

Market Assessment Comprehensive Plan Beaufort, SC



Phase I - Preliminary Findings

November 2008

Prepared for

- The Lawrence Group
- City of Beaufort, SC

By

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Section I

Introduction & Executive Summary

Introduction & Purpose

Rose & Associates Southeast, Inc. (“Consultant”) was retained by The Lawrence Group on behalf of the City of Beaufort, SC (“Client”) to complete a market study to inform the proposed Comprehensive Plan for the City of Beaufort (“Study Area”), which is located in Beaufort County, SC. The purpose of this study is to identify the dynamics of the economy and real estate market for consideration for future land use. Further, it will assist in determining the appropriate market for a variety of land uses in accordance with the vision, goals and limits of the town, and the state and federal regulations that govern its development.

Interviews & Data Review. In preparing its report and findings, the Consultant has conducted interviews with town staff, civic and community leaders and stakeholders, individually or in group meetings. Further it has reviewed the following prior plans, reports and studies made available by the Client:

- City Comprehensive Plan (Update 2004)
- Boundary Street Master Plan (2006)
- Northern County Regional Plan (2007)
- Beaufort Regional Chamber Annual Report (2007)
- Economic Network Annual Report (2008)
- City Comprehensive Annual Financial Report (2007)
- Workforce Housing Needs Assessment (2004)
- Smart Growth Audit (draft 2008)
- Downtown Main Street Assessment (draft 2008)
- Downtown Parking Study Update (2007)

Qualitative Assessment. This report will provide an initial qualitative market assessment to assist the Client in framing an outline plan that is demand driven and subject to community input via workshop/charrette. Every community has a culture, which defines socio-economic and political dynamics which are often identified during these stakeholder interviews. In addition to utilizing baseline demographic projections and conventional demand analysis, the study also incorporates local lifestyle patterns, and economic drivers such as employment and household characteristics. It includes market potential, demand characteristics, cultural and demographic data.

The final phase of the market study will incorporate additional data and information gathered during the charrette in preparing quantitative final conclusions. This will be integrated into the final Comprehensive Plan document prepared by The Lawrence Group and will assist the client and its designers in further defining the final details of the Comprehensive Plan.

The conclusions set forth are based upon information provided by public records, town officials, business owners, market and demographic data obtained by Rose & Associates Southeast, Inc. Neither an appraisal nor title search was performed for the Study Area or any specific property in preparing this report. While the information included herein is believed to be accurate, no warranty or representation, expressed or implied, is made as to the information contained herein, and is submitted subject to omission, change of market conditions, or other factors outside the scope of this report or the author’s control. This report is the property of Rose & Associates Southeast Inc., and shall not be duplicated without written permission, all rights reserved, 2008.

Methodology

This Consultant utilizes a combination of methodologies in developing the findings of the study. The analysis and forecasting of market data, which includes demographic and population estimates, together with economic and employment estimates, is both art and science. All market research analysts begin with US Census Bureau data – which has limitations as to accuracy and timeliness. Nonetheless, the data provides a benchmark as much for a retrospective look as a prospective one. Three factors must be considered when looking exclusively at demographic data: the role of economic drivers that are a departure from past trends; growth from primary centers spilling over into outlying areas (i.e., “sprawl”); and constraints due to availability of land physically and legally suited for such development. Therefore, a number of methodologies are utilized in our work, including but not limited to, Economic Base Analysis, Gap Analysis, Central Place Theory and Highest & Best Use Analysis. They are described as follows:

Economic Base Analysis is used to determine real estate demand. The underlying theme suggests that jobs drive demand for real estate: in other words, for every (basic) job that is created, a multiplier effect increases overall employment (both basic and non-basic), thus increasing both population and income within an area benefiting from such job growth. The corresponding growth (or decline) in jobs, population and income correspond to demand for commercial and residential uses of real estate.

Gap Analysis is used to incorporate the existing and planned supply to the demand model, thus determining any gaps (undersupply or oversupply) in the market. From this gap, estimates regarding capture and absorption can be determined to understand the depth of the market. *Note: Supply & Gap Analysis is only included in detailed Quantitative Reports, should they be part of our scope.*

Highest & Best Use is used to determine most appropriate use of land, given the underlying economic base. Highest & Best Use, as defined in *The Dictionary of Real Estate Appraisal*, is:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the Highest & Best Use must meet are legal permissibility, physical possibility, financial feasibility and maximum profitability.

Using the Highest & Best Use concept a site is analyzed “As if Vacant.” The premise of the concept is that an analysis of all reasonable alternative uses will identify the use that yields the highest present land value, after payments are made for labor, capital, and coordination, and, therefore, is the Highest & Best Use. The use of a property is based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.

Note: Highest & Best Use Analysis is site specific, should it be included in our scope with targeted and/or catalyst site analysis. Qualitative Analysis is not site specific but rather defines and assesses the greater market and/or trade areas.

Central Place Theory (CPT) is utilized to evaluate commercial feasibility and trade area. The underlying theme of CPT is that the location decisions of retail and office establishments are driven by rent maximizing forces. That is, providers of goods (retail) and services (office/retail) will locate where they believe they can maximize profits. CPT suggests that certain locations are more “desirable” than others, primarily due to the location of existing businesses or drivers that are already attracting customers. This means that there are “central places” with varying degrees of magnitude that attract such customers. The fundamental theme of CPT is that commercial/retail locations are spatially interdependent, implying that growth is not random, but ordered and rational. Therefore, CPT relies on three basic concepts:

1. **Threshold population:** Businesses need a certain number of customers to break even. The threshold refers to the number of persons, households or income of a target customer group. When the population density is known, this can be expressed in terms of a trade or service area. Most retailers know what their thresholds are, and it is common for them to specify minimum site requirements in terms of population, households, income and customer type (by age, occupation, etc.) within certain radial distances around a specific site. The trade area for this analysis includes typical benchmarks for determining threshold consumer or employee populations.
2. **Higher vs. lower order of goods and services:** Goods and services with low thresholds are identified as having a lower order of goods (i.e., gas stations, eating/drinking establishments, beauty salons, etc.), or also referred to as convenience-oriented locations. Those with high thresholds are identified as having a higher order of goods (i.e., shopping malls, hospitals, office parks, etc.), also referred to as destination-oriented locations. The location of higher order goods and services may influence the location of lower order goods and services. This is often seen where retail/office uses will cluster together around certain centers of influence or demand generators such as regional malls, large shopping centers, hospitals and business parks or major employment centers.
3. **Trade area or “range” of goods and services:** Demand for a good or service is constrained to a limit or “range” (measured in terms of distance or drive time) beyond which customers will not travel to a specific store location. Therefore, demand for most goods/services decreases with distance or travel (drive) time from a central place or specific location. The existence of competitors (supply) diminishes the range and more accurately determines the actual market area for a good or service. The market or trade area will also vary according to street patterns and population density. However, not all businesses seek to maximize distance from competitors, but rather cluster together to attract more customers to create a destination, than if they were to distance themselves from each other.

Together, these concepts determine that a business seeking to maximize accessibility and profits will select one location over another and be willing to pay higher (or lower) rents for a specific location.

Executive Summary of Preliminary Findings

Demographic Shifts - *Consider Trends and Relationship to Land Use.*

While there has been dramatic population growth in Beaufort County since the 2000 census, much of this growth has occurred outside of the City of Beaufort. In fact, from 2000-2006 there was a decline in population of over 7% within the City limits. The county's population growth is dominated by seniors, with the median age being 40.2 years. However, when comparing Beaufort to the county, the city's population is younger, with a median age of 31.4 years. It is also less affluent. This and other data conflicts are likely due to Beaufort's segment of transient population that includes seasonal residents, resident military personnel and college students.

Economic Development - *Stabilize and Diversify Economic Base.*

The job market in South Carolina has been declining since January 2008, with August 2008 employment levels at their lowest point since 2006 according to Bureau of Labor Statistics Data. The greatest decline by far is in Construction, which has declined 13.1%. Beaufort County's economic base is currently dependent upon (in order of ranking): Real Estate (rental & leasing) and Tourism - Arts, Entertainment & Recreation; and Accommodation & Food Services, all of which will be substantially impacted by economic and energy issues facing the nation, as these continue to impact tourism dependent economies. Therefore, Beaufort must immediately implement programs which will move toward diversifying both its workforce and its economic base if it is to remain viable and grow to be sustainable.

Downtown - *Re-focus on the Downtown.*

The concept of downtown as a *Central Place* in the community has shifted. The relocation of city government offices and the chamber visitor center to Boundary Street will leave a vacuum in downtown daytime employment. As a result, the investment in Waterfront Park and other retail areas along its waterfront will become dependent on tourism for its vitality. Therefore, a strategic focus on promoting housing and employment in the downtown will maintain it as a special *Place* for which it has become known and by which Beaufort gets much of its identity.

Housing - *Diversify, Preserve & Make Affordable.*

The housing and economic meltdown has impacted the second home market, retiring seniors and young professionals seeking housing choices. The aging population and challenges with workforce/affordable housing, together with media attention on retirement here, suggest incentives should be broadened to provide a wider variety of housing choice in Beaufort. The creation of alternative housing choices for younger working populations and seniors could connect the downtown with the adjacent medical facilities and provide incentives for historic preservation of old neighborhoods. This could provide urban, affordable housing which would create vital energy needed to sustain the shops and restaurants in the historic downtown.

Planning Analysis & Smart Growth Audit - *Move from Analysis to Action.*

The Northern Beaufort Regional County Plan, the recent Smart Growth Audit and other reports repeatedly address areas of planning, policy, transportation, housing and economic revitalization. The challenge now is to find the will and resources to implement these plans. This consultant would concur with the majority of the recommendations outlined in the comprehensive Smart Growth Audit (see appendix), including most importantly the creation of a downtown master plan. Further, similar goals outlined in these plans suggest intent to move from analysis into action as highlighted on the following tables:

Preliminary Planning Goals as outlined by the Lawrence Group for Comprehensive Plan

Northern Beaufort County Regional Plan	City of Beaufort
<p>The City of Beaufort, the Town of Port Royal, the Town of Yemassee, and Beaufort County will coordinate growth in Northern Beaufort County, especially around the current and future edges of the communities.</p>	<p>We are committed to the implementation of the Northern Beaufort County Regional Plan as the blueprint for our regional planning decisions.</p> <p>Our planning will extend to the established urban growth boundary and will tie together all areas of the community in a cohesive manner.</p>
<p>Adequate and timely regional infrastructure and public facilities will be provided in a fair and equitable manner through a cooperative process in which all units of local government participate and act in the spirit of partnership.</p>	<p>The timing and phasing of development will correspond accordingly with the adequate availability and timely construction of community infrastructure and public facilities.</p>
<p>A strong, vibrant, and healthy economy will be achieved through a successful economic development program in order to ensure the long term success and viability of the Northern Beaufort County region.</p>	<p>A strong, vibrant, and healthy economy will be achieved through a successful economic development program in order to ensure the long term success and viability of the City of Beaufort.</p> <p>We view the military presence as vital to the long-term economic sustainability of our City and will continue to support the existing facilities, off-base support services, and related industries.</p>
<p>Northern Beaufort County will maintain a fiscally sustainable system of funding regional capital infrastructure, operating, and maintenance needs.</p>	<p>The City will maintain a fiscally sustainable system of funding community capital infrastructure, operating, and maintenance needs.</p>
<p>Northern Beaufort County will be protected by baseline standards for natural resources including salt marshes, marsh islands, coastal waters, and marine resources; trees, forests, and wildlife habitats; beaches and dunes; and open space preservation that each jurisdiction adopts as part of their planning policies and regulations.</p>	<p>We will protect our natural resources including salt marshes, marsh islands, coastal waters, and marine resources; trees, forests, and wildlife habitats; beaches and dunes; and open space preservation through innovative education, partnerships and regulations.</p>
<p>Northern Beaufort County will maintain a distinct regional form of compact urban and suburban development surrounded by rural development for the purpose of reinforcing the valuable sense of unique and high quality places within the region.</p>	<p>The City will maintain its distinct urban form by encouraging development using the model of walkable, urban, mixed-use neighborhoods established by the historic core of the City.</p>
<p>Methods of creating and permanently preserving a regional open space system will be developed.</p>	<p>The City will expand and permanently preserve a community-wide open space network that serves the entire City from the neighborhood playground to the regional reserve.</p>



Preliminary Planning Goals as outlined by the Lawrence Group for Comprehensive Plan

Northern Beaufort County Regional Plan	City of Beaufort
An integrated ethnic and socioeconomic diversity of the region will be promoted regionally, and in particular the ability of indigenous population groups to remain a contributing part of the region and benefit from the opportunities that come from growth will be protected.	We will maintain and celebrate the integrated ethnic and socioeconomic diversity of the community.
Affordable and workforce housing will be addressed on a regional basis through a multi-jurisdictional approach.	We are committed to the provision of affordable and workforce housing throughout the City.
Compatible local infill and redevelopment by the local governments will be supported on a regional basis.	We support and encourage the regeneration of the land assets of the City through infill and redevelopment.
The Northern Beaufort Regional Plan will promote the broad public interest, but it will be mindful of the impacts that planning policies have on private property interests.	Our planning and development regulations will consider the balance of social, environmental, and economic sustainability principles for both the community and the private property owner.
The Northern Beaufort Regional Plan will result in continued collaboration with military facility planners, and in particular will respect the AICUZ contours.	We will continue to support our strong military presence through the protection of their boundaries with appropriate land use controls.
Preparation of individual Comprehensive Plans for each of the county's jurisdictions in 2007 and 2008 will use this Northern Regional Plan as a common policy base for growth patterns and issues of regional scale.	We will continue to support our neighborhoods, districts, and corridors with detailed planning and implementation strategies.
The regional planning effort will require future inter-governmental coordination to implement this plan.	We will continue to engage and coordinate in regional planning activities.
	We value our waterfront, our trees and our historic structures and will maintain and protect these resources as fundamental to our aesthetic beauty.
	We will have an efficient and effective transportation system that provides our residents with viable alternatives to the automobile for their daily needs.
	We will have a sustainable utility infrastructure that includes renewable energy resources, reclaimed water technologies, and low impact stormwater management practices.

MARKET ASSESSMENT FOR LAND USE PLAN - BEAUFORT, SC

Executive Summary of Preliminary Findings

Key Areas for Sustainability

The evolution of the history and culture of Beaufort is reflected in the City's Mission and Vision Statement as outlined on its website:

Mission Statement

The mission of the City of Beaufort is to provide responsible, cost-effective, and courteous service with professionalism and integrity.

Vision Statement

Beaufort is a community of choice, building on our history and working in harmony with our natural environment to provide diverse opportunities for the highest quality of life.

Areas which currently support the Mission & Vision include:

- Things to go do - dining, art, active/passive recreation;
- Things to go buy - goods/services both convenience and destination oriented;
- Connectivity & Circulation - access and linkages for auto transportation;
- Public Space - promoting smart growth and growing the community capital;
- Professional Management - to ensure the health, safety and enjoyment of its residents, employees, students, customers and visitors.

Priority Areas of Focus to fulfill the Mission & Vision:

Review of the vision, data, current plan documents and the existing conditions suggest an enhanced public-private partnership (*see Appendix C*) around two priority areas of focus to solidify the concepts of sustainability and creation of "Place":

- Economic Development - to provide diverse jobs, thus reducing commute time and enhancing worker well-being, while also adding daytime population to support retail and restaurants, particularly in the historic downtown.
- Housing diversification - mixed income and variety of housing stock to promote social equity. Key areas include neighborhood preservation and revitalization surrounding downtown.



Section II

Overview & Demographic Elements

Study Area Overview

Study Area Context - Beaufort, SC. The City of Beaufort describes itself as a city of choice, and the county seat of Beaufort County in the low country of South Carolina. It is located well off the primary Interstates and Highways in the coastal low country. It is mostly notably a coastal city with its waterways providing its primary transportation identity.

Beaufort is currently best known for its southern charm, rich history, arts scene and picturesque quality of life - as identified by its downtown and waterfront park. The media recognition as found on the economic development website (below) is testimony to its allure.



Media Recognition

- Beaufort County and the Beaufort Commerce Park are listed in *Southern Business & Development* as a **'Preferred Southern Site'**
- Beaufort received yet another accolade from the editors of CNN *Money* magazine who named Beaufort one of its **Top-6 'Terrific Towns on the Water'**.
- *Travel 50 & Beyond* also ranked Beaufort #2 out of the **"Top 8 Alluring Low-Tax Towns for Retirement"**
- The Beaufort county region was recognized as one of the **"Top Ten Great Small Towns to Operate a Business and to Retire"** in *Southern Business & Development* Winter 2008 - Ten Top 10s Issue.
- For the fifth consecutive year, Southern Living magazine readers voted Beaufort as **'favorite small Southern town'**. <http://www.beaufortgazette.com/local/story/117741.html>
- Field & Stream magazine ranked Beaufort as one of the **Top 20 Best Fishing Towns in America**. http://www.fieldandstream.com/article_gallery/The-Best-Fishing-Towns-in-America/17
- The New York Times featured Beaufort in its **'Escapes'** section in December: <http://travel.nytimes.com/2007/12/21/travel/escapes/21havens.html>
- The Savannah Morning News says Beaufort is a **'Great Escape'**. <http://savannahnow.com/node/418682>
- Southern Living says Beaufort is **where freshwater meets salt and where creeks, marshes, and rivers meld with sunshine, tides, and sea breezes**. <http://www.southernliving.com/southern/travel/weekends/article/>
- Learn about Beaufort's civil war history at the same time as see where famous movies were made on a walking tour of Beaufort. <http://www.southernliving.com/southern/travel/weekends/article/>

Regional Perspective & Quality of Life

Factors that impact the Study Area & Findings

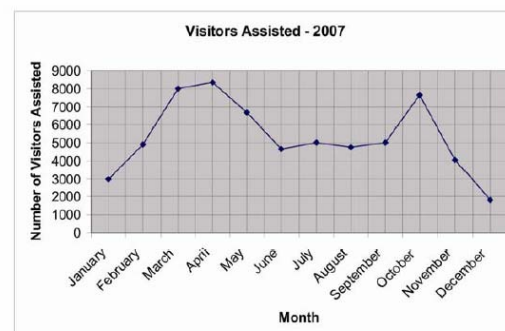
History & Culture - Beaufort's history harkens back to its discovery by Spanish explorers circa 1520 and settled in the early 1700's by English settlers, in honor of Lord Proprietor Henry Somerset, Duke of Beaufort. The city's wealth grew with planters and merchants and played a pivotal role in the Civil War. The loss of this rich center of trade in the heart of the Confederacy was a difficult challenge. After rebuilding through wars, hurricanes and other setbacks, the 20th Century brought new opportunities to Beaufort including the seafood industry, farming and tourism, as well as its establishment as a strategic military location. The downtown and adjacent neighborhoods provide a rich tapestry of low country architecture.



Regional Development Patterns & Economic Development - Development patterns have spread from the original downtown and its port out along the primary corridors of Boundary Street, US Highways 21, 17 and SC Highways 170 and 280 to the outlying areas connecting this primary city center to the adjacent towns and resort communities in the low country. Land use has focused on commercial development along these corridors with housing scattered outside of these corridors. Quadrants between the centers of influence, such as the University and Hospital facilities, have been developed primarily for commercial use, with rapidly expanding vacation/second home single family growth occurring in the surrounding towns of Port Royal, Bluffton, Hilton Head and Yemassee. With the Boundary Street master plan, came a shift in economic focus from downtown to this corridor. Government offices and the Visitors Bureau will be relocated out of the historic downtown to this commercial corridor, closer to the military base. Additionally, Commerce Park was created on the Boundary Street corridor in partnership with the Low Country Economic Network. While its history includes its economic focus on surrounding military installations, the primary economic vibrancy in the past decade has come from tourism.



Tourism - Beaufort has enjoyed a strong tourism industry that is supported by military visitors, local arts and culture. There is a strong artist community here, conferred by the Beaufort County Arts Council, making it a top artist destination. Tourism also includes the natural beauty of its intra-coastal waterways and the centerpiece of a string of barrier islands. Efforts by the Chamber of Commerce include studies to expand conferences, meetings and facilities. Nationally, trends in travel and tourism have shown a decline, including a significant drop in roadway travel in August 2008, according to the Federal Highway Administration. This trend bears watching carefully, particularly in the short term, largely due to the changing global economy and shifts in gas and energy use.

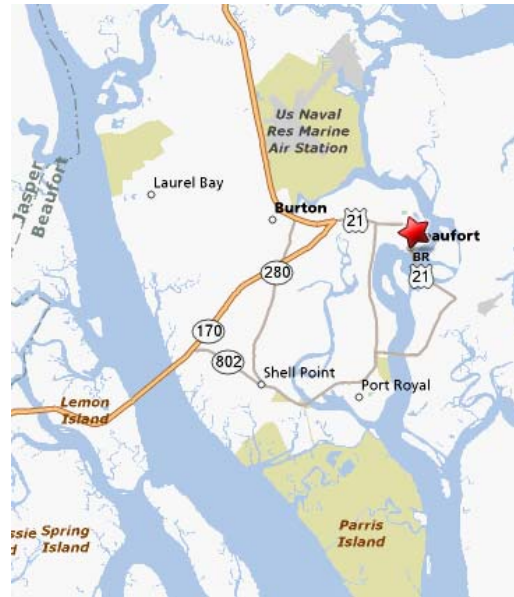


Total number of visitors assisted in 2007: 61,976

From Beaufort CVB

Factors that impact the Study Area & Findings

Military - Much of Beaufort's economy is dependent upon its area military installations. The US Naval Reserve & Marine Air Station, Parris Island, and the Laurel Bay Area (highlighted in yellow on the map). These bases not only drive local employment but also tourism with frequent military graduations. Data from the Marine Corps Air Station (MCAS) suggests that the MCAS facilities have a direct economic impact of \$509.2 million dollars. Results from the Base Realignment And Closure Act (BRAC) indicate no significant increase in base population in the coming years, but rather reallocation of personnel to accommodate new equipment and technologies.



According to MCAS Beaufort, the Base population includes the following:

- Military - 4,210
- Civilian - 1,118
- Military family members - 5,327

TOTAL - 10,655

It is estimated that approximately 60% of the employed personnel and their families live off base. This translates into a population of approximately 8,525, or some 3,674 households, many of which are reported to live outside the City of Beaufort. This is reportedly due to the issue of affordability of housing and housing choices in Beaufort. While the number of families living outside of Beaufort is not clear, it is likely that there is limited connection between those base employees and enlisted personnel living elsewhere and the City of Beaufort. Therefore, the primary impact to Beaufort currently includes the base daytime employment population to support retail uses, restaurants and services in and around the base along Boundary Street.

Quality of Life – The factors that define quality of life are subjective. After discussing which are important to the community, we provide an assessment of ten key factors (see Table 1 on the following page) which determine the quality of life in the market, which is how those choosing to live or locate a business in the community will view it. How a community views itself - its image and communications both internally and externally assist in defining its culture, which impacts its competitive advantages as a place to live, work and play. In all ten factors, the indicators suggest that Beaufort places its quality of life high as its competitive advantage. Beaufort's current message both internally and externally is one of change. Therefore it should place its focus on renewed investment and the potential for a vibrant future.

Table 1.

QUALITY OF LIFE FACTOR	STUDY AREA STATUS Beaufort, SC	REPORT CARD INDICATORS A-Excellent; B-Good; C- Fair; D - Needs attention/improvement
Public Open Space & Recreation; Preservation of Eco-Systems	Multiple parks including its most notable: Waterfront Park. New Rails to Trails & Southside park pending. High value on area Ecosystem.	A. Review park programming and connectivity.
Arts & Culture	Strong arts sector; active Arts County; galleries and arts in the downtown.	A. Review connectivity; target this sector – expand public participation & awareness.
Historic Preservation	Active program for Historic Preservation for housing in neighborhoods surrounding downtown.	B. Review incentives for Historic Preservation; balance costs to preserve to facilitate further renovation/preservation in downtown.
Health Care	Beaufort Memorial Hospital - quality health care with strong heart and cancer program as Duke affiliate; non-profit; Naval Hospital on the waterfront.	B. Communicate success stories and relationship to the community.
Education	University & Technical colleges in the region - a strong component for Higher Education & workforce (re) training; Elementary education in public districts appear stable.	B. Actively collaborate between public system (K-12) and university/colleges. Expand relationships between public educational organizations to expand on workforce training efforts by Chamber/EDC.
Accessibility & Transportation	Interstates (1) ; Air (1) ; Water/Port; Active effort for Port expansion	C. Review connectivity and quality of transportation options; assess parking in downtown areas.
Labor & Employment Opportunities	Commerce Park; relocation of government facilities to Boundary Street area.	C. Diversify economy & job training . Focus on adding employment in downtown and around base.
Goods & Services	Emerging retail and restaurants; hospital & medical nearby; expanding churches.	B. Identify, connect and cluster uses in key priority areas; such as downtown & Boundary St. town centre
Housing	Challenged with affordability; preservation and new development costs.	C. Implement recommendations of Workforce Housing study; continue workgroups discussing this issue.
Crime	Stable. Challenged in some areas but improving.	B. Public safety assessment; implement neighborhood watch

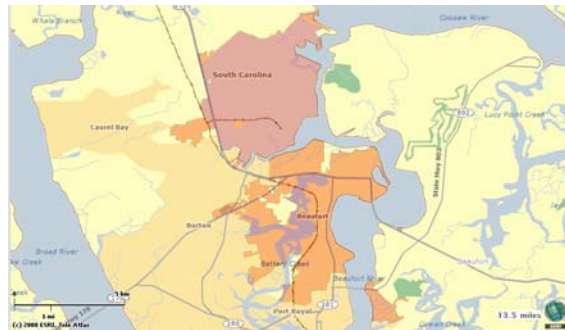
Demographic Analysis - Comparisons

To assist in gaining perspective of the relationship of the Study Area to its environs, the market is evaluated from a macro to micro view. These data are utilized to determine market factors for estimated demand for commercial and other land uses, and the capture and absorption rate. There are three levels at which data are collected to achieve this perspective:

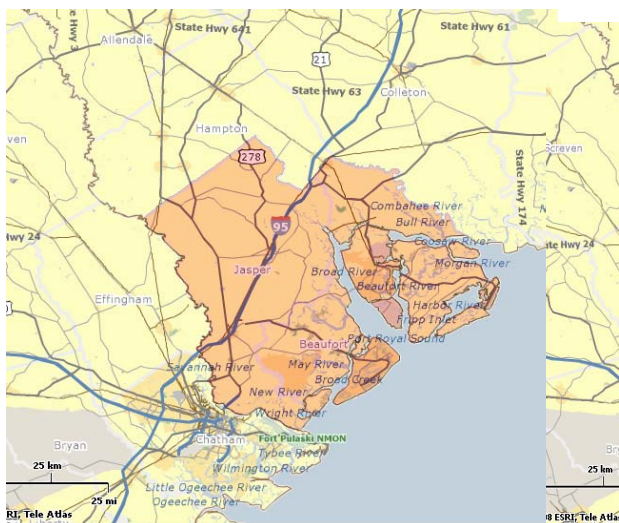
- 1) **Metro & Micro Areas** – The Hilton Head Island - Beaufort, SC Micropolitan Statistical Area includes all or portions of Beaufort, Jasper and Hampton Counties;
- 2) **County & Municipality** - The Study Area includes the City of Beaufort, the County seat of Beaufort County;
- 3) **Trade Areas** – This provides a comparison view of areas within 15 and 30-minute drive times of a primary intersection, estimated as typical/reasonable commuting distances to/from employment and shopping based upon regional data for suburban/rural communities.

Statistical Areas. The maps below provide a visual depiction of the statistical areas throughout the region based upon Core Based Statistical Areas (CBSA). The Core Based Statistical Area (CBSA) represents both revised Metropolitan Statistical Areas (MSA) and the new Micropolitan Statistical Areas. New metropolitan and Micropolitan statistical area definitions were announced by the United States Office of Management and Budget based on application of the 2000 standards with Census 2000 data. Metropolitan statistical areas have at least one urbanized area of 50,000 or more population, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties. Micropolitan statistical areas are a new set of statistical areas that have at least one urban cluster of at least 10,000 but less than 50,000 population, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties.

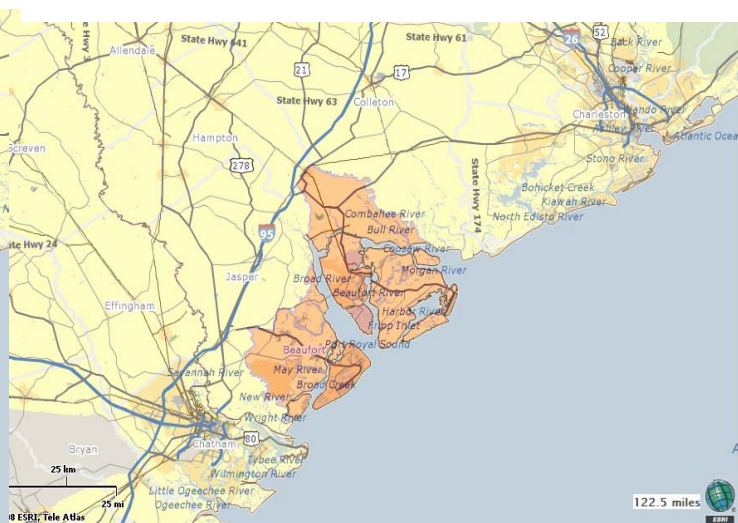
City of Beaufort



Hilton Head-Beaufort MSA



Beaufort County



Demographic Analysis - Population Elements

Demographic Elements. When comparing the Study Area in relationship to the region, state and other communities, it is important to consider how various demographic elements assist in identifying both opportunities and challenges in the market.

Population. Population growth and household size assist in determining future demand for housing and the workforce. The population growth in the City of Beaufort is expected to grow at a slow steady rate, compared to its neighbors. This is largely due to limited development areas, providing opportunities in Beaufort for new housing.

Age. While Beaufort is attracting retirees and seniors, it is also impacted by military personnel and college students, which keep the median age in the City lower than its neighbors. The combination of quality health care and education/cultural resources of the University will continue to attract both young and old to Beaufort.

Educational attainment. Education status is one of the best indicators of workforce preparedness in the region and assists in determining future potential income.

Labor Force. Labor force statistics provide insight as to percentage of workforce in white collar, blue collar and service-based jobs and assist in determining future potential income based upon wages and its economic influence on the community.

Income. Income and household income growth assists in understanding future trends on housing affordability, disposable income for consumer expenditures (retail) and social services that may influence municipal public expenditures (i.e.; housing, transportation, safety).

To understand how Beaufort fits in, in relation to its neighbors, data comparisons were reviewed at the county and regional level. Of the three counties in the coastal low country that surround Beaufort, (including Beaufort, Jasper, Hampton), Beaufort County ranks the highest in the following areas:

- County Growth Rate
- Median Age
- Median Household Income
- Average Household Income
- White Collar Occupations
- Highest Educational Attainment
- Highest Home Values

Table 2 on the following page provides some further insight as to how the City of Beaufort compares to its neighbors within the County. Notable comparisons are highlighted in **bold**:

See Appendix A for detailed demographic reports & projections

Note: Between the impact on employment, tourism and rapid growth in the region, many census estimates for current and projected population may vary between local, state and national figures. Rose & Associates utilizes demographic data from ESRI/STDB a known and respected source of data in the US. Building on US and NC State Census data collected from 2000, projections are necessarily derived from current events and past trends that are captured in annual updates. ESRI revises its projections annually to draw upon the most recent estimates and projections of local trends. A stable rate of growth is easier to anticipate than rapid growth or decline. Therefore it is important to incorporate as much qualitative state and local information as possible, especially areas experiencing "boom-bust" cycles or those influenced by other factors. These would include educational institutions and military facilities.

Demographic Analysis - Trends

Table 2.

ESRI 2008 Comparison Report	Places: Yemassee town, SC	Places: Port Royal town, SC	Places: Hilton Head Island town, SC	Places: Bluffton town, SC	Places: Beaufort city, SC
Population					
2000 Total Population	807	3,950	33,862	1,275	12,950
2008 Total Population	788	4,565	39,553	2,201	13,281
2013 Total Population	797	5,164	45,189	2,831	14,340
2000 - 2008 Annual Growth Rate	-0.29%	1.77%	1.90%	6.84%	0.31%
2008 - 2013 Annual Growth Rate	0.23%	2.50%	2.70%	5.16%	1.55%
Households					
2008 Households	332	1,998	16,753	836	4,927
2013 Households	340	2,295	19,120	1,081	5,422
2008 - 2013 Annual Growth Rate	0.48%	2.81%	2.68%	5.27%	1.93%
2008 Average Household Size	2.36	2.19	2.34	2.63	2.32
2013 Average Household Size	2.33	2.17	2.34	2.62	2.31
2008 Housing Units					
	400	2,255	29,195	972	5,722
Owner Occupied Housing Units	66.80%	41.00%	43.50%	54.30%	44.70%
Renter Occupied Housing Units	16.30%	47.60%	13.90%	31.70%	41.40%
Vacant Housing Units	17.00%	11.40%	42.60%	14.00%	13.90%
Median Household Income					
2008	\$35,149	\$44,854	\$78,822	\$50,220	\$46,397
2013	\$40,989	\$54,340	\$84,513	\$61,405	\$60,657
2008 - 2013 Annual Growth Rate	3.12%	3.91%	1.40%	4.10%	5.51%
Median Home Value					
2008	\$71,739	\$124,452	\$445,145	\$201,527	\$148,137
2013	\$76,842	\$132,915	\$468,529	\$213,079	\$158,729
Per Capita Income					
2008	\$19,058	\$24,479	\$48,979	\$22,783	\$25,402
2013	\$21,590	\$27,869	\$60,285	\$25,850	\$29,489
2008 - 2013 Annual Growth Rate	2.53%	2.63%	4.24%	2.56%	3.03%
Median Age					
2008	36.80	32.50	51.00	30.60	31.40
2013	38.00	33.20	52.60	30.00	32.50
Households by Income					
2008 Average Household Income	\$48,146	\$56,732	\$115,074	\$62,378	\$63,710
2013 Average Household Income	\$54,140	\$63,740	\$141,910	\$70,672	\$73,006
2008 - 2013 Annual Growth Rate	2.37%	2.36%	4.28%	2.53%	2.76%
2008 Population by Race/Ethnicity					
Total	788	4,565	39,554	2,202	13,281
White Alone	29.40%	61.60%	81.50%	62.20%	63.90%
Black Alone	68.90%	29.30%	8.60%	26.80%	27.80%
American Indian Alone	0.30%	0.60%	0.20%	0.50%	0.40%
Asian or Pacific Islander Alone	0.40%	2.50%	0.90%	0.60%	1.90%
Some Other Race Alone	0.30%	3.00%	7.10%	8.80%	3.20%
Two or More Races	0.80%	2.90%	1.70%	1.10%	2.70%
Hispanic Origin	1.40%	5.90%	16.70%	16.40%	6.90%
Diversity Index	45.40	58.60	51.50	66.70	57.60
2008 Population 25+ by Educational Attainment					
Total	506	2,915	30,814	1,308	8,086
Less than 9th Grade	9.70%	5.40%	2.10%	3.20%	4.20%
9-12th Grade/No Diploma	15.20%	4.90%	3.70%	8.70%	7.80%
High School Graduate	38.50%	27.20%	18.50%	33.20%	25.10%
Some College/No Degree	17.40%	27.90%	19.80%	26.20%	24.20%
Associate Degree	7.90%	10.60%	7.30%	6.30%	7.50%
Bachelor's Degree	7.50%	15.90%	32.80%	15.70%	18.80%
Grad/Professional Degree	3.80%	8.10%	15.70%	6.70%	12.50%
2008 Employed Population 16+ by Occupation					
Total	291	1,619	15,440	1,070	4,050
White Collar	39.90%	61.00%	60.40%	55.80%	64.60%
Services	24.40%	22.40%	19.50%	19.80%	16.50%
Blue Collar	35.70%	16.60%	20.10%	24.40%	18.80%

Section III

Economic Development Elements

Economic Development Element

Economic Base

Economic Base Analysis is utilized to evaluate real estate demand. The underlying theme suggests that, above all, jobs drive demand for real estate. There are two types of jobs: those which export their goods and services outside the community (basic employment), and those which service the local community (service or non-basic employment). For every basic job that is created, a multiplier effect increases overall employment in the market. Each new basic job will result in increasing both the population and income within an area benefiting from overall total job growth. Therefore, companies seeking to locate in the area with basic jobs are the goal of most economic development officials. These companies, whether small or large, occupy both office and industrial space and are the catalysts for growth in housing and retail. Demographic elements such as education and income influence workforce development.

Trade Areas

Trade areas identify the market potential for goods and services within an area. These assist in determining threshold demographics such as population, income, workers, education and other factors required to support various land uses. The primary target market for the Study Area is within the region, as companies seeking to locate here will draw from the region for employees and consumer dollars. While some will visit or relocate from other regions of the state or areas of the country, the underlying demand comes first from within the regional market. The primary method for determining trade area for data collection and real estate survey has become commonly defined as a distance radius around a specific intersection/location. This is predominately used to analyze threshold population and consumer dollars for retail uses. The secondary method, becoming more common with urbanization and growing traffic volumes, is the drive-time analysis. These trade areas are used for comparison purposes to identify thresholds and possible imbalances. Drive time analysis evaluates the dynamics in a more urban environment where traffic congestion can impact the time versus mileage traveled to determine customer trade areas. In other words, consumers may choose locations based upon destination in time versus miles, depending on time of day and traffic status. Commuting patterns determine the ability for a company to attract employees. According to US Census estimates for 2006, the national average commute time was 24.5 minutes. **Convenience oriented goods/services** contemplate those goods/services that are local and convenience oriented for those living and/or working in the immediate area such as within 1-5 miles; or 5-15 minutes. **Destination oriented goods/services** contemplate a trade area that provides employment opportunities and goods/services on a more regional level. This would include destination-oriented goods/services such as specialty retail, major goods, entertainment/recreation venues and employment centers. This would attract those within the local area as well as those from outside the area (i.e., 10+ miles or 30+ minutes).

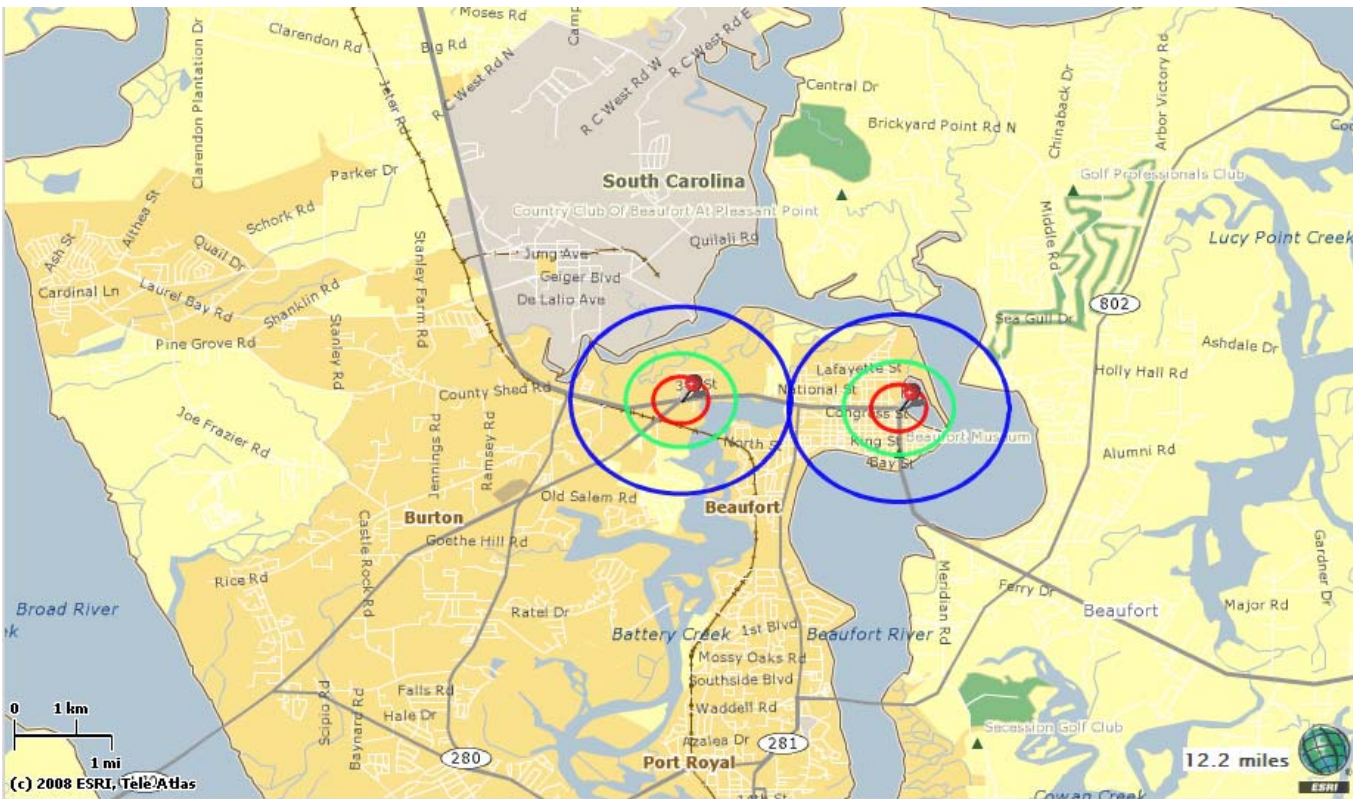
For the purposes of this study, two primary intersections were identified: First, the trade area surrounding the intersection of US 21 (Boundary Street) and NC 280 (Robert Smalls Parkway) was reviewed at both 15 and 30- minute drive times. Further, it was evaluated within a .25 mile (5 minute walk), .50 mile (10 minute walk) and 1 mile radius around the intersection. Second, the downtown intersection of Boundary and Carteret Streets were reviewed within the same walkable radii distances. When considering its impact on central places, these assist to identify the dynamics of consumer behavior and trends to determine demand potential.

Trade Area Maps - Drive Time & Radius

15 & 30 minute Drive-time analysis - Boundary Street at Town Centre area



.25 mile (5 minute walk); .50 mile (10 minute walk); and 1 mile radius - Boundary St. & Downtown



MARKET ASSESSMENT FOR LAND USE PLAN - BEAUFORT, SC

Commercial Uses - Retail Potential

Consumer Spending

Within each trade area defined, there are a number of components that determine which retail operators might find adequate **demand** for its goods/services, or retail sales potential. These include population and households, but most importantly disposable income to spend on those goods/services. Consumer Expenditures outline the average dollars spent in any given category for those items on an annual basis within a trade area. The Retail Marketplace Profiles located in Appendix B offer a comparison view of the trade areas to assess both demand and supply factors to determine gaps in the market for the major industry group segments. Positive values (leakage) determine target opportunities for retail in Beaufort. Bluffton and Beaufort currently serve as the regional shopping destinations providing goods/services for a wide variety of categories.

Targeted Buyer Segments

Determining the depth of the market based on household growth projections is limiting, therefore, geo-demographic segmentation, or lifestyle/tapestry clustering helps us understand that demographic variables exist not only region to region but by neighborhoods and in sub-communities within each neighborhood as well. This type of modeling is based on the premise that people tend to gravitate towards communities/neighborhoods of relative homogeneity. Factors that go into clustering include age, income, education, ethnicity, occupation, housing type and family status. Tapestry Segmentation™ identifies those households with a preference for living in rural areas versus urban neighborhoods. Of 65 total potential segments, the top segments within the County and City were considered. The majority of the top segments include affluent empty nesters, retirees and young families who create **demand** for housing choices, as well as shopping, recreation and entertainment preferences. The Lifestyle Tapestry Report located in Appendix B highlights the lifestyles (based on national averages) to further inform the land use strategy for Beaufort.

Preliminary Finding: Nearly 20% of Beaufort County's current employment is in Retail Trade (NAICS 44-55). Regional and super-regional shopping venues are found in Bluffton and Beaufort. The City of Beaufort's neighborhood and regional shopping destinations are primarily located along Boundary Street and the Robert Small Parkway. In the downtown, small boutique shops, art galleries and restaurants are largely supported by tourism. While Beaufort will support some additional retail uses in a small number of categories, it is limited not only by population and income, but also by physical constraints, land costs and competition in neighboring Bluffton/Hilton Head. Due to the current economic cycle the retail industry is now exercising caution as it focuses on profitability over new store openings and expansion. Thus additional retail should be clustered near and interconnect with other existing venues in an effort to create synergy for other uses, such as housing or employment centers. The addition of or location near other demand generators such as housing, lodging, educational and medical facilities will increase the potential for future retail expenditures. This will continue to expand as additional retail demand is generated as a result of growth, both in the resident and daytime (employment) populations.

Commercial Uses - Office & Industrial Potential

Demand Dynamics

The market potential for commercial real estate, including office and industrial uses, relies upon a number of factors, including but not limited to; state and regional economic cycles, a business friendly environment, workforce dynamics (wage, employment and job training), and central places (i.e. colleges, hospitals or large employers) that are demand generators for complementary uses. For office uses, demand indicators include estimated job growth in non-manufacturing sectors while industrial uses rely on job growth in manufacturing sectors.

South Carolina's unemployment rate rose significantly for the second straight month, reaching 7.6% in August, the highest rate since May 1993, according to the state's Employment Security Commission. Most notable is the job lost in construction and manufacturing (see table below). Beaufort County is fairing well, ranked next to last in unemployment rate (5.9%) among the state's counties in August. The county reported a labor force of 66,463 in August, down 638 jobs from August of 2007.

SC Employment Commission - Regional Data

Labor Force Data by Workforce Investment Area August 2008				
Lowcountry				
Labor Force Data -August 2008				
Lowcountry WIA	Labor Force	Employment	Unemployment	Unemployment Rate
Beaufort County	66,463	62,571	3,892	5.9
Colleton County	17,246	15,516	1,730	10.0
Hampton County	8,182	7,343	839	10.3
Jasper County	10,832	10,129	703	6.5

SC Employment Commission - SC State Data

Industry	WAGE AND SALARY EMPLOYMENT August-08				
	AUGUST 2008	JULY 2008	AUGUST 2007	Net Change From Month Ago	Year Ago
Total Nonag. Employment	1,965,900	1,942,600	1,969,700	23,300	-3,800
Natural Resources and Mining	4,400	4,400	4,600	0	-200
Construction	112,400	113,400	129,400	-1,000	-17,000
Manufacturing	242,900	244,500	249,900	-1,600	-7,000
Trade, Transportation and Utilities	374,300	375,800	377,900	-1,500	-3,600
Information	27,400	27,500	28,100	-100	-700
Financial Activities	109,000	109,100	108,300	-100	700
Professional and Business Services	228,300	229,000	229,900	-700	-1,600
Educational and Health Services	208,100	208,800	202,400	1,300	5,700
Leisure and Hospitality	237,300	240,500	229,700	-3,200	7,600
Government	346,300	315,400	335,900	30,900	10,400

The largest employers in the City of Beaufort driving the local economy include the Military Base, Beaufort Memorial Hospital, and Beaufort County Education and Government agencies. The region's employment location quotient, or percentage of US employment ratios, exceeds base industry standards. The table below compares the County and State in determining the region's primary industries driving the economic base (those with quotients greater than 1.00):

Quarterly Census - Location Quotient (source: US Bureau of Labor Statistics)

Industry (2007 Average)	South Carolina	Beaufort County
NAICS 23 - Construction	1.20	1.57
NAICS 44-45 - Retail Trade	1.13	1.34
NAICS 53 - Real Estate	1.03	2.72
NAICS 71 - Arts, Entertainment, Recreation	1.00	2.21
NAICS 72 - Accommodation & Food Services	1.22	2.14
NAICS 81 - Other Services	.82	1.85

Land Use Demand Potential

The successful recruitment for jobs generally results in demand in the form of either office or industrial space. Given Beaufort’s position as a desirable location within the county with a perceived high quality of life, but with limited offerings for land or buildings, a capture rate of 50% of new county job growth is estimated. Based on historical data of average annual county job growth, the chart below demonstrates how projected growth within these employment sectors in Beaufort County translates into annual potential square footage demand for Beaufort:

Annual Office & Industrial Demand Estimate - Beaufort County		
Beaufort County New Basic Employees (per year)		250
Economic Base Multiplier		1.52
New Total Employees		380
Capture in City of Beaufort		50%
New Total Employees in Beaufort (per year)		190
Average Office Employees	23.0%	44
Average Office Space per Employee (S.F.)		206
Beaufort New Office Space Demand (S.F.)		9,002
Average Industrial Employees	8.0%	15
Average Industrial Space per Employee (S.F.)		365
Beaufort New Industrial Space Demand (S.F.)		5,548
Note: the balance of space demand in other sectors include medical, retail, tourism, education, government and other uses.		

Commercial Uses - Other Considerations

Given the community’s goal to diversify its economy beyond tourism, thoughtful consideration should be given to other commercial uses. Due to the somewhat transitory nature of its population and relationship to the university and military bases, identifying the best location for other commercial uses such as warehouse, self storage, or flexible small business incubators might be considered.

Preliminary Finding: Communities that do not focus economic development on providing diversified (basic) jobs are limited to providing only housing and related retail and become known as “bedroom communities”. Additional professional and medical office land uses in and around the downtown, the hospitals, and the base should be considered to grow and diversify healthcare, financial and professional sectors. The current economic cycle will continue to drive companies to the southeast in search of lower operating costs, skilled labor and quality of life characteristics found in this region, and Beaufort could benefit from offering competitive business opportunities in key areas such as Commerce Park and the downtown. The City of Beaufort could emerge as a desirable and viable business location, provided that it could add to the current limited supply of new Class A office and industrial development, as well as incubator space for new emerging clusters which may complement military uses.

Section IV

Housing Elements

Residential Uses - Housing Potential

Housing Demand

The economic growth of a region results in growth in population and households. The recent national news of the sub-prime meltdown and housing market crisis has left home sales weakened in most markets in the United States. The Bureau of the Census estimates that the United States will add 11.6 million new households from 2007-2015. It is estimated that 75% of these consumers will rent versus buy their homes. Further, 40% of apartment residents chose to rent for lifestyle choice, and nearly one-quarter of renters earn \$50,000 per year or more. For Homebuyers, a recent national survey by Smart Growth America and the National Association of Realtors cited that 6 out of 10 prospective homebuyers chose a higher density, mixed use community over traditional low density subdivisions. Families moving to the region driven by the job market, retirement or lifestyle changes provide opportunities for new housing in areas where amenities and quality of life characteristics meet changing needs. These are both tangible and non-tangible components of what defines and drives a market. This includes a variety of socio-economic factors including lifestyle, income, affordability and age. Census data from 2000 reveals the following characteristics in the city of Beaufort:

Beaufort Housing Characteristics	Housing Percentage (2000)
Detached Single Family Stock	69.4%
Owner Occupied	44.7%
Renter Occupied	41.4%
Seasonal/Recreational Use	13.7%

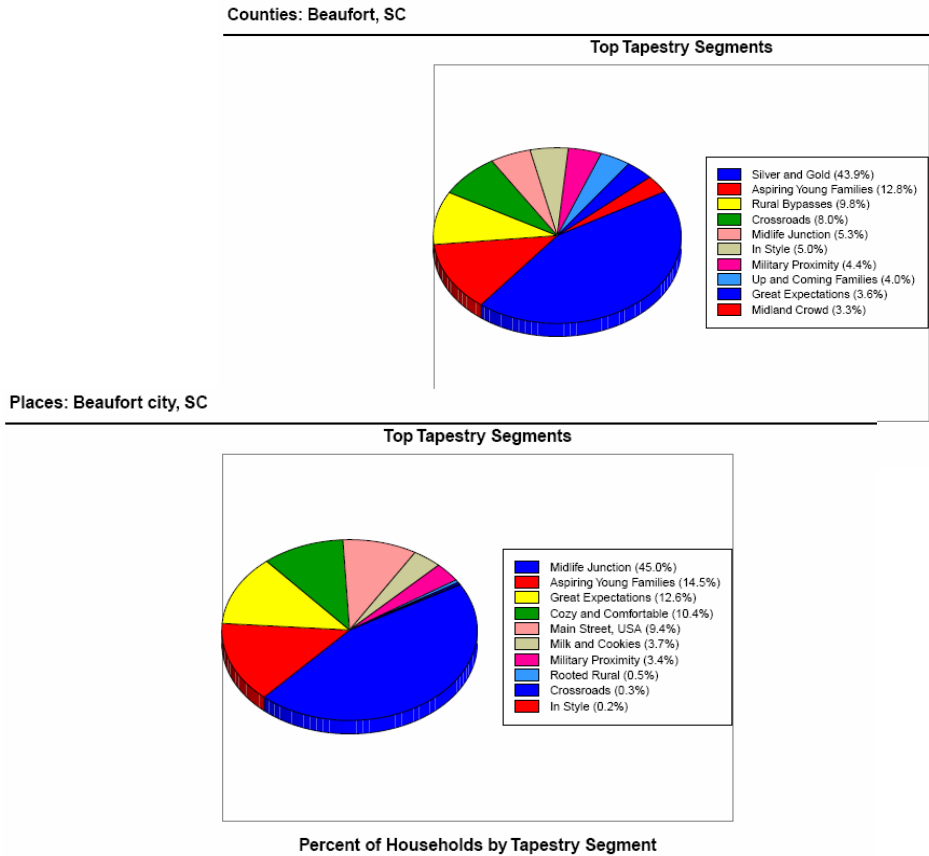
Population estimates below highlight the disparity between Census information and regional estimates for population growth. As mentioned, projections become difficult in rapid expansion or boom/bust cycles of the economy. Assuming the 2008 population in the city of Beaufort continues to grow at an estimated annual rate of approximately 1.55%, then conservatively, the population would grow by 206 people, or based upon average household size, demand for 89 new households would be created annually. Beaufort created 61 new housing units in 2007 based on reported permit activity, leaving a gap of 28 units, therefore, 117 housing units could be considered as the current potential housing demand for Beaufort.

Demographic Area	2000	2008	2010	2013
City of Beaufort				
Regional Estimates		n/a	15,331	n/a
Census Bureau	12,950	13,281	n/a	14,340
Beaufort County				
Regional Estimates		n/a	138,369	n/a
Census Bureau	120,937	158,053	n/a	185,114

Targeted Buyer Segments

Determining the depth and breadth of the market based on household growth projections is limiting; therefore, geo-demographic segmentation, or lifestyle/tapestry clustering, helps us understand that demographic variables exist not only region to region but by neighborhoods and in sub-communities within each neighborhood as well. This type of modeling is based on the premise that people tend to gravitate towards communities and neighborhoods of relative homogeneity. Factors that go into clustering include age, income, education, ethnicity, occupation, housing type and family status. While basic differences in behavior patterns between rural and urban dwellers still exist today, the market has become increasingly complex.

Tapestry Segmentation™ identifies those households with a preference for living in rural areas versus urban neighborhoods. Of 65 total potential segments in Urban or Life Mode groups, the top four segments with the greatest number of households within Beaufort County and the city of Beaufort were considered. The top tapestry segments for each of these areas that make up the majority of households varies widely as shown below:



While many of the segments prefer single-family dwellings, a substantial number of these households include populations which favor more suburban and urban dwellings, such as town homes, condominiums, apartments or other alternative housing. Together these segments include a diversity of young professionals, families and retirees who have a preference for a variety of housing types and lifestyles. These assist in framing not only consumer preferences for residential housing, but also land use and categories for shopping, recreation and entertainment.

Further details of these tapestry segments are included in the Appendix of this report.

Residential Uses - Housing Potential

Multi-family versus Single Family Housing

The new construction in Beaufort in recent years has included an increase in multifamily housing as shown in the table below. The city has grown its multifamily housing by 290 units since 2000, raising the percentage of this housing sector. These are attributable to both student housing associated with the University and housing for military personnel, of whom nearly 60% live off base.

City of Beaufort - Permitted New Residential Dwelling Units

Year	Single Family	Multi-Family	Total
2000	45	9	54
2001	36	36	72
2002	50	4	54
2003	65	0	65
2004	81	2	83
2005	71	67	138
2006	77	156	233
2007	45	16	61
Total	470	290	760
Average	59	36	95

Affordability & Workforce Housing

In April 2004 a report was completed by GVA Marquette Advisors regarding workforce housing in Beaufort County. The report included analysis of for-sale housing, apartments, affordability, development barriers and recommendations, which highlight the economic impact of affordable housing on the community. The findings for the city suggest that “redevelopment and infill development opportunities must be capitalized upon and the supply of workforce housing should be increased in these areas wherever possible”. The dynamics of the current market have not warranted substantial change in these recommendations, which is supported by the current income and housing data in Beaufort. However, the report does not take into consideration mixed-use/ mixed-income development trends and buyer preferences which could mitigate development barriers and concerns regarding property values. Efforts by regional workforce development groups within the Chamber and EDC to diversity employment have intersected with housing challenges to meet this demand for appropriate housing options. Given the limited opportunities in Beaufort, the “Beaufort Redevelopment Incentive Program” should be revisited as should the regulatory issues, to encourage higher density and mixed-use development.

Preliminary Finding:

There is an opportunity in Beaufort to provide new housing stock that is an alternative to traditional single family, or substandard and/or subsidized multi-family housing with new offerings such as patio homes, bungalows, row-houses/brownstones, lofts, town-homes and condominiums both for lease and for sale. The challenge for the community will be to position itself to address a mix of incomes, styles and types of housing choices to provide variety and meet the needs of all its citizens.

Section V

Appendix A

Demographic
&
Trade Area
Reports



Demographic and Income Profile

Prepared by Kathleen Rose, CCIM

CBSAs: Hilton Head Island-Beaufort, SC Micropolitan Statistical Area

Summary	2000	2008	2013
Population	141,615	181,258	210,087
Households	52,574	70,362	82,706
Families	38,152	49,273	56,669
Average Household Size	2.54	2.47	2.45
Owner Occupied HUs	38,807	51,780	60,555
Renter Occupied HUs	13,767	18,582	22,151
Median Age	35.5	39.4	41.0

Trends: 2008-2013 Annual Rate	Area	National
Population	3%	1.23%
Households	3.29%	1.26%
Families	2.84%	1.05%
Owner HHs	3.18%	1.07%
Median Household Income	2.73%	3.19%

Households by Income	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
< \$15,000	7,086	13.5%	6,724	9.6%	6,494	7.9%
\$15,000 - \$24,999	6,221	11.8%	5,771	8.2%	4,966	6.0%
\$25,000 - \$34,999	6,729	12.8%	6,796	9.7%	5,616	6.8%
\$35,000 - \$49,999	9,110	17.3%	9,702	13.8%	11,101	13.4%
\$50,000 - \$74,999	10,620	20.2%	14,150	20.1%	19,071	23.1%
\$75,000 - \$99,999	5,308	10.1%	11,165	15.9%	12,392	15.0%
\$100,000 - \$149,999	4,198	8.0%	8,576	12.2%	11,019	13.3%
\$150,000 - \$199,000	1,439	2.7%	3,231	4.6%	4,912	5.9%
\$200,000+	1,832	3.5%	4,247	6.0%	7,135	8.6%
Median Household Income	\$44,914		\$59,520		\$68,110	
Average Household Income	\$62,327		\$83,487		\$99,763	
Per Capita Income	\$23,739		\$32,850		\$39,705	

Population by Age	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	9,609	6.8%	11,879	6.6%	13,676	6.5%
5 - 9	9,635	6.8%	10,564	5.8%	11,971	5.7%
10 - 14	9,306	6.6%	10,272	5.7%	11,438	5.4%
15 - 19	10,205	7.2%	12,004	6.6%	12,966	6.2%
20 - 24	11,529	8.1%	13,507	7.5%	15,243	7.3%
25 - 34	19,497	13.8%	23,076	12.7%	26,116	12.4%
35 - 44	19,715	13.9%	21,518	11.9%	22,982	10.9%
45 - 54	16,557	11.7%	23,132	12.8%	26,945	12.8%
55 - 64	14,539	10.3%	22,892	12.6%	28,882	13.7%
65 - 74	12,602	8.9%	18,070	10.0%	22,225	10.6%
75 - 84	6,651	4.7%	10,843	6.0%	12,842	6.1%
85+	1,770	1.2%	3,501	1.9%	4,801	2.3%

Race and Ethnicity	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
White Alone	94,217	66.5%	117,651	64.9%	134,917	64.2%
Black Alone	39,900	28.2%	49,988	27.6%	56,713	27.0%
American Indian Alone	397	0.3%	613	0.3%	778	0.4%
Asian Alone	1,045	0.7%	1,827	1.0%	2,506	1.2%
Pacific Islander Alone	73	0.1%	121	0.1%	162	0.1%
Some Other Race Alone	4,138	2.9%	8,017	4.4%	11,034	5.3%
Two or More Races	1,845	1.3%	3,041	1.7%	3,977	1.9%
Hispanic Origin (Any Race)	9,398	6.6%	16,935	9.3%	23,017	11.0%

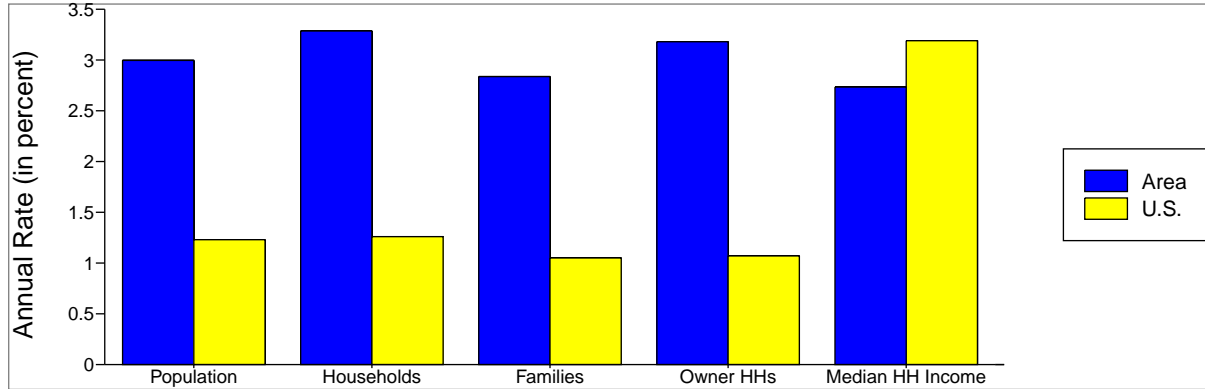
Data Note: Income is expressed in current dollars.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013.

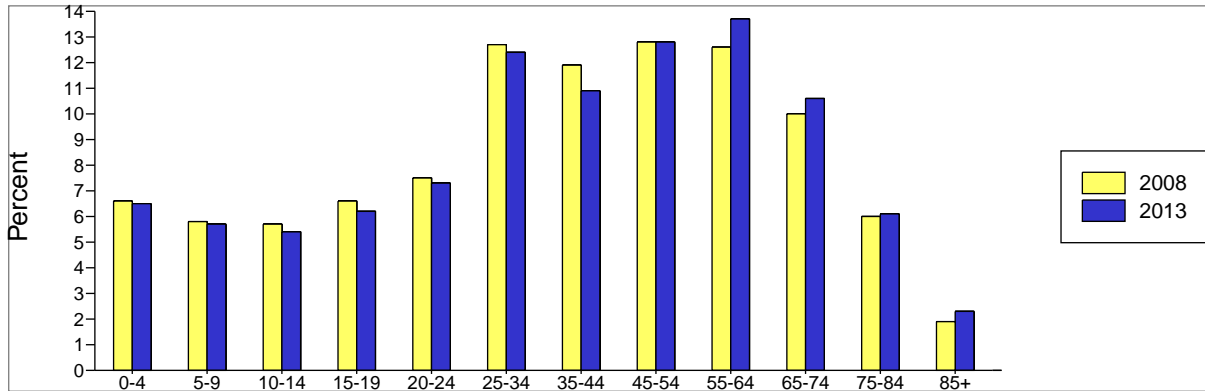


CBSAs: Hilton Head Island-Beaufort, SC Micropolitan Statistical Area

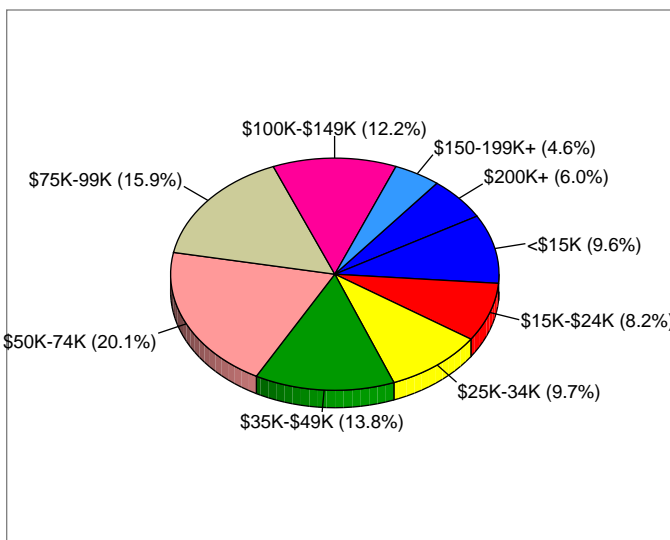
Trends 2008-2013



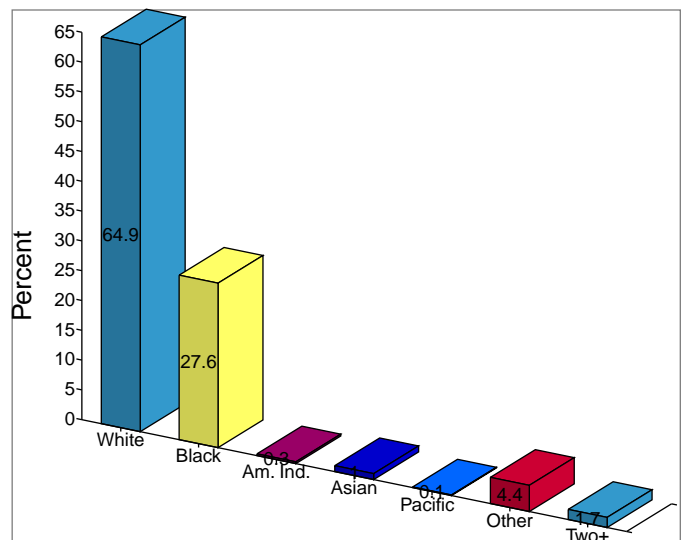
Population by Age



2008 Household Income



2008 Population by Race



2008 Percent Hispanic Origin: 9.3%



Demographic and Income Profile

Prepared by Kathleen Rose, CCIM

Counties: Beaufort, SC

Summary	2000	2008	2013
Population	120,937	158,053	185,114
Households	45,532	62,172	73,772
Families	33,060	43,562	50,575
Average Household Size	2.51	2.44	2.43
Owner Occupied HUs	33,338	45,430	53,698
Renter Occupied HUs	12,194	16,742	20,074
Median Age	35.8	40.2	41.8

Trends: 2008-2013 Annual Rate	Area	National
Population	3.21%	1.23%
Households	3.48%	1.26%
Families	3.03%	1.05%
Owner HHs	3.4%	1.07%
Median Household Income	2.4%	3.19%

Households by Income	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
< \$15,000	5,342	11.7%	5,148	8.3%	4,959	6.7%
\$15,000 - \$24,999	5,019	11.0%	4,679	7.5%	3,936	5.3%
\$25,000 - \$34,999	5,831	12.8%	5,795	9.3%	4,678	6.3%
\$35,000 - \$49,999	7,929	17.4%	8,451	13.6%	9,848	13.3%
\$50,000 - \$74,999	9,395	20.6%	12,693	20.4%	17,213	23.3%
\$75,000 - \$99,999	4,920	10.8%	10,187	16.4%	11,298	15.3%
\$100,000 - \$149,999	3,952	8.7%	8,022	12.9%	10,313	14.0%
\$150,000 - \$199,000	1,365	3.0%	3,108	5.0%	4,635	6.3%
\$200,000+	1,765	3.9%	4,089	6.6%	6,892	9.3%
Median Household Income	\$47,219		\$62,239		\$70,081	
Average Household Income	\$65,608		\$87,414		\$104,352	
Per Capita Income	\$25,377		\$34,800		\$41,987	

Population by Age	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	8,110	6.7%	10,158	6.4%	11,843	6.4%
5 - 9	8,033	6.6%	8,955	5.7%	10,268	5.5%
10 - 14	7,747	6.4%	8,689	5.5%	9,756	5.3%
15 - 19	8,722	7.2%	10,407	6.6%	11,277	6.1%
20 - 24	10,002	8.3%	11,875	7.5%	13,497	7.3%
25 - 34	16,434	13.6%	19,615	12.4%	22,654	12.2%
35 - 44	16,433	13.6%	18,109	11.5%	19,499	10.5%
45 - 54	14,019	11.6%	19,931	12.6%	23,404	12.6%
55 - 64	12,683	10.5%	20,457	12.9%	25,951	14.0%
65 - 74	11,329	9.4%	16,603	10.5%	20,539	11.1%
75 - 84	5,913	4.9%	10,060	6.4%	11,985	6.5%
85+	1,512	1.3%	3,194	2.0%	4,441	2.4%

Race and Ethnicity	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
White Alone	85,451	70.7%	108,208	68.5%	125,031	67.5%
Black Alone	29,005	24.0%	37,872	24.0%	43,819	23.7%
American Indian Alone	321	0.3%	509	0.3%	652	0.4%
Asian Alone	953	0.8%	1,688	1.1%	2,328	1.3%
Pacific Islander Alone	63	0.1%	106	0.1%	143	0.1%
Some Other Race Alone	3,438	2.8%	6,830	4.3%	9,416	5.1%
Two or More Races	1,706	1.4%	2,840	1.8%	3,725	2.0%
Hispanic Origin (Any Race)	8,208	6.8%	15,030	9.5%	20,497	11.1%

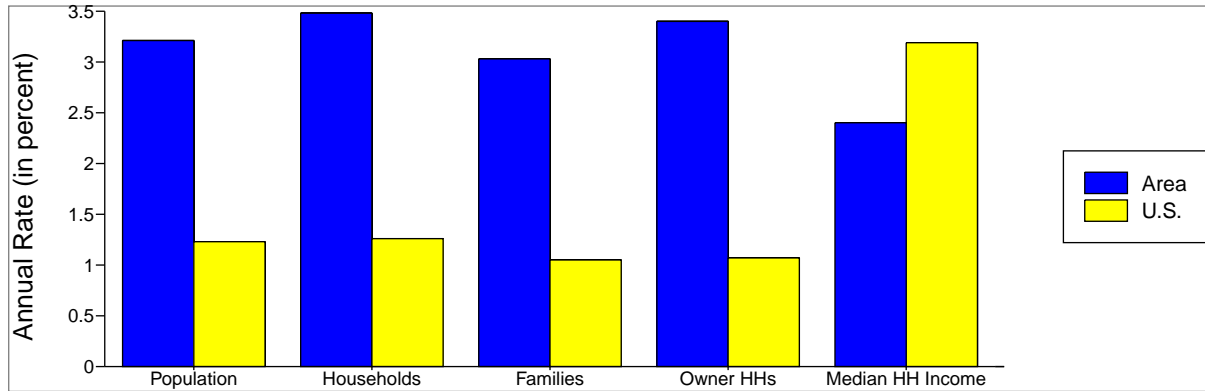
Data Note: Income is expressed in current dollars.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013.

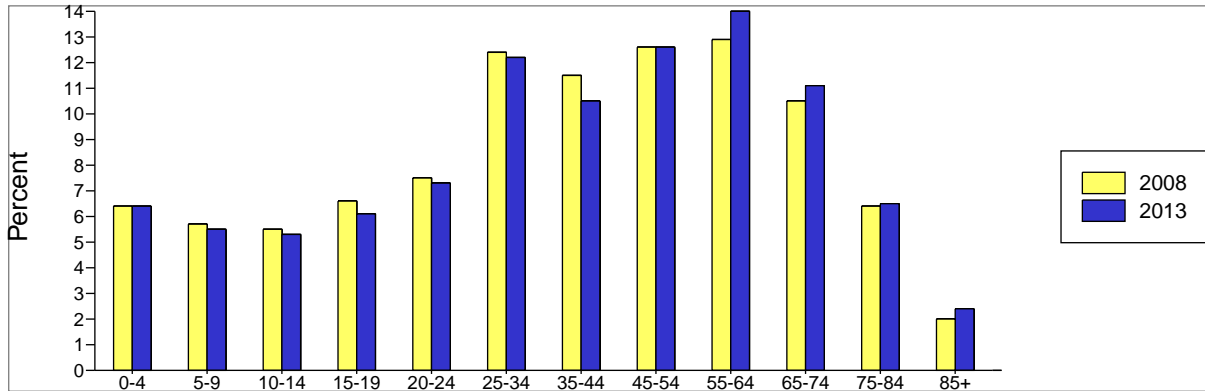


Counties: Beaufort, SC

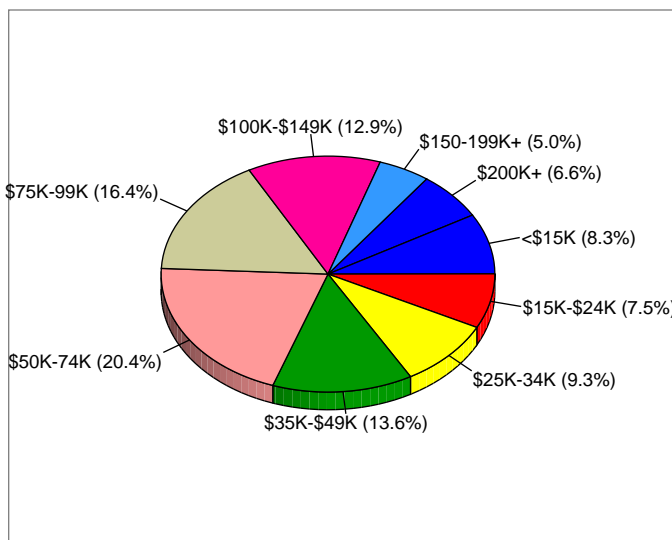
Trends 2008-2013



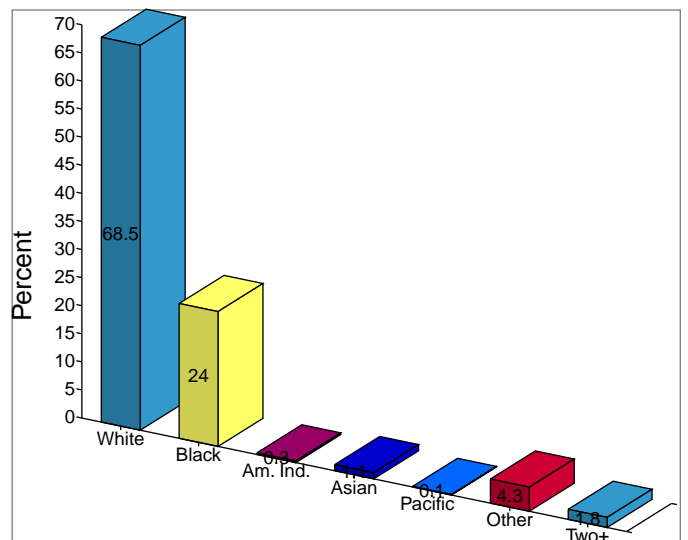
Population by Age



2008 Household Income



2008 Population by Race



2008 Percent Hispanic Origin: 9.5%



Demographic and Income Profile

Prepared by Kathleen Rose, CCIM

Places: Beaufort city, SC

Summary	2000	2008	2013
Population	12,950	13,281	14,340
Households	4,598	4,927	5,422
Families	3,036	3,010	3,209
Average Household Size	2.37	2.32	2.31
Owner Occupied HUs	2,692	2,557	2,765
Renter Occupied HUs	1,906	2,371	2,658
Median Age	30.2	31.4	32.5

Trends: 2008-2013 Annual Rate	Area	National
Population	1.55%	1.23%
Households	1.93%	1.26%
Families	1.29%	1.05%
Owner HHs	1.58%	1.07%
Median Household Income	5.51%	3.19%

Households by Income	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
< \$15,000	831	18.1%	671	13.6%	596	11.0%
\$15,000 - \$24,999	732	15.9%	560	11.4%	449	8.3%
\$25,000 - \$34,999	624	13.6%	598	12.1%	495	9.1%
\$35,000 - \$49,999	891	19.4%	781	15.9%	819	15.1%
\$50,000 - \$74,999	780	17.0%	1,071	21.7%	1,475	27.2%
\$75,000 - \$99,999	262	5.7%	587	11.9%	794	14.6%
\$100,000 - \$149,999	264	5.7%	350	7.1%	423	7.8%
\$150,000 - \$199,000	121	2.6%	142	2.9%	144	2.7%
\$200,000+	92	2.0%	167	3.4%	226	4.2%
Median Household Income	\$36,617		\$46,397		\$60,657	
Average Household Income	\$50,677		\$63,710		\$73,006	
Per Capita Income	\$20,501		\$25,402		\$29,489	

Population by Age	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	911	7.0%	938	7.1%	1,025	7.1%
5 - 9	748	5.8%	770	5.8%	823	5.7%
10 - 14	700	5.4%	720	5.4%	780	5.4%
15 - 19	903	7.0%	890	6.7%	959	6.7%
20 - 24	2,055	15.9%	1,880	14.2%	1,978	13.8%
25 - 34	2,037	15.7%	2,148	16.2%	2,078	14.5%
35 - 44	1,706	13.2%	1,693	12.7%	1,891	13.2%
45 - 54	1,378	10.6%	1,488	11.2%	1,639	11.4%
55 - 64	927	7.2%	1,170	8.8%	1,425	9.9%
65 - 74	765	5.9%	744	5.6%	846	5.9%
75 - 84	613	4.7%	573	4.3%	589	4.1%
85+	207	1.6%	267	2.0%	307	2.1%

Race and Ethnicity	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
White Alone	8,988	69.4%	8,489	63.9%	8,955	62.4%
Black Alone	3,256	25.1%	3,698	27.8%	4,000	27.9%
American Indian Alone	41	0.3%	56	0.4%	68	0.5%
Asian Alone	138	1.1%	229	1.7%	301	2.1%
Pacific Islander Alone	16	0.1%	19	0.1%	26	0.2%
Some Other Race Alone	257	2.0%	430	3.2%	548	3.8%
Two or More Races	254	2.0%	360	2.7%	443	3.1%
Hispanic Origin (Any Race)	568	4.4%	921	6.9%	1,171	8.2%

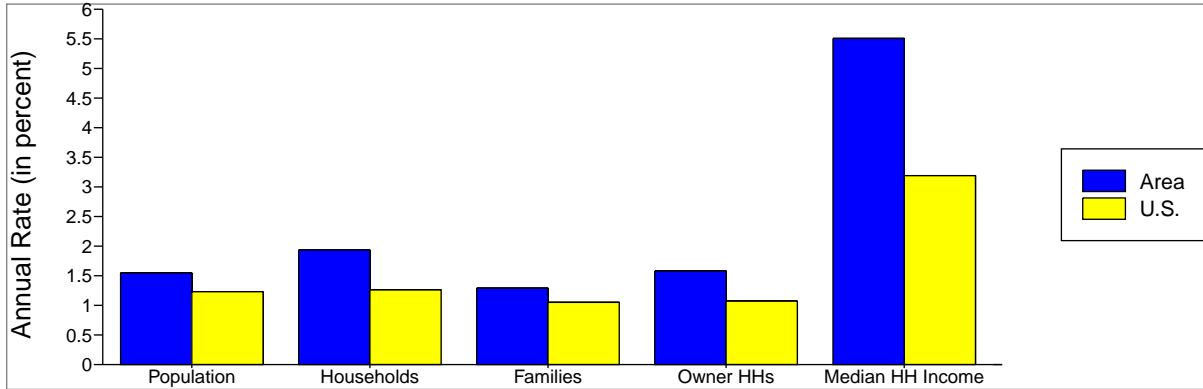
Data Note: Income is expressed in current dollars.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013.

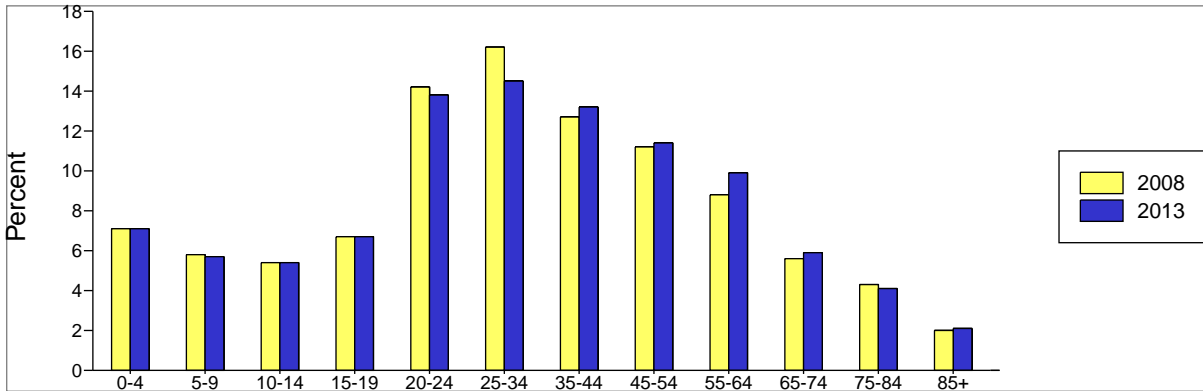


Places: Beaufort city, SC

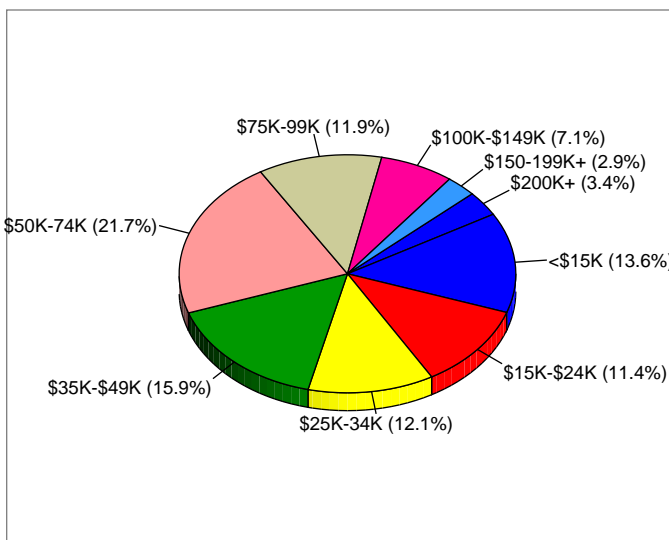
Trends 2008-2013



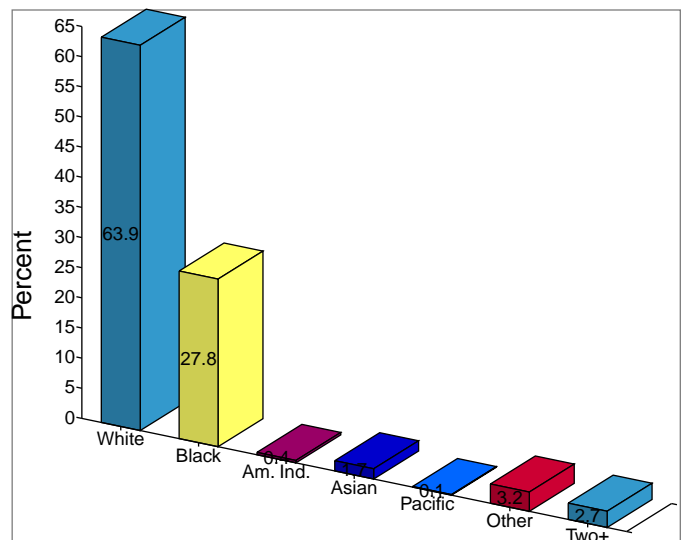
Population by Age



2008 Household Income



2008 Population by Race



2008 Percent Hispanic Origin: 6.9%



Demographic and Income Profile

Prepared by Kathleen Rose, CCIM

Boundary Street

Latitude: 32.440737

Longitude: -80.703889

Beaufort, SC 29902

Site Type: Radius

Radius: 0.25 mile

Summary	2000	2008	2013
Population	189	189	205
Households	78	81	88
Families	53	52	55
Average Household Size	2.42	2.33	2.33
Owner Occupied HUs	44	41	43
Renter Occupied HUs	34	39	45
Median Age	31.8	33.5	35.8

Trends: 2008-2013 Annual Rate	Area	State	National
Population	1.64%	1.39%	1.23%
Households	1.67%	1.64%	1.26%
Families	1.13%	1.15%	1.05%
Owner HHs	0.96%	1.48%	1.07%
Median Household Income	6.01%	3.18%	3.19%

Households by Income	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
< \$15,000	21	28.8%	17	21.3%	15	17.0%
\$15,000 - \$24,999	12	16.4%	15	18.8%	11	12.5%
\$25,000 - \$34,999	11	15.1%	8	10.0%	9	10.2%
\$35,000 - \$49,999	13	17.8%	11	13.8%	12	13.6%
\$50,000 - \$74,999	9	12.3%	19	23.8%	23	26.1%
\$75,000 - \$99,999	3	4.1%	3	3.8%	12	13.6%
\$100,000 - \$149,999	3	4.1%	4	5.0%	3	3.4%
\$150,000 - \$199,000	1	1.4%	2	2.5%	1	1.1%
\$200,000+	0	0.0%	1	1.3%	2	2.3%
Median Household Income	\$29,292		\$35,000		\$46,869	
Average Household Income	\$34,931		\$46,899		\$55,300	
Per Capita Income	\$13,901		\$18,717		\$22,382	

Population by Age	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	13	6.8%	14	7.5%	16	7.8%
5 - 9	20	10.5%	13	7.0%	13	6.3%
10 - 14	15	7.9%	14	7.5%	13	6.3%
15 - 19	16	8.4%	16	8.6%	14	6.8%
20 - 24	13	6.8%	13	7.0%	17	8.3%
25 - 34	27	14.2%	27	14.4%	28	13.6%
35 - 44	29	15.3%	25	13.4%	27	13.1%
45 - 54	19	10.0%	24	12.8%	28	13.6%
55 - 64	16	8.4%	17	9.1%	21	10.2%
65 - 74	14	7.4%	12	6.4%	15	7.3%
75 - 84	7	3.7%	9	4.8%	10	4.9%
85+	1	0.5%	3	1.6%	4	1.9%

Race and Ethnicity	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
White Alone	107	56.6%	99	52.4%	104	51.0%
Black Alone	76	40.2%	82	43.4%	89	43.6%
American Indian Alone	0	0.0%	0	0.0%	0	0.0%
Asian Alone	1	0.5%	1	0.5%	2	1.0%
Pacific Islander Alone	1	0.5%	1	0.5%	2	1.0%
Some Other Race Alone	2	1.1%	3	1.6%	4	2.0%
Two or More Races	2	1.1%	3	1.6%	3	1.5%
Hispanic Origin (Any Race)	5	2.6%	7	3.7%	10	4.9%

Data Note: Income is expressed in current dollars.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013.



Demographic and Income Profile

Prepared by Kathleen Rose, CCIM

Boundary Street

Latitude: 32.440737

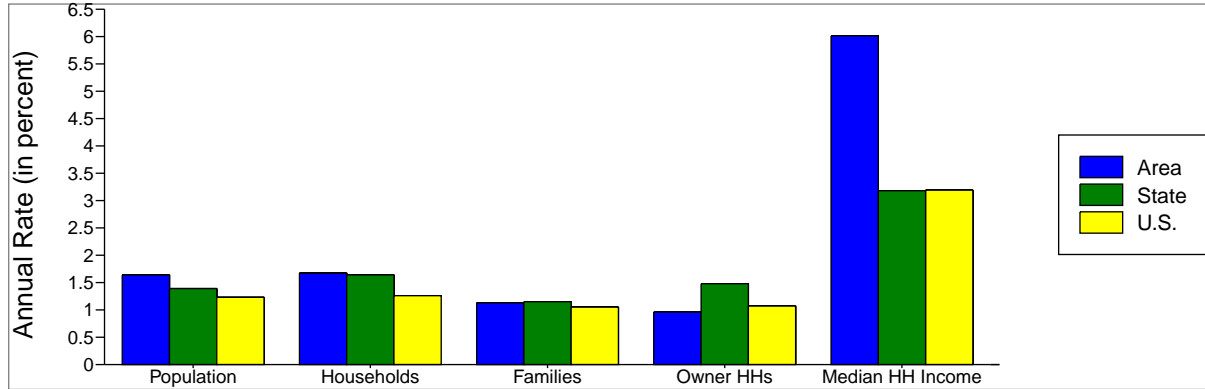
Beaufort, SC 29902

Site Type: Radius

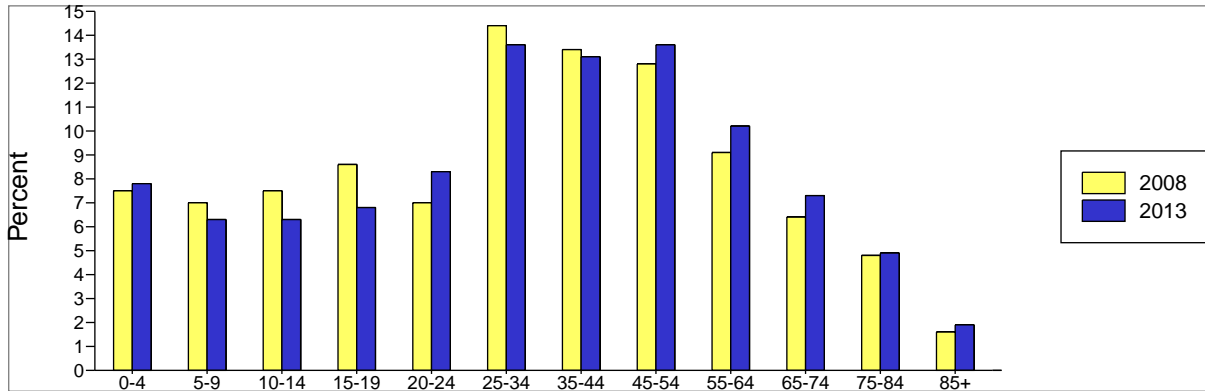
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Radius: 0.25 mile

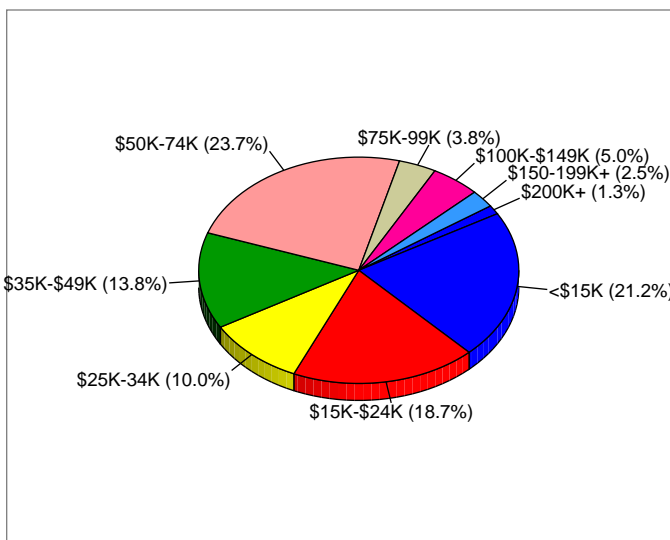
Trends 2008-2013



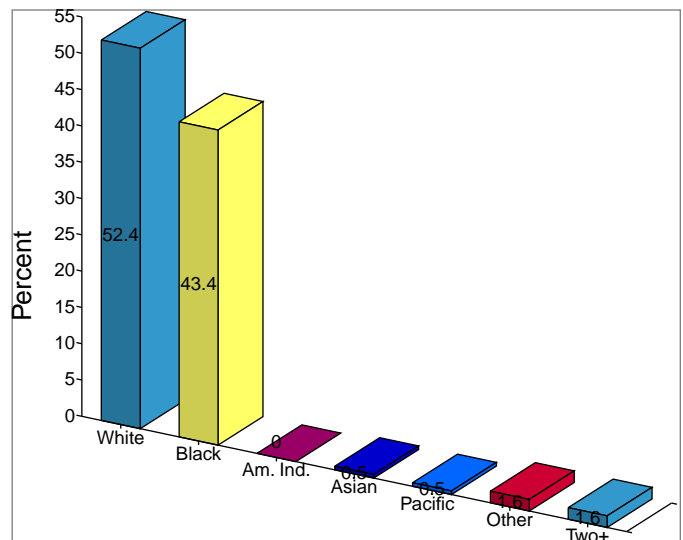
Population by Age



2008 Household Income



2008 Population by Race



2008 Percent Hispanic Origin: 3.7%



Demographic and Income Profile

Prepared by Kathleen Rose, CCIM

Boundary Street

Latitude: 32.440737

Longitude: -80.703889

Beaufort, SC 29902

Site Type: Radius

Radius: 0.5 mile

Summary	2000	2008	2013
Population	586	586	635
Households	228	236	258
Families	155	151	159
Average Household Size	2.57	2.48	2.46
Owner Occupied HUs	129	120	127
Renter Occupied HUs	99	115	131
Median Age	31.7	33.7	35.4

Trends: 2008-2013 Annual Rate	Area	State	National
Population	1.62%	1.39%	1.23%
Households	1.8%	1.64%	1.26%
Families	1.04%	1.15%	1.05%
Owner HHs	1.14%	1.48%	1.07%
Median Household Income	5.66%	3.18%	3.19%

Households by Income	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
< \$15,000	61	28.5%	50	21.1%	44	17.0%
\$15,000 - \$24,999	38	17.8%	43	18.1%	32	12.4%
\$25,000 - \$34,999	33	15.4%	24	10.1%	26	10.0%
\$35,000 - \$49,999	36	16.8%	33	13.9%	36	13.9%
\$50,000 - \$74,999	26	12.1%	57	24.1%	68	26.3%
\$75,000 - \$99,999	9	4.2%	9	3.8%	34	13.1%
\$100,000 - \$149,999	7	3.3%	10	4.2%	9	3.5%
\$150,000 - \$199,000	4	1.9%	6	2.5%	4	1.5%
\$200,000+	0	0.0%	5	2.1%	6	2.3%
Median Household Income	\$28,167		\$35,562		\$46,838	
Average Household Income	\$34,830		\$46,275		\$54,922	
Per Capita Income	\$13,932		\$18,717		\$22,403	

Population by Age	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	41	7.0%	44	7.5%	48	7.6%
5 - 9	63	10.8%	39	6.7%	41	6.5%
10 - 14	47	8.0%	43	7.3%	41	6.5%
15 - 19	48	8.2%	50	8.5%	44	6.9%
20 - 24	40	6.8%	42	7.2%	52	8.2%
25 - 34	80	13.7%	85	14.5%	88	13.9%
35 - 44	90	15.4%	78	13.3%	81	12.8%
45 - 54	58	9.9%	76	13.0%	89	14.0%
55 - 64	50	8.6%	54	9.2%	64	10.1%
65 - 74	40	6.8%	39	6.7%	45	7.1%
75 - 84	22	3.8%	28	4.8%	29	4.6%
85+	5	0.9%	8	1.4%	12	1.9%

Race and Ethnicity	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
White Alone	332	56.7%	306	52.2%	324	50.9%
Black Alone	237	40.4%	254	43.3%	277	43.6%
American Indian Alone	0	0.0%	0	0.0%	0	0.0%
Asian Alone	3	0.5%	4	0.7%	5	0.8%
Pacific Islander Alone	2	0.3%	4	0.7%	5	0.8%
Some Other Race Alone	6	1.0%	10	1.7%	14	2.2%
Two or More Races	6	1.0%	8	1.4%	11	1.7%
Hispanic Origin (Any Race)	15	2.6%	24	4.1%	32	5.0%

Data Note: Income is expressed in current dollars.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013.



Demographic and Income Profile

Prepared by Kathleen Rose, CCIM

Boundary Street

Latitude: 32.440737

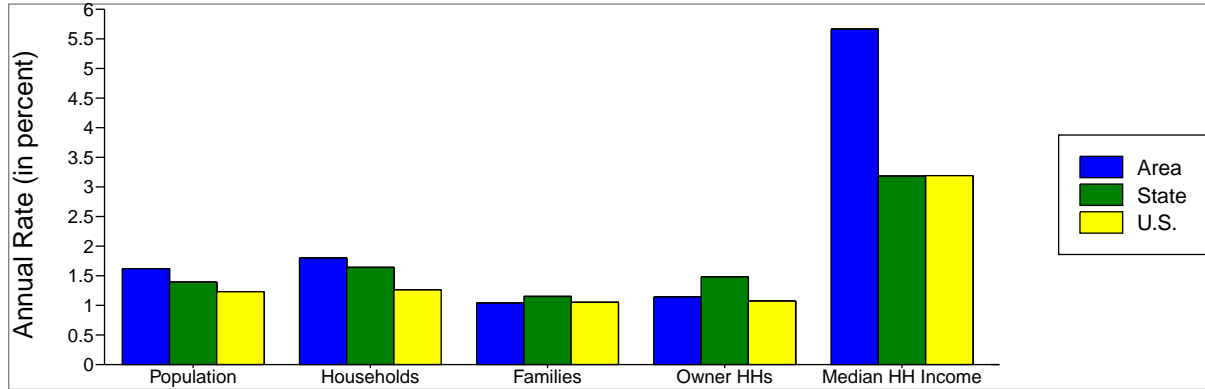
Beaufort, SC 29902

Site Type: Radius

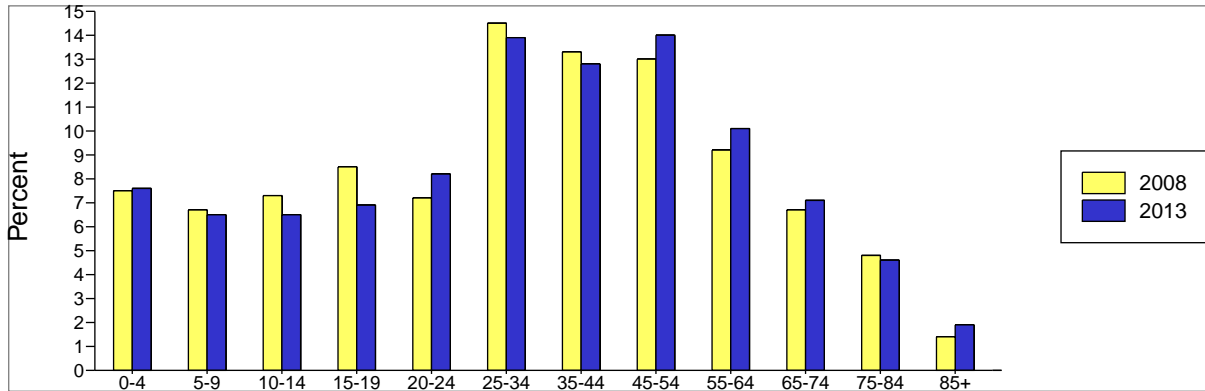
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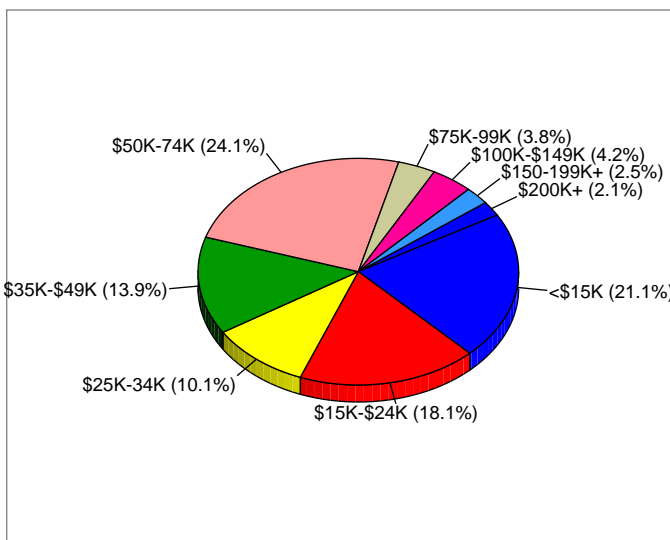
Trends 2008-2013



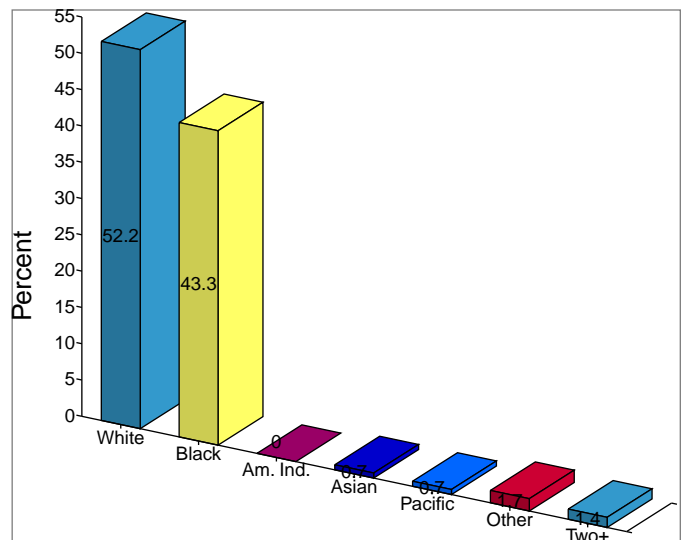
Population by Age



2008 Household Income



2008 Population by Race



2008 Percent Hispanic Origin: 4.1%



Demographic and Income Profile

Prepared by Kathleen Rose, CCIM

Boundary Street

Latitude: 32.440737

Longitude: -80.703889

Beaufort, SC 29902

Site Type: Radius

Radius: 1.0 mile

Summary	2000	2008	2013
Population	1,833	1,964	2,156
Households	673	749	837
Families	458	481	519
Average Household Size	2.53	2.46	2.43
Owner Occupied HUs	364	360	391
Renter Occupied HUs	309	389	446
Median Age	31.5	32.8	34.1

Trends: 2008-2013 Annual Rate	Area	State	National
Population	1.88%	1.39%	1.23%
Households	2.25%	1.64%	1.26%
Families	1.53%	1.15%	1.05%
Owner HHs	1.67%	1.48%	1.07%
Median Household Income	6.22%	3.18%	3.19%

Households by Income	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
< \$15,000	150	23.7%	143	19.1%	129	15.4%
\$15,000 - \$24,999	116	18.4%	102	13.6%	74	8.8%
\$25,000 - \$34,999	81	12.8%	86	11.5%	83	9.9%
\$35,000 - \$49,999	111	17.6%	95	12.7%	107	12.8%
\$50,000 - \$74,999	96	15.2%	169	22.5%	219	26.1%
\$75,000 - \$99,999	21	3.3%	66	8.8%	124	14.8%
\$100,000 - \$149,999	37	5.9%	40	5.3%	45	5.4%
\$150,000 - \$199,000	9	1.4%	27	3.6%	23	2.7%
\$200,000+	11	1.7%	22	2.9%	35	4.2%
Median Household Income	\$32,028		\$41,772		\$56,490	
Average Household Income	\$42,169		\$57,022		\$65,617	
Per Capita Income	\$15,975		\$22,842		\$26,656	

Population by Age	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	153	8.3%	165	8.4%	180	8.4%
5 - 9	149	8.1%	145	7.4%	153	7.1%
10 - 14	119	6.5%	136	6.9%	144	6.7%
15 - 19	130	7.1%	136	6.9%	146	6.8%
20 - 24	162	8.8%	138	7.0%	162	7.5%
25 - 34	309	16.8%	334	17.0%	322	14.9%
35 - 44	287	15.6%	288	14.7%	314	14.6%
45 - 54	192	10.5%	237	12.1%	279	12.9%
55 - 64	130	7.1%	168	8.6%	203	9.4%
65 - 74	115	6.3%	102	5.2%	122	5.7%
75 - 84	68	3.7%	86	4.4%	89	4.1%
85+	20	1.1%	29	1.5%	41	1.9%

Race and Ethnicity	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
White Alone	1,130	61.6%	1,125	57.3%	1,207	56.0%
Black Alone	641	35.0%	735	37.4%	811	37.6%
American Indian Alone	2	0.1%	3	0.2%	4	0.2%
Asian Alone	18	1.0%	31	1.6%	41	1.9%
Pacific Islander Alone	4	0.2%	6	0.3%	9	0.4%
Some Other Race Alone	16	0.9%	31	1.6%	43	2.0%
Two or More Races	22	1.2%	33	1.7%	42	1.9%
Hispanic Origin (Any Race)	48	2.6%	82	4.2%	111	5.1%

Data Note: Income is expressed in current dollars.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013.



Demographic and Income Profile

Prepared by Kathleen Rose, CCIM

Boundary Street

Latitude: 32.440737

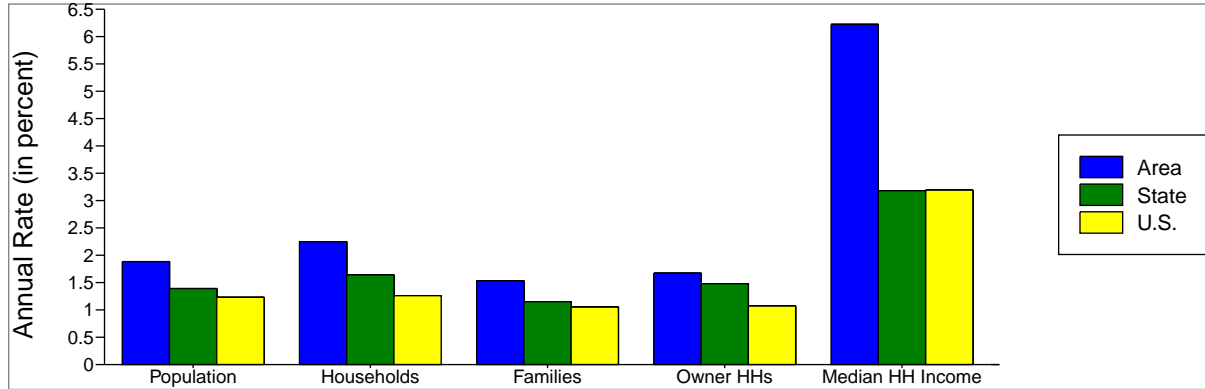
Beaufort, SC 29902

Site Type: Radius

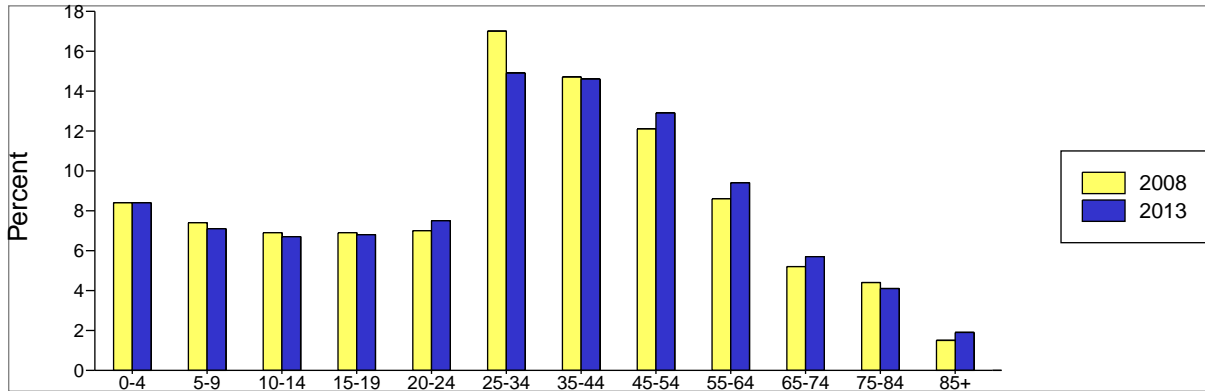
Longitude: -80.703889

Radius: 1.0 mile

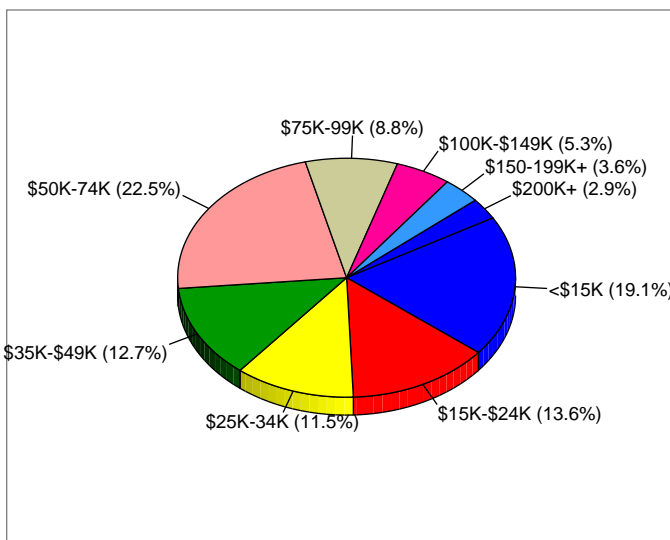
Trends 2008-2013



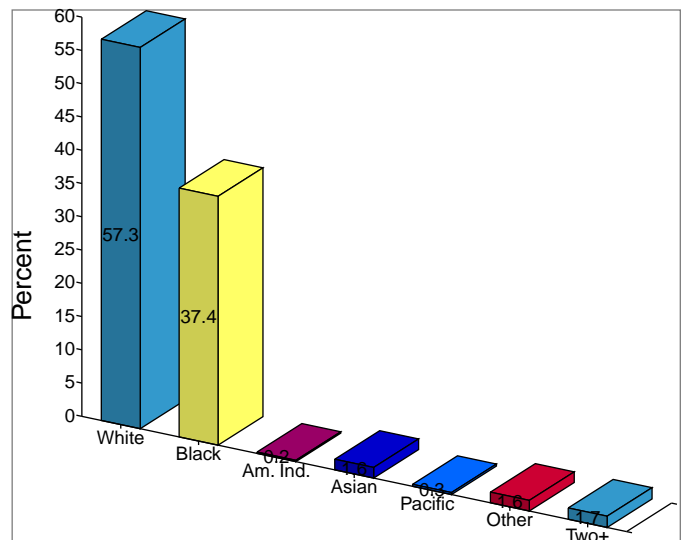
Population by Age



2008 Household Income



2008 Population by Race



2008 Percent Hispanic Origin: 4.2%



Demographic and Income Profile

Prepared by Kathleen Rose, CCIM

Downtown

Latitude: 32.439516

Longitude: -80.670083

Beaufort, SC 29902

Site Type: Radius

Radius: 0.25 mile

Summary	2000	2008	2013
Population	297	284	296
Households	139	138	145
Families	76	69	70
Average Household Size	2.14	2.06	2.04
Owner Occupied HUs	80	71	72
Renter Occupied HUs	59	66	72
Median Age	41.5	43.9	46.0

Trends: 2008-2013 Annual Rate	Area	State	National
Population	0.83%	1.39%	1.23%
Households	0.99%	1.64%	1.26%
Families	0.29%	1.15%	1.05%
Owner HHs	0.28%	1.48%	1.07%
Median Household Income	4.83%	3.18%	3.19%

Households by Income	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
< \$15,000	34	23.0%	28	20.4%	24	16.6%
\$15,000 - \$24,999	29	19.6%	21	15.3%	12	8.3%
\$25,000 - \$34,999	27	18.2%	15	10.9%	17	11.7%
\$35,000 - \$49,999	21	14.2%	23	16.8%	23	15.9%
\$50,000 - \$74,999	20	13.5%	22	16.1%	37	25.5%
\$75,000 - \$99,999	5	3.4%	12	8.8%	13	9.0%
\$100,000 - \$149,999	8	5.4%	10	7.3%	9	6.2%
\$150,000 - \$199,000	2	1.4%	2	1.5%	5	3.4%
\$200,000+	2	1.4%	4	2.9%	5	3.4%
Median Household Income	\$29,111		\$37,658		\$47,679	
Average Household Income	\$40,685		\$56,287		\$65,331	
Per Capita Income	\$19,732		\$26,808		\$31,708	

Population by Age	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	12	4.0%	12	4.2%	12	4.0%
5 - 9	15	5.0%	11	3.9%	12	4.0%
10 - 14	18	6.0%	12	4.2%	12	4.0%
15 - 19	18	6.0%	15	5.3%	13	4.4%
20 - 24	22	7.4%	18	6.3%	16	5.4%
25 - 34	36	12.1%	42	14.8%	38	12.8%
35 - 44	45	15.1%	36	12.7%	42	14.1%
45 - 54	46	15.4%	46	16.2%	45	15.1%
55 - 64	32	10.7%	40	14.1%	51	17.1%
65 - 74	20	6.7%	25	8.8%	28	9.4%
75 - 84	24	8.1%	15	5.3%	18	6.0%
85+	10	3.4%	12	4.2%	11	3.7%

Race and Ethnicity	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
White Alone	143	48.1%	124	43.7%	125	42.1%
Black Alone	145	48.8%	147	51.8%	156	52.5%
American Indian Alone	0	0.0%	0	0.0%	0	0.0%
Asian Alone	1	0.3%	2	0.7%	2	0.7%
Pacific Islander Alone	0	0.0%	0	0.0%	0	0.0%
Some Other Race Alone	3	1.0%	4	1.4%	6	2.0%
Two or More Races	5	1.7%	7	2.5%	8	2.7%
Hispanic Origin (Any Race)	8	2.7%	11	3.9%	14	4.7%

Data Note: Income is expressed in current dollars.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013.



Demographic and Income Profile

Prepared by Kathleen Rose, CCIM

Downtown

Latitude: 32.439516

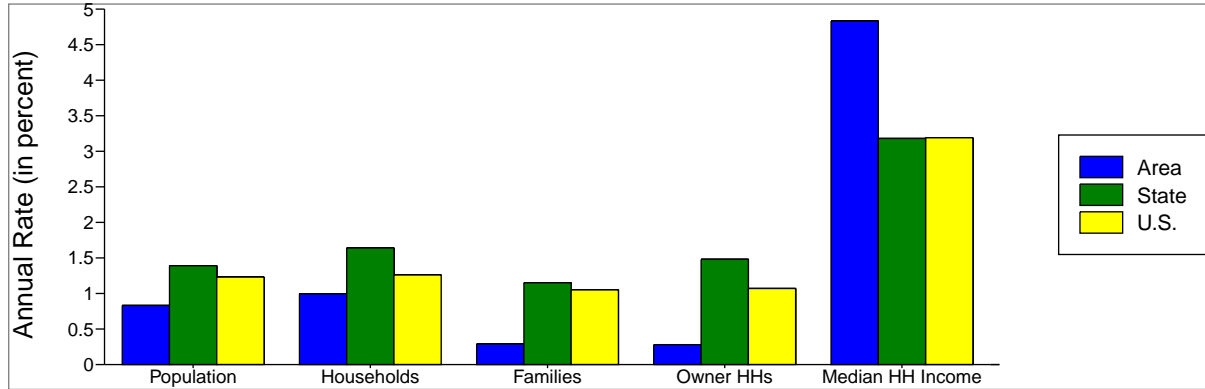
Beaufort, SC 29902

Site Type: Radius

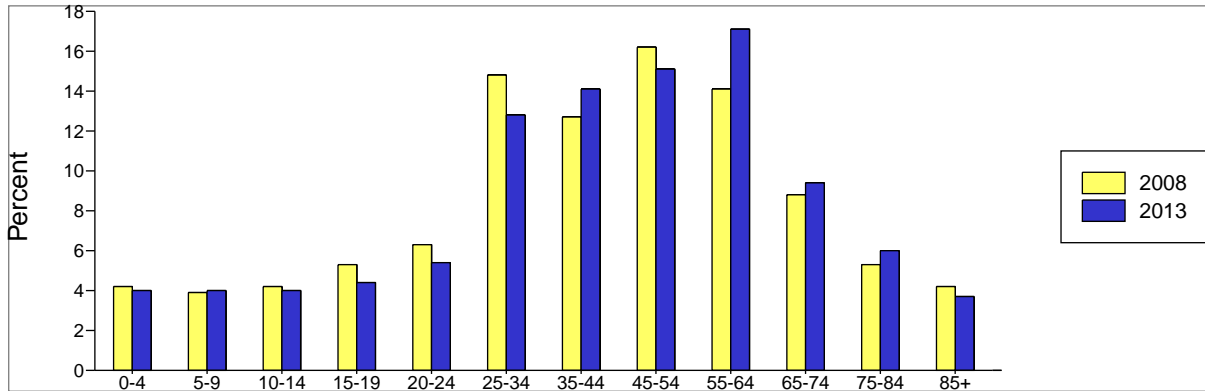
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Radius: 0.25 mile

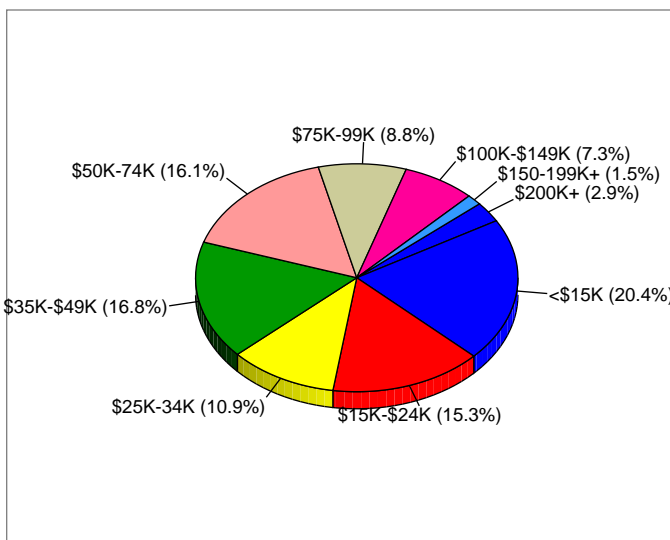
Trends 2008-2013



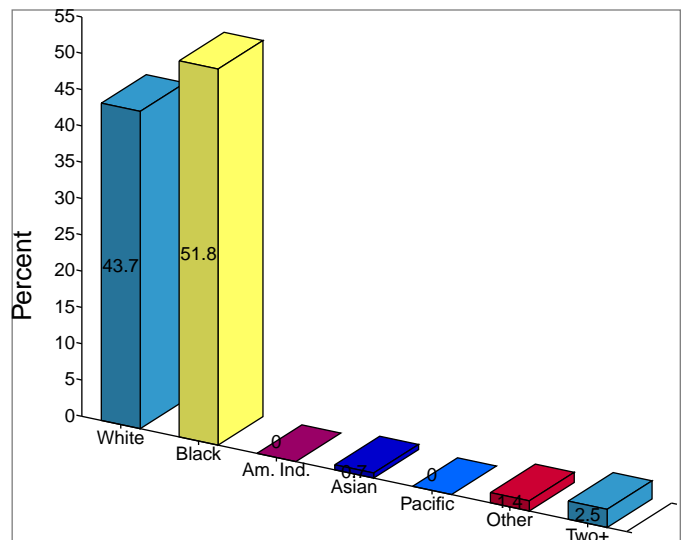
Population by Age



2008 Household Income



2008 Population by Race



2008 Percent Hispanic Origin: 3.9%



Demographic and Income Profile

Prepared by Kathleen Rose, CCIM

Downtown

Latitude: 32.439516

Longitude: -80.670083

Beaufort, SC 29902

Site Type: Radius

Radius: 0.5 mile

Summary	2000	2008	2013
Population	1,289	1,228	1,266
Households	622	614	639
Families	341	309	307
Average Household Size	2.07	1.99	1.98
Owner Occupied HUs	357	318	319
Renter Occupied HUs	265	296	320
Median Age	40.2	42.4	44.4

Trends: 2008-2013 Annual Rate	Area	State	National
Population	0.61%	1.39%	1.23%
Households	0.8%	1.64%	1.26%
Families	-0.13%	1.15%	1.05%
Owner HHs	0.06%	1.48%	1.07%
Median Household Income	4.28%	3.18%	3.19%

Households by Income	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
< \$15,000	152	23.4%	120	19.5%	105	16.4%
\$15,000 - \$24,999	125	19.3%	96	15.6%	59	9.2%
\$25,000 - \$34,999	104	16.0%	67	10.9%	74	11.6%
\$35,000 - \$49,999	87	13.4%	96	15.6%	99	15.5%
\$50,000 - \$74,999	94	14.5%	92	15.0%	149	23.3%
\$75,000 - \$99,999	24	3.7%	59	9.6%	61	9.5%
\$100,000 - \$149,999	37	5.7%	48	7.8%	41	6.4%
\$150,000 - \$199,000	12	1.8%	11	1.8%	22	3.4%
\$200,000+	14	2.2%	25	4.1%	29	4.5%
Median Household Income	\$29,398		\$38,294		\$47,219	
Average Household Income	\$43,695		\$60,177		\$70,032	
Per Capita Income	\$21,031		\$29,242		\$34,382	

Population by Age	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	62	4.8%	59	4.8%	60	4.7%
5 - 9	68	5.3%	56	4.6%	56	4.4%
10 - 14	76	5.9%	57	4.6%	57	4.5%
15 - 19	75	5.8%	65	5.3%	60	4.7%
20 - 24	100	7.7%	71	5.8%	71	5.6%
25 - 34	169	13.1%	184	15.0%	157	12.4%
35 - 44	189	14.6%	163	13.3%	182	14.4%
45 - 54	190	14.7%	190	15.5%	185	14.6%
55 - 64	138	10.7%	164	13.4%	199	15.7%
65 - 74	91	7.0%	108	8.8%	123	9.7%
75 - 84	99	7.7%	64	5.2%	73	5.8%
85+	34	2.6%	45	3.7%	42	3.3%

Race and Ethnicity	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
White Alone	683	52.9%	595	48.5%	592	46.8%
Black Alone	558	43.3%	566	46.1%	594	46.9%
American Indian Alone	2	0.2%	2	0.2%	2	0.2%
Asian Alone	5	0.4%	7	0.6%	9	0.7%
Pacific Islander Alone	0	0.0%	0	0.0%	0	0.0%
Some Other Race Alone	16	1.2%	25	2.0%	31	2.4%
Two or More Races	26	2.0%	33	2.7%	38	3.0%
Hispanic Origin (Any Race)	39	3.0%	55	4.5%	67	5.3%

Data Note: Income is expressed in current dollars.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013.



Demographic and Income Profile

Prepared by Kathleen Rose, CCIM

Downtown

Latitude: 32.439516

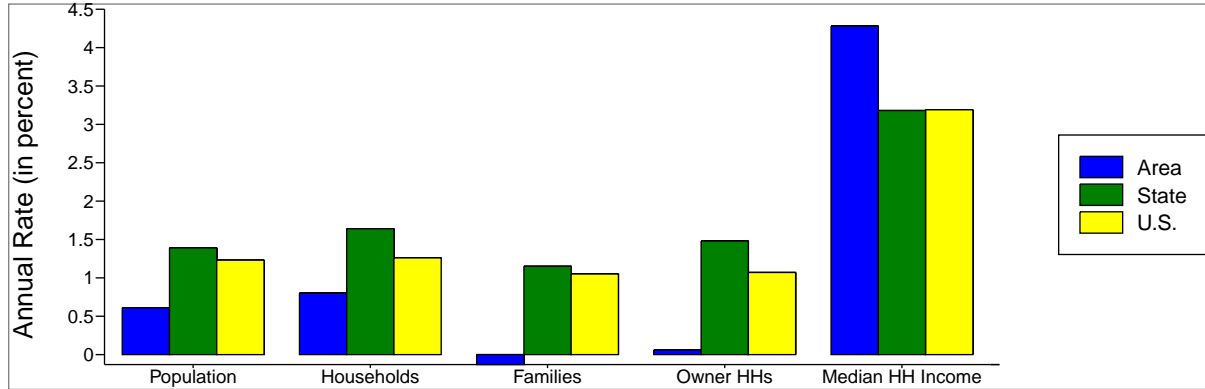
Beaufort, SC 29902

Site Type: Radius

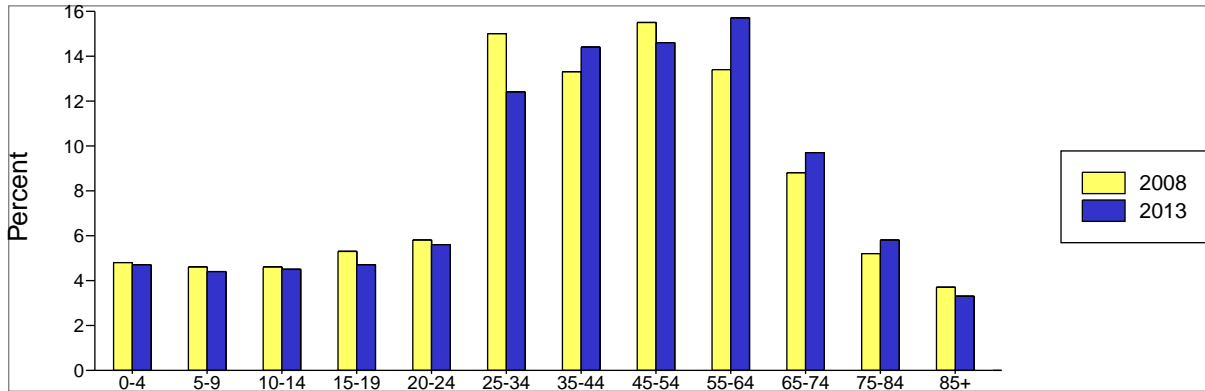
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Radius: 0.5 mile

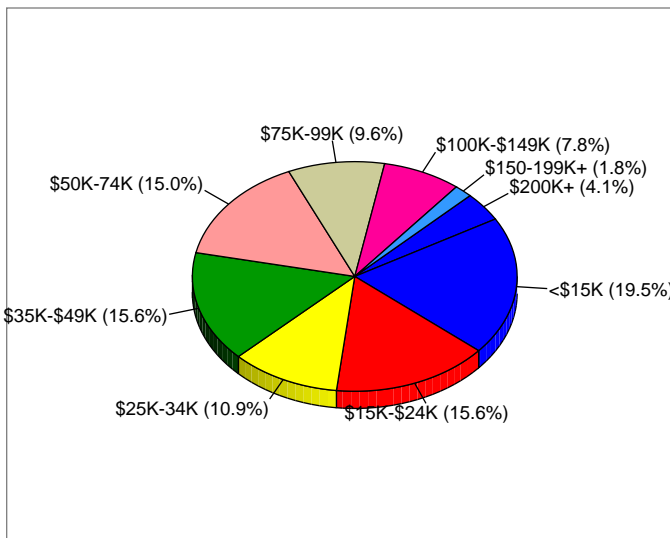
Trends 2008-2013



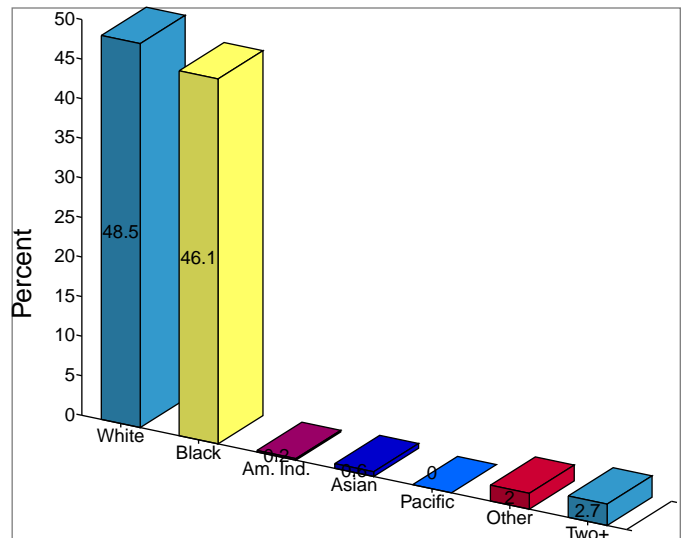
Population by Age



2008 Household Income



2008 Population by Race



2008 Percent Hispanic Origin: 4.5%



Demographic and Income Profile

Prepared by Kathleen Rose, CCIM

Downtown

Latitude: 32.439516

Longitude: -80.670083

Beaufort, SC 29902

Site Type: Radius

Radius: 1.0 mile

Summary	2000	2008	2013
Population	3,900	3,904	4,147
Households	1,727	1,767	1,886
Families	1,056	1,014	1,047
Average Household Size	2.25	2.20	2.19
Owner Occupied HUs	1,042	977	1,024
Renter Occupied HUs	685	790	863
Median Age	36.8	38.2	38.8

Trends: 2008-2013 Annual Rate	Area	State	National
Population	1.21%	1.39%	1.23%
Households	1.31%	1.64%	1.26%
Families	0.64%	1.15%	1.05%
Owner HHs	0.94%	1.48%	1.07%
Median Household Income	5.38%	3.18%	3.19%

Households by Income	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
< \$15,000	367	20.6%	262	14.8%	230	12.2%
\$15,000 - \$24,999	306	17.2%	265	15.0%	192	10.2%
\$25,000 - \$34,999	238	13.4%	196	11.1%	201	10.7%
\$35,000 - \$49,999	255	14.3%	250	14.1%	261	13.8%
\$50,000 - \$74,999	310	17.4%	274	15.5%	398	21.1%
\$75,000 - \$99,999	107	6.0%	251	14.2%	220	11.7%
\$100,000 - \$149,999	112	6.3%	147	8.3%	230	12.2%
\$150,000 - \$199,000	45	2.5%	47	2.7%	60	3.2%
\$200,000+	39	2.2%	76	4.3%	95	5.0%
Median Household Income	\$33,892		\$43,515		\$56,538	
Average Household Income	\$49,757		\$65,758		\$76,457	
Per Capita Income	\$21,856		\$29,304		\$34,200	

Population by Age	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	263	6.7%	267	6.8%	291	7.0%
5 - 9	250	6.4%	239	6.1%	258	6.2%
10 - 14	262	6.7%	229	5.9%	249	6.0%
15 - 19	232	5.9%	231	5.9%	235	5.7%
20 - 24	315	8.1%	241	6.2%	250	6.0%
25 - 34	529	13.6%	587	15.0%	558	13.5%
35 - 44	576	14.8%	501	12.8%	569	13.7%
45 - 54	524	13.4%	546	14.0%	558	13.5%
55 - 64	387	9.9%	465	11.9%	532	12.8%
65 - 74	264	6.8%	300	7.7%	336	8.1%
75 - 84	232	5.9%	198	5.1%	203	4.9%
85+	69	1.8%	103	2.6%	108	2.6%

Race and Ethnicity	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
White Alone	2,418	62.0%	2,265	58.0%	2,355	56.8%
Black Alone	1,323	33.9%	1,403	35.9%	1,497	36.1%
American Indian Alone	13	0.3%	19	0.5%	23	0.6%
Asian Alone	24	0.6%	36	0.9%	47	1.1%
Pacific Islander Alone	3	0.1%	4	0.1%	6	0.1%
Some Other Race Alone	55	1.4%	91	2.3%	117	2.8%
Two or More Races	65	1.7%	86	2.2%	102	2.5%
Hispanic Origin (Any Race)	127	3.3%	194	5.0%	247	6.0%

Data Note: Income is expressed in current dollars.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013.



Demographic and Income Profile

Prepared by Kathleen Rose, CCIM

Downtown

Latitude: 32.439516

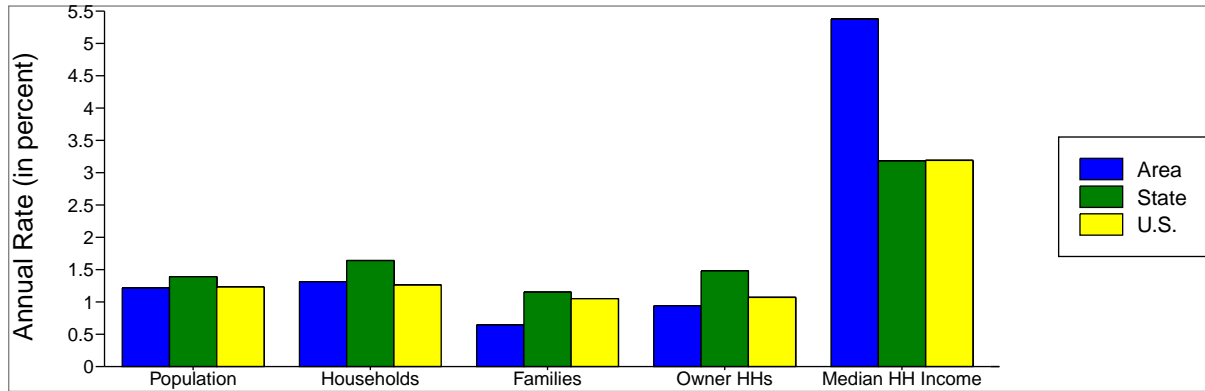
Beaufort, SC 29902

Site Type: Radius

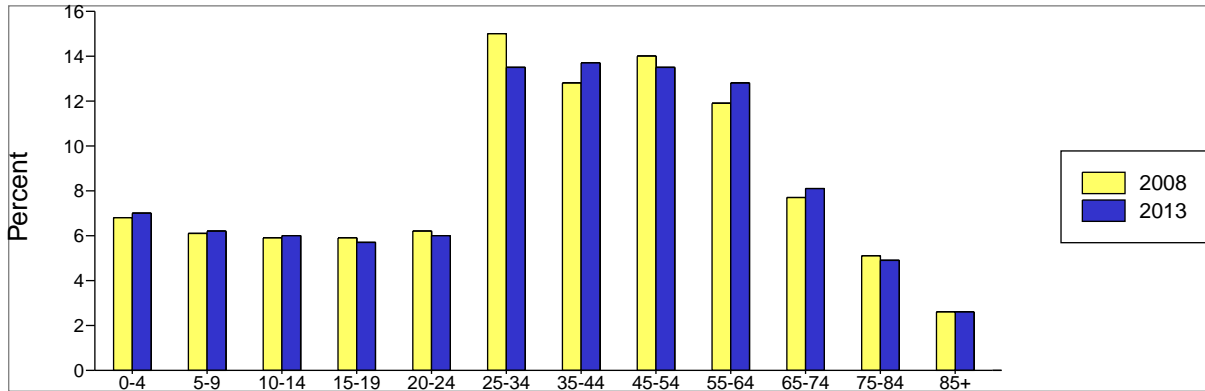
Longitude: -80.670083

Radius: 1.0 mile

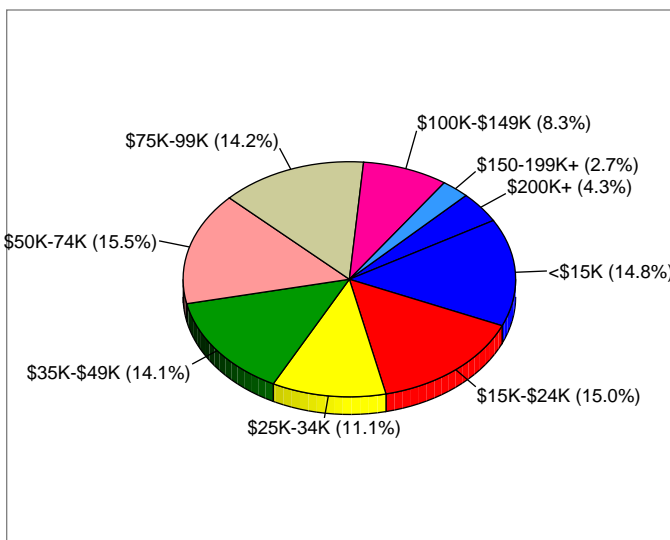
Trends 2008-2013



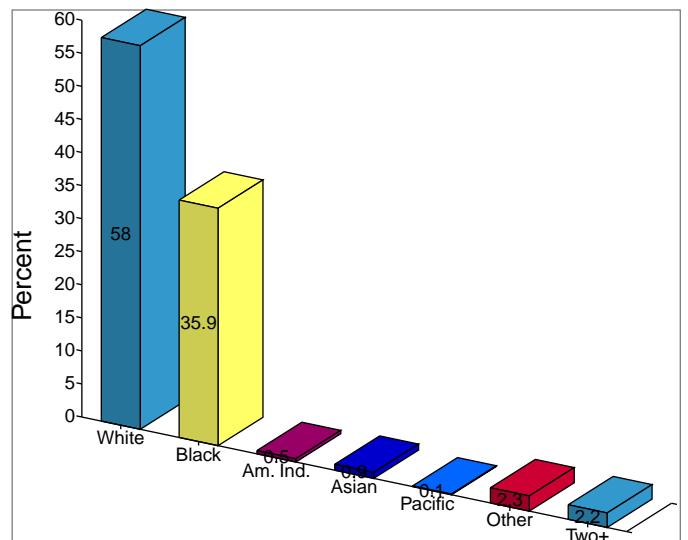
Population by Age



2008 Household Income



2008 Population by Race



2008 Percent Hispanic Origin: 5.0%

Appendix B

Lifestyle Tapestry & Retail MarketPlace Reports

MARKET ASSESSMENT FOR LAND USE PLAN - BEAUFORT, SC



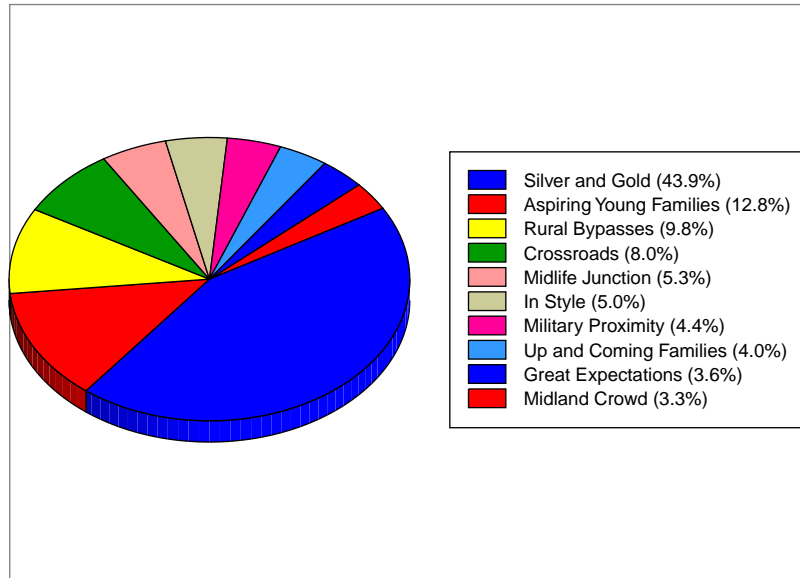
Lifestyle (Tapestry) Report

Ranked by Households

Prepared by Kathleen Rose, CCIM

Counties: Beaufort, SC

Top Tapestry Segments



Percent of Households by Tapestry Segment

Top Tapestry Segments:

Silver and Gold

Silver and Gold residents are the second oldest of the Community Tapestry segments and the wealthiest seniors, with a median age of 59.7 years; most are retired from professional occupations. Their affluence has allowed them to move to sunnier climates. More than 60 percent of the households are in the South (mainly in Florida); 25 percent reside in the West, primarily in California and Arizona. Neighborhoods are exclusive, with a median home value of \$369,808 and a high proportion of seasonal housing. Residents enjoy traveling, woodworking, playing cards, bird-watching, target shooting, saltwater fishing, and power boating. Golf is more a way of life than a mere leisure pursuit; they play golf, attend tournaments, watch golf on TV, and listen to golf programs on the radio. They are avid readers but also find the time to watch their favorite TV shows and a multitude of news programs.

Aspiring Young Families

Aspiring Young Families neighborhoods are located in large, growing metropolitan areas in the South and West, with the highest concentrations in California, Florida, and Texas. Mainly composed of young, married-couple families or single parents with children, the median age for this segment is 30.6 years. Nearly half of the households are owner-occupied, single-family dwellings or townhomes, and over half are occupied by renters, many living in newer, multiunit buildings. Residents spend much of their discretionary income on baby and children's products and toys as well as home furnishings. Recent electronic purchases include cameras and video game systems. Leisure activities include dining out, dancing, going to the movies, attending professional football games, fishing, weight lifting, and playing basketball. Typically, vacations would include visits to theme parks. Internet usage mainly involves chat room visits.



Lifestyle (Tapestry) Report

Ranked by Households

Prepared by Kathleen Rose, CCIM

Counties: Beaufort, SC

Source: ESRI

Rural Bypasses

Open space, undeveloped land, and farmland are found in Rural Bypasses neighborhoods located almost entirely in the South. This market is home to families who live in small towns along country back roads. The median age is 38.0 years. Higher-than-average proportions of employed residents work in the agricultural, mining, manufacturing, and construction industries. Labor force participation is low, and unemployment is high. Although most households are single-family dwellings, 32 percent are mobile homes. Homeownership is at 77 percent, and the median home value is \$66,625. Residents save money by maintaining their homes, gardens, and vehicles themselves. They enjoy hunting, reading fishing and hunting magazines, and listening to gospel radio. They prefer to watch courtroom TV and talk shows as well as cartoons. Recent purchases include baby products, clothes, and toys.

Crossroads

Young families living in mobile homes typify Crossroads neighborhoods, found in small towns throughout the South, Midwest, and West. These growing communities are home to married-couple and single-parent families. The median age is 32.1 years. Homeownership is at 75 percent, and the median home value is \$73,224. More than half of the householders live in mobile homes; 36 percent live in single-family dwellings. Employment is chiefly in the manufacturing, construction, retail trade, and service industries. Many homes have dogs. Residents generally shop at discount stores but also frequent convenience stores. They prefer domestic cars and trucks, often buying and servicing used vehicles. Residents go fishing, attend auto races, participate in auto racing, and play the lottery. An annual family outing to SeaWorld is common.

Midlife Junction

Midlife Junction communities are found in suburbs across the country. Residents are phasing out of their child-rearing years. Approximately half of the households are composed of married-couple families; 31 percent are singles who live alone. The median age is 41.2 years; the median household income is \$49,031. One-third of the households receive Social Security benefits. Nearly two-thirds of the households are single-family structures; most of the remaining dwellings are apartments in multiunit buildings. These residents live quiet, settled lives. They spend their money prudently and do not succumb to fads. They prefer to shop by mail or phone from catalogs such as J.C. Penney, L.L. Bean, and Lands' End. They enjoy yoga, attending country music concerts and auto races, refinishing furniture, and reading romance novels.

In Style

In Style residents live in affluent neighborhoods of metropolitan areas. More suburban than urban, they nevertheless embrace an urban lifestyle. Townhome ownership is more than double that of the national level; however, more than half of the households are traditional single-family homes. Labor force participation is high, and professional couples predominate. The median household income is \$72,326. Nearly one-third of these households include children. The median age is 40.3 years. In Style residents are computer savvy; they use the Internet daily to research information, track investments, or shop. They own a diverse investment portfolio, contribute to retirement savings plans, and hold long-term care and life insurance policies. They enjoy going to the beach, snorkeling, playing golf, casino gambling, and domestic travel.



Lifestyle (Tapestry) Report

Ranked by Households

Prepared by Kathleen Rose, CCIM

Counties: Beaufort, SC

Source: ESRI

Military Proximity

Military Proximity communities depend upon the military for their livelihood. More than 75 percent of the labor force is in the armed forces, and others work in civilian jobs on military bases. The median household income is \$45,232, and the median age is 22.5 years. Two-thirds of the households are composed of married couples with children. Housing types are mainly townhomes and apartments in small, multiunit buildings; 93 percent are occupied by renters. Residents participate in civic activities and are members of business clubs. Many homes have a pet, most likely a dog. Residents use the Internet to trade stocks and make purchases. For exercise, they snorkel, play tennis, practice yoga, and jog. Families visit theme parks and the zoo, throw Frisbees, and go bowling. Recent purchases include MP3 players, digital cameras, video game systems, cell phones, apparel, and jewelry.

Up and Coming Families

Up and Coming Families represents the second highest household growth market and, with a median age of 31.9 years, is the youngest of Community Tapestry's affluent family markets. The profile for these neighborhoods is young, affluent families with young children. Approximately half of the households are concentrated in the South, with another half in the West and Midwest. Neighborhoods are located in suburban outskirts of mid-sized metropolitan areas. The homes are newer, with a median value of \$213,306. Because family and home priorities dictate their consumer purchases, they frequently shop for baby and children's products and household furniture. Leisure activities include playing softball, going to the zoo, and visiting theme parks (generally SeaWorld or Disney World). Residents enjoy watching science fiction, comedy, and family-type movies on DVD.

Great Expectations

Great Expectations neighborhoods are located throughout the country, with higher proportions found in the Midwest and South. Young singles and married-couple families dominate. The median age is 33.2 years. Labor force participation is high. Manufacturing, retail, and service industries are the primary employers. Approximately half of the households are owners living in single-family dwellings with a median value of \$110,922; the other half are renters, mainly living in apartments in low-rise or mid-rise buildings. Most of the housing units in these older, suburban neighborhoods were built before 1960. Residents enjoy a young and active lifestyle. They go out to dinner, to the movies, to bars, and to nightclubs. They enjoy roller skating; using Rollerblades; playing Frisbee, chess, and pool; and attending auto races. They read music magazines and listen to rock music on the radio.

Midland Crowd

Approximately 11.9 million people represent Midland Crowd, Community Tapestry's largest market. The median age of 37 is similar to the US Median. Most households are composed of married-couple families, half with children and half without. The median household income is \$50,462. Housing developments are generally in rural areas throughout the United States (more village or town than farm), mainly in the South. Home ownership is at 83 percent. Two-thirds of households are single-family structures; 28 percent are mobile homes. This is a somewhat conservative market politically. These do-it-yourselfers take pride in their homes, lawns, and vehicles. Hunting, fishing, and woodworking are favorite pursuits. Pet ownership, especially birds or dogs, is common. Many households have a satellite dish, and TV viewing includes various news programs as well as shows on CMT and Outdoor Life Network.

Source: ESRI



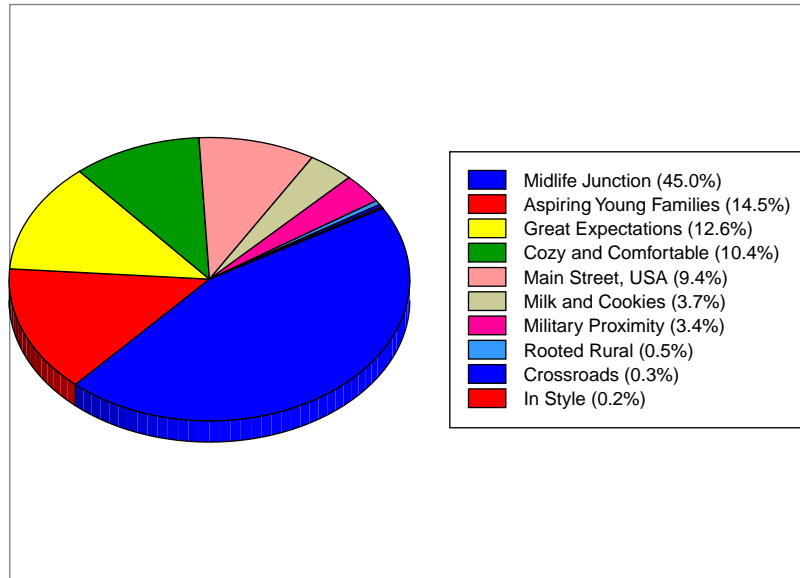
Lifestyle (Tapestry) Report

Ranked by Households

Prepared by Kathleen Rose, CCIM

Places: Beaufort city, SC

Top Tapestry Segments



Percent of Households by Tapestry Segment

Top Tapestry Segments:

Midlife Junction

Midlife Junction communities are found in suburbs across the country. Residents are phasing out of their child-rearing years. Approximately half of the households are composed of married-couple families; 31 percent are singles who live alone. The median age is 41.2 years; the median household income is \$49,031. One-third of the households receive Social Security benefits. Nearly two-thirds of the households are single-family structures; most of the remaining dwellings are apartments in multiunit buildings. These residents live quiet, settled lives. They spend their money prudently and do not succumb to fads. They prefer to shop by mail or phone from catalogs such as J.C. Penney, L.L. Bean, and Lands' End. They enjoy yoga, attending country music concerts and auto races, refinishing furniture, and reading romance novels.

Aspiring Young Families

Aspiring Young Families neighborhoods are located in large, growing metropolitan areas in the South and West, with the highest concentrations in California, Florida, and Texas. Mainly composed of young, married-couple families or single parents with children, the median age for this segment is 30.6 years. Nearly half of the households are owner-occupied, single-family dwellings or townhomes, and over half are occupied by renters, many living in newer, multiunit buildings. Residents spend much of their discretionary income on baby and children's products and toys as well as home furnishings. Recent electronic purchases include cameras and video game systems. Leisure activities include dining out, dancing, going to the movies, attending professional football games, fishing, weight lifting, and playing basketball. Typically, vacations would include visits to theme parks. Internet usage mainly involves chat room visits.



Lifestyle (Tapestry) Report

Ranked by Households

Prepared by Kathleen Rose, CCIM

Places: Beaufort city, SC

Source: ESRI

Great Expectations

Great Expectations neighborhoods are located throughout the country, with higher proportions found in the Midwest and South. Young singles and married-couple families dominate. The median age is 33.2 years. Labor force participation is high. Manufacturing, retail, and service industries are the primary employers. Approximately half of the households are owners living in single-family dwellings with a median value of \$110,922; the other half are renters, mainly living in apartments in low-rise or mid-rise buildings. Most of the housing units in these older, suburban neighborhoods were built before 1960. Residents enjoy a young and active lifestyle. They go out to dinner, to the movies, to bars, and to nightclubs. They enjoy roller skating; using Rollerblades; playing Frisbee, chess, and pool; and attending auto races. They read music magazines and listen to rock music on the radio.

Cozy and Comfortable

Cozy and Comfortable residents are settled, married, and still working. Many couples are still living in the pre-1970s, single-family homes in which they raised their children. Households are located primarily in suburban areas of the Midwest, Northeast, and South. The median age is 42.1 years, and the median home value is \$174,687. Home improvement and remodeling are important to Cozy and Comfortable residents. Although some work is contracted, homeowners take an active part in many projects, especially painting and lawn care. They play softball and golf, attend ice hockey games, watch science fiction films on DVD, and gamble at casinos. Television is significant; many households have four or more sets. Preferred cable stations include QVC, Home & Garden Television, and The History Channel.

Main Street, USA

Main Street, USA neighborhoods are a mix of single-family homes and multiunit dwellings found in the suburbs of smaller metropolitan cities, mainly in the Northeast, West, and Midwest. This market is similar to the United States when comparing household type, age, educational attainment, housing type, occupation, industry, and household income type distributions. The median age of 36.8 years matches that of the U.S. median. The median household income is a comfortable \$56,882. Homeownership is at 65 percent, and the median home value is \$205,391. Active members of the community, residents participate in local civic issues and work as volunteers. They take care of their lawns and gardens, and work on small home projects. They enjoy going to the beach and visiting theme parks as well as playing chess, going bowling or ice skating, and participating in aerobic exercise.

Milk and Cookies

Milk and Cookies households are composed mainly of young, affluent married-couple families. Approximately half of the households include children. The median age for this market is 34 years. Residents prefer single-family homes in suburban areas, chiefly in the South, particularly in Texas. Smaller concentrations of households are located in the West and Midwest. The median home value is \$148,781. Families with two or more workers, more than one child, and two or more vehicles is the norm for this market. Residents are well insured for the future. The presence of children drives their large purchases of baby and children's products and timesavers such as fast food. For fun, residents play video games, chess, backgammon, basketball and football, or fly kites. Favorite cable channels include Toon Disney, The Discovery Health Channel, ESPNNews, and Lifetime Movie Network.



Lifestyle (Tapestry) Report

Ranked by Households

Prepared by Kathleen Rose, CCIM

Places: Beaufort city, SC

Source: ESRI

Military Proximity

Military Proximity communities depend upon the military for their livelihood. More than 75 percent of the labor force is in the armed forces, and others work in civilian jobs on military bases. The median household income is \$45,232, and the median age is 22.5 years. Two-thirds of the households are composed of married couples with children. Housing types are mainly townhomes and apartments in small, multiunit buildings; 93 percent are occupied by renters. Residents participate in civic activities and are members of business clubs. Many homes have a pet, most likely a dog. Residents use the Internet to trade stocks and make purchases. For exercise, they snorkel, play tennis, practice yoga, and jog. Families visit theme parks and the zoo, throw Frisbees, and go bowling. Recent purchases include MP3 players, digital cameras, video game systems, cell phones, apparel, and jewelry.

Rooted Rural

Rooted Rural neighborhoods are located in rural areas throughout the country; however, more than three-fifths of the households are located in the South. Households are dominated by married-couple families. One-third of the households receive Social Security benefits. The median age is 42.2 years. Housing is predominantly single-family dwellings, with a strong presence of mobile homes and some seasonal housing. The median home value is \$101,198. Stable and settled, residents tend to move infrequently. They are do-it-yourselfers, constantly working on their homes, gardens, and vehicles. Many families have pets. Residents enjoy hunting, fishing, target shooting, boating, attending country music concerts, and listening to country music on the radio. Many households have a satellite dish; favorite stations include Outdoor Life Network and CMT.

Crossroads

Young families living in mobile homes typify Crossroads neighborhoods, found in small towns throughout the South, Midwest, and West. These growing communities are home to married-couple and single-parent families. The median age is 32.1 years. Homeownership is at 75 percent, and the median home value is \$73,224. More than half of the householders live in mobile homes; 36 percent live in single-family dwellings. Employment is chiefly in the manufacturing, construction, retail trade, and service industries. Many homes have dogs. Residents generally shop at discount stores but also frequent convenience stores. They prefer domestic cars and trucks, often buying and servicing used vehicles. Residents go fishing, attend auto races, participate in auto racing, and play the lottery. An annual family outing to SeaWorld is common.

In Style

In Style residents live in affluent neighborhoods of metropolitan areas. More suburban than urban, they nevertheless embrace an urban lifestyle. Townhome ownership is more than double that of the national level; however, more than half of the households are traditional single-family homes. Labor force participation is high, and professional couples predominate. The median household income is \$72,326. Nearly one-third of these households include children. The median age is 40.3 years. In Style residents are computer savvy; they use the Internet daily to research information, track investments, or shop. They own a diverse investment portfolio, contribute to retirement savings plans, and hold long-term care and life insurance policies. They enjoy going to the beach, snorkeling, playing golf, casino gambling, and domestic travel.

Source: ESRI



Places: Beaufort city, SC

Summary Demographics

2008 Population	13,281
2008 Households	4,927
2008 Median Disposable Income	\$37,631
2008 Per Capita Income	\$25,402

Industry Summary

	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink (NAICS 44-45, 722)	\$124,331,689	\$252,241,850	\$-127,910,161	-34.0	238
Total Retail Trade (NAICS 44-45)	\$107,239,465	\$218,746,994	\$-111,507,529	-34.2	178
Total Food & Drink (NAICS 722)	\$17,092,224	\$33,494,856	\$-16,402,632	-32.4	60

Industry Group	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers (NAICS 441)	\$24,045,120	\$86,977,841	\$-62,932,721	-56.7	16
Automobile Dealers (NAICS 4411)	\$21,379,543	\$79,088,265	\$-57,708,722	-57.4	7
Other Motor Vehicle Dealers (NAICS 4412)	\$2,139,392	\$3,066,574	\$-927,182	-17.8	4
Auto Parts, Accessories, and Tire Stores (NAICS 4413)	\$526,185	\$4,823,002	\$-4,296,817	-80.3	5
Furniture & Home Furnishings Stores (NAICS 442)	\$2,579,539	\$5,811,267	\$-3,231,728	-38.5	14
Furniture Stores (NAICS 4421)	\$1,132,345	\$2,591,776	\$-1,459,431	-39.2	6
Home Furnishings Stores (NAICS 4422)	\$1,447,194	\$3,219,491	\$-1,772,297	-38.0	8
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	\$2,690,844	\$3,446,356	\$-755,512	-12.3	6
Bldg Materials, Garden Equip. & Supply Stores (NAICS 444)	\$3,292,792	\$9,431,520	\$-6,138,728	-48.2	10
Building Material and Supplies Dealers (NAICS 4441)	\$3,214,348	\$9,316,748	\$-6,102,400	-48.7	8
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	\$78,444	\$114,772	\$-36,328	-18.8	2
Food & Beverage Stores (NAICS 445)	\$5,924,629	\$21,813,611	\$-15,888,982	-57.3	13
Grocery Stores (NAICS 4451)	\$5,377,773	\$19,557,670	\$-14,179,897	-56.9	7
Specialty Food Stores (NAICS 4452)	\$58,850	\$1,011,997	\$-953,147	-89.0	5
Beer, Wine, and Liquor Stores (NAICS 4453)	\$488,006	\$1,243,944	\$-755,938	-43.6	1
Health & Personal Care Stores (NAICS 446/NAICS 4461)	\$1,269,624	\$6,730,103	\$-5,460,479	-68.3	11
Gasoline Stations (NAICS 447/4471)	\$14,086,835	\$31,840,268	\$-17,753,433	-38.7	7
Clothing and Clothing Accessories Stores (NAICS 448)	\$5,751,659	\$12,922,393	\$-7,170,734	-38.4	26
Clothing Stores (NAICS 4481)	\$5,031,896	\$9,307,845	\$-4,275,949	-29.8	17
Shoe Stores (NAICS 4482)	\$415,268	\$2,160,563	\$-1,745,295	-67.8	4
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	\$304,495	\$1,453,985	\$-1,149,490	-65.4	5
Sporting Goods, Hobby, Book, and Music Stores (NAICS 451)	\$622,087	\$3,285,419	\$-2,663,332	-68.2	17
Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511)	\$232,870	\$1,013,521	\$-780,651	-62.6	11
Book, Periodical, and Music Stores (NAICS 4512)	\$389,217	\$2,271,898	\$-1,882,681	-70.7	6

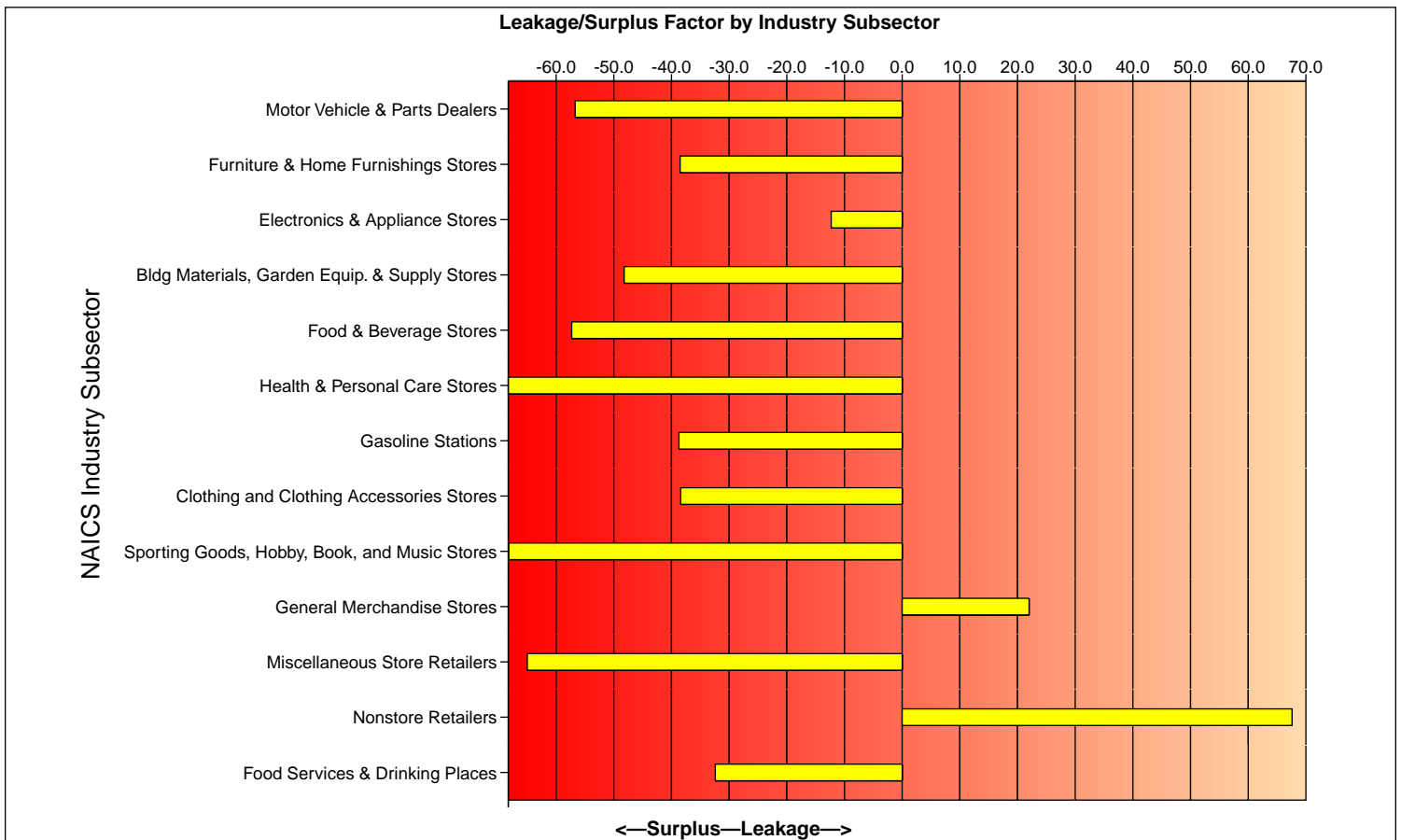
Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. 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 trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. ESRI uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector.

Source: ESRI and infoUSA®



Places: Beaufort city, SC

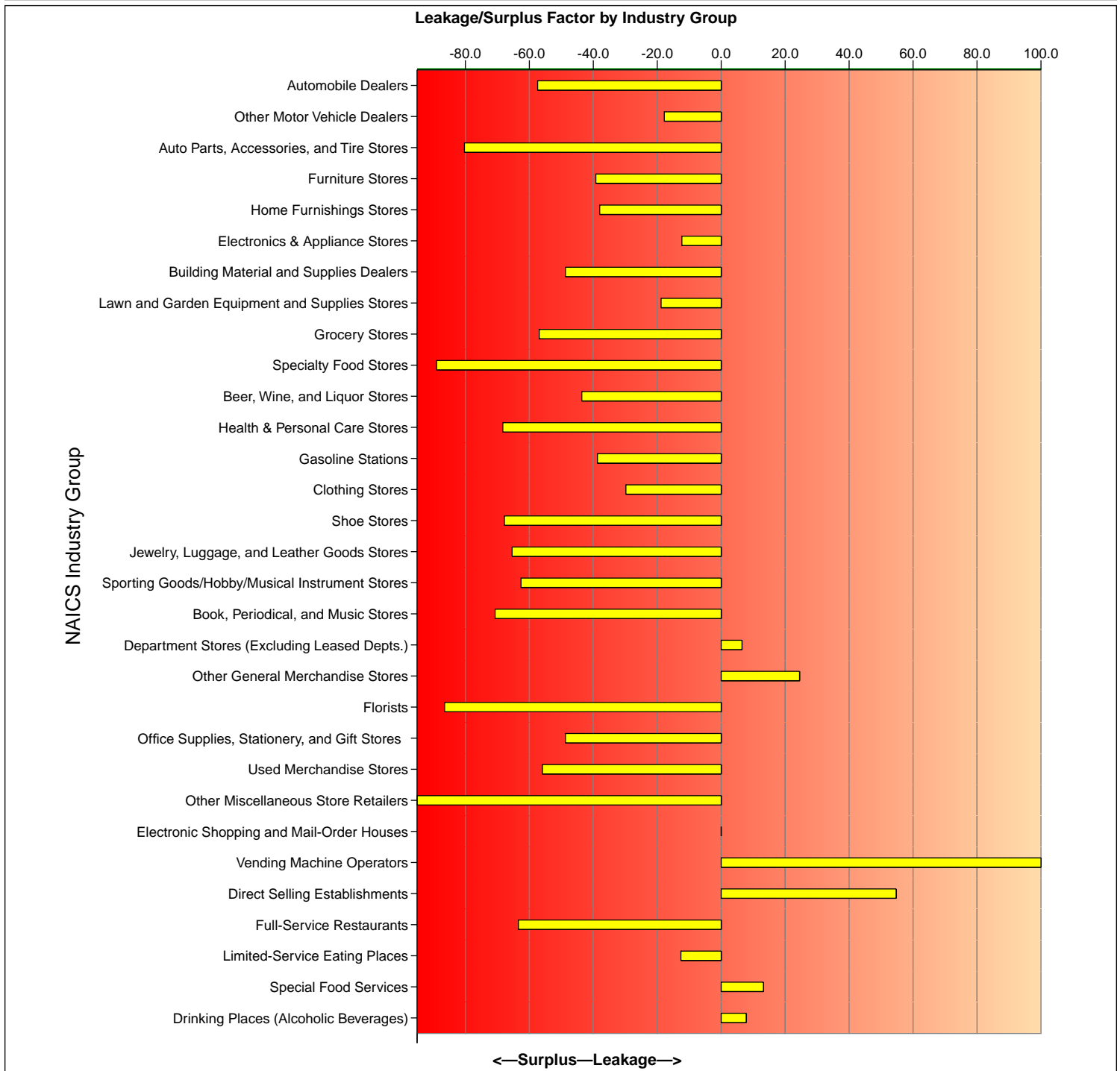
Industry Group	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
General Merchandise Stores (NAICS 452)	\$44,727,491	\$28,595,129	\$16,132,362	22.0	7
Department Stores Excluding Leased Depts.(NAICS 4521)	\$5,311,485	\$4,667,363	\$644,122	6.5	2
Other General Merchandise Stores (NAICS 4529)	\$39,416,006	\$23,927,766	\$15,488,240	24.5	5
Miscellaneous Store Retailers (NAICS 453)	\$1,648,968	\$7,777,314	\$-6,128,346	-65.0	50
Florists (NAICS 4531)	\$47,858	\$659,014	\$-611,156	-86.5	5
Office Supplies, Stationery, and Gift Stores (NAICS 4532)	\$1,364,608	\$3,956,462	\$-2,591,854	-48.7	14
Used Merchandise Stores (NAICS 4533)	\$171,849	\$607,818	\$-435,969	-55.9	10
Other Miscellaneous Store Retailers (NAICS 4539)	\$64,653	\$2,554,020	\$-2,489,367	-95.1	21
Nonstore Retailers (NAICS 454)	\$599,877	\$115,773	\$484,104	67.6	1
Electronic Shopping and Mail-Order Houses (NAICS 4541)	\$0	\$0	\$0	0.0	0
Vending Machine Operators (NAICS 4542)	\$204,095	\$0	\$204,095	100.0	0
Direct Selling Establishments (NAICS 4543)	\$395,782	\$115,773	\$280,009	54.7	1
Food Services & Drinking Places (NAICS 722)	\$17,092,224	\$33,494,856	\$-16,402,632	-32.4	60
Full-Service Restaurants (NAICS 7221)	\$4,065,018	\$18,119,203	\$-14,054,185	-63.4	42
Limited-Service Eating Places (NAICS 7222)	\$10,130,947	\$13,060,852	\$-2,929,905	-12.6	12
Special Food Services (NAICS 7223)	\$1,834,323	\$1,407,050	\$427,273	13.2	3
Drinking Places - Alcoholic Beverages (NAICS 7224)	\$1,061,936	\$907,751	\$154,185	7.8	3



Source: ESRI and infoUSA®



Places: Beaufort city, SC



Source: ESRI and infoUSA®



Counties: Beaufort, SC

Summary Demographics

2008 Population	158,053
2008 Households	62,172
2008 Median Disposable Income	\$50,787
2008 Per Capita Income	\$34,800

Industry Summary

	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink (NAICS 44-45, 722)	\$2,166,751,699	\$2,392,077,175	\$-225,325,476	-4.9	1,922
Total Retail Trade (NAICS 44-45)	\$1,882,670,558	\$2,059,050,165	\$-176,379,607	-4.5	1,393
Total Food & Drink (NAICS 722)	\$284,081,141	\$333,027,010	\$-48,945,869	-7.9	529

Industry Group	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers (NAICS 441)	\$446,408,572	\$266,902,670	\$179,505,902	25.2	85
Automobile Dealers (NAICS 4411)	\$389,720,242	\$220,288,624	\$169,431,618	27.8	23
Other Motor Vehicle Dealers (NAICS 4412)	\$47,370,135	\$33,349,162	\$14,020,973	17.4	38
Auto Parts, Accessories, and Tire Stores (NAICS 4413)	\$9,318,195	\$13,264,884	\$-3,946,689	-17.5	24
Furniture & Home Furnishings Stores (NAICS 442)	\$47,448,823	\$59,234,679	\$-11,785,856	-11.0	119
Furniture Stores (NAICS 4421)	\$20,787,733	\$22,739,449	\$-1,951,716	-4.5	45
Home Furnishings Stores (NAICS 4422)	\$26,661,090	\$36,495,230	\$-9,834,140	-15.6	74
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	\$46,262,409	\$28,475,077	\$17,787,332	23.8	64
Bldg Materials, Garden Equip. & Supply Stores (NAICS 444)	\$63,792,345	\$113,195,910	\$-49,403,565	-27.9	123
Building Material and Supplies Dealers (NAICS 4441)	\$62,289,060	\$108,927,841	\$-46,638,781	-27.2	97
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	\$1,503,285	\$4,268,069	\$-2,764,784	-47.9	26
Food & Beverage Stores (NAICS 445)	\$99,715,608	\$327,852,082	\$-228,136,474	-53.4	144
Grocery Stores (NAICS 4451)	\$90,852,867	\$308,217,762	\$-217,364,895	-54.5	81
Specialty Food Stores (NAICS 4452)	\$989,443	\$5,340,693	\$-4,351,250	-68.7	38
Beer, Wine, and Liquor Stores (NAICS 4453)	\$7,873,298	\$14,293,627	\$-6,420,329	-29.0	25
Health & Personal Care Stores (NAICS 446/NAICS 4461)	\$22,350,536	\$50,086,865	\$-27,736,329	-38.3	71
Gasoline Stations (NAICS 447/4471)	\$245,211,560	\$177,521,063	\$67,690,497	16.0	37
Clothing and Clothing Accessories Stores (NAICS 448)	\$95,235,037	\$139,234,083	\$-43,999,046	-18.8	232
Clothing Stores (NAICS 4481)	\$82,929,382	\$109,861,790	\$-26,932,408	-14.0	161
Shoe Stores (NAICS 4482)	\$6,788,622	\$16,845,972	\$-10,057,350	-42.6	26
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	\$5,517,033	\$12,526,321	\$-7,009,288	-38.8	45
Sporting Goods, Hobby, Book, and Music Stores (NAICS 451)	\$9,523,578	\$31,171,420	\$-21,647,842	-53.2	126
Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511)	\$3,808,933	\$21,057,592	\$-17,248,659	-69.4	103
Book, Periodical, and Music Stores (NAICS 4512)	\$5,714,645	\$10,113,828	\$-4,399,183	-27.8	23

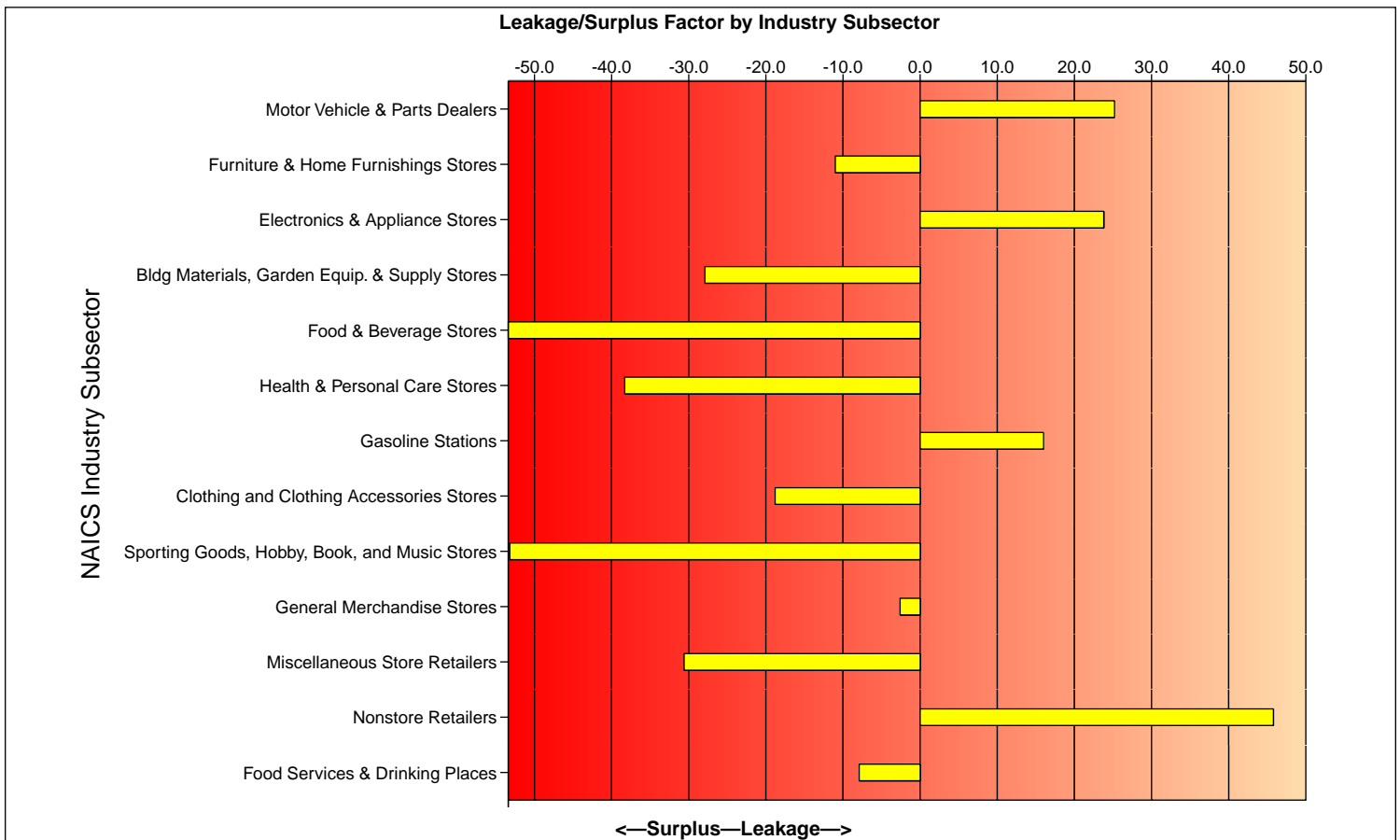
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Source: ESRI and infoUSA®



Counties: Beaufort, SC

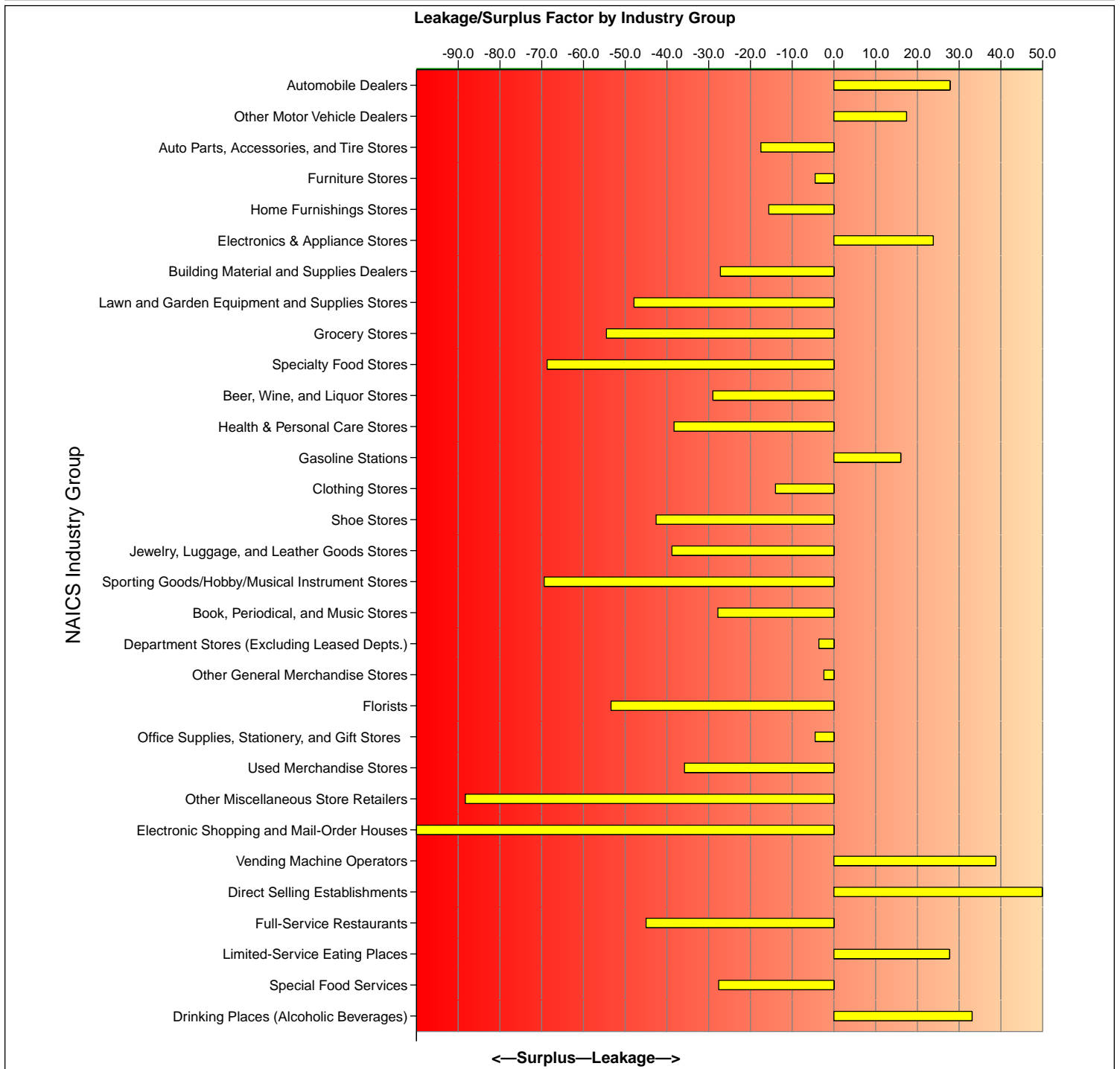
Industry Group	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
General Merchandise Stores (NAICS 452)	\$766,280,539	\$806,506,145	\$-40,225,606	-2.6	45
Department Stores Excluding Leased Depts.(NAICS 4521)	\$90,847,992	\$97,720,820	\$-6,872,828	-3.6	25
Other General Merchandise Stores (NAICS 4529)	\$675,432,547	\$708,785,325	\$-33,352,778	-2.4	20
Miscellaneous Store Retailers (NAICS 453)	\$29,065,572	\$54,640,514	\$-25,574,942	-30.6	333
Florists (NAICS 4531)	\$920,470	\$3,030,200	\$-2,109,730	-53.4	25
Office Supplies, Stationery, and Gift Stores (NAICS 4532)	\$23,915,443	\$26,179,588	\$-2,264,145	-4.5	100
Used Merchandise Stores (NAICS 4533)	\$3,052,822	\$6,450,660	\$-3,397,838	-35.8	70
Other Miscellaneous Store Retailers (NAICS 4539)	\$1,176,837	\$18,980,066	\$-17,803,229	-88.3	138
Nonstore Retailers (NAICS 454)	\$11,375,979	\$4,229,657	\$7,146,322	45.8	14
Electronic Shopping and Mail-Order Houses (NAICS 4541)	\$0	\$66,248	\$-66,248	-100.0	1
Vending Machine Operators (NAICS 4542)	\$3,400,119	\$1,500,635	\$1,899,484	38.8	4
Direct Selling Establishments (NAICS 4543)	\$7,975,860	\$2,662,774	\$5,313,086	49.9	9
Food Services & Drinking Places (NAICS 722)	\$284,081,141	\$333,027,010	\$-48,945,869	-7.9	529
Full-Service Restaurants (NAICS 7221)	\$66,210,495	\$174,476,349	\$-108,265,854	-45.0	362
Limited-Service Eating Places (NAICS 7222)	\$168,603,913	\$95,397,436	\$73,206,477	27.7	109
Special Food Services (NAICS 7223)	\$30,521,297	\$53,736,680	\$-23,215,383	-27.6	36
Drinking Places - Alcoholic Beverages (NAICS 7224)	\$18,745,436	\$9,416,545	\$9,328,891	33.1	22



Source: ESRI and infoUSA®



Counties: Beaufort, SC



Source: ESRI and infoUSA®

Appendix C

Public-Private Partnership & Miscellaneous Information

MARKET ASSESSMENT FOR LAND USE PLAN - BEAUFORT, SC

Section V - Limiting Conditions

ASSUMPTIONS AND LIMITING CONDITIONS

Purpose and intended users

This study is intended to paint a macro overview of current and possible future demand for various product types and uses for the Client.

Although property specific information is provided, no attempt is made to provide property specific valuations.

While no study can guarantee success of any individual project, development or community, widely recognized data methodologies and collection techniques have been applied to the data available to arrive at the conclusions in the report.

As part of this Report the following assumptions were made, and I certify that, to the best of my knowledge and belief:

- Statement of fact contained in this report are true and correct.
- Data collected from third parties is assumed to be accurate and reliable, reasonable effort has been made to verify said information however, no responsibility for its accuracy is assumed by the consultant.
- Where applicable, it is assumed owners and investors will hire professional property management.
- Where performed, direct surveys, focus groups, and interviews were recorded into summary notations for inclusion the study.
- My analysis, opinions and conclusions were developed using standardized and recognized real estate techniques.
- Demographic information was provided by The Site To Do Business, and its data provider, ESRI.
- Demographic information is based on the 1990 and 2000 census.
- I have personally inspected the study area that is the subject of this report
- My engagement in this assignment was not predicated on a predetermined result.
- The payment for this assignment was not predicated on a specific result.
- The consultant will not be required to give testimony or to appear in court to any pre-trial conference or appearance required by subpoena, with reference to the study in question, unless timely arrangements have been previously made therefore, at prevailing per diem rates.

Timing

This study is as of the date specified in the report, and no other. It is based on our evaluation of conditions that to the best of our knowledge existed at that time. The writers cannot be responsible for subsequent occurrences or conditions that could affect market valuations, conditions or statistics.

Conditions

Our opinions and forecast of trends in the market, income from all sources, expenses, and net income figures are speculative in nature and cannot be guaranteed. If any errors are found the right to revise our calculations, conclusions, or any information contained in the study is reserved. The forecasts, projections, or operating estimates contained herein are based on current market conditions, anticipated supply and demand factors, and a stable economy. These forecasts are therefore subject to changes in future conditions.

Where values of land or improvements are shown separately, the value of each is segregated only as an aid to better estimate the value of the whole; and the value shown for either may, or may not, be its correct value. In addition, the study must be considered as a whole and considering statements and conclusions out of context could lead to erroneous conclusions by the reader.

Section V - Limiting Conditions

Therefore, no part of this study is to be used out of context or by itself alone, or as the evidence upon which a final value judgment is based. This study does not purport to be an all inclusive list of all the considerations undertaken in order to arrive at our opinion of market conditions. The study is a summary of our findings and does not include all of the data considered by the consultant since it would be impractical to present it in its entirety.

This study shall not be used as a basis for a selling or purchase price, or as security for a loan, or for insurance, taxes, financial statements or any other purpose. The reader is reminded that our conclusions are estimates and speculative in nature and cannot be guaranteed. No responsibility is assumed by the consultant for the sellers or lenders inability to obtain a purchaser, or dispose of the property at the value estimated nor within the time frame estimated herein. Neither are our conclusions meant to be a recommendation to use the subject as collateral for a loan or to buy, sell or lease, zone or tax any property in the Study Area at any given price.

Comparables

Information regarding sales and rentals of comparable properties was obtained from sources believed to be reliable, and the information is believed by the consultant to be accurate. The reliability of such sources, and the accuracy and completeness of the information cannot, however, be guaranteed. Neither can we guarantee that all pertinent information was revealed to the consultant.

Information Provided

Plats and other drawings were provided to the consultant by others; and while they are believed to be accurate, their correctness cannot be guaranteed. The study is subject to the effects on value caused by matters which a current and correct survey would show. Again, the writers are not engineers and, therefore, a current and complete survey is required in reviewing our conclusions. All plot plans and other illustrative materials are included only to assist the reader in visualizing the property, and should not be used for any other purpose.

Not Engineers

The consultants are not engineers and make no representations as to the structural soundness or conditions of buildings, condition of the heating and air conditioning units or other equipment, or any needed repairs.

The writers assume that there are no unsafe materials in the Study Area and that no environmental hazards of any kind are present unless specifically referred to. The reader is cautioned that the consultant is not qualified to recognize the existence or extent of use of such unsafe materials including asbestos, radon gas, formaldehyde gas, traces of dumping, lead or lead paint, or any environmental hazards.

Hazardous Materials

The consultant is not qualified to judge the effects or hazards created by any prior occupant of the property who may have been suffering from a communicable disease, and the writers offer no opinions or comments on this subject. It is the responsibility of the reader to ascertain whether or not there was a prior occupant with a communicable disease, or prior use of any kind, that could create a hazard, and the degree of hazard this may present to future occupants.

The consultant is not qualified to make representation as to soil conditions, including but not limited to its ability to support foundations, to drain properly, slippage (soil, rock, etc.) depressions, sinkholes, or for any other defect. Neither are we qualified to detect flood or environmental hazards such as chemical waste, refuse or any other contamination or soil, or building condition that might affect the use or value of the property, nor are we qualified to detect or recognize wetlands, or flood hazards unless specific information regarding such is availed to us. Our study is based upon the assumption that none of these adverse conditions exist, unless it is specifically stated otherwise in the body of the report.

Section V - Limiting Conditions

Laws

It is assumed that there is full compliance with all applicable federal, state and local environmental, zoning, safety, and all other applicable regulations and laws unless noncompliance is stated, defined, and considered herein.

It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained herein is based.

Information provided

Information concerning taxes and other financial data was supplied by sources believed to be reliable. Reliability of the sources and the accuracy of the information cannot be guaranteed by the consultant.

Reasonable assumptions

Inherent in our approaches to the study is the assumption that the Study Area and properties located therein will enjoy prudent management, and responsible ownership, with appropriate financial strength and professional skills, and that information provided to the consultant by the owners concerning financial statements or projections are accurate. The consultant assumes that existing tax legislation of all kinds will remain the same as it is on the date of the appraisal unless changes are specifically discussed in the body of the report. It is assumed that financing for the subject property is and will be normal and customary, unless otherwise stated in the report.

Use of Photographs and postcards in this report

Historical maps, photographs and postcards have been used throughout this report to illustrate historical landmarks, locations of buildings, or cultural and historical trends. Where possible credit to photographers have been provided. Any omission of credit is not intentional. Given the age of many of these works, its unlikely any copyright or trademark violation has occurred from the uses of these items. The authors of this report are glad to remove any postcards or photographs that might contain a copyright if notified in writing.

Data Collection

Every reasonable effort has been made to ensure that the data contained herein reflects accurate information. It is believed to be reliable. The consultants, however, assume no responsibility for inaccuracies in reporting by others or from any other sources. In no event will the consultant be liable for direct, or indirect, special, incidental, or consequential damages arising out of the use of, or inability to use, this report.

Errors/Corrections

If any reader or user of this report is aware of the omission of or an error in any fact or condition that renders any of the preceding assumptions inaccurate, erroneous, or invalid, the report must be immediately returned to the consultant with such fact or condition set forth in writing, so that the study may be corrected accordingly.

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While this document is the property of the Client, being a public entity, this document should only be taken in the context of the Study Area.. Possession of this study or a copy thereof, does not carry with it the right of publication. The consultant by reason of this study, is not required to give further consultation or testimony or be in attendance in court, with reference to the subject property unless prior arrangements have been made and disclosed.

About Rose & Associates Southeast, Inc.

Rose & Associates Southeast, Inc. was founded in Connecticut in 1992, and expanded into North Carolina in 1999 as a boutique firm of uniquely qualified specialists providing real estate consulting services for private & public clients. Our team possesses the solid, proven experience needed to assume a pivotal role in:

- economic & market analysis;
- community & cultural assessments;
- predevelopment & development strategy & management;
- site selection & real estate asset acquisition;
- strategic planning for projects of virtually any type & scope, including retail, industrial, office, multifamily housing and mixed-use developments.

A sample of our client list provides evidence of Rose & Associates' innovation, creativity & value-added services:

Public Clients

- Town of East Granby – *East Granby, CT*
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- Town of Davidson – *Davidson, NC*
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- Town of Leland - *Leland, NC*
- Town of Pineville – *Pineville, NC*
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- Town of Wake Forest – *Wake Forest, NC*
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- City of Charlotte – *Charlotte, NC*
- City of Concord – *Concord, NC*
- City of Germantown - *Germantown, TN*
- City of Greensboro – *Greensboro, NC*
- City of Savannah - *Savannah, GA*
- City of Spartanburg - *Spartanburg, SC*
- Cabarrus County - *Kannapolis, NC*
- Research Triangle Park – *Raleigh, NC*
- State of Connecticut, Office of Policy – *Hartford, CT*
- United States Postal Service – *Windsor, CT*

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