%
\$150,000 to \$199,999	664	4.0%	1,899	3.6%	1,929	3.7%
\$200,000 and Over	410	2.5%	937	1.8%	1,107	2.2%
TOTAL	16,542	100.0%	53,431	100.0%	51,450	100.0%
Less than \$34,999	4,804	29.0%	16,167	30.3%	16,145	31.4%
\$35,000 to \$49,999	2,556	15.5%	8,326	15.6%	7,295	14.2%
\$50,000 to \$74,999	3,438	20.8%	11,539	21.6%	10,750	20.9%
\$75,000 to \$99,999	2,204	13.3%	7,068	13.2%	6,800	13.2%
\$100,000 and Over	3,540	21.4%	10,331	19.3%	10,460	20.3%

Source: American Community Survey

Based on the proposed income targeting and rent levels, the key income range for the subject proposal is \$15,510 to \$30,240 (in current dollars). Utilizing Census information available on senior household income by tenure, dollar values were inflated to current dollars using the Consumer Price Index calculator from the Bureau of Labor Statistic’s website. Based on this data, the targeted income range accounts for a sizable number of low-income senior households throughout the area. As such, roughly 18 percent of the PMA's senior owner-occupied household number, and 22 percent of the senior renter-occupied household figure are within the income-qualified range. Overall, this income range accounted for approximately 19 percent of all senior households within the PMA. Considering the relative density of the PMA, this equates to more than 4,250 potential income-qualified senior households for the proposed development, including nearly 900 income-qualified senior renter households.

Table 18: Senior Household Income by Tenure – Summerville PMA (2018)

	Number of 2018 Households (55+)			Percent of 2018 Households (55+)		
	<u>Total</u>	<u>Owner</u>	<u>Renter</u>	<u>Total</u>	<u>Owner</u>	<u>Renter</u>
Less than \$10,700	1,620	1,091	529	7.0%	5.9%	12.9%
\$10,701 to \$16,050	1,886	1,196	690	8.1%	6.5%	16.9%
\$16,051 to \$21,400	1,545	1,234	310	6.9%	6.7%	7.6%
\$21,401 to \$26,750	1,805	1,368	437	8.0%	7.4%	10.7%
\$26,751 to \$32,100	1,110	995	115	5.0%	5.4%	2.8%
\$32,101 to \$37,450	1,476	1,292	184	6.6%	7.0%	4.5%
\$37,451 to \$42,800	1,365	928	437	5.9%	5.1%	10.7%
\$42,801 to \$53,500	1,995	1,512	483	8.8%	8.2%	11.8%
\$53,501 and Over	<u>9,662</u>	<u>8,754</u>	<u>908</u>	<u>43.7%</u>	<u>47.7%</u>	<u>22.2%</u>
Total	22,462	18,369	4,094	100.0%	100.0%	100.0%

Source: U.S. Census of Population and Housing; BLS CPI Calculator; Shaw Research & Consulting

The 2014 American Community Survey shows that approximately 44 percent of all renter households within the PMA are rent-overburdened; that is, they pay more than 35 percent of their incomes on rent and other housing expenses. Furthermore, ACS data shows that an identical 44 percent of senior renter households (aged 65 and over) are overburdened within the PMA, while 37 percent of seniors within Summerville are overburdened. As such, this data demonstrates that the need for affordable housing is quite apparent in the PMA, and the income-targeting plan proposed for the subject would clearly help to alleviate this issue.

Table 19a: Renter Overburdened Households (2014)

Gross Rent as a % of Household Income	Town of Summerville		Summerville PMA		Dorchester County	
	Number	Percent	Number	Percent	Number	Percent
Total Rental Units	6,093	100.0%	17,807	100.0%	15,437	100.0%
Less than 10.0 Percent	105	1.8%	433	2.6%	335	2.4%
10.0 to 14.9 Percent	224	3.9%	1,156	6.9%	950	6.8%
15.0 to 19.9 Percent	721	12.5%	1,709	10.2%	1,461	10.4%
20.0 to 24.9 Percent	955	16.5%	2,501	15.0%	2,136	15.2%
25.0 to 29.9 Percent	689	11.9%	2,216	13.3%	1,779	12.7%
30.0 to 34.9 Percent	417	7.2%	1,258	7.5%	1,016	7.2%
35.0 to 39.9 Percent	385	6.6%	1,171	7.0%	946	6.7%
40.0 to 49.9 Percent	640	11.1%	1,990	11.9%	1,699	12.1%
50 Percent or More	1,654	28.6%	4,257	25.5%	3,723	26.5%
Not Computed	303	--	1,116	--	1,392	--
35 Percent or More	2,679	46.3%	7,418	44.4%	6,368	45.3%
40 Percent or More	2,294	39.6%	6,247	37.4%	5,422	38.6%

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

Table 19b: Senior Renter Overburdened Households (2014)

Gross Rent as a % of Household Income	Town of Summerville		Summerville PMA		Dorchester County	
	Number	Percent	Number	Percent	Number	Percent
Householder 65+ Years:	849	100.0%	1,298	100.0%	1,256	100.0%
Less than 20.0 Percent	94	12.4%	131	11.5%	114	11.0%
20.0 to 24.9 Percent	95	12.5%	123	10.8%	112	10.8%
25.0 to 29.9 Percent	184	24.2%	259	22.7%	236	22.8%
30.0 to 34.9 Percent	104	13.7%	128	11.2%	114	11.0%
35.0 Percent or More	283	37.2%	501	43.9%	459	44.3%
Not Computed	89	--	156	--	221	--

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

F. DEMAND ANALYSIS

1. Demand for Senior Tax Credit Rental Units

Demand calculations for each targeted income level of the subject proposal are illustrated in the following tables. Utilizing SCSHFDA guidelines, demand estimates will be measured from four key sources: household growth, substandard housing, rent-overburdened households, and elderly homeowners converting to renting. All demand sources will be income-qualified, based on the targeting plan of the subject proposal and current LIHTC income restrictions as published by SCSHFDA. Demand estimates will be calculated for units designated at each income level targeted in the subject proposal – in this case, at 50 percent and 60 percent of AMI. As such, calculations will be based on the starting rental rate, a 40 percent rent-to-income ratio, and a maximum income of \$30,240 (the 2-person income limit at 60 percent AMI for Dorchester County). The resulting overall income-eligibility range (expressed in current-year dollars) for each targeted income level is as follows:

	<u>Minimum</u>	<u>Maximum</u>
50 percent of AMI	\$15,510	\$25,200
60 percent of AMI	\$18,810	\$30,240
Overall	\$15,510	\$30,240

By applying the income-qualified range and 2018 household forecasts to the current-year household income distribution by tenure (adjusted from census data based on the Labor Statistics’ Consumer Price Index), the number of income-qualified households can be calculated. As a result, 22 percent of all senior renter households within the PMA are estimated to fall within the stated LIHTC qualified income range.

Based on U.S. Census data and projections from ESRI, approximately 376 additional senior renter households are anticipated between 2015 and 2018. By applying the income-qualified percentage to the overall eligible figure, a demand for 82 senior tax credit rental units can be calculated as a result of new rental household growth.

Using U.S. Census data on substandard rental housing, it is estimated that approximately four percent of all renter households within the Summerville PMA could be considered substandard, either by overcrowding (a greater than 1-to-1 ratio of persons to rooms) or

incomplete plumbing facilities (a unit that lacks at least a sink, bathtub, or toilet). Applying this figure, along with the senior renter propensity and income-qualified percentage, to the number of households currently present in 2010 (the base year utilized within the demand calculations), the tax credit demand resulting from substandard units is calculated at 24 units within the PMA.

Potential demand for the subject proposal may also arise from those senior households experiencing rent-overburden, defined by households paying greater than 35 percent of monthly income for rent. Excluding owner-occupied units, an estimate of market potential for the subject proposal based on 2014 American Housing Survey data on rent-overburdened households paying more than 35 percent of monthly income for rent is calculated. Using information contained within the ACS, the percentage of senior renter households within this overburdened range is reported at approximately 44 percent. Applying this rate to the number of renter households yields a total demand of 295 additional units as a result of rent overburden.

And lastly, another source of demand is elderly homeowners converting to rental housing. It is conservatively estimated that approximately 1½ percent of senior homeowners would convert to a rental property, should an affordable option become readily available. Utilizing 2010 household figures, it is calculated that 18 percent of all senior owner households within the PMA are estimated to fall within the stated LIHTC qualified income range. Considering the income-qualified owner households and estimated conversion, a demand of 38 units has been determined arising from existing elderly owner households.

There have been no comparable LIHTC properties within the Summerville PMA that have been allocated credits or placed in service since 2015, or are currently under construction. As such, no units need to be deducted from the sources of demand listed previously. Combining all above factors results in an overall senior demand of 439 LIHTC units for 2018. Calculations by individual bedroom size are also provided utilizing the same methodology. As such, it is clear that sufficient demand exists for the project and each unit type proposed. Therefore, a new rental housing option for low-income senior households should receive a positive response due to the strong demographic growth within the Summerville area coupled with the clear lack of similar tax credit rental options targeted specifically to seniors.

Table 20: Senior Demand Calculation -- by Income Targeting (2018)

2010 Total Occupied Households 55+	16,955		
2010 Owner-Occupied Households 55+	13,865		
2010 Renter-Occupied Households 55+	3,090		
		Income Targeting	
		50%	60%
		AMI	AMI
			Total
QUALIFIED-INCOME RANGE			LIHTC
Minimum Annual Income		\$15,510	\$18,810
Maximum Annual Income		\$25,200	\$30,240
DEMAND FROM NEW HOUSEHOLD GROWTH			
Renter Household Growth, 2015-2018		376	376
Percent Income Qualified Renter Households		16.9%	16.2%
Total Demand From New Households		63	61
DEMAND FROM EXISTING RENTER HOUSEHOLDS			
Percent of Renters in Substandard Housing		3.5%	3.5%
Percent Income Qualified Renter Households		16.9%	16.2%
Total Demand From Substandard Renter Households		18	18
Percent of Renters Rent-Overburdened		43.9%	43.9%
Percent Income Qualified Renter Households		16.9%	16.2%
Total Demand From Overburdened Renter Households		229	219
DEMAND FROM EXISTING OWNER HOUSEHOLDS			
Owner to Renter Conversion Rate		1.5%	1.5%
Percent Income Qualified		12.7%	14.2%
Total Demand from Owner Households		26	30
Total Demand From Existing Households		273	267
TOTAL DEMAND		337	328
LESS: Total Comparable Activity Since 2015		0	0
TOTAL NET DEMAND		337	328
PROPOSED NUMBER OF UNITS		11	31
CAPTURE RATE		3.3%	9.5%
Note: Totals may not sum due to rounding			

Table 21: Senior Demand Calculation – by Bedroom Size (2018)

2010 Total Occupied Households 55+	16,955																																																																																																																																																																																					
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2. Capture and Absorption Rates

Utilizing information from the demand forecast calculations, capture rates provide an indication of the percentage of annual income-qualified demand necessary for the successful absorption of the subject property. An overall capture rate of 9.6 percent was determined based on the demand calculation (including renter household growth, substandard and overburdened units among existing renter households, potential senior owner households, and excluding any comparable activity since 2015), providing a generally positive indication of the overall general market depth for the subject proposal. More specifically, the capture rate for units restricted at 50 percent AMI was calculated at 3.3 percent, while the 60 percent AMI capture rate was at 9.5 percent. As such, these capture rates provide an overall positive indication of the need for affordable senior rental options locally and are within acceptable industry thresholds.

Taking into consideration the clear lack of any comparable affordable senior housing throughout the Summerville PMA, the overwhelming success of existing senior LIHTC developments (in the neighboring communities of Goose Creek, North Charleston, and Charleston), and also the proposed features and rental rates within the subject, an estimate of the overall absorption period to reach 93 percent occupancy is conservatively estimated at five to seven months. This determination also takes into consideration a market entry in late 2017/early 2018; a minimum of 20 percent of units pre-leased; and assumes all units will enter the market at approximately the same time. Based on this information, no market-related concerns are present.

G. SUPPLY/COMPARABLE RENTAL ANALYSIS

1. Summerville PMA Rental Market Characteristics

As part of the rental analysis for the Summerville PMA, a survey of existing rental projects within the Summerville primary market area was completed by Shaw Research & Consulting in February 2016. Including senior-only developments within or near the PMA, as well as family LIHTC projects within Summerville, a total of 20 apartment properties were identified and questioned for information such as current rental rates, amenities, and vacancy levels. Results from the survey provide an indication of overall market conditions throughout the Summerville area, and are discussed below and illustrated on the following pages.

Considering the developments responding to our survey, a total of 2,473 units were reported, with the majority of units containing one or two bedrooms. Among the properties providing a specific unit breakdown, 41 percent of all units had one bedroom, 44 percent had two bedrooms, and 15 percent of units contained three bedrooms. No efficiency and only a few four-bedroom units were reported in the survey. The average age of the rental properties was just 13 years old (an average build date of 2003), with 13 properties built since 2005. In addition, a total of 12 facilities in the survey reported to have some sort of income eligibility requirements – with nine tax credit developments and three HUD subsidized projects.

Overall conditions for the Summerville rental market appear to be quite positive at the current time, while the senior market specifically is extraordinarily strong. Among the 20 properties included in the survey, the overall occupancy rate was calculated at 96.8 percent. However, an occupancy rate of 99.2 percent was reported among the nine senior-only developments included within the survey, with seven facilities entirely occupied – clearly demonstrating strong demand for senior housing locally. When breaking down occupancy rates by financing type, the eight market rate developments averaged 95.7 percent occupied, while the nine tax credit properties (six senior and three family projects) averaged 99.3 percent occupancy – reflecting positive conditions for affordable rental options for both families and seniors.

2. Comparable Senior Rental Market Characteristics

Considering the subject property will be developed utilizing tax credits and be marketed specifically towards senior residents, Shaw Research has identified six senior tax credit facilities within the region as being most comparable – since no similar LIHTC senior project is presently located within the defined PMA, senior-only developments from neighboring areas (Goose Creek, North Charleston, and Charleston) were utilized to gauge senior rental conditions for the area. According to survey results, the combined occupancy rate for these developments was calculated at 98.9 percent, with four of the six entirely occupied. Detailed results on rent levels and unit sizes are also illustrated in the tables on the following pages - the average LIHTC rent for a one-bedroom unit was calculated at \$539 per month with an average size of 758 square feet (the resulting average rent per square foot ratio is \$0.71), while two-bedroom units averaged \$646 and 980 square feet (\$0.66 per square foot).

In comparison to tax credit averages, the subject proposal's rental rates are very competitive with comparable unit sizes. When taking into account unit sizes and rent-per-square foot averages, the proposal is quite affordable when compared to both market rate and other tax credit options. As such, the proposed rental rates at 60 percent AMI are extremely competitive with other tax credit units (units at 60 percent AMI).

From a market standpoint, it is evident that sufficient demand is present for the development of affordable tax credit units targeting low-income senior households. However, based on prevailing rental rates and income levels, the rent structure is crucial for the long-term viability of any new rental development. As such, considering unit sizes, amenity levels, and rent-per-square foot ratios, the proposed rental rates within the subject are appropriate for the Summerville rental market, and should be considered a positive factor.

3. Comparable Pipeline Units

According to SCSHFDA information and local government officials, there is no comparable senior multi-family rental activity (either proposed or under construction) within the Summerville PMA at the current time.

4. Impact on Existing Tax Credit Properties

Based on the relatively strong occupancy rates among all local LIHTC developments (family and senior), the construction of the proposal will not have any adverse impact on existing affordable rental properties or those units under construction. Considering the strong future demographic growth anticipated for the PMA, as well as the generally positive characteristics of the site location, affordable housing will continue to be in demand locally.

Table 22: Rental Housing Survey - Overall

Project Name	Year Built	Total Units	Studio/ Eff.	1 BR	2 BR	3 BR	4 BR	Heat Incl.	W/S Incl.	Elec. Incl.	Occup. Rate	Type	Location
Crowfield Greene	2010	42	0	14	28	0	0	No	No	No	100%	SR 55+	Goose Creek
Grand Oaks Apts	2004	60	0	52	8	0	0	No	Yes	No	97%	SR 55+	Charleston
Grandview Apts	2011	72	0	48	24	0	0	No	Yes	No	100%	SR 55+	Charleston
Marshside Village	2007	48	0	48	0	0	0	No	Yes	No	100%	SR 62+	N. Charleston
Pine Ridge Elderly Housing	1965	72	0	68	4	0	0	No	Yes	No	100%	SR 62+	Summerville
Shady Grove Apts	2005	72	0	55	17	0	0	No	Yes	No	97%	SR 55+	Charleston
Sherman House	1984	56	0	56	0	0	0	No	No	No	100%	SR 62+	Charleston
The Preserve at Collins Park	2010	40	0	2	38	0	0	No	Yes	No	100%	SR 55+	Goose Creek
The Villas at Horizon Village	2010	71	0	55	16	0	0	No	No	No	100%	SR 55+	N. Charleston
Bridge Pointe Apts	2004	130	0	24	74	32	0	No	No	No	88%	Open	Summerville
Colonial Village at Waters Edge	1986	204	0	68	136	0	0	No	No	No	98%	Open	Summerville
Kilnsea Village Apts	2012	234	0	78	78	78	0	No	No	No	98%	Mixed	Summerville
Lake Pointe Apts	2014	54	0	8	19	19	8	No	Yes	No	100%	Open	Summerville
Latitude at Wescott	2008	290	0	NA	NA	NA	0	No	Yes	No	93%	Open	Summerville
Oakbrook Village	2006	192	0	24	120	48	0	No	No	No	96%	Open	Summerville
Summerville Garden Apts	2012	72	0	18	36	18	0	No	Yes	No	100%	Open	Summerville
The Grove at Oakbrook	2003	280	0	NA	NA	NA	0	No	No	No	96%	Open	Summerville
The Reserve at Wescott Plantation	2007	288	0	120	132	36	0	No	No	No	97%	Open	Summerville
Westbury Mews	1987	132	0	44	72	16	0	No	Yes	No	98%	Open	Summerville
Wisteria Place Apts	2006	64	0	0	32	32	0	No	Yes	No	100%	Open	Summerville
Totals and Averages <i>Unit Distribution</i>	2003	2,473	0	782	834	279	8	<i>Overall Occupancy Rate:</i>		96.8%			
			0%	41%	44%	15%	0%	<i>Senior Occupancy Rate:</i>		99.2%			
SUBJECT PROJECT													
THE VILLAS AT OAKBROOK	2018	42	0	6	36	0	0	No	Yes	No		SR 55+	Summerville

Note: Shaded Properties are senior LIHTC

Table 23: Rental Housing Summary - Overall

Project Name	Year Built	Total Units	Studio/ Eff.	1 BR	2 BR	3 BR	4 BR	Heat Incl.	W/S Incl.	Elec. Incl.	Occup. Rate	Type	Location
Totals and Averages <i>Unit Distribution</i>	2003	2,473	0 0%	782 41%	834 44%	279 15%	8 0%				96.8%		
SUBJECT PROJECT													
THE VILLAS AT OAKBROOK	2018	42	0	6	36	0	0	No	Yes	No			
SUMMARY													
	Number of Dev.	Year Built	Total Units	Studio/ Eff.	1BR	2BR	3BR	4BR	Average Occup.				
Total Developments	20	2003	2,473	0	782	834	279	8	96.8%				
Market Rate Only	8	2002	1,750	0	358	612	210	0	95.7%				
LIHTC Only	9	2009	547	0	252	218	69	8	99.3%				
Subsidized Only	3	1985	176	0	172	4	0	0	100.0%				

Note: Shaded Properties are senior LIHTC

Table 24: Rent Range for 1 & 2 Bedrooms - Overall

Project Name	Program	PBRA Units	1BR Rent		1BR Square Feet		Rent per Square Foot Range		2BR Rent		2BR Square Feet		Rent per Square Foot Range	
			LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH
Crowfield Greene	LIHTC	0	\$492	\$585	952		\$0.52	\$0.61	\$589	\$725	1,237		\$0.48	\$0.59
Grand Oaks Apts	LIHTC	0	\$493	\$611	680		\$0.73	\$0.90	\$590	\$732	1,000		\$0.59	\$0.73
Grandview Apts	LIHTC	0	\$493	\$611	716		\$0.69	\$0.85	\$590	\$732	922		\$0.64	\$0.79
Marshside Village	BOI-HUD	48												
Pine Ridge Elderly Housing	BOI-HUD	72			593						729			
Shady Grove Apts	LIHTC	0	\$493		702		\$0.70		\$590		900		\$0.66	
Sherman House	BOI-HUD	56			530									
The Preserve at Collins Park	LIHTC	0	\$468	\$586	789		\$0.59	\$0.74	\$555	\$697	982		\$0.57	\$0.71
The Villas at Horizon Village	LIHTC/BOI	34	\$555		703	762	\$0.73	\$0.79	\$660		905	916	\$0.72	\$0.73
Bridge Pointe Apts	Market	0	\$880	\$895	790		\$1.11	\$1.13	\$1,020	\$1,180	1,074	1,181	\$0.95	\$1.00
Colonial Village at Waters Edge	Market	0	\$775	\$845	700		\$1.11	\$1.21	\$910	\$1,030	1,010	1,030	\$0.90	\$1.00
Kilnsea Village Apts	Market	0	\$875	\$915	811		\$1.08	\$1.13	\$990	\$1,030	1,065	1,096	\$0.93	\$0.94
Lake Pointe Apts	LIHTC	0	\$470	\$520	850		\$0.55	\$0.61	\$570	\$645	1,100		\$0.52	\$0.59
Latitude at Wescott	Market	0	\$912	\$3,362	833		\$1.09	\$4.04	\$926	\$3,612	1,122	1,164	\$0.83	\$3.10
Onkbrook Village	Market	0	\$807	\$832	778		\$1.04	\$1.07	\$977	\$1,002	1,178		\$0.83	\$0.85
Summerville Garden Apts	LIHTC	0	\$465	\$519	763		\$0.61	\$0.68	\$550	\$580	973		\$0.57	\$0.60
The Grove at Oakbrook	Market	0	\$855	\$895	788		\$1.09	\$1.14	\$930	\$1,100	972	1,235	\$0.89	\$0.96
The Reserve at Wescott Plantation	Market	0	\$830	\$965	770	865	\$1.08	\$1.12	\$940	\$1,065	1,044	1,146	\$0.90	\$0.93
Westbury Mews	Market	0	\$725	\$850	551	897	\$0.95	\$1.32	\$820	\$910	780	1,009	\$0.90	\$1.05
Wisteria Place Apts	LIHTC	0							\$586	\$728	1,082		\$0.54	\$0.67
Totals and Averages		210		\$786		753		\$1.04		\$893		1,033		\$0.86
SUBJECT PROPERTY														
THE VILLAS AT OAKBROOK	LIHTC	0	\$440	\$550		810	\$0.54	\$0.68	\$510	\$620		966	\$0.53	\$0.64
SUMMARY														
Overall				\$786		753		\$1.04		\$893		1,033		\$0.86
Market Rate Only				\$1,014		778		\$1.30		\$1,153		1,074		\$1.07
LIHTC Only				\$526		769		\$0.68		\$632		1,002		\$0.63
Subsidized Only				NA		562		NA		NA		729		NA

Note: Shaded Properties are senior LIHTC

Table 25a: Project Amenities - Overall

Project Name	Central Air	Wall A/C	A/C Sleeve	Garbage Disposal	Dish Washer	Microwave	Ceiling Fan	Walk-in Closet	Mini Blinds	Patio/ Balcony	Club/ Comm. Room	Computer Center	Exercise Room
Crowfield Greene	Yes	No	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Grand Oaks Apts	Yes	No	No	No	No	No	Yes	No	Yes	Yes	Yes	No	Yes
Grandview Apts	Yes	No	No	No	Yes	Yes	Yes	No	Yes	No	Yes	No	Yes
Marlside Village	Yes	No	No	No	Yes	No	Yes	Yes	Yes	No	Yes	Yes	No
Pine Ridge Elderly Housing	Yes	No	No	Yes	Yes	No	No	No	Yes	Yes	Yes	No	No
Shady Grove Apts	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
Sherman House	Yes	No	No	Yes	No	No	No	No	No	No	Yes	No	No
The Preserve at Collins Park	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
The Villas at Horizon Village	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Bridge Pointe Apts	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Colonial Village at Waters Edge	Yes	No	No	Yes	Yes	No	Some	Yes	Yes	Yes	No	Yes	Yes
Kilnsea Village Apts	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Lake Pointe Apts	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Latitude at Wescott	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Oakbrook Village	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Summerville Garden Apts	Yes	No	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
The Grove at Oakbrook	Yes	No	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
The Reserve at Wescott Plantation	Yes	No	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Westbury Mews	Yes	No	No	Yes	Yes	No	No	Yes	Yes	Yes	Yes	No	Yes
Wisteria Place Apts	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No
Totals and Averages	93%	0%	0%	81%	85%	48%	78%	67%	89%	74%	81%	59%	67%
SUBJECT PROJECT													
THE VILLAS AT OAKBROOK	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
SUMMARY													
Overall	93%	0%	0%	81%	85%	48%	78%	67%	89%	74%	81%	59%	67%
Market Rate Only	100%	0%	0%	100%	100%	50%	75%	100%	100%	100%	88%	88%	100%
LIHTC Only	100%	0%	0%	78%	89%	78%	100%	67%	100%	67%	100%	67%	78%
Subsidized Only	100%	0%	0%	67%	67%	0%	33%	33%	67%	33%	100%	33%	0%

Note: Shaded Properties are senior LIHTC

Table 25b: Project Amenities - Overall

Project Name	Gazebo	Elevator	Exterior Storage	On-Site Mgt	Security Intercom	Coin Op Laundry	Laundry Hookup	In-unit Laundry	Carport	Garage	Emerg. Pull Cord	Activities	Library
Crowfield Greene	No	No	No	Yes	No	Yes	Yes	No	No	Yes	Yes	Yes	Yes
Grand Oaks Apts	Yes	No	No	Yes	Yes	Yes	No	No	No	No	Yes	Yes	No
Grandview Apts	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes	Yes
Marshside Village	Yes	Yes	No	Yes	Yes	Yes	No	No	No	No	Yes	Yes	Yes
Pine Ridge Elderly Housing	No	No	No	Yes	No	Yes	No	No	No	No	Yes	Yes	No
Shady Grove Apts	No	Yes	Yes	Yes	No	Yes	Yes	No	No	No	Yes	Yes	No
Sherman House	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No	Yes	Yes	No
The Preserve at Collins Park	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No	No	Yes	No	No
The Villas at Horizon Village	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes
Bridge Pointe Apts	No	No	No	Yes	No	Yes	Yes	No	No	Yes			
Colonial Village at Waters Edge	No	No	Yes	Yes	No	No	No	Yes	No	No			
Kilusea Village Apts	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No	No			
Lake Pointe Apts	Yes	No	No	Yes	No	Yes	Yes	No	No	No			
Latitude at Wescott	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes			
Oakbrook Village	No	No	Yes	Yes	No	Yes	Yes	No	No	Yes			
Summerville Garden Apts	Yes	No	No	Yes	Yes	Yes	Yes	No	No	No			
The Grove at Oakbrook	No	No	Yes	Yes	No	Yes	Yes	No	No	Yes			
The Reserve at Wescott Plantation	No	No	Yes	Yes	No	Yes	Yes	No	No	Yes			
Westbury Mews	Yes	No	Yes	Yes	No	Yes	Yes	No	No	No			
Wisteria Place Apts	No	No	No	Yes	No	Yes	Yes	No	No	No			
Totals and Averages	41%	30%	30%	74%	33%	67%	52%	7%	0%	26%	89%	89%	44%
SUBJECT PROJECT													
THE VILLAS AT OAKBROOK	Yes	Yes	No	Yes	No	Yes	Yes	No	No	No	Yes	Yes	No
SUMMARY													
Overall	41%	30%	30%	74%	33%	67%	52%	7%	0%	26%	89%	89%	44%
Market Rate Only	38%	25%	75%	100%	25%	75%	75%	25%	0%	63%	0%	0%	0%
LIHTC Only	67%	44%	11%	100%	56%	100%	89%	0%	0%	22%	56%	56%	33%
Subsidized Only	67%	67%	33%	100%	67%	100%	0%	0%	0%	0%	100%	100%	33%

Note: Shaded Properties are LIHTC

Table 26: Rental Housing Survey - Comparable

Project Name	Year Built	Total Units	Studio/ Eff.	1 BR	2 BR	3 BR	4 BR	Heat Incl.	W/S Incl.	Elec. Incl.	Occup. Rate	Type	Location
Crowfield Greene	2010	42	0	14	28	0	0	No	No	No	100%	SR 55+	Goose Creek
Grand Oaks Apts	2004	60	0	52	8	0	0	No	Yes	No	97%	SR 55+	Charleston
Grandview Apts	2011	72	0	48	24	0	0	No	Yes	No	100%	SR 55+	Charleston
Shady Grove Apts	2005	72	0	55	17	0	0	No	Yes	No	97%	SR 55+	Charleston
The Preserve at Collins Park	2010	40	0	2	38	0	0	No	Yes	No	100%	SR 55+	Goose Creek
The Villas at Horizon Village	2010	71	0	55	16	0	0	No	No	No	100%	SR 55+	N. Charleston
Totals and Averages <i>Unit Distribution</i>	2008	357	0	226	131	0	0				98.9%		
SUBJECT PROJECT													
Villas at Oakbrook Apartments	2018	42	0	6	36	0	0	No	Yes	No		SR 55+	Summerville

Table 27: Rent Range for 1 & 2 Bedrooms - Comparable

Project Name	Program	PBRA Units	1BR Rent		1BR Square Feet		Rent per Square Foot Range		2BR Rent		2BR Square Feet		Rent per Square Foot Range	
			LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH
Crowfield Greene	LIHTC	0	\$492	\$585	952		\$0.52	\$0.61	\$589	\$725	1,237		\$0.48	\$0.59
Grand Oaks Apts	LIHTC	0	\$493	\$611	680		\$0.73	\$0.90	\$590	\$732	1,000		\$0.59	\$0.73
Grandview Apts	LIHTC	0	\$493	\$611	716		\$0.69	\$0.85	\$590	\$732	922		\$0.64	\$0.79
Shady Grove Apts	LIHTC	0	\$493		702		\$0.70		\$590		900		\$0.66	
The Preserve at Collins Park	LIHTC	0	\$468	\$586	789		\$0.59	\$0.74	\$555	\$697	982		\$0.57	\$0.71
The Villas at Horizon Village	LIHTC/BOI	34	\$555		703	762	\$0.73	\$0.79	\$660		905	916	\$0.72	\$0.73
Totals and Averages		34		\$539		758		\$0.71		\$646		980		\$0.66
SUBJECT PROPERTY														
Villas at Oakbrook Apartments	LIHTC	0	\$440	\$550		810	\$0.54	\$0.68	\$510	\$620		966	\$0.53	\$0.64

Note: Shaded properties are the closest and most comparable to the subject proposal

Table 28a: Project Amenities - Comparable

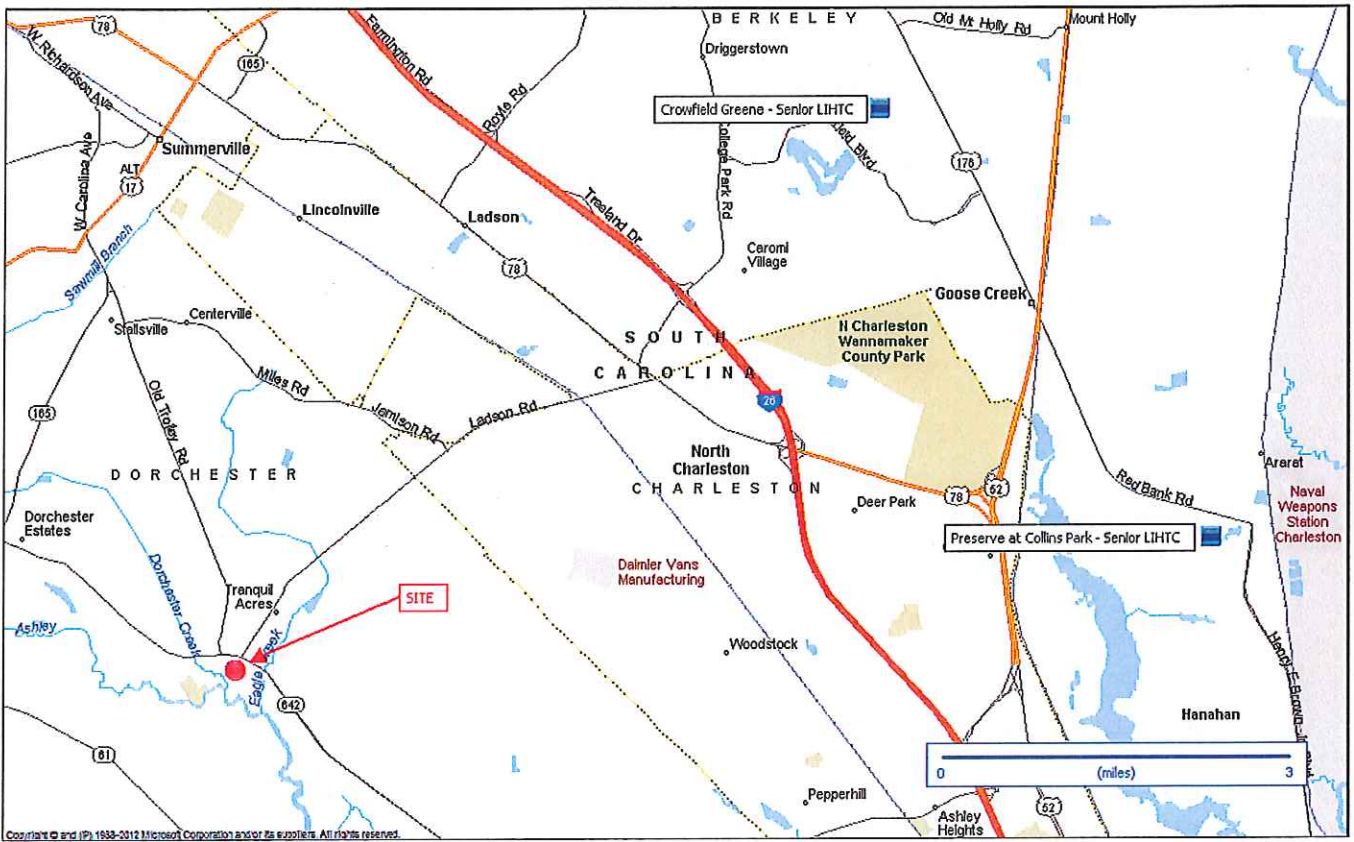
Project Name	Central Air	Wall A/C	A/C Sleeve	Garbage Disposal	Dish Washer	Microwave	Ceiling Fan	Walk-in Closet	Mini Blinds	Patio/ Balcony	Hi-Speed Internet	Club/ Comm. Room	Computer Center	Exercise Room
Crowfield Greene	Yes	No	No	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
Grand Oaks Apts	Yes	No	No	No	No	No	Yes	No	Yes	Yes	Yes	Yes	No	Yes
Grandview Apts	Yes	No	No	No	Yes	Yes	Yes	No	Yes	No	No	Yes	No	Yes
Shady Grove Apts	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	No
The Preserve at Collins Park	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes
The Villas at Horizon Village	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
Totals and Averages	100%	0%	0%	67%	83%	67%	100%	67%	100%	67%	17%	100%	50%	83%
SUBJECT PROJECT														
Villas at Oakbrook Apartments	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes


Table 28b: Project Amenities - Comparable

Project Name	Gazebo	Elevator	Exterior Storage	On-Site Mgt	Security Gate	Security Intercom	Coin Op Laundry	Laundry Hookup	In-unit Laundry	Carport	Garage	Emerg. Pull Cord	Activities	Library
Crowfield Greene	No	No	No	Yes	No	No	Yes	Yes	No	No	Yes	Yes	Yes	Yes
Grand Oaks Apts	Yes	No	No	Yes	No	Yes	Yes	No	No	No	No	Yes	Yes	No
Grandview Apts	Yes	Yes	No	Yes	No	Yes	Yes	Yes	No	No	Yes	No	Yes	Yes
Shady Grove Apts	No	Yes	Yes	Yes	No	No	Yes	Yes	No	No	No	Yes	Yes	No
The Preserve at Collins Park	Yes	Yes	No	Yes	No	Yes	Yes	Yes	No	No	No	Yes	No	No
The Villas at Horizon Village	Yes	Yes	No	Yes	No	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes
Totals and Averages	67%	67%	17%	100%	0%	67%	100%	83%	0%	0%	33%	83%	83%	50%
SUBJECT PROJECT														
Villas at Oakbrook Apartments	Yes	Yes	No	Yes	No	No	Yes	Yes	No	No	No	Yes	Yes	No

Note: Shaded properties are the closest and most comparable to the subject proposal

Map 11: Comparable Senior LIHTC Rental Developments



COMPARABLE PROJECT INFORMATION												
Project Name: Crowfield Greene Address: 179 Turnmill Drive City: Goose Creek State: SC Zip Code: 29445 Phone Number: (843) 818-1195 Contact Name: Holly Contact Date: 01/27/16 Current Occup: 100.0%												
DEVELOPMENT CHARACTERISTICS												
Total Units:		42		Year Built:		2010						
Project Type:		SR 55+		Floors:		1						
Program:		LIHTC		Accept Vouchers:		Yes						
PBRA Units*:		0		Voucher #:		1						
* Including Section 8, Rental Assistance, and any other Project-Based Subsidy												
UNIT CONFIGURATION/RENTAL RATES												
BR	Bath	Target	Type	# Units	Square Feet		Contract Rent		Vacant	Occup. Rate	Wait List	
					Low	High	Low	High				
TOTAL 1-BEDROOM UNITS				14					0	100.0%	Yes	
1	1.0	50	Apt	7	952		\$492		0	100.0%		
1	1.0	60	Apt	7	952		\$585		0	100.0%		
TOTAL 2-BEDROOM UNITS				28					0	100.0%	Yes	
2	2.0	50	Apt	14	1,237		\$589		0	100.0%		
2	2.0	60	Apt	14	1,237		\$725		0	100.0%		
TOTAL DEVELOPMENT				42					0	100.0%	50+ Names	
AMENITIES												
<u>Unit Amenities</u>				<u>Development Amenities</u>				<u>Laundry Type</u>				
<input checked="" type="checkbox"/> - Central A/C <input type="checkbox"/> - Wall A/C Unit <input checked="" type="checkbox"/> - Garbage Disposal <input checked="" type="checkbox"/> - Dishwasher <input type="checkbox"/> - Microwave <input checked="" type="checkbox"/> - Ceiling Fan <input checked="" type="checkbox"/> - Walk-In Closet <input checked="" type="checkbox"/> - Mini-Blinds <input type="checkbox"/> - Draperies <input checked="" type="checkbox"/> - Patio/Balcony <input type="checkbox"/> - Basement <input type="checkbox"/> - Fireplace <input type="checkbox"/> - High-Speed Internet				<input type="checkbox"/> - Clubhouse <input checked="" type="checkbox"/> - Community Room <input checked="" type="checkbox"/> - Computer Center <input checked="" type="checkbox"/> - Exercise/Fitness Room <input checked="" type="checkbox"/> - Community Kitchen <input type="checkbox"/> - Swimming Pool <input type="checkbox"/> - Playground <input type="checkbox"/> - Gazebo <input type="checkbox"/> - Elevator <input type="checkbox"/> - Storage <input type="checkbox"/> - Sports Courts <input checked="" type="checkbox"/> - On-Site Management <input type="checkbox"/> - Security - Access Gate <input type="checkbox"/> - Security - Intercom				<input checked="" type="checkbox"/> - Coin-Operated Laundry <input checked="" type="checkbox"/> - In-Unit Hook-Up <input type="checkbox"/> - In-Unit Washer/Dryer <u>Parking Type</u> <input checked="" type="checkbox"/> - Surface Lot <input type="checkbox"/> - Carport \$0 <input checked="" type="checkbox"/> - Garage (att) \$0 <input type="checkbox"/> - Garage (det) \$0 <u>Utilities Included</u> <input type="checkbox"/> - Heat ELE <input type="checkbox"/> - Electricity <input checked="" type="checkbox"/> - Trash Removal <input type="checkbox"/> - Water/Sewer				

COMPARABLE PROJECT INFORMATION											
Project Name: The Preserve at Collins Park Address: 2055 Harbour Lake Drive City: Goose Creek State: SC Zip Code: 29445 Phone Number: (843) 724-9943 Contact Name: Andrea Contact Date: 02/02/16 Current Occup: 100.0%											
DEVELOPMENT CHARACTERISTICS											
Total Units: 40 Project Type: SR 55+ Program: LIHTC PBRA Units*: 0		Year Built: 2010 Floors: 3 Accept Vouchers: Yes Voucher #: Enter									
* Including Section 8, Rental Assistance, and any other Project-Based Subsidy											
UNIT CONFIGURATION/RENTAL RATES											
BR	Bath	Target	Type	# Units	Square Feet		Contract Rent		Vacant	Occup. Rate	Wait List
					Low	High	Low	High			
TOTAL 1-BEDROOM UNITS				2					0	100.0%	Yes
1	1.0	50	Apt	1	789		\$468		0	100.0%	
1	1.0	60	Apt	1	789		\$586		0	100.0%	
TOTAL 2-BEDROOM UNITS				38					0	100.0%	Yes
2	2.0	50	Apt	19	982		\$555		0	100.0%	
2	2.0	60	Apt	19	982		\$697		0	100.0%	
TOTAL DEVELOPMENT				40					0	100.0%	Yes - Long
AMENITIES											
<u>Unit Amenities</u>				<u>Development Amenities</u>				<u>Laundry Type</u>			
<input checked="" type="checkbox"/> - Central A/C <input type="checkbox"/> - Wall A/C Unit <input checked="" type="checkbox"/> - Garbage Disposal <input checked="" type="checkbox"/> - Dishwasher <input checked="" type="checkbox"/> - Microwave <input checked="" type="checkbox"/> - Ceiling Fan <input checked="" type="checkbox"/> - Walk-In Closet <input checked="" type="checkbox"/> - Mini-Blinds <input type="checkbox"/> - Draperies <input type="checkbox"/> - Patio/Balcony <input type="checkbox"/> - Basement <input type="checkbox"/> - Fireplace <input type="checkbox"/> - High-Speed Internet				<input type="checkbox"/> - Clubhouse <input checked="" type="checkbox"/> - Community Room <input checked="" type="checkbox"/> - Computer Center <input checked="" type="checkbox"/> - Exercise/Fitness Room <input type="checkbox"/> - Community Kitchen <input type="checkbox"/> - Swimming Pool <input type="checkbox"/> - Playground <input checked="" type="checkbox"/> - Gazebo <input checked="" type="checkbox"/> - Elevator <input type="checkbox"/> - Storage <input type="checkbox"/> - Sports Courts <input checked="" type="checkbox"/> - On-Site Management <input type="checkbox"/> - Security - Access Gate <input checked="" type="checkbox"/> - Security - Intercom				<input checked="" type="checkbox"/> - Coin-Operated Laundry <input checked="" type="checkbox"/> - In-Unit Hook-Up <input type="checkbox"/> - In-Unit Washer/Dryer <u>Parking Type</u> <input checked="" type="checkbox"/> - Surface Lot <input type="checkbox"/> - Carport \$0 <input type="checkbox"/> - Garage (att) \$0 <input type="checkbox"/> - Garage (det) \$0 <u>Utilities Included</u> <input type="checkbox"/> - Heat ELE <input type="checkbox"/> - Electricity <input checked="" type="checkbox"/> - Trash Removal <input checked="" type="checkbox"/> - Water/Sewer			

6. Market Rent Calculations

Estimated market rents are utilized to determine the approximate rental rates that can be achieved within the local PMA assuming no income restrictions. Based on existing market rate properties that can be considered as most comparable to the subject proposal (based on but not limited to location, target market, building type, and age), rental rates are adjusted according to specific factors as compared to the subject. Adjustment factors include design, location, and condition of the property, construction date, unit and site amenities, unit sizes, and utilities included.

A total of five market-rate properties were selected to determine the estimated market rate, based largely on the availability of one and two-bedroom units, construction date, location, and building type. Using the Rent Comparability Grid on the following pages, the following is a summary of the estimated market rents by bedroom size along with the subject property's corresponding market advantage:

	Proposed Net Rent	Estimated Market Rent	Market Advantage
One-Bedroom Units			
50% AMI	\$440	\$844	48%
60% AMI	\$550	\$844	35%
Two-Bedroom Units			
50% AMI	\$510	\$960	47%
60% AMI	\$640	\$960	33%

Rent Comparability Grid

Subject Property		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Project Name		Colonial Village at Waters Edge		Kilnsea Village Apts		Oakbrook Village		The Grove at Oakbrook		The Reserve at Wescott Plantation	
Project City	Subject	Summerville		Summerville		Summerville		Summerville		Summerville	
Date Surveyed	Data	1/27/16		1/27/16		1/27/16		1/27/16		1/27/16	
A. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Structure Type	Apt										
Yr. Built/Yr. Renovated	2018	1986	\$24	2012	\$5	2006	\$9	2003	\$11	2007	\$8
Condition /Street	Good										
B. Unit Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Central A/C	Yes	Yes		Yes		Yes		Yes		Yes	
Garbage Disposal	Yes	Yes		Yes		Yes		Yes		Yes	
Dishwasher	Yes	Yes		Yes		Yes		Yes		Yes	
Microwave	Yes	No	\$3	Yes		Yes		No	\$3	No	\$3
Walk-In Closet	Yes	Yes		Yes		Yes		Yes		Yes	
Mini-Blinds	Yes	Yes		Yes		Yes		Yes		Yes	
Patio/Balcony	No	Yes	(\$3)	Yes	(\$3)	Yes	(\$3)	Yes	(\$3)	Yes	(\$3)
Basement	No	No		No		No		No		No	
Fireplace	No	No		No		No		Yes	(\$3)	Yes	(\$3)
C. Site Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Clubhouse	No	No		Yes	(\$3)	Yes	(\$3)	Yes	(\$3)	Yes	(\$3)
Community Room	Yes	No	\$3	Yes		No	\$3	No	\$3	No	\$3
Computer Center	Yes	Yes		Yes		Yes		Yes		Yes	
Exercise Room	No	Yes	(\$3)	Yes	(\$3)	Yes	(\$3)	Yes	(\$3)	Yes	(\$3)
Swimming Pool	No	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)
Playground	No	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)
Sports Courts	No	Yes	(\$3)	No		No		No		No	
On-Site Management	Yes	Yes		Yes		Yes		Yes		Yes	
Security - Access Gate	No	No		Yes	(\$3)	No		No		No	
Security - Intercom	No	No		Yes	(\$3)	No		No		No	
D. Other Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Coin-Operated Laundry	Yes	No	\$5	Yes		Yes		Yes		Yes	
In-Unit Hook-Up	Yes	No	\$5	Yes		Yes		Yes		Yes	
In-Unit Washer/Dryer	No	Yes	(\$35)	No		No		No		No	
Carpport	No	No		No		No		No		No	
Garage (attached)	No	No		No		No		No		No	
Garage (detached)	No	No		No		Yes	(\$15)	Yes	(\$15)	Yes	(\$15)
E. Utilities Included		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Heat	No	No		No		No		No		No	
Electric	No	No		No		No		No		No	
Trash Removal	Yes	Yes		Yes		Yes		Yes		Yes	
Water/Sewer	No	No		No		No		No		No	
Heat Type	ELE	ELE		ELE		ELE		ELE		ELE	
Utility Adjustments											
One-Bedroom Units											
Two-Bedroom Units											

<i>Subject Property</i>		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>		<i>Comp #5</i>	
Project Name		Colonial Village at Waters Edge		Kilnsea Village Apts		Oakbrook Village		The Grove at Oakbrook		The Reserve at Wescott Plantation	
Project City	Subject Data	Summerville		Summerville		Summerville		Summerville		Summerville	
Date Surveyed		42396		42396		42396		42396		42396	
F. Average Unit Sizes		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
One-Bedroom Units	810	700	\$17	811	(\$0)	778	\$5	788	\$3	818	(\$1)
Two-Bedroom Units	975	1,020	(\$7)	1,081	(\$16)	1,178	(\$30)	1,104	(\$19)	1,095	(\$18)
G. Number of Bathrooms		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
One-Bedroom Units	1.0	1.0	\$0	1.0	\$0	1.0	\$0	1.0	\$0	1.0	\$0
Two-Bedroom Units	2.0	2.0	\$0	2.0	\$0	2.0	\$0		\$0	2.0	\$0
G. Total Adjustments Recap											
One-Bedroom Units			\$3		(\$21)		(\$17)		(\$16)		(\$24)
Two-Bedroom Units			(\$21)		(\$36)		(\$52)		(\$39)		(\$41)

		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>		<i>Comp #5</i>	
Project Name		Colonial Village at Waters Edge		Kilnsea Village Apts		Oakbrook Village		The Grove at Oakbrook		The Reserve at Wescott Plantation	
Project City	Subject Data	Summerville		Summerville		Summerville		Summerville		Summerville	
Date Surveyed		42396		42396		42396		42396		42396	
H. Rent/Adjustment Summary		Unadjusted Rent	Adjusted Rent	Unadjusted Rent	Adjusted Rent	Unadjusted Rent	Adjusted Rent	Unadjusted Rent	Adjusted Rent	Unadjusted Rent	Adjusted Rent
Market Rate Units											
One-Bedroom Units	\$844	\$810	\$813	\$895	\$874	\$820	\$802	\$875	\$859	\$898	\$874
Two-Bedroom Units	\$960	\$970	\$949	\$1,010	\$974	\$990	\$937	\$1,015	\$976	\$1,003	\$962

H. INTERVIEWS

Throughout the course of performing this analysis of the Summerville rental market, many individuals were contacted. Based on discussions with local government officials, there was no directly comparable senior-oriented rental activity reported. However, two family-oriented market rate rental developments were mentioned: Legends at Azalea Square Apts (a total of 258 units located off of Holiday Drive in Summerville were originally approved in 2008, but just recently submitted a revised site plan due to wetlands issues -); and Archdale Commons (3-bedroom townhomes located along Archdale Boulevard in North Charleston – should be nearing completion). Because both these developments are family-oriented project as well as likely having higher rental rates (market rents), this developments will not have an adverse impact on the long term viability of the subject property.

In addition, officials noted that there is a continual need for affordable housing throughout the area. The following planning departments were contacted:

1. Summerville, SC -
Contact: Jessie Shuler, Zoning Administrator
Phone: 843-851-4217
Date: 2/22/2016
2. Dorchester County -
Contact: Jennifer Cook, Administrative Assistant – Planning and Zoning
Phone: 843-832-0019
Date: 3/1/2016

Additional information was collected during property visits and informal interviews with leasing agents and resident managers throughout the Summerville rental market as part of our survey of existing rental housing to collect more specific data. The results of these interviews are presented within the supply section of the market study. Based on these interviews, no widespread specials/concessions were reported throughout the local rental market.

I. CONCLUSIONS/RECOMMENDATIONS

Based on the information collected and reported within this study, sufficient evidence has been presented for the successful introduction and absorption of the subject property, as proposed, within the Summerville PMA. Factors supporting the introduction of a newly constructed rental alternative targeted for low-income senior households include the following:

1. Senior population figures have been extremely strong since 2000 throughout the PMA. Seniors 55 and over increased by 23 percent between 2010 and 2015 (more than 6,250 seniors), and is anticipated to increase by an additional 18 percent between 2015 and 2020;
2. Overall positive occupancy levels have been quite positive among affordable properties. Considering the nine LIHTC projects within our survey (six senior and three family), an occupancy rate of 99.3 percent was calculated;
3. Occupancy rates within the area's senior-only properties have also been quite impressive, with a combined occupancy rate of 98.9 percent calculated among the six senior LIHTC properties contacted, with each reporting waiting lists;
4. The location of the subject property can also be considered a positive factor. The site is located adjacent to a grocery store and also near retail, medical, and recreational areas;
5. The proposal represents a modern product with numerous amenities and features at a generally affordable rental level; and
6. Demand calculations and ratios are all within industry-accepted thresholds, with an estimated absorption of approximately five to seven months.

As such, the proposed facility should maintain at least a 93 percent occupancy rate into the foreseeable future with no long-term adverse effects on existing local rental facilities – either affordable or market rate. Assuming the subject proposal is developed as described within this analysis, Shaw Research & Consulting can provide a positive recommendation for the proposed development with no reservations or conditions.

J. SIGNED STATEMENT REQUIREMENTS

I affirm that I have made a physical inspection of the market and surrounding area and that 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.



Steven R. Shaw
SHAW RESEARCH AND CONSULTING, LLC

Date: March 1, 2016

K. SOURCES

2000 U.S. Census of Population and Housing - U.S. Census Bureau
2010 U.S. Census of Population and Housing – U.S. Census Bureau
2010-2014 American Community Survey – 5-Year Estimates – U.S. Census Bureau
2015/2020 Demographic Forecasts, ESRI Business Analyst Online
Apartment Listings – LIHTC – low-income-housing.credio.com
Apartment Listings – www.socialserve.com
Apartment Listings – Yahoo! Local – local.yahoo.com
Apartment Listings – Yellowbook – www.yellowbook.com
Community Info – Greater Summerville/Dorchester County Chamber of Commerce –
www.greatersummerville.org
Community Info – Visit Summerville – www.visitsummerville.com
Community Profile 2016 – Dorchester County – SC Department of Employment & Workforce
CPI Inflation Calculator – Bureau of Labor Statistics – U.S. Department of Labor
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Government Info – Dorchester County – www.dorchestercounty.net
Government Info – Town of Summerville – www.summerville.sc.us
Income & Rent Limits 2015 – South Carolina State Housing Finance & Development Authority
Interviews with community planning officials
Interviews with managers and leasing specialists at local rental developments
South Carolina Industry Data – SC Works Online Services
South Carolina Labor Market Information – U.S. Bureau of Labor Statistics
South Carolina LIHTC Allocations – SC State Housing Finance & Development Authority
Microsoft Streets and Trips 2013

L. RESUME

STEVEN R. SHAW SHAW RESEARCH & CONSULTING, LLC

Mr. Shaw is a principal at Shaw Research and Consulting, LLC. With over twenty-five years of experience in market research, he has assisted a broad range of clients with the development of various types of housing alternatives throughout the United States, including multi-family rental properties, single-family rental developments, for-sale condominiums, and senior housing options. Clients include developers, federal and state government agencies, non-profit organizations, and financial institutions. Areas of expertise include market study preparation, pre-feasibility analysis, strategic targeting and market identification, customized survey and focus group research, and demographic and economic analysis. Since 2000, Mr. Shaw has reviewed and analyzed housing conditions in nearly 400 markets across 24 states.

Previous to forming Shaw Research in January 2007, he most recently served as partner and Director of Market Research at Community Research Services (2004-2006). In addition, Mr. Shaw also was a partner for Community Research Group (1999-2004), and worked as a market consultant at Community Targeting Associates (1997-1999). Each of these firms provided the same types of services as Shaw Research and Consulting.

Additional market research experience includes serving as manager of automotive analysis for J.D. Power and Associates (1992-1997), a global automotive market research firm based in Troy, Michigan. While serving in this capacity, Mr. Shaw was responsible for identifying market trends and analyzing the automotive sector through proprietary and syndicated analytic reports. During his five-year tenure at J.D. Power, Mr. Shaw developed a strong background in quantitative and qualitative research measurement techniques through the use of mail and phone surveys, focus group interviews, and demographic and psychographic analysis. Previous to J.D. Power, Mr. Shaw was employed as a Senior Market Research Analyst with Target Market Systems (the market research branch of First Centrum Corporation) in East Lansing, Michigan (1990-1992). At TMS, his activities consisted largely of market study preparation for housing projects financed through RHS and MSHDA programs. Other key duties included the strategic targeting and identification of new areas for multi-family and single-family housing development throughout the Midwest.

A 1990 graduate of Michigan State University, Mr. Shaw earned a Bachelor of Arts degree in Marketing with an emphasis in Market Research, while also earning an additional major in Psychology.