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**AN APARTMENT ANALYSIS
IN THE
CITY OF
HARTSVILLE, SOUTH CAROLINA
FOR A PROPOSED ELDERLY
APARTMENT DEVELOPMENT
UNDER THE
LOW INCOME HOUSING TAX CREDIT PROGRAM
(BUTLER CROSSING)**

PREPARED FOR:

SOUTH CAROLINA STATE HOUSING FINANCE
AND DEVELOPMENT AUTHORITY &

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MARCH 1, 2013



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I. INTRODUCTION

A. OBJECTIVES

This study analyzes the market feasibility of the new construction of an elderly rental development, Butler Crossing, in the City of Hartsville, Darlington County, South Carolina in association with the South Carolina State Housing Finance & Development Authority's Low Income Housing Tax Credit program. After fully discussing the scope and area of survey with Mr. Jeffrey Woda, President of The Woda Group, Inc.; National Land Advisory Group undertook the analysis.

B. METHODOLOGY & LIMITATIONS

The methodology we use in our studies is centered on three analytical principles: the Primary Market Area (PMA), a field survey of the modern apartments and rental housing in the primary and secondary (if necessary) market areas, and the application and analysis generated for demographic and economic purposes.

A complete analysis for new construction within the rental market requires five considerations: a field survey of modern apartment's rentals; an analysis of area housing, an analysis of the area economy; a demographic analysis; and recommendations for development. Information is gathered from many internal and external sources, including, but not limited to: real estate owners, property managers, state and public government officials, public records, real estate professionals, U.S. Census Bureau, major employers, local chamber or development organizations and secondary demographic services. National Land Advisory Group accepts the materials and data from these sources as correct information, and assumes no liability for inaccurate data or analysis.

An important consideration in identifying support (supply and demand characteristics) is to determine the Primary Market Area (PMA). The establishment of a Primary Market Area is the typically the smallest geographic area from which the proposed development is expected to draw a majority of its potential residents. The market area generally relates to the natural, socioeconomic and/or manmade characteristics and boundaries of the subject site area.

Additionally, input into defining the PMA includes interviews with area government officials; transportation alternatives; and the evaluation of existing housing, demographic and socioeconomic trends and patterns. Of course, personal site visits and the interaction with nearby neighborhoods or communities are strongly applied. When defining the specific development opportunities, National Land Advisory Group will not comprise any market or sub-market area larger than the subject site area defined by this report. No radius analysis was used in the compilation of data.

Every effort has been made to insure the accuracy of the data contained within this analysis. Demographic and economic estimates and projections have been obtained from government agencies at national, state and county levels, as well as third party suppliers. Market information has been obtained from sources presumed to be reliable, including developers, owners and representatives. However, this information cannot be warranted by National land Advisory Group. While the methodology employed in this analysis allows for a margin of error in base data, it is assumed that the market data and government estimates and projections are substantially accurate.

The data in this report is derived from several sources: the U.S. Census Bureau, the American Community Survey, Applied Geographic Solutions/FBI UCR, Nielsen Claritas, and Ribbon Demographics. The data is apportioned to the various geographies using a Geospatial Information System (GIS). The GIS allocates data points such as population, households, and housing units, using Census block group apportionment or Census tract apportionment - depending on the availability of data. The GIS will apportion the data based on the location of

Census block points as they relate to the geography that the data is being apportioned for. In other words, the GIS will examine the data associated with the block points that lie within a geographical boundary (PMA, place, county, or state) and will then proportionally allocate associated data from a block group or census tract, to the principal geographical boundary that is receiving the data. Official geographic boundaries are provided by the U.S. Census Bureau and reflect the official boundaries as of July, 2010. The data in this report that utilizes Census and American Community Survey data may differ slightly from data that is aggregated using the American Factfinder tool. The potential differences in the data can be attributed to rounding, apportioning, and access to masked data that is not provided to the general public. The differences, if any, are generally less than 1%. However, smaller geographies such as places with less than 2,000 people are susceptible to greater variations between data points.

The U.S. Census no longer collects detailed housing and demographic information - data that was formerly collected by the long form of the Decennial Census. This data is now collected by the American Community Survey (ACS). The ACS is conducted more frequently (quarterly) but utilizes a much smaller sample size; therefore, there can be high margins of error in some instances. The margins of error will decrease proportionally as the population base increases and the size of the geography increases. This report utilizes data from the 2006-2010 ACS, which is an average of estimates taken over a five year period and eventually weighted back to the official 2010 Census. The ACS recommends that its data only be compared to other, non-overlapping ACS datasets. Please use caution when examining any data derived from the ACS, especially in less populated areas.

The objective of this report is to gather, analyze, and present as many market components as reasonably possible within the time constraints agreed upon. The conclusions contained in this report are based on the best judgments of the analysts; we make no guarantees or assurances that the projections or conclusions will be realized as stated. It is our function to provide our best effort in data collection, and to express opinions based on our evaluations. National Land Advisory Group, at all times, has remained an unbiased, third party principal.

**C. SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT
AUTHORITY'S REQUIREMENTS**

According to the South Carolina State Housing Finance and Development Authority's 2013 Low-Income Housing Tax Credit Program, specific requirements needed for analysis of market viability have been completed and incorporated into the market feasibility study prepared by National Land Advisory Group, in the sections as follows:

<u>DESCRIPTION</u>	<u>STUDY</u>
I. Executive Summary	Section II
A. Market Statement	Section II - A, Section VII - E
B. Recommendations/Modifications	Section II
B. Vacancy Rate	Section II - A
C. Absorption	Section II - A, Section VII - E
II. Project Description	Section II – A Section VII - E
III. Primary Market Area (PMA) Description	Section III - B
A. PMA Map	Section III
B. Methodology	Section III - B
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D. Health of Rental Market	Section VI
IV. Rent Comparison Table	Section VI
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B. Market Rents and Methodology	Section VI
V. Number of Income-Eligible Renter Households	Section II - D, Section VII- C
A. Capture Rate	Section II - D, Section VII- E
VI. Description and Evaluation of Services	Section III, Section IV
A. Public Services	Section III - B Section IV - B, C, D, E
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C. Contact Name	Section VI
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A. Project Information	Section II
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A. Copy of Letter/Certified Receipt or Interview	Section VI - C
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C. Narrative of Response, if needed.	Section VI - C
XII. Market Study Certification	Section I - D
XIII. Listing of Data Sources and Terms	Section I - B Chart Footnote, Section IX

D. CONSULTANT'S STATEMENT & MARKET STUDY CERTIFICATION

CONSULTANT'S STATEMENT & LIMITATIONS

This market study has been prepared by National Land Advisory Group, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCAHMA for the market analysts= industry. These standards include the Standard Definitions of Key Terms Used in Market Studies for Affordable Housing Projects and Model Content Standards for the Content of Market Studies for Affordable Housing Projects. These Standards are designed to enhance the quality of market studies and to make them easier to prepare, understand, and use by market analysts and by the end users. These Standards are voluntary only, and no legal responsibility regarding their use is assumed by the National Council of Affordable Housing Market Analysts.

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

While the document specifies National Land Advisory Group the certification is always signed by the individual completing the study and attesting to the certification.

MARKET STUDY CERTIFICATION

The undersigned, a recognized firm of independent market analysts knowledgeable and experienced in the development of affordable rental properties, completed this Market Study of Butler Crossing Apartments (project name) for Mr. Jeffrey Woda of The Woda Group, LLC (developer/owner name).

The market analyst does hereby state, in our best judgment that a market exists for the proposed project as of March 1, 2013. The market analyst makes no guarantees or assurances that projections or conclusions in the study will be realized as stated.

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

By: National Land Advisory Group

(Market Analyst Company/Firm)

By: 

(Authorized Representative)



Title: President

Field Analyst

Date: March 1, 2013

II. EXECUTIVE SUMMARY

A. DEVELOPMENT RECOMMENDATIONS

- ◆ This study has established that a market exists for the new construction of a 45-unit elderly rental housing project to be developed within the criteria set forth by the South Carolina State Housing Finance and Development Authority's Low Income Housing Tax Credit Program.
- ◆ With the proposed plans to develop 11-units (24.4%) available to households with incomes at or below the 50% of the area income and 34-units (75.6%) available to households with incomes at or below the 60% of the area income, the subject site located in the City of Hartsville, South Carolina is proposed as follows:

UNIT BY TYPE AND BEDROOM

BEDROOM	TWO
BATHROOMS	2.0
NUMBER OF UNITS	
50%	11
60%	34
SQUARE FEET (approx.)	1,082
GROSS RENT	\$546
UTILITY ALLOWANCE *	\$ 86
NET RENT	\$460

* estimated by developer and local housing agency

- ◆ The proposed new development will be for elderly occupancy. The development will be located on approximately 2.0 acres. The proposed 45-unit elderly development is estimated to begin construction in the Spring 2014, to be completed in the Spring 2015. Pre-leasing will start two months prior to opening. The development consists of 45-units in 1 four-story building, consisting of elevator and community space in the building. Parking will be in adjacent to the building, with 50 open spaces of surface parking spaces.
- ◆ Each unit in the proposed new construction building would contain energy star appliances, including a self-cleaning range, refrigerator, microwave, dishwasher, disposal, air conditioning, carpeting, blinds, extra storage, walk-in closet, balcony washer/dryer hook-ups and two full bathrooms.

- ◆ Project amenities associated with an elderly-orientated development are important to the success of the proposed facility, including: on-site rental management office, community room with kitchen, elevator, laundry room, computer and a park setting with gazebo. Additional elderly services should be made available on an optional basis, including transportation, moderate care and housekeeping by total non-profit agencies.
- ◆ Gross rents will include gas and electric utilities, however a utility allowance of \$86 for a two-bedroom unit is estimated. The units will be cable-ready.
- ◆ The development and unit plans were reviewed. The elderly rental units are appropriate for the City of Hartsville. The unit amenities are adequate for the targeted market, while the unit styles, specifically the design and square footage, will positively influence the absorption, offering a flexibility of living style for elderly occupants.
- ◆ The subject site is adequately located within three miles of all essential resident services, including but not limited to: government, educational, shopping, employment and medical facilities. There is private transportation available in the subject site area.
- ◆ The proposed rents combined with the current rental market absorption pattern would result in an overall vacancy rate of less than 5.0% for the proposed development. Within the overall LIHTC market, the vacancy rate would result in a rate of 3.0% or less, having a relatively insignificant impact on the existing LIHTC market.
- ◆ The absorption potential for tenants in the Hartsville rental market, based on the proposed net rent is excellent. It is anticipated, because of the criteria set forth by the income and household size for units for the Low Income Tax Credit Program, the depth of the market demand for units, assumption of new product, as well as the design associated with this product, absorption is expected to be equal to the area average of 5 to 7 units per month, resulting in a 6.4 to 9.0 month absorption period for the 45-unit LIHTC development. The absorption rate may be higher in the initial months of rent-up.

B. HOUSING MARKET SUMMARY

- ◆ At the time of this study, in the Hartsville market area, a comparable survey of elderly (some family) LIHTC, government subsidized and market-rate units was conducted in the market area. A total of 160 modern market-rate apartment units in three developments and 72 low income housing tax credit (LIHTC) units in one development were surveyed. An additional 415 government subsidized development units in seven developments (some with LIHTC financing also), with a 1.7% vacancy rate, were located and surveyed in the Hartsville market area. LIHTC units have a vacancy rate that is very low in the market area, non-existent. Vacancies for market-rate units are also low at 1.9%. Reviewing just the quality elderly units, the market still appears limited by supply rather than demand.

- ◆ Median rents are moderate; additionally there is a good base of higher-priced market-rate units in the Hartsville market area. One-bedroom units have a median rent of \$450, with 33.3% of the one-bedroom units in the upper-rent range of \$510. Two-bedroom units have a median rent of \$475, with 35.2% of the two-bedroom units in the upper-rent range of \$525-\$555. Three-bedroom units have a median rent of \$470. Market rate rents have been able to increase at a yearly rate of less than 1.0%, because of the lack of new construction of market-rate rental units, having an impact on both the area rental market and rents.
- ◆ Under the SCSHFDA guidelines, four developments have received LIHTC allocations in the Hartsville area since 1997, which tall are family developments. Three of the family developments have additional government subsidize under the HUD or RDA programs.
- ◆ The four family developments contain 284 LIHTC units with 7 vacancies for a 97.2% occupancy rate. Some of the developments also have a waiting list. The development is split among 50% and 60% AMI. The one non-additional government subsidized development contains 72 LIHTC units, of which there are no vacancies for a 100.0% occupancy rate.
- ◆ In a review of comparable elderly properties and achievable rent adjustments in the Hartsville Primary Market Area, it was noted that there are no elderly developments that would be considered as most comparable to the product. However, there are three family developments are market-rate, with a potential to attract the elderly market segment associated to the product and tenant base. All of these developments are market-rate multi-family developments with an elderly market segment associated to the product and tenant base. The following are a review of these developments and rent adjustments to the proposed subject site. As noted, within the three competitive developments, a total of 160-units exist with 3 vacant units or an overall 98.1% occupancy rate.
- ◆ It should be noted that the average of the achievable net two-bedroom unit is \$631, somewhat higher than the adjusted proposed \$449 average net rent. The proposed two-bedroom rent represents 71.2% of the average comparable two-bedroom rent in the market area. When reviewing the comparable developments, the proposed rents are within the appropriate rent differentials. Therefore, based on the current existing rental market, the proposed development would be a value in the market area.

C. DEMAND ANALYSIS AND CAPTURE RATE

- ◆ The following demand estimates are based on any applicable income restrictions and requirements set forth by the South Carolina State Housing Finance and Development Authority, current elderly households, proposed households, turnover ratios of units in the market area and the percent of renter qualified elderly households within the Primary Market Area.

- ◆ Overall (excluding any overlap of income ranges), the adjusted annual income range specified appropriate by the tax credit program for low to moderate-income elderly households is \$16,380 (lower end of one-person elderly household moderate-income) to \$25,140 (two person elderly household moderate-income) for the Hartsville Primary Market Area. In 2012, there are 199 elderly households in the Hartsville Primary Market Area of the proposed site was within this income range.
- ◆ Within these competitive rent ranges, the market can support the proposed 45-unit tax credit development for elderly occupancy under the 50% and 60% programs. In 2012, based on the proposed and competitive product in the Hartsville market area, the proposed 45-unit elderly development of LIHTC units represents an overall 26.9% capture rate within the market area. There are 45 existing elderly LIHTC units, so the penetration factor is 26.9%.
- ◆ All of these calculations are appropriate capture and penetration factors, especially with the factor of the development being new construction. Combined with sensitivity to market rents and a quality construction, these renter households' percentages represent a good base of appropriate income elderly households.

D. MARKET STUDY CRITERIA ANALYSIS

- ◆ Based on the SCSHFDA QAP Market Criteria, the subject property needs to be measured on four levels: Capture Rate, Market Advantage, Overall Vacancy Rate and the Absorption/Lease-Up Periods. The following are charts evaluating the desired criteria:

a) Capture Rate

The capture rate for income qualified households in the market area for the project is at or below 30.0%.

- ✓ The proposed development capture rate is **26.9%**.

b) Market Advantage

The developments must have a minimal market advantage of 10%.

2013 S-2 RENT CALCULATION WORKSHEET

# Units	# Units	# Units	# Units	# Units	# Units	Tax Credit Gross Rent Advantage	
	0 BR		\$0		\$0	[REDACTED]	
	0 BR		\$0		\$0		
	0 BR		\$0		\$0		
	1 BR		\$0		\$0		
	1 BR		\$0		\$0		
	1 BR		\$0		\$0		
11	2 BR	\$460	\$5,060	\$631	\$6,941		
34	2 BR	\$460	\$15,640	\$631	\$21,454		
	2 BR		\$0		\$0		
	3 BR		\$0		\$0		
	3 BR		\$0		\$0		
	3 BR		\$0		\$0		
	4 BR		\$0		\$0		
	4 BR		\$0		\$0		
	4 BR		\$0		\$0		
Totals	45	[REDACTED]	\$20,700	[REDACTED]	\$28,395		27.10%

✓ The proposed market advantage is **27.10%**.

c) Overall Occupancy Rate

The overall existing vacancy rate for stabilized LIHTC developments is less than 10.0%.

✓ The LIHTC vacancy rate in the market area is estimated at **4.4%**.

d) Absorption/Lease Up Periods

Estimated lease-up time for the project is less than one year.

✓ The estimated absorption period for the proposed development is **6.4 – 9.0 months**.

2013 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:

Development Name:	Butler Crossing	Total # Units:	45
Location:	Hartsville, South Carolina	# LIHTC Units:	45
PMA Boundary:	See Section III-B		
Development Type:	<input type="checkbox"/> Family <input checked="" type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject:	14 miles

RENTAL HOUSING STOCK (found on page VI)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	11	647	10	98.5%
Market-Rate Housing	3	160	3	98.1%
Assisted/Subsidized Housing not to include LIHTC	4	239	0	100.0%
LIHTC (All that are stabilized)*	4	248	7	97.2%
Stabilized Comps**	4	248	7	97.2%
Non-stabilized Comps				%

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

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

Subject Development					Adjusted Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
11	2	2	1082	\$460	\$631	\$.58	27.1%	\$711	\$1.19
34	2	2	1082	\$460	\$631	\$.58	27.1%	\$711	\$1.19
				\$	\$	\$	%	\$	\$
				\$	\$	\$	%	\$	\$
				\$	\$	\$	%	\$	\$
Gross Potential Rent Monthly*				\$20,700	\$28,395		27.1%		

*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 IV)

	2000		2012		2015	
Renter Households	3670	27.7%	3654	27.7%	3645	27.8%
Income-Qualified Renter HHs (LIHTC)	181	4.9%	199	5.5%	197	5.4%
Income-Qualified Renter HHs (MR)	(if applicable)	%		%		%

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

Type of Demand	50%	60%	Market-rate	Other:___	Other:___	Overall
Renter Household Growth	-8	6				-2
Existing Households (Overburd + Substand)	55	37				92
Homeowner conversion (Seniors)	45	32				77
Other:						
Less Comparable/Competitive Supply	0	0				0
Net Income-qualified Renter HHs	92	75				167

CAPTURE RATES (found on page VII-D)

Targeted Population	50%	60%	Market-rate	Other:___	Other:___	Overall
Capture Rate	12.0%	45.3%				26.9%

ABSORPTION RATE (found on page VII-E)

Absorption Period <u>6.4-9.0</u> months

III. SITE

A. DESCRIPTION AND LOCATION

The proposed subject site is located in the southern portion of the City of Hartsville, South Carolina in Darlington County. The subject site is located less than one-tenth of a mile north of the South 5th Street and South 6th Street junction. The subject site is located on the west side of South 5th Street and is flat, vacant and undeveloped. The subject site has excellent visibility and accessibility, as it is located on one of the main roads serving the greater Hartsville area. Ingress and egress are also excellent for the subject site. The subject site is located in a residential area with commercial/retail facilities located nearby.

NORTH

The subject site is bordered on the north by a former public school which now is home to the area Boys and Girls Club and some warehouse storage space. Farther north, located along South 5th Street, are numerous commercial/retail facilities which extend approximately one and one-quarter mile north to the Hartsville Central Business District. Northwest of the subject site is an established residential neighborhood which also extends to the Hartsville Central Business District. Numerous commercial/retail facilities, including the City of Hartsville Government buildings, are located within the Hartsville Central Business District. Coker College, one of the area's larger employers, is located approximately one and one-half mile northeast of the subject site. Other major employers are located farther north of the Central Business District. Prestwood Lake, a recreational facility of the area, is located immediately north of the Central Business District of Hartsville.

EAST

The subject site is bordered on the east by South 5th Street (U.S. Route 15). South 5th Street is the main north/south thoroughfare serving the greater Hartsville area. South 5th Street is lined with numerous commercial/retail facilities. Directly east of the subject

site, on the east side of South 5th Street, is the 50-unit Southpark Apartment community. This development is a government subsidized community under the City of Hartsville Housing Authority for families. The development contains one-bedroom through four-bedroom units. The development is also under the LIHTC program. Northeast of the subject site, located along South 4th Street, are additional major retail facilities. Several multi-family rental communities are located off of South 4th Street, located within one-half mile northeast of the subject site. The U.S. Route 15 Bypass is located within one-half mile east of the subject site. Farther east are scattered single-family residences and agricultural land.

SOUTH

The subject site is bordered on the south by a small convenience store. Farther south, located along South 5th Street, are scattered commercial/retail facilities. The Hartsville Gardens apartments are located just over one-half mile southeast of the subject site. This is a 72-unit multi-family rental community development is under the LIHTC program, specifically oriented toward families. There is currently a waiting list of ninety-six families to rent these two, three and four bedroom apartments. Farther south is State Route 151 (E Bob Newsome Highway), a major east/west artery of the Hartsville area.

WEST

The subject site is bordered on the west by South 6th Street and established single-family residences. An established residential neighborhood extends west approximately one-quarter mile. Located within this neighborhood is the 89-unit Forest Ridge apartment community. This is a family oriented community which is government subsidizes under the HUD Section 8 program and is also a LIHTC property. Farther west and northwest, located within one mile, are additional established residential neighborhoods which include several multi-family developments located along with single-family residences. Scattered single-family residences, woodlands and agricultural land extend west over several miles.

GENERAL

In general, the subject site is located in the southern portion of the City of Hartsville, South Carolina. The subject site is located less than one-tenth mile north of the South 6th Street and South 5th Street junction. The subject site is located on the west side of South 5th Street and is vacant and undeveloped. The site is located in an area of mixed-uses, including single-family and multi-family, as well as commercial/retail. The subject site has excellent visibility and accessibility as well as good ingress and egress. All essential resident services are located within three mile of the subject site.

B. PRIMARY MARKET AREA

The Primary Market Area (PMA) is defined by and includes the immediate population base and part of the surrounding urban populations. An important consideration in identifying support (supply and demand characteristics) is to determine the Primary Market Area (PMA). The establishment of a PMA is the typically the smallest geographic area from which the proposed development is expected to draw a majority of its potential residents. The market area generally relates to the natural, socioeconomic and/or manmade characteristics and boundaries of the subject site area.

Additionally, input into defining the PMA includes interviews with area government officials; transportation alternatives; and the evaluation of existing housing, demographic and socioeconomic trends and patterns. Of course, personal site visits and the interaction with nearby neighborhoods or communities are strongly applied. When defining the specific development opportunities, National Land Advisory Group will not comprise any market or sub-market area larger than the subject site area defined by this report. No radius analysis was used in the compilation of data.

The Hartsville PMA consists of all of the City of Hartsville and North Hartsville, as well as portions of the surrounding townships in Darlington County. The Primary Market Area is approximately bounded by Darlington County and Chesterfield County governmental boundary to the north, State Route 151 and the Darlington County and Lee

County governmental boundary to the south, Lake Robinson and the Darlington County and Chesterfield County governmental boundary to the west and U.S. Route 401 to the east. The Hartsville PMA consists of all or part of the following census tracts: 101, 102, 103, 104, 105, 106, 107, 108, 109, 110 and 112.

The City of Hartsville, which is located in the west central portion of Darlington County, has excellent access to major arteries, including: U.S. Route 15, State Routes 12, 151 and 403. State and Federal branch offices are located in the City of Florence, South Carolina, located approximately twenty-three miles southeast of the subject site.

C. SITE & LOCATION ANALYSIS

DISTANCE TO:

Fire Services	1.2 miles
Police Services	1.2 miles
Educational Facilities	0.4 - 1.5 miles
Washington Street Elementary School	0.5 mile
Hartsville High School	1.1 miles
Hartsville Junior High School	0.4 mile
Coker College	1.5 miles
Shopping Facilities/Banks (retail)	0.1 - 1.2 miles
IGA	1.2 miles
Piggly Wiggly	0.1 mile
BI-LO	0.1 mile
Sav-Way Food Stores	0.1 mile
Family Dollar	0.1 mile
Hartsville Mall	0.2 miles
Peebles	0.2 miles
Walmart	0.1 mile
Employment Centers	0.1 - 14.0 miles
Darlington County Public Schools	1.2 miles
City of Hartsville	1.2 miles
Coker College	1.5 miles
Carolina Pines Medical Center	2.5 miles
Sunoco Products Co.	1.6 miles
Progree Energy, Robinson Plant	4.0 miles
Walmart	0.1 mile
A. O Smith Water Products Co.	14.0 miles

Community Center/After School/Senior Center Boys and Girls Club YMCA	0.1 mile 0.1 mile 1.2 miles
Library	1.1 mile
Medical Facilities (hospital, offices) Private Doctor's offices Carolina Pines Regional Medical Center	1.2 miles - 2.45 miles 1.2 miles - 2.45 miles 2.45 miles
Recreational Facilities (parks, etc.)	1.2 - 2.0 miles
Private Transportation	Available
Public Transportation	Not Available

NEIGHBORHOOD CHARACTERISTICS:

Compatibility (Neighborhood, quality, etc.)	<i>There are multi-family developments very near to the subject site.</i>
Adverse Aspects (Site deterrents, etc.)	<i>None</i>

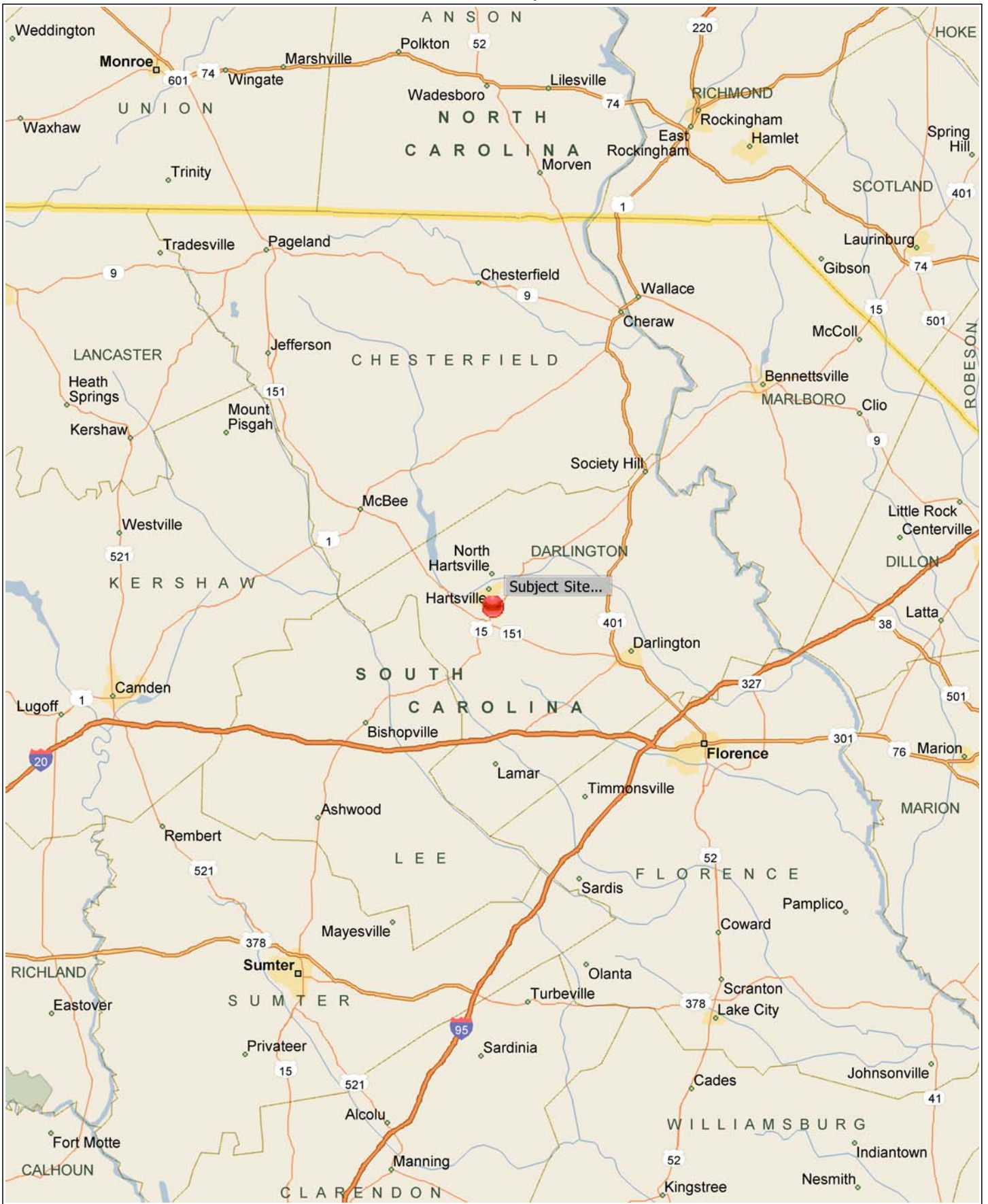


SUBJECT SITE



**NORTH - SOUTH
EAST - WEST**

Area Map



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Primary Market Area



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LOCATION OF COMMUNITY FACILITIES



	Elementary School		Community Center		Shopping (stores, restaurants, etc.)		Public Facilities (Police/Fire)
	Junior/Middle School		Library		Employment		Public Transportation (if available)
	Senior High School		Daycare		Recreational Facilities		Banks
	College/Unviersity		Senior Center		Medical Facilities		Churches

IV. DEMOGRAPHIC & ECONOMIC INFORMATION

The following is a summary of the demographics and economic situation in the City of Hartsville, South Carolina. Information on population, area income analysis, crime, employment, unemployment and existing housing conditions were compiled for the City of Hartsville, Hartsville Primary Market Area (PMA) and Darlington County. The information will show past, current, and future trends.

A. LOCATION

The City of Hartsville is located in the west/central area of the county of Darlington, in the northern part of the State of South Carolina at the crossroads of U.S. Route 15 and County Road 151. Interstate 20 is located approximately twenty miles south of the City of Hartsville area. The City of Darlington, South Carolina is located approximately fifteen miles southeast of the Hartsville area, while the City of Florence, South Carolina is located approximately twenty-three miles southeast of the Hartsville area. The subject site area is located in the southern portion of the City of Hartsville.

B. UTILITIES

Electric service is provided by Duke Energy. Gas service is provided by South Carolina Electric and Gas. Water, storm and sewer services are provided by the City of Hartsville. Telephone service is provided by AT&T, as well as region providers.

C. FINANCIAL SOURCES

There are seven banking and savings and loan institutions in the City of Hartsville area. Additional financial and banking services can be obtained in nearby communities, including the communities of North Hartsville, McBee and Darlington.

D. MEDIA

Hartsville receives television stations from the Conway and Myrtle Beach areas, as well as several regional outlets within the greater area. Radio service is also provided by outlets in Florence. Other service outlets are provided from additional communities. Cable TV is available for the Hartsville area.

The Hartsville Messenger is the bi-weekly newspaper. Other newspapers are distributed from the Darlington and Florence areas. Several smaller weekly and local newspapers are also available and distributed in the area.

E. EDUCATION

The education system serving the proposed site area is the Darlington County School District consisting of five elementary schools, one middle school, one high school and one pre-school. There are several private elementary and secondary schools in the area. Several institutions of higher education are located within the immediate area, including: Coker College and the Florence Darlington Technical College.

F. POPULATION & HOUSEHOLDS

The population of the City of Hartsville was 7,764 in 2010. In 2012, the newly published population number is 7,674, a decrease of 1.2%. Population is expected to number 7,630 by 2015, decreasing 0.6% from 2012. The City of Hartsville households numbered 3,081 in 2010 and decreased 0.1% to 3,077 in 2012. Households are expected to number 3,090 by 2015, increasing 0.4% from 2012.

The population of the Hartsville Primary Market Area was 34,545 in 2010. In 2012, the newly published population number is 34,100, a decrease of 1.3%. Population is expected to number 33,843 by 2015, decreasing 0.8% from 2012. The Hartsville PMA households numbered 13,337 in 2010. In 2012, households number 13,186, a decrease of 1.1%. Households are expected to number 13,104 by 2015, decreasing 0.6% from 2012.

Darlington County population was 68,670 in 2010. The most recent population number is 67,789 for 2012, a decrease of 1.3%. Population is expected to number 67,285 by 2015, decreasing 0.7% from 2012. In 2010, Darlington County households numbered 26,526 and 26,232 in 2012, a decrease of 1.1%. Households are projected to number 26,078 by 2015, decreasing 0.6% from 2012.

In the Hartsville Primary Market Area, family households (under the age of 55) decreased 3.0% for renter households and 11.7% for owner households from 2010 to 2012. Between 2012 and 2015, family renter households (under the age of 55) are projected to decrease 2.4%, while the owner households are estimated to decrease 9.3%.

In the Hartsville Primary Market Area, senior households (ages 55 to 61) increased 15.6% for renter households and 5.3% for owner households from 2010 to 2012. Between 2012 and 2015, senior renter households (ages 55 to 61) are projected to decrease 7.7%, while the owner households are estimated to decrease 3.8%.

In the Hartsville Primary Market Area, senior households (ages 62 years and older) increased 1.2% for renter households and 14.0% for owner households from 2010 to 2012. Between 2012 and 2015, senior renter households (age 62 years and older) are projected to increase 9.8%, while the owner households are estimated to increase 11.2%.

TABLE 1

POPULATION AND HOUSEHOLDS
City of Hartsville – Hartsville PMA – Darlington County
South Carolina
2000 – 2010 – 2012 – 2015 (Projected)

Population	Hartsville	Hartsville PMA	Darlington County
2000 Population	7,790	34,140	67,384
2010 Population	7,764	34,545	68,670
Change 2000-2010	-0.3%	1.2%	1.9%
2012 Population	7,674	34,100	67,789
Change 2010-2012	-1.2%	-1.3%	-1.3%
2015 Projected Population	7,630	33,843	67,285
Change 2012-2015	-0.6%	-0.8%	-0.7%

Households

2000 Household	3,185	13,018	25,789
2010 Household	3,081	13,337	26,526
Change 2000-2010	-3.3%	2.5%	2.9%
2012 Household	3,077	13,186	26,232
Change 2010-2012	-0.1%	-1.1%	-1.1%
2015 Projected Household	3,090	13,104	26,078
Change 2012-2015	0.4%	-0.6%	-0.6%

Sources: U.S. Census Bureau; Nielsen Claritas

TABLE 2

RENTER & OWNER HOUSEHOLD TRENDS

Hartsville PMA

2010 (2006-2010 ACS) – 2012 (Estimated) – 2015 (Projected)

<u>Renter Households</u>	<u>Under 55 Years</u>	<u>55-61 Years</u>	<u>62+ Years</u>
2010 Households	2,539	322	809
2012 Households	2,462	373	819
Change 2010-2012	-3.0%	15.6%	1.2%
2015 Projected Households	2,402	344	900
Change 2012-2015	-2.4%	-7.7%	9.8%

Owner Households

2010 Households	4,907	1,592	3,092
2012 Households	4,334	1,676	3,523
Change 2010-2012	-11.7%	5.3%	14.0%
2015 Projected Households	3,932	1,612	3,917
Change 2012-2015	-9.3%	-3.8%	11.2%

Sources: U.S. Census Bureau; Nielsen Claritas

In 2015, the estimated population per household in the City of Hartsville will be 2.47, compared to 2.58 for the Hartsville PMA and 2.58 for Darlington County. The 2012 population per household in the City of Hartsville is 2.49 compared with 2.59 for the Hartsville PMA and 2.58 in Darlington County. In 2010, the population per household was 2.52 for the City of Hartsville, 2.59 for the Hartsville PMA and 2.59 for Darlington County.

In 2010 the median age for Hartsville PMA residents was 39.6 years. An analysis of age groups determined that 28.9% were under the age of 21; 56.9% were 21 to 64 years old; and 14.1% were 65 years or older.

In 2012 the median age for Hartsville PMA residents is 39.9 years. An analysis of age groups determined that 28.4% are under the age of 21; 56.1% are 21 to 64 years old; and 15.5% are 65 years or older.

In 2015 the median age for Hartsville PMA residents is projected to be 40.2 years. An analysis of age groups determined that 27.6% will be under the age of 21; 54.4% will be 21 to 64 years old; and 18.1% will be 65 years or older.

For reference, the average age in the Hartsville PMA was 39.0 in 2010 and decreased to 39.5 in 2012. The average age is projected to be 40.2 in 2015.

**TABLE 3
POPULATION BY AGE & SEX
Hartsville PMA**

<i>Census 2010</i>				<i>Current Year Estimates - 2012</i>				<i>Five-Year Projections - 2015</i>			
Age	Male	Female	Total	Age	Male	Female	Total	Age	Male	Female	Total
0 to 4 Years	1,086	1,067	2,153	0 to 4 Years	1,108	1,057	2,164	0 to 4 Years	1,139	1,058	2,197
5 to 9 Years	1,211	1,079	2,291	5 to 9 Years	1,107	1,048	2,155	5 to 9 Years	1,057	1,029	2,086
10 to 14 Years	1,179	1,222	2,401	10 to 14 Years	1,169	1,124	2,293	10 to 14 Years	1,080	1,024	2,104
15 to 17 Years	789	740	1,530	15 to 17 Years	732	719	1,451	15 to 17 Years	689	672	1,360
18 to 20 Years	783	838	1,622	18 to 20 Years	776	846	1,622	18 to 20 Years	764	816	1,580
21 to 24 Years	804	799	1,603	21 to 24 Years	931	888	1,819	21 to 24 Years	975	951	1,926
25 to 34 Years	1,679	2,005	3,684	25 to 34 Years	1,656	1,895	3,551	25 to 34 Years	1,875	1,921	3,796
35 to 44 Years	2,141	2,360	4,500	35 to 44 Years	1,985	2,243	4,228	35 to 44 Years	1,702	2,014	3,716
45 to 54 Years	2,425	2,642	5,067	45 to 54 Years	2,301	2,465	4,766	45 to 54 Years	2,085	2,270	4,355
55 to 64 Years	2,286	2,521	4,807	55 to 64 Years	2,236	2,514	4,750	55 to 64 Years	2,169	2,446	4,614
65 to 74 Years	1,323	1,552	2,875	65 to 74 Years	1,464	1,736	3,201	65 to 74 Years	1,711	2,026	3,736
75 to 84 Years	566	898	1,464	75 to 84 Years	602	915	1,517	75 to 84 Years	711	1,027	1,738
85 Years and Up	<u>167</u>	<u>380</u>	<u>547</u>	85 Years and Up	<u>178</u>	<u>405</u>	<u>583</u>	85 Years and Up	<u>192</u>	<u>442</u>	<u>635</u>
Total	16,440	18,105	34,545	Total	16,245	17,855	34,100	Total	16,148	17,695	33,843
Median Age	38.1	40.8	39.6	Median Age	38.2	41.3	39.9	Median Age	38.0	42.0	40.2
Average Age	37.8	40.1	39.0	Average Age	38.2	40.6	39.5	Average Age	38.7	41.5	40.2

Source: Nielsen Claritas

PERCENT POPULATION BY AGE & SEX

Hartsville PMA

<i>Census 2010</i>				<i>Current Year Estimates - 2012</i>				<i>Five-Year Projections - 2015</i>			
Age	Male	Female	Total	Age	Male	Female	Total	Age	Male	Female	Total
0 to 4 Years	3.1%	3.1%	6.2%	0 to 4 Years	3.2%	3.1%	6.3%	0 to 4 Years	3.4%	3.1%	6.5%
5 to 9 Years	3.5%	3.1%	6.6%	5 to 9 Years	3.2%	3.1%	6.3%	5 to 9 Years	3.1%	3.0%	6.2%
10 to 14 Years	3.4%	3.5%	7.0%	10 to 14 Years	3.4%	3.3%	6.7%	10 to 14 Years	3.2%	3.0%	6.2%
15 to 17 Years	2.3%	2.1%	4.4%	15 to 17 Years	2.1%	2.1%	4.3%	15 to 17 Years	2.0%	2.0%	4.0%
18 to 20 Years	2.3%	2.4%	4.7%	18 to 20 Years	2.3%	2.5%	4.8%	18 to 20 Years	2.3%	2.4%	4.7%
21 to 24 Years	2.3%	2.3%	4.6%	21 to 24 Years	2.7%	2.6%	5.3%	21 to 24 Years	2.9%	2.8%	5.7%
25 to 34 Years	4.9%	5.8%	10.7%	25 to 34 Years	4.9%	5.6%	10.4%	25 to 34 Years	5.5%	5.7%	11.2%
35 to 44 Years	6.2%	6.8%	13.0%	35 to 44 Years	5.8%	6.6%	12.4%	35 to 44 Years	5.0%	6.0%	11.0%
45 to 54 Years	7.0%	7.6%	14.7%	45 to 54 Years	6.7%	7.2%	14.0%	45 to 54 Years	6.2%	6.7%	12.9%
55 to 64 Years	6.6%	7.3%	13.9%	55 to 64 Years	6.6%	7.4%	13.9%	55 to 64 Years	6.4%	7.2%	13.6%
65 to 74 Years	3.8%	4.5%	8.3%	65 to 74 Years	4.3%	5.1%	9.4%	65 to 74 Years	5.1%	6.0%	11.0%
75 to 84 Years	1.6%	2.6%	4.2%	75 to 84 Years	1.8%	2.7%	4.4%	75 to 84 Years	2.1%	3.0%	5.1%
85 Years and Up	<u>0.5%</u>	<u>1.1%</u>	<u>1.6%</u>	85 Years and Up	<u>0.5%</u>	<u>1.2%</u>	<u>1.7%</u>	85 Years and Up	<u>0.6%</u>	<u>1.3%</u>	<u>1.9%</u>
Total	47.6%	52.4%	100.0%	Total	47.6%	52.4%	100.0%	Total	47.7%	52.3%	100.0%

Source: Nielsen Claritas

In a 2010 analysis of household composition in the City of Hartsville and Darlington County, there were 3,081 and 26,526 total households respectively. A distribution of family makeup, compared with each other is as follows:

TABLE 4
DISTRIBUTION OF HOUSEHOLDS BY TENURE
City of Hartsville & Darlington County, South Carolina
Census 2010

Total Households	Hartsville				Darlington County			
	Owner-Occupied		Renter-Occupied		Owner-Occupied		Renter-Occupied	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Married Couples	953	49.4%	210	18.2%	9,998	52.6%	1,683	22.3%
Families w/ Male Head Only	85	4.4%	55	4.8%	939	4.9%	488	6.5%
Families w/ Female Head Only	322	16.7%	411	35.7%	2,982	15.7%	2,459	32.7%
Non-Family Households								
Living Alone	517	26.8%	397	34.5%	4,515	23.8%	2,387	31.7%
Not Living Alone	53	2.8%	78	6.8%	562	3.0%	514	6.8%
Total	1,931	100.0%	1,150	100.0%	18,996	100.0%	7,530	100.0%
Householders 65 Years and Older								
Married Couples	270	40.9%	21	11.5%	2,357	43.9%	200	17.8%
Families w/ Male Head Only	26	3.9%	3	1.6%	176	3.3%	30	2.7%
Families w/ Female Head Only	97	14.6%	36	19.6%	761	14.2%	174	15.5%
Non-Family Households								
Living Alone	257	38.9%	121	65.5%	1,977	36.8%	681	60.7%
Not Living Alone	11	1.7%	3	1.8%	99	1.8%	37	3.3%
Total	661	100.0%	185	100.0%	5,370	100.0%	1,122	100.0%

Hartsville PMA	2006-2010		2012		2015	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	9,590	72.3%	9,533	72.3%	9,461	72.2%
Renter-Occupied	3,670	27.7%	3,654	27.7%	3,645	27.8%

Sources: U.S. Census Bureau, 2010 Census Summary File 1; Nielsen Claritas and Ribbon Demographics

G. INCOME

In the City of Hartsville, median per household income is \$32,649 for 2012 and is projected to decrease to \$29,260 in 2015. The median per household income in the Hartsville Primary Market Area is \$31,102 in 2012 and is projected to decrease to \$28,190 in 2015. The median per household income in Darlington County for 2012 is \$32,013 and is projected to decrease to \$29,735 in 2015.

TABLE 5

MEDIAN HOUSEHOLD INCOME TRENDS
City of Hartsville – Hartsville PMA – Darlington County
South Carolina
2000 – 2012 (Estimated) – 2015 (Projected)

	<u>Hartsville</u>	<u>Hartsville PMA</u>	<u>Darlington County</u>
2000 Median	\$33,077	\$31,549	\$32,175
2012 Median	\$32,649	\$31,102	\$32,013
Change 2000 - 2012	-1.3%	-1.4%	-0.5%
2015 Projected Median	\$29,260	\$28,190	\$29,735
Change 2012 - 2015	-10.4%	-9.4%	-7.1%

Sources: U.S. Census Bureau; Nielsen Claritas

By age group, the 2012 household income for Hartsville PMA households is largest in the 55 to 64 age range. In 2015, the largest projected income will be in the 55 to 64 age range. Between 2012 and 2015 in the Hartsville PMA, the largest percent change is projected to be in the 65 to 74 age group and the less than \$15,000 income range.

TABLE 6
DISTRIBUTION OF INCOME
BY HOUSEHOLD SIZE, TENURE AND AGE
Hartsville PMA

Base Year: 2006 - 2010 Estimates

Renter Households						
Under Age 55 Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	221	111	99	82	7	520
\$10,000 - 20,000	72	129	183	49	55	488
\$20,000 - 30,000	71	48	72	70	155	416
\$30,000 - 40,000	120	51	102	24	23	319
\$40,000 - 50,000	30	98	27	50	2	208
\$50,000 - 60,000	5	58	38	37	19	157
\$60,000+	<u>119</u>	<u>148</u>	<u>30</u>	<u>58</u>	<u>75</u>	430
Total	637	645	551	370	336	2,539
Renter Households						
Aged 55-61 Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	13	6	1	21	1	41
\$10,000 - 20,000	51	47	6	1	13	117
\$20,000 - 30,000	13	2	20	2	2	38
\$30,000 - 40,000	0	2	0	1	2	5
\$40,000 - 50,000	6	29	1	1	4	41
\$50,000 - 60,000	21	3	5	0	5	34
\$60,000+	<u>17</u>	<u>2</u>	<u>10</u>	<u>5</u>	<u>11</u>	46
Total	121	92	43	30	36	322
Renter Households						
Aged 62+ Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	194	16	3	6	6	225
\$10,000 - 20,000	73	12	4	7	7	103
\$20,000 - 30,000	75	62	4	12	5	158
\$30,000 - 40,000	32	35	4	5	4	80
\$40,000 - 50,000	32	23	3	5	5	68
\$50,000 - 60,000	10	3	9	7	4	33
\$60,000+	<u>45</u>	<u>44</u>	<u>22</u>	<u>20</u>	<u>14</u>	143
Total	460	195	49	62	44	809

Sources: U.S. Bureau of the Census, 2006-2010 American Community Survey; Ribbon Demographics (Nielsen Claritas)

**DISTRIBUTION OF INCOME
BY HOUSEHOLD SIZE, TENURE AND AGE
Hartsville PMA**

Base Year: 2006 - 2010 Estimates

Owner Households						
Under Age 55 Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	98	48	28	36	1	211
\$10,000 - 20,000	146	59	68	3	55	331
\$20,000 - 30,000	130	165	80	38	21	433
\$30,000 - 40,000	70	63	160	145	4	441
\$40,000 - 50,000	82	225	100	80	74	561
\$50,000 - 60,000	38	96	95	155	86	470
\$60,000+	<u>258</u>	<u>580</u>	<u>588</u>	<u>657</u>	<u>376</u>	<u>2,459</u>
Total	822	1,235	1,120	1,113	617	4,907
Owner Households						
Aged 55-61 Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	69	63	8	4	0	145
\$10,000 - 20,000	99	49	16	1	0	165
\$20,000 - 30,000	29	91	12	8	0	140
\$30,000 - 40,000	59	62	23	29	20	193
\$40,000 - 50,000	30	84	15	3	14	146
\$50,000 - 60,000	5	49	29	1	21	104
\$60,000+	<u>49</u>	<u>377</u>	<u>172</u>	<u>37</u>	<u>63</u>	<u>698</u>
Total	341	776	275	83	117	1,592
Owner Households						
Aged 62+ Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	122	115	14	7	9	266
\$10,000 - 20,000	354	236	15	22	15	640
\$20,000 - 30,000	263	271	31	6	27	599
\$30,000 - 40,000	101	295	39	7	4	444
\$40,000 - 50,000	80	232	31	2	9	355
\$50,000 - 60,000	25	74	31	11	15	156
\$60,000+	<u>103</u>	<u>362</u>	<u>112</u>	<u>28</u>	<u>28</u>	<u>632</u>
Total	1,047	1,583	272	83	107	3,092

Sources: U.S. Bureau of the Census, 2006-2010 American Community Survey; Ribbon Demographics (Nielsen Claritas)

TABLE 7
DISTRIBUTION OF INCOME
BY HOUSEHOLD SIZE, TENURE AND AGE
Hartsville PMA
Current Year Estimates - 2012

Renter Households						
Under Age 55 Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	281	150	109	88	5	633
\$10,000 - 20,000	73	162	187	53	73	547
\$20,000 - 30,000	66	54	91	65	164	442
\$30,000 - 40,000	76	40	85	22	22	245
\$40,000 - 50,000	27	71	25	47	1	172
\$50,000 - 60,000	9	61	42	37	16	165
\$60,000+	<u>57</u>	<u>78</u>	<u>9</u>	<u>49</u>	<u>66</u>	<u>258</u>
Total	589	616	550	361	347	2,462
Renter Households						
Aged 55-61 Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	17	21	2	33	2	74
\$10,000 - 20,000	51	65	8	1	16	141
\$20,000 - 30,000	17	1	34	1	1	54
\$30,000 - 40,000	0	4	0	1	2	7
\$40,000 - 50,000	6	18	1	1	2	28
\$50,000 - 60,000	31	2	4	1	3	41
\$60,000+	<u>9</u>	<u>3</u>	<u>6</u>	<u>6</u>	<u>5</u>	<u>29</u>
Total	131	114	54	44	30	373
Renter Households						
Aged 62+ Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	277	30	3	6	2	318
\$10,000 - 20,000	107	16	4	7	6	140
\$20,000 - 30,000	63	56	3	9	4	135
\$30,000 - 40,000	22	30	0	7	3	62
\$40,000 - 50,000	11	16	2	2	3	34
\$50,000 - 60,000	9	5	10	2	1	27
\$60,000+	<u>21</u>	<u>40</u>	<u>13</u>	<u>13</u>	<u>17</u>	<u>104</u>
Total	510	193	35	46	36	819

Sources: U.S. Bureau of the Census, 2006-2010 American Community Survey; Ribbon Demographics (Nielsen Claritas)

**DISTRIBUTION OF INCOME
BY HOUSEHOLD SIZE, TENURE AND AGE
Hartsville PMA**

Current Year Estimates - 2012

Owner Households						
Under Age 55 Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	93	42	45	36	0	216
\$10,000 - 20,000	142	89	101	21	85	438
\$20,000 - 30,000	143	189	98	68	22	520
\$30,000 - 40,000	45	48	148	151	7	400
\$40,000 - 50,000	40	181	100	87	66	473
\$50,000 - 60,000	36	107	121	208	89	560
\$60,000+	<u>149</u>	<u>328</u>	<u>421</u>	<u>506</u>	<u>324</u>	<u>1,727</u>
Total	648	983	1,033	1,077	593	4,334
Owner Households						
Aged 55-61 Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	94	88	10	5	0	197
\$10,000 - 20,000	112	70	41	1	0	224
\$20,000 - 30,000	41	128	22	13	0	204
\$30,000 - 40,000	50	54	14	24	25	168
\$40,000 - 50,000	25	67	14	4	15	126
\$50,000 - 60,000	2	61	26	3	24	117
\$60,000+	<u>31</u>	<u>329</u>	<u>187</u>	<u>35</u>	<u>58</u>	<u>641</u>
Total	355	798	315	85	123	1,676
Owner Households						
Aged 62+ Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	163	190	21	11	14	399
\$10,000 - 20,000	547	389	12	46	14	1,008
\$20,000 - 30,000	262	329	39	6	43	679
\$30,000 - 40,000	88	280	52	5	2	427
\$40,000 - 50,000	41	120	34	1	9	204
\$50,000 - 60,000	24	102	47	13	26	212
\$60,000+	<u>79</u>	<u>361</u>	<u>112</u>	<u>23</u>	<u>18</u>	<u>594</u>
Total	1,205	1,769	317	105	127	3,523

Sources: U.S. Bureau of the Census, 2006-2010 American Community Survey; Ribbon Demographics (Nielsen Claritas)

TABLE 8
DISTRIBUTION OF INCOME
BY HOUSEHOLD SIZE, TENURE AND AGE
Hartsville PMA
Five Year Projections - 2015

Renter Households						
Under Age 55 Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	278	170	119	98	3	668
\$10,000 - 20,000	82	157	183	49	79	551
\$20,000 - 30,000	57	43	79	62	162	403
\$30,000 - 40,000	67	45	97	23	21	253
\$40,000 - 50,000	21	73	27	50	2	173
\$50,000 - 60,000	6	44	40	36	14	141
\$60,000+	<u>38</u>	<u>64</u>	<u>8</u>	<u>38</u>	<u>64</u>	<u>212</u>
Total	550	597	553	356	346	2,402
Renter Households						
Aged 55-61 Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	17	23	1	38	2	80
\$10,000 - 20,000	32	58	8	1	16	115
\$20,000 - 30,000	16	2	31	2	0	51
\$30,000 - 40,000	0	2	1	2	1	6
\$40,000 - 50,000	5	21	1	2	3	32
\$50,000 - 60,000	30	2	3	1	4	40
\$60,000+	<u>7</u>	<u>3</u>	<u>3</u>	<u>2</u>	<u>5</u>	<u>20</u>
Total	107	110	49	48	30	344
Renter Households						
Aged 62+ Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	343	39	2	6	5	394
\$10,000 - 20,000	109	15	4	4	5	138
\$20,000 - 30,000	70	66	3	9	4	152
\$30,000 - 40,000	20	30	2	4	2	58
\$40,000 - 50,000	13	15	0	3	4	35
\$50,000 - 60,000	7	8	10	4	2	31
\$60,000+	<u>20</u>	<u>38</u>	<u>13</u>	<u>10</u>	<u>12</u>	<u>92</u>
Total	581	210	34	40	34	900

Sources: U.S. Bureau of the Census, 2006-2010 American Community Survey; Ribbon Demographics (Nielsen Claritas)

**DISTRIBUTION OF INCOME
BY HOUSEHOLD SIZE, TENURE AND AGE**

Hartsville PMA

Five Year Projections - 2015

Owner Households						
Under Age 55 Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	95	46	49	40	5	235
\$10,000 - 20,000	132	86	107	28	87	441
\$20,000 - 30,000	114	162	94	76	21	467
\$30,000 - 40,000	39	53	173	186	6	456
\$40,000 - 50,000	33	171	103	99	70	476
\$50,000 - 60,000	25	81	109	192	84	492
\$60,000+	<u>102</u>	<u>208</u>	<u>336</u>	<u>414</u>	<u>303</u>	<u>1,364</u>
Total	541	807	972	1,036	576	3,932
Owner Households						
Aged 55-61 Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	101	101	13	6	0	221
\$10,000 - 20,000	98	75	52	2	1	227
\$20,000 - 30,000	38	113	24	14	1	190
\$30,000 - 40,000	58	56	20	32	30	196
\$40,000 - 50,000	23	64	9	3	12	111
\$50,000 - 60,000	2	67	28	3	25	125
\$60,000+	<u>23</u>	<u>259</u>	<u>172</u>	<u>31</u>	<u>57</u>	<u>541</u>
Total	343	735	319	90	126	1,612
Owner Households						
Aged 62+ Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	220	244	22	19	22	527
\$10,000 - 20,000	598	450	19	54	20	1,140
\$20,000 - 30,000	274	377	46	5	47	749
\$30,000 - 40,000	87	303	59	7	2	459
\$40,000 - 50,000	47	142	40	2	8	239
\$50,000 - 60,000	22	112	57	13	23	226
\$60,000+	<u>75</u>	<u>344</u>	<u>116</u>	<u>23</u>	<u>19</u>	<u>577</u>
Total	1,324	1,970	359	123	140	3,917

Sources: U.S. Bureau of the Census, 2006-2010 American Community Survey; Ribbon Demographics (Nielsen Claritas)

**TABLE 9
HOUSEHOLDS BY INCOME AND AGE
Hartsville PMA**

Census Data - 2000

Income	Age	Age	Age	Age	Age	Age	Age	Age	Total	Percent
	15 - 24 Years	25 - 34 Years	35 - 44 Years	45 - 54 Years	55 - 64 Years	65 - 74 Years	75 - 84 Years	85+ Years		
Less than \$15,000	185	343	595	461	526	522	431	159	3,222	24.8%
\$15,000 - \$24,999	151	325	341	373	326	177	168	48	1,909	14.7%
\$25,000 - \$34,999	63	370	283	302	234	198	100	26	1,576	12.1%
\$35,000 - \$49,999	120	430	536	447	328	253	105	26	2,245	17.2%
\$50,000 - \$74,999	42	364	549	618	315	173	71	14	2,146	16.5%
\$75,000 - \$99,999	0	127	259	292	216	63	18	4	979	7.5%
\$100,000 - \$124,999	0	30	104	131	49	41	0	0	355	2.7%
\$125,000 - \$149,999	14	3	40	116	55	17	0	0	245	1.9%
\$150,000 - \$199,999	0	29	40	62	23	8	7	2	171	1.3%
\$200,000 and up	<u>0</u>	<u>22</u>	<u>44</u>	<u>54</u>	<u>20</u>	<u>16</u>	<u>13</u>	<u>1</u>	170	1.3%
Total	575	2,043	2,791	2,856	2,092	1,468	913	280	13,018	100.0%
Percent	4.4%	15.7%	21.4%	21.9%	16.1%	11.3%	7.0%	2.2%	100.0%	

Source: U.S. Census Bureau; Nielsen Claritas

**HOUSEHOLDS BY INCOME AND AGE
Hartsville PMA**

Current Year Estimates - 2012

Income	Age	Age	Age	Age	Age	Age	Age	Age	Total	Percent
	15 - 24 Years	25 - 34 Years	35 - 44 Years	45 - 54 Years	55 - 64 Years	65 - 74 Years	75 - 84 Years	85+ Years		
Less than \$15,000	228	292	330	525	676	559	360	167	3,137	23.8%
\$15,000 - \$24,999	45	262	299	323	370	453	287	118	2,157	16.4%
\$25,000 - \$34,999	6	207	283	288	321	363	172	51	1,691	12.8%
\$35,000 - \$49,999	114	240	332	312	355	255	90	31	1,729	13.1%
\$50,000 - \$74,999	68	335	505	579	550	264	83	20	2,404	18.2%
\$75,000 - \$99,999	18	80	158	311	278	138	36	12	1,031	7.8%
\$100,000 - \$124,999	4	47	97	116	109	28	11	7	419	3.2%
\$125,000 - \$149,999	1	18	55	57	51	11	1	2	196	1.5%
\$150,000 - \$199,999	0	24	92	89	83	8	10	2	308	2.3%
\$200,000 and up	<u>3</u>	<u>4</u>	<u>19</u>	<u>30</u>	<u>26</u>	<u>27</u>	<u>5</u>	<u>0</u>	114	0.9%
Total	487	1,509	2,170	2,630	2,819	2,106	1,055	410	13,186	100.0%
Percent	3.7%	11.4%	16.5%	19.9%	21.4%	16.0%	8.0%	3.1%	100.0%	

Source: U.S. Census Bureau; Nielsen Claritas

HOUSEHOLDS BY INCOME AND AGE
Hartsville PMA

Five Year Projections - 2015

Income	Age	Age	Age	Age	Age	Age	Age	Age	Total	Percent
	15 - 24 Years	25 - 34 Years	35 - 44 Years	45 - 54 Years	55 - 64 Years	65 - 74 Years	75 - 84 Years	85+ Years		
Less than \$15,000	230	333	328	523	695	735	468	200	3,512	26.8%
\$15,000 - \$24,999	39	301	302	313	389	528	316	119	2,307	17.6%
\$25,000 - \$34,999	41	217	242	253	304	411	179	49	1,696	12.9%
\$35,000 - \$49,999	94	287	327	294	344	267	84	33	1,730	13.2%
\$50,000 - \$74,999	59	285	367	516	515	288	80	17	2,127	16.2%
\$75,000 - \$99,999	12	84	131	247	235	129	40	10	888	6.8%
\$100,000 - \$124,999	4	42	72	92	94	31	13	7	355	2.7%
\$125,000 - \$149,999	0	19	41	47	40	10	1	2	160	1.2%
\$150,000 - \$199,999	0	18	67	66	65	7	12	4	239	1.8%
\$200,000 and up	<u>1</u>	<u>3</u>	<u>15</u>	<u>20</u>	<u>20</u>	<u>24</u>	<u>7</u>	<u>0</u>	90	0.7%
Total	480	1,589	1,892	2,371	2,701	2,430	1,200	441	13,104	100.0%
Percent	3.7%	12.1%	14.4%	18.1%	20.6%	18.5%	9.2%	3.4%	100.0%	

Source: U.S. Census Bureau; Nielsen Claritas

HOUSEHOLDS BY INCOME AND AGE
Hartsville PMA

Projected Change - 2012 to 2015

Income	Age	Age	Age	Age	Age	Age	Age	Age	Total	Percent Change
	15 - 24 Years	25 - 34 Years	35 - 44 Years	45 - 54 Years	55 - 64 Years	65 - 74 Years	75 - 84 Years	85+ Years		
Less than \$15,000	2	41	-2	-2	19	175	108	33	374	11.9%
\$15,000 - \$24,999	-6	39	3	-10	19	75	28	1	149	6.9%
\$25,000 - \$34,999	35	10	-40	-35	-16	48	7	-2	7	0.4%
\$35,000 - \$49,999	-20	47	-5	-19	-11	12	-7	1	-2	-0.1%
\$50,000 - \$74,999	-9	-50	-139	-63	-36	24	-3	-3	-279	-11.6%
\$75,000 - \$99,999	-6	4	-27	-64	-43	-9	4	-2	-143	-13.9%
\$100,000 - \$124,999	0	-5	-26	-24	-15	4	2	0	-64	-15.3%
\$125,000 - \$149,999	-1	2	-14	-9	-11	-1	0	0	-34	-17.3%
\$150,000 - \$199,999	0	-6	-25	-23	-19	0	2	2	-69	-22.4%
\$200,000 and up	<u>-2</u>	<u>0</u>	<u>-4</u>	<u>-9</u>	<u>-6</u>	<u>-3</u>	<u>2</u>	<u>0</u>	-22	-19.3%
Total	-7	82	-279	-258	-119	325	143	30	-83	-2.6%
Percent Change	-1.4%	5.4%	-12.9%	-9.8%	-4.2%	15.4%	13.6%	7.3%	-2.6%	

Source: U.S. Census Bureau; Nielsen Claritas

H. EMPLOYMENT

Total employment in Darlington County averaged 28,526 people in 2002 and 26,871 in 2011, a decrease of 6.2%. The average unemployment rate for Darlington County in 2011 was 12.1%, as compared to the State of South Carolina at 10.3%. The unemployment rate has fluctuated over the past ten years, and the rate has typically been higher than the average for the State of South Carolina. The annual unemployment rate for Darlington County peaked in 2009 at 13.3%, and fell to its lowest level of 4.7% in 2000. The December 2012 preliminary unemployment rate of 9.3%, for Darlington County, is the fourth highest reported in the past 10 years, but lower than immediate preceding years.

TABLE 10

EMPLOYMENT

**Darlington County - Workforce Investment Area (WIA) - South Carolina - USA
1995-2012**

Year	<u>Average Unemployment Rate</u>				<u>Employment</u>
	<u>Darlington County</u>	<u>Pee Dee WIA</u>	<u>South Carolina</u>	<u>USA</u>	<u>Darlington County</u>
1995	8.7%	8.2%	5.1%	5.6%	28,630
1996	8.8%	9.4%	5.6%	5.4%	29,372
1997	7.1%	7.1%	4.4%	4.9%	28,961
1998	6.0%	6.3%	3.6%	4.5%	28,925
1999	6.9%	7.2%	4.1%	4.2%	28,799
2000	4.7%	5.2%	3.6%	4.0%	30,229
2001	6.3%	7.2%	5.2%	4.7%	28,657
2002	7.0%	7.7%	6.0%	5.8%	28,526
2003	8.1%	9.1%	6.7%	6.0%	28,638
2004	8.2%	9.5%	6.8%	5.5%	28,100
2005	8.7%	9.7%	6.8%	5.1%	27,830
2006	7.6%	8.5%	6.4%	4.6%	28,604
2007	6.5%	7.5%	5.6%	4.6%	28,828
2008	8.5%	8.8%	6.8%	5.8%	28,553
2009	13.3%	14.1%	11.5%	10.0%	26,927
2010	12.7%	14.1%	11.2%	9.6%	26,871
2011	12.1%	13.2%	10.3%	8.5%	26,871
2012*	9.9%	11.2%	8.8%	7.6%	27,505
Darlington County Employment				Percent Change 2002 - 2011	-6.2%

*December 2012 - preliminary

Source: Labor Market Information - State of South Carolina - not seasonally adjusted

In a distribution of employment for Darlington County in Second Quarter 2012, there were three prominent industries; the largest category was Manufacturing accounting for 22.7% of the employment base. The second category was Health Care and Social Assistance at 15.2%, followed by Retail Trade at 14.0%. When reviewing the immediate site area, the Education and Warehousing categories are a high percentage of the employment base.

TABLE 11
DISTRIBUTION OF EMPLOYMENT
Darlington County - South Carolina
2nd Quarter 2012

Category	Darlington County		South Carolina	
	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing & Hunting	216	1.3%	11,665	0.6%
Mining	-	-	1,226	0.1%
Utilities	***	***	17,230	0.9%
Construction	608	3.7%	77,550	4.3%
Manufacturing	3,736	22.7%	220,246	12.1%
Wholesale Trade	834	5.1%	65,917	3.6%
Retail Trade	2,311	14.0%	226,701	12.4%
Transportation & Warehousing	351	2.1%	56,089	3.1%
Information	81	0.5%	28,123	1.5%
Finance & Insurance	463	2.8%	65,772	3.6%
Real Estate & Rental & Leasing	61	0.4%	26,685	1.5%
Professional & Technical Services	288	1.8%	81,245	4.5%
Management of Companies & Enterprises	308	1.9%	16,473	0.9%
Administrative & Waste Services	924	5.6%	142,572	7.8%
Educational Services	***	***	166,821	9.2%
Health Care & Social Assistance	2,496	15.2%	234,712	12.9%
Arts, Entertainment, & Recreation	411	2.5%	31,224	1.7%
Accommodation & Food Services	1,348	8.2%	196,652	10.8%
Other Services (except Public Administration)	977	5.9%	48,530	2.7%
State Government	31	0.2%	15,981	0.9%
Local Government	277	1.7%	35,777	2.0%
Federal Government	734	4.5%	55,476	3.0%
TOTAL	16,455	100.0%	1,822,667	100.0%

Note: Asterisks indicate non-disclosable data

Source: Labor Market Information - State of South Carolina

Several major employers exist within the greater City of Hartsville and the neighborhood area, as follows:

Name	Business Type	# of Employees
Darlington County School District	Education	2200
Sonoco Products Co	Warehousing	1550
A.O. Smith Water Products Co	Manufacturing	700
Progress Energy, Robinson Plant	Utilities	650
Carolina Pines Regional Medical Center	Healthcare	650
Wal-Mart	Retail	380
Coker College	Education	350
Roller Bearing Company of America	Manufacturing	200
Stingray Boat Co	Sales & Service	130
Talley Metals Technology	Manufacturing	130
Amspack	Manufacturing	100
Anderson Brass Co	Manufacturing	85
JBE Inc	Warehousing	85

Sources: Chamber of Commerce - Greater Hartsville

Additionally, the City of Hartsville and Darlington County area development officials are trying to secure new employment opportunities for the area, specifically for the area industrial parks. Especially within the progressive nature of the City of Hartsville and Darlington County officials, working with the private and public sectors to facilitate retention or expansion of jobs for the area. There are many active industrial parks within the immediate area of the proposed site.

As noted by the major employers, the employment bases and suppliers associated with education and warehousing have a tremendous impact on the employment within the City of Hartsville market area. Interviews with local company officials and area governmental officials indicated that slight increases to the base employment will continue through this year, with several companies that went through minor cutbacks in 2011 and 2012 seeing a turnaround with the nation's economic condition.

The majority of the Darlington County area employment base is a combination of educational services and manufacturing businesses, as in the above-mentioned employers. The diversity within its employment base is enough to maintain the employment base. In fact, according to the 2010 census, 39.4% of the county employment base worked outside the county, a good percentage. This is typical in communities with strong metropolitan areas having a diverse employment base offering competitive opportunities. Additionally, the area transportation system combined with the location of nearby suburban communities is a function that will help maintain additional employment opportunities in other areas, while maintaining the City of Hartsville area as a viable housing alternative.

TABLE 12

**ANALYSIS OF
PLACE OF WORK**

**Residents of Darlington and Adjacent Counties in South Carolina
2010**

<u>County</u>	<u>Total Workforce Number</u>	<u>% Employed In County of Residence</u>	<u>% Employed Outside County of Residence</u>	<u>Mean Travel Time (in Minutes)</u>
Chesterfield	18,577	61.3%	38.7%	25.1
Darlington*	27,513	60.6%	39.4%	22.2
Florence	58,395	83.7%	16.3%	21.6
Kershaw	25,766	49.4%	50.6%	27.6
Lee	5,791	46.2%	53.8%	26.7
Marlboro	9,233	65.2%	34.8%	21.2

*SITE County

Source: U.S. Census Bureau, American Community Survey 2006-2010 (Table S0801)

The second quarter average weekly for Darlington County had a decrease of 1.7%, from \$756 per week in 2010 to \$743 per week in 2012. The largest percentage of increase was in the Administrative and Waste Services category, increasing 11.9% and averaging \$545 per week in second quarter 2012.

TABLE 13

AVERAGE WEEKLY EARNINGS
Darlington County - South Carolina
2nd Quarter 2010 - 2012

Category	Darlington County		% Change	South Carolina
	Average Wage			Average Wage
	2010	2012	2010-2012	2012
Agriculture, Forestry, Fishing & Hunting	\$471	\$482	2.3%	\$559
Mining	-	-	-	\$987
Utilities	-	***	-	\$1,293
Construction	\$634	\$652	2.8%	\$811
Manufacturing	\$1,215	\$1,229	1.2%	\$978
Wholesale Trade	\$691	\$764	10.6%	\$1,085
Retail Trade	\$406	\$424	4.4%	\$471
Transportation & Warehousing	\$593	\$576	-2.9%	\$771
Information	\$913	\$766	-16.1%	\$948
Finance and Insurance	\$757	\$785	3.7%	\$1,034
Real Estate & Rental & Leasing	\$331	\$360	8.8%	\$677
Professional & Technical Services	\$665	\$699	5.1%	\$1,155
Management of Companies & Enterprises	\$465	\$467	0.4%	\$1,298
Administrative & Waste Services	\$487	\$545	11.9%	\$611
Educational Services	-	***	-	\$755
Health Care & Social Assistance	\$606	\$631	4.1%	\$817
Arts, Entertainment, & Recreation	\$330	\$218	-33.9%	\$354
Accommodation and Food Services	\$261	\$276	5.7%	\$302
Other Services (except Public Administration)	\$508	\$536	5.5%	\$531
Federal Government	\$593	***	51.4%	\$1,324
State Government	\$691	\$702	1.6%	\$697
Local Government	\$503	\$519	3.2%	\$645
TOTAL Average Weekly Wage*	\$756	\$743	-1.7%	\$736

Note: Asterisks indicate non-disclosable data

Source: Labor Market Information - State of South Carolina

I. CRIME ISSUES

The source for crime data is the FBI Uniform Crime Report (UCR).

The FBI collects data from over 16,000 separate law enforcement jurisdictions across the country and compiles this data into the UCR. The FBI's Uniform Crime Reporting (UCR) Program collects offenses that come to the attention of law enforcement for violent crime and property crime, as well as data regarding clearances of these offenses. In addition, the FBI collects auxiliary data about these offenses (e.g., time of day of burglaries). The expanded offense data also include trends in both crime volume and crime rate per 100,000 inhabitants. Finally, the UCR Program collects expanded homicide data which includes information about homicide victims and offenders, weapons used, the circumstances surrounding the offenses, and justifiable homicides.

The following information is the most current, as reported to the FBI:

2010 CRIME RISK

	Hartsville	Darlington County	South Carolina
	<u>Number</u>	<u>Number</u>	<u>Number</u>
Personal Crime			
Murder	165	146	145
Rape	163	127	134
Robbery	176	89	108
Assault	375	217	238
TOTAL PERSONAL CRIME	220	145	156
Property Crime			
Burglary	184	154	159
Larceny	223	121	157
Motor Vehicle	120	90	100
TOTAL PROPERTY CRIME	176	129	122
Overall Crime Risk	201	135	149

Source: Applied Geographic Solutions; FBI Uniform Crime Report

Crime Risk is a block group and higher level geographic database consisting of a series of standardized indexes for a range of serious crimes against both persons and property. It is derived from an extensive analysis of several years of crime reports from the vast majority of law enforcement jurisdictions nationwide. The crimes include murder, rape, robbery, assault, burglary, larceny, and motor vehicle theft. These categories are the primary reporting categories used by the FBI in its Uniform Crime Report (UCR), with the exception of Arson, for which data is very inconsistently reported at the jurisdictional level.

In accordance with the reporting procedures using in the UCR reports, aggregate indexes have been prepared for personal and property crimes separately, as well as a total index. While this provides a useful measure of the relative “overall” crime rate in an area, it must be recognized that these are unweighted indexes, in that a murder is weighted no more heavily than a purse snatching in the computation. For this reason, caution is advised when using any of the aggregate index values.

V. HOUSING ANALYSIS

Information on building permits for the City of Hartsville area and Darlington County have been reported back to 1990. In an analysis of multi-family housing starts by building permits in the City of Hartsville area and Darlington County since 2002, there has been minimal new multi-family construction permitted in City of Hartsville and Darlington County, except in 2010. Between 2009 and 2011, in the City of St. Hartsville, there were 74 multi-family units authorized, while there were no multi-family permits authorized in the remainder of Darlington County. During the 2009 through 2011 period, all of the multi-family units authorized in Darlington County were built inside the city limits of Hartsville.

Over the past ten years, the City of Hartsville area and Darlington County has averaged 8.2 multi-family starts per year year. Recent years have indicated a minimal growth activity of multi-family units to the City of Hartsville and Darlington County base.

Single-family housing starts in the City of Hartsville and Darlington County area accounted for a majority of the overall starts. Since 2002, there have been single-family permits issued representing an average of 8.9 and 136.2 residences per year in the City of Hartsville area and Darlington County, respectively. Since 2009, single-family starts in the Darlington County area have averaged 73.7 single-family units per year, a decrease in activity. During this same period, the City of Hartsville area averaged 6.7 single-family units per year, indicating a slight decrease.

Interviews with local building and zoning government officials indicated that many areas, within the City of Hartsville, have limited availability of zoned land appropriate for multi-family housing. The density range in the area has been from 4 to 16 units per acre, as prescribed in the zoning regulations. However, it should be noted, that while this land is vacant and zoned, not all the land is available for building.

The following section has a summary of building permit activity for City of Hartsville and Darlington County.

TABLE 14
HOUSING UNITS AUTHORIZED
City of Hartsville - Darlington County - South Carolina
1990 - 2012

Year	City of Hartsville			Darlington County		
	Total	Single-Family	Multi-Family	Total	Single-Family	Multi-Family
1990	20	18	2	223	209	14
1991	65	13	52	251	181	70
1992	11	11	0	176	174	2
1993	10	10	0	185	185	0
1994	16	16	0	211	211	0
1995	8	8	0	157	157	0
1996	13	11	2	189	187	2
1997	52	4	48	224	176	48
1998	5	5	0	171	171	0
1999	13	13	0	185	185	0
2000	9	9	0	169	169	0
2001	5	5	0	167	167	0
2002	14	6	8	194	186	8
2003	9	9	0	204	204	0
2004	10	10	0	225	225	0
2005	18	18	0	181	181	0
2006	18	18	0	172	172	0
2007	0	0	0	105	105	0
2008	8	8	0	68	68	0
2009	6	6	0	52	52	0
2010	82	8	74	168	94	74
2011	6	6	0	75	75	0
2012*	0	0	0	64	64	0

*Through December

Source: U.S. Department of Commerce, C-40 Const. Reports

Recent studies have indicated a net deficit of housing in Darlington County, of which a portion would apply towards the City of Hartsville. However, because of the current activity in building, both in the single-family and multi-family permit activity, for the City of Hartsville area and Darlington County, deficits have decreased slightly in recent years in comparison to the previous ten year period.

Preliminary 2012 annual totals indicate a decrease in activity of building permits for multi-family residences in the City of Hartsville area.

Based on 2010 Census decennial data, the vacancy rates for rental units, regardless of age or condition, were 4.4% in the City of Hartsville area and 3.3% in Darlington County. The rental units surveyed include all rentals available whether in multi-family, single-family or mobile home structures, while the vacancies included the seasonal fluctuation of the market area. The vacancy rates for owned, non-rental units, again regardless of age or condition, were 4.0% in the City of Hartsville area and 1.6% in Darlington County.

TABLE 15
**VACANCY RATES
 AND
 HOUSING CONDITIONS**
City of Hartsville – Darlington County – South Carolina
 Census 2010

	Hartsville		Darlington County		South Carolina	
	Number	Percent	Number	Percent	Number	Percent
Total Housing Units	3,704	100.0%	30,292	100.0%	2,137,673	100.0%
Occupied Housing	3,081	83.2%	26,526	87.6%	1,801,172	84.3%
Owner Occupied	1,617	43.7%	18,996	62.7%	1,248,798	58.4%
Vacant for Sale	150	4.0%	480	1.6%	36,523	1.7%
Vacant Sold, Not Occupied	14	0.4%	171	0.6%	8,519	0.4%
Renter Occupied	1,464	39.5%	7,530	24.9%	552,374	25.8%
Vacant for Rent	163	4.4%	1,008	3.3%	92,758	4.3%
Rented, Not Occupied	12	0.3%	68	0.2%	3,957	0.2%
For Seasonal/Recreational/Occasional Use	83	2.2%	345	1.1%	112,530	5.3%
For Migrant Workers	0	0.0%	5	0.1%	370	0.1%
Other Vacant ¹	201	5.4%	1,689	5.6%	81,844	3.8%
Total Vacancy Rate	16.8%		12.4%		15.7%	

¹Other Vacant category includes those neither for sale nor for rent, usually unrentable or dilapidated.

Source: U.S. Census Bureau, 2010 Census Summary File 1

When reviewing the type of housing, as would be expected in owner-occupied housing, 97.7% of the housing units within the City of Hartsville area are in single-family detached or attached housing, compared to 69.9% in Darlington County. Within the renter-occupied housing, the City of Hartsville area has approximately 28.7% in 2 to 4 unit structures and 1.7% in structures of 20 units or more. The City of Hartsville has a total of 44.6% in renter-occupied detached units, slightly less than Darlington County at 46.9%.

TABLE 16
**HOUSING UNITS
 BY TYPE OF STRUCTURE**
City of Hartsville – Darlington County – South Carolina
 American Community Survey 2006-2010

	Hartsville		Darlington County		South Carolina	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied Housing Units						
1 Unit, Detached	1,616	97.3%	13,276	69.5%	955,571	78.5%
1, Unit Attached	5	0.3%	82	0.4%	29,062	2.4%
2 Units	0	0.0%	5	0.0%	2,643	0.2%
3-4 Units	0	0.0%	0	0.0%	5,419	0.4%
5-9 Units	0	0.0%	10	0.1%	9,127	0.7%
10-19 Units	0	0.0%	7	0.0%	4,517	0.4%
20-49 Units	0	0.0%	0	0.0%	2,140	0.2%
50 or More Units	0	0.0%	0	0.0%	2,303	0.2%
Mobile Home	39	2.3%	5,712	29.9%	205,694	16.9%
Other	<u>0</u>	<u>0.0%</u>	<u>12</u>	<u>0.1%</u>	<u>1,026</u>	<u>0.1%</u>
TOTAL	1,660	100.0%	19,104	100.0%	1,217,502	100.0%
Renter-Occupied Housing Units						
1 Unit, Detached	662	44.6%	3,141	46.9%	182,549	34.8%
1, Unit Attached	8	0.5%	42	0.6%	15,307	2.9%
2 Units	325	21.9%	567	8.5%	33,783	6.4%
3-4 Units	101	6.8%	204	3.0%	43,316	8.3%
5-9 Units	146	9.8%	505	7.5%	69,071	13.2%
10-19 Units	165	11.1%	222	3.3%	42,889	8.2%
20-49 Units	9	0.6%	58	0.9%	24,418	4.7%
50 or More Units	16	1.1%	51	0.8%	16,914	3.2%
Mobile Home	0	0.0%	1,856	27.7%	95,762	18.3%
Other	<u>51</u>	<u>3.4%</u>	<u>51</u>	<u>0.8%</u>	<u>483</u>	<u>0.1%</u>
TOTAL	1,483	100.0%	6,696	100.0%	524,492	100.0%

Source: U.S. Census Bureau, American Community Survey 2006-2010 (Table B25032)

In 2010, the median gross rent for specified renter-occupied housing units was \$575 in the City of Hartsville area as compared to \$554 in Darlington County and \$703 in the State of South Carolina. The median gross rents for the City of Hartsville area and Darlington County have increased 43.9% and 40.6%, respectively. It's interesting to note that approximately one-quarter of all the units, 27.6% in the City of Hartsville are in the \$550 to \$699 price range, while approximately one-quarter of all the units, 27.7% in Darlington County, are in the \$450 to \$599 gross rents range.

TABLE 17
**DISTRIBUTION OF
 GROSS RENT**
City of Hartsville – Darlington County – South Carolina
 American Community Survey 2006-2010

GROSS RENT	Hartsville		Darlington County		South Carolina	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$100	0	0.0%	30	0.4%	1,806	0.3%
\$100-\$149	0	0.0%	11	0.2%	3,104	0.6%
\$150-\$199	79	5.3%	100	1.5%	7,756	1.5%
\$200-\$249	45	3.0%	169	2.5%	8,966	1.7%
\$250-\$299	56	3.8%	251	3.7%	8,940	1.7%
\$300-\$349	12	0.8%	306	4.6%	10,912	2.1%
\$350-\$399	86	5.8%	290	4.3%	13,079	2.5%
\$400-\$449	129	8.7%	446	6.7%	18,951	3.6%
\$450-\$499	78	5.3%	502	7.5%	23,968	4.6%
\$500-\$549	114	7.7%	645	9.6%	30,547	5.8%
\$550-\$599	172	11.6%	711	10.6%	33,537	6.4%
\$600-\$649	105	7.1%	451	6.7%	36,202	6.9%
\$650-\$699	133	9.0%	404	6.0%	35,062	6.7%
\$700-\$749	60	4.0%	476	7.1%	33,636	6.4%
\$750-\$799	25	1.7%	101	1.5%	30,874	5.9%
\$800-\$899	179	12.1%	384	5.7%	52,181	9.9%
\$900-\$999	67	4.5%	183	2.7%	37,179	7.1%
\$1,000-\$1,249	12	0.8%	148	2.2%	46,875	8.9%
\$1,250-\$1,499	16	1.1%	16	0.2%	17,686	3.4%
\$1,500-\$1,999	0	0.0%	31	0.5%	10,925	2.1%
\$2,000 or More	0	0.0%	6	0.1%	5,165	1.0%
No Cash Rent	<u>115</u>	<u>7.8%</u>	<u>1,036</u>	<u>15.5%</u>	<u>57,141</u>	<u>10.9%</u>
TOTAL	1,483	100.0%	6,696	100.0%	524,492	100.0%
Median Rent - 2000	\$400		\$394		\$496	
Median Rent - 2010	\$575		\$554		\$703	
Percent Change 2000 - 2010	43.9%		40.6%		41.7%	

Source: U.S. Census Bureau, Census 2000, American Community Survey 2006-2010 (Tables B25063, B25064)

In reference to the number of rent-overburdened households, the City of Hartsville has 667 households or 45.0% contributing 35% or more of their household income to gross rent. Therefore, almost one-half of the income-qualified households in the City of Hartsville would be considered over-burdened. In reference to the number of rent-overburdened households in Darlington County, there are 2,209 households or 33.1% contributing 35% or more of their household income to gross rent. Therefore, approximately one-third of the income-qualified households in Darlington County would also be considered over-burdened.

TABLE 18
**DISTRIBUTION OF GROSS RENT
AS A PERCENTAGE OF
HOUSEHOLD INCOME**
City of Hartsville – Darlington County – South Carolina
American Community Survey 2006-2010

	Hartsville		Darlington County		South Carolina	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less Than 10 Percent	31	2.1%	332	5.0%	19,368	3.7%
10 to 14 Percent	119	8.0%	677	10.1%	42,978	8.2%
15 to 19 Percent	140	9.4%	658	9.8%	59,375	11.3%
20 to 24 Percent	294	19.8%	969	14.5%	57,325	10.9%
25 to 29 Percent	68	4.6%	301	4.5%	52,746	10.1%
30 to 34 Percent	34	2.3%	316	4.7%	38,995	7.4%
35 to 39 Percent	50	3.4%	232	3.5%	31,457	6.0%
40 to 49 Percent	257	17.3%	513	7.7%	40,722	7.8%
50 Percent or More	360	24.3%	1,464	21.9%	112,717	21.5%
Not Computed	<u>130</u>	<u>8.8%</u>	<u>1,235</u>	<u>18.4%</u>	<u>68,809</u>	<u>13.1%</u>
TOTAL	1,483	100.0%	6,696	100.0%	524,492	100.0%

Source: U.S. Census Bureau, American Community Survey 2006-2010 (Table B25070)

According to the 2010 Census data, less than 1.0% of the renter-occupied housing units within the City of Hartsville lack complete plumbing and / or kitchen facilities. Within Darlington County, 2.0% of the renter-occupied housing units lack complete plumbing facilities, while 0.7% lack kitchen facilities. The median number of rooms for the City of Hartsville area and Darlington County ranged from 6.0 to 6.3, approximately four-bedrooms within owner-occupied housing units, and 4.4 to 4.7, approximately two-bedrooms within renter-occupied units.

TABLE 19
HOUSING QUALITY
City of Hartsville – Darlington County – South Carolina
 American Community Survey 2006-2010

	Hartsville		Darlington County		South Carolina	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied Housing Units						
Lacking Plumbing Facilities	0	0.0%	124	0.6%	4,511	0.4%
Lacking Kitchen Facilities	0	0.0%	9	0.0%	3,973	0.3%
Number of Rooms						
Three or less	0	0.0%	262	1.4%	23,339	1.9%
Four	85	0.1%	2,027	10.6%	105,521	8.7%
Five	364	0.2%	5,387	28.2%	283,295	23.3%
Six or more	<u>1,211</u>	<u>0.7%</u>	<u>11,429</u>	<u>59.8%</u>	<u>805,347</u>	<u>66.1%</u>
TOTAL	1,660	1.0%	19,104	100.0%	1,217,502	100.0%
Median Rooms	6.3		6.0		6.0	
Renter-Occupied Housing Units						
Lacking Plumbing Facilities	6	0.5%	134	2.0%	3,837	0.7%
Lacking Kitchen Facilities	7	0.6%	46	0.7%	6,344	1.2%
Number of Rooms						
Three or less	236	0.2%	623	9.3%	95,236	18.2%
Four	541	0.4%	2,302	34.4%	165,863	31.6%
Five	393	0.3%	2,297	34.3%	140,125	26.7%
Six or more	<u>313</u>	<u>0.2%</u>	<u>1,475</u>	<u>22.0%</u>	<u>123,268</u>	<u>23.5%</u>
TOTAL	1,483	1.0%	6,696	100.0%	524,492	100.0%
Median Rooms	4.4		4.7		4.6	

* Rooms excluding bathrooms, porches, balconies, foyers, hallways or half-rooms

† Three rooms = 1 or less bedroom, Four rooms - 2 bedrooms, Five rooms - 3 bedrooms, etc.

Source: U.S. Census Bureau, American Community Survey 2006-2010

Mobility patterns from the 2010 Census materials revealed that within the City of Hartsville area, 18.1% of the occupants of owner-occupied housing units and 68.9% of the occupants of renter-occupied housing units have moved within the past five years. Within Darlington County, the numbers were slightly lower with 13.5% of the occupants of owner-occupied units and 57.8% of the renter-occupied units having moved within the past five years. In the City of Hartsville area, the average occupancy period within renter-occupied housing units was 6.0 years, as compared to 6.9 years for Darlington County. The average occupancy period for owner-occupied housing units was 19.4 years in the City of Hartsville and slightly lower in Darlington County at 18.8 years.

TABLE 20
**MOBILITY PATTERNS
 BY HOUSING UNIT**
City of Hartsville – Darlington County – South Carolina
 American Community Survey 2006-2010

	Hartsville		Darlington County		South Carolina	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied Housing Units						
Moved in 2005 or Later	301	18.1%	2,581	13.5%	270,544	22.2%
Moved in 2000-2004	339	20.4%	3,643	19.1%	279,744	23.0%
Moved in 1990-1999	333	20.1%	5,568	29.1%	312,278	25.6%
Moved in 1980-1989	195	11.7%	2,798	14.6%	148,150	12.2%
Moved in 1970-1979	221	13.3%	2,283	11.9%	112,214	9.2%
Moved in 1969 or earlier	<u>271</u>	<u>16.3%</u>	<u>2,232</u>	<u>11.7%</u>	<u>94,572</u>	<u>7.8%</u>
TOTAL	1,660	100.0%	19,104	100.0%	1,217,502	100.0%
Average Years	19.4		18.8		15.5	
Renter-Occupied Housing Units						
Moved in 2005 or Later	1,022	68.9%	3,871	57.8%	345,353	65.8%
Moved in 2000-2004	224	15.1%	1,550	23.1%	105,815	20.2%
Moved in 1990-1999	155	10.5%	840	12.5%	45,423	8.7%
Moved in 1980-1989	21	1.4%	149	2.2%	14,036	2.7%
Moved in 1970-1979	30	2.0%	108	1.6%	6,507	1.2%
Moved in 1969 or earlier	<u>31</u>	<u>2.1%</u>	<u>179</u>	<u>2.7%</u>	<u>7,358</u>	<u>1.4%</u>
TOTAL	1,483	100.0%	6,696	100.0%	524,492	100.0%
Average Years	6.0		6.9		5.7	

Source: U.S. Census Bureau, American Community Survey 2006-2010 (Table B25038)

The average age of householders, within renter-occupied housing units in 2010, was 47.2 years for the City of Hartsville area, with 31.1% of the renter base below 35 years of age. In Darlington County, the average age of householders for renter-occupied housing units was 46.4 years.

TABLE 21
**HOUSING UNITS
 BY AGE OF HOUSEHOLDER**
 City of Hartsville – Darlington County – South Carolina
 Census 2010

	Hartsville		Darlington County		South Carolina	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied Housing Units						
Under 25 Years	14	0.9%	263	1.4%	17,132	1.4%
25 to 34 Years	112	6.9%	1,542	8.1%	127,978	10.2%
35 to 44 Years	203	12.6%	3,055	16.1%	208,648	16.7%
45 to 54 Years	299	18.5%	4,078	21.5%	271,475	21.7%
55 to 59 Years	164	10.1%	2,343	12.3%	138,407	11.1%
60 to 64 Years	177	10.9%	2,345	12.3%	139,143	11.1%
65 to 74 Years	309	19.1%	3,131	16.5%	200,422	16.0%
75 to 84 Years	235	14.5%	1,673	8.8%	111,323	8.9%
85 Years and Older	<u>104</u>	<u>6.4%</u>	<u>566</u>	<u>3.0%</u>	<u>34,277</u>	<u>2.7%</u>
TOTAL	1,617	100.0%	18,996	100.0%	1,248,805	100.0%
Average Age	59.7		55.7		54.9	
Renter-Occupied Housing Units						
Under 25 Years	160	10.9%	633	8.4%	71,339	12.9%
25 to 34 Years	295	20.2%	1,603	21.3%	139,948	25.3%
35 to 44 Years	255	17.4%	1,519	20.2%	107,375	19.4%
45 to 54 Years	287	19.6%	1,494	19.8%	96,611	17.5%
55 to 59 Years	103	7.0%	656	8.7%	37,837	6.8%
60 to 64 Years	86	5.9%	504	6.7%	29,875	5.4%
65 to 74 Years	138	9.4%	635	8.4%	35,816	6.5%
75 to 84 Years	81	5.5%	336	4.5%	21,381	3.9%
85 Years and Older	<u>59</u>	<u>4.0%</u>	<u>151</u>	<u>2.0%</u>	<u>12,194</u>	<u>2.2%</u>
TOTAL	1,464	100.0%	7,530	100.0%	552,376	100.0%
Average Age	47.2		46.4		43.5	

Source: U.S. Census Bureau, 2010 Census Summary File 1

In 2010, one-person and two-person households totaled 67.2% for owner-occupied and 64.0% for renter-occupied units within the City of Hartsville. Darlington County households with one or two people totaled 60.5% for units occupied by owners and 56.7% for units occupied by renters. The average number of persons per household in renter-occupied units was 2.36 and 2.58, for the City of Hartsville and Darlington County, respectively. Within owner-occupied units, the average number of persons per household was 2.30 in the City of Hartsville area, and slightly higher at 2.52 in Darlington County.

TABLE 22
**HOUSING UNITS
 BY PER PERSON**
 City of Hartsville – Darlington County – South Carolina
 Census 2010

	Hartsville		Darlington County		South Carolina	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied Housing Units						
1-Person Household	485	30.0%	4,515	23.8%	289,689	23.2%
2-Person Household	601	37.2%	6,964	36.7%	477,169	38.2%
3-Person Household	256	15.8%	3,334	17.6%	210,222	16.8%
4-Person Household	164	10.1%	2,479	13.1%	164,774	13.2%
5-Person Household	63	3.9%	1,060	5.6%	69,110	5.5%
6-Person Household	32	2.0%	426	2.2%	24,016	1.9%
7-Person Household	<u>16</u>	<u>1.0%</u>	<u>217</u>	<u>1.1%</u>	<u>13,825</u>	<u>1.1%</u>
TOTAL	1,617	100.0%	18,996	100.0%	1,248,805	100.0%
AVERAGE	2.30		2.52		2.51	
Renter-Occupied Housing Units						
1-Person Household	572	39.1%	2,387	31.7%	188,205	34.1%
2-Person Household	364	24.9%	1,884	25.0%	146,250	26.5%
3-Person Household	227	15.5%	1,348	17.9%	93,876	17.0%
4-Person Household	168	11.5%	994	13.2%	67,129	12.2%
5-Person Household	72	4.9%	517	6.9%	33,904	6.1%
6-Person Household	37	2.5%	242	3.2%	13,817	2.5%
7-Person Household	<u>24</u>	<u>1.6%</u>	<u>159</u>	<u>2.1%</u>	<u>9,195</u>	<u>1.7%</u>
TOTAL	1,464	100.0%	7,530	100.0%	552,376	100.0%
AVERAGE	2.36		2.58		2.45	

Source: U.S. Census Bureau, 2010 Census Summary File 1

VI. MODERN APARTMENT SURVEY

A. RENTAL MARKET

The following information and analysis is data collected from a field survey of the modern apartments in the City of Hartsville, South Carolina PMA in February 2013, David Meier, a field analyst with National Land Advisory Group. Because of the proximity, the City of Orangeburg was included in our analysis. Every family and senior, market-rate and LIHTC apartment development with 24-units (+/-) or more were surveyed by age, unit amenities, square feet (when available), vacancies, rents, utilities, deposits, project amenities and tenant mix. The collected data includes the following:

- ◆ A distribution of both market rate and government subsidized developments by unit mix and vacancy.
- ◆ An analysis of apartment building trends, which includes the number of units, percent distribution, cumulative units, and vacancy rate by year built.
- ◆ A rent and vacancy analysis for studio, 1, 2, 3 and 4 bedroom units, which contains a distribution of units and vacancies by net rent ranges.
- ◆ A project information analysis on each project, listed individually.
- ◆ There are many duplexes in the market area that have not been included in this survey.
- ◆ The project rating given to each apartment development surveyed is a direct relationship between the physical characteristics and three common variables found at each development: unit amenities, development amenities and physical appearance (subjective in nature). For reference, the analysis will summarize these factors to a total of 1 to 10, with 1 being low quality and 10 being an excellent quality rating.

- ◆ The following is a breakdown of the surveyed developments:

TABLE 23

**DISTRIBUTION OF
MARKET RATE, TAX CREDIT AND GOVERNMENT SUBSIDIZED
APARTMENT UNITS AND VACANCIES
HARTSVILLE, SOUTH CAROLINA
FEBRUARY 2013**

	<u>UNITS</u>		<u>VACANCIES</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
One-Bedroom	32	20.0%	0	0.0%
Two-Bedroom	112	70.0%	3	2.7%
Three-Bedroom	16	10.0%	0	0.0%
TOTAL	160	100.0%	3	1.9%

TAX CREDIT

	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
One-Bedroom	16	22.2%	0	0.0%
Two-Bedroom	36	50.0%	0	0.0%
Three-Bedroom	20	27.8%	0	0.0%
TOTAL	72	100.0%	0	0.0%

GOVERNMENT SUBSIDIZED

	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
One-Bedroom	123	29.6%	1	0.8%
Two-Bedroom	180	43.4%	3	1.7%
Three-Bedroom	100	24.1%	3	3.0%
Four-Bedroom	12	2.9%	0	0.0%
TOTAL	415	100.0%	7	1.7%

- ◆ The Hartsville market area consists of market-rate, LIHTC and government subsidized rental housing units. Approximately 24.7% of the units are market-rate with an overall 1.9% vacancy rate, somewhat low. LIHTC units have a non-existent vacancy rate while the overall government subsidized vacancy rate is somewhat low at 1.7%.

- ◆ The Hartsville area had a majority of the units built before 1985, representing approximately 81.2%. The most recent units have been built in 2010, representing 11.1% of the rental unit base surveyed.

- ◆ The Hartsville area has a 7.2 average annual release over the past ten years.

TABLE 24

**MULTI-FAMILY CONSTRUCTION TRENDS
HARTSVILLE, SOUTH CAROLINA
1970-2012**

<u>YEAR OF PROJECT OPENING</u>	<u>NUMBER OF UNITS</u>	<u>PERCENT DISTRIBUTION</u>	<u>CUMULATIVE UNITS</u>
Before 1970	89	13.8%	89
1970 - 1974	72	11.1%	161
1975 - 1980	229	35.4%	390
1981 - 1985	135	20.9%	525
1986 - 1990	-	-	525
1991 - 1995	50	7.7%	575
1996	-	-	575
1997	-	-	575
1998	-	-	575
1999	-	-	575
2000	-	-	575
2001	-	-	575
2002	-	-	575
2003	-	-	575
2004	-	-	575
2005	-	-	575
2006	-	-	575
2007	-	-	575
2008	-	-	575
2009	-	-	575
2010	72	11.1%	647
2011	-	-	647
2012	-	-	647
TOTAL	647	100.0%	

AVERAGE ANNUAL RELEASE OF UNITS: 2003-2012

7.2

- ◆ The following is a distribution of market-rate and LIHTC unit net rents. Net rents for market rate units include water, sewer, and trash removal. The adjusted net rent is determined by subtracting the owner-paid utilities such as gas, electric, heat and cable TV from the quoted rents, as well as adding tenant-paid water, sewer, and trash removal.

TABLE 25

**RENT AND VACANCY ANALYSIS
ONE-BEDROOM MARKET RATE & LIHTC UNITS
HARTSVILLE, SOUTH CAROLINA
FEBRUARY 2013**

<u>Net Rent</u>	<u>TOTAL UNITS</u>		<u>VACANCIES</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
\$510	16	33.3%	0	0.0%
\$450	32	66.7%	0	0.0%
TOTAL	48	100.0%	0	0.0%

MEDIAN RENT: \$450

TABLE 26

**RENT AND VACANCY ANALYSIS
TWO-BEDROOM MARKET RATE & LIHTC UNITS
HARTSVILLE, SOUTH CAROLINA
FEBRUARY 2013**

<u>Net Rent</u>	<u>TOTAL UNITS</u>		<u>VACANCIES</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
\$525-\$555	52	35.2%	0	0.0%
\$475	72	48.6%	3	4.2%
\$385	24	16.2%	0	0.0%
TOTAL	148	100.0%	3	2.0%

MEDIAN RENT: \$475

TABE 27

**RENT AND VACANCY ANALYSIS
THREE-BEDROOM MARKET RATE & LIHTC UNITS
HARTSVILLE, SOUTH CAROLINA
FEBRUARY 2013**

<u>Net Rent</u>	<u>TOTAL UNITS</u>		<u>VACANCIES</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
\$610	16	44.4%	0	0.0%
\$446-\$473	20	55.6%	0	0.0%
TOTAL	36	100.0%	0	0.0%

MEDIAN RENT: \$470

- ◆ The Hartsville area median rents are \$450 for a one-bedroom unit and \$475 for a two-bedroom unit and \$470 for a three-bedroom unit.
- ◆ The Hartsville area has no elderly developments. However, several of the family-oriented developments have elderly tenants in smaller bedroom types. The surveyed government subsidized, LIHTC and market-rate developments are family-orientated.
- ◆ The vacancies for the family-orientated units are low in the market area, with a majority of the developments at or near 100.0% occupancy rates.
- ◆ Interview were conducted with apartment community managers, Realtors and property owners regarding the rent ranges of rental units scattered throughout the Hartsville. There are some rental units located in the Hartsville area which are not part of the traditional apartment communities. In a review of these housing alternatives within the Hartsville market area, it was noted that there are several alternative rentals, including duplexes, tri-plexus, units above commercial store fronts and single-family residences.

- ◆ The following is an estimation of the rents for these types of facilities:

Studio	\$300-\$350
One-Bedroom	\$375-\$490
Two-Bedroom	\$475-\$600
Three-Bedroom	\$550-\$725

- ◆ The following is the modern apartment survey; a summary of this survey has been included in the conclusion section of this report.

B. LOW INCOME HOUSING TAX CREDIT PROJECTS

- ◆ Under the South Carolina SHFDA guidelines, four developments within the Hartsville market area that have received LIHTC allocations since 1997, and have been included within this analysis, if within our market area. The following are LIHTC developments:

<u>DEVELOPMENT</u>	<u>YEAR</u>	<u>TYPE</u>	<u>UNITS</u>
Forest Ridge (#1)	1970	Family	89
Palmetto Apartments (#5)	1981	Family	44
Pine Bridge (#6)	1985	Family	43
Hartsville Garden (#3)	2010	Family	72

- ◆ All four LIHTC developments, which have been included within our field survey section, are inside the Hartsville PMA.
- ◆ All of the developments are family-orientated units; however some seniors are reported within the developments.

- ◆ The developments have a wide range of rents at AMI's. Three of the developments have additional government subsidies, including HUD and RDA.
- ◆ Overall, the four family developments contain 248 LIHTC units, of which 7 are vacant or a 97.2% occupancy rate. The one family development, Hartsville Garden Apartments, without any additional subsidies is at 100% occupancy.

C. PUBLIC HOUSING AGENCY SURVEY

- ◆ Interviews were conducted with staff members at the South Carolina State County Housing Authority (oversees Hartsville), covering the HUD programs for Calhoun County.
- ◆ An interview with the staff at the Housing Authority of Hartsville office indicated that they have allocated over 170 households in the Section 8 Certificate and Voucher programs for Darlington County, of which a majority are leased. Additionally, an interview with the Housing Authority of Hartsville staff indicated that there are over 123 family and elderly (one-bedroom) participants on a waiting list for housing. The list has been screened to include only qualified individuals and families.
- ◆ In accordance with the guidelines established for the LIHTC application and plan for the South Carolina State Housing Finance and Development Authority contact was initiated with the local governing public housing agency. Contact was made with Ms. Sylvia Mcelveen of the Housing Authority of Hartsville.
- ◆ The general consensus is the demand for affordable elderly and family housing is great in Darlington County. When told this proposed development will be for elderly housing, the authority was receptive to the idea noting such a development might fill a specific demand for the waiting list in the market.

D. PLANNED OR PROPOSED DEVELOPMENT

- ◆ Additionally, according to local governmental officials, no other rental developments have submitted formal plans for development for the subject site area of the City of Hartsville. It must be noted that the City of Hartsville has not been active in the multi-family development area.

E. AREA INTERVIEWS

In conducting the field analysis of the rental housing market in the City of Hartsville, South Carolina interviews were conducted with an array of city officials, the Chamber of Commerce, several realtors, the Housing Authority of Hartsville and all of the apartment managers. Telephone interviews were conducted over a period of time between February 1, 2013 and February 29, 2013. A visit to the site and to the comparable rental properties was made on the week of February 10, 2013.

City and County officials welcome the development for the most part noting this development would be an improvement to the surrounding neighborhood. They also noted all essential services for senior citizens are located in the immediate site vicinity. They like the idea of affordable housing over a project based HUD Section 8 development, noting they would prefer to have more “market rate” rental communities and not so much government subsidized developments. They also noted there currently is very little designated “senior” housing in the Hartsville area, but wondered is that due to lack of demand or is there a pent-up need for this type of development.

Interviews with Chamber of Commerce officials were also positive about the planned development. Here again they noted it would have a positive impact on that area of town. They did however question the need for “senior housing” in Hartsville but also noted with limited existing “senior housing” it is hard to determine the actual need. The officials did

however say on several occasions they would like to see more upscale housing for couples or single-people. They noted several of the area's larger employers bring in workers from other locations, some for an extended period of time. There is a lack of market-rate apartments to serve these transfers and often times they are over-income qualified to live in the existing rental communities. Overall they do support this development and were more than helpful in providing all necessary materials and information necessary for this market study.

Most area apartment managers were supportive of the proposed development. They also noted there is limited senior designated housing in Hartsville. Some managers of course conveyed a bit of concern as to how this might affect the occupancies at their developments. Their concerns are more of new development, because of the age and conditions of the existing properties they manage. Many of these developments are in less than desirable condition. This was a sentiment echoed by Chamber of Commerce officials. Overall they support this development, as long as it does not adversely affect them.

Additionally some casual interviews were conducted with tenants of four apartment communities. The general opinion was there is a need for nice new apartments and especially for seniors. A number of the residents indicated they would love to move to a nice, new apartment but they do not exist in Hartsville.

During the visit to Hartsville, no signs of any new infrastructure, repairs or additions were noted. This would include new roads and or water/sewer lines, landscaping or any other beautification projects. The City of Hartsville is moving from its current location on West Carolina to a former bank building less than one block away. No immediate plans have been made for the existing building.

Contact was made with Ms. Sylvia Mcelveen of the Housing Authority of Hartsville. The general consensus is the demand for affordable elderly and family housing is great in Darlington County. When told this proposed development will be for elderly housing, the authority was receptive to the idea noting such a development might fill a specific demand for the waiting list in the market.

Area realtors interviewed indicated the City of Hartsville is very stable but there is little in the way of real estate activity.

F. COMPARABLE PROPERTIES AND ACHIEVABLE RENTS

In a review of comparable properties and achievable rent adjustments in the Hartsville Primary Market Area, it was noted that there are no elderly developments that would be considered as most comparable to the product. However, there are three family developments are market-rate, with a potential to attract the elderly market segment associated to the product and tenant base. The following are a review of these developments and rent adjustments to the proposed subject site.

<u>Project #</u>	<u>Name</u>	<u># Units</u>	<u>Occupancy</u>	<u>Type</u>	<u>Year</u>
4.	Palmetto Villas	72	95.8%	MR	1972
9.	Middletown Apartments	40	100.0%	MR	1978
11.	Oakview Apartments	48	100.0%	MR	1984

As noted, within the three competitive developments, a total of 160-units exist with 3 vacant units or an overall 98.1% occupancy rate.

The rent comparisons for the competitive analysis were based on the following: building structure, year built or renovated, overall quality rating, area/neighborhood rating, square footage, number of bathrooms, appliances, unit amenities, project amenities, utilities, on-site management, furnished units, etc. (see Rent Comparison Chart):

<u>RENT ADJUSTMENTS</u>		
<u>Project #</u>	<u>Name</u>	<u>Two-Bedroom</u>
4.	Palmetto Villas	\$643
9.	Middletown Apartments	\$540
11.	Oakview Apartments	\$711
Average (Net)		\$631
Subject Site		\$449

It should be noted that the average of the achievable comparable net two-bedroom unit is \$631, somewhat higher than the adjusted proposed \$449 average net rent. The proposed two-bedroom rent represents 71.2% of the average comparable two-bedroom rent in the market area. When reviewing the comparable developments, the proposed rents are within the appropriate rent differentials. Therefore, based on the current existing rental market, the proposed development would be a value in the market area.

Rent Comparability Grid

Unit Type →

Two

Subject		Comp #1		Comp #2		Comp #3	
Project Name		Palmetto Villas		Middletown Apts.		Oakview Apts.	
Street Address		207 14 St.		601 W. Washington		236 Swift Creek	
City County		Hartsville		Hartsville		Hartsville	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$475		\$385		\$525	
2	Date Last Leased (mo/yr)	-		-		-	
3	Rent Concessions	-		-		-	
4	Occupancy for Unit Type	96%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$475	0.56	\$385	0.48	\$525	0.88
<i>In Parts B thru E, adjust only for differences that result in differences the</i>							
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	4	\$20	2	\$20	1 & 2	\$20
7	Yr. Built/Yr. Renovated	2015	\$43	1978	\$37	1984	\$31
8	Condition /Street Appeal	E	\$5	G	\$5	F	\$10
9	Neighborhood	G		G		G	
10	Same Market? Miles to Subj	G		G		G	
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	Adj	Data	Adj
11	# Bedrooms	2		2		2	
12	# Baths	2		1	\$20	1.5	\$10
13	Unit Interior Sq. Ft.	1082	\$23	800	\$28	600	\$48
14	Balcony/ Patio	X	\$5	X		X	
15	AC: Central/ Wall	X		X		X	
16	Range/ refrigerator	X		X		X	
17	Microwave/ Dishwasher	XX	\$15		\$15		\$15
18	Washer/Dryer Hookups	X		X		X	
19	Floor Coverings	X		X		X	
20	Window Coverings	X		X		X	
21	Cable/ Satellite/Internet						
22	Special Features	XX	\$20	X	\$10		\$20
23	Elevator	X					
D	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)						
25	Extra Storage	X	\$5		\$5		\$5
26	Security	X	\$5		\$5		\$5
27	Clubhouse/ Meeting Rooms	X	\$5		\$5		\$5
28	Pool/ Recreation Areas	X	\$5	X		X	
29	Business Ctr / Nbhd Netwk						
30	Service Coordination						
31	Laundry Room	X	\$5		\$5		\$5
32	Neighborhood Networks						
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	T-G		T-E		T-E	
34	Cooling (in rent?/ type)	T-E		T-E		T-E	
35	Cooking (in rent?/ type)	T-E		T-E		T-E	
36	Hot Water (in rent?/ type)	T-G		T-E		T-E	
37	Other Electric						
38	Cold Water/ Sewer	L	\$12	L		T	\$12
39	Trash /Recycling	L		L		L	
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	12		11		11	
41	Sum Adjustments B to D	\$156		\$155		\$174	
42	Sum Utility Adjustments	\$12				\$12	
		Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$168	\$168	\$155	\$155	\$186	\$186
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$643		\$540		\$711	
45	Adj Rent/Last rent						

This form is to be used for completing Rent Comparability Studies in accordance with Chapter 90F of the Section 8 Rental Guide.



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APARTMENT FIELD SURVEY

INDIVIDUAL SUMMARY



PROJECT DESCRIPTION AND INFORMATION
Hartsville, South Carolina
February 2013

Apartment Project #	Project Name	Address	City, State	Phone Number	Contact	Year Built	Project Type	Quality Rating	Total Units	Total Vacant	Percent Occupied
1	Forest Ridge	1212 Myrtle St	Hartsville, SC	(843) 332-2162	Dana	1970	LIHTC / Gov't	6.5	89	7	92.1%
2	Swift Creek	405 Swift Creek Rd	Hartsville, SC	(843) 383-5785	Mary	1980	Gov't	6.5	72	0	100.0%
3	Hartsville Garden Apartments	1329 S. Fourth St	Hartsville, SC	(843) 917-0257	Kisha	2010	LIHTC	7.5	72	0	100.0%
4	Palmetto Villas	207 14th St	Hartsville, SC	(843) 245-2109	Ronnie	1972	MR	7.0	72	3	95.8%
5	Palmetto Apartments	655 Washington	Hartsville, SC	(843) 332-1991	Glenn	1981	LIHTC / Gov't	6.5	44	0	100.0%
6	Pine Bridge	1101 E. Home Ave	Hartsville, SC	(843) 332-1269	Sharika	1985	LIHTC / Gov't	6.5	43	0	100.0%
7	Hartwood Village	1025 E. Carolina Ave	Hartsville, SC	(843) 383-4121	Sonya	1980	Gov't	7.0	67	0	100.0%
8	Southpark	1301 S. 5th St	Hartsville, SC	(843) 332-9244	Sylvia	1980	Gov't	6.0	50	0	100.0%
9	Middletown Apartments	601 W. Washington	Hartsville, SC	(843) 332-6863	tenant	1978	MR	6.5	40	0	100.0%
10	East Park	E. Carolina Ave	Hartsville, SC	(843) 332-1583 x 11	Sylvia	1992	Gov't	5.0	50	0	100.0%
11	Oakview Apartments	236 Swift Creek	Hartsville, SC	(843) 332-0424	Audrey	1984	MR	6.0	48	0	100.0%

**RENT AND VACANCY ANALYSIS
BY
ONE-BEDROOM UNITS
Hartsville, South Carolina
February 2013**

Apartment Project #	Project Name	Style	Number	Vacant	Rent 1.0 Bath	Rent 1.5 Bath	Sq. Ft.
1	Forest Ridge	G	17	1	*		
2	Swift Creek	G	24	0	*		
3	Hartsville Garden Apartments	G	16	0	\$510		740
4	Palmetto Villas						
5	Palmetto Apartments	G	10	0	\$358-516 *		
6	Pine Bridge	G	16	0	\$503-667*		
7	Hartwood Village	G	44	0	\$484-613*		
8	Southpark	G	12	0	*		
9	Middletown Apartments						
10	East Park						
11	Oakview Apartments	G	32	0	\$450		500

**RENT AND VACANCY ANALYSIS
BY
TWO-BEDROOM UNITS
Hartsville, South Carolina
February 2013**

Apartment Project #	Project Name	Style	Number	Vacant	Rent 1.0 Bath	Rent 1.5 Bath	Rent 2.0+ Bath	Sq. Ft.
1	Forest Ridge	G	40	3	*			
2	Swift Creek	G	40	0	*			
3	Hartsville Garden Apartments	G	36	0			\$555	888
4	Palmetto Villas	TH	72	3	\$475			850
5	Palmetto Apartments	G	30	0	\$378-566*			
6	Pine Bridge	G	27	0	\$544-774*			
7	Hartwood Village	G	23	0	\$508-708*			
8	Southpark	G	20	0	*			
9	Middletown Apartments	G	24	0	\$385			
10	East Park							
11	Oakview Apartments	TH	16	0		\$525		600

**RENT AND VACANCY ANALYSIS
BY
THREE-BEDROOM UNITS
Hartsville, South Carolina
February 2013**

Apartment Project #	Project Name	Style	Number	Vacant	Rent 1.0 Bath	Rent 1.5 Bath	Rent 2.0+ Bath	Sq. Ft.
1	Forest Ridge	TH	28	3		*		
2	Swift Creek	G	8	0		*		
3	Hartsville Garden Apartments	G	20	0			\$610	1069
4	Palmetto Villas							
5	Palmetto Apartments	G	4	0	\$398-613*			
6	Pine Bridge							
7	Hartwood Village							
8	Southpark	G	14	0	*			
9	Middletown Apartments	G	16	0			\$446-473	
10	East Park	G	46	0			*	
11	Oakview Apartments							

**RENT AND VACANCY ANALYSIS
BY
FOUR-BEDROOM UNITS
Hartsville, South Carolina
February 2013**

Apartment Project #	Project Name	Style	Number	Vacant	Rent 1.0 Bath	Rent 1.5 Bath	Rent 2.0 Bath	Sq. Ft.
1	Forest Ridge	TH	4	0		*		
2	Swift Creek							
3	Hartsville Garden Apartments							
4	Palmetto Villas							
5	Palmetto Apartments							
6	Pine Bridge							
7	Hartwood Village							
8	Southpark	G	4	0			*	
9	Middletown Apartments							
10	East Park	G	4	0			*	
11	Oakview Apartments							

UNIT AMENITIES
Hartsville, South Carolina
February 2013

Apartment Project #	Project Name	Range / Stove	Refrigerator	Dishwasher	Garbage Disposal	Microwave	Basement	Other		Air Conditioning	Drapes / Blinds	Carpeting	Fireplace	Washer / Dryer	Washer / Dryer Hookups	Patio or Balcony	Ceiling Fans	Security Alarm	Walk-in Closet(s)	Handicapped Design	Other	
		Kitchen Appliances								Unit Amenities												
1	Forest Ridge	X	X							X	X	X			S							
2	Swift Creek	X	X							X	X	X										
3	Hartsville Garden Apartments	X	X	X	X					X	X	X			X	X						
4	Palmetto Villas	X	X							X	X	X			X							
5	Palmetto Apartments	X	X							X	X	X			X							storage
6	Pine Bridge	X	X							X	X	X			X							
7	Hartwood Village	X	X							X	X	X			X							
8	Southpark	X	X												X (W only)	X						
9	Middletown Apartments	X	X		X					X	X	X			X	X						
10	East Park	X	X												X (W only)							
11	Oakview Apartments	X	X							X	X	X			X	X						

PROJECT AMENITIES
Hartsville, South Carolina
February 2013

Apartment Project #	Project Name	Garages	Carports	Club House	Rental Office / Management	Activity / Arts-Crafts Room	Laundry Room	Playground	Sauna / Jacuzzi	Tennis Court	Basketball / Volleyball Court	Computer / Office Room	Swimming Pool	Exercise Room	Security Guardhouse / Gate	Elevator	Storage Areas	Picnic Area	Lake / Water Feature	Other
1	Forest Ridge						X													
2	Swift Creek				X		X	X										X		
3	Hartsville Garden Apartments			X	X		X				X	X		X						
4	Palmetto Villas																			
5	Palmetto Apartments				X			X									X			
6	Pine Bridge				X			X												
7	Hartwood Village				X			X												
8	Southpark			X	X															
9	Middletown Apartments							X												
10	East Park			X				X												
11	Oakview Apartments							X												

UTILITY ANALYSIS
Hartsville, South Carolina
February 2013

Apartment Project #	Project Name	Electric	Heat			Water	Sewer	Trash	Cable	Internet Wired
			Gas	Electric	Hot Water					
1	Forest Ridge	T		T		L	L	L		
2	Swift Creek	T		T		L	L	L		
3	Hartsville Garden Apartments	T		T		L	L	L		
4	Palmetto Villas	T		T		T	T	L		
5	Palmetto Apartments	T		T		T	T	L		
6	Pine Bridge	T		T		T	T	L		
7	Hartwood Village	T		T		L	L	L		
8	Southpark	T		T		T	T	T		
9	Middletown Apartments	T		T		L	L	L		
10	East Park	T		T		T	T	T		
11	Oakview Apartments	T		T		T	T	L		

T=Tenant
L=Landlord

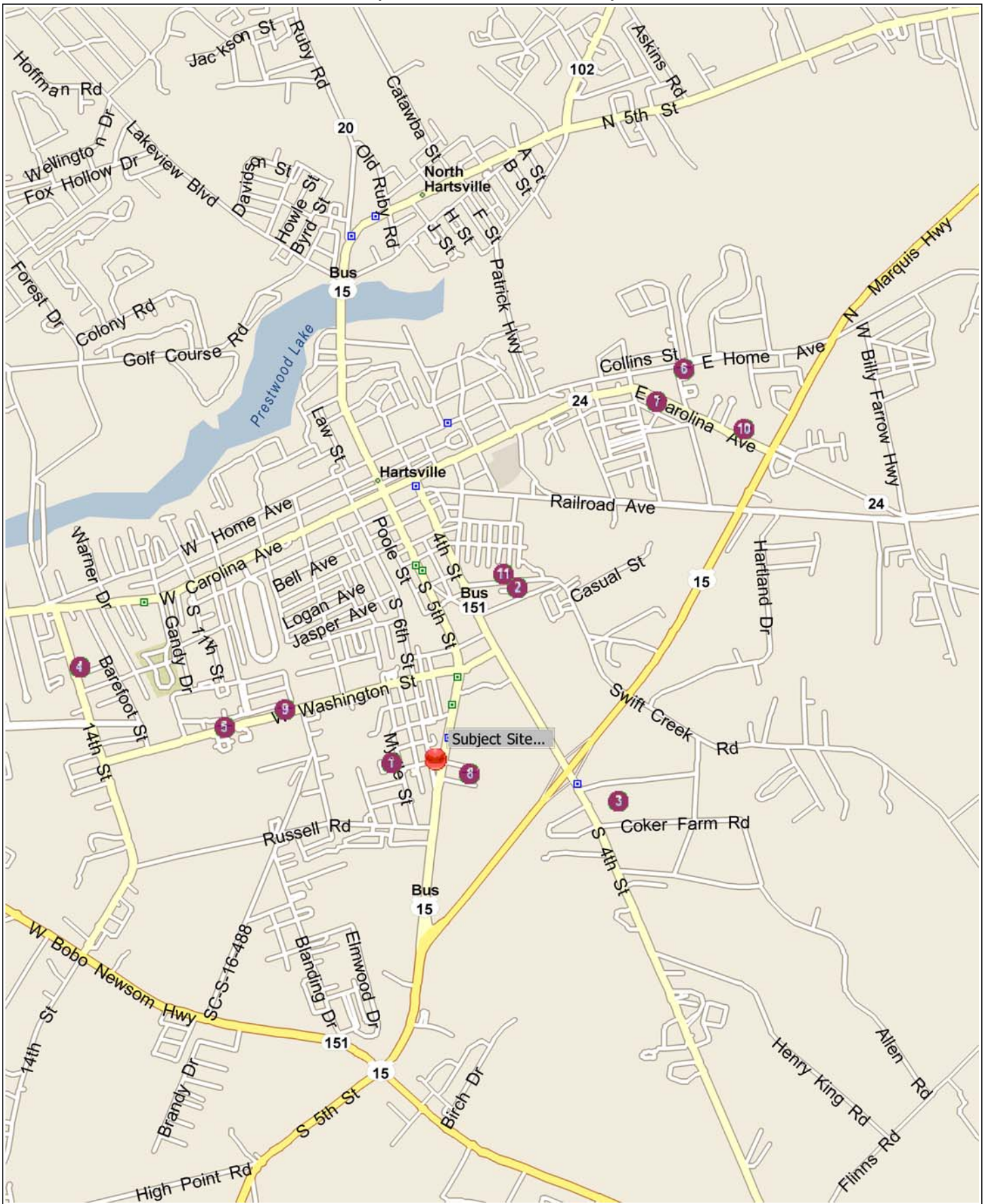
PROJECT FEES AND COMMENTS

Hartsville, South Carolina

February 2013

Apartment Project #	Project Name	Pets	Security	Application Fee	Comments
1	Forest Ridge		1 month		*Government Subsidized - HUD - Family - LIHTC property - 2 story
2	Swift Creek		1 month		*Government Subsidized - HUD Section 8 - Family - Waiting list - 2 story
3	Hartsville Garden Apartments		1 month		LIHTC Family - Waiting list: 1-BR=3, 2-BR=23, 3-BR=72 - 18 units with subsidy - 2 story
4	Palmetto Villas				2 story
5	Palmetto Apartments		1 month		*Government Subsidized - RDA - Family - Renovated 2011 - LIHTC property - 1 story
6	Pine Bridge		1 month		*Government Subsidized - RDA - Family - Renovated 2012 - LIHTC property - waiting list - 1-2 story
7	Hartwood Village		1 month		*Government Subsidized - RDA - Family - 1 story
8	Southpark		1 month		*Government Subsidized - Housing Authority of Hartsville - 1 story
9	Middletown Apartments		1 month		Mix unconfirmed - Recently renovated - \$150 referral - 2 story
10	East Park		1 month		*Government Subsidized - Housing Authority of Hartsville - Public Housing - Waiting list - 1 story
11	Oakview Apartments		\$250		1-2 story

Apartment Locator Map



0 mi 0.5 1 1.5

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**APARTMENT
FIELD SURVEY**

**PHOTOGRAPHS
(SELECTED)**



NATIONAL LAND ADVISORY GROUP

2404 East Main Street • Columbus, Ohio 43209
Phone: 614.545.3900 • Fax: 614.545.4900





#1 Forest Ridge



#2 Swift Creek



#4 Palmetto Villas



#5 Palmetto Apartments



#6 Pine Bridge



#7 Hartwood Village



#7 Hartwood Village



#8 Southpark



#9 Middletown Apartments



#10 East Park



#11 Oakview Apartments

VII. CONCLUSIONS

A. INTRODUCTION

These conclusions are based upon the income qualification standards of the South Carolina State Housing Finance and Development Authority's Low Income Tax Credit Program; economic and demographic statistics; area perception and growth; an analysis of supply and demand characteristics, absorption trends of residential construction; survey of the multi-family rental market in the City of Hartsville, South Carolina. The tax credit program, for rental housing, is a function of household size and income limitations based on area median incomes. In addition, previous experience, based on analysis of existing rental-housing developments, aided in identifying elderly trends which enabled us to develop support criteria for the recommendations.

B. MARKET SUMMARY

The following is a summary of the demographic, economic and housing criteria that affect the level of support for the proposed tax credit elderly rental development.

Total households, an important housing indicator, in the City of Hartsville had a decrease of 0.1%, from 3,081 in 2010 to 3,077 in 2012, a slight decrease in the rate of growth. By 2015, households are expected to number 3,090, an increase of 0.4% over 2012. Household growth is expected to increase for the City of Hartsville for the next three years.

Households in the Hartsville Primary Market Area had a decrease of 1.1%, from 13,337 in 2010 to 13,186 in 2012, a slight decrease rate of growth. By 2015, households are expected to number 13,104, a minimal decrease over 2012. Household growth is projected to be slightly lower in the Primary Market Area for the next three years.

Households in Darlington County decreased 1.1%, from 26,526 in 2010 to 26,232 in 2012, thus less than 5% of the areas household decrease was inside the Hartsville's governmental borders. Total households between the Hartsville and Darlington County decreased between 2012 and

2015, with minimal household growth inside the City of Hartsville. In 2015, households are expected to number 26,075, with a large portion of the household decline being outside the City of Hartsville.

In the Hartsville Primary Market Area, family households (under the age of 55) decreased 3.0% for renter households and 11.7% for owner households from 2010 to 2012. Between 2012 and 2015, family renter households (under the age of 55) are projected to decrease 2.4%, while the owner households are estimated to decrease 9.3%.

In the Hartsville Primary Market Area, senior households (ages 55 to 61) increased 15.6% for renter households and 5.3% for owner households from 2010 to 2012. Between 2012 and 2015, senior renter households (ages 55 to 61) are projected to decrease 7.7%, while the owner households are estimated to decrease 3.8%.

In the Hartsville Primary Market Area, senior households (ages 62 years and older) increased 1.2% for renter households and 14.0% for owner households from 2010 to 2012. Between 2012 and 2015, senior renter households (age 62 years and older) are projected to increase 9.8%, while the owner households are estimated to increase 11.2%.

In the City of Hartsville, median per household income is \$32,649 for 2012 and is projected to decrease to \$29,260 in 2015. The median per household income in the City of Hartsville Primary Market Area is \$31,102 in 2012 and projected to be \$28,190 in 2015. The median per household income in Darlington County for 2012 is \$32,013 and is projected to be \$29,735 in 2015.

Employment in Darlington County decreased 6.2%, from 28,526 in 2002 to 26,871 in 2011. In recent years, the employment levels in Darlington County and the City of Hartsville has decreased, around the 26,700 number, which is a negative attribute for today's economy. Total overall employment in 2011 has decreased for the Darlington County area. The employment base of Darlington County is dominated by the following industries or categories: manufacturing, health care and retail trade as reflected by the areas largest employers.

At the end of 2011, the unemployment rate of Darlington County was 12.1%, somewhat lower than previous year of analysis. Between 2009 and 2011, the unemployment rate has ranged from 12.1% to 13.3%. The unemployment rate for Darlington County has typically been lower than the state average. The unemployment rate is estimated to decrease for 2012.

Hartsville has always been a center for manufacturing, education and warehousing operations; this is especially true within the immediate subject site area. The area's larger employers consist of: Darlington School District, Sonoco Products Company, A.O. Smith Water Products, Progress Energy, Walmart and Carolina Pines Regional Medical Center. Additionally, the Hartsville employment base has had some recent employment reductions. The proximity to Darlington, South Carolina and Florence, South Carolina are a positive for the market area. The Hartsville area is currently poised for expansion at any of the area's industrial parks, several in the immediate site area.

Of the six area counties, Darlington County ranks third in the percentage of persons employed outside their County of residence, 39.4%. This slightly higher percentage can be contributed to the accessibility and proximity of solid and diverse employment opportunities offered in communities located adjacent to Darlington County, South Carolina. Additionally, because of the strong bases of several employment sections in these areas, any increase or decrease in the immediate employment center would have limited effect on mobility patterns of residents within this market area. The accessibility to other employment areas can help maintain Hartsville as a viable housing option and alternative.

Housing activity has been good in the City of Hartsville and Darlington County in the ten year period surveyed, however with minimal growth in both the multi-family and single-family markets. Over the past ten years, the overall housing units authorized in the City of Hartsville have averaged 17.1 units per year. It should be noted that construction has been weighted with single-family activity, averaging 8.2 multi-family units and 8.9 for single-family units per year. However, within recent years, construction has been weighted towards multi-family permits

again, with a three year average of 24.7 multi-family permits and 4.7 single-family permits. Over the past ten years, the overall housing units authorized in Darlington County have averaged 144.4 units per year, averaging 8.2 for multi-family units and 136.2 for single-family units per year. However, within recent years, construction has been weighted heavily towards single-family permits again, with a three year average of 24.7 multi-family permits and 77.7 single-family permits for Darlington County.

In 2010, nearly one-half (43.9%) of the total housing units in Hartsville were rental units, offering an established base of rental units. The reported vacancy rate was 4.4% for all the rental units. In Darlington County, multi-family units represented 28.2% of all the housing units in 2010. The reported vacancy rate was 3.3%, again for all rental unit types. The median number of occupants in renter-occupied living units in Hartsville was 2.36 in 2010, somewhat lower than the 2.58 for renter-occupied units only in Darlington County.

The 2010 Census reports a total of 1,483 specified renter-occupied housing units in the City of Hartsville and 6,696 in Darlington County. The median rent in 2010 for the City of Hartsville was \$575, slightly higher than Darlington County at \$554. All rents in the City of Hartsville ranged from less than \$200 to \$1,000 or greater. The largest percentage of units was in the \$500 - \$649 range, representing 18.7% of the units. Median gross rents in both the City of Hartsville and Darlington County increased approximately 43.9% and 40.6% since 2000, respectively.

At the time of this study, in the Hartsville market area, a comparable survey of elderly (some family) LIHTC, government subsidized and market-rate units was conducted in the market area. A total of 160 modern market-rate apartment units in three developments and 72 low income housing tax credit (LIHTC) units in one development were surveyed. An additional 415 government subsidized development units in seven developments (some with LIHTC financing also), with a 1.7% vacancy rate, were located and surveyed in the Hartsville market area. LIHTC units have a vacancy rate that is very low in the market area, non-existent. Vacancies for market-rate units are also low at 1.9%. Reviewing just the quality elderly units, the market still appears limited by supply rather than demand.

The Hartsville market-rate and LIHTC apartment base contains a well balanced ratio of one-bedroom and two-bedroom units in the market area. Within the market-rate units, the one-bedroom units have a non-existent vacancy rate, while the two-bedroom vacancy rate is 2.7% (3-units).

It should be noted that the greater Hartsville rental market has been experiencing apartment limited growth in the past several years. Between 2009 and 2012, there have been 72 market-rate or LIHTC units added to the Hartsville rental market. Management indicated that the vacancies are somewhat seasonal, typically being higher in the fall/winter season. Additionally, according to local governmental officials, no other rental developments have submitted formal plans for development.

Median rents are moderate; additionally there is a good base of higher-priced market-rate units in the Hartsville market area. One-bedroom units have a median rent of \$450, with 33.3% of the one-bedroom units in the upper-rent range of \$510. Two-bedroom units have a median rent of \$475, with 35.2% of the two-bedroom units in the upper-rent range of \$525-\$555. Three-bedroom units have a median rent of \$470. Market rate rents have been able to increase at a yearly rate of less than 1.0%, because of the lack of new construction of market-rate rental units, having an impact on both the area rental market and rents. The median rents for units are driven somewhat lower, because of the large base of older multi-family units in the market area that typically obtain lower rents per unit. Approximately 81.2% of the units were built before 1985.

Under the SCSHFDA guidelines, four developments have received LIHTC allocations in the Hartsville area since 1997, which tall are family developments. Three of the family developments have additional government subsidize under the HUD or RDA programs.

The four family developments contain 284 LIHTC units with 7 vacancies for a 97.2% occupancy rate. Some of the developments also have a waiting list. The development is split among 50% and 60% AMI. The one non-additional government subsidized development contains 72 LIHTC units, of which there are no vacancies for a 100.0% occupancy rate.

In a review of comparable elderly properties and achievable rent adjustments in the Hartsville Primary Market Area, it was noted that there are no elderly developments that would be considered as most comparable to the product. However, there are three family developments are market-rate, with a potential to attract the elderly market segment associated to the product and tenant base. All of these developments are market-rate multi-family developments with an elderly market segment associated to the product and tenant base. The following are a review of these developments and rent adjustments to the proposed subject site. As noted, within the three competitive developments, a total of 160-units exist with 3 vacant units or an overall 98.1% occupancy rate.

It should be noted that the average of the achievable net two-bedroom unit is \$631, somewhat higher than the adjusted proposed \$449 average net rent. The proposed two-bedroom rent represents 71.2% of the average comparable two-bedroom rent in the market area. When reviewing the comparable developments, the proposed rents are within the appropriate rent differentials. Therefore, based on the current existing rental market, the proposed development would be a value in the market area.

In a review of the government subsidized rental units in the immediate market area, it was noted that vacancies are low at 1.7%. An interview with the Housing Authority of Hartsville office, which services the Darlington County area, indicated that they 170 families (elderly and family) under the Section 8 Certificate and Voucher program for the overall area. Additionally, there are over 123 individuals on a waiting list. As in previous experiences with local housing authorities, it is expected that additional support for the proposed development could be generated from these prospective tenants, as well as the tenants currently on area developments waiting lists.

C. TAX CREDIT PROGRAM INCOME QUALIFICATIONS

The City of Hartsville/Darlington County support for the Low-Income Tax Credit Housing Program units is based upon the household size and the appropriate income limits supported by a proposed base rent. However, rent restrictions are based on the number of bedrooms per unit rather than the actual family size as follows:

BEDROOM PER UNIT

**PERSONS PER BEDROOM
(BASIS)**

STUDIO	1.0
ONE-BEDROOM	1.5
TWO-BEDROOM	3.0
THREE-BEDROOM	4.5
FOUR-BEDROOM	6.0

The development, in order to be a qualified tax credit rental project, must meet the needs of one of the following occupancy and rent restrictions:

- ◆ At least 20.0% of the rental units must be reserved for tenants at 50.0% or less of the area median income adjusted for family size **or**
- ◆ At least 40.0% of the rental units must be reserved for tenants at 60.0% or less of the area median income adjusted for family size **or**
- ◆ Deep Rent skewing option.

Based on the United States Department of Housing and Urban Development estimates, the median income for the Hartsville, South Carolina (Darlington County) area, the following is a distribution by person, of the maximum allowable income and rent available under 50% and 60% program, proposed for this development:

**50% AND 60% PROGRAM OPTION
MAXIMUM INCOME/RENT LEVEL**

	50%	60%
ONE-PERSON	\$18,350	\$22,020
TWO-PERSON	\$20,950	\$25,140
THREE-PERSON	\$23,600	\$28,320
FOUR-PERSON	\$26,200	\$31,440
FIVE-PERSON	\$28,300	\$33,960
SIX-PERSON	\$30,400	\$36,480

The following is the adjusted annual income range specified appropriate by the tax credit 50% and 60% program for low to moderate-income elderly households (age 55 years and older) for the Hartsville PMA. The income range is calculated using the SCSHFDA guidelines and the proposed gross rents by unit type, **excluding any income overlap**. The following is a summary of elderly **renter-occupied and owner-occupied** households in the Primary Market Area of the proposed site within this income range for 2012:

Elderly Households Hartsville, South Carolina PMA				
	Income Range	2012 Renter-Occupied	2015 Renter-Occupied	Change 11-16
50%	\$16,380-\$20,950	120	112	(8)
60%	\$20,951-\$25,140	79	85	6
Overall	\$16,380-\$25,140	199	197	(2)

Overall (excluding any overlap of income ranges), the adjusted annual income range specified appropriate by the tax credit program for low to moderate-income elderly households is \$16,380 (lower end of one-person elderly household moderate-income) to \$25,140 (two person elderly household moderate-income) for the Hartsville Primary Market Area. In 2012, there are 199 elderly households in the Hartsville Primary Market Area of the proposed site was within this income range.

The following chart is derived by following the tax credit program's guidelines for calculating gross and net rents, by the number of bedrooms in each rental unit, for the Hartsville, South Carolina area:

TYPE OF UNIT	AMI	GROSS RENT PER MONTH	UTILITY COST	NET RENT
TWO-BEDROOM	50%	\$590	\$86	\$504
	60%	\$708	\$86	\$622

These rents are the maximum allowable gross rents for the LIHTC Program. It should be noted that utility calculations are estimates provided by the local housing agency and developer, and are based on the current statistics available for one and two story units with similar utility rates.

D. DEMAND ANALYSIS

The following demand estimates are based on any applicable income restrictions and requirements set forth by the South Carolina State Housing Finance and Development Authority, current elderly households, proposed elderly households, turnover ratios of units in the market area and the percent of renter qualified elderly households within the Primary Market Area. Additionally, when needed, previous experiences and/or proprietary research completed by our organization was used in the calculation of appropriate Primary Market Area demand analysis percentages.

The projected number of new elderly rental households is the difference of household growth in the Primary Market Area from 2012 to the estimated 2015 households statistics as follows: 197 (2015) – 199 (2012) = (2) total households.

PRIMARY MARKET AREA DEMAND FROM EXISTING AND PROJECTED ELDERLY HOUSEHOLDS:

	50%	60%	Overall
New Projected Elderly HH (2012-2015)	(8)	6	(2)
Demand of Projected Renter HH (2012-2015)	(8)	6	(2)
Total Qualified Elderly Rental HH	120	79	199
Rent Overburdened Elderly Households (%)	45.0%	45.0%	45.0%
Total Qualified Elderly Renter HH	54	36	90
Total Qualified Elderly Rental HH	120	79	199
Substandard Housing (%)	0.6%	0.6%	0.6%
Total Qualified Elderly Renter HH	1	1	2
Existing Owners Elderly Households	531	371	902
Senior Ownership Conversion (%)	8.5%	8.5%	8.5%
Total Qualified Elderly Owner HH	45	32	77
<i>Estimated Annual Elderly Demand</i>	92	75	167
<i>Supply</i> (comparable, u/c or proposed units)	0	0	0
<i>Net Demand</i>	92	75	167

The rent burden is estimated from the analysis of Table 18 - Distribution of Gross Rent of Household Income. We take a conservation approach and use the number of the City of Hartsville only, not the Primary Market Area, which typically would be higher (noted by the Darlington County) statistic. Additionally, substandard housing is combination of the previous analysis acceptability, the housing quality on Table 19 and the type of housing on Table 16. In reference to the senior ownership conversion, it was noted on Table 2 that the age groups for renter households are increasing faster than the owner households, and in one case actually decreasing. In fact, a recent analysis of 6 developments managed by the Woda Group, it was noted that in elderly developments, the renter tenant percentages from owner-occupied housing ranged from 24% to 46%, with an average of 32%. In our demand calculations we were very conservative at only 7%

Because of the many factors required in the Demand and Affordability Analyses the information is combined from several sources throughout the entire analysis, followed-up by Section IX - Market Study Terminology.

Based on the above analysis for 2012, the annual net demand for the 50% and 60% median income households in the Primary Market Area is estimated at 92 and 75 units per year, respectively. Within the above analysis for 2012, the annual net demand for the overall development based on the median income households in the Primary Market Area is estimated at 167 units per year.

The Hartsville Primary Market Area penetration factor for tax credit units is based on the number of renter households in the appropriate income ranges supporting the proposed rents. The capture rate factor, calculated by dividing the number of proposed units within a specific program and the number of net demand of households in the appropriate income ranges.

Bedroom & % AMI	Total Demand*	Supply		Net Demand	Proposed Units	Capture Rate
		Existing	Pipeline			
Two-Bedroom						
50%	92	-	-	92	11	12.0%
60%	75	-	-	75	34	45.3%
Overall	167	-	-	167	45	26.9%

* Excluding any overlap of incomes.

Penetration Factor: Proposed & Existing Elderly LIHTC Units/Age & Income Qualified

$$45 + 0 / 167 = 26.9\%$$

Within these competitive rent ranges, the market can support the proposed 45-unit tax credit development for elderly occupancy under the 50% and 60% programs. In 2012, based on the proposed and competitive product in the Hartsville market area, the proposed 45-unit elderly development of LIHTC units represents an overall 26.9% capture rate within the market area. There are 45 existing elderly LIHTC units, so the penetration factor is 26.9%.

All of these calculations are appropriate capture and penetration factors, especially with the factor of the development being new construction. Combined with sensitivity to market rents and a quality construction, these renter elderly households' percentages represent a good base of appropriate income elderly households. Because of the regional nature of the subject site area and the proposed product and targeted market, the actual market area could be larger than the proposed Primary Market Area.

E. RECOMMENDATIONS

This study has established that a market exists for the new construction of a 45-unit elderly rental housing project, to be developed within the criteria set forth by the South Carolina State Housing Finance and Development Authority's Low Income Housing Tax Credit Program. With the proposed plans to develop 11-units (24.4%) available to households with incomes at or below the 50% of the area income and 34-units (75.6%) available to households with incomes at or below the 60% of the area income, the subject site located in the City of Hartsville, South Carolina is proposed as follows:

UNIT BY TYPE AND BEDROOM

BEDROOM	TWO
BATHROOMS	2.0
NUMBER OF UNITS	
50%	11
60%	34
SQUARE FEET (approx.)	1,082
GROSS RENT	\$546
UTILITY ALLOWANCE *	\$ 86
NET RENT	\$460

* estimated by developer and local housing agency

The proposed new development will be for elderly occupancy. The development will be located on approximately 2.0 acres. The proposed 45-unit elderly development is estimated to begin construction in the Spring 2014, to be completed in the Spring 2015. Pre-leasing will start two months prior to opening. The development consists of 45-units in 1 four-story building, consisting of elevator and community space in the building. Parking will be in adjacent to the building, with 50 open spaces of surface parking spaces.

Each unit in the proposed new construction building would contain energy star appliances, including a self-cleaning range, refrigerator, microwave, dishwasher, disposal, air conditioning, carpeting, blinds, extra storage, walk-in closet, balcony, washer/dryer hook-ups and two full bathrooms.

Project amenities associated with an elderly-orientated development are important to the success of the proposed facility, including: on-site rental management office, community room with kitchen, laundry room, elevator, computer and a park setting with gazebo. Additional elderly services should be made available on an optional basis, including transportation, moderate care and housekeeping by total non-profit agencies.

Gross rents will include all utilities: electric, gas, water/sewer services and trash removal. The tenants will be responsible for electric and gas; however a utility allowance of \$86 for a two-bedroom unit is estimated. The units will be cable-ready.

The development will maintain a consistent and effective landscaping plan throughout the site, especially maintaining a good front door image. From a marketing point of view, it would be beneficial if the proposed sites would be able to use some natural settings, if possible, to develop an environment within this development. The City of Hartsville area apartment developments have not done a good job in creating a complete development theme or environment.

The development and unit plans were reviewed. The proposed rental units are appropriate for the Hartsville market area. The unit and project amenities are adequate for the targeted elderly market, while the unit styles, specifically the design and square footage, will positively influence the absorption, offering a flexibility of living style for elderly occupants. Additional upgrades will be made to the exterior and landscaping. Additionally, extensive landscaping should take place between any other existing developments, when appropriate.

Because of the high percentage of elderly units, a strong marketing plan and development layout should focus on elderly needs. The area has excellent accessibility to the entire area, as well as having good visibility. Because of the existing apartment and rental base located in the City of Hartsville area and specifically the subject site, this rental base will help create a synergism

effect of established renters. Because of the good accessibility to major arteries in the City of Hartsville area, detail should be given to marketing the development and the procedure for transportation routes to the proposed site. Superior signage and advertising will be an advantage, because of the amount of traffic associated with the proposed site.

Additionally, the proposed net rents need to be viewed as competitive or a value within the Hartsville rental market area in order to achieve an appropriate market penetration. The proposed net rents are within the guidelines established for the low-income tax credit program as summarized as below:

Two-Bedroom					
AMI	PROPOSED NET RENT	MAX. LIHTC NET RENT	MEDIAN MARKET RENT	ACHIEVABLE RENT	FAIR MARKET RENT (FMR)
50%	\$460	\$622	\$475	\$631	\$708
	Percent (%)	74.0%	96.8%	72.9%	65.0%
60%	\$460	\$622	\$475	\$631	\$708
	Percent (%)	74.0%	96.8%	72.9%	65.0%

Based on the current rental market conditions, and the proposed net rent of \$460 for a two-bedroom unit, combined with a development of quality construction, the proposed development will be perceived as a value in the Hartsville market area. Additionally, the percentage of median market rent and achievable rent is low, combined with minimal market-rate and LIHTC product in the market area, the proposed LIHTC development will be an added rental value. We anticipate that a good portion (80.0%) of the support for the units will be generated from the existing rental base.

The step-up opportunity for tenants in the City of Hartsville area rental market, based on the proposed net rent for a two-bedroom is low because the proposed rents are in the lower quartile of the market area. However, and more importantly, there is a good base of units at net rents higher than the proposed net rents of the development.

The design features, specifically the style and square footage, will create a potential product value in the rental market. More specifically, the area competition is not as much as a concern, because of the lack of quality units in the area. Additionally, previous experiences of rental developments in the City of Hartsville area indicate that the two-bedroom proposed rents are in line with the alternative rental markets. Therefore, the proposed rents are targeted properly for not only immediate step-up opportunities, but market acceptability.

The absorption potential for tenants in the Hartsville rental market, based on the proposed net rent is excellent. Additionally, in the past, newer product in the Hartsville area has had positive acceptability and absorption patterns, with a product at a higher market rent. The proposed 45-unit elderly rental development should create a strong pre-leasing activity program to have a successful initial rent-up period. Absorption, while traditionally viewed as a function of the market-rate housing market, must also consider the impact of income and household size criteria set forth by the tax credit competitive rental developments within the Hartsville market area.

The rental market in the Hartsville area has historically been more a function of demand rather than supply, thereby affecting absorption. Factors, other than the existing rental market that affect absorption, would include: demographic characteristics, employment opportunities, area growth and proposed product acceptability. The Hartsville market area has successfully absorbed on average 6 to 12 units per month at selected comparable developments. It is anticipated, because of the criteria set forth by the income and household size for units for the Low-Income Tax Credit Program, the depth of the market demand for units, assumption of new product, as well as the design associated with this product, absorption is expected to be equal to the area average of 5 to 7 units per month, resulting in a 6.4 to 9.0 month absorption period for the 45-unit LIHTC development. The absorption rate may be higher in the initial months of rent-up.

VIII. COMPANY PROFILE

NATIONAL LAND ADVISORY GROUP

National Land Advisory Group is a multi-faceted corporation engaged in the market research and consulting of various real estate activities. National Land Advisory Group supplies consulting services to real estate and finance professionals and state housing agencies through conducting market feasibility studies. National Land Advisory Group also provides a land evaluation and acquisition service for selective clients. Areas of concentration include residential housing and commercial developments. Research activity has been conducted on a national basis.

The National Land Advisory Group has researched residential and commercial markets for growth potential and investment opportunities, prepared feasibility studies for conventional and assisted housing developments, and determined feasibility for both family and elderly facilities. Recent income-assisted housing analyses have been conducted for Low Income Housing Tax Credit (LIHTC) program, as well as developments associated with the Housing and Urban Development and Rural Housing Development Programs. The associates of National Land Advisory Group have performed market feasibility analyses for rental, condominium, and single-family subdivision developments, as well as, commercial, recreational, hotel/motel and industrial developments in numerous communities throughout the United States.

Additionally, National Land Advisory Group evaluates land acquisitions, specializing in helping developers capitalize on residential and commercial opportunities. National Land's investment methodology has resulted in the successful acquisition of numerous parcels of undeveloped land which are either completed or under development by an associated developer or client. National Land's acquisition task includes market research, formal development planning, working with professional planning consultants and local government planning officials.

An independent market analyst, Richard Barnett, President of National Land Advisory Group specializes in both the residential and commercial sectors. Combining over twenty years of professional experience in the housing field with a degree in Real Estate and Urban Development from The Ohio State University, Mr. Barnett brings a wealth of information and insight into his analyses of housing markets. Between 1978 and 1987, Mr. Barnett served as a real estate consultant and market analyst, in the capacity of vice-president of a national real estate research firm. Since 1987, with the establishment of National Land Advisory Group, Mr. Barnett has been associated with hundreds of market studies for housing and commercial developments throughout the United States. Mr. Barnett is also a graduate of the Wexner Heritage Foundation Leadership Program.

Recently, real estate market analysis studies have been completed in the following states:

Alabama	Arkansas	California
Colorado	Florida	Georgia
Illinois	Indiana	Iowa
Kentucky	Louisiana	Michigan
Minnesota	Mississippi	Missouri
Nebraska	New Mexico	New York
North Carolina	Ohio	Pennsylvania
South Carolina	Tennessee	Texas
Utah	Virginia	Washington DC
Wisconsin	West Virginia	

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IX. MARKET STUDY INDEX AND TERMINOLOGY

NCAHMA Market Study Index

Members of the National Council of Affordable Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing built with low income housing tax credits. By completing the following checklist, the NCAHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. Components reported in the market study are indicated by a page number.

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Common Market Study Terms

The terms in this section are definitions agreed upon by National Council of Affordable Housing Market Analyst members.

Terminology	Definition
Absorption period	The period of time necessary for a newly constructed or renovated property to achieve the <i>stabilized level of occupancy</i> . The absorption period begins when the first certificate of occupancy is issued and ends when the last unit to reach the <i>stabilized level of occupancy</i> has a signed lease. Assumes a typical pre-marketing period, prior to the issuance of the certificate of occupancy, of about three to six months. The month that leasing is assumed to begin should accompany all absorption estimates.
Absorption rate	The average number of units rented each month during the <i>absorption period</i> .
Acceptable <i>rent burden</i>	The rent-to-income ratio used to qualify tenants for both income-restricted and non-income restricted units. The acceptable rent burden varies depending on the requirements of funding sources, government funding sources, target markets, and local conditions.
Achievable Rents	See <i>Market Rent, Achievable Restricted</i> and <i>Market Rent, Achievable Unrestricted</i> .
Affordable housing	Housing affordable to low or very low-income tenants.
Amenity	Tangible or intangible benefits offered to a tenant. Typical amenities include on-site recreational facilities, planned programs, services and activities.
Annual demand	The total estimated demand present in the market in any one year for the type of units proposed.
Assisted housing	Housing where federal, state or other programs <i>subsidize</i> the monthly costs to the tenants.
Bias	A proclivity or preference, particularly one that inhibits or entirely prevents an impartial judgment.
Capture rate	The percentage of age, size, and income qualified renter households in the <i>primary market area</i> that the property must capture to fill the units. Funding agencies may require restrictions to the qualified households used in the calculation including age, income, living in substandard housing, mover-ship and other comparable factors. The <i>Capture Rate</i> is calculated by dividing the total number of units at the property by the total number of age, size and income qualified renter households in the <i>primary market area</i> . See also: penetration rate.
Comparable property	A property that is representative of the rental housing choices of the subject's <i>primary market area</i> and that is similar in construction, size, amenities, location, and/or age. Comparable and <i>competitive</i> properties are generally used to derive market rent and to evaluate the subject's position in the market.

Competitive property	A property that is comparable to the subject and that competes at nearly the same rent levels and tenant profile, such as age, family or income.
Concession	Discount given to a prospective tenant to induce the tenant to sign a lease. Concessions typically are in the form of reduced rent or free rent for a specific lease term, or for free amenities, which are normally charged separately (i.e. washer/dryer, parking).
Demand	The total number of households in a defined market area that would potentially move into the proposed new or renovated housing units. These households must be of the appropriate age, income, tenure and size for a specific proposed development. Components of demand vary and can include household growth; turnover, those living in substandard conditions, rent over-burdened households, and demolished housing units. Demand is project specific.
Effective rents	Contract rent less concessions.
Household trends	Changes in the number of households for a particular area over a specific period of time, which is a function of new household formations (e.g. at marriage or separation), changes in average household size, and net <i>migration</i> .
Income band	The range of incomes of households that can afford to pay a specific rent but do not have below any applicable program-specific maximum income limits. The minimum household income typically is based on a defined <i>acceptable rent burden</i> percentage and the maximum typically is pre-defined by specific program requirements or by general market parameters.
Infrastructure	Services and facilities including roads, highways, water, sewerage, emergency services, parks and recreation, etc. Infrastructure includes both public and private facilities.
Market advantage	The difference, expressed as a percentage, between the estimated market rent for an apartment property without income restrictions and the lesser of (a) the owner's proposed rents or (b) the maximum rents permitted by the financing program for the same apartment property.
Market analysis	A study of real estate market conditions for a specific type of property.
Market area	See <i>primary market area</i> .
Market demand	The total number of households in a defined market area that would potentially move into any new or renovated housing units. Market demand is not project specific and refers to the universe of tenure appropriate households, independent of income. The components of market demand are similar to those used in determining project-specific demand. A common example of market demand used by HUD's MAP program, which is based on three years of renter household growth, loss of existing units due to demolition, and market conditions.

Market rent	Achievable restricted: The rent that an apartment, without rent or income restrictions or rent subsidies, would command in the <i>primary market area</i> considering its location, features and amenities. Market rent should be adjusted for <i>concessions</i> and owner paid utilities included in the rent. Achievable unrestricted: The rents that the project can attain taking into account both market conditions and rent and income restrictions.
Market study	A comprehensive study of a specific proposal including a review of the housing market in a defined market area. Project specific market studies are often used by developers, syndicators, and government entities to determine the appropriateness of a proposed development, whereas market specific market studies are used to determine what housing needs, if any, exist within a specific geography. The minimal content of a market study is shown in the NCAHMA publication <i>Model Content for Market Studies for Rental Housing</i> .
Marketability	The manner in which the subject fits into the market; the relative desirability of a property (for sale or lease) in comparison with similar or competing properties in the area.
Market vacancy rate, economic	Percentage of rent loss due to concessions, vacancies, and non-payment of rent on occupied units.
Market vacancy rate, physical	Average number of apartment units in any market which are unoccupied divided by the total number of apartment units in the same market, excluding units in properties which are in the lease-up stage.
Migration	The movement of households into or out of an area, especially a <i>primary market area</i> .
Mixed income property	An apartment property containing (1) both income restricted and unrestricted units or (2) units restricted at two or more income limits (i.e. low income tax credit property with income limits of 30%, 50% and 60%).
Mobility	The ease with which people move from one location to another.
Move-up demand	An estimate of how many consumers are able and willing to relocate to more expensive or desirable units. Examples: tenants who move from class-C properties to class-B properties, or tenants who move from older tax credit properties to newer tax credit properties-
Multi-family	Structures that contain more than two housing units.
Neighborhood	An area of a city or town with common demographic and economic features that distinguish it from adjoining areas.
Net rent (contract rent or lease rent)	Gross rent less <i>tenant paid utilities</i> .
Penetration rate	The percentage of age and income qualified renter households in the <i>primary market area</i> that all existing and proposed properties, to be completed within six months of the subject, and which are competitively priced to the subject that must be captured to achieve the <i>stabilized level of occupancy</i> . Funding agencies may require restrictions to the qualified Households used in the calculation including age, income, living in substandard housing, mover ship and other comparable factors. Units in all proposals/households in market * 100. See also: capture rate.

Pent-up demand	A market in which there is a scarcity of supply and vacancy rates are very low.
Population trends	Changes in population levels for a particular area over a specific period of time—which is a function of the level of births, deaths, and net <i>migration</i> .
Primary market area	A geographic area from which a property is expected to draw the majority of its residents. See the NCAHMA publication <i>Determining Market Area</i> .
Programmatic rents	See <i>restricted rents</i> .
Project based rent assistance	Rental assistance from any source that is allocated to the property or a specific number of units in the property and is available to each income eligible tenant of the property or an assisted unit.
Redevelopment	The redesign or rehabilitation of existing properties.
Rent burden	Gross rent divided by adjusted monthly household income.
Rent burdened households	Households with <i>rent burden</i> above the level determined by the lender, investor, or public program to be an acceptable rent-to-income ratio.
Restricted rent	The rent charged under the restrictions of a specific housing program or subsidy.
Saturation	The point at which there is no longer demand to support additional units. Saturation usually refers to a particular segment of a specific market.
Secondary market area	The portion of a market area that supplies additional support to an apartment property beyond that provided by the primary market area.
Special needs population	Specific market niche that is typically not catered to in a conventional apartment property. Examples of special needs populations include: substance abusers, visually impaired person or persons with mobility limitations.
Stabilized level of occupancy	The underwritten or actual number of occupied units that a property is expected to maintain after the initial rent-up period, expressed as a percentage of the total units.
Subsidy	Monthly income received by a tenant or by an owner on behalf of a tenant to pay the difference between the apartment's <i>contract rent</i> and the amount paid by the tenant toward rent.
Substandard conditions	Housing conditions that are conventionally considered unacceptable which may be defined in terms of lacking plumbing facilities, one or more major systems not functioning properly, or overcrowded conditions.
Target income band	The <i>income band</i> from which the subject property will draw tenants.
Target population	The market segment or segments a development will appeal or cater to. State agencies often use target population to refer to various income set asides, elderly v. family, etc.
Tenant paid utilities	The cost of utilities (not including cable, telephone, or internet) necessary for the habitation of a dwelling unit, which are paid by the tenant.
Turnover turnover period	An estimate of the number of housing units in a market area as a percentage of total housing units in the market area that will likely change occupants in any one year. See also: vacancy period. The percent of occupants in a given apartment complex that move in 1 year.
Unmet housing need	New units required in the market area to accommodate household growth, homeless people, and households in substandard conditions.
Unrestricted rents	Rents that are not subject to <i>restriction</i> .

Unrestricted units	Units that are not subject to any income or rent restrictions.
Vacancy period	The amount of time that an apartment remains vacant and available for rent.
Vacancy rate- economic Vacancy rate - physical	Maximum potential revenue less actual rent revenue divided by maximum potential rent revenue. The number of total habitable units that are vacant divided by the total number of units in the property.

Other Useful Terms

The words in this section are not defined by NCAHMA.

Area Median Income (AMI)	100% of the gross median Household income for a specific Metropolitan Statistical Area, county or non-metropolitan area established annually by HUD.
Attached housing	Two or more dwelling units connected with party walls (e.g. townhouses or flats).
Basic Rent	The minimum monthly rent that tenants who do not have rental assistance pay to lease units developed through the USDA-RD Section 515 Program, the HUD Section 236 Program and HUD Section 223(d)(3) Below Market Interest Rate Program. The Basic Rent is calculated as the amount of rent required to operate the property, maintain debt service on a subsidized mortgage with a below-market interest rate, and provide a return on equity to the developer in accordance with the regulatory documents governing the property.
Below Market Interest Rate Program (BMIR)	Program targeted to renters with income not exceeding 80% of area median income by limiting rents based on HUD's BMIR Program requirements and through the provision of an interest reduction contract to subsidize the market interest rate to a below-market rate. Interest rates are typically subsidized to effective rates of one percent or three percent.
Census Tract	A small, relatively permanent statistical subdivision delineated by a local committee of census data users for the purpose of presenting data. Census tract boundaries normally follow visible features, but may follow governmental unit boundaries and other non-visible features; they always nest within counties. They are designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time of establishment. Census tracts average about 4,000 inhabitants.
Central Business District (CBD)	The center of commercial activity within a town or city; usually the largest and oldest concentration of such activity.
Community Development Corporation (CDC)	Entrepreneurial institution combining public and private resources to aid in the development of socio-economically disadvantaged areas.
Condominium	A form of joint ownership and control of property in which specified volumes of space (for example, apartments) are owned individually while the common elements of the property (for example, outside walls) are owned jointly.
Contract Rent	The actual monthly rent payable by the tenant, including any rent subsidy paid on behalf of the tenant, to the owner, inclusive of all terms of the lease. (HUD&RD) The monthly rent agreed to between a tenant and a

	landlord (Census).
Difficult Development Area (DDA)	An area designated by HUD as an area that has high construction, land, and utility costs relative to the Area Median Gross Income. A project located in a DDA and utilizing the Low Income Housing Tax Credit may qualify for up to 130% of eligible basis for the purpose of calculating the Tax Credit allocation.
Detached Housing	A freestanding dwelling unit, typically single-family, situated on its own lot.
Elderly or Senior Housing	Housing where (1) all the units in the property are restricted for occupancy by persons 62 years of age or older or (2) at least 80% of the units in each building are restricted for occupancy by Households where at least one Household member is 55 years of age or older and the housing is designed with amenities and facilities designed to meet the needs of senior citizens.
Extremely Low Income	Person or Household with income below 30% of Area Median Income adjusted for Household size.
Fair Market Rent (FMR)	The estimates established by HUD of the Gross Rents (Contract Rent plus Tenant Paid Utilities) needed to obtain modest rental units in acceptable condition in a specific county or metropolitan statistical area. HUD generally sets FMR so that 40% of the rental units have rents below the FMR. In rental markets with a shortage of lower priced rental units HUD may approve the use of Fair Market Rents that are as high as the 50 th percentile of rents.
Garden Apartments	Apartments in low-rise buildings (typically two to four stories) that feature low density, ample open-space around buildings, and on-site parking.
Gross Rent	The monthly housing cost to a tenant which equals the Contract Rent provided for in the lease plus the estimated cost of all Tenant Paid Utilities.
High-rise	A residential building having more than ten stories.
Household	One or more people who occupy a housing unit as their usual place of residence.
Housing Unit	House, apartment, mobile home, or group of rooms used as a separate living quarters by a single household.
Housing Choice Voucher (Section 8 Program)	Federal rent subsidy program under Section 8 of the U.S. Housing Act, which issues rent vouchers to eligible Households to use in the housing of their choice. The voucher payment subsidizes the difference between the Gross Rent and the tenant's contribution of 30% of adjusted income, (or 10% of gross income, whichever is greater). In cases where 30% of the tenants' income is less than the utility allowance, the tenant will receive an assistance payment. In other cases, the tenant is responsible for paying his share of the rent each month.
Housing Finance Agency (HFA)	State or local agencies responsible for financing housing and administering Assisted Housing programs.
HUD Section 8 Program	Federal program that provides project based rental assistance. Under the program HUD contracts directly with the owner for the payment of the difference between the Contract Rent and a specified percentage of tenants' adjusted income.

HUD Section 202 Program	Federal Program, which provides direct capital assistance (i.e. grant) and operating or rental assistance to finance housing designed for occupancy by elderly households who have income not exceeding 50% of Area Median Income. The program is limited to housing owned by 501(c)(3) nonprofit organizations or by limited partnerships where the sole general partner is a 501(c)(3) nonprofit organization. Units receive HUD project based rental assistance that enables tenants to occupy units at rents based on 30% of tenant income.
HUD Section 811 Program	Federal program, which provides direct capital assistance and operating or rental assistance to finance housing designed for occupancy by persons with disabilities who have income not exceeding 50% of Area Median Income. The program is limited to housing owned by 501(c)(3) nonprofit organizations or by limited partnerships where the sole general partner is a 501(c)(3) nonprofit organization.
HUD Section 236 Program	Federal program which provides interest reduction payments for loans which finance housing targeted to Households with income not exceeding 80% of area median income who pay rent equal to the greater of Basic Rent or 30 percent of their adjusted income. All rents are capped at a HUD approved market rent.
Income Limits	Maximum Household income by county or Metropolitan Statistical Area , adjusted for Household size and expressed as a percentage of the Area Median Income for the purpose of establishing an upper limit for eligibility for a specific housing program. Income Limits for federal, state and local rental housing programs typically are established at 30%, 50%, 60% or 80% of AMI. HUD publishes Income Limits each year for 30% median, Very Low Income (50%), and Low-Income (80%), for households with 1 through 8 people.
Low Income	Person or Household with gross Household income below 80% of Area Median Income adjusted for Household size.
Low Income Housing Tax Credit	A program to generate equity for investment in affordable rental housing authorized pursuant to Section 42 of the Internal Revenue Code, as amended. The program requires that a certain percentage of units built be restricted for occupancy to households earning 60% or less of Area Median Income, and that the rents on these units be restricted accordingly.
Low Rise Building	A building with one to three stories
Metropolitan Statistical Area (MSA)	A geographic entity defined by the federal Office of Management and Budget for use by federal statistical agencies, based on the concept of a core area with a large population nucleus, plus adjacent communities having a high degree of economic and social integration with that core. Qualification of an MSA requires the presence of a city with 50,000 or more inhabitants, or the presence of an Urbanized Area (UA) and a total population of at least 100,000 (75,000 in New England). The county or counties containing the largest city and surrounding densely settled territory are central counties of the MSA. Additional outlying counties qualify to be included in the MSA by meeting certain other criteria of metropolitan character, such as a specified minimum population density or percentage of the population that is urban.

Mid-rise	A building with four to ten stories.
Moderate Income	Person or Household with gross household income between 80 and 120 percent of area median income adjusted for Household size.
Public Housing or Low Income Conventional Public Housing	HUD program administered by local (or regional) Housing Authorities which serves Low- and Very-Low Income Households with rent based on the same formula used for HUD Section 8 assistance.
Qualified Census Tract (QCT)	Any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50% of Households have an income less than 60% of Area Median Income or where the poverty rate is at least 25%. A project located in a QCT and receiving Low Income Housing Tax Credits may qualify for up to 130% of eligible basis for the purpose of calculating the Tax Credit allocation.
Rural Development (RD) Market Rent	A monthly rent that can be charged for an apartment under a specific USDA-RD housing program, that reflects the agency's estimate of the rent required to operate the property, maintain debt service on an un-subsidized mortgage and provide an adequate return to the property owner. This rent is the maximum rent that a tenant can pay at an RD Property.
Rural Development (RD) Program (Formerly the Farmers Home Administration Section 515 Rural Rental Housing Program)	Federal program which provides low interest loans to finance housing which serves low- and moderate-income persons in rural areas who pay 30 percent of their adjusted income on rent or the basic rent, whichever is the higher (but not exceeding the market rent). The Program may include property based rental assistance and interest reduction contracts to write down the interest on the loan to as low as one percent.
Single-Family Housing	A dwelling unit, either attached or detached, designed for use by one Household and with direct access to a street. It does not share heating facilities or other essential building facilities with any other dwelling.
State Data Center (SDC)	A state agency or university facility identified by the governor of each state to participate in the Census Bureau's cooperative network for the dissemination of the census data.
Tenant	One who rents real property from another.
Tenure	The distinction between owner-occupied and renter-occupied housing units.
Townhouse (or Row House)	Single-family attached residence separated from another by party walls, usually on a narrow lot offering small front and back-yards; also called a row house.
Very Low Income	Person or Household whose gross household income does not exceed 50% of Area Median Income adjusted for Household size.
Zoning	Classification and regulation of land by local governments according to use categories (zones); often also includes density designations.