



Shaw Research & Consulting

Real Estate Analysis & Market Feasibility Services

**A SENIOR RENTAL HOUSING
MARKET FEASIBILITY ANALYSIS
FOR
GEORGETOWN, SOUTH CAROLINA
(Georgetown County)**

Villas at Winyah Bay Apartments

*Lincoln Street, just west of North Merriman Road
Georgetown, South Carolina 29440*

February 25, 2019

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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 Georgetown area as it pertains to the market feasibility of Villas at Winyah Bay Apartments, a proposed 42-unit affordable rental housing development targeting low-income senior households. The subject proposal is to be located within the northern portion of the city of Georgetown along the south side of Lincoln Street, just west of North Merriman Road and approximately one mile north of downtown Georgetown.

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 throughout the Georgetown market area. All fieldwork and community data collection was conducted on January 12, 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 development of the subject rental facility, along with the associated rent and income restrictions obtained from the South Carolina State Housing Finance and Development Authority (SCSHFDA). As a result, the proposed Villas at Winyah Bay Apartments will feature a total of 42 units restricted to households at 50 percent and 60 percent of the area median income (AMI). Furthermore, there are no unrestricted (market rate) or project-based rental assistance (PBRA) units proposed within the subject development.

EXECUTIVE SUMMARY

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

- 1) The subject proposal is a 42-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 Georgetown PMA. Capture rates are presented in Exhibit S-2 (following the executive summary), and are clearly reflective of the need for affordable senior rental housing locally.
- 3) Occupancy rates for affordable rental housing are quite positive throughout the market area at the current time. As such, an overall occupancy rate of 98.0 percent was calculated among 20 properties (including six senior) included in a January 2019 survey of rental developments identified and contacted within or near the PMA.
- 4) Among the six senior-only properties surveyed, a combined occupancy rate of 99.3 percent was calculated, with each project reporting a waiting list. Furthermore, there is only one senior tax credit development within Georgetown County – Companion at Thorton Hall is a 40-unit property constructed in 2003 with all units targeting senior households at or below 50 percent AMI. According to the manager, the property is currently 98 percent occupied with 20 names on a waiting list - clearly demonstrating the positive market demand for affordable senior housing locally.
- 5) Considering the local rental stock, there is a clear lack of non-subsidized affordable senior-only housing throughout Georgetown County. As such, the subject proposal's inclusion of units at 50 percent and 60 percent AMI will target and fill an affordable housing void not currently being addressed.
- 6) Affordable LIHTC rental options (family and senior) have been quite successful throughout the Georgetown PMA. Based on survey results, the four tax credit properties were a combined 98.5 percent occupied with each reporting a waiting list - providing additional evidence of the continued demand for affordable housing.
- 7) Based on U.S. Census figures and ESRI forecasts, senior demographic patterns throughout the Georgetown area have been extremely positive since 2000. As such, the senior population (55 and over) within the PMA increased by 19 percent between 2010 and 2018, representing nearly 1,700 additional senior residents during this time. Furthermore, future projections indicate these gains will continue, with an additional increase of ten percent (almost 1,100 seniors) anticipated between 2018 and 2023. Considering this strong growth, the demand for additional senior housing will undoubtedly escalate as well.

- 8) The location of the subject property can also be considered a positive factor, with generally convenient access to most commercial, retail, medical, and recreation centers within the area – including the senior center within walking distance.
- 9) 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 Georgetown market area.
- 10) Considering the subject’s proposed targeting, unit mix, affordable rental rates, and competitive unit sizes and development features, the introduction of Villas at Winyah Bay Apartments should prove successful. Based on extremely positive senior demographic patterns, and high occupancy levels throughout the local rental stock (especially among senior and affordable properties), a newly constructed senior-only rental option should be successful within the Georgetown PMA. As such, evidence presented within the market study suggests a normal lease-up period (between five 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:	<u>Villas at Winyah Bay Apts</u>	Total # Units:	<u>42</u>
Location:	<u>2015 Lincoln Street, Georgetown, South Carolina SC</u>	# LIHTC Units:	<u>42</u>
PMA Boundary:	<u>North = Black River ; South = South Santee River ; East = Winyah Bay/Atlantic Ocean; West = Highway 41</u>		
Development Type:	<u> </u> Family <u> X </u> Older Persons	Farthest Boundary Distance to Subject:	<u>19 Miles</u>

RENTAL HOUSING STOCK (found on page 52)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	20	1,261	25	98.0%
Market-Rate Housing	4	586	21	96.4%
Assisted/Subsidized Housing not to include LIHTC	9	351	0	100.0%
LIHTC (All that are stabilized)*	4	202	3	98.5%
Stabilized Comps**	4	202	3	98.5%
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
2	1 BR	1.0	788	\$450	\$823	\$1.22	45.3%	\$1,109	\$1.53
4	1 BR	1.0	788	\$550	\$823	\$1.22	33.2%	\$1,109	\$1.53
7	2 BR	2.0	964	\$503	\$965	\$1.01	47.9%	\$1,374	\$1.36
29	2 BR	2.0	964	\$650	\$965	\$1.01	32.7%	\$1,374	\$1.36
Gross Potential Rent Monthly*				\$25,471	\$39,693		35.83%		

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

DEMOGRAPHIC DATA (found on page 33)

	2010		2018		2021	
Renter Households	957	17.3%	1,096	17.3%	1,140	17.3%
Income-Qualified Renter HHs (LIHTC)	284	29.7%	325	29.7%	338	29.7%
Income-Qualified Renter HHs (MR)	--	--	--	--	--	--

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 47)

Type of Demand	50%	60%	Market Rate	Other:	Other:	Overall
Renter Household Growth	8	10	--			13
Existing Households (Overburd + Substand)	84	104	--			134
Homeowner Conversion (Seniors)	19	22	--			31
Other:	--	--	--			--
Less Comparable/Competitive Supply	--	--	--			--
Net Income-Qualified Renter HHs	111	136	--	--	--	178

CAPTURE RATES (found on page 51)

Targeted Population	50%	60%	Market Rate	Other:	Other:	Overall
Capture Rate	8.1%	24.2%	--			23.6%

ABSORPTION RATE (found on page 51)

Absorption Period:	<u>5 to 6</u> months
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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%	2	1 BR	\$450	\$900	\$823	\$1,646	
60%	4	1 BR	\$550	\$2,200	\$823	\$3,293	
40%	--	2 BR	--	--	--	--	
50%	7	2 BR	\$503	\$3,521	\$965	\$6,758	
60%	29	2 BR	\$650	\$18,850	\$965	\$27,997	
40%	--	3 BR	--	--	--	--	
50%	--	3 BR	--	--	--	--	
60%	--	3 BR	--	--	--	--	
40%	--	4 BR	--	--	--	--	
50%	--	4 BR	--	--	--	--	
60%	--	4 BR	--	--	--	--	
	Totals	42		\$25,471		\$39,693	35.83%

A. PROJECT DESCRIPTION

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

Project Name:	Villas at Winyah Bay Apts								
Project Address:	Lincoln Street								
Project City:	Georgetown, South Carolina								
County:	Georgetown County								
Total Units:	42								
Occupancy Type:	Older Persons (55+)								
Construction Type:	New Construction								
Targeting/Mix	Number of Units	Unit Type	Number of Baths	Square Feet	Contract Rent	Utility Allow.	Gross Rent	Max. LIHTC Rent*	Incl. PBRA
One-Bedroom Units	6								
50% of Area Median Income	2	Apt	1.0	788	\$450	\$77	\$527	\$531	No
60% of Area Median Income	4	Apt	1.0	788	\$550	\$77	\$627	\$637	No
Two-Bedroom Units	36								
50% of Area Median Income	7	Apt	2.0	964	\$503	\$101	\$604	\$637	No
60% of Area Median Income	29	Apt	2.0	964	\$650	\$10	\$660	\$765	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.....Georgetown, South Carolina
 Construction Type.....New construction
 Occupancy TypeOlder Persons (55+)
 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 InformationSee previous page
 Proposed Rental Assistance (PBRA).....None

Project Size:

Total Development Size.....42 units
 Number of Affordable Units.....42 units
 Number of Market Rate Units.....0 units
 Number of PBRA Units.....0 units
 Number of Employee Units0 unit

Development Characteristics:

Number of Total Units.....42 units
 Number of Garden Apartments.....42 units
 Number of Townhouses.....0 units
 Number of Residential Buildings.....1 (*maximum three story*)
 Number of Community Buildings0
 Exterior Construction.....Minimum 60% Brick

Unit Amenities:

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

Development Amenities:

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

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; and
- Market 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 12, 2019 by Steven Shaw.

2. Site Neighborhood and Overview

The subject property is located within the northern portion of the city of Georgetown along the south side of Lincoln Street, approximately one-eighth mile west of North Merriman Road and one mile north of downtown Georgetown. Additionally, the site is roughly one-third mile north of Highmarket Street (U.S. 521) and one-third mile west of Fraser Street (U.S. 701) – representing the foremost commercial corridors within the city. Characteristics of the immediate neighborhood are largely residential, with a mix of multi-family and single-family units. The Georgetown Housing Authority community center and Westside Apartments (a GHA property) is adjacent to the north of the site, Companion at Thornton Hall (a senior LIHTC development) is adjacent to the west, and single-family homes (in fair to good condition) can be found to the south and east. It should also be noted that the Beck Recreation Center is just south of the subject property, although the main entrance is off of Church Street.

The subject property consists of approximately 3.0 acres of generally flat, undeveloped, and mostly grass-covered property. Situated within Census Tract 9206 of Georgetown County, the site is currently zoned as R4 (High Density Residential) which allows for the development of subject proposal. 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:** Lincoln Street/Multi-Family Residential (Georgetown Housing Authority)
- South:** Legion Street/Single-Family Residential/Beck Recreation Center
- West:** Senior Multi-Family Apartments (Companion at Thornton Hall)
- East:** Single-Family Residential

Primary access to the site will be from Lincoln Street to the north, while a secondary access drive will be from Legion Street to the south – both representing a lightly-traveled secondary residential streets. North Merriman Road is just east of the site (roughly one-eighth

mile), another residential street providing access to much of the area's commercial/retail opportunities. Overall, the subject property's location will have generally positive curb appeal and ingress/ egress for seniors, with no visible traffic congestion and most nearby properties in good condition. Although the site will not have visibility from a well-traveled roadway, its location in a seemingly quite residential area is just a short distance to Fraser Street (one-third mile to the east) and Highmarket Street (one-third mile south), both representing Georgetown's foremost commercial corridors offering abundant retail, medical, and other services, and should be considered a generally positive attribute and suitable for multi-family housing.

3. Nearby Retail

Numerous retail opportunities are within a relatively short distance to the site, including a few within walking distance. As such, a small shopping center is situated at the intersection of North Merriman Road and Fraser Street (roughly one-third mile northeast of the site), consisting of a Food Lion, Medicine Shoppe pharmacy, and Rent-A-Center. Additional retail concentrations can be found less than one mile north of the subject along Fraser Street, including the Georgetown Square shopping center (with a Dollar Tree, Goody's, Rose's Express, Sears Hometown, and more), as well as a Walmart Supercenter, Walgreens pharmacy, Dollar General, and Belk. Furthermore, a number of other retail/commercial opportunities can be found nearby along Highmarket Street to the south - including a Piggly Wiggly grocery, Family Dollar, and Goodwill Store less than two-thirds mile away. In addition, Georgetown's downtown area is located approximately one mile south of the subject.

4. Medical Offices and Hospitals

Numerous medical services and physician offices can be found throughout the immediate area as well. The nearest full-service hospital is Tidelands Health Georgetown Memorial Hospital, which is situated less than ¼ miles east of the site along Black River Road. In addition to various medical services and specialty offices near the hospital, several physician offices/clinics are situated within ½ mile of the site – including Tidelands Waccamaw Medical Center and Doctors Care clinic. Furthermore, the Yawkey Medical Park is just north of the city along Fraser Street, approximately 1½ miles from the subject.

5. Other PMA Services

Additional services of note within the market area include a library, YMCA, and several parks and recreational facilities. The Georgetown Senior Center is within walking distance of the site along Lincoln Street (less than ¼ mile away), while the Georgetown Family YMCA is located approximately three miles to the north, both offering numerous activities for local senior residents. Fixed-route bus/transit services are available locally through the Waccamaw Regional Transportation Authority (Coast RTA), offering a daily route between Georgetown, Myrtle Beach, and Conway. Only limited stops are available within Georgetown, with the nearest located roughly ¾ mile from the site at Walmart and Tidelands Memorial Hospital.

The following identifies pertinent locations and features within the immediate Georgetown area, and can be found on the following map by the number next to the corresponding description. Please note that this list is not all-inclusive and only represents those locations closest to the subject property. Further, all distances are estimated.

Retail

- 1. Walmart Supercenter0.8 miles north
- 2. Georgetown Square shopping center0.6 miles north
(includes Dollar Tree, Rose's Express, It's Fashion, Goody's, Hibbett Sports, Sears Hometown Store, Badcock Furniture, Tractor Supply Co., and more)
- 3. Walgreens Pharmacy0.4 miles northeast
- 4. Food Lion grocery/Medicine Shoppe Pharmacy0.3 miles northeast
- 5. Dollar General/Belk0.7 miles north
- 6. Piggly Wiggly grocery/Family Dollar/Goodwill0.6 miles south
- 7. Money Saver Market.....0.4 miles south

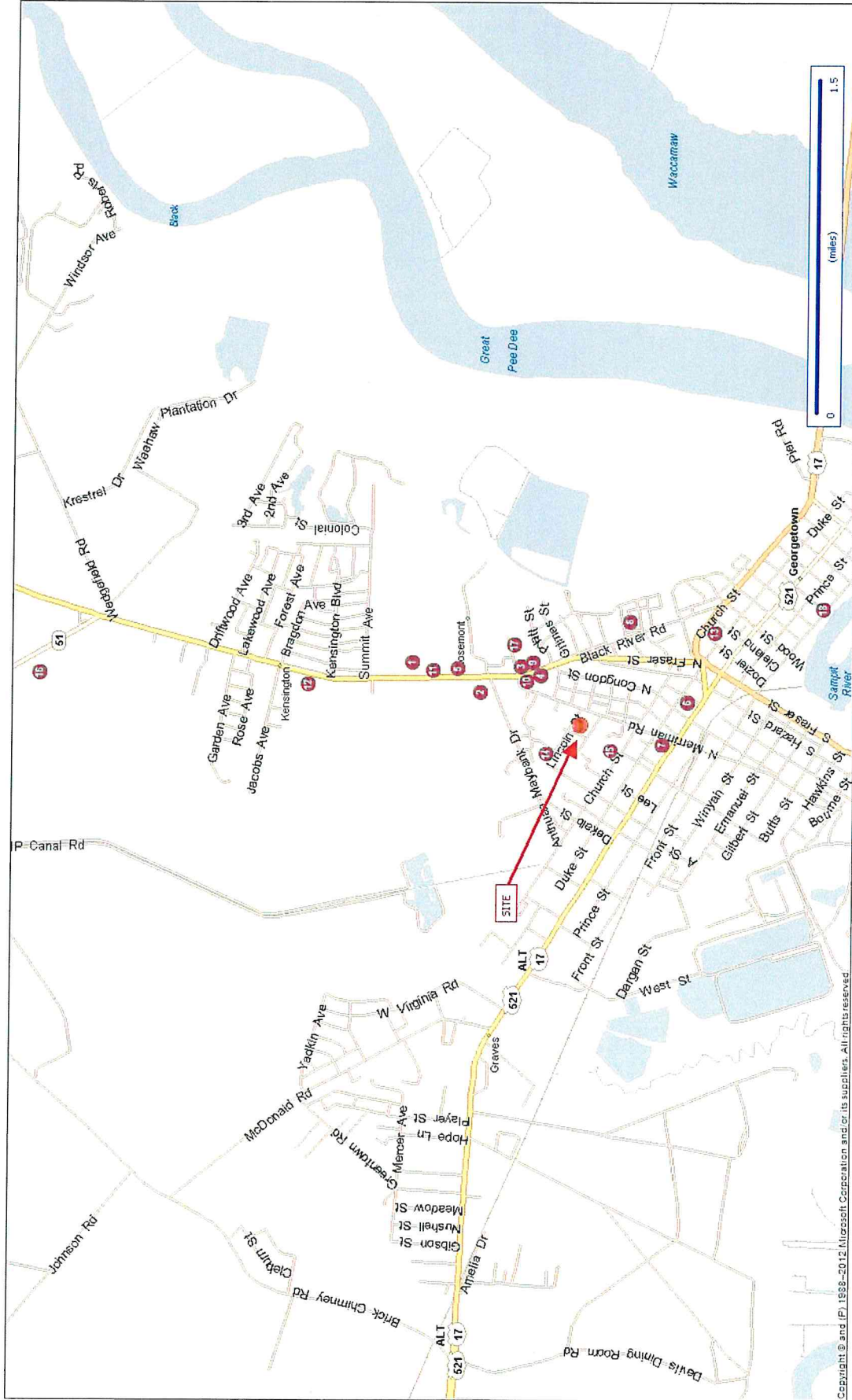
Medical

- 8. Tidelands Georgetown Memorial Hospital.....0.7 miles east
- 9. Doctors Care - Georgetown0.5 miles northeast
- 10. Tidelands Waccamaw Medical Center0.3 miles northeast
- 11. Tidelands Health – Winyah Women’s Center0.7 miles north
- 12. Yawkey Medical Park – Tidelands Health1.5 miles north

Recreation/Other

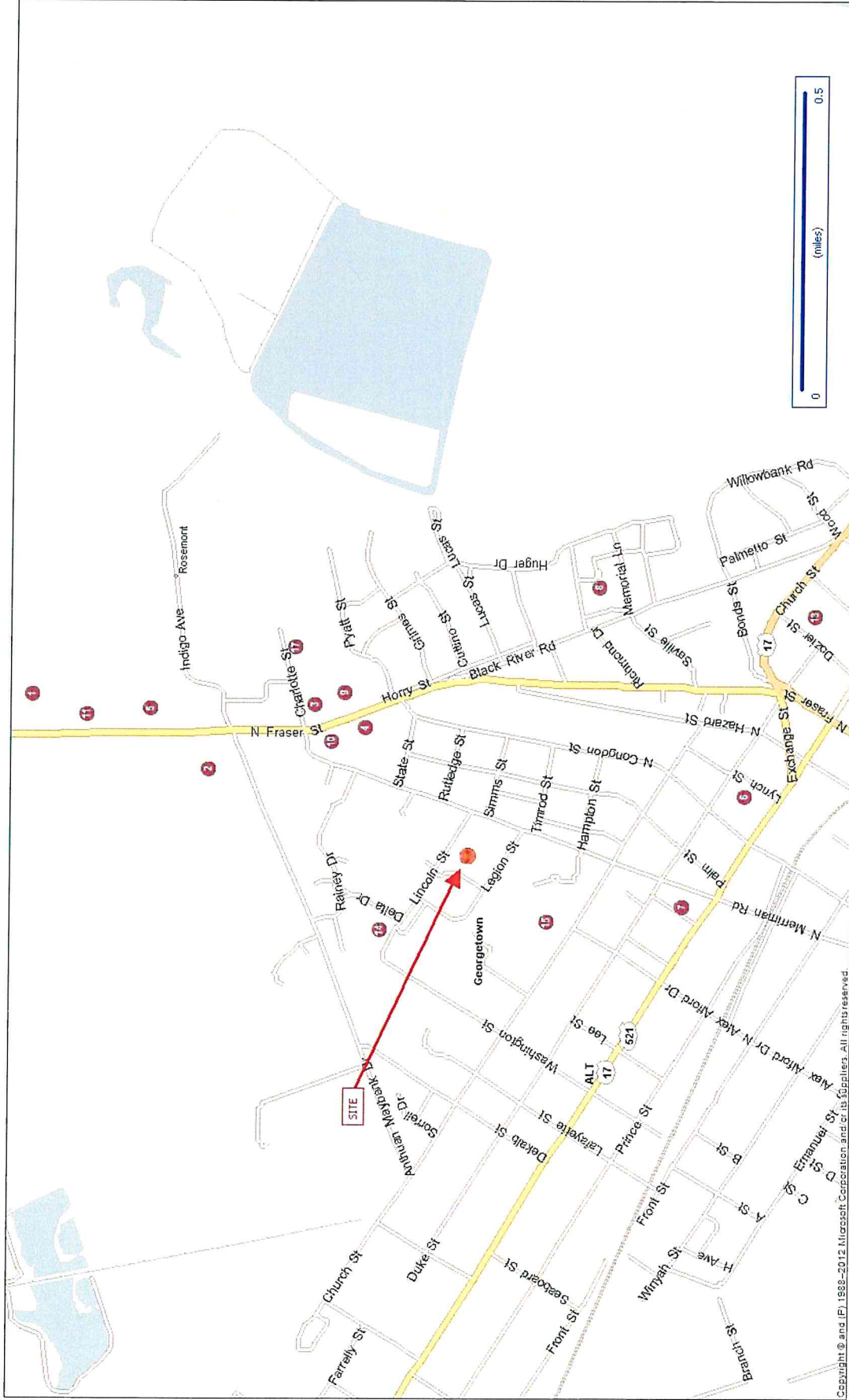
- 13. Georgetown County Library1.0 mile southeast
- 14. Georgetown Senior Citizens Center.....0.2 miles northwest
- 15. The Beck Recreation Center0.1 mile south
- 16. Georgetown Family YMCA3.0 miles north
- 17. U.S. Post Office0.5 miles northeast
- 18. Downtown Georgetown1.0 mile southeast

Map 1: Local Features/Amenities – Georgetown Area



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Map 2: Local Features/Amenities – Close View

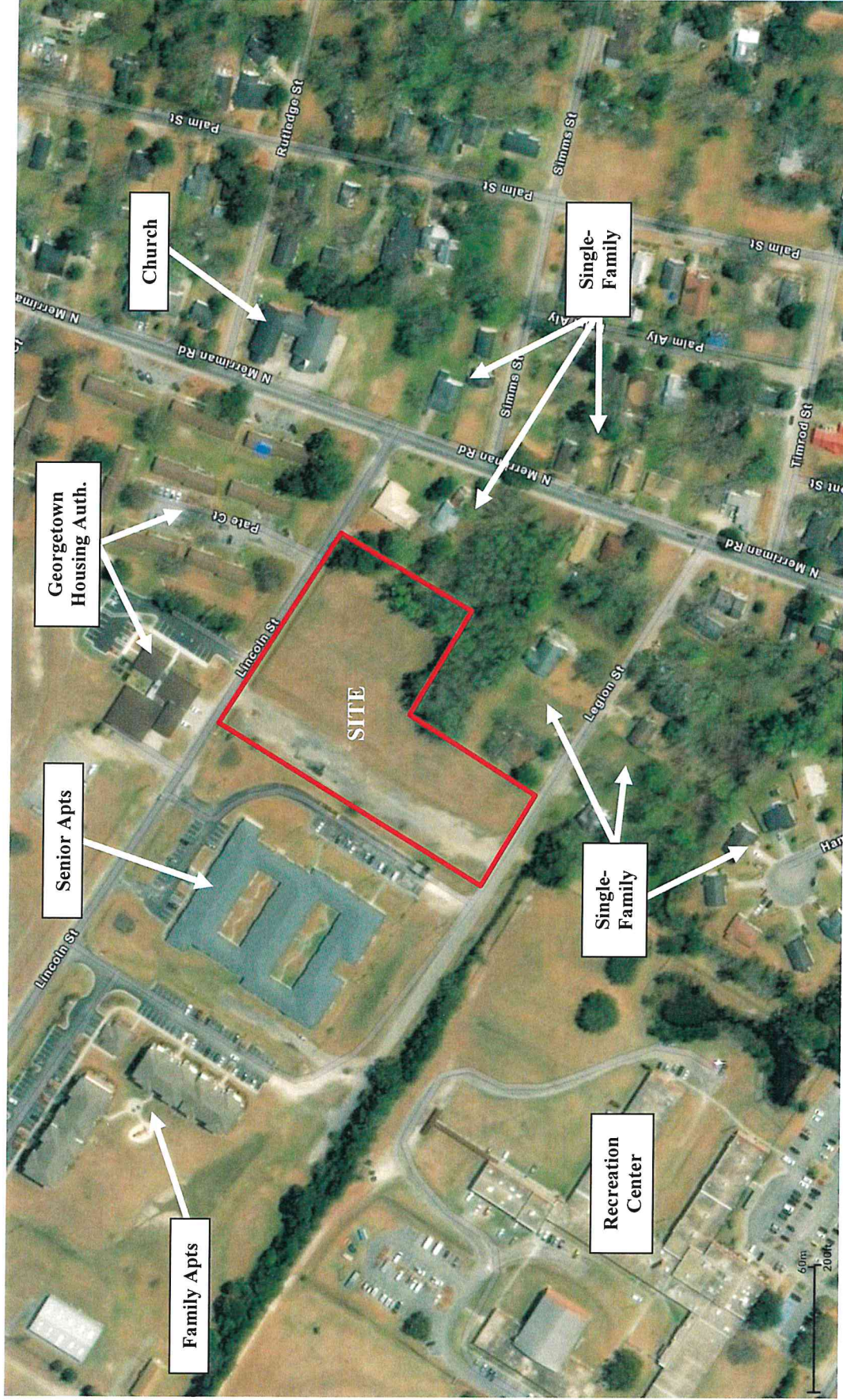


Map 3: Site Location – City of Georgetown



NOTE: Shaded area is city of Georgetown

Map 4: Site Location - Aerial Photo



Map 5: Affordable Rental Housing – Georgetown Area



Site/Neighborhood Photos



**SITE – Villas at Winyah Bay Apartments
Lincoln Street, Georgetown, SC
Facing south from Lincoln Street**



**SITE – Villas at Winyah Bay Apartments
Lincoln Street, Georgetown, SC
Facing south from Lincoln Street**



**SITE – Villas at Winyah Bay Apartments
Georgetown, SC
Facing east from west edge of site**



**SITE – Villas at Winyah Bay Apartments
Georgetown, SC
Facing north from Legion Street**



NORTH – Westside Apartments (Georgetown PHA)
Adjacent to north of site
Facing north from Lincoln Street



NORTH – Georgetown PHA Community Building
Adjacent to north of site
Facing north from Lincoln Street



SOUTH – Undeveloped property
Adjacent to south of site
Facing south from Legion Street



SOUTH – Beck Recreation Center
Adjacent to south of site
Facing south from Legion Street



EAST – Single family home
Adjacent to east and south of site
Facing north from Legion Street
Site is to left and behind home



EAST – Single-family home
Adjacent to east of site
Facing south from Lincoln Street
Site is to right of home



WEST – Senior Apartments adjacent to west of site
(Companion at Thornton Hall)
Facing west from interior of site



WEST – Senior Apartments adjacent to west of site
(Companion at Thornton Hall)
Facing south from Lincoln Street
Site is to left of apartments



Facing east along Lincoln Street
Site is on right
Georgetown Housing Authority is on left



Facing west along Lincoln Street
Site is on left
Georgetown Housing Authority is on right



Facing east along Legion Street
Site is on left



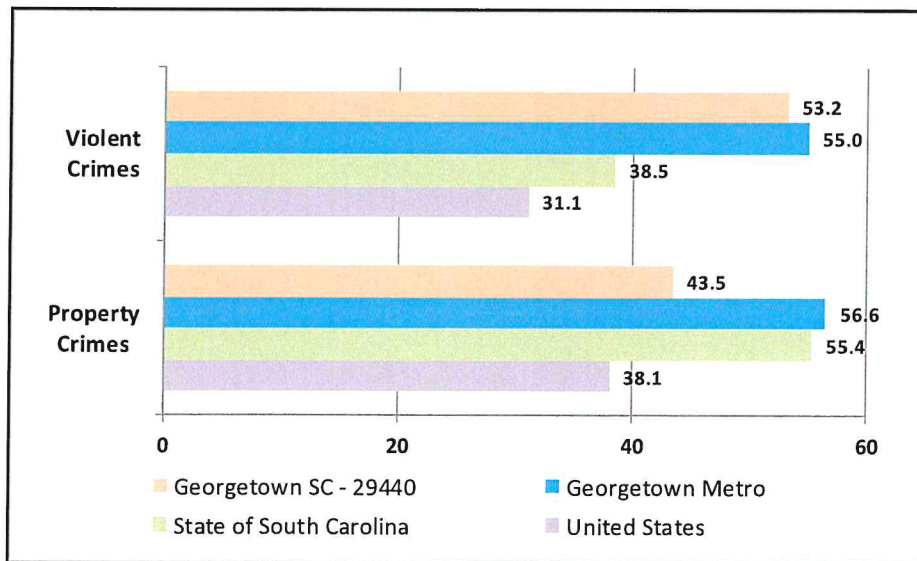
Facing west along Legion Street
Site is on right

6. Crime Assessment

Based on crime information by zip code, the crime rates for the Georgetown area are somewhat mixed. 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 29440) had a violent crime (murder, non-negligent manslaughter, rape, robbery, and aggravated assault) score of 53.2 and somewhat above state and national averages, while the property crime (burglary, larceny-theft, motor vehicle theft, and arson) score was 43.5, which was lower than state figures but slightly higher than national norms.

Although first-hand observations from a recent site visit did not indicate any notable 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, and/or secured intercom entry). Considering these factors as well as information gathered during the site visit, there does not appear to be any noticeable security concerns within the immediate neighborhood surrounding the site.

Table 1: Crime Risk Index



7. Road/Infrastructure Improvements

Based on the site visit and evaluation of the local market area, no significant road work and/or infrastructure improvements were observed near the site that would have any impact (positive or negative) on the marketability or absorption of the subject proposal.

8. Overall Site Conclusions

Overall, the majority of necessary services are situated within a short distance of the site, with several retail opportunities within ¾ mile away (including Food Lion, Walmart, Walgreens Pharmacy, Dollar General, Doctor's Care, and Georgetown Senior Center, among others). Based on a site visit conducted January 12, 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 is readily accessible to Fraser Street (roughly one-third mile east) and Highmarket Street (one-third mile to the south), offering easy access to downtown Georgetown and most local retail/commercial areas. The subject property has a generally positive curb appeal and ingress/egress, with no visible traffic congestion and most nearby properties in good condition.

C. PRIMARY MARKET AREA DELINEATION

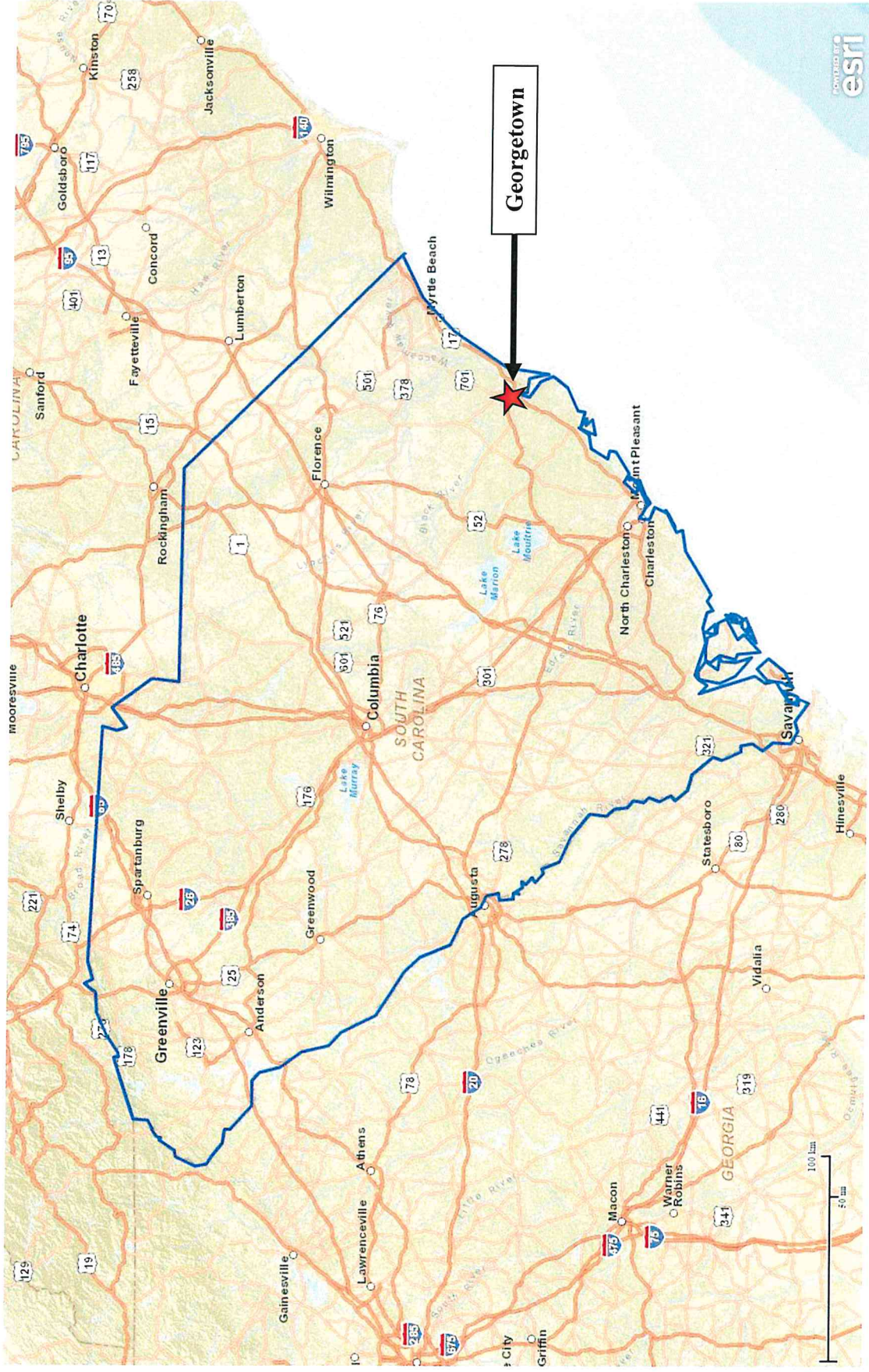
The Primary Market Area (PMA) is defined as the geographic area from which the subject property (either proposed or existing) is expected to draw the *majority* of its residents. For the purpose of this report, the Georgetown PMA consists of the southern half of Georgetown County, and also includes the community of Andrews. More specifically, the PMA is comprised of seven census tracts, reaching approximately eight miles to the north of the site, 12 miles to the east, 13 miles to the south, and roughly 16 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 the characteristics of the Georgetown area – including being the county seat and primary economic center for the county, an aging population, the general lack of non-subsidized senior housing locally, and the site’s proximity to U.S. 701 and U.S. 521 - providing relatively convenient transportation throughout most areas of the county.

Additional factors such as socio-economic conditions and patterns, local roadway infrastructure, commuting patterns, physical boundaries, and personal experience were also utilized when defining the primary market area. As such, the PMA is comprised of the following census tracts:

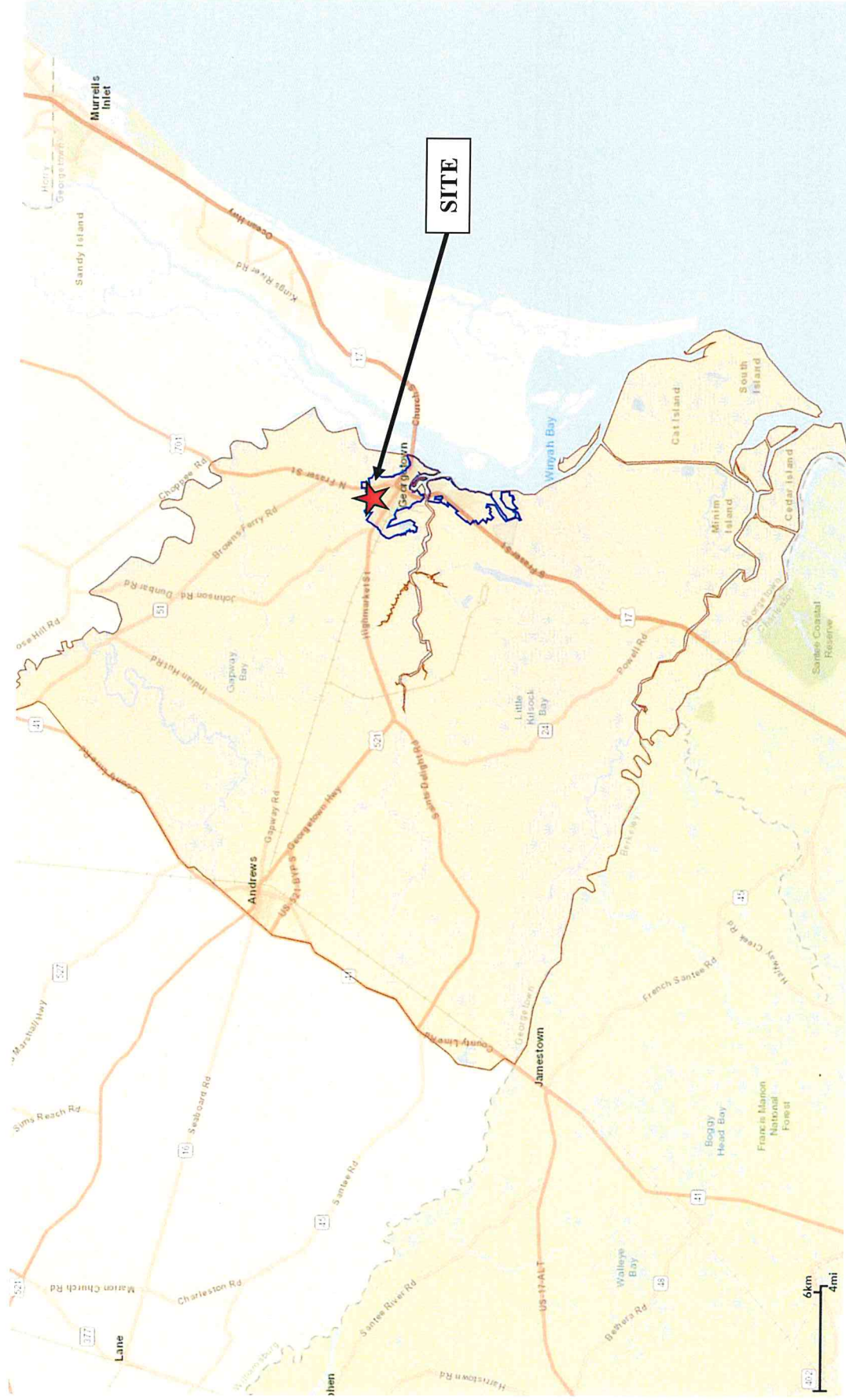
- Tract 9202.01
- Tract 9202.02
- Tract 9203.01
- Tract 9203.02
- Tract 9206.00*
- Tract 9207.00
- Tract 9208.00

* Site is located in Census Tract 9206.00

Map 6: State of South Carolina



Map 7: Georgetown PMA



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

Map 8: Primary Market Area – Census Tracts

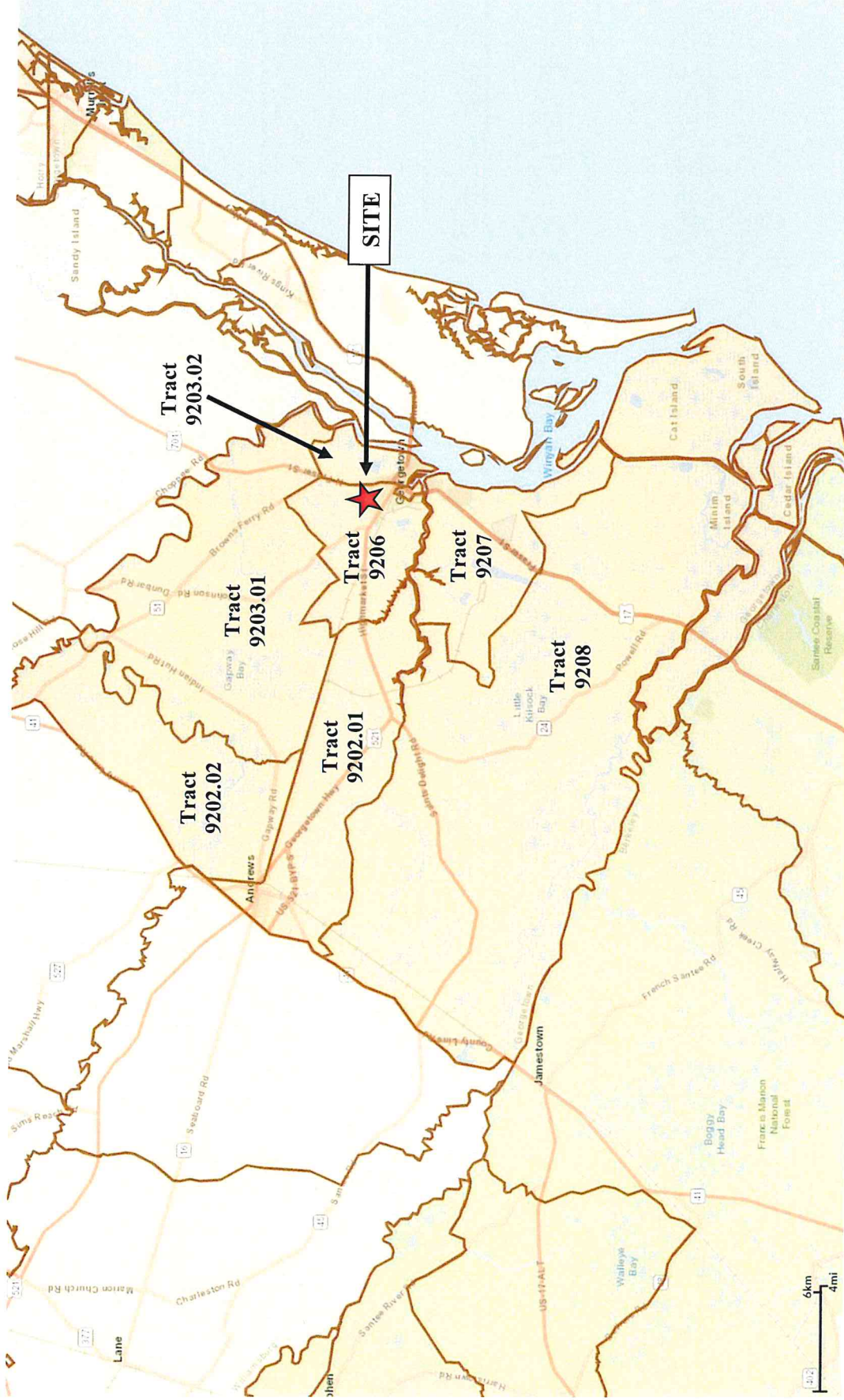


Table 2: Race Distribution (2010)

Census Tract 9206 - Georgetown County, SC		
	<u>Number</u>	<u>Percent</u>
Total Population (all races)	6,911	100.0%
White*	2,050	29.7%
Black or African American*	4,776	69.1%
American Indian/Alaska Native*	64	0.9%
Asian*	33	0.5%
Native Hawaiian/Pacific Islander*	8	0.1%
Other Race*	105	1.5%

*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 the private sector in Georgetown County was health care/social services (19 percent of all jobs), followed by persons employed in accommodation/food services (16 percent) and retail trade (14 percent). Based on a comparison of employment by industry from 2012, the majority of industries experienced an increase in net jobs. As such, the finance/insurance sector had the largest growth (422 new jobs since 2012), followed by health care/social services, arts/entertainment/recreation and accommodation/food services (each industry increasing by more than 280 jobs). In contrast, manufacturing experienced the greatest decline between 2012 and 2017 (158 fewer jobs), while wholesale trade declined by 124 jobs.

Table 3: Employment by Industry – Georgetown 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	23,271	100.0%	21,601	99.8%	1,670	8%
Agriculture, forestry, fishing and hunting	574	2.7%	585	2.9%	(11)	(2%)
Mining	*	*	44	*	*	*
Utilities	295	1.4%	306	1.5%	(11)	(4%)
Construction	1,123	5.2%	987	4.9%	136	14%
Manufacturing	2,054	9.5%	2,212	11.0%	(158)	(7%)
Wholesale trade	241	1.1%	365	1.8%	(124)	(34%)
Retail trade	2,934	13.6%	2,991	14.9%	(57)	(2%)
Transportation and warehousing	384	1.8%	300	1.5%	84	28%
Information	121	0.6%	119	0.6%	2	2%
Finance and insurance	937	4.3%	515	2.6%	422	82%
Real estate and rental and leasing	502	2.3%	296	1.5%	206	70%
Professional and technical services	708	3.3%	597	3.0%	111	19%
Management of companies and enterprises	47	0.2%	5	0.0%	42	840%
Administrative and waste services	1,077	5.0%	1,042	5.2%	35	3%
Educational services	*	*	*	*	*	*
Health care and social assistance	4,147	19.2%	3,765	18.8%	382	10%
Arts, entertainment, and recreation	1,132	5.2%	806	4.0%	326	40%
Accommodation and food services	3,492	16.1%	3,209	16.0%	283	9%
Other services, exc. public administration	598	2.8%	655	3.3%	(57)	(9%)
Public administration	1,271	5.9%	1,246	6.2%	25	2%

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

2. Commuting Patterns

Overall, the majority of PMA residents stay within the county to work. Based on place of employment (using American Community Survey data), 78 percent of PMA residents are employed within Georgetown County, while 22 percent work outside of the county (most of which commute to Horry County).

Furthermore, an overwhelming majority of workers throughout Georgetown 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 84 percent of workers within the PMA drove alone to their place of employment, while 11 percent carpooled in some manner. Only a very small number (roughly four percent) utilized public transportation, walked, or used some other means to get to work.

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

EMPLOYMENT BY PLACE OF WORK						
	City of Georgetown		Georgetown PMA		Georgetown County	
Total	3,077	100.0%	11,376	100.0%	23,609	100.0%
Worked in State of Residence	3,011	97.9%	11,112	97.7%	23,104	97.9%
Worked in County of Residence	2,397	77.9%	8,890	78.1%	17,267	73.1%
Worked Outside County of Residence	614	20.0%	2,222	19.5%	5,837	24.7%
Worked Outside State of Residence	66	2.1%	264	2.3%	505	2.1%
MEANS OF TRANSPORTATION TO WORK						
	City of Georgetown		Georgetown PMA		Georgetown County	
Total	3,077	100.0%	11,376	100.0%	23,281	100.0%
Drove Alone - Car, Truck, or Van	2,521	81.9%	9,541	83.9%	19,619	84.3%
Carpooled - Car, Truck, or Van	305	9.9%	1,236	10.9%	1,927	8.3%
Public Transportation	45	1.5%	102	0.9%	175	0.8%
Walked	50	1.6%	99	0.9%	152	0.7%
Other Means	149	4.8%	250	2.2%	432	1.9%
Worked at Home	7	0.2%	148	1.3%	976	4.2%
Source: U.S. Census Bureau; American Community Survey						

Table 5: Employment Commuting Patterns (2010)

Top Places Residents Are Commuting TO		Top Places Residents Are Commuting FROM	
	<u>Number</u>		<u>Number</u>
Horry County, SC	4,440	Horry County, SC	3,672
Williamsburg County, SC	860	Williamsburg County, SC	1,529
Charleston County, SC	419	Florence County, SC	276
Florence County, SC	286	Berkeley County, SC	161
Berkeley County, SC	158	Charleston County, SC	150
Richland County, SC	88	Brunswick County, NC	105
Source: U.S. Census Bureau - 2010			

3. Largest Employers

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

Georgetown County Top Employers (Listed Alphabetically)	
Agru/America Inc.	Brookgreen Gardens
City of Georgetown	County of Georgetown
Dining Concepts Group LLC	Employer Solutions Staffing Group
Food Lion LLC	Founders National Golf LLC
Georgetown County Dept. of Education	Georgetown Hospital System
Georgetown Physician Services LLC	International Paper
New Penn Financial LLC	Safe Rack LLC
Santee Cooper SC Public Service Auth	ScribeAmerica LLC
SEFA Transportation Inc.	Valdes Enterprises LLC
Waccamaw Management LLC	Wal-Mart Associates Inc.
Source: SC Department of Employment & Workforce – 2018 Q2	

4. Employment and Unemployment Trends

The overall economy throughout Georgetown County has demonstrated improvement in recent years, with employment increases in each of the last five years as well as an improving unemployment rate since 2010. As such, Georgetown County recorded an overall increase of approximately 2,450 jobs since 2012, representing an increase of 11 percent (an average annual increase of 1.9 percent). In addition, the most recent unemployment rate was calculated at 4.2 percent in November 2018, improving from 5.1 percent in November 2017 and representing the county’s lowest rate in more than ten years. In comparison, the state and national unemployment rates for November 2018 were 3.1 and 3.9 percent, respectively.

Table 6: Historical Employment Trends

Year	Georgetown County				Employment Annual Change			Unemployment Rate		
	Labor Force	Number Employed	Annual Change	Percent Change	Georgetown County	South Carolina	United States	Georgetown County	South Carolina	United States
2005	28,755	26,283	--	--	--	--	--	8.6%	6.7%	5.1%
2006	29,367	27,277	994	3.8%	3.8%	2.3%	1.9%	7.1%	6.4%	4.6%
2007	29,139	27,340	63	0.2%	0.2%	1.6%	1.1%	6.2%	5.7%	4.6%
2008	30,367	28,113	773	2.8%	2.8%	-0.5%	-0.5%	7.4%	6.8%	5.8%
2009	30,222	26,618	(1,495)	-5.3%	-5.3%	-4.3%	-3.8%	11.9%	11.2%	9.3%
2010	26,045	22,271	(4,347)	-16.3%	-16.3%	0.2%	-0.6%	14.5%	11.2%	9.6%
2011	25,531	22,063	(208)	-0.9%	-0.9%	1.6%	0.6%	13.6%	10.6%	8.9%
2012	24,672	21,718	(345)	-1.6%	-1.6%	2.0%	1.9%	12.0%	9.2%	8.1%
2013	24,406	21,929	211	1.0%	1.0%	2.1%	1.0%	10.1%	7.6%	7.4%
2014	24,852	22,733	804	3.7%	3.7%	2.7%	1.7%	8.5%	6.4%	6.2%
2015	25,247	23,118	385	1.7%	1.7%	2.6%	1.7%	8.4%	6.0%	5.3%
2016	25,415	23,763	645	2.8%	2.8%	2.4%	1.7%	6.5%	4.8%	4.9%
2017	25,289	23,893	130	0.5%	0.5%	1.2%	1.3%	5.5%	4.3%	4.4%
Nov 2017*	25,552	24,261	---	---	---	---	---	5.1%	4.0%	4.5%
Nov 2018*	25,580	24,512	251	1.0%	1.0%	1.1%	1.9%	4.2%	3.1%	3.9%

Georgetown County				South Carolina		
	Number	Percent	Ann. Avg.		Percent	Ann. Avg.
Change (2005-Present):	(1,771)	-6.7%	-0.5%	Change (2005-Present):	15.9%	1.2%
Change (2010-Present):	2,241	10.1%	1.3%	Change (2010-Present):	16.8%	2.1%
Change (2015-Present):	1,394	6.0%	2.0%	Change (2015-Present):	4.7%	1.6%
Change (2005-2010):	(4,012)	-15.3%	-3.1%	Change (2005-2010):	-0.7%	-0.1%
Change (2010-2015):	847	3.8%	0.8%	Change (2010-2015):	11.5%	2.3%

*Monthly data not seasonally adjusted

Figure 1: Employment Growth

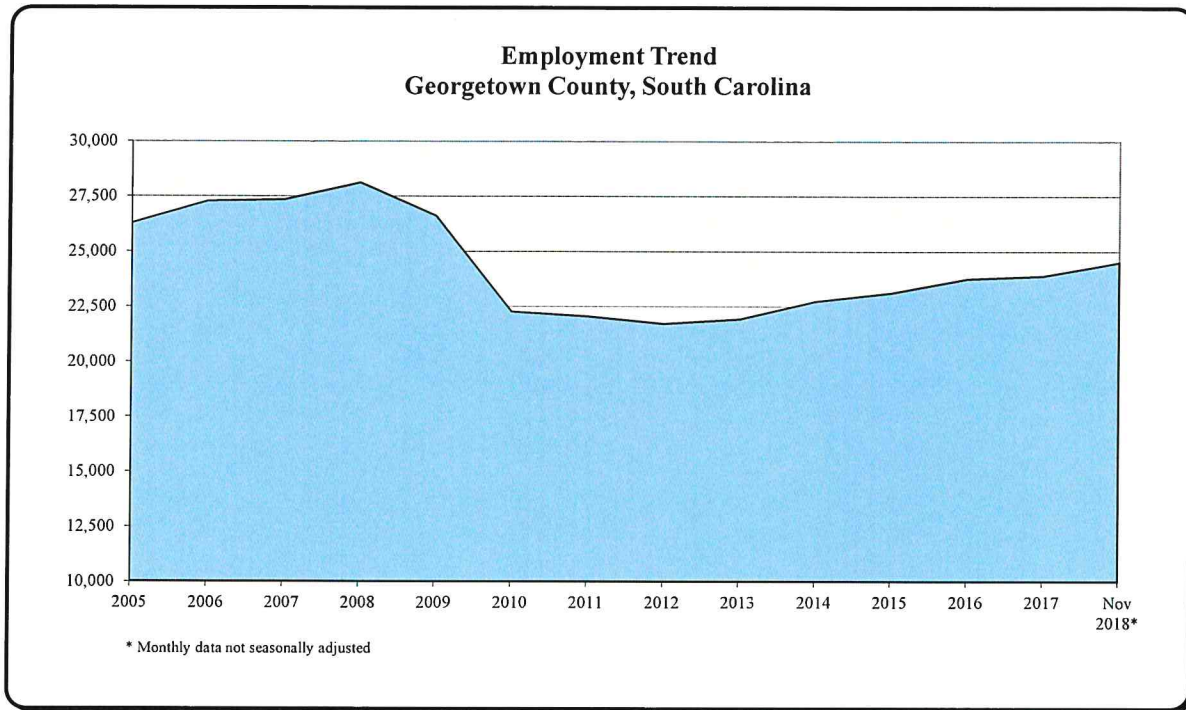
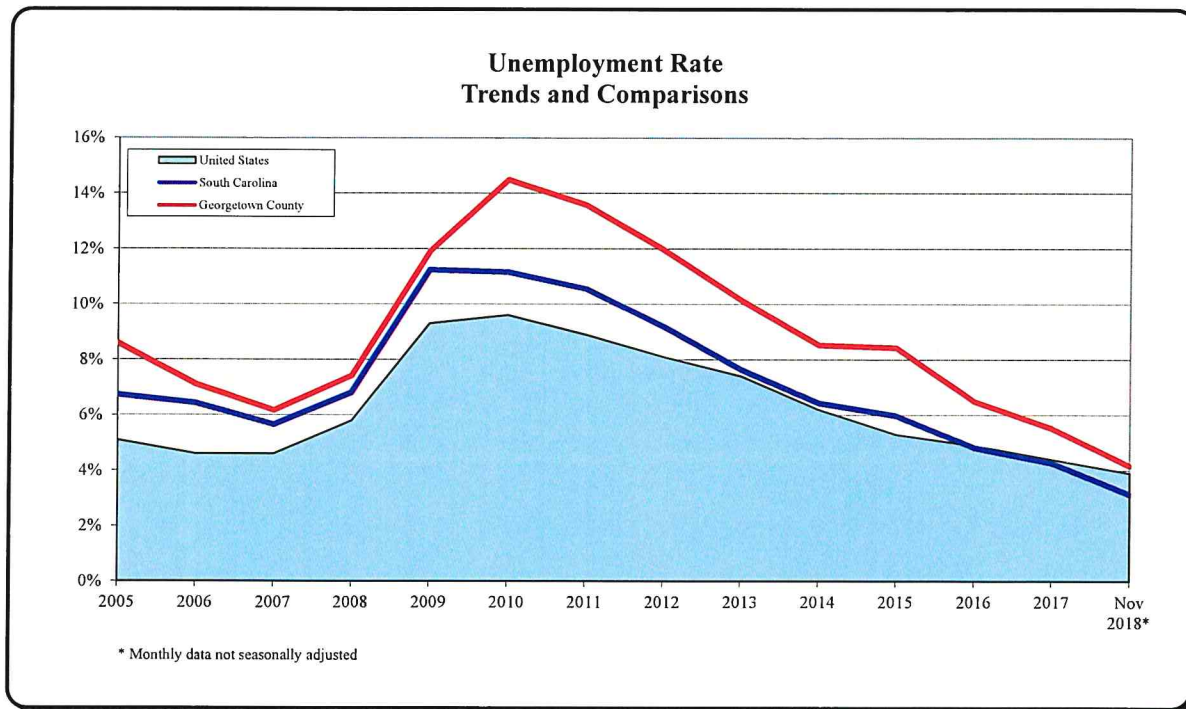
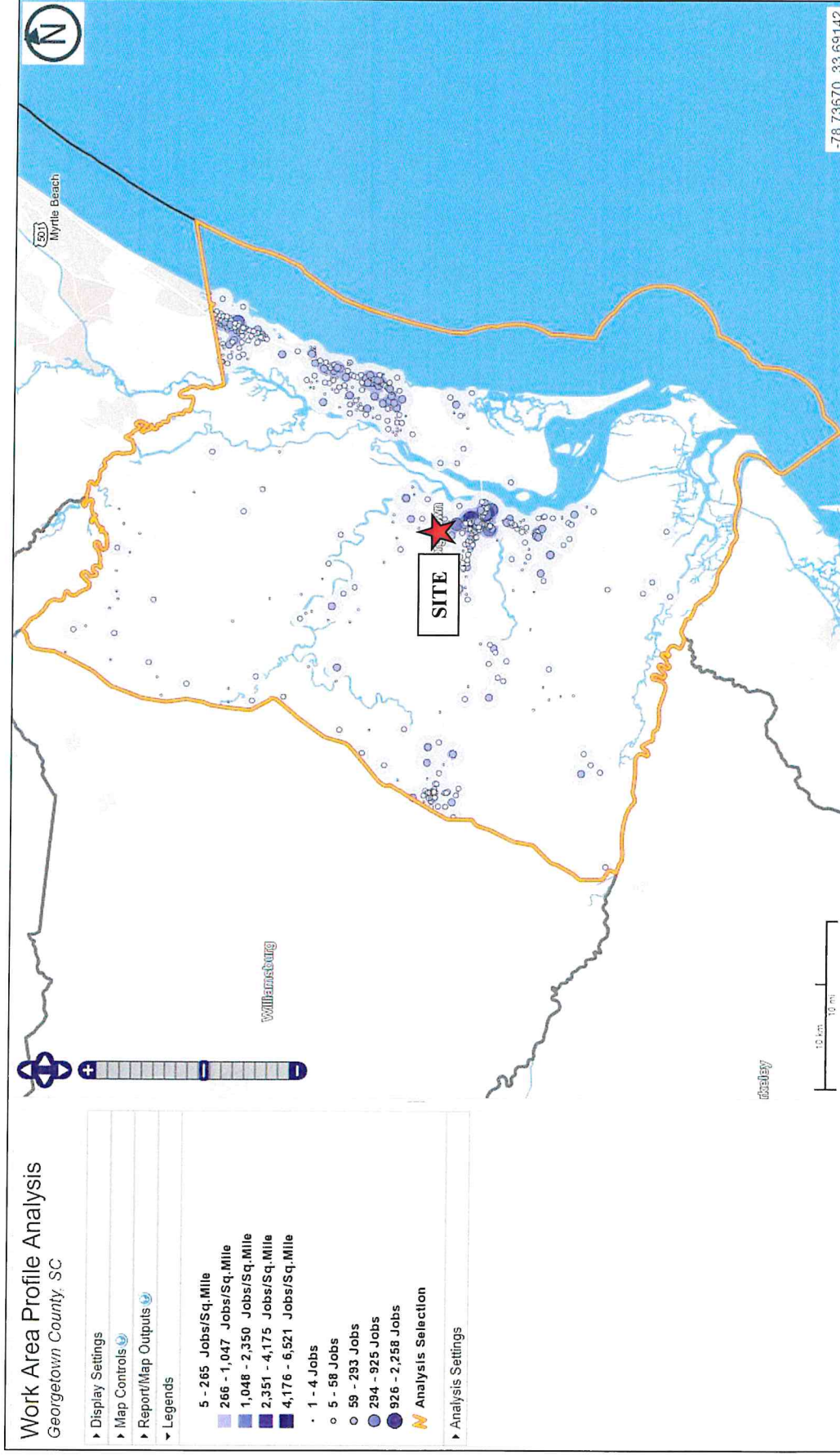


Figure 2: Historical Unemployment Rate



Map 9: Employment Concentrations – Georgetown County



E. COMMUNITY DEMOGRAPHIC DATA

1. Population Trends

Based on U.S. Census data and ESRI forecasts, much of Georgetown County has experienced positive demographic patterns since 2010, including both Georgetown and the PMA. Overall, the PMA had an estimated population of 32,434 persons in 2018, representing an increase of three percent from 2010 (a gain of more than 1,000 persons). In comparison, the city increased by a similar two percent during this time, while the county increased by a somewhat larger six percent between 2010 and 2018.

Future projections indicate similar trends with an estimated increase of three percent anticipated within the PMA between 2018 and 2023 (roughly 1,075 additional persons), while Georgetown proper is expected to increase by a similar three percent during this time.

Table 7: Population Trends (2000 to 2023)

	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Georgetown	9,448	9,163	9,382	9,545	9,653
Georgetown PMA	31,958	31,386	32,434	33,077	33,505
Georgetown County	55,766	60,158	63,851	65,584	66,740
		<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 Georgetown		-3.0%	2.4%	1.7%	2.9%
Georgetown PMA		-1.8%	3.3%	2.0%	3.3%
Georgetown County		7.9%	6.1%	2.7%	4.5%
		<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 Georgetown		-0.3%	0.3%	0.6%	0.6%
Georgetown PMA		-0.2%	0.4%	0.7%	0.7%
Georgetown County		0.8%	0.7%	0.9%	0.9%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC					

The population throughout Georgetown County is relatively diverse. As such, the largest population group for the PMA in 2010 consisted of persons between the ages of 20 and 44 years, accounting for 30 percent of all persons. However, the largest age cohort for the city was under 20 years (30 percent), while the largest for the county as a whole was 45 to 64 years (31 percent). These two latter age groups also represented sizeable proportions within the PMA as well, each at 28 percent of the overall population.

When reviewing distribution patterns between 2000 and 2023, the aging of the population is clearly evident for the PMA and especially Georgetown County as a whole. The proportion of persons under the age of 45 has steadily declined 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 over the age of 55 years, which represented 22 percent of the population in 2000, is expected to increase to account for 35 percent of all persons by 2023 – an aging trend largely explained by the continued aging of the baby boom generation as well as coastal areas becoming more of a retirement destination in recent years.

As such, the increasing percentage of persons above the age of 55 seen throughout Georgetown and the PMA (expected to represent more than one-third of all persons within the PMA 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 Georgetown				Georgetown PMA				Georgetown County			
	2010	2000	2010	2023	2010	2000	2010	2023	2010	2000	2010	2023
	Number	Percent	Percent	Percent	Number	Percent	Percent	Percent	Number	Percent	Percent	Percent
Under 20 years	2,708	31.2%	29.6%	27.3%	8,885	31.1%	28.3%	25.3%	14,359	27.5%	23.9%	20.5%
20 to 24 years	553	6.2%	6.0%	5.2%	1,844	6.5%	5.9%	5.1%	2,813	5.4%	4.7%	4.0%
25 to 34 years	1,149	12.7%	12.5%	11.3%	3,698	12.4%	11.8%	11.4%	5,829	11.6%	9.7%	9.4%
35 to 44 years	986	12.5%	10.8%	11.8%	3,705	14.6%	14.3%	11.7%	6,771	14.3%	11.3%	10.5%
45 to 54 years	1,230	12.8%	13.4%	11.6%	4,474	13.6%	14.3%	12.0%	8,554	14.5%	14.2%	11.4%
55 to 64 years	1,190	8.2%	13.0%	12.4%	4,257	9.3%	13.6%	13.5%	9,912	11.7%	16.5%	15.5%
65 to 74 years	654	7.3%	7.1%	12.0%	2,612	6.7%	8.3%	12.7%	7,337	8.7%	12.2%	17.6%
75 to 84 years	473	6.5%	5.2%	6.2%	1,403	4.5%	4.5%	6.3%	3,458	5.1%	5.7%	8.8%
85 years and older	220	2.7%	2.4%	2.2%	508	1.3%	1.6%	1.9%	1,125	1.2%	1.9%	2.3%
Under 20 years	2,708	31.2%	29.6%	27.3%	8,885	31.1%	28.3%	25.3%	14,359	27.5%	23.9%	20.5%
20 to 44 years	2,688	31.4%	29.3%	28.3%	9,247	33.4%	29.5%	28.2%	15,413	31.3%	25.6%	23.9%
45 to 64 years	2,420	21.0%	26.4%	24.0%	8,731	22.9%	27.8%	25.5%	18,466	26.2%	30.7%	26.9%
65 years and older	1,347	16.4%	14.7%	20.4%	4,523	12.5%	14.4%	21.0%	11,920	15.0%	19.8%	28.7%
55 years and older	2,537	24.6%	27.7%	32.8%	8,780	21.9%	28.0%	34.5%	21,832	26.7%	36.3%	44.2%
75 years and older	693	9.1%	7.6%	8.4%	1,911	5.8%	6.1%	8.2%	4,583	6.2%	7.6%	11.1%
Non-Elderly (<65)	7,816	83.6%	85.3%	79.6%	26,863	87.5%	85.6%	79.0%	48,238	85.0%	80.2%	71.3%
Elderly (65+)	1,347	16.4%	14.7%	20.4%	4,523	12.5%	14.4%	21.0%	11,920	15.0%	19.8%	28.7%

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

2. Household Trends

Similar to population patterns, the number of households has also exhibited modest gains since 2010. As such, occupied households within the PMA numbered 12,231 units in 2018, representing an increase of four percent from 2010 (a gain of 415 households). Further, ESRI forecasts for 2023 indicate this number will continue to increase at a similar rate (by more than 400 households) between 2018 and 2023. In comparison, the number of households increased by three percent within Georgetown between 2010 and 2018, and is anticipated to increase by an additional three percent through 2023.

Table 9: Household Trends (2000 to 2023)

	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Georgetown	3,583	3,527	3,616	3,678	3,720
Georgetown PMA	11,679	11,816	12,231	12,476	12,640
Georgetown County	21,646	24,524	26,182	26,933	27,433
		<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 Georgetown		-1.6%	2.5%	1.7%	2.9%
Georgetown PMA		1.2%	3.5%	2.0%	3.3%
Georgetown County		13.3%	6.8%	2.9%	4.8%
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 Georgetown	2.57	2.53	2.55	2.55	2.55
Georgetown PMA	2.69	2.61	2.61	2.61	2.61
Georgetown County	2.55	2.43	2.42	2.41	2.41
		<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 Georgetown		-1.6%	1.0%	0.0%	0.1%
Georgetown PMA		-3.0%	-0.1%	0.0%	0.0%
Georgetown County		-4.7%	-0.5%	-0.1%	-0.2%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC					

Renter-occupied households throughout the market area have exhibited somewhat declining patterns over the past decade. According to U.S. Census figures and ESRI estimates, a total of 3,193 renter-occupied households are estimated within the PMA for 2018, representing a decrease of four percent from 2010 figures (a loss of nearly 150 rental units). In addition, an additional decline of one percent (35 rental units) is forecast for the PMA between 2018 and 2023.

Overall, a somewhat moderate ratio of renter households exists throughout the Georgetown market area. For the PMA, the renter household percentage was calculated at 26 percent in 2018, somewhat lower than the city ratio (40 percent), but larger than the county’s renter representation (20 percent).

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 Georgetown	1,316	1,637	1,449	1,436	1,428
Georgetown PMA	2,606	3,334	3,193	3,172	3,158
Georgetown County	4,036	5,447	5,318	5,314	5,312
		<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 Georgetown		24.4%	-11.5%	-0.9%	-1.4%
Georgetown PMA		27.9%	-4.2%	-0.7%	-1.1%
Georgetown County		35.0%	-2.4%	-0.1%	-0.1%
	<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 Georgetown	36.7%	46.4%	40.1%	39.0%	38.4%
Georgetown PMA	22.3%	28.2%	26.1%	25.4%	25.0%
Georgetown County	18.6%	22.2%	20.3%	19.7%	19.4%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC					

Similar to overall households, renter household sizes for the Georgetown PMA were generally larger than those reported for Georgetown County, on average, and more in line than sizes for Georgetown proper. Furthermore, renter sizes increased somewhat over the past decade in the PMA (from 2.65 persons per unit in 2000 to 2.69 persons per unit in 2010). Despite the increase in average size, the majority of rental units locally contained just one or two persons (54 percent), with three persons occupying 18 percent of units, and 28 percent of units with four or more persons.

Table 12: Rental Units by Size (2010)

	<u>One Person</u>	<u>Two Persons</u>	<u>Three Persons</u>	<u>Four Persons</u>	<u>5 or More Persons</u>	<u>Median Persons Per Rental Unit</u>	
						<u>2000</u>	<u>2010</u>
City of Georgetown	489	403	306	242	197	2.63	2.65
Georgetown PMA	979	807	614	491	443	2.65	2.69
Georgetown County	1,738	1,482	935	701	591	2.46	2.52
	<u>1 Person Percent</u>	<u>2 Person Percent</u>	<u>3 Person Percent</u>	<u>4 Person Percent</u>	<u>5+ Person Percent</u>	<u>Median Change</u>	
City of Georgetown	29.9%	24.6%	18.7%	14.8%	12.0%	0.8%	
Georgetown PMA	29.4%	24.2%	18.4%	14.7%	13.3%	1.6%	
Georgetown County	31.9%	27.2%	17.2%	12.9%	10.9%	2.4%	

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

3. Senior-Specific Demographic Data

As noted earlier, the senior population cohort is anticipated to experience sizeable growth throughout Georgetown County, as compared to other age segments. As such, a total of 10,461 seniors (age 55 years and over) are estimated in the PMA for 2018, representing an increase of 19 percent from 2010 (nearly 1,700 additional seniors). The 2018 figure represents 32 percent of the overall population, which is an increase from a representation of just 22 percent in 2000. Furthermore, this positive trend is anticipated to continue, with an additional increase of ten percent (almost 1,100 seniors) forecast between 2018 and 2023.

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

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 Georgetown	2,204	2,537	2,929	3,041	3,169
Georgetown PMA	6,991	8,780	10,461	10,961	11,548
Georgetown County	14,880	21,832	26,571	27,976	29,513
		<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 Georgetown		15.1%	15.5%	3.8%	8.2%
Georgetown PMA		25.6%	19.1%	4.8%	10.4%
Georgetown County		46.7%	21.7%	5.3%	11.1%
<i>Percent of Population</i>					
	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Georgetown	23.3%	27.7%	31.2%	31.9%	32.8%
Georgetown PMA	21.9%	28.0%	32.3%	33.1%	34.5%
Georgetown County	26.7%	36.3%	41.6%	42.7%	44.2%
65+ Population Trends					
	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Georgetown	1,468	1,347	1,688	1,810	1,971
Georgetown PMA	4,008	4,523	5,878	6,369	7,020
Georgetown County	8,354	11,920	15,993	17,386	19,155
		<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 Georgetown		-8.2%	25.3%	7.2%	16.8%
Georgetown PMA		12.8%	30.0%	8.3%	19.4%
Georgetown County		42.7%	34.2%	8.7%	19.8%
<i>Percent of Population</i>					
	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Georgetown	15.5%	14.7%	18.0%	19.0%	20.4%
Georgetown PMA	12.5%	14.4%	18.1%	19.3%	21.0%
Georgetown County	15.0%	19.8%	25.0%	26.5%	28.7%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC					

As with senior population patterns, senior household trends (age 55 years and older) have also experienced strong gains 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 15 percent between 2010 and 2018 (adding more than 800 senior households), while ESRI estimates a further gain of nine percent between 2018 and 2023 – representing approximately 55 percent of all PMA households in 2023 (an increase from 47 percent seniors in 2010).

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 Georgetown	1,362	1,594	1,823	1,881	1,942
Georgetown PMA	4,393	5,544	6,350	6,606	6,888
Georgetown County	9,282	13,483	15,852	16,591	17,335
		<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 Georgetown		17.0%	14.3%	3.2%	6.6%
Georgetown PMA		26.2%	14.5%	4.0%	8.5%
Georgetown County		45.3%	17.6%	4.7%	9.4%
<i>Percent of Households</i>					
	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Georgetown	38.0%	45.2%	50.4%	51.1%	52.2%
Georgetown PMA	37.6%	46.9%	51.9%	52.9%	54.5%
Georgetown County	42.9%	55.0%	60.5%	61.6%	63.2%
65+ Household Trends					
	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Georgetown	912	887	1,121	1,193	1,287
Georgetown PMA	2,598	3,021	3,756	4,032	4,391
Georgetown County	5,444	7,784	10,020	10,803	11,761
		<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 Georgetown		-2.7%	26.4%	6.4%	14.7%
Georgetown PMA		16.3%	24.3%	7.4%	16.9%
Georgetown County		43.0%	28.7%	7.8%	17.4%
<i>Percent of Households</i>					
	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Georgetown	25.5%	25.1%	31.0%	32.4%	34.6%
Georgetown PMA	22.2%	25.6%	30.7%	32.3%	34.7%
Georgetown County	25.2%	31.7%	38.3%	40.1%	42.9%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC					

Despite the substantial growth in the senior population throughout the area, the percentage of senior renter households is notably smaller than the overall renter household percentage. As such, senior renter households (55 and over) within the PMA numbered 1,096 units in 2018, representing roughly 17 percent of all senior-occupied households within the market area. In comparison, Georgetown itself contained 512 senior renter households, which was 28 percent of all senior households within the community.

Table 15: Senior Renter Household Trends (2000 to 2023)

Senior Renter HHs - 55+					
	<u>2000</u>	<u>2010</u>	<u>2018</u>	<u>2021</u>	<u>2023</u>
City of Georgetown	263	448	512	529	546
Georgetown PMA	529	957	1,096	1,140	1,189
Georgetown County	953	1,723	2,026	2,120	2,215
		<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 Georgetown		70.3%	14.3%	3.2%	6.6%
Georgetown PMA		80.9%	14.5%	4.0%	8.5%
Georgetown County		80.8%	17.6%	4.7%	9.4%
	<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 Georgetown	19.3%	28.1%	28.1%	28.1%	28.1%
Georgetown PMA	12.0%	17.3%	17.3%	17.3%	17.3%
Georgetown County	10.3%	12.8%	12.8%	12.8%	12.8%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC					

4. Household Income Trends

Income trends throughout the Georgetown area have been somewhat mixed over the past decade. While the median household income for the county as a whole increased slightly since 2010, incomes for Georgetown proper and the PMA have declined. The median household income was estimated at \$34,315 for the PMA for 2018, which was 17 percent greater than that estimated for the city (\$29,418), but 21 percent below that recorded for Georgetown County overall (\$43,430). Furthermore, the PMA figure represents a decrease of two percent from 2010 (an average annual decrease of 0.3 percent), while the county increased by 0.2 percent annually during this time.

However, income appreciation is forecast to improve over the next five years, but will still remain relatively sluggish. As such, it is projected that the median income within the PMA will increase by 1.1 percent annually between 2018 and 2023, providing an indication that the local economy is expected to improve somewhat over the next five years.

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 Georgetown	\$28,267	\$29,711	\$29,418	\$30,157	\$30,650
Georgetown PMA	\$30,911	\$35,101	\$34,315	\$35,458	\$36,220
Georgetown County	\$35,164	\$42,666	\$43,430	\$44,965	\$45,989
		<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 Georgetown		5.1%	-1.0%	2.5%	4.2%
Georgetown PMA		13.6%	-2.2%	3.3%	5.6%
Georgetown County		21.3%	1.8%	3.5%	5.9%
		<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 Georgetown		0.5%	-0.1%	0.8%	0.8%
Georgetown PMA		1.2%	-0.3%	1.1%	1.1%
Georgetown County		1.9%	0.2%	1.2%	1.2%

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

According to the U.S. Census Bureau, approximately 48 percent of all households within the Georgetown 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, the city had a somewhat higher proportion of incomes within this range at 54 percent. As such, with approximately one-half of all households within the market 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 Georgetown		Georgetown PMA		Georgetown County	
	Number	Percent	Number	Percent	Number	Percent
Less than \$10,000	655	19.3%	1,393	12.1%	2,043	8.2%
\$10,000 to \$14,999	314	9.3%	944	8.2%	1,689	6.8%
\$15,000 to \$19,999	313	9.2%	879	7.6%	1,488	6.0%
\$20,000 to \$24,999	238	7.0%	1,014	8.8%	1,745	7.0%
\$25,000 to \$29,999	119	3.5%	541	4.7%	1,093	4.4%
\$30,000 to \$34,999	193	5.7%	803	7.0%	1,519	6.1%
\$35,000 to \$39,999	202	6.0%	546	4.7%	1,194	4.8%
\$40,000 to \$44,999	135	4.0%	452	3.9%	1,199	4.8%
\$45,000 to \$49,999	182	5.4%	476	4.1%	981	3.9%
\$50,000 to \$59,999	123	3.6%	836	7.3%	1,725	6.9%
\$60,000 to \$74,999	239	7.1%	886	7.7%	2,333	9.4%
\$75,000 to \$99,999	303	8.9%	1,258	10.9%	3,005	12.1%
\$100,000 to \$124,999	105	3.1%	697	6.0%	1,708	6.9%
\$125,000 to \$149,999	172	5.1%	356	3.1%	1,090	4.4%
\$150,000 to \$199,999	78	2.3%	308	2.7%	990	4.0%
\$200,000 and Over	16	0.5%	139	1.2%	1,038	4.2%
TOTAL	3,387	100.0%	11,528	100.0%	24,840	100.0%
Less than \$34,999	1,832	54.1%	5,574	48.4%	9,577	38.6%
\$35,000 to \$49,999	519	15.3%	1,474	12.8%	3,374	13.6%
\$50,000 to \$74,999	362	10.7%	1,722	14.9%	4,058	16.3%
\$75,000 to \$99,999	303	8.9%	1,258	10.9%	3,005	12.1%
\$100,000 and Over	371	11.0%	1,500	13.0%	4,826	19.4%

Source: American Community Survey

Based on the proposed income targeting and rent levels, the key income range for the subject proposal is \$15,810 to \$27,180 (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 14 percent of the PMA's senior owner-occupied household number, and 30 percent of the senior renter-occupied household figure are within the income-qualified range. Overall, this income range accounted for 15 percent of all senior households within the PMA. Considering the relative density of the PMA, this equates to nearly 1,100 potential income-qualified households for the proposed development, including almost 350 income-qualified senior renter households.

Table 18: Senior Household Income by Tenure – Georgetown 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	524	339	185	7.3%	6.2%	16.2%
\$10,000 to \$14,999	535	350	185	7.5%	6.4%	16.2%
\$15,000 to \$19,999	467	342	125	6.8%	6.3%	10.9%
\$20,000 to \$24,999	523	320	203	7.2%	5.8%	17.8%
\$25,000 to \$29,999	372	303	69	5.6%	5.5%	6.1%
\$30,000 to \$34,999	334	284	51	5.1%	5.2%	4.5%
\$35,000 to \$39,999	370	314	55	5.6%	5.7%	4.9%
\$40,000 to \$49,999	603	575	28	9.6%	10.5%	2.4%
\$50,000 and Over	<u>2,878</u>	<u>2,638</u>	<u>240</u>	<u>45.2%</u>	<u>48.3%</u>	<u>21.1%</u>
TOTAL	6,606	5,466	1,140	100.0%	100.0%	100.0%

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

The American Community Survey shows that approximately 48 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 40 percent of senior renter households (aged 65 and over) are overburdened within the PMA, while 55 percent of senior renter units within Georgetown itself are overburdened. As such, this data demonstrates that the need for affordable housing is quite apparent in the PMA, and the income-targeting plan proposed for the subject would clearly help to alleviate this issue.

Table 19a: Renter Overburdened Households (2017)

Gross Rent as a % of Household Income	City of Georgetown		Georgetown PMA		Georgetown County	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Total Rental Units	1,617	100.0%	3,302	100.0%	5,848	100.0%
Less than 10.0 Percent	104	7.1%	144	5.2%	226	4.5%
10.0 to 14.9 Percent	116	7.9%	223	8.0%	409	8.2%
15.0 to 19.9 Percent	65	4.4%	220	7.9%	591	11.8%
20.0 to 24.9 Percent	214	14.5%	401	14.4%	717	14.3%
25.0 to 29.9 Percent	96	6.5%	206	7.4%	440	8.8%
30.0 to 34.9 Percent	136	9.2%	257	9.3%	450	9.0%
35.0 to 39.9 Percent	147	10.0%	270	9.7%	396	7.9%
40.0 to 49.9 Percent	113	7.7%	201	7.2%	439	8.8%
50 Percent or More	484	32.8%	854	30.8%	1,333	26.7%
Not Computed	142	--	526	--	847	--
35 Percent or More	744	50.4%	1,325	47.7%	2,168	43.4%
40 Percent or More	597	40.5%	1,055	38.0%	1,772	35.4%

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

Table 19b: Senior Renter Overburdened Households (2017)

Gross Rent as a % of Household Income	City of Georgetown		Georgetown PMA		Georgetown County	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Householder 65+ Years:	137	100.0%	435	100.0%	1,073	100.0%
Less than 20.0 Percent	7	5.1%	29	7.9%	133	14.6%
20.0 to 24.9 Percent	47	34.3%	94	25.8%	155	17.0%
25.0 to 29.9 Percent	8	5.8%	57	15.6%	138	15.1%
30.0 to 34.9 Percent	0	0.0%	40	11.0%	88	9.6%
35.0 Percent or More	75	54.7%	145	39.7%	398	43.6%
Not Computed	0	--	70	--	161	--

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 \$27,180 (the 2-person income limit at 60 percent AMI for Georgetown 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	\$15,810	\$22,650
60 percent of AMI	\$18,810	\$27,180
Overall	\$15,810	\$27,180

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, 30 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 44 additional senior renter households are anticipated between 2018 and 2021. By applying the income-qualified percentage to the overall eligible figure, a demand for 13 senior tax credit rental units can be calculated as a result of new rental household growth.

Using U.S. Census data on substandard rental housing, it is estimated that approximately seven percent of all renter households within the Georgetown 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 21 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 40 percent. Applying this rate to the number of renter households yields a total demand of 113 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 14 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 31 units has been determined arising from existing elderly owner households.

There have been no comparable LIHTC properties within the Georgetown PMA that have been allocated credits or placed in service since 2018, or are currently under construction. As such, no units need to be deducted from the sources of demand listed previously. Combining all above factors results in an overall senior demand of 178 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 Georgetown area coupled with the general lack of similar tax credit rental options targeted specifically to seniors.

Table 20: Demand Calculation – by Income Targeting

2010 Total Occupied Households 55+	5,544		
2010 Owner-Occupied Households 55+	4,587		
2010 Renter-Occupied Households 55+	957		
		Income Targeting	
		50%	60%
		AMI	AMI
			Total
QUALIFIED-INCOME RANGE			LIHTC
Minimum Annual Income		\$15,810	\$18,810
Maximum Annual Income		\$22,650	\$27,180
DEMAND FROM NEW HOUSEHOLD GROWTH			
Renter Household Growth, 2018-2021	44	44	44
Percent Income Qualified Renter Households	18.6%	23.1%	29.7%
Total Demand From New Households	8	10	13
DEMAND FROM EXISTING RENTER HOUSEHOLDS			
Percent of Renters in Substandard Housing	7.3%	7.3%	7.3%
Percent Income Qualified Renter Households	18.6%	23.1%	29.7%
Total Demand From Substandard Renter HHs	13	16	21
Percent of Renters Rent-Overburdened	39.7%	39.7%	39.7%
Percent Income Qualified Renter Households	18.6%	23.1%	29.7%
Total Demand From Overburdened Renter HHs	71	88	113
DEMAND FROM EXISTING OWNER HOUSEHOLDS			
Owner to Renter Conversion Rate	5.0%	5.0%	5.0%
Percent Income Qualified	8.4%	9.8%	13.5%
Total Demand from Owner Households	19	22	31
Total Demand From Existing Households	103	126	165
TOTAL DEMAND	111	136	178
LESS: Total Comparable Activity Since 2018	0	0	0
TOTAL NET DEMAND	111	136	178
PROPOSED NUMBER OF UNITS	9	33	42
CAPTURE RATE	8.1%	24.2%	23.6%
Note: Totals may not sum due to rounding			

Table 21: Demand Calculation – by Bedroom Size

2010 Total Occupied Households 55+	5,544																
2010 Owner-Occupied Households 55+	4,587																
2010 Renter-Occupied Households 55+	957																
			<table border="1"> <thead> <tr> <th colspan="3">One-Bedroom Units</th> <th colspan="3">Two-Bedroom Units</th> </tr> <tr> <th>50% AMI</th> <th>60% AMI</th> <th>Total LIHTC</th> <th>50% AMI</th> <th>60% AMI</th> <th>Total LIHTC</th> </tr> </thead> </table>			One-Bedroom Units			Two-Bedroom Units			50% AMI	60% AMI	Total LIHTC	50% AMI	60% AMI	Total LIHTC
One-Bedroom Units			Two-Bedroom Units														
50% AMI	60% AMI	Total LIHTC	50% AMI	60% AMI	Total LIHTC												
QUALIFIED-INCOME RANGE																	
Minimum Annual Income	\$15,810	\$18,810	\$15,810	\$18,120	\$19,800	\$18,120											
Maximum Annual Income	\$22,650	\$27,180	\$27,180	\$22,650	\$27,180	\$27,180											
DEMAND FROM NEW HOUSEHOLD GROWTH																	
Renter Household Growth, 2018-2021	44	44	44	44	44	44											
Percent Income Qualified Renter Households	18.6%	23.1%	29.7%	13.5%	20.9%	24.6%											
Total Demand From New Households	8	10	13	6	9	11											
DEMAND FROM EXISTING RENTER HOUSEHOLDS																	
Percent of Renters in Substandard Housing	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%											
Percent Income Qualified Renter Households	18.6%	23.1%	29.7%	13.5%	20.9%	24.6%											
Total Demand From Substandard Renter HHs	13	16	21	9	15	17											
Percent of Renters Rent-Overburdened	39.7%	39.7%	39.7%	39.7%	39.7%	39.7%											
Percent Income Qualified Renter Households	18.6%	23.1%	29.7%	13.5%	20.9%	24.6%											
Total Demand From Overburdened Renter HHs	71	88	113	51	79	93											
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	8.4%	9.8%	13.5%	5.5%	8.5%	10.6%											
Total Demand from Owner Households	19	22	31	13	20	24											
Total Demand From Existing Households	103	126	165	73	114	135											
TOTAL DEMAND	111	136	178	79	123	146											
LESS: Total Comparable Activity Since 2018	0	0	0	0	0	0											
TOTAL NET DEMAND	111	136	178	79	123	146											
PROPOSED NUMBER OF UNITS	2	4	6	7	29	36											
CAPTURE RATE	1.8%	2.9%	3.4%	8.8%	23.6%	24.7%											
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 23.6 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 8.1 percent, while the 60 percent AMI capture rate was at 24.2 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 overall occupancy rates for the Georgetown PMA (most importantly the success of LIHTC projects) as well as the clear lack of similar affordable senior housing throughout the entire county, the overall absorption period to reach 93 percent occupancy is conservatively estimated at five 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 at approximately the same time. Based on this information, no market-related concerns are present.

G. SUPPLY/COMPARABLE RENTAL ANALYSIS

1. Georgetown PMA Rental Market Characteristics

As part of the rental analysis for the Georgetown PMA, a survey of existing rental projects within and near the Georgetown primary market area was completed by Shaw Research & Consulting in January 2019. Because of the limited senior rental options locally, both family and senior developments from areas outside of the PMA were also included to provide an indication of rental conditions throughout the region. As such, a total of 20 apartment properties within or near the PMA (including six senior facilities) 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 Georgetown area, and are discussed below and illustrated on the following pages.

Considering the developments responding to our survey, a total of 1,261 units were reported, with the majority of units containing two bedrooms. Among the properties providing a specific unit breakdown, 34 percent of all units had one bedroom, 48 percent had two bedrooms, and 17 percent of units contained three bedrooms - there were only limited efficiency and no four-bedroom units reported in the survey. The average age was 21 years old (an average build date of 1998), with just three properties built/rehabbed since 2010. In addition, 16 of the facilities reported to have some sort of income eligibility requirements – with four tax credit developments (two family and two senior), nine fully-subsidized properties (five family and four senior), and three Rural Development projects (all family with varying levels of rental assistance).

Overall conditions for the Georgetown rental market appear to be extremely positive at the current time. Among the properties included in the survey, the overall occupancy rate was calculated at 98.0 percent – with 19 of the 20 developments reporting an occupancy rate of 98 percent or better. When breaking down occupancy rates by financing type, the four market rate developments were a combined 96.4 percent occupied, the four LIHTC properties averaged 98.5 percent, the three Rural Development projects were 99.2 percent occupied, and the nine subsidized projects were all 100 percent occupied – clearly demonstrating quite positive conditions throughout the local market for both market rate and affordable rental housing.

2. Comparable Senior Rental Market Characteristics

Considering the subject property will be developed utilizing tax credits and be marketed specifically towards senior residents, Shaw Research has identified four tax credit facilities within the region as being most comparable. Since only one senior LIHTC project is presently located within the PMA, however, one additional senior facility outside of the PMA (in Myrtle Beach) and two family LIHTC developments (within Georgetown) were also included to gauge rental conditions among affordable properties with similar units. According to survey results, the combined occupancy rate for these developments was calculated at 98.5 percent, with all four properties at 98 percent occupancy or better. Detailed results on rent levels and unit sizes are also illustrated in the tables on the following pages - the average LIHTC rent (including both senior and family properties) for a one-bedroom unit was calculated at \$480 per month with an average size of 600 square feet (the resulting average rent per square foot ratio is \$0.80), while two-bedroom units averaged \$550 and 882 square feet (\$0.62 per square foot). In comparison to tax credit averages, the subject's proposed rental rates are quite competitive with somewhat larger unit sizes. When factoring in utilities (the subject will include water and sewer, whereas two of the four LIHTC projects do not), the resulting rent-per-square foot ratios clearly demonstrate the true affordability of the proposal.

It should be noted that only one senior tax credit property is presently located within Georgetown County – **Companion at Thornton Hall** is a 40-unit development which opened in 2003 consisting of one and two-bedroom units, with all units targeted at 50 percent AMI. According to the manager, the property is 98 percent occupied, with 20 names on a waiting list. In addition, it should be noted that there are also two family tax credit developments situated within Georgetown – and are a combined 99.0 percent occupied and both reported a waiting list.

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. As such, considering the proposed unit mix (which includes one and two-bedroom units) along with generally favorable unit sizes, income targeting (at 50 percent and 60 percent AMI), amenity levels, and rent-per-square foot ratios, the

proposed rental rates are appropriate 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, there are no directly comparable senior multi-family LIHTC rental developments presently under construction or proposed within the Georgetown PMA.

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 relative 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 strong future senior demographic growth anticipated for the PMA, affordable housing will continue to be in demand locally.

Villas at Winyah Bay Apartments

Georgetown, South Carolina

Apartment

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	1998	1,261	12 1%	337 34%	478 48%	164 17%	0 0%				98.0% 99.3%		
SUBJECT PROJECT													
Villas at Winyah Bay Apts	2021	42	0	6	36	0	0	No	Yes	No		SR 55+	Georgetown
SUMMARY													
	Number of Dev.	Year Built/Rehab	Total Units	Studio/ Eff.	1BR	2BR	3BR	4BR	Overall Occup.	Senior Occup.			
Total Developments	20	1998	1,261	12	337	478	164	0	98.0%	99.3%			
Market Rate Only	4	1999	586	0	64	205	77	0	96.4%	--			
LIHTC Only	4	2004	202	0	74	91	37	0	98.5%	98.1%			
Other Affordable (Non-LIHTC)	3	2000	122	0	24	72	26	0	99.2%	--			
Subsidized Only	9	1995	351	12	175	110	24	0	100.0%	100.0%			

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

Project Name	Program	PBRA Units	1BR Rent		1BR Square Feet		Rent per Square Foot Range		2BR Rent		2BR Square Feet		Rent per Square Foot Range	
			LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH
Companion at Thornton Hall	LIHTC	0	\$410						\$492		986		\$0.50	\$0.50
Elm Square Apts	RD/LIHTC	24												
Millner Estates Apts	BOI-HUD	47												
Swansgate III	LIHTC	0	\$465	\$565	500		\$0.78	\$0.94	\$551	\$719	800		\$0.69	\$0.90
Villas at Swansgate	BOI-HUD	58			600						800			
Williamsburg Gardens	RD/LIHTC	40			560						792			
Arbor Place Apts	BOI-HUD	48												
Bayside Apts	RD	10	\$500		633		\$0.79	\$0.79	\$555		794		\$0.70	\$0.70
Bethel Apts	BOI-HUD	30												
Cypress Lane	RD/LIHTC	48			751						979			
Devonshire Apts	RD/LIHTC	32			720		\$1.47	\$1.47	\$930		935		\$1.15	\$1.15
Garden Grove THs	Market	0	\$765		522				\$615		809		\$0.68	\$0.68
Georgetown Commons	RD/LIHTC	22							\$450	\$505	903			
Georgetown Landing	LIHTC	0							\$480	\$650			\$0.56	\$0.75
Hickory Knoll Apts	LIHTC/Mrkt	0	\$929		708		\$1.31	\$1.31	\$949		861		\$0.98	\$0.98
Litchfield Oaks Apts	Market	0												
Magnolia Park Apts	RD/LIHTC	24							\$480		944		\$0.90	\$0.90
Plantation Apts	RD	0	\$430		741		\$1.04	\$1.04	\$845				\$1.18	\$1.36
The Reserve at Rosemont	Market	0	\$770						\$1,259	\$1,374	1,008			
Waterleaf at Murrells Inlet	Market	0	\$999	\$1,109	726		\$1.38	\$1.53						
Totals and Averages		383		\$694	642		\$1.08	\$1.08	\$724		903		\$0.80	\$0.80
SUBJECT PROPERTY														
Villas at Winyah Bay Apts	LIHTC	0	\$450	\$550	788	788	\$0.57	\$0.70	\$503	\$650	964	964	\$0.52	\$0.67
SUMMARY														
Overall			\$694		642		\$1.08	\$1.08	\$724		903		\$0.80	\$0.80
Market Rate Only			\$914		674		\$1.36	\$1.36	\$1,001		958		\$1.05	\$1.05
LIHTC Only			\$480		600		\$0.80	\$0.80	\$545		882		\$0.62	\$0.62
Other Affordable (Non-LIHTC)			\$465		633		\$0.73	\$0.73	\$550		849		\$0.65	\$0.65
Subsidized Only			NA		626		NA	NA	NA		877		NA	NA

Note: Shaded Properties are LIHTC

Table 25a: Project Amenities - Overall

Project Name	Hent 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
Companion at Thorton Hall	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
Elm Square Apts	Gas	Yes	No	No	Yes	Yes	No	Yes	Yes	No	Yes	Yes	No
Millner Estates Apts	Gas	Yes	No	No	No	No	Yes	No	Yes	No	Yes	No	No
Swansgate III	ELE	Yes	No	Yes	Yes	Yes	No	Yes	Yes	No	Yes	No	No
Villas at Swansgate	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No
Williamsburg Gardens	Gas	Yes	No	No	No	No	Yes	Yes	Yes	No	Yes	No	No
Arbor Place Apts	ELE	Yes	No	No	No	No	No	Yes	Yes	Yes	No	No	No
Bayside Apts	ELE	Yes	No	No	No	No	No	No	Yes	1BR	No	No	No
Bethel Apts	Gas	Yes	No	No	No	No	No	No	Yes	No	No	No	No
Devonshire Apts	ELE	Yes	No	No	No	No	Yes	No	Yes	2BR	No	No	No
Garden Grove THs	ELE	Yes	No	No	No	No	Yes	Yes	Yes	Yes	No	No	No
Georgetown Commons	ELE	Yes	No	No	No	No	No	No	Yes	No	Yes	No	No
Georgetown Landing	ELE	Yes	No	Yes	Yes	No	No	No	Yes	Yes	Yes	No	No
Hickory Knoll Apts	ELE	Yes	No	Yes	Yes	No	Yes	3BR	Yes	No	Yes	No	No
Litchfield Oaks Apts	ELE	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes
Magnolia Park Apts	ELE	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No
Plantation Apts	ELE	Yes	No	No	No	No	Yes	1BR	Yes	Yes	Yes	No	No
The Reserve at Rosemont	Gas	Yes	No	Yes	No	No	No	Yes	Yes	Yes	No	No	No
Waterleaf at Murrells Inlet	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Totals and Averages	--	100%	0%	32%	53%	26%	63%	63%	100%	58%	68%	21%	11%
SUBJECT PROJECT													
Villas at Winyah Bay Apts	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No
SUMMARY													
Overall	--	100%	0%	32%	53%	26%	63%	63%	100%	58%	68%	21%	11%
Market Rate Only	--	100%	0%	50%	75%	25%	75%	100%	100%	100%	50%	25%	50%
LHHC Only	--	100%	0%	75%	100%	50%	50%	75%	100%	50%	100%	0%	0%
Other Affordable (non-LHHC)	--	100%	0%	0%	33%	0%	33%	33%	100%	67%	67%	0%	0%
Subsidized Only	--	89%	0%	11%	22%	22%	67%	44%	89%	33%	56%	33%	0%

Note: Shaded Properties are LHHC

Table 25b: Project Amenities - Overall

Project Name	Gazebo	Elevator	Exterior Storage	On-Site Mgt	Security Intercom	Coin Op Laundry	Laundry Hookup	In-unit Laundry	Carpport	Garage	Emerg. Pull Cord	Activities	Library
Companion at Thorton Hall	No	No	No	Yes	Yes	Yes	No	No	No	No	No	Yes	No
Elm Square Apts	Yes	No	No	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	No
Millner Estates Apts	Yes	No	No	Yes	Yes	Yes	No	No	No	No	Yes	Yes	No
Swansgate III	Yes	Yes	No	Yes	Yes	Yes	No	No	No	No	Yes	No	No
Villas at Swansgate	Yes	Yes	No	Yes	Yes	Yes	No	No	No	No	Yes	No	Yes
Williamsburg Gardens	No	No	No	Yes	No	Yes	Yes	No	No	No	Yes	No	No
Arbor Place Apts	No	No	Yes	Yes	No	Yes	No	No	No	No			
Bayside Apts	No	No	2BR	Yes	No	Yes	Yes	No	No	No			
Bethel Apts	No	No	No	Yes	No	No	No	No	No	No			
Devonshire Apts	No	No	2BR	Yes	No	Yes	Yes	No	No	No			
Garden Grove THs	No	No	No	Yes	No	No	Yes	No	No	No			
Georgetown Commons	No	No	No	Yes	No	No	Yes	No	No	No			
Georgetown Landing	No	No	Yes	Yes	Yes	Yes	Yes	No	No	No			
Hickory Knoll Apts	No	No	Yes	No	Yes	Yes	Yes	No	No	No			
Litchfield Oaks Apts	No	Yes	Yes	Yes	No	Yes	No	No	No	Yes			
Magnolia Park Apts	No	No	Yes	Yes	No	Yes	Yes	No	No	No			
Plantation Apts	No	No	Yes	Yes	No	Yes	No	No	No	No			
The Reserve at Rosemont	No	No	Yes	Yes	Yes	Yes	Some	No	No	No			
Waterleaf at Murrells Inlet	No	No	Yes	Yes	Yes	No	No	Yes	No	Yes			
Totals and Averages	21%	16%	53%	95%	47%	79%	53%	5%	0%	11%	26%	16%	5%
SUBJECT PROJECT													
Villas at Winyah Bay Apts	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	No
SUMMARY													
Overall	21%	16%	53%	95%	47%	79%	53%	5%	0%	11%	26%	16%	5%
Market Rate Only	0%	25%	75%	100%	50%	50%	50%	25%	0%	50%	0%	0%	0%
LIHTC Only	25%	25%	50%	75%	100%	100%	50%	0%	0%	0%	25%	25%	0%
Other Affordable (non-LIHTC)	0%	0%	67%	100%	0%	67%	67%	0%	0%	0%	0%	0%	0%
Subsidized Only	33%	11%	33%	89%	33%	78%	44%	0%	0%	0%	44%	22%	11%

Note: Shaded Properties are LIHTC

Table 26: Other Information - Overall

Project Name	Address	City	Telephone Number	Contact	On-Site Mgt	Waiting List	Concessions	Survey Date
Companion at Thornton Hall	2117 Lincoln St.	Georgetown	(843) 527-7848	Ruthie	Yes	20 Names	None	7-Jan-19
Elm Square Apts	3701 County Line Rd	Andrews	(843) 221-3863	Lisa	Yes	Yes	None	7-Jan-19
Millner Estates Apts	200 Montford Dr.	Georgetown	(843) 527-1137	Sheryl	Yes	2 Years	None	8-Jan-19
Swansgate III	1050 Mister Joe White Ave	Myrtle Beach	(843) 448-7447	Sharon	Yes	Yes	None	17-Dec-18
Villas at Swansgate	1050 Mister Joe White Ave	Myrtle Beach	(843) 448-7447	Nancy	Yes	Yes	None	8-Jan-19
Williamsburg Gardens	16 Williamsburg Gardens	Hemingway	(843) 558-3641	Jill	Yes	5+ Names	None	8-Jan-19
Arbor Place Apts	101 N. Beech Rd.	Andrews	(843) 264-3107	Karen	Yes	2 Years	None	8-Jan-19
Bayside Apts	225 Martin St.	Georgetown	(843) 546-7166	Evette	Yes	0 Years	None	11-Jan-19
Bethel Apts	1810 Gilbert St.	Georgetown	(843) 546-2134	Brenda	Yes	Yes	None	8-Jan-19
Cypress Lane	310 W. Gapway Rd.	Andrews	(843) 264-2001	Catora	Yes	Yes	None	8-Jan-19
Devonshire Apts	715 N. Farr Ave.	Andrews	(843) 264-8141	Cindy	Yes	Yes	None	8-Jan-19
Garden Grove THs	706 Pathfinders Way	Garden City	(843) 651-2870	Kathy	Yes	28 Names	None	11-Jan-19
Georgetown Commons	215 Martin St.	Georgetown	(843) 546-7166	Evette	Yes	15 Names	None	11-Jan-19
Georgetown Landing	2107 Lincoln St.	Georgetown	(843) 546-2716	Theresa	Yes	Yes	None	8-Jan-19
Hickory Knoll Apts	2801 Church St.	Georgetown	(843) 546-2830	Brandi	No	Yes	None	12-Jan-19
Litchfield Oaks Apts	5 Ashcraft Circle	Pawleys Island	(843) 580-6754	Terry	Yes	No	None	11-Jan-19
Magnolia Park Apts	3729 County Line Rd	Andrews	(843) 221-4623	Lisa	Yes	Yes	None	8-Jan-19
Plantation Apts	185 Montford Dr.	Georgetown	(843) 527-2541	Cindy	Yes	9 Names	None	8-Jan-19
The Reserve at Rosemont	1155 Indigo Ave.	Georgetown	(843) 520-5700	Ava	Yes	Yes	None	11-Jan-19
Waterleaf at Murrells Inlet	13 Muddy Bay Drive	Murrells Inlet	(843) 900-1686	Allie	Yes	No	None	11-Jan-19

Note: Shaded Properties are LIHTC

Table 27: Rental Housing Survey - Comparable

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
Companion at Thornton Hall Swansgate III	2003	40	0	16	24	0	0	No	No	No	98%	SR 55+	Georgetown
	2000	64	0	58	6	0	0	No	Yes	No	98%	SR 62+	Myrtle Beach
Georgetown Landing	2007	48	0	0	24	24	0	No	Yes	No	98%	Open	Georgetown
Hickory Knoll Apts	2005	50	0	0	37	13	0	No	No	No	100%	Open	Georgetown
Totals and Averages	2004	202	0 0%	74 37%	91 45%	37 18%	0 0%				98.5%		
SUBJECT PROJECT													
Villas at Winyah Bay Apts	2021	42	0	6	36	0	0	No	Yes	No		SR 55+	Georgetown

Table 28: Rent Range for 1 & 2 Bedrooms - Comparable

Project Name	Program	PBRA Units	1BR Rent		1BR Square Feet		Rent per Square Foot Range		2BR Rent		2BR Square Feet		Rent per Square Foot Range		
			LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	
Companion at Thornton Hall Swansgate III	LIHTC	0	\$410						\$492					\$0.50	
	LIHTC	0	\$465	\$565	600		\$0.78	\$0.94	\$551	\$719	800		\$0.69	\$0.90	
Georgetown Landing	LIHTC	0							\$450	\$505					
Hickory Knoll Apts	LIHTC/Mrkt	0							\$480	\$650	861			\$0.56	
Totals and Averages		0		\$480	600		\$0.80			\$550	882			\$0.62	
SUBJECT PROPERTY															
Villas at Winyah Bay Apts	LIHTC	0	\$450	\$550	788	788	\$0.57	\$0.70	\$503	\$650	964	964	\$0.52	\$0.67	

Note: Senior LIHTC properties are shaded

Table 29a: Project Amenities - Comparable

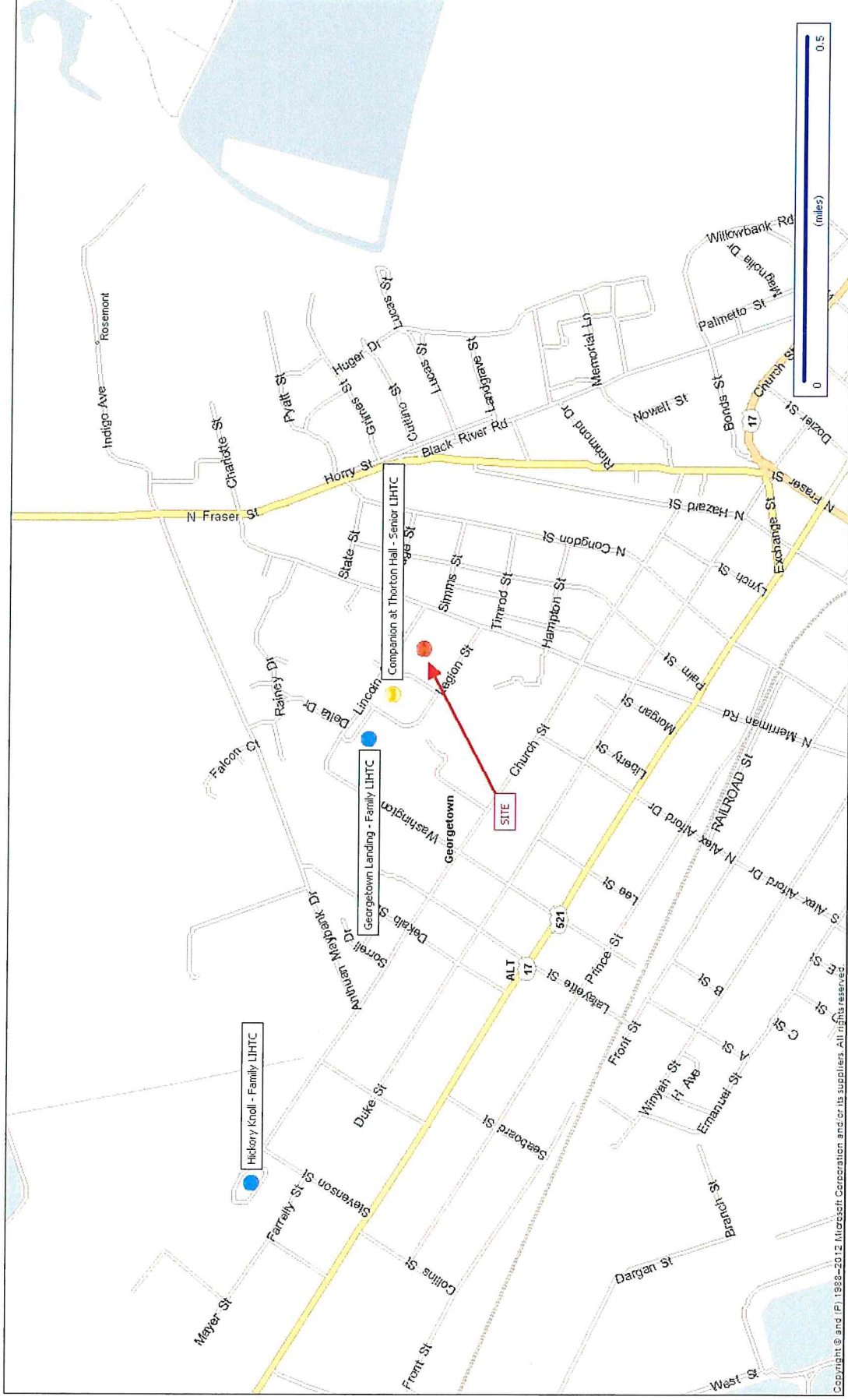
Project Name	Heat Type	Central Air	Wall A/C	Garbage Disposal	Dish Washer	Microwave	Ceiling Fan	Walk-in Closet	Mini Blinds	Patio/Balcony	Club/Comm. Room	Computer Center	Exercise Room
Companion at Thorton Hall	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
Swansgate III	ELE	Yes	No	Yes	Yes	Yes	No	Yes	Yes	No	Yes	No	No
Georgetown Landing	ELE	Yes	No	No	Yes	No	No	No	Yes	Yes	Yes	No	No
Hickory Knoll Apts	ELE	Yes	No	Yes	Yes	No	Yes	3BR	Yes	No	Yes	No	No
Totals and Averages	--	100%	0%	75%	100%	50%	50%	75%	100%	50%	100%	0%	0%
SUBJECT PROJECT													
Villas at Winyah Bay Apts	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No

Table 29b: Project Amenities - Comparable

Project Name	Gazebo	Elevator	Exterior Storage	On-Site Mgt	Security Intercom	Coin Op Laundry	Laundry Hookup	In-unit Laundry	Carpport	Garage	Emerg. Pull Cord	Activities	Library
Companion at Thorton Hall	No	No	No	Yes	Yes	Yes	No	No	No	No	No	Yes	No
Swansgate III	Yes	Yes	No	Yes	Yes	Yes	No	No	No	No	Yes	No	No
Georgetown Landing	No	No	Yes	Yes	Yes	Yes	Yes	No	No	No			
Hickory Knoll Apts	No	No	Yes	No	Yes	Yes	Yes	No	No	No			
Totals and Averages	25%	25%	50%	75%	100%	100%	50%	0%	0%	0%	25%	25%	0%
SUBJECT PROJECT													
Villas at Winyah Bay Apts	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	No

Note: Senior LIHTC properties are shaded

Map 10: LIHTC Rental Developments – Georgetown, SC



COMPARABLE PROJECT INFORMATION

Project Name: Companion at Thorton Hall
Address: 2117 Lincoln St.
City: Georgetown
State: SC **Zip Code:** 29440
Phone Number: (843) 527-7848
Contact Name: Ruthie
Contact Date: 01/07/19
Current Occup: 97.5%



DEVELOPMENT CHARACTERISTICS

Total Units: 40 **Year Built:** 2003
Project Type: SR 55+ **Floors:** 1
Program: LIHTC **Accept Vouchers:** Yes
PBRA Units*: 0 **Voucher #:** NA

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

UNIT CONFIGURATION/RENTAL RATES

BR	Bath	Target	Type	# Units	Square Feet		Contract Rent		Vacant	Occup. Rate	Wait List
					Low	High	Low	High			
TOTAL 1-BEDROOM UNITS					16				0	100.0%	
1	1.0	50	Apt	16		NA		\$410	0	100.0%	Yes
TOTAL 2-BEDROOM UNITS					24				1	95.8%	
2	2.0	50	Apt	24		986		\$492	1	95.8%	Yes
TOTAL DEVELOPMENT					40				1	97.5%	20+ Names

AMENITIES

Unit Amenities	Development Amenities	Laundry Type	Parking Type	Utilities Included
<input checked="" type="checkbox"/> - Central A/C	<input type="checkbox"/> - Clubhouse	<input checked="" type="checkbox"/> - Coin-Operated Laundry	<input checked="" type="checkbox"/> - Surface Lot	<input type="checkbox"/> - Heat
<input type="checkbox"/> - Wall A/C Unit	<input checked="" type="checkbox"/> - Community Room	<input type="checkbox"/> - In-Unit Hook-Up	<input type="checkbox"/> - Carport	<input type="checkbox"/> - Electricity
<input checked="" type="checkbox"/> - Garbage Disposal	<input type="checkbox"/> - Computer Center	<input type="checkbox"/> - In-Unit Washer/Dryer	<input type="checkbox"/> - Garage (att)	<input checked="" type="checkbox"/> - Trash Removal
<input checked="" type="checkbox"/> - Dishwasher	<input type="checkbox"/> - Exercise/Fitness Room		<input type="checkbox"/> - Garage (det)	<input type="checkbox"/> - Water/Sewer
<input checked="" type="checkbox"/> - Microwave	<input checked="" type="checkbox"/> - Community Kitchen			
<input checked="" type="checkbox"/> - Ceiling Fan	<input type="checkbox"/> - Swimming Pool			
<input checked="" type="checkbox"/> - Walk-In Closet	<input type="checkbox"/> - Playground			
<input checked="" type="checkbox"/> - Mini-Blinds	<input type="checkbox"/> - Gazebo			
<input type="checkbox"/> - Draperies	<input type="checkbox"/> - Elevator			
<input checked="" type="checkbox"/> - Patio/Balcony	<input type="checkbox"/> - Storage			
<input type="checkbox"/> - Basement	<input type="checkbox"/> - Sports Courts			
<input type="checkbox"/> - Fireplace	<input checked="" type="checkbox"/> - On-Site Management			
<input type="checkbox"/> - High-Speed Internet	<input type="checkbox"/> - Security - Access Gate			
	<input checked="" type="checkbox"/> - Security - Intercom			

COMPARABLE PROJECT INFORMATION

Project Name: Georgetown Landing
Address: 2107 Lincoln St.
City: Georgetown
State: SC **Zip Code:** 29440
Phone Number: (843) 546-2716
Contact Name: Theresa
Contact Date: 01/08/19
Current Occup: 97.9%



DEVELOPMENT CHARACTERISTICS

Total Units: 48 **Year Built:** 2007
Project Type: Open **Floors:** 2
Program: LIHTC **Accept Vouchers:** Yes
PBRA Units*: 0 **Voucher #:** NA

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

UNIT CONFIGURATION/RENTAL RATES

BR	Bath	Target	Type	# Units	Square Feet		Contract Rent		Vacant	Occup. Rate	Wait List
					Low	High	Low	High			
TOTAL 2-BEDROOM UNITS					24				0	100.0%	Yes
2	1.0	50	Apt	12		NA		\$450	0	100.0%	
2	1.0	60	Apt	12		NA		\$505	0	100.0%	
TOTAL 3-BEDROOM UNITS					24				1	95.8%	Yes
3	2.0	50	Apt	12		NA		\$495	1	91.7%	
3	2.0	60	Apt	12		NA		\$555	0	100.0%	
TOTAL DEVELOPMENT					48				1	97.9%	Yes

AMENITIES

<u>Unit Amenities</u>	<u>Development Amenities</u>	<u>Laundry Type</u>
<input checked="" type="checkbox"/> - Central A/C	<input checked="" type="checkbox"/> - Clubhouse	<input checked="" type="checkbox"/> - Coin-Operated Laundry
<input type="checkbox"/> - Wall A/C Unit	<input type="checkbox"/> - Community Room	<input checked="" type="checkbox"/> - In-Unit Hook-Up
<input type="checkbox"/> - Garbage Disposal	<input type="checkbox"/> - Computer Center	<input type="checkbox"/> - In-Unit Washer/Dryer
<input checked="" type="checkbox"/> - Dishwasher	<input type="checkbox"/> - Exercise/Fitness Room	
<input type="checkbox"/> - Microwave	<input type="checkbox"/> - Community Kitchen	
<input type="checkbox"/> - Ceiling Fan	<input type="checkbox"/> - Swimming Pool	
<input type="checkbox"/> - Walk-In Closet	<input checked="" type="checkbox"/> - Playground	<input checked="" type="checkbox"/> - Surface Lot
<input checked="" type="checkbox"/> - Mini-Blinds	<input type="checkbox"/> - Gazebo	<input type="checkbox"/> - Carport
<input type="checkbox"/> - Draperies	<input type="checkbox"/> - Elevator	<input type="checkbox"/> - Garage (att) \$0
<input checked="" type="checkbox"/> - Patio/Balcony	<input checked="" type="checkbox"/> - Storage	<input type="checkbox"/> - Garage (det) \$0
<input type="checkbox"/> - Basement	<input type="checkbox"/> - Sports Courts	
<input type="checkbox"/> - Fireplace	<input checked="" type="checkbox"/> - On-Site Management	
<input type="checkbox"/> - High-Speed Internet	<input type="checkbox"/> - Security - Access Gate	
	<input checked="" type="checkbox"/> - Security - Intercom	
		<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: Hickory Knoll Apts
Address: 2801 Church St.
City: Georgetown
State: SC **Zip Code:** 29440
Phone Number: (843) 546-2830
Contact Name: Brandi
Contact Date: 01/12/19
Current Occup: 100.0%



DEVELOPMENT CHARACTERISTICS

Total Units: 50 **Year Built:** 2005
Project Type: Open **Floors:** 2
Program: LIHTC/Mrkt **Accept Vouchers:** Yes
PBRA Units*: 0 **Voucher #:** NA

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

UNIT CONFIGURATION/RENTAL RATES

BR	Bath	Target	Type	# Units	Square Feet		Contract Rent		Vacant	Occup. Rate	Wait List
					Low	High	Low	High			
TOTAL 2-BEDROOM UNITS				37					0	100.0%	Yes
2	1.0	50	TH	20		861		\$480	0	100.0%	
2	1.0	60	TH	8		861		\$615	0	100.0%	
2	1.0	Mrkt	TH	9		861		\$650	0	100.0%	
TOTAL 3-BEDROOM UNITS				13					0	100.0%	Yes
3	2.0	50	TH	10		1,021		\$550	0	100.0%	
3	2.0	60	TH	2		1,021		\$695	0	100.0%	
3	2.0	Mrkt	TH	1		1,021			0	100.0%	
TOTAL DEVELOPMENT				50					0	100.0%	Yes

AMENITIES

Unit Amenities	Development Amenities	Laundry Type	Parking Type	Utilities Included
<input checked="" type="checkbox"/> - Central A/C	<input checked="" type="checkbox"/> - Clubhouse	<input checked="" type="checkbox"/> - Coin-Operated Laundry	<input checked="" type="checkbox"/> - Surface Lot	<input type="checkbox"/> - Heat
<input type="checkbox"/> - Wall A/C Unit	<input type="checkbox"/> - Community Room	<input checked="" type="checkbox"/> - In-Unit Hook-Up	<input type="checkbox"/> - Carport	<input type="checkbox"/> - Electricity
<input checked="" type="checkbox"/> - Garbage Disposal	<input type="checkbox"/> - Computer Center	<input type="checkbox"/> - In-Unit Washer/Dryer	<input type="checkbox"/> - Garage (att)	<input type="checkbox"/> - Trash Removal
<input checked="" type="checkbox"/> - Dishwasher	<input type="checkbox"/> - Exercise/Fitness Room		<input type="checkbox"/> - Garage (det)	<input type="checkbox"/> - Water/Sewer
<input type="checkbox"/> - Microwave	<input checked="" type="checkbox"/> - Community Kitchen			
<input checked="" type="checkbox"/> - Ceiling Fan	<input type="checkbox"/> - Swimming Pool			
<input checked="" type="checkbox"/> - Walk-In Closet	<input checked="" type="checkbox"/> - Playground			
<input checked="" type="checkbox"/> - Mini-Blinds	<input type="checkbox"/> - Gazebo			
<input type="checkbox"/> - Draperies	<input type="checkbox"/> - Elevator			
<input type="checkbox"/> - Patio/Balcony	<input checked="" type="checkbox"/> - Storage			
<input type="checkbox"/> - Basement	<input type="checkbox"/> - Sports Courts			
<input type="checkbox"/> - Fireplace	<input type="checkbox"/> - On-Site Management			
<input type="checkbox"/> - High-Speed Internet	<input type="checkbox"/> - Security - Access Gate			
	<input checked="" type="checkbox"/> - Security - Intercom			

5. Market Rent Calculations

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

Four properties were selected to determine the estimated market rate, based largely on construction date, location, and building type. Because only limited market rate facilities are located within the PMA, family developments located just outside of the PMA (Garden City, Pawleys Island, and Murrells Inlet) were also utilized to calculate market rents. 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	\$450	\$823	45%
60% AMI	\$550	\$823	33%
Two-Bedroom Units			
50% AMI	\$503	\$965	48%
60% AMI	\$650	\$965	33%

Rent Comparability Grid

Subject Property		Comp #1		Comp #2		Comp #3		Comp #4	
Project Name		Garden Grove THs		Litchfield Oaks Apts		The Reserve at Rosemont		Waterleaf at Murrells Inlet	
Project City	Subject Data	Garden City		Pawleys Island		Georgetown		Murrells Inlet	
Date Surveyed		1/11/19		1/11/19		1/11/19		1/11/19	
A. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Structure Type	Apt								
Yr. Built/Yr. Renovated	2021	2003	\$14	1998	\$17	1978	\$32	2018	\$2
Neighborhood/Location			(\$200)		(\$200)				(\$250)
B. Unit Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Central A/C	Yes	Yes		Yes		Yes		Yes	
Garbage Disposal	Yes	No	\$3	Yes		No	\$3	Yes	
Dishwasher	Yes	No	\$3	Yes		Yes		Yes	
Microwave	Yes	No	\$3	No	\$3	No	\$3	Yes	
Walk-In Closet	Yes	Yes		Yes		Yes		Yes	
Mini-Blinds	Yes	Yes		Yes		Yes		Yes	
Patio/Balcony	Yes	Yes		Yes		Yes		Yes	
Basement	No	No		No		No		No	
Fireplace	No	No		No		No		No	
C. Site Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Clubhouse	No	No		Yes	(\$3)	No		Yes	(\$3)
Community Room	Yes	No	\$3	No	\$3	No	\$3	No	\$3
Computer Center	Yes	No	\$3	No	\$3	No	\$3	Yes	
Exercise Room	No	No		Yes	(\$3)	No		Yes	(\$3)
Swimming Pool	No	No		Yes	(\$3)	No		Yes	(\$3)
Playground	No	No		No		No		No	
Sports Courts	No	No		Yes	\$0	No		No	
On-Site Management	Yes	Yes		Yes		Yes		Yes	
Security - Access Gate	No	No		No		No		No	
Security - Intercom	Yes	No	\$3	No	\$3	Yes		Yes	
D. Other Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Coin-Operated Laundry	Yes	No	\$5	Yes		Yes		No	\$5
In-Unit Hook-Up	Yes	Yes		No	\$10	Some		No	\$10
In-Unit Washer/Dryer	No	No		No		No		Yes	(\$25)
Carport	No	No		No		No		No	
Garage (attached)	No	No		No		No		No	
Garage (detached)	No	No		Yes	(\$10)	No		Yes	(\$10)
E. Utilities Included		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Heat	No	No		No		No		No	
Electric	No	No		No		No		No	
Trash Removal	Yes	Yes		No	XX	No	XX	No	XX
Water/Sewer	Yes	No	XX	No	XX	No	XX	No	XX
Heat Type	ELE	ELE		ELE		Gas		ELE	
Utility Adjustments									
One-Bedroom Units			\$41		\$61		\$61		\$61
Two-Bedroom Units			\$54		\$74		\$74		\$74

<i>Subject Property</i>		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>	
Project Name		Garden Grove THs		Litchfield Oaks Apts		The Reserve at Rosemont		Waterleaf at Murrells Inlet	
Project City	Subject Data	Garden City		Pawleys Island		Georgetown		Murrells Inlet	
Date Surveyed		1/11/2019		1/11/2019		1/11/2019		1/11/2019	
F. Average Unit Sizes		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
One-Bedroom Units	788	522	\$40	708	\$12	741	\$7	726	\$9
Two-Bedroom Units	964	809	\$23	964	(\$0)	944	\$3	1,036	(\$11)
G. Number of Bathrooms		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
Two-Bedroom Units	2.0	1.0	\$30	2.0	\$0	1.5	\$15	2.0	\$0
G. Total Adjustments Recap									
One-Bedroom Units			(\$83)		(\$107)		\$112		(\$203)
Two-Bedroom Units			(\$56)		(\$106)		\$136		(\$211)

		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>	
Project Name		Garden Grove THs		Litchfield Oaks Apts		The Reserve at Rosemont		Waterleaf at Murrells Inlet	
Project City	Subject Data	Garden City		Pawleys Island		Georgetown		Murrells Inlet	
Date Surveyed		1/11/2019		1/11/2019		1/11/2019		1/11/2019	
H. Rent/Adjustment Summary		Unadjusted Rent	Adjusted Rent	Unadjusted Rent	Adjusted Rent	Unadjusted Rent	Adjusted Rent	Unadjusted Rent	Adjusted Rent
Market Rate Units									
One-Bedroom Units	\$823	\$765	\$682	\$929	\$822	\$770	\$882	\$1,109	\$906
Two-Bedroom Units	\$965	\$930	\$874	\$949	\$843	\$845	\$981	\$1,374	\$1,163

H. INTERVIEWS

Throughout the course of performing this analysis of the Georgetown rental market, many individuals were contacted. Based on discussions with local government officials, the following multi-family activity was reported within the PMA at this time:

1. **Subject proposal** – Senior – Lincoln Street
 - a. Proposed
 - b. 42 units – LIHTC
 - c. Just re-zoning, waiting for LIHTC approval

2. **Family project** – End of Charlotte Street
 - a. Proposed
 - b. 128 units – Market rate
 - c. Construction is slated to begin in April or May

In addition, officials in both Georgetown and Georgetown County noted a “very high demand” for affordable housing within the area, both family and senior. The following planning departments were contacted:

- **Georgetown, SC** -
Contact: Matt Millwood, Community Planner
Phone: (843) 545-4010
Date: 2/25/2019

- **Georgetown County, SC**
Contact: Judy Blankenship, Planner
Phone: (843) 545-3028
Date: 2/25/2019

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

1. Senior demographic patterns have been extremely strong since 2000 throughout the Georgetown area. The number of seniors (55 years and over) within the PMA increased by 19 percent (nearly 1,700 seniors) between 2010 and 2018, with an additional ten percent gain (almost 1,100 seniors) expected through 2023;
2. Occupancy levels within the PMA are quite positive for both affordable and market rate developments. Based on survey results, the overall occupancy rate was calculated at 98.0 percent, with the four tax credit properties a combined 98.5 percent and each reporting a waiting list;
3. Only limited senior-only rental options are available locally, with only one senior LIHTC property identified within Georgetown County as a whole. As such, Companion at Thorton Hall is a 40-unit development constructed in 2003 with all units targeting seniors at or below 50 percent AMI. Located adjacent to the subject property, the property is currently 98 percent occupied with approximately 20 names on a waiting list;
4. The subject proposal will consist of a mix of one and two-bedroom units targeting seniors at 50 percent and 60 percent AMI. As such, the proposal will provide an affordable modern rental option for a portion of the senior rental market not currently being met;
5. The location of the subject property can also be considered a positive factor. The site is situated within walking distance to the Georgetown Senior Center, and just a short drive to various retail, medical, and recreational areas;
6. The proposal represents a modern product with numerous amenities and features at affordable rental levels; and
7. A sufficient statistical demand calculation, with an absorption period conservatively estimated at five 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 AND 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
2012-2017 American Community Survey – 5-Year Estimates – U.S. Census Bureau
2018/2023 Demographic Forecasts, ESRI Business Analyst Online
Apartment Listings – www.socialserve.com
Apartment Listings – Yahoo! Local – local.yahoo.com
Apartment Listings – Yellowbook – www.yellowbook.com
Community Profile – Georgetown County – SC Department of Employment & Workforce
CPI Inflation Calculator – Bureau of Labor Statistics – U.S. Department of Labor
Crime Data – Sperling’s Best Places – www.bestplaces.net/crime/
ESRI Business Analyst Online
Income & Rent Limits 2018 – South Carolina State Housing Finance & Development Authority
Interviews with community planning officials
Interviews with managers and leasing specialists at local rental developments
South Carolina Industry Data – SC Works Online Services
South Carolina Labor Market Information – SC Works Online Services
South Carolina LIHTC Allocations – SC State Housing Finance & Development Authority
Microsoft Streets and Trips 2013
Single-Family Home Sales – www.realtor.com

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.