



**A RENTAL HOUSING  
MARKET FEASIBILITY ANALYSIS  
FOR**

**NORTH CHARLESTON,  
SOUTH CAROLINA**

***Harbour Station Apartments***

*Rivers Avenue, North of Victory Lane  
North Charleston, South Carolina 29406*

**March 3, 2013**

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**CERTIFICATE OF ACCURACY AND RELIABILITY**

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



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Steven R. Shaw  
**SHAW RESEARCH & CONSULTING**

Date: March 3, 2013

## **INTRODUCTION**

Shaw Research & Consulting has prepared the following rental housing study to examine and analyze the North Charleston area as it pertains to the market feasibility of Harbour Station Apartments, a proposed 56-unit affordable rental housing development targeted for low-income family households. The subject proposal is to be located in the central portion of the city along the west side of Rivers Avenue, midway between Midland Park Road and Hayne Street and approximately one-third mile east of Interstate 26. Located directly across from Trident Technical College, the proposed development is situated within an area with a mix of somewhat older commercial and retail properties, as well as residential usages to a lesser extent.

The purpose of this report is to analyze the market feasibility of the subject proposal based on the project specifications and site location presented in the following section. Findings and conclusions will be based through an analytic evaluation of demographic trends, recent economic patterns, existing rental housing conditions, detailed fieldwork and site visit, and a demand forecast for rental housing within the North Charleston market area. All fieldwork and community data collection was conducted on February 23<sup>rd</sup>, 2013 by Steven Shaw. A phone survey of existing rental developments identified within the PMA, as well as site visits to those properties deemed most comparable to the subject, was also reviewed to further measure the potential market depth for the subject proposal.

This study assumes Low Income Housing Tax Credits (LIHTC) will be utilized in the development of the subject rental facility, along with the associated rent and income restrictions obtained from the South Carolina State Housing Finance and Development Authority (SCSHFDA). As a result, the proposed Harbour Station Apartments will feature a total of 56 units (28 two-bedroom and 28 three-bedroom units) restricted to households at 50 percent and 60 percent of the area median income (AMI). Furthermore, there are no unrestricted (market rate) or project-based rental assistance (PBRA) units proposed within the subject development.

## EXECUTIVE SUMMARY

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

- 1) The subject proposal is a 56-unit family-oriented rental development targeting low-income family households. The facility will consist of a mix of two and three bedroom units restricted to households at 50 and 60 percent of AMI.
- 2) Demand estimates for the proposed development show sufficient statistical support for the introduction and absorption of additional rental units within the North Charleston PMA. Capture rates are presented in Exhibit S-2 (following the executive summary), and are reflective of the need for affordable rental housing.
- 3) Occupancy rates for rental housing are quite positive throughout the North Charleston market area at the current time. As such, an overall occupancy rate of 95.9 percent was calculated from a February 2013 survey of 22 family-oriented rental developments identified and contacted within the PMA.
- 4) Considering only the six tax credit developments within the immediate North Charleston area, a combined occupancy rate of 97.9 percent was determined – providing a clear indication of the acceptance and need for affordable rental options locally.
- 5) Based on U.S. Census figures and ESRI forecasts, demographic patterns throughout the North Charleston area have been relatively positive since 2000. As such, the overall population within the PMA increased by eight percent between 2000 and 2012, representing nearly 5,500 additional residents during this time. Further, future projections indicate these gains will continue, with an estimated increase of six percent (roughly 4,000 persons) anticipated between 2012 and 2017.
- 6) Considering the subject's proposed targeting, affordable rental rates, and competitive unit sizes and development features, the introduction of Harbour Station Apartments should prove successful. Based on positive demographic patterns, and generally high occupancy levels throughout the local rental stock, especially within LIHTC properties, additional family-oriented rental units would undoubtedly be successful within the North Charleston PMA. As such, evidence presented within the market study suggests a normal lease-up period (between six and seven months) should be anticipated based on project characteristics as proposed. Furthermore, the development of the subject proposal will not have any adverse effect on any other existing rental property – either affordable or market rate.

**2013 EXHIBIT S - 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:**

Development Name:	<b>HARBOUR STATION APARTMENTS</b>	Total # Units:	56
Location:	Rivers Avenue	# LIHTC Units:	56
PMA Boundary:	North=Ladson Rd/County Border; West=County Border; South=Bexley St; East=Goose Creek Reservoir		
Development Type:	XX Family	Older Persons	Farthest Boundary Distance to Subject: 5.25 miles

**RENTAL HOUSING STOCK (found on page 56)**

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	22	3,721	154	95.9%
Market-Rate Housing	16	3,198	143	95.5%
Assisted/Subsidized Housing not to include LIHTC	0	0	0	NA%
<b>LIHTC (All that are stabilized)*</b>	<b>6</b>	<b>523</b>	<b>11</b>	<b>97.9%</b>
Stabilized Comps**	6	523	11	97.9%
Non-stabilized Comps	0	0	0	NA

\*Stabilized occupancy of at least 94% (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
7	2 BR	2.0	1,075	\$480	\$898	\$0.84	46.6%	\$1,070	\$0.89
21	2 BR	2.0	1,075	\$495	\$898	\$0.84	44.9%	\$1,070	\$0.89
7	3 BR	2.0	1,225	\$550	\$1,078	\$0.88	49.0%	\$1,310	\$0.89
21	3 BR	2.0	1,225	\$595	\$1,078	\$0.88	44.8%	\$1,310	\$0.89
<b>Gross Potential Rent Monthly*</b>				<b>\$30,100</b>	<b>\$55,352</b>		<b>45.62%</b>		

\*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 37)**

	2010		2011		2015	
Renter Households	15,020	52.8%	15,395	52.9%	16,033	53.2%
Income-Qualified Renter HHs (LIHTC)	3,538	23.6%	3,626	23.6%	3,776	23.6%
Income-Qualified Renter HHs (MR)	0	0.0%	0	0.0%	0	0.0%

**TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 50)**

Type of Demand	50%	60%	Market Rate	Other: _____	Other: _____	Overall
Renter Household Growth	93	145				150
Existing Households (Overburd + Substand)	934	1,466				1,515
Homeowner Conversion (Seniors)	0	0				0
Other:	0	0				0
Less Comparable/Competitive Supply	0	0				0
<b>Net Income-Qualified Renter HHs</b>	<b>1,027</b>	<b>1,611</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,665</b>

**CAPTURE RATES (found on page 50)**

Targeted Population	50%	60%	Market Rate	Other: _____	Other: _____	Overall
Capture Rate	1.4%	2.6%				3.4%

**ABSORPTION RATE (found on page 52)**

Absorption Period: 6 to 7 months

<b>2013 S-2 RENT CALCULATION WORKSHEET</b>						
<b># Units</b>	<b>Bedroom Type</b>	<b>Proposed Tenant Paid Rent</b>	<b>Gross Potential Tenant Rent</b>	<b>Adjusted Market Rent</b>	<b>Gross Potential Market Rent</b>	<b>Tax Credit Gross Rent Advantage</b>
0	0 BR		\$0		\$0	
0	0 BR		\$0		\$0	
0	0 BR		\$0		\$0	
0	1 BR		\$0		\$0	
0	1 BR		\$0		\$0	
0	1 BR		\$0		\$0	
7	2 BR	\$480	\$3,360	\$898	\$6,289	
21	2 BR	\$495	\$10,395	\$898	\$18,868	
0	2 BR		\$0		\$0	
7	3 BR	\$550	\$3,850	\$1,078	\$7,549	
21	3 BR	\$595	\$12,495	\$1,078	\$22,646	
0	3 BR		\$0		\$0	
0	4 BR		\$0		\$0	
0	4 BR		\$0		\$0	
0	4 BR		\$0		\$0	
<b>Totals</b>	<b>56</b>		<b>\$30,100</b>		<b>\$55,352</b>	<b>45.62%</b>

**A. PROJECT DESCRIPTION**

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

<b>Project Name:</b>	<b>HARBOUR STATION APARTMENTS</b>
<b>Project Address:</b>	<b>Rivers Avenue</b>
<b>Project City:</b>	<b>North Charleston, South Carolina</b>
<b>County:</b>	<b>Charleston County</b>
<b>Total Units:</b>	<b>56</b>
<b>Occupancy Type:</b>	<b>Family</b>
<b>Construction Type:</b>	<b>New Construction</b>
<b>Income Targeting*:</b>	<i>Overall - \$22,389 to \$38,280</i>
	<i>50% AMI - \$22,389 to \$31,900</i>
	<i>60% AMI - \$22,903 to \$38,280</i>

Targeting/Mix	Number of Units	Unit Type	Number of Baths	Avg. Square Feet	Contract Rent	Utility Allow.	Gross Rent	Max. LIHTC Rent*	Incl. PBRA
<b>Two-Bedroom Units</b>	<b>28</b>								
50% of Area Median Income	7	Apt	2.0	1,075	<b>\$480</b>	\$173	\$653	\$690	No
60% of Area Median Income	21	Apt	2.0	1,075	<b>\$495</b>	\$173	\$668	\$828	No
<b>Three-Bedroom Units</b>	<b>28</b>								
50% of Area Median Income	7	Apt	2.0	1,225	<b>\$550</b>	\$208	\$758	\$797	No
60% of Area Median Income	21	Apt	2.0	1,225	<b>\$595</b>	\$208	\$803	\$957	No

\*Maximum LIHTC Rents and Income Limits are based on 2013 Income & Rent Limits (effective 12/11/2012) obtained from SCSHFDA website (www.schousing.com).



**Project Description:**

Development Location.....North Charleston, South Carolina  
 Construction Type.....New construction  
 Occupancy Type .....Family (*open*)  
 Target Income Group.....100% LIHTC (50% and 60% AMI)  
 Special Population Group .....N/A  
 Number of Units by Unit Type .....See previous page  
 Unit Sizes .....See previous page  
 Rents and Utility Information .....See previous page  
 Proposed Rental Assistance (PBRA) .....None

**Project Size:**

Total Development Size.....56 units  
 Number of Affordable Units.....56 units  
 Number of Market Rate Units.....0 units  
 Number of PBRA Units .....0 units  
 Number of Employee Units .....0 units

**Development Characteristics:**

Number of Total Units .....56 units  
 Number of Garden Apartments.....56 units  
 Number of Townhouses .....0 units  
 Number of Residential Buildings.....4 (*maximum two story*)  
 Number of Community Buildings .....1  
 Exterior Construction.....Brick

**Unit Amenities:**

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

**Development Amenities:**

- Community Building
- Multi-Purpose Room w/ Kitchenette
- Equipped Computer Center
- Video Camera Security System
- On-Site Laundry Facility
- Playground
- Covered Picnic Shelter and Grills
- On-Site Management Office

**Additional Assumptions:**

- Only trash removal will be included in the rent. Water, sewer, electricity (including electric heat pump), cable television, internet access, and telephone charges will be paid by the tenant;
- Market entry is scheduled for mid-2014;
- On-site full-time management/staffing, including a professional management company with experience in similar rental housing alternatives, will be contracted to operate the facility, with pre-leasing activities beginning as soon as possible.

## B. SITE DESCRIPTION

### 1. Site Visit Date

All fieldwork and community data collection was conducted on February 23<sup>rd</sup>, 2013 by Steven Shaw.

### 2. Site Neighborhood and Overview

The subject property is located within the central portion of North Charleston along the west side of Rivers Avenue, midway between Midland Park Road and Hayne Street, and approximately one-third mile east of Interstate 26. Overall characteristics of the immediate neighborhood are mixed, with retail/commercial properties adjacent to the north and south of the site, Trident Technical College to the east, and older single-family residences and undeveloped wooded property to the west. The Rivers Avenue corridor is largely commercial and retail, with somewhat older developments located south of the site, and newer centers to the north. Retail/commercial adjacent to the site include Palm International Foods (middle eastern specialty), Textbook Brokers, African Village, and Carpet Wholesalers – all of which are somewhat older and in fair condition. Furthermore, older single-family residences (with a mixture of stick built homes, mobile homes, and manufactured homes) can be found adjacent to the west of the subject property, most of which are in fair to poor condition.

The subject property consists of approximately 7.6 acres of vacant, mostly wooded, undeveloped property. Situated within Census Tract 31.04 of Charleston County (2010 tract delineation), the property is currently zoned as B-2 (General Business) - which allows for the development of multi-family units upon site plan approval. Based on current usages, zoning throughout the neighborhood should not impede or negatively affect the viability of the subject proposal. As such, adjacent land usage is as follows:

- North:** Retail/Commercial (*in fair condition*)
- South:** Retail/Commercial (*in fair condition*)
- West:** Single-family (*in fair to poor condition*)/Undeveloped, wooded property
- East:** Rivers Avenue/Trident Technical College

The subject property's location is along one of the prime retail corridors of North Charleston (Rivers Avenue), and provides a generally positive curb appeal with most nearby properties (commercial/retail or otherwise) in fair to good condition. Although Rivers Avenue is

a relatively highly-traveled six-lane divided roadway, no visible traffic congestion was apparent. In addition to having good visibility from a well-travelled roadway, its location along Rivers Avenue provides abundant retail opportunities, and should be considered a positive attribute and suitable for multi-family housing.

### **3. Nearby Retail**

As previously stated, the subject property is situated along one of the foremost retail corridors within North Charleston. Although limited retail opportunities can be found within walking distance to the site, perhaps the largest retail concentration within the city is situated between one and 1½ miles north of the subject along Rivers Avenue. This area includes the Northwoods Mall, Walmart Supercenter, and several shopping plazas – the nearest of which is the North Rivers Town Center, located less than ¾ miles away (and includes a Target and other retail opportunities). Additional nearby concentrations are located surrounding the mall, as well as several a short drive away south of the site along Rivers Avenue.

### **4. Medical Offices and Hospitals**

Numerous medical services and physician offices can be found throughout the immediate area as well. The nearest full-service hospitals to the site include Trident Medical Center and HealthSouth Rehabilitation Hospital, both located approximately 4¾ miles northwest of the site near the intersection of University Boulevard and I-26. While each hospital is surrounded by numerous medical offices, there are three medical clinics within two miles of the site – the closest of these is Concentra Urgent Care, situated just over one mile to the north.

### **5. Other PMA Services**

Additional services of note within the market area include two libraries and several parks and community centers, most of which are a short drive from the subject property (between two and four miles away). Scheduled, fixed-route bus/transit services are provided locally through the Charleston Area Regional Transportation Authority (CARTA), which offers service throughout the greater Charleston Metropolitan area. As such, the nearest bus stop to the site is within walking distance at Trident Technical Collage.

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

### ***Retail***

1. Northwoods Mall .....1.3 miles north  
(w/ anchor stores of Sears, Dillard's, JC Penney, Belk, and Books-A-Million)
2. North Rivers Town Center shopping center .....0.7 miles north  
(w/ Target, Office Depot, Ross Dress for Less, Bed Bath and Beyond, Babies-R-Us)
3. North Pointe Plaza shopping center .....1.1 miles north  
(w/ Walmart Supercenter, Dollar Tree, Office Max, Cato Fashions, AC Moore Arts and Crafts)
4. Walgreens .....1.0 mile north
5. Best Buy shopping center .....1.3 miles north  
(w/ Best Buy, Barnes and Nobles Booksellers, Shoe Carnival, General Nutrition Center, Kirklands, Rooms to Go, Old Navy, Michaels, Lane Bryant)
6. North Rivers Marketplace shopping center .....1.6 miles north  
(w/ Dollar General, Marshall's, Sports Authority, Ollie's Bargain Outlet, Burke's Outlet, Once Upon a Child, Party City)
7. Home Depot/Lowe's Home Improvement Warehouse.....1.6 miles north
8. Goodwill Retail and Donation Center.....0.5 miles south
9. North Charleston Center shopping center .....1.5 miles south  
(w/ Dollar Tree, Rent-A-Center, PetCo)
10. Goodwill Retail Store .....2.1 miles south
11. Liberty Mall shopping center .....2.5 miles south  
(w/ H&L Supermarket, Family Dollar, and Community Thrift Store)

### ***Education***

12. Magic Kingdom Childcare.....0.1 mile east
13. New Beginnings Childcare .....1.0 mile west
14. Midland Park Primary School.....0.8 miles west
15. Pinehurst Elementary School.....2.0 miles northwest
16. Northwoods Middle School .....2.3 miles northwest
17. Morningside Middle School .....3.7 miles south
18. Stall High School .....3.5 miles west
19. Trident Technical College – Main Campus .....adjacent to east
20. Charleston Southern University .....4.7 miles northwest

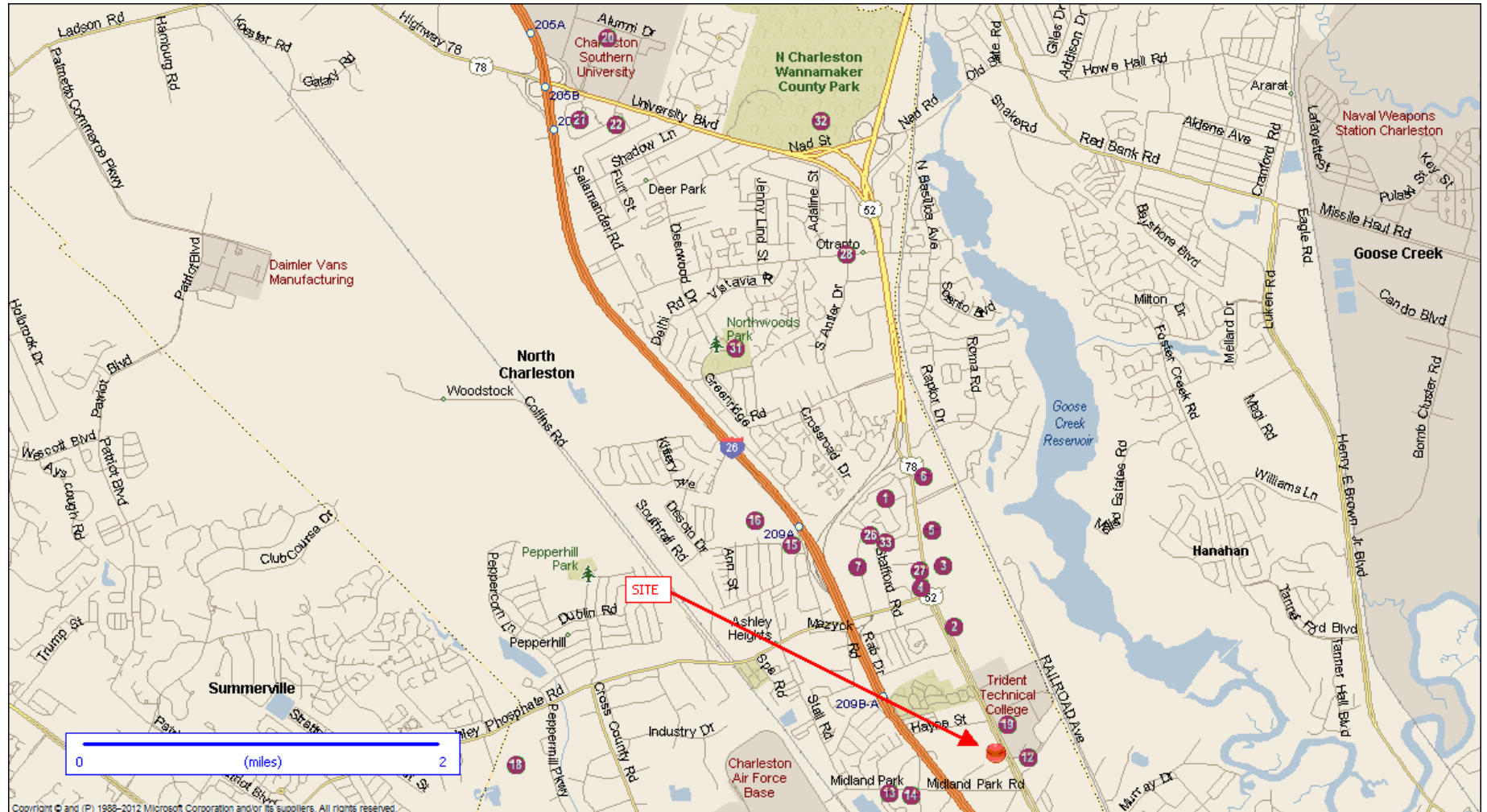
### ***Medical***

21. Trident Medical Center .....4.9 miles northwest
22. HealthSouth Rehabilitation Hospital .....4.7 miles northwest
23. Nason Medical Center (*with emergency and urgent care*) .....2.8 miles south
24. Palmetto Primary Care Physicians.....2.5 miles south
25. Hope Medical Clinic .....1.6 miles south
26. Roper St. Francis Medical Center .....1.5 miles north
27. Concentra Urgent Care .....1.1 miles north

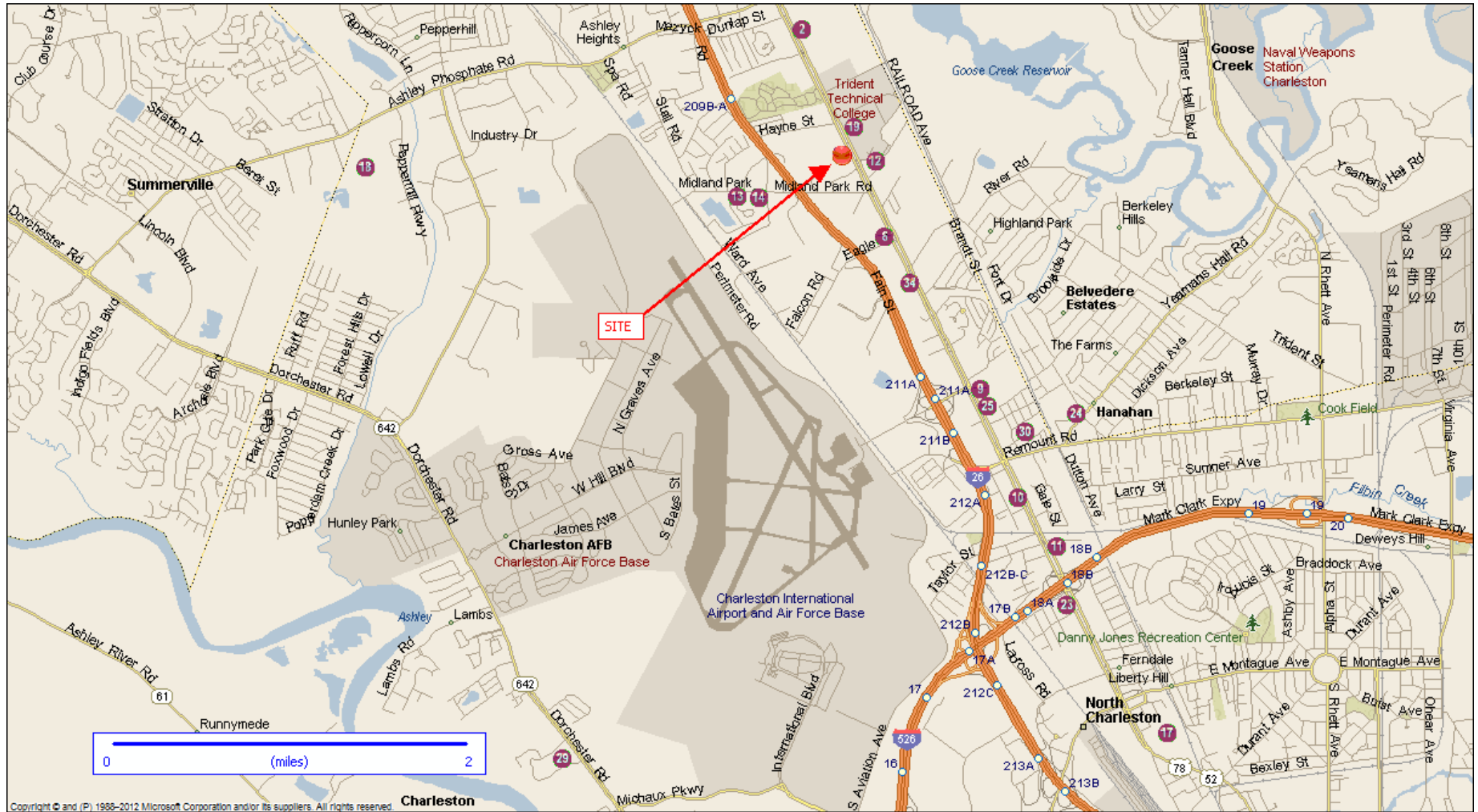
*Recreation/Other*

- 28. Otranto Road Regional Library .....3.1 miles north
- 29. Dorchester Road Regional Library .....6.4 miles southwest
- 30. Persephone Moultrie Community Center .....2.0 miles south
- 31. Northwoods Park Community Center.....3.4 miles north
- 32. Wannamaker County Park .....3.6 miles north
- 33. Northwoods Cinemas.....1.4 miles north
- 34. North Charleston Post Office.....0.8 miles south

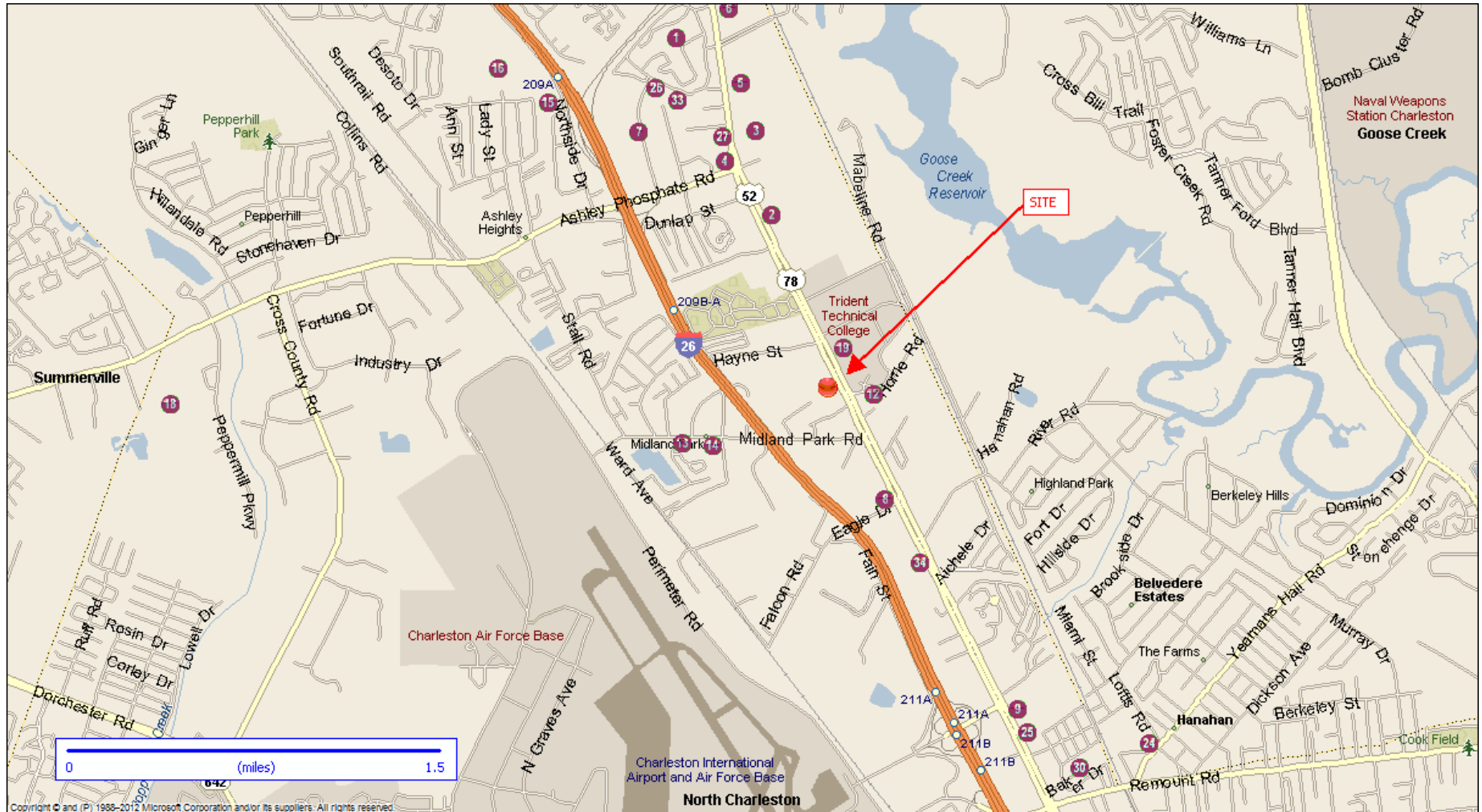
Map 1: Local Features/Amenities – North Charleston Area (north of site)



Map 2: Local Features/Amenities – North Charleston Area (south of site)

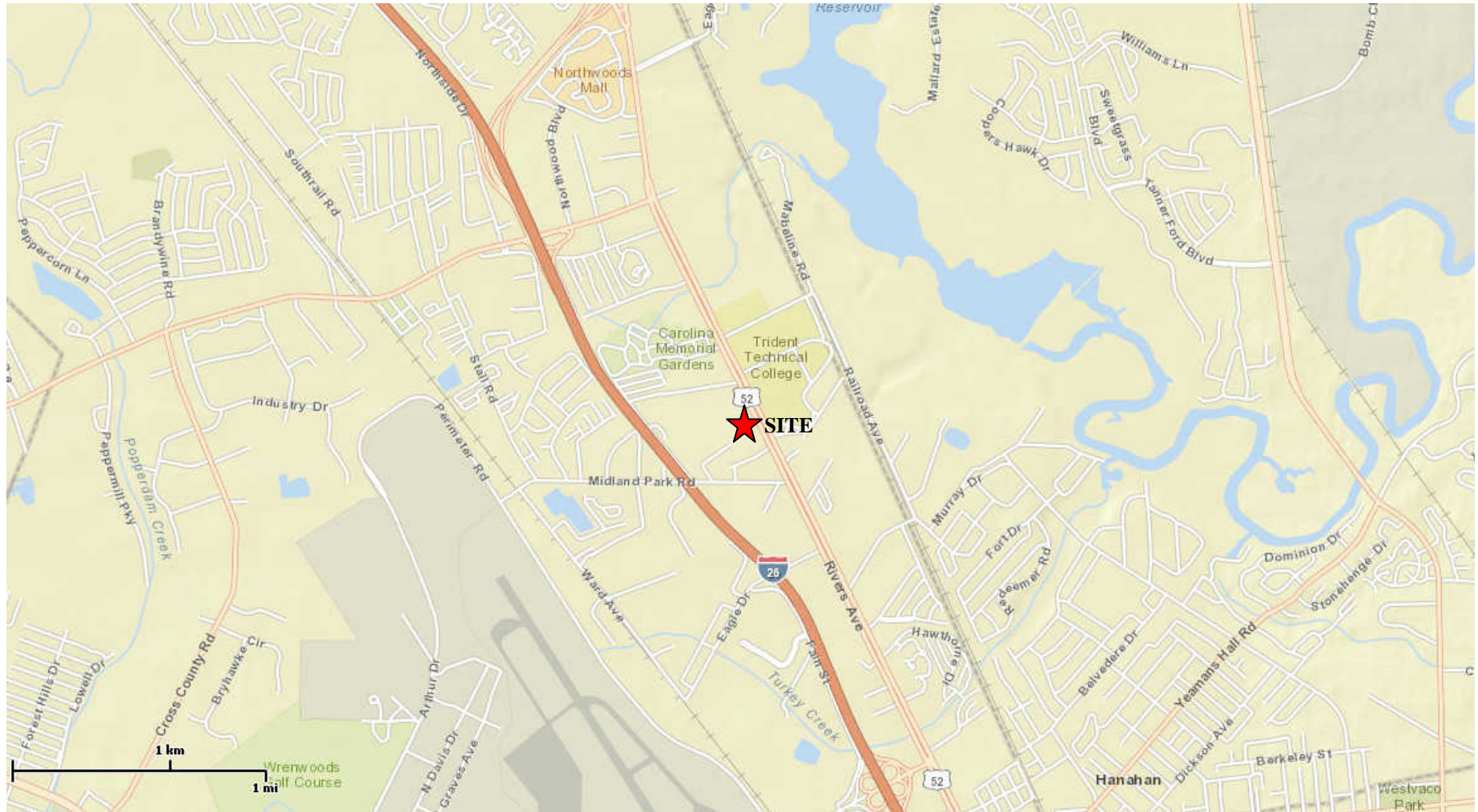


Map 3: Local Features/Amenities – Close View





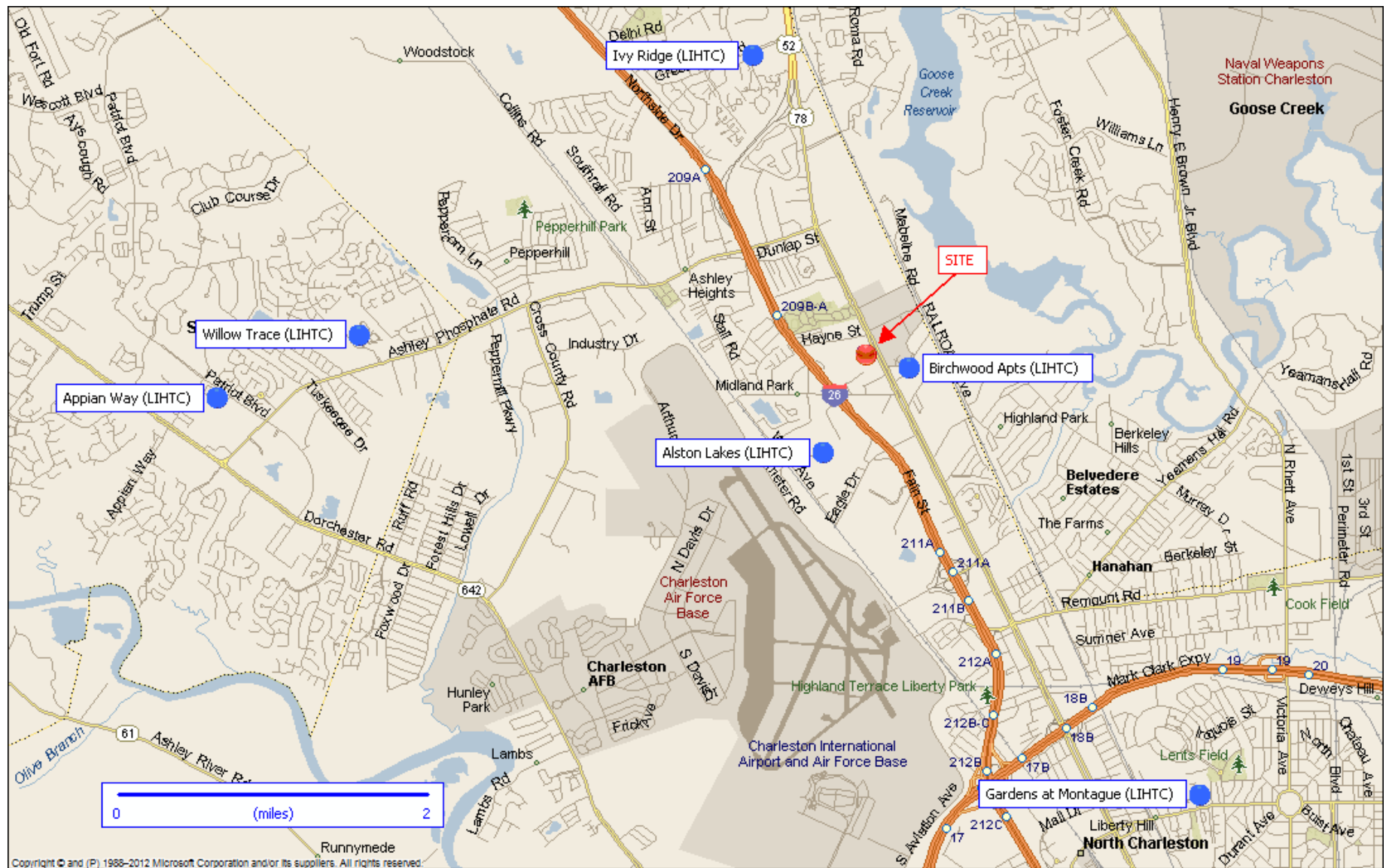
Map 4: Site Location - Neighborhood Map



Map 5: Site Location - Aerial Photo



Map 6: Affordable Rental Housing



Site/Neighborhood Photos



Site – Harbour Station Apartments  
West side of Rivers Avenue – Facing west from entrance  
North Charleston, NC



Site – Harbour Station Apartments  
West side of Rivers Avenue – Facing west from entrance  
North Charleston, NC



Site – Harbour Station Apartments  
West side of Rivers Avenue – Facing north from site entrance  
North Charleston, NC



Site – Harbour Station Apartments  
West side of Rivers Avenue – Facing south from site entrance  
North Charleston, NC



Facing east from site entrance towards Rivers Avenue  
Trinity Technical College in distance



Single-Family home in neighborhood adjacent to west of the site



Retail/Commercial properties adjacent to north of site entrance  
Photo facing west from northbound Rivers Avenue



Retail/Commercial properties adjacent to south of site entrance  
Photo facing west from northbound Rivers Avenue



Facing north along Rivers Avenue  
Site is on left



Facing south along Rivers Avenue  
Site is on right



**6. Crime Assessment**

According to crime data by zip code, the overall crime index within the immediate area is somewhat higher than both state and national levels. According to data obtained from CLResearch.com, which provides demographic and lifestyle statistics by zip code, the area in which the subject property is situated (zip code 29406 had a 2010 Total Crime Risk index of 196 – as compared to the state index of 122 (whereas the national average has an index of 100). According to index values, Assault Risk and Larceny Risk were the highest (at 309 and 217, respectively), while Robbery Risk, Rape Risk, and Automotive Theft Risk were also well above the state norm. In addition, it should be noted that each factor had an index above state levels. As such, the somewhat elevated indices demonstrate potential crime issues within the area, and coupled with the site visit, it is recommended to include some type of security measures within the subject property.

**Table 1: Crime Risk Index (2010)**

	<b>Zip: 29406</b>	<b>State</b>
	<u>Index*</u>	<u>Index*</u>
<b>Total 2010 Crime Risk Index</b>	<b>196</b>	<b>122</b>
<b>Personal Crime Index</b>		
<b>Murder Risk</b>	164	132
<b>Rape Risk</b>	182	129
<b>Robbery Risk</b>	165	91
<b>Assault Risk</b>	309	201
<b>Property Crime Index</b>		
<b>Burglary Risk</b>	156	132
<b>Larceny Risk</b>	217	125
<b>Automotive Theft Risk</b>	214	84
*Values are represented as an index, where the value 100 represents the national average.		
Source: CLResearch.com - Data by Zip Code		

**7. Road/Infrastructure Improvements**

Based on the site visit and evaluation of the North Charleston market, there were no road and/or infrastructure improvements observed near the subject property.

**8. Overall Site Conclusions**

Overall, the majority of necessary services are situated within a short distance of the site, with schools, retail centers, medical offices, parks and community centers, and other various services all located within the immediate area – much of which is less than two miles from the subject property. Based on a site visit conducted February 23<sup>rd</sup>, 2013, overall site characteristics can be viewed as mostly positive, with no significant visible nuances that could have adverse effect on the marketability or absorption of the subject property. The only potentially negative attributes are noise from a nearby airport and the relatively poor condition of the residential area adjacent to the west of the site – however, both of these can be considered as relatively minor. In addition, the subject property's location along Rivers Avenue provides prime visibility and convenient access to most of the North Charleston area, and also provides a generally positive curb appeal, with no visible traffic congestion and most nearby structures in fair to good condition.

**C. PRIMARY MARKET AREA DELINEATION**

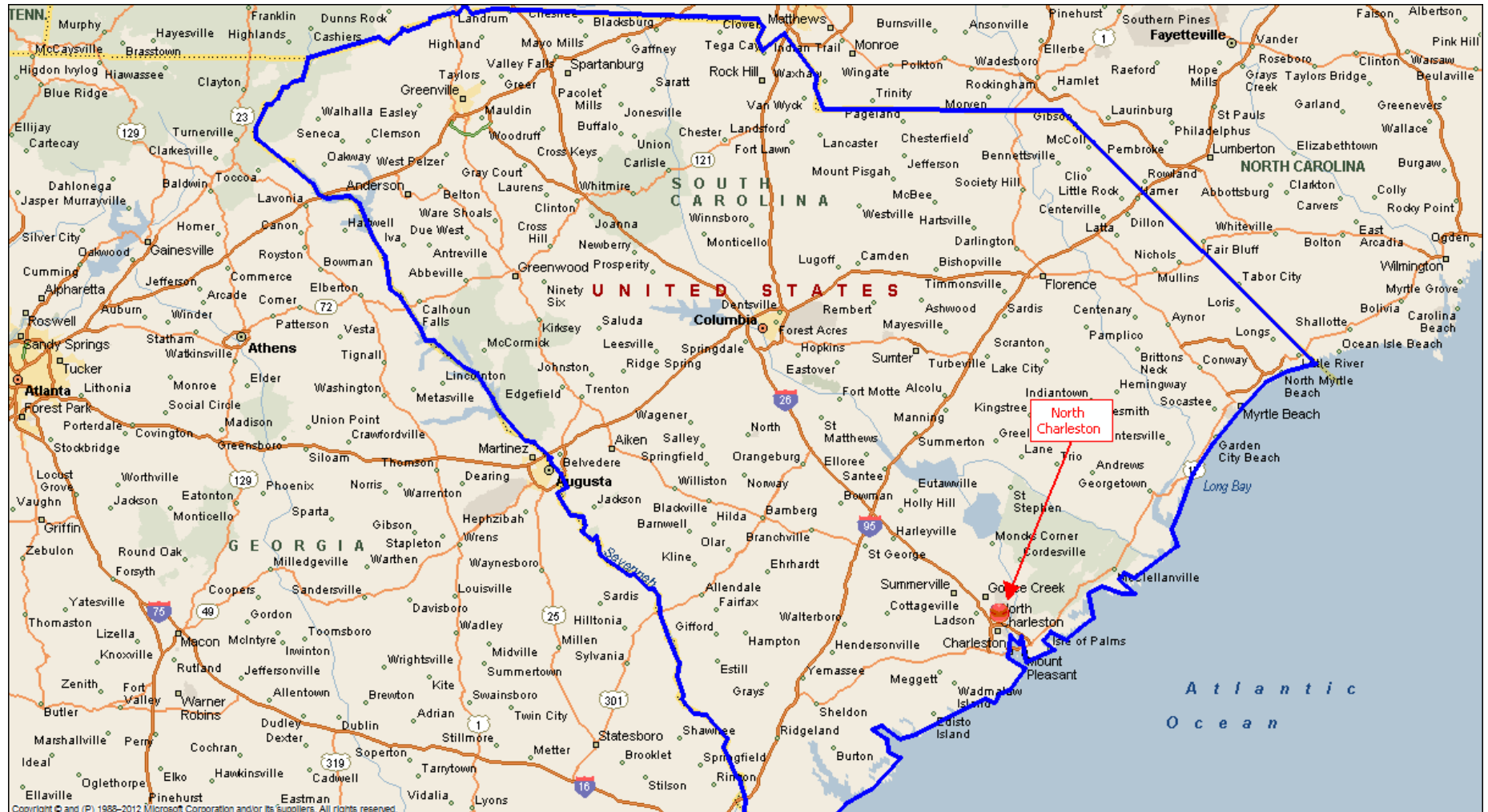
The Primary Market Area (PMA) is defined as the geographic area from which the subject property (either proposed or existing) is expected to draw the *majority* of its residents. For the purpose of this report, the North Charleston PMA consists of the city of North Charleston and the immediate surrounding area. More specifically, the PMA is comprised of a total of 18 census tracts (15 tracts in the western portion of central Charleston County, and three tracts in southern Berkeley County), and reaches approximately 4½ miles to the west of the site, 4¼ miles to the south, 2¼ miles to the east, and 5¼ miles to the north. As such, the aforementioned primary market area delineation can be considered as a realistic indication of the potential draw of the subject proposal based on a positive site location and North Charleston being a major economic center. Additionally, the site is located near several key roadways (including U.S. 52, U.S. 78, I-26, and I-526), each providing relatively convenient access throughout the majority of the PMA and Charleston region.

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

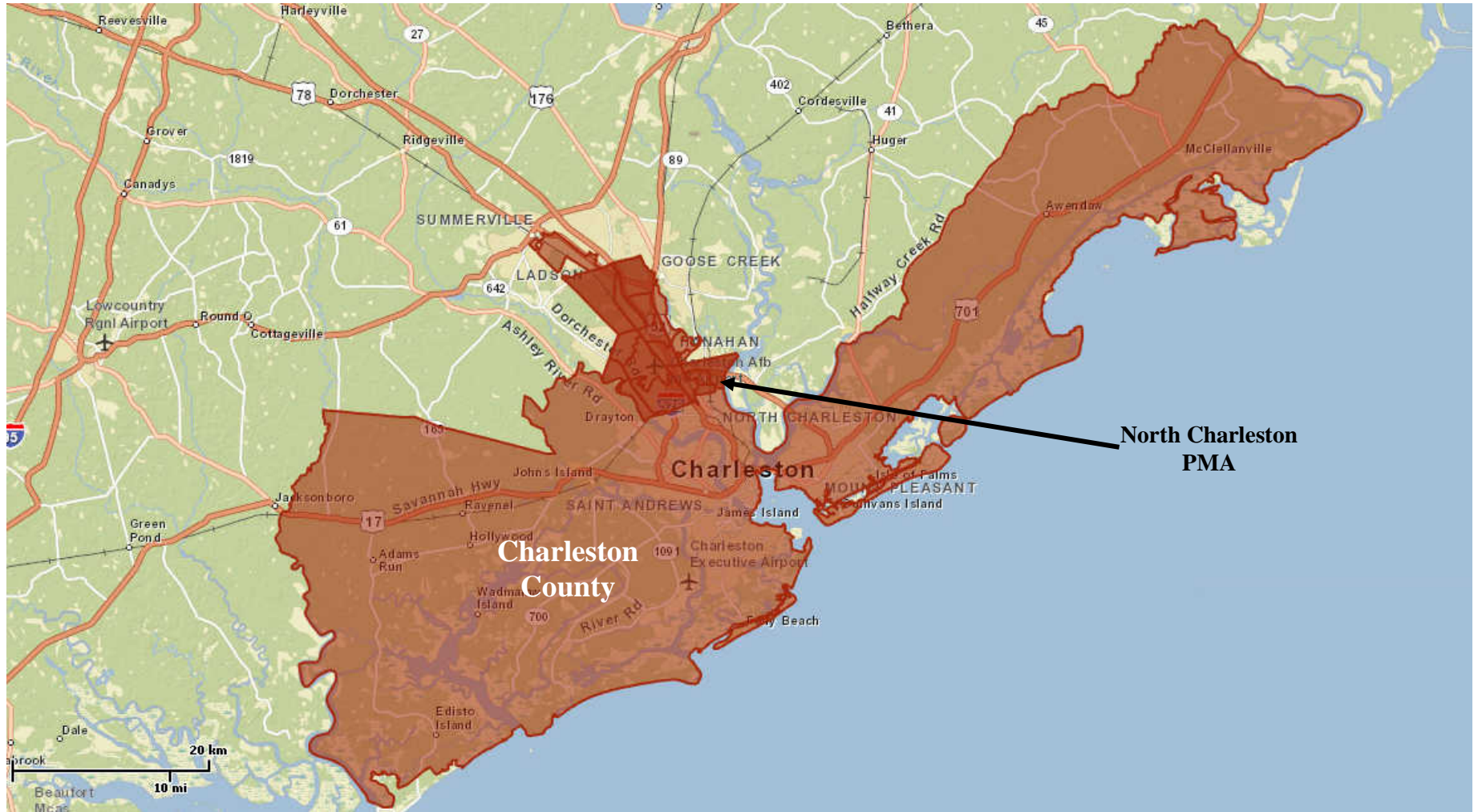
<b>Charleston County:</b>	• Tract 31.04	• Tract 31.09	• Tract 31.14	• Tract 34
	• Tract 31.05	• Tract 31.10	• Tract 31.15	• Tract 35
	• Tract 31.07	• Tract 31.11	• Tract 32	• Tract 36
	• Tract 31.08	• Tract 31.13	• Tract 33	
<b>Berkeley County:</b>	• Tract 209.01	• Tract 209.03	• Tract 209.04	

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

Map 7: State of South Carolina

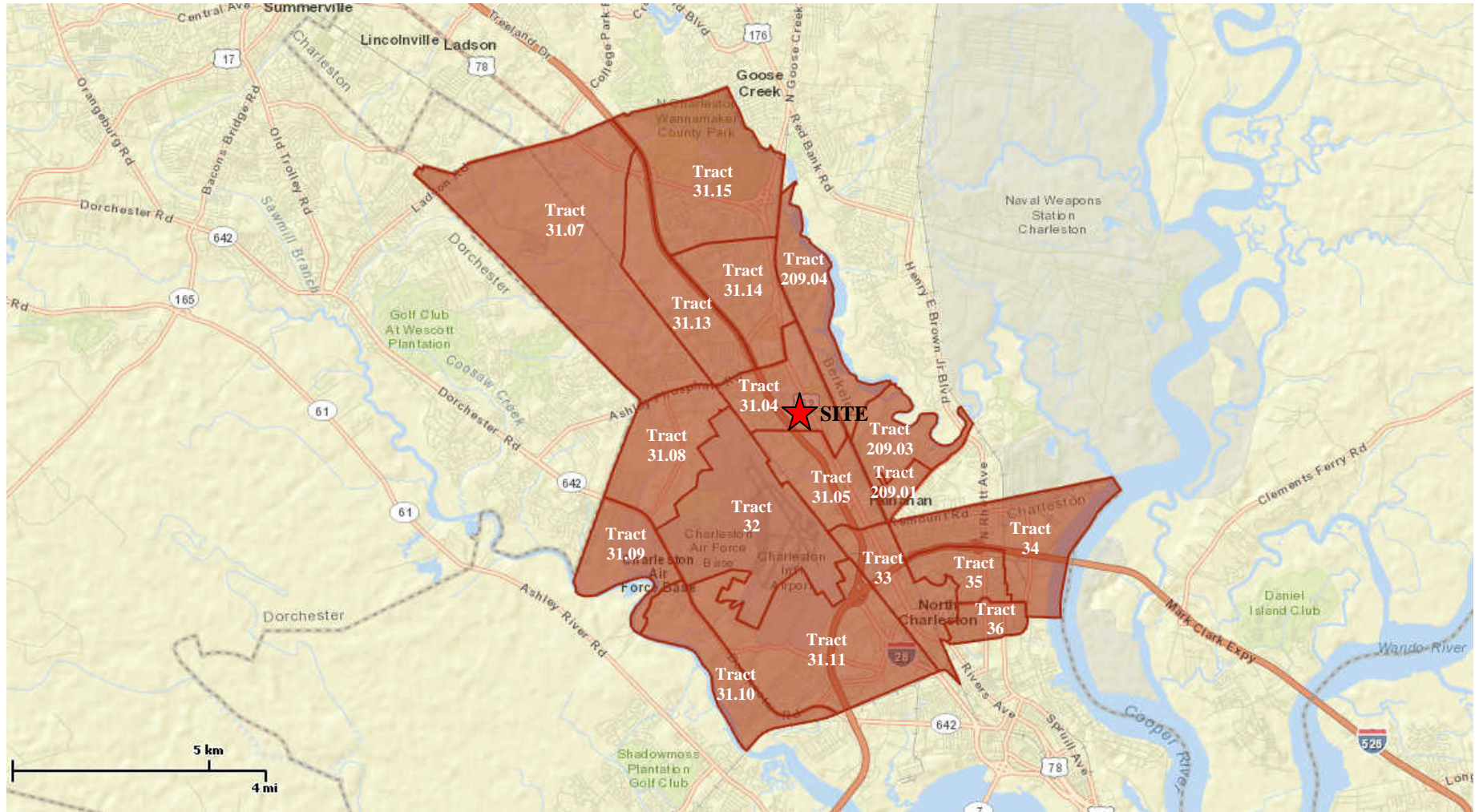


Map 8: North Charleston Primary Market Area – County View

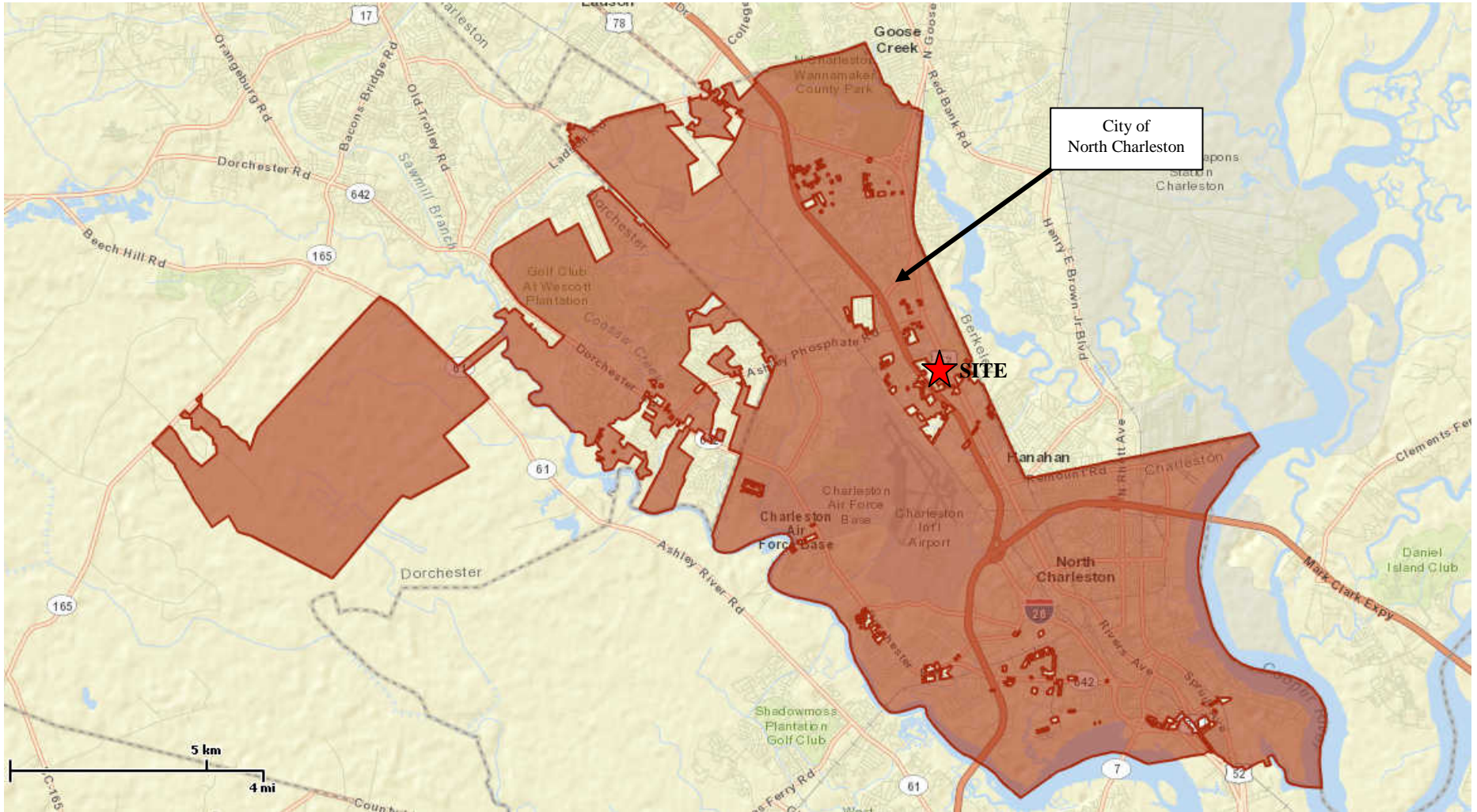


NOTE: Dark shaded area is PMA; Light shaded area is remainder of Charleston County not in PMA.

Map 9: North Charleston Primary Market Area – Census Tracts



Map 10: City of North Charleston



## D. MARKET AREA ECONOMY

### 1. Employment by Industry

According to information from the South Carolina Department of Employment and Workforce, the largest individual employment industry within the private sector in Charleston County was health care/social assistance (at approximately 14 percent of all jobs), followed by persons employed in accommodation/food services (12 percent), and retail trade (11 percent). Based on a comparison of employment by industry from 2007, a majority of the individual industries experienced employment gains during this time. Management, manufacturing, and mining recorded the largest gains (each increasing by more than 25 percent). In contrast, industries experiencing the greatest declines since 2007 include construction, real estate, and agriculture/forestry/fishing/hunting (all declined by more than ten percent).

**Table 2: Employment by Industry – Charleston County (2Q 2012)**

<u>Industry</u>	<u>2012 (2Q)</u>		<u>2007</u>		<u>Change from 2007</u>
	<u>Number Employed</u>	<u>Percent</u>	<u>Employed</u>	<u>Percent</u>	
Agriculture, forestry, fishing and hunting	261	0.1%	292	0.1%	-10.6%
Mining	19	0.0%	5	0.0%	280.0%
Utilities	1,290	0.6%	1,243	0.6%	3.8%
Construction	9,116	3.9%	13,387	6.0%	-31.9%
Manufacturing	14,287	6.1%	11,183	5.0%	27.8%
Wholesale trade	4,859	2.1%	5,196	2.3%	-6.5%
Retail trade	26,214	11.2%	27,205	12.1%	-3.6%
Transportation and warehousing	9,013	3.9%	9,064	4.0%	-0.6%
Information	4,065	1.7%	3,866	1.7%	5.1%
Finance and insurance	5,638	2.4%	5,962	2.7%	-5.4%
Real estate and rental and leasing	4,239	1.8%	4,761	2.1%	-11.0%
Professional and technical services	13,568	5.8%	13,518	6.0%	0.4%
Management of companies and enterprises	1,463	0.6%	788	0.4%	85.7%
Administrative and waste services	19,743	8.5%	18,352	8.2%	7.6%
Educational services	18,512	7.9%	18,046	8.1%	2.6%
Health care and social assistance	33,606	14.4%	28,471	12.7%	18.0%
Arts, entertainment, and recreation	4,184	1.8%	3,788	1.7%	10.5%
Accommodation and food services	28,538	12.2%	26,451	11.8%	7.9%
Other services, exc. public administration	5,700	2.4%	5,988	2.7%	-4.8%
Public administration	14,562	6.2%	13,299	5.9%	9.5%
Unclassified	*	*	*	*	*
Public Administration - Federal Government	5,424	2.3%	4,350	1.9%	24.7%
Public Administration - State Government	2,164	0.9%	2,519	1.1%	-14.1%
Public Administration - Local Government	6,974	3.0%	6,430	2.9%	8.5%

\* - Data Not Available

Source: South Carolina Department of Employment & Workforce - Charleston County, SC (2007 - 2012)



**2. Commuting Patterns**

Based on place of employment (using 2011 American Community Survey data), 75 percent of PMA residents are employed within Charleston County, while 24 percent work outside of the county – including less than one percent which commute outside of the state.

An overwhelming majority of workers throughout Charleston County traveled alone to their place of employment, whether it was within the county or commuting outside of the area. According to 2011 ACS data, approximately 75 percent of workers within the PMA drove alone to their place of employment, while 17 percent carpooled in some manner. Only a relatively small number (approximately seven percent) utilized public transportation, walked, or some other means to work.

**Table 3: Place of Work/ Means of Transportation (2011)**

<b>EMPLOYMENT BY PLACE OF WORK</b>						
	<b>City of North Charleston</b>		<b>North Charleston PMA</b>		<b>Charleston County</b>	
<b>Total</b>	<b>43,792</b>	<b>100.0%</b>	<b>34,450</b>	<b>100.0%</b>	<b>167,400</b>	<b>100.0%</b>
<b>Worked in State of Residence</b>	43,409	99.1%	34,193	99.3%	164,924	98.5%
<b>Worked in County of Residence</b>	31,560	72.1%	25,820	74.9%	146,899	87.8%
<b>Worked Outside County of Residence</b>	11,849	27.1%	8,373	24.3%	18,025	10.8%
<b>Worked Outside State of Residence</b>	383	0.9%	257	0.7%	2,476	1.5%
<b>MEANS OF TRANSPORTATION TO WORK</b>						
	<b>City of North Charleston</b>		<b>North Charleston PMA</b>		<b>Charleston County</b>	
<b>Total</b>	<b>43,792</b>	<b>100.0%</b>	<b>34,450</b>	<b>100.0%</b>	<b>165,815</b>	<b>100.0%</b>
<b>Drove Alone - Car, Truck, or Van</b>	33,010	75.4%	25,709	74.6%	130,262	78.6%
<b>Carpooled - Car, Truck, or Van</b>	6,634	15.1%	5,866	17.0%	15,916	9.6%
<b>Public Transportation</b>	1,395	3.2%	830	2.4%	3,411	2.1%
<b>Walked</b>	1,024	2.3%	863	2.5%	4,950	3.0%
<b>Other Means</b>	910	2.1%	672	2.0%	3,976	2.4%
<b>Worked at Home</b>	819	1.9%	510	1.5%	7,300	4.4%

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

**3. Largest Employers**

Below is a chart depicting the 15 largest employers within the Charleston MSA (which includes Charleston, Berkeley, and Dorchester Counties), according to information from the Center for Business Research division of the Charleston Metro Chamber of Commerce. As can be seen, the area has a relatively diverse employment base, as the largest employment sectors within the county include military, healthcare, education, manufacturing, and retail.

<b>Employer</b>	<b>Industry</b>	<b>Number of Employees</b>
Joint Base Charleston	U.S. Military Command	22,000
Medical University of South Carolina	Healthcare	13,000
Boeing South Carolina	Manufacturing	6,000
Charleston County School District	Education	5,300
Roper St. Francis Healthcare	Healthcare	5,100
Berkeley County School District	Education	3,700
Dorchester County School District II	Education	3,100
JEM Restaurant Group Inc.	Food Services	3,000
Trident Health System	Healthcare	2,500
Walmart Inc.	Retail	2,300
Robert Bosch LLC	Manufacturing	2,200
Charleston County	Government	2,100
College of Charleston	Education	2,000
Piggly Wiggly Carolina Co Inc.	Retail	1,800
Science Applications Int'l Corp (SAIC)	Military Contractor	1,800
<i>Source: Center for Business Research Charleston Metro Chamber of Commerce – Feb., 2013</i>		

According to U.S. Census data for the first quarter of 2012, there were approximately 10,671 new jobs created by either new businesses in Charleston County or the expansion by existing firms. Additionally, there were somewhat more separations than new hires during the quarter – representing a similar trend to the three prior quarters.

	<b>2012 Quarter 1</b>	<b>Average: 3 Prior Quarters</b>
<b>Job Creation</b>	10,671	11,538
<b>New Hires</b>	28,626	32,520
<b>Separations</b>	30,659	35,238
<b>Turnover</b>	8.8%	10.1%
<b>Avg. Monthly Earnings</b>	\$3,657	\$3,607
<b>Avg. New Hire Earnings</b>	\$2,200	\$2,350
<i>Source: QWI Online - U.S. Census Bureau</i>		

#### **4. Employment and Unemployment Trends**

The overall economy throughout Charleston County has been generally stable over the past decade, with employment increases in eight of the last 11 years and an unemployment rate typically below both the state and national average. As such, despite a loss of approximately 9,500 jobs (a decline of six percent) between 2008 and 2010 (largely due to the effects of the nationwide recession), Charleston County rebounded with a gain of approximately 7,100 jobs since 2011 (a gain of five percent).

In addition, the latest employment figures indicate the local economy has appeared to continue to improve somewhat, increasing by roughly 2,300 jobs in 2012 and recording an annual unemployment rate of 7.2 percent (down from 8.3 percent in 2011, and remained below the state and national averages of 9.0 percent and 8.1 percent, respectively). According to December 2012 figures, an increase of approximately 770 jobs was recorded from December 2011. As a result, the county had an unemployment rate of 6.9 percent in December 2012 (down from 7.4 percent in December 2011). As such, the county's economic situation coupled with its employment distribution and prevailing average incomes are reflective of the need for affordable housing locally.

Figure 1: Employment Growth

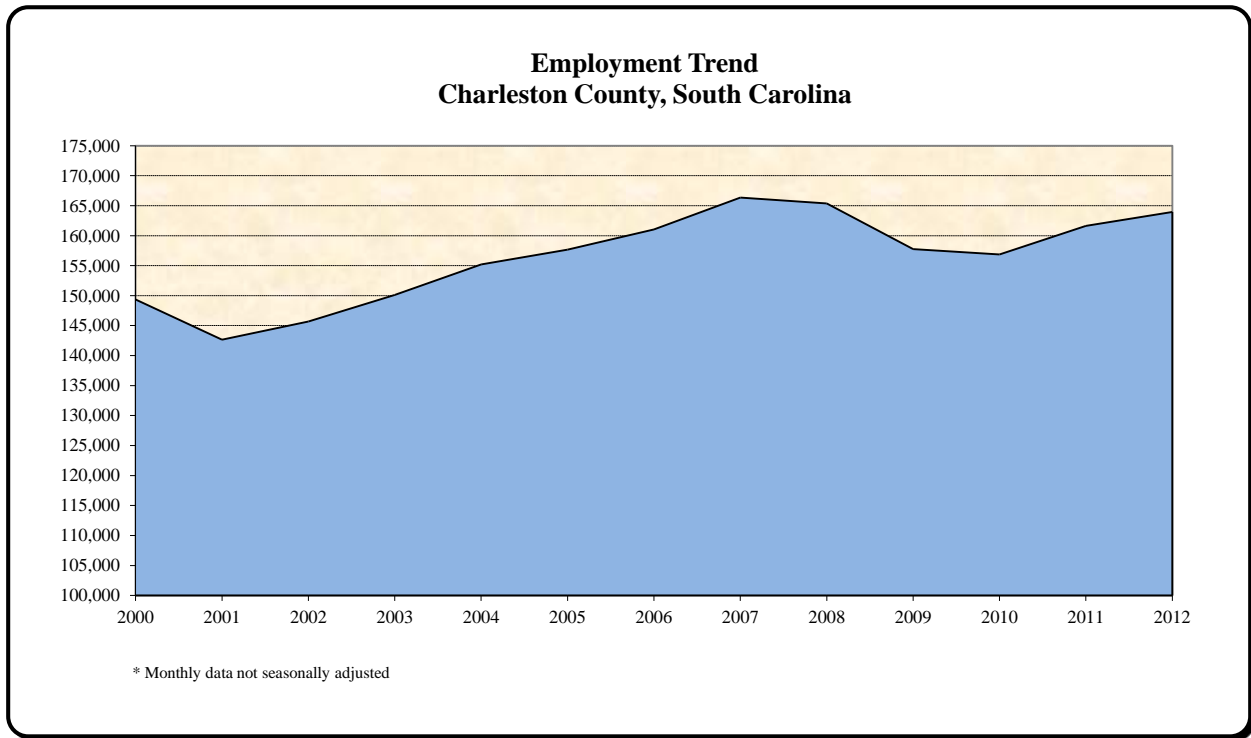
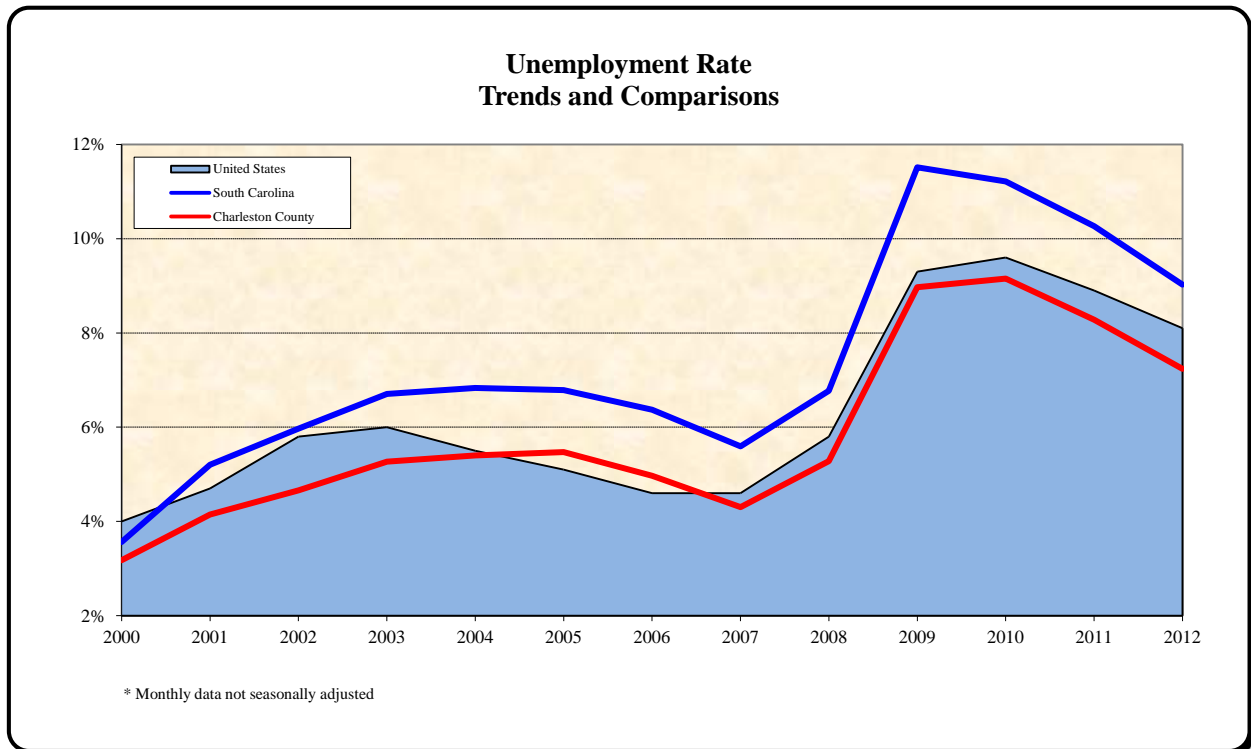


Figure 2: Historical Unemployment Rate



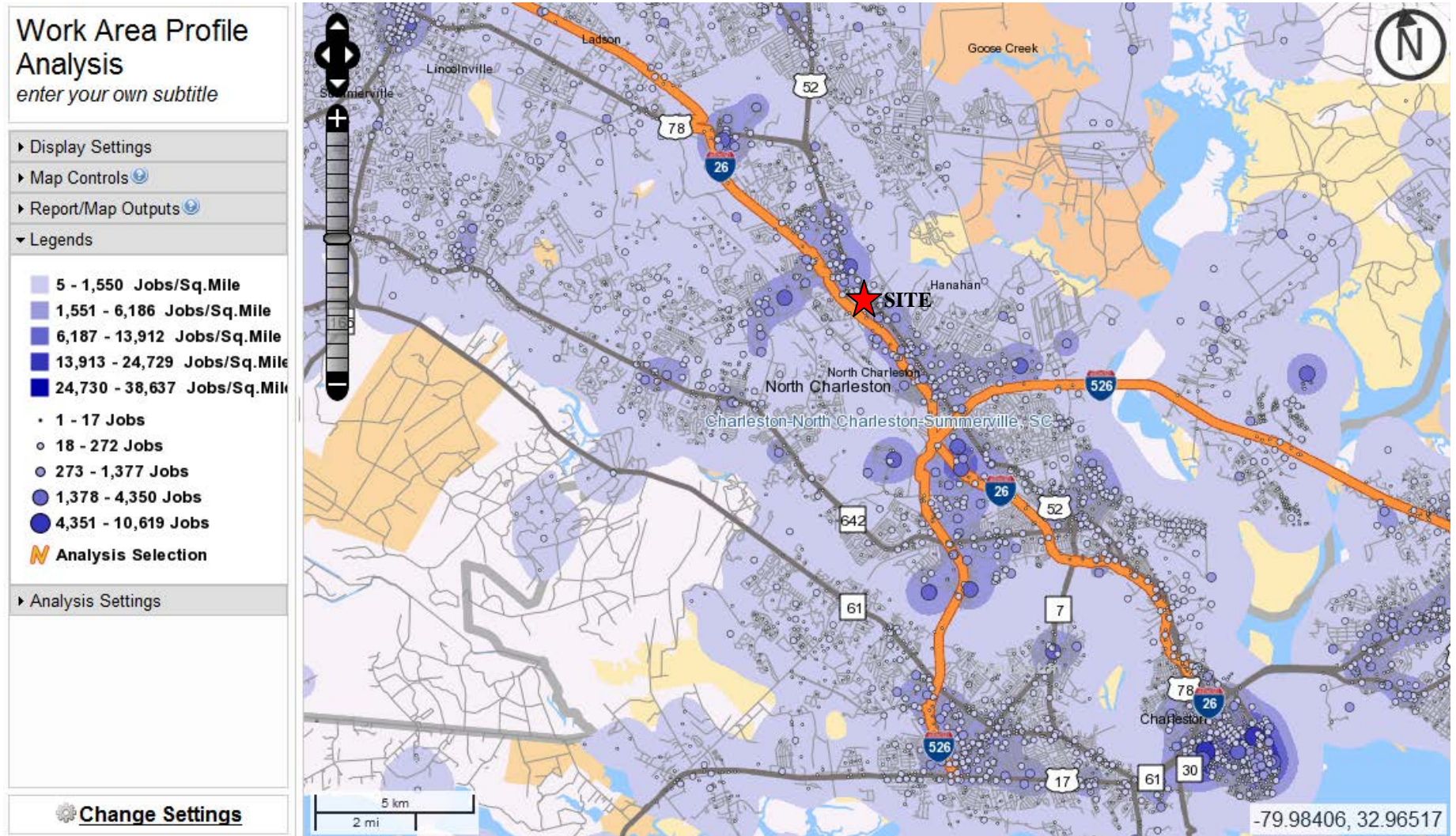
**Table 4: Historical Employment Trends**

Year	Charleston County				Employment Annual Change			Unemployment Rate		
	Labor Force	Number Employed	Annual Change	Percent Change	Charleston County	South Carolina	United States	Charleston County	South Carolina	United States
2000	154,250	149,351	---	---	---	---	---	3.2%	3.6%	4.0%
2001	148,820	142,652	(6,699)	-4.5%	-4.5%	-4.3%	0.0%	4.1%	5.2%	4.7%
2002	152,798	145,682	3,030	2.1%	2.1%	-0.5%	-0.3%	4.7%	6.0%	5.8%
2003	158,463	150,115	4,433	3.0%	3.0%	1.5%	0.9%	5.3%	6.7%	6.0%
2004	164,057	155,199	5,084	3.4%	3.4%	1.8%	1.1%	5.4%	6.8%	5.5%
2005	166,789	157,666	2,467	1.6%	1.6%	1.8%	1.8%	5.5%	6.8%	5.1%
2006	169,456	161,035	3,369	2.1%	2.1%	2.5%	1.9%	5.0%	6.4%	4.6%
2007	173,830	166,348	5,313	3.3%	3.3%	2.0%	1.1%	4.3%	5.6%	4.6%
2008	174,587	165,370	(978)	-0.6%	-0.6%	-0.5%	-0.5%	5.3%	6.8%	5.8%
2009	173,297	157,756	(7,614)	-4.6%	-4.6%	-4.9%	-3.8%	9.0%	11.5%	9.3%
2010	172,671	156,864	(892)	-0.6%	-0.6%	0.3%	-0.6%	9.2%	11.2%	9.6%
2011	176,222	161,629	4,765	3.0%	3.0%	1.4%	0.6%	8.3%	10.3%	8.9%
2012	176,739	163,948	2,319	1.4%	1.4%	0.9%	1.9%	7.2%	9.0%	8.1%
Dec-11*	174,902	161,990	---	---	---	---	---	7.4%	9.6%	8.3%
Dec-12*	174,844	162,758	768	0.5%	0.5%	0.9%	1.7%	6.9%	8.4%	7.6%

Charleston County				South Carolina		
	<u>Number</u>	<u>Percent</u>	<u>Ann. Avg.</u>		<u>Percent</u>	<u>Ann. Avg.</u>
Change (2000-Present):	<b>13,407</b>	<b>9.0%</b>	<b>0.7%</b>	Change (2000-Present):	<b>2.7%</b>	<b>0.2%</b>
Change (2005-Present):	<b>5,092</b>	<b>3.2%</b>	<b>0.5%</b>	Change (2005-Present):	<b>2.5%</b>	<b>0.4%</b>
Change (2010-Present):	<b>5,894</b>	<b>3.8%</b>	<b>1.9%</b>	Change (2010-Present):	<b>3.1%</b>	<b>1.6%</b>
Change (2000-2005):	<b>8,315</b>	<b>5.6%</b>	<b>1.1%</b>	Change (2000-2005):	<b>0.3%</b>	<b>0.1%</b>
Change (2005-2010):	<b>(802)</b>	<b>-0.5%</b>	<b>-0.1%</b>	Change (2005-2010):	<b>-0.7%</b>	<b>-0.1%</b>
Change (2010-2012):	<b>7,084</b>	<b>4.5%</b>	<b>2.3%</b>	Change (2010-2012):	<b>2.3%</b>	<b>1.1%</b>

\*Monthly data not seasonally adjusted

Map 11: Employment Concentrations – Charleston MSA



## E. COMMUNITY DEMOGRAPHIC DATA

### 1. Population Trends

Based on U.S. Census data and ESRI forecasts, much of Charleston County has experienced relatively positive demographic gains since 2000, including the city of North Charleston and the immediate area. Overall, the PMA had an estimated population of 73,260 persons in 2012, representing an increase of eight percent from 2000 (a gain of nearly 5,500 persons). However, the city increased by a much larger 26 percent since 2000 (approximately 21,000 additional persons – in part due to annexations), while the county grew by a steady 16 percent between 2000 and 2012.

Future projections indicate continued steady growth, with an estimated increase of six percent expected within the PMA between 2012 and 2017 (approximately 4,000 persons), and an eight percent gain for North Charleston proper (roughly 7,800 persons). In comparison, Charleston County is expected to increase by six percent between 2012 and 2017.

**Table 5: Population Trends (1990 to 2017)**

	<u>2000</u>	<u>2010</u>	<u>2012</u>	<u>2015</u>	<u>2017</u>
City of North Charleston	79,641	97,471	100,597	105,287	108,413
North Charleston PMA	67,763	71,663	73,260	75,657	77,254
Charleston County	309,969	350,209	359,261	372,839	381,891
		<u>2000-2010</u>	<u>2010-2012</u>	<u>2012-2015</u>	<u>2012-2017</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of North Charleston		22.4%	3.2%	4.7%	7.8%
North Charleston PMA		5.8%	2.2%	3.3%	5.5%
Charleston County		13.0%	2.6%	3.8%	6.3%
		<u>2000-2010</u>	<u>2010-2012</u>	<u>2012-2015</u>	<u>2012-2017</u>
		<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>
City of North Charleston		2.0%	1.6%	1.5%	1.5%
North Charleston PMA		0.6%	1.1%	1.1%	1.1%
Charleston County		1.2%	1.3%	1.2%	1.2%

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



The largest population group for the PMA in 2010 consisted of persons between the ages of 20 and 44 years, accounting for 42 percent of all persons. In comparison, this age cohort represented a similar ratio of persons within the city and county as a whole. Persons under the age of 20 also accounted for a relatively large portion of the population in each area. As such, 28 percent of the total population in the PMA was within this age cohort in 2010, while representing similar proportions of the overall city and county populations.

When reviewing distribution patterns between 2000 and 2017, the aging of the population is clearly evident within all three areas analyzed. The proportion of persons under the age of 44 has declined slightly since 2000, and is expected to decrease further through 2017. In contrast, the fastest growing portion of the population base is the older age segments. Within the PMA, persons 55 years and over, which represented 17 percent of the population in 2000, is expected to increase to account for 21 percent of all persons by 2017, while persons aged 45 and over are anticipated to increase from 27 percent to 32 percent during the same time span – clearly demonstrating the aging of the baby boom generation.

Although decreasing somewhat, the steady percentage of population below the age of 45 seen throughout North Charleston and the PMA (both at 68 percent of all persons in 2017) signify positive trends for the subject proposal by continuing to provide a solid base of potential tenants for the subject development.

Table 6: Age Distribution (2000 to 2017)

	City of North Charleston				North Charleston PMA				Charleston County			
	<u>2010 Number</u>	<u>2000 Percent</u>	<u>2010 Percent</u>	<u>2017 Percent</u>	<u>2010 Number</u>	<u>2000 Percent</u>	<u>2010 Percent</u>	<u>2017 Percent</u>	<u>2010 Number</u>	<u>2000 Percent</u>	<u>2010 Percent</u>	<u>2017 Percent</u>
Under 20 years	<b>28,083</b>	31.4%	28.8%	28.2%	<b>19,731</b>	30.4%	27.5%	26.9%	<b>83,910</b>	27.3%	24.0%	23.2%
20 to 24 years	<b>9,571</b>	9.8%	9.8%	9.1%	<b>7,696</b>	10.1%	10.7%	10.1%	<b>31,910</b>	8.5%	9.1%	8.5%
25 to 34 years	<b>17,600</b>	16.8%	18.1%	18.4%	<b>13,361</b>	17.1%	18.6%	19.2%	<b>55,456</b>	14.9%	15.8%	16.1%
35 to 44 years	<b>12,419</b>	15.2%	12.7%	12.3%	<b>8,698</b>	14.9%	12.1%	11.6%	<b>43,171</b>	15.4%	12.3%	11.7%
45 to 54 years	<b>12,594</b>	10.9%	12.9%	11.8%	<b>8,871</b>	10.9%	12.4%	11.2%	<b>47,982</b>	13.3%	13.7%	12.2%
55 to 59 years	<b>5,000</b>	3.8%	5.1%	5.6%	<b>3,597</b>	4.0%	5.0%	5.3%	<b>22,572</b>	4.8%	6.4%	6.8%
60 to 64 years	<b>3,992</b>	3.0%	4.1%	4.6%	<b>2,949</b>	3.3%	4.1%	4.6%	<b>20,487</b>	3.8%	5.8%	6.5%
65 to 74 years	<b>4,641</b>	5.0%	4.8%	6.2%	<b>3,728</b>	5.4%	5.2%	6.6%	<b>25,010</b>	6.5%	7.1%	9.1%
75 to 84 years	<b>2,573</b>	3.1%	2.6%	2.7%	<b>2,221</b>	3.1%	3.1%	3.2%	<b>13,869</b>	4.2%	4.0%	4.1%
85 years and older	<b>998</b>	0.9%	1.0%	1.1%	<b>811</b>	0.8%	1.1%	1.2%	<b>5,842</b>	1.2%	1.7%	1.8%
Under 20 years	<b>28,083</b>	31.4%	28.8%	28.2%	<b>19,731</b>	30.4%	27.5%	26.9%	<b>83,910</b>	27.3%	24.0%	23.2%
20 to 44 years	<b>39,590</b>	41.8%	40.6%	39.7%	<b>29,755</b>	42.1%	41.5%	40.9%	<b>130,537</b>	38.8%	37.3%	36.2%
45 to 64 years	<b>21,586</b>	17.7%	22.1%	22.0%	<b>15,417</b>	18.2%	21.5%	21.1%	<b>91,041</b>	22.0%	26.0%	25.6%
65 years and older	<b>8,212</b>	9.0%	8.4%	10.0%	<b>6,760</b>	9.4%	9.4%	11.1%	<b>44,721</b>	11.9%	12.8%	15.0%
55 years and older	<b>17,204</b>	15.8%	17.7%	20.2%	<b>13,306</b>	16.6%	18.6%	21.0%	<b>87,780</b>	20.6%	25.1%	28.4%
75 years and older	<b>3,571</b>	4.0%	3.7%	3.8%	<b>3,032</b>	3.9%	4.2%	4.4%	<b>19,711</b>	5.4%	5.6%	5.9%
Non-Elderly (<65)	<b>89,259</b>	91.0%	91.6%	90.0%	<b>64,903</b>	90.6%	90.6%	88.9%	<b>305,488</b>	88.1%	87.2%	85.0%
Elderly (65+)	<b>8,212</b>	9.0%	8.4%	10.0%	<b>6,760</b>	9.4%	9.4%	11.1%	<b>44,721</b>	11.9%	12.8%	15.0%

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

**2. Household Trends**

Similar to population patterns, the North Charleston area has experienced relatively positive household creation since 2000. As such, occupied households within the PMA numbered 29,083 units in 2012, representing an increase of nine percent from 2000 (a gain of nearly 2,350 households). ESRI forecasts for 2017 indicate this number will continue to increase, with a forecasted growth rate of six percent (roughly 1,775 additional households) anticipated between 2012 and 2017.

Furthermore, the number of households within North Charleston itself increased by 28 percent between 2000 and 2012, and is anticipated to increase an additional eight percent through 2017. In comparison, the number of households grew by 20 percent within Charleston County as a whole between 2000 and 2012, demonstrating relatively strong demographic patterns throughout the region.

**Table 7: Household Trends (2000 to 2017)**

	<u>2000</u>	<u>2010</u>	<u>2012</u>	<u>2015</u>	<u>2017</u>
<b>City of North Charleston</b>	29,783	36,915	38,198	40,122	41,405
<b>North Charleston PMA</b>	26,740	28,375	29,083	30,146	30,854
<b>Charleston County</b>	123,326	144,309	148,451	154,664	158,806
		<b>2000-2010</b>	<b>2010-2012</b>	<b>2012-2015</b>	<b>2012-2017</b>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
<b>City of North Charleston</b>		23.9%	3.5%	5.0%	8.4%
<b>North Charleston PMA</b>		6.1%	2.5%	3.7%	6.1%
<b>Charleston County</b>		17.0%	2.9%	4.2%	7.0%

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

Despite a slight decline for Charleston County as a whole, average household sizes have been generally constant within North Charleston and the PMA since 2000. For the PMA, the average household size was 2.46 persons in 2012, remaining identical to 2000’s average. Similarly, ESRI forecasts indicate the average household size will remain generally the same within the market area through 2017.

Overall, the PMA contains somewhat smaller household sizes than North Charleston proper, but larger sizes than Charleston County as a whole. In comparison to the PMA average of 2.46 persons per household in 2012, the city had an average household size of 2.53 persons, while the county had an average of 2.35 persons per household.

**Table 8: Average Household Size (2000 to 2017)**

	<u>2000</u>	<u>2010</u>	<u>2012</u>	<u>2015</u>	<u>2017</u>
<b>City of North Charleston</b>	2.51	2.54	2.53	2.53	2.53
<b>North Charleston PMA</b>	2.46	2.47	2.46	2.45	2.45
<b>Charleston County</b>	2.42	2.36	2.35	2.34	2.34
		<b>2000-2010</b>	<b>2010-2012</b>	<b>2012-2015</b>	<b>2012-2017</b>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
<b>City of North Charleston</b>		1.1%	-0.1%	-0.2%	-0.3%
<b>North Charleston PMA</b>		0.2%	-0.2%	-0.3%	-0.5%
<b>Charleston County</b>		-2.7%	-0.2%	-0.3%	-0.5%

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

Renter-occupied households throughout the North Charleston market area have exhibited notable gains over the past decade, increasing at a faster rate than overall household creation. According to U.S. Census figures and ESRI estimates, a total of 15,395 renter-occupied households are estimated within the PMA for 2012, representing an increase of 13 percent from 2000 figures (a gain of 1,720 additional rental units). In comparison, it is estimated that the number of renter households increased at a much faster rate for both North Charleston itself (24 percent) and Charleston County (23 percent).

Overall, a relatively large ratio of renter households exists throughout the North Charleston market area. For the PMA, the renter household percentage was calculated at 53 percent in 2012, slightly higher than the county ratio (40 percent), and more in line with the city’s renter representation (52 percent). Furthermore, it should also be noted that renter propensities within the PMA has increased since 2000, increasing approximately two percentage points between 2000 and 2012.

**Table 9: Renter Household Trends (2000 to 2017)**

	<u>2000</u>	<u>2010</u>	<u>2012</u>	<u>2017</u>	<u>2000-2010</u> <u>Change</u>	<u>2010-2012</u> <u>Change</u>	<u>2012-2017</u> <u>Change</u>
City of North Charleston	15,962	19,242	19,859	21,400	20.5%	3.2%	7.8%
North Charleston PMA	13,675	14,970	15,395	16,458	9.5%	2.8%	6.9%
Charleston County	48,059	57,241	59,080	63,678	19.1%	3.2%	7.8%
	<u>% Renter</u>	<u>% Renter</u>	<u>% Renter</u>	<u>% Renter</u>			
	<u>2000</u>	<u>2010</u>	<u>2012</u>	<u>2017</u>			
City of North Charleston	53.6%	52.1%	52.0%	51.7%			
North Charleston PMA	51.1%	52.8%	52.9%	53.3%			
Charleston County	39.0%	39.7%	39.8%	40.1%			

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

As with overall households, renter household sizes for the North Charleston PMA were generally larger than those reported for the county, on average, but smaller than averages calculated for North Charleston. In contrast to overall household patterns, however, average renter sizes increased over the past decade – from 2.46 persons per rental unit in 2000 to 2.58 persons per unit in 2010. Despite the increase in average size, the majority of units locally contained just one or two persons (59 percent), with three persons occupying 17 percent of units, and 24 percent of units with four or more persons.

**Table 10: Rental Units by Size (2010)**

	<u>One Person</u>	<u>Two Persons</u>	<u>Three Persons</u>	<u>Four Persons</u>	<u>5 or More Persons</u>	<u>Median Persons Per Rental Unit</u>	
						<u>2000</u>	<u>2010</u>
City of North Charleston	6,100	5,109	3,265	2,438	2,330	2.50	2.56
North Charleston PMA	4,796	4,074	2,551	1,814	1,735	2.46	2.58
Charleston County	21,247	17,136	8,824	5,469	4,565	2.25	2.27
	<u>1 Person Percent</u>	<u>2 Person Percent</u>	<u>3 Person Percent</u>	<u>4 Person Percent</u>	<u>5+ Person Percent</u>	<u>Median Change</u>	
City of North Charleston	31.7%	26.6%	17.0%	12.7%	12.1%	2.4%	
North Charleston PMA	32.0%	27.2%	17.0%	12.1%	11.6%	4.8%	
Charleston County	37.1%	29.9%	15.4%	9.6%	8.0%	0.9%	

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

**3. Household Income Trends**

Income levels throughout the North Charleston area have experienced somewhat sluggish gains over the past decade. While much of the county recorded annual increases between two and three percent between 1999 and 2010, it is anticipated that income appreciation will slow to approximately one percent annually through 2017. In 2012, the median household income was estimated at \$39,338 for the PMA, which was nearly identical to that estimated for North Charleston proper (\$39,386), but roughly 21 percent lower than Charleston County (\$49,517). Furthermore, the PMA figure represents an increase of 20 percent from 1999 (an average annual increase of 1.6 percent), while the city increased at a somewhat faster rate between 1999 and 2012 (2.6 percent annually).

According to ESRI data, the rate of income growth is forecast to remain sluggish through 2017. As such, it is projected that the median income within the PMA will increase by just 0.7 percent annually between 2012 and 2017, slightly greater than gains anticipated within the city for the same time span.

**Table 11: Median Household Incomes (1999 to 2017)**

	<u>1999</u>	<u>2010</u>	<u>2012</u>	<u>2015</u>	<u>2017</u>
City of North Charleston	\$29,307	\$38,989	\$39,386	\$39,783	\$40,378
North Charleston PMA	\$32,591	\$38,817	\$39,338	\$39,859	\$40,641
Charleston County	\$37,810	\$48,433	\$49,517	\$50,602	\$52,228
		<u>1999-2010</u>	<u>2010-2012</u>	<u>2012-2015</u>	<u>2012-2017</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of North Charleston		33.0%	1.0%	1.0%	2.5%
North Charleston PMA		19.1%	1.3%	1.3%	3.3%
Charleston County		28.1%	2.2%	2.2%	5.5%
		<u>1999-2010</u>	<u>2010-2012</u>	<u>2012-2015</u>	<u>2012-2017</u>
		<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>
City of North Charleston		2.6%	0.5%	0.3%	0.5%
North Charleston PMA		1.6%	0.7%	0.4%	0.7%
Charleston County		2.3%	1.1%	0.7%	1.1%

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

According to the most recent American Housing Survey through the U.S. Census Bureau, approximately 46 percent of all households within the North Charleston PMA had an annual income of less than \$35,000 in 2011 – the portion of the population with the greatest need for affordable housing options. In comparison, a similar 45 percent of city households had incomes within this range as well. With nearly one-half of all households within the immediate North Charleston area earning less than \$35,000 per year, additional affordable housing options will undoubtedly be well received.

**Table 12: Overall Household Income Distribution (2011)**

	City of North Charleston		North Charleston PMA		Charleston County	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
<b>Less than \$10,000</b>	3,828	10.8%	2,730	9.9%	12,791	9.2%
<b>\$10,000 to \$14,999</b>	2,421	6.9%	1,867	6.7%	7,457	5.4%
<b>\$15,000 to \$19,999</b>	2,510	7.1%	2,018	7.3%	7,501	5.4%
<b>\$20,000 to \$24,999</b>	2,433	6.9%	1,847	6.7%	7,849	5.6%
<b>\$25,000 to \$29,999</b>	2,151	6.1%	2,011	7.3%	7,390	5.3%
<b>\$30,000 to \$34,999</b>	2,548	7.2%	2,260	8.2%	7,207	5.2%
<b>\$35,000 to \$39,999</b>	2,114	6.0%	1,849	6.7%	6,455	4.6%
<b>\$40,000 to \$44,999</b>	1,768	5.0%	1,479	5.3%	6,631	4.8%
<b>\$45,000 to \$49,999</b>	1,828	5.2%	1,428	5.2%	6,171	4.4%
<b>\$50,000 to \$59,999</b>	2,824	8.0%	2,455	8.9%	11,405	8.2%
<b>\$60,000 to \$74,999</b>	3,726	10.6%	3,224	11.6%	13,171	9.5%
<b>\$75,000 to \$99,999</b>	3,324	9.4%	2,481	9.0%	15,878	11.4%
<b>\$100,000 to \$124,999</b>	2,143	6.1%	1,155	4.2%	10,570	7.6%
<b>\$125,000 to \$149,999</b>	665	1.9%	305	1.1%	6,076	4.4%
<b>\$150,000 to \$199,999</b>	629	1.8%	406	1.5%	6,060	4.4%
<b>\$200,000 and Over</b>	404	1.1%	165	0.6%	6,650	4.8%
<b>TOTAL</b>	<b>35,316</b>	<b>100.0%</b>	<b>27,680</b>	<b>100.0%</b>	<b>139,262</b>	<b>100.0%</b>
<b>Less than \$34,999</b>	15,891	45.0%	12,733	46.0%	50,195	36.0%
<b>\$35,000 to \$49,999</b>	5,710	16.2%	4,756	17.2%	19,257	13.8%
<b>\$50,000 to \$74,999</b>	6,550	18.5%	5,679	20.5%	24,576	17.6%
<b>\$75,000 to \$99,999</b>	3,324	9.4%	2,481	9.0%	15,878	11.4%
<b>\$100,000 and Over</b>	3,841	10.9%	2,031	7.3%	29,356	21.1%

Source: 2011 American Community Survey



Based on the proposed income targeting and rent levels, the key income range for the subject proposal is \$22,389 to \$38,280 (in current dollars). Utilizing Census information available on household income by tenure, dollar values were inflated to current dollars using the Consumer Price Index calculator from the Bureau of Labor Statistic's website. Based on this data, the targeted income range accounts for a sizable number of low-income households throughout the area. As such, roughly 21 percent of the PMA's owner-occupied household number, and 24 percent of the renter-occupied household figure are within the income-qualified range. Overall, this income range accounted for approximately 22 percent of all households within the PMA. Considering the relative density of the PMA, this equates to nearly 6,675 potential income-qualified households for the proposed development, including 3,750 income-qualified renter households.

**Table 13: Household Income by Tenure – North Charleston PMA (2015)**

	Number of 2015 Households			Percent of 2015 Households		
	<u>Total</u>	<u>Owner</u>	<u>Renter</u>	<u>Total</u>	<u>Owner</u>	<u>Renter</u>
Less than \$5,200	1,233	242	991	4.1%	1.7%	6.2%
\$5,200 to \$10,400	1,745	408	1,338	5.8%	2.9%	8.4%
\$10,400 to \$15,600	2,036	613	1,423	6.7%	4.3%	8.9%
\$15,600 to \$20,800	2,201	626	1,575	7.3%	4.4%	9.9%
\$20,800 to \$26,000	2,013	777	1,236	6.7%	5.5%	7.7%
\$26,000 to \$36,400	4,652	2,081	2,571	15.4%	14.7%	16.1%
\$36,400 to \$52,000	5,180	2,451	2,729	17.2%	17.3%	17.1%
\$52,000 to \$78,000	6,182	3,347	2,835	20.5%	23.6%	17.8%
\$78,000 and Over	<u>4,904</u>	<u>3,643</u>	<u>1,261</u>	<u>16.3%</u>	<u>25.7%</u>	<u>7.9%</u>
<b>Total</b>	<b>30,146</b>	<b>14,188</b>	<b>15,958</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Source: U.S. Census; BLS CPI Calculator; Shaw Research & Consulting

The 2011 American Community Survey shows that approximately 43 percent of all renter households within the PMA are rent-overburdened; that is, they pay more than 35 percent of their incomes on rent and other housing expenses. As such, this data demonstrates that the need for affordable housing is quite apparent in the PMA, and the income-targeting plan proposed for the subject would clearly help to alleviate this issue.

**Table 14: Renter Overburdened Households (2011)**

Gross Rent as a % of Household Income	City of North Charleston		North Charleston PMA		Charleston County	
	Number	Percent	Number	Percent	Number	Percent
<b>Total Rental Units</b>	<b>18,132</b>	<b>100.0%</b>	<b>14,603</b>	<b>100.0%</b>	<b>53,151</b>	<b>100.0%</b>
Less than 10.0 Percent	363	2.1%	231	1.7%	1,368	2.8%
10.0 to 14.9 Percent	1,675	9.9%	1,385	10.1%	3,658	7.5%
15.0 to 19.9 Percent	1,933	11.4%	1,757	12.8%	5,812	11.9%
20.0 to 24.9 Percent	1,973	11.6%	1,740	12.7%	5,964	12.2%
25.0 to 29.9 Percent	1,887	11.1%	1,508	11.0%	5,368	11.0%
30.0 to 34.9 Percent	1,404	8.3%	1,272	9.3%	4,430	9.1%
35.0 to 39.9 Percent	964	5.7%	819	6.0%	3,058	6.3%
40.0 to 49.9 Percent	1,756	10.3%	1,357	9.9%	5,108	10.5%
50 Percent or More	5,050	29.7%	3,673	26.7%	13,925	28.6%
Not Computed	1,127	--	861	--	4,460	--
<b>35 Percent or More</b>	<b>7,770</b>	<b>45.7%</b>	<b>5,849</b>	<b>42.6%</b>	<b>22,091</b>	<b>45.4%</b>
<b>40 Percent or More</b>	<b>6,806</b>	<b>40.0%</b>	<b>5,030</b>	<b>36.6%</b>	<b>19,033</b>	<b>39.1%</b>

Source: U.S. Census Bureau; 2007-2011 American Community Survey

**F. DEMAND ANALYSIS**

***1. Demand for Tax Credit Rental Units***

Demand calculations for each targeted income level of the subject proposal are illustrated in the following tables. Utilizing SCSHFDA guidelines, demand estimates will be measured from three key sources: household growth, substandard housing, and rent-overburdened households. All demand sources will be income-qualified, based on the targeting plan of the subject proposal and current LIHTC income restrictions as published by SCSHFDA. Demand estimates will be calculated for units designated at each income level targeted in the subject proposal – in this case, at 50 percent and 60 percent of AMI. As such, calculations will be based on the starting rental rate, a 35 percent rent-to-income ratio, and a maximum income of \$38,280 (the 4.5-person income limit at 60 percent AMI for Charleston County). The resulting overall income-eligibility range (expressed in current-year dollars) for each targeted income level is as follows:

	<u>Minimum</u>	<u>Maximum</u>
<b>50 percent of AMI</b> .....	\$22,389 .....	\$31,900
<b>60 percent of AMI</b> .....	\$22,903 .....	\$38,280
<b>Overall</b> .....	<b>\$22,389</b> .....	<b>\$38,280</b>

By applying the income-qualified range and 2015 household forecasts to the current-year household income distribution by tenure (adjusted from 2010 data based on the Labor Statistics’ Consumer Price Index), the number of income-qualified households can be calculated. As a result, 24 percent of all renter households within the PMA are estimated to fall within the stated LIHTC qualified income range. More specifically, 15 percent of all renter households are income-qualified for units at 50 percent of AMI, while 23 percent of renters are income-eligible for units restricted at 60 percent of AMI.

Based on U.S. Census data and projections from ESRI, approximately 638 additional renter households are anticipated between 2012 and 2015. By applying the income-qualified percentage to the overall eligible figure, a demand for 150 tax credit rental units can be calculated as a result of new rental household growth.

Using U.S. Census data on substandard rental housing, it is estimated that approximately 6.2 percent of all renter households within the North Charleston PMA could be considered substandard, either by overcrowding (a greater than 1-to-1 ratio of persons to rooms) or incomplete plumbing facilities (a unit that lacks at least a sink, bathtub, or toilet). Applying this figure, along with the renter propensity and income-qualified percentage, to the number of households (the base year utilized within the demand calculations), the tax credit demand resulting from substandard units is calculated at 220 units within the PMA.

And lastly, potential demand for the subject proposal may also arise from those households experiencing rent-overburden, defined by households paying greater than 35 percent of monthly income for rent. Excluding owner-occupied units, an estimate of market potential for the subject proposal based on the most recent data on rent-overburdened households paying more than 35 percent of monthly income for rent is calculated. Using information contained within the 2011 ACS, the percentage of renter households within this overburdened range is reported at approximately 43 percent. However, in an effort to keep calculations somewhat conservative, households paying 40 percent of income to rent will be utilized – 37 percent. Applying this rate to the number of renter households yields a total demand of 1,295 additional units as a result of rent overburden.

There has not been any comparable multi-family rental activity within the North Charleston PMA that has been allocated tax credits or placed in service since 2012, or is currently under construction. Therefore, no units need to be deducted from the three sources of demand listed previously. As such, combining all above factors results in an overall demand of 1,665 LIHTC units for 2015.

Calculations by individual bedroom size are also provided utilizing the same methodology. As such, it is clear that sufficient demand exists for the project and each unit type proposed. Therefore, a new rental housing option for low-income households should receive a positive response due to the strong demographic growth within the North Charleston area coupled with positive occupancy levels within most existing local developments (especially among LIHTC properties).

**Table 15: Demand Calculation – by Income Targeting (2015)**

<b>2010 Total Occupied Households</b>	<b>28,375</b>			
<b>2010 Owner-Occupied Households</b>	<b>13,355</b>			
<b>2010 Renter-Occupied Households</b>	<b>15,020</b>			
		<b>Income Targeting</b>		
		<b>50%</b>	<b>60%</b>	<b>Total</b>
		<b>AMI</b>	<b>AMI</b>	<b>LIHTC</b>
<b>QUALIFIED-INCOME RANGE</b>				
Minimum Annual Income		\$22,389	\$22,903	\$22,389
Maximum Annual Income		\$31,900	\$38,280	\$38,280
<b>DEMAND FROM NEW HOUSEHOLD GROWTH</b>				
Renter Household Growth, 2012-2015		638	638	638
Percent Income Qualified Renter Households		14.5%	22.8%	23.6%
<b>Total Demand From New Households</b>		<b>93</b>	<b>145</b>	<b>150</b>
<b>DEMAND FROM EXISTING HOUSEHOLDS</b>				
Percent of Renters in Substandard Housing		6.2%	6.2%	6.2%
Percent Income Qualified Renter Households		14.5%	22.8%	23.6%
<b>Total Demand From Substandard Renter Households</b>		<b>136</b>	<b>213</b>	<b>220</b>
Percent of Renters Rent-Overburdened		36.6%	36.6%	36.6%
Percent Income Qualified Renter Households		14.5%	22.8%	23.6%
<b>Total Demand From Overburdened Renter Households</b>		<b>798</b>	<b>1,253</b>	<b>1,295</b>
<b>Total Demand From Existing Households</b>		<b>934</b>	<b>1,466</b>	<b>1,515</b>
<b>TOTAL DEMAND</b>		<b>1,027</b>	<b>1,611</b>	<b>1,665</b>
<b>LESS: Total Comparable Activity Since 2012</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL NET DEMAND</b>		<b>1,027</b>	<b>1,611</b>	<b>1,665</b>
<b>PROPOSED NUMBER OF UNITS</b>		<b>14</b>	<b>42</b>	<b>56</b>
<b>CAPTURE RATE</b>		<b>1.4%</b>	<b>2.6%</b>	<b>3.4%</b>
Note: Totals may not sum due to rounding				

Table 16: Demand Calculation – by Bedroom Size (2015)

2010 Total Occupied Households	28,375						
2010 Owner-Occupied Households	13,355						
2010 Renter-Occupied Households	15,020						
		<b>Two-Bedroom Units</b>			<b>Three-Bedroom Units</b>		
		<b>50%</b>	<b>60%</b>	<b>Total</b>	<b>50%</b>	<b>60%</b>	<b>Total</b>
		<b>AMI</b>	<b>AMI</b>	<b>LIHTC</b>	<b>AMI</b>	<b>AMI</b>	<b>LIHTC</b>
<b>QUALIFIED-INCOME RANGE</b>							
Minimum Annual Income		\$22,389	\$22,903	<b>\$22,389</b>	\$25,989	\$27,531	<b>\$25,989</b>
Maximum Annual Income		\$27,600	\$33,120	<b>\$33,120</b>	\$31,900	\$38,280	<b>\$38,280</b>
<b>DEMAND FROM NEW HOUSEHOLD GROWTH</b>							
Renter Household Growth, 2012-2015		638	638	<b>638</b>	638	638	<b>638</b>
Percent Income Qualified Renter Households		8%	16%	<b>16%</b>	9%	16%	<b>18%</b>
<b>Total Demand From New Households</b>		<b>50</b>	<b>100</b>	<b>105</b>	<b>58</b>	<b>101</b>	<b>116</b>
<b>DEMAND FROM EXISTING HOUSEHOLDS</b>							
Percent of Renters in Substandard Housing		6.2%	6.2%	<b>6.2%</b>	6.2%	6.2%	<b>6.2%</b>
Percent Income Qualified Renter Households		8%	16%	<b>16%</b>	9%	16%	<b>18%</b>
<b>Total Demand From Substandard Renter Households</b>		<b>73</b>	<b>146</b>	<b>153</b>	<b>86</b>	<b>148</b>	<b>170</b>
Percent of Renters Rent-Overburdened		36.6%	36.6%	<b>36.6%</b>	36.6%	36.6%	<b>36.6%</b>
Percent Income Qualified Renter Households		8%	16%	<b>16%</b>	9%	16%	<b>18%</b>
<b>Total Demand From Overburdened Renter Households</b>		<b>432</b>	<b>860</b>	<b>902</b>	<b>503</b>	<b>869</b>	<b>1,000</b>
<b>Total Demand From Existing Households</b>		<b>505</b>	<b>1,006</b>	<b>1,056</b>	<b>589</b>	<b>1,016</b>	<b>1,170</b>
<b>TOTAL DEMAND</b>		<b>555</b>	<b>1,106</b>	<b>1,160</b>	<b>647</b>	<b>1,117</b>	<b>1,286</b>
<b>LESS: Total Comparable Activity Since 2012</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL NET DEMAND</b>		<b>555</b>	<b>1,106</b>	<b>1,160</b>	<b>647</b>	<b>1,117</b>	<b>1,286</b>
<b>PROPOSED NUMBER OF UNITS</b>		<b>7</b>	<b>21</b>	<b>28</b>	<b>7</b>	<b>21</b>	<b>28</b>
<b>CAPTURE RATE</b>		<b>1.3%</b>	<b>1.9%</b>	<b>2.4%</b>	<b>1.1%</b>	<b>1.9%</b>	<b>2.2%</b>
<b>Note: Totals may not sum due to rounding</b>							

**2. Capture and Absorption Rates**

Utilizing information from the demand forecast calculations, capture rates provide an indication of the percentage of annual income-qualified demand necessary for the successful absorption of the subject property. An overall capture rate of 3.4 percent was determined based on the demand calculation (including renter household growth, substandard and/or overburdened units among existing renter households, and excluding any comparable properties placed in service in 2012 or currently under construction), providing an indication of the overall general market depth for the subject proposal. More specifically, the capture rate for units restricted at 50 percent AMI was calculated at 1.4 percent, and units at 60 percent AMI was at 2.6 percent. As such, these capture rates provide an extremely positive indication of the need for affordable rental options locally and are well within acceptable industry thresholds.

Taking into consideration the overall occupancy rates for the North Charleston PMA, the success of local LIHTC developments (with six projects a combined 98 percent occupied), and also the proposed affordable rental rates within the subject, an estimate of the overall absorption period to reach 93 percent occupancy is estimated at six to seven months. This determination is based on a market entry in late 2014/early 2015; a minimum of 20 percent of units pre-leased; and assumes all units will enter the market at approximately the same time. Based on this information, no market-related concerns are present.

## G. SUPPLY/COMPARABLE RENTAL ANALYSIS

### 1. North Charleston PMA Rental Market Characteristics

As part of the rental analysis for the North Charleston PMA, a survey of existing rental projects within the North Charleston primary market area was completed by Shaw Research & Consulting in February 2013. Excluding senior-only developments, a total of 22 apartment properties were identified and questioned for information such as current rental rates, amenities, and vacancy levels. Results from the survey provide an indication of overall market conditions throughout the North Charleston area, and are discussed below and illustrated on the following pages.

Considering the developments responding to our survey, a total of 3,721 units were reported, with the overwhelming majority of units containing two bedrooms. Among the properties providing a specific unit breakdown, 28 percent of all units had one bedroom, 59 percent had two bedrooms, and 12 percent of units contained three bedrooms. No efficiency or four-bedroom units were reported in the survey. The average age of the rental properties was 23 years old (an average build date of 1990), with eight properties built since 2000. A total of six facilities (27 percent of all properties) reported to have some sort of income eligibility requirements – all being tax credit developments.

Overall conditions for the North Charleston rental market appear to be relatively strong at the current time. Among the 22 properties included in the survey, the overall occupancy rate was calculated at 95.9 percent. As such, 14 developments were 96 percent occupied or better, with seven at 98 percent or greater occupancy. When breaking down occupancy rates by financing type, the 16 market rate developments averaged 95.5 percent, while the six tax credit properties averaged a slightly higher 97.9 percent – clearly demonstrating positive rental conditions throughout the market area.



**2. Comparable Rental Market Characteristics**

Considering the subject property will be developed utilizing tax credits, Shaw Research has identified six similar tax credit facilities as being most comparable. According to survey results, the combined occupancy rate for these developments was calculated at 97.9 percent, with all six at 97 percent occupancy or better. Detailed results on rent levels and unit sizes are also illustrated in the tables on the following pages - the average LIHTC rent for a one-bedroom unit was calculated at \$545 per month with an average size of 721 square feet – the resulting average rent per square foot ratio is \$0.76. Further, the average tax credit rent for a two-bedroom unit was \$654 with an average size of 970 square feet (an average rent per square foot ratio of \$0.67), while three-bedroom units averaged \$731 and 1,188 square feet (\$0.62 per square foot). In comparison to tax credit averages, the subject proposal’s rental rates are markedly lower (ranging between 19 percent and 24 percent lower than tax credit averages) with generally larger unit sizes. When taking into account unit sizes and rent-per-square foot averages, the proposal is extremely affordable as compared to both market and other tax credit options. As such, the subject has a rent per square foot ratio ranging between \$0.45 and \$0.48, much lower than the overall LIHTC ratios of \$0.62 to \$0.67 per square foot. As can be seen, the proposed rental rates and rent per square foot ratios are extremely competitive, and in most cases superior, with other tax credit projects throughout the North Charleston rental market.

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

**3. Comparable Pipeline Units**

According to SCSHFDA information and local government officials, there is no comparable multi-family rental activity (other than the subject proposal) within the North Charleston PMA at the current time.

**4. Impact on Existing Tax Credit Properties**

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

**5. Competitive Environment**

Considering recessionary conditions throughout the nation, home-ownership (especially those homes needing monetary improvement) is not a viable alternative to a large percentage of households in the PMA, especially among the target market for the subject development who largely has credit issues and require some level of assistance for housing expenses. As such, the subject will have limited competition with home-ownership options.

Table 17: Rental Housing Survey - Overall

Project Name	Year Built	Total Units	Studio/ Eff.	1 BR	2 BR	3 BR	4 BR	Heat Incl.	Heat Type	Electric Incl.	Occup. Rate	Type	Location
Alston Lake Apts	2006	72	0	0	36	36	0	No	ELE	No	100%	Open	North Charleston
Alta Shores	2004	240	0	96	144	0	0	No	ELE	No	92%	Open	North Charleston
Appian Way Apts	2007	204	0	24	84	96	0	No	ELE	No	97%	Open	North Charleston
Audubon Park Apts	1991	228	0	52	136	40	0	No	ELE	No	96%	Open	Hanahan
Berkshires on St. Ives	1988	368	0	128	192	48	0	No	ELE	No	97%	Open	North Charleston
Birchwood Apartments	2004	64	0	0	32	32	0	No	ELE	No	98%	Open	North Charleston
Colony Square Apts	1972	76	NA	NA	NA	0	0	No	ELE	No	95%	Open	North Charleston
Cooper's Pointe	1988	192	0	76	116	0	0	No	ELE	No	100%	Open	North Charleston
Gardens at Montague	2005	64	0	0	32	32	0	No	ELE	No	97%	Open	North Charleston
Ingleside Plantation	2008	304	0	144	144	16	0	No	ELE	No	97%	Open	North Charleston
Ivy Ridge Apts	2007	71	0	12	41	18	0	No	ELE	No	97%	Open	North Charleston
Lakewood Lodge Apts	1986	130	0	16	114	0	0	No	ELE	No	94%	Open	Hanahan
North Bluff Apts	1985	144	0	46	94	4	0	No	ELE	No	97%	Open	North Charleston
Northwoods Apartments	1984	150	0	0	150	0	0	No	ELE	No	98%	Open	North Charleston
Park Place Apts	1973	215	0	112	39	64	0	No	ELE	No	97%	Open	Hanahan
Planters Crossing Apts	1980	256	0	128	128	0	0	No	ELE	No	99%	Open	North Charleston
Sedgefield Apartments	1974	46	0	0	46	0	0	No	ELE	No	78%	Open	Hanahan
South Pointe Apts	1972	256	0	28	228	0	0	No	ELE	No	89%	Open	Hanahan
Springhouse Apts	1978	248	0	92	140	16	0	No	Gas	No	100%	Open	North Charleston
Summit Place Apts	1986	226	0	48	178	0	0	No	ELE	No	92%	Open	North Charleston
The Landing Apts	1975	119	0	0	NA	NA	0	No	ELE	No	92%	Open	Hanahan
Willow Trace Apts	2007	48	0	0	16	32	0	No	ELE	No	100%	Open	North Charleston
<b>Totals and Averages</b>	<b>1990</b>	<b>3,721</b>	<b>0</b>	<b>1,002</b>	<b>2,090</b>	<b>434</b>	<b>0</b>				<b>95.9%</b>		
<i>Unit Distribution</i>			<b>0%</b>	<b>28%</b>	<b>59%</b>	<b>12%</b>	<b>0%</b>						
<b>SUBJECT PROJECT</b>													
<b>HARBOUR STATION APTS</b>	<b>2014/15</b>	<b>56</b>	<b>0</b>	<b>0</b>	<b>28</b>	<b>28</b>	<b>0</b>	<b>No</b>	<b>ELE</b>	<b>No</b>		<b>Open</b>	<b>N. Charleston</b>
<b>SUMMARY</b>													
	<b>Number of Dev.</b>	<b>Year Built</b>	<b>Total Units</b>	<b>Studio/ Eff.</b>	<b>1BR</b>	<b>2BR</b>	<b>3BR</b>	<b>4BR</b>	<b>Average Occup.</b>				
<b>Total Developments</b>	<b>22</b>	<b>1990</b>	<b>3,721</b>	<b>0</b>	<b>1,002</b>	<b>2,090</b>	<b>434</b>	<b>0</b>	<b>95.9%</b>				
<b>Market Rate Only</b>	<b>16</b>	<b>1984</b>	<b>3,198</b>	<b>0</b>	<b>966</b>	<b>1,849</b>	<b>188</b>	<b>0</b>	<b>95.5%</b>				
<b>LIHTC Only</b>	<b>6</b>	<b>2006</b>	<b>523</b>	<b>0</b>	<b>36</b>	<b>241</b>	<b>246</b>	<b>0</b>	<b>97.9%</b>				

Note: Shaded Properties are LIHTC

Table 18: Rent Range for 1 &amp; 2 Bedrooms - Overall

Project Name	Program	PBRA Units	1BR Rent		1BR Square Feet		Rent per Square Foot Range		2BR Rent		2BR Square Feet		Rent per Square Foot Range	
			LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH
Alston Lake Apts	LIHTC	0							\$570	\$695	972		\$0.59	\$0.72
Alta Shores	Market	0	\$815	\$865	761	824	\$1.07	\$1.05	\$905	\$945	1,071	1,216	\$0.85	\$0.78
Appian Way Apts	LIHTC	0	\$590		741		\$0.80		\$705		926		\$0.76	
Audubon Park Apts	Market	0	\$650	\$800	690	800	\$0.94	\$1.00	\$780	\$950	960	1,070	\$0.81	\$0.89
Berkshires on St. Ives	Market	0	\$719		738	800	\$0.97	\$0.90	\$804		988	1,000	\$0.81	\$0.80
Birchwood Apartments	LIHTC	32							\$630		959		\$0.66	
Colony Square Apts	Market	0	\$500		750		\$0.67		\$565		850		\$0.66	
Cooper's Pointe	Market	0	\$825		697		\$1.18		\$950		937		\$1.01	
Gardens at Montague	LIHTC	0							\$578	\$720	1,082		\$0.53	\$0.67
Ingleside Plantation	Market	0	\$195	\$850	743	790	\$0.26	\$1.08	\$980	\$1,070	1,115	1,256	\$0.88	\$0.85
Ivy Ridge Apts	LIHTC	0	\$500		700		\$0.71		\$602		850		\$0.71	
Lakewood Lodge Apts	Market	0	\$629	\$669	850		\$0.74	\$0.79	\$729	\$869	1,250		\$0.58	\$0.70
North Bluff Apts	Market	0	\$699		820		\$0.85		\$809		1,008		\$0.80	
Northwoods Apartments	Market	0							\$824	\$894	1,200		\$0.69	\$0.75
Park Place Apts	Market	0	\$575	\$600	700		\$0.82	\$0.86	\$660	\$705	900		\$0.73	\$0.78
Planters Crossing Apts	Market	0	\$659		650		\$1.01		\$759		950		\$0.80	
Sedgefield Apartments	Market	0							\$575		750		\$0.77	
South Pointe Apts	Market	0	\$575		683		\$0.84		\$600	\$690	900	1,043	\$0.67	\$0.66
Springhouse Apts	Market	0	\$675		690		\$0.98		\$740	\$775	837	940	\$0.88	\$0.82
Summit Place Apts	Market	0	\$715	\$725	800		\$0.89	\$0.91	\$790	\$835	900	1,040	\$0.88	\$0.80
The Landing Apts	Market	0							\$769	\$789	1,150		\$0.67	\$0.69
Willow Trace Apts	LIHTC	0							\$593	\$793	1,032		\$0.57	\$0.77
<b>Totals and Averages</b>		<b>32</b>		<b>\$659</b>		<b>749</b>		<b>\$0.88</b>		<b>\$761</b>		<b>1,005</b>		<b>\$0.76</b>
<b>SUBJECT PROPERTY</b>														
<b>HARBOUR STATION APTS</b>	<b>LIHTC</b>	<b>0</b>							<b>\$480</b>	<b>\$495</b>	<b>1,050</b>	<b>1,100</b>	<b>\$0.46</b>	<b>\$0.45</b>
<b>SUMMARY</b>														
<b>Overall</b>				<b>\$659</b>		<b>749</b>		<b>\$0.88</b>		<b>\$761</b>		<b>1,005</b>		<b>\$0.76</b>
<b>Market Rate Only</b>				<b>\$671</b>		<b>752</b>		<b>\$0.89</b>		<b>\$799</b>		<b>1,014</b>		<b>\$0.79</b>
<b>LIHTC Only</b>				<b>\$545</b>		<b>721</b>		<b>\$0.76</b>		<b>\$654</b>		<b>970</b>		<b>\$0.67</b>

Note: Shaded Properties are LIHTC

**Table 19: Rent Range for 3 & 4 Bedrooms - Overall**

Project Name	Program	3BR Rent		3BR Square Feet		Rent per Square Foot Range		4BR Rent		4BR Square Feet		Rent per Square Foot Range	
		LOW	HIGH	LOW	HIGH			LOW	HIGH	LOW	HIGH		
Alston Lake Apts	LIHTC	\$630	\$775	1,201		\$0.52	\$0.65						
Alta Shores	Market												
Appian Way Apts	LIHTC	\$800		1,097		\$0.73							
Audubon Park Apts	Market	\$900	\$1,200	1,220		\$0.74	\$0.98						
Berkshires on St. Ives	Market	\$1,002		1,200	1,250	\$0.84	\$0.80						
Birchwood Apartments	LIHTC	\$715		1,183		\$0.60							
Colony Square Apts	Market												
Cooper's Pointe	Market												
Gardens at Montague	LIHTC	\$664	\$780	1,322		\$0.50	\$0.59						
Ingleside Plantation	Market	\$1,310		1,471		\$0.89							
Ivy Ridge Apts	LIHTC	\$702		1,000		\$0.70							
Lakewood Lodge Apts	Market												
North Bluff Apts	Market	\$979		1,206		\$0.81							
Northwoods Apartments	Market												
Park Place Apts	Market	\$775	\$800	1,100		\$0.70	\$0.73						
Planters Crossing Apts	Market												
Sedgefield Apartments	Market												
South Pointe Apts	Market												
Springhouse Apts	Market	\$890		1,101		\$0.81							
Summit Place Apts	Market												
The Landing Apts	Market	\$849	\$869	1,250		\$0.68	\$0.70						
Willow Trace Apts	LIHTC	\$673	\$837	1,322		\$0.51	\$0.63						
<b>Totals and Averages</b>			<b>\$850</b>		<b>1,209</b>		<b>\$0.70</b>		<b>NA</b>		<b>NA</b>		<b>NA</b>
<b>SUBJECT PROPERTY</b>													
<b>HARBOUR STATION APTS</b>	<b>LIHTC</b>	<b>\$550</b>	<b>\$595</b>	<b>1,200</b>	<b>1,250</b>	<b>\$0.46</b>	<b>\$0.48</b>						
<b>SUMMARY</b>													
<b>Overall</b>			<b>\$850</b>		<b>1,209</b>		<b>\$0.70</b>		<b>NA</b>		<b>NA</b>		<b>NA</b>
<b>Market Rate Only</b>			<b>\$957</b>		<b>1,225</b>		<b>\$0.78</b>		<b>NA</b>		<b>NA</b>		<b>NA</b>
<b>LIHTC Only</b>			<b>\$731</b>		<b>1,188</b>		<b>\$0.62</b>		<b>NA</b>		<b>NA</b>		<b>NA</b>

Note: Shaded Properties are LIHTC

Table 20a: Project Amenities - Overall

Project Name	Central Air	Garbage Disposal	Dish Washer	Micro-wave	Ceiling Fan	Walk-in Closet	Mini Blinds	Patio/Balcony	Fireplace	Hi-Speed Internet	Club/Comm. Room	Computer Center	Exercise Room
Alston Lake Apts	Yes	Yes	Yes	Yes	Yes	No	Yes	No	No	Yes	Yes	No	No
Alta Shores	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	No	No	Yes	Yes	Yes
Appian Way Apts	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	No	No	No	No
Audubon Park Apts	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Berkshires on St. Ives	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
Birchwood Apartments	Yes	Yes	Yes	No	No	No	Yes	Yes	No	No	Yes	No	No
Colony Square Apts	Yes	Yes	Yes	No	No	No	Yes	No	No	No	No	No	No
Cooper's Pointe	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
Gardens at Montague	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	No
Ingleside Plantation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes
Ivy Ridge Apts	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes
Lakewood Lodge Apts	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No	Yes
North Bluff Apts	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	No	Yes	No	Yes
Northwoods Apartments	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No	No
Park Place Apts	Yes	Yes	Yes	No	Yes	Yes	Yes	No	No	No	Yes	No	Yes
Planters Crossing Apts	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No
Sedgefield Apartments	Yes	No	No	No	No	No	Yes	Yes	No	No	No	No	No
South Pointe Apts	Yes	Yes	Yes	No	No	No	Yes	No	No	No	No	No	Yes
Springhouse Apts	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Summit Place Apts	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes
The Landing Apts	Yes	Yes	Yes	No	Yes	Yes	Yes	No	No	No	Yes	No	No
Willow Trace Apts	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	No
<b>Totals and Averages</b>	<b>100%</b>	<b>95%</b>	<b>95%</b>	<b>50%</b>	<b>73%</b>	<b>64%</b>	<b>100%</b>	<b>64%</b>	<b>32%</b>	<b>14%</b>	<b>68%</b>	<b>50%</b>	<b>55%</b>
<b>SUBJECT PROJECT</b>													
<b>HARBOUR STATION APTS</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>Yes</b>	<b>Yes</b>	<b>No</b>
<b>SUMMARY</b>													
<b>Overall</b>	<b>100%</b>	<b>95%</b>	<b>95%</b>	<b>50%</b>	<b>73%</b>	<b>64%</b>	<b>100%</b>	<b>64%</b>	<b>32%</b>	<b>14%</b>	<b>68%</b>	<b>50%</b>	<b>55%</b>
<b>Market Rate Only</b>	<b>89%</b>	<b>83%</b>	<b>83%</b>	<b>33%</b>	<b>61%</b>	<b>61%</b>	<b>89%</b>	<b>67%</b>	<b>39%</b>	<b>11%</b>	<b>56%</b>	<b>44%</b>	<b>61%</b>
<b>LIHTC Only</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>83%</b>	<b>83%</b>	<b>50%</b>	<b>100%</b>	<b>33%</b>	<b>0%</b>	<b>17%</b>	<b>83%</b>	<b>50%</b>	<b>17%</b>

Note: Shaded Properties are LIHTC

**Table 20b: Project Amenities - Overall**

Project Name	Pool	Play-ground	Gazebo	Exterior Storage	Sports Courts	On-Site Mgt	Security Gate	Security Intercom	Coin Op Laundry	Laundry Hookup	In-unit Laundry	Carport	Garage
Alston Lake Apts	No	Yes	Yes	No	No	Yes	No	No	Yes	Yes	No	No	No
Alta Shores	Yes	No	No	Yes	No	Yes	No	No	Yes	Yes	No	No	Yes
Appian Way Apts	Yes	Yes	No	No	No	Yes	No	No	Yes	Yes	No	No	No
Audubon Park Apts	Yes	Yes	No	Yes	Yes	Yes	No	No	Yes	Yes	No	No	Yes
Berkshires on St. Ives	Yes	Yes	No	Yes	Yes	Yes	No	No	Yes	Yes	No	No	No
Birchwood Apartments	No	Yes	No	No	No	Yes	No	No	Yes	Yes	No	No	No
Colony Square Apts	Yes	Yes	No	No	No	Yes	No	No	Yes	No	No	No	No
Cooper's Pointe	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	No	No	No
Gardens at Montague	No	Yes	Yes	No	No	Yes	No	No	Yes	Yes	No	No	No
Ingleside Plantation	Yes	No	No	Yes	No	Yes	Yes	No	No	No	Yes	Yes	Yes
Ivy Ridge Apts	No	Yes	Yes	No	No	Yes	No	No	Yes	Yes	No	No	No
Lakewood Lodge Apts	Yes	Yes	No	Yes	No	Yes	No	No	Yes	Yes	No	No	No
North Bluff Apts	Yes	No	No	Yes	Yes	Yes	No	No	Yes	Yes	No	No	No
Northwoods Apartments	No	No	No	Yes	No	Yes	No	No	No	Yes	No	No	No
Park Place Apts	Yes	Yes	No	No	No	Yes	No	No	Yes	Yes	No	No	No
Planters Crossing Apts	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	No	No	No
Sedgefield Apartments	No	No	No	Yes	No	Yes	No	No	Yes	No	No	No	No
South Pointe Apts	Yes	No	No	No	Yes	Yes	No	No	No	No	No	No	No
Springhouse Apts	Yes	Yes	No	Yes	Yes	Yes	No	No	Yes	Yes	No	No	No
Summit Place Apts	Yes	No	No	No	Yes	Yes	No	No	Yes	Yes	No	No	No
The Landing Apts	Yes	Yes	No	No	Yes	Yes	No	No	Yes	Yes	No	No	No
Willow Trace Apts	No	Yes	Yes	No	No	Yes	No	No	Yes	Yes	No	No	No
<b>Totals and Averages</b>	<b>68%</b>	<b>68%</b>	<b>27%</b>	<b>50%</b>	<b>41%</b>	<b>100%</b>	<b>5%</b>	<b>0%</b>	<b>86%</b>	<b>82%</b>	<b>5%</b>	<b>5%</b>	<b>14%</b>
<b>SUBJECT PROJECT</b>													
<b>HARBOUR STATION APTS</b>	<b>No</b>	<b>Yes</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>Yes</b>	<b>No</b>	<b>No</b>	<b>Yes</b>	<b>Yes</b>	<b>No</b>	<b>No</b>	<b>No</b>
<b>SUMMARY</b>													
Overall	68%	68%	27%	50%	41%	100%	5%	0%	86%	82%	5%	5%	14%
Market Rate Only	78%	50%	11%	61%	50%	89%	6%	0%	72%	67%	6%	6%	17%
LIHTC Only	17%	100%	67%	0%	0%	100%	0%	0%	100%	100%	0%	0%	0%

Note: Shaded Properties are LIHTC

Table 21: Rental Housing Survey - Comparable

Project Name	Year Built	Total Units	Studio/ Eff.	1 BR	2 BR	3 BR	4 BR	Heat Incl.	Heat Type	Electric Incl.	Occup. Rate	Type	Location
Alston Lake Apts	2006	72	0	0	36	36	0	No	ELE	No	100%	Open	North Charleston
Appian Way Apts	2007	204	0	24	84	96	0	No	ELE	No	97%	Open	North Charleston
Birchwood Apartments	2004	64	0	0	32	32	0	No	ELE	No	98%	Open	North Charleston
Gardens at Montague	2005	64	0	0	32	32	0	No	ELE	No	97%	Open	North Charleston
Ivy Ridge Apts	2007	71	0	12	41	18	0	No	ELE	No	97%	Open	North Charleston
Willow Trace Apts	2007	48	0	0	16	32	0	No	ELE	No	100%	Open	North Charleston
<b>Totals and Averages</b>	<b>2006</b>	<b>523</b>	<b>0</b>	<b>36</b>	<b>241</b>	<b>246</b>	<b>0</b>				<b>97.9%</b>		
<i>Unit Distribution</i>			<b>0%</b>	<b>7%</b>	<b>46%</b>	<b>47%</b>	<b>0%</b>						
<b>SUBJECT PROJECT</b>													
<b>HARBOUR STATION APTS</b>	<b>2014/15</b>	<b>56</b>	<b>0</b>	<b>0</b>	<b>28</b>	<b>28</b>	<b>0</b>	<b>No</b>	<b>ELE</b>	<b>No</b>		<b>Open</b>	<b>N. Charleston</b>



**Table 22: Rent Range for 1 & 2 Bedrooms - Comparable**

Project Name	Program	PBRA Units	1BR Rent		1BR Square Feet		Rent per Square Foot Range		2BR Rent		2BR Square Feet		Rent per Square Foot Range	
			LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH
Alston Lake Apts	LIHTC	0							\$570	\$695	972		\$0.59	\$0.72
Appian Way Apts	LIHTC	0	\$590		741		\$0.80		\$705		926		\$0.76	
Birchwood Apartments	LIHTC	32							\$630		959		\$0.66	
Gardens at Montague	LIHTC	0							\$578	\$720	1,082		\$0.53	\$0.67
Ivy Ridge Apts	LIHTC	0	\$500		700		\$0.71		\$602		850		\$0.71	
Willow Trace Apts	LIHTC	0							\$593	\$793	1,032		\$0.57	\$0.77
<b>Totals and Averages</b>		<b>32</b>		<b>\$545</b>		<b>721</b>		<b>\$0.76</b>		<b>\$654</b>		<b>970</b>		<b>\$0.67</b>
<b>SUBJECT PROPERTY</b>														
HARBOUR STATION APTS	LIHTC	0							\$480	\$495	1,050	1,100	\$0.46	\$0.45

**Table 23: Rent Range for 3 & 4 Bedrooms - Comparable**

Project Name	Program	3BR Rent		3BR Square Feet		Rent per Square Foot Range		4BR Rent		4BR Square Feet		Rent per Square Foot Range	
		LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH
Alston Lake Apts	LIHTC	\$630	\$775	1,201		\$0.52	\$0.65						
Appian Way Apts	LIHTC	\$800		1,097		\$0.73							
Birchwood Apartments	LIHTC	\$715		1,183		\$0.60							
Gardens at Montague	LIHTC	\$664	\$780	1,322		\$0.50	\$0.59						
Ivy Ridge Apts	LIHTC	\$702		1,000		\$0.70							
Willow Trace Apts	LIHTC	\$673	\$837	1,322		\$0.51	\$0.63						
<b>Totals and Averages</b>			<b>\$731</b>		<b>1,188</b>		<b>\$0.62</b>		<b>NA</b>		<b>NA</b>		<b>NA</b>
<b>SUBJECT PROPERTY</b>													
HARBOUR STATION APTS	LIHTC	\$550	\$595	1,200	1,250	\$0.46	\$0.48						

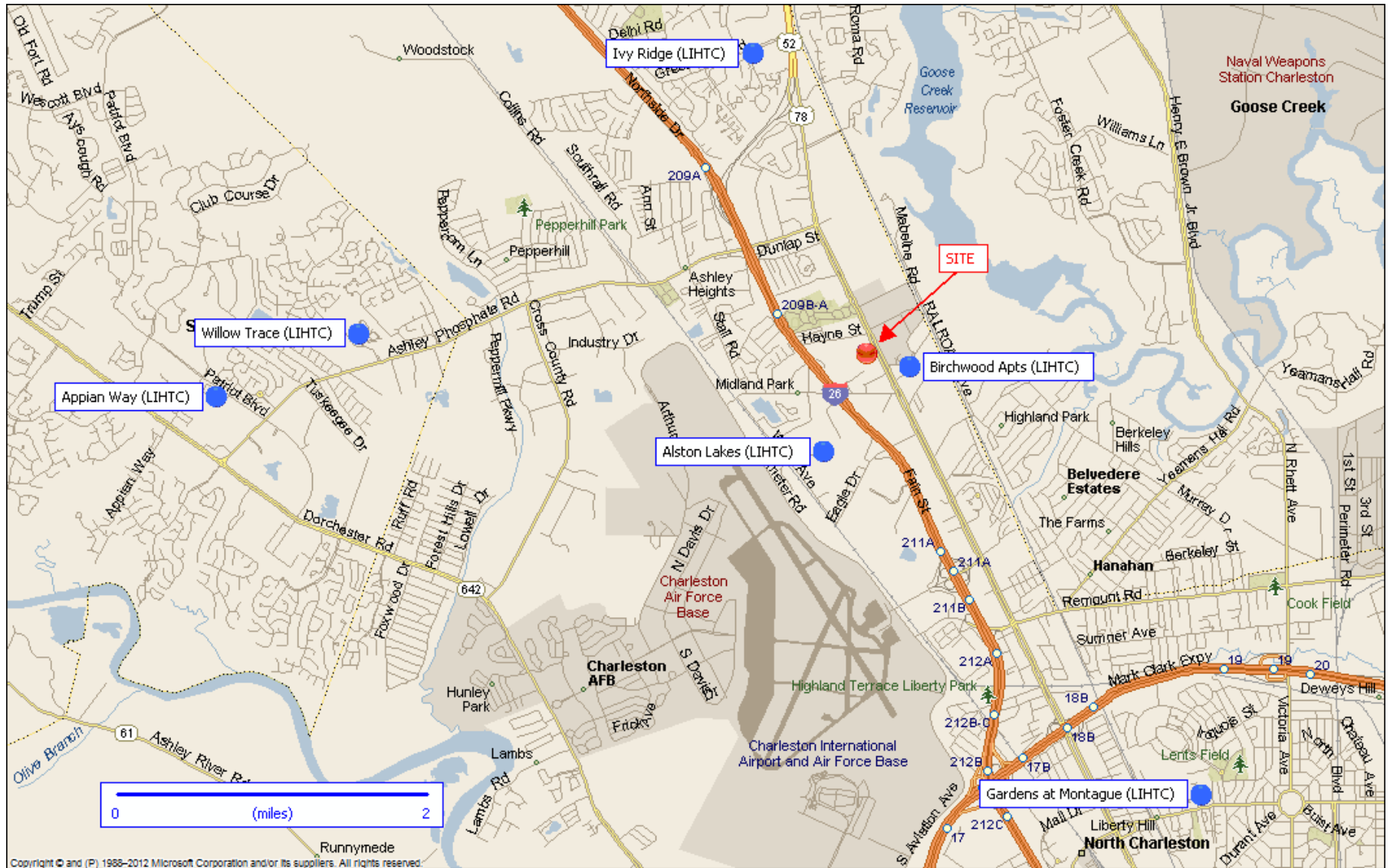
**Table 24a: Project Amenities - Comparable**


Project Name	Central Air	Garbage Disposal	Dish Washer	Micro-wave	Ceiling Fan	Walk-in Closet	Mini Blinds	Patio/Balcony	Fireplace	Hi-Speed Internet	Club/Comm. Room	Computer Center	Exercise Room
Alston Lake Apts	Yes	Yes	Yes	Yes	Yes	No	Yes	No	No	Yes	Yes	No	No
Appian Way Apts	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	No	No	No	No
Birchwood Apartments	Yes	Yes	Yes	No	No	No	Yes	Yes	No	No	No	No	No
Gardens at Montague	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	No
Ivy Ridge Apts	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes
Willow Trace Apts	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	No
<b>Totals and Averages</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>83%</b>	<b>83%</b>	<b>50%</b>	<b>100%</b>	<b>33%</b>	<b>0%</b>	<b>17%</b>	<b>67%</b>	<b>50%</b>	<b>17%</b>
<b>SUBJECT PROJECT</b>													
<b>HARBOUR STATION APTS</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>Yes</b>	<b>Yes</b>	<b>No</b>


**Table 24b: Project Amenities - Comparable**

Project Name	Pool	Play-ground	Gazebo	Exterior Storage	Sports Courts	On-Site Mgt	Security Gate	Security Intercom	Coin Op Laundry	Laundry Hookup	In-unit Laundry	Carpport	Garage
Alston Lake Apts	No	Yes	Yes	No	No	Yes	No	No	Yes	Yes	No	No	No
Appian Way Apts	Yes	Yes	No	No	No	Yes	No	No	Yes	Yes	No	No	No
Birchwood Apartments	No	Yes	No	No	No	Yes	No	No	Yes	Yes	No	No	No
Gardens at Montague	No	Yes	Yes	No	No	Yes	No	No	Yes	Yes	No	No	No
Ivy Ridge Apts	No	Yes	Yes	No	No	Yes	No	No	Yes	Yes	No	No	No
Willow Trace Apts	No	Yes	Yes	No	No	Yes	No	No	Yes	Yes	No	No	No
<b>Totals and Averages</b>	<b>17%</b>	<b>100%</b>	<b>67%</b>	<b>0%</b>	<b>0%</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>	<b>100%</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
<b>SUBJECT PROJECT</b>													
<b>HARBOUR STATION APTS</b>	<b>No</b>	<b>Yes</b>	<b>Yes</b>	<b>No</b>	<b>No</b>	<b>Yes</b>	<b>No</b>	<b>No</b>	<b>Yes</b>	<b>Yes</b>	<b>No</b>	<b>No</b>	<b>No</b>


Map 12: Comparable LIHTC Rental Developments




COMPARABLE PROJECT INFORMATION											
<b>Project Name:</b> Alston Lake Apts <b>Address:</b> 2430 Alston Avenue <b>City:</b> North Charleston <b>State:</b> SC <b>Zip Code:</b> 29406  <b>Phone Number:</b> (843) 569-7740 <b>Contact Name:</b> Lori <b>Contact Date:</b> 02/20/13 <b>Current Occup:</b> 100.0%											
DEVELOPMENT CHARACTERISTICS											
<b>Total Units:</b> 72		<b>Year Built:</b> 2006		<b>Project Type:</b> Open		<b>Floors:</b> 3		<b>Program:</b> LIHTC		<b>Accept Vouchers:</b> Yes	
<b>PBRA Units*:</b> 0		<b>Voucher #:</b> NA		<small>* Including Section 8, Rental Assistance, and any other Project-Based Subsidy</small>							
UNIT CONFIGURATION/RENTAL RATES											
BR	Bath	Target	Type	# Units	Square Feet		Contract Rent		Vacant	Occup. Rate	Wait List
					Low	High	Low	High			
<b>TOTAL 2-BEDROOM UNITS</b>				<b>36</b>					<b>0</b>	<b>100.0%</b>	<b>Yes</b>
2	2.0	50	Apt	27	972		\$570		0	100.0%	
2	2.0	60	Apt	9	972		\$695		0	100.0%	
<b>TOTAL 3-BEDROOM UNITS</b>				<b>36</b>					<b>0</b>	<b>100.0%</b>	<b>Yes</b>
3	2.0	50	Apt	27	1,201		\$630		0	100.0%	
3	2.0	60	Apt	9	1,201		\$775		0	100.0%	
<b>TOTAL DEVELOPMENT</b>				<b>72</b>					<b>0</b>	<b>100.0%</b>	<b>20-30 Names</b>
AMENITIES											
<u>Unit Amenities</u>				<u>Development Amenities</u>				<u>Laundry Type</u>			
<input checked="" type="checkbox"/>	- Central A/C			<input checked="" type="checkbox"/>	- Clubhouse			<input checked="" type="checkbox"/>	- Coin-Operated Laundry		
<input type="checkbox"/>	- Wall A/C Unit			<input type="checkbox"/>	- Community Room			<input checked="" type="checkbox"/>	- In-Unit Hook-Up		
<input checked="" type="checkbox"/>	- Garbage Disposal			<input type="checkbox"/>	- Computer Center			<input type="checkbox"/>	- In-Unit Washer/Dryer		
<input checked="" type="checkbox"/>	- Dishwasher			<input type="checkbox"/>	- Exercise/Fitness Room			<u>Parking Type</u>			
<input checked="" type="checkbox"/>	- Microwave			<input type="checkbox"/>	- Community Kitchen			<input checked="" type="checkbox"/>	- Surface Lot		
<input checked="" type="checkbox"/>	- Ceiling Fan			<input type="checkbox"/>	- Swimming Pool			<input type="checkbox"/>	- Carport		
<input type="checkbox"/>	- Walk-In Closet			<input checked="" type="checkbox"/>	- Playground			<input type="checkbox"/>	- Garage (att)		
<input checked="" type="checkbox"/>	- Mini-Blinds			<input checked="" type="checkbox"/>	- Gazebo			<input type="checkbox"/>	- Garage (det)		
<input type="checkbox"/>	- Draperies			<input type="checkbox"/>	- Elevator			<u>Utilities Included</u>			
<input type="checkbox"/>	- Patio/Balcony			<input type="checkbox"/>	- Storage			<input type="checkbox"/>	- Heat		
<input type="checkbox"/>	- Basement			<input type="checkbox"/>	- Sports Courts			<input type="checkbox"/>	- Electricity		
<input type="checkbox"/>	- Fireplace			<input checked="" type="checkbox"/>	- On-Site Management			<input checked="" type="checkbox"/>	- Trash Removal		
<input checked="" type="checkbox"/>	- High-Speed Internet			<input type="checkbox"/>	- Security - Access Gate			<input type="checkbox"/>	- Water/Sewer		
<input type="checkbox"/>				<input type="checkbox"/>	- Security - Intercom						

COMPARABLE PROJECT INFORMATION												
<b>Project Name:</b> Birchwood Apartments <b>Address:</b> 2001 Stokes Avenue <b>City:</b> North Charleston <b>State:</b> SC <b>Zip Code:</b> 29406  <b>Phone Number:</b> (843) 824-6644 <b>Contact Name:</b> NA <b>Contact Date:</b> 03/04/13 <b>Current Occup:</b> 98.4%												
DEVELOPMENT CHARACTERISTICS												
<b>Total Units:</b>		64		<b>Year Built:</b>		2004						
<b>Project Type:</b>		Open		<b>Floors:</b>		2						
<b>Program:</b>		LIHTC		<b>Accept Vouchers:</b>		Yes						
<b>PBRA Units*:</b>		32		<b>Voucher #:</b>		NA						
* Including Section 8, Rental Assistance, and any other Project-Based Subsidy												
UNIT CONFIGURATION/RENTAL RATES												
BR	Bath	Target	Type	# Units	Square Feet		Contract Rent		Vacant	Occup. Rate	Wait List	
					Low	High	Low	High				
<b>TOTAL 2-BEDROOM UNITS</b>				<b>32</b>					<b>0</b>	<b>100.0%</b>	<b>Yes</b>	
2	2.0	BOI/<30	Apt	16	959				0	100.0%		
2	2.0	60	Apt	16	959		\$630		0	100.0%		
<b>TOTAL 3-BEDROOM UNITS</b>				<b>32</b>					<b>1</b>	<b>96.9%</b>	<b>Yes</b>	
3	2.0	BOI/<30	Apt	16	1,183				0	100.0%		
3	2.0	60	Apt	16	1,183		\$715		1	93.8%		
<b>TOTAL DEVELOPMENT</b>				<b>64</b>					<b>1</b>	<b>98.4%</b>	<b>15-20 Names</b>	
AMENITIES												
<u>Unit Amenities</u>				<u>Development Amenities</u>				<u>Laundry Type</u>				
<input checked="" type="checkbox"/> - Central A/C <input type="checkbox"/> - Wall A/C Unit <input checked="" type="checkbox"/> - Garbage Disposal <input checked="" type="checkbox"/> - Dishwasher <input type="checkbox"/> - Microwave <input type="checkbox"/> - Ceiling Fan <input type="checkbox"/> - Walk-In Closet <input checked="" type="checkbox"/> - Mini-Blinds <input type="checkbox"/> - Draperies <input checked="" type="checkbox"/> - Patio/Balcony <input type="checkbox"/> - Basement <input type="checkbox"/> - Fireplace <input type="checkbox"/> - High-Speed Internet				<input checked="" type="checkbox"/> - Clubhouse <input type="checkbox"/> - Community Room <input type="checkbox"/> - Computer Center <input type="checkbox"/> - Exercise/Fitness Room <input type="checkbox"/> - Community Kitchen <input type="checkbox"/> - Swimming Pool <input checked="" type="checkbox"/> - Playground <input type="checkbox"/> - Gazebo <input type="checkbox"/> - Elevator <input type="checkbox"/> - Storage <input type="checkbox"/> - Sports Courts <input checked="" type="checkbox"/> - On-Site Management <input type="checkbox"/> - Security - Access Gate <input type="checkbox"/> - Security - Intercom				<input checked="" type="checkbox"/> - Coin-Operated Laundry <input checked="" type="checkbox"/> - In-Unit Hook-Up <input type="checkbox"/> - In-Unit Washer/Dryer  <u>Parking Type</u> <input checked="" type="checkbox"/> - Surface Lot <input type="checkbox"/> - Carport                      \$0 <input type="checkbox"/> - Garage (att)                      \$0 <input type="checkbox"/> - Garage (det)                      \$0  <u>Utilities Included</u> <input type="checkbox"/> - Heat                      ELE <input type="checkbox"/> - Electricity <input checked="" type="checkbox"/> - Trash Removal <input type="checkbox"/> - Water/Sewer				

COMPARABLE PROJECT INFORMATION											
<b>Project Name:</b> Gardens at Montague <b>Address:</b> 4840 Upjohn Road <b>City:</b> North Charleston <b>State:</b> SC <b>Zip Code:</b> 29405  <b>Phone Number:</b> (843) 745-9885 <b>Contact Name:</b> Kathy <b>Contact Date:</b> 02/06/13 <b>Current Occup:</b> 96.9%											
DEVELOPMENT CHARACTERISTICS											
<b>Total Units:</b>		64		<b>Year Built:</b>		2005					
<b>Project Type:</b>		Open		<b>Floors:</b>		2,3					
<b>Program:</b>		LIHTC		<b>Accept Vouchers:</b>		Yes					
<b>PBRA Units*:</b>		0		<b>Voucher #:</b>		30					
* Including Section 8, Rental Assistance, and any other Project-Based Subsidy											
UNIT CONFIGURATION/RENTAL RATES											
BR	Bath	Target	Type	# Units	Square Feet		Contract Rent		Vacant	Occup. Rate	Wait List
					Low	High	Low	High			
<b>TOTAL 2-BEDROOM UNITS</b>				<b>32</b>					<b>0</b>	<b>100.0%</b>	<b>Yes</b>
2	2.0	50	Apt	23	1,082		\$578		0	100.0%	
2	2.0	60	Apt	9	1,082		\$720		0	100.0%	
<b>TOTAL 3-BEDROOM UNITS</b>				<b>32</b>					<b>2</b>	<b>93.8%</b>	<b>Yes</b>
3	2.0	50	Apt	22	1,322		\$664		0	100.0%	
3	2.0	60	Apt	10	1,322		\$780		2	80.0%	
<b>TOTAL DEVELOPMENT</b>				<b>64</b>					<b>2</b>	<b>96.9%</b>	<b>&lt;10 Names</b>
AMENITIES											
<u>Unit Amenities</u>				<u>Development Amenities</u>				<u>Laundry Type</u>			
<input checked="" type="checkbox"/> - Central A/C <input type="checkbox"/> - Wall A/C Unit <input checked="" type="checkbox"/> - Garbage Disposal <input checked="" type="checkbox"/> - Dishwasher <input checked="" type="checkbox"/> - Microwave <input checked="" type="checkbox"/> - Ceiling Fan <input checked="" type="checkbox"/> - Walk-In Closet <input checked="" type="checkbox"/> - Mini-Blinds <input type="checkbox"/> - Draperies <input type="checkbox"/> - Patio/Balcony <input type="checkbox"/> - Basement <input type="checkbox"/> - Fireplace <input type="checkbox"/> - High-Speed Internet				<input type="checkbox"/> - Clubhouse <input checked="" type="checkbox"/> - Community Room <input checked="" type="checkbox"/> - Computer Center <input type="checkbox"/> - Exercise/Fitness Room <input type="checkbox"/> - Community Kitchen <input type="checkbox"/> - Swimming Pool <input checked="" type="checkbox"/> - Playground <input checked="" type="checkbox"/> - Gazebo <input type="checkbox"/> - Elevator <input type="checkbox"/> - Storage <input type="checkbox"/> - Sports Courts <input checked="" type="checkbox"/> - On-Site Management <input type="checkbox"/> - Security - Access Gate <input type="checkbox"/> - Security - Intercom				<input checked="" type="checkbox"/> - Coin-Operated Laundry <input checked="" type="checkbox"/> - In-Unit Hook-Up <input type="checkbox"/> - In-Unit Washer/Dryer  <u>Parking Type</u> <input checked="" type="checkbox"/> - Surface Lot <input type="checkbox"/> - Carport                      \$0 <input type="checkbox"/> - Garage (att)                      \$0 <input type="checkbox"/> - Garage (det)                      \$0  <u>Utilities Included</u> <input type="checkbox"/> - Heat                      ELE <input type="checkbox"/> - Electricity <input checked="" type="checkbox"/> - Trash Removal <input checked="" type="checkbox"/> - Water/Sewer			

COMPARABLE PROJECT INFORMATION												
<b>Project Name:</b> Ivy Ridge Apts <b>Address:</b> 2215 Greenridge Road <b>City:</b> North Charleston <b>State:</b> SC <b>Zip Code:</b> 29406  <b>Phone Number:</b> (843) 797-0210 <b>Contact Name:</b> Chrissie <b>Contact Date:</b> 02/26/13 <b>Current Occup:</b> 97.2%												
DEVELOPMENT CHARACTERISTICS												
<b>Total Units:</b>		71		<b>Year Built:</b>		2007						
<b>Project Type:</b>		Open		<b>Floors:</b>		3						
<b>Program:</b>		LIHTC		<b>Accept Vouchers:</b>		Yes						
<b>PBRA Units*:</b>		0		<b>Voucher #:</b>		NA						
* Including Section 8, Rental Assistance, and any other Project-Based Subsidy												
UNIT CONFIGURATION/RENTAL RATES												
BR	Bath	Target	Type	# Units	Square Feet		Contract Rent		Vacant	Occup. Rate	Wait List	
					Low	High	Low	High				
<b>TOTAL 1-BEDROOM UNITS</b>				<b>12</b>					<b>0</b>	<b>100.0%</b>	<b>Yes</b>	
1	1.0	60	Apt	12	700		\$500		0	100.0%		
<b>TOTAL 2-BEDROOM UNITS</b>				<b>41</b>					<b>2</b>	<b>95.1%</b>	<b>No</b>	
2	2.0	60	Apt	41	850		\$602		2	95.1%		
<b>TOTAL 3-BEDROOM UNITS</b>				<b>18</b>					<b>0</b>	<b>100.0%</b>	<b>Yes</b>	
3	2.0	60	Apt	18	1,000		\$702		0	100.0%		
<b>TOTAL DEVELOPMENT</b>				<b>71</b>					<b>2</b>	<b>97.2%</b>	<b>&lt;10 Names</b>	
AMENITIES												
<u>Unit Amenities</u>				<u>Development Amenities</u>				<u>Laundry Type</u>				
<input checked="" type="checkbox"/>	- Central A/C			<input checked="" type="checkbox"/>	- Clubhouse			<input checked="" type="checkbox"/>	- Coin-Operated Laundry			
<input type="checkbox"/>	- Wall A/C Unit			<input type="checkbox"/>	- Community Room			<input checked="" type="checkbox"/>	- In-Unit Hook-Up			
<input checked="" type="checkbox"/>	- Garbage Disposal			<input checked="" type="checkbox"/>	- Computer Center			<input type="checkbox"/>	- In-Unit Washer/Dryer			
<input checked="" type="checkbox"/>	- Dishwasher			<input checked="" type="checkbox"/>	- Exercise/Fitness Room							
<input checked="" type="checkbox"/>	- Microwave			<input type="checkbox"/>	- Community Kitchen							
<input checked="" type="checkbox"/>	- Ceiling Fan			<input type="checkbox"/>	- Swimming Pool							
<input checked="" type="checkbox"/>	- Walk-In Closet			<input checked="" type="checkbox"/>	- Playground							
<input checked="" type="checkbox"/>	- Mini-Blinds			<input checked="" type="checkbox"/>	- Gazebo							
<input type="checkbox"/>	- Draperies			<input type="checkbox"/>	- Elevator							
<input type="checkbox"/>	- Patio/Balcony			<input type="checkbox"/>	- Storage							
<input type="checkbox"/>	- Basement			<input type="checkbox"/>	- Sports Courts							
<input type="checkbox"/>	- Fireplace			<input checked="" type="checkbox"/>	- On-Site Management							
<input type="checkbox"/>	- High-Speed Internet			<input type="checkbox"/>	- Security - Access Gate							
<input type="checkbox"/>				<input type="checkbox"/>	- Security - Intercom							
								<u>Parking Type</u>				
								<input checked="" type="checkbox"/>	- Surface Lot			
								<input type="checkbox"/>	- Carport			\$0
								<input type="checkbox"/>	- Garage (att)			\$0
								<input type="checkbox"/>	- Garage (det)			\$0
								<u>Utilities Included</u>				
								<input type="checkbox"/>	- Heat			ELE
								<input type="checkbox"/>	- Electricity			
								<input checked="" type="checkbox"/>	- Trash Removal			
								<input checked="" type="checkbox"/>	- Water/Sewer			

COMPARABLE PROJECT INFORMATION																
<b>Project Name:</b> Willow Trace Apts <b>Address:</b> 8184 Windsor Hill Blvd <b>City:</b> North Charleston <b>State:</b> SC <b>Zip Code:</b> 29420  <b>Phone Number:</b> (843) 552-3347 <b>Contact Name:</b> Dee <b>Contact Date:</b> 02/06/13 <b>Current Occup:</b> 100.0%																
DEVELOPMENT CHARACTERISTICS																
<b>Total Units:</b>		48		<b>Year Built:</b>		2007		<b>Project Type:</b>		Open		<b>Floors:</b>		2		
<b>Program:</b>		LIHTC		<b>Accept Vouchers:</b>		Yes		<b>PBRA Units*:</b>		0		<b>Voucher #:</b>		NA		
* Including Section 8, Rental Assistance, and any other Project-Based Subsidy																
UNIT CONFIGURATION/RENTAL RATES																
BR	Bath	Target	Type	# Units	Square Feet		Contract Rent		Vacant	Occup. Rate	Wait List					
					Low	High	Low	High								
<b>TOTAL 2-BEDROOM UNITS</b>									<b>0</b>	<b>100.0%</b>	<b>Yes</b>					
2	2.0	50	TH	8	1,032		\$593		0	100.0%						
2	2.0	60	TH	8	1,032		\$793		0	100.0%						
<b>TOTAL 3-BEDROOM UNITS</b>									<b>0</b>	<b>100.0%</b>	<b>Yes</b>					
3	2.0	50	TH	16	1,322		\$673		0	100.0%						
3	2.0	60	TH	16	1,322		\$837		0	100.0%						
<b>TOTAL DEVELOPMENT</b>					<b>48</b>				<b>0</b>	<b>100.0%</b>	<b>&lt;10 Names</b>					
AMENITIES																
<u>Unit Amenities</u>				<u>Development Amenities</u>				<u>Laundry Type</u>								
<input checked="" type="checkbox"/> - Central A/C <input type="checkbox"/> - Wall A/C Unit <input checked="" type="checkbox"/> - Garbage Disposal <input checked="" type="checkbox"/> - Dishwasher <input checked="" type="checkbox"/> - Microwave <input checked="" type="checkbox"/> - Ceiling Fan <input checked="" type="checkbox"/> - Walk-In Closet <input checked="" type="checkbox"/> - Mini-Blinds <input type="checkbox"/> - Draperies <input type="checkbox"/> - Patio/Balcony <input type="checkbox"/> - Basement <input type="checkbox"/> - Fireplace <input type="checkbox"/> - High-Speed Internet				<input type="checkbox"/> - Clubhouse <input checked="" type="checkbox"/> - Community Room <input checked="" type="checkbox"/> - Computer Center <input type="checkbox"/> - Exercise/Fitness Room <input type="checkbox"/> - Community Kitchen <input type="checkbox"/> - Swimming Pool <input checked="" type="checkbox"/> - Playground <input checked="" type="checkbox"/> - Gazebo <input type="checkbox"/> - Elevator <input type="checkbox"/> - Storage <input type="checkbox"/> - Sports Courts <input checked="" type="checkbox"/> - On-Site Management <input type="checkbox"/> - Security - Access Gate <input type="checkbox"/> - Security - Intercom				<input checked="" type="checkbox"/> - Coin-Operated Laundry <input checked="" type="checkbox"/> - In-Unit Hook-Up <input type="checkbox"/> - In-Unit Washer/Dryer  <u>Parking Type</u> <input checked="" type="checkbox"/> - Surface Lot <input type="checkbox"/> - Carport <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td>\$0</td></tr></table> <input type="checkbox"/> - Garage (att) <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td>\$0</td></tr></table> <input type="checkbox"/> - Garage (det) <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td>\$0</td></tr></table>  <u>Utilities Included</u> <input type="checkbox"/> - Heat <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td>ELE</td></tr></table> <input type="checkbox"/> - Electricity <input checked="" type="checkbox"/> - Trash Removal <input checked="" type="checkbox"/> - Water/Sewer					\$0	\$0	\$0	ELE
\$0																
\$0																
\$0																
ELE																



**6. Market Rent Calculations**

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

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

	<b>Proposed Net Rent</b>	<b>Estimated Market Rent</b>	<b>Market Advantage</b>
<b>Two-Bedroom Units</b>			
50% AMI	\$480	\$898	<b>47%</b>
60% AMI	\$495	\$898	<b>45%</b>
<b>Three-Bedroom Units</b>			
50% AMI	\$550	\$1,078	<b>49%</b>
60% AMI	\$595	\$1,078	<b>45%</b>

*Rent Comparability Grid*

<i>Subject Property</i>		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>	
Project Name		Audubon Park Apts		Berkshires on St. Ives		Ingleside Plantation		Park Place Apts	
Project City	<b>Subject Data</b>	Hanahan		North Charleston		North Charleston		Hanahan	
Date Surveyed		2/6/13		2/6/13		2/6/13		2/8/13	
<b>A. Design, Location, Condition</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
Structure Type	Apt	Apt		Apt		Apt		Apt	
Yr. Built/Yr. Renovated	2013	1991	\$17	1988	\$19	2008	\$4	1973	\$30
Condition /Street Appeal	Good	Good		Good		Good		Good	
Neighborhood	Good	Good		Good		Good		Good	
<b>B. Unit Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
Central A/C	Yes	Yes		Yes		Yes		Yes	
Garbage Disposal	Yes	Yes		Yes		Yes		Yes	
Dishwasher	Yes	Yes		Yes		Yes		Yes	
Microwave	Yes	Yes		No	\$5	Yes		No	\$5
Walk-In Closet	Yes	Yes		Yes		Yes		Yes	
Mini-Blinds	Yes	Yes		Yes		Yes		Yes	
Patio/Balcony	No	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)	No	
Basement	No	Yes	(\$15)	No		No		No	
Fireplace	No	Yes	(\$10)	Yes	(\$10)	No		No	
<b>C. Site Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
Clubhouse	Yes	Yes		Yes		Yes		Yes	
Community Room	No	No		No		No		No	
Computer Center	Yes	Yes		Yes		Yes		No	\$3
Exercise Room	No	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)
Swimming Pool	No	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)
Playground	Yes	Yes		Yes		No	\$3	Yes	
Sports Courts	No	Yes	(\$3)	Yes	(\$3)	No		No	
On-Site Management	Yes	Yes		Yes		Yes		Yes	
Security - Access Gate	No	No		No		Yes	(\$5)	No	
Security - Intercom	No	No		No		No		No	
<b>D. Other Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
Coin-Operated Laundry	Yes	Yes		Yes		No	\$5	Yes	
In-Unit Hook-Up	Yes	Yes		Yes		No	\$10	Yes	
In-Unit Washer/Dryer	No	No		No		Yes	(\$20)	No	
Carport	No	No		No		Yes	(\$5)	No	
Garage (attached)	No	No		No		No		No	
Garage (detached)	No	Yes	(\$10)	No		Yes	(\$10)	No	
<b>E. Utilities Included</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
Heat	No	No		No		No		No	
Electric	No	No		No		No		No	
Trash Removal	Yes	No	XXX	No	XXX	No	XXX	Yes	
Water/Sewer	No	No		No		No		Yes	#####
Heat Type	ELE	ELE		ELE		ELE		ELE	
<b>Utility Adjustments</b>									
Efficiency Units									
One-Bedroom Units									
Two-Bedroom Units			\$15		\$15		\$15		\$20
Three-Bedroom Units			\$15		\$15		\$15		\$20
Four-Bedroom Units									

<i>Subject Property</i>		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>	
Project Name		Audubon Park Apts		Berkshires on St. Ives		Ingleside Plantation		Park Place Apts	
Project City	<b>Subject Data</b>	Hanahan		North Charleston		North Charleston		Hanahan	
Date Surveyed		2/6/13		2/6/13		2/6/13		2/8/13	
<b>F. Average Unit Sizes</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
Efficiency Units									
One-Bedroom Units		745		769		767		700	
Two-Bedroom Units		1,015	\$9	994	\$12	1,186	(\$17)	900	\$26
Three-Bedroom Units		1,225	\$1	1,225	\$0	1,471	(\$37)	1,100	\$19
Four-Bedroom Units									
<b>G. Number of Bathrooms</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
Efficiency Units									
One-Bedroom Units		1.0		1.0		1.0		1.0	
Two-Bedroom Units		2.0		2.0		2.0		1.5	\$15
Three-Bedroom Units		2.0		2.0		2.0		2.0	
Four-Bedroom Units									
<b>G. Total Adjustments Recap</b>									
Efficiency Units									
One-Bedroom Units									
Two-Bedroom Units			(\$13)		\$23		(\$35)		\$89
Three-Bedroom Units			(\$21)		\$11		(\$55)		\$67
Four-Bedroom Units									

		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>	
Project Name		Audubon Park Apts		Berkshires on St. Ives		Ingleside Plantation		Park Place Apts	
Project City	<b>Subject Data</b>	Hanahan		North Charleston		North Charleston		Hanahan	
Date Surveyed		2/6/13		2/6/13		2/6/13		2/8/13	
<b>H. Rent/Adjustment Summary</b>		<b>Unadjusted Rent</b>	<b>Adjusted Rent</b>	<b>Unadjusted Rent</b>	<b>Adjusted Rent</b>	<b>Unadjusted Rent</b>	<b>Adjusted Rent</b>	<b>Unadjusted Rent</b>	<b>Adjusted Rent</b>
Market Rate Units									
Two-Bedroom Units		\$898	\$950	\$804	\$827	\$1,070	\$1,035	\$705	\$794
Three-Bedroom Units		\$1,078	\$1,200	\$1,002	\$1,013	\$1,310	\$1,255	\$800	\$867

## **H. INTERVIEWS**

Throughout the course of performing this analysis of the North Charleston rental market, many individuals were contacted. Based on discussions with local government officials, no directly comparable multi-family rental activity was reported within the North Charleston PMA.

Additional information was collected during property visits and informal interviews with leasing agents and resident managers throughout the North Charleston rental market as part of our survey of existing rental housing to collect more specific data. The results of these interviews are presented within the supply section of the market study. It is worth noting that leasing agents throughout the local area expressed mostly positive thoughts about the market, and occupancy levels are mostly satisfactory considering the economy. In addition, widespread specials/concessions were not reported, with just four of the 22 properties surveyed indicating some sort of incentive.

## **I. CONCLUSIONS/RECOMMENDATIONS**

Based on the information collected and reported within this study, sufficient evidence has been presented for the successful introduction and absorption of the subject proposal within the North Charleston PMA. Positive factors include relatively strong demographic trends, generally high occupancy rates throughout the PMA (averaging 96 percent occupied), several highly successful LIHTC properties within the North Charleston area (six properties averaging 98 percent occupied), and strong statistical demand. Also considering the subject property's extremely affordable proposed rental structure, numerous amenities and features, and generally positive location along Rivers Avenue, clear support can be demonstrated for the introduction of a newly constructed rental alternative targeting low-income family households. As such, the proposed facility should maintain at least a 93 percent occupancy rate into the foreseeable future with no long-term adverse effects on existing local rental facilities – either affordable or market rate. Assuming the subject proposal is developed as described within this analysis, Shaw Research & Consulting can provide a positive recommendation for the proposed development with no reservations or conditions.

## J. SIGNED STATEMENT REQUIREMENTS

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



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Steven R. Shaw  
**SHAW RESEARCH AND CONSULTING**

Date: March 3, 2013

## **K. SOURCES**

1990 U.S. Census of Population and Housing – U.S. Census Bureau

2000 U.S. Census of Population and Housing – U.S. Census Bureau

2010 U.S. Census of Population and Housing – U.S. Census Bureau

2007-2011 American Community Survey – 5-Year Estimates

2012/2017 Demographic Forecasts, ESRI Business Analyst Online

ESRI ArcView, Version 3.3

Microsoft Streets and Trips 2013

Labor Force Employment and Unemployment Statistics – SC Works Online Services

2013 Income & Rent Limits – South Carolina State Housing Finance & Development Authority

2012 Community Profile - Charleston County – South Carolina Department of Commerce

Charleston Metro Chamber of Commerce – [www.charlestonchamber.net](http://www.charlestonchamber.net)

Charleston County Government Information – [www.charlestoncounty.org](http://www.charlestoncounty.org)

City of North Charleston Government Information – [www.northcharleston.org](http://www.northcharleston.org)

Interviews with managers and leasing specialists at local rental developments

Interviews with community planning officials

## L. RESUME

### STEVEN R. SHAW SHAW RESEARCH & CONSULTING

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

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

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

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