



Shaw Research & Consulting

Real Estate Analysis & Market Feasibility Services

**A SENIOR RENTAL HOUSING
MARKET FEASIBILITY ANALYSIS
FOR
HARTSVILLE, SOUTH CAROLINA
*(Darlington County)***

Ella Mae Gardens Apartments

*Washington Avenue Extension
Hartsville, South Carolina 29550*

March 2, 2017

Prepared for:

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CERTIFICATE OF ACCURACY AND RELIABILITY

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



Steven R. Shaw
SHAW RESEARCH & CONSULTING, LLC

Date: March 2, 2017

INTRODUCTION

Shaw Research & Consulting, LLC has prepared the following rental housing study to examine and analyze the Hartsville area as it pertains to the market feasibility of Ella Mae Gardens Apartments, a proposed 48-unit affordable rental housing development targeted for low-income senior households. The subject proposal is to be located within the southeastern portion of the city of Hartsville along Washington Avenue Extension, approximately one-eighth mile east of South 4th Street and ¾ miles south of downtown Hartsville.

The purpose of this report is to analyze the market feasibility of the subject proposal based on the project specifications and site location presented in the following section. Findings and conclusions will be based through an analytic evaluation of demographic trends, recent economic patterns, existing rental housing conditions, detailed fieldwork and site visit, and a demand forecast for rental housing within the Hartsville market area. All fieldwork and community data collection was conducted on February 14, 2017 by Steven Shaw. A phone survey of existing rental developments identified within the PMA, as well as site visits to those properties deemed most comparable to the subject, was also reviewed to further measure the potential market depth for the subject proposal.

This study assumes Low Income Housing Tax Credits (LIHTC) will be utilized in the development of the subject rental facility, along with the associated rent and income restrictions obtained from the South Carolina State Housing Finance and Development Authority (SCSHFDA). As a result, the proposed Ella Mae Gardens Apartments will feature a total of 48 units (24 one-bedroom and 24 two-bedroom units) restricted to households at 50 percent and 60 percent of the area median income (AMI). Furthermore, there are no unrestricted (market rate) or project-based rental assistance (PBRA) units proposed within the subject development.

EXECUTIVE SUMMARY

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

- 1) The subject proposal is a 48-unit senior-only rental development targeting low-income senior households. The facility will consist of a mix of one and two bedroom units restricted to households at 50 and 60 percent of AMI.
- 2) Demand estimates for the proposed development show sufficient statistical support for the introduction and absorption of additional rental units within the Hartsville PMA. Capture rates are presented in Exhibit S-2 (following the executive summary), and are clearly reflective of the need for affordable senior rental housing locally.
- 3) Occupancy rates for affordable rental housing are quite positive throughout the market area at the current time. As such, an overall occupancy rate of 96.9 percent was calculated among 17 properties (including two senior) included in a January/February 2017 survey of rental developments identified and contacted within or near the PMA.
- 4) There is only one senior tax credit development within Darlington County – Magnolia Senior Village is a 32-unit property consisting entirely of two-bedroom units which opened in December 2016 in Hartsville. According to the manager, the property has received great interest since it opened and is already over 90 percent occupied in just two months of opening. Furthermore, considering heavy interest and traffic (phone calls and in-person visits), she anticipates to be fully leased by mid-March (less than three months absorption overall). This rapid absorption demonstrates the strong market demand for senior housing locally.
- 5) As stated, there is a general lack of senior-only housing throughout Darlington County and the Hartsville area. With the inclusion of one-bedroom units, the subject proposal will target and fill a void not currently being met.
- 6) Affordable LIHTC rental options (family and senior) have been quite successful throughout Darlington County. Based on survey results, the seven tax credit properties were a combined 97.6 percent occupied, including two family LIHTC projects in Hartsville averaging 99 percent (and both maintaining a long waiting list) - providing clear evidence of the strong demand for affordable housing locally.
- 7) Based on U.S. Census figures and ESRI forecasts, senior demographic patterns throughout the Hartsville area have been quite positive since 2000. As such, the senior population (55 and over) within the PMA increased by 11 percent between 2010 and 2016, representing nearly 2,000 additional senior residents during this time. Further, future projections indicate these gains will continue, with an additional increase of seven percent anticipated between 2016 and 2021. Considering this strong growth, the demand for additional senior housing will undoubtedly escalate as well.

- 8) Considering the subject's proposed targeting, the inclusion of both one and two-bedroom units, affordable rental rates, and competitive unit sizes and development features, the introduction of Ella Mae Gardens Apartments should prove successful. Based on extremely positive demographic patterns, and high occupancy levels throughout the local rental stock, especially among senior and affordable properties, a newly constructed senior-only rental option will undoubtedly be successful within the Hartsville PMA. As such, evidence presented within the market study suggests a normal lease-up period (between five and seven months) should be anticipated based on project characteristics as proposed. Furthermore, the development of the subject proposal will not have any adverse effect on any other existing rental property – either affordable or market rate.

2017 EXHIBIT S-2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:

Development Name:	ELLA MAE GARDENS APARTMENTS	Total # Units:	48
Location:	Washington Avenue Ext., Hartsville, South Carolina SC	# LIHTC Units:	48
PMA Boundary:	North = 9 miles; South = 10 miles; West = 7 miles; East = 19 miles		
Development Type:	Family 55+ Older Persons	Farthest Boundary Distance to Subject:	19 Miles

RENTAL HOUSING STOCK (found on page 55)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	17	1,300	41	96.9%
Market-Rate Housing	5	688	16	97.7%
Assisted/Subsidized Housing not to include LIHTC	5	320	18	94.4%
LIHTC (All that are stabilized)*	7	292	7	97.6%
Stabilized Comps**	7	292	7	97.6%
Non-stabilized Comps	0	0	0	NA

*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
5	1 BR	1.0	902	\$360	\$677	\$0.87	46.8%	\$995	\$1.27
19	1 BR	1.0	902	\$450	\$677	\$0.87	33.5%	\$995	\$1.27
5	2 BR	2.0	1,200	\$420	\$784	\$0.81	46.4%	\$1,125	\$1.00
18	2 BR	2.0	1,200	\$525	\$784	\$0.81	33.0%	\$1,125	\$1.00
Gross Potential Rent Monthly*				\$21,900	\$34,269		36.09%		

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

DEMOGRAPHIC DATA (found on page 33)

	2010		2016		2019	
Renter Households	2,189	18.7%	2,393	18.7%	2,446	18.7%
Income-Qualified Renter HHs (LIHTC)	671	30.7%	734	30.7%	750	30.7%
Income-Qualified Renter HHs (MR)	0	0.0%	0	0.0%	0	0.0%

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 49)

Type of Demand	50%	60%	Market Rate	Other:	Other:	Overall
Renter Household Growth	10	12	--			16
Existing Households (Overburd + Substand)	241	270	--			375
Homeowner Conversion (Seniors)	28	29	--			42
Other:	--	--	--			--
Less Comparable/Competitive Supply	9	23	--			32
Net Income-Qualified Renter HHs	271	288	--	--	--	400

CAPTURE RATES (found on page 49)

Targeted Population	50%	60%	Market Rate	Other:	Other:	Overall
Capture Rate	3.7%	12.8%	--			11.7%

ABSORPTION RATE (found on page 51)

Absorption Period: 5 to 7 months

2017 S-2 RENT CALCULATION WORKSHEET								
	# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Potential Tenant Rent	Adjusted Market Rent	Gross Potential Market Rent	Tax Credit Gross Rent Advantage	
40%	--	0 BR	--	--	--	--		
50%	--	0 BR	--	--	--	--		
60%	--	0 BR	--	--	--	--		
40%	--	1 BR	--	--	--	--		
50%	5	1 BR	\$360	\$1,800	\$677	\$3,383		
60%	19	1 BR	\$450	\$8,550	\$677	\$12,854		
40%	--	2 BR	--	--	--	--		
50%	5	2 BR	\$420	\$2,100	\$784	\$3,920		
60%	18	2 BR	\$525	\$9,450	\$784	\$14,112		
40%	--	3 BR	--	--	--	--		
50%	--	3 BR	--	--	--	--		
60%	--	3 BR	--	--	--	--		
40%	--	4 BR	--	--	--	--		
50%	--	4 BR	--	--	--	--		
60%	--	4 BR	--	--	--	--		
	Totals	47		\$21,900		\$34,269		36.09%

A. PROJECT DESCRIPTION

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

Project Name:	ELLA MAE GARDENS APARTMENTS								
Project Address:	Washington Avenue Ext.								
Project City:	Hartsville, South Carolina								
County:	Darlington County								
Total Units:	48								
Occupancy Type:	Older Persons (55+)								
Construction Type:	New Construction								
Income Targeting*:	<i>Overall - \$14,820 to \$25,560</i> <i>50% AMI - \$14,820 to \$21,300</i> <i>60% AMI - \$17,520 to \$25,560</i>								
Targeting/Mix	Number of Units	Unit Type	Number of Baths	Square Feet	Contract Rent	Utility Allow.	Gross Rent	Max. LIHTC Rent*	Incl. PBRA
One-Bedroom Units	24								
50% of Area Median Income	5	Apt	1.0	902	\$360	\$134	\$494	\$499	No
60% of Area Median Income	19	Apt	1.0	902	\$450	\$134	\$584	\$599	No
Two-Bedroom Units	24								
50% of Area Median Income	5	Apt	2.0	1,200	\$420	\$177	\$597	\$600	No
60% of Area Median Income	18	Apt	2.0	1,200	\$525	\$177	\$702	\$720	No
Non-Revenue Manager's Unit	1	Apt	2.0	1,200	---	---	---	---	---

*Maximum LIHTC Rents and Income Limits are based on 2016 Income & Rent Limits (effective 3/28/2016) obtained from SCSHFDA website (www.schousing.com).

Project Description:

Development Location.....	Hartsville, South Carolina
Construction Type.....	New construction
Occupancy Type	Older Persons (55+)
Target Income Group.....	100% LIHTC (50% and 60% AMI)
Special Population Group	N/A
Number of Units by Unit Type	See previous page
Unit Sizes	See previous page
Rents and Utility Information	See previous page
Proposed Rental Assistance (PBRA)	None

Project Size:

Total Development Size.....	48 units
Number of Affordable Units.....	47 units
Number of Market Rate Units.....	0 units
Number of PBRA Units	0 units
Number of Employee Units	1 unit

Development Characteristics:

Number of Total Units	48 units
Number of Garden Apartments.....	48 units
Number of Townhouses.....	0 units
Number of Residential Buildings.....	2 (<i>maximum three story</i>)
Number of Community Buildings	1

Unit Amenities:

➤ Frost Free Refrigerator	➤ Washer/Dryer Hook-Up
➤ Oven/Range	➤ Mini-Blinds/Vertical Blinds
➤ Dishwasher	➤ Central Air Conditioning
➤ Garbage Disposal	➤ Ceiling Fans
➤ Interior Storage	➤ Pantry
➤ Emergency Pull Cords	

Development Amenities:

➤ Multi-Purpose Room w/ Kitchenette	➤ On-Site Laundry Facility
➤ Equipped Exercise Room	➤ Elevator
➤ On-Site Management Office	➤ Covered Gazebo w/ Picnic Tables
➤ Library	

Additional Assumptions:

- Trash removal will be included in the rent. Water, sewer, electricity (including electric heat pump), cable television, internet access, and telephone charges will be paid by the tenant;
- Market entry is scheduled for late 2018/early 2019

B. SITE DESCRIPTION

1. Site Visit Date

All fieldwork and community data collection was conducted on February 14, 2017 by Steven Shaw.

2. Site Neighborhood and Overview

The subject property is located in a growing area within the southeastern portion of the city of Hartsville along the south side of Washington Avenue Extension, approximately one-eighth mile east of South 4th Street and one mile south of the main downtown area. Characteristics of the immediate neighborhood are somewhat mixed, but are largely commercial along with vacant undeveloped property. A Lowe's Home Improvement Warehouse is adjacent to the north of the site (directly across Washington Avenue), while a Dollar General and newer Goodwill Store can be found adjacent to the west. Undeveloped property (currently agricultural) is adjacent to the east, and a storage yard for Ace Hardware is immediately to the south of the site.

The subject property consists of approximately 2.97 acres of generally flat, undeveloped, and grass-covered property. Situated within Census Tract 106 of Darlington County, the site is currently zoned as PD (Planned Development), which allows for the development of multi-family units. Based on current usages, current zoning throughout the neighborhood should not impede or negatively affect the viability of the subject proposal. As such, adjacent land usage is as follows:

- North:** Washington Avenue Extension/Commercial (*Lowe's*)
- South:** Commercial (*storage yard for Ace Hardware*)
- West:** Goodwill/Dollar General
- East:** Vacant, Undeveloped property (*currently agricultural*)

Access to the site will be from Washington Avenue Extension, a lightly-traveled secondary street ¼ mile in length which dead-ends in a cul-de-sac just east of the site. Overall, the subject property's location will have generally positive curb appeal for seniors, with no visible traffic congestion and most nearby properties in very good condition. Although the site does not have good visibility from a well-traveled roadway, its location is within one-eighth mile

of 4th Street, representing one of Hartsville's foremost thoroughfares offering abundant retail opportunities and should be considered a positive attribute and suitable for multi-family housing.

3. Nearby Retail

The subject property is situated within walking distance to various retail opportunities, with a number of additional popular venues nearby. As such, the site is within walking distance (less than ¼ mile) of Goodwill, Dollar General, Ace Hardware, Walgreens, and Hartsville Mall shopping center (which contains a Belk, Rose's Discount, Citi-Trends, and more). Further, a Walmart Supercenter is approximately ½ mile south of the site along 4th Street, along with the Hartsville Crossing shopping center (consisting of Dollar Tree, Shoe Show, It's Fashion, Cato Fashions, Sally Beauty Supply, Pet Lovers Warehouse, and more). In addition to various retail opportunities situated along 4th Street and 5th Street, Hartsville's downtown area appears to be quite active, and is located approximately one mile north of the subject.

4. Medical Offices and Hospitals

Numerous medical services and physician offices can be found throughout the immediate area as well. The nearest full-service hospital is Carolina Pines Regional Medical Center, which is situated approximately 3½ miles west of the site along Bob Newsom Highway (SC 151). In addition to various medical services and specialty offices near the hospital, several physician offices/clinics are situated within ½ mile of the site – including Hartsville Medical Associates and CareSouth Carolina Wellness Clinic both along 4th Street. Furthermore, the Free Medical Clinic of Darlington County is just west of downtown (approximately 1¾ miles from the subject), providing various services at no charge for lower income residents.

5. Other PMA Services

Additional services of note within the market area include a library, YMCA, and several parks and recreational facilities. Both the Hartsville Memorial Library and Hartsville Family YMCA are located in the downtown area, offering numerous activities and services for residents of all ages. Fixed-route bus/transit services are not available locally.

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

Retail

- 1. Walmart Supercenter/Hartsville Crossing s/c0.5 miles south
- 2. Piggly Wiggly grocery0.4 miles west
- 3. Walgreens Pharmacy0.2 miles west
- 4. Rite-Aid Pharmacy.....0.3 miles west
- 5. Belk/Roses Discount/Citi-Trends0.2 miles west
- 6. Goodwill Storeadjacent to west
- 7. Dollar General.....adjacent to west
- 8. Henderson Ace Hardware0.1 mile southwest
- 9. Big Lots.....0.3 miles south
- 10. Lowes Home Improvement Warehouse.....adjacent to north
- 11. Family Dollar0.6 miles northwest

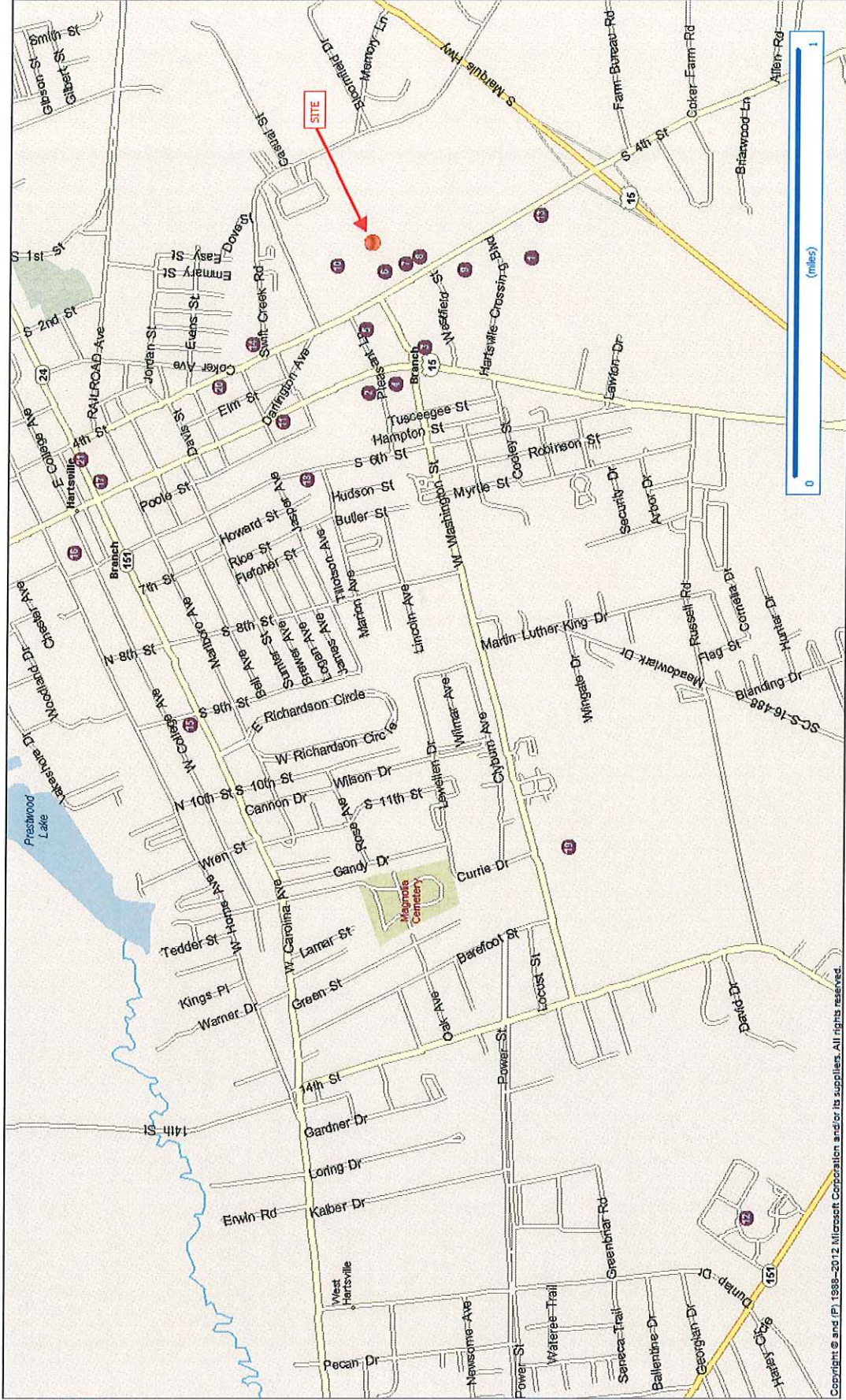
Medical

- 12. Carolina Pines Regional Medical Center3.5 miles southwest
- 13. CareSouth Carolina Community Wellness Clinic0.5 miles south
- 14. Hartsville Medical Associates.....0.4 miles north
- 15. Free Medical Clinic of Darlington County1.7 miles northwest

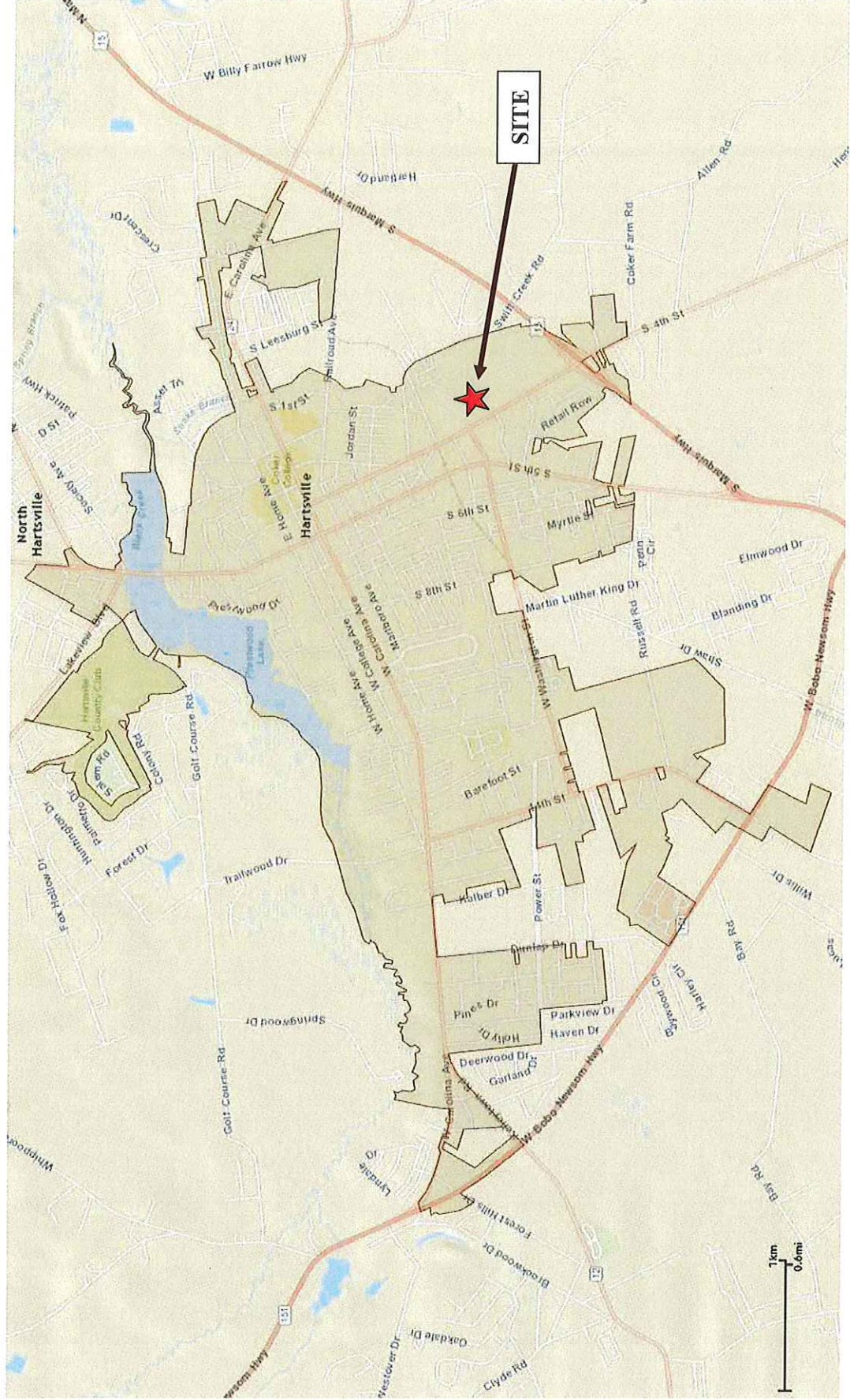
Recreation/Other

- 16. Hartsville Memorial Library1.3 miles northwest
- 17. Hartsville Family YMCA1.0 mile north
- 18. Pride Park.....0.8 miles northwest
- 19. Byerly Park1.5 miles west
- 20. U.S. Post Office0.5 miles north
- 21. Downtown Hartsville0.9 miles north

Map 1: Local Features/Amenities – Hartsville Area

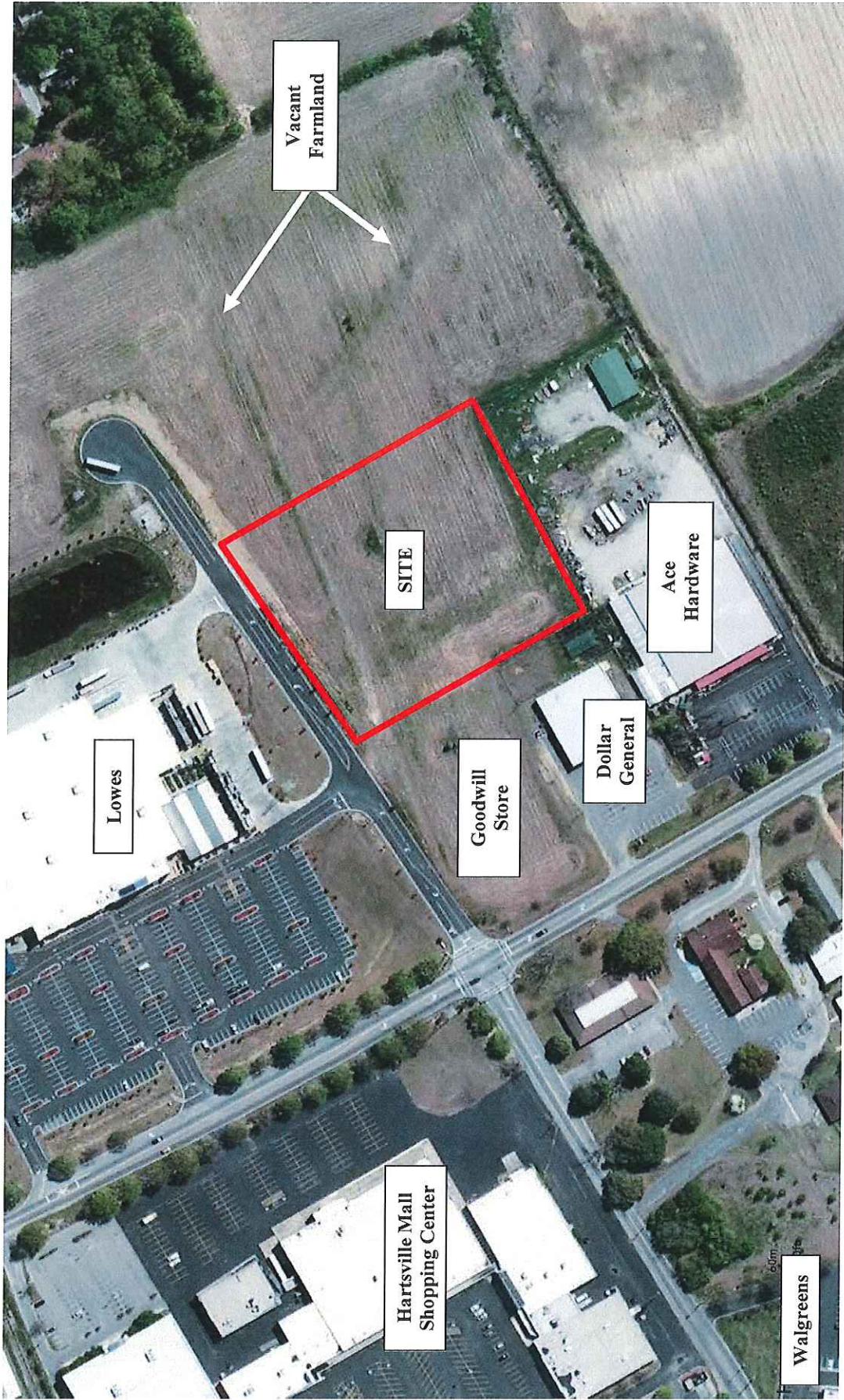


Map 3: Site Location – City of Hartsville

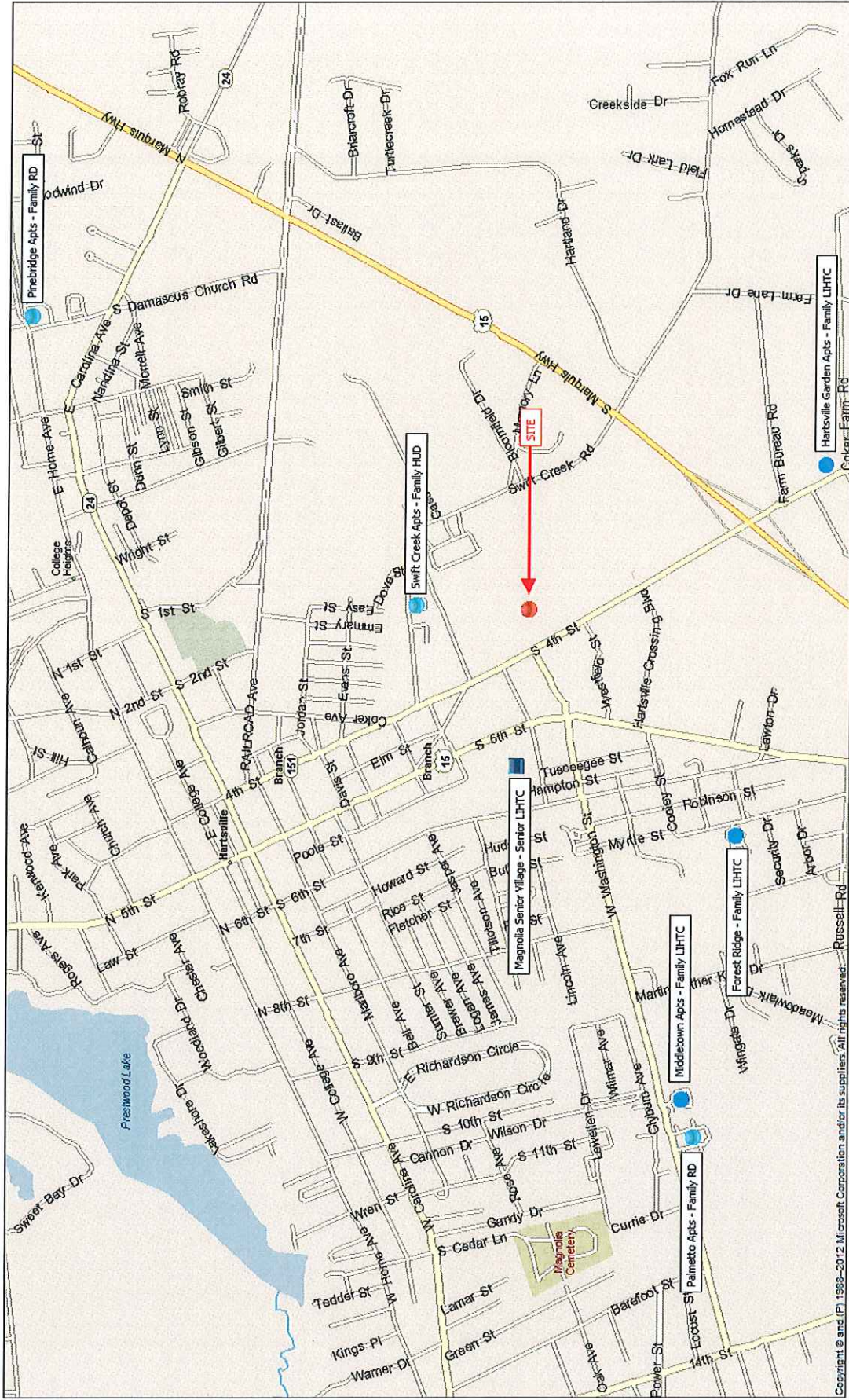


NOTE: Shaded area is city of Hartsville

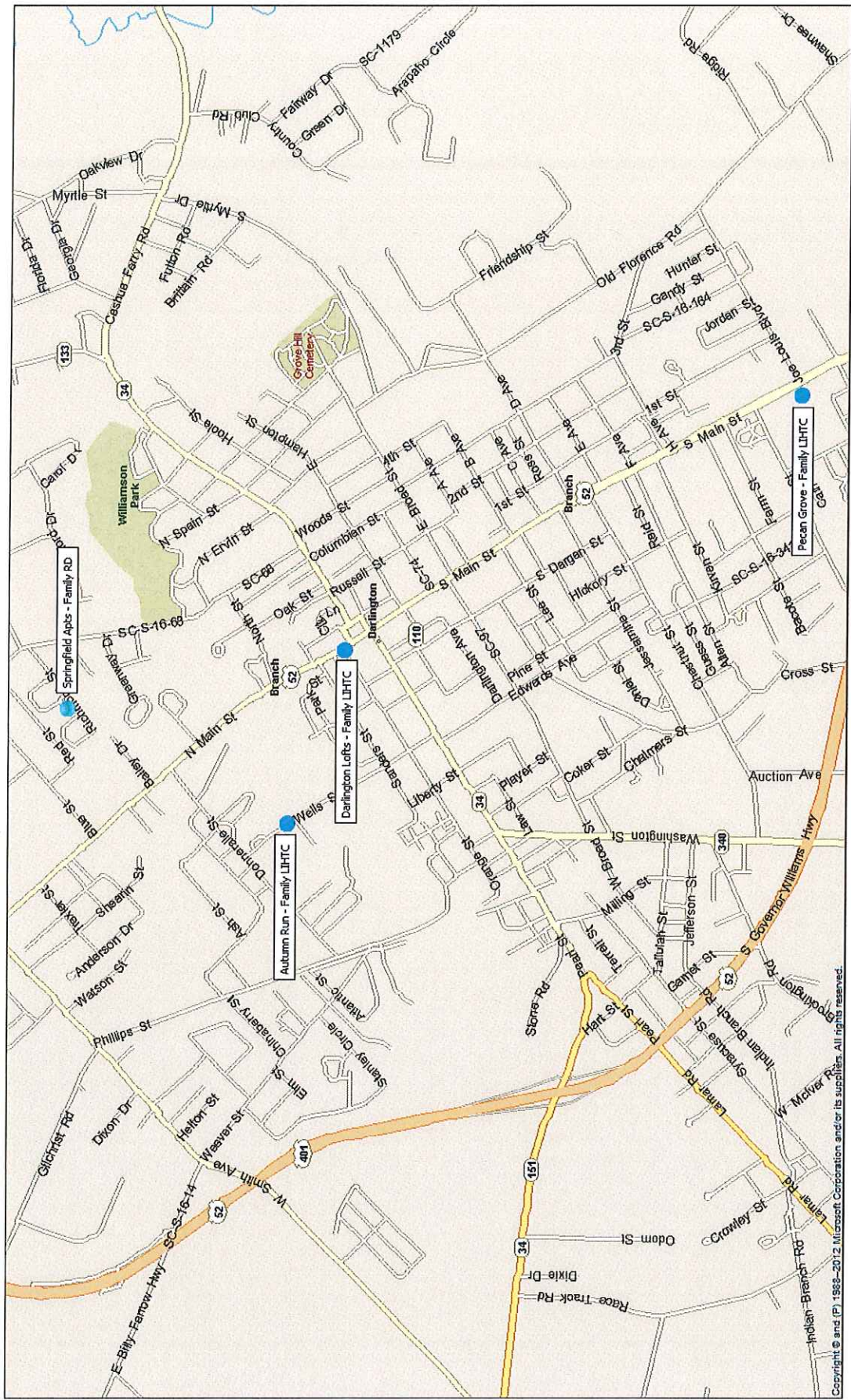
Map 4: Site Location - Aerial Photo



Map 5a: Affordable Rental Housing – Hartsville Area



Map 5b: Affordable Rental Housing – Darlington Area



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Site/Neighborhood Photos



**SITE – Ella Mae Gardens Apartments
Hartsville, SC
Facing south from Washington Avenue Ext.**



**SITE – Ella Mae Gardens Apartments
Hartsville, SC
Facing south from Washington Avenue Ext.
Goodwill is on right**



**SITE – Ella Mae Gardens Apartments
Hartsville, SC
Facing east from edge of Goodwill parking lot
Washington Avenue Ext. is on left**



**SITE – Ella Mae Gardens Apartments
Hartsville, SC
Facing southeast from edge of Goodwill parking lot
Goodwill is on right**



**Lowe's Home Improvement Warehouse
Adjacent to north of site
Facing north from interior of site**



**Lowe's Home Improvement Warehouse
Adjacent to north of site
Facing north from interior of site**



**Goodwill Store adjacent to west of site
Facing west from edge of site**



**Retention pond adjacent to west of site
Facing south from Washington Avenue Ext.
Goodwill Store is on right
Site is on left**



Storage yard for Ace Hardware in distance
Facing south from interior of site



Undeveloped property adjacent to east of site
Facing south from Washington Avenue Ext.
Site is on right



Facing west along Washington Avenue Ext.
Site is on left
Lowe's is on right



Facing east along Washington Avenue Ext.
Site is on right
Lowe's is on left

6. Crime Assessment

According to crime data by zip code, the overall crime index within the immediate area is comparable to state norms, but somewhat above national levels. According to data obtained from HomeFair.com, which provides demographic and lifestyle statistics by zip code, the area in which the subject property is situated (zip code 29550) had a Total Crime Risk index of 129 – as compared to 130 for the state (whereas an index of 100 is the national average). According to index values, Assault Risk was the highest (at 230) followed by Burglary Risk (141). Conversely, Larceny Risk and Automotive Theft Risk (both at 100) were the lowest of all factors. Overall, three of the seven risk factors for the neighborhood are below state norms, while four are above averages. As such, considering these factors as well as information gathered during the site visit, there does not appear to be any noticeable security concerns within the immediate neighborhood surrounding the site, or community as a whole.

Table 1: Crime Risk Index

	Zip: 29550 Index*	State Index*	National Index*
Total Crime Risk Index	129	130	100
Personal Crime Index	167	165	100
Murder Risk	120	138	100
Rape Risk	122	138	100
Robbery Risk	107	95	100
Assault Risk	230	200	100
Property Crime Index	120	124	100
Burglary Risk	141	137	100
Larceny Risk	100	125	100
Automotive Theft Risk	100	91	100
*Values are represented as an index, where the value 100 represents the national average. Source: HomeFair.com - Data by Zip Code			

7. Road/Infrastructure Improvements

Based on the site visit and evaluation of the local market area, no significant road work and/or infrastructure improvements were observed near the site that would have any impact (positive or negative) on the marketability or absorption of the subject proposal.

8. Overall Site Conclusions

Overall, the majority of necessary services are situated within a short distance of the site, with several retail opportunities within walking distance of the site, and a number of others a short drive away (with a Walmart, Piggly Wiggly, Big Lots, Family Dollar, and downtown Hartsville all within one mile). Based on a site visit conducted February 14, 2017, overall site characteristics can be viewed as mostly positive, with no significant visible nuances that can have a potentially negative effect on the marketability or absorption of the subject property. In addition, the subject property's location is readily accessible to 4th Street (roughly one-eighth mile away), offering easy access to downtown Hartsville and most local retail/commercial areas. The subject property has a generally positive curb appeal, with no visible traffic congestion and most nearby properties in good condition.

C. PRIMARY MARKET AREA DELINEATION

The Primary Market Area (PMA) is defined as the geographic area from which the subject property (either proposed or existing) is expected to draw the *majority* of its residents. For the purpose of this report, the Hartsville PMA consists of the majority of Darlington County, and also includes North Hartsville and Darlington. More specifically, the PMA is comprised of 15 census tracts, reaching approximately nine miles to the north of the site, seven miles to the west, ten miles to the south, and roughly 19 miles to the east. As such, the aforementioned primary market area delineation can be considered as a realistic indication of the potential draw of the subject proposal based on the characteristics of the Hartsville area as well as the site's proximity to U.S. 15 and SC 15, providing relatively convenient transportation throughout the county. Furthermore, based on an interview with the manager of Magnolia Senior Village (the county's only senior tax credit property), it was noted that current tenants (as well as others interested) originated from the whole county as well as outlying areas. This fact, and also considering that there is a general lack of affordable tax credit housing targeted for seniors, supports the use of the county as a market area.

Additional factors such as socio-economic conditions and patterns, local roadway infrastructure, commuting patterns, physical boundaries, and personal experience were also utilized when defining the primary market area. As such, the PMA is comprised of the following census tracts:

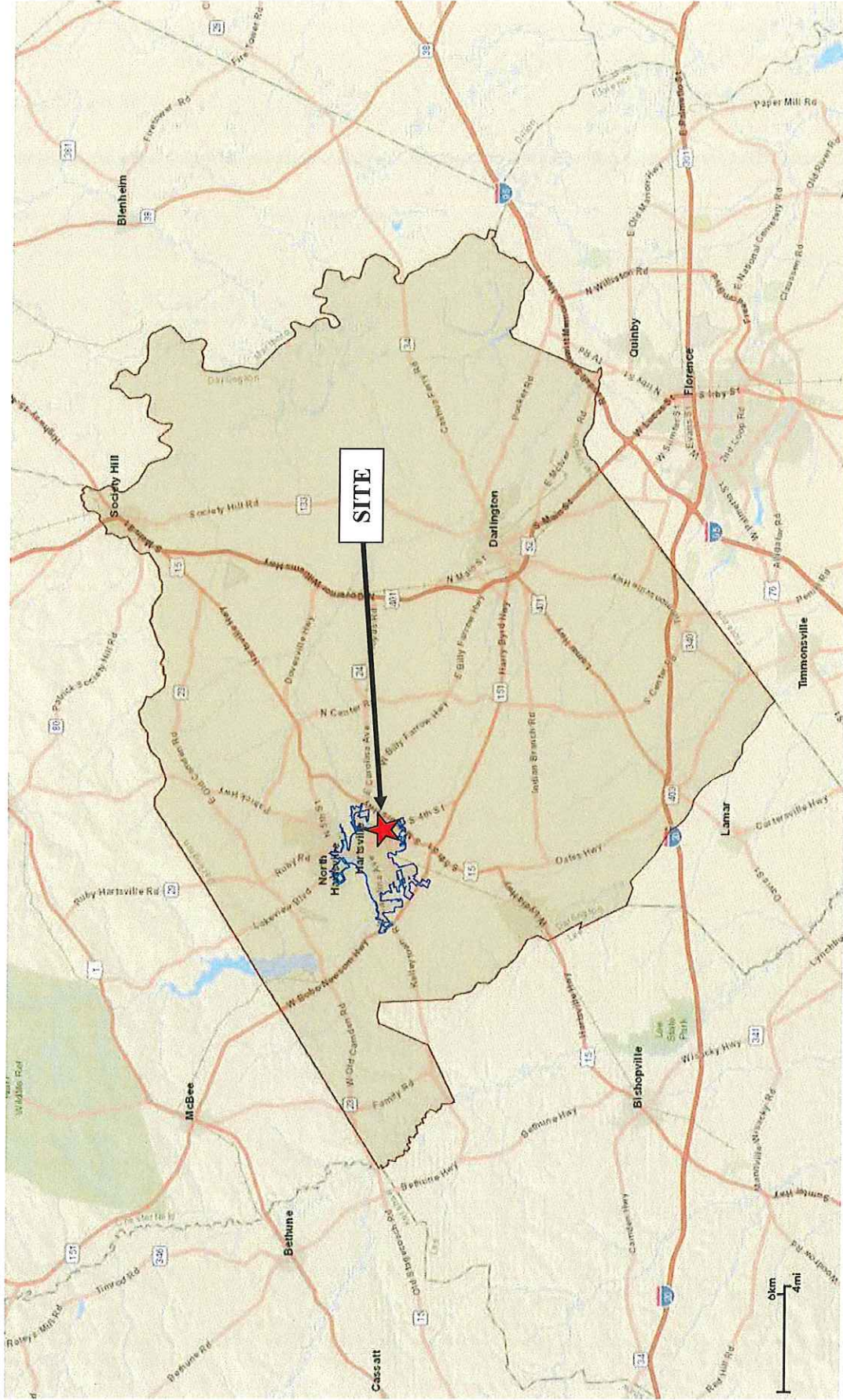
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- Tract 111.00
- Tract 112.00
- Tract 113.00
- Tract 114.00
- Tract 115.00

* Site is located in Census Tract 106

Map 6: State of South Carolina



Map 7: Hartsville PMA



NOTE: Shaded area is PMA; Blue outline is city of Hartsville

Map 8: Primary Market Area – Census Tracts

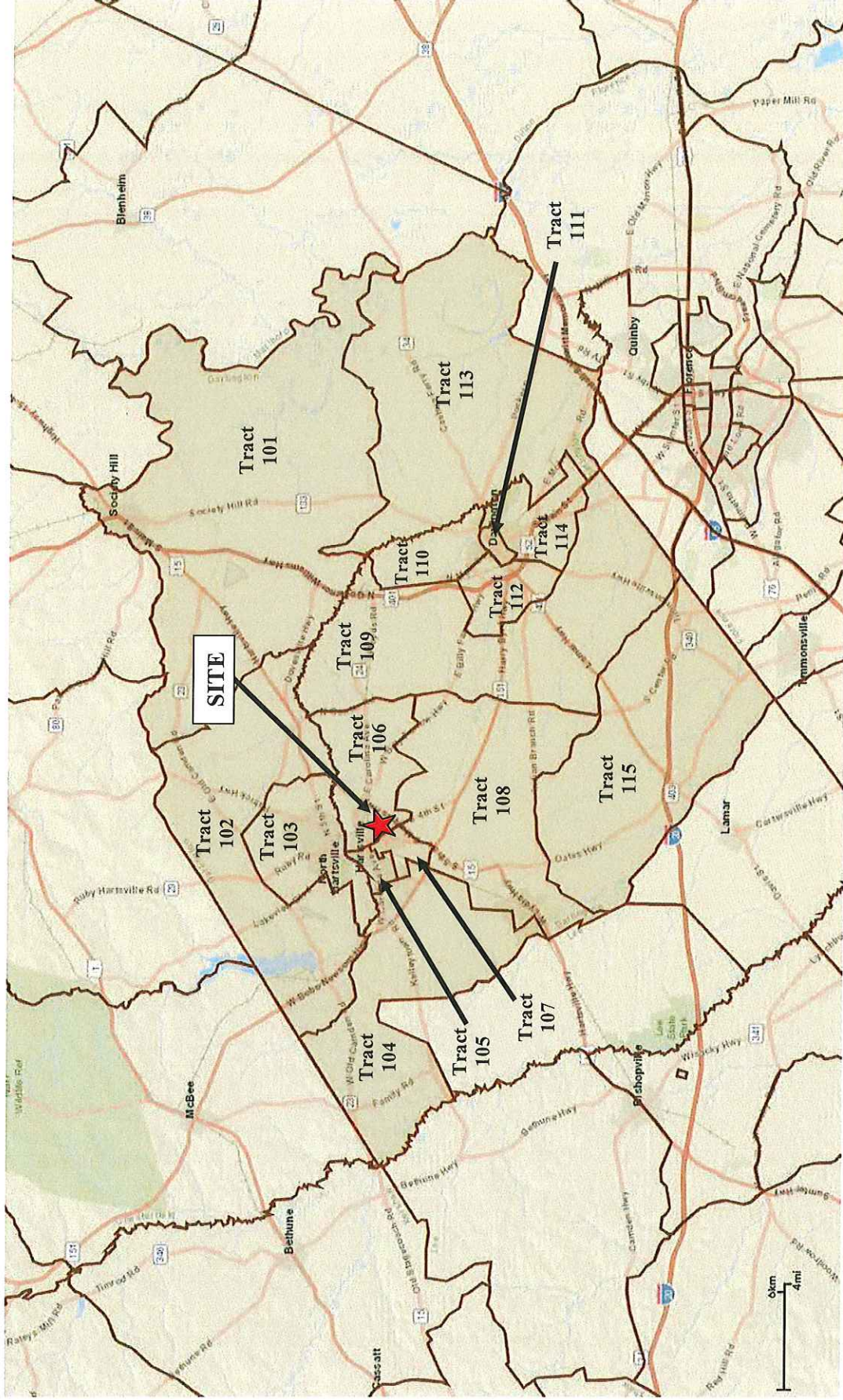


Table 2: Race Distribution (2010)

Census Tract 106 - Darlington County, SC		
	<u>Number</u>	<u>Percent</u>
Total Population (all races)	4,889	100.0%
White*	2,311	47.3%
Black or African American*	2,467	50.5%
American Indian/Alaska Native*	44	0.9%
Asian*	40	0.8%
Native Hawaiian/Pacific Islander*	4	0.1%
Other Race*	87	1.8%

*NOTE: Race figures are "alone or in combination" - which allows persons to report their racial makeup as more than one race. As such, the sum of individual races may add up to more than the total population.

SOURCE: U.S. Census - 2010 - Table QT-P6

D. MARKET AREA ECONOMY

1. Employment by Industry

According to information from the South Carolina Department of Employment and Workforce, the largest individual employment industry within the private sector in Darlington County was manufacturing (21 percent of all jobs), followed by persons employed in health care/social assistance (16 percent) and retail trade (14 percent). Based on a comparison of employment by industry from 2011, the transportation/warehousing sector had the largest growth (719 new jobs), followed by construction (585 jobs) and health care/social assistance (300 jobs). In contrast, industries experiencing the greatest declines between 2011 and 2016 include “other” services (561 fewer jobs) and manufacturing (197 fewer jobs).

Table 3: Employment by Industry – Darlington County (2011-2016)

Industry	2Q 2016		2Q 2011		Change (2011-2016)	
	Number Employed	Percent	Number Employed	Percent	Number Employed	Percent
Total, All Industries	20,309	100.0%	18,655	100.0%	1,654	9%
Agriculture, forestry, fishing and hunting	202	1.2%	212	1.3%	(10)	(5%)
Mining	*	*	*	*	*	*
Utilities	*	*	*	*	*	*
Construction	1,233	7.1%	648	4.0%	585	90%
Manufacturing	3,577	20.7%	3,774	23.1%	(197)	(5%)
Wholesale trade	800	4.6%	812	5.0%	(12)	(1%)
Retail trade	2,370	13.7%	2,320	14.2%	50	2%
Transportation and warehousing	1,024	5.9%	305	1.9%	719	236%
Information	84	0.5%	85	0.5%	(1)	(1%)
Finance and insurance	438	2.5%	454	2.8%	(16)	(4%)
Real estate and rental and leasing	59	0.3%	68	0.4%	(9)	(13%)
Professional and technical services	266	1.5%	271	1.7%	(5)	(2%)
Management of companies and enterprises	*	*	280	1.7%	*	*
Administrative and waste services	1,111	6.4%	1,000	6.1%	111	11%
Educational services	*	*	*	*	*	*
Health care and social assistance	2,691	15.5%	2,391	14.6%	300	13%
Arts, entertainment, and recreation	293	1.7%	307	1.9%	(14)	(5%)
Accommodation and food services	1,550	8.9%	1,321	8.1%	229	17%
Other services, exc. public administration	458	2.6%	1,019	6.2%	(561)	(55%)
Public administration	1,165	6.7%	1,054	6.5%	111	11%
Unclassified	*	*	*	*	*	*

* - Data Not Available
Source: South Carolina Department of Employment & Workforce - Darlington County

2. Commuting Patterns

Overall, the majority of PMA residents stay within the county to work. Based on place of employment (using 2015 American Community Survey data), 71 percent of PMA residents are employed within Darlington County, while 29 percent work outside of the county (most of which commute to Florence County).

Furthermore, an overwhelming majority of workers throughout Darlington County traveled alone to their place of employment, whether it was within the county or commuting outside of the area. According to ACS data, approximately 85 percent of workers within the PMA drove alone to their place of employment, while nine percent carpooled in some manner. Only a very small number (three percent) utilized public transportation, walked, or used some other means to get to work.

Table 4: Place of Work/ Means of Transportation (2015)

EMPLOYMENT BY PLACE OF WORK						
	City of Hartsville		Hartsville PMA		Darlington County	
Total	2,350	100.0%	11,069	100.0%	25,464	100.0%
Worked in State of Residence	2,296	97.7%	10,933	98.8%	25,110	98.6%
Worked in County of Residence	1,765	75.1%	7,879	71.2%	14,631	57.5%
Worked Outside County of Residence	531	22.6%	3,054	27.6%	10,479	41.2%
Worked Outside State of Residence	54	2.3%	136	1.2%	354	1.4%
MEANS OF TRANSPORTATION TO WORK						
	City of Hartsville		Hartsville PMA		Darlington County	
Total	2,350	100.0%	11,069	100.0%	25,137	100.0%
Drove Alone - Car, Truck, or Van	1,978	84.2%	9,442	85.3%	21,306	84.8%
Carpooled - Car, Truck, or Van	124	5.3%	956	8.6%	2,357	9.4%
Public Transportation	0	0.0%	0	0.0%	0	0.0%
Walked	80	3.4%	152	1.4%	458	1.8%
Other Means	66	2.8%	131	1.2%	262	1.0%
Worked at Home	102	4.3%	388	3.5%	754	3.0%
Source: U.S. Census Bureau; American Community Survey						

Table 5: Employment Commuting Patterns (2010)

Persons Commuting TO Darlington County		Persons Commuting FROM Darlington County	
Commuters Living In:	Number	Commuters Working In :	Number
Florence County, SC	3,212	Florence County, SC	8,050
Chesterfield County, SC	1,827	Chesterfield County, SC	881
Lee County, SC	488	Lee County, SC	363
Kershaw County, SC	194	Marlboro County, SC	278
Marlboro County, SC	132	Sumter County, SC	160
Source: U.S. Census Bureau - 2010			

3. Largest Employers

Below is a chart depicting the largest employers within Darlington County, according to information obtained through the South Carolina Department of Employment and Workforce.

Darlington County Top Employers (Listed Alphabetically)	
ARDS Trucking Company Inc.	CareSouth Carolina, Inc.
Citi Trends Inc.	Coker College
Darlington Cnty Disabilities & Spec	Darlington County
Darlington County School District	Dixie Consumer Products LLC
Duke Energy Progress Inc.	Hartsville HMA Inc.
Manheim Remarketing Inc.	MOR PPM Inc.
Morrell Nursing Center LLC	NSLC Darlington Inc.
Nucor Corporation	PruittHealth Therapy Services Inc.
Roller Bearing Co. of America Inc.	Sonoco Products Company
Wal-Mart Associates Inc.	West Oil Company Inc.
Source: SC Department of Employment & Workforce - 2016 Q2	

4. Employment and Unemployment Trends

The overall economy throughout Darlington County has demonstrated improvement in recent years, with employment increases in each of the last five years and an improving unemployment rate. As such, Darlington County recorded an overall increase of approximately 1,725 jobs between 2010 and 2016, representing an increase of seven percent (an average annual increase of 1.1 percent). In addition, the annual unemployment rate for 2016 was calculated at 6.4 percent, improving from 7.4 percent in 2015, representing the county’s lowest rate in more than ten years. In comparison, the state and national unemployment rate for 2016 was 5.1 and 4.9 percent, respectively.

Table 6: Historical Employment Trends

Year	Darlington County				Employment Annual Change			Unemployment Rate		
	Labor Force	Number Employed	Annual Change	Percent Change	Darlington County	South Carolina	United States	Darlington County	South Carolina	United States
2005	30,588	27,930	---	---	---	1.9%	1.8%	8.7%	6.7%	5.1%
2006	31,020	28,639	709	2.5%	2.5%	2.3%	1.9%	7.7%	6.4%	4.6%
2007	30,770	28,762	123	0.4%	0.4%	1.6%	1.1%	6.5%	5.7%	4.6%
2008	31,143	28,493	(269)	-0.9%	-0.9%	-0.5%	-0.5%	8.5%	6.8%	5.8%
2009	31,068	27,033	(1,460)	-5.1%	-5.1%	-4.3%	-3.8%	13.0%	11.2%	9.3%
2010	30,591	26,556	(477)	-1.8%	-1.8%	0.2%	-0.6%	13.2%	11.2%	9.6%
2011	30,451	26,518	(38)	-0.1%	-0.1%	1.6%	0.6%	12.9%	10.6%	8.9%
2012	30,373	27,020	502	1.9%	1.9%	1.9%	1.9%	11.0%	9.2%	8.1%
2013	30,063	27,260	240	0.9%	0.9%	2.0%	1.0%	9.3%	7.6%	7.4%
2014	29,666	27,307	47	0.2%	0.2%	2.6%	1.7%	8.0%	6.4%	6.2%
2015	30,054	27,829	522	1.9%	1.9%	2.3%	1.7%	7.4%	6.0%	5.3%
2016	30,210	28,280	451	1.6%	1.6%	2.9%	1.7%	6.4%	5.1%	4.9%

Darlington County				South Carolina		
	Number	Percent	Ann. Avg.		Percent	Ann. Avg.
Change (2005-Present):	350	1.3%	0.1%	Change (2005-Present):	13.2%	1.2%
Change (2010-Present):	1,724	6.5%	1.1%	Change (2010-Present):	14.0%	2.3%
Change (2015-Present):	451	1.6%	1.6%	Change (2015-Present):	2.9%	2.9%
Change (2005-2010):	(1,374)	-4.9%	-1.0%	Change (2005-2010):	-0.7%	-0.1%
Change (2010-2015):	1,273	4.8%	1.0%	Change (2010-2015):	10.8%	2.2%

*Monthly data not seasonally adjusted

Figure 1: Employment Growth

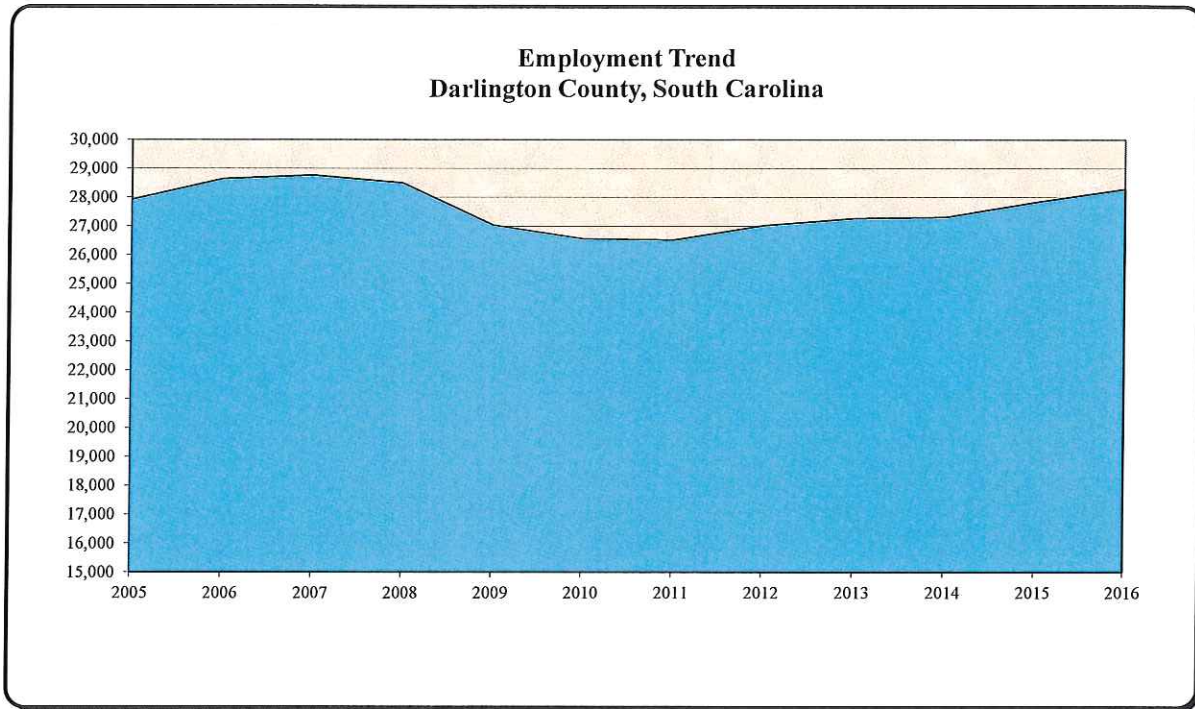
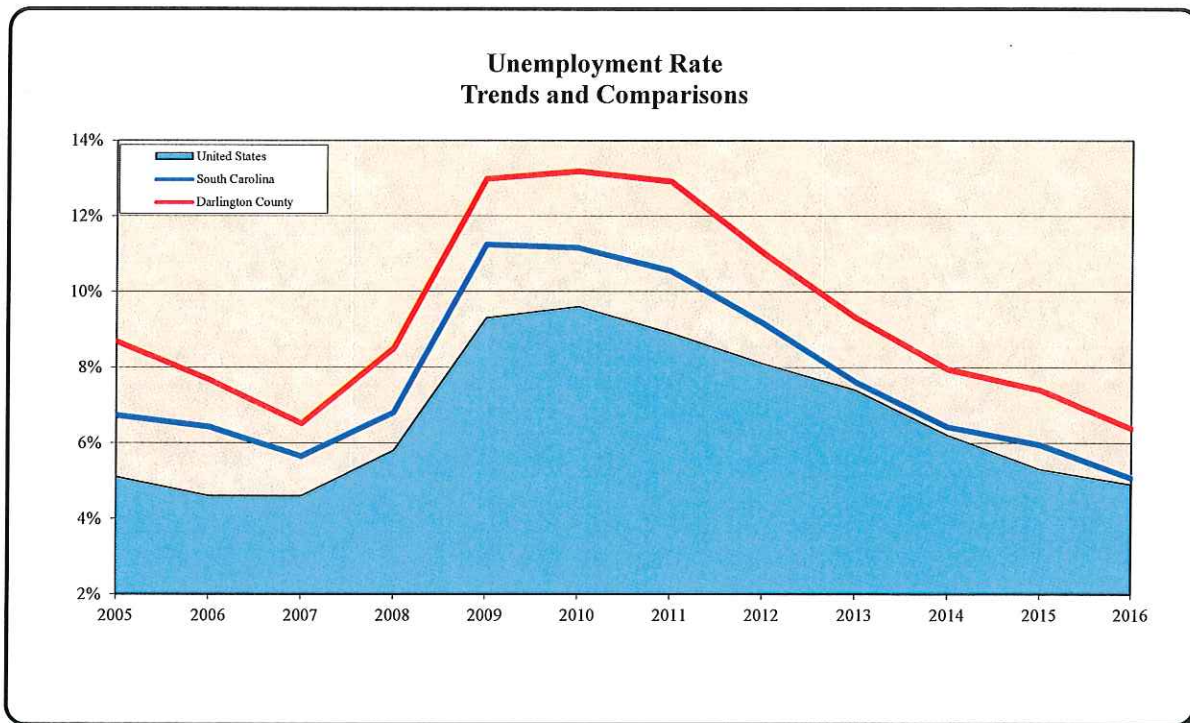
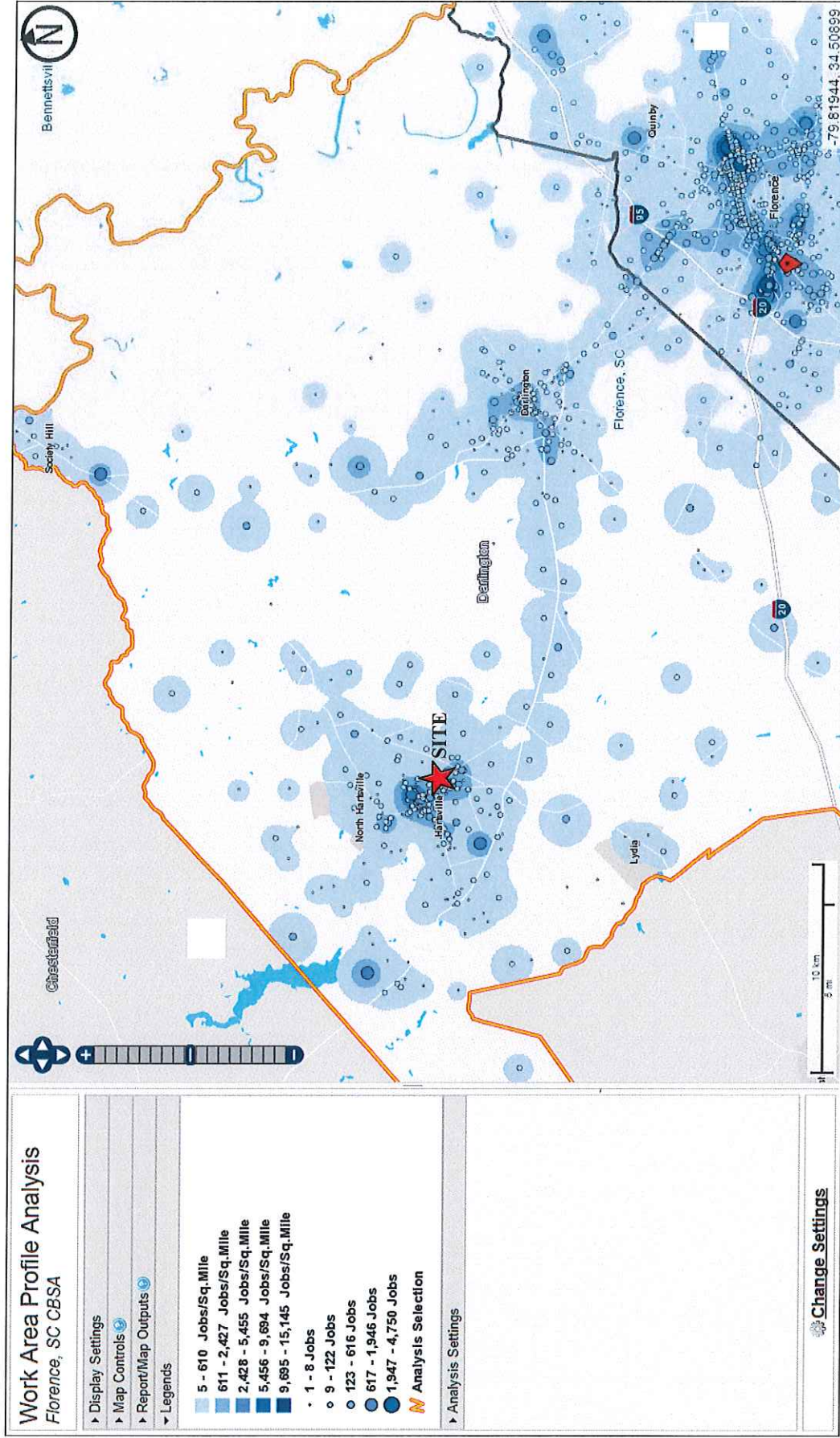


Figure 2: Historical Unemployment Rate



Map 9: Largest Employment Concentrations – Darlington County Area



E. COMMUNITY DEMOGRAPHIC DATA

1. Population Trends

Based on U.S. Census data and ESRI forecasts, much of Darlington County has experienced relatively small demographic losses since 2010, although Hartsville exhibited slight increases during this time. Overall, the PMA had an estimated population of 64,587 persons in 2016, representing a decrease of less than one percent from 2010 (a loss of roughly 550 persons). In comparison, the city increased by two percent during this time, while the county decreased by a similar one percent between 2010 and 2016.

Future projections indicate similar trends with an estimated decrease of one percent anticipated within the PMA between 2016 and 2021 (nearly 700 fewer persons), and Hartsville expected to remain relatively constant (an increase of five persons).

Table 7: Population Trends (2000 to 2021)

	<u>2000</u>	<u>2010</u>	<u>2016</u>	<u>2019</u>	<u>2021</u>
City of Hartsville	7,789	7,764	7,911	7,914	7,916
Hartsville PMA	63,810	65,137	64,587	64,177	63,903
Darlington County	67,394	68,681	68,170	67,751	67,471
		<u>2000-2010</u>	<u>2010-2016</u>	<u>2016-2019</u>	<u>2016-2021</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Hartsville		-0.3%	1.9%	0.0%	0.1%
Hartsville PMA		2.1%	-0.8%	-0.6%	-1.1%
Darlington County		1.9%	-0.7%	-0.6%	-1.0%
		<u>2000-2010</u>	<u>2010-2016</u>	<u>2016-2019</u>	<u>2016-2021</u>
		<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>
City of Hartsville		0.0%	0.3%	0.0%	0.0%
Hartsville PMA		0.2%	-0.1%	-0.2%	-0.2%
Darlington County		0.2%	-0.1%	-0.2%	-0.2%

Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC

The largest population group for the PMA in 2010 consisted of persons between the ages of 20 and 44 years, accounting for 30 percent of all persons. In comparison, this age cohort represented similar proportions within both Hartsville and Darlington County (each at 30 percent of the population). Older persons also accounted for a relatively large portion of the population within the market area. As such, 29 percent of the total PMA population was between 45 and 65 years.

When reviewing distribution patterns between 2000 and 2021, the aging of the population is clearly evident for the PMA and Darlington County as a whole. The proportion of persons under the age of 45 has steadily declined since 2000, and is expected to decrease further through 2021. In contrast, the fastest growing portion of the population base is the older age segments. Within the PMA, persons over the age of 55 years, which represented 22 percent of the population in 2000, is expected to increase to account for 34 percent of all persons by 2021 – an aging trend largely explained by the continued aging of the baby boom generation.

As such, the increasing percentage of persons above the age of 55 seen throughout Hartsville and the PMA (expected to represent more than one-third of all persons within the PMA in 2021) signifies positive trends for the subject proposal by providing a growing base of potential senior tenants for the subject development.

Table 8: Age Distribution (2000 to 2021)

	City of Hartsville			Hartsville PMA			Darlington County		
	2010 Number	2010 Percent	2021 Percent	2010 Number	2010 Percent	2021 Percent	2010 Number	2010 Percent	2021 Percent
Under 20 years	2,268	28.6%	29.2%	17,739	28.8%	24.6%	18,721	28.9%	24.7%
20 to 24 years	676	7.5%	8.7%	3,828	6.3%	5.9%	4,013	6.3%	5.3%
25 to 34 years	801	10.8%	10.3%	7,201	13.2%	11.1%	7,592	13.2%	11.2%
35 to 44 years	859	13.9%	11.1%	8,348	15.0%	12.8%	8,795	15.0%	12.8%
45 to 54 years	1,017	12.3%	13.1%	9,585	14.8%	14.7%	10,122	14.7%	14.7%
55 to 64 years	886	9.2%	11.4%	9,156	9.7%	14.1%	9,645	9.7%	14.2%
65 to 74 years	646	8.9%	8.3%	5,439	6.0%	8.4%	5,758	6.6%	8.4%
75 to 84 years	417	6.5%	5.4%	2,762	4.2%	4.2%	2,900	4.2%	5.8%
85 years and older	194	2.2%	2.5%	1,079	1.3%	1.7%	1,135	1.3%	1.9%
Under 20 years	2,268	28.6%	29.2%	17,739	28.8%	24.6%	18,721	28.9%	24.7%
20 to 44 years	2,336	32.3%	30.1%	19,377	34.6%	29.7%	20,400	34.5%	29.7%
45 to 64 years	1,903	21.5%	24.5%	18,741	24.5%	28.8%	19,767	24.4%	28.8%
65 years and older	1,257	17.6%	16.2%	9,280	12.1%	14.2%	9,793	12.1%	14.3%
55 years and older	2,143	26.8%	27.6%	18,436	21.8%	28.3%	19,438	21.8%	28.3%
75 years and older	611	8.6%	7.9%	3,841	5.5%	5.9%	4,035	5.5%	5.9%
Non-Elderly (<65)	6,507	82.4%	83.8%	55,857	87.9%	85.8%	58,888	87.9%	85.7%
Elderly (65+)	1,257	17.6%	16.2%	9,280	12.1%	14.2%	9,793	12.1%	14.3%

Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC

2. Household Trends

Although the Hartsville market area is expected to lose population between 2010 and 2016, the number of households has increased somewhat during this time. As such, occupied households within the PMA numbered 25,368 units in 2016, representing an increase of one percent from 2010 (a gain of nearly 200 households). However, ESRI forecasts for 2021 indicate this number will decrease slightly (by almost 100 households) between 2016 and 2021. In comparison, the number of households increased by four percent within Hartsville between 2010 and 2016, and is anticipated to increase an additional one percent through 2021.

Table 9: Household Trends (2000 to 2021)

	<u>2000</u>	<u>2010</u>	<u>2016</u>	<u>2019</u>	<u>2021</u>
City of Hartsville	3,187	3,081	3,191	3,207	3,217
Hartsville PMA	24,453	25,174	25,368	25,309	25,269
Darlington County	25,793	26,531	26,768	26,712	26,675
		<u>2000-2010</u>	<u>2010-2016</u>	<u>2016-2019</u>	<u>2016-2021</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Hartsville		-3.3%	3.6%	0.5%	0.8%
Hartsville PMA		2.9%	0.8%	-0.2%	-0.4%
Darlington County		2.9%	0.9%	-0.2%	-0.3%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC					

Table 10: Average Household Size (2000 to 2021)

	<u>2000</u>	<u>2010</u>	<u>2016</u>	<u>2019</u>	<u>2021</u>
City of Hartsville	2.29	2.32	2.29	2.28	2.27
Hartsville PMA	2.56	2.53	2.49	2.48	2.47
Darlington County	2.57	2.54	2.50	2.48	2.48
		<u>2000-2010</u>	<u>2010-2016</u>	<u>2016-2019</u>	<u>2016-2021</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Hartsville		1.3%	-1.3%	-0.4%	-0.7%
Hartsville PMA		-1.0%	-1.7%	-0.4%	-0.7%
Darlington County		-1.1%	-1.7%	-0.4%	-0.7%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC					

Renter-occupied households throughout the market area have also exhibited somewhat mixed patterns. According to U.S. Census figures and ESRI estimates, a total of 7,720 renter-occupied households are estimated within the PMA for 2016, representing an increase of seven percent from 2010 figures (a gain of more than 500 rental units). However, the number of renter units is expected to decline by 35 units through 2021 (less than one percent).

Overall, a moderate ratio of renter households exists throughout the local market area. For the PMA, the renter household percentage was calculated at 30 percent in 2016, notably lower than the city's renter representation (45 percent), and more in line with the county as a whole (also at 30 percent).

Table 11: Renter Household Trends (2000 to 2021)

	<u>2000</u>	<u>2010</u>	<u>2016</u>	<u>2019</u>	<u>2021</u>
City of Hartsville	1,203	1,464	1,423	1,432	1,438
Hartsville PMA	5,689	7,209	7,720	7,699	7,685
Darlington County	5,939	7,531	8,073	8,047	8,029
		<u>2000-2010</u>	<u>2010-2016</u>	<u>2016-2019</u>	<u>2016-2021</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Hartsville		21.7%	-2.8%	0.6%	1.1%
Hartsville PMA		26.7%	7.1%	-0.3%	-0.5%
Darlington County		26.8%	7.2%	-0.3%	-0.5%
	<u>% Renter</u>	<u>% Renter</u>	<u>% Renter</u>	<u>% Renter</u>	<u>% Renter</u>
	<u>2000</u>	<u>2010</u>	<u>2016</u>	<u>2019</u>	<u>2021</u>
City of Hartsville	37.7%	47.5%	44.6%	44.7%	44.7%
Hartsville PMA	23.3%	28.6%	30.4%	30.4%	30.4%
Darlington County	23.0%	28.4%	30.2%	30.1%	30.1%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC					

Similar to overall households, renter household sizes for the Hartsville PMA were generally larger than those reported for Hartsville, on average. In addition, renter sizes increased over the past decade in the PMA (from 2.40 persons per unit in 2000 to 2.59 persons per unit in 2010). Despite the increase in average size, the majority of rental units locally contained just one or two persons (57 percent), with three persons occupying 18 percent of units, and 25 percent of units with four or more persons.

Table 12: Rental Units by Size (2010)

	<u>One Person</u>	<u>Two Persons</u>	<u>Three Persons</u>	<u>Four Persons</u>	<u>5 or More Persons</u>	<u>Median Persons Per Rental Unit</u>	
						<u>2000</u>	<u>2010</u>
City of Hartsville	572	364	227	168	133	2.29	2.33
Hartsville PMA	2,301	1,799	1,298	947	864	2.40	2.59
Darlington County	2,387	1,884	1,348	994	918	2.41	2.58
	<u>1 Person Percent</u>	<u>2 Person Percent</u>	<u>3 Person Percent</u>	<u>4 Person Percent</u>	<u>5+ Person Percent</u>	<u>Median Change</u>	
City of Hartsville	39.1%	24.9%	15.5%	11.5%	9.1%	1.7%	
Hartsville PMA	31.9%	25.0%	18.0%	13.1%	12.0%	7.7%	
Darlington County	31.7%	25.0%	17.9%	13.2%	12.2%	7.1%	

Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC

3. Senior-Specific Demographic Data

As noted earlier, the senior population cohort is anticipated to experience sizeable growth as compared to other age segments. As such, a total of 20,416 seniors (age 55 years and over) are estimated in the PMA for 2016, representing an increase of 11 percent from 2010 (nearly 2,000 additional seniors). The 2016 figure represents 32 percent of the overall population, which is an increase from a representation of just 22 percent in 2000. Furthermore, this positive trend is anticipated to continue, with an additional increase of seven percent forecast between 2016 and 2021.

Future population trends for the older senior segment (65 years and older) are similar to those exhibited by the 55 and older age group, representing strong growth throughout the entire senior segment. As can be seen, overall senior growth and propensities are an encouraging indication of the long-term viability of the subject proposal. Additionally, while considering senior population counts have experienced extraordinary increases since 2000 and are expected to continue in the future, the demand for additional senior housing will likely escalate as well. In addition, the increasing percentage of persons over 55 years within the PMA is clearly representative of a steady source of potential renters as this group continues to age in place.

Table 13: Senior Population Trends (2000 to 2021)

55+ Population Trends					
	<u>2000</u>	<u>2010</u>	<u>2016</u>	<u>2019</u>	<u>2021</u>
City of Hartsville	2,025	2,143	2,423	2,465	2,528
Hartsville PMA	13,911	18,436	20,416	20,960	21,878
Darlington County	14,712	19,438	21,543	22,131	23,115
		2000-2010	2010-2016	2016-2019	2016-2021
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Hartsville		5.8%	13.1%	1.7%	4.3%
Hartsville PMA		32.5%	10.7%	2.7%	7.2%
Darlington County		32.1%	10.8%	2.7%	7.3%
<i>Percent of Population</i>					
	<u>2000</u>	<u>2010</u>	<u>2016</u>	<u>2019</u>	<u>2021</u>
City of Hartsville	26.0%	27.6%	30.6%	31.2%	31.9%
Hartsville PMA	21.8%	28.3%	31.6%	32.7%	34.2%
Darlington County	21.8%	28.3%	31.6%	32.7%	34.3%
65+ Population Trends					
	<u>2000</u>	<u>2010</u>	<u>2016</u>	<u>2019</u>	<u>2021</u>
City of Hartsville	1,328	1,257	1,401	1,447	1,516
Hartsville PMA	7,726	9,280	11,043	11,734	12,821
Darlington County	8,158	9,793	11,650	12,383	13,533
		2000-2010	2010-2016	2016-2019	2016-2021
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Hartsville		-5.3%	11.5%	3.3%	8.2%
Hartsville PMA		20.1%	19.0%	6.3%	16.1%
Darlington County		20.0%	19.0%	6.3%	16.2%
<i>Percent of Population</i>					
	<u>2000</u>	<u>2010</u>	<u>2016</u>	<u>2019</u>	<u>2021</u>
City of Hartsville	17.0%	16.2%	17.7%	18.3%	19.2%
Hartsville PMA	12.1%	14.2%	17.1%	18.3%	20.1%
Darlington County	12.1%	14.3%	17.1%	18.3%	20.1%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC					

As with senior population patterns, senior household trends (age 55 years and older) have also experienced strong gains within the PMA and are also expected to continue to increase through 2021. According to Census and ESRI data, the number of senior households within the PMA increased by nine percent between 2010 and 2016 (adding nearly 1,100 additional senior households), while ESRI estimates a further gain of six percent between 2016 and 2021 – representing approximately 54 percent of all PMA households in 2021.

Table 14: Senior Household Trends (2000 to 2021)

55+ Household Trends					
	<u>2000</u>	<u>2010</u>	<u>2016</u>	<u>2019</u>	<u>2021</u>
City of Hartsville	1,340	1,456	1,633	1,663	1,702
Hartsville PMA	8,832	11,693	12,782	13,065	13,514
Darlington County	9,373	12,342	13,508	13,817	14,304
		<u>2000-2010</u>	<u>2010-2016</u>	<u>2016-2019</u>	<u>2016-2021</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Hartsville		8.7%	12.1%	1.9%	4.3%
Hartsville PMA		32.4%	9.3%	2.2%	5.7%
Darlington County		31.7%	9.4%	2.3%	5.9%
Percent of Households					
	<u>2000</u>	<u>2010</u>	<u>2016</u>	<u>2019</u>	<u>2021</u>
City of Hartsville	42.0%	47.3%	51.2%	51.9%	52.9%
Hartsville PMA	36.1%	46.4%	50.4%	51.6%	53.5%
Darlington County	36.3%	46.5%	50.5%	51.7%	53.6%
65+ Household Trends					
	<u>2000</u>	<u>2010</u>	<u>2016</u>	<u>2019</u>	<u>2021</u>
City of Hartsville	914	926	1,020	1,054	1,100
Hartsville PMA	4,986	6,141	7,188	7,594	8,215
Darlington County	5,311	6,493	7,599	8,032	8,692
		<u>2000-2010</u>	<u>2010-2016</u>	<u>2016-2019</u>	<u>2016-2021</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Hartsville		1.3%	10.2%	3.3%	7.8%
Hartsville PMA		23.2%	17.0%	5.6%	14.3%
Darlington County		22.3%	17.0%	5.7%	14.4%
Percent of Households					
	<u>2000</u>	<u>2010</u>	<u>2016</u>	<u>2019</u>	<u>2021</u>
City of Hartsville	28.7%	30.1%	32.0%	32.9%	34.2%
Hartsville PMA	20.4%	24.4%	28.3%	30.0%	32.5%
Darlington County	20.6%	24.5%	28.4%	30.1%	32.6%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC					

Despite the substantial growth in the senior population throughout the area, the percentage of senior renter households is notably smaller than the overall renter household percentage. As such, senior renter households (55 and over) within the PMA numbered 2,393 units in 2016, representing roughly 19 percent of all senior-occupied households within the market area. In comparison, Hartsville itself contained 524 senior renter households, which was 32 percent of all senior households within the community in 2016.

Table 15: Senior Renter Household Trends (2000 to 2021)

Senior Renter HHs - 55+					
	<u>2000</u>	<u>2010</u>	<u>2016</u>	<u>2019</u>	<u>2021</u>
City of Hartsville	311	467	524	533	546
Hartsville PMA	1,416	2,189	2,393	2,446	2,530
Darlington County	1,488	2,282	2,498	2,555	2,645
		<u>2000-2010</u>	<u>2010-2016</u>	<u>2016-2019</u>	<u>2016-2021</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Hartsville		50.2%	12.1%	1.9%	4.3%
Hartsville PMA		54.6%	9.3%	2.2%	5.7%
Darlington County		53.4%	9.4%	2.3%	5.9%
	<u>% Renter</u>	<u>% Renter</u>	<u>% Renter</u>	<u>% Renter</u>	<u>% Renter</u>
	<u>2000</u>	<u>2010</u>	<u>2016</u>	<u>2019</u>	<u>2021</u>
City of Hartsville	23.2%	32.1%	32.1%	32.1%	32.1%
Hartsville PMA	16.0%	18.7%	18.7%	18.7%	18.7%
Darlington County	15.9%	18.5%	18.5%	18.5%	18.5%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC					

4. Household Income Trends

Income levels throughout the Hartsville area have experienced somewhat modest gains over the past decade. Overall, much of the county recorded gains of between two and three percent annually between 2000 and 2010, but decreased to less than one percent annually since 2010. The median household income for 2016 was estimated at \$39,687 for the PMA, which was five percent greater than that estimated for Hartsville proper (\$37,773), and nearly identical to that recorded for Darlington County overall (\$39,388). Furthermore, the PMA figure represents an increase of just over one percent from 2010 (an average annual increase of 0.2 percent), while the city and county increased at a similar rate.

According to ESRI data, income appreciation is forecast to improve somewhat through 2021, but will remain somewhat lackluster. As such, it is projected that the median income within the PMA will increase by 1.0 percent annually between 2016 and 2021.

Table 16: Median Household Incomes (1999 to 2021)

	<u>1999</u>	<u>2010</u>	<u>2016</u>	<u>2019</u>	<u>2021</u>
City of Hartsville	\$26,104	\$37,242	\$37,773	\$39,071	\$39,936
Hartsville PMA	\$31,917	\$39,129	\$39,687	\$40,332	\$41,762
Darlington County	\$30,987	\$38,379	\$39,388	\$39,920	\$41,274
		<u>1999-2010</u>	<u>2010-2016</u>	<u>2016-2019</u>	<u>2016-2021</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Hartsville		42.7%	1.4%	3.4%	5.7%
Hartsville PMA		22.6%	1.4%	1.6%	5.2%
Darlington County		23.9%	2.6%	1.3%	4.8%
		<u>1999-2010</u>	<u>2010-2016</u>	<u>2016-2019</u>	<u>2016-2021</u>
		<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>
City of Hartsville		3.9%	0.2%	1.1%	1.1%
Hartsville PMA		2.1%	0.2%	0.5%	1.0%
Darlington County		2.2%	0.4%	0.4%	1.0%

Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC

According to the U.S. Census Bureau, approximately 49 percent of all households within the Hartsville PMA had an annual income of less than \$35,000 in 2015 – the portion of the population with the greatest need for affordable housing options. In comparison, both the city and county had somewhat higher proportions of incomes within this range (at 58 percent and 50 percent, respectively). As such, with nearly one-half of all households within the market area earning less than \$35,000 per year, additional affordable housing options will be well received.

Table 17: Overall Household Income Distribution (2015)

Income Range	City of Hartsville		Hartsville PMA		Darlington County	
	Number	Percent	Number	Percent	Number	Percent
Less than \$10,000	695	21.4%	3,100	12.4%	3,371	12.8%
\$10,000 to \$14,999	388	12.0%	2,422	9.7%	2,548	9.6%
\$15,000 to \$19,999	285	8.8%	1,897	7.6%	2,072	7.8%
\$20,000 to \$24,999	266	8.2%	1,748	7.0%	1,881	7.1%
\$25,000 to \$29,999	100	3.1%	1,707	6.8%	1,754	6.6%
\$30,000 to \$34,999	137	4.2%	1,397	5.6%	1,479	5.6%
\$35,000 to \$39,999	60	1.8%	1,130	4.5%	1,148	4.3%
\$40,000 to \$44,999	106	3.3%	1,439	5.8%	1,518	5.7%
\$45,000 to \$49,999	100	3.1%	999	4.0%	1,062	4.0%
\$50,000 to \$59,999	123	3.8%	1,892	7.6%	1,945	7.4%
\$60,000 to \$74,999	247	7.6%	2,102	8.4%	2,256	8.5%
\$75,000 to \$99,999	266	8.2%	2,314	9.3%	2,401	9.1%
\$100,000 to \$124,999	158	4.9%	1,127	4.5%	1,174	4.4%
\$125,000 to \$149,999	79	2.4%	749	3.0%	785	3.0%
\$150,000 to \$199,999	146	4.5%	626	2.5%	656	2.5%
\$200,000 and Over	89	2.7%	367	1.5%	367	1.4%
TOTAL	3,245	100.0%	25,016	100.0%	26,417	100.0%
Less than \$34,999	1,871	57.7%	12,271	49.1%	13,105	49.6%
\$35,000 to \$49,999	266	8.2%	3,568	14.3%	3,728	14.1%
\$50,000 to \$74,999	370	11.4%	3,994	16.0%	4,201	15.9%
\$75,000 to \$99,999	266	8.2%	2,314	9.3%	2,401	9.1%
\$100,000 and Over	472	14.5%	2,869	11.5%	2,982	11.3%

Source: American Community Survey

Based on the proposed income targeting and rent levels, the key income range for the subject proposal is \$14,820 to \$25,560 (in current dollars). Utilizing Census information available on household income by tenure, dollar values were inflated to current dollars using the Consumer Price Index calculator from the Bureau of Labor Statistic's website. Based on this data, the targeted income range accounts for a moderate number of low-income senior households throughout the area. As such, roughly 17 percent of the PMA's senior owner-occupied household number, and 31 percent of the senior renter-occupied household figure are within the income-qualified range. Overall, this income range accounted for 20 percent of all senior households within the PMA. Considering the relative density of the PMA, this equates to nearly 2,600 potential income-qualified households for the proposed development, including almost 750 income-qualified senior renter households.

Table 18: Senior Household Income by Tenure – Hartsville PMA (2019)

Income Range	Number of 2019 Households (55+)			Percent of 2019 Households (55+)		
	Total	Owner	Renter	Total	Owner	Renter
Less than \$9,999	1,301	778	523	9.8%	7.3%	21.4%
\$10,000 to \$14,999	1,848	1,365	483	14.0%	12.9%	19.7%
\$15,000 to \$19,999	1,384	1,005	378	10.5%	9.5%	15.5%
\$20,000 to \$24,999	1,027	697	330	7.8%	6.6%	13.5%
\$25,000 to \$29,999	1,066	873	193	8.2%	8.2%	7.9%
\$30,000 to \$34,999	693	653	40	5.4%	6.2%	1.6%
\$35,000 to \$39,999	566	470	97	4.3%	4.4%	3.9%
\$40,000 to \$49,999	1,362	1,226	137	10.5%	11.5%	5.6%
\$50,000 and Over	<u>3,818</u>	<u>3,552</u>	<u>266</u>	<u>29.5%</u>	<u>33.4%</u>	<u>10.9%</u>
TOTAL	13,065	10,619	2,446	100.0%	100.0%	100.0%

Source: U.S. Census of Population and Housing; BLS CPI Calculator; Shaw Research & Consulting

The 2015 American Community Survey shows that approximately 46 percent of all renter households within the PMA are rent-overburdened; that is, they pay more than 35 percent of their incomes on rent and other housing expenses. Furthermore, ACS data shows that a somewhat greater 51 percent of senior renter households (aged 65 and over) are overburdened within the PMA, while 59 percent of seniors within Hartsville itself are overburdened. As such, this data demonstrates that the need for affordable housing is quite apparent in the PMA, and the income-targeting plan proposed for the subject would clearly help to alleviate this issue.

Table 19a: Renter Overburdened Households (2015)

Gross Rent as a % of Household Income	City of Hartsville		Hartsville PMA		Darlington County	
	Number	Percent	Number	Percent	Number	Percent
Total Rental Units	1,742	100.0%	8,086	100.0%	8,532	100.0%
Less than 10.0 Percent	136	9.4%	304	4.7%	304	4.5%
10.0 to 14.9 Percent	114	7.9%	635	9.8%	658	9.8%
15.0 to 19.9 Percent	95	6.5%	606	9.4%	635	9.4%
20.0 to 24.9 Percent	102	7.0%	639	9.9%	689	10.2%
25.0 to 29.9 Percent	176	12.1%	543	8.4%	601	8.9%
30.0 to 34.9 Percent	90	6.2%	777	12.0%	797	11.8%
35.0 to 39.9 Percent	73	5.0%	376	5.8%	376	5.6%
40.0 to 49.9 Percent	211	14.5%	705	10.9%	747	11.1%
50 Percent or More	454	31.3%	1,877	29.0%	1,937	28.7%
Not Computed	291	--	1,624	--	1,788	--
35 Percent or More	738	50.9%	2,958	45.8%	3,060	45.4%
40 Percent or More	665	45.8%	2,582	40.0%	2,684	39.8%

Source: U.S. Census Bureau; American Community Survey

Table 19b: Senior Renter Overburdened Households (2015)

Gross Rent as a % of Household Income	City of Hartsville		Hartsville PMA		Darlington County	
	Number	Percent	Number	Percent	Number	Percent
Householder 65+ Years:	360	100.0%	1,213	100.0%	1,258	100.0%
Less than 20.0 Percent	39	13.8%	146	16.4%	157	17.1%
20.0 to 24.9 Percent	0	0.0%	74	8.3%	74	8.0%
25.0 to 29.9 Percent	28	9.9%	45	5.1%	45	4.9%
30.0 to 34.9 Percent	49	17.4%	168	18.9%	168	18.3%
35.0 Percent or More	166	58.9%	456	51.3%	476	51.7%
Not Computed	78	--	324	--	338	--

Source: U.S. Census Bureau; American Community Survey

F. DEMAND ANALYSIS

1. Demand for Senior Tax Credit Rental Units

Demand calculations for each targeted income level of the subject proposal are illustrated in the following tables. Utilizing SCSHFDA guidelines, demand estimates will be measured from four key sources: household growth, substandard housing, rent-overburdened households, and elderly homeowners converting to renting. All demand sources will be income-qualified, based on the targeting plan of the subject proposal and current LIHTC income restrictions as published by SCSHFDA. Demand estimates will be calculated for units designated at each income level targeted in the subject proposal – in this case, at 50 percent and 60 percent of AMI. As such, calculations will be based on the starting rental rate, a 40 percent rent-to-income ratio, and a maximum income of \$25,560 (the 2-person income limit at 60 percent AMI for Darlington County using the national non-metro figures). The resulting overall income-eligibility range (expressed in current-year dollars) for each targeted income level is as follows:

	<u>Minimum</u>	<u>Maximum</u>
50 percent of AMI	\$14,820	\$21,300
60 percent of AMI	\$17,520	\$25,560
Overall	\$14,820	\$25,560

By applying the income-qualified range and 2019 household forecasts to the current-year household income distribution by tenure (adjusted from census data based on the Labor Statistics’ Consumer Price Index), the number of income-qualified households can be calculated. As a result, 31 percent of all senior renter households within the PMA are estimated to fall within the stated LIHTC qualified income range. Based on U.S. Census data and projections from ESRI, approximately 53 additional senior renter households are anticipated between 2016 and 2019. By applying the income-qualified percentage to the overall eligible figure, a demand for 16 senior tax credit rental units can be calculated as a result of new rental household growth.

Using U.S. Census data on substandard rental housing, it is estimated that approximately five percent of all renter households within the Hartsville PMA could be considered substandard, either by overcrowding (a greater than 1-to-1 ratio of persons to rooms) or incomplete plumbing facilities (a unit that lacks at least a sink, bathtub, or toilet). Applying this figure, along with the senior renter propensity and income-qualified percentage, to the number of households currently

present in 2010 (the base year utilized within the demand calculations), the tax credit demand resulting from substandard units is calculated at 30 units within the PMA.

Potential demand for the subject proposal may also arise from those senior households experiencing rent-overburden, defined by households paying greater than 35 percent of monthly income for rent. Excluding owner-occupied units, an estimate of market potential for the subject proposal based on 2015 American Housing Survey data on rent-overburdened households paying more than 35 percent of monthly income for rent is calculated. Using information contained within the ACS, the percentage of senior renter households within this overburdened range is reported at approximately 51 percent. Applying this rate to the number of renter households yields a total demand of 344 additional units as a result of rent overburden.

And lastly, another source of demand is elderly homeowners converting to rental housing. It is conservatively estimated that approximately 2½ percent of senior homeowners would convert to a rental property, should an affordable option become readily available. Utilizing 2010 household figures, it is calculated that 18 percent of all senior owner households within the PMA are estimated to fall within the stated LIHTC qualified income range. Considering the income-qualified owner households and estimated conversion, a demand of 42 units has been determined arising from existing elderly owner households.

Comparable LIHTC properties within the Hartsville PMA that have been allocated credits or placed in service since 2016 need to be removed from overall demand figures. As such, the 32 units in Magnolia Senior Village needs to be deducted from the sources of demand listed previously. Combining all above factors results in an overall senior demand of 400 LIHTC units for 2019. Calculations by individual bedroom size are also provided utilizing the same methodology. As such, it is clear that sufficient demand exists for the project and each unit type proposed. Therefore, a new rental housing option for low-income senior households should receive a positive response due to the strong demographic growth within the Hartsville area coupled with the general lack of similar tax credit rental options targeted specifically to seniors.

Table 20: Demand Calculation – by Income Targeting

2010 Total Occupied Households 55+	11,693		
2010 Owner-Occupied Households 55+	9,504		
2010 Renter-Occupied Households 55+	2,189		
		Income Targeting	
		50%	60%
		AMI	AMI
			Total
QUALIFIED-INCOME RANGE			LHHC
Minimum Annual Income		\$14,820	\$17,520
Maximum Annual Income		\$21,300	\$25,560
DEMAND FROM NEW HOUSEHOLD GROWTH			
Renter Household Growth, 2016-2019	53	53	53
Percent Income Qualified Renter Households	19.8%	22.1%	30.7%
Total Demand From New Households	10	12	16
DEMAND FROM EXISTING RENTER HOUSEHOLDS			
Percent of Renters in Substandard Housing	4.5%	4.5%	4.5%
Percent Income Qualified Renter Households	19.8%	22.1%	30.7%
Total Demand From Substandard Renter HHs	19	22	30
Percent of Renters Rent-Overburdened	51.3%	51.3%	51.3%
Percent Income Qualified Renter Households	19.8%	22.1%	30.7%
Total Demand From Overburdened Renter HHs	222	248	344
DEMAND FROM EXISTING OWNER HOUSEHOLDS			
Owner to Renter Conversion Rate	2.5%	2.5%	2.5%
Percent Income Qualified	11.7%	12.3%	17.5%
Total Demand from Owner Households	28	29	42
Total Demand From Existing Households	269	299	416
TOTAL DEMAND	280	311	432
LESS: Total Comparable Activity Since 2016	9	23	32
TOTAL NET DEMAND	271	288	400
PROPOSED NUMBER OF UNITS	10	37	47
CAPTURE RATE	3.7%	12.8%	11.7%
Note: Totals may not sum due to rounding			

Table 21: Demand Calculation – by Bedroom Size

2010 Total Occupied Households 55+	11,693					
2010 Owner-Occupied Households 55+	9,504					
2010 Renter-Occupied Households 55+	2,189					
	One-Bedroom Units			Two-Bedroom Units		
	50%	60%	Total	50%	60%	Total
	AMI	AMI	LIHTC	AMI	AMI	LIHTC
QUALIFIED-INCOME RANGE						
Minimum Annual Income	\$14,820	\$17,520	\$14,820	\$17,910	\$21,060	\$17,910
Maximum Annual Income	\$21,300	\$25,560	\$25,560	\$21,300	\$25,560	\$25,560
DEMAND FROM NEW HOUSEHOLD GROWTH						
Renter Household Growth, 2016-2019	53	53	53	53	53	53
Percent Income Qualified Renter Households	19.8%	22.1%	30.7%	10.0%	11.6%	20.9%
Total Demand From New Households	10	12	16	5	6	11
DEMAND FROM EXISTING RENTER HOUSEHOLDS						
Percent of Renters in Substandard Housing	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Percent Income Qualified Renter Households	19.8%	22.1%	30.7%	10.0%	11.6%	20.9%
Total Demand From Substandard Renter HHs	19	22	30	10	11	21
Percent of Renters Rent-Overburdened	51.3%	51.3%	51.3%	51.3%	51.3%	51.3%
Percent Income Qualified Renter Households	19.8%	22.1%	30.7%	10.0%	11.6%	20.9%
Total Demand From Overburdened Renter HHs	222	248	344	112	130	235
DEMAND FROM EXISTING OWNER HOUSEHOLDS						
Owner to Renter Conversion Rate	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Percent Owner Households Income Qualified	11.7%	12.3%	17.5%	5.7%	6.1%	11.5%
Total Demand from Owner Households	28	29	42	14	15	27
Total Demand From Existing Households	269	299	416	136	156	283
TOTAL DEMAND	280	311	432	141	162	294
LESS: Total Comparable Activity Since 2016	0	0	0	9	23	32
TOTAL NET DEMAND	280	311	432	132	139	262
PROPOSED NUMBER OF UNITS	5	19	24	5	18	23
CAPTURE RATE	1.8%	6.1%	5.5%	3.8%	13.0%	8.8%
Note: Totals may not sum due to rounding						

2. Capture and Absorption Rates

Utilizing information from the demand forecast calculations, capture rates provide an indication of the percentage of annual income-qualified demand necessary for the successful absorption of the subject property. An overall capture rate of 11.7 percent was determined based on the demand calculation (including renter household growth, substandard and overburdened units among existing renter households, potential senior owner households, and excluding any comparable activity since 2016), providing a generally positive indication of the overall general market depth for the subject proposal. More specifically, the capture rate for units restricted at 50 percent AMI was calculated at 3.7 percent, while the 60 percent AMI capture rate was at 12.8 percent. As such, these capture rates provide an overall positive indication of the need for affordable senior rental options locally and are within acceptable industry thresholds.

Taking into consideration the overall occupancy rates for the Hartsville PMA (most importantly the success and rapid absorption of Magnolia Senior Village) as well as the general lack of similar affordable senior housing throughout the entire county (especially one-bedroom units), the overall absorption period to reach 93 percent occupancy is estimated at five to seven months. This determination also takes into consideration a market entry in late 2018/early 2019; a minimum of 20 percent of units pre-leased; and assumes all units will enter the market at approximately the same time. Based on this information, no market-related concerns are present.

G. SUPPLY/COMPARABLE RENTAL ANALYSIS

1. Hartsville PMA Rental Market Characteristics

As part of the rental analysis for the Hartsville PMA, a survey of existing rental projects within the Hartsville primary market area was completed by Shaw Research & Consulting in January and February 2017. As such, a total of 17 apartment properties within or near the PMA (including two senior facilities) were identified and questioned for information such as current rental rates, amenities, and vacancy levels. Results from the survey provide an indication of overall market conditions throughout the Hartsville area, and are discussed below and illustrated on the following pages.

Considering the developments responding to our survey, a total of 1,300 units were reported, with the majority of units containing two bedrooms. Among the properties providing a specific unit breakdown, 33 percent of all units had one bedroom, 56 percent had two bedrooms, and ten percent of units contained three bedrooms - there were no efficiency or four-bedroom units reported in the survey. The average age of the rental properties was 17 years old (an average build date of 2000), with eight properties built since 2005. In addition, 12 facilities reported to have some sort of income eligibility requirements – with seven tax credit developments, four fully-subsidized properties, and one partially subsidized project.

Overall conditions for the Hartsville rental market appear to be relatively positive at the current time. Among the properties included in the survey, the overall occupancy rate was calculated at 96.9 percent – with 13 of the 17 developments at 98 percent occupancy or better (and seven at 100 percent occupancy). When breaking down occupancy rates by financing type, the five market rate developments were a combined 97.7 percent occupied, seven LIHTC properties averaged 97.6 percent, and the five projects with subsidies at 94.4 percent occupancy – clearly demonstrating quite positive conditions throughout the local market for both market rate and affordable rental housing.

2. Comparable Senior Rental Market Characteristics

Considering the subject property will be developed utilizing tax credits and be marketed specifically towards senior residents, Shaw Research has identified six tax credit facilities within the region as being most comparable. Since only one senior LIHTC project is presently located within the PMA, however, one additional senior facility outside of the PMA (in Florence) and four family LIHTC developments were also included to gauge rental conditions among affordable properties throughout the area. According to survey results, the combined occupancy rate for these developments was calculated at 97.6 percent, with five of the properties at 98 percent occupancy or better. Detailed results on rent levels and unit sizes are also illustrated in the tables on the following pages - the average LIHTC rent (including both senior and family properties) for a one-bedroom unit was calculated at \$452 per month with an average size of 795 square feet (the resulting average rent per square foot ratio is \$0.57), while two-bedroom units averaged \$507 and 921 square feet (\$0.55 per square foot). In comparison to tax credit averages, the subject proposal's rental rates are quite competitive with notably larger unit sizes.

It should be noted that only one senior tax credit property is presently located within Darlington County – Magnolia Senior Village is a 32-unit development which has received great interest since it opened in December 2016. According to the manager, the property is already over 90 percent occupied after just one month after opening, and considering heavy interest and traffic (phone calls and in-person visits), she anticipates to be fully occupied within the next two weeks. This rapid absorption demonstrates the obvious pent-up market demand for senior housing locally. In comparison to Magnolia Senior Village, the proposed rental rates are comparable with somewhat larger unit sizes, demonstrating the subject proposal's true value with substantially lower rent-per-square foot ratios.

In addition, it should be noted that the only other tax credit development within Hartsville is Hartsville Garden Apartments – a 72-unit family LIHTC property constructed in 2011. Consisting of one, two, and three-bedroom units at 50 percent and 60 percent AMI, the facility reported a 99 percent occupancy rate with 12 names on a waiting list. The strong absorption of Magnolia Senior Village and ongoing success of Hartsville Garden Apartments are indicative of the ongoing strong demand for affordable rental housing locally.

From a market standpoint, it is evident that sufficient demand is present for the development of additional affordable tax credit units targeting low-income senior households. However, based on prevailing rental rates and income levels, the rent structure is crucial for the long-term viability of any new rental development. As such, considering the proposed unit mix (which includes one and two-bedroom units) along with the favorable unit sizes, amenity levels, and rent-per-square foot ratios, the proposed rental rates are appropriate for the local rental market, and should be considered a positive factor.

3. Comparable Pipeline Units

According to SCSHFDA information and local government officials, there are no directly comparable senior multi-family LIHTC rental developments presently under construction or proposed within the Hartsville PMA.

4. Impact on Existing Tax Credit Properties

Based on the rapid absorption of the county's only tax credit senior property as well as the relatively strong occupancy rates among all local LIHTC developments (family and senior), the construction of the proposal will not have any adverse impact on existing rental properties – either affordable or market rate. Considering the strong future senior demographic growth anticipated for the PMA, affordable housing will continue to be in demand locally.

Table 22: Rental Housing Survey - Overall

Project Name	Year Built	Total Units	Studio/ Eff.	1 BR	2 BR	3 BR	4 BR	Heat Incl.	W/S Incl.	Elect Incl.	Occup. Rate	Type	Location
Crescent Villas Apts	2017	48	0	0	48	0	0	No	Yes	No	100%	SR 55+	Florence
Magnolia Senior Village	2016	32	0	0	32	0	0	No	No	No	91%	SR 55+	Hartsville
Autumn Run Apts	2004	40	0	28	12	0	0	No	No	No	98%	Open	Darlington
Bentree Apts	2007	132	0	36	72	24	0	No	No	No	99%	Open	Florence
Charles Pointe Apts	2001	168	0	78	78	12	0	No	Yes	No	99%	Open	Florence
Darlington Downtown Lofts	2007	28	0	15	12	1	0	No	Yes	No	93%	Open	Darlington
Forest Ridge Apts	2009	89	0	17	40	28	4	No	Yes	No	80%	Open	Hartsville
Hartsville Garden Apts	2011	72	0	16	36	20	0	No	Yes	No	99%	Open	Hartsville
Middletown Apts	1996	40	0	0	NA	NA	0	No	No	No	100%	Open	Hartsville
Oakview Townhouses	1994	48	0	16	32	0	0	No	No	No	100%	Open	Hartsville
Palmetto Apts	1981	43	0	9	29	5	0	No	No	No	100%	Open	Hartsville
Palmetto Villas	1976	72	0	0	72	0	0	No	No	No	86%	Open	Hartsville
Pecan Grove Apts	2007	32	0	12	12	8	0	No	Yes	No	100%	Open	Darlington
Pinebridge Apts	1985	44	0	16	28	0	0	No	No	No	100%	Open	Hartsville
Springfield Apts	1995	72	0	28	44	0	0	No	No	No	100%	Open	Darlington
Swift Creek Apts	1982	72	0	24	40	8	0	No	Yes	No	100%	Open	Hartsville
The Reserve at Mill Creek	2008	268	0	122	122	24	0	No	No	No	99%	Open	Florence
Totals and Averages	2000	1,300	0	417	709	130	4				96.9%		
			0%	33%	56%	10%	0%						
SUBJECT PROJECT													
ELLA MAE GARDENS APTS	2019	48	0	24	24	0	0	No	No	No		SR 55+	Hartsville
SUMMARY													
Total Developments	Number of Dev.	Year Built	Total Units	Studio/ Eff.	1BR	2BR	3BR	4BR	Average Occup.				
Market Rate Only	17	2000	1,300	0	417	709	130	4	96.9%				
LIHTC Only	5	1997	688	0	252	376	60	0	97.7%				
Other Affordable (Non-LIHTC)	7	2008	292	0	71	152	29	0	97.6%				
Subsidized Only	1	1995	72	0	28	44	0	0	100.0%				
	4	1989	248	0	66	137	41	4	92.7%				

Note: Shaded Properties are LIHTC

Table 23: Rent Range for 1 & 2 Bedrooms - Overall

Project Name	Program	PBR	1BR Rent		1BR Square Feet		Rent per Square Foot Range		2BR Rent		2BR Square Feet		Rent per Square Foot Range	
			LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH
Crescent Villas Apts	LIHTC	0							\$439	\$567	964		\$0.46	\$0.59
Magnolia Senior Village	LIHTC	0							\$382	\$510	950		\$0.40	\$0.54
Autumn Run Apts	LIHTC	0	\$406	\$574	850		\$0.48	\$0.68	\$456	\$649	1,000		\$0.46	\$0.65
Bentree Apts	Market	0	\$635		650		\$0.98		\$685		860		\$0.80	
Charles Pointe Apts	Market	0	\$765		700		\$1.09		\$865		1,100		\$0.79	
Darlington Downtown Lofts	LIHTC	0	\$389	\$450					\$510	\$514				
Forest Ridge Apts	LIHTC/BOI	89												
Hartsville Garden Apts	LIHTC	0	\$402	\$543	740		\$0.54	\$0.73	\$484	\$620	769		\$0.63	\$0.81
Middletown Apts	LIHTC	0							\$360	\$450				
Oakview Townhouses	Market	0	\$480	\$535					\$555	\$615				
Palmetto Apts	RD	43	\$423	\$581	614		\$0.69	\$0.95	\$443	\$631	766		\$0.58	\$0.82
Palmetto Villas	Market	0							\$550	\$600	800		\$0.69	\$0.75
Pecan Grove Apts	LIHTC	0	\$389	\$461					\$441	\$511				
Pinebridge Apts	RD	44	\$525	\$689					\$556	\$796				
Springfield Apts	RD/LIHTC	51	\$515	\$606	624		\$0.83	\$0.97	\$538	\$676	990		\$0.54	\$0.68
Swift Creek Apts	BOI-HUD	72			608						768			
The Reserve at Mill Creek	Market	0	\$895	\$995	783	965	\$0.93	\$1.27	\$1,125		1,130		\$1.00	\$1.00
Totals and Averages		299		\$563		726		\$0.78		\$575		918		\$0.63
SUBJECT PROPERTY														
ELLA MAE GARDENS APIS	LIHTC	0	\$360	\$450	902	902	\$0.40	\$0.50	\$420	\$525	1,200	1,200	\$0.35	\$0.44
SUMMARY														
Overall				\$563	726		\$0.78		\$575		918		\$0.63	
Market Rate Only				\$718	775		\$0.93		\$714		973		\$0.73	
LIHTC Only				\$452	795		\$0.57		\$492		921		\$0.53	
Other Affordable (Non-LIHTC)				\$561	624		\$0.90		\$607		990		\$0.61	
Subsidized Only				\$555	611		\$0.91		\$607		767		\$0.79	

Note: Shaded Properties are LIHTC

Table 24a: Project Amenities - Overall

Project Name	Heat Type	Central Air	Wall A/C	Garbage Disposal	Dish Washer	Microwave	Ceiling Fan	Walk-in Closet	Mini Blinds	Patio/Balcony	Club/Comm. Room	Computer Center	Exercise Room
Creセント Villas Apts	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No
Magnolia Senior Village	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
Autumn Run Apts	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	No
Bentree Apts	Gas	Yes	No	Yes	Yes	No	No	Yes	Yes	Yes	Yes	No	No
Charles Pointe Apts	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
Darlington Downtown Lofts	ELE	Yes	No	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	No
Forest Ridge Apts	ELE	Yes	No	Yes	Yes	No	Yes	No	Yes	No	Yes	Yes	Yes
Hartsville Garden Apts	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Middletown Apts	ELE	Yes	No	Yes	Yes	No	No	No	Yes	Yes	Yes	No	No
Oakview Townhouses	ELE	Yes	No	Yes	Yes	No	No	Yes	Yes	Yes	No	No	No
Palmetto Apts	ELE	Yes	No	No	No	No	No	No	Yes	Yes	No	No	No
Palmetto Villas	ELE	Yes	No	No	No	No	Yes	No	Yes	Yes	No	No	No
Pecan Grove Apts	ELE	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No
Pinebridge Apts	ELE	Yes	No	No	No	No	No	No	Yes	No	Yes	No	No
Springfield Apts	ELE	Yes	No	No	No	No	No	No	Yes	Yes	Yes	No	No
Swift Creek Apts	ELE	Yes	No	No	No	No	No	No	Yes	No	Yes	No	No
The Reserve at Mill Creek	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Totals and Averages	--	100%	0%	65%	71%	41%	53%	53%	100%	65%	82%	41%	29%
SUBJECT PROJECT													
ELLA MAE GARDENS APTS	ELE	Yes	No	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes
SUMMARY													
Overall	--	100%	0%	65%	71%	41%	53%	53%	100%	65%	82%	41%	29%
Market Rate Only	--	100%	0%	80%	80%	40%	60%	80%	100%	100%	60%	20%	40%
LIHTC Only	--	100%	0%	100%	100%	71%	71%	71%	100%	57%	100%	71%	29%
Other Affordable (non-LIHTC)	--	100%	0%	0%	0%	0%	0%	0%	100%	100%	100%	0%	0%
Subsidized Only	--	100%	0%	0%	25%	0%	25%	0%	100%	25%	75%	25%	25%

Note: Shaded Properties are LIHTC

Table 24b: Project Amenities - Overall

Project Name	Gazebo	Elevator	Exterior Storage	On-Site Mgt	Security Intercom	Coin Op Laundry	Laundry Hookup	In-unit Laundry	Carport	Garage	Emerg. Pull Cord	Activities	Library
Creasant Villas Apts	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes
Magnolia Senior Village	No	No	No	Yes	No	Yes	Yes	No	No	No	Yes	Yes	No
Autumn Run Apts	No	No	No	Yes	No	Yes	Yes	No	No	No			
Bentree Apts	No	No	No	Yes	No	Yes	Yes	No	No	No			
Charles Pointe Apts	No	No	Yes	Yes	No	No	Yes	No	No	Yes			
Darlington Downtown Lofts	No	No	No	Yes	Yes	Yes	No	No	No	No			
Forest Ridge Apts	No	No	No	Yes	No	Yes	No	No	No	No			
Hartsville Garden Apts	Yes	No	Yes	Yes	No	Yes	Yes	No	No	No			
Middletown Apts	No	No	No	Yes	No	Yes	No	No	No	No			
Oakview Townhouses	No	No	No	Yes	No	No	Yes	No	No	No			
Palmetto Apts	No	No	No	Yes	No	No	No	No	No	No			
Palmetto Villas	No	No	No	Yes	No	No	Yes	No	No	No			
Pecan Grove Apts	No	No	No	Yes	No	Yes	No	No	No	No			
Pinebridge Apts	No	No	No	Yes	No	No	Yes	No	No	No			
Springfield Apts	No	No	No	Yes	No	No	Yes	No	No	No			
Swift Creek Apts	No	No	No	Yes	No	Yes	No	No	No	No			
The Reserve at Mill Creek	No	No	Yes	Yes	Yes	Yes	Yes	No	No	Yes			
Totals and Averages	12%	6%	24%	100%	18%	65%	65%	0%	0%	12%	12%	12%	6%
SUBJECT PROJECT													
ELLA MAE GARDENS APTS	Yes	Yes	No	Yes	No	Yes	Yes	No	No	No	Yes	Yes	Yes
SUMMARY													
Overall	12%	6%	24%	100%	18%	65%	65%	0%	0%	12%	12%	12%	6%
Market Rate Only	0%	0%	40%	100%	20%	40%	100%	0%	0%	40%	0%	0%	0%
LIHTC Only	29%	14%	29%	100%	29%	100%	57%	0%	0%	0%	29%	29%	14%
Other Affordable (non-LIHTC)	0%	0%	0%	100%	0%	0%	100%	0%	0%	0%	0%	0%	0%
Subsidized Only	0%	0%	0%	100%	0%	50%	25%	0%	0%	0%	0%	0%	0%

Note: Shaded Properties are LIHTC

Table 25: Other Information - Overall

Project Name	Address	City	Telephone Number	Contact	On-Site Mgt	Waiting List	Concessions/Other	Survey Date
Crescent Villas Apts	2424 Hoffmeyer Rd	Florence	(843) 407-6688	Erica	Yes	Small	None	6-Feb-17
Magnolia Senior Village	131 Sojourner Way	Hartsville	(843) 639-5037	Kristen	Yes	No	None/Opened Dec. 2016	23-Apr-17
Autumn Run Apts	405 Wells Street	Darlington	(843) 398-1981	Mary	Yes	No	None	30-Jan-17
Bentree Apts	200 Bentree Lane	Florence	(843) 669-5399	Shannon	Yes	No	None	25-Jan-17
Charles Pointe Apts	201 West Millstone Road	Florence	(843) 413-0382	Leslie	Yes	No	None	25-Jan-17
Darlington Downtown Lofts	107 Orange Street	Darlington	(843) 393-0095	Alice	Yes	10 Names	None	Enter
Forest Ridge Apts	1212 Myrtle Street	Hartsville	(843) 332-2162	Tonia	Yes	No	None	31-Jan-17
Hartsville Garden Apts	780 Tailwind Lane	Hartsville	(843) 917-0257	Ron	Yes	12 Names	None	24-Jan-17
Middletown Apts	600 West Washington St	Hartsville	(843) 332-6863	Tiffany	Yes	20 Names	None	1-Feb-17
Oakview Townhouses	236 Swift Creek Rd	Hartsville	(843) 332-0424	Keecie	Yes	No	None	27-Jan-17
Palmetto Apts	655 West Washington St	Hartsville	(843) 332-1991	Beverly	Yes	20 Names	None	24-Jan-17
Palmetto Villas	207 14th Street	Hartsville	(843) 245-2109	Ronnie	Yes	No	None	27-Jan-17
Pecan Grove Apts	105 Price Court	Darlington	(843) 393-3009	Helen	Yes	5 Names	None	30-Jan-17
Pinebridge Apts	1101 East Home Ave	Hartsville	(843) 332-1269	April	Yes	30 Names	None	25-Jan-17
Springfield Apts	100 Springfield Circle	Darlington	(843) 393-7521	Tracy	Yes	6 Names	None	27-Jan-17
Swift Creek Apts	405 Swift Creek Road	Hartsville	(843) 383-5785	Mary	Yes	20 Names	None	31-Jan-17
The Reserve at Mill Creek	2350 Freedom Boulevard	Florence	(843) 665-5360	Cypra	Yes	No	None	27-Jan-17

Note: Shaded Properties are LIHTC

Table 26: Rental Housing Survey - Comparable

Project Name	Year Built/Reliab	Total Units	Studio/ Eff.		1 BR		2 BR		3 BR		4 BR		Heat Incl.	W/S Incl.	Elect. Incl.	Occup. Rate	Type	Location
			0	0	0	0	0	0	0	0								
Crescent Villas Apts	2017	48	0	0	0	48	0	0					No	Yes	No	100%	SR 55+	Florence
Magnolia Senior Village	2016	32	0	0	0	32	0	0					No	No	No	91%	SR 55+	Hartsville
Autumn Run Apts	2004	40	0	0	28	12	0	0					No	No	No	98%	Open	Darlington
Darlington Downtown Lofts	2007	28	0	0	15	12	1	0					No	Yes	No	93%	Open	Darlington
Hartsville Garden Apts	2011	72	0	0	16	36	20	0					No	Yes	No	99%	Open	Hartsville
Pecan Grove Apts	2007	32	0	0	12	12	8	0					No	Yes	No	100%	Open	Darlington
Totals and Averages	2010	252	0	0	71	152	29	0	0%	28%	60%	12%	0%			97.2%		
SUBJECT PROJECT																		
ELLA MAE GARDENS APTS	2019	48	0	0	24	24	0	0					No	No	No		SR 55+	Hartsville

Table 27: Rent Range for 1 & 2 Bedrooms - Comparable

Project Name	Program	PBRA Units	1BR Rent		1BR Square Feet		Rent per Square Foot Range		2BR Rent		2BR Square Feet		Rent per Square Foot Range	
			LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH		
Crescent Villas Apts	LIHTC	0							\$439	\$567	964		\$0.46	\$0.59
Magnolia Senior Village	LIHTC	0						\$382	\$510	950		\$0.40	\$0.54	
Autumn Run Apts	LIHTC	0	\$406	\$574	850		\$0.48	\$0.68	\$456	\$649	1,000		\$0.46	\$0.65
Darlington Downtown Lofts	LIHTC	0	\$389	\$450					\$510	\$514				
Hartsville Garden Apts	LIHTC	0	\$402	\$543	740		\$0.54	\$0.73	\$484	\$620	769		\$0.63	\$0.81
Pecan Grove Apts	LIHTC	0	\$389	\$461					\$441	\$511				
Totals and Averages		0		\$452		795		\$0.57		\$507	921			\$0.55
SUBJECT PROPERTY														
ELLA MAE GARDENS APTS	LIHTC	0	\$360	\$450	902	902	\$0.40	\$0.50	\$420	\$525	1,200	1,200	\$0.35	\$0.44

Note: Senior LIHTC properties are shaded

Table 28a: Project Amenities - Comparable

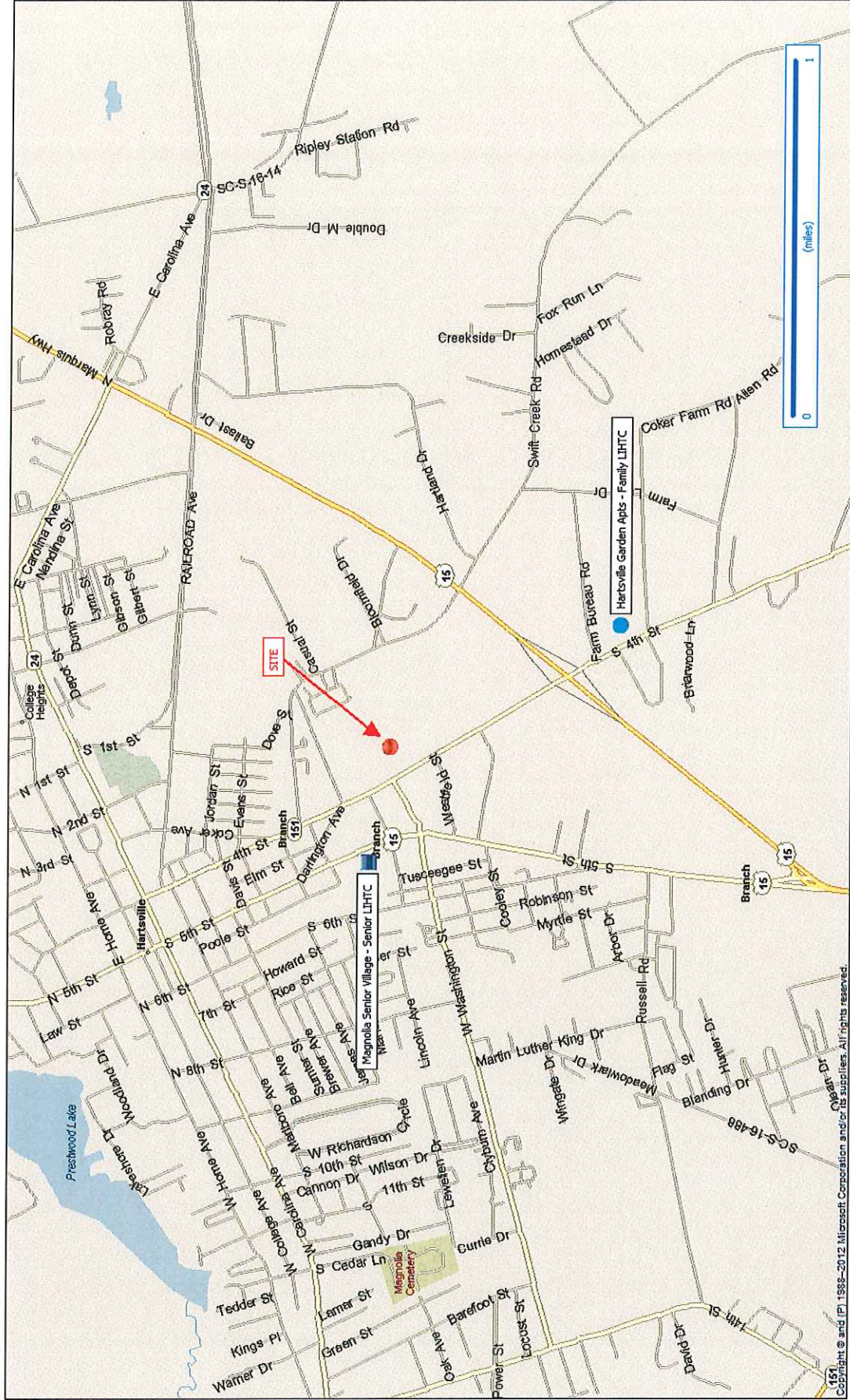
Project Name	Heat Type	Central Air	Wall A/C	Garbage Disposal	Dish Washer	Microwave	Ceiling Fan	Walk-in Closet	Mini Blinds	Patio/Balcony	Club/Comm. Room	Computer Center	Exercise Room
Crescent Villas Apts	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No
Magnolia Senior Village	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
Autumn Run Apts	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	No
Darlington Downtown Lofts	ELE	Yes	No	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	No
Hartsville Garden Apts	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Pecan Grove Apts	ELE	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No
Totals and Averages	--	100%	0%	100%	100%	83%	83%	83%	100%	50%	100%	83%	33%
SUBJECT PROJECT													
ELLA MAE GARDENS APTS	ELE	Yes	No	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes

Table 28b: Project Amenities - Comparable


Project Name	Gazebo	Elevator	Exterior Storage	On-Site Mgr	Security Intercom	Coin Op Laundry	Laundry Hookup	In-unit Laundry	Carpport	Garage	Emerg. Pull Cord	Activities	Library
Crescent Villas Apts	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes
Magnolia Senior Village	No	No	No	Yes	No	Yes	Yes	No	No	No	Yes	Yes	No
Autumn Run Apts	No	No	No	Yes	No	Yes	Yes	No	No	No			
Darlington Downtown Lofts	No	No	No	Yes	Yes	Yes	No	No	No	No			
Hartsville Garden Apts	Yes	No	Yes	Yes	No	Yes	Yes	No	No	No			
Pecan Grove Apts	No	No	No	Yes	No	Yes	No	No	No	No			
Totals and Averages	33%	17%	33%	100%	33%	100%	67%	0%	0%	0%	33%	33%	17%
SUBJECT PROJECT													
ELLA MAE GARDENS APTS	Yes	Yes	No	Yes	No	Yes	Yes	No	No	No	Yes	Yes	Yes


Note: Senior LIHTC properties are shaded

Map 10: Most Comparable LIHTC Rental Developments



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COMPARABLE PROJECT INFORMATION											
Project Name: Magnolia Senior Village Address: 131 Sojourner Way City: Hartsville State: SC Zip Code: 29550 Phone Number: (843) 639-5037 Contact Name: Kristen Contact Date: 04/23/17 Current Occup: 90.6%											
DEVELOPMENT CHARACTERISTICS											
Total Units: 32		Year Built: 2016									
Project Type: SR 55+		Floors: 1									
Program: LIHTC		Accept Vouchers: Yes									
PBRA Units*: 0		Voucher #: Enter									
* Including Section 8, Rental Assistance, and any other Project-Based Subsidy											
UNIT CONFIGURATION/RENTAL RATES											
BR	Bath	Target	Type	# Units	Square Feet		Contract Rent		Vacant	Occup. Rate	Wait List
					Low	High	Low	High			
TOTAL 2-BEDROOM UNITS				32					3	90.6%	
2	2.0	50-HOME	Apt	7	950		\$382		NA	NA	No
2	2.0	60-HOME	Apt	2	950		\$429		NA	NA	No
2	2.0	60	Apt	23	950		\$510		NA	NA	No
TOTAL DEVELOPMENT				32					3	90.6%	
AMENITIES											
<u>Unit Amenities</u>				<u>Development Amenities</u>				<u>Laundry Type</u>			
<input checked="" type="checkbox"/>	- Central A/C			<input checked="" type="checkbox"/>	- Clubhouse			<input checked="" type="checkbox"/>	- Coin-Operated Laundry		
<input type="checkbox"/>	- Wall A/C Unit			<input checked="" type="checkbox"/>	- Community Room			<input checked="" type="checkbox"/>	- In-Unit Hook-Up		
<input checked="" type="checkbox"/>	- Garbage Disposal			<input checked="" type="checkbox"/>	- Computer Center			<input type="checkbox"/>	- In-Unit Washer/Dryer		
<input checked="" type="checkbox"/>	- Dishwasher			<input checked="" type="checkbox"/>	- Exercise/Fitness Room						
<input checked="" type="checkbox"/>	- Microwave			<input checked="" type="checkbox"/>	- Community Kitchen						
<input checked="" type="checkbox"/>	- Ceiling Fan			<input type="checkbox"/>	- Swimming Pool						
<input checked="" type="checkbox"/>	- Walk-In Closet			<input type="checkbox"/>	- Playground			<input checked="" type="checkbox"/>	- Surface Lot		
<input checked="" type="checkbox"/>	- Mini-Blinds			<input type="checkbox"/>	- Gazebo			<input type="checkbox"/>	- Carport		
<input type="checkbox"/>	- Draperies			<input type="checkbox"/>	- Elevator			<input type="checkbox"/>	- Garage (att)		
<input type="checkbox"/>	- Patio/Balcony			<input type="checkbox"/>	- Storage			<input type="checkbox"/>	- Garage (det)		
<input type="checkbox"/>	- Basement			<input type="checkbox"/>	- Sports Courts						
<input type="checkbox"/>	- Fireplace			<input checked="" type="checkbox"/>	- On-Site Management						
<input checked="" type="checkbox"/>	- High-Speed Internet			<input type="checkbox"/>	- Security - Access Gate						
				<input type="checkbox"/>	- Security - Intercom						
								<u>Utilities Included</u>			
								<input type="checkbox"/>	- Heat		
								<input type="checkbox"/>	- Electricity		
								<input checked="" type="checkbox"/>	- Trash Removal		
								<input type="checkbox"/>	- Water/Sewer		

COMPARABLE PROJECT INFORMATION											
Project Name: Hartsville Garden Apts Address: 780 Tailwind Lane City: Hartsville State: SC Zip Code: 29550 Phone Number: (843) 917-0257 Contact Name: Ron Contact Date: 01/24/17 Current Occup: 98.6%											
DEVELOPMENT CHARACTERISTICS											
Total Units: 72		Year Built: 2011		Project Type: Open		Floors: 3		Program: LIHTC		Accept Vouchers: Yes	
PBRA Units*: 0		Voucher #: 13		<small>* Including Section 8, Rental Assistance, and any other Project-Based Subsidy</small>							
UNIT CONFIGURATION/RENTAL RATES											
BR	Bath	Target	Type	# Units	Square Feet		Contract Rent		Vacant	Occup. Rate	Wait List
					Low	High	Low	High			
TOTAL 1-BEDROOM UNITS				16					0	100.0%	Yes
1	1.0	HOME	Apt	3	740		\$402		0	100.0%	
1	1.0	50	Apt	1	740		\$441		0	100.0%	
1	1.0	60	Apt	12	740		\$543		0	100.0%	
TOTAL 2-BEDROOM UNITS				36					1	97.2%	Yes
2	2.0	HOME	Apt	8	769		\$484		0	100.0%	
2	2.0	50	Apt	1	769		\$530		0	100.0%	
2	2.0	60	Apt	27	769		\$620		1	96.3%	
TOTAL 3-BEDROOM UNITS				20					0	100.0%	Yes
3	2.0	HOME	Apt	4	1,069		\$542		0	100.0%	
3	2.0	50	Apt	1	1,069		\$595		0	100.0%	
3	2.0	60	Apt	15	1,069		\$675		0	100.0%	
TOTAL DEVELOPMENT				72					1	98.6%	12 Names
AMENITIES											
<u>Unit Amenities</u>				<u>Development Amenities</u>				<u>Laundry Type</u>			
<input checked="" type="checkbox"/> - Central A/C <input type="checkbox"/> - Wall A/C Unit <input checked="" type="checkbox"/> - Garbage Disposal <input checked="" type="checkbox"/> - Dishwasher <input checked="" type="checkbox"/> - Microwave <input checked="" type="checkbox"/> - Ceiling Fan <input checked="" type="checkbox"/> - Walk-In Closet <input checked="" type="checkbox"/> - Mini-Blinds <input type="checkbox"/> - Draperies <input checked="" type="checkbox"/> - Patio/Balcony <input type="checkbox"/> - Basement <input type="checkbox"/> - Fireplace <input checked="" type="checkbox"/> - High-Speed Internet				<input type="checkbox"/> - Clubhouse <input checked="" type="checkbox"/> - Community Room <input checked="" type="checkbox"/> - Computer Center <input checked="" type="checkbox"/> - Exercise/Fitness Room <input checked="" type="checkbox"/> - Community Kitchen <input type="checkbox"/> - Swimming Pool <input checked="" type="checkbox"/> - Playground <input checked="" type="checkbox"/> - Gazebo <input type="checkbox"/> - Elevator <input checked="" type="checkbox"/> - Storage <input checked="" type="checkbox"/> - Sports Courts <input checked="" type="checkbox"/> - On-Site Management <input type="checkbox"/> - Security - Access Gate <input type="checkbox"/> - Security - Intercom				<input checked="" type="checkbox"/> - Coin-Operated Laundry <input checked="" type="checkbox"/> - In-Unit Hook-Up <input type="checkbox"/> - In-Unit Washer/Dryer <u>Parking Type</u> <input checked="" type="checkbox"/> - Surface Lot <input type="checkbox"/> - Carport \$0 <input type="checkbox"/> - Garage (att) \$0 <input type="checkbox"/> - Garage (det) \$0 <u>Utilities Included</u> <input type="checkbox"/> - Heat ELE <input type="checkbox"/> - Electricity <input checked="" type="checkbox"/> - Trash Removal <input checked="" type="checkbox"/> - Water/Sewer			

6. Market Rent Calculations

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

Four properties were selected to determine the estimated market rate, based largely on construction date, location, and building type. Because only limited market rate facilities are located within the PMA, several family developments in Florence were utilized to calculate market rents. Using the Rent Comparability Grid on the following pages, the following is a summary of the estimated market rents by bedroom size along with the subject property's corresponding market advantage:

	Proposed Net Rent	Estimated Market Rent	Market Advantage
One-Bedroom Units			
50% AMI	\$360	\$677	47%
60% AMI	\$450	\$677	34%
Two-Bedroom Units			
50% AMI	\$420	\$784	46%
60% AMI	\$525	\$784	33%

Rent Comparability Grid

Subject Property		Comp #1		Comp #2		Comp #3		Comp #4	
Project Name		Bentree Apts		Charles Pointe Apts		The Reserve at Mill Creek		Palmetto Villas	
Project City	Subject	Florence		Florence		Florence		Hartsville	
Date Surveyed	Data	1/25/17		1/25/17		1/27/17		1/27/17	
A. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Structure Type	Apt	Apt		Apt		Apt		Apt	
Yr. Built/Yr. Renovated	2019	1981	\$29	2001	\$14	2008	\$8	1976	\$32
Neighborhood/Location			(\$75)		(\$75)		(\$75)		\$0
B. Unit Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Central A/C	Yes	Yes		Yes		Yes		Yes	
Garbage Disposal	No	Yes	(\$3)	Yes	(\$3)	Yes	(\$3)	No	
Dishwasher	Yes	Yes		Yes		Yes		No	\$3
Microwave	No	No		Yes	(\$3)	Yes	(\$3)	No	
Walk-In Closet	No	Yes	(\$3)	Yes	(\$3)	Yes	(\$3)	No	
Mini-Blinds	Yes	Yes		Yes		Yes		Yes	
Patio/Balcony	NA	Yes		Yes		Yes		Yes	
Basement	No	No		No		No		No	
Fireplace	No	No		No		No		No	
C. Site Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Clubhouse	Yes	No	\$3	Yes		Yes		No	\$3
Community Room	Yes	Yes		No	\$5	No	\$5	No	\$5
Computer Center	No	No		No		Yes	(\$3)	No	
Exercise Room	Yes	No	\$3	Yes		Yes		No	\$3
Swimming Pool	No	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)	No	
Playground	No	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)	No	
Sports Courts	No	No		Yes	(\$3)	No		No	
On-Site Management	Yes	Yes		Yes		Yes		Yes	
Security - Access Gate	No	No		No		Yes	(\$3)	No	
Security - Intercom	No	No		No		Yes	(\$5)	No	
D. Other Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Coin-Operated Laundry	Yes	Yes		No	\$5	Yes		No	\$5
In-Unit Hook-Up	Yes	Yes		Yes		Yes		Yes	
In-Unit Washer/Dryer	No	No		No		No		No	
Carpport	No	No		No		No		No	
Garage (attached)	No	No		No		No		No	
Garage (detached)	No	No		Yes	\$0	Yes	\$0	No	
E. Utilities Included		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Heat	No	No		No		No		No	
Electric	No	No		No		No		No	
Trash Removal	Yes	Yes		Yes		Yes		Yes	
Water/Sewer	No	No		Yes	XXX	No		No	
Heat Type	ELE	Gas		ELE		ELE		ELE	
Utility Adjustments									
One-Bedroom Units					(\$40)				
Two-Bedroom Units					(\$50)				

<i>Subject Property</i>		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>	
Project Name		Bentree Apts		Charles Pointe Apts		The Reserve at Mill Creek		Palmetto Villas	
Project City	Subject Data	Florence		Florence		Florence		Hartsville	
Date Surveyed		42760		42760		42762		42762	
F. Average Unit Sizes		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
One-Bedroom Units	902	650	\$38	700	\$30	874	\$4		
Two-Bedroom Units	1,200	860	\$51	1,100	\$15	1,130	\$11	800	\$60
G. Number of Bathrooms		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
One-Bedroom Units	1.0	1.0	\$0	1.0	\$0	1.0	\$0		\$0
Two-Bedroom Units	2.0	1.5	\$15	2.0	\$0	2.0	\$0	1.0	\$30
G. Total Adjustments Recap									
One-Bedroom Units			(\$19)		(\$83)		(\$88)		
Two-Bedroom Units			\$10		(\$109)		(\$81)		\$141

		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>	
Project Name		Bentree Apts		Charles Pointe Apts		The Reserve at Mill Creek		Palmetto Villas	
Project City	Subject Data	Florence		Florence		Florence		Hartsville	
Date Surveyed		42760		42760		42762		42762	
H. Rent/Adjustment Summary		Unadjusted Rent	Adjusted Rent	Unadjusted Rent	Adjusted Rent	Unadjusted Rent	Adjusted Rent	Unadjusted Rent	Adjusted Rent
Market Rate Units									
One-Bedroom Units	\$677	\$635	\$616	\$765	\$682	\$820	\$732		
Two-Bedroom Units	\$784	\$685	\$695	\$865	\$757	\$1,025	\$944	\$600	\$741

H. INTERVIEWS

Throughout the course of performing this analysis of the Hartsville rental market, many individuals were contacted. Based on discussions with local government officials, there are no directly comparable rental developments currently proposed or under construction within the PMA at this time. The only activity reported in the pipeline is the proposed renovation of a 36-unit complex (Darlington Commons) in Darlington – which will be market rate post-rehab. Furthermore, it was mentioned that Magnolia Senior Village was recently completed in Hartsville.

In addition, officials in both Hartsville and Darlington noted a definite need for affordable housing at all levels within the area. The following planning departments were contacted:

- **Hartsville, SC -**
Contact: Brenda Kelly, Planning/Zoning Administrator
Phone: 843-383-3009
Date: 2/27/2017

- **Darlington, SC -**
Contact: Lisa Chalian-Rock, Planning Director
Phone: 843-398-4000
Date: 3/1/2017

Additional information was collected during property visits and informal interviews with leasing agents and resident managers throughout the Hartsville and Darlington rental market as part of our survey of existing rental housing to collect more specific data. The results of these interviews are presented within the supply section of the market study. Based on these interviews, no widespread specials/concessions were reported throughout the local rental market.

I. CONCLUSIONS/RECOMMENDATIONS

Based on the information collected and reported within this study, sufficient evidence has been presented for the successful introduction and absorption of the subject property, as proposed, within the Hartsville PMA. Factors supporting the introduction of a newly constructed rental alternative targeted for low-income senior households include the following:

1. Senior demographic patterns have been extremely strong since 2000 throughout the Hartsville area. The number of seniors (55 years and over) within the PMA increased by 11 percent (nearly 2,000 seniors) between 2010 and 2016, with an additional seven percent gain expected through 2021;
2. Occupancy levels within the PMA are quite positive, especially among LIHTC developments. Based on survey results, the overall occupancy rate was calculated at 96.9 percent, with the seven tax credit properties a combined 97.6 percent and most maintaining a waiting list;
3. Only limited senior-only rental options are available locally, with only one senior LIHTC property identified within Darlington County as a whole. As such, Magnolia Senior Village has received great interest since it opened in December 2016. According to the manager, the property contains 32 units and was already over 90 percent occupied within two months of opening, and considering heavy interest and traffic (phone calls and in-person visits), she anticipates to be entirely leased by early March. This rapid absorption demonstrates the obvious pent-up market demand for senior housing locally;
4. The subject proposal will consist of a mix of one and two-bedroom units. Since Magnolia Senior Village contains only two-bedroom units, the proposal will help fill a portion of the senior rental market not currently being met;
5. The location of the subject property can also be considered a positive factor. The site is situated within a short drive of various retail, medical, and recreational areas;
6. The proposal represents a modern product with numerous amenities and features with affordable rental levels; and
7. A sufficient statistical demand calculation, with an absorption period conservatively estimated at five to seven months.

As such, the proposed facility should maintain at least a 93 percent occupancy rate into the foreseeable future with no long-term adverse effects on existing local rental facilities – either affordable or market rate. Assuming the subject proposal is developed as described within this analysis, Shaw Research & Consulting can provide a positive recommendation for the proposed development with no reservations or conditions.

J. SIGNED STATEMENT REQUIREMENTS

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



Steven R. Shaw
SHAW RESEARCH AND CONSULTING, LLC

Date: March 2, 2017

K. SOURCES

2000 U.S. Census of Population and Housing - U.S. Census Bureau
2010 U.S. Census of Population and Housing – U.S. Census Bureau
2010-2015 American Community Survey – 5-Year Estimates – U.S. Census Bureau
2016/2021 Demographic Forecasts, ESRI Business Analyst Online
Apartment Listings – LIHTC – low-income-housing.credio.com
Apartment Listings – www.socialserve.com
Apartment Listings – Yahoo! Local – local.yahoo.com
Apartment Listings – Yellowbook – www.yellowbook.com
Community Profile 2017 – Darlington County – SC Department of Employment & Workforce
CPI Inflation Calculator – Bureau of Labor Statistics – U.S. Department of Labor
Crime Data – HomeFair.com
ESRI Business Analyst Online
Income & Rent Limits 2016 – South Carolina State Housing Finance & Development Authority
Interviews with community planning officials
Interviews with managers and leasing specialists at local rental developments
South Carolina Industry Data – SC Works Online Services
South Carolina Labor Market Information – U.S. Bureau of Labor Statistics
South Carolina LIHTC Allocations – SC State Housing Finance & Development Authority
Microsoft Streets and Trips 2013
Single-Family Home Sales – www.realtor.com

L. RESUME

STEVEN R. SHAW SHAW RESEARCH & CONSULTING, LLC

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

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

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

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