

Market Analysis
for
Autumn Hill Apartments

Tax Credit (Sec. 42) Apartments
in
Powdersville, South Carolina
Anderson County

Prepared For:

Humanities Foundation

By:

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1 FOREWORD

1.1 QUALIFICATIONS STATEMENT

John Wall and Associates has done over 2,500 market analyses, the majority of these being for apartment projects (conventional and government). However, the firm has done many other types of real estate market analyses, shopping center master plans, industrial park master plans, housing and demographic studies, land planning projects, site analysis, location analysis and GIS projects. Clients include private developers, government officials, syndicators, and lending institutions.

Prior to founding John Wall and Associates, Mr. Wall was the Planning Director for a city of 30,000 where he supervised the work of the Planning Department, including coordinating the activities of and making presentations to both the Planning and Zoning Commission and the Zoning Board of Adjustment and Appeals. His duties included site plan approval, subdivision review, annexation, downtown revitalization, land use mapping program, and negotiation of realistic, workable solutions with various groups.

While in the public and private sectors, Mr. Wall served on the Appalachian Regional Council of Governments Planning and Economic Development Committee for more than seven years.

Mr. Wall has also taught site analysis and site planning part-time at the graduate level for several semesters as a visiting professor at Clemson University College of Architecture, Planning Department.

Mr. Wall holds a Master's degree in City and Regional Planning and a BS degree in Pre-Architecture. In addition, he has studied at the Clemson College of Architecture Center for Building Research and Urban Studies at Genoa, Italy, and at Harvard University in the Management of Planning and Design Firms, Real Estate Finance, and Real Estate Development.

1.2 RELEASE OF INFORMATION

This report shall not be released by John Wall and Associates to persons other than the client and his/her designates for a period of at least sixty (60) days. Other arrangements can be made upon the client's request.

1.3 TRUTH AND ACCURACY

It is hereby attested to that the information contained in this report is true and accurate. The report can be relied upon as a true assessment of the low income housing rental market. However, no assumption of liability is being made or implied.

1.4 IDENTITY OF INTEREST

The market analyst will receive no fees contingent upon approval of the project by any agency or lending institution, before or after the fact, and the market analyst will have no interest in the housing project.

1.5 CERTIFICATIONS

1.5.1 CERTIFICATION OF PHYSICAL INSPECTION

I affirm that I, or an individual employed by my company, have made a physical inspection of the market area and that information has been used in the full assessment of the need and demand for new rental units.

1.5.2 REQUIRED STATEMENT

The statement below is required precisely as worded by some clients. It is, in part, repetitious of some of the other statements in this section, which are required by other clients *exactly as they* are worded.

I affirm that I, or an individual employed by my company, have made a physical inspection of the market area, and the information derived from that inspection has been used in the full study of the need and demand for new rental units.

To the best of my knowledge: the market can support the project to the extent shown in the study; the study was written according to The Client's *Market Study Guide*; the information is accurate; and the report can be relied upon by The Client to present a true assessment of the low-income rental housing market.

I understand that any misrepresentation of this statement may result in the denial of further participation in The Client's rental housing programs. I affirm that I have no interest in the project. I have no relationship with the ownership entity that has not been disclosed to The Client in accordance with the certifications in the *Proposal for Market Studies*. My compensation is not contingent on this project being funded.

1.5.3 NCHMA MEMBER CERTIFICATION

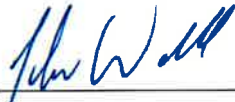
This market study has been prepared by John Wall and Associates, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the *Standard Definitions of Key Terms Used in Market Studies for Affordable Housing Projects, and Model Content Standards for the Content of Market Studies for Affordable Housing Projects*. These standards are designed to enhance the quality of market studies and to make them easier to prepare, understand, and use by market analysts and by the end users.

These Standards are voluntary only, and no legal responsibility regarding their use is assumed by the National Council of Housing Market Analysts.

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

(Note: Information on the National Council of Housing Market Analysts including *Standard Definitions of Key Terms and Model Content Standards* may be obtained by visiting <http://www.housingonline.com/mac/machome.htm>)

Submitted and attested to by:



John Wall, President

JOHN WALL and ASSOCIATES

March 2, 2013

Date



Bob Rogers, Market Analyst

JOHN WALL and ASSOCIATES

March 2, 2013

Date

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3 INTRODUCTION

3.1 PURPOSE

The purpose of this report is to analyze the apartment market for a specific site in Powdersville, South Carolina.

3.2 SCOPE

Considered in this report are market depth, bedroom mix, rental rates, unit size, and amenities. These items are investigated principally through a field survey conducted by John Wall and Associates. Unless otherwise noted, all charts and statistics are the result of this survey.

In general, only complexes of 30 units or more built since 1980 are considered in the field survey. Older or smaller projects are sometimes surveyed when it helps the analysis. Projects with rent subsidized units are included, if relevant, and noted.

3.3 METHODOLOGY

Three separate approaches to the analysis are used in this report; each is a check on the other. By using three generally accepted approaches, reasonable conclusions can be drawn. The three approaches used are:

- (1) Statistical
- (2) Like-Kind Comparison
- (3) Interviews

The Statistical approach uses Census data and local statistics; 2010 is used as a base year. The population that would qualify for the proposed units is obtained from these figures.

The Like-Kind Comparison approach collects data on projects similar in nature to that which is being proposed and analyzes how they are doing. This approach assesses their strong points, as well as weak points, and compares them with the subject.

The last section, Interviews, assesses key individuals' special knowledge about the market area. While certainly subjective and limited in perspective, their collective knowledge, gathered and assessed, can offer valuable information.

Taken individually, these three approaches give a somewhat restricted view of the market. However, by examining them together, knowledge sufficient to draw reasonable conclusions can be achieved.

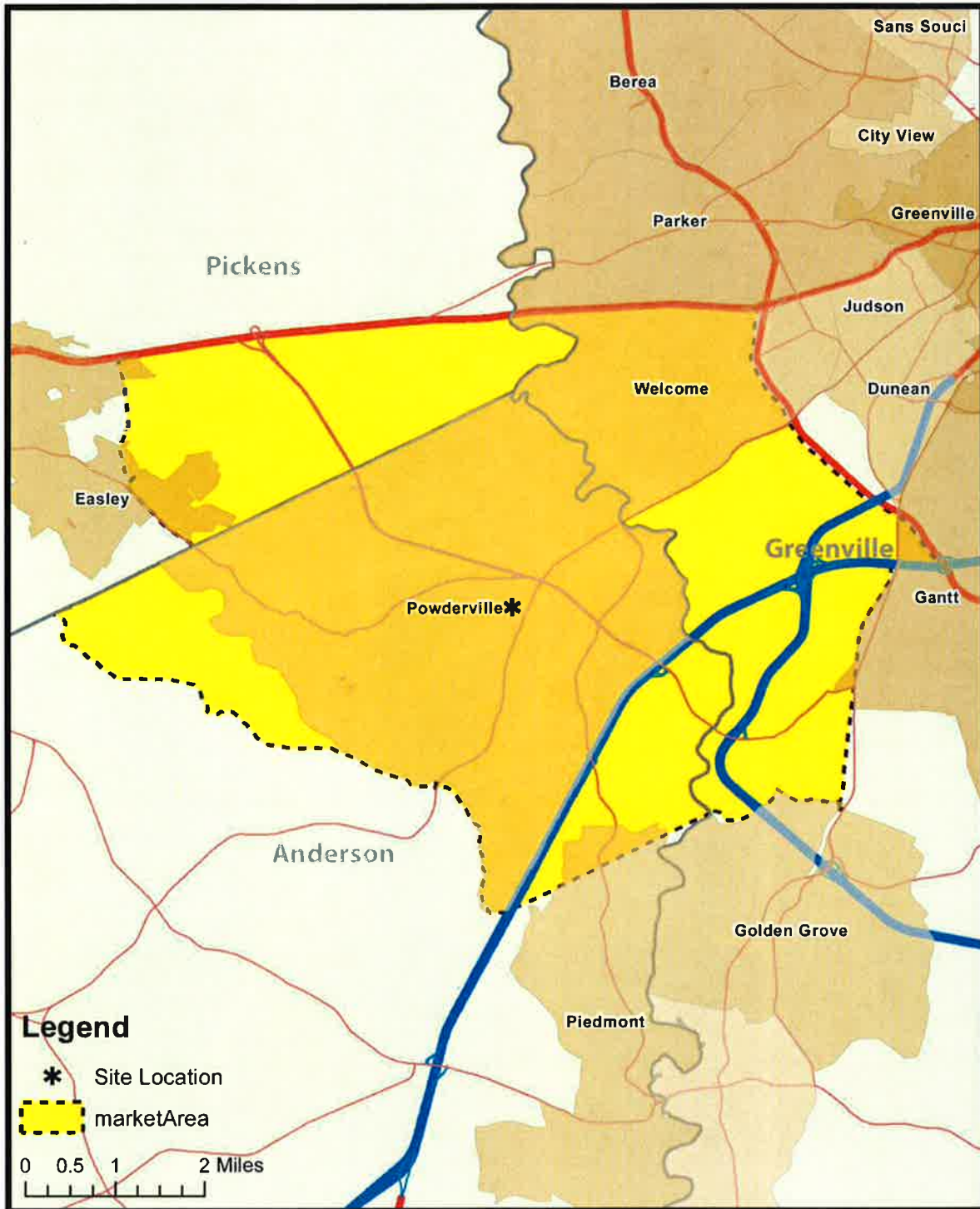
3.4 LIMITATIONS

This market study was written according to the Client's *Market Study Guide*. To the extent this guide differs from the NCHMA *Standard Definitions of Key Terms or Model Content Standards*, the client's guide has prevailed.

REGIONAL LOCATOR MAP



AREA LOCATOR MAP



4 EXECUTIVE SUMMARY

The projected completion date of the proposed project is 12/31/2015.

The market area (conservative) consists of Census tracts 101.02 (31%), 101.03, and 102 (10%) in Anderson County, 35 (50%), 36.01 (77%), and 36.02 in Greenville County, as well as 109.03 in Pickens County.

The proposed project consists of 48 units of new construction.

The proposed project is for family households with incomes at 50% and 60% of AMI. Rents range from \$323 to \$521.

4.1 DEMAND

	50% AMI: \$14,570 to \$28,725	60% AMI: \$15,770 to \$34,470	Overall Tax Credit: \$14,570 to \$34,470
New Housing Units Required	28	36	38
Rent Overburden Households	268	322	353
Substandard Units	40	50	53
Demand	336	408	444
Less New Supply	0	0	0
NET DEMAND	336	408	444

4.1.1 RECOMMENDED BEDROOM MIX

The following bedroom mix is recommended:

Bedrooms	Recommended Mix
1	20%
2	50%
3	30%
4	0%
Total	100%

4.1.2 ABSORPTION

Given reasonable marketing and management, the project should be able to rent up to 93% occupancy within 6 months — a few months longer if the project is completed in November, December, or January. The absorption rate determination considers such factors

as the overall estimate of new household growth, the available supply of competitive units, observed trends in absorption of comparable units, and the availability of subsidies and rent specials. The absorption period is considered to start as soon as the first units are released for occupancy.

4.2 CAPTURE RATE

Capture Rate by Unit Size (Bedrooms) and Targeting

50% AMI: \$14,570 to \$28,725				
	<u>Demand</u>	<u>%</u>	<u>Proposal</u>	<u>Capture Rate</u>
1-Bedroom	67	20%	6	9.0%
2-Bedrooms	168	50%	4	2.4%
3-Bedrooms	101	30%	2	2.0%
4 or More Bedrooms	0	0%	0	—
Total	336	100%	12	3.6%
60% AMI: \$15,770 to \$34,470				
	<u>Demand</u>	<u>%</u>	<u>Proposal</u>	<u>Capture Rate</u>
1-Bedroom	82	20%	2	2.4%
2-Bedrooms	204	50%	20	9.8%
3-Bedrooms	122	30%	14	11.5%
4 or More Bedrooms	0	0%	0	—
Total	408	100%	36	8.8%
Overall Tax Credit: \$14,570 to \$34,470				
	<u>Demand</u>	<u>%</u>	<u>Proposal</u>	<u>Capture Rate</u>
1-Bedroom	89	20%	8	9.0%
2-Bedrooms	222	50%	24	10.8%
3-Bedrooms	133	30%	16	12.0%
4 or More Bedrooms	0	0%	0	—
Total	444	100%	48	10.8%

* Numbers may not add due to rounding.

The capture rate is not intended to be used in isolation. A low capture rate does not guarantee a successful project, nor does a high capture rate assure failure; the capture rate should be considered in the context of all the other indicators presented in the study. It is one of many factors considered in reaching a conclusion.

4.3 NCHMA CAPTURE RATE

NCHMA defines capture rate as:

The percentage of age, size, and income qualified renter households in the primary market area that the property must capture to achieve the stabilized level of occupancy. Funding agencies may require restrictions to the qualified households used in the calculation including age, income, living in substandard housing, mover-ship and other comparable factors. The capture rate is calculated by dividing the total number of units at the property by the total number of age, size and income qualified renter households in the primary market area. See penetration rate for rate for entire market area.

This definition varies from the capture rate used above.

NCHMA Capture Rate

	Income Qualified Renter Households	Proposal	Capture Rate
50% AMI: \$14,570 to \$28,725	635	12	1.9%
60% AMI: \$15,770 to \$34,470	801	36	4.5%
Overall Tax Credit: \$14,570 to \$34,470	847	48	5.7%

4.4 CONCLUSIONS

4.4.1 SUMMARY OF FINDINGS

- The **site** appears suitable for the project. It is flat and clear.
- The **neighborhood** is compatible with the project. It is mostly small businesses.
- The **location** is suitable to the project. It is adjacent to a grocery store and near other goods and services.
- The **population and household growth** in the market area is good.
- The **economy** has seemingly been stable.
- The **demand** for the project is reasonable.
- The **strength of the market** for the proposed project is reasonable.
- The **capture rates** for the project are good (10.8% overall).
- The **most comparable** apartments are Fairhill, Fair Meadow, Grove Station, and Heritage Trace. These are all of the apartments in the market area.
- Total **vacancy rates** of the most comparable projects are 2.5%, 5.6%, 1.9%, and 7.0% estimated.
- The **average vacancy** rate reported at **comparable projects** is 4.8%.
- The **average LIHTC vacancy rate** for units surveyed without PBRA is n/a because there are no LIHTC units in the market area.
- **Concessions** in the comparables are minor.
- The **rents**, given prevailing rents, vacancy rates, and concessions in the market area, are reasonable.
- The proposed **bedroom mix** is reasonable for the market.
- The **unit sizes** are appropriate for the project.
- The subject's **amenities** are good and comparable or superior to similarly priced apartments.
- The subject's **value** should be perceived as good.
- The subject's **affordability** is good.
- Those **interviewed** felt the project should be successful.
- The proposal would have no long term **impact** on existing LIHTC projects (there are none to impact).

4.4.2 RECOMMENDATIONS

None.

4.4.3 NOTES

None

4.4.3.1 STRENGTHS

Adjacent to grocery store

Adjacent to school

Quiet neighborhood

4.4.3.2 WEAKNESSES

None

4.4.4 CONCLUSION

The subject should be successful as proposed.

4.5 SCSHFDA EXHIBIT S-2

2013 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:			
Development Name:	Autumn Hill Apartments	Total # Units:	48
Location:	Powdersville	# LIHTC Units:	48
PMA Boundary:	See map page 26		
Development Type:	<input checked="" type="checkbox"/> Family <input type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject:	4.5 miles

RENTAL HOUSING STOCK (found on page 53)				
Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	5	965	43	4.5%
Market-Rate Housing	5	965	43	4.5%
Assisted/Subsidized Housing not to include LIHTC	0	n/a	n/a	n/a
LIHTC (All that are stabilized)*	0	n/a	n/a	n/a
Stabilized Comps**	5	965	43	4.5%
Non-stabilized Comps	0	n/a	n/a	n/a

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

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

Subject Development					Adjusted Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
6	1	1	850	\$323	\$605	\$0.71	46.6%	\$475	\$0.59
2	1	2	850	\$358	\$605	\$0.71	40.8%	\$475	\$0.59
4	2	2	1100	\$457	\$684	\$0.62	33.2%	\$625	\$0.63
20	2	1	1100	\$482	\$684	\$0.62	29.5%	\$625	\$0.63
2	3	2	1250	\$496	\$813	\$0.65	39.0%	\$725	\$0.60
14	3	2	1250	\$521	\$813	\$0.65	35.9%	\$725	\$0.60
Gross Potential Rent Monthly*				\$22,408	\$33,054		34.6%		

*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 10, 30)						
	2010		2012		2015	
Renter Households	2,155	25.1%	2,217	25.1%	2,307	25.1%
Income-Qualified Renter HHs (LIHTC)	847	39.3%	871	39.3%	907	39.3%
Income-Qualified Renter HHs (MR)	n/a	n/a	n/a	n/a	n/a	n/a

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 8)						
Type of Demand	50%	60%	Market-rate	Other: __	Other: __	Overall
Renter Household Growth	28	36				38
Existing Households (Overburd + Substand)	308	372				406
Homeowner conversion (Seniors)						
Other:						
Less Comparable/Competitive Supply	0	0				0
Net Income-qualified Renter HHs	336	408				444

CAPTURE RATES (found on page 9)						
Targeted Population	50%	60%	Market-rate	Other: __	Other: __	Overall
Capture Rate	3.6	8.8				10.8

ABSORPTION RATE (found on page 8)	
Absorption Period	6 months

4.6 SCSHFDA EXHIBIT 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	
6	1 BR	\$323	\$1,938	\$605	\$3,630	
2	1 BR	\$358	\$716	\$605	\$1,210	
	1 BR		\$0		\$0	
4	2 BR	\$457	\$1,828	\$684	\$2,736	
20	2 BR	\$482	\$9,640	\$684	\$13,680	
	2 BR		\$0		\$0	
2	3 BR	\$496	\$992	\$813	\$1,626	
14	3 BR	\$521	\$7,294	\$813	\$11,382	
	3 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	48		\$22,408		\$34,264	34.60%

5 PROJECT DESCRIPTION

The project description is provided by the developer.

5.1 DEVELOPMENT LOCATION

The site is in Powdersville, South Carolina. It is located at the corner of Enterprise Drive and Cooper Road.

5.2 CONSTRUCTION TYPE

New construction

5.3 OCCUPANCY

The proposal is for occupancy by family households.

5.4 TARGET INCOME GROUP

Low income

5.5 SPECIAL POPULATION

None

5.6 STRUCTURE TYPE

Garden; the subject has three residential and one community buildings. The residential buildings have three floors.

Floor plans and elevations were not available at the time the study was conducted.

5.7 UNIT SIZES, RENTS AND TARGETING

<u>AMI</u>	<u>Bedrooms</u>	<u>Baths</u>	<u>Number of Units</u>	<u>Square Feet</u>	<u>Net Rent</u>	<u>Utility Allow.</u>	<u>Gross Rent</u>	<u>Target Population</u>
50%	1	1	6	850	323	102	425	Tax Credit
50%	2	2	4	1,100	457	128	585	Tax Credit
50%	3	2	2	1,250	496	149	645	Tax Credit
60%	1	1	2	850	358	102	460	Tax Credit
60%	2	2	20	1,100	482	128	610	Tax Credit
60%	3	2	14	1,250	521	149	670	Tax Credit
Total Units			48					
Tax Credit Units			48					
PBRA Units			0					
Mkt. Rate Units			0					

These *pro forma* rents will be evaluated in terms of the market in the Supply section of the study.

5.8 DEVELOPMENT AMENITIES

Laundry room, clubhouse, playground, and fitness center

5.9 UNIT AMENITIES

Refrigerator, stove, microwave, dishwasher, garbage disposal, washer/dryer connections, HVAC, drapes/blinds, and pre-wired telephone/cable

5.10 UTILITIES INCLUDED

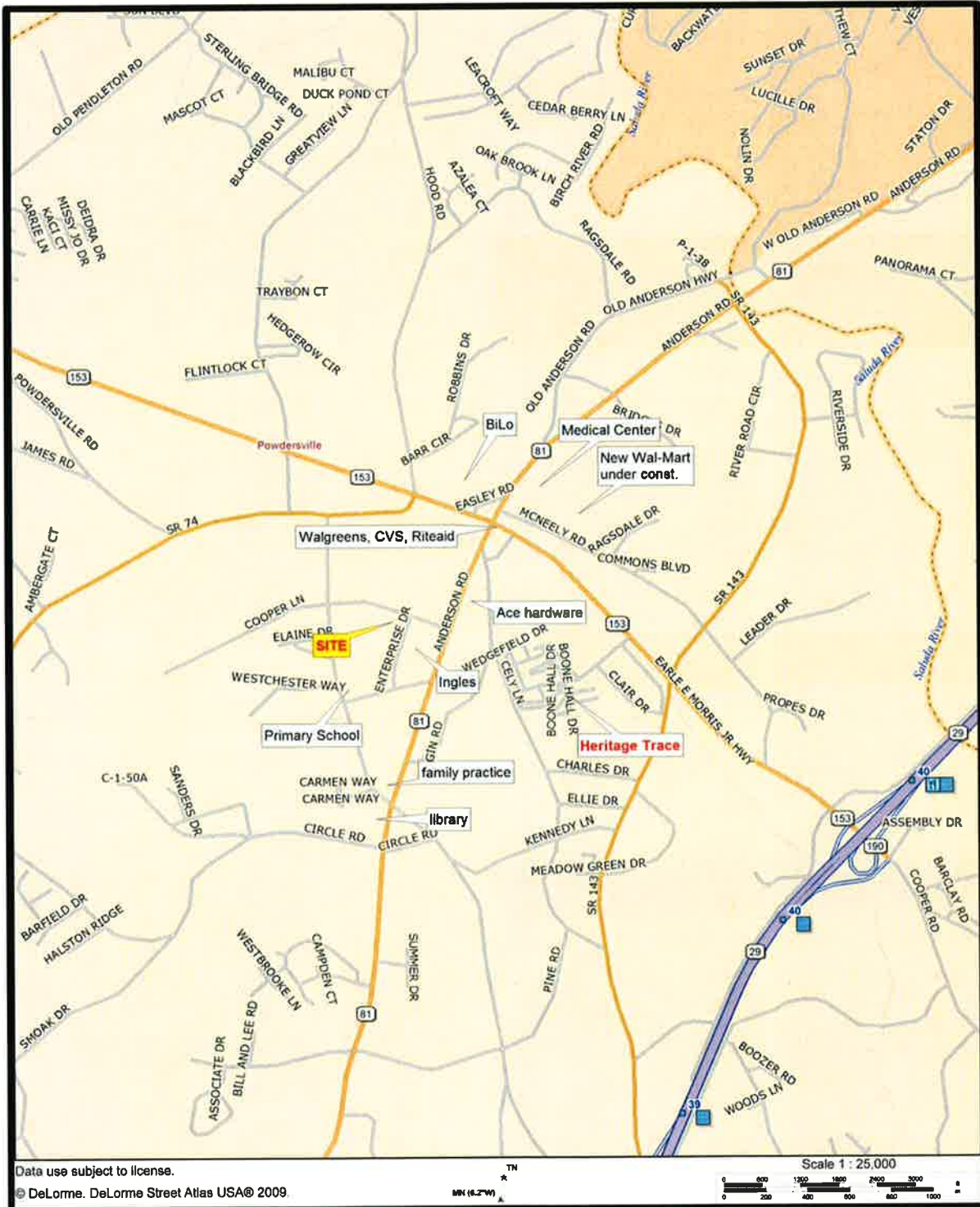
Water and sewer

5.11 PROJECTED CERTIFICATE OF OCCUPANCY DATE

It is anticipated that the subject will have its final certificates of occupancy by 12/31/2015.

6 SITE EVALUATION

SITE LOCATION MAP



NEIGHBORHOOD MAP



 Site	 Retail/Commercial	Neighborhood Map With Major Land Uses Shown
 Residential		
 Industrial		
 Public		

 N

Image U. S. Geological Survey

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6.1 DATE OF SITE VISIT

Bob Rogers visited the site on February 23, 2013.

6.2 DESCRIPTION OF SITE AND ADJACENT PARCELS

In addition to the following narrative, a visual description of the site and the adjacent parcels is provided in the maps on the preceding pages and the photographs on the following pages.

6.3 VISIBILITY AND CURB APPEAL

The site has good visibility from Enterprise Drive and from Cooper Road, which are both neighborhood roads. There are no impediments to good curb appeal.

6.4 ACCESS AND INGRESS

Access to the site is from Enterprise Drive. There are no problems with access and ingress.

6.5 PHYSICAL CONDITIONS

The site is flat and mowed.

6.6 ADJACENT LAND USES AND CONDITIONS

N: Small businesses including a hair salon and a waste disposal company (All Waste). The disposal company has their offices and equipment at this location but it is not a disposal site or landfill.

E: An Ingles shopping center. Two of the buildings are currently vacant.

S: Small businesses including a graphic design shop.

SW: A primary School.

W: Small businesses including an auto glass repair shop and a custom wood products shop.

6.7 VIEWS

There are no views out from the site that could be considered detrimental to the success of the proposal.

6.8 NEIGHBORHOOD

The immediate neighborhood is primarily small businesses. A little further to the west are some single family homes. The intersection of 81 and 153, a little north of the site (see Site Location Map) has major retail development.

6.9 SHOPPING, GOODS, SERVICES AND AMENITIES

The site is adjacent to an Ingles Grocery store and a primary school. There is a BiLo and a Medical Center at the intersection of 81 and 153, about a half mile from the site. A new Wal-Mart is under construction there as well, and should be open prior to the completion of the proposal. A branch library is about a half mile south of the site.

6.10 EMPLOYMENT OPPORTUNITIES

There are many employment opportunities in retail and small businesses near the site. The site is six miles from downtown Greenville on Highway 81.

6.11 TRANSPORTATION

The site is well located for automobile transportation. It is located near the intersection of Highway 153, which connects Highway 123 with I-85, and Highway 81, which connects Anderson with Greenville.

The site is not serviced by the Green Link (the Greenville transit system). The closest Green Link bus stop to the site is at the intersection of Anderson Road and White Horse Road, which is three miles from the site.

Taxi cab service is available.

6.12 OBSERVED VISIBLE ENVIRONMENTAL OR OTHER CONCERNS

There were no environmental or other concerns observed.

6.13 CRIME

According to the FBI, in 2011 the following crimes were reported to police:

Crimes Reported to Police

	<u>City</u>	<u>County</u>
Population:	NA	—
Violent Crime	NA	776
Murder	NA	11
Rape	NA	46
Robbery	NA	84
Assault	NA	635
Property Crime	NA	6,900
Burglary	NA	2,061
Larceny	NA	4,123
Motor Vehicle Theft	NA	716
Arson	NA	37

Source: 2011 Table 8 and Table 10, *Crime in the United States 2011*

<http://www.fbi.gov/about-us/cjis/ucr/crime-in-the-u.s/2011/crime-in-the-u.s.-2011/offenses-known-to-law-enforcement/standard-links/city-agency>

<http://www.fbi.gov/about-us/cjis/ucr/crime-in-the-u.s/2011/crime-in-the-u.s.-2011/offenses-known-to-law-enforcement/standard-links/county-agency>

Detailed crime statistics for the neighborhood are not available. The site does not appear to be in a problematic area. See Appendix B, Crimes Reported to Police.

6.14 CONCLUSION

The site is well suited for the proposed development.

SITE AND NEIGHBORHOOD PHOTOS AND ADJACENT LAND USES MAP



6.15 SITE AND NEIGHBORHOOD PHOTOS



Photo 1 — Looking southwest at the site from the intersection of Cooper and Enterprise.



Photo 2 — Looking at the site (across the driveway) from Enterprise.



Photo 3 — A vacant commercial building near the site.



Photo 4 — The site is in the distance.



Photo 5 — The Ingles grocery store across Enterprise Drive from the site.



Photo 6 — Businesses across Cooper from the site.



Photo 7 — Business adjacent to the site.



Photo 8 — Businesses near the site.



Photo 9 — Businesses near the site.



Photo 10 — Business near the site.



Photo 11 — A business near the site.



Photo 12 — A business near the site.



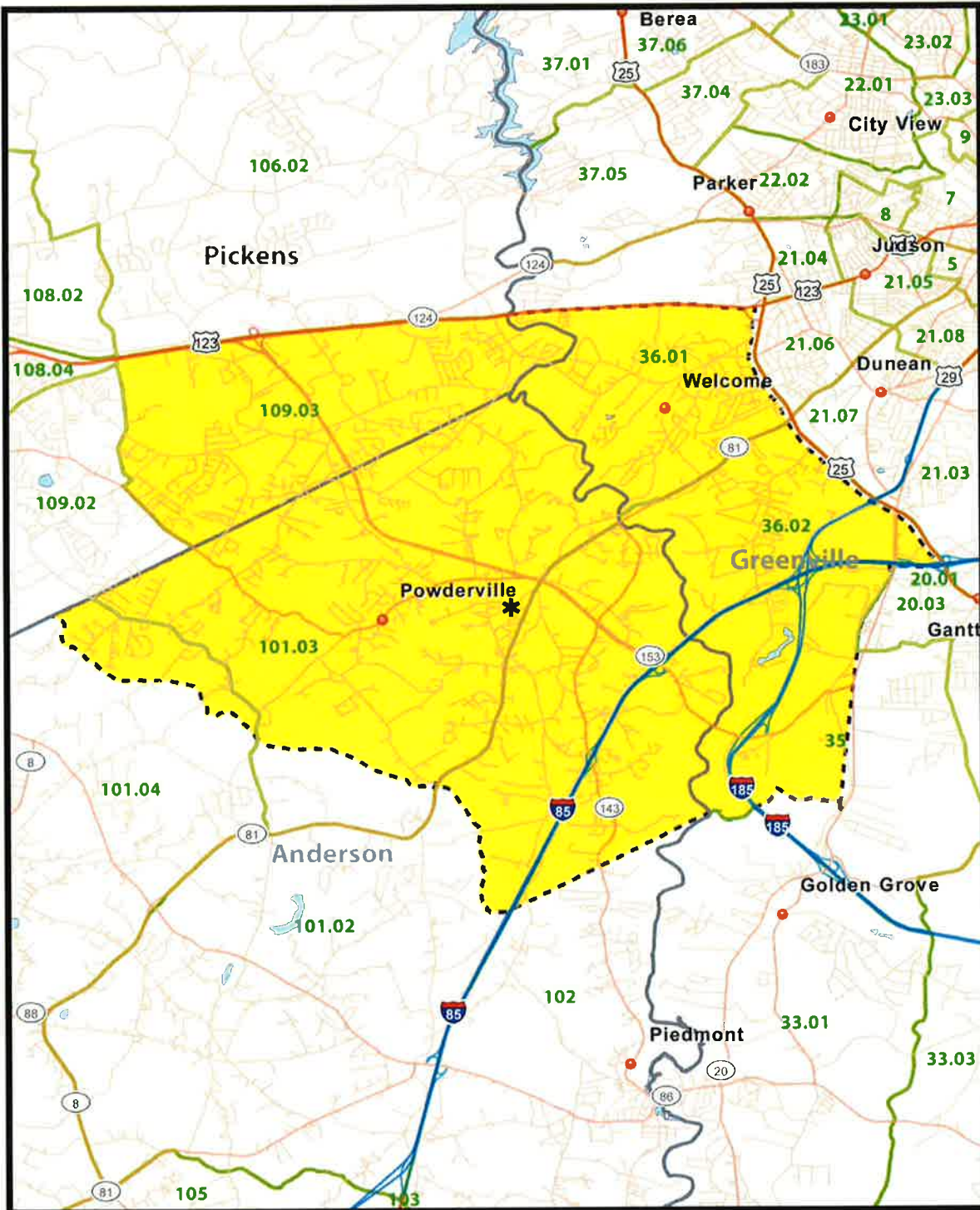
Photo 13 — Across Cooper from the site.



Photo 14 — The Ingles grocery across Enterprise Drive from the site.

7 MARKET AREA

MARKET AREA MAP



7.1 MARKET AREA DETERMINATION

The market area is the community where the project will be located and only those outlying rural areas that will be significantly impacted by the project, generally excluding other significant established communities. The market area is considered to be the area from which most of the prospective tenants will be drawn. Some people will move into the market area from nearby towns, while others will move away. These households are accounted for in the "Household Trends" section. The border of the market area is based on travel time, commuting patterns, the gravity model, physical boundaries, and the distribution of renters in the area. The analyst visits the area before the market area definition is finalized.

Housing alternatives and local perspective will be presented in the Development Comparisons section of this report.

7.2 DRIVING TIMES AND PLACE OF WORK

Commuter time to work is shown below:

Workers' Travel Time to Work for the Market Area (Time in Minutes)

	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Total:	1,914,273		76,054		9,752		3,611	
Less than 5 minutes	63,596	3.3%	2,674	3.5%	163	1.7%	69	1.9%
5 to 9 minutes	205,256	10.7%	8,168	10.7%	669	6.9%	322	8.9%
10 to 14 minutes	288,412	15.1%	11,964	15.7%	1,325	13.6%	505	14.0%
15 to 19 minutes	334,106	17.5%	13,330	17.5%	1,959	20.1%	674	18.7%
20 to 24 minutes	311,477	16.3%	12,413	16.3%	2,175	22.3%	704	19.5%
25 to 29 minutes	121,423	6.3%	5,296	7.0%	909	9.3%	326	9.0%
30 to 34 minutes	259,858	13.6%	9,207	12.1%	1,598	16.4%	571	15.8%
35 to 39 minutes	51,581	2.7%	2,342	3.1%	242	2.5%	66	1.8%
40 to 44 minutes	55,438	2.9%	2,462	3.2%	220	2.3%	102	2.8%
45 to 59 minutes	126,162	6.6%	5,172	6.8%	340	3.5%	232	6.4%
60 to 89 minutes	64,390	3.4%	1,996	2.6%	88	0.9%	30	0.8%
90 or more minutes	32,574	1.7%	1,030	1.4%	64	0.7%	10	0.3%

Source: 2010-5yr ACS (Census)

7.3 MARKET AREA DEFINITION

The market area for this report has been defined as Census tracts 101.02 (31%), 101.03, and 102 (10%) in Anderson County, 35 (50%), 36.01 (77%), and 36.02 in Greenville County, as well as 109.03 in Pickens County (2010 Census). The market area is defined in terms of standard US Census geography so it will be possible to obtain accurate, verifiable information about it. The Market Area Map highlights this area.

7.3.1 SECONDARY MARKET AREA

The secondary market area for this report has been defined as Anderson County. Demand will neither be calculated for, nor derived from, the secondary market area.

8 DEMOGRAPHIC ANALYSIS

8.1 POPULATION

8.1.1 POPULATION TRENDS

Housing demand is most closely associated with population trends. While no population projection presently exists for the market area, one is calculated from existing figures and shown below.

Population Trends and Projections

	<u>State</u>	<u>County</u>	<u>Market Area</u>	<u>City</u>
2000	4,012,012	165,740	19,749	5,362
2008	4,511,428	183,691	23,319	7,998
2010	4,625,364	187,126	23,246	7,618
2012	4,748,034	191,403	23,945	8,069
2015	4,932,040	197,819	24,995	8,746

Sources: 2000 Census; 2010 5yr ACS (Census); 2010 Census; others by John Wall and Associates from figures shown

As seen in the table above, the population in the market area was 23,945 in 2012 and is projected to increase by 1,049 persons from 2012 to 2015.

8.1.2 AGE

Population is shown below for several age categories. The percent figures are presented in such a way as to easily compare the market area to the state, which is a "norm." This will point out any peculiarities in the market area.

Persons by Age

	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Total	4,625,364		187,126		23,245		7,618	
Under 20	1,224,425	27.1%	49,815	27.1%	6,810	29.2%	2,161	27.0%
20 to 34	924,550	20.5%	32,210	17.5%	3,947	16.9%	1,248	15.6%
35 to 54	1,260,720	27.9%	52,609	28.6%	6,787	29.1%	2,345	29.3%
55 to 61	418,651	9.3%	17,116	9.3%	2,076	8.9%	725	9.1%
62 to 64	165,144	3.7%	7,047	3.8%	815	3.5%	273	3.4%
65 plus	631,874	14.0%	28,329	15.4%	2,811	12.1%	866	10.8%
55 plus	1,215,669	26.9%	52,492	28.6%	5,702	24.5%	1,864	23.3%
62 plus	797,018	17.7%	35,376	19.3%	3,626	15.5%	1,139	14.2%

Source: 2010 Census

8.1.3 RACE AND HISPANIC ORIGIN

The racial composition of the market area does not factor into the demand for units; the information below is provided for reference.

Note that "Hispanic" is not a racial category. "White," "Black," and "Other" represent 100% of the population. Some people in each of those categories also consider themselves "Hispanic." The percent figures allow for a comparison between the state ("norm") and the market area.

Race and Hispanic Origin

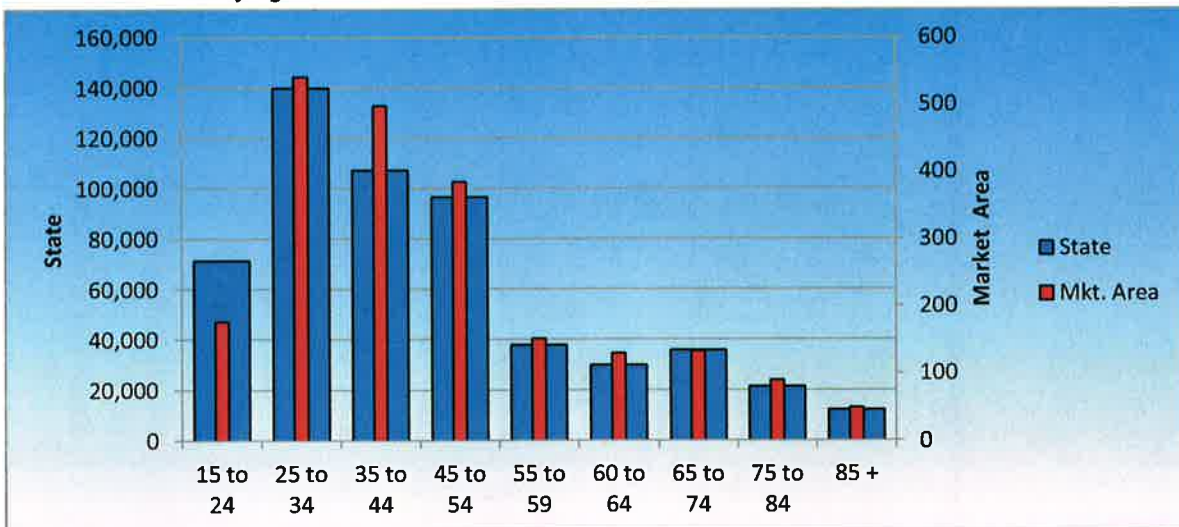
	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Total	4,625,364		187,126		23,246		7,618	
<u>Not Hispanic or Latino</u>	4,389,682	94.9%	181,679	97.1%	21,559	92.7%	7,340	96.4%
White	2,962,740	64.1%	147,362	78.8%	16,853	72.5%	6,514	85.5%
Black or African American	1,279,998	27.7%	29,810	15.9%	4,146	17.8%	569	7.5%
American Indian	16,614	0.4%	420	0.2%	54	0.2%	20	0.3%
Asian	58,307	1.3%	1,384	0.7%	181	0.8%	125	1.6%
Native Hawaiian	2,113	0.0%	29	0.0%	7	0.0%	4	0.1%
Some Other Race	5,714	0.1%	183	0.1%	34	0.1%	14	0.2%
Two or More Races	64,196	1.4%	2,491	1.3%	284	1.2%	94	1.2%
<u>Hispanic or Latino</u>	235,682	5.1%	5,447	2.9%	1,686	7.3%	278	3.6%
White	97,260	2.1%	2,456	1.3%	588	2.5%	134	1.8%
Black or African American	10,686	0.2%	210	0.1%	24	0.1%	4	0.1%
American Indian	2,910	0.1%	58	0.0%	30	0.1%	3	0.0%
Asian	744	0.0%	21	0.0%	3	0.0%	0	0.0%
Native Hawaiian	593	0.0%	14	0.0%	0	0.0%	0	0.0%
Some Other Race	107,750	2.3%	2,317	1.2%	925	4.0%	107	1.4%
Two or More Races	15,739	0.3%	371	0.2%	117	0.5%	30	0.4%

Source: 2010 Census

Note that the "Native Hawaiian" category above also includes "Other Pacific Islander" and the "American Indian" category also includes "Alaska Native."

8.2 HOUSEHOLDS

Renter Households by Age of Householder



Source: 2010 Census

The graph above shows the relative distribution of households by age in the market area as compared to the state.

8.2.1 HOUSEHOLD TRENDS

The following table shows the change in the number of households between the base year and the projected year of completion.

Household Trends and Projections

	<u>State</u>	<u>County</u>	<u>Market Area</u>	<u>City</u>
2000	1,533,854	65,649	7,396	1,989
2008	1,741,994	71,973	8,262	2,791
2010	1,801,181	73,829	8,592	2,827
2012	1,854,646	75,465	8,831	2,995
2015	1,934,845	77,919	9,190	3,246
Growth 2012 to 2015	80,198	2,454	359	251

Sources: 2000 Census; 2010 5yr ACS (Census); 2010 Census; others by John Wall and Associates from figures shown

In 2000, the market area had 7,396 households and thus a demand for the same number of housing units (because each household lives in its own housing unit). Similarly, there were 8,831 households in 2012, and there will be 9,190 in 2015. These figures indicate that the market area needs to provide 359 housing units from 2012 to 2015.

8.2.2 HOUSEHOLD TENURE

The tables below show how many units are occupied by owners and by renters. The percent of the households in the market area that are occupied by renters will be used later in determining the demand for new rental housing.

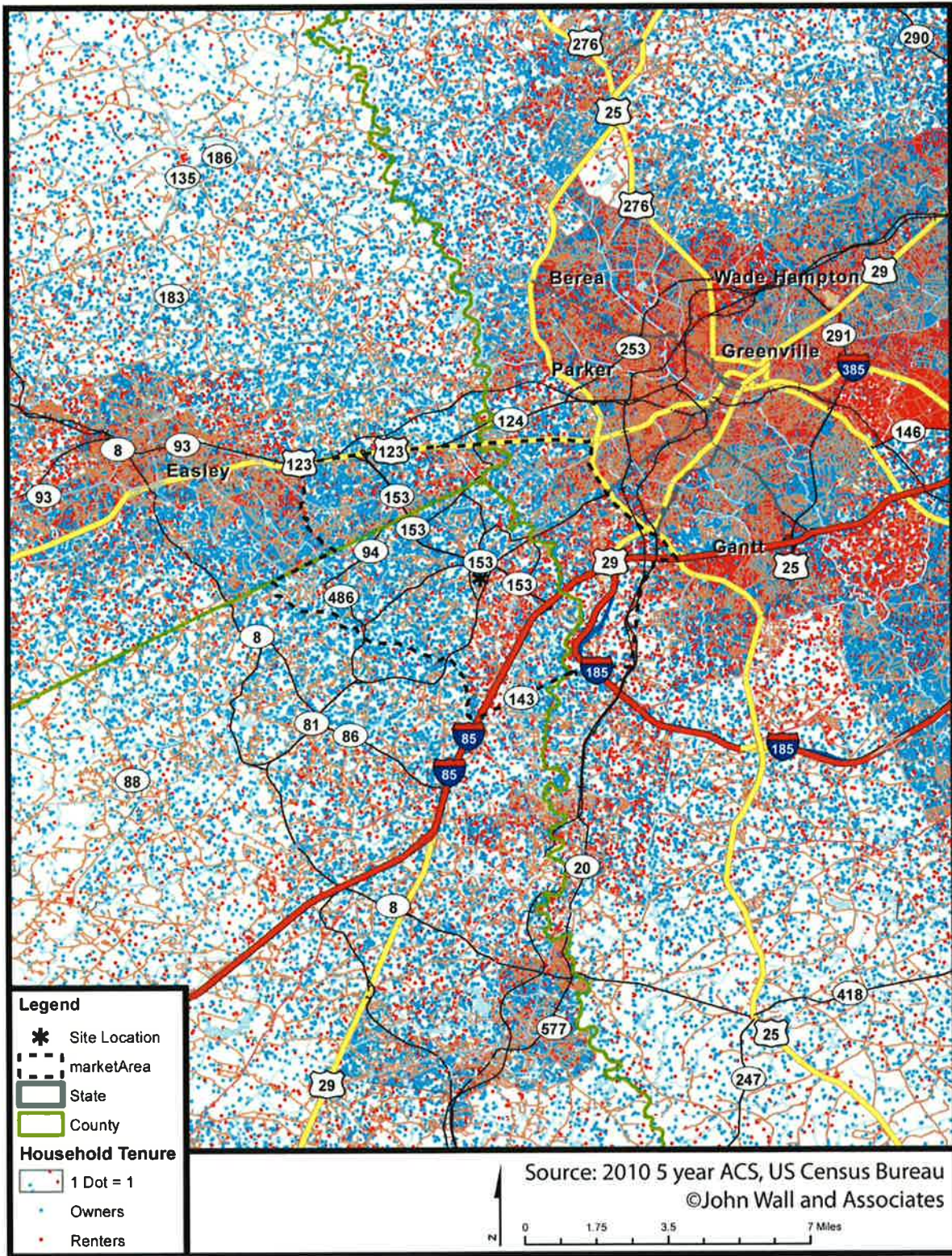
Occupied Housing Units by Tenure

	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Households	1,801,181	—	73,829	—	8,592	—	2,827	—
Owner	1,248,805	69.3%	53,015	71.8%	6,437	74.9%	2,091	74.0%
Renter	552,376	30.7%	20,814	28.2%	2,155	25.1%	736	26.0%

Source: 2010 Census

From the table above, it can be seen that 25.1% of the households in the market area rent. This percentage will be used later in the report to calculate the number of general occupancy units necessary to accommodate household growth.

TENURE MAP



8.2.3 HOUSEHOLD SIZE

Household size is another characteristic that needs to be examined. The household size of those presently renting can be used as a strong indicator of the bedroom mix required. Renters and owners have been shown separately in the tables below because the make-up of owner-occupied units is significantly different from that of renters. A comparison of the percent figures for the market area and the state ("norm") is often of interest.

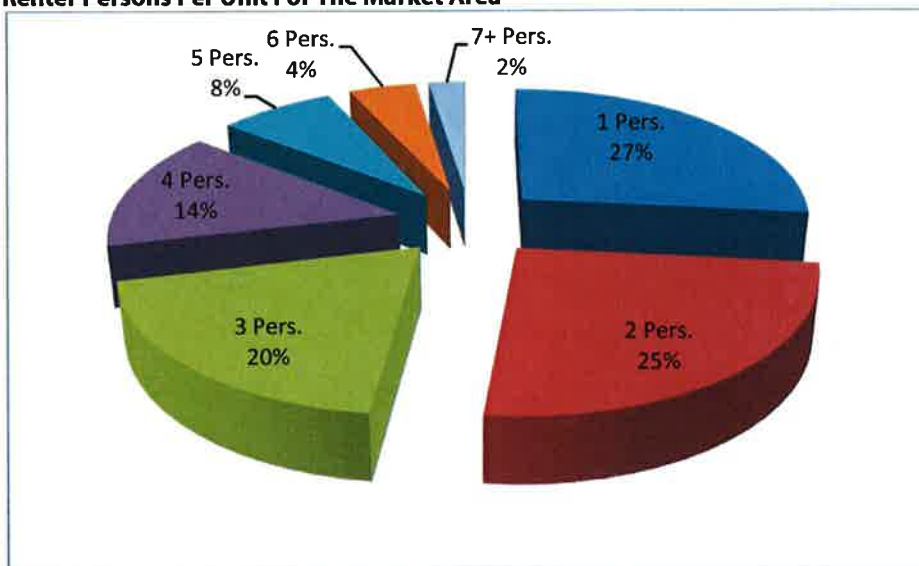
Housing Units by Persons in Unit

	<u>State</u>		<u>County</u>		<u>Market Area</u>		<u>City</u>	
Owner occupied:	1,248,805	—	53,015	—	6,437	—	2,091	—
1-person	289,689	23.2%	11,749	22.2%	1,218	18.9%	353	16.9%
2-person	477,169	38.2%	20,552	38.8%	2,348	36.5%	766	36.6%
3-person	210,222	16.8%	8,957	16.9%	1,157	18.0%	392	18.7%
4-person	164,774	13.2%	7,348	13.9%	1,045	16.2%	348	16.6%
5-person	69,110	5.5%	2,981	5.6%	437	6.8%	154	7.4%
6-person	24,016	1.9%	968	1.8%	159	2.5%	60	2.9%
7-or-more	13,825	1.1%	460	0.9%	73	1.1%	18	0.9%
Renter occupied:	552,376	—	20,814	—	2,155	—	736	—
1-person	188,205	34.1%	6,977	33.5%	575	26.7%	189	25.7%
2-person	146,250	26.5%	5,626	27.0%	543	25.2%	218	29.6%
3-person	93,876	17.0%	3,537	17.0%	418	19.4%	154	20.9%
4-person	67,129	12.2%	2,580	12.4%	308	14.3%	108	14.7%
5-person	33,904	6.1%	1,279	6.1%	163	7.6%	38	5.2%
6-person	13,817	2.5%	497	2.4%	95	4.4%	20	2.7%
7-or-more	9,195	1.7%	318	1.5%	51	2.4%	9	1.2%

Source: 2010 Census

The percent and number of large (5 or more persons) households in the market is an important fact to consider in projects with a significant number of 3 or 4 bedroom units. In such cases, this fact has been taken into account and is used to refine the analysis. It also helps to determine the upper income limit for the purpose of calculating demand. In the market area, 14.3% of the renter households are large, compared to 10.3% in the state.

Renter Persons Per Unit For The Market Area



8.2.4 HOUSEHOLD INCOMES

The table below shows the number of households (both renter and owner) that fall within various income ranges for the market area.

Number of Households in Various Income Ranges

	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Total:	1,741,994		71,973		8,262		2,791	
Less than \$10,000	161,884	9.3%	6,622	9.2%	588	7.1%	139	5.0%
\$10,000 to \$14,999	113,617	6.5%	5,225	7.3%	420	5.1%	78	2.8%
\$15,000 to \$19,999	110,653	6.4%	4,967	6.9%	557	6.7%	164	5.9%
\$20,000 to \$24,999	111,363	6.4%	5,299	7.4%	474	5.7%	96	3.4%
\$25,000 to \$29,999	102,778	5.9%	4,365	6.1%	626	7.6%	95	3.4%
\$30,000 to \$34,999	105,581	6.1%	4,537	6.3%	417	5.0%	186	6.7%
\$35,000 to \$39,999	91,997	5.3%	3,166	4.4%	321	3.9%	94	3.4%
\$40,000 to \$44,999	92,035	5.3%	3,109	4.3%	376	4.6%	222	8.0%
\$45,000 to \$49,999	79,852	4.6%	3,522	4.9%	463	5.6%	171	6.1%
\$50,000 to \$59,999	144,953	8.3%	6,426	8.9%	581	7.0%	134	4.8%
\$60,000 to \$74,999	175,421	10.1%	7,042	9.8%	905	11.0%	283	10.1%
\$75,000 to \$99,999	197,940	11.4%	8,845	12.3%	1,249	15.1%	582	20.9%
\$100,000 to \$124,999	110,288	6.3%	4,098	5.7%	549	6.6%	211	7.6%
\$125,000 to \$149,999	54,868	3.1%	1,896	2.6%	260	3.1%	113	4.0%
\$150,000 to \$199,999	47,663	2.7%	1,668	2.3%	330	4.0%	152	5.4%
\$200,000 or more	41,101	2.4%	1,186	1.6%	147	1.8%	71	2.5%

Source: 2010-5yr ACS (Census)

9 MARKET AREA ECONOMY

The economy of the market area will have an impact on the need for apartment units.

Occupation of Employed Persons Age 16 Years And Over

	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Total	2,002,289		80,545		10,259		3,813	
Management, business, science, and arts occupations:	636,616	32%	23,739	29%	3,082	30%	1,239	32%
Management, business, and financial occupations:	250,420	13%	8,867	11%	1,179	11%	488	13%
Management occupations	175,960	9%	6,338	8%	744	7%	324	8%
Business and financial operations occupations	74,460	4%	2,529	3%	436	4%	164	4%
Computer, engineering, and science occupations:	79,767	4%	2,788	3%	468	5%	181	5%
Computer and mathematical occupations	30,300	2%	987	1%	91	1%	20	1%
Architecture and engineering occupations	38,148	2%	1,463	2%	325	3%	120	3%
Life, physical, and social science occupations	11,319	1%	338	0%	52	1%	41	1%
Education, legal, community service, arts, and media occupations:	197,562	10%	7,144	9%	831	8%	285	7%
Community and social service occupations	33,648	2%	1,182	1%	146	1%	0	0%
Legal occupations	18,929	1%	580	1%	64	1%	13	0%
Education, training, and library occupations	117,112	6%	4,495	6%	429	4%	200	5%
Arts, design, entertainment, sports, and media occupations	27,873	1%	887	1%	191	2%	72	2%
Healthcare practitioners and technical occupations:	108,867	5%	4,940	6%	603	6%	285	7%
Health diagnosing and treating practitioners and other technical occupations	70,270	4%	2,914	4%	325	3%	169	4%
Health technologists and technicians	38,597	2%	2,026	3%	278	3%	116	3%
Service occupations:	344,070	17%	12,277	15%	1,442	14%	395	10%
Healthcare support occupations	43,555	2%	1,955	2%	161	2%	46	1%
Protective service occupations:	42,647	2%	1,077	1%	159	2%	0	0%
Fire fighting and prevention, and other protective service workers including supervisors	21,892	1%	613	1%	48	0%	0	0%
Law enforcement workers including supervisors	20,755	1%	464	1%	111	1%	0	0%
Food preparation and serving related occupations	118,134	6%	4,083	5%	418	4%	102	3%
Building and grounds cleaning and maintenance occupations	81,858	4%	2,759	3%	470	5%	137	4%
Personal care and service occupations	57,876	3%	2,403	3%	234	2%	110	3%
Sales and office occupations:	506,896	25%	20,720	26%	2,842	28%	1,154	30%
Sales and related occupations	235,500	12%	9,866	12%	1,090	11%	461	12%
Office and administrative support occupations	271,396	14%	10,854	13%	1,752	17%	693	18%
Natural resources, construction, and maintenance occupations:	216,593	11%	8,680	11%	1,210	12%	312	8%
Farming, fishing, and forestry occupations	10,650	1%	447	1%	0	0%	0	0%
Construction and extraction occupations	122,468	6%	4,267	5%	792	8%	186	5%
Installation, maintenance, and repair occupations	83,475	4%	3,966	5%	418	4%	126	3%
Production, transportation, and material moving occupations:	298,114	15%	15,129	19%	1,683	16%	713	19%
Production occupations	172,215	9%	9,822	12%	1,081	11%	422	11%
Transportation occupations	69,623	3%	2,733	3%	233	2%	124	3%
Material moving occupations	56,276	3%	2,574	3%	369	4%	167	4%

Source: 2010-5yr ACS (Census)

Occupation for the State and Market Area



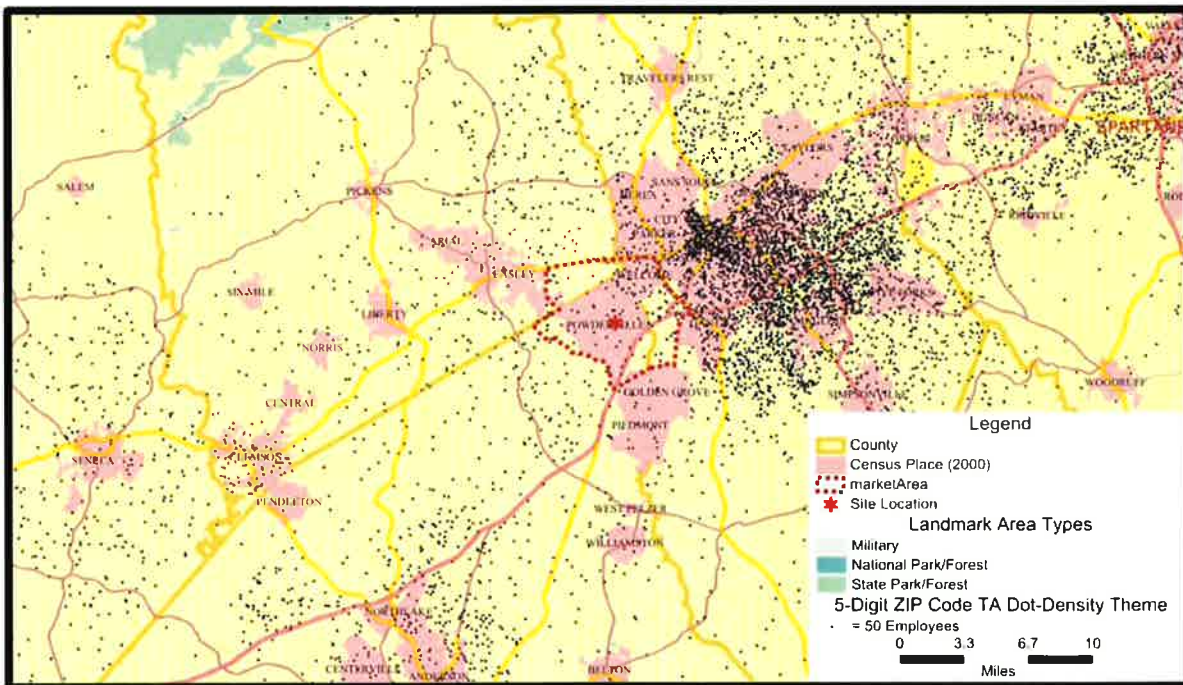
Industry of Employed Persons Age 16 Years And Over

	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Total:	2,002,289		80,545		10,259		3,813	
Agriculture, forestry, fishing and hunting, and mining:	20,615	1%	726	1%	11	0%	11	0%
Agriculture, forestry, fishing and hunting	19,407	1%	621	1%	0	0%	0	0%
Mining, quarrying, and oil and gas extraction	1,208	0%	105	0%	11	0%	11	0%
Construction	161,576	8%	6,020	7%	1,044	10%	348	9%
Manufacturing	280,960	14%	16,860	21%	2,058	20%	801	21%
Wholesale trade	57,999	3%	2,870	4%	413	4%	276	7%
Retail trade	241,018	12%	10,489	13%	1,064	10%	386	10%
Transportation and warehousing, and utilities:	97,304	5%	3,456	4%	391	4%	98	3%
Transportation and warehousing	72,411	4%	2,577	3%	262	3%	69	2%
Utilities	24,893	1%	879	1%	129	1%	29	1%
Information	35,860	2%	901	1%	169	2%	45	1%
Finance and insurance, and real estate and rental and leasing:	122,650	6%	3,413	4%	535	5%	202	5%
Finance and insurance	82,615	4%	2,156	3%	389	4%	129	3%
Real estate and rental and leasing	40,035	2%	1,257	2%	145	1%	73	2%
Professional, scientific, and management, and administrative and waste management services:	180,775	9%	5,032	6%	1,098	11%	319	8%
Professional, scientific, and technical services	94,059	5%	2,176	3%	498	5%	154	4%
Management of companies and enterprises	1,205	0%	44	0%	40	0%	0	0%
Administrative and support and waste management services	85,511	4%	2,812	3%	560	5%	165	4%
Educational services, and health care and social assistance:	417,392	21%	18,088	22%	1,939	19%	864	23%
Educational services	178,304	9%	6,916	9%	596	6%	270	7%
Health care and social assistance	239,088	12%	11,172	14%	1,342	13%	594	16%
Arts, entertainment, and recreation, and accommodation and food services:	191,768	10%	5,778	7%	681	7%	232	6%
Arts, entertainment, and recreation	32,606	2%	918	1%	116	1%	35	1%
Accommodation and food services	159,162	8%	4,860	6%	565	6%	197	5%
Other services, except public administration	97,153	5%	4,504	6%	478	5%	178	5%
Public administration	97,219	5%	2,408	3%	378	4%	53	1%

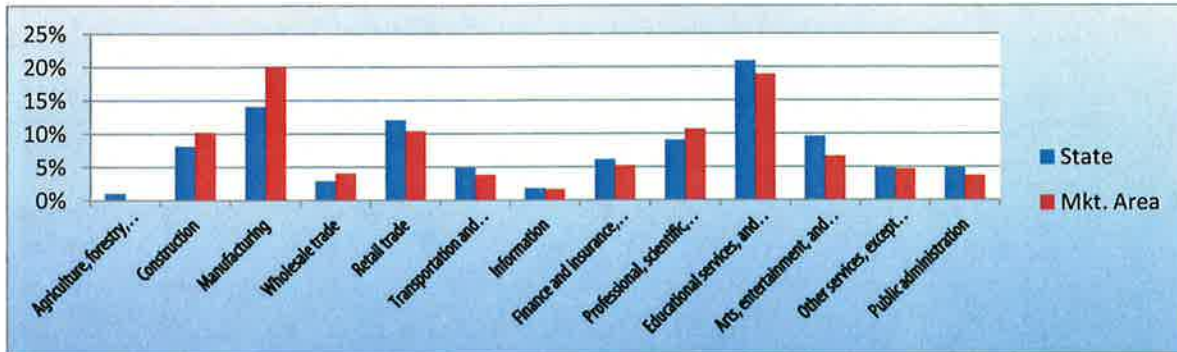
Source: 2010-5yr ACS (Census)

Note: Bold numbers represent category totals and add to 100%

EMPLOYMENT CONCENTRATIONS MAP



Industry for the State and Market Area



Source: 2010-5yr ACS (Census)

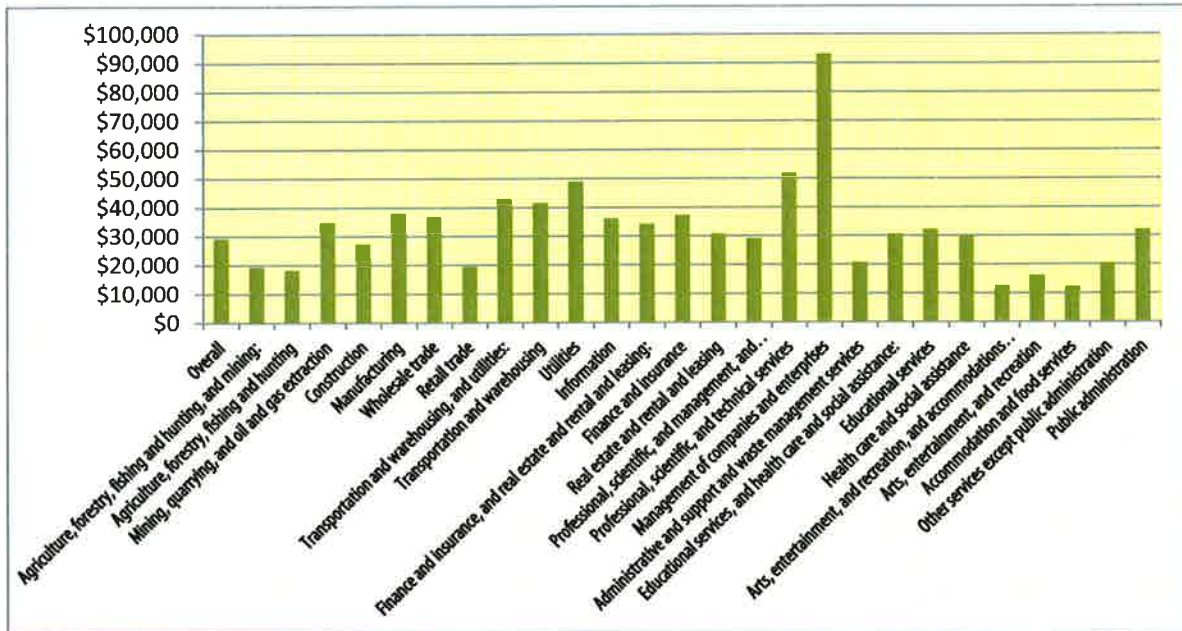
Median Wages by Industry

	State	County	City
Overall	\$29,563	\$29,246	\$32,017
Agriculture, forestry, fishing and hunting, and mining:	\$23,958	\$19,286	—
Agriculture, forestry, fishing and hunting	\$22,483	\$18,155	—
Mining, quarrying, and oil and gas extraction	\$40,816	\$34,659	—
Construction	\$29,949	\$27,342	\$23,289
Manufacturing	\$36,321	\$37,765	\$43,894
Wholesale trade	\$36,403	\$36,603	\$43,409
Retail trade	\$20,367	\$19,436	\$20,000
Transportation and warehousing, and utilities:	\$40,297	\$42,748	\$50,652
Transportation and warehousing	\$36,851	\$41,554	\$50,707
Utilities	\$50,551	\$48,882	\$32,386
Information	\$36,056	\$36,138	\$34,453
Finance and insurance, and real estate and rental and leasing:	\$35,009	\$34,142	\$51,923
Finance and insurance	\$36,579	\$37,198	\$47,232
Real estate and rental and leasing	\$31,502	\$30,774	\$100,777
Professional, scientific, and management, and administrative and waste management services:	\$31,660	\$29,093	\$32,993
Professional, scientific, and technical services	\$44,771	\$51,442	\$55,595
Management of companies and enterprises	\$41,619	\$93,000	—
Administrative and support and waste management services	\$21,508	\$20,723	\$25,458
Educational services, and health care and social assistance:	\$30,842	\$30,444	\$31,295
Educational services	\$32,448	\$32,122	\$33,603
Health care and social assistance	\$29,479	\$29,604	\$30,352
Arts, entertainment, and recreation, and accommodations and food services:	\$13,661	\$12,565	\$15,517
Arts, entertainment, and recreation	\$16,814	\$16,094	\$26,750
Accommodation and food services	\$13,150	\$12,362	\$14,596
Other services except public administration	\$21,878	\$20,448	\$9,569
Public administration	\$36,395	\$32,018	\$11,440

Source: 2010-5yr ACS (Census)

Note: Dashes indicate data suppressed by Census Bureau; no data is available for the market area.

Wages by Industry for the County



2010-5yr ACS (Census)

9.1 MAJOR EMPLOYERS

The following is a list of major employers in Anderson County:

<u>Company</u>	<u>Employees</u>
Anderson County School Districts (5 Districts)	3,837
AnMed Health	3,462
Electrolux Home Products	1,863
State of South Carolina	1,631
Robert Bosch Corporation	1,200
Michelin North America, Inc	900

The following is a list of major employers in Greenville County:

<u>Company</u>	<u>Employees</u>
School District of Greenville County	10,850
Greenville Hospital System	10,350
Bon Secours St. Francis Health	4,200
GE Energy	3,200
SC State Government	3,036

Source: Manufacturers News, Inc. and individual employers

9.2 NEW OR PLANNED CHANGES IN WORKFORCE

If there are any, they will be discussed in the Interviews section of the report.

9.3 EMPLOYMENT (CIVILIAN LABOR FORCE)

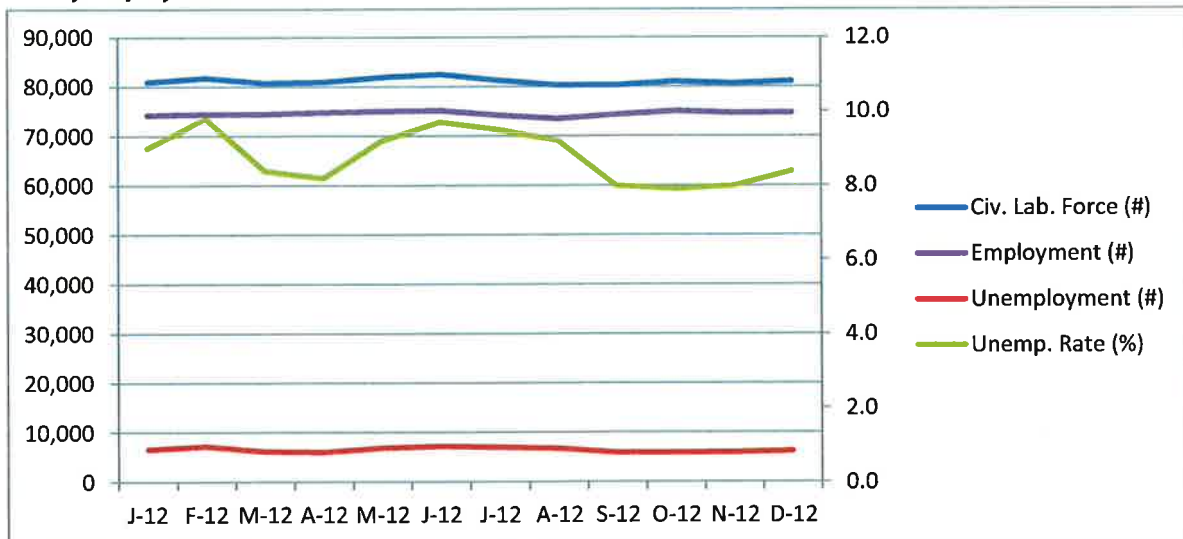
In order to determine how employment affects the market area and whether the local economy is expanding, declining, or stable, it is necessary to inspect employment statistics for several years. The table below shows the increase or decrease in employment and the percentage of unemployed at the county level. This table also shows the change in the size of the labor force, an indicator of change in housing requirements for the county.

Employment Trends

Year	Civilian Labor			Employment	Employment Change		Annual Change	
	Force	Unemployment	Rate (%)		Number	Pct.	Number	Pct.
2000	84,262	2,454	3.0	81,808	—	—	—	—
2009	83,843	9,183	12.3	74,660	-7,148	-8.7%	-794	-1.1%
2010	83,401	8,535	11.4	74,866	206	0.3%	206	0.3%
2011	83,278	7,502	9.9	75,776	910	1.2%	910	1.2%
J-12	80,982	6,687	9.0	74,295	-1,481	-2.0%		
F-12	81,789	7,300	9.8	74,489	194	0.3%		
M-12	80,779	6,260	8.4	74,519	30	0.0%		
A-12	80,958	6,135	8.2	74,823	304	0.4%		
M-12	81,960	6,905	9.2	75,055	232	0.3%		
J-12	82,459	7,291	9.7	75,168	113	0.2%		
J-12	81,277	7,051	9.5	74,226	-942	-1.3%		
A-12	80,275	6,763	9.2	73,512	-714	-1.0%		
S-12	80,312	5,949	8.0	74,363	851	1.2%		
O-12	81,003	5,931	7.9	75,072	709	1.0%		
N-12	80,644	5,974	8.0	74,670	-402	-0.5%		
D-12	81,050	6,281	8.4	74,769	99	0.1%		

Source: State Employment Security Commission

County Employment Trends



Source: State Employment Security Commission

9.4 WORKFORCE HOUSING

The subject is not located in an area that is drawn from for some other area (e.g., a resort area) so this topic is not relevant.

9.5 ECONOMIC SUMMARY

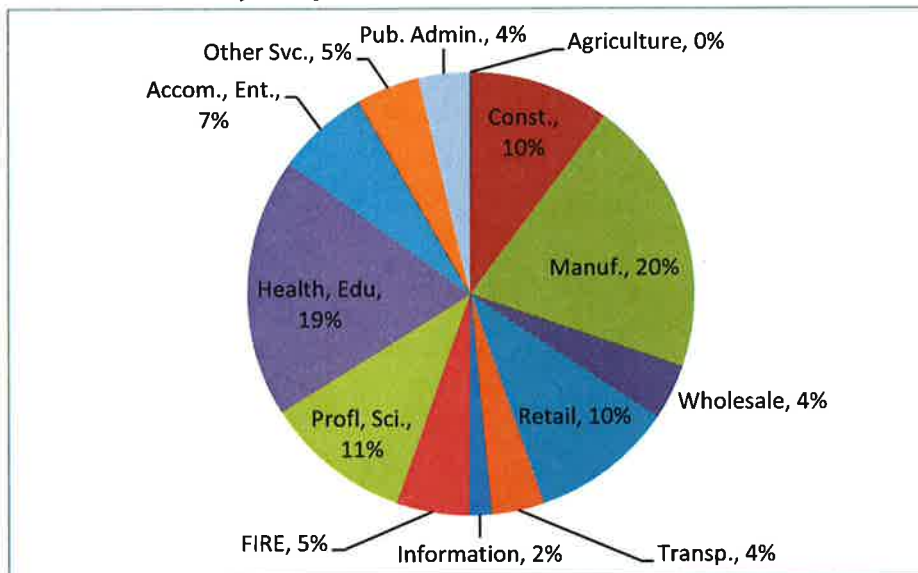
The largest number of persons in the market area is employed in the "Management, professional, and related occupations" occupation category and in the "Manufacturing" industry category.

A change in the size of labor force frequently indicates a corresponding change in the need for housing. The size of the labor force has declined slightly over the past several years.

Employment has been fluctuating over the past several years. For the past 12 months, it has been about the same.

A downturn in the economy and thus a corresponding increase in unemployment will impact LIHTC properties without rental assistance. LIHTC properties without rental assistance require tenants who either earn enough money to afford the rent or have a rent subsidy voucher. When there is an increase in unemployment, there will be households where one or more employed persons become unemployed. Some households that could afford to live in the proposed units will no longer have enough income. By the same token, there will be other households that previously had incomes that were too high to live in the proposed units that will now be income qualified.

Percent of Workers by Occupation for the Market Area



Source: 2010-5yr ACS (Census)

10 INCOME RESTRICTIONS AND AFFORDABILITY

Several economic factors need to be examined in a housing market study. Most important is the number of households that would qualify for apartments on the basis of their incomes. A variety of circumstances regarding restrictions and affordability are outlined below.

These minimum and maximum incomes are used to establish the income *range* for households entering the project. Only households whose incomes fall within the range are considered as a source of demand.

Income data have been shown separately for owner and renter households. Only the renter household income data are used for determining demand for rental units.

Gross rent includes utilities, but it excludes payments of rental assistance by federal, state, and local entities. In this study, gross rent is always monthly.

10.1 HOUSEHOLDS RECEIVING HUD RENTAL ASSISTANCE

The lower limit of the acceptable income range for units with rental assistance is zero income. The upper limit of the acceptable income range for units with HUD rental assistance is established by the HUD guidelines. HUD allows very low income households (50% AMI or less) to receive rental assistance in the general case, and low income households (80% AMI or less) in some cases. HUD also requires that 75% of rental assistance to go to households at or below the 30% AMI level. For the purpose of this study, the tax credit set aside will be used to compute the income limits.

10.2 HOUSEHOLDS NOT RECEIVING RENTAL ASSISTANCE

Most households do not receive rental assistance. With respect to estimating which households may consider the subject a possible housing choice, we will evaluate the gross rent as a percent of their income according to the following formula:

$$\text{gross rent} \div X\% \times 12 \text{ months} = \text{annual income}$$

X% in the formula will vary, depending on the circumstance, as outlined in the next two sections.

10.3 HOUSEHOLDS QUALIFYING FOR TAX CREDIT UNITS

Households who earn less than a defined percentage (usually 50% or 60%) of the county or MSA median income as adjusted by HUD (AMI) qualify for low income housing tax credit (LIHTC) units. Therefore, feasibility for projects expecting to receive tax credits will be based in part on the incomes required to support the tax credit rents.

For those tax credit units occupied by low income households, the monthly gross rent should not realistically exceed 35% of the household income. However, elderly households can afford to pay a larger portion of their incomes on housing than family households. Elderly households should not realistically exceed 40% of the household income.

10.4 HOUSEHOLDS LIVING IN MARKET RATE UNITS

Minimum incomes for low (and sometimes moderate) income households in market rate units have been calculated the same as low income households in tax credit units (*i.e.*, 35% of income for gross rent).

The maximum likely income for market rate units is established by using 20% of income to be spent on gross rent.

Households in luxury/upscale apartments typically spend less than 30% of their income on rent plus utilities. In other words, the percent of income spent on rent goes down as the income goes up.

10.5 ESTABLISHING TAX CREDIT QUALIFYING INCOME RANGES

It is critical to establish the number of households that qualify for apartments under the tax credit program based on their incomes. The income ranges are established in two stages. First, the maximum incomes allowable are calculated by applying the tax credit guidelines. Then, minimum incomes required are calculated. According to United States Code, either 20% of the units must be occupied by households who earn under 50% of the area median gross income (AMI), OR 40% of the units must be occupied by households who earn under 60% of the AMI. Sometimes units are restricted for even lower income households. In many cases, the developer has chosen to restrict the rents for 100% of the units to be for low income households.

Maximum Income Limit (HUD FY 2013)

<u>Pers.</u>	<u>VLIL</u>	<u>50%</u>	<u>60%</u>
1	19,350	19,350	23,220
2	22,100	22,100	26,520
3	24,850	24,850	29,820
4	27,600	27,600	33,120
5	29,850	29,850	35,820
6	32,050	32,050	38,460
7	34,250	34,250	41,100
8	36,450	36,450	43,740

Source: *Very Low Income (50%) Limit and 60% limit: HUD, Low and Very-Low Income Limits by Family Size*
Others: John Wall and Associates, derived from HUD figures

The table above shows the maximum tax credit allowable incomes for households moving into the subject based on household size and the percent of area median gross income (AMI).

After establishing the maximum income, the lower income limit will be determined. The lower limit is the income a household must have in order to be able to afford the rent and utilities. The realistic lower limit of the income range is determined by the following formula:

Gross rent ÷ 35% [or 30% or 40%, as described in the subsections above] x 12 months = annual income

This provides for up to 35% [or 30% or 40%] of adjusted annual income (AAI) to be used for rent plus utilities.

The proposed gross rents, as supplied by the client, and the minimum incomes required to maintain 35% [or 30% or 40%] or less of income spent on gross rent are:

Minimum Incomes Required and Gross Rents

	<u>Bedrooms</u>	<u>Number of Units</u>	<u>Net Rent</u>	<u>Gross Rent</u>	<u>Minimum Income Required</u>	<u>Target Population</u>
50%	1	6	323	425	\$14,571	Tax Credit
50%	2	4	457	585	\$20,057	Tax Credit
50%	3	2	496	645	\$22,114	Tax Credit
60%	1	2	358	460	\$15,771	Tax Credit
60%	2	20	482	610	\$20,914	Tax Credit
60%	3	14	521	670	\$22,971	Tax Credit

Source: John Wall and Associates from data provided by client

From the tables above, the practical lower income limits for units *without* rental assistance can be established. Units *with* rental assistance will use \$0 as their lower income limit.

When the minimum incomes required are combined with the maximum tax credit limits, the income *ranges* for households entering the project can be established. Only households whose incomes fall within the ranges can be considered as a source of demand. Note that *both* the income limits *and* the amount of spread in the ranges are important.

10.6 QUALIFYING INCOME RANGES

The most important information from the tables above is summarized in the table below. Income requirements for any PBRA units will be calculated for the contract rent.

Qualifying Income Ranges by Bedrooms and Persons Per Household

<u>AMI</u>	<u>Bedrooms</u>	<u>Persons</u>	<u>Gross Rent</u>	<u>Income Based Lower Limit</u>	<u>Spread Between Limits</u>	<u>Upper Limit</u>
50%	1	1	425	14,570	4,780	19,350
50%	1	2	425	14,570	7,530	22,100
50%	2	2	585	20,060	2,040	22,100
50%	2	3	585	20,060	4,790	24,850
50%	2	4	585	20,060	7,540	27,600
50%	3	3	645	22,110	2,740	24,850
50%	3	4	645	22,110	5,490	27,600
50%	3	5	645	22,110	7,740	29,850
50%	3	6	645	22,110	9,940	32,050
60%	1	1	460	15,770	7,450	23,220
60%	1	2	460	15,770	10,750	26,520
60%	2	2	610	20,910	5,610	26,520
60%	2	3	610	20,910	8,910	29,820
60%	2	4	610	20,910	12,210	33,120
60%	3	3	670	22,970	6,850	29,820
60%	3	4	670	22,970	10,150	33,120
60%	3	5	670	22,970	12,850	35,820
60%	3	6	670	22,970	15,490	38,460

Sources: Gross rents: client; Limits: tables on prior pages; Spread: calculated from data in table

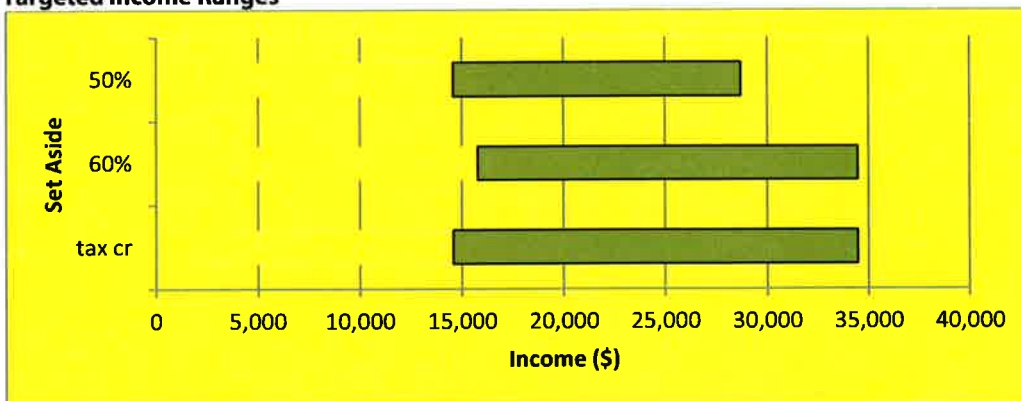
10.7 PROGRAMMATIC AND PRO FORMA RENT ANALYSIS

The table below shows a comparison of programmatic rent and *pro forma* rent.

Qualifying and Proposed and Programmatic Rent Summary

	<u>1-BR</u>	<u>2-BR</u>	<u>3-BR</u>
50% Units			
Number of Units	6	4	2
Max Allowable Gross Rent	\$518	\$621	\$718
Pro Forma Gross Rent	\$425	\$585	\$645
Difference (\$)	\$93	\$36	\$73
Difference (%)	18.0%	5.8%	10.2%
60% Units			
Number of Units	2	20	14
Max Allowable Gross Rent	\$621	\$745	\$861
Pro Forma Gross Rent	\$460	\$610	\$670
Difference (\$)	\$161	\$135	\$191
Difference (%)	25.9%	18.1%	22.2%

Targeted Income Ranges



An income range of \$14,570 to \$28,725 is reasonable for the 50% AMI units.

An income range of \$15,770 to \$34,470 is reasonable for the 60% AMI units.

An income range of \$14,570 to \$34,470 is reasonable for the tax credit units (overall).

An income range of \$0 to \$34,470 is reasonable for the project overall.

10.8 HOUSEHOLDS WITH QUALIFIED INCOMES

The table below shows income levels for renters and owners separately. The number and percent of income qualified *renter* households is calculated from this table.

Number of Specified Households in Various Income Ranges by Tenure

	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Owner occupied:	1,217,502		53,272		6,237		2,155	
Less than \$5,000	26,805	2.2%	1,077	2.0%	56	0.9%	0	0.0%
\$5,000 to \$9,999	36,781	3.0%	1,564	2.9%	219	3.5%	112	5.2%
\$10,000 to \$14,999	61,214	5.0%	2,994	5.6%	253	4.1%	64	3.0%
\$15,000 to \$19,999	60,864	5.0%	2,956	5.5%	353	5.7%	154	7.1%
\$20,000 to \$24,999	65,239	5.4%	3,308	6.2%	192	3.1%	61	2.8%
\$25,000 to \$34,999	129,754	10.7%	6,045	11.3%	675	10.8%	144	6.7%
\$35,000 to \$49,999	180,665	14.8%	7,606	14.3%	846	13.6%	288	13.4%
\$50,000 to \$74,999	252,279	20.7%	11,427	21.5%	1,288	20.7%	299	13.9%
\$75,000 to \$99,999	169,733	13.9%	7,956	14.9%	1,120	18.0%	530	24.6%
\$100,000 to \$149,999	150,534	12.4%	5,646	10.6%	773	12.4%	280	13.0%
\$150,000 or more	83,634	6.9%	2,693	5.1%	463	7.4%	223	10.3%
Renter occupied:	524,492		18,701		2,025		636	
Less than \$5,000	42,710	8.1%	1,488	8.0%	123	6.1%	13	2.0%
\$5,000 to \$9,999	55,588	10.6%	2,493	13.3%	190	9.4%	14	2.2%
\$10,000 to \$14,999	52,403	10.0%	2,231	11.9%	167	8.2%	14	2.2%
\$15,000 to \$19,999	49,789	9.5%	2,011	10.8%	203	10.0%	10	1.6%
\$20,000 to \$24,999	46,124	8.8%	1,991	10.6%	281	13.9%	35	5.5%
\$25,000 to \$34,999	78,605	15.0%	2,857	15.3%	368	18.2%	137	21.5%
\$35,000 to \$49,999	83,219	15.9%	2,191	11.7%	314	15.5%	199	31.3%
\$50,000 to \$74,999	68,095	13.0%	2,041	10.9%	198	9.8%	118	18.6%
\$75,000 to \$99,999	28,207	5.4%	889	4.8%	129	6.4%	52	8.2%
\$100,000 to \$149,999	14,622	2.8%	348	1.9%	36	1.8%	44	6.9%
\$150,000 or more	5,130	1.0%	161	0.9%	15	0.7%	0	0.0%

Source: 2005-2009 5yr ACS (Census)

The percent of renter households in the appropriate income ranges will be applied to the renter household growth figures to determine the number of new renter households that will be income qualified to move into each of the different unit types the subject will offer.

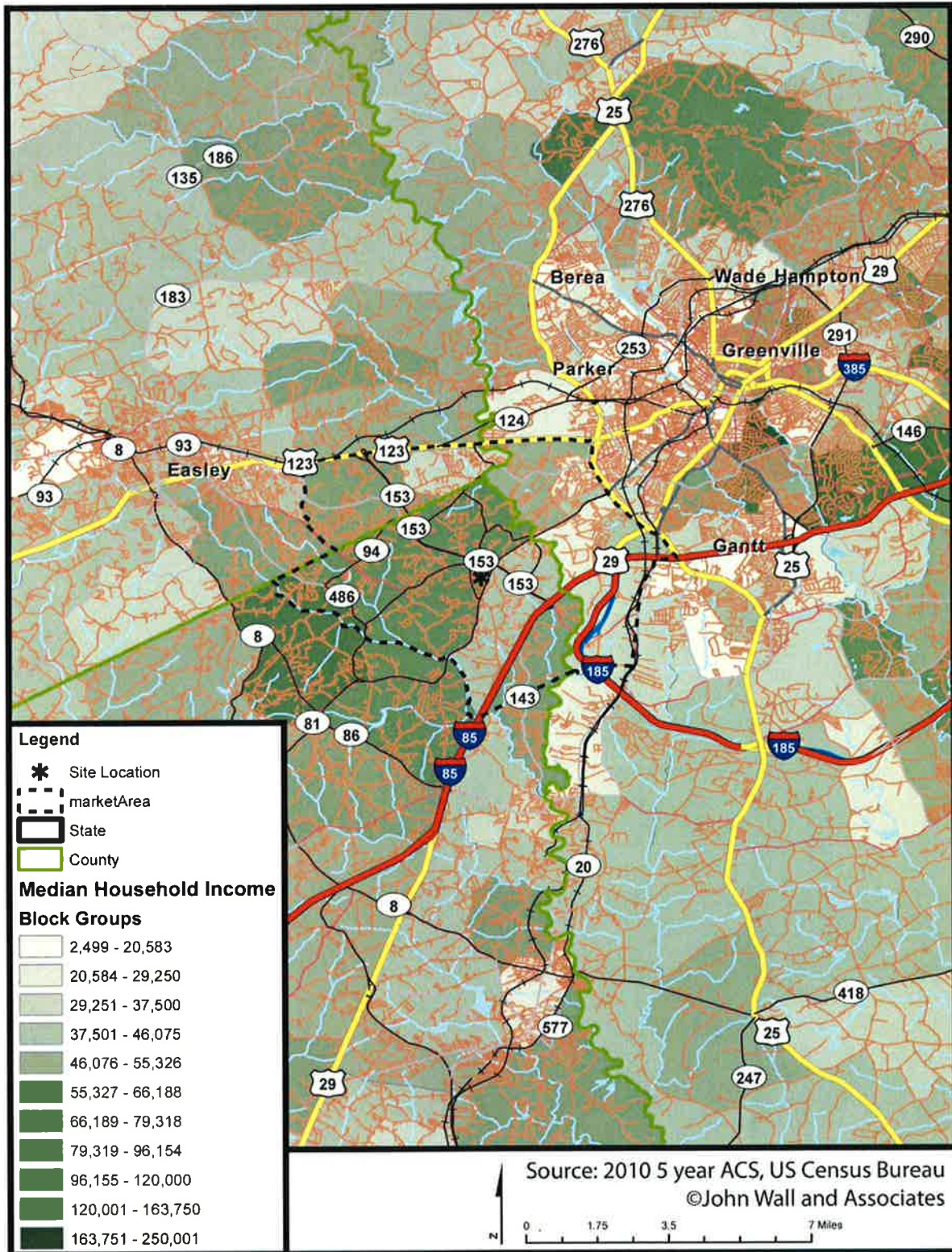
Percent of Renter Households in Appropriate Income Ranges for the Market Area

AMI		<u>50%</u>		<u>60%</u>		<u>Tx. Cr.</u>	
Lower Limit		14,570		15,770		14,570	
Upper Limit		28,725		34,470		34,470	
	<u>Households</u>	<u>%</u>	<u>#</u>	<u>%</u>	<u>#</u>	<u>%</u>	<u>#</u>
Renter occupied:							
Less than \$5,000	123	—	0	—	0	—	0
\$5,000 to \$9,999	190	—	0	—	0	—	0
\$10,000 to \$14,999	167	0.09	14	—	0	0.09	14
\$15,000 to \$19,999	203	1.00	203	0.85	172	1.00	203
\$20,000 to \$24,999	281	1.00	281	1.00	281	1.00	281
\$25,000 to \$34,999	368	0.37	137	0.95	349	0.95	349
\$35,000 to \$49,999	314	—	0	—	0	—	0
\$50,000 to \$74,999	198	—	0	—	0	—	0
\$75,000 to \$99,999	129	—	0	—	0	—	0
\$100,000 to \$149,999	36	—	0	—	0	—	0
\$150,000 or more	15	—	0	—	0	—	0
Total	2,025		635		801		847
Percent In Range			31.4%		39.6%		41.8%

Source: John Wall and Associates from figures above

The table above shows how many renter households are in each income range. The number and percent are given in the last two rows (e.g., 635, or 31.4% of the renter households in the market area are in the 50% range.)

MEDIAN HOUSEHOLD INCOME MAP



11 DEMAND

11.1 DEMAND FROM NEW HOUSEHOLDS

11.1.1 NEW HOUSEHOLDS

It was shown in the Household Trends section of this study that 359 new housing units will be needed by the year of completion. It was shown in the Tenure section that the area ratio of rental units to total units is 25.1%. Therefore, 90 of these new units will need to be rental.

The table “Percent of Renter Households in Appropriate Income Ranges for the Market Area” shows the percentage of renter households in various income ranges. These percentages are applied to the total number of new rental units needed to arrive at the *number* of new rental units needed in the relevant income categories:

New Renter Households in Each Income Range for the Market Area

	<u>New Renter Households</u>	<u>Percent Income Qualified</u>	<u>Demand due to new Households</u>
50% AMI: \$14,570 to \$28,725	90	31.4%	28
60% AMI: \$15,770 to \$34,470	90	39.6%	36
Overall Tax Credit: \$14,570 to \$34,470	90	41.8%	38

Source: John Wall and Associates from figures above

11.2 DEMAND FROM EXISTING HOUSEHOLDS

11.2.1 DEMAND FROM RENT OVERBURDEN HOUSEHOLDS

A household is defined as rent overburdened when it pays 30% or more of its income on gross rent (rent plus utilities). Likewise, the household is *severely* rent overburdened if it pays 35% or more of its income on gross rent.

For tax credit units *without* rental assistance, households may pay 35% of their incomes for gross rent. Therefore, up to 35% of income for gross rent is used in establishing affordability in the “Demand from New Households” calculations. Hence, only *severely* (paying in excess of 35%) rent overburdened households are counted as a source of demand for tax credit units without rental assistance.

For units *with* rental assistance (tenants pay only 30% of their income for gross rent), any households paying more than 30% for gross rent would benefit by moving into the unit so all overburdened households in the relevant income range are counted as a source of demand.

The following table presents data on rent overburdened households in various income ranges.

Percentage of Income Paid For Gross Rent (Renter Households in Specified Housing Units)

	<u>State</u>		<u>County</u>		<u>Market Area</u>		<u>City</u>	
Less than \$10,000:	98,298		3,981		314		27	
30.0% to 34.9%	2,318	2.4%	75	1.9%	0	0.0%	0	0.0%
35.0% or more	61,970	63.0%	2,924	73.4%	167	53.2%	13	48.1%
\$10,000 to \$19,999:	102,192		4,242		371		24	
30.0% to 34.9%	6,952	6.8%	309	7.3%	34	9.2%	0	0.0%
35.0% or more	70,642	69.1%	2,943	69.4%	257	69.3%	10	41.7%
\$20,000 to \$34,999:	124,729		4,848		649		172	
30.0% to 34.9%	20,227	16.2%	960	19.8%	237	36.5%	62	36.0%
35.0% or more	43,270	34.7%	1,341	27.7%	221	34.1%	49	28.5%
\$35,000 to \$49,999:	83,219		2,191		314		199	
30.0% to 34.9%	6,972	8.4%	52	2.4%	7	2.2%	0	0.0%
35.0% or more	6,882	8.3%	81	3.7%	37	11.8%	0	0.0%
\$50,000 to \$74,999:	68,095		2,041		198		118	
30.0% to 34.9%	2,092	3.1%	0	0.0%	0	0.0%	0	0.0%
35.0% or more	1,711	2.5%	35	1.7%	0	0.0%	0	0.0%
\$75,000 to \$99,999:	28,207		889		129		52	
30.0% to 34.9%	279	1.0%	18	2.0%	11	8.5%	0	0.0%
35.0% or more	368	1.3%	0	0.0%	0	0.0%	0	0.0%
\$100,000 or more:	19,752		509		51		44	
30.0% to 34.9%	155	0.8%	0	0.0%	0	0.0%	0	0.0%
35.0% or more	53	0.3%	0	0.0%	0	0.0%	0	0.0%

Source: 2010-5yr ACS (Census)

From the table above, the number of rent overburdened households in each appropriate income range can be estimated in the table below.

Rent Overburdened Households in Each Income Range for the Market Area

	<u>Mkt. Area</u>	<u>50%</u>		<u>60%</u>		<u>Tx. Cr.</u>	
		<u>Households</u>					
35%+ Overburden							
AMI			14,570		15,770		14,570
Lower Limit			28,725		34,470		34,470
Upper Limit							
Less than \$10,000:	167	—	0	—	0	—	0
\$10,000 to \$19,999:	257	0.54	140	0.42	109	0.54	140
\$20,000 to \$34,999:	221	0.58	129	0.96	213	0.96	213
\$35,000 to \$49,999:	37	—	0	—	0	—	0
\$50,000 to \$74,999:	0	—	0	—	0	—	0
\$75,000 to \$99,999:	0	—	0	—	0	—	0
\$100,000 or more:	0	—	0	—	0	—	0
Column Total	682		268		322		353

Source: John Wall and Associates from figures above

11.2.2 DEMAND FROM SUBSTANDARD CONDITIONS

The Bureau of the Census defines substandard conditions as 1) lacking plumbing, or 2) 1.01 or more persons per room.

Substandard Occupied Units

	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Owner occupied:	1,217,502		53,272		6,237		2,155	
Complete plumbing:	1,212,991	100%	53,056	100%	6,237	100%	2,155	100%
1.00 or less	1,200,603	99%	52,287	98%	6,179	99%	2,130	99%
1.01 to 1.50	10,050	1%	592	1%	48	1%	15	1%
1.51 or more	2,338	0%	177	0%	10	0%	10	0%
Lacking plumbing:	4,511	0%	216	0%	0	0%	0	0%
1.00 or less	4,428	0%	216	0%	0	0%	0	0%
1.01 to 1.50	55	0%	0	0%	0	0%	0	0%
1.51 or more	28	0%	0	0%	0	0%	0	0%
Renter occupied:	524,492		18,701		2,025		636	
Complete plumbing:	520,655	99%	18,393	98%	2,022	100%	636	100%
1.00 or less	500,100	95%	17,943	96%	1,899	94%	628	99%
1.01 to 1.50	13,067	2%	300	2%	103	5%	8	1%
1.51 or more	7,488	1%	150	1%	20	1%	0	0%
Lacking plumbing:	3,837	1%	308	2%	3	0%	0	0%
1.00 or less	3,754	1%	308	2%	3	0%	0	0%
1.01 to 1.50	83	0%	0	0%	0	0%	0	0%
1.51 or more	0	0%	0	0%	0	0%	0	0%
Total Renter Substandard					126			

Source: 2010-5yr ACS (Census)

From these tables, the need from substandard rental units can be drawn. There are 126 substandard rental units in the market area.

From the figures above the number of substandard units in each appropriate income range can be estimated in the table below.

Substandard Conditions in Each Income Range for the Market Area

	<u>Total</u> <u>Substandard</u> <u>Units</u>	<u>Percent</u> <u>Income</u> <u>Qualified</u>	<u>Demand</u> <u>due to</u> <u>Substandard</u>
50% AMI: \$14,570 to \$28,725	126	31.4%	40
60% AMI: \$15,770 to \$34,470	126	39.6%	50
Overall Tax Credit: \$14,570 to \$34,470	126	41.8%	53

Source: John Wall and Associates from figures above

12 DEMAND FOR NEW UNITS

The demand components shown in the previous section are summarized below.

	50% AMI: \$14,570 to \$28,725	60% AMI: \$15,770 to \$34,470	Overall Tax Credit: \$14,570 to \$34,470
New Housing Units Required	28	36	38
Rent Overburden Households	268	322	353
Substandard Units	40	50	53
Demand	336	408	444
Less New Supply	0	0	0
NET DEMAND	336	408	444

* Numbers may not add due to rounding.

13 SUPPLY ANALYSIS (AND COMPARABLES)

This section contains a review of statistical data on rental property in the market area and an analysis of the data collected in the field survey of apartments in the area.

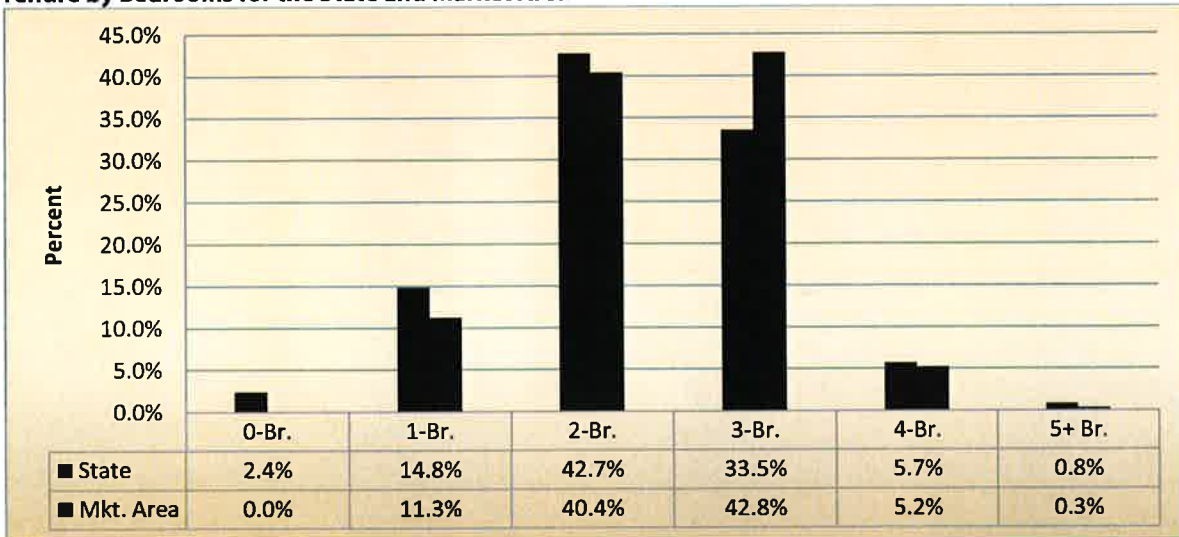
13.1 TENURE

Tenure by Bedrooms

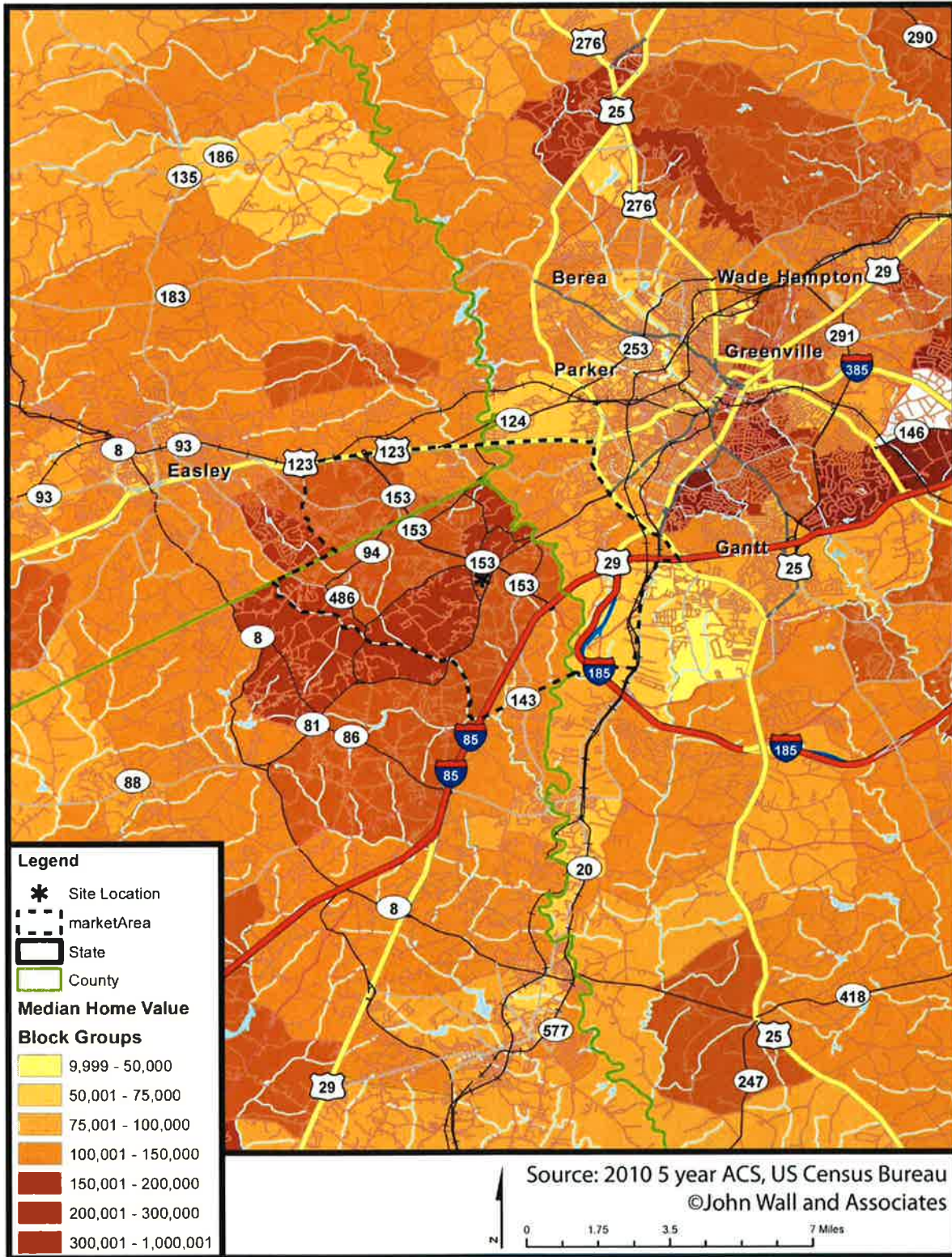
	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Owner occupied:	1,217,502		53,272		6,237		2,155	
No bedroom	2,428	0.2%	102	0.2%	10	0.2%	10	0.5%
1 bedroom	14,784	1.2%	745	1.4%	98	1.6%	23	1.1%
2 bedrooms	196,501	16.1%	9,849	18.5%	912	14.6%	251	11.6%
3 bedrooms	717,746	59.0%	32,187	60.4%	3,533	56.6%	1,073	49.8%
4 bedrooms	236,914	19.5%	8,674	16.3%	1,403	22.5%	664	30.8%
5 or more bedrooms	49,129	4.0%	1,715	3.2%	280	4.5%	134	6.2%
Renter occupied:	524,492		18,701		2,025		636	
No bedroom	12,492	2.4%	386	2.1%	0	0.0%	0	0.0%
1 bedroom	77,737	14.8%	2,456	13.1%	228	11.3%	13	2.0%
2 bedrooms	223,981	42.7%	8,830	47.2%	818	40.4%	346	54.4%
3 bedrooms	175,920	33.5%	6,134	32.8%	866	42.8%	255	40.1%
4 bedrooms	30,009	5.7%	722	3.9%	106	5.2%	0	0.0%
5 or more bedrooms	4,353	0.8%	173	0.9%	7	0.3%	22	3.5%

Source: 2010-5yr ACS (Census)

Tenure by Bedrooms for the State and Market Area



MEDIAN HOME VALUE MAP



13.2 BUILDING PERMITS ISSUED

Building permits are an indicator of the economic strength and activity of a community. While permits are never issued for a market area, the multi-family permits issued for the county and town are an indicator of apartments recently added to the supply:

Building Permits Issued

Year	County			City		
	Total	Single Family	Multi-Family	Total	Single Family	Multi-Family
2000	1,110	952	158	102	100	2
2001	1,117	995	122	104	94	10
2002	1,554	1,150	404	65	51	14
2003	1,384	1,092	292	106	104	2
2004	1,248	1,212	36	117	117	0
2005	1,931	1,415	516	293	75	218
2006	1,596	1,219	377	162	102	60
2007	1,226	1,156	70	132	116	16
2008	652	561	91	63	47	16
2009	280	280	0	62	62	0
2010	420	284	136	63	63	0
2011	280	268	12	39	33	6

KEY: X = Did not issue permits at that time; NA = Data not available; S = No annual report received, or fewer than 9 monthly reports received

Source: C-40, U.S. Dept. of Commerce, Bureau of the Census, "Housing Units Authorized by Building Permits"

13.3 SURVEY OF APARTMENTS

John Wall and Associates conducted a survey of apartments in the area. All of the apartments of interest are surveyed. Some of them are included because they are close to the site, or because they help in understanding the context of the segment where the subject will compete. The full details of the survey are contained in the apartment photo sheets later in this report. A summary of the data focusing on rents is shown in the apartment inventory, also later in this report. A summary of vacancies sorted by rent is presented in the schedule of rents, units, and vacancies.

List of Apartments Surveyed

Name	Units	Vacancy Rate	Type	Comments
Carolina Commons	43	0.0	Conventional	Complex is for sale.
Fairhill	80	2.5	Conventional	—
Fairmeadow Townhomes	71	5.6	Conventional	—
Grove Station	308	1.9	Conventional	—
Heritage Trace	464	6.9	Conventional	Very uncooperative.

13.4 NEW "SUPPLY"

SCSHFDA requires comparable units built since 2012 and comparable units built in previous years that are not yet stabilized to be deducted from demand. Only comparable units within comparable complexes will be deducted from demand, as indicated by the asterisks.

Apartment Units Built or Proposed Since the Base Year

Project Name	Year Built	Units With Rental Assistance	30% AMI, No Rental Assistance	50% AMI, No Rental Assistance	60% AMI, No Rental Assistance	Above Moderate Income	TOTAL
--------------	------------	------------------------------	-------------------------------	-------------------------------	-------------------------------	-----------------------	-------

NONE
TOTAL

* Units that will be deducted from demand; parenthetical numbers indicate partial comparability. I.e., 100(50*) indicates that there are 100 new units of which only half are comparable.

There are no new units in the pipeline to deduct from demand.

13.5 SCHEDULE OF PRESENT RENTS, UNITS, AND VACANCIES

The present housing situation is examined in this section. The rents, number of units, and vacancies of the apartments listed in the apartment inventory (shown separately later) are summarized in the tables below. Rents, units, and vacancies are tabulated separately for the various bedroom sizes, a necessary step in making bedroom mix recommendations.

The table below shows surveyed apartment complexes *without* rent subsidy in or near the market area. The *pro forma* rents, as given by the developer, are shown in orange in the table below. These rents will be compared to the other apartments in the area, and especially the comparable apartments to determine if they are reasonable. In addition to seeing how the *pro forma* rents compare in terms of absolute rents in the following table, it will be important to consider the amenities and locations of the other apartments.

Schedule of Rents, Number of Units, and Vacancies for Unassisted Apartment Units

1-Bedroom Units			2-Bedroom Units			3-Bedroom Units			4-Bedroom Units		
Rents	Units	Vacancies	Rents	Units	Vacancies	Rents	Units	Vacancies	Rents	Units	Vacancies
323	6	subj. 50%	457	4	subj. 50%	496	2	subj. 50%	640	16	0
358	2	subj. 60%	482	20	subj. 60%	521	14	subj. 60%			
450	40	1	525	56	1	602	96	1			
465	24	1	535	46	1	645	23	2			
475	1	0	515	156	4	712	104	7			
480	43	0	612	360	25						

Orange = Subject
 Green = Tax Credit
 Median

	1-Bedroom	2-Bedrooms	3-Bedrooms	4-Bedrooms	TOTAL
Vacant Units	2	31	10	0	43
Total Units	108	618	223	16	965
Vacancy Rate	1.9%	5.0%	4.5%	0.0%	4.5%
Median Rent	\$465	\$612	\$645	\$640	

E=Elderly/Older Persons; b = basic rent; *italics* = average rent; UR = under rehabilitation; UC = under construction; RU= in rent up; PL = planned; N/A = information unavailable

Source: John Wall and Associates

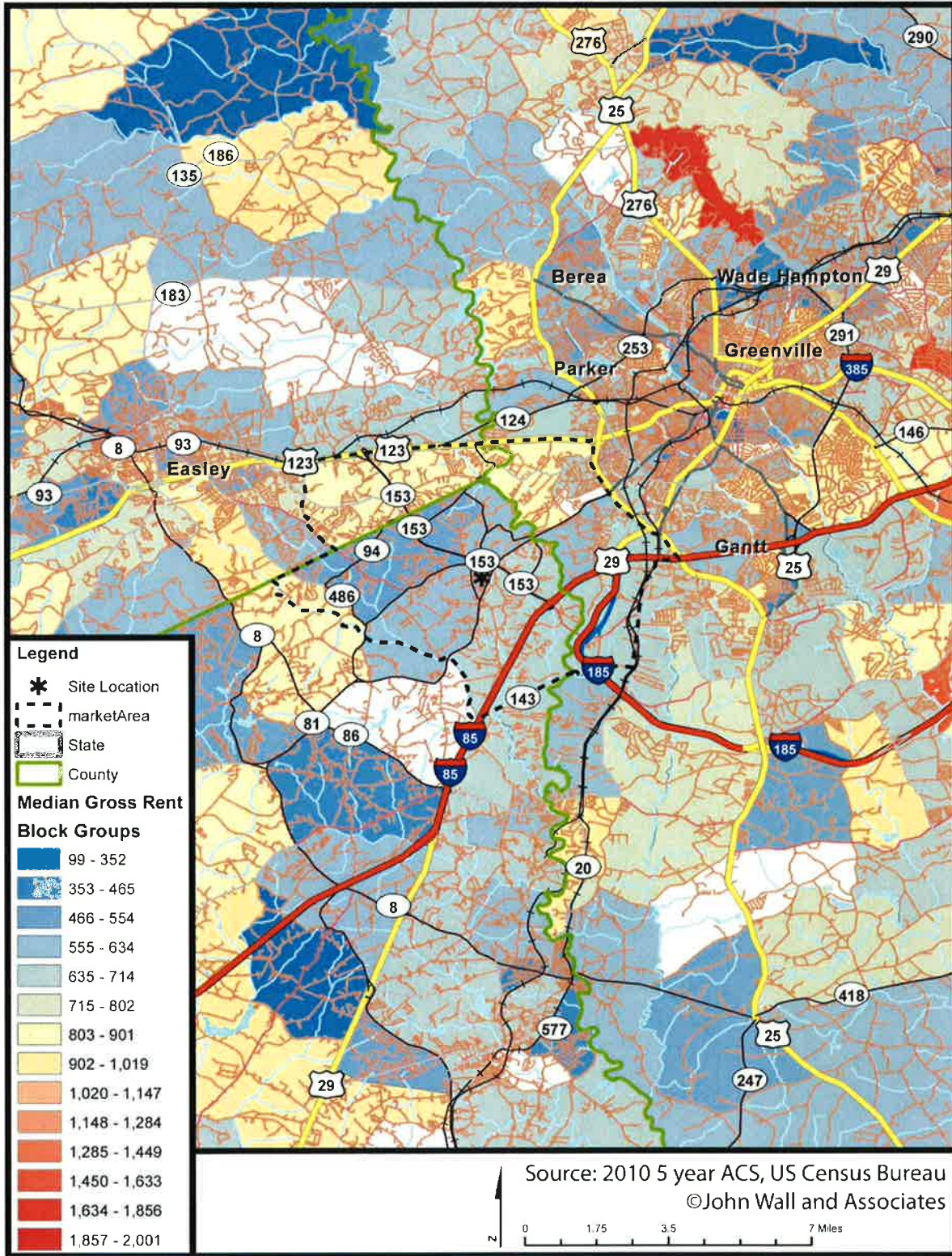
A vacancy rate of 5.0% is considered normal. The overall vacancy rate in the market is 4.5%. There are no LIHTC units in the market area.

13.6 OTHER AFFORDABLE HOUSING ALTERNATIVES

The market area contains other apartments with comparable rents. These other apartments would be the primary other affordable housing alternatives. There are no reasons to believe the single family home and/or condominium market conditions will adversely impact the project. According to the 2009 American Housing Survey (US Census Bureau), 70.8% of households living in apartments did not consider any other type of housing choice. Similar percentages apply to households who chose to live in single family homes and mobile homes. Based on these statistics, it is reasonable to conclude that for most households, apartments, single family homes, and mobile home are not interchangeable options.

According to Realtor.com there are over 500 homes for sale in the market area with an average listing price of \$120,000. According to MortgageCalculator.org the payments would be about \$770 per month (\$200 higher than the highest subject rent), assuming fair credit, 30 years at 5%, 1.25% property tax and MPI of 0.5%.

MEDIAN GROSS RENT MAP



13.7 COMPARABLES

The apartments in the market most comparable to the subject are listed below:

Comparison of Comparables to Subject

<u>Project Name</u>	<u>Approximate Distance</u>	<u>Reason for Comparability</u>	<u>Degree of Comparability</u>
Fairhill	3.5 mi.		Moderate
Fairmeadow Townhomes	3.5 mi.		Moderate
Grove Station	2.5 mi.		Low
Heritage Trace	½ mile		Fair

There are no good comparables in the market area. All of the apartments in the market area will be used as comps.

13.8 PUBLIC HOUSING

Because the subject has no PBRA and does not rely on section 8 voucher support the housing authority was not contacted.

13.9 LONG TERM IMPACT OF THE SUBJECT ON EXISTING TAX CREDIT UNITS

There are no LIHTC units in the market area so there can be no impact.

13.10 APARTMENT INVENTORY

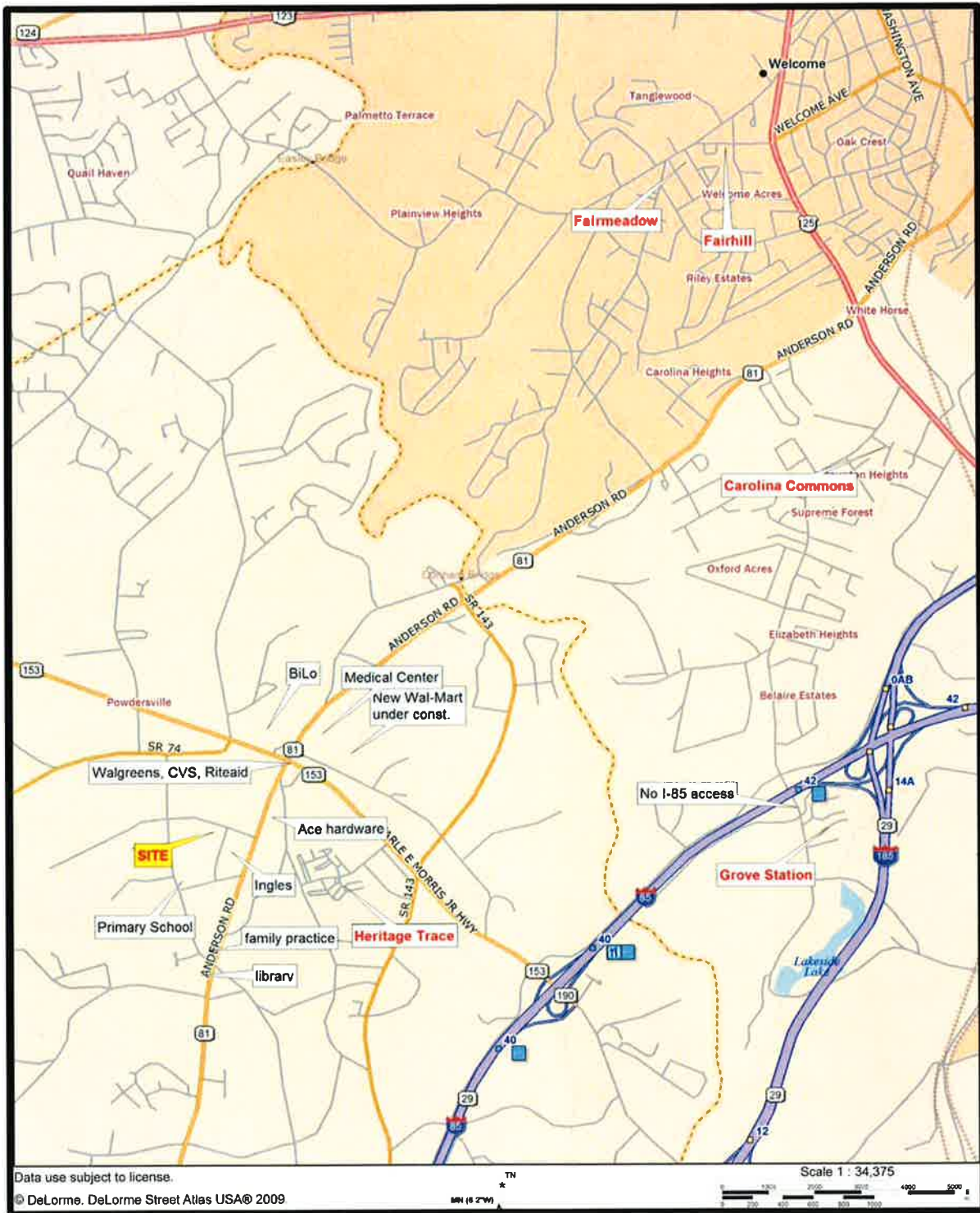
The apartment inventory follows this page. Summary information is shown for each apartment surveyed and detailed information is provided on individual property photo sheets.

13.11 MARKET ADVANTAGE

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
6	1	1	850	\$323	\$605	\$0.71	46.6%	\$475	\$0.59
2	1	2	850	\$358	\$605	\$0.71	40.8%	\$475	\$0.59
4	2	2	1100	\$457	\$684	\$0.62	33.2%	\$625	\$0.63
20	2	1	1100	\$482	\$684	\$0.62	29.5%	\$625	\$0.63
2	3	2	1250	\$496	\$813	\$0.65	39.0%	\$725	\$0.60
14	3	2	1250	\$521	\$813	\$0.65	35.9%	\$725	\$0.60

The subject was compared to several conventional properties in or near the market area. The calculations show each of the subject's proposed rents to have market advantages greater than 20%. The overall market advantage is 28.9%

APARTMENT LOCATIONS MAP



APARTMENT II :NTORY 13-036 Powdersville, South Carolina

KEY: P = proposed; UC= under construction; R = renovated; BOI = on income

ID#	Apartment Name	Year Built vac%	Efficiency/Studio (e)		Two Bedroom		Three Bedroom		Four Bedroom		COMMENTS
			Units	Rent	Vacant	Rent	Vacant	Rent	Vacant	Rent	
	13-036 Subject Aunum Hill Apartments Powdersville	Proposed	6 2	373 358	P P	4 20	457 482	2 14	P P	496 521	TC 50%, 60%
	Carolina Commons 13 Staunton Bridge Rd. Greenville 864-278-9500	2005 2008	43	480	NA						WL= Conventional; Sec 8= No staff members on site; Historical occupancies unknown; 2-15-2013 thru 2-25-2013 has been busy every time I call. No other number available; online they are listed for sale at 100% occupancy.
67	Fairhill 715 Welcome Ave. Ext. Greenville Cathy (2-8-2013) 864-269-8090	1980 2.5%	24	465	1	56	525				WL=0 Conventional; Sec 8=not accepted Four staff members; Historical occupancy unknown; \$10 added to 1BR rent for water and \$20 added to 2BR rent for water (this fee is included in rents shown above); The pool is located at Fair Meadow apartments; Fairhill tenants are allowed to use it.
68	Fairmeadow Townhomes 15 Best Dr. Greenville Cathy (2-8-2013) 864-269-9446	1974 5.6%	2	475	1	46	535	23	2	645	Special=\$200 off 1st month WL=0 Conventional; Sec 8=not accepted Four staff members; Historical occupancy unknown; \$10 is added to 1BR rent, \$20 is added to 2BR rent, and \$30 is added to 3BR rent for water (this fee is included in rents shown above).
14	Grove Station (aka Lakeshore Apartments) 1 Lakeside Rd. (Greenville) Taya (2-8-2013) 864-422-8551	1970 1998 Rehab 1.9%	40	450	1	156	515	96	1	590-615	Special=Half off 1st month WL=0 Conventional; Sec 8=yes Converted to conventional in 1998; 4 staff members; 13.6% vacancy rate in June 2006 and December 2006; Taya said she doesn't know how many of her tenants are using Section 8 vouchers and that she cannot give us that information.
	Heritage Trace I & II 101 Charles Town Dr Piedmont Tarmy (2-15-2013) 864-295-8808	2000 2003 6.9%	360	600-625	25	104	700-725	7			Conventional; Sec 8=not accepted Unable to obtain updated vacancies 2-19-2013 (refuscs); Based on visual inspection, an overall vacancy rate of 7% has been estimated. In April 2010 there were 92 vacancies in 2BR units and 5 in the 3BR units with a 79% occupancy rate. In June and December 2009 the vacancy rate was 52%.





	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	6	1	P	850	323
1 BR vacancy rate	2	1	P	850	358
Two-Bedroom					
	4	2	P	1100	457
2 BR vacancy rate	20	2	P	1100	482
Three-Bedroom					
	2	2	P	1250	496
3 BR vacancy rate	14	2	P	1250	521
Four-Bedroom					
4 BR vacancy rate					
TOTALS	48		0		

Complex: 13-036 Subject
 Autumn Hill Apartments
 Powdersville

Map Number:

Year Built:
 Proposed

Last Rent Increase

Specials

Waiting List

Subsidies
 TC 50%, 60%

- Amenities**
- Laundry Facility
 - Tennis Court
 - Swimming Pool
 - Club House
 - Garages
 - Playground
 - Access/Security Gate
 - Fitness Center
 - Other

- Appliances**
- Refrigerator
 - Range/Oven
 - Microwave Oven
 - Dishwasher
 - Garbage Disposal
 - W/D Connection
 - Washer, Dryer
 - Ceiling Fan
 - Other

- Unit Features**
- Fireplace
 - Utilities Included
 - Furnished
 - Air Conditioning
 - Drapes/Blinds
 - Cable Pre-Wired
 - Free Cable
 - Free Internet
 - Other

Comments:



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	43	1	NA		480
1 BR vacancy rate					
Two-Bedroom					
2 BR vacancy rate					
Three-Bedroom					
3 BR vacancy rate					
Four-Bedroom					
4 BR vacancy rate					
TOTALS	43		0		

Complex: Carolina Commons

13 Staunton Bridge Rd.
Greenville

864-278-9500

Year Built:

2005

2008

Last Rent Increase

Specials

Waiting List

WL=

Subsidies

Conventional; Sec 8=

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments: No staff members on site; Historical occupancies unknown; 2-15-2013 thru 2-25-2013 has been busy every time I call. No other number available; online they are listed for sale at 100% occupancy.



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	24	1	1	650	465
1 BR vacancy rate	4.2%				
Two-Bedroom	56	1	1	950	525
2 BR vacancy rate	1.8%				
Three-Bedroom					
3 BR vacancy rate					
Four-Bedroom					
4 BR vacancy rate					
TOTALS	2.5%	80	2		

Complex: Fairhill **Map Number: 67**

715 Welcome Ave. Ext.
Greenville
Cathy (2-8-2013)
864-269-8090

Year Built:
1980

Last Rent Increase

Specials

Waiting List

WL=0

Subsidies

Conventional; Sec 8=not accepted

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments: Four staff members; Historical occupancy unknown; \$10 added to 1BR rent for water and \$20 added to 2BR rent for water (this fee is included in rents shown above); The pool is located at Fair Meadow apartments; Fairhill tenants are allowed to use it.



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	2	1.5	1	800	475
1 BR vacancy rate	50.0%				
Two-Bedroom	46	1.5	1	987	535
2 BR vacancy rate	2.2%				
Three-Bedroom	23	1.5	2	1150	645
3 BR vacancy rate	8.7%				
Four-Bedroom					
4 BR vacancy rate					
TOTALS	5.6%	71	4		

Complex: Fairmeadow Townhomes **Map Number: 68**

15 Best Dr.
Greenville
Cathy (2-8-2013)
864-269-9446

Year Built:
1974

Last Rent Increase

Specials
Special=\$200 off 1st month

Waiting List
WL=0

Subsidies
Conventional; Sec 8=not
accepted

- Amenities**
- Laundry Facility
 - Tennis Court
 - Swimming Pool
 - Club House
 - Garages
 - Playground
 - Access/Security Gate
 - Fitness Center
 - Other

- Appliances**
- Refrigerator
 - Range/Oven
 - Microwave Oven
 - Dishwasher
 - Garbage Disposal
 - W/D Connection
 - Washer, Dryer
 - Ceiling Fan
 - Other

- Unit Features**
- Fireplace
 - wst Utilities Included
 - Furnished
 - Air Conditioning
 - Drapes/Blinds
 - Cable Pre-Wired
 - Free Cable
 - Free Internet
 - Other

Comments: Four staff members; Historical occupancy unknown; \$10 is added to 1BR rent, \$20 is added to 2BR rent, and \$30 is added to 3BR rent for water (this fee is included in rents shown above).



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	40	1	1	660-714	450
1 BR vacancy rate	2.5%				
Two-Bedroom					
Two-Bedroom	156	1	4	840	515
2 BR vacancy rate	2.6%				
Three-Bedroom					
Three-Bedroom	96	1-1.5	1	950-960	590-615
3 BR vacancy rate	1.0%				
Four-Bedroom					
Four-Bedroom	16	1	0	998	640
4 BR vacancy rate	0.0%				
TOTALS	1.9%	308	6		

Complex: **Map Number: 14**

Grove Station
 (fka Lakeshore Apartments)
 1 Lakeside Rd. (Greenville)
 Taya (2-8-2013)
 864-422-8551

Year Built:

1970
 1998 Rehab

Last Rent Increase

Specials

Special=Half off 1st month

Waiting List

WL=0

Subsidies

Conventional; Sec 8=yes

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- 4 Playground
- Access/Security Gate
- Fitness Center
- Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- wst Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments: Converted to conventional in 1998; 4 staff members; 13.6% vacancy rate in June 2006 and December 2006; Taya said she doesn't know how many of her tenants are using Section 8 vouchers and that she cannot give us that information.



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom					
1 BR vacancy rate					
<hr/>					
Two-Bedroom	360	2	25	1000	600-625
2 BR vacancy rate 6.9%					
<hr/>					
Three-Bedroom	104	2	7	1200	700-725
3 BR vacancy rate 6.7%					
<hr/>					
Four-Bedroom					
4 BR vacancy rate					
<hr/>					
TOTALS	6.9%	464	32		

Complex: Heritage Trace I & II
 101 Charles Town Dr
 Piedmont
 Tammy (2-15-2013)
 864-295-8808

Year Built:
 2000
 2003

Last Rent Increase

Specials

Waiting List

Subsidies
 Conventional; Sec 8=not accepted

- Amenities**
- Laundry Facility
 - Tennis Court
 - Swimming Pool
 - Club House
 - Garages
 - Playground
 - Access/Security Gate
 - Fitness Center
 - Other

- Appliances**
- Refrigerator
 - Range/Oven
 - Microwave Oven
 - Dishwasher
 - Garbage Disposal
 - W/D Connection
 - Washer, Dryer
 - Ceiling Fan
 - Other

- Unit Features**
- Fireplace
 - wst Utilities Included
 - Furnished
 - Air Conditioning
 - Drapes/Blinds
 - Cable Pre-Wired
 - Free Cable
 - Free Internet
 - Other

Comments: Unable to obtain updated vacancies 2-19-2013 (refuses); Based on visual inspection, an overall vacancy rate of 7% has been estimated. In April 2010 there were 92 vacancies in 2BR units and 5 in the 3BR units with a 79% occupancy rate. In June and December 2009 the vacancy rate was 32%.

14 INTERVIEWS

The following interviews were conducted regarding demand for the subject.

14.1 APARTMENT MANAGERS

Rhonda, manager of Fairmeadow and Fairhill (Conventional), said the proposed location is great. She said there is a need for affordable tax credit units in the area and for apartment properties that accept Section 8 vouchers. She said her properties do not accept Section 8 vouchers, but she gets call all of the time from people wanting to know if the properties do. She also said there are several properties she knows of that accept Section 8 that have very long waiting lists. She said the proposed bedroom mix sounds good. She said the rents sound a bit low to her, but since there are income restrictions are probably reasonable. She said the amenities are good and in line with other new properties. Overall, Rhonda said the property, if built, would do very well and rent up quickly.

Monica, manager of Grove Station (Conventional), said the proposed location is very good. She said the proposed bedroom ix is good and that having eight one-bedroom units is a good idea. She said she might even add more one-bedroom units to the mix as she has had a lot of demand for them lately. Monica said the proposed rents sound really good, especially considering the amenities. Overall, Monica thinks that the proposed apartments, if built, will do great.

The managers at Heritage Trace apartments (Conventional), declined to express any opinion.

14.2 ECONOMIC DEVELOPMENT

According to the SC Department of Commerce and Powdersville local news sources, there have been three companies to locate in or expand in Powdersville within the past year creating 360 new jobs in Powdersville. A new Walmart will open in Powdersville near the intersection of SC 81 and SC 153 this spring and will create 275 new jobs. Medical Center of Powdersville opened in January 2013 and added 40 new jobs to the area. Duke Sandwich Productions announced plans to establish a new plant in Powdersville and create 45 new jobs over the next five years. Duke Sandwich will acquire the former Rock Tenn building located at 211 Pine Road.

According the SC Works Layoff Notification Report, there have been no businesses to close or downsize in Powdersville within the past year.

15 APPENDIX A – MARKET RENTS

MARKET RENT ANALYSIS USING CONVENTIONAL PROJECTS Powdersville, South Carolina — PCN 13-036

Project Name	Year Built	Number Of Units	Vacancy Rate	FACTOR:							Total Points 1BR	Total Points 2BR	Total Points 3BR	Rent			Comparability Factor	COMMENTS	
				Location/Neighborhood	Design/Layout	Appearance/Condition	Amenities	Unit Size 1BR	Unit Size 2BR	Unit Size 3BR				Age	1BR	2 BR			3 BR
Fairhill	1960	80	8.8	2	2	2	2	2	2	2	1	75.0	77.0	—	465	525	—	1.0	
Fairmeadow TH	1974	71	5.6	7	7	7	7	8.0	7.9	8.5	5	77.0	76.8	78.0	475	535	645	1.0	
Grove Station	1970	292	1.6	7	6	6	5	6.9	6.5	6.6	5	66.8	66.0	66.2	450	515	603	1.0	1998 rehab
Heritage Trace	2000	464	12.1	8	7	8	9	—	8.0	9.0	8	—	88.0	90.0	—	613	713	1.0	
																		0.0	
																		0.0	
(SUBJECT)	P	N/A		8	8	9	8	8.5	10.0	10.5	10	93.0	96.0	97.0	358	482	521	N/A	subjects highest rent
Weighted average market rents for subject													605	684	813				Subjects average market rent
Market advantage for subjects highest rent													40.9%	29.5%	35.9%				Market advantage for highest r













0 = Poor; 10 = Excellent. Points are relative and pertain to this market only
 m = FmHa Market rent; * = Average; a = Approximate; Points for the age of a project represent an average of the original construction and the rehabilitation; e=effective
 Where information is unattainable, points may be awarded based on an estimate. This is also denoted by an "a"
 g = garden; l = low house
 b = adjusted age considering proposed renovations
 ©2009 John Wall and Associates

16 APPENDIX B — CRIMES REPORTED TO POLICE



Source: spotcrime.com

	Theft @ 35XX HIGHWAY 153	01/29/13 10:00 PM
	Theft @ XX TRAYBON CT	01/28/13 08:00 AM
	Theft @ 36XX HIGHWAY 153	12/15/12 07:00 AM
	Theft @ 35XX HIGHWAY 153	12/11/12 02:22 AM
	Theft @ 35XX HWY 153	11/28/12 09:10 AM
	Theft @ 36XX HIGHWAY 153	11/27/12 08:40 AM
	Theft @ 2XX COOPER LANE	11/15/12 07:55 PM
	Theft @ 4XX THREE BRIDGES RD	11/05/12 12:15 AM
	Theft @ 35XX HWY 153	10/29/12 08:20 AM
	Theft @ 35XX HIGHWAY 153	09/25/12 11:30 PM
	Theft @ 35XX HWY 153	09/19/12 05:10 PM
	Theft @ HWY 153 AT HOOD RD	09/19/12 04:00 PM
	Theft @ 35XX HWY 153	09/17/12 11:45 AM

	Theft @ 35XX HWY 153	09/15/12 10:56 AM
	Theft @ 35XX HIGHWAY 153	09/15/12 09:20 AM
	Theft @ 35XX HWY 153	09/06/12 04:00 PM
	Burglary @ 35XX HIGHWAY 153	08/26/12 07:00 AM
	Theft @ 35XX HIGHWAY 153	08/13/12 07:15 PM
	Theft @ 35XX HWY 153	08/12/12 03:35 PM
	Theft @ 35XX HWY 153	08/12/12 03:13 PM
	Theft @ 35XX HWY 153	07/24/12 03:00 PM
	Theft @ 35XX HIGHWAY 153	06/17/12 09:51 AM
	Theft @ 35XX HWY 153	04/20/12 02:00 AM
	Theft @ 1XX HEDGEROW CIRCLE	04/19/12 04:30 PM
	Theft @ 36XX HWY 153	04/13/12 08:00 AM
	Theft @ 39XX HIGHWAY 153	04/12/12 04:00 PM
	Theft @ 3528A HIGHWAY 153	04/12/12 12:00 PM
	Theft @ 37XX HWY 153	03/31/12 07:00 AM
	Other @ HWY 153 AND ROE RD	03/14/12 08:31 AM
	Theft @ 35XX HWY 153	03/08/12 02:42 PM

Source: spotcrime.com

17 NCHMA MARKET STUDY INDEX/CHECKLIST

A. Introduction: Members of the National Council of Housing Market Analysts provide a checklist referencing all components of their market study. This checklist is intended to assist readers on the location and content of issues relevant to the evaluation and analysis of market studies.

B. Description and Procedure for Completing: The following components have been addressed in this market study. The page number of each component is noted below. Each component is fully discussed on that page or pages. In cases where the item is not relevant, the author has indicated 'N/A' or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a 'V' (variation) with a comment explaining the conflict. (More detailed notations or explanations also acceptable)

C. Checklist:

1. Executive Summary	8	31. Existing rental housing discussion	52
2. Concise description of the site and adjacent parcels	12	32. Area building permits	54
3. Project summary	12	33. Comparable property discussion	*
4. Precise statement of key conclusions	11	34. Comparable property profiles	*
5. Recommendations and/or modification to project discussion	10	35. Area vacancy rates, including rates for Tax Credit and government-subsidized	54
6. Market strengths and weaknesses impacting project	10	36. Comparable property photos	*
7. Lease-up projection with issues impacting performance	8	37. Identification of waiting lists	*
8. Project description with exact number of bedrooms and baths proposed, income limitation, proposed rents and utility allowances	12	38. Narrative of subject property compared to comparable properties	V
9. Utilities (and utility sources) included rent and paid by landlord or tenant?	12	39. Discussion of other affordable housing options including homeownership	NA
10. Project design description	12	40. Discussion of subject property on existing housing	55
11. Unit and project amenities; parking	12	41. Map of comparable properties	58
12. Public programs included	12	42. Description of overall rental market including share of market-rate and affordable properties	54
13. Date of construction/preliminary completion	15	43. List of existing and proposed LIHTC properties	54, V
14. Reference to review/status of project plans	NA	44. Interviews with area housing stakeholders	59
15. Target population description	14	45. Availability of Housing Choice Vouchers	59
16. Market area/secondary market area description	29	46. Income levels required to live at subject site	44
17. Description of site characteristics	18	47. Market rent and programmatic rent for subject	NA, 45, 60
18. Site photos/maps	16	48. Capture rate for property	9
19. Map of community services	58	49. Penetration rate for area properties	9V
20. Visibility and accessibility evaluation	18	50. Absorption rate discussion	8
21. Crime information	NA	51. Discussion of future changes in housing population	30
22. Population and household counts	30	52. Discussion of risks or other mitigating circumstances impacting project projection	11
23. Households by tenure	32	53. Preparation date of report	2
24. Distribution of income	34	54. Date of field work	18
25. Employment by industry	36	55. Certification	8
26. Area major employers	38	56. Statement of qualifications	16
27. Historical unemployment rate	40	57. Sources of data	**
28. Five-year employment growth	40	58. Utility allowance schedule	14
29. Typical wages by occupation	40		
30. Discussion of commuting patterns of area workers	29		

* Information on comparable properties, including profiles, and photographs, appear on the unnumbered photosheets, following page 58.

38(V): Some textual comparison is made on page 10, while numeric comparisons are made on page 54 and on the apartment inventory.

43(V) The page referenced shows proposed and newly constructed properties. Other existing properties are identified on the unnumbered inventory.

49(V) The client market study guide defines capture rate the way NCHMA defines penetration rate.

** Data are sourced where they are used throughout the study.

18 BUSINESS REFERENCES

Ms. Laura Nicholson
SC State Housing Finance & Development Authority
Attn: Housing Development
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Mr. Wayne Rogers, Director
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USDA Rural Development
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19 RÉSUMÉS**JOHN WALL****EXPERIENCE****PRESIDENT**

JWA, Inc., Anderson, South Carolina (June, 1990 to Present)

JWA, Inc. is an information services company providing demographic and other types of data, as well as geographic information system services, mapping, and research to market analysts and other clients.

PRESIDENT

John Wall & Associates, Anderson, South Carolina (December, 1982 to Present)

John Wall & Associates is a planning and analysis firm specializing in real estate market analysis and land development consultation. Initially, the firm concentrated on work in the southeastern portion of the United States. In 1990, the work was expanded to the entire United States. John Wall & Associates (Anderson, South Carolina office) has completed over 2,500 market analyses, the majority of these being for apartment projects (both government and conventional). The firm has also done many other types of real estate market analyses, shopping center master plans, industrial park master plans, housing and demographic studies, land planning projects, site analysis, location analysis, and GIS projects. Clients have included private developers, governments, syndicators, and lending institutions.

CHURCHILL STATESIDE GROUP INVESTMENT COMMITTEE, (March 2011 to Present)

MIDLAND MORTGAGE INVESTMENT COMMITTEE, MMI (October, 1992 to November, 2001)

MIDLAND ADVISORY SERVICES COMMITTEE, MAS (October, 1992 to November, 2001)

MIDLAND EQUITY COMMITTEE, MEC (March, 1995 to November, 2001)

VISITING PROFESSOR OF SITE PLANNING (PART-TIME)

Clemson University College of Architecture, Planning Dept., Clemson, South Carolina (1985 & 1986)

PLANNING DIRECTOR

Planning Department, City of Anderson, South Carolina (September, 1980 to December, 1982)

PLANNER

Planning Department, City of Anderson, South Carolina (December 1978 to September, 1980)

CARTOGRAPHER

Oconee County Tax Assessors' Office, Walhalla, South Carolina (October, 1976 to January, 1977)

ASSISTANT ENGINEER

American Concrete Pipe Association, Vienna, Virginia (January, 1969 to March, 1969)

PROFESSIONAL ORGANIZATION

National Council of Housing Market Analysts (NCHMA) Member Delegate (2002-Present)

PUBLICATIONS

Conducting Market Studies in Rural Area, NCHMA Publications

EDUCATION

Multifamily Accelerated Processing (MAP) Certificate, HUD (May 2012)

Continuing Education, National Council of Housing Market Analysts (2002-Present)

Real Estate Development, Harvard University, Cambridge, Massachusetts (July, 1989)

Fundamentals of Real Estate Finance, Harvard University, Cambridge, Massachusetts (July, 1989)

Management of Planning & Design Firms, Harvard University, Cambridge, Massachusetts (August, 1984)

Master of City & Regional Planning, Clemson University, Clemson, South Carolina (May, 1980)

BS Pre-Architecture, Clemson University, Clemson, South Carolina (May, 1978)

Graduate of Manlius Military Academy, Manlius, New York (June, 1965)

MILITARY

U.S. Navy, Interim Top Secret Clearance (April, 1969 to October, 1973; Honorable Discharge)

BOB ROGERS

EXPERIENCE

SENIOR MARKET ANALYST

John Wall and Associates, Anderson, South Carolina (1992 to Present)

Responsibilities include: development of housing demand methodology; development of computer systems and technologies; analysis of demographic trends; creation and production of analytic maps and graphics; CRA compliance; courtroom presentation graphics.

MANAGER

Institute for Electronic Data Analysis, Knoxville, Tennessee (1990 to 1992)

Responsibilities included marketing, training new employees and users of US Bureau of the Census data products, and custom research.

CONSULTANT

Sea Ray Boats, Inc., Knoxville, Tennessee (1991)

Project included using various statistical techniques to create customer profiles that the senior management team used to create a marketing strategy.

CONSULTANT

Central Transport, High Point, North Carolina (1990)

Project included research and analysis in the area of driver retention and how to improve the company's turnover ratio.

PROFESSIONAL ORGANIZATION

National Council of Housing Market Analysts (NCHMA)

Executive Committee Member (2004-2010)

Standards Committee Co-Chair (2006-2010)

Standards Committee Vice Chair (2004-2006)

Member delegate (2002-Present)

PUBLICATIONS

Field Work for Market Studies, NCHMA White Paper, 2011

Ten Things Developers Should Know About Market Studies, Affordable Housing Finance Magazine, 2007

Selecting Comparable Properties (best practices), NCHMA publication 2006

EDUCATION

Multifamily Accelerated Processing (MAP) Certificate, HUD (May 2012)

Continuing education, National Council of Housing Market Analysts (2002 to present)

MBA Transportation and Logistics, The University of Tennessee, Knoxville, Tennessee (1991)

BS Business Logistics, Penn State, University Park, Pennsylvania (1989)