# MARKET ASSESSMENT

## Kitson Mill and Uptown Greenwood

City of Greenwood, SC

NOVEMBER 2017 | VERSION 1

Kimley»Horn

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# Project Overview

In collaboration with Benchmark, Kimley-Horn was retained by the City of Greenwood to conduct a market assessment as part of an analysis of Uptown and the former Kitson Mill site (also known as Greenwood Mill #5). This analysis documents existing conditions from a demographic and real estate market perspective, and, ultimately, forecasts supportable residential and commercial demand for the two areas.

Located in Greenwood County, the City of Greenwood is approximately 55 miles southeast of Greenville and 75 miles west of Columbia. According to the US Census Bureau, the City has a total area of 1.4 miles, served primarily by US 221 and US 78, as well as State Routes 72 and 34. Greenwood is located between the Saluda and Savannah rivers, offering recreational opportunities within one hour of Uptown.

As previously noted, there are two focus areas for this market analysis: first, Uptown Greenwood, and secondly, the Kitson Mill property. Uptown is oriented around Greenwood's central business district and encompasses the Main Street square, with the eastern limit being Phoenix Street and the western limit being Edgefield Avenue. This area is designated the Uptown Greenwood Special Tax District and includes approximately 13 city blocks and 57 acres of property. The special tax district is governed by the Uptown Greenwood Development Corporation (UGDC). The district was recently expanded for the first time since its creation in 1984 to include a 53,000-square-foot, 6-acre shopping center across the railroad tracks directly north of the previous northern border of Uptown Greenwood.

In the past several years, Uptown Greenwood has experienced growth especially in its dining and entertainment venues, such as the Mill House and neighboring brewery. A building that formerly housed a textile mill and J.C. Penney was also recently redeveloped for mixed-use including retail on the first floor and condominiums for sale ranging from $250,000 to $298,000 on the upper floors.

Also within Uptown Greenwood is an arts and cultural district branded as the Emerald Triangle, which contains the Greenwood Museum, Greenwood Community Theatre, Uptown Market, and Greenwood Federal Building, a historically significant building that is home to the Uptown Greenwood Development Corporation (UGDC) and the Arts Council of Greenwood County. In addition to these organizations, there is a wide variety of uses in Uptown Greenwood, including local restaurants, bars, commercial businesses and shops, professional and medical offices, small businesses, and a hotel. Main Street, which bisects Uptown Greenwood, is purportedly the widest in the country as a result of five major railroads that once ran through the center of the city.

Uptown Greenwood is home to two annual festivals that attract visitors from around the state and region. The award-winning South Carolina Festival of Flowers began as a 100th anniversary celebration of the George W. Park Seed Company in 1968, and celebrated its 50th year in June 2017. The economic impact of the festival totaled $3.3 million in 2016 and reached a record of over 80,000 visitors in recent years. As part of the festival, 40-plus topiaries are arranged throughout the square. The South Carolina Festival of Discovery, which includes a music component called the Greenwood Blues Cruise, also takes place in Uptown Greenwood. It was founded in 2000 as a celebration of the state's history and culture. In 2016, the festival had an estimated economic impact of more than $2.1 million and an estimated attendance of 38,000 visitors.

West of the Emerald Triangle across the railroad tracks and beyond Uptown Greenwood's border is one of three Eaton Corporation locations within the county. Eaton Corporation is a multi-national power company. Northwest of this Eaton Corporation property is the Kitson Mill site, which is being considered for redevelopment.

Owned by the City of Greenwood, the former Kitson Mill property is located at 700 Kitson Street. Prior to demolition, the property hosted a textile mill that opened in 1890 and closed in 2008. The City of Greenwood was awarded funds to assess the property in 2012, and the resulting environmental studies revealed that the site was contaminated at levels above the Environmental Protection Agency's Regional Screening Levels. Before beginning the process of mitigating the environmental risks on the property, the City of Greenwood would like to have a viable developer identified. This market analysis could be leveraged to attract potential candidates and inform them of the site's potential.

# Economic Anchors

## *Lander University*

Located north of Uptown Greenwood within city limits on a 190-acre campus, Lander University is the second smallest publicly-funded university in South Carolina. Founded in 1872 as Williamstown Female College, the institution moved to its current location in 1904 and was renamed after its founder. The school began admitting male students in 1943 and transitioned from a private institution to being state-funded in 1973. It has since undergone several expansions and additions, including an update to old facilities, new housing complexes, athletic fields, and parking lots.

Lander University hosts approximately 560 employees, including 123 full-time faculty members, and nearly 2,700 students enrolled in more than 60 undergraduate programs and handful of graduate and continuing education programs. The school primarily attracts students from a seven-county upstate mega-region: Greenville, Laurens, Edgefield, Abbeville, McCormick, Newberry, and Saluda. In 2015, the university's endowment totaled $16.1 million.

## *Self Regional Healthcare*

Self Regional Healthcare is a not-for-profit, regional-referral hospital that anchors the City of Greenwood's medical district off South Main Street. It is surrounded by several medical offices and related businesses. The hospital is the largest employer in Greenwood County with nearly 2,300 employees. It was founded in 1951 by textile industry leader and prominent local philanthropist, James C. Self. Services currently provided include acute and tertiary care, cancer care, neurosurgery, heart and vascular surgery, NICU, orthopedics, genetics, and prevention and wellness care. The 450-bed hospital has an affiliate network, Self Medical Group, which has 25 primary and specialty care practices consisting of over 75 physicians.

## Greenwood Genetics Center

Founded in 1974, the Greenwood Genetics Center (GGC) is a non-profit medical organization that provides clinical genetic services, diagnostic laboratory testing, educational programs, and genetics research. GGC has approximately 170 employees and provides over 27,000 lab tests annually. Earlier this year, a $5.4 million expansion was announced to add new testing equipment and laboratory technologists and scientists. Satellite offices are located in Charleston, Columbia, Florence, and Greenville. The GGC campus is west of Self Regional Health care and there are other medical offices within and adjacent to the campus, including the Carolina Health Children's Center and Western Carolina Oral Surgery.

Initially announced in 2013, the GGC campus received its first academic addition this year when the Clemson Center for Human Genetics opened in the newly constructed Self Regional Hall. This state-of-the-art facility is 17,000 square feet and houses eight laboratories, several classrooms, conference rooms, and offices. The facility sits on 15 acres that were donated by Greenwood County. Reportedly, Clemson paid for the project through $5 million in economic development bonds and $1.5 million was contributed by Greenwood County. Self Regional Healthcare also awarded the Clemson Center and GGC $5.6 million to support genetics research, including $2 million to help create an endowed chair at the new human genetics facility.

## Manufacturing Industry

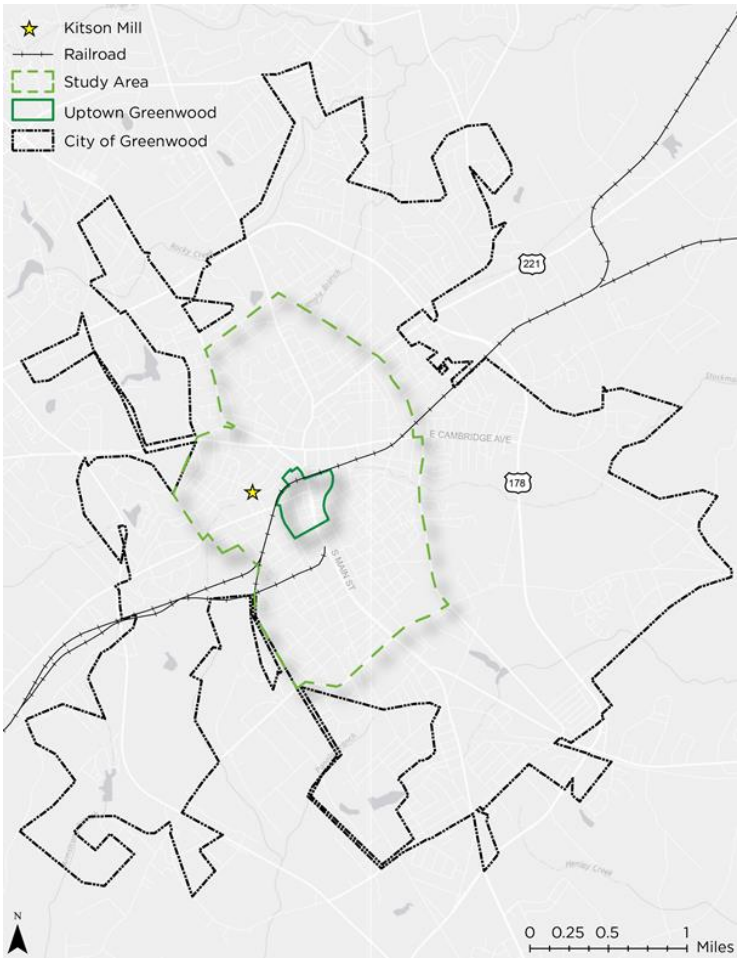
Greenwood and the larger county and upstate region have a long history of manufacturing that is rooted in the textile industry. The county was the hardest hit in the country during the recession after several factories and mills, the backbone of the region's economy, closed during the time period from 2006 to 2010. The poverty rate more than doubled during this time, reaching 24%, the largest increase in the country. In the years since, local boosters and leaders have made a deliberate effort to diversify and have been successful in expanding industries, such as food processing, advanced materials, wood products, and healthcare. In 2016, over 20% of the county workforce remained employed in the manufacturing sector.

Major manufacturing employers in the region include Eaton Corporation (1,275 local employees), which has three locations in the county; Fujifilm Manufacturing U.S.A. (1,000 employees), which was established in Greenwood in 1988 and announced in 2014 that it would invest over $50 million in its local headquarters; Capsugel (600 employees), which opened a $3 million, 9,600-square-foot Quality Control Laboratory; and Colgate-Palmolive (300 employees), which finished construction in 2016 on its $196-million, 525,000-square-foot manufacturing plant that will create approximately 300 jobs.

# Demographic Profile

This section analyzes population and household trends by age, income, and tenure for the 2-county Greenwood micropolitan statistical area (µSA), and more specifically for Greenwood County and a study area surrounding Kitson Mill and Uptown Greenwood. Ethnic diversity, educational attainment, and high-level lifestyle preferences through a Tapestry Segmentation analysis are also provided. Geographies used in this analysis demonstrate both regional and localized shifts in population characteristics. Understanding these shifts is important to accurately project future real estate demand for the Kitson Mill Study Area. For the purpose of this analysis, geographies are described as follows:

- The ***Greenwood µSA***, a two-county area designated by the United States Office of Budget and Management, is the largest micropolitan area in the state of South Carolina. It is included in the Greenville-Spartanburg-Anderson, SC Combined Statistical Area.
- Since many third-party sources, including the State of South Carolina, provide trend and forecast scenarios on a county-wide basis, measures for ***Greenwood County*** have been included in this analysis. Greenwood County currently comprises approximately 74% of the two-county µSA region's population base.
- The focus of this analysis, the ***Kitson Mill Study Area***, contains over 2,000 acres and was defined to encompass both Uptown Greenwood and the Kitson Mill site. The Study Area is roughly defined by the city boundary and N Mathis Street to the west, Laurel Avenue West to the north, Cokesbury and New Market Streets to the east, and Marshall Road and Epting Avenue to the south. This analysis relies on a larger study area to determine momentum in the surrounding neighborhoods that could generate additional future demand for the two target areas.



*Map 1: Kitson Mill Study Area, 2017*

## *Population*

The Kitson Mill Study Area had an estimated 9,271 residents in 2016 (Table 1). The population stayed relatively stable from 2000 to 2016 with the number of new residents roughly offsetting any losses over the 16-year period. Comparatively, population in Greenwood County experienced a modest increase of 4.4% since 2000 and the larger µSA experienced a growth rate of 2.2%.

*Table 1: Comparison of Population Trends, 2000-2016*

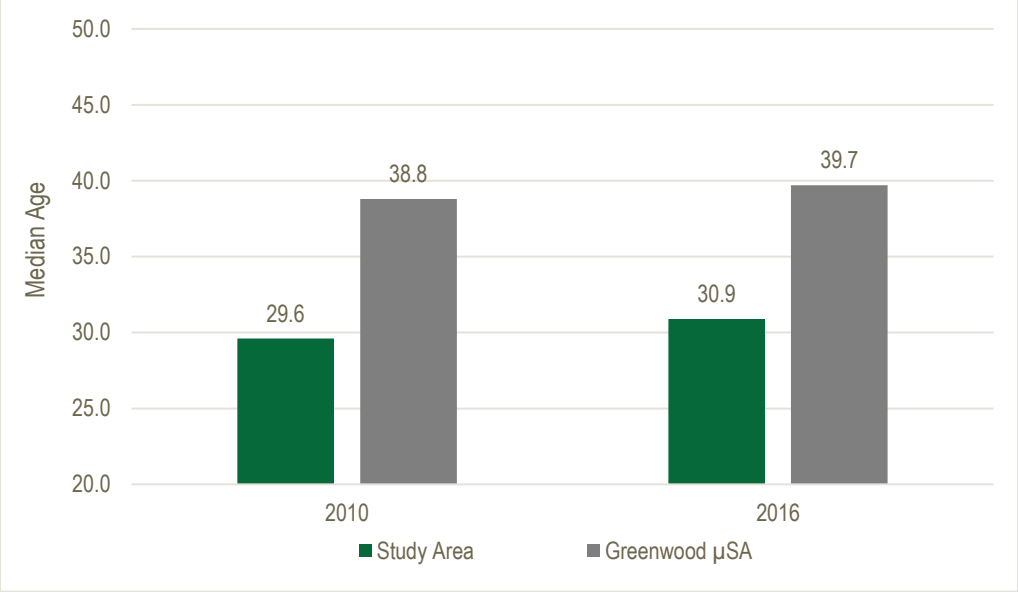
| | | | | 2000-2016 Δ | | |
|---|---|---|---|---|---|---|
| **Area** | **2000** | **2010** | **2016** | **#** | **%** | **CAGR** |
| Study Area | 9,279 | 9,211 | 9,271 | -8 | -0.1% | 0.0% |
| Greenwood County | 66,271 | 69,661 | 69,214 | 2,943 | 4.4% | 0.3% |
| Greenwood µSA | 92,438 | 95,078 | 94,492 | 2,054 | 2.2% | 0.1% |
| **Study Area % Region** | **10.0%** | **9.7%** | **9.8%** | | | |

Source: ESRI Business Analysis Online; Kimley-Horn

## Median Age

The average age in the Kitson Mill Study Area in 2016 was estimated at 30.9, considerably younger than measures demonstrated in the County and the larger Greenwood µSA (Graph 1). The younger average age is likely influenced by the presence of Lander University and students residing in both on- and off-site options near the campus. Since 2010, the average age in the Study Area, County, and the Greenwood µSA increased. This is consistent with national trends, tracking with the aging of the large Baby Boomer generation.

*Graph 1: Comparison of Median Age Trends, 2010-2016*

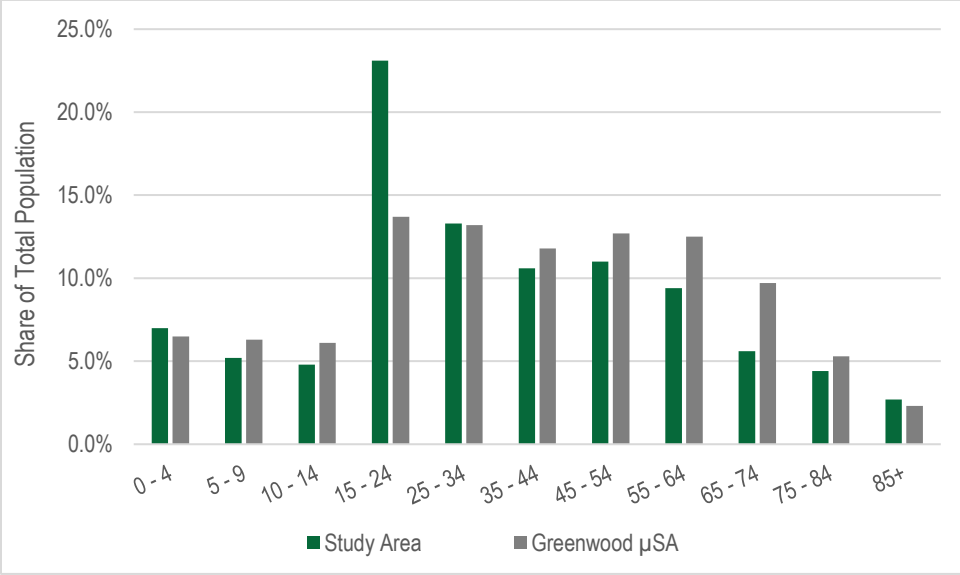



Source: ESRI Business Analysis Online; Kimley-Horn

## Population by Age Cohort

Graph 2 compares the breakdown of population by age cohort for the Kitson Mill Study Area and the Greenwood µSA in 2016. Residents aged 15 to 24 represent the largest age cohort (23.1%) in the Study Area, largely due to the presence of Lander University. The second largest cohort is age 25-34 at 13.3%. Comparatively, the Greenwood µSA has higher shares of younger, school-aged children and their parents, as well as older residents nearing retirement. These cohorts are likely locating outside of the Study Area, seeking access to larger houses in high-performing school districts.

*Graph 2: Comparison of Shares of Population by Age Cohort, 2016*

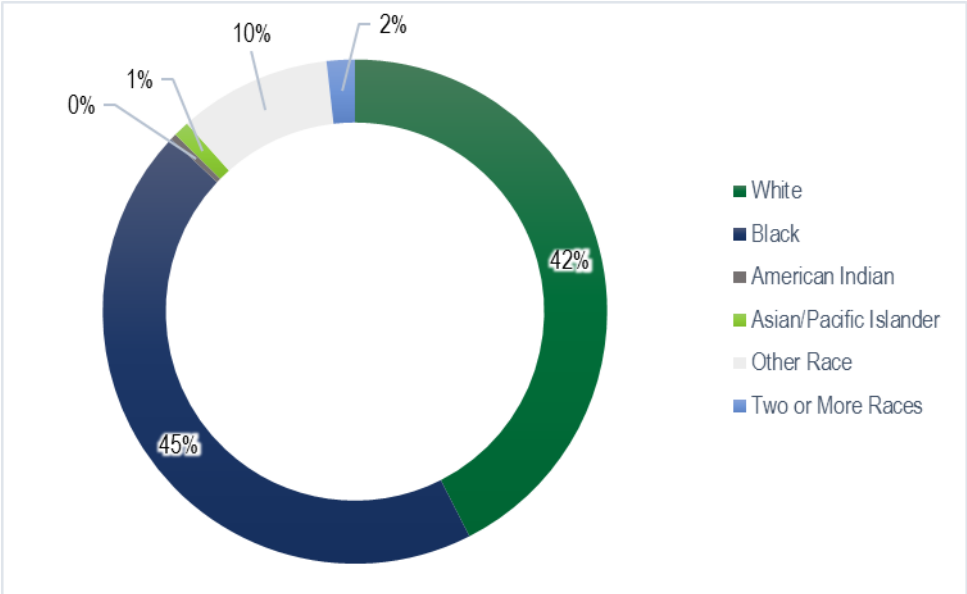



Source: ESRI Business Analysis Online; Kimley-Horn

## Ethnic Diversity

Graph 3 shows the racial makeup of the Kitson Mill Study Area in 2016. The total population is comprised of similar shares of residents that identify as White (42%) and as Black (45%). As a point of comparison, about 62% of the population in the County and 64% in the µSA are White. Another 10% of the population in the Study Area identify as some other race. Not noted in the graph below are residents of Hispanic origin, which can identify with any race. Approximately 13.6% of Study Area residents are of Hispanic Origin, compared to 4.8% for the whole region.

*Graph 3: Ethnic Diversity, Study Area, 2016*

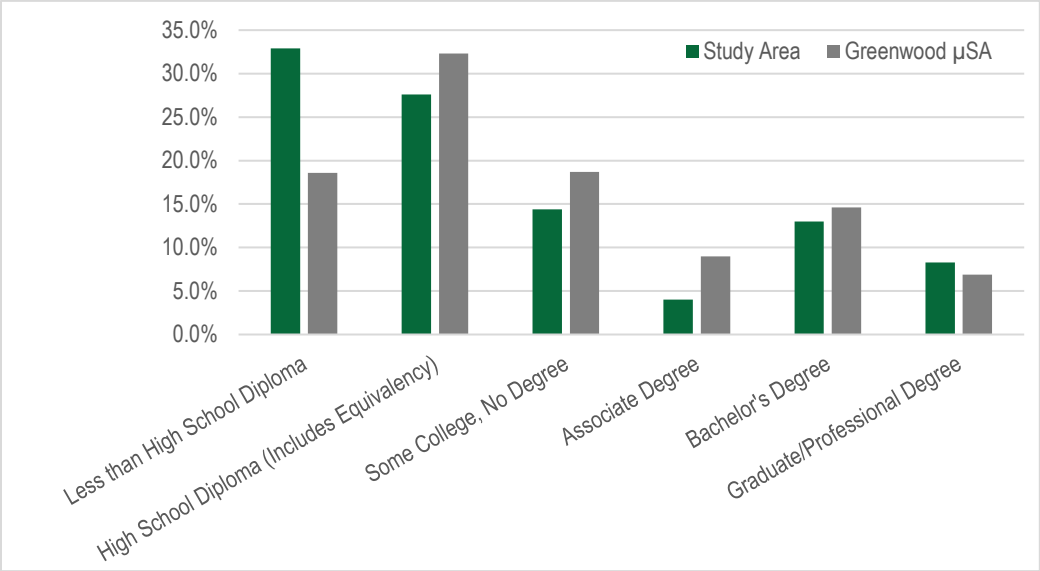



Source: ESRI Business Analysis Online; Kimley-Horn

## Educational Attainment

Graph 4 compares educational attainment in the Kitson Mill Study Area with the larger Greenwood µSA for population over the age of 25. The Study Area has a comparatively higher share of residents with less than a high school diploma, but also outperforms for the share of residents with graduate or professional degrees. The higher share of residents with a graduate degree could be influenced by proximity to Lander University and Self Region's main hospital campus. In total, approximately 39.7% of the population in the Kitson Mill Study Area has completed at least some level of higher education while 49.2% has in the larger Greenwood µSA.

*Graph 4: Comparison of Educational Attainment, 2016*




Source: ESRI Business Analysis Online; Kimley-Horn

## Households

The Kitson Mill Study Area had an estimated 3,340 households in 2016, a slight decline from 3,397 in 2000. Similar to population trends, the Study Area's overall capture of regional growth slightly decreased from 3.7% in 2000 to 3.5% in 2016 (Table 2). During the same time period, Greenwood County increased by 8.2% and the Greenwood µSA grew by 2.2%, revealing that the region's growth was primarily concentrated in Greenwood County, outside of the Study Area.

*Table 2: Comparison of Household Trends, 2000-2016*

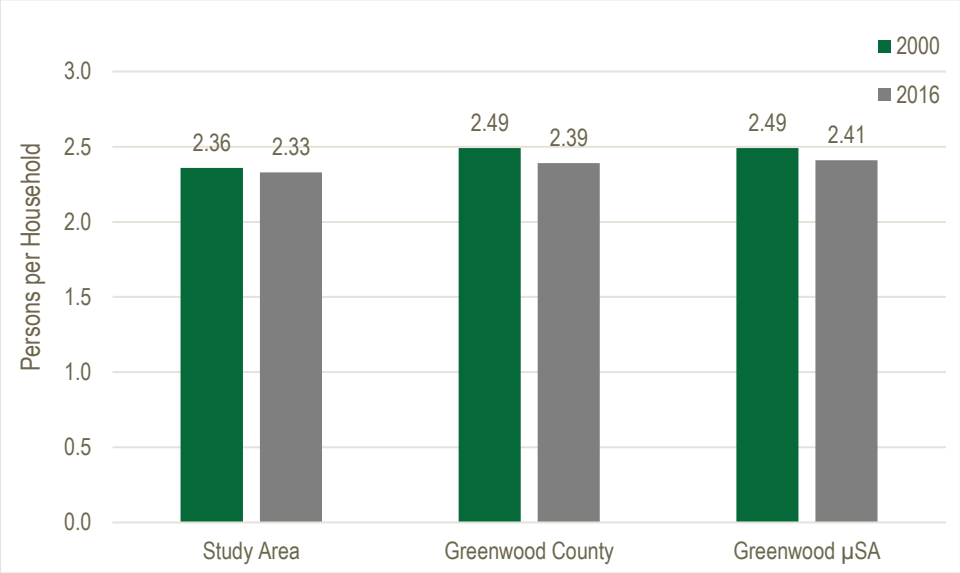
| | | | | 2000-2016 Δ | | |
|---|---|---|---|---|---|---|
| **Area** | **2000** | **2010** | **2016** | **#** | **%** | **CAGR** |
| Study Area | 3,397 | 3,262 | 3,340 | -57 | -1.7% | -0.1% |
| Greenwood County | 25,729 | 27,547 | 27,846 | 2,117 | 8.2% | 0.5% |
| Greenwood µSA | 92,438 | 95,078 | 94,492 | 2,054 | 2.2% | 0.1% |
| **Study Area % Region** | **3.7%** | **3.4%** | **3.5%** | | | |

Source: ESRI Business Analysis Online; Kimley-Horn

## Household Size

Nationally, the increase in Millennial and Baby Boomer residents has caused a gradual decline in average household size. All three geographies exhibited this pattern from 2000 to 2016, with the Study Area experiencing a small drop in household size from 2.36 to 2.33. Greenwood County experienced the largest decline dropping from 2.49 to 2.39. Households with children are a minority in all three geographies: 26% in the Study Area and 31% in both Greenwood County and the μSA.

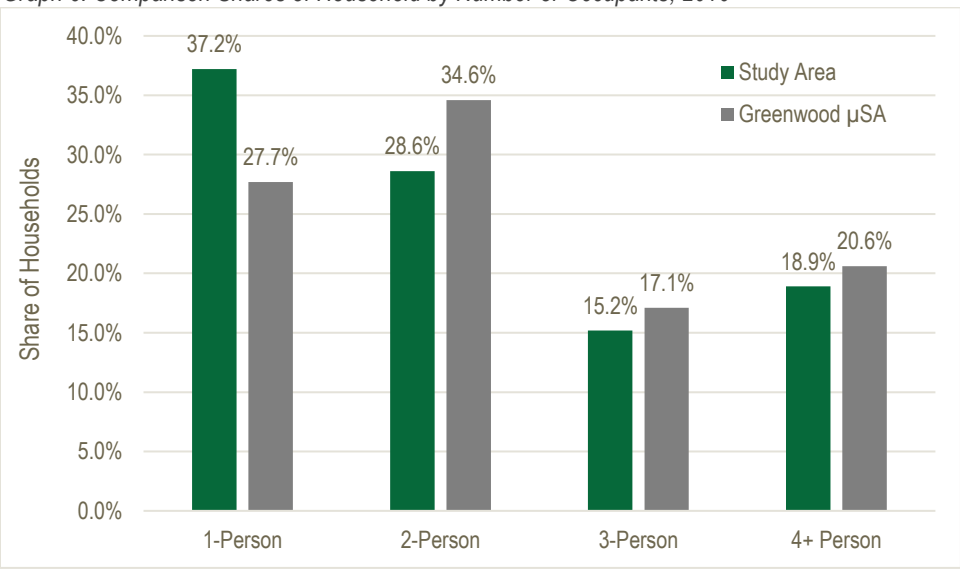
*Graph 5: Comparison of Average Household Size, 2000-2016*




Source: ESRI Business Analysis Online; Kimley-Horn

As shown in Graph 6, one-person households are the most common in the Study Area, followed by two-person households. Households with two or fewer members make up 66% of households in the Study Area, slightly more than the μSA (63%). The most prevalent household size in the μSA is two-person.

*Graph 6: Comparison Shares of Household by Number of Occupants, 2010*

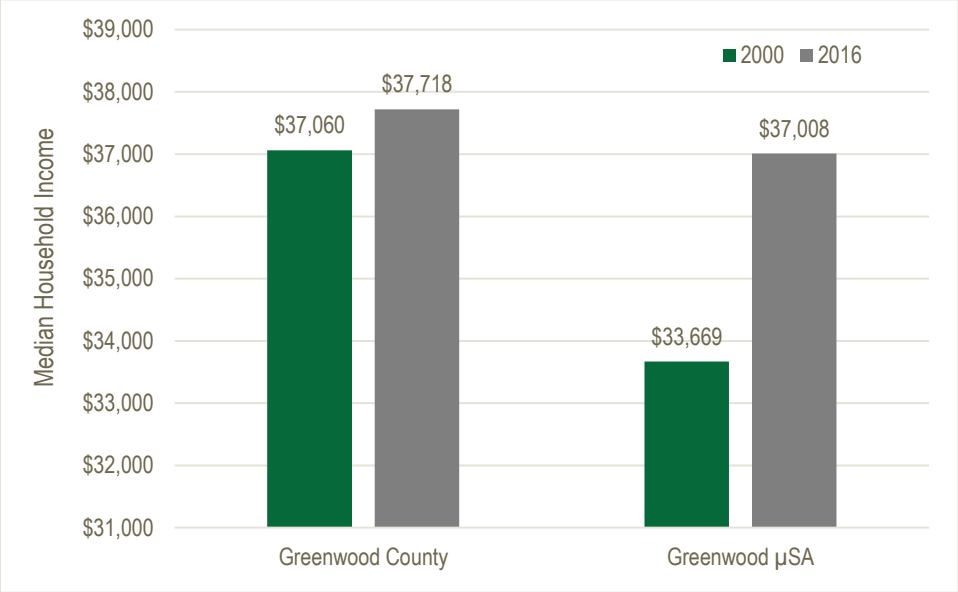



Source: ESRI Business Analysis Online; Kimley-Horn

## Median Household Income

Graph 7 shows the median household incomes for Greenwood County and the Greenwood µSA in 2000 and 2016. The County's median household income in 2016 was estimated at $37,718, higher than $37,008 for the µSA. While both geographies experienced an increase in median income since 2000, the µSA demonstrated stronger growth at 9.9%. The Kitson Mill Study Area has an estimated 2016 median household income of $27,342, notably lower than the County and µSA.

*Graph 7: Comparison of Median Household Income, 2000-2016*




Source: ESRI Business Analysis Online; Kimley-Horn and Associates

## Households by Income Cohort

Representing approximately 30% of all households in the Study Area, the concentration in the under-$15,000 income cohort is higher than the larger Greenwood µSA (19%), which may partly be due to the higher concentration of students (Graph 8). The µSA has higher shares of households earning between $50,000 and $199,999 annually. The income cohorts predicted to experience the most growth between 2016 and 2022 in the Study Area are $150,000-$199,999 (32.1%) and $35,0000-$49,999 (25.8%). The income cohort $150,000-$199,999 also has the largest projected growth rate for the µSA (25.8%), followed by the cohort $100,000-$149,999 (20.8%).

*Graph 8: Comparison of Share of Households by Income Cohort, 2016*

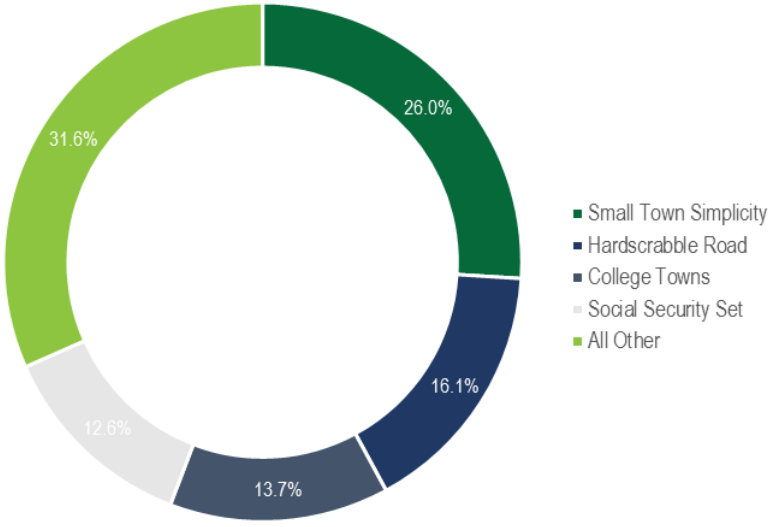
Source: ESRI Business Analysis Online; Kimley-Horn

## *Tapestry Segmentation Analysis*

Tapestry segmentation, provided by Environmental Systems Research Institute, divides households into 67 groups based on consumer spending patterns and lifestyle attributes. Data provided in this type of analysis is increasingly being used by developers, builders, and retail tenants in the site selection and due diligence process.

Small Town Simplicity comprises the largest tapestry segment at 26.0%, followed by Hardscrabble Road at 16.1%. The most influential tapestry segments in the Study Area represent residents who are cost-conscious, have mixed feelings towards technology, and typically seek multiunit rentals and single-family housing products. Brief descriptions of the four most common tapestries in the Kitson Mill Study Area are provided below.

*Graph 9: Share of Households by Tapestry Segment, Study Area, 2016*



## SMALLTOWN SIMPLICITY (26.0%)

In these neighborhoods, the lifestyle is down-to-earth and semirural, with television for entertainment and news, and emphasis on convenience for both young parents and senior citizens. This is an older market, with almost half of the householders aged 55 years or older, and predominantly single-person households.

### Housing Preference: Single-Family

### Defining Traits

- Median home value of $88,000 is about half the US median
- Labor force participation lower at 51%, which could result from lack of jobs or retirement
- Education: 65% with high school diploma or some college
- Connected, but not to the latest or greatest gadgets; keep their landlines
- Community-oriented residents; more conservative than middle-of-the-road

## HARDSCRABBLE ROAD (16.1%)

Neighborhoods defined as Hardscrabble Road are commonly located in urbanized areas within central cities, with older housing, located chiefly in the Midwest and South. The market is primarily comprised of families, married couples, and single parents. Younger, highly diverse, and less educated, they work mainly in service, manufacturing, and retail trade industries.

### Housing Preference: Single-Family

### Defining Traits

- Older housing, built before 1960 with a higher proportion built in the 1940s or earlier
- Four-fifths of owned homes valued under $100,000
- Renters: About three-fifths of households
- Cost-conscious consumers purchase sale items in bulk and buy generic over name brands
- Save money for a specific purpose, and have little extra money to invest

## COLLEGE TOWNS (13.7%)

About half the residents of College Towns are enrolled in college, while the rest work for a college or the services that support it. The market is primarily made up of nonfamily households with over three-quarters of the households are renter-occupied. College Towns are all about new experiences, tend to be bike and pedestrian friendly, and residents seek out variety and adventure in their lives.

### Housing Preference: Multi-unit Rentals & Single Family

### Defining Traits

- Off-campus, low rent apartments comprise half of the housing stock
- One-third of homes are single family; mostly occupied by local residents who own their homes
- Median household income ($28,000) and median net worth ($11,000) are significantly below the US medians ($51,000 & $71,000)
- They feel anything that can be done online is easier than in person
- They dress to impress with the latest fashions of the season

## SOCIAL SECURITY SET (12.6%)

Social Security Set is an older market located in metropolitan cities across the country. In the aftermath of the Great Recession, early retirement is now a dream for many approaching the retirement age. Residents live alone in low-rent, high-rise buildings, located in or close to business districts that attract heavy daytime traffic. But they enjoy the hustle and bustle of life in the heart of the city, with the added benefit of access to hospitals, community centers, and public transportation.

### Housing Preference: Multi-unit Rentals

### Defining Traits

- Most residents live alone in this older market
- The average rent ($620) is significantly below the US average ($990)
- With limited resources, spending on entertainment is restricted.
- Risk-averse consumers in Social Security Set prefer to pay their bills in person, usually with cash. Some residents don't have a checking account, although one in three maintain a savings account for their small savings.
- Technology is a bear for these consumers. They steer away from cell phones, computers, and digital cameras.

# Employment Profile

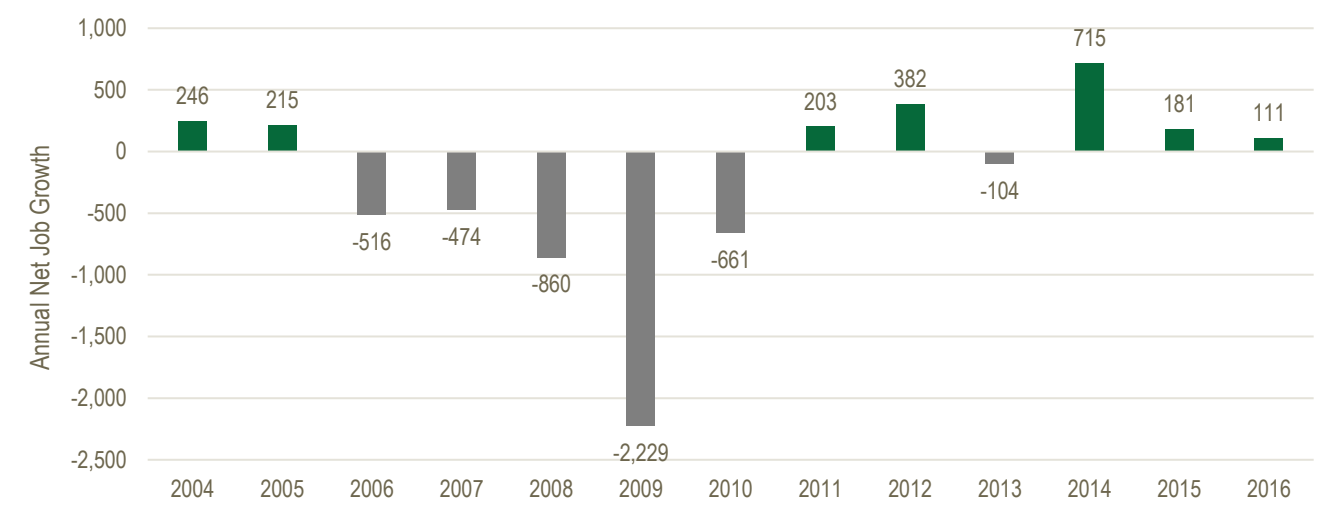
This section analyzes annual employment and wage trends by industry over the last ten years for the 2-county Greenwood µSA, and more specifically for Greenwood County and the Kitson Mill Study Area, describing overall growth and shifts between economic sectors. A profile of area commuting patterns is also presented.

## *Annualized Employment Growth Trends*

### Greenwood µSA

As previously noted, the Greenwood region was heavily impacted by the 2007-2009 Recession. Much of the net loss was concentrated in the Construction and Manufacturing sector, a theme that is consistent with trends across the United States. As shown in Graph 10, the region experienced significant job losses during and immediately following the Recession. However, the Greenwood µSA has reported modest annual gains in five of the last six annual periods.

*Graph 10: Annualized Net Job Growth, Greenwood µSA, 2006-2015*




Source: SC Department of Employment and Workforce; Kimley-Horn and Associates

As shown in Table 3, employment in the two-county Greenwood µSA increased by 1,283 jobs, or 3.9%, between 2011 and 2016. The largest employment sectors in the Greenwood µSA in 2016 included Manufacturing, Health Care and Social Assistance, and Retail Trade, with the 17,836 jobs reported in these three sectors made up approximately half of the total jobs in the region. The industries that added the most jobs during this time period included:

- Administrative and Waste Services (+903)
- Retail Trade (+736)
- Manufacturing (+644)
- Accommodation and Food Services (+230)
- Real Estate and Rental and Leasing (+113)

*Table 3: Annualized Employment by Industry, Greenwood μSA, 2011-2016*

| Industry Classification | 2011 | 2016 | 2011-2016 Δ # | 2011-2016 Δ % |
|---|---|---|---|---|
| Administrative and Waste Services | 1,606 | 2,509 | 903 | 56.2% |
| Retail Trade | 3,420 | 4,156 | 736 | 21.5% |
| Manufacturing | 6,944 | 7,588 | 644 | 9.3% |
| Accommodation and Food Services | 2,539 | 2,769 | 230 | 9.1% |
| Real Estate and Rental and Leasing | 131 | 244 | 113 | 86.3% |
| Transportation and Warehousing | 548 | 656 | 108 | 19.7% |
| Construction | 1,097 | 1,197 | 100 | 9.1% |
| Natural Resources and Mining | 89 | 125 | 36 | 40.4% |
| Utilities | 306 | 312 | 6 | 2.0% |
| Public Administration | 1,773 | 1,765 | -8 | -0.5% |
| Finance and Insurance | 662 | 635 | -27 | -4.1% |
| Arts, Entertainment, and Recreation | 393 | 357 | -36 | -9.2% |
| Wholesale Trade | 873 | 836 | -37 | -4.2% |
| Information | 281 | 244 | -37 | -13.2% |
| Health Care and Social Assistance | 6,129 | 6,092 | -37 | -0.6% |
| Other Services, Ex. Public Admin | 605 | 530 | -75 | -12.4% |
| Educational Services | 3,557 | 3,400 | -157 | -4.4% |
| Management of Companies and Enterprises | 363 | 184 | -179 | -49.3% |
| Professional and Technical Services | 1,592 | 592 | -1,000 | -62.8% |
| **Total** | **32,908** | **34,191** | **1,283** | **3.9%** |

Source: SC Department of Employment and Workforce; SC Works Online; Kimley-Horn

Nearly one-half of the 20 industry sectors reported above demonstrated increases in the last five years, which were enough to off-set the notable loss in Professional and Technical Services positions (-1,000 fewer jobs). Most other industry losses were relatively minor over the last five years.

## Greenwood County

Hosting nearly 29,000 jobs, Greenwood County comprises approximately 83.9% of the two-county regional total. Making up a large share of the regional total, Greenwood County also experienced a 3.9% increase in employment between 2011 and 2016, equating to nearly 1,200 new jobs (Table 4). Nearly all of the losses were in the Professional and Technical Services industry. Manufacturing is the largest industry sector in the County, followed by Health Care and Social Assistance, Retail Trade, and Accommodation and Food Services. Industries representing the largest job increases in the last five years include:

- Administrative and Waste Services (+849)
- Retail Trade (+685)
- Manufacturing (+460)
- Accommodation and Food Services (+428)
- Real Estate and Rental and Leasing (+122)
- Transportation and Warehousing (+122)

*Table 4: Annualized Employment by Industry, Greenwood County, 2011-2016*

| Industry | 2011 | 2016 | 2011-2016 Δ # | 2011-2016 Δ % |
|---|---|---|---|---|
| Administrative and Waste Services | 1,359 | 2,208 | 849 | 62.5% |
| Retail Trade | 2,999 | 3,684 | 685 | 22.8% |
| Manufacturing | 5,347 | 5,807 | 460 | 8.6% |
| Accommodation and Food Services | 2,051 | 2,479 | 428 | 20.9% |
| Real Estate and Rental and Leasing | 112 | 234 | 122 | 108.9% |
| Transportation and Warehousing | 489 | 611 | 122 | 24.9% |
| Construction | 948 | 1,028 | 80 | 8.4% |
| Public Administration | 1,206 | 1,257 | 51 | 4.2% |
| Natural Resources and Mining | 62 | 96 | 34 | 54.8% |
| Utilities | 262 | 262 | 0 | 0.0% |
| Information | 186 | 162 | -24 | -12.9% |
| Arts, Entertainment, and Recreation | 390 | 357 | -33 | -8.5% |
| Finance and Insurance | 561 | 527 | -34 | -6.1% |
| Wholesale Trade | 829 | 793 | -36 | -4.3% |
| Other Services, Ex. Public Admin | 510 | 423 | -87 | -17.1% |
| Health Care and Social Assistance | 5,536 | 5,425 | -111 | -2.0% |
| Educational Services | 2,732 | 2,601 | -131 | -4.8% |
| Management of Companies and Enterprises | 363 | 184 | -179 | -49.3% |
| Professional and Technical Services | 1,562 | 551 | -1,011 | -64.7% |
| **Total** | **27,504** | **28,689** | **1,185** | **3.9%** |

Source: SC Department of Employment and Workforce; SC Works Online; Kimley-Horn

## Kitson Mill Study Area

Employment for the Kitson Mill Study Area is provided by the US Census Bureau's Longitudinal Employer-Household Dynamics (LEHD) dataset. The most recently reported year for this information was 2014. Based on this data, the Kitson Mill Study Area supported over 7,000 jobs in 2014. The largest sectors included Health Care and Social Assistance, Public Administration, Educational Services, and Retail Trade ( Table 5). These sectors correspond to the primary employment concentrations shown in Map 2. Sectors that experienced the most notable job increases over the last five years include:

- Health Care and Social Assistance (+1,514)
- Public Administration (+656)
- Administrative and Waste Services (+277)
- Retail Trade (+259)
- Management of Companies and Enterprises (+212)

*Table 5: Annualized Employment by Industry, Kitson Mill Study Area, 2009-2014*

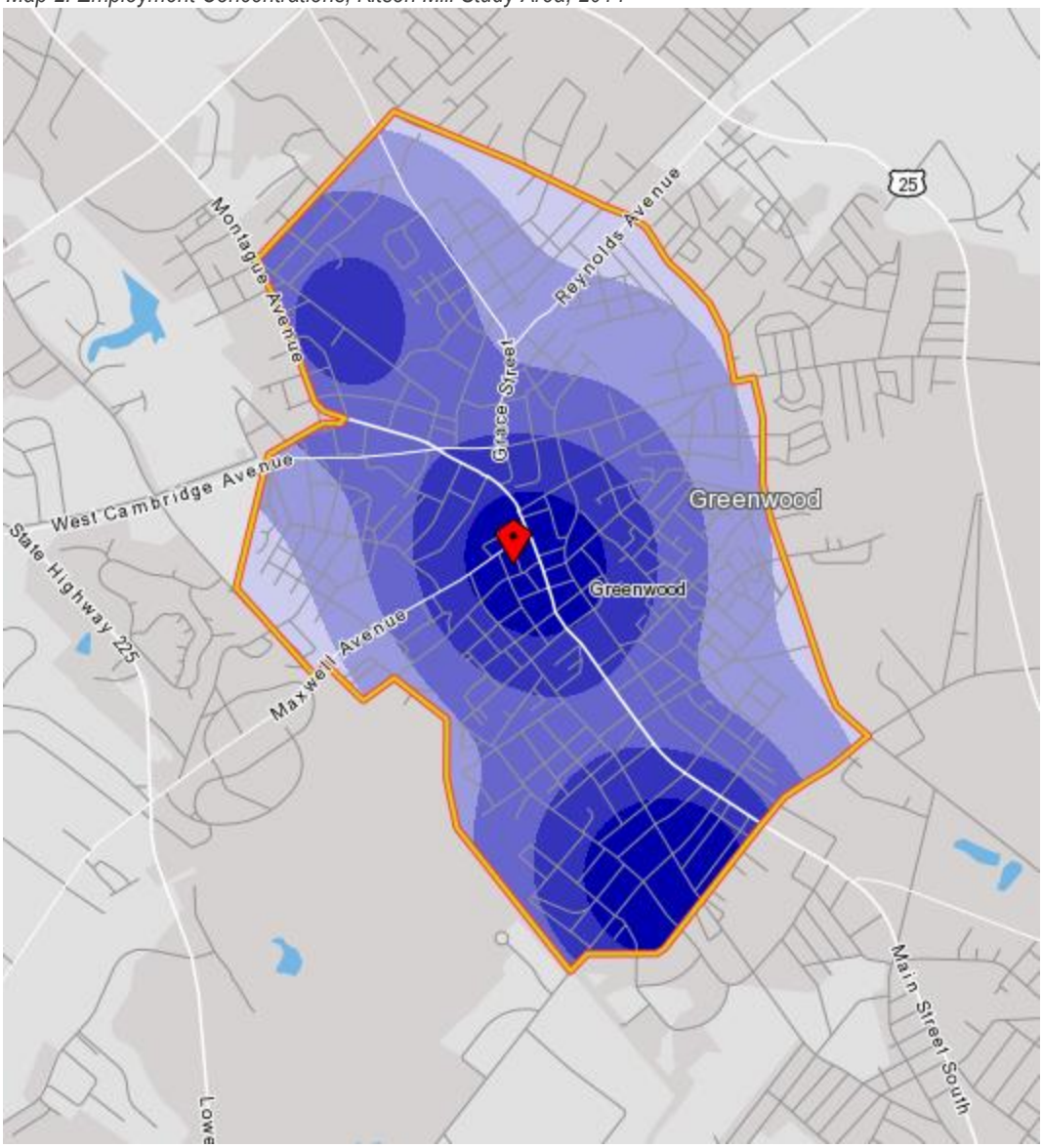
| | | | 2009-2014 Δ | |
|---|---|---|---|---|
| **Industry** | **2009** | **2014** | **#** | **%** |
| Health Care and Social Assistance | 1,095 | 2,609 | 1,514 | 138% |
| Public Administration | 125 | 781 | 656 | 525% |
| Administrative and Waste Services | 165 | 442 | 277 | 168% |
| Retail Trade | 369 | 628 | 259 | 70% |
| Management of Companies and Enterprises | 46 | 258 | 212 | 461% |
| Accommodation and Food Services | 260 | 377 | 117 | 45% |
| Utilities | 69 | 136 | 67 | 97% |
| Real Estate and Rental and Leasing | 48 | 96 | 48 | 100% |
| Other Services, Ex. Public Admin | 96 | 110 | 14 | 15% |
| Transportation, Warehousing, and Utilities | 10 | 18 | 8 | 80% |
| Arts, Entertainment, and Recreation | 0 | 5 | 5 | 500% |
| Natural Resources and Mining | 2 | 0 | -2 | -100% |
| Wholesale Trade | 50 | 42 | -8 | -16% |
| Construction | 73 | 58 | -15 | -21% |
| Information | 152 | 127 | -25 | -16% |
| Professional and Technical Services | 252 | 223 | -29 | -12% |
| Finance and Insurance | 342 | 232 | -110 | -32% |
| Educational Services | 1,083 | 674 | -409 | -38% |
| Manufacturing | 2,860 | 215 | -2,645 | -92% |
| **Total** | **7,097** | **7,031** | **-66** | **-0.9%** |

Source: LEHD On the Map; Kimley-Horn

Employment in the Kitson Mill Study Area is concentrated around three nodes, which correspond to the Study Area's three largest sectors. These nodes of employment, identified on Map 2, are as follows:

- ***Lander University***: The northernmost employment node is home to Lander University, the Jeff May Sports Complex, and several restaurants. Adjacent to the west is the Greenwood Country Club.
- ***Uptown Greenwood***: Contains a large concentration of county and city government offices, as well as home to restaurants, retail, professional offices, and entertainment, such as the Greenwood County Arts Council and Greenwood Farmers Market. This neighborhood is the focus of the local economic development organization, Uptown Greenwood.
- ***Medical District***: Home to numerous healthcare-related businesses, this concentration of jobs off South Main St is anchored by Self Regional Hospital.

*Map 2: Employment Concentrations, Kitson Mill Study Area, 2014*




Source: LEHD On the Map; Kimley-Horn

## *Annualized Wages by Industry*

### Greenwood μSA

In 2016, the average annual wage in the Greenwood μSA was $36,816, an increase of $3,978 or 12.1% from $32,838 in 2011 (Table 6). Management of Companies and Enterprises reported the highest average wage, followed by Utilities. All industry sectors posted increases except for Real Estate and Rental and Leasing, with the strongest growth as follows:

- Management of Companies and Enterprises (+$26,104)
- Public Administration (+$18,429)
- Professional and Technical Services (+$17,266)
- Utilities (+$8,215)
- Natural Resources and Mining (+$7,074)

*Table 6: Annualized Average Wages, Greenwood μSA, 2011-2016*

| Industry Classification | 2011 | 2016 | 2011-2016 Δ # | 2011-2016 Δ % |
|---|---|---|---|---|
| Management of Companies and Enterprises | $37,544 | $63,648 | $26,104 | 69.53% |
| Public Administration | $32,370 | $50,800 | $18,429 | 56.93% |
| Professional and Technical Services | $28,383 | $45,649 | $17,266 | 60.83% |
| Utilities | $51,467 | $59,682 | $8,215 | 15.96% |
| Natural Resources & Mining | $35,183 | $42,257 | $7,074 | 20.11% |
| Construction | $35,748 | $42,798 | $7,050 | 19.72% |
| Information | $40,254 | $46,376 | $6,121 | 15.21% |
| Health Care and Social Assistance | $42,669 | $48,050 | $5,381 | 12.61% |
| Finance and Insurance | $42,425 | $47,710 | $5,285 | 12.46% |
| Wholesale Trade | $51,984 | $56,917 | $4,934 | 9.49% |
| Other Services, Ex. Public Admin | $22,006 | $26,791 | $4,785 | 21.74% |
| Manufacturing | $45,623 | $50,239 | $4,616 | 10.12% |
| Transportation and Warehousing | $34,160 | $37,119 | $2,959 | 8.66% |
| Educational Services | $33,187 | $35,518 | $2,331 | 7.02% |
| Retail Trade | $21,161 | $22,250 | $1,090 | 5.15% |
| Arts, Entertainment, and Recreation | $12,751 | $13,832 | $1,081 | 8.48% |
| Administrative and Waste Services | $20,904 | $21,707 | $803 | 3.84% |
| Accommodation and Food Services | $13,006 | $13,523 | $517 | 3.97% |
| Real Estate and Rental and Leasing | $26,211 | $22,047 | -$4,164 | -15.89% |
| **Average** | **$32,838** | **$36,816** | **$3,978** | **12.1%** |

Source: SC Department of Employment and Workforce; SC Works Online; Kimley-Horn

Although demonstrating the highest average wage at $63,648, jobs in the Management of Companies and Enterprises sector make up only 3.4% of the regional total. Industries with the most jobs, Manufacturing and Health Care and Social Assistance had average annual wages of $50,239 and $48,050, respectively. Both of these sectors offer wages higher than the region-wide average.

## Greenwood County

The average annualized wage in Greenwood County in 2016 was $38,272, slightly higher than the measure for the larger Greenwood μSA (Table 7). Similar to the region, Management of Companies and Enterprises had the highest annual wage at nearly $64,000, followed by Public Administration and Utilities, which both have an average annualized wage of $59,540. The industries that experienced the largest increase over the five-year period include:

- Management of Companies and Enterprises (+$26,104)
- Public Administration (+$25,324)
- Professional and Technical Services (+$17,888)
- Utilities (+$9,516)
- Finance and Insurance (+$6,812)

*Table 7: Annualized Average Wages, Greenwood County, 2000-2016*

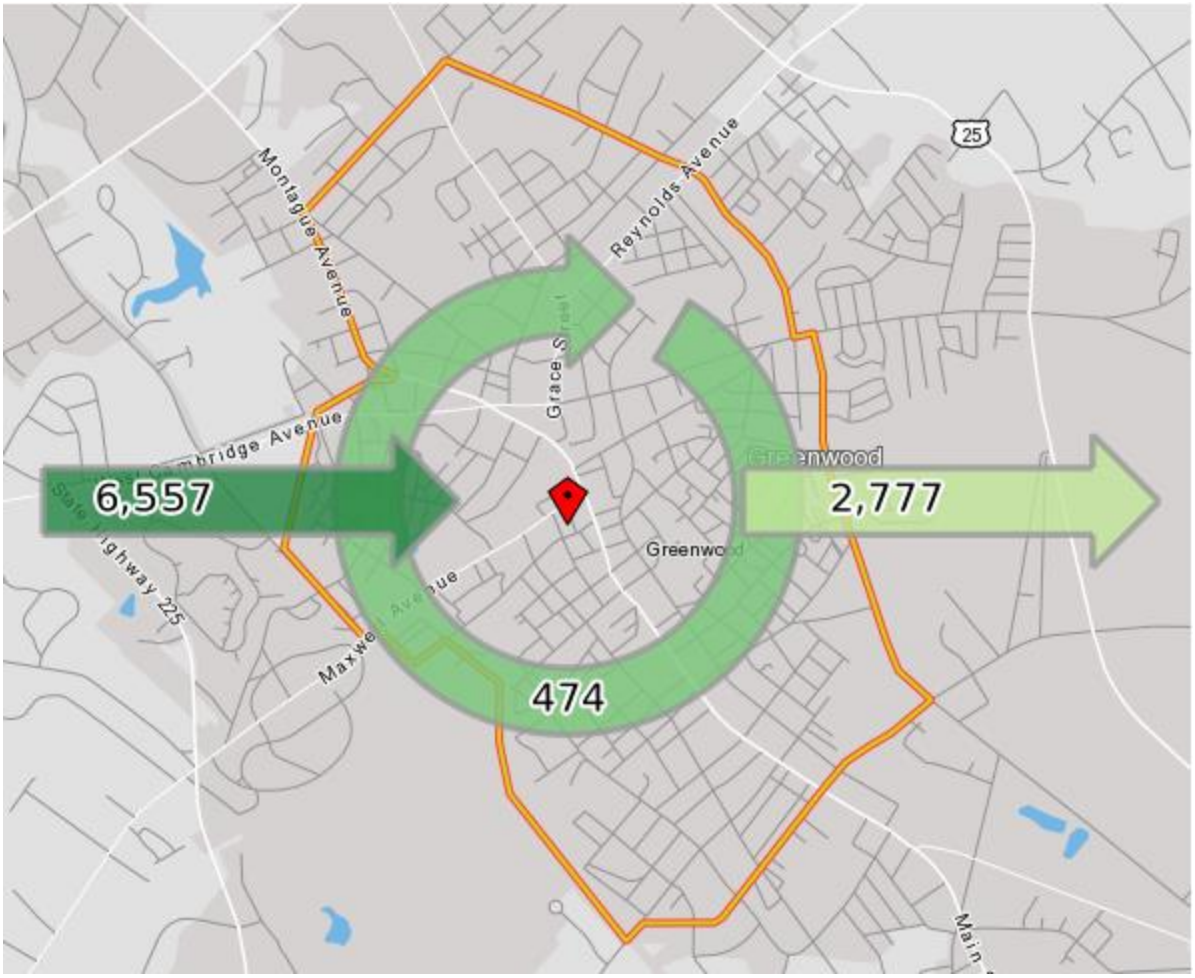
| Industry Classification | 2011 | 2016 | 2011-2016 Δ # | 2011-2016 Δ % |
|---|---|---|---|---|
| Management of Companies and Enterprises | $37,544 | $63,648 | $26,104 | 69.5% |
| Public Administration | $34,216 | $59,540 | $25,324 | 74.0% |
| Professional and Technical Services | $28,496 | $46,384 | $17,888 | 62.8% |
| Utilities | $50,024 | $59,540 | $9,516 | 19.0% |
| Finance and Insurance | $43,940 | $50,752 | $6,812 | 15.5% |
| Natural Resources & Mining | $38,480 | $45,032 | $6,552 | 17.0% |
| Construction | $37,076 | $43,576 | $6,500 | 17.5% |
| Health Care and Social Assistance | $43,680 | $48,932 | $5,252 | 12.0% |
| Wholesale Trade | $52,416 | $57,356 | $4,940 | 9.4% |
| Other Services, Ex. Public Admin | $22,308 | $26,728 | $4,420 | 19.8% |
| Manufacturing | $47,632 | $51,740 | $4,108 | 8.6% |
| Educational Services | $34,164 | $37,180 | $3,016 | 8.8% |
| Transportation and Warehousing | $34,216 | $36,452 | $2,236 | 6.5% |
| Arts, Entertainment, and Recreation | $12,688 | $13,832 | $1,144 | 9.0% |
| Retail Trade | $21,788 | $22,776 | $988 | 4.5% |
| Administrative and Waste Services | $20,592 | $21,476 | $884 | 4.3% |
| Information | $36,088 | $36,712 | $624 | 1.7% |
| Accommodation and Food Services | $13,156 | $13,572 | $416 | 3.2% |
| Real Estate and Rental and Leasing | $25,012 | $21,060 | -$3,952 | -15.8% |
| **Average** | **$35,308** | **$38,272** | **$2,964** | **8.4%** |

Source: SC Department of Employment and Workforce; SC Works Online; Kimley-Horn

## Commuting Patterns

As of 2014, more than 6,500 people traveled into the Kitson Mill Study Area for employment daily and over 2,700 of the Study Area's employed population commuted out. The Study Area has an estimated 474 people that live and work there, making up only 14.6% of the total employed population. The percentage of those who live within the Study Area and work within Greenwood County is 50.5% of employed Study Area residents.

*Map 3: Commuting Patterns, Study Area, 2014*




Source: LEHD On the Map; Kimley-Horn

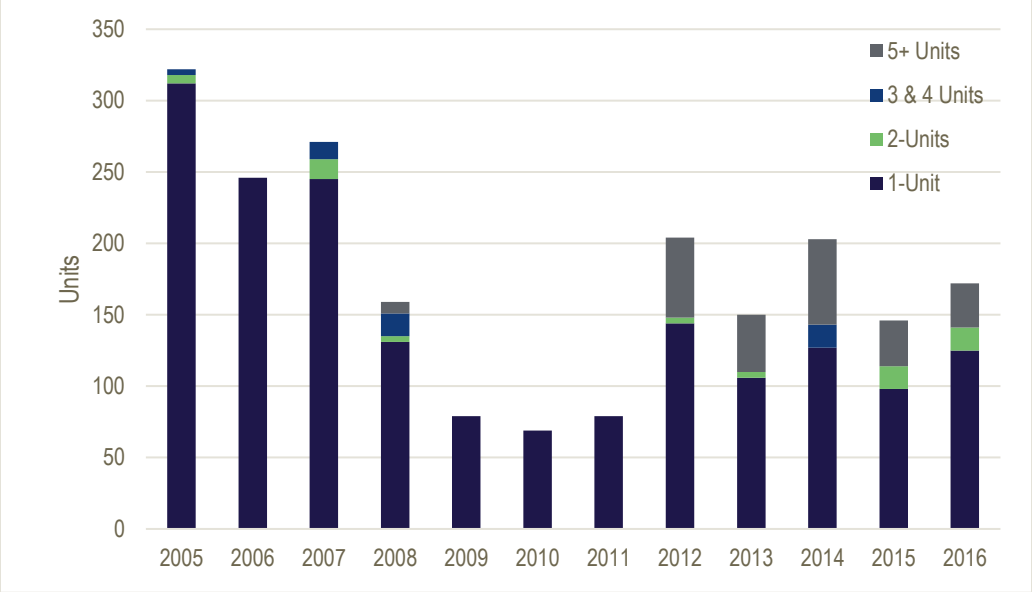
# Residential Profile

This section provides an overview of the residential market in Greenwood County, including building permits, housing units by type, for-sale closing trends and price points, and a review of the rental multi-family market. As possible, housing unit performance is compared to performance in the larger region.

## *Residential Building Permits*

Based on data from the US Census, 172 residential building permits were issued in the Greenwood µSA in 2016 (Graph 11). Although building permits have more than doubled since 2010, marking the annual period with the slowest activity, the region is performing behind pre-Recession levels. The makeup of the housing type has also changed with single-family homes making up a smaller share post-Recession and five-plus unit structures making up a greater share. Comparably, permits for buildings with five or more units were extremely limited before 2007. During recovery from the Recession, no permits for any size multi-unit structure were pulled.

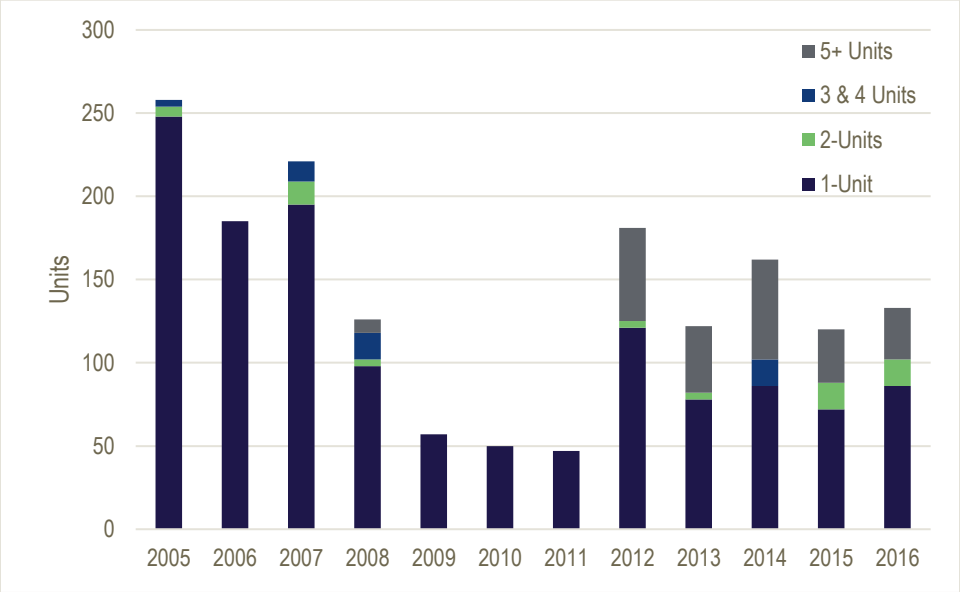
*Graph 11: Residential Building Permit Trends, Greenwood µSA, 2005-2016*




Source: U.S. Census; Kimley-Horn

Modeling a similar pattern to the larger µSA, Greenwood County experienced strong residential building permit totals between 2005 and 2007, before declining rapidly during and following the Recession (Graph 12). Although the County has experienced recovery, from the trough of only 47 units permitted in 2011 to the 133 total in 2016, residential permits are still well below the total at the peak in 2005. All the multi-unit structures permitted from 2005-2016 in the larger µSA were in Greenwood County, thus the same shift from domination of single family homes to a larger share of multi-units is exhibited post-Recession. The multi-unit structures permitted in recent years have primarily been five-plus or two-units, with no three or four-unit structures permitted in 2015 or 2016.

*Graph 12: Residential Building Permit Trends, Greenwood County, 2005-2016*




Source: U.S. Census; Kimley-Horn

## Housing Overview

As shown in Table 8, the Kitson Mill Study Area experienced an increase of 129 housing units between 2000 and 2016, reaching an estimated total of 4,004 units. During the same time period, the Greenwood µSA added over 3,500 housing units, equating to a 9.0% increase in 16 years. The Study Area captured 3.6% of this regional growth. The share of the total regional housing units in the Study Area declined from 9.7% in 2000 to 9.2% in 2016.

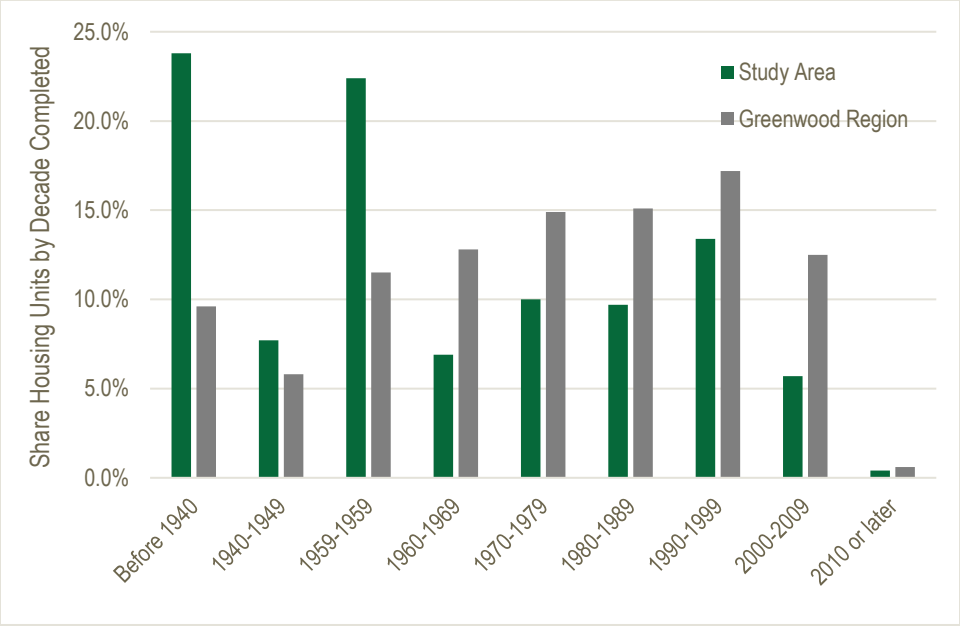
*Table 8: Comparison of Housing Unit Trends, 2000-2016*

| | | | | 2000-2016 Δ | | |
|---|---|---|---|---|---|---|
| **Area** | **2000** | **2010** | **2016** | **#** | **%** | **CAGR** |
| Study Area | 3,875 | 3,910 | 4,004 | 129 | 3.3% | 0.2% |
| Greenwood County | 28,243 | 31,054 | 31,103 | 2,860 | 10.1% | 0.6% |
| Greenwood µSA | 39,899 | 43,133 | 43,475 | 3,576 | 9.0% | 0.5% |
| **Study Area % Region** | **9.7%** | **9.1%** | **9.2%** | **3.6%** | | |

Source: US Census; Kimley-Horn

Based on American Community Survey data from 2014, the median year of completion for housing stock in the Kitson Mill Study Area was 1958, compared to 1977 for both Greenwood County and the Greenwood µSA. As shown in Graph 13, over half of the total housing stock in the Study Area was built before 1960, compared with only 26.9% in the larger µSA. Relatedly, a greater share of housing units was built since 1980 in the larger µSA (45.4%) than in the Study Area (29.2%). It should be noted that housing completions in the Study Area have slowed since the Recession with only 0.4% of the housing stock delivered post-2010.

*Graph 13: Comparison of Share of Housing Units by Decade Completed, 2014*

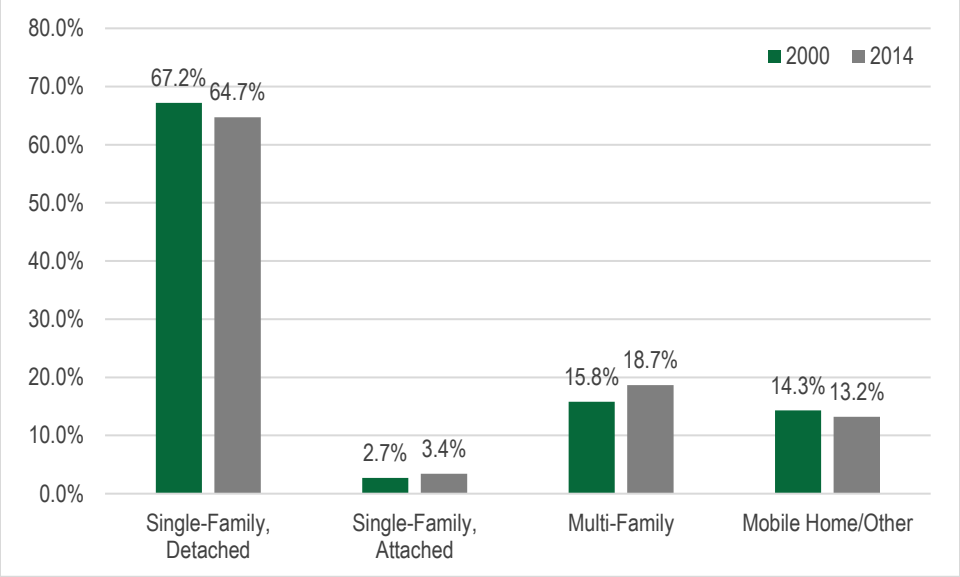



Source: US Census; Kimley-Horn

## Units by Type

As shown in Graph 14, single-family detached housing makes up the largest share by type in Greenwood County at nearly 65% of the total stock. The shares of single-family detached housing units and mobile homes experienced slight decreases between 2000 and 2014, while both single-family attached (townhouses) and multi-family product increased their total capture of housing units in Greenwood County since 2000.

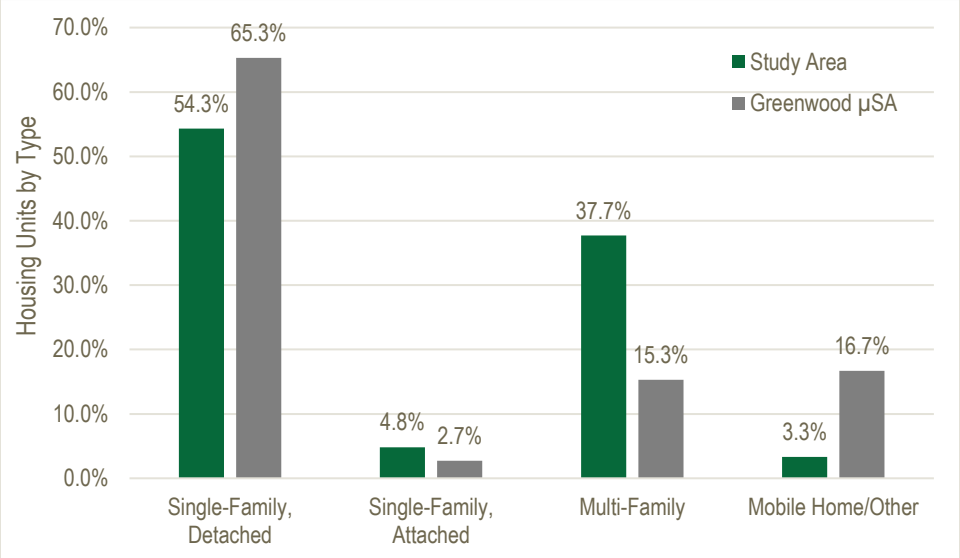
*Graph 14: Housing Units by Type, Greenwood County, 2000-2014*




Source: US Census; Kimley-Horn

Based on 2014 data, the Kitson Mill Study Area reported notably higher shares of multi-family units than the larger Greenwood μSA (Graph 15). These measures are largely due to the greater density of Uptown Greenwood and the surrounding neighborhoods. Conversely, the Greenwood μSA had higher shares of single-family detached, as well as mobile homes.

*Graph 15: Comparison of Housing Units by Type, 2014*

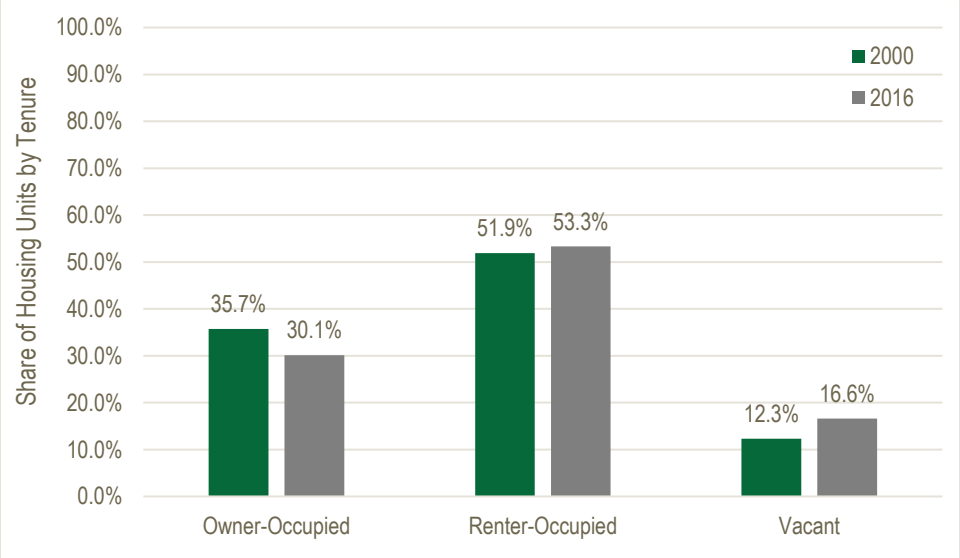



Source: US Census; Kimley-Horn

## Tenure

Consistent with national and statewide trends, the share of owner-occupied units in the Study Area has demonstrated a decline since 2000, reaching 30.1% in 2016 (Graph 16). Largely a result of the 2007-2009 Recession and increase of leasing during the subsequent mortgage crisis, the share of renter-occupied units increased in the 16-year period, from 51.9% in 2000 to 53.3% in 2016. Approximately 16.6% of the housing stock was vacant in 2016, an increase from 12.3% in 2000.

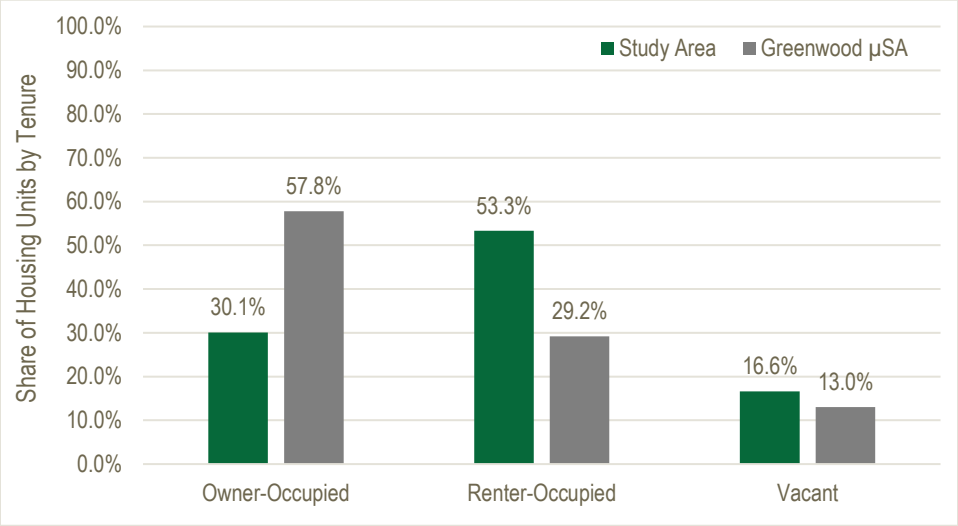
*Graph 16: Housing Unit Tenure, Kitson Mill Study Area, 2000-2016*




Source: US Census; Kimley-Horn

As shown in Graph 17, the 30.1% owner-occupied share in the Kitson Mill Study Area in 2016 was lower than the 57.8% share in the larger Greenwood μSA. Due to the greater density and concentration of rental housing in Uptown Greenwood, the Study Area has a higher share of renter-occupied housing at 53.3%. The share of vacant housing units was higher in the Study Area when compared to the Greenwood μSA.

*Graph 17: Comparison of Housing Unit Tenure, 2016*

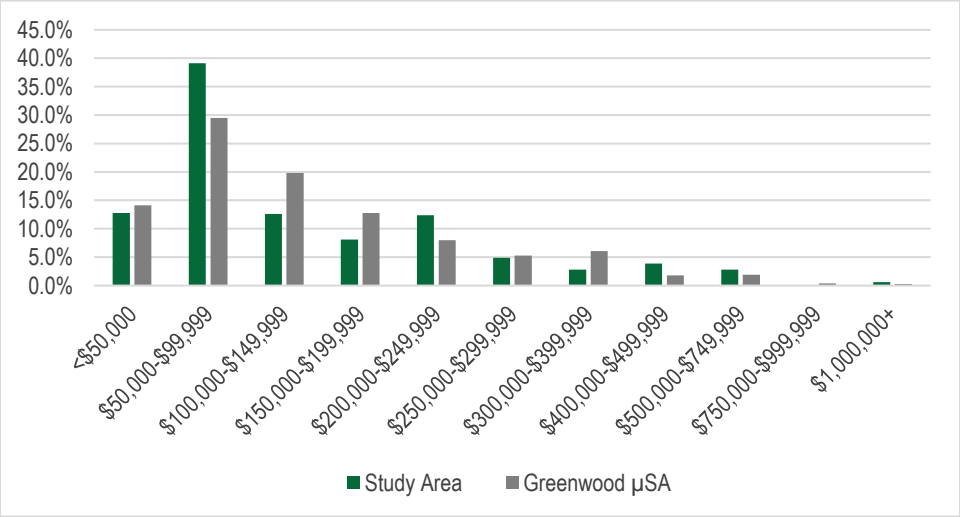



Source: US Census; Kimley-Horn

## For-Sale Overview

According to the US Census, nearly 40% of the owner-occupied housing stock in the Kitson Mill Study Area is valued between $50,000 and $100,000 (Graph 18). Other concentrations are noted in housing units valued less than $50,000, between $100,000 and $150,000, and between $200,000 and $250,000. Generally, the Study Area follows a similar pattern exhibited in the larger region, however, the region offers more diversification of value, especially in the lower ranges.

*Graph 18: Comparison of Owner-Occupied Housing by Value, 2016*




Source: ESRI Business Analyst Online; Kimley-Horn

Since market-wide for-sale closing and price point data is relatively limited in Greenwood, additional insight into this real estate sector is based on an inventory of 28 single-family detached units that are currently listed for sale in the Study Area. Data was pulled through a variety of Realtor sites, including Zillow. The inventory does not include any townhouse or attached units. The only attached for-sale product that was identified are listed as part of the redevelopment of a downtown building offering retail on the first floor and condominiums for sale ranging from $250,000 to $298,000 on the upper floors.

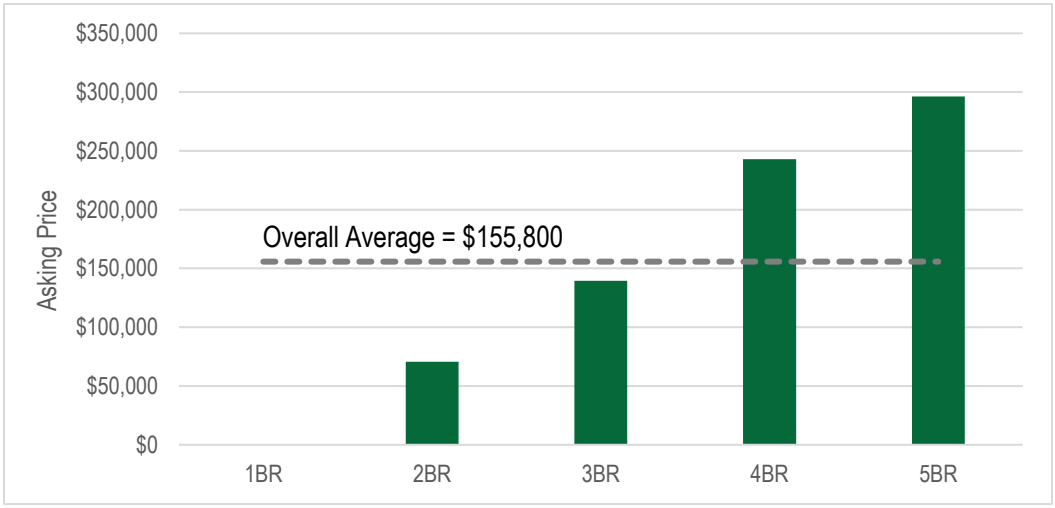
Asking prices in the Study Area vary significantly, both by unit size and location; however, the most common price range is between $100,000 and $150,000. This range comprises one-quarter of the inventory identified as part of this analysis. The second most common range is between $150,000 and $199,999.

*Graph 19: For-Sale Housing Units by Asking Price Range, Study Area, 2017*

Source: Third-Party Realtor Sites; Zillow; Kimley-Horn

As shown in Graph 20, the overall average asking price for single-family detached product in the Kitson Mill Study Area is estimated at $155,800. Asking prices vary significantly by bedroom type, ranging from an average of $70,700 for the three two-bedroom units identified to $296,200 for housing units with five or more bedrooms.

*Graph 20: Average For-Sale Asking Price by Number of Bedrooms, Study Area, 2017*

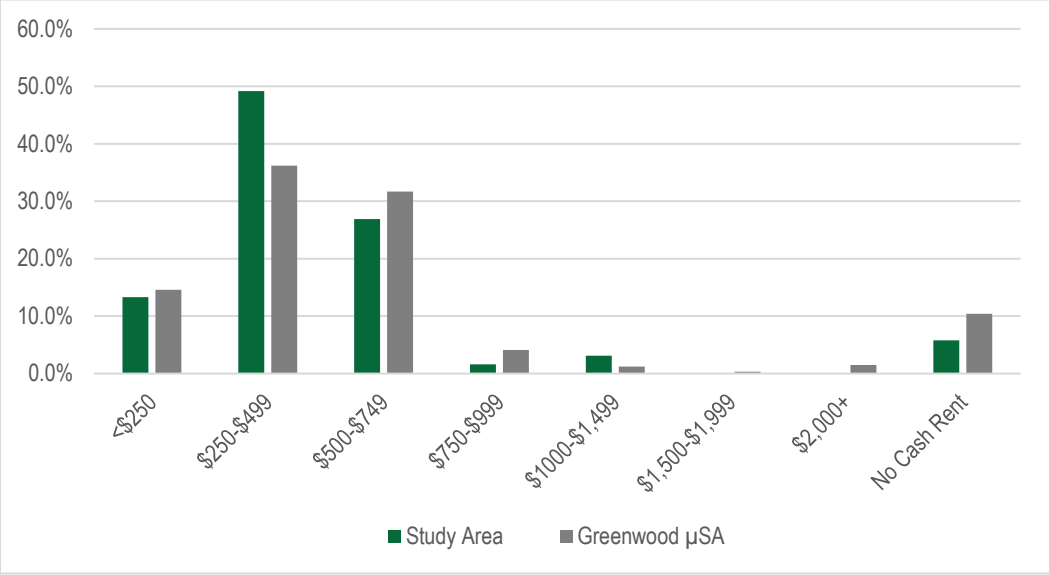



Source: Third-Party Realtor Sites; Zillow; Kimley-Horn

## Rental Housing

According to the US Census, nearly 50% of the renter-occupied units in the Study Area have a contract rent range from $250 to $500 per month, higher than the share demonstrated in the larger region (Graph 21). It should be noted that the information supplied in the graph below includes both rental units in traditional apartment communities, as well as investor-owned single-family detached and attached residences that are leased out on a monthly or annual basis. Contract rents are consistent between both geographies with nearly all units leasing for less than $750 per month. In fact, over 95% of the units in the Study Area have lease rates below $750, including those with no cash rent (largely representing Section 8 or voucher programs).

*Graph 21: Comparison of Renter-Occupied Units by Contract Rent Range, 2016*



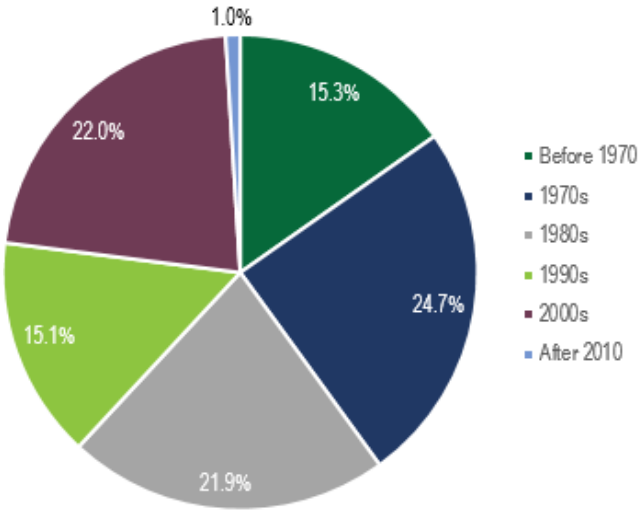

Source: ESRI Business Analyst Online; Kimley-Horn

An inventory of multifamily rental communities identified 32 market-rate and affordable developments. As shown in Graph 22, nearly 25% of the current inventory of apartments was completed in the 1970s, with another 22.0% built in the 2000s. Only one community has been completed in the last decade, Barrington Apartments, built in 2016. Four additional communities have been built in the 2000s, supporting over 500 units.

While nationally, the average size of newer apartment communities has expanded to 200 to 250 units, developments in the Study Area tend to be smaller, most with less than 100 units each. In fact, only seven of the 32 communities have more than 100 units.

Lease rates for the identified apartment communities are relatively limited, with many of the communities unwilling to share rate or vacancy information. However,

*Graph 22: Share of Existing Apartment Inventory by Decade Completed, Greenwood, 2017*




Source: Kimley-Horn

supporting the results from the US Census graph above, for properties in a traditional apartment community setting, tend to quote lease rates ranging from $500 to $700 per month. The newest product, primarily built in the 2000s, has the highest quoted rents ranging from $600 to $1,000, depending on bedroom size. This range includes units at three communities: Regency Park, Winter Ridge, and Barrington, which are profiled briefly below.

- ***Regency Park***. Containing 132 total units, Regency Park is one of the newest apartment communities in Greenwood, and currently achieves the highest rents. Located at 120 Edinborough Circle, the five-building community has a unit mix of 13.6% one-bedrooms, 50.0% two-bedrooms and 36.4% three-bedrooms. Three floorplans are offered, an 800-square-foot one-bedroom, a 1,050-square-foot-two bedroom, and a 1,250-square-foot three-bedroom. Unfurnished apartments generally range from $721 per month to $1,032, depending on unit size. A small number of the units are furnished at a price premium. Interior features are mixed, but many units have been updated to include stainless steel appliances and granite countertops.

- ***Winter Ridge***. Located at 102 Winter Way, the Winter Ridge Apartment community offers 252 one-, two-, and three-bedroom apartment units. Based on research prepared as part of this analysis, Winter Ridge is the largest apartment community in Greenwood. The one-bedroom floor plan contains 665 square feet, two-bedrooms range from 985 to 998 square feet, and the community offers a 1,180-square-foot three-bedroom. Average monthly rents range from $645 to $950. Interior features are modest, offering white appliances in the kitchen and a mixture of ceramic tile and carpet flooring.

- ***Barrington Apartments***. A townhouse-style community with 133 units, Barrington is located at 101 Bevington Court. This community was completed in 2016, making it the newest in Greenwood. The one-bedroom floorplan contains 608 square feet, and rents for $695-$775 per month, and the 1,216-square-foot two-bedroom rents for $895 per month. Interior features are updated, including laminate countertops, black appliances, and a mixture of faux hardwood and carpet flooring. Exterior community amenities are limited.

# Non-Residential Profile

## *Retail*

As previously noted for residential real estate performance, real estate trend information highlighting vacancy rates and price points is extremely limited in Greenwood. This analysis relies on a current snapshot of performance to demonstrate potential opportunities in Greenwood, and more specifically for the Kitson Mill Study Area.

### Competitive Retail Framework

This section provides a high-level inventory of key national and regional chain retailers to demonstrate presence and distribution serving Greenwood. This inventory includes stores in and near the defined Study Area. The US 178/SC 72 Bypass corridor has established itself as the primary retail destination in Greenwood, attracting the highest concentration of national and regional retailers over other areas. The Bypass corridor extends east-west near the northern border of the Study Area.

Within the larger geography of the City of Greenwood, Walmart is the dominate supercenter, offering one Supercenter location on the SC 72 Bypass, as well as a smaller, secondary, location in eastern Greenwood at the intersection of US 178 and East Cambridge Avenue. There are five primary national and regional chain grocers serving the City: Publix, Food Lion, LIDL, ALDI, and Save a lot. Each of the national grocers have a location on the Bypass. Additionally, three pharmacy chains were also identified, including Walgreens, Rite Aid, and CVS. Chain pharmacy services are also offered in the larger grocery stores and in the supercenters.

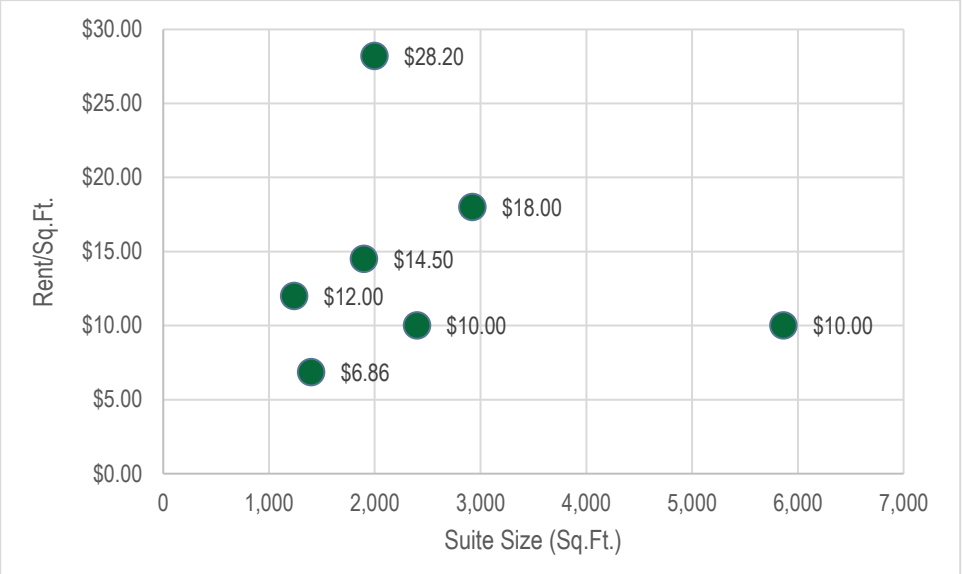
While national retailers have gravitated towards the major transportation corridors, primarily north of Uptown Greenwood, the Study Area benefits from more localized offerings, including small grocery/convenience stores, local pharmacies, as well as boutique restaurant and retail opportunities that attract customers from across the region. The most notable chain presence in the Study Area is a variety of pharmacy locations seeking proximity to both Lander University and Self Regional Hospital.

### Current Performance Snapshot

A search of retail listings resulted in six in-line suites or buildings, primarily focused along the US 178/SC 72 Bypass. Graph 23 compares the quoted rent per square foot and suite or building sizes for each of the identified listings.

Identified retail listings have an average lease rate of approximately $14.50 per square foot, ranging from $6.86 for an outdated strip center with no anchor to $28.20 for a modern, free-standing fast-food restaurant building. Only one space, a 2,924-square-foot inline suite, is in a shopping center with a grocery anchor. This space has a $18.00 per square foot quoted lease rate, demonstrating a premium over unanchored suites, which typically range from $10.00 to $14.00 per square foot. The majority of the available spaces range in size from 1,000 square feet to 3,000 square feet, with only property offering nearly 6,000 square feet in a free-standing building marketed to restaurants.

*Graph 23: Quoted Lease Rate versus Suite Size, City of Greenwood, 2017*




Source: Kimley-Horn; LoopNet; Other Third-Party Realtor Sites

It should be noted that no lease listings were identified for spaces in Uptown Greenwood; it is likely that these are marketed locally or by word of mouth instead of listings on larger third-party sites. It is likely that updated retail space in Uptown Greenwood would generate a premium over suburban product, this is a typical trend demonstrated nationally. One retail/office property listing was identified at 214 Waller Street for a 4,262-square-foot building. The building was listed for sale at $249,000, or $58 per square foot.

## Retail Gap Analysis

This section presents a current analysis of retail gap in the Greenwood μSA. Estimates presented below demonstrate which retail industry groups are over- or under-supplied based on ESRI's Business Analyst Online's interpretation of household spending potential. Industry groupings designated in red are estimated to be oversupplied in the region, while those in green are undersupplied. Undersupplied industry groupings result in loss, or leakage, of consumer spending to other areas. In the case of Greenwood, many of these spending dollars are likely going to Greenville or Columbia.

The leakage/surplus factor presents a snapshot of retail opportunity outside the region. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the region. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area.

As shown in Table 9, demand in the two-county Greenville region is outpacing supply in the Furniture and Home Furnishings, Electronics & Appliance Stores, Gasoline Stores, Clothing & Clothing Accessories, Sporting Goods, Non-Store Retailers, and Food Services & Drinking Places industry groups. This demonstrates that the region has opportunity to grow its regional attractiveness as a retail center in these categories.

*Table 9: Retail Leakage/Surplus, Greenwood μSA, 2017*

| Industry Group | Demand | Supply | Retail Gap | Leakage/ Surplus Factor |
|---|---|---|---|---|
| Motor Vehicles & Parts Dealers | $214,676,496 | $230,171,798 | -$15,495,302 | -3.5 |
| Furniture & Home Furnishings | $31,028,180 | $18,252,816 | $12,775,364 | 16.9 |
| Electronics & Appliance Stores | $25,206,856 | $17,053,148 | $8,153,708 | 25.9 |
| Building Materials & Supply Stores | $68,743,143 | $128,042,870 | -$59,299,727 | -30.1 |
| Food and Beverage Stores | $166,621,954 | $182,725,962 | -$16,104,008 | -4.6 |
| Health & Personal Care Stores | $63,264,735 | $72,230,995 | -$8,966,260 | -6.6 |
| Gasoline Stations | $114,769,773 | $108,595,545 | $6,174,228 | 2.8 |
| Clothing & Clothing Accessory Stores | $38,449,047 | $28,131,493 | $10,317,554 | 15.5 |
| Sporting Goods, Hobby, Books & Music Stores | $25,088,213 | $19,829,172 | $5,259,041 | 11.7 |
| General Merchandise Stores | $151,959,804 | $195,254,503 | -$43,294,699 | -12.5 |
| Miscellaneous Store Retailers | $37,640,777 | $27,524,230 | $10,116,547 | 15.5 |
| Nonstore Retailers | $15,454,295 | $2,653,519 | $12,800,776 | 70.7 |
| Food Services & Drinking Places | $94,138,241 | $88,291,212 | $5,847,029 | 3.2 |
| Restaurants/Other Eating Places | $86,928,873 | $87,242,826 | -$313,953 | -0.2 |

Source: ESRI Business Analyst Online

A similar analysis of the Kitson Mill Study Area shows more surplus than the larger region, which is expected given the average household income and lower spending potential. Key areas where there is unmet demand are in Furniture Stores, Gasoline Stations, Sporting Goods, and General Merchandise stores. Based on the Study Area estimate, in a more urban environment like Uptown Greenwood, opportunities exist to attract specialty food stores, general merchandise, and drinking places.

## *Office*

Five office properties were identified as being currently marketed for sale in Greenwood. Generally, Greenwood's office properties are heavily concentrated near the urban core of downtown. Medical office space is located near Self Regional Hospital, and typically generates a significant premium over spaces targeting professional services firms. The premium for medical office space is consistent with national trends, and is heavily influenced by the necessary construction specifications that are required to support medical uses.

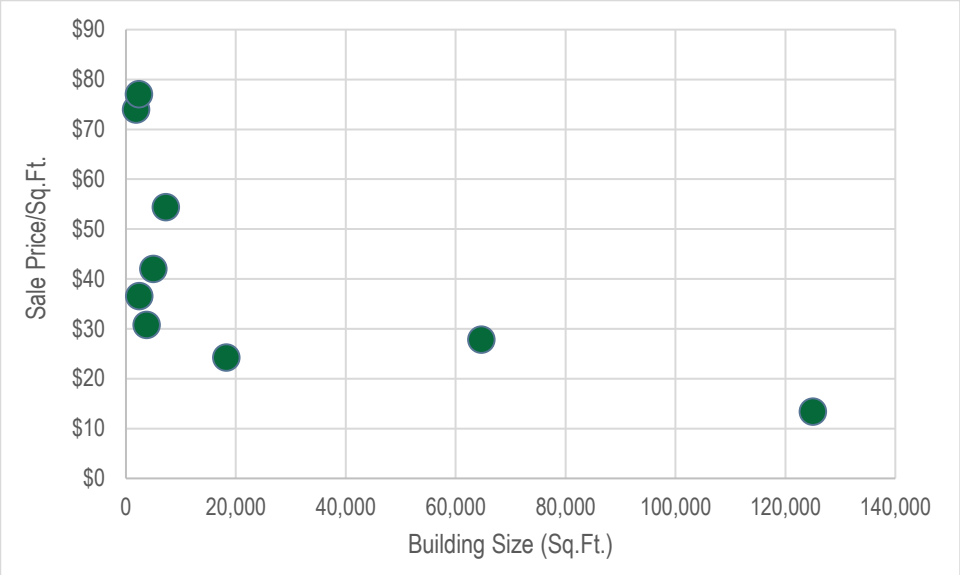
The five office listings identified in Greenwood have an aggregate average sales price of $51 per square foot, ranging from $30 per square foot for a condominiumized business space on Waller Avenue to nearly $65 for near the Bypass. No medical office buildings were identified to test the extent of potential premium achievable in Greenwood.

## *Light Industrial/Flex*

There is over 4.0 million square feet of industrial space actively being marketed for-sale in Greenwood, with buildings ranging from 1,800 square feet to 125,000 square feet. The majority of the buildings are either targeted to manufacturing uses, or have been used by a non-traditional such as a church congregation. Quoted sales prices average approximately $40 per

square foot, generally ranging from $25 to $75. As shown in Graph 24, the majority of the available spaces identified in Greenwood as industrial contain less than 10,000 square feet.

*Graph 24: Quoted Sale Price versus Building Size, City of Greenwood, 2017*




Source: Kimley-Horn; LoopNet; Other Third-Party Realtor Sites

The former Self Regional laundry processing facility space located at the corner of Maxwell Avenue and Kitson Street is currently on the market, although a sale of the property is pending. This property is located very close to the Kitson Mill site, and according to Economic Development is one of Greenwood's few available updated warehousing spaces with proximity to Uptown. The building was constructed in 1980 and contains approximately 125,000 square feet on 6.70 acres. The asking price is listed at $1.67 million, although the actual closing price is likely to vary from that number. This equates to nearly $14 per square foot.

# Population and Employment Forecasts

This section provides population and employment forecasts for Greenwood County and the Kitson Mill Study Area, considering the geographic location in the region, demographic and economic trends, tourism, and real estate market performance. The forecasted population growth is used to project demand for housing and retail in the following section, and future increases in employment are used to determine supportable amounts of office and industrial.

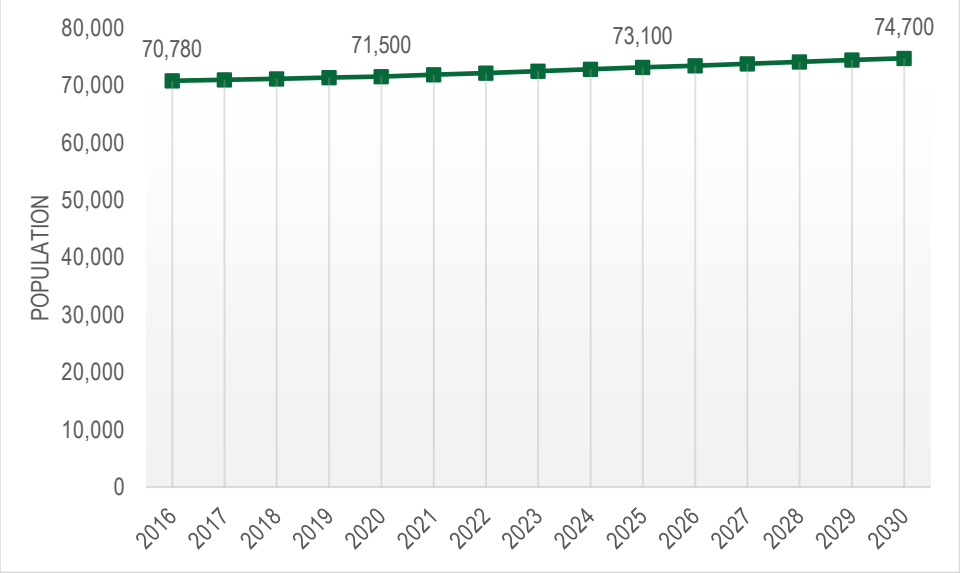
## *Population*

The starting point for the population forecasts presented in this analysis are 2016 population estimates, provided by ESRI. Population forecasts have been prepared for both Greenwood County and the Kitson Mill Study Area through 2030.

### Greenwood County

Based on data provided by ESRI, Greenwood County had an estimated 70,780 residents in 2016. Forecasts are based on interpretation of projections provided by the State of South Carolina, ESRI, and Woods & Poole, a third-party population and employment forecasting firm. As shown in Graph 25, the projections for Greenwood County show population increasing moderately through 2030, resulting in an increase of 3,920 people.

*Graph 25: Population Forecasts, Greenwood County, 2016-2030*



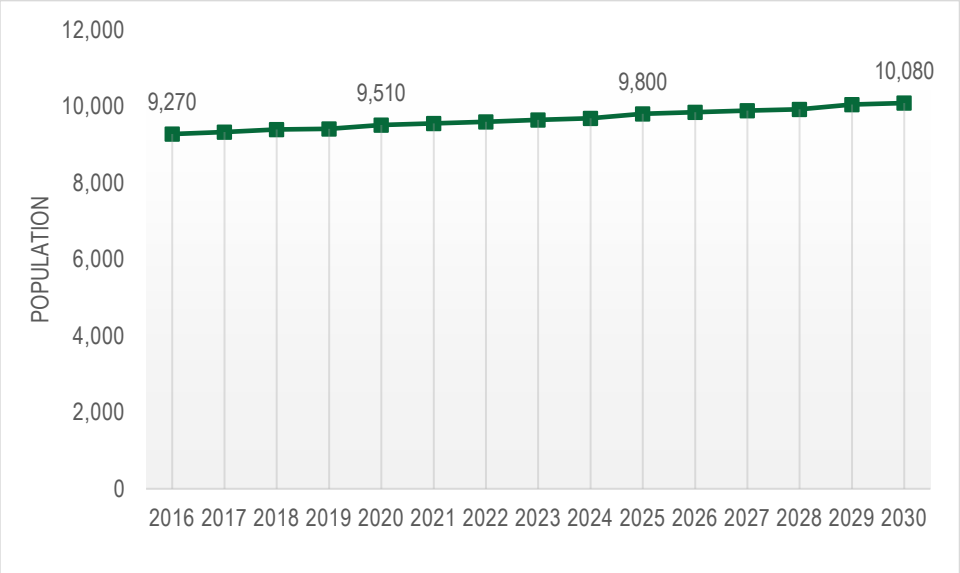

Source: ESRI Business Analyst Online; State of South Carolina; Woods & Poole; Kimley-Horn

### Kitson Mill Study Area

Residents in the Study Area currently make up approximately 13.2% of Greenwood County's total population. The Study Area's share of the total population has remained constant in recent years, even as new residential development has targeted greenfield sites in the County around the periphery of Greenwood. Population forecasts for the Study Area consider future growth rates, as well as entitlements and announcements that could impact growth in the future.

The Study Area had an estimated 9,270 residents in 2016 (Graph 26). Based on projected growth in the County, this analysis forecasts a total population of 10,080 residents by 2030, an 8.7% increase. This analysis assumes that the trend of limited population and residential growth in the Study Area is likely to reverse in the future with a resurgence of living in areas offering proximity to services, entertainment, and transportation options.

*Graph 26: Population Forecasts, Kitson Mil Study Area, 2016-2030*



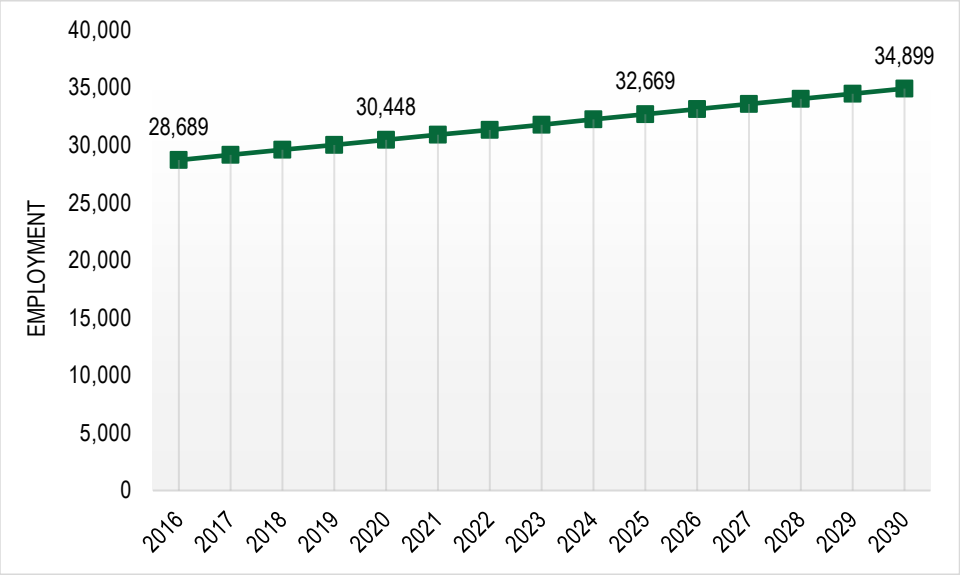

Source: ESRI Business Analyst Online; State of South Carolina; Woods & Poole; Kimley-Horn

## Employment

Employment forecasts are based on interpretations of datasets prepared by Woods & Poole for Greenwood County. Economic development and job growth is a function of regional and county-wide success and partnership. As such, this section provides employment forecasts for the County because understanding this momentum is vital to achieving accurate real estate demand projections for the Kitson Mill Study Area.

Based on data provided by Woods & Poole, Greenwood County had approximately 28,689 jobs in 2016. As shown in Graph 27, the projections for Greenwood County show a total of 34,899 jobs by 2030, an increase of 21.3%. These projections, suggest modest growth in the future, continuing the positive trends in the last five years.

*Graph 27: Employment Forecasts, Greenwood County, 2016-2030*




Source: SC Works Online Services; SCESC; Woods & Poole; Kimley-Horn

As previously noted, Greenwood County is expected to have 34,899 total jobs by 2030, a 21.3% increase from an estimated 28,689 jobs in 2016 (Table 10). With 7,741 total jobs, the Healthcare and Social Assistance sector is expected to remain the largest industry in 2030, supported by success at Self Regional Hospital. All industries are expected to experience growth through 2030. The strongest growth in Greenwood County employment sectors through 2030 are forecasted to be:

- Healthcare and Social Assistance (+2,316)
- Accommodation and Food Services (+762)
- Administrative and Waste Services (+536)
- Manufacturing (+449)
- Wholesale Trade (+323)

*Table 10: Employment Forecast by Industry, Greenwood County, 2016-2030*

| Industry | 2016 | 2030 | 2016-2030Δ # | 2016-2030Δ % |
|---|---|---|---|---|
| Health Care and Social Assistance | 5,425 | 7,741 | 2,316 | 42.7% |
| Accommodation and Food Services | 2,479 | 3,241 | 762 | 30.7% |
| Administrative and Waste Services | 2,208 | 2,744 | 536 | 24.3% |
| Manufacturing | 5,807 | 6,256 | 449 | 7.7% |
| Wholesale Trade | 793 | 1,116 | 323 | 40.8% |
| Professional and Technical Services | 551 | 864 | 313 | 56.9% |
| Educational Services | 2,601 | 2,911 | 310 | 11.9% |
| Public Administration | 1,257 | 1,523 | 266 | 21.2% |
| Construction | 1,028 | 1,202 | 174 | 17.0% |
| Finance and Insurance | 527 | 696 | 169 | 32.2% |
| Arts, Entertainment, and Recreation | 357 | 474 | 117 | 32.9% |
| Retail Trade | 3,684 | 3,795 | 111 | 3.0% |
| Other Services, Ex. Public Admin | 423 | 527 | 104 | 24.6% |
| Real Estate and Rental and Leasing | 234 | 329 | 95 | 40.5% |
| Management of Companies and Enterprises | 184 | 242 | 58 | 31.7% |
| Utilities | 262 | 315 | 53 | 20.1% |
| Information | 162 | 196 | 34 | 20.8% |
| Natural Resources and Mining | 96 | 113 | 17 | 17.4% |
| Transportation and Warehousing | 611 | 613 | 2 | 0.3% |
| **Total** | **28,689** | **34,899** | **6,210** | **21.3%** |

Source: SC Works Online Services; SCESC; Woods & Poole; Kimley-Horn

# Kitson Mill Study Area Demand Forecasts

## Housing Units

Residential housing unit demand is based on the population projections for the Kitson Mill Study Area presented in the previous section. Ultimately, the Study Area's performance through 2030 could be further impacted by policy decisions, public and private investment, and utility and transportation infrastructure.

As demonstrated in the previous section, the Kitson Mill Study Area could have approximately 810 new residents between 2016 and 2030, representing an 8.7% growth rate (Table 11). The forecasted growth rate represents continued modest growth, largely constrained by land availability as compared to other areas in Greenwood County. Based on the forecasted growth, total population in the Study Area could increase from 9,270 people in 2016 to 10,080 people in 2030.

*Table 11: Residential Forecast, Kitson Mill Study Area, 2016-2030*

| | | | | | 2016-2030 Δ | |
|---|---|---|---|---|---|---|
| **Measure** | **2016** | **2020** | **2025** | **2030** | **#** | **%** |
| Population | 9,270 | 9,510 | 9,800 | 10,080 | 810 | 8.7% |
| Households | 3,340 | 3,440 | 3,570 | 3,690 | 350 | 10.5% |
| Housing Units | 4,000 | 4,090 | 4,210 | 4,330 | 330 | 8.3% |

Source: US Census; ESRI; Kimley-Horn

Housing unit forecasts are based on average household sizes and an 7% vacancy rate. This analysis assumes that the average household size will remain relatively constant through 2030 years at approximately 2.3 persons per household. Based on these assumptions, the Study Area could support approximately 330 net new housing units through 2030. This projection does not take into consideration replacement units required for demolished housing units that have become obsolete, uncompetitive, or are damaged or destroyed.

Greenwood, and surrounding Greenwood County, have higher shares of single-family detached units with a focus on families and empty nesters seeking affordable housing options. Although the development of new townhouses and apartments have recently been more limited in the Kitson Mill Study Area, given the amount of available land this product type is likely to capture much of the future residential demand. This is further supported by student and aging populations that may seek to live in a pedestrian-friendly environment or downsize into properties with more minimal maintenance. Financing for higher-density housing units is likely to stand as one of the largest challenges in developing these product types in Greenwood given the sales prices and lease rates currently demonstrated at existing product.

## Retail

The Greenwood County geography is the basis for the retail forecasts because the City of Greenwood serves as the primary commercial hub for residents throughout the region. The 2016-2030 retail demand for Greenwood County and the Study Area was forecasted using the following method:

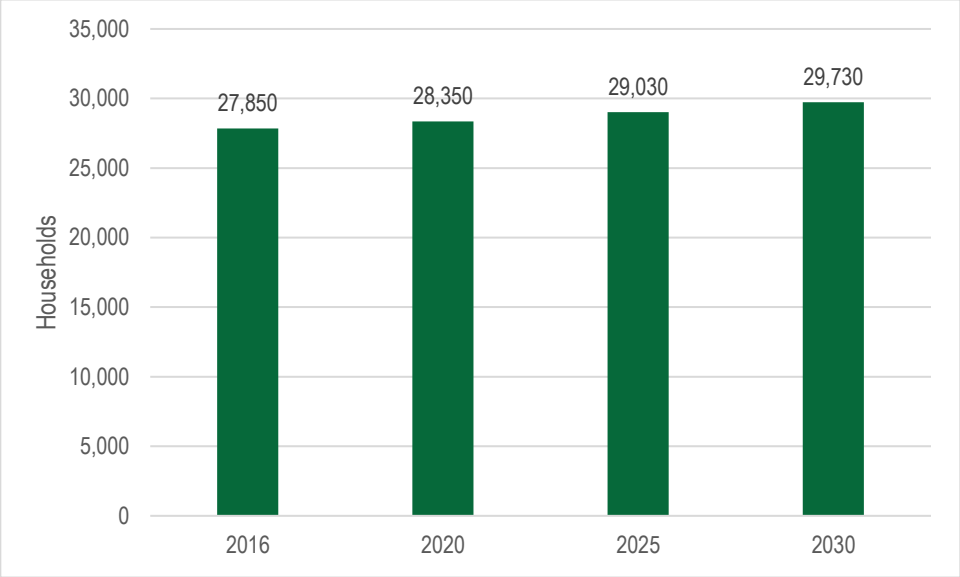
1. Calculating Greenwood County's total household income in 2016, 2020, 2025, and 2030 by applying the forecasted households to average income projections presented earlier in this document
2. Estimating the County's expenditure potential based on reported data that indicates the percentage of income spent on various retail goods and services

3. Determining Greenwood County's sales through 2030, taking into account leakage resulting from resident commuting patterns
4. Estimating sales inflow from non-County residents, include those who work there, commuters traveling through the area to reach other destinations, and tourists
5. Converting retail sales to square feet based on sales per square feet data by type of retail

## Household and Income Forecasts

As shown in Graph 28, Greenwood County had an estimated 27,850 households in 2016. This analysis forecasts the addition of approximately 1,880 households over the forecast period, reaching a total of 29,730 households in 2030. This analysis aligns with forecasts that suggest slow, but modest, growth for the County and region in the future.

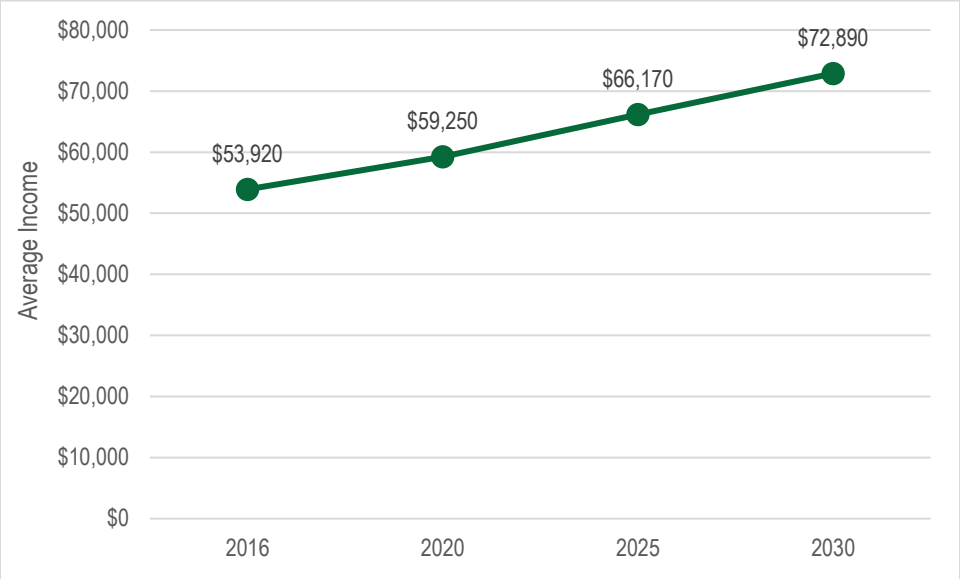
*Graph 28: Household Forecast, Greenwood County, 2016-2030*




Source: ESRI Business Analyst Online; Kimley-Horn

Retail demand forecasts generally rely on average household income, which is typically higher than the median household income statistics reported previously in this analysis. According to ESRI, Greenwood County had an estimated average household income of over $53,920 in 2016. Based on income projections derived from US Census and ESRI trends, the County is expected to have an average household income of over $72,890 by 2030 (Graph 29).

*Graph 29: Average Household Income, Greenwood County, 2016-2030*




Source: ESRI Business Analyst Online; Kimley-Horn

## Retail Demand Forecast

Based on the methodology outlined above, Greenwood County has a forecasted demand of over 564,332 square feet of retail space between 2016 and 2030. New retail demand could be accommodated in existing vacancies, but is more likely to be accommodated in new development due to changing demands of tenants. As shown in Table 12, Restaurants (18.8%), Discount Stores (16.5%), and Supermarkets (13.0%) make up the largest demand categories for net new demand in the County.

*Table 12: Retail Demand Forecast, Greenwood County, 2016-2030*

| Retail Category | Net New Retail Sq.Ft. 2016-2020 | 2020-2025 | 2025-2030 | 2016-2030 Change | % of Total |
|---|---|---|---|---|---|
| Food Services - Restaurants | 28,548 | 39,667 | 38,149 | 106,363 | 18.8% |
| Discount Stores | 24,944 | 34,660 | 33,333 | 92,937 | 16.5% |
| Supermarkets & Other Groceries | 19,763 | 27,461 | 26,410 | 73,635 | 13.0% |
| Other General Merchandise Stores | 12,193 | 16,942 | 16,293 | 45,427 | 8.0% |
| Clothing Stores | 9,338 | 12,975 | 12,478 | 34,792 | 6.2% |
| Department Stores | 7,548 | 10,488 | 10,086 | 28,122 | 5.0% |
| Book Stores | 6,082 | 8,452 | 8,128 | 22,662 | 4.0% |
| Pharmacies & Drug Stores | 5,635 | 7,830 | 7,530 | 20,994 | 3.7% |
| Drinking Places - Bars | 5,487 | 7,624 | 7,332 | 20,442 | 3.6% |
| Convenience Stores | 4,252 | 5,908 | 5,682 | 15,842 | 2.8% |
| All Other Categories | 27,676 | 38,456 | 36,984 | 103,116 | 18.3% |
| **Total** | **151,466** | **210,461** | **202,405** | **564,332** | **100.0%** |

Source: Kimley-Horn

It should be noted that the 73,635 square feet of demand for Supermarkets and Other Groceries is enough to support one to two new full-sized grocery stores, which typically range from 35,000 to 60,000 square feet. ESRI Business Analyst Online tracts retail surplus and leakage by retail industry. While most categories demonstrate a surplus in supply, there are some

notable sectors that would represent potential for future demand because residents are going elsewhere for these services. The most notable of these "leakage" sectors are general merchandise stores, motor vehicle and parts dealers, and furniture and home furnishing stores.

Table 13 demonstrates the potential capture of the County-wide retail demand forecast in the Kitson Mill Study Area. This analysis uses a 12-15% capture rate for forecasted demand to demonstrate a future range. The capture rates consider the concentration of services in the City of Greenwood that serve more rural areas in Greenwood County and the region, as well as forecasted household growth in the core of the City. Based on these captures, the Kitson Mill Study Area could support approximately 67,720 to 84,650 square feet of net new retail space through 2030.

*Table 13: Net New Retail Demand, Greenwood County, 2016-2030*

| | New Retail Demand | |
|---|---|---|
| Measure | LOW | HIGH |
| Greenwood County | 564,332 | 564,332 |
| Capture Rate | 12.0% | 15.0% |
| Kitson Mill Study Area | 67,720 | 84,650 |

Source: US Census; ESRI; Kimley-Horn

## Office

Office demand for the Kitson Mill Study Area was based on employment growth forecasted for Greenwood County. The employment growth scenarios are used to forecast both office and industrial demand by considering the types of jobs that would require different development types.

### Office-Occupying Employment Forecast

To forecast the increase in office-occupying employment, office shares were applied to each industry projection for Greenwood County (as demonstrated in the employment projections in the previous section). Finance and Insurance, Management of Companies and Enterprises, and Professional and Technical Services have the highest shares of office-occupying employment, ranging from 80% to 85%. As shown in Table 14, the County is projected to have an increase of approximately 1,742 office-occupying employees, or 27.0%, between 2016 and 2030.

*Table 14: Office-Occupying Employment Forecast, Greenwood County, 2016-2030*

| Industry | Office Share | 2016 | 2020 | 2025 | 2030 | 2016-2030 Δ # | 2016-2030 Δ % |
|---|---|---|---|---|---|---|---|
| Natural Resources and Mining | 5.0% | 5 | 5 | 5 | 6 | 1 | 17.4% |
| Utilities | 15.0% | 39 | 42 | 44 | 47 | 8 | 20.1% |
| Construction | 10.0% | 103 | 108 | 115 | 120 | 17 | 17.0% |
| Manufacturing | 5.0% | 290 | 299 | 307 | 313 | 22 | 7.7% |
| Wholesale Trade | 25.0% | 198 | 221 | 249 | 279 | 81 | 40.8% |
| Retail Trade | 10.0% | 368 | 374 | 378 | 380 | 11 | 3.0% |
| Transportation and Warehousing | 25.0% | 153 | 150 | 151 | 153 | 0 | 0.3% |
| Information | 30.0% | 49 | 51 | 55 | 59 | 10 | 20.8% |
| Finance and Insurance | 85.0% | 448 | 494 | 546 | 592 | 144 | 32.2% |
| Real Estate and Rental and Leasing | 75.0% | 176 | 194 | 219 | 247 | 71 | 40.5% |
| Professional and Technical Services | 80.0% | 441 | 501 | 589 | 692 | 251 | 56.9% |
| Management of Companies and Enterprises | 85.0% | 156 | 171 | 189 | 206 | 50 | 31.7% |
| Administrative and Waste Services | 70.0% | 1,546 | 1,646 | 1,783 | 1,921 | 375 | 24.3% |
| Educational Services | 15.0% | 390 | 404 | 422 | 437 | 46 | 11.9% |
| Health Care and Social Assistance | 15.0% | 814 | 903 | 1,026 | 1,161 | 347 | 42.7% |
| Arts, Entertainment, and Recreation | 15.0% | 54 | 58 | 64 | 71 | 18 | 32.9% |
| Accommodation and Food Services | 10.0% | 248 | 269 | 297 | 324 | 76 | 30.7% |
| Other Services, Ex. Public Admin | 25.0% | 106 | 113 | 122 | 132 | 26 | 24.6% |
| Public Administration | 70.0% | 880 | 938 | 1,006 | 1,066 | 186 | 21.2% |
| **Total** | | **6,463** | **6,942** | **7,568** | **8,204** | **1,742** | **27.0%** |

Source: SC Works Online Services; SCESC; Woods & Poole; Kimley-Horn

## Demand Forecast

Forecasted office-occupying jobs have been used to estimate demand for square footage. National trends indicate a declining amount of office space per employee, with companies seeking to more efficiently utilize space. However, this decline is most notably demonstrated in core urban markets, and is impacting suburban or rural markets at a slower pace. Estimates for office demand are based on a 225-square-feet per employee estimate through 2030.

Greenwood County is forecasted to add 1,742 new office jobs between 2016 and 2030. At an average space per employee of 225 square feet, this equates to demand of approximately 391,958 square feet of net new single- and multi-tenant office space through 2030 (Table 15). It is important to have vacant space offerings for inter- and intra-market moves. This analysis uses an average vacancy rate of 10% to show total net new office space demand. Based on this vacancy measure, Greenwood County could support the development of over 423,000 square feet of new office space over the forecast period.

*Table 15: Net New Office Demand, Greenwood County, 2016-2030*

| Measure | New Office Demand 2016-2020 | 2020-2025 | 2025-2030 | 2016-2030 Total |
|---|---|---|---|---|
| Office-Occupying Jobs | 479 | 625 | 637 | 1,742 |
| Square Feet/Employee | 225 | 225 | 225 | |
| Net Demand (Sq.Ft.) | 107,840 | 140,721 | 143,397 | 391,958 |
| Net Office Space Demand | 116,467 | 151,979 | 154,869 | 423,315 |

Source: SC Works Online Services; SCESC; Woods & Poole; Kimley-Horn

Table 16 demonstrates the potential capture of the County-wide office demand forecast in the Kitson Mill Study Area. This analysis uses a 30-35% capture rate for forecasted demand to demonstrate a future range. While much of the new office

demand will gravitate to urbanized areas of County, approximately one-third is assumed to locate in the Study Area. Based on these captures, the Study Area could support approximately 127,000 to 148,160 square feet of office space through 2030.

*Table 16: Net New Office Demand, Kitson Mill Study Area, 2016-2030*

| | New Office Demand | |
|---|---|---|
| Measure | LOW | HIGH |
| Greenwood County | 423,315 | 423,315 |
| Capture Rate | 30.0% | 35.0% |
| Study Area | 126,994 | 148,160 |

Source: SC Works Online Services; SCESC; Woods & Poole; Kimley-Horn

## *Light Industrial/Flex*

### Light Industrial/Flex-Occupying Employment Forecast

Similar to office demand, light industrial-occupying employment projections are based on the employment forecasts presented previously. New light industrial/flex jobs in Greenwood County are based on shares of industrial-occupying employees by sector. These shares range from 0% for Financial Activities and Professionally-focused Services to 50-60% for industries like Manufacturing and Wholesale Trade. It should be noted that the forecasts exclude demand for heavy manufacturing uses due to the urban nature of the targeted areas of analysis. Greenwood County is expected to have an increase of 777 new light industrial/flex-occupying jobs between 2016 and 2030, representing a 136% increase (Table 17).

*Table 17: Light Industrial-Occupying Employment Forecast, Greenwood County, 2016-2030*

| | Industrial | | | | | 2016-2030 Δ | |
|---|---|---|---|---|---|---|---|
| Industry | Share | 2016 | 2020 | 2025 | 2030 | # | % |
| Natural Resources and Mining | 0.0% | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Utilities | 15.0% | 39 | 42 | 44 | 47 | 8 | 20.1% |
| Construction | 20.0% | 206 | 217 | 230 | 240 | 35 | 17.0% |
| Manufacturing | 60.0% | 3,484 | 3,592 | 3,683 | 3,754 | 269 | 7.7% |
| Wholesale Trade | 50.0% | 397 | 441 | 498 | 558 | 162 | 40.8% |
| Retail Trade | 10.0% | 368 | 374 | 378 | 380 | 11 | 3.0% |
| Transportation and Warehousing | 40.0% | 244 | 240 | 242 | 245 | 1 | 0.3% |
| Information | 0.0% | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Finance and Insurance | 0.0% | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Real Estate and Rental and Leasing | 0.0% | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Professional and Technical Services | 0.0% | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Management of Companies and Enterprises | 0.0% | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Administrative and Waste Services | 10.0% | 221 | 235 | 255 | 274 | 54 | 24.3% |
| Educational Services | 5.0% | 130 | 135 | 141 | 146 | 15 | 11.9% |
| Health Care and Social Assistance | 5.0% | 271 | 301 | 342 | 387 | 116 | 42.7% |
| Arts, Entertainment, and Recreation | 10.0% | 36 | 39 | 43 | 47 | 12 | 32.9% |
| Accommodation and Food Services | 10.0% | 248 | 269 | 297 | 324 | 76 | 30.7% |
| Other Services, Ex. Public Admin | 5.0% | 21 | 23 | 24 | 26 | 5 | 24.6% |
| Public Administration | 5.0% | 63 | 67 | 72 | 76 | 13 | 21.2% |
| **Total** | | **5,728** | **5,975** | **6,248** | **6,505** | **777** | **13.6%** |

Source: SC Works Online Services; SCESC; Woods & Poole; Kimley-Horn

## Light Industrial/Flex Demand Forecast

Forecasted light industrial/flex-occupying jobs have been used to estimate square footage demand. Estimates for industrial demand are based on an average of 600 square feet per employee. Square feet per employee estimates typically vary from 300 square feet to 900 square feet, depending on use.

Table 18 demonstrates the expected increase in new light industrial-occupying employees and required square footage through 2030 for Greenwood County. The County is forecasted to have demand for over 513,000 million square feet of industrial space between 2016 and 2030. Similar to office, this analysis incorporates a 10% vacancy factor to support movement into and within the market by existing and new companies. It is important to note that this forecast is based on organic job growth, and excludes large "drop-in" distribution relocations.

*Table 18: Net New Light Industrial Demand, Greenwood County, 2016-2030*

| | New Light Industrial Demand | | | 2016-2030 |
|---|---|---|---|---|
| Measure | 2016-2020 | 2020-2025 | 2025-2030 | Total |
| Industrial-Occupying Jobs | 247 | 273 | 258 | 778 |
| Square Feet/Employee | 600 | 600 | 600 | |
| Net Demand (Sq.Ft.) | 147,939 | 164,008 | 154,844 | 466,791 |
| Net Industrial Space Demand | 162,732 | 180,409 | 170,328 | 513,470 |

Source: SC Works Online Services; SCESC; Woods & Poole; Kimley-Horn

Table 19 demonstrates the potential capture of the County-wide industrial demand forecast in the Study Area. This analysis uses a 10-15% capture rate for forecasted demand to demonstrate a future range. Capture shares are relatively low given the amount of land that is available for larger-footprint light industrial buildings. Based on these captures, the Study Area could support approximately 51,350 to 77,000 square feet of net new light industrial/flex space through 2030.

*Table 19: Net New Light Industrial Demand, Kitson Mill Study Area, 2016-2030*

| | New Office Demand | |
|---|---|---|
| Measure | LOW | HIGH |
| Greenwood County | 513,470 | 513,470 |
| Capture Rate | 10.0% | 15.0% |
| Study Area | 51,347 | 77,020 |

Source: SC Works Online Services; SCESC; Woods & Poole; Kimley-Horn

# Kitson Mill and Uptown Greenwood Site Captures

## *Residential*

### Kitson Mill Study Area

Residential demand for the Kitson Mill Study Area is based on population and household forecasts through 2030. Greenwood County has experienced modest growth of nearly 3,000 new residents since 2000, while the Study Area has remained stagnant. New residential development in Greenwood has been largely focused north of the Kitson Mill Study Area. Reversing recent trends, this analysis forecasts the addition of approximately 810 new residents in the Study Area through 2030.

Residential development in the Study Area is comparatively constrained due to the established nature of the land uses, including a historic urban core and surrounding neighborhoods. Lacking large parcels of undeveloped land, residential development in the Study Area will largely be focused on redevelopment and infill efforts.

Forecasted population growth in the Study Area was used to project housing demand. Based on average household sizes and vacancy rates, the Study Area could support between 300 and 400 new residential units through 2030. While all residential types are appropriate, including single-family detached, townhouses, and multifamily, the limited availability of land and the influence of Uptown Greenwood would likely support a higher share of multifamily development in the future.

### Kitson Mill Site

From a pure demand perspective, multifamily residential represents a potential development opportunity for the Kitson Mill site, fueled by a resurgence in urban areas across the United States that is driven by a propensity for denser, more connected living. The Kitson Mill site represents a well-located tract of undeveloped land (under single ownership) in the Study Area, making it an attractive opportunity for developers seeking to build new product with proximity to Uptown Greenwood.

However, from a developer-driven perspective, the larger Greenwood residential market, especially for multifamily development, presents a challenge. Price points for the even highest-end multifamily developments in Greenwood are generating rents that would make conventional financing of future development of new units difficult. The same sentiment would apply to attached single-family, or townhouse, product. Due to environmental concerns related to the former mill use on the site, single-family detached units cannot be developed on the property.

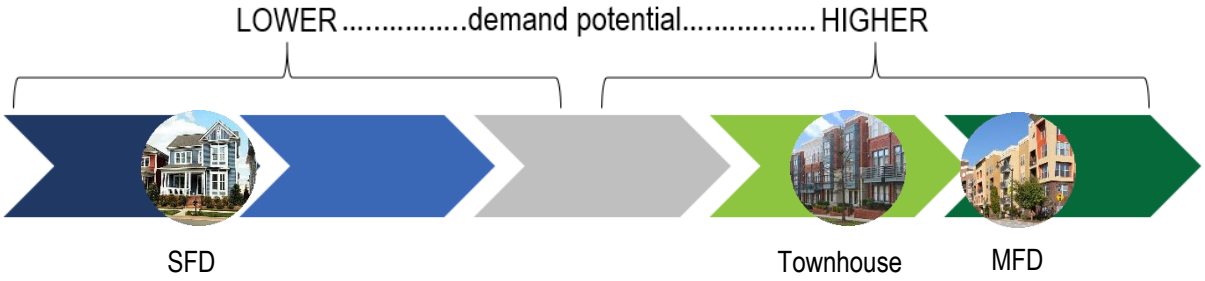
In terms of residential product, multifamily apartments could have demand potential given the site's size and location. However, substantial financing partnerships, either through public or private entities, would likely be required to make pro formas work. Apartment-style development at the Kitson Mill site could focus on niche, targeted tenants, such as students from Lander University, temporary research positions at the Greenwood Genetics Center, or senior living.

## Uptown Greenwood

Multifamily residential represents a strong development opportunities for Uptown Greenwood, fueled by a resurgence in urban areas across the United States. Based on a capture of the forecasted housing demand for the Kitson Mill Study Area, Uptown Greenwood could support between 150 and 200 residential units. Urban multifamily product is likely to take the form of smaller developments, typically less than 50 units per development, largely due to the infill or redevelopment nature of the Uptown area. The balance of the Study Area's demand would likely gravitate to areas near Lander University, serving students, or near the hospital.

The newest downtown residential product, represented by the redevelopment of a historic building into condominiums, demonstrates a notable price premium over other non-urban product. The newly renovated mixed-use building includes retail on the first floor and condominiums for sale on the upper floors ranging from $250,000 to $298,000. Premiums that may be generated by downtown proximity are likely enough to meet the needs of an investment from a price point perspective. These same premiums are unlikely at the Kitson Mill site; although it is adjacent to downtown, it feels disconnected due to separation created by the railroad.

This analysis recommends that townhouse, condominium, and apartment opportunities would be supportable in Uptown Greenwood in the future. In order to allow flexibility for changes in the real estate market, as well as creation of site concepts and pro formas by potential developers, each separate product type should be considered to have strong potential. Given the lower densities and increased land needs of single-family detached, it is unlikely that new units of this type would be developed.




# Retail

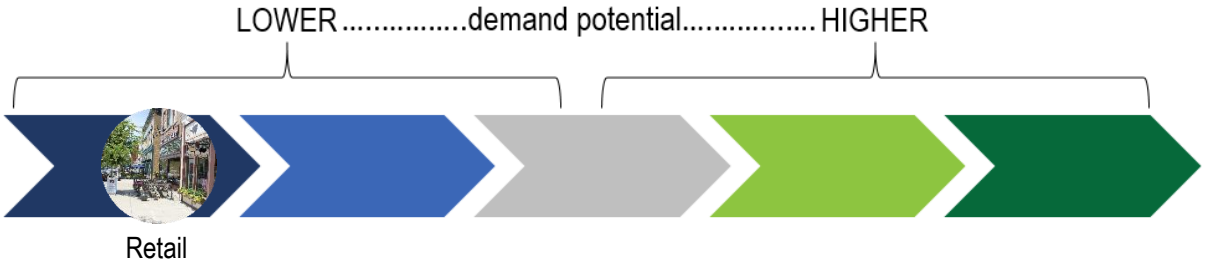
## Study Area

Retail demand for the Kitson Mill Study Area is based on a variety of factors, including household growth and average incomes, as well as inflow and leakage from commuter patterns. Uptown Greenwood represents a significant retail node in the City, and is by far the most influential activity center in the Study Area. Projected retail demand will likely gravitate to the Uptown Greenwood area, seeking to capitalize on the growing momentum of new retail, dining, and nightlife tenants.

Demand for new retail space in the Study Area is projected to be between 67,000 and 85,000 square feet through 2030. Retail space could be introduced as reinvestment of currently vacant buildings in Uptown or redevelopment/new construction. Ground-level retail space will be attracted to corridors in Uptown with the highest vehicle and pedestrian foot traffic. Potential target tenants are outlined in the *Retail Strategies Recruitment Plan*, under separate cover.

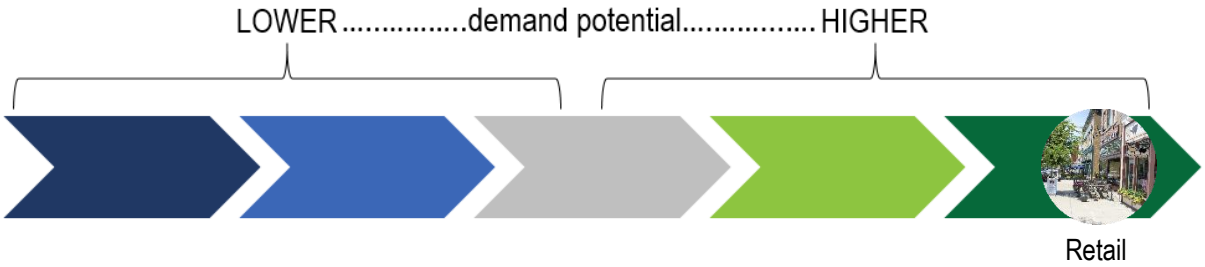
### Kitson Mill Site

Although the Kitson Mill site offers proximity to Uptown Greenwood, the site does not benefit from the same levels of vehicle and pedestrian traffic. Demand for retail land uses will likely be limited for the Kitson Mill site at less than 5,000 square feet through 2030. Retail uses would be the last to develop, following future starts at the property by other commercial anchors to enhance a base of customers.




### Uptown Greenwood

Retail represents another real estate sector with strong potential in Uptown Greenwood. It is likely that the Uptown area would capture the majority of the total Study Area demand through 2030, resulting in 50,000 to 60,000 square feet of new space potential. Retail in Uptown would gravitate to ground-level spaces on streets with strong pedestrian and vehicular traffic, first seeking locations near thriving business nodes. While future demand will seek flexibility to accommodate a variety of in-line suites, smaller retail spaces would likely be the most popular. As previously noted, specifics on potential tenant types, largely focused on locally-owned businesses, are outlined in the *Retail Strategies Recruitment Plan*, under separate cover.




## *Office*

### Study Area

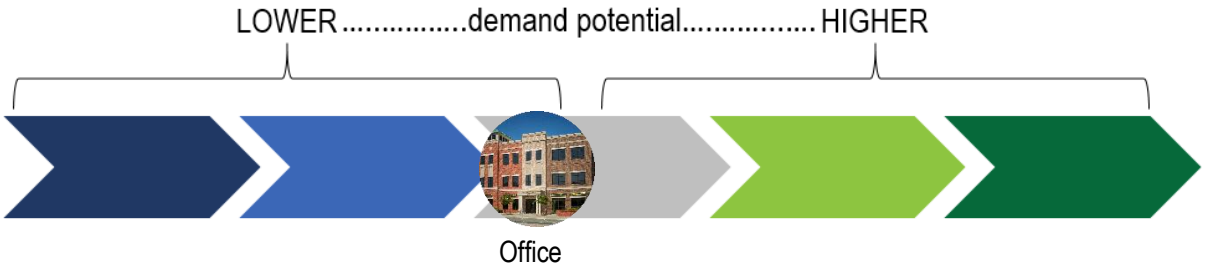
Office space located in well-designed suburban mixed-use projects or near urban central business districts have achieved success in attracting talent-seeking companies and young, educated workers. Similar to multifamily residential, urban office space is experiencing a resurgence across the nation.

Office demand for the Kitson Mill Study Area is based on employment growth forecasted for Greenwood County. The employment growth scenarios are used to forecast demand by considering the types of jobs that would require different development types. Although longer-trends demonstrate County-wide job losses in Greenwood, more recent industrial wins have started to build momentum towards growth. This analysis projects the addition of 6,210 jobs in Greenwood County through 2030, heavily influenced by the Healthcare, Accommodation and Food Service, Administrative Services, and Manufacturing sectors.

To forecast the increase in office demand, office shares were applied to each industry projection for Greenwood County to identify future jobs that will require office space. Greenwood County is forecasted to add over 1,742 new office jobs between 2016 and 2030. At an average space per employee of 225 square feet, this equates to demand of approximately 420,000 square feet of net new single- and multi-tenant office space through 2030 in the County. The Kitson Mill Study Area is expected to capture 30% to 35% of the total office demand, equating to 127,000 to 148,000 square feet during the same timeframe.

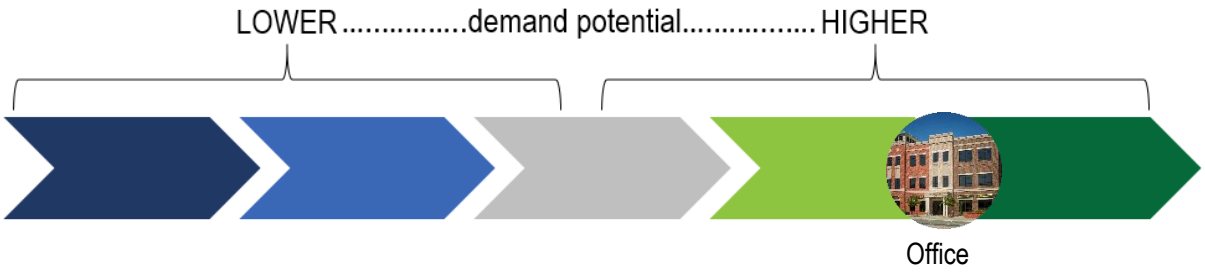
## Kitson Mill Site

Approximately 20% of the County's forecasted demand is driven by expected increases in the Healthcare sector, which will likely focus new growth with proximity to the medical center. Future potential for office space at the Kitson Mill site could be focused on more traditional office users, including growth in the Finance and Insurance and Professional, Technical, and Administrative Services. The Kitson Mill site could support 5,000 to 10,000 square feet of office space. However, if partners are identified (ex. Lander University, the Greenwood Genetics Center, or City or County public agencies) the total demand for office space could increase with a strong anchor tenant.




## Uptown Greenwood

Much of the office space in Greenwood County is associated with public administration and medical uses. Given the concentration of government uses in Uptown Greenwood, additional office space is a strong candidate use for future development. According to a study on preferred office locations prepared by NAIOP, the Commercial Real Estate Development Association. "Attractive office space typically is close to cafes, restaurants, retail shops, personal and business services, hospitality, and civic uses. The best locations are compact, walkable places near housing and public transit. Office tenants expect their employees to be more satisfied in places that offer diverse, connected land uses. As a result, these companies anticipate higher productivity, less turnover, and more innovation."



The ability to concentrate near other office users with proximity to dining and entertainment, Uptown Greenwood is likely to capture 40,000 to 50,000 square feet of office space in the future. The balance of the Study Area's forecast is likely to gravitate near Self Regional Hospital and take the form of medical office space.

## *Light Industrial/Flex*

### Study Area

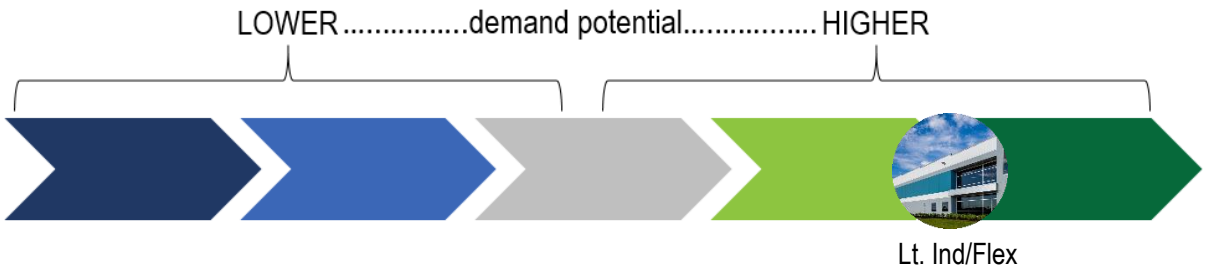
Industrial demand in the Kitson Mill Study Area is calculated in a similar manner to office space, based on expected growth in jobs that require space typically categorized as industrial or flexible works space. Greenwood County is expected to experience an increase of approximately 775 light industrial-occupying jobs through 2030. Based on an average space per employee of 600 square feet, this equates to 515,000 square feet of County-wide demand through 2030.

Given the urban nature of the Study Area, and the resulting limited amount of easily developable, large-lot tracts, only 10% to 15% of the County-wide demand projection is expected to be captured. This equates to approximately 51,350 to 77,000 square feet of light industrial and flex space demand through 2030. Demand will likely be concentrated in tenants seeking smaller, flexible work spaces that offer office space and warehouse/storage space in the same building configuration. This product typically requires less land, has smaller building footprints, and more limited impacts on traffic.

### Kitson Mill Site

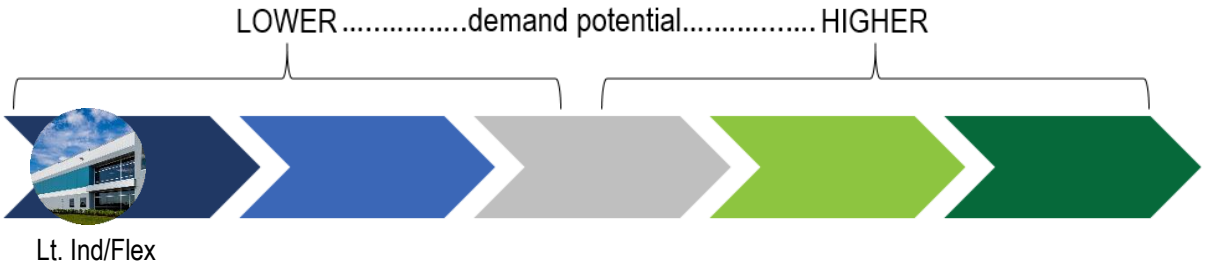
Given the existing land uses immediately south of the site, focusing on manufacturing and warehousing buildings seeking accessibility to Maxwell Avenue and, eventually US 178, light industrial or flexible work spaces would be a viable use for the property. Additionally, more modern product with a blend of front offices and back warehouse space would present an appropriate buffer between existing tenants like Eaton Corporation and Greenwood Fabricating & Planting and the surrounding established neighborhoods. This forecast could also include buildings that house shared "maker-space" that might attract artisans or other goods-producing small businesses.

Given the limited availability of larger tracts of land in the Study Area, the Kitson Mill site could capture a significant portion of the projected demand through 2030. This analysis forecasts demand at the site for light industrial or flex space of 35,000 to 45,000 square feet for the forecast period.




### Uptown Greenwood

Uptown Greenwood is not expected to capture any demand for light industrial/flex space given the urban nature of the area. Light industrial/flex space will either gravitate to the Kitson Mill site, or other areas surrounding the periphery of the Study Area.


LOWER .....demand potential..... HIGHER
Lt. Ind/Flex