NEED AND DEMAND ANALYSIS

FOR THE JUDSON MILL TRACE APARTMENTS

IN

GREENVILLE, SOUTH CAROLINA

Prepared for
The Taft-Mills Group
for submission to
the South Carolina State Housing Finance and Development Authority

May, 2026

T Ronald Brown: Research & Analysis
P.O. Box 18534
Asheville, NC 28814-0534

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INTRODUCTION

PURPOSE

The purpose of this report is to present the findings of an analysis of the need and demand for the proposed Judson Mill Trace Apartments in Greenville, South Carolina. A total of 80 units are to be developed: 26 one-bedroom units, 35 two-bedroom units, and 19 three-bedroom units. The apartments will rent to households whose incomes qualify their apartments for tax credit status.

ASSUMPTIONS AND CONDITIONS

The findings of this study are predicated upon the assumption that the proposed development, as presented to us, will be located at the site described in the report, that it will be funded through the program under which it was prepared, and within the stated projection period.

Further, the findings are based on the assumption that once funded, the complex will be well-designed, well-marketed, and professionally managed.

The data and analysis in this study are based on information relating to conditions in the town, market area, county, and state in which the project is to be located, and has been obtained from the most pertinent and current available sources. Likewise, every effort has been made to ensure its accuracy and reliability. However, we can assume no responsibility for inaccuracies in reporting by any local, regional, state, or federal agency cited, nor for any information withheld or erroneously reported by the sources cited during the normal course of our professional research. Consequently, we reserve the right to alter our findings and conclusions, if necessary, on the basis of any discovered material inaccuracies.

It is important to stress that coverage from the 2010 Census does not equate with the coverage provided in previous decennial Censuses. Thus, other sources - notably the Census Bureau's American Community Survey - is necessarily to be relied upon. The latter is based on a relatively small sample (compared with earlier sample-based Census reports) and therefore is subject to large statistical margins of error. Thus, use of these data is subject to the *caveat* that those data may not be as rigorous or as reliable as Census data prior to 2010. In this regard, if the data suggest outcomes at variance with our observations from other sources, these will be highlighted in our findings.

The site of the proposed apartments was visited (on April 19, 2026). In addition, interviews are held with persons with particular knowledge pertinent to the study.

The report is designed to satisfy the underwriting criteria of the reviewing agency for which it was performed, and the conclusions, based on the results of our research, experience, and expertise reflect the predicted ability of the project, as presented to us, to meet or exceed that reviewing agency's guidelines. Thus, a positive conclusion does not necessarily imply that the project would be found to be feasible or successful under different underwriting standards, and this study does not necessarily incorporate generally accepted professional market study standards and elements pre-empted by the guidelines set out by the reviewing agency.

It is stated that we have no responsibility for opinions requiring expertise in other fields of expertise - these would include, for example, legal, environmental, architectural, and engineering matters.

To the best of our knowledge, this report is an accurate representation of market conditions. While due care and professional housing market study techniques were used, no guarantee is made of the findings.

It is stated that we do not have, nor will have in the future, any material interest in the proposed development, and that there is no identity of interest between us and the party for whom the project was prepared. Further, we state that the payment of the fee is not contingent upon a favorable conclusion, nor approval of the project by any agency before or after the fact. The payment of the fee does not include payment for testimony nor further consultation.

Submitted, and attested to, by:

T. Ronald Brown, President
T. Ronald Brown: Research & Analysis
P.O. Box 18534
Asheville, North Carolina 28814-0534
(919) 612.5328
trb@tronaldbrown.com



Date: May 5, 2026

EXECUTIVE SUMMARY

The following provides a brief summary of each of the major sections in the market analysis.

The proposed development will comprise the development of 80 units of low income tax credit financed housing. The apartments will rent to households whose incomes qualify their apartments for tax credit status, with units to be targeted to households at 30 percent, 50 percent, 60 percent, and 70 percent of the local area median income.

The proposed Judson Mill Trace Apartments are to be located on the south side of the Easley Bridge Road (US 123), to the east of 2nd Avenue, to the west and south of downtown Greenville, in Greenville County, in upstate South Carolina.

The market area for the proposed development is an area to the south and west of downtown Greenville, based on several census tracts.

In 2024, the most recent year for which annualized data are available, the Greenville County labor force comprised an estimated 284,778 persons. Of this total, 274,258 were employed and 10,520 or 3.7 percent were unemployed. Unemployment increased by 5,305 between 2019 and 2020 as a consequence of the COVID-19 pandemic (where unemployment reached 11.0 percent in April, 2020). Prior to 2020, employment grew consistently on an annual basis, and employment levels are currently well in excess of the pre-COVID period.

The population of the project market area increased from 24,376 in 2010, to 31,317 in 2020, and is projected to increase to 34,582 in 2025 and to 36,464 in 2028. The number of households grew from 10,706 in 2010 to 12,992 in 2020, and is projected to increase to 14,590 in 2025 and to 15,536 in 2028. There were 7,330 renter households in the market area in 2020: which is projected to increase to 8,784 by 2025, and to 9,726 by 2028.

There are several apartment complexes located in the market area for the proposed development, as defined. There are seven low income housing tax credit properties, and our survey covers four market rate complexes.

Occupancy in the stabilized market rate complexes is 95.0 percent. The occupancy rate at the tax credit properties that we have reliable information on, is 96.0 percent. The overall occupancy rate is 95.3 percent.

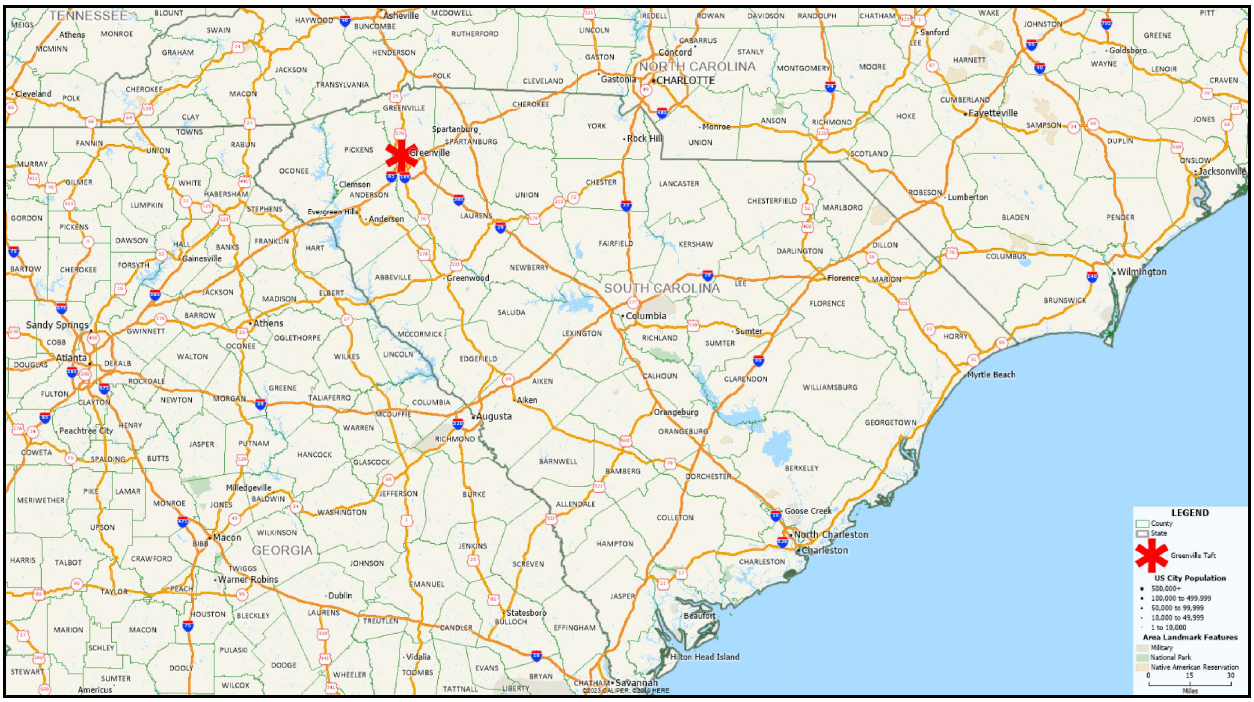
The total potential demand for tax credit units such as is proposed in the project market area by 2028 is calculated to be for 4,429 units. The net demand is for 4,144 units. Given the calculated demand, the proposed 80-unit development amounts to 1.9 percent of the total net need. The proposed development is considered very marketable a project of its size, in an urban location, with four target income ranges.

Based on the above, the project could expect to lease-up over a period of eight- months, or less.

A. PROJECT DESCRIPTION

Project Location

The proposed Judson Mill Trace Apartments are to be located on the south side of the Easley Bridge Road (US 123), to the east of 2nd Avenue, to the west and south of downtown Greenville, in Greenville County, in upstate South Carolina.



Construction type: New construction

Occupancy type :Family

Target income group: 30 percent, 50 percent, 60 percent, and 70 percent of the local area median income.

Special population target: not applicable

The property will offer a total of 80 units: 26 one-bedroom units, 35 two-bedroom units, and 19 three-bedroom units.

The complex will comprise a single three- and four-story building. There will be two elevators.

The one-bedroom units will be 783 square feet, the two-bedroom units will be 1,031 or 1,080 square feet, and the three-bedroom units are to be 1,274 square feet

Proposed unit mix, etc.

	Units	Rent	Utility Allowance	Targeting*
1 bedroom/1 bath	2	$292	$70	less than 30 percent
1 bedroom/1 bath	13	$835	$70	less than 50 percent
1 bedroom/1 bath	8	$950	$70	less than 60 percent
1 bedroom/1 bath	3	$1,100	$70	less than 70 percent
2 bedroom/2 bath	4	$345	$90	less than 30 percent
2 bedroom/2 bath	17	$995	$90	less than 50 percent
2 bedroom/2 bath	7	$1,200	$90	less than 60 percent
2 bedroom/2 bath	7	$1,400	$90	less than 70 percent
3 bedroom/2 bath	2	$395	$108	less than 30 percent
3 bedroom/2 bath	9	$1,125	$108	less than 50 percent
3 bedroom/2 bath	5	$1,350	$108	less than 60 percent
3 bedroom/2 bath	3	$1,600	$108	less than 70 percent

** percent of area median income*

With respect to utilities, the units will be all-electric. Each tenant will be responsible for heating, cooling and other electricity. The owner will responsible for water and sewer and trash collection. The utility allowance is $70 for a one-bedroom unit, $90 for a two-bedroom unit, and $108 for a three-bedroom unit.

The complex comprises a single three- and four-story building. The project will include a clubhouse , community room, fitness center, and computer room and a playground.

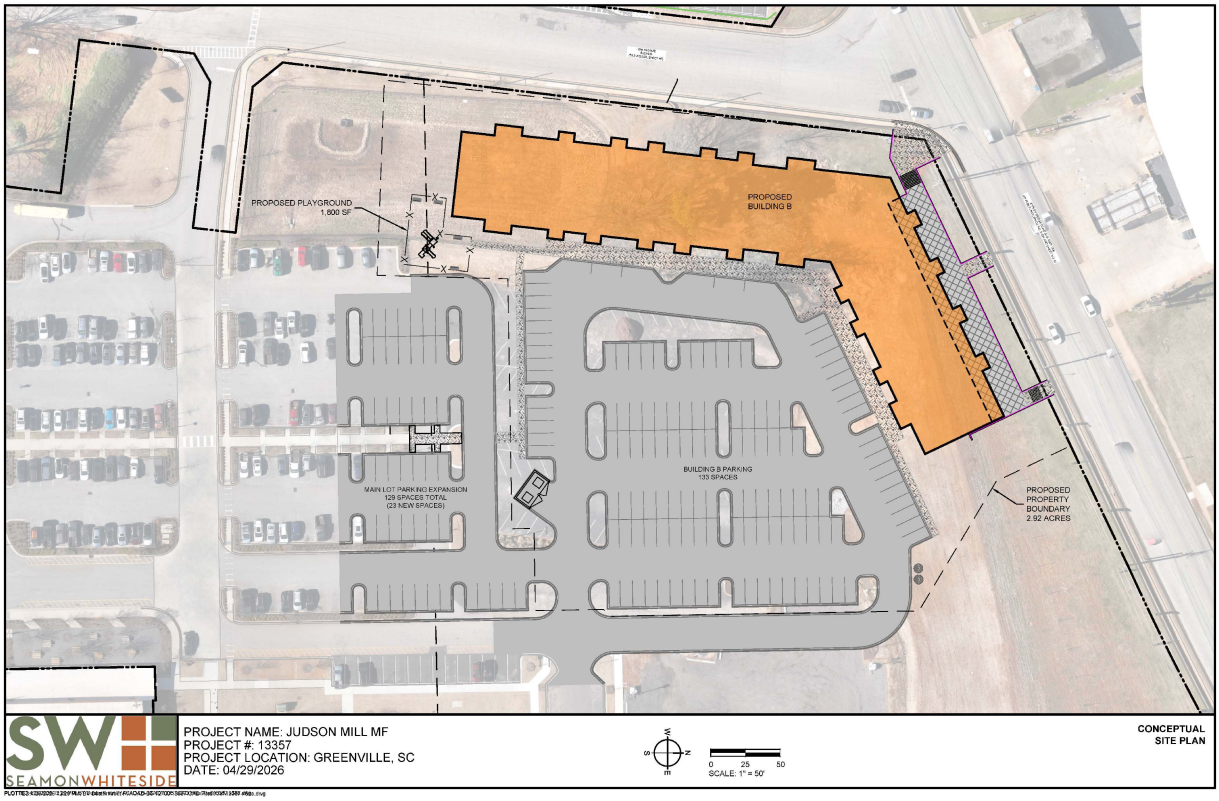
Unit amenities include a fully equipped kitchen, washer and dryer, ceiling fans and mini-blinds. The units will be centrally-heated and air conditioned, with carpet and vinyl flooring.

Information submitted by the developer suggests that construction would start in Spring 2027 with completion around 15 months thereafter.

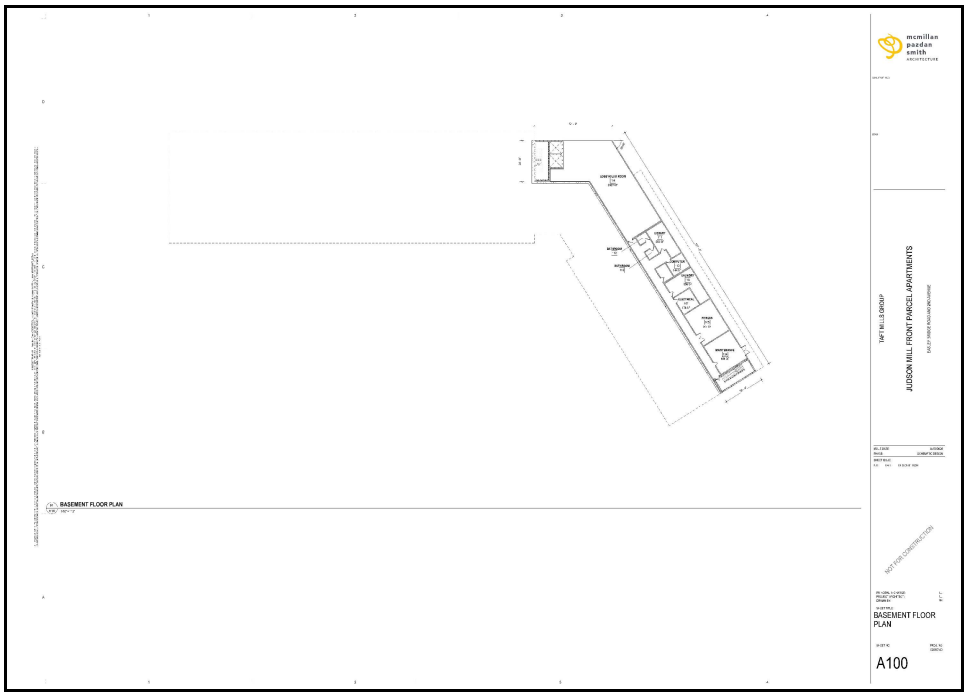
Representative architectural drawings/plans are set out on the following pages.

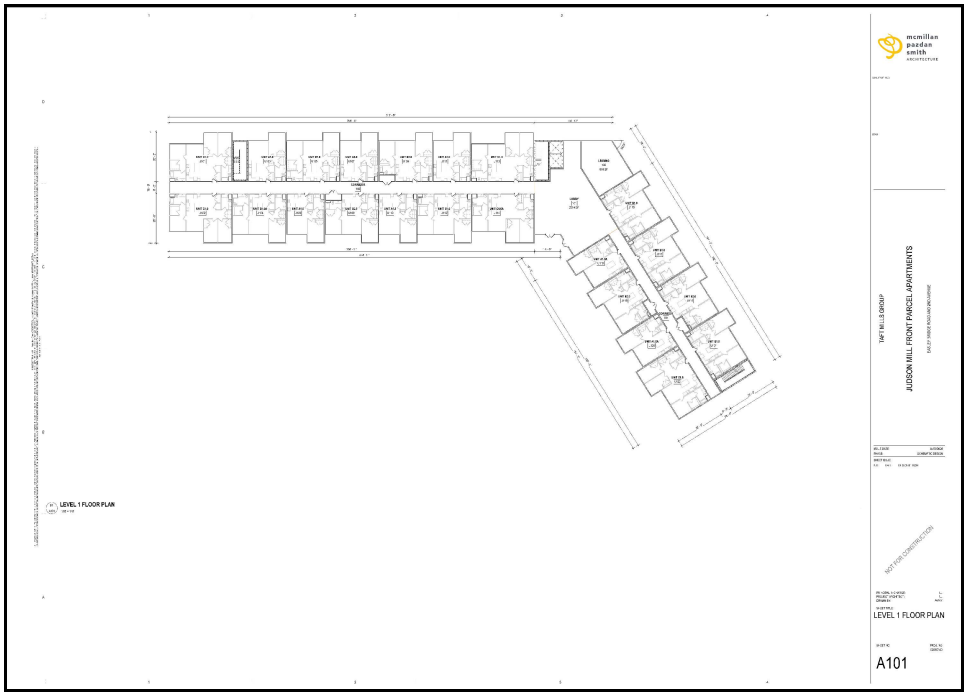
Rehabilitation information: n/a

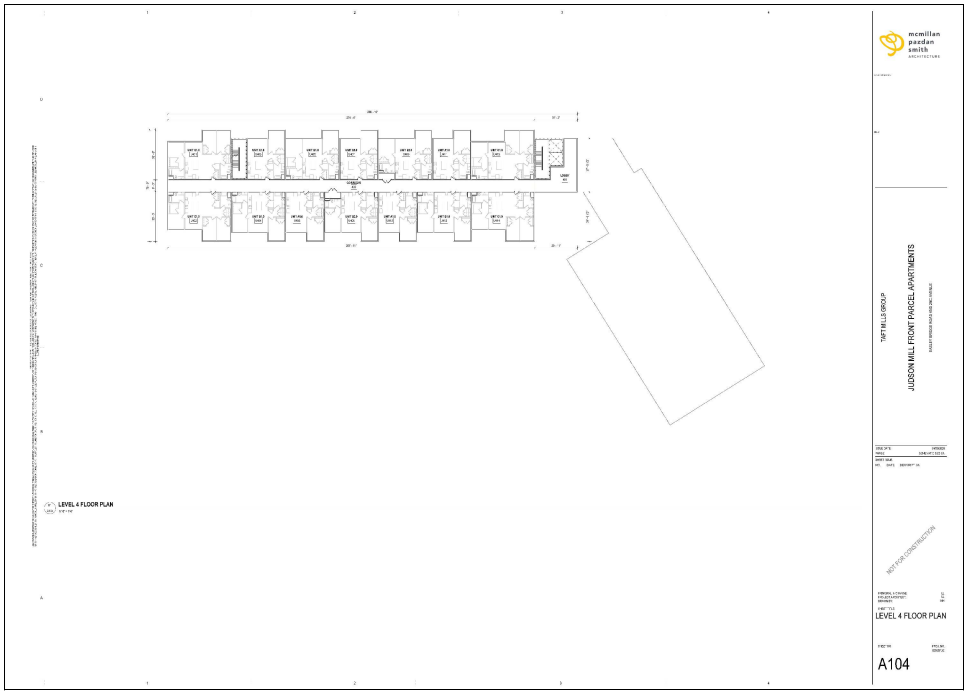
Site plan


PROPOSED PLAYGROUND
1,800 SF
PROPOSED
BUILDING B
MAIN LOT PARKING EXPANSION
129 SPACES TOTAL
(23 NEW SPACES)
BUILDING B PARKING
133 SPACES
PROPOSED
PROPERTY
BOUNDARY
2.92 ACRES
SEAMONWHITESIDE
PROJECT NAME: JUDSON MILL MF
PROJECT #: 13357
PROJECT LOCATION: GREENVILLE, SC
DATE: 04/29/2026
0 25 50
SCALE: 1" = 50'
CONCEPTUAL
SITE PLAN

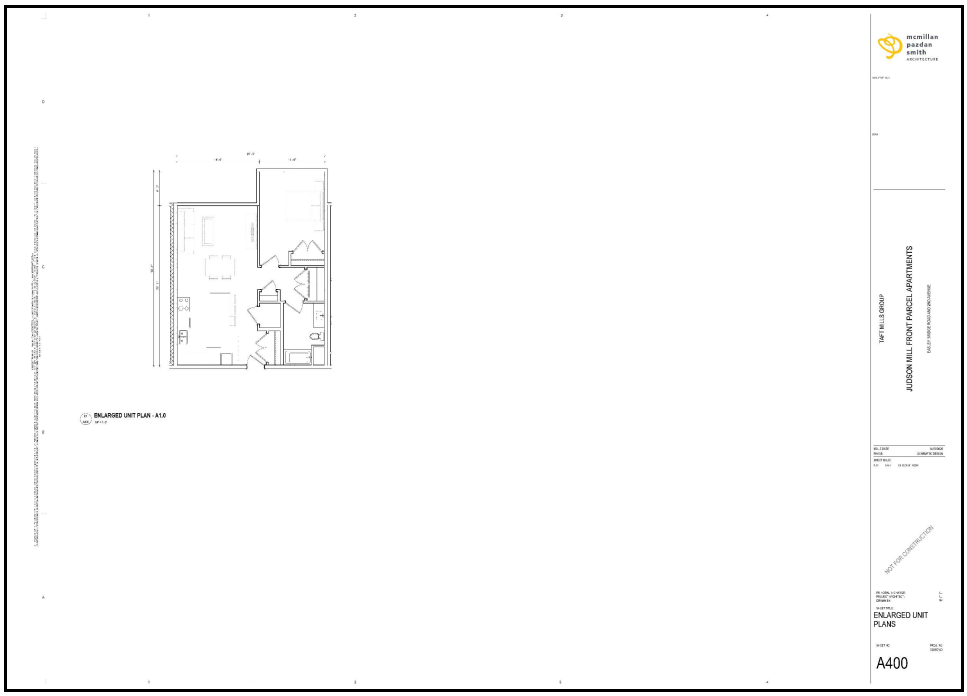
Floor plans

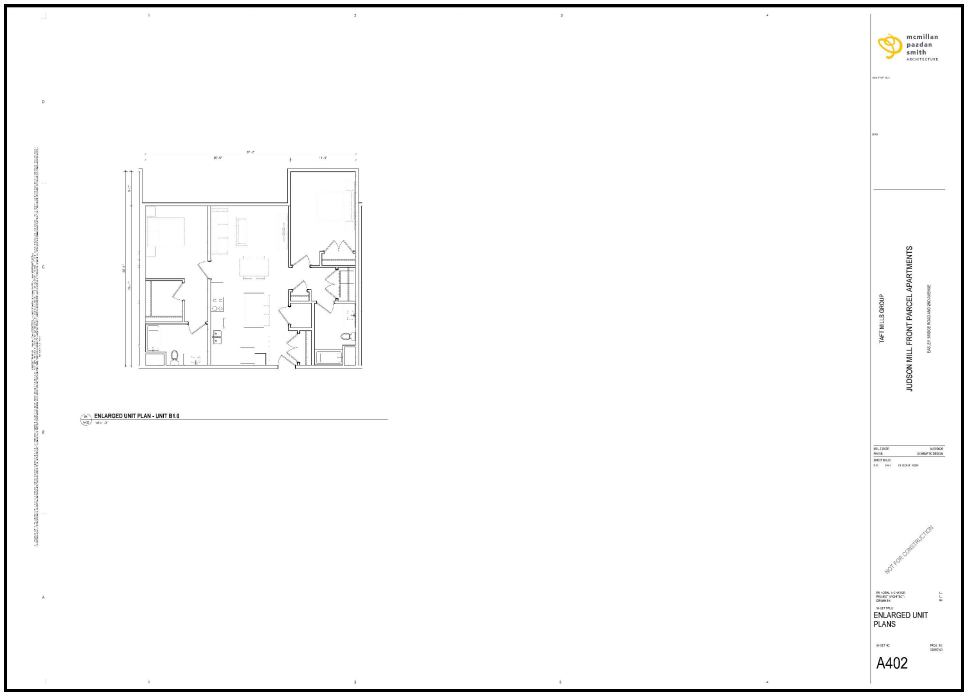

mcmillan pazdan smith
ARCHITECTURE
JUDSON MILL FRONT PARCEL APARTMENTS
BASEMENT FLOOR PLAN
A100

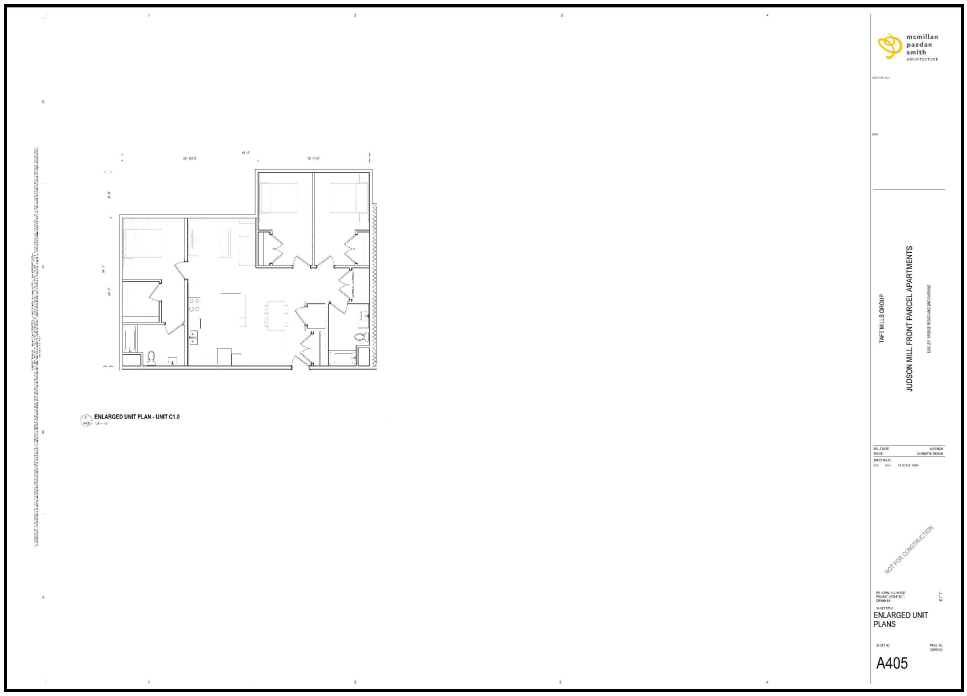

mcmillan pazdan smith
ARCHITECTURE
JUDSON MILL FRONT PARCEL APARTMENTS
LEVEL 1 FLOOR PLAN
A101


LEVEL 4 FLOOR PLAN
mcmillan pazdan smith
JUDSON MILL- FRONT PARCEL APARTMENTS
LEVEL 4 FLOOR PLAN
A104

Unit plans


mcmillan pazdan smith
ARCHITECTURE
JUDSON MILL FRONT PARCEL APARTMENTS
NOT FOR CONSTRUCTION
ENLARGED UNIT PLANS
A400


mcmillan pazdan smith
ARCHITECTURE
JUDSON MILL FRONT PARCEL APARTMENTS
NOT FOR CONSTRUCTION
ENLARGED UNIT PLANS
A402


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ARCHITECTURE
JUDSON MILL FRONT PARCEL APARTMENTS
NOT FOR CONSTRUCTION
ENLARGED UNIT PLANS
A405

Renderings













B. SITE DESCRIPTION

The proposed Judson Mill Trace Apartments are to be located on the south side of the Easley Bridge Road (US 123), to the east of 2nd Avenue, to the west and south of downtown Greenville, in Greenville County, in upstate South Carolina.

Adjacent properties include the Judson Mill complex (which includes apartments, the Warehouse food-sharing program facility, restaurants, and other businesses. Other properties in the vicinity include businesses on Easley Bridge Road, and single-family homes.



There are no apparent physical, environmental, or other constraints upon the construction and marketing of the proposed project at this location.



View onto property



View on property



View across property, to Easley Bridge Rd.



View from site to Easley Bridge Rd.



View from site to Jusdon Mills complex



View across Easley Bridge Rd., to site



View east on Easley Bridge Rd., at site



View west on Easley Bridge Rd., at site

The following distances are from the site to various local services and amenities.

Category	Neighborhood/Community Amenity	Distance (miles)
Highways	US 123/Easley Bridge Road	adjacent
	US 25 - White Horse Road	1.1
	Interstate 385	3.3
	Interstate 85	3.9
Public transportation	Greenlink bus stop(s)	0.1
	Amtrak	2.4
Retail - Grocery	Food Lion	2.2
	ALDI	2.7
	Harris Teeter	2.8
Retail - Other	Family Dollar	0.7
	CVS	1.7
	Dollar Tree	1.7
	Wal Mart	2.8
Medical	St Francis Hospital	1.1
	Greenville Memorial Hospital	2.1
Recreation	Unity Park	1.9
	YMCA Judson Community Center	0.4
Schools	Hollis Elementary Academy	0.6
	Berea Middle School	7.2
	Carolina High School	2.4
Post Office	Greenville	2.0
Library	Hughes Main Library	2.7
	Anderson Road	1.9
Government	City Hall	2.3

** excluding those in grocery stores, etc.*

Access from the site to major thoroughfares, sources of employment, shopping, healthcare, schools, and other local services is good.

The site is located on Easley Bridge Road (US 123) - a significant east-west route serving the area. The site is just over one mile from White Horse Road (US 25) - a major north-south route serving western Greenville County. Interstate highways 85 and 385 are each within four miles of the site.

Bus service on the Greenlink system is available within one tenth of a mile of the site.

A Family Dollar store is within one mile of the site, and Food Lion, ALDI, and Harris Teeter supermarkets are within three miles of the site, as is a Wal-mart supercenter.

The Hollis Elementary Academy is within two-thirds of a mile of the site, and the Carolina High School is within two and one-half miles. The Berea Middle School is seven and one-fourth miles from the site, to the north.

The YMCA Judson Community Center is within one half-mile of the site, and Unity Park is within two miles..

The St. Francis Hospital and associated medical services are just over one ten mile from the site of the proposed apartments, and the Greenville Memorial Hospital is just over two miles from the site.

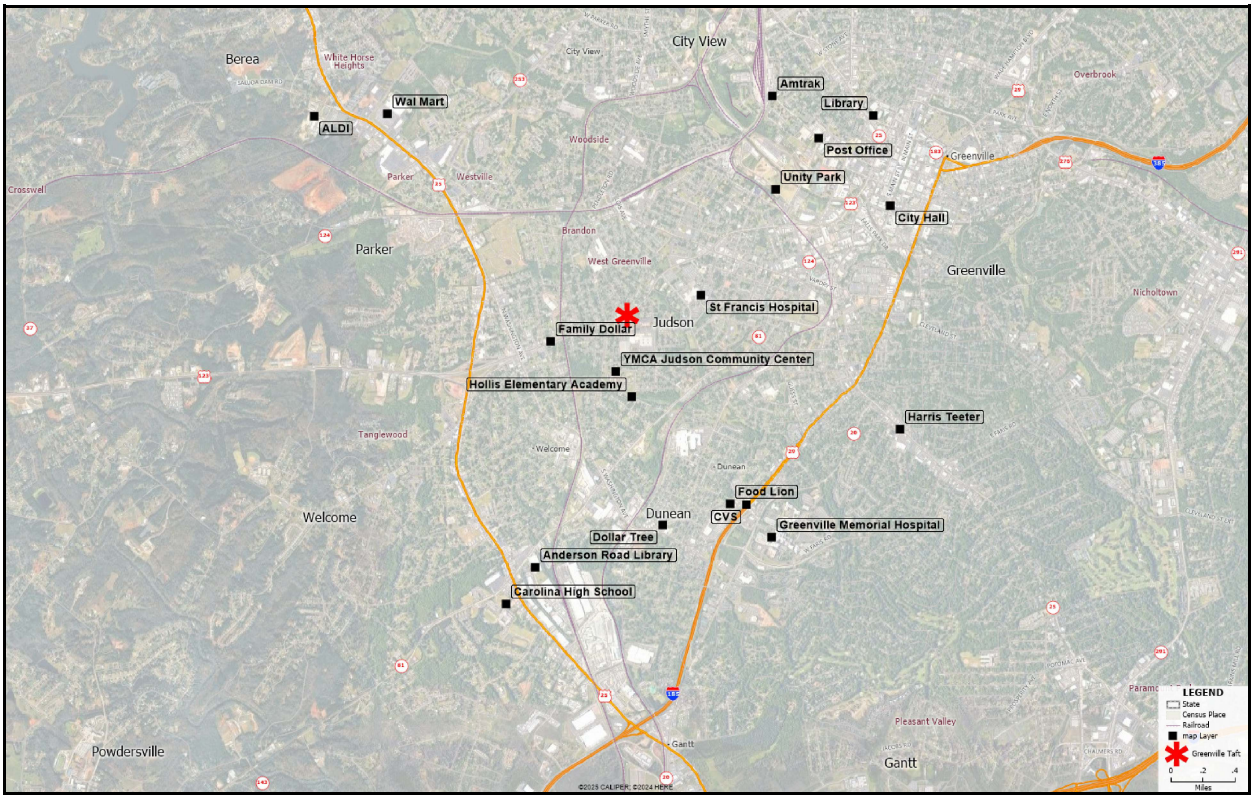
The site is within two miles, or so, of the government, shopping, and other services located in downtown Greenville.

It is understood that there are no significant road or other infrastructure projects under way or planned for this immediate area.

Based on our observations during our site visit, there is no reason to expect that the risk of crime in this neighborhood would be greater or less than that for other parts of the market area. It is not expected that crime or the perception of crime in the area, would impact the project's marketability - nonetheless, as is prudent, security should be considered in the design and marketing of the project.

There are no apparent physical, environmental, or other constraints upon the construction and ongoing marketing of the proposed project at this location.

The locations of various amenities relative to the site of the proposed development are mapped, below.



MARKET AREA

Market areas are defined on the basis of the consideration of many inter-related factors. These include consideration of the site location, consideration of socio-demographic characteristics of the area (tenure, income, rent-levels, etc.), local commuting patterns, physical (or other) boundaries, census geographies, and especially the location of comparable and/or potentially competing communities.

In communities such as county seats where that community is the county's largest community and is centrally located and can draw from the entire county, the county may be the market area. In circumstances where there are potentially competing communities in one county, the market area will be that part of the county (and, potentially, portions of adjacent counties) which the proposed development is most likely to draw from. Here, a combination of census county subdivisions (townships) may be used to define the market area. In urban or suburban markets, the market area will be areas adjacent to the site and will extend to all locations of relatively similar character, and with residents or potential residents likely to be interested in the project. Here combinations of census county subdivisions (townships) or combinations of census tracts, may be used to define the market area.

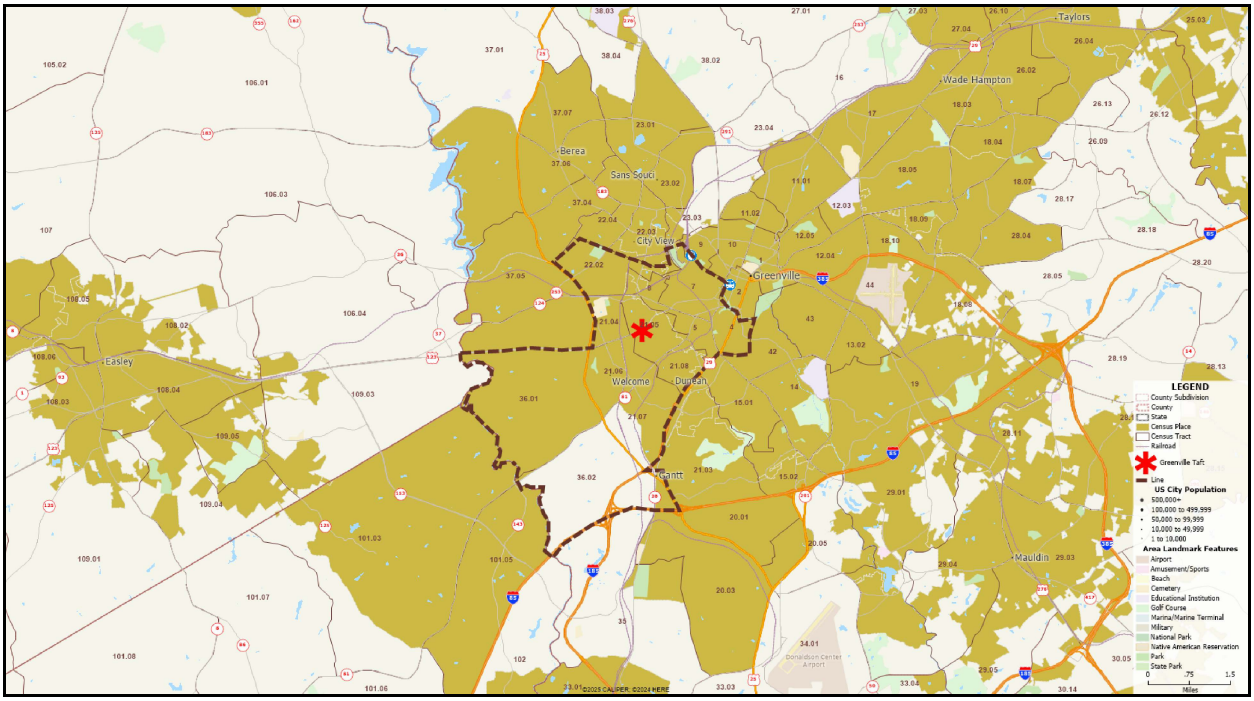
Greenville is located in central Greenville County in upstate South Carolina. The market area for the proposed development is an area to the south and west of downtown Greenville, based on several census tracts[1]. This area is centered on the site of the proposed development and extends up to an approximately one- to two miles to the west, except to the south and west where it extends up to four miles, or so.

The market area is irregularly shaped. The northern boundary includes portions of US 123 and US 25, West Marion Road, a portion of Long Branch Crrek and the Reedy River, and East Bramlett Road. To the east the area is bounded by West Washington Street, the Reedy River and McDaniel Avenue. The southern edge includes a portion of Crescent Avenue, and portions of US 29, I-185, US 25, and Interstate 85. The western boundary of the area is the Saluda River.

The area includes the western portions of the City of Greenville, but excludes potentially competing communities in such as Travellers Rest, Mauldin, and Simpsonville. The area constitutes the geographic area immediately adjacent to the site and extends to all locations of relatively similar character, and with residents, or potential residents, likely to be interested in the project.

[1] Census tracts : 4, 5, 7, 8, 21.04, 21.05, 21.06, 21.07, 21.08, 22.02, 36.01, and 36.02 .

Market Area Map



D. MARKET AREA ECONOMY

EMPLOYMENT BY INDUSTRY

This distribution of employment, by industry, for the Greenville market area is set out in Table 1, below. This information is from the 2020 to 2024 American Community Survey (and as such is subject to the limitations of those data). Based on those data, the largest source of employment is education, healthcare and social assistance - which accounts for 22.6 percent of the total. Other important sectors include manufacturing, retail trade, professional occupations, and arts, etc. - each of which employ more than 10 percent of the total.

Table 1 - Employment by Industry, Market Area

	number	percent
Agriculture, etc	20	0.2
Construction	681	7.0
Manufacturing	1,347	13.8
Wholesale Trade	160	1.6
Retail Trade	1,027	10.5
Transportation, Warehousing, Utilities	408	4.2
Information	87	0.9
Finance, Insurance, Real Estate	858	8.8
Professional, scientific, management	1,388	14.3
Educational Services, Health care, Social Assistance	2,199	22.6
Arts, Entertainment, Recreation, Accommodation, Food Service	1,017	10.4
Other services	324	3.3
Public Administration	221	2.3

Source: 2020 to 2024 American Community Survey; T Ronald Brown: Research & Analysis

MAJOR EMPLOYERS

The major (manufacturing) employers in the Greenville-Spartanburg area are listed in Table 3, below. From this table it is seen that the largest, and most significant, employers are BMW Manufacturing and Michelin - each employing more than 5,000. Other significant manufacturing employers include many that are in automotive-related firms. Major non-manufacturing employers include local and state government entities, school boards, and hospitals and healthcare, in general.

Table 2 - Major Employers

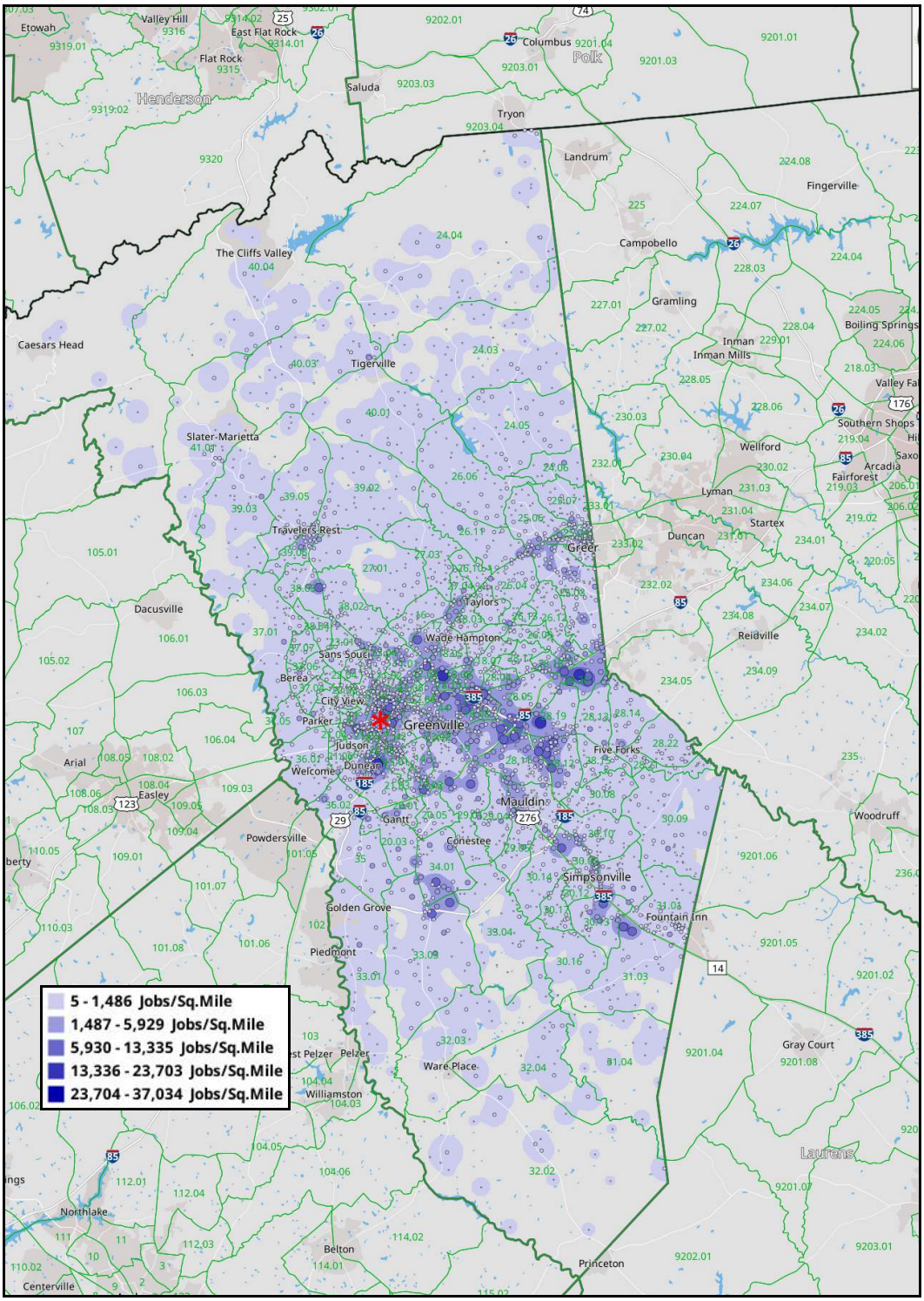
Employer Name	Product/Service	Employees
BMW Manufacturing	Automobile manufacturer	5,000+
Michelin North America	Radial tires	5,000+
GE Vernova	Gas turbines	2,501-5,000
Milliken and Company	Textiles	2,501-5,000
ZF Transmissions	Auromatic transmissions	2,501-5,000
AFL	Fiber optic products	1,001-2,500
Cryovac/Sealed Air	Plastics	1,001-2,500
DAA Draexmaier	Motor vehicle components	1,001-2,500
Lockheed Martin	Aircraft components	1,001-2,500
Magna International	Motor vehicle components	1,001-2,500
Oshkosh Defense	USPS vehicle manufacturer	1,001-2,500
Plastic Omnium	Motor vehicle components	1,001-2,500
Techtronic Industries	Power-driven hand tools	1,001-2,500
3M Company	Polyester film, tape	501-1,000
BASF	Chemicals, etc	501-1,000
Bausch + Lomb	Eyecare products	501-1,000
Cooper-Standard Automotive	PVC automotive trim	501-1,000
Dish Network	Telecommunications	501-1,000
Dodge International	Enclosed gearing	501-1,000
Health Supply US/Glove One	Nitrile gloves	501-1,000
House of Raeford	Food processing	501-1,000
Hubbell Lighting	Lighting systems	501-1,000
Inman Mills	Textiles	501-1,000
JTKET	Motor vehicle components	501-1,000
Kyocera AVX Components	Electronic components	501-1,000
Mitsubishi Polyester Film	Silicone treated PET films	501-1,000
Nutra Manufacturing	Vitamin preparations	501-1,000
Sage Automotive Interiors	Automotive fabrics	501-1,000
Siemens Energy Management	Electrical products	501-1,000

Source: Upstate SC Alliance

Information from the South Carolina Department of Commerce shows that since the start of 2024 there have been eight firms announcing new plans in Greenville County. These will add almost 1,200 new positions. The largest announcement is the 700 jobs planned by Isuzu - a manufacturer of commercial vehicles.

SC WARN notices show that from 2024 to 2026, to date, there have been four announced closures and seven layoffs in Greenville County - impacting a total of 864 workers.

Based on information from the Census, the location of the site relative to the distribution of employment in the wider Greenville area is illustrated in the map, below.

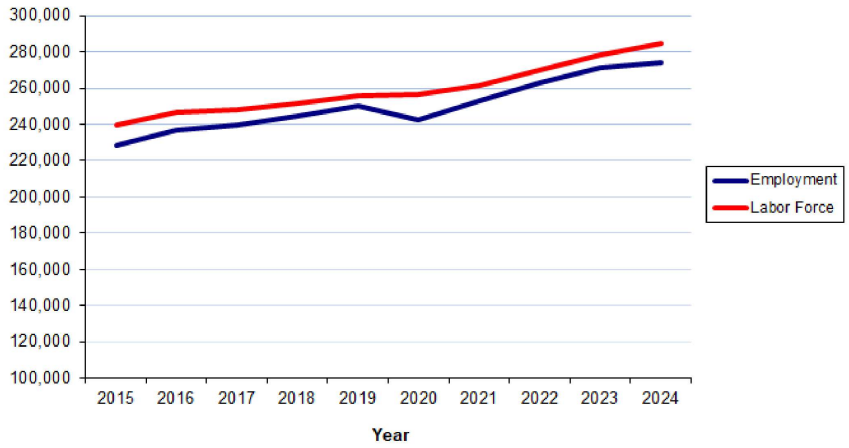


LABOR FORCE AND EMPLOYMENT

The makeup and trends of the labor force and employment have a strong influence on the growth and stability of the local housing market in general. In 2024, the most recent year for which annualized data are available, the Greenville County labor force comprised an estimated 284,778 persons. Of this total, 274,258 were employed and 10,520 or 3.7 percent were unemployed. Unemployment increased by 5,305 between 2019 and 2020 as a consequence of the COVID-19 pandemic (where unemployment reached 11.0 percent in April, 2020). Prior to 2020, employment grew consistently on an annual basis, and employment levels are currently well in excess of the pre-COVID period.

Table 3 - Greenville County Labor Force and Employment

	Labor Force	Employment	Unemployment Total	Unemployment Rate
2015	239,974	228,230	11,744	4.9
2016	246,613	236,604	10,009	4.1
2017	248,323	239,601	8,722	3.5
2018	251,421	244,367	7,054	2.8
2019	256,033	250,072	5,961	2.3
2020	256,719	242,788	13,931	5.4
2021	261,542	252,916	8,626	3.3
2022	270,111	262,741	7,370	2.7
2023	278,269	270,948	7,321	2.6
2024	284,778	274,258	10,520	3.7



Source: US Department of Labor

COMMUTING

Based on data from the American Community Survey, 60.4 percent of workers resident in Greenville were employed in Greenville, with 87.2 percent employed in Greenville County as a whole. The average driving time to work for residents of Greenville was 19.0 minutes, compared with 25.6 minutes for the State as a whole.

Table 4 - Commuting Data

	number	percent
Total Workers	39,527	100.0
Worked in Place of residence	23,874	60.4
Worked in County of residence	34,468	87.2
Worked outside Place of residence	15,653	39.6
Worked outside County of residence	5,059	12.8
Mean travel time to work (minutes)	19.0	

Source: 2020 to 2024 American Community Survey; T Ronald Brown: Research & Analysis

Commuting patterns data are no longer provided in the Decennial Census. Here, data are obtained from the LEHD Origin-Destination Statistics program available from the Census Bureau's OnTheMap application. These data, on commuting patterns for persons who live and/or work in Greenville County are set out, below.

Here it is seen that many persons who work in Greenville County commute into the County from adjacent counties - such as Spartanburg County, Anderson County, Pickens County and Laurens County. Many residents of Greenville County commute to work in neighboring counties - and to Spartanburg County, in particular.

Table 5 - Commuting Patterns

Working in Greenville County	159,734
Where Greenville County residents are commuting to:	
Spartanburg County	26,452
Anderson County	8,990
Pickens County	5,992
Richland County	5,891
Charleston County	3,958
Laurens County	3,769
Lexington County	3,231
York County	2,031
Oconee County	1,677
Elsewhere	19,676
Where Greenville County workers are commuting from:	
Spartanburg County	34,235
Anderson County	24,879
Pickens County	18,150
Laurens County	9,850
Richland County	5,842
Oconee County	4,839
Charleston Cunty	4,174
York County	4,052
Lexington County	4,037
Elsewhere	39,207

Source: : LEHD Origin-Destination Statistics program/OnTheMap; T.Ronald Brown: Research & Analysis

E. COMMUNITY DEMOGRAPHIC DATA

POPULATION TRENDS AND PROJECTIONS

In 2010, the population of Greenville County was 451,225, and in 2020 the population was recorded as 525,534. Population projections for Greenville County are provided by the South Carolina Revenue and Fiscal Affairs Health and Demographics Section. Based on these data, the population of the county is projected to be 577,252 by 2025, and to be 606,407 by 2028.

Population projections for the project market area are based on the average of several small area population projection techniques using census tract level trends for 2010 to 2020, corrected for the county projection. The projection is that in 2025 the project market area will have a population of around 34,582 and around 36,464 in 2028.

Information on population trends and changes between 2010 and 2028 are set out in Table 6, below.

Table 6 - Population Trends

	Greenville	Market Area	Greenville County
2010	58,409	24,376	451,225
2020	70,720	31,317	525,534
2025	n/a	34,582	577,252
2028	n/a	36,464	606,407
absolute change			
2010-2020	12,311	6,941	74,309
2020-2025	n/a	3,265	51,718
2025-2028	n/a	1,882	29,155
annual change			
2010-2020	1,231	694	7,431
2020-2025	n/a	653	10,344
2025-2028	n/a	627	9,718

Source: 2010 Census, 2020 Census; SC Revenue and Fiscal Affairs; T Ronald Brown: Research & Analysis

AGE

The distribution of the population, by age, for Greenville, the Greenville market area, and for Greenville County are set out in Table 8, below. These data are from the 2020 Census.

Table 7 - Age Distribution

	Greenville		Market Area		Greenville County	
	number	percent	number	percent	number	percent
Under 5 years	3,885	5.5	1,962	6.3	30,735	5.8
5 to 9 years	3,767	5.3	2,042	6.5	33,201	6.3
10 to 14 years	3,624	5.1	2,126	6.8	35,419	6.7
15 to 19 years	3,951	5.6	1,711	5.5	32,778	6.2
20 to 24 years	6,432	9.1	2,091	6.7	32,942	6.3
25 to 29 years	8,172	11.6	2,898	9.3	36,009	6.9
30 to 34 years	6,299	8.9	2,589	8.3	36,197	6.9
35 to 39 years	4,844	6.8	2,121	6.8	34,549	6.6
40 to 44 years	4,112	5.8	1,755	5.6	32,199	6.1
45 to 49 years	3,829	5.4	1,760	5.6	32,859	6.3
50 to 54 years	3,726	5.3	1,840	5.9	32,945	6.3
55 to 59 years	3,862	5.5	1,988	6.3	34,152	6.5
60 to 64 years	3,793	5.4	1,939	6.2	32,481	6.2
65 to 69 years	3,361	4.8	1,557	5.0	28,743	5.5
70 to 74 years	2,699	3.8	1,242	4.0	24,330	4.6
75 to 79 years	1,814	2.6	741	2.4	16,706	3.2
80 to 84 years	1,227	1.7	507	1.6	10,167	1.9
85 years and over	1,323	1.9	448	1.4	9,122	1.7
55 and older	18,079	25.6	8,422	26.9	155,701	29.6
65 and older	10,424	14.7	4,495	14.4	89,068	16.9
Total	70,720		31,317		525,534	

Source: 2020 Census; T Ronald Brown: Research & Analysis

HOUSEHOLD TRENDS AND PROJECTIONS

Projections of the number of households for Greenville, the project market area, and for Greenville County are set out in Table 8, below. These projections are based on the population projections set out, above.

The projection is that in 2025 the project market area will have around 14,590 households, and around 15,536 in 2028. In 2010, there were 12,992 households in the market area.

Table 8 - Household Trends

	Greenville	Market Area	Greenville County
2010	25,599	10,706	176,531
2020	32,842	12,992	209,082
2025	n/a	14,590	231,255
2028	n/a	15,536	243,898
absolute change			
2010-2020	7,243	2,286	32,551
2020-2025	n/a	1,598	22,173
2025-2028	n/a	946	12,643
annual change			
2010-2020	724	229	3,255
2020-2025	n/a	320	4,435
2025-2028	n/a	315	4,214

Source: 2010 Census, 2020 Census; SC Revenue and Fiscal Affairs; T Ronald Brown: Research & Analysis

TENURE

Table 9, below, sets out the number and proportion of owner and renter households for Greenville, the project market area, and for Greenville County. In the years beyond 2010, the tenure proportions are based on 2010 to 2020 trends. In 2020, 56.4 percent of households in the market area were renters, compared with 58.8 percent for Greenville, and 33.6 percent for Greenville County.

Table 9 - Tenure

Greenville	population	households	persons per household	Owner-occupied number	Owner-occupied percent	Renter-occupied number	Renter-occupied percent
2010	58,409	25,599	2.28	11,614	45.4	13,985	54.6
2020	70,720	32,842	2.15	13,531	41.2	19,311	58.8
2025	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2028	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Market Area	population	households	persons per household	Owner-occupied number	Owner-occupied percent	Renter-occupied number	Renter-occupied percent
2010	24,376	10,706	2.28	5,402	50.5	5,304	49.5
2020	31,317	12,992	2.41	5,662	43.6	7,330	56.4
2025	34,582	14,590	2.48	5,806	39.8	8,784	60.2
2028	36,464	15,536	2.52	5,810	37.4	9,726	62.6

Greenville County	population	households	persons per household	Owner-occupied number	Owner-occupied percent	Renter-occupied number	Renter-occupied percent
2010	451,225	176,531	2.56	119,039	67.4	57,492	32.6
2020	525,534	209,082	2.51	138,898	66.4	70,184	33.6
2025	577,252	231,255	2.50	152,445	65.9	78,810	34.1
2028	606,407	243,898	2.49	160,022	65.6	83,876	34.4

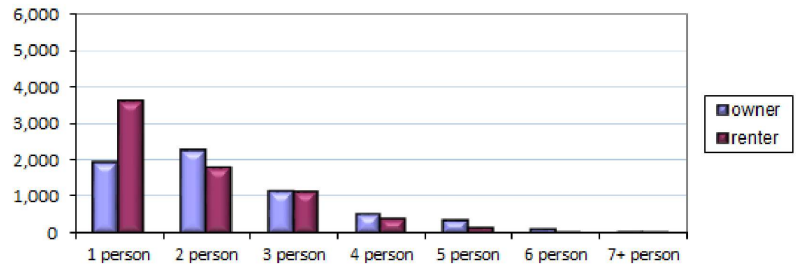
Source: 2010 Census and 2020 Census; T Ronald Brown: Research & Analysis

HOUSEHOLD SIZE

Table 10 below, sets out household size, by tenure, for households in Greenville, the project market area, and Greenville County.

Table 10 - Household Size, by Tenure

	Greenville		Market Area		Greenville County	
	owner	renter	owner	renter	owner	renter
1 person	4,415	10,842	1,898	3,596	35,470	27,297
2 person	5,928	6,718	2,259	1,805	57,641	21,299
3 person	1,697	2,135	1,125	1,143	24,304	10,153
4 person	1,609	921	519	416	20,742	5,640
5 person	718	172	376	171	9,638	2,413
6 person	718	91	119	56	2,860	1,258
7+ person	18	19	12	30	1,370	480



Source: 2020 to 2024 American Community Survey; T Ronald Brown: Research & Analysis

HOUSEHOLD INCOME

The distribution of household incomes for Greenville, the market area, and for Greenville County are set out in Table 11, below. These figures are taken from the 2020 to 2024 American Community Survey, and as such are subject to the limitations imposed by this source.

Here, it is seen that the median household income in Greenville was $71,472, and that for Greenville County as a whole was seen to be $76,932. The median income for the market area is estimated to be around $57,592.

The median income for the census tract in which the site of the proposed development is located is estimated to be around $63,452 - based on the American Community Survey data.

Table 11 - Household Income

	Greenville		Market area		Greenville County	
	number	percent	number	percent	number	percent
less than $10,000	2,568	7.2	1,045	7.7	10,018	4.5
$10,000 to $14,999	1,671	4.7	911	6.7	6,615	3.0
$15,000 to $19,999	1,158	3.3	726	5.4	6,107	2.8
$20,000 to $24,999	1,181	3.3	697	5.2	7,067	3.2
$25,000 to $29,999	1,158	3.3	561	4.1	7,104	3.2
$30,000 to $34,999	1,417	4.0	540	4.0	8,580	3.9
$35,000 to $39,999	1,151	3.2	737	5.4	8,437	3.8
$40,000 to $44,999	1,115	3.1	557	4.1	8,650	3.9
$45,000 to $49,999	1,499	4.2	430	3.2	7,969	3.6
$50,000 to $59,999	2,292	6.5	741	5.5	15,145	6.9
$60,000 to $74,999	3,254	9.2	1,305	9.6	22,198	10.1
$75,000 to $99,999	4,326	12.2	1,821	13.5	29,339	13.3
$100,000 to $124,999	3,156	8.9	1,080	8.0	22,249	10.1
$125,000 to $149,999	1,682	4.7	505	3.7	16,047	7.3
$150,000 to $199,999	2,609	7.4	647	4.8	20,591	9.3
$200,000 or more	5,245	14.8	1,222	9.0	24,449	11.1
median income	$71,472		$57,592 *		$76,932	

** estimate*

Source: 2020 to 2024 American Community Survey; T Ronald Brown: Research & Analysis

RENTER HOUSEHOLD INCOME

The distribution of household incomes for renter households for Greenville, the market area, and Greenville County set out in Table 12, below. These figures are also taken from the 2020 to 2024 American Community Survey.

The median household income for renter households in Greenville was $52,685, and that for Greenville County was $48,822. The median income for renter households in the market area is estimated to be around $46,641.

The median income for the census tract in which the site of the proposed development is located is estimated to be around $56,583 - based on the American Community Survey data.

Table 12- Household Income, Renter Households

	Greenville		Market area		Greenville County	
	number	percent	number	percent	number	percent
less than $10,000	2,207	10.6	736	10.2	5,780	8.4
$10,000 to $19,999	2,414	11.6	1,048	14.5	6,885	10.0
$20,000 to $34,999	2,712	13.0	1,072	14.9	11,211	16.4
$35,000 to $49,999	2,818	13.5	966	13.4	11,317	16.5
$50,000 to $74,999	4,135	19.8	1,024	14.2	12,738	18.6
$75,000 to $99,999	2,906	13.9	1,037	14.4	8,679	12.7
$100,000 or more	3,706	17.7	1,334	18.5	11,930	17.4
median income	$52,685		$46,641 *		$48,822	

* estimate

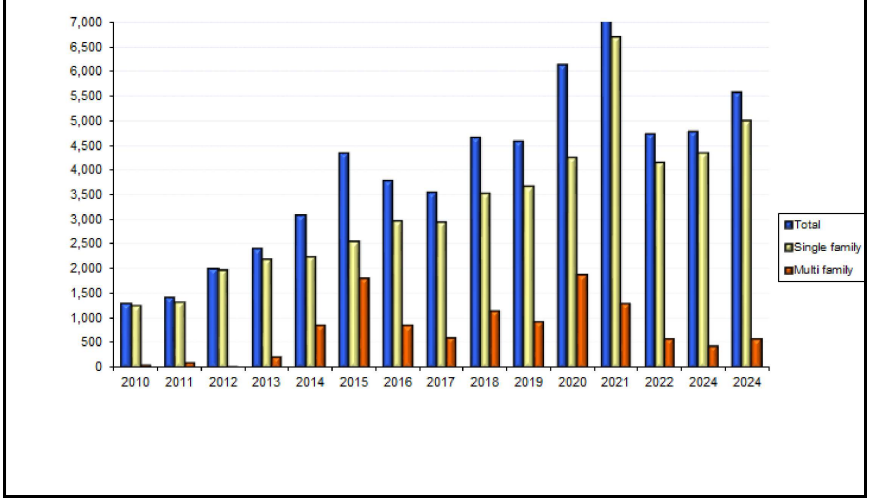
Source: 2020 to 2024 American Community Survey; T Ronald Brown: Research & Analysis

RESIDENTIAL CONSTRUCTION SINCE 2010

Table 13 below gives details of residential construction in Greenville County since 2000. Where the data exist, it can be seen that a total of 60,345 units were added in Greenville County, with 9,534 added in Greenville. No data are available for the market area.

Table 13 - Residential Construction Since 2010

	Greenville County			Greenville		
	Total	single-family	multi-family	Total	single-family	ulti-family
2010	1,304	1,252	52	106	94	12
2011	1,425	1,337	88	78	66	12
2012	1,993	1,974	19	133	126	7
2013	2,419	2,197	222	349	187	162
2014	3,094	2,244	850	1,037	187	850
2015	4,338	2,554	1,784	2,036	252	1,784
2016	3,799	2,960	839	757	216	541
2017	3,543	2,937	606	213	209	4
2018	4,669	3,531	1,138	1,064	241	823
2019	4,588	3,664	924	933	273	660
2020	6,122	4,258	1,864	1,146	227	919
2021	7,964	6,682	1,282	363	323	40
2022	4,738	4,151	587	276	180	96
2024	4,774	4,350	424	639	257	382
2024	5,575	4,993	582	404	312	92
Total	60,345	49,084	11,261	9,534	3,150	6,384



Source: Current Construction Reports, C-40; Bureau of the Census; T Ronald Brown: Research & Analysis

F. PROJECT SPECIFIC DEMAND ANALYSIS

The market for the proposed apartments is derived from two principal sources: the population and household growth market, and from existing households currently living in the area who could move to the project were it to be made available.

INCOME RESTRICTIONS

Income is a key variable in the analysis of housing markets. Of the 80 units proposed, eight will be targeted to households with incomes up to 30 percent of the median, 39 units targeted to households with incomes up to 50 percent of the median, 20 units targeted at 60 percent of the median, and 13 units targeted at the 70 percent level, and therefore qualify the apartments for low income housing tax credit status. There will be a mix of one-, two-, and three- bedroom units.

Given that the project will include units targeted to households with incomes in excess of 60 percent of the local area median income, income averaging is applied. Here, the average target income, overall, cannot exceed 60 percent of the median, and the average targeted income for any bedroom type cannot exceed 60 percent of the median.

The income limits for a site in Greenville County are set out below, along with maximum housing expenses. The maximum housing expenses for the proposed units are based on these income limits and assume an average 1.5 persons per household and that renters will pay no more than 30 percent of their incomes on housing expenses (rent plus utilities).

Table 14 - Income Limits and Maximum Housing Costs

Income Limits	30 percent	50 percent	60 percent	70 percent
1 person	$20,310	$33,850	$40,620	$47,390
2 person	$23,220	$38,700	$46,440	$54,180
3 person	$26,130	$43,550	$52,260	$60,970
4 person	$29,010	$48,350	$58,020	$67,690
5 person	$31,350	$52,250	$62,700	$73,150
6 person	$33,660	$56,100	$67,320	$78,540
Maximum Housing Costs				
	30 percent	50 percent	60 percent	70 percent
1 bedroom	$544	$1,088	$1,088	$1,270
2 bedroom	$653	$1,307	$1,307	$1,524
3 bedroom	$755	$1,509	$1,509	$1,761

Source: HUD

The median income for Greenville County in 2025 is $97,300 - having been $88,600 in 2024, and $58,000 in 2015. This represents a 9.8 percent increase over the previous year, and a 67.8 percent increase over the last decade (or an average of 5.31 percent per year).

Information as to rents and income targeting, and qualifying income ranges are set out in Table 15, below

Table 15 - Rents and Income Targeting

income targeting

	30 percent	50 percent	60 percent	70 percent	Total
1 bedroom	2	13	8	3	26
2 bedroom	4	17	7	7	35
3 bedroom	2	9	5	3	19
Total	8	39	20	13	80

proposed rents

	30 percent	50 percent	60 percent	70 percent
1 bedroom	$292	$835	$950	$1,100
2 bedroom	$345	$995	$1,200	$1,400
3 bedroom	$395	$1,125	$1,350	$1,600

proposed rents as a proportion (%) of maximum

	30 percent *	50 percent	60 percent	70 percent
1 bedroom	99.7	82.0	93.3	91.7
2 bedroom	99.9	81.8	98.6	97.6
3 bedroom	100.0	80.3	96.4	96.8

* based on 20 percent

Source: Applicant; T Ronald Brown: Research & Analysis

The utility allowances for the proposed development are $70, $90, and $108 for the one-, two-, and three bedroom units, respectively.

From the table above, it can be seen that housing expenses at the proposed apartments effectively fall at the maximum allowable for the units targeted at the 30 percent level (based on 20 percent incomes). Those units targeted at the 50 percent level are seen to be between 80 and 82 percent of the maximum, and those at the 60 percent level are between 93 and 99 percent of the maximum. Those units targeted at the 70 percent level are seen to be between 92 and 98 percent of the maximum allowable.

Qualifying income ranges are a function of the income needed to afford the proposed units and the mandated upper income limits. There is no official lower income limit for the proposed apartments. It is assumed that tenants will pay no more than 35 percent of their income on housing costs (rent and utilities). The upper limits are a function of household size - based on a standard of one and one-half persons per bedroom.

Table 16 - Qualifying Income Ranges

	30 percent lower	30 percent upper
1 bedroom	$12,411	$21,765
2 bedroom	$14,914	$26,130
3 bedroom	$17,246	$30,180
	50 percent lower	**50 percent upper**
1 bedroom	$31,029	$36,275
2 bedroom	$37,200	$43,550
3 bedroom	$42,274	$50,300
	60 percent lower	**60 percent upper**
1 bedroom	$34,971	$43,530
2 bedroom	$44,229	$52,260
3 bedroom	$49,989	$60,360
	70 percent lower	**70 percent upper**
1 bedroom	$40,114	$50,785
2 bedroom	$51,086	$60,970
3 bedroom	$58,560	$70,420

Source: Applicant; T Ronald Brown: Research & Analysis

Incomes for households qualifying for the proposed project are seen to range from $12,411 to $70,420, reflecting the target incomes used.

Any gaps between the target income ranges (and any overlaps between them) will be taken into consideration in our calculations.

Projections of need and demand are based upon a 2025 to 2028 projection period and the resulting calculations are corrected to account for any construction of comparable projects and/or planned comparable units.

Based on the projections set out in Table 9, 942 new rental units are needed between 2025 and 2028 - of which 522 would be eligible for the proposed development.

Again, the market for the proposed apartments comprises not only demand from population and household growth, but also from existing renter households who would move to the new apartments were they made available. The extent to which any new development is able to attract a certain share of this market is largely a factor of several interrelated factors. These include the location of the development, the amenities it offers, the quality of design and the effectiveness of the development's marketing and management. That is, the perceived value of the community in terms of price, convenience, and life-stye.

Our calculations show that there will be a total of 5,396 renter households in the qualifying income ranges in the project market area. This figure has to be adjusted to reflect the proportion that are likely to move to a new complex. With respect to existing households in the project market area it is found that, based on the most recent American Community Survey data, as many as 90.7 percent of renters qualifying for units at the 30 percent level are rent overburdened, with 69.3 percent at the 50 percent level being over-burdened, with 56.8 percent and 49.8 percent at the 60 percent and 70 percent levels, respectively, being over-burdened. Here, these proportions are applied to the number of income eligible existing renter households to estimate how many of those households are likely to consider moving to the proposed apartments.

State Agency market study guidelines allow for the replacement of rental units due to demolition, abandonment, obsolescence and the like. This based on an annual average rate of 0.6 percent of the rental housing stock. The proportion is based on a two-year loss of 1.2 percent of rental units detailed in the 2016 Edition of "Components of Inventory Change" published by HUD. Based on the number of rental units in the project market area this translates to a need for an additional 98 units.

Total demand is therefore seen to amount to 4,429 units: as many as 2,439 qualifying for units at the 30 percent level, and 1,633 and 1,544 qualifying for units at the 50 and 60 percent levels, with 1,492 qualifying at 70 percent of the median.

These figures are based on a 2025 to 2028 projection period and therefore have been corrected to account for the funding and/or construction of any directly comparable projects in the market area. Two potentially comparable projects have been funded - the 116-unit Gordon Street Lofts which is assumed to be in lease-up, and the 180-unit Long Branch Apartments which are under construction. No other comparable projects have been funded or are under construction. Therefore, given the addition of 285 comparable units at those properties, the net need is for 4,144 units

The preceding calculations are summarized in the table on the following page.

Table 17- Demand Calculations

	30 percent	50 percent	60 percent	70 percent	Total*
(i) income eligible new renter households	231	196	219	236	522
(ii) income eligible existing renter households	2,387	2,021	2,261	2,436	5,396
(iii) existing households, likely to move	2,165	1,401	1,284	1,212	3,809
(iv) need from obsolete housing	43	37	41	44	98
Total demand *(i)+(iii)+(iv)*	2,439	1,633	1,544	1,492	4,429
Supply	0	19	240	26	285
Net demand	2,439	1,614	1,304	1,466	4,144

** excludes gap/overlap*

Source: T. Ronald Brown: Research & Analysis

Demand has to be segmented to determine demand by number of bedrooms per unit. Based on the distribution of household size in the market area and given data from the American Housing Survey correlating typical household size and number of bedrooms, we have determined that one-bedroom units should account for 33 percent of the total, two-bedroom units should account for 40 percent of the total, and three-bedroom units should account for 21 percent of the total with four- or more bedroom units accounting for 6 percent. Here, it is important to note that the need and demand for three- bedroom units (which account for 30.0 percent of the 80-unit total) is based on renter household size - with a focus on four-or-more person households.

Capture rates are illustrated in the table on the following page.

Table 18- Capture Rates

	30 percent	50 percent	60 percent	70 percent	Total*
Total demand					
1 bedroom	810	542	513	495	1,470
2 bedroom	984	659	623	602	1,787
3 bedroom	501	335	317	306	909
4 bedroom	144	97	91	88	262
Total	2,439	1,633	1,544	1,492	4,429
Supply					
1 bedroom	0	3	66	0	69
2 bedroom	0	16	108	16	140
3 bedroom	0	0	30	0	30
4 bedroom	0	0	36	10	36
Total	0	19	240	26	285
Net demand					
1 bedroom	810	539	447	495	1,401
2 bedroom	984	643	515	586	1,647
3 bedroom	501	335	287	306	879
4 bedroom	144	97	55	78	226
Total	2,439	1,614	1,304	1,492	4,144
Units proposed					
1 bedroom	2	13	8	3	26
2 bedroom	4	17	7	7	35
3 bedroom	2	9	5	3	19
4 bedroom	0	0	0	0	0
Total	8	39	20	13	80
Capture rates					
1 bedroom	0.2%	2.4%	1.8%	0.2%	1.9%
2 bedroom	0.4%	2.6%	1.4%	0.4%	2.1%
3 bedroom	0.4%	2.7%	1.7%	0.3%	2.2%
4 bedroom	0.0%	0.0%	0.0%	0.0%	0.0%
Total	0.3%	2.4%	1.5%	0.3%	1.9%

** excludes gap/overlap*

Source: T. Ronald Brown: Research & Analysis

Given the calculated demand, the proposed 80-unit development amounts to 1.9 percent of the total net demand.

The capture rate for the eight units targeted at 30 percent of the median being 0.3 percent, with that for the 39 units targeted at the 50 percent level being 2.4 percent. The capture rate for the 20 units targeted at 60 percent of the median determined to be 1.5 percent, with that for the 13 units targeted at 70 percent being 0.3 percent.

The capture rates, by bedroom, are determined to be 1.9 percent for the 26 one-bedroom units, 2.1 percent for the 35 two-bedroom units, and 2.2 percent for the 19 three-bedroom units.

These capture rates are considered to be realistic for a community of its size, in an urban location, with four target income ranges.

The proposed project is considered marketable.

ABSORPTION RATES

As noted, the capture rates presented above are considered realistic - and reflect the impact of the size of the project, with four target income ranges. Were the project to be developed as proposed it would expect to lease-up over a period of eight months, or less.

G. EXISTING RENTAL UNITS

There are several apartment complexes located in the market area for the proposed development, as defined. There are seven low income housing tax credit properties, and our survey covers four market rate complexes. Information on these properties is presented below.

The Dunean Creek Apartments are a tax credit property that opened in 2005. There are 60 units: a mix of two- and three-bedroom units targeted at 60 percent of the local area median income. Rents range from $1,185 to $1,364. The property is 98 percent occupied.

The Gordon Street Mill Lofts also date from 2025 - with a total of 116 units - a mix of one-,two-, and three bedroom units which are understood to be targeted to households with incomes up to 60 percent of the median. No information was made available to us as to rents and occupancy.

The Long Branch Apartments will comprise a total of 180 units which are currently in the early construction phase. There will be a mix of one-, two-, and three-bedroom units, with rents targeted at 50 percent, 60 percent, and 70 percent of the local area median income.

The conventional complexes in our survey date from 2015 to 2025, with properties ranging in size from 182 to 385 units.

The Judson Mill Lofts - which opened in 2021 - is located adjacent to the site of the proposed development. More recently, the Jenny and Westervelt properties were added, and are currently in lease-up. Overall, these properties are reported to be 78.7 percent occupied. There is a mix of studio, one-, two-, and three-bedroom units, with multiple floor-plans. Rents range from $1,345 to $3,465.

Occupancy in the stabilized market rate complexes is 95.0 percent. The occupancy rate at the tax credit properties that we have reliable information on, is 96.0 percent. The overall occupancy rate is 95.3 percent.

Details of the various properties surveyed are summarized as follows:

Complex name	Financing	Year built	Total units	Vacant units	Occupancy (%)
Assembly	LIHTC	2017	238	18	92.4
Assembly II	LIHTC	2022	144	0	100.0
Cloverfield Estates	LIHTC	2012	48	n/a	n/a
Dunean Creek	LIHTC	2025	60	1	98.3
Gordon Street Mill Lofts	LIHTC	2025	116	n/a	n/a
Judson Mill Lofts	Conventional	2021- 2025	385	82	78.7
Lofts at Woodside Mill	Conventional	2021	307	11	96.4
Long Branch	LIHTC	2027	180	n/a	n/a
South Ridge	Conventional	2015	347	20	94.2
West Village Lofts at Brandon Mill	Conventional	2016	182	11	94.0
Westridge	LIHTC	2019	54	1	98.1

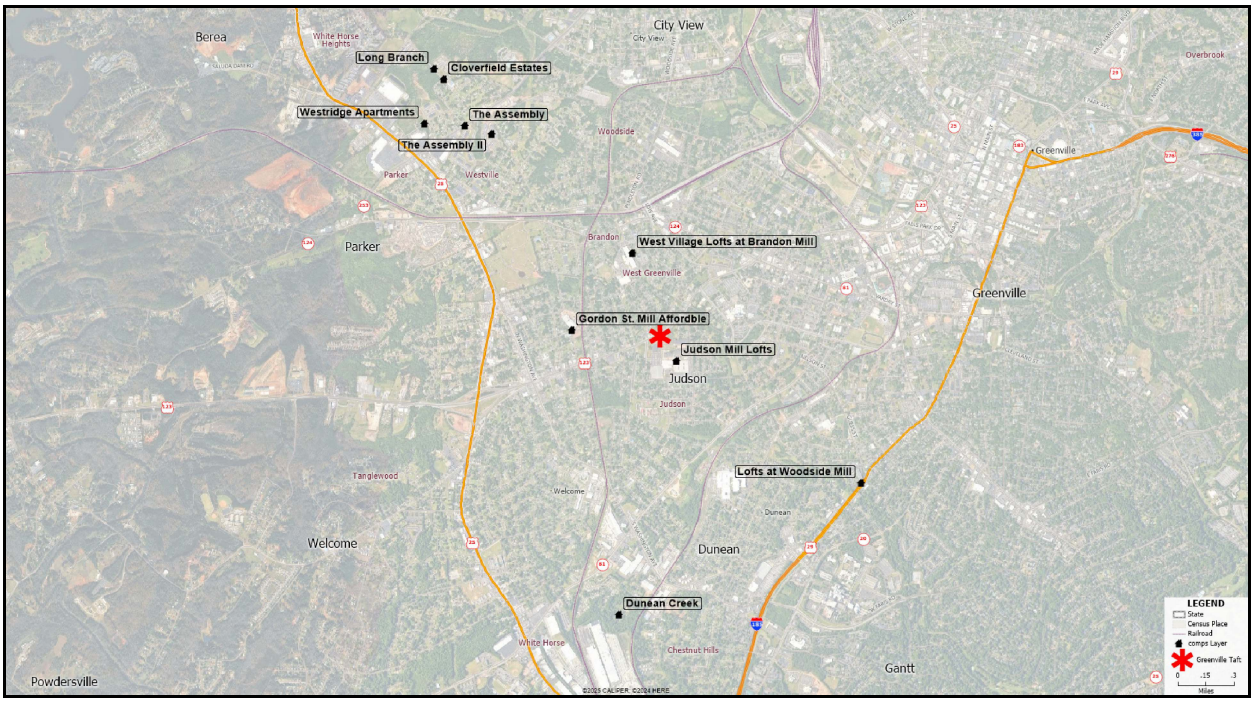
	0 br/1ba			1 br/1ba		
	number	size (sq. ft).	rent	number	size (sq. ft).	rent
Judson Mill Trace				26	783	$292-1,100
Assembly				58	758	$836-1,018
Assembly II				36	1,000	$971
Cloverfield Estates						
Dunean Creek						
Gordon Street Mill Lofts				48	755-792	n/a
Judson Mill Lofts	n/a	640-1,083	$1,345-1,745	n/a	893-900	$1,600-1,800
Lofts at Woodside Mill				n/a	712-1,146	$1,300-1,900
Long Branch				21	840	n/a
South Ridge	86	468-540	$1,126-1,339	148	540-768	$1,255-1,607
West Village Lofts at Brandon Mill				23	1,004-1,356	$1,785-2,030
Westridge				6	759-760	n/a

	2 br/1-1½ ba			2 br/2 ba		
	number	size (sq. ft).	rent	number	size (sq. ft).	rent
Judson Mill Trace				35	1,031-1,080	$345-1,400
Assembly				120	990	$998-1,216
Assembly II				72	1,000	$1,160
Cloverfield Estates				24	1,127	n/a
Dunean Creek				30	899	$1,185
Gordon Street Mill Lofts				38	941	n/a
Judson Mill Lofts				n/a	1,005-1,435	$1,835-2,405
Lofts at Woodside Mill				n/a	1,024-1,351	$1,683-2,400
Long Branch				86	1,100	n/a
South Ridge				79	816-1,253	$1,717-1,766
West Village Lofts at Brandon Mill				136	1,294-1,887	$2,035-3,035
Westridge				34	990-991	n/a

	3 br/1-1½ ba			3 br/2+ ba		
	number	size (sq. ft).	rent	number	size (sq. ft).	rent
Judson Mill Trace				19	1,280	$395-1,600
Assembly				60	1,192	$1,149-1,401
Assembly II				36	1,150	$1,336
Cloverfield Estates				24	1,288	n/a
Dunean Creek				30	1,099	$1,364
Gordon Street Mill Lofts				30	1,152-1,229	n/a
Judson Mill Lofts				n/a	1,378-2,091	$2,780-3.465
Lofts at Woodside Mill				n/a	1,243-1,515	$1,930-2,2464
Long Branch						
South Ridge				34	1,363-1,616	$1,940-2,050
West Village Lofts at Brandon Mill				13	1,956-2,598	$3,285-3,470
Westridge				14	1,192-1,.194	n/a

	4 br/1-1½ ba			4 br/2+ ba		
	number	size (sq. ft).	rent	number	size (sq. ft).	rent
Long Branch				46	1,350	n/a

A map showing the locations of these properties, relative to the site of the proposed apartments is provided, below.



Several market rate apartment developments in the project market area can be used in the determination of market rents. Here, we focused on the Judson Mill, West Village Lofts, and The South Ridge Apartments. The location, rent levels, unit size, age, features, and amenities at these properties were analyzed in order to try to establish an estimate of market rent levels for the unassisted units at the subject property. Following this approach we have determined that, all things being equal, these market properties suggest a rent of around $1,620 for a one-bedroom unit, $1,826 for a two-bedroom unit, and $2,566 for a three-bedroom unit.

Based on the proposed rents at the proposed development, this rent is found to be well below the gross adjusted market rent (47.48 percent less).

Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent	Adjusted Market Rent	Gross Adjusted Market Rent	Tax Credit Gross Rent Advantage
	0 BR					
2	1 BR	$292	$584	$1,620	$3,241	
13	1 BR	$835	$10,855	$1,620	$21,064	
8	1 BR	$950	$7,600	$1,620	$12,963	
3	1 BR	$1,100	$3,300	$1,620	$4,861	
	2 BR					
4	2 BR	$345	$1,380	$1,826	$7,303	
17	2 BR	$995	$16,915	$1,826	$31,036	
7	2 BR	$1,200	$8,400	$1,826	$12,780	
7	2 BR	$1,400	$9,800	$1,826	$12,780	
	3 BR					
2	3 BR	$395	$790	$2,567	$5,135	
9	3 BR	$1,125	$10,125	$2,567	$23,106	
5	3 BR	$1,350	$6,750	$2,567	$12,837	
3	3 BR	$1,600	$4,800	$2,567	$7,702	
	4 BR					
Totals	80		$81,299		$154,806	47.48%

The relationship between the proposed rents and the HUD Fair Market Rents (FMRs), as per the S-2 Exhibit, are set out, below.

Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent	Adjusted FMR	Gross Adjusted FMR	Tax Credit Gross Rent Advantage
	0 BR					
2	1 BR	$292	$584	$1,221	$2,442	
13	1 BR	$835	$10,855	$1,221	$15,873	
8	1 BR	$950	$7,600	$1,221	$9,768	
3	1 BR	$1,100	$3,300	$1,221	$3,663	
	2 BR					
4	2 BR	$345	$1,380	$1,339	$5,356	
17	2 BR	$995	$16,915	$1,339	$22,763	
7	2 BR	$1,200	$8,400	$1,339	$9,373	
7	2 BR	$1,400	$9,800	$1,339	$9,373	
	3 BR					
2	3 BR	$395	$790	$1,612	$3,224	
9	3 BR	$1,125	$10,125	$1,612	$14,508	
5	3 BR	$1,350	$6,750	$1,612	$8,060	
3	3 BR	$1,600	$4,800	$1,612	$4,836	
	4 BR					
Totals	80		$81,299		$109,239	25.58%



Assembly

Location: 5001 Assembly View Circle
Greenville

Financing: LIHTC
Year Built: 2017
Total Units: 238
Vacant units: 18 92.4% occupied

Telephone: 864.235.5577
Management: Fitch-Irick
[4/7]

Br/ba	Units	Sq. ft	Targeting	Rent	U/A	Rent/sq.ft
1/1	12	758	50%	$836		$1.10
1/1	46	758	60%	$1,018		$1.34
2/2	24	990	50%	$998		$1.01
2/2	96	990	60%	$1,216		$1.23
3/2	12	1,192	50%	$1,149		$0.96
3/2	48	1,192	60%	$1,401		$1.18

Utilities in Rent

Water	●
Sewer	●
Trash	●

Unit Amenities

Microwave	●
Dishwasher	●
Washer/dryer	
Washer/dryer hook-up	●
9' Ceilings	
High-end kitchen	
Wood/style floors	
Fireplaces	
Patios/balconies	●

Community Amenities

Clubhouse/community room	●
Fitness center	●
Business center	●
Pool	●
Playground	●
Controlled access/gated	
Elevator	
Garages	
Storage	
Laundry	●



Assembly II

Location: 5000 Gather Drive
Greenville

Financing: LIHTC
Year Built: 2022
Total Units: 144
Vacant units: 0 100.0% occupied

Telephone: 864.631.1297
Management: Fitch-Irick
[4/8]

Br/ba	Units	Sq. ft	Targeting	Rent	U/A	Rent/sq.ft
1/1	36	700	60%	$971		$1.39
2/2	72	1,000	60%	$1,160		$1.16
3/2	36	1,150	60%	$1,336		$1.16

Utilities in Rent

Water	●
Sewer	●
Trash	●

Unit Amenities

Microwave	●
Dishwasher	●
Washer/dryer	
Washer/dryer hook-up	●
9' Ceilings	
High-end kitchen	
Wood/style floors	
Fireplaces	
Patios/balconies	●

Community Amenities

Clubhouse/community room	●
Fitness center	●
Business center	●
Pool	●
Playground	●
Controlled access/gated	
Elevator	
Garages	
Storage	
Laundry	



Cloverfield Estates

Location: 500 Crawford Hill Road
Greenville

Financing: LIHTC
Year Built: 2012
Total Units: 48
Vacant units: n/a n/a occupied *

Telephone: 864.509,104-
Management: Guardian Asset Management
[4/7]

Br/ba	Units	Sq. ft	Targeting	Rent	U/A	Rent/sq.ft
2/2	8	1,127	50%	n/a		n/a
2/2	16	1,127	60%	n/a		n/a
3/2	4	1,288	50%	n/a		n/a
3/2	20	1,288	60%	n/a		n/a

*hang-up

Utilities in Rent

Water	
Sewer	
Trash	●

Unit Amenities

Microwave	●
Dishwasher	●
Washer/dryer	
Washer/dryer hook-up	●
9' Ceilings	
High-end kitchen	
Wood/style floors	
Fireplaces	
Patios/balconies	●

Community Amenities

Clubhouse/community room	●
Fitness center	●
Business center	●
Pool	
Playground	●
Controlled access/gated	
Elevator	
Garages	
Storage	●
Laundry	●



Dunean Creek

Location: 500 Crawford Hill Road
Greenville

Financing: LIHTC
Year Built: 2025
Total Units: 60
Vacant units: 1 98.3% occupied

Telephone: 864.668.2035
Management: Franklin Group
[4/6]

Br/ba	Units	Sq. ft	Targeting	Rent	U/A	Rent/sq.ft
2/2	30	899	60%	$1,185		$1.32
3/2	30	1,099	60%	$1,364		$1.24

hang-up

Utilities in Rent

Water	●
Sewer	●
Trash	●

Unit Amenities

Microwave	●
Dishwasher	●
Washer/dryer	
Washer/dryer hook-up	
9' Ceilings	
High-end kitchen	
Wood/style floors	●
Fireplaces	
Patios/balconies	●

Community Amenities

Clubhouse/community room	●
Fitness center	●
Business center	●
Pool	
Playground	●
Controlled access/gated	
Elevator	
Garages	
Storage	
Laundry	



Gordon Street Mill Lofts

Location: 100 Gordon Street, Ext
Greenville

Financing: LIHTC
Year Built: 2025
Total Units: 116
Vacant units: n/a n/a occupied

Telephone: 864.335.7054
Management: NHE

Br/ba	Units	Sq. ft	Targeting	Rent	U/A	Rent/sq.ft
1/1	48	755-792	60%	n/a	n/a	n/a
2/2	38	941	60%	n/a	n/a	n/a
3/2	30	1,152-1,229	60%	n/a	n/a	n/a

Utilities in Rent

Water	●
Sewer	●
Trash	●

Unit Amenities

Microwave	●
Dishwasher	●
Washer/dryer	
Washer/dryer hook-up	●
9' Ceilings	
High-end kitchen	
Wood/style floors	
Fireplaces	
Patios/balconies	●

Community Amenities

Clubhouse/community room	●
Fitness center	
Business center	
Pool	
Playground	●
Controlled access/gated	
Elevator	
Garages	
Storage	
Laundry	●



Judson Mill Lofts & The Jenny and Westervelt

Location: 701 Easley Bridge Road
Greenville

Financing: Conventional
Year Built: 2021- 2025
Total Units: 385
Vacant units: 82 78.7% occupied

Telephone: 866.995.3990
Management: Taft Family Ventures
[4/17]

Br/ba	units	sq. ft	Rent	Rent/sq.ft
0/1	n/a	640-725	$1,345-1,400	$2.01
0/1½	n/a	901-1,083	$1,575-1,745	$1.67
1/1	n/a	893-900	$1,600-1,800	$1.90
2/2	n/a	1,005-1,435	$1,835-2,405	$1.74
3/2	n/a	1,378-2,091	$2,780-3,465	$1.80
3/2½	n/a	1,950-1,988	$3,400	$1.73

vacancies are mostly in the newer property

Utilities in Rent
Water
Sewer
Trash

Unit Amenities	
Microwave	●
Dishwasher	●
Washer/dryer	●
Washer/dryer hook-up	
9' Ceilings	●
High-end kitchen	●
Wood/style floors	
Fireplaces	
Patios/balconies	●

Community Amenities	
Clubhouse/community room	●
Fitness center	●
Business center	
Pool	●
Playground	
Controlled access/gated	●
Elevator	
Garages	
Storage	●
Laundry	



Lofts at Woodside Mill

Location: 1 East Main Street
Greenville

Financing: Conventional
Year Built: 2021
Total Units: 307
Vacant units: 11 96.4% occupied

Telephone: 864.783.8097
Management: Graystar

Br/ba	units	sq. ft	Rent*	Rent/sq.ft
1/1		712-1,146	$1,300-1,900**	$1.72
2/2		1,024-1,351	$1,683-2,400	$1.72
3/2		1,243-1,515	$1,930**-$2,464	$1.59

* base rent
** estimated
management does not disclose occupancy- vacancies from website

Unit Amenities	
Microwave	●
Dishwasher	●
Washer/dryer	
Washer/dryer hook-up	●
9' Ceilings	
High-end kitchen	
Wood/style floors	●
Fireplaces	
Patios/balconies	●

Community Amenities	
Clubhouse/community room	●
Fitness center	●
Business center	
Pool	●
Playground	●
Controlled access/gated	
Elevator	
Garages	
Storage	
Laundry	●

Utilities in Rent
Water
Sewer
Trash



Long Branch

Location: 324 Emile Street
Greenville

Financing: LIHTC
Year Built: 2027 Telephone:
Total Units: 180 Management: Fitch-Irick
Vacant units: n/a n/a occupied - under construction

Br/ba	Units	Sq. ft	Targeting	Rent	U/A	Rent/sq.ft
1/1	3	840	50%			
1/1	18	840	60%			
2/2	16	1,100	50%			
2/2	70	1,100	60%			
2/2	16	1,100	70%			
4/2	36	1,350	60%			
4/2	10	1,350	70%			

Utilities in Rent

Water	●
Sewer	●
Trash	●

Unit Amenities

Microwave	●
Dishwasher	●
Washer/dryer	
Washer/dryer hook-up	●
9' Ceilings	
High-end kitchen	
Wood/style floors	
Fireplaces	
Patios/balconies	

Community Amenities

Clubhouse/community room	●
Fitness center	●
Business center	
Pool	
Playground	●
Controlled access/gated	
Elevator	
Garages	
Storage	
Laundry	●



South Ridge

Location: 823 South Church Street
Greenville

Financing: Conventional
Year Built: 2015
Total Units: 347
Vacant units: 20 94.2% occupied

Telephone: 864.651.9764
Management:
[4/9]

Br/ba	units	sq. ft	Rent	Rent/sq.ft
0/1	86	468-540	$1,126-1,339	$2.45
1/1	148	540-768	$1,255-1,607	$2.19
2/2	79	816-1,253	$1,717-1,766	$1.68
3/2	34	1,363-1,616	$1,940-2,050	$1.34

Management does not disclose occupancy - figure is from websire

Utilities in Rent
Water
Sewer
Trash

Unit Amenities

Microwave	●
Dishwasher	●
Washer/dryer	●
Washer/dryer hook-up	●
9' Ceilings	
High-end kitchen	
Wood/style floors	
Fireplaces	
Patios/balconies	

Community Amenities

Clubhouse/community room	●
Fitness center	●
Business center	●
Pool	●
Playground	
Controlled access/gated	
Elevator	
Garages	
Storage	
Laundry	



West Village Lofts at Brandon Mill

Location: 25 Draper Street
Greenville

Financing: Conventional
Year Built: 2016
Total Units: 182
Vacant units: 11 94.0% occupied*

Telephone: 864.783.8097
Management: Pegasus Residential
[4/28]

Br/ba	units	sq. ft	Rent	Rent/sq.ft
1/1	23	1,004-1,356	$1,785-2,030	$1.62
2/2	136	1,294-1,887	$2,035-3,035	$1.59
3/2	13	1,956-2,598	$3,285-3,470	$1.48

* leasing agent did not know occupancy - figure is from website

Unit Amenities	
Microwave	●
Dishwasher	●
Washer/dryer	
Washer/dryer hook-up	●
9' Ceilings	
High-end kitchen	
Wood/style floors	●
Fireplaces	
Patios/balconies	●

Community Amenities	
Clubhouse/community room	●
Fitness center	●
Business center	
Pool	●
Playground	●
Controlled access/gated	
Elevator	
Garages	
Storage	
Laundry	●

Utilities in Rent
Water
Sewer
Trash



Westridge

Location: 300 Lizzie Drive
Greenville

Financing: LIHTC
Year Built: 2019
Total Units: 54
Vacant units: 1 98.1% occupied

Telephone: 864.534.1200
Management: Fitch-Irick
[5/1]

Br/ba	Units	Sq. ft	Targeting	Rent	U/A	Rent/sq.ft
1/1	2	759-760	50%	n/a	n/a	n/a
1/1	4	759-760	60%	n/a	n/a	n/a
2/2	7	990-991	50%	n/a	n/a	n/a
2/2	27	990-991	60%	n/a	n/a	n/a
3/2	2	1,192-1,194	50%	n/a	n/a	n/a
3/2	12	1,192-1,194	60%	n/a	n/a	n/a

Utilities in Rent

Water	
Sewer	
Trash	•

Unit Amenities

Microwave	
Dishwasher	•
Washer/dryer	
Washer/dryer hook-up	•
9' Ceilings	
High-end kitchen	
Wood/style floors	
Fireplaces	
Patios/balconies	

Community Amenities

Clubhouse/community room	•
Fitness center	•
Business center	
Pool	
Playground	•
Controlled access/gated	
Elevator	
Garages	
Storage	
Laundry	•

H. INTERVIEWS

As part of the research for this market study, interviews were held with property managers, local government officials, and others with particular knowledge of the local housing market. The proposed development will offer and attractive, new, apartment complex - to be leased subject to the provisions of the Low Income Housing Tax Credit program. Property managers of existing complexes and/or other representatives of management companies were a potential source of information.

As noted, property managers are a major source of information for a project such as that proposed (their contact details are provided as part of the rental survey set out in the previous pages).

The manager at the Assembly tax credit property, for example, believes that a new property, such as that proposed, will be well received, and that the area is booming. The manager at Assembly II says that, of course, another tax credit property would do well. The manager at Dunean Creek thought that, maybe, another project would do well.

I. RECOMMENDATIONS

It is our recommendation that, based upon our analysis, the proposed apartments should be developed as proposed, and that the project should be awarded low income housing tax credits. This conclusion is based on our analysis of the economic and demographic criteria of the project market area as defined and on our project specific demand analysis and survey of the supply of rental housing in the market--as set out in the foregoing report and summarized in the Executive Summary.

J. SIGNED STATEMENT

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 Low Income Housing Tax Credit units. I understand that any misrepresentation of this statement may result in the denial of further participation in the South Carolina Housing Finance and 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.



Market Analyst

Date: May

ANALYST QUALIFICATIONS

T. Ronald Brown: Research & Analysis is a planning and economics consulting firm which provides real estate market analysis.

The President of the firm is T. Ronald Brown. He has more than 40 years experience in the provision of market studies for subsidized and unsubsidized apartment developments and for-sale housing. Over the last two decades or so, Mr. Brown has produced more than 2,500 studies in at least 20 states, predominantly in the Southeast.

Mr. Brown has a Honours Master of Arts degree in Geographical Studies from the University of St. Andrews in St. Andrews, Scotland.

The firm has primary experience in market analysis for residential projects including both single-family homes and multi-family units (for sale and for rent). A significant proportion of the firm's business focuses on apartment market studies–for family renters and for elderly persons. These reports include conventionally financed projects (including HUD 221 (d) (4) projects), affordable housing (including low income tax credit financed projects) and subsidized housing.

Mr. Brown is a member of several groups that promote housing in general and affordable housing in particular. These include the North Carolina Housing Coalition, Preservation North Carolina, the Virginia Housing Alliance, and the National Council of Housing Market Analysts.

Clients include for-profit developers, non-profit developers and community development corporations, state housing finance agencies, syndicators, and municipalities.

NCHMA MEMBER CERTIFICATION

This market study has been prepared by T. Ronald Brown: Research & Analysis, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the *Standard Definitions of Key Terms used in Market Studies*, and *Model Content Standards for the Content of Market Studies.* These Standards are designed to enhance the quality of market studies and to make them easier to prepare, understand, and use by market analysts and the by the end users. These Standards are voluntary only, and no legal responsibility regarding their use is assumed by the National Council of Housing Market Analysts .

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Attested by:



T. Ronald Brown



MARKET STUDY TERMINOLOGY

The following presents the accepted definitions of various terms typically found in real estate market studies. These definitions are typically followed unless reviewing agency requirements differ.

Absorption period - the period of time necessary for a newly constructed or renovated property to achieve the *stabilized level of occupancy*. The absorption period begins when the first certificate of occupancy is issued and ends when the last unit to reach the *stabilized level of occupancy* has a signed lease. Assumes a typical premarketing period, prior to the issuance of the certificate of occupancy, of about three to six months. The month that leasing is assumed to begin should accompany all absorption estimates.

Absorption rate - the average number of unites rented each month during the *absorption period*.

Acceptable rent burden - the rent-to-income ratio used to qualify tenants for both income-restricted and non-income restricted units. The acceptable rent burden varies depending on the requirements of funding sources, government funding sources, target markets, and local conditions.

Achievable rents - *See Market Rent, Achievable Restricted Rent.*

Affordable housing - housing affordable to low or very low-income tenants.

Amenity - tangible or intangible benefits offered to a tenant. Typical amenities include on-site recreational facilities, planned programs, services and activities.

Annual demand - the total estimated demand present to the market in any one year for the type of units proposed.

Assisted housing - housing where federal, state or other programs *subsidize* the monthly costs to the tenants.

Bias - a proclivity or preference, particularly one that inhibits or entirely prevents an impartial judgment.

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

Comparable property - a property that is representative of the rental housing choices of the subject's *primary market area* and that is similar in construction, size, amenities, location, and/or age. Comparable and *competitive* properties are generally used to derive market rent and to evaluate the subject's position in the market.

Competitive property - a property that is comparable to the subject and that competes at nearly the same rent levels and tenant profile, such as age, family or income.

Comprehensive market study - NCHMA (the National Council of Housing Market Analysts) defines a comprehensive market study for the purposes of IRC Section 42 as a market study compliant with its Model Content Standards for Market Studies for Rental Housing. Additionally, use of the suggested wording in the NCHMA certification without limitations regarding the comprehensive nature of the study, shows compliance with the IRC Section 42 request for completion of a market study by a 'disinterested party.'

Concession - discount given to a prospective tenant to induce the tenant to sign a least. Concessions typically are in the form of reduced rent or free rent for a specific lease term, or for free amenities, which are normally charged separately (i.e. washer/dryer, parking).

Demand - the total number of households in a defined market area that would potentially move into the proposed new or renovated housing units. These households must be the appropriate age, income, tenure and size for a specific proposed development. Components of demand vary and can include household growth; turnover, those living in substandard conditions, rent over-burdened households, and demolished housing units. Demand is project specific.

Effective rents - contract rent less concessions.

Household trends - changes in the number of households for a particular area over a specific period of time, which is a function of new household formations (e.e. at marriage or separation), changes in average household size, and net *migration*.

Income band - the range of incomes of households that can afford to pay a specific rent but do not have below any applicable program-specific maximum income limits. The minimum household income typically is based on a defined *acceptable rent burden* percentage and the maximum typically7 is pre-defined by specific program requirements or by general market parameters.

Infrastructure - services and facilities including roads, highways, water, sewerage, emergency services, parks and recreation, etc. Infrastructure includes both public and private facilities.

Market advantage - the difference, expressed as a percentage, between the estimated market rent for an apartment property without income restrictions and the lesser of (a) the owner's proposed rents or (b) the maximum rents permitted by the financing program for the same apartment property. (*market rent - proposed rent*) / *market rent * 100*

Market analysis - a study of real estate market conditions for a specific type of property.

Market area - *See primary market area.*

Market demand - the total number of households in a defined market area that would potentially move into any new or renovated housing units. Market demand is not project specific and refers to the universe of tenure appropriate households, independent of income. The components of market demand are similar to those used in determining project-specific demand. A common example of market demand used by HUD's MAP program, which is based on three years of renter household growth, loss of existing units due to demolition, and market conditions.

Market rent - the rent that an apartment, without rent or income restrictions or rent subsidies, would command in the *primary market area* considering its location, features and amenities. Market rent should be adjusted for *concessions* and owner paid utilities included in the rent.

Market study - a comprehensive study of a specific proposal including a review of the housing market in a defined market area. Project specific market studies are often used by developers, syndicators, and government entities to determine the appropriateness of a proposed development, whereas market specific market studies are used to determine what housing needs, if any, exist within a specific geography.

Marketability - the manner in which the subject fits into the market; the relative desirability of a property (for sale or lease) in comparison with similar or competing properties in the area.

Market vacancy rate, economic - percentage of rent loss due to concessions, vacancies, and non-payment of rent on occupied units.

Market vacancy rate, physical - average number of apartment units in any market which are unoccupied divided by the total number of apartment units in the same market, excluding units in properties which are in the lease-up stage.

Migration - the movement of households into or out of an area, especially a *primary market area*.

Mixed income property - an apartment property containing (1) both income restricted and unrestricted units or (2) units restricted at two or more income limits (i.e. low income tax credit property with income limits of 30%, 50%, and 60%).

Mobility - the ease with which people move from one location to another.

Move-up demand - an estimate of how many consumers are able and willing to relocate to more expensive or desirable units. Examples: tenants who move from class-C properties to class-B properties, or tenants who move from older tax credit properties to new tax credit properties.

Multi-family - structures that contain more than two housing units.

Neighborhood - an area of a city or town with common demographic and economic features that distinguish it from adjoining areas.

Net rent (also referred to as contract rent or lease rent) - Gross rent less *tenant paid utilities.*

Penetration rate - The percentage of age and income qualified renter households in the *primary market area* that all existing and proposed properties, to be completed with six months of the subject, and which are competitively priced to the subject that must be captured to achieve the *stabilized level of occupancy*. Funding agencies may require restrictions to the qualified households used in the calculation including age, income, living in substandard housing, mover ship and other comparable factors. Units in all proposals / households in market * 100, see also: capture rate.

Pent-up demand - a market in which there is a scarcity of supply and vacancy rates are very low.

Population trends - changes in population levels for a particular area over a specific period of time – which is a function of the level of births, deaths, and net *migration*.

Primary market area - a geographic area from which a property is expected to draw the majority of its residents.

Programmatic rents - See *restricted rents.*

Project based rent assistance - rental assistance from any source that is allocated to the property or a specific number of units in the property and is available to each income eligible tenant of the property or an assisted unit.

Redevelopment - the redesign or rehabilitation of existing properties.

Rent burden - gross rent divided by adjusted monthly household income.

Rent burdened households - households with *rent burden* above the level determined by the lender, investor, or public program to be an acceptable rent-to-income.

Restricted rent - the rent charged under the restrictions of a specific housing program or subsidy.

Restricted rent, achievable - the rents that the project can attain taking into account both market conditions and rent in the *primary market area* and income restrictions.

Saturation - the point at which there is no longer demand to support additional unit. Saturation usually refers to a particular segment of a specific market.

Secondary market area - the portion of a market that supplies additional support to an apartment property beyond that provided by the primary market area.

Special needs population - specific market niche that is typically not catered to in a conventional apartment property. Examples of special needs population include: substance abusers, visually impaired person or persons with mobility limitations.

Stabilized level of occupancy - the underwritten or actual number of occupied units that a property is expected to maintain after the initial rent-up period, expressed as a percentage of the total units.

Subsidy - monthly income received by a tenant or by an owner on behalf of a tenant to pay the difference between the apartment's *contract rent* and the amount paid by the tenant toward rent.

Substandard conditions - housing conditions that are conventionally considered unacceptable which may be defined in terms of lacking plumbing facilities, one or more major systems not functioning properly, or overcrowded conditions.

Target income band - the *income band* from which the subject property will draw tenants.

Target population - the market segment or segments a development will appeal or cater to. State agencies often use target population to refer to various income set asides, elderly v. family, etc.

Tenant paid utilities - the cost of utilities (not including cable, telephone, or internet) necessary for the habitation of a dwelling unit, which are paid by the tenant.

Turnover period - 1. An estimate of the number of housing units in a market area as a percentage of total housing units in the market area that will likely change occupants in any one year. See also: vacancy period. Housing units with new occupants / housing units * 100 2. The percent of occupants in a given apartment complex that move in one year.

Unmet housing need - new units required in the market area to accommodate household growth, homeless people, and housing in substandard conditions.

Unrestricted rents - rents that are not subject to *restriction*.

Unrestricted units - units that are not subject to any income or rent restrictions.

Vacancy period - the amount of time that an apartment remains vacant and available for rent.

Vacancy rate-economic vacancy rate - physical - maximum potential revenue less actual rent revenue divided by maximum potential rent revenue. The number of total habitable units that are vacant divided by the total number of units in the property.

Other Terms

The following terms are also to be found in professional market studies - here, this information is drawn from various sources including HUD, the Census Bureau, and the Urban Land Institute.

Area Median Income (AMI) - 1005 of the gross median household income for a specific Metropolitan Statistical Area, county or non-metropolitan area established annually by HUD.

Attached housing - two or more dwelling units connected with party walls (e.g. townhouses or flats).

Basic rent - the maximum monthly rent that tenants who do not have rental assistance pay to lease units developed through the USDA-RD Section 515 Program, the HUD Section 236 Program and HUD Section 223(d)(3) Below Market Interest Rate Program. The Basic Rent is calculated as the amount of rent required to operate the property, maintain debt service on a subsidized mortgage with a below-market interest rate, and provide a return on equity to the developer in accordance with the regulatory documents governing the property.

Below Market Interest Rate program (BMIR) - Program targeted to renters with income not exceeding 80% or area median income by limiting rents based on HUD's BMIR Program requirements and through the provision of an interest reduction contract subsidize the market interest rate to a below-market rate. Interest rates are typically subsidized to effective rates of one percent or three percent.

Census tract - a small, relatively permanent statistical subdivision delineated by a local committee of census data users for the purpose of presenting data. Census tract boundaries normally follow visible features, but may follow governmental unit boundaries and other non-visible features; they always nest within counties. They are designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time of establishment. Census tracts average about 4,000 inhabitants.

Central Business District (CBD) - the center of commercial activity within a town or city; usually the largest and oldest concentration of such activity.

Community Development Corporation (CDC) - entrepreneurial institution combining public and private resources to aid in the development of socio-economically disadvantaged areas.

Condominium - a form of join ownership and control of property in which specified volumes of space (for example, apartments) are owned individually while the common elements of the property (for example, outside walls) are owned jointly.

Contract rent - 1. The actual monthly rent payable by the tenant, including any rent subsidy paid on behalf of the tenant, to the owner, inclusive of all terms of the lease. (HUD & RD) 2. The monthly rent agreed to between a tenant and a landlord (Census).

Difficult Development Area (DDA) - an area designated by HUD as an area that has high construction, land, and utility costs relative to the Area Median Gross Income. A project located in a DDA and utilizing the Low Income Housing Tax Credit may qualify for up to 130% of eligible basis for the purpose of calculating the Tax Credit allocation.

Detached housing - a freestanding dwelling unit, typically single-family, situated on its own lot.

Elder or senior housing - housing where (1) all units in the property are restricted for occupancy by persons 62 years of age order or (2) at least 80% of the units in each building are restricted for occupancy by households where at least one household member is 55 years of age or older and the housing is designed with amenities and facilities designed to meet the needs of senior citizens.

Extremely low income - person or household with income below 30% of the Area Median Income adjusted for household size.

Fair Market Rent (FMR) - the estimates established by HUD of the Gross rents (Contract rent plus Tenant Paid Utilities) needed to obtain modest rental units in acceptable condition in a specific county or metropolitan statistical area. HUD generally set FMR so that 40% of the rental units have rents below FMR. In rental markets with a shortage of lower priced rental units HUD may approve the use of Fair Market Rents that are as high as the 50th percentile of rents.

Garden apartments - apartments in low-rise buildings (typically two or four stories) that feature low density, ample open-space around buildings, and on-site parking.

Gross rent - the monthly housing cost to a tenant which equals the Contract rent provided for in the lease plus the estimated cost of all Tenant Paid Utilities.

High-rise - a residential building having more than ten stories.

Household - one or more people who occupy a housing unit as their usual place of residence.

Housing unit - house, apartment, mobile home, or group of rooms used as a separate living quarters by a single household.

Housing Choice Voucher (Section 8 Program) - federal rent subsidy program under Section 8 of the U.S. Housing Act, which issues rent vouchers to eligible households in the use of the housing of their choice. The voucher payment subsidizes the difference between the Gross Rent and tenant's contribution of 30% of adjusted income, (or 10% of gross income, whichever is greater). In cases where 30% of the tenants' income is less than the utility allowance, the tenant will receive an assistance payment. In other cases, the tenant is responsible for paying his share of the rent each month.

Housing Finance Agency (FHA) - state or local agencies responsible for financing housing and administering assisted housing programs.

HUD Section 8 Program - federal program that provides project based rental assistance. Under the program HUD contracts directly with the owner for the payment of the difference between the contract rent and a specified percentage of tenants' adjusted income.

HUD Section 202 Program - federal program which provides direct capital assistance (i.e. grant) and operating or rental assistance to finance housing designed for occupancy by elderly households who have income not exceeding 50% of Area Median Income. The program is limited to housing owned by 501(c)(3) nonprofit organizations or by limited partnerships where the sole general partner is a 501(c)(3) nonprofit organization. Units receive HUD project based rental assistance that enables tenants to occupy units at rents based on 30% of tenant income.

HUD Section 811 Program - federal program which provides direct capital assistance and operating of rental assistance to finance housing designed for occupancy by persons with disabilities who have income not exceeding 50% of Area Median Income. The program is limited to housing owned by 501(c)(3) nonprofit organizations or by limited partnerships where the sole general partner is a 510(c)(3) nonprofit organization.

HUD Section 236 Program - federal program which provides interest reduction payments for loans which finance housing targeted to households with income not exceeding 80% of area median income who pay rent equal to the greater of Basic Rent or 30 percent of their adjusted income. All rents are capped at a HUD approved market rent.

Income limits - maximum household income by county or Metropolitan Statistical Area, adjusted for household size and expressed as a percentage of the Area Median Income for the purpose of establishing an upper limit for eligibility for a specific housing program. Income limits for federal, state and local rental housing programs typically are established at 30%, 50%, 60% or 80% of AMI. HUD publishes income limits each year for 30% median. Very low income (50%), and low income (80%), for households with 1 through 8 people.

Low income - person or household with gross household income below 80% of Area Median Income adjusted for household size.

Low income housing tax credit - a program to generate equity for investment in affordable rental housing authorized pursuant to Section 42 of the Internal Revenue Code, as amended. The program requires that a certain percentage of units built be restricted for occupancy to households earning 60% or less of Area Median Income, and that the rents on those units be restricted accordingly.

Low rise building - a building with one to three stories.

Metropolitan Statistical Area (MSA) - a geographic entity defined by the federal Office of Management and Budget for use by federal statistical agencies, based on the concept of a core area with a large population nucleus, plus adjacent communities have a high degree of economic and social integration with that core. Qualification of an MSA requires the presence of a city with 50,000 or more inhabitants, or the presence of an Urbanized Area (UA) and a total population of at least 100,000 (75,000 in New England). The county or counties containing the largest city and surrounding densely settled territory are central counties of the MSA. Additional outlying counties qualify to be included in the MSA by meeting certain other criteria of metropolitan character, such as a specified minimum population density or percentage of the population that is urban.

Mid-rise - a building with four to ten stories.

Moderate income - person or household with gross household income between 80 and 120 percent of area median income adjusted for household size.

Public Housing or Low Income Conventional Public Housing - HUD program administered by local (or regional) Housing Authorities which serves low- and very-low income households with rent based on the same formula used for HUD Section 8 assistance.

Qualified Census Tract (QCT) - any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50% of households have an income less than 60% of the area median income or where the poverty rate is at least 25%. A project located in a QCT and receiving Low Income Housing Tax Credit may qualify for up to 130% of the eligible basis for the purpose of calculating the Tax Credit allocation.

Rural Development (RD) market rent - a monthly rent that can be charged for an apartment under a specific USDA-RD housing program, that reflects the agency's estimate of the rent required to operate the property, maintain debt service on an unsubsidized mortgage and provide an adequate return to the property owner. The rent is the maximum rent that a tenant can pay at an RD Property.

Rural Development (RD) Program (Formerly the Farmers Home Administration Section 515 Rural Rental Housing Program) - federal program which provides the low interest loans to finance housing which serves low- and moderate-income persons in rural areas who pay 30 percent of their adjusted income on rent or the basic rent, which is the higher (but not exceeding the market rent). The program may include property based rental assistance and interest reduction contracts to write down the interest on the loan to as low as one percent.

Single-family housing - a dwelling unit, either attached or detached, designed for use by one household and with the direct access to a street. It does not share heating facilities or other essential building facilities with any other dwelling.

State Data Center (SDC) - a state agency or university facility identified by the governor of each state to participate in the Census Bureau's cooperative network for the dissemination of the census data.

Tenant - one who rents real property from another.

Tenure - the distinction between owner-occupied and renter-occupied housing units.

Townhouse (or Row House) - single-family attached residence separated from another by party walls, usually on a narrow lot offering small front and back-yards; also called row house.

Very low income - person or household whose gross household income does not exceed 50% of Area Median Income adjusted for household size.

Zoning - classification and regulation of land by local governments according to use categories (zones); often also includes density designations.