



# Shaw Research & Consulting

*Real Estate Analysis & Market Feasibility Services*

**A RENTAL HOUSING  
MARKET FEASIBILITY ANALYSIS  
FOR**

**GAFFNEY,  
SOUTH CAROLINA**

*(Cherokee County)*

***Belle Haven Apartments***

*680 W. Montgomery Street  
Gaffney, South Carolina 29341*

**May 23, 2024**

***Prepared for:***

**HD Belle Haven, LLC**  
Schaumber Development  
709 N. Main Street  
Aynor, SC 29511

***Prepared by:***

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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.



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Steven R. Shaw  
**SHAW RESEARCH & CONSULTING, LLC**

Date: May 23, 2024

## **INTRODUCTION**

Shaw Research and Consulting, LLC has prepared the following rental housing study to examine and analyze the city of Gaffney and the surrounding area as it pertains to the market feasibility for the new construction of Belle Haven Apartments, a proposed 64-unit affordable rental housing development targeting very low and low-income family households. The subject property is located within the central portion of the city along the north side of West Montgomery Street, just west of Oliver Street and approximately ¼ mile west of Grenard Street (U.S. 29). Further, the site is situated roughly one-third mile west of downtown Gaffney, as well less than ½ mile south of Floyd Baker Boulevard (SC-11 – representing the community’s foremost retail/commercial corridor), providing convenient access to a variety of retail, medical, schools, employment, and recreational locales.

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 family-oriented rental housing throughout the Gaffney market area. All fieldwork and community data collection were conducted on May 6, 2024 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 restriction guidelines as required from the South Carolina State Housing Finance and Development Authority (SCSHFDA). As a result, the proposed Belle Haven will feature a total of 64 general-occupancy units restricted to households with incomes at 20 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 new construction and absorption of the proposed Belle Haven Apartments, as illustrated in the following project description. As such, the following summary highlights the key findings and conclusions reached from this information:

- 1) The subject proposal is a 64-unit general-occupancy rental development targeting very low and low-income households. The facility will consist of a mix of one, two, and three-bedroom units restricted to households with incomes at 20 percent and 60 percent of AMI.
- 2) Demand estimates for the proposed development show sufficient statistical support for the introduction and absorption of additional affordable rental units within the Gaffney PMA. Capture rates are presented in Exhibit S-2 (following the executive summary), and are clearly reflective of the market depth and continued need for affordable rental housing locally.
- 3) Based on U.S. Census figures and ESRI forecasts, relatively positive demographic patterns have been observed throughout the Gaffney area since 2010. As such, the population within PMA increased by three percent (more than 1,100 persons) between 2010 and 2024, with an additional increase of one percent anticipated over the next five years (roughly 175 persons). Considering these gains, a continued need for affordable housing likely persists throughout the Gaffney PMA.
- 4) The subject property's location within a seemingly quiet residential area within close proximity to a number of commercial centers and community amenities should be considered a positive attribute. The site is adjacent to Irene Park (with a skate park and community pool), approximately one-third mile west of downtown Gaffney, and roughly ½ mile south of Floyd Baker Boulevard (representing the city's foremost retail/commercial corridor). As such, the subject property has convenient access to most retail, medical, educational, employment, and other services necessary for multi-family housing.
- 5) Overall conditions for the Gaffney rental market remain quite positive at the present time. As such, an overall occupancy rate of 98.4 percent calculated from a survey of 20 rental developments within the Gaffney area. Further, 16 properties reported an occupancy rate of 97 percent or better, including nine that were 100 percent occupied – clearly demonstrating strong rental conditions throughout the area.
- 6) The affordable rental market is extremely strong, as well. Considering the three tax credit developments identified and included within the survey, a combined occupancy rate of 97.9 percent was reported – with each reporting a waiting list.
- 7) The most recent tax credit property within the PMA is Linden Square Apartments, a 24-unit general-occupancy project which opened in 2020 – the facility contains a mix of one, two, and three-bedroom units targeting households between 30 percent and 80 percent AMI. According to survey results, the facility was fully absorbed in approximately five months during the height of the COVID-19 pandemic, and currently has one vacancy with approximately 12 names on a waiting list.

- 8) It should be noted that Iveywood Park I/II (96 units allocated tax credits in 1996 and 1997) recently opted out of the LIHTC program and is now market rate (renamed Sage at Martin Lane Apartments). As such, the reduced number of tax credit units available locally has likely resulted in an increased demand for affordable rental options, especially considering the increasing rents within most market rate properties over the past several years
- 9) Overall, proposed rents within the subject are quite competitive to other local properties. When adjusting rents to normalize for differences in the utility structure (the subject will include only trash removal, while utilities vary in other projects), the proposed rents are between three and ten percent below the overall average effective market rents. Although the proposed rents (at 60 percent AMI) are somewhat above LIHTC averages, they are quite competitive with Autumn Glen Villas – a 60-unit tax credit facility constructed in 2018 (adjacent to the subject property and represents the most comparable project to the proposal).
- 10) In addition, the proposed rents are well-below market rate rents, averaging between 17 and 22 percent lower than the effective market rate averages – providing a clear indication of the overall affordability of the subject property.
- 11) Based on survey results, the proposed rental rates demonstrate the subject's affordability relative to the overall market. As such, the proposed targeting and rental structure appear achievable and appropriate for the Anderson rental market.
- 12) When reviewing unit sizes, the subject proposal has somewhat larger units when compared to other local properties – one-bedroom units are 15 percent larger than average, two-bedroom units are six percent larger, and three-bedroom units are three percent larger than overall market norms.
- 13) The subject proposal offers an extremely competitive amenity package in relation to other properties throughout the area, and will contain the majority of the most common features reported in local developments. Further, the subject will contain several features not as common locally, including microwave, walk-in closet, computer center, exercise room, and gazebo (each found in less than one-half of surveyed developments).
- 14) In conclusion, the proposal represents a modern product with numerous amenities and features at a generally affordable rent level. As such, the proposed targeting and rent structure appears appropriate and properly positioned in relation to other rental properties (affordable and market rate) within the Gaffney rental market.
- 15) Considering characteristics of the subject proposal (including unit mix, income targeting/rent structure, unit sizes, and amenities/features), the introduction of Belle Haven Apartments should prove successful. Based on positive demographic trends, strong occupancy levels (affordable and market rate), and the recent reduction of affordable units within the Gaffney market, additional affordable units will likely be readily absorbed. As such, evidence presented within the market study suggests a normal absorption period (conservatively estimated between five to seven 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 or those under development – either affordable or market rate.

**2024 EXHIBIT S-2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:**

Development Name:	<b>BELLE HAVEN APTS</b>	Total # Units:	64
Location:	680 W. Montgomery Street, Gaffney, South Carolina SC	# LIHTC Units:	64
PMA Boundary:	North - 7 miles; South - 5 miles; East - 6 miles; West - 9 miles		
Development Type:	XX Family	Older Persons	Farthest Boundary Distance to Subject: 9 miles

**RENTAL HOUSING STOCK (found on page 51)**

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	20	1,588	25	98.4%
Market-Rate Housing	8	942	18	98.1%
Assisted/Subsidized Housing not to include LIHTC	5	324	0	100.0%
<b>LIHTC (All that are stabilized)*</b>	<b>3</b>	<b>132</b>	<b>3</b>	<b>97.9%</b>
Stabilized Comps**	3	132	3	97.9%
Non-stabilized Comps	0	0	0	NA

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

\*\*Comparables - 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					HUD Area FMR			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
3	1 BR	1.0	756	<b>\$146</b>	\$711	\$1.08	79.5%	\$975	\$1.82
9	1 BR	1.0	756	<b>\$705</b>	\$711	\$1.08	0.8%	\$975	\$1.82
2	2 BR	2.0	968	<b>\$157</b>	\$934	\$1.02	83.2%	\$1,236	\$1.61
21	2 BR	2.0	968	<b>\$854</b>	\$934	\$1.02	8.6%	\$1,236	\$1.61
2	3 BR	2.0	1,187	<b>\$148</b>	\$1,187	\$1.02	87.5%	\$1,576	\$1.64
27	3 BR	2.0	1,187	<b>\$953</b>	\$1,187	\$1.02	19.7%	\$1,576	\$1.64
<b>Gross Potential Rent Monthly*</b>				<b>\$51,058</b>	<b>\$64,437</b>		<b>20.76%</b>		

\*Market Advantage is calculated using the following formula: Gross HUD FMR (minus) Net Proposed Tenant Rent (divided by) Gross HUD FMR. The calculation should be expressed as a percentage and rounded to two decimal points.

**DEMOGRAPHIC DATA (found on page 35)**

	2010		2020		2026	
Renter Households	5,168	33.5%	5,488	34.2%	4,934	30.2%
Income-Qualified Renter HHs (LIHTC)	2,069	40.0%	2,197	40.0%	1,975	40.0%
Income-Qualified Renter HHs (MR)	--	--	--	--	--	--

**TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 42)**

Type of Demand	20%	60%	Market Rate	Other: _____	Other: _____	Overall
Renter Household Growth	-6	-11	--			-17
Existing Households (Overburd + Substand)	271	508	--			779
Homeowner Conversion (Seniors)	--	--	--			--
Other:	--	--	--			--
Less Comparable/Competitive Supply	--	--	--			--
<b>Net Income-Qualified Renter HHs</b>	<b>265</b>	<b>497</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>762</b>

**CAPTURE RATES (found on page 44)**

Targeted Population	20%	60%	Market Rate	Other: _____	Other: _____	Overall
Capture Rate	2.6%	11.5%	--	--	--	8.4%

**ABSORPTION RATE (found on page 47)**

Absorption Period:	5 to 7 months
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2024 S-2 RENT CALCULATION WORKSHEET							
	# Units	Bedroom Type	Proposed Tenant Paid Rent	Net Potential Tenant Rent	Gross HUD FMR	Gross HUD FMR Total	Tax Credit Gross Rent Advantage
20%	3	1 BR	\$146	\$438	\$711	\$2,133	
60%	9	1 BR	\$705	\$6,345	\$711	\$6,399	
20%	2	2 BR	\$157	\$314	\$934	\$1,868	
60%	21	2 BR	\$854	\$17,934	\$934	\$19,614	
20%	2	3 BR	\$148	\$296	\$1,187	\$2,374	
60%	27	3 BR	\$953	\$25,731	\$1,187	\$32,049	
	<b>Totals</b>	<b>64</b>		<b>\$51,058</b>		<b>\$64,437</b>	<b>20.76%</b>

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: May 23, 2024



## 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:

<b>Project Name:</b> BELLE HAVEN APTS <b>Project Address:</b> 680 W. Montgomery Street <b>Project City:</b> Gaffney, South Carolina <b>County:</b> Cherokee County  <b>Total Units:</b> 64 <b>Occupancy Type:</b> Family <b>Construction Type:</b> New Construction									
Targeting/Mix	Number of Units	Unit Type	Number of Baths	Avg. Square Feet	Contract Rent	Utility Allow.	Gross Rent	Max. LIHTC Rent*	PBRA
<b>One-Bedroom Units</b>	<b>12</b>								
20% of Area Median Income	3	Apt	1.0	756	<b>\$146</b>	\$144	\$290	\$290	No
60% of Area Median Income	9	Apt	1.0	756	<b>\$705</b>	\$144	\$849	\$871	No
<b>Two-Bedroom Units</b>	<b>23</b>								
20% of Area Median Income	2	Apt	2.0	968	<b>\$157</b>	\$191	\$348	\$348	No
60% of Area Median Income	21	Apt	2.0	968	<b>\$854</b>	\$191	\$1,045	\$1,045	No
<b>Three-Bedroom Units</b>	<b>29</b>								
20% of Area Median Income	2	Apt	2.0	1,187	<b>\$148</b>	\$254	\$402	\$402	No
60% of Area Median Income	27	Apt	2.0	1,187	<b>\$953</b>	\$254	\$1,207	\$1,207	No

\***Maximum LIHTC Rents** and **Income Limits** are based on the 2024 *Rent & Income Limit Calculator* obtained from Novogradac & Company website ([www.novoco.com](http://www.novoco.com)).

**Project Description:**

Development Location .....Gaffney, South Carolina  
Construction Type .....New Construction  
Occupancy Type.....General Occupancy (family)  
Target Income Group .....100% LIHTC (20% and 60% AMI)  
Special Population Group .....N/A  
Number of Units by Unit Type .....See previous page  
Unit Sizes.....See previous page  
Rents and Utility Information .....See previous page  
Proposed Rental Assistance (PBRA) .....None

**Project Size:**

Total Development Size .....64 units  
Number of Affordable Units .....64 units  
Number of HOME Units .....0 units  
Number of Market Rate Units.....0 units  
Number of PBRA Units.....0 units  
Number of Supportive Housing Units .....7 units  
Number of Employee Units .....0 units

**Development Characteristics:**

Number of Total Units.....64 units  
Number of Garden Apartments.....64 units  
Number of Townhouses.....0 units  
Number of Residential Buildings.....2 (maximum three stories)  
Number of Community Buildings.....0

**Additional Assumptions:**

Heat Source: Electric heat pump  
Market Entry: Q3 2026

PROJECT AMENITIES		
UNIT AMENITIES		
<input checked="" type="checkbox"/> Ceiling Fan <input checked="" type="checkbox"/> Coat Closet <input checked="" type="checkbox"/> Dishwasher Exterior Storage <input checked="" type="checkbox"/> Frost-Free Refrigerator	Garbage Disposal <input checked="" type="checkbox"/> Individual Entry <input checked="" type="checkbox"/> Microwave <input checked="" type="checkbox"/> Mini-Blinds Patio/Balcony	<input checked="" type="checkbox"/> Self-Cleaning Oven <b>2BR</b> Walk-In Closet <input checked="" type="checkbox"/> Other: Stainless Steel Appl. <input checked="" type="checkbox"/> Other: Sunroom Other: _____
DEVELOPMENT AMENITIES		
<input checked="" type="checkbox"/> Clubhouse <input checked="" type="checkbox"/> Community Room <input checked="" type="checkbox"/> Computer/Business Center Elevator	<input checked="" type="checkbox"/> Exercise Room <input checked="" type="checkbox"/> On-Site Management Picnic Area <input checked="" type="checkbox"/> Playground	Sports Court Swimming Pool <input checked="" type="checkbox"/> Other: Gazebo <input checked="" type="checkbox"/> Other: Picnic Area
AIR CONDITIONING TYPE		
<input checked="" type="checkbox"/> Central A/C	Through-Wall A/C	Through-Wall Sleeve
LAUNDRY TYPE		
<input checked="" type="checkbox"/> Coin-Operated Laundry	<input checked="" type="checkbox"/> In-Unit Hook-Up	In-Unit Washer/Dryer
PARKING TYPE		
<input checked="" type="checkbox"/> Surface Lot (on-site) Surface Lot (off-site)	Garage (attached): \$ _____ Garage (detached): \$ _____	Carport: \$ _____ Other: _____
SECURITY TYPE		
Security Intercom <input checked="" type="checkbox"/> Security Cameras	Security Gate Other: _____	<input checked="" type="checkbox"/> Lighting Other: _____
UTILITIES INCLUDED IN RENT		
Electricity Gas	Heat Water/Sewer	<input checked="" type="checkbox"/> Trash Removal Other: _____

## B. SITE DESCRIPTION

### 1. Site Visit Date

Site and community fieldwork was completed on May 6, 2024 by Steven Shaw.

### 2. Site Neighborhood and Overview

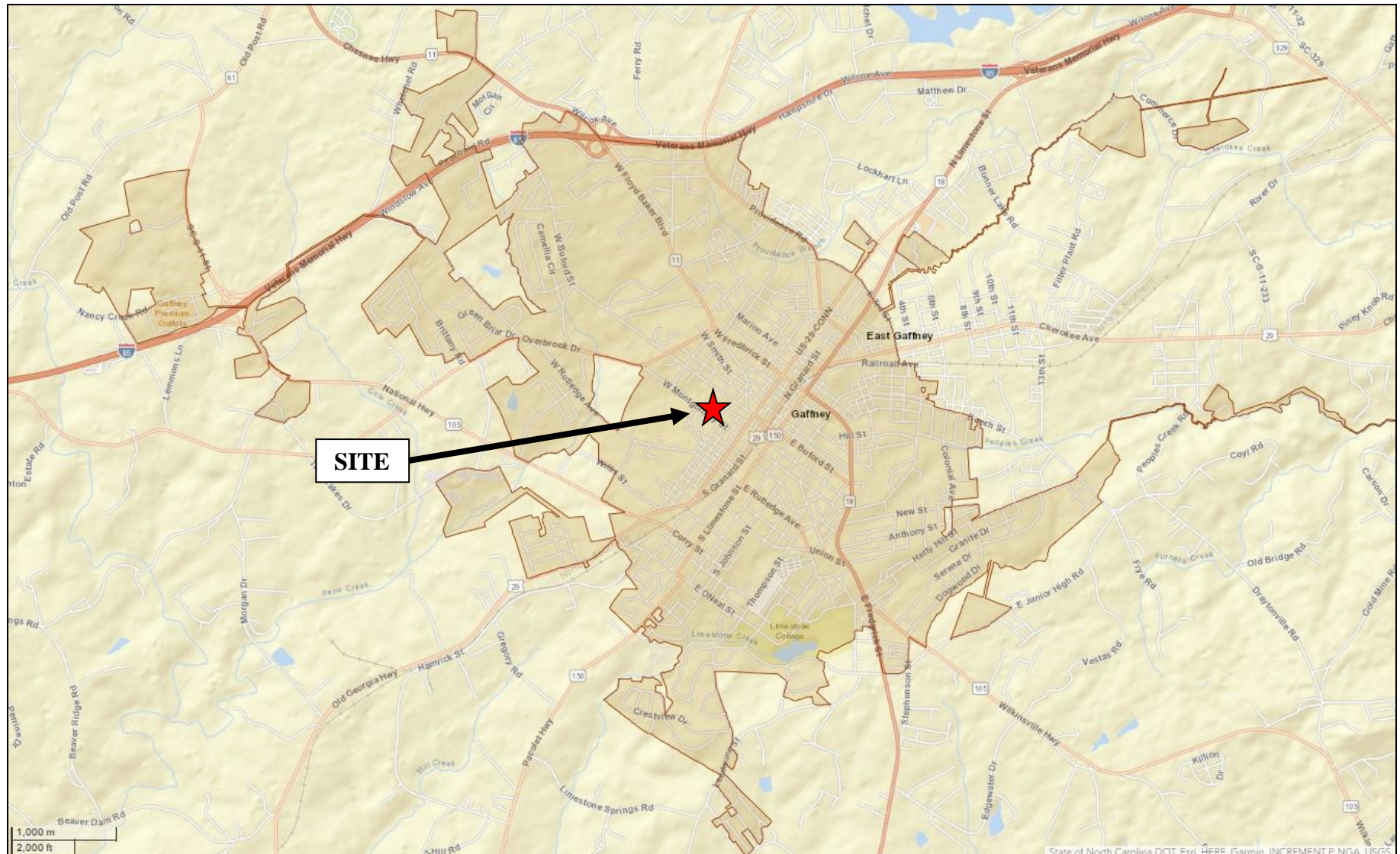
The subject property is located within the central portion of Gaffney along the north side of West Montgomery Street, just west of Oliver Street and approximately ¼ mile west of Granard Street (U.S. 29). Additionally, the site is roughly one-third mile west of downtown Gaffney within a seemingly quiet residential area. Overall characteristics of the immediate neighborhood are quite diverse – and includes single-family homes and senior apartments (Westwind Village I/II) directly to the south of the site; tax credit multi-family apartments (Autumn Glen Villas) and Hamrick Mills Corporate offices adjacent to the north; a church adjacent to the west; and a park and water tower adjacent to the east. As such, the majority of nearby properties (and those throughout the neighborhood) appear to be in relatively good condition and upkeep.

The area along Montgomery Street to the northwest contains additional scattered single-family homes, undeveloped property, and the BD Lee Elementary School (approximately one-third mile from the site near Overbrook Drive), while areas further to the east are more commercial along Logan, Granard, and Limestone Streets (each of which provides a route to downtown Gaffney).

Situated within Census Tract 9702.01 of Cherokee County, the subject property consists of approximately seven acres of densely wooded property currently zoned as RM (Multi-Family Residential District) – which allows for the development of multi-family units. Based on an overall review of the site, current usages and zoning of surrounding properties (as well as throughout the immediate neighborhood) should not impede or negatively affect the marketability or long-term viability of the subject proposal. As such, adjacent land usage is as follows:

**North:** Multi-Family / Offices (good condition)  
**South:** Montgomery Street / Single-Family / Multi-Family (good condition)  
**East:** Oliver Street / Water tower / Irene Park  
**West:** Church (good condition)

Map 1: Site Location – City of Gaffney



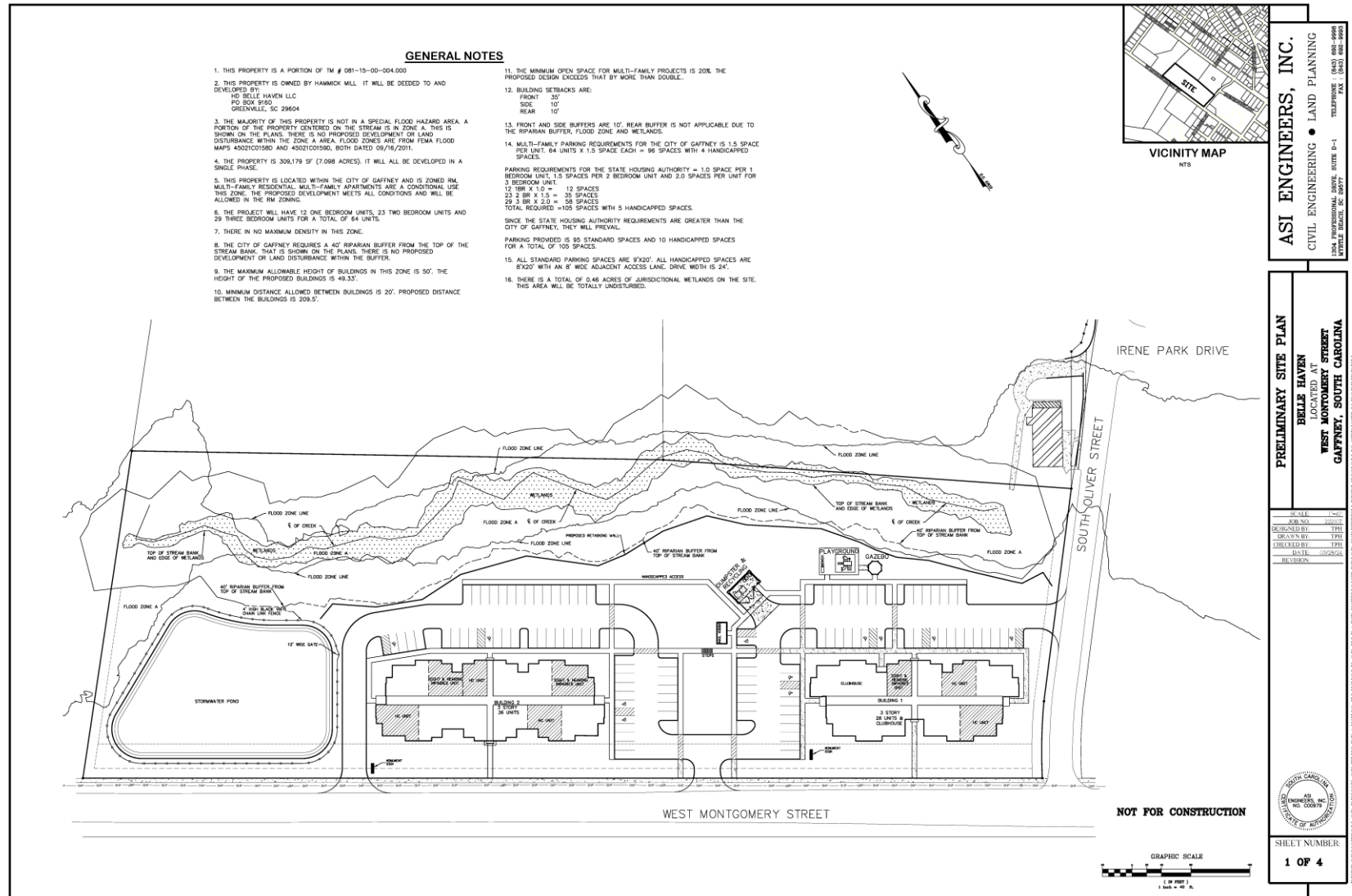
NOTE: Shaded area is city of Gaffney



Map 2: Site Location - Aerial Photo



## Map 3: Site Plan – Belle Haven Apartments



Primary access to the site will be from Montgomery Street to the south, representing a seemingly lightly-traveled two-lane street providing access to an elementary school to the west, and downtown Gaffney to the east. Overall, the subject property's location will have a generally positive curb appeal, with good visibility from a paved roadway and within a short distance to key commercial/retail areas. Furthermore, the subject property's location adjacent to Irene Park and near downtown Gaffney should be considered a positive attribute, and is suitable for multi-family housing.

### **3. Nearby Retail**

The subject property is approximately one-third mile west of Granard Street and Limestone Street, providing convenient access to downtown Gaffney – which includes a variety of restaurants, retail opportunities, and other services for area residents. In addition, the site is less than ½ mile south of Floyd Baker Boulevard, representing the area's foremost retail/commercial corridor. As such, several grocery stores and shopping centers can be found within 1¾ miles of the subject, including Walmart Supercenter (1½ miles away), Aldi grocery (1¾ miles), Peachtree Marketplace shopping center (1¾ miles), Big Lots (1¼ miles), and more.

### **4. Medical Offices and Hospitals**

Numerous medical services and physician offices can be found throughout the immediate area, as well. The nearest hospital is the Cherokee Medical Center, located approximately two miles northeast of the site within the northern portion of the city along Limestone Street. In addition to a number of medical offices located near the hospital (including Carolina Pediatric Associates), several facilities can be found throughout the community – closest to the site are CMC Intermediate Care Center (¾ miles away along Floyd Baker Boulevard) and Cherokee Community Care (1½ miles away along Limestone Street – just north of downtown).

### **5. Other PMA Services**

Additional services of note within the market area include several parks and recreational facilities, including Irene Park (with a skate park and swimming pool adjacent to the east of the site), the Cherokee County Family YMCA (¾ miles northwest), Cherokee County Library (one mile away), and several parks within one mile.



The subject property is within the Cherokee County School District, with several schools situated within Gaffney itself – including BD Lee Elementary School (one-third mile west), Gaffney Middle School (1¼ mile away), and Gaffney High School (two miles away). Fixed route transit services are not currently available within Gaffney or Cherokee County. However, the county commissioned a feasibility study in 2023 which recommended to move forward with a public transit system, although the status of the service is not known at this time.

The following identifies pertinent locations and features within the Gaffney area closest to the subject property, 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 and most relevant to the subject property. Further, all distances are estimated by paved roadway.

**Retail**

1. Grocery – Walmart Supercenter (w/ pharmacy) ..... 1.4 miles northwest
2. Grocery – Ingles Market ..... 1.7 miles northwest
3. Grocery – Ingles Market ..... 1.5 miles northeast
4. Grocery – Dollar General Market grocery ..... 1.4 miles northeast
5. Grocery – Aldi ..... 1.7 miles northwest
6. Pharmacy – Walgreens ..... 0.6 miles north
7. Pharmacy – CVS Pharmacy ..... 0.3 miles east
8. Pharmacy – Buford Street Drug Store ..... 0.4 miles east
9. Convenience – Family Dollar ..... 0.6 miles east
10. Convenience – One Stop Convenience ..... 0.3 miles south
11. Convenience – Dollar General ..... 1.1 miles northwest

**Medical**

12. Hospital – Cherokee Medical Center ..... 2.0 miles northeast
13. Clinic – CMC – Immediate Care Center ..... 0.7 miles north
14. Clinic – Cherokee Community Care ..... 1.6 miles northeast
15. Clinic – Carolina Pediatric Associates ..... 2.1 miles northeast

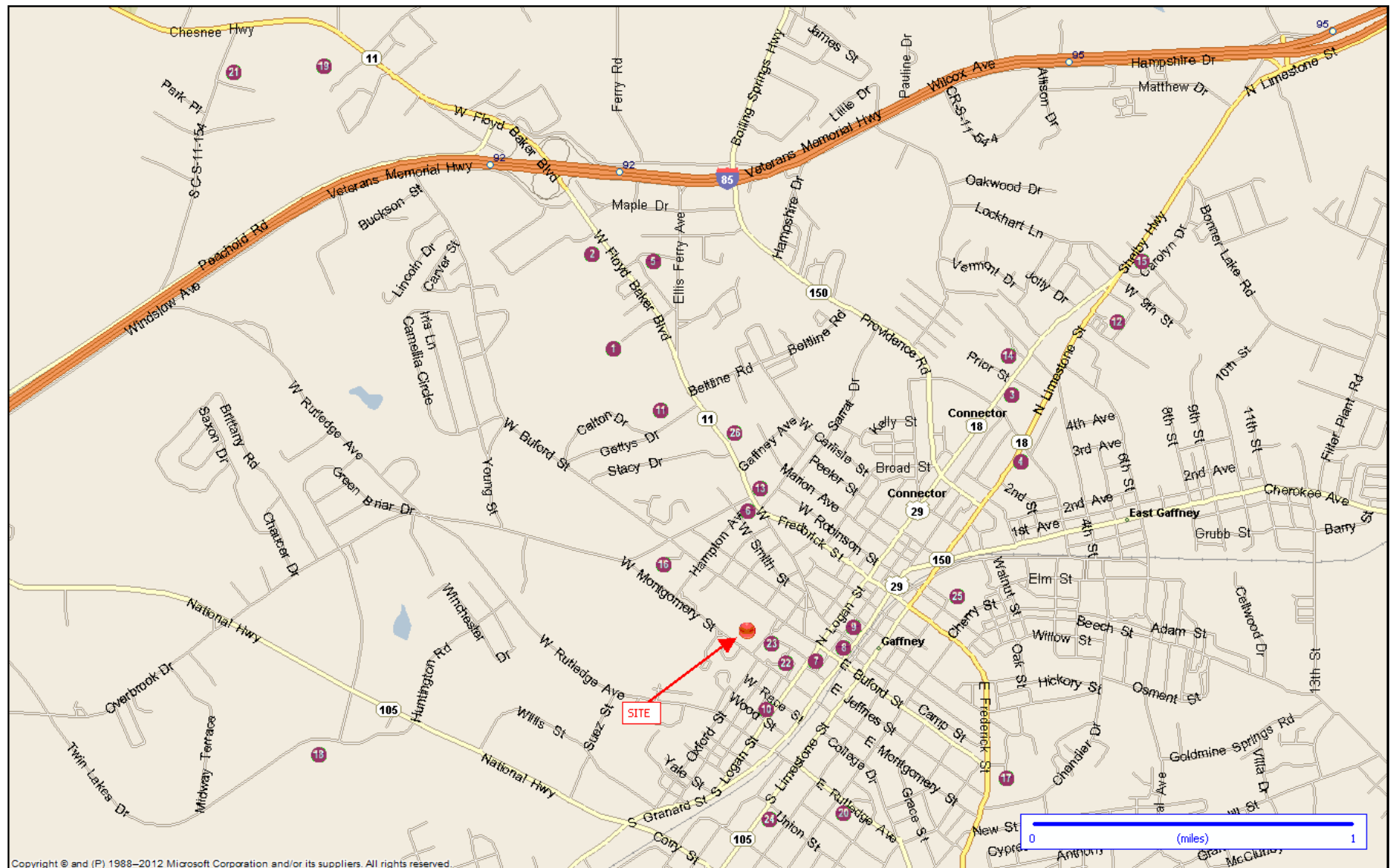
**Education**

16. School – BD Lee Elementary School ..... 0.3 miles west
17. School – Gaffney Middle School ..... 1.2 miles southeast
18. School – Gaffney High School ..... 2.1 miles southwest
19. College – Spartanburg Community College ..... 2.8 miles northwest

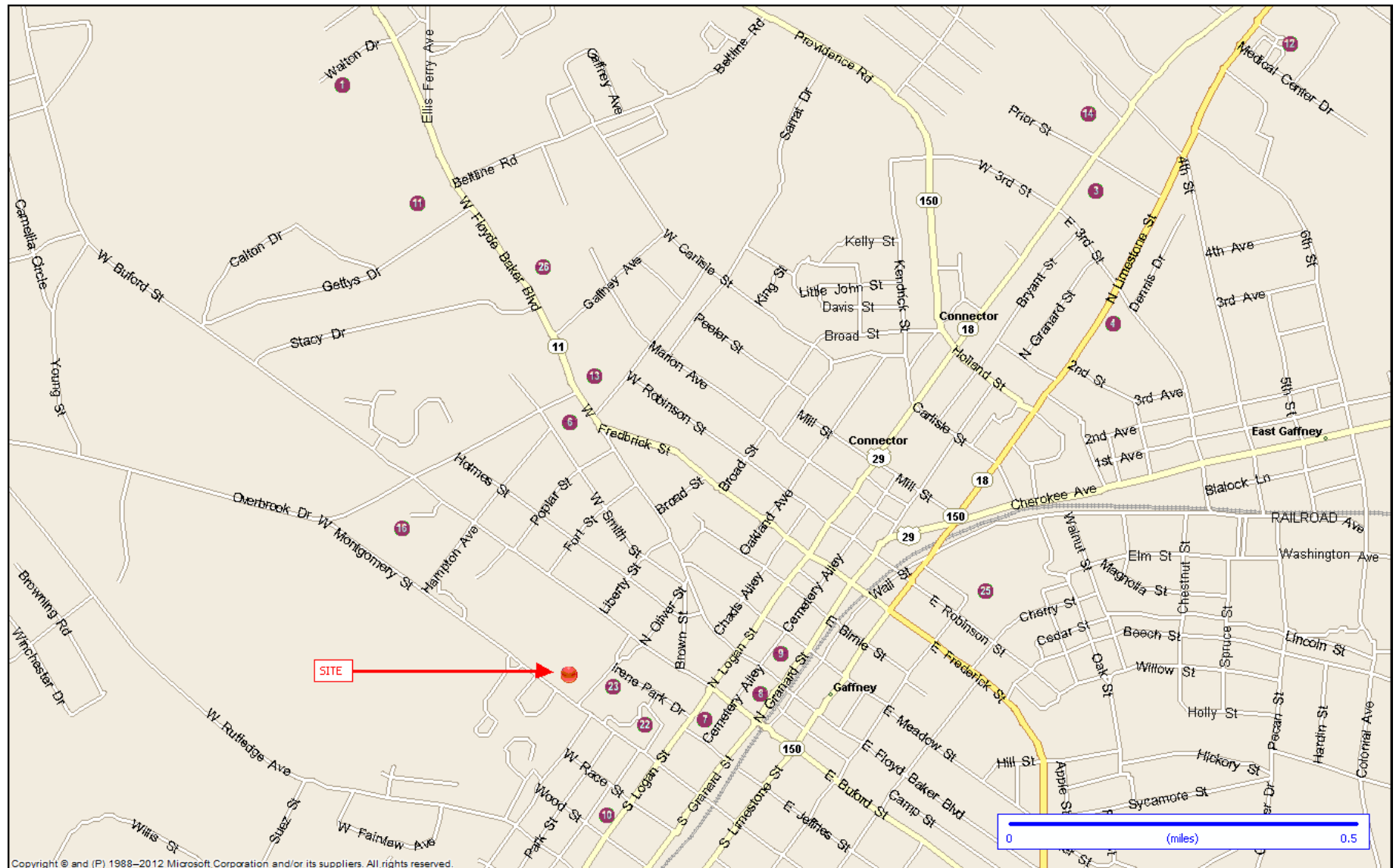
**Recreation/Other**

20. Library – Cherokee County Public Library ..... 0.9 miles southeast
21. Recreation Center – Cherokee County Family YMCA ..... 3.3 miles northwest
22. Park – Irene Park and Pool ..... 1 block east
23. Park – Irene Skate Park ..... adjacent to east
24. Park – Thompson Park ..... 0.8 miles south
25. Park – Jolly Park ..... 1.0 mile northeast
26. Other – U.S. Post Office ..... 1.0 mile north

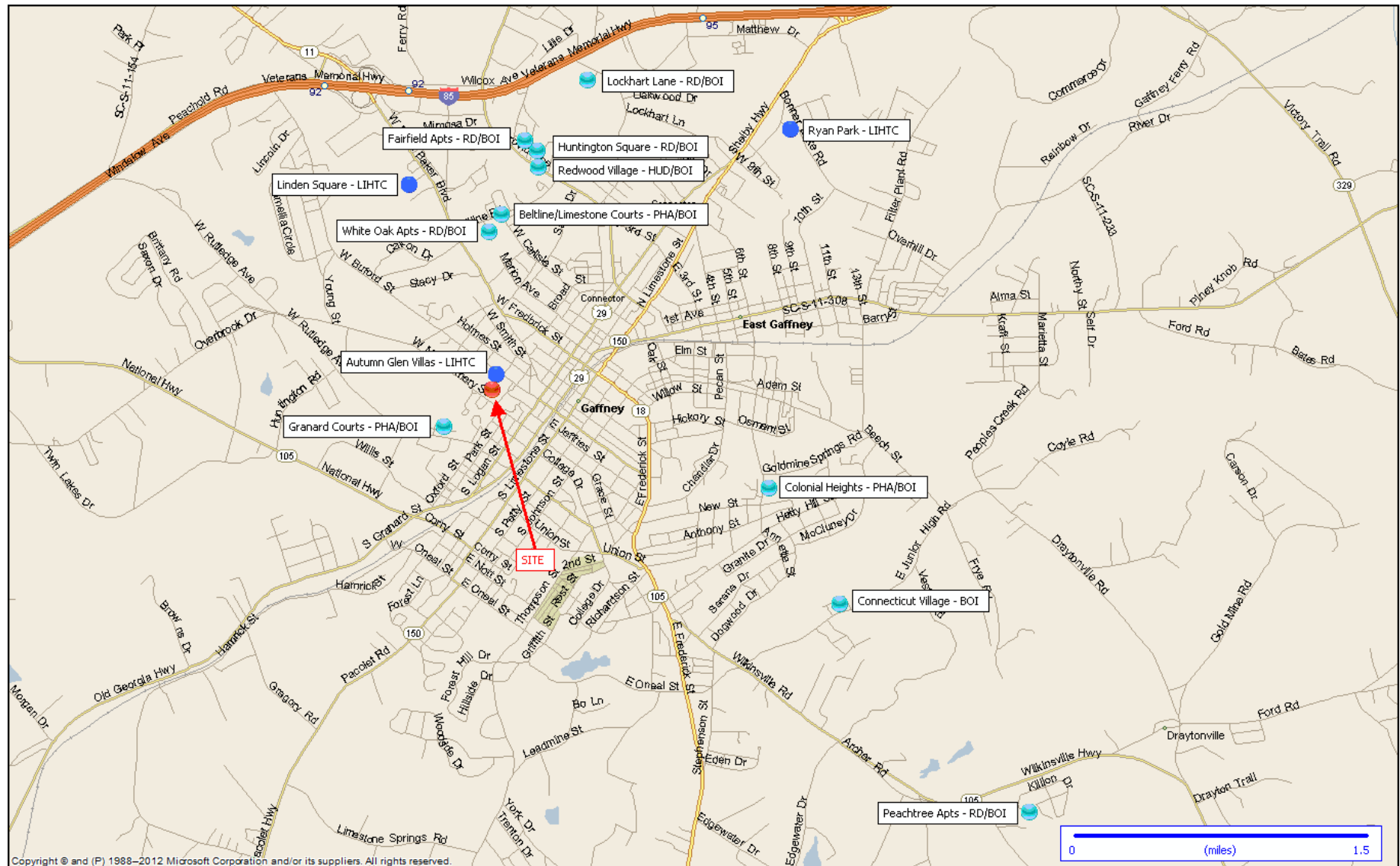
Map 4: Local Features/Amenities



Map 5: Local Features/Amenities – Close View



Map 6: Affordable Rental Housing – Gaffney PMA





Site/Neighborhood Photos



**SITE – Belle Haven Apartments  
680 W. Montgomery Street, Gaffney, SC  
Facing north from Montgomery Street**



**SITE – Belle Haven Apartments  
680 W. Montgomery Street, Gaffney, SC  
Facing north from Montgomery Street**



**SITE – Belle Haven Apartments  
680 W. Montgomery Street, Gaffney, SC  
Facing west from Oliver Street**



**SITE – Belle Haven Apartments  
680 W. Montgomery Street, Gaffney, SC  
Facing south from Autumn Glen Villas**



**NORTH – Hamrick Mills Corporate Office Property**  
**Facing west from Oliver Street**  
**Site is wooded property behind building**



**NORTH – Hamrick Mills Corporate Office Property**  
**Facing northwest from Oliver Street**  
**Site is to the left of building**



**NORTH – Multi-Family property adjacent to north**  
**Autumn Glen Villas**



**WEST – Church property adjacent to west of site**  
**Facing north from Montgomery Street**  
**Site is wooded property to the right**





**SOUTH – Single-family home adjacent to south of site**  
**Facing south from Montgomery Street**  
**Site is directly across street from home**



**SOUTH – Senior apartments adjacent to south of site**  
**Westwind Village I Apartments**  
**Facing south from Montgomery Street**  
**Site is directly across street from property**



**SOUTH – Senior apartments adjacent to south of site**  
**Westwind Village II Apartments**  
**Facing south from Montgomery Street**  
**Site is directly across street from property**



**SOUTH – Undeveloped property adjacent to south**  
**Facing south from Montgomery Street**  
**Site is directly across street from property**





**EAST – Water Tower adjacent to east of site  
Facing northeast from corner of Oliver and  
Montgomery Street  
Site is across Oliver Street to the left**



**EAST – Skate Park and water tower adjacent to east  
Facing south from near Buford Street  
Site is across Oliver Street to the right**



**STREET – Facing east along Montgomery Street  
Site is wooded property on the left  
Photo taken from near Westwind Village II entrance**

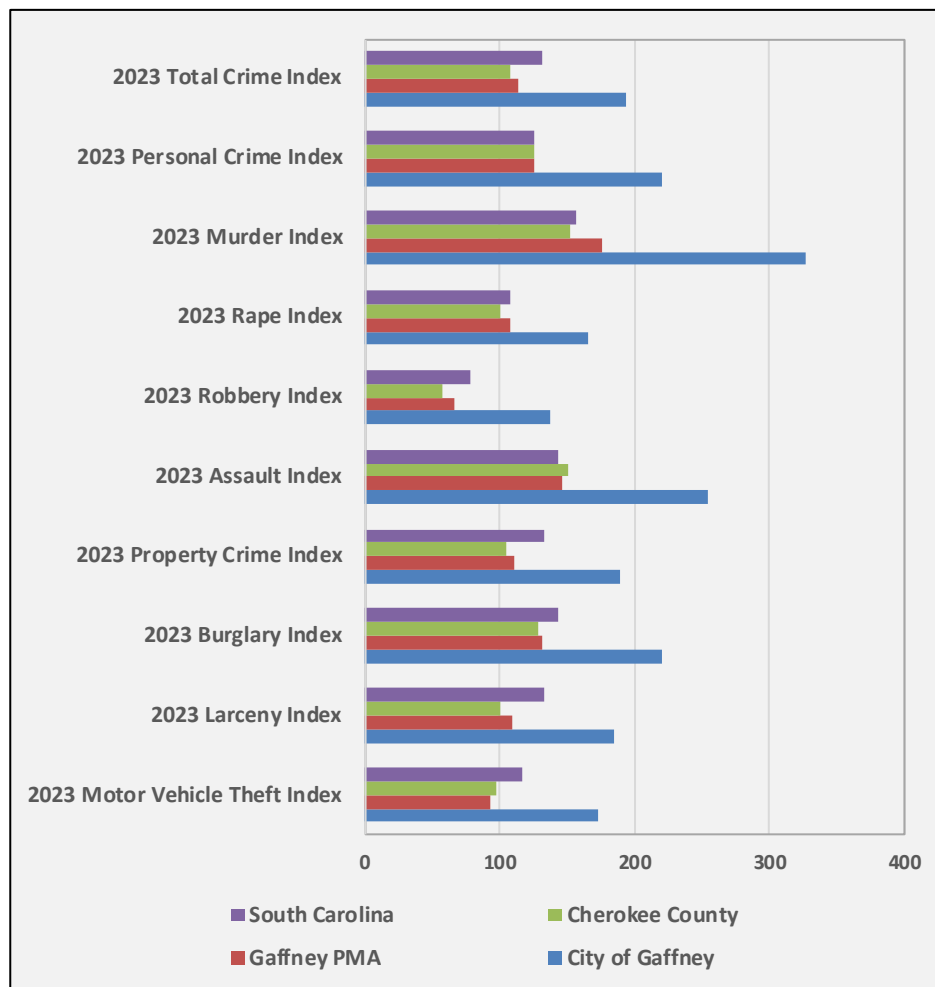


**STREET – Facing south along Oliver Street  
Site is wooded property on the left  
Photo taken from Montgomery Street**

## 6. Crime Assessment

Overall, crime rates for the Gaffney PMA are similar to county and state averages, although scores for the city of Gaffney itself are well above state and national norms. As such, the following table illustrates index scores for individual crime categories based on a scale normalized to 100 for the national average. Although crime statistics are somewhat elevated within the city itself, the site and surrounding neighborhood does not appear to have any noticeable safety concerns based on firsthand observations from a recent site visit, and should not be considered a prohibitive factor. Despite this, these crime scores are somewhat concerning and 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).

**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 within the community or 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 site characteristics are mostly positive, with the majority of necessary services found within Gaffney and situated within a relatively short distance of the site. In addition to a number of retail opportunities within walking distance (most notably downtown Gaffney), the site is situated within 1½ miles of a variety of additional retail centers – including a Walmart Supercenter, Ingles Market grocery, Dollar General Market grocery, Walgreens, Family Dollar, Big Lots, Goodwill, and much more.

Based on a site visit conducted May 6, 2024, the subject property can be viewed as a positive factor, with no significant visible nuances that can have a potentially negative effect on the marketability or absorption of the proposal. Further, the site's location provides a generally positive curb appeal (with good ingress/egress), along with no visible traffic congestion and most nearby properties (residential, commercial, or otherwise) in generally 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 PMA for the subject property consists of the city of Gaffney and surrounding area within the northwestern portion of Cherokee County. More specifically, the PMA is comprised of a total of eleven census tracts, and reaches approximately seven miles to the north of the site, five nine miles to the south, six miles to the east, and roughly nine miles to the west. 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 characteristics of the immediate area and the proposed site location. Additionally, the site is situated approximately one-third mile south of Floyd Baker Boulevard (SC 11 – a major retail/commercial corridor), as well within 1¾ miles to several additional key roadways, including U.S. 29, SC 150, SC 18, SC 105, and Interstate 85 – each providing access throughout the Gaffney PMA and Upstate South Carolina region.

Factors such as socio-economic conditions and patterns, local roadway infrastructure, commuting patterns, physical boundaries, and personal experience were utilized when defining the primary market area. As such, the PMA is comprised of the following census tracts (utilizing 2020 census delineations – all are within Cherokee County):

- Tract 9701.01      • Tract 9702.03      • Tract 9703.01      • Tract 9705.01      • Tract 9705.03
- Tract 9701.02      • Tract 9702.04      • Tract 9703.02      • Tract 9705.02      • Tract 9706.01
- Tract 9702.01\*

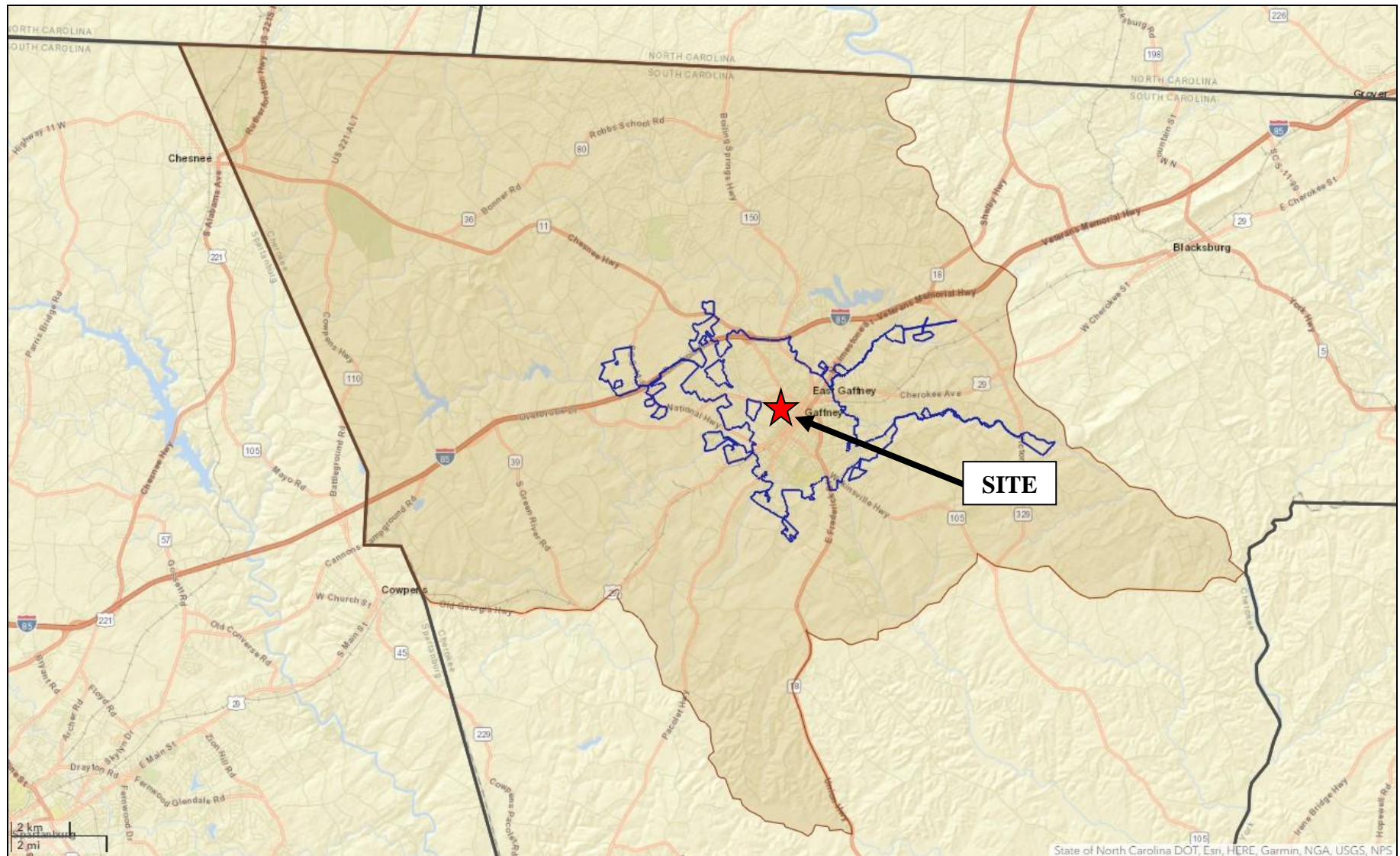
\* Site is located in Census Tract 9702.01\*

Map 7: State of South Carolina





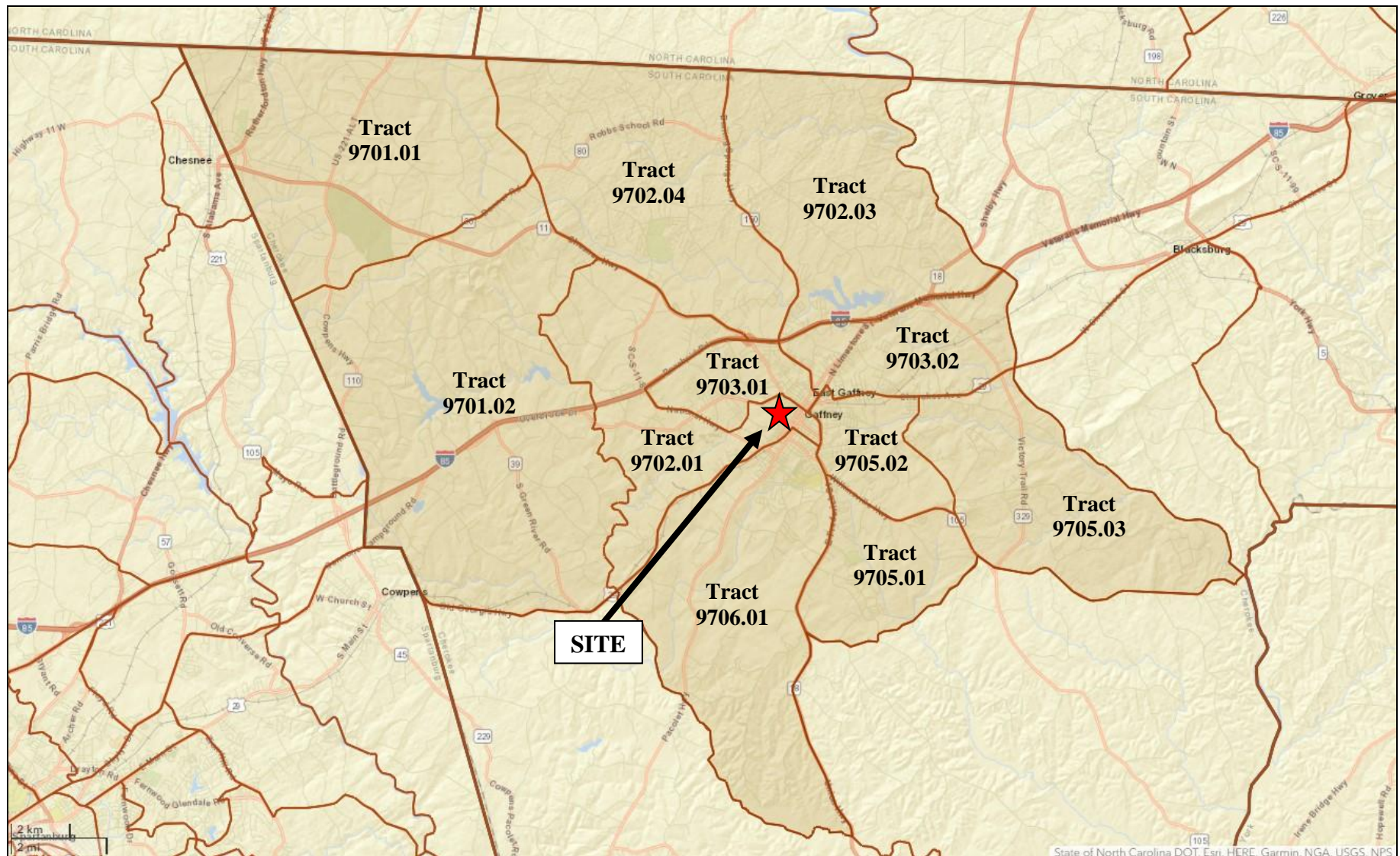
Map 8: Gaffney Primary Market Area



NOTE: Shaded area is PMA; Blue outline is city of Gaffney; Black outline is county/state border



Map 9: Primary Market Area – Census Tracts



**Table 2: Race Distribution (2020)**

Race - Census Tract 9702.01 - Cherokee County, SC		
	<u>Number</u>	<u>Percent</u>
<b>Total Races Tallied</b>	<b>4,088</b>	<b>--</b>
White*	2,364	57.8%
Black or African American*	1,422	34.8%
American Indian/Alaska Native*	70	1.7%
Asian*	67	1.6%
Native Hawaiian/Pacific Islander*	5	0.1%
Other Race*	160	3.9%
*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 - 2020 - Table P6		



## D. MARKET AREA ECONOMY

### 1. Employment, Wages, Commuting

The following highlights current economic conditions for Cherokee County, Gaffney, and the market area, where available:

- **Employment by Industry** – According to information from the South Carolina Department of Employment and Workforce, the largest individual employment industry within Cherokee County is manufacturing (at approximately 32 percent of all jobs), followed by persons employed in retail trade (13 percent), and accommodation/food services (10 percent).
- **Employment by Industry Five Year Change** – Based on a comparison of employment by industry from 2018, the majority of individual industries experienced a net loss over the past five years. As such, only three industries recorded employment growth – professional/technical services, educational services, and whole sale trade (each increasing by less than 40 jobs). In contrast, the largest declines occurred in administrative/waste services (nearly 1,400 fewer jobs), manufacturing (330 fewer jobs), and health care/social assistance (250 fewer jobs).
- **Commuting Characteristics** – Based on place of employment, 63 percent of PMA residents are employed within Cherokee County, while 37 percent commute outside of the county – most of which work in Spartanburg County. Furthermore, six percent of PMA workers commuted outside of the state (to nearby North Carolina). According to ACS data, approximately 83 percent of workers within the PMA drove alone to their place of employment, nine percent carpooled, five percent worked from home, and three percent used public transportation, walked, or some other means to work.
- **Recent Employment Trends** – Figures for 2020 clearly illustrates the negative impact of the COVID-19 pandemic, with a decrease of approximately 1,100 jobs for Cherokee County – representing a decline of 4.6 percent between 2019 and 2020 (which was somewhat above losses experienced for South Carolina overall – at 2.9 percent). Additionally, the most recent information demonstrates that the economy has remained somewhat lackluster since 2020, with the number of jobs decreasing by 0.4 percent (nearly 100 jobs) between 2020 and 2024. The most recent monthly information indicates that the local economy has continued to stagnate over the past year, as the number of jobs within Cherokee County decreased by approximately 1,685 jobs between February 2023 and February 2024, representing a decrease of 7.2 percent – comparatively, employments within the state overall increased by 2.6 percent.
- **Recent Unemployment Levels** – In conjunction with declining job levels, unemployment rates have increased somewhat in recent years. As such, the annual unemployment rate for 2023 was recorded at 4.3 percent for Cherokee County, which was an improvement from 7.8 percent in 2020. However, this rate exhibited an increase from 4.1 percent in 2022. Based on February 2024 data, the county's unemployment rate further increased to 4.7 percent (an increase from the February 2023 rate of 4.4 percent), remaining somewhat above state and national averages (3.6 and 4.2 percent, respectively).

**Table 3: Employment by Industry – Cherokee County**

<u>Industry</u>	3Q 2023		3Q 2018		Change (2018-2023)	
	<u>Number Employed</u>	<u>Percent</u>	<u>Number Employed</u>	<u>Percent</u>	<u>Number Employed</u>	<u>Percent</u>
<b>Total, All Industries</b>	<b>18,273</b>	<b>100.0%</b>	<b>20,978</b>	<b>100.0%</b>	<b>(2,705)</b>	<b>(13%)</b>
Agriculture, forestry, fishing and hunting	13	0.1%	*	*	*	*
Mining	*	*	*	*	*	*
Utilities	175	1.0%	176	0.8%	(1)	(1%)
Construction	755	4.1%	863	4.1%	(108)	(13%)
Manufacturing	5,782	31.7%	6,113	29.4%	(331)	(5%)
Wholesale trade	645	3.5%	626	3.0%	19	3%
Retail trade	2,295	12.6%	2,351	11.3%	(56)	(2%)
Transportation and warehousing	1,188	6.5%	1,356	6.5%	(168)	(12%)
Information	58	0.3%	72	0.3%	(14)	(19%)
Finance and insurance	246	1.3%	266	1.3%	(20)	(8%)
Real estate and rental and leasing	121	0.7%	178	0.9%	(57)	(32%)
Professional and technical services	226	1.2%	186	0.9%	40	22%
Management of companies and enterprises	*	*	22	0.1%	*	*
Administrative and waste services	1,181	6.5%	2,578	12.4%	(1,397)	(54%)
Educational services	1,471	8.1%	1,432	6.9%	39	3%
Health care and social assistance	1,056	5.8%	1,310	6.3%	(254)	(19%)
Arts, entertainment, and recreation	216	1.2%	232	1.1%	(16)	(7%)
Accommodation and food services	1,739	9.5%	1,884	9.1%	(145)	(8%)
Other services, exc. public administration	418	2.3%	469	2.3%	(51)	(11%)
Public administration	670	3.7%	695	3.3%	(25)	(4%)

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

**Table 4: Place of Work/ Means of Transportation (2022)**

EMPLOYMENT BY PLACE OF WORK						
	City of Gaffney		Gaffney PMA		Cherokee County	
<b>Total</b>	<b>4,863</b>	<b>100.0%</b>	<b>17,405</b>	<b>100.0%</b>	<b>23,919</b>	<b>100.0%</b>
<b>Worked in State of Residence</b>	4,546	93.5%	16,432	94.4%	21,411	89.5%
<b>Worked in County of Residence</b>	3,431	70.6%	10,989	63.1%	14,407	60.2%
<b>Worked Outside County of Residence</b>	1,115	22.9%	5,443	31.3%	7,004	29.3%
<b>Worked Outside State of Residence</b>	317	6.5%	973	5.6%	2,508	10.5%
MEANS OF TRANSPORTATION TO WORK						
	City of Gaffney		Gaffney PMA		Cherokee County	
<b>Total</b>	<b>4,863</b>	<b>100.0%</b>	<b>17,405</b>	<b>100.0%</b>	<b>23,919</b>	<b>100.0%</b>
<b>Drove Alone - Car, Truck, or Van</b>	3,788	77.9%	14,415	82.8%	20,056	83.8%
<b>Carpooled - Car, Truck, or Van</b>	545	11.2%	1,602	9.2%	2,209	9.2%
<b>Public Transportation</b>	0	0.0%	11	0.1%	11	0.0%
<b>Walked</b>	93	1.9%	170	1.0%	170	0.7%
<b>Other Means</b>	177	3.6%	309	1.8%	331	1.4%
<b>Worked at Home</b>	260	5.3%	898	5.2%	1,142	4.8%

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

**Table 5: 20 Largest Employers – Cherokee County**

<b>Employer</b> <i>(listed alphabetically)</i>	<b>Employer</b> <i>(listed alphabetically)</i>
Ambassador Personnel Inc.	Boysen USA LLC
Broder Bros Co.	Brown Packing Company, Inc.
Cherokee County	Cherokee County School District #1
Cherokee County School District 1	Correll Insurance Group Inc.
Dollar Tree Distribution Inc.	Freightliner Chassis Corporation
Hamrick Mills	Hamricks Inc.
Limestone College Inc.	Milliken & Company Magnolia
Nestle Prepared Food Company Inc.	Personnel Associates Inc.
Real Tiem Staffing Services, LLC	The Timken Company
Wal-Mart Associates Inc.	WH Operating Group LP

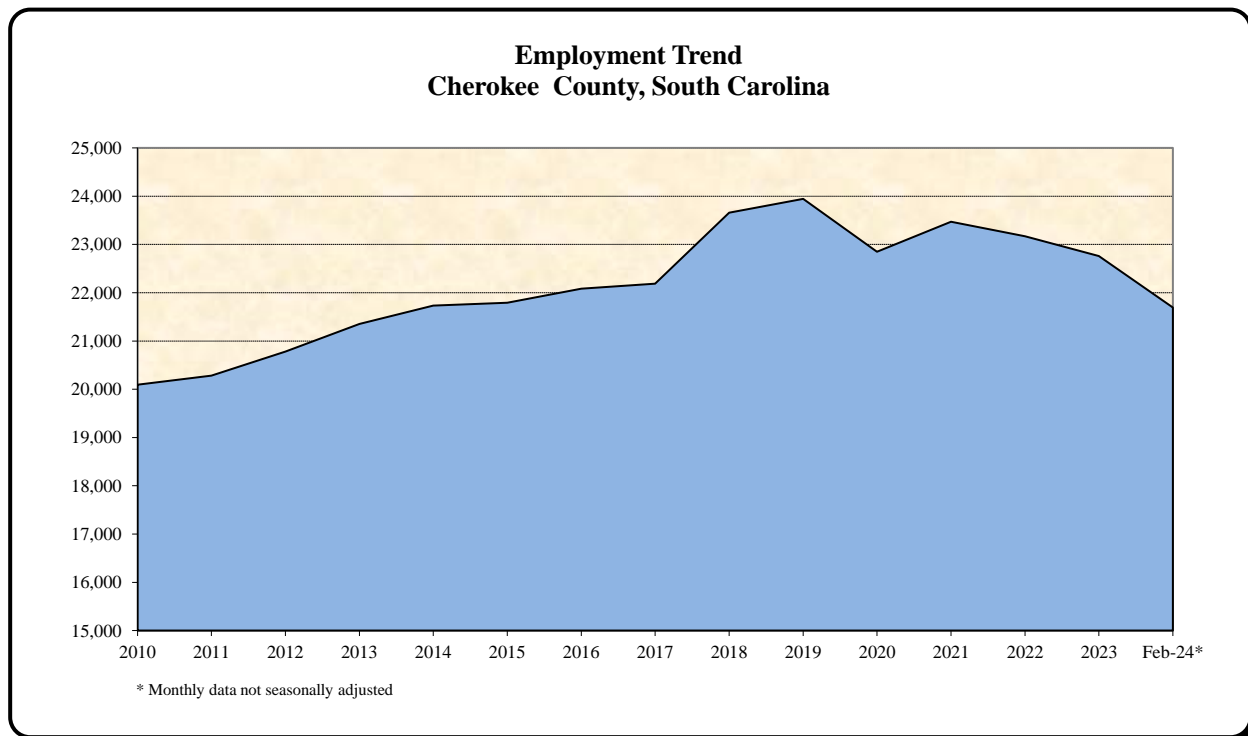
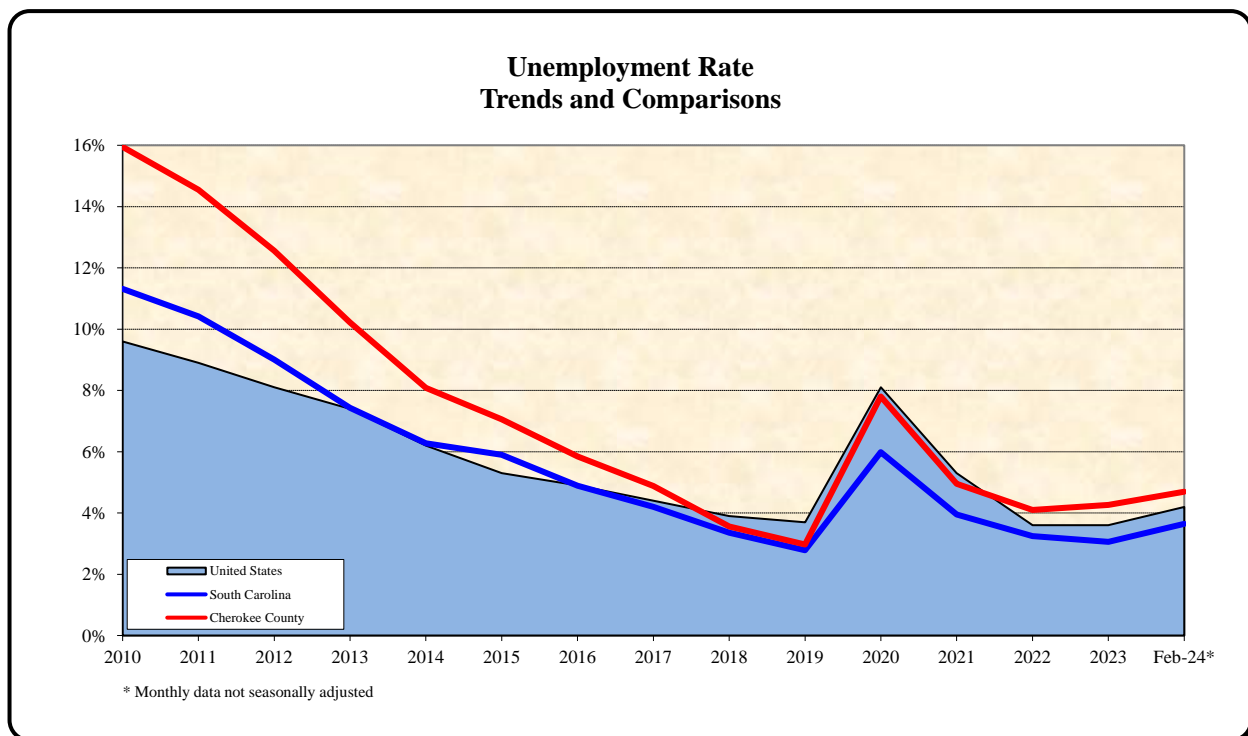
Source: S.C. Departments of Employment &amp; Workforce – 2023 Q3

**Table 6: Historical Employment Trends**

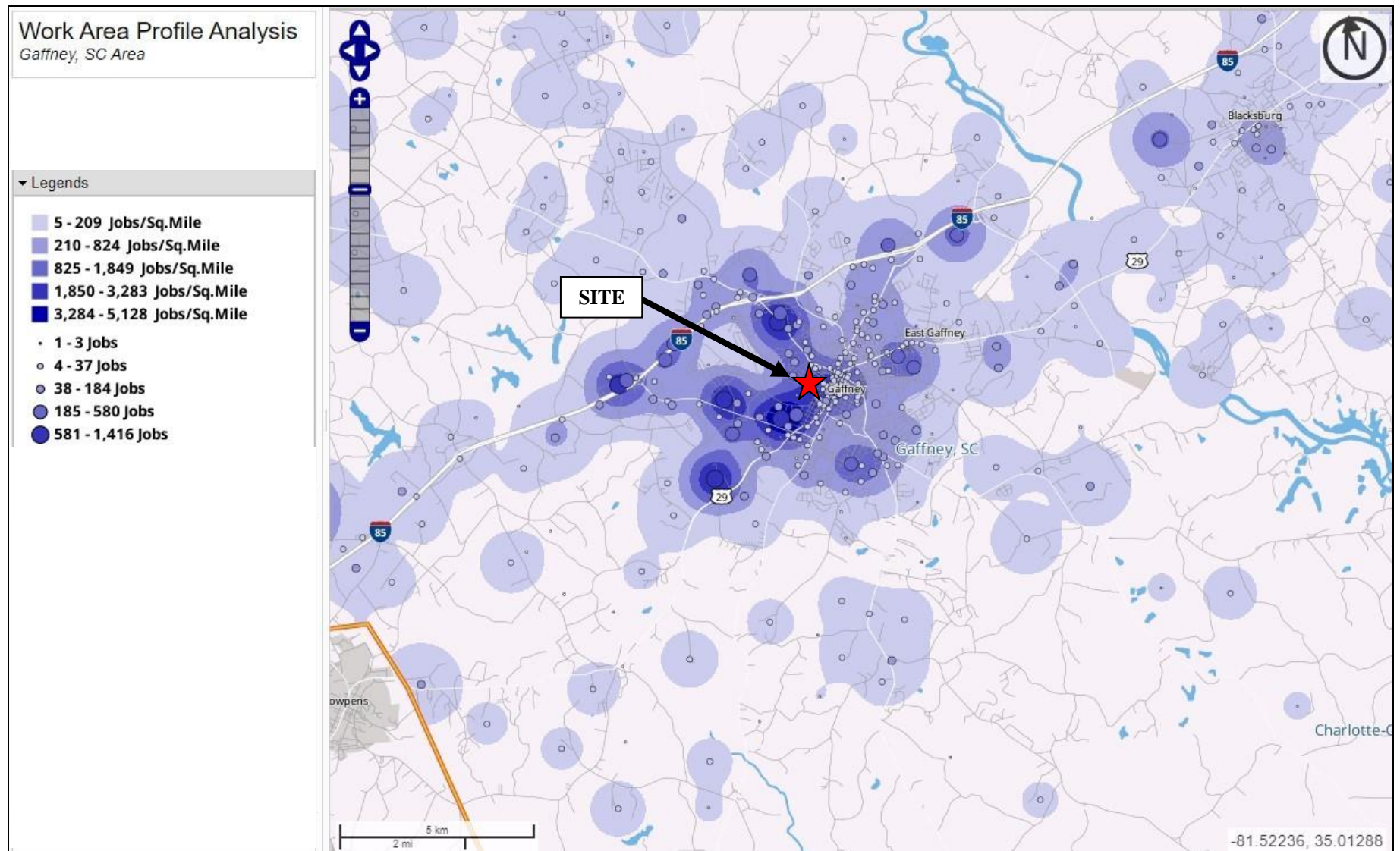
Year	Cherokee County				Employment Annual Change			Unemployment Rate		
	Labor Force	Number Employed	Annual Change	Percent Change	Cherokee County	South Carolina	United States	Cherokee County	South Carolina	United States
<b>2010</b>	23,910	20,096	--	--	--	--	--	16.0%	11.3%	9.6%
<b>2011</b>	23,736	20,283	187	0.9%	0.9%	1.5%	0.6%	14.5%	10.4%	8.9%
<b>2012</b>	23,768	20,782	499	2.5%	2.5%	1.8%	1.9%	12.6%	9.0%	8.1%
<b>2013</b>	23,787	21,355	573	2.8%	2.8%	2.1%	1.0%	10.2%	7.4%	7.4%
<b>2014</b>	23,647	21,735	380	1.8%	1.8%	2.4%	1.7%	8.1%	6.3%	6.2%
<b>2015</b>	23,446	21,792	57	0.3%	0.3%	2.5%	1.7%	7.1%	5.9%	5.3%
<b>2016</b>	23,456	22,085	293	1.3%	1.3%	1.9%	1.7%	5.8%	4.9%	4.9%
<b>2017</b>	23,326	22,187	102	0.5%	0.5%	-0.3%	1.6%	4.9%	4.2%	4.4%
<b>2018</b>	24,530	23,657	1,470	6.6%	6.6%	1.8%	1.6%	3.6%	3.4%	3.9%
<b>2019</b>	24,676	23,942	285	1.2%	1.2%	2.5%	1.1%	3.0%	2.8%	3.7%
<b>2020</b>	24,780	22,847	(1,095)	-4.6%	-4.6%	-2.9%	-6.2%	7.8%	6.0%	8.1%
<b>2021</b>	24,690	23,468	621	2.7%	2.7%	3.0%	3.2%	4.9%	3.9%	5.3%
<b>2022</b>	24,159	23,168	(300)	-1.3%	-1.3%	1.6%	3.7%	4.1%	3.2%	3.6%
<b>2023</b>	23,772	22,759	(410)	-1.8%	-1.8%	3.3%	1.7%	4.3%	3.1%	3.6%
<b>Feb-23*</b>	24,455	23,379	---	---	---	---	---	4.4%	3.7%	3.9%
<b>Feb-24*</b>	22,763	21,694	(1,685)	-7.2%	-7.2%	2.6%	0.4%	4.7%	3.6%	4.2%

Cherokee County				South Carolina		
	Number	Percent	Ann. Avg.		Percent	Ann. Avg.
Change (2010-2015):	<b>1,696</b>	<b>8.4%</b>	<b>1.7%</b>	Change (2010-2015):	<b>10.7%</b>	<b>2.1%</b>
Change (2015-2020):	<b>1,055</b>	<b>4.8%</b>	<b>1.0%</b>	Change (2015-2020):	<b>2.9%</b>	<b>0.6%</b>
Change (2020-2023)	<b>321</b>	<b>1.4%</b>	<b>0.5%</b>	Change (2020-2023)	<b>4.7%</b>	<b>1.6%</b>

\*Monthly data not seasonally adjusted

**Figure 1: Employment Growth****Figure 2: Historical Unemployment Rate**

Map 10: Employment Concentrations – Gaffney Area



## E. COMMUNITY DEMOGRAPHIC DATA

### 1. Population, Household, and Income Trends

Based on U.S. Census data and ESRI forecasts, much of Cherokee County has exhibited relatively positive demographic gains since 2010. As such, the following provides a summary of key demographic trends for the city and market area, with greater detail found in the tables on the following pages:

- **Overall Population** – According to the most recent estimates, the Gaffney PMA had an overall population of 40,826 persons in 2024, representing an increase of three percent from 2010 (more than 1,100 persons). Future projections indicate continued growth over the next five years, with an increase of approximately 175 persons (one percent) between 2024 and 2029. In comparison, the city of Gaffney also increased by three percent since 2010, while Cherokee County as a whole increased by two percent during this time.
- **Overall Households** – The number of occupied households also demonstrated growth within the PMA, with gains somewhat greater than population growth. As such, households for the Gaffney PMA increased by five percent since 2010 (nearly 850 housing units), with forecasts estimating an additional increase of approximately 135 households through 2029 – representing an increase of one percent over the next five years.
- **Renter Households** – Despite overall household growth, the number of renter units within the PMA decreased slightly over the past decade – declining by four percent (almost 200 rental units) between 2010 and 2024. Further, this figure is anticipated to decrease by an additional two percent (nearly 110 units) through 2029.
- **Renter Propensities** – Overall, a moderate ratio of renter households exists throughout the Gaffney area. As such, the renter household percentage was calculated at 31 percent of all occupied units within the PMA in 2024 – well-below the city ratio (at 46 percent) and more in line with county-wide levels (29 percent). It should also be noted that renter propensities within all three areas have decreased slightly over the past decade.
- **Age Distribution** – Based on U.S. Census data, the largest population group for the PMA in 2024 consisted of persons between the ages of 20 and 44 years, accounting for 31 percent of all persons. When reviewing distribution patterns between 2010 and 2029, the aging of the population is evident within all three areas analyzed. As such, while the proportion of persons under the age of 45 has declined somewhat over the past decade, the fastest growing portion of the population base is the older age segments. Within the PMA, persons 65 years and older, which represented 14 percent of the population in 2010, is expected to increase to account for 21 percent of all persons by 2029 – clearly demonstrating the aging of the baby boom generation consistent to that exhibited throughout the state and nation.

- **Future Age Trends** – Although decreasing somewhat, the steady percentage of population below the age of 45 seen throughout Gaffney and the PMA (at 57 percent and 54 percent of all persons in 2029, respectively) signifies positive trends for the subject proposal by continuing to provide a solid base of potential tenants for the subject property.
- **Overall Household Sizes** – Average household sizes throughout the Gaffney PMA have decreased since 2010, generally consistent with an aging population. Based on census data, the PMA contains somewhat larger household sizes than the city. As such, the PMA had an average of 2.44 persons per household in 2024, while the city had an average household size of 2.28 persons.
- **Median Household Income** – The median household income for the Gaffney PMA was estimated at \$47,128 for 2024, which was approximately 33 percent greater than Gaffney proper (at \$35,569), but three percent below Cherokee County as a whole (\$48,437). In comparison to 2010 figures, income appreciation throughout the Gaffney area has been generally steady over the past decade. As such, the median household income increased by 2.3 percent annually between 2010 and 2024 for the PMA, as compared to a 3.2 percent annual increase for the county overall. Income appreciation is anticipated to remain similar over the next five years for the PMA, with an annual increase of 1.9 percent between 2024 and 2029.
- **Overall Income Distribution** – According to the U.S. Census Bureau's American Community Survey, approximately 39 percent of all households within the PMA had an annual income of less than \$35,000 in 2024 – the portion of the population with the greatest need for affordable housing options. Further, roughly 53 percent of PMA households had an income below \$50,000. In comparison, a somewhat greater 45 percent of households within Gaffney itself had incomes below \$35,000, while 62 percent were below \$50,000 annually. With greater than one-third of all households within the PMA earning less than \$35,000 per year (and more than one-half of all households under \$50,000), affordable housing options will undoubtedly continue to be in demand locally.
- **Rent Overburdened Households** – The most recent American Community Survey data shows that approximately 36 percent of renter households within the PMA are rent-overburdened (paying more than 35 percent of household income to gross rent), similar to the city's overburdened percentage of 35 percent.
- **Income-Qualified Households** – Overall, the key income range for the subject proposal is \$9,943 to \$50,160 (in current dollars). As such, roughly 40 percent of the PMA's owner-occupied household number, and 54 percent of the renter-occupied household figure are within the income-qualified range. Considering the relative density of the PMA, this equates to more than 7,200 potential income-qualified households for the proposed development, including roughly 2,650 income-qualified renter households.

**Table 7: Population Trends (2010 to 2029)**

Overall Population					
	<u>2010</u>	<u>2020</u>	<u>2024</u>	<u>2026</u>	<u>2029</u>
City of Gaffney	12,572	12,764	12,934	12,931	12,928
Gaffney PMA	39,704	40,394	40,826	40,897	41,005
Cherokee County	55,342	56,216	56,524	56,499	56,463
Overall Change					
	<u>2010-2020</u>	<u>2010-2024</u>	<u>2020-2024</u>	<u>2024-2026</u>	<u>2024-2029</u>
City of Gaffney	1.5%	2.9%	1.3%	0.0%	0.0%
Gaffney PMA	1.7%	2.8%	1.1%	0.2%	0.4%
Cherokee County	1.6%	2.1%	0.5%	0.0%	-0.1%
Annual Change					
	<u>2010-2020</u>	<u>2010-2024</u>	<u>2020-2024</u>	<u>2024-2026</u>	<u>2024-2029</u>
City of Gaffney	0.2%	0.2%	0.3%	0.0%	0.0%
Gaffney PMA	0.2%	0.2%	0.3%	0.1%	0.1%
Cherokee County	0.2%	0.2%	0.1%	0.0%	0.0%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC					

**Table 8: Household Trends (2010 to 2029)**

Overall Households					
	<u>2010</u>	<u>2020</u>	<u>2024</u>	<u>2026</u>	<u>2029</u>
City of Gaffney	5,117	5,153	5,167	5,166	5,163
Gaffney PMA	15,430	16,026	16,268	16,322	16,403
Cherokee County	21,519	22,349	22,547	22,572	22,609
Overall Change					
	<u>2010-2020</u>	<u>2010-2024</u>	<u>2020-2024</u>	<u>2024-2026</u>	<u>2024-2029</u>
	<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
City of Gaffney	0.7%	1.0%	0.3%	0.0%	-0.1%
Gaffney PMA	3.9%	5.4%	1.5%	0.3%	0.8%
Cherokee County	3.9%	4.8%	0.9%	0.1%	0.3%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC					

**Table 9: Average Household Size (2010 to 2029)**

Population Per Household					
	<u>2010</u>	<u>2020</u>	<u>2024</u>	<u>2026</u>	<u>2029</u>
City of Gaffney	2.34	2.25	2.28	2.28	2.28
Gaffney PMA	2.53	2.45	2.44	2.43	2.43
Cherokee County	2.54	2.46	2.45	2.45	2.44
Change					
	<u>2010-2020</u>	<u>2010-2024</u>	<u>2020-2024</u>	<u>2024-2026</u>	<u>2024-2029</u>
City of Gaffney	-3.7%	-2.6%	1.2%	0.0%	0.0%
Gaffney PMA	-3.3%	-3.6%	-0.4%	-0.2%	-0.4%
Cherokee County	-3.1%	-3.4%	-0.3%	-0.2%	-0.4%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC					



Table 10: Age Distribution (2010 to 2029)

	City of Gaffney				Gaffney PMA				Cherokee County			
	<b>2010</b>	<b>2020</b>	<b>2024</b>	<b>2029</b>	<b>2010</b>	<b>2020</b>	<b>2024</b>	<b>2029</b>	<b>2010</b>	<b>2020</b>	<b>2024</b>	<b>2029</b>
	<b>Percent</b>	<b>Percent</b>	<b>Percent</b>	<b>Percent</b>	<b>Percent</b>	<b>Percent</b>	<b>Percent</b>	<b>Percent</b>	<b>Percent</b>	<b>Percent</b>	<b>Percent</b>	<b>Percent</b>
<b>Under 20 years</b>	26.1%	25.7%	24.6%	24.5%	27.7%	25.6%	24.8%	24.9%	27.6%	25.5%	24.3%	24.3%
<b>20 to 24 years</b>	8.1%	8.0%	7.2%	7.2%	6.6%	6.7%	5.7%	5.4%	6.5%	6.3%	5.5%	5.5%
<b>25 to 34 years</b>	11.4%	12.8%	13.9%	14.0%	11.7%	12.0%	13.1%	10.7%	11.5%	11.8%	13.2%	13.2%
<b>35 to 44 years</b>	11.8%	10.9%	11.0%	11.0%	13.6%	11.2%	12.3%	13.4%	13.9%	11.1%	12.4%	12.4%
<b>45 to 54 years</b>	13.0%	11.3%	11.3%	11.3%	14.1%	13.4%	12.5%	12.3%	14.2%	13.8%	12.8%	12.8%
<b>55 to 64 years</b>	12.2%	12.5%	11.7%	11.7%	12.6%	13.3%	12.7%	12.4%	12.8%	13.6%	13.1%	13.0%
<b>65 to 74 years</b>	8.1%	10.7%	11.2%	11.3%	7.9%	11.0%	11.5%	11.6%	7.8%	11.1%	11.7%	11.7%
<b>75 to 84 years</b>	6.0%	5.7%	6.5%	6.5%	4.2%	5.3%	5.6%	7.2%	4.1%	5.2%	5.5%	5.5%
<b>85 years and older</b>	3.3%	2.4%	2.6%	2.6%	1.7%	1.6%	1.7%	2.1%	1.5%	1.5%	1.6%	1.6%
<b>Under 20 years</b>	26.1%	25.7%	24.6%	24.5%	27.7%	25.6%	24.8%	24.9%	27.6%	25.5%	24.3%	24.3%
<b>20 to 44 years</b>	31.3%	31.7%	32.1%	32.2%	31.9%	29.8%	31.2%	29.5%	32.0%	29.2%	31.1%	31.1%
<b>45 to 64 years</b>	25.3%	23.9%	23.0%	23.0%	26.6%	26.7%	25.2%	24.7%	27.0%	27.4%	25.9%	25.9%
<b>65 years and older</b>	17.4%	18.7%	20.3%	20.4%	13.8%	17.9%	18.8%	20.9%	13.4%	17.9%	18.8%	18.8%
<b>55 years and older</b>	29.6%	31.3%	32.0%	32.1%	26.3%	31.2%	31.6%	33.3%	26.2%	31.5%	31.8%	31.8%
<b>75 years and older</b>	9.3%	8.0%	9.1%	9.1%	5.9%	6.9%	7.4%	9.4%	5.6%	6.8%	7.0%	7.0%
<b>Non-Elderly (&lt;65)</b>	82.6%	81.3%	79.7%	79.6%	86.2%	82.1%	81.2%	79.1%	86.6%	82.1%	81.2%	81.2%
<b>Elderly (65+)</b>	17.4%	18.7%	20.3%	20.4%	13.8%	17.9%	18.8%	20.9%	13.4%	17.9%	18.8%	18.8%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC												

Table 11: Renter Household Trends (2010 to 2029)

Overall Renter Households					
	<u>2010</u>	<u>2020</u>	<u>2024</u>	<u>2026</u>	<u>2029</u>
City of Gaffney	2,463	2,576	2,380	2,361	2,331
Gaffney PMA	5,168	5,488	4,977	4,934	4,870
Cherokee County	6,686	7,026	6,451	6,366	6,237
Overall Change					
	<u>2010-2020</u>	<u>2010-2024</u>	<u>2020-2024</u>	<u>2024-2026</u>	<u>2024-2029</u>
City of Gaffney	4.6%	-3.4%	-7.6%	-0.8%	-2.1%
Gaffney PMA	6.2%	-3.7%	-9.3%	-0.9%	-2.2%
Cherokee County	5.1%	-3.5%	-8.2%	-1.3%	-3.3%
Overall Renter Percentage					
	<u>2010</u>	<u>2020</u>	<u>2024</u>	<u>2026</u>	<u>2029</u>
City of Gaffney	48.1%	50.0%	46.1%	45.7%	45.2%
Gaffney PMA	33.5%	34.2%	30.6%	30.2%	29.7%
Cherokee County	31.1%	31.4%	28.6%	28.2%	27.6%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC					

Table 12: Rental Units by Size (2020)

Renter Households By Size					
	<u>One Person</u>	<u>Two Persons</u>	<u>Three Persons</u>	<u>Four Persons</u>	<u>5 or More Persons</u>
City of Gaffney	1,123	605	389	247	212
Gaffney PMA	1,981	1,411	939	666	491
Cherokee County	2,450	1,808	1,221	883	664
	<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>
City of Gaffney	43.6%	23.5%	15.1%	9.6%	8.2%
Gaffney PMA	36.1%	25.7%	17.1%	12.1%	8.9%
Cherokee County	34.9%	25.7%	17.4%	12.6%	9.5%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC					

Table 13: Median Household Incomes (2010 to 2029)

Median Household Income					
	<u>2010</u>	<u>2020</u>	<u>2024</u>	<u>2026</u>	<u>2029</u>
City of Gaffney	\$27,465	\$31,355	\$35,569	\$36,836	\$38,737
Gaffney PMA	\$36,374	\$37,353	\$47,128	\$49,276	\$52,498
Cherokee County	\$34,132	\$37,787	\$48,437	\$50,494	\$53,578
Household Income Overall Change					
	<u>2010-2020</u>	<u>2010-2024</u>	<u>2020-2024</u>	<u>2024-2026</u>	<u>2024-2029</u>
City of Gaffney	14.2%	29.5%	13.4%	3.6%	8.9%
Gaffney PMA	2.7%	29.6%	26.2%	4.6%	11.4%
Cherokee County	10.7%	41.9%	28.2%	4.2%	10.6%
Household Income Annual Change					
	<u>2010-2020</u>	<u>2010-2024</u>	<u>2020-2024</u>	<u>2024-2026</u>	<u>2024-2029</u>
City of Gaffney	1.3%	2.3%	4.5%	1.2%	1.5%
Gaffney PMA	0.2%	2.3%	8.7%	1.5%	1.9%
Cherokee County	1.0%	3.2%	9.4%	1.4%	1.8%
Source: U.S. Census American FactFinder; ESRI Business Analyst; Shaw Research & Consulting, LLC					

Table 14: Overall Household Income Distribution (2024)

Income Range	City of Gaffney		Gaffney PMA		Cherokee County	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$10,000	577	11.2%	1,475	9.1%	2,009	8.9%
\$10,000 to \$14,999	400	7.7%	973	6.0%	1,285	5.7%
\$15,000 to \$19,999	322	6.2%	819	5.0%	1,074	4.8%
\$20,000 to \$24,999	247	4.8%	1,158	7.1%	1,557	6.9%
\$25,000 to \$29,999	520	10.1%	1,146	7.0%	1,406	6.2%
\$30,000 to \$34,999	256	4.9%	809	5.0%	1,194	5.3%
\$35,000 to \$39,999	378	7.3%	850	5.2%	1,254	5.6%
\$40,000 to \$44,999	319	6.2%	779	4.8%	1,011	4.5%
\$45,000 to \$49,999	159	3.1%	632	3.9%	988	4.4%
\$50,000 to \$59,999	370	7.2%	1,366	8.4%	1,804	8.0%
\$60,000 to \$74,999	472	9.1%	1,621	10.0%	2,061	9.1%
\$75,000 to \$99,999	418	8.1%	1,969	12.1%	2,810	12.5%
\$100,000 to \$124,999	322	6.2%	1,095	6.7%	1,600	7.1%
\$125,000 to \$149,999	124	2.4%	538	3.3%	982	4.4%
\$150,000 to \$199,999	211	4.1%	623	3.8%	836	3.7%
\$200,000 and Over	<u>74</u>	<u>1.4%</u>	<u>417</u>	<u>2.6%</u>	<u>677</u>	<u>3.0%</u>
TOTAL	<b>5,167</b>	<b>100.0%</b>	<b>16,268</b>	<b>100.0%</b>	<b>22,547</b>	<b>100.0%</b>
Less than \$34,999	2,321	44.9%	6,379	39.2%	8,524	37.8%
\$35,000 to \$49,999	856	16.6%	2,261	13.9%	3,254	14.4%
\$50,000 to \$74,999	842	16.3%	2,986	18.4%	3,865	17.1%
\$75,000 to \$99,000	418	8.1%	1,969	12.1%	2,810	12.5%
\$100,000 and Over	731	14.1%	2,673	16.4%	4,095	18.2%
Source: American Community Survey; Shaw Research and Consulting, LLC						

Table 15: Household Income by Tenure – PMA (2026)

Income Range	Number of 2026 Households			Percent of 2026 Households		
	<u>Total</u>	<u>Owner</u>	<u>Renter</u>	<u>Total</u>	<u>Owner</u>	<u>Renter</u>
Less than \$5,000	979	482	497	6.0%	4.2%	10.1%
\$5,001 - \$9,999	498	79	418	3.1%	0.7%	8.5%
\$10,000 - \$14,999	974	381	593	6.0%	3.3%	12.0%
\$15,000 - \$19,999	822	557	265	5.0%	4.9%	5.4%
\$20,000 - \$24,999	1,163	969	194	7.1%	8.5%	3.9%
\$25,000 - \$34,999	1,960	1,210	749	12.0%	10.6%	15.2%
\$35,000 - \$49,999	2,267	1,423	844	13.9%	12.5%	17.1%
\$50,000 - \$74,999	2,998	2,401	598	18.4%	21.1%	12.1%
\$75,000 or More	4,661	3,886	775	28.5%	34.1%	15.7%
<b>Total</b>	<b>16,322</b>	<b>11,388</b>	<b>4,934</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

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

Table 16: Renter Overburdened Households (2022)

Gross Rent as a % of Household Income	City of Gaffney		Gaffney PMA		Cherokee County	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Total Rental Units	2,167	100.0%	4,753	100.0%	6,209	100.0%
Less than 10.0 Percent	53	2.7%	182	4.6%	229	4.5%
10.0 to 14.9 Percent	292	14.8%	523	13.1%	623	12.3%
15.0 to 19.9 Percent	202	10.3%	592	14.8%	719	14.1%
20.0 to 24.9 Percent	218	11.1%	311	7.8%	442	8.7%
25.0 to 29.9 Percent	250	12.7%	485	12.1%	673	13.2%
30.0 to 34.9 Percent	267	13.6%	469	11.7%	583	11.5%
35.0 to 39.9 Percent	89	4.5%	238	6.0%	329	6.5%
40.0 to 49.9 Percent	197	10.0%	272	6.8%	302	5.9%
50 Percent or More	400	20.3%	923	23.1%	1,184	23.3%
Not Computed	199	--	758	--	1,125	--
35 Percent or More	686	34.9%	1,433	35.9%	1,815	35.7%
40 Percent or More	597	30.3%	1,195	29.9%	1,486	29.2%

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

F. DEMAND ANALYSIS

1. Demand for 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 three key sources: household growth, substandard housing, and rent-overburdened households. 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 20 percent and 60 percent of AMI. As such, calculations will be based on the starting rental rate, a 35 percent rent-to-income ratio, and a maximum income of \$50,160 (the 5-person income limit at 60 percent AMI for Cherokee 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>
20 percent of AMI .....	\$9,943.....	\$16,720
60 percent of AMI .....	\$29,109.....	\$50,160
Overall LIHTC.....	<b>\$9,943.....</b>	<b>\$50,160</b>

By applying the income-qualified range and 2026 household forecasts to the current-year household income distribution by tenure, the number of income-qualified households can be calculated. As a result, 40 percent of all renter households within the PMA are estimated to fall within the stated LIHTC qualified income range. In addition, it should also be noted that only larger renter households (those with three persons or more) were utilized within the demand calculations for three-bedroom units.

Based on U.S. Census data and projections from ESRI, approximately 43 fewer renter households are anticipated within the PMA between 2024 and 2026. By applying the income-qualified percentage to the overall eligible figure, a negative demand for 17 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 three percent of all renter households within the 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 renter propensity and income-qualified percentage, to the number of households currently present in 2024 (the base year utilized within the demand calculations), the tax credit demand resulting from substandard units is calculated at 64 units within the PMA.

And lastly, potential demand for the subject proposal may also arise from those 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 data on rent-overburdened households paying more than 35 percent of monthly income for rent is calculated. Using information contained within the American Housing Survey, the percentage of renter households within this overburdened range is reported at approximately 36 percent. Applying this rate to the number of renter households yields a total demand of 715 additional units as a result of rent overburden.

Comparable LIHTC units currently in process or recently completed need to be deducted from the sources of demand listed previously – this includes units placed in service in 2022, those which received a tax credit allocation in 2022, and those units currently in process or under construction. As such, because there is no comparable multi-family activity within the PMA at this time, no adjustments are necessary.

Therefore, combining all above factors results in an overall demand of 762 LIHTC units for 2026. 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, an additional rental housing option for low-income households should receive a positive response due to the strong statistical demand forecasts for the Gaffney market area, as well as high occupancy levels within existing local rental developments.

Table 17: Demand Calculations – by AMI

Total Occupied Households - 2024	16,268		
Owner-Occupied Households - 2024	11,291		
Renter-Occupied Households - 2024	4,977		
	Income Targeting		
	20% <u>AMI</u>	60% <u>AMI</u>	Total <u>LIHTC</u>
<b>QUALIFIED-INCOME RANGE</b>			
Minimum Annual Income	\$9,943	\$29,109	<b>\$9,943</b>
Maximum Annual Income	\$16,720	\$50,160	<b>\$50,160</b>
<b>DEMAND FROM NEW HOUSEHOLD GROWTH</b>			
Renter Household Growth, 2024-2026	-43	-43	<b>-43</b>
Percent Income Qualified Renter Households	13.9%	26.1%	<b>40.0%</b>
<b>Total Demand From New Households</b>	<b>(6)</b>	<b>(11)</b>	<b>(17)</b>
<b>DEMAND FROM EXISTING HOUSEHOLDS</b>			
Percent of Renters in Substandard Housing	3.2%	3.2%	<b>3.2%</b>
Percent Income Qualified Renter Households	13.9%	26.1%	<b>40.0%</b>
<b>Total Demand From Substandard Renter HHs</b>	<b>22</b>	<b>42</b>	<b>64</b>
Percent of Renters Rent-Overburdened	35.9%	35.9%	<b>35.9%</b>
Percent Income Qualified Renter Households	13.9%	26.1%	<b>40.0%</b>
<b>Total Demand From Overburdened Renter HHs</b>	<b>248</b>	<b>466</b>	<b>715</b>
<b>Total Demand From Existing Households</b>	<b>271</b>	<b>508</b>	<b>779</b>
<b>TOTAL DEMAND</b>	<b>265</b>	<b>497</b>	<b>762</b>
<b>LESS: Total Comparable Activity Since 2022</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL NET DEMAND</b>	<b>265</b>	<b>497</b>	<b>762</b>
<b>PROPOSED NUMBER OF UNITS</b>	<b>7</b>	<b>57</b>	<b>64</b>
<b>CAPTURE RATE</b>	<b>2.6%</b>	<b>11.5%</b>	<b>8.4%</b>
Note: Totals may not sum due to rounding			



Table 18a: Demand Calculation – One and Two-Bedroom Units

Total Occupied Households - 2024	16,268					
Owner-Occupied Households - 2024	11,291					
Renter-Occupied Households - 2024	4,977					
	One-Bedroom Units			Two-Bedroom Units		
	20% AMI	60% AMI	Total LIHTC	20% AMI	60% AMI	Total LIHTC
QUALIFIED-INCOME RANGE						
Minimum Annual Income	\$9,943	\$29,109	\$9,943	\$11,931	\$35,829	\$11,931
Maximum Annual Income	\$12,400	\$37,200	\$37,200	\$13,940	\$41,820	\$41,820
DEMAND FROM NEW HOUSEHOLD GROWTH						
Renter Household Growth, 2024-2026	-43	-43	-43	-43	-43	-43
Percent Income Qualified Renter Households	6%	11%	17%	5%	7%	12%
Percentage of large renter households (3+ persons)	--	--	--	--	--	--
Total Demand From New Households	-2	-5	-7	-2	-3	-5
DEMAND FROM EXISTING HOUSEHOLDS						
Percent of Renters in Substandard Housing	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
Percent Income Qualified Renter Households	6%	11%	17%	5%	7%	12%
Percentage of large renter households (3+ persons)	--	--	--	--	--	--
Total Demand From Substandard Renter HHs	9	18	28	8	11	19
Percent of Renters Rent-Overburdened	35.9%	35.9%	35.9%	35.9%	35.9%	35.9%
Percent Income Qualified Renter Households	6%	11%	17%	5%	7%	12%
Percentage of large renter households (3+ persons)	--	--	--	--	--	--
Total Demand From Overburdened Renter HHs	104	205	308	86	122	208
Total Demand From Existing Households	113	223	336	94	133	227
TOTAL DEMAND	111	218	329	92	130	222
LESS: Total Comparable Activity Since 2022	0	0	0	0	0	0
TOTAL NET DEMAND	111	218	329	92	130	222
PROPOSED NUMBER OF UNITS	3	9	12	2	21	23
CAPTURE RATE	2.7%	4.1%	3.7%	2.2%	16.2%	10.4%
Note: Totals may not sum due to rounding						

Table 18c: Demand Calculation – Three-Bedroom Units

Total Occupied Households - 2024	16,268		
Owner-Occupied Households - 2024	11,291		
Renter-Occupied Households - 2024	4,977		
	Three-Bedroom Units		
	20% AMI	60% AMI	Total LIHTC
<b>QUALIFIED-INCOME RANGE</b>			
Minimum Annual Income	\$13,783	\$41,383	<b>\$13,783</b>
Maximum Annual Income	\$16,720	\$50,160	<b>\$50,160</b>
<b>DEMAND FROM NEW HOUSEHOLD GROWTH</b>			
Renter Household Growth, 2024-2026	-43	-43	<b>-43</b>
Percent Income Qualified Renter Households	5%	10%	<b>15%</b>
Percentage of large renter households (3+ persons)	38%	38%	<b>38%</b>
<b>Total Demand From New Households</b>	<b>-1</b>	<b>-2</b>	<b>-2</b>
<b>DEMAND FROM EXISTING HOUSEHOLDS</b>			
Percent of Renters in Substandard Housing	3.2%	3.2%	<b>3.2%</b>
Percent Income Qualified Renter Households	5%	10%	<b>15%</b>
Percentage of large renter households (3+ persons)	38%	38%	<b>38%</b>
<b>Total Demand From Substandard Renter HHs</b>	<b>3</b>	<b>6</b>	<b>9</b>
Percent of Renters Rent-Overburdened	35.9%	35.9%	<b>35.9%</b>
Percent Income Qualified Renter Households	5%	10%	<b>15%</b>
Percentage of large renter households (3+ persons)	38%	38%	<b>38%</b>
<b>Total Demand From Overburdened Renter HHs</b>	<b>33</b>	<b>68</b>	<b>100</b>
<b>Total Demand From Existing Households</b>	<b>35</b>	<b>74</b>	<b>109</b>
<b>TOTAL DEMAND</b>	<b>35</b>	<b>72</b>	<b>107</b>
<b>LESS: Total Comparable Activity Since 2022</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL NET DEMAND</b>	<b>35</b>	<b>72</b>	<b>107</b>
<b>PROPOSED NUMBER OF UNITS</b>	<b>2</b>	<b>27</b>	<b>29</b>
<b>CAPTURE RATE</b>	<b>5.8%</b>	<b>37.5%</b>	<b>27.2%</b>
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 redevelopment and absorption of the subject proposal. An overall capture rate of 8.4 percent was determined based on the demand calculation (including renter household growth, substandard and/or overburdened units among existing renter households, and excluding any comparable activity since 2022), providing a clear indication of the overall general market depth for the subject proposal. More specifically, individual capture rates by bedroom size range between 3.7 percent and 27.2 percent. As such, these capture rates provide a positive indication of the overall market depth and the need for affordable rental options locally, and are well-within acceptable industry thresholds and should be considered a positive factor.

It should be noted that these demand estimates are extremely conservative, and do not take into account the 96 units which recently opted out of the LIHTC program and thereby reducing the number of affordable units locally – the former Iveywood Park I/II received a tax credit allocation in 1996 and 1997, and transitioned to market rate in 2023 (now called Sage at Martin Lane Apartments). As such, the reduced number of tax credit units has likely resulted in increased demand for affordable housing within the Gaffney marketplace.

Taking into consideration the overall occupancy rates and waiting lists for most affordable developments within or near the Gaffney PMA, and also factoring in the positive rental conditions throughout Cherokee County (most notably the reduction of 96 affordable units as Iveywood Park recently transitioned from LIHTC to market rate), the overall absorption period to reach 93 percent occupancy is conservatively estimated at five to seven months. This determination also takes into consideration a market entry in 2026; 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. Local Rental Market Characteristics

As part of the rental analysis for the city of Gaffney, a survey of existing rental projects within the primary market area was recently completed by Shaw Research and Consulting. Overall, a total of 20 apartment properties were identified and questioned for information such as current rental rates, amenities, and vacancy levels. As such, results from the survey provide an indication of overall market conditions throughout the area, and are discussed below and illustrated on the following pages.

- Overall conditions for the local rental market appear quite positive at the current time. Among the properties participating in the survey, the overall occupancy rate was calculated at 98.4 percent – with 16 of the 20 developments at 97 percent occupancy or better, including nine facilities 100 percent occupied.
- A total of 1,588 units were reported within the survey, with the majority of units containing two bedrooms. Among the properties providing a specific unit breakdown, 19 percent of all units had one bedroom, 55 percent were two-bedrooms, and 22 percent contained three bedrooms. There were relatively few studio/efficiency and four-bedroom units reported in the survey.
- The average year of construction or most recent rehab among these facilities was 1998, averaging approximately 26 years old – representative of a relatively aged local rental market. As such, six properties were built or renovated since 2015, two of which were LIHTC projects.
- Twelve of the 20 facilities identified reported to have some sort of income eligibility requirements, with three LIHTC properties, four Rural Development projects (with varying levels of rental assistance), and five subsidized developments.
- When breaking down occupancy rates by financing type, market-rate developments averaged 98.1 percent occupancy, LIHTC units were 97.9 percent occupied, and the other affordable properties averaged approximately 99 percent occupancy.
- The most recent LIHTC development within the PMA is Linden Square Apartments, a 24-unit facility which opened in 2020. According to survey results, the property consists of one, two, and three-bedroom units targeted to households between 30 percent and 80 percent of AMI. Further, it was reported that the facility was absorbed in approximately five months during the height of the COVID-19 pandemic, and currently has one vacancy with 12 names on a waiting list.
- It should be noted that Iveywood Park I/II (96 units allocated in 1996 and 1997) opted out of the LIHTC program in 2023 and is now market rate (Sage at Martin Lane Apartments). As such, the reduced number of tax credit units has likely resulted in increased demand for affordable rental options, especially considering the increasing rents within most local market rate properties over the past several years.

- Detailed results from our survey of area rental developments are illustrated in the tables on the following pages. As such, the average rent (including market rate and affordable units) for a one-bedroom unit was \$757 and 658 square feet (\$1.15 per square foot), two-bedroom units averaged \$884 and 914 square feet (\$0.97 per square foot), and three-bedrooms averaged \$1,066 and 1,155 square feet (\$0.92 per square foot).
- Overall, proposed rents within the subject are quite competitive with other local properties. When adjusting rents to normalize for differences in the utility structure (the subject will include only trash removal, while utilities vary in other projects), the proposed rents are between three and ten percent below the overall average effect market rents.
- Although the proposed rents (at 60 percent AMI) are somewhat above LIHTC averages, they are quite competitive with Autumn Glen Villas – a 60-unit tax credit facility constructed in 2018 adjacent to the subject property, and represents the most comparable facility to the proposal.
- In addition, the proposed rents are well-below local market rate rents, averaging between 17 and 22 percent lower than the effective market rate averages – providing a clear indication of the overall affordability of the subject property.
- Based on survey results, the proposed rental rates demonstrate the subject's affordability relative to the local rental market. As such, the proposed targeting and rental structure appear achievable for the local rental market.
- When reviewing unit sizes, the subject proposal has somewhat larger units when compared to other local properties – one-bedroom units are 15 percent larger than average, two-bedroom units are six percent larger, and three-bedroom units are three percent larger than overall market norms.
- The subject proposal offers an extremely competitive amenity package in relation to other properties throughout the area, and will contain the majority of the most common features reported in local developments. Further, the subject will contain several features not as common locally, including microwave, walk-in closet, computer center, exercise room, and gazebo (each found in less than ½ of surveyed developments).
- From a market standpoint, it is evident that sufficient demand is present for the development of additional affordable rental units within the Gaffney market area. However, based on prevailing rental rates and income levels, the rent structure is crucial for the long-term viability of any new rental development. Considering the proposal's location along with generally positive occupancy rates for all types of housing locally, the proposed rents are appropriate for the PMA. Further considering characteristics of the subject proposal (targeting structure, unit sizes, and amenities/features) along with the recent transitioning of 96 tax credit units to market rate, the introduction of the proposal should prove successful and will not have a long-term adverse effect on the local rental market – either affordable or market rate.



## **2. Comparable Pipeline Units**

According to SCSHFDA information and local government officials, there are no comparable LIHTC rental developments either proposed or under construction within the Gaffney market area at the present time.

## **3. Impact on Existing Tax Credit Properties**

Based on the relatively strong occupancy rates among LIHTC developments included in the survey (at 97.9 percent), coupled with waiting lists at each local tax credit property, the construction of the subject property will likely not have any adverse impact on existing rental properties – either affordable or market rate. Considering demographic characteristics for the Gaffney region (including prevailing income and rent levels), affordable housing will undoubtedly continue to be in demand locally.

## **4. Competitive Environment**

Considering current economic conditions throughout the state and region, home-ownership (especially those homes needing monetary improvement) is not a viable alternative to a large percentage of low-income households in the PMA, especially among the target market for the subject development who have generally lower incomes and a greater likelihood of having credit issues and/or require some level of assistance for housing expenses. As such, the subject will have limited competition with home-ownership options.

Table 19a: Rental Housing Survey

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
1022 West Apt Homes	1989	166	NA	NA	NA	NA	0	No	No	No	97%	Open	Gaffney
Autumn Glen Villas	2018	60	0	0	36	24	0	No	Yes	No	97%	Open	Gaffney
Beltline Courts	1977	62	0	32	14	14	2	No	Yes	No	100%	Open	Gaffney
Chandler Oaks Apts	2015	100	0	NA	NA	0	0	No	No	No	97%	Open	Gaffney
Colonial Heights	1981	56	0	0	30	20	6	No	Yes	No	100%	Open	Gaffney
Creeside at Wellington Apts	1994	92	0	18	70	4	0	No	No	No	100%	Open	Gaffney
Fairfield Apts	1989	60	0	24	36	0	0	No	No	No	98%	Open	Gaffney
Granard Courts	1953	58	2	8	20	20	8	No	Yes	No	100%	Open	Gaffney
Huntington Square	2009	48	0	8	32	8	0	No	No	No	100%	Open	Gaffney
Limestone Courts	NA	98	2	16	34	34	12	No	Yes	No	100%	Open	Gaffney
Linden Square Apts	2020	24	0	6	12	6	0	No	No	No	96%	Open	Gaffney
Lockhart Lane Apts	1995	32	0	8	24	0	0	No	No	No	97%	Open	Gaffney
Magnolia Ridge Apts	1975	84	12	15	32	21	4	No	No	No	95%	Open	Gaffney
Orchard Apt Homes	2022	48	0	16	32	0	0	No	No	No	94%	Open	Gaffney
Redwood Village Apts	1983	50	0	0	34	16	0	No	Yes	No	100%	Open	Gaffney
Ryan Park Apts	2008	48	0	16	32	0	0	No	No	No	100%	Open	Gaffney
Sage at Martin Lane	2023	96	0	0	48	48	0	No	No	No	98%	Open	Gaffney
Stonecrest Apts	2018	304	0	NA	NA	NA	0	No	No	No	100%	Open	Gaffney
White Oak Apts	1995	50	0	25	25	0	0	No	No	No	96%	Open	Gaffney
Woodland Estates	1998	52	0	4	44	4	0	No	No	No	98%	Open	Gaffney
Totals and Averages <i>Unit Distribution</i>	1998	1,588	16 2%	196 19%	555 55%	219 22%	32 3%				98.4%		
<b>SUBJECT PROJECT</b>													
BELLE HAVEN APTS	2026	64	0	12	23	29	0	No	No	No		Open	Gaffney

Note: Shaded Properties are LIHTC

Table 19b: Rental Housing Summary

Project Name	Year Built/ Rehab	Total Units	Studio/ Eff.	1 BR	2 BR	3 BR	4 BR	Heat Incl.	W/S Incl.	Elect. Incl.	Occup. Rate	Type	Location
Totals and Averages <i>Unit Distribution</i>	1998	1,588	16 2%	196 19%	555 55%	219 22%	32 3%				98.4%		
SUBJECT PROJECT													
BELLE HAVEN APTS	2026	64	0	12	23	29	0	No	No	No		Open	Gaffney
SUMMARY													
	Number of Dev.	Year Built/ Rehab	Total Units	Studio/ Eff.	1BR	2BR	3BR	4BR	Average Occup.				
Total Developments	20	1998	1,588	16	196	555	219	32	98.4%				
Market Rate Only	8	2004	942	12	53	226	77	4	98.1%				
LIHTC Only	3	2015	132	0	22	80	30	0	97.9%				
Other Affordable (Non-LIHTC)	4	1997	190	0	65	117	8	0	97.9%				
Subsidized Only	5	1974	324	4	56	132	104	28	100.0%				

Table 20: Rent Range for 1 &amp; 2 Bedrooms – Contract Rents

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		
1022 West Apt Homes	Market	0	\$903	\$933	512		\$1.76	\$1.82	\$1,186	\$1,236	768		\$1.54	\$1.61
Autumn Glen Villas	LIHTC	0							\$719	\$875	1,035		\$0.69	\$0.85
Beltline Courts	BOI-PHA	62												
Chandler Oaks Apts	Market	0	\$650	\$675	450		\$1.44	\$1.50	\$750	\$795	685		\$1.09	\$1.16
Colonial Heights	BOI-PHA	56												
Creekside at Wellington Apts	Market	0	\$825		708		\$1.17		\$925	\$985	964	1,014	\$0.91	\$1.02
Fairfield Apts	RD/LIHTC	57	\$801		600		\$1.34		\$877		875		\$1.00	
Granard Courts	BOI-PHA	58												
Huntington Square	RD/LIHTC	29	\$518	\$601	650		\$0.80	\$0.92	\$636	\$719	780		\$0.82	\$0.92
Limestone Courts	BOI-PHA	98												
Linden Square Apts	LIHTC	12	\$338	\$879	752		\$0.45	\$1.17	\$496	\$979	1,007		\$0.49	\$0.97
Lockhart Lane Apts	RD/LIHTC	28	\$705	\$850					\$735	\$884				
Magnolia Ridge Apts	Market	0	\$949		720		\$1.32		\$1,099		860		\$1.28	
Orchard Apt Homes	Market	0	\$975		750		\$1.30		\$1,175		1,050		\$1.12	
Redwood Village Apts	BOI-HUD	50									1,000			
Ryan Park Apts	LIHTC	0	\$561	\$615	650		\$0.86	\$0.95	\$647	\$701	800		\$0.81	\$0.88
Sage at Martin Lane	Market	0							\$1,199		921		\$1.30	
Stonecrest Apts	Market	0	\$840	\$950	708	833	\$1.01	\$1.34	\$960	\$1,065	904	1,096	\$0.88	\$1.18
White Oak Apts	RD	38	\$711	\$772	625		\$1.14	\$1.24	\$730	\$831	872		\$0.84	\$0.95
Woodland Estates	Market	0	\$850		600		\$1.42		\$900		900		\$1.00	
<b>Totals and Averages</b>		<b>488</b>		<b>\$757</b>		<b>658</b>		<b>\$1.15</b>		<b>\$884</b>		<b>914</b>		<b>\$0.97</b>
<b>SUBJECT PROPERTY</b>														
<b>BELLE HAVEN APTS</b>	<b>LIHTC</b>	<b>0</b>	<b>\$146</b>	<b>\$705</b>	<b>756</b>	<b>756</b>	<b>\$0.19</b>	<b>\$0.93</b>	<b>\$157</b>	<b>\$854</b>	<b>968</b>	<b>968</b>	<b>\$0.16</b>	<b>\$0.88</b>
<b>SUMMARY</b>														
<b>Overall</b>				<b>\$757</b>		<b>658</b>		<b>\$1.15</b>		<b>\$884</b>		<b>914</b>		<b>\$0.97</b>
<b>Market Rate Only</b>				<b>\$855</b>		<b>660</b>		<b>\$1.30</b>		<b>\$1,023</b>		<b>916</b>		<b>\$1.12</b>
<b>LIHTC Only</b>				<b>\$598</b>		<b>701</b>		<b>\$0.85</b>		<b>\$736</b>		<b>947</b>		<b>\$0.78</b>
<b>Other Affordable (Non-LIHTC)</b>				<b>\$708</b>		<b>625</b>		<b>\$1.13</b>		<b>\$773</b>		<b>842</b>		<b>\$0.92</b>
<b>Subsidized Only</b>				<b>NA</b>		<b>NA</b>		<b>NA</b>		<b>NA</b>		<b>1,000</b>		<b>NA</b>

Note: Shaded Properties are LIHTC; Rents shown are contract/street rents.

Table 22: Rent Range for 3 &amp; 4 Bedrooms – Contract Rents

Project Name	Program	3BR Rent		3BR Square Feet		Rent Per Square Foot Range		4BR Rent		4BR Square Feet		Rent Per Square Foot Range	
		LOW	HIGH	LOW	HIGH			LOW	HIGH	LOW	HIGH		
1022 West Apt Homes	Market	\$1,526	\$1,576	960		\$1.59	\$1.64						
Autumn Glen Villas	LIHTC	\$816	\$995	1,190		\$0.69	\$0.84						
Beltline Courts	BOI-PHA												
Chandler Oaks Apts	Market												
Colonial Heights	BOI-PHA												
Creekside at Wellington Apts	Market	\$985	\$1,010										
Fairfield Apts	RD/LIHTC												
Granard Courts	BOI-PHA												
Huntington Square	RD/LIHTC	\$693	\$776	980		\$0.71	\$0.79						
Limestone Courts	BOI-PHA												
Linden Square Apts	LIHTC	\$658	\$1,082	1,187		\$0.55	\$0.91						
Lockhart Lane Apts	RD/LIHTC												
Magnolia Ridge Apts	Market	\$1,199		1,000			\$1.20	\$1,399		1,160			\$1.21
Orchard Apt Homes	Market												
Redwood Village Apts	BOI-HUD			1,200									
Ryan Park Apts	LIHTC												
Sage at Martin Lane	Market	\$1,329		1,151			\$1.15						
Stonecrest Apts	Market	\$1,130	\$1,220	1,475		\$0.77	\$0.83						
White Oak Apts	RD												
Woodland Estates	Market	\$1,000		1,250			\$0.80						
Totals and Averages			\$1,066		1,155		\$0.92		\$1,399		1,160		\$1.21
<b>SUBJECT PROPERTY</b>													
BELLE HAVEN APTS	LIHTC	\$148	\$953	1,170	1,192	\$0.13	\$0.80	NA		NA		NA	
<b>SUMMARY</b>													
Overall			\$1,066		1,155		\$0.92		\$1,399		1,160		\$1.21
Market Rate Only			\$1,219		1,167		\$1.04		\$1,399		1,160		\$1.21
LIHTC Only			\$888		1,189		\$0.75		NA		NA		NA
Other Affordable (Non-LIHTC)			\$735		980		\$0.75		NA		NA		NA
Subsidized Only			NA		1,200		NA		NA		NA		NA

Note: Shaded Properties are LIHTC; Rents shown are contract/street rents.



Table 23: Rent Range for 1 &amp; 2 Bedrooms – Effective Rents

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		
1022 West Apt Homes	Market	0	\$921	\$951	512		\$1.80	\$1.86	\$1,204	\$1,254	768		\$1.57	\$1.63
Autumn Glen Villas	LIHTC	0							\$668	\$824	1,035		\$0.65	\$0.80
Beltline Courts	BOI-PHA	62												
Chandler Oaks Apts	Market	0	\$650	\$675	450		\$1.44	\$1.50	\$750	\$795	685		\$1.09	\$1.16
Colonial Heights	BOI-PHA	56												
Creekside at Wellington Apts	Market	0	\$825		708		\$1.17		\$925	\$985	964	1,014	\$0.91	\$1.02
Fairfield Apts	RD/LIHTC	57	\$801		600		\$1.34		\$877		875		\$1.00	
Granard Courts	BOI-PHA	58												
Huntington Square	RD/LIHTC	29	\$518	\$601	650		\$0.80	\$0.92	\$636	\$719	780		\$0.82	\$0.92
Limestone Courts	BOI-PHA	98												
Linden Square Apts	LIHTC	12	\$338	\$879	752		\$0.45	\$1.17	\$496	\$979	1,007		\$0.49	\$0.97
Lockhart Lane Apts	RD/LIHTC	28	\$705	\$850					\$735	\$884				
Magnolia Ridge Apts	Market	0	\$949		720		\$1.32		\$1,099		860		\$1.28	
Orchard Apt Homes	Market	0	\$975		750		\$1.30		\$1,175		1,050		\$1.12	
Redwood Village Apts	BOI-HUD	50									1,000			
Ryan Park Apts	LIHTC	0	\$561	\$615	650		\$0.86	\$0.95	\$647	\$701	800		\$0.81	\$0.88
Sage at Martin Lane	Market	0							\$1,199		921		\$1.30	
Stonecrest Apts	Market	0	\$840	\$950	708	833	\$1.01	\$1.34	\$960	\$1,065	904	1,096	\$0.88	\$1.18
White Oak Apts	RD	38	\$711	\$772	625		\$1.14	\$1.24	\$730	\$831	872		\$0.84	\$0.95
Woodland Estates	Market	0	\$850		600		\$1.42		\$900		900		\$1.00	
<b>Totals and Averages</b>		<b>488</b>		<b>\$759</b>		<b>658</b>		<b>\$1.15</b>		<b>\$882</b>		<b>914</b>		<b>\$0.96</b>
<b>SUBJECT PROPERTY</b>														
<b>BELLE HAVEN APTS</b>	<b>LIHTC</b>	<b>0</b>	<b>\$146</b>	<b>\$705</b>	<b>756</b>	<b>756</b>	<b>\$0.19</b>	<b>\$0.93</b>	<b>\$157</b>	<b>\$854</b>	<b>968</b>	<b>968</b>	<b>\$0.16</b>	<b>\$0.88</b>
<b>SUMMARY</b>														
<b>Overall</b>				<b>\$759</b>		<b>658</b>		<b>\$1.15</b>		<b>\$882</b>		<b>914</b>		<b>\$0.96</b>
<b>Market Rate Only</b>				<b>\$859</b>		<b>660</b>		<b>\$1.30</b>		<b>\$1,026</b>		<b>916</b>		<b>\$1.12</b>
<b>LIHTC Only</b>				<b>\$598</b>		<b>701</b>		<b>\$0.85</b>		<b>\$719</b>		<b>947</b>		<b>\$0.76</b>
<b>Other Affordable (Non-LIHTC)</b>				<b>\$708</b>		<b>625</b>		<b>\$1.13</b>		<b>\$773</b>		<b>842</b>		<b>\$0.92</b>
<b>Subsidized Only</b>				<b>NA</b>		<b>NA</b>		<b>NA</b>		<b>NA</b>		<b>1,000</b>		<b>NA</b>

NOTE: Shaded properties are LIHTC; Rents shown are effective rents – which account for utilities and rent concessions to normalize with subject property.

Table 24: Rent Range for 3 &amp; 4 Bedrooms – Effective Rents

Project Name	Program	3BR Rent		3BR Square Feet		Rent Per Square Foot Range		4BR Rent		4BR Square Feet		Rent Per Square Foot Range	
		LOW	HIGH	LOW	HIGH			LOW	HIGH	LOW	HIGH		
1022 West Apt Homes	Market	\$1,544	\$1,594	960		\$1.61	\$1.66						
Autumn Glen Villas	LIHTC	\$751	\$930	1,190		\$0.63	\$0.78						
Beltline Courts	BOI-PHA												
Chandler Oaks Apts	Market												
Colonial Heights	BOI-PHA												
Creekside at Wellington Apts	Market	\$985	\$1,010										
Fairfield Apts	RD/LIHTC												
Granard Courts	BOI-PHA												
Huntington Square	RD/LIHTC	\$693	\$776	980		\$0.71	\$0.79						
Limestone Courts	BOI-PHA												
Linden Square Apts	LIHTC	\$658	\$1,082	1,187		\$0.55	\$0.91						
Lockhart Lane Apts	RD/LIHTC												
Magnolia Ridge Apts	Market	\$1,199		1,000			\$1.20	\$1,399		1,160			\$1.21
Orchard Apt Homes	Market												
Redwood Village Apts	BOI-HUD			1,200									
Ryan Park Apts	LIHTC												
Sage at Martin Lane	Market	\$1,329		1,151			\$1.15						
Stonecrest Apts	Market	\$1,130	\$1,220	1,475		\$0.77	\$0.83						
White Oak Apts	RD												
Woodland Estates	Market	\$1,000		1,250			\$0.80						
Totals and Averages			\$1,060		1,155		\$0.92		\$1,399		1,160		\$1.21
<b>SUBJECT PROPERTY</b>													
BELLE HAVEN APTS	LIHTC	\$148	\$953	1,170	1,192	\$0.13	\$0.80	NA		NA		NA	
<b>SUMMARY</b>													
Overall			\$1,060		1,155		\$0.92		\$1,399		1,160		\$1.21
Market Rate Only			\$1,223		1,167		\$1.05		\$1,399		1,160		\$1.21
LIHTC Only			\$855		1,189		\$0.72		NA		NA		NA
Other Affordable (Non-LIHTC)			\$735		980		\$0.75		NA		NA		NA
Subsidized Only			NA		1,200		NA		NA		NA		NA

NOTE: Shaded properties are LIHTC; Rents shown are effective rents – which account for utilities and rent concessions to normalize with subject property.

Table 25a: Project Amenities

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
1022 West Apt Homes	ELE	Yes	Studio	No	Some	No	Yes	Yes	Yes	Yes	Yes	No	No
Autumn Glen Villas	ELE	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
Beltline Courts	Gas	Yes	No	No	No	No	No	No	No	No	Yes	No	No
Chandler Oaks Apts	ELE	Yes	No	Yes	Some	Some	Yes	No	Yes	Yes	No	No	No
Colonial Heights	Gas	Yes	No	No	No	No	No	No	No	No	Yes	No	No
Creekside at Wellington Apts	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes
Fairfield Apts	Gas	Yes	No	No	No	Yes	Yes	No	Yes	No	Yes	No	No
Granard Courts	Gas	Yes	No	No	No	No	No	No	No	No	Yes	No	No
Huntington Square	ELE	Yes	No	No	No	No	Yes	No	Yes	No	Yes	No	No
Limestone Courts	Gas	Yes	No	No	No	No	No	No	No	No	Yes	No	No
Linden Square Apts	ELE	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No
Lockhart Lane Apts	ELE	Yes	No	No	No	No	Yes	No	Yes	Lowers	No	No	No
Magnolia Ridge Apts	ELE	Yes	No	No	Yes	No	Yes	No	Yes	No	No	No	No
Orchard Apt Homes	ELE	Yes	No	No	No	Yes	Yes	Yes	Yes	No	No	No	No
Redwood Village Apts	ELE	Yes	No	Yes	No	No	No	No	Yes	No	No	No	No
Ryan Park Apts	ELE	Yes	No	No	Yes	No	No	No	Yes	Yes	No	No	No
Sage at Martin Lane	ELE	Yes	No	Yes	Yes	Yes	Some	Yes	Yes	No	No	No	No
Stonecrest Apts	ELE	Yes	No	Yes	Yes	Some	Some	Yes	Yes	Some	Yes	No	Yes
White Oak Apts	ELE	Yes	No	No	No	No	No	Yes	Yes	No	Yes	No	No
Woodland Estates	ELE	Yes	No	Yes	2 & 3BR	No	Yes	Some	Yes	Yes	No	No	No
Totals and Averages	--	100%	5%	40%	50%	40%	65%	40%	80%	45%	50%	5%	15%
<b>SUBJECT PROJECT</b>													
BELLE HAVEN APTS	ELE	Yes	No	No	Yes	Yes	Yes	2BR	Yes	No	Yes	Yes	Yes
<b>SUMMARY</b>													
Overall	--	100%	5%	40%	50%	40%	65%	40%	80%	45%	50%	5%	15%
Market Rate Only	--	80%	10%	50%	70%	50%	80%	60%	80%	50%	20%	0%	20%
LIHTC Only	--	100%	0%	67%	100%	67%	67%	33%	100%	100%	33%	33%	33%
Other Affordable (non-LIHTC)	--	80%	0%	0%	0%	20%	60%	20%	80%	20%	60%	0%	0%
Subsidized Only	--	83%	0%	17%	0%	0%	0%	0%	17%	0%	67%	0%	0%

Note: Shaded Properties are LIHTC

Table 25b: Project Amenities

Project Name	Pool	Playground	Gazebo	Elevator	Exterior Storage	Sports Courts	On-Site Mgt	Security Gate	Security Intercom	Coin Op Laundry	Laundry Hookup	In-unit Laundry	Carport	Garage
1022 West Apt Homes	Yes	Yes	No	No	No	No	Yes	No	No	Yes	Some	No	No	No
Autumn Glen Villas	No	Yes	No	No	Yes	No	Yes	No	No	No	No	Yes	No	No
Beltline Courts	No	Yes	No	No	Some	No	Yes	No	No	No	Yes	No	No	No
Chandler Oaks Apts	No	No	Yes	No	No	Yes	No	No	No	Yes	No	No	No	No
Colonial Heights	No	Yes	No	No	Yes	No	Yes	No	Yes	No	Yes	No	No	No
Creekside at Wellington Apts	Yes	Yes	No	No	\$45-\$90	No	Yes	No	No	Yes	No	No	No	No
Fairfield Apts	No	Yes	No	No	No	No	Yes	No	No	No	Yes	No	No	No
Granard Courts	No	Yes	No	No	Some	No	Yes	No	No	No	Yes	No	No	No
Huntington Square	No	Yes	No	No	Yes	No	Yes	No	No	Yes	Yes	No	No	No
Limestone Courts	No	Yes	No	No	Some	No	Yes	No	No	No	Yes	No	No	No
Linden Square Apts	No	No	Yes	No	No	No	Yes	No	No	No	Yes	No	No	No
Lockhart Lane Apts	No	Yes	No	No	Yes	No	Yes	No	No	Yes	Yes	No	No	No
Magnolia Ridge Apts	No	Yes	No	No	No	No	Yes	No	No	Yes	No	No	No	No
Orchard Apt Homes	No	Yes	No	No	No	No	Yes	No	No	Yes	Yes	No	No	No
Redwood Village Apts	No	Yes	No	No	Yes	No	Yes	No	Yes	Yes	No	No	No	No
Ryan Park Apts	No	Yes	No	No	Yes	No	Yes	No	No	Yes	No	No	No	No
Sage at Martin Lane	No	Yes	No	No	No	No	Yes	No	No	Yes	Yes	No	No	No
Stonecrest Apts	Yes	No	No	No	40	No	Yes	No	No	Yes	Yes	No	No	Yes
White Oak Apts	No	No	No	No	No	No	Yes	No	Yes	Yes	2BR	No	No	No
Woodland Estates	No	No	No	No	Duplex	No	Yes	No	No	No	Yes	No	No	No
Totals and Averages	15%	75%	10%	0%	60%	5%	95%	0%	15%	60%	70%	5%	0%	5%
SUBJECT PROJECT														
BELLE HAVEN APTS	No	Yes	Yes	No	No	No	Yes	No	No	Yes	Yes	No	No	No
SUMMARY														
Overall	15%	75%	10%	0%	60%	5%	95%	0%	15%	60%	70%	5%	0%	5%
Market Rate Only	30%	50%	10%	0%	30%	10%	70%	0%	0%	70%	50%	0%	0%	10%
LIHTC Only	0%	67%	33%	0%	67%	0%	100%	0%	0%	33%	33%	33%	0%	0%
Other Affordable (non-LIHTC)	0%	60%	0%	0%	40%	0%	80%	0%	20%	60%	80%	0%	0%	0%
Subsidized Only	0%	83%	0%	0%	83%	0%	83%	0%	33%	17%	67%	0%	0%	0%

Note: Shaded Properties are LIHTC

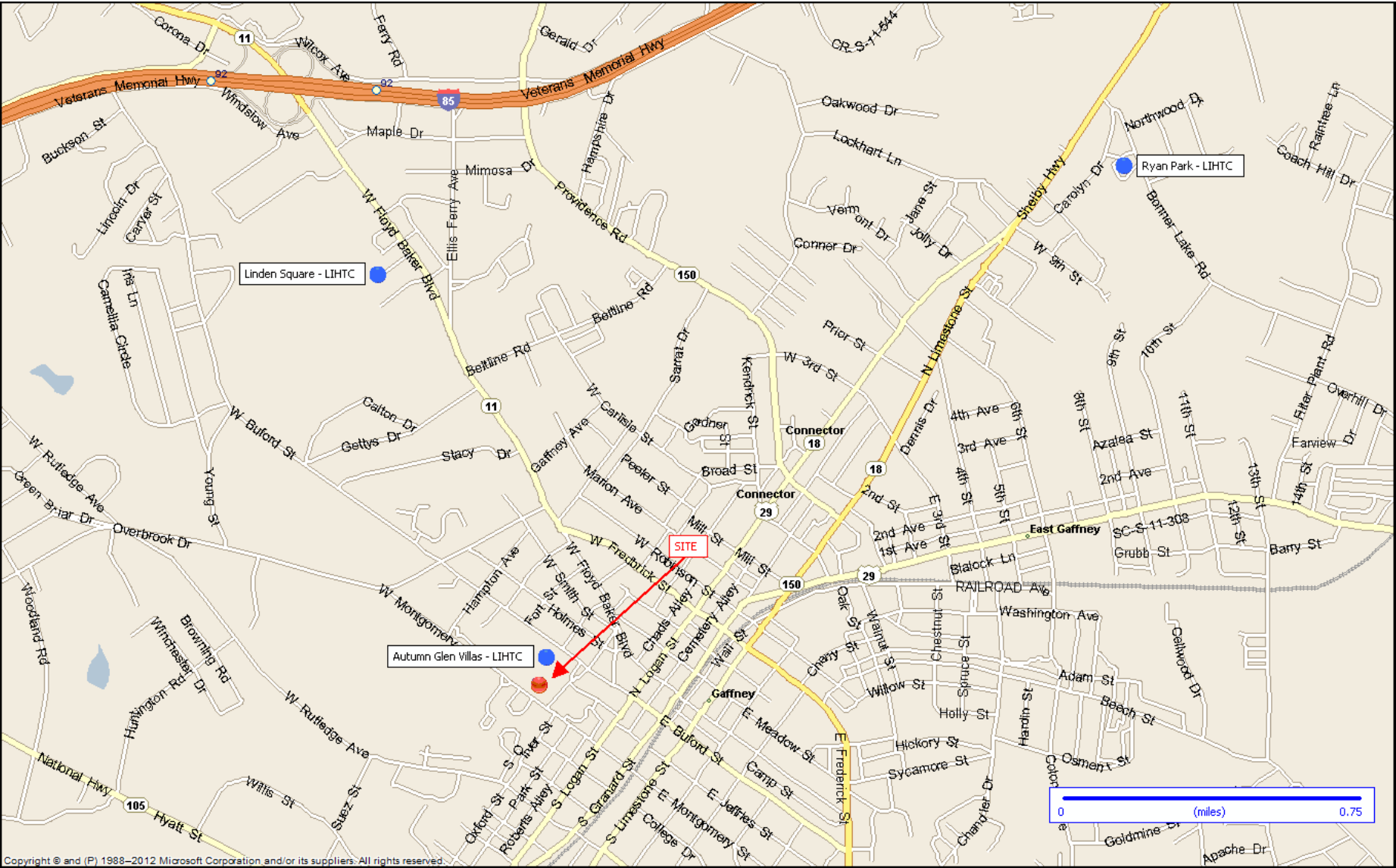
Table 26: Other Information

Project Name	Address	City	Telephone Number	Contact	On-Site Mgt	Waiting List	Concessions / Other	Survey Date
1022 West Apt Homes	1022 W. Buford St	Gaffney	(864) 487-2167	Suzie	Yes	No	None	27-Mar-24
Autumn Glen Villas	611 W. Buford St	Gaffney	(864) 649-5100	Enter	Yes	Yes	None	23-Apr-24
Beltline Courts	125 Beltline Rd	Gaffney	(864) 489-3193	Yolanda	Yes	1-2 Years	None	26-Mar-24
Chandler Oaks Apts	201 Chandler Dr	Gaffney	864-326-0018	Samantha	No	No	None	27-Mar-24
Colonial Heights	620 Colonial Ave	Gaffney	(864) 489-3193	Dawn	Yes	1-2 Years	None	26-Mar-24
Creekside at Wellington Apts	1230 Overbrook Dr	Gaffney	864-487-5757	Alicia	Yes	5 Names	None	26-Mar-24
Fairfield Apts	100 Fairfield Dr	Gaffney	(864) 487-2119	Lela	Yes	6-8 Months	None	26-Mar-24
Granard Courts	524 W. Rutledge Ave	Gaffney	(864) 488-1179	Dawn	Yes	1-2 Years	None	26-Mar-24
Huntington Square	100 Huntington Square Dr	Gaffney	(864) 489-3551	Nikki	Yes	1+ Year	None	27-Mar-24
Limestone Courts	125 Beltline Rd	Gaffney	(864) 489-1042	Dawn	Yes	1-2 Years	None	26-Mar-24
Linden Square Apts	160 Stuard St	Gaffney	(864) 478-8914	Tameria	Yes	12 Names	Absorbed in 5 months	14-May-24
Lockhart Lane Apts	473 Lockhart Lane	Gaffney	(864) 487-9277	Taylor	Yes	12 Names	None	27-Mar-24
Magnolia Ridge Apts	206 Goldmine Springs Rd	Gaffney	(864) 489-0692	Veronica	Yes	No	\$300 off 1st month	26-Mar-24
Orchard Apt Homes	506 S. Oliver St	Gaffney	(864) 206-4468	Cindy	Yes	No	None	27-Mar-24
Redwood Village Apts	100 Redwood Cir	Gaffney	(864) 487-3312	Tesha	Yes	50+ Names	None	26-Mar-24
Ryan Park Apts	400 Bonner Lake Rd	Gaffney	(864) 489-8126	Nikki	Yes	6-12 Months	None	28-Mar-24
Sage at Martin Lane	112 Martin Lane	Gaffney	(864) 513-6728	Victoria	Yes	No	Formerly LIHTC, now Market	26-Mar-24
Stonecrest Apts	106 Stonecrest Ln	Gaffney	(864) 488-2224	Shelly	Yes	No	None	26-Mar-24
White Oak Apts	100 White Oak Dr	Gaffney	(864) 487-5724	Mia	Yes	30 Names	None	16-Apr-24
Woodland Estates	218 Woodland Rd	Gaffney	864-794-0285	Azeza	Yes	Small	None	27-Mar-24

Note: Shaded Properties are LIHTC



Map 11: LIHTC Rental Developments – Gaffney PMA



## COMPARABLE PROJECT INFORMATION

**Project Name:** Autumn Glen Villas  
**Address:** 611 W. Buford St  
**City:** Gaffney  
**State:** SC **Zip Code:** 29341  
**Phone Number:** (864) 649-5100  
**Contact Name:** Enter  
**Contact Date:** 04/23/24  
**Current Occup:** 96.7%



## DEVELOPMENT CHARACTERISTICS

**Total Units:** 60 **Year Built:** 2018  
**Project Type:** Open **Floors:** 3  
**Program:** LIHTC **Accept Vouchers:** Yes  
**PBRA Units\*:** 0 **Voucher #:** NA

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

## UNIT CONFIGURATION/RENTAL RATES

BR	Bath	Target	Type	# Units	Contract Rent Low High	Square Feet Low High	Vacant	Occup. Rate	Wait List
<b>TOTAL 2-BEDROOM UNITS</b>				<b>36</b>			<b>1</b>	<b>97.2%</b>	
2	2	50	Apt	7	\$719	1,035	NA	NA	
2	2	60	Apt	29	\$875	1,035	NA	NA	
<b>TOTAL 3-BEDROOM UNITS</b>				<b>24</b>			<b>1</b>	<b>95.8%</b>	
3	2	50	Apt	5	\$816	1,190	NA	NA	
3	2	60	Apt	19	\$995	1,190	NA	NA	
<b>TOTAL DEVELOPMENT</b>				<b>60</b>			<b>2</b>	<b>96.7%</b>	<b>Yes</b>

## AMENITIES

Unit Amenities	Development Amenities	Laundry Type
X - Central A/C	X - Clubhouse	- Coin-Operated Laundry
- Wall A/C Unit	X - Community Room	- In-Unit Hook-Up
X - Garbage Disposal	X - Computer Center	X - In-Unit Washer/Dryer
X - Dishwasher	X - Exercise/Fitness Room	
X - Microwave	X - Community Kitchen	<b>Parking Type</b>
X - Ceiling Fan	- Swimming Pool	X - Surface Lot
- Walk-In Closet	X - Playground	- Carport \$0
X - Mini-Blinds	- Gazebo	- Garage (att) \$0
- Draperies	- Elevator	- Garage (det) \$0
X - Patio/Balcony	X - Storage	
- Basement	- Sports Courts	<b>Utilities Included</b>
- Fireplace	X - On-Site Management	- Heat ELE
- High-Speed Internet	- Security - Access Gate	- Electricity
	- Security - Intercom	X - Trash Removal
		X - Water/Sewer

<b>Project Name:</b>	<b>Linden Square Apts</b>		
<b>Address:</b>	160 Stuard St		
<b>City:</b>	Gaffney		
<b>State:</b>	SC	<b>Zip Code:</b>	29341
<b>Phone Number:</b>	(864) 478-8914		
<b>Contact Name:</b>	Tameria		
<b>Contact Date:</b>	05/14/24		
<b>Current Occup:</b>	95.8%		



<b>Total Units:</b>	24	<b>Year Built:</b>	2020
<b>Project Type:</b>	Open	<b>Floors:</b>	3
<b>Program:</b>	LIHTC	<b>Accept Vouchers:</b>	Yes
<b>PBRA Units*:</b>	12	<b>Voucher #:</b>	NA

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

					Contract Rent		Square Feet		Occup.		Wait
BR	Bath	Target	Type	# Units	Low	High	Low	High	Vacant	Rate	List
TOTAL 1-BEDROOM UNITS					6				0	100.0%	
1	1	30	Apt	2	\$338		752		0	100.0%	
1	1	50	Apt	1			752		0	100.0%	
1	1	60	Apt	2	\$545		752		0	100.0%	
1	1	80	Apt	1	\$879		752		0	100.0%	
TOTAL 2-BEDROOM UNITS					12				0	100.0%	
2	1	30	Apt	3	\$496		1,007		0	100.0%	
2	1	60	Apt	4	\$721		1,007		0	100.0%	
2	1	80	Apt	5	\$979		1,007		0	100.0%	
TOTAL 3-BEDROOM UNITS					6				1	83.3%	
3	2	30	Apt	1	\$658		1,187		0	100.0%	
3	2	50	Apt	1			1,187		0	100.0%	
3	2	60	Apt	2	\$916		1,187		0	100.0%	
3	2	80	Apt	2	\$1,082		1,187		1	50.0%	
TOTAL DEVELOPMENT					24				1	95.8%	12 Names

<u>Unit Amenities</u>	<u>Development Amenities</u>	<u>Laundry Type</u>	
X - Central A/C	- Clubhouse	- Coin-Operated Laundry	
- Wall A/C Unit	- Community Room	X - In-Unit Hook-Up	
X - Garbage Disposal	- Computer Center	- In-Unit Washer/Dryer	
X - Dishwasher	- Exercise/Fitness Room		
X - Microwave	- Community Kitchen		
X - Ceiling Fan	- Swimming Pool		
X - Walk-In Closet	- Playground	X - Surface Lot	
X - Mini-Blinds	X - Gazebo	- Carport	\$0
- Draperies	- Elevator	- Garage (att)	\$0
X - Patio/Balcony	- Storage	- Garage (det)	\$0
- Basement	- Sports Courts		
- Fireplace	X - On-Site Management	<u>Utilities Included</u>	
- High-Speed Internet	- Security - Access Gate	- Heat	ELE
	- Security - Intercom	- Electricity	
		X - Trash Removal	
		- Water/Sewer	

## COMPARABLE PROJECT INFORMATION

**Project Name:** Ryan Park Apts  
**Address:** 400 Bonner Lake Rd  
**City:** Gaffney  
**State:** SC **Zip Code:** 29340  
**Phone Number:** (864) 489-8126  
**Contact Name:** Nikki  
**Contact Date:** 03/28/24  
**Current Occup:** 100.0%



## DEVELOPMENT CHARACTERISTICS

**Total Units:** 48 **Year Built:** 1989  
**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	Contract Rent Low High	Square Feet Low High	Vacant	Occup. Rate	Wait List
<b>TOTAL 1-BEDROOM UNITS</b>				<b>16</b>			<b>0</b>	<b>100.0%</b>	
1	1	50	Apt	NA	\$561	650	0	100.0%	Yes
1	1	60	Apt	NA	\$615	650	0	100.0%	Yes
<b>TOTAL 2-BEDROOM UNITS</b>				<b>32</b>			<b>0</b>	<b>100.0%</b>	
2	1	50	Apt	NA	\$647	800	0	100.0%	Yes
2	1	60	Apt	NA	\$701	800	0	100.0%	Yes
<b>TOTAL DEVELOPMENT</b>				<b>48</b>			<b>0</b>	<b>100.0%</b>	<b>6-12+ Months</b>

## AMENITIES

<b>Unit Amenities</b> <input checked="" type="checkbox"/> - Central A/C <input type="checkbox"/> - Wall A/C Unit <input type="checkbox"/> - Garbage Disposal <input checked="" type="checkbox"/> - Dishwasher <input type="checkbox"/> - Microwave <input type="checkbox"/> - Ceiling Fan <input type="checkbox"/> - Walk-In Closet <input checked="" type="checkbox"/> - Mini-Blinds <input type="checkbox"/> - Draperies <input checked="" type="checkbox"/> - Patio/Balcony <input type="checkbox"/> - Basement <input type="checkbox"/> - Fireplace <input type="checkbox"/> - High-Speed Internet		<b>Development Amenities</b> <input type="checkbox"/> - Clubhouse <input type="checkbox"/> - Community Room <input type="checkbox"/> - Computer Center <input type="checkbox"/> - Exercise/Fitness Room <input type="checkbox"/> - Community Kitchen <input type="checkbox"/> - Swimming Pool <input checked="" type="checkbox"/> - Playground <input type="checkbox"/> - Gazebo <input type="checkbox"/> - Elevator <input checked="" type="checkbox"/> - Storage <input type="checkbox"/> - Sports Courts <input checked="" type="checkbox"/> - On-Site Management <input type="checkbox"/> - Security - Access Gate <input type="checkbox"/> - Security - Intercom		<b>Laundry Type</b> <input checked="" type="checkbox"/> - Coin-Operated Laundry <input type="checkbox"/> - In-Unit Hook-Up <input type="checkbox"/> - In-Unit Washer/Dryer  <b>Parking Type</b> <input checked="" type="checkbox"/> - Surface Lot <input type="checkbox"/> - Carport \$0 <input type="checkbox"/> - Garage (att) \$0 <input type="checkbox"/> - Garage (det) \$0  <b>Utilities Included</b> <input type="checkbox"/> - Heat ELE <input type="checkbox"/> - Electricity <input checked="" type="checkbox"/> - Trash Removal <input type="checkbox"/> - Water/Sewer	
---	--	---	--	--	--

### **5. Market Rent Calculations**

Estimated market rental rates for each unit type have been calculated based on existing conventionally-financed rental developments within the primary market area. Modifications to the base rent of these properties were made based on variances to the subject proposal in age, unit sizes, unit and development amenities, location, and utilities included in the rent. Further, comparable rents were adjusted based on whether or not concessions are currently being offered, if necessary. While the estimated achievable market rent is a speculative figure (due to other factors not part of the calculation, including location of unit within structure, quality of amenities, and overall fit and finish), the calculations provide an idea of competitiveness within the local marketplace. 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
<b>One-Bedroom Units</b>			
20% AMI	\$146	\$990	<b>85%</b>
60% AMI	\$705	\$990	<b>29%</b>
<b>Two-Bedroom Units</b>			
20% AMI	\$157	\$1,204	<b>87%</b>
60% AMI	\$854	\$1,204	<b>29%</b>
<b>Three-Bedroom Units</b>			
20% AMI	\$148	\$1,370	<b>89%</b>
60% AMI	\$953	\$1,370	<b>30%</b>

As can be seen, the proposed rents (at 60 percent AMI) are well-below the achievable market rate rental rates for each unit size, resulting in a market advantage of approximately 30 percent for each unit type. Therefore, it appears that the proposed targeting and rent structure are appropriate for the Gaffney PMA.

## Rent Comparability Grid - Market Rate

Subject Property		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Project Name		1022 West Apt Homes		Magnolia Ridge Apts		Orchard Apt Homes		Sage at Martin Lane		Stonecrest Apts	
Project City		Gaffney		Gaffney		Gaffney		Gaffney		Gaffney	
Financing		Market		Market		Market		Market		Market	
Date Surveyed		3/27/24		3/26/24		3/27/24		3/26/24		3/26/24	
A. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Structure Type											
Yr. Built/Yr. Renovated	2026	1989	\$28	1975	\$38	2022	\$3	2023	\$2	2018	\$6
Neighborhood/Location											
B. Unit Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Central A/C	Yes	Yes		Yes		Yes		Yes		Yes	
Garbage Disposal	No	No		No		No		Yes	(\$5)	Yes	(\$5)
Dishwasher	Yes	Some		Yes		No	\$5	Yes		Yes	
Microwave	Yes	No	\$5	No	\$5	Yes		Yes		Some	
Walk-In Closet	No	Yes	(\$3)	No		Yes	(\$3)	Yes	(\$3)	Yes	(\$3)
Mini-Blinds	Yes	Yes		Yes		Yes		Yes		Yes	
Patio/Balcony	No	Yes	(\$5)	No		No		No		Yes	(\$5)
Basement	No	No		No		No		No		No	
C. Site Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Elevator	No	No		No		No		No		No	
Club/Community Room	Yes	Yes		No	\$5	No	\$5	No	\$5	Yes	
Computer Center	Yes	No	\$3	No	\$3	No	\$3	No	\$3	No	\$3
Exercise Room	Yes	No	\$5	No	\$5	No	\$5	No	\$5	Yes	
Swimming Pool	No	Yes	(\$5)	No		No		No		Yes	(\$5)
Playground	Yes	Yes		Yes		Yes		Yes		No	\$5
Sports Courts	No	No		No		No		No		No	
On-Site Management	Yes	Yes		Yes		Yes		Yes		Yes	
Security (intercom/cam/gate)	No	No		No		No		No		No	
Extra Storage	No	No		No		No		No		40	
D. Other Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Coin-Operated Laundry	Yes	Yes		Yes		Yes		Yes		Yes	
In-Unit Hook-Up	Yes	Some		No	\$10	Yes		Yes		Yes	
In-Unit Washer/Dryer	No	No		No		No		No		No	
Carport	No	No		No		No		No		No	
Garage	No	No		No		No		No		Yes	(\$15)
Other Adjustments	No	No		No		No		No		No	
E. Utilities Included		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Heat	No	No		No		No		No		No	
Electric	No	No		No		No		No		No	
Water/Sewer	No	No		No		No		No		No	
Trash Removal	Yes	No	X	Yes		Yes		Yes		Yes	
Heat Type	ELE	ELE		ELE		ELE		ELE		ELE	
Utility Adjustments											
One-Bedroom Units			\$18		\$0		\$0		\$0		\$0
Two-Bedroom Units			\$18		\$0		\$0		\$0		\$0
Three-Bedroom Units			\$18		\$0		\$0		\$0		\$0



<i>Subject Property</i>		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>		<i>Comp #5</i>	
Project Name		1022 West Apt Homes		Magnolia Ridge Apts		Orchard Apt Homes		Sage at Martin Lane		Stonecrest Apts	
Project City	<b>Subject Data</b>	Gaffney		Gaffney		Gaffney		Gaffney		Gaffney	
Date Surveyed		3/27/2024		3/26/2024		3/27/2024		3/26/2024		3/26/2024	
<b>F. Average Unit Sizes</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
One-Bedroom Units	756	512	\$37	720	\$5	750	\$1		\$0	771	(\$2)
Two-Bedroom Units	968	768	\$30	860	\$16	1,050	(\$12)	921	\$7	1,000	(\$5)
Three-Bedroom Units	1,192	960	\$35	1,000	\$29		\$0	1,151	\$6	1,475	(\$42)
<b>G. Number of Bathrooms</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
One-Bedroom Units	1.0	1.0	\$0	1.0	\$0	1.0	\$0		\$0	1.0	\$0
Two-Bedroom Units	2.0	1.0	\$30	1.0	\$30	1.5	\$15	1.5	\$15	2.0	\$0
Three-Bedroom Units	2.0	2.0	\$0	1.0	\$30		\$0	2.0	\$0	2.0	\$0
<b>G. Total Adjustments Recap</b>											
One-Bedroom Units			\$82		\$72		\$19		\$7		(\$21)
Two-Bedroom Units			\$106		\$112		\$21		\$29		(\$24)
Three-Bedroom Units			\$81		\$125		\$18		\$13		(\$61)

		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Project Name		1022 West Apt Homes		Magnolia Ridge Apts		Orchard Apt Homes		Sage at Martin Lane		Stonecrest Apts	
Project City	Subject Data	Gaffney		Gaffney		Gaffney		Gaffney		Gaffney	
Date Surveyed		3/27/2024		3/26/2024		3/27/2024		3/26/2024		3/26/2024	
H. Rent/Adjustment Summary		Unadj. Rent	Adjusted Rent	Unadj. Rent	Adjusted Rent	Unadj. Rent	Adjusted Rent	Unadj. Rent	Adjusted Rent	Unadj. Rent	Adjusted Rent
Market Rate Units											
One-Bedroom Units	\$990	\$933	\$1,015	\$949	\$1,021	\$975	\$994			\$950	\$929
Two-Bedroom Units	\$1,204	\$1,236	\$1,342	\$1,099	\$1,211	\$1,175	\$1,196	\$1,199	\$1,228	\$1,065	\$1,041
Three-Bedroom Units	\$1,370	\$1,576	\$1,657	\$1,199	\$1,324			\$1,329	\$1,342	\$1,220	\$1,159

## **H. INTERVIEWS**

Throughout the course of performing this analysis of the Gaffney rental market, many individuals were contacted. Based on discussions with local government officials, no comparable multi-family activity was reported within the PMA at the current time. In addition, officials noted an apparent demand and/or modernization of quality affordable housing locally.

Additional information was collected during property visits and informal interviews with leasing agents and resident managers throughout the Gaffney 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, generally positive occupancy levels were reported throughout the local rental market with no widespread specials/concessions.

## I. CONCLUSIONS/RECOMMENDATIONS

Based on the information collected and reported within this study, sufficient evidence has been presented for the successful new construction and absorption of Belle Haven Apartments, as proposed. Factors supporting the introduction of the redevelopment of the subject property include the following:

1. Occupancy levels within the PMA are relatively strong throughout the Gaffney area, within both market rate and affordable rental developments. Based on a survey of 20 local rental projects, the overall occupancy rate was calculated at 98.4 percent, with 16 properties reporting to be 97 percent occupied or better, and nine at 100 percent occupancy;
2. Positive occupancy rates were also recorded within the area's family LIHTC properties. Based on survey results, the combined occupancy rate for LIHTC units was 97.9 percent with each reporting a waiting list;
3. It should be noted that Iveywood Park I/II (96 units allocated in 1996 and 1997) opted out of the LIHTC program in 2023 and is now market rate (Sage at Martin Lane Apartments). As such, the reduced number of tax credit units has likely resulted in increased demand for affordable rental options, especially considering increasing rents within most local market rate properties over the past several years;
4. The location of the subject property can also be considered a positive factor. As such, the proposed site location is within a seemingly quiet residential area adjacent to a park and in walking distance to downtown Gaffney. Also considering the property is within ½ mile of Floyd Baker Boulevard (the area's foremost retail/commercial corridor), the site's location provides generally convenient access to a variety of retail/commercial, education, medical, and employment centers;
5. The proposal represents a modern product with numerous amenities and features at a generally affordable rent level. As such, the proposed rents are competitive in relation to other local LIHTC properties (and a notable value compared to market-rate facilities within the survey), and can be considered appropriate and achievable for the Gaffney PMA.

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 and 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.



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Steven R. Shaw  
**SHAW RESEARCH AND CONSULTING, LLC**

Date: May 23, 2024

## **K. SOURCES**

Apartment Listings – SCSHFDA Website – [schousing.com](http://schousing.com)

Apartment Listings – YP The real Yellow Pages – [www.yellowpages.com](http://www.yellowpages.com)

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

Census Data – Demographic Forecasts, ESRI Business Analyst Online

Census Data – U.S. Census of Population and Housing - U.S. Census Bureau

Community Profile – Cherokee County – SC Department of Employment & Workforce

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

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

Income & Rent Limits – Novogradac and Company

Interviews with community planning officials

Interviews with managers and leasing specialists at local rental developments

Maps – Microsoft Streets and Trips

Maps – Google Maps – [www.google.com/maps](http://www.google.com/maps)

Single-Family Home Sales – [www.realtor.com](http://www.realtor.com)

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

## **L. RESUME**

### **STEVEN R. SHAW SHAW RESEARCH & CONSULTING, LLC**

Mr. Shaw is a principal at Shaw Research and Consulting, LLC. With over thirty-three 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.

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.