



REAL PROPERTY RESEARCH GROUP
WASHINGTON/BALTIMORE ■ ATLANTA

Market Feasibility Analysis

Hunter Oaks Apartments

Seneca, Oconee County, South Carolina

Prepared for:

Greenway Residential Development, LLC

Site Inspection: March 17, 2015

Effective Date: March 17, 2015





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EXECUTIVE SUMMARY

Proposed Site

- The neighborhood surrounding the proposed site for Hunter Oaks includes a mixture of land uses including commercial and residential uses common within one-half mile. Single-family detached homes are the most prominent residential use within one-half mile of the site.
- The subject site is located within one-half mile of numerous commercial uses including grocery stores, shopping, banks, medical services, and a restaurant.
- The subject site is appropriate for the proposed use and is comparable with existing multi-family rental communities in the market area.

Proposed Unit Mix and Rent Schedule

- The 60 units at Hunter Oaks include 40 two-bedroom units and 20 three-bedroom units. Two bedroom units will have two bathrooms and 1,078 square feet. Three bedroom units will be 1,206 square feet in size and offer two bathrooms.
- The proposed 50 percent rents are \$485 for two bedroom units and \$553 for three bedroom units. Proposed 60 percent rents are \$575 for two bedroom units and \$655 for three bedroom units.
- The proposed rents result in an overall rent advantage of 26.60 percent relative to the estimate of market rent. All 50 percent rents have at least a 34 percent rent advantage and 60 percent rents have at least a 22 percent rent advantage.

Proposed Amenities

- The newly constructed units at Hunter Oaks will offer kitchens with new energy star appliances (refrigerator/freezer with ice maker, dishwasher, and microwave), stove with exhaust fan, and garbage disposal. In addition, all units will include ceiling fans, washer/dryer connections, patios/balconies, central heating and air conditioning, and window blinds. The proposed unit features at Hunter Oaks will be competitive with the existing rental stock in the market area, including properties funded with tax credits.
- Hunter Oaks' amenity package will include a community room, playground, gazebo, computer center, and laundry room which will be competitive with the Hunter Oaks Market Area's existing rental stock, including the two LIHTC communities.
- The proposed features and amenities will be competitive in the Hunter Oaks Market Area and are appropriate given the proposed rent levels.

Economic Analysis

- Oconee County's economy suffered job loss and increased unemployment rates through the recent national recession and prolonged economic downturn, but has shown signs of recovery with job gains exceeding losses incurred during the downturn and a decreasing unemployment rate in each of the past five years.



- Oconee County's unemployment rate nearly doubled from 6.8 percent in 2007 to 13.5 percent in 2009 during the national recession. The county's unemployment rate has decreased each year since 2009 with an annual unemployment rate of 6.3 percent in 2014, comparable to state and national unemployment rates of 6.0 percent and 6.2 percent, respectively.
- Oconee County's At-Place Employment has been cyclical since 2000. Following a loss of 3,675 total jobs from 2000 to 2006, the county added jobs for two years before losing 1,294 jobs in 2009 during the height of the national recession and prolonged economic downturn. The county has since experienced growth of 1,749 net jobs between 2010 and the second quarter of 2014.
- Oconee County's largest economic sectors are Manufacturing (24.7 percent), Trade-Transportation-Utilities (21.1 percent), and Government (18.1 percent). These three sectors account for 63.9 percent of the jobs in Oconee County and only 43.7 percent of jobs in the nation. The county has a much lower percentage of jobs in the Education-Health, Professional-Business, and Financial Activities sectors.
- According to various media reports, three new companies and four expansions have been announced since late 2013. Combined, these seven companies will add an estimated 362 jobs. Two additional expansions, Michelin North America and a mixed-use development in eastern Seneca, have not officially been announced but could create an additional 470 jobs in Oconee County.

Demographic Analysis

- Between 2000 and 2010 Census counts, the population of the Hunter Oaks Market Area increased by 18.2 percent, rising from 21,937 to 25,923 people. The annual increase during this decade was 399 people or 1.7 percent. During the same time period, the number of households in the Hunter Oaks Market Area increased by 17.8 percent from 9,113 to 10,734 households with annual increases of 162 households or 1.7 percent.
- Between 2014 and 2017, the market area is projected to have annual increases of 212 people (0.8 percent) and 87 households (0.8 percent). The county's annual growth is projected at 0.6 percent for both population and households.
- The median age of the population is 40 in the market area and 43 in the county. Adults age 35-61 comprise the largest cohort in both areas.
- Approximately one-third (33.9 percent) of all households in the Hunter Oaks Market Area were renters compared to 24.9 percent in Oconee County. Between the 2000 and 2010 census counts, renter households accounted for 65.4 percent of the household growth in the market area. The renter percentage is expected to increase to 36.2 percent in the market area by 2017.
- Working age households form the core of the market area's renters, as 55.1 percent of renter occupied households are between the ages of 25 and 54. Young renters (under 25) in the Hunter Oaks Market Area comprise 17.3 percent of renters in the market area and older adults age 55+ account for 27.6 percent of all market area renters.
- RPRG estimates that the 2014 median household income in the Hunter Oaks Market Area is \$41,293, which is \$1,837 or 4.3 percent lower than the \$43,130 median in Oconee County.
- The market area's median income by tenure in 2014 is estimated at \$25,752 for renter households and \$55,333 for owner households. Among renter households, 48.7 percent earn less than \$25,000 and 28.4 percent earn \$25,000 to \$49,999.



Affordability Analysis

- As proposed, Hunter Oaks will target households earning at or below 50 percent and 60 percent of the Area Median Income.
- The proposed 50 percent units will target renter households earning from \$19,817 to \$26,750. With 516 renter households earning within this range, the capture rate for the 12 units at 50 percent of Area Median Income is 2.3 percent.
- The proposed 60 percent units will target renter households earning from \$22,903 to \$32,100. The 655 income qualified renter households within this range result in a capture rate of 7.3 percent for the 48 units at 60 percent overall.
- The overall capture rate for the 60 units is 6.7 percent, which is based on 890 renter households earning between \$19,817 and \$32,100.

Demand and Capture Rates

- By income target, demand capture rates are 4.3 percent for 50 percent units, 13.4 percent for 60 percent units, and 12.4 percent for all units.
- Capture rates by floor plan range from 1.3 percent to 15.6 percent.
- All capture rates are well within acceptable ranges.

Competitive Environment

- The surveyed communities combined for 19 vacancies among 433 units, a rate of 4.4 percent. The LIHTC communities had zero vacancies among 89 total units and both had a waiting list. Vacancy rates by floorplan were 4.2 percent for one bedroom units, 3.9 percent for two bedroom units, and 5.3 percent for three bedroom units.
- The overall average historic vacancy rate among the Hunter Oaks Market Area's LIHTC communities was 3.3 percent for the second and fourth quarter of 2014.
- Among the all surveyed rental communities, net rents, unit sizes, and rents per square foot are as follows:
 - **Two bedroom** rents average \$575 for 973 square feet or \$0.59 per square foot.
 - **Three bedroom** rents average \$620 for 1,177 square feet or \$0.53 per square foot.
- The proposed rents are higher than comparable LIHTC rents in the market area but are well below the top of the market. Although the proposed 50 percent and 60 percent rents are much higher than comparable rents at Seneca Heights, the newest LIHTC community in the market area, rents at this community are considered artificially low due to past QAP scoring/tiebreaker criteria. Our experience was that many developers set rents well below achievable levels for point scoring purposes. Both LIHTC communities are one hundred percent occupied with waiting lists, indicating they could likely achieve higher rents.
- The estimated market rents for the units at Hunter Oaks are \$767 for two bedroom units and \$850 for three bedroom units. The proposed 50 percent rents result in market advantages of at least 34 percent and 60 percent units have market advantages of at least 22 percent. The overall weighted average market advantage is 26.60 percent.
- No new multi-family rental communities are planned in the Hunter Oaks Market Area.



Final Conclusion/Recommendation

Based on an analysis of projected household growth trends, overall affordability and demand estimates, current rental market conditions, and socio-economic and demographic characteristics of the Hunter Oaks Market Area, RPRG believes that the proposed Hunter Oaks will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent following entrance into the rental market. Given the product to be constructed, the subject will be competitively positioned with existing market rate and LIHTC communities in the Hunter Oaks Market Area and the units will be well received by the target market. We recommend proceeding with the project as proposed.

SCSHFDA Rent Calculation Worksheet

# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent	Adjusted Market Rent	Gross Adjusted Market Rent	Tax Credit Gross Rent Advantage
10	2 BR	\$485	\$4,850	\$767	\$7,670	
30	2 BR	\$575	\$17,250	\$767	\$23,010	
2	3 BR	\$553	\$1,106	\$850	\$1,700	
18	3 BR	\$655	\$11,790	\$850	\$15,300	
Totals	60		\$34,996		\$47,680	26.60%



SCSHFDA Summary Form – Exhibit S-2

2015 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:			
Development Name:	Hunter Oaks		Total # Units: 60
Location:	East North 1 st Street, Seneca SC		# LIHTC Units: 60
PMA Boundary:	North: Lake Keowee, East: Pickens County, South: Coneross Creek, West: Coneross Creek/Bountyland Road		
Development Type :	General Occupancy	Farthest Boundary Distance to Subject:	7.3 miles

RENTAL HOUSING STOCK (found on page 10, 41, 47-49)				
Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	5	433	19	95.6%
Market-Rate Housing	3	344	19	94.5%
Assisted/Subsidized Housing not to include LIHTC				
LIHTC (All that are stabilized)*	2	89	0	100.0%
Stabilized Comps**	5	433	19	95.6%
Non-stabilized Comps				

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

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

Subject Development					Adjusted Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
10	2	2	1,078	\$485	\$767	\$0.71	36.74%	\$763	\$0.76
30	2	2	1,078	\$575	\$767	\$0.71	25.00%	\$763	\$0.76
2	3	2	1,206	\$553	\$850	\$0.70	34.94%	\$845	\$0.74
18	3	2	1,206	\$655	\$850	\$0.70	22.94%	\$845	\$0.74
Gross Potential Rent Monthly*				\$34,996	\$47,680		26.60%		

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

DEMOGRAPHIC DATA (found on page 33, 55)						
	2000		2014		2017	
Renter Households	2,576	28.3%	3,927	35.4%	4,115	36.2%
Income-Qualified Renter HHs (LIHTC)	580	22.5%	883	22.5%	893	21.7%

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 57)						
Type of Demand	50%	60%				Overall
Renter Household Growth	12	15				20
Existing Households (Overburd + Substand)	270	342				465
Homeowner conversion (Seniors)						
Other:						
Less Comparable/Competitive Supply	0	0				0
Net Income-qualified Renter HHs	282	357				485

CAPTURE RATES (found on page 57)						
Targeted Population	50%	60%				Overall
Capture Rate	4.3%	13.4%				12.4%

ABSORPTION RATE (found on page 60)	
Absorption Period	4 months



1. INTRODUCTION

A. Overview of Subject

The subject of this report is Hunter Oaks, a proposed multi-family rental community in Seneca, Oconee County, South Carolina. Hunter Oaks will be newly constructed and financed in part by Low Income Housing Tax Credits (LIHTC) allocated by the South Carolina State Housing Finance Development Authority (SCSHFDA). Upon completion, Hunter Oaks will contain 60 rental units reserved for households earning at or below 50 percent and 60 percent of the Area Median Income (AMI), adjusted for household size.

B. Purpose of Report

The purpose of this market study is to perform a market feasibility analysis through an examination of the economic context, a demographic analysis of the defined market area, a competitive housing analysis, a derivation of demand, and an affordability analysis. RPRG expects this study to be submitted along with an application for Low Income Housing Tax Credits to the South Carolina State Housing Finance Development Authority.

C. Format of Report

The report format is comprehensive and conforms to SCSHFDA's 2015 Market Study Requirements. The market study also considered the National Council of Housing Market Analysts' (NCHMA) recommended Model Content Standards and Market Study Index.

D. Client, Intended User, and Intended Use

The Client is Greenway Residential Development, LLC. Along with the Client, the intended users are SCSHFDA and potential investors.

E. Applicable Requirements

This market study is intended to conform to the requirements of the following:

- SCSHFDA's 2015 Market Study Requirements
- The National Council of the Housing Market Analyst's (NCHMA) Model Content Standards and Market Study Index.

F. Scope of Work

To determine the appropriate scope of work for the assignment, we considered the intended use of the market study, the needs of the user, the complexity of the property, and other pertinent factors. Our concluded scope of work is described below:

- Please refer to Appendix 4 for a detailed list of NCHMA requirements and the corresponding pages of requirements within the report.
- Brett Welborn (Analyst), conducted visits to the subject site, neighborhood, and market area on March 17, 2015.
- Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers, Jason Streetman with the Seneca Planning and Development Department,



Mathew Anspach with the Oconee County Planning and Zoning Department, and Malitta Bond with the South Carolina Regional Housing Authority #1.

- All pertinent information obtained was incorporated in the appropriate section(s) of this report.

G. Report Limitations

The conclusions reached in a market assessment are inherently subjective and should not be relied upon as a determinative predictor of results that will actually occur in the marketplace. There can be no assurance that the estimates made or assumptions employed in preparing this report will in fact be realized or that other methods or assumptions might not be appropriate. The conclusions expressed in this report are as of the date of this report, and an analysis conducted as of another date may require different conclusions. The actual results achieved will depend on a variety of factors, including the performance of management, the impact of changes in general and local economic conditions, and the absence of material changes in the regulatory or competitive environment. Reference is made to the statement of Underlying Assumptions and Limiting Conditions contained in Appendix I of this report.

H. Other Pertinent Remarks

None.



2. PROJECT DESCRIPTION

A. Project Overview

Hunter Oaks will consist of 60 general occupancy rental units contained within six garden style buildings. All 60 units will benefit from Low Income Housing Tax Credits including 12 units at 50 percent of Area Median Income (AMI) and 48 units at 60 percent AMI, adjusted for household size.

B. Project Type and Target Market

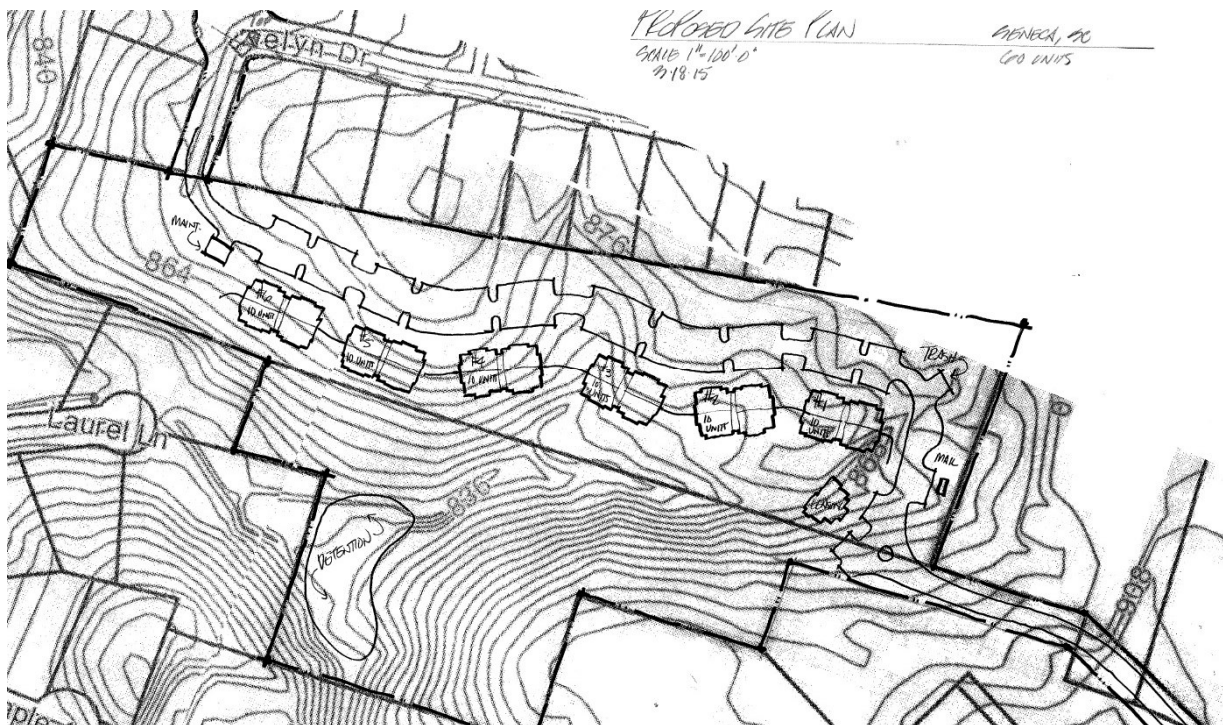
Hunter Oaks' LIHTC units will target low to moderate income renters earning up to 50 percent and 60 percent of the Area Median Income (AMI). The 60 units include 40 two-bedroom units and 20 three-bedroom units. With a unit mix of two and three bedroom units, Hunter Oaks will target a wide range of household types including couples, roommates, and families.

C. Building Type and Placement

Hunter Oaks' residential units will be contained within six garden style buildings with two and three stories. Exteriors of the buildings will feature HardiPlank siding and brick. The residential buildings will be located along a parking lot that extends from an entrance on Evelyn Drive to an entrance on East North 1st Street. The community amenities and leasing office will be in a separate building near the entrance on East North 1st Street (Figure 1).

Hunter Oaks will be accessible via two entrances: one on East North 1st Street and one on Evelyn Drive.

Figure 1 Proposed Site Plan





D. Detailed Project Description

1. Project Description

- Two bedroom units will have 1,078 square feet and two bathrooms.
- Three bedroom units will have 1,206 square feet and two bathrooms (Table 1).
- The proposed rents will include the cost of water, sewer, and trash removal. Tenants will bear the cost of all other utilities.

The following **unit features** are planned:

- Kitchens with refrigerator with ice maker, range, dishwasher, disposal, and microwave.
- Washer and dryer connections.
- Ceiling fan in living room.
- Patio or balcony.
- Stove with exhaust fan.
- Wall-to-wall carpeting in all living areas.
- Central heating and air conditioning.

The following **community amenities** are planned:

- Community room.
- Playground.
- Central laundry room.
- Computer/business center.
- Gazebo.



Table 1 Hunter Oaks Project Summary

Hunter Oaks E North 1st Street Seneca, Oconee County, SC							
Unit Mix/Rents							
Bed	Bath	Income Target	Size (sqft)	Quantity	Gross Rent	Utility	Net Rent
2	2	50%	1,078	10	\$578	\$93	\$485
2	2	60%	1,078	30	\$668	\$93	\$575
3	2	50%	1,206	2	\$668	\$115	\$553
3	2	60%	1,206	18	\$770	\$115	\$655
Total				60			
Project Information				Additional Information			
Number of Residential Buildings		Six		Construction Start Date		2016	
Building Type		Garden		Date of First Move-In		2016	
Number of Stories		2-3		Construction Finish Date		2016	
Construction Type		New Const.		Parking Type		Surface	
Design Characteristics (exterior)		Brick, HardiPlank		Parking Cost		None	
Community Amenities	Community room, computer room, laundry room, playground, gazebo			Kitchen Amenities			
				Dishwasher		Yes	
				Disposal		Yes	
				Microwave		Yes	
				Range		Yes	
Refrigerator		Yes					
Unit Features	Energy star appliances (including refrigerator/freezer with ice maker and dishwasher); microwave; disposal; stove with exhaust fan; energy star ceiling fan w/ light fixture in living room; energy star lighting throughout; either balcony or patio; washer/dryer hookups			Utilities Included			
				Water/Sewer		Owner	
				Trash		Owner	
				Heat		Tenant	
				Heat Source		Elec	
				Hot/Water		Tenant	
				Electricity		Tenant	
Other:							

Source: Developer

2. Other Proposed Uses

None.

3. Proposed Timing of Construction

Hunter Oaks is expected to begin construction in early 2016 and the estimated construction completion is late 2016.



3. SITE AND NEIGHBORHOOD ANALYSIS

A. Site Analysis

1. Site Location

The subject site is located on the west side of East North 1st Street, in northeast Seneca, Oconee County, South Carolina (Map 1, Figure 2).

2. Existing Uses

The subject site consists of a combination of cleared wooded land without existing structures (Figure 3).

3. Size, Shape, and Topography

The subject site comprises approximately 13 acres, slopes down towards the northwest, and has a roughly rectangular shape.

4. General Description of Land Uses Surrounding the Subject Site

The site for Hunter Oaks is located in an established residential neighborhood in Seneca with a mix of surrounding land uses. Existing uses within close proximity to the site include single-family detached homes, wooded land, and commercial uses including small businesses, retail, and a hotel along East North 1st Street. Numerous retail uses are located along U.S. Highway 123 to the north (Figure 4). Single-family detached homes are the most common land use within one-half mile of the subject site to the east, west, and south.

5. Specific Identification of Land Uses Surrounding the Subject Site

The land uses directly bordering the subject property include:

- **North:** Single-family detached homes.
- **East:** Single-family detached home, ProVision Beauty Supply, and a U-Haul rental business (Grand Rental Station).
- **South:** Single-family detached homes, wooded land, and MDI Electrical Plumbing Supply.
- **West:** Single-family detached homes, and wooded land.



Map 1 Site Location.

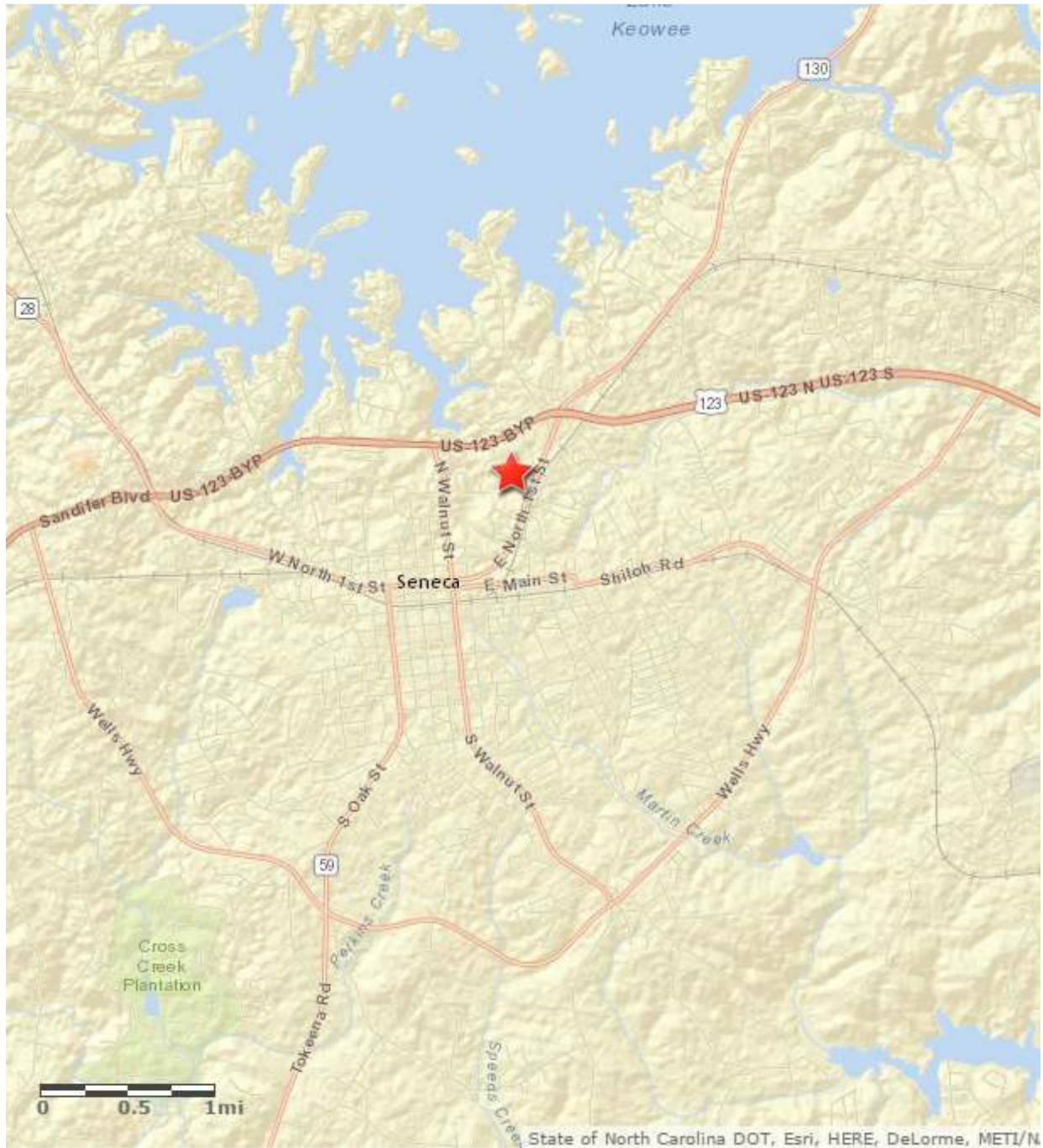


Figure 2 Satellite Image of Subject Site

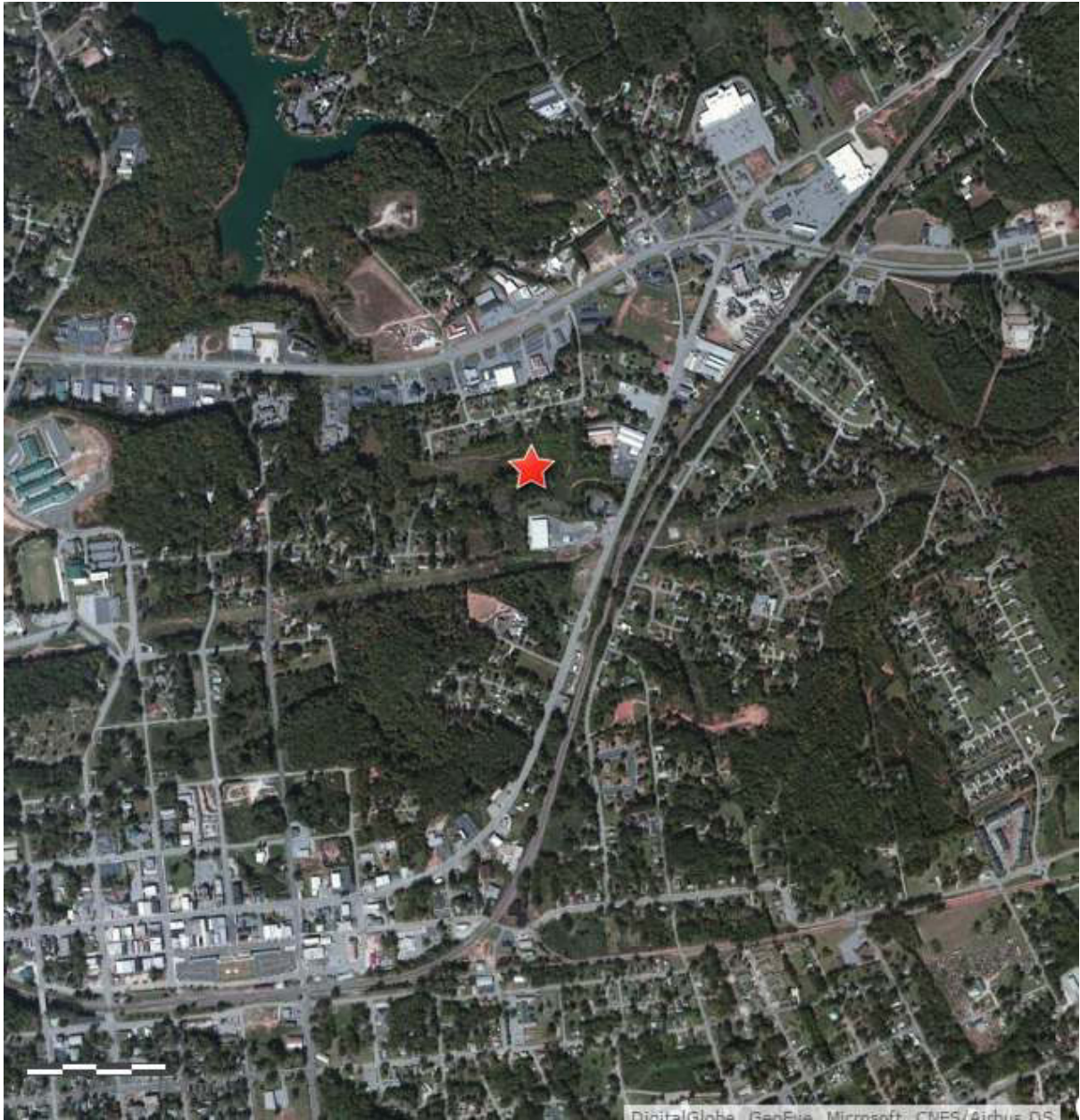


Figure 3 Views of Subject Site



View of East North 1st Street looking northeast (site entrance on the left).



Site entrance facing west from East North 1st Street.



View of site facing west.



View of site facing northwest.

Figure 4 Views of Surrounding Land Uses



MDI Electrical Plumbing Supply to the south.



ProVision Beauty Supply to the east.



Grand Rental Station to the east.



Single-family detached home to the east.



Single-family detached home to the north on Evelyn Drive.



Single-family detached home to the west.

B. Neighborhood Analysis

1. General Description of Neighborhood

The site for Hunter Oaks is located in an established residential neighborhood with a mixture of surrounding land uses in northeast Seneca, Oconee County. Seneca is a smaller community with an established central business district. Surrounding land uses include single-family detached homes, wooded land, and commercial uses including small businesses, retail, and a hotel along East North 1st Street. In addition, numerous retail uses are located to the north along U.S. Highway 123 near the site. Single-family detached homes are common within one mile of the site and multi-family rental communities are common within three miles of the subject site. Downtown Seneca is located approximately one mile southwest of the site featuring many small retailers and community services.

2. Neighborhood Investment and Planning Activities

Significant planning or redevelopment efforts were not identified in the subject property's immediate area. One new for-sale single-family detached home neighborhood (The Crossing) is under construction in Seneca approximately four miles from the subject site with homes ranging from \$194,000 to \$264,000. In addition, a planned mixed-use development (retail and commercial) at the former Milliken textile property on U.S. Highway 123 in eastern Seneca is in the preliminary stages of

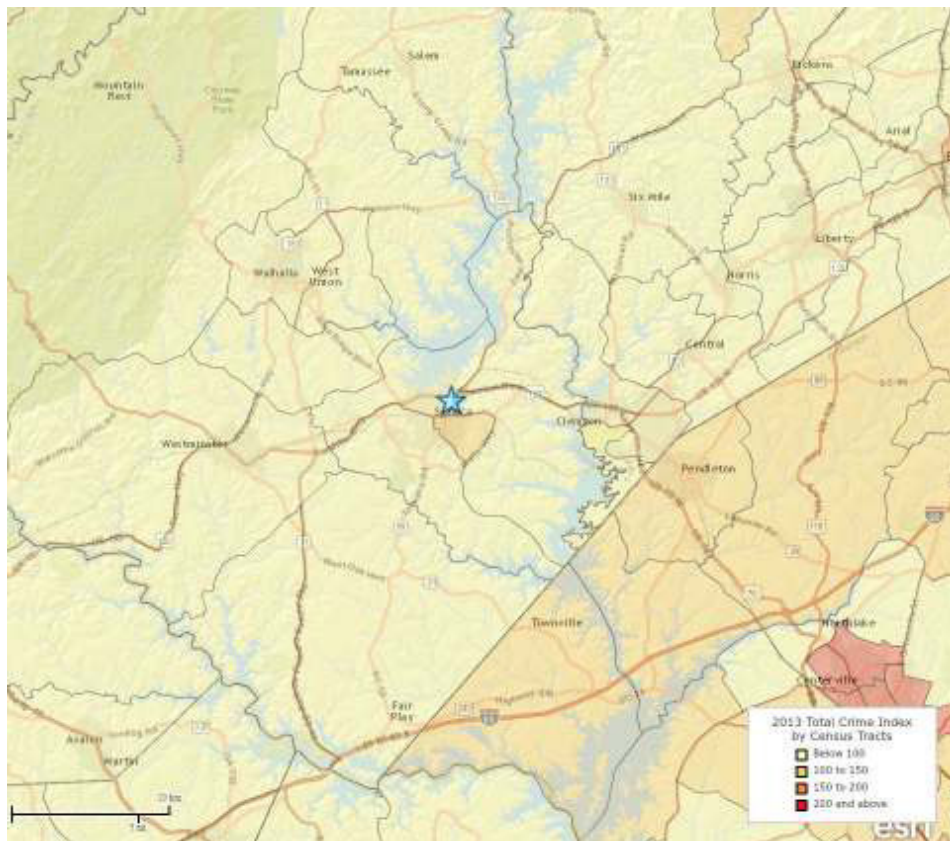
planning. Many Keowee Lake communities are being developed north of the site. These communities offer lake lots and many floor plan options from several builders with a wide range of prices.

3. Crime Index

CrimeRisk data is an analysis tool for crime provided by Applied Geographic Solutions (AGS). CrimeRisk is a block-group level index that measures the relative risk of crime compared to a national average. AGS analyzes known socio-economic indicators for local jurisdictions that report crime statistics to the FBI under the Uniform Crime Reports (UCR) program. Based on detailed modeling of these relationships, CrimeRisk provides a detailed view of the risk of total crime as well as specific crime types at the block group level. In accordance with the reporting procedures used in the UCR reports, aggregate indexes have been prepared for personal and property crimes separately as well as a total index. However it must be recognized that these are un-weighted indexes, in that a murder is weighted no more heavily than purse snatching in this computation. The analysis provides a useful measure of the relative overall crime risk in an area but should be used in conjunction with other measures.

Map 2 displays the 2013 CrimeRisk Index for the census tracts in the general vicinity of the subject site. The relative risk of crime is displayed in gradations from yellow (least risk) to red (most risk). The subject site's census tract is yellow, indicating it has a below average crime risk (under 100) compared to the nation (100). The majority of Oconee County and surrounding areas have a low crime risk, comparable with many rural areas. We do not expect crime or the perception of crime to negatively impact the subject property's marketability.

Map 2 Crime Index Map





C. Site Visibility and Accessibility

1. Visibility

Hunter Oaks will benefit from good visibility along East North 1st Street. East North 1st Street supports moderate traffic in front of the site.

2. Vehicular Access

Hunter Oaks will be accessible via two entrances. One entrance is on East North 1st Street to the east and the other will be on Evelyn Drive, west of the subject property. Traffic on East North 1st Street is moderate and traffic on Evelyn Drive, a residential side street, is light. Problems with accessibility are not expected.

3. Availability of Public Transit

Clemson Area Transit (CAT) offers fixed route service in Seneca. CAT offers bus service in Seneca, Clemson, Pendleton, and Central. The nearest bus stop is at a Subway, located at 105 U.S. 123, 0.4 mile northeast of the site.

4. Inter Regional Transit

Seneca is located within approximately 20 minutes of Interstate 85 to the south via State Highway 59. Interstate 85 is the primary traffic artery in the region, connecting the Greenville area to Atlanta and Charlotte. Seneca is served by U.S. Highway 123, which connects it to smaller towns to the west and Clemson to the east. State Highways 130, 59, and 28 connect Seneca to areas to the south and north.

The site is located within one hour of Greenville-Spartanburg International Airport.

5. Pedestrian Access

East North 1st Street is served by sidewalks and a number of retailers, banks, and restaurants are located within walking distance of the subject site. In addition, public transportation is considered in walking distance of the subject site.

6. Accessibility Improvements under Construction and Planned

Roadway Improvements under Construction and Planned

RPRG reviewed information from local stakeholders to assess whether any capital improvement projects affecting road, transit, or pedestrian access to the subject site are currently underway or likely to commence within the next few years. Observations made during the site visit contributed to this process. Through this research, no major roadway improvements were identified that would have a direct impact on this market.

Transit and Other Improvements under Construction and/or Planned

None identified.



D. Residential Support Network

1. Key Facilities and Services near the Subject Sites

The appeal of any given community is often based in part to its proximity to those facilities and services required on a daily basis. Key facilities and services and their driving distances from the subject site are listed in Table 2. The location of those facilities is plotted on Map 3.

Table 2 Key Facilities and Services

Establishment	Type	Address	Driving Distance
Rite Aid	Pharmacy	1020 East North 1st St.	0.3 mile
South State Bank	Bank	201 By Pass 123	0.3 mile
Medi Urgent Care Center	Doctor/Medical	111 Carter St.	0.4 mile
CAT Bus Stop	Public Transit	105 U.S. 123	0.4 mile
Alanzan Mexican Restaurant	Restaurant	111 Rochester Hwy.	0.4 mile
Ingles	Grocery	211 Ingles Pl.	0.5 mile
Bi-Lo	Grocery	115 Rochester Hwy.	0.5 mile
Family Dollar	General Retail	113 Rochester Hwy.	0.5 mile
Shell	Convenience Store	202 U.S. 123	0.5 mile
TD Bank	Bank	104 Mill Rd.	0.5 mile
Seneca Police Department	Police	205 N Depot St.	1 mile
Seneca Library	Library	300 East South 2nd St.	1.1 miles
Between Lakes Primary Care	Doctor/Medical	106 Ram Cat Alley	1.2 miles
Gignilliat Community Center	Community Center	621 N Townville St.	1.4 miles
Northside Elementary School	Public School	710 N Townville St.	1.7 miles
Seneca Fire Department	Fire	321 West South 4th St.	1.9 miles
Seneca Middle School	Public School	810 W South 4th St.	2.5 miles
Oconee Medical Center	Hospital	298 Memorial Dr.	3.2 miles
Kmart	General Retail	201 Applewood Center Pl.	3.3 miles
Seneca High School	Public School	100 Bobcat Ridge	3.8 miles
Walmart	General Retail	1636 Sandifer Blvd.	3.9 miles

Source: Field and Internet Survey, RPRG, Inc.

2. Essential Services

Health Care

Oconee Medical Center is the largest medical provider in Seneca. This 169-bed medical center offers a wide range of services including emergency medicine and general medical care. Oconee Medical Center is located on Memorial Drive, 3.2 miles west of the subject site.

Outside of this major healthcare provider, a couple of smaller clinics and independent physicians are located in close proximity to Hunter Oaks. They are Medi Urgent Care Center and Between Lakes Primary Care, located 0.4 mile and 1.2 miles from the subject property, respectively.

Education

The primary market area is served by the School District of Oconee County, which includes 18 schools and has an approximate enrollment of 10,500 students. School age children residing at the subject



property would attend Northside Elementary School (1.7 miles), Seneca Middle School (2.5 miles), and Seneca High School (3.8 miles).

Clemson University, one of the state's largest universities, is located approximately 10 minutes east of the site including an approximate enrollment of 21,000 students.

3. Commercial Goods and Services

Convenience Goods

The term "convenience goods" refers to inexpensive, nondurable items that households purchase on a frequent basis and for which they generally do not comparison shop. Examples of convenience goods are groceries, fast food, health and beauty aids, household cleaning products, newspapers, and gasoline.

A number of retailers are located within approximately one-half mile of the site to the north near U.S. Highway 123 including grocery stores (Ingles and Bi-Lo), a pharmacy (Rite Aid), banks, a restaurant, and a convenience store.

Shoppers Goods

The term "shoppers goods" refers to larger ticket merchandise that households purchase on an infrequent basis and for which they usually comparison shop. The category is sometimes called "comparison goods." Examples of shoppers' goods are apparel and accessories, furniture and home furnishings, appliances, jewelry, and sporting goods.

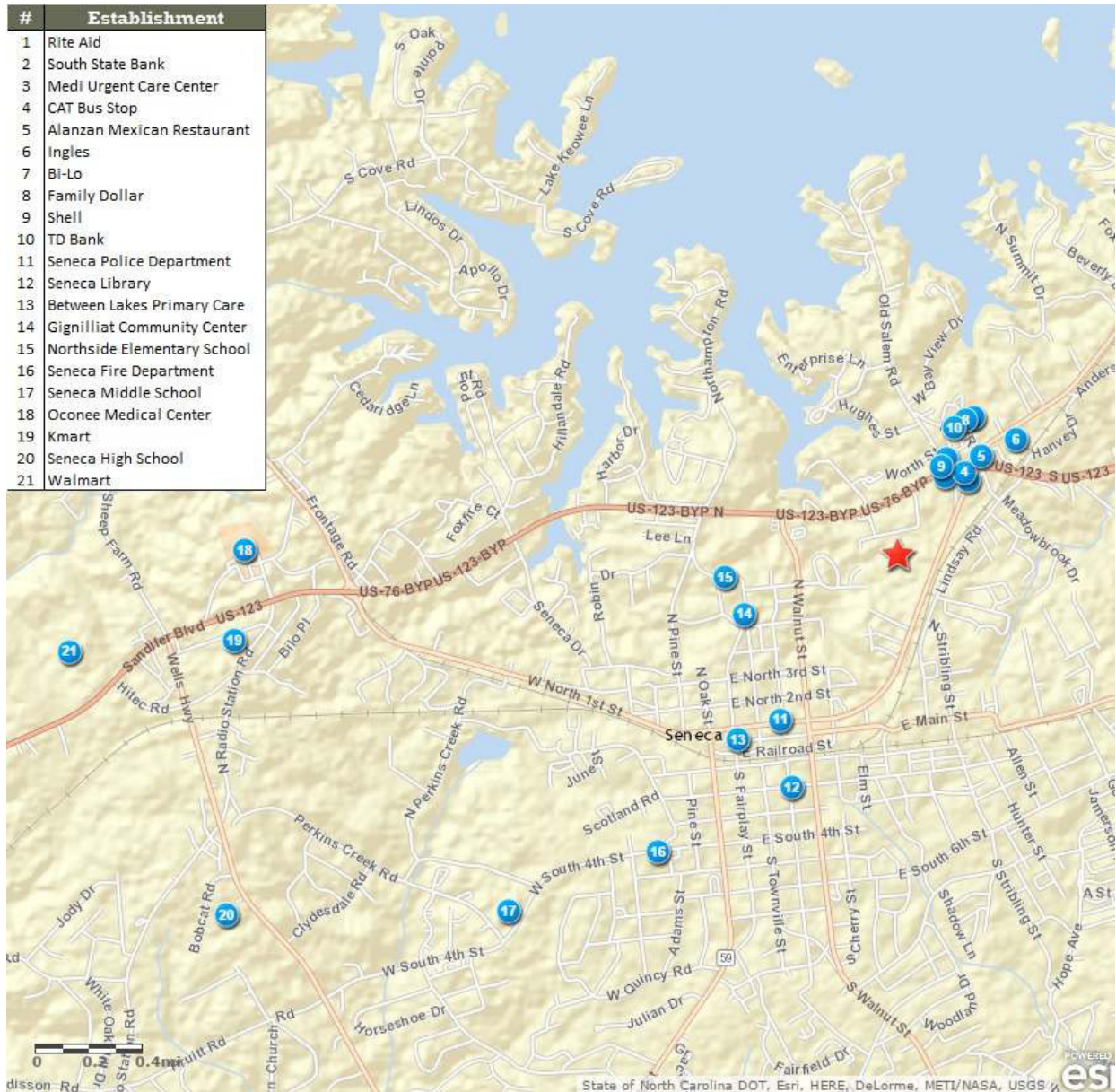
The closest general shopping opportunity is Family Dollar located one-half mile north of the site on Rochester Highway. Kmart and Walmart are located three to four miles west of the site along U.S. Highway 123. The closest mall to the subject site is Anderson Mall, located within approximately 30 minutes of the subject site in Anderson. Belk, Dillard's, Sears, and JCPenney serve as Anderson Mall's anchors and the mall also features a large number of smaller retailers and a food court.

Recreation Amenities

The closest recreation center to Hunter Oaks is Gignilliat Community Center located 1.4 miles from the site on North Townville Street. In addition, Seneca's public library is located 1.1 miles from the site on East South 2nd Street. Residents in Seneca are provided Keowee Lake access at South Cove County Park, approximately five miles north of the site. South Cove County Park offers three boat ramps, four tennis courts, a basketball court, and volleyball court to residents without reservation.



Map 3 Location of Key Facilities and Services





4. ECONOMIC CONTEXT

A. Introduction

This section of the report focuses primarily on economic trends and conditions in Oconee County, the jurisdiction in which Hunter Oaks is located. For purposes of comparison, economic trends in South Carolina and the nation are also discussed.

B. Labor Force, Resident Employment, and Unemployment

1. Trends in County Labor Force and Resident Employment

The labor force in Oconee County has remained relatively unchanged since 2001, losing 931 workers or 2.9 percent of its workforce between 2001 and 2014. The employed portion of the labor force has decreased by 1,797 workers or 5.7 percent from 2001 to 2014; however, the number of employed workers has increased in each of the past five years from 27,096 in 2009 to 29,692 in 2014, a gain of 2,596 employed workers (Table 3).

2. Trends in County Unemployment Rate

The unemployment rate in Oconee County ranged from 3.4 percent to 8.8 percent from 2000 to 2008 (Table 3). Oconee County's unemployment rate nearly doubled from 6.8 percent in 2007 to 13.5 percent in 2009 during the national recession. The county's unemployment rate has decreased each year since 2009 with an annual unemployment rate of 6.3 percent in 2014, comparable to the state and national unemployment rates of 6.0 percent and 6.2 percent, respectively.

C. Commutation Patterns

According to 2009-2013 American Community Survey (ACS) data, approximately three-quarters of workers residing in the Hunter Oaks Market Area commuted less than 30 minutes to work, including 39.0 percent commuting less than 15 minutes (Table 4). Less than one-quarter of workers in the market area commuted 30 minutes or more.

A majority of workers (65.2 percent) residing in the Hunter Oaks Market Area work in Oconee County while 32.8 percent work in another South Carolina county. Two percent of market area workers worked in another state.



Table 3 Labor Force and Unemployment Rates

Annual Unemployment Rates - Not Seasonally Adjusted

Annual	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Unemployment															
Labor Force	32,604	31,900	31,476	31,814	31,612	31,688	30,766	30,270	30,622	31,316	31,676	31,281	31,588	31,554	31,673
Employment	31,488	30,168	29,353	29,430	29,263	28,932	28,050	28,213	28,397	27,096	27,957	28,081	28,762	29,036	29,692
Unemployment	1,116	1,732	2,123	2,384	2,349	2,756	2,716	2,057	2,225	4,220	3,719	3,200	2,826	2,518	1,982
Unemployment Rate															
Oconee County	3.4%	5.4%	6.7%	7.5%	7.4%	8.7%	8.8%	6.8%	7.3%	13.5%	11.7%	10.2%	8.9%	8.0%	6.3%
South Carolina	3.6%	5.2%	6.0%	6.7%	6.8%	6.8%	6.4%	5.6%	6.8%	11.4%	11.1%	10.3%	9.0%	7.6%	6.0%
United States	4.0%	4.7%	5.8%	6.0%	5.5%	5.1%	4.6%	4.6%	5.8%	9.3%	9.6%	8.8%	8.3%	7.4%	6.2%

Source: U.S. Department of Labor, Bureau of Labor Statistics

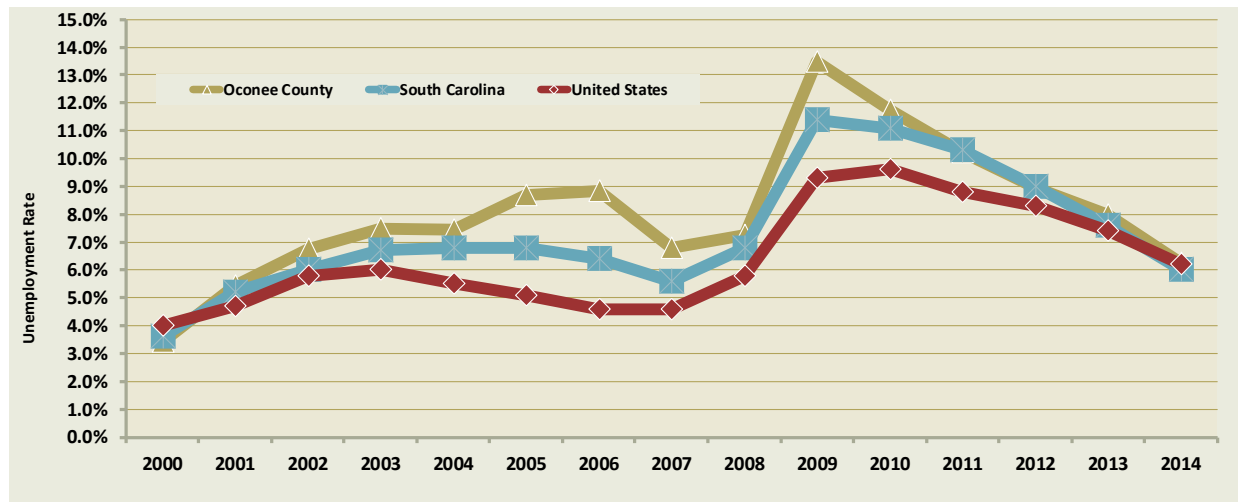
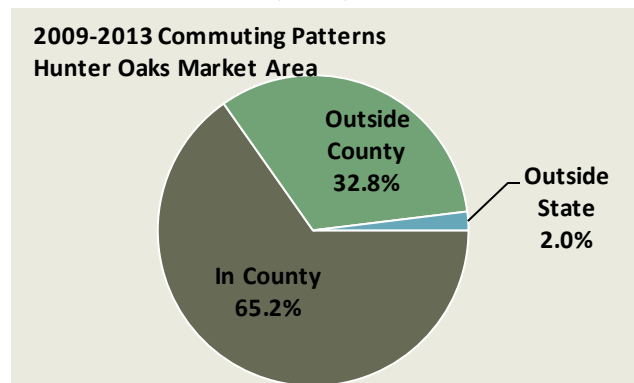


Table 4 Commutation Data

Travel Time to Work			Place of Work		
Workers 16 years+	#	%	Workers 16 years and over	#	%
Did not work at home	9,723	96.8%	Worked in state of residence:	9,850	98.0%
Less than 5 minutes	517	5.1%	Worked in county of residence	6,555	65.2%
5 to 9 minutes	1,574	15.7%	Worked outside county of residence	3,295	32.8%
10 to 14 minutes	1,825	18.2%	Worked outside state of residence	198	2.0%
15 to 19 minutes	1,706	17.0%	Total	10,048	100%
20 to 24 minutes	1,527	15.2%			
25 to 29 minutes	308	3.1%			
30 to 34 minutes	694	6.9%			
35 to 39 minutes	112	1.1%			
40 to 44 minutes	159	1.6%			
45 to 59 minutes	600	6.0%			
60 to 89 minutes	447	4.4%			
90 or more minutes	254	2.5%			
Worked at home	325	3.2%			
Total	10,048				

Source: American Community Survey 2009-2013



Source: American Community Survey 2009-2013

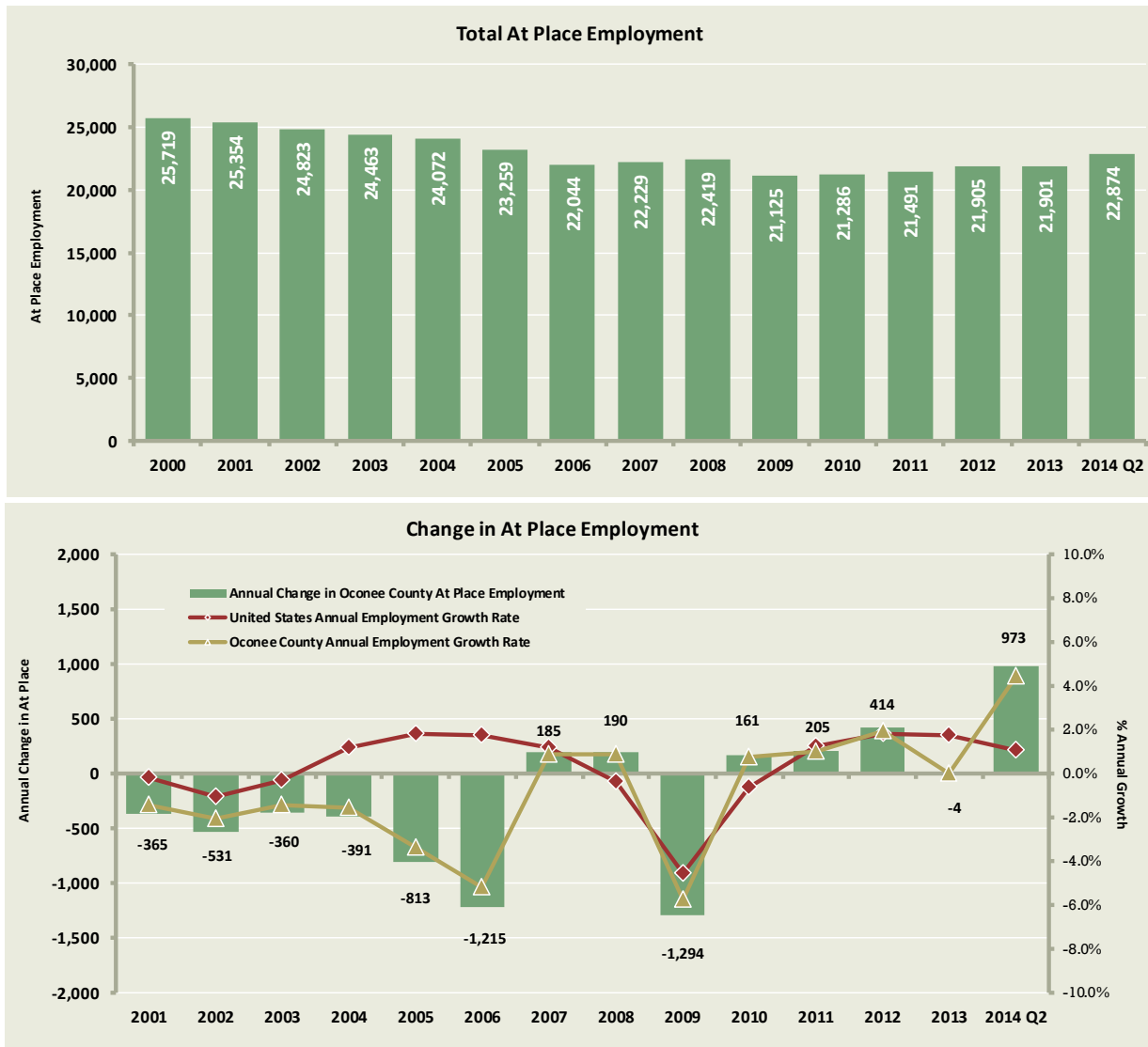


D. At-Place Employment

1. Trends in Total At-Place Employment

Oconee County’s At-Place Employment has been cyclical since 2000 with a net decrease of 2,845 jobs or 11.1 percent between 2000 and 2014(Q2). Following a loss of 3,675 total jobs from 2000 to 2006, the county added jobs for two years before losing 1,294 jobs in 2009 during the height of the national recession and prolonged economic downturn (Figure 5). The county has since added 1,749 net jobs between 2010 and the second quarter of 2014.

Figure 5 At-Place Employment



Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages

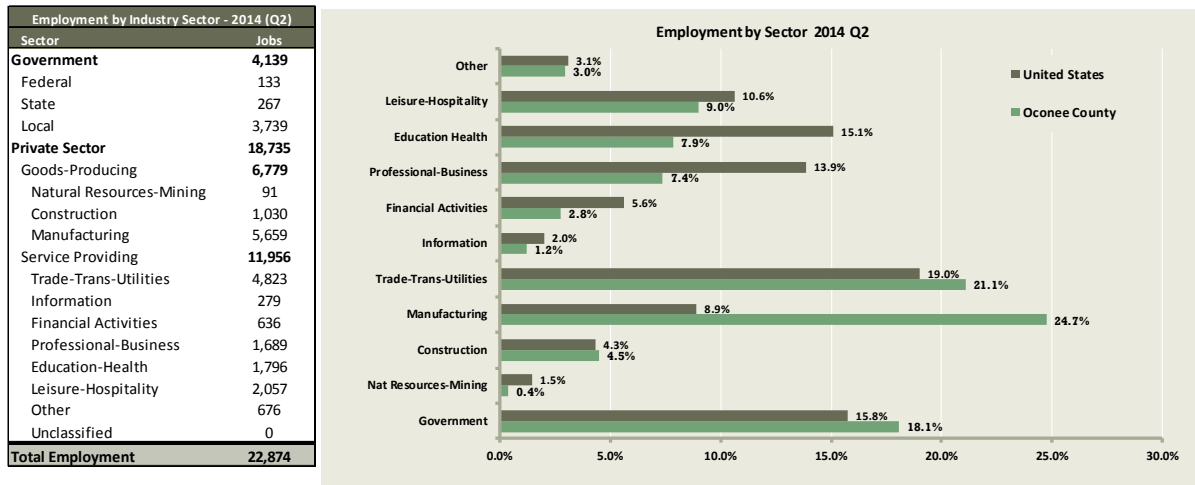
2. At-Place Employment by Industry Sector

Oconee County’s largest economic sectors are Manufacturing (24.7 percent), Trade-Transportation-Utilities (21.1 percent), and Government (18.1 percent). These three sectors account for 63.9 percent of the jobs in Oconee County and only 43.7 percent of jobs in the nation (Figure 6). Conversely, the



county has a much lower percentage of jobs in the Education-Health, Professional-Business, and Financial Activities sectors.

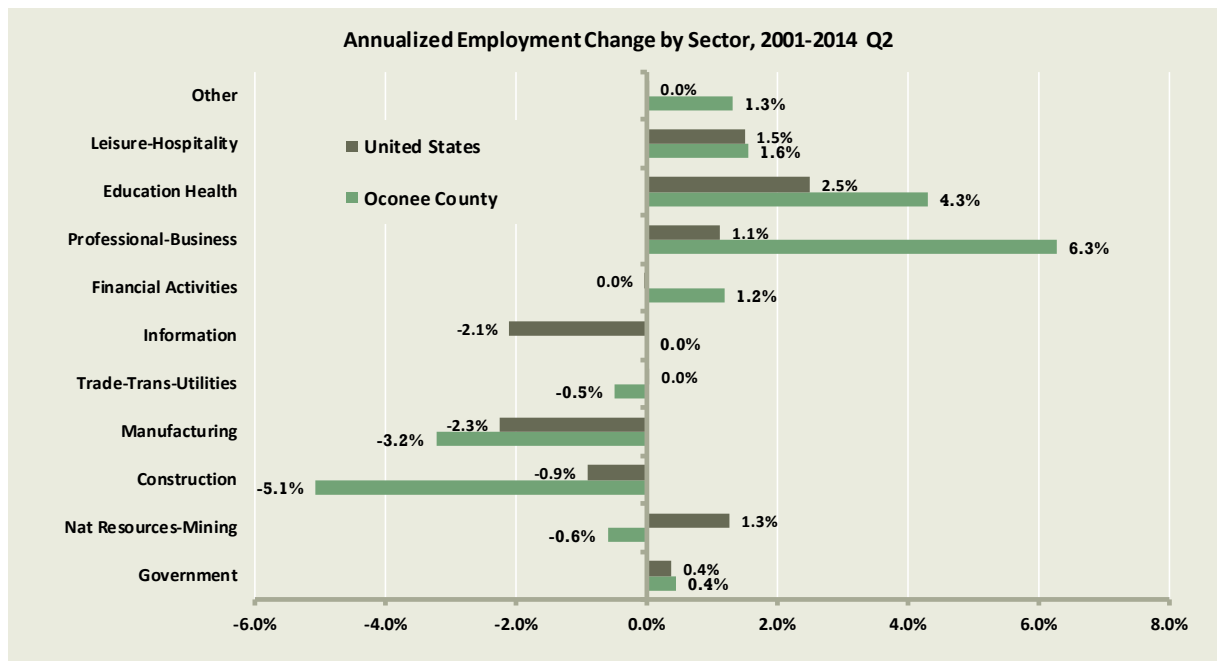
Figure 6 Total Employment by Sector 2014 (Q2)



Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Between 2001 and 2014(Q2), six of 11 economic sectors added jobs in Oconee County including the Professional-Business and Education-Health sectors with annual growth of 6.3 percent and 4.3 percent, respectively (Figure 7). In addition, Government grew at annual rate of 0.4 percent. The most notable losses were among Manufacturing (3.2 percent annual loss) and Trade-Transportation-Utilities (0.5 percent annual loss). Although the Construction sector lost jobs at a rate of 5.1 percent per year, this sector contained less than five percent of the county’s jobs.

Figure 7 Change in Employment by Sector 2001-2014 (Q2)



Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages



3. Major Employers

The 15 largest employers in Oconee County include nine manufacturing employers; however, the three largest employers in the county are the School District of Oconee County (1,605 employees), Duke Energy Corporation (1,500 employees), and Oconee Memorial Hospital (1,370 employees) (Table 5). Of the remaining major employers, two are in the Government sector. The subject site is conveniently located within a 10 miles of all major employers (Map 4).

Table 5 Major Employers, Oconee County

Rank	Name	Industry	Employment
1	School District of Oconee County	Education	1,605
2	Duke Energy Corporation	Utilities	1,500
3	Oconee Memorial Hospital	Healthcare	1,370
4	BorgWarner	Manufacturing	700
5	U. S. Engine Valve Corp.	Manufacturing	647
6	Schneider Electric	Utilities	600
7	Itron, Inc.	Manufacturing	550
8	ITEKT/Koyo Bearings USA, LLC	Manufacturing	515
9	Oconee County Government	Government	450
10	Sandvik Inc.	Manufacturing	315
11	BASF Corp.	Manufacturing	300
12	Greenfield Industries, Inc.	Manufacturing	300
13	Johnson Controls, Inc.	Manufacturing	300
14	State of South Carolina	Government	286
15	Lift Technologies, Inc.	Manufacturing	210

Source: Oconee Economic Alliance

4. Recent Economic Expansions and Contractions

According to various media reports, three new companies and four expansions have been announced since late 2013. Combined, these seven companies will add an estimated 362 jobs (Table 6). Total employment among the new and expanding companies is likely to occur over a several year period. No recent major layoff announcements were identified in Oconee County.

According to Anderson Independent-Mail, a local media outlet, a new Michelin North America plant is in the works near Fair Play, approximately 12 miles south of Seneca. No confirmation has come from the company or the county but it is believed that the company would invest up to \$250 million and create 150 to 170 new jobs. A second plan in the pipeline is a mixed-use development at the former Milliken textile property on U.S. Highway 123, east of Seneca. If plans move forward, the mixed use development would produce an estimated 300 jobs.



Table 6 Employment Expansions and Contractions

New Companies

Announced	Company Name	New Jobs	Capital Investment (Million)
5/29/2014	TDC Cutting Tools	38	\$8.2
5/21/2014	Plastics Products Company Inc.	69	\$3.2
8/15/2014	ACI Plastics	25	\$4.1
Total		132	\$15.5

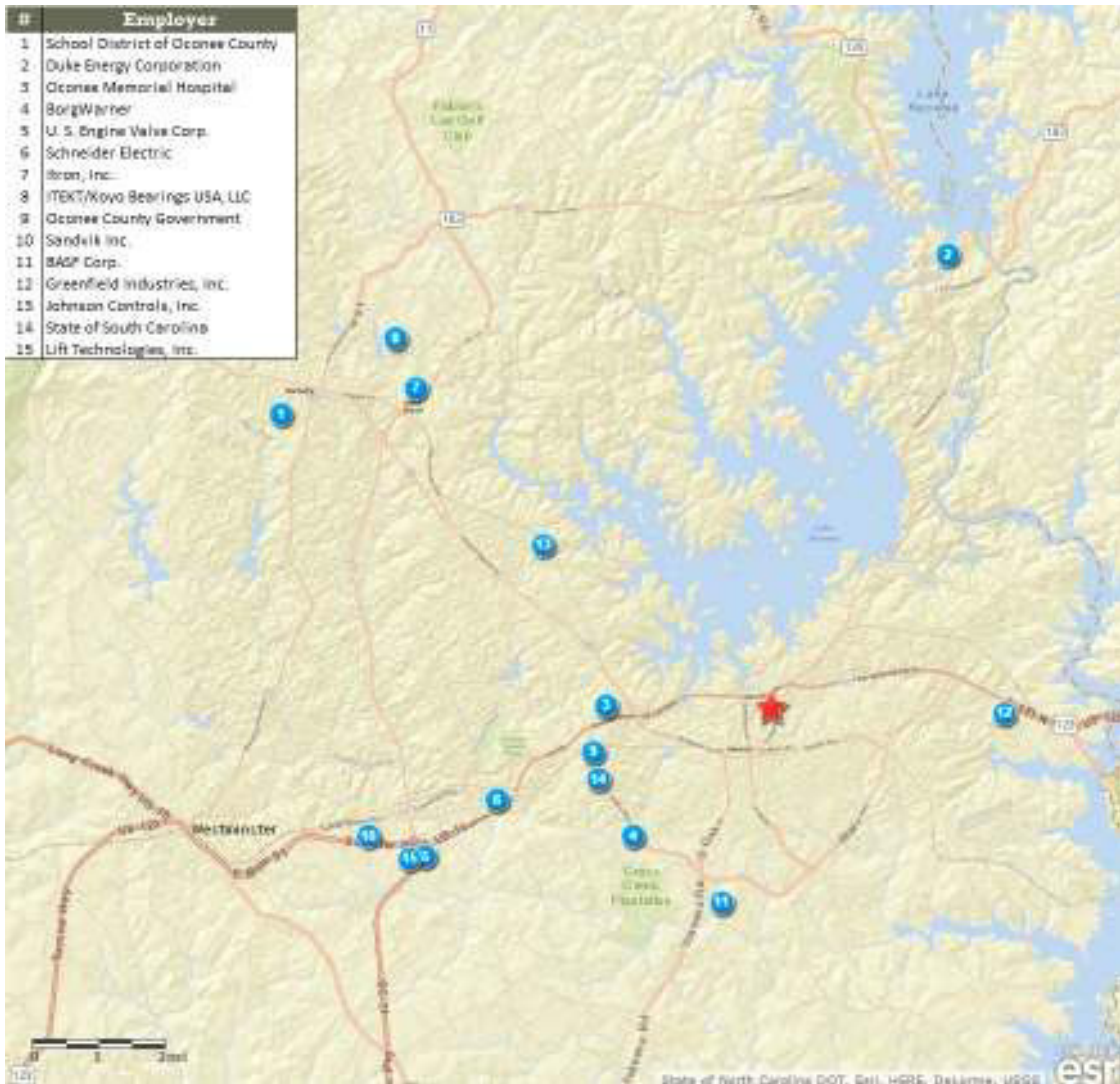
Source: Media Reports

Expansions

Announced	Company Name	New Jobs	Capital Investment (Million)
1/21/2014	Sandvik, Inc.		\$12.0
2/6/2014	US Engine Valve	125	\$30.0
12/9/2013	Ulbrich Precision Flat Wire Inc.		\$5.0
11/8/2013	BorgWarner	105	\$24.6
Total		230	\$71.6

Source: Media reports

Map 4 Major Employers





5. HOUSING MARKET AREA

A. Introduction

The primary market area for the proposed Hunter Oaks is defined as the geographic area from which future residents of the community would primarily be drawn and in which competitive rental housing alternatives are located. In defining the Hunter Oaks Market Area, RPRG sought to accommodate the joint interests of conservatively estimating housing demand and reflecting the realities of the local rental housing marketplace.

B. Delineation of Market Area

The Hunter Oaks Market Area is comprised of census tracts in and around Seneca which includes the eastern portion of Oconee County, south of Lake Keowee. This market area includes the portions of Oconee County most comparable with the city of Seneca. The market area is split by U.S. Highway 123 and State Highways 130 and 59, thoroughfares connecting much of the market area. Locations in Oconee County including Walhalla and Westminster were not included in the market area due to distance from the subject site. In addition, Clemson is not included in the Hunter Oaks Market Area as it is located in Pickens County and is not comparable in population characteristics as a large portion of its population is made up of students at Clemson University.

Based on our analysis, we believe residents of this market area would consider the subject site and an acceptable location for affordable housing.

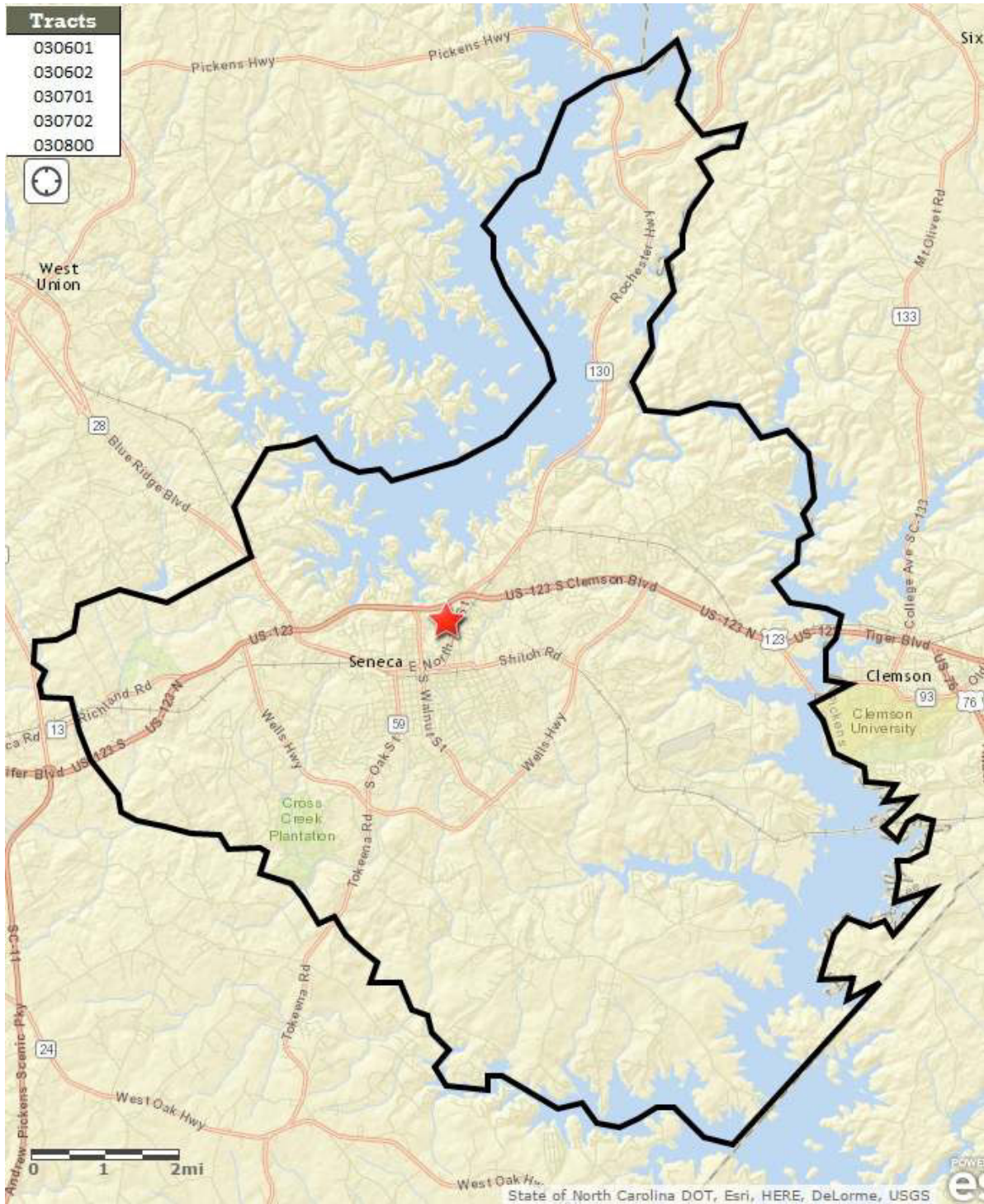
The boundaries of the Hunter Oaks Market Area and their approximate distance from the subject site are:

- **North:** Lake Keowee (7.3 miles)
- **East:** Pickens County (5.3 miles)
- **South:** Coneross Creek (6.3 miles)
- **West:** Coneross Creek / Bountyland Road (5.0 miles)

This market area is depicted in Map 5 and the 2010 Census tracts that comprise the market area are listed on the edge of the map. As appropriate for this analysis, the Hunter Oaks Market Area is compared to Oconee County, which is considered as the secondary market area, although demand will be computed based on the Hunter Oaks Market Area only.



Map 5 Hunter Oaks Market Area





6. DEMOGRAPHIC ANALYSIS

A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the Hunter Oaks Market Area and Oconee County using U.S. Census data and data from Esri, a national data vendor that prepares small area estimates and projections of population and households. Building permit trends collected from the HUD State of the Cities Data Systems (SOCDS) database were also considered.

B. Trends in Population and Households

1. Recent Past Trends

Between 2000 and 2010 Census counts, the population of the Hunter Oaks Market Area increased by 18.2 percent, rising from 21,937 to 25,923 people (Table 7). The annual increase during this decade was 399 people or 1.7 percent. During the same time period, the number of households in the Hunter Oaks Market Area increased by 17.8 percent from 9,113 to 10,734 households with annual increases of 162 households or 1.7 percent.

During the same decade, Oconee County had total growth of 8,058 people (12.2 percent) and 3,393 households (12.4 percent). Annual increases were 806 people (1.2 percent) and 339 households (1.2 percent).

2. Projected Trends

Based on Esri growth rate projections, the Hunter Oaks Market Area added 859 people and 361 households between 2010 and 2014. RPRG further projects that the market area's population will increase by 637 people between 2014 and 2017, bringing the total population to 27,419 people in 2017; the annual increase will be 0.8 percent or 212 people. The number of households will increase to 11,357 with annual growth of 87 households or 0.8 percent from 2014 to 2017.

Oconee County's population is projected to increase by 1.8 percent and households are projected to increase by 1.9 percent between 2014 and 2017. Annual growth in the county is projected at 447 people (0.6 percent) and 199 households (0.6 percent).

The average person per household in the market area decreased from 2.41 persons in 2000 to 2.37 persons in 2010. The average size is expected to increase slightly to 2.38 persons per household by 2017 (Table 8).



Table 7 Population and Household Projections

		Oconee County				Hunter Oaks Market Area				
Population	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	66,215					21,937				
2010	74,273	8,058	12.2%	806	1.2%	25,923	3,986	18.2%	399	1.7%
2014	76,051	1,778	2.4%	444	0.6%	26,782	859	3.3%	215	0.8%
2017	77,393	1,342	1.8%	447	0.6%	27,419	637	2.4%	212	0.8%

		Oconee County				Hunter Oaks Market Area				
Households	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	27,283					9,113				
2010	30,676	3,393	12.4%	339	1.2%	10,734	1,621	17.8%	162	1.7%
2014	31,488	812	2.6%	203	0.7%	11,095	361	3.4%	90	0.8%
2017	32,085	597	1.9%	199	0.6%	11,357	262	2.4%	87	0.8%

Source: 2000 Census; 2010 Census; Esri; and Real Property Research Group, Inc.

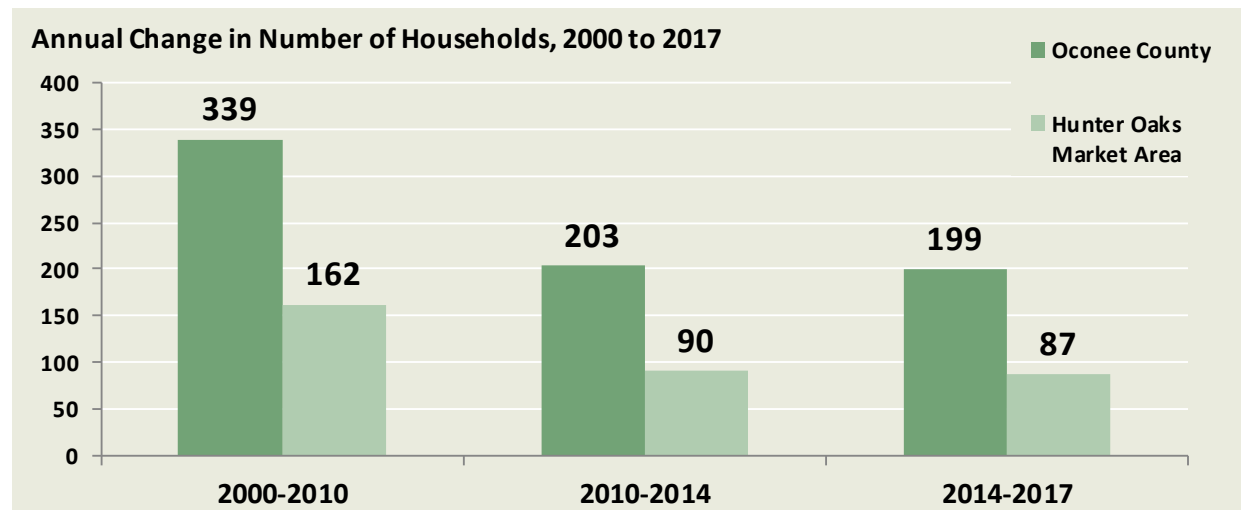


Table 8 Persons per Household, Hunter Oaks Market Area

Persons per HH, Market Area				
Year	2000	2010	2014	2017
Population	21,937	25,923	26,782	27,419
Group Quarters	0	433	433	433
Households	9,113	10,734	11,095	11,357
Household Size	2.41	2.37	2.37	2.38

3. Building Permit Trends

Annual building permit activity in Oconee County increased steadily between 2000 and 2008 before decreasing significantly in 2009. Oconee County averaged 742 units permitted between 2000 and 2009, which was higher than the average annual household growth of 339 households in the county between the 2000 and 2010 census counts. This disparity in household growth relative to units



permitted could indicate an overbuilt market; however, these figures also do not take the replacement of existing housing units into account or the number of second homes / vacation homes at Lake Keowee. Including the significant drop in 2009, permit activity has remained relatively unchanged over the past six years, averaging 227 permits issued per year from 2009 to 2014 (Table 9).

Since 2000, 87 percent of all units permitted have been single-family detached homes and 12 percent have been in multi-family structures with five or more units. One percent of permitted units were contained within structures with 2-4 units.

Table 9 Building Permits by Structure Type, Oconee County

Oconee County																	
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2000-2014	Annual Average
Single Family	473	490	520	626	711	830	849	975	642	255	186	143	177	279	233	7,389	493
Two Family	0	0	2	8	6	20	2	0	16	2	0	0	0	0	0	56	4
3 - 4 Family	0	0	0	15	0	0	0	20	0	0	0	0	0	0	0	35	2
5+ Family	0	0	49	256	122	11	0	137	367	13	0	26	0	48	0	1,029	69
Total	473	490	571	905	839	861	851	1,132	1,025	270	186	169	177	327	233	8,509	567

Source: U.S. Census Bureau, C-40 Building Permit Reports.



C. Demographic Characteristics

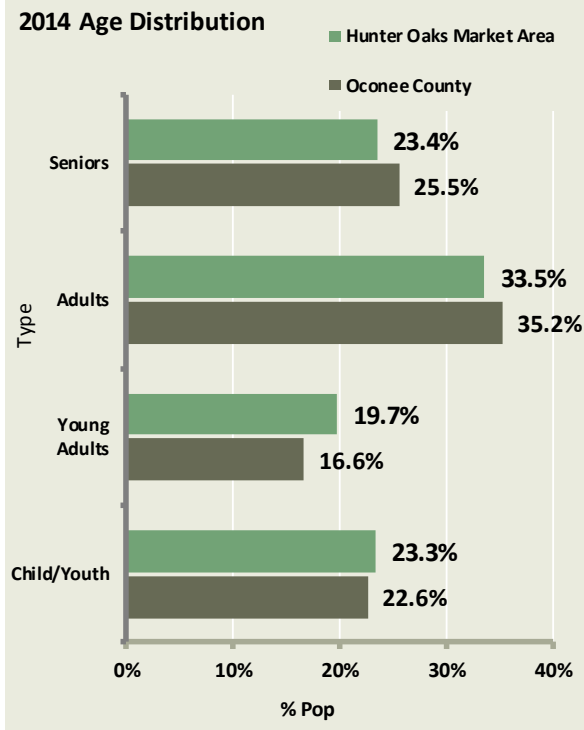
1. Age Distribution and Household Type

The populations of the market area and county are both older with median ages of 40 and 43, respectively (Table 10). Adults age 35-61 comprise the largest percentage of the population in both areas at 33.5 percent in the market area and 35.2 percent in the county. The Hunter Oaks Market Area contained a higher percentage of Children/Youth under the age of 20 (23.3 percent versus 22.6 percent) and Young Adults age 20-34 (19.7 percent versus 16.6 percent). In addition, the market area has a high percentage (23.4 percent) of seniors age 62 older, indicating the market area is possibly influenced by a large number of retirees living on Lake Keowee.



Table 10 2014 Age Distribution

	Oconee County		Hunter Oaks Market Area	
	#	%	#	%
Children/Youth	17,169	22.6%	6,246	23.3%
Under 5 years	4,071	5.4%	1,539	5.7%
5-9 years	4,296	5.6%	1,541	5.8%
10-14 years	4,318	5.7%	1,453	5.4%
15-19 years	4,483	5.9%	1,713	6.4%
Young Adults	12,661	16.6%	5,281	19.7%
20-24 years	4,599	6.0%	2,100	7.8%
25-34 years	8,061	10.6%	3,181	11.9%
Adults	26,801	35.2%	8,980	33.5%
35-44 years	8,654	11.4%	2,918	10.9%
45-54 years	10,178	13.4%	3,396	12.7%
55-61 years	7,969	10.5%	2,666	10.0%
Seniors	19,420	25.5%	6,275	23.4%
62-64 years	3,415	4.5%	1,143	4.3%
65-74 years	9,714	12.8%	2,992	11.2%
75-84 years	4,852	6.4%	1,568	5.9%
85 and older	1,438	1.9%	573	2.1%
TOTAL	76,051	100%	26,782	100%
Median Age	43		40	

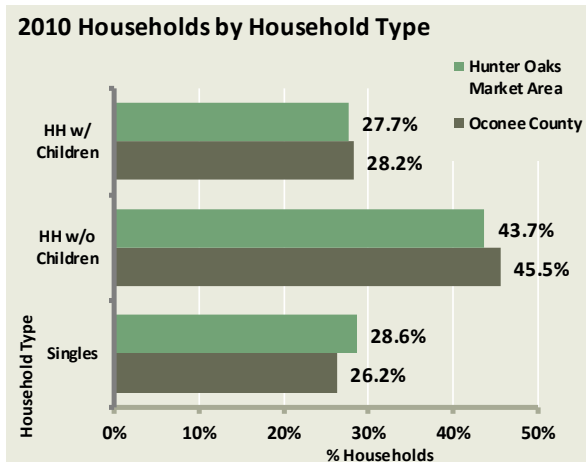


Source: Esri; RPRG, Inc.

Households with two or more adults, but no children comprised 43.7 percent of households in the market area and 45.5 percent of households in the county in 2010. Children are present in 27.7 percent of households in the Hunter Oaks Market Area compared to 28.2 percent of the households in Oconee County (Table 11). Single person households account for 28.6 percent of households in the Hunter Oaks Market Area and 26.2 percent of the households in Oconee County.

Table 11 2010 Households by Household Type

Households by Household Type	Oconee County		Hunter Oaks Market Area	
	#	%	#	%
Married w/Children	5,749	18.7%	1,801	16.8%
Other w/ Children	2,904	9.5%	1,167	10.9%
Households w/ Children	8,653	28.2%	2,968	27.7%
Married w/o Children	10,756	35.1%	3,300	30.7%
Other Family w/o Children	1,800	5.9%	646	6.0%
Non-Family w/o Children	1,415	4.6%	748	7.0%
Households w/o Children	13,971	45.5%	4,694	43.7%
Singles Living Alone	8,052	26.2%	3,072	28.6%
Singles	8,052	26.2%	3,072	28.6%
Total	30,676	100%	10,734	100%



Source: 2010 Census; RPRG, Inc.



2. Renter Household Characteristics

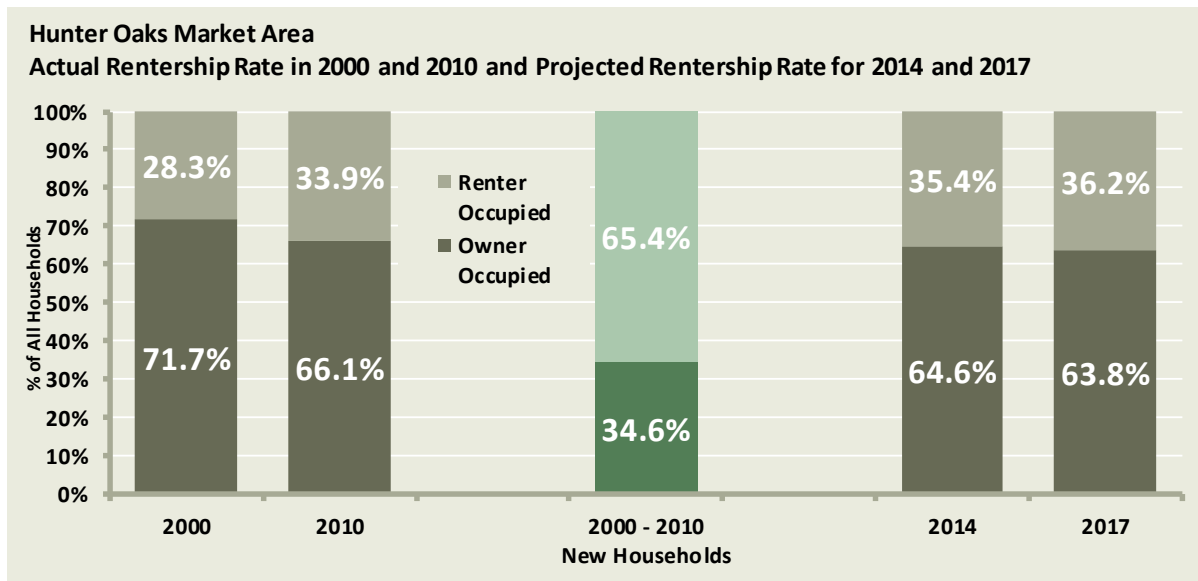
As of the 2010 Census, 33.9 percent of all households in the Hunter Oaks Market Area were renters compared to 24.9 percent in Oconee County (Table 12). Between the 2000 and 2010 census counts, renter households accounted for 65.4 percent of the household growth in the market area. Renter percentages are expected to increase in both areas and are projected at 36.2 percent in the market area and 26.6 percent in the county by 2017.

Table 12 Households by Tenure

Oconee County	2000		2010		Change 2000-2010		2014		2017	
Housing Units	#	%	#	%	#	%	#	%	#	%
Owner Occupied	21,391	78.4%	23,042	75.1%	1,651	48.7%	23,288	74.0%	23,536	73.4%
Renter Occupied	5,892	21.6%	7,634	24.9%	1,742	51.3%	8,200	26.0%	8,550	26.6%
Total Occupied	27,283	100%	30,676	100%	3,393	100%	31,488	100%	32,085	100%
Total Vacant	5,100		8,087				8,301		8,459	
TOTAL UNITS	32,383		38,763				39,789		40,544	

Hunter Oaks Market Area	2000		2010		Change 2000-2010		2014		2017	
Housing Units	#	%	#	%	#	%	#	%	#	%
Owner Occupied	6,537	71.7%	7,098	66.1%	561	34.6%	7,168	64.6%	7,242	63.8%
Renter Occupied	2,576	28.3%	3,636	33.9%	1,060	65.4%	3,927	35.4%	4,115	36.2%
Total Occupied	9,113	100%	10,734	100%	1,621	100%	11,095	100%	11,357	100%
Total Vacant	1,195		1,998				2,065		2,114	
TOTAL UNITS	10,308		12,732				13,160		13,471	

Source: U.S. Census of Population and Housing, 2000, 2010; Esri, RPRG, Inc.





Approximately 62 percent of renter households in the Hunter Oaks Market Area have one or two persons compared to 60.9 percent in Oconee County (Table 13). Three and four person households comprise 30.6 percent of renter households in the Hunter Oaks Market Area and 7.6 percent of renter households have five or more members.

Working age households form the core of the market area’s renters, as 55.1 percent of renter occupied households are between the ages of 25 and 54 (Table 14). Young renters (under 25) in the Hunter Oaks Market Area comprise 17.3 percent of renters in the market area and older adults age 55+ account for 27.6 percent of all market area renters.

Table 13 2010 Renter Households by Household Size

Renter Occupied	Oconee County		Hunter Oaks Market Area	
	#	%	#	%
1-person hhld	2,728	35.7%	1,365	37.5%
2-person hhld	1,920	25.2%	880	24.2%
3-person hhld	1,277	16.7%	606	16.7%
4-person hhld	1,036	13.6%	507	13.9%
5+-person hhld	673	8.8%	278	7.6%
TOTAL	7,634	100%	3,636	100%

Source: 2010 Census

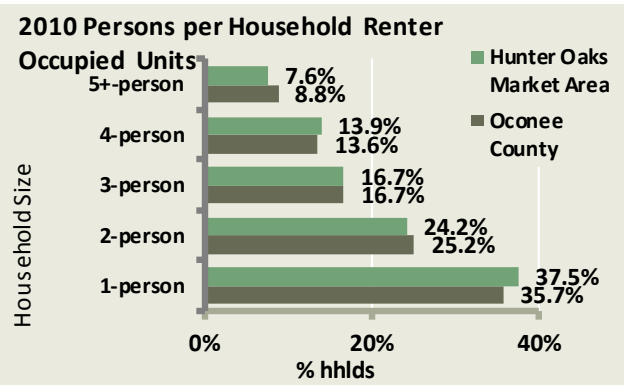
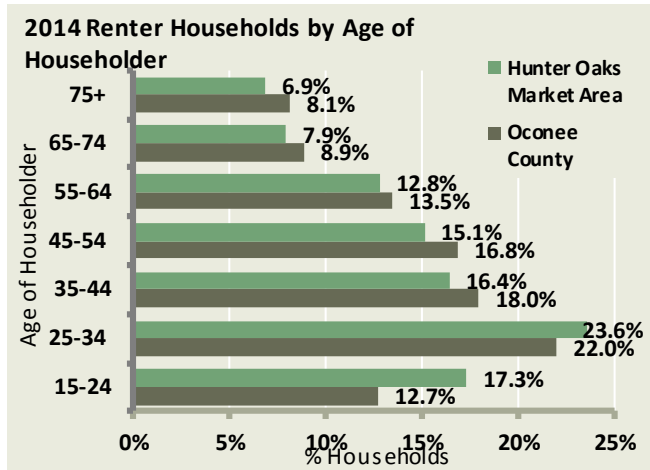


Table 14 Renter Households by Age of Householder

Renter Households	Oconee County		Hunter Oaks Market Area	
	#	%	#	%
Age of HHldr				
15-24 years	1,043	12.7%	680	17.3%
25-34 years	1,805	22.0%	925	23.6%
35-44 years	1,473	18.0%	644	16.4%
45-54 years	1,381	16.8%	594	15.1%
55-64 years	1,104	13.5%	502	12.8%
65-74 years	727	8.9%	312	7.9%
75+ years	668	8.1%	269	6.9%
Total	8,200	100%	3,927	100%

Source: Esri, Real Property Research Group, Inc.



3. Population by Race

SCSHFDA’s has requested population by race for the subject census tract. As detailed in Table 15, a large portion of the population (91.2 percent) in the subject census tract is white and 5.7 percent is black. The remaining 3.1 percent of the population reported two races.



Table 15 Population by Race, Tract 306.01

Race	Tract 306.01	
	#	%
Total	4,454	100.0%
Population Reporting One Race	4,316	96.9%
White	4,062	91.2%
Black	254	5.7%
American Indian	0	0.0%
Asian	0	0.0%
Pacific Islander	0	0.0%
Some Other Race	0	0.0%
Population Reporting Two Races	138	3.1%

Source: 2010 Census

4. Income Characteristics

Based on Esri estimates, the Hunter Oaks Market Area’s 2014 median income of \$41,293 is \$1,837 or 4.3 percent lower than the \$43,130 median in Oconee County (Table 16). Approximately one-third (32.2 percent) of market area households earn less than \$25,000 including 19.1 percent earning less than \$15,000. Roughly one-quarter of households in the Hunter Oaks Market Area earn \$25,000 to \$49,999 compared to 26.6 percent in Oconee County.

Based on the ACS data income projections, the breakdown of tenure, and household estimates, RPRG estimates that the median income of renters in the Hunter Oaks Market Area as of 2014 is \$25,752 (Table 17). This renter median income is 46.5 percent of the median among owner households of \$55,333. Among renter households, 48.7 percent earn less than \$25,000 including 28.9 percent earning less than \$15,000. Approximately 28 percent of renters earn between \$25,000 and \$49,999.

Table 16 2014 Household Income, Hunter Oaks Market Area

Estimated 2014 Household Income	Oconee County		Hunter Oaks Market Area	
	#	%	#	%
less than \$15,000	5,457	17.3%	2,122	19.1%
\$15,000 \$24,999	3,997	12.7%	1,448	13.1%
\$25,000 \$34,999	3,838	12.2%	1,396	12.6%
\$35,000 \$49,999	4,523	14.4%	1,385	12.5%
\$50,000 \$74,999	6,457	20.5%	1,840	16.6%
\$75,000 \$99,999	3,338	10.6%	1,302	11.7%
\$100,000 \$149,999	2,311	7.3%	944	8.5%
\$150,000 Over	1,567	5.0%	658	5.9%
Total	31,488	100%	11,095	100%
Median Income	\$43,130		\$41,293	

Source: Esri; Real Property Research Group, Inc.

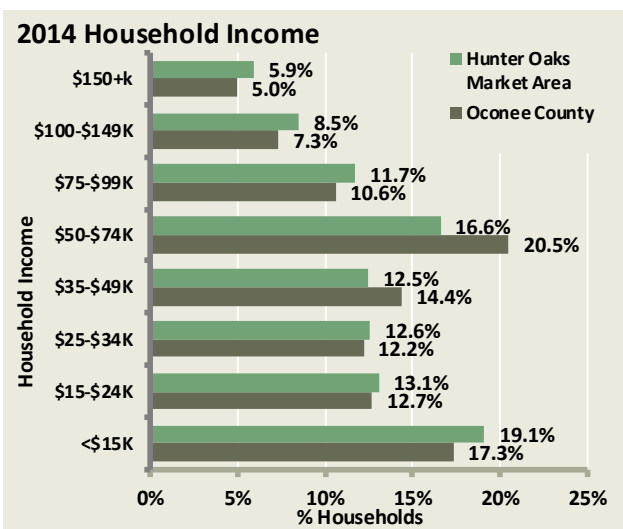
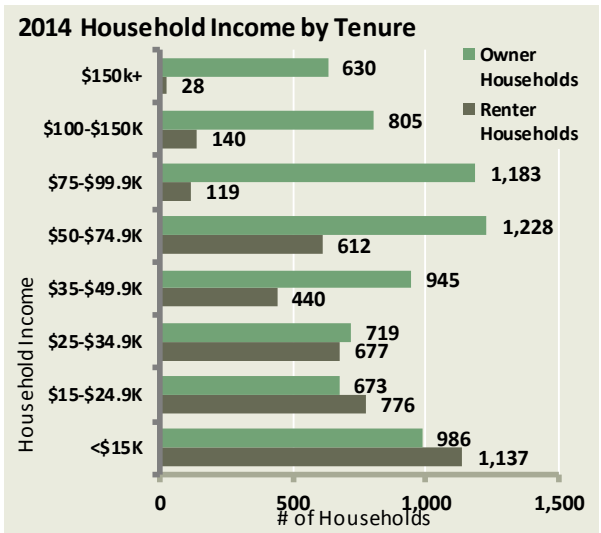




Table 17 2014 Income by Tenure

Hunter Oaks Market Area		Renter Households		Owner Households	
		#	%	#	%
less than \$15,000		1,137	28.9%	986	13.8%
\$15,000 \$24,999		776	19.8%	673	9.4%
\$25,000 \$34,999		677	17.2%	719	10.0%
\$35,000 \$49,999		440	11.2%	945	13.2%
\$50,000 \$74,999		612	15.6%	1,228	17.1%
\$75,000 \$99,999		119	3.0%	1,183	16.5%
\$100,000 \$149,999		140	3.6%	805	11.2%
\$150,000 over		28	0.7%	630	8.8%
Total		3,927	100%	7,168	100%
Median Income		\$25,752		\$55,333	

Source: American Community Survey 2009-2013 Estimates, RPRG, Inc.





7. COMPETITIVE HOUSING ANALYSIS

A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of housing in the Hunter Oaks Market Area. We pursued several avenues of research in an attempt to identify residential rental projects that are actively being planned or that are currently under construction within the Hunter Oaks Market Area. Site visit observations and past RPRG work in the region also informed this process. The rental survey of competitive projects was conducted in March 2015.

B. Overview of Market Area Housing Stock

The renter occupied stock in both areas includes a range of housing types with the market area containing more multi-family structures. Multi-family structures with five or more units contain 33.7 percent of rental units in the market area and 20.4 percent in the county. Single-family detached homes and mobile homes accounted for 41.3 percent of rentals in the Hunter Oaks Market Area compared to 62.9 percent of Oconee County rentals (Table 18).

The renter-occupied housing stock in the Hunter Oaks Market Area is slightly younger than in Oconee County with a median year built of 1983 compared to 1981 in the county. The median year built of the owner-occupied units was 1984 in the market area and 1987 in the county (Table 19). Approximately 40 percent of the renter occupied units in the Hunter Oaks Market Area have been constructed since 1990 compared to 35.6 percent in Oconee County. Over one-quarter of rental units in the market area were constructed in the 1970's.

According to ACS data, the median value among owner-occupied housing units in the Hunter Oaks Market Area was \$143,134, which is \$1,844 or 1.3 percent higher than Oconee County's median of \$141,290 (Table 20). ACS estimates home values based upon homeowners' assessments of the values of their homes. This data is traditionally a less accurate and reliable indicator of home prices in an area than actual sales data, but offers insight of relative housing values among two or more areas.

Table 18 Renter Occupied Units by Structure

Renter Occupied	Oconee County		Hunter Oaks Market Area	
	#	%	#	%
1, detached	2,785	37.3%	829	23.7%
1, attached	94	1.3%	43	1.2%
2	550	7.4%	371	10.6%
3-4	562	7.5%	465	13.3%
5-9	637	8.5%	443	12.6%
10-19	643	8.6%	536	15.3%
20+ units	246	3.3%	200	5.7%
Mobile home	1,916	25.6%	616	17.6%
Boat, RV, Van	42	0.6%	0	0.0%
TOTAL	7,475	100%	3,503	100%

Source: American Community Survey 2009-2013

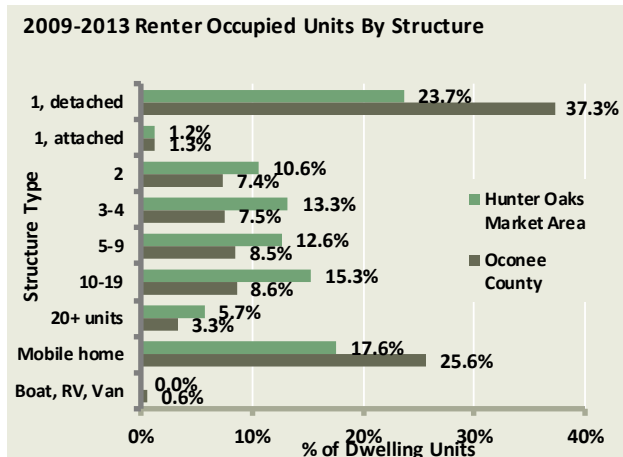




Table 19 Dwelling Units by Year Built and Tenure

Owner Occupied	Oconee County		Hunter Oaks Market Area	
	#	%	#	%
2010 or later	253	1.1%	135	1.9%
2000 to 2009	4,559	20.1%	1,477	20.9%
1990 to 1999	5,569	24.6%	1,420	20.1%
1980 to 1989	3,852	17.0%	988	14.0%
1970 to 1979	3,151	13.9%	903	12.8%
1960 to 1969	2,108	9.3%	927	13.1%
1950 to 1959	1,616	7.1%	656	9.3%
1940 to 1949	719	3.2%	300	4.2%
1939 or earlier	804	3.6%	262	3.7%
TOTAL	22,631	100%	7,068	100%
MEDIAN YEAR BUILT	1987		1984	

Source: American Community Survey 2009-2013

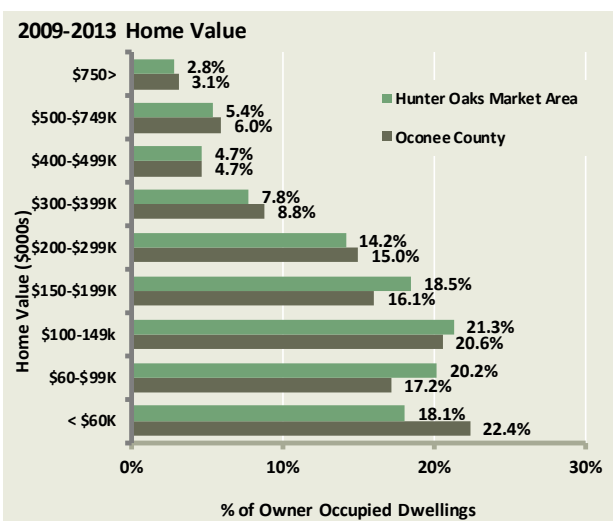
Renter Occupied	Oconee County		Hunter Oaks Market Area	
	#	%	#	%
2010 or later	7	0.1%	0	0.0%
2000 to 2009	1,199	16.0%	702	20.0%
1990 to 1999	1,454	19.5%	688	19.6%
1980 to 1989	1,223	16.4%	566	16.2%
1970 to 1979	1,624	21.7%	901	25.7%
1960 to 1969	569	7.6%	205	5.9%
1950 to 1959	464	6.2%	156	4.5%
1940 to 1949	433	5.8%	123	3.5%
1939 or earlier	502	6.7%	162	4.6%
TOTAL	7,475	100%	3,503	100%
MEDIAN YEAR BUILT	1981		1983	

Source: American Community Survey 2009-2013

Table 20 Value of Owner Occupied Housing Stock

2009-2013 Home Value		Oconee County		Hunter Oaks Market Area	
		#	%	#	%
less than \$60,000		4,309	22.4%	1,114	18.1%
\$60,000 - \$99,999		3,306	17.2%	1,246	20.2%
\$100,000 - \$149,999		3,960	20.6%	1,313	21.3%
\$150,000 - \$199,999		3,098	16.1%	1,139	18.5%
\$200,000 - \$299,999		2,892	15.0%	874	14.2%
\$300,000 - \$399,999		1,700	8.8%	479	7.8%
\$400,000 - \$499,999		902	4.7%	288	4.7%
\$500,000 - \$749,999		1,150	6.0%	333	5.4%
\$750,000 over		604	3.1%	175	2.8%
Total		19,265	114%	6,165	89%
Median Value		\$141,290		\$143,134	

Source: American Community Survey 2009-2013



C. Survey of Competitive Rental Communities

1. Introduction to the Rental Housing Survey

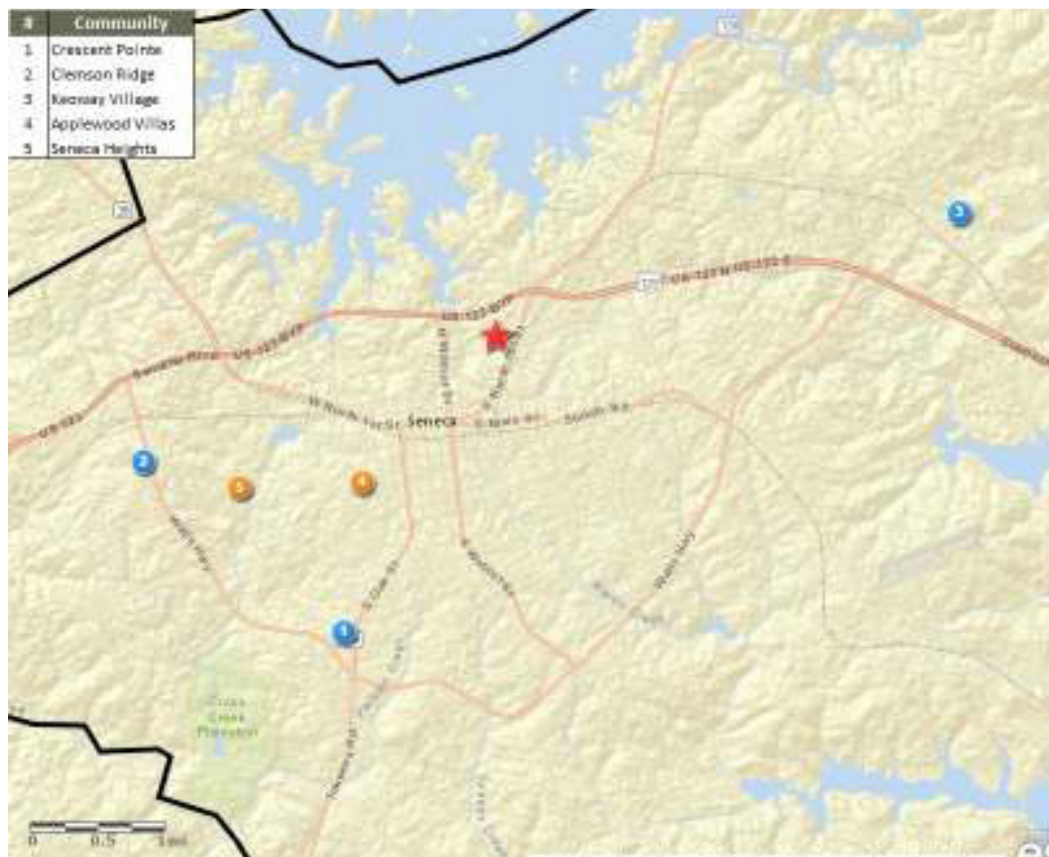
As part of this analysis, RPRG surveyed five general occupancy communities in the Hunter Oaks Market Area including three market rate communities and two LIHTC communities. The two LIHTC communities are considered the most comparable communities to the proposed development of Hunter Oaks. We were unsuccessful in surveying one LIHTC community, Seneca Gardens, in the market area that has project based rental assistance. As the subject property will not include project based rental assistance, this community was not necessary for our analysis. Serenity Place, a senior LIHTC community that opened on October 12, 2014, is undergoing lease-up and has four vacant units among 47 total units, an occupancy rate of 91.5 percent.

The five surveyed communities combine to offer 433 units including two LIHTC communities that have a combined 89 units (Table 21). Profile sheets with detailed information on each surveyed community, including photographs, are attached as Appendix 5.

2. Location

Map 6 shows the location of the surveyed competitive communities. All of the communities are located in Seneca including four communities located southwest of the site and one community (Keoway Village) located to the east. All surveyed communities are located within four miles of the subject site. The subject site is considered comparable with locations of existing communities.

Map 6 Surveyed Rental Communities





3. Age of Communities

The average year built of all surveyed comparable communities in the market area is 1999. The newest multi-family rental community in the Hunter Oaks Market Area is Seneca Heights, a LIHTC community built in 2013. The two LIHTC communities had an average year built of 2012.

4. Structure Type

The three market rate communities offer garden style units and the two LIHTC communities offer townhomes.

5. Size of Communities

The average community size of surveyed communities is 87 units. The largest community is a market rate property (Crescent Pointe) with 144 units. The LIHTC communities have an average of 45 units.

6. Vacancy Rates

The surveyed communities combined for 19 vacancies among 433 units, a rate of 4.4 percent. The LIHTC communities had zero vacancies among 89 total units and both had a waiting list.

Vacancy rates by floorplan were 4.2 percent for one bedroom units, 3.9 percent for two bedroom units, and 5.3 percent for three bedroom units (Table 22). No vacant four bedroom units were reported.

The overall average historic vacancy rate among the Hunter Oaks Market Area's LIHTC communities was 3.3 percent for the second and fourth quarter of 2014 (Table 23).

The overall occupancy rate for all LIHTC communities was 100.0 percent (Table 24).

7. Rent Concessions

No surveyed communities are currently offering incentives.

8. Absorption History

The newest community in the market area is Seneca Heights, a LIHTC community, which contains 39 units. The community opened in October 2013 and was leased up prior to opening.



Table 21 Rental Summary, Surveyed Communities

Map #	Community	Year Built	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Incentive
	Subject 50% AMI		Gar	12				\$485	
	Subject 60% AMI		Gar	48				\$575	
1	Crescent Pointe	2003	Gar	144	7	4.9%	\$658	\$763	None
2	Clemson Ridge	1998	Gar	120	10	8.3%		\$755	None
3	Keoway Village	1972	Gar	80	2	2.5%	\$495	\$545	None
4	Applewood Villas*	2011	TH	50	0	0.0%	\$337	\$465	None
5	Seneca Heights*	2013	TH	39	0	0.0%		\$390	None
Total				433	19	4.4%			
Average		1999		87			\$497	\$583	
LIHTC Total				89	0	0.0%			
LIHTC Average		2012		45			\$337	\$427	

Tax Credit Communities*

(1) Rent is contract rent, and not adjusted for utilities or incentives

Source: Field Survey, Real Property Research Group, Inc. March 2015.

Table 22 Vacancy by Floor Plan

Community	Vacant Units by Floorplan													
	Total Units		One Bedroom			Two Bedroom			Three Bedroom			Four Bedroom		
	Units	Vacant	Units	Vacant	Vac. Rate	Units	Vacant	Vac. Rate	Units	Vacant	Vac. Rate	Units	Vacant	Vac. Rate
Applewood Villas*	50	0	4	0	0.0%	32	0	0.0%	14	0	0.0%			
Clemson Ridge	120	10				60	4	6.7%	60	6	10.0%			
Crescent Pointe	144	7	38	2	5.3%	70	3	4.3%	36	2	5.6%			
Keoway Village	80	2	30	1	3.3%	40	1	2.5%	10	0	0.0%			
Seneca Heights*	39	0				4	0	0.0%	31	0	0.0%	4	0	0.0%
Total	433	19												
Total Reporting Breakdown	433	19	72	3	4.2%	206	8	3.9%	151	8	5.3%	4	0	0.0%

LIHTC General Occupancy Community*

Source: Field Survey, Real Property Research Group, Inc. March, 2015

Table 23 Historical LIHTC Occupancy

Community	City	County	Total Units	6/30/2014		12/31/2014		Avg. Occupancy	Type
				Occupied Units	Occupancy Rate	Occupied Units	Occupancy Rate		
Applewood Villas	Seneca	Oconee	50	45	90.00%	45	90.00%	90.00%	Family
Seneca Heights	Seneca	Oconee	39	39	100.00%	38	97.44%	98.72%	Family
Seneca Gardens*	Seneca	Oconee	76	76	100.00%	76	100.00%	100.00%	Family
Grand Total			165	160	96.97%	159	96.36%	96.67%	

LIHTC/Deep Subsidy Community*

Source: SC Public Analysis 2014



Table 24 LIHTC Occupancy Rate

LIHTC Communities					
Community	City	County	Total Units	Occupied Units	Occupancy Rate
Applewood Villas	Seneca	Oconee	50	50	100.00%
Seneca Heights	Seneca	Oconee	39	39	100.00%
Seneca Gardens*	Seneca	Oconee	76	N/A	N/A
Grand Total			89	89	100.00%

LIHTC/Deep Subsidy Community*

Source: Field Survey, Real Property Research Group, Inc. March 2015.

D. Analysis of Rental Pricing and Product

1. Payment of Utility Costs

Among the surveyed communities, one includes the cost of water/sewer and trash removal and four include only the cost of trash removal in the price of rent (Table 25). Hunter Oaks will include the cost of water/sewer and trash removal.

2. Unit Features

All surveyed communities offer units with kitchens equipped with stoves, refrigerators, and dishwashers. Three of the communities also include microwave ovens and four of five communities include washer/dryer connections. Hunter Oaks will be competitive with surveyed rental communities as features will include a dishwasher, a microwave, ceiling fans, washer and dryer connections, and a patio/balcony.

3. Parking

All surveyed comparable communities include free surface parking. Crescent Pointe offers detached garages for \$75 per month.

4. Community Amenities

The most common amenities are a playground (all properties), a clubhouse/community room (four properties), and a business/computer center (four properties). A swimming pool and fitness center are offered at three properties each (Table 26). A swimming pool is only offered at market rate communities. Hunter Oaks will include a community room, computer room, playground, laundry room, and gazebo. These amenities are comparable to existing communities in the market area, including the two LIHTC communities.



Table 25 Utilities and Unit Features– Surveyed Rental Communities

Community	Heat Type	Utilities Included in Rent						Dish-washer	Micro-wave	Parking	In-Unit Laundry
		Heat	Hot Water	Cooking	Electric	Water	Trash				
Subject	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups
Crescent Pointe	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	Hook Ups
Clemson Ridge	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups
Keoway Village	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	
Applewood Villas	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups
Seneca Heights	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups

Source: Field Survey, Real Property Research Group, Inc. March 2015.

Table 26 Community Amenities – Surveyed Rental Communities

Community	Clubhouse	Fitness Room	Pool	Playground	Tennis Court	Business Center	Gated Entry
Subject	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Crescent Pointe	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Clemson Ridge	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Keoway Village	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Applewood Villas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Seneca Heights	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Source: Field Survey, Real Property Research Group, Inc. March 2015.

5. Distribution of Units by Bedroom Type

Full unit distributions were available for all surveyed communities. Two bedroom units account for 47.6 percent of surveyed units and 34.9 percent are three bedroom units. Only 16.6 percent of units had one bedroom (Table 27).

6. Effective Rents

Unit rents presented in Table 27 are net or effective rents, as opposed to street or advertised rents. To arrive at effective rents, we apply downward adjustments to street rents at some communities in order to control for current rental incentives. The net rents further reflect adjustments to street rents to equalize the impact of utility expenses across complexes. Specifically, the net rents represent the



hypothetical situation where water/sewer and trash removal is included in monthly rents at all communities, with tenants responsible for other utility costs (electricity, heat, hot water, and cooking fuel).

Among all surveyed rental communities, net rents, unit sizes, and rents per square foot are as follows:

- **Two bedroom** units reported an average net rent of \$575 with a range from \$410 to \$783 per month. The average unit size is 973 square feet, which results in an average net rent per square foot of \$0.59.
- **Three bedroom** units reported an average net rent of \$620 with a range from \$450 to \$870 per month. The average unit size is 1,177 square feet, which results in an average net rent per square foot of \$0.53.

The average rents include market rents and LIHTC units at multiple AMI levels including 50 percent and 60 percent AMI. The proposed rents are higher than comparable LIHTC rents in the market area but are well below the top of the market. Although the proposed 50 percent and 60 percent rents are much higher than comparable rents at Seneca Heights, the newest LIHTC community in the market area, rents at this community are considered artificially low due to past QAP scoring/tiebreaker criteria. Our experience was that many developers set rents well below achievable levels for point scoring purposes. Both LIHTC communities are one hundred percent occupied with waiting lists, indicating they could likely achieve higher rents.

Table 27 Salient Characteristics, Surveyed Rental Communities

Community	Type	Total Units	One Bedroom Units				Two Bedroom Units				Three Bedroom Units			
			Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
Subject 50% AMI	Gar	12					10	\$485	1,078	\$0.45	2	\$553	1,206	\$0.46
Subject 60% AMI	Gar	48					30	\$575	1,078	\$0.53	18	\$655	1,206	\$0.54
Crescent Pointe	Gar	144	38	\$673	742	\$0.91	70	\$783	1,062	\$0.74	36	\$870	1,246	\$0.70
Clemson Ridge	Gar	120					60	\$775	988	\$0.78	60	\$859	1,128	\$0.76
Keoway Village	Gar	80	30	\$495	772	\$0.64	40	\$545	987	\$0.55	10	\$595	1,067	\$0.56
Applewood Villas* 60% AMI	TH	31	2	\$355	600	\$0.59	21	\$519	800	\$0.65	8	\$592	1,060	\$0.56
Applewood Villas* 50% AMI	TH	19	2	\$349	600	\$0.58	11	\$419	800	\$0.52	6	\$499	1,060	\$0.47
Seneca Heights* 60% AMI	TH	29									25	\$475	1,340	\$0.35
Seneca Heights* 50% AMI	TH	10					4	\$410	1,200	\$0.34	6	\$450	1,340	\$0.34
Total/Average		433		\$468	679	\$0.69		\$575	973	\$0.59		\$620	1,177	\$0.53
Unit Distribution		433	72				206				151			
% of Total		100.0%	16.6%				47.6%				34.9%			

Tax Credit Communities*

(1) Rent is adjusted to include only Water/Sewer and Trash and incentives

Source: Field Survey, Real Property Research Group, Inc. March 2015.

E. Housing Authority Data / Subsidized Housing List

The Section 8 Housing Assistance program for Seneca and Oconee County is administered by the South Carolina Regional Housing Authority #1. The housing authority manages 226 public housing units in Oconee County and has a waiting list of 6 to 12 months. We do not know the exact number of vouchers administered in Oconee County but historically the waiting lists are long. As the subject property will not include project based rental assistance, this information would not affect the conclusions of this analysis. A list of all subsidized communities in the market area is detailed in Table 28 and the location relative to the site is shown on Map 7.

Table 28 Subsidized Rental Communities, Hunter Oaks Market Area

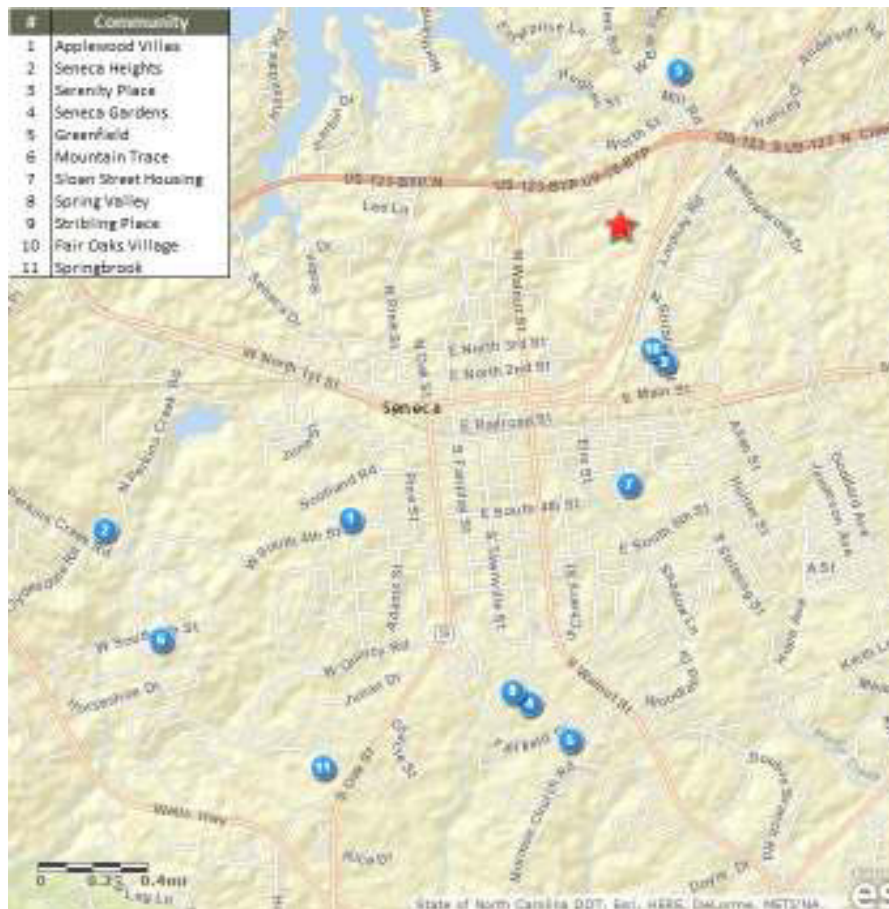
Community	Subsidy	Type	Address	City
Applewood Villas	LIHTC	Family	410 W South 4th St.	Seneca
Seneca Heights	LIHTC	Family	336 Maple Grove Rd.	Seneca
Serenity Place	LIHTC	Senior	117 Northside Cir.	Seneca
Seneca Gardens	LIHTC/Section 8	Family	819 Laing Ct.	Seneca
Greenfield	Section 8	Family	1096 Fairfield Dr.	Seneca
Mountain Trace	Section 8	Family	1000 Hillsborough Rd.	Seneca
Sloan Street Housing	Section 8	Senior	135 Seniors Way	Seneca
Spring Valley	Section 8	Senior	110 Field Village Dr.	Seneca
Stribling Place	Section 8	Senior	115 N Stribling St.	Seneca
Fair Oaks Village	USDA	Family	1200 Fair Oaks Cir.	Seneca
Springbrook	USDA	Family	115 Dalton Rd.	Seneca

Source: SCHFDA, HUD, USDA

F. Potential Competition from For-Sale Housing and Scattered Site Rentals

Given the low proposed rents and income ranges targeted, we do not believe for-sale housing will compete with Hunter Oaks.

Map 7 Subsidized Rental Communities, Hunter Oaks Market Area





G. Proposed and Under Construction Rental Communities

According to planning officials with the City of Seneca and Oconee County, no new multi-family rental communities are planned in the Hunter Oaks Market Area.

H. Estimate of Market Rent

To better understand how the proposed rents compare with the rental market, rents of the most comparable communities are adjusted for a variety of factors including curb appeal, square footage, utilities, and amenities. The adjustments made in this analysis are broken down into four classifications. These classifications and an explanation of the adjustments made follows:

- Rents Charged – current rents charged, adjusted for utilities and incentives, if applicable.
- Design, Location, Condition – adjustments made in this section include:
 - Building Design - An adjustment was made, if necessary, to reflect the attractiveness of the proposed product relative to the comparable communities above and beyond what is applied for year built and/or condition (Table 32).
 - Year Built/Rehabbed - We applied a value of \$0.75 for each year newer a property is relative to a comparable.
 - Condition and Neighborhood – We rated these features on a scale of 1 to 5 with 5 being the most desirable. An adjustment of \$20 per variance was applied for condition as this factor is also accounted for in “year built.” The Neighborhood or location adjustment was also \$20 per numerical variance.
 - Square Footage - Differences between comparables and the subject property are accounted for by an adjustment of \$0.25 per foot.
- Unit Equipment/Amenities – Adjustments were made for amenities included or excluded at the subject property. The exact value of each specific value is somewhat subjective as particular amenities are more attractive to certain renters and less important to others. Adjustment values were between \$5 and \$25 for each amenity. Adjustments of \$75 per bedroom and \$30 per bathroom were applied where applicable.
- Site Equipment – Adjustments were made in the same manner as with the unit amenities. Adjustment values were between \$5 and \$10 for each amenity.

According to our adjustment calculations, the estimated market rents for the units at Hunter Oaks are \$767 for two bedroom units (Table 29), and \$850 for three bedroom units (Table 30). The proposed 50 percent rents result in market advantages of 34.9 percent and 36.7 percent. Market advantages for the 60 percent units are 22.9 percent and 25.0 percent. The overall weighted average market advantage is 26.60 percent (Table 31). The maximum achievable/restricted rent for LIHTC units would be LIHTC maximums.



Table 29 Estimate of Market Rent, Two Bedroom Units

Two Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
Hunter Oaks E North 1st Street Seneca, Oconee County	Clemson Ridge 116 Northwoods Dr. Seneca Oconee		Crescent Pointe 1500 S Oak St. Seneca Oconee		Keoway Village 50 Keoway Drive Seneca Oconee		
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent	\$575	\$755	\$0	\$763	\$0	\$545	\$0
Utilities Included	W,S,T	T	\$20	T	\$20	W,S,T	\$0
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$575	\$775		\$783		\$545	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Garden / 3	Garden / 3	\$0	Garden / 3	\$0	Garden / 2	\$0
Year Built / Condition	2016	1998	\$14	2003	\$10	1972	\$33
Quality/Street Appeal	Above Average	Average	\$20	Average	\$20	Below Average	\$40
Location	Average	Average	\$0	Average	\$0	Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	2	2	\$0	2	\$0	2	\$0
Number of Bathrooms	2	2	\$0	2	\$0	1	\$30
Unit Interior Square Feet	1,078	988	\$23	1,062	\$4	987	\$23
Balcony / Patio / Porch	Yes	Yes	\$0	Yes	\$0	No	\$5
AC Type:	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	No / Yes	\$5	No / Yes	\$5
Washer / Dryer: In Unit	No	No	\$0	No	\$0	No	\$0
Washer / Dryer: Hook-ups	Yes	Yes	\$0	Yes	\$0	No	\$5
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	Free Surface	Free Surface	\$0	Free Surface	\$0	Free Surface	\$0
Club House	Yes	Yes	\$0	Yes	\$0	No	\$10
Pool	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	No	Yes	(\$10)	Yes	(\$10)	No	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		3	2	4	2	8	1
Sum of Adjustments B to D		\$57	(\$20)	\$39	(\$20)	\$151	(\$10)
F. Total Summary							
<i>Gross Total Adjustment</i>		\$77		\$59		\$161	
<i>Net Total Adjustment</i>		\$37		\$19		\$141	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$812		\$802		\$686	
% of Effective Rent		104.8%		102.4%		125.9%	
Estimated Market Rent	\$767						
Rent Advantage \$	\$192						
Rent Advantage %	25.0%						



Table 30 Estimate of Market Rent, Three Bedroom Units

Three Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
Hunter Oaks E North 1st Street Seneca, Oconee County	Clemson Ridge 116 Northwoods Dr. Seneca Oconee		Crescent Pointe 1500 S Oak St. Seneca Oconee		Keoway Village 50 Keoway Drive Seneca Oconee		
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent	\$655	\$834	\$0	\$845	\$0	\$595	\$0
Utilities Included	W,S,T	T	\$25	T	\$25	W,S,T	\$0
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$655	\$859		\$870		\$595	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Garden / 3	Garden / 3	\$0	Garden / 3	\$0	Garden / 2	\$0
Year Built / Condition	2016	1998	\$14	2003	\$10	1972	\$33
Quality/Street Appeal	Above Average	Average	\$20	Average	\$20	Below Average	\$40
Location	Average	Average	\$0	Average	\$0	Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	3	3	\$0	3	\$0	3	\$0
Number of Bathrooms	2	2	\$0	2	\$0	1.5	\$15
Unit Interior Square Feet	1,206	1,128	\$20	1,050	\$39	1,067	\$35
Balcony / Patio / Porch	Yes	Yes	\$0	Yes	\$0	No	\$5
AC: (C)entral / (W)all / (N)one	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	No / Yes	\$5	No / Yes	\$5
Washer / Dryer: In Unit	No	No	\$0	No	\$0	No	\$0
Washer / Dryer: Hook-ups	Yes	Yes	\$0	Yes	\$0	No	\$5
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	Free Surface	Free Surface	\$0	Free Surface	\$0	Free Surface	\$0
Club House	Yes	Yes	\$0	Yes	\$0	No	\$10
Pool	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	No	Yes	(\$10)	Yes	(\$10)	No	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		3	2	4	2	8	1
Sum of Adjustments B to D		\$54	(\$20)	\$74	(\$20)	\$148	(\$10)
F. Total Summary							
<i>Gross Total Adjustment</i>		\$74		\$94		\$158	
<i>Net Total Adjustment</i>		\$34		\$54		\$138	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$893		\$924		\$733	
% of Effective Rent		104.0%		106.2%		123.2%	
Estimated Market Rent	\$850						
Rent Advantage \$	\$195						
Rent Advantage %	22.9%						



Table 31 Rent Advantage Summary

50% AMI Units	Two Bedroom	Three Bedroom
Subject Rent	\$485	\$553
Estimated Market Rent	\$767	\$850
Rent Advantage (\$)	\$282	\$297
Rent Advantage (%)	36.7%	34.9%
Proposed Units	10	2
60% AMI Units	Two Bedroom	Three Bedroom
Subject Rent	\$575	\$655
Estimated Market Rent	\$767	\$850
Rent Advantage (\$)	\$192	\$195
Rent Advantage (%)	25.0%	22.9%
Proposed Units	30	18
Weighted Average		26.60%

Table 32 Estimate of Market Rent Adjustments Summary

Rent Adjustments Summary	
B. Design, Location, Condition	
Structure / Stories	
Year Built / Condition	\$0.75
Quality/Street Appeal	\$20.00
Location	\$20.00
C. Unit Equipment / Amenities	
Number of Bedrooms	\$75.00
Number of Bathrooms	\$30.00
Unit Interior Square Feet	\$0.25
Balcony / Patio / Porch	\$5.00
AC Type:	\$5.00
Range / Refrigerator	\$25.00
Microwave / Dishwasher	\$5.00
Washer / Dryer: In Unit	\$25.00
Washer / Dryer: Hook-ups	\$5.00
D. Site Equipment / Amenities	
Parking (\$ Fee)	
Club House	\$10.00
Pool	\$10.00
Recreation Areas	\$5.00
Fitness Center	\$10.00

8. FINDINGS AND CONCLUSIONS

A. Key Findings

Based on the preceding review of the subject project, demographic and competitive housing trends in the Hunter Oaks Market Area, RPRG offers the following key findings:

1. Site and Neighborhood Analysis

Hunter Oaks is located in an established neighborhood in northeast Seneca.

- The neighborhood surrounding the proposed site for Hunter Oaks includes a mixture of land uses including commercial and residential uses common within one-half mile. Single-family detached homes are the most prominent residential use within one-half mile of the site.
- The subject site is located within one-half mile of numerous commercial uses including grocery stores, shopping, banks, medical services, and a restaurant.
- The subject site is appropriate for the proposed use and is comparable with existing multi-family rental communities in the market area.

2. Economic Context

Oconee County's economy suffered job loss and increased unemployment rates through the recent national recession and prolonged economic downturn, but has shown signs of recovery with job gains exceeding losses incurred during the downturn and a decreasing unemployment rate in each of the past five years.

- Oconee County's unemployment rate nearly doubled from 6.8 percent in 2007 to 13.5 percent in 2009 during the national recession. The county's unemployment rate has decreased each year since 2009 with an annual unemployment rate of 6.3 percent in 2014, comparable to state and national unemployment rates of 6.0 percent and 6.2 percent, respectively.
- Oconee County's At-Place Employment has been cyclical since 2000. Following a loss of 3,675 total jobs from 2000 to 2006, the county added jobs for two years before losing 1,294 jobs in 2009 during the height of the national recession and prolonged economic downturn. The county has since experienced growth of 1,749 net jobs between 2010 and the second quarter of 2014.
- Oconee County's largest economic sectors are Manufacturing (24.7 percent), Trade-Transportation-Utilities (21.1 percent), and Government (18.1 percent). These three sectors account for 63.9 percent of the jobs in Oconee County and only 43.7 percent of jobs in the nation. The county has a much lower percentage of jobs in the Education-Health, Professional-Business, and Financial Activities sectors.
- According to various media reports, three new companies and four expansions have been announced since late 2013. Combined, these seven companies will add an estimated 362 jobs. Two additional expansions, Michelin North America and a mixed-use development in eastern Seneca, have not officially been announced but could create an additional 470 jobs in Oconee County.

3. Growth Trends

Both the Hunter Oaks Market Area and Oconee County grew steadily between the 2000 and 2010 census counts with the market area's growth rate outpacing the county's rate of growth. Growth rates



in both areas are projected to continue through 2017 with the market area's growth rate outpacing the county's.

- Between 2000 and 2010 Census counts, the population of the Hunter Oaks Market Area increased by 18.2 percent, rising from 21,937 to 25,923 people. The annual increase during this decade was 399 people or 1.7 percent. During the same time period, the number of households in the Hunter Oaks Market Area increased by 17.8 percent from 9,113 to 10,734 households with annual increases of 162 households or 1.7 percent.
- Between 2014 and 2017, the market area is projected to have annual increases of 212 people (0.8 percent) and 87 households (0.8 percent). The county's annual growth is projected at 0.6 percent for both population and households.

4. Demographic Trends

Compared to the county, the market area is younger, more likely to rent, and less affluent.

- The median age of the population is 40 in the market area and 43 in the county. Adults age 35-61 comprise the largest cohort in both areas.
- Renters are more common in the market area than the county as the 2014 renter percentages were estimated at 33.9 percent in the Hunter Oaks Market Area and 24.9 percent in Oconee County. Between the 2000 and 2010 census counts, renter households accounted for 65.4 percent of the household growth in the market area. The renter percentage is expected to increase to 36.2 percent in the market area by 2017.
- Working age households form the core of the market area's renters, as 55.1 percent of renter occupied households are between the ages of 25 and 54. Young renters (under 25) in the Hunter Oaks Market Area comprise 17.3 percent of renters in the market area and older adults age 55+ account for 27.6 percent of all market area renters.
- RPRG estimates that the 2014 median household income in the Hunter Oaks Market Area is \$41,293, which is \$1,837 or 4.3 percent lower than the \$43,130 median in Oconee County.
- The market area's median income by tenure in 2014 is estimated at \$25,752 for renter households and \$55,333 for owner households. Among renter households, 48.7 percent earn less than \$25,000 and 28.4 percent earn \$25,000 to \$49,999.

5. Competitive Housing Analysis

The market area's surveyed multi-family rental market is performing well including two LIHTC communities that are fully occupied with waiting lists.

- The surveyed communities combined for 19 vacancies among 433 units, a rate of 4.4 percent. The LIHTC communities had zero vacancies among 89 total units and both had a waiting list. Vacancy rates by floorplan were 4.2 percent for one bedroom units, 3.9 percent for two bedroom units, and 5.3 percent for three bedroom units.
- The overall average historic vacancy rate among the Hunter Oaks Market Area's LIHTC communities was 3.3 percent for the second and fourth quarter of 2014.
- Among the all surveyed rental communities, net rents, unit sizes, and rents per square foot are as follows:
 - **Two bedroom** rents average \$575 for 973 square feet or \$0.59 per square foot.
 - **Three bedroom** rents average \$620 for 1,177 square feet or \$0.53 per square foot.



- The proposed rents are higher than comparable LIHTC rents in the market area but are well below the top of the market. Although the proposed 50 percent and 60 percent rents are much higher than comparable rents at Seneca Heights, the newest LIHTC community in the market area, rents at this community are considered artificially low due to past QAP scoring/tiebreaker criteria. Our experience was that many developers set rents well below achievable levels for point scoring purposes. Both LIHTC communities are one hundred percent occupied with waiting lists, indicating they could likely achieve higher rents.
- The estimated market rents for the units at Hunter Oaks are \$767 for two bedroom units and \$850 for three bedroom units. The proposed 50 percent rents result in market advantages of at least 34 percent and 60 percent units have market advantages of at least 22 percent. The overall weighted average market advantage is 26.60 percent.
- No new multi-family rental communities are planned in the Hunter Oaks Market Area.

B. Affordability Analysis

1. Methodology

The Affordability Analysis tests the percent of income-qualified households in the Hunter Oaks Market Area that the subject property must capture in order to achieve full occupancy.

The first component of the Affordability Analyses involves looking at the total household income distribution and renter household income distribution among primary market area households for the target year of 2016. RPRG calculated the income distribution for both total households and renter households based on the relationship between owner and renter household incomes by income cohort from the 2009-2013 American Community Survey along with estimates and projected income growth by Esri (Table 33).

A particular housing unit is typically said to be affordable to households that would be expending a certain percentage of their annual income or less on the expenses related to living in that unit. In the case of rental units, these expenses are generally of two types – monthly contract rents paid to landlords and payment of utility bills for which the tenant is responsible. The sum of the contract rent and utility bills is referred to as a household's 'gross rent burden'. For this analysis, RPRG employs a 35 percent gross rent burden.

The proposed LIHTC units at Hunter Oaks will target renter households earning up to 50 percent and 60 percent of the Area Median Income (AMI), adjusted for household size. Maximum income limits are derived from 2015 Oconee County, SC Income Limits and are based on an average of 1.5 persons per bedroom. Rent and income limits are detailed in Table 34 on the following page.



Table 33 2016 Income Distribution by Tenure

Hunter Oaks Market Area		Total Households		Renter Households	
		#	%	#	%
less than	\$15,000	2,092	18.6%	1,166	28.8%
	\$15,000 - \$24,999	1,365	12.1%	761	18.8%
	\$25,000 - \$34,999	1,383	12.3%	698	17.2%
	\$35,000 - \$49,999	1,369	12.1%	452	11.2%
	\$50,000 - \$74,999	1,871	16.6%	648	16.0%
	\$75,000 - \$99,999	1,439	12.8%	137	3.4%
	\$100,000 - \$149,999	1,029	9.1%	158	3.9%
	\$150,000 Over	721	6.4%	32	0.8%
Total		11,269	100%	4,052	100%
Median Income		\$43,714		\$26,416	

Source: American Community Survey 2009-2013 Projections, RPRG, Inc.

Table 34 LIHTC Income and Rent Limits

HUD 2015 Median Household Income Oconee County, SC \$48,000 Very Low Income for 4 Person Household \$25,700 2015 Computed Area Median Gross Income \$51,400 Utility Allowance: 2 Bedroom \$93 3 Bedroom \$115										
LIHTC Household Income Limits by Household Size:										
	Household Size	30%	40%	50%	60%	80%	100%	150%		
	1 Person	\$10,800	\$14,400	\$18,000	\$21,600	\$28,800	\$36,000	\$54,000		
	2 Persons	\$12,360	\$16,480	\$20,600	\$24,720	\$32,960	\$41,200	\$61,800		
	3 Persons	\$13,890	\$18,520	\$23,150	\$27,780	\$37,040	\$46,300	\$69,450		
	4 Persons	\$15,420	\$20,560	\$25,700	\$30,840	\$41,120	\$51,400	\$77,100		
	5 Persons	\$16,680	\$22,240	\$27,800	\$33,360	\$44,480	\$55,600	\$83,400		
	6 Persons	\$17,910	\$23,880	\$29,850	\$35,820	\$47,760	\$59,700	\$89,550		
Imputed Income Limits by Number of Bedrooms:										
Assumes 1.5 persons per bedroom	Persons	Bedrooms	30%	40%	50%	60%	80%	100%	150%	
	1	0	\$10,800	\$14,400	\$18,000	\$21,600	\$28,800	\$36,000	\$54,000	
	1.5	1	\$11,580	\$15,440	\$19,300	\$23,160	\$30,880	\$38,600	\$57,900	
	3	2	\$13,890	\$18,520	\$23,150	\$27,780	\$37,040	\$46,300	\$69,450	
	4.5	3	\$16,050	\$21,400	\$26,750	\$32,100	\$42,800	\$53,500	\$80,250	
	6	4	\$17,910	\$23,880	\$29,850	\$35,820	\$47,760	\$59,700	\$89,550	
LIHTC Tenant Rent Limits by Number of Bedrooms:										
<i>Assumes 1.5 Persons per bedroom</i>										
# Persons	30%		40%		50%		60%		80%	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
2 Bedroom	\$347	\$254	\$463	\$370	\$578	\$485	\$694	\$601	\$926	\$833
3 Bedroom	\$401	\$286	\$535	\$420	\$668	\$553	\$802	\$687	\$1,070	\$955

Source: U.S. Department of Housing and Urban Development



2. Affordability Analysis

The steps in the affordability analysis (Table 35) are as follows:

- Looking at the two bedroom units at 50 percent AMI, the overall shelter cost at the proposed rent would be \$578 (\$485 net rent plus a \$93 allowance to cover all utilities except water, sewer, and trash removal).
- By applying a 35 percent rent burden to this gross rent, we determined that a 50 percent two bedroom unit would be affordable to households earning at least \$19,817 per year. A projected 8,520 households in the market area will earn at least this amount in 2016.
- Based on an average household size of 1.5 persons per bedroom, the maximum income limit for a two bedroom unit at 50 percent of the AMI is \$23,150. According to the interpolated income distribution for 2016, 8,065 households in the Hunter Oaks Market Area will have incomes exceeding this 50 percent LIHTC income limit.
- Subtracting the 8,065 households with incomes above the maximum income limit from the 8,520 households that could afford to rent this unit, RPRG computes that an estimated 455 households in the Hunter Oaks Market Area fall within the band of affordability for the subject's two bedroom units at 50 percent AMI. The subject property would need to capture 2.2 percent of these income-qualified households to absorb the proposed two bedroom units at 50 percent AMI.
- RPRG next tested the range of qualified households that are currently renters and determined that 2,519 renter households can afford to rent a two bedroom 50 percent unit at the subject property. Of these, 2,265 have incomes above our maximum income of \$23,150. The net result is 254 renter households within the income band. To absorb the proposed 50 percent two bedroom units, the subject property would need to capture 3.9 percent of income-qualified renter households.
- Using the same methodology, we determined the band of qualified households for the remaining floor plan types and income levels offered at the community. We also computed the capture rates for all units. The remaining renter capture rates by floor plan range from 0.7 percent to 8.5 percent.
- By income level, renter capture rates are 2.3 percent for 50 percent units, 7.3 percent for 60 percent units, and 6.7 percent for all units.

All of these capture rates are within reasonable and achievable levels, indicating sufficient income qualified renter households exist in the Hunter Oaks Market Area to support the 60 units proposed at Hunter Oaks.



Table 35 Affordability Analysis for Hunter Oaks

50% Units		Two Bedroom		Three Bedroom	
		Min.	Max.	Min.	Max.
Number of Units		10		2	
Net Rent		\$485		\$553	
Gross Rent		\$578		\$668	
% Income for Shelter		35%		35%	
Income Range (Min, Max)		\$19,817	\$23,150	\$22,903	\$26,750
Total Households					
Range of Qualified Hslds		8,520	8,065	8,099	7,571
# Qualified Households		455		528	
Total HH Capture Rate		2.2%		0.4%	
Renter Households					
Range of Qualified Hhlds		2,519	2,265	2,284	2,003
# Qualified Hhlds		254		282	
Renter HH Capture Rate		3.9%		0.7%	
60% Units		Two Bedroom		Three Bedroom	
Number of Units		30		18	
Net Rent		\$575		\$655	
Gross Rent		\$668		\$770	
% Income for Shelter		35%		35%	
Income Range (Min, Max)		\$22,903	\$27,780	\$26,400	\$32,100
Total Households					
Range of Qualified Hslds		8,099	7,428	7,619	6,831
# Qualified Households		671		788	
Unit Total HH Capture Rate		4.5%		2.3%	
Renter Households					
Range of Qualified Hhlds		2,284	1,931	2,027	1,629
# Qualified Hhlds		354		398	
Renter HH Capture Rate		8.5%		4.5%	

Income Target	Units	All Households = 11,269					Renter Households = 4,052			
			Band of Qualified Hhlds		# Qualified HHs	Capture Rate	Band of Qualified Hhlds		# Qualified HHs	Capture Rate
50% Units	12	Income Households	\$19,817	\$26,750	949	1.3%	\$19,817	\$26,750	516	2.3%
60% Units	48	Income Households	\$22,903	\$32,100	1,268	3.8%	\$22,903	\$32,100	655	7.3%
Total Units	60	Income Households	\$19,817	\$32,100	1,689	3.6%	\$19,817	\$32,100	890	6.7%

Source: 2010 U.S. Census, Esri, Estimates, RPRG, Inc.



C. Derivation of Demand

1. Demand Methodology

The South Carolina State Housing Finance and Development Authority’s LIHTC demand methodology for general occupancy communities consists of three components:

- The first component of demand is household growth. This number is the number of income qualified renter households projected to move into the Hunter Oaks Market Area between the base year of 2014 and 2017.
- The second component of demand is income qualified renter households living in substandard households. “Substandard” is defined as having more than 1.01 persons per room and/or lacking complete plumbing facilities. According to 2009-2013 American Community Survey (ACS) data, 3.9 percent of the rental units in the Hunter Oaks Market Area are “substandard” (Table 36).
- The third and final component of demand is cost burdened renters, which is defined as those renter households paying more than 35 percent of household income for housing costs. According to ACS data, 50.1 percent of Hunter Oaks Market Area renter households are categorized as cost burdened.

Table 36 Substandard and Cost Burdened Calculations, Hunter Oaks

Rent Cost Burden			Substandardness	
Total Households	#	%	Total Households	
Less than 10.0 percent	96	2.7%	Owner occupied:	
10.0 to 14.9 percent	92	2.6%	Complete plumbing facilities:	7,068
15.0 to 19.9 percent	468	13.4%	1.00 or less occupants per room	6,991
20.0 to 24.9 percent	329	9.4%	1.01 or more occupants per room	77
25.0 to 29.9 percent	348	9.9%	Lacking complete plumbing facilities:	0
30.0 to 34.9 percent	280	8.0%	Overcrowded or lacking plumbing	77
35.0 to 39.9 percent	254	7.3%	Renter occupied:	
40.0 to 49.9 percent	338	9.6%	Complete plumbing facilities:	3,503
50.0 percent or more	1,025	29.3%	1.00 or less occupants per room	3,368
Not computed	273	7.8%	1.01 or more occupants per room	135
Total	3,503	100.0%	Lacking complete plumbing facilities:	0
			Overcrowded or lacking plumbing	135
			Substandard Housing	212
			% Total Stock Substandard	2.0%
			% Rental Stock Substandard	3.9%
> 35% income on rent	1,617	50.1%		

Source: American Community Survey 2009-2013

2. Demand Analysis

Directly comparable units built or approved in the Hunter Oaks Market Area since the base year are subtracted from the demand estimates. No such communities exist in the market area.



The overall demand capture rates are 4.3 percent for 50 percent units, 13.4 percent for 60 percent units, and 12.4 percent for the project as a whole (Table 37). By floor plan, capture rates range from 1.3 percent to 15.6 percent (Table 38). All of these capture rates are well within the range of acceptability.

Table 37 Demand by AMI Level

<i>Income Target</i>	50% Units	60% Units	Total Units
<i>Minimum Income Limit</i>	\$19,817	\$22,903	\$19,817
<i>Maximum Income Limit</i>	\$26,750	\$32,100	\$32,100
<i>(A) Renter Income Qualification Percentage</i>	12.7%	16.2%	22.0%
Demand from New Renter Households <i>Calculation: (C-B) * A</i>	12	15	20
Plus			
Demand from Substandard Housing <i>Calculation: B * D * F * A</i>	19	24	33
Plus			
Demand from Rent Over-burdened Households <i>Calculation: B * E * F * A</i>	251	318	432
Equals			
Total PMA Demand	282	357	485
Less			
Comparable Units	0	0	0
Equals			
Net Demand	282	357	485
Proposed Units	12	48	60
Capture Rate	4.3%	13.4%	12.4%

Table 38 Demand by Floor Plan

Two Bedroom Units	50% Units	60% Units	Total Units
<i>Minimum Income Limit</i>	\$19,817	\$22,903	\$19,817
<i>Maximum Income Limit</i>	\$23,150	\$27,780	\$27,780
<i>Renter Income Qualification Percentage</i>	6.3%	8.7%	14.5%
Total Demand	138	193	321
Supply	0	0	0
Net Demand	138	193	321
Units Proposed	10	30	40
Capture Rate	7.2%	15.6%	12.5%

Three Bedroom Units	50% Units	60% Units	Total Units
<i>Minimum Income Limit</i>	\$22,903	\$26,400	\$22,903
<i>Maximum Income Limit</i>	\$26,750	\$32,100	\$32,100
<i>Renter Income Qualification Percentage</i>	7.0%	9.8%	16.2%
Total Demand	154	217	357
Supply	0	0	0
Net Demand	154	217	357
Units Proposed	2	18	20
Capture Rate	1.3%	8.3%	5.6%

Demand by floor plan is based on gross demand multiplied by each floor plan's



D. Target Markets

With two and three bedroom units targeting households earning up to 50 percent and 60 percent of AMI, Hunter Oaks will target a wide range of renter households including couples, roommates, and families. The income target will include low to moderate income renters.

E. Product Evaluation

Considered in the context of the competitive environment and in light of the planned development, the relative position of Hunter Oaks is as follows:

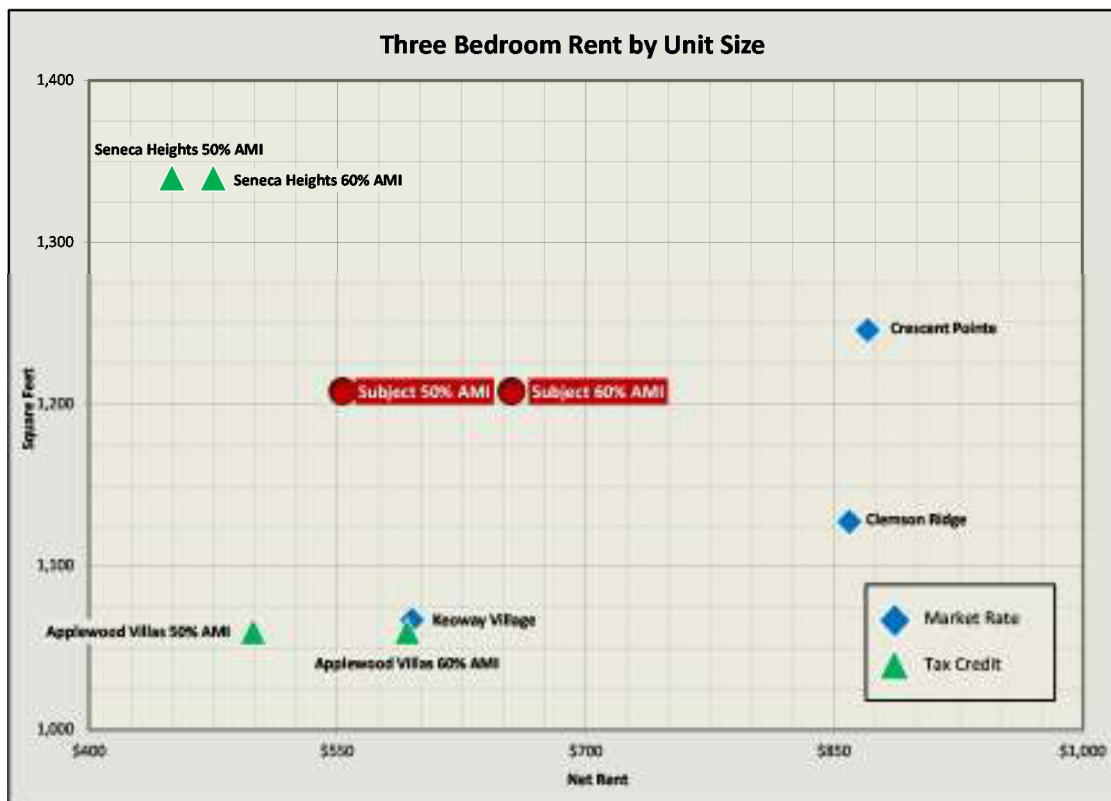
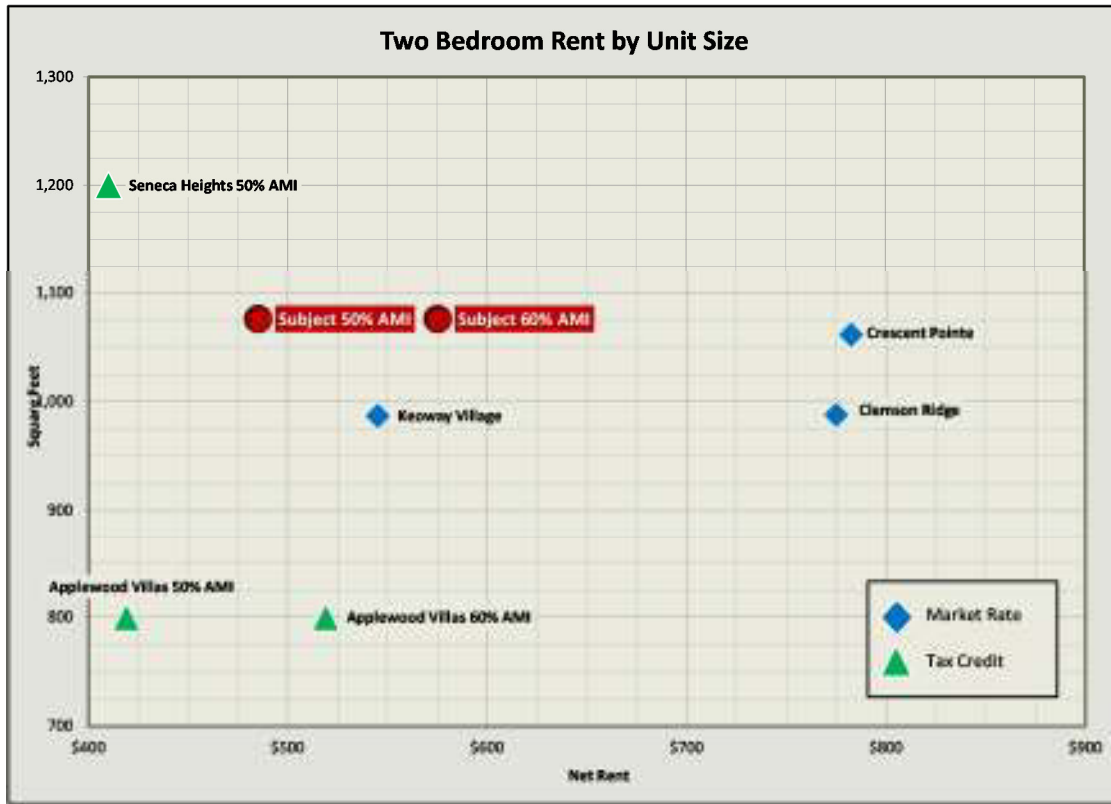
- **Site:** The subject site is appropriate for the proposed development. The subject's neighborhood includes both commercial and residential uses within one-half mile of the site. Amenities within one-half mile of the subject site include shopping, medical services, banks, public transportation, and restaurants. The subject site is comparable with existing LIHTC communities in the market area.
- **Unit Distribution:** The unit mix at the subject property will include 40 two-bedroom units and 20 three-bedroom units. Both two and three bedroom units are common in the market area – representing 47.6 percent and 34.9 percent of surveyed units, respectively. The proposed unit distribution is appropriate and will appeal to a range of households.
- **Unit Size:** The proposed unit sizes of 1,078 square feet for two bedroom units and 1,206 square feet for three bedroom units are both larger than averages in the market area. The proposed two bedroom units will be over 100 square feet larger than the market average and will be comparable to the highest priced market rate community (Crescent Pointe). The proposed three bedroom size will be approximately 30 square feet larger than the market average.
- **Unit Features:** The newly constructed units at Hunter Oaks will offer kitchens with new energy star appliances (refrigerator/freezer with ice maker, dishwasher, and microwave), stove with exhaust fan, and garbage disposal. In addition, all units will include ceiling fans, washer/dryer connections, patios/balconies, central heating and air conditioning, and window blinds. The proposed unit features at Hunter Oaks will be competitive with the existing rental stock in the market area, including properties funded with tax credits.
- **Community Amenities:** Hunter Oaks' amenity package will include a community room, playground, gazebo, computer center, and laundry room which will be competitive with the Hunter Oaks Market Area's existing rental stock, including the two LIHTC communities.
- **Marketability:** The proposed units at Hunter Oaks will be well received in the market area. The proposed rents are reasonable and appropriate given the product to be constructed. All units will have at least a 22 percent rent advantage.

F. Price Position

As shown in Figure 8, the proposed rents are higher than comparable LIHTC rents in the market area but are well below the top of the market. The proposed 60 percent rents are positioned between the existing LIHTC rents and the higher priced market rate communities. Although the proposed 50 percent and 60 percent rents are much higher than comparable rents at Seneca Heights, the newest LIHTC community in the market area, rents at this community are considered artificially low due to past QAP scoring/tiebreaker criteria. Both LIHTC communities are one hundred percent occupied with waiting lists, indicating they could likely achieve higher rents. Additionally, rent per square foot at the subject property will be less than the units at Applewood Villas, a LIHTC community.



Figure 8 Price Position of Hunter Oaks





G. Absorption Estimate

The newest LIHTC community in the market area (Seneca Heights) completed construction in October 2013 and all 39 units were leased upon opening. In addition to the experience of past communities, absorption estimates are based on the following:

- Household growth of 87 households per year between 2014 and 2017.
- An increasing renter percentage to 36.2 percent by 2017.
- The overall vacancy rate among surveyed communities of 4.4 percent including no vacancies and waiting lists at both LIHTC communities.
- The proposed rents will result in rent advantages of at least 22 percent on all floorplans with an overall rent advantage of 26.60 percent.
- The affordability and demand capture rates are all within acceptable levels.
- The proposed product will be competitive with existing communities and well received in the market.

Based on the factors listed above, we estimate that Hunter Oaks will lease a minimum of 14 units per month. At this rate, the community would achieve 93 percent occupancy in approximately four months.

H. Impact on Existing Market

Given the small number of units and projected household growth, the construction of Hunter Oaks is not expected to have an adverse impact on existing rental communities in the Hunter Oaks Market Area. Overall, the rental market in the Hunter Oaks Market Area is performing well with limited vacancies and both LIHTC communities in the market area are 100 percent occupied with waiting lists. As the Hunter Oaks Market Area is projected to continue to experience steady population and household growth over the next three years coupled with an increasing renter percentage, demand for rental housing is also likely to increase.

I. Final Conclusion and Recommendation

Based on an analysis of projected household growth trends, overall affordability and demand estimates, current rental market conditions, and socio-economic and demographic characteristics of the Hunter Oaks Market Area, RPRG believes that the proposed Hunter Oaks will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent following entrance into the rental market. Given the product to be constructed, the subject will be competitively positioned with existing market rate and LIHTC communities in the Hunter Oaks Market Area and the units will be well received by the target market. We recommend proceeding with the project as proposed.

Handwritten signature of Brett Welborn in black ink.

Brett Welborn
Analyst

Handwritten signature of Tad Scepaniak in black ink.

Tad Scepaniak
Principal



9. APPENDIX 1 UNDERLYING ASSUMPTION AND LIMITING CONDITIONS

In conducting the analysis, we will make the following assumptions, except as otherwise noted in our report:

1. There are no zoning, building, safety, environmental or other federal, state or local laws, regulations or codes which would prohibit or impair the development, marketing or operation of the subject project in the manner contemplated in our report, and the subject project will be developed, marketed and operated in compliance with all applicable laws, regulations and codes.
2. No material changes will occur in (a) any federal, state or local law, regulation or code (including, without limitation, the Internal Revenue Code) affecting the subject project, or (b) any federal, state or local grant, financing or other program which is to be utilized in connection with the subject project.
3. The local, national and international economies will not deteriorate, and there will be no significant changes in interest rates or in rates of inflation or deflation.
4. The subject project will be served by adequate transportation, utilities and governmental facilities.
5. The subject project will not be subjected to any war, energy crisis, embargo, strike, earthquake, flood, fire or other casualty or act of God.
6. The subject project will be on the market at the time and with the product anticipated in our report, and at the price position specified in our report.
7. The subject project will be developed, marketed and operated in a highly professional manner.
8. No projects will be developed which will be in competition with the subject project, except as set forth in our report.
9. There are no existing judgments nor any pending or threatened litigation, which could hinder the development, marketing or operation of the subject project.



The analysis will be subject to the following limiting conditions, except as otherwise noted in our report:

1. The analysis contained in this report necessarily incorporates numerous estimates and assumptions with respect to property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates and the variations may be material.
2. Our absorption estimates are based on the assumption that the product recommendations set forth in our report will be followed without material deviation.
3. All estimates of future dollar amounts are based on the current value of the dollar, without any allowance for inflation or deflation.
4. We have no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal matters, environmental matters, architectural matters, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering matters.
5. Information, estimates and opinions contained in or referred to in our report, which we have obtained from sources outside of this office, are assumed to be reliable and have not been independently verified.
6. The conclusions and recommendations in our report are subject to these Underlying Assumptions and Limiting Conditions and to any additional assumptions or conditions set forth in the body of our report.



10. APPENDIX 2 ANALYST CERTIFICATIONS

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

Brett Welborn
Analyst
Real Property Research Group, Inc.

March 17, 2015

Date

Tad Scepaniak
Principal
Real Property Research Group, Inc.

March 17, 2015

Date

Warning: Title 18 U.S.C. 1001, provides in part that whoever knowingly and willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry, in any manner in the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years or both.



11. APPENDIX 3 ANALYST RESUMES

ROBERT M. LEFENFELD

Mr. Lefenfeld is the Managing Principal of the firm with over 30 years of experience in the field of residential market research. Before founding Real Property Research Group in February, 2001, Bob served as an officer of research subsidiaries of the accounting firm of Reznick Fedder & Silverman and Legg Mason. Between 1998 and 2001, Bob was Managing Director of RF&S Realty Advisors, conducting market studies throughout the United States on rental and for sale projects. From 1987 to 1995, Bob served as Senior Vice President of Legg Mason Realty Group, managing the firm's consulting practice and serving as publisher of a Mid-Atlantic residential data service, Housing Market Profiles. Prior to joining Legg Mason, Bob spent ten years with the Baltimore Metropolitan Council as a housing economist. Bob also served as Research Director for Regency Homes between 1995 and 1998, analyzing markets throughout the Eastern United States and evaluating the company's active building operation.

Bob oversees the execution and completion of all of the firm's research assignments, ranging from a strategic assessment of new development and building opportunities throughout a region to the development and refinement of a particular product on a specific site. He combines extensive experience in the real estate industry with capabilities in database development and information management. Over the years, he has developed a series of information products and proprietary databases serving real estate professionals.

Bob has lectured and written extensively on the subject of residential real estate market analysis. He has served as a panel member, speaker, and lecturer at events held by the National Association of Homebuilders, the National Council on Seniors' Housing and various local homebuilder associations. Bob serves as a visiting professor for the Graduate Programs in Real Estate Development, School of Architecture, Planning and Preservation, University of Maryland College Park. He has served as National Chair of the National Council of Affordable Housing Market Analysts (NCAHMA) and is currently a board member of the Baltimore chapter of Lambda Alpha Land Economics Society.

Areas of Concentration:

Strategic Assessments: Mr. Lefenfeld has conducted numerous corridor analyses throughout the United States to assist building and real estate companies in evaluating development opportunities. Such analyses document demographic, economic, competitive, and proposed development activity by submarket and discuss opportunities for development.

Feasibility Analysis: Mr. Lefenfeld has conducted feasibility studies for various types of residential developments for builders and developers. Subjects for these analyses have included for-sale single-family and townhouse developments, age-restricted rental and for-sale developments, large multi-product PUDs, urban renovations and continuing care facilities for the elderly.

Information Products: Bob has developed a series of proprietary databases to assist clients in monitoring growth trends. Subjects of these databases have included for sale housing, pipeline information, and rental communities. Information compiled is committed to a Geographic Information System (GIS), facilitating the comprehensive integration of data.

Education:

Master of Urban and Regional Planning; The George Washington University.
Bachelor of Arts - Political Science; Northeastern University.



TAD SCEPANIAK

Tad Scepianiak directs the Atlanta office of Real Property Research Group and leads the firm's affordable housing practice. Tad directs the firm's efforts in the southeast and south central United States and has worked extensively in North Carolina, South Carolina, Georgia, Florida, Tennessee, Iowa, and Michigan. He specializes in the preparation of market feasibility studies for rental housing communities, including market-rate apartments developed under the HUD 221(d)(4) program and affordable housing built under the Low-Income Housing Tax Credit program. Along with work for developer clients, Tad is the key contact for research contracts with the North Carolina, South Carolina, Georgia, Michigan, and Iowa Housing Finance agencies. Tad is also responsible for development and implementation of many of the firm's automated systems.

Tad is Vice Chair of the National Council of Housing Market Analysts (NCHMA) and previously served as the Co-Chair of Standards Committee. He has taken a lead role in the development of the organization's Standard Definitions and Recommended Market Study Content, and he has authored and co-authored white papers on market areas, derivation of market rents, and selection of comparable properties. Tad is also a founding member of the Atlanta chapter of the Lambda Alpha Land Economics Society.

Areas of Concentration:

Low Income Tax Credit Rental Housing: Mr. Scepianiak has worked extensively with the Low Income Tax Credit program throughout the United States, with special emphasis on the Southeast and Mid-Atlantic regions.

Senior Housing: Mr. Scepianiak has conducted feasibility analysis for a variety of senior oriented rental housing. The majority of this work has been under the Low Income Tax Credit program; however his experience includes assisted living facilities and market rate senior rental communities.

Market Rate Rental Housing: Mr. Scepianiak has conducted various projects for developers of market rate rental housing. The studies produced for these developers are generally used to determine the rental housing needs of a specific submarket and to obtain financing.

Public Housing Authority Consultation: Tad has worked with Housing Authorities throughout the United States to document trends rental and for sale housing market trends to better understand redevelopment opportunities. He has completed studies examining development opportunities for housing authorities through the Choice Neighborhood Initiative or other programs in Florida, Georgia, North Carolina, South Carolina, Texas and Tennessee.

Education:

Bachelor of Science – Marketing; Berry College – Rome, Georgia



BRETT WELBORN
Analyst

Brett Welborn entered the field of Real Estate Market Research in 2008, joining Real Property Research Group's (RPRG) Atlanta office as a Research Associate upon college graduation. During Brett's time as a Research Associate, he gathered economic, demographic, and competitive data for market feasibility analyses and other consulting projects completed by the firm. Through his experience, Brett has progressed to serve as Analyst for RPRG.

Areas of Concentration:

Low Income Housing Tax Credit Rental Housing: Brett has worked with the Low Income Housing Tax Credit program, evaluating general occupancy and senior oriented developments for State allocating agencies, lenders, and developers. His work with the LIHTC program has spanned a range of project types, including newly constructed communities and rehabilitations.

In addition to market analysis responsibilities, Brett has also assisted in the development of research tools for the organization.

Education:

Bachelor of Business Administration – Real Estate; University of Georgia, Athens, GA



12. APPENDIX 4 NCHMA CHECKLIST

Introduction: Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. By completion of this checklist, the analyst asserts that he/she has completed all required items per section.

		Page Number(s)
Executive Summary		
1	Executive Summary	1
Scope of Work		
2	Scope of Work	6
Project Description		
3	Unit mix including bedrooms, bathrooms, square footage, rents, and income targeting	10
4	Utilities (and utility sources) included in rent	10
5	Target market/population description	8
6	Project description including unit features and community amenities	10
7	Date of construction/preliminary completion	10
8	If rehabilitation, scope of work, existing rents, and existing vacancies	N/A
Location		
9	Concise description of the site and adjacent parcels	11
10	Site photos/maps	14,14
11	Map of community services	20
12	Site evaluation/neighborhood including visibility, accessibility, and crime	15-17
Market Area		
13	PMA description	27
14	PMA MAP	28
Employment and Economy		
15	At-Place employment trends	23
16	Employment by sector	23
17	Unemployment rates	21
18	Area major employers/employment centers and proximity to site	25, 26
19	Recent or planned employment expansions/reductions	26
Demographic Characteristics		
20	Population and household estimates and projections	30
21	Area building permits	31
22	Population and household characteristics including income, tenure, and size	33-36
23	For senior or special needs projects, provide data specific to target market	N/A
Competitive Environment		
24	Comparable property profiles and photos	Appendix
25	Map of comparable properties	39
26	Existing rental housing evaluation including vacancy and rents	41
27	Comparison of subject property to comparable properties	42



28	Discussion of availability and cost of other affordable housing options including homeownership, if applicable	45
29	Rental communities under construction, approved, or proposed	46
30	For senior or special needs populations, provide data specific to target market	N/A
Affordability, Demand, and Penetration Rate Analysis		
31	Estimate of demand	57
32	Affordability analysis with capture rate	55
33	Penetration rate analysis with capture rate	N/A
Analysis/Conclusions		
34	Absorption rate and estimated stabilized occupancy for subject	60
35	Evaluation of proposed rent levels including estimate of market/achievable rents.	46
36	Precise statement of key conclusions	60
37	Market strengths and weaknesses impacting project	60
38	Recommendations and/or modification to project discussion	60
39	Discussion of subject property's impact on existing housing	60
40	Discussion of risks or other mitigating circumstances impacting project projection	60
41	Interviews with area housing stakeholders	6
Other Requirements		
42	Certifications	Appendix
43	Statement of qualifications	Appendix
44	Sources of data not otherwise identified	N/A



13. APPENDIX 5 MARKET AREA RENTAL COMMUNITY PROFILES

Community	Address	Phone Number	Date Surveyed	Contact
Applewood Villas	410 W South St.	864-882-2182	3/20/2015	Property Manager
Clemson Ridge	116 Northwoods Dr.	864-882-3557	3/18/2015	Property Manager
Crescent Pointe	1500 S Oak St.	864-882-4377	3/18/2015	Property Manager
Keoway Village	50 Keoway Dr.	864-654-5135	3/18/2015	Property Manager
Seneca Heights	336 Maple Grove Rd.	864-882-0080	3/20/2015	Property Manager

Applewood Villas

Multifamily Community Profile

410 W South St.
Seneca, SC

CommunityType: LIHTC - General
Structure Type: 2-Story Townhouse

50 Units 0.0% Vacant (0 units vacant) as of 3/20/2015

Opened in 2011



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	8.0%	\$352	600	\$0.59	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	64.0%	\$485	800	\$0.61	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	28.0%	\$552	1,060	\$0.52	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Microwave; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: --	
Owner: --	

Comments

Waitlist.

Floorplans (Published Rents as of 3/20/2015) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	1	1	2	\$334	600	\$0.56	LIHTC/ 50%	3/20/15	0.0%	\$352	\$485	\$552
Townhouse	--	1	1	2	\$340	600	\$0.57	LIHTC/ 60%					
Townhouse	--	2	1.5	11	\$399	800	\$0.50	LIHTC/ 50%					
Townhouse	--	2	1.5	21	\$499	800	\$0.62	LIHTC/ 60%					
Townhouse	--	3	1.5	6	\$474	1,060	\$0.45	LIHTC/ 50%					
Townhouse	--	3	1.5	8	\$567	1,060	\$0.53	LIHTC/ 60%					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Clemson Ridge

Multifamily Community Profile

116 Northwoods Dr.
Seneca, SC

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

120 Units 8.3% Vacant (10 units vacant) as of 3/18/2015

Opened in 1998



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	--	--	--	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	50.0%	\$775	988	\$0.78	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	50.0%	\$859	1,128	\$0.76	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Storage (In Unit)	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager:	--
Owner:	--

Comments

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Floorplans (Published Rents as of 3/18/2015) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	2	24	\$755	988	\$0.76	Market	3/18/15	8.3%	--	\$775	\$859
Garden	--	2	2	36	\$755	988	\$0.76	Market	2/9/12	0.0%	--	\$563	\$650
Garden	--	3	2	60	\$834	1,128	\$0.74	Market					

Adjustments to Rent

Incentives:
None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Crescent Pointe

Multifamily Community Profile

1500 S Oak St.
Seneca, SC

CommunityType: Market Rate - General
Structure Type: 3-Story Garden

144 Units 4.9% Vacant (7 units vacant) as of 3/18/2015

Opened in 2003



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	26.4%	\$673	742	\$0.91	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	48.6%	\$783	1,062	\$0.74	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	25.0%	\$870	1,246	\$0.70	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ice Maker; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; HighCeilings; Storage (In Unit)	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$75
Property Manager: --	
Owner: --	

Comments

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Floorplans (Published Rents as of 3/18/2015) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	38	\$658	742	\$.89	Market	3/18/15	4.9%	\$673	\$783	\$870
Garden	--	2	2	70	\$763	1,062	\$.72	Market	2/9/12	14.6%	\$620	\$666	\$763
Garden	--	3	2	36	\$845	1,246	\$.68	Market					

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Adjustments to Rent									
Incentives: None									
Utilities in Rent: Heat Fuel: Electric									
Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>									
Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>									

Keoway Village

Multifamily Community Profile

50 Keoway Dr.
Seneca, SC

CommunityType: Market Rate - General

Structure Type: 2-Story Garden

80 Units 2.5% Vacant (2 units vacant) as of 3/18/2015

Opened in 1972



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	37.5%	\$495	772	\$0.64	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	50.0%	\$545	987	\$0.55	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	12.5%	\$595	1,067	\$0.56	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ceiling Fan; Central A/C	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

Comments

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Floorplans (Published Rents as of 3/18/2015) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	30	\$495	772	\$.64	Market	3/18/15	2.5%	\$495	\$545	\$595
Garden	--	2	1	40	\$545	987	\$.55	Market	2/9/12	0.0%	\$425	\$460	\$510
Garden	--	3	1.5	10	\$595	1,067	\$.56	Market					

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Adjustments to Rent

Incentives:	
None	
Utilities in Rent: Heat Fuel: Electric	
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

Seneca Heights

Multifamily Community Profile

336 Maple Grove Rd.
Seneca, SC

CommunityType: LIHTC - General
Structure Type: Townhouse

39 Units 0.0% Vacant (0 units vacant) as of 3/20/2015

Opened in 2013



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	10.3%	\$410	1,200	\$0.34	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	79.5%	\$470	1,340	\$0.35	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	10.3%	\$505	1,500	\$0.34	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Hooks); Central A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager:	--
Owner:	--

Comments

Waitlist of two years.
Community opened in October 2013 and was pre-leased prior to opening.

Floorplans (Published Rents as of 3/20/2015) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	2	2	4	\$390	1,200	\$0.33	LIHTC/ 50%	3/20/15	0.0%	--	\$410	\$470
Townhouse	--	3	2.5	6	\$425	1,340	\$0.32	LIHTC/ 50%					
Townhouse	--	3	2.5	25	\$450	1,340	\$0.34	LIHTC/ 60%					
Townhouse	--	4	3	4	\$475	1,500	\$0.32	LIHTC/ 60%					

Adjustments to Rent

Incentives:
None

Utilities in Rent: Heat Fuel: Electric
 Heat: Cooking: Wtr/Swr:
 Hot Water: Electricity: Trash: