

**PROFESSIONAL MARKET STUDY  
FOR THE KAPOWSKI COMMONS APARTMENTS  
A PROPOSED LIHTC DEVELOPMENT**

**LOCATED IN:  
SURFSIDE BEACH, HORRY COUNTY, SC**

***PREPARED FOR THE:***  
***KAPOWSKI COMMONS SC LLC***  
***CHARLOTTE, NORTH CAROLINA***

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**FEBRUARY, 2013**

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**SECTION A**

**EXECUTIVE SUMMARY**

**1. Brief Summary**

The proposed LIHTC new construction multi-family development will target very low to moderate income households in the general population in Surfside Beach, and Horry County, South Carolina.

The market study assignment was to ascertain market demand for a proposed new construction LIHTC (family) multi-family development to be known as the Kapowski Commons Apartments, for the Kapowski Commons SC LLC, under the following scenario:

**Project Description**

<b>PROPOSED PROJECT PARAMETERS</b>			
Bedroom Mix	# of Units	Unit Size (Net sf)	Unit Size (Gross sf)
1BR/1b	10	852	925
2BR/2b	32	1103	1185
3BR/2b	14	1254	1342
Total	56		

**Project Rents:**

The proposed development will target 25% of the units at 50% or below of area median income (AMI); and 75% of the units at 60% or below of AMI.

<b>PROPOSED PROJECT RENTS @ 50% AMI</b>				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	8	\$375	\$ 95	\$470
2BR/2b	4	\$450	\$118	\$568
3BR/2b	2	\$500	\$142	\$642

\*Source: City of Myrtle Beach/Eastern Horry County (December 2012) HUD Form 52667

PROPOSED PROJECT RENTS @ 60% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	2	\$475	\$ 95	\$570
2BR/2b	28	\$575	\$118	\$693
3BR/2b	12	\$650	\$142	\$792

\*Source: City of Myrtle Beach/Eastern Horry County (December 2012) HUD Form 52667

**2a. Average Vacancy Rate for Comparable Market Rate Properties:**

- 3.8%

**2b. Average Vacancy Rate for LIHTC family Properties:**

- 1.0%

**3. Capture Rates:**

- The capture rates by income segment and bedroom mix are exhibited below:

Capture Rates by Bedroom Type & Income Targeting			
Income Targeting	1BR	2BR	3BR
50% AMI	3.1%	1.1%	1.2%
60% AMI	0.6%	5.9%	8.5%

- The overall project capture rate for the proposed LIHTC family development is estimated at approximately 3.3%.

**4. Absorption Rate:**

- Under the assumption that the proposed development will be: (1) built as described within this market study, (2) will be subject to professional management, and (3) will be subject to an extensive marketing and pre-leasing program, the proposed 56-unit development is forecasted to be 93% to 100% absorbed within 4 to 5 months.
- The primary source of the approximation is based upon the rent-up period of: (1) Bay Pointe II (Myrtle Beach) opened in September 2011 and was 100% occupied by December 15, 2011, and (2) the manager of the Monticello 3-phase LIHTC property (Myrtle Beach) stated that the rent-up periods were "very fast". For example, Monticello Park III began leasing units on in July 1 2008 and was 100% occupied by October 1, 2008.

**5. Strength/Depth of Market:**

- At the time of the market study, market depth was considered to be very adequate in order to incorporate the proposed LIHTC family development. The proposed subject net rents are competitively positioned at all target AMI segments. Section 8 voucher support has both historic and current positive indicators. In addition, the subject site location is considered to be one that will enhance marketability and the rent-up process. Capture rates, at all AMI levels, are well below the SCSHDA thresholds.

6. **Bed Room Mix:**

- The subject will offer 1BR, 2BR, and 3BR units. Based upon market findings and capture rate analysis, the proposed bedroom mix is considered to be appropriate. All household sizes will be targeted, from a single person household to large family households. The bedroom mix at the most recent LIHTC family properties in the competitive environment (Bay Pointe I & II) offered 2BR, and 3BR units. All bedroom types were very well received by the market in terms of demand and absorption.

7. **Long Term Negative Impact:**

- In the opinion of the analyst, the proposed LIHTC family development **will not negatively impact** the existing supply of LIHTC family properties located within the PMA in the long term. At the time of the survey, the existing LIHTC family developments located within the area competitive environment were on average 99% occupied. Four of the five surveyed LIHTC family properties maintain a waiting list ranging in size between 6 and 16 applicants. None of the surveyed managers thought that there would be any long term negative impact were to subject introduced within the market.

8. **Proposed Net Rents & Market Rent Advantage:**

- The proposed Kapowski Commons net rents at 50%, and 60% AMI are very competitively positioned within the Surfside Beach competitive environment. **Percent Rent Advantage follows:**

	<u>50% AMI</u>	<u>60% AMI</u>	
1BR/1b:	44%	29%	
2BR/2b:	41%	24%	
3BR/2b:	43%	25%	
			<b><u>Overall:</u> 29%</b>

9. **Achievable Restricted (LIHTC) Rents:**

- It is recommended that the proposed subject LIHTC net rents at 50% & 60% AMI remain unchanged. The proposed LIHTC development, and proposed subject net rents are in line with the other LIHTC new construction family developments operating in the market without PBRA, or attached Section 8 vouchers at 50% & 60% AMI, when taking into consideration differences in project parameters.
- Both the Koontz & Salinger and HUD based rent reconciliation processes suggest that the proposed subject 1BR, 2BR, and 3BR net rents could be positioned at a higher level and still attain a rent advantage position greater than 10%. However, the subject's gross rents are already closely positioned to be under FMR's for Horry County, while at the same time operating within a competitive environment. It is recommended that the proposed subject 1BR, 2BR, and 3BR net rents not be increased.



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

Development Name: Kapowski Commons Total # Units: 56  
 Location: Surfside Beach, SC # LIHTC Units: 56  
 PMA Boundary: N: Myrtle Beach Airport & US 501; E: Atlantic Ocean; S: Georgetown County; W: US 17 Bypass  
 Development Type:  Family  Older Persons Farthest Boundary Distance to Subject: 7 miles

**RENTAL HOUSING STOCK (found on page 54 & 55)**

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	9	1,906	71	96.3%
Market-Rate Housing	4	1,464	67	95.4%
Assisted/Subsidized Housing not to include LIHTC				%
<b>LIHTC (All that are stabilized)*</b>	<b>5***</b>	<b>442</b>	<b>4</b>	<b>99.1%</b>
Stabilized Comps**	6	1,728	69	96.0%
Non-stabilized Comps				%

\* Stabilized occupancy of at least 93% (Excludes projects still in initial lease up). \*\*\* One property comprises 3-phases  
 \*\* 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
8	1	1	852	\$375	\$665	\$.94	44%	\$730	\$1.03
2	1	1	852	\$475	\$665	\$.94	29%	\$730	\$1.03
4	2	2	1103	\$450	\$760	\$.75	41%	\$830	\$.79
28	2	2	1103	\$575	\$760	\$.75	24%	\$830	\$.79
2	3	2	1254	\$500	\$870	\$.69	43%	\$999	\$.74
12	3	2	1254	\$650	\$870	\$.69	25%	\$999	\$.74
<b>Gross Potential Rent Monthly*</b>				<b>\$30,650</b>	<b>\$43,150</b>		<b>29%</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 33-35)**

	2000		2012		2015	
	Count	%	Count	%	Count	%
Renter Households	4,733	31.70%	5,360	35.36%	5,610	35.92%
Income-Qualified Renter HHs (LIHTC)	1,408	29.75%	1,595	29.75%	1,680	29.95%
Income-Qualified Renter HHs (MR)	(if applicable)	%		%		%

**TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 44)**

Type of Demand	50%	60%	Market-rate	Other: __	Other: __	Overall
Renter Household Growth	39	53				92
Existing Households (Overburd + Substand)	699	889				1,588
Homeowner conversion (Seniors)	Na	Na				Na
Other:	Na	Na				Na
Less Comparable/Competitive Supply	0	0				0
<b>Net Income-qualified Renter HHs</b>	<b>738</b>	<b>942</b>				<b>1,680</b>

**CAPTURE RATES (found on page 45)**

Targeted Population	50%	60%	Market-rate	Other: __	Other: __	Overall
Capture Rate	1.9%	4.5%				3.3%

**ABSORPTION RATE (found on page 47)**

Absorption Period 4 to 5 months

2012 S-2 RENT CALCULATION WORKSHEET

# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent	Adjusted Market Rent	Gross Adjusted Market Rent	Tax Credit Gross Rent Advantage
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
8	1 BR	\$375	\$3,000	\$665	\$5,320	
2	1 BR	\$475	\$950	\$665	\$1,330	
	1 BR		\$0		\$0	
4	2 BR	\$450	\$1,800	\$760	\$3,040	
28	2 BR	\$575	\$16,100	\$760	\$21,280	
	2 BR		\$0		\$0	
2	3 BR	\$500	\$1,000	\$870	\$1,740	
12	3 BR	\$650	\$7,800	\$870	\$10,440	
	3 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	56		\$30,650		\$43,150	28.97%

**SECTION B**  
**PROJECTION DESCRIPTION**

The proposed low to moderate income Low Income Housing Tax Credit (LIHTC) multi-family development will target the general population in the Surfside Beach area of Horry County, South Carolina.

**Development Location:**

Access to the subject property is located off Frontage Road, which is an access road that parallels US Highway 17 Business, approximately .8 miles south of SR 544 (Dick Pond Road) and 2.5 miles southeast of US Highway 17 Bypass.

**Construction Type:**

The market study assignment was to ascertain market demand for a proposed multi-family LIHTC (family) new construction development to be known as the **Kapowski Commons Apartments**, for the Kapowski Commons SC LLC, under the following scenario:

**Project Description**

<b>PROPOSED PROJECT PARAMETERS</b>			
Bedroom Mix	# of Units	Unit Size (Net sf)	Unit Size (Gross sf)
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3BR/2b	14	1254	1342
Total	56		

**Development Profile & Structure Type/Design:**

The proposed new construction LIHTC apartment development design will comprise 4 two story, garden style residential buildings. Three of the buildings will be 16-plexes and one will be an 8-plex. The development will include a separate building which will include a manager's office, central laundry, fitness, computer, and community rooms. The project will provide 123-parking spaces.

**Occupancy Type:**

The proposed *Occupancy Type* is **General Population** (LIHTC-family, non age restricted).



**Project Rents:**

The proposed development will target 25% of the units at 50% or below of area median income (AMI); and 75% of the units at 60% or below of AMI.

PROPOSED PROJECT RENTS @ 50% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
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3BR/2b	12	\$650	\$142	\$792

\*Source: City of Myrtle Beach/Eastern Horry County (December 2012) HUD Form 52667

**Utilities:**

The net rent excludes water and sewer and includes trash removal. The tenant will be responsible for water, sewer, electric for heat, hot water, and cooking and general purposes. The owner will provide trash removal and pest control. Utility costs are based upon estimates provided by the City of Myrtle Beach/Eastern Horry County, with an effective date of December, 2012 (see Appendix).

**Rental Assistance:**

The proposed development will not offer Project Based Rental Assistance.

**Project Amenity Package**

The development will include the following amenity package:

**Unit Amenities\***

- range
- disposal
- central air
- smoke alarms
- ceiling fans
- microwave hood
- refrigerator w/ice maker
- dish washer
- cable ready & internet ready
- washer/dryer hook-ups
- mini-blinds
- exterior storage



- carpet & vinyl laminate flooring

\*Energy Star compliant

**Development Amenities**

- on-site mgmt office
- central laundry
- playground
- gazebo
- community room
- picnic/grill area
- equipped fitness room
- equipped computer room\*

\*high speed internet access

**Placed in Service Date**

The estimated projected year that the Kapowski Commons Apartments will be placed in service is late 2014 or early 2015.

**Architectural Plans**

The architectural firm for the proposed development is Steele Group Architects, PLLC (Winston-Salem, NC). At the time of the market study, the preliminary floor plans and elevations had been completed and were reviewed. (See Appendix)

**SECTION C**  
**SITE & NEIGHBORHOOD**  
**EVALUATION**

The site of the proposed LIHTC family new construction apartment development, is located off Frontage Road, which is an access road that parallels US Highway 17 Business. It is located approximately .8 miles south of SR 544 and 2.5 miles southeast of US Highway 17

Bypass. The site is located within the town limits of Surfside Beach in the northern portion of the city. Specifically, the site is located in Census Tract 514.02 and Zip Code 29575.

The site and market area were visited on February 20, 2013.

Note: The site is not located within a Qualified Census Tract (QCT).

**Site & Neighborhood Characteristics**

Street and highway accessibility are very good relative to the site. Ready access from the site is available to the major retail trade areas, public schools, local health care facilities, major employers, and public services. Access to all major facilities can be attained within a 5 to 10-minute drive. Access to the site is off Frontage Road via a 75 foot right of way, that is located between two approximately 1-acre parcels that are presently for sale.

**Ingress/Egress/Visibility**

The traffic density on Frontage Road is estimated to be light to medium, with a speed limit of 30 miles per hour (in the vicinity of the site). The traffic density on US Highway 17 Business is estimated to be medium and at times heavy, with a speed limit of 45 miles per hour (in the vicinity of the site). The site in relation to the subject property and both Frontage Road and US 17 Business is very agreeable to signage and offers the potential for good drive-by visibility for signage placement.

The approximately 14.4-acre, rectangular shaped tract, is relatively flat and mostly wooded. The buildable area of the site will be located within the southwest corner of the tract and comprise approximately 5.1 acres. The site is not located in a flood plain. Source: FEMA website ([www.msc.fema.gov](http://www.msc.fema.gov)), Map Number 45051C0751H, Panel 751 of 753, Effective Date: 8/23/1999. All public utility services are available to the tract and excess capacity exists. At present, the tract is zoned C1 District, Highway Commercial. This zoning designation allows multi-family development. The surrounding land use and land use designations around the site are detailed below:

Direction	Existing Land Use	Designation
North	Commercial highway development along US 17 Business, directly north and adjacent to the tract is a Denny's Restaurant	C1 District: Highway Commercial
East	Commercial highway development on the opposite side of US 17 Business	C1 District: Highway Commercial
South	Commercial highway development along US 17 Business, directly south and adjacent to the tract is a vacant Taco Bell	C1 District: Highway Commercial
West	Single-family residential development	County Zoning

Source: Town of Surfside Beach, Official Zoning Map.

The potential for acceptable curb appeal to the site/subject is considered to be excellent. The surrounding landscape in the vicinity of the site offers neither distinctive views nor unsightly views of the surrounding landscape. The surrounding areas to the site appeared to be void of any major negative externalities: including noxious odors, close proximity to power lines, cemeteries, and property boundaries with rail lines.

#### Infrastructure Development

At the time of the market study, there was no on-going infrastructure development in the immediate vicinity of the site. Also, there is no planned infrastructure development in the current pipeline. Source: Ms. Sabrina Morris, Director of Building, Planning and Zoning, Town of Surfside Beach, (843) 913-6354.

#### Crime & Perceptions of Crime

The overall setting of the site/subject is considered to be one that is acceptable for continuing residential, and commercial land use within the present neighborhood setting. The immediate surrounding area is not considered to be one that comprises a "high crime" neighborhood. Between 2008 and 2010, the overall city crime index for Surfside Beach for the most part remained unchanged. The overall crime rate index increased from 2010 to 2011, owing primarily to an increase in the number of reported burglaries and auto thefts. Major crimes, such as murders, rapes, robberies, and arson remained very low. Like other small to mid size towns with a predominantly urban population, there are specific neighborhoods in the town and nearby adjacent places (Myrtle Beach) that are considered to be pockets of crime. However, based upon on-site field research, that area in the vicinity of the site/subject is not considered to be an area which is overly impacted by crime. (See Appendix for crime data source(s).)

**Positive & Negative Attributes**

Overall, the field research revealed the following charted strengths and weaknesses of the of the proposed site. In the opinion of the analyst, the site is considered to be very appropriate as a LIHTC multi-family development targeting the general population.

<b>SITE ATTRIBUTES:</b>	
<b>STRENGTHS</b>	<b>WEAKNESSES</b>
Located within a mostly commercial setting, with nearby residential development. A Piggly Wiggly grocery is located .5 miles south.	
Excellent linkages to the area road system, in particular US 17 Business and SR 544.	
Nearby road speed and noise is acceptable, owing to the placement of the tract within the overall parcel footprint, and excellent visibility regarding curb appeal and signage placement.	
Good proximity to the local schools, public services (post office, police and fire), health-care facilities, and employment opportunities.	

Note: The pictures on the following pages are of the site and surrounding uses.





(1) Site off Frontage Road, east to west.



(2) Site to the right, off Frontage, north to south.



(3) Site to the left, off Frontage, south to north.



(4) Site off Frontage, north-east to southwest.



(5) Site from Taco Bell lot, east to west.



(6) Site from Taco Bell lot, south to north.



(7) Commercial development on opposite side of US 17 B.



(8) Denny's, located north of site access point, off Frontage Road.



(9) Vacant Taco Bell, located south of site access point, off Frontage Road.



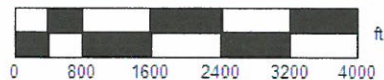
# SITE MAP



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**Access to Services**

The subject is accessible to major employers, shopping, healthcare services, retail and social services, recreational areas, and the local and regional highway system. (See Site and Facilities Map, next page.)

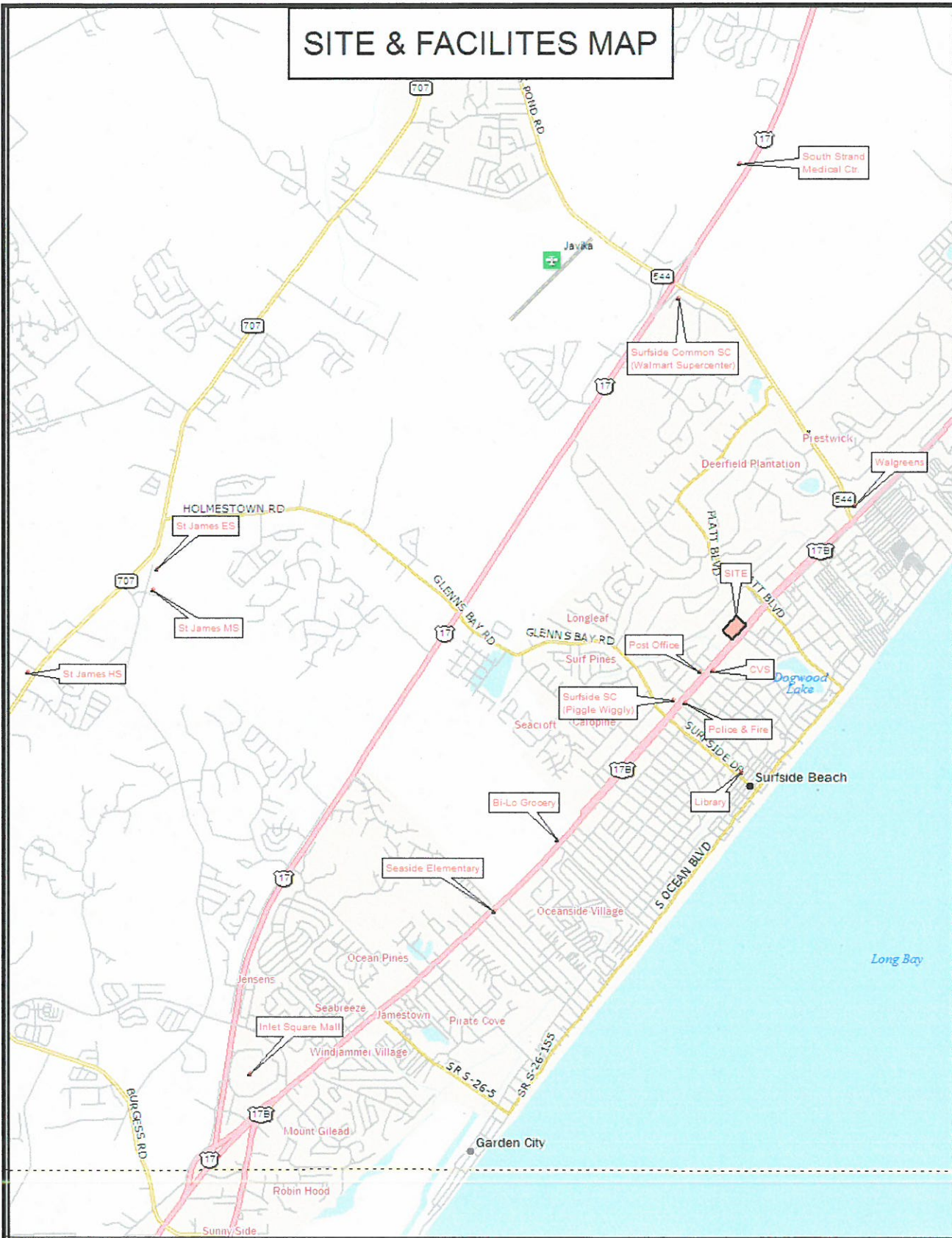
Distances from the site to community services are exhibited below:

Points of Interest	Distance from Site*
Access to US 17 Business	.1
CVS Pharmacy	.4
Post Office	.4
Surfside Shopping Center (Piggly Wiggly)	.5
Police & Fire Departments	.7
Access to SR 544	.8
Walgreens Pharmacy	.8
Library	1.3
Bi-Lo Grocery	1.7
Seaside Elementary Sch	2.3
Surfside Commons SC (Walmart Supercenter)	2.5
Access to US 17 Bypass	2.5
South Strand Medical Center	3.7
Inlet Square Mall	4.0
St James Elementary Sch	4.5
St James Middle Sch	4.6
St James High Sch	5.5

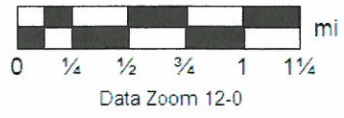
\* in tenths of miles



# SITE & FACILITIES MAP



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**SECTION D**

**MARKET AREA DESCRIPTION**

The definition of a **market area** for any real estate use is generally limited to the geographic area from which consumers will consider the available alternatives to be relatively equal. This process implicitly and explicitly **considers** the

**location** and **proximity** and **scale** of competitive options. Frequently, both a **primary** and a **secondary area** are **geographically defined**. This is an area where consumers will have the greatest propensity to choose a specific product at a specific location, and a secondary area from which consumers are less likely to choose the product but the area will still generate significant demand.

The field research process was used in order to establish the geographic delineation of the Primary Market Area (PMA) and Secondary Market Area (SMA). The process included the recording of spatial activities and time-distance boundary analysis. These were used to determine the relationship of the location of the site and specific subject property to other potential alternative geographic choices. The field research process was then reconciled with demographic data by geography, as well as local interviews with key respondents regarding market specific input relating to market area delineation.

**Primary Market Area**

Based on field research in Surfside Beach and the Grand Strand area of Horry County, along with an assessment of the competitive environment, transportation and employment patterns, the site's location, physical, natural and political barriers - the Primary Market Area (PMA) for the proposed multi-family development consists of the following 2010 census tracts in Horry County:

- 507, 509, 510, 512-514, and 9801.

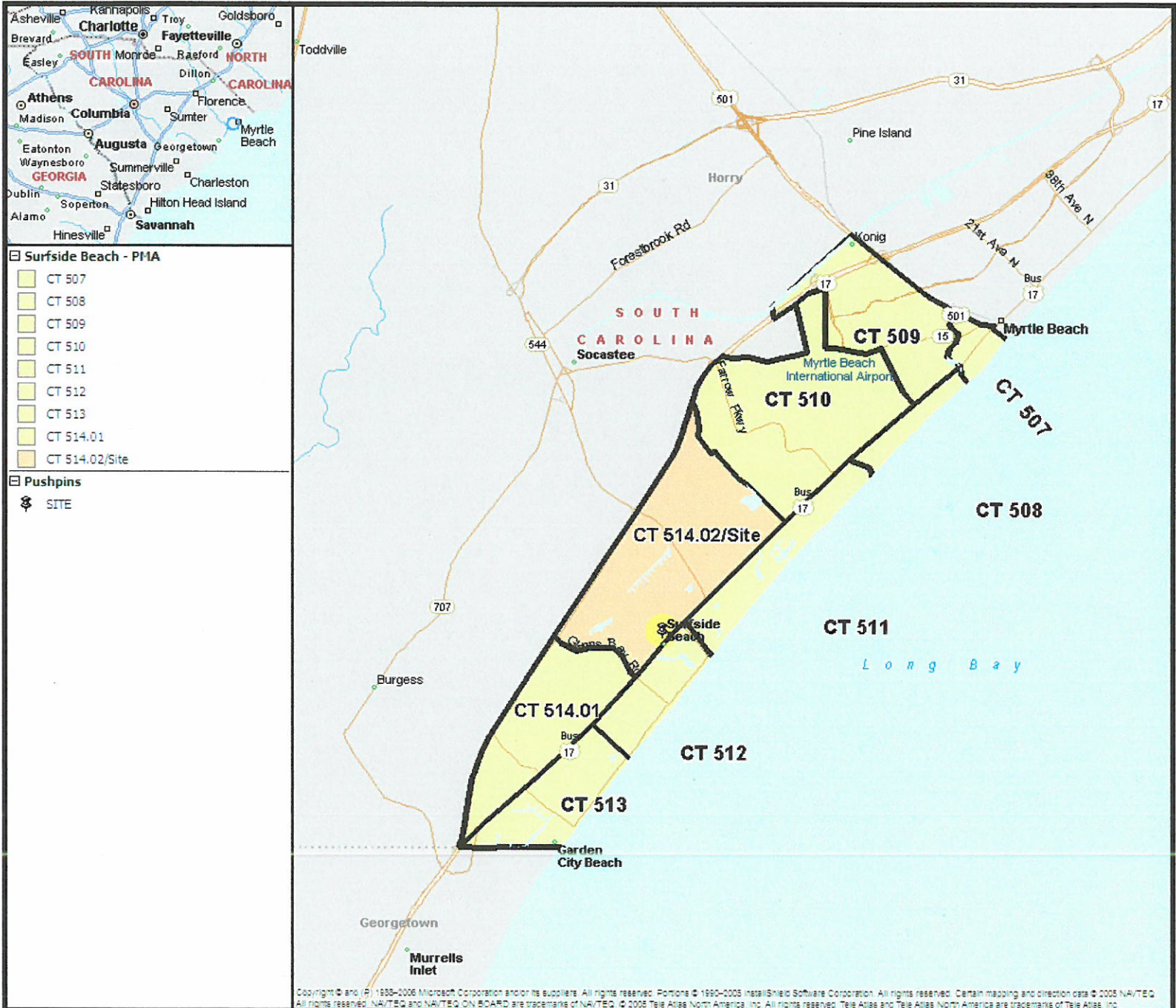
The 2000 census tracts for the PMA were the same as the 2010 census tracts. The only differences were: (1) the 2000 census tract numbered was 508 collapsed into tract 509, and the airport are was given a unique tract number - 9801, and (2) several of the 2000 census tracts spilt. However the overall geographic boundaries remained unchanged.

The subject PMA is closely defined by both manmade and physical geographic boundaries. It approximates similar PMA's delineated in the area for the SCSHDA (both LIHTC elderly & family applications) by Downing & Associates, Novogradac & Company LLP, and Woods Research. However, the Koontz & Salinger, Surfside Beach PMA is more concentrated and less influenced by nearby Socastee.

In addition, managers of existing LIHTC (new construction) family properties were surveyed, as to where the majority of their existing tenants previously resided.

The PMA is bounded as follows:

Direction	Boundary	Distance from Subject
North	Myrtle Beach International Airport & US Highway 501	7 miles
East	Atlantic Ocean	1 mile
South	Georgetown County	4 to 5 miles
West	US Highway 17 Bypass	2 to 4 miles

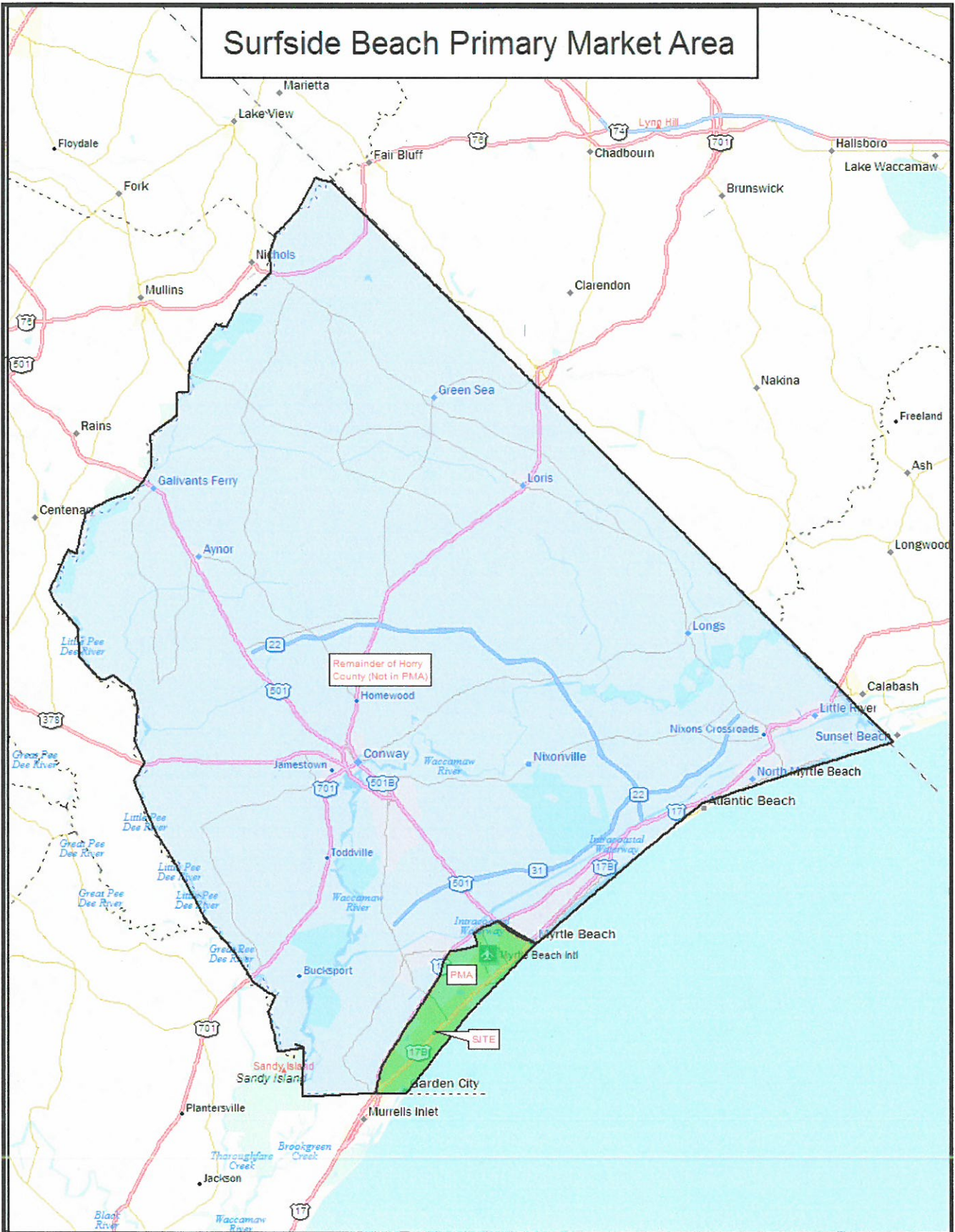


## Secondary Market Area

The Secondary Market Area (SMA) consists of that area beyond the Primary Market Area, principally the Socastee and Myrtle Beach areas of Horry County, and the Murrells Inlet to Litchfield Beach area of Georgetown County. However, in order to remain conservative the demand methodology excluded any potential demand from a secondary market area.



# Surfside Beach Primary Market Area



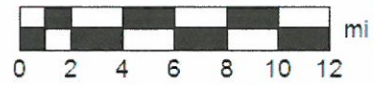
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MN (8.4° W)



Data Zoom 8-7

**SECTION E**

**MARKET AREA ECONOMY**

**A**nalysis of the economic base and the labor and job formation base of the local labor market area is critical to the potential demand for residential growth in any market. The economic trends reflect the ability of the area

to create and sustain growth, and job formation is typically the primary motivation for positive net in-migration. Employment trends reflect the economic health of the market, as well as the potential for sustained growth. Changes in family households reflect a fairly direct relationship with employment growth, and the employment data reflect the vitality and stability of the area for growth and development in general.

Tables 1 through 5 exhibit labor force trends by: (1) civilian labor force employment, (2) covered employment, (3) changes in covered employment by sector, and (4) changes in average annual weekly wages, for Horry County. Also, exhibited are the major employers for the immediate labor market area. A summary analysis is provided at the end of this section.

<b>Table 1A</b>			
<b>Civilian Labor Force, Horry County:</b>			
<b>2007, 2010 and 2012</b>			
	2007	2011	2012
Civilian Labor Force	130,490	129,085	127,633
Employment	124,012	114,186	114,623
Unemployment	6,469	14,899	13,010
Unemployment Rate	5.0%	11.5%	10.2%

<b>Table 1B</b>				
<b>Change in Employment, Horry County</b>				
Years	# Total	# Annual*	% Total	% Annual*
2007 - 2009	- 9,405	-3,135	- 7.50	- 2.52
2009 - 2010	- 890	Na	- 0.78	Na
2010 - 2011	+ 460	Na	+ 0.40	Na
2011 - 2012	+ 437	Na	+ 0.38	Na

\* Rounded                      Na - Not applicable

Sources: South Carolina Labor Force Estimates, 2007 - 2012. SC Department of Employment and Workforce, Labor Market Information Division. Koontz and Salinger. February, 2013.



Table 2 exhibits the annual change in civilian labor force employment in Horry County between 2007 and 2012. Also, exhibited are unemployment rates for the County, State and Nation.

Table 2							
Change in Labor Force: 2007 - 2012							
	Horry County					SC	US
Year	Labor Force	Employed	Change	Unemployed	Rate	Rate	Rate
2007	130,490	124,021	-----	6,469	5.0%	5.6%	4.6%
2008	130,946	121,733	(2,288)	9,213	7.0%	6.8%	5.8%
2009	130,177	114,616	(7,117)	15,561	12.0%	11.5%	9.3%
2010	129,520	113,726	(890)	15,794	12.2%	11.2%	9.6%
2011	129,085	114,186	460	14,899	11.5%	10.3%	8.9%
2012	127,633	114,623	437	13,010	10.2%		
Month							
1/2012	123,599	107,391	-----	16,208	13.1%	9.3%	8.3%
2/2012	124,297	109,020	1,629	15,277	12.3%	9.1%	8.3%
3/2012	126,402	113,391	4,371	13,011	10.3%	8.9%	8.2%
4/2012	127,383	115,268	1,877	12,115	9.5%	8.8%	8.1%
5/2012	131,977	118,874	3,606	13,103	9.9%	9.1%	8.2%
6/2012	133,689	120,292	1,418	13,397	10.0%	9.4%	8.2%
7/2012	134,296	121,617	1,325	12,679	9.4%	9.7%	8.3%
8/2012	130,404	118,198	(3,419)	12,206	9.4%	9.6%	8.1%
9/2012	126,374	115,295	(2,903)	11,079	8.8%	9.1%	7.8%
10/2012	126,058	114,664	(631)	11,394	9.0%	8.6%	7.9%
11/2012	124,443	112,446	(2,218)	11,997	9.6%	8.3%	7.8%
12/2012	122,675	109,019	(3,427)	13,656	11.1%	8.4%	7.9%

Sources: South Carolina Labor Force Estimates, 2007 - 2012. SC Department of Employment and Workforce, Labor Market Information Division.

Koontz and Salinger. February, 2013.

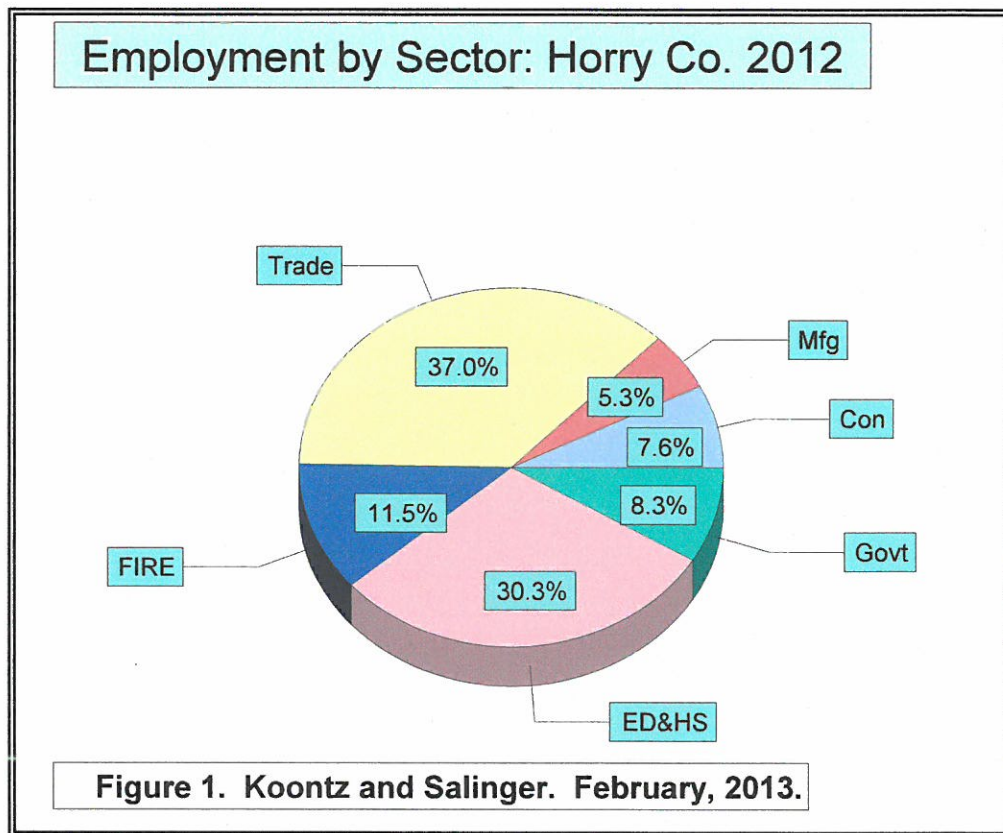


Table 3 exhibits average monthly employment by sector in Horry County between the 2<sup>nd</sup> Quarter of 2011 and 2012.

Year	Total	Con	Mfg	ED&HS	T	ADS	FIRE	PA
2011	112,973	4,825	3,300	18,240	22,118	5,451	7,050	5,101
2012	114,751	4,666	3,268	18,683	22,863	5,423	7,114	5,156
11-12 # Ch.	+1,778	- 159	- 32	+ 443	+ 745	- 28	+ 64	+ 55
11-12 % Ch.	+ 1.6	- 3.3	- 1.0	+ 2.4	+ 3.4	- 0.5	+ 1.0	+ 1.1

Note: Con - Construction; Mfg - Manufacturing; HS - Education & Health Services; T - Wholesale and Retail Trade; FIRE - Finance, Insurance, and Real Estate; PA - Public Administration (Government); ADS - Administrative Services

Figure 1 exhibits employment by sector in Horry County in the 2<sup>nd</sup> Quarter of 2012. The top employment sectors are: service, trade, government and construction. The forecast for 2013, is for the construction sector to stabilize, and the service sector to increase (absent local government employment).



Sources: SC Department of Employment and Workforce, 2011 and 2012.  
Koontz and Salinger. February, 2013.

Table 4 exhibits the annual change in covered employment in Horry County between 2000 and the 1<sup>st</sup> and 2<sup>nd</sup> Quarter of 2012. Covered employment data differs from civilian labor force data in that it is based on a place-of-service work basis within a specific geography. In addition, the data set consists of most full and part-time, private and government, wage and salary workers.

Table 4		
Change in Covered Employment: 2000 - 2012		
Year	Employed	Change
2000	98,544	-----
2001	96,431	(2,113)
2002	98,674	2,243
2003	100,873	2,199
2004	105,134	4,261
2005	108,780	3,646
2006	114,837	6,057
2007	116,720	1,883
2008	115,652	(1,068)
2009	107,193	(8,459)
2010	105,668	(1,525)
2011	107,643	1,975
2012 1 <sup>st</sup> Q	110,786	-----
2012 2 <sup>nd</sup> Q	114,751	3,965

Sources: SC Department of Employment and Workforce, 2000 - 2012. Koontz and Salinger. February, 2013.

### Commuting

The majority of the workforce within the PMA have relatively short commutes to work within the Town of Surfside Beach or the Myrtle Beach area of Horry County. Average commuting times range between 20 and 25 minutes. It is estimated that approximately 20% (or less) of the Surfside Beach PMA workforce commutes out of county, or out of state to work. The majority commute to nearby Georgetown County, SC and Brunswick County, NC.

Sources: [www.SCWorkforecInfo.com](http://www.SCWorkforecInfo.com), Horry County Community Profile, 2007-2011 American Community Survey.

Table 5, exhibits average annual weekly wages in the 2<sup>nd</sup> Quarter of 2011 and 2012 in the major employment sectors in Horry County. It is estimated that the majority of workers in the service and trade sectors in 2013 will have average weekly wages between \$400 and \$800.

Table 5				
Average Annual Weekly Wages, 2 <sup>nd</sup> Quarter 2011 and 2012				
Horry County				
Employment Sector	2011	2012	% Numerical Change	Annual Rate of Change
Total	\$ 526	\$ 532	+ 6	+ 1.1
Construction	\$ 661	\$ 708	+ 47	+ 7.1
Manufacturing	\$ 817	\$ 809	- 8	- 1.0
Wholesale Trade	\$ 746	\$ 752	+ 6	+ 0.8
Retail Trade	\$ 422	\$ 424	+ 2	+ 0.5
Finance & Insurance	\$ 858	\$ 880	+ 22	+ 2.6
Real Estate & Leasing	\$ 454	\$ 461	+ 7	+ 1.5
Administrative Services	\$ 407	\$ 455	+ 48	+11.8
Education Services	\$ 749	\$ 775	+ 26	+ 3.9
Health Care Services	\$ 832	\$ 808	- 24	- 2.9
Leisure & Hospitality	\$ 322	\$ 328	+ 6	+ 1.9
Federal Government	\$1101	\$1083	- 18	- 1.6
State Government	\$ 682	\$ 698	+ 16	+ 2.4
Local Government	\$ 733	\$ 656	- 77	-10.5

Sources: SC Department of Employment and Workforce, Covered Employment, Wages and Contributions, 2011 and 2012.

Koontz and Salinger. February, 2013.

## Major Employers

The major employers in the Surfside Beach PMA, Myrtle Beach, and Horry County are listed in Table 6.

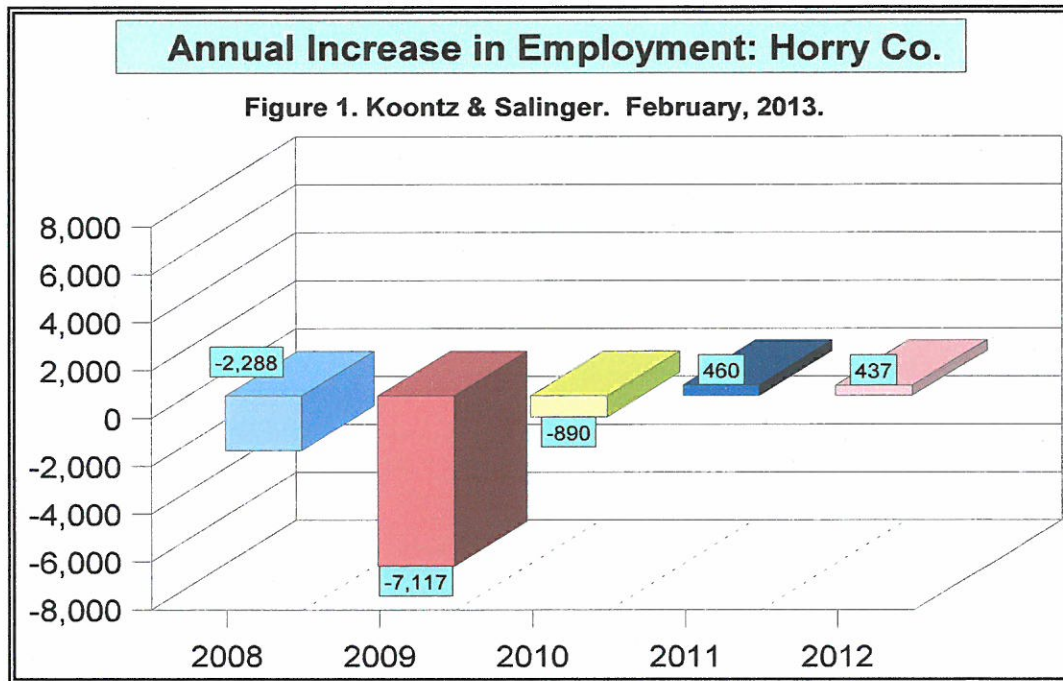
Table 6 Major Employers		
Firm	Product/Service	Number of Employees
Horry County School System	Education	5,230
Walmart Stores	Retail	2,100
Grand Strand Medical Center	Healthcare	1,280
Coastal Carolina Un.	Education	1,253
Conway Medical Center	Healthcare	1,100
AVX Corp.	Electronics	400
Blue Cross/Blue Shield	Call Center	825
Burroughs & Chapin Co.	Land Developers	269
New South Companies	Lumber & Sawmill	700
HTC	Communications	664
Kingston Plantation	Hotel Resorts	633
Santee Cooper Electric	Utility	530
Ocean Lakes Family Camps	Lodging	415
Conbraco Industries	Valves	330
McClatchy Company	Publishing	267
Metglas, Inc.	Amorphous Metals	231
Wolverine Brass	Plumbing Fittings	200
CHF Industries	Fabrics	187
Pepsi Cola	Bottling	184
Palmetto Paving	Asphalt Paving	109
Precision Southeast	Injection Molding	107

Source: Myrtle Beach Regional Economic Development, (834) 347-4604



## SUMMARY

The economic situation for Horry County is statistically represented by employment activity, both in workers and jobs. Horry County experienced significant gains in employment between 2002 and 2007. As represented in Tables 1 and 2, Horry County experienced significant employment losses between 2008 and 2010. Like much of the state and nation, very significant employment losses were exhibited in 2009, followed by more moderate, yet still sizable losses in 2010. Modest to moderate employment gains were exhibited in both 2011 and 2012. The reduction in the overall unemployment rate was partly due to a significant reduction in the labor force participation rate.



As represented in Figure 1 (and Table 1B), between 2007 and 2009, the average decrease in employment was approximately -3,135 workers or around -2.5% per year. The rate of employment loss between 2009 and 2010, was more moderate (as compared to the previous year) at approximately -.75%, representing a net loss of 890 workers. The negative trend in employment reversed between 2009 and 2010, exhibiting a modest increase at approximately +.40%, representing a net gain of +460 workers. Based upon an examination of the 12-month period of data in 2012, the rate of employment change between 2011 and 2012 suggests that the modest trend in employment gains continued, at around +.40%. Currently, local market employment conditions still remain in a fragile state, exhibiting recent signs of stabilization, on a sector by sector basis, but still very much subject to a downturn in local, state, and national economic conditions, such as the recent "fiscal cliff", "debt ceiling", and "budget sequestration" discussions at the national level.

Monthly unemployment rates in 2010 and 2011 were among the highest exhibited in over 10-years in Horry County. Monthly unemployment rates remained high in 2012, ranging between 8.8% and 13.1%, with an overall estimate of 10.2%. These rates of unemployment for the local economy are reflective of Horry County participating in the last State, National, and Global recession and the subsequent period of slow to



very slow recovery growth. The last recession was severe. The National forecast for 2013 (at present) is for the unemployment rate to approximate 7.5% in the later portion of the year. Typically, during the last three years, the overall unemployment rate in Horry County has been, on average, 1% greater than the state average unemployment rates, and 2% to 3% greater than the national average unemployment rates. This is in part owing to the extreme seasonality of the area employment, given its reliance upon tourism, vacation traveling, and the leisure and accommodation industry. The annual unemployment rate in 2013 in Horry County is forecasted to remain high, in the vicinity of 9% to 10%, but improving (slightly) on a relative year to year basis.

The local area Surfside Beach economy has a relatively small number of employment generators. Much of the immediate area places of local employment are concentrated along US 17 Business, SR 544, and US 17 Bypass. Much of this comprises retail trade and service (in particular food and accommodations services) establishments. For the most part, Surfside Beach is a bedroom community and a seasonal destination point.

The Horry County economy has improved in each of the last two years. Tourism is a mainstay of the local economy and it has rebounded. In addition, population and housing growth is another mainstay of the local economy and it too is slowing rebounding. This in turn will lead to additional employment growth in the services and trade sectors, in particular healthcare, leisure and hospitality related jobs.

Tourism is extremely important to the local economy. Not only are the beaches a generator for tourists, but the area golf courses and amusement attractions also are nodes of attraction. Horry County grosses \$7+ billion in sales with tourism accounting for over 50% of retail sales. Source: Myrtle Beach Regional Economic Development Corporation ([www.myrtlebeachdevelopment.com](http://www.myrtlebeachdevelopment.com)).

The Myrtle Beach Regional Economic Development Corporation (MBREDC) is the lead economic development agency for Horry County. Over the past few years, the MBREDC has worked to make Horry County an attractive destination for business investment in addition to the area's traditional role as a prime tourist destination.

Prior to 2012, recruitment efforts resulted in an annual average of 89 new jobs created. In 2012, targeted recruitment resulted in creation of over 400 new jobs, including expansions by existing facilities. Announcements in 2012 include:

- (1) -AvCraft Technical Services announced an expansion and creation of 150 jobs in aviation maintenance and technical support services.
- (2) - Frontier Communications opened a new call center in Myrtle Beach, with 118 new jobs. The call center was fully operational within 4 months of the announcement.
- (3) - Bausch Linnemann announced the relocation of their North American headquarters to Myrtle Beach in August, creating 55 manufacturing and office jobs.

(4) - Native Sons is expanding their screen printing and embroidery facility and adding 79 manufacturing jobs.

MBREDC is working on 23 projects for 2013 with 4800 potential jobs. The first announcement for 2013 was in January, when Canfor Southern Pine announced plans to expand its existing facility in Conway. The company is making a \$3.6 million investment to their current facility and which will result in an additional 56 jobs. Canfor is a manufacturer of dimension lumber and specialty southern yellow pine products and currently has 182 employees in Horry County.

#### **Local Economy - Relative to Subject & Impact on Housing Demand**

The Surfside Beach, Myrtle Beach, Horry County area economy has a large number of low to moderate wage workers employed in the service, trade, and manufacturing sectors. Given the excellent site location of the subject, with good proximity to several employment nodes, the proposed subject development will very likely attract potential renters from these sectors of the workforce who are in need of affordable housing and a reasonable commute to work.

The major employment concentrations in the PMA and near to the PMA are: (1) along the US 501 corridor; (2) Red Hill area, which includes: Coastal Carolina University, the Conway Medical Center and the Atlantic Center Business and Industry Park; (3) the downtown area of Myrtle Beach and (4) the US 17 corridor between Pawleys Island and the NC/SC state line.

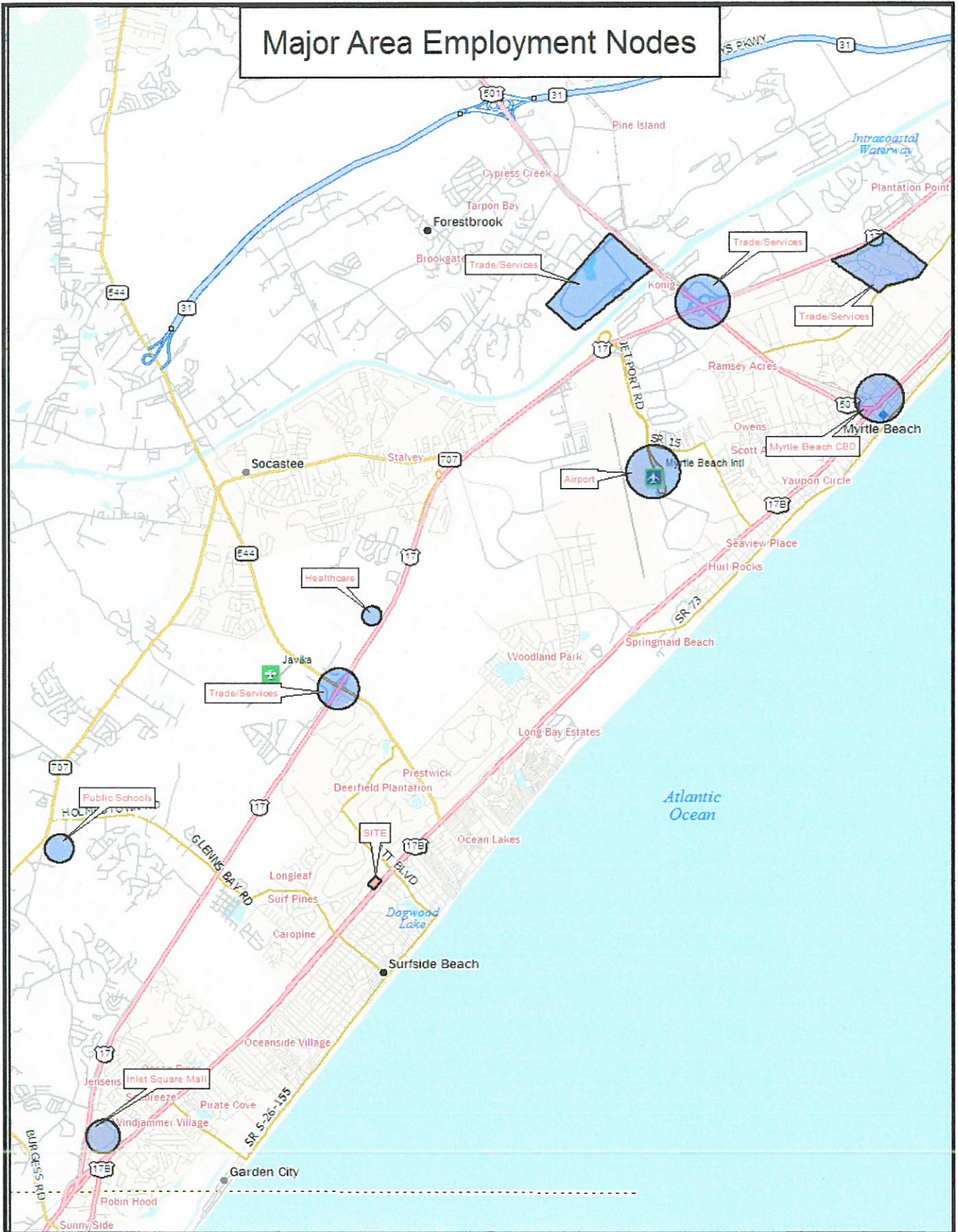
In addition, it must be pointed out that even though the PMA appears to be large and in some areas occupied predominantly by upper to very high income population, one must take into consideration that a very sizable segment of the workforce working and residing within the PMA is employed in the low to moderate wage employers, such as; food/drinking establishments, tourism, golf courses and segments of health care.

Even though the overall number of workers only increased at a modest rate in 2011 and 2012, recent economic indicators are more supportive of a stable local economy over the next year. This is mostly due to a well diversified employment base, and several recent major economic development announcements. In addition, it is more likely than not that Horry County will experience a more moderate employment growth in 2013.

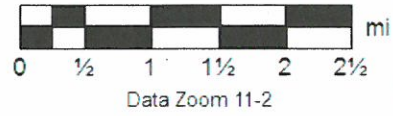
In summary, the near term outlook for the Horry County local economy is for a stable economy into 2013, subject to an avoidance of the negative impacts of the "fiscal cliff", the "debt ceiling crisis", and "budget sequestration" in early 2013. Regardless of the "fiscal cliff", "debt ceiling crisis", and "budget sequestration", economic growth is expected between mid to late 2013. Over the next few years, most economists forecast that the overall regional, state and national economies will slowly increase in size to at least representing that period in time before the deep recession of 2008-2009.



# Major Area Employment Nodes



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## SECTION F

### COMMUNITY DEMOGRAPHIC DATA

Tables 7 through 12 exhibit indicators of trends in population and household growth.

Table 7 exhibits the change in **total** population in Surfside Beach, the Surfside Beach PMA, and Horry County between 2000 and 2015. The year 2015 is estimated to be the placed in service year (Source: 2013 SC Tax Credit Manual - Exhibit S, Market Study Guidelines).

#### Total Population Trends

Horry County exhibited significant population gains between 2000 and 2010. For the most part the Surfside Beach change in population levels between 2000 and 2010 stabilized. Much of the area between the Atlantic Ocean and US Highway 17 Business is almost completely built-out. Forecasted growth in the PMA is expected to occur along the major connectors linking US 17 Business to the US 17 Bypass, for example SR 544, and also along the US 17 Bypass corridor.

Population gains in the PMA between 2012 and 2015 are forecasted at a moderate to significant rate at approximately +1% per year. The forecasted rate of increase within the Town of Surfside Beach is expected to be negligible, as much of the land area within the town limits has already been developed. Population gains for Horry County as a whole are forecasted by be very significant, ranging between 1% and 2% per year.

The projected change in population for the Town of Surfside Beach is subject to local annexation policy and the conversion of seasonal residents to year-round residents.

#### Population Projection Methodology

The forecast for total population is based primarily upon the 2000 and 2010 census, as well as the Nielsen-Claritas 2010 to 2018 population projections. The most recent set of projections prepared by the South Carolina Budget and Control Board were used as a cross check to the Nielsen-Claritas data set. Note: At present, the South Carolina Budget and Control Board projections have yet to fully incorporate the 2010 census into the forecast methodology. This is anticipated to occur in the Spring of 2013.

Sources: (1) 2000 and 2010 US Census.

(2) South Carolina State and County Population Projections, prepared by the South Carolina Budget and Control Board.

(3) Nielsen Claritas 2013 and 2018 Projections.

Table 7 exhibits the change in total population in Surfside Beach, the Surfside Beach PMA, and Horry County between 2000 and 2015.

<b>Table 7</b>					
<b>Total Population Trends and Projections: Surfside Beach, Surfside Beach PMA, and Horry County</b>					
Year	Population	Total Change	Percent	Annual Change	Percent
<b>Surfside Beach</b>					
2000	4,425	-----	-----	-----	-----
2010	4,036	- 389	- 8.79	- 39	- 0.88
2012	4,042	+ 6	+ 0.15	+ 3	+ 0.07
2013	4,045	+ 3	+ 0.07	+ 3	+ 0.07
2015	4,055	+ 10	+ 0.25	+ 5	+ 0.12
<b>Surfside Beach PMA</b>					
2000	32,305	-----	-----	-----	-----
2010	32,605	+ 300	+ 0.93	+7,266	+ 0.09
2012	33,262	+ 657	+ 2.02	+5,125	+ 1.01
2013	33,590	+ 328	+ 0.99	+5,130	+ 0.99
2015*	34,230	+ 640	+ 1.91	+4,577	+ 0.95
<b>Horry County</b>					
2000	196,629	-----	-----	-----	-----
2010	269,291	+72,662	+ 36.95	+7,266	+ 3.70
2012	279,540	+10,249	+ 3.81	+5,125	+ 1.90
2013	284,670	+ 5,130	+ 1.84	+5,130	+ 1.84
2015	293,825	+ 9,155	+ 3.22	+4,577	+ 1.07

\* 2015 - Estimated placed in service year.

Calculations: Koontz and Salinger. February, 2013.



Table 8 exhibits the change in population by age group within the Surfside Beach PMA between 2010 and 2013.

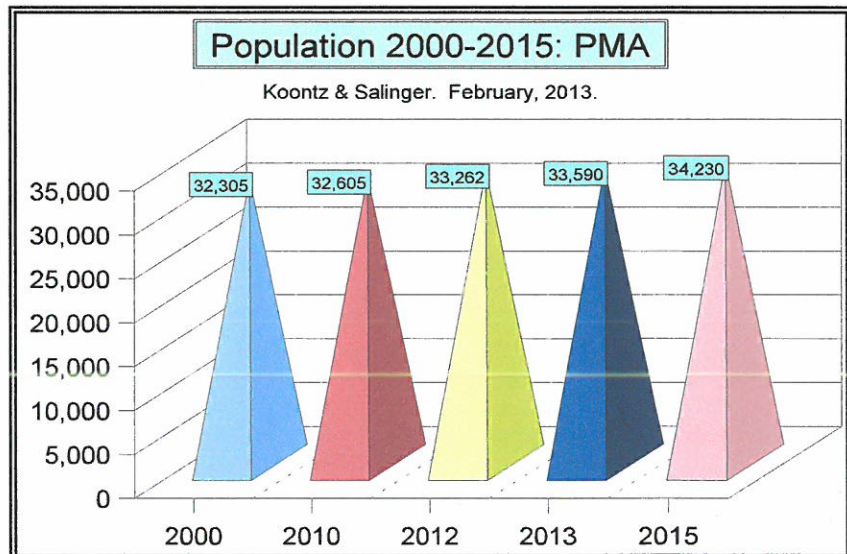
Table 8 Population by Age Groups: Surfside Beach PMA, 2010 - 2013						
	2010 Number	2010 Percent	2013 Number	2013 Percent	Change Number	Change Percent
<b>Age Group</b>						
0 - 20	6,260	19.20	6,328	18.84	+ 68	+ 1.09
21 - 24	1,534	4.70	1,358	4.04	- 176	- 11.47
25 - 44	7,659	23.49	8,093	24.09	+ 434	+ 5.67
45 - 54	4,716	14.46	4,562	13.58	- 154	- 3.27
55 - 64	4,940	15.15	5,075	15.11	+ 135	+ 2.73
65 +	7,496	22.99	8,175	24.34	+ 679	+ 9.06

Sources: 2010 Census of Population, South Carolina.  
Nielsen Claritas 2013 Projections.  
Koontz and Salinger. February, 2013.

Table 8 revealed that population increased in most of the exhibited age groups within the Surfside Beach PMA between 2010 and 2013. The increase was modest in the primary renter age group of 21 to 44 at around 3%. Overall, a significant portion of the PMA population is in the non elderly apartment living age groups of 21 to 54, representing almost 42% of the total population.

Between 2000 and 2010, PMA population growth was very slight stabilizing at a level of around 32,500. Between 2012 and 2013 the PMA population is forecasted to increase at an annual rate of around +1%. The majority of the gains are forecasted to occur in the northern and western portions of the PMA near the US 17 Bypass, and SR 544, and towards the Socastee and St James areas of the County, near the PMA.

The figure to the right presents a graphic display of the numeric change in population in the PMA between 2000 and 2015.





**HOUSEHOLD TRENDS & CHARACTERISTICS**

Table 9 exhibits the change in **total** households in the Surfside Beach PMA between 2000 and 2015. The moderate to significant increase in household formations the in PMA has continued since the 2010 census and reflects the recent population trends and near term forecasts. The moderation in the decrease in the number of households is owing to the continuing decline in overall household size. A somewhat moderate increase in household formations is forecasted between 2012 and 2013.

The decline in the rate of persons per household has continued over the last 10 years, and is projected to stabilize at around 2.1850 between 2013 and 2015 in the PMA. The reduction in the rate of decline is based upon: (1) the number of retirement age population owing to an increase in the longevity of the aging process for the senior population, and (2) allowing for adjustments owing to divorce and the dynamics of roommate scenarios. The forecast for group quarters is based on trends in the last two censuses. In addition, it includes information collected from local sources as to conditions and changes in group quarters' supply since the 2010 census was taken.

Table 9					
Surfside Beach PMA Household Formations: 2000 to 2015					
Year / Place	Total Population	Population In Group Quarters	Population In Households	Persons Per Household <sup>1</sup>	Total Households <sup>2</sup>
<b>PMA</b>					
2000	32,305	147	32,158	2.1541	14,929
2010	32,605	134	32,471	2.1720	14,950
2012	33,262	132	33,130	2.1854	15,160
2013	33,590	131	33,459	2.1926	15,260
2015	34,230	130	34,100	2.1831	15,620

Sources: Nielsen-Claritas Projections.  
2000 & 2010 Census of Population, South Carolina.

Calculations: The control for the forecast of households was the 2010 Census. Hista data was interpolated between 2010 and 2018 and the numerical trends were applied to the control and projected forward.

Koontz & Salinger. February, 2013.

<sup>1</sup>Continuation of the 2000 to 2010 persons per household rate of change.

<sup>2</sup>Population in Households divided by persons per unit count.

Table 10

Change in Household Formations  
Surfside Beach PMA

Year	Total Change	Annual Change	Percent Change	% Annual Change
<b>PMA</b>				
2000-2010	+ 21	+ 2	+ 0.14	+ 0.07
2010-2012	+ 210	+ 105	+ 1.40	+ 0.70
2012-2013	+ 100	+ 100	+ 0.66	+ 0.66
2013-2015	+ 360	+ 180	+ 2.36	+ 1.18

Sources: 2000 & 2010 Census of Population, South Carolina.  
Nielsen-Claritas Projections.  
Koontz and Salinger. February, 2013.

The projection of household formations in the PMA between 2000 and 2010 exhibited a very slight annual increase of around 2 households or approximately +0.10% per year.

The projection of household formations in the PMA between 2010 and 2013 exhibited a moderate increase of around 100 households per year or approximately +.70% per year. The rate and size of the annual increase between 2013 and 2015, at 180 household formations, or by approximately 1%, is considered to be supportive of a small to mid size development (that targets the low income population, as well as the non subsidized population), subject to the proposed development rent positioning within the overall competitive environment.



Table 11

Households, by Tenure, by Person Per Household  
Surfside Beach PMA, 2010 - 2013

Households	Owner				Renter			
	2010	2013	Change	% 2013	2010	2013	Change	% 2013
1 Person	3,149	3,283	+ 134	32.49%	1,689	1,860	+ 171	34.13%
2 Person	4,745	4,682	- 63	46.33%	1,590	1,670	+ 80	30.64%
3 Person	1,128	1,129	+ 1	11.17%	836	873	+ 37	16.02%
4 Person	658	639	- 22	6.29%	580	586	+ 6	10.75%
5 + Person	390	375	- 15	3.71%	444	461	+ 17	8.45%
Total	10,070	10,105	+ 35	100%	5,139	5,450	+ 311	100%

Sources: 2010 Census of Population, South Carolina.  
Nielsen Claritas 2013 Projections.  
Koontz and Salinger. February, 2013.

Table 11 indicates that in 2013 approximately 90% of the renter-occupied households in the Primary Market Area contain 1 to 5 persons (the target group by household size).

The majority of these households are:

- singles (both elderly and non elderly)
- couples, roommates,
- single head of households, with children, and
- married couples, with children

A significant increase in renter households by size is exhibited by 1 person households. Note: Moderate to very modest gains are exhibited in 2, and 3 persons per household. One person households are typically attracted to both 1 and 2 bedroom rental units and 2 and 3 person households are typically attracted to 2 bedroom units, and to a lesser degree three bedroom units. It is estimated that between 10% and 15% of the renter households in the PMA fit the bedroom profile for a 3BR unit.



Table 12 exhibits households within the Surfside Beach PMA by owner-occupied and renter-occupied tenure.

The 2000 to 2010 tenure trend revealed a very significant increase in renter-occupied tenure within the Surfside Beach PMA. Between 2010 and 2013, as well as between 2013 and 2015, the increase in renter-occupied households remains positive, but at a reduced rate of annual increase, yet still significant, at approximately +1.4%.

<b>Table 12</b>					
<b>Households by Tenure: Surfside Beach PMA</b>					
<b>Year/ Place</b>	<b>Total Households</b>	<b>Owner Occupied</b>	<b>Percent</b>	<b>Renter Occupied</b>	<b>Percent</b>
<b>PMA</b>					
2000	14,929	10,196	68.30	4,733	31.70
2010	14,950	9,774	65.38	5,176	34.62
2012	15,160	9,800	64.64	5,360	35.36
2013	15,260	9,810	64.29	5,450	35.71
2015	15,620	10,010	64.08	5,610	35.92

Sources: 2000 & 2010 Census of Population, South Carolina.  
Nielsen-Claritas Projections.  
Koontz and Salinger. February, 2013.

Calculations: The control for the forecast of households, by tenure was the 2010 Census. Hista data was interpolated between 2010 and 2018 and the numerical trends were applied to the control and projected forward.

## HOUSEHOLD INCOME TRENDS & CHARACTERISTICS

One of the first discriminating factors in residential analysis is income eligibility and affordability. This is particularly of importance when analyzing the need and demand for program assisted multi-family housing.

A professional market study must distinguish between gross demand and effective demand. Effective demand is represented by those households that can both qualify for and afford to rent the proposed multi-family development. In order to quantify this effective demand, the income distribution of the PMA households must be analyzed.

Establishing the income factors to identify which households are eligible for a specific housing product requires the definition of the limits of the target income range. The lower limit of the eligible range is generally determined by affordability, i.e., the proposed gross rents, average minimum social security payments, and/or the availability of deep subsidy rental assistance (RA) for USDA-RD, PHA and HUD Section 8 developments.

The estimate of the upper income limit is based upon the most recent set of HUD Median Income Guidelines for 4.5, rounded to five person households (the recommended maximum household size in a 3BR unit, at 1.5 persons per bedroom) in Horry County, South Carolina at 50% and 60% of AMI.

For market-rate projects or components of mixed income projects, the entire range is estimated using typical expenditure patterns. While a household may spend as little for rent as required to occupy an acceptable unit, households tend to move into more expensive housing with better features as their incomes increase. In this analysis, the market-rate limits are set at an expenditure pattern of 25% to 45% of household income.

Tables 13A and 13B exhibit renter-occupied households, by income group, in the Surfside Beach PMA in 2010, forecasted to 2013 and 2018.

The projection methodology is based upon Nielsen Claritas forecasts for households, by tenure, by age and by income group for the year 2013 and 2018, with a base year data set comprising a 2010 average, based upon the 2006 to 2010 American Community Survey. The control for this data set was not the 2010 Census, but instead the 2006 to 2010 American Community Survey.

Tables 13A and 13B exhibit renter-occupied households, by income in the Surfside Beach PMA in 2010, projected to 2013 and 2018.

<b>Table 13A</b>				
<b>Surfside Beach PMA: Renter-Occupied Households, by Income Groups</b>				
Households by Income	2010 Number	2010 Percent	2013 Number	2013 Percent
Under \$10,000	436	8.48	526	9.65
10,000 - 20,000	975	18.97	1,077	19.76
20,000 - 30,000	935	18.19	1,164	21.34
30,000 - 40,000	857	16.68	947	17.38
40,000 - 50,000	492	9.57	529	9.71
50,000 - 60,000	382	7.43	382	7.01
60,000 +	1,062	20.67	825	15.14
<b>Total</b>	<b>5,139</b>	<b>100%</b>	<b>5,450</b>	<b>100%</b>

<b>Table 13B</b>				
<b>Surfside Beach PMA: Renter-Occupied Households, by Income Groups</b>				
Households by Income	2013 Number	2013 Percent	2018 Number	2018 Percent
Under \$10,000	526	9.65	622	10.65
10,000 - 20,000	1,077	19.76	1,219	20.88
20,000 - 30,000	1,164	21.34	1,269	21.74
30,000 - 40,000	947	17.38	1,070	18.33
40,000 - 50,000	529	9.71	495	8.48
50,000 - 60,000	382	7.01	371	6.35
60,000 +	825	15.14	792	13.57
<b>Total</b>	<b>5,450</b>	<b>100%</b>	<b>5,838</b>	<b>100%</b>

Sources: 2006 - 2010 American Community Survey.  
 Nielsen Claritas, HISTA Data, Ribbon Demographics.  
 Koontz and Salinger. February, 2013.



## SECTION G

### PROJECT-SPECIFIC DEMAND ANALYSIS

This analysis examines the area market demand in terms of a specified demand methodology. This incorporates sources of age qualified income eligible demand from new renter household growth and from existing renter

households residing within the Surfside Beach market. In addition, even though it is not significant in the area at this time, the amount of substandard housing that still exists within the Surfside Beach PMA will be factored into the demand methodology.

This methodology develops an effective market demand comprising eligible demand segments based on household characteristics and typical demand sources. It evaluates the required penetration of this effective demand pool. The section also includes estimates of reasonable absorption of the proposed units. The demand analysis is premised upon an estimate that the subject will be placed in service in 2015, as a completed new construction development.

In this section, the effective project size is 56-units. Throughout the demand forecast process, income qualification is based on the distribution estimates derived in Tables 13A and 13B from the previous section of the report.

Subsequent to the derivation of the annual demand estimate, the project is considered in the context of the current market conditions. This assesses the size of the proposed project compared to the existing population, including factors of tenure and income qualification. This indicates the proportion of the occupied housing stock that the project would represent and gives an indication of the scale of the proposed complex in the market. This does not represent potential demand, but can provide indicators of the validity of the demand estimates and the expected capture rates.

The demand analysis will address the impact on demand from existing and proposed like kind competitive supply. In this case discriminated by income.

Finally, the potential impact of the proposed project on the housing market supply is evaluated, particularly the impact on other like-kind assisted LIHTC apartment projects in the market area.

## Income Threshold Parameters

This market study focused upon the following target population regarding income parameters:

- (1) - Occupied by households at 60% or below of AMI.
- (2) - Projects must meet the person per unit imputed income requirements of the Low Income Housing Tax Credit, as amended in 1990. Thus, for purposes of estimating rents, developers should assume no more than the following: (a) For efficiencies, 1 Person; (b) For units with one or more separate bedrooms, 1.5 persons for each separate bedroom.
- (3) - The proposed development be available to Section 8 voucher holders.
- (4) - The 2013 HUD Income Guidelines were used.
- (5) - 0% of the units will be set aside as market rate with no income restrictions.

**Analyst Note:** The subject will comprise 10 one-bedroom, 32 two-bedroom, and 14 three-bedroom units. The recommended maximum number of people per unit is:

1BR - 1 and 2-persons

2BR - 2, 3, and 4-persons

3BR - 3, 4, and 5-persons

The proposed development will target at 25% of the units at 50% or below of area median income (AMI), and 75% at 60% AMI.

The lower portion of the target income range is set by the proposed subject 1BR, 2BR, and 3BR gross rents at 50%, and 60% AMI. Typically the 1BR gross rent sets the lower threshold limit and the 2BR and 3BR gross rents (income ranges) fall between the lower and the HUD based person per household income range by AMI.

It is estimated that households at the subject will spend between 30% and 45% of income for gross housing expenses, including utilities and maintenance. Recent Consumer Expenditure Surveys (including the most recent) indicate that the average cost paid by renter households is around 36% of gross income. Given the subject property intended target group it is estimated that the target LIHTC income group will spend between 25% and 50% of income to rent. For LIHTC family applications 35% of income to rent is established as the rent to income ratio.

The proposed 1BR net rent at 50% AMI is \$375. The estimated utility costs is \$95. The proposed 1BR gross rent is \$470. The lower income limit at 50% AMI based on a rent to income ratio of 35% for a 1BR unit is established at \$16,115.

The proposed 1BR net rent at 60% AMI is \$475. The estimated utility costs is \$128. The proposed 1BR gross rent is \$570. The lower income limit at 60% AMI based on a rent to income ratio of 35% for a 1BR unit is established at \$19,545.

The AMI at 50% and 60% for 1 to 5 person households in Horry County, SC follows:

	<b><u>50%</u></b> <b><u>AMI</u></b>	<b><u>60%</u></b> <b><u>AMI</u></b>
1 Person -	\$18,350	\$22,020
2 Person -	\$20,950	\$25,140
3 Person -	\$23,550	\$28,260
4 Person -	\$26,150	\$31,380
5 Person -	\$28,250	\$33,900

Source: 2013 HUD Median Income Guidelines.

**Overall Income Ranges by AMI**

The overall income range for the targeting of income eligible households at 50% AMI is \$16,115 to \$28,250.

The overall income range for the targeting of income eligible households at 60% AMI is \$19,545 to \$33,900.

**Fair Market Rents**

The 2013 Final Fair Market Rents for Horry County, SC are as follows:

Efficiency	= \$ 658
1 BR Unit	= \$ 662
2 BR Unit	= \$ 823
3 BR Unit	= \$1025
4 BR Unit	= \$1203

\*Fair Market Rents are gross rents (include utility costs)

Source: www.huduser.org

**Note:** The proposed subject property 1BR, 2BR, and 3BR gross rents at 50% and 60% AMI are set below the 2013 maximum 1BR, 2BR, and 3BR Fair Market Rents in Horry County. Thus, the proposed subject property 1BR, 2BR, and 3BR units at 50% and 60% AMI will be readily marketable to Section 8 Housing Choice voucher holders.



## SUMMARY

### Target Income Range - Subject Property - by Income Targeting Scenario

#### **50% AMI Target Income Segment**

The subject will position 14-units at 50% of AMI.

It is projected that in 2015 approximately **25.5%** of the renter households in the PMA were in the subject property 50% AMI LIHTC target income group of \$16,115 to \$28,250.

#### **60% AMI Target Income Segment**

The subject will position 42-units at 60% of AMI.

It is projected that in 2015 approximately **29.5%** of the renter households in the PMA were in the subject property 60% AMI LIHTC target income group of \$19,545 to \$33,900.

#### **Adjustments**

In order to adjust for income overlap between the 50% and 60% income segments several adjustments were made resulting in the following discrete estimates/percentages of households, within the 50%, and 60% AMI income ranges:

##### Renter-Occupied

50% AMI	15.0%
60% AMI	21.5%

The discrimination made to the overall 50%, and 60% income ranges was to maintain the ratio difference established when analyzing the income overlap groups, yet lean towards the higher segment of the overlap, i.e., 60% (vs 50%) owing the forecast trends, both on a numerical and a percentage basis exhibited between 2013 and 2018, within the Nielsen Claritas Hista data base for the PMA. Overall, the adjustment between the two income bands was moderate.

## Effective Demand Pool

In this methodology, there are three basic sources of demand for an apartment project to acquire potential tenants:

- \* net household formation (normal growth),
- \* existing renters who are living in substandard housing, and
- \* existing renters who are in rent overburdened situations.

Several adjustments are made to the basic model. The methodology adjustments are:

(1) taking into consideration like-kind competitive units now in the "pipeline", and/or under construction within the 2012 to 2015 forecast period, and

(2) taking into consideration like-kind competition introduced into the market between 2011 and 2012.

## New Household Growth

For the PMA, forecast housing demand through household formation totals 460 households over the 2012 to 2015 forecast period. By definition, were this to be growth it would equal demand for new housing units. This demand would further be qualified by tenure and income range to determine how many would belong to the subject target income group. During the 2012 to 2015 forecast period it is calculated that 250 or approximately 54% of the new households formations would be renters.

Based on 2015 income forecasts, 39 new renter households fall into the 50% AMI target income segment of the proposed subject property, and 53 into the 60% AMI target income segment.

## **Demand from Existing Renters that are In Substandard Housing**

The most current and reliable data from the US Census regarding substandard housing is the 2000 census, and the 2007-2011 American Community Survey. By definition, substandard housing in this market study is from Tables H21 and H48 in Summary File 3 of the 2000 census - Tenure by Age of Householder by Occupants Per Room and Tenure by Plumbing Facilities, respectively. By definition, substandard housing in this market study is from Tables B25015 and B25016 in the 2007-2011 American Community Survey 5-Year Estimates - Tenure by Age of Householder by Occupants Per Room and Tenure by Plumbing Facilities, respectively.

Based upon 2000 Census data, 227 renter-occupied households were defined as residing in substandard housing. Based upon 2007-2011 American Community Survey data, 150 renter-occupied households were defined as residing in substandard housing.

The forecast for 2012 based upon a straight line trend of over crowding data, and holding constant at year 2011 lacking complete plumbing data, and adjusting for margin of error estimates, was for 135 renter occupied household residing in substandard housing in the PMA, in 2012. The forecast in 2015 was for 110 renter occupied household residing in substandard housing in the PMA.

Based on 2015 income forecasts, 17 substandard renter households fall into the target income segment of the proposed subject property at 50% AMI, and 23 at 60% AMI.

## **Demand from Existing Renters that are Rent Overburdened**

An additional source of demand for rental units is derived from renter households desiring to move to improve their living conditions, to accommodate different space requirements, because of changes in financial circumstances or affordability. For this portion of the estimate, rent overburdened households are included in the demand analysis. Note: This segment of the demand analysis excluded the estimate of demand by substandard housing as defined in the previous segment of the demand analysis.

By definition, rent overburdened are those households paying greater than 30% to 35% of income to gross rent\*. The most recent census based data for the percentage of households that are rent overburdened by income group is the 2000 census. In addition, the 2007-2011 American Community Survey provides the most current estimated update of rent overburden statistical information. Forecasting this percentage estimate forwarded into 2015 is extremely problematic and would not hold up to the rigors of statistical analysis. It is assumed that the percentage of rent overburdened households within the target income range has increased, owing to the recent 2008-2010 national and



worldwide recession since the report of the findings in the 2007-2011 American Community Survey. The 2007-2011, ACS indicates that approximately 53% of all households age 25-64 are rent overburdened, and that approximately 92% of all renters (regardless of age) within the \$10,000 to \$19,999 income range are rent overburdened, versus approximately 73% in the \$20,000 to \$34,999 income range.

**\*Note:** HUD considers a rent over burdened household at 30% of income to rent.

It is estimated that approximately 80% of the renters with incomes in the 50% AMI target income segments of \$16,115 to \$28,250 are rent overburdened. It is estimated that approximately 75% of the renters with incomes in the 60% AMI target income segments of \$19,545 to \$33,900 are rent overburdened.

In the PMA it is estimated that 682 existing renter households are rent overburdened and fall into the 50% AMI target income segment of the proposed subject property. In the PMA it is estimated that 866 existing renter households are rent overburdened and fall into the 60% AMI target income segment of the proposed subject property.

### **Total Effective Tenant Pool**

The potential demand from these sources (within the PMA) total 738 households/units for the subject apartment development at 50% AMI. The potential demand from these sources (within the PMA) total 942 households/units for the subject apartment development at 60% AMI.

The total potential demand from the PMA is 1,680 households/units for the subject apartment development at 50% to 60% AMI. This estimate comprises the total income qualified demand pool from which the tenants at the proposed project will be drawn from the PMA.

Naturally, not every household in this effective demand pool will choose to enter the market for a new unit; this is the gross effective demand.

These estimates of demand will still need to be adjusted for the introduction of new like-kind LIHTC supply into the PMA that is either: (1) currently in the rent-up process, (2) under construction, and/or (3) in the pipeline for development.

## Upcoming Direct Competition

An additional adjustment is made to the total demand estimate. The estimated number of direct, like-kind competitive supply under construction and/or in the pipeline for development must be taken into consideration. At present, there are no LIHTC apartment developments under construction within the PMA, nor are there any in the pipeline for development.

A review of the 2010 to 2012 list of awards made by the South Carolina Housing Finance and Development Authority revealed that in the last three rounds no awards were made for LIHTC family development located within the City of Surfside Beach, nor within the Surfside Beach PMA of Horry County.

In 2010, an award was made for a 56-unit new construction development in Myrtle Beach, north of US Highway 501, which is outside the PMA. At the time of the survey, this development, Bay Pointe II was fully stabilized, had 1 vacant unit, and maintained a waiting list. It was reported that the property opened in September 2011 and was 100% occupied by December 15, 2011.

Also, in 2010, an award was made for a 90-unit rehab development (Cornerstone Commons) in Conway, which is outside the PMA.

At the time of the market survey, there were no Market Rate apartment developments under construction or in the pipeline for development in Surfside Beach. Source: Ms. Sabrina Morris, Director of Building, Planning and Zoning, Town of Surfside Beach, (843) 913-6354.

A review of permit data for the City of Myrtle Beach revealed that no multi-family permits were issued in 2010. In 2011, no permits were issued for 2-unit properties, none for 3 to 4 unit properties, and a total of 6-units for 5+ property permits. In 2012, no permits were issued for 2-unit properties, none for 3 to 4 unit properties, and a total of 44-units for 5+ property permits. The 44-units could be for owner-occupied tenure.

At the time of the market survey, there were no Market Rate apartment developments under construction or in the pipeline for development within the Surfside Beach PMA, outside the Surfside Beach town limits. Source: Mr. Christopher A. Lee, Deputy Building Official, City of Myrtle Beach, (843) 918-1154.

No adjustments were made within the demand methodology in order to take into consideration new like-kind (LIHTC family) supply.

The segmented, effective demand pool for the Surfside Beach PMA is summarized in Table 14.

**Table 14**

LIHTC Quantitative Demand Estimate: Surfside Beach PMA

	AMI	AMI
● <u>Demand from New Growth - Renter Households</u>	<u>50%</u>	<u>60%</u>
Total Projected Number of Households (2015)	5,610	5,610
Less: Current Number of Households (2012)	<u>5,360</u>	<u>5,360</u>
Change in Total Renter Households	+ 250	+ 250
% of Renter Households in Target Income Range	<u>15.5%</u>	<u>21%</u>
Total Demand from New Growth	<b>39</b>	<b>53</b>
● <u>Demand from Substandard Housing with Renter Households</u>		
Number of Households in Substandard Housing(2012)	150	156
Number of Households in Substandard Housing(2015)	110	110
% of Substandard Households in Target Income Range	<u>15.5%</u>	<u>21%</u>
Number of Income Qualified Renter Households	<b>17</b>	<b>23</b>
● <u>Demand from Existing Renter Households</u>		
Number of Renter Households (2015)	5,610	5,610
Minus Number of Substandard Renter Household	<u>- 110</u>	<u>- 110</u>
Total in Eligible Demand Pool	5,500	5,500
% of Households in Target Income Range	<u>15.5%</u>	<u>21%</u>
Number of Income Qualified Renter Households	853	1,155
Proportion Income Qualified (that are Rent Overburden)	<u>80%</u>	<u>75%</u>
<b>Total</b>	<b>682</b>	<b>866</b>
● <u>Net Total Demand (New &amp; Existing Renters)</u>	<b>738</b>	<b>942</b>
● <u>Adjustment for Like-Kind Supply</u>		
Minus New Supply of Competitive Units (2011-2012)	<u>0</u>	<u>0</u>
● <u>Gross Total Demand</u>	<b>738</b>	<b>942</b>



**Capture Rate Analysis**

Total Number of Households Income Qualified = 1,680. For the subject 56 LIHTC units, this equates to an overall LIHTC Capture Rate of 3.3%.

	50%	60%
● <u>Capture Rate</u> (56-units)	<u>AMI</u>	<u>AMI</u>
Number of Units in LIHTC Segment	14	42
Number of Income Qualified Households	738	942
Required Capture Rate	<b>1.9%</b>	<b>4.5%</b>

● Total Demand by Bedroom Mix

It is estimated that approximately 35% of the target group is estimated to fit a 1BR unit profile, 50% of the target group is estimated to fit a 2BR unit profile, and 15% of the target group is estimated to fit a 3BR unit profile. Source: Table 11 and Survey of the Competitive Environment.

\* At present there are no LIHTC like kind competitive properties either under construction or in the pipeline for development.

**Total Demand by Bedroom Type (at 50% AMI)**

1BR	-	258
2BR	-	369
3BR	-	111
Total	-	738

	<u>Total Demand</u>	<u>New Supply*</u>	<u>Net Demand</u>	<u>Units Proposed</u>	<u>Capture Rate</u>
1BR	258	0	258	8	3.1%
2BR	369	0	369	4	1.1%
3BR	111	0	111	2	1.2%

**Total Demand by Bedroom Type (at 60% AMI)**

1BR	-	330
2BR	-	471
3BR	-	141
Total	-	942

	<u>Total Demand</u>	<u>New Supply*</u>	<u>Net Demand</u>	<u>Units Proposed</u>	<u>Capture Rate</u>
1BR	330	0	330	2	0.6%
2BR	471	0	471	28	5.9%
3BR	141	0	141	12	8.5%

- Overall Project Capture Rate: 3.3%

**Summary:** An overall capture rate of 3.3% for the proposed LIHTC subject development without deep subsidy rental assistance is considered to be a very positive quantitative indicator given the following market conditions: (1) the existing surveyed program assisted LIHTC family apartment market targeting low to moderate income households is stable and operating at a 98.5% occupancy rate, with most properties maintaining a waiting list, (2) the site location is considered to be excellent and will enhance the marketing and rent-up of the subject, and (3) the demand methodology excluded potential demand from eligible HUD Section 8 voucher holders. Typically a capture rate greater than 20% warrants caution. In the case of the subject, a capture rate of 3.3% is considered to be a quantitative indicator which is very supportive of the proposed LIHTC development. **Note:** This summary capture rate analysis is subject to the overall findings and recommendation of this study.

- Penetration Rate:

The NCHMA definition for Penetration Rate is: "The percentage of age and income qualified renter households in the Primary Market Area that all existing and proposed properties, to be completed within six months of the subject, and which are competitively priced to the subject that must be captured to achieve the Stabilized Level of Occupancy."

The above capture rate analysis and findings already take into consideration like-kind upcoming and pipeline development. In fact, the final step of the Koontz & Salinger demand and capture rate methodologies incorporates penetration rate analysis.

## Absorption Analysis

Given the strength of the demand estimated in Table 14, the worst case scenario for 93% to 100% rent-up is estimated to be 5 months (at 8-units per month on average). The most likely/best case rent-up scenario suggests a 4-month rent-up time period (an average of 14-units per month).

The rent-up period estimate is based upon several recently built LIHTC-family developments located within the Myrtle Beach and Conway markets in Horry County:

### LIHTC-family

Bells Landing	60-units	12-months to attain 99% occupancy
Carolina Cove	72-units	7-months to attain 99% occupancy
Bay Pointe II	56-units	4-months to attain 99% occupancy
Monticello Park III	56-units	3-months to attain 99% occupancy

Bells Landing (Conway) and Carolina Cove (Myrtle Beach) opened in 2000. Bay Pointe II (Myrtle Beach) opened in September 2011 and was 100% occupied by December 15, 2011. Also, the manager of the Monticello 3-phase LIHTC property (Myrtle Beach) stated that the rent-up periods are "very fast". For example, Monticello Park III began leasing units on in July 1 2008 and was 100% occupied by October 1, 2008.

The absorption of the project is contingent upon an attractive product, professional management, and a strong marketing and pre-leasing program. In addition, the absorption period estimate is subject to the final recommendation (s) in this market study.

The absorption recommendation also takes into consideration the subject's site location, proposed unit and development amenity package, and rent positioning as compared with the area market rate supply of apartments.

Stabilized occupancy, subsequent to final segment of lease-up is expected to be 93% or higher up to but no later than a three month period, beyond the absorption period.



## SECTION H

### COMPETITIVE ENVIRONMENT & SUPPLY ANALYSIS

This section of the report evaluates the general rental housing market conditions in the PMA.

The Surfside Beach apartment market is representative of a mid-size apartment market, with a mostly urban setting, yet greatly influenced by a mostly rural hinterland towards the Intra-Coastal Waterway (which is in transition of becoming more urban), as well as by the nearby more densely urban Myrtle Beach area and to the south the more resort oriented Litchfield / Pawleys Island market. Overall, the Myrtle Beach apartment market comprises five distinct sub markets, of which the Town of Surfside Beach is located within the South Myrtle Beach sub market. The other four sub markets are: (1) Highway 501, (2) North Myrtle Beach, (3) Central Myrtle Beach, and (4) Conway. The Surfside Beach PMA apartment market includes the South Myrtle Beach sub market (excluding Georgetown) and about one-third to one-half of the Central Myrtle Beach sub market.

#### **Part I - Survey of LIHTC-Family Apartments**

Five LIHTC-family program assisted apartment properties, representing 442-units, were surveyed in detail. All of the properties are located within Myrtle Beach. One of the surveyed properties is comprised of three phases. Several key findings in the surveyed program assisted apartments include:

- \* At the time of the survey, the overall estimated vacancy rate of all surveyed LIHTC-family apartment properties was less than 1%, at 0.9%.
- \* Four of the five of the LIHTC-family properties maintain a waiting list, ranging in size between 6 and 16 applications.
- \* Typical occupancy rates at the surveyed program assisted apartment properties ranged between 97% to 100%. Most properties reported typical occupancy of 99%.
- \* All of the surveyed LIHTC-family properties have been introduced within the competitive environment market since 2000. The oldest in 2000, and the newest (Bay Pointe II) in 2011. At the time of the survey, Bay Pointe II was stabilized, 100% occupied, and maintained a waiting list.
- \* Only one of the surveyed LIHTC-family properties includes water, sewer and trash removal within the net rent. Several other LIHTC-family properties only offer trash removal within the net rent.
- \* The bedroom mix of the surveyed LIHTC-family program assisted properties is 4% 1BR, 58% 2BR, and 38% 3BR.

\* Three LIHTC program assisted properties within near proximity to the Surfside Beach PMA were not surveyed. One is the three phase Swansgate LIHTC elderly development. Another is the Alliance Inn LIHTC property that targets special needs population and offers transitional housing. Also, not surveyed was the Plantation apartment development located in Socastee. This property is a LIHTC/HUD development, has 96% Project Base Rental Assistance (PBRA), and is not comparable with the subject. However, the 2<sup>nd</sup> and 4<sup>th</sup> quarter occupancy rates are listed below for this property.

\* The typical occupancy rates at the surveyed LIHTC family apartment properties in the 2<sup>nd</sup> Quarter of 2012 ranged between 92% and 100%, versus 95% and 100% in the 4<sup>th</sup> Quarter of 2012.

LIHTC Occupancy Rates: 2 <sup>nd</sup> and 4 <sup>th</sup> Quarters 2012		
LIHTC-family Development	2 <sup>nd</sup> Quarter	4 <sup>th</sup> Quarter
Bay Pointe	98%	100%
Bay Pointe II	100%	100%
Carolina Cove	100%	96%
Monticello Park I	97%	95%
Monticello Park II	100%	100%
Monticello Park III	95%	96%
Pipers Pointe	92%	97%
LIHTC/HUD-fm Development	2 <sup>nd</sup> Quarter	4 <sup>th</sup> Quarter
Plantation	97%	100%

Source: South Carolina State Housing Finance & Development Authority

\* The most comparable surveyed LIHTC-family properties to the subject in terms of income restriction and project design are: Bay Pointe, Carolina Cove, and Monticello Park.

\* A map showing the location of the surveyed LIHTC properties is provided on page 57.

### Survey of Competitive Market Rate Apartments

Six market rate properties were surveyed. However, only four were considered to be appropriate as comparable properties, comprising 1,464 units. These properties were surveyed in detail. In addition, two of the surveyed LIHTC-family properties (Carolina Cove and Monticello Park I) offer market rate units. Several key findings in the conventional market include:

\* At the time of the survey, the overall estimated vacancy rate of the surveyed market rate properties targeting the general population was less than 5%, at approximately 4.6%. Including the market rate units at the two LIHTC properties lowers the overall vacancy rate for the surveyed market rate units nearer to 4%.

\* The typical occupancy rates reported for most of the surveyed properties ranges between the low 90's to mid 90's.

\* The bedroom mix of the surveyed market rate properties is 22.5% 1BR, 63.5% 2BR, and 14% 3BR.

\* A survey of the conventional apartment market exhibited the following average, median and range of net rents, by bedroom type, in the area competitive environment:

<b>Market Rate Competitive Environment - Net Rents</b>			
<b>BR/Rent</b>	<b>Average</b>	<b>Median</b>	<b>Range</b>
1BR/1b	\$665	\$680	\$625-\$770
2BR/1b	\$790	\$775	\$699-\$889
2BR/2b	\$821	\$800	\$725-\$839
3BR/2b	\$953	\$950	\$833-\$999

Source: Koontz & Salinger. February 2013

\* None of the surveyed market rate properties include water, sewer, and trash removal within the net rent. Two include trash removal within the net rent.

\* Security deposits range are typically \$300, or are based upon one month's rent or the tenant's credit. The overall estimated median security deposit within the area conventional apartment market is \$300.

\* Of the surveyed market rate properties one is presently offering a rent concession.

\* One of the surveyed market rate properties was built in the 1990's and three were built in the 2000's. Both of the LIHTC properties with market rate units were built in the 2000's.

\* A survey of the conventional apartment market exhibited the following average, median and range of size of units, by bedroom type, in the area competitive environment:

<b>Market Rate Competitive Environment - Unit Size</b>			
<b>BR/Rent</b>	<b>Average</b>	<b>Median</b>	<b>Range</b>
1BR/1b	699	695	652-744
2BR/1b	943	933	736-1108
2BR/2b	1172	1040	964-1276
3BR/2b	1279	1270	1166-1356

Source: Koontz & Salinger. February, 2013

\* A map showing the location of the surveyed market rate properties is provided on page 58.



**Comparable Properties**

\* The most comparable surveyed market rate properties to the subject in terms of rent reconciliation/advantage analysis are:

Comparable Market Rate Properties: By BR Type		
1BR	2BR	3BR
Cape Landing	Cape Landing	Cape Landing
Ivystone	Carolina Cove	Carolina Cove
Litchfield Oaks	Ivystone	Ivystone
Palmetto Pointe	Litchfield Oaks	Litchfield Oaks
	Monticello Park	Monticello Park
	Palmetto Park	Palmetto Park

Source: Koontz & Salinger. February, 2013

\* A map showing the location of the surveyed comparable market rate properties is provided on page 59. The comparable properties are highlighted in red.

**Summary of PMA Vacancy Rates**

LIHTC fm Properties	-	0.9%
Market Rate	-	4.6%
Market Rate - Comparable	-	3.8%
Overall (family)	-	3.7%

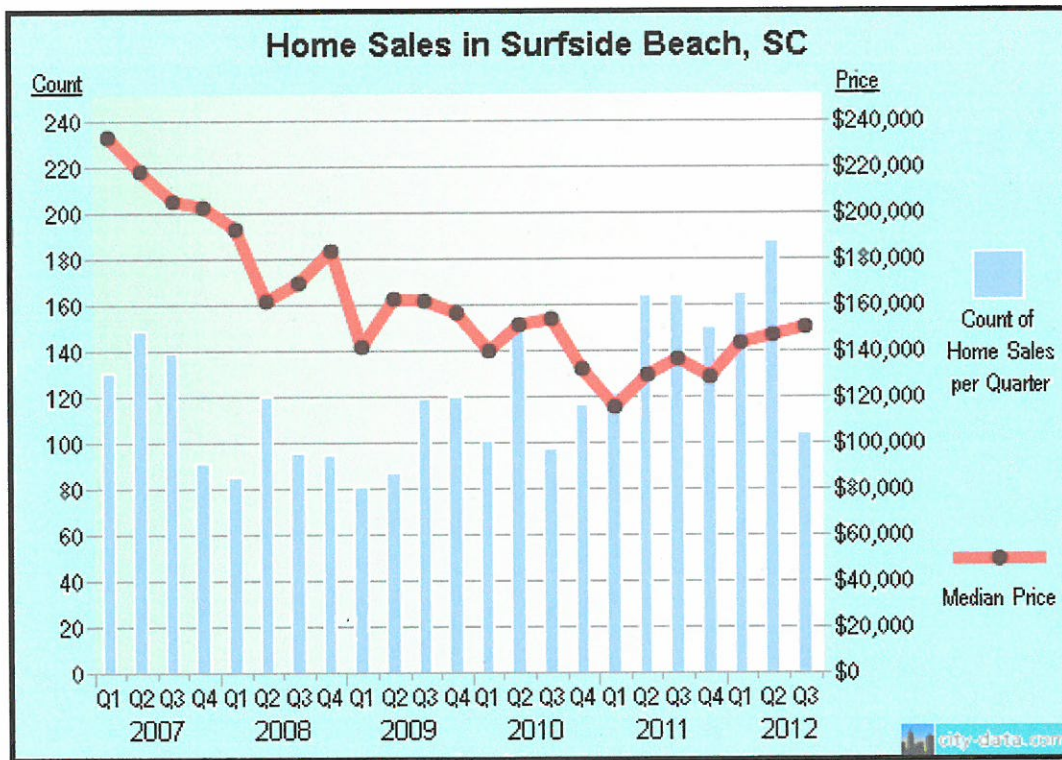
**Section 8 Housing Choice Vouchers**

The Myrtle Beach Housing Authority manages the Section 8 program for the coastal area of Horry County (i.e., Eastern Horry County). Currently, the program has 804 Section 8 Housing Choice vouchers of which all are in use. The waiting list is consistently lengthy, and was recently opened. At the time of the survey, the waiting list had over 1,000 applicants. It was estimated that around 5 to 8 households come off the voucher program support per month. Seventy-five vouchers are set aside for Veterans. Source: Ms. Sharon Forest, Executive Director, Myrtle Beach Housing Authority (contacted - 2/14/13), (843) 918-1527.

At the time of the survey, approximately 24% of the units in the LIHTC-family properties were occupied with a Section 8 voucher.

**For-Sale Market**

The figure below exhibits homes in Surfside Beach, SC, between 2007 and 2012. In the 3<sup>rd</sup> Quarter of 2012, most home and condominium sales in Surfside Beach were in the vicinity of \$150,000.



Source: [www.city-data.com/city/Surfside-Beach-South-Carolina.html](http://www.city-data.com/city/Surfside-Beach-South-Carolina.html)

**For-Sale Market**

A review of 3BR/2b (stick built) single-family homes, as well as owner-occupied condominiums listed for-sale primarily in the Town of Surfside Beach in the area local paper, and various web sites indicated an overall price range of around \$35,000 to \$365,000 (excluding extreme outliers). The average listed price of a home is \$189,000, and the median listed priced is \$192,000. (The sample set included 50, 3BR/2b for sale residential properties.)

For 3BR/2b residential properties located nearer to the beach/ocean in the Town of Surfside Beach, the overall price range for most properties is \$350,000 to \$825,000. There are some extreme outliers for 3BR/2b properties that are priced well beyond \$825,000. Prices increase significantly for 3BR/3b, 4BR and 5BR properties located near the beach/ocean.



The proposed LIHTC family new construction development most likely would lose few (if any) tenants to turnover owing to the tenants changing tenure to home ownership in the majority of the Surfside Beach, SC home buying market. The majority of the tenants at the subject property will have annual incomes in the \$16,000 to \$30,000 range. Today's home buying market, in particular within the Town of Surfside Beach requires that one meet a much higher standard of income qualification, long term employment stability, credit standing, and a savings threshold. These are difficult hurdles for the majority of LIHTC family households to achieve in today's home buying environment.

Sources: [www.weichert.com/SC/Surfside Beach/Surfside Beach](http://www.weichert.com/SC/Surfside%20Beach/Surfside%20Beach)  
[www.homes.com/Real\\_Estate/SC/City/Surfside Beach](http://www.homes.com/Real_Estate/SC/City/Surfside%20Beach)  
[www.realestate.aol.com/homes-for-sale-listings-Surfside Beach](http://www.realestate.aol.com/homes-for-sale-listings-Surfside%20Beach)

### **Future Changes in Local Housing Stock**

Permit activity in the Town of Surfside between 2006 and 2010 declined significantly when compared to the 2000 to 2005 time period. The reduction ranges between 40% to 70%. The number of permits increased modestly between 2011 and 2012, all of which were 1-unit permits. See Appendix A, Building Permits.

The likelihood of any USDA-RD Section 515 or HUD Section 202 new construction apartment development occurring or being awarded in 2013 or 2014, in the coastal/eastern section of Horry County is uncertain, yet highly unlikely.

At the time of the market study, there was no pipeline permit activity for new construction apartment development within the Town of Surfside Beach. At the time of the market study, there was no pipeline permit activity for new construction apartment development within that portion the Surfside Beach PMA located with the City of Myrtle Beach.

### **SF Homes & Townhomes for Rent: Typical Net Rents**

A review of local newspaper adds and the internet revealed that typical net rents for 3BR/2b single-family homes and townhomes, in the Surfside Beach and Myrtle Beach range between \$600 and \$1,800, with an estimated average net rent of \$1,010, and an estimated median net rent of \$1,000.

Two-bedroom/two bath condominiums typically rent for \$750 to \$900, with an estimated average of \$825. Three-bedroom/two bath condominiums typically rent for \$850 to \$1,100, with an estimated median of \$1,000.

Sources: The Sun News, 2/20/2013  
[www.rental.com](http://www.rental.com)  
[www.homes.com/rentals/SC/County/Surfside Beach](http://www.homes.com/rentals/SC/County/Surfside%20Beach)  
[www.realtor.com/homesforrent](http://www.realtor.com/homesforrent)



Table 15 exhibits the project size, bedroom mix, number of vacant units (at the time of the survey), net rents and reported unit sizes of a sample of the surveyed program assisted LIHTC-family apartment properties within the Surfside Beach PMA competitive environment, as well within close proximity to the PMA. The Plantation Apartments in Socastee was not surveyed owing to the fact that the LIHTC/HUD rehab property (112-units) has 96% Project Base Rental Assistance (PBRA).

Table 15 SURVEY OF LIHTC-FAMILY COMPETITIVE SUPPLY PROJECT PARAMETERS											
Complex	Total Units	1BR	2BR	3BR	Vac. Units	1BR Rent	2BR Rent	3BR Rent	SF 1BR	SF 2BR	SF 3BR
<b>Subject</b>	56	10	32	14	Na	\$375- \$475	\$450- \$575	\$500- \$650	852	1103	1254
Bay Pointe I	50	--	28	22	0	--	\$531- \$655	\$609- \$735	--	993- 1100	1143- 1250
Bay Pointe II	56	--	28	28	0	--	\$531- \$655	\$609- \$735	--	950- 1035	1110- 1185
Carolina Cove	72	--	56	16	0	--	\$515- \$725	\$595- \$830	--	979	1166
Monticello Park	192	16	108	68	2	\$415- \$521	\$497- \$730	\$571- \$830	800	1047	1268
Pipers Pointe	72	--	36	36	2	--	\$483- \$624	\$556- \$715	--	1082	1304
<b>Total*</b>	<b>442</b>	<b>16</b>	<b>256</b>	<b>170</b>	<b>4</b>						

\* - Excludes the subject property

Comparable properties highlighted in red.

Source: Koontz and Salinger. February, 2013.

Table 16 exhibits the project size, bedroom mix, number of vacant units (at the time of the survey), net rents and reported unit sizes of a sample of the surveyed market rate apartment properties within the Surfside Beach PMA competitive environment. In addition, two of the LIHTC developments, Carolina Cove and Monticello Park, exhibited in Table 15, have some market rate units.

Two other market rate properties were surveyed, but not included within the list of market rate competitive supply. One was Sea Palms at Palmetto Point. It was not included because several variables of key data could not be provided. The other was Carolina Breeze. This market rate property was excluded owing to the fact that not only was it an old property but it resembled more so a program assisted property that went market rate after the compliance period. The unit and development package is basic.

Table 16											
SURVEY OF MARKET RATE COMPETITIVE SUPPLY											
PROJECT PARAMETERS											
Complex	Total Units	1BR	2BR	3BR	Vac. Units	1BR Rent	2BR Rent	3BR Rent	SF 1BR	SF 2BR	SF 3BR
<b>Subject</b>	56	10	32	14	Na	\$375- \$475	\$450- \$575	\$500- \$650	852	1103	1254
Cape Landing	288	132	108	48	8	\$625- \$680	\$749- \$889	\$999	695- 744	883- 1108	1356
Ivystone	664	40	512	112	45	\$650	\$695- \$825	\$950	652	736- 1040	1276
Litchfield Oaks	192	18	144	30	7	\$730- \$770	\$799- \$839	\$899- \$950	708	964	1184
Palmetto Pointe	320	140	168	12	7	\$650- \$695	\$775- \$825	\$950	652- 736	933- 1040	1276
<b>Total*</b>	<b>1,464</b>	<b>330</b>	<b>932</b>	<b>202</b>	<b>67</b>						

\* - Excludes the subject property

Comparable properties highlighted in red.

Source: Koontz and Salinger. February, 2013.



Table 17, exhibits the key amenities of the subject and the surveyed program assisted LIHTC-Family and Market Rate apartment properties. Overall, the subject is comparable and competitive with the area program assisted apartment properties, regarding the unit and development amenity package. The proposed subject property unit amenity package is comparable to most of the exiting LIHTC-family properties (not Carolina Cove) and competitive with the area Class B market rate properties.

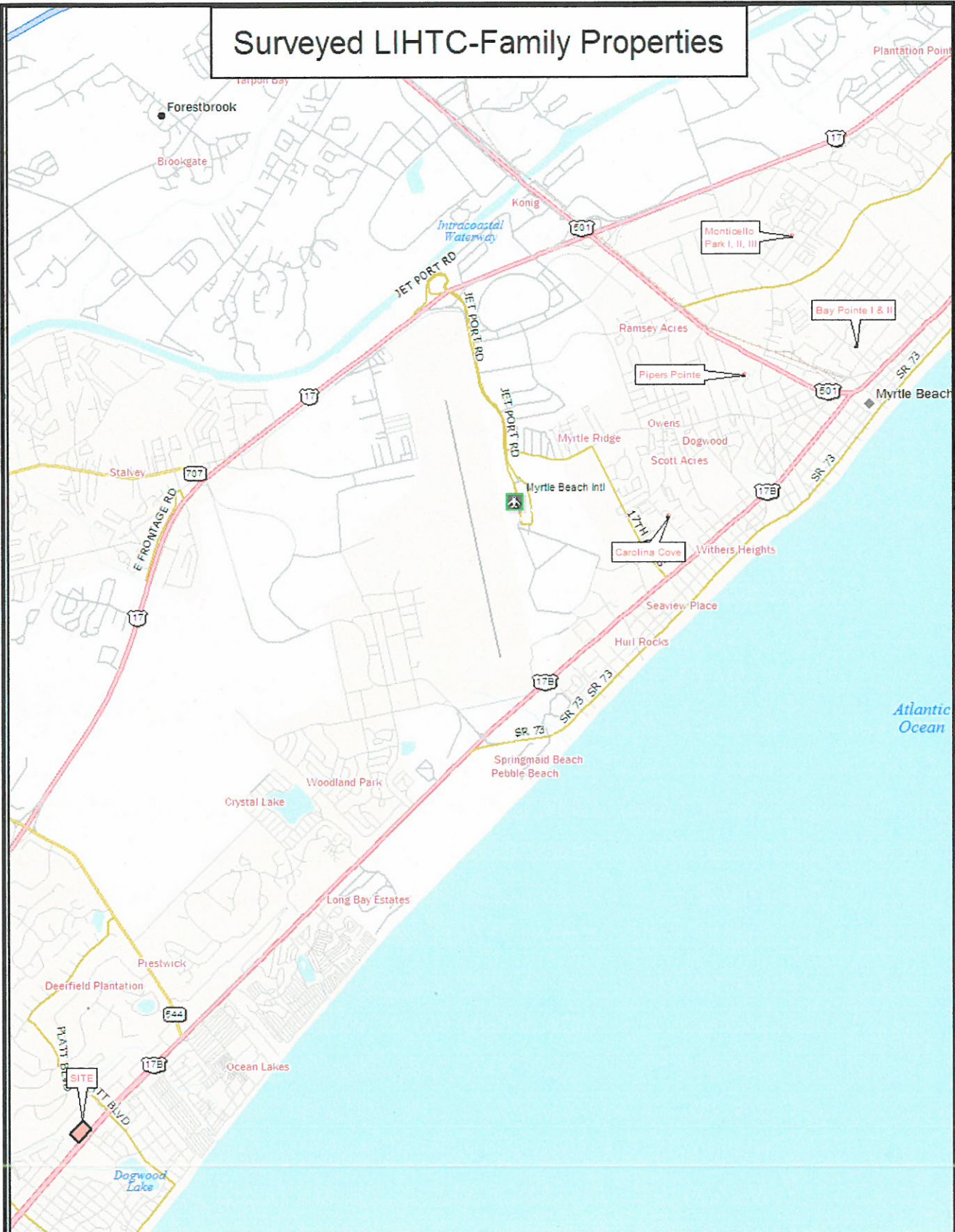
Table 17													
SURVEY OF COMPETITIVE SUPPLY UNIT & PROJECT AMENITIES													
Complex	A	B	C	D	E	F	G	H	I	J	K	L	M
<b>Subject</b>	x	x			x	x	x	x	x	x	x	x	x
<b>LIHTC-fm</b>													
Bay Pointe I	x	x			x	x	x	x	x	x	x	x	x
Bay Pointe II	x	x			x	x	x	x	x	x	x	x	x
Carolina Cove	x	x	x	x	x	x	x	x	x	x	x	x	x
Monticello Pk	x	x			x	x	x	x	x	x	x	x	x
Pipers Pointe	x	x			x	x	x	x	x	x	x	x	x
<b>Market Rate</b>													
Cape Landing	x	x	x	x	x	x	x	x	x	x	x	x	x
Ivystone	x	x	x		x	x	x	x	x	x	x	x	x
Litchfield Oaks	x	x	x		x	x	x	x	x	x	x	x	x
Palmetto Pointe	x	x	x		x	x	x	x	x	x	x	x	x

Source: Koontz and Salinger. February, 2013.

Key: A - On-Site Mgmt Office    B - Central Laundry    C - Pool  
 D - Tennis Court    E - Playground/Rec Area    F - Dishwasher  
 G - Disposal    H - W/D Hook-ups    I - A/C  
 J - Cable Ready    K - Mini-Blinds    L - Community Rm/Exercise Rm  
 M - Storage/other (inc. - ceiling fan, microwave, storage, patio/balcony)



# Surveyed LIHTC-Family Properties



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 www.delorme.com



0 1/4 1/2 3/4 1 1 1/4 1 1/2 mi  
 Data Zoom 11-7



# Surveyed Market Rate Properties



Data use subject to license.

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www.delorme.com



MN (8.3° W)



Data Zoom 10-5

# Surveyed Comparable Properties



Data use subject to license.

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www.delorme.com



MN (8.3° W)



0 1 2 3 4 mi

Data Zoom 10-5



SECTION I  
INTERVIEWS

The basic project parameters of the proposed new construction LIHTC-family application were presented to the interview source, in particular: the site/subject location, the

proposed project size, bedroom mix, income targeting and rents. The following statements were made:

(1) - The manager of the Bay Pointe I & Bay Pointe II LIHTC-family developments stated that the proposed LIHTC family development would not negatively impact her property. Both, properties were reported to have been absorbed "quickly", and both maintain a waiting list. Bay Pointe II began leasing units in September 2011, and on December 15, 2011 was 100% occupied. Source: Ms Kay, Manager, (843) 626-4848.

(2) - The manager of the Carolina Cove LIHTC family apartment development stated that the proposed LIHTC development would not negatively impact her property. At the time of the survey, Carolina Cove was 100% occupied and maintained a waiting list with 6 applicants. Source: Ms Frechia Collins, Manager, (843) 445-7899.

(3) - The manager of three phase Monticello Park LIHTC family apartment development stated that the proposed subject development was "far enough away" that it would not negatively impact her property. At the time of the survey, Monticello Park was 100% occupied and maintained a waiting list with 16 applicants. Source: Ms Alexis, Assistant Manager, (843) 946-0051.

(4) - Ms. Sharon Forest, Executive Director of the Myrtle Beach Public Housing Authority was interviewed, (843) 918-1527. Ms. Forest stated that "there is need" for additional affordable LIHTC family housing targeting the area low to moderate income population. It was stated that many of the households in need work in the tourism, food & drinking establishments, and health care sectors of the area economy and for the most part have a hard time paying rent for the newer apartment properties that have been introduced into the market. Most of the new apartment complexes in the Myrtle Beach area have established price points well beyond what most low to moderate income households can afford. Ms. Forest went onto to explain that even though the area has several LIHTC family properties, there is still unmet need. Currently the Myrtle Beach Housing Authority Section 8 Housing Choice Voucher waiting list has over 1,000 applicants.

(5) - Ms. Sabrina Morris, Director of Building, Planning and Zoning, Town of Surfside Beach, was interviewed, (843) 913-6354. Ms. Morris, stated that no apartment developments were presently under construction, nor in the permitted pipeline for development within the City of Surfside Beach.

(6) - Mr. Christopher Lee, Deputy Building Official, City of Myrtle Beach, provided pertinent information via the internet, CLee@cityofmyrtlebeach.com. Mr. Lee, stated that no apartment developments were presently under construction, nor in the permitted pipeline for development within that portion of the Surfside Beach PMA which includes Myrtle Beach.

SECTION J

CONCLUSIONS &  
RECOMMENDATIONS

1. Project Size - The income qualified target group is large enough to absorb the proposed LIHTC-family new construction development of **56-units**.

The **Capture Rates for the total project, by bedroom type and by Income Segment** are considered to be **acceptable**.

2. The current LIHTC family apartment market is **not** representative of a soft market. At the time of the survey, the overall estimated vacancy rate of the surveyed LIHTC family properties was approximately 1%. The current market rate apartment market is not representative of a soft market. At the time of the survey, the overall estimated vacancy rate of the surveyed market rate apartment properties located within the PMA was approximately 5%.
3. The proposed complex unit amenity package is considered to be very competitive within the PMA apartment market for affordable properties. Most of the Class B market rate properties offer a comparable amenity package.
4. Bedroom Mix - The subject will offer 1BR, 2BR, and 3BR units. Based upon market findings and capture rate analysis, the proposed bedroom mix is considered to be appropriate. All household sizes will be targeted, from a single person household to large family households. The bedroom mix at the most recent LIHTC family properties in the competitive environment (Bay Pointe I & II) offered 2BR, and 3BR units. All bedroom types were very well received by the market in terms of demand and absorption.
5. Assessment of rents - The proposed net rents, by bedroom type, will be very competitive within the PMA apartment market at 50% AMI, and 60% AMI. The table on the next page, exhibits the rent reconciliation of the proposed LIHTC property, by bedroom type, and income targeting, with comparable properties.
6. Under the assumption that the proposed development will be: (1) built as described within this market study, (2) will be subject to professional management, and (3) will be subject to an extensive marketing and pre-leasing program, the subject is forecasted to be 93% to 100% absorbed within 4 to 5 months.
7. Based upon the analysis and the conclusions of each of the report sections, in the analyst's professional opinion, it is recommended that the proposed application **proceed forward based on market findings**.

The table below exhibits the findings of the Rent Reconciliation Process between the proposed subject net rent, by bedroom type, and by income targeting with the current comparable Market Rate competitive environment. A detailed examination of the Rent Reconciliation Process, which includes the process for defining Market Rent Advantage, is provided within the preceding pages.

**Market Rent Advantage**

Clearly, the rent reconciliation process exhibits a very significant subject property rent advantage by bedroom type at 50%, and 60% of AMI.

**Percent Advantage:**

	<u>50% AMI</u>	<u>60% AMI</u>
1BR/1b:	44%	29%
2BR/2b:	41%	24%
3BR/2b:	43%	25%
<b>Overall:</b>	<b>29%</b>	

<b>Rent Reconciliation</b>			
<b>50% AMI</b>	<b>1BR</b>	<b>2BR</b>	<b>3BR</b>
Proposed subject net rents	\$375	\$450	\$500
Estimated Market net rents	\$665	\$760	\$870
Rent Advantage (\$)	+\$290	+\$310	+\$370
Rent Advantage (%) rounded	44%	41%	43%
<b>60% AMI</b>	<b>1BR</b>	<b>2BR</b>	<b>3BR</b>
Proposed subject net rents	\$475	\$575	\$650
Estimated Market net rents	\$665	\$760	\$870
Rent Advantage (\$)	+\$190	+\$185	+\$220
Rent Advantage (%) rounded	29%	24%	25%

Source: Koontz & Salinger. February, 2013

**Recommendation**

As proposed in Section B of this study (Project Description), it is of the opinion of the analyst, based upon the findings in the market study, that Kapowski Commons (a proposed LIHTC new construction family development) proceed forward with the development process as presently configured and proposed.



## Negative Impact

In the opinion of the market analyst, the proposed LIHTC family development will not negatively impact the existing supply of program assisted LIHTC family properties located within the Surfside Beach PMA in the long term. At the time of the survey, the existing LIHTC family developments located within the area competitive environment were on average 99% occupied. Four of the five surveyed LIHTC family properties maintain a waiting list ranging in size between 6 and 16 applicants. None of the surveyed managers of the LIHTC family properties thought that there could be some short term or long term negative impact were to subject introduced within the market.

Some relocation of family tenants in the existing LIHTC family properties could occur. This is considered to be normal when a new property is introduced within a competitive environment, resulting in very short term negative impact.

## Achievable Restricted (LIHTC) Rent

The proposed gross rents, by bedroom type at 50%, and 60% AMI are considered to be very competitively positioned within the market. In addition, they are appropriately positioned in order to attract income and age qualified Section 8 Housing Choice Voucher holders within Surfside Beach and Horry County.

It is recommended that the proposed subject LIHTC net rents at 50%, and 60% AMI remain unchanged, neither increased nor decreased. The proposed LIHTC development, and proposed subject net rents are in line with the other LIHTC and program assisted developments operating in the market without PBRA, deep subsidy USDA rental assistance (RA), or attached Section 8 vouchers at 50% and 60% AMI, when taking into consideration differences in age, unit size and amenity package.

Both the Koontz & Salinger and HUD based rent reconciliation processes suggest that the proposed subject 1BR, 2BR, and 3BR net rents could be positioned at a higher level and still attain a rent advantage position greater than 10%. However, the subject's gross rents are already closely positioned to be under Fair Market Rent for Horry County, while at the same time operating within a competitive environment. It is recommended that the proposed subject 1BR, 2BR, and 3BR net rents not be increased, in particular when taking into consideration the subject property's age and income restrictions.

The proposed project design, amenity package, location and net rents are very well positioned to be attractive to the local Section 8 voucher market. Increasing the gross rents to a level beyond the FMR's, even if rent advantage can be achieved, and maintained, is not recommended.

## Mitigating Risks

The subject development is very well positioned to be successful in the market place. It will offer a product that will be very competitive regarding: rent positioning, project design, amenity package and professional management. The major unknown mitigating risk to the development process will be the status of the local economy during 2013-2014 and beyond.

Also, it is possible that the absorption rate could be extended by a few months if the rent-up process for the proposed subject development begins sometime between the Thanksgiving and Christmas holiday season, including the beginning of January.

## Rent Reconciliation Process

Four market rate, and two LIHTC properties that have some market rate units were used as comparables to the subject. All of the properties are located within the Surfside Beach competitive environment, i.e., Eastern Horry County and that portion of the Grand Strand extending from Litchfield Beach to Myrtle Beach. The methodology attempts to quantify a number of subject variables regarding the features and characteristics of a target property in comparison to the same variables of comparable properties.

The comparables were selected based upon the availability of data, general location within the market area, target market, unit and building types, rehabilitation and condition status, and age and general attractiveness of the developments. The rent adjustments used in this analysis are based upon a variety of sources, including data and opinions provided by local apartment managers, LIHTC developers, other real estate professionals, and utility allowances used within the subject market. It is emphasized, however, that ultimately the values employed in the adjustments reflect the subjective opinions of the market analyst.

One or more of the comparable properties may more closely reflect the expected conditions at the subject, and may be given greater weight in the adjustment calculation, while others may be significantly different from the proposed subject development.

Several procedures and non adjustment assumptions were utilized within the rent reconciliation process. Among them were:

- consideration was made to ensure that no duplication of characteristics/adjustments inadvertently took place,
- the comparable properties were chosen based on the following sequence of adjustment: location, age of property, physical condition and amenity package,
- no adjustment was made for the floor/level of the unit in the building; the subject is 2-story walk-up and the comparable properties are either 2-story walk-up, or 3-story walk-up properties,
- no "time adjustment" was made; all of the comparable properties were surveyed in February, 2013,
- no "distance or neighborhood adjustment" was made; owing to the fact that comparisons are being made between properties that are located within the Surfside Beach competitive environment,
- no "management adjustment" was made; all of the comparable properties, as well as the subject are (or will be) professionally managed,
- no adjustment was made for project design; none of the properties stood out as being particularly unique regarding design or project layout,
- no adjustment was made for the age of the comparable property; this segment of the adjustment process was taken into consideration in the unit size adjustment factor,



- no adjustment was made - Number of Rooms - this adjustment was taken into consideration in the adjustment for - Square Feet Area (i.e., unit size),
- no adjustment was made for differences in the type of air conditioning used in comparing the subject to the comparable properties; all either had wall sleeve a/c or central a/c; an adjustment would have been made if any of the comps did not offer a/c or only offered window a/c,
- no adjustments were made for range/oven or refrigerator; the subject and all of the comparable properties provide these appliances (in the rent),
- an adjustment was made for storage,
- adjustments were made for Services (i.e., utilities included in the net rent, and trash removal). Neither the subject nor the comparable properties include heat, hot water, and/or electric within the net rent. The subject excludes water and sewer in the net rent and includes trash removal. One of the comparable properties include cold water, and sewer within the net rent. Several include trash removal. An adjustment will be made for water, sewer, and trash removal.

### **ADJUSTMENT ANALYSIS**

Several adjustments were made regarding comparable property parameters. The dollar value adjustment factors are based on survey findings and reasonable cost estimates. An explanation is provided for each adjustment made in the Estimate of Market Rent by Comparison.

#### **Adjustments:**

- Concessions: One of the six comparable market rate properties offer a concession. An adjustment is made.
- Structure/Floors: No adjustment made.
- Year Built: No adjustment made.
- Square Feet (SF) Area: An adjustment was made for unit size; the SF adjustment is based on a Matched Pair Data Set Analysis of comps, by bedroom type. On average, the rent per sf difference for the 1BR comps was .08, and .10 cents. On average, the rent per sf difference for the 2BR comps was .08, and .10 cents. On average, the rent per sf difference for the 3BR comps was .00, and .06 cents. In order to allow for slight differences in amenity package the overall SF adjustment factor used is .10 per sf per month for the 1BR and 2BR units, and .05 per sf per month for the 3BR unit.
- Number of Baths: An adjustment was made for the subject 2BR/25b units owing to the fact that one of the comparable properties offered 2BR/1b units. The adjustment is \$15 for a ½ bath and \$25 for a full bath. The adjustment is based on a review of the comps.

- Balcony/Terrace/Patio: The subject will offer a traditional balcony/patio, with an attached storage closet. The balcony/patio adjustment is based on an examination of the market rate comps. The balcony/patio adjustment resulted in a \$5 value for the balcony/patio.
- Disposal: An adjustment is made for a disposal based on a cost estimate. It is estimated that the unit and installation cost of a garbage disposal is \$175; it is estimated that the unit will have a life expectancy of 4 years; thus the monthly dollar value is \$4.
- Dishwasher: An adjustment is made for a dishwasher based on a cost estimate. It is estimated that the unit and installation cost of a dishwasher is \$600; it is estimated that the unit will have a life expectancy of 10 years; thus the monthly dollar value is \$5.
- Washer/Dryer (w/d): The subject will offer a central laundry (CL), as well as w/d/ hook-ups. If the comparable property provides a central laundry or w/d hook-ups no adjustment is made. If the comparable property does not offer hook-up or a central laundry the adjustment factor is \$40. The assumption is that at a minimum a household will need to set aside \$10 a week to do laundry. If the comparable included a washer and dryer in the rent the adjustment factor is also \$40.
- Carpet/Drapes/Blinds: The adjustment for carpet, pad and installation is based on a cost estimate. It is assumed that the life of the carpet and pad is 3 to 5 years and the cost is \$10 to \$15 per square yard. The adjustment for drapes / mini-blinds is based on a cost estimate. It is assumed that most of the properties have between 2 and 8 openings with the typical number of 4. The unit and installation cost of mini-blinds is \$25 per opening. It is estimated that the unit will have a life expectancy of 2 years. Thus, the monthly dollar value is \$4.15 , rounded to \$4. Note: The subject and the comparable properties offer carpet and blinds.
- Pool/Recreation Area: The subject offers recreational space on the property. The estimate for a pool and tennis court is based on an examination of the market rate comps. Factoring out for location, condition, non similar amenities suggested a dollar value of \$5 for a playground, \$15 for a tennis court and \$25 for a pool.
- Services d. Water: The subject excludes cold water and sewer in the net rent. None of the comparable properties include water and sewer in the net rent. Note: The source for the utility estimates by bedroom type is provided by the City of Myrtle Beach / Eastern Horry County (December 2012). See Appendix.
- Storage: The dollar value for storage is estimated to be \$5.
- Computer Room: The dollar value for a computer room (with internet service) is estimated to be \$2.
- Fitness Room: The dollar value for an equipped fitness room is estimated to be \$2.
- Clubhouse: The dollar value for a clubhouse and/or community room is estimated to be \$2.

- Location: Based on adjustments made for other amenities and variables in the data set analysis a comparable property with a marginally better location was assigned a value of \$10; a better location versus the subject was assigned a value of \$15; a superior location was assigned a value of \$25. Note: None of the comparable properties are inferior to the subject regarding location.
- Condition: Based on adjustments made for other amenities and variables in the data set analysis, the condition and curb appeal of a comparable property that is marginally better than the subject was assigned a value of \$5; a significantly better condition was assigned a value of \$10; and a superior condition / curb appeal was assigned a value of \$15. If the comparable property is inferior to the subject regarding condition / curb appeal the assigned value is - \$10. Note: Given the new construction (quality) of the subject, the overall condition of the subject is classified as being significantly better.
- Trash: The subject includes trash in the net rent. Several of the comparable properties exclude trash in the net rent. An adjustment will be made. Note: The source for the trash estimate by bedroom type is provided by the City of Myrtle Beach / Eastern Horry County (December 2012). See Appendix.



**Adjustment Factor Key:**

SF - 1BR & 2BR - .10 per sf per month; 3BR -.05 per sf per month

Patio/balcony - \$5

Storage - \$5

Computer Rm, Fitness Rm, Clubhouse - \$2 (each)

Disposal - \$4

Dishwasher - \$5

Carpet - \$5

Mini-blinds - \$4

W/D hook-ups or Central Laundry - \$20      W/D Units - \$40

Pool - \$25      Tennis Court - \$15

Playground - \$5 (Na for elderly)      Walking Trail - \$2

Full bath - \$25; ½ bath - \$15

Location - Superior - \$25; Better - \$15; Marginally Better - \$10

Condition - Superior - \$15; Better - \$10; Marginally Better - \$5;  
Inferior - minus \$10

Water & Sewer - 1BR - \$21; 2BR - \$27; 3BR - \$32 (Source: City of Myrtle Beach / Eastern Horry County, December 2012)

Trash Removal - \$15 (Source: City of Myrtle Beach / Eastern Horry County, December 2012)

Age - \$.50 per year (differential) Note: If difference is less than or near to 5/10 years, a choice is provided for no valuation adjustment.\*

\*Could be included with the year built (age) adjustment, thus in most cases will not be double counted/adjusted. **Also, if the sf adjustment come into play significantly, then adjustment for age will be reduced or factored out.**

**One Bedroom Units**

Subject		Comp # 1		Comp # 2		Comp # 3	
Kapowski Commons		Cape Landing		Ivystone		Litchfield	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$655		\$650		\$730	
Utilities	t	None	\$15	t		None	\$15
Concessions		No		No		No	
Effective Rent		\$640		\$650		\$745	
B. Design, Location, Condition							
Structures/Stories	2	3		2		3	
Year Built	2015	1997		2006		2000	
Condition	Excell	V Good		V Good		Excell	
Location	Good	Good		Good		Good	
C. Unit Amenities							
# of BR's	1	1		1		1	
# of Bathrooms	1	1		1		1	
Size/SF	852	720	\$13	652	\$20	708	\$14
Balcony/Patio/Stor	Y/Y	Y/Y		Y/N	\$5	Y/Y	
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/Y		Y/Y		Y/Y	
W/D Unit	N	N		N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	Y		Y		Y	
Pool/Tennis Court	N/N	Y/Y	(\$40)	Y/N	(\$25)	Y/N	(\$25)
Recreation Area	Y	Y		Y		Y	
Computer/Fitness	Y/Y	Y/Y		Y/Y		Y/Y	
F. Adjustments							
Net Adjustment			-\$27		\$0		-\$11
G. Adjusted & Achievable Rent		\$613		\$650		\$734	
Estimated Market Rent (Avg of 4 comps, rounded)	Next Page	Rounded to:		see Table	% Adv		

One Bedroom Units							
Subject		Comp # 4		Comp # 5		Comp # 6	
Kapowski Commons		Palmetto Pointe					
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$695					
Utilities	t	t					
Concessions		No					
Effective Rent		\$695					
B. Design, Location, Condition							
Structures/Stories	2	3					
Year Built	2015	2000					
Condition	Excell	V Good					
Location	Good	Good					
C. Unit Amenities							
# of BR's	1	1					
# of Bathrooms	1	1					
Size/SF	852	736	\$12				
Balcony/Patio/Stor	Y/Y	Y/Y					
AC Type	Central	Central					
Range/Refrigerator	Y/Y	Y/Y					
Dishwasher/Disp.	Y/Y	Y/Y					
W/D Unit	N	N					
W/D Hookups or CL	Y	Y					
D. Development Amenities							
Clubhouse/Comm Rm	Y	Y					
Pool/Tennis Court	N/N	Y/Y	(\$40)				
Recreation Area	Y	Y					
Computer/Fitness	Y/Y	Y/Y					
F. Adjustments							
Net Adjustment			-\$28				
G. Adjusted & Achievable Rent		\$667					
Estimated Market Rent (Avg of 4 comps, rounded)		\$666	Rounded to: \$665	see Table	% Adv		



**Two Bedroom Units**

Subject		Comp # 1		Comp # 2		Comp # 3	
Kapowski Commons		Cape Landing		Carolina Cove		Ivystone	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$820		\$725		\$825	
Utilities	t	None	\$15	w,s,t	(\$27)	t	
Concessions		No		No		Yes	(\$225)
Effective Rent		\$835		\$698		\$600	
B. Design, Location, Condition							
Structures/Stories	2	3		2		2	
Year Built	2015	1997		2000		2000	
Condition	Excell	V Good		V Good		V Good	
Location	Good	Good		Good		Good	
C. Unit Amenities							
# of BR's	2	2		2		2	
# of Bathrooms	2	1	\$25	2		2	
Size/SF	1103	996	\$11	979	\$12	1040	\$6
Balcony-Patio/Stor	Y/Y	Y/Y		Y/N	\$5	Y/Y	
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/Y		Y/Y		Y/Y	
W/D Unit	N	N		N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	Y		Y		Y	
Pool/Tennis Court	N/N	Y/Y	(\$40)	Y/Y	(\$40)	Y/N	(\$25)
Recreation Area	Y	Y		Y		Y	
Computer/Fitness	Y/Y	Y/Y		Y/Y		Y/Y	
F. Adjustments							
Net Adjustment			-\$4		-\$23		-\$19
G. Adjusted & Achievable Rent		\$831		\$670		\$581	
Estimated Market Rent (Avg of 6 comps, rounded)		Next Page	Rounded to:		see Table	% Adv	

**Two Bedroom Units**

Subject		Comp # 4		Comp # 5		Comp # 6	
Kapowski Commons		Litchfield		Monticello		Palmetto Pointe	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$820		\$830		\$825	
Utilities	t	None	\$15	None	\$15	t	
Concessions		No		No		No	
Effective Rent		\$835		\$845		\$825	
B. Design, Location, Condition							
Structures/Stories	2	3		2		3	
Year Built	2015	2000		2008		2000	
Condition	Excell	Excell		Excell		V Good	
Location	Good	Good		Good		Good	
C. Unit Amenities							
# of BR's	2	2		2		2	
# of Bathrooms	2	2		2		2	
Size/SF	1103	964	\$14	1047	\$5	1040	\$6
Balcony/Patio/Stor	Y/Y	Y/Y		Y/Y		Y/Y	
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/Y		Y/Y		Y/Y	
W/D Unit	N	N		N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	Y		Y		Y	
Pool/Tennis Court	N/N	Y/N	(\$25)	N/N		Y/Y	(\$40)
Recreation Area	Y	Y		Y		Y	
Computer/Fitness	Y/Y	Y/Y		Y/Y		Y/Y	
F. Adjustments							
Net Adjustment			-\$11		+\$5		-\$34
G. Adjusted & Achievable Rent		\$824		\$850		\$791	
Estimated Market Rent (Avg of 6 comps, rounded)		\$758	Rounded to: \$760		see Table	% Adv	

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

Development Name: Kapowski Commons Total # Units: 56  
 Location: Surfside Beach, SC # LIHTC Units: 56  
 PMA Boundary: N: Myrtle Beach Airport & US 501; E: Atlantic Ocean; S: Georgetown County; W: US 17 Bypass  
 Development Type:  Family  Older Persons Farthest Boundary Distance to Subject: 7 miles

**RENTAL HOUSING STOCK (found on page 54 & 55)**

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	9	1,906	71	96.3%
Market-Rate Housing	4	1,464	67	95.4%
Assisted/Subsidized Housing not to include LIHTC				%
<b>LIHTC (All that are stabilized)*</b>	5***	442	4	99.1%
Stabilized Comps**	6	1,728	69	96.0%
Non-stabilized Comps				%

\* Stabilized occupancy of at least 93% (Excludes projects still in initial lease up). \*\*\* One property comprises 3-phases  
 \*\* 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
8	1	1	852	\$375	\$665	\$0.94	44%	\$730	\$1.03
2	1	1	852	\$475	\$665	\$0.94	29%	\$730	\$1.03
4	2	2	1103	\$450	\$760	\$0.75	41%	\$830	\$0.79
28	2	2	1103	\$575	\$760	\$0.75	24%	\$830	\$0.79
2	3	2	1254	\$500	\$870	\$0.69	43%	\$999	\$0.74
12	3	2	1254	\$650	\$870	\$0.69	25%	\$999	\$0.74
<b>Gross Potential Rent Monthly*</b>				<b>\$30,650</b>	<b>\$43,150</b>		<b>29%</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 33-35)**

	2000		2012		2015	
Renter Households	4,733	31.70%	5,360	35.36%	5,610	35.92%
Income-Qualified Renter HHs (LIHTC)	1,408	29.75%	1,595	29.75%	1,680	29.95%
Income-Qualified Renter HHs (MR)	(if applicable)	%		%		%

**TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 44)**

Type of Demand	50%	60%	Market-rate	Other: __	Other: __	Overall
Renter Household Growth	39	53				
Existing Households (Overburd + Substand)	699	889				92
Homeowner conversion (Seniors)	Na	Na				1,588
Other:	Na	Na				Na
Less Comparable/Competitive Supply	0	0				Na
<b>Net Income-qualified Renter HHs</b>	<b>738</b>	<b>942</b>				<b>0</b>
						<b>1,680</b>

**CAPTURE RATES (found on page 45)**

Targeted Population	50%	60%	Market-rate	Other: __	Other: __	Overall
Capture Rate	1.9%	4.5%				3.3%

**ABSORPTION RATE (found on page 47)**

Absorption Period 4 to 5 months



Three Bedroom Units							
Subject		Comp # 1		Comp # 2		Comp # 3	
Kapowski Commons		Cape Landing		Carolina Cove		Ivystone	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$999		\$830		\$950	
Utilities	t	None	\$15	w,s,t	(\$32)	t	
Concessions		No		No		Yes	(\$225)
Effective Rent		1014		\$798		\$725	
B. Design, Location, Condition							
Structures/Stories	2	3		2		2	
Year Built	2015	1997		2000		2000	
Condition	Excell	V Good		V Good		V Good	
Location	Good	Good		Good		Good	
C. Unit Amenities							
# of BR's	3	3		3		3	
# of Bathrooms	2	2		2		2	
Size/SF	1254	1356	(\$5)	1166	\$4	1276	(\$1)
Balcony/Patio/Stor	Y/Y	Y/Y		Y/N	\$5	Y/Y	
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/Y		Y/Y		Y/Y	
W/D Unit	N	N		N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	Y		Y		Y	
Pool/Tennis Court	N/N	Y/Y	(\$40)	Y/Y	(\$40)	Y/N	(\$25)
Recreation Area	Y	Y		Y		Y	
Computer/Fitness	Y/Y	Y/Y		Y/Y		Y/Y	
F. Adjustments							
Net Adjustment			-\$45		-\$31		-\$26
G. Adjusted & Achievable Rent		\$969		\$767		\$699	
Estimated Market Rent (Avg of 6 comps, rounded)		Next Page	Rounded to:	see Table	% Adv		

Three Bedroom Units							
Subject		Comp # 4		Comp # 5		Comp # 6	
Kapowski Commons		Litchfield		Monticello		Palmetto Pointe	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$925		\$830		\$950	
Utilities	t	None	\$15	None	\$15	t	
Concessions		No		No		No	
Effective Rent		\$940		\$845		\$950	
B. Design, Location, Condition							
Structures/Stories	2	3		2		3	
Year Built	2015	2000		2008		2000	
Condition	Excell	Excell		Excell		V Good	
Location	Good	Good		Good		Good	
C. Unit Amenities							
# of BR's	3	3		3		3	
# of Bathrooms	2	2		2		2	
Size/SF	1254	1184		1268		1274	
Balcony-Patio/Stor	Y/Y	Y/Y		Y/Y		Y/Y	
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/Y		Y/Y		Y/Y	
W/D Unit	N	N		N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	Y		Y		Y	
Pool/Tennis Court	N/N	Y/N	(\$25)	N/N		Y/Y	(\$40)
Recreation Area	Y	Y		Y		Y	
Computer/Fitness	Y/Y			Y/Y		Y/Y	
F. Adjustments							
Net Adjustment			-\$25		\$0		-\$40
G. Adjusted & Achievable Rent		\$915		\$845		\$910	
Estimated Market Rent (Avg of 6 comps, rounded)		\$868	Rounded to: \$870		see Table	% Adv	

SECTION K

SIGNED STATEMENT

**NCHMA Certification**

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

Koontz & Salinger is duly qualified and experienced in providing market analysis for Affordable Housing. The company's principals participate in NCHMA educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Koontz & Salinger is an independent market analyst firm. No principal or employee of Koontz & Salinger has any financial interest whatsoever in the development for which this analysis has been undertaken. While the document specifies Koontz & Salinger, the certification is always signed by the individual completing the study and attesting to the certification.

**SCSHDA Certification**

I affirm that I have made a physical inspection of the market and surrounding area and the information obtained in the field has been used to determine the need and demand for LIHTC units. I understand that any misrepresentation of this statement may result in the denial of further participation in the South Carolina State Finance & Development Authority's programs. I also affirm that I have no financial interest project or current business relationship with the ownership 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 on the low income housing rental market.

**CERTIFICATION**

Koontz and Salinger  
P.O. Box 37523  
Raleigh, North Carolina 27627

 3-4-13

Jerry M. Koontz  
Market Analyst Author  
(919) 362-9085



SECTION L  
ANALYST QUALIFICATIONS

Koontz and Salinger conducts Real Estate Market Research and provides general consulting services for real estate development projects. Market studies are prepared for residential and commercial development. Due diligence work is performed for the financial service industry and governmental agencies.

**JERRY M. KOONTZ**

EDUCATION: M.A. Geography 1982 Florida Atlantic Un.  
B.A. Economics 1980 Florida Atlantic Un.  
A.A. Urban Studies 1978 Prince George Comm. Coll.

PROFESSIONAL: 1985-Present, Principal, Koontz and Salinger, a Real Estate Market Research firm. Raleigh, NC  
  
1983-1985, Market Research Staff Consultant, Stephens Associates, a consulting firm in real estate development and planning. Raleigh, NC  
  
1982-1983, Planner, Broward Regional Health Planning Council. Ft. Lauderdale, FL.  
  
1980-1982, Research Assistant, Regional Research Associates. Boca Raton, FL.

AREAS OF EXPERIENCE: Real Estate Market Analysis: Residential Properties and Commercial Properties

WORK PRODUCT: Over last 30 years have conducted real estate market studies, in 31 states. Studies have been prepared for the LIHTC & Home programs, USDA-RD Section 515 & 528 programs, HUD Section 202 and 221 (d) (4) programs, conventional single-family and multi-family developments, Personal care boarding homes, motels and shopping centers.

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## SECTION M

### PROFILES OF COMPARABLE PROPERTIES & REPRESENTATIVE SAMPLE SURVEY OF THE COMPETITIVE ENVIRONMENT

Part I of the survey of the competitive environment focused upon the program assisted LIHTC apartment properties located within the Surfside Beach PMA and adjacent/nearby LIHTC properties to the PMA. 100% of the LIHTC-family supply was surveyed. Part II consists of a sample survey of conventional market rate apartment properties located within the Surfside Beach PMA, and properties located within near proximity to the PMA. The analysis includes individual summaries and pictures of properties.

The data on the individual complexes, reported on the following pages, were reported by the owners or managers of the specific projects. In some cases, the managers / owners were unable to report on a specific project item, or declined to provide detailed information, or may have inadvertently provided incorrect information. Despite these potential problems, the compilation and synthesis of the status of the comparables (and alternatives) is considered to provide the best indication of the competitive position of the proposed subject development.

**Part I - Survey of LIHTC-Family Apartments**

1. Bay Pointe I, 1400 Mr Joe White Avenue (843) 626-4848

**Contact:** Ms Kay (2/14/13)  
**Date Built:** 2010

**Type:** LIHTC (50% & 60%)  
**Condition:** Excellent

<u>Unit Type</u>	<u>Number</u>	<u>50% Rent</u>	<u>60% Rent</u>	<u>Size sf</u>	<u>Vacant</u>
2BR/2b	28	\$531	\$655	993-1100	0
3BR/2b	22	\$609	\$735	1143-1250	0
Total	50				0

**Typical Occupancy Rate:** 99%  
**Security Deposit:** \$300  
**Utilities Included:** trash

**Waiting List:** Yes  
**Concessions:** No  
**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Tennis	No
Clubhouse	Yes	Recreation Area	Yes
Storage	No	Picnic Area	Yes

**Project Design:** 2 story walk-up

**Additional Info:** 12-units have a Section 8 voucher; 2012 occupancy: 2nd quarter-98%; 4<sup>th</sup> quarter-100%; expects no negative impact tenants came from a countywide area, and as far away as Florence





2. Bay Pointe II, 1400 Mr Joe White Avenue

(843) 626-4848

Contact: Ms Kay (2/14/13)  
Date Built: 2011

Type: LIHTC (50% & 60%)  
Condition: Excellent

<u>Unit Type</u>	<u>Number</u>	<u>50% Rent</u>	<u>60%</u>	<u>Size sf</u>	<u>Vacant</u>
2BR/2b	28	\$531	\$655	950-1035	0
3BR/2b	28	\$609	\$735	1110-1185	0
Total	56				0

Typical Occupancy Rate: 99%  
Security Deposit: \$300  
Utilities Included: trash

Waiting List: Yes  
Concessions: No  
Turnover: Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Tennis	No
Clubhouse	Yes (computer lab)	Recreation Area	Yes
Storage	No	Picnic Area	Yes

Project Design: 2 story walk-up

Additional Info: 100% absorption within 4 months; 12-units have a Section 8 voucher; 2012 occupancy: 2<sup>nd</sup> quarter-98%; 4<sup>th</sup> quarter-100%; expects no negative impact; tenants came from a countywide area, and as far away as Florence



3. Carolina Cove Apartments, 830 Carolina Cove Dr (843) 445-7899

**Contact:** Frechia Collins (2/13/13)

**Type:** LIHTC fm & Market  
(50% & 60% AMI)

**Date Built:** 2000

**Condition:** Very Good

<u>Unit Type</u>	<u>LIHTC Number</u>	<u>Mrk</u>	<u>50% Rent</u>	<u>60% MR</u>	<u>Size sf</u>	<u>Vacant</u>
2BR/2b	46	10	\$515- Na	-\$725	979	0
3BR/2b	12	4	\$595-\$730	-\$830	1166	0
Total	58	14				0

**Typical Occupancy Rate:** 96%

**Waiting List:** Yes (6-apps)

**Security Deposit:** \$300

**Concessions:** No

**Utilities Included:** water, sewer, trash

**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	Yes (office)	Pool	Yes
Laundry Room	Yes	Tennis	Yes
Clubhouse	Yes	Recreation Area	Yes
Fitness Room	Yes	Picnic Area	Yes

**Project Design:** 2 story walk-up

**Additional Info:** 58-units are LIHTC; 14-units are Market Rate; courtesy officer, controlled access; "fairly good traffic"; 100% occupancy within 1<sup>st</sup> 6 to 7 months of rent-up; 26-units occupied by a Section 8 voucher holder; 2012 occupancy: 2<sup>nd</sup> quarter-100%; 4<sup>th</sup> quarter-96%; expects no negative impact





4. Monticello Park Apartments, 1300 Oceola St (843) 946-0051

**Contact:** Alexis, Assist Mgr (2/13/13)  
**Date Built:** Phase I 2004, II 2006, III 2008

**Type:** LIHTC fm & Market  
**Condition:** Excellent

<u>Unit Type</u>	<u>LIHTC Number</u>	<u>Mrkt</u>	<u>50% Rent</u>	<u>60% Rent</u>	<u>MR</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	16	-	\$415	\$521	Na	800	0
2BR/2b	100	8	\$497	\$624	\$730	1047	2
3BR/2b	64	4	\$571	\$717	\$830	1268	0
Total	180	12					2

**Typical Occupancy Rate:** 95%-99%  
**Security Deposit:** \$300  
**Utilities Included:** None

**Waiting List:** Yes (16-apps)  
**Concessions:** No  
**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Tennis	No
Community Rm	Yes	Recreation Area	Yes
Storage	Yes	Picnic Area	Yes

**Project Design:** 3 story walk-up

**Additional Info:** 188-units are LIHTC; 12-units are Market Rate; 2012 occupancy: 2<sup>nd</sup> quarter-95% to 100%; 4<sup>th</sup> quarter-95% to 100%; 30 units are occupied by a Section 8 voucher holder; expects no negative impact, existing tenants came from a countywide area, and from North Carolina





5. Pipers Pointe Apartments, 1310 3<sup>rd</sup> Ave S (843) 448-0400

**Contact:** Rene, Manager (2/19/13)  
Capital Management  
**Date Built:** 2006

**Type:** LIHTC fm  
(50% & 60% AMI)  
**Condition:** Excellent

<u>Unit Type</u>	<u>Number</u>	<u>50% Rent</u>	<u>60% Rent</u>	<u>Size sf</u>	<u>Vacant</u>
2BR/2b	36	\$483	\$624	1082	1 (60% AMI)
3BR/2b	36	\$556	\$715	1304	1 (60% AMI)
Total	72				2

**Typical Occupancy Rate:** 97%-98%  
**Security Deposit:** \$300  
**Utilities Included:** None

**Waiting List:** No  
**Concessions:** No  
**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	No

**Amenities - Project**

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Tennis	No
Community Rm	Yes (computer rm)	Recreation Area	Yes
Storage	No	Picnic Area	Yes

**Project Design:** 3 story walk-up

**Additional Info:** 21-units occupied by a Section 8 voucher holder; demand from all of Horry County; 2012 occupancy: 2<sup>nd</sup> quarter-92%; 4<sup>th</sup> quarter-97%



**Survey of the Competitive Environment-Market Rate**

1. Cape Landing Apartments, 3851 Cape Landing Dr (843) 293-2273

**Contact:** Shane, Assist Mgr (2/13/13)  
**Date Built:** 1997

**Type:** Conventional  
**Condition:** Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	72	\$625	695	\$.90	3
1BR/1b	60	\$680	744	\$.91	2
2BR/1b	48	\$749	883	\$.84	1
2BR/1b	60	\$889	1108	\$.80	1
3BR/2b	48	\$999	1356	\$.74	1
Total	288				8

**Typical Occupancy Rate:** 95%-96%  
**Security Deposit:** based upon credit  
**Utilities Included:** None

**Waiting List:** No  
**Concessions:** No  
**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	Yes	Pool	Yes
Laundry Room	Yes	Tennis Court	Yes
Clubhouse	Yes	Fitness Room	Yes
Storage	Yes	Picnic/Grill Area	Yes

**Project Design:** 3 story walk-up

**Additional Info:** rents based upon Yieldstar system; "many tenants are retirees, and area workers in the services trades"



3. Ivystone at Palmetto Pointe, 100 Ivystone Dr (843) 293-4919

**Contact:** Amanda (2/13/13)  
**Date Built:** 2002-2006

**Type:** Conventional  
**Condition:** Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	40	\$650	652	\$.99	*
2BR/1b	60	\$695-\$775	736-933	\$.83-\$.94	*
2BR/2b	452	\$825	1040	\$.79	*
3BR/2b	112	\$950	1276	\$.74	*
Total	664				45

**Typical Occupancy Rate:** very low 90's  
**Security Deposit:** \$300+  
**Utilities Included:** trash

**Waiting List:** No  
**Concessions:** Yes

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	Yes	Clubhouse	Yes
Laundry Room	Yes	Pool	Yes
Tennis Court	No	Recreation Area	Yes
Fitness Room	Yes		

**Design:** two and three story walk-up

**Remarks:** concessions are 2BR/2b w/12 month lease \$600; 3BR/2b - \$725





3. Litchfield Oaks, 5 Ashcraft Circle

(843) 235-9191

**Contact:** Brany, Manager (2/18/13)  
**Date Built:** 1999-2000

**Type:** Conventional  
**Condition:** Excellent

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	18	\$730-\$770	708	\$1.03-\$1.09	0
2BR/2b	144	\$799-\$839	964	\$0.83-\$0.87	7
3BR/2b	30	\$899-\$950	1184	\$0.76-\$0.80	0
Total	192				7

**Typical Occupancy Rate:** 97%  
**Security Deposit:** \$300 to 1 month  
**Utilities Included:** None

**Waiting List:** No  
**Concessions:** No

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	Yes	Clubhouse	Yes
Laundry Room	Yes	Pool	Yes
Tennis Court	No	Recreation Area	Yes

**Design:** three story walk-up (\$100 premium for a garage)

**Remarks:** "typically 100% occupied during the summer"



4. Palmetto Pointe, 3919 Carnegie Ave

(843) 235-9191

Contact: Amanda (2/13/13)  
Date Built: 1999-2000

Type: Conventional  
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	68	\$650	652	\$.99	1
1BR/1b	72	\$695	736	\$.94	0
2BR/1b	60	\$775	933	\$.83	2
2BR/2b	108	\$825	1040	\$.79	4
3BR/2b	12	\$950	1276	\$.74	0
Total	320				7

Typical Occupancy Rate: 97%  
Security Deposit: \$300  
Utilities Included: trash

Waiting List: No  
Concessions: No

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	Yes	Clubhouse	Yes
Laundry Room	Yes	Pool	Yes
Tennis Court	Yes	Recreation Area	Yes
Fitness Room	Yes	Car Wash Area	Yes

Design: two & three story walk-up (\$100 premium for a garage)

Remarks:





**NCHMA Market Study Index**

Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. Similar to the Model Content Standards, General Requirements are detailed first, followed by requirements required for specific project types. Components reported in the market study are indicated by a page number.

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5	Project design description	1
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7	Unit features and finishes	1
8	Target population description	1
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NA

10 - Subject is not a rehab development of an existing apartment complex

34-36 - Not senior

45 - The proposed LIHTC family development most likely would lose few (if any) tenants to turnover owing to the tenants changing tenure to home ownership in the majority of the Anderson, SC home buying market. The majority of the tenants at the subject property will have annual incomes in the \$15,000 to \$30,000 range. Today's home buying market, both stick-built, modular, and mobile home requires that one meet a much higher standard of income qualification, long term employment stability, credit standing, and a savings threshold. These are difficult hurdles for the majority of LIHTC family households to achieve in today's home buying environment.

52 - Not senior

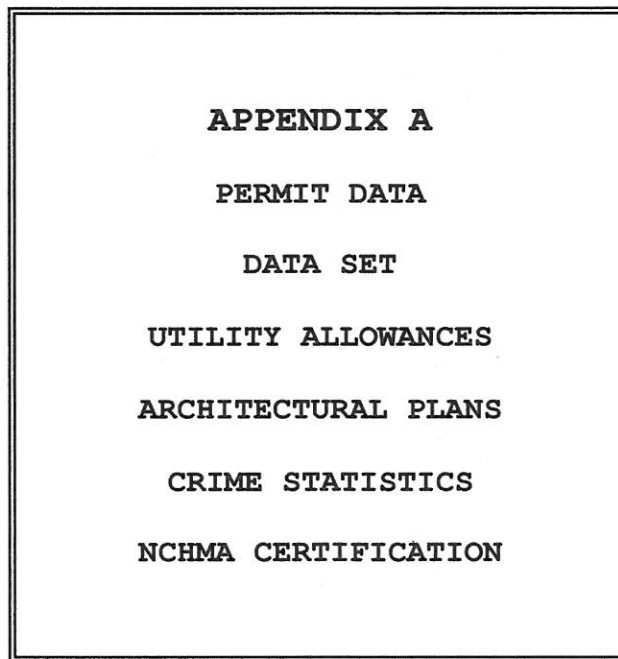




Table 18 exhibits building permit data between 2000 and 2012 for the Town of Surfside Beach. Since 2000, approximately 9.5% of the permits issued within Surfside Beach County were multi-family, of which the majority were very likely owner-occupied tenure, such as condominiums.

<b>Table 18</b>					
<b>New Housing Units Permitted: Surfside Beach</b>					
<b>2000-2012<sup>1</sup></b>					
Year	Net Total <sup>2</sup>	1 Unit	2 Units	3-4 Units	5+ Units
2000	76	76	--	--	--
2001	63	55	8	--	--
2002	69	59	14	6	--
2003	115	100	12	3	--
2004	102	94	8	--	--
2005	128	105	14	9	--
2006	20	16	4	--	--
2007	39	--	--	--	--
2008	16	11	--	--	--
2009	11	11	--	--	--
2010	13	13	--	--	--
2011	42	42	--	--	--
2012	37	37	--	--	--
<b>Total</b>	<b>731</b>	<b>663</b>	<b>50</b>	<b>18</b>	<b>--</b>

<sup>1</sup>Source: US Bureau of Census, Censtats

<sup>2</sup>Net total equals new SF and MF permits.

**DATA SET**

Population by Age & Sex Surfside, SC											
Census 2010			Current Year Estimates - 2013			Five-Year Projections - 2018					
Age	Male	Female	Total	Age	Male	Female	Total	Age	Male	Female	Total
0 to 4 Years	62	60	122	0 to 4 Years	65	61	126	0 to 4 Years	65	61	126
5 to 9 Years	63	61	124	5 to 9 Years	62	60	122	5 to 9 Years	67	65	132
10 to 14 Years	96	83	179	10 to 14 Years	79	71	150	10 to 14 Years	66	65	131
15 to 17 Years	63	53	116	15 to 17 Years	62	51	113	15 to 17 Years	49	42	91
18 to 20 Years	55	49	104	18 to 20 Years	52	43	95	18 to 20 Years	44	39	83
21 to 24 Years	84	90	174	21 to 24 Years	76	79	155	21 to 24 Years	74	65	139
25 to 34 Years	227	200	427	25 to 34 Years	234	221	455	25 to 34 Years	227	226	453
35 to 44 Years	217	223	440	35 to 44 Years	225	212	437	35 to 44 Years	248	211	459
45 to 54 Years	315	364	679	45 to 54 Years	292	332	624	45 to 54 Years	252	281	533
55 to 64 Years	360	413	773	55 to 64 Years	366	429	795	55 to 64 Years	366	432	798
65 to 74 Years	228	298	526	65 to 74 Years	252	330	582	65 to 74 Years	307	391	698
75 to 84 Years	142	154	296	75 to 84 Years	139	158	297	75 to 84 Years	143	172	315
85 Years and Up	30	46	76	85 Years and Up	35	58	93	85 Years and Up	43	74	117
<b>Total</b>	<b>1,942</b>	<b>2,094</b>	<b>4,036</b>	<b>Total</b>	<b>1,939</b>	<b>2,105</b>	<b>4,044</b>	<b>Total</b>	<b>1,951</b>	<b>2,124</b>	<b>4,075</b>
62+ Years	n/a	n/a	1,132	62+ Years	n/a	n/a	1,217	62+ Years	n/a	n/a	1,378

Source: Nielsen Claritas; Ribbon Demographics



Population by Age & Sex Surfside Beach, SC - PMA											
Census 2010			Current Year Estimates - 2013			Five-Year Projections - 2018					
Age	Male	Female	Total	Age	Male	Female	Total	Age	Male	Female	Total
0 to 4 Years	751	753	1,504	0 to 4 Years	789	765	1,554	0 to 4 Years	844	799	1,643
5 to 9 Years	759	690	1,449	5 to 9 Years	781	750	1,531	5 to 9 Years	833	815	1,648
10 to 14 Years	696	680	1,376	10 to 14 Years	757	708	1,465	10 to 14 Years	829	791	1,620
15 to 17 Years	472	468	940	15 to 17 Years	438	432	870	15 to 17 Years	437	423	860
18 to 20 Years	526	465	991	18 to 20 Years	477	431	908	18 to 20 Years	446	408	854
21 to 24 Years	827	707	1,534	21 to 24 Years	711	647	1,358	21 to 24 Years	566	534	1,100
25 to 34 Years	2,076	1,805	3,881	25 to 34 Years	2,251	1,974	4,225	25 to 34 Years	2,357	2,097	4,454
35 to 44 Years	1,945	1,833	3,778	35 to 44 Years	2,019	1,849	3,868	35 to 44 Years	2,158	1,927	4,085
45 to 54 Years	2,254	2,462	4,716	45 to 54 Years	2,212	2,350	4,562	45 to 54 Years	2,137	2,150	4,287
55 to 64 Years	2,312	2,628	4,940	55 to 64 Years	2,350	2,725	5,075	55 to 64 Years	2,317	2,759	5,076
65 to 74 Years	1,853	2,241	4,094	65 to 74 Years	2,078	2,481	4,559	65 to 74 Years	2,555	2,997	5,552
75 to 84 Years	1,195	1,440	2,635	75 to 84 Years	1,196	1,508	2,704	75 to 84 Years	1,258	1,645	2,903
85 Years and Up	288	479	767	85 Years and Up	345	567	912	85 Years and Up	413	697	1,110
<b>Total</b>	<b>15,954</b>	<b>16,651</b>	<b>32,605</b>	<b>Total</b>	<b>16,404</b>	<b>17,187</b>	<b>33,591</b>	<b>Total</b>	<b>17,150</b>	<b>18,042</b>	<b>35,192</b>
62+ Years	n/a	n/a	9,075	62+ Years	n/a	n/a	9,836	62+ Years	n/a	n/a	11,170

Source: Nielsen Claritas; Ribbon Demographics

Population by Age & Sex Horry County, SC											
Census 2010			Current Year Estimates - 2013			Five-Year Projections - 2018					
Age	Male	Female	Total	Age	Male	Female	Total	Age	Male	Female	Total
0 to 4 Years	7,746	7,557	15,303	0 to 4 Years	8,298	7,988	16,286	0 to 4 Years	9,178	8,742	17,920
5 to 9 Years	7,666	7,420	15,086	5 to 9 Years	8,111	7,887	15,998	5 to 9 Years	8,906	8,578	17,484
10 to 14 Years	7,455	7,240	14,695	10 to 14 Years	7,979	7,731	15,710	10 to 14 Years	8,735	8,487	17,222
15 to 17 Years	4,698	4,460	9,158	15 to 17 Years	4,750	4,502	9,252	15 to 17 Years	5,026	4,771	9,797
18 to 20 Years	5,800	5,704	11,504	18 to 20 Years	5,678	5,599	11,277	18 to 20 Years	5,624	5,551	11,175
21 to 24 Years	7,469	7,106	14,575	21 to 24 Years	7,180	6,894	14,074	21 to 24 Years	6,754	6,520	13,274
25 to 34 Years	17,308	16,526	33,834	25 to 34 Years	18,674	17,901	36,575	25 to 34 Years	19,925	19,218	39,143
35 to 44 Years	16,725	16,738	33,463	35 to 44 Years	17,531	17,363	34,894	35 to 44 Years	19,015	18,515	37,530
45 to 54 Years	17,713	19,364	37,077	45 to 54 Years	18,354	19,569	37,923	45 to 54 Years	18,821	19,376	38,197
55 to 64 Years	17,862	20,664	38,526	55 to 64 Years	18,384	21,662	40,046	55 to 64 Years	18,600	22,408	41,008
65 to 74 Years	13,726	14,656	28,382	65 to 74 Years	15,853	17,066	32,919	65 to 74 Years	19,630	21,465	41,095
75 to 84 Years	6,179	7,496	13,675	75 to 84 Years	6,603	8,188	14,791	75 to 84 Years	7,697	9,745	17,442
85 Years and Up	1,344	2,669	4,013	85 Years and Up	1,710	3,213	4,923	85 Years and Up	2,195	4,081	6,276
<b>Total</b>	<b>131,691</b>	<b>137,600</b>	<b>269,291</b>	<b>Total</b>	<b>139,105</b>	<b>145,563</b>	<b>284,668</b>	<b>Total</b>	<b>150,106</b>	<b>157,457</b>	<b>307,563</b>
62+ Years	n/a	n/a	58,094	62+ Years	n/a	n/a	65,339	62+ Years	n/a	n/a	77,481

Source: Nielsen Claritas; Ribbon Demographics



Owner Households						
Age 15 to 54 Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	103	84	0	0	0	187
\$10,000-20,000	106	111	14	4	16	251
\$20,000-30,000	188	121	22	34	25	390
\$30,000-40,000	154	193	84	65	25	521
\$40,000-50,000	208	248	167	93	23	739
\$50,000-60,000	69	78	43	33	51	274
\$60,000-75,000	66	224	146	56	80	572
\$75,000-100,000	71	160	249	41	36	557
\$100,000-125,000	33	104	21	133	17	308
\$125,000-150,000	6	84	31	22	5	148
\$150,000-200,000	11	32	8	36	3	90
\$200,000+	11	15	19	31	41	117
<b>Total</b>	<b>1,026</b>	<b>1,454</b>	<b>804</b>	<b>548</b>	<b>322</b>	<b>4,154</b>

Owner Households						
Aged 55+ Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	136	129	15	9	2	291
\$10,000-20,000	586	289	23	3	4	905
\$20,000-30,000	512	404	26	22	3	967
\$30,000-40,000	297	413	30	5	4	749
\$40,000-50,000	219	439	41	6	3	708
\$50,000-60,000	89	453	36	2	1	581
\$60,000-75,000	112	506	19	30	29	696
\$75,000-100,000	115	353	39	3	5	515
\$100,000-125,000	20	107	42	3	0	172
\$125,000-150,000	18	81	16	17	12	144
\$150,000-200,000	15	65	31	8	2	121
\$200,000+	4	52	6	2	3	67
<b>Total</b>	<b>2,123</b>	<b>3,291</b>	<b>324</b>	<b>110</b>	<b>68</b>	<b>5,916</b>

Owner Households						
Aged 62+ Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	93	73	10	4	2	182
\$10,000-20,000	543	239	18	3	3	806
\$20,000-30,000	422	316	23	18	3	782
\$30,000-40,000	243	321	12	4	1	581
\$40,000-50,000	148	347	7	3	1	506
\$50,000-60,000	70	370	21	2	1	464
\$60,000-75,000	94	364	15	7	27	507
\$75,000-100,000	99	205	23	1	2	330
\$100,000-125,000	15	67	10	2	0	94
\$125,000-150,000	12	41	6	1	0	60
\$150,000-200,000	12	33	24	1	0	70
\$200,000+	2	19	3	2	2	28
<b>Total</b>	<b>1,753</b>	<b>2,395</b>	<b>172</b>	<b>48</b>	<b>42</b>	<b>4,410</b>

Owner Households						
All Age Groups						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	239	213	15	9	2	478
\$10,000-20,000	692	400	37	7	20	1,156
\$20,000-30,000	700	525	48	56	28	1,357
\$30,000-40,000	451	606	114	70	29	1,270
\$40,000-50,000	427	687	208	99	26	1,447
\$50,000-60,000	158	531	79	35	52	855
\$60,000-75,000	178	730	165	86	109	1,268
\$75,000-100,000	186	513	288	44	41	1,072
\$100,000-125,000	53	211	63	136	17	480
\$125,000-150,000	24	165	47	39	17	292
\$150,000-200,000	26	97	39	44	5	211
\$200,000+	15	67	25	33	44	184
<b>Total</b>	<b>3,149</b>	<b>4,745</b>	<b>1,128</b>	<b>658</b>	<b>390</b>	<b>10,070</b>



Renter Households						
Age 15 to 54 Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	131	101	42	24	13	311
\$10,000-20,000	291	90	86	85	107	659
\$20,000-30,000	312	327	40	57	21	757
\$30,000-40,000	227	178	165	103	84	757
\$40,000-50,000	62	151	110	78	11	412
\$50,000-60,000	19	126	76	57	35	313
\$60,000-75,000	43	58	52	48	24	225
\$75,000-100,000	17	67	67	46	18	215
\$100,000-125,000	13	12	58	26	11	120
\$125,000-150,000	17	71	37	8	8	141
\$150,000-200,000	6	12	15	5	6	44
\$200,000+	22	11	11	2	26	72
<b>Total</b>	<b>1,160</b>	<b>1,204</b>	<b>759</b>	<b>539</b>	<b>364</b>	<b>4,026</b>

Renter Households						
Aged 55+ Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	84	28	1	4	8	125
\$10,000-20,000	232	44	28	4	8	316
\$20,000-30,000	58	99	9	4	8	178
\$30,000-40,000	42	41	3	6	8	100
\$40,000-50,000	15	44	13	2	6	80
\$50,000-60,000	30	27	5	2	5	69
\$60,000-75,000	8	36	4	7	10	65
\$75,000-100,000	36	46	9	2	14	107
\$100,000-125,000	10	8	1	1	7	27
\$125,000-150,000	5	9	1	5	3	23
\$150,000-200,000	4	2	2	1	2	11
\$200,000+	5	2	1	3	1	12
<b>Total</b>	<b>529</b>	<b>386</b>	<b>77</b>	<b>41</b>	<b>80</b>	<b>1,113</b>

Renter Households						
Aged 62+ Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	64	4	1	2	7	78
\$10,000-20,000	141	19	28	3	6	197
\$20,000-30,000	45	85	9	3	6	148
\$30,000-40,000	30	10	3	5	5	53
\$40,000-50,000	12	8	10	2	5	37
\$50,000-60,000	25	8	4	2	4	43
\$60,000-75,000	5	7	2	1	9	24
\$75,000-100,000	32	34	8	2	12	88
\$100,000-125,000	5	5	0	1	5	16
\$125,000-150,000	4	3	1	4	3	15
\$150,000-200,000	4	0	2	1	1	8
\$200,000+	3	1	0	2	1	7
<b>Total</b>	<b>370</b>	<b>184</b>	<b>68</b>	<b>28</b>	<b>64</b>	<b>714</b>

Renter Households						
All Age Groups						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	215	129	43	28	21	436
\$10,000-20,000	523	134	114	89	115	975
\$20,000-30,000	370	426	49	61	29	935
\$30,000-40,000	269	219	168	109	92	857
\$40,000-50,000	77	195	123	80	17	492
\$50,000-60,000	49	153	81	59	40	382
\$60,000-75,000	51	94	56	55	34	290
\$75,000-100,000	53	113	76	48	32	322
\$100,000-125,000	23	20	59	27	18	147
\$125,000-150,000	22	80	38	13	11	164
\$150,000-200,000	10	14	17	6	8	55
\$200,000+	27	13	12	5	27	84
<b>Total</b>	<b>1,689</b>	<b>1,590</b>	<b>836</b>	<b>580</b>	<b>444</b>	<b>5,139</b>

Owner Households						
Age 15 to 54 Years						
Year 2013 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	94	46	2	1	4	147
\$10,000-20,000	105	146	15	0	31	297
\$20,000-30,000	148	87	23	45	31	334
\$30,000-40,000	134	112	69	61	28	404
\$40,000-50,000	109	195	143	61	3	511
\$50,000-60,000	38	42	59	40	45	224
\$60,000-75,000	28	122	129	70	60	409
\$75,000-100,000	28	92	186	40	35	381
\$100,000-125,000	16	55	10	99	5	185
\$125,000-150,000	2	33	22	24	3	84
\$150,000-200,000	4	20	0	43	3	70
\$200,000+	4	1	17	20	29	71
<b>Total</b>	<b>710</b>	<b>951</b>	<b>675</b>	<b>504</b>	<b>277</b>	<b>3,117</b>

Owner Households						
Aged 55+ Years						
Year 2013 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	208	179	22	11	2	422
\$10,000-20,000	721	372	34	5	5	1,137
\$20,000-30,000	672	571	47	26	9	1,325
\$30,000-40,000	352	471	42	3	10	878
\$40,000-50,000	297	663	84	6	2	1,052
\$50,000-60,000	102	461	45	1	6	615
\$60,000-75,000	108	442	29	29	35	643
\$75,000-100,000	75	289	34	4	11	413
\$100,000-125,000	17	107	51	7	4	186
\$125,000-150,000	10	68	27	23	10	138
\$150,000-200,000	10	60	32	16	4	122
\$200,000+	1	48	7	1	0	57
<b>Total</b>	<b>2,573</b>	<b>3,731</b>	<b>454</b>	<b>132</b>	<b>98</b>	<b>6,988</b>

Owner Households						
Aged 62+ Years						
Year 2013 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	153	106	18	4	2	283
\$10,000-20,000	668	311	25	5	4	1,013
\$20,000-30,000	554	449	40	21	8	1,072
\$30,000-40,000	286	363	18	2	4	673
\$40,000-50,000	228	571	13	3	1	816
\$50,000-60,000	77	356	31	1	5	470
\$60,000-75,000	83	325	26	9	31	474
\$75,000-100,000	65	168	18	2	4	257
\$100,000-125,000	9	70	6	6	3	94
\$125,000-150,000	9	43	14	3	0	69
\$150,000-200,000	8	33	24	2	3	70
\$200,000+	0	19	3	0	0	22
<b>Total</b>	<b>2,140</b>	<b>2,814</b>	<b>236</b>	<b>58</b>	<b>65</b>	<b>5,313</b>

Owner Households						
All Age Groups						
Year 2013 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	302	225	24	12	6	569
\$10,000-20,000	826	518	49	5	36	1,434
\$20,000-30,000	820	658	70	71	40	1,659
\$30,000-40,000	486	583	111	64	38	1,282
\$40,000-50,000	406	858	227	67	5	1,563
\$50,000-60,000	140	503	104	41	51	839
\$60,000-75,000	136	564	158	99	95	1,052
\$75,000-100,000	103	381	220	44	46	794
\$100,000-125,000	33	162	61	106	9	371
\$125,000-150,000	12	101	49	47	13	222
\$150,000-200,000	14	80	32	59	7	192
\$200,000+	5	49	24	21	29	128
<b>Total</b>	<b>3,283</b>	<b>4,682</b>	<b>1,129</b>	<b>636</b>	<b>375</b>	<b>10,105</b>

Renter Households						
Age 15 to 54 Years						
Year 2013 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	162	101	42	36	12	353
\$10,000-20,000	308	92	93	84	119	696
\$20,000-30,000	375	393	58	59	25	910
\$30,000-40,000	200	177	198	122	85	782
\$40,000-50,000	54	158	113	76	17	418
\$50,000-60,000	29	100	85	54	26	294
\$60,000-75,000	33	65	40	34	19	191
\$75,000-100,000	8	54	72	35	9	178
\$100,000-125,000	9	2	47	18	6	82
\$125,000-150,000	9	22	14	5	4	54
\$150,000-200,000	5	9	9	3	5	31
\$200,000+	3	6	6	4	17	36
<b>Total</b>	<b>1,195</b>	<b>1,179</b>	<b>777</b>	<b>530</b>	<b>344</b>	<b>4,025</b>

Renter Households						
Aged 55+ Years						
Year 2013 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	107	40	3	4	19	173
\$10,000-20,000	276	51	39	5	10	381
\$20,000-30,000	106	118	8	6	16	254
\$30,000-40,000	71	73	5	6	10	165
\$40,000-50,000	16	65	12	9	9	111
\$50,000-60,000	26	35	9	5	13	88
\$60,000-75,000	19	41	6	5	13	84
\$75,000-100,000	25	51	4	4	17	101
\$100,000-125,000	7	8	2	3	0	20
\$125,000-150,000	6	5	4	4	6	25
\$150,000-200,000	2	2	2	4	2	12
\$200,000+	4	2	2	1	2	11
<b>Total</b>	<b>665</b>	<b>491</b>	<b>96</b>	<b>56</b>	<b>117</b>	<b>1,425</b>

Renter Households						
Aged 62+ Years						
Year 2013 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	78	8	2	2	16	106
\$10,000-20,000	161	19	38	5	8	231
\$20,000-30,000	84	99	8	5	10	206
\$30,000-40,000	40	21	5	4	9	79
\$40,000-50,000	12	19	10	7	6	54
\$50,000-60,000	20	10	8	4	9	51
\$60,000-75,000	16	10	4	1	8	39
\$75,000-100,000	22	38	4	3	16	83
\$100,000-125,000	5	7	2	2	0	16
\$125,000-150,000	5	2	2	3	5	17
\$150,000-200,000	1	1	1	3	2	8
\$200,000+	1	2	1	0	1	5
<b>Total</b>	<b>445</b>	<b>236</b>	<b>85</b>	<b>39</b>	<b>90</b>	<b>895</b>

Renter Households						
All Age Groups						
Year 2013 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	269	141	45	40	31	526
\$10,000-20,000	584	143	132	89	129	1,077
\$20,000-30,000	481	511	66	65	41	1,164
\$30,000-40,000	271	250	203	128	95	947
\$40,000-50,000	70	223	125	85	26	529
\$50,000-60,000	55	135	94	59	39	382
\$60,000-75,000	52	106	46	39	32	275
\$75,000-100,000	33	105	76	39	26	279
\$100,000-125,000	16	10	49	21	6	102
\$125,000-150,000	15	27	18	9	10	79
\$150,000-200,000	7	11	11	7	7	43
\$200,000+	7	8	8	5	19	47
<b>Total</b>	<b>1,860</b>	<b>1,670</b>	<b>873</b>	<b>586</b>	<b>461</b>	<b>5,450</b>



Owner Households						
Age 15 to 54 Years						
Year 2018 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	100	43	5	1	0	149
\$10,000-20,000	95	153	19	4	31	302
\$20,000-30,000	138	92	19	53	32	334
\$30,000-40,000	144	119	71	71	29	434
\$40,000-50,000	93	170	132	59	5	459
\$50,000-60,000	29	40	63	37	48	217
\$60,000-75,000	21	100	123	70	57	371
\$75,000-100,000	15	72	187	35	36	345
\$100,000-125,000	10	49	7	100	5	171
\$125,000-150,000	1	26	20	21	6	74
\$150,000-200,000	3	16	3	33	2	57
\$200,000+	5	0	13	20	25	63
<b>Total</b>	<b>654</b>	<b>880</b>	<b>662</b>	<b>504</b>	<b>276</b>	<b>2,976</b>

Owner Households						
Aged 55+ Years						
Year 2018 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	270	215	28	13	3	529
\$10,000-20,000	842	420	41	4	7	1,314
\$20,000-30,000	739	624	54	32	7	1,456
\$30,000-40,000	419	601	65	6	13	1,104
\$40,000-50,000	301	655	80	10	3	1,049
\$50,000-60,000	106	480	51	2	6	645
\$60,000-75,000	104	438	39	29	36	646
\$75,000-100,000	72	278	36	4	9	399
\$100,000-125,000	14	98	49	8	6	175
\$125,000-150,000	14	63	27	22	12	138
\$150,000-200,000	12	57	29	18	3	119
\$200,000+	1	46	9	0	2	58
<b>Total</b>	<b>2,894</b>	<b>3,975</b>	<b>508</b>	<b>148</b>	<b>107</b>	<b>7,632</b>

Owner Households						
Aged 62+ Years						
Year 2018 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	208	141	22	5	2	378
\$10,000-20,000	790	357	30	4	6	1,187
\$20,000-30,000	623	502	46	26	7	1,204
\$30,000-40,000	354	482	29	5	6	876
\$40,000-50,000	245	574	13	7	3	842
\$50,000-60,000	88	381	31	2	4	506
\$60,000-75,000	83	328	35	9	34	489
\$75,000-100,000	64	172	20	3	3	262
\$100,000-125,000	9	66	3	6	5	89
\$125,000-150,000	12	42	16	4	2	76
\$150,000-200,000	10	34	23	4	2	73
\$200,000+	1	18	4	0	1	24
<b>Total</b>	<b>2,487</b>	<b>3,097</b>	<b>272</b>	<b>75</b>	<b>75</b>	<b>6,006</b>

Owner Households						
All Age Groups						
Year 2018 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	370	258	33	14	3	678
\$10,000-20,000	937	573	60	8	38	1,616
\$20,000-30,000	877	716	73	85	39	1,790
\$30,000-40,000	563	720	136	77	42	1,538
\$40,000-50,000	394	825	212	69	8	1,508
\$50,000-60,000	135	520	114	39	54	862
\$60,000-75,000	125	538	162	99	93	1,017
\$75,000-100,000	87	350	223	39	45	744
\$100,000-125,000	24	147	56	108	11	346
\$125,000-150,000	15	89	47	43	18	212
\$150,000-200,000	15	73	32	51	5	176
\$200,000+	6	46	22	20	27	121
<b>Total</b>	<b>3,548</b>	<b>4,855</b>	<b>1,170</b>	<b>652</b>	<b>383</b>	<b>10,608</b>

Renter Households						
Age 15 to 54 Years						
Year 2018 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	177	106	48	47	14	392
\$10,000-20,000	335	97	113	83	124	752
\$20,000-30,000	379	433	61	61	28	962
\$30,000-40,000	212	186	227	138	91	854
\$40,000-50,000	42	151	109	63	11	376
\$50,000-60,000	19	102	80	54	24	279
\$60,000-75,000	33	60	39	34	15	181
\$75,000-100,000	10	53	61	34	11	169
\$100,000-125,000	15	3	38	16	3	75
\$125,000-150,000	10	16	15	3	0	44
\$150,000-200,000	2	8	8	6	4	28
\$200,000+	2	5	4	3	16	30
<b>Total</b>	<b>1,236</b>	<b>1,220</b>	<b>803</b>	<b>542</b>	<b>341</b>	<b>4,142</b>

Renter Households						
Aged 55+ Years						
Year 2018 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	144	50	7	6	23	230
\$10,000-20,000	331	63	49	7	17	467
\$20,000-30,000	120	142	14	13	18	307
\$30,000-40,000	103	88	7	5	13	216
\$40,000-50,000	20	63	12	7	17	119
\$50,000-60,000	24	37	11	7	13	92
\$60,000-75,000	19	43	3	7	11	83
\$75,000-100,000	31	54	7	7	17	116
\$100,000-125,000	7	8	5	1	6	27
\$125,000-150,000	9	3	0	5	2	19
\$150,000-200,000	1	2	1	3	3	10
\$200,000+	2	3	2	2	1	10
<b>Total</b>	<b>811</b>	<b>556</b>	<b>118</b>	<b>70</b>	<b>141</b>	<b>1,696</b>

Renter Households						
Aged 62+ Years						
Year 2018 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	109	13	4	5	21	152
\$10,000-20,000	206	25	48	5	15	299
\$20,000-30,000	98	117	13	12	11	251
\$30,000-40,000	66	29	7	4	12	118
\$40,000-50,000	12	22	9	5	13	61
\$50,000-60,000	21	12	10	6	11	60
\$60,000-75,000	17	15	2	2	8	44
\$75,000-100,000	27	42	6	4	14	93
\$100,000-125,000	5	7	4	1	5	22
\$125,000-150,000	5	3	0	3	1	12
\$150,000-200,000	0	0	1	1	3	5
\$200,000+	1	2	1	0	0	4
<b>Total</b>	<b>567</b>	<b>287</b>	<b>105</b>	<b>48</b>	<b>114</b>	<b>1,121</b>

Renter Households						
All Age Groups						
Year 2018 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	321	156	55	53	37	622
\$10,000-20,000	666	160	162	90	141	1,219
\$20,000-30,000	499	575	75	74	46	1,269
\$30,000-40,000	315	274	234	143	104	1,070
\$40,000-50,000	62	214	121	70	28	495
\$50,000-60,000	43	139	91	61	37	371
\$60,000-75,000	52	103	42	41	26	264
\$75,000-100,000	41	107	68	41	28	285
\$100,000-125,000	22	11	43	17	9	102
\$125,000-150,000	19	19	15	8	2	63
\$150,000-200,000	3	10	9	9	7	38
\$200,000+	4	8	6	5	17	40
<b>Total</b>	<b>2,047</b>	<b>1,776</b>	<b>921</b>	<b>612</b>	<b>482</b>	<b>5,838</b>



B25072

**AGE OF HOUSEHOLDER BY GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME IN THE PAST 12 MONTHS**

Universe: Renter-occupied housing units

2007-2011 American Community Survey 5-Year Estimates

Supporting documentation on code lists, subject definitions, data accuracy, and statistical testing can be found on the American Community Survey website in the Data and Documentation section.

Sample size and data quality measures (including coverage rates, allocation rates, and response rates) can be found on the American Community Survey website in the Methodology section.

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties.

	Horry County, South Carolina	
	Estimate	Margin of Error
Total:	32,656	+/-1,202
Householder 15 to 24 years:	4,963	+/-561
Less than 20.0 percent	768	+/-210
20.0 to 24.9 percent	388	+/-159
25.0 to 29.9 percent	338	+/-175
30.0 to 34.9 percent	403	+/-217
35.0 percent or more	2,650	+/-439
Not computed	416	+/-201
Householder 25 to 34 years:	8,896	+/-696
Less than 20.0 percent	1,916	+/-371
20.0 to 24.9 percent	1,188	+/-302
25.0 to 29.9 percent	938	+/-295
30.0 to 34.9 percent	995	+/-267
35.0 percent or more	3,297	+/-436
Not computed	562	+/-197
Householder 35 to 64 years:	15,462	+/-911
Less than 20.0 percent	3,392	+/-467
20.0 to 24.9 percent	1,870	+/-367
25.0 to 29.9 percent	1,428	+/-337
30.0 to 34.9 percent	1,066	+/-243
35.0 percent or more	6,590	+/-557
Not computed	1,116	+/-251
Householder 65 years and over:	3,335	+/-415
Less than 20.0 percent	418	+/-147
20.0 to 24.9 percent	325	+/-136
25.0 to 29.9 percent	395	+/-184
30.0 to 34.9 percent	129	+/-56
35.0 percent or more	1,391	+/-294
Not computed	677	+/-153

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.





B25074

**HOUSEHOLD INCOME BY GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME IN THE PAST 12 MONTHS**  
 Universe: Renter-occupied housing units  
 2007-2011 American Community Survey 5-Year Estimates

Supporting documentation on code lists, subject definitions, data accuracy, and statistical testing can be found on the American Community Survey website in the Data and Documentation section.

Sample size and data quality measures (including coverage rates, allocation rates, and response rates) can be found on the American Community Survey website in the Methodology section.

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties.

	Horry County, South Carolina	
	Estimate	Margin of Error
Total:	32,656	+/-1,202
Less than \$10,000:	4,413	+/-511
Less than 20.0 percent	8	+/-14
20.0 to 24.9 percent	83	+/-80
25.0 to 29.9 percent	80	+/-67
30.0 to 34.9 percent	52	+/-53
35.0 percent or more	3,145	+/-438
Not computed	1,045	+/-255
\$10,000 to \$19,999:	6,706	+/-715
Less than 20.0 percent	205	+/-125
20.0 to 24.9 percent	117	+/-93
25.0 to 29.9 percent	164	+/-85
30.0 to 34.9 percent	163	+/-110
35.0 percent or more	5,687	+/-649
Not computed	370	+/-118
\$20,000 to \$34,999:	8,506	+/-815
Less than 20.0 percent	413	+/-180
20.0 to 24.9 percent	973	+/-282
25.0 to 29.9 percent	774	+/-233
30.0 to 34.9 percent	1,550	+/-374
35.0 percent or more	4,240	+/-524
Not computed	556	+/-207
\$35,000 to \$49,999:	5,484	+/-578
Less than 20.0 percent	890	+/-241
20.0 to 24.9 percent	1,347	+/-278
25.0 to 29.9 percent	1,537	+/-352
30.0 to 34.9 percent	719	+/-221
35.0 percent or more	663	+/-207
Not computed	328	+/-155
\$50,000 to \$74,999:	4,401	+/-582
Less than 20.0 percent	2,423	+/-408
20.0 to 24.9 percent	1,057	+/-268
25.0 to 29.9 percent	336	+/-147
30.0 to 34.9 percent	95	+/-77
35.0 percent or more	193	+/-104

	Horry County, South Carolina	
	Estimate	Margin of Error
Not computed	297	+/-105
\$75,000 to \$99,999:	1,894	+/-421
Less than 20.0 percent	1,522	+/-347
20.0 to 24.9 percent	153	+/-115
25.0 to 29.9 percent	138	+/-97
30.0 to 34.9 percent	14	+/-24
35.0 percent or more	0	+/-98
Not computed	67	+/-54
\$100,000 or more:	1,252	+/-274
Less than 20.0 percent	1,033	+/-250
20.0 to 24.9 percent	41	+/-62
25.0 to 29.9 percent	70	+/-80
30.0 to 34.9 percent	0	+/-98
35.0 percent or more	0	+/-98
Not computed	108	+/-87

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.

While the 2007-2011 American Community Survey (ACS) data generally reflect the December 2009 Office of Management and Budget (OMB) definitions of metropolitan and micropolitan statistical areas; in certain instances the names, codes, and boundaries of the principal cities shown in ACS tables may differ from the OMB definitions due to differences in the effective dates of the geographic entities.

Estimates of urban and rural population, housing units, and characteristics reflect boundaries of urban areas defined based on Census 2000 data. Boundaries for urban areas have not been updated since Census 2000. As a result, data for urban and rural areas from the ACS do not necessarily reflect the results of ongoing urbanization.

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

#### Explanation of Symbols:

1. An '\*\*\*' entry in the margin of error column indicates that either no sample observations or too few sample observations were available to compute a standard error and thus the margin of error. A statistical test is not appropriate.
2. An '-' entry in the estimate column indicates that either no sample observations or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest interval or upper interval of an open-ended distribution.
3. An '-' following a median estimate means the median falls in the lowest interval of an open-ended distribution.
4. An '+' following a median estimate means the median falls in the upper interval of an open-ended distribution.
5. An '\*\*\*\*' entry in the margin of error column indicates that the median falls in the lowest interval or upper interval of an open-ended distribution. A statistical test is not appropriate.
6. An '\*\*\*\*\*' entry in the margin of error column indicates that the estimate is controlled. A statistical test for sampling variability is not appropriate.
7. An 'N' entry in the estimate and margin of error columns indicates that data for this geographic area cannot be displayed because the number of sample cases is too small.
8. An '(X)' means that the estimate is not applicable or not available.

**UTILITY ALLOWANCES**



**Allowances for  
Tenant-Furnished Utilities  
and Other Services**

**U.S. Department of Housing  
and Urban Development**  
Office of Public and Indian Housing

Locality City of Myrtle Beach / Eastern Horry County		Unit Type Apts, Row/Townhouses, Condo, Duplex					Date December 2012	
Utility or Service		Monthly Dollar Allowances						
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	
Heating	a. Natural Gas	\$ 11	\$ 11	\$ 13	\$ 16	\$ 20	\$ 23	
	b. Bottle Gas	\$ 24	\$ 33	\$ 43	\$ 52	\$ 66	\$ 76	
	c. Oil	\$ 20	\$ 28	\$ 36	\$ 45	\$ 56	\$ 64	
	d. Horry Electric - Strip	\$ 15	\$ 22	\$ 26	\$ 30	\$ 37	\$ 41	
	e. Horry Electric - HVAC	\$ 7	\$ 10	\$ 13	\$ 15	\$ 20	\$ 22	
	f. SC Electric - Strip	\$ 13	\$ 18	\$ 23	\$ 28	\$ 36	\$ 41	
	g. SC Electric - HVAC	\$ 6	\$ 8	\$ 11	\$ 13	\$ 16	\$ 19	
Cooking	a. Natural Gas	\$ 4	\$ 6	\$ 7	\$ 9	\$ 11	\$ 13	
	b. Bottle Gas	\$ 13	\$ 18	\$ 23	\$ 28	\$ 36	\$ 41	
	c. Horry Electric	\$ 6	\$ 8	\$ 11	\$ 13	\$ 17	\$ 19	
	d. SC Electric	\$ 5	\$ 7	\$ 9	\$ 11	\$ 14	\$ 16	
Horry Other Electric		\$ 29	\$ 35	\$ 40	\$ 45	\$ 53	\$ 58	
SC Other Electric		\$ 22	\$ 28	\$ 34	\$ 40	\$ 49	\$ 55	
Horry Air Conditioning	a. Window	\$ 7	\$ 11	\$ 16	\$ 18	\$ 23	\$ 25	
	b. HVAC	\$ 4	\$ 5	\$ 5	\$ 7	\$ 11	\$ 11	
SC Air Conditioning	a. Window	\$ 6	\$ 9	\$ 13	\$ 15	\$ 19	\$ 22	
	b. HVAC	\$ 3	\$ 4	\$ 4	\$ 6	\$ 9	\$ 9	
Water Heating	a. Natural Gas	\$ 10	\$ 13	\$ 17	\$ 21	\$ 27	\$ 31	
	b. Bottle Gas	\$ 31	\$ 44	\$ 56	\$ 69	\$ 87	\$ 100	
	c. Horry Electric	\$ 20	\$ 26	\$ 31	\$ 37	\$ 45	\$ 51	
	d. SC Electric	\$ 16	\$ 23	\$ 29	\$ 36	\$ 46	\$ 52	
	e. Oil	\$ 25	\$ 35	\$ 46	\$ 56	\$ 71	\$ 81	
Water / Myrtle Beach Water & Sewer		\$ 7	\$ 7	\$ 9	\$ 10	\$ 13	\$ 15	
Sewer / Myrtle Beach Water & Sewer		\$ 11	\$ 14	\$ 18	\$ 22	\$ 27	\$ 31	
Water / Grand Strand Water & Sewer		\$ 16	\$ 17	\$ 18	\$ 19	\$ 22	\$ 24	
Sewer / Grand Strand Water & Sewer		\$ 12	\$ 14	\$ 16	\$ 19	\$ 24	\$ 26	
Water / Little River Water & Sewer		\$ 11	\$ 13	\$ 16	\$ 19	\$ 23	\$ 27	
Sewer / Little River Water & Sewer		\$ 18	\$ 21	\$ 27	\$ 32	\$ 39	\$ 44	
Water / Conway Water & Sewer		\$ 14	\$ 18	\$ 23	\$ 27	\$ 35	\$ 41	
Sewer / Conway Water & Sewer		\$ 23	\$ 29	\$ 38	\$ 47	\$ 58	\$ 67	
Trash Collection / Myrtle Beach part of water bill		\$ 17	\$ 17	\$ 17	\$ 17	\$ 17	\$ 17	
Trash Collection / Surfside Beach if tenant pays water		\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	
Range		\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	
Refrigerator		\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	
Storm Water / Myrtle Beach - part of water bill		\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	
<b>Actual Family Allowances</b>		To be used by the family to compute allowance.				Utility of Service		
Complete below for the actual unit rented.						per month cost		
						Heating		
						Cooking		
						Other Electric		
						Air Conditioning		
						Water Heating		
						Water		
						Sewer		
						Trash Collection		
						Range/Microwave		
						Refrigerator		
						Storm Water		
Number of Bedrooms						<b>Total</b>		
						<b>0</b>		

**ARCHITECTURAL PLANS**





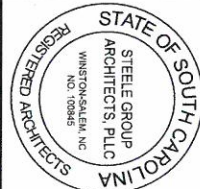
1 N.T.S.

PERSPECTIVE RENDERING

A1

**THE FLATIRON GROUP**

1511 Shopton Road, Suite H  
Charlotte, NC 28217







**SITE DATA**

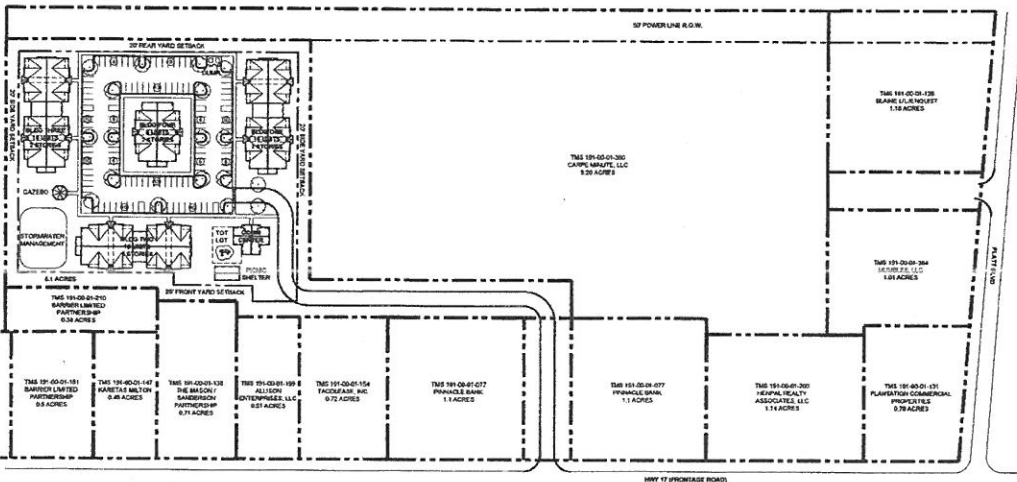
**JURISDICTION:**  
SURFSIDE BEACH, SC  
**ZONING:**  
ZONED: C-1  
**PROPOSED USES:**  
AFFORDABLE HOUSING (MULTI-FAMILY)  
**SITE ACRES:**  
PARCEL ACREAGE: 221,740 SF +/- (5.10 AC.)  
**WATERSHED:**  
SITE IS NOT LOCATED IN A DESIGNATED WATERSHED  
**BUILDING NOTES:**  
MAX. BUILDING HEIGHT = 35'

**IMPERVIOUS CALCULATIONS:**  
BUILDING TO LAND: 39,340 SF +/- (0.82 AC +/-) = 18.0%  
PAVEMENT TO LAND: 55,500 SF +/- (1.28 AC +/-) = 25.1%  
OPEN SPACE: 126,735 SF +/- (2.80 AC +/-) = 58.9%  
PARCEL TOTAL: 221,740 SF +/- (5.10 AC +/-) = 100.0%  
TOTAL IMPERVIOUS: 95,400 SF +/- (2.20 AC +/-) = 43.1%  
**PARKING CALCULATIONS:**  
PARKING REQUIRED:  
1 SPACES PER 1 BEDROOM UNIT = 12 SPACES  
2 SPACES PER 2 BEDROOM UNIT = 56 SPACES  
3 SPACES PER 3 BEDROOM UNIT = 48 SPACES  
1 SPACE PER 2000' (CLUBHOUSE) = 7 SPACES  
PARKING SPACES REQUIRED = 123 SPACES  
PARKING SPACES PROVIDED = 123 SPACES

**UNIT COUNT**

UNIT TYPE	UNIT SIZE	#
1 BED / 1 BATH	852 SF	12
2 BED / 2 BATH	1163 SF	28
3 BED / 2 BATH	1254 SF	16
<b>TOTAL # OF UNITS =</b>		<b>56</b>

NOTE: ALL CONSTRUCTION TO BE IN ACCORDANCE WITH SURFSIDE BEACH, SC SPECIFICATIONS AND STANDARD DETAILS, LATEST EDITION



1 1"=120'

ARCHITECTURAL SITE PLAN

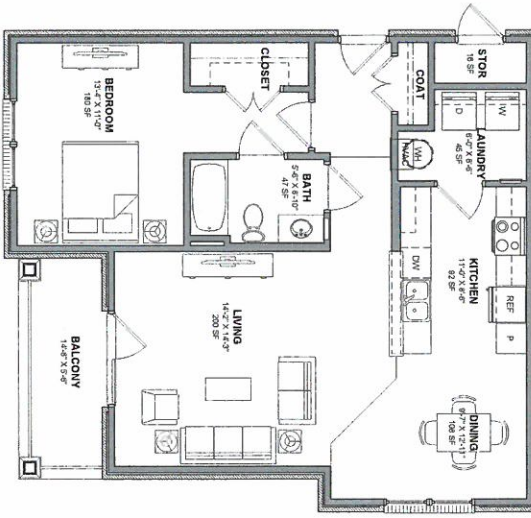


North



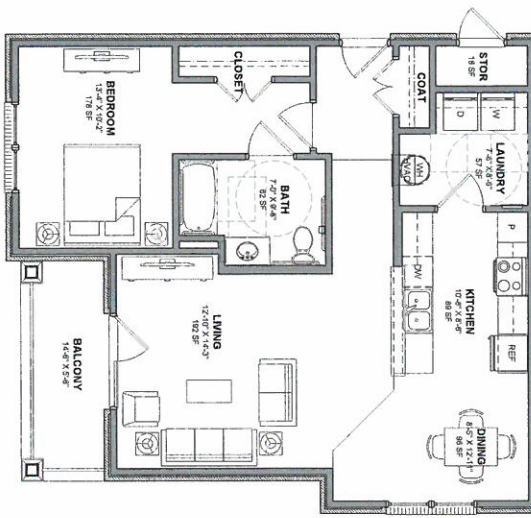
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**A2**



1 1/8" = 1'-0"

ONE BEDROOM UNIT



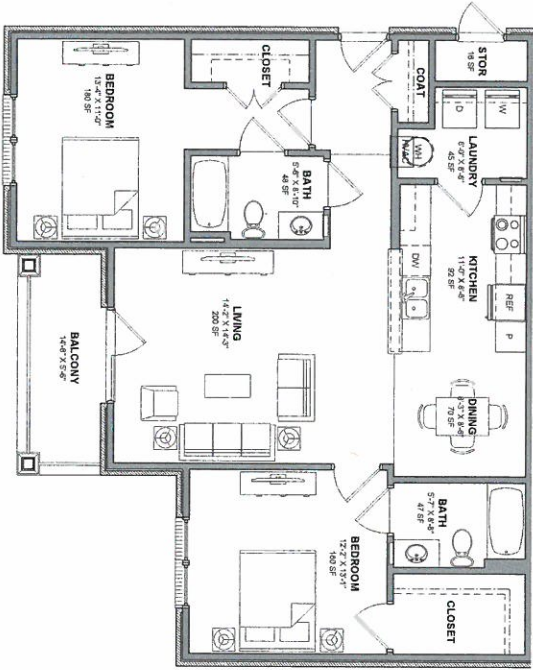
2 1/8" = 1'-0"

ACCESSIBLE ONE BEDROOM UNIT

A3

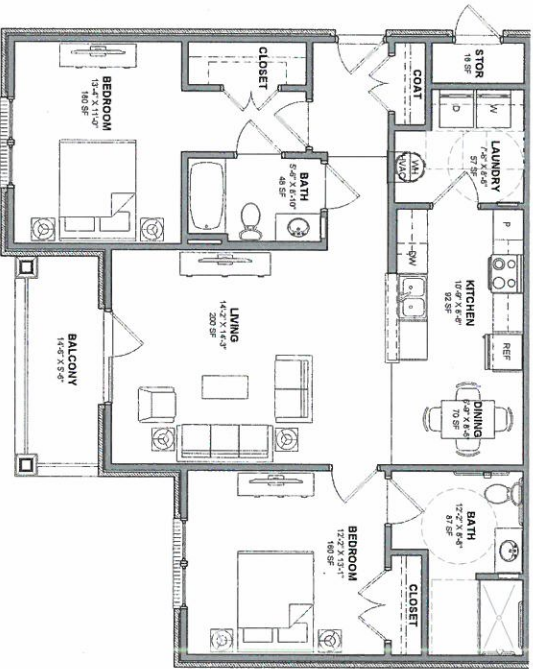
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 1511 Shopton Road, Suite H  
 Charlotte, NC 28217





1 1/8"=1'-0"

TWO BEDROOM UNIT



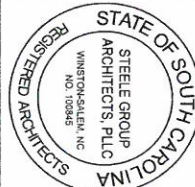
2 1/8"=1'-0"

ACCESSIBLE TWO BEDROOM UNIT

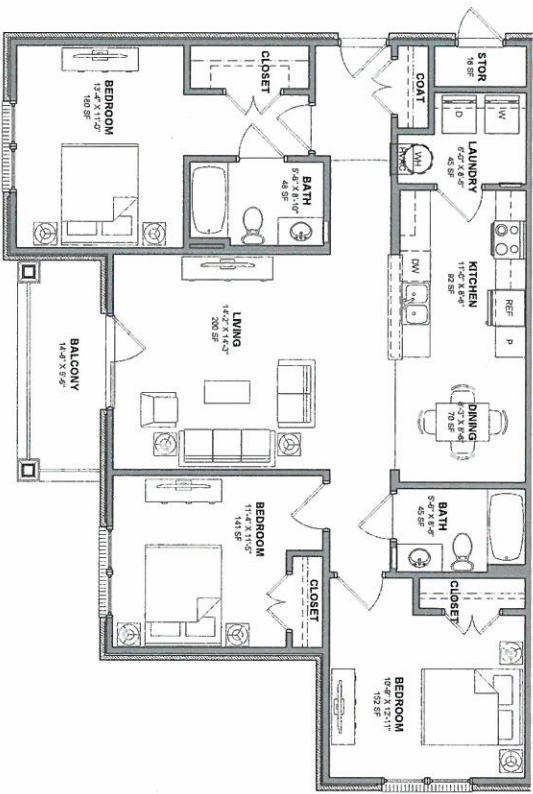
A4

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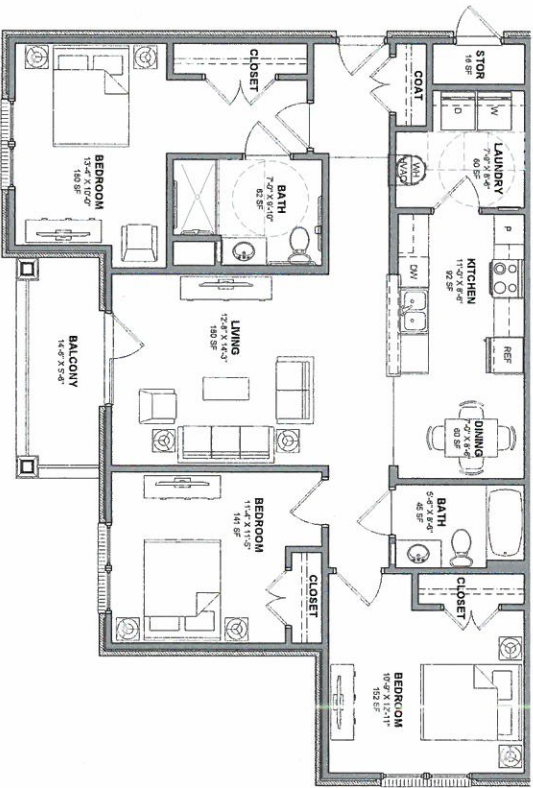






1  
1/8" = 1'-0"

THREE BEDROOM UNIT

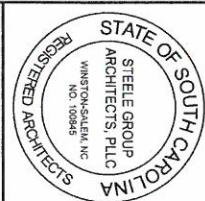


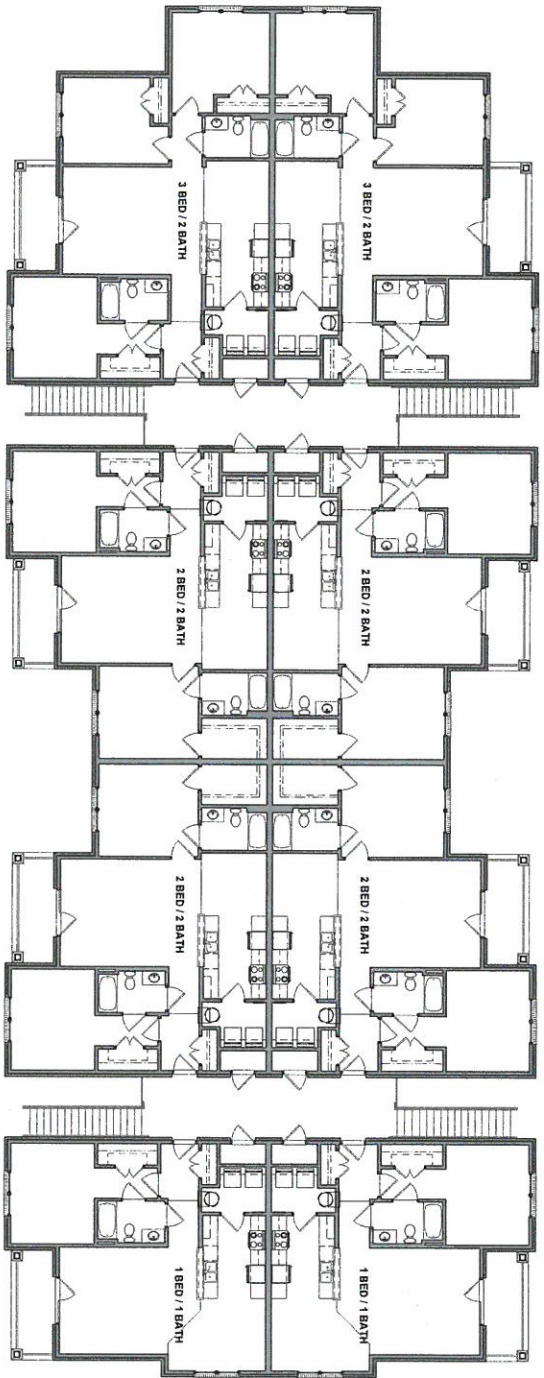
2  
1/8" = 1'-0"

ACCESSIBLE THREE BEDROOM UNIT

A5

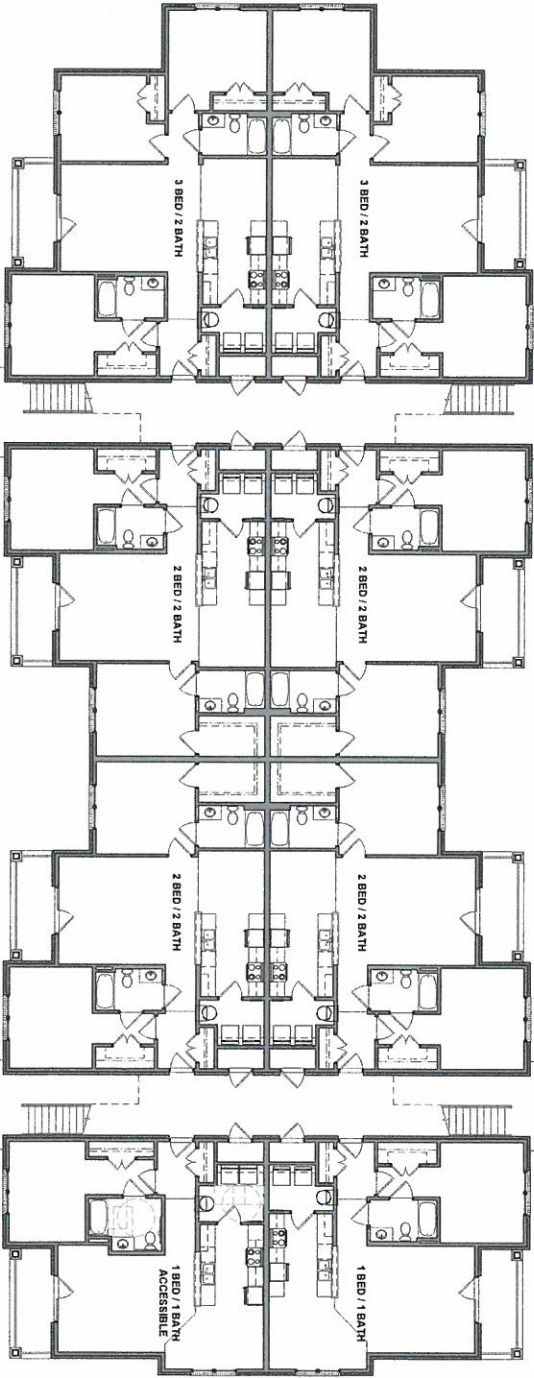
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1511 Shopton Road, Suite H  
Charlotte, NC 28217





2  
1/16"=1'-0"  
8 UNITS

**BUILDINGS ONE - THREE SECOND FLOOR PLAN**



1  
1/16"=1'-0"  
8 UNITS

**BUILDINGS ONE - THREE FIRST FLOOR PLAN**

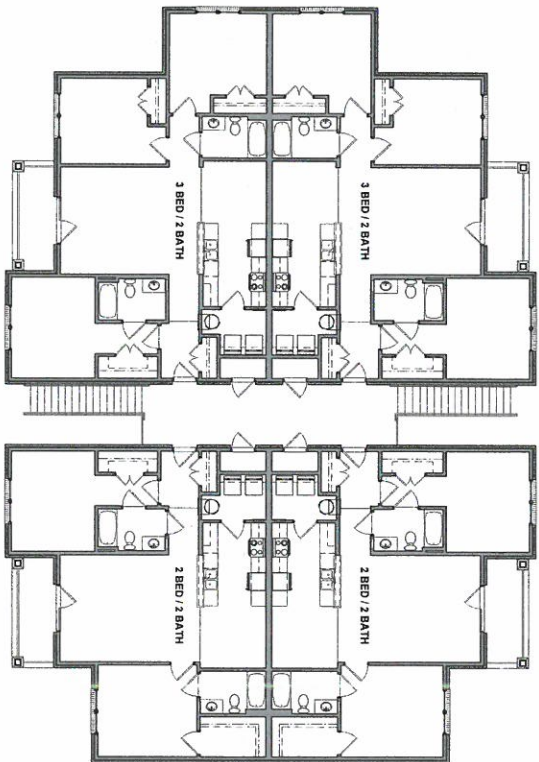


217 W. Sixth Street  
Winston-Salem, NC 27101  
P. 336.734.5200



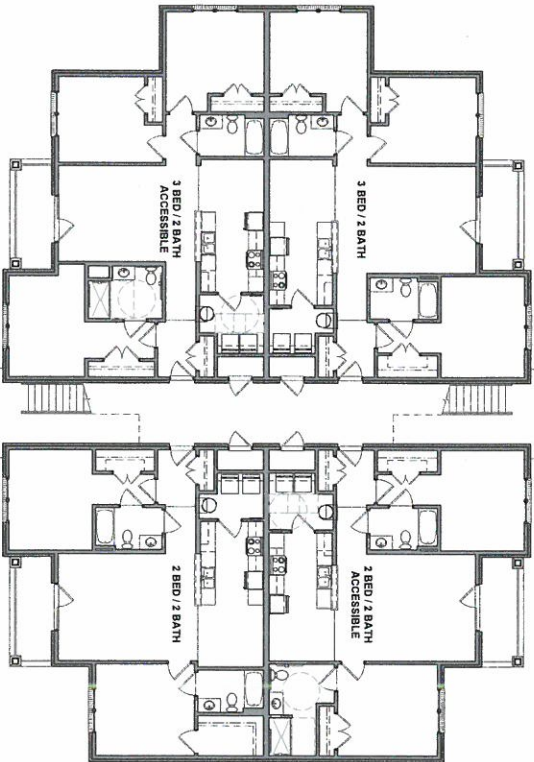
**THE FLATIRON GROUP**  
1511 Shopton Road, Suite H  
Charlotte, NC 28217

**A6**



**2** 1/16"=1'-0"  
8 UNITS

**BUILDING FOUR SECOND FLOOR PLAN**



**1** 1/16"=1'-0"  
8 UNITS

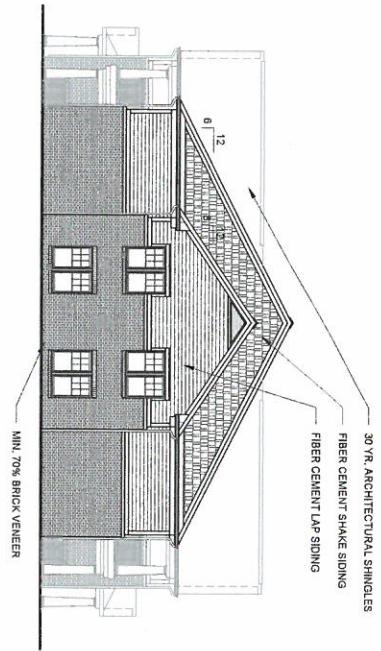
**BUILDING FOUR FIRST FLOOR PLAN**



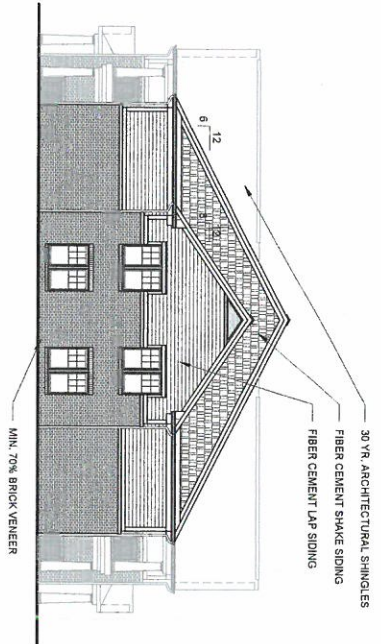
**THE FLATIRON GROUP**  
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Charlotte, NC 28217

**A7**





2 1/16"=1'-0" BUILDINGS ONE - THREE SIDE ELEVATION



3 1/16"=1'-0" BUILDINGS ONE - THREE SIDE ELEVATION



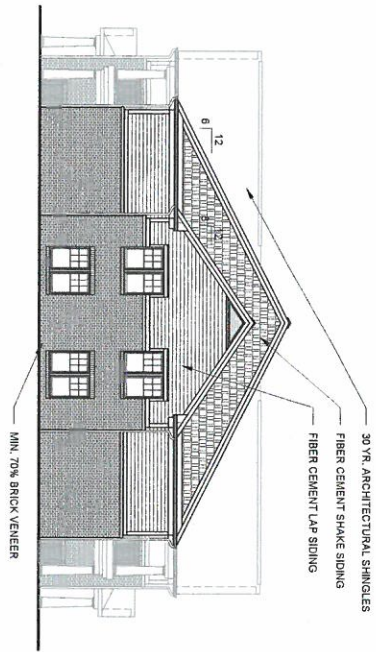
1 1/16"=1'-0" BUILDINGS ONE - THREE FRONT AND REAR ELEVATIONS



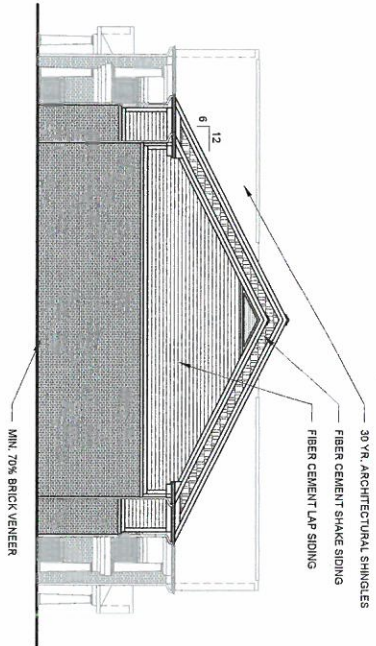
**STEELE GROUP architects**  
 217 W. Sixth Street  
 Winston-Salem, NC 27101  
 P. 5827-54-2023

**THE FLATIRON GROUP**  
 1511 Shopton Road, Suite H  
 Charlotte, NC 28217

**A8**



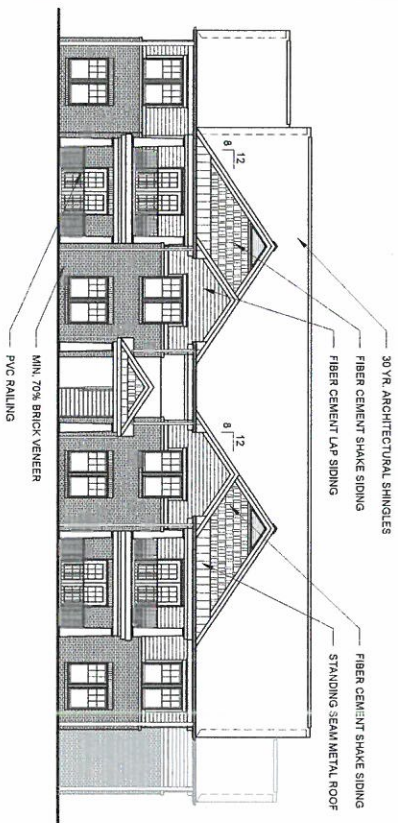
**3** 1/16"=1'-0"  
**BUILDING FOUR SIDE ELEVATION**



**4** 1/16"=1'-0"  
**BUILDING FOUR SIDE ELEVATION**



**1** 1/16"=1'-0"  
**BUILDING FOUR FRONT ELEVATION**

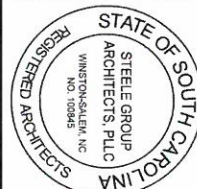


**2** 1/16"=1'-0"  
**BUILDING FOUR REAR ELEVATION**

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**A9**









**CRIME STATISTICS**

Ads by Google

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## Crime in Surfside Beach, South Carolina (SC): murders, rapes, robberies, assaults, burglaries, thefts, auto thefts, arson, law enforcement employees, police officers

Back to: [Surfside Beach main page](#), [South Carolina](#), [South Carolina smaller cities](#), [South Carolina small towns](#), [South Carolina forum](#), [All U.S. Cities](#).



Crime in Surfside Beach by Year

Type	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Murders</b> (per 100,000)	0 (0.0)	0 (0.0)	0 (0.0)	0 (0.0)	0 (0.0)	0 (0.0)	0 (0.0)	0 (0.0)	0 (0.0)	0 (0.0)
<b>Rapes</b> (per 100,000)	4 (88.3)	0 (0.0)	2 (43.8)	0 (0.0)	1 (20.6)	2 (41.3)	2 (41.8)	0 (0.0)	2 (41.0)	3 (77.3)
<b>Robberies</b> (per 100,000)	11 (242.8)	7 (155.2)	8 (175.1)	4 (84.7)	5 (103.2)	8 (165.1)	6 (125.5)	7 (145.1)	4 (81.9)	4 (103.0)
<b>Assaults</b> (per 100,000)	15 (331.1)	3 (66.5)	16 (350.1)	10 (211.7)	12 (247.6)	17 (350.8)	10 (209.1)	15 (311.0)	13 (266.2)	17 (437.9)
<b>Burglaries</b> (per 100,000)	67 (1,479.0)	47 (1,042.4)	53 (1,159.7)	53 (1,121.9)	114 (2,352.5)	75 (1,547.7)	79 (1,652.0)	68 (1,409.9)	90 (1,842.8)	104 (2,679.0)
<b>Thefts</b> (per 100,000)	256 (5,651.2)	176 (3,903.3)	216 (4,726.5)	201 (4,254.9)	208 (4,292.2)	255 (5,262.1)	196 (4,098.7)	212 (4,395.6)	230 (4,709.3)	263 (6,774.9)
<b>Auto thefts</b> (per 100,000)	21 (463.6)	11 (244.0)	18 (393.9)	21 (444.5)	37 (763.5)	24 (495.3)	51 (1,066.5)	41 (850.1)	42 (860.0)	13 (334.9)
<b>Arson</b> (per 100,000)	N/A	1 (22.2)	0 (0.0)	0 (0.0)	0 (0.0)	0 (0.0)	0 (0.0)	0 (0.0)	1 (20.5)	1 (25.8)
<b>City-data.com crime index</b> (higher means more crime, U.S. average = 299.9)	405.7	217.1	323.3	247.8	348.0	359.7	336.3	315.5	349.6	468.5

City-data.com crime index counts serious crimes and violent crime more heavily. It adjusts for the number of visitors and daily workers commuting into cities.

According to our research of South Carolina and other state lists there [were 6 registered sex offenders living in Surfside Beach, South Carolina](#) as of

**NCHMA CERTIFICATION**



# Certificate of Professional Designation

*This certificate verifies that*

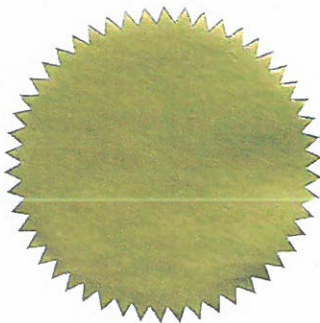
**Jerry Koontz**  
Koontz & Salinger

*Has completed NCAHMA's Professional Designation Requirements  
and is hence an approved member in good standing of:*



**National Council of Affordable Housing Market Analysts**

1400 16<sup>th</sup> St. NW, Suite 420  
Washington, DC 200036  
(202) 939-1750



**Designation Term**  
7/1/2012 to 6/30/2013

Thomas Amdur  
Executive Director, NCAHMA



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

Development Name: Kapowski Commons Total # Units: 56  
 Location: Surfside Beach, SC # LIHTC Units: 56  
 PMA Boundary: N: Myrtle Beach Airport & US 501; E: Atlantic Ocean; S: Georgetown County; W: US 17 Bypass  
 Development Type:  Family  Older Persons Farthest Boundary Distance to Subject: 7 miles

**RENTAL HOUSING STOCK (found on page 54 & 55)**

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	9	1,906	71	96.3%
Market-Rate Housing	4	1,464	67	95.4%
Assisted/Subsidized Housing not to include LIHTC				%
<b>LIHTC (All that are stabilized)*</b>	5***	442	4	99.1%
Stabilized Comps**	6	1,728	69	96.0%
Non-stabilized Comps				%

\* Stabilized occupancy of at least 93% (Excludes projects still in initial lease up). \*\*\* One property comprises 3-phases  
 \*\* 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**

# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Adjusted Market Rent			Highest Unadjusted Comp Rent	
					Per Unit	Per SF	Advantage	Per Unit	Per SF
8	1	1	852	\$375	\$665	\$.94	44%	\$730	\$1.03
2	1	1	852	\$475	\$665	\$.94	29%	\$730	\$1.03
4	2	2	1103	\$450	\$760	\$.75	41%	\$830	\$.79
28	2	2	1103	\$575	\$760	\$.75	24%	\$830	\$.79
2	3	2	1254	\$500	\$870	\$.69	43%	\$999	\$.74
12	3	2	1254	\$650	\$870	\$.69	25%	\$999	\$.74
<b>Gross Potential Rent Monthly*</b>				\$30,650	\$43,150		29%		

\*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 33-35)**

	2000		2012		2015	
	Count	%	Count	%	Count	%
Renter Households	4,733	31.70%	5,360	35.36%	5,610	35.92%
Income-Qualified Renter HHs (LIHTC)	1,408	29.75%	1,595	29.75%	1,680	29.95%
Income-Qualified Renter HHs (MR)	(if applicable)	%		%		%

**TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 44)**

Type of Demand	50%	60%	Market-rate	Other: __	Other: __	Overall
Renter Household Growth	39	53				92
Existing Households (Overburd + Substand)	699	889				1,588
Homeowner conversion (Seniors)	Na	Na				Na
Other:	Na	Na				Na
Less Comparable/Competitive Supply	0	0				0
<b>Net Income-qualified Renter HHs</b>	<b>738</b>	<b>942</b>				<b>1,680</b>

**CAPTURE RATES (found on page 45)**

Targeted Population	50%	60%	Market-rate	Other: __	Other: __	Overall
Capture Rate	1.9%	4.5%				3.3%

**ABSORPTION RATE (found on page 47)**

Absorption Period 4 to 5 months

2012 S-2 RENT CALCULATION WORKSHEET

# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent	Adjusted Market Rent	Gross Adjusted Market Rent	Tax Credit Gross Rent Advantage
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
8	1 BR	\$375	\$3,000	\$665	\$5,320	
2	1 BR	\$475	\$950	\$665	\$1,330	
	1 BR		\$0		\$0	
4	2 BR	\$450	\$1,800	\$760	\$3,040	
28	2 BR	\$575	\$16,100	\$760	\$21,280	
	2 BR		\$0		\$0	
2	3 BR	\$500	\$1,000	\$870	\$1,740	
12	3 BR	\$650	\$7,800	\$870	\$10,440	
	3 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	56		\$30,650		\$43,150	28.97%