Shaw Research & Consulting

Real Estate Analysis & Market Feasibility Services

A SENIOR RENTAL HOUSING MARKET FEASIBILITY ANALYSIS FOR

MYRTLE BEACH, SOUTH CAROLINA

(Horry County)

Villas at Oleander Apartments

Oleander Drive/38th Avenue North
Myrtle Beach, South Carolina 29577

March 1, 2017

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CERTIFICATE OF ACCURACY AND RELIABILITY

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

Steven R. Shaw
SHAW RESEARCH & CONSULTING, LLC

Date: March 1, 2017

INTRODUCTION

Shaw Research & Consulting, LLC has prepared the following rental housing study to examine and analyze the Myrtle Beach area as it pertains to the market feasibility of Villas at Oleander Apartments, a proposed 49-unit affordable rental housing development targeted for low-income senior households. The subject proposal is to be located within the central portion of the city of Myrtle Beach in a growing area of the city at the east intersection of Oleander Drive and 38th Avenue, less than ¼ mile south of U.S. 17 and 1¼ miles northeast of the Atlantic Ocean. The site has prime visibility from a well-traveled roadway (38th Avenue), and is located within a somewhat commercial area (although residential areas are found within ½ mile) within one mile of a wide variety of retail, medical, employment, and other necessary services.

The purpose of this report is to analyze the market feasibility of the subject proposal based on the project specifications and site location presented in the following section. Findings and conclusions will be based through an analytic evaluation of demographic trends, recent economic patterns, existing rental housing conditions, detailed fieldwork and site visit, and a demand forecast for rental housing within the Myrtle Beach market area. All fieldwork and community data collection was conducted on February 12, 2017 by Steven Shaw. A phone survey of existing rental developments identified within the PMA, as well as site visits to those properties deemed most comparable to the subject, was also reviewed to further measure the potential market depth for the subject proposal.

This study assumes Low Income Housing Tax Credits (LIHTC) will be utilized in the development of the subject rental facility, along with the associated rent and income restrictions obtained from the South Carolina State Housing Finance and Development Authority (SCSHFDA). As a result, the proposed Villas at Oleander Apartments will feature a total of 49 two-bedroom restricted to households at 50 percent and 60 percent of the area median income (AMI). Furthermore, there are no unrestricted (market rate) or project-based rental assistance (PBRA) units proposed within the subject development.

EXECUTIVE SUMMARY

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

1) The subject proposal is a 49-unit senior-only rental development targeting low-income senior households. The facility will consist entirely of two bedroom units restricted to households at 50 and 60 percent of AMI.

2) Demand estimates for the proposed development show sufficient statistical support for the introduction and absorption of additional rental units within the Myrtle Beach PMA. Capture rates are presented in Exhibit S-2 (following the executive summary), and are clearly reflective of the need for affordable senior rental housing locally.

3) Occupancy rates for affordable rental housing are quite positive throughout the local market area at the current time. As such, an overall occupancy rate of 95.0 percent was calculated among 19 properties (including four senior) included in a January/February 2017 survey of rental developments identified and contacted within the PMA.

4) Only limited senior rental options are available within Myrtle Beach at the current time. According to survey results, there were only three senior-only properties situated within the defined PMA – two subsidized projects and one LIHTC property. One other senior property was included within the survey located in Conway (also subsidized). Three of the four properties were 100 percent occupied and reported waiting lists.

5) The only tax credit rental alternative within Myrtle Beach targeted specifically towards seniors is Swansgate Apartments, consisting of 122 units constructed in three phases. However, phase I and II (totaling 68 units) received a LIHTC allocation in 2016 to be renovated and will contain project-based rental subsidies post-rehab. As such, the Myrtle Beach market is actually losing non-subsidized affordable units for seniors.

6) Considering the five family-oriented LIHTC properties within the survey, all are 100 percent occupied - providing clear evidence of the strong demand for affordable housing locally.

7) The Myrtle Beach area has experienced significant senior demographic growth in recent years. As such, the overall senior population (55 years and over) is estimated to have increased by 27 percent between 2010 and 2016, representing nearly 5,400 additional seniors. Future projections indicate an additional increase of 19 percent is anticipated between 2016 and 2021. Considering this strong growth, the demand for additional senior housing will undoubtedly escalate as well.

8) Considering the subject's proposed targeting, affordable rental rates, and competitive unit sizes and development features, the introduction of The Villas at Oleander Apartments should prove successful. Based on extremely positive demographic patterns, high occupancy levels throughout the local rental stock (notably among senior and affordable properties), and especially considering the lack of affordable senior housing locally, a newly constructed senior-only rental option will undoubtedly be successful within the Myrtle Beach PMA. As such, evidence presented within the market study suggests a normal lease-up period (between four to five months) should be anticipated based on project characteristics as proposed. Furthermore, the development of the subject proposal will not have any adverse effect on any other existing rental property – either affordable or market rate.

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

Development Name:	VILLAS AT OLEANDER APARTMENTS	Total # Units:	49
Location:	Oleander Drive/38th Avenue North, Myrtle Beach, South Carolina SC	# LIHTC Units:	49
PMA Boundary:	West = 8 miles; North = 5 miles; East = 6.5 miles; South = 1.3 miles		
Development Type:	___ Family 55+ Older Persons	Farthest Boundary Distance to Subject:	8 miles

RENTAL HOUSING STOCK (found on page 54)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	19	3,242	164	95.0%
Market-Rate Housing	10	2,487	144	94.2%
Assisted/Subsidized Housing not to include LIHTC	3	143	0	100.0%
LIHTC (All that are stabilized)*	**6**	**612**	**20**	**96.8%**
Stabilized Comps**	6	612	20	96.8%
Non-stabilized Comps	0	0	0	NA

*Stabilized occupancy of at least 93% (Excludes projects still in initial lease up).
**Comps are those comparable to the subject and those that compete at nearly the same rent levels and tenant profile, such as age, family and income.

Subject Development					Adjusted Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
10	2 BR	2.0	965	$460	$941	$0.91	51.1%	$1,295	$1.19
39	2 BR	2.0	965	$575	$941	$0.91	38.9%	$1,295	$1.19
Gross Potential Rent Monthly*				**$27,025**	**$46,132**		**41.42%**		

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

DEMOGRAPHIC DATA (found on page 32)

	2010		2016		2019	
Renter Households	2,875	22.7%	3,585	22.7%	3,939	22.7%
Income-Qualified Renter HHs (LIHTC)	453	15.8%	565	15.8%	621	15.8%
Income-Qualified Renter HHs (MR)	0	0.0%	0	0.0%	0	0.0%

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 48)

Type of Demand	50%	60%	Market Rate	Other:	Other:	Overall
Renter Household Growth	25	31	--			56
Existing Households (Overburd + Substand)	125	152	--			277
Homeowner Conversion (Seniors)	16	22	--			38
Other:	--	--	--			--
Less Comparable/Competitive Supply	--	--	--			--
Net Income-Qualified Renter HHs	**166**	**204**	--	--	--	**370**

CAPTURE RATES (found on page 48)

Targeted Population	50%	60%	Market Rate	Other:	Other:	Overall
Capture Rate	6.0%	19.1%	--			13.2%

ABSORPTION RATE (found on page 50)

Absorption Period: 4 to 5 months

2017 S-2 RENT CALCULATION WORKSHEET

	# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Potential Tenant Rent	Adjusted Market Rent	Gross Potential Market Rent	Tax Credit Gross Rent Advantage
40%	--	0 BR	$0	$0	$0	$0	
50%	--	0 BR	$0	$0	$0	$0	
60%	--	0 BR	$0	$0	$0	$0	
40%	--	1 BR	$0	$0	$0	$0	
50%	--	1 BR	$0	$0	$0	$0	
60%	--	1 BR	$0	$0	$0	$0	
40%	--	2 BR	$0	$0	$0	$0	
50%	10	2 BR	$460	$4,600	$941	$9,415	
60%	39	2 BR	$575	$22,425	$941	$36,717	
40%	--	3 BR	$0	$0	$0	$0	
50%	--	3 BR	$0	$0	$0	$0	
60%	--	3 BR	$0	$0	$0	$0	
40%	--	4 BR	$0	$0	$0	$0	
50%	--	4 BR	$0	$0	$0	$0	
60%	--	4 BR	$0	$0	$0	$0	
	Totals	**49**		**$27,025**		**$46,132**	**41.42%**

A. PROJECT DESCRIPTION

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

Project Name:	**VILLAS AT OLEANDER APARTMENTS**	
Project Address:	**Oleander Drive/38th Avenue North**	
Project City:	**Myrtle Beach, South Carolina**	
County:	**Horry County**	
Total Units:	**49**	
Occupancy Type:	**Older Persons (55+)**	
Construction Type:	**New Construction**	
Income Targeting*:	*Overall -*	**$17,130 to $24,480**
	50% AMI -	**$17,130 to $20,400**
	60% AMI -	**$20,580 to $24,480**

Targeting/Mix	Number of Units	Unit Type	Number of Baths	Square Feet	Contract Rent	Utility Allow.	Gross Rent	Max. LIHTC Rent*	Incl. PBRA
Two-Bedroom Units	**49**								
50% of Area Median Income	10	Apt	2.0	965	$460	$111	$571	$573	No
60% of Area Median Income	39	Apt	2.0	965	$575	$111	$686	$688	No

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

Project Description:

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

Project Size:

Total Development Size..................................49 units
Number of Affordable Units...........................49 units
Number of Market Rate Units.........................0 units
Number of PBRA Units..................................0 units
Number of Employee Units ....0 units

Development Characteristics:

Number of Total Units....................................49 units
Number of Garden Apartments........................49 units
Number of Townhouses..................................0 units
Number of Residential Buildings.....................1 *(maximum three story)*
Number of Community Buildings 0
Exterior Construction......................................Minimum 70% Brick

Unit Amenities:

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

Development Amenities:

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

Additional Assumptions:

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

B. SITE DESCRIPTION

1. Site Visit Date

All fieldwork and community data collection was conducted on February 12, 2017 by Steven Shaw.

2. Site Neighborhood and Overview

The subject property is located within the central portion of Myrtle Beach at the northeast corner of Oleander Drive and 38th Avenue North, midway between U.S. 17 and Robert M Grissom Parkway. As such, the property is bound by Oleander Drive to the north, 38th Avenue to the west, and Houndsfield Avenue to the south and east. Characteristics of the immediate neighborhood are somewhat mixed, and consist of retail/commercial to the west, commercial to the north and east, and undeveloped vacant property to the south. Although the area immediately surrounding the site is largely commercial, several residential areas can be found within ½ mile – with a mixture of apartments, for-sale condominiums, and single-family homes.

The subject property consists of approximately 2.64 acres of flat, undeveloped property and is mostly grass-covered with scattered trees. Situated within Census Tract 505 of Horry County, the site is currently zoned as MU-M (Mixed Use-Medium Density), which allows for the development of multi-family senior units. Based on current usages, zoning throughout the neighborhood should not impede or negatively affect the viability of the subject proposal. As such, adjacent land usage is as follows:

North: Oleander Drive/TD Bank
South: Houndsfield Avenue/Vacant, undeveloped property
East: Houndsfield Avenue/Active Day Adult Health Services
West: 38th Avenue North/Bi-Lo shopping center

The subject property's location provides a generally positive curb appeal with no significant visible traffic congestion and most nearby properties in good condition. Furthermore, the site will have frontage along 38th Avenue (representing a moderately-traveled four-lane roadway), as well as from Oleander Drive (a lightly-traveled two-lane roadway), providing relatively convenient access to much of the area's retail, medical, recreational, and employment locales, and can be considered a positive factor.

3. Nearby Retail

The subject property is situated within walking distance to various retail opportunities, with the Bi-Lo shopping center directly west of the site (containing a Bi-Lo Grocery with Pharmacy and various other shops and restaurants), and also a CVS/Pharmacy just north of the site at the southwest corner of U.S. 17 and 38th Avenue. In addition to other retail opportunities located along Kings Highway (approximately one mile south of the site, and includes a Walmart Neighborhood Market, Dollar Tree, and much more), the nearest significant retail concentration can be found approximately 1¾ miles southwest of the subject property at the southeast corner of Mr. Joe White Avenue and U.S. 17 – offering a Sam's Club, Target, Dollar Tree, Lowes Home Improvement Warehouse, and numerous other opportunities. Perhaps one of the largest retail areas in Myrtle Beach is the Coastal Grand Mall, situated approximately 3½ miles to the southwest, with various other retail outlets just east of the mall (such as Wal-Mart, Best Buy, Costco, and Home Depot among others).

4. Medical Offices and Hospitals

Numerous medical services and physician offices can be found throughout the immediate area, many of which are located near the site. While the nearest full-service hospital to the subject is the Grand Strand Regional Medical Center, located approximately 3½ miles to the northeast along U.S. 17, a concentration of physician and specialty offices are situated within ½ mile along Oleander Drive to the east (between 44th Avenue and 48th Avenue). Additionally, there are two medical clinics within one-third mile of the site – Agape Physicians Care along Oleander, and CVS/Pharmacy Minute Care (which is open seven days a week) at the corner of U.S. 17 and 38th Avenue.

5. Other PMA Services

Additional services of note within the immediate area include a library, the Grand Strand Senior Center, Claire Chapin Epps Family YMCA, and several parks and recreation facilities. The senior center is situated roughly 1½ miles from the site, and offers numerous activities and services, including daily lunches, games, shopping trips, exercise classes, movies, and medical wellness checks. Furthermore, the YMCA and Pepper-Geddings Recreation Center are both located less than two miles away. It should also be noted that the popular Broadway at the

Beach entertainment complex is just one mile west of the site, offering numerous specialty shops, dining, and attractions for all ages.

Fixed-route bus/transit services are offered locally through the Coast Regional Transportation Authority (Coast RTA), consisting of regularly scheduled routes servicing Horry and Georgetown Counties seven days a week - the nearest bus stop is approximately one mile away at Broadway at the Beach. Further, RTA also offers an on-demand Paratransit Services for individuals with disabilities.

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

Retail

1. Bi-Lo Shopping Center .... adjacent to southwest
   (w/ Bi-Lo Grocery and Pharmacy, Great Clips, Party Maker, UPS Store, Allure Salon, Affordable Dentures, Salon Centric, Nail Couture and Pedi, and several restaurants)
2. CVS/Pharmacy (with Minute Clinic) .... 0.1 mile northwest
3. Walmart Neighborhood Market .... 1.0 mile southeast
4. Dollar Tree .... 1.1 miles southeast
5. Seaboard Commons shopping center .... 1.8 miles west
   (w/ Target, Dollar Tree, Ross Dress for Less, TJ Maxx, World Market, AC Moore Arts and Craft)
6. Coastal Grand Mall .... 3.5 miles west
   (w/ anchor stores of Dillard's, JC Penney, Belk, Sears, Old Navy, Dicks Sporting Goods, Bed Bath and Beyond, Cinemark Theater)
7. Michael's/HomeGoods/HH Gregg .... 3.0 miles west
8. Walmart Supercenter .... 3.2 miles west

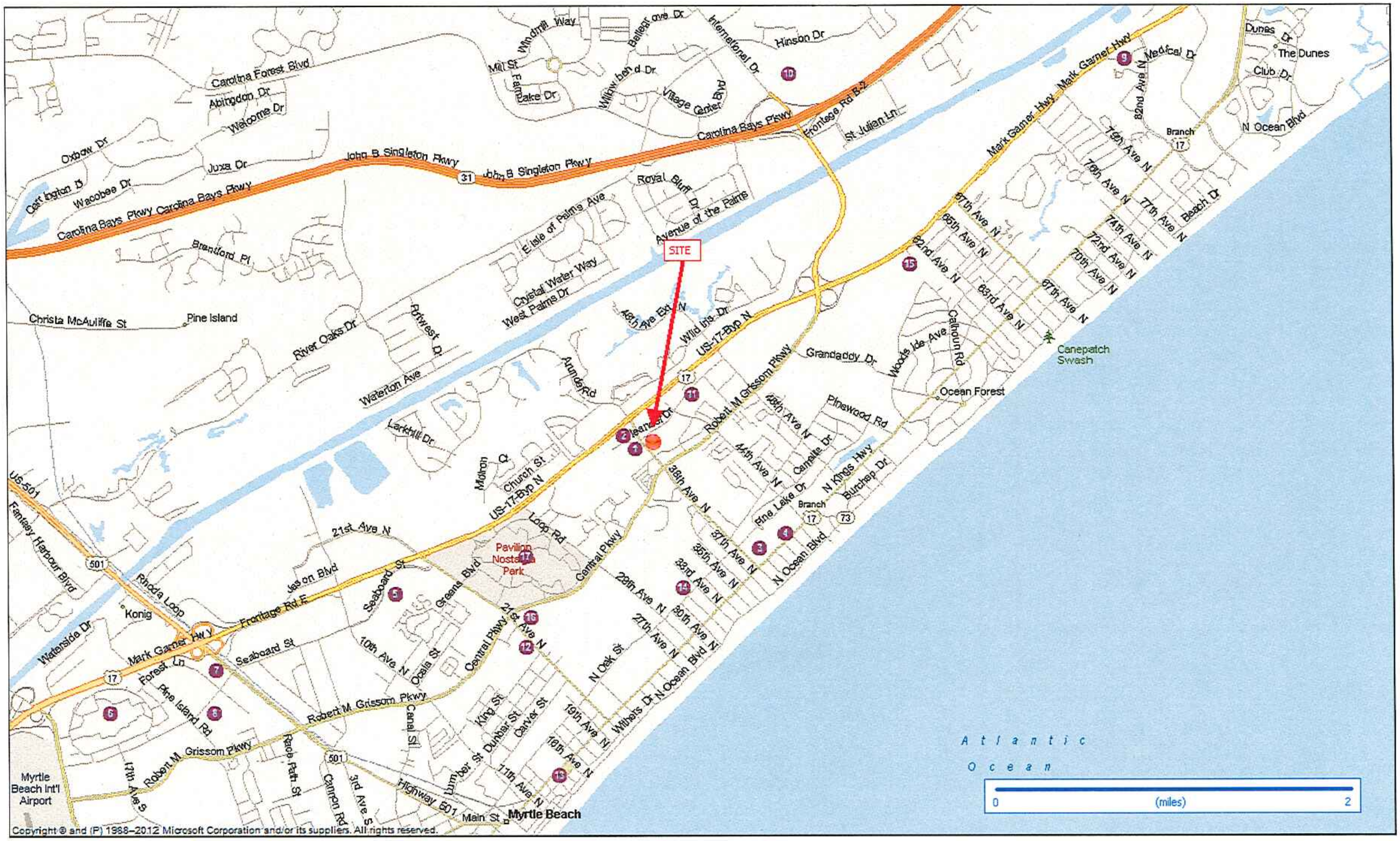
Medical

9. Grand Strand Regional Medical Center .... 3.6 miles northeast
10. McLeod Health Campus *(under construction)* .... 2.7 miles northeast
2. CVS/Pharmacy Minute Clinic .... 0.1 mile northwest
11. Agape Physicians Care .... 0.3 miles east
12. Doctors Care/Strand Medical Urgent Care .... 1.7 miles southwest

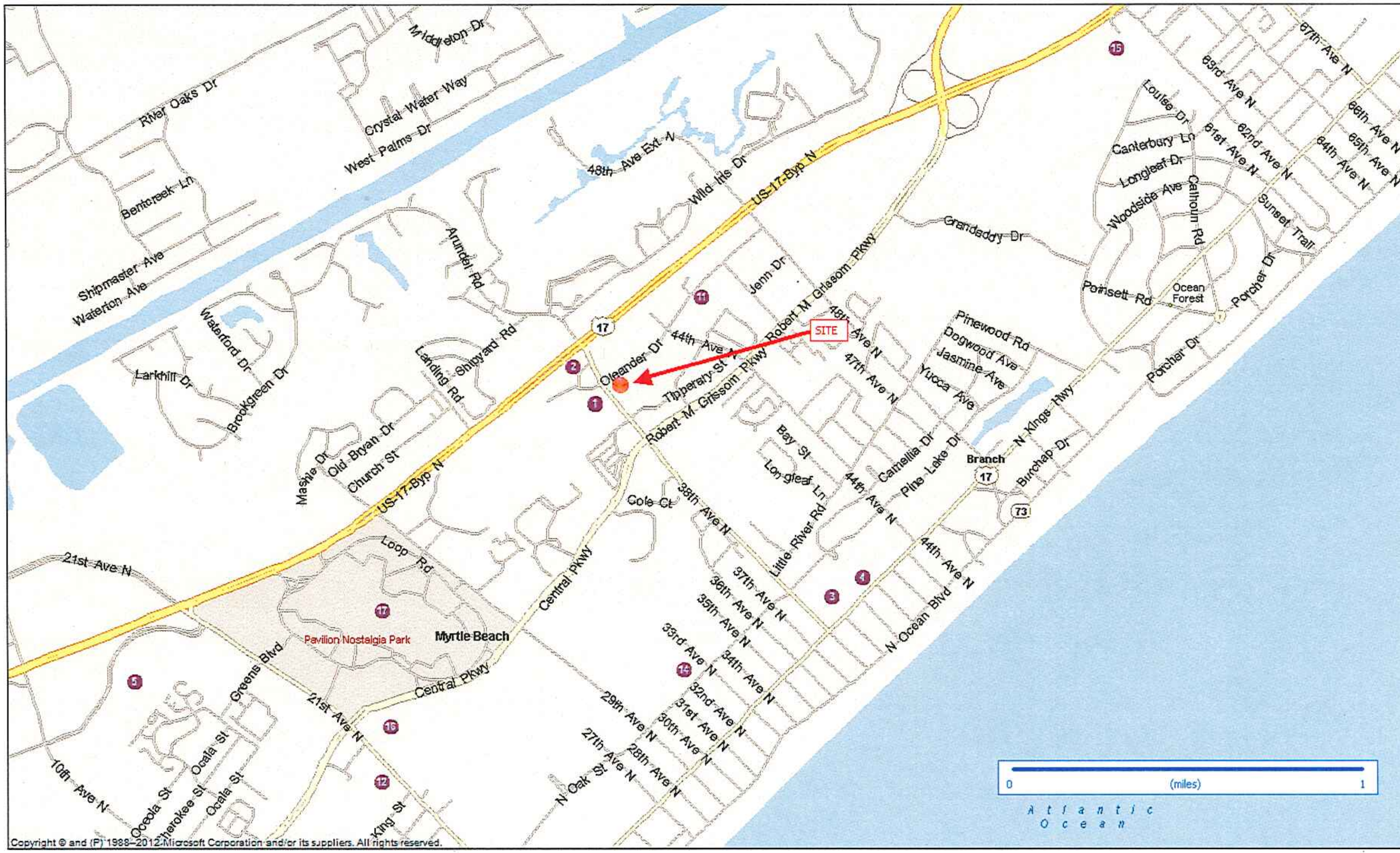
Recreation/Other

13. Chapin Memorial Library/Chapin Park .... 2.6 miles southwest
14. Pepper Geddings Recreation Center .... 1.1 miles south
15. Claire Chapin Epps Family YMCA .... 1.9 miles northeast
16. Grand Strand Senior Center .... 1.5 miles southwest
17. Broadway at the Beach entertainment complex .... 1.0 mile west
18. TicketReturn.com Field .... 1.0 mile north

Map 1: Local Features/Amenities – Myrtle Beach Area



Map 2: Local Features/Amenities – Close View



Map 3: Site Location – City of Myrtle Beach

NOTE: Shaded area is city of Myrtle Beach

Map 4: Site Plan

Map 5: Affordable LIHTC Rental Housing

Site/Neighborhood Photos

SITE – Villas at Oleander
Myrtle Beach, SC
Facing north from 38th Avenue
Oleander Drive is to left, Houndsfield Ave is to right

SITE – Villas at Oleander
Myrtle Beach, SC
Facing east from Oleander Drive
38th Avenue is to right

SITE – Villas at Oleander
Myrtle Beach, SC
Facing west from Houndsfield Avenue
38th Avenue is to left

SITE – Villas at Oleander
Myrtle Beach, SC
Facing south from Houndsfield Avenue
Oleander Drive is to right

TD Bank adjacent to west of site
Facing west from Oleander Drive

Bi-Lo shopping center adjacent to south of site
Facing south from 38th Avenue

Active Day Health Services adjacent to north of site
Facing north from Houndsfield Avenue

Vacant, undeveloped property adjacent to east of site
Facing east from Houndsfield Avenue

Facing west along 38th Avenue from Houndsfield Ave.
Site is on right
Bi-Lo shopping center is on left

Facing east along 38th Avenue from Oleander Drive
Site is on left
Bi-Lo shopping center is on right

Facing south along Oleander Drive
From Houndsfield Ave.
Site is on left
Bank is in distance on right

Facing north along Houndsfield Avenue
From 38th Avenue
Site is on left
Vacant property is on right

6. Crime Assessment

According to crime data by zip code, the overall crime index for the immediate area is substantially above both state and national levels. According to data obtained from HomeFair.com, which provides demographic and lifestyle statistics by zip code, the area in which the subject property is situated (zip code 29577) had a Total Crime Risk index of 286 – as compared to 130 for the state (whereas an index of 100 is the national average). According to index values, Burglary Risk was the highest factor (at 390), followed by Larceny Risk (328), and Robbery Risk (309). While most index values were above the state average, these elevated crime statistics can largely be attributed to its location within a tourist destination with a relatively large number of transients working in Myrtle Beach during the summer tourism season. In addition, a relatively large number of young adults (visiting for spring break and the like) is also a contributing factor to the skewed numbers. However, despite the somewhat elevated indices, it does not appear that there is a noticeable security concern at the site or within the immediate neighborhood based on observations while visiting the subject property.

Table 1: Crime Risk Index

	Zip: 29577 Index*	State Index*	National Index*
Total Crime Risk Index	**286**	**130**	**100**
Personal Crime Index	**289**	**165**	**100**
Murder Risk	129	138	100
Rape Risk	274	138	100
Robbery Risk	309	95	100
Assault Risk	283	200	100
Property Crime Index	**339**	**124**	**100**
Burglary Risk	390	137	100
Larceny Risk	328	125	100
Automotive Theft Risk	248	91	100

*Values are represented as an index, where the value 100 represents the national average.
Source: HomeFair.com - Data by Zip Code

7. Road/Infrastructure Improvements

Based on the site visit and evaluation of the local market area, there does not appear to be any noteworthy road work and/or infrastructure improvement projects that would affect the marketability or absorption of the subject property.

8. Overall Site Conclusions

Overall, the majority of necessary services are situated within a short distance of the site, with a grocery store, pharmacy, medical offices, and other services located less than one mile away. Furthermore, the subject property is located along a well-traveled roadway, offering relatively convenient access to other prominent thoroughfares and numerous retail centers located throughout the area. Based on a site visit conducted February 12, 2017, overall site characteristics can be viewed as mostly positive, with no significant visible nuances that can have a potentially negative effect on the marketability or absorption of the subject property. In addition, the subject property's location provides a generally positive curb appeal, with no visible traffic congestion and most nearby properties (residential or otherwise) in good condition.

C. PRIMARY MARKET AREA DELINEATION

The Primary Market Area (PMA) is defined as the geographic area from which the subject property (either proposed or existing) is expected to draw the *majority* of its residents. For the purpose of this report, the Myrtle Beach PMA consists of the city of Myrtle Beach and the immediate surrounding area. More specifically, the PMA is comprised of 20 census tracts in coastal Horry County, and reaches approximately five miles to the north of the site, eight miles to the west, 6½ miles to the east, and 1¼ miles to the south. As such, the aforementioned primary market area delineation can be considered as a realistic indication of the potential draw of the subject proposal based on an attractive site within a predominantly residential area, as well as its proximity to several of the area's key roadways - providing relatively convenient transportation throughout Myrtle Beach and the coastal region.

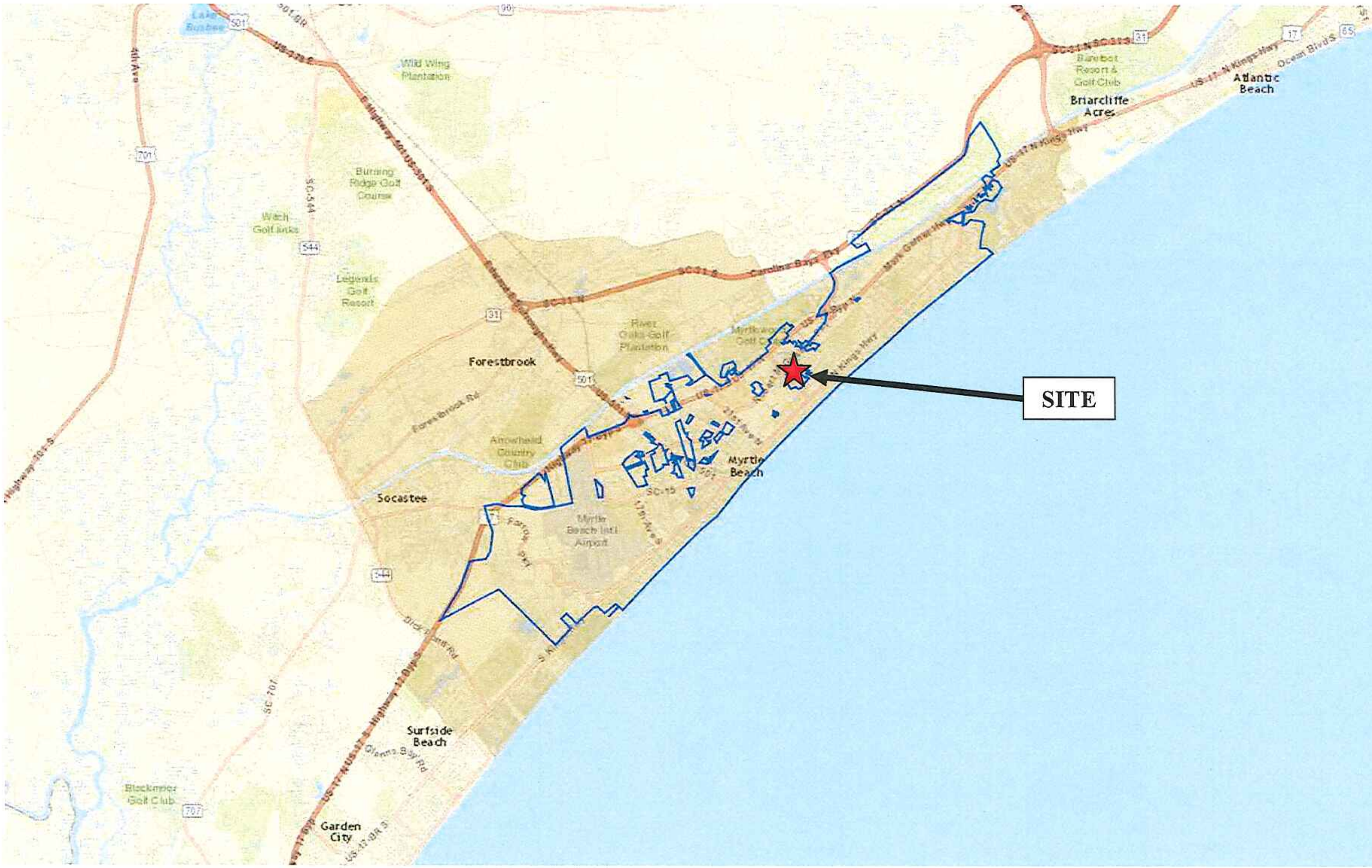
Factors such as socio-economic conditions and patterns, local roadway infrastructure, commuting patterns, physical boundaries, and personal experience were also utilized when defining the primary market area. As such, the PMA is comprised of the following census tracts *(all are in Horry County)*:

• Tract 501.02	• Tract 504.02	• Tract 509.00	• Tract 515.02	• Tract 602.04
• Tract 502.00	• Tract 505.00*	• Tract 510.00	• Tract 515.03	• Tract 602.06
• Tract 503.03	• Tract 506.00	• Tract 514.03	• Tract 517.00	• Tract 602.08
• Tract 504.01	• Tract 507.00	• Tract 515.01	• Tract 602.03	• Tract 9801

* Site is located in Census Tract 505.00

Map 6: State of South Carolina

Map 7: Myrtle Beach PMA



NOTE: Shaded area is PMA; Blue outline is city of Myrtle Beach

Map 8: Myrtle Beach PMA – Census Tracts

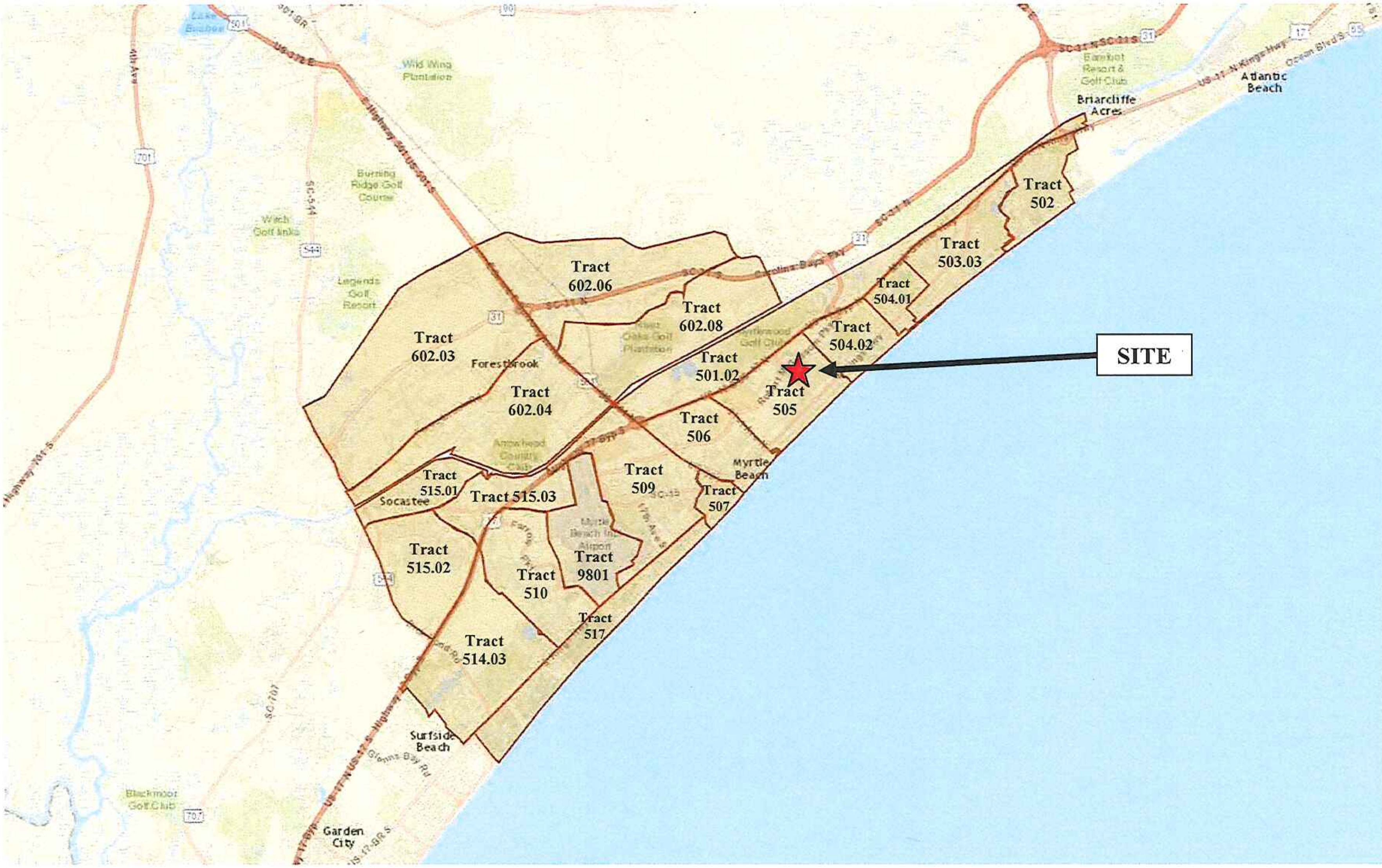


Table 2: Race Distribution (2010)

Census Tract 505 - Horry County, SC

	Number	Percent
Total Population (all races)	**4,321**	**100.0%**
White*	3,855	89.2%
Black or African American*	251	5.8%
American Indian/Alaska Native*	55	1.3%
Asian*	70	1.6%
Native Hawaiian/Pacific Islander*	16	0.4%
Other Race*	183	4.2%

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

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

D. MARKET AREA ECONOMY

1. Employment by Industry

According to information from the South Carolina Department of Employment and Workforce, the largest individual employment industry within Horry County was accommodation/food services (at approximately 26 percent of all jobs), followed by persons employed in retail trade (18 percent), and health care/social assistance (nine percent). Based on a comparison of employment by industry from 2011, nearly every industry experienced a net gain over the past five years. Retail trade and accommodation/food services had the largest growth by far (with 2,844 and 2,070 new jobs, respectively), followed closely by health care/social assistance and construction (each increasing by more than 1,600 jobs). In contrast, only two industries experienced minor declines between 2011 and 2016 (both by less than 300 jobs).

Table 3: Employment by Industry – Horry County (2010-2016)

	2Q 2016		2Q 2011		Change (2011-2016)	
Industry	Number Employed	Percent	Number Employed	Percent	Number Employed	Percent
Total, All Industries	126,782	100.0%	112,973	100.0%	13,809	12%
Agriculture, forestry, fishing and hunting	204	0.2%	177	0.2%	27	15%
Mining	70	0.1%	39	0.0%	31	79%
Utilities	434	0.3%	733	0.6%	(299)	(41%)
Construction	6,454	5.1%	4,825	4.3%	1,629	34%
Manufacturing	3,280	2.6%	3,300	2.9%	(20)	(1%)
Wholesale trade	2,269	1.8%	1,980	1.8%	289	15%
Retail trade	22,982	18.1%	20,138	17.8%	2,844	14%
Transportation and warehousing	1,868	1.5%	1,723	1.5%	145	8%
Information	1,918	1.5%	1,806	1.6%	112	6%
Finance and insurance	2,684	2.1%	2,539	2.2%	145	6%
Real estate and rental and leasing	5,000	3.9%	4,511	4.0%	489	11%
Professional and technical services	4,064	3.2%	2,859	2.5%	1,205	42%
Management of companies and enterprises	504	0.4%	493	0.4%	11	2%
Administrative and waste services	6,590	5.2%	5,451	4.8%	1,139	21%
Educational services	9,380	7.4%	8,267	7.3%	1,113	13%
Health care and social assistance	11,946	9.4%	9,973	8.8%	1,973	20%
Arts, entertainment, and recreation	5,491	4.3%	5,442	4.8%	49	1%
Accommodation and food services	33,105	26.1%	31,035	27.5%	2,070	7%
Other services, exc. public administration	2,863	2.3%	2,579	2.3%	284	11%
Public administration	5,676	4.5%	5,101	4.5%	575	11%

* - Data Not Available

Source: South Carolina Department of Employment & Workforce - Horry County

2. Commuting Patterns

Based on place of employment (using 2015 American Community Survey data), 93 percent of PMA residents are employed within Horry County, while just seven percent work outside of the county – most of which commute to neighboring Georgetown County for employment.

An overwhelming majority of workers throughout Horry County traveled alone to their place of employment, whether it was within the county or commuting outside of the area. According to ACS data, approximately 83 percent of workers within the PMA drove alone to their place of employment, while nine percent carpooled in some manner. A relatively small number (five percent) utilized public transportation, walked, or some other means to work.

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

EMPLOYMENT BY PLACE OF WORK	City of Myrtle Beach		Myrtle Beach PMA		Horry County	
Total	**13,656**	**100.0%**	**37,385**	**100.0%**	**126,615**	**100.0%**
Worked in State of Residence	13,376	97.9%	36,697	98.2%	123,038	97.2%
Worked in County of Residence	12,999	95.2%	34,927	93.4%	116,617	92.1%
Worked Outside County of Residence	377	2.8%	1,770	4.7%	6,421	5.1%
Worked Outside State of Residence	280	2.1%	688	1.8%	3,577	2.8%

MEANS OF TRANSPORTATION TO WORK	City of Myrtle Beach		Myrtle Beach PMA		Horry County	
Total	**13,656**	**100.0%**	**37,385**	**100.0%**	**123,504**	**100.0%**
Drove Alone - Car, Truck, or Van	10,666	78.1%	30,921	82.7%	102,559	83.0%
Carpooled - Car, Truck, or Van	1,676	12.3%	3,463	9.3%	12,060	9.8%
Public Transportation	50	0.4%	50	0.1%	298	0.2%
Walked	545	4.0%	767	2.1%	1,952	1.6%
Other Means	471	3.4%	1,020	2.7%	2,367	1.9%
Worked at Home	248	1.8%	1,164	3.1%	4,268	3.5%

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

Table 5: Employment Commuting Patterns (2010)

Persons Commuting TO Horry County		Persons Commuting FROM Horry County	
Commuters Living In:	**Number**	**Commuters Working In :**	**Number**
Georgetown County, SC	4,440	Georgetown County, SC	3,672
Columbus County, NC	2,303	Marion County, SC	876
Brunswick County, NC	2,180	Brunswick County, NC	874
Marion County, SC	1,831	Florence County, SC	539
Florence County, SC	561	Columbus County, NC	470
Williamsburg County, SC	302	Charleston County, SC	263
Robeson County, NC	201	Richland County, SC	219

Source: U.S. Census Bureau - 2010

3. Largest Employers

Below is a chart depicting the ten largest employers within Horry County, according to information obtained through Myrtle Beach Regional Economic Development. In addition to the numerous jobs involving the tourism industry throughout the Myrtle Beach area, the largest single employers involve education or health care.

Employer	Product/Service	Number of Employees
Horry County School District	Education	5,230
Grand Strand Regional Medical Center	Health Services	1,280
Coastal Carolina University	Education	1,253
Conway Medical Center	Health Services	1,100
McLeod Loris Seacoast	Health Services	916
Blue Cross/Blue Shield	Call Center	825
New South Companies	Lumber/Sawmills	700
HTC Communications	Communications	664
Santee Cooper	Electric Services	530
Conbraco Industries	Manufacturing	330

4. Employment and Unemployment Trends

The overall economy throughout Horry County has seemingly improved over the past several years, with strong employment increases in each of the last six years. As such, Horry County recorded an increase of nearly 15,700 jobs between 2010 and 2016, representing an increase of 14 percent (an annual increase of 2.3 percent). In addition, the average annual unemployment rate for 2016 was calculated at 5.8 percent, an improvement from 7.0 percent in 2015 and representing the county's lowest rate since 2008. In comparison, the state and national annual unemployment rates for 2016 were 5.1 and 4.9 percent, respectively.

Table 6: Historical Employment Trends

	Horry County				Employment Annual Change			Unemployment Rate		
Year	Labor Force	Number Employed	Annual Change	Percent Change	Horry County	South Carolina	United States	Horry County	South Carolina	United States
2005	121,360	114,386	---	---	---	1.9%	1.8%	5.7%	6.7%	5.1%
2006	128,200	121,128	6,742	5.9%	5.9%	2.3%	1.9%	5.5%	6.4%	4.6%
2007	130,268	123,740	2,612	2.2%	2.2%	1.6%	1.1%	5.0%	5.7%	4.6%
2008	130,715	121,473	(2,267)	-1.8%	-1.8%	-0.5%	-0.5%	7.1%	6.8%	5.8%
2009	130,286	115,067	(6,406)	-5.3%	-5.3%	-4.3%	-3.8%	11.7%	11.2%	9.3%
2010	130,949	114,862	(205)	-0.2%	-0.2%	0.2%	-0.6%	12.3%	11.2%	9.6%
2011	132,347	116,581	1,719	1.5%	1.5%	1.6%	0.6%	11.9%	10.6%	8.9%
2012	132,515	118,816	2,235	1.9%	1.9%	1.9%	1.9%	10.3%	9.2%	8.1%
2013	132,732	121,310	2,494	2.1%	2.1%	2.0%	1.0%	8.6%	7.6%	7.4%
2014	133,831	123,988	2,678	2.2%	2.2%	2.6%	1.7%	7.4%	6.4%	6.2%
2015	136,476	126,880	2,892	2.3%	2.3%	2.3%	1.7%	7.0%	6.0%	5.3%
2016	138,604	130,550	3,670	2.9%	2.9%	2.9%	1.7%	5.8%	5.1%	4.9%

Horry County				South Carolina		
	Number	Percent	Ann. Avg.		Percent	Ann. Avg.
Change (2005-Present):	16,164	14.1%	1.3%	Change (2005-Present):	13.2%	1.2%
Change (2010-Present):	15,688	13.7%	2.3%	Change (2010-Present):	14.0%	2.3%
Change (2015-Present):	3,670	2.9%	2.9%	Change (2015-Present):	2.9%	2.9%
Change (2005-2010):	476	0.4%	0.1%	Change (2005-2010):	-0.7%	-0.1%
Change (2010-2015):	12,018	10.5%	2.1%	Change (2010-2015):	10.8%	2.2%

Figure 1: Employment Growth

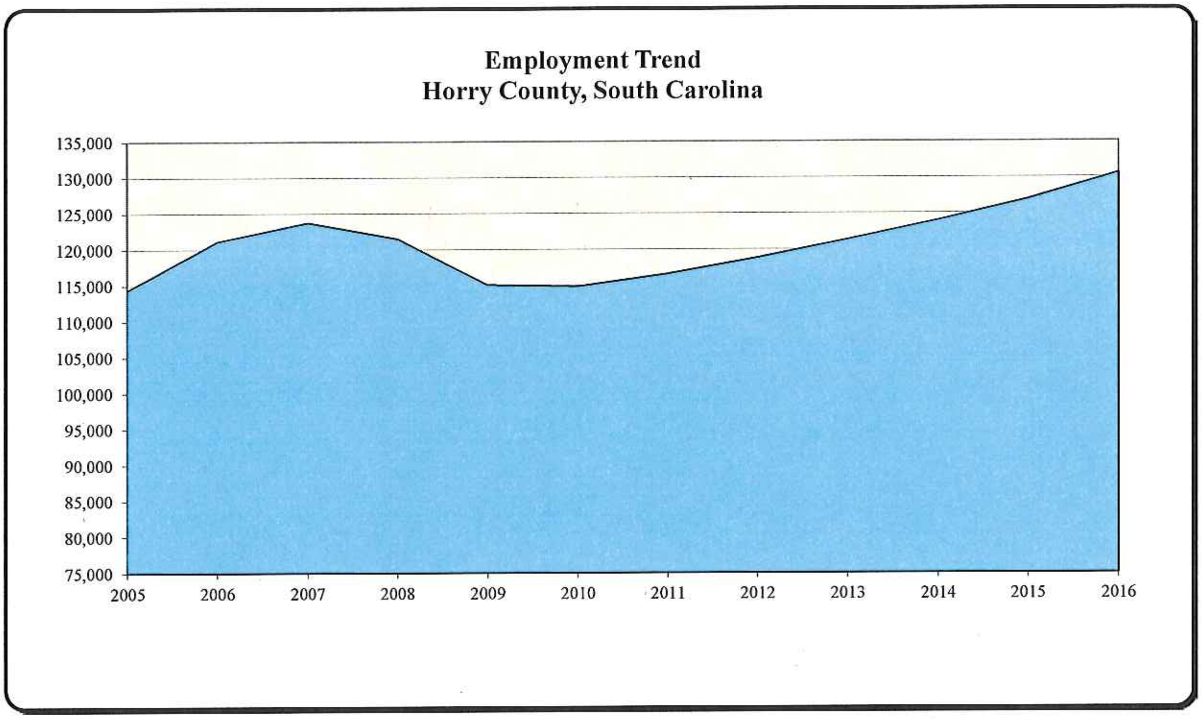
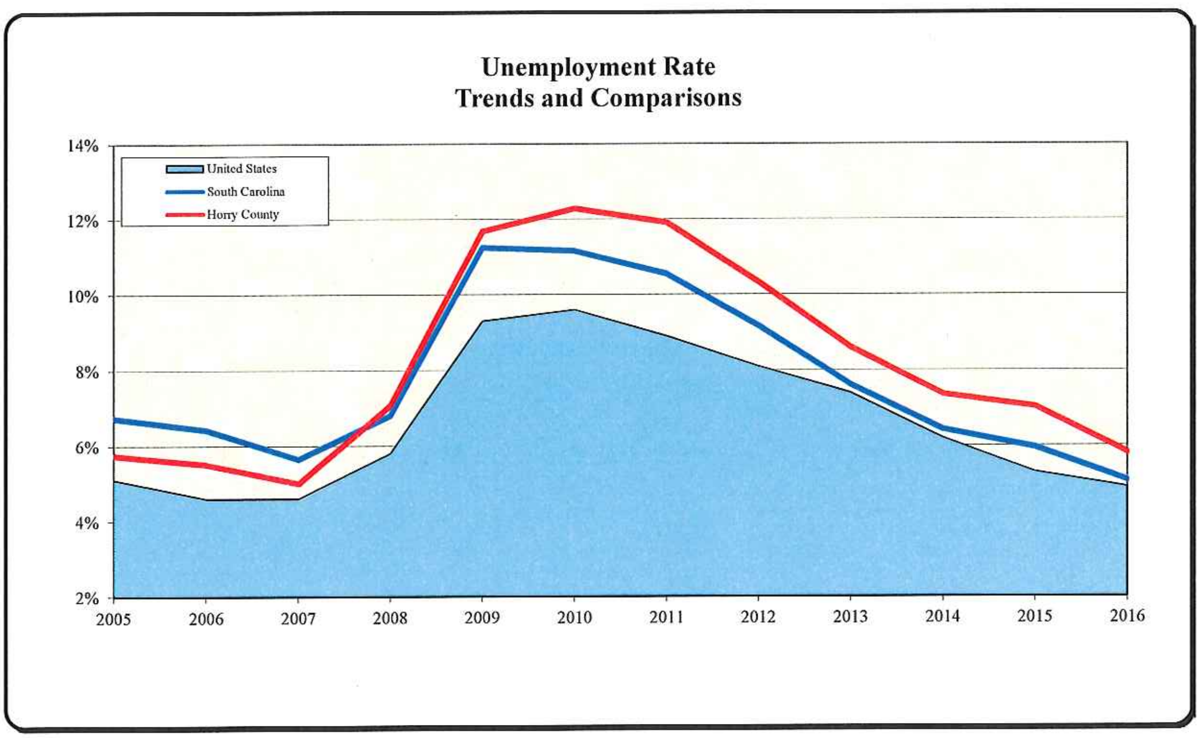
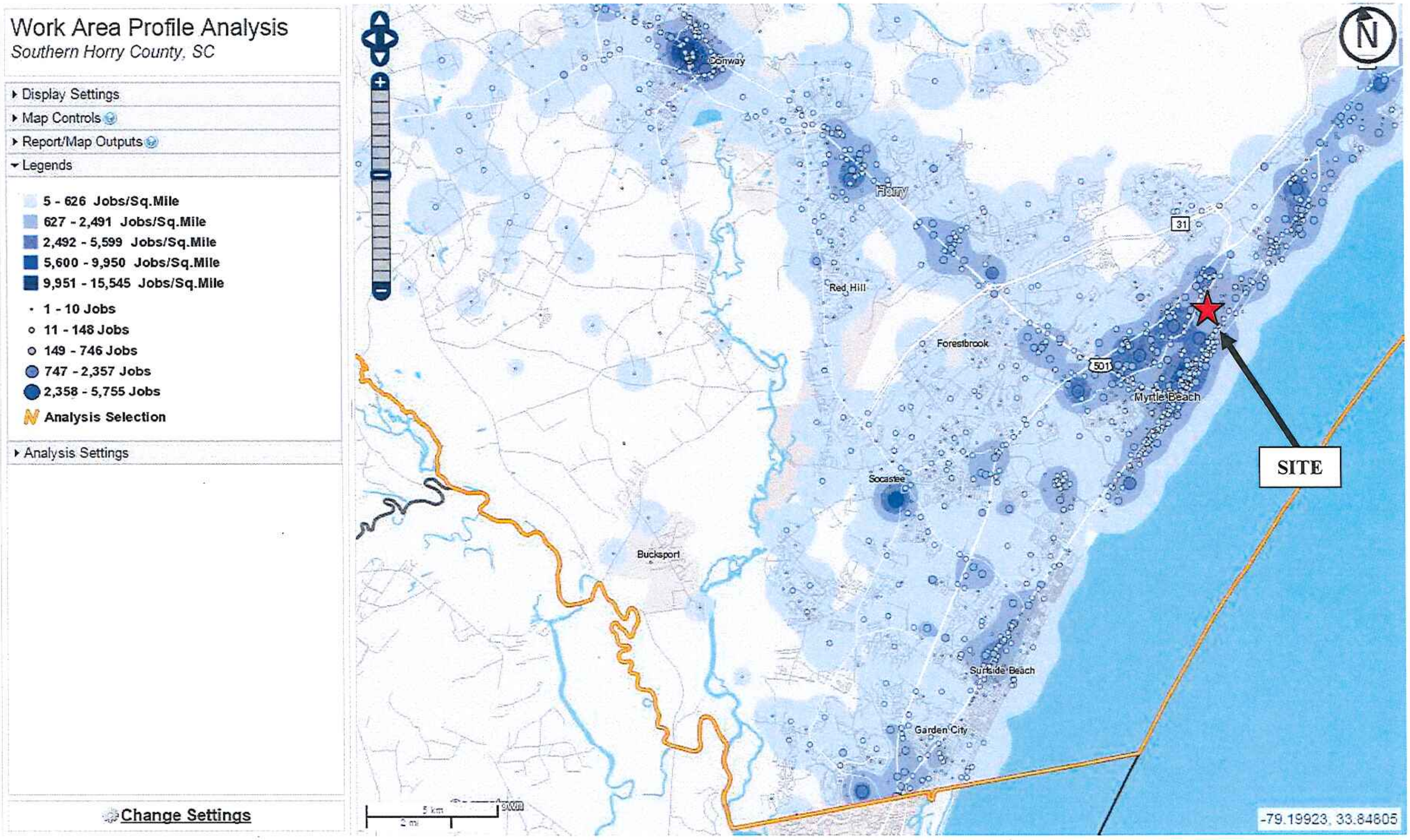


Figure 2: Historical Unemployment Rate



Map 9: Employment Concentrations – Myrtle Beach Area



E. COMMUNITY DEMOGRAPHIC DATA

1. Population Trends

Based on U.S. Census data and ESRI forecasts, much of Horry County has experienced extremely positive demographic gains since 2000, including Myrtle Beach and the market area. Overall, the PMA had an estimated population of 87,077 persons in 2016, representing an increase of 16 percent from 2010 (a gain of more than 12,200 persons). Additionally, Myrtle Beach proper increased by 19 percent during this time, while Horry County increased by 16 percent between 2010 and 2016.

Future projections indicate continued steady growth with an estimated increase of 13 percent anticipated within the PMA between 2016 and 2021 (more than 11,425 additional persons), and a 14 percent gain for Myrtle Beach. In comparison, the overall population within Horry County as a whole is expected to increase by a similar 13 percent during this time frame.

Table 7: Population Trends (2000 to 2021)

	2000	2010	2016	2019	2021
City of Myrtle Beach	24,079	27,109	32,346	35,022	36,806
Myrtle Beach PMA	52,485	74,874	87,077	93,937	98,510
Horry County	196,660	269,291	311,416	335,883	352,195
		2000-2010 Change	**2010-2016 Change**	**2016-2019 Change**	**2016-2021 Change**
City of Myrtle Beach		12.6%	19.3%	8.3%	13.8%
Myrtle Beach PMA		42.7%	16.3%	7.9%	13.1%
Horry County		36.9%	15.6%	7.9%	13.1%
		2000-2010 Ann. Change	**2010-2016 Ann. Change**	**2016-2019 Ann. Change**	**2016-2021 Ann. Change**
City of Myrtle Beach		1.2%	3.0%	2.7%	2.6%
Myrtle Beach PMA		3.6%	2.5%	2.6%	2.5%
Horry County		3.2%	2.5%	2.6%	2.5%

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

The largest population group for the PMA in 2010 consisted of persons between the ages of 20 and 44 years, accounting for 37 percent of all persons. In comparison, this age group also represented the largest cohort within Myrtle Beach and Horry County. Persons between 45 and 64 years also accounted for a relatively large portion of the population in each area. As such, 26 percent of the total population in the PMA was within this age cohort in 2010, while representing similar proportions of the overall city and county populations.

When reviewing distribution patterns between 2000 and 2021, the aging of the population is clearly evident within all three areas analyzed. The proportion of persons under the age of 44 has consistently declined slightly since 2000, and is expected to decrease further through 2021. In contrast, the fastest growing portion of the population base is the older age segments. Within the PMA, persons 55 years and over, which represented 24 percent of the population in 2000, is expected to increase to account for 31 percent of all persons by 2021 – clearly demonstrating the aging of the baby boom generation as the younger age cohorts are anticipated to decline during this time.

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

Table 8: Age Distribution (2000 to 2021)

	City of Myrtle Beach				Myrtle Beach PMA				Horry County			
	2010 Number	2000 Percent	2010 Percent	2021 Percent	2010 Number	2000 Percent	2010 Percent	2021 Percent	2010 Number	2000 Percent	2010 Percent	2021 Percent
Under 20 years	5,626	20.2%	20.8%	20.5%	16,742	21.9%	22.4%	21.7%	61,889	23.9%	23.0%	21.7%
20 to 24 years	2,071	8.8%	7.6%	6.6%	5,922	8.4%	7.9%	6.6%	18,432	6.8%	6.8%	5.8%
25 to 34 years	4,362	17.7%	16.1%	15.1%	11,901	16.5%	15.9%	15.9%	33,834	14.2%	12.6%	12.0%
35 to 44 years	3,629	15.9%	13.4%	13.2%	9,860	15.7%	13.2%	13.3%	33,463	15.1%	12.4%	12.1%
45 to 54 years	3,937	13.1%	14.5%	12.3%	10,441	13.4%	13.9%	11.8%	37,077	13.7%	13.8%	11.8%
55 to 64 years	3,384	9.4%	12.5%	13.1%	9,356	10.2%	12.5%	12.5%	38,526	11.3%	14.3%	14.2%
65 to 74 years	2,293	8.3%	8.5%	10.9%	6,396	8.5%	8.5%	10.7%	28,382	9.4%	10.5%	13.6%
75 to 84 years	1,291	5.4%	4.8%	5.9%	3,135	4.4%	4.2%	5.6%	13,675	4.6%	5.1%	6.9%
85 years and older	516	1.3%	1.9%	2.5%	1,121	0.9%	1.5%	1.9%	4,013	1.0%	1.5%	2.0%
Under 20 years	5,626	20.2%	20.8%	20.5%	16,742	21.9%	22.4%	21.7%	61,889	23.9%	23.0%	21.7%
20 to 44 years	10,062	42.4%	37.1%	34.9%	27,683	40.6%	37.0%	35.7%	85,729	36.1%	31.8%	29.9%
45 to 64 years	7,321	22.5%	27.0%	25.3%	19,797	23.7%	26.4%	24.3%	75,603	25.0%	28.1%	26.0%
65 years and older	4,100	15.0%	15.1%	19.2%	10,652	13.9%	14.2%	18.2%	46,070	15.0%	17.1%	22.4%
55 years and older	7,484	24.4%	27.6%	32.3%	20,008	24.1%	26.7%	30.8%	84,596	26.3%	31.4%	36.6%
75 years and older	1,807	6.7%	6.7%	8.3%	4,256	5.4%	5.7%	7.5%	17,688	5.6%	6.6%	8.8%
Non-Elderly (<65)	23,009	85.0%	84.9%	80.8%	64,222	86.1%	85.8%	81.8%	223,221	85.0%	82.9%	77.6%
Elderly (65+)	4,100	15.0%	15.1%	19.2%	10,652	13.9%	14.2%	18.2%	46,070	15.0%	17.1%	22.4%

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

2. Household Trends

Similar to population patterns, the Myrtle Beach area has experienced relatively strong household creation since 2000. As such, occupied households within the PMA numbered 37,228 units in 2016, representing an increase of 16 percent from 2000 (a gain of nearly 5,100 households). ESRI forecasts for 2021 indicate this number will continue to increase, with a forecasted growth rate of 13 percent (roughly 4,825 additional households) anticipated between 2016 and 2021. In comparison, the number of households also grew at a strong rate within both Myrtle Beach and Horry County as a whole between 2010 and 2016, demonstrating relatively steady demographic patterns throughout the region.

Table 9: Household Trends (2000 to 2021)

	2000	2010	2016	2019	2021
City of Myrtle Beach	11,049	12,113	14,361	15,541	16,327
Myrtle Beach PMA	23,079	32,143	37,228	40,124	42,055
Horry County	81,813	112,225	129,779	140,004	146,821

	2000-2010 Change	2010-2016 Change	2016-2019 Change	2016-2021 Change
City of Myrtle Beach	9.6%	18.6%	8.2%	13.7%
Myrtle Beach PMA	39.3%	15.8%	7.8%	13.0%
Horry County	37.2%	15.6%	7.9%	13.1%

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

Table 10: Average Household Size (2000 to 2021)

	2000	2010	2016	2019	2021
City of Myrtle Beach	2.16	2.22	2.24	2.24	2.24
Myrtle Beach PMA	2.26	2.32	2.33	2.33	2.33
Horry County	2.37	2.37	2.38	2.38	2.38

	2000-2010 Change	2010-2016 Change	2016-2019 Change	2016-2021 Change
City of Myrtle Beach	2.5%	0.7%	0.1%	0.2%
Myrtle Beach PMA	2.5%	0.5%	0.1%	0.2%
Horry County	0.0%	0.2%	0.0%	0.1%

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

Renter-occupied households throughout the Myrtle Beach market area have exhibited notable gains over the past decade, increasing at a slightly faster rate than overall household creation. According to U.S. Census figures and ESRI estimates, a total of 16,936 renter-occupied households are estimated within the PMA for 2016, representing an increase of 22 percent from 2010 figures (a gain of approximately 3,100 additional rental units).

Overall, a relatively large ratio of renter households exists throughout the Myrtle Beach market area. For the PMA, the renter household percentage was calculated at 46 percent in 2016, slightly lower than the city ratio (53 percent), but larger than the county's renter representation (33 percent). Furthermore, it should also be noted that renter propensities within the PMA have increased consistently since 2000, increasing approximately seven percentage points between 2000 and 2016.

Table 11: Renter Household Trends (2000 to 2021)

	2000	2010	2016	2019	2021
City of Myrtle Beach	5,283	6,210	7,665	8,352	8,810
Myrtle Beach PMA	8,918	13,853	16,936	18,327	19,255
Horry County	22,090	35,228	43,214	46,639	48,923
		2000-2010 Change	**2010-2016 Change**	**2016-2019 Change**	**2016-2021 Change**
City of Myrtle Beach		17.5%	23.4%	9.0%	14.9%
Myrtle Beach PMA		55.3%	22.3%	8.2%	13.7%
Horry County		59.5%	22.7%	7.9%	13.2%
	% Renter 2000	**% Renter 2010**	**% Renter 2016**	**% Renter 2019**	**% Renter 2021**
City of Myrtle Beach	47.8%	51.3%	53.4%	53.7%	54.0%
Myrtle Beach PMA	38.6%	43.1%	45.5%	45.7%	45.8%
Horry County	27.0%	31.4%	33.3%	33.3%	33.3%

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

Similar to overall households, renter sizes for the Myrtle Beach PMA were generally larger than those reported for Myrtle Beach itself, on average, but somewhat smaller than averages calculated for Horry County as a whole. As such, average renter sizes increased substantially within the PMA over the past decade – from 2.16 persons per unit in 2000 to 2.40 persons per unit in 2010. Despite the increase in average size, the majority of units locally contained just one or two persons (65 percent), with three persons occupying 16 percent of units, and 19 percent of units consisting of four or more persons.

Table 12: Rental Units by Size (2010)

	One Person	Two Persons	Three Persons	Four Persons	5 or More Persons	Median Persons Per Rental Unit 2000	Median Persons Per Rental Unit 2010
City of Myrtle Beach	2,289	1,802	913	643	563	2.17	2.33
Myrtle Beach PMA	4,770	4,189	2,218	1,460	1,216	2.16	2.40
Horry County	10,943	10,271	6,184	4,340	3,490	2.33	2.47
	1 Person Percent	**2 Person Percent**	**3 Person Percent**	**4 Person Percent**	**5+ Person Percent**		**Median Change**
City of Myrtle Beach	36.9%	29.0%	14.7%	10.4%	9.1%		7.4%
Myrtle Beach PMA	34.4%	30.2%	16.0%	10.5%	8.8%		11.6%
Horry County	31.1%	29.2%	17.6%	12.3%	9.9%		6.0%

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

3. Senior-Specific Demographic Data

As noted earlier, the senior population cohort is anticipated to experience sizeable growth through 2021 as compared to other age segments. As such, a total of 25,387 seniors (55 years and over) are estimated in the PMA for 2016, representing an increase of 27 percent from 2010 (roughly 5,375 additional seniors). The 2016 figure represents 29 percent of the overall population, which is an increase from a representation of 24 percent in 2000. Furthermore, this extremely strong trend is anticipated to continue, with an increase of 19 percent (more than 4,900 seniors) forecast between 2016 and 2021.

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

As with senior population patterns, senior household trends (age 55 years and older) have been equally as impressive within the PMA and are also expected to continue to increase through 2021. According to Census and ESRI data, the number of senior households within the PMA increased by 25 percent between 2010 and 2016 (adding roughly 3,125 additional senior households), while ESRI estimates an additional gain of 18 percent between 2016 and 2021 – increasing the senior representation to approximately 44 percent of all PMA households in 2021.

Table 13: Senior Population Trends (2000 to 2021)

55+ Population Trends	2000	2010	2016	2019	2021
City of Myrtle Beach	5,547	7,484	9,858	10,928	11,887
Myrtle Beach PMA	12,700	20,008	25,387	27,997	30,319
Horry County	51,660	84,596	106,891	118,320	128,832
		2000-2010 Change	2010-2016 Change	2016-2019 Change	2016-2021 Change
City of Myrtle Beach		34.9%	31.7%	10.9%	20.6%
Myrtle Beach PMA		57.5%	26.9%	10.3%	19.4%
Horry County		63.8%	26.4%	10.7%	20.5%
Percent of Population	2000	2010	2016	2019	2021
City of Myrtle Beach	23.0%	27.6%	30.5%	31.2%	32.3%
Myrtle Beach PMA	24.2%	26.7%	29.2%	29.8%	30.8%
Horry County	26.3%	31.4%	34.3%	35.2%	36.6%
65+ Population Trends	2000	2010	2016	2019	2021
City of Myrtle Beach	3,413	4,100	5,655	6,366	7,074
Myrtle Beach PMA	7,303	10,652	14,510	16,245	17,966
Horry County	29,470	46,070	62,421	70,527	78,989
		2000-2010 Change	2010-2016 Change	2016-2019 Change	2016-2021 Change
City of Myrtle Beach		20.1%	37.9%	12.6%	25.1%
Myrtle Beach PMA		45.9%	36.2%	12.0%	23.8%
Horry County		56.3%	35.5%	13.0%	26.5%
Percent of Population	2000	2010	2016	2019	2021
City of Myrtle Beach	14.2%	15.1%	17.5%	18.2%	19.2%
Myrtle Beach PMA	13.9%	14.2%	16.7%	17.3%	18.2%
Horry County	15.0%	17.1%	20.0%	21.0%	22.4%

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

Table 14: Senior Household Trends (2000 to 2021)

55+ Household Trends	2000	2010	2016	2019	2021
City of Myrtle Beach	3,649	5,039	6,499	7,179	7,771
Myrtle Beach PMA	7,957	12,650	15,776	17,330	18,678
Horry County	31,847	52,363	64,990	71,575	77,363
		2000-2010 Change	2010-2016 Change	2016-2019 Change	2016-2021 Change
City of Myrtle Beach		38.1%	29.0%	10.5%	19.6%
Myrtle Beach PMA		59.0%	24.7%	9.9%	18.4%
Horry County		64.4%	24.1%	10.1%	19.0%
Percent of Households	2000	2010	2016	2019	2021
City of Myrtle Beach	33.0%	41.6%	45.3%	46.2%	47.6%
Myrtle Beach PMA	34.5%	39.4%	42.4%	43.2%	44.4%
Horry County	38.9%	46.7%	50.1%	51.1%	52.7%
65+ Household Trends	2000	2010	2016	2019	2021
City of Myrtle Beach	2,312	2,927	3,915	4,383	4,835
Myrtle Beach PMA	4,734	7,064	9,399	10,470	11,509
Horry County	18,887	30,003	39,713	44,583	49,493
		2000-2010 Change	2010-2016 Change	2016-2019 Change	2016-2021 Change
City of Myrtle Beach		26.6%	33.8%	11.9%	23.5%
Myrtle Beach PMA		49.2%	33.1%	11.4%	22.4%
Horry County		58.9%	32.4%	12.3%	24.6%
Percent of Households	2000	2010	2016	2019	2021
City of Myrtle Beach	20.9%	24.2%	27.3%	28.2%	29.6%
Myrtle Beach PMA	20.5%	22.0%	25.2%	26.1%	27.4%
Horry County	23.1%	26.7%	30.6%	31.8%	33.7%

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

The percentage of senior renter households, while somewhat smaller than the overall renter household percentage, still indicates a distinct senior renter housing segment exists throughout the Myrtle Beach area. As such, senior renter households (55 and over) within the PMA numbered 3,585 units in 2016, representing roughly 23 percent of all senior-occupied households within the market area. In comparison, Myrtle Beach itself contained 1,954 senior renter households, which was 30 percent of all senior households within the community in 2016.

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

Senior Renter HHs - 55+					
	2000	2010	2016	2019	2021
City of Myrtle Beach	857	1,515	1,954	2,158	2,336
Myrtle Beach PMA	1,324	2,875	3,585	3,939	4,245
Horry County	3,926	8,550	10,612	11,687	12,632
		2000-2010 Change	2010-2016 Change	2016-2019 Change	2016-2021 Change
City of Myrtle Beach		76.8%	29.0%	10.5%	19.6%
Myrtle Beach PMA		117.1%	24.7%	9.9%	18.4%
Horry County		117.8%	24.1%	10.1%	19.0%
	% Renter 2000	% Renter 2010	% Renter 2016	% Renter 2019	% Renter 2021
City of Myrtle Beach	23.5%	30.1%	30.1%	30.1%	30.1%
Myrtle Beach PMA	16.6%	22.7%	22.7%	22.7%	22.7%
Horry County	12.3%	16.3%	16.3%	16.3%	16.3%

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

4. Household Income Trends

Income levels throughout the Myrtle Beach area have experienced somewhat sluggish gains over the past decade, with most areas within Horry County experiencing median income increases of less than one percent annually between 2010 and 2016. Overall, the median household income for the PMA was estimated at $44,947 for 2016, which was roughly 17 percent higher than that estimated for Myrtle Beach proper ($38,547), and similar to that recorded for Horry County as a whole ($44,134). Furthermore, the PMA figure represents an annual increase of just 0.5 percent from 2010.

According to ESRI data, income appreciation is forecast to improve somewhat for the Myrtle Beach PMA through 2021. As such, it is projected that the median income within the PMA will increase by 1.6 percent annually between 2016 and 2021.

Table 16: Median Household Incomes (1999 to 2021)

	1999	2010	2016	2019	2021
City of Myrtle Beach	$34,950	$37,669	$38,547	$40,159	$41,233
Myrtle Beach PMA	$38,056	$43,624	$44,947	$46,396	$48,628
Horry County	$36,215	$43,142	$44,134	$45,366	$46,987
		1999-2010 Change	2010-2016 Change	2016-2019 Change	2016-2021 Change
City of Myrtle Beach		7.8%	2.3%	4.2%	7.0%
Myrtle Beach PMA		14.6%	3.0%	3.2%	8.2%
Horry County		19.1%	2.3%	2.8%	6.5%
		1999-2010 Ann. Change	2010-2016 Ann. Change	2016-2019 Ann. Change	2016-2021 Ann. Change
City of Myrtle Beach		0.7%	0.4%	1.4%	1.4%
Myrtle Beach PMA		1.3%	0.5%	1.1%	1.6%
Horry County		1.7%	0.4%	0.9%	1.3%

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

According to the most recent American Housing Survey through the U.S. Census Bureau, approximately 42 percent of all households within the Myrtle Beach PMA had an annual income of less than $35,000 in 2015 – the portion of the population with the greatest need for affordable housing options. In comparison, a somewhat larger 48 percent of households within Myrtle Beach proper had incomes within this range. With nearly one-half of all households within the immediate Myrtle Beach area earning less than $35,000 per year, additional affordable housing options will undoubtedly be well received.

Table 17: Overall Household Income Distribution (2015)

Income Range	City of Myrtle Beach		Myrtle Beach PMA		Horry County	
	Number	Percent	Number	Percent	Number	Percent
Less than $10,000	1,135	9.1%	2,357	7.0%	9,220	7.8%
$10,000 to $14,999	1,037	8.3%	1,965	5.8%	7,476	6.3%
$15,000 to $19,999	985	7.9%	2,183	6.5%	8,033	6.8%
$20,000 to $24,999	1,152	9.2%	2,787	8.3%	7,641	6.4%
$25,000 to $29,999	1,025	8.2%	2,346	7.0%	7,407	6.2%
$30,000 to $34,999	712	5.7%	2,495	7.4%	7,355	6.2%
$35,000 to $39,999	565	4.5%	2,254	6.7%	7,533	6.3%
$40,000 to $44,999	592	4.7%	1,582	4.7%	6,761	5.7%
$45,000 to $49,999	327	2.6%	1,491	4.4%	6,199	5.2%
$50,000 to $59,999	998	8.0%	2,746	8.2%	10,588	8.9%
$60,000 to $74,999	1,211	9.7%	3,913	11.6%	13,050	11.0%
$75,000 to $99,999	892	7.1%	2,935	8.7%	12,520	10.5%
$100,000 to $124,999	626	5.0%	1,874	5.6%	6,615	5.6%
$125,000 to $149,999	406	3.3%	896	2.7%	3,157	2.7%
$150,000 to $199,999	298	2.4%	837	2.5%	2,847	2.4%
$200,000 and Over	521	4.2%	987	2.9%	2,336	2.0%
TOTAL	12,482	100.0%	33,648	100.0%	118,738	100.0%
Less than $34,999	6,046	48.4%	14,133	42.0%	47,132	39.7%
$35,000 to $49,999	1,484	11.9%	5,327	15.8%	20,493	17.3%
$50,000 to $74,999	2,209	17.7%	6,659	19.8%	23,638	19.9%
$75,000 to $99,999	892	7.1%	2,935	8.7%	12,520	10.5%
$100,000 and Over	1,851	14.8%	4,594	13.7%	14,955	12.6%

Source: American Community Survey

Should the subject property not include any project-based rental assistance, the key targeted income range is $17,130 to $24,480 (in current dollars). Utilizing Census information available on senior household income by tenure, dollar values were inflated to current dollars using the Consumer Price Index calculator from the Bureau of Labor Statistic's website. Based on this data, the targeted income range accounts for a sizable number of low-income senior households throughout the area. As such, roughly ten percent of the PMA's senior owner-occupied household number, and 16 percent of the senior renter-occupied household figure are within the income-qualified range. Overall, this income range accounted for approximately 11 percent of all senior households within the PMA. Considering the relative density of the PMA, this equates to more than 2,000 potential income-qualified senior households for the proposed development, including roughly 635 income-qualified senior renter households.

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

Income Range	Number of 2019 Households (55+)			Percent of 2019 Households (55+)		
	Total	Owner	Renter	Total	Owner	Renter
Less than $9,999	1,207	597	610	5.9%	4.5%	15.5%
$10,000 to $14,999	1,471	791	680	7.4%	5.9%	17.3%
$15,000 to $19,999	1,232	809	423	6.7%	6.0%	10.7%
$20,000 to $24,999	1,404	967	437	7.7%	7.2%	11.1%
$25,000 to $29,999	1,329	986	343	7.5%	7.4%	8.7%
$30,000 to $34,999	1,150	887	264	6.6%	6.6%	6.7%
$35,000 to $39,999	1,166	885	281	6.7%	6.6%	7.1%
$40,000 to $49,999	1,844	1,643	201	11.3%	12.3%	5.1%
$50,000 and Over	6,528	5,828	700	40.0%	43.5%	17.8%
TOTAL	17,330	13,391	3,939	100.0%	100.0%	100.0%

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

The 2015 American Community Survey shows that approximately 46 percent of all renter households within the PMA are rent-overburdened; that is, they pay more than 35 percent of their incomes on rent and other housing expenses. Furthermore, ACS data shows that a somewhat larger 55 percent of senior renter households (aged 65 and over) are overburdened within the PMA, while an even greater 69 percent of seniors within Myrtle Beach itself can be considered overburdened. As such, this data demonstrates that the need for affordable housing is quite apparent in the PMA, and the income-targeting plan proposed for the subject would clearly help to alleviate this issue.

Table 19a: Renter Overburdened Households (2015)

Gross Rent as a % of Household Income	City of Myrtle Beach		Myrtle Beach PMA		Horry County	
	Number	Percent	Number	Percent	Number	Percent
Total Rental Units	**6,091**	**100.0%**	**14,153**	**100.0%**	**36,772**	**100.0%**
Less than 10.0 Percent	174	3.0%	441	3.3%	874	2.6%
10.0 to 14.9 Percent	466	8.0%	798	5.9%	2,155	6.4%
15.0 to 19.9 Percent	572	9.8%	1,401	10.4%	4,160	12.4%
20.0 to 24.9 Percent	514	8.8%	1,676	12.5%	3,696	11.0%
25.0 to 29.9 Percent	730	12.5%	1,763	13.1%	3,880	11.6%
30.0 to 34.9 Percent	443	7.6%	1,152	8.6%	2,749	8.2%
35.0 to 39.9 Percent	297	5.1%	1,030	7.7%	2,550	7.6%
40.0 to 49.9 Percent	596	10.2%	1,461	10.9%	3,826	11.4%
50 Percent or More	2,039	35.0%	3,719	27.7%	9,670	28.8%
Not Computed	260	--	712	--	3,212	--
35 Percent or More	2,932	50.3%	6,210	46.2%	16,046	47.8%
40 Percent or More	2,635	45.2%	5,180	38.5%	13,496	40.2%

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

Table 19b: Senior Renter Overburdened Households (2015)

Gross Rent as a % of Household Income	City of Myrtle Beach		Myrtle Beach PMA		Horry County	
	Number	Percent	Number	Percent	Number	Percent
Householder 65+ Years:	**731**	**100.0%**	**1,472**	**100.0%**	**4,778**	**100.0%**
Less than 20.0 Percent	75	10.6%	185	13.4%	529	13.3%
20.0 to 24.9 Percent	27	3.8%	157	11.4%	393	9.9%
25.0 to 29.9 Percent	69	9.8%	159	11.5%	596	14.9%
30.0 to 34.9 Percent	48	6.8%	125	9.1%	210	5.3%
35.0 Percent or More	486	68.9%	751	54.5%	2,260	56.7%
Not Computed	26	--	95	--	790	--

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

F. DEMAND ANALYSIS

1. Demand for Senior Rental Units

Demand calculations for each targeted income level of the subject proposal are illustrated in the following tables. Utilizing SCSHFDA guidelines, demand estimates will be measured from four key sources: household growth, substandard housing, rent-overburdened households, and elderly homeowners converting to renting. All demand sources will be income-qualified, based on the targeting plan of the subject proposal and current LIHTC income restrictions as published by SCSHFDA. Demand estimates will be calculated for units designated at each income level targeted in the subject proposal – in this case, at 50 percent and 60 percent of AMI. As such, calculations will be based on the starting rental rate, a 40 percent rent-to-income ratio, and a maximum income of $24,480 (the 2-person income limit at 60 percent AMI for Horry County). The resulting overall income-eligibility range (expressed in current-year dollars) for each targeted income level is as follows:

	Minimum	Maximum
50 percent of AMI	$17,130	$20,400
60 percent of AMI	$20,580	$24,480
Overall	**$17,130**	**$24,480**

By applying the income-qualified range and 2019 household forecasts to the current-year household income distribution by tenure (adjusted from census data based on the Labor Statistics' Consumer Price Index), the number of income-qualified households can be calculated. As a result, 16 percent of all senior renter households within the PMA are estimated to fall within the stated LIHTC qualified income range. Based on U.S. Census data and projections from ESRI, approximately 353 additional senior renter households are anticipated between 2016 and 2019. By applying the income-qualified percentage to the overall eligible figure, a demand for 56 senior tax credit rental units can be calculated as a result of new rental household growth.

Using U.S. Census data on substandard rental housing, it is estimated that approximately seven percent of all renter households within the Myrtle Beach PMA could be considered substandard, either by overcrowding (a greater than 1-to-1 ratio of persons to rooms) or incomplete plumbing facilities (a unit that lacks at least a sink, bathtub, or toilet). Applying this figure, along with the senior renter propensity and income-qualified percentage, to the number of households currently present in 2010 (the base year utilized within the demand calculations), the tax credit demand resulting from substandard units is calculated at 29 units within the PMA.

Potential demand for the subject proposal may also arise from those senior households experiencing rent-overburden, defined by households paying greater than 35 percent of monthly income for rent. Excluding owner-occupied units, an estimate of market potential for the subject proposal based on 2015 American Housing Survey data on rent-overburdened households paying more than 35 percent of monthly income for rent is calculated. Using information contained within the ACS, the percentage of senior renter households within this overburdened range is reported at approximately 55 percent. Applying this rate to the number of renter households yields a total demand of 247 additional units as a result of rent overburden.

And lastly, another source of demand is elderly homeowners converting to rental housing. It is conservatively estimated that approximately four percent of senior homeowners would convert to a rental property, should an affordable option become readily available. Utilizing 2010 household figures, it is calculated that ten percent of all senior owner households within the PMA are estimated to fall within the stated LIHTC qualified income range. Considering the income-qualified owner households and estimated conversion, a demand of 38 units has been determined arising from existing elderly owner households.

There have been no comparable LIHTC properties within the Myrtle Beach PMA that have been allocated credits or placed in service since 2016, or are currently under construction (units at Villas at Swansgate do not need to be removed due to conversion to PBRA). As such, no units need to be deducted from the sources of demand listed previously. Combining all above factors results in an overall senior demand of 370 LIHTC units for 2019. Calculations by individual bedroom size are also provided utilizing the same methodology. As such, it is clear that sufficient demand exists for the project and each unit type proposed. Therefore, a new rental housing option for low-income senior households should receive a positive response due to the strong demographic growth within the Myrtle Beach area coupled with the clear lack of similar tax credit rental options targeted specifically to seniors.

Table 20: Senior Demand Calculation – by Income Targeting

2010 Total Occupied Households 55+	**12,650**		
2010 Owner-Occupied Households 55+	**9,775**		
2010 Renter-Occupied Households 55+	**2,875**		

	Income Targeting		
	50% AMI	**60% AMI**	**Total LIHTC**
QUALIFIED-INCOME RANGE			
Minimum Annual Income	$17,130	$20,580	**$17,130**
Maximum Annual Income	$20,400	$24,480	**$24,480**
DEMAND FROM NEW HOUSEHOLD GROWTH			
Renter Household Growth, 2016-2019	353	353	**353**
Percent Income Qualified Renter Households	7.1%	8.6%	**15.8%**
Total Demand From New Households	**25**	**31**	**56**
DEMAND FROM EXISTING RENTER HOUSEHOLDS			
Percent of Renters in Substandard Housing	6.5%	6.5%	**6.5%**
Percent Income Qualified Renter Households	7.1%	8.6%	**15.8%**
Total Demand From Substandard Renter HHs	**13**	**16**	**29**
Percent of Renters Rent-Overburdened	54.5%	54.5%	**54.5%**
Percent Income Qualified Renter Households	7.1%	8.6%	**15.8%**
Total Demand From Overburdened Renter HHs	**112**	**136**	**247**
DEMAND FROM EXISTING OWNER HOUSEHOLDS			
Owner to Renter Conversion Rate	4.0%	4.0%	**4.0%**
Percent Income Qualified	4.0%	5.6%	**9.7%**
Total Demand from Owner Households	**16**	**22**	**38**
Total Demand From Existing Households	**141**	**174**	**314**
TOTAL DEMAND	**166**	**204**	**370**
LESS: Total Comparable Activity Since 2016	0	0	**0**
TOTAL NET DEMAND	**166**	**204**	**370**
PROPOSED NUMBER OF UNITS	**10**	**39**	**49**
CAPTURE RATE	**6.0%**	**19.1%**	**13.2%**

Note: Totals may not sum due to rounding

Table 21: Demand Calculation – by Bedroom Size

2010 Total Occupied Households 55+	12,650		
2010 Owner-Occupied Households 55+	9,775		
2010 Renter-Occupied Households 55+	2,875		

	Two-Bedroom Units		
	50% AMI	60% AMI	Total LIHTC
QUALIFIED-INCOME RANGE			
Minimum Annual Income	$17,130	$20,580	**$17,130**
Maximum Annual Income	$20,400	$24,480	**$24,480**
DEMAND FROM NEW HOUSEHOLD GROWTH			
Renter Household Growth, 2016-2019	353	353	**353**
Percent Income Qualified Renter Households	7.1%	8.6%	**15.8%**
Total Demand From New Households	**25**	**31**	**56**
DEMAND FROM EXISTING RENTER HOUSEHOLDS			
Percent of Renters in Substandard Housing	6.5%	6.5%	**6.5%**
Percent Income Qualified Renter Households	7.1%	8.6%	**15.8%**
Total Demand From Substandard Renter HHs	**13**	**16**	**29**
Percent of Renters Rent-Overburdened	54.5%	54.5%	**54.5%**
Percent Income Qualified Renter Households	7.1%	8.6%	**15.8%**
Total Demand From Overburdened Renter HHs	**112**	**136**	**247**
DEMAND FROM EXISTING RENTER HOUSEHOLDS			
Owner to Renter Conversion Rate	4.0%	4.0%	**4.0%**
Percent Owner Households Income Qualified	4.0%	5.6%	**9.7%**
Total Demand from Owner Households	**16**	**22**	**38**
Total Demand From Existing Households	**141**	**174**	**314**
TOTAL DEMAND	**166**	**204**	**370**
LESS: Total Comparable Activity Since 2016	0	0	**0**
TOTAL NET DEMAND	**166**	**204**	**370**
PROPOSED NUMBER OF UNITS	10	39	**49**
CAPTURE RATE	**6.0%**	**19.1%**	**13.2%**

Note: Totals may not sum due to rounding

2. Capture and Absorption Rates

Utilizing information from the demand forecast calculations, capture rates provide an indication of the percentage of annual income-qualified demand necessary for the successful absorption of the subject property. An overall capture rate of 13.2 percent was determined based on the demand calculation (including renter household growth, substandard and overburdened units among existing renter households, potential senior owner households, and excluding any comparable activity since 2016), providing a generally positive indication of the overall general market depth for the subject proposal. More specifically, the capture rate for units restricted at 50 percent AMI was calculated at 6.0 percent, while the 60 percent AMI capture rate was at 19.1 percent. As such, these capture rates provide an overall positive indication of the need for affordable senior rental options locally and are within acceptable industry thresholds.

Taking into consideration the extremely strong senior demographic growth within the PMA, the clear lack of adequate affordable senior housing alternatives throughout the Myrtle Beach area, the overall strength for affordable tax credit housing locally, and also the proposed features and rental rates within the subject, an estimate of the overall absorption period to reach 93 percent occupancy is conservatively estimated at four to five months. This determination also takes into consideration a market entry in late 2018/early 2019; a minimum of 20 percent of units pre-leased; and assumes all units will enter the market at approximately the same time. Based on this information, no market-related concerns are present.

G. SUPPLY/COMPARABLE RENTAL ANALYSIS

1. Myrtle Beach PMA Rental Market Characteristics

As part of the rental analysis for the Myrtle Beach area, a survey of existing rental projects within the primary market area was completed by Shaw Research & Consulting in January and February 2017. Including both senior-only and family-oriented developments, a total of 19 apartment properties were identified and questioned for information such as current rental rates, amenities, and vacancy levels. Results from the survey provide an indication of overall market conditions throughout the area, and are discussed below and illustrated on the following pages.

Considering the developments responding to our survey, a total of 3,242 units were reported, with the majority of units containing one or two bedrooms. Among the properties providing a specific unit breakdown, 42 percent of all units had one bedroom, 43 percent had two bedrooms, and 13 percent of units contained three bedrooms. There were only a few studio/efficiency units and no four-bedroom units reported in the survey. The average age of the rental properties was just 13 years old (an average build/rehab date of 2004), with nine properties built/rehabbed since 2005. In addition, a total of nine facilities reported to have some sort of income eligibility requirements – with six unsubsidized tax credit developments, one LIHTC project with subsidies, and two HUD-subsidized properties.

Overall conditions for the Myrtle Beach rental market appear to be relatively stable at the current time. Among the 19 properties included in the survey, the overall occupancy rate was calculated at 95.0 percent. When breaking down occupancy rates, the ten market rate developments (all family) averaged 94.2 percent occupied, family tax credit properties were all at 100 percent, and the four senior projects (one LIHTC and three subsidized) were a combined 92.6 percent occupied. However, it should be noted that the lower occupancy rate at Swansgate Apartments is the result of preparing for an upcoming rehab, as the property received a LIHTC allocation in 2016). As such, the strong occupancy rates among affordable properties (family and senior) are clearly reflective of the ongoing demand for affordable housing alternatives.

2. Senior/Comparable Rental Market Characteristics

Overall, only limited senior-only rental options can be found within the Myrtle Beach area. While four senior properties were included within the survey, only three of these are actually located within the PMA – Plantation Apartments (which has a family and senior component, with 54 subsidized units), Jefferson Place (40 subsidized senior units), and Swansgate Apartments (with a total of 122 senior units within three phases).

Considering that the subject proposal will be developed utilizing tax credits, the only truly comparable project is Swansgate Apartments III, which consists of 64 tax credit units constructed in 2000. It should be noted that Swansgate I and II received a tax credit allocation in 2016 and will contain project-based rental subsidies post-rehab (will be renamed Villas at Swansgate). According to the leasing manager, phase III was 100 percent occupied, while phases I and II are being not replacing turnover as they prepare for the upcoming rehab. In comparison to Swansgate III, the subject proposal's rental rates are quite affordable with tax credit rental rates.

Furthermore, there are five family-oriented tax credit facilities within the Myrtle Beach area that can be considered as somewhat comparable. According to survey results, all were 100 percent occupied among a total of 490 units, with each of these maintaining a waiting list. The most recently constructed of these, Carolina Oaks (48 units in 2016), was fulling leased in less than four months of opening.

From a market standpoint, it is clearly evident that sufficient demand is present for the subject proposal. Considering the general lack of affordable senior options within the PMA, coupled with the fact that the Myrtle Beach area is actually losing affordable LIHTC senior housing (with the conversion of 58 LIHTC units to PBRA within Swansgate I/II), a high level of pent-up demand is extremely likely. Therefore, based on the proposed income targeting, unit sizes, amenity levels, and rent-per-square foot ratios, the proposed rental rates within the subject are appropriate for the local rental market. As such, the targeting structure within the subject proposal should be considered a positive factor.

3. Comparable Pipeline Units

According to SCSHFDA information and local government officials, no directly comparable senior rental developments are currently proposed or under construction within the market area. The only senior LIHTC activity reported within the Myrtle Beach area is the 2016 tax credit allocation of Villas of Swansgate, which represents the rehab and conversion of 58 tax credit units to PBRA units. In addition, it should also be noted that, while not directly comparable, a family tax credit development also received tax credits in 2016 in Myrtle Beach – Highlands at Socastee (44 units).

4. Impact on Existing Tax Credit Properties

Based on the lack of similar senior-only rental housing locally, as well as the extremely strong occupancy rates among family LIHTC developments included in the survey, development of the proposal will undoubtedly prove successful. In addition, considering extremely strong future demographic growth anticipated for the senior segment within the PMA, as well as the generally positive characteristics of the immediate area, affordable senior housing will undoubtedly continue to be in demand locally.

Table 22: Rental Housing Survey - Overall

Project Name	Year Built/ Rehab	Total Units	Studio/ Eff.	1 BR	2 BR	3 BR	4 BR	Heat Incl.	W/S Incl.	Elect. Incl.	Occup. Rate	Type	Location
Jefferson Place	1996	40	0	40	0	0	0	No	No	No	100%	SR 62+	Myrtle Beach
Noel Villa	2002	49	0	49	0	0	0	No	No	No	100%	SR 62+	Conway
Plantation Apts - Senior	2007	54	0	54	0	0	0	No	Yes	No	100%	SR 62+	Myrtle Beach
Swansgate Apts I/II/III	1998	122	0	110	12	0	0	No	Yes	No	84%	SR 62+	Myrtle Beach
Alta Surf Apts	2007	216	NA	96	120	NA	NA	No	No	No	95%	Open	Myrtle Beach
Bay Pointe Apts I/II	2011	106	0	0	56	50	0	No	Yes	No	100%	Open	Myrtle Beach
Carolina Breeze Apts	1998	288	0	NA	NA	NA	0	No	No	No	96%	Open	Myrtle Beach
Carolina Cove of Myrtle Beach	2000	72	0	0	56	16	0	No	Yes	No	100%	Open	Myrtle Beach
Carolina Oaks Village	2016	48	0	0	24	24	0	No	Yes	No	100%	Open	Myrtle Beach
Claypond Commons	2001	188	28	149	11	0	0	No	No	No	94%	Open	Myrtle Beach
Flintlake Apt Homes	1997	272	0	NA	NA	NA	0	No	No	No	89%	Open	Myrtle Beach
Monticello Park I/II/III	2008	192	0	16	108	68	0	No	No	No	100%	Open	Myrtle Beach
Palmetto Pointe Apts	1999	320	0	140	168	12	0	No	No	No	98%	Open	Myrtle Beach
Patriots Way Apts	1998	71	0	0	71	0	0	No	Yes	No	100%	Open	Myrtle Beach
Pipers Pointe Apts	2006	72	0	0	36	36	0	No	No	No	100%	Open	Myrtle Beach
River Landing Apts	2007	340	0	NA	NA	NA	0	No	No	No	90%	Open	Myrtle Beach
Seaside Grove Apts	2002	312	0	NA	NA	NA	0	No	No	No	94%	Open	Myrtle Beach
Vinings at Carolina Bays	2014	264	0	NA	NA	NA	0	No	No	No	96%	Open	Myrtle Beach
Water Leaf at Palmetto Pointe	2015	216	0	NA	NA	NA	0	No	Yes	No	95%	Open	Myrtle Beach
Totals and Averages	**2004**	**3,242**	**28**	**654**	**662**	**206**	**0**				**95.0%**		
Unit Distribution			**2%**	**42%**	**43%**	**13%**	**0%**						
SUBJECT PROJECT													
Villas at Oleander Apartments	**2019**	**49**	**0**	**0**	**49**	**0**	**0**	**No**	**Yes**	**No**		**SR 55+**	**Myrtle Beach**

SUMMARY

	Number of Dev.	Year Built	Total Units	Studio/ Eff.	1BR	2BR	3BR	4BR	Average Occup.
Total Developments	**19**	**2004**	**3,242**	**28**	**654**	**662**	**206**	**0**	**95.0%**
Family - Market Rate	**10**	**2004**	**2,487**	**28**	**385**	**370**	**12**	**0**	**94.2%**
Family - LIHTC	**5**	**2008**	**490**	**0**	**16**	**280**	**194**	**0**	**100.0%**
Senior Only	**4**	**2001**	**265**	**0**	**253**	**12**	**0**	**0**	**92.6%**

Note: Shaded Properties are LIHTC

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

Project Name	Program	PBRA Units	1BR Rent LOW	1BR Rent HIGH	1BR Square Feet LOW	1BR Square Feet HIGH	Rent per Square Foot Range		2BR Rent LOW	2BR Rent HIGH	2BR Square Feet LOW	2BR Square Feet HIGH	Rent per Square Foot Range	
Jefferson Place	BOI-HUD	40			550									
Noel Villa	BOI-PHA	49			680									
Plantation Apts - Senior	LIHTC/BOI	54			624	634								
Swansgate Apts I/II/III	LIHTC	0	$398	$557	600		$0.66	$0.93	$536	$665	900		$0.60	$0.74
Alta Surf Apts	Market	0	$945	$990	761	833	$1.13	$1.30	$1,095	$1,185	1,064	1,140	$0.96	$1.11
Bay Pointe Apts I/II	LIHTC	0							$520	$646	1,100		$0.47	$0.59
Carolina Breeze Apts	Market	0	$650		695	744	$0.87	$0.94	$750		883			$0.85
Carolina Cove of Myrtle Beach	LIHTC/Mrkt	0							$535	$760	979		$0.55	$0.78
Carolina Oaks Village	LIHTC	0							$449	$561	925		$0.49	$0.61
Claypond Commons	Market	0	$699		600			$1.17	$799		890			$0.90
Flintlake Apt Homes	Market	0	$864		810			$1.07	$954	$1,030	1,086	1,145	$0.83	$0.95
Monticello Park I/II/III	LIHTC/Mrkt	0	$396	$502	800		$0.50	$0.63	$475	$745	1,049		$0.45	$0.71
Palmetto Pointe Apts	Market	0	$750	$795	652	736	$1.02	$1.22	$975	$999	933	1,040	$0.94	$1.07
Patriots Way Apts	Market	0							$850		960			$0.89
Pipers Pointe Apts	LIHTC	0							$461	$602	1,122		$0.41	$0.54
River Landing Apts	Market	0	$715		685	771	$0.93	$1.04	$825		950	1,035	$0.80	$0.87
Seaside Grove Apts	Market	0	$840	$910	787		$1.07	$1.16	$990	$1,175	989		$1.00	$1.19
Vinings at Carolina Bays	Market	0	$889	$1,070	735	920	$0.97	$1.46	$1,109	$1,295	1,153	1,209	$0.92	$1.12
Water Leaf at Palmetto Pointe	Market	0	$890		708			$1.26	$1,000	$1,110	968		$1.03	$1.15
Totals and Averages		143		$756		716		$1.06		$825		1,025		$0.80
SUBJECT PROPERTY														
Villas at Oleander Apartments	LIHTC	0		NA		NA		NA	$460	$575	965	965	$0.48	$0.60
SUMMARY														
Overall				$756		716		$1.06		$825		1,025		$0.80
Family - Market Rate				$847		746		$1.14		$980		1,030		$0.95
Family - LIHTC				$449		800		$0.56		$551		1,035		$0.53
Senior Only				$478		618		$0.77		$601		900		$0.67

Note: Shaded Properties are LIHTC

Table 24a: Project Amenities - Overall

Project Name	Heat Type	Central Air	Wall A/C	Garbage Disposal	Dish Washer	Microwave	Ceiling Fan	Walk-in Closet	Mini Blinds	Patio/ Balcony	Club/ Comm. Room	Computer Center	Exercise Room
Jefferson Place	ELE	Yes	No	Yes	No	No	Some	No	Yes	No	Yes	Yes	No
Noel Villa	ELE	Yes	No	No	No	No	No	Yes	Yes	No	Yes	No	No
Plantation Apts - Senior	ELE	Yes	No	Yes	No	Yes	Yes	No	Yes	Yes	Yes	No	No
Swansgate Apts I/II/III	ELE	Yes	No	Some	Some	No	No	Yes	Yes	Some	Yes	No	No
Alta Surf Apts	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Bay Pointe Apts I/II	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No
Carolina Breeze Apts	ELE	Yes	No	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes
Carolina Cove of Myrtle Beach	ELE	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes
Carolina Oaks Village	ELE	Yes	No	No	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes
Claypond Commons	ELE	Yes	No	No	Yes	No	No	No	Yes	Yes	Yes	Yes	Yes
Flintlake Apt Homes	ELE	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes
Monticello Park I/II/III	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	No
Palmetto Pointe Apts	ELE	Yes	No	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes
Patriots Way Apts	ELE	Yes	No	No	Yes	No	Yes	Yes	Yes	Yes	No	No	No
Pipers Pointe Apts	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No
River Landing Apts	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
Seaside Grove Apts	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Vinings at Carolina Bays	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water Leaf at Palmetto Pointe	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No
Totals and Averages	--	100%	0%	79%	84%	58%	68%	79%	100%	68%	89%	53%	53%
SUBJECT PROJECT													
Villas at Oleander Apartments	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
SUMMARY													
Overall	--	100%	0%	79%	84%	58%	68%	79%	100%	68%	89%	53%	53%
Market Rate Only	--	100%	0%	80%	100%	50%	70%	90%	100%	100%	80%	60%	80%
LIHTC Only	--	100%	0%	80%	100%	100%	80%	80%	100%	20%	100%	60%	40%
Subsidized Only	--	100%	0%	75%	25%	25%	50%	50%	100%	50%	100%	25%	0%

Note: Shaded Properties are LIHTC

Table 24b: Project Amenities - Overall

Project Name	Gazebo	Elevator	Exterior Storage	On-Site Mgt	Security Intercom	Coin Op Laundry	Laundry Hookup	In-unit Laundry	Carport	Garage	Emerg. Pull Cord	Activities	Library
Jefferson Place	No	Yes	No	Yes	No	Yes	No	No	No	No	Yes	Yes	Yes
Noel Villa	No	No	No	Yes	Yes	Yes	No	No	No	No	Yes	Yes	Yes
Plantation Apts - Senior	No	No	No	Yes	No	Yes	No	No	No	No	No	Yes	No
Swansgate Apts I/II/III	No	Yes	No	Yes	Yes	Yes	No	No	No	No	Yes	Yes	Yes
Alta Surf Apts	Yes	No	Yes	Yes	No	Yes	Yes	No	No	Yes			
Bay Pointe Apts I/II	Yes	No	No	Yes	No	Yes	Yes	No	No	No			
Carolina Breeze Apts	No	No	No	Yes	No	Yes	Yes	No	No	No			
Carolina Cove of Myrtle Beach	No	No	No	Yes	No	Yes	Yes	No	No	No			
Carolina Oaks Village	No	No	No	Yes	No	Yes	Yes	No	No	No			
Claypond Commons	No	No	Yes	Yes	Yes	Yes	Yes	No	No	Yes			
Flintlake Apt Homes	No	No	Yes	Yes	No	No	Yes	No	No	Yes			
Monticello Park I/II/III	Yes	No	No	Yes	No	Yes	Yes	No	No	No			
Palmetto Pointe Apts	Yes	No	No	Yes	No	Yes	Yes	No	No	Yes			
Patriots Way Apts	No	No	No	Yes	No	No	Yes	No	No	No			
Pipers Pointe Apts	Yes	No	No	Yes	No	Yes	Yes	No	No	No			
River Landing Apts	No	No	Yes	Yes	No	Yes	Yes	No	No	Yes			
Seaside Grove Apts	Yes	No	Yes	Yes	No	Yes	Yes	No	No	Yes			
Vinings at Carolina Bays	No	No	Yes	Yes	No	No	Yes	No	No	Y			
Water Leaf at Palmetto Pointe	No	No	Yes	Yes	No	No	No	Yes	No	No			
Totals and Averages	32%	11%	37%	100%	16%	79%	74%	5%	0%	37%	16%	21%	16%
SUBJECT PROJECT													
Villas at Oleander Apartments	Yes	Yes	No	Yes	No	Yes	Yes	No	No	No	Yes	Yes	No
SUMMARY													
Overall	32%	11%	37%	100%	16%	79%	74%	5%	0%	37%	16%	21%	16%
Market Rate Only	30%	0%	70%	100%	10%	60%	90%	10%	0%	70%	0%	0%	0%
LIHTC Only	60%	0%	0%	100%	0%	100%	100%	0%	0%	0%	0%	0%	0%
Subsidized Only	0%	50%	0%	100%	50%	100%	0%	0%	0%	0%	75%	100%	75%

Note: Shaded Properties are LIHTC

Table 25: Additional Information - Overall

Project Name	Address	City	Telephone Number	Contact	On-Site Mgt	Waiting List	Concessions/Other	Survey Date
Jefferson Place	6715 Jefferson Place	Myrtle Beach	(843) 449-2071	Wendy	Yes	38 Names	None	20-Jan-17
Noel Villa	1104 Hemingway Chapel Rd	Conway	(843) 397-1501	Sharon	Yes	50 Names	None	20-Jan-17
Plantation Apts - Senior	200 Rittenhouse Road	Myrtle Beach	(843) 293-2133	Shane	Yes	200 Names	None	27-Jan-17
Swansgate Apts I/II/III	1050 Mr Joe White Ave	Myrtle Beach	(843) 946-6226	Sharon	Yes	No	None/Preparing for rehab	24-Jan-17
Alta Surf Apts	101 Breakers Dr	Myrtle Beach	843-903-0403	Janae	Yes	No	None	17-Feb-17
Bay Pointe Apts I/II	1400 Mister Joe White Avenue	Myrtle Beach	843-443-9382	Jessica	Yes	10 Names	None	30-Jan-17
Carolina Breeze Apts	100 Cedar Street	Myrtle Beach	(843) 626-2866	Tammy	Yes	No	None	7-Feb-17
Carolina Cove of Myrtle Beach	830 Carolina Cove Drive	Myrtle Beach	(843) 445-7899	Laurie	Yes	6 Names	None	7-Feb-17
Carolina Oaks Village	1302 North Oak Street	Myrtle Beach	(843) 712-2028	Heather	Yes	50+ Names	None	31-Jan-17
Claypond Commons	101 Rexford Ct	Myrtle Beach	(843) 903-5770	Shane	Yes	No	None	20-Jan-17
Flintlake Apt Homes	650 W Flintlake Ct	Myrtle Beach	(843) 236-5735	Kirsten	Yes	No	None	27-Jan-17
Monticello Park I/II/III	1300 Osceola Street	Myrtle Beach	(843) 946-0051	Tiffany	Yes	40 Names	None	27-Jan-17
Palmetto Pointe Apts	3919 Carnegie Avenue	Myrtle Beach	(843) 293-7256	Emily	Yes	No	None	27-Jan-17
Patriots Way Apts	1500 Coastal Lane	Myrtle Beach	(843) 448-0027	Courtney	Yes	7 Names	None	3-Feb-17
Pipers Pointe Apts	1310 3rd Avenue South	Myrtle Beach	(843) 448-0400	Jessica	Yes	10 Names	None	27-Jan-17
River Landing Apts	200 River Landing Blvd	Myrtle Beach	(843) 903-3434	Jillian	Yes	No	None	30-Jan-17
Seaside Grove Apts	101 Augusta Plantation Dr	Myrtle Beach	(843) 236-9292	Jen	Yes	No	None	30-Jan-17
Vinings at Carolina Bays	501 Hinson Drive	Myrtle Beach	(844) 294-0043	Bridgette	Yes	No	1st Month free	31-Jan-17
Water Leaf at Palmetto Pointe	3854 Maypop Circle	Myrtle Beach	843-353-6766	Kim	Yes	No	None	31-Jan-17

Note: Shaded Properties are LIHTC

Table 26: Rental Housing Survey – Comparable LIHTC

Project Name	Year Built/ Rehab	Total Units	Studio/ Eff.	1 BR	2 BR	3 BR	4 BR	Heat Incl.	W/S Incl.	Elect. Incl.	Occup. Rate	Type	Location
Swansgate Apts I/II/III	1998	122	0	110	12	0	0	No	Yes	No	84%	SR 62+	Myrtle Beach
Bay Pointe Apts I/II	2011	106	0	0	56	50	0	No	Yes	No	100%	Open	Myrtle Beach
Carolina Cove of Myrtle Beach	2000	72	0	0	56	16	0	No	Yes	No	100%	Open	Myrtle Beach
Carolina Oaks Village	2016	48	0	0	24	24	0	No	Yes	No	100%	Open	Myrtle Beach
Monticello Park I/II/III	2006	192	0	16	108	68	0	No	No	No	100%	Open	Myrtle Beach
Pipers Pointe Apts	2006	72	0	0	36	36	0	No	No	No	100%	Open	Myrtle Beach
Totals and Averages	**2006**	**612**	**0**	**126**	**292**	**194**	**0**				**96.8%**		
Unit Distribution			**0%**	**21%**	**48%**	**32%**	**0%**						
SUBJECT PROJECT													
Villas at Oleander Apartments	**2019**	**49**	**0**	**0**	**49**	**0**	**0**	**No**	**Yes**	**No**		**SR 55+**	**Myrtle Beach**

Table 27: Rent Range for 1 & 2 Bedrooms – Comparable LIHTC

Project Name	Program	PBRA Units	1BR Rent LOW	1BR Rent HIGH	1BR Square Feet LOW	1BR Square Feet HIGH	Rent per Square Foot Range		2BR Rent LOW	2BR Rent HIGH	2BR Square Feet LOW	2BR Square Feet HIGH	Rent per Square Foot Range	
Swansgate Apts I/II/III	BOI-HUD	0	$398	$557	600		$0.66	$0.93	$536	$665	900		$0.60	$0.74
Bay Pointe Apts I/II	BOI-PHA	0							$520	$646	1,100		$0.47	$0.59
Carolina Cove of Myrtle Beach	LIHTC/BOI	0							$535	$760	979		$0.55	$0.78
Carolina Oaks Village	LIHTC	0							$449	$561	925		$0.49	$0.61
Monticello Park I/II/III	0	0	$396	$502	800		$0.50	$0.63	$475	$745	1,049		$0.45	$0.71
Pipers Pointe Apts	Market	0							$461	$602	1,122		$0.41	$0.54
Totals and Averages		**0**		**$463**		**700**		**$0.66**		**$580**		**1,013**		**$0.57**
SUBJECT PROPERTY														
Villas at Oleander Apartments	**LIHTC**	**0**		**NA**		**NA**		**NA**	**$460**	**$575**	**965**	**965**	**$0.48**	**$0.60**

Note: Shaded property is senior LIHTC

Table 28a: Project Amenities – Comparable LIHTC

Project Name	Heat Type	Central Air	Wall A/C	Garbage Disposal	Dish Washer	Microwave	Ceiling Fan	Walk-in Closet	Mini Blinds	Patio/ Balcony	Club/ Comm. Room	Computer Center	Exercise Room
Swansgate Apts I/II/III	ELE	Yes	No	Some	Some	No	No	Yes	Yes	Some	Yes	No	No
Bay Pointe Apts I/II	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No
Carolina Cove of Myrtle Beach	ELE	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes
Carolina Oaks Village	ELE	Yes	No	No	Yes	Yes	Yes	No	Yes	No	No	Yes	Yes
Monticello Park I/II/III	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	No
Pipers Pointe Apts	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No
Totals and Averages	–	100%	0%	83%	100%	83%	67%	83%	100%	33%	67%	50%	33%
SUBJECT PROJECT													
Villas at Oleander Apartments	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes

Table 28b: Project Amenities – Comparable LIHTC

Project Name	Gazebo	Elevator	Exterior Storage	On-Site Mgt	Security Intercom	Coin Op Laundry	Laundry Hookup	In-unit Laundry	Carport	Garage	Emerg. Pull Cord	Activities	Library
Swansgate Apts I/II/III	No	Yes	No	Yes	Yes	Yes	No	No	No	No	Yes	Yes	Yes
Bay Pointe Apts I/II	Yes	No	No	Yes	No	Yes	Yes	No	No	No			
Carolina Cove of Myrtle Beach	No	No	No	Yes	No	Yes	Yes	No	No	No			
Carolina Oaks Village	No	No	No	Yes	No	Yes	Yes	No	No	No			
Monticello Park I/II/III	Yes	No	No	Yes	No	Yes	Yes	No	No	No			
Pipers Pointe Apts	Yes	No	No	Yes	No	Yes	Yes	No	No	No			
Totals and Averages	50%	17%	0%	100%	17%	100%	83%	0%	0%	0%	17%	17%	17%
SUBJECT PROJECT													
Villas at Oleander Apartments	Yes	Yes	No	Yes	No	Yes	Yes	No	No	No	Yes	Yes	No

Note: Shaded property is senior LIHTC

Map 10: LIHTC Rental Developments

COMPARABLE PROJECT INFORMATION

Project Name:	**Swansgate Apts I/II/III**		
Address:	1050 Mr Joe White Ave		
City:	Myrtle Beach		
State:	SC	**Zip Code:**	29577
Phone Number:	(843) 946-6226		
Contact Name:	Sharon		
Contact Date:	01/24/17		
Current Occup:	83.6%		

DEVELOPMENT CHARACTERISTICS

Total Units:	122	**Year Built:**	1995-00
Project Type:	SR 62+	**Floors:**	3
Program:	LIHTC	**Accept Vouchers:**	Yes
PBRA Units*:	0	**Voucher #:**	NA

* Including Section 8, Rental Assistance, and any other Project-Based Subsidy

UNIT CONFIGURATION/RENTAL RATES

BR	Bath	Target	Type	# Units	Square Feet Low	Square Feet High	Contract Rent Low	Contract Rent High	Vacant	Occup. Rate	Wait List
TOTAL 1-BEDROOM UNITS				**110**					**NA**	**NA**	
1	1.0	HOME	Apt	NA		600	$439		NA	NA	
1	1.0	45	Apt	NA		600	$398		NA	NA	
1	1.0	50	Apt	NA		600	$449	$451	NA	NA	
1	1.0	60	Apt	NA		600	$555	$557	NA	NA	
TOTAL 2-BEDROOM UNITS				**12**					**NA**	**NA**	
2	2.0	50	Apt	NA		900	$536	$538	NA	NA	
2	2.0	60	Apt	NA		900	$663	$665	NA	NA	
TOTAL DEVELOPMENT				**122**					**20**	**83.6%**	**Under Rehab**

AMENITIES

Unit Amenities

X	- Central A/C
	- Wall A/C Unit
Some	- Garbage Disposal
Some	- Dishwasher
	- Microwave
	- Ceiling Fan
X	- Walk-In Closet
X	- Mini-Blinds
	- Draperies
Some	- Patio/Balcony
	- Basement
	- Fireplace
	- High-Speed Internet

Development Amenities

	- Clubhouse
X	- Community Room
	- Computer Center
	- Exercise/Fitness Room
X	- Community Kitchen
	- Swimming Pool
	- Playground
	- Gazebo
X	- Elevator
	- Storage
	- Sports Courts
X	- On-Site Management
	- Security - Access Gate
X	- Security - Intercom

Laundry Type

X	- Coin-Operated Laundry
	- In-Unit Hook-Up
	- In-Unit Washer/Dryer

Parking Type

X	- Surface Lot	
	- Carport	$0
	- Garage (att)	$0
	- Garage (det)	$0

Utilities Included

	- Heat	ELE
	- Electricity	
X	- Trash Removal	
X	- Water/Sewer	

COMPARABLE PROJECT INFORMATION

Project Name:	**Bay Pointe Apts I/II**
Address:	1400 Mister Joe White Avenue
City:	Myrtle Beach
State:	SC
Zip Code:	29577
Phone Number:	843-443-9382
Contact Name:	Jessica
Contact Date:	01/30/17
Current Occup:	100.0%

DEVELOPMENT CHARACTERISTICS

Total Units:	106	**Year Built:**	2011
Project Type:	Open	**Floors:**	2
Program:	LIHTC	**Accept Vouchers:**	Yes
PBRA Units*:	0	**Voucher #:**	20

* Including Section 8, Rental Assistance, and any other Project-Based Subsidy

UNIT CONFIGURATION/RENTAL RATES

BR	Bath	Target	Type	# Units	Square Feet Low	Square Feet High	Contract Rent Low	Contract Rent High	Vacant	Occup. Rate	Wait List
TOTAL 2-BEDROOM UNITS				**56**					**0**	**100.0%**	
2	2.0	50	Apt	28	1,100		$520		0	100.0%	Yes
2	2.0	60	Apt	28	1,100		$646		0	100.0%	Yes
TOTAL 3-BEDROOM UNITS				**50**					**0**	**100.0%**	
3	2.0	50	Apt	25	1,300		$599		0	100.0%	Yes
3	2.0	60	Apt	25	1,300		$742		0	100.0%	Yes
TOTAL DEVELOPMENT				**106**					**0**	**100.0%**	**10 Names**

AMENITIES

Unit Amenities

- X - Central A/C
- __ - Wall A/C Unit
- X - Garbage Disposal
- X - Dishwasher
- X - Microwave
- X - Ceiling Fan
- X - Walk-In Closet
- X - Mini-Blinds
- __ - Draperies
- __ - Patio/Balcony
- __ - Basement
- __ - Fireplace
- __ - High-Speed Internet

Development Amenities

- X - Clubhouse
- X - Community Room
- X - Computer Center
- __ - Exercise/Fitness Room
- X - Community Kitchen
- __ - Swimming Pool
- X - Playground
- X - Gazebo
- __ - Elevator
- __ - Storage
- __ - Sports Courts
- X - On-Site Management
- __ - Security - Access Gate
- __ - Security - Intercom

Laundry Type

- X - Coin-Operated Laundry
- X - In-Unit Hook-Up
- __ - In-Unit Washer/Dryer

Parking Type

- X - Surface Lot
- __ - Carport $0
- __ - Garage (att) $0
- __ - Garage (det) $0

Utilities Included

- __ - Heat ELE
- __ - Electricity
- X - Trash Removal
- X - Water/Sewer

COMPARABLE PROJECT INFORMATION

Project Name:	**Carolina Oaks Village**		
Address:	1302 North Oak Street		
City:	Myrtle Beach		
State:	SC	**Zip Code:**	29577
Phone Number:	(843) 712-2028		
Contact Name:	Heather		
Contact Date:	01/31/17		
Current Occup:	100.0%		

DEVELOPMENT CHARACTERISTICS

Total Units:	48	**Year Built:**	2016
Project Type:	Open	**Floors:**	2
Program:	LIHTC	**Accept Vouchers:**	Yes
PBRA Units*:	0	**Voucher #:**	UK

* Including Section 8, Rental Assistance, and any other Project-Based Subsidy

UNIT CONFIGURATION/RENTAL RATES

BR	Bath	Target	Type	# Units	Square Feet Low	Square Feet High	Contract Rent Low	Contract Rent High	Vacant	Occup. Rate	Wait List
TOTAL 2-BEDROOM UNITS				**24**					**0**	**100.0%**	
2	2.0	50	Apt	NA	925		$449		0	100.0%	Yes
2	2.0	60	Apt	NA	925		$561		0	100.0%	Yes
TOTAL 3-BEDROOM UNITS				**24**					**0**	**100.0%**	
3	2.0	50	Apt	NA	1,125		$510		0	100.0%	Yes
3	2.0	60	Apt	NA	1,125		$639		0	100.0%	Yes
TOTAL DEVELOPMENT				**48**					**0**	**100.0%**	**50+ Names**

AMENITIES

Unit Amenities

X	- Central A/C
	- Wall A/C Unit
	- Garbage Disposal
X	- Dishwasher
X	- Microwave
X	- Ceiling Fan
	- Walk-In Closet
X	- Mini-Blinds
	- Draperies
	- Patio/Balcony
	- Basement
	- Fireplace
X	- High-Speed Internet

Development Amenities

X	- Clubhouse
	- Community Room
X	- Computer Center
X	- Exercise/Fitness Room
	- Community Kitchen
	- Swimming Pool
	- Playground
	- Gazebo
	- Elevator
	- Storage
	- Sports Courts
X	- On-Site Management
	- Security - Access Gate
	- Security - Intercom

Laundry Type

X	- Coin-Operated Laundry
X	- In-Unit Hook-Up
	- In-Unit Washer/Dryer

Parking Type

X	- Surface Lot	
	- Carport	$0
	- Garage (att)	$0
	- Garage (det)	$0

Utilities Included

	- Heat	ELE
	- Electricity	
X	- Trash Removal	
X	- Water/Sewer	

COMPARABLE PROJECT INFORMATION

Project Name:	**Monticello Park I/II/III**
Address:	1300 Osceola Street
City:	Myrtle Beach
State:	SC **Zip Code:** 29577
Phone Number:	(843) 946-0051
Contact Name:	Tiffany
Contact Date:	01/27/17
Current Occup:	100.0%

DEVELOPMENT CHARACTERISTICS

Total Units:	192	**Year Built:**	2003-08
Project Type:	Open	**Floors:**	2 and 3
Program:	LIHTC/Mrkt	**Accept Vouchers:**	Yes
PBRA Units*:	0	**Voucher #:**	23

* Including Section 8, Rental Assistance, and any other Project-Based Subsidy

UNIT CONFIGURATION/RENTAL RATES

BR	Bath	Target	Type	# Units	Square Feet Low	Square Feet High	Contract Rent Low	Contract Rent High	Vacant	Occup. Rate	Wait List
TOTAL 1-BEDROOM UNITS				**16**					**0**	**100.0%**	
1	1.0	50	Apt	8	800		$396		0	100.0%	Yes
1	1.0	60	Apt	8	800		$502		0	100.0%	Yes
TOTAL 2-BEDROOM UNITS				**108**					**0**	**100.0%**	
2	2.0	50	Apt	50	1,049		$475		0	100.0%	Yes
2	2.0	60	Apt	50	1,049		$602		0	100.0%	Yes
2	2.0	Mrkt	Apt	8	1,049		$745		0	100.0%	Yes
TOTAL 3-BEDROOM UNITS				**68**					**0**	**100.0%**	
3	2.0	50	Apt	32	1,268		$546		0	100.0%	Yes
3	2.0	60	Apt	32	1,268		$692		0	100.0%	Yes
3	2.0	Mrkt	Apt	4	1,268		$845		0	100.0%	Yes
TOTAL DEVELOPMENT				**192**					**0**	**100.0%**	**40 Names**

AMENITIES

Unit Amenities

X	- Central A/C
	- Wall A/C Unit
X	- Garbage Disposal
X	- Dishwasher
X	- Microwave
X	- Ceiling Fan
X	- Walk-In Closet
X	- Mini-Blinds
	- Draperies
	- Patio/Balcony
	- Basement
	- Fireplace
	- High-Speed Internet

Development Amenities

	- Clubhouse
X	- Community Room
	- Computer Center
	- Exercise/Fitness Room
	- Community Kitchen
	- Swimming Pool
X	- Playground
X	- Gazebo
	- Elevator
	- Storage
	- Sports Courts
X	- On-Site Management
	- Security - Access Gate
	- Security - Intercom

Laundry Type

X	- Coin-Operated Laundry
X	- In-Unit Hook-Up
	- In-Unit Washer/Dryer

Parking Type

X	- Surface Lot	
	- Carport	$0
	- Garage (att)	$0
	- Garage (det)	$0

Utilities Included

	- Heat	ELE
	- Electricity	
X	- Trash Removal	
	- Water/Sewer	

COMPARABLE PROJECT INFORMATION

Project Name:	**Pipers Pointe Apts**
Address:	1310 3rd Avenue South
City:	Myrtle Beach
State:	SC
Zip Code:	29577
Phone Number:	(843) 448-0400
Contact Name:	Jessica
Contact Date:	01/27/17
Current Occup:	100.0%

DEVELOPMENT CHARACTERISTICS

Total Units:	72	**Year Built:**	2006
Project Type:	Open	**Floors:**	3
Program:	LIHTC	**Accept Vouchers:**	Yes
PBRA Units*:	0	**Voucher #:**	20

* Including Section 8, Rental Assistance, and any other Project-Based Subsidy

UNIT CONFIGURATION/RENTAL RATES

BR	Bath	Target	Type	# Units	Square Feet Low	Square Feet High	Contract Rent Low	Contract Rent High	Vacant	Occup. Rate	Wait List
TOTAL 2-BEDROOM UNITS				**36**					**0**	**100.0%**	
2	2.0	50	Apt	21	1,122		$461		0	100.0%	Yes
2	2.0	60	Apt	15	1,122		$602		0	100.0%	Yes
TOTAL 3-BEDROOM UNITS				**36**					**0**	**100.0%**	
3	2.0	50	Apt	21	1,300		$531		0	100.0%	Yes
3	2.0	60	Apt	15	1,300		$692		0	100.0%	Yes
TOTAL DEVELOPMENT				**72**					**0**	**100.0%**	**10 Names**

AMENITIES

Unit Amenities

X	- Central A/C
	- Wall A/C Unit
X	- Garbage Disposal
X	- Dishwasher
X	- Microwave
X	- Ceiling Fan
X	- Walk-In Closet
X	- Mini-Blinds
	- Draperies
	- Patio/Balcony
	- Basement
	- Fireplace
	- High-Speed Internet

Development Amenities

X	- Clubhouse
	- Community Room
X	- Computer Center
	- Exercise/Fitness Room
	- Community Kitchen
	- Swimming Pool
X	- Playground
X	- Gazebo
	- Elevator
	- Storage
	- Sports Courts
X	- On-Site Management
	- Security - Access Gate
	- Security - Intercom

Laundry Type

X	- Coin-Operated Laundry
X	- In-Unit Hook-Up
	- In-Unit Washer/Dryer

Parking Type

X	- Surface Lot	
	- Carport	$0
	- Garage (att)	$0
	- Garage (det)	$0

Utilities Included

	- Heat	ELE
	- Electricity	
X	- Trash Removal	
	- Water/Sewer	

5. Market Rent Calculations

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

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

	Proposed Net Rent	Estimated Market Rent	Market Advantage
Two-Bedroom Units			
50% AMI	$460	$941	51%
60% AMI	$575	$941	39%

Rent Comparability Grid

Subject Property		*Comp #1*		*Comp #2*		*Comp #3*		*Comp #4*		*Comp #5*	
Project Name		Alta Surf Apts		Patriots Way Apts		River Landing Apts		Seaside Grove Apts		Vinings at Carolina Bays	
Project City Date Surveyed	**Subject Data**	Myrtle Beach 2/17/17		Myrtle Beach 2/3/17		Myrtle Beach 1/30/17		Myrtle Beach 1/30/17		Myrtle Beach 1/31/17	
A. Design, Location, Condition		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
Structure Type	**Apts**	Apts		Apts		Apts		Apts		Apts	
Yr. Built/Yr. Renovated	**2019**	2007	$9	1998	$16	2007	$9	2002	$13	2014	$4
Condition /Street Appeal	**Good**	Good		Good		Good		Good		Good	
B. Unit Amenities		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
Central A/C	**Yes**	Yes		Yes		Yes		Yes		Yes	
Garbage Disposal	**Yes**	Yes		No	$3	Yes		Yes		Yes	
Dishwasher	**Yes**	Yes		Yes		Yes		Yes		Yes	
Microwave	**Yes**	Yes		No	$3	Yes		Yes		Yes	
Walk-In Closet	**Yes**	Yes		Yes		Yes		Yes		Yes	
Mini-Blinds	**Yes**	Yes		Yes		Yes		Yes		Yes	
Patio/Balcony	**No**	Yes	($5)	Yes	($5)	Yes	($5)	Yes	($5)	Yes	($5)
Basement	**No**	No		No		No		No		No	
Fireplace	**No**	No		No		No		No		No	
C. Site Amenities		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
Clubhouse	**No**	Yes	($3)	No		Yes	($3)	Yes	($3)	Yes	($3)
Community Room	**Yes**	No	$5	No	$5	No	$5	Yes		Yes	
Computer Center	**Yes**	Yes		No	$3	No	$3	Yes		Yes	
Exercise Room	**Yes**	Yes		No	$3	Yes		Yes		Yes	
Swimming Pool	**No**	Yes	($3)	Yes	($3)	Yes	($3)	Yes	($3)	Yes	($3)
Playground	**No**	No		No		Yes	$0	Yes	$0	Yes	$0
Sports Courts	**No**	No		No		Yes	$0	Yes	$0	No	
On-Site Management	**Yes**	Yes		Yes		Yes		Yes		Yes	
Security - Access Gate	**No**	No		No		No		No		No	
Security - Intercom	**No**	No		No		No		No		No	
D. Other Amenities		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
Coin-Operated Laundry	**Yes**	Yes		No	$5	Yes		Yes		No	$5
In-Unit Hook-Up	**Yes**	Yes		Yes		Yes		Yes		Yes	
In-Unit Washer/Dryer	**No**	No		No		No		No		No	
Carport	**No**	No		No		No		No		No	
Garage (attached)	**No**	No		No		No		No		No	
Garage (detached)	**No**	Yes	($25)	No		Yes	($25)	Yes	($25)	Yes	($25)
E. Utilities Included		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
Heat	**No**	No		No		No		No		No	
Electric	**No**	No		No		No		No		No	
Trash Removal	**Yes**	No	XXX	Yes		Yes		Yes		Yes	
Water/Sewer	**No**	No		Yes	XXX	No		No		No	
Heat Type	**ELE**	ELE		ELE		ELE		ELE		ELE	
Utility Adjustments											
Two-Bedroom Units			$10		($50)						
F. Average Unit Sizes		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
Two-Bedroom Units	**965**	1,102	($21)	960	$1	993	($4)	989	($4)	1,181	($32)
G. Number of Bathrooms		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
Two-Bedroom Units	**2.0**	2.0	$0	2.0	$0	2.0	$0	2.0	$0	2.0	$0
G. Total Adjustments Recap											
Two-Bedroom Units			($33)		($20)		($23)		($27)		($60)
H. Rent/Adjustment Summary		**Unadjusted Rent**	**Adjusted Rent**	**Unadjusted Rent**	**Adjusted Rent**	**Unadjusted Rent**	**Adjusted Rent**	**Unadjusted Rent**	**Adjusted Rent**	**Unadjusted Rent**	**Adjusted Rent**
Market Rate Units											
Two-Bedroom Units	**$941**	$1,095	$1,062	$850	$831	$825	$802	$990	$963	$1,109	$1,049

H. INTERVIEWS

Throughout the course of performing this analysis of the Myrtle Beach rental market, many individuals were contacted. Based on discussions with local government officials, there was no comparable senior rental activity reported (either proposed or under construction) within the market area at the current time. The only rental activity reported was the construction of a family market rate project to be called The Vinings, a 300-unit complex located off of Farrow Parkway. When asked, it was stated that there is demand for additional affordable housing within the area. The following planning departments were contacted:

Location: City of Myrtle Beach
Contact: Carol Coleman, Planning Director
Phone: 843-918-1161
Date: 2/27/2017

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

I. CONCLUSIONS/RECOMMENDATIONS

Based on the information collected and reported within this study, sufficient evidence has been presented for the successful development of Villas at Oleander Apartments, as proposed, within the Myrtle Beach PMA. Factors supporting the renovation of the subject property include the following:

1. Extremely positive senior demographic patterns since 2010 throughout the PMA – the overall senior population (55 years and over) is estimated to have increased by 27 percent between 2010 and 2016, representing nearly 5,425 additional seniors. Considering this strong growth, the demand for additional senior housing will undoubtedly escalate as well;
2. Relatively stable occupancy levels throughout the market area, with an overall occupancy rate of 95.0 percent calculated among 19 properties surveyed;
3. Only limited affordable rental options targeted specifically for seniors currently exist within the Myrtle Beach market area. According to survey results, only four senior-only properties were identified, with only three of these situated within the actual PMA. In all, three of the four senior developments are subsidized, with only Swansgate Apartments being tax credit;
4. As previously mentioned, the only senior tax credit development within the Myrtle Beach area is Swansgate Apartments – a 122-unit project constructed in three phases. However, 58 of the units are presently being prepped for rehab and will contain project-based rental subsidies post-rehab. As such, the Myrtle Beach market is actually losing non-subsidized affordable units for seniors;
5. Considering the five family-oriented LIHTC properties within the survey, all are 100 percent occupied - providing clear evidence of the strong demand for affordable housing locally;
6. The location of the subject property can also be considered a positive factor. The site is located adjacent to a newly constructed grocery store and also near retail, medical, and recreational areas;
7. A sufficient statistical demand calculation, with an absorption period conservatively estimated at four to five months.

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

J. SIGNED STATEMENT REQUIREMENTS

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

Steven R. Shaw
SHAW RESEARCH & CONSULTING, LLC

Date: March 1, 2017

K. SOURCES

2000 U.S. Census of Population and Housing - U.S. Census Bureau

2010 U.S. Census of Population and Housing – U.S. Census Bureau

2010-2015 American Community Survey – 5-Year Estimates – U.S. Census Bureau

2016/2021 Demographic Forecasts, ESRI Business Analyst Online

Apartment Listings – LIHTC – low-income-housing.credio.com

Apartment Listings – www.socialserve.com

Apartment Listings – Yahoo! Local – local.yahoo.com

Apartment Listings – Yellowbook – www.yellowbook.com

Community Profile 2017 – Horry County – SC Department of Employment & Workforce

CPI Inflation Calculator – Bureau of Labor Statistics – U.S. Department of Labor

Crime Data – HomeFair.com

ESRI Business Analyst Online

Income & Rent Limits 2016 – South Carolina State Housing Finance & Development Authority

Interviews with community planning officials

Interviews with managers and leasing specialists at local rental developments

South Carolina Industry Data – SC Works Online Services

South Carolina Labor Market Information – U.S. Bureau of Labor Statistics

South Carolina LIHTC Allocations – SC State Housing Finance & Development Authority

Microsoft Streets and Trips 2013

L. RESUME

STEVEN R. SHAW
SHAW RESEARCH & CONSULTING, LLC

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

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

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

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