



**A SENIOR RENTAL HOUSING
MARKET FEASIBILITY ANALYSIS
FOR
FLORENCE, SOUTH CAROLINA
(*Florence County*)**

Crescent Villas Apartments

*Hoffmeyer Road, East of Beltline Drive
Florence, South Carolina 29501*

March 23, 2015

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

Date: March 23, 2015

INTRODUCTION

Shaw Research & Consulting has prepared the following rental housing study to examine and analyze the Florence area as it pertains to the market feasibility of Crescent Villas Apartments, a proposed 48-unit affordable rental housing development targeted for low-income senior households. The subject proposal is to be located in the extreme western portion of the city of Florence along the south side of Hoffmeyer Road, just east of Beltline Drive. In addition, the site is just south of a Walmart Supercenter and approximately one mile north of David McLeod Boulevard – the area’s foremost retail corridor. Furthermore, the immediate neighborhood surrounding the subject property has a mixture of usages, including single-family homes to the east, medical and commercial property to the north, and vacant undeveloped property adjacent to the south and west.

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 Florence market area. All fieldwork and community data collection was conducted on February 27, 2015 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 Crescent Villas Apartments will feature a total of 48 units (all 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 introduction and absorption of the subject proposal, as described in the following project description, within the Florence market area. As such, the following summary highlights the key findings and conclusions reached from this information:

- 1) The subject proposal is a 48-unit rental development targeting low-income senior households. The facility will consist entirely of 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 tax credit rental units within the Florence PMA. As such, capture rates as presented in Exhibit S-2 (following the executive summary) are reflective of the need for additional affordable senior rental housing and are within industry-accepted thresholds.
- 3) Occupancy rates for rental housing are extremely positive throughout the market area at the current time. As such, an overall occupancy rate of 97.9 percent was calculated from a January 2015 survey of 22 rental developments (four senior and 18 family) identified and contacted within the PMA.
- 4) Only limited senior rental options are available within Florence at the current time. According to survey results, there are only two affordable senior-only properties (both are subsidized) within the Florence PMA. Because of this obvious lack of affordable housing locally, above average pent-up demand is highly likely.
- 5) Considering only the six tax credit developments within the survey, a combined occupancy rate of 99.1 percent was calculated, with each of these properties reporting a waiting list – providing a clear indication of the acceptance and demand for affordable rental options.
- 6) Extremely positive senior demographic patterns since 2010 throughout the PMA – the overall senior population (55 years and over) is estimated to have increased by ten percent between 2010 and 2014, representing nearly 2,150 additional persons. Considering this strong growth, the demand for additional senior housing will likely escalate as well.
- 7) A generally positive site location within a desirable area, and a short distance from numerous retail centers and other services required for senior residents.
- 8) The proposal represents a modern product with numerous amenities and features at an affordable rental level.

- 9) A sufficient statistical senior demand calculation – considering that a similar LIHTC property (Indigo Pointe) will enter the market sometime in early 2016, the absorption period is estimated at approximately seven to nine months.

- 10) Considering the subject's location, proposed targeting, unit sizes, and development features, the introduction of Crescent Villas Apartments should prove successful. Based on extremely strong senior demographic patterns, extremely high occupancy levels throughout the local rental stock (especially within tax credit properties), and considering the relatively lack of adequate affordable senior housing within Florence, a newly constructed affordable rental option targeting low-income senior households would be successful within the Florence PMA. As such, evidence presented within the market study suggests a normal absorption period 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.

2015 EXHIBIT S - 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:

Development Name:	<u>CRESCENT VILLAS APTS</u>	Total # Units:	<u>48</u>
Location:	<u>Hoffmeyer Road</u>	# LIHTC Units:	<u>48</u>
PMA Boundary:	<u>North=county border/Black Creek; South=Lynches River; East=SC-327/Cemetary Rd; West=Langston/Peniel Rd</u>		
Development Type:	<u> </u> Family	<u> X </u> Older Persons	Farthest Boundary Distance to Subject: <u> 9 </u> Miles

RENTAL HOUSING STOCK (found on page 56)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	22	1,827	39	97.9%
Market-Rate Housing	12	1,365	36	97.4%
Assisted/Subsidized Housing not to include LIHTC	4	134	0	100.0%
LIHTC (All that are stabilized)*	6	328	3	99.1%
Stabilized Comps**	6	328	3	99.1%
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
0	1 BR	1.0	--	--	--	--	--	--	--
0	1 BR	1.0	--	--	--	--	--	--	--
10	2 BR	2.0	965	\$439	\$808	\$0.78	45.7%	\$1,015	\$0.91
38	2 BR	2.0	965	\$551	\$808	\$0.78	31.8%	\$1,015	\$0.91
0	3 BR	2.0	--	--	--	--	--	--	--
0	3 BR	2.0	--	--	--	--	--	--	--
Gross Potential Rent Monthly*				\$25,328	\$38,784		34.69%		

*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 43)

	2010		2014		2017	
Renter Households	3,065	22.0%	3,334	22.0%	3,536	22.0%
Income-Qualified Renter HHs (LIHTC)	453	14.8%	492	14.8%	522	14.8%
Income-Qualified Renter HHs (MR)	--	--	--	--	--	--

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

Type of Demand	50%	60%	Market Rate	Other: _____	Other: _____	Overall
Renter Household Growth	15	14				30
Existing Households (Overburd + Substand)	123	113				246
Homeowner Conversion (Seniors)	46	56				106
Other:	--	--				--
Less Comparable/Competitive Supply	0	0				0
Net Income-Qualified Renter HHs	184	184	0	0	0	382

CAPTURE RATES (found on page 50)

Targeted Population	50%	60%	Market Rate	Other: _____	Other: _____	Overall
Capture Rate	5.8%	25.8%				14.4%

ABSORPTION RATE (found on page 52)

Absorption Period:	<u> 7 to 9 </u> months
--------------------	------------------------------

2015 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
0	0 BR		\$0		\$0	
0	0 BR		\$0		\$0	
0	0 BR		\$0		\$0	
0	1 BR		\$0	\$0	\$0	
0	1 BR		\$0	\$0	\$0	
0	1 BR		\$0		\$0	
10	2 BR	\$439	\$4,390	\$808	\$8,080	
38	2 BR	\$551	\$20,938	\$808	\$30,704	
0	2 BR		\$0		\$0	
0	3 BR		\$0	\$0	\$0	
0	3 BR		\$0	\$0	\$0	
0	3 BR		\$0		\$0	
0	4 BR		\$0		\$0	
0	4 BR		\$0		\$0	
0	4 BR		\$0		\$0	
Totals	48		\$25,328		\$38,784	34.69%

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: CRESCENT VILLAS APTS Project Address: Hoffmeyer Road Project City: Florence, South Carolina County: Florence County Total Units: 48 Occupancy Type: Older Persons (55+) Construction Type: New Construction Income Targeting*: Overall - \$16,830 to \$23,940 50% AMI - \$16,830 to \$19,950 60% AMI - \$20,190 to \$23,940									
Targeting/Mix	Number of Units	Unit Type	Number of Baths	Square Feet	Contract Rent	Utility Allow.	Gross Rent	Max. LIHTC Rent*	Incl. PBRA
Two-Bedroom Units	48								
50% of Area Median Income	10	Apt	2.0	965	\$439	\$122	\$561	\$561	No
60% of Area Median Income	38	Apt	2.0	965	\$551	\$122	\$673	\$673	No

*Maximum LIHTC Rents and Income Limits are based on 2015 Income & Rent Limits (effective 3/6/2015) obtained from SCSHFDA website (www.schousing.com).

Project Description:

Development Location.....	Florence, 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)	0 units

Project Size:

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

Development Characteristics:

Number of Total Units	48 units
Number of Garden Apartments.....	48 units
Number of Townhouses	0 units
Number of Residential Buildings.....	1 (maximum three stories)
Number of Community Buildings	0
Exterior Construction.....	Minimum 70% Brick

Unit Amenities:

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

Development Amenities:

- Multi-Purpose Room w/ Kitchenette
- Equipped Computer Center
- Covered Gazebo w/ Picnic Tables
- Video Camera Security System
- On-Site Laundry Facility
- Elevator
- On-Site Management Office

Additional Assumptions:

- Water, sewer, and trash removal will be included in the rent. Electricity (including electric heat pump), cable television, internet access, and telephone charges will be paid by the tenant;
- Market entry is scheduled for late 2016/early 2017;

B. SITE DESCRIPTION

1. Site Visit Date

All fieldwork and community data collection was conducted on February 27, 2015 by Steven Shaw.

2. Site Neighborhood and Overview

The subject property is located within the extreme western portion of Florence along the south side of Hoffmeyer Road, just east of Beltline Drive near one of the foremost retail areas of the city. Furthermore, the site is situated within 1½ miles of I-95, I-20, and U.S. 76, providing relatively convenient transportation throughout the region. Located roughly three miles west of downtown Florence, overall characteristics of the immediate neighborhood are relatively mixed - including residential, retail, medical, educational, and undeveloped property. Although parcels adjacent to the south and west of the subject are undeveloped, a Walmart Supercenter can be found just south of the site along the east side of Beltline Drive. Furthermore, a single-family neighborhood (with most homes in good condition) is situated adjacent to the east, while a medical office and newer commercial building can be found adjacent to the north. Additional single-family neighborhoods can be found further to the west along Hoffmeyer Road, while a church, retail, and additional residential areas can be found to the east. The West Florence High School is also located nearby (along the west side of Beltline Drive across from Walmart), as well as additional retail to the south.

The subject property consists of approximately 3.25 acres of undeveloped, grass-covered property. Situated within Census Tract 2.01 of Florence County, the property is currently zoned as B-3 - which allows for multi-family residential development. As such, based on current usages, zoning throughout the neighborhood should not impede or negatively affect the viability of the subject proposal. As such, adjacent land usage is as follows:

- North:** Hoffmeyer Road/Doctor's Care Clinic/Commercial
- South:** Undeveloped, vacant property
- West:** Undeveloped, vacant property
- East:** Single-family neighborhood (*with most homes in good condition*)

The subject property's location is just north and west of a substantial retail area, most of which can be found along David McLeod Boulevard, Palmetto Street, and Cashua Drive. The site will have good visibility from a moderately-traveled roadway (Hoffmeyer Road), and provides a generally positive curb appeal with most nearby properties (residential, commercial/retail or otherwise) in generally good condition. Access to the site will be from Hoffmeyer to the north, representing a five-lane roadway which provides access to Beltline Drive to the west, and Palmetto Street (U.S. 76) and Cashua Drive to the east. Furthermore, the site's location also provides for relatively convenient access to much of the area's retail, medical, recreational, and employment locales, and can be considered a positive factor.

3. Nearby Retail

As previously mentioned, the subject property is located near one of the foremost retail areas within the Florence area. As such, numerous retail opportunities can be found near the subject property, including a Walmart Supercenter (situated just south of the site) as well as a Sam's Club, Hobby Lobby, Big Kmart, and the Florence Mall shopping center all located within one mile. Furthermore, the David McLeod Boulevard corridor between Palmetto Street and I-95 (approximately one mile south of the site) represents the largest retail area in Florence – and includes the Magnolia Mall, Target, Crossroads Center shopping center, and Kohl's situated less than two miles away. Additional retail concentrations can be found along Palmetto Street to the east and south, as well as Cashua Drive and 2nd Loop Road to the east.

4. Medical Offices and Hospitals

Numerous medical services and physician offices can be found throughout the immediate area as well. There are two full-service hospitals within Florence, including McLeod Regional Medical Center (3½ miles to the east of the site near downtown), and Carolinas Hospital System (roughly five miles to the southeast). While numerous physician offices and medical/specialty clinics can be found surrounding each of the hospitals, several clinics can be found locally – including a Doctor's Care Clinic (adjacent to the north), and the McLeod Health and Fitness/Family Medicine Center (one mile south). In addition, it should be noted that a Walmart Care Clinic can be found within the Walmart just south of the subject property.

5. Other PMA Services

Additional services of note within the market area include a library, YMCA, and several parks and recreation centers – all a short drive from the site. Scheduled, fixed-route bus/transit services are provided locally through Pee Dee Regional Transportation Authority (PDRTA), which offers service throughout the greater Florence area in addition to commuter services to Dillon, Marion, Hartsville, and Darlington. Although there is no bus service along Hoffmeyer Road, the nearest bus stop is within walking distance at the Walmart Supercenter along Beltline Drive.

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

Retail

1. Walmart Supercenteradjacent to south
2. Sam’s Club.....0.7 miles south
3. Hobby Lobby0.9 miles south
4. Florence Mall shopping center.....0.5 miles southeast
(w/ Stein Mart, JoAnn Fabrics, Ross Dress for Less, TJ Maxx, Payless Shoe Source, and more)
5. Big Kmart.....0.6 miles east
6. Food Lion/Dollar General.....1.1 miles northeast
7. Rite-Aid.....0.9 miles southeast
8. Salvation Army Thrift Store1.3 miles southeast
9. Magnolia Mall.....1.2 miles southwest
(w/ Anchor stores of Belk, JC Penney, Kick’s Sporting Goods, Sears, and Best Buy)
10. Target1.9 miles southwest
11. Kohl’s.....1.7 miles southwest
12. Crossroads Center shopping center.....1.2 miles southwest
(w/ Big Lots, Citi-Trends, It’s Fashion, Badcock and More, and more)
13. Bi-Lo grocery2.0 miles southeast
14. Family Dollar2.4 miles southeast
15. CVS/Pharmacy.....1.8 miles southeast
16. Walmart Neighborhood Market.....1.9 miles southwest

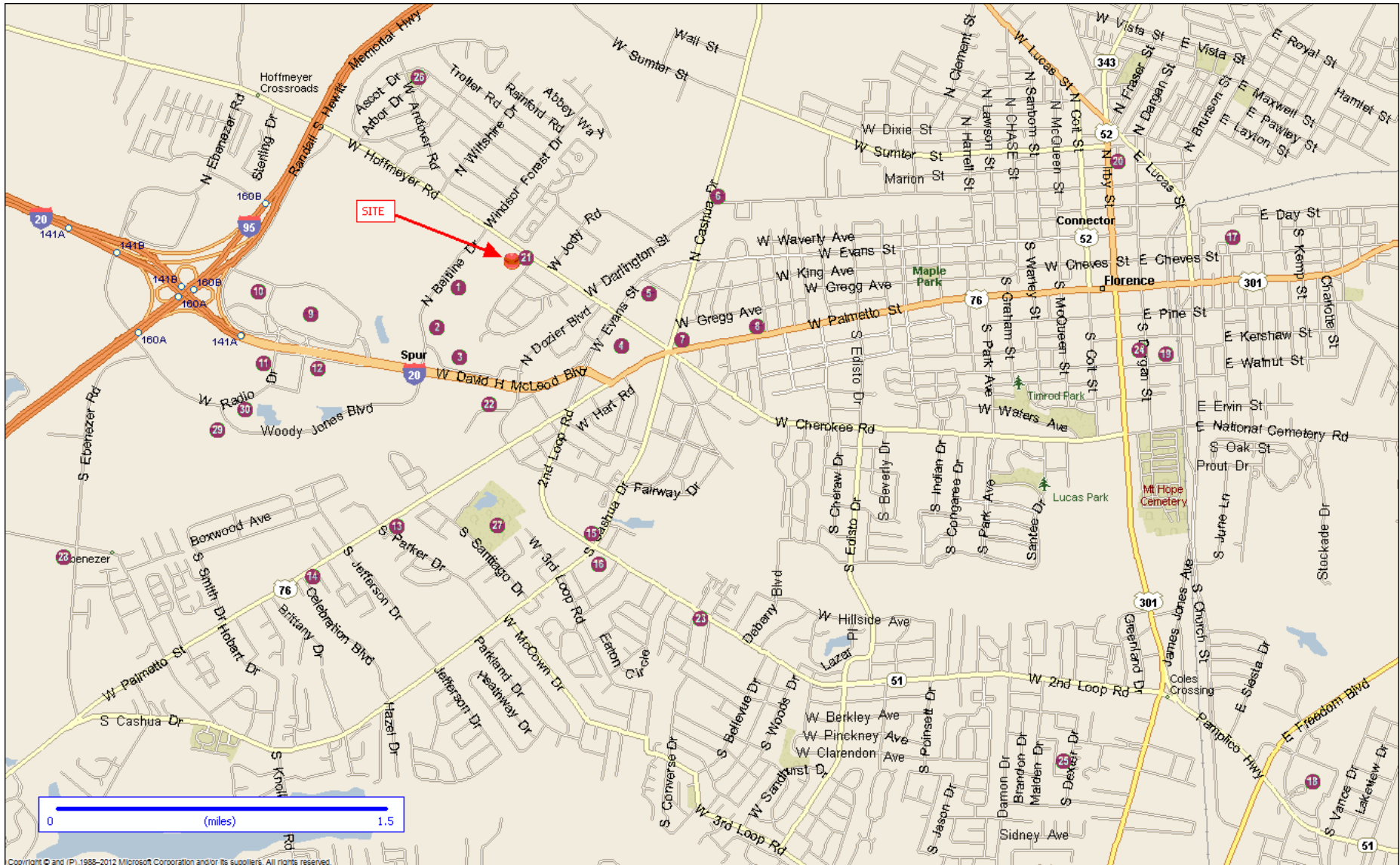
Medical

17. McLeod Regional Medical Center.....3.5 miles east
(w/ McLeod Medical Plaza, Medical Park West, Medical Park East)
18. Carolinas Hospital System (Hospital and Medical Mall A, B, and C)5.0 miles southeast
19. Regency Hospital3.5 miles east
20. Hope Health Medical Center (under construction)3.0 miles east
21. Doctor’s Care Clinicadjacent to north
22. McLeod Health and Fitness/Family Medicine Center1.0 mile south
23. First Choice Healthcare.....2.4 miles southeast

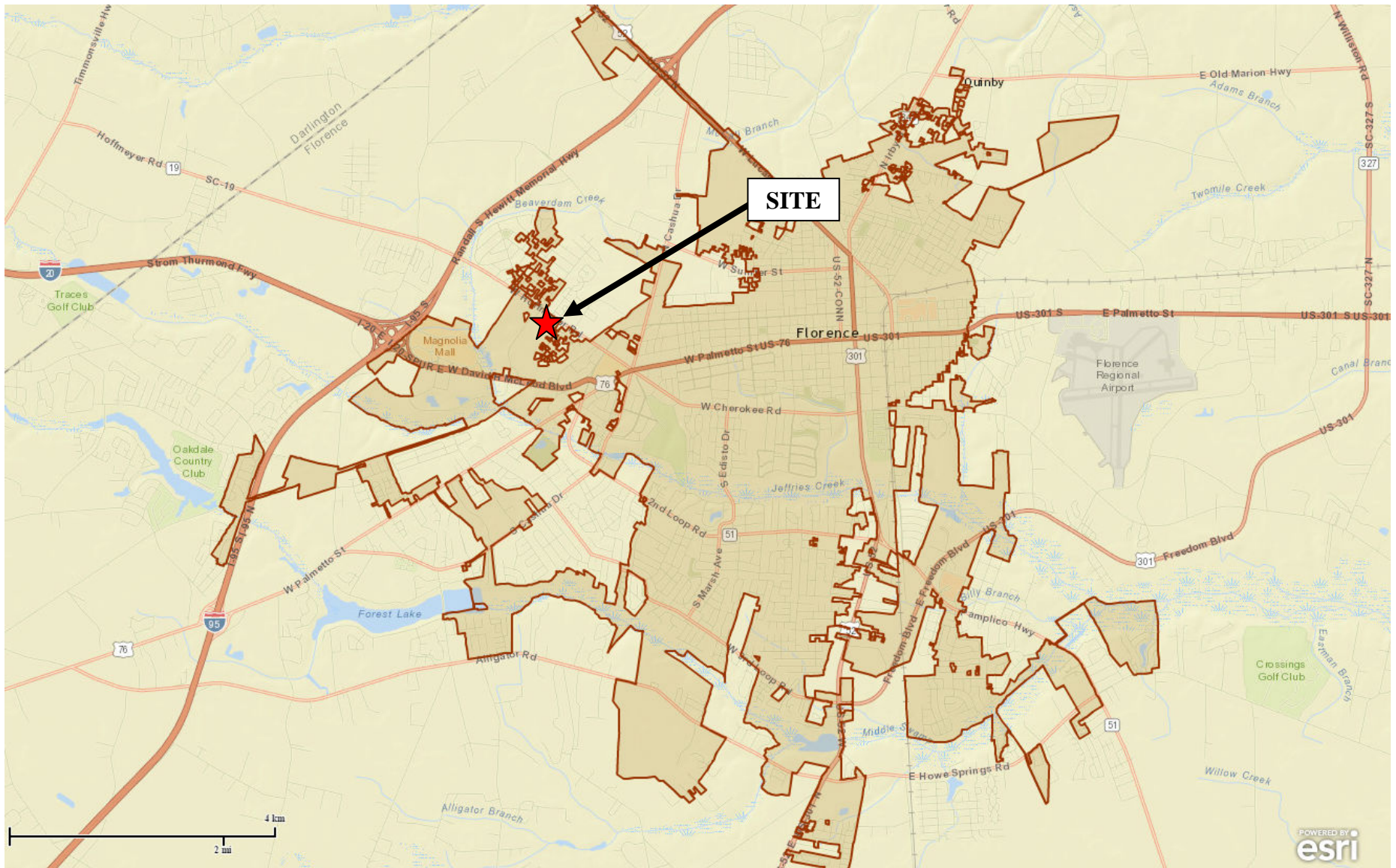
Recreation/Other

24. Florence County Public Library.....3.3 miles east
25. Florence Family YMCA4.5 miles southeast
26. Revell Park.....1.2 miles northwest
27. David H McLeod Park2.0 miles south
28. Florence County Recreation4.0 miles southwest
29. Regal Cinemas2.0 miles southwest
30. Florence Civic Center1.9 miles south west

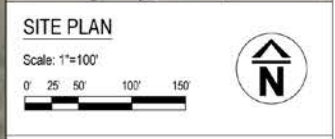
Map 1: Local Features/Amenities – Florence Area



Map 3: Site Location – City of Florence



Map 4: Site Plan – Crescent Villas Apartments



NOTES:

- 48 UNITS - 3.3 ACRES - 14.5 UNITS PER ACRE
- 1 X 3 STORY 48 UNIT BUILDING.
- 2BED = 48 UNITS (100%)
- PARKING:
- PROVIDED PARKING: 76 PARKING SPACES (INCLUDING 6 HANDICAPPED SPACES).

Unit Summary				
Name	Unit Type	# of Units	Heated Area	Total Heated
B1	2Bed/2Bath	36	960	34,560
B2	2Bed/2Bath	6	970	5,820
B3	2Bed/2Bath	6	990	5,940
Total		48		46,320

Buildings Summary				
55 Unit Building Summary	Total Residential Heated SF	Total Non-Residential Heated SF	Total Heated	Total Gross
GrandTotals	46,320	11,780	58,100	63,500



Progress Design Studio, PLLC
ARCHITECTURE PLANNING VISUALIZATION
marketing@progressdesignstudio.com

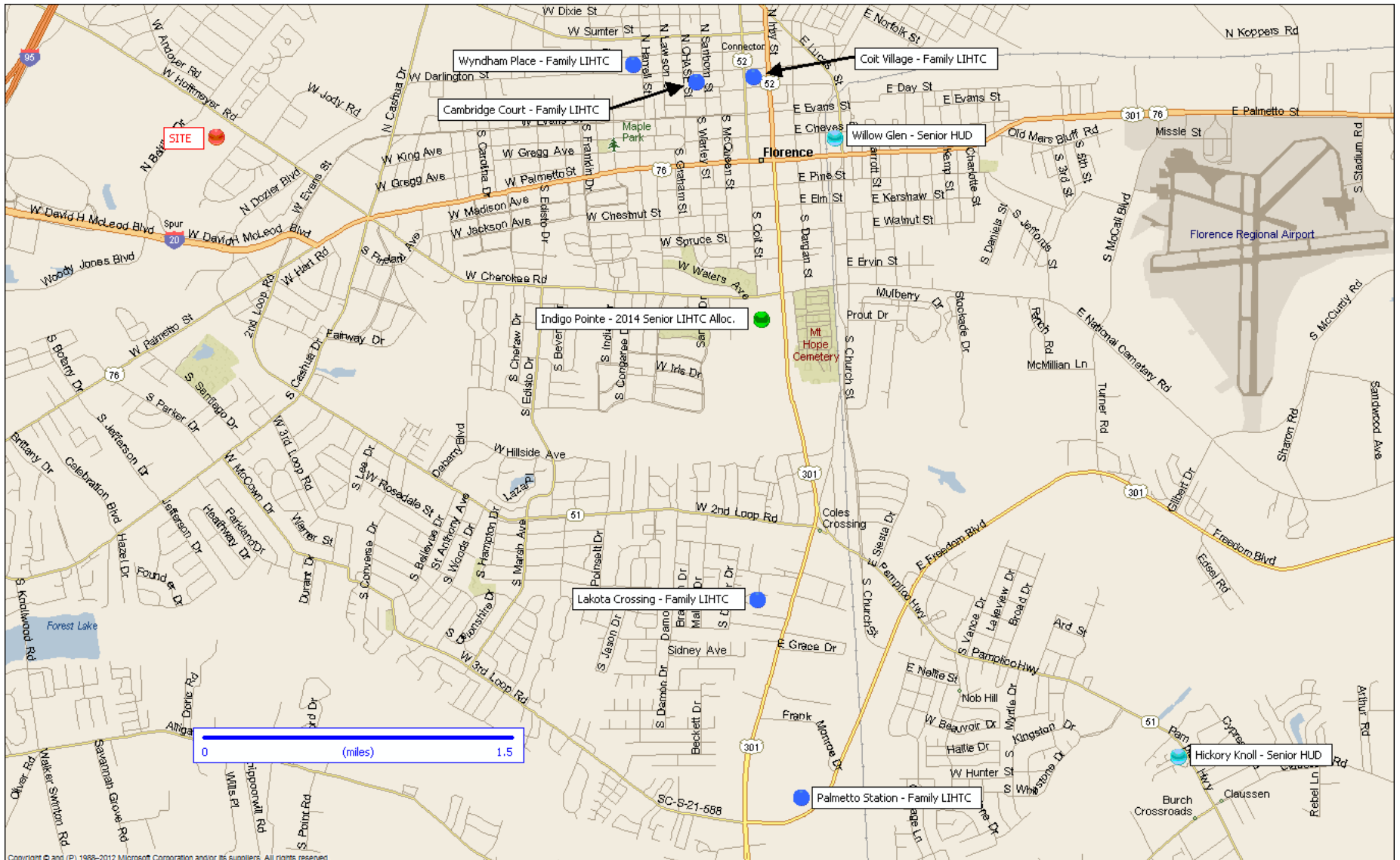
CRESCENT VILLAS
Location: Florence, SC
Douglas Crescent Villas, LLC

PDS - 15204 - 03/22 /2015.
This document is intended to be used for presentation purposes only. Refer to Architectural, Surveys, and Civil drawings for technical information & measurements.

Map 5: Site Location - Aerial Photo



Map 6: Affordable Rental Housing – Family and Senior



Site/Neighborhood Photos



**SITE – Crescent Villas Apartments
South side of Hoffmeyer Road
Florence, SC
Facing south from Hoffmeyer Road**



**SITE – Crescent Villas Apartments
South side of Hoffmeyer Road
Florence, SC
Facing south from interior of site**



**SITE – Crescent Villas Apartments
South side of Hoffmeyer Road
Florence, SC
Facing west from interior of site
Commercial building is visible adjacent to north of site**



**Medical office adjacent to north of site
Site is on right**



**Commercial building adjacent to north of site
Site is behind building**



**Vacant undeveloped property adjacent to south of site
Facing northeast from rear of Walmart**



**Vacant undeveloped property adjacent to south of site
Facing east from Beltline Drive**



**Tree line adjacent to east of site
Facing east from interior of site**



**Typical single family home in neighborhood adjacent to east of site
Facing west from Lakewood Drive
Site is behind house**



**Vacant undeveloped property adjacent to west of site
Facing south from Hoffmeyer Road**



**Vacant undeveloped property adjacent to west of site
Facing east from Beltline Drive**

6. Crime Assessment

According to crime data by zip code, the overall crime index within the immediate area is somewhat lower than state levels, but slightly greater than the national index. According to data obtained from CLResearch.com, which provides demographic and lifestyle statistics by zip code, the area in which the subject property is situated (zip code 29501) had a Total Crime Risk index of 119 – 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 factor (at 207), followed by Murder Risk (138), and Rape Risk (127). Conversely, Automotive Theft Risk and Robbery Risk were the lowest of all factors (at 62 and 91, respectively), representing the only index values below both state and national norms. 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.

Table 1: Crime Risk Index

	Zip: 29501	State
	<u>Index*</u>	<u>Index*</u>
Total 2010 Crime Risk Index	119	130
Personal Crime Index	163	165
Murder Risk	138	138
Rape Risk	127	138
Robbery Risk	91	95
Assault Risk	207	200
Property Crime Index	104	124
Burglary Risk	112	137
Larceny Risk	120	125
Automotive Theft Risk	62	91
*Values are represented as an index, where the value 100 represents the national average.		
Source: CLResearch.com - Data by Zip Code		

7. Road/Infrastructure Improvements

Based on the site visit and evaluation of the 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 a Walmart Supercenter, medical office, and other services less than one mile away. Furthermore, the foremost retail corridor is roughly one mile south of the site - which includes the Magnolia Mall and numerous other retail centers (most located less than two miles away). Based on a site visit conducted February 27, 2015, 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 Hoffmeyer Road to the north, offering relatively easy access to other key roadways. The subject property has a generally positive curb appeal, with most nearby properties (residential, commercial, or otherwise) in good condition.

C. PRIMARY MARKET AREA DELINEATION

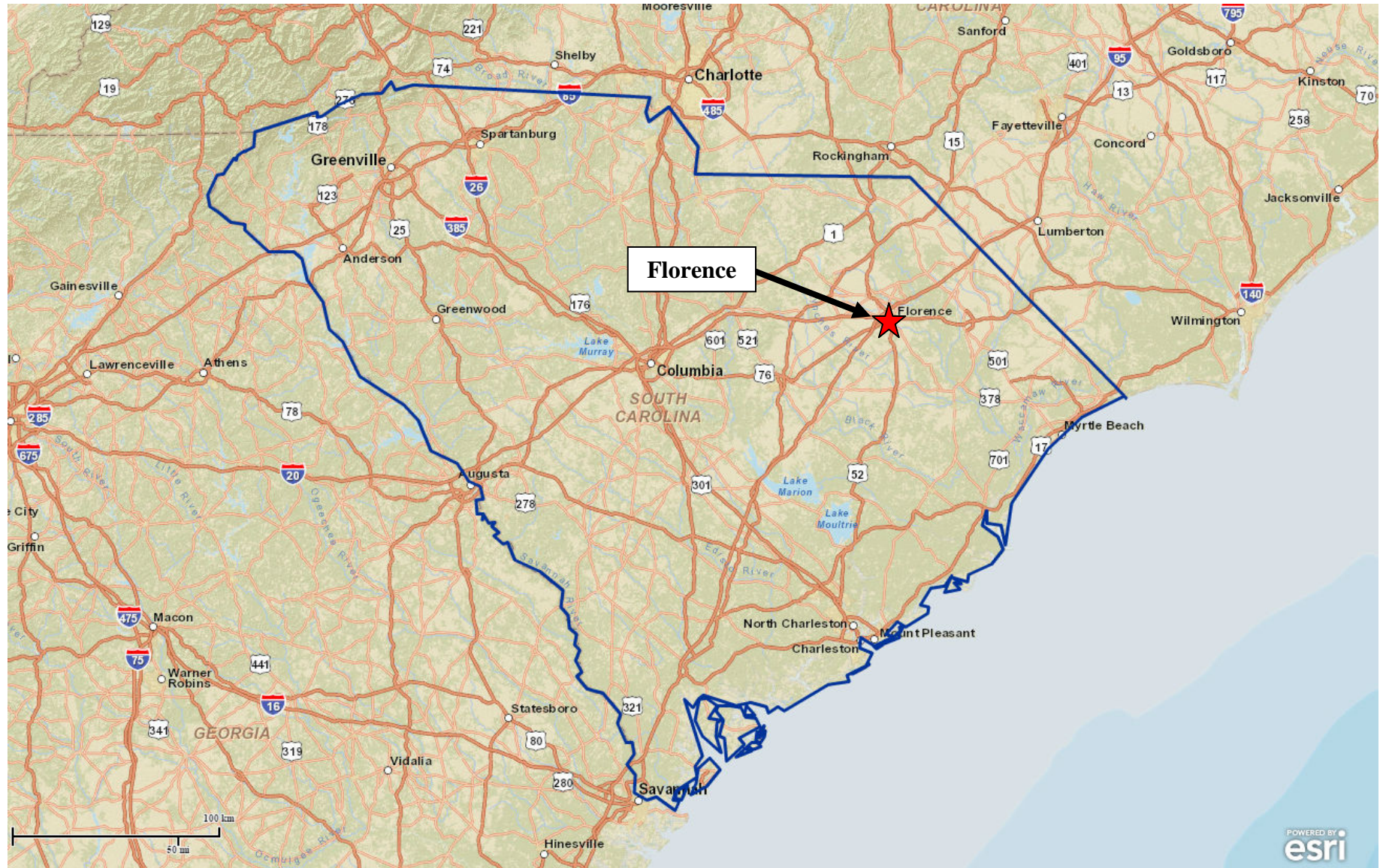
The Primary Market Area (PMA) is defined as the geographic area from which the subject property (either proposed or existing) is expected to draw the *majority* of its residents. For the purpose of this report, the Florence PMA consists of the city of Florence and the immediate surrounding area. More specifically, the PMA is comprised of 21 census tracts in central Florence County, and reaches approximately eight miles to the east of the site, six miles to the north, and roughly eight miles to the south and west. As such, the aforementioned primary market area delineation can be considered as a realistic indication of the potential draw of the subject proposal based on a positive site location and Florence being the primary economic center of the county and region. Additionally, the site is located near several key roadways (including Interstate 95, Interstate 20, U.S. 76, and U.S. 301), each providing relatively convenient access throughout the majority of the PMA and greater Florence area.

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

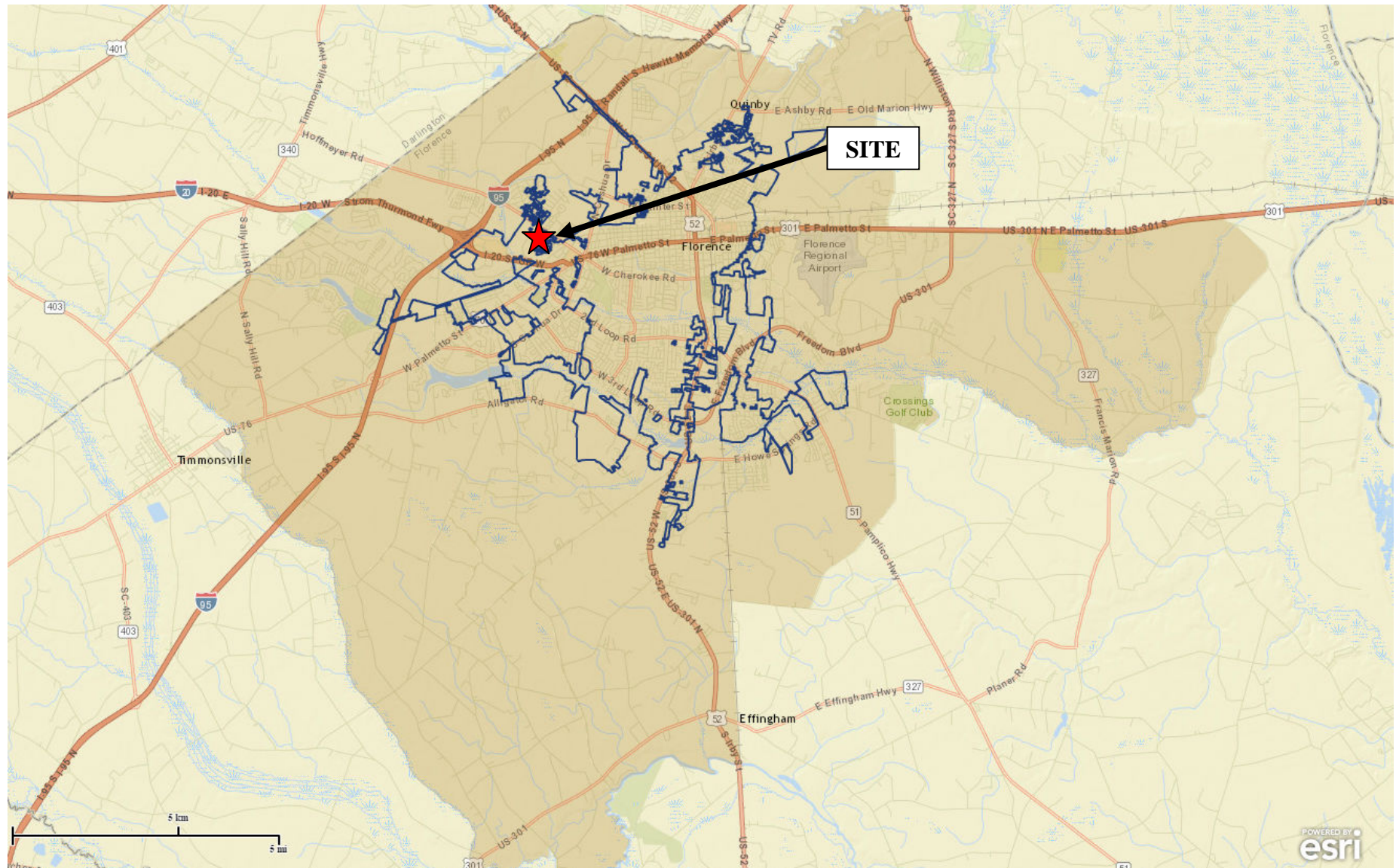
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- Tract 14.00
- Tract 15.03
- Tract 15.04
- Tract 15.05
- Tract 15.06
- Tract 16.01
- Tract 9801

* Site is located in Census Tract 2.01

Map 7: State of South Carolina



Map 8: Primary Market Area – City of Florence



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

Map 9: Florence Primary Market Area – Census Tracts

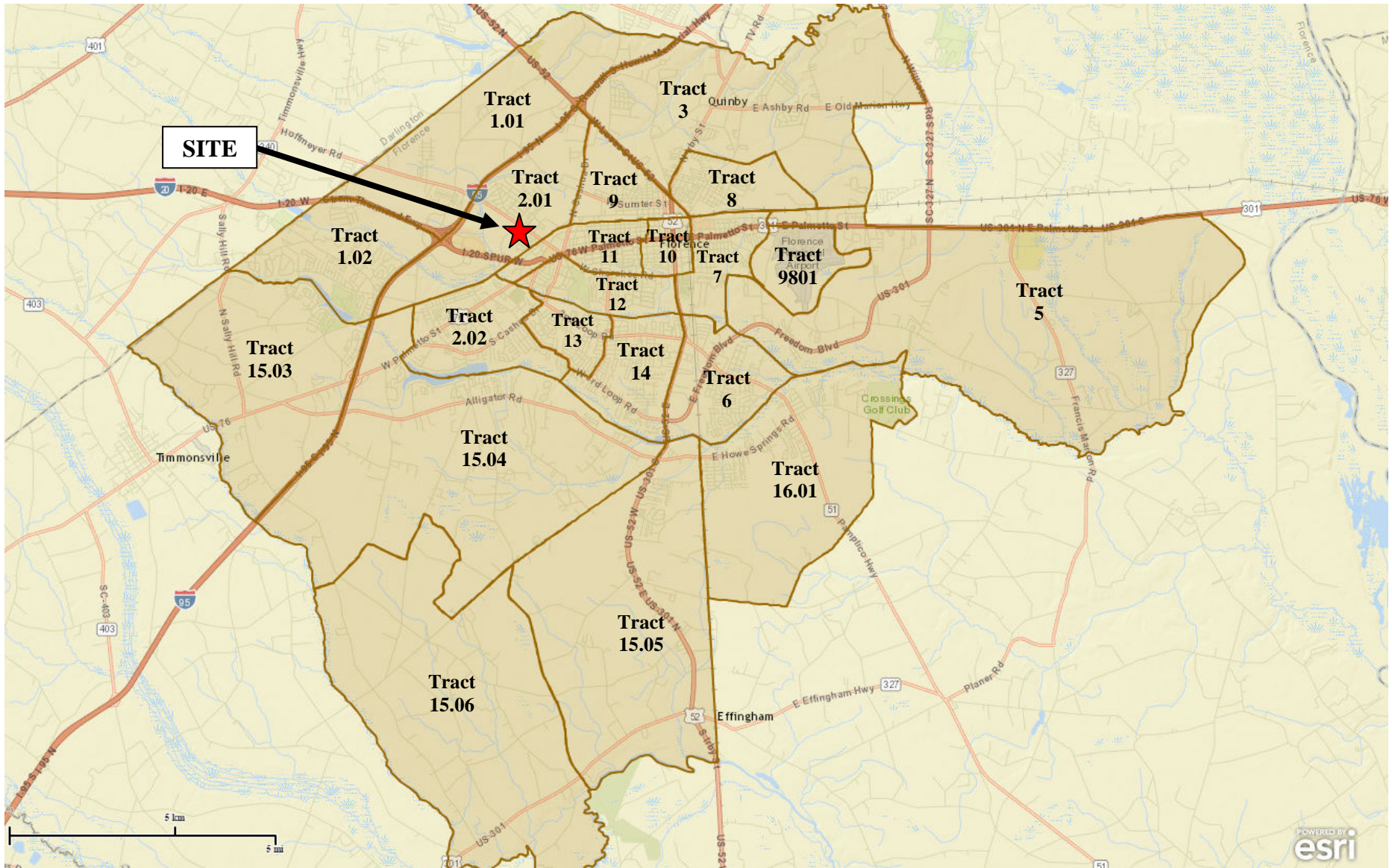


Table 2: Race Distribution (2010)

Census Tract 2.01 - Florence County, SC		
	<u>Number</u>	<u>Percent</u>
Total Population (all races)	2,479	100.0%
White*	1,770	71.4%
Black or African American*	595	24.0%
American Indian/Alaska Native*	8	0.3%
Asian*	108	4.4%
Native Hawaiian/Pacific Islander*	1	0.0%
Other Race*	14	0.6%

*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 Florence County was health care/social assistance (at approximately 21 percent of all jobs), followed by persons employed in retail trade (14 percent), and accommodation/food services (11 percent). Based on a comparison of employment by industry from 2009, the majority of industries experienced a net gain over the past five years. Accommodation/food services and administrative/waste services had the largest growth by far (with 1,066 and 881 new jobs, respectively), followed by health care/social assistance and wholesale trade (both increasing by approximately 250 jobs or more). In contrast, industries experiencing the greatest declines include manufacturing, construction, and public administration, each declining by more than 200 jobs between 2009 and 2014.

Table 3: Employment by Industry – Florence County (2Q 2014)

Industry	2014 (2Q)		2009		Change from 2009	
	Number Employed	Percent	Number Employed	Percent	Number Employed	Percent
Total, All Industries - Private	60,837	100.0%	59,459	100.0%	1,378	2.3%
Agriculture, forestry, fishing and hunting	228	0.4%	227	0.4%	1	0.4%
Mining	*	*	*	*	*	*
Utilities	*	*	50	0.1%	*	*
Construction	1,674	2.8%	2,161	3.6%	-487	-22.5%
Manufacturing	5,689	9.4%	6,240	10.5%	-551	-8.8%
Wholesale trade	2,480	4.1%	2,231	3.8%	249	11.2%
Retail trade	8,253	13.6%	8,230	13.8%	23	0.3%
Transportation and warehousing	2,065	3.4%	2,044	3.4%	21	1.0%
Information	783	1.3%	957	1.6%	-174	-18.2%
Finance and insurance	2,896	4.8%	2,845	4.8%	51	1.8%
Real estate and rental and leasing	798	1.3%	681	1.1%	117	17.2%
Professional and technical services	2,330	3.8%	2,390	4.0%	-60	-2.5%
Management of companies and enterprises	787	1.3%	618	1.0%	169	27.3%
Administrative and waste services	2,778	4.6%	1,897	3.2%	881	46.4%
Educational services	5,102	8.4%	5,102	8.6%	0	0.0%
Health care and social assistance	12,942	21.3%	12,654	21.3%	288	2.3%
Arts, entertainment, and recreation	730	1.2%	704	1.2%	26	3.7%
Accommodation and food services	6,601	10.9%	5,535	9.3%	1,066	19.3%
Other services, exc. public administration	1,473	2.4%	1,514	2.5%	-41	-2.7%
Public administration	3,168	5.2%	3,372	5.7%	-204	-6.0%
Unclassified	*	*	*	*	*	*

* - Data Not Available
Source: South Carolina Department of Employment & Workforce - Florence County, SC (2009 - 2014)

2. Commuting Patterns

Based on place of employment (using 2013 American Community Survey data), 85 percent of PMA residents are employed within Florence County, while 15 percent work outside of the county – most of which commute to neighboring Darlington County for employment, as well as Williamsburg and Marion Counties to a lesser extent.

An overwhelming majority of workers throughout Florence 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. A relatively small number (three percent) utilized public transportation, walked, or some other means to work.

Table 4: Place of Work/ Means of Transportation (2013)

EMPLOYMENT BY PLACE OF WORK						
	City of Florence		Florence PMA		Florence County	
Total	16,051	100.0%	38,271	100.0%	56,597	100.0%
Worked in State of Residence	15,935	99.3%	37,796	98.8%	56,028	99.0%
Worked in County of Residence	14,012	87.3%	32,622	85.2%	47,684	84.3%
Worked Outside County of Residence	1,923	12.0%	5,174	13.5%	8,344	14.7%
Worked Outside State of Residence	116	0.7%	475	1.2%	569	1.0%

MEANS OF TRANSPORTATION TO WORK						
	City of Florence		Florence PMA		Florence County	
Total	16,051	100.0%	38,271	100.0%	56,160	100.0%
Drove Alone - Car, Truck, or Van	13,418	83.6%	32,421	84.7%	47,283	84.2%
Carpooled - Car, Truck, or Van	1,303	8.1%	3,245	8.5%	5,042	9.0%
Public Transportation	154	1.0%	221	0.6%	247	0.4%
Walked	128	0.8%	281	0.7%	611	1.1%
Other Means	332	2.1%	524	1.4%	653	1.2%
Worked at Home	716	4.5%	1,579	4.1%	2,324	4.1%

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

Table 5: Employment Commuting Patterns (2010)

Persons Commuting TO Florence County		Persons Commuting FROM Florence County	
Commuters Living In:	<u>Number</u>	Commuters Working In :	<u>Number</u>
Darlington County, SC	3,212	Darlington County, SC	8,050
Williamsburg County, SC	1,705	Marion County, SC	2,175
Marion County, SC	583	Williamsburg County, SC	1,629
Horry County, SC	561	Dillon County, SC	1,331
Sumter County, SC	354	Sumter County, SC	818
Clarendon County, SC	348	Clarendon County, SC	586
Georgetown County, SC	276	Horry County, SC	539

Source: U.S. Census Bureau - 2010

3. Largest Employers

Below is a chart depicting the 20 largest employers within Florence County, according to information obtained through the South Carolina Department of Employment and Workforce:

Florence County Top Employers <i>(Listed Alphabetically)</i>	
Assurant Group	Carolinas Hospital System
City of Florence	ESAB Welding Products, Inc.
Floco Foods, Inc.	Florence County Council
Florence County School District #3	Florence-Darlington Technical College
Florence County School District #1	Francis Marion University
Honda of South Carolina Mfg, Inc.	McLeod Health
McLeod Physician Associates II	McLeod Regional Medical Center
Nightingales Nursing & Attendant	QVC, Inc.
Rock Tenn Services, Inc.	SC Dept. of Disabilities & Special
Walmart Associates, Inc.	Wellman Plastics Recycling LLC
<i>Source: SC Department of Employment & Workforce – 2014 Q3</i>	

4. Employment and Unemployment Trends

The overall economy throughout Florence County has been generally stable over the past decade, with employment increases in eight of the last ten years and each year since 2010. As such, Florence County recorded an increase of more than 2,500 jobs between 2010 and 2014, representing an increase of five percent (an annual increase of 1.1 percent). In addition, the average annual unemployment rate for 2014 was calculated at 6.9 percent, the county's lowest rate since 2007. In comparison, the state and national annual unemployment rate for 2014 was 6.0 and 6.2 percent, respectively.

More recently, an increase of roughly 820 jobs was recorded between December 2013 and December 2014. Despite this increase, however, the unemployment rate increased slightly from 7.1 percent to 7.2 percent –remaining slightly above both the state and national averages (6.2 percent and 5.4 percent, respectively).

Figure 1: Employment Growth

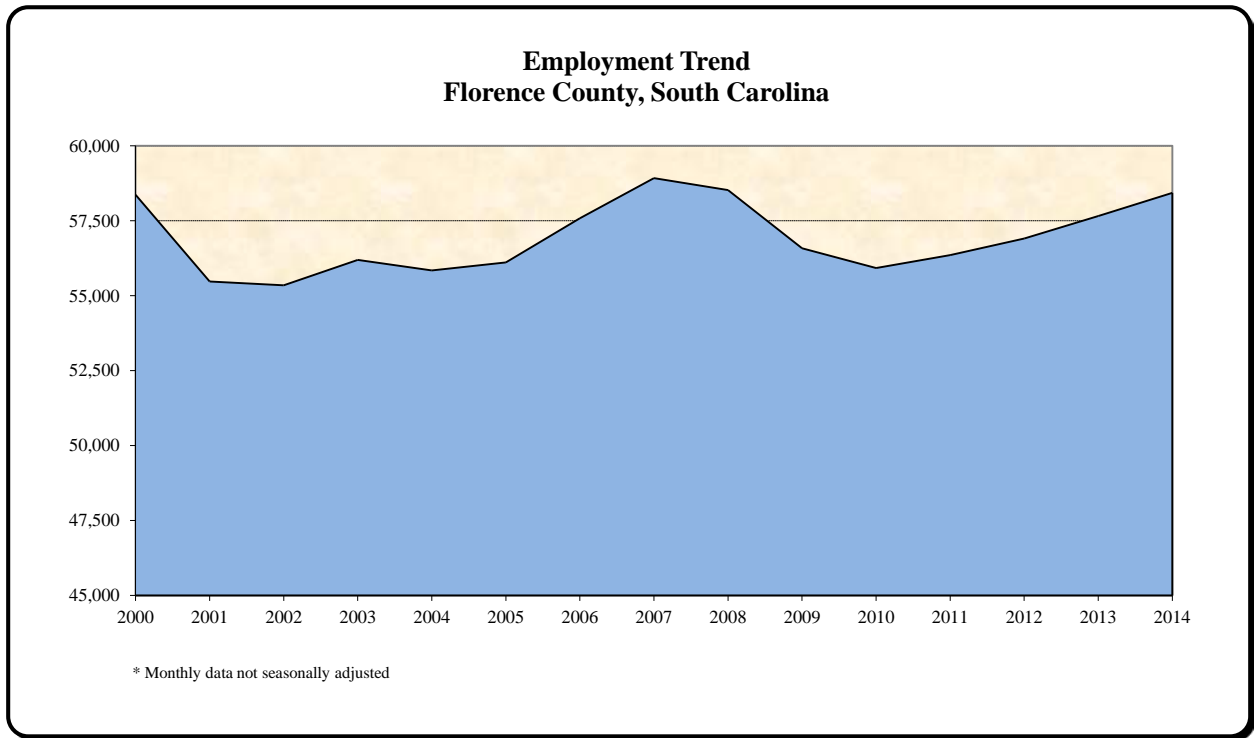


Figure 2: Historical Unemployment Rate

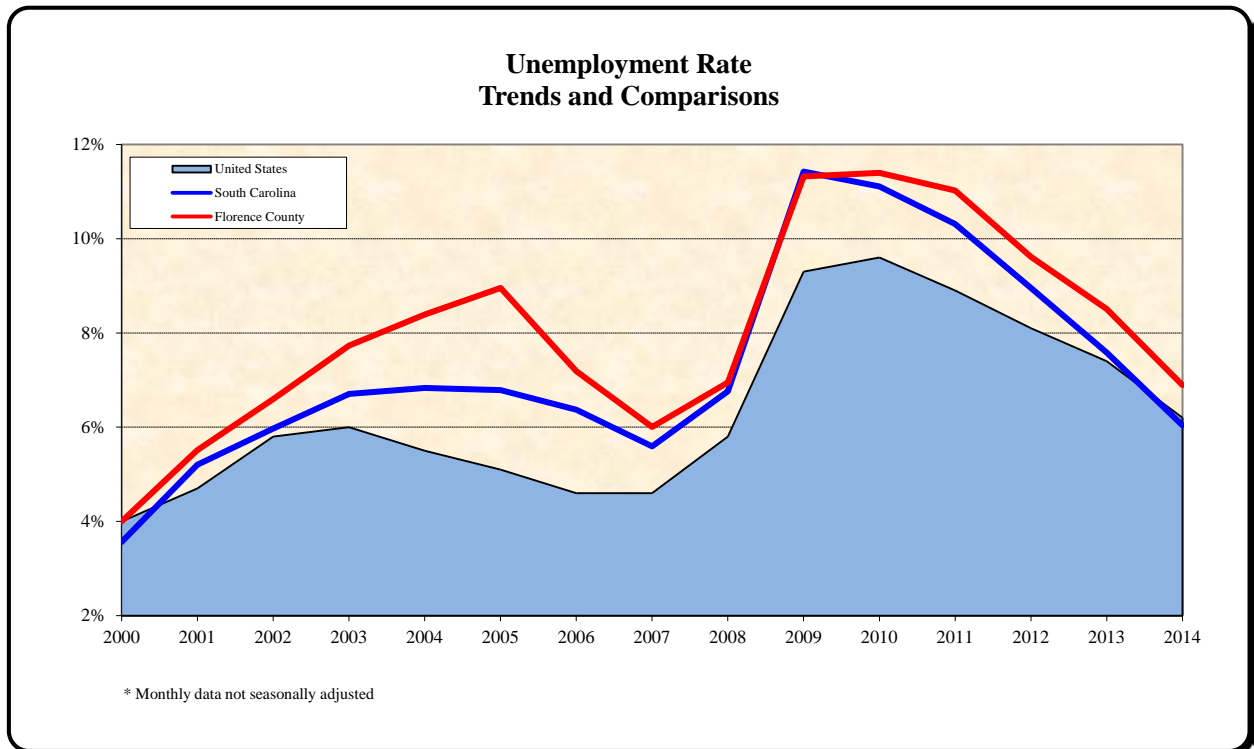


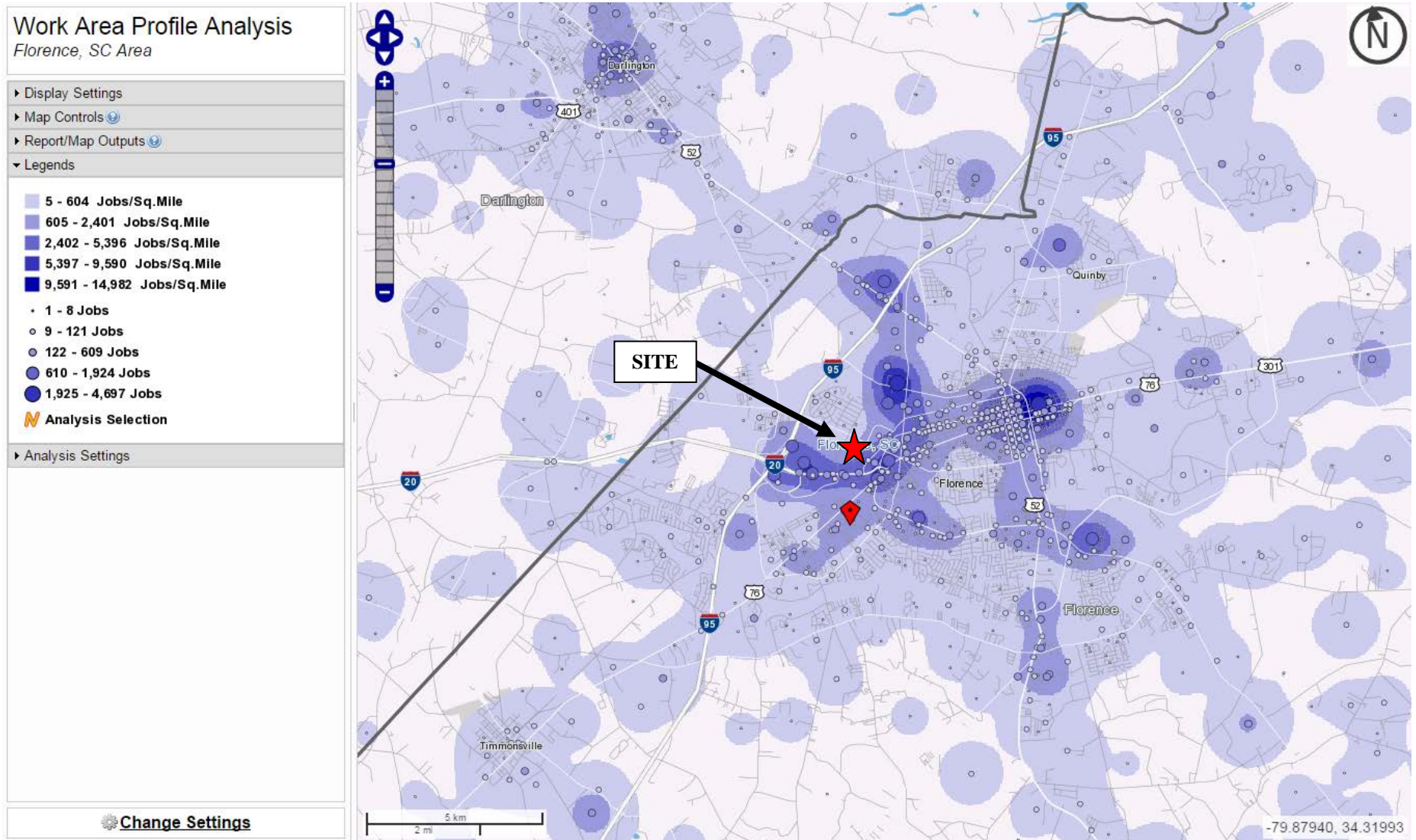
Table 6: Historical Employment Trends

Year	Florence County				Employment Annual Change			Unemployment Rate		
	Labor Force	Number Employed	Annual Change	Percent Change	Florence County	South Carolina	United States	Florence County	South Carolina	United States
2000	60,792	58,362	---	---	---	---	---	4.0%	3.6%	4.0%
2001	58,707	55,471	(2,891)	-5.0%	-5.0%	-4.3%	0.0%	5.5%	5.2%	4.7%
2002	59,251	55,344	(127)	-0.2%	-0.2%	-0.5%	-0.3%	6.6%	6.0%	5.8%
2003	60,898	56,191	847	1.5%	1.5%	1.5%	0.9%	7.7%	6.7%	6.0%
2004	60,955	55,840	(351)	-0.6%	-0.6%	1.8%	1.1%	8.4%	6.8%	5.5%
2005	61,626	56,107	267	0.5%	0.5%	1.8%	1.8%	9.0%	6.8%	5.1%
2006	62,040	57,580	1,473	2.6%	2.6%	2.5%	1.9%	7.2%	6.4%	4.6%
2007	62,681	58,918	1,338	2.3%	2.3%	2.0%	1.1%	6.0%	5.6%	4.6%
2008	62,892	58,520	(398)	-0.7%	-0.7%	-0.6%	-0.5%	7.0%	6.8%	5.8%
2009	63,800	56,579	(1,941)	-3.3%	-3.3%	-4.3%	-3.8%	11.3%	11.4%	9.3%
2010	63,114	55,920	(659)	-1.2%	-1.2%	0.7%	-0.6%	11.4%	11.1%	9.6%
2011	63,330	56,351	431	0.8%	0.8%	1.5%	0.6%	11.0%	10.3%	8.9%
2012	62,956	56,904	553	1.0%	1.0%	1.8%	1.9%	9.6%	9.0%	8.1%
2013	63,014	57,654	750	1.3%	1.3%	1.4%	101.9%	8.5%	7.6%	7.4%
2014	62,754	58,427	773	1.3%	1.3%	1.5%	201.9%	6.9%	6.0%	6.2%
Dec-13*	62,298	57,864	---	---	---	---	---	7.1%	6.3%	6.5%
Dec-14*	63,214	58,683	819	1.4%	1.4%	1.7%	1.9%	7.2%	6.2%	5.4%

Florence County				South Carolina		
	Number	Percent	Ann. Avg.		Percent	Ann. Avg.
Change (2000-Present):	321	0.6%	0.0%	Change (2000-Present):	6.8%	0.5%
Change (2005-Present):	2,576	4.6%	0.5%	Change (2005-Present):	6.5%	0.7%
Change (2010-Present):	2,763	4.9%	1.2%	Change (2010-Present):	6.4%	1.6%
Change (2000-2005):	(2,255)	-3.9%	-0.8%	Change (2000-2005):	0.3%	0.1%
Change (2005-2010):	(187)	-0.3%	-0.1%	Change (2005-2010):	0.1%	0.0%
Change (2010-2014):	2,507	4.5%	1.1%	Change (2010-2014):	6.3%	1.6%

*Monthly data not seasonally adjusted

Map 10: Employment Concentrations – Florence Area



E. COMMUNITY DEMOGRAPHIC DATA

1. Population Trends

Based on U.S. Census data and ESRI forecasts, much of Florence County has experienced relatively positive demographic gains since 2000, including Florence and the market area. Overall, the PMA had an estimated population of 88,046 persons in 2014, representing an increase of two percent from 2010 (a gain of more than 1,550 persons). Additionally, the city and county both increased by a similar one and two percent, respectively, between 2010 and 2014.

Future projections indicate continued steady growth with an estimated increase of two percent anticipated within the PMA between 2014 and 2019 (nearly 2,000 additional persons), and a similar two percent gain for Florence proper. In comparison, the overall population within Florence County as a whole is expected to increase by three percent between 2014 and 2019.

Table 7: Population Trends (2000 to 2019)

	<u>2000</u>	<u>2010</u>	<u>2014</u>	<u>2017</u>	<u>2019</u>
City of Florence	33,612	37,056	37,532	37,888	38,126
Florence PMA	76,227	86,489	88,046	89,214	89,992
Florence County	125,761	136,885	139,870	142,108	143,600
		2000-2010	2010-2014	2014-2017	2014-2019
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Florence		10.2%	1.3%	1.0%	1.6%
Florence PMA		13.5%	1.8%	1.3%	2.2%
Florence County		8.8%	2.2%	1.6%	2.7%
		2000-2010	2010-2014	2014-2017	2014-2019
		<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>
City of Florence		1.0%	0.3%	0.3%	0.3%
Florence PMA		1.3%	0.4%	0.4%	0.4%
Florence County		0.9%	0.5%	0.5%	0.5%

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

The largest population group for the PMA in 2010 consisted of persons between the ages of 20 and 44 years, accounting for 33 percent of all persons. In comparison, this age group also represented the largest cohort within both the city and county as a whole. Persons under the age of 20 years also accounted for a relatively large portion of the population in each area. As such, 27 percent of the total population in the PMA was within this age cohort in 2010, while representing nearly identical proportions of the overall city and county populations.

When reviewing distribution patterns between 2000 and 2019, the aging of the population is clearly evident within all three areas analyzed. The proportion of persons under the age of 44 has consistently declined slightly since 2000, and is expected to decrease further through 2019. In contrast, the fastest growing portion of the population base is the older age segments. Within the PMA, persons 55 years and over, which represented 21 percent of the population in 2000, is expected to increase to account for 29 percent of all persons by 2019 – clearly demonstrating the aging of the baby boom generation as the younger age cohorts are anticipated to decline during this time.

As such, the increasing percentage of persons above the age of 55 seen throughout Florence and the PMA (expected to represent nearly one in three persons in 2019) 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 2019)

	City of Florence				Florence PMA				Florence County			
	<u>2010 Number</u>	<u>2000 Percent</u>	<u>2010 Percent</u>	<u>2019 Percent</u>	<u>2010 Number</u>	<u>2000 Percent</u>	<u>2010 Percent</u>	<u>2019 Percent</u>	<u>2010 Number</u>	<u>2000 Percent</u>	<u>2010 Percent</u>	<u>2019 Percent</u>
Under 20 years	10,022	27.4%	27.0%	25.1%	23,275	28.6%	26.9%	25.5%	37,360	29.0%	27.3%	25.7%
20 to 24 years	2,335	6.3%	6.3%	5.8%	6,399	6.8%	7.4%	6.9%	9,580	6.7%	7.0%	6.4%
25 to 34 years	5,019	13.6%	13.5%	13.7%	11,082	14.0%	12.8%	13.3%	17,062	13.6%	12.5%	13.0%
35 to 44 years	4,957	14.6%	13.4%	11.8%	11,447	15.3%	13.2%	12.2%	17,795	15.3%	13.0%	12.3%
45 to 54 years	4,958	14.2%	13.4%	12.6%	12,234	14.5%	14.1%	12.7%	19,454	14.4%	14.2%	12.6%
55 to 59 years	2,429	5.0%	6.6%	6.6%	5,785	5.0%	6.7%	6.6%	9,303	5.1%	6.8%	6.7%
60 to 64 years	2,176	3.9%	5.9%	6.2%	5,148	4.0%	6.0%	6.1%	8,314	4.1%	6.1%	6.3%
65 to 74 years	2,761	7.4%	7.5%	10.5%	6,377	6.3%	7.4%	10.1%	10,527	6.3%	7.7%	10.5%
75 to 84 years	1,623	5.7%	4.4%	5.4%	3,397	4.1%	3.9%	4.8%	5,458	4.1%	4.0%	4.9%
85 years and older	776	2.0%	2.1%	2.3%	1,345	1.5%	1.6%	1.8%	2,032	1.4%	1.5%	1.7%
Under 20 years	10,022	27.4%	27.0%	25.1%	23,275	28.6%	26.9%	25.5%	37,360	29.0%	27.3%	25.7%
20 to 44 years	12,311	34.5%	33.2%	31.3%	28,928	36.0%	33.4%	32.5%	44,437	35.6%	32.5%	31.6%
45 to 64 years	9,563	23.0%	25.8%	25.5%	23,167	23.5%	26.8%	25.4%	37,071	23.6%	27.1%	25.7%
65 years and older	5,160	15.1%	13.9%	18.1%	11,119	12.0%	12.9%	16.6%	18,017	11.8%	13.2%	17.0%
55 years and older	9,765	23.9%	26.4%	30.9%	22,052	20.9%	25.5%	29.4%	35,634	21.0%	26.0%	30.1%
75 years and older	2,399	7.7%	6.5%	7.6%	4,742	5.7%	5.5%	6.6%	7,490	5.5%	5.5%	6.5%
Non-Elderly (<65)	31,896	84.9%	86.1%	81.9%	75,370	88.0%	87.1%	83.4%	118,868	88.2%	86.8%	83.0%
Elderly (65+)	5,160	15.1%	13.9%	18.1%	11,119	12.0%	12.9%	16.6%	18,017	11.8%	13.2%	17.0%

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

2. Household Trends

Similar to population patterns, the Florence area has experienced generally positive household creation since 2000. As such, occupied households within the PMA numbered 34,513 units in 2014, representing an increase of two percent from 2000 (a gain of nearly 800 households). ESRI forecasts for 2019 indicate this number will continue to increase, with a forecasted growth rate of three percent (roughly 1,000 additional households) anticipated between 2014 and 2019. In comparison, the number of households grew at a similar rate within Florence and Florence County as a whole between 2010 and 2014 (two to three percent), demonstrating relatively steady demographic patterns throughout the region.

Table 9: Household Trends (2000 to 2019)

	<u>2000</u>	<u>2010</u>	<u>2014</u>	<u>2017</u>	<u>2019</u>
City of Florence	13,274	14,979	15,228	15,415	15,539
Florence PMA	28,939	33,720	34,513	35,107	35,503
Florence County	47,147	52,653	54,089	55,166	55,884
		<u>2000-2010</u>	<u>2010-2014</u>	<u>2014-2017</u>	<u>2014-2019</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Florence		12.8%	1.7%	1.2%	2.0%
Florence PMA		16.5%	2.4%	1.7%	2.9%
Florence County		11.7%	2.7%	2.0%	3.3%

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

Table 10: Average Household Size (2000 to 2019)

	<u>2000</u>	<u>2010</u>	<u>2014</u>	<u>2017</u>	<u>2019</u>
City of Florence	2.45	2.43	2.42	2.42	2.41
Florence PMA	2.53	2.49	2.48	2.47	2.46
Florence County	2.59	2.54	2.53	2.52	2.51
		<u>2000-2010</u>	<u>2010-2014</u>	<u>2014-2017</u>	<u>2014-2019</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Florence		-0.6%	-0.4%	-0.3%	-0.4%
Florence PMA		-1.7%	-0.5%	-0.4%	-0.6%
Florence County		-1.8%	-0.5%	-0.3%	-0.6%

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

Renter-occupied households throughout the Florence market area have exhibited notable gains over the past decade, increasing at a slightly faster rate than overall household creation. According to U.S. Census figures and ESRI estimates, a total of 12,310 renter-occupied households are estimated within the PMA for 2014, representing an increase of five percent from 2010 figures (a gain of approximately 625 additional rental units).

Overall, a somewhat moderate ratio of renter households exists throughout the Florence market area. For the PMA, the renter household percentage was calculated at 36 percent in 2014, slightly lower than the city ratio (42 percent), and more in line with the county’s renter representation (34 percent). Furthermore, it should also be noted that renter propensities within the PMA have increased since 2000, increasing approximately six percentage points between 2000 and 2014.

Table 11: Renter Household Trends (2000 to 2017)

	<u>2000</u>	<u>2010</u>	<u>2014</u>	<u>2019</u>	<u>2000-2010</u> <u>Change</u>	<u>2010-2014</u> <u>Change</u>	<u>2014-2019</u> <u>Change</u>
City of Florence	4,970	6,013	6,359	6,790	21.0%	5.7%	6.8%
Florence PMA	8,737	11,688	12,310	13,086	33.8%	5.3%	6.3%
Florence County	12,732	17,127	18,133	19,389	34.5%	5.9%	6.9%
	<u>% Renter</u>	<u>% Renter</u>	<u>% Renter</u>	<u>% Renter</u>			
	<u>2000</u>	<u>2010</u>	<u>2014</u>	<u>2019</u>			
City of Florence	37.4%	40.1%	41.8%	43.7%			
Florence PMA	30.2%	34.7%	35.7%	36.9%			
Florence County	27.0%	32.5%	33.5%	34.7%			

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

As with overall households, renter household sizes for the Florence PMA were generally larger than those reported for Florence, on average. However, in contrast to overall household patterns, average renter sizes actually increased over the past decade – from 2.31 persons per rental unit in 2000 to 2.45 persons per unit in 2010. Despite the increase in average size, the majority of units locally contained just one or two persons (61 percent), with three persons occupying 18 percent of units, and 21 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>	Median Persons Per Rental Unit	
						<u>2000</u>	<u>2010</u>
City of Florence	2,193	1,567	1,042	640	571	2.32	2.37
Florence PMA	4,120	3,029	2,049	1,345	1,145	2.31	2.45
Florence County	5,724	4,350	3,066	2,099	1,888	2.40	2.50
	<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>	Median Change	
City of Florence	36.5%	26.1%	17.3%	10.6%	9.5%	2.2%	
Florence PMA	35.2%	25.9%	17.5%	11.5%	9.8%	6.0%	
Florence County	33.4%	25.4%	17.9%	12.3%	11.0%	4.2%	

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

3. Senior-Specific Demographic Data

As noted earlier, the senior population cohort is anticipated to experience sizeable growth through 2019 as compared to other age segments. As such, a total of 24,191 seniors (55 years and over) are estimated in the PMA for 2014, representing an increase of ten percent from 2010 (nearly 2,150 additional seniors). The 2014 figure represents 28 percent of the overall population, which is an increase from a representation of just 21 percent in 2000. Furthermore, this extremely strong trend is anticipated to continue, with an increase of 11 percent (2,675 seniors) forecast between 2014 and 2019.

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 extremely positive 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.

As with senior population patterns, senior household trends (age 55 years and older) have been equally as impressive within the PMA and are also expected to continue to increase through 2019. According to Census and ESRI data, the number of senior households within the PMA increased by nine percent between 2010 and 2014 (adding roughly 1,225 additional senior households), while ESRI estimates a further gain of ten percent (more than 1,500 senior households) between 2014 and 2019 – representing approximately 47 percent of all PMA households in 2019.

Table 13: Senior Population Trends (2000 to 2019)

55+ Population Trends					
	<u>2000</u>	<u>2010</u>	<u>2014</u>	<u>2017</u>	<u>2019</u>
City of Florence	7,235	9,765	10,761	11,508	12,006
Florence PMA	15,945	22,052	24,191	25,795	26,865
Florence County	26,407	35,634	39,286	42,025	43,851
		2000-2010	2010-2014	2014-2017	2014-2019
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Florence		35.0%	10.2%	6.9%	11.6%
Florence PMA		38.3%	9.7%	6.6%	11.1%
Florence County		34.9%	10.2%	7.0%	11.6%
<i>Percent of Population</i>					
	<u>2000</u>	<u>2010</u>	<u>2014</u>	<u>2017</u>	<u>2019</u>
City of Florence	21.5%	26.4%	28.7%	30.4%	31.5%
Florence PMA	20.9%	25.5%	27.5%	28.9%	29.9%
Florence County	21.0%	26.0%	28.1%	29.6%	30.5%
65+ Population Trends					
	<u>2000</u>	<u>2010</u>	<u>2014</u>	<u>2017</u>	<u>2019</u>
City of Florence	4,557	5,160	6,018	6,662	7,091
Florence PMA	9,120	11,119	13,017	14,440	15,388
Florence County	14,837	18,017	21,173	23,539	25,117
		2000-2010	2010-2014	2014-2017	2014-2019
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Florence		13.2%	16.6%	10.7%	17.8%
Florence PMA		21.9%	17.1%	10.9%	18.2%
Florence County		21.4%	17.5%	11.2%	18.6%
<i>Percent of Population</i>					
	<u>2000</u>	<u>2010</u>	<u>2014</u>	<u>2017</u>	<u>2019</u>
City of Florence	13.6%	13.9%	16.0%	17.6%	18.6%
Florence PMA	12.0%	12.9%	14.8%	16.2%	17.1%
Florence County	11.8%	13.2%	15.1%	16.6%	17.5%
Source: U.S. Census - 2000/2010; ESRI Business Analyst; Shaw Research & Consulting					

Table 14: Senior Household Trends (2000 to 2019)

55+ Household Trends					
	<u>2000</u>	<u>2010</u>	<u>2014</u>	<u>2017</u>	<u>2019</u>
City of Florence	4,398	6,184	6,759	7,189	7,477
Florence PMA	9,679	13,961	15,186	16,105	16,717
Florence County	16,153	22,454	24,478	25,995	27,007
		2000-2010	2010-2014	2014-2017	2014-2019
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Florence		40.6%	9.3%	6.4%	10.6%
Florence PMA		44.2%	8.8%	6.0%	10.1%
Florence County		39.0%	9.0%	6.2%	10.3%
<i>Percent of Households</i>					
	<u>2000</u>	<u>2010</u>	<u>2014</u>	<u>2017</u>	<u>2019</u>
City of Florence	33.1%	41.3%	44.4%	46.6%	48.1%
Florence PMA	33.4%	41.4%	44.0%	45.9%	47.1%
Florence County	34.3%	42.6%	45.3%	47.1%	48.3%
65+ Household Trends					
	<u>2000</u>	<u>2010</u>	<u>2014</u>	<u>2017</u>	<u>2019</u>
City of Florence	2,778	3,389	3,917	4,313	4,577
Florence PMA	5,561	7,323	8,469	9,328	9,900
Florence County	9,234	11,836	13,705	15,107	16,041
		2000-2010	2010-2014	2014-2017	2014-2019
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Florence		22.0%	15.6%	10.1%	16.8%
Florence PMA		31.7%	15.6%	10.1%	16.9%
Florence County		28.2%	15.8%	10.2%	17.0%
<i>Percent of Households</i>					
	<u>2000</u>	<u>2010</u>	<u>2014</u>	<u>2017</u>	<u>2019</u>
City of Florence	20.9%	22.6%	25.7%	28.0%	29.5%
Florence PMA	19.2%	21.7%	24.5%	26.6%	27.9%
Florence County	19.6%	22.5%	25.3%	27.4%	28.7%
Source: U.S. Census - 2000/2010; ESRI Business Analyst; Shaw Research & Consulting					

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 3,334 units in 2014, representing roughly 22 percent of all senior-occupied households within the market area. In comparison, Florence itself contained 1,791 senior renter households, which was 27 percent of all senior households within the community in 2014.

Table 15: Senior Renter Household Trends (2000 to 2017)

Senior Renter HHs - 55+							
	<u>2000</u>	<u>2010</u>	<u>2014</u>	<u>2017</u>	<u>2000-2010</u> <u>Change</u>	<u>2010-2014</u> <u>Change</u>	<u>2014-2017</u> <u>Change</u>
City of Florence	1,012	1,639	1,791	1,905	62.0%	9.3%	6.4%
Florence PMA	1,845	3,065	3,334	3,536	66.1%	8.8%	6.0%
Florence County	2,811	4,619	5,035	5,347	64.3%	9.0%	6.2%
	<u>% Renter</u> <u>2000</u>	<u>% Renter</u> <u>2010</u>	<u>% Renter</u> <u>2014</u>	<u>% Renter</u> <u>2017</u>			
City of Florence	23.0%	26.5%	26.5%	26.5%			
Florence PMA	19.1%	22.0%	22.0%	22.0%			
Florence County	17.4%	20.6%	20.6%	20.6%			
Senior Renter HHs - 65+							
	<u>2000</u>	<u>2010</u>	<u>2014</u>	<u>2017</u>	<u>2000-2010</u> <u>Change</u>	<u>2010-2014</u> <u>Change</u>	<u>2014-2017</u> <u>Change</u>
City of Florence	626	815	942	1,037	30.2%	15.6%	10.1%
Florence PMA	1,141	1,493	1,727	1,902	30.9%	15.6%	10.1%
Florence County	1,689	2,268	2,626	2,895	34.3%	15.8%	10.2%
	<u>% Renter</u> <u>2000</u>	<u>% Renter</u> <u>2010</u>	<u>% Renter</u> <u>2014</u>	<u>% Renter</u> <u>2017</u>			
City of Florence	22.5%	24.0%	24.0%	24.0%			
Florence PMA	20.5%	20.4%	20.4%	20.4%			
Florence County	18.3%	19.2%	19.2%	19.2%			
Source: U.S. Census - 2000/2010; ESRI Business Analyst; Shaw Research & Consulting							

4. Household Income Trends

Income levels throughout the Florence area have experienced somewhat sluggish gains over the past decade. While the PMA recorded annual increases of 2.2 percent between 1999 and 2010, it is anticipated that income appreciation will slow to just 0.7 percent annually through 2019. In 2014, the median household income for the PMA was estimated at \$48,920, which was roughly 13 percent higher than that estimated for Florence proper (\$43,375), and 14 percent greater than that recorded for Florence County as a whole (\$42,898). Furthermore, the PMA figure represents an increase of just one percent from 2010 (an average annual increase of 0.4 percent), while the city and county both increased at somewhat larger rates between 2010 and 2014 (at 1.0 percent and 0.6 percent annually, respectively).

According to ESRI data, the rate of income growth is forecast to remain lackluster through 2019. As such, it is projected that the median income within the PMA will increase by just 0.7 percent annually between 2014 and 2019, remaining somewhat lower than income appreciation anticipated throughout the city as a whole for the same time span.

Table 16: Median Household Incomes (1999 to 2019)

	<u>1999</u>	<u>2010</u>	<u>2014</u>	<u>2017</u>	<u>2019</u>
City of Florence	\$35,124	\$41,663	\$43,375	\$45,088	\$47,656
Florence PMA	\$38,018	\$48,234	\$48,920	\$49,607	\$50,637
Florence County	\$34,845	\$41,910	\$42,898	\$43,887	\$45,369
		<u>1999-2010</u>	<u>2010-2014</u>	<u>2014-2017</u>	<u>2014-2019</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Florence		18.6%	4.1%	4.1%	9.9%
Florence PMA		26.9%	1.4%	1.4%	3.5%
Florence County		20.3%	2.4%	2.4%	5.8%
		<u>1999-2010</u>	<u>2010-2014</u>	<u>2014-2017</u>	<u>2014-2019</u>
		<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>
City of Florence		1.6%	1.0%	1.3%	1.9%
Florence PMA		2.2%	0.4%	0.5%	0.7%
Florence County		1.7%	0.6%	0.8%	1.1%

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

According to the most recent American Housing Survey through the U.S. Census Bureau, approximately 39 percent of all households within the Florence PMA had an annual income of less than \$35,000 in 2013 – the portion of the population with the greatest need for affordable housing options. In comparison, a somewhat larger 44 percent of city households had incomes within this range as well. With roughly two in five households within the immediate Florence area earning less than \$35,000 per year, additional affordable housing options will undoubtedly be well received.

Table 17: Overall Household Income Distribution (2013)

	City of Florence		Florence PMA		Florence County	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$10,000	1,684	11.2%	2,793	8.4%	5,004	9.7%
\$10,000 to \$14,999	1,106	7.4%	2,171	6.5%	3,697	7.2%
\$15,000 to \$19,999	931	6.2%	2,075	6.3%	3,276	6.4%
\$20,000 to \$24,999	1,009	6.7%	1,964	5.9%	3,215	6.3%
\$25,000 to \$29,999	849	5.7%	1,848	5.6%	3,187	6.2%
\$30,000 to \$34,999	947	6.3%	2,088	6.3%	3,376	6.6%
\$35,000 to \$39,999	686	4.6%	1,499	4.5%	2,661	5.2%
\$40,000 to \$44,999	716	4.8%	1,860	5.6%	2,736	5.3%
\$45,000 to \$49,999	558	3.7%	1,542	4.6%	2,465	4.8%
\$50,000 to \$59,999	1,180	7.9%	2,962	8.9%	4,442	8.7%
\$60,000 to \$74,999	1,118	7.5%	2,936	8.8%	4,436	8.6%
\$75,000 to \$99,999	1,773	11.8%	3,869	11.7%	5,443	10.6%
\$100,000 to \$124,999	933	6.2%	2,307	7.0%	3,136	6.1%
\$125,000 to \$149,999	590	3.9%	1,401	4.2%	1,914	3.7%
\$150,000 to \$199,999	381	2.5%	912	2.7%	1,115	2.2%
\$200,000 and Over	511	3.4%	951	2.9%	1,229	2.4%
TOTAL	14,972	100.0%	33,178	100.0%	51,332	100.0%
Less than \$34,999	6,526	43.6%	12,939	39.0%	21,755	42.4%
\$35,000 to \$49,999	1,960	13.1%	4,901	14.8%	7,862	15.3%
\$50,000 to \$74,999	2,298	15.3%	5,898	17.8%	8,878	17.3%
\$75,000 to \$99,999	1,773	11.8%	3,869	11.7%	5,443	10.6%
\$100,000 and Over	2,415	16.1%	5,571	16.8%	7,394	14.4%

Source: 2009 - 2013 American Community Survey

Based on the proposed income targeting and rent levels, the key income range for the subject proposal is \$16,830 to \$23,940 (in current dollars). Utilizing Census information available on senior 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 modest number of low-income senior households throughout the area. As such, roughly ten percent of the PMA's senior owner-occupied household number, and 15 percent of the senior renter-occupied household figure are within the income-qualified range. Overall, this income range accounted for approximately 11 percent of all senior households within the PMA. Considering the relative density of the PMA, this equates to nearly 1,720 potential income-qualified senior households for the proposed development, including more than 450 income-qualified senior renter households.

Table 18: Senior Household Income by Tenure – Florence PMA (2017)

	Number of 2017 Households (55+)			Percent of 2017 Households (55+)		
	<u>Total</u>	<u>Owner</u>	<u>Renter</u>	<u>Total</u>	<u>Owner</u>	<u>Renter</u>
Less than \$10,700	1,721	912	809	10.7%	7.0%	26.3%
\$10,701 to \$16,050	1,758	1,149	608	10.9%	8.8%	19.8%
\$16,051 to \$21,400	1,326	936	390	8.2%	7.2%	12.7%
\$21,401 to \$26,750	1,231	978	254	7.6%	7.5%	8.3%
\$26,751 to \$32,100	1,338	1,108	230	8.3%	8.5%	7.5%
\$32,101 to \$37,450	1,054	924	130	6.5%	7.1%	4.2%
\$37,451 to \$42,800	788	693	94	4.9%	5.3%	3.1%
\$42,801 to \$53,500	894	818	77	5.6%	6.3%	2.5%
\$53,501 and Over	<u>5,994</u>	<u>5,516</u>	<u>478</u>	<u>37.2%</u>	<u>42.3%</u>	<u>15.6%</u>
Total	16,105	13,035	3,070	100.0%	100.0%	100.0%

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

The 2013 American Community Survey shows that approximately 37 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 much larger 51 percent of senior renter households (aged 65 and over) are overburdened within the PMA, while 49 percent of seniors within Florence 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 (2013)

Gross Rent as a % of Household Income	City of Florence		Florence PMA		Florence County	
	Number	Percent	Number	Percent	Number	Percent
Total Rental Units	6,134	100.0%	12,039	100.0%	17,568	100.0%
Less than 10.0 Percent	193	3.4%	416	3.8%	658	4.3%
10.0 to 14.9 Percent	334	6.0%	947	8.6%	1,417	9.2%
15.0 to 19.9 Percent	465	8.3%	1,407	12.8%	1,928	12.5%
20.0 to 24.9 Percent	863	15.4%	1,708	15.5%	2,228	14.5%
25.0 to 29.9 Percent	711	12.7%	1,104	10.1%	1,749	11.4%
30.0 to 34.9 Percent	887	15.8%	1,353	12.3%	1,752	11.4%
35.0 to 39.9 Percent	333	5.9%	731	6.7%	1,023	6.7%
40.0 to 49.9 Percent	501	8.9%	898	8.2%	1,155	7.5%
50 Percent or More	1,314	23.5%	2,421	22.0%	3,457	22.5%
Not Computed	533	--	1,054	--	2,201	--
35 Percent or More	2,148	38.4%	4,050	36.9%	5,635	36.7%
40 Percent or More	1,815	32.4%	3,319	30.2%	4,612	30.0%

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

Table 19b: Senior Renter Overburdened Households (2013)

Gross Rent as a % of Household Income	City of Florence		Florence PMA		Florence County	
	Number	Percent	Number	Percent	Number	Percent
Householder 65+ Years:	926	100.0%	1,453	100.0%	2,265	100.0%
Less than 20.0 Percent	66	7.8%	198	15.4%	299	16.5%
20.0 to 24.9 Percent	60	7.1%	98	7.6%	141	7.8%
25.0 to 29.9 Percent	87	10.2%	97	7.5%	178	9.8%
30.0 to 34.9 Percent	218	25.7%	233	18.1%	344	19.0%
35.0 Percent or More	418	49.2%	660	51.3%	851	46.9%
Not Computed	77	--	167	--	452	--

Source: U.S. Census Bureau; 2009-2013 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 \$23,940 (the 2-person income limit at 60 percent AMI for Florence County). The resulting overall income-eligibility range (expressed in current-year dollars) for each targeted income level is as follows:

	<u>Minimum</u>	<u>Maximum</u>
50 percent of AMI	\$16,830	\$19,950
60 percent of AMI	\$20,190	\$23,940
Overall	\$16,830	\$23,940

By applying the income-qualified range and 2017 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, 15 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 202 additional senior renter households are anticipated between 2014 and 2017. By applying the income-qualified percentage to the overall eligible figure, a demand for 30 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 three percent of all renter households within the Florence 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 14 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 2013 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 232 additional units as a result of rent overburden.

And lastly, another source of demand is elderly homeowners converting to rental housing. It is estimated that approximately ten 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 ten 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 106 units has been determined arising from existing elderly owner households.

There is one comparable senior LIHTC rental development within the defined PMA that received an allocation in 2014. Therefore, units from Indigo Pointe (a 48-unit senior proposal with one and two-bedroom units at 50 percent and 60 percent AMI) need to be deducted from the sources of demand listed previously. As such, combining all above factors results in an overall senior demand of 334 LIHTC units for 2017. 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 Florence area coupled with the lack of similar tax credit rental options targeted specifically to seniors.

Table 20: Senior Demand Calculation – by Income Targeting (2017)

2010 Total Occupied Households 55+	13,961		
2010 Owner-Occupied Households 55+	10,896		
2010 Renter-Occupied Households 55+	3,065		
		Income Targeting	
		50%	60%
		AMI	AMI
			Total
			LIHTC
QUALIFIED-INCOME RANGE			
Minimum Annual Income		\$16,830	\$20,190
Maximum Annual Income		\$19,950	\$23,940
			\$16,830
			\$23,940
DEMAND FROM NEW HOUSEHOLD GROWTH			
Renter Household Growth, 2014-2017		202	202
Percent Income Qualified Renter Households		7.4%	6.8%
Total Demand From New Households		15	14
			30
DEMAND FROM EXISTING RENTER HOUSEHOLDS			
Percent of Renters in Substandard Housing		3.1%	3.1%
Percent Income Qualified Renter Households		7.4%	6.8%
Total Demand From Substandard Renter Households		7	6
			14
Percent of Renters Rent-Overburdened		51.3%	51.3%
Percent Income Qualified Renter Households		7.4%	6.8%
Total Demand From Overburdened Renter Households		116	107
			232
DEMAND FROM EXISTING OWNER HOUSEHOLDS			
Owner to Renter Conversion Rate		10.0%	10.0%
Percent Income Qualified		4.2%	5.2%
Total Demand from Owner Households		46	56
			106
Total Demand From Existing Households		169	170
			352
TOTAL DEMAND		184	184
			382
LESS: Total Comparable Activity Since 2014		12	36
			48
TOTAL NET DEMAND		172	148
			334
PROPOSED NUMBER OF UNITS		10	38
			48
CAPTURE RATE		5.8%	25.8%
			14.4%
Note: Totals may not sum due to rounding			

Table 21: Demand Calculation – by Bedroom Size (2017)

2010 Total Occupied Households 55+	13,961			
2010 Owner-Occupied Households 55+	10,896			
2010 Renter-Occupied Households 55+	3,065			
		Two-Bedroom Units		
		50%	60%	Total
		<u>AMI</u>	<u>AMI</u>	<u>LIHTC</u>
QUALIFIED-INCOME RANGE				
Minimum Annual Income		\$16,830	\$20,190	\$16,830
Maximum Annual Income		\$19,950	\$23,940	\$23,940
DEMAND FROM NEW HOUSEHOLD GROWTH				
Renter Household Growth, 2014-2017		202	202	202
Percent Income Qualified Renter Households		7.4%	6.8%	14.8%
Total Demand From New Households		15	14	30
DEMAND FROM EXISTING RENTER HOUSEHOLDS				
Percent of Renters in Substandard Housing		3.1%	3.1%	3.1%
Percent Income Qualified Renter Households		7.4%	6.8%	14.8%
Total Demand From Substandard Renter Households		7	6	14
Percent of Renters Rent-Overburdened		51.3%	51.3%	51.3%
Percent Income Qualified Renter Households		7.4%	6.8%	14.8%
Total Demand From Overburdened Renter Households		116	107	232
DEMAND FROM EXISTING RENTER HOUSEHOLDS				
Owner to Renter Conversion Rate		10.0%	10.0%	10.0%
Percent Owner Households Income Qualified		4.2%	5.2%	9.7%
Total Demand from Owner Households		46	56	106
Total Demand From Existing Households		169	170	352
TOTAL DEMAND		184	184	382
LESS: Total Comparable Activity Since 2014		12	36	48
TOTAL NET DEMAND		172	148	334
PROPOSED NUMBER OF UNITS		10	38	48
CAPTURE RATE		5.8%	25.8%	14.4%
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 14.4 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 2014), 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 5.8 percent, while the 60 percent AMI capture rate was at 25.8 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, even when considering the recently allocated Indigo Pointe Apartments.

Taking into consideration the general lack of comparable affordable senior housing throughout the Florence PMA, the overwhelming success of existing family LIHTC developments, and also the proposed features and rental rates within the subject, an estimate of the overall absorption period to reach 93 percent occupancy is estimated at seven to nine months. This determination also takes into consideration a market entry in late 2016/early 2017 and that Indigo Pointe will already be fully absorbed; 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. Florence PMA Rental Market Characteristics

As part of the rental analysis for the Florence area, a survey of existing rental projects within the primary market area was completed by Shaw Research & Consulting in January 2015. Including both senior-only and family-oriented developments, a total of 22 apartment properties were identified and questioned for information such as current rental rates, amenities, and vacancy levels. Results from the survey provide an indication of overall market conditions throughout the area, and are discussed below and illustrated on the following pages.

Considering the developments responding to our survey, a total of 1,827 units were reported, with the majority of units containing two bedrooms. Among the properties providing a specific unit breakdown, 30 percent of all units had one bedroom, 56 percent had two bedrooms, and 14 percent of units contained three bedrooms. There were no studio/efficiency or four-bedroom units reported in the survey. The average age of the rental properties was 16 years old (an average build date of 1999), with eight properties built since 2005. In addition, a total of ten facilities reported to have some sort of income eligibility requirements – with six tax credit developments and four subsidized projects.

Overall conditions for the Florence rental market appear to be extremely positive at the current time. Among the 22 properties included in the survey, the overall occupancy rate was calculated at 97.9 percent. When breaking down occupancy rates by financing type, the 12 market rate developments averaged 97.4 percent occupied, the six tax credit properties averaged 99.1 percent occupancy, and the four subsidized projects all were 100 percent occupied – clearly reflective of extremely positive conditions for all types of rental options, affordable and market rate.

2. Senior/Comparable Rental Market Characteristics

Overall, only limited senior-only rental options can be found within Florence. As such, only two senior affordable properties were identified within the PMA, with another two in the nearby community of Lake City located in the southern portion of Florence County. However, all four of these were subsidized and not truly comparable to the subject proposal. Therefore, considering the subject property will be developed utilizing tax credits, Shaw Research has identified six tax credit facilities within the PMA as being somewhat comparable. According to survey results, the combined occupancy rate for these developments was calculated at 99.1 percent, with four of the six at 100 percent occupancy. Detailed results on rent levels and unit sizes are also illustrated in the tables on the following pages. Only one tax credit property had one-bedroom units (Lakota Crossing), which were \$377 per month with an average size of 738 square feet – the resulting average rent per square foot ratio is \$0.51. Including all tax credit developments, the average rent for a two-bedroom unit was calculated at \$489 with an average size of 936 square feet (an average rent per square foot ratio of \$0.52).

In comparison to tax credit averages, the subject proposal's rental rates are very competitive with slightly larger unit sizes. When taking into account utilities (the subject will include water/sewer, while it varies among other tax credit projects), unit sizes and rent-per-square foot averages, the proposal is quite affordable as compared to both market and other tax credit options. In comparison to the proposed Indigo Pointe (a senior project allocated tax credits in 2014), the subject proposal's rental rates at 60 percent AMI are slightly higher (roughly six percent) with somewhat larger unit sizes (five percent). As such, the proposal's rent-per-square-foot ratios are quite competitive and identical to those at Indigo Pointe, and even lower than most other LIHTC options locally.

From a market standpoint, it is evident that sufficient demand is present for the subject proposal, even with the development of Indigo Pointe. Considering the obvious lack of similar affordable options within Florence County, a high level of pent-up demand is extremely likely. Therefore, based on the proposed income targeting, unit sizes, amenity levels, and rent-per-square foot ratios, the proposed rental rates within the subject are appropriate for the local rental market.

3. Comparable Pipeline Units

According to SCSHFDA information and local government officials, the only comparable senior rental development currently proposed or under construction within the market area is Indigo Pointe – a 48-unit senior LIHTC facility which received an allocation in 2014. As such, it is anticipated that this project will enter the market in late 2015/early 2016 and be fully occupied before the subject property is placed in service in early 2017.

4. Impact on Existing Tax Credit Properties

Based on the lack of similar senior-only rental housing locally, as well as the extremely strong occupancy rates among family-oriented LIHTC developments included in the survey (four of six are 100 percent occupied, and all have waiting lists), the construction of the proposal will undoubtedly address the pent-up demand for affordable non-subsidized senior housing. Considering extremely strong future demographic growth anticipated for the senior segment within the PMA, as well as the generally positive characteristics of the immediate area, affordable senior housing will undoubtedly 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.	Electric Incl.	Occup. Rate	Type	Location
Bailey Gardens Apts	2006	24	0	24	0	0	0	No	Yes	No	100%	SR 62+	Lake City
Hickory Knoll	2001	48	0	48	0	0	0	Yes	Yes	Yes	100%	SR 62+	Florence
Swan Lakes Apts	2004	24	0	24	0	0	0	Yes	Yes	Yes	100%	SR 62+	Lake City
Willow Glen	2009	38	0	38	0	0	0	Yes	Yes	Yes	100%	SR 62+	Florence
Bentree Apartments	1981	132	0	36	72	24	0	No	No	No	100%	Open	Florence
Cambridge Court Apts	2003	64	0	0	32	32	0	No	No	No	100%	Open	Florence
Charles Pointe Apartments	2003	168	0	78	78	12	0	No	Yes	No	99%	Open	Florence
Coit Village	2008	60	0	0	36	24	0	No	Yes	No	100%	Open	Florence
Columns at Millstone	2007	60	0	0	60	0	0	No	Yes	No	95%	Open	Florence
Jamestown Apts	1995	40	0	16	24	0	0	No	Yes	No	100%	Open	Florence
Lakota Crossing Apartments	2004	72	0	4	38	30	0	No	Yes	No	99%	Open	Florence
Magnolia Court Apartments	2001	24	0	0	24	0	0	No	Yes	No	100%	Open	Florence
McGowan Commons	2012	36	0	0	14	22	0	No	No	No	100%	Open	Florence
Palmetto Station	2014	48	0	0	24	24	0	No	Yes	No	100%	Open	Florence
Reserve at Mill Creek	2008	268	0	122	122	24	0	No	No	No	99%	Open	Florence
Sedgefield Apartment Homes	1976	272	0	NA	NA	NA	0	No	No	No	96%	Open	Florence
Sterling Apartments	1976	72	0	16	48	8	0	No	Yes	No	94%	Open	Florence
Stonehenge Apartments	1985	88	0	0	50	0	0	No	Yes	No	98%	Open	Florence
Village Square Apartments	1984	33	0	11	22	0	0	No	Yes	No	100%	Open	Florence
Westchester Villas	1990	88	0	0	88	0	0	No	Yes	No	99%	Open	Florence
Woodlake Apts	2011	120	0	0	NA	NA	0	No	No	No	92%	Open	Florence
Wyndham Place Apartments	1999	48	0	0	48	0	0	No	Yes	No	96%	Open	Florence
Totals and Averages	1999	1,827	0	417	780	200	0				97.9%		
<i>Unit Distribution</i>			0%	30%	56%	14%	0%						
SUBJECT PROJECT													
CRESCENT VILLAS APTS	2017	48	0	0	48	0	0	No	Yes	No		SR 55+	Florence

Note: Shaded Properties are LIHTC

Table 23: Rental Housing Summary - Overall

Project Name	Year Built	Total Units	Studio/ Eff.	1 BR	2 BR	3 BR	4 BR	Heat Incl.	W/S Incl.	Electric Incl.	Occup. Rate	Type	Location
Totals and Averages <i>Unit Distribution</i>	1999	1,827	0 0%	417 30%	780 56%	200 14%	0 0%				97.9%		
SUBJECT PROJECT													
CRESCENT VILLAS APTS	2017	48	0	0	48	0	0	No	Yes	No			
SUMMARY													
	Number of Dev.	Year Built	Total Units	Studio/ Eff.	1BR	2BR	3BR	4BR	Average Occup.				
Total Developments	22	1999	1,827	0	417	780	200	0	97.9%				
Market Rate Only	12	1993	1,365	0	279	588	68	0	97.4%				
LIHTC Only	6	2007	328	0	4	192	132	0	99.1%				
Subsidized Only	4	2005	134	0	134	0	0	0	100.0%				

Table 24: Rent Range for 1 & 2 Bedrooms - Overall

Project Name	Program	PBRA Units	1BR Rent		1BR Square Feet		Rent per Square Foot Range		2BR Rent		2BR Square Feet		Rent per Square Foot Range	
			LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH
Bailey Gardens Apts	RD/LIHTC	24												
Hickory Knoll	BOI-HUD	48			536									
Swan Lakes Apts	RD/LIHTC	24												
Willow Glen	BOI-HUD	38			538									
Bentree Apartments	Market	0	\$625	\$645	650		\$0.96	\$0.99	\$675	\$705	860		\$0.78	\$0.82
Cambridge Court Apts	LIHTC	0							\$440	\$550	900		\$0.49	\$0.61
Charles Pointe Apartments	Market	0	\$720		700		\$1.03		\$820		1,100		\$0.75	
Coit Village	LIHTC	0							\$500	\$575	950		\$0.53	\$0.61
Columns at Millstone	Market	0							\$725	\$775	1,100		\$0.66	\$0.70
Jamestown Apts	Market	0	\$550		750		\$0.73		\$650		1,000		\$0.65	
Lakota Crossing Apartments	LIHTC	0	\$377		738		\$0.51		\$482		936		\$0.51	
Magnolia Court Apartments	Market	0							\$600	\$675	1,050	1,250	\$0.57	\$0.54
McGowan Commons	LIHTC/BOI	8							\$440		954		\$0.46	
Palmetto Station	LIHTC	0							\$426	\$536	1,074		\$0.40	
Reserve at Mill Creek	Market	0	\$850	\$950	783	965	\$1.09	\$0.98	\$1,015		1,130		\$0.90	
Sedgefield Apartment Homes	Market	0	\$575		650	900	\$0.88	\$0.64	\$615	\$630	900	1,125	\$0.68	\$0.56
Sterling Apartments	Market	0	\$480		650		\$0.74		\$575		950		\$0.61	
Stonehenge Apartments	Market	0							\$700		900		\$0.78	
Village Square Apartments	Market	0	\$475		850		\$0.56		\$550	\$625	1,000	1,100	\$0.55	\$0.57
Westchester Villas	Market	0							\$600		1,040		\$0.58	
Woodlake Apts	Market	0							\$875	\$950	1,040		\$0.84	\$0.91
Wyndham Place Apartments	LIHTC	0							\$450		800		\$0.56	
Totals and Averages		142		\$625		726		\$0.86		\$636		1,008		\$0.63
SUBJECT PROPERTY														
CRESCENT VILLAS APTS	LIHTC	0		NA		NA		NA	\$439	\$551		965	\$0.45	\$0.57
SUMMARY														
Overall				\$625		726		\$0.86		\$636		1,008		\$0.63
Market Rate Only				\$652		766		\$0.85		\$709		1,036		\$0.68
LIHTC Only				\$377		738		\$0.51		\$489		936		\$0.52
Subsidized Only				NA		537		NA		NA		NA		NA

Note: Shaded Properties are LIHTC

Table 25a: Project Amenities - Overall

Project Name	Central Air	Wall A/C	A/C Sleeve	Garbage Disposal	Dish Washer	Microwave	Ceiling Fan	Walk-in Closet	Mini Blinds	Patio/Balcony	Hi-Speed Internet	Club/Comm. Room	Computer Center	Exercise Room
Bailey Gardens Apts	Yes	No	No	No	No	Yes	Yes	Yes	Yes	No	No	Yes	Yes	No
Hickory Knoll	Yes	No	No	No	No	No	Yes	Yes	Yes	No	No	Yes	Yes	No
Swan Lakes Apts	Yes	No	No	No	No	Yes	Yes	Yes	Yes	No	No	Yes	Yes	No
Willow Glen	Yes	No	No	No	No	Yes	Yes	No	Yes	Yes	No	Yes	Yes	No
Bentree Apartments	Yes	No	No	Yes	Yes	No	No	Yes	Yes	Yes	No	Yes	No	No
Cambridge Court Apts	Yes	No	No	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No	No	No
Charles Pointe Apartments	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes
Coit Village	Yes	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No
Columns at Millstone	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No
Jamestown Apts	Yes	No	No	Yes	Yes	Yes	Yes	No	Yes	No	No	No	No	No
Lakota Crossing Apartments	Yes	No	No	No	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
Magnolia Court Apartments	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No
McGowan Commons	Yes	No	No	Yes	Yes	No	No	No	Yes	Yes	No	Yes	Yes	No
Palmetto Station	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	No
Reserve at Mill Creek	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes
Sedgefield Apartment Homes	Yes	No	No	Yes	Yes	No	No	Yes	Yes	Yes	No	No	No	No
Sterling Apartments	Yes	No	No	Yes	Yes	No	Yes	Yes	Yes	No	No	No	No	No
Stonehenge Apartments	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No
Village Square Apartments	Yes	No	No	Yes	Yes	Yes	Yes	No	Yes	Yes	No	No	No	No
Westchester Villas	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No
Woodlake Apts	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes
Wyndham Place Apartments	Yes	No	No	No	Yes	No	No	No	Yes	No	No	Yes	No	No
Totals and Averages	100%	0%	0%	68%	82%	64%	82%	77%	100%	68%	0%	45%	41%	18%
SUBJECT PROJECT														
CRESCENT VILLAS APTS	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	No
SUMMARY														
Overall	100%	0%	0%	68%	82%	64%	82%	77%	100%	68%	0%	45%	41%	18%
Market Rate Only	71%	0%	0%	71%	71%	53%	59%	59%	71%	59%	0%	6%	6%	18%
LIHTC Only	100%	0%	0%	50%	100%	33%	67%	67%	100%	67%	0%	83%	67%	17%
Subsidized Only	80%	0%	0%	0%	0%	60%	80%	60%	80%	20%	0%	80%	80%	0%

Table 25b: Project Amenities - Overall

Project Name	Pool	Gazebo	Elevator	Exterior Storage	On-Site Mgt	Security Intercom	Coin Op Laundry	Laundry Hookup	In-unit Laundry	Carport	Garage	Emerg. Pull Cord	Activities	Library
Bailey Gardens Apts	No	Yes	No	No	Yes	No	Yes	Yes	No	No	No	Yes	Yes	No
Hickory Knoll	No	No	No	No	Yes	No	Yes	No	No	No	No	Yes	Yes	Yes
Swan Lakes Apts	No	Yes	No	No	Yes	No	Yes	Yes	No	No	No	Yes	Yes	No
Willow Glen	No	Yes	No	Yes	Yes	No	Yes	Yes	No	No	Yes	Yes	Yes	Yes
Bentree Apartments	Yes	No	No	No	Yes	No	Yes	Yes	No	No	No			
Cambridge Court Apts	No	No	No	Yes	Yes	No	No	Yes	No	No	No			
Charles Pointe Apartments	Yes	No	No	Yes	Yes	No	No	Yes	No	No	No			
Coit Village	No	Yes	No	No	Yes	No	Yes	Yes	No	No	No			
Columns at Millstone	No	No	No	No	No	No	No	Yes	No	No	No			
Jamestown Apts	Yes	No	No	Yes	No	No	No	Yes	No	No	No			
Lakota Crossing Apartments	No	No	No	No	Yes	No	Yes	Yes	No	No	No			
Magnolia Court Apartments	No	No	No	No	No	No	No	Yes	No	No	No			
McGowan Commons	No	Yes	No	Yes	Yes	No	Yes	Yes	No	No	No			
Palmetto Station	No	Yes	No	No	Yes	Yes	Yes	Yes	No	No	No			
Reserve at Mill Creek	Yes	No	No	Yes	Yes	Yes	Yes	Yes	No	No	No			
Sedgefield Apartment Homes	Yes	No	No	Yes	Yes	No	Yes	Yes	No	No	No			
Sterling Apartments	No	No	No	No	Yes	Yes	Yes	No	No	No	No			
Stonehenge Apartments	Yes	No	No	Yes	No	Yes	No	Yes	No	No	No			
Village Square Apartments	No	No	No	TH	No	No	Yes	No	No	No	No			
Westchester Villas	No	No	No	No	No	No	No	Yes	No	No	No			
Woodlake Apts	Yes	No	No	No	No	No	No	Yes	No	No	No			
Wyndham Place Apartments	No	No	No	No	No	No	Yes	No	No	No	No			
Totals and Averages	32%	27%	0%	36%	64%	18%	64%	82%	0%	0%	5%	100%	100%	50%
SUBJECT PROJECT														
CRESCENT VILLAS APTS	No	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes
SUMMARY														
Overall	32%	27%	0%	36%	64%	18%	64%	82%	0%	0%	5%	100%	100%	50%
Market Rate Only	41%	0%	0%	29%	29%	18%	29%	59%	0%	0%	0%	0%	0%	0%
LIHTC Only	0%	50%	0%	33%	83%	17%	83%	83%	0%	0%	0%	0%	0%	0%
Subsidized Only	0%	60%	0%	20%	80%	0%	80%	60%	0%	0%	20%	80%	80%	40%

Table 26: Rental Housing Survey - Comparable

Project Name	Year Built	Total Units	Studio/ Eff.	1 BR	2 BR	3 BR	4 BR	Heat Incl.	W/S Incl.	Electric Incl.	Occup. Rate	Type	Location
Cambridge Court Apts	2003	64	0	0	32	32	0	No	No	No	100%	Open	Florence
Coit Village	2008	60	0	0	36	24	0	No	Yes	No	100%	Open	Florence
Lakota Crossing Apartments	2004	72	0	4	38	30	0	No	Yes	No	99%	Open	Florence
McGowan Commons	2012	36	0	0	14	22	0	No	No	No	100%	Open	Florence
Palmetto Station	2014	48	0	0	24	24	0	No	Yes	No	100%	Open	Florence
Wyndham Place Apartments	1999	48	0	0	48	0	0	No	Yes	No	96%	Open	Florence
Totals and Averages <i>Unit Distribution</i>	2007	328	0 0%	4 1%	192 59%	132 40%	0 0%				99.1%		
SUBJECT PROJECT													
CRESCENT VILLAS APTS	2017	48	0	0	48	0	0	No	Yes	No		SR 55+	Florence

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			
Cambridge Court Apts	LIHTC	0						\$440	\$550	900		\$0.49	\$0.61	
Coit Village	LIHTC	0						\$500	\$575	950		\$0.53	\$0.61	
Lakota Crossing Apartments	LIHTC	0	\$377		738		\$0.51	\$482		936		\$0.51		
McGowan Commons	LIHTC/BOI	8						\$440		954		\$0.46		
Palmetto Station	LIHTC	0						\$426	\$536	1,074		\$0.40		
Wyndham Place Apartments	LIHTC	0						\$450		800		\$0.56		
Totals and Averages		8		\$377		738			\$489		936		\$0.52	
SUBJECT PROPERTY														
CRESCENT VILLAS APTS	LIHTC	0		NA		NA		NA		\$439	\$551	965	\$0.45	\$0.57

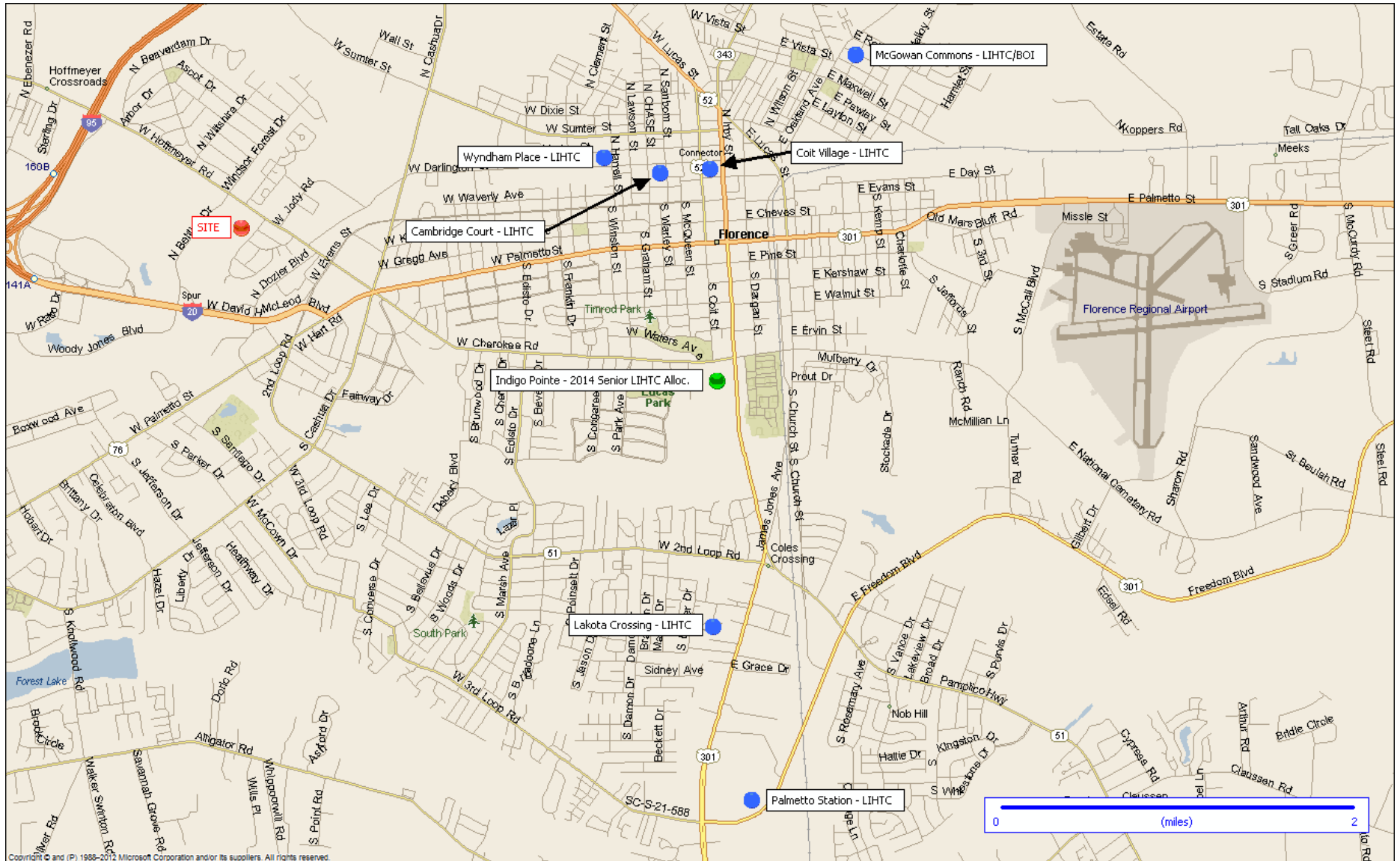
Table 28a: Project Amenities - Comparable


Project Name	Central Air	Wall A/C	A/C Sleeve	Garbage Disposal	Dish Washer	Microwave	Ceiling Fan	Walk-in Closet	Mini Blinds	Patio/Balcony	Hi-Speed Internet	Club/Comm. Room	Computer Center	Exercise Room
Cambridge Court Apts	Yes	No	No	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No	No	No
Coit Village	Yes	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No
Lakota Crossing Apartments	Yes	No	No	No	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
McGowan Commons	Yes	No	No	Yes	Yes	No	No	No	Yes	Yes	No	Yes	Yes	No
Palmetto Station	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	No
Wyndham Place Apartments	Yes	No	No	No	Yes	No	No	No	Yes	No	No	Yes	No	No
Totals and Averages	100%	0%	0%	50%	100%	33%	67%	67%	100%	67%	0%	83%	67%	17%
SUBJECT PROJECT														
CRESCENT VILLAS APTS	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	No


Table 28b: Project Amenities - Comparable


Project Name	Pool	Gazebo	Elevator	Exterior Storage	On-Site Mgt	Security Intercom	Coin Op Laundry	Laundry Hookup	In-unit Laundry	Carport	Garage	Emerg. Pull Cord	Activities	Library
Cambridge Court Apts	No	No	No	Yes	Yes	No	No	Yes	No	No	No	No	No	No
Coit Village	No	Yes	No	No	Yes	No	Yes	Yes	No	No	No	No	No	No
Lakota Crossing Apartments	No	No	No	No	Yes	No	Yes	Yes	No	No	No	No	No	No
McGowan Commons	No	Yes	No	Yes	Yes	No	Yes	Yes	No	No	No	No	No	No
Palmetto Station	No	Yes	No	No	Yes	Yes	Yes	Yes	No	No	No	No	No	No
Wyndham Place Apartments	No	No	No	No	No	No	Yes	No	No	No	No	No	No	No
Totals and Averages	0%	50%	0%	33%	83%	17%	83%	83%	0%	0%	0%	0%	0%	0%
SUBJECT PROJECT														
CRESCENT VILLAS APTS	No	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes


Map 11: Comparable LIHTC Rental Developments





COMPARABLE PROJECT INFORMATION											
Project Name: Cambridge Court Apts Address: 550 W. Darlington Street City: Florence State: SC Zip Code: 29501 Phone Number: (843) 413-0586 Contact Name: Melinda Contact Date: 01/27/15 Current Occup: 100.0%											
DEVELOPMENT CHARACTERISTICS											
Total Units:		64		Year Built:		2003					
Project Type:		Open		Floors:		2 and 3					
Program:		LIHTC		Accept Vouchers:		Yes					
PBRA Units*:		0		Voucher #:		32					
* 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					0	100.0%	
2	2.0	50	Apt	NA	900			\$440	0	100.0%	Yes
2	2.0	60	Apt	NA	900			\$550	0	100.0%	Yes
TOTAL 3-BEDROOM UNITS				32					0	100.0%	
3	2.0	50	Apt	NA	1,000			\$503	0	100.0%	Yes
3	2.0	60	Apt	NA	1,000			\$600	0	100.0%	Yes
TOTAL DEVELOPMENT				64					0	100.0%	55 Names
AMENITIES											
<u>Unit Amenities</u> X - Central A/C - Wall A/C Unit X - Garbage Disposal X - Dishwasher - Microwave X - Ceiling Fan X - Walk-In Closet X - Mini-Blinds - Draperies X - Patio/Balcony - Basement - Fireplace - High-Speed Internet				<u>Development Amenities</u> - Clubhouse - Community Room - Computer Center - Exercise/Fitness Room - Community Kitchen - Swimming Pool X - Playground - Gazebo - Elevator X - Storage - Sports Courts X - On-Site Management - Security - Access Gate - Security - Intercom				<u>Laundry Type</u> - Coin-Operated Laundry X - In-Unit Hook-Up - In-Unit Washer/Dryer <u>Parking Type</u> X - Surface Lot - Carport \$0 - Garage (att) \$0 - Garage (det) \$0 <u>Utilities Included</u> - Heat ELE - Electricity X - Trash Removal - Water/Sewer			

COMPARABLE PROJECT INFORMATION											
Project Name: Coit Village Address: 230 North Coit Street City: Florence State: SC Zip Code: 29501 Phone Number: (843) 662-7008 Contact Name: Chrystal Contact Date: 01/27/15 Current Occup: 100.0%											
DEVELOPMENT CHARACTERISTICS											
Total Units: 60		Year Built: 2008		Project Type: Open		Floors: 3		Program: LIHTC		Accept Vouchers: Yes	
PBRA Units*: 0		Voucher #: 18		<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 2-BEDROOM UNITS				36					0	100.0%	
2	2.0	50	Apt	16	950		\$500		0	100.0%	Yes
2	2.0	60	Apt	20	950		\$575		0	100.0%	Yes
TOTAL 3-BEDROOM UNITS				24					0	100.0%	
3	2.0	50	Apt	8	1,120		\$575		0	100.0%	No
3	2.0	60	Apt	16	1,120		\$650		0	100.0%	No
TOTAL DEVELOPMENT				60					0	100.0%	6 Names
AMENITIES											
<u>Unit Amenities</u>				<u>Development Amenities</u>				<u>Laundry Type</u>			
<input checked="" type="checkbox"/>	- Central A/C			<input 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 type="checkbox"/>	- Garbage Disposal			<input checked="" type="checkbox"/>	- Computer Center			<input type="checkbox"/>	- In-Unit Washer/Dryer		
<input checked="" type="checkbox"/>	- Dishwasher			<input type="checkbox"/>	- Exercise/Fitness Room			<u>Parking Type</u>			
<input checked="" type="checkbox"/>	- Microwave			<input checked="" type="checkbox"/>	- Community Kitchen			<input checked="" type="checkbox"/>	- Surface Lot		
<input checked="" type="checkbox"/>	- Ceiling Fan			<input type="checkbox"/>	- Swimming Pool			<input type="checkbox"/>	- Carport		
<input checked="" type="checkbox"/>	- Walk-In Closet			<input checked="" type="checkbox"/>	- Playground			<input type="checkbox"/>	- Garage (att)		
<input checked="" type="checkbox"/>	- Mini-Blinds			<input checked="" type="checkbox"/>	- Gazebo			<input type="checkbox"/>	- Garage (det)		
<input type="checkbox"/>	- Draperies			<input type="checkbox"/>	- Elevator						
<input checked="" type="checkbox"/>	- Patio/Balcony			<input type="checkbox"/>	- Storage			<u>Utilities Included</u>			
<input type="checkbox"/>	- Basement			<input type="checkbox"/>	- Sports Courts			<input type="checkbox"/>	- Heat		
<input type="checkbox"/>	- Fireplace			<input checked="" type="checkbox"/>	- On-Site Management			<input type="checkbox"/>	- Electricity		
<input type="checkbox"/>	- High-Speed Internet			<input type="checkbox"/>	- Security - Access Gate			<input checked="" type="checkbox"/>	- Trash Removal		
<input type="checkbox"/>				<input type="checkbox"/>	- Security - Intercom			<input checked="" type="checkbox"/>	- Water/Sewer		

COMPARABLE PROJECT INFORMATION												
Project Name: Lakota Crossing Apartments Address: 1741 Lakota Drive City: Florence State: SC Zip Code: 29505 Phone Number: (843) 664-9030 Contact Name: Sheena Contact Date: 01/28/15 Current Occup: 98.6%												
DEVELOPMENT CHARACTERISTICS												
Total Units: 72		Year Built: 2004		Project Type: Open		Floors: 1		Program: LIHTC		Accept Vouchers: Yes		
PBRA Units*: 0		Voucher #: 32										
* 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 1-BEDROOM UNITS				4					0	100.0%		
1	1.0	50	Apt	2	738			\$377	0	100.0%	Yes	
1	1.0	60	Apt	2	738			\$377	0	100.0%	Yes	
TOTAL 2-BEDROOM UNITS				38					1	97.4%		
2	1.0	50	Apt	19	936			\$482	0	100.0%	Yes	
2	1.0	60	Apt	19	936			\$482	1	94.7%	Yes	
TOTAL 3-BEDROOM UNITS				30					0	100.0%		
3	2.0	50 to 59	Apt	15	1,116			\$582	0	100.0%	Yes	
3	2.0	60+/RD	Apt	15	1,116			\$582	0	100.0%	Yes	
TOTAL DEVELOPMENT				72					1	98.6%	18 Names	
AMENITIES												
<u>Unit Amenities</u>				<u>Development Amenities</u>				<u>Laundry Type</u>				
<input checked="" type="checkbox"/>	- Central A/C			<input 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 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			<u>Parking Type</u>				
<input type="checkbox"/>	- Microwave			<input checked="" type="checkbox"/>	- Community Kitchen			<input checked="" type="checkbox"/>	- Surface Lot			
<input checked="" type="checkbox"/>	- Ceiling Fan			<input type="checkbox"/>	- Swimming Pool			<input type="checkbox"/>	- Carport			
<input checked="" type="checkbox"/>	- Walk-In Closet			<input checked="" type="checkbox"/>	- Playground			<input type="checkbox"/>	- Garage (att)			
<input checked="" type="checkbox"/>	- Mini-Blinds			<input type="checkbox"/>	- Gazebo			<input type="checkbox"/>	- Garage (det)			
<input type="checkbox"/>	- Draperies			<input type="checkbox"/>	- Elevator							
<input checked="" type="checkbox"/>	- Patio/Balcony			<input type="checkbox"/>	- Storage							
<input type="checkbox"/>	- Basement			<input type="checkbox"/>	- Sports Courts			<u>Utilities Included</u>				
<input type="checkbox"/>	- Fireplace			<input checked="" type="checkbox"/>	- On-Site Management			<input type="checkbox"/>	- Heat			
<input type="checkbox"/>	- High-Speed Internet			<input type="checkbox"/>	- Security - Access Gate			<input type="checkbox"/>	- Electricity			
				<input type="checkbox"/>	- Security - Intercom			<input checked="" type="checkbox"/>	- Trash Removal			
								<input checked="" type="checkbox"/>	- Water/Sewer			

COMPARABLE PROJECT INFORMATION											
Project Name: McGowan Commons Address: 709 Mechanics Street City: Florence State: SC Zip Code: 29501 Phone Number: (843) 317-6736 Contact Name: Danielle Contact Date: 01/27/15 Current Occup: 100.0%											
DEVELOPMENT CHARACTERISTICS											
Total Units:		36		Year Built:		2012					
Project Type:		Open		Floors:		2					
Program:		LIHTC/BOI		Accept Vouchers:		Yes					
PBRA Units*:		8		Voucher #:		NA					
* Including Section 8, Rental Assistance, and any other Project-Based Subsidy											
UNIT CONFIGURATION/RENTAL RATES											
BR	Bath	Target	Type	# Units	Square Feet		Contract Rent		Vacant	Occup. Rate	Wait List
					Low	High	Low	High			
TOTAL 2-BEDROOM UNITS				14					0	100.0%	
2	2.0	50	TH	14	954			\$440	0	100.0%	Yes
TOTAL 3-BEDROOM UNITS				22					0	100.0%	
3	2.0	50	TH	22	1,240			\$500	0	100.0%	Yes
TOTAL DEVELOPMENT				36					0	100.0%	6-7 Months
AMENITIES											
<u>Unit Amenities</u> <input checked="" type="checkbox"/> - Central A/C <input type="checkbox"/> - Wall A/C Unit <input checked="" type="checkbox"/> - Garbage Disposal <input checked="" type="checkbox"/> - Dishwasher <input type="checkbox"/> - Microwave <input type="checkbox"/> - Ceiling Fan <input type="checkbox"/> - Walk-In Closet <input checked="" type="checkbox"/> - Mini-Blinds <input type="checkbox"/> - Draperies <input checked="" type="checkbox"/> - Patio/Balcony <input type="checkbox"/> - Basement <input type="checkbox"/> - Fireplace <input type="checkbox"/> - High-Speed Internet				<u>Development Amenities</u> <input checked="" type="checkbox"/> - Clubhouse <input checked="" type="checkbox"/> - Community Room <input checked="" type="checkbox"/> - Computer Center <input type="checkbox"/> - Exercise/Fitness Room <input type="checkbox"/> - Community Kitchen <input type="checkbox"/> - Swimming Pool <input checked="" type="checkbox"/> - Playground <input checked="" type="checkbox"/> - Gazebo <input type="checkbox"/> - Elevator <input checked="" type="checkbox"/> - Storage <input type="checkbox"/> - Sports Courts <input checked="" type="checkbox"/> - On-Site Management <input type="checkbox"/> - Security - Access Gate <input type="checkbox"/> - Security - Intercom				<u>Laundry Type</u> <input checked="" type="checkbox"/> - Coin-Operated Laundry <input checked="" type="checkbox"/> - In-Unit Hook-Up <input type="checkbox"/> - In-Unit Washer/Dryer <u>Parking Type</u> <input checked="" type="checkbox"/> - Surface Lot <input type="checkbox"/> - Carport \$0 <input type="checkbox"/> - Garage (att) \$0 <input type="checkbox"/> - Garage (det) \$0 <u>Utilities Included</u> <input type="checkbox"/> - Heat ELE <input type="checkbox"/> - Electricity <input checked="" type="checkbox"/> - Trash Removal <input type="checkbox"/> - Water/Sewer			

COMPARABLE PROJECT INFORMATION											
Project Name: Palmetto Station Address: 2300 Freedom Blvd City: Florence State: SC Zip Code: 29505 Phone Number: (843) 407-5031 Contact Name: Erica Contact Date: 01/29/15 Current Occup: 100.0%											
DEVELOPMENT CHARACTERISTICS											
Total Units: 48		Year Built: 2014		Project Type: Open		Floors: 2		Program: LIHTC		Accept Vouchers: Yes	
PBRA Units*: 0		Voucher #: 6		<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 2-BEDROOM UNITS				24					0	100.0%	
2	2.0	50	Apt	6		1,074		\$426	0	100.0%	Yes
2	2.0	60	Apt	18		1,074		\$536	0	100.0%	Yes
TOTAL 3-BEDROOM UNITS				24					0	100.0%	
3	2.0	50	Apt	6		1,235		\$469	0	100.0%	Yes
3	2.0	60	Apt	18		1,235		\$599	0	100.0%	Yes
TOTAL DEVELOPMENT				48					0	100.0%	4 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 type="checkbox"/> - Patio/Balcony <input type="checkbox"/> - Basement <input type="checkbox"/> - Fireplace <input type="checkbox"/> - High-Speed Internet				<input type="checkbox"/> - Clubhouse <input checked="" type="checkbox"/> - Community Room <input checked="" type="checkbox"/> - Computer Center <input type="checkbox"/> - Exercise/Fitness Room <input 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 type="checkbox"/> - Storage <input type="checkbox"/> - Sports Courts <input checked="" type="checkbox"/> - On-Site Management <input type="checkbox"/> - Security - Access Gate <input checked="" type="checkbox"/> - Security - Intercom				<input checked="" type="checkbox"/> - Coin-Operated Laundry <input checked="" type="checkbox"/> - In-Unit Hook-Up <input type="checkbox"/> - In-Unit Washer/Dryer <u>Parking Type</u> <input checked="" type="checkbox"/> - Surface Lot <input type="checkbox"/> - Carport \$0 <input type="checkbox"/> - Garage (att) \$0 <input type="checkbox"/> - Garage (det) \$0 <u>Utilities Included</u> <input type="checkbox"/> - Heat ELE <input type="checkbox"/> - Electricity <input checked="" type="checkbox"/> - Trash Removal <input checked="" type="checkbox"/> - Water/Sewer			

COMPARABLE PROJECT INFORMATION																				
Project Name: Wyndham Place Apartments Address: 307 Harrell Street City: Florence State: SC Zip Code: 29501 Phone Number: (843) 669-6619 Contact Name: Cindy Contact Date: 01/27/15 Current Occup: 95.8%																				
DEVELOPMENT CHARACTERISTICS																				
Total Units: 48 Project Type: Open Program: LIHTC PBRA Units*: 0		Year Built: 1999 Floors: 1 Accept Vouchers: Yes Voucher #: 5																		
* 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				48					2	95.8%										
2	1.0	50	Apt	24	800			\$450	0	100.0%	Yes									
2	1.0	60	Apt	24	800			\$450	2	91.7%	Yes									
TOTAL DEVELOPMENT				48					2	95.8%	1 Name									
AMENITIES																				
<u>Unit Amenities</u> <input checked="" type="checkbox"/> - Central A/C <input type="checkbox"/> - Wall A/C Unit <input type="checkbox"/> - Garbage Disposal <input checked="" type="checkbox"/> - Dishwasher <input type="checkbox"/> - Microwave <input type="checkbox"/> - Ceiling Fan <input type="checkbox"/> - Walk-In Closet <input checked="" type="checkbox"/> - Mini-Blinds <input type="checkbox"/> - Draperies <input type="checkbox"/> - Patio/Balcony <input type="checkbox"/> - Basement <input type="checkbox"/> - Fireplace <input type="checkbox"/> - High-Speed Internet				<u>Development Amenities</u> <input type="checkbox"/> - Clubhouse <input checked="" type="checkbox"/> - Community Room <input type="checkbox"/> - Computer Center <input type="checkbox"/> - Exercise/Fitness Room <input checked="" type="checkbox"/> - Community Kitchen <input type="checkbox"/> - Swimming Pool <input checked="" type="checkbox"/> - Playground <input type="checkbox"/> - Gazebo <input type="checkbox"/> - Elevator <input type="checkbox"/> - Storage <input type="checkbox"/> - Sports Courts <input type="checkbox"/> - On-Site Management <input type="checkbox"/> - Security - Access Gate <input type="checkbox"/> - Security - Intercom				<u>Laundry Type</u> <input checked="" type="checkbox"/> - Coin-Operated Laundry <input 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 <input type="checkbox"/> - Garage (att) <input type="checkbox"/> - Garage (det)		<table border="1"> <tr> <td></td> <td>\$0</td> </tr> <tr> <td></td> <td>\$0</td> </tr> <tr> <td></td> <td>\$0</td> </tr> </table>			\$0		\$0		\$0
	\$0																			
	\$0																			
	\$0																			
				<u>Utilities Included</u> <input type="checkbox"/> - Heat <input type="checkbox"/> - Electricity <input checked="" type="checkbox"/> - Trash Removal <input checked="" type="checkbox"/> - Water/Sewer				<table border="1"> <tr> <td></td> <td>ELE</td> </tr> </table>			ELE									
	ELE																			

5. Market Rent Calculations

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

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

	Proposed Net Rent	Estimated Market Rent	Market Advantage
Two-Bedroom Units			
50% AMI	\$439	\$808	46%
60% AMI	\$551	\$808	32%

Rent Comparability Grid

<i>Subject Property</i>		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>	
Project Name		Charles Pointe Apartments		Stonehenge Apartments		Bentree Apartments		Woodlake Apts	
Project City	Subject Data	Florence		Florence		Florence		Florence	
Date Surveyed		1/28/15		1/26/15		1/27/15		1/26/15	
A. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Structure Type	Apts								
Yr. Built/Yr. Renovated	2017	2003	\$11	1985	\$24	1981	\$27	2011	\$5
Condition /Street Appeal	Good								
B. Unit Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Central A/C	Yes	Yes		Yes		Yes		Yes	
Garbage Disposal	Yes	Yes		Yes		Yes		Yes	
Dishwasher	Yes	Yes		Yes		Yes		Yes	
Microwave	Yes	Yes		Yes		No	\$3	Yes	
Walk-In Closet	Yes	Yes		Yes		Yes		Yes	
Mini-Blinds	Yes	Yes		Yes		Yes		Yes	
Patio/Balcony	No	Yes	(\$3)	Yes	(\$3)	Yes	(\$3)	Yes	(\$3)
Basement	No	No		No		No		No	
Fireplace	No	No		Some		No		No	
C. Site Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Clubhouse	No	Yes	(\$3)	Yes	(\$3)	No		No	
Community Room	Yes	No	\$3	No	\$3	Yes		No	\$3
Computer Center	Yes	No	\$3	No	\$3	No	\$3	No	\$3
Exercise Room	No	Yes	(\$3)	No		No		Yes	(\$3)
Swimming Pool	No	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)
Playground	No	Yes	(\$5)	No		Yes	(\$5)	No	
Sports Courts	No	Yes	(\$3)	No		No		No	
On-Site Management	Yes	Yes		No	\$3	Yes		No	\$3
Security - Access Gate	No	No		No		No		Yes	(\$3)
Security - Intercom	No	No		Yes	(\$3)	No		No	
D. Other Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Coin-Operated Laundry	Yes	No	\$5	No	\$5	Yes		No	\$5
In-Unit Hook-Up	Yes	Yes		Yes		Yes		Yes	
In-Unit Washer/Dryer	No	No		No		No		No	
Carport	No	No		No		No		No	
Garage (attached)	No	No		No		No		No	
Garage (detached)	No	Yes		Yes		No		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	Yes	Yes		Yes		No	XXX	No	XXX
Heat Type	ELE	ELE		ELE		Gas		ELE	
Utility Adjustments									
Efficiency Units									
One-Bedroom Units									
Two-Bedroom Units									
Three-Bedroom Units									
Four-Bedroom Units									

<i>Subject Property</i>		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>	
Project Name		Charles Pointe Apartments		Stonehenge Apartments		Bentree Apartments		Woodlake Apts	
Project City	Subject Data	Florence		Florence		Florence		Florence	
Date Surveyed		42032		42030		42031		42030	
F. Average Unit Sizes		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Two-Bedroom Units	965	1,100	(\$20)	900	\$10	860	\$16	1,040	(\$11)
G. Number of Bathrooms		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Two-Bedroom Units	2.0	2.0	\$0	2.0	\$0	1.5	\$15	2.0	\$0
G. Total Adjustments Recap									
Efficiency Units									
One-Bedroom Units									
Two-Bedroom Units			(\$21)		\$34		\$51		(\$7)
Three-Bedroom Units									
Four-Bedroom Units									

		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>	
Project Name		Charles Pointe Apartments		Stonehenge Apartments		Bentree Apartments		Woodlake Apts	
Project City	Subject Data	Florence		Florence		Florence		Florence	
Date Surveyed		42032		42030		42031		42030	
H. Rent/Adjustment Summary		Unadjusted Rent	Adjusted Rent	Unadjusted Rent	Adjusted Rent	Unadjusted Rent	Adjusted Rent	Unadjusted Rent	Adjusted Rent
Market Rate Units									
Two-Bedroom Units	\$808	\$820	\$799	\$700	\$734	\$705	\$756	\$950	\$943

H. INTERVIEWS

Throughout the course of performing this analysis of the Florence rental market, many individuals were contacted. Based on discussions with local government officials, the only directly comparable senior rental activity reported (planned or under construction) within the market area is Indigo Pointe Apartments - a 48-unit senior tax credit project to be located near the intersection of Cherokee Road and Irby Street – the development recently obtained building permits and construction should begin soon. In addition, officials also noted a need for various types of housing within the area, including affordable. The following planning departments were contacted:

Location: City of Florence
Contact: Jerry Dudley, Planner
Phone: 843-665-3113
Date: 3/5/2015

Additional information was collected during property visits and informal interviews with leasing agents and resident managers throughout the Florence 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 Florence PMA. Factors supporting the introduction of a newly constructed rental alternative targeted for low-income senior households include the following:

1. Extremely positive senior demographic patterns since 2010 throughout the PMA – the overall senior population (55 years and over) is estimated to have increased by ten percent between 2010 and 2014, representing nearly 2,150 additional persons. Considering this strong growth, the demand for additional senior housing will likely escalate as well;
2. Extremely strong occupancy levels throughout the market area, with an overall occupancy rate of 97.9 percent calculated among 22 properties surveyed;
3. Only limited affordable senior-only rental options currently exist within the Florence market area. According to survey results, only four senior-only properties were identified (two in Florence and two in Lake City), and all were subsidized;
4. Extraordinarily strong occupancy rates within the area's family LIHTC properties, as well. Of the six tax credit properties within the survey, a combined occupancy rate of 99.1 percent was calculated. Furthermore, four were 100 percent occupied, and all six reported a waiting list;
5. The newest family-oriented tax credit development in Florence, Palmetto Station, opened in late 2014 and was absorbed within two months - providing evidence of the strong need and pent-up demand for affordable housing locally;
6. A generally positive site location a short distance from numerous retail centers and other services required for senior residents;
7. The proposal represents a modern product with numerous amenities and features at an affordable rental level; and
8. A sufficient statistical senior demand calculation – considering that a similar LIHTC property (Indigo Pointe) will enter the market sometime in early 2016, the absorption period is estimated at approximately seven to nine 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

Date: March 23, 2015

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
2009-2013 American Community Survey – 5-Year Estimates – U.S. Census Bureau
2013/2018 Demographic Forecasts, ESRI Business Analyst Online
Apartment Listings – LIHTC – <http://lihtc.findthedata.org>
Apartment Listings – www.socialserve.com
Apartment Listings – Yahoo! Local – <http://local.yahoo.com>
Community Info – Greater Florence Chamber of Commerce – www.florenceschamber.com
Community Profile 2015 – Florence County – SC Department of Employment & Workforce
CPI Inflation Calculator – Bureau of Labor Statistics – U.S. Department of Labor
Crime Data – CLRsearch.com
Crime Data – ESRI Business Analyst Online
ESRI ArcView, Version 3.3
ESRI Business Analyst Online
Government Info – Florence County, SC – www.florenceco.org
Government Info – City of Florence, SC – www.cityofflorence.com
Income & Rent Limits 2015 – 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

L. RESUME

STEVEN R. SHAW SHAW RESEARCH & CONSULTING

Mr. Shaw is a principal at Shaw Research and Consulting. With over twenty-four 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.