



Shaw Research & Consulting

Real Estate Analysis & Market Feasibility Services

**A SENIOR RENTAL HOUSING
MARKET FEASIBILITY ANALYSIS
FOR
SPARTANBURG, SOUTH CAROLINA
(*Spartanburg County*)**

The Ellington Apartments

*548/560 Magnolia Street
Spartanburg, South Carolina 29303*

February 25, 2019

Prepared for:

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CERTIFICATE OF ACCURACY AND RELIABILITY

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



Steven R. Shaw
SHAW RESEARCH & CONSULTING, LLC

Date: February 25, 2019

INTRODUCTION

Shaw Research & Consulting, LLC has prepared the following rental housing study to examine and analyze the Spartanburg area as it pertains to the market feasibility of The Ellington Apartments, a proposed 50-unit affordable rental housing development targeting low-income senior households. The subject proposal is to be located within the northern portion of the city at the northwest corner of Magnolia Street and Ridge Street, just west of North Church Street, and less than ¾ mile north of downtown Spartanburg.

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 Spartanburg market area. All fieldwork and community data collection was conducted on January 10, 2019 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 rehabilitation 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 The Ellington Apartments will feature a total of 50 units restricted to senior households at 50 percent and 60 percent of the area median income (AMI). Furthermore, there are no unrestricted (market rate) or project-based rental assistance (PBRA) units proposed within the subject development.

EXECUTIVE SUMMARY

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

- 1) The subject proposal is a 50-unit rental development targeting low-income senior households. The facility will consist of a mix of one- and two-bedroom units restricted to households at or below 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 Spartanburg 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 rental housing are extremely strong throughout the market area at the current time. As such, an overall occupancy rate of 98.2 percent was calculated from a January 2019 survey of 21 rental developments identified and contacted within the PMA.
- 4) Only limited senior rental options are available within Spartanburg at the current time. According to survey results, there was only one senior-only property within the defined PMA which had non-subsidized tax credit units. While three subsidized senior projects were included in the survey, two other senior subsidized facilities would not participate and are not included in the report. Based on survey results, only one vacancy was reported among 297 senior-only units, resulting in a combined occupancy rate of 99.7 percent. Further, each senior project reported a waiting list.
- 5) The only non-subsidized tax credit rental alternative targeted specifically towards seniors is Cedar Springs Place Apartments, with a total of 48 units constructed in 2008 (consisting of 29 LIHTC and 19 PBRA units). According to the leasing manager, the property is 100 percent occupied with a waiting list.
- 6) In addition, the three family-oriented LIHTC properties included in the survey were a combined 99.6 percent occupied with each maintaining a long waiting list – providing additional evidence of the demand for affordable rental options locally.
- 7) The Spartanburg 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 20 percent between 2010 and 2018, representing nearly 2,900 additional seniors. Future projections indicate an additional increase of nine percent is anticipated between 2018 and 2023 (almost 1,500 additional seniors). Considering this strong growth, the demand for additional senior housing will undoubtedly escalate as well.

- 8) The proposal represents a modern product with numerous amenities and features at an affordable rent level. As such, the proposed rental rates within the subject are extremely competitive in relation to other local LIHTC properties, and can be considered achievable and appropriate for the Lancaster market area.

- 9) Considering the subject's proposed targeting, unit mix, affordable rental rates, and competitive unit sizes and development features, the introduction of The Ellington Apartments should prove successful. Based on extremely positive senior demographic patterns, and high occupancy levels throughout the local rental stock (especially among senior properties), and the clear lack of adequate non-subsidized senior tax credit units locally, a newly constructed senior-only rental option will undoubtedly be successful within the Spartanburg PMA. As such, evidence presented within the market study suggests a normal lease-up period (between four and six 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.

2019 EXHIBIT S-2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:

Development Name:	THE ELLINGTON APTS	Total # Units:	50
Location:	548/560 Magnolia Street, Spartanburg, South Carolina SC	# LIHTC Units:	50
PMA Boundary:	North = 2.5 miles; South = 3.5 miles; East = 5 miles; West = 2.5 miles		
Development Type:	Family <input type="checkbox"/> Older Persons <input checked="" type="checkbox"/>	Farthest Boundary Distance to Subject:	5 miles

RENTAL HOUSING STOCK (found on page 51)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	21	2,604	47	98.2%
Market-Rate Housing	11	1,683	40	97.6%
Assisted/Subsidized Housing not to include LIHTC	5	552	6	98.9%
LIHTC (All that are stabilized)*	4	328	1	99.7%
Stabilized Comps**	4	328	1	99.7%
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
1	1 BR	1.0	786	\$480	\$901	\$1.26	46.7%	\$1,220	\$1.81
3	1 BR	1.0	786	\$590	\$901	\$1.26	34.5%	\$1,220	\$1.81
9	2 BR	2.0	966	\$571	\$1,007	\$1.04	43.3%	\$1,337	\$1.46
37	2 BR	2.0	966	\$673	\$1,007	\$1.04	33.2%	\$1,337	\$1.46
Gross Potential Rent Monthly*				\$32,290	\$49,939		35.34%		

*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		2018		2021	
Renter Households	3,244	33.6%	3,777	33.6%	3,928	33.6%
Income-Qualified Renter HHs (LIHTC)	794	24.5%	925	24.5%	962	24.5%
Income-Qualified Renter HHs (MR)	0	0.0%	0	0.0%	0	0.0%

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 46)

Type of Demand	50%	60%	Market Rate	Other: _____	Other: _____	Overall
Renter Household Growth	26	23	--			37
Existing Households (Overburd + Substand)	299	265	--			429
Homeowner Conversion (Seniors)	33	42	--			57
Other:	--	--	--			--
Less Comparable/Competitive Supply	9	32	--			41
Net Income-Qualified Renter HHs	348	298	--	--	--	481

CAPTURE RATES (found on page 50)

Targeted Population	50%	60%	Market Rate	Other: _____	Other: _____	Overall
Capture Rate	2.9%	13.4%	--			10.4%

ABSORPTION RATE (found on page 50)

Absorption Period:	4 to 6 months
--------------------	---------------

2019 S-2 RENT CALCULATION WORKSHEET							
	# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Potential Tenant Rent	Adjusted Market Rent	Gross Potential Market Rent	Tax Credit Gross Rent Advantage
40%	--	0 BR	--	--	--	--	
50%	--	0 BR	--	--	--	--	
60%	--	0 BR	--	--	--	--	
40%	--	1 BR	--	--	--	--	
50%	1	1 BR	\$480	\$480	\$901	\$901	
60%	3	1 BR	\$590	\$1,770	\$901	\$2,702	
40%	--	2 BR	--	--	--	--	
50%	9	2 BR	\$571	\$5,139	\$1,007	\$9,066	
60%	37	2 BR	\$673	\$24,901	\$1,007	\$37,270	
40%	--	3 BR	--	--	--	--	
50%	--	3 BR	--	--	--	--	
60%	--	3 BR	--	--	--	--	
40%	--	4 BR	--	--	--	--	
50%	--	4 BR	--	--	--	--	
60%	--	4 BR	--	--	--	--	
	Totals	50		\$32,290		\$49,939	35.34%

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: THE ELLINGTON APTS									
Project Address: 548/560 Magnolia Street									
Project City: Spartanburg, South Carolina									
County: Spartanburg County									
Total Units: 50									
Occupancy Type: Older Persons (55+)									
Construction Type: New Construction									
Targeting/Mix	Number of Units	Unit Type	Number of Baths	Avg. Square Feet	Contract Rent	Utility Allow.	Gross Rent	Max. LIHTC Rent*	Incl. PBRA
One-Bedroom Units									
	4								
50% of Area Median Income	1	Apt	1.0	786	\$480	\$70	\$550	\$550	No
60% of Area Median Income	3	Apt	1.0	786	\$590	\$70	\$660	\$660	No
Two-Bedroom Units									
	46								
50% of Area Median Income	9	Apt	2.0	966	\$571	\$90	\$661	\$661	No
60% of Area Median Income	37	Apt	2.0	966	\$673	\$90	\$763	\$793	No

*Maximum LIHTC Rents and Income Limits are based on 2018 Income & Rent Limits (effective 4/1/2018) obtained from SCSHFDA website (www.schousing.com).

Project Description:

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

Project Size:

Total Development Size.....50 units
 Number of Affordable Units.....50 units
 Number of Market Rate Units.....0 units
 Number of PBRA Units.....0 units
 Number of Employee Units0 units

Development Characteristics:

Number of Total Units50 units
 Number of Garden Apartments.....50 units
 Number of Townhouses.....0 units
 Number of Residential Buildings.....1 (maximum four story)
 Number of Community Buildings0
 Exterior Construction.....Minimum 60% Brick

Unit Amenities:

- Frost Free Refrigerator w/ Ice Maker
- Oven/Range
- Dishwasher
- Ceiling Fan
- Microwave
- Sunroom
- Washer/Dryer Hook-Up
- Mini-Blinds/Vertical Blinds
- Central Air Conditioning
- Walk-In Closet (in 46 units)
- Linen Closet (in 4 units)
- In-Unit Emergency Call System

Development Amenities:

- Multi-Purpose Room w/ Kitchenette
- Equipped Computer Center
- Covered Gazebo
- Video Camera Security System
- On-Site Laundry Facility
- Elevator
- On-Site Management Office
- Intercom/Fob/Keypad Entry

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 re-entry is scheduled for late 2020/early 2021;

B. SITE DESCRIPTION

1. Site Visit Date

All fieldwork and community data collection was conducted on January 10, 2019 by Steven Shaw.

2. Site Neighborhood and Overview

The subject property is located within the northern portion of the city of Spartanburg at the northwest corner of Magnolia Street and Ridge Street, approximately one block west of North Church Street and ¾ mile north of the city’s downtown. Characteristics of the immediate neighborhood is somewhat mixed, consisting of commercial, residential, and undeveloped property. As such, Grace Community Church is adjacent to the north of the site, while undeveloped property can be found adjacent to the south, east, and west. In addition, a small number of commercial properties (including an automotive repair shop, hair salon, Spartanburg Fire Department station, and ASC Foodstore) are situated along Magnolia Street, with additional larger commercial concentrations located along Church Street. In addition to single-family homes scattered throughout the immediate neighborhood, two multi-family developments (the Brick Lofts and Victoria Garden Apartments) are located within two blocks of the subject property.

The subject property consists of approximately 2.2 acres of generally flat, undeveloped, and mostly wooded property. Situated within Census Tract 203.01 of Spartanburg County, the site is currently zoned as DT-5 (Urban Center District), which allows the development of multi-family units. Based on surrounding usages, current zoning throughout the neighborhood should not impede or negatively affect the viability of the subject proposal. As such, adjacent land usage is as follows:

- North:** Church
- South:** Ridge Street/Vacant, partially wooded undeveloped property
- East:** Magnolia Street/Vacant, grass-covered undeveloped property
- West:** Vacant, partially wooded undeveloped property

While the subject property will have frontage along Magnolia Street (representing a lightly-traveled two-lane street), access to the site will be from Ridge Street (a somewhat narrow

secondary residential street). Further, the site will have moderate visibility from a well-traveled roadway (Church Street). As such, the subject property's location provides a generally positive curb appeal (including ingress/egress) with no significant visible traffic congestion and most nearby properties (residential or otherwise) in fair to good condition. Furthermore, the site's location also provides for relatively convenient access to much of the area's retail, medical, recreational, and employment locales, and can be considered a positive factor.

3. Nearby Retail

While there are only limited retail opportunities within walking distance of the site, numerous retail areas are located just a short drive away. As such, the nearest significant concentration can be found less than one mile east of the subject property along Pine Street – offering a Food Lion grocery, Rite-Aid pharmacy, CVS/Pharmacy, Dollar General, Big Lots, and numerous other opportunities. Furthermore, the Monarch Fresh Food Store and Hub City Farmer's Market is roughly one-third mile south of the site near the intersection of Howard Street and Vernon Street, while a Family Dollar and Dollar General can be found approximately one mile away. In addition to the ASC Food Store situated roughly one-eighth mile away along Magnolia Street, Asheville Highway and Church Street also contains numerous retail options.

4. Medical Offices and Hospitals

Numerous medical services and physician offices can be found throughout the immediate area, with the Spartanburg Medical Center located less than ½ mile north of the subject property along Church Street. In addition to a large variety of medical offices found surrounding the hospital, other nearby medical offices include MEDcare Urgent Care (¾ mile away), St. Luke's Free Medical Clinic (1¼ miles), and ReGenesis Health Care (1¼ miles).

5. Other PMA Services

Overall, numerous services of note can be also found throughout the immediate area, including a library, senior center, YMCA, and several parks and recreation facilities within two miles of the site. The Shepherd's Senior Center is situated approximately 1½ miles away in downtown Spartanburg, offering numerous activities and services, including exercise classes, activities, educational enrichment, volunteer opportunities, and many other social programs. In addition, the Dr. TK Gregg Community Center is presently under construction approximately

one-third mile away along Howard Street – which is anticipated to be completed in late 2019 and will have a pool, large fitness room, outdoor tennis and basketball courts, and recreational and educational programming for area residents of all ages.

Fixed-route bus/transit services are offered locally through the Spartanburg Area Regional Transit Agency (SPARTA), providing public bus service to all areas of the city and select areas outside of the city’s limits. The nearest bus route can be found within one block of the site along Church Street. The following identifies pertinent locations and features within the local market area, and can be found on the following map by the number next to the corresponding description (all distances are estimated by paved roadway):

Retail

- 1. Pinewood Shopping Center.....0.8 miles northeast
(w/ Big Lots, Dollar General, Rose’s Express, and more)
- 2. Wise Buys Discount Grocery.....1.2 miles northeast
- 3. Food Lion grocery.....0.9 miles northeast
- 4. Rite-Aid Pharmacy.....0.8 miles northeast
- 5. Save-A-Lot grocery1.7 miles south
- 6. CVS/Pharmacy.....1.0 mile northeast
- 7. Family Dollar1.1 miles south
- 8. Dollar General.....1.0 mile northwest
- 9. Monarch Fresh Food Store / Hub City Farmer’s Market.....0.3 miles west
- 10. ASC Food Store and Fresh Seafood0.1 mile south
- 11. Greater Spartanburg Ministries Resale and Outreach Center0.2 miles north

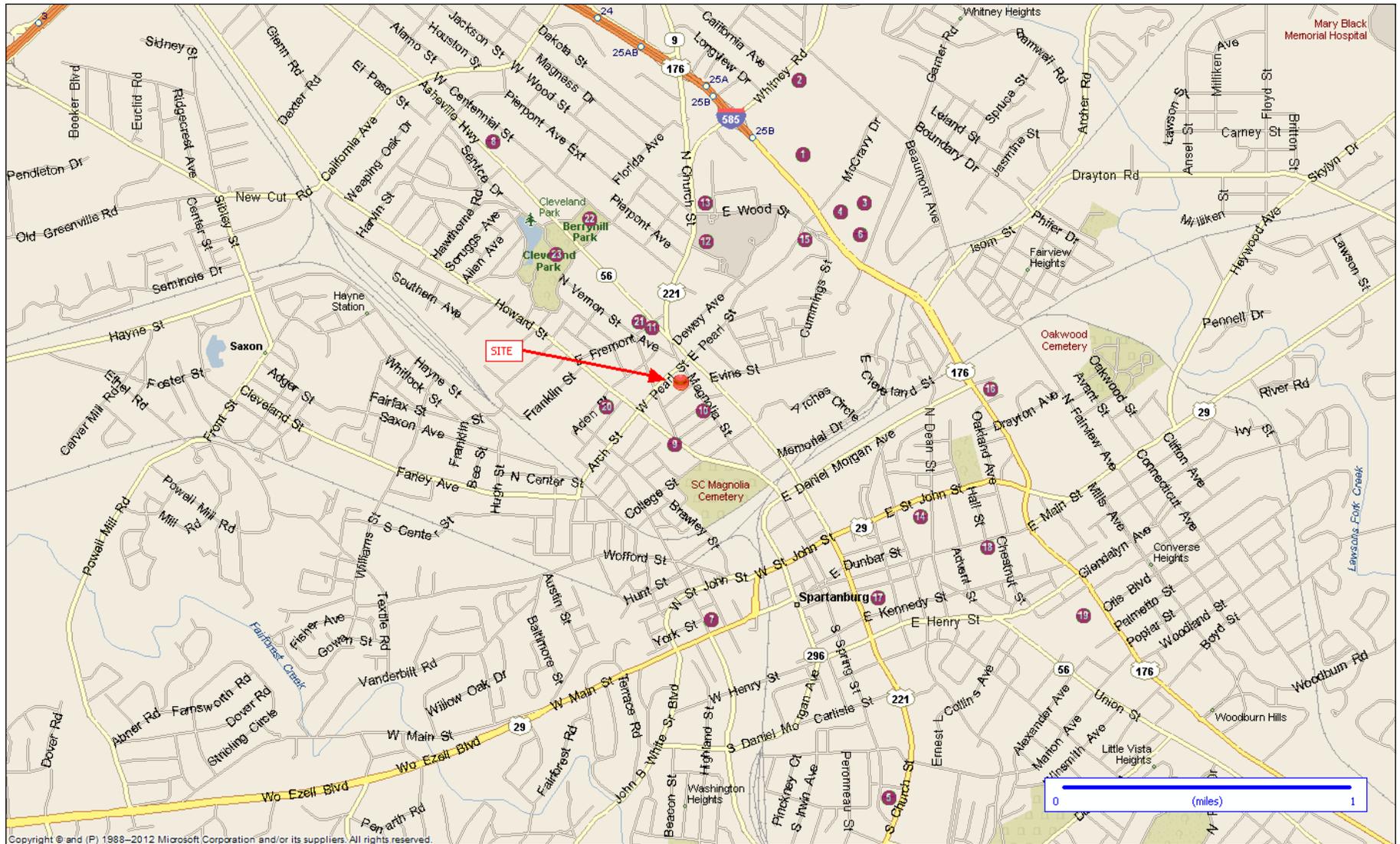
Medical

- 12. Spartanburg Medical Center0.5 miles north
- 13. SMC Physicians Center0.6 miles north
- 14. St. Luke’s Free Medical Clinic1.2 miles southeast
- 15. MEDcare Urgent Care0.7 miles northeast
- 16. ReGenesis Health Care1.3 miles east

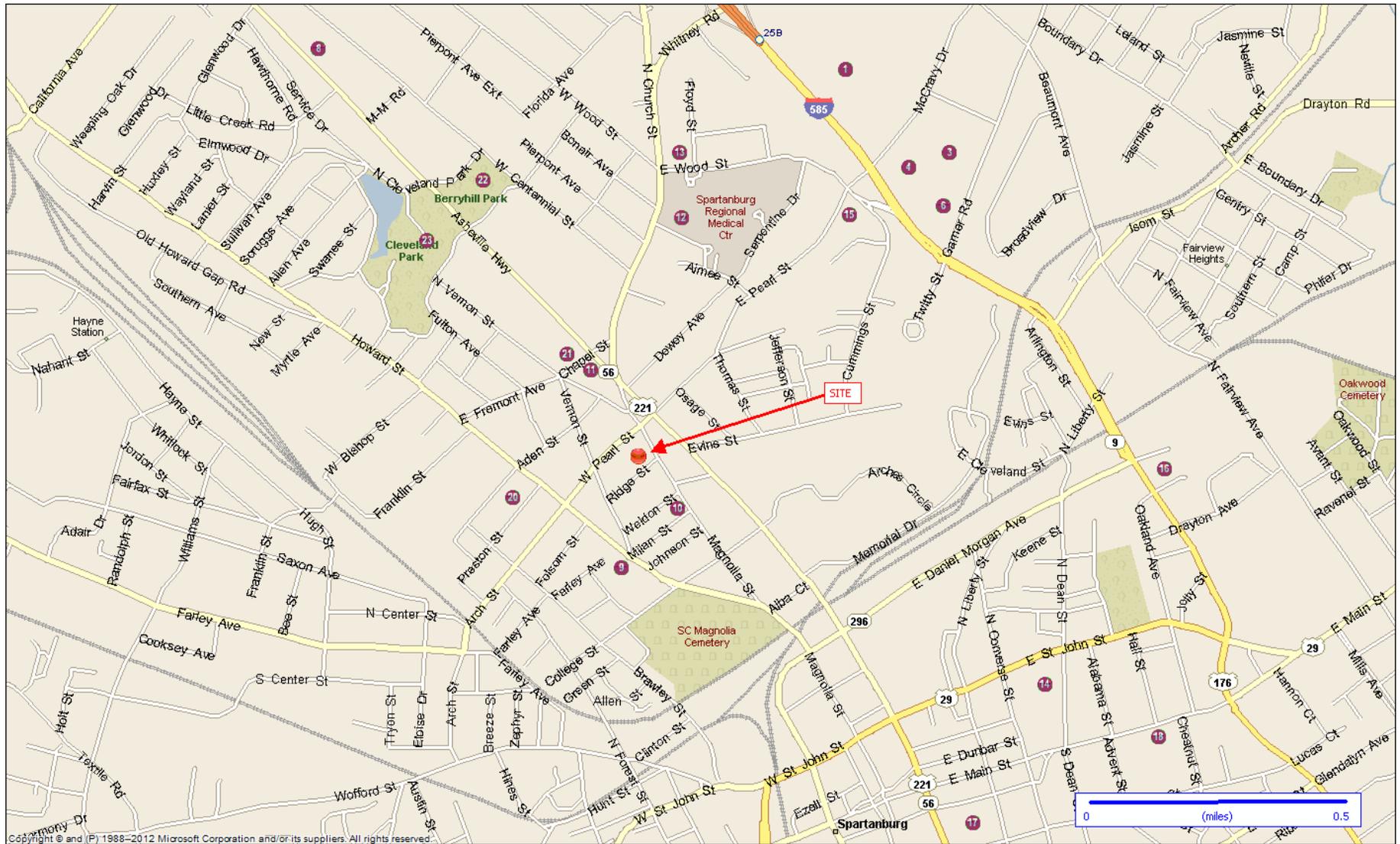
Recreation/Other

- 17. Spartanburg Public Library.....1.0 mile south
- 18. Shepherd’s Senior Center1.5 miles southeast
- 19. YMCA of Greater Spartanburg.....1.9 miles southeast
- 20. Dr. TK Gregg Community Center (under construction).....0.4 miles west
- 21. Chapel Street Park.....0.3 miles north
- 22. Berry Field0.6 miles northwest
- 23. Cleveland Park0.6 miles northwest

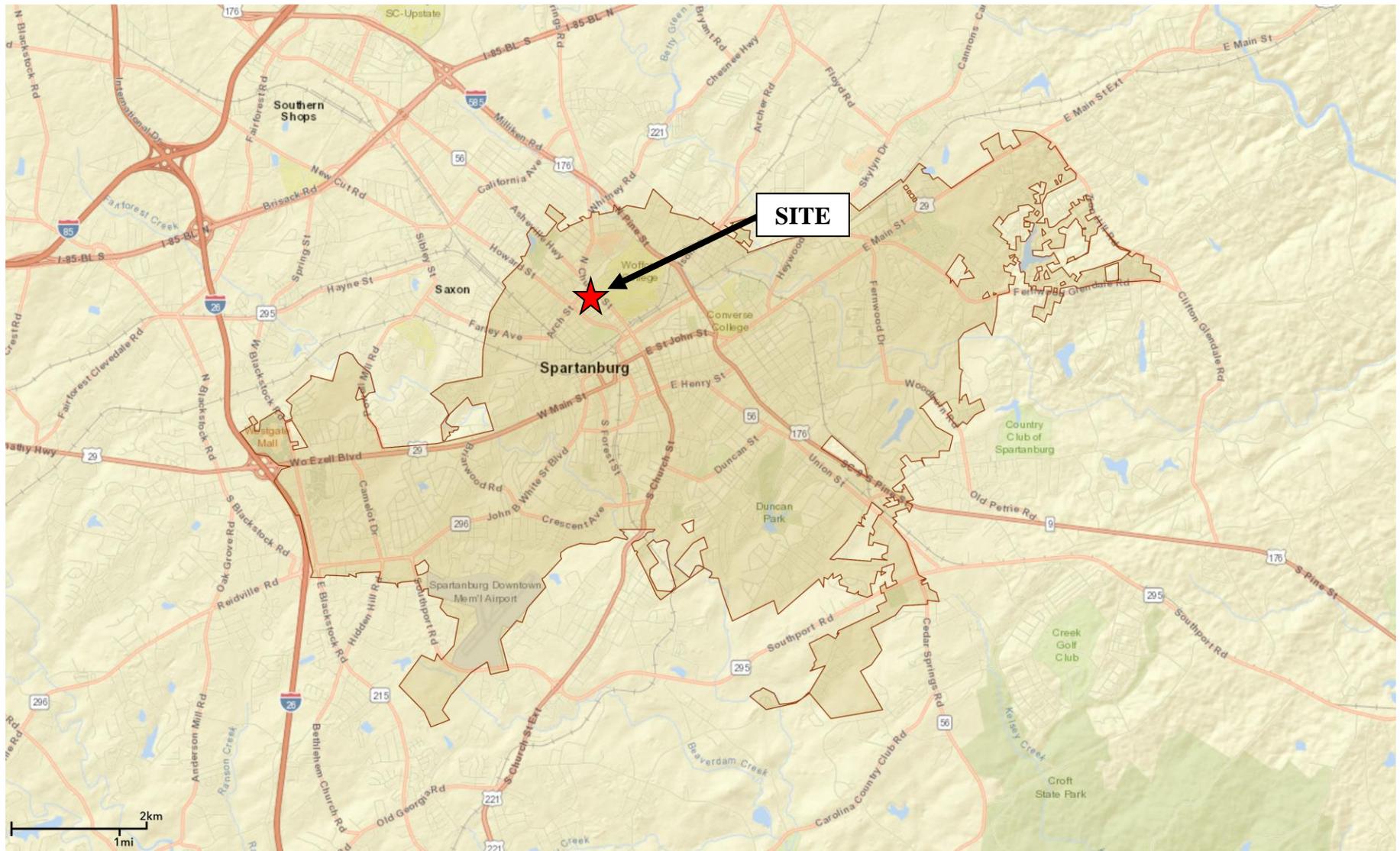
Map 1: Local Features/Amenities – Spartanburg Area



Map 2: Local Features/Amenities – Close View



Map 3: Site Location – City of Spartanburg

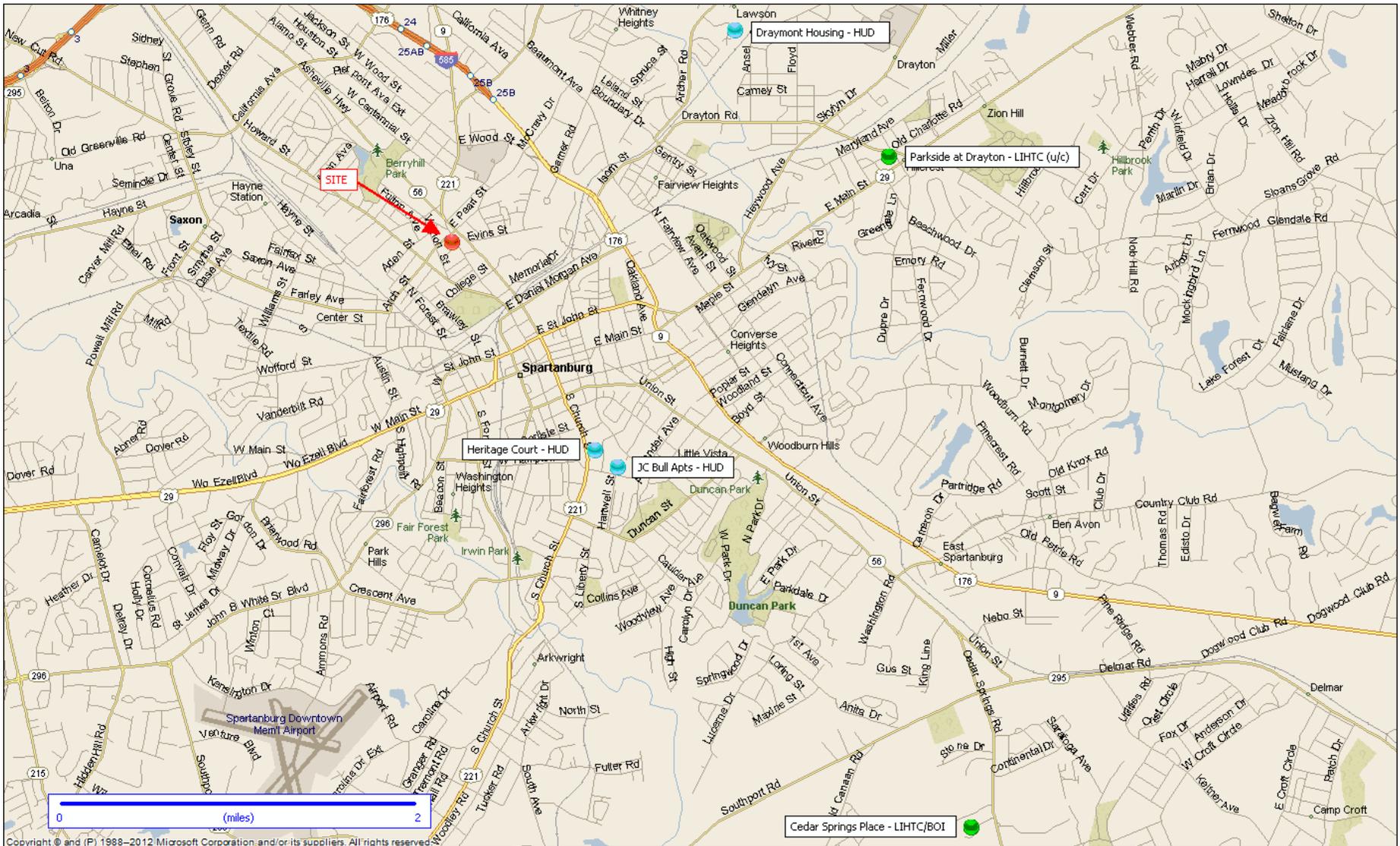


NOTE: Shaded area is city of Spartanburg

Map 4: Site Location - Aerial Photo



Map 5: Affordable Senior Rental Housing – Spartanburg, SC



Site/Neighborhood Photos



**SITE – The Ellington Apts
548/560 Magnolia Street
Spartanburg, SC
Facing west from Magnolia Street**



**SITE – The Ellington Apts
548/560 Magnolia Street
Spartanburg, SC
Facing west from Magnolia Street**



**SITE – The Ellington Apts
548/560 Magnolia Street
Spartanburg, SC
Facing south from adjacent church**



**SITE – The Ellington Apts
548/560 Magnolia Street
Spartanburg, SC
Facing north from Ridge Street**



**NORTH – Church adjacent to north of site
Facing west from Magnolia Street
Site is to left**



**SOUTH – Vacant, undeveloped property adjacent to south of site
Facing west from Magnolia Street
Site is to right**



**EAST - Undeveloped property adjacent to east of site
Facing east from Magnolia Street**



**Undeveloped property adjacent to west of site
Facing north from Ridge Street
Site is to right**



**Facing west along Ridge Street
Photo taken from Magnolia Street
Site is on right**



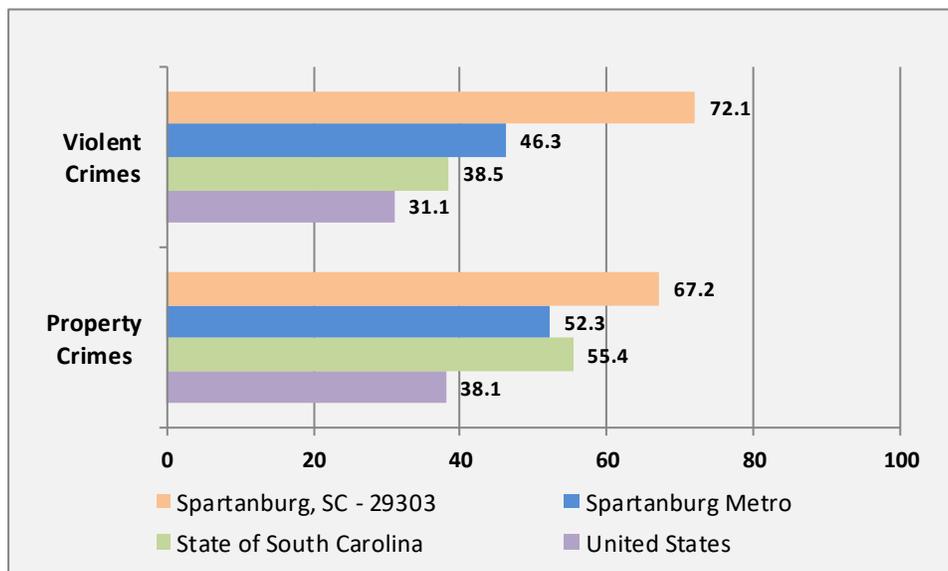
**Facing east along Ridge Street
Site is on left**

6. Crime Assessment

Based on crime information by zip code, the crime rates for the site neighborhood are notably above region, state, and national levels. As such, on a scale from one (indicating low crime) to 100 (high crime), the area in which the subject property is situated (zip code 29303) had a violent crime (murder, non-negligent manslaughter, rape, robbery, and aggravated assault) score of 72.1, while the property crime (burglary, larceny-theft, motor vehicle theft, and arson) score was 67.2. As can be seen, violent crime scores are significantly above state and national averages, while property crimes are marginally above state norms.

Although first hand observations from a recent site visit did not indicate a significant crime risk at the subject property or surrounding neighborhood, the elevated crime statistics for the immediate area need to be taken into consideration. As such, extra security precautions should be deemed as a necessary measure to provide a safe environment for potential residents of the subject property (such as extra lighting, surveillance cameras, intercom access, and/or in-unit alarm systems). Considering these factors as well as information gathered during the site visit, there does not appear to be any noticeable security concerns within the immediate neighborhood surrounding the site that would affect marketability or absorption at the subject property.

Table 1: Crime Risk Index



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 near the subject property.

8. Overall Site Conclusions

Overall, the majority of necessary services are situated within a short distance of the site, with several grocery stores and retail centers, medical facilities, and other pertinent services located less than two miles away (many of which are less than one mile). Furthermore, the subject property is located within a seemingly quiet neighborhood with visibility from 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 January 10, 2019, 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 fair to good condition.

C. PRIMARY MARKET AREA DELINEATION

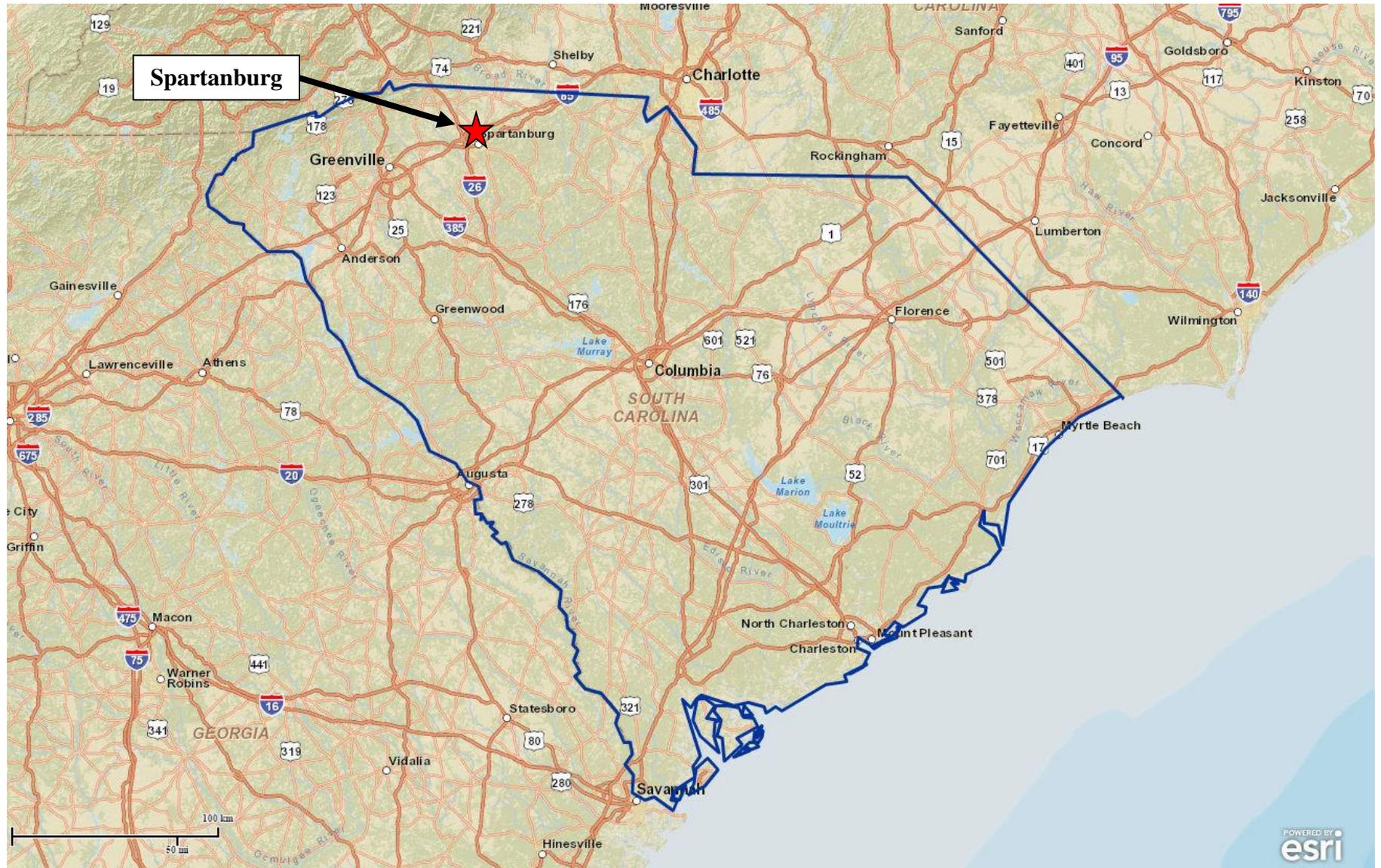
The Primary Market Area (PMA) is defined as the geographic area from which the subject property (either proposed or existing) is expected to draw the *majority* of its residents. For the purpose of this report, the Spartanburg PMA consists of the majority of the city of Spartanburg and immediate surrounding area. More specifically, the PMA is comprised of 20 census tracts in central Spartanburg County, and reaches approximately 2½ miles to the north and west of the site, 3½ miles to the south, and five miles to the east. As such, the aforementioned primary market area delineation can be considered as a realistic indication of the potential draw of the subject proposal based on a site location just north of downtown Spartanburg and approximately one block west of Church Street, as well as its proximity to several of the area’s key roadways - providing relatively convenient transportation throughout the greater Spartanburg region.

Factors such as socio-economic conditions and patterns, local roadway infrastructure, commuting patterns, physical boundaries, the proposal’s targeting (seniors 55 and over), the lack of similar affordable senior housing locally, 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 Spartanburg County*):

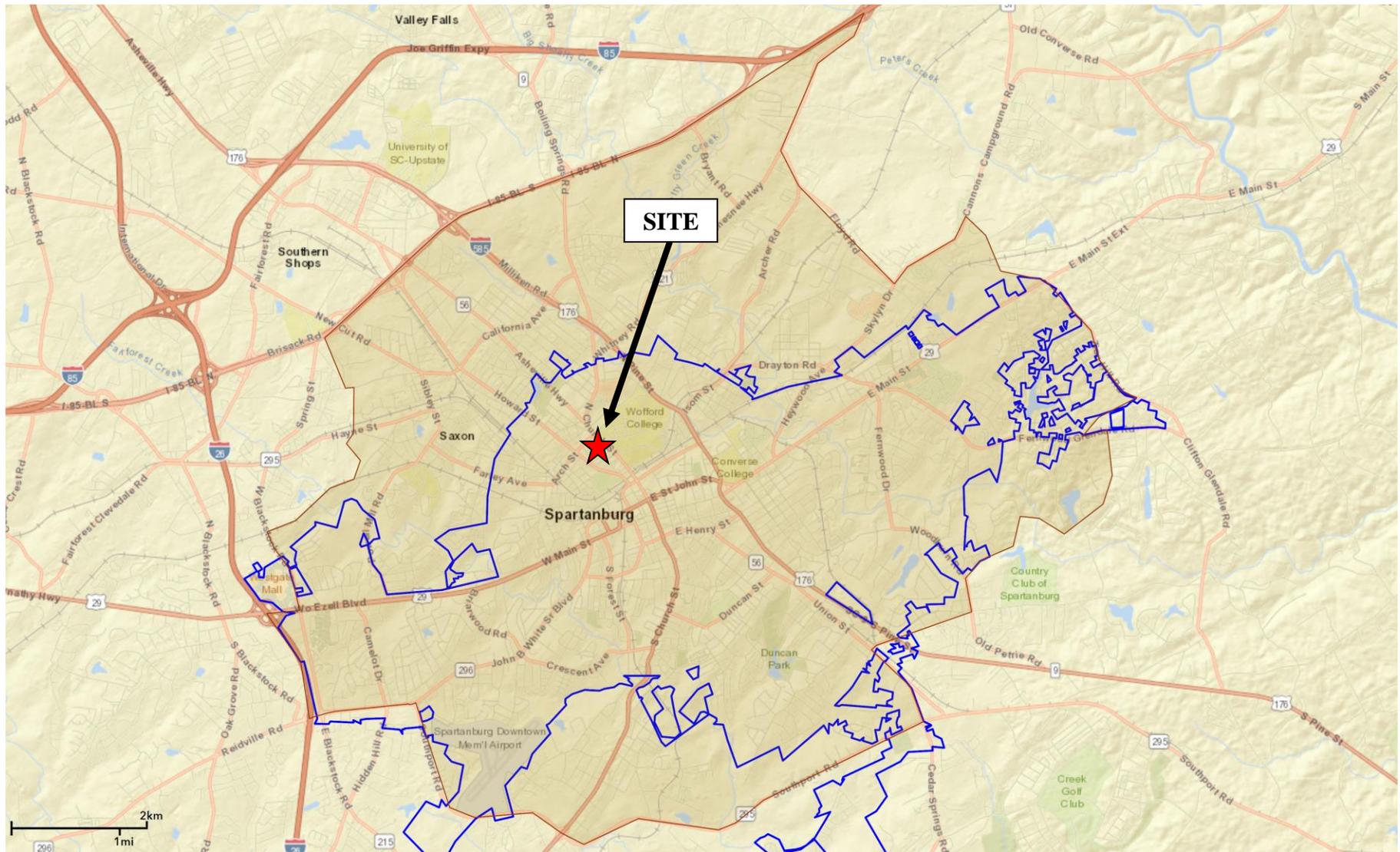
- Tract 203.01*
- Tract 204.00
- Tract 205.00
- Tract 206.01
- Tract 206.02
- Tract 206.03
- Tract 207.01
- Tract 207.02
- Tract 208.00
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- Tract 214.03
- Tract 215.00
- Tract 216.00
- Tract 217.00

* Site is located in Census Tract 203.01

Map 6: State of South Carolina



Map 7: Spartanburg PMA – The Ellington Apartments



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

Map 8: Spartanburg PMA – Census Tracts

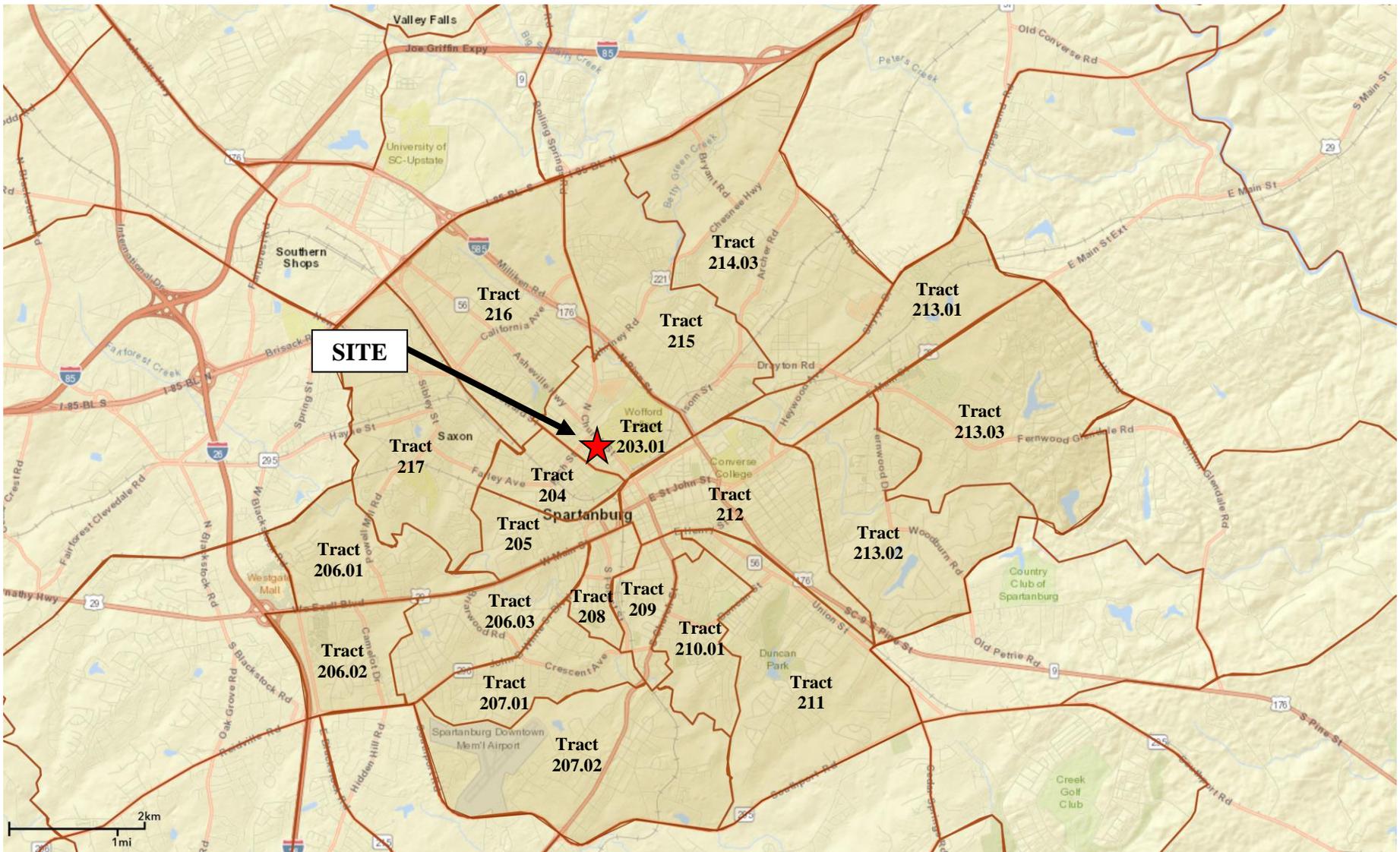


Table 2: Race Distribution (2010)

Census Tract 203.01 - Spartanburg County, SC		
	<u>Number</u>	<u>Percent</u>
Total Population (all races)	2,905	100.0%
White*	1,648	56.7%
Black or African American*	1,193	41.1%
American Indian/Alaska Native*	15	0.5%
Asian*	53	1.8%
Native Hawaiian/Pacific Islander*	2	0.1%
Other Race*	35	1.2%

*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 Spartanburg County in 2017 was manufacturing (at approximately 21 percent of all jobs), followed by persons employed in health care/social assistance (13 percent), and retail trade (11 percent). Based on a comparison of employment by industry from 2012, nearly every industry experienced a net gain over the past five years. Manufacturing and administrative/waste services had the largest growth (with 3,929 and 3,548 new jobs, respectively), followed by health care/social assistance, transportation/warehousing, and retail trade (each increasing by more than 2,450 jobs). In contrast, only two industries experienced minor declines between 2012 and 2017 (both decreasing by fewer than 200 jobs).

Table 3: Employment by Industry – Spartanburg County (2012-2017)

<u>Industry</u>	<u>Annual 2017</u>		<u>Annual 2012</u>		<u>Change (2012-2017)</u>	
	<u>Number Employed</u>	<u>Percent</u>	<u>Number Employed</u>	<u>Percent</u>	<u>Number Employed</u>	<u>Percent</u>
Total, All Industries	137,220	100.0%	114,608	100.0%	22,612	20%
Agriculture, forestry, fishing and hunting	159	0.1%	157	0.1%	2	1%
Mining	145	0.1%	124	0.1%	21	17%
Utilities	553	0.4%	522	0.5%	31	6%
Construction	6,546	4.8%	5,213	4.5%	1,333	26%
Manufacturing	29,024	21.2%	25,095	21.9%	3,929	16%
Wholesale trade	6,808	5.0%	6,071	5.3%	737	12%
Retail trade	15,685	11.4%	13,230	11.5%	2,455	19%
Transportation and warehousing	7,566	5.5%	4,824	4.2%	2,742	57%
Information	1,024	0.7%	946	0.8%	78	8%
Finance and insurance	3,029	2.2%	3,189	2.8%	(160)	(5%)
Real estate and rental and leasing	1,356	1.0%	914	0.8%	442	48%
Professional and technical services	4,824	3.5%	3,759	3.3%	1,065	28%
Management of companies and enterprises	1,931	1.4%	1,531	1.3%	400	26%
Administrative and waste services	10,790	7.9%	7,242	6.3%	3,548	49%
Educational services	10,687	7.8%	9,492	8.3%	1,195	13%
Health care and social assistance	17,601	12.8%	14,660	12.8%	2,941	20%
Arts, entertainment, and recreation	1,126	0.8%	931	0.8%	195	21%
Accommodation and food services	11,630	8.5%	10,397	9.1%	1,233	12%
Other services, exc. public administration	3,167	2.3%	2,566	2.2%	601	23%
Public administration	3,570	2.6%	3,747	3.3%	(177)	(5%)

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

2. Commuting Patterns

Based on place of employment (using 2017 American Community Survey data), 87 percent of PMA residents are employed within Spartanburg County, while 13 percent work outside of the county – the overwhelming majority of which commute to neighboring Greenville County for employment.

An overwhelming majority of workers throughout Spartanburg 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 80 percent of workers within the PMA drove alone to their place of employment, while 11 percent carpooled in some manner. A relatively small number (six percent) utilized public transportation, walked, or some other means to work.

Table 4: Place of Work/ Means of Transportation (2017)

EMPLOYMENT BY PLACE OF WORK						
	City of Spartanburg		Spartanburg PMA		Spartanburg County	
Total	15,791	100.0%	22,485	100.0%	132,407	100.0%
Worked in State of Residence	15,680	99.3%	22,288	99.1%	129,508	97.8%
Worked in County of Residence	13,739	87.0%	19,567	87.0%	103,397	78.1%
Worked Outside County of Residence	1,941	12.3%	2,721	12.1%	26,111	19.7%
Worked Outside State of Residence	111	0.7%	197	0.9%	2,899	2.2%
MEANS OF TRANSPORTATION TO WORK						
	City of Spartanburg		Spartanburg PMA		Spartanburg County	
Total	15,791	100.0%	22,485	100.0%	130,042	100.0%
Drove Alone - Car, Truck, or Van	12,477	79.0%	18,023	80.2%	109,343	84.1%
Carpooled - Car, Truck, or Van	1,691	10.7%	2,518	11.2%	13,842	10.6%
Public Transportation	228	1.4%	228	1.0%	615	0.5%
Walked	613	3.9%	756	3.4%	1,823	1.4%
Other Means	176	1.1%	256	1.1%	1,136	0.9%
Worked at Home	606	3.8%	704	3.1%	3,283	2.5%
Source: U.S. Census Bureau; American Community Survey						

Table 5: Employment Commuting Patterns (2010)

Top Places Residents Are Commuting FROM:		Top Places Residents Are Commuting TO:	
Commuters Living In:	<u>Number</u>	Commuters Working In :	<u>Number</u>
Greenville County, SC	14,910	Greenville County, SC	15,920
Cherokee County, SC	3,940	Cherokee County, SC	2,325
Union County, SC	2,947	Union County, SC	768
Polk County, NC	1,728	Laurens County, SC	556
Anderson County, SC	1,622	Polk County, NC	478
Laurens County, SC	1,619	Rutherford County, NC	334
Pickens County, SC	797	Mecklenburg County, NC	316

Source: U.S. Census Bureau - 2010

3. Largest Employers

Below is a table with the 15 largest employers within Spartanburg County, according to information obtained through Spartanburg Economic Futures Group and Upstate Alliance. BMW is the largest employer within the county, as the largest employers involve manufacturing, healthcare, and education.

Employer	Product/Service	Number of Employees
BMW	Manufacturing	10,000
Spartanburg Regional Healthcare System	Healthcare	7,500
Spartanburg School District	Education	5,287
Spartanburg Regional Medical Center	Healthcare	4,127
Milliken & Company	Manufacturing	3,650
Adidas America, Inc.	Manufacturing	2,600
Mary Black Health System, LLC	Healthcare	1,400
Michelin North America	Manufacturing	1,100
DAA Draexlmaier Automotive of America LLC	Manufacturing	1,075
Benore Logistic Systems	Business Services	800
Lear Corp.	Manufacturing	800
Sitel Corp.	Business Services	770
AFL Telecommunications LLC	Communications	768
American Credit Acceptance	Financial	627
DISH Network	Communications	566

4. Employment and Unemployment Trends

The overall economy throughout Spartanburg County has seemingly improved over the past several years, with strong employment increases in each of the last seven years. As such, Spartanburg County recorded an increase of nearly 25,600 jobs since 2010, representing an increase of 22 percent (an annual increase of 2.8 percent). In addition, the average annual unemployment rate for 2017 was calculated at 4.0 percent, which was an improvement from 4.6 percent in 2016 and representing the county’s lowest rate by far since at least 2005. More recently, the county’s November 2018 unemployment rate was 2.8 percent (an improvement from 3.7 percent in November 2017), remaining slightly below both the state and national averages (at 3.1 percent and 3.5 percent, respectively).

Table 6: Historical Employment Trends

Year	Spartanburg County				Employment Annual Change			Unemployment Rate		
	Labor Force	Number Employed	Annual Change	Percent Change	Spartanburg County	South Carolina	United States	Spartanburg County	South Carolina	United States
2005	131,691	121,861	--	--	--	--	--	7.5%	6.7%	5.1%
2006	133,837	124,936	3,075	2.5%	2.5%	2.3%	1.9%	6.7%	6.4%	4.6%
2007	134,253	126,674	1,738	1.4%	1.4%	1.6%	1.1%	5.6%	5.7%	4.6%
2008	135,710	126,430	(244)	-0.2%	-0.2%	-0.5%	-0.5%	6.8%	6.8%	5.8%
2009	135,629	119,499	(6,931)	-5.5%	-5.5%	-4.3%	-3.8%	11.9%	11.2%	9.3%
2010	131,818	116,205	(3,294)	-2.8%	-2.8%	0.2%	-0.6%	11.8%	11.2%	9.6%
2011	133,260	118,717	2,512	2.2%	2.2%	1.6%	0.6%	10.9%	10.6%	8.9%
2012	134,781	122,074	3,357	2.8%	2.8%	2.0%	1.9%	9.4%	9.2%	8.1%
2013	135,761	125,267	3,193	2.6%	2.6%	2.1%	1.0%	7.7%	7.6%	7.4%
2014	137,001	128,326	3,059	2.4%	2.4%	2.7%	1.7%	6.3%	6.4%	6.2%
2015	139,941	131,924	3,598	2.8%	2.8%	2.6%	1.7%	5.7%	6.0%	5.3%
2016	142,477	135,953	4,029	3.1%	3.1%	2.4%	1.7%	4.6%	4.8%	4.9%
2017	146,296	140,420	4,467	3.3%	3.3%	1.2%	1.3%	4.0%	4.3%	4.4%
Nov 2017*	146,591	141,221	---	---	---	---	---	3.7%	4.0%	3.9%
Nov 2018*	145,878	141,783	562	0.4%	0.4%	1.1%	1.9%	2.8%	3.1%	3.5%

Spartanburg County				South Carolina		
	Number	Percent	Ann. Avg.		Percent	Ann. Avg.
Change (2005-Present):	19,922	16.3%	1.3%	Change (2005-Present):	15.9%	1.2%
Change (2010-Present):	25,578	22.0%	2.8%	Change (2010-Present):	16.8%	2.1%
Change (2015-Present):	9,859	7.5%	2.5%	Change (2015-Present):	4.7%	1.6%
Change (2005-2010):	(5,656)	-4.6%	-0.9%	Change (2005-2010):	-0.7%	-0.1%
Change (2010-2015):	15,719	13.5%	2.7%	Change (2010-2015):	11.5%	2.3%

*Monthly data not seasonally adjusted

Figure 1: Employment Growth

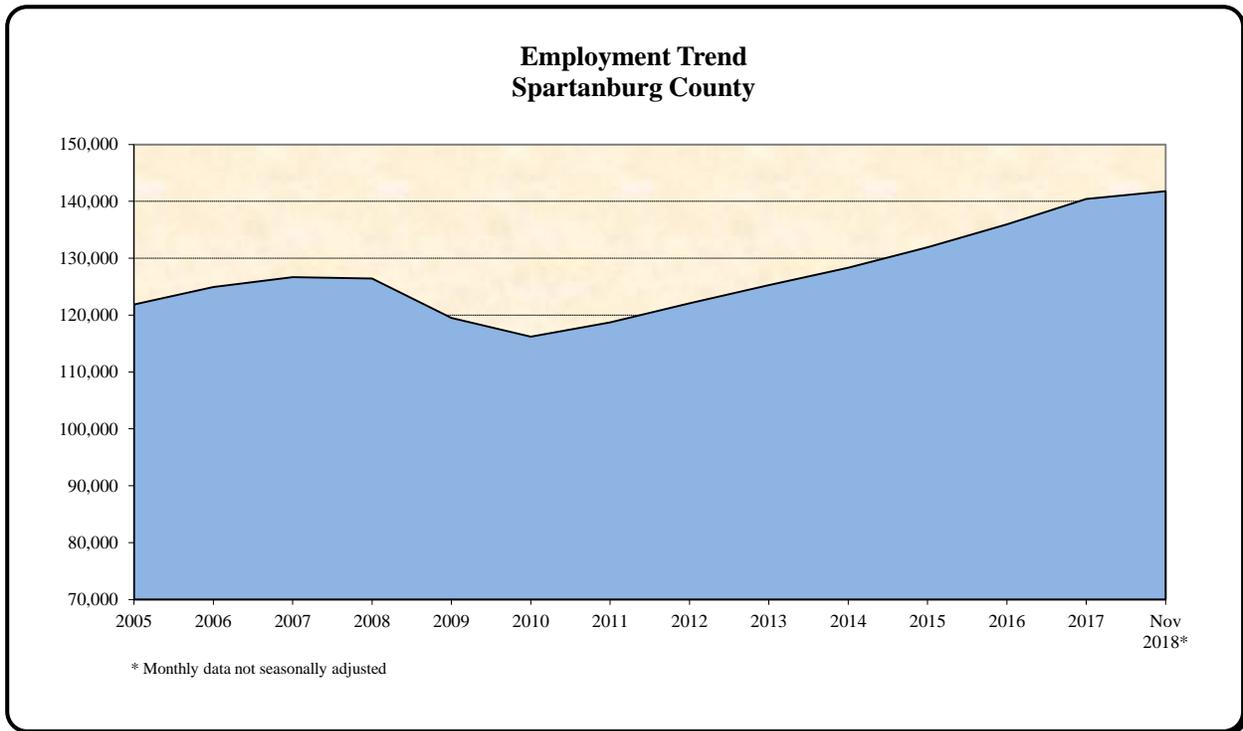
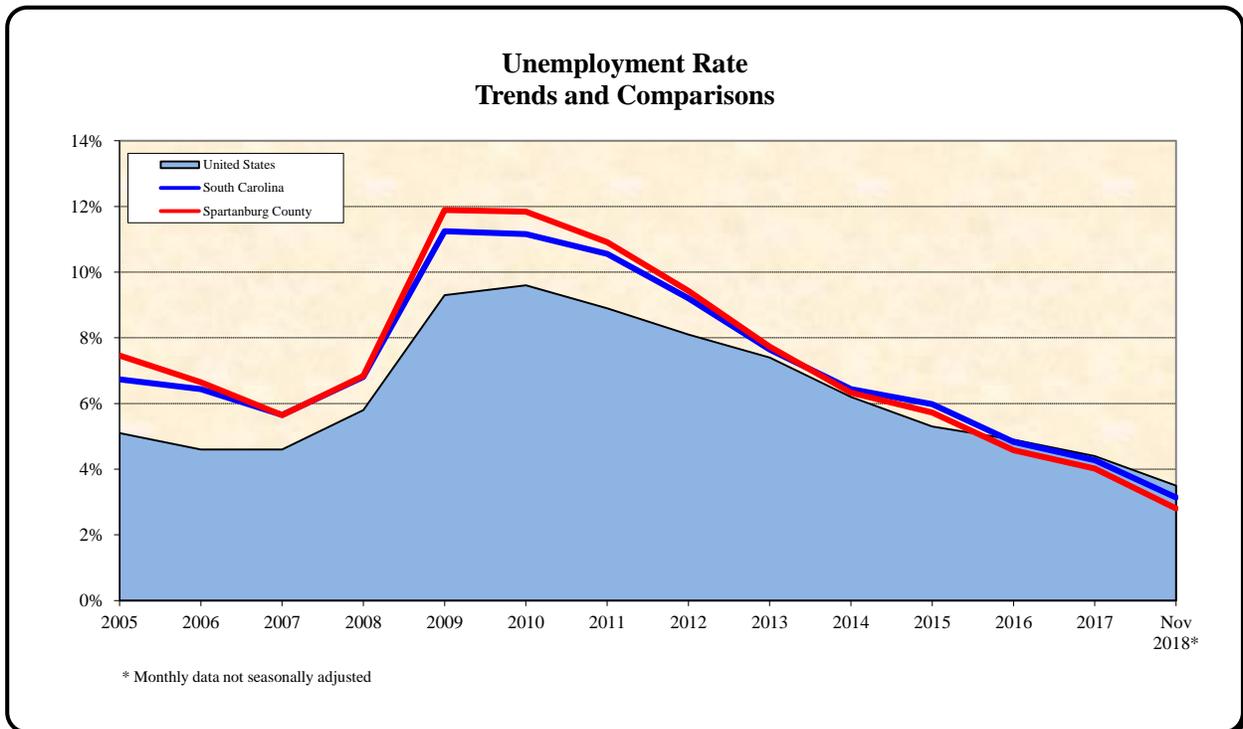
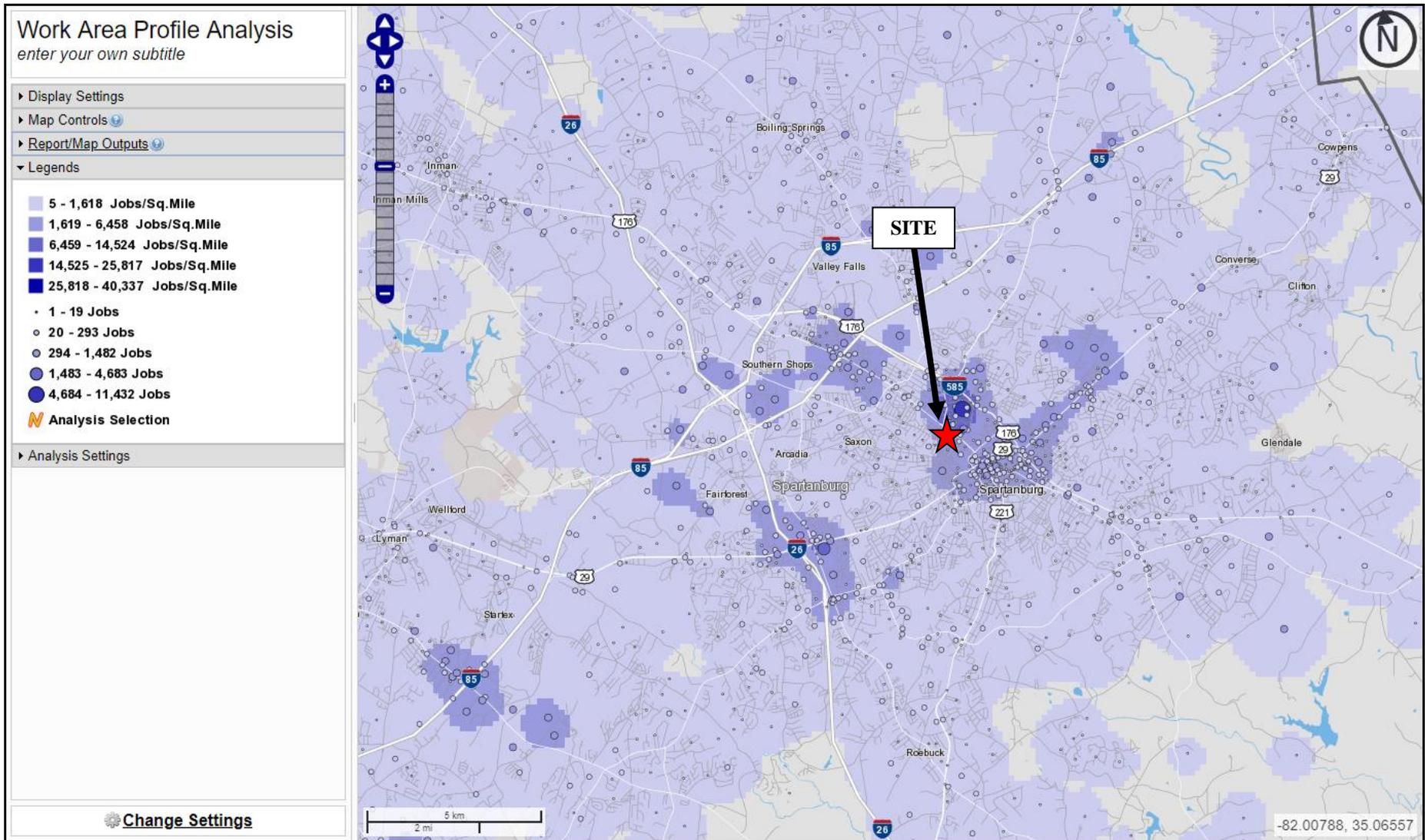


Figure 2: Historical Unemployment Rate



Map 9: Employment Concentrations – Spartanburg Area



E. COMMUNITY DEMOGRAPHIC DATA

1. Population Trends

Based on U.S. Census data and ESRI forecasts, much of Spartanburg County has experienced generally positive demographic gains since 2000, including Spartanburg and the market area. Overall, the PMA had an estimated population of 57,127 persons in 2018, representing an increase of six percent from 2010 (a gain of 3,450 persons). Additionally, Spartanburg proper increased by five percent during this time, while Spartanburg County as a whole increased by a somewhat greater ten percent between 2010 and 2018.

Future projections indicate continued steady growth, with an estimated increase of four percent anticipated within the PMA between 2018 and 2023 (more than 2,500 additional persons), and a similar four percent gain for Spartanburg. In comparison, the overall population within Spartanburg County is expected to increase by six percent during this time frame.

Table 7: Population Trends (2000 to 2023)

	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Spartanburg	40,145	37,013	39,018	40,018	40,685
Spartanburg PMA	58,315	53,677	57,127	58,633	59,637
Spartanburg County	253,791	284,307	311,771	322,917	330,347
		<u>2000-2010</u>	<u>2010-2018</u>	<u>2018-2021</u>	<u>2018-2023</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Spartanburg		-7.8%	5.4%	2.6%	4.3%
Spartanburg PMA		-8.0%	6.4%	2.6%	4.4%
Spartanburg County		12.0%	9.7%	3.6%	6.0%
		<u>2000-2010</u>	<u>2010-2018</u>	<u>2018-2021</u>	<u>2018-2023</u>
		<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>
City of Spartanburg		-0.8%	0.7%	0.8%	0.8%
Spartanburg PMA		-0.8%	0.8%	0.9%	0.9%
Spartanburg County		1.1%	1.2%	1.2%	1.2%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC					

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

When reviewing distribution patterns between 2000 and 2023, the aging of the population is clearly evident within all three areas analyzed. The proportion of persons under the age of 45 has consistently declined slightly since 2000, and is expected to decrease further through 2023. 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 25 percent of the population in 2000, is expected to increase to account for 32 percent of all persons by 2023 – clearly demonstrating the aging of the baby boom generation.

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 the PMA and Spartanburg itself in 2023) 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 2023)

	City of Spartanburg				Spartanburg PMA				Spartanburg County			
	<u>2010 Number</u>	<u>2000 Percent</u>	<u>2010 Percent</u>	<u>2023 Percent</u>	<u>2010 Number</u>	<u>2000 Percent</u>	<u>2010 Percent</u>	<u>2023 Percent</u>	<u>2010 Number</u>	<u>2000 Percent</u>	<u>2010 Percent</u>	<u>2023 Percent</u>
Under 20 years	10,335	29.1%	27.9%	25.7%	14,478	27.4%	27.0%	25.6%	78,388	27.6%	27.6%	25.2%
20 to 24 years	3,516	8.3%	9.5%	8.2%	4,793	7.9%	8.9%	7.6%	18,886	6.4%	6.6%	5.7%
25 to 34 years	4,447	13.0%	12.0%	12.5%	6,434	13.2%	12.0%	12.9%	33,863	14.3%	11.9%	12.3%
35 to 44 years	4,184	13.6%	11.3%	11.1%	6,283	13.8%	11.7%	11.5%	38,810	15.6%	13.7%	12.7%
45 to 54 years	4,824	12.5%	13.0%	10.6%	7,161	12.9%	13.3%	10.8%	40,946	14.0%	14.4%	12.3%
55 to 64 years	4,296	8.0%	11.6%	12.3%	6,321	8.7%	11.8%	12.2%	35,187	9.5%	12.4%	13.1%
65 to 74 years	2,658	7.1%	7.2%	10.6%	3,993	7.7%	7.4%	10.5%	22,066	6.7%	7.8%	10.9%
75 to 84 years	1,800	6.1%	4.9%	6.2%	2,793	6.1%	5.2%	6.2%	11,736	4.3%	4.1%	5.9%
85 years and older	953	2.3%	2.6%	2.8%	1,421	2.4%	2.6%	2.8%	4,425	1.4%	1.6%	1.9%
Under 20 years	10,335	29.1%	27.9%	25.7%	14,478	27.4%	27.0%	25.6%	78,388	27.6%	27.6%	25.2%
20 to 44 years	12,147	34.9%	32.8%	31.8%	17,510	34.9%	32.6%	31.9%	91,559	36.3%	32.2%	30.7%
45 to 64 years	9,120	20.6%	24.6%	22.9%	13,482	21.6%	25.1%	23.0%	76,133	23.6%	26.8%	25.4%
65 years and older	5,411	15.4%	14.6%	19.6%	8,207	16.1%	15.3%	19.5%	38,227	12.5%	13.4%	18.7%
55 years and older	9,707	23.5%	26.2%	31.9%	14,528	24.8%	27.1%	31.7%	73,414	22.0%	25.8%	31.8%
75 years and older	2,753	8.4%	7.4%	9.0%	4,214	8.5%	7.9%	9.0%	16,161	5.8%	5.7%	7.8%
Non-Elderly (<65)	31,602	84.6%	85.4%	80.4%	45,470	83.9%	84.7%	80.5%	246,080	87.5%	86.6%	81.3%
Elderly (65+)	5,411	15.4%	14.6%	19.6%	8,207	16.1%	15.3%	19.5%	38,227	12.5%	13.4%	18.7%

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

2. Household Trends

Similar to population patterns, much of the Spartanburg area has experienced positive household creation since 2000. As such, occupied households within the PMA numbered 22,989 units in 2018, representing an increase of six percent from 2000 (a gain of over 1,300 households). ESRI forecasts for 2023 indicate this number will continue to increase, with a forecasted growth rate of five percent (more than 1,000 additional households) anticipated between 2018 and 2023. In comparison, the number of households also grew at a steady rate within both Spartanburg and Spartanburg County as a whole between 2010 and 2018, demonstrating relatively positive demographic patterns throughout the region.

Table 9: Household Trends (2000 to 2023)

	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Spartanburg	16,367	15,184	15,928	16,355	16,640
Spartanburg PMA	23,536	21,674	22,989	23,616	24,034
Spartanburg County	97,735	109,246	119,046	123,180	125,936
		2000-2010	2010-2018	2018-2021	2018-2023
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Spartanburg		-7.2%	4.9%	2.7%	4.5%
Spartanburg PMA		-7.9%	6.1%	2.7%	4.5%
Spartanburg County		11.8%	9.0%	3.5%	5.8%

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

Table 10: Average Household Size (2000 to 2023)

	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Spartanburg	2.30	2.27	2.27	2.27	2.28
Spartanburg PMA	2.33	2.30	2.31	2.31	2.31
Spartanburg County	2.52	2.53	2.55	2.55	2.56
		2000-2010	2010-2018	2018-2021	2018-2023
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Spartanburg		-1.3%	-0.1%	0.1%	0.1%
Spartanburg PMA		-1.6%	0.6%	0.1%	0.2%
Spartanburg County		0.3%	0.8%	0.2%	0.3%

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

Renter-occupied households throughout the Spartanburg market area have also 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 11,443 renter-occupied households are estimated within the PMA for 2018, representing an increase of nine percent from 2010 figures (a gain of almost 1,000 additional rental units).

Overall, a relatively large ratio of renter households exists throughout the Spartanburg market area. For the PMA, the renter household percentage was calculated at 50 percent in 2018, nearly identical to the city ratio (50 percent), and notably larger than the county’s renter representation (31 percent). Furthermore, it should also be noted that overall renter propensities have continued to increase throughout the PMA, increasing by four percentage points since 2000.

Table 11: Renter Household Trends (2000 to 2023)

	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Spartanburg	7,874	7,728	8,027	8,227	8,360
Spartanburg PMA	10,905	10,472	11,443	11,741	11,940
Spartanburg County	27,396	32,986	36,885	37,864	38,517
		<u>2000-2010</u>	<u>2010-2018</u>	<u>2018-2021</u>	<u>2018-2023</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Spartanburg		-1.9%	3.9%	2.5%	4.1%
Spartanburg PMA		-4.0%	9.3%	2.6%	4.3%
Spartanburg County		20.4%	11.8%	2.7%	4.4%
	<u>% Renter</u>	<u>% Renter</u>	<u>% Renter</u>	<u>% Renter</u>	<u>% Renter</u>
	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Spartanburg	48.1%	50.9%	50.4%	50.3%	50.2%
Spartanburg PMA	46.3%	48.3%	49.8%	49.7%	49.7%
Spartanburg County	28.0%	30.2%	31.0%	30.7%	30.6%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC					

Similar to overall households, renter sizes for the Spartanburg PMA were generally larger than those reported for Spartanburg itself, on average, but somewhat smaller than averages calculated for Spartanburg County as a whole. As such, average renter sizes increased somewhat within the PMA over the past decade – from 2.25 persons per unit in 2000 to 2.30 persons per unit in 2010. Despite the increase in average size, the majority of units locally contained just one or two persons (66 percent), with three persons occupying 16 percent of units, and 18 percent of units consisting of four or more persons.

Table 12: Rental Units by Size (2010)

	<u>One</u>	<u>Two</u>	<u>Three</u>	<u>Four</u>	<u>5 or More</u>	Median Persons Per Rental Unit	
	<u>Person</u>	<u>Persons</u>	<u>Persons</u>	<u>Persons</u>	<u>Persons</u>	<u>2000</u>	<u>2010</u>
City of Spartanburg	3,171	1,983	1,199	728	647	2.26	2.24
Spartanburg PMA	4,249	2,684	1,664	991	884	2.25	2.30
Spartanburg County	11,553	8,478	5,529	3,984	3,442	2.38	2.44
	<u>1 Person</u>	<u>2 Person</u>	<u>3 Person</u>	<u>4 Person</u>	<u>5+ Person</u>	Median Change	
	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>		
City of Spartanburg	41.0%	25.7%	15.5%	9.4%	8.4%	-0.9%	
Spartanburg PMA	40.6%	25.6%	15.9%	9.5%	8.4%	2.1%	
Spartanburg County	35.0%	25.7%	16.8%	12.1%	10.4%	2.5%	

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 substantial growth through 2020 as compared to other age segments. As such, a total of 17,406 seniors (55 years and over) are estimated in the PMA for 2018, representing an increase of 20 percent from 2010 (nearly 2,900 additional seniors). The 2018 figure represents 31 percent of the overall population, which is an increase from a representation of 25 percent in 2000. Furthermore, this extremely strong trend is anticipated to continue, with an increase of nine percent (almost 1,500 seniors) forecast between 2018 and 2023.

Future population trends for the older senior segment (65 years and older) is even stronger than those exhibited by the 55 and older age group, representing positive 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. 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 strong within the PMA and are also expected to continue to increase through 2023. According to Census and ESRI data, the number of senior households within the PMA increased by 16 percent between 2010 and 2018 (roughly 1,600 additional senior households), while ESRI estimates an additional gain of eight percent between 2018 and 2023 – increasing to represent approximately 51 percent of all PMA households in 2023.

Table 13: Senior Population Trends (2000 to 2023)

55+ Population Trends					
	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Spartanburg	9,306	9,707	11,984	12,477	12,967
Spartanburg PMA	14,498	14,528	17,406	18,148	18,890
Spartanburg County	55,949	73,414	93,051	98,913	105,079
		2000-2010	2010-2018	2018-2021	2018-2023
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Spartanburg		4.3%	23.5%	4.1%	8.2%
Spartanburg PMA		0.2%	19.8%	4.3%	8.5%
Spartanburg County		31.2%	26.7%	6.3%	12.9%
<i>Percent of Population</i>					
	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Spartanburg	23.2%	26.2%	30.7%	31.2%	31.9%
Spartanburg PMA	24.9%	27.1%	30.5%	31.0%	31.7%
Spartanburg County	22.0%	25.8%	29.8%	30.6%	31.8%
65+ Population Trends					
	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Spartanburg	6,124	5,411	6,980	7,428	7,963
Spartanburg PMA	9,415	8,207	10,155	10,817	11,604
Spartanburg County	31,740	38,227	51,815	56,372	61,819
		2000-2010	2010-2018	2018-2021	2018-2023
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Spartanburg		-11.6%	29.0%	6.4%	14.1%
Spartanburg PMA		-12.8%	23.7%	6.5%	14.3%
Spartanburg County		20.4%	35.5%	8.8%	19.3%
<i>Percent of Population</i>					
	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Spartanburg	15.3%	14.6%	17.9%	18.6%	19.6%
Spartanburg PMA	16.1%	15.3%	17.8%	18.4%	19.5%
Spartanburg County	12.5%	13.4%	16.6%	17.5%	18.7%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC					

Table 14: Senior Household Trends (2000 to 2023)

55+ Household Trends					
	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Spartanburg	6,015	6,601	7,841	8,142	8,421
Spartanburg PMA	9,215	9,666	11,255	11,704	12,129
Spartanburg County	34,619	45,900	55,743	58,878	62,035
		2000-2010	2010-2018	2018-2021	2018-2023
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Spartanburg		9.7%	18.8%	3.8%	7.4%
Spartanburg PMA		4.9%	16.4%	4.0%	7.8%
Spartanburg County		32.6%	21.4%	5.6%	11.3%
<i>Percent of Households</i>					
	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Spartanburg	36.8%	43.5%	49.2%	49.8%	50.6%
Spartanburg PMA	39.2%	44.6%	49.0%	49.6%	50.5%
Spartanburg County	35.4%	42.0%	46.8%	47.8%	49.3%
65+ Household Trends					
	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Spartanburg	4,012	3,840	4,750	5,031	5,352
Spartanburg PMA	6,073	5,683	6,820	7,234	7,709
Spartanburg County	20,277	25,081	32,406	34,989	38,007
		2000-2010	2010-2018	2018-2021	2018-2023
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Spartanburg		-4.3%	23.7%	5.9%	12.7%
Spartanburg PMA		-6.4%	20.0%	6.1%	13.0%
Spartanburg County		23.7%	29.2%	8.0%	17.3%
<i>Percent of Households</i>					
	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Spartanburg	24.5%	25.3%	29.8%	30.8%	32.2%
Spartanburg PMA	25.8%	26.2%	29.7%	30.6%	32.1%
Spartanburg County	20.7%	23.0%	27.2%	28.4%	30.2%
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 Spartanburg area. As such, senior renter households (55 and over) within the PMA numbered 3,777 units in 2018, representing roughly 34 percent of all senior-occupied households within the market area. In comparison, Spartanburg itself contained 2,769 senior renter households, which was 35 percent of all senior households within the city.

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

Senior Renter HHs - 55+					2000-2010	2010-2018	2018-2021
	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Spartanburg	2,053	2,331	2,769	2,875	13.5%	18.8%	3.8%
Spartanburg PMA	2,723	3,244	3,777	3,928	19.1%	16.4%	4.0%
Spartanburg County	6,052	8,970	10,894	11,506	48.2%	21.4%	5.6%
	% Renter	% Renter	% Renter	% Renter			
	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>			
City of Spartanburg	34.1%	35.3%	35.3%	35.3%			
Spartanburg PMA	29.5%	33.6%	33.6%	33.6%			
Spartanburg County	17.5%	19.5%	19.5%	19.5%			
Senior Renter HHs - 65+					2000-2010	2010-2018	2018-2021
	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Spartanburg	1,310	1,283	1,587	1,681	-2.1%	23.7%	5.9%
Spartanburg PMA	1,743	1,802	2,163	2,294	3.4%	20.0%	6.1%
Spartanburg County	3,666	4,695	6,066	6,550	28.1%	29.2%	8.0%
	% Renter	% Renter	% Renter	% Renter			
	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>			
City of Spartanburg	32.7%	33.4%	33.4%	33.4%			
Spartanburg PMA	28.7%	31.7%	31.7%	31.7%			
Spartanburg County	18.1%	18.7%	18.7%	18.7%			
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC							

4. Household Income Trends

Income levels throughout the Spartanburg area have experienced somewhat sluggish gains over the past decade, with most areas within Spartanburg County experiencing median income increases of less than two percent annually between 2010 and 2018. Overall, the median household income for the PMA was estimated at \$37,365 for 2018, which was nearly identical to that estimated for Spartanburg proper (\$37,542), but 24 percent below that recorded for Spartanburg County as a whole (\$49,047). Furthermore, the PMA figure represents an annual increase of just 0.9 percent from 2010.

According to ESRI data, however, income appreciation is forecast to improve somewhat for the PMA through 2023. As such, it is projected that the median income will increase by 2.5 percent annually over the next five years, similar to both the city and county (at 2.7 percent and 2.4 percent annually, respectively).

Table 16: Median Household Incomes (1999 to 2023)

	<u>1999</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Spartanburg	\$28,836	\$33,276	\$37,542	\$40,532	\$42,526
Spartanburg PMA	\$31,386	\$34,895	\$37,365	\$40,179	\$42,055
Spartanburg County	\$37,332	\$42,680	\$49,047	\$52,531	\$54,853
		<u>1999-2010</u>	<u>2010-2018</u>	<u>2018-2021</u>	<u>2018-2023</u>
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Spartanburg		15.4%	12.8%	8.0%	13.3%
Spartanburg PMA		11.2%	7.1%	7.5%	12.6%
Spartanburg County		14.3%	14.9%	7.1%	11.8%
		<u>1999-2010</u>	<u>2010-2018</u>	<u>2018-2021</u>	<u>2018-2023</u>
		<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>
City of Spartanburg		1.4%	1.6%	2.7%	2.7%
Spartanburg PMA		1.0%	0.9%	2.5%	2.5%
Spartanburg County		1.3%	1.9%	2.4%	2.4%
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 48 percent of all households within the Spartanburg PMA had an annual income of less than \$35,000 in 2017 – the portion of the population with the greatest need for affordable housing options. In comparison, a similar 46 percent of households within Spartanburg proper had incomes within this range. With nearly one-half of all households within the immediate Spartanburg area earning less than \$35,000 per year, additional affordable housing options will undoubtedly be well received.

Table 17: Overall Household Income Distribution (2017)

Income Range	City of Spartanburg		Spartanburg PMA		Spartanburg County	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$10,000	1,836	11.9%	2,506	11.4%	8,726	7.7%
\$10,000 to \$14,999	1,263	8.2%	1,905	8.6%	6,508	5.7%
\$15,000 to \$19,999	1,091	7.1%	1,663	7.5%	6,630	5.9%
\$20,000 to \$24,999	1,125	7.3%	1,722	7.8%	7,742	6.8%
\$25,000 to \$29,999	953	6.2%	1,388	6.3%	6,218	5.5%
\$30,000 to \$34,999	837	5.4%	1,417	6.4%	6,621	5.8%
\$35,000 to \$39,999	1,188	7.7%	1,555	7.1%	6,340	5.6%
\$40,000 to \$44,999	854	5.6%	1,333	6.0%	5,179	4.6%
\$45,000 to \$49,999	735	4.8%	990	4.5%	4,925	4.4%
\$50,000 to \$59,999	1,101	7.2%	1,598	7.3%	9,759	8.6%
\$60,000 to \$74,999	1,305	8.5%	1,902	8.6%	12,506	11.0%
\$75,000 to \$99,999	1,278	8.3%	1,835	8.3%	13,393	11.8%
\$100,000 to \$124,999	510	3.3%	744	3.4%	7,622	6.7%
\$125,000 to \$149,999	385	2.5%	471	2.1%	4,499	4.0%
\$150,000 to \$199,999	402	2.6%	418	1.9%	3,569	3.2%
\$200,000 and Over	<u>505</u>	<u>3.3%</u>	<u>589</u>	<u>2.7%</u>	<u>2,954</u>	<u>2.6%</u>
TOTAL	15,368	100.0%	22,036	100.0%	113,191	100.0%
Less than \$34,999	7,105	46.2%	10,601	48.1%	42,445	37.5%
\$35,000 to \$49,999	2,777	18.1%	3,878	17.6%	16,444	14.5%
\$50,000 to \$74,999	2,406	15.7%	3,500	15.9%	22,265	19.7%
\$75,000 to \$99,999	1,278	8.3%	1,835	8.3%	13,393	11.8%
\$100,000 and Over	1,802	11.7%	2,222	10.1%	18,644	16.5%

Source: American Community Survey

Based on the proposed income targeting and rent levels, the key income range for the subject proposal is \$16,500 to \$28,200 (in current dollars). Utilizing Census information available on household income by tenure, dollar values were inflated to current dollars using the Consumer Price Index calculator from the Bureau of Labor Statistic’s website. Based on this data, the targeted income range accounts for a moderate number of low-income senior households throughout the area. As such, roughly 18 percent of the PMA's senior owner-occupied household number, and 25 percent of the senior renter-occupied household figure are within the income-qualified range. Overall, this income range accounted for 19 percent of all senior households within the PMA. Considering the relative density of the PMA, this equates to approximately 2,325 potential income-qualified households for the proposed development, including more than 950 income-qualified senior renter households.

Table 18: Senior Household Income by Tenure – The Ellington PMA (2021)

Income Range	Number of 2021 Households (55+)			Percent of 2021 Households (55+)		
	<u>Total</u>	<u>Owner</u>	<u>Renter</u>	<u>Total</u>	<u>Owner</u>	<u>Renter</u>
Less than \$9,999	1,126	472	654	8.0%	6.1%	16.7%
\$10,000 to \$14,999	1,334	583	751	9.7%	7.5%	19.1%
\$15,000 to \$19,999	1,102	551	551	8.4%	7.1%	14.0%
\$20,000 to \$24,999	982	583	399	8.0%	7.5%	10.2%
\$25,000 to \$29,999	893	628	265	7.8%	8.1%	6.7%
\$30,000 to \$34,999	787	556	231	6.9%	7.2%	5.9%
\$35,000 to \$39,999	734	523	212	6.5%	6.7%	5.4%
\$40,000 to \$49,999	1,005	766	240	9.2%	9.8%	6.1%
\$50,000 and Over	<u>3,742</u>	<u>3,116</u>	<u>626</u>	<u>35.6%</u>	<u>40.1%</u>	<u>15.9%</u>
TOTAL	11,704	7,776	3,928	100.0%	100.0%	100.0%

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

The 2017 American Community Survey shows that approximately 40 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 49 percent of senior renter households (aged 65 and over) are overburdened within the PMA, while a similar 47 percent of seniors within Spartanburg 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 (2017)

Gross Rent as a % of Household Income	City of Spartanburg		Spartanburg PMA		Spartanburg County	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Total Rental Units	8,314	100.0%	11,435	100.0%	35,088	100.0%
Less than 10.0 Percent	236	3.1%	387	3.7%	1,129	3.6%
10.0 to 14.9 Percent	615	8.1%	877	8.4%	3,029	9.8%
15.0 to 19.9 Percent	1,154	15.2%	1,385	13.2%	4,432	14.3%
20.0 to 24.9 Percent	782	10.3%	1,301	12.4%	3,891	12.6%
25.0 to 29.9 Percent	1,006	13.2%	1,242	11.9%	3,587	11.6%
30.0 to 34.9 Percent	792	10.4%	1,130	10.8%	2,650	8.6%
35.0 to 39.9 Percent	580	7.6%	805	7.7%	2,085	6.7%
40.0 to 49.9 Percent	556	7.3%	712	6.8%	2,911	9.4%
50 Percent or More	1,886	24.8%	2,637	25.2%	7,227	23.4%
Not Computed	707	--	959	--	4,147	--
35 Percent or More	3,022	39.7%	4,154	39.7%	12,223	39.5%
40 Percent or More	2,442	32.1%	3,349	32.0%	10,138	32.8%

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

Table 19b: Senior Renter Overburdened Households (2017)

Gross Rent as a % of Household Income	City of Spartanburg		Spartanburg PMA		Spartanburg County	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Householder 65+ Years:	1,377	100.0%	1,918	100.0%	5,079	100.0%
Less than 20.0 Percent	330	25.6%	452	25.2%	1,027	23.8%
20.0 to 24.9 Percent	97	7.5%	119	6.6%	460	10.7%
25.0 to 29.9 Percent	123	9.6%	183	10.2%	494	11.4%
30.0 to 34.9 Percent	130	10.1%	169	9.4%	365	8.5%
35.0 Percent or More	607	47.2%	874	48.6%	1,970	45.6%
Not Computed	90	--	121	--	763	--

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

F. DEMAND ANALYSIS

1. Demand for Senior Tax Credit Rental Units

Demand calculations for each targeted income level of the subject proposal are illustrated in the following tables. Utilizing SCSHFDA guidelines, demand estimates will be measured from four key sources: household growth, substandard housing, rent-overburdened households, and elderly homeowners converting to renting. All demand sources will be income-qualified, based on the targeting plan of the subject proposal and current LIHTC income restrictions as published by SCSHFDA. Demand estimates will be calculated for units designated at each income level targeted in the subject proposal – in this case, at 50 percent and 60 percent of AMI. As such, calculations will be based on the starting rental rate, a 40 percent rent-to-income ratio, and a maximum income of \$28,200 (the 2-person income limit at 60 percent AMI for Spartanburg County). The resulting overall income-eligibility range (expressed in current-year dollars) for each targeted income level is as follows:

	<u>Minimum</u>	<u>Maximum</u>
50 percent of AMI	\$16,500	\$23,500
60 percent of AMI	\$19,800	\$28,200
Overall	\$16,500	\$28,200

By applying the income-qualified range and 2021 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, 25 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 151 additional senior renter households are anticipated between 2018 and 2021. By applying the income-qualified percentage to the overall eligible figure, a demand for 37 senior tax credit rental units can be calculated as a result of new rental household growth.

Using U.S. Census data on substandard rental housing, it is estimated that approximately five percent of all renter households within the Spartanburg 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 43 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 American Community Survey data on rent-overburdened households is calculated. Using information contained within the ACS, the percentage of senior renter households within this overburdened range is reported at approximately 49 percent. Applying this rate to the number of renter households yields a total demand of 386 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 five percent of senior homeowners would convert to a rental property should an affordable option become readily available. Utilizing 2010 household figures, it is calculated that 18 percent of all senior owner households within the PMA are estimated to fall within the stated LIHTC qualified income range. Considering the income-qualified owner households and estimated conversion, a demand of 57 units has been determined arising from existing elderly owner households.

Although there has been no comparable LIHTC multi-family senior rental developments placed in service since 2018 within the Spartanburg PMA, one property is currently under construction. Therefore, units from Parkside at Drayton Apartments (a 41-unit senior facility allocated tax credits in 2017) need to be deducted from the three sources of demand listed previously. As such, combining all above factors results in an overall senior demand of 481 LIHTC units for 2021. 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 Spartanburg area coupled with the general lack of similar tax credit rental options targeted specifically to seniors.

Table 20: Senior Demand Calculation – by Income Targeting

2010 Total Occupied Households 55+	9,666		
2010 Owner-Occupied Households 55+	6,422		
2010 Renter-Occupied Households 55+	3,244		
		Income Targeting	
		50%	60%
		AMI	AMI
QUALIFIED-INCOME RANGE			Total
Minimum Annual Income		\$16,500	\$19,800
Maximum Annual Income		\$23,500	\$28,200
			LIHTC
DEMAND FROM NEW HOUSEHOLD GROWTH			
Renter Household Growth, 2018-2021	151	151	151
Percent Income Qualified Renter Households	17.1%	15.1%	24.5%
Total Demand From New Households	26	23	37
DEMAND FROM EXISTING RENTER HOUSEHOLDS			
Percent of Renters in Substandard Housing	5.4%	5.4%	5.4%
Percent Income Qualified Renter Households	17.1%	15.1%	24.5%
Total Demand From Substandard Renter HHs	30	26	43
Percent of Renters Rent-Overburdened	48.6%	48.6%	48.6%
Percent Income Qualified Renter Households	17.1%	15.1%	24.5%
Total Demand From Overburdened Renter HHs	269	239	386
DEMAND FROM EXISTING OWNER HOUSEHOLDS			
Owner to Renter Conversion Rate	5.0%	5.0%	5.0%
Percent Income Qualified	10.2%	12.9%	17.6%
Total Demand from Owner Households	33	42	57
Total Demand From Existing Households	332	307	485
TOTAL DEMAND	357	330	522
LESS: Total Comparable Activity Since 2018	9	32	41
TOTAL NET DEMAND	348	298	481
PROPOSED NUMBER OF UNITS	10	40	50
CAPTURE RATE	2.9%	13.4%	10.4%
Note: Totals may not sum due to rounding			

Table 21: Demand Calculation – by Bedroom Size

2010 Total Occupied Households 55+	9,666						
2010 Owner-Occupied Households 55+	6,422						
2010 Renter-Occupied Households 55+	3,244						
		One-Bedroom Units		Two-Bedroom Units			
		50% AMI	60% AMI	Total LIHTC	50% AMI	60% AMI	Total LIHTC
QUALIFIED-INCOME RANGE							
Minimum Annual Income		\$16,500	\$19,800	\$16,500	\$19,830	\$22,890	\$19,830
Maximum Annual Income		\$23,500	\$28,200	\$28,200	\$23,500	\$28,200	\$28,200
DEMAND FROM NEW HOUSEHOLD GROWTH							
Renter Household Growth, 2018-2021		151	151	151	151	151	151
Percent Income Qualified Renter Households		17.1%	15.1%	24.5%	7.6%	8.7%	15.1%
Total Demand From New Households		26	23	37	12	13	23
DEMAND FROM EXISTING RENTER HOUSEHOLDS							
Percent of Renters in Substandard Housing		5.4%	5.4%	5.4%	5.4%	5.4%	5.4%
Percent Income Qualified Renter Households		17.1%	15.1%	24.5%	7.6%	8.7%	15.1%
Total Demand From Substandard Renter HHs		30	26	43	13	15	26
Percent of Renters Rent-Overburdened		48.6%	48.6%	48.6%	48.6%	48.6%	48.6%
Percent Income Qualified Renter Households		17.1%	15.1%	24.5%	7.6%	8.7%	15.1%
Total Demand From Overburdened Renter HHs		269	239	386	121	137	238
DEMAND FROM EXISTING RENTER HOUSEHOLDS							
Owner to Renter Conversion Rate		5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Percent Owner Households Income Qualified		10.2%	12.9%	17.6%	5.5%	8.3%	12.9%
Total Demand from Owner Households		33	42	57	18	27	41
Total Demand From Existing Households		332	307	485	151	179	305
TOTAL DEMAND		357	330	522	163	192	328
LESS: Total Comparable Activity Since 2018		9	27	36	0	5	5
TOTAL NET DEMAND		348	303	486	163	187	323
PROPOSED NUMBER OF UNITS		1	3	4	9	37	46
CAPTURE RATE		0.3%	1.0%	0.8%	5.5%	19.8%	14.2%
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 10.4 percent was determined based on the demand calculation (including renter household growth, substandard and overburdened units among existing renter households, potential senior owner households, and excluding any comparable activity since 2018), 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 2.9 percent, while the 60 percent AMI capture rate was at 13.4 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 strong senior demographic growth within the PMA, coupled with the clear lack of adequate affordable senior housing alternatives throughout the Spartanburg area, an estimate of the overall absorption period to reach 93 percent occupancy is conservatively estimated at four to six months. This determination also takes into consideration a market entry in late 2020/early 2021; a minimum of 20 percent of units pre-leased; and assumes all units will enter the market as they are completed. Based on this information, no market-related concerns are present.

G. SUPPLY/COMPARABLE RENTAL ANALYSIS

1. Spartanburg PMA Rental Market Characteristics

As part of the rental analysis for the Spartanburg area, a survey of existing rental projects within the primary market area was completed by Shaw Research & Consulting in January 2019. Including both senior-only and family-oriented developments, a total of 21 apartment properties (four senior and 17 family) 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 2,604 units were reported, with the majority of units containing one and two bedrooms. Among the properties providing a specific unit breakdown, nine percent of all units were studio/efficiency, 41 percent had one bedroom, 37 percent had two bedrooms, and 12 percent of units contained three bedrooms. There were relatively few four-bedroom units reported in the survey. The average age of the rental properties was 17 years old (an average build/rehab date of 2002), with nine properties built/rehabbed since 2010. In addition, a total of ten facilities reported to have some sort of income eligibility requirements – with six subsidized properties, and four developments with unsubsidized tax credit units.

Overall conditions for the Spartanburg rental market appear to be quite positive at the current time. Among the 21 properties included in the survey, the overall occupancy rate was calculated at 98.2 percent. When breaking down occupancy rates, the 11 market rate developments averaged 97.6 percent occupancy, the four tax credit properties were a combined 99.7 percent, and the six subsidized projects were 98.9 percent occupied. As such, the strong occupancy rates among affordable properties (family and senior) are clearly reflective of the overall strength and ongoing demand for affordable rental housing options locally.

2. Senior/Comparable Rental Market Characteristics

Overall, only limited senior-only rental options can be found within the Spartanburg area. While four senior properties were included within the survey, three are fully subsidized and only one contains a unit mix including non-subsidized tax credit units (Cedar Springs Place has 19 PBRA units and 29 LIHTC units). Further, one additional development (Parkside at Drayton) is a fully subsidized LIHTC facility currently under construction and has not yet entered the market. It should also be noted that two other senior subsidized developments (Norma Locklear Pitts Senior and Harry C White Manor Apartments) are located within Spartanburg, but would not participate in the survey or return repeated phone calls, and are therefore not included in survey results.

Overall occupancy levels within the senior properties surveyed are extremely positive, with a combined occupancy rate of 99.7 percent – with only one vacancy reported among the 297 senior units surveyed (not including Parkside at Drayton). Additionally, each reported a waiting list, clearly demonstrating the demand for senior-only rental options locally.

Considering that the subject proposal will be developed utilizing tax credits, the only truly comparable senior project is Cedar Springs Place, a 41-unit property with 29 LIHTC (at 50 percent AMI) and 19 PBRA units. However, the leasing manager would not fully cooperate with the survey, and only provided limited information. As such, the facility contains all one-bedroom units and was 100 percent occupied with a waiting list (rental rates and length of the waiting list were not shared).

Furthermore, three family-oriented tax credit facilities within the market area that can be considered as somewhat comparable are included in the following tables. According to survey results, just one vacancy was reported among a total of 280 units, resulting in an occupancy rate of 99.6 percent. In addition, each of these properties mentioned they were maintaining extremely long waiting lists, further demonstrating the need for additional affordable rental alternatives.

From a market standpoint, it is evident that sufficient demand is present for the development of additional affordable tax credit units targeting low-income senior households. However, based on prevailing rental rates and income levels, the rent structure is crucial for the long-term viability of any new rental development. Further considering the general lack of affordable senior options within the PMA, a high level of pent-up demand is extremely likely. As such, considering the proposed unit mix, competitive unit sizes and features, and income targeting (at 50 percent and 60 percent AMI), the proposed rental rates are appropriate and achievable for the local rental market, and should be considered a positive factor.

3. Comparable Pipeline Units

According to SCSHFDA information and local government officials, the only senior rental development currently proposed or under construction within the market area includes Parkside at Drayton – a 41-unit development allocated tax credits in 2017 and presently under construction. Because the project will contain PBRA for all units, it cannot be considered as directly comparable to the subject proposal and will not adversely affect the absorption of the subject proposal.

4. Impact on Existing Tax Credit Properties

Based on current occupancy levels and waiting lists at all existing tax credit properties within the survey (family and senior), as well the general lack of similar senior LIHTC housing locally, the construction of the proposal will not have any adverse impact on existing rental properties – either affordable or market rate. Considering the extremely strong future senior demographic growth anticipated for the PMA, affordable housing will continue to be in demand locally.

Table 22: Rental Housing Survey - Overall

Project Name	Year Built/Rehab	Total Units	Studio/ Eff.	1 BR	2 BR	3 BR	4 BR	Heat Incl.	W/S Incl.	Elect. Incl.	Occup. Rate	Type	Location
Cedar Springs Place Apts	2008	48	0	48	0	0	0	Yes	Yes	Yes	100%	SR 55+	Spartanburg
Heritage Court Apts	1985	149	38	111	0	0	0	Yes	Yes	Yes	99%	SR 62+	Spartanburg
JC Bull Apts	1981	100	0	100	0	0	0	Yes	Yes	Yes	100%	SR 62+	Spartanburg
Parkside at Drayton	2019	41	0	36	5	0	0	No	Yes	No	U/C	SR 62+	Spartanburg
Archibald Rutledge Apts	1987	150	90	60	0	0	0	Yes	Yes	Yes	99%	Open	Spartanburg
Church Street Lofts	2012	88	48	40	0	0	0	No	Yes	No	100%	Open	Spartanburg
City View Apts	2015	36	0	NA	NA	0	0	No	Yes	No	97%	Open	Spartanburg
Companion At Lees Crossing	2010	192	0	34	102	56	0	No	Yes	No	99%	Open	Spartanburg
Crown Point	2007	241	0	NA	NA	NA	0	No	No	No	96%	Open	Spartanburg
Draymont Ridge	2004	40	0	12	17	11	0	No	Yes	No	100%	Open/SN	Spartanburg
Drayton Mills Lofts	2017	289	0	NA	NA	NA	0	No	No	No	99%	Open	Spartanburg
Hidden Park Apts	1974	100	0	24	60	16	0	No	Yes	No	97%	Open	Spartanburg
Highland Crossing Apts	2016	72	0	16	32	24	0	No	Yes	No	100%	Open	Spartanburg
Mayfair Lofts	2007	107	0	57	50	0	0	No	Yes	No	100%	Open	Spartanburg
Riverwind Apts	1983	227	0	84	98	45	0	No	No	No	95%	Open	Spartanburg
The Bluffs Apts	1983	144	0	48	80	16	0	No	No	No	96%	Open	Spartanburg
The Brick Lofts	2018	43	NA	NA	NA	0	0	No	Yes	No	100%	Open	Spartanburg
The Park at Vietti	1986	204	0	76	128	0	0	No	No	No	99%	Open	Spartanburg
Victoria Gardens	2006	81	6	9	26	32	8	Yes	Yes	Yes	96%	Open	Spartanburg
Willow Crossing	2011	48	0	0	NA	NA	0	No	Yes	No	100%	Open	Spartanburg
Willows At North End	2018	204	0	48	120	36	0	No	Yes	No	98%	Open	Spartanburg
Totals and Averages	2002	2,604	182	803	718	236	8	Overall Occupancy:			98.2%		
<i>Unit Distribution</i>			9%	41%	37%	12%	0%	Senior Occupancy:			99.7%		
SUBJECT PROJECT													
THE ELLINGTON APTS	2021	50	0	4	46	0	0	No	Yes	No		SR 55+	Spartanburg

Note: Shaded Properties are LIHTC

Table 23: Rental Housing Summary - 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
Totals and Averages <i>Unit Distribution</i>	2002	2,604	182 9%	803 41%	718 37%	236 12%	8 0%				Overall Occupancy: Senior Occupancy:	98.2% 99.7%	
SUBJECT PROJECT													
THE ELLINGTON APTS	2021	50	0	4	46	0	0	No	Yes	No		SR 55+	Spartanburg
SUMMARY													
	Number of Dev.	Year Built/Rehab	Total Units	Studio/ Eff.	1BR	2BR	3BR	4BR	Overall Occup.	Overall Occup.			
Total Developments	21	2002	2,604	182	803	718	236	8	98.2%	99.7%			
Market Rate Only	11	2002	1,683	48	377	536	113	0	97.6%	--			
LIHTC Only	4	2008	328	0	94	119	67	0	99.7%	100.0%			
Subsidized Only	6	1999	593	134	332	63	56	8	98.9%	99.6%			

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

Project Name	Program	PBRA Units	1BR Rent		1BR Square Feet		Rent per Square Foot Range		2BR Rent		2BR Square Feet		Rent per Square Foot Range	
			LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH
Cedar Springs Place Apts	LIHTC/BOI	19			750									
Heritage Court Apts	Market/BOI	148			576									
JC Bull Apts	BOI-HUD	100			500									
Parkside at Drayton	LIHTC/BOI	41			750						1,000			
Archibald Rutledge Apts	BOI-PHA	150			611									
Church Street Lofts	Market	0	\$1,000	\$1,075	827		\$1.21	\$1.30						
City View Apts	Market	0	\$650	\$800	600		\$1.08	\$1.33	\$775	\$800	900		\$0.86	\$0.89
Companion At Lees Crossing	LIHTC	0	\$581		687		\$0.85	\$0.85	\$696		932		\$0.75	\$0.75
Crown Point	Market	0	\$695		756		\$0.92	\$0.92	\$775		1,014		\$0.76	\$0.76
Draymont Ridge	LIHTC	0	\$515		635		\$0.81	\$0.81	\$550	\$600	1,000		\$0.55	\$0.60
Drayton Mills Lofts	Market	0	\$1,025		744		\$1.38	\$1.38	\$1,220		1,267		\$0.96	\$0.96
Hidden Park Apts	Market	0	\$600		670		\$0.90	\$0.90	\$700		864		\$0.81	\$0.81
Highland Crossing Apts	BOI-HUD	72			839						1,177			
Mayfair Lofts	Market	0	\$990	\$1,170	717		\$1.38	\$1.63	\$1,175	\$1,455	1,100		\$1.07	\$1.32
Riverwind Apts	Market	0	\$845	\$995	671	702	\$1.20	\$1.48	\$1,000	\$1,045	988		\$1.01	\$1.06
The Bluffs Apts	Market	0	\$795		700		\$1.14	\$1.14	\$855	\$865	875	925	\$0.92	\$0.99
The Brick Lofts	Market	0	\$795	\$975	449	835	\$0.95	\$2.17	\$895	\$990	789	937	\$0.96	\$1.25
The Park at Vietti	Market	0	\$795	\$815	694	826	\$0.96	\$1.17	\$845	\$1,000	840	1,048	\$0.81	\$1.19
Victoria Gardens	BOI-PHA	80			630						800			
Willow Crossing	LIHTC	0							\$495	\$550	1,200		\$0.41	\$0.46
Willows At North End	Market	0	\$855	\$1,220	675	816	\$1.05	\$1.81	\$845	\$1,337	916	1,075	\$0.79	\$1.46
Totals and Averages		610		\$860		694		\$1.24		\$885		982		\$0.90
SUBJECT PROPERTY														
THE ELLINGTON APTS	LIHTC	0	\$480	\$590	786	786	\$0.61	\$0.75	\$571	\$673	966	966	\$0.59	\$0.70
SUMMARY														
Overall				\$860		694		\$1.24		\$885		982		\$0.90
Market Rate Only				\$894		712		\$1.26		\$975		967		\$1.01
LIHTC Only				\$548		691		\$0.79		\$578		1,044		\$0.55
Subsidized Only				NA		651		NA		NA		992		NA

Note: Shaded Properties are LIHTC

Table 25a: 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
Cedar Springs Place Apts	ELE	Yes	No	Yes	Yes	NA	NA	No	Yes	No	Yes	Yes	No
Heritage Court Apts	ELE	Yes	No	Yes	No	No	No	Yes	No	No	Yes	No	No
JC Bull Apts	Gas	Yes	No	No	No	No	Yes	Yes	No	No	Yes	No	No
Parkside at Drayton	ELE	Yes	No	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes
Archibald Rutledge Apts	ELE	No	Yes	Yes	Yes	No	Some	No	No	4 units	Yes	Yes	No
Church Street Lofts	ELE	Yes	No	Yes	Yes	Yes	Yes	1BR	Yes	1BR	No	No	Yes
City View Apts	H2O	Yes	No	No	Yes	No	No	Yes	Yes	No	No	No	No
Companion At Lees Crossing	ELE	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Crown Point	ELE	No	Yes	Yes	Yes	No	Some	Some	Yes	Yes	Yes	No	Yes
Draymont Ridge	ELE	Yes	No	Yes	Yes	Yes	Yes	No	Yes	No	No	No	No
Drayton Mills Lofts	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
Hidden Park Apts	ELE	Yes	No	Yes	Yes	No	No	No	Yes	No	No	No	No
Highland Crossing Apts	ELE	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes
Mayfair Lofts	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes
Riverwind Apts	Gas	Yes	No	Yes	Yes	Some	Yes	Yes	Yes	Yes	Yes	Yes	Yes
The Bluffs Apts	ELE	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes
The Brick Lofts	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No
The Park at Vietti	ELE	Yes	No	Yes	Yes	No	No	No	Yes	Yes	Yes	Yes	Yes
Victoria Gardens	Gas	Yes	No	No	No	No	Yes	No	No	Yes	Yes	Yes	No
Willow Crossing	ELE	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Willows At North End	ELE	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Totals and Averages	--	90%	10%	81%	86%	48%	71%	67%	76%	62%	76%	43%	57%
SUBJECT PROJECT													
THE ELLINGTON APTS	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Sunroom	Yes	Yes	No
SUMMARY													
Overall	--	90%	10%	81%	86%	48%	71%	67%	76%	62%	76%	43%	57%
Market Rate Only	--	91%	9%	91%	100%	45%	73%	82%	91%	64%	64%	27%	73%
LIHTC Only	--	100%	0%	75%	100%	75%	100%	50%	100%	50%	75%	75%	50%
Subsidized Only	--	83%	17%	67%	50%	33%	50%	50%	33%	67%	100%	50%	33%

Note: Shaded Properties are LIHTC

Table 25b: 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
Cedar Springs Place Apts	No	Yes	No	Yes	Yes	Yes	No	No	No	No	Yes	Yes	No
Heritage Court Apts	Yes	Yes	Yes	Yes	No	Yes	No	No	No	No	Yes	Yes	No
JC Bull Apts	No	No	No	Yes	No	Yes	No	No	No	No	Yes	Yes	No
Parkside at Drayton	NA	Yes	No	Yes	Yes	Yes	No	No	No	No	NA	NA	NA
Archibald Rutledge Apts	No	Yes (2)	No	Yes	Yes	Yes	No	No	No	No			
Church Street Lofts	No	Yes	Yes	Yes	Yes	No	No	Yes	No	No			
City View Apts	No	Yes	No	Yes	Yes	Yes	No	No	No	No			
Companion At Lees Crossing	No	No	Yes	Yes	Yes	Yes	Yes	No	No	Yes			
Crown Point	No	No	No	Yes	Yes	Yes	2 & 3BR	No	No	No			
Draymont Ridge	No	No	No	Yes	No	No	Yes	No	No	No			
Drayton Mills Lofts	No	Yes	Yes	Yes	Yes	No	No	Yes	No	No			
Hidden Park Apts	Yes	No	No	Yes	No	Yes	No	No	No	No			
Highland Crossing Apts	Yes	No	No	Yes	No	Yes	Yes	No	No	No			
Mayfair Lofts	No	Yes	Yes	Yes	Yes	No	Yes	No	No	Yes			
Riverwind Apts	No	No	No	Yes	No	No	No	Yes	No	No			
The Bluffs Apts	No	No	No	Yes	No	Yes	No	No	No	No			
The Brick Lofts	No	No	No	Yes	Yes	Yes	No	No	No	No			
The Park at Vietti	No	No	Yes	Yes	No	Yes	Yes	No	No	No			
Victoria Gardens	No	No	No	Yes	No	Yes	Yes	No	No	No			
Willow Crossing	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No	No			
Willows At North End	No	No	Yes	Yes	No	Yes	Yes	No	No	No			
Totals and Averages	24%	38%	38%	100%	52%	76%	43%	14%	0%	10%	19%	19%	5%
SUBJECT PROJECT													
THE ELLINGTON APTS	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes
SUMMARY													
Overall	24%	38%	38%	100%	52%	76%	43%	14%	0%	10%	19%	19%	5%
Market Rate Only	9%	36%	45%	100%	55%	64%	36%	27%	0%	9%	0%	0%	0%
LIHTC Only	25%	25%	50%	100%	75%	75%	75%	0%	0%	25%	25%	25%	0%
Subsidized Only	50%	50%	17%	100%	33%	100%	33%	0%	0%	0%	50%	50%	17%

Note: Shaded Properties are LIHTC

Table 26: Other Information - Overall

Project Name	Address	City	Telephone Number	Contact	On-Site Mgt	Waiting List	Concessions/Other	Survey Date
Cedar Springs Place Apts	200 Serenity Springs Lane	Spartanburg	(864) 253-8450	Yvelle	Yes	Yes	Would not cooperate	23-Jan-19
Heritage Court Apts	425 S. Church Street	Spartanburg	(864) 585-8595	Priscilla	Yes	33 Names	None	2-Jan-19
JC Bull Apts	101 Marion Ave	Spartanburg	(864) 598-6100	Nadine	Yes	100+ Names	None	11-Jan-19
Parkside at Drayton	110 Fernwood Dr	Spartanburg	(803) 937-3545	NA	Yes	NA	Under Construction	NA
Archibald Rutledge Apts	764 N. Church Street	Spartanburg	(864) 598-6085	Stephanie	Yes	347 Names	None	11-Jan-19
Church Street Lofts	275 S Church St	Spartanburg	(864) 308-1659	Todd	Yes	No	None	2-Jan-19
City View Apts	144 W. Henry St.	Spartanburg	(864) 582-0022	Amanda	Yes	No	None	14-Jan-19
Companion At Lees Crossing	100 Lees Crossing Dr	Spartanburg	(864) 574-8494	Jackie	Yes	2 Months	None	2-Jan-19
Crown Point	201 Powell Mill Rd	Spartanburg	(864) 576-7670	Amber	Yes	No	None	26-Dec-18
Draymont Ridge	3900 Taggart Drive	Spartanburg	(864) 585-6116	Jeanine	Yes	50+ Names	1BR for mentally disabled	11-Jan-19
Drayton Mills Lofts	1800 Drayton Rd	Spartanburg	(864) 573-0092	Marissa	Yes	Yes	None	3-Jan-19
Hidden Park Apts	320 Spruce St	Spartanburg	(864) 585-0863	Amanda	Yes	No	None	11-Jan-19
Highland Crossing Apts	201 Highland Ave	Spartanburg	(864) 504-2375	NA	Yes	Yes	W.L. is closed	11-Jan-19
Mayfair Lofts	100 W Cleveland St	Spartanburg	(864) 576-1073	Megan	Yes	No	None	28-Dec-18
Riverwind Apts	200 Heywood Ave	Spartanburg	(864) 585-9463	Katie	Yes	No	None	4-Jan-19
The Bluffs Apts	100 Vanderbilt Lane	Spartanburg	(864) 574-4877	Rhonda	Yes	No	None	2-Jan-19
The Brick Lofts	600 Magnolia Street	Spartanburg	(864) 308-1659	Todd	Yes	No	None	11-Jan-19
The Park at Vietti	1000 Hunt Club Ln	Spartanburg	(864) 576-0928	Destiny	Yes	5 Names	Formerly Hunt Club Apts	11-Jan-19
Victoria Gardens	695 Howard St.	Spartanburg	(864) 598-6090	Jill	Yes	400+ Names	None	23-Jan-19
Willow Crossing	101 Willow Lane	Spartanburg	(864) 699-9965	Martha	Yes	400+ Names	None	4-Jan-19
Willows At North End	425 Willowdale Dr	Spartanburg	(864) 598-9999	Hannah	Yes	No	None	2-Jan-19

Note: Shaded Properties are LIHTC

Table 27: 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
Cedar Springs Place Apts	2008	48	0	48	0	0	0	Yes	Yes	Yes	100%	SR 55+	Spartanburg
Companion At Lees Crossing	2010	192	0	34	102	56	0	No	Yes	No	99%	Open	Spartanburg
Draymont Ridge	2004	40	0	12	17	11	0	No	Yes	No	100%	Open/SN	Spartanburg
Willow Crossing	2011	48	0	0	NA	NA	0	No	Yes	No	100%	Open	Spartanburg
Totals and Averages <i>Unit Distribution</i>	2008	328	0 0%	94 34%	119 43%	67 24%	0 0%				99.7%		
SUBJECT PROJECT													
THE ELLINGTON APTS	2021	50	0	4	46	0	0	No	Yes	No		SR 55+	Spartanburg

Table 28: Rent Range for 1 & 2 Bedrooms – Comparable LIHTC

Project Name	Program	PBRA Units	1BR Rent		1BR Square Feet		Rent per Square Foot Range		2BR Rent		2BR Square Feet		Rent per Square Foot Range	
			LOW	HIGH	LOW	HIGH			LOW	HIGH	LOW	HIGH		
Cedar Springs Place Apts	LIHTC/BOI	19			750									
Companion At Lees Crossing	LIHTC	0	\$581		687		\$0.85	\$0.85	\$696		932		\$0.75	\$0.75
Draymont Ridge	LIHTC	0	\$515		635		\$0.81	\$0.81	\$550	\$600	1,000		\$0.55	\$0.60
Willow Crossing	LIHTC	0							\$495	\$550	1,200		\$0.41	\$0.46
Totals and Averages		19		\$548		691		\$0.79		\$578		1,044		\$0.55
SUBJECT PROPERTY														
THE ELLINGTON APTS	LIHTC	0	\$480	\$590	786	786	\$0.61	\$0.75	\$571	\$673	966	966	\$0.59	\$0.70

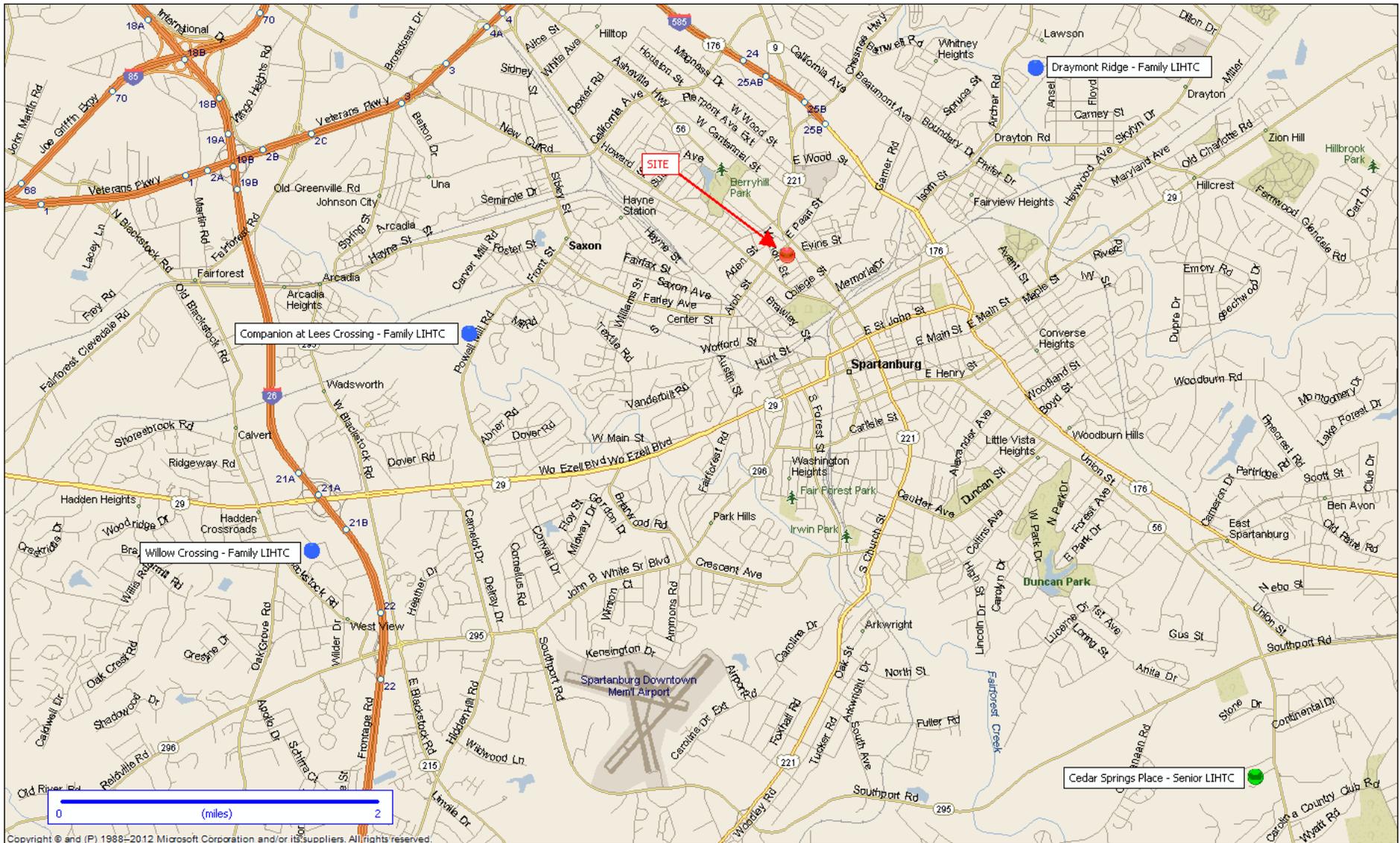
Table 29a: Project Amenities – Comparable LIHTC

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
Cedar Springs Place Apts	ELE	Yes	No	Yes	Yes	NA	NA	No	Yes	No	Yes	Yes	No
Companion At Lees Crossing	ELE	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Draymont Ridge	ELE	Yes	No	Yes	Yes	Yes	Yes	No	Yes	No	No	No	No
Willow Crossing	ELE	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Totals and Averages	--	100%	0%	75%	100%	75%	100%	50%	100%	50%	75%	75%	50%
SUBJECT PROJECT													
THE ELLINGTON APTS	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Sunroom	Yes	Yes	No

Table 29b: 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
Cedar Springs Place Apts	No	Yes	No	Yes	Yes	Yes	No	No	No	No	Yes	Yes	No
Companion At Lees Crossing	No	No	Yes	Yes	Yes	Yes	Yes	No	No	Yes			
Draymont Ridge	No	No	No	Yes	No	No	Yes	No	No	No			
Willow Crossing	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No	No			
Totals and Averages	25%	25%	50%	100%	75%	75%	75%	0%	0%	25%	25%	25%	0%
SUBJECT PROJECT													
THE ELLINGTON APTS	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes

Map 10: Comparable LIHTC Rental Developments – Spartanburg area



COMPARABLE PROJECT INFORMATION													
Project Name: Cedar Springs Place Apts Address: 200 Serenity Springs Lane City: Spartanburg State: SC Zip Code: 29302 Phone Number: (864) 253-8450 Contact Name: Yvelle Contact Date: 01/23/19 Current Occup: 100.0%													
DEVELOPMENT CHARACTERISTICS													
Total Units:		48		Year Built:		2008							
Project Type:		SR 55+		Floors:		2							
Program:		LIHTC/BOI		Accept Vouchers:		Yes							
PBRA Units*:		19		Voucher #:		NA							
* Including Section 8, Rental Assistance, and any other Project-Based Subsidy													
UNIT CONFIGURATION/RENTAL RATES													
BR		Bath	Target	Type	# Units	Square Feet		Contract Rent		Vacant	Occup. Rate	Wait List	
						Low	High	Low	High				
TOTAL 1-BEDROOM UNITS					48					0	100.0%		
1		1.0	BOI	Apt	19	750				0	100.0%	Yes	
1		1.0	50	Apt	29	750		NA		0	100.0%	Yes	
TOTAL DEVELOPMENT					48					0	100.0%	Yes	
AMENITIES													
<u>Unit Amenities</u> <input checked="" type="checkbox"/> - Central A/C <input type="checkbox"/> - Wall A/C Unit <input checked="" type="checkbox"/> - Garbage Disposal <input checked="" type="checkbox"/> - Dishwasher <input type="checkbox"/> - Microwave <input type="checkbox"/> - Ceiling Fan <input type="checkbox"/> - Walk-In Closet <input checked="" type="checkbox"/> - Mini-Blinds <input type="checkbox"/> - Draperies <input type="checkbox"/> - Patio/Balcony <input type="checkbox"/> - Basement <input type="checkbox"/> - Fireplace <input type="checkbox"/> - High-Speed Internet				<u>Development Amenities</u> <input type="checkbox"/> - Clubhouse <input checked="" type="checkbox"/> - Community Room <input checked="" type="checkbox"/> - Computer Center <input type="checkbox"/> - Exercise/Fitness Room <input checked="" type="checkbox"/> - Community Kitchen <input type="checkbox"/> - Swimming Pool <input type="checkbox"/> - Playground <input type="checkbox"/> - Gazebo <input checked="" type="checkbox"/> - Elevator <input type="checkbox"/> - Storage <input type="checkbox"/> - Sports Courts <input checked="" type="checkbox"/> - On-Site Management <input type="checkbox"/> - Security - Access Gate <input checked="" type="checkbox"/> - Security - Intercom				<u>Laundry Type</u> <input checked="" type="checkbox"/> - Coin-Operated Laundry <input type="checkbox"/> - In-Unit Hook-Up <input type="checkbox"/> - In-Unit Washer/Dryer <u>Parking Type</u> <input checked="" type="checkbox"/> - Surface Lot <input type="checkbox"/> - Carport \$0 <input type="checkbox"/> - Garage (att) \$0 <input type="checkbox"/> - Garage (det) \$0 <u>Utilities Included</u> <input checked="" type="checkbox"/> - Heat ELE <input checked="" type="checkbox"/> - Electricity <input checked="" type="checkbox"/> - Trash Removal <input checked="" type="checkbox"/> - Water/Sewer					

COMPARABLE PROJECT INFORMATION											
Project Name: Draymont Ridge Address: 3900 Taggart Drive City: Spartanburg State: SC Zip Code: 29303 Phone Number: (864) 585-6116 Contact Name: Jeanine Contact Date: 01/11/19 Current Occup: 100.0%											
DEVELOPMENT CHARACTERISTICS											
Total Units:		40		Year Built:		2003-04					
Project Type:		Open/SN		Floors:		1					
Program:		LIHTC		Accept Vouchers:		Yes					
PBRA Units*:		0		Voucher #:		10					
* Including Section 8, Rental Assistance, and any other Project-Based Subsidy											
UNIT CONFIGURATION/RENTAL RATES											
BR	Bath	Target	Type	# Units	Square Feet		Contract Rent		Vacant	Occup. Rate	Wait List
					Low	High	Low	High			
TOTAL 1-BEDROOM UNITS				12					0	100.0%	
1	1.0	60	Apt	12	635		\$515		0	100.0%	Yes
TOTAL 2-BEDROOM UNITS				17					0	100.0%	
2	1.5	50	Apt	3	1,000		\$550		0	100.0%	Yes
2	1.5	60	Apt	14	1,000		\$600		0	100.0%	Yes
TOTAL 3-BEDROOM UNITS				11					0	100.0%	
3	2.0	50	Apt	3	1,348		\$620		0	100.0%	Yes
3	2.0	60	Apt	8	1,348		\$700		0	100.0%	Yes
TOTAL DEVELOPMENT				40					0	100.0%	50+ Names
AMENITIES											
<u>Unit Amenities</u> <input checked="" type="checkbox"/> - Central A/C <input type="checkbox"/> - Wall A/C Unit <input checked="" type="checkbox"/> - Garbage Disposal <input checked="" type="checkbox"/> - Dishwasher <input checked="" type="checkbox"/> - Microwave <input checked="" type="checkbox"/> - Ceiling Fan <input type="checkbox"/> - Walk-In Closet <input checked="" type="checkbox"/> - Mini-Blinds <input type="checkbox"/> - Draperies <input type="checkbox"/> - Patio/Balcony <input type="checkbox"/> - Basement <input type="checkbox"/> - Fireplace <input type="checkbox"/> - High-Speed Internet				<u>Development Amenities</u> <input type="checkbox"/> - Clubhouse <input type="checkbox"/> - Community Room <input type="checkbox"/> - Computer Center <input type="checkbox"/> - Exercise/Fitness Room <input type="checkbox"/> - Community Kitchen <input type="checkbox"/> - Swimming Pool <input checked="" type="checkbox"/> - Playground <input type="checkbox"/> - Gazebo <input type="checkbox"/> - Elevator <input type="checkbox"/> - Storage <input type="checkbox"/> - Sports Courts <input checked="" type="checkbox"/> - On-Site Management <input type="checkbox"/> - Security - Access Gate <input type="checkbox"/> - Security - Intercom				<u>Laundry Type</u> <input type="checkbox"/> - Coin-Operated Laundry <input checked="" type="checkbox"/> - In-Unit Hook-Up <input type="checkbox"/> - In-Unit Washer/Dryer <u>Parking Type</u> <input checked="" type="checkbox"/> - Surface Lot <input type="checkbox"/> - Carport \$0 <input type="checkbox"/> - Garage (att) \$0 <input type="checkbox"/> - Garage (det) \$0 <u>Utilities Included</u> <input type="checkbox"/> - Heat ELE <input type="checkbox"/> - Electricity <input checked="" type="checkbox"/> - Trash Removal <input checked="" type="checkbox"/> - Water/Sewer			

COMPARABLE PROJECT INFORMATION																
Project Name: Willow Crossing Address: 101 Willow Lane City: Spartanburg State: SC Zip Code: 29301 Phone Number: (864) 699-9965 Contact Name: Martha Contact Date: 01/04/19 Current Occup: 100.0%																
DEVELOPMENT CHARACTERISTICS																
Total Units: 48		Year Built: 2011		Project Type: Open		Floors: 2		Program: LIHTC		Accept Vouchers: Yes						
PBRA Units*: 0		Voucher #: Enter														
* Including Section 8, Rental Assistance, and any other Project-Based Subsidy																
UNIT CONFIGURATION/RENTAL RATES																
BR	Bath	Target	Type	# Units	Square Feet		Contract Rent		Vacant	Occup. Rate	Wait List					
					Low	High	Low	High								
TOTAL 2-BEDROOM UNITS				NA					0	100.0%						
2	2.0	50	Apt	NA	1,200		\$495		0	100.0%	Yes					
2	2.0	60	Apt	NA	1,200		\$550		0	100.0%	Yes					
TOTAL 3-BEDROOM UNITS				NA					0	100.0%						
3	2.0	50	Apt	NA	1,250		\$565		0	100.0%	Yes					
3	2.0	60	Apt	NA	1,250		\$650		0	100.0%	Yes					
TOTAL DEVELOPMENT				48					0	100.0%	400+ Names					
AMENITIES																
<u>Unit Amenities</u> <input checked="" type="checkbox"/> - Central A/C <input type="checkbox"/> - Wall A/C Unit <input type="checkbox"/> - Garbage Disposal <input checked="" type="checkbox"/> - Dishwasher <input checked="" type="checkbox"/> - Microwave <input checked="" type="checkbox"/> - Ceiling Fan <input checked="" type="checkbox"/> - Walk-In Closet <input checked="" type="checkbox"/> - Mini-Blinds <input type="checkbox"/> - Draperies <input checked="" type="checkbox"/> - Patio/Balcony <input type="checkbox"/> - Basement <input type="checkbox"/> - Fireplace <input type="checkbox"/> - High-Speed Internet				<u>Development Amenities</u> <input checked="" type="checkbox"/> - Clubhouse <input type="checkbox"/> - Community Room <input checked="" type="checkbox"/> - Computer Center <input checked="" type="checkbox"/> - Exercise/Fitness Room <input checked="" type="checkbox"/> - Community Kitchen <input type="checkbox"/> - Swimming Pool <input checked="" type="checkbox"/> - Playground <input checked="" type="checkbox"/> - Gazebo <input type="checkbox"/> - Elevator <input checked="" type="checkbox"/> - Storage <input type="checkbox"/> - Sports Courts <input checked="" type="checkbox"/> - On-Site Management <input type="checkbox"/> - Security - Access Gate <input checked="" type="checkbox"/> - Security - Intercom				<u>Laundry Type</u> <input checked="" type="checkbox"/> - Coin-Operated Laundry <input checked="" type="checkbox"/> - In-Unit Hook-Up <input type="checkbox"/> - In-Unit Washer/Dryer <u>Parking Type</u> <input checked="" type="checkbox"/> - Surface Lot <input type="checkbox"/> - Carport <input type="checkbox"/> - Garage (att) <input type="checkbox"/> - Garage (det)								
								<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="width: 20%; text-align: center;">\$0</td> </tr> <tr> <td style="width: 80%;"></td> <td style="width: 20%; text-align: center;">\$0</td> </tr> <tr> <td style="width: 80%;"></td> <td style="width: 20%; text-align: center;">\$0</td> </tr> </table>				\$0		\$0		\$0
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5. Market Rent Calculations

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

A total of 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
One-Bedroom Units			
50% AMI	\$480	\$901	47%
60% AMI	\$590	\$901	34%
Two-Bedroom Units			
50% AMI	\$571	\$1,007	43%
60% AMI	\$673	\$1,007	33%

Rent Comparability Grid

Subject Property		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Project Name		City View Apts		Drayton Mills Lofts		Riverwind Apts		The Brick Lofts		Willows At North End	
Project City	Subject Data	Spartanburg		Spartanburg		Spartanburg		Spartanburg		Spartanburg	
Date Surveyed		1/14/19		1/3/19		1/4/19		1/11/19		1/2/19	
A. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Structure Type	Apts	Apts		Lofts	(\$150)	Apts		Lofts	(\$150)	Apts	
Yr. Built/Yr. Renovated	2021	2015	\$5	2017	\$3	1983	\$29	2018	\$2	2018	\$2
Neighborhood											
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	No	\$5	Yes		Yes		Yes		Yes	
Dishwasher	Yes	Yes		Yes		Yes		Yes		Yes	
Microwave	Yes	No	\$5	Yes		Some		Yes		No	\$5
Walk-In Closet	Yes	Yes		Yes		Yes		Yes		Yes	
Mini-Blinds	Yes	Yes		Yes		Yes		Yes		Yes	
Patio/Balcony	No	No		Yes	(\$5)	Yes	(\$5)	No		Yes	(\$5)
Basement	No	No		Yes	\$0	No		No		No	
Fireplace	No	No		No		Some		No		Some	
C. Site Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Clubhouse	No	No		Yes	(\$5)	Yes	(\$5)	No		Yes	(\$5)
Community Room	Yes	No	\$5	Yes		Yes		No	\$5	No	\$5
Computer Center	Yes	No	\$3	No	\$3	Yes		No	\$3	Yes	
Exercise Room	No	No		Yes	(\$5)	Yes	(\$5)	No		Yes	(\$5)
Swimming Pool	No	No		Yes	(\$5)	Yes	(\$5)	No		Yes	(\$5)
Playground	No	No		No		Yes	\$0	No		Yes	\$0
Sports Courts	No	No		No		Yes	\$0	No		Yes	\$0
On-Site Management	Yes	Yes		Yes		Yes		Yes		Yes	
Security - Access Gate	No	No		Yes	(\$5)	Yes	(\$5)	Yes	(\$5)	No	
Security - Intercom	Yes	Yes		Yes		No	\$3	Yes		No	\$3
D. Other Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Coin-Operated Laundry	Yes	Yes		No	\$5	No	\$5	Yes		Yes	
In-Unit Hook-Up	Yes	No	\$10	No	\$10	No	\$10	No	\$10	Yes	
In-Unit Washer/Dryer	No	No		Yes	(\$20)	Yes	(\$20)	No		No	
Carport	No	No		No		No		No		No	
Garage (attached)	No	No		No		No		No		No	
Garage (detached)	No	No		No		No		No		No	
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	Yes		Yes		Yes		Yes		Yes	
Water/Sewer	Yes	Yes		No	XX	No	XX	Yes		Yes	
Heat Type	ELE	H2O		ELE		Gas		ELE		ELE	
Utility Adjustments											
One-Bedroom Units					\$57		\$57				
Two-Bedroom Units					\$80		\$80				

Subject Property		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Project Name		City View Apts		Drayton Mills Lofts		Riverwind Apts		The Brick Lofts		Willows At North End	
Project City	Subject Data	Spartanburg		Spartanburg		Spartanburg		Spartanburg		Spartanburg	
Date Surveyed		1/14/2019		1/3/2019		1/4/2019		1/11/2019		1/2/2019	
F. Average Unit Sizes		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
One-Bedroom Units	786	600	\$28	744	\$6	687	\$15	642	\$22	746	\$6
Two-Bedroom Units	966	900	\$10	1,267	(\$45)	988	(\$3)	863	\$15	996	(\$4)
G. Number of Bathrooms		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
One-Bedroom Units	1.0	1.0	\$0	1.0	\$0	1.0	\$0	1.0	\$0	1.0	\$0
Two-Bedroom Units	2.0	1.0	\$30		\$0	2.0	\$0	1.0	\$30	2.0	\$0
G. Total Adjustments Recap											
One-Bedroom Units			\$60		(\$111)		\$73		(\$113)		\$1
Two-Bedroom Units			\$72		(\$139)		\$78		(\$89)		(\$9)

		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Project Name		City View Apts		Drayton Mills Lofts		Riverwind Apts		The Brick Lofts		Willows At North End	
Project City	Subject Data	Spartanburg									
Date Surveyed		1/14/2019		1/3/2019		1/4/2019		1/11/2019		1/2/2019	
H. Rent/Adjustment Summary		Unadjust ed Rent	Adjusted Rent								
Market Rate Units											
One-Bedroom Units	\$901	\$725	\$785	\$1,025	\$914	\$920	\$993	\$885	\$772	\$1,038	\$1,039
Two-Bedroom Units	\$1,007	\$800	\$872	\$1,220	\$1,081	\$1,023	\$1,101	\$990	\$901	\$1,091	\$1,082

H. INTERVIEWS

Throughout the course of performing this analysis of the Spartanburg rental market, many individuals were contacted. Based on discussions with local government officials, the only senior multi-family activity reported (either proposed or under construction) within the market area at the current time is Parkside of Drayton - a 41-unit subsidized senior tax credit project currently under construction at 110 Fernwood Drive. While a number of additional multi-family developments were reported in various stages of progress, all are family-oriented and cannot be considered as comparable to the subject proposal. As such, none of the known multi-family activity will have an adverse effect on the marketability or absorption of the subject. The following planning departments were contacted:

Location: City of Spartanburg
Contact: Natalia Rosario, Planner
Phone: (864) 596-2068
Date: 2/25/2019

Location: Spartanburg County
Contact: Josh Henderson, Senior Planner
Phone: (864) 596-3689
Date: 2/25/2019

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

I. CONCLUSIONS/RECOMMENDATIONS

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

1. Extremely positive senior demographic patterns since 2010 throughout the PMA – the overall senior population (55 years and over) is estimated to have increased by 20 percent between 2010 and 2018, representing nearly 2,900 additional persons. Further, the number of seniors is anticipated to increase an additional nine percent between 2018 and 2023 (almost 1,500 seniors). Considering this strong growth, the demand for additional senior housing will undoubtedly escalate as well;
2. Extremely positive occupancy levels throughout the local market area, with an overall occupancy rate of 98.2 percent calculated among 21 properties surveyed;
3. Only limited affordable rental options currently exist within the Spartanburg area. According to survey results, only one senior-only development with non-subsidized units was identified within the PMA. As such, the overwhelming majority of senior rental units locally contain some type of project-based rental subsidy;
4. Cedar Springs Place is the only senior development with non-subsidized units locally – containing a total of 48 units (29 LIHTC and 19 PBRA units). The property is currently 100 percent occupied with a waiting list;
5. Considering family-oriented LIHTC properties within the survey, a combined occupancy rate of 99.6 percent was calculated - providing additional evidence of the strong demand locally for affordable housing;
6. The proposal represents a modern product with numerous amenities and features at an affordable rental level. As such, the proposed rents are competitive in relation to other LIHTC properties within the survey, and can be considered appropriate and achievable for the local PMA; and
7. A sufficient statistical senior demand calculation, with all capture rates within industry-accepted thresholds resulting in an absorption period conservatively estimated at approximately four to six 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: February 25, 2019

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

2018/2023 Demographic Forecasts, ESRI Business Analyst Online

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

Apartment Listings – www.socialserve.com

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

Apartment Listings – YellowPages – www.yellowpages.com

Community Profile 2019 – Spartanburg County – SC Department of Employment & Workforce

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

Crime Data – BestPlaces.net

ESRI Business Analyst Online

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

Interviews with community planning officials

Interviews with managers and leasing specialists at local rental developments

Microsoft Streets and Trips

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

L. RESUME**STEVEN R. SHAW
SHAW RESEARCH & CONSULTING, LLC**

Mr. Shaw is a principal at Shaw Research and Consulting, LLC. With over twenty-eight 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.