

**Market and Economic
Development Analysis –
US-521 and SC-9 Corridor Plan**

Lancaster County, SC

November 2009

Prepared for

**Urban Resource Group
a Division of Kimley-Horn and Associates
1919 South Boulevard, Suite 100
Charlotte, NC 28203**

Prepared by



WARREN & ASSOCIATES
REAL ESTATE ADVISORY

**333 W. Trade Street
Suite 350
Charlotte, NC 28202
(704) 371-4402**

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1. Introduction

Warren & Associates was retained by Urban Resource Group, a division of Kimley-Horn and Associates, to conduct a market and economic development analysis for the US-521 and SC-9 Corridor Plan in Lancaster County. This analysis documents existing conditions from a real estate market perspective. The scope for this assignment included:

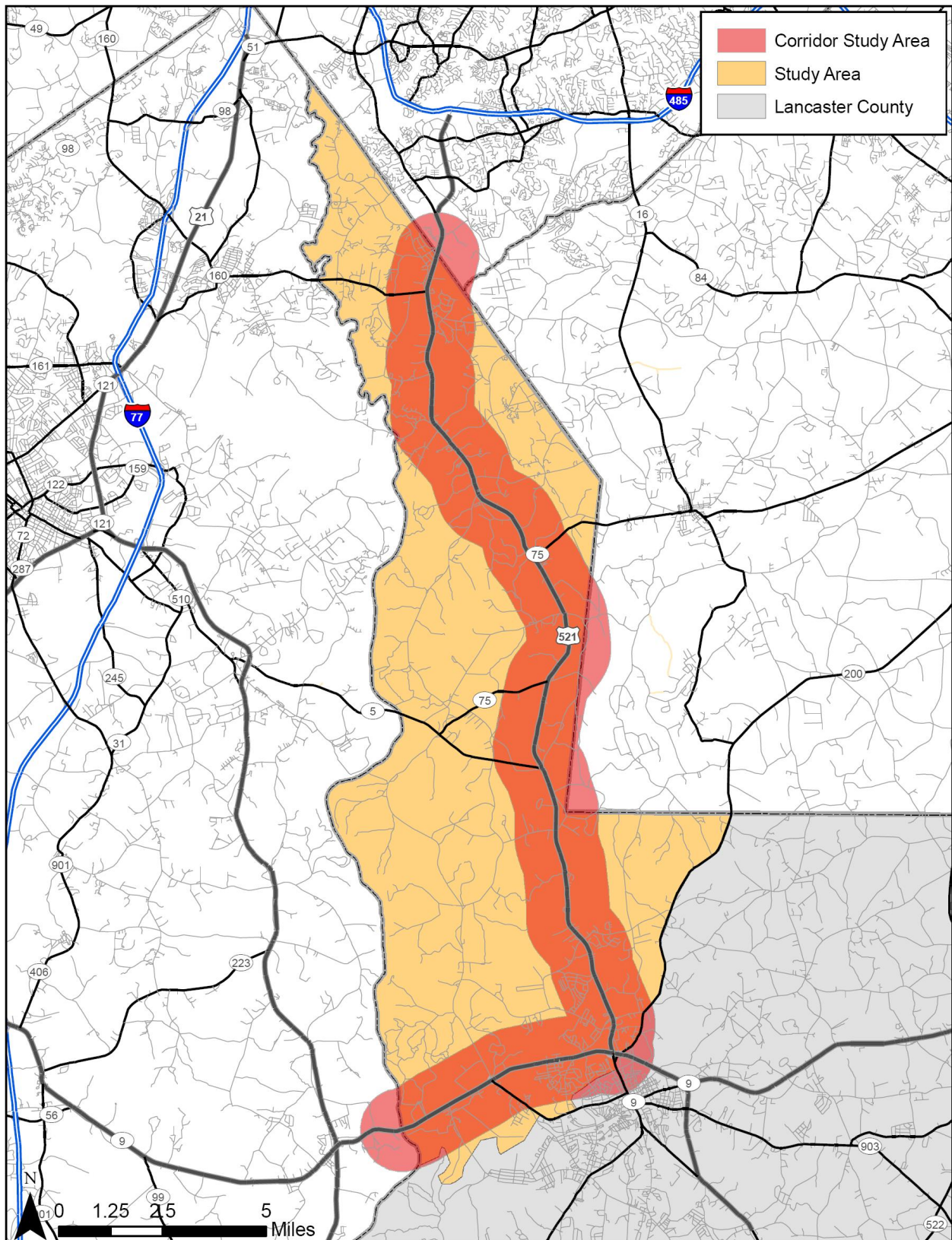
- Interview key stakeholders, including County staff and local real estate/development professionals
- Analyze demographic and employment trends
- Analyze real estate market trends and development activity
- Forecast supportable residential units through 2020
- Forecast supportable retail and office square footage through 2020
- Forecast supportable industrial acreage through 2020
- Recommend competitive locations for each land use type, including mixed-use
- Forecast potential increase in real property and sales taxes for the Study Area and Lancaster County between 2009 and 2020
- Compare Lancaster County's development related fees to three comparable jurisdictions

The Study Area's boundary (Map 1) is based on Traffic Analysis Zones (TAZs), which are typically defined by the U.S. Census. The Study Area incorporates the US-521 corridor from the North Carolina-South Carolina state line to the City of Lancaster and SC-9 from the City of Lancaster west to Chester County. Only the northwest portion of the City of Lancaster, the county seat, is located within the Study Area.

Population in the Study Area increased by over 72% between 2000 and 2009, primarily due to development moving south from Charlotte, and the Ballantyne area in particular. The Study Area accounted for 81.4% of the 13,116 net new residents in Lancaster County during the same period. The population growth reflects a surge of Study Area development activity, with 25 residential subdivisions under construction and another eight proposed, containing a total of 14,637 lots.



Map 1: Study Area, US-521 and SC-9 Corridors, 2009



2. Regional Perspective

Lancaster County is not part of the six-county Charlotte Metropolitan Statistical Area (MSA). However, the Charlotte area's employment centers and transportation corridors impact growth trends throughout Lancaster County. This section provides a regional perspective for Lancaster County.

2.1 Population Growth and Major Investments

Population growth in Lancaster County has been heavily influenced by the development of Ballantyne in southern Mecklenburg County. Population growth patterns are often influenced by transportation improvements and proximity to employment centers.

2.1.1 Population Growth

As shown in Map 2, the highest percent population growth in the greater Charlotte area between 2000 and 2008 occurred along I-485 in Mecklenburg County. Growth also occurred in western Union County, eastern York County, and the Lake Norman area. The northernmost part of Lancaster County's panhandle experienced moderate growth between 2000 and 2008. The balance of Lancaster County increased its population by only 9.3% during the same time period.

2.1.2 Major Highway Investments

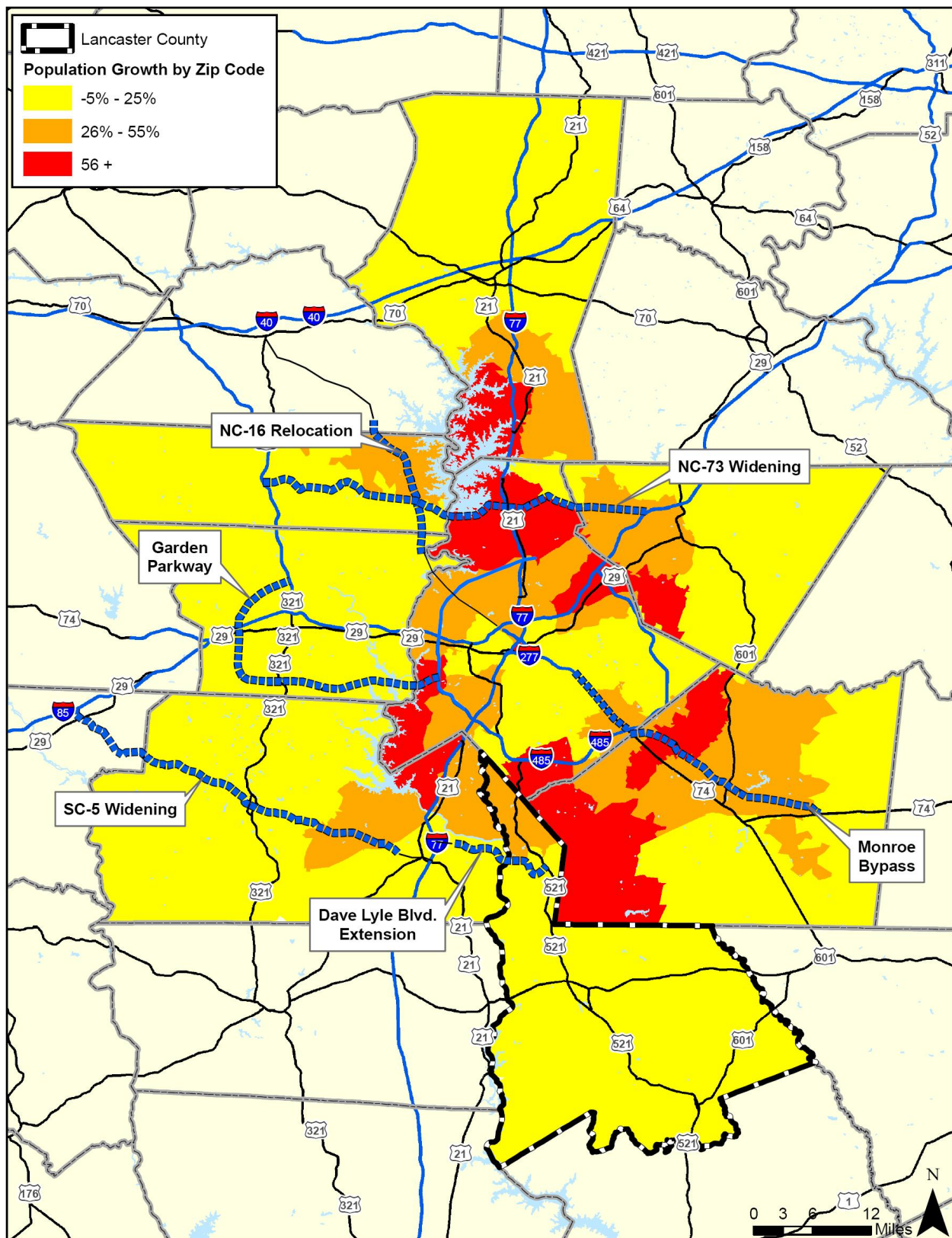
Mapping the major roadway improvements demonstrates where population growth will likely increase and future employment centers locate. Proposed roadway improvements and transit lines will create new urban growth patterns. Proposed improvements, such as NC-73, SC-5, and Dave Lyle Boulevard, will create new growth patterns and help increase east-west mobility.

Lancaster County is most directly affected by the Dave Lyle Boulevard extension. The completion of this roadway will open up a new east-west connection to York County and I-77.

2.2 Regional Job Growth

In Mecklenburg and the seven adjacent counties, there were 112,140 net new jobs created between 2002 and 2008, a 13.5% increase (Table 1). Mecklenburg County remains the region's largest employment destination with 566,976 jobs in 2008, a 12.1% increase from 505,854 jobs in 2002. Lincoln County experienced the largest percent increase at 40.4% in the six-year period. Only Gaston and Lancaster counties experienced a decline in employment. Lancaster County lost 3,217 jobs between 2002 and 2008, an 18.1% decrease.

Map 2: Population Growth 2000-2008 and Major Highway Investments



**Table 1: Regional Job Growth,
Charlotte Region, 2002-2008**

| County | 2002 | 2008 | 2002-2008 Change | |
|--------------|----------------|----------------|------------------|--------------|
| | | | # | % |
| Lincoln | 17,095 | 24,006 | 6,911 | 40.4% |
| Iredell | 52,828 | 67,562 | 14,734 | 27.9% |
| York | 60,534 | 74,762 | 14,228 | 23.5% |
| Union | 46,524 | 57,036 | 10,512 | 22.6% |
| Cabarrus | 57,982 | 66,488 | 8,506 | 14.7% |
| Mecklenburg | 505,854 | 566,976 | 61,122 | 12.1% |
| Gaston | 69,177 | 68,521 | -656 | -0.9% |
| Lancaster | 17,786 | 14,569 | -3,217 | -18.1% |
| Total | 827,780 | 939,920 | 112,140 | 13.5% |

Source: NCESC, SCESC

2.3 Economic Development Sites

As shown in Table 2 and Map 3, there are 29 improved industrial or business parks containing 4,708 total acres in Lancaster, York, and Chester counties. Only industrial parks marketed by the Charlotte Regional Partnership were included in this analysis. York County has almost half of the total improved park acreage in the three counties. Lancaster County has the fewest number of parks with the least amount of acreage.

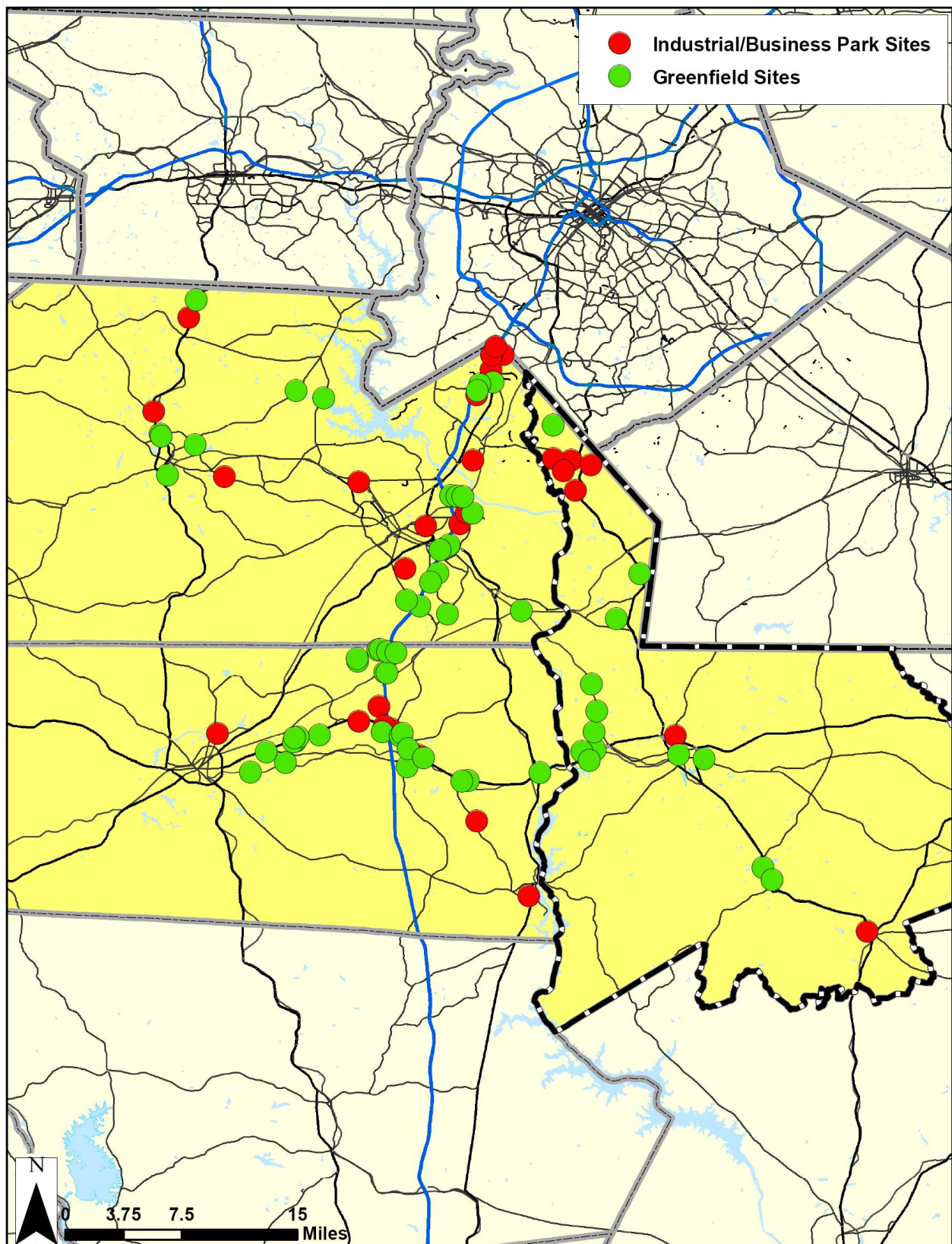
**Table 2: Economic Development Sites,
Lancaster, Chester & York, 2009**

| County | Industrial Parks | | Greenfield Sites | |
|--------------|------------------|--------------|------------------|---------------|
| | Parks | Acres | Sites | Acres |
| Chester | 8 | 1,581 | 27 | 6,048 |
| Lancaster | 7 | 704 | 13 | 3,017 |
| York | 14 | 2,423 | 22 | 3,794 |
| Total | 29 | 4,708 | 62 | 12,859 |

Source: Charlotte Regional Partnership

There are 62 greenfield sites, or unimproved industrial land, currently listed by the Charlotte Regional Partnership. Of the total 12,859 acres, approximately 47% are located in York County. Again, Lancaster County has the fewest number of greenfield sites with the least amount of acreage of the three counties.

Map 3: Economic Development Sites, Lancaster, Chester, & York Counties, 2009



3. Lancaster County Investments

This section describes public and private investments either under construction or proposed in Lancaster County. These investments have the potential to influence the demographic and employment trends described in the following sections. Area investments are shown on Map 4.

3.1 Major Public Investments

3.1.1 Dave Lyle Boulevard Extension

The proposed Dave Lyle Boulevard (DLB) extension would add 11 miles to the current road (five miles in York County and six miles in Lancaster County) and cost an estimated \$140 million. York and Lancaster counties engaged Clemson University and the University of South Carolina (USC) to conduct two studies for the proposed DLB corridor. Clemson identified land use opportunities, with a primary goal of protecting the site's natural character. USC forecasted economic opportunities based on the potential impacts of the DLB extension.

3.1.2 University of South Carolina – Lancaster

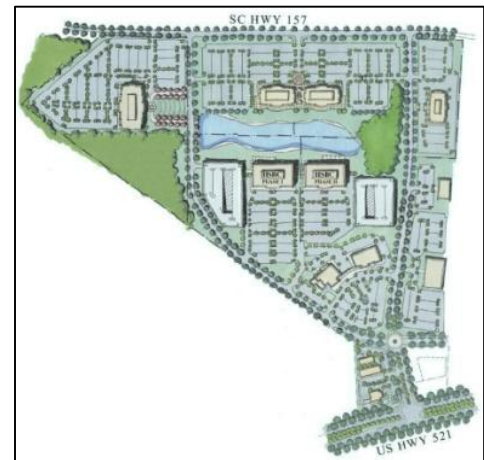
The University of South Carolina at Lancaster (USC-L) is a two-year institution with a current enrollment of 1,195 students. It is one of four regional USC campuses, and serves students from Chester, Chesterfield, Fairfield, Lancaster, Kershaw, and York counties. Associate degrees offered include Criminal Justice, Business, and Technical Nursing. The campus on SC-9 in Lancaster is large enough to accommodate new buildings.

3.2 Major Private Investments

3.2.1 Edgewater

Located at the southwest quadrant of US-521 and SC-160, Edgewater Corporate Center is a 90-acre office park that will total one million square feet when completed. Amenities include walking trails and a 5.5 acre lake.

The project currently contains one LEED certified building totaling 182,000 square feet, originally built for HSBC Group. HSBC relocated to Edgewater Corporate Center from the Southpark area of Charlotte, and then vacated the building. An outpatient surgery center is also completed.

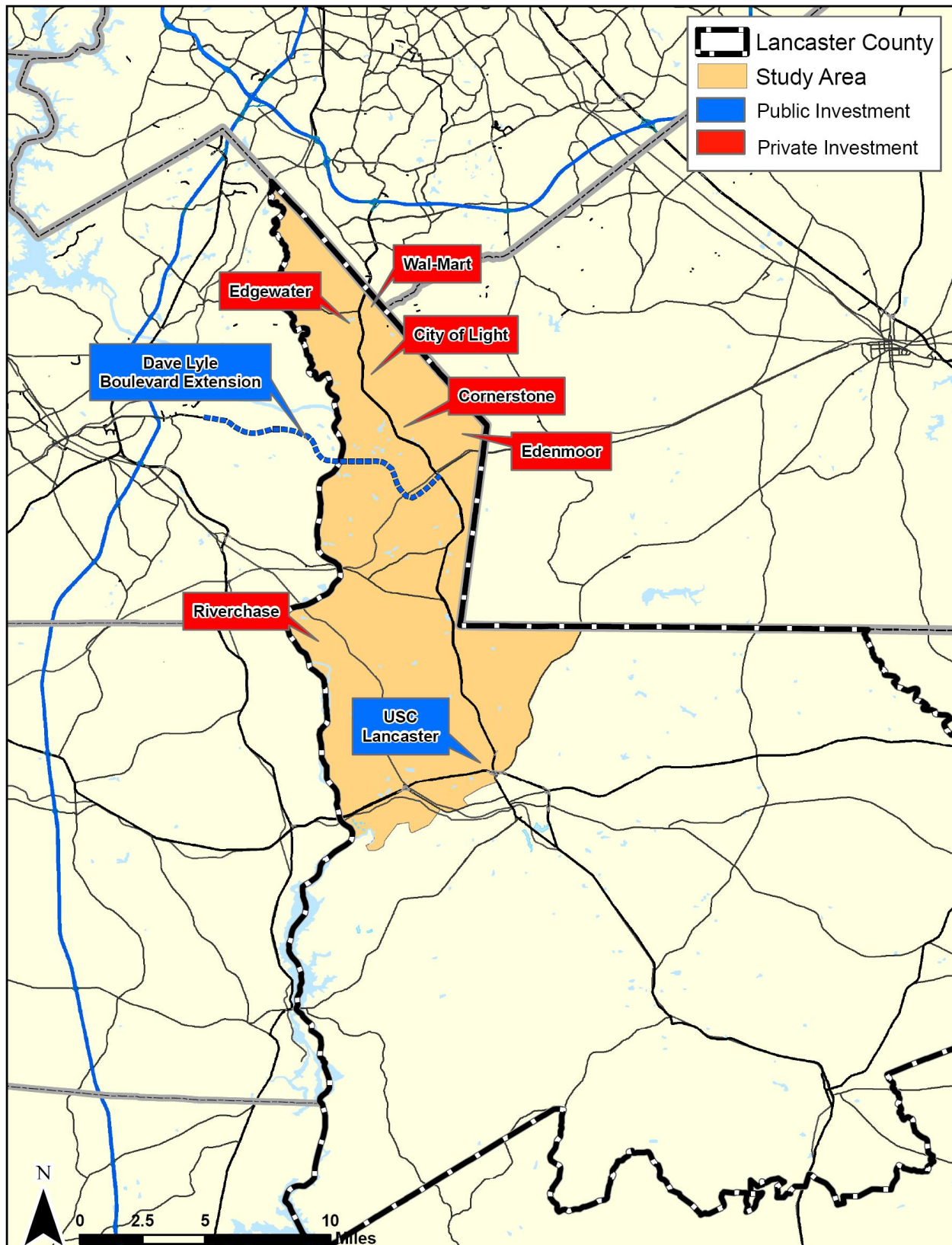


EdgeWater Site Plan

3.2.2 Wal-Mart Development

Wal-Mart Corporation is currently constructing a 175,000-square-foot store on the east side of US-521, on the North Carolina-South Carolina state line. Site work for the development began in mid-2009. Wal-Mart is expected to open in late-2010. Additional outparcel retail space will also be constructed on the site.

Map 4: Lancaster County Area Investments, 2009



3.2.3 City of Light

In November 2006, Inspiration Networks broke ground on the 93-acre City of Light, which was planned to consolidate Inspiration Networks' offices throughout Charlotte. The network received more than \$5 million in incentives from the State of South Carolina, including job development credits and assistance paying for improved road access and infrastructure. Although the network is a non-profit, plans called for moving a for-profit video production company to Lancaster. Also included in plans were 550 condominiums. Currently only two buildings are complete: a 118,000-square-foot headquarters building and a 465-seat prayer center. No for-profit projects have been built.

3.2.4 Edenmoor

Edenmoor is GS Carolina's planned 868-acre mixed-use community. At build-out, it is expected to contain 250 acres of parks and greenways, 100,000 square feet of commercial space, and 1,950 single-family houses in a pedestrian friendly design.

Development began in 2005 and the first model home was completed in October, 2007. Since then, the community has been adversely affected by the current economic downturn. Mechanics liens were placed on the property in the fall of 2008. Because of the liens, the owners of Edenmoor cannot transfer the deed to the ball fields or the new EMS station to the County.

3.2.5 Riverchase Estates



Riverchase Estates is a planned 2,000-acre residential development on the Catawba River. The 1,200 building sites will be at least one acre in size, with prices for land ranging from \$69,000 to \$300,000; house prices are expected to range from \$400,000 to \$1 million. LGI Land, the developer, has agreed to donate \$1.2 million and five acres for a new fire station in Riverchase.

Community amenities will include preserved green space, a clubhouse, walking and biking trails, an indoor fitness center, and a theater room. Basketball and tennis courts are planned, as well as a lagoon-style pool.

3.2.6 Cornerstone

Cornerstone is Crosland's commercial development at US-521 and Jim Wilson Road in Lancaster County. At build-out, the 160-acre project is expected to contain 800,000 square feet of retail in an open-air format. Current plans call for big-box and discount department stores, a theater, a hardware store, a grocer, and other specialty stores and restaurants. In addition to retail, the project will contain a 40-acre office/medical park. The site's first building, a two-story, 40,000-square-foot medical office building, is operated by Carolinas Health Care.

4. Demographic Trends

In this section, Study Area demographic trends are analyzed and compared to Lancaster County and the Charlotte Region (Map 5). For the purpose of the demographic trends, the Charlotte Region is defined as the six-county Charlotte MSA, plus Lancaster.

4.1 Population Trends

The Study Area contains an estimated 25,510 residents. The 10,678 new residents between 2000 and 2009 equated to a growth rate of 72.0% (Table 3). Lancaster County grew at a slower 21.4% rate during the same period. The Study Area captured 81.4% of the population growth in Lancaster County between 2000 and 2009.

Table 3: Population Trends, Study Area, Charlotte Region, 2000-2009

| Area | 2000 | 2009 | 2000-2009 Change | |
|-------------------------------|-------------|-------------|------------------|-------|
| | | | # | % |
| Study Area | 14,832 | 25,510 | 10,678 | 72.0% |
| Lancaster County | 61,351 | 74,467 | 13,116 | 21.4% |
| Charlotte Region | 1,391,799 | 1,814,829 | 423,030 | 30.4% |
| Study Area % of Region | 1.1% | 1.4% | | |

Note: Lancaster County is not part of the six-county Charlotte MSA.

Source: ESRI, Catawba COG, Lancaster County

The Charlotte Region grew by 30.4% between 2000 and 2009. The Study Area's share of the region increased from 1.1% in 2000 to 1.4% in 2009.

Table 4 demonstrates population change between 2000 and 2009 by age cohort. While residents aged 20 to 34 represent the largest cohort, households in the prime earning years of 45 to 64 increased 94.0%, boosting move-up housing demand and retail spending potential.

Table 4: Population Trends by Age Cohort, Study Area, 2000-2009

| Age Cohort | 2000 | 2009 | 2000-2009 Change | |
|--------------|---------------|---------------|------------------|--------------|
| | | | # | % |
| 0-9 | 2,002 | 3,367 | 1,365 | 68.2% |
| 10-19 | 2,091 | 3,444 | 1,352 | 64.7% |
| 20-34 | 2,699 | 4,260 | 1,561 | 57.8% |
| 35-44 | 2,492 | 3,750 | 1,258 | 50.5% |
| 45-54 | 2,254 | 4,056 | 1,802 | 79.9% |
| 55-64 | 1,572 | 3,367 | 1,795 | 114.2% |
| 65-74 | 994 | 1,888 | 894 | 90.0% |
| 75-84 | 534 | 995 | 461 | 86.3% |
| 85+ | 193 | 383 | 190 | 98.5% |
| Total | 14,832 | 25,510 | 10,678 | 72.0% |

Source: ESRI, Catawba COG, Lancaster County

This map illustrates the Demographic Analysis Region, which includes Lancaster County and its immediate surroundings. The region is highlighted in orange. The map shows the following counties: GASTON, MECKLENBURG, YORK, UNION, ANSON, and LANCASTER. Major highways are depicted, including Interstates 40, 77, 85, 95, 26, 20, 126, 176, 378, 158, 64, 21, 29, 74, 52, 601, 321, 1, 15, 401, 76, 301, and 95. A legend in the top right corner identifies the orange shaded area as the 'Demographic Analysis Region' and the black dashed line as 'Lancaster County'. A scale bar at the bottom left indicates distances of 0, 4.5, 9, and 18 miles. A north arrow is also present in the bottom left corner.

The number of active seniors between ages 65 and 74 increased 90.0%. Strong growth in the over 55 categories indicates the apparent success of the Sun City Carolina Lakes development.

4.2 Household Trends

There are an estimated 10,179 households in the Study Area, 81.6% more than the 5,606 households in 2000 (Table 5). Lancaster County experienced a slower 25.0% growth rate, from 23,178 households in 2000 to 28,970 in 2009. In 2009, the Study Area accounted for 35% of all households in the County. Households in the Charlotte Region increased by 32.2%. Similar to population trends, the Study Area's share of regional households increased from 1.1% in 2000 to 1.4% in 2009.

Table 5: Household Trends, Study Area, Charlotte Region, 2000-2009

| Area | 2000 | 2009 | 2000-2009 Change | |
|-------------------------------|-------------|-------------|------------------|-------|
| | | | # | % |
| Study Area | 5,606 | 10,179 | 4,573 | 81.6% |
| Lancaster County | 23,178 | 28,970 | 5,792 | 25.0% |
| Charlotte Region | 533,694 | 705,710 | 172,016 | 32.2% |
| Study Area % of Region | 1.1% | 1.4% | | |

Note: Lancaster County is not part of the six-county Charlotte MSA.

Source: ESRI, Catawba COG, Lancaster County

4.2.1 Household Trends by Income Cohort

The Study Area experienced a strong increase in all household income cohorts over \$50,000 between 2000 and 2009 (Table 6). However, households earning less than \$35,000 annually still comprise the largest cohort in the Study Area (30.5%).

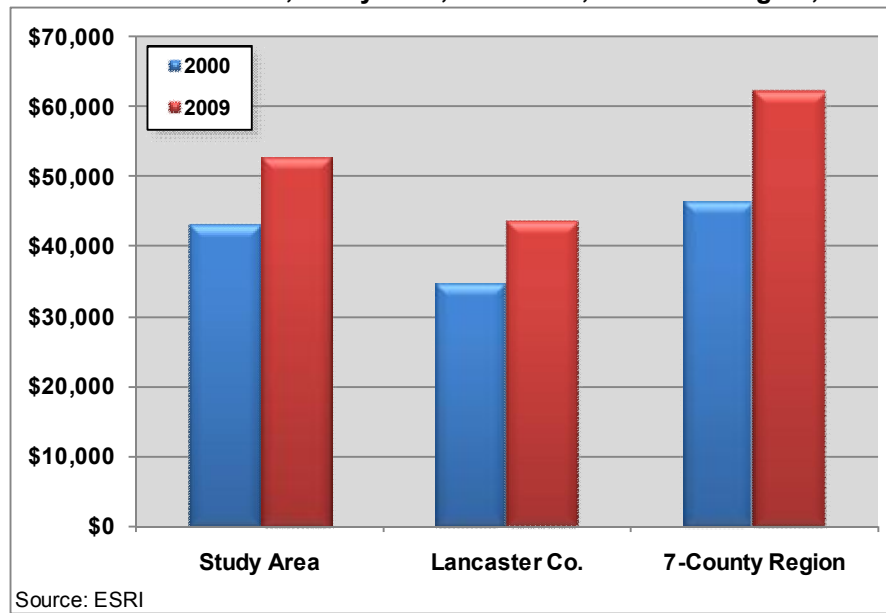
Table 6: Household Trends by Income Cohort, Study Area, 2000-2009

| Income Cohort | 2000 | 2009 | 2000-2009 Change | |
|-------------------|--------------|---------------|------------------|--------------|
| | | | # | % |
| \$0-\$34,999 | 2,186 | 3,105 | 918 | 42.0% |
| \$35,000-\$49,999 | 1,082 | 1,629 | 547 | 50.5% |
| \$50,000-\$74,999 | 1,334 | 2,708 | 1,373 | 102.9% |
| \$75,000-\$99,999 | 499 | 1,456 | 957 | 191.7% |
| \$100,000+ | 505 | 1,283 | 778 | 154.2% |
| Total | 5,606 | 10,179 | 4,573 | 81.6% |

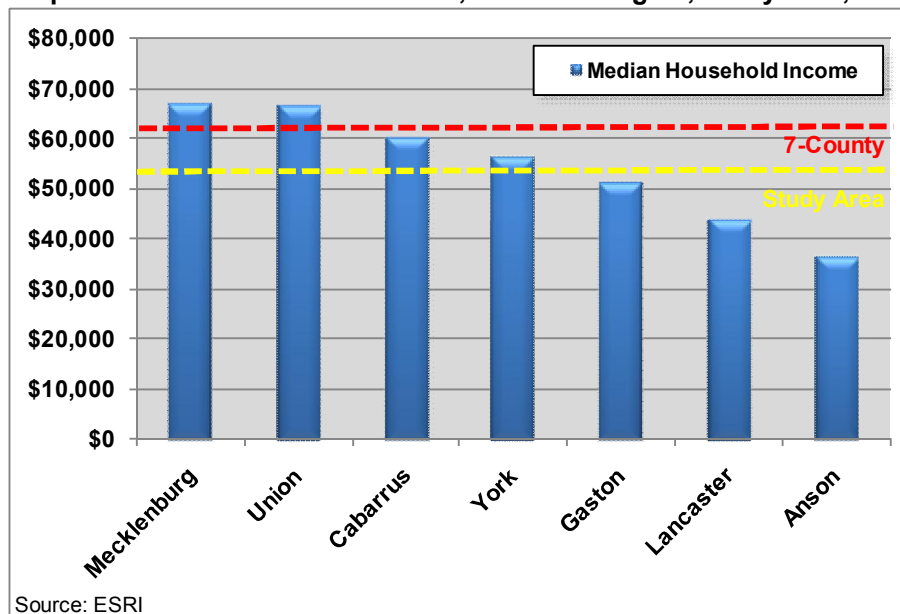
Source: ESRI, Catawba COG, Lancaster County

4.2.2 Median Household Income

In 2000, the Study Area's median household income of \$42,929 was 23.6% more than the County, but 8.2% less than the 7-county Charlotte Region (Graph 1). The 2009 median income increased to \$52,667, and is now 20.7% more than the County, but 17.9% less than the region. The median income in the Study Area is increasing at a slower rate than the 7-county Charlotte region.

Graph 1: Household Income, Study Area, Lancaster, Charlotte Region, 2000 & 2009

Based on data from the Economic and Social Research Institute (ESRI), Lancaster County has the second lowest median income in the Charlotte Region (Graph 2). Only Anson County has a lower median household income. While exceeding the median income of Gaston, Lancaster, and Anson counties, the Study Area still lags behind the balance of the region.

Graph 2: Median Household Income, Charlotte Region, Study Area, 2009

4.3 Demographic Tapestry

Tapestry segmentation provided by ESRI provides a means to separate households within a specified geography into distinct behavioral cohorts. ESRI's tapestry information is divided into 65 separate segments based on socioeconomic and demographic trends from the decennial Census.



Households in the Study Area comprise only six of the 65 segments. Table 7 demonstrates the percentage of households within the Study Area in each segment, and compares those segments to the ten largest for the Charlotte Region.

Table 7: Demographic Tapestry, Study Area & Charlotte Region, 2009

| Tapestry Segment | Study Area Households | Percent | 7-County Households | Percent |
|----------------------------|------------------------------|----------------|----------------------------|----------------|
| Midland Crowd | 7,003 | 68.8% | 57,058 | 8.1% |
| Southern Satellites | 753 | 7.4% | 28,177 | 4.0% |
| Green Acres | 723 | 7.1% | 38,038 | 5.4% |
| Midlife Junction | 713 | 7.0% | 9,157 | 1.3% |
| Prosperous Empty Nesters | 651 | 6.4% | 4,931 | 0.7% |
| Rustbelt Retirees | 336 | 3.3% | 4,931 | 0.7% |
| Up and Coming Families | 0 | 0.0% | 73,964 | 10.5% |
| Boomburbs | 0 | 0.0% | 44,378 | 6.3% |
| Enterprising Professionals | 0 | 0.0% | 40,152 | 5.7% |
| Aspiring Young Families | 0 | 0.0% | 31,699 | 4.5% |
| Total | 10,179 | 100.0% | 332,484 | 47.2% |

Source: ESRI

In 2009, an estimated 7,003 households, or 68.8%, in the Study Area fell into the Midland Crowd segment. While ESRI's descriptions of each of the six Study Area segments are provided in Appendix I, the Midland Crowd can be briefly described as the following:

- Median Age: 37
- Median Income: \$49,748
- Education: 40% with College Degree
- Employment: 50% White Collar
- Recreation: Hunting, fishing, and woodwork

The Midland Crowd is the second largest segment in the Charlotte Region, after Up and Coming Families. The variety of segmentation cohorts in the Charlotte Region indicates a diverse population. As growth continues to move south from Charlotte into Lancaster County, the Study Area's tapestry will likely diversify to more closely resemble the region.

5. Employment Trends

This section analyzes employment trends for Lancaster County and the 16-county Charlotte Regional Partnership (CRP) labor market area (Map 6). Employment trends by industry are shown for 2002 to 2008. Employee inflow/outflow and commuting patterns are shown for 2006, the most recent data available.

5.1 Lancaster County Employment

5.1.1 Employment by Industry

As shown in Table 8, Lancaster County had a total of 14,569 full-time jobs in 2008, 18.1% less than in 2002. Manufacturing, a historically significant industry, had the most employees in 2008 (17.8%), but experienced a 54.0% decline since 2002. Education and Health Services experienced the largest percent increase of 19.4%. Six industries experienced a decline in employment between 2002 and 2008:

- Natural Resources & Mining (-55.4%)
- Manufacturing (-54.0%)
- Transportation, Warehousing & Utilities (-35.6%)
- Finance, Insurance & Real Estate (FIRE) (-25.4%)
- Admin & Support/Waste Management & Remediation Services (-15.4%)
- Retail Trade (-12.8%)

Table 8: Employment Trends, Lancaster County, 2002-2008

| Industry | 2002 | 2008 | 2002-2008 Change | |
|---|---------------|---------------|------------------|---------------|
| | | | # | % |
| Public Administration | 1,738 | 1,810 | 72 | 4.1% |
| Natural Resources & Mining | 101 | 45 | -56 | -55.4% |
| Construction | 917 | 870 | -47 | -5.1% |
| Manufacturing | 5,630 | 2,588 | -3,042 | -54.0% |
| Wholesale Trade | 288 | 318 | 30 | 10.4% |
| Retail Trade | 2,463 | 2,148 | -315 | -12.8% |
| Transportation, Warehousing & Utilities | 312 | 201 | -111 | -35.6% |
| Information | 172 | 201 | 29 | 16.9% |
| Finance, Insurance, and Real Estate (FIRE) | 1,129 | 842 | -287 | -25.4% |
| Professional and Business Services | 1,173 | 1,433 | 260 | 22.2% |
| Admin & Support & Waste Mgmt. & Remediation Serv. | 806 | 682 | -124 | -15.4% |
| Education and Health Services | 1,609 | 1,921 | 312 | 19.4% |
| Leisure and Hospitality | 1,146 | 1,192 | 46 | 4.0% |
| Other Services (Except Public Admin) | 302 | 318 | 16 | 5.3% |
| Total | 17,786 | 14,569 | -3,217 | -18.1% |

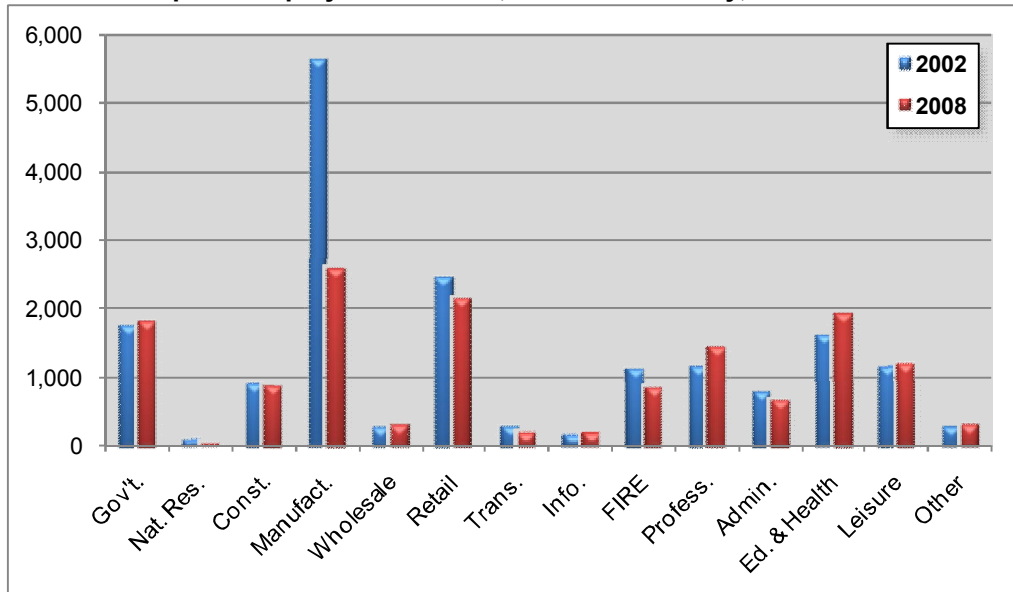
Source: South Carolina Employment Security Commission

Losses in the Manufacturing sector can be attributed mostly to textile plant closings, including several by Springs Industries. One of the largest companies in Lancaster County, Springs Industries employed more than 3,000 people in 1998. It currently has only 200 employees, a loss of nearly 3,000 jobs in ten years.

This map displays the Charlotte Regional Partnership Area, which encompasses several counties in North Carolina: Alexander, Iredell, Catawba, Rowan, Lincoln, Gaston, Cabarrus, Stanly, Mecklenburg, York, Union, Anson, Chester, Lancaster, and Chesterfield. Lancaster County is specifically highlighted with a thick black border. The map also shows major interstate highways (I-77, I-85, I-95, I-40, I-26, I-20, I-126) and state highways (US-70, US-29, US-52, US-158, US-321, US-64, US-74, US-176, US-15, US-401, US-301, NC-21, NC-64, NC-70, NC-29, NC-52, NC-15, NC-401, NC-301, NC-126, NC-76, NC-378, NC-876, NC-176, NC-178, NC-179, NC-180, NC-181, NC-182, NC-183, NC-184, NC-185, NC-186, NC-187, NC-188, NC-189, NC-190, NC-191, NC-192, NC-193, NC-194, NC-195, NC-196, NC-197, NC-198, NC-199, NC-200, NC-201, NC-202, NC-203, NC-204, NC-205, NC-206, NC-207, NC-208, NC-209, NC-210, NC-211, NC-212, NC-213, NC-214, NC-215, NC-216, NC-217, NC-218, NC-219, NC-220, NC-221, NC-222, NC-223, NC-224, NC-225, NC-226, NC-227, NC-228, NC-229, NC-230, NC-231, NC-232, NC-233, NC-234, NC-235, NC-236, NC-237, NC-238, NC-239, NC-240, NC-241, NC-242, NC-243, NC-244, NC-245, NC-246, NC-247, NC-248, NC-249, NC-250, NC-251, NC-252, NC-253, NC-254, NC-255, NC-256, NC-257, NC-258, NC-259, NC-260, NC-261, NC-262, NC-263, NC-264, NC-265, NC-266, NC-267, NC-268, NC-269, NC-270, NC-271, NC-272, NC-273, NC-274, NC-275, NC-276, NC-277, NC-278, NC-279, NC-280, NC-281, NC-282, NC-283, NC-284, NC-285, NC-286, NC-287, NC-288, NC-289, NC-290, NC-291, NC-292, NC-293, NC-294, NC-295, NC-296, NC-297, NC-298, NC-299, NC-300, NC-301, NC-302, NC-303, NC-304, NC-305, NC-306, NC-307, NC-308, NC-309, NC-310, NC-311, NC-312, NC-313, NC-314, NC-315, NC-316, NC-317, NC-318, NC-319, NC-320, NC-321, NC-322, NC-323, NC-324, NC-325, NC-326, NC-327, NC-328, NC-329, NC-330, NC-331, NC-332, NC-333, NC-334, NC-335, NC-336, NC-337, NC-338, NC-339, NC-340, NC-341, NC-342, NC-343, NC-344, NC-345, NC-346, NC-347, NC-348, NC-349, NC-350, NC-351, NC-352, NC-353, NC-354, NC-355, NC-356, NC-357, NC-358, NC-359, NC-360, NC-361, NC-362, NC-363, NC-364, NC-365, NC-366, NC-367, NC-368, NC-369, NC-370, NC-371, NC-372, NC-373, NC-374, NC-375, NC-376, NC-377, NC-378, NC-379, NC-380, NC-381, NC-382, NC-383, NC-384, NC-385, NC-386, NC-387, NC-388, NC-389, NC-390, NC-391, 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Graph 3 demonstrates the significant decline in the Manufacturing sector between 2002 and 2008. Other employment sectors showed little change between 2002 and 2008. Manufacturing, Retail Trade, and Education & Health Services remained the sectors with the highest employment in both 2002 and 2008.

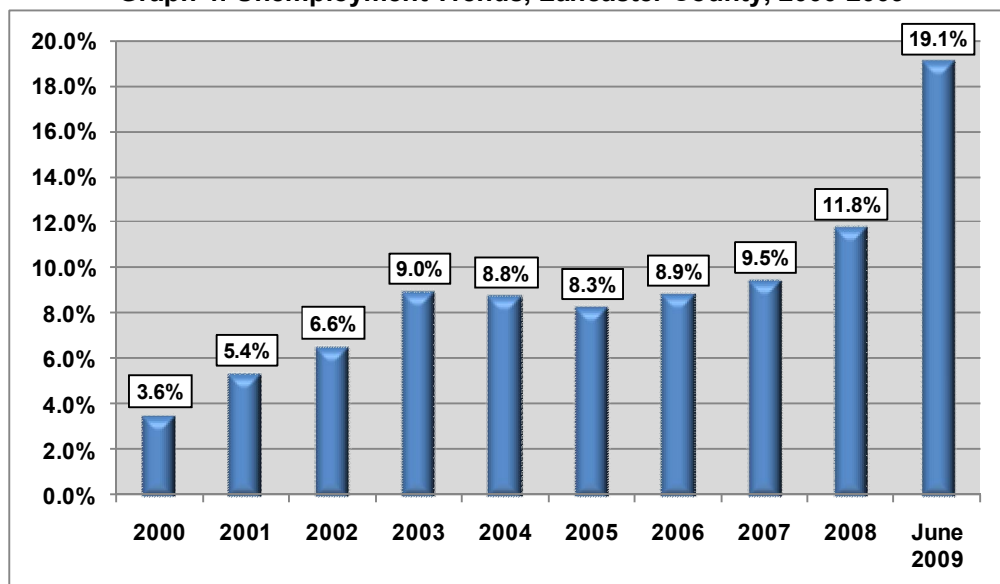
Graph 3: Employment Trends, Lancaster County, 2002 & 2008



5.1.2 Unemployment Trends

Lancaster County had an unemployment rate of only 3.6% in 2000. After the 2001-2002 economic recession, unemployment plateaued between 8.3% and 9.5%. The current recession and dramatic loss in manufacturing jobs has resulted in a significant increase in the unemployment rate, reaching 19.1% in June 2009.

Graph 4: Unemployment Trends, Lancaster County, 2000-2009





5.1.3 Employee Inflow/Outflow

In 2006, Lancaster County had 24,434 employed residents and 16,794 full-time place-of-work jobs (Table 9). To determine the inflow or outflow of workers, Lancaster County's place-of-work jobs were subtracted from the number of employed residents by industry. In 2006, Lancaster County experienced a net outflow of 7,640 residents (31%). No industries experienced a net inflow. The Manufacturing and Construction sectors had the largest net outflows in 2006 of 1,768 and 1,011 jobs, respectively.

Table 9: Employee Inflow/Outflow by Industry, Lancaster County, 2006

| Industry | Employment | | Estimated Inflow/ (Outflow) |
|--|--------------------|---------------|-----------------------------|
| | Place of Residence | Place of Work | |
| Government | 1,043 | 948 | (95) |
| Natural Resources & Mining | 134 | 51 | (83) |
| Construction | 1,867 | 856 | (1,011) |
| Manufacturing | 6,284 | 4,516 | (1,768) |
| Wholesale Trade | 993 | 347 | (646) |
| Retail Trade | 2,814 | 1,956 | (858) |
| Transportation, Warehousing, Utilities | 772 | 301 | (471) |
| Information | 375 | 261 | (114) |
| Finance, Insurance, and Real Estate (FIRE) | 1,364 | 1,209 | (155) |
| Professional & Business Services | 907 | 604 | (303) |
| Admin & Support & Waste Mgmt. Services | 1,318 | 904 | (414) |
| Education and Health Services | 4,314 | 3,471 | (843) |
| Leisure and Hospitality | 1,808 | 1,067 | (741) |
| Other Services (Except Public Admin) | 441 | 303 | (138) |
| Total | 24,434 | 16,794 | (7,640) |

Source: US Census Bureau, LED Origin-Destination Data Base

According to the U.S. Census, 43.2% of all employed residents in 2006 worked and lived within Lancaster County (Table 10). Approximately 13.1% of all employed County residents traveled to Mecklenburg County to work, with an additional 13.0% commuting to York County. Richland, Union, and Chester counties each attracted over 3.0% of Lancaster County's employed residents.

Table 10: Commuter Shed, Lancaster County, 2006

| County | Jobs by Place | | Share of Total |
|----------------------|---------------|--|----------------|
| | of Residence | | |
| Lancaster Co., SC | 10,545 | | 43.2% |
| Mecklenburg Co., NC | 3,193 | | 13.1% |
| York Co., SC | 3,165 | | 13.0% |
| Richland Co., SC | 1,208 | | 4.9% |
| Union Co., NC | 1,051 | | 4.3% |
| Chester Co., SC | 938 | | 3.8% |
| Chesterfield Co., SC | 413 | | 1.7% |
| Kershaw Co., SC | 405 | | 1.7% |
| All Other Locations | 3,516 | | 14.4% |
| Total | 24,434 | | 100.0% |

Source: US Census Bureau, LED Origin-Destination Data Base

5.2 Charlotte Regional Partnership Area Employment

The 16-county CRP area experienced a 10.3% increase in jobs between 2002 and 2008 (Table 11). Education & Health Services and Leisure and Hospitality experienced the strongest absolute growth, while Transportation, Warehousing & Utilities had the largest percent increase. Lancaster County's 54.0% decline in the Manufacturing sector was more than double the 21.5% loss in the CRP area.

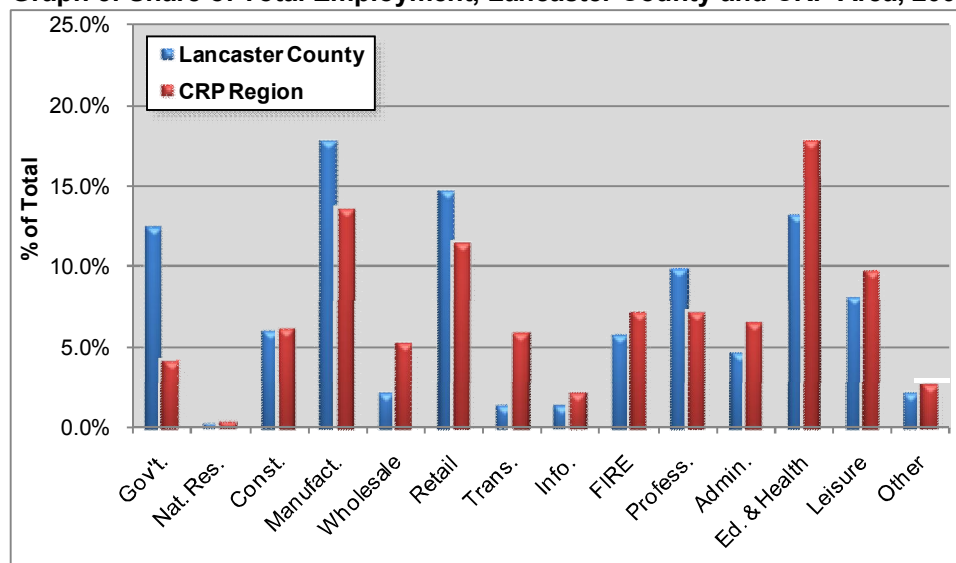
Table 11: Employment Trends, Charlotte Regional Partnership Area, 2002-2008

| Industry | 2002 | 2008 | 2002-2008 Change | |
|---|------------------|------------------|------------------|--------------|
| | | | # | % |
| Government (Local, State & Federal) | 42,318 | 48,301 | 5,983 | 14.1% |
| Natural Resources & Mining | 4,671 | 5,063 | 392 | 8.4% |
| Construction | 64,395 | 70,462 | 6,067 | 9.4% |
| Manufacturing | 199,246 | 156,348 | -42,898 | -21.5% |
| Wholesale Trade | 58,406 | 61,268 | 2,862 | 4.9% |
| Retail Trade | 119,827 | 132,564 | 12,737 | 10.6% |
| Transportation, Warehousing & Utilities | 50,870 | 67,461 | 16,591 | 32.6% |
| Information | 26,995 | 24,723 | -2,272 | -8.4% |
| Finance, Insurance, and Real Estate (FIRE) | 71,269 | 82,257 | 10,988 | 15.4% |
| Professional and Business Services | 64,471 | 82,188 | 17,717 | 27.5% |
| Admin & Support & Waste Mgmt. & Remediation Serv. | 65,870 | 75,849 | 9,979 | 15.1% |
| Education and Health Services | 161,285 | 205,155 | 43,870 | 27.2% |
| Leisure and Hospitality | 87,592 | 111,709 | 24,117 | 27.5% |
| Other Services (Except Public Admin) | 29,903 | 31,515 | 1,612 | 5.4% |
| Total | 1,047,118 | 1,154,863 | 107,745 | 10.3% |

Sources: North Carolina and South Carolina Employment Security Commission

Lancaster County has comparatively higher shares of Government, Manufacturing, Retail Trade, and Professional Services jobs than the CRP area (Graph 5). It has lower shares for Wholesale Trade, Transportation, Warehousing & Utilities, FIRE, Administrative Services, and Education and Health Services.

Graph 5: Share of Total Employment, Lancaster County and CRP Area, 2008



6. Residential Trends and Development Activity

6.1 Housing Unit Trends

Housing units in the Study Area increased 80.1% from 2000 to 2009 (Table 12). Lancaster County grew at a slower 27.8% rate. The Study Area accounted for 67.9% of new housing unit growth in Lancaster County. Housing units in the Charlotte Region (as shown in Map 5) increased by 35.0% during the same period.

Table 12: Housing Unit Trends, Study Area, Charlotte Region, 2000-2009

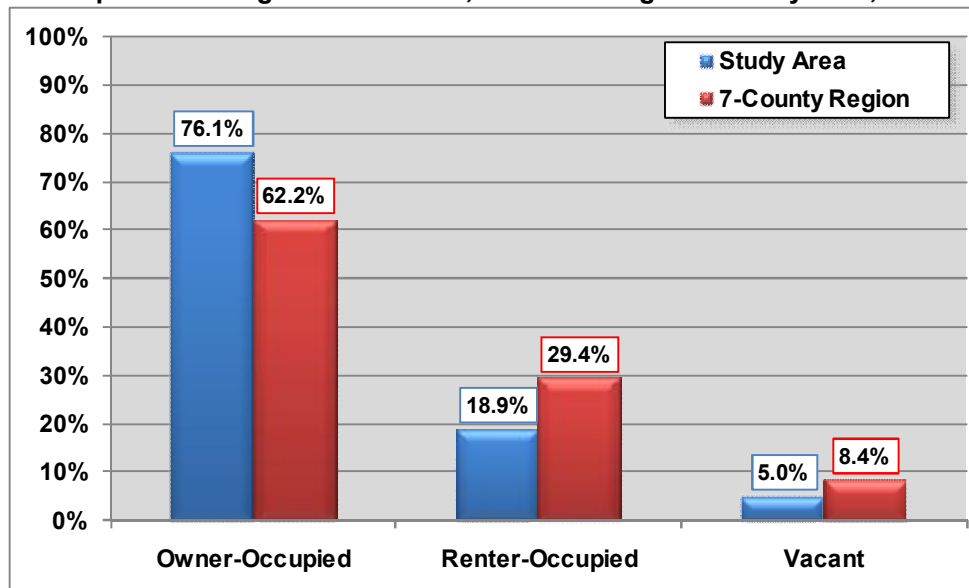
| Area | 2000 | 2009 | 2000-2009 Change | |
|-------------------------------|-------------|-------------|------------------|-------|
| | | | # | % |
| Study Area | 5,895 | 10,614 | 4,719 | 80.1% |
| Lancaster County | 24,962 | 31,908 | 6,946 | 27.8% |
| Charlotte Region | 571,409 | 771,137 | 199,728 | 35.0% |
| Study Area % of Region | 1.0% | 1.4% | | |

Note: Lancaster County is not part of the six-county Charlotte MSA.

Source: ESRI, Catawba COG, Lancaster County

Graph 6 compares housing tenure trends in the Study Area and the Charlotte Region. Owner-occupied units account for 76.1% of all housing units in the Study Area, 13.9% higher than 62.2% for the Charlotte Region. The share of renter-occupied housing units is 10.5% less than the Charlotte Region. The Study Area has an estimated vacancy rate of 5.0%, which is 3.4% less than the Region.

Graph 6: Housing Tenure Trends, Charlotte Region & Study Area, 2009



6.2 Residential Building Permit Trends

There were 5,030 new residential building permits issued between 2000 and August 2009 in the Study Area, averaging 552 annually (Table 13). The Study Area accounted for 68.0% of all residential permits issued in Lancaster County over the almost nine-year period. In the most

recent three-year period, between 2006 and August 2009, the Study Area accounted for over an even higher 80% of County residential permits.

Table 13: Building Permits Trends, Study Area & Lancaster Co., 2000-2009

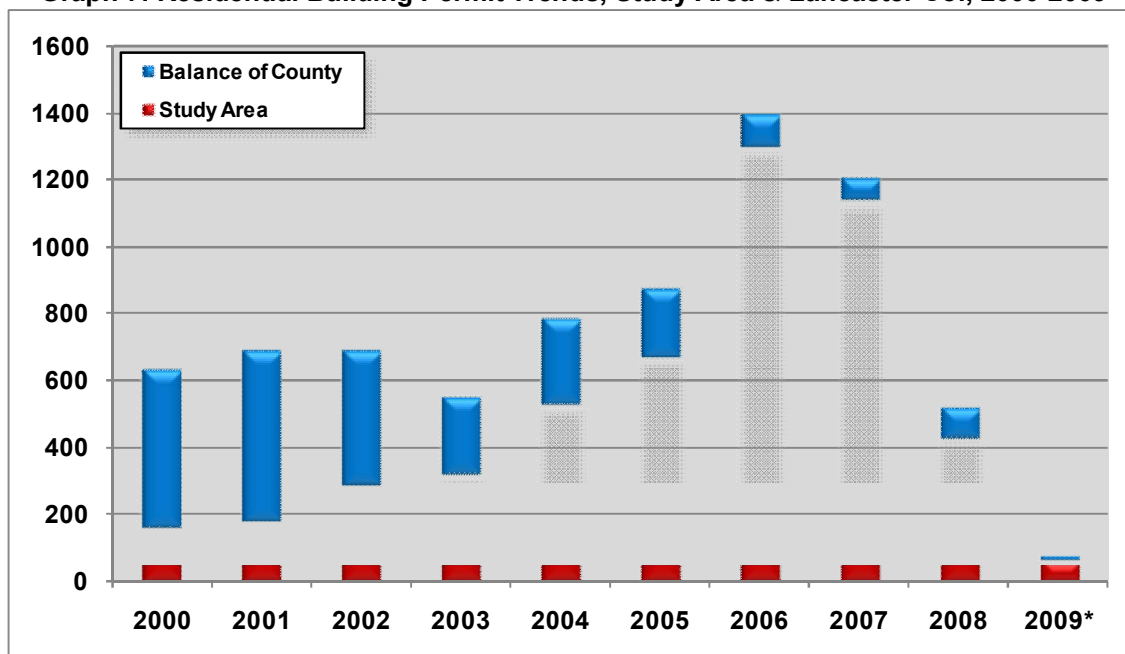
| Area | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009* | Total | Annual Average |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|
| Study Area | 159 | 177 | 287 | 314 | 522 | 665 | 1,291 | 1,129 | 424 | 62 | 5,030 | 552 |
| Lancaster County | 635 | 686 | 686 | 552 | 781 | 871 | 1,392 | 1,199 | 519 | 76 | 7,397 | 813 |
| Study Area % of County | 25.0% | 25.8% | 41.8% | 56.9% | 66.8% | 76.3% | 92.7% | 94.2% | 81.7% | 81.6% | 68.0% | |

Note: 2009 is YTD, with data available through June.

Source: Catawba Regional COG

The Study Area has dramatically increased its share of all residential building permits issued in Lancaster County from 2000 to 2009 (Graph 7). The number of permits issued in the Study Area increased gradually, peaking in 2006 and 2007. The decline in permits since 2007 reflects the current national economic recession and housing crisis.

Graph 7: Residential Building Permit Trends, Study Area & Lancaster Co., 2000-2009



6.3 Study Area For-Sale MLS Closing and Pricing Trends

Closing trends for for-sale residential product have been provided through the Charlotte Area Multiple Listing Service (MLS). While MLS provides a good source for trend information, it is not a comprehensive listing of all residential units sold in the Study Area. It excludes new homes sold directly by builders and resales by owners. Separate statistics for single-family and townhouse units were unavailable.

6.3.1 Annual Closings

There were 1,710 residential closings in the Study Area between 2004 and the first half of 2009, ranging from 86 in 2004 to 451 in 2008 (Table 14). New closings represented 62.2% of the total,

ranging from only 34.9% in 2004 to 75.5% in the first half of 2009. It is important to note that, like many communities, MLS probably captures 30% to 40% of all new home sales in the Study Area. This underscores the extent to which new construction drives the Study Area market. Abundant supply of new product and the availability of a new homebuyer tax credit help to explain strong performance in the first half of 2009 during an economic recession. The drastic drop in building permits issued in 2009 will likely impact Study Area closings in 2010 and 2011.

Table 14: Annual Residential Closings, Study Area, 2004-2009

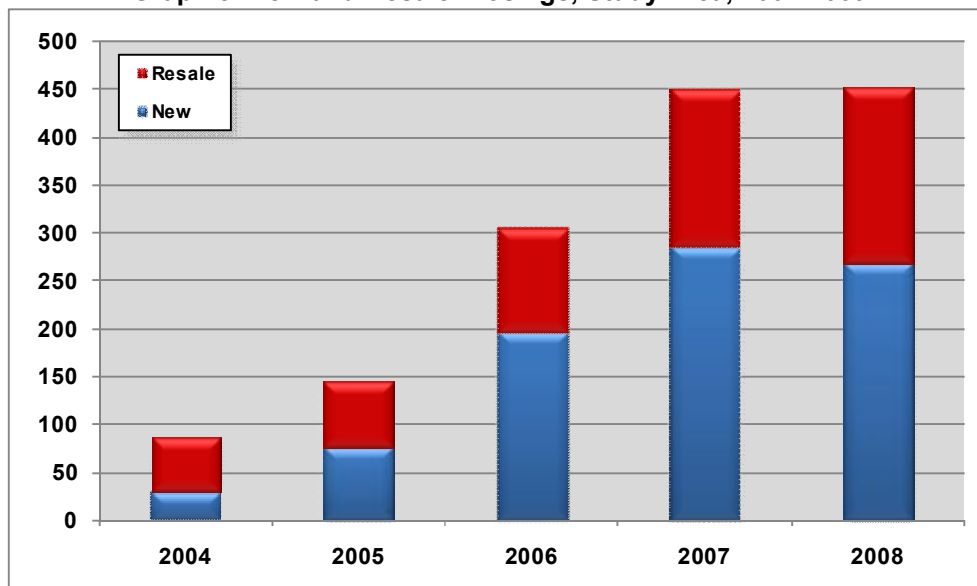
| Year | Closings | | Total | New % of Total |
|------------------|--------------|------------|--------------|----------------|
| | New | Resale | | |
| 2004 | 30 | 56 | 86 | 34.9% |
| 2005 | 75 | 70 | 145 | 51.7% |
| 2006 | 197 | 108 | 305 | 64.6% |
| 2007 | 286 | 163 | 449 | 63.7% |
| 2008 | 269 | 182 | 451 | 59.6% |
| 2009(YTD) | 207 | 67 | 274 | 75.5% |
| Total | 1,064 | 646 | 1,710 | 62.2% |
| Ann. Avg. | 193 | 117 | 311 | |

Note: 2009 YTD data through June.

Source: MLS

Graph 7 shows new and resale residential closings in the Study Area between 2004 and the first half of 2009. The Study Area had an annual average of 311 closings between 2004 and 2008. Annual closings increased almost 425% between 2004 and 2008.

Graph 8: New and Resale Closings, Study Area, 2004-2009

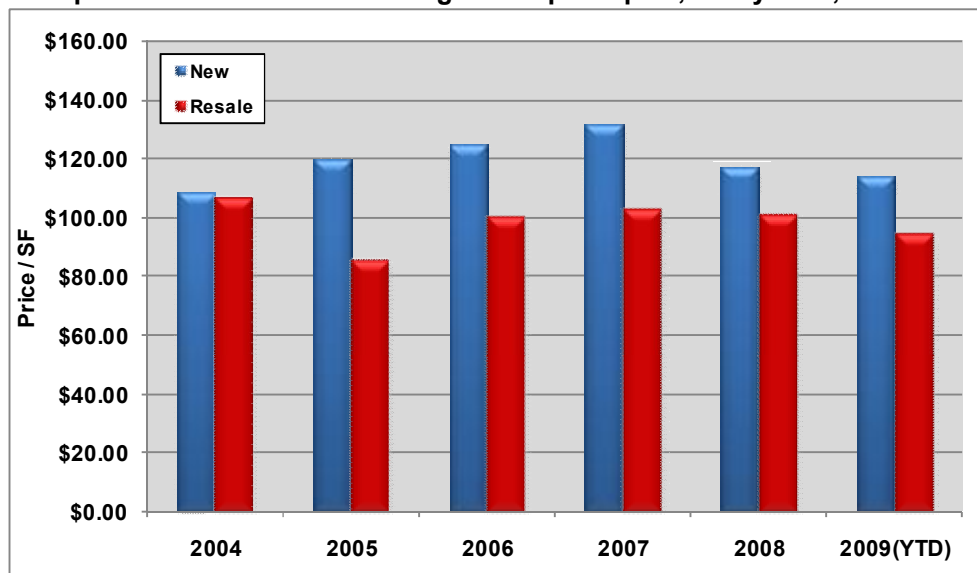


6.3.2 Average Annual Closing Prices

New residential product sold through MLS achieved an average premium of 21.6% over resale (Graph 9). The average price per square foot for new residential units increased from \$104.29 in 2004 to \$123.93 in 2007, before declining to \$109.30 in the first half of 2009. Resale units have

declined 12.8% from \$106.12 in 2004 to \$94.04 per square foot in 2009, indicating that the older product is less competitive.

Graph 9: New and Resale Closing Prices per Sq. Ft., Study Area, 2004-2009



6.4 Charlotte MLS Area Closing Trends

New and resale residential closing and pricing trends were also prepared for the 14-county Charlotte MLS area (Map 7). Trends in the Study Area have been compared to the Charlotte MLS area.

6.4.1 Annual Closings

There were 167,117 residential closings in the Charlotte MLS area between 2004 and the first half of 2009 (Table 15). New closings made up 21.3% of the total, ranging from 19.2% in the first half of 2009 to 22.5% in 2004. The Study Area had a comparatively higher share (62%) of new closings than the Charlotte MLS area, reflecting its rapid growth. Separate statistics for single-family and townhouse units were unavailable.

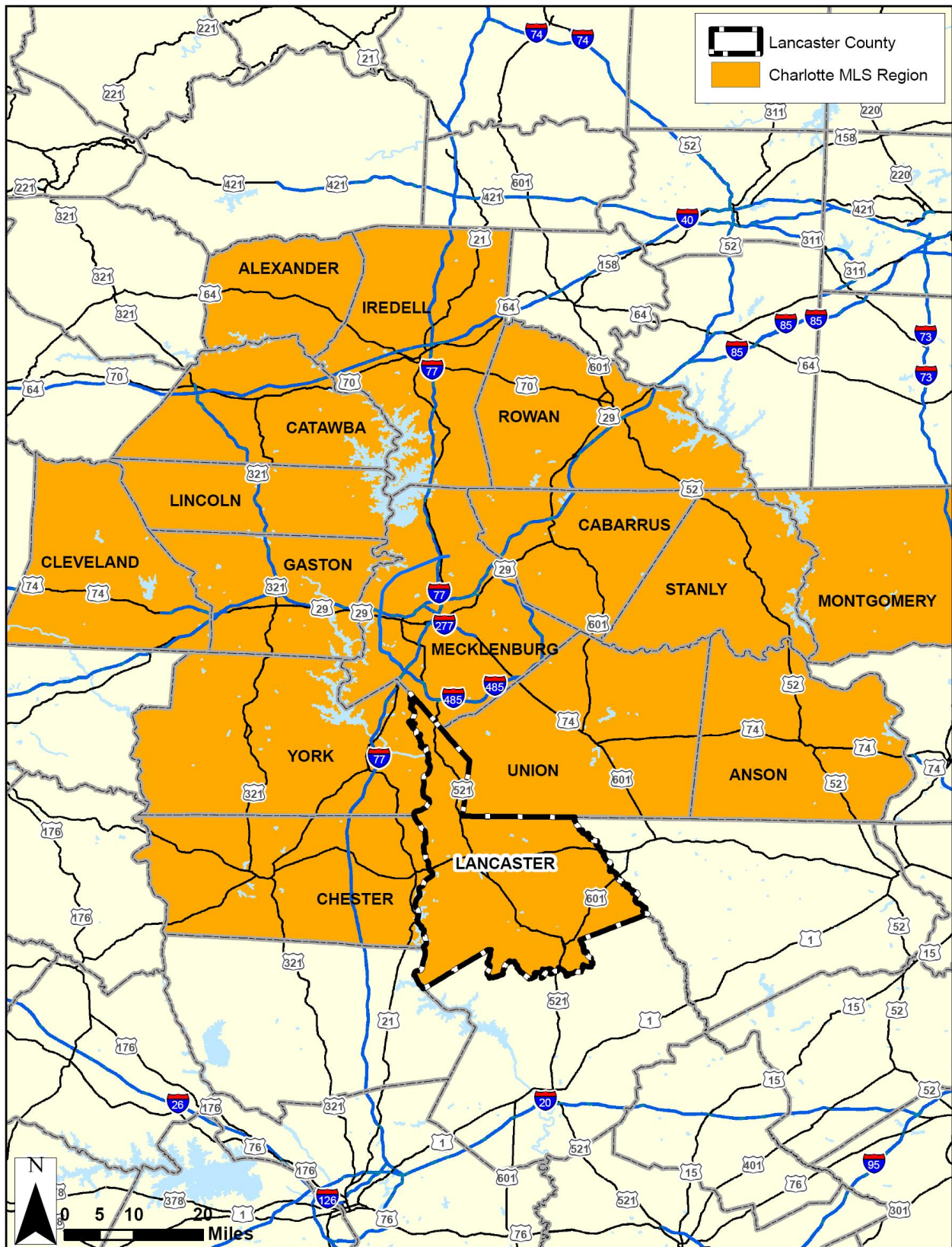
Table 15: Annual Residential Closings, MLS Area, 2004-2009

| Year | Closings | | Total | New % of Total |
|------------------|---------------|----------------|----------------|----------------|
| | New | Resale | | |
| 2004 | 6,575 | 22,642 | 29,217 | 22.5% |
| 2005 | 7,511 | 26,355 | 33,866 | 22.2% |
| 2006 | 7,934 | 29,392 | 37,326 | 21.3% |
| 2007 | 7,318 | 26,745 | 34,063 | 21.5% |
| 2008 | 4,665 | 19,332 | 23,997 | 19.4% |
| 2009(YTD) | 1,658 | 6,990 | 8,648 | 19.2% |
| Total | 35,661 | 131,456 | 167,117 | 21.3% |
| Ann. Avg. | 6,484 | 23,901 | 30,385 | |

Note: 2009 YTD data through June.

Source: MLS

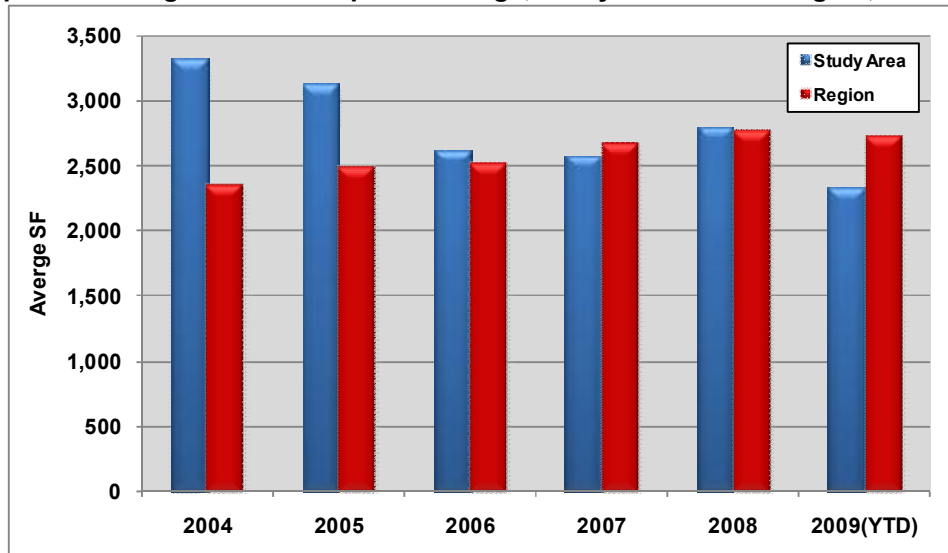
Map 7: Charlotte MLS Area, 2009



6.4.2 Average Size and Annual Closing Prices

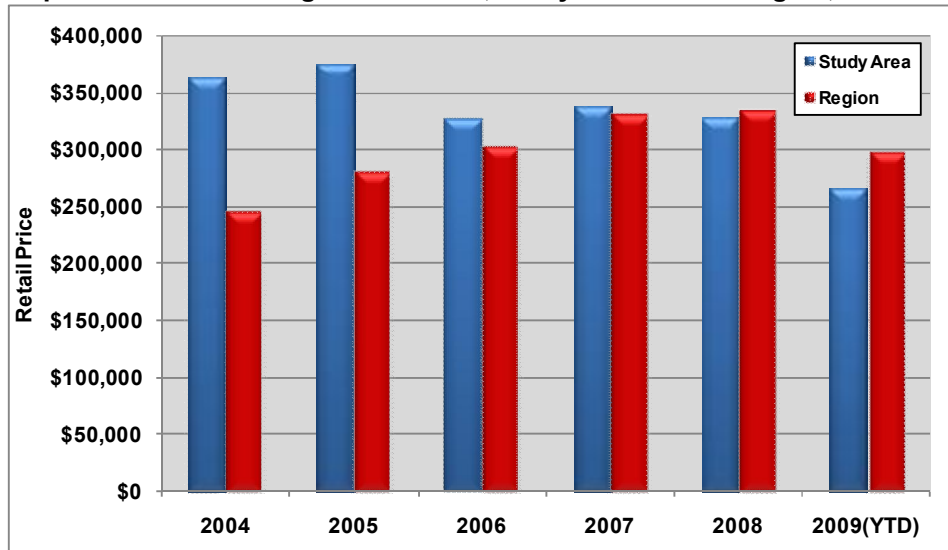
The average size of a new residential unit sold through MLS in the Study Area has decreased from approximately 3,400 square feet to 2,400 square feet since 2004 (Graph 10). Construction of Sun City Carolina Lakes, an active senior community, has primarily occurred during this period. Home sizes of 1,000 to 2,600 square feet in Sun City have likely reduced the average new home size in the Study Area. New residential units sold region-wide through MLS increased in size from 2,356 to 2,719 square feet during this same period.

Graph 10: Average New Unit Square Footage, Study Area & MLS Region, 2004-2009



The average retail price in the Study Area has also decreased from \$362,038 in 2004 to \$264,527 in the first half of 2009 (Graph 11). The 36.9% decrease in price was directly related to the reduction in average unit size. A decrease in average new home value has obvious tax base implications. The average retail price of new residential units in the Charlotte MLS area increased 20.9% during the same time period, from \$245,718 to \$297,185.

Graph 11: Annual Average Retail Price, Study Area & MLS Region, 2004-2009





6.5 Approved Major Subdivisions

Major subdivisions (over 40 lots) that are under construction or proposed in the Study Area have been documented in order to determine the remaining supply of entitled lots. For the purpose of this report, under construction subdivisions have infrastructure in place and are actively marketing lots. Proposed subdivisions have received entitlement, but no site work has begun. Major subdivisions are shown on Map 8.

6.5.1 Under Construction Subdivisions

There are 25 major subdivisions under construction in the Study Area (Table 16). The subdivisions range in size from 3,547 approved lots at Sun City Carolina Lakes to 42 lots at Farrington and Magnolia Hall. Of the 11,662 approved lots in the Study Area, 8,316 have not been issued a building permit.

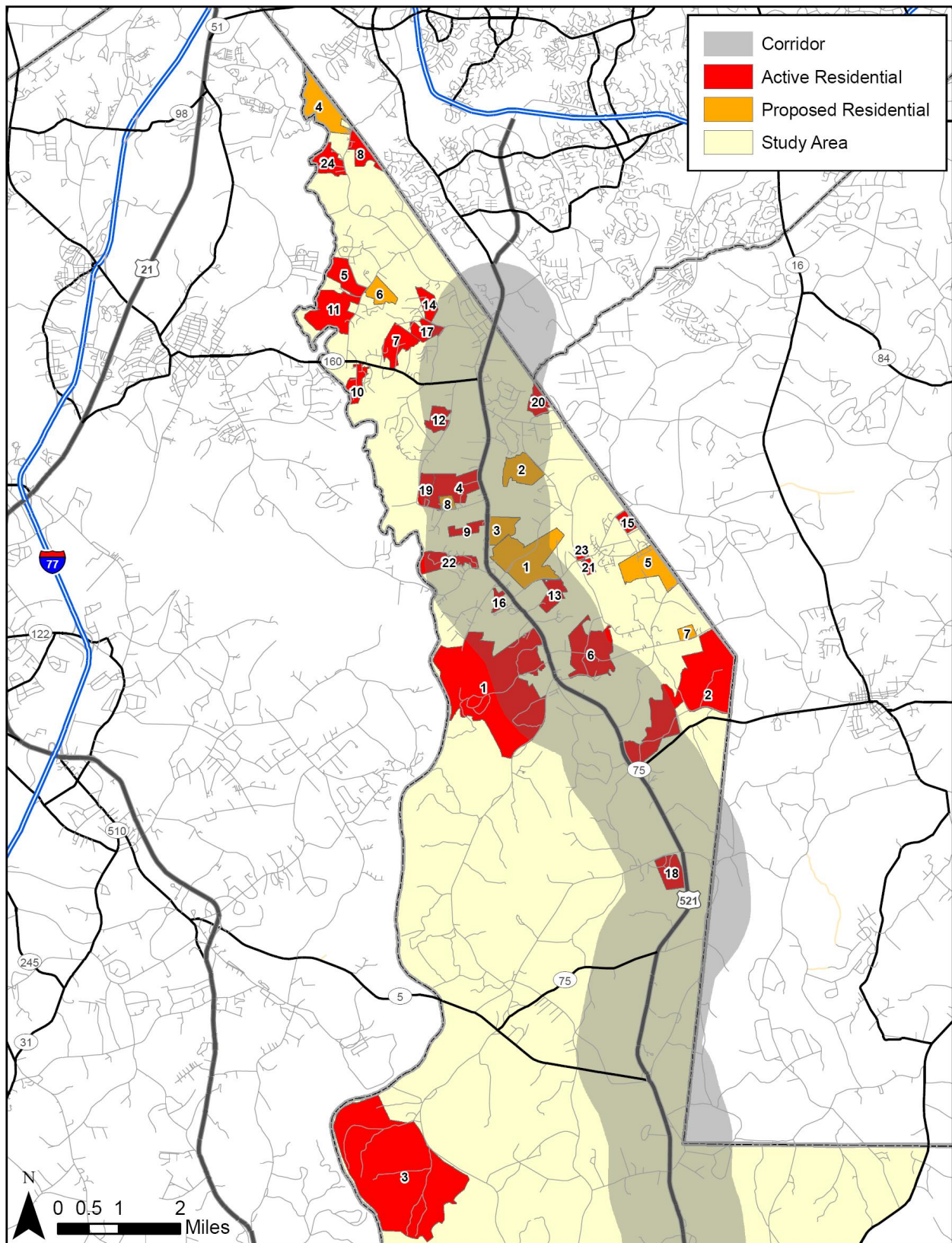
Table 16: Under Construction Subdivisions, Study Area, 2009

| Map Key | Subdivision Name | Location | Developer | Planned Lots | Remaining Lots |
|--------------|----------------------------|------------------------------------|---------------------------|---------------|----------------|
| 1 | Carolina Lakes (Sun City) | Lancaster Highway | Pulte | 3,647 | 2,069 |
| 2 | Edenmoor | Henry Harris Rd./Jim Wilson Rd. | Lawsons Bend LLC | 1,943 | 1,890 |
| 3 | River Chase Estates | Riverside Rd. | LGI Development | 1,200 | 1,200 |
| 4 | Bridge Mill | Lancaster Highway | Weiland | 840 | 233 |
| 5 | Carolina Lakes (Belair) | Collins Rd. | Pulte | 710 | 495 |
| 6 | Rosemont | SC-160 | Heatherstone LP | 410 | 318 |
| 7 | Bretagne | Barberville Rd. | Bretagne Dev. Group | 400 | 400 |
| 8 | Aumond Glen | Harrisburg Rd. | Landcraft | 310 | 264 |
| 9 | Brookchase | Lancaster Highway | Lancaster Partners | 305 | 31 |
| 10 | Reid Point | SC-160 | Grimmer/Stevens | 262 | 214 |
| 11 | Audobon Lake | Barberville Rd. | Shea Homes | 219 | 199 |
| 12 | Fox Ridge | Possom Hollow Rd. | Hinshaw | 188 | 149 |
| 13 | Shelly Woods | Shelly Mullis Rd. | Clarion Homes LLC | 185 | 172 |
| 14 | Silver Run | Calvin Hall Rd. | Randy Poore/Harold Barnes | 181 | 180 |
| 15 | Chastain Village | Shelly Mullis Rd./Vance Baker Rd. | Williams Construction | 129 | 75 |
| 16 | Cobblestone | Lancaster Highway/River Rd. | Standard Pacific | 127 | 67 |
| 17 | Heritage Hall | Calvin Hall Rd. | Mulvaney Properties | 120 | 106 |
| 18 | Millstone Creek | Lancaster Highway | Penton | 87 | 43 |
| 19 | Longbrooke | Possom Hollow Rd. | Emerald Bay | 67 | 62 |
| 20 | Firthorne (Lancaster Only) | Marvin Rd./Ralph Hood Rd. | Marvin Developers | 65 | 9 |
| 21 | Highland Creek | Collins Rd. | MB Williams | 63 | 47 |
| 22 | Lakeview Landing | Dobys Bridge Road | Individual Builders | 63 | 8 |
| 23 | Ashley Glen | Henry Harris Rd./Shelly Mullis Rd. | n/a | 57 | 19 |
| 24 | Farrington | Dorman Rd. | Kuester | 42 | 40 |
| 25 | Magnolia Hall | SC-9 Bypass/Crestfield Dr. | R. Gregory | 42 | 26 |
| Total | | | | 11,662 | 8,316 |

Source: Land Matters, Lancaster County

Only one of the major subdivisions under construction is located south of SC-75. River Chase Estates, located along the Catawba River on Riverside Road, is south of SC-75. While some of the infrastructure is currently in place, no new housing units have been sold in River Chase.

Map 8: Under Construction and Proposed Major Subdivisions, Study Area, 2009



6.5.2 Proposed Subdivisions

According to Table 17, there are an additional 2,975 entitled lots in eight proposed major subdivisions within the Study Area. Proposed subdivisions range in size from 960 lots at the U.S. Trust Land to 60 lots at Stonebrook. Similar to the under construction developments, all of the proposed developments are located north of SC-75.

Table 17: Proposed Subdivisions, Study Area, 2009

| Map Key | Subdivision Name | Location | Developer | Planned Lots |
|----------------|-------------------------|--------------------|------------------------|---------------------|
| 1 | U.S. Trust Land | US-521/Collins Rd. | UHF Development | 960 |
| 2 | Cambridge | Lancaster Highway | n/a | 550 |
| 3 | City of Lights | Lancaster Highway | Inspiration Network | 550 |
| 4 | Regent Park | Dorman Rd. | Coulston | 332 |
| 5 | Providence Estates | Vance Baker Rd. | Sun Belt Developers | 236 |
| 6 | Barber Rock | Barberville Rd. | Bonterra Builders. LLC | 180 |
| 7 | Hampton Park | Jim Wilson Rd. | n/a | 107 |
| 8 | Stonebrook | Possum Hollow Rd. | LMS Properties | 60 |
| Total | | | | 2,975 |

Source: Land Matters, Lancaster County

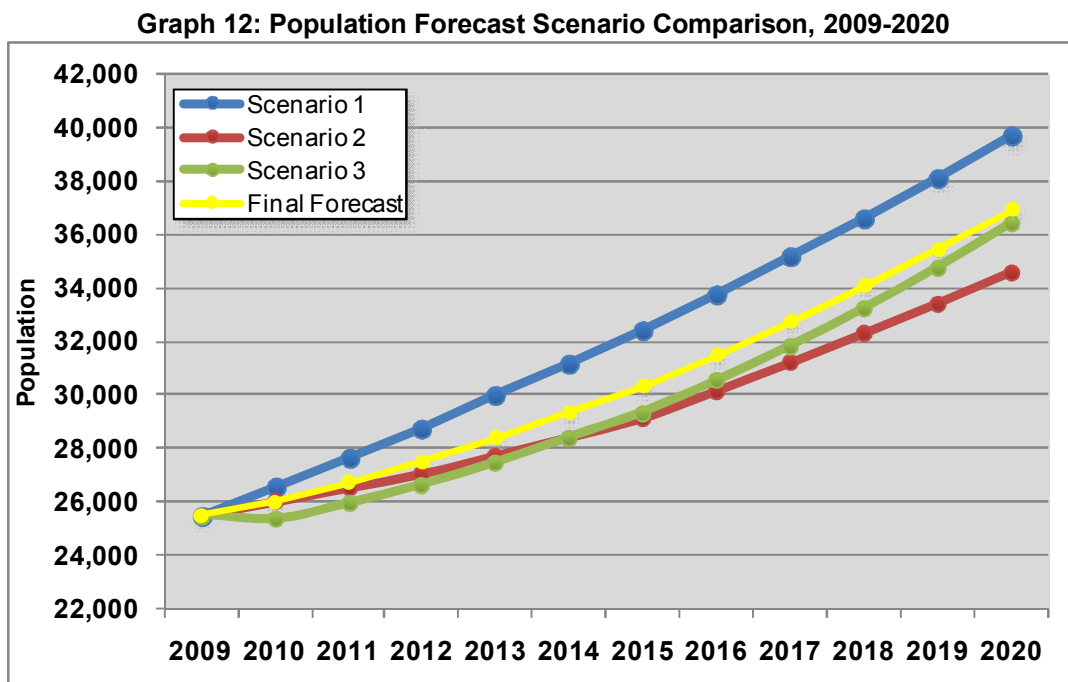
7. Residential Unit Forecast

7.1 2009-2020 Population Forecast

Three different residential growth scenarios were evaluated to forecast 2015 and 2020 population, households, and housing units for the Study Area. These included:

1. **2000-2009 Baseline** – Use the compound annual growth rate (4.1%) between 2000 and 2009 for the Study Area to calculate the 2015 and 2020 forecasts.
2. **2000-2009 Baseline (Recession)** – Use a depressed compound annual growth rate to account for the effects of the current economic recession. This analysis uses compound annual growth rates of 2.0% between 2010 and 2012, 2.5% between 2013 and 2016, and 3.5% beginning in 2017.
3. **2000-2009 Study Area Building Permits** – Use 60% of the compound annual growth rate for residential permits issued in the Study Area between 2000 and 2009 to forecast population growth between 2010 and 2012. Use 80% of the compound annual growth rate for residential permits to forecast for 2013 to 2015, 100% for 2016 to 2018 forecasts, and 110% for 2019 to 2020.

Graph 12 demonstrates the population forecasts between 2009 and 2020 using the three methods described above. The final forecast was derived from taking a straight average of the three methods. As expected, using the compound annual growth rate from 2000 to 2009 in Scenario 1 resulted in the highest forecast, and the Recession Baseline in Scenario 2 was lowest.





7.2 Housing Unit Delivery Forecast

Table 18 demonstrates the results of taking a straight average of the population forecasts based on the three scenarios. In terms of population, the Study Area could increase from approximately 25,500 residents in 2009 to 36,800 in 2020, a 44.3% increase. The resulting 3.4% compound annual growth rate forecasted between 2009 and 2020 would be 0.7% less than the growth rate experienced between 2000 and 2009.

Table 18: Residential Forecast, Study Area, 2009

| | 2009 | 2015 | 2020 | 2009-2020 Change | |
|---------------|--------|--------|--------|------------------|-------|
| | | | | # | % |
| Housing Units | 10,600 | 12,900 | 15,700 | 5,100 | 48.1% |
| Households | 10,200 | 12,200 | 14,900 | 4,700 | 46.1% |
| Population | 25,500 | 30,300 | 36,800 | 11,300 | 44.3% |

Source: Lancaster County, ESRI, Warren & Associates

Based on average household size and a 6% vacancy rate, approximately 5,100 new housing units are forecasted for the Study Area between 2009 and 2020. Single-family residences could account for 71.6% of the forecasted housing units (Table 19). An additional 700 townhouse units are forecasted between 2009 and 2020, a 13.7% increase.

Table 19: Housing Unit Delivery Forecast, Study Area, 2009

| Type | Housing Unit Growth | | | Total | % of Total |
|---------------|---------------------|--------------|--------------|--------------|------------|
| | 2009-2010 | 2011-2015 | 2016-2020 | | |
| Single-Family | 400 | 1,000 | 2,250 | 3,650 | 71.6% |
| Townhouse | 0 | 300 | 400 | 700 | 13.7% |
| Apartment | 0 | 250 | 500 | 750 | 14.7% |
| Total | 400 | 1,550 | 3,150 | 5,100 | |

Source: ESRI, Warren & Associates

Apartment communities are very limited in the Study Area. As higher-density and mixed-use development emerges, three new communities could be completed by 2020. With an average community size of 250 units, however, the forecast equates to 750 units.

7.3 Remaining Development Capacity

There are 33 residential developments with 11,291 remaining lots under construction or entitled in the Study Area (Table 20). The forecasted demand for the Study Area of 5,100 new housing units could be easily accommodated in the existing and entitled supply. After 2020, there could be remaining development capacity for 6,191 housing units.

Table 20: Development Capacity, Study Area, 2009-2020

| Development Status | Developments | Total | Remaining |
|--|--------------|---------------|---------------|
| | | Lots | Lots |
| Actively Selling | 25 | 11,662 | 8,316 |
| Entitled Proposed | 8 | 2,975 | 2,975 |
| Total | 33 | 14,637 | 11,291 |
| Less 2009-2020 Growth Forecast | | | 5,100 |
| Remaining Development Capacity - 2020 | | | 6,191 |

Source: Warren & Associates

8. Retail Inventory and Forecast

The primary retail corridors in Lancaster County are US-521 and SC-9. Older centers from the 1980s and 1990s are generally located along SC-9, while newer retail space has been constructed along US-521, north of SC-75. Inventories of total retail square footage and shopping centers over 20,000 square feet have been prepared for the Study Area.

8.1 Overall Retail Inventory

The overall retail inventory includes any buildings in the Study Area that are defined as retail in Lancaster County's tax parcel data. Of the 1.2 million square feet of retail space in the Study Area, 90.6% has been completed since 1980 (Table 21).

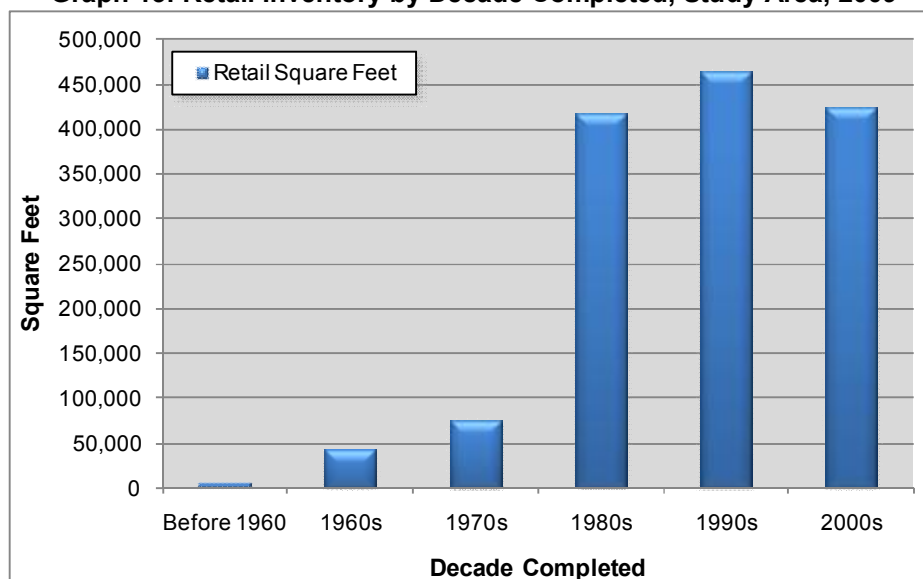
**Table 21: Retail Inventory,
Study Area, 2009**

| Decade | Square Feet | % of Total |
|---------------|--------------------|-------------------|
| Before 1960 | 5,002 | 0.4% |
| 1960s | 42,353 | 3.4% |
| 1970s | 70,745 | 5.7% |
| 1980s | 362,911 | 29.2% |
| 1990s | 402,938 | 32.4% |
| 2000s | 360,366 | 29.0% |
| Total | 1,244,315 | 100.0% |

Source: Lancaster County, W&A

As shown in Graph 13, retail completions have been consistently 400,000 to 450,000 square feet in each of the last three decades. Retail construction prior to 2000 occurred primarily along the SC-9 corridor, in the City of Lancaster. Southward growth from Charlotte spurred retail development along US-521 after 2000.

Graph 13: Retail Inventory by Decade Completed, Study Area, 2009





8.2 Multi-Tenant Retail Inventory

As shown in Table 22 and on Map 9, there are seven shopping centers in the Study Area that contain at least 20,000 square feet of gross leasable area (GLA). The shopping centers contain a total of 830,966 square feet, ranging from 23,400 square feet at Shoppes at 521 to 235,000 square feet at Wal-Mart anchored University Place. The major shopping centers, constructed between 1972 and 2008, represent 66.7% of the total retail square footage in the Study Area.

Table 22: Multi-Tenant Retail over 20,000 Square Feet, Study Area, 2009

| Map Key | Center | Location | Year Built | Total GLA | Vac. SF | Vac. Rate | Anchor Tenants |
|---------------|------------------|----------------------------|------------|----------------|----------------|--------------|-----------------------|
| 1 | University Place | 805 SC-9 Bypass West | 1999 | 235,000 | 1,000 | 0.4% | WalMart, Aarons |
| 2 | Lancaster Square | 937 Lancaster Square | 1972-1978 | 170,000 | 24,220 | 14.2% | Food Lion, Belk |
| 3 | Lancaster Plaza | SC-9 Bypass/Camp Creek Rd. | 1987 | 162,400 | 27,200 | 16.7% | Bi-Lo, Tractor Supply |
| 4 | K-Mart Plaza | 960 N. Main St. | 1992 | 126,000 | 31,000 | 24.6% | K-Mart |
| 5 | Carolina Commons | 7600 US Highway 521 | 2008 | 76,966 | 11,221 | 14.6% | Harris Teeter |
| 6 | Catawba Commons | 8175 Charlotte Highway | 2006 | 37,200 | 0 | 0.0% | Food Lion |
| 7 | Shoppes at 521 | 9787 Charlotte Highway | 2005 | 23,400 | 10,000 | 42.7% | n/a |
| Totals | | | | 830,966 | 104,641 | 12.6% | |

Source: Warren & Associates

The overall retail vacancy in the shopping centers is 12.6%, ranging from 0.4% at the Wal-Mart anchored University Place to 42.7% at the unanchored Shoppes at 521. Higher vacancies are generally found in the older developments along SC-9. While rents were not available for all shopping centers, quotes were lower along SC-9, primarily in Lancaster Plaza. The highest quoted rent was in Carolina Commons, a new Harris Teeter-anchored center at the entrance of Sun City Carolina Lakes on US-521.

8.3 Retail Development Activity

There are two retail developments totaling 184,000 square feet under construction in the Study Area (Table 23 and Map 9). A Wal-Mart is under construction along US-521 at the North Carolina-South Carolina state line. Carolina Gateway Commons, a 9,000 square foot retail center, is also located along US-521. Carolina Gateway Commons is currently for sale by the developer. All retail developments under construction are located along US-521, north of SC-75.

Table 23: Under Construction Retail, Study Area, 2009

| Map Key | Development | Location | Developer | Estimated Sq. Ft. |
|--------------|--------------------------|----------|----------------|-------------------|
| 1 | Wal-Mart | US-521 | Wal-Mart Corp. | 175,000 |
| 2 | Carolina Gateway Commons | US-521 | Eric Sigmond | 9,000 |
| Total | | | | 184,000 |

Source: Warren & Associates

Table 24 shows five additional entitled retail developments in the Study Area totaling nearly 1.3 million square feet, ranging from 16,657 square feet at ALDIs to 800,000 square feet at Cornerstone. Crosland's Cornerstone development is located at US-521 and Jim Wilson Road, across from Sun City Carolina Lakes. Three of the five entitled developments are part of Planned Development Districts (PDDs). All of the entitled proposed retail developments are located along US-521, north of SC-75.

Map 9: Retail Development Activity, Study Area, 2009

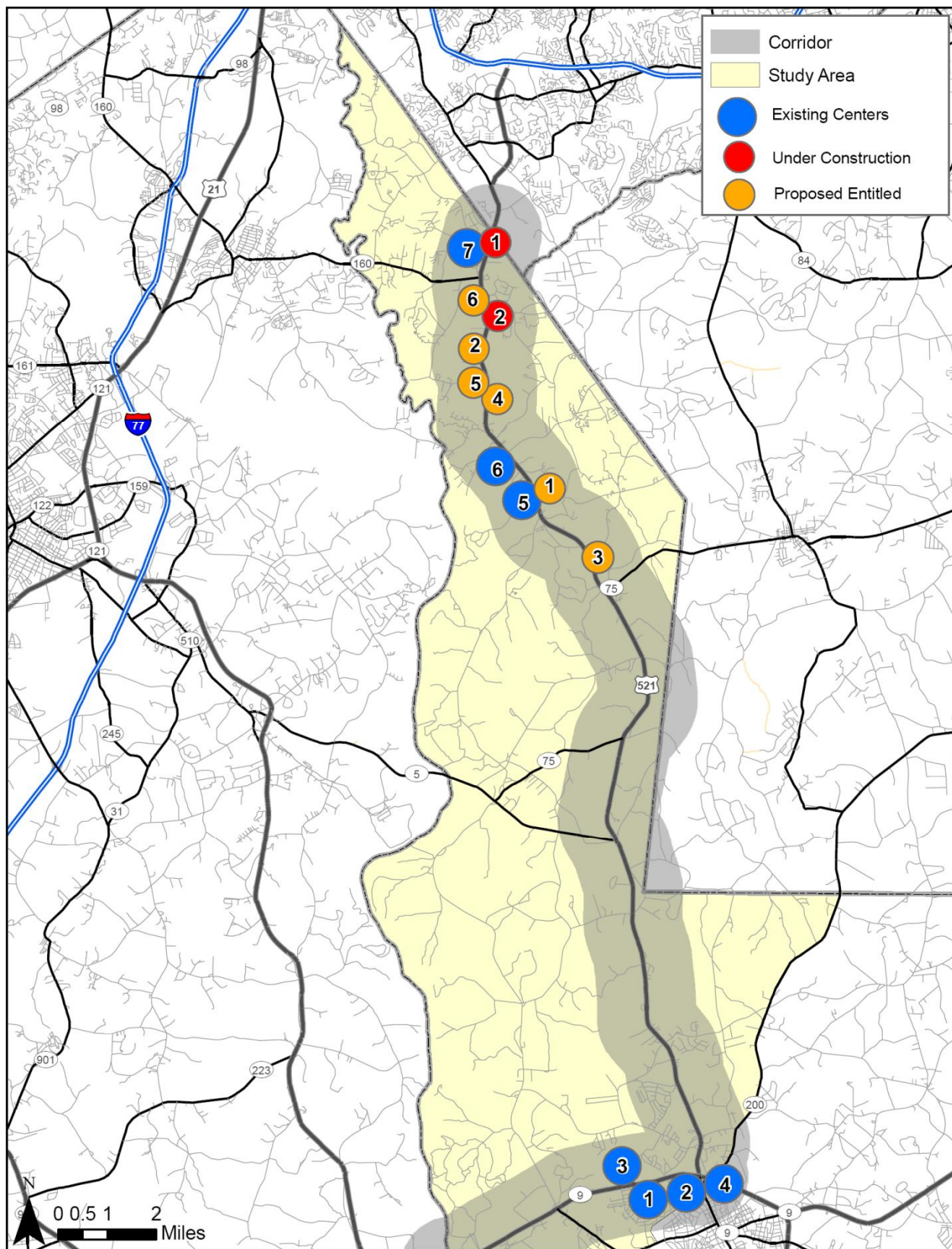


Table 24: Proposed Retail, Study Area, 2009

| Map Key | Development | Location | Developer | Estimated Sq. Ft. |
|--------------|------------------|---------------------|-----------------------|-------------------|
| 1 | Cornerstone | Jim Wilson & US-521 | Crosland | 800,000 |
| 2 | Bridge Mill | McMinn & US-521 | Weiland | 270,000* |
| 3 | Edenmoor | US-521 | Lawsons Bend LLC | 105,000* |
| 4 | City of Light | US-521 | Inspirational Network | 50,000 |
| 5 | Hanover Crossing | US-521 | Bonn Gilbert | 50,000* |
| 6 | ALDI Supermarket | US-521 @ Marvin | ALDI, Inc. | 16,657 |
| Total | | | | 1,291,657 |

* Based on a 0.25 FAR of the allow able acreage in PDD agreement.

Source: Warren & Associates

8.4 Retail Forecast

Retail demand was forecasted for Lancaster County, the primary market area for the US-521 and SC-9 corridors. These two corridors contain the majority of retail space in the County. Demand was determined using the following method:

1. Calculating Lancaster County's total household income in 2015 and 2020 by applying the forecasted households to income forecasts derived from ESRI trends.
2. Estimating the County's expenditure potential based on data from the South Carolina Department of Revenue that indicates the percentage of income spent on various retail goods and services.
3. Determining Lancaster County sales for 2020. Since sales inflow from non-County residents, including those who work in Lancaster County, is measured for a specific location, no net inflow has been applied to this forecast.
4. Converting retail sales to square feet, based on sales per square feet data by type of retail.

Based on this method, Lancaster County currently has an estimated retail demand of 1.54 million square feet (Table 25). Retail demand is expected to increase to 1.74 million square feet by 2015 and 1.96 million square feet by 2020, an increase of 421,099 square feet or 27.3% over 11 years.

Table 25: Supportable Retail Square Feet, Lancaster County, 2009-2020

| Retail Category | Supportable Square Feet | | | 2009-2020 Change | Percent of Total |
|------------------------------------|-------------------------|------------------|------------------|------------------|------------------|
| | 2009 | 2015 | 2020 | | |
| Supermarkets & Other Groceries | 219,063 | 247,674 | 278,985 | 59,923 | 18.5% |
| Food Services - Restaurants | 196,269 | 221,903 | 249,956 | 53,688 | 16.6% |
| Other General Merchandise Stores | 153,152 | 173,155 | 195,046 | 41,893 | 12.9% |
| Building Material & Supply Dealers | 222,047 | 251,048 | 282,786 | 60,739 | 18.8% |
| Pharmacies & Drug Stores | 119,723 | 135,360 | 152,472 | 32,749 | 10.1% |
| Clothing Stores | 106,312 | 120,197 | 135,393 | 29,081 | 9.0% |
| Discount Department Stores | 79,131 | 89,466 | 100,777 | 21,646 | 6.7% |
| Department Stores | 55,916 | 63,219 | 71,211 | 15,295 | 4.7% |
| Electronics & Appliances | 48,512 | 54,848 | 61,782 | 13,270 | 4.1% |
| All Other | 339,309 | 383,625 | 432,124 | 92,815 | 28.7% |
| Total | 1,539,434 | 1,740,496 | 1,960,533 | 421,099 | |

Source: Warren & Associates



Future demand for Building Material and Supply Dealers is expected to make up 18.8% of the total need. Supermarkets & Other Groceries and Restaurants are expected to generate another 35.4% of the total estimated retail demand between 2009 and 2020.

8.5 Retail Development Capacity

The seven existing shopping centers contain 726,325 square feet of occupied retail space (Table 26). Based on average household income, Lancaster County has a current demand of approximately 1.53 million square feet, equating to a 813,109 square foot under supply. A large under supply indicates that residents from Lancaster County are purchasing retail goods and services in surrounding counties.

**Table 26: Retail Development Capacity,
Lancaster County, 2009-2020**

| Retail Inventory | 2009 | 2020 |
|------------------------------------|------------------|------------------|
| Existing Occupied Shopping Centers | 726,325 | 726,325 |
| Under Construction | 0 | 184,000 |
| Entitled Proposed | 0 | 1,291,657 |
| Total Potential Supply | 726,325 | 2,201,982 |
| Total Potential Demand | 1,539,434 | 1,960,533 |
| (Under)/Over Supply | (813,109) | 241,449 |

Note: Under supply denotes net sales leakage.

Source: Warren & Associates

Assuming that all under construction and entitled projects are completed, Lancaster County is expected to have a supply of over 2.2 million square feet in 2020. Retail demand is estimated at 1.96 million square feet in 2020, creating a 241,449 square foot over supply in 2020. It should be noted that no inflow spending has been included in this countywide analysis. Inflow is measured for a specific site based on access and drive times. There are sites along US-521 that could attract shoppers from Mecklenburg, Union, and York counties, boosting the 2020 demand to support the entitled supply.

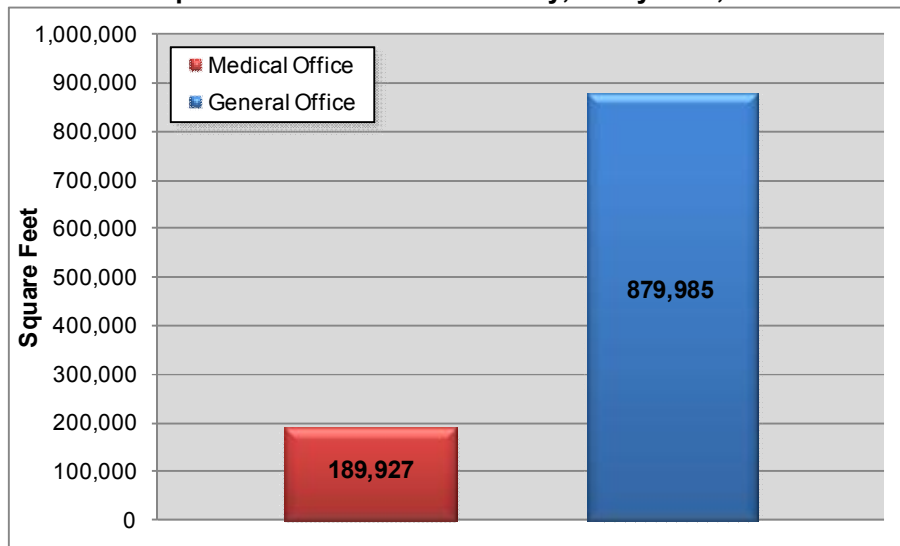
9. Office Inventory and Forecast

This section details the Study Area's current office inventory, divided into general and medical office space. Under construction and proposed office developments are also documented. Office forecasts are based on two scenarios: Lancaster County office-occupying employment growth and a regional absorption capture.

9.1 Overall Inventory

The Study Area has approximately 1.07 million square feet of office space (Graph 14). General office space totals 879,985 square feet, or 82.2% of the inventory. General office includes privately owned multi-tenant, single-tenant, and owner-occupied space. Medical office has 189,927 square feet, or a 17.8% share.

Graph 14: Overall Office Inventory, Study Area, 2009



As demonstrated by Table 27, approximately 70% of the total office inventory has been completed since 2000. The large increase in office square footage since 2000 is primarily due to construction at Edgewater, Bailes Ridge, and the 521 Corporate Center. Recent construction has been concentrated along US-521 and SC-160, close to Charlotte.

Table 27: Office Inventory by Decade Completed, Study Area, 2009

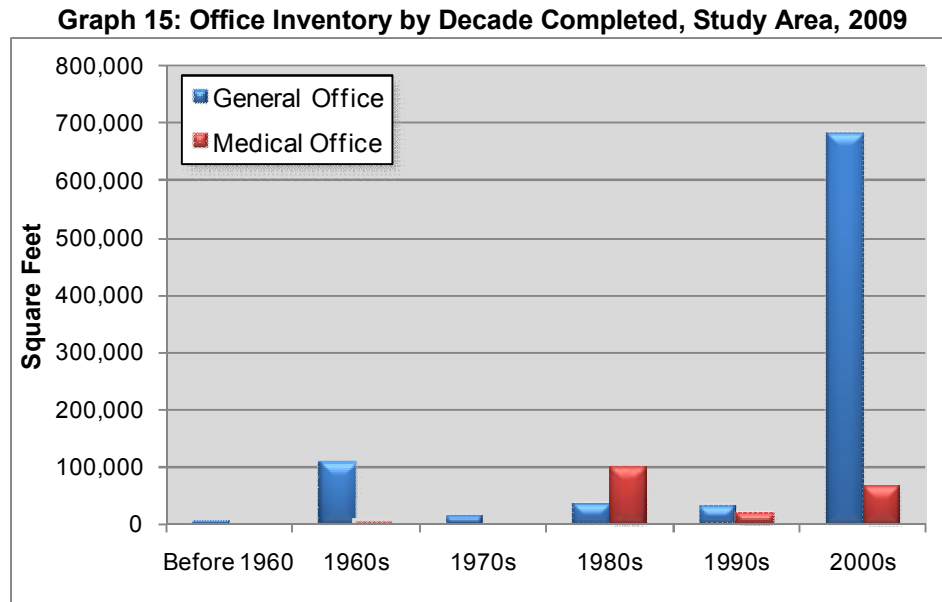
| Decade | General Office | Medical Office | Total | % of Total |
|--------------|----------------|----------------|------------------|---------------|
| Before 1960 | 5,478 | 0 | 5,478 | 0.5% |
| 1960s | 107,072 | 2,070 | 109,142 | 10.2% |
| 1970s | 15,996 | 0 | 15,996 | 1.5% |
| 1980s | 37,109 | 101,196 | 138,305 | 12.9% |
| 1990s | 32,161 | 20,220 | 52,381 | 4.9% |
| 2000s | 682,169 | 66,441 | 748,610 | 70.0% |
| Total | 879,985 | 189,927 | 1,069,912 | 100.0% |

*Does not include the Springs Industries' Grace property on SC-9.

Source: Lancaster County, Warren & Associates

Construction of medical office space has occurred primarily since 1980. Approximately 53.3% of medical office space in the Study Area was completed between 1980 and 1989. Since 2000, there has been 66,441 square feet of medical office space constructed. The 45,000 square foot medical office building across from Sun City Carolina Lakes comprises 70% of post-2000 completions.

Graph 15 shows the distribution of office deliveries by decade in the Study Area. Until 2000, construction of office and medical office space was consistently less than 100,000 square feet annually. Since that time, the emergence of the nearby Ballantyne Corporate Center along US-521, south of I-485, has created ancillary demand in the Study Area.



9.2 Office Rents and Vacancy

The consensus among local real estate professionals is that general office lease rates range from \$10 to \$15 per square foot for existing buildings. Office space in Edgewater, 521 Corporate Center, and newer space near Sun City Carolina Lakes can achieve lease rates of up to \$20 to \$25 per square foot. The office vacancy rate is currently between 5% and 7%.

9.3 Office Development Activity

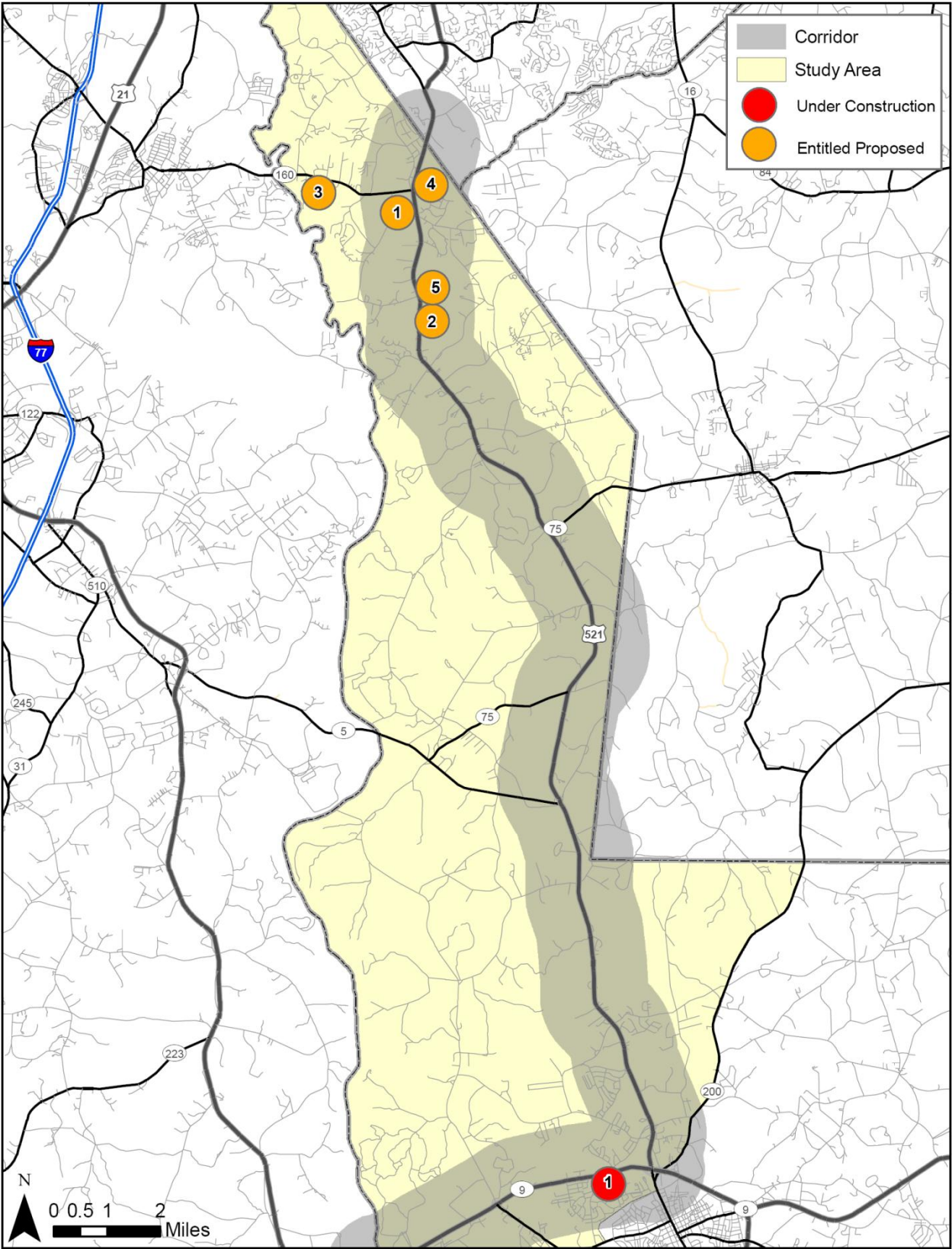
The Founders Federal Credit Union Headquarters, containing 118,000 square feet, is currently the only office development under construction in the Study Area (Table 28 and Map 10). The new build-to-suit headquarters is located on Gillbrook Road, south of SC-9 in the City of Lancaster.

Table 28: Under Construction Office, Study Area, 2009

| Map Key | Development | Location | Developer | Estimated Sq. Ft. |
|--------------|-------------------------------|---------------|-----------|-------------------|
| 1 | Founders Federal Credit Union | Gillbrook Rd. | FFCU | 118,000 |
| Total | | | | 118,000 |

Source: Warren & Associates

Map 10: Office Development Activity, Study Area, 2009



Five additional office developments are proposed within the Study Area. If all proposed developments are completed, an additional 2.1 million square feet of office space would be added to the Study Area. Edgewater and 521 Corporate Center are existing business parks with remaining capacity. Southgate and Sterling Oaks are planned business parks. All of the proposed office developments are located along US-521 and SC-160, north of SC-75.

Table 29: Proposed Office, Study Area, 2009

| Map Key | Development | Location | Developer | Estimated Sq. Ft. |
|--------------|----------------------|----------|-----------------------|-------------------|
| 1 | Edgewater | US-521 | Lauth Property Group | 820,000 |
| 2 | Southgate | US-521 | Lauth Property Group | 500,000 |
| 3 | Sterling Oaks | SC-160 | Keith Corporation | 350,000 |
| 4 | 521 Corporate Center | US-521 | Merrifield Partners | 250,000 |
| 5 | City of Light | US-521 | Inspirational Network | 225,000 |
| Total | | | | 2,145,000 |

Source: Warren & Associates

9.4 Office Forecasts

Two scenarios were used to forecast office demand in the Study Area. Results of both scenarios were added together for the final forecast. In both scenarios, demand forecasts exclude large, “drop-in” corporate and call center relocations.

9.4.1 Lancaster County Office-Occupying Employment Growth

In order to forecast office demand based on office-occupying employment growth, forecasts from Woods & Poole were used to analyze new employment in Lancaster County. Lancaster County is expected to add an estimated 2,116 jobs by 2020, a 14.5% increase (Table 30). In 2020, Services is expected to have over 7,000 jobs, making it the largest employment sector in the County. Only Manufacturing is expected to experience a loss in employment, a continued trend from the last six years.

Table 30: Lancaster County Employment Forecast, 2008-2020

| Industry | 2008 | 2015 | 2020 | 2008-2020 Change | |
|----------------------------|---------------|---------------|---------------|------------------|--------------|
| | | | | # | % |
| Agriculture and Mining | 45 | 69 | 71 | 26 | 58.4% |
| Construction | 870 | 962 | 1,017 | 147 | 16.9% |
| Manufacturing | 2,588 | 2,334 | 2,196 | -392 | -15.2% |
| Transportation & Utilities | 201 | 248 | 236 | 35 | 17.6% |
| Information | 201 | 256 | 282 | 81 | 40.4% |
| Wholesale Trade | 318 | 322 | 334 | 16 | 5.1% |
| Retail Trade | 2,148 | 2,211 | 2,210 | 62 | 2.9% |
| F.I.R.E. | 842 | 1,237 | 1,326 | 484 | 57.5% |
| Services | 5,546 | 6,272 | 7,014 | 1,468 | 26.5% |
| Public Administration | 1,810 | 1,925 | 1,997 | 187 | 10.3% |
| Total | 14,569 | 15,836 | 16,685 | 2,116 | 14.5% |

Source: SCESC, Woods & Poole

To determine the forecasted increase in office-occupying employment, office shares were applied to each industry projection. FIRE, Services, and Government have the highest shares of office-occupying employment. Lancaster County is forecasted to have an increase of 1,167 office-occupying employees, a 24.1% increase between 2008 and 2020 (Table 31). The Services sector is forecasted to experience an increase of over 700 office-occupying employees.

Table 31: Lancaster County Office Occupying Jobs, 2008-2020

| Industry | Office Share | 2008 | 2015 | 2020 | 2008-2020 Change | |
|----------------------------|--------------|--------------|--------------|--------------|------------------|--------------|
| | | | | | # | % |
| Agriculture and Mining | 0.0% | 0 | 0 | 0 | 0 | 0.0% |
| Construction | 10.0% | 87 | 96 | 102 | 15 | 16.9% |
| Manufacturing | 5.0% | 129 | 117 | 110 | -20 | -15.2% |
| Transportation & Utilities | 25.0% | 50 | 62 | 59 | 9 | 17.6% |
| Information | 25.0% | 50 | 64 | 71 | 20 | 40.4% |
| Wholesale Trade | 15.0% | 48 | 48 | 50 | 2 | 5.1% |
| Retail Trade | 10.0% | 215 | 111 | 111 | -104 | -48.5% |
| F.I.R.E. | 90.0% | 758 | 1,113 | 1,194 | 436 | 57.5% |
| Services | 50.0% | 2,773 | 3,136 | 3,507 | 734 | 26.5% |
| Government | 40.0% | 724 | 770 | 799 | 75 | 10.3% |
| Total | | 4,834 | 5,517 | 6,001 | 1,167 | 24.1% |

Source: SCESC, Woods & Poole

Forecasted office-occupying jobs have been used to estimate demand for square footage and land. Estimates for office demand were based on an average of 250 square feet per employee. Land demand is based on an average Floor Area Ratio (FAR) of 0.3.

Office demand in Lancaster County is expected to increase from 1.2 million square feet in 2008 to 1.5 million square feet in 2020, an increase of 291,794 net square feet in 12 years (Table 32). Gross square footage is estimated to be 1.8 times net, equating to a demand for 525,229 square feet of office space in Lancaster County between 2008 and 2020.

Table 32: Office Demand Forecast, Lancaster County, 2008-2020

| | 2008 | 2015 | 2020 | 2008-2020 Change | |
|--------------------------------|-----------|-----------|-----------|------------------|-------|
| | | | | # | % |
| Jobs | 4,834 | 5,517 | 6,001 | 1,167 | 24.1% |
| Net Square Feet ¹ | 1,208,550 | 1,379,201 | 1,500,344 | 291,794 | 24.1% |
| Gross Square Feet ² | 2,175,390 | 2,482,561 | 2,700,619 | 525,229 | 24.1% |

¹ Based 250 square feet per employee.² Based on 1.8 times the net square feet.

Source: Woods & Poole, Warren & Associates

Table 33 demonstrates the Study Area's potential capture of Lancaster County's forecasted office demand. Due to regional access on US-521 and SC-9 and proximity to Charlotte, the Study Area could capture 95% of countywide demand, or 277,204 net square feet of office space.

Table 33: Office Square Footage and Land Demand Forecast, Study Area, 2008-2020

| | 2008 | 2015 | 2020 | 2008-2020 Change | |
|---------------------------------------|------------------|------------------|------------------|------------------|--------------|
| | | | | # | % |
| Jobs | 4,592 | 5,241 | 5,701 | 1,109 | 24.1% |
| Net Square Feet ¹ | 1,148,123 | 1,310,241 | 1,425,327 | 277,204 | 24.1% |
| Gross Square Feet ² | 2,066,621 | 2,358,433 | 2,565,588 | 498,968 | 24.1% |
| Gross Sq. Ft. with 10% Vacancy | 2,273,283 | 2,594,277 | 2,822,147 | 548,865 | 24.1% |

¹ Based on a 95% share of the County's forecast.

² Based on 1.8 times the net square feet.

Source: Woods & Poole, Warren & Associates

Gross square footage is estimated to be 1.8 times net, equating to a potential demand of 548,865 square feet of office space in the Study Area between 2008 and 2020. A 10% vacancy factor has been applied to the estimated gross demand, providing a total gross demand in the Study Area of 548,865 square feet.

9.4.2 Regional Absorption Capture

A second scenario was used to account for a capture of forecasted regional office absorption. Between 2008 and 2020, the Charlotte Region (defined as the Charlotte MSA and Lancaster County) is expected to have office-occupying employment growth of 88,247 jobs (Table 34). At 250 square feet per office employee, the region's forecasted net absorption is expected to be over 22 million square feet. For the purpose of this report, gross absorption is 1.8 times the net absorption, equating to 39.7 million square feet of office moves throughout the market. These include relocations from within and outside the seven-county area.

Table 34: Capture of Regional Office Absorption, Study Area, 2008-2020

| | Charlotte MSA+ Lancaster County | Study Area* |
|-----------------------------------|------------------------------------|----------------|
| Forecasted Employment | 88,247 | 1,737 |
| Square Feet per Office Employee | 250 | 250 |
| Estimated Net Absorption | 22,061,673 | 434,158 |
| Estimated Gross Absorption | 39,711,012 | 833,100 |

*Based on a 1.5% capture from 2008-2015; 2.5% capture from 2016-2020.

Source: Woods & Poole, Warren & Associates

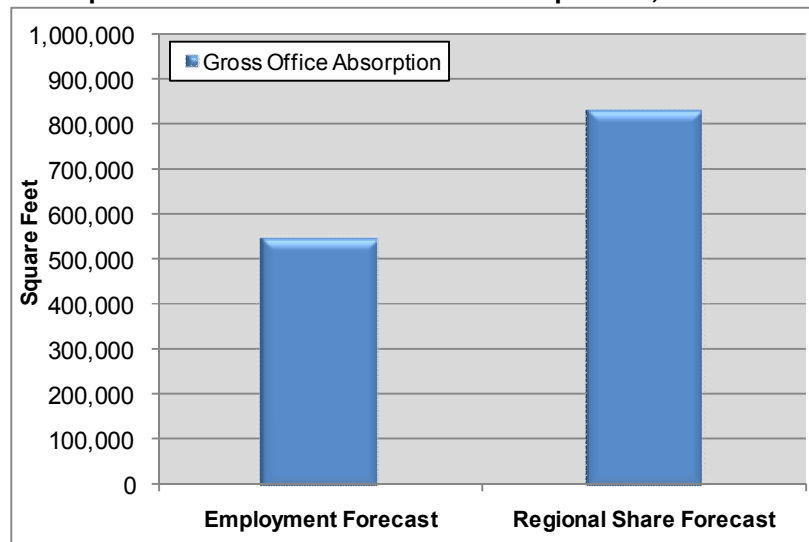
The Study Area is expected to capture 1.5% of regional demand between 2008 and 2015. Based on previous research, 1.5% is an average regional capture of total absorption for a large Charlotte-area office park over the last six years. The Study Area's capture is estimated to increase to 2.5% between 2016 and 2020, as established business parks in Mecklenburg County approach build out. The Study Area is expected to capture 833,100 square feet of the region's total office absorption by 2020.

9.4.3 Scenario Comparison

Graph 16 compares gross office absorption forecasts for each scenario. The first scenario forecasts 277,204 square feet of net absorption, equating to 548,865 square feet of gross

absorption (gross absorption is 1.8 times net absorption). The regional capture scenario results in over 830,000 square feet of gross absorption. A straight average of the two scenarios equates to an estimated Study Area demand of 690,982 square feet of office space between 2008 and 2020.

Graph 16: Office Forecast Scenario Comparison, 2008-2020



9.5 Office Development Capacity

Vacant square feet was obtained from applying a 5% to 7% vacancy rate to the current office inventory, as demonstrated in Section 9.1. As the Founders Federal Credit Unit headquarters will be immediately occupied, it has not been included in the analysis. Assuming all entitled proposed developments are completed, the Study Area could have a total supply of 2.2 million square feet. Subtracting the forecasted 2008 to 2020 gross demand of 690,982 square feet leaves a remaining development capacity of 1.57 million square feet in 2020.

Table 35: Office Development Capacity, Study Area, 2008-2020

| Office Inventory | Study Area |
|--|------------------|
| Existing Vacant Sq. Ft. | 64,195 |
| Available Under Construction Sq. Ft. | 0 |
| Entitled Proposed | 2,145,000 |
| Total Potential Supply | 2,209,195 |
| Less 2008-2020 Demand Forecast | 690,982 |
| Remaining Development Capacity | 1,518,213 |
| Post-2020 Capacity Years (Estimate) | 15-20 |

Source: Warren & Associates

It is estimated that the Study Area could absorb an average of 75,000 to 100,000 square feet of office space per year. At that pace, the remaining development capacity in 2020 could be built out over 15 to 20 years. While there is an adequate supply through 2020, entitlements should be protected to maintain options for “drop-in” relocations, including call and operation centers, and corporate headquarters. These facilities would be in addition to the market-driven forecast.



10. Industrial Inventory and Forecast

This section details the Study Area's current industrial land and building inventories, with a forecast provided through 2020.

10.1 Industrial Acreage Summary

The Study Area has three improved industrial parks with infrastructure in place along US-521 and SC-160, north of SC-75 (Table 36 and Map 11). The three parks contain a total of 479 acres. Currently, the parks have 355 vacant acres, making up 74.1% of the total acreage. Bailes Ridge, on SC-160, contains over 90% of the vacant acreage.

Table 36: Industrial Acreage Summary, Study Area, 2009

| Map Key | Park | Primary Use | Acreage | | | Vacant % of Total |
|-------------------|----------------|-------------------|--------------|--------------|---------------|-------------------|
| | | | Occupied | Vacant | Total | |
| 1 | MacMillan | Office/Industrial | 54 | 65 | 119 | 54.6% |
| 2 | Bailes Ridge | Office/Industrial | 25 | 250 | 275 | 90.9% |
| 3 | Permieter Park | Industrial | 45 | 40 | 85 | 47.1% |
| Total | | | 124 | 355 | 479 | 74.1% |
| % of Total | | | 25.9% | 74.1% | 100.0% | |

Source: Lancaster EDC, Warren & Associates

The total acreage in the three parks does not take into account available greenfield sites marketed by Lancaster County Economic Development Corporation (EDC). According to the Charlotte Regional Partnership, Lancaster County has over 4,000 acres of greenfield sites for large relocations.

10.2 Industrial Square Footage Summary

Based on tax parcel information provided by Lancaster County, the Study Area currently contains 961,910 industrial square feet. This total does not include the Grace property owned by Springs Industries, as there is no tax information available. Over 40% of the industrial inventory was completed between 1990 and 1999. An additional 29.1% has been completed since 2000. Recent completions are concentrated north of SC-75 at the three industrial parks described above.

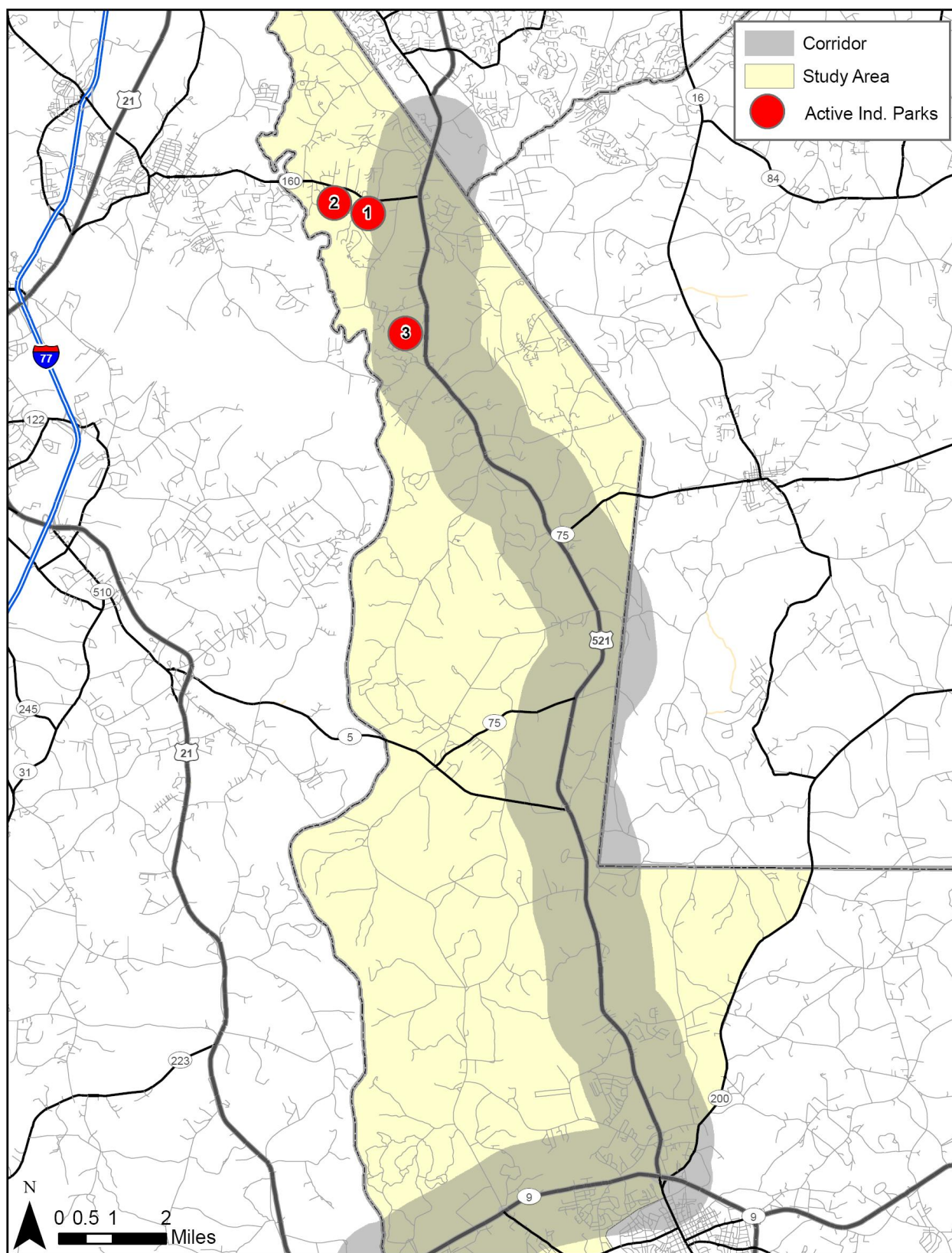
Table 37: Industrial Inventory by Decade Completed, Study Area, 2009

| Decade | Square Feet | % of Total |
|--------------|----------------|---------------|
| Before 1970 | 33,784 | 3.5% |
| 1970s | 156,286 | 16.2% |
| 1980s | 102,188 | 10.6% |
| 1990s | 390,141 | 40.6% |
| 2000s | 279,511 | 29.1% |
| Total | 961,910 | 100.0% |

*Does not include SF on Grace property.

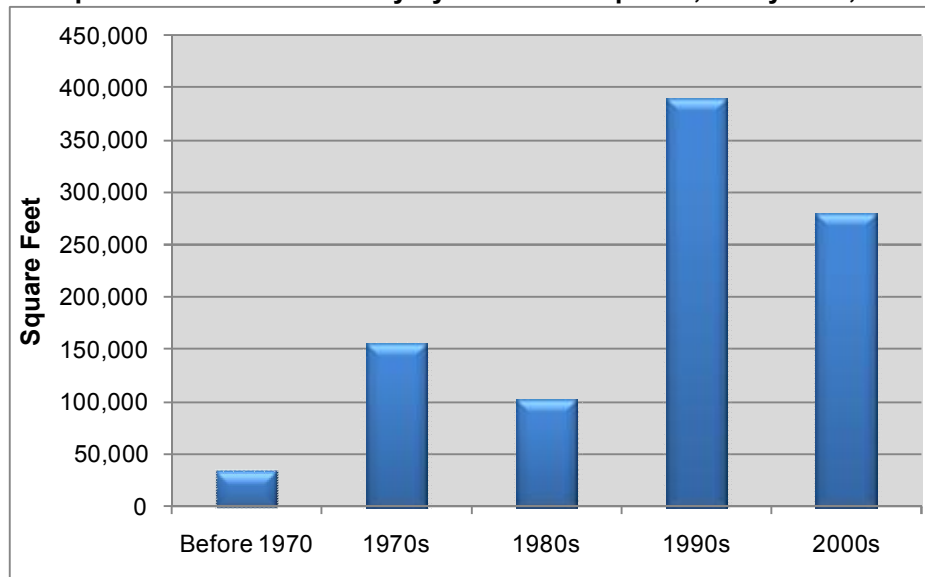
Source: Lancaster County, W&A

Map 11: Industrial Parks, Study Area, 2009



As shown in Graph 17, completion of industrial square footage peaked in the 1990s. Growth since 2000 has been focused along US-521 and SC-160.

Graph 17: Industrial Inventory by Decade Completed, Study Area, 2009



10.3 Industrial Rents and Vacancy

According to local real estate professionals, base rents for industrial space typically range from \$2.50 to \$3.50 per square foot, triple net. Not including the Grace site, overall industrial vacancy is between 5% and 10%.

10.4 Industrial Forecast

The industrial forecast was prepared using a capture of regional industrial absorption. Due to a comparatively high loss of manufacturing jobs over the last decade, Lancaster County employment growth forecasts did not present an accurate representation of industrial demand over the next 11 years. Combined, the Charlotte MSA and Lancaster County are expected to have an increase of 13,742 industrial-occupying jobs between 2008 and 2020 (Table 38). At 750 square feet per employee, this equates to regional net absorption of over 10 million square feet. Gross, or total, absorption is estimated at 150% of net, or approximately 15.5 million square feet.

Table 38: Capture of Regional Industrial Absorption, Study Area 2008-2020

| | Charlotte MSA+ Lancaster County | Study Area* |
|--|------------------------------------|------------------|
| Forecasted Employment | 13,742 | 825 |
| Square Feet per Industrial Employee | 750 | 750 |
| Estimated Net Absorption (Sq.Ft.) | 10,306,596 | 618,396 |
| Estimated Gross Absorption (Sq.Ft.) | 15,459,894 | 1,030,660 |

*Based on a 6.0% capture of the region's industrial absorption.

Source: Woods & Poole, Warren & Associates



Based on regional absorption trends over the last five years, Lancaster County is expected to capture 6.0% of gross absorption in the region. The capture of industrial absorption is considerably higher than office because of the outward migration of industrial jobs and the competitive location attributes of Lancaster County. The estimated total absorption in the Study Area is 1.03 million square feet between 2008 and 2020. Again, this forecast excludes large “drop-in” manufacturing and distribution relocations.

10.5 Industrial Development Capacity

Existing occupied acreage was obtained from the three improved industrial parks in the Study Area. The total available industrial supply, including all improved and planned parks, is 355 acres (Table 39). Based on a 0.2 FAR and a 15% allowance for street and other infrastructure, the 1.03 million square feet of industrial demand would require 309 acres through 2020.

Table 39: Industrial/Business Park Capacity, Study Area, 2008-2020

| Industrial Inventory | Study Area |
|--|-------------------|
| Available Acreage - 2009 | 355 |
| Less 2008-2020 Demand Forecast* | 309 |
| Remaining Development Capacity | 46 |
| Post-2020 Capacity Years (Estimate) | 2-3 |

*Based on a 0.2 FAR and 15% allowance for infrastructure.

Source: Warren & Associates

Excluding existing greenfield sites marketed by the County, the Study Area would have a remaining industrial/business park capacity of 46 acres after 2020. At an average absorption of 15 to 20 acres per year, the Study Area would have capacity for two to three years post-2020. This analysis indicates possible industrial/business park build-out by 2023. Because the Study Area should retain a consistent ten to 12 year supply of land to remain competitive, future industrial park sites should be identified as part of the current corridor planning process.

11. Tax Base Analysis

This section forecasts the potential increase in real property and sales tax revenue for Lancaster County based on the 2009 through 2020 land demand forecasts. Real property tax revenue is based on average land and building assessments by land use, provided by the Lancaster County Assessor Department. Due to the extreme variation in land and building assessments within the Study Area, separate values were provided for northern, central, and southern sub-areas. The sub-areas are shown on Map 12.

The potential increase in sales tax revenue for Lancaster County is based on retail forecasts for the 2009 through 2020 analysis period. The increase in sales tax revenue is based on an average sales per square foot of \$300, which was derived from regional data reported in the Urban Land Institute's *The Dollars and Cents of Shopping Centers*.

All results are presented in 2009 dollars. Because of the numerous assumptions required for this analysis, it is intended to provide a general measure of magnitude for planning purposes only. It is not a comprehensive fiscal or tax base analysis.

11.1 Residential Real Property Value

New residential units were forecasted for the Study Area based on population growth and building permit trends. Of the 5,100 forecasted residential units, the expected division by type is 3,650 single-family houses, 700 townhouses, and 750 apartments (Table 40). Based on average density assumptions, the new residential units will require 1,351 acres of land.

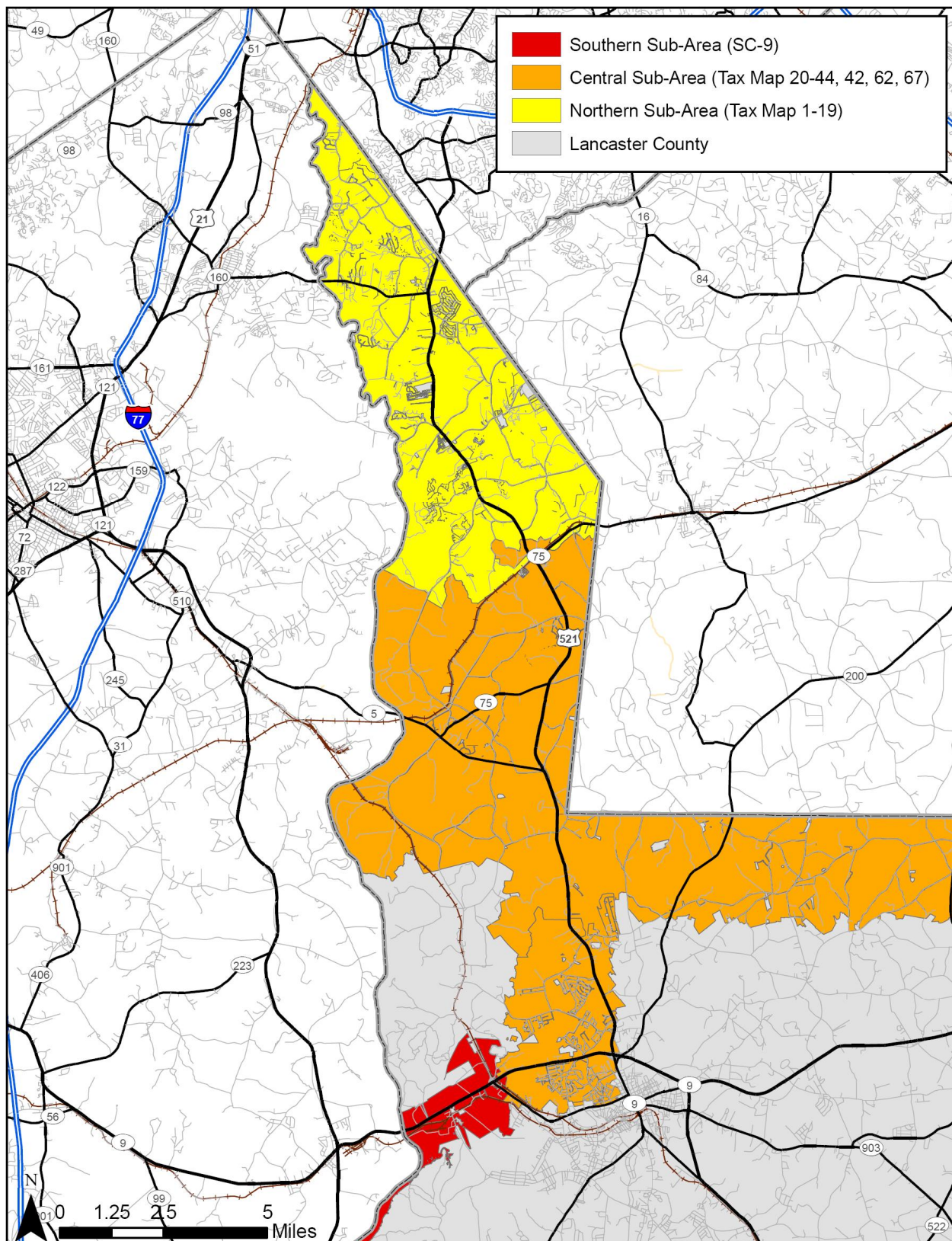
Table 40: Forecasted Residential Units, Study Area, 2009-2020

| Type | New Units | Units/Acre | Total Acres |
|---------------|--------------|------------|--------------|
| Single-Family | 3,650 | 3 | 1,217 |
| Townhouse | 700 | 8 | 88 |
| Apartment | 750 | 16 | 47 |
| Total | 5,100 | | 1,351 |

Source: Warren & Associates

Table 41 demonstrates share assumptions used to distribute the residential forecast into the three sub-areas. Assumptions were based on the general development plan and proposed land uses for the six focus areas. The northern area is closest to Charlotte, and will likely attract the highest shares of residential development at 70% of the single-family total, 85% of the townhouses, and 100% of the apartment units. The southern area is only expected to have 5% of the single-family development.

Map 12: Average Assessment Value Sub-Areas, 2009



**Table 41: Residential Sub-Area
Distribution Assumptions, 2009**

| Type | Sub-Area | | | Total |
|---------------|----------|---------|----------|-------|
| | Northern | Central | Southern | |
| Single-Family | 70% | 25% | 5% | 100% |
| Townhouse | 85% | 15% | 0% | 100% |
| Apartment | 100% | 0% | 0% | 100% |

Source: Warren & Associates

South Carolina uses different assessment rates for owner-occupied units (4% of market value) and renter-occupied or vacant units (6% of market value). Tenure assumptions for single-family, townhouse, and apartment units were based on ESRI trends and local market research. Single-family and townhouse units have the highest shares of owner-occupied units, 90% and 80%, respectively (Table 42). Apartments have a renter-occupied share of 95%. All residential unit types were assumed to have a 5% vacancy rate.

Table 42: Tenure Share Assumptions, 2009

| Type | Owner-Occupied | Renter-Occupied | Vacant | Total |
|---------------|----------------|-----------------|--------|-------|
| Single-Family | 90% | 5% | 5% | 100% |
| Townhouse | 80% | 15% | 5% | 100% |
| Apartment | 0% | 95% | 5% | 100% |

Source: Warren & Associates

11.1.1 Northern Area

The 3,900 new residential units in the northern area make up 76.5% of the total forecasted units for the Study Area (Table 43). The northern shares of the forecasted units by type were 70% for single-family houses, 85% for townhouses, and 100% for apartments.

**Table 43: Forecasted Northern
Sub-Area Units, 2009-2020**

| Type | Study Area Forecasted Units | Northern Sub-Area Share | Northern Forecasted Units |
|---------------|-----------------------------------|-------------------------------|---------------------------------|
| Single-Family | 3,650 | 70% | 2,555 |
| Townhouse | 700 | 85% | 595 |
| Apartment | 750 | 100% | 750 |
| Total | 5,100 | 76.5% | 3,900 |

Source: Warren & Associates

New residential units in the northern area were then broken down by tenure based on the stated assumptions in Table 42. As shown in Table 44, 71.2% of the northern units, or 2,776, are estimated to be owner-occupied. Another 23.8% are renter-occupied and 5.0% are vacant.

Table 44: Forecasted Northern Sub-Area Units by Tenure, 2009-2020

| Type | Owner-Occupied | Renter-Occupied | Vacant | Total |
|-------------------|----------------|-----------------|-------------|---------------|
| Single-Family | 2,300 | 128 | 128 | 2,555 |
| Townhouse | 476 | 89 | 30 | 595 |
| Apartment | 0 | 713 | 38 | 750 |
| Total | 2,776 | 930 | 195 | 3,900 |
| % of Total | 71.2% | 23.8% | 5.0% | 100.0% |

Note: Tenure based on shares in Table 42.

Source: Warren & Associates

Table 45 shows the average combined land and building values for residential units in the northern sub-area. Single-family units have an average value of \$305,000, regardless of tenure. Townhouses have an average value of \$110,000 and apartments are valued at \$83,000 per unit. Again, average values were provided by the Lancaster County Assessor Department.

Table 45: Northern Sub-Area Average Land and Building Value, 2020

| Type | Owner-Occupied | Renter-Occupied | Vacant |
|---------------|----------------|-----------------|-----------|
| Single-Family | \$305,000 | \$305,000 | \$305,000 |
| Townhouse | \$110,000 | \$110,000 | \$110,000 |
| Apartment | \$83,000 | \$83,000 | \$83,000 |

Source: Lancaster County Assessor Department

Based on the average values stated above, the northern area is expected to have a \$906 million increase in real property assessed value (Table 46). Approximately 85.9% of the total assessed residential value could come from single-family houses. For the purposes of applying the assessment rate, owner-occupied units are expected to have a \$753 million increase in real property value between 2009 and 2020.

Table 46: Total Residential Value, Northern Sub-Area, 2009-2020

| Type | Owner-Occupied | Renter-Occupied | Vacant | Total | % of Total |
|-------------------|----------------------|----------------------|---------------------|----------------------|---------------|
| Single-Family | \$701,347,500 | \$38,963,750 | \$38,963,750 | \$779,275,000 | 85.9% |
| Townhouse | \$52,360,000 | \$9,817,500 | \$3,272,500 | \$65,450,000 | 7.2% |
| Apartment | \$0 | \$59,137,500 | \$3,112,500 | \$62,250,000 | 6.9% |
| Total | \$753,707,500 | \$107,918,750 | \$45,348,750 | \$906,975,000 | 100.0% |
| Avg. Value | \$271,557 | \$116,104 | \$232,558 | | |

Source: Lancaster County Assessor Department, Warren & Associates

After applying the 4% assessment rate to the owner-occupied residential value, the northern area is expected to increase the total assessed value by \$30 million by 2020, or 76.6% of the total (Table 47). The total assessed value of renter-occupied units could increase by \$6.4 million, and apartments are expected to increase by \$2.7 million. The northern area could have an overall increase of \$39 million in new residential assessed value.

Table 47: Total Assessed Value, Northern Sub-Area, 2009-2020

| Tenure | Total Value | Assessment Rate | Total Assessed Value | % of Total |
|-----------------|----------------------|------------------------|-----------------------------|-------------------|
| Owner-Occupied | \$753,707,500 | 4.0% | \$30,148,300 | 76.6% |
| Renter-Occupied | \$107,918,750 | 6.0% | \$6,475,125 | 16.5% |
| Vacant | \$45,348,750 | 6.0% | \$2,720,925 | 6.9% |
| Total | \$906,975,000 | | \$39,344,350 | 100.0% |

Source: Lancaster County Assessor Department, Warren & Associates

11.1.2 Central Area

Of the 5,100 total forecasted residential units in the Study Area, approximately 1,081, or 20.0%, are expected to be in the central area (Table 48). Due to the rural nature of the central area, it is likely to attract primarily single-family residential. No apartment communities are expected to be completed in this area.

Table 48: Forecasted Central Sub-Area Units, 2009-2020

| Type | Study Area Forecasted Units | Central Sub-Area Share | Central Forecasted Units |
|---------------|------------------------------------|-------------------------------|---------------------------------|
| Single-Family | 3,650 | 25% | 913 |
| Townhouse | 700 | 15% | 105 |
| Apartment | 750 | 0% | 0 |
| Total | 5,100 | 20.0% | 1,018 |

Source: Warren & Associates

By tenure, new residential units are expected to be 89% owner-occupied, 6% renter-occupied, and 5% vacant (Table 49). The lack of forecasted apartment units in the central area creates a much lower renter-occupied share than in the northern area.

Table 49: Forecasted Central Sub-Area Units by Tenure, 2009-2020

| Type | Owner-Occupied | Renter-Occupied | Vacant | Total |
|-------------------|-----------------------|------------------------|---------------|---------------|
| Single-Family | 821 | 46 | 46 | 913 |
| Townhouse | 84 | 16 | 5 | 105 |
| Apartment | 0 | 0 | 0 | 0 |
| Total | 905 | 61 | 51 | 1,018 |
| % of Total | 89.0% | 6.0% | 5.0% | 100.0% |

Note: Tenure based on shares in Table 42.

Source: Warren & Associates

Combined average land and building values, as provided by Lancaster County, range from \$83,000 per unit for apartments to \$178,000 for single-family houses (Table 50). Again, there is no variation in average housing value between owner-occupied, renter-occupied, and vacant tenures.

**Table 50: Central Sub-Area Average
Land and Building Value, 2020**

| Type | Owner-Occupied | Renter-Occupied | Vacant |
|---------------|----------------|-----------------|-----------|
| Single-Family | \$178,000 | \$178,000 | \$178,000 |
| Townhouse | \$110,000 | \$110,000 | \$110,000 |
| Apartment | \$83,000 | \$83,000 | \$83,000 |

Source: Lancaster County Assessor Department

The potential increase in total residential value based in the central sub-area could be \$173 million between 2009 and 2020 (Table 51). Single-family houses could make up 93.4% of the total increase in real property value in the central area. By tenure, owner-occupied residential units will likely make up the largest share of total value, at \$155 million.

Table 51: Total Residential Value, Central Sub-Area, 2009-2020

| Type | Owner-Occupied | Renter-Occupied | Vacant | Total | % of Total |
|-------------------|----------------------|--------------------|--------------------|----------------------|---------------|
| Single-Family | \$146,182,500 | \$8,121,250 | \$8,121,250 | \$162,425,000 | 93.4% |
| Townhouse | \$9,240,000 | \$1,732,500 | \$577,500 | \$11,550,000 | 6.6% |
| Apartment | \$0 | \$0 | \$0 | \$0 | 0.0% |
| Total | \$155,422,500 | \$9,853,750 | \$8,698,750 | \$173,975,000 | 100.0% |
| Avg. Value | \$171,690 | \$160,550 | \$170,983 | | |

Source: Lancaster County Assessor Department, Warren & Associates

Based on the 4% assessment rate for owner-occupied units and 6% for renter-occupied and vacant units, the central sub-area could see an increase of \$7.3 million in total assessed residential value between 2009 and 2020 (Table 52). Owner-occupied units are expected to comprise approximately 84.8% of the total increase.

Table 52: Total Assessed Value, Central Sub-Area, 2009-2020

| Tenure | Total Value | Assessment Rate | Assessed Value | % of Total |
|-----------------|----------------------|-----------------|--------------------|---------------|
| Owner-Occupied | \$155,422,500 | 4.0% | \$6,216,900 | 84.8% |
| Renter-Occupied | \$9,853,750 | 6.0% | \$591,225 | 8.1% |
| Vacant | \$8,698,750 | 6.0% | \$521,925 | 7.1% |
| Total | \$173,975,000 | | \$7,330,050 | 100.0% |

Source: Lancaster County Assessor Department, Warren & Associates

11.1.3 Southern Area

The southern area is only expected to capture 183 single-family units between 2009 and 2020 (Table 53). No townhouse or apartment developments are forecasted.

Table 53: Forecasted Southern Sub-Area Units, 2009-2020

| Type | Study Area Forecasted Units | Southern Sub-Area Forecasted Share | Southern Forecasted Units |
|---------------|------------------------------------|---|----------------------------------|
| Single-Family | 3,650 | 5% | 183 |
| Townhouse | 700 | 0% | 0 |
| Apartment | 750 | 0% | 0 |
| Total | 5,100 | 3.6% | 183 |

Source: Warren & Associates

Approximately 90.0% of the single-family units in the southern area are expected to be owner-occupied, 5.0% renter-occupied, and 5.0% vacant (Table 54).

Table 54: Forecasted Southern Sub-Area Units by Tenure, 2009-2020

| Type | Owner-Occupied | Renter-Occupied | Vacant | Total |
|-------------------|-----------------------|------------------------|---------------|---------------|
| Single-Family | 164 | 9 | 9 | 183 |
| Townhouse | 0 | 0 | 0 | 0 |
| Apartment | 0 | 0 | 0 | 0 |
| Total | 164 | 9 | 9 | 183 |
| % of Total | 90.0% | 5.0% | 5.0% | 100.0% |

Note: Tenure based on shares in Table 42.

Source: Warren & Associates

As shown in Table 55, the southern area has the lowest average value for single-family houses of the three sub-areas, at \$145,000. Due to the limited stock of townhouses and apartments in the Study Area the same values (\$110,000 and \$83,000, respectively) were used for all three sub-areas.

Table 55: Southern Sub-Area Average Land and Building Value, 2020

| Type | Owner-Occupied | Renter-Occupied | Vacant |
|---------------|-----------------------|------------------------|---------------|
| Single-Family | \$145,000 | \$145,000 | \$145,000 |
| Townhouse | \$110,000 | \$110,000 | \$110,000 |
| Apartment | \$83,000 | \$83,000 | \$83,000 |

Source: Lancaster County Assessor Department

The forecasted 183 new single-family residential units in the southern area are expected to have a total residential value of \$26.5 million (Table 56). Based on assumed tenure shares, owner-occupied units could make up \$23.8 million of the total.

Table 56: Total Residential Value, Southern Sub-Area, 2009-2020

| Type | Owner-Occupied | Renter-Occupied | Vacant | Total | % of Total |
|-------------------|---------------------|--------------------|--------------------|---------------------|---------------|
| Single-Family | \$23,816,250 | \$1,323,125 | \$1,323,125 | \$26,462,500 | 100.0% |
| Townhouse | \$0 | \$0 | \$0 | \$0 | 0.0% |
| Apartment | \$0 | \$0 | \$0 | \$0 | 0.0% |
| Total | \$23,816,250 | \$1,323,125 | \$1,323,125 | \$26,462,500 | 100.0% |
| Avg. Value | \$145,000 | \$145,000 | \$145,000 | | |

Source: Lancaster County Assessor Department, Warren & Associates

After applying the 4% assessment rate to the owner-occupied residential value, the southern area is expected to increase the total assessed value by \$1.1 million by 2020, or 85.7% of the total (Table 47). The total assessed value of renter-occupied and vacant units could increase by less than \$160,000.

Table 57: Total Assessed Value, Southern Sub-Area, 2009-2020

| Tenure | Total Value | Assessment Rate | Assessed Value | % of Total |
|-----------------|---------------------|-----------------|--------------------|---------------|
| Owner-Occupied | \$23,816,250 | 4.0% | \$952,650 | 85.7% |
| Renter-Occupied | \$1,323,125 | 6.0% | \$79,388 | 7.1% |
| Vacant | \$1,323,125 | 6.0% | \$79,388 | 7.1% |
| Total | \$26,462,500 | | \$1,111,425 | 100.0% |

Source: Lancaster County Assessor Department, Warren & Associates

11.1.4 Comparison of Average Residential Values by Type and Tenure

Average residential values by type were provided by the Lancaster County Assessor Department. Townhouse units are only found in the northern sub-area, as such, the average value of \$110,000 has been used for all three areas (Table 58). Due to the lack of apartment units in the Study Area, average values were taken from nearby communities, the derived average value of \$83,000 was used for all three sub-areas. Single-family values range from \$145,000 in the southern area to \$305,000 in the northern.

Table 58: Average Residential Values by Type, Study Area, 2009

| Type | Average Value by Type | | |
|---------------|-----------------------|-----------|-----------|
| | Northern | Central | Southern |
| Single-Family | \$305,000 | \$178,000 | \$145,000 |
| Townhouse | \$110,000 | \$110,000 | \$110,000 |
| Apartment | \$83,000 | \$83,000 | \$83,000 |

Source: Lancaster County Assessor Department

Based on tenure shares and units forecasted in each sub-area, an average value was derived for owner-occupied, renter-occupied, and vacant units in the Study Area. As shown in Table 59, owner-occupied values range from \$145,000 in the southern area to \$271,557 in the northern. Average renter-occupied values range from \$116,104 in the northern area to \$160,550 in the central. Vacant units range from \$145,000 in the southern area to \$232,558 in the northern.

**Table 59: Average Residential Values
by Tenure, Study Area, 2009**

| Tenure | Average Value by Tenure | | |
|-----------------|-------------------------|-----------|-----------|
| | Northern | Central | Southern |
| Owner-Occupied | \$271,557 | \$171,690 | \$145,000 |
| Renter-Occupied | \$116,104 | \$160,550 | \$145,000 |
| Vacant | \$232,558 | \$170,983 | \$145,000 |

Source: Lancaster County Assessor Department, W & A

11.1.5 Residential Assessed Value Summary

Table 60 demonstrates the total assessed residential value for the Study Area based on 2009 to 2020 forecasted growth. Total assessed value is estimated at over \$47 million for the 5,100 new single-family, townhouse, and apartment units. The northern area is expected to comprise 82.3% of the assessed value, due to higher average unit values and stronger growth potential. The central area is expected to make up 15.3%, while the southern area may capture 2.3%.

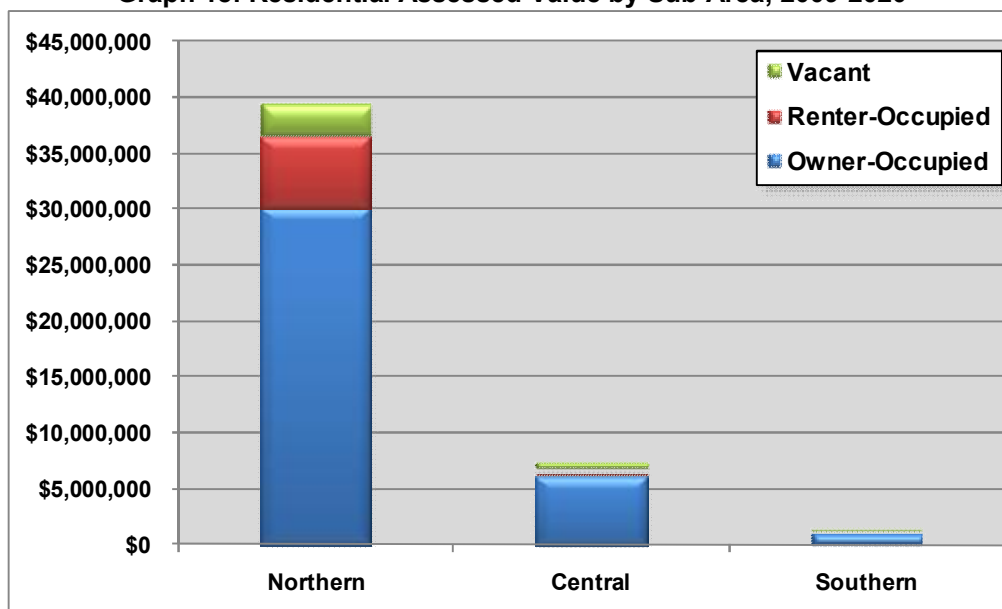
**Table 60: Residential Assessed
Value, Study Area, 2009-2020**

| Area | Assessed Value | % of Total |
|--------------|---------------------|---------------|
| Northern | \$39,344,350 | 82.3% |
| Central | \$7,330,050 | 15.3% |
| Southern | \$1,111,425 | 2.3% |
| Total | \$47,785,825 | 100.0% |

Source: Warren & Associates

As shown in Graph 18, the northern area is expected to see the largest increase in residential assessed value between 2009 and 2020. Residential growth in all areas is likely to be primarily owner-occupied units. The southern area, along SC-9, is expected to have the least amount of residential growth.

Graph 18: Residential Assessed Value by Sub-Area, 2009-2020



11.2 Non-Residential Real Property Value

The Study Area is forecasted to see an increase of 2.1 million square feet of non-residential development between 2009 and 2020 (Table 61). Based on average floor area ratios (FAR) of 0.25 and 0.30, new retail and office uses will require an additional 92 acres for development.

Table 61: Forecasted Non-Residential Square Footage and Acres, Study Area, 2009-2020

| Use | Forecasted Sq. Ft. | Forecasted FAR | Forecasted Acres |
|---------------------|--------------------|----------------|------------------|
| Retail | 421,099 | 0.25 | 39 |
| Office | 690,982 | 0.30 | 53 |
| Industrial-Fee* | 979,127 | 0.20 | 294 |
| Industrial-Non-Fee* | 51,533 | 0.20 | 15 |
| Total | 2,142,741 | | 401 |

*Acreage includes 15% allowance for infrastructure.

Source: Warren & Associates

South Carolina uses separate assessment rates for new industrial uses that have reached a fee agreement. According to Lancaster County, approximately 95% of all new industrial growth has been assessed under a fee agreement. Of the forecasted 1.03 million square feet of new industrial growth, 979,127 square feet will likely be developed under a fee agreement, while the remaining 51,533 square feet will not.

Table 62 demonstrates share assumptions used to distribute the non-residential forecast into the three sub-areas. Assumptions were based on the general development plan and proposed land uses for six focus areas. The northern area will likely attract the highest shares of development at 90% of retail, 75% of office, and 30% of fee and non-fee industrial. While the southern area is not expected to have any new retail development, it could comprise 50% of the industrial growth.

Table 62: Non-Residential Sub-Area Distribution Assumptions, 2009

| Type | Sub-Area | | | Total |
|--------------------|----------|---------|----------|-------|
| | Northern | Central | Southern | |
| Retail | 90% | 10% | 0% | 100% |
| Office | 75% | 5% | 20% | 100% |
| Industrial-Fee | 30% | 20% | 50% | 100% |
| Industrial-Non-Fee | 30% | 20% | 50% | 100% |

Source: Warren & Associates

Average land values for non-residential uses were provided by the Lancaster County Assessor Department. Retail and office values are estimated to be the same, ranging from \$150,000 in the southern sub-area to \$300,000 in the northern (Table 63). Industrial land values range from \$55,000 in the southern area to \$75,000 in the northern.

**Table 63: Average Land Values
per Acre, Study Area, 2009**

| Use | Average Land Value (Acre) | | |
|------------|---------------------------|-----------|-----------|
| | Northern | Central | Southern |
| Retail | \$300,000 | \$175,000 | \$150,000 |
| Office | \$300,000 | \$175,000 | \$150,000 |
| Industrial | \$75,000 | \$60,000 | \$55,000 |

Source: Lancaster County Assessor Department

As shown in Table 64, the average value per square foot for retail uses is estimated to be approximately \$60 in all sub-areas. Office space is estimated at an average of \$75 per square foot, and industrial uses average \$25 square foot, regardless of sub-area. Again, these values were obtained from the Lancaster County Assessor Department.

**Table 64: Average Building Values
per Sq. Ft., Study Area, 2009**

| Use | Average Building Value (Sq.Ft.) | | |
|------------|---------------------------------|---------|----------|
| | Northern | Central | Southern |
| Retail | \$60 | \$60 | \$60 |
| Office | \$75 | \$75 | \$75 |
| Industrial | \$25 | \$25 | \$25 |

Source: Lancaster County Assessor Department

11.2.1 Northern Area

The northern area is expected to comprise approximately 41.7% of all new non-residential acreage growth in the Study Area, equating to 167 acres (Table 65). Fee agreement industrial development could require 88 additional acres, or 52.7% of the sub-area total.

**Table 65: Forecasted Northern
Sub-Area Acres, 2009-2020**

| Type | Total Forecasted Acres | Northern Forecasted Share | Northern Forecasted Acres | % of Total |
|--------------------|------------------------------|---------------------------------|---------------------------------|---------------|
| Retail | 39 | 90% | 35 | 20.8% |
| Office | 53 | 75% | 40 | 23.7% |
| Industrial-Fee | 294 | 30% | 88 | 52.7% |
| Industrial-Non-Fee | 15 | 30% | 5 | 2.8% |
| Total | 401 | 41.7% | 167 | 100.0% |

Source: Warren & Associates

As shown in Table 66, average values for non-residential land range from \$300,000 per acre for retail and office uses to \$75,000 per acre for industrial. The total forecasted value of the new non-residential development in the northern area is estimated at \$29.3 million. After applying the assessment rates of 6.0% for retail, office, and fee agreement industrial and 10.5% for non-fee agreement industrial, the northern area could have an additional \$1.7 million in assessed value by 2020.

Table 66: Forecasted Northern Assessed Land Value, 2009-2020

| Type | Northern Forecasted Acres | Market Average Value/Acre | Total Market Value | Assessment Rate | Northern Assessed Value | % of Total |
|--------------------|---------------------------------|---------------------------------|--------------------------|--------------------|-------------------------------|---------------|
| Retail | 35 | \$300,000 | \$10,440,464 | 6.0% | \$626,428 | 35.3% |
| Office | 40 | \$300,000 | \$11,897,079 | 6.0% | \$713,825 | 40.3% |
| Industrial-Fee | 88 | \$75,000 | \$6,604,875 | 6.0% | \$396,293 | 22.4% |
| Industrial-Non-Fee | 5 | \$75,000 | \$347,625 | 10.5% | \$36,501 | 2.1% |
| Total | 167 | | \$29,290,043 | | \$1,773,046 | 100.0% |

Source: Warren & Associates

The northern area could account for 56.3% of the total 2.1 million square feet of forecasted non-residential building space (Table 67). Approximately 518,237 square feet of new office space is forecasted for the northern area, or 43.0% of the non-residential total.

Table 67: Forecasted Northern Sub-Area Square Feet, 2009-2020

| Type | Total Forecasted Sq. Ft. | Northern Share | Northern Forecasted Sq. Ft. | % of Total |
|--------------------|--------------------------------|-------------------|-----------------------------------|---------------|
| Retail | 421,099 | 90% | 378,989 | 31.4% |
| Office | 690,982 | 75% | 518,237 | 43.0% |
| Industrial-Fee | 979,127 | 30% | 293,738 | 24.3% |
| Industrial-Non-Fee | 51,533 | 30% | 15,460 | 1.3% |
| Total | 2,142,741 | 56.3% | 1,206,423 | 100.0% |

Source: Warren & Associates

Average values for non-residential buildings range from \$75 per square foot for office to \$25 per square foot for industrial. As shown in Table 68, new non-residential buildings in the northern area could have a value of \$69.3 million. The assessed value of the new growth could be \$4.2 million, with office comprising 55.8%.

Table 68: Forecasted Northern Building Value, 2009-2020

| Type | Northern Forecasted Sq. Ft. | Average Market Value/Sq. Ft. | Total Market Value | Assessment Rate | Northern Assessed Value | % of Total |
|--------------------|-----------------------------------|------------------------------------|--------------------------|--------------------|-------------------------------|---------------|
| Retail | 378,989 | \$60 | \$22,739,331 | 6.0% | \$1,364,360 | 32.7% |
| Office | 518,237 | \$75 | \$38,867,756 | 6.0% | \$2,332,065 | 55.8% |
| Industrial-Fee | 293,738 | \$25 | \$7,343,450 | 6.0% | \$440,607 | 10.5% |
| Industrial-Non-Fee | 15,460 | \$25 | \$386,497 | 10.5% | \$40,582 | 1.0% |
| Total | 1,206,423 | | \$69,337,034 | | \$4,177,614 | 100.0% |

Source: Warren & Associates

Table 69 demonstrates the total assessed value based on forecasted new growth in the northern area. Adding the land and building assessed values equates to a total assessed value of \$5.9 million in the northern area. New office growth could account for 51.2% of the increase.

Table 69: Total Forecasted Northern Sub-Area Assessed Value, 2009-2020

| Type | Land Value | Building Value | Total Assessed Value | % of Total |
|--------------------|--------------------|--------------------|----------------------|---------------|
| Retail | \$626,428 | \$1,364,360 | \$1,990,788 | 33.5% |
| Office | \$713,825 | \$2,332,065 | \$3,045,890 | 51.2% |
| Industrial-Fee | \$396,293 | \$440,607 | \$836,899 | 14.1% |
| Industrial-Non-Fee | \$36,501 | \$40,582 | \$77,083 | 1.3% |
| Total | \$1,773,046 | \$4,177,614 | \$5,950,660 | 100.0% |

Source: Warren & Associates

11.2.2 Central Area

The central area could account for approximately 17.1% of the Study Area's new non-residential growth between 2009 and 2020 (Table 70). Fee agreement industrial acres could account for 59 acres, or 85.9% of the sub-area's total.

Table 70: Forecasted Central Sub-Area Acres, 2009-2020

| Type | Total Forecasted Acres | Central Share | Central Forecasted Acres | % of Total |
|--------------------|------------------------|---------------|--------------------------|---------------|
| Retail | 39 | 10% | 4 | 5.7% |
| Office | 53 | 5% | 3 | 3.9% |
| Industrial-Fee | 294 | 20% | 59 | 85.9% |
| Industrial-Non-Fee | 15 | 20% | 3 | 4.5% |
| Total | 401 | 17.1% | 68 | 100.0% |

Source: Warren & Associates

Average values per acre in the central area are generally lower than the northern area, ranging from \$175,000 for retail and office to \$60,000 for industrial. As shown in Table 71, new non-residential acreage in the central area could have a total value of \$4.8 million, or an assessed land value of \$299,185. Fee agreement industrial could comprise 70.6% of the assessed land value.

Table 71: Forecasted Central Assessed Land Value, 2009-2020

| Type | Central Forecasted Acres | Average Market Value/Acre | Total Market Value | Assessment Rate | Central Assessed Value | % of Total |
|--------------------|--------------------------|---------------------------|--------------------|-----------------|------------------------|---------------|
| Retail | 4 | \$175,000 | \$676,697 | 6.0% | \$40,602 | 13.6% |
| Office | 3 | \$175,000 | \$462,664 | 6.0% | \$27,760 | 9.3% |
| Industrial-Fee | 59 | \$60,000 | \$3,522,600 | 6.0% | \$211,356 | 70.6% |
| Industrial-Non-Fee | 3 | \$60,000 | \$185,400 | 10.5% | \$19,467 | 6.5% |
| Total | 68 | | \$4,847,361 | | \$299,185 | 100.0% |

Source: Warren & Associates

Fee agreement industrial could account for 195,825 square feet of the 282,791 square feet forecasted for the central area (Table 72). The central area is expected to comprise 13.2% of the total increase in non-residential square footage in the Study Area.

Table 72: Forecasted Central Sub-Area Square Feet, 2009-2020

| Type | Total Forecasted Sq. Ft. | Central Share | Central Forecasted Sq. Ft. | % of Total |
|--------------------|--------------------------------|------------------|----------------------------------|---------------|
| Retail | 421,099 | 10% | 42,110 | 14.9% |
| Office | 690,982 | 5% | 34,549 | 12.2% |
| Industrial-Fee | 979,127 | 20% | 195,825 | 69.2% |
| Industrial-Non-Fee | 51,533 | 20% | 10,307 | 3.6% |
| Total | 2,142,741 | 13.2% | 282,791 | 100.0% |

Source: Warren & Associates

As shown in Table 73, average building values in the central area range from \$75 per square foot for office to \$25 per square foot for industrial. Based on forecasted square footage, the central area could have an additional building market value of \$10.3 million. After applying assessment rates, the additional assessed building value in the central area could be \$627,859.

Table 73: Forecasted Central Building Value, 2009-2020

| Type | Central Forecasted Sq. Ft. | Average Market Value/Sq. Ft. | Total Market Value | Assessment Rate | Central Assessed Value | % of Total |
|--------------------|----------------------------------|------------------------------------|--------------------------|--------------------|------------------------------|---------------|
| Retail | 42,110 | \$60 | \$2,526,592 | 6.0% | \$151,596 | 24.1% |
| Office | 34,549 | \$75 | \$2,591,184 | 6.0% | \$155,471 | 24.8% |
| Industrial-Fee | 195,825 | \$25 | \$4,895,633 | 6.0% | \$293,738 | 46.8% |
| Industrial-Non-Fee | 10,307 | \$25 | \$257,665 | 10.5% | \$27,055 | 4.3% |
| Total | 282,791 | | \$10,271,074 | | \$627,859 | 100.0% |

Source: Warren & Associates

Table 74 demonstrates the total assessed value based on forecasted new growth in the central area. Adding the land and building assessed values equates to a total assessed value of \$927,044 in the central area. Fee agreement industrial growth could account for 54.5% of the increase.

Table 74: Total Forecasted Central Sub-Area Assessed Value, 2009-2020

| Type | Land Value | Building Value | Total Assessed Value | % of Total |
|--------------------|------------------|-------------------|----------------------------|---------------|
| Retail | \$40,602 | \$151,596 | \$192,197 | 20.7% |
| Office | \$27,760 | \$155,471 | \$183,231 | 19.8% |
| Industrial-Fee | \$211,356 | \$293,738 | \$505,094 | 54.5% |
| Industrial-Non-Fee | \$19,467 | \$27,055 | \$46,522 | 5.0% |
| Total | \$299,185 | \$627,859 | \$927,044 | 100.0% |

Source: Warren & Associates

11.2.3 Southern Area

The southern area is expected to comprise approximately 41.2% of all new non-residential acreage growth in the Study Area, equating to 165 acres (Table 75). Fee agreement industrial development could require 147 additional acres, or 88.9% of the sub-area total.

Table 75: Forecasted Southern Area Acres, 2009-2020

| Type | Total Forecasted Acres | Southern Share | Southern Forecasted Acres | % of Total |
|--------------------|------------------------|----------------|---------------------------|---------------|
| Retail | 39 | 0% | 0 | 0.0% |
| Office | 53 | 20% | 11 | 6.4% |
| Industrial-Fee | 294 | 50% | 147 | 88.9% |
| Industrial-Non-Fee | 15 | 50% | 8 | 4.7% |
| Total | 401 | 41.2% | 165 | 100.0% |

Source: Warren & Associates

Average values per acre in the southern area are the lowest in the Study Area, ranging from \$150,000 for retail and office to \$55,000 for industrial. As shown in Table 76, new non-residential acreage in the southern area could have a total value of \$10.1 million, or an assessed land value of \$624,146. Fee agreement industrial could comprise 77.6% of the assessed land value.

Table 76: Forecasted Southern Assessed Land Value, 2009-2020

| Type | Southern Forecasted Acres | Average Market Value/Acre | Total Market Value | Assessment Rate | Southern Assessed Value | % of Total |
|--------------------|---------------------------|---------------------------|---------------------|-----------------|-------------------------|---------------|
| Retail | 0 | \$150,000 | \$0 | 6.0% | \$0 | 0.0% |
| Office | 11 | \$150,000 | \$1,586,277 | 6.0% | \$95,177 | 15.2% |
| Industrial-Fee | 147 | \$55,000 | \$8,072,625 | 6.0% | \$484,358 | 77.6% |
| Industrial-Non-Fee | 8 | \$55,000 | \$424,875 | 10.5% | \$44,612 | 7.1% |
| Total | 165 | | \$10,083,777 | | \$624,146 | 100.0% |

Source: Warren & Associates

The southern area could account for 30.5% of the total 2.1 million square feet of forecasted non-residential building space (Table 77). Approximately 653,526 square feet of new fee agreement industrial space is forecasted for the southern area, or 74.9% of the non-residential total. No new retail square footage is forecasted for the southern area.

Table 77: Forecasted Southern Area Square Feet, 2009-2020

| Type | Total Forecasted Sq. Ft. | Southern Share | Southern Forecasted Sq. Ft. | % of Total |
|--------------------|--------------------------|----------------|-----------------------------|---------------|
| Retail | 421,099 | 0% | 0 | 0.0% |
| Office | 690,982 | 20% | 138,196 | 21.1% |
| Industrial-Fee | 979,127 | 50% | 489,563 | 74.9% |
| Industrial-Non-Fee | 51,533 | 50% | 25,766 | 3.9% |
| Total | 2,142,741 | 30.5% | 653,526 | 100.0% |

Source: Warren & Associates

Average values for non-residential buildings range from \$75 per square foot for office to \$25 per square foot for industrial. As shown in Table 78, new non-residential buildings in the southern area could have a value of \$23.2 million. The assessed value of the new growth could be \$1.4 million, with fee agreement industrial comprising 51.6%.

Table 78: Forecasted Southern Building Value, 2009-2020

| Type | Southern Forecasted Sq. Ft. | Average Market Value/Sq. Ft. | Total Market Value | Assessment Rate | Southern Assessed Value | % of Total |
|--------------------|-----------------------------|------------------------------|---------------------|-----------------|-------------------------|---------------|
| Retail | 0 | \$60 | \$0 | 6.0% | \$0 | 0.0% |
| Office | 138,196 | \$75 | \$10,364,735 | 6.0% | \$621,884 | 43.7% |
| Industrial-Fee | 489,563 | \$25 | \$12,239,083 | 6.0% | \$734,345 | 51.6% |
| Industrial-Non-Fee | 25,766 | \$25 | \$644,162 | 10.5% | \$67,637 | 4.8% |
| Total | 653,526 | | \$23,247,980 | | \$1,423,866 | 100.0% |

Source: Warren & Associates

Table 79 demonstrates the total assessed value based on forecasted new growth in the southern area. Adding the land and building assessed values equates to a total assessed value of \$2.05 million in the southern area. Fee agreement industrial growth could account for 59.5% of the increase.

Table 79: Total Forecasted Southern Assessed Value, 2009-2020

| Type | Land Value | Building Value | Total Assessed Value | % of Total |
|--------------------|------------------|--------------------|----------------------|---------------|
| Retail | \$0 | \$0 | \$0 | 0.0% |
| Office | \$95,177 | \$621,884 | \$717,061 | 35.0% |
| Industrial-Fee | \$484,358 | \$734,345 | \$1,218,702 | 59.5% |
| Industrial-Non-Fee | \$44,612 | \$67,637 | \$112,249 | 5.5% |
| Total | \$624,146 | \$1,423,866 | \$2,048,012 | 100.0% |

Source: Warren & Associates

11.2.4 Non-Residential Assessed Value Summary

The total assessed value for non-residential development in the Study Area between 2009 and 2020 is approximately \$8.9 million (Table 80). New office development is expected to have a value of \$3.9 million, or 44.2% of the total. Fee agreement and non-fee agreement industrial could make up 31.3%, while new retail development could comprise another 24.5%.

Table 80: Total Non-Residential Assessed Value by Area, 2009-2020

| Area | Non-Residential Use | | | Total | % of Total |
|-------------------|---------------------|--------------------|--------------------|--------------------|---------------|
| | Retail | Office | Industrial* | | |
| Northern | \$1,990,788 | \$3,045,890 | \$913,982 | \$5,950,660 | 66.7% |
| Central | \$192,197 | \$183,231 | \$551,616 | \$927,044 | 10.4% |
| Southern | \$0 | \$717,061 | \$1,330,951 | \$2,048,012 | 22.9% |
| Total | \$2,182,985 | \$3,946,182 | \$2,796,550 | \$8,925,716 | 100.0% |
| % of Total | 24.5% | 44.2% | 31.3% | 100.0% | |

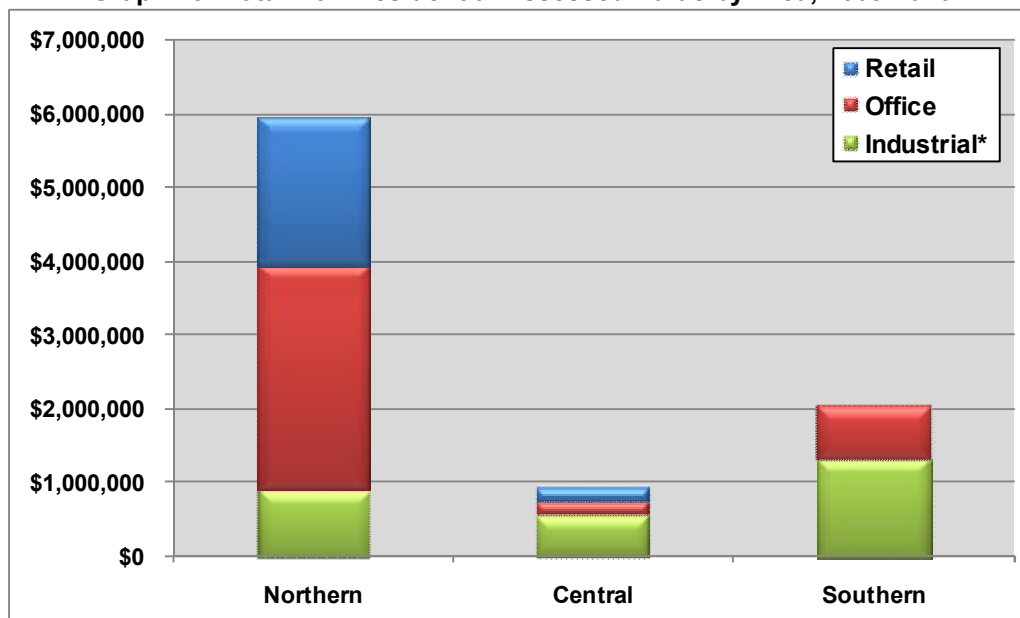
*Industrial includes both fee agreement and non-fee agreement.

Source: Warren & Associates

The northern area could comprise approximately 66.7% of the Study Area's non-residential increase in assessed value. Strong non-residential growth in the northern area is likely attributed to proximity to Ballantyne, I-485, and Charlotte.

As shown in Graph 19, the northern area is expected to have an increase of nearly \$6.0 million in assessed real non-residential property value. This greatly exceeds almost \$1.0 million in the central area and \$2.0 million in the southern area.

Graph 19: Total Non-Residential Assessed Value by Area, 2009-2020



11.3 Vacant Land

In order to determine the incremental increase of assessed real property value in the Study Area, existing vacant land value has to be netted out of the total. Based on an analysis of a random sample of tracts throughout the Study Area, parcels categorized as vacant land have an average value of \$2,500. Agricultural land makes up a large portion of the Study Area, and is valued at a much lower value than land classified as simply vacant. In order to take into account agricultural land, an average assessed value of \$1,250, or a 50% reduction, is used.

Based on average density assumptions, new development in the Study Area will require 1,752 acres of land (Table 81). At an average value per acre of \$1,250, the total existing assessed land value for the acreage required for new development is \$2.2 million.

Table 81: Vacant Land Use Value, Study Area, 2009-2020

| Use | New Development Acres | Avg. Assessed Value/ Vacant Acre | Total Existing Land Value |
|--------------|-----------------------|-------------------------------------|---------------------------|
| Residential | 1,351 | \$1,250 | \$1,688,802 |
| Retail | 39 | \$1,250 | \$48,335 |
| Office | 53 | \$1,250 | \$66,095 |
| Industrial | 309 | \$1,250 | \$386,250 |
| Total | 1,752 | \$1,250 | \$2,189,482 |

Source: Warren & Associates

11.4 Net Residential and Non-Residential Development Value

As shown in Table 82, subtracting the existing land value from the assessed value of the residential and non-residential forecasts equates to a net assessed development value of \$54.5 million in the Study Area.

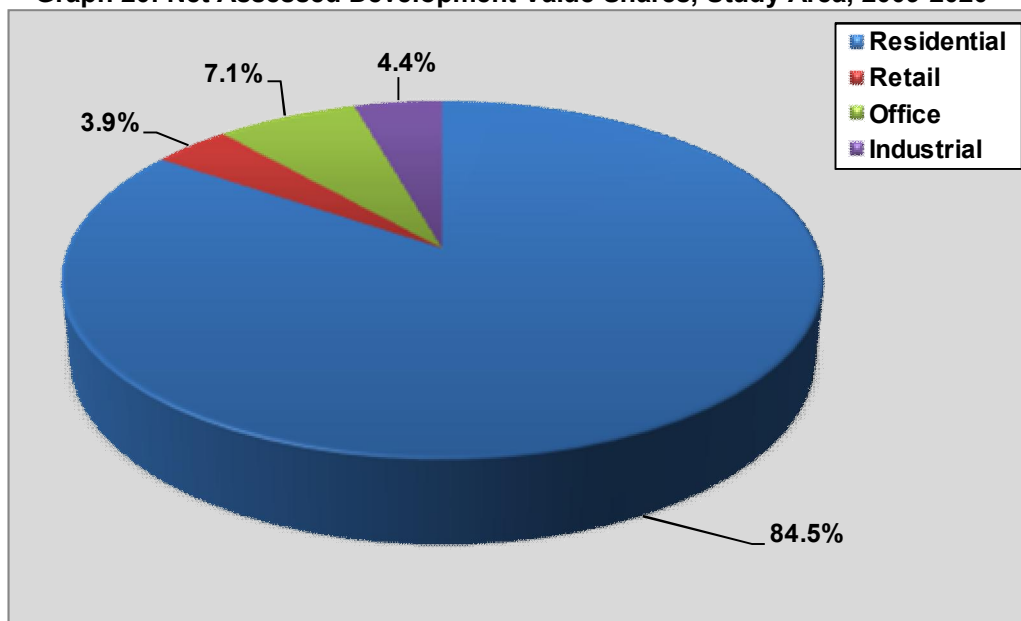
Table 82: Net Development Value, Study Area, 2009-2020

| Use | Build-Out Assessed Value | Less Existing Land Value | Net Assessed Development Value |
|--------------|--------------------------|--------------------------|--------------------------------|
| Residential | \$47,785,825 | \$1,688,802 | \$46,097,023 |
| Retail | \$2,182,985 | \$48,335 | \$2,134,650 |
| Office | \$3,946,182 | \$66,095 | \$3,880,087 |
| Industrial | \$2,796,550 | \$386,250 | \$2,410,300 |
| Total | \$56,711,541 | \$2,189,482 | \$54,522,059 |

Source: Warren & Associates

The assessed value for the forecasted residential units is estimated to comprise 84.5% of the net new development value in the Study Area between 2009 and 2020 (Graph 20). Non-residential uses are expected to comprise the remaining 15.4%.

Graph 20: Net Assessed Development Value Shares, Study Area, 2009-2020



According to Lancaster County, the real property assessed value for the 2008-2009 fiscal year was \$787 million. Approximately 50.5%, or \$397 million, was from residential uses. As shown in Table 83, based solely on forecasts in the Study Area, Lancaster County's tax base could increase 6.9% by 2020.

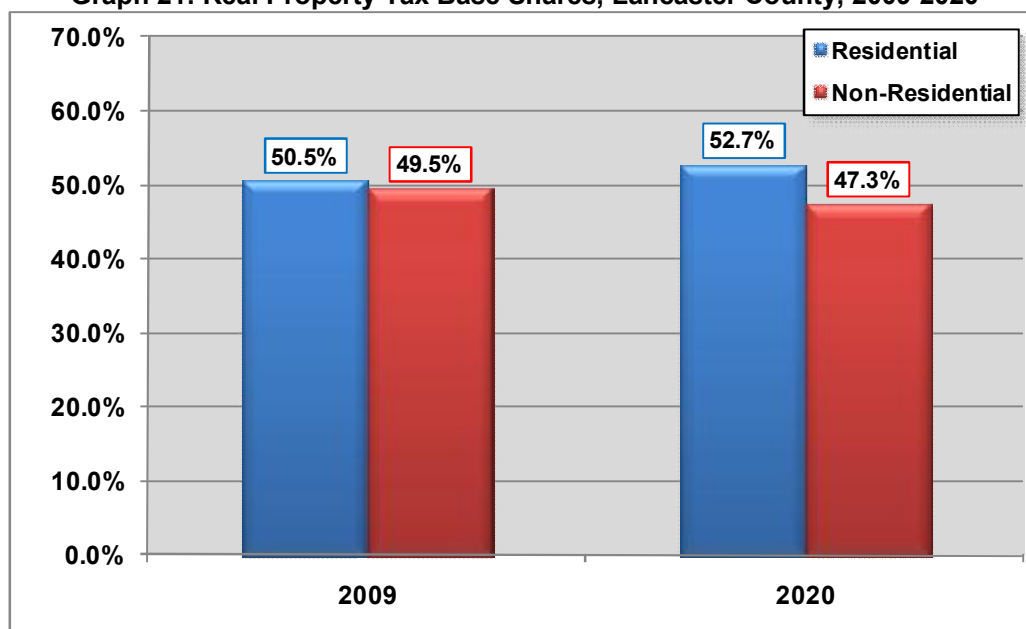
Table 83: Real Property Assessed Value by Use, Lancaster County, 2009-2020

| Land Use | 2008-2009 | Net Assessed | 2020 | 2009-2020 |
|-----------------|----------------------|---------------------|----------------------|-------------|
| | Actual | Dev. Value | Forecast | % Change |
| Residential | \$397,496,362 | \$46,097,023 | \$443,593,385 | 11.6% |
| Non-Residential | \$389,989,258 | \$8,425,036 | \$398,414,294 | 2.2% |
| Total | \$787,485,621 | \$54,522,059 | \$842,007,679 | 6.9% |

Source: Warren & Associates

The Lancaster County tax base is currently 50.5% residential and 49.5% non-residential (Graph 21). Based on development forecasts, the residential real property tax base share is expected to increase by 2.2% by 2020. The non-residential real property share is estimated to decrease during the same time period.

Graph 21: Real Property Tax Base Shares, Lancaster County, 2009-2020



11.5 Lancaster County Real Property Tax Revenue

The current millage rate in Lancaster County is 256.20 (Table 84). The millage rate is broken down into three categories: County taxes, schools, and University of South Carolina-Lancaster. The schools millage is 172.00. The county tax is 80.90. It should be noted that all of the revenue for real property tax does not go into the general fund. Revenue generated for the schools and USC-L property tax has designated uses.

Table 84: Millage Rates, Lancaster County, 2009

| | County | Schools | USC-L | Total |
|--------------|--------|---------|-------|--------|
| Millage Rate | 80.90 | 172.00 | 3.30 | 256.20 |
| % of Total | 31.6% | 67.1% | 1.3% | 100.0% |

Source: Lancaster County

By applying the millage rate to the net assessed development value, new residential and non-residential growth in the Study Area could provide an additional \$13.9 million in real property tax revenue to Lancaster County (Table 85). The County general fund would receive approximately \$4.4 million.

Table 85: Real Property Tax Revenue, Study Area, 2009-2020

| Use | Net Assessed Development Value | Revenue | | | Total Revenue | % of Total |
|--------------|--------------------------------|--------------------|--------------------|------------------|---------------------|---------------|
| | | County | Schools | USC-L | | |
| Residential | \$46,097,023 | \$3,729,249 | \$7,928,688 | \$152,120 | \$11,810,057 | 84.5% |
| Retail | \$2,134,650 | \$172,693 | \$367,160 | \$7,044 | \$546,897 | 3.9% |
| Office | \$3,880,087 | \$313,899 | \$667,375 | \$12,804 | \$994,078 | 7.1% |
| Industrial | \$2,410,300 | \$194,993 | \$414,572 | \$7,954 | \$617,519 | 4.4% |
| Total | \$54,522,059 | \$4,410,835 | \$9,377,794 | \$179,923 | \$13,968,551 | 100.0% |

Source: Warren & Associates

Based on data provided from Lancaster County, the current real property tax revenue is nearly \$202 million. Residential uses currently make up 50.5%, or approximately \$102 million, of the total. Based on the development forecasts, Lancaster County could increase real property tax revenue by 6.9% by 2020.

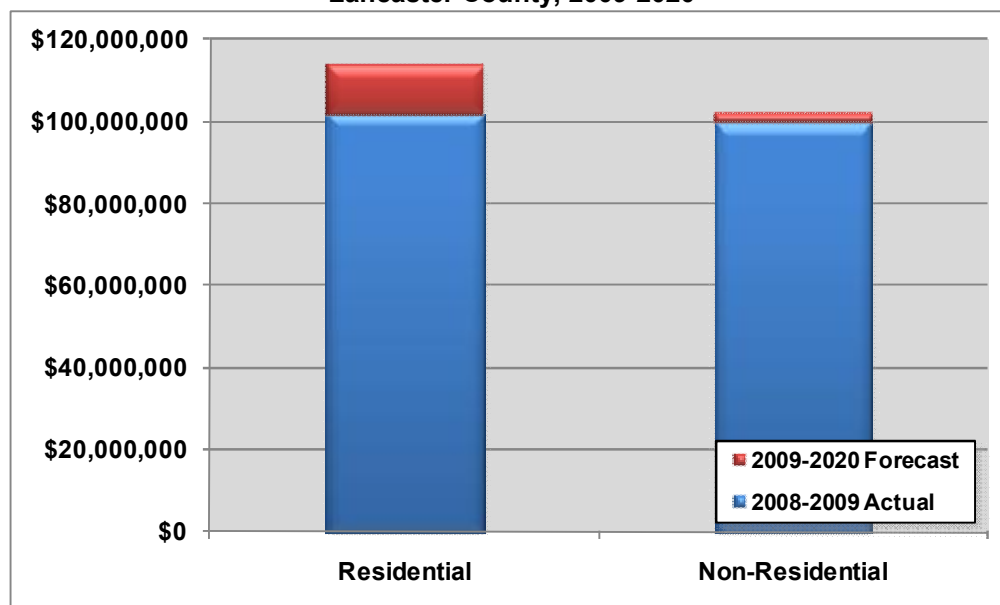
Table 86: Real Property Tax Revenue by Type, Lancaster County, 2009 & 2020

| Land Use | 2008-2009 | Net Dev. Revenue | 2020 | 2009-2020 |
|-----------------|----------------------|---------------------|----------------------|-------------|
| | Actual | | Forecast | % Change |
| Residential | \$101,838,568 | \$11,810,057 | \$113,648,625 | 11.6% |
| Non-Residential | \$99,915,248 | \$2,158,494 | \$102,073,742 | 2.2% |
| Total | \$201,753,816 | \$13,968,551 | \$215,722,367 | 6.9% |

Source: Warren & Associates

Graph 22 shows the potential incremental increase in real property tax revenue in Lancaster County between 2009 and 2020. Residential real property revenue is expected to increase by \$11.3 million, or 11.6%. Non-residential real property revenue could increase by approximately \$2.2 million, or 2.2%.

**Graph 22: Real Property Tax Revenue,
Lancaster County, 2009-2020**



11.6 Sales Tax Revenue

This analysis forecasts an additional 421,099 square feet of retail space in the Study Area between 2009 and 2020 (Table 87). Based on a regional average of \$300 in sales per square foot, the new retail space would have estimated retail sales of \$126 million.

**Table 87: Forecasted New Retail
Sales, Study Area, 2009-2020**

| | Forecasted Sq. Ft. | Average Sales/Sq. Ft. | New Retail Sales |
|------------|-----------------------|--------------------------|---------------------|
| Study Area | 421,099 | \$300 | \$126,329,614 |

Source: Warren & Associates

Sales tax revenue collected by Lancaster County is sent to the state, and then redistributed to the County on a monthly or quarterly basis, depending on the fund. None of the 6.0% Sales and Use Tax is returned to Lancaster County. However, 100% of the Local Option Sales Tax and the Capitol Projects Tax is returned, equating to a potential increase of \$2.5 million in sales tax revenue, based on the forecasted increase in retail square footage in the Study Area.

Table 88: Forecasted Sales Tax Revenue, Study Area, 2009-2020

| Tax | Sales Tax Percentage | Total Revenue | County Share | County Revenue |
|----------------------|-------------------------|---------------------|-----------------|--------------------|
| Sales and Use Tax | 6.0% | \$7,579,777 | 0% | \$0 |
| Local Option Tax | 1.0% | \$1,263,296 | 100% | \$1,263,296 |
| Capital Projects Tax | 1.0% | \$1,263,296 | 100% | \$1,263,296 |
| Total | 8.0% | \$10,106,369 | | \$2,526,592 |

Note: Shares based on revenue returned to County from State of South Carolina.

Source: Warren & Associates

Similar to real property tax, a portion of the sales tax revenue has designated uses, and is not included in the general fund. Revenue from the Local Option Tax, approved by Lancaster County in 1991, is divided into two revenue pools. The majority, 71% of the revenue, is used as a property tax credit for Lancaster County residents. The remaining 29% of the revenue goes into the general fund. It is estimated that approximately \$366,355 of the revenue increase would go to the general fund.

The Capitol Projects tax was approved via referendum in November 2008. This additional 1.0% sales tax goes entirely to the construction of the new Lancaster County Courthouse. The Capitol Projects tax is approved for a period of seven-years, or until construction is completed. Lancaster County can prepare another referendum to extend the tax for an additional project. This analysis assumes the extension occurs.

12. Comparison of Development Related Fees

This section compares Lancaster County's development related fees to three other suburban counties in the Charlotte region. Zoning and subdivision fees were collected for York and Lancaster counties in South Carolina and Lincoln and Iredell counties in North Carolina.

12.1 Zoning Permits

A zoning permit must be obtained prior to applying for a building permit and beginning construction on any new structure. Lancaster County charges \$35 for each residential zoning permit, less than the three other comparable jurisdictions (Table 89). Lincoln County charges the most at \$75 per residential zoning permit.

Table 89: Zoning Permit Fee Comparison, 2009

| Action | Jurisdiction | | | |
|-----------------------------|--------------------------|-------|---------|---------|
| | Lancaster | York | Lincoln | Iredell |
| Residential Permit | \$35 | \$50 | \$75 | \$55 |
| Commercial Permit | \$100-\$300 ¹ | \$100 | \$100 | \$55 |
| Commercial Site Plan Review | n/a | \$500 | n/a | \$100 |

¹ Cost based on Sq.Ft.: \$100 (1-12,000SF); \$200 (12,001-25,000SF); \$300 (25,001+SF)

Source: Warren & Associates

Commercial zoning permits range from \$55 in Iredell County to \$300 in Lancaster County. Lancaster County charges between \$100 and \$300 for a commercial zoning permit, based on the structure size. Only York and Iredell counties charge an additional site plan review fee. This fee is used to cover the administrative cost in reviewing commercial site plans. Iredell County charges an additional \$100 for the review, and York County charges \$500.

12.2 Other Zoning Actions

Fees for other zoning actions, such as rezonings, variances, and appeals, vary considerably by jurisdiction. Modifying the zoning on a property ranges from \$250 in Lancaster County up to \$1,000 in Lincoln County. Lincoln charges between \$300 and \$1,000 for a rezoning based on the size of the parcel. Lancaster increased the fee for a rezoning from \$200 to \$250 as part of the 2009-2010 budget.

Table 90: Other Zoning Action Fee Comparison, 2009

| Action | Jurisdiction | | | |
|-----------------------|-----------------------|---------|------------------------------|---------|
| | Lancaster | York | Lincoln | Iredell |
| Rezoning | \$250 | \$500 | \$300-\$1,000 ² | \$500 |
| Administrative Appeal | \$200 | \$300 | \$500 | \$500 |
| Variance | \$200 | \$300 | \$500 | \$500 |
| PDD/Conditional Use | \$1,500+ ¹ | \$2,000 | \$1,000-\$2,500 ³ | \$500 |

¹ PDDs containing 200.01+ acres fee is \$1,500, plus \$1.00 for each additional acre.

² Up to 2 acres \$300; 2-5 acres \$500; 5+acres \$1,000

³ Less than 50 lots=\$1,000; 51-200 lots=\$1,250; 201-300 lots=\$1,500; 301-450 lots=\$1,750; 451-600 lots=\$2,000; 601+ lots=\$2,500

Source: Warren & Associates

The application to appeal a zoning decision and requesting a variance from the ordinance ranges from \$200 in Lancaster County to \$500 in Lincoln and Iredell counties. Approval for a conditional use or planned development district (PDD) varies greatly. Iredell and York counties charge flat \$500 and \$2,000 rates, respectively. Lincoln and Lancaster counties charge for a conditional use or PDD based on the size of the development. Lancaster County does not have a maximum fee.

12.3 Subdivision Approval

Only Lancaster, Lincoln, and Iredell counties require a preliminary plat approval for a minor subdivision. Iredell County charges a flat \$100 rate. Lincoln County charges a flat \$150 rate, plus an additional \$10 per lot. Lancaster County charges \$5 per lot. For a major subdivision, only Iredell and Lancaster counties charge a flat rate. York and Lincoln counties charge a flat rate, plus an additional fee per subdivision lot.

Table 91: Subdivision Fee Comparison, 2009

| Action | Jurisdiction | | | |
|--------------------------|-------------------------------|----------------|----------------|---------|
| | Lancaster | York | Lincoln | Iredell |
| Preliminary Plat - Minor | \$5/Lot | | \$150+\$10/Lot | \$100 |
| Preliminary Plat - Major | \$100-\$250/Plat ¹ | \$500+\$20/Lot | \$300+\$10/Lot | \$200 |
| Final Plat - Major | \$75/Plat | \$200+\$20/Lot | \$300+\$10/Lot | \$200 |
| Subdivision Variance | \$100 | \$100 | n/a | n/a |

¹ Major subdivisions with 11-40 lots are \$100/plat; 41+ lots are \$250/plat.

Source: Warren & Associates

After infrastructure is completed, final plats are required prior to recording individual lots. Final plat fees are structured similar to preliminary plats for major subdivisions. Iredell and Lancaster counties charge a flat rate, while York and Lincoln counties charge a flat rate in addition to a fee per lot. Only Lancaster and York counties have a separate fee of \$100 for variances from the subdivision ordinance.



Appendix I: ESRI Tapestry Descriptions

A. Midland Crowd

Demographic

The approximately 11.6 million people in Midland Crowd neighborhoods represent the largest market of Community Tapestry, nearly 4% of the U.S. population, and it is still growing. Since 2000, the population growth has been 2.3% annually. The median age of 36.9 years parallels that of the U.S. median. More than half of the households (62%) are composed of married-couple families, half of whom have children. One-fifth of households are occupied by those who live alone. Most residents are white.

Socioeconomic

With more than 4.2 million households, Midland Crowd has the highest count of all Community Tapestry markets, with an annual household growth of 2.6% since 2000. The median household income is \$49,748, slightly lower than the U.S. median. Households derive primary income from wages and salaries, although the percentage of households that receive income from self-employment ventures is slightly higher than the national level. The median net worth is \$86,362, somewhat below the U.S. median. Half of the employed residents work in white-collar occupations. Approximately 30% of Midland Crowd residents aged 25 years and older have attended college; 15% hold a bachelor's or graduate degree.

Residential

Midland Crowd residents live in housing developments in rural areas throughout the United States (more village or town than farm), mainly in the South. Three-fourths of the housing was built after 1969. Homeownership is at 84%; the median home value is \$137,727. Two-thirds of the households are single-family structures; 28% are mobile homes. One-fourth of the households own three or more vehicles.

Preferences

Midland Crowd is a somewhat politically conservative market. The rural location and their traditional lifestyle dictate the consumer preferences of these residents. How they take care of their homes, lawns, and vehicles demonstrates their do-it-yourself mentality. Households typically own or lease a truck; many own a used motorcycle. Hunting, fishing, and woodworking are favorite pursuits. Generally, households have pets, especially birds and dogs. Recent purchases include used vehicles, household furniture, and giant-screen TVs. Their department store of choice is Belk. When eating takeout, they often choose a fast-food restaurant and use the drive-through window.

Many households have a satellite dish. Favorite stations include CMT and Outdoor Life Network. In addition to watching rodeo/bull riding, truck and tractor pulls/mud racing, and fishing programs on TV, residents watch a variety of news programs. Fitting right in with their rural surroundings, they prefer to listen to country music on the radio and read fishing and hunting magazines.

B. Southern Satellites

Demographic

Southern Satellites households, approximately 3% of all U.S. households, are found primarily in the rural South. Most households consist of married-couple families with and without children. However, 22% are single-person households. This is one of the more sparsely populated Community Tapestry segments. The median age of 37.5 years is near that of the U.S. median. This segment is not ethnically diverse; 87% of the residents are white.

Socioeconomic

The median household income for this market is \$39,167; the median net worth is \$52,215. The labor force participation of 61% is slightly below the U.S. percentage; however, the unemployment rate is similar. Most households derive income from wages and salaries; 28% of households receive Social Security benefits. Most residents work in the manufacturing and service industry sectors. Educational attainment levels are much lower than national levels; 31% of residents aged 25 years and older have not graduated from high school.

Residential

As the segment name implies, most of the Southern Satellites households-80%-are located in the South. Newer single-family dwellings and mobile homes are the primary housing types found in these neighborhoods. Two-thirds of the households are single-family dwellings; 30% are mobile homes. Homeownership is at 82%; the median home value is \$93,282, approximately half of the U.S. median. Nearly two-thirds of the housing units in these neighborhoods were built after 1969. Vacancy rates are slightly above average.

Preferences

These rural residents enjoy country life. Fishing and hunting are two favorite leisure activities, and Southern Satellites residents spend money for magazines, clothes, and gear related to these interests. Their taste in music is country. Satellite dishes are a necessity in these rural settings where cable is not always available.

Their households often include pets. Home activities do not include many home improvement projects, but they do invest time in vegetable gardening. They are likely to own riding mowers, garden tractors, and tillers. Trucks are also common in these neighborhoods. Southern Satellites households prefer domestic cars. Most households have two or more vehicles to meet their transportation needs.

Politically, they tend to consider themselves conservative. Newspaper and magazine readership is low, but they listen to the radio. Southern Satellites households enjoy watching television. Favorite channels include Country Music Television and ESPN; favorite programming includes NASCAR racing and fishing. Home personal computers and accessing the Internet have not made inroads in this market as much as in other segments.

C. Green Acres

Demographic

Married couples, with and without children, comprise 71% of the households in Green Acres. Many families are comprised of blue-collar baby boomers, many with children aged 6-17 years. With more than 10 million people, Green Acres represents the third largest population of all the Community Tapestry markets, currently more than 3% of the U.S. population, and growing by 1.6% annually. The median age is 40.6 years. This segment is not ethnically diverse; 93% percent of the residents are white.

Socioeconomic

Green Acres residents are educated and hardworking; more than half who are aged 25 and older hold a degree or attended college. Labor force participation is approximately 69%, with higher employment considerations in the manufacturing, construction, health care, and retail trade industry sectors. Approximately 17% of households derive income from self-employment ventures. Occupation distributions are similar to the United States. The median household income is \$63,922, and the median net worth is \$163,372.

Residential

Green Acres neighborhoods are located throughout the country but mainly in the Midwest and South. The highest state concentrations are found in Michigan, Ohio, and Pennsylvania. A little bit country, Green Acres residents live in pastoral settings of developing suburban fringe areas. Homeownership is at 88%. Approximately 87% of the household inventory is dominated by single-family dwellings. These newer homes carry a median value of \$205,460. Typical of rural residents, Green Acres households own multiple vehicles: 78 percent own two or more.

Preferences

Country living describes the lifestyle of Green Acres residents. Pet dogs or cats are considered part of the family. These do-it-yourselfers maintain and remodel their homes; projects including painting, installing carpet or insulation, or adding a deck or patio. They own all the necessary power tools, including routers, welders, sanders, and various saws, to finish their projects. Residents maintain their lawns, flower gardens, and vegetable gardens, again with the right tools. They own riding lawn mowers, garden tillers, tractors, and even separate home freezers for the harvest. Fitting in with the do-it-yourself mode, it is not surprising that Green Acres is the top market for owning a sewing machine. A favorite pastime is using their ice cream maker to produce homemade ice cream. They prefer motorcycles and full-size pickup trucks.

For exercise, Green Acres residents ride their mountain bikes and participate in water sports such as waterskiing, canoeing, and kayaking. Other activities include bird-watching, power boating, target shooting, hunting and attending auto racing events. They prefer to listen to college football, auto racing, and news-talk programs on the radio and read fishing, hunting, and motorcycle magazines. Accommodating the country lifestyle, many households watch TV by satellite dish instead of cable. Events they enjoy watching on TV include alpine skiing, ski jumping, motorcycle racing, equestrian events, and bicycle racing. A favorite station is the Speed Channel.

D. Midlife Junction

Demographic

Midlife Junction residents are phasing out their child-rearing years. The median age is 41.1 years; nearly one-fifth of residents are aged 65 years or older. Households in this market include a variety of family types as well as singles who live alone or share housing. Nearly half of the households are composed of married-couples; 31% are single-person households. Most of these residents are white.

Socioeconomic

Most Midlife Junction residents are still working, although at 61%, the labor force participation rate is slightly below average. One-third of the households are now drawing Social Security benefits. Both the median household income of \$47,683 and the median net worth of \$106,734 are slightly below the U.S. medians. Educational attainment levels are comparable to U.S. levels.

Residential

Midlife Junction communities are found in suburbs across the country, more in the South and Midwest than in the Northeast and West. Homeownership is at 67%, near the U.S. rate. Nearly two-thirds of the households are single-family structures; most of the remainder are apartments in multi-tenant buildings. The median home value of \$153,336 is somewhat lower than the U.S. median.

Preferences

As Midlife Junction residents pass from child rearing into retirement, they live quiet, settled lives. They have been planning and saving for their retirement, owning certificates of deposit and participating in IRA or 401(K) plans. They spend their money carefully and do not succumb to fads. Mindful of their expenses, they always search for bargains.

Midlife Junction residents enjoy dining out at full-service restaurants, particularly on weekends, and also take advantage of the convenience of fast-food restaurants. They favor domestic cars, and prefer to shop by mail or phone from catalogs such as L.L. Bean and Lands' End. They are comfortable shopping by phone or over the Internet. Comfortable with computer technology, they use email to communicate with friends and families. Residents enjoy practicing yoga, attending country music concerts and auto races, refinishing furniture, reading romance novels, and watching classic movies and TV.

E. Prosperous Empty Nesters

Demographic

Approximately 57% of householders in the Prosperous Empty Nesters segment are aged 55 years or older. Approximately 40% of householders are composed of married couples with no children living at home. Residents are enjoying the lifestage segue from child rearing to retirement. The median age is 48.5 years. Population growth in this segment is increasing slowly, at 0.6% annually, but the pace is likely to accelerate as the baby boomers mature. Prosperous Empty Nesters are not ethnically diverse; 90% are white.

Socioeconomic

With a median net worth of \$228,809, Prosperous Empty Nesters invest prudently for the future. The median household income is \$69,834. Although 71% of households derive income from wages and salaries, 59% receive income from investments, 38% collect Social Security benefits, and 28% receive retirement income. Approximately 40% of residents aged 25 years or older hold a bachelor's or graduate degree; another 29% have attended college. Many Prosperous Empty Nesters residents are still working in well-established careers holding professional and management positions, especially in the education and health care industry sectors.

Residential

Prosperous Empty Nesters residents live in well-established neighborhoods located throughout the United States; approximately one-third of these households are found on the eastern seaboard. These neighborhoods experience little turnover, with nominal change from year to year. Most housing units (77%) were built after 1980. Most housing is single-family structures, with a median home value of \$230,594.

Preferences

Prosperous Empty Nesters residents place a high value on their physical and financial well-being. Their investments including annuities, certificates of deposit held longer than six-months, mutual funds, money market funds, tax-exempt funds, and common stock. They have insurance to cover loss of income due to medical causes. Residents exercise regularly and take a multitude of vitamins. Leisure activities include refinishing furniture, playing golf and attending golf tournaments, going power boating, attending sports events (college basketball, college football, soccer, and ice hockey games), and going to the horse races. Shopping habits include ordering from catalogs by phone and using coupons. The clothing store of choice is Eddie Bauer. Households are likely to own or lease a luxury car.

Prosperous Empty Nesters residents take an active interest in their homes and communities. Home remodeling, home improvements, and lawn care are priorities. Their civic participation includes being a member of a civic club or charitable organization, engaging in fund-raising, writing to a radio station or newspaper editor, and working as a volunteer. Residents travel extensively, both at home and abroad, and are partial to staying at Super 8, Holiday Inn, or Comfort Inn. Reading preferences include mystery books, two or more daily newspapers, and business or finance magazines. Residents enjoy listening to new-talk, public, and sports radio and watching Home & Garden Television.

F. Rustbelt Retirees

Demographic

Married couple families with no children (34%) and singles who live alone (28%) comprise most of the households in Rustbelt Retirees neighborhoods. One-fifth of the households are married couples with children. This somewhat older market has a median age of 44.6 years. More than one-fifth of residents are aged 65 or older; one-fifth of householders are aged 75 or older. Approximately 17% of Rustbelt Retirees residents are veterans. This is not an ethnically diverse market; approximately 90% of the residents are white.

Socioeconomic

Approximately 60% of employed residents work in professional, management, sales, or office/administrative support positions. Although they are still working, labor force participation is low. Most households derive income from wages. However, 45% draw Social Security benefits; and 28% receive retirement income. The median household income is \$50,977, just below that of the U.S. median. The median net worth is \$131,002, slightly above the U.S. value. Overall, 83% of residents aged 25 years and older have graduated from high school, approximately 28% have attended college, and 18% hold a bachelor's or graduate degree.

Residential

Most Rustbelt Retirees neighborhoods can be found in older, industrial northeastern cities, especially in Pennsylvania, and other states surrounding the Great Lakes; 67% of the households are located in the Northeast and Midwest. In addition, 28% can be found in the South. Approximately 84% of these households are single-family homes with a median value of \$134,314. Three-fourths of the housing units were built before 1970. Unlike many retirees, those in the Rustbelt Retirees segment are not inclined to move.

Preferences

The hardworking Rustbelt Retirees residents are settled; they have lived in the same house for years. Loyal to their country and communities, they participate in volunteer and fund-raising work, visit elected officials, and work for political parties or candidates. Some are members of veterans' clubs. Rustbelt Retirees residents are practical individuals who take pride in their homes and gardens. They continue to update their homes with new furnishings and work on remodeling projects. They watch their pennies, looking for bargains at discount stores and warehouse clubs, and use coupons frequently. These residents own shares in tax-exempt funds and have substantial life insurance policies.

They dine out at family restaurant, such as Perkins and Friendly's, and would rather rent a movie on DVD than go out to the theater. Leisure activities include playing bingo, gambling in Atlantic City, going to horse races, working crosswords, and playing golf. Rustbelt Retirees residents enjoy a variety of programs on TV, especially home shows, sports events, news programs, game shows, and old TV shows. Favorite cable channels include QVC, Home & Garden Television, TV Land, and the Weather Channel. Residents listen to classic rock, oldies, and golf tournaments on the radio. They read the daily newspaper thoroughly.



Appendix II: Lancaster County Retail Demand Analysis

A. Taxable Retail Sales, 2009-2020

Appendix Table I: Taxable Retail Sales, Lancaster County, 2009-2020

| Business Category | % of Income | 2009 Taxable Sales | 2015 Taxable Sales | 2020 Taxable Sales | 2009-2020 Change |
|--------------------------------------|------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------------|
| Supermarkets & Other Groceries | 5.97% | \$89,815,649 | \$101,546,245 | \$114,383,933 | \$24,568,284 |
| Food Services - Restaurants | 4.56% | \$68,694,070 | \$77,666,029 | \$87,484,730 | \$18,790,661 |
| Other General Merchandise Stores | 4.48% | \$67,387,046 | \$76,188,299 | \$85,820,182 | \$18,433,136 |
| Building Material & Supply Dealers | 3.84% | \$57,732,245 | \$65,272,508 | \$73,524,395 | \$15,792,150 |
| Pharmacies & Drug Stores | 2.39% | \$35,916,916 | \$40,607,934 | \$45,741,673 | \$9,824,758 |
| Clothing Stores | 1.94% | \$29,235,814 | \$33,054,230 | \$37,233,015 | \$7,997,201 |
| Discount Department Stores | 1.45% | \$21,761,044 | \$24,603,199 | \$27,713,587 | \$5,952,543 |
| Department Stores | 1.02% | \$15,376,891 | \$17,385,228 | \$19,583,104 | \$4,206,214 |
| Electronics & Appliances | 0.82% | \$12,370,620 | \$13,986,316 | \$15,754,495 | \$3,383,875 |
| Furniture Stores | 0.68% | \$10,210,700 | \$11,544,293 | \$13,003,747 | \$2,793,047 |
| Home Furnishings | 0.58% | \$8,678,685 | \$9,812,186 | \$11,052,663 | \$2,373,978 |
| Shoe Stores | 0.37% | \$5,607,222 | \$6,339,567 | \$7,141,028 | \$1,533,806 |
| Lawn & Garden Equipment | 0.34% | \$5,145,028 | \$5,817,007 | \$6,552,406 | \$1,407,377 |
| Beer, Wine & Liquor Stores | 0.34% | \$5,111,288 | \$5,778,860 | \$6,509,436 | \$1,398,148 |
| Jewelry Stores | 0.31% | \$4,617,024 | \$5,220,042 | \$5,879,971 | \$1,262,947 |
| Office Supplies & Stationery | 0.29% | \$4,402,121 | \$4,977,071 | \$5,606,283 | \$1,204,162 |
| Convenience Stores | 0.28% | \$4,240,568 | \$4,794,418 | \$5,400,538 | \$1,159,970 |
| Sporting Goods | 0.28% | \$4,172,219 | \$4,717,142 | \$5,313,493 | \$1,141,274 |
| Gift & Novelty Stores | 0.23% | \$3,456,120 | \$3,907,515 | \$4,401,512 | \$945,391 |
| Book Stores | 0.19% | \$2,894,242 | \$3,272,252 | \$3,685,937 | \$791,695 |
| Drinking Places - Bars | 0.18% | \$2,662,452 | \$3,010,189 | \$3,390,743 | \$728,291 |
| Laundries and Dry Cleaners | 0.16% | \$2,401,449 | \$2,715,096 | \$3,058,344 | \$656,895 |
| Hair, Nail & Skin Services | 0.16% | \$2,388,002 | \$2,699,893 | \$3,041,220 | \$653,217 |
| Hobby, Toy & Games | 0.16% | \$2,357,052 | \$2,664,900 | \$3,001,802 | \$644,751 |
| Motion Picture Theaters | 0.12% | \$1,806,337 | \$2,042,259 | \$2,300,445 | \$494,108 |
| Fitness Centers | 0.12% | \$1,733,388 | \$1,959,782 | \$2,207,542 | \$474,153 |
| Specialty Food Stores | 0.11% | \$1,595,404 | \$1,803,775 | \$2,031,812 | \$436,409 |
| Florists | 0.08% | \$1,216,325 | \$1,375,186 | \$1,549,040 | \$332,715 |
| Cosmetics, Beauty Supplies & Perfume | 0.08% | \$1,156,043 | \$1,307,031 | \$1,472,269 | \$316,226 |
| Pets & Pet Supplies | 0.07% | \$1,117,760 | \$1,263,747 | \$1,423,513 | \$305,753 |
| Photofinishing | 0.01% | \$195,293 | \$220,800 | \$248,714 | \$53,421 |
| Luggage & Leather Goods | 0.01% | \$155,306 | \$175,590 | \$197,789 | \$42,483 |
| News Dealers & Newsstands | 0.01% | \$91,617 | \$103,583 | \$116,678 | \$25,061 |
| Total | 31.60% | \$475,701,940 | \$537,832,173 | \$605,826,037 | \$130,124,098 |

Source: SC Department of Revenue and Warren & Associates

B. 2009 Retail Total Sales and Square Feet Demand

Appendix Table II: Square Feet Demand, Lancaster County, 2009

| Retail Category | Total Sales | Sales Per Sq. Ft. | Square Feet Demand |
|--------------------------------------|----------------------|--------------------------|---------------------------|
| Supermarkets & Other Groceries | \$89,815,649 | \$410 | 219,063 |
| Food Services - Restaurants | \$68,694,070 | \$350 | 196,269 |
| Other General Merchandise Stores | \$67,387,046 | \$440 | 153,152 |
| Building Material & Supply Dealers | \$57,732,245 | \$260 | 222,047 |
| Pharmacies & Drug Stores | \$35,916,916 | \$300 | 119,723 |
| Clothing Stores | \$29,235,814 | \$275 | 106,312 |
| Discount Department Stores | \$21,761,044 | \$275 | 79,131 |
| Department Stores | \$15,376,891 | \$275 | 55,916 |
| Electronics & Appliances | \$12,370,620 | \$255 | 48,512 |
| Furniture Stores | \$10,210,700 | \$180 | 56,726 |
| Home Furnishings | \$8,678,685 | \$275 | 31,559 |
| Shoe Stores | \$5,607,222 | \$275 | 20,390 |
| Lawn & Garden Equipment | \$5,145,028 | \$260 | 19,789 |
| Beer, Wine & Liquor Stores | \$5,111,288 | \$270 | 18,931 |
| Jewelry Stores | \$4,617,024 | \$300 | 15,390 |
| Office Supplies & Stationery | \$4,402,121 | \$300 | 14,674 |
| Convenience Stores | \$4,240,568 | \$230 | 18,437 |
| Sporting Goods | \$4,172,219 | \$150 | 27,815 |
| Gift & Novelty Stores | \$3,456,120 | \$140 | 24,687 |
| Book Stores | \$2,894,242 | \$140 | 20,673 |
| Drinking Places - Bars | \$2,662,452 | \$275 | 9,682 |
| Laundries and Dry Cleaners | \$2,401,449 | \$300 | 8,005 |
| Hair, Nail & Skin Services | \$2,388,002 | \$275 | 8,684 |
| Hobby, Toy & Games | \$2,357,052 | \$240 | 9,821 |
| Motion Picture Theaters | \$1,806,337 | \$350 | 5,161 |
| Fitness Centers | \$1,733,388 | \$200 | 8,667 |
| Specialty Food Stores | \$1,595,404 | \$400 | 3,989 |
| Florists | \$1,216,325 | \$300 | 4,054 |
| Cosmetics, Beauty Supplies & Perfume | \$1,156,043 | \$200 | 5,780 |
| Pets & Pet Supplies | \$1,117,760 | \$250 | 4,471 |
| Photofinishing | \$195,293 | \$345 | 566 |
| Luggage & Leather Goods | \$155,306 | \$350 | 444 |
| News Dealers & Newsstands | \$91,617 | \$100 | 916 |
| Total | \$475,701,940 | \$309 | 1,539,434 |

Source: SC Department of Revenue and Warren & Associates

C. 2015 Retail Total Sales and Square Feet Demand

Appendix Table II: Square Feet Demand, Lancaster County, 2015

| Retail Category | Total Sales | Sales Per Sq. Ft. | Square Feet Demand |
|--------------------------------------|----------------------|--------------------------|---------------------------|
| Supermarkets & Other Groceries | \$101,546,245 | \$410 | 247,674 |
| Food Services - Restaurants | \$77,666,029 | \$350 | 221,903 |
| Other General Merchandise Stores | \$76,188,299 | \$440 | 173,155 |
| Building Material & Supply Dealers | \$65,272,508 | \$260 | 251,048 |
| Pharmacies & Drug Stores | \$40,607,934 | \$300 | 135,360 |
| Clothing Stores | \$33,054,230 | \$275 | 120,197 |
| Discount Department Stores | \$24,603,199 | \$275 | 89,466 |
| Department Stores | \$17,385,228 | \$275 | 63,219 |
| Electronics & Appliances | \$13,986,316 | \$255 | 54,848 |
| Furniture Stores | \$11,544,293 | \$180 | 64,135 |
| Home Furnishings | \$9,812,186 | \$275 | 35,681 |
| Shoe Stores | \$6,339,567 | \$275 | 23,053 |
| Lawn & Garden Equipment | \$5,817,007 | \$260 | 22,373 |
| Beer, Wine & Liquor Stores | \$5,778,860 | \$270 | 21,403 |
| Jewelry Stores | \$5,220,042 | \$300 | 17,400 |
| Office Supplies & Stationery | \$4,977,071 | \$300 | 16,590 |
| Convenience Stores | \$4,794,418 | \$230 | 20,845 |
| Sporting Goods | \$4,717,142 | \$150 | 31,448 |
| Gift & Novelty Stores | \$3,907,515 | \$140 | 27,911 |
| Book Stores | \$3,272,252 | \$140 | 23,373 |
| Drinking Places - Bars | \$3,010,189 | \$275 | 10,946 |
| Laundries and Dry Cleaners | \$2,715,096 | \$300 | 9,050 |
| Hair, Nail & Skin Services | \$2,699,893 | \$275 | 9,818 |
| Hobby, Toy & Games | \$2,664,900 | \$240 | 11,104 |
| Motion Picture Theaters | \$2,042,259 | \$350 | 5,835 |
| Fitness Centers | \$1,959,782 | \$200 | 9,799 |
| Specialty Food Stores | \$1,803,775 | \$400 | 4,509 |
| Florists | \$1,375,186 | \$300 | 4,584 |
| Cosmetics, Beauty Supplies & Perfume | \$1,307,031 | \$200 | 6,535 |
| Pets & Pet Supplies | \$1,263,747 | \$250 | 5,055 |
| Photofinishing | \$220,800 | \$345 | 640 |
| Luggage & Leather Goods | \$175,590 | \$350 | 502 |
| News Dealers & Newsstands | \$103,583 | \$100 | 1,036 |
| Total | \$537,832,173 | \$309 | 1,740,496 |

Source: SC Department of Revenue and Warren & Associates

D. 2020 Retail Total Sales and Square Feet Demand

Appendix Table II: Square Feet Demand, Lancaster County, 2020

| Retail Category | Total Sales | Sales Per Sq. Ft. | Square Feet Demand |
|--------------------------------------|----------------------|--------------------------|---------------------------|
| Supermarkets & Other Groceries | \$114,383,933 | \$410 | 278,985 |
| Food Services - Restaurants | \$87,484,730 | \$350 | 249,956 |
| Other General Merchandise Stores | \$85,820,182 | \$440 | 195,046 |
| Building Material & Supply Dealers | \$73,524,395 | \$260 | 282,786 |
| Pharmacies & Drug Stores | \$45,741,673 | \$300 | 152,472 |
| Clothing Stores | \$37,233,015 | \$275 | 135,393 |
| Discount Department Stores | \$27,713,587 | \$275 | 100,777 |
| Department Stores | \$19,583,104 | \$275 | 71,211 |
| Electronics & Appliances | \$15,754,495 | \$255 | 61,782 |
| Furniture Stores | \$13,003,747 | \$180 | 72,243 |
| Home Furnishings | \$11,052,663 | \$275 | 40,192 |
| Shoe Stores | \$7,141,028 | \$275 | 25,967 |
| Lawn & Garden Equipment | \$6,552,406 | \$260 | 25,202 |
| Beer, Wine & Liquor Stores | \$6,509,436 | \$270 | 24,109 |
| Jewelry Stores | \$5,879,971 | \$300 | 19,600 |
| Office Supplies & Stationery | \$5,606,283 | \$300 | 18,688 |
| Convenience Stores | \$5,400,538 | \$230 | 23,481 |
| Sporting Goods | \$5,313,493 | \$150 | 35,423 |
| Gift & Novelty Stores | \$4,401,512 | \$140 | 31,439 |
| Book Stores | \$3,685,937 | \$140 | 26,328 |
| Drinking Places - Bars | \$3,390,743 | \$275 | 12,330 |
| Laundries and Dry Cleaners | \$3,058,344 | \$300 | 10,194 |
| Hair, Nail & Skin Services | \$3,041,220 | \$275 | 11,059 |
| Hobby, Toy & Games | \$3,001,802 | \$240 | 12,508 |
| Motion Picture Theaters | \$2,300,445 | \$350 | 6,573 |
| Fitness Centers | \$2,207,542 | \$200 | 11,038 |
| Specialty Food Stores | \$2,031,812 | \$400 | 5,080 |
| Florists | \$1,549,040 | \$300 | 5,163 |
| Cosmetics, Beauty Supplies & Perfume | \$1,472,269 | \$200 | 7,361 |
| Pets & Pet Supplies | \$1,423,513 | \$250 | 5,694 |
| Photofinishing | \$248,714 | \$345 | 721 |
| Luggage & Leather Goods | \$197,789 | \$350 | 565 |
| News Dealers & Newsstands | \$116,678 | \$100 | 1,167 |
| Total | \$605,826,037 | \$309 | 1,960,533 |

Source: SC Department of Revenue and Warren & Associates