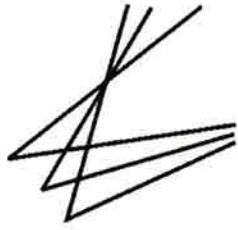


Market Study



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**AN APARTMENT ANALYSIS
IN THE
TOWN OF
SALUDA, SOUTH CAROLINA
FOR A PROPOSED FAMILY
DEVELOPMENT
UNDER THE
LOW INCOME HOUSING TAX CREDIT PROGRAM
(SUMMERTON PLACE APARTMENTS)**

PREPARED FOR:

SOUTH CAROLINA STATE HOUSING FINANCE
AND DEVELOPMENT AUTHORITY &

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I. INTRODUCTION

A. OBJECTIVES

This study analyzes the market feasibility for the new construction of a family rental development, Summerton Place Apartments, in the Town of Saluda, Saluda County, South Carolina in association with the South Carolina State Housing Finance and Development Authority's Low Income Housing Tax Credit program. After fully discussing the scope and area of the survey with Mr. Jeffrey Woda, President of The Woda Group, Inc.; National Land Advisory Group undertook the analysis.

B. METHODOLOGY & LIMITATIONS

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

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

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

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

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

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

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

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

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

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

According to the South Carolina State Housing Finance and Development Authority's 2016 Low-Income Housing Tax Credit Program, specific requirements needed for analysis of market viability have been completed and incorporated into the market feasibility study prepared by National Land Advisory Group, in the sections as follows:

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D. CONSULTANT'S STATEMENT & MARKET STUDY CERTIFICATION

CONSULTANT'S STATEMENT & LIMITATIONS

This market study has been prepared by National Land Advisory Group, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by 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.

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

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

MARKET STUDY CERTIFICATION

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

The market analyst does hereby state, in our best judgment that a market exists for the proposed project as of March 1, 2016. The market analyst makes no guarantees or assurances that projections or conclusions in the study will be realized as stated.

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

By: National Land Advisory Group
(Market Analyst Company/Firm)

By:  / President
(Authorized Representative)

By:  / Field Analyst
(Authorized Representative)

Date: March 1, 2016

II. EXECUTIVE SUMMARY

A. DEVELOPMENT RECOMMENDATIONS

- ◆ This study has established that a market exists for the new construction of a 40-unit multi-family rental housing project, Summerton Place Apartments, to be developed within the criteria set forth by the South Carolina State Housing Finance and Development Authority's Low Income Housing Tax Credit Program.
- ◆ With the proposed plans to develop 8-units (20.0%) available to households with incomes at or below the 50% of the area income and 32-units (80.0%) available to households with incomes at or below the 60% of the area income, the subject site located in the Town of Saluda, South Carolina is proposed as follows:

UNIT BY TYPE AND BEDROOM

BEDROOM	TWO	THREE
BATHROOMS	1.75	2.0
NUMBER OF UNITS		
50%	6	2
60%	23	9
SQUARE FEET (approx.)	1,200	1,350
GROSS RENT	\$683-\$703	\$790-\$810
UTILITY ALLOWANCE *	\$143	\$175
NET RENT	\$540-\$560	\$615-\$635

* estimated by developer and local housing agency

- ◆ The proposed development will consist of two-story townhomes for family occupancy. The development consists of 10 buildings located on approximately 3.4 acres. The proposed 40-unit family development is estimated to begin construction in the Spring 2017, to be completed in the Spring 2018. The development consists of parking for a total of 80 surface spaces within the development.
- ◆ The development of new construction will follow the mandatory design criteria set forth by SCSHFDA. However, there have been proposed additional development design criteria which will be included in the development process.

- ◆ Each unit in the proposed new construction and would contain new appliances, including a self-cleaning range, refrigerator, dishwasher, disposal, microwave, air conditioning, carpeting, blinds, ceiling fans, extra storage, patio, washer/dryer hook-ups and one and three-quarters or two full bathrooms. Additionally, the units will have a Range Queen extinguishing system be pre-wired for high speed internet.
- ◆ Project amenities associated with a family-orientated development are important to the success of the proposed facility, including: on-site rental management office, community room with kitchen, computer room, security and a playground.
- ◆ The units will include the following utilities: electric, water/sewer services and trash removal. The tenants will be responsible for electric; however a utility allowance of \$143 for a two-bedroom unit and \$175 for a three-bedroom unit is estimated.
- ◆ The development will maintain a consistent and effective landscaping plan throughout the site, especially maintaining a good front door image, especially along Greenwood Highway. The Town of Saluda area apartment developments have not done a good job in creating a complete development theme or environment.
- ◆ The development and unit plans were reviewed. The family rental units are appropriate for the Town of Saluda. The unit amenities are adequate for the targeted market, while the unit styles, specifically the design and square footage, will positively influence the absorption, offering a flexibility of living style for family occupants.
- ◆ The subject site is adequately located within fifteen miles of all essential resident services, including but not limited to: government, educational, shopping, employment and medical facilities. There is no public transportation available in the subject site area.
- ◆ The proposed rents combined with the current rental market absorption pattern would result in an overall vacancy rate of less than 3.0% for the proposed development. Within the overall LIHTC market, the vacancy rate would result in a rate of 1.5% or less.
- ◆ The absorption potential for tenants in the Saluda rental market, based on the proposed net rent is excellent. It is anticipated, because of the criteria set forth by the income and household size for units for the Low Income Tax Credit Program, the depth of the market demand for units, assumption of new construction, as well as the design associated with this product, absorption is expected to be equal to the area average of 5 to 7 units per month, resulting in a 5.7 to 8.0 month absorption period for the 40-unit LIHTC development. The absorption rate may be higher in the initial months of rent-up.

B. HOUSING MARKET SUMMARY

- ◆ At the time of this study, in the Saluda market area, a comparable survey of family LIHTC, government subsidized and market-rate units was conducted in the market area. There are 796 market-rate units in the area in four developments located outside the immediate area (used for comparables). There are three low income housing tax credit

(LIHTC) family and senior developments with 126-units that was surveyed with no vacancies for a 100.0% occupancy rate. An additional 278 government subsidized development units in six developments (including a development with LIHTC units) with a low vacancy rate, were located and surveyed in the Saluda market area.

- ◆ Vacancies for the market rate units are also low at 3.5% (28-units). When vacancies are available, it is due to natural turnover in the market area. Reviewing the LIHTC units, the market still appears limited by supply rather than demand.
- ◆ The Saluda market-rate apartment base contains a disproportionately higher ratio of three-bedroom market-rate and LIHTC units in the market area. These units have a lower vacancy rate.
- ◆ Median rents are moderate to high because of the outside the area developments surveyed; additionally there is a good base of higher-priced market-rate units in the Saluda market area. One-bedroom units have a median rent of \$895, with 11.0% of the one-bedroom units in the upper-rent range of \$970-\$1,000. Two-bedroom units have a median rent of \$1,036, with 55.1% of the two-bedroom units in the upper-rent range of \$1,030-\$1,100. Three-bedroom units have a median rent of \$960. Market rate rents have been able to increase at a yearly rate of only 1.0%, because of the lack of new construction of market-rate rental units, having an impact on both the area rental market and rents and the strong market conditions.
- ◆ The median rents for units are driven somewhat lower, because of the large base of older multi-family units in the market area that typically obtain lower rents per unit. Approximately 40.3% of the units were built between 2007 and 2008, while 24.1% are built before 1985.
- ◆ Under the SCSHFDA guidelines, four developments have received LIHTC allocations in the Saluda area since 2000. There is one senior development and three family developments in the market area. The developments offers 50% and 60% rents of AMI's. Overall, the one senior development contains 41 LIHTC units, of which none are vacant or a 100.0% occupancy rate. Additionally, within the family developments, one development has additional government subsidies associated with the rents. Overall, the three family developments contain 121 LIHTC units, of which there are no vacant units or a 100.0% occupancy rate.
- ◆ In a review of comparable properties and rent adjustments in the Saluda PMA, it was noted that there are three family developments in the immediate area that would be the most comparable to the product. However, these three family developments are located in the nearby Town of Lexington (30 miles), because there are no market-rate housing alternatives in the Town of Saluda. Because of the lack of product in the immediate area, these developments were also used for comparison purposes. All of these developments are market-rate family developments with market segment associated to the product and tenant base.

- ◆ As noted, within the three competitive developments, a total of 744-units exist with 27 vacant units or an overall 96.4% occupancy rate.
- ◆ It should be noted that the average of the achievable comparable net two-bedroom unit is \$1,020, somewhat higher than the adjusted proposed \$540-560 average net rent (50% and 60% AMI). The proposed two-bedroom rent represents 52.9%-54.9% of the average comparable two-bedroom rent in the market area. It should be noted that the average of the achievable comparable net three-bedroom unit is \$1,150, somewhat higher than the adjusted proposed \$615-\$635 average net rent. The proposed three-bedroom rent represents 53.5%-55.2% of the average comparable three-bedroom rent in the market area.
- ◆ When reviewing the comparable developments, the proposed rents are within the appropriate rent differentials. Therefore, based on the current existing rental market, the proposed development would be a value in the market area.

C. DEMAND ANALYSIS AND CAPTURE RATE

- ◆ The following demand estimates are based on any applicable income restrictions and requirements set forth by the South Carolina State Housing Finance and Development Authority, current family households, proposed households, turnover ratios of units in the market area and the percent of renter qualified family households within the Primary Market Area.
- ◆ Overall (excluding any overlap of income ranges), the adjusted annual income range specified appropriate by the tax credit program for low to moderate-income households is \$18,514 (lower end of one-person household moderate-income) to \$40,020 (five-person household moderate-income) for the Saluda Primary Market Area. In 2015, there are 405 households in the Saluda Primary Market Area of the proposed site was within this income range.
- ◆ Within these competitive rent ranges, the market can support the proposed 40-unit tax credit development for family occupancy under the 50% and 60% programs. In 2015, based on the proposed and competitive product in the Saluda market area, the proposed 40-unit family development of LIHTC units represents an overall 18.6% capture rate for all families and 10.2% for larger families (3+) in the market area.
- ◆ All of these calculations are appropriate capture and penetration factors, especially with the factor of the development being new construction. Combined with sensitivity to market rents and a quality construction, these renter households' percentages represent a good base of appropriate income family households.

D. MARKET STUDY CRITERIA ANALYSIS

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

a) Capture Rate

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

- ✓ The proposed development capture rate is 18.6%.

b) Market Advantage

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

2016 S-2 RENT CALCULATION WORKSHEET

# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent by Bedroom Type	Adjusted Market Rent	Gross Adjusted Market Rent by Bedroom Type	Tax Credit Gross Rent Advantage
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
6	2 BR	\$540	\$3,240	\$1,020	\$6,120	
23	2 BR	\$560	\$12,880	\$1,020	\$23,460	
	2 BR		\$0		\$0	
2	3 BR	\$615	\$1,230	\$1,150	\$2,300	
9	3 BR	\$635	\$5,715	\$1,150	\$10,350	
	3 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	40		\$23,065		\$42,230	45.38%

- ✓ The proposed market advantage is 45.38%

c) Overall Occupancy Rate

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

- ✓ The LIHTC vacancy rate in the market area is estimated at less than 1.0%.

d) Absorption/Lease Up Periods

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

- ✓ The estimated absorption period for the proposed development is 5.7 – 8.0 months.

2016 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:

Development Name:	Summerton Place Apartments	Total # Units:	40
Location:	Saluda, South Carolina	# LIHTC Units:	40
PMA Boundary:	See Section III-3		
Development Type:	<input checked="" type="checkbox"/> Family <input type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject:	16 miles

RENTAL HOUSING STOCK (found on page VI-16)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	13	1200	30	97.5%
Market-Rate Housing	4	796	28	96.5%
Assisted/Subsidized Housing not to include LIHTC	5	242	2	99.2%
LIHTC (All that are stabilized)*	4	162	0	100.0%
Stabilized Comps**	3	744	27	96.4%
Non-stabilized Comps				%

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

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

Subject Development					Adjusted Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
6	2	1.75	1200	\$540	\$1020	\$.94	47.1%	\$1,077	\$1.01
23	2	1.75	1200	\$560	\$1020	\$.94	45.1%	\$1,077	\$1.01
2	3	2	1350	\$615	\$1150	\$.91	46.5%	\$1,257	\$1.04
9	3	2	1350	\$635	\$1150	\$.91	44.8%	\$1,257	\$1.04
				\$	\$	\$	%	\$	\$
Gross Potential Rent Monthly*					\$23,065	\$42,230	45.4%		

*Market Advantage is calculated using the following formula: (Gross Adjusted Market Rent (minus) Gross Proposed Tenant Rent) (divided by) Gross Adjusted Market Rent. The calculation should be expressed as a percentage and rounded to two decimal points. The Rent Calculation Excel Worksheet must be provided with the Exhibit S-2 form.

DEMOGRAPHIC DATA (found on page IV 12-17)

	2010		2015		2018	
Renter Households	1,448	30.6%	1,595	29.9%	1,614	29.8%
Income-Qualified Renter HHs (LIHTC)	369	25.5%	405	25.4%	444	27.5%
Income-Qualified Renter HHs (MR)	(if applicable)	%		%		%

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page VII 6-14)

Type of Demand	50%	60%	Market-rate	Other: __	Other: __	Overall
Renter Household Growth	(12)	51				39
Existing Households (Overburd + Substand)	77	118				195
Homeowner conversion (Seniors)						
Other:						
Less Comparable/Competitive Supply	4	15				19
Net Income-qualified Renter HHs	61	154				215

CAPTURE RATES (found on page VII 9-14)

Targeted Population	50%	60%	Market-rate	Other: __	Other: __	Overall
Capture Rate	13.1%	20.8%				18.6%

ABSORPTION RATE (found on page VII 18)

Absorption Period	5.7-8.0 months
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III. SITE

A. DESCRIPTION AND LOCATIO

The proposed subject site is located in the north central portion of the Town of Saluda, South Carolina in Saluda County. The subject site is located in the northwest quadrant of the Greenwood Highway and Wise Road intersection. The subject site is located on the west side of Wise Road just south of the junction of Wise Road and Oakwood Drive intersection and the 25-unit Saluda Crossing single-family rental community. The subject site is partially wooded and has a vacant manufacturing building on the premises. The subject site has excellent visibility and accessibility. The subject site also has excellent ingress and egress. The subject site is located in a residential neighborhood with various commercial/retail facilities located nearby.

NORTH

The subject site is bordered on the north by Oakwood Drive and the 25-unit Saluda Crossing LIHTC rental community. Within one-tenth mile is Hazel Street and established single-family residences. This area of established single-family residences extends north approximately one-quarter mile to State Route 39. Located north of State Route 39 are parcels of heavily wooded land, farmland and scattered single-family residences. Located approximately one and one-half miles north of the subject site is the Saluda Nursing Center. The Saluda Nursing center is one of the area's major employers. Farther north and northeast are widely scattered single-family residences and farmland.

EAST

The subject site is bordered on the east by Wise Street. Immediately east of Wise Street are established single-family residences and the newer 41-unit Saluda Commons apartment community. This is an LIHTC community for seniors which opened in 2014. Migs Pizza Palace restaurant is also located just east of Wise Road. Farther east, located within one-quarter mile, are various commercial/retail facilities and a vacant building which used to be a grocery store. The Central Business District of the Town of Saluda is located approximately one mile southeast of the subject site. East of the Town of Saluda Central

Business District are established residential neighborhoods which extend east over one mile. Located on the eastern edge of the Town of Saluda is the 36-unit Willow Creek apartment community. Farther east are scattered single family residences and woodlands. The Towns of Batesburg-Leesville are located approximately 12 miles southeast of the site. Some of the area's larger employers are located in Batesburg-Leesville.

SOUTH

The subject site is bordered on the south by established single-family residences and Greenwood Highway, the main east/west road serving the Town of Saluda. Several other commercial facilities are located along Greenwood Highway, including an auto parts store and an automobile dealership and a vacant industrial building. South of Greenwood Highway is a medical office building and the Saluda Primary School. The Saluda School District offices are located in this immediate area. South of the Saluda School District grounds are established residential neighborhoods. These neighborhoods extend south approximately three-quarters of a mile. Beyond are woodlands and widely scattered single-family residences.

WEST

The subject site is bordered on the west by established single-family residences. West and northwest of the site is the 25-unit Saluda Crossing apartment community. Saluda Crossing is a LIHTC property for families consisting of two, three and four bedroom units. Farther west are pockets of established single-family residences. These extend west approximately one-quarter mile. Beyond are woodlands and widely scattered single-family residences which extend west over several miles.

GENERAL

In general, the subject site is located in an established residential neighborhood in the north central portion of the Town of Saluda, South Carolina. The subject site is located in the northwest quadrant of the Greenwood Highway and Wise Road intersection. The subject site is located on the west side of Wise Road and is partially wooded and undeveloped. The subject site has excellent visibility and accessibility. All of the area's major roads and

employment centers can be easily reached from the subject site. Interstate 20 is located approximately twenty miles to the southeast, Interstate 26 is located approximately twenty miles to the north and Interstate 85 is located approximately forty-five miles to the northwest. All essential resident services are located within fifteen miles.

B. PRIMARY MARKET AREA

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

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

The Saluda PMA consists of all of the Town of Saluda, as well as portions of the surrounding townships in Saluda County and Edgefield County areas. The Saluda PMA is approximately bounded by Saluda County boundary and Lake Murray to the north, State Highway 23 to the south, Sumter National Forest, U.S. Route 25 and the county governmental boundary to the west and State Route 391 to the east. The Saluda PMA includes all or part of the following census tracts in Saluda County: 9601, 9602.01, 9602.02, 9603 and 9604.

The Town of Saluda, which is located in the central portion of Saluda County, has excellent access to major arteries, including Highways 121, 178, 194 and 378. State and Federal branch offices are located in the Columbia, South Carolina area, located approximately 43 miles east of the subject site.

C. SITE & LOCATION ANALYSIS

COMMUNITY AMENITIES	NAME	DRIVING DISTANCE FROM SITE (MILES)
Convenience Store	Marathon	0.5 East
	7-Eleven	0.5 East
	Stop 'N' Shop of Saluda	0.6 East
Grocery	Bi-Lo	1.3 East
Discount Department Store	Advance Auto Parts	0.4 East
	Family Dollar Store	0.5 East
	Dollar General	0.6 West
Schools: Elementary Senior High	Saluda Elementary School	0.3 South
	Saluda High School	3.4 East
Police	Saluda Police Department	0.7 Southeast
Fire	Saluda Fire Department	0.8 Southeast
Post Office	US Post Office	1.0 East
Bank	Suntrust Bank	0.6 Southeast
	First Citizens Bank	0.7 Southeast
Gas Station	Marathon	0.5 East
	BP	0.5 East
Pharmacy	CVS Pharmacy	0.4 East
	Long's Drug Of Saluda	0.5 Southeast
	CVS Pharmacy	1.3 East
Restaurant	M I G'S of Saluda	0.2 East
	Huddle House	0.6 Southeast
	La Fogata	0.6 East
	Pizza Hut	0.6 East
Day Care	ABC Academy	0.3 South
Library	Saluda County Library	0.8 Southeast
Church	St Paul United Methodist Church	0.6 Southeast
	Church	0.7 Northeast
	Saluda Baptist Church	

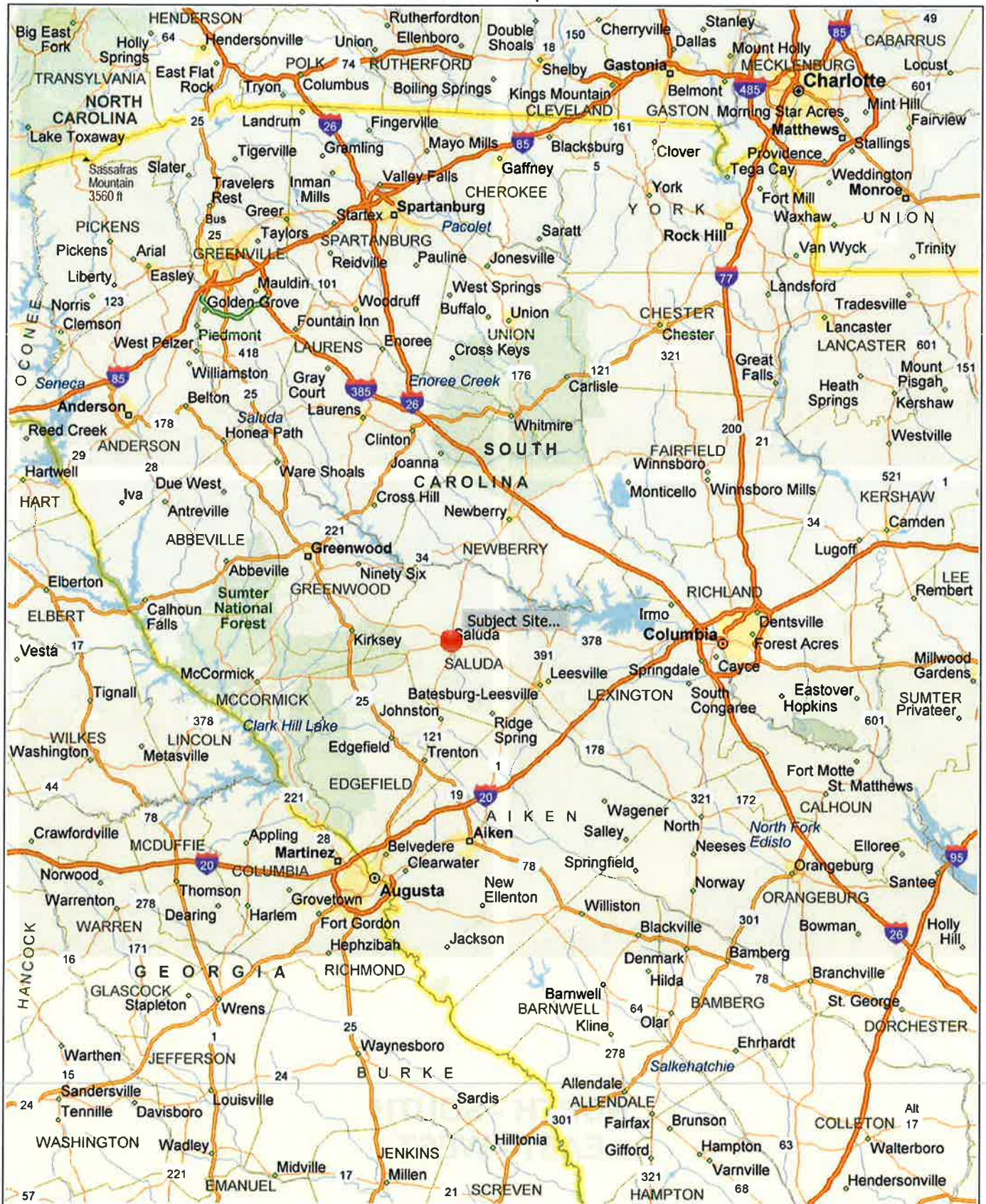


SUBJECT SITE



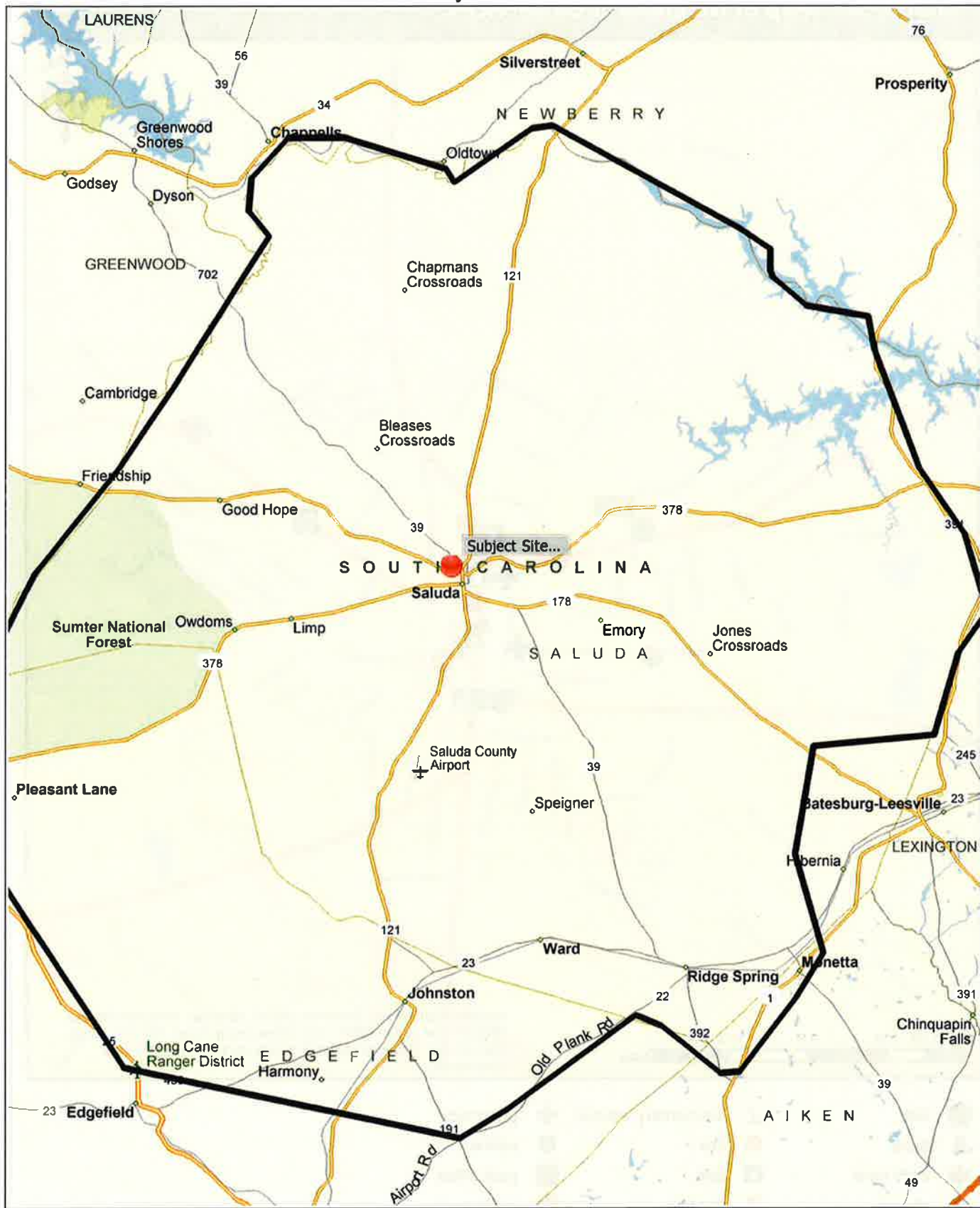
**NORTH - SOUTH
EAST - WEST**

Area Map



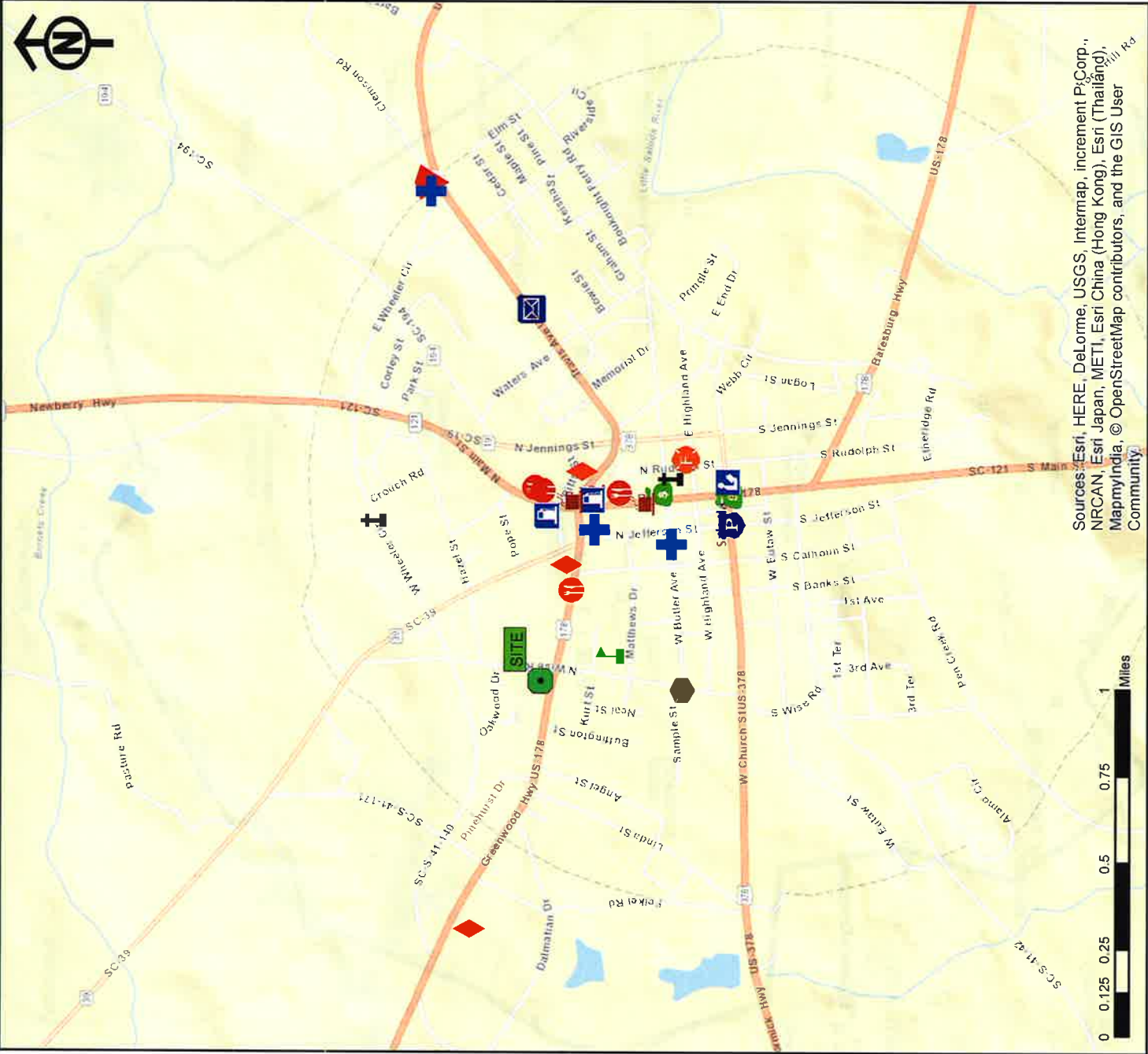
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Primary Market Area



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Saluda, SC: Map of Neighborhood Services



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand), MapmyIndia, © OpenStreetMap contributors, and the GIS User Community.

- | | | | |
|--|-------------------|--|-------------|
| | Site | | pharmacy |
| | bank | | police |
| | child care | | post office |
| | church | | restaurant |
| | convenience store | | shopping |
| | elementary school | | |
| | fire | | |
| | gas | | |
| | grocery | | |
| | library | | |

IV. DEMOGRAPHIC AND ECONOMIC INFORMATION

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

A. LOCATION

The Town of Saluda is located in the central area of the county of Saluda, in the west central part of the State of South Carolina at the crossroads of South Carolina Highway 121 and United States Highway 378. Interstates 20 and 26 are located approximately twenty miles southeast and north respectively of the Town of Saluda area. The City of Leesville is located approximately ten miles southeast of the area. The Town of Ridge Spring is located approximately twelve miles south of the Saluda area, while the City of Columbia, South Carolina is located approximately forty-three miles east of the Saluda area. The subject site area is located in the north central area of the Town of Saluda.

B. UTILITIES

South Carolina Electric and Gas provides both the electric and gas service to the area. Water, storm and sewer services are provided by the Town of Saluda. Telephone service is provided by Century Link and other regional outlets.

C. FINANCIAL SOURCES

There are four banking and savings and loan institutions in the Town of Saluda area. Additional financial and banking services can be obtained in nearby communities, including the Batesburg-Leesville areas.

D. MEDIA

Saluda receives television stations from the Columbia, South Carolina and Augusta, Georgia areas, as well as several regional outlets within the greater area. Radio service is also provided by Greenwood; other service outlets are provided from additional communities. Cable TV is available for the Saluda area.

The Saluda Standard Sentinel is the weekly newspaper. Other newspapers are distributed from the Greenville area. Several smaller weekly and local newspapers are also available and distributed in the area.

E. EDUCATION

The education system serving the proposed site area is the Saluda County School District consisting of three elementary schools, one middle school and one senior high school. There are several private elementary and secondary schools in the area. Several institutions of higher education are located within the immediate area, including Piedmont Technical College.

F. POPULATION AND HOUSEHOLDS

The population of the Town of Saluda was 3,565 in 2010 and increased 1.0% to number 3,600 in 2015. Population is expected to number 3,635 by 2018, increasing 1.0% from 2015. The Town of Saluda households numbered 1,240 in 2010 and increased 1.1% to number 1,254 in 2015. Households are expected to number 1,266 by 2018, increasing 1.0% from 2015.

The population of the Saluda Primary Market Area was 14,008 in 2010 and increased 1.8% to number 14,258 in 2015. Population is expected to number 14,459 by 2018, increasing 1.4% from 2015. Saluda PMA households numbered 5,204 in 2010 and increased 2.5% to number 5,333 in 2015. Households are expected to number 5,413 by 2018, increasing 1.5% from 2015.

Saluda County population was 19,875 in 2010 and increased 1.5% to number 20,173 in 2015. Population is expected to number 20,429 by 2018, increasing 1.3% from 2015. Saluda County households numbered 7,527 in 2010 and increased 2.2% to number 7,693 in 2015. Households are projected to number 7,801 by 2018, increasing 1.4% from 2015.

TABLE 1
POPULATION AND HOUSEHOLDS
Town of Saluda – Saluda PMA – Saluda County, South Carolina
2000 – 2010 – 2015 – 2018 (Projected)

POPULATION	Saluda	Saluda PMA	Saluda County
2000	3,066	13,317	19,181
2010	3,565	14,008	19,875
Change 2000-2010	16.3%	5.2%	3.6%
2015	3,600	14,258	20,173
Change 2010-2015	1.0%	1.8%	1.5%
2018	3,635	14,459	20,429
Change 2015-2018	1.0%	1.4%	1.3%
HOUSEHOLDS	Saluda	Saluda PMA	Saluda County
2000	1,103	4,900	7,127
2010	1,240	5,204	7,527
Change 2000-2010	12.4%	6.2%	5.6%
2015	1,254	5,333	7,693
Change 2010-2015	1.1%	2.5%	2.2%
2018	1,266	5,413	7,801
Change 2015-2018	1.0%	1.5%	1.4%

Sources: U.S. Census Bureau; Esri

In 2018, the estimated population per household for the Town of Saluda is 2.87, compared to 2.67 for the Saluda PMA and 2.62 in Saluda County. The 2015 population per household in the Town of Saluda was 2.87 compared with 2.67 for the Saluda PMA and 2.62 in Saluda County. In 2010, the population per household was 2.88 for the Town of Saluda, 2.69 for the Saluda PMA and 2.64 in Saluda County.

Based on 2010 Census data, a small percentage of the population is in group quarters, with the Town of Saluda at 0.2% and 1.2% for Saluda County. A majority of the households in the Town of Saluda and Saluda County are in traditional family households. The average household size for the Town of Saluda is 2.87 compared to 2.61 for Saluda County.

TABLE 2

GROUP QUARTERS AND HOUSEHOLDS

Town of Saluda – Saluda County, South Carolina

Census 2010

	Saluda		Saluda County	
	Number	Percent	Number	Percent
Total Population	3,565	100.0%	19,875	100.0%
In Group Quarters	6	0.2%	239	1.2%
Institutionalized	0	0.0%	160	0.8%
Noninstitutionalized	6	0.2%	79	0.4%
In Households	3,559	99.8%	19,636	98.8%
Family	2,965	83.2%	17,003	85.5%
Nonfamily	594	16.7%	2,633	13.2%
Total Households	1,240		7,527	
Average Household Size	2.87		2.61	

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

In the Saluda Primary Market Area, family households (under the age of 55) increased 11.3% for renter households and decreased 9.4% for owner households from 2010 to 2015. Between 2015 and 2018, family renter households (under the age of 55) are projected to decrease 1.2%, while the owner households are estimated to decrease 4.2%.

In the Saluda Primary Market Area, households (aged 55 to 64) increased 11.6% for renter households and 6.0% for owner households from 2010 to 2015. Between 2015 and 2018, renter households (aged 55 to 64) are projected to increase 19.7%, while the owner households are estimated to increase 0.1%.

In the Saluda Primary Market Area, senior households (aged 65 years and older) increased 1.2% for renter households and 8.0% for owner households from 2010 to 2015. Between 2015 and 2018, senior renter households (aged 65 years and older) are projected to decrease 1.2%, while the owner households are estimated to increase 10.0%.

TABLE 3
RENTER & OWNER HOUSEHOLD TRENDS
Saluda PMA
2010 (Census) – 2015 (Estimated) – 2018 (Projected)

RENTER HOUSEHOLDS	Under 55 Years	55-64 Years	65+ Years
2010	1,119	164	165
2015	1,245	183	167
Change 2010-2015	11.3%	11.6%	1.2%
2018	1,230	219	165
Change 2015-2018	-1.2%	19.7%	-1.2%
OWNER HOUSEHOLDS	Under 55 Years	55-64 Years	65+ Years
2010	1,742	831	1,183
2015	1,579	881	1,278
Change 2010-2015	-9.4%	6.0%	8.0%
2018	1,512	882	1,406
Change 2015-2018	-4.2%	0.1%	10.0%

Sources: U.S. Census Bureau; Esri

In 2010 the median age for Saluda PMA residents was 37.8 years. An analysis of age groups determined that 28.0% were under the age of 21; 56.5% were 21 to 64 years old; and 15.5% were 65 years or older.

In 2015 the median age for Saluda PMA residents was 38.8 years. An analysis of age groups determined that 26.7% were under the age of 21; 56.9% were 21 to 64 years old; and 16.5% were 65 years or older.

In 2018 the median age for Saluda PMA residents is projected to be 39.9 years. An analysis of age groups determined that 27.1% will be under the age of 21; 55.1% will be 21 to 64 years old; and 17.8% will be 65 years or older.

For reference, the average age in the Saluda PMA was 38.7 in 2010 and increased to 39.4 in 2015. The average age is projected to be 40.2 in 2018.

**TABLE 4
POPULATION BY AGE & SEX**

Saluda PMA

<i>Census 2010</i>				<i>Current Year Estimates - 2015</i>				<i>Three-Year Projections - 2018</i>			
<i>Age</i>	<i>Male</i>	<i>Female</i>	<i>Total</i>	<i>Age</i>	<i>Male</i>	<i>Female</i>	<i>Total</i>	<i>Age</i>	<i>Male</i>	<i>Female</i>	<i>Total</i>
0 to 4 Years	519	521	1,040	0 to 4 Years	496	499	995	0 to 4 Years	478	481	959
5 to 9 Years	484	435	919	5 to 9 Years	514	520	1,034	5 to 9 Years	501	507	1,008
10 to 14 Years	447	404	851	10 to 14 Years	466	421	887	10 to 14 Years	507	489	996
15 to 17 Years	294	238	532	15 to 17 Years	230	200	430	15 to 17 Years	261	228	488
18 to 20 Years	297	289	586	18 to 20 Years	233	222	455	18 to 20 Years	236	224	460
21 to 24 Years	417	317	734	21 to 24 Years	343	297	640	21 to 24 Years	286	251	537
25 to 34 Years	971	868	1,839	25 to 34 Years	1,131	938	2,069	25 to 34 Years	997	840	1,837
35 to 44 Years	905	867	1,772	35 to 44 Years	888	837	1,725	35 to 44 Years	968	873	1,841
45 to 54 Years	940	949	1,889	45 to 54 Years	934	920	1,854	45 to 54 Years	938	906	1,844
55 to 64 Years	837	840	1,677	55 to 64 Years	922	897	1,819	55 to 64 Years	958	953	1,911
65 to 74 Years	560	644	1,204	65 to 74 Years	654	721	1,375	65 to 74 Years	731	767	1,498
75 to 84 Years	276	390	666	75 to 84 Years	285	382	667	75 to 84 Years	331	438	768
85 Years and Up	<u>90</u>	<u>210</u>	<u>300</u>	85 Years and Up	<u>96</u>	<u>212</u>	<u>308</u>	85 Years and Up	<u>100</u>	<u>210</u>	<u>310</u>
Total	7,037	6,972	14,009	Total	7,192	7,066	14,258	Total	7,293	7,166	14,458
Median Age	36.0	39.7	37.8	Median Age	37.1	40.6	38.8	Median Age	38.5	41.4	39.9
Average Age	37.3	40.2	38.7	Average Age	38.4	40.5	39.4	Average Age	39.3	41.2	40.2

Source: Census 2010; Esri

PERCENT POPULATION BY AGE & SEX

Saluda PMA

<i>Census 2010</i>				<i>Current Year Estimates - 2015</i>				<i>Three-Year Projections - 2018</i>			
Age	Male	Female	Total	Age	Male	Female	Total	Age	Male	Female	Total
0 to 4 Years	3.7%	3.7%	7.4%	0 to 4 Years	3.5%	3.5%	7.0%	0 to 4 Years	3.3%	3.3%	6.6%
5 to 9 Years	3.5%	3.1%	6.6%	5 to 9 Years	3.6%	3.6%	7.3%	5 to 9 Years	3.5%	3.5%	7.0%
10 to 14 Years	3.2%	2.9%	6.1%	10 to 14 Years	3.3%	3.0%	6.2%	10 to 14 Years	3.5%	3.4%	6.9%
15 to 17 Years	2.1%	1.7%	3.8%	15 to 17 Years	1.6%	1.4%	3.0%	15 to 17 Years	1.8%	1.6%	3.4%
18 to 20 Years	2.1%	2.1%	4.2%	18 to 20 Years	1.6%	1.6%	3.2%	18 to 20 Years	1.6%	1.5%	3.2%
21 to 24 Years	3.0%	2.3%	5.2%	21 to 24 Years	2.4%	2.1%	4.5%	21 to 24 Years	2.0%	1.7%	3.7%
25 to 34 Years	6.9%	6.2%	13.1%	25 to 34 Years	7.9%	6.6%	14.5%	25 to 34 Years	6.9%	5.8%	12.7%
35 to 44 Years	6.5%	6.2%	12.6%	35 to 44 Years	6.2%	5.9%	12.1%	35 to 44 Years	6.7%	6.0%	12.7%
45 to 54 Years	6.7%	6.8%	13.5%	45 to 54 Years	6.6%	6.5%	13.0%	45 to 54 Years	6.5%	6.3%	12.8%
55 to 64 Years	6.0%	6.0%	12.0%	55 to 64 Years	6.5%	6.3%	12.8%	55 to 64 Years	6.6%	6.6%	13.2%
65 to 74 Years	4.0%	4.6%	8.6%	65 to 74 Years	4.6%	5.1%	9.6%	65 to 74 Years	5.1%	5.3%	10.4%
75 to 84 Years	2.0%	2.8%	4.8%	75 to 84 Years	2.0%	2.7%	4.7%	75 to 84 Years	2.3%	3.0%	5.3%
85 Years and Up	<u>0.6%</u>	<u>1.5%</u>	<u>2.1%</u>	85 Years and Up	<u>0.7%</u>	<u>1.5%</u>	<u>2.2%</u>	85 Years and Up	<u>0.7%</u>	<u>1.5%</u>	<u>2.1%</u>
Total	50.2%	49.8%	100.0%	Total	50.4%	49.6%	100.0%	Total	50.4%	49.6%	100.0%

Source: Census 2010; Esri

TABLE 5
POPULATION
BY RACE AND HISPANIC OR LATINO ORIGIN
Census Tract 9602.01, Saluda County, South Carolina – South Carolina
Census 2010

	Tract #9602.01	
Race	<u>Number</u>	<u>Percent</u>
One Race	4,726	98.3%
White	2,522	52.5%
Black or African American	1,572	32.7%
American Indian & Alaska Native	22	0.5%
American Indian, specified ¹	10	0.2%
Alaska Native, specified ¹	0	0.0%
Both American Indian & Alaska Native, specified ¹	0	0.0%
American Indian or Alaska Native, not specified	12	0.2%
Asian	12	0.2%
Native Hawaiian & Other Pacific Islander	18	0.4%
Some Other Race	580	12.1%
Two or More Races	81	1.7%
Two races with Some Other Race	24	0.5%
Two races without Some Other Race	53	1.1%
Three or more races with Some Other Race	0	0.0%
Three or more races without Some Other Race	4	0.1%
TOTAL POPULATION	4,807	100.0%
Hispanic or Latino		
Hispanic or Latino (of any race)	799	16.6%
Mexican	567	11.8%
Puerto Rican	13	0.3%
Cuban	6	0.1%
Other Hispanic or Latino ²	213	4.4%
Not Hispanic or Latino	<u>4,008</u>	83.4%
TOTAL POPULATION	4,807	100.0%
Race & Hispanic or Latino		
One Race	4,726	98.3%
Hispanic or Latino	772	16.1%
Not Hispanic or Latino	3,954	82.3%
Two or More Races	81	1.7%
Hispanic or Latino	27	0.6%
Not Hispanic or Latino	<u>54</u>	1.1%
TOTAL POPULATION	4,807	100.0%

¹ "American Indian, specified" includes people who provided a specific American Indian tribe, such as Navajo or Blackfeet. "Alaska Native, specified" includes people who provided a specific Alaska Native group, such as Inupiat or Yup'ik.

² This category is comprised of people whose origins are from the Dominican Republic, Spain, and Spanish-speaking Central or South American countries. It also includes general origin responses such as "Latino" or "Hispanic."

Source: U.S. Census Bureau, 2010 Census Summary File 1 (Table QT-P3)

In a 2010 analysis of household composition in the Town of Saluda and Saluda County, there were 1,240 and 7,527 total households respectively. A distribution of family makeup, compared with each other is as follows:

	Saluda				Saluda County			
	<u>Owner-Occupied</u>		<u>Renter-Occupied</u>		<u>Owner-Occupied</u>		<u>Renter-Occupied</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Households								
Married Couples	275	47.0%	145	22.1%	3,259	57.7%	553	29.4%
Families w/ Male Head Only	28	4.8%	58	8.9%	267	4.7%	183	9.7%
Families w/ Female Head Only	96	16.4%	238	36.3%	621	11.0%	510	27.1%
Non-Family Households								
Living Alone	179	30.6%	142	21.7%	1,348	23.9%	472	25.1%
Not Living Alone	<u>7</u>	<u>1.2%</u>	<u>72</u>	<u>11.0%</u>	<u>150</u>	<u>2.7%</u>	<u>164</u>	<u>8.7%</u>
TOTAL Households	585	100.0%	655	100.0%	5,645	100.0%	1,882	100.0%
Householders 65 Years & Older								
Married Couples	101	42.6%	3	6.1%	906	50.4%	51	22.7%
Families w/ Male Head Only	8	3.4%	2	4.1%	43	2.4%	8	3.6%
Families w/ Female Head Only	35	14.8%	12	24.5%	187	10.4%	37	16.4%
Non-Family Households								
Living Alone	92	38.8%	32	65.3%	637	35.4%	126	56.0%
Not Living Alone	<u>1</u>	<u>0.4%</u>	<u>0</u>	<u>0.0%</u>	<u>26</u>	<u>1.4%</u>	<u>3</u>	<u>1.3%</u>
TOTAL Households 65+	237	100.0%	49	100.0%	1,799	100.0%	225	100.0%
Saluda PMA								
2010								
2015								
2018								
Households								
Owner-Occupied	3,756	72.2%	3,738	70.1%	3,800	70.2%		
Renter-Occupied	1,448	27.8%	1,595	29.9%	1,614	29.8%		

Sources: U.S. Census Bureau, 2010 Census Summary File 1; Esri

G. INCOME

In the Town of Saluda, median household income was \$37,862 for 2015 and is projected to increase to \$43,482 in 2018. The median household income in the Saluda Primary Market Area was \$41,778 in 2015 and is projected to increase to \$48,830 in 2018. The median household income in Saluda County for 2015 was \$42,647 and is projected to increase to \$50,648 in 2018.

TABLE 7
MEDIAN HOUSEHOLD INCOME TRENDS
Town of Saluda – Saluda PMA – Saluda County, South Carolina
2000 (Census) – 2010 (Census) – 2015 (Estimated) – 2018 (Projected)

MEDIAN HOUSEHOLD INCOME	Saluda	Saluda PMA	Saluda County
2000	\$26,964	\$35,794	\$35,774
2010	\$38,641	\$40,196	\$40,508
Change 2000 - 2010	43.3%	12.3%	13.2%
2015	\$37,862	\$41,778	\$42,647
Change 2010 - 2015	-2.0%	3.9%	5.3%
2018	\$43,482	\$48,830	\$50,648
Change 2015 - 2018	14.8%	16.9%	18.8%

Sources: U.S. Census Bureau; Esri

By age group, the 2015 household income for Saluda PMA households was largest in the 55 to 64 age range. For 2018, the largest projected income is in the 55 to 64 age range. Between 2015 and 2018 in the Saluda PMA, the largest percent change is projected to be in the 75 and over age group and the \$200,000 and up income range.

TABLE 8
**DISTRIBUTION OF INCOME
 BY HOUSEHOLD SIZE, TENURE AND AGE**

Saluda PMA

Base Year: 2006 - 2010 Estimates

Renter Households						
Under Age 55 Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	1	30	15	35	69	150
\$10,000 - 20,000	58	4	15	43	1	121
\$20,000 - 30,000	24	19	30	2	4	79
\$30,000 - 40,000	15	56	35	25	0	131
\$40,000 - 50,000	0	59	2	26	43	130
\$50,000 - 60,000	16	1	33	1	76	127
\$60,000+	<u>19</u>	<u>34</u>	<u>24</u>	<u>30</u>	<u>33</u>	140
Total	133	203	154	162	226	878
Renter Households						
Aged 55-61 Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	0	3	0	0	1	4
\$10,000 - 20,000	11	17	5	0	0	33
\$20,000 - 30,000	0	9	16	0	0	25
\$30,000 - 40,000	0	0	22	0	0	22
\$40,000 - 50,000	2	8	5	1	0	16
\$50,000 - 60,000	0	6	2	1	1	10
\$60,000+	<u>20</u>	<u>30</u>	<u>11</u>	<u>3</u>	<u>2</u>	66
Total	33	73	61	5	4	176
Renter Households						
Aged 62+ Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	79	8	1	1	1	90
\$10,000 - 20,000	30	5	1	0	4	40
\$20,000 - 30,000	35	2	1	1	1	40
\$30,000 - 40,000	13	1	1	0	2	17
\$40,000 - 50,000	20	2	2	0	2	26
\$50,000 - 60,000	7	0	1	3	3	14
\$60,000+	<u>24</u>	<u>1</u>	<u>4</u>	<u>2</u>	<u>7</u>	38
Total	208	19	11	7	20	265

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

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

Saluda PMA

Base Year: 2006 - 2010 Estimates

Owner Households						
Under Age 55 Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	5	21	20	10	11	67
\$10,000 - 20,000	85	37	9	14	15	160
\$20,000 - 30,000	15	68	86	36	32	237
\$30,000 - 40,000	27	1	46	90	7	171
\$40,000 - 50,000	7	35	100	5	58	205
\$50,000 - 60,000	19	58	33	6	45	161
\$60,000+	<u>43</u>	<u>185</u>	<u>126</u>	<u>219</u>	<u>97</u>	670
Total	201	405	420	380	265	1,671
Owner Households						
Aged 55-61 Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	1	20	1	0	16	38
\$10,000 - 20,000	12	30	12	1	1	56
\$20,000 - 30,000	8	28	0	13	1	50
\$30,000 - 40,000	22	28	0	2	3	55
\$40,000 - 50,000	12	24	8	4	2	50
\$50,000 - 60,000	13	24	2	3	3	45
\$60,000+	<u>55</u>	<u>103</u>	<u>12</u>	<u>17</u>	<u>10</u>	197
Total	123	257	35	40	36	491
Owner Households						
Aged 62+ Years						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0 - 10,000	104	52	4	3	4	167
\$10,000 - 20,000	143	60	27	2	4	236
\$20,000 - 30,000	62	143	19	0	5	229
\$30,000 - 40,000	39	71	20	3	5	138
\$40,000 - 50,000	33	87	9	2	3	134
\$50,000 - 60,000	22	31	13	1	3	70
\$60,000+	<u>40</u>	<u>182</u>	<u>38</u>	<u>5</u>	<u>14</u>	279
Total	443	626	130	16	38	1,253

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

TABLE 9
DISTRIBUTION OF INCOME
BY HOUSEHOLD SIZE, TENURE AND AGE
Saluda PMA

Current Year Estimates - 2015

Renter Households							
Under Age 55 Years							
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household	6+-Person Household	Total
\$0 - 15,000	52	116	70	78	26	21	363
\$15,000 - 25,000	22	50	30	32	11	8	153
\$25,000 - 35,000	18	41	25	28	9	8	129
\$35,000 - 50,000	32	69	41	46	15	11	214
\$50,000 - 75,000	25	57	34	37	13	10	176
\$75,000 - 100,000	14	31	19	21	7	5	97
\$100,000 - 150,000	17	37	22	23	7	7	113
\$150,000+	0	0	0	0	0	0	0
Total	180	401	241	265	88	70	1,245
Renter Households							
Aged 55-64 Years							
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household	6+-Person Household	Total
\$0 - 15,000	45	6	4	4	1	1	61
\$15,000 - 25,000	19	3	2	2	1	0	27
\$25,000 - 35,000	14	2	1	1	0	0	18
\$35,000 - 50,000	25	3	2	2	1	1	34
\$50,000 - 75,000	14	2	1	1	0	0	18
\$75,000 - 100,000	9	1	1	1	0	0	12
\$100,000 - 150,000	10	1	1	1	0	0	13
\$150,000+	0	0	0	0	0	0	0
Total	136	18	12	12	3	2	183
Renter Households							
Aged 65+ Years							
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household	6+-Person Household	Total
\$0 - 15,000	22	13	8	8	3	2	56
\$15,000 - 25,000	15	7	4	5	2	1	34
\$25,000 - 35,000	14	5	3	3	1	1	27
\$35,000 - 50,000	13	6	4	5	1	1	30
\$50,000 - 75,000	4	2	1	1	0	0	8
\$75,000 - 100,000	2	1	0	1	0	0	4
\$100,000 - 150,000	4	2	1	1	0	0	8
\$150,000+	0	0	0	0	0	0	0
Total	74	36	21	24	7	5	167

Sources: U.S. Bureau of the Census; Esri; Urban Decision Group

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

Current Year Estimates - 2015

Owner Households

Under Age 55 Years

	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household	6+-Person Household	Total
\$0 - 15,000	23	75	29	23	10	5	165
\$15,000 - 25,000	18	56	22	18	7	3	124
\$25,000 - 35,000	15	55	21	16	7	3	117
\$35,000 - 50,000	29	101	39	30	13	6	218
\$50,000 - 75,000	58	175	67	52	24	10	386
\$75,000 - 100,000	34	114	42	34	15	7	246
\$100,000 - 150,000	32	107	40	32	14	6	231
\$150,000+	<u>13</u>	<u>45</u>	<u>15</u>	<u>13</u>	<u>5</u>	<u>1</u>	<u>92</u>
Total	222	728	275	218	95	41	1,579

Owner Households

Aged 55-64 Years

	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household	6+-Person Household	Total
\$0 - 15,000	35	48	18	14	6	3	124
\$15,000 - 25,000	27	37	14	11	5	3	97
\$25,000 - 35,000	22	29	11	9	4	1	76
\$35,000 - 50,000	39	56	21	17	8	3	144
\$50,000 - 75,000	48	66	25	20	9	4	172
\$75,000 - 100,000	35	48	18	14	7	3	125
\$100,000 - 150,000	31	43	16	13	6	3	112
\$150,000+	<u>9</u>	<u>12</u>	<u>5</u>	<u>4</u>	<u>1</u>	<u>0</u>	<u>31</u>
Total	246	339	128	102	46	20	881

Owner Households

Aged 65+ Years

	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household	6+-Person Household	Total
\$0 - 15,000	86	59	22	17	8	4	196
\$15,000 - 25,000	110	75	28	22	11	5	251
\$25,000 - 35,000	78	53	20	16	8	2	177
\$35,000 - 50,000	104	72	27	22	10	4	239
\$50,000 - 75,000	64	44	17	14	6	3	148
\$75,000 - 100,000	42	28	10	8	4	2	94
\$100,000 - 150,000	57	39	15	11	5	2	129
\$150,000+	<u>20</u>	<u>14</u>	<u>5</u>	<u>4</u>	<u>1</u>	<u>0</u>	<u>44</u>
Total	561	384	144	114	53	22	1,278

Sources: U.S. Bureau of the Census; Esri; Urban Decision Group

TABLE 10
DISTRIBUTION OF INCOME
BY HOUSEHOLD SIZE, TENURE AND AGE
Saluda PMA

Three-Year Projections - 2018

Renter Households							
Under Age 55 Years							
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household	6+-Person Household	Total
\$0 - 15,000	44	102	61	68	22	18	315
\$15,000 - 25,000	18	45	26	30	9	9	136
\$25,000 - 35,000	21	57	42	47	11	11	188
\$35,000 - 50,000	27	60	35	39	12	11	183
\$50,000 - 75,000	21	53	32	35	12	9	161
\$75,000 - 100,000	21	47	22	24	14	5	133
\$100,000 - 150,000	15	38	22	24	8	6	114
\$150,000+	0	0	0	0	0	0	0
Total	167	400	239	266	88	69	1,230
Renter Households							
Aged 55-64 Years							
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household	6+-Person Household	Total
\$0 - 15,000	37	5	3	3	1	1	51
\$15,000 - 25,000	14	2	1	1	0	0	20
\$25,000 - 35,000	38	8	2	1	0	0	50
\$35,000 - 50,000	17	2	1	1	0	0	23
\$50,000 - 75,000	12	2	1	1	0	0	16
\$75,000 - 100,000	31	2	4	5	2	1	45
\$100,000 - 150,000	10	1	1	1	0	0	13
\$150,000+	0	0	0	0	0	0	0
Total	159	24	14	15	4	3	219
Renter Households							
Aged 65+ Years							
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household	6+-Person Household	Total
\$0 - 15,000	20	10	6	6	2	1	45
\$15,000 - 25,000	10	6	3	4	1	0	25
\$25,000 - 35,000	7	3	2	2	0	0	14
\$35,000 - 50,000	8	4	2	4	1	0	20
\$50,000 - 75,000	3	1	1	1	0	0	7
\$75,000 - 100,000	19	11	7	8	2	2	47
\$100,000 - 150,000	3	2	1	1	0	0	7
\$150,000+	0	0	0	0	0	0	0
Total	70	37	22	25	6	4	165

Sources: U.S. Bureau of the Census; Esri; Urban Decision Group

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

Three-Year Projections - 2018

Owner Households

Under Age 55 Years

	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household	6+-Person Household	Total
\$0 - 15,000	25	79	30	23	11	4	173
\$15,000 - 25,000	14	47	18	14	6	2	101
\$25,000 - 35,000	16	60	22	17	8	3	127
\$35,000 - 50,000	31	111	42	32	15	7	237
\$50,000 - 75,000	56	188	71	56	26	11	409
\$75,000 - 100,000	17	55	20	17	7	3	118
\$100,000 - 150,000	33	114	42	34	15	7	244
\$150,000+	<u>13</u>	<u>50</u>	<u>19</u>	<u>14</u>	<u>7</u>	<u>1</u>	104
Total	205	703	264	208	94	38	1,512

Owner Households

Aged 55-64 Years

	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household	6+-Person Household	Total
\$0 - 15,000	39	53	20	16	7	3	139
\$15,000 - 25,000	22	32	12	9	4	2	81
\$25,000 - 35,000	21	29	11	9	4	1	75
\$35,000 - 50,000	41	60	22	18	8	4	152
\$50,000 - 75,000	53	75	29	22	10	5	194
\$75,000 - 100,000	22	31	11	9	5	2	79
\$100,000 - 150,000	35	50	18	15	7	3	127
\$150,000+	<u>10</u>	<u>14</u>	<u>5</u>	<u>4</u>	<u>2</u>	<u>1</u>	35
Total	242	343	129	102	47	19	882

Owner Households

Aged 65+ Years

	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household	6+-Person Household	Total
\$0 - 15,000	100	70	27	21	10	5	233
\$15,000 - 25,000	103	73	27	21	10	4	238
\$25,000 - 35,000	80	57	22	17	8	3	187
\$35,000 - 50,000	114	82	31	24	11	5	267
\$50,000 - 75,000	75	54	21	16	7	4	177
\$75,000 - 100,000	34	24	9	7	3	1	78
\$100,000 - 150,000	73	53	20	15	7	3	171
\$150,000+	<u>24</u>	<u>18</u>	<u>6</u>	<u>5</u>	<u>2</u>	<u>1</u>	55
Total	603	430	161	127	59	25	1,406

Sources: U.S. Bureau of the Census; Esri; Urban Decision Group

**TABLE 11
HOUSEHOLDS BY INCOME AND AGE
Saluda PMA**

Census 2000

Income	Age	Age	Age	Age	Age	Age	Age	Total	Percent
	15 - 24 Years	25 - 34 Years	35 - 44 Years	45 - 54 Years	55 - 64 Years	65 - 74 Years	75+ Years		
Less than \$15,000	39	102	125	165	121	221	327	1,100	22.4%
\$15,000 - 24,999	55	152	97	70	102	97	77	650	13.3%
\$25,000 - 34,999	43	130	138	119	78	128	40	676	13.8%
\$35,000 - 49,999	21	168	226	180	142	147	39	923	18.8%
\$50,000 - 74,999	36	203	229	255	137	75	21	956	19.5%
\$75,000 - 99,999	1	47	75	105	105	49	1	383	7.8%
\$100,000 - 149,999	0	12	20	37	39	12	13	133	2.7%
\$150,000 - 199,999	4	0	2	17	8	7	0	38	0.8%
\$200,000 and up	<u>0</u>	<u>0</u>	<u>8</u>	<u>13</u>	<u>2</u>	<u>15</u>	<u>3</u>	41	0.8%
Total	199	814	920	961	734	751	521	4,900	100.0%
Percent	4.1%	16.6%	18.8%	19.6%	15.0%	15.3%	10.6%	100.0%	

Source: U.S. Census Bureau

**HOUSEHOLDS BY INCOME AND AGE
Saluda PMA**

Current Year Estimates - 2015

Income	Age	Age	Age	Age	Age	Age	Age	Total	Percent
	15 - 24 Years	25 - 34 Years	35 - 44 Years	45 - 54 Years	55 - 64 Years	65 - 74 Years	75+ Years		
Less than \$15,000	51	215	98	164	185	156	96	965	18.1%
\$15,000 - 24,999	29	85	75	88	124	133	152	686	12.9%
\$25,000 - 34,999	16	81	70	79	94	102	102	544	10.2%
\$35,000 - 49,999	29	130	129	144	178	164	105	879	16.5%
\$50,000 - 74,999	17	132	212	201	190	113	43	908	17.0%
\$75,000 - 99,999	6	71	142	124	137	49	49	578	10.8%
\$100,000 - 149,999	17	69	101	157	125	85	52	606	11.4%
\$150,000 - 199,999	0	10	13	49	25	26	9	132	2.5%
\$200,000 and up	<u>0</u>	<u>6</u>	<u>7</u>	<u>7</u>	<u>6</u>	<u>7</u>	<u>2</u>	35	0.7%
Total	165	799	847	1,013	1,064	835	610	5,333	100.0%
Percent	3.1%	15.0%	15.9%	19.0%	20.0%	15.7%	11.4%	100.0%	

Source: Esri

HOUSEHOLDS BY INCOME AND AGE

Saluda PMA

Three-Year Projections - 2018

Income	Age	Age	Age	Age	Age	Age	Age	Total	Percent
	15 - 24 Years	25 - 34 Years	35 - 44 Years	45 - 54 Years	55 - 64 Years	65 - 74 Years	75+ Years		
Less than \$15,000	51	180	99	158	190	163	115	955	17.6%
\$15,000 - 24,999	24	64	63	71	101	117	147	586	10.8%
\$25,000 - 34,999	16	64	64	68	85	98	103	498	9.2%
\$35,000 - 49,999	26	113	130	136	175	170	116	866	16.0%
\$50,000 - 74,999	19	125	228	199	210	132	51	963	17.8%
\$75,000 - 99,999	6	75	167	137	165	65	60	674	12.5%
\$100,000 - 149,999	14	63	118	162	140	109	69	676	12.5%
\$150,000 - 199,999	1	9	15	54	28	34	12	153	2.8%
\$200,000 and up	0	7	8	9	7	8	2	42	0.8%
Total	157	700	891	994	1,101	895	675	5,413	100.0%
Percent	2.9%	12.9%	16.5%	18.4%	20.3%	16.5%	12.5%	100.0%	

Source: Esri

HOUSEHOLDS BY INCOME AND AGE

Saluda PMA

Projected Change - 2015 to 2018

Income	Age	Age	Age	Age	Age	Age	Age	Total	Percent Change
	15 - 24 Years	25 - 34 Years	35 - 44 Years	45 - 54 Years	55 - 64 Years	65 - 74 Years	75+ Years		
Less than \$15,000	0	-35	1	-6	5	7	19	-10	-1.0%
\$15,000 - 24,999	-5	-21	-12	-17	-23	-16	-5	-100	-14.5%
\$25,000 - 34,999	0	-17	-6	-11	-9	-4	1	-46	-8.5%
\$35,000 - 49,999	-3	-17	1	-8	-3	6	11	-13	-1.4%
\$50,000 - 74,999	2	-7	16	-2	20	19	8	55	6.1%
\$75,000 - 99,999	0	4	25	13	28	16	11	96	16.6%
\$100,000 - 149,999	-3	-6	17	5	15	24	17	70	11.5%
\$150,000 - 199,999	1	-1	2	5	3	8	3	21	15.9%
\$200,000 and up	0	1	1	2	1	1	0	7	18.9%
Total	-8	-99	44	-19	37	60	65	80	1.5%
Percent Change	-4.7%	-12.4%	5.2%	-1.8%	3.4%	7.2%	10.7%	1.5%	

Source: Esri

H. EMPLOYMENT

Total employment in Saluda County averaged 8,655 people in 2005 and 8,139 in 2014, a decrease of 6.3%. The annual average unemployment rate for Saluda County in 2014 was 5.7%, as compared to the State of South Carolina at 6.4%. The average unemployment rate has fluctuated over the past ten years, and the rate has typically been slightly lower than the average for the State of South Carolina. The annual unemployment rate for Saluda County peaked in 2010 at 10.0%, and dropped to its lowest level of 3.8% in 2000. The December 2015 preliminary unemployment rate of 4.6% is one of the lowest rates reported in the past ten years.

<u>Year</u>	<u>Average Unemployment Rate</u>				<u>Employment</u>	
	<u>Saluda County</u>	<u>Upper Savannah WIA</u>	<u>South Carolina</u>	<u>USA</u>	<u>Saluda County</u>	
1995	5.0%	5.4%	5.2%	5.6%	7,945	
1996	6.3%	6.5%	5.8%	5.4%	8,045	
1997	4.1%	4.9%	4.6%	4.9%	8,646	
1998	4.3%	4.6%	3.8%	4.5%	8,563	
1999	5.0%	5.4%	4.3%	4.2%	8,640	
2000	3.8%	4.0%	3.8%	4.0%	9,132	
2001	5.2%	6.4%	5.2%	4.7%	8,743	
2002	5.7%	7.5%	5.8%	5.8%	8,609	
2003	6.5%	8.2%	6.9%	6.0%	8,584	
2004	7.4%	7.7%	6.8%	5.5%	8,556	
2005	6.6%	7.7%	6.7%	5.1%	8,655	
2006	6.2%	7.5%	6.4%	4.6%	8,776	
2007	5.3%	6.8%	5.7%	4.6%	8,632	
2008	6.0%	7.4%	6.8%	5.8%	8,395	
2009	9.5%	11.9%	11.2%	9.3%	8,113	
2010	10.0%	11.7%	11.2%	9.6%	7,813	
2011	9.7%	11.2%	10.5%	8.9%	7,811	
2012	8.4%	9.8%	9.2%	8.1%	7,837	
2013	6.8%	8.3%	7.6%	7.4%	7,936	
2014	5.7%	6.7%	6.4%	6.2%	8,139	
2015*	4.6%	5.2%	5.3%	4.8%	8,482	
Saluda County Employment					Percent Change 2005 - 2014	-6.3%

*Preliminary data for December 2015
Source: Labor Market Information - State of South Carolina; Not seasonally adjusted

TABLE 13
EMPLOYMENT TRENDS
1995-2015

Saluda County, South Carolina							Upper Savannah WIA, South Carolina						
Year	Civilian Labor Force		Employment		Unemployment		Year	Civilian Labor Force		Employment		Unemployment	
	Average	% change	Average	% change	Average	% change		Average	% change	Average	% change	Average	% change
1995	8,359	-	7,945	-	414	-	1995	116,684	-	110,419	-	6,265	-
1996	8,582	2.7%	8,045	1.3%	537	29.7%	1996	118,696	1.7%	110,922	0.5%	7,774	24.1%
1997	9,012	5.0%	8,646	7.5%	366	-31.8%	1997	117,878	-0.7%	112,145	1.1%	5,733	-26.3%
1998	8,945	-0.7%	8,563	-1.0%	382	4.4%	1998	116,252	-1.4%	110,899	-1.1%	5,353	-6.6%
1999	9,094	1.7%	8,640	0.9%	454	18.8%	1999	115,121	-1.0%	108,893	-1.8%	6,228	16.3%
2000	9,488	4.3%	9,132	5.7%	356	-21.6%	2000	121,061	5.2%	116,216	6.7%	4,845	-22.2%
2001	9,225	-2.8%	8,743	-4.3%	482	35.4%	2001	119,309	-1.4%	111,640	-3.9%	7,669	58.3%
2002	9,128	-1.1%	8,609	-1.5%	519	7.7%	2002	116,614	-2.3%	107,829	-3.4%	8,785	14.6%
2003	9,176	0.5%	8,584	-0.3%	592	14.1%	2003	118,082	1.3%	108,423	0.6%	9,659	9.9%
2004	9,243	0.7%	8,556	-0.3%	687	16.0%	2004	118,466	0.3%	109,306	0.8%	9,160	-5.2%
2005	9,270	0.3%	8,655	1.2%	615	-10.5%	2005	119,458	0.8%	110,318	0.9%	9,140	-0.2%
2006	9,361	1.0%	8,776	1.4%	585	-4.9%	2006	119,161	-0.2%	110,273	0.0%	8,888	-2.8%
2007	9,116	-2.6%	8,632	-1.6%	484	-17.3%	2007	117,408	-1.5%	109,415	-0.8%	7,993	-10.1%
2008	8,929	-2.1%	8,395	-2.7%	534	10.3%	2008	116,736	-0.6%	108,120	-1.2%	8,616	7.8%
2009	8,964	0.4%	8,113	-3.4%	851	59.4%	2009	116,286	-0.4%	102,432	-5.3%	13,854	60.8%
2010	8,684	-3.1%	7,813	-3.7%	871	2.4%	2010	114,856	-1.2%	101,407	-1.0%	13,449	-2.9%
2011	8,650	-0.4%	7,811	0.0%	839	-3.7%	2011	114,717	-0.1%	101,912	0.5%	12,805	-4.8%
2012	8,552	-1.1%	7,837	0.3%	715	-14.8%	2012	113,317	-1.2%	102,187	0.3%	11,130	-13.1%
2013	8,518	-0.4%	7,936	1.3%	582	-18.6%	2013	111,900	-1.3%	102,618	0.4%	9,282	-16.6%
2014	8,629	1.3%	8,139	2.6%	490	-15.8%	2014	112,582	0.6%	105,026	2.3%	7,556	-18.6%
2015*	8,892	3.0%	8,482	4.2%	410	-16.3%	2015*	116,344	3.3%	110,264	5.0%	6,080	-19.5%

*Preliminary data for December 2015

Source: Labor Market Information - State of South Carolina; Not Seasonally Adjusted

In a distribution of employment for Third Quarter 2015 in Saluda County there were three prominent industries, the largest category was Agriculture, Fishing, Forestry and Hunting which accounted for 21.7% of the employment base. The second largest category was Health Care at 19.3%, followed by Public Administration at 13.7%. When reviewing the immediate site area, the agriculture, healthcare and education categories comprise a high percentage of the employment base.

TABLE 14
DISTRIBUTION OF EMPLOYMENT
Saluda County – South Carolina
3rd Quarter 2015

<u>Category</u>	<u>Saluda County</u>		<u>South Carolina</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Agriculture, Forestry, Fishing & Hunting	492	21.7%	11,181	0.6%
Mining, Quarrying, & Oil & Gas Extraction	-	-	1,260	0.1%
Utilities	20	0.9%	17,518	0.9%
Construction	115	5.1%	87,682	4.5%
Manufacturing	-	-	236,199	12.1%
Wholesale Trade	73	3.2%	70,933	3.6%
Retail Trade	307	13.6%	244,401	12.5%
Transportation & Warehousing	84	3.7%	67,585	3.5%
Information	-	-	29,042	1.5%
Finance & Insurance	47	2.1%	66,898	3.4%
Real Estate & Rental & Leasing	5	0.2%	29,798	1.5%
Professional, Scientific, & Technical Services	61	2.7%	89,185	4.6%
Management of Companies & Enterprises	-	-	16,857	0.9%
Administrative & Support & Waste Mgmt Services	35	1.5%	159,242	8.1%
Educational Services	-	-	155,411	8.0%
Health Care & Social Assistance	436	19.3%	256,002	13.1%
Arts, Entertainment, & Recreation	69	3.0%	33,901	1.7%
Accommodation & Food Services	168	7.4%	216,921	11.1%
Other Services (except Public Administration)	41	1.8%	50,972	2.6%
Public Administration	<u>311</u>	<u>13.7%</u>	<u>113,484</u>	<u>5.8%</u>
TOTAL, All Industries	2,264	100.0%	1,954,472	100.0%
Federal Government - Total, All Industries	37	0.8%	32,890	1.7%
State Government - Total, All Industries	141	3.1%	90,146	4.6%
Local Government - Total, All Industries	758	16.6%	209,667	10.7%
Private - Total, All Industries	3,639	79.5%	1,621,766	83.0%

Source: Labor Market Information - State of South Carolina

Several major employers exist within the greater Town of Saluda and neighborhood area, as follows:

Employer	Location	# of Employees	Industry
Amick Farms	Batesburg-Leesville, Monetta	1,545	Agriculture
Saluda County Schools	Saluda	410	Education
Saluda Nursing Center	Saluda	220	Healthcare
Government (Town & County)	Saluda	200	Government
Gentry's Poultry	Ward	150	Agriculture
Ridge Spring-Menetta Elementary School	Ridge Spring	85	Education
Bi-Lo Grocery	75	80	Retail

Source: SC Department of Employment & Workforce

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

As noted by the major employers, the employment bases and suppliers associated agricultural have a tremendous impact on the employment within the Town of Saluda market area. Interviews with local company officials and area governmental officials indicated that a slight increase in the base employment will continue to through this year, with several companies going through minor hiring trends in 2015, due to the improvement in the nation's economic condition. Amick Farms had a large cutback in the early 2010's, but has shown improvement in recent years. An interview with the company indicated a slight increase or stability over the next year. Both Saluda County Schools and Saluda Nursing Center have had minor increases in employment since 2012.

The majority of the Saluda County area employment base is a combination of government, services and manufacturing businesses, as in the above-mentioned employers. The diversity within its employment base is enough to maintain the employment base. In fact, according to the 2010-2014 American Community Survey data, 56.3% of the county employment base worked outside the county, a very high percentage. This is typical in communities with strong metropolitan areas having a diverse employment base offering competitive opportunities. Additionally, the area transportation system combined with the location of nearby suburban communities is a function that will help maintain additional employment opportunities in other areas, while maintaining the Town of Saluda area as a viable housing alternative.

TABLE 15

**ANALYSIS OF
PLACE OF WORK**

Residents of Saluda and Adjacent Counties in South Carolina
American Community Survey 2010-2014

County	Total Workforce Number	% Employed In County of Residence	% Employed Outside County of Residence	Mean Travel Time (in Minutes)
Aiken	67,545	69.1%	30.9%	25.1
Edgefield	9,874	42.0%	58.0%	25.0
Greenwood	27,366	80.1%	19.9%	21.5
Lexington	127,108	57.6%	42.4%	25.3
Newberry	15,932	66.8%	33.2%	24.0
Saluda*	7,783	43.7%	56.3%	29.8

*SITE County

Source: U.S. Census Bureau, American Community Survey 2010-2014 5-Year Estimates (Table S0801)

Third Quarter average weekly earnings for Saluda County had a good increase of 8.0%, from \$535 per week in 2012 to \$578 per week in 2015. The largest gain in earnings was seen in the Real Estate and Leasing category, increasing 55.7% and averaging \$495 per week in Third Quarter 2015.

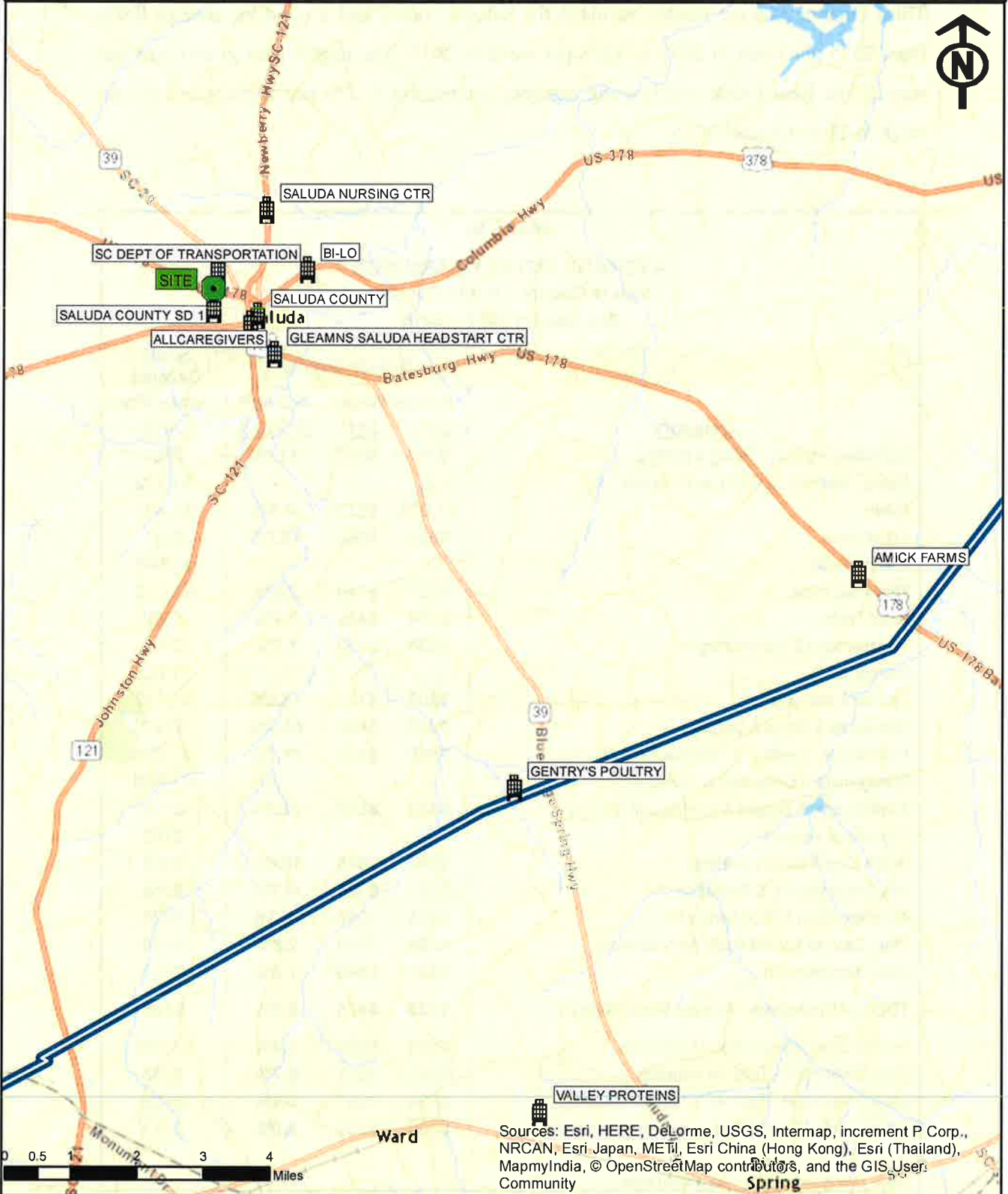
TABLE 16

AVERAGE WEEKLY EARNINGS
Saluda County – South Carolina
3rd Quarter 2012 – 2015

Category	Saluda County			South Carolina
	Average Wage	% Change	Average Wage	Average Wage
	2012	2015	2012-2015	2015
Agriculture, Forestry, Fishing & Hunting	\$712	\$630	-11.5%	\$651
Mining, Quarrying, & Oil & Gas Extraction	-	-	-	\$1,132
Utilities	\$1,003	\$977	-2.6%	\$1,401
Construction	\$598	\$680	13.7%	\$911
Manufacturing	-	-	-	\$1,047
Wholesale Trade	\$731	\$749	2.5%	\$1,193
Retail Trade	\$404	\$435	7.7%	\$502
Transportation & Warehousing	\$838	\$853	1.8%	\$808
Information	-	-	-	\$1,025
Finance & Insurance	\$606	\$719	18.6%	\$1,117
Real Estate & Rental & Leasing	\$318	\$495	55.7%	\$747
Professional, Scientific, & Technical Services	\$660	\$803	21.7%	\$1,228
Management of Companies & Enterprises	-	-	-	\$1,269
Administrative & Support & Waste Mgmt Services	\$455	\$559	22.9%	\$615
Educational Services	-	-	-	\$796
Health Care & Social Assistance	\$544	\$645	18.6%	\$905
Arts, Entertainment, & Recreation	\$343	\$320	-6.7%	\$368
Accommodation & Food Services	\$215	\$208	-3.3%	\$328
Other Services (except Public Administration)	\$398	\$409	2.8%	\$588
Public Administration	\$560	\$599	7.0%	\$827
TOTAL, All Industries - Average Weekly Wage	\$535	\$578	8.0%	\$788
Federal Government - Total, All Industries	\$966	\$999	3.4%	\$1,335
State Government - Total, All Industries	\$563	\$612	8.7%	\$883
Local Government - Total, All Industries	\$624	\$661	5.9%	\$796
Private - Total, All Industries	\$509	\$555	9.0%	\$771

Source: Labor Market Information - State of South Carolina

Saluda, SC: Map of Major Employers



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand), MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

-  Site
-  PMA
-  Major Employers

I. CRIME ISSUES

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

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

2014 CRIME RISK

	Saluda	Saluda County	South Carolina
	<u>Number</u>	<u>Number</u>	<u>Number</u>
Personal Crime			
Murder	215	140	142
Rape	52	76	132
Robbery	36	40	100
Assault	139	155	218
TOTAL PERSONAL CRIME	111	103	148
Property Crime			
Burglary	23	89	147
Larceny	19	74	141
Motor Vehicle	9	36	94
TOTAL PROPERTY CRIME	17	129	122
Overall Crime Risk	70	87	139

Source: Applied Geographic Solutions; FBI Uniform Crime Report

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

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

V. HOUSING ANALYSIS

Information on building permits for Saluda County has been reported back to 1990; however information for the Town of Saluda is incomplete. According to the State of the Cities Data Systems (SOCDS) Building Permit Database, there have been no new multi-family housing starts since 1990. However, our field survey indicated at least one new multi-family development in recent years. Recent years have indicated a continuation of minimal growth activity of multi-family units to the Town of Saluda and Saluda County base.

Single-family housing starts accounted for a majority of the overall starts in Saluda County. Since 2006, there have been single-family permits issued representing an average of 34.8 residences per year for Saluda County. Between 2013 and 2015, single-family starts in the Saluda County averaged 28.3 residences per year, indicating a slight decrease in activity.

Recent studies have indicated a net deficit of housing in Saluda County, of which a portion would apply towards the Town of Saluda. However, because of the current activity in building, both the single-family and multi-family permit activity, for the Town of Saluda area and Saluda County, deficits have decreased slightly in recent years in comparison to the previous ten year period. Current preliminary totals for 2015 indicate a slight increase of building permit activity for single-family residences in Saluda County. In comparison, 2015 totals indicate a continued lack of multi-family building activity within the area.

Interviews with local building and zoning government officials indicated that many areas, within the Town of Saluda, have limited availability of zoned land appropriate for multi-family housing. The density range in the area has been from 4 to 20 units per acre, as prescribed in the zoning regulations. However, it should be noted, that while this land is vacant and zoned, not all the land is available for building.

The following is a summary of building permit activity for the Town of Saluda and Saluda County:

TABLE 17
HOUSING UNITS AUTHORIZED
Town of Saluda – Saluda County – South Carolina
1990 - 2016

Year	Town of Saluda			Saluda County		
	Total	Single-Family	Multi-Family	Total	Single-Family	Multi-Family
1990	n/a	n/a	n/a	77	74	3
1991	n/a	n/a	n/a	77	77	0
1992	n/a	n/a	n/a	68	68	0
1993	n/a	n/a	n/a	62	62	0
1994	n/a	n/a	n/a	58	58	0
1995	n/a	n/a	n/a	47	47	0
1996	n/a	n/a	n/a	45	45	0
1997	n/a	n/a	n/a	45	45	0
1998	n/a	n/a	n/a	68	68	0
1999	n/a	n/a	n/a	52	52	0
2000	n/a	n/a	n/a	47	47	0
2001	n/a	n/a	n/a	52	52	0
2002	n/a	n/a	n/a	51	51	0
2003	n/a	n/a	n/a	58	58	0
2004	n/a	n/a	n/a	48	48	0
2005	n/a	n/a	n/a	49	49	0
2006	n/a	n/a	n/a	42	42	0
2007	n/a	n/a	n/a	47	47	0
2008	n/a	n/a	n/a	46	46	0
2009	n/a	n/a	n/a	40	40	0
2010	n/a	n/a	n/a	34	34	0
2011	n/a	n/a	n/a	23	23	0
2012	n/a	n/a	n/a	31	31	0
2013	n/a	n/a	n/a	29	29	0
2014	n/a	n/a	n/a	26	26	0
2015	n/a	n/a	n/a	30	30	0
2016*	n/a	n/a	n/a	0	0	0

*Preliminary through January 2016

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

Based on 2010 Census decennial data, the vacancy rate for rental units, regardless of age or condition, was 4.0% in the Town of Saluda area and 7.2% in Saluda County. The rental units surveyed include all rentals available whether in multi-family, single-family or mobile home structures, while the vacancies included the seasonal fluctuation of the market area. The vacancy rates for owned, non-rental units, again regardless of age or condition, were 0.5% in the Town of Saluda area and 1.5% in Saluda County.

TABLE 18
VACANCY RATES
AND
HOUSING CONDITIONS
Town of Saluda – Saluda County – South Carolina
Census 2010

	Saluda		Saluda County		South Carolina	
	Number	Percent	Number	Percent	Number	Percent
Total Housing Units	1,359	100.0%	9,289	100.0%	2,137,683	100.0%
Occupied Housing	1,240	91.2%	7,527	81.0%	1,801,181	84.3%
Owner Occupied	585	47.2%	5,645	75.0%	1,248,805	69.3%
Vacant for Sale	3	0.5%	84	1.5%	36,523	2.9%
Vacant Sold, Not Occupied	10	1.7%	37	0.7%	8,519	0.7%
Renter Occupied	655	52.8%	1,882	25.0%	552,376	30.7%
Vacant for Rent	26	4.0%	135	7.2%	92,758	16.8%
Rented, Not Occupied	1	0.2%	17	0.9%	3,957	0.7%
For Seasonal/Recreational/Occasional Use	15	1.1%	778	8.4%	112,531	5.3%
For Migrant Workers	0	0.0%	3	<0.1%	370	<0.1%
Other Vacant	64	4.7%	708	7.6%	81,844	3.8%
Total Vacancy Rate		8.8%		19.0%		15.7%

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

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

As would be expected for owner-occupied housing, approximately 75.5% of the housing units within the Town of Saluda are single-family detached or attached units, compared to 69.7% for Beaufort County. Within the renter-occupied housing, the Town of Saluda has approximately 12.0% in 2 to 4 unit structures and no units in structures of 10 or more. Mobile homes structures comprise roughly one-third of the renter-occupied units and one-quarter of owner-occupied units. The Town of Saluda has total a total of 37.3% in renter-occupied detached units, somewhat less than Saluda County at 49.6%.

TABLE 19
HOUSING UNITS
BY TYPE OF STRUCTURE
Town of Saluda – Saluda County – South Carolina
 American Community Survey 2009-2013

	Saluda		Saluda County		South Carolina	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied Housing Units						
1 Unit, Detached	461	72.4%	3,492	68.3%	972,916	79.1%
1, Unit Attached	20	3.1%	71	1.4%	31,100	2.5%
2 Units	0	0.0%	9	0.2%	2,481	0.2%
3-4 Units	0	0.0%	0	0.0%	4,825	0.4%
5-9 Units	0	0.0%	0	0.0%	7,859	0.6%
10-19 Units	0	0.0%	0	0.0%	4,641	0.4%
20-49 Units	0	0.0%	0	0.0%	2,535	0.2%
50 or More Units	0	0.0%	0	0.0%	2,379	0.2%
Mobile Home	156	24.5%	1,537	30.1%	200,502	16.3%
Other	0	0.0%	0	0.0%	943	0.1%
TOTAL	637	100.0%	5,109	100.0%	1,230,181	100.0%
Renter-Occupied Housing Units						
1 Unit, Detached	215	37.3%	947	49.6%	190,241	34.6%
1, Unit Attached	5	0.9%	5	0.3%	17,880	3.3%
2 Units	42	7.3%	56	2.9%	34,363	6.2%
3-4 Units	27	4.7%	31	1.6%	42,135	7.7%
5-9 Units	97	16.8%	112	5.9%	67,472	12.3%
10-19 Units	0	0.0%	0	0.0%	48,714	8.9%
20-49 Units	0	0.0%	0	0.0%	31,448	5.7%
50 or More Units	0	0.0%	0	0.0%	19,713	3.6%
Mobile Home	191	33.1%	760	39.8%	97,380	17.7%
Other	0	0.0%	0	0.0%	724	0.1%
TOTAL	577	100.0%	1,911	100.0%	550,070	100.0%

Source: U.S. Census Bureau, American Community Survey 2009-2013 (Table B25032)

In 2013, the median gross rent for specified renter-occupied housing units was \$536 in the Town of Saluda area as compared to \$589 in Saluda County and \$768 for the State of South Carolina. The median gross rents for Town of Saluda and Saluda County have increased 34.0% and 49.5%, respectively, from the 2000 median gross rents. It's interesting to note that approximately one-third of the units, (30.0%) within the Town of Saluda are in the \$500 to \$649 price range, while Saluda County has approximately one-quarter (24.1%) in the gross rents range of \$550 to \$699.

TABLE 20
DISTRIBUTION OF
GROSS RENT
Town of Saluda – Saluda County – South Carolina
American Community Survey 2009-2013

GROSS RENT	Saluda		Saluda County		South Carolina	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$100	4	0.7%	4	0.2%	1,174	0.2%
\$100-\$149	31	5.4%	31	1.6%	2,414	0.4%
\$150-\$199	6	1.0%	9	0.5%	5,021	0.9%
\$200-\$249	70	12.1%	78	4.1%	9,175	1.7%
\$250-\$299	4	0.7%	48	2.5%	9,377	1.7%
\$300-\$349	0	0.0%	2	0.1%	8,904	1.6%
\$350-\$399	44	7.6%	81	4.2%	10,321	1.9%
\$400-\$449	34	5.9%	89	4.7%	15,150	2.8%
\$450-\$499	17	2.9%	122	6.4%	17,725	3.2%
\$500-\$549	81	14.0%	106	5.5%	23,118	4.2%
\$550-\$599	69	12.0%	221	11.6%	29,764	5.4%
\$600-\$649	23	4.0%	106	5.5%	32,377	5.9%
\$650-\$699	13	2.3%	133	7.0%	34,695	6.3%
\$700-\$749	18	3.1%	107	5.6%	36,200	6.6%
\$750-\$799	14	2.4%	112	5.9%	32,694	5.9%
\$800-\$899	64	11.1%	134	7.0%	59,879	10.9%
\$900-\$999	10	1.7%	22	1.2%	47,708	8.7%
\$1,000-\$1,249	0	0.0%	9	0.5%	67,606	12.3%
\$1,250-\$1,499	35	6.1%	69	3.6%	24,799	4.5%
\$1,500-\$1,999	0	0.0%	0	0.0%	18,559	3.4%
\$2,000 or More	0	0.0%	0	0.0%	8,307	1.5%
No Cash Rent	<u>40</u>	<u>6.9%</u>	<u>428</u>	<u>22.4%</u>	<u>55,103</u>	<u>10.0%</u>
TOTAL	577	100.0%	1,911	100.0%	550,070	100.0%
Median Rent - 2000	\$400		\$394		\$510	
Median Rent - 2009-2013	\$536		\$589		\$768	
Percent Change 2000 - 2013	34.0%		49.5%		50.6%	

Source: U.S. Census Bureau, Census 2000, American Community Survey 2009-2013 (Tables B25063, B25064)

In reference to the number of rent-overburdened households for 2013, the Town of Saluda has 269 households or 46.6% contributing 35% or more of their household income to gross rent. Therefore, almost one-half of the income-qualified households in the Town of Saluda would be considered overburdened. In reference to the number of rent-overburdened households in Saluda County, there are 532 households or 27.9% contributing 35% or more of their household income to gross rent. Therefore, approximately one-quarter of the income-qualified households in Saluda County would be considered overburdened.

TABLE 21
DISTRIBUTION OF GROSS RENT
AS A PERCENTAGE OF
HOUSEHOLD INCOME
Town of Saluda – Saluda County – South Carolina
American Community Survey 2009-2013

	Saluda		Saluda County		South Carolina	
	Number	Percent	Number	Percent	Number	Percent
Less Than 10 Percent	52	9.0%	186	9.7%	17,842	3.2%
10 to 14 Percent	56	9.7%	208	10.9%	41,095	7.5%
15 to 19 Percent	22	3.8%	218	11.4%	58,093	10.6%
20 to 24 Percent	41	7.1%	158	8.3%	56,984	10.4%
25 to 29 Percent	38	6.6%	76	4.0%	54,007	9.8%
30 to 34 Percent	12	2.1%	40	2.1%	41,606	7.6%
35 to 39 Percent	33	5.7%	101	5.3%	33,871	6.2%
40 to 49 Percent	37	6.4%	49	2.6%	46,730	8.5%
50 Percent or More	199	34.5%	382	20.0%	131,063	23.8%
Not Computed	<u>87</u>	<u>15.1%</u>	<u>493</u>	<u>25.8%</u>	<u>68,779</u>	<u>12.5%</u>
TOTAL	577	100.0%	1,911	100.0%	550,070	100.0%

Source: U.S. Census Bureau, American Community Survey 2009-2013 (Table B25070)

According to the 2009-2013 American Community Survey, there are no renter-occupied housing units in the Town of Saluda that lack complete plumbing and / or kitchen facilities. Within Saluda County, there are no renter-occupied housing units that lack complete plumbing facilities, while 0.3% lacks kitchen facilities. The median number of rooms for the Town of Saluda area and Saluda County ranges from 5.4 to 6.0, approximately a three- to four-bedroom unit within owner-occupied housing; and from 4.8 to 4.9 median rooms, or approximately a three-bedroom unit within renter-occupied housing.

TABLE 22

HOUSING QUALITY
Town of Saluda – Saluda County – South Carolina
 American Community Survey 2009-2013

	Saluda		Saluda County		South Carolina	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied Housing Units						
Lacking Plumbing Facilities	0	0.0%	29	0.6%	3,302	0.3%
Lacking Kitchen Facilities	0	0.0%	52	1.0%	3,571	0.3%
Number of Rooms						
Three or less	13	2.0%	98	1.9%	24,127	2.0%
Four	116	18.2%	466	9.1%	102,367	8.3%
Five	208	32.7%	1,517	29.7%	272,402	22.1%
Six or more	<u>300</u>	<u>47.1%</u>	<u>3,028</u>	<u>59.3%</u>	<u>831,285</u>	<u>67.6%</u>
TOTAL	637	100.0%	5,109	100.0%	1,230,181	100.0%
Median Rooms	5.4		6.0		6.2	
Renter-Occupied Housing Units						
Lacking Plumbing Facilities	0	0.0%	0	0.0%	3,780	0.7%
Lacking Kitchen Facilities	0	0.0%	6	0.3%	8,206	1.5%
Number of Rooms						
Three or less	34	5.9%	76	4.0%	101,493	18.5%
Four	184	31.9%	629	32.9%	163,921	29.8%
Five	249	43.2%	672	35.2%	144,795	26.3%
Six or more	<u>110</u>	<u>19.1%</u>	<u>534</u>	<u>27.9%</u>	<u>139,861</u>	<u>25.4%</u>
TOTAL	577	100.0%	1,911	100.0%	550,070	100.0%
Median Rooms	4.8		4.9		4.6	

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

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

Source: U.S. Census Bureau, American Community Survey 2009-2013

Mobility patterns from the 2009-2013 American Community Survey revealed that within the Town of Saluda area, 2.4% of the occupants in owner-occupied housing units and 32.6% of the occupants in renter-occupied housing units have moved within the past five years. For Saluda County, 3.9% of the occupants in owner-occupied units and 30.9% of the occupants in renter-occupied units have moved within the past five years. In the Town of Saluda area, the average occupancy period for renter-occupied housing is 8.0 years, as compared to 10.4 years in Saluda County. The average occupancy period for owner-occupied housing is 27.8 years in the Town of Saluda and slightly less in Saluda County at 23.4 years.

TABLE 23
MOBILITY PATTERNS
BY HOUSING UNIT
Town of Saluda – Saluda County – South Carolina
 American Community Survey 2009-2013

	Saluda		Saluda County		South Carolina	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied Housing Units						
Moved in 2010 or Later	15	2.4%	198	3.9%	83,272	6.8%
Moved in 2000-2009	124	19.5%	1,534	30.0%	554,649	45.1%
Moved in 1990-1999	156	24.5%	1,281	25.1%	275,989	22.4%
Moved in 1980-1989	136	21.4%	746	14.6%	134,776	11.0%
Moved in 1970-1979	46	7.2%	674	13.2%	100,088	8.1%
Moved in 1969 or earlier	<u>160</u>	<u>25.1%</u>	<u>676</u>	<u>13.2%</u>	<u>81,407</u>	<u>6.6%</u>
TOTAL	637	100.0%	5,109	100.0%	1,230,181	100.0%
Average Years	27.8		23.4		18.0	
Renter-Occupied Housing Units						
Moved in 2010 or Later	188	32.6%	591	30.9%	212,759	38.7%
Moved in 2000-2009	345	59.8%	979	51.2%	281,612	51.2%
Moved in 1990-1999	6	1.0%	109	5.7%	32,798	6.0%
Moved in 1980-1989	38	6.6%	144	7.5%	11,483	2.1%
Moved in 1970-1979	0	0.0%	42	2.2%	5,662	1.0%
Moved in 1969 or earlier	<u>0</u>	<u>0.0%</u>	<u>46</u>	<u>2.4%</u>	<u>5,756</u>	<u>1.0%</u>
TOTAL	577	100.0%	1,911	100.0%	550,070	100.0%
Average Years	8.0		10.4		7.8	

Source: U.S. Census Bureau, American Community Survey 2009-2013 (Table B25038)

The average age of householders in 2010 was 40.7 years for renter-occupied housing in the Town of Saluda, with 45.6% of the renter base below the age of 35. In Saluda County, the average age of householders for renter-occupied housing units was 43.4 years.

TABLE 24
**HOUSING UNITS
 BY AGE OF HOUSEHOLDER**
 Town of Saluda – Saluda County – South Carolina
 Census 2010

	Saluda		Saluda County		South Carolina	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied Housing Units						
Under 25 Years	4	0.7%	75	1.3%	17,132	1.4%
25 to 34 Years	33	5.6%	428	7.6%	127,978	10.2%
35 to 44 Years	83	14.2%	881	15.6%	208,648	16.7%
45 to 54 Years	109	18.6%	1,185	21.0%	271,475	21.7%
55 to 59 Years	59	10.1%	648	11.5%	138,407	11.1%
60 to 64 Years	60	10.3%	629	11.1%	139,143	11.1%
65 to 74 Years	109	18.6%	1,003	17.8%	200,422	16.0%
75 to 84 Years	81	13.8%	580	10.3%	111,323	8.9%
85 Years and Older	<u>47</u>	<u>8.0%</u>	<u>216</u>	<u>3.8%</u>	<u>34,277</u>	<u>2.7%</u>
TOTAL	585	100.0%	5,645	100.0%	1,248,805	100.0%
Average Age	60.0		56.7		54.9	
Renter-Occupied Housing Units						
Under 25 Years	84	12.8%	208	11.1%	71,339	12.9%
25 to 34 Years	215	32.8%	520	27.6%	139,948	25.3%
35 to 44 Years	119	18.2%	351	18.7%	107,375	19.4%
45 to 54 Years	114	17.4%	345	18.3%	96,611	17.5%
55 to 59 Years	37	5.6%	127	6.7%	37,837	6.8%
60 to 64 Years	37	5.6%	106	5.6%	29,875	5.4%
65 to 74 Years	30	4.6%	125	6.6%	35,816	6.5%
75 to 84 Years	14	2.1%	69	3.7%	21,381	3.9%
85 Years and Older	<u>5</u>	<u>0.8%</u>	<u>31</u>	<u>1.6%</u>	<u>12,194</u>	<u>2.2%</u>
TOTAL	655	100.0%	1,882	100.0%	552,376	100.0%
Average Age	40.7		43.4		43.5	

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

In 2010, households with one or two people totaled 63.9% for owner-occupied units and 42.5% for renter-occupied units within the Town of Saluda. Saluda County households with one or two people totaled 62.6% for units occupied by owners and 48.7% for units occupied by renters. The average number of persons per household in renter-occupied units was 3.20 and 2.95 for the Town of Saluda and Saluda County, respectively. Within owner-occupied units, the average number of persons per household was 2.50 in the Town of Saluda and 2.49 in Saluda County.

TABLE 25
HOUSING UNITS
BY PER PERSON
Town of Saluda – Saluda County – South Carolina
Census 2010

	Saluda		Saluda County		South Carolina	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied Housing Units						
1-Person Household	179	30.6%	1,348	23.9%	289,689	23.2%
2-Person Household	195	33.3%	2,184	38.7%	477,169	38.2%
3-Person Household	90	15.4%	936	16.6%	210,222	16.8%
4-Person Household	53	9.1%	673	11.9%	164,774	13.2%
5-Person Household	33	5.6%	307	5.4%	69,110	5.5%
6-Person Household	17	2.9%	122	2.2%	24,016	1.9%
7-Person Household	<u>18</u>	<u>3.1%</u>	<u>75</u>	<u>1.3%</u>	<u>13,825</u>	<u>1.1%</u>
TOTAL	585	100.0%	5,645	100.0%	1,248,805	100.0%
AVERAGE	2.50		2.49		2.51	
Renter-Occupied Housing Units						
1-Person Household	142	21.7%	472	25.1%	188,205	34.1%
2-Person Household	136	20.8%	444	23.6%	146,250	26.5%
3-Person Household	125	19.1%	344	18.3%	93,876	17.0%
4-Person Household	107	16.3%	268	14.2%	67,129	12.2%
5-Person Household	66	10.1%	181	9.6%	33,904	6.1%
6-Person Household	44	6.7%	104	5.5%	13,817	2.5%
7-Person Household	<u>35</u>	<u>5.3%</u>	<u>69</u>	<u>3.7%</u>	<u>9,195</u>	<u>1.7%</u>
TOTAL	655	100.0%	1,882	100.0%	552,376	100.0%
AVERAGE	3.20		2.95		2.45	

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

A review of the cost burden analysis, for the Town of Saluda and Saluda County, indicates a majority of the households have cost burdens of less than 30% in both owner-occupied and rental occupied households. However, it should be noted that roughly 20% of the rental households in the Town of Saluda and 13% in Saluda County have cost burdens exceeding 50%. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes.

TABLE 26
**HOUSING COST BURDEN
 BY PERCENTAGE**
 Town of Saluda – Saluda County – South Carolina
 CHAS 2008-2012 American Community Survey

	Saluda		Saluda County		South Carolina	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied Housing Units						
Cost Burden <=30%	470	74.6%	3,995	78.8%	923,690	75.2%
Cost Burden >30% to <=50%	85	13.5%	620	12.2%	171,675	14.0%
Cost Burden >50%	75	11.9%	409	8.1%	120,830	9.8%
Cost Burden not available	<u>0</u>	<u>0.0%</u>	<u>45</u>	<u>0.9%</u>	<u>12,000</u>	<u>1.0%</u>
TOTAL	630	100.0%	5,069	100.0%	1,228,195	100.0%
Renter-Occupied Housing Units						
Cost Burden <=30%	245	47.2%	1,235	69.0%	287,285	53.2%
Cost Burden >30% to <=50%	94	18.1%	200	11.2%	113,065	20.9%
Cost Burden >50%	105	20.2%	225	12.6%	122,490	22.7%
Cost Burden not available	<u>75</u>	<u>14.5%</u>	<u>130</u>	<u>7.3%</u>	<u>17,215</u>	<u>3.2%</u>
TOTAL	519	100.0%	1,790	100.0%	540,055	100.0%

Source: huduser.gov - Comprehensive Housing Affordability Strategy data, 2008-2012 ACS

VI. MODERN APARTMENT SURVEY

A. RENTAL MARKET

The following information and analysis is data collected from a field survey of the modern apartments in the Town of Saluda, South Carolina in February 2016, a field analyst with National Land Advisory Group. Every senior, market-rate and LIHTC apartment development with 12-units (+/-) or more were surveyed by age, unit amenities, square feet (when available), vacancies, rents, utilities, deposits, project amenities and tenant mix. The collected data includes the following:

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

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

TABLE 27

**DISTRIBUTION OF
MARKET RATE, TAX CREDIT AND GOVERNMENT SUBSIDIZED
APARTMENT UNITS AND VACANCIES
Saluda, South Carolina PMA
February 2016**

<u>MARKET RATE</u>	<u>UNITS</u>		<u>VACANCIES</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Studio	-	-	-	-
One-Bedroom	264	33.2%	18	6.8%
Two-Bedroom	442	55.5%	6	1.4%
Three-Bedroom	90	11.3%	4	4.4%
Four-Bedroom	-	-	-	-
TOTAL	796	100.0%	28	3.5%

<u>TAX CREDIT</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Studio	-	-	-	-
One-Bedroom	27	21.4%	0	0.0%
Two-Bedroom	48	38.1%	0	0.0%
Three-Bedroom	45	35.7%	0	0.0%
Four-Bedroom	6	4.8%	0	0.0%
TOTAL	126	100.0%	0	0.0%

<u>GOVERNMENT SUBSIDIZED</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Studio	16	5.8%	0	0.0%
One-Bedroom	48	17.3%	0	0.0%
Two-Bedroom	156	56.1%	2	1.3%
Three-Bedroom	48	17.3%	0	0.0%
Four-Bedroom	10	3.6%	0	0.0%
TOTAL	278	100.0%	2	0.7%

- ◆ The Saluda market area consists of market-rate, LIHTC and government subsidized rental housing units. Approximately 66.3% of the units are market-rate with an overall 3.5% vacancy rate, slightly low. LIHTC units have a non-existent vacancy rate and represent 10.5% of the overall units, while the overall government subsidized vacancy rate is somewhat low at 0.7%.

- ◆ The Saluda area had a majority of the units built between 2007 and 2008, representing approximately 40.3%. The most recent units have been built in 2014, representing 3.4% of the rental unit base surveyed.
- ◆ The Saluda area has a 52.5 average annual release over the past ten years.

TABLE 28

MULTI-FAMILY CONSTRUCTION TRENDS
Saluda, South Carolina PMA
1970-2016

<u>YEAR OF PROJECT OPENING</u>	<u>NUMBER OF UNITS</u>	<u>PERCENT DISTRIBUTION</u>	<u>CUMULATIVE UNITS</u>
Before 1970	30	2.5%	30
1970 – 1974	52	4.3%	82
1975 – 1979	60	5.0%	142
1980 – 1984	148	12.3%	290
1985 – 1989	40	3.3%	330
1990 – 1994	-	-	330
1995 – 1999	60	5.0%	390
2000 – 2004	285	23.8%	675
2005	-	-	675
2006	-	-	675
2007	280	23.3%	955
2008	204	17.0%	1,159
2009	-	-	1,159
2010	-	-	1,159
2011	-	-	1,159
2012	-	-	1,159
2013	-	-	1,159
2014	41	3.4%	1,200
2015	-	-	1,200
2016	-	-	1,200
TOTAL	1,200	100.0%	

AVERAGE ANNUAL RELEASE OF UNITS: 2006-2015 52.5

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

TABLE 29

**RENT AND VACANCY ANALYSIS
ONE-BEDROOM MARKET RATE & LIHTC UNITS
Saluda, South Carolina PMA
February 2016**

<u>Net Rent</u>	<u>TOTAL UNITS</u>		<u>VACANCIES</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
\$970 - \$1000	32	11.0%	3	9.4%
\$860 - \$929	232	79.7%	15	6.5%
\$400 - \$444	27	9.3%	0	0.0%
TOTAL	291	100.0%	18	6.2%

MEDIAN RENT: \$895

TABLE 30

**RENT AND VACANCY ANALYSIS
TWO-BEDROOM MARKET RATE & LIHTC UNITS
Saluda, South Carolina PMA
February 2016**

<u>Net Rent</u>	<u>TOTAL UNITS</u>		<u>VACANCIES</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
\$1030 - \$1100	270	55.1%	3	1.1%
\$865 - \$965	120	24.5%	2	1.7%
\$490 - \$591	100	20.4%	1	1.0%
TOTAL	490	100.0%	6	1.2%

MEDIAN RENT: \$1,036

TABLE 31

**RENT AND VACANCY ANALYSIS
THREE-BEDROOM MARKET RATE & LIHTC UNITS
Saluda, South Carolina PMA
February 2016**

<u>Net Rent</u>	<u>TOTAL UNITS</u>		<u>VACANCIES</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
\$1195 - \$1295	54	40.0%	3	5.6%
\$960	36	26.7%	1	2.8%
\$530 - \$618	45	33.3%	0	0.0%
TOTAL	135	100.0%	4	3.0%

MEDIAN RENT: \$960

TABLE 32

**RENT AND VACANCY ANALYSIS
FOUR-BEDROOM MARKET RATE & LIHTC UNITS
Saluda, South Carolina PMA
February 2016**

<u>Net Rent</u>	<u>TOTAL UNITS</u>		<u>VACANCIES</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
	-	-	-	-
\$706	6	100.0%	0	0.0%
TOTAL	6	100.0%	0	0.0%

MEDIAN RENT: \$706

- ◆ The Saluda area median rents are \$895 for a one-bedroom unit, \$1,036 for a two-bedroom unit, \$960 for a three-bedroom and \$706 for a four-bedroom unit.
- ◆ The Saluda area has a majority of family-orientated developments. There is one LIHTC senior development. Several developments have additional government subsidizes under the HUD and/or RDA programs.
- ◆ The vacancies for the family-orientated units are low in the market area, with a majority of the developments having 95.0% to 100.0% occupancy rates.

- ◆ Interview were conducted with apartment community managers, Realtors and property owners regarding the rent ranges of rental units scattered throughout the Saluda. There are some rental units located in the Saluda area which are not part of the traditional apartment communities. In a review of these housing alternatives within the Saluda market area, it was noted that there are several alternative rentals, including duplexes, tri-plexus, units above commercial store fronts and single-family residences.

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

Studio	\$350-\$450
One-Bedroom	\$450-\$690
Two-Bedroom	\$575-\$925
Three-Bedroom	\$650-\$1,000

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

B. LOW INCOME HOUSING TAX CREDIT PROJECTS

- ◆ Under the South Carolina SHFDA guidelines, four developments within the Saluda market area that have received LIHTC allocations since 2000, and have been included within this analysis, if within our market area. The following are LIHTC developments:

DEVELOPMENT	YEAR	TYPE	UNITS
Willow Creek (#1)	1983	Family w/RDA	36
Saluda Crossing (#2)	2004	Family	25
Saluda Commons (#5)	2014	Senior	41
Creek View (#8)	1997	Family	60

- ◆ All four LIHTC developments have been included within our field survey section.
- ◆ One of the developments is senior, Saluda Crossing (#5). This development opened in 2014 and is 100% occupied. Within the three family developments there are 121-units of which they are 100% occupied. One development has additional government subsidies.
- ◆ Overall, the four developments contain 162 LIHTC units, of which no units are vacant or a 100.0% occupancy rate.

C. PUBLIC HOUSING AGENCY SURVEY

- ◆ Interviews were conducted with staff members at the South Carolina State County Housing Authority (oversees Saluda), covering the HUD programs for Saluda County.
- ◆ An interview with the staff at the SC State County Housing Authority office indicated that they have allocated over 180 households in the Section 8 Certificate and Voucher programs for Saluda County, of which a majority are leased. Additionally, an interview with the SC State County Housing Authority staff indicated that there are over 140 family and elderly (one-bedroom) participants on a waiting list for housing. The list has been screened to include only qualified individuals and families.
- ◆ In accordance with the guidelines established for the LIHTC application and plan for the South Carolina State Housing Finance and Development Authority contact was initiated with the local governing public housing agency. Contact was made with Mr. Don Rhodes of the SC State County Housing Authority (864-984-0578).

D. PLANNED OR PROPOSED DEVELOPMENT

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

E. AREA INTERVIEWS

In conducting the field analysis of the rental housing market in the Town of Saluda, South Carolina interviews were conducted with an array of city officials, the Saluda Chamber of Commerce several realtors, the South Carolina Housing Authority and all of the apartment managers. Telephone interviews were conducted over a period of time between February 12, 2016 and March 8, 2016. A visit to the site and to the comparable rental properties was made on the week of February 22, 2016.

All of the people interviewed were asked to give their assessment of the overall rental market and the need for additional affordable family housing. All of the opinions expressed were weighted by the rental market experience of the interviewee and their grasp of various facets of the rental industry including the dynamics of the LIHTC program.

There are five multi-family developments in the Town of Saluda. There are no market-rate communities in the Town of Saluda. In order to find comparable properties we expanded the market area to include: Batesburg-Leesville and select developments in Newberry and Lexington, South Carolina.

The apartment managers interviewed in the Town of Saluda indicated there is a need for affordable housing in the area. Apartment managers in the surrounding communities indicated additional affordable housing is needed in the area and a family development in Saluda would have no adverse affects on their respective communities. One manager also noted the Town of Saluda is more of bedroom community. Thus major employers who

would draw residents to the area are not a major concern as many people drive to Columbia and the surrounding area to work.

Sheryl, manager of Saluda Commons (864-445-0194) was interviewed to assess the need/ impact of additional LIHTC housing to be built in Saluda. Her feeling is that looking at the waiting list of area housing authorities, as well as the number of calls she has taken of families looking for decent housing, that this should be an indicator of a strong need. She also alluded to the fact there is limited modern rental housing for both seniors and families in Saluda. She stated, what is available is either sub-par housing or government subsidized for low-income individuals. There is a great need for affordable housing in Saluda.

Sharon, manager of Willow Creek and Saluda Terrace Apartments (864-445-8852) was asked her opinion on the need for additional affordable rental housing in Saluda she offered; there is definitely a need for additional affordable housing in Saluda, especially in multiple bedrooms. She cited some of the same sentiments as the other interviewees. She noted the loss of many good paying jobs to surrounding communities has left residents to work in lower paying jobs or to move where the work is located. Many people choose to commute longer distances to stay in Saluda where housing is affordable. However she noted there is a shortage of these units and many are occupied by tenants utilizing a HUD Section 8 housing voucher. She also feels the need for better paying jobs in the community which in turn will generate a need for additional quality housing.

Sheila Horne the assistant Saluda County Building (864-445-1849) official was interviewed and asked about the need for additional affordable rental housing in Saluda County and the Town of Saluda. She was very forthcoming in her observations. Miss Horne believes there is a need for new rental housing in the area. She would like to see new housing that is not government subsidized and is geared to meet the needs of those “just starting out or to people looking to move-up” from entry-level housing. She said there is no market in the Town of Saluda for upscale housing; as prevailing wages will not be sufficient for residents to afford such accommodations. She said the need is for housing for those that are working, but yet are paid just above minimum-wage.

Tom Brooks, Saluda Town Administrator (864-445-3522) was interviewed in regards to the number of building permits issued over the last five years as well as his opinion on the need for additional affordable rental housing in the Town of Saluda. Mr. Brooks noted that within the Town of Saluda very few new single-family building permits have been issued over the last five years. The one major development during this time frame was the Saluda Commons Senior Apartment community. Mr. Brooks also pointed out; the town has experienced little growth in that same time period. No major infusion to the workforce has occurred and no major exodus of jobs from the community has occurred. With regard to the need for more rental housing in the market, Mr. Brooks was in favor of the idea as he perceives a need and thinks the demand is there as no new family oriented housing has been built in quite a few years and he feels a new, more modern apartment community is needed and would overwhelming support. According to officials at the Town of Saluda Planning and zoning department there are no plans submitted which have been approved for additional multi-family developments.

Several officials of the South Carolina Housing Authority were interviewed to obtain information on the Section 8 vouchers they have leased as well as to obtain the number of people on the waiting list. According to Mr. Rhodes (864-984-0578) the Town of Saluda is more of a “bedroom community” which has experienced little growth over the past five years.

Economically the Town of Saluda is not experiencing any significant growth. However over the past several years several businesses have moved into the town. These include McDonalds, CVS, Advanced Auto Parts and the Hickory Point Gas Station. Between these three approximately forty jobs have been added to the employment base. Several other small businesses have opened as well but added no significant numbers of employees.

Area realtors interviewed indicated the Town of Saluda is very stable but there is little in the way of “real estate activity”. They did however think affordable senior housing would be a welcome addition.

F. COMPARABLE PROPERTIES AND ACHIEVABLE RENTS

In a review of comparable properties and achievable rent adjustments in the Saluda Primary Market Area, it was noted that there are three developments that would be considered as most comparable to the product. However, these three family developments are located in the nearby City of Lexington (30 miles), because there are no market-rate housing alternatives in the Town of Saluda. Because of the lack of product in the immediate area, these developments were also used for comparison purposes. All of these developments are market-rate multi-family developments with a good family market segment associated to the product and tenant base. The following are a review of these developments and rent adjustments to the proposed subject site.

PROJECT #	NAME	# UNITS	OCCUPANCY	TYPE	YEAR
10.	Overlook at Golden Hills	204	96.6%	MR	2008
11.	Lullwater at Saluda Park	280	95.4%	MR	2007
12.	Reserve at Mill Landing	260	97.3%	MR	2001

As noted, within the three competitive developments, a total of 744-units exist with 27 vacant units or an overall 96.4% occupancy rate.

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

RENT ADJUSTMENTS			
PROJECT #	NAME	TWO-BEDROOM	THREE-BEDROOM
10.	Overlook at Golden Hills	\$1,077	\$1,257
11.	Lullwater at Saluda Park	\$1,074	\$1,243
12.	Reserve at Mill Landing	\$909	951
Average (Net)		\$1,020	\$1,150
Subject Site		\$540-560	\$615-635

It should be noted that the average of the achievable comparable net two-bedroom unit is \$1,020, somewhat higher than the adjusted proposed \$540-560 average net rent (50% and 60% AMI). The proposed two-bedroom rent represents 52.9%-54.9% of the average comparable two-bedroom rent in the market area. It should be noted that the average of the achievable comparable net three-bedroom unit is \$1,150, somewhat higher than the adjusted proposed \$615-\$635 average net rent. The proposed three-bedroom rent represents 53.5%-55.2% of the average comparable three-bedroom rent in the market area. When reviewing the comparable developments, the proposed rents are within the appropriate rent differentials. Therefore, based on the current existing rental market, the proposed development would be a value in the market area.

Rent Comparability Grid

Unit Type →

TWO-BEDROOM

Subject		Comp #1		Comp #2		Comp #3	
Project Name		Overlook		Lullwater		Reserve at ML	
Street Address		300 Coughman		101 Saluda Pt		809 E. Main St	
City County		Lexington		Lexington		Lexington	
Data		Subject		Data		\$ Adj	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,065		\$1,070		\$915	
2	Date Last Leased (mo/yr)	-		-		-	
3	Rent Concessions	-		-		-	
4	Occupancy for Unit Type	100%		98%		98%	
5	Effective Rent & Rent/ sq. ft	\$1,065	1.006616	\$1,070	0.94	\$915	0.86
<i>In Parts B thru E, adjust only for differences the subject</i>							
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	2		3		3	
7	Yr. Built/Yr. Renovated	2018	\$10	2007	\$11	2001	\$17
8	Condition /Street Appeal	G		G		G	
9	Neighborhood	G		G		G	
10	Same Market? Miles to Subj	G		G		G	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2	
12	# Baths	2		2		2	
13	Unit Interior Sq. Ft.	1200	\$14	1136	\$6	1058	\$14
14	Balcony/ Patio	X		X		X	
15	AC: Central/ Wall	X		X		X	
16	Range/ refrigerator	X		X		X	
17	Microwave/ Dishwasher	XX	\$5	X	\$5	XX	
18	Washer/Dryer Hookups	X		X		X	
19	Floor Coverings	X		X		X	
20	Window Coverings	X		X		X	
21	Cable/ Satellite/Internet						
22	Special Features	X		X		X	
23	W/D	X	(\$15)				
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)					S-G	(\$30)
25	Extra Storage	X			\$5	X	
26	Security	X	\$8	X			\$8
27	Clubhouse/ Meeting Rooms	X		X		X	
28	Pool/ Recreation Areas	X	(\$10)	XX	(\$10)	XXX	(\$15)
29	Manager Office	X		X		X	
30	Service Coordination						
31	Laundry Room						
32	Neighborhood Networks						
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	T-E		T-E		T-E	
34	Cooling (in rent?/ type)	T-E		T-E		T-E	
35	Cooking (in rent?/ type)	T-E		T-E		T-E	
36	Hot Water (in rent?/ type)	T-E		T-E		T-E	
37	Other Electric						
38	Cold Water/ Sewer	L		T	(\$8)	L	
39	Trash /Recycling	L		T	(\$5)	L	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	4	2	4	1	3	2
41	Sum Adjustments B to D	\$37	(\$25)	\$27	(\$10)	\$39	(\$45)
42	Sum Utility Adjustments				(\$13)		
		Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$12	\$62	\$4	\$50	(\$6)	\$84
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (+ 43)	\$1,077		\$1,074		\$909	
45	Adj Rent/Last rent						

Rent Comparability Grid

Unit Type →

THREE-BEDROOM

Subject		Comp #1		Comp #2		Comp #3	
Project Name		Overlook		Lullwater		Reserve at ML	
Street Address		300 Caughman		101 Saluda Pt		809 E. Main St	
City County		Lexington		Lexington		Lexington	
Data		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged							
1	\$ Last Rent / Restricted?	\$1,245		\$1,250		\$960	
2	Date Last Leased (mo/yr)	-		-		-	
3	Rent Concessions	-		-		-	
4	Occupancy for Unit Type	96%		93%		97%	
5	Effective Rent & Rent/ sq. ft	\$1,245	1.032338	\$1,250	0.93	\$960	0.78
<i>In Parts B thru E, adjust only for differences the subject has that the subject does not have for differences the subject does not have</i>							
Data		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
B. Design, Location, Condition							
6	Structure / Stories	2	3	3		3	
7	Yr. Built/Yr. Renovated	2018	2008 \$10	2007 \$11		2001 \$17	
8	Condition /Street Appeal	G	G	G		G	
9	Neighborhood	G	G	G		G	
10	Same Market? Miles to Subj		G	G		G	
Data		Data	\$ Adj	Data	Adj	Data	Adj
C. Unit Equipment/ Amenities							
11	# Bedrooms	3	3	2		2	
12	# Baths	2	2	2		2	
13	Unit Interior Sq. Ft.	1350	1206 \$14	1341 \$1		1237 \$11	
14	Balcony/ Patio	X	S	X		X	
15	AC: Central/ Wall	X	X	X		X	
16	Range/ refrigerator	X	X	X		X	
17	Microwave/ Dishwasher	XX	X \$5	X \$5		XX	
18	Washer/Dryer Hookups	X	X	X		X	
19	Floor Coverings	X	X	X		X	
20	Window Coverings	X	X	X		X	
21	Cable/ Satellite/Internet						
22	Special Features	X	X	X		X	
23	W/D		X (\$15)				
Data		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
D. Site Equipment/ Amenities							
24	Parking (\$ Fee)					S-G	(\$30)
25	Extra Storage	X	X		\$5	X	
26	Security	X	\$8	X			\$8
27	Clubhouse/ Meeting Rooms	X	X	X		X	
28	Pool/ Recreation Areas	X	XX (\$10)	XX (\$10)		XXX (\$15)	
29	Manager Office	X	X	X		X	
30	Service Coordination						
31	Laundry Room						
32	Neighborhood Networks						
Data		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
E. Utilities							
33	Heat (in rent?/ type)	T-E	T-E	T-E		T-E	
34	Cooling (in rent?/ type)	T-E	T-E	T-E		T-E	
35	Cooking (in rent?/ type)	T-E	T-E	T-E		T-E	
36	Hot Water (in rent?/ type)	T-E	T-E	T-E		T-E	
37	Other Electric						
38	Cold Water/ Sewer	L	L	T	(\$12)	L	
39	Trash /Recycling	L	L	T	(\$7)	L	
Pos		Neg	Pos	Neg	Pos	Neg	
F. Adjustments Recap							
40	# Adjustments B to D	4	2	4	1	3	2
41	Sum Adjustments B to D	\$37	(\$25)	\$22	(\$10)	\$36	(\$45)
42	Sum Utility Adjustments				(\$19)		
		Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$12	\$62	(\$7)	\$51	(\$9)	\$81
Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
G. Adjusted & Market Rents							
44	Adjusted Rent (5+ 43)	\$1,257		\$1,243		\$951	
45	Adj Rent/ Last rent						



NATIONAL LAND ADVISORY GROUP

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APARTMENT FIELD SURVEY

INDIVIDUAL SUMMARY



PROJECT DESCRIPTION AND INFORMATION

Saluda, South Carolina PMA

February 2016

Apartment Project #	Project Name	Address	City, State	Phone Number	Contact	Year Built	Project Type	Quality Rating	Total Units	Total Vacant	Percent Occupied
1	Willow Creek Apartments	501 Willow Loop	Saluda, SC	(864) 445-8852	Sharon	1983	LIHTC / Gov't	6.0	36	0	100.0%
2	Saluda Crossing	105 Oakwood Dr	Saluda, SC	(803) 649-6673	Jauvelle	2004	LIHTC	6.5	25	0	100.0%
3	Saluda Terrace	209 S Bouknight Rd	Saluda, SC	(864) 445-8852	Sharon	1981	Gov't	6.0	48	1	97.9%
4	South Carolina Housing Authority	Denny Highway	Saluda, SC	(803) 694-2826	Billy Faulks	1952	Gov't	6.0	30	1	96.7%
5	Saluda Commons	600 North Wise Rd	Saluda, SC.	(864) 445-0194	Sheryl	2014	LIHTC	8.0	41	0	100.0%
6	Creekside Apartments	166 Pinewood St	Batesburg-Leesville, SC	(803) 532-2500	Wendy	1986	Gov't	6.5	40	0	100.0%
7	Ramblewood Apartments	131 David Dr	Batesburg-Leesville, SC	(803) 532-2500	Wendy	1980	Gov't	6.5	64	0	100.0%
8	Creek View Apartments	221 Willis St	Batesburg-Leesville, SC	(803) 532-0740	Vicky	1997	LIHTC	6.5	60	0	100.0%
9	Leesville Gardens	120 W Lee St	Batesburg-Leesville, SC	(803) 532-5775	Sterling	1977	Gov't	5.5	60	0	100.0%
10	The Overlook at Golden Hills	300 Caughman Farm Ln	Lexington, SC	(803) 359-2009	Kayla	2008	MR	8.5	204	7	96.6%
11	Lullwater at Saluda Pointe	101 Saluda Pointe Dr	Lexington, SC	(803) 808-1605	Sheena	2007	MR	8.5	280	13	95.4%
12	Reserve at Mill Landing	809 East Main St	Lexington, SC	(803) 996-2500	Victoria	2001	MR	7.5	260	7	97.3%
13	Indian Land	1728 Indian Land Dr	Newberry, SC	(803) 276-6990	Tamucka	1972	MR	6.5	52	1	98.1%

RENT AND VACANCY ANALYSIS by STUDIO UNITS
 Saluda, South Carolina PMA
 February 2016

Apartment Project #	Project Name	Style	Number	Vacant	Rent	Sq. Ft.
1	Willow Creek Apartments					
2	Saluda Crossing					
3	Saluda Terrace					
4	South Carolina Housing Authority					
5	Saluda Commons					
6	Creekside Apartments					
7	Ramblewood Apartments					
8	Creek View Apartments					
9	Leesville Gardens	G	16	0	*	405
10	The Overlook at Golden Hills					
11	Lullwater at Saluda Pointe					
12	Reserve at Mill Landing					
13	Indian Land					

RENT AND VACANCY ANALYSIS by ONE-BEDROOM UNITS

Saluda, South Carolina PMA

February 2016

Apartment Project #	Project Name	Style	Number	Vacant	Rent 1.0 Bath	Rent 1.5 Bath	Sq. Ft.
1	Willow Creek Apartments	G	4	0	\$405-503		616
2	Saluda Crossing						
3	Saluda Terrace	G	8	0	*		616
4	South Carolina Housing Authority	G	4	0	*		
5	Saluda Commons	G	17	0	\$444		
6	Creekside Apartments	G	12	0	\$390-520*		690
7	Ramblewood Apartments	G	8	0	*		700
8	Creek View Apartments	G	10	0	\$400		668
9	Leesville Gardens	G	12	0	*		524
10	The Overlook at Golden Hills	G	56	6	\$920-1000		788-922
11	Lullwater at Saluda Pointe	G	104	8	\$929-970		801-970
12	Reserve at Mill Landing	G	104	4	\$855-865		710-680
13	Indian Land						

RENT AND VACANCY ANALYSIS by TWO-BEDROOM UNITS
Saluda, South Carolina PMA
February 2016

Apartment Project #	Project Name	Style	Number	Vacant	Rent 1.0 Bath	Rent 1.5 Bath	Rent 2.0+ Bath	Sq. Ft.
1	Willow Creek Apartments	G	24	0	\$460-558			774
2	Saluda Crossing	G	4	0			\$591	1142
3	Saluda Terrace	G	32	1	*			774
4	South Carolina Housing Authority	G	12	1	*			
5	Saluda Commons	G	24	0	\$514			
6	Creekside Apartments	TH	28	0		\$490-530*		1000
7	Ramblewood Apartments	G	48	0	*			890
8	Creek View Apartments	G	20	0			\$490	886
9	Leesville Gardens	TH	12	0	*			685
10	The Overlook at Golden Hills	G	124	0			\$1030-1100	1058
11	Lullwater at Saluda Pointe	G	146	3			\$1045-1095	1136-1234
12	Reserve at Mill Landing	G	120	2			\$865-965	1058-1145
13	Indian Land	G	52	1	\$535			810

RENT AND VACANCY ANALYSIS by THREE-BEDROOM UNITS
Saluda, South Carolina PMA
February 2016

Apartment Project #	Project Name	Style	Number	Vacant	Rent 1.0 Bath	Rent 1.5 Bath	Rent 2.0+ Bath	Sq. Ft.
1	Willow Creek Apartments	G	8	0			\$505-603	989
2	Saluda Crossing	G	15	0			\$618	1307-1363
3	Saluda Terrace	G	8	0			*	989
4	South Carolina Housing Authority	G	12	0	*			
5	Saluda Commons							
6	Creekside Apartments							
7	Ramblewood Apartments	G	8	0		*		1063
8	Creek View Apartments	G	30	0			\$530	1053
9	Leesville Gardens	TH	12	0		*		888
10	The Overlook at Golden Hills	G	24	1			\$1195-1295	1206
11	Lullwater at Saluda Pointe	G	30	2			\$1220-1280	1341-1436
12	Reserve at Mill Landing	G	36	1			\$960	1237
13	Indian Land							

RENT AND VACANCY ANALYSIS by FOUR-BEDROOM UNITS
Saluda, South Carolina PMA
February 2016

Apartment Project #	Project Name	Style	Number	Vacant	Rent 1.0 Bath	Rent 1.5 Bath	Rent 2.0+ Bath	Sq. Ft.
1	Willow Creek Apartments							
2	Saluda Crossing	G	6	0			\$706	1396-1400
3	Saluda Terrace							
4	South Carolina Housing Authority	G	2	0	*			
5	Saluda Commons							
6	Creekside Apartments							
7	Ramblewood Apartments							
8	Creek View Apartments							
9	Leesville Gardens	TH	8	0			*	1078-1268
10	The Overlook at Golden Hills							
11	Lullwater at Saluda Pointe							
12	Reserve at Mill Landing							
13	Indian Land							

UNIT AMENITIES
 Saluda, South Carolina PMA
 February 2016

Apartment Project #	Project Name	Kitchen Appliances						Other	Unit Amenities											
		Range / Stove	Refrigerator	Dishwasher	Garbage Disposal	Microwave	Breakfast Bar		Air Conditioning	Drapes / Blinds	Carpeting	Fireplace	Washer / Dryer	Washer / Dryer Hookups	Patio or Balcony	Ceiling Fans	Security Alarm	Walk-in Closet(s)	Handicapped Design	Other
1	Willow Creek Apartments	X	X						X	X	X									X
2	Saluda Crossing	X	X	X	X	X	trash compactor		X	X	X	X	X		X	X				
3	Saluda Terrace	X	X						X	X	X									X
4	South Carolina Housing Authority	X	X						X	X		washer only								
5	Saluda Commons	X	X	X	X				X	X	X	X	X		X					
6	Creekside Apartments	X	X						X	X	X	X		X						
7	Ramblewood Apartments	X	X						X	X	X									
8	Creek View Apartments	X	X	X	X				X	X	X	X		X						
9	Leesville Gardens	X	X						X	X	X	X		X						
10	The Overlook at Golden Hills	X	X	X	X		S - vaulted ceilings		X	X	X	X	X	X						
11	Lullwater at Saluda Pointe	X	X	X	X				X	X	X	X		X	X					
12	Reserve at Mill Landing	X	X	X	X	X	S - vaulted ceilings		X	X	X	X		X						
13	Indian Land	X	X						X	X	X									

PROJECT AMENITIES
Saluda, South Carolina PMA
February 2016

Apartment Project #	Project Name	Garages	Carports	Club House	Rental Office / Management	Activity / Community Room	Laundry Room	Playground	Sauna / Jacuzzi	Tennis Court	Basketball / Volleyball Court	Computer / Office Room	Swimming Pool	Exercise Room	Security Guardhouse / Gate	Elevator	Storage Areas	Picnic Area	Lake / Water Feature	Other
1	Willow Creek Apartments				X		X	X												
2	Saluda Crossing							X												
3	Saluda Terrace				X		X	X				X								
4	South Carolina Housing Authority																			
5	Saluda Commons				X		X					X						X		gazebo
6	Creekside Apartments																			
7	Ramblewood Apartments				X		X	X										S		
8	Creek View Apartments					X	X													
9	Leesville Gardens							X												
10	The Overlook at Golden Hills				X	X							X	X			X			
11	Lullwater at Saluda Pointe			X				X	X				X	X	X					car wash
12	Reserve at Mill Landing							X		X		X	X	X				X	X	X
13	Indian Land						X													

UTILITY ANALYSIS
Saluda, South Carolina PMA
February 2016

Apartment Project #	Project Name	Electric	Heat			Water	Sewer	Trash	Cable	Internet Wired
			Gas	Electric	Hot Water					
1	Willow Creek Apartments	T		T		L	L	L	T	
2	Saluda Crossing	T		T		T	T	L		
3	Saluda Terrace	T		T		L	L	L		
4	South Carolina Housing Authority	T		T		L	L	L		
5	Saluda Commons	T		T		L	L	L	T	
6	Creekside Apartments	T		T		T	T	L		
7	Ramblewood Apartments	T		T		L	L	L		
8	Creek View Apartments	T		T		L	L	L		
9	Leesville Gardens	T		T		L	L	L		
10	The Overlook at Golden Hills	T		T		L	L	L	L	
11	Lullwater at Saluda Pointe	T		T		T	T	T		
12	Reserve at Mill Landing	T		T		L	L	L		
13	Indian Land	T		T		L	L	L		

T=Tenant
L=Landlord

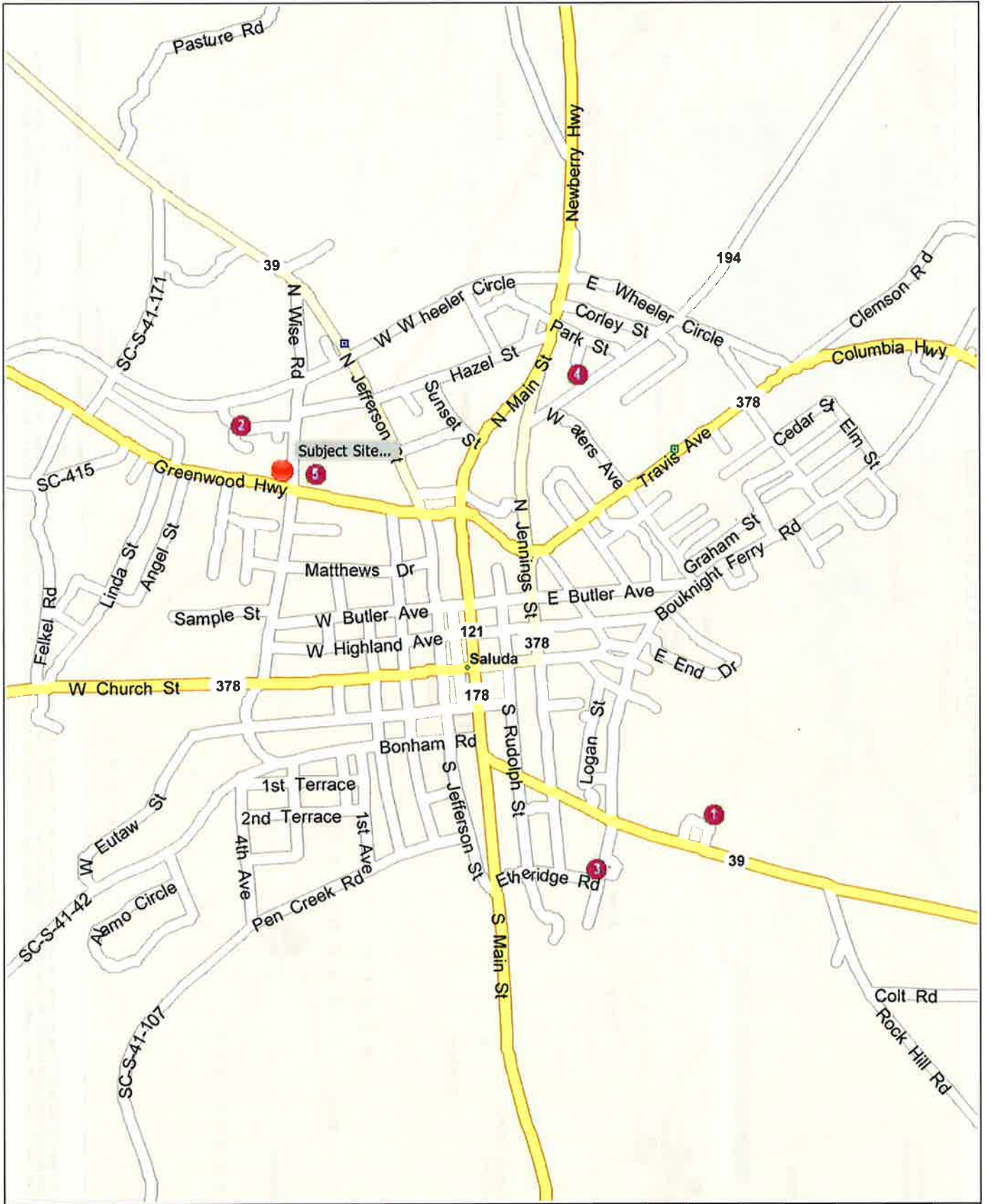
PROJECT FEES AND COMMENTS

Saluda, South Carolina PMA

February 2016

Apartment Project #	Project Name	Pets	Security	Application Fee	Comments
1	Willow Creek Apartments		\$150		*Government Subsidized - RDA Family - 25 RA units - LIHTC - 2 story brick/frame
2	Saluda Crossing		1 month		LIHTC - Family
3	Saluda Terrace		1 month		*Government Subsidized - RDA Family & HUD Section 8 - 2 story brick/frame
4	South Carolina Housing Authority		1 month		*Government Subsidized - HUD Public Housing - 2 locations
5	Saluda Commons		1 month		LIHTC community - Waiting list
6	Creekside Apartments		1 month		*Government Subsidized - RDA
7	Ramblewood Apartments		1 month		*Government Subsidized - RDA 515 & HUD Section 8
8	Creek View Apartments		\$250		LIHTC property - Waiting list
9	Leesville Gardens		1 month		*Government Subsidized - HUD Section 8 - Seniors & Family - Short waiting list
10	The Overlook at Golden Hills		-	\$50	Mix estimated by leasing agent - 3 story frame
11	Lullwater at Saluda Pointe		\$88 surety bond		One month free on 1 & 2 bedroom units - Mix is estimated by leasing agent - 2 story brick
12	Reserve at Mill Landing		1 month		Mix estimated by leasing agent - 3 story frame
13	Indian Land		1 month		2 story brick

Apartment Locations Map



0 mi 0.2 0.4 0.6 0.8

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Area Apartment Locations Map



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**APARTMENT
FIELD SURVEY**

**PHOTOGRAPHS
(SELECTED)**



NATIONAL LAND ADVISORY GROUP

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1. Willow Creek Apartments



2. Saluda Crossing



3. Saluda Terrace



4. South Carolina HA



5. Saluda Commons



9. Creekside Apartments



7. Ramblewood Apartments



8. Creek View Apartments



9. Leesville Gardens



10. The Overlook at Golden Hills



11. Lullwater at Saluda Pointe



13. Indian Land
VI-30

VII. CONCLUSIONS

A. INTRODUCTION

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

B. MARKET SUMMARY

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

Total households are an important housing indicator. The population of the Saluda Primary Market Area was 14,008 in 2010. In 2015, the newly published population number is 14,258, an increase of 1.8%. Population is expected to number 14,459 by 2018, increasing 1.4% from 2015. The Saluda PMA households numbered 5,204 in 2010. In 2015, households number 5,333, an increase of 3.3%. Households are expected to number 5,413 by 2018, increasing 1.5% by 2015.

In the Saluda Primary Market Area, family households (under the age of 55) increased 11.3% for renter households and decreased 9.4% for owner households from 2010 to 2015. Between 2015 and 2018, family renter households (under the age of 55) are projected to decrease 1.2%, while the owner households are estimated to decrease 4.2%.

In the Saluda Primary Market Area, households (aged 55 to 64) increased 11.6% for renter households and 6.0% for owner households from 2010 to 2015. Between 2015 and 2018, renter households (aged 55 to 64) are projected to increase 19.7%, while the owner households are estimated to increase 0.1%.

In the Saluda Primary Market Area, senior households (aged 65 years and older) increased 1.2% for renter households and 8.0% for owner households from 2010 to 2015. Between 2015 and 2018, senior renter households (aged 65 years and older) are projected to decrease 1.2%, while the owner households are estimated to increase 10.0%.

The median per household income in the Saluda Primary Market Area is \$41,778 in 2015 and is projected to increase to \$48,830 in 2018.

Employment in Saluda County decreased 6.3%, from 8,655 in 2005 to 8,139 in 2014. In recent years, the employment levels in Saluda County and the Town of Saluda has been stable, around the 8,000 number, which is an attribute for today's economy. Total overall employment in 2014 has increased slightly in the Saluda County area. The employment base of Saluda County is dominated by the following industries or categories: health care, retail and manufacturing as reflected by the area's largest employers.

At the end of 2014, the unemployment rate of Saluda County was 5.7%, somewhat lower than previous year of analysis. Between 2010 and 2014, the unemployment rate has ranged from 5.7% to 10.0%. The unemployment rate for Saluda County has typically been lower than the state average. The unemployment rate is estimated to decrease for 2015.

Saluda has always been a center for agriculture, health care and educational operations; this is especially true within the immediate subject site area. The area's larger employers consist of: Amick Farms, Saluda County Schools, Saluda Nursing Center and the government offices of the Town of Saluda and Saluda County.

Additionally, the Saluda employment base has had some recent employment gains, with the improvement of the economy and the immediate area. Amick Farms had a large cutback in the early 2010's, but has shown improvement in recent years. An interview with the company indicated a slight increase or stability over the next year. Both Saluda County Schools and Saluda Nursing Center have had minor increases in employment since 2012. The proximity to the employment base of Columbia, Aiken and Greenwood is a big advantage for the area. The Saluda area is currently poised for expansion at any of the area's industrial parks, some in the immediate site area.

Of the six area counties, Saluda County ranks second in the percentage of persons employed outside their county of residence, 56.3%. This very high percentage can be contributed to the accessibility and proximity of solid and diverse employment opportunities offered in the adjacent counties. Additionally, because of the strong bases of several employment sections in these areas, any increase or decrease in the immediate employment center would have limited effect on mobility patterns of residents within this market area. The accessibility to other employment areas can help maintain Saluda as a viable housing option and alternative.

Housing activity has been active in the Town of Saluda and Saluda County in the ten year period surveyed, with minimal growth in both the single-family and multi-family markets. The Town of Saluda has had minimal activity over the past ten years, except for a new multi-family development of 41-units. Over the past ten years, the overall housing units authorized in Saluda County have averaged 38.9 units per year, averaging 4.1 for multi-family units and 34.8 for single-family units per year. However, within recent years, construction has been weighted heavily towards single-family permits again, with a three year average of 13.6 for multi-family permits in Saluda County and 28.3 single-family permits for Saluda County.

In 2010, nearly one-half (50.1%) of the total housing units in Saluda were rental units, offering an established base of rental units. The reported vacancy rate was 4.0% for all the rental units. In Saluda County, multi-family units represented 21.7% of all the housing units in 2010. The reported vacancy rate was 7.2%, again for all rental unit types. The rental units surveyed include all rentals available whether in multi-family, single-family or mobile home structures, while the

vacancies included the seasonal fluctuation of the market area. The median number of occupants in renter-occupied living units in Saluda was 3.20 in 2010, slightly higher than the 2.95 for renter-occupied units only in Saluda County.

The 2013 American Community Survey reports a total of 577 specified renter-occupied housing units in the Town of Saluda and 1,911 in Saluda County. The median rent in 2013 for the Town of Saluda was \$536, somewhat lower than Saluda County at \$589. All rents in the Town of Saluda ranged from less than \$100 to \$1,250 or more. The largest percentage of units was in the \$500 - \$649 range, representing 30.0% of the units. Median gross rents in both the Town of Saluda and Saluda County are estimated to increase approximately 34.0% and 49.5% in 2013 from 2000.

At the time of this study, in the Saluda market area, a comparable survey of family LIHTC, government subsidized and market-rate units was conducted in the market area. There are 796 market-rate units in the area in four developments located outside the immediate area (used for comparables). There are three low income housing tax credit (LIHTC) family and senior developments with 126-units that was surveyed with no vacancies for a 100.0% occupancy rate. An additional 278 government subsidized development units in six developments (including a development with LIHTC units) with a low vacancy rate, were located and surveyed in the Saluda market area. Vacancies for the market rate units are also low at 3.5% (28-units). When vacancies are available, it is due to natural turnover in the market area. Reviewing the LIHTC units, the market still appears limited by supply rather than demand. The Saluda market-rate apartment base contains a disproportionately higher ratio of three-bedroom market-rate and LIHTC units in the market area. These units have a lower vacancy rate.

It should be noted that the Saluda rental market has been experiencing apartment growth in the past several years. Between 2012 and 2016, there have been 41 LIHTC units added to the Saluda rental market. The Saluda area has several smaller sized developments. Management indicated that the vacancies, when existing, are somewhat seasonal and typically being higher in the fall/winter season.

Median rents are moderate to high because of the outside the area developments surveyed; additionally there is a good base of higher-priced market-rate units in the Saluda market area. One-bedroom units have a median rent of \$895, with 11.0% of the one-bedroom units in the upper-rent range of \$970-\$1,000. Two-bedroom units have a median rent of \$1,036, with 55.1% of the two-bedroom units in the upper-rent range of \$1,030-\$1,100. Three-bedroom units have a median rent of \$960. Market rate rents have been able to increase at a yearly rate of only 1.0%, because of the lack of new construction of market-rate rental units, having an impact on both the area rental market and rents and the strong market conditions. The median rents for units are driven somewhat lower, because of the large base of older multi-family units in the market area that typically obtain lower rents per unit. Approximately 40.3% of the units were built between 2007 and 2008, while 24.1% are built before 1985.

Under the SCSHFDA guidelines, four developments have received LIHTC allocations in the Saluda area since 2000. There is one senior development and three family developments in the market area. The developments offers 50% and 60% rents of AMI's. Overall, the one senior development contains 41 LIHTC units, of which none are vacant or a 100.0% occupancy rate. Additionally, within the family developments, one development has additional government subsidies associated with the rents. Overall, the three family developments contain 121 LIHTC units, of which there are no vacant units or a 100.0% occupancy rate.

In a review of comparable properties and rent adjustments in the Saluda PMA, it was noted that there are three family developments in the immediate area that would be the most comparable to the product. However, these three family developments are located in the nearby Town of Lexington (30 miles), because there are no market-rate housing alternatives in the Town of Saluda. Because of the lack of product in the immediate area, these developments were also used for comparison purposes. All of these developments are market-rate family developments with market segment associated to the product and tenant base. As noted, within the three competitive developments, a total of 744-units exist with 27 vacant units or an overall 96.4% occupancy rate.

It should be noted that the average of the achievable comparable net two-bedroom unit is \$1,020, somewhat higher than the adjusted proposed \$540-560 average net rent (50% and 60% AMI).

The proposed two-bedroom rent represents 52.9%-54.9% of the average comparable two-bedroom rent in the market area. It should be noted that the average of the achievable comparable net three-bedroom unit is \$1,150, somewhat higher than the adjusted proposed \$615-\$635 average net rent. The proposed three-bedroom rent represents 53.5%-55.2% of the average comparable three-bedroom rent in the market area. When reviewing the comparable developments, the proposed rents are within the appropriate rent differentials. Therefore, based on the current existing rental market, the proposed development would be a value in the market area.

In a review of the government subsidized rental units in the immediate market area, it was noted that vacancies are non-existent. An interview with the South Carolina State County Housing Authority office, which services the Saluda area, indicated that they have over 180 families (elderly and family) under the Section 8 Certificate and Voucher program for the overall area. Additionally, there are over 140 individuals on a waiting list. As in previous experiences with local housing authorities, it is expected that additional support for the proposed development could be generated from these prospective tenants, as well as the tenants currently on area developments waiting lists.

C. TAX CREDIT PROGRAM INCOME QUALIFICATIONS

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

<u>BEDROOM PER UNIT</u>	<u>PERSONS PER BEDROOM (BASIS)</u>
STUDIO	1.0
ONE-BEDROOM	1.5
TWO-BEDROOM	3.0
THREE-BEDROOM	4.5
FOUR-BEDROOM	6.0

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

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

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

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

	50%	60%
ONE-PERSON	\$21,600	\$25,920
TWO-PERSON	\$24,700	\$29,640
THREE-PERSON	\$27,850	\$33,360
FOUR-PERSON	\$30,850	\$37,020
FIVE-PERSON	\$33,350	\$40,020
SIX-PERSON	\$35,800	\$42,960

The following is the adjusted annual income range specified appropriate by the tax credit 50% and 60% program for low to moderate-income family households for the Saluda PMA. The income range is calculated using the SCSHFDA guidelines and the proposed gross rents by unit type, **excluding any income overlap on the overall range.** The following is a summary of **renter-occupied** households in the PMA of the proposed site within this income range for 2015:

Family Households Saluda, South Carolina PMA					
	Income Range	Persons	2015 Renter- Occupied	2018 Renter- Occupied	Change 13-16
50%	\$18,514-\$26,275	1 – 5	162	150	(12)
60%	\$26,276-\$40,020	1 – 5	243	294	51
Overall	\$18,514-\$40,020	1 – 5	405	444	39

Overall (excluding any overlap of income ranges), the adjusted annual income range specified appropriate by the tax credit program for low to moderate-income households is \$18,514 (lower end of one-person household moderate-income) to \$40,020 (five-person household moderate-income) for the Saluda Primary Market Area. In 2015, there are 405 households in the Saluda Primary Market Area of the proposed site was within this income range.

The following is a summary of **renter-occupied larger** households in the PMA of the proposed site within this income range for 2015:

Larger Family Households Saluda, South Carolina PMA					
	Income Range	Persons	2015 Renter- Occupied	2018 Renter- Occupied	Change 13-16
50%	\$18,514-\$26,275	3 – 5	74	73	(1)
60%	\$26,276-\$40,020	3 – 5	113	147	34
Overall	\$18,514-\$40,020	3 – 5	187	220	33

Overall (excluding any overlap of income ranges), the adjusted annual income range specified appropriate by the tax credit program for low to moderate-income households is \$18,514 (lower end of three-person household moderate-income) to \$42,060 (five-person household moderate-income) for the Saluda Primary Market Area. In 2015, there are 187 households in the Saluda Primary Market Area of the proposed site was within this income range.

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

TYPE OF UNIT	AMI	GROSS RENT PER MONTH	UTILITY COST	NET RENT
TWO-BEDROOM	50%	\$695	\$143	\$552
	60%	\$834	\$143	\$691

TYPE OF UNIT	AMI	GROSS RENT PER MONTH	UTILITY COST	NET RENT
THREE-BEDROOM	50%	\$802	\$175	\$627
	60%	\$963	\$175	\$788

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

D. DEMAND ANALYSIS

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

The projected number of new rental households is the difference of household growth in the Primary Market Area from 2015 to the estimated 2018 households statistics as follows: 444 (2018) – 404 (2015) = 39 total households.

**PRIMARY MARKET AREA DEMAND
FROM EXISTING AND PROJECTED HOUSEHOLDS:**

	50%	60%	Overall
New Projected HH (2015-2018)	(12)	51	39
Demand of Projected Renter HH (2015-2018)	(12)	51	39
Total Qualified Rental HH	162	243	405
Rent Overburdened Households (%)	46.6%	46.6%	46.6%
Total Qualified Renter HH	75	114	189
Total Qualified Rental HH	162	243	405
Substandard Housing (%)	1.5%	1.5%	1.5%
Total Qualified Renter HH	2	4	6
<i>Estimated Annual Demand</i>	65	169	234
<i>Supply</i> (comparable, u/c or proposed units)	4	15	19
<i>Net Demand</i>	61	154	215

The rent burden is estimated from the analysis of Table 21 - Distribution of Gross Rent of Household Income. We take a conservation approach and use the number of the Town of Saluda only, not the Primary Market Area, which typically would be higher (noted by the Saluda County) statistic. Additionally, substandard housing is combination of the previous analysis acceptability, the housing quality on Table 22 and the type of housing on Table 19.

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

Based on the above analysis for 2015, the annual net demand for the 50% and 60% median income households in the Primary Market Area is estimated at 61 and 154 units per year, respectively. Within the above analysis for 2015, the annual net demand for the overall development based on the median income households in the Primary Market Area is estimated at 215 units per year.

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

Bedroom & % AMI	Total Demand	Supply		Net Demand	Proposed Units	Capture Rate
		Existing	Pipeline			
Two-Bedroom						
50%	45	1	-	44	6	13.3%
60%	119	3	-	116	23	19.8%
Three-Bedroom						
50%	20	3	-	17	2	11.8%
60%	50	12	-	38	9	23.7%
Overall*	234	19	-	215	40	18.6%

* Excluding any overlap of incomes.

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

$$40 + 19 / 405 = 14.6\%$$

Because over 20% of the units are three-bedroom units, the projected number of new larger rental households was computed. The difference of household growth in the Primary Market Area from 2015 to the estimated 2018 households statistics as follows: 220 (2018) – 187 (2015) = 33 total larger households.

**PRIMARY MARKET AREA DEMAND
FROM EXISTING AND PROJECTED FOR LARGER HOUSEHOLDS (3+):**

	50%	60%	Overall
New Projected HH (2015-2018)	(1)	34	33
Demand of Projected Renter HH (2015-2018)	(1)	34	33
Total Qualified Rental HH	74	113	187
Rent Overburdened Households (%)	46.6%	46.6%	46.6%
Total Qualified Renter HH	34	53	87
Total Qualified Rental HH	74	113	187
Substandard Housing (%)	1.5%	1.5%	1.5%
Total Qualified Renter HH	1	2	3
<i>Estimated Annual Demand</i>	34	89	123
<i>Supply</i> (comparable, u/c or proposed units)	3	12	15
<i>Net Demand</i>	31	77	108

Based on the above analysis for 2015, the annual net demand for the 50% and 60% median income larger households in the Primary Market Area is estimated at 31 and 77 units per year, respectively. Within the above analysis for 2015, the annual net demand for the overall development based on the median income larger households in the Primary Market Area is estimated at 108 units per year.

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

Bedroom & % AMI	Total Demand	Supply		Net Demand	Proposed Units	Capture Rate
		Existing	Pipeline			
Three-Bedroom						
50%	34	3	-	31	2	6.5%
60%	89	12	-	77	9	11.7%
Overall	123	15	-	108	11	10.2%

* Excluding any overlap of incomes.

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

$$11 + 15 / 187 = 13.9\%$$

Within these competitive rent ranges, the market can support the existing 40-unit tax credit development for family occupancy under the 50% and 60% programs. In 2015, based on the proposed and competitive product in the Saluda market area, the existing 40-unit family development of LIHTC units represents an overall 18.6% capture rate within the market area. When including any surveyed existing family LIHTC units (including the additional subsidies) within the Saluda PMA, the penetration factor is 14.6%. Within the **larger income households** in 2015, based on the proposed and competitive product in the Saluda market area, the existing 11-unit family development of LIHTC units represents an overall 10.2% capture rate within the market area. When including any surveyed existing family LIHTC units (including the additional subsidies) within the Saluda PMA, the penetration factor is 13.9%.

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

E. RECOMMENDATIONS

This study has established that a market exists for the new construction of a 40-unit family rental housing project, Summerton Place Apartments, to be built within the criteria set forth by the South Carolina State Housing Finance and Development Authority's Low Income Housing Tax Credit Program.

With the proposed plans to develop 8-units (20.0%) available to households with incomes at or below the 50% of the area income and 32-units (80.0%) available to households with incomes at or below the 60% of the area income, the subject site located in the Town of Saluda, South Carolina is proposed as follows:

	<u>UNIT BY TYPE AND BEDROOM</u>	
BEDROOM	TWO	THREE
BATHROOMS	1.75	2.0
NUMBER OF UNITS		
50%	6	2
60%	23	9
SQUARE FEET (approx.)	1,200	1,350
GROSS RENT	\$683-\$703	\$790-\$810
UTILITY ALLOWANCE *	\$143	\$175
NET RENT	\$540-\$560	\$615-\$635

* estimated by developer and local housing agency

The proposed development will consist of two-story townhomes for family occupancy. The development consists of 10 buildings located on approximately 3.4 acres. The proposed 40-unit family development is estimated to begin construction in the Spring 2017, to be completed in the Spring 2018. The development consists of parking for a total of 80 surface spaces within the development.

Each unit in the proposed new construction and would contain new appliances, including a self-cleaning range, refrigerator, dishwasher, disposal, microwave, air conditioning, carpeting, blinds, ceiling fans, extra storage, patio, washer/dryer hook-ups and one and three-quarters or two full bathrooms. Additionally, the units will have a Range Queen extinguishing system be pre-wired for high speed internet.

Project amenities associated with a family-orientated development are important to the success of the proposed facility, including: on-site rental management office, community room with kitchen, computer room, security and a playground.

The units will include the following utilities: electric, water/sewer services and trash removal. The tenants will be responsible for electric; however a utility allowance of \$143 for a two-bedroom unit and \$175 for a three-bedroom unit is estimated. The units will be cable-ready.

The development should maintain a consistent and effective landscaping plan throughout the site, especially maintaining a good front door image. The subject site property has excellent visibility, including Greenwood Highway. From a marketing point of view, it would be beneficial if the proposed sites would be able to continue to use some natural settings, if possible, to develop an environment within this development. The Town of Saluda area apartment developments have not done a good job in creating a complete development theme or environment.

The proposed development and unit plans were reviewed. The proposed rental units are appropriate for the Saluda market area. The unit and project amenities are adequate for the targeted family market, while the unit styles, specifically the design and square footage, will positively influence the absorption, offering a flexibility of living style for family occupants.

Additional upgrades will be made to the exterior and landscaping. Additionally, extensive landscaping should take place between any other existing developments, when appropriate.

Because of the high percentage of family units, a strong marketing plan and development layout should focus on family needs. The area has excellent accessibility to the entire area, as well as having good visibility. Because of the existing apartment and rental base located in the Town of Saluda area and specifically the subject site, this rental base will help create a synergism effect of established renters. Because of the good accessibility to major arteries in the Town of Saluda area, detail should be given to marketing the development and the procedure for transportation routes to the proposed site. Superior signage and advertising will be an advantage, because of the amount of traffic associated with the proposed site.

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

Two-Bedroom						
AMI	Proposed Gross Rent	Max. LIHTC Gross Rent	Median Market Rent*	Achievable Rent*	Fair Market Rent (FMR)	90% of FMR
50%	\$683	\$695	\$1,179	\$1,163	\$778	\$700
	Percent (%)	98.3%	57.9%	58.7%	87.8%	97.5%
60%	\$703	\$834	\$1,179	\$1,163	\$778	\$700
	Percent (%)	84.3%	59.6%	60.4%	90.4%	100.4%
Three-Bedroom						
AMI	Proposed Gross Rent	Max. LIHTC Gross Rent	Median Market Rent*	Achievable Rent*	Fair Market Rent (FMR)	90% of FMR
50%	\$790	\$802	\$1,135	\$1,325	\$1,026	\$923
	Percent (%)	98.5%	69.6%	59.6%	77.0%	85.6%
60%	\$810	\$963	\$1,135	\$1,325	\$1,026	\$923
	Percent (%)	84.1%	71.4%	61.1%	78.9%	87.7%

Based on the current rental market conditions, and the proposed gross rent of \$683-\$703 for a two-bedroom unit and \$790-\$810 for a three-bedroom unit, combined with a development of quality construction, the proposed development will be perceived as a value in the Saluda market area. Additionally, the minimal market-rate and LIHTC product in the market area will be an added rental value. We anticipate that a good portion (90.0%) of the support for the units will be generated from the existing rental base.

The step-up opportunity for tenants in the Town of Saluda area secondary rental market, based on the proposed net rent for a two-bedroom and three-bedroom is good, with the majority of the existing rents higher than the proposed rents. The proposed rents are in the lower quartile of the market area rents. However, and more importantly, there is a good base of units at net rents higher than the proposed net rents of the development.

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

The absorption potential for tenants in the Saluda rental market, based on the proposed net rent is excellent. Additionally, in the past, existing and newer product in the Saluda area has had positive acceptability and absorption patterns, with a product at a higher market rent. The existing 40-unit family rental development will create a strong pre-leasing activity program based on the current tenant characteristics. Absorption, while traditionally viewed as a function of the market-rate housing market, must also consider the impact of income and household size criteria set forth by the tax credit competitive rental developments within the Saluda market area.

The rental market in the Saluda area has historically been more a function of demand rather than supply, thereby affecting absorption. Factors, other than the existing rental market that affect absorption, would include: demographic characteristics, employment opportunities, area growth and proposed product acceptability. The Saluda market area has successfully absorbed on average 6 to 14 units per month at selected comparable developments. It is anticipated, because of the criteria set forth by the income and household size for units for the Low-Income Tax Credit Program, the depth of the market demand for units, assumption of new construction product, as well as the design associated with this product, absorption is expected to be equal to the area average of 5 to 7 units per month, resulting in a 5.7 to 8.0 month absorption period for the 40-unit LIHTC development.

VIII. COMPANY PROFILE

NATIONAL LAND ADVISORY GROUP

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

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

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

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

Richard Barnett of the National Land Advisory Group was a charter member of the National Council of Housing Market Analysts, as well as members or speakers of the Multi-Family World Conference, Ohio Housing Capital Corporation's Annual Housing Conference, Ohio Housing Council, Ohio Housing Finance Agency's Advisory Committee, Council of Rural Housing and Development and the National Housing Rehabilitation Association. Mr. Barnett is also a graduate of the Wexner Heritage Foundation Leadership Program.

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

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

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IX. MARKET STUDY INDEX

NCHMA Market Study Index

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

	Page / Section Number(s)
Executive Summary	
1. Executive Summary	II
Project Description	
2. Proposed number of bedrooms and baths proposed, income limitation, proposed rents and utility allowances	VII – E
3. Utilities (and utility sources) included in rent.	VII – E
4. Project design description	VII – E
5. Unit and project amenities; parking	VII – E
6. Public programs included	VII – E
7. Target population description	VII – E
8. Date of construction/preliminary completion	VII – E
9. If rehabilitation, existing unit breakdown and rents.	VII – E
10. Reference to review/status of project plans	VII – E
Location and Market Area	
11. Market area/secondary market area description	III – B
12. Concise description of the site and adjacent parcels	III – A
13. Description of site characteristics	III – A
14. Site photos/maps	III – C
15. Map of community services	III – C
16. Visibility and accessibility evaluation	III – A
17. Crime information (if applicable)	IV – I
Employment and Economy	
18. Employment by industry	IV – H
19. Historical unemployment rate	IV – H
20. Area major employers	IV – H
21. Five-year employment growth	IV – H
22. Typical wages by occupation	IV – H
23. Discussion of commuting patterns of area workers	IV – H
Demographic Characteristics	
24. Population and household estimates and projections	IV – F
25. Area building permits	V
26. Distribution of income	IV – G
27. Households by tenure	IV – F & G

Competitive Environment	
28. Comparable property profiles	VI – E
29. Map of comparable properties	VI – E
30. Comparable property photos	VI – E
31. Existing rental housing evaluation	VI
32. Comparable property discussion	VI
33. Area vacancy rates, including rates for Tax Credit and Government-Subsidized	VI
34. Comparison of subject property to comparable properties	VI – E
35. Availability of Housing Choice Vouchers	VI – C
36. Identification of waiting lists	VI
37. Description of overall rental market including share of Market-Rate and affordable properties	VI
38. List of existing a LIHTC properties	VI – B
39. Discussion of future changes in housing stock	V & VI
40. Including homeownership	V
41. Tax credit and other planned or under construction rental communities in market area	VI – D
Analysis / Conclusions	
42. Calculation and analysis of Capture Rate	VII – D
43. Calculation and analysis of Penetration Rate	VII – D
44. Evaluation of proposed rent levels	VI – E, VII – E
45. Derivation of Achievable Market Rent and Market Advantage	VI – E, VII – E
46. Derivation of Achievable Restricted Rent	VI – E, VII – E
47. Precise statement of key conclusions	II, VII – E
48. Market strengths and weaknesses impacting project	VII
49. Recommendations and/or modification to project discussion	II
50. Discussion of subject property's impact on existing housing	II
51. Absorption projection with issues impacting performance	VII – E
52. Discussion of risks or other mitigating circumstances impacting project	II
53. Interviews with area housing stakeholders	VI
Other Requirements	
54. Preparation date of report	Cover
55. Date of field work	VI
56. Certifications	I – D
57. Statement of qualifications	I – D
58. Sources of data not otherwise identified	I – B
59. Utility allowance schedule	VII – E

Exhibit S-2
Primary Market Area
Analysis Summary

2016 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:

Development Name:	Summerton Place Apartments	Total # Units:	40
Location:	Saluda, South Carolina	# LIHTC Units:	40
PMA Boundary:	See Section III-3		
Development Type:	<input checked="" type="checkbox"/> Family <input type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject:	16 miles

RENTAL HOUSING STOCK (found on page VI-16)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	13	1200	30	97.5%
Market-Rate Housing	4	796	28	96.5%
Assisted/Subsidized Housing not to include LIHTC	5	242	2	99.2%
LIHTC (All that are stabilized)*	4	162	0	100.0%
Stabilized Comps**	3	744	27	96.4%
Non-stabilized Comps				%

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

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

Subject Development					Adjusted Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
6	2	1.75	1200	\$540	\$1020	\$.94	47.1%	\$1,077	\$1.01
23	2	1.75	1200	\$560	\$1020	\$.94	45.1%	\$1,077	\$1.01
2	3	2	1350	\$615	\$1150	\$.91	46.5%	\$1,257	\$1.04
9	3	2	1350	\$635	\$1150	\$.91	44.8%	\$1,257	\$1.04
				\$	\$	\$	%	\$	\$
Gross Potential Rent Monthly*				\$23,065	\$42,230		45.4%		

*Market Advantage is calculated using the following formula: (Gross Adjusted Market Rent (minus) Gross Proposed Tenant Rent) (divided by) Gross Adjusted Market Rent. The calculation should be expressed as a percentage and rounded to two decimal points. The Rent Calculation Excel Worksheet must be provided with the Exhibit S-2 form.

DEMOGRAPHIC DATA (found on page IV 12-17)

	2010		2015		2018	
Renter Households	1,448	30.6%	1,595	29.9%	1,614	29.8%
Income-Qualified Renter HHs (LIHTC)	369	25.5%	405	25.4%	444	27.5%
Income-Qualified Renter HHs (MR)	(if applicable)	%		%		%

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page VII 6-14)

Type of Demand	50%	60%	Market-rate	Other: __	Other: __	Overall
Renter Household Growth	(12)	51				39
Existing Households (Overburd + Substand)	77	118				195
Homeowner conversion (Seniors)						
Other:						
Less Comparable/Competitive Supply	4	15				19
Net Income-qualified Renter HHs	61	154				215

CAPTURE RATES (found on page VII 9-14)

Targeted Population	50%	60%	Market-rate	Other: __	Other: __	Overall
Capture Rate	13.1%	20.8%				18.6%

ABSORPTION RATE (found on page VII 18)

Absorption Period	5.7-8.0 months
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**Exhibit S-2
Rent Calculation
Worksheet**

D. MARKET STUDY CRITERIA ANALYSIS

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

a) Capture Rate

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

✓ The proposed development capture rate is 18.6%.

b) Market Advantage

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

2016 S-2 RENT CALCULATION WORKSHEET

# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent by Bedroom Type	Adjusted Market Rent	Gross Adjusted Market Rent by Bedroom Type	Tax Credit Gross Rent Advantage
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
6	2 BR	\$540	\$3,240	\$1,020	\$6,120	
23	2 BR	\$560	\$12,880	\$1,020	\$23,460	
	2 BR		\$0		\$0	
2	3 BR	\$615	\$1,230	\$1,150	\$2,300	
9	3 BR	\$635	\$5,715	\$1,150	\$10,350	
	3 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	40		\$23,065		\$42,230	45.38%

✓ The proposed market advantage is 45.38%

c) Overall Occupancy Rate

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

- ✓ The LIHTC vacancy rate in the market area is estimated at less than **1.0%**.

d) Absorption/Lease Up Periods

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

- ✓ The estimated absorption period for the proposed development is **5.7 – 8.0 months**.