COMPREHENSIVE MARKET ANALYSIS

FOR THE

PARSONS AVENUE VISION PLAN

COLUMBUS, OHIO

FOR

COLUMBUS URBAN GROWTH CORPORATION
415 EAST MAIN STREET
COLUMBUS, OHIO 43215

EFFECTIVE DATE

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I. INTRODUCTION

A. PURPOSE

The purpose of the Parsons Avenue Vision Plan is to determine a common vision, strategies and goals for ongoing efforts to revitalize the Parsons Avenue corridor in the near south area of Columbus, Ohio. This vision includes promotion of job growth, economic development, and evaluation of market potential for commercial and housing improvements to the area through practical, community-based planning. Another purpose of the Vision Plan is to provide recommendations and guidelines for the various south side community groups to follow.

Vogt Williams & Bowen, LLC is working within a partnership of three consultants, including Burns, Bertsch and Harris, the primary consultant, and POD Design, both of Columbus. Vogt Williams & Bowen, LLC is charged with providing detailed demographic, economic, and housing data and analysis as well as recommendations, conclusions and strategies based upon our findings.

Mr. Odis Jones of the Columbus Urban Growth Corporation initiated this study.

B. BACKGROUND

The Parsons Avenue Vision Plan study area, located southeast of the Columbus Central Business District, is approximately 2.6 miles long and extends from Livingston Avenue to Frank Road (State Route 104). The northern two-thirds of the corridor contains primarily retail uses, while the southern third is comprised of a mix of retail, light and heavy industrial uses. The neighborhoods surrounding the corridor to the east and west are made up of primarily single-family and duplex homes, while a large portion of the neighborhood east of Parsons Avenue is comprised of scattered industrial uses.

Similar to other older commercial corridors in Columbus, the Parsons Avenue corridor has been in a state of economic decline for the past several decades. According to neighborhood leaders, layoffs and closings of several near south side employers have contributed to a loss of households in the area, reductions in the share of homeowners, and a decline in spending power. These trends have, in turn, contributed to the loss of the once vibrant retail climate on Parsons Avenue.

Over the past decade, property values in study area neighborhoods have experienced some of the highest rates of increase in the city. However a variety of negative trends have struck a chord with neighborhood organizations, individual citizens, local government officials, and a variety of public and private community organizations. These trends include factory closings, population and household losses, and the spring 2005 closing of the Schottensteins department store after 90 years as the retail anchor of the near south side.

C. METHODOLOGIES

Methodologies used by Vogt Williams & Bowen, LLC include the following:

- Determination of Competitive Market Areas (CMAs) for housing, retail/commercial and industrial developments. Market areas help to delineate activity in each area, and are established using a variety of factors including, but not limited to:

    - Detailed demographic and socioeconomic evaluations.
    - Interviews with planners, realtors, and other individuals who are familiar with area growth patterns.
    - A drive-time analysis to Parsons Avenue.
    - Personal observations of our field analysts.

- A comprehensive audit of the retail, commercial and industrial inventory within the market area is conducted. The purpose of these audits is to gauge performance of the existing/competitive product in the market. This is accomplished by evaluating the physical characteristics of facilities, vacancies, prices, and an overall assessment of the quality of product. Demand potential for commercial space is estimated based on market conditions.

- A comprehensive field survey of modern housing alternatives in the market including single-family, condominium, and conventional apartment housing developments is conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the residential market. This is accomplished by evaluation of unit mix, vacancies, sales prices, absorption and sales velocities, and an overall assessment of the quality of product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the proposed concept.

- Economic and demographic characteristics of the area are evaluated. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics, and area growth perceptions. The demographic evaluation uses the most recently issued Census information, as well as projections that determine the characteristics of the market several years into the future.

- A review of building statistics and interviews with officials familiar with area development helps to identify properties that might be planned or proposed for the area that will have an impact on the study area. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, timing of the project, and its impact on the market.

D. REPORT LIMITATIONS

The intent of this report is to collect and analyze significant levels of data to provide underlying basis from which to formulate development concepts, areas of focus and guidelines for the ongoing planning of the Parsons Avenue corridor. Gauging market success for redevelopment sites within the Parsons Avenue corridor involves examining the immediately surrounding neighborhoods, central city areas of Columbus, as well as regional and national trends. As with any site-specific real estate development, a market study focusing on the specific site should be initiated to fully evaluate the proposed development's potential. The social, demographic and economic trends as stated in this report are not static. Vogt Williams & Bowen, LLC relies on a variety of sources of data to generate this report. These data sources are not always verifiable; however, Vogt Williams & Bowen, LLC makes a significant effort to assure accuracy. While this is not always possible, we believe our effort provides an acceptable standard margin of error. Vogt Williams & Bowen, LLC is not responsible for errors or omissions in the data provided by other sources.

E. SOURCES

Vogt Williams & Bowen, LLC has used various sources to gather and confirm data used in this analysis. These sources, which are cited throughout this report, include the following:

- The 1990 and 2000 Census
- Claritas
- Columbus Board of Realtors
- Columbus Department of Trade & Development
- Columbus Downtown Development Corporation
- Columbus Metropolitan Area Chamber of Commerce
- Columbus Metropolitan Housing Authority
- Columbus Neighborhood Design Center
- Council of South Side Organizations
- Mid-Ohio Regional Planning Commission
- Ohio Department of Transportation
- Ohio Historical Society
- Parsons Avenue Business Association (PAMA)
- Realtor.com
- U.S. Department of Labor, Bureau of Labor Statistics
- U.S. Department of Commerce
- Urban Land Institute (ULI)
- Local real estate brokerages and realtors

II. CONCLUSIONS AND RECOMMENDATIONS

The following conclusions and recommendations are based upon an in-depth examination of housing, retail/commercial, industrial, and institutional uses within the study area and an analysis of Census-based demographic and economic trends. Our conclusions and recommendations are also based upon extensive interviews and focus groups with stakeholders in the study area, including area residents, civic leaders, business owners, realtors, planners, and economic development spokespersons.

Public Perceptions

The message that the South Side has been "forgotten" among other central city areas has pervaded the dialogue of a variety of respondents during the research process. Conversely, neighborhood residents have a strong sense of pride in the area's history, past and present inhabitants, and general attitude.

The Vision Plan will amplify the positive aspects of the area from a land-use planning standpoint. These aspects include walkable neighborhoods and easy access to public transportation, jobs, and community services. This area of the central city has a host of advantages in terms of location, accessibility, diversity and neighborhood composition. The area is well served by public and private community and social service organizations.

Recommendations for increasing positive perceptions of the area include:

- Influence public perceptions via news coverage of redevelopment
- Publish FBI Crime Indices that illustrate the comparability of Parsons Avenue crime indices to the other city areas
- Encourage block watch networks and information sharing
- Indicate Children's Hospital as the "entry point" to the Parsons Avenue corridor.
- Positively promote the developments in the northern portion of the corridor. At the time of this report, these developments include the redevelopment of the Kroger shopping center at Livingston and Parsons, construction of a 1,500-slot parking garage on the opposite corner of that intersection, and the construction of a Subway Restaurant in the northern portion of Parsons Avenue.
- Create a cooperative partnership between neighborhood groups and Parsons Avenue Merchants Association (PAMA), neighborhood schools, and Children's Hospital
- Invite the community to experience a variety of affordable retail and restaurant choices
- Inform visitors about the area's rich history

Visibility and Access

Vehicular access to the study area is considered excellent from the north from established neighborhoods of downtown and the near east side, as well as from areas to the south. Traffic on Parsons Avenue is considered heavy for the existing infrastructure. Two of Parsons Avenue's four lanes are used for parking at all but the busiest times of the day. Improved street designs to calm traffic flow and speed are recommended for safer, lower-speed vehicular access to areas within the study area. Further, improvements to intersections around institutional land uses (schools, the Parsons Avenue branch of the Columbus Metropolitan Library) are recommended for safety purposes.

Pedestrian access to the study area is considered very good from the neighborhoods to the east and west of the study area. In our opinion, the area has great potential to draw more pedestrians via sidewalk and façade improvements and development of neighborhood-scale retail destinations, particularly in the northern portion of the study area.

Although located just southeast of the Columbus Central Business District, the study area suffers from a distinct lack of visibility. Large-scale land uses "cut off" the corridor from the fabric of downtown and the near east side, removing any continuum of retail, or suggestion that retailers exist south of Livingston Avenue. At the south end of the study area, large-scale industrial uses isolate the corridor visually from residential areas to the south, effectively sealing the area from the north and south.

Although signs announcing entry into the corridor are currently placed at the north and south entrances to the study area, it is our opinion that more aggressive, aesthetically pleasing signage or markers are needed at both the northern and southern ends of the corridor. A defining structure, such a large mural, an arch, new lighting, landscaping or landmark would enhance visibility.

As the city grows closer to reconfiguration of the interchange of Interstates 70 and 71, it is our recommendation that consideration should be taken for making improvements to the downtown/east side/ and south side neighborhoods that it affects. Additional access points that would connect the site directly with downtown will be impacted by the Interstate 70/71 realignment, which is currently under design review and due to begin construction in 2008. Further, this reconfiguration will have the added impact of generating construction noise and light pollution for a brief period.

Infill properties have replaced many historic structures within the study area. This mixture of old and new buildings, design standards, and non-compatible levels of quality dilutes the attraction of a few aesthetically outstanding historic and architectural structures. Therefore the creation of a highly attractive retail cluster would, in our opinion, increase visibility around the northern entrance to the study area.

Additional comments on visibility and access include:

- The Children's Hospital parking garage is an attractive structure that reflects that institution's need for more parking. By working with Children's Hospital, area merchants can, over time, benefit from proximity to this institution rather than have its location serve as a detriment or infringement of the continuum of neighborhood-level retail.

- PAMA's "Welcome to the Southside" and 20th Century Veterans Memorials call for community support as well as ongoing maintenance. Their purpose is to provide a "pocket park" setting and focal point near the entrance to the study area.

- Bringing buildings back up to the street via enforcement of the urban commercial overlay will, over time, help to restore the historic nature of the corridor and increase pedestrian traffic in the study area.

- Implementation of traffic calming measures will improve the pedestrian experience of the corridor in terms of aesthetics and safety. These measures will also serve to create a "friendlier" more neighborhood scale climate.

RETAIL/COMMERCIAL MARKET SUMMARY	
Strengths: • Tradition as retail corridor; base of successful existing retailers. • Relatively high traffic counts for neighborhood retail; excellent accessibility • Potential to support some niche retail as well as neighborhood retail. • Potential to capture business from daytime workers in the immediate north and central areas. • Potential for development of small-space dining establishments with low overhead	Challenges: • Lack of visibility • Inconsistent architecturally/streetscapes • Marketing challenge--poor reputation with uncertain potential support base • Limited capacity to support consistent markets other than neighborhood retail because of parking and access issues. • Ingress/egress from existing parking areas is difficult

Retail/Commercial

Many different types of retail and service businesses can be found along Parsons Avenue, but the uneven streetscape includes neglected facades and vacant first-floor businesses. Many buildings with zero setbacks are mixed with newer buildings with parking lots in front of them. Businesses mix with single-family residences in fair to poor condition.

While this streetscape lacks continuity, its anchors, including Kroger, Tee Jaye's, CVS Pharmacy and Planks are well established and represent potential for growth of new retail in clusters around them.

The corridor contains an imbalanced number of bars, pawnshops, used furniture and appliance stores, storefront churches and used car lots. However, potential exists for development of additional thrift stores, if they are well managed and have eclectic, attractive offerings.

The corridor links many emerging neighborhoods, and these neighborhoods contain individuals and civic groups eager to decrease crime, improve housing and schools and preserve the sense of history and culture that the area holds. The growth of civic involvement of surrounding neighborhoods is a very positive indicator of growing potential for successful redevelopment efforts.

Based upon our demographic and economic analysis of the Near South submarket, field survey of retail space, and interviews with project stakeholders, it is our opinion that retail developed within the Parsons Avenue corridor should begin to solidify retail and commercial nodes at strategic points along the corridor, taking advantage of available existing space as well as currently vacant land. Retail development or redevelopment efforts should provide a neighborhood scale continuum of architecture and retail offerings from the downtown and surrounding retail strips, catering to neighborhood residents, commuters and daytime workers.

The following are recommendations for development of specific areas of the corridor, as well as more general recommendations concerning new retail and commercial development.

<u>Southern cluster (former Schottensteins site and surrounding vacant parcels)</u>

The site reflects potential for creation of a neo-traditional development that would incorporate housing with retail, commercial and institutional uses that would anchor the southern portion of the study area. This space would, in our opinion, require the greatest subsidies, which could be based upon individual user need. Subsidies could include tax incentives, affordable lease agreements, and profit guarantees. The following uses are recommended for the site:

- Small to medium scale discount retailer (Marc's, which typically has a footprint of 50,000 square feet plus parking)
- Call center or other office user (30,000 square feet)
- Computer training center (10,000 square feet)
- Business incubator in partnership with OSU, Rickenbacker Small Business Development Council (40,000 square feet)
- Flexible space with gallery, sales areas for synergy with Farmer's Market (<3,000 square feet)
- Affordable senior or family housing (parcels west of Parsons) (35,000 square feet)
- COTA Transportation hub for Rickenbacker workers

Given the site's proximity to Rickenbacker, and the increased transportation and warehousing business promised at the new intermodal facility promises, it is our opinion that this site would be highly marketable to a related office user, including call center, back office/accounting, logistics, or other user. Potential users be seeking to establish a presence near the intermodal facility from an out of town location, or may already have a presence in Central Ohio. Several national retail chains currently have distribution centers in the Columbus area. These retailers include Target (West Jefferson), The Limited, Big Lots, Pier One, J.C. Penney, Value City, Gap (Groveport), Dollar General (Zanesville) and Spiegel Group.

Other opportunities for customer service or back office work could be found within the growing Children's Hospital or Ohio State University Hospital network.

Central cluster; scattered sites including:
CMACAO Building (Southeast portion of Parsons and Reinhard)
1414 Parsons Avenue (For-sale used automobile lot)

The central portion of Parsons Avenue contains a couple of available spaces with square footages ranging well over 10,000 square feet. Both the Color Book Bindery and the former CMACAO building represent opportunities for larger-scale redevelopment within the central portion of the corridor. It is our opinion that incentives similar to those suggested for the southern cluster would greatly benefit retail tenants in the central cluster. While redevelopment of second-story apartments is considered an excellent option for several buildings in this area, we anticipate that affordable rents would increase any such project's marketability.

The redevelopment of approximately one million square feet of manufacturing and office space at Tech Center/South is expected to bring 200 to 250 jobs to the former Techneglas site in the center of the study area. This development increases the potential for retail developed in this area to capture business from daytime workers. Projections for growth of new retail within this portion of Parsons Avenue is based upon the following factors:

- Availability of high-quality retail space
- Synergy with the popular Kroger grocery store
- Opportunity to draw workers without need for significant additional parking
- Opportunity to draw support from households in central and southern neighborhoods of the corridor

The following uses are suggested for this portion of the corridor:

- Fast casual restaurant chain
- Barbecue carry out
- Bakery/coffee shop
- Banking kiosk with ATM
- Ethnic food sales/carryout

Northern cluster
Current Parsons Avenue Library Site and adjacent vacant site to the south

The northern portion of the corridor has the greatest potential for unsubsidized retail/commercial redevelopment and infill construction. This is based upon the conclusions that the surrounding neighborhoods have the most expendable income, eclectic spending patterns, and have upward economic mobility. These neighborhoods are comprised of higher-income owner- and renter-occupied households. A portion of drive-by traffic can also be expected. Further, support could be cultivated among the hundreds of daytime workers who will use the parking garage planned for Children's Hospital employees. Retail should be geared toward the relatively diverse needs of these groups, with food offerings focusing somewhat more heavily on "on-the-go". This does not necessarily imply fast food; however it is our opinion that that concept would work will within the northern portion of the corridor.

Suggested uses include:

- Bakery/coffee shop
- Sandwich shop/Deli/carry out
- Specialty food store
- Office space (second story)
- Computer repair shop
- Ethnic restaurant
- Hair care/nails
- Dry cleaner
- Banking kiosk with ATM

Rents and Square Footages

Based upon our field survey of surrounding retail rates, the estimated (unsubsidized) rent per square foot for retail space should be within the $4.00 to $8.00 per square foot (triple net) range. Triple net lessees pay rent plus expenses such as property taxes, insurance and maintenance.

Small retail spaces should be on scale with the surrounding landscape, within an estimated 1,500 to 4,000 square feet. We expect that approximately 20,000 to 25,000 square feet of small retail space could be supported at the northern and central retail areas (suggested above) over the next five to 10 years.

The predominance of smaller retail spaces in Near South submarket as well as zero-line setback and multi-story space is in keeping with the "rough" plan for retail within the Parsons Avenue corridor.

Keeping in mind that at the core of improvements to Parsons Avenue is maintaining highly walkable neighborhoods, the retail mix should be designed on a neighborhood scale. Retail offerings should be affordable to many different households. The ratio of specialty stores should not tip the core retail balance away from neighborhood necessities.

<u>Market vacant or available properties to small- and medium-scale chain retailers</u>

The introduction of a small-to medium sized general retailer, drug store/pharmacy or other "general retail" user would serve to consolidate some of the larger vacant retail spaces within the corridor. Some of these retailers include Dollar General, CVS, Walgreen's and Marc's.

Often retailers overlook urban areas in favor of familiar suburban territory. Marketing tools including demographic comparison tables and maps of existing store coverage. These tools are often even more convincing and indicative of the potential within urban markets than economic incentives alone. A demographic comparison can provide leverage for the city to show retailers the potential of urban markets, as well as begin to build relationships with a variety of retailers.

<u>Build Upon and Expand Established Retail Types</u>

Given the synergies that exist within the corridor for "used" and "thrift" products, we expect that additional high-quality establishments within these niches would have a good likelihood of survival.

We expect that additional well-placed eating and drinking establishments would, with proximity to existing restaurants, create "family dining" and "fast casual" nodes to serve the more budget challenged residents of the area as well as on-the-go workers.

Development of restaurant space along Parsons Avenue would likely attract support from neighborhoods to the west. It is our opinion that a significant amount of marketing would be required, given the competition that exists within the Near South as well as Downtown submarkets. Price sensitivity and quality is key to building a customer base within the neighborhoods surrounding Parsons Avenue. Based upon local expenditures and sales, there is potential, however, for new restaurants to attract dollars from within the neighborhood as well as from drive by traffic.

It is our opinion that a variety of restaurants, hair care and other personal services retailers emphasizing convenience, quality, and affordability would find receptive markets at the subject project. We also expect that if provided with a generous incentive package, the larger general merchandiser could develop strong support with residents of surrounding neighborhoods.

HOUSING MARKET SUMMARY	
Strengths: • Housing stock is generally restorable • Single-family homes predominate • Neighborhoods have historical significance, character, continuity of single-family and duplex homes • Wide variety of price points maximize marketability of for-sale housing • Affordability of existing stock draws investors • Housing values within the Near South neighborhoods are appreciating (32.0% for Merion Village and Schumacher Place; 34.0% for Olde Town East).	Challenges: • Perception of crime in neighborhoods • Maintenance issues plague neighborhoods • Very limited capacity within the Near South submarket to support new market-rate rental housing • Trash and parking issues impact residents and potential residents negatively • Surrounding land uses are not complimentary in several neighborhoods (i.e., mix of industrial and residential uses) • Declining homeownership rates • Lack of comprehensive code enforcement • Many absentee landlords

<u>Housing</u>

We examined for-sale and rental housing within a central city Housing Competitive Market Area (CMA). The Housing CMA includes four submarkets in Columbus' central city, including the study area (Near South), Downtown, Short North, and Near East. The following determinations and recommendations are based upon an extensive field survey of for-sale homes, both existing and new, as well as rental housing.

According to government officials, realtors, developers, and community members, the existing for-sale housing market within study area neighborhoods is gaining momentum. The Near South area and surrounding areas have some of the fastest growing housing values in the city (32.0% for Merion Village and Schumacher Place; 34.0% for Olde Town East). Low interest rates and resurgence of historic/downtown neighborhoods have resulted in healthy appreciation rates in the market.

New single-family housing sales have been significantly constrained by the lack of appropriate land in the Housing Competitive Market Area. Although the Downtown sub-market is less inhibited compared to the other sub-markets, land costs encourage (and require) higher density development (e.g., multi-story condominiums). It is our opinion that historical sales of new single-family homes do not reflect the future potential. Recent activity in the market, in fact, indicates "pent up" demand for this housing alternative. For instance, when we surveyed the planned Harrison Park development in the Short North sub-market in September 2005, the project had no completed units but had already taken 25 reservations for single-family homes.

Establish guidelines for housing preservation within south side civic organizations

- For-sale housing is gaining value in many of the Near South submarket neighborhoods. Development and restoration of these neighborhoods will directly impact economic development on Parsons Avenue by attracting higher income households as well as encouraging neighborhood pride and higher home ownership rates.

- Increases in housing value will draw investors and homeowners, who tend to have a much higher degree of loyalty to area businesses.

- Average sales prices of existing homes in the Near East and Short North sub-markets are somewhat higher compared to the new home sales within those two areas. We can attribute these differences in the Short North in part to the preference for historic homes as compared to relatively few "new" single-family home alternatives within the central city.

- The fact that existing, historic homes are valued higher than new-build housing speaks to the continued efforts of historic preservation of existing stock within the corridor and surrounding neighborhoods. It is our recommendation that neighborhood civic associations focus on preservation of existing single-family homes in the area, and where applicable, encourage public and private development of infill single-family homes with design features in keeping with existing architecture.

Encourage public and private development of infill single-family homes

- Invite efforts to replace functionally obsolete and condemned housing with new market-rate and affordable infill homes

- Severely dilapidated units give opportunity for limited infill development. New single-family housing sales have been significantly constrained by the lack of appropriate land in the Housing Competitive Market Area.

- New affordable for-sale and for-rent infill housing developed by Columbus Housing Partnership experienced very high absorption rates, adding or keeping working households in the area, notes a spokesperson for that organization.

- The new-build, infill concept is attractive to both older and younger households that do not want to spend time on maintenance tasks.

- The Housing CMA has a net annualized demand for an estimated 20 newly constructed single-family homes based upon market-rate pricing and capture rates. This demand exists within two different price points: less than $140,000 and $200,000 to $299,000. Demand would expand if developers targeted lower-income households with affordable for-sale units.

- Within the Near South submarket (2005) homes, new-construction infill, or "single-lot" homes ranged in price from $109,000 to $500,000, with an average price of $222,000. Existing home sales reflected a much wider price range, $10,000 to $611,000 and a far lower average sales price ($81,000).

- Based upon the 2000 Census, the Near South submarket has the lowest estimated (existing) housing value (estimated by homeowners) within the Housing CMA, at $72,100. Compared with the Near East ($82,300) and Downtown ($162,300), this low estimated home value reflects a predominance of older stock that is likely in need of repairs, and may be negatively influenced by surrounding land uses.

<u>Explore further the potential for development of affordable and market-rate family and senior rental housing</u>

- Nearly 90.0% of all housing units in the Near South submarket (2000) are single-unit (attached or detached), two-, or four-unit structures, and a distinct lack of modern conventional multifamily apartment development.

- The only existing conventional product identified within the Near South submarket is public housing operated by the Columbus Metropolitan Housing Authority. The three projects within the submarket boundaries (Lincoln Park, Reeb-Hosack Family Apartments and Marion Square Senior Apartments) have rents that are income-based, and would not be considered competitive with market-rate developments.

- It is our opinion that up to 40 units of affordable (Low-Income Housing Tax Credit) and/or HOME funded apartments could be supported within the Near South submarket over the next two years. Based upon absorption trends of single-family rental units, we expect that up to 40 units of affordable family apartments would experience lease-up periods of seven to 10 units per month.

- The construction of senior apartments with services, or a supportive living facility would likely be met with significant support from this area. Note that the majority of support for this type of housing would likely come from "older" seniors, that is, 75+ households within the Near South submarket. Based upon demographic and economic trends in the Near South submarket, we expect that the addition of 50 to 70 new affordable (Low-Income Housing Tax Credit, HOME) senior units to this market could be supported. Note that a single-story unit design is recommended.

- We surveyed 50 for-rent single-family and duplex homes within the Near South submarket. A total of seven (14.0%) of the single-family rentals surveyed are one-story garden-style units, while the remaining 86.0% are townhouse style units. Given the age distribution of the Near South market area, as well as trends indicating increasing numbers of senior householders, we expect that this unit design will prevent some seniors, particularly those with disabilities, from remaining in the neighborhood.

- There is currently one senior-specific apartment project in the Near South area. Marion Square, a public housing development located on Marion Road east of Lockbourne Road, targets low-income senior households age 62 and over. These households have incomes of less than 50% of the area median household income to qualify to live there. We expect that as south side householders age, they will want to stay in their homes. However, given that disabilities and two-story housing designs may prevent them from doing so, a senior apartment project with supportive living services, designed to accommodate older seniors would likely receive support from the south side. Further exploration of this concept is warranted.

<u>Empower neighborhood organizations to encourage city foreclosure on neglected properties</u>

The city of Columbus has implemented a new tactic for eliminating neglected properties. The tactic involves filing liens on severely neglected properties for unpaid nuisance fines, and using those liens to pursue foreclosures through the Franklin County Environmental Court. City Attorney Richard C. Pfeiffer Jr. notes in a *Columbus Dispatch* article dated August 27, 2005, "The goal is to get properties into the hands of responsible owners." While such structures typically would have little to no value, the value of the land would be worth demolition costs.

Typically, market-rate infill developments satisfy a demand for new for-sale housing within an older, established neighborhood. This concept is attractive to households that do not wish to maintain or renovate older homes, and of course to renter households who may wish to purchase a home but do not have experience in home maintenance. The area's proximity to downtown, employment, several large colleges and universities, and a variety of entertainment options, increases its attractiveness to younger residents as well as active empty nesters.

INDUSTRIAL MARKET SUMMARY	
Strengths: • Industrial space is plentiful and affordable • The area has a long and rich manufacturing history • Access to existing industrial space is excellent • Significant potential for adaptive reuse of vacant or underutilized industrial space (i.e. office /commercial or live / work • Existing industrial sites have potential to house smaller manufacturers. • Local forecasts project growth within the transportation sector	Challenges: • Near South industrial space is older, not competitive with modern product • Neighborhood residents note truck traffic from industrial sites negatively impacts quality of life. • Many of the existing sites would require extensive environmental clean-up prior to redevelopment. • Some industrial tenants cut employment, but not footprint. • Local and national trends and forecasts indicate a declining manufacturing sector

Industrial

The large cluster of industrial space that extends down the southern third of the corridor, and presence of both the Norfolk and Southern railroad tracks and C & O railroad yard all contribute to the urban, industrial character of the south side landscape. This presence meant good jobs for generations of residents of the area, and in our opinion, preserving some of the industrial history of the area would serve to maintain pride and identity for the south side for generations to come. Reuse of portions of vacant or underutilized industrial sites should include cleanup and beautification of the southern portal to the corridor.

The largest issue with older industrial space, according to area realtors, is that it is not marketable when compared with new, clean, and modern industrial/warehousing space just a few miles south of the study area in the Rickenbacker area.

Preservation of industrial space within the study area has a practical benefit. This space can provide low-cost space for small machining, tool and dye, and other companies that hire unskilled laborers. Companies such as these are the primary occupants (in terms of numbers of businesses) of the former Federal Glass factory site.

Grow employment in the neighborhood

The former Techneglas site, approximately one million square feet of manufacturing, warehouse, and office space will be renovated and marketed to warehousing, small commercial operations and office users. Developer Marvin Katz estimates the site will be available by the late spring of 2006. Katz projects that the site, when completely occupied, will contain between 200 and 250 workers.

This development, renamed Tech Center/South, is expected to have a very positive impact on the neighborhood, although increased traffic from warehousing activity and site tenants and employees is a negative albeit necessary side affect to the development. Kapac, Katz's company, is known for successful acquisition and development of industrial and warehouse space, having completed several projects in Columbus' urban core.

A strong effort by Vassor Village civic leaders, in partnership with community-based vocational training operations and the developer, could help neighborhood residents become employed at a variety of entry-level jobs that the site is expected to offer.

Build synergy among small manufacturers within low-cost spaces

While the former Federal Glass site is currently about 85.0% leased, we expect that the development of the Techneglas site, which is located adjacent to the north, may spur increased activity. The Federal Glass site has excellent access, readily available, low-cost space that could be easily divided in order to accommodate small users.

We do not recommend public/private ventures for developing *additional* large-scale industrial/manufacturing space within or in close proximity to the Parsons Avenue corridor area. Perceptions of noise and air pollution, increased truck traffic and other negative side effects are associated with heavy industrial users. Although community members welcome additional job growth within the neighborhood, smaller manufacturing companies or other business types are preferred over large-scale heavy industry. Some potential uses for vacant industrial/warehouse spaces include:

- Machining and metalworking/vocational training
- Logistics and transportation/vocational training
- Small business development training
- Machining/tool and dye operations
- Customer service call center
- Food service industry/business incubator

Existing industrial/warehousing space along the Parsons Avenue corridor is not competitive with new industrial/warehousing space within the southeastern quadrant of Central Ohio in terms of quality, newness, access, or adjacent transportation services. Existing industrial space generally competes with older space within the downtown industrial market of Columbus. We expect that incentives should be offered to draw potential users. Given the study area's location in close proximity to downtown, area roads and highways, and its high level of accessibility, we expect that some of these marketability barriers could be overcome.

Proximity and ease of access to the Rickenbacker Intermodal Transit facility site could increase the marketability of industrial and warehousing properties within the study area. According to Norbridge Research (2002), intermodal yards often attract affiliated and related economic developments, including:

- Origin and destination drayage companies, which serve as a key link between intermodal rail facilities and shippers/receives

- Equipment Maintenance Companies, which serve equipment needs of truck, terminal and rail operations (this group includes, in particular, those companies specializing in container, chassis, lift equipment, hostler tractors, and rail equipment.

- Public and private warehouse and distribution centers, which benefit from a proximity to an intermodal rail yard, including warehouses operated by third party logistic companies.

- Manufacturing and processing companies, which reduce shipping and receiving costs and expedite shipping and receiving by proximity to intermodal sites.

The ability to attract related activities of warehousing, distribution, and manufacturing is closely linked to the availability of appropriately skilled labor, labor costs, economic incentives, current availability of facilities and cost of those facilities. Based upon the relatively high availability rate within the southeastern industrial market in Columbus, as well as planned development, we expect that bountiful space will be available well into the future.

Insight Research Corporation projections (2003) indicate the following employment increases in the Rickenbacker area:

In 2003, the Discovery Park Intermodal facility employed 174 full time employees (FTE) with average annual wages of $31,200. While this facility is currently expanding, employment is expected to decrease to 109 by 2018.

The Rickenbacker Intermodal facility is expected to provide 435 full-time jobs on-site with average annual wages of $31,200 (in 2003 dollars). In addition, jobs will be created within individual logistics, transportation, equipment maintenance, equipment manufacturing, and other operations.

The development of the intermodal transport facility represents job opportunities for Near South residents as well as opportunities for redevelopment of existing industrial/warehousing space within the corridor. However, the potential vacant manufacturing sites to be absorbed to be "cleaned up" and converted to functioning light manufacturing and commercial spaces should be leveraged together with a ready workforce.

Establishing a substantive, ongoing relationship between large, growing employers to the north and south of the study area, and initiating an ongoing information exchange between human resources departments and local high schools, vocational schools, and other workforce development providers is essential. Job training and readiness could focus on the specific needs of local employers, transportation services could facilitate job creation in targeted neighborhood areas, and referral services could pinpoint job growth as well as trends in hiring.

Institutional

An additional recommendation is related to the eventual relocation of the Parsons Avenue branch of the Columbus Metropolitan Library. According to our interviews with library staff and relocation spokespersons, the new site for this branch will likely be more centrally located within the study area. Given that there is a need for additional parking at the current library site, a new building would include a larger interior space, as well as increased space for parking.

Southside Learning and Development Center (SSLDC) is considering a combined campaign with other early childhood learning and development groups serving the central city area. The current capital campaign is in process. SSLDC has raised approximately $500,000 to date. These funds have been used to help redevelop the site for the planned building. The project needs an estimated $3.5 million to complete the project.

Two Columbus Public School buildings are slated for redevelopment over the next several years. These are Reeb Elementary and Barrett Middle School. These buildings have significant historic character and potential for redevelopment to serve a variety of community needs. Many south side community leaders have expressed interest in these projects as housing, educational/vocational training centers, and small business incubators.

Ongoing conversations regarding redevelopment are strongly recommended to preserve these architecturally significant structures.

Demographics

- Projections indicate an 11.8% decrease in population and an 8.5% decline in households in the Near South submarket. This is the highest rate of decline projected for any of the Central City submarkets. The Downtown submarket, Columbus and Franklin County are all projected to increase in population and households.

- Some of this negative growth can be attributed to the replacement of larger households with smaller households, particularly within the more affluent German Village, Merion Village, and Schumacher Place neighborhoods.

- We expect that deteriorating housing stock, job losses and negative perceptions have also contributed to population and household losses in the Near South submarket.

- The Near East and Near South submarkets contain the highest ratio of individuals less than 25 years of age among all of the central city sub-areas. Columbus and Franklin County also have high shares of population within this age group.

- Vassor Village has the youngest estimated median age in 2005 at 26.3 years, while Stambaugh-Elwood has the oldest at 39.2. The Vassor Village median is likely influenced heavily by the presence of the Lincoln Park public housing development within that neighborhood. According to on-site managers, the Lincoln Park family housing project contains a large number of families with young children.

- The neighborhood areas containing the highest share of population under 25 follow in respective order: Vassor Village, Southern Orchards, Southside CAN, Hungarian Village and Reeb-Hosack.

- Projections indicate increases in median age among all geographic areas. The most significant increases are within the 55 to 64 and 65+ age groups, while all the younger age groups are expected to experience declines in numbers. The Near South submarket is projected to have the largest percentage increase in median age of all the geographic areas in the analysis at 5.6% (from 44 to 46 years old).

- According to Census estimates, in 2005 owner-occupied households in the Near South submarket comprised 46.9% of all households. Census projections to 2010 indicate only slight increases in renter households within this submarket. We expect this owner-renter ratio to remain relatively unchanged for the next several years. The increase in housing values expected to continue to draw interest from both homeowners and investors.

- One- and two-person households comprised approximately two-thirds of all households within the Near South submarket, compared with over 80.0% in the Short North submarket.

- Larger-sized households comprised of four or more persons made up 17.1% of owner households and 22.6% of renter households within the Near South submarket.

- Interestingly, the Near South and Near East sub-markets contained much higher shares of larger, renter-occupied households than did Downtown or the Short North. The Near South also contains one of the highest ratios of larger housing units.

- Of the estimated 12,108 households in the Near South submarket in 2005, 23.0% had Annual Median Household Income (AMHI) of less than $20,000.

- At $31,680, the Near South median household income (2000) is nearly 33.0% below the national median ($41,994). This is typical of households in older urban areas.

- Within the economically diverse Near South submarket, polarization of income is projected to continue to 2010. The area is expected to experience growth among households earning $60,000 and over. In 2000, these households comprised 19.3% of all households, while 2010 projections indicate they will make up 32.7% of all households. Households earning under $20,000 will decrease from nearly 30.0% to 23.0% during this time.

III. SITE EVALUATION

A. LOCATION

The study area for the Parsons Avenue Vision Plan is the portion of the corridor located between Livingston Avenue and Frank Road (State Route 104), within the city of Columbus, Ohio. The study area is located 1.9 miles southeast of the center of the Columbus Downtown Central Business District, and is bounded by the Livingston Avenue commercial corridor to the north; residential neighborhoods to the east and west; and by industrial properties to the south. The northern portion of the study area passes above the Interstate 70-71 interchange. For the purposes of this analysis, we will be examining the Parsons Avenue corridor, the immediately surrounding residential neighborhoods (as defined by neighborhood association boundaries) retail/commercial, and industrial sites.

B. DESCRIPTION OF LAND USES

Parsons Avenue has historically served the as the primary commercial spine of the near south side of Columbus. Retail establishments comprise the majority of land uses within the corridor, with office space comprising a small share of buildings. Parsons Avenue also contains a small number of single-and multifamily residential structures. Clusters of single-family homes and small apartment buildings occupy scattered sites, particularly in the southern half of the study area.

South Third Street, South High Street to the west and Lockbourne Road to the east contain a mix of residential and retail uses. North of the study area, Livingston Avenue contains retail and services, however the Kroger store has recently closed, and is slated for redevelopment by Children's Hospital. The shopping center also contains food out-parcels, which will remain in place for the near future. Larger-scale retailers are found along South High Street at the Great Southern Shopping Center, a regional mall anchored by Wal-Mart, Kroger and Lowe's.

The areas surrounding Parsons Avenue are predominantly comprised of single-family and duplex housing stock, with scattered institutional and recreational uses. However, the southernmost portion of the study area contains a large amount of vacant land and industrial uses. Vacant industrial land includes the former AEP building, National Graphics, portions of the former Federal Glass site, and a portion of the former Buckeye Steel campus.

Adjacent land uses to the study area are detailed as follows:

North -	Livingston Avenue, which contains retail, commercial and institutional uses, serves as the northern terminus of the Parsons Avenue study area. The Kroger shopping center and Children's Hospital flank the northwest and northeast corners, respectively, of the Parsons/Livingston intersection. Beyond the intersection are the Columbus Health Department campus, retail buildings in good to excellent condition, and residential buildings in excellent to poor condition. Parsons Avenue passes over the Interstate 70/71 split less than 0.2 mile north of the study area.
East -	Residential neighborhoods containing primarily single-family and duplex homes in good to very poor condition are located east of Parsons Avenue. Industrial uses occupy a large portion of the area south of Mithoff and east of Parsons Avenue. The former Techneglas site is in the process of redevelopment as a warehousing and commercial park. The former Federal Glass site is in use as a warehousing facility but has a large amount of vacant, undeveloped space within its campus. The Lincoln Park area, including the Lincoln Park public housing project and the area's largest park, is located two blocks east of Parsons Avenue on Woodrow Avenue. Champion Avenue, Lockbourne Road, and Fairwood Avenue are other secondary north-south corridors extending east from Parsons Avenue.
South -	State Route 104 comprises the southern terminus of the study area. State Route 104 is a heavily traveled east-west "inner belt" containing a number of industrial and residential uses. Small clusters of single-family homes and scattered industrial sites as well as vacant land extend beyond State Route 104. The Columbus Steel Castings Company occupies a large portion of land along the southern boundary of the study area, west of Parsons Avenue. The C&O Railroad Tracks extend southeast from the Parsons/State Route 104 interchange, and the Norfolk Southern Railroad Tracks extend east west from a point near the southern boundary of the study area. Commercial and industrial operations are scattered along State Route 104 as well as Marion Road to the north. Scioto River bends around the southern edge of the study area.

West -	Residential neighborhoods in very good to very poor condition are located west of the corridor. Scattered schools, churches and businesses are located within these neighborhoods. South Third and South High Streets are primary north-south corridors located west of Parsons Avenue. At the southern end of the corridor, industrial land extends all the way from Parsons Avenue to South High Street. This is the former Buckeye Steel campus, most of which is not currently being utilized.

One of the most notable vacancies in the study area is the former Schottensteins Department store building, located at 1887 Parsons Avenue in the southern portion of the study area. The store closed its doors in March 2005 after serving as a retail anchor for the area for over 90 years. This building is located adjacent to several additional vacant structures and parcels of land.

Notable manufacturing entity Buckeye Steel has downsized employment over the past 15 years. Restructured as the Columbus Steel Castings Company, the company operates with fewer employees, with a portion of the campus not in service.

C. ACCESS AND VISIBILITY

Access to Parsons Avenue is primarily from Livingston Avenue from the north and State Route 104 from the south. Neighborhood access to retail by pedestrian traffic is considered excellent; however the fabric of the retail corridor is somewhat "cut off" from the rest of the central city by its proximity to Interstate 70 as well as the I-70/71 interchange. This large highway interchange and expanse of large-scale land uses at Livingston and Parsons isolate the area visually from the surrounding retail neighborhoods to the north, east, and west.

Traffic is heavy along the corridor at most times of the day, as it is a heavily traveled north-south route from downtown to the Interstate 270 outer belt and areas south of the city.

The Parsons Avenue retail and commercial establishments primarily serve residents of the surrounding neighborhoods, and access by local pedestrian traffic is considered excellent. However, in many cases, parking is limited to spaces on the street along the corridor, which may discourage some shoppers who drive to the area, or are unfamiliar with parking options.

Although located just southeast of the Columbus Central Business District (CBD), the study area suffers from a distinct lack of visibility, particularly because large-scale uses occupy the majority of the northern entrance, eclipsing any visual indication of neighborhood scale retail. Further, the corridor's southern terminus contains heavy manufacturing uses, giving the primary southern entry to the corridor an industrial look.

Generally, the Parsons Avenue retail strip contains low- to mid-rise buildings. Infill properties have replaced many historic structures that were demolished as a result of time and neglect. This mixture of old and new buildings, design standards, and levels of quality projects a strong sense of inconsistency.

D. DESCRIPTION OF COMMUNITY SERVICES AND INFRASTRUCTURE

1. Commercial/Retail

The northern terminus of the corridor is anchored by the Kroger Shopping Center, located at Parsons and Livingston Avenues. IN March 2006, Children's Hospital announced a plan to redevelop the vacant Kroger store to house hospital facilities. Out parcels within that center are slated to remain in place over the next few years. Another newer Kroger store is located at 1441 Parsons Avenue. In addition, a Giant Eagle grocery is located at the northeast corner of Jaeger and Whittier streets, less than 0.5 mile west of Parsons Avenue.

The corridor contains a mix of convenience stores, fast food restaurants, pawnshops, used clothing, appliance and home furnishing stores, as well as automotive shops and used car dealers. Casual dining restaurants Tee Jayes Country Place and Plank's are tenured occupants of study area. Parsons Avenue also contains CVS and Walgreen's pharmacies.

There are no banks located on Parsons Avenue. Neighborhood residents must go to locations downtown, on South High Street and Lockbourne Road to do their banking.

A detailed description and analysis of the retail and commercial supply and demand on Parsons Avenue can be found in Section VIII of this report.

2. Employers/Employment Centers

The Parsons Avenue corridor is within 2.0 miles of the center of Columbus' Central Business District, which employs approximately 140,000 workers—nearly 18.0% of the Franklin County workforce. Numerous area employers base their operations downtown; such companies include Nationwide Insurance, American Electric Power and the Dispatch Printing Company among many others. Children's Hospital, located immediately northeast of the Livingston Avenue/Parsons Avenue intersection, currently employs approximately 5,000 workers, including off-site clinic staff.

Formerly a manufacturing hub for Columbus, the southern third of the study area contains a significant number of vacant industrial buildings, as well as the Buckeye Steel Castings Company, which is still in operation but has reduced employment significantly over the past two decades.

Warehousing and transportation jobs are highly accessible to the south in the communities of Obetz, Groveport, Grove City and Urbancrest. The Rickenbacher Air Force Base, Airport and planned intermodal transportation facility are located within 20.0 miles south of the study area.

Grange Insurance and the Wasserstrom Company both maintain headquarters within 1.3 miles west of the site in the Brewery District along South Front Street. These two companies employ a combined total of approximately 1,800 Columbus area employees.

3. Recreation Areas and Facilities

The study area and surrounding neighborhoods contain several city parks, including Livingston Park, located north of Livingston Avenue adjacent to the Children's Hospital Campus. The Barack Community Recreation Center is located within the study area at the southern boundary of Lincoln Park, east of Parsons Avenue on East Woodrow Avenue. Several small pocket parks are located on both sides of Parsons Avenue within the study area; however they have minimal facilities.

Schiller Park and Recreation Center is located 0.6 miles east of Parsons Avenue in German Village. The 23.5-acre park includes basketball and tennis courts, an outdoor stage, a neighborhood community building, a small pond, walking trials, play areas and common area green space. Lou Berliner Park, located on the west bank of the Scioto River, is located 1.3 miles west of Parsons Avenue. This park includes 32 softball diamonds as well as picnic areas, a walking trail and a covered pavilion.

The Columbus and Franklin County Metro Parks has designated approximately 80 acres of the Whittier Peninsula, located approximately 1.5 miles west of Parsons Avenue, as a public park and nature area (the Whittier Peninsula Metro Park). This park will feature an environmentally conscious design that includes an Audubon center, picnic and playground areas, educational kiosks, an outdoor amphitheater, a boat launch and walking/bike trails. The existing Lower Scioto Park, which encompasses the extreme southern portion of the peninsula, will be redesigned, with a picnic area and a fishing pier to be incorporated in the park along with an existing boat launch. A paved bike path runs along the Scioto River along the site's western boundary.

Following the closing of the south side branch of the YMCA, the central branch of the Central Ohio YMCA is the closest YMCA facility to the study area. The downtown (central) YMCA is located on West Long Street, 1.4 miles north of the study area. The YWCA is located on North Fourth Street, 0.7 mile north of the study area.

The Salesian Boys and Girls Club, which serves youth ages six to 18, offers educational, career development, leadership, and recreational activities. The club is located 1.2 miles northwest of Parsons Avenue and has been noted as a popular after school spot for South High School students.

4. Entertainment Venues

The Parsons Avenue corridor contains a number of small restaurants and taverns. Although significant improvements to dining and entertainment districts downtown and in the Brewery District has been made over the past ten to 15 years, retailers providing these services along Parsons Avenue continue to serve more localized, neighborhood clientele. Locally owned small chain restaurants Planks and Tee Jaye's Country Place anchor the northern portion the study area, while neighborhood favorite Lois Mann's restaurant, located in the southern portion of the study area, has been in business for decades. Nightclubs in the area are not upscale and few offer live entertainment.

The corridor is within relatively close proximity to one of the few drive-in theatres still in existence in Columbus, the South Drive-In on South High Street.

The downtown area of Columbus continues to experience a growing inventory of entertainment and social opportunities. This trend has been largely attributed to the recent development of the Arena District on the north side. This work/live/entertainment district has witnessed the addition of Nationwide Arena, a state-of-the-art hockey facility for the NHL's Columbus Blue Jackets, which is located 2.0 miles north of the site. The Arena District also is home to the Arena Grand Theatre (downtown's only movie Cineplex), Lifestyle Communities Pavilion (an indoor/outdoor concert venue), along with numerous restaurants and bars. In addition, plans have recently been announced by the city to relocate the Columbus Clippers minor league baseball team to a new stadium that will be located within the Arena District (Neil Avenue and Nationwide Boulevard). These entertainment venues are all within 2.3 miles of the subject site.

German Village and the Brewery District are work/live/entertainment districts. Located directly east of the Whittier Peninsula and south of Interstate 70/71, the Brewery District offers a variety of bars and restaurants, most of which line Front and High streets and are within 0.9 miles from the central portion of the site. East of High Street, the neighborhood of German Village also contains a variety of bars and restaurants.

Downtown Columbus offers a variety of entertainment destinations. Nearly 200 eating and drinking establishments are located throughout the Columbus central business district. Most significantly, downtown is home to seven professional performing arts venues, including the historical Southern Theatre, the Ohio Theatre, and the Palace Theatre.

The Columbus Museum of Art, located along East Broad Street, is within 1.0 mile of the study area. The Center of Science and Industry (COSI), a popular interactive science museum, is located on the west bank of the Scioto River within 1.0 mile of the study area.

5. Education Facilities

The Columbus Public School District serves the subject site area. Livingston Avenue Elementary, Reeb Elementary, Ohio Avenue Elementary, Seibert Street Elementary, Heyl Avenue Elementary, St. Paul's Lutheran School, Southwood Elementary School, Barrett Middle School, and South High School serve the study area.

The South Side Learning and Development Center is located in the southern portion of the study area a few blocks west of Parsons Avenue. This early childhood learning and development center focuses on early education for children from low-income households.

Columbus State Community College, a two-year college, is located in the northeast portion of the downtown area, 1.1 miles from the study area. CSCC has an average annual enrollment of 22,000 students.

Three four-year, higher education institutions are located in the downtown area of Columbus. Franklin University, Columbus College of Art & Design and Capital University Law School are all within 1.7 miles of the site and have a combined total enrollment of over 8,000 students. Additionally, the Ohio State University is located approximately 3.6 miles north of the study area. OSU has a typical fall enrollment exceeding 36,000 students at its main campus location.

6. <u>Social Services</u>

The Columbus City Hall, which includes most local government services, is located at 90 West Broad Street in downtown Columbus. The Franklin County Courthouse and Courthouse Annex are 1.5 miles west of the Parsons and Livingston intersection along South High Street.

The Parsons Avenue branch of the Columbus Metropolitan Public Library is located at the intersection of Parsons Avenue and Kossuth Street.

The Southside Settlement House, which provides community support services to neighborhood residents, is located in the southern portion of the study area a few blocks west of Parsons Avenue.

The post office serving the study area is located at East Whittier Street and Parsons Avenue.

Several of the area's churches offer assistance with childcare, meals and nutrition assistance, transportation and day care for senior citizens, clothing, shelter services, and other social services.

7. Transportation Services

The Central Ohio Transportation Authority (COTA) operates public bus service serving Columbus and surrounding communities. There are bus stops located along Parsons, Livingston, Frebis, Whittier, and other major roads that serve the South Side study area. The study area is well served by the COTA bus system. The study area has excellent vehicular access to I-70/71 and State Route 104, as well as I-270, Columbus' outer belt highway. The I-70/71 realignment plan is expected to potentially affect site access.

8. Public Safety

The Columbus Police Department maintains its main office at 120 Marconi Boulevard downtown north of the site, while Columbus Fire Department stations 2 and 3 are located at 150 Fulton Street at South Fourth Street, less than 1.0 mile northwest of the study area. Within the study area, Fire Station 14 is located at 1514 Parsons Avenue at Jenkins Avenue. Grant Medical Center, located along Grant Avenue is 1.1 miles north of the study area. Additionally, The Ohio State University Hospital is 1.5 miles north of the study area. Children's Hospital is located at the northern end of the study area. It is of note that the John Maloney South Side Family Health Center, located on Parsons Avenue in the southern portion of the study area, recently closed due to funding cutbacks.

E. EVALUATION OF STUDY AREA

Although Parsons Avenue is easily accessible from all directions, the perception of the area between East Livingston Avenue and State Route 104 is that of the main street of a forgotten town. Visually, neighborhood continuity between the more revitalized (and significantly smaller) section of Parsons Avenue between East Broad Street and Livingston Avenue is disrupted by large institutional and retail uses as well as the I-70/71 interchange. The one-way Livingston contains scattered retailers on its south side; to the north it contains mixed uses, including institutional, churches, and strip shopping centers. Visually the southern entry point to the retail study area is again disrupted by large industrial uses, which negatively impact existing retail and housing.

F. CRIME ISSUES

Columbus' South Side has, over the past several decades, garnered a somewhat negative reputation for crime. Local residents admit that crime, including drug activity, prostitution, and theft, are everyday occurrences within portions of the study area and surrounding neighborhoods. Officers from Precincts 11 and 13 note that community efforts have contributed to a cleaning up of criminal activity in the neighborhoods flanking Parsons Avenue. Officers and neighborhood leaders note that the areas east of the corridor are generally perceived to have higher incidences of crime. We have utilized a comparison with national crime risk indices.

The primary source for Crime Risk data is the FBI Uniform Crime Report (UCR). The FBI collects data from each of roughly 16,000 separate law enforcement jurisdictions across the country and compiles this data into the UCR. The most recent update showed an overall coverage rate of 95% of all jurisdictions nationwide with a coverage rate of 97% of all jurisdictions in metropolitan areas. Applied Geographic Solutions uses the UCR at the jurisdictional level to model each of the seven crime types at other levels of geography. Risk indices are standardized based on the national average. A Risk Index value of 100 for a particular risk indicates that, for the area, the relative probability of the risk is consistent with the average probability of that risk across the United States. It should be noted that aggregate indices for total crime, personal crime and property crime are unweighted indices, in that a murder is weighted no more heavily than petty theft. Thus caution should be used when using the aggregate indices.

The following table details Crime Risk Indices (2004) for the study area as well as downtown and surrounding central city neighborhoods:

CRIME RISK INDEX*					
	NEAR SOUTH	FRANKLINTON	SHORT NORTH	DOWNTOWN	NEAR EAST
TOTAL CRIME	**129**	**130**	**114**	**141**	**126**
PERSONAL CRIME	**89**	**90**	**87**	**105**	**88**
MURDER	158	155	171	208	118
RAPE	111	128	105	134	114
ROBBERY	141	155	129	153	191
ASSAULT	55	40	47	55	44
PROPERTY CRIME	**137**	**139**	**111**	**141**	**133**
BURGLARY	176	194	132	152	134
LARCENY	101	88	89	86	109
VEHICLE THEFT	130	134	109	179	148

*Risk Indices are standardized based on the national average. A Risk Index value of 100 for a particular risk indicates that, for the area, the relative probability of the risk is consistent with the average probability of that risk across the U.S.

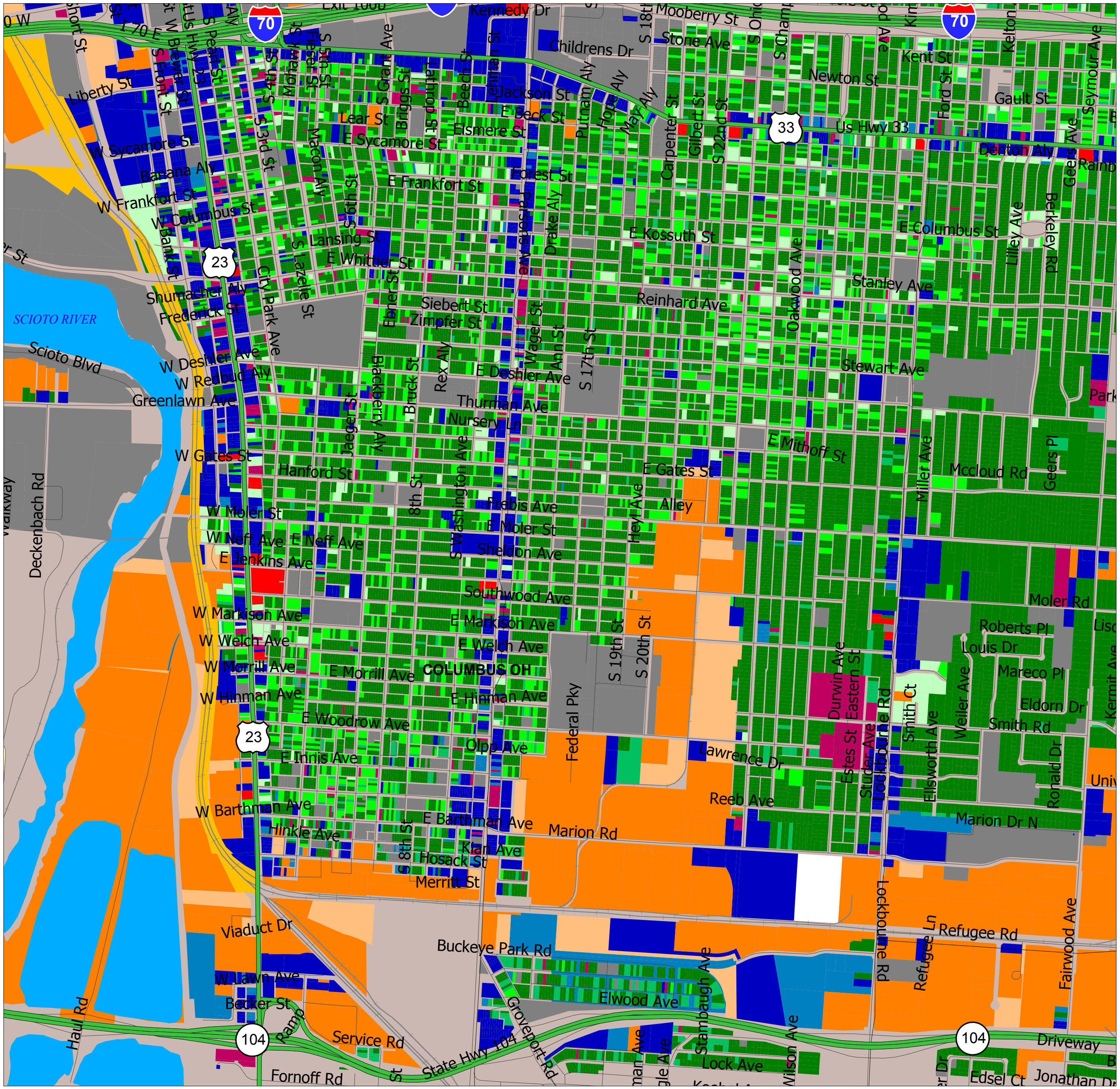
Total crime risk ranges from a low of 114 for the Short North to a high of 141 for Downtown. The study area is located in the Near South sub-market, which has a total crime index of 129, personal crime index of 89 and property crime index of 137.

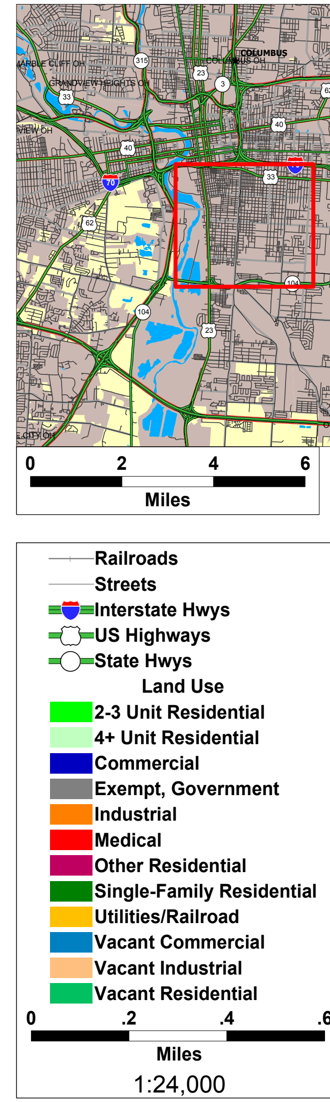
Indices for the Near South submarket are comparable to the other central city areas. Note that the index for downtown, which is currently undergoing a significant housing renaissance, has the highest overall crime index.

According to local activists, drug and prostitution activity (vice crimes that are not noted in the above table) continue to plague portions of the study area. This activity contributes to ongoing perceptions that the South Side is dangerous, with drug, prostitution and other crime problems. It will be important to address this component in terms of perceptions, as well as continued mobilization of crime watch groups.

Land use, zoning and traffic count maps for the study area follow.

Columbus, OH: Parsons Avenue Vision Plan-Land Uses 2005





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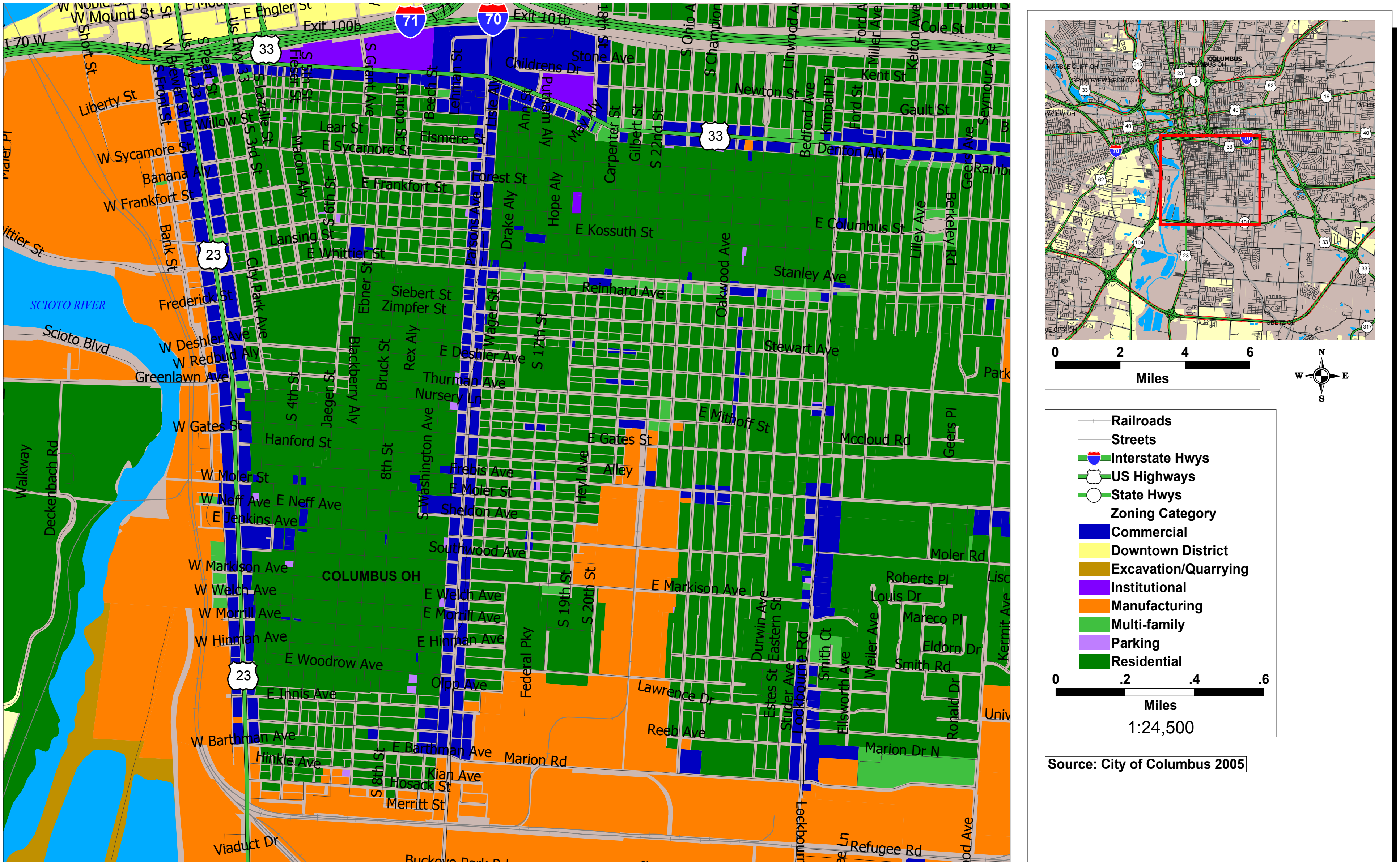
Columbus, OH: Parsons Avenue Vision Plan-City Zoning 2005



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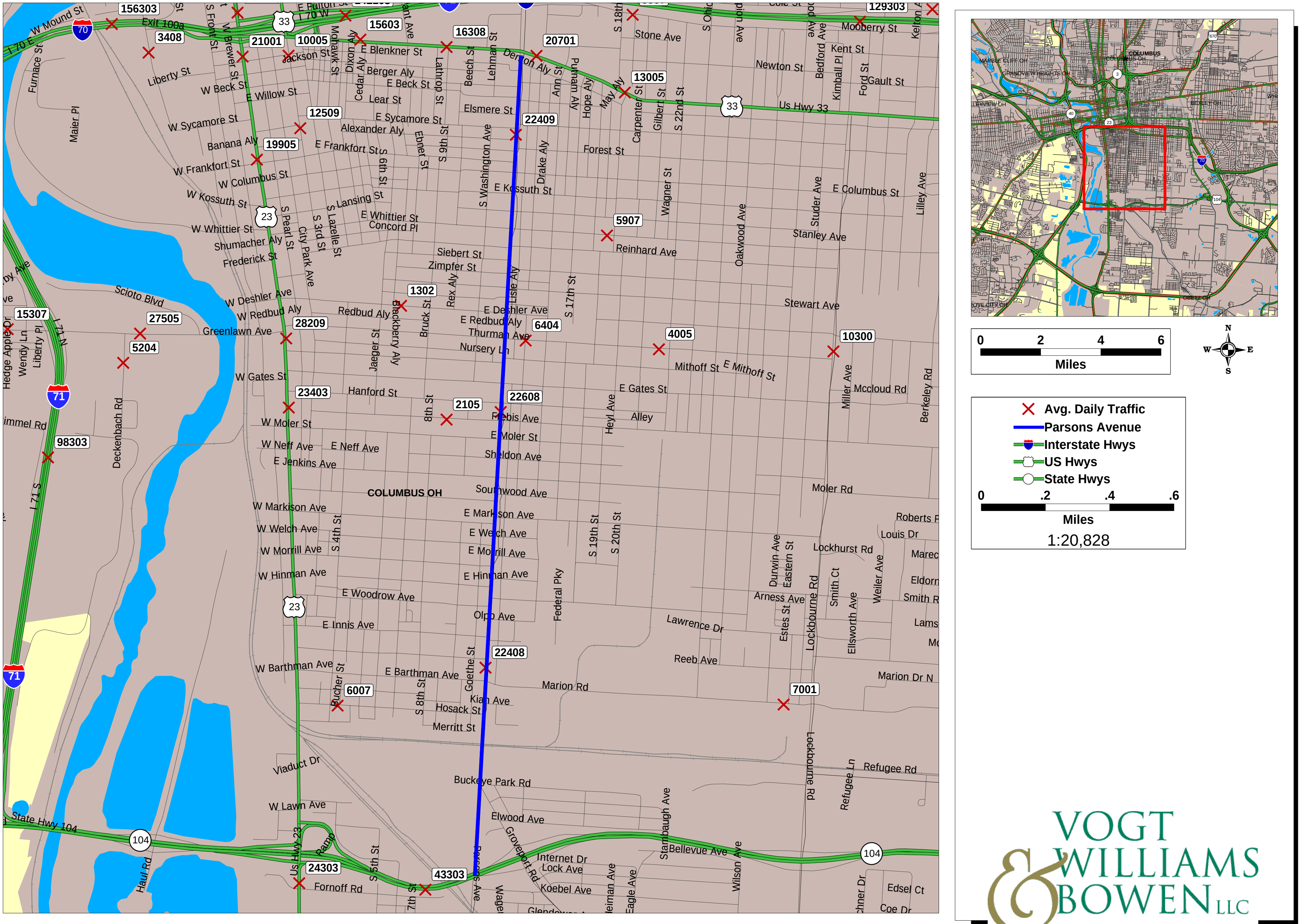
Columbus, OH: Parsons Avenue Study Area Traffic Counts



IV. MARKET AREA DELINEATION

A. INTRODUCTION

The study area includes the Parsons Avenue corridor from Livingston Avenue to Route 104 in the near south side of Columbus. The neighborhoods that flank the study area are demographically and economically diverse. Most of these neighborhoods contain a significant share of historic structures, generally ranging in age from the mid-19th to the mid-20th century.

All of the neighborhoods immediately adjacent to the study area have active neighborhood associations. These areas are expected to provide the majority of support for new retail along Parsons Avenue. They include German Village, Schumacher Place, Merion Village, Hungarian Village, Reeb-Hosack (Steelton), Southern Orchards, Southside Community Action Network (CAN), Lincoln Park, Elwood-Stambaugh and Vassor Village.

Although not considered a "neighborhood", the revitalized Brewery District, an arts and entertainment district also contains some housing. The planned Whittier Peninsula, a mixed-use, neo-traditional project, is expected to contain a large housing component. Residents within these areas could provide marginal support for for-sale housing and neighborhood retail along Parsons Avenue. Of course, this degree of support is contingent upon the type of development that occurs within the area, as well as improved impressions of the area.

The near south side of Columbus has advantages of accessibility from downtown and major interstates, infrastructure that is conducive to pedestrian traffic, and (in the case of the study area) affordable land and real estate prices. The South High, Livingston Avenue, Whittier Street, Frebis Road, and Lockbourne Road retail corridors serve the south side with a mix of neighborhood retail, eating and drinking establishments, and specialty shops. The average retail establishment within the study area targets low- to moderate-income households.

Given that the Parsons Avenue study area has several different land use components, including housing, commercial/retail, and industrial, we have examined different market areas for each component.

Descriptions of these areas follow.

B. HOUSING COMPETITIVE MARKET AREA (CMA)

The Competitive Market Area (CMA) for housing is the geographical area where most of the potential rental and for sale housing competition exists. The Housing CMA includes a large portion of central city Columbus, including established neighborhoods to the north and east of the study area. These areas, or submarkets, include the Near South, Downtown, Short North, and Near East.

The boundaries of the Housing CMA include:

N: Interstate 670, King Avenue, and Fifth Avenue
E: Interstate 71, Nelson Road, and Lockbourne Road
S: State Route 104
W: Scioto and Olentangy Rivers

Within the Housing CMA, data is presented by submarket as well as in aggregate.

C. RETAIL COMPETITIVE MARKET AREA (CMA)

The Retail CMA for the Parsons Avenue study area is the area within which neighborhood retail competes, and is a smaller competitive area than the Housing CMA. Based upon interviews with study area residents, retailers, and retail real estate brokers as well as the personal observations of our analysts, the Retail CMA includes the neighborhood immediately south and southeast of the downtown area. The personal observations of our analysts include consideration of existing supply, demographic and economic information.

This area is also defined in the Housing CMA as the Near South submarket. The Retail CMA/Near South submarket boundaries are as follows:

N: Livingston Avenue
E: Lockbourne Road
S: State Route 104
W: Scioto River

Retail CMA residents indicate that they travel outside this area often to shop big box retailers, clothing stores, home electronics, new home furnishings and lawn and garden supply stores.

Current retail offerings within the Retail CMA include the following:

- Grocery and convenience stores
- Specialty food retailers
- Café/Restaurants
- Drug store/pharmacies
- Discount stores
- Hardware stores
- Auto parts
- Gas stations
- Personal Services (hair and nail salons, shoe repair, dry cleaning, Laundromat)

D. INDUSTRIAL COMPETITVE MARKET AREA

Based upon interviews with local industrial leasing agents, a spokesperson from the Society of Industrial and Office Realtors of Central Ohio, and representatives from CB Richard Ellis in Columbus, the overall Columbus industrial market includes the majority of Franklin County. New industrial nodes located along Interstate 71 in Delaware County (city of Columbus) as well as outlying nodes to the southeast and southwest are part of the overall Columbus market. Columbus industrial market is divided into smaller markets, including Downtown (CBD), East, West, Northeast, Northwest, Southeast, Southwest, and Outlying.

The Industrial Competitive Market Area (CMA) is the area within which industrial facilities compete most closely. The study area is located in the Downtown market area, which is typified by lower vacancy rates and older existing stock. Industrial space within the downtown industrial market is considered competitive with existing space within the Parsons Avenue corridor and surrounding neighborhoods. The boundaries of the Downtown industrial market include Morse Road to the north; Interstate 270, James Road and U.S. Highway 33 to the east; State Route 104, Clime and Hall Roads to the south; and Demorest, Wilson, Trabue and Wilson Roads to the west.

According to interviews with realtors and industrial property developers, product located in the other markets outside of downtown generally contains more modern stock, making it highly competitive against existing stock within the study area. Newer stock generally has greater clearance, increased security, increased accessibility to loading, and more modern fixtures and site amenities, such as well-equipped office space. This newer stock typically has a slightly higher level of freeway accessibility than most downtown industrial space. However, it is to be noted that existing stock within the study area is considered highly accessible.

STUDY AREA NEIGHBORHOODS

We have identified nine neighborhoods (as defined by organized civic associations) that flank the Parsons Avenue study area. The most notable neighborhoods in terms of increasing housing values are German and Merion Villages, and Schumacher Place. Over the past several decades, German Village and more recently Merion Village and Schumacher Place have experienced high rates of housing value appreciation.

German Village is approximately 233 acres in size, and reflects the strong character of some of its early inhabitants, German immigrants. With more than 1,600 buildings renovated since 1960, German Village is considered to be one of the Midwest's preeminent historic districts. The German Village Society is presently made up of over 1,000 preservationists. Schiller Park, located in the center of the village, is a highly utilized by south side residents. The boundaries of German Village are Livingston Avenue to the north; Lathrop Street, Bruck Street, Grant Avenue, Yaeger Street and Blackberry Alley to the east; Nursery Lane to the south and Pearl Alley to the west.

Schumacher Place is located east of German Village and contains approximately 700 homes. A designated neighborhood of Columbus since 1983, its name was chosen through a contest sponsored by the local newspaper and the Columbus Metropolitan Library. Primarily residential, Schumacher Place homes represent a diverse mix of architectural styles. The northern portion of the neighborhood is included in the National Register of Historic Places. The neighborhood also contains the Beck Urban Academy and Schumacher Place Park. The boundaries of Schumacher Place are Livingston Avenue to the north; Parsons Avenue to the east; Whittier Street to the south; and Yaeger Street to the west.

Merion Village contains a significant number of historic homes and other structures, and is located immediately south of German Village. A primarily residential neighborhood, Merion Village was established in the early 1800s by British and Nova Scotian settlers. During the mid-19th century, the neighborhood saw an influx of German, Irish, Italian and Hungarian immigrants, and later people from Appalachia and the southern United States, as south Columbus grew into an industrial hub. Merion Village is comprised primarily of single-family and duplex housing units, most in good condition. The majority of housing is wood frame construction, but a number of homes, particularly along S. High Street, are of brick construction. Over the past decade, Merion Village experienced one of the highest rates of housing appreciation in the city of Columbus. The boundaries of Merion Village are Whittier Street to the north, Goethe Alley and State Route 23 to the east, 104 E. Morrill Avenue to the south, and Blackberry Avenue and the Scioto River to the west.

Hungarian Village, immediately south of Merion Village, sprung up from a surge in Hungarian immigrants to the area during the steel industry boom of the late 19th and early 20th Century. Both Merion and Hungarian Villages are in the process of using city assistance in order to rezone both areas for residential uses. Interest in redevelopment of these neighborhoods, which contain primarily single- and two-family homes, is growing pending the successful redevelopment of the Brewery District as well as anticipation of the Whittier Peninsula project. The newly reformed Hungarian Village Society is dedicated to improving the quality of life in Hungarian Village and the surrounding areas by emphasizing safety, neighborhood activities, and renovation/rehabilitation of housing. The boundaries of Hungarian Village are E. Hinman Avenue to the north, Parsons Avenue to the east, Woodrow Avenue to the south, and High Street to the west.

Reeb-Hosack is located immediately south of Hungarian Village, and contains a similar mix of wood frame homes, primarily built after the turn of the century to house the large number of steel workers coming into the area from eastern and central Europe as well as Appalachia. Reeb-Hosack, also known as Steelton, contains a higher ratio of industrial uses, given its location adjacent to the Buckeye Steel Castings Company and other large manufacturers that line the railroad tracks at the study area’s southern boundary. The Reeb-Hosack neighborhood boundaries include Stanaford Alley to the north; South High Street to the east; Hosack Street to the south; and Parsons Avenue to the west.

Southern Orchards/Southside United Neighbors: This neighborhood contains a mixture of retail, commercial and residential uses, and a variety of housing types. The neighborhood grew as a suburb of downtown around the turn of the century, even as areas to the south were relatively undeveloped. Southern Orchards/Southside United Neighbors boundaries are: Livingston Avenue to the north; Lockbourne Road to the east; Whittier Street to the south; and Parsons Avenue to the west.

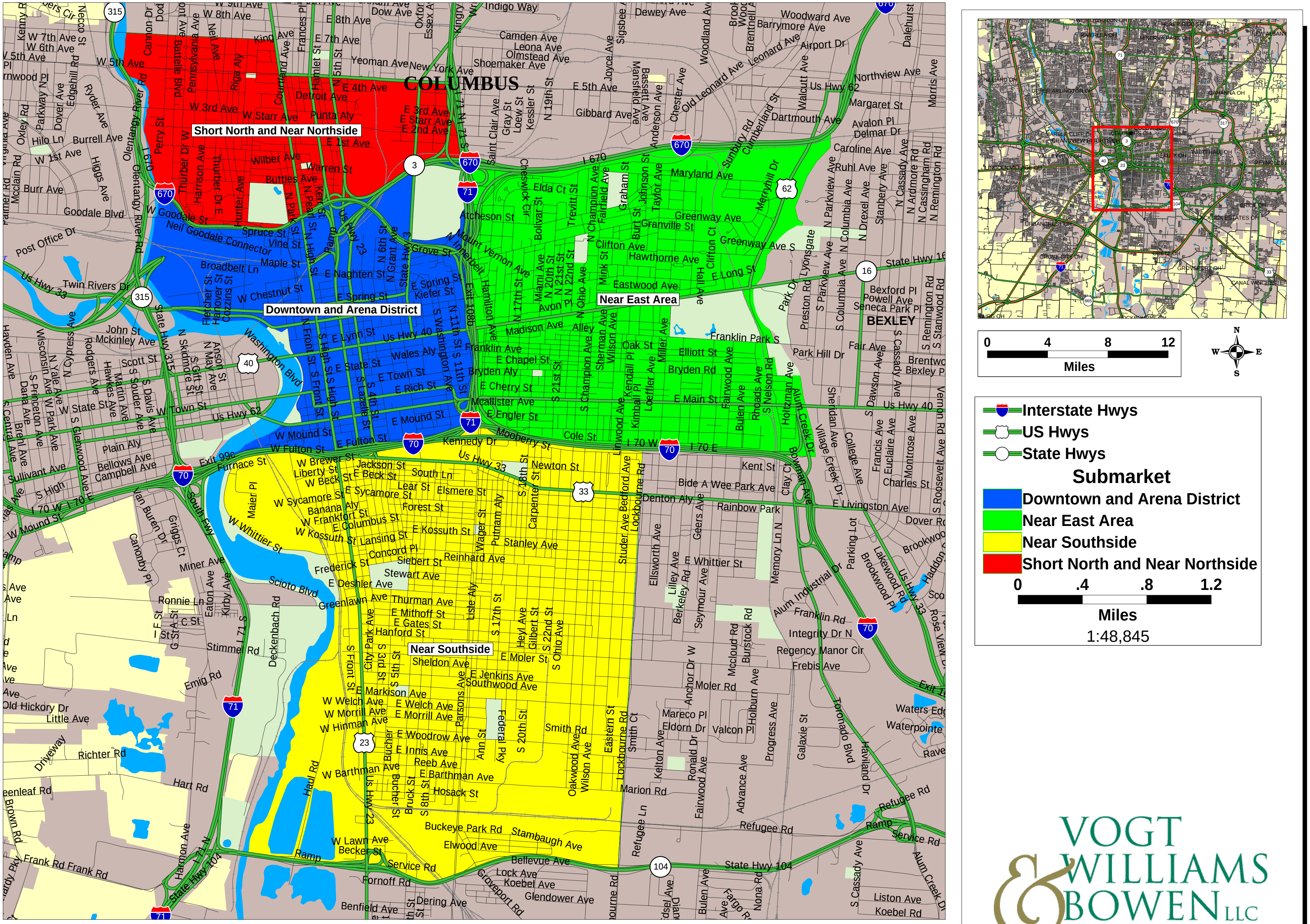
Southside Community Action Network (CAN): The Southside CAN is one of the largest neighborhoods. Largely residential, homes in the Southside CAN neighborhood were built by immigrant families from 1900 to 1940. This working-class neighborhood remains tight-knit, but has suffered considerably from the decline of factories on the south side. Boundaries of the Southside CAN are: Whittier Street to the north; Lockbourne Road to the east; Frebis Avenue to the south; and Parsons Avenue to the west.

Vassor Village Civic Association: This neighborhood includes the Lincoln Park public housing development, and Lincoln Park, a Columbus city park. Given its small area, Vassor Village contains a wide range of land uses, including residential, parks, industrial, and commercial. Boundaries include Frebis Avenue to the north; Champion Avenue to the east; Woodrow Avenue to the south; and Parsons Avenue to the west.

Stambaugh Elwood Avenue Association: The southernmost neighborhood within the study area, Stambaugh-Elwood is almost entirely comprised of single-family homes on larger lots than within the neighborhoods to the north. The boundaries of Stambaugh-Elwood are: Stambaugh Avenue to the north; subdivision limits to the east; Groveport Pike to the south; and Parsons Avenue to the west.

Maps delineating the Housing and Retail CMA submarkets, Industrial CMA and neighborhood association boundaries follow.

Columbus, OH: Site CMA Submarkets



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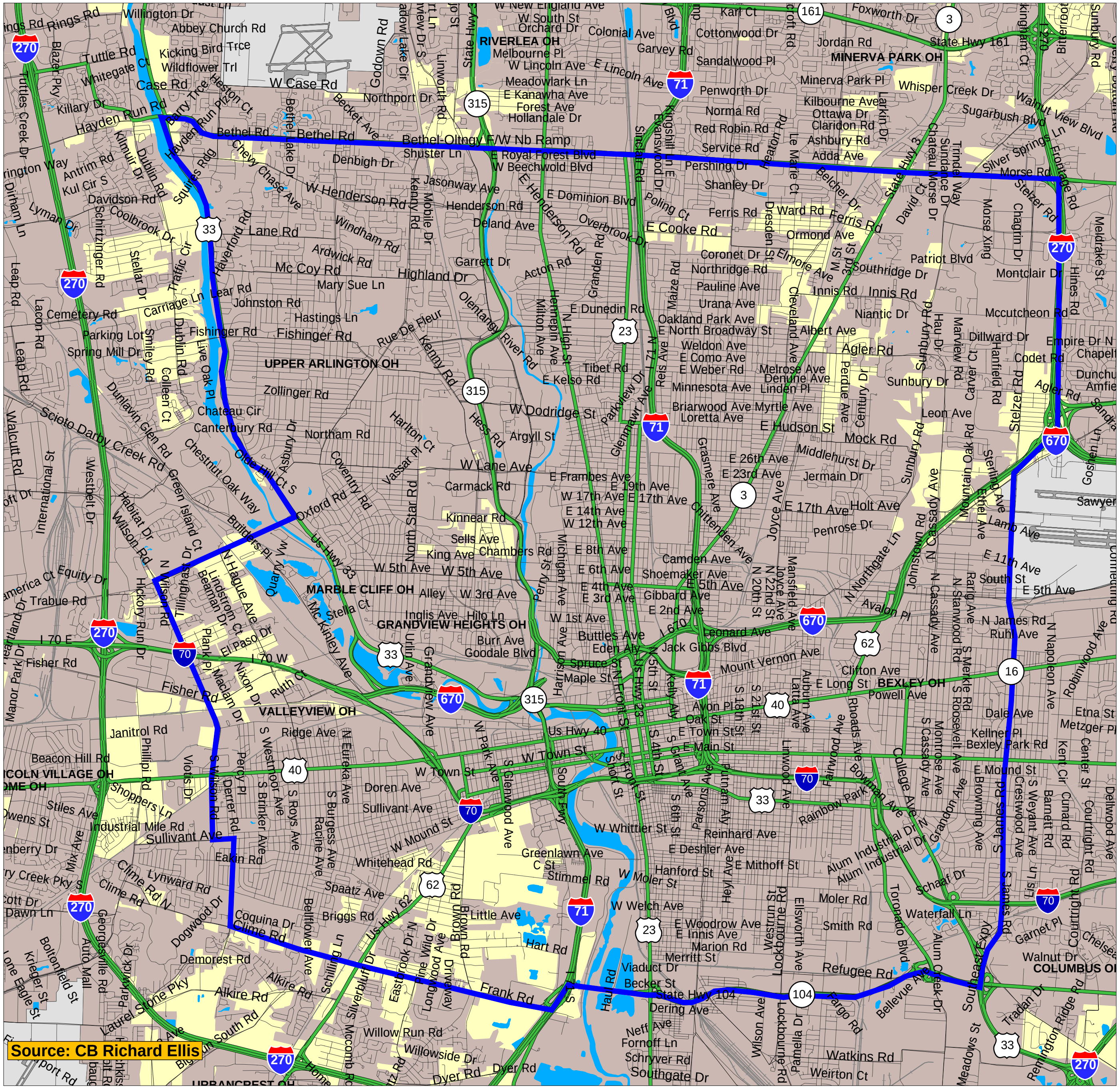
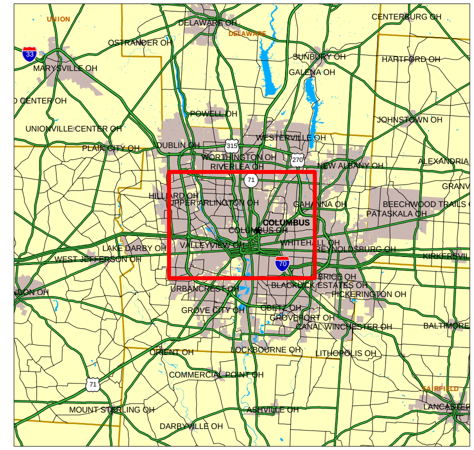
Columbus, OH: Downtown Industrial Market Area





Market Area
Interstate Hwys
US Hwys
State Hwys

0 .9 1.8 2.7
Miles
1:90,940

0 10 20 30
Miles

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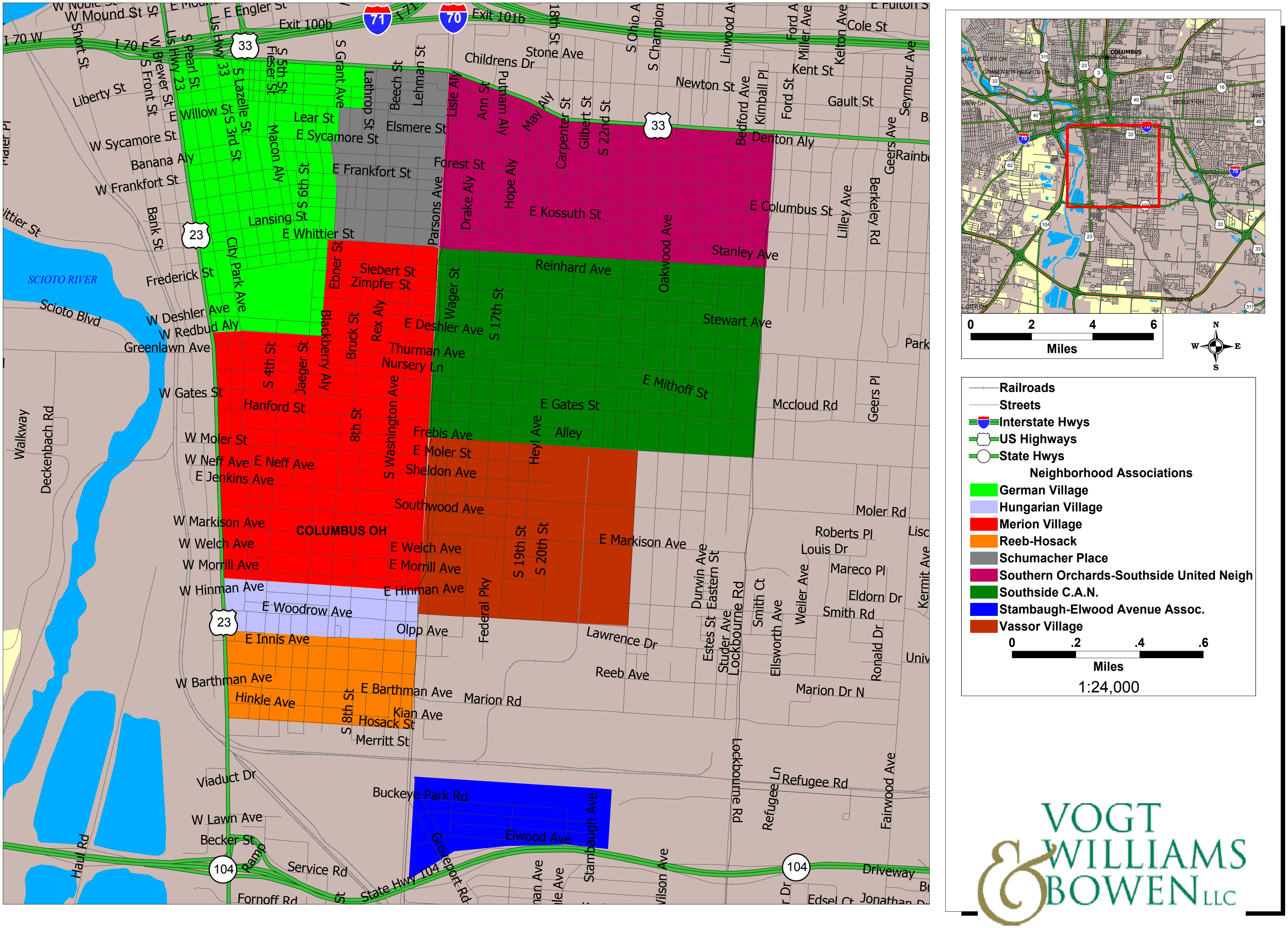
Columbus, OH: Parsons Avenue Vision Plan-Neighborhood Associations 2005



V. AREA DEMOGRAPHIC CHARACTERISTICS

1. POPULATION TRENDS

The Near South submarket includes the neighborhoods that flank the Parsons Avenue corridor, as well as German Village, the Brewery District and the Whittier Peninsula. This is considered to the primary competitive area for neighborhood retail. In the housing arena, we expect that for-sale and rental homes would compete within a wider central city area that includes the Downtown, Near East, and Short North submarkets. The boundaries of these areas are discussed in Section IV of this report.

Population trends for Franklin County, Columbus, the central city submarkets and neighborhoods within the study area are summarized in the following table for 1990, 2000, 2005 (estimated), and 2010 (projected):

	POPULATION			
SELECTED AREA	**1990**	**2000**	**2005**	**2010**
FRANKLIN COUNTY	961,437	1,068,978	1,102,205	1,134,856
COLUMBUS CITY	648,656	711,470	735,316	758,375
NEAR SOUTH	**33,077**	**30,098**	**28,269**	**26,537**
DOWNTOWN	3,350	3,252	3,373	3,508
NEAR EAST	29,139	25,899	24,640	23,518
SHORT NORTH	12,655	11,665	11,457	11,296
GERMAN VILLAGE	3,076	3,145	3,026	2,894
HUNGARIAN VILLAGE	1,619	1,401	1,298	1,185
MERION VILLAGE	6,406	5,669	5,200	4,753
REEB-HOSACK	1,582	1,256	1,108	1,000
SCHUMACHER PLACE	1,852	1,594	1,503	1,436
SOUTHERN ORCHARDS	5,727	4,886	4,484	4,056
SOUTHSIDE C.A.N.	6,720	6,437	6,147	5,904
STAMBAUGH ELWOOD	238	193	177	159
VASSOR VILLAGE	2,891	2,699	2,512	2,298

PERCENT CHANGE IN POPULATION			
SELECTED AREA	**1990-2000**	**2000-2005**	**2005-2010**
FRANKLIN COUNTY	11.2%	3.1%	3.0%
COLUMBUS CITY	9.7%	3.4%	3.1%
NEAR SOUTH SUBMARKET	**-9.0%**	**-6.1%**	**-6.1%**
DOWNTOWN	-2.9%	3.7%	4.0%
NEAR EAST	-11.1%	-4.9%	-4.6%
SHORT NORTH	-7.8%	-1.8%	-1.4%
GERMAN VILLAGE	2.2%	-3.8%	-4.4%
HUNGARIAN VILLAGE	-13.5%	-7.3%	-8.7%
MERION VILLAGE	-11.5%	-8.3%	-8.6%
REEB-HOSACK	-20.6%	-11.8%	-9.7%
SCHUMACHER PLACE	-13.9%	-5.7%	-4.5%
SOUTHERN ORCHARDS	-14.7%	-8.2%	-9.5%
SOUTHSIDE C.A.N.	-4.2%	-4.5%	-4.0%
STAMBAUGH ELWOOD	-18.9%	-8.1%	-10.1%
VASSOR VILLAGE	-6.6%	-6.9%	-8.5%

Source: U.S. Census, Claritas

Between 1990 and 2000, the population of the Near South submarket decreased by 2,979, or 9.0%. Projections indicate a decrease of 3,561 (11.8%) between 2000 and 2010. The population decline is the most significant among the central city submarkets, while Downtown is projected to gain population by 2010. In contrast, Franklin County experienced 11.2% growth between 1990 and 2000, the city of Columbus an increase of 9.7%.

The remaining central city submarkets are also projected to experience declines in population, with the rates of decline within the Near South, Near East and Short North submarkets projected to slow between 2000 and 2010. While we can attribute some of this negative growth to the replacement of larger households with smaller households, particularly within the more affluent German Village, Merion Village, and Schumacher Place neighborhoods of the Near South, we expect that deteriorating housing stock, job losses and negative perceptions have also contributed to population losses.

The following table summarizes age distribution within the selected areas:

2005 POPULATION AGE DISTRIBUTION (%)							
SELECTED AREA	**<25**	**25-34**	**35-44**	**45-54**	**55-64**	**65+**	**MEDIAN**
FRANKLIN COUNTY	394,628 (35.8%)	184,154 (16.7%)	169,223 (15.4%)	149,650 (13.6%)	94,341 (8.6%)	110,208 (10.0%)	33.5
COLUMBUS CITY	269,851 (36.7%)	143,072 (19.5%)	109,320 (14.9%)	89,757 (12.2%)	56,785 (7.7%)	66,532 (9.0%)	31.8
NEAR SOUTH	**9,476 (33.5%)**	**5,384 (19.0%)**	**4,477 (15.8%)**	**3,840 (13.6%)**	**2,541 (9.0%)**	**2,551 (9.1%)**	**33.7**
DOWNTOWN	491 (14.6%)	731 (21.7%)	652 (19.3%)	490 (14.5%)	372 (11.0%)	637 (18.9%)	42.5
NEAR EAST	9,682 (39.3%)	3,226 (13.1%)	3,475 (14.1%)	3,179 (12.9%)	2,049 (8.3%)	3,029 (12.3%)	33.5
SHORT NORTH	2,555 (22.3%)	3,923 (34.2%)	1,924 (16.8%)	1,253 (10.9%)	787 (6.9%)	1,015 (8.9%)	33.4
GERMAN VILLAGE	431 (14.3%)	1,004 (33.2%)	530 (17.5%)	498 (16.5%)	294 (9.7%)	269 (8.9%)	36.5
HUNGARIAN VILLAGE	516 (39.7%)	183 (14.1%)	182 (14.0%)	174 (13.4%)	112 (8.6%)	131 (10.1%)	32.3
MERION VILLAGE	1,484 (28.5%)	1,117 (21.5%)	852 (16.4%)	766 (14.7%)	448 (8.6%)	532 (10.2%)	35.0
REEB-HOSACK	425 (38.3%)	144 (13.0%)	162 (14.6%)	162 (14.6%)	103 (9.3%)	113 (10.2%)	34.0
SCHUMACHER PLACE	325 (21.6%)	492 (32.7%)	245 (16.3%)	199 (13.2%)	131 (8.7%)	111 (7.4%)	33.7
SOUTHERN ORCHARDS	2,048 (45.7%)	611 (13.6%)	597 (13.3%)	527 (11.7%)	324 (7.2%)	377 (8.4%)	28.2
SOUTHSIDE C.A.N.	2,510 (40.8%)	853 (13.9%)	988 (16.1%)	811 (13.2%)	494 (8.0%)	492 (8.0%)	31.6
STAMBAUGH ELWOOD	57 (32.4%)	20 (11.0%)	28 (15.8%)	23 (13.0%)	22 (12.3%)	28 (15.6%)	39.2
VASSOR VILLAGE	1,212 (48.3%)	347 (13.8%)	321 (12.8%)	257 (10.2%)	168 (6.7%)	206 (8.2%)	26.3

Source: 2000 Census; Claritas, Vogt Williams & Bowen, LLC

The Near East and Near South submarkets contain the highest ratio of individuals less than 25 years of age among all of the sub-areas. Columbus and Franklin County also have high shares of population within this age group. Vassor Village has the youngest estimated median age in 2005 at 26.3 years, while Stambaugh-Elwood has the oldest at 39.2. The Vassor Village median is likely influenced heavily by the presence of the Lincoln Park public housing development within that neighborhood. Lincoln Park contains a large number of family households. The neighborhood areas containing the highest share of population under 25 are as follows: Vassor Village, Southern Orchards, Southside CAN, Hungarian Village and Reeb-Hosack, respectively.

The following table illustrates population distribution by age, projected to 2010:

2010 POPULATION AGE DISTRIBUTION (%)							
SELECTED AREA	**<25**	**25-34**	**35-44**	**45-54**	**55-64**	**65+**	**MEDIAN**
FRANKLIN COUNTY	399,804 (35.2%)	182,876 (16.1%)	165,023 (14.5%)	158,204 (13.9%)	109,808 (9.7%)	119,140 (10.5%)	34.2
COLUMBUS CITY	272,309 (35.9%)	143,217 (18.9%)	108,125 (14.3%)	95,555 (12.6%)	67,155 (8.9%)	72,015 (9.5%)	32.5
NEAR SOUTH SUBMARKET	**8,693 (32.8%)**	**4,337 (16.3%)**	**4,255 (16.0%)**	**3,720 (14.0%)**	**2,871 (10.8%)**	**2,661 (10.0%)**	**35.6**
DOWNTOWN	342 (9.7%)	742 (21.2%)	732 (20.9%)	544 (15.5%)	432 (12.3%)	716 (20.4%)	44.6
NEAR EAST	9,192 (39.1%)	2,671 (11.4%)	3,305 (14.1%)	3,103 (13.2%)	2,294 (9.8%)	2,953 (12.6%)	34.9
SHORT NORTH	2,066 (18.3%)	3,640 (32.2%)	2,047 (18.1%)	1,456 (12.9%)	976 (8.6%)	1,111 (9.8%)	35.2
GERMAN VILLAGE	338 (11.7%)	960 (33.2%)	493 (17.0%)	498 (17.2%)	323 (11.2%)	282 (9.7%)	38.0
HUNGARIAN VILLAGE	461 (38.9%)	160 (13.5%)	158 (13.3%)	162 (13.6%)	116 (9.8%)	128 (10.8%)	33.2
MERION VILLAGE	1,327 (27.9%)	983 (20.7%)	738 (15.5%)	720 (15.1%)	470 (9.9%)	514 (10.8%)	35.9
REEB-HOSACK	379 (37.9%)	121 (12.1%)	136 (13.6%)	150 (15.0%)	107 (10.7%)	108 (10.8%)	34.9
SCHUMACHER PLACE	313 (21.8%)	451 (31.4%)	222 (15.5%)	197 (13.7%)	138 (9.6%)	115 (8.0%)	34.0
SOUTHERN ORCHARDS	1,801 (44.4%)	533 (13.1%)	518 (12.8%)	491 (12.1%)	341 (8.4%)	372 (9.2%)	29.2
SOUTHSIDE C.A.N.	2,373 (40.2%)	778 (13.2%)	893 (15.1%)	799 (13.5%)	548 (9.3%)	514 (8.7%)	32.4
STAMBAUGH ELWOOD	49 (31.0%)	18 (11.0%)	23 (14.4%)	23 (14.4%)	21 (13.0%)	26 (16.1%)	40.2
VASSOR VILLAGE	1,083 (47.1%)	306 (13.3%)	276 (12.0%)	249 (10.9%)	180 (7.8%)	203 (8.9%)	27.1

Source: 2000 Census; Claritas, Vogt Williams & Bowen, LLC

Concurrent with national trends, we observe an increase of median age within all of the selected areas.

The following table summarizes the percent change in age distribution in the selected areas:

% CHANGE IN AGE DISTRIBUTION 2005-2010							
SELECTED AREA	**<25**	**25-34**	**35-44**	**45-54**	**55-64**	**65+**	**MEDIAN**
FRANKLIN COUNTY	1.3%	-0.7%	-2.5%	5.7%	16.4%	8.1%	2.1%
COLUMBUS CITY	0.9%	0.1%	-1.1%	6.5%	18.3%	8.2%	2.2%
NEAR SOUTH	**-8.3%**	**-19.4%**	**-5.0%**	**-3.1%**	**13.0%**	**4.3%**	**5.6%**
DOWNTOWN	-30.3%	1.5%	12.3%	11.0%	16.1%	12.4%	4.8%
NEAR EAST	-5.1%	-17.2%	-4.9%	-2.4%	12.0%	-2.5%	4.3%
SHORT NORTH	-19.1%	-7.2%	6.4%	16.2%	24.0%	9.5%	5.2%
GERMAN VILLAGE	-21.6%	-4.4%	-7.0%	0.0%	9.9%	4.8%	4.1%
HUNGARIAN VILLAGE	-10.7%	-12.5%	-13.2%	-6.9%	3.6%	-2.3%	2.8%
MERION VILLAGE	-10.6%	-12.0%	-13.4%	-6.0%	4.9%	-3.4%	2.6%
REEB-HOSACK	-10.8%	-15.9%	-16.1%	-7.4%	3.9%	-4.4%	2.6%
SCHUMACHER PLACE	-3.7%	-8.3%	-9.4%	-1.0%	5.3%	3.6%	1.0%
SOUTHERN ORCHARDS	-12.1%	-12.8%	-13.2%	-6.8%	5.2%	-1.3%	3.5%
SOUTHSIDE C.A.N.	-5.5%	-8.8%	-9.6%	-1.5%	10.9%	4.5%	2.5%
STAMBAUGH ELWOOD	-13.9%	-10.2%	-17.9%	0.0%	-4.6%	-7.2%	2.6%
VASSOR VILLAGE	-10.6%	-11.8%	-14.0%	-3.1%	7.1%	-1.5%	3.0%

Source: 2000 Census; Claritas, Vogt Williams & Bowen, LLC

Projections indicate increases in median age among all geographic areas. The most significant increases are within the 55 to 64 and 65+ age groups, while all the younger age groups are expected to experience declines in numbers. The Near South submarket is projected to have the largest percentage increase in median age of all the geographic areas in the analysis at 5.6%. Within the Near South submarket, German Village and Southern Orchards are projected to experience increases of 4.1% and 3.5%, respectively.

Those neighborhoods with the highest shares of population under age 25 are expected to experience slight declines in these numbers.

Population distribution by race for the Near South submarket and the city of Columbus (2005) is summarized in the following table:

RACE (2005)	NEAR SOUTH		COLUMBUS	
CAUCASIAN	17,594	62.2%	465,236	61.7%
AFRICAN-AMERICAN	9,046	32.0%	199,714	26.5%
NATIVE AMERICAN	139	0.5%	2389	0.3%
ASIAN	320	1.1%	41,935	5.6%
PACIFIC ISLANDER	13	0.0%	745	0.1%
OTHER	262	0.9%	11,822	1.6%
TWO OR MORE RACES	895	3.2%	31,922	4.2%
TOTAL	**28,269**	**100.0%**	**753,763**	**100.0%**

Racial distribution within the Near South closely mirrors that of the city of Columbus. The larger Columbus city area is more diverse, with higher shares of “Asian”, “Other”, and “Two or More Races” than the Near South. Caucasians constitute over 62.0% of the total populations, with African Americans comprising 32.0%.

2. HOUSEHOLD TRENDS

The total number of households decreased by 477 (-3.6%) between 1990 and 2000 within the Near South submarket. All of the Near South neighborhoods are projected to lose households between 2000 and 2010, with the highest rates of decline in Vassor Village, Stambaugh-Elwood and Reeb-Hosack. The Near South submarket is projected to experience a decrease of 547 households from 2005 to 2010.

Household trends within the selected areas are summarized in the following table:

	HOUSEHOLDS			
SELECTED AREA	**1990**	**2000**	**2005**	**2010**
FRANKLIN COUNTY	378,723	438,778	457,522	476,268
COLUMBUS CITY	262,528	301,534	315,457	329,216
NEAR SOUTH	**13,114**	**12,637**	**12,108**	**11,561**
DOWNTOWN	1,680	1,966	2,059	2,166
NEAR EAST	11,373	10,989	10,614	10,264
SHORT NORTH	6,501	6,554	6,572	6,609
GERMAN VILLAGE	1,913	1,960	1,940	1,906
HUNGARIAN VILLAGE	595	527	496	460
MERION VILLAGE	2,579	2,536	2,385	2,238
REEB-HOSACK	527	449	403	371
SCHUMACHER PLACE	903	902	875	861
SOUTHERN ORCHARDS	1,803	1,667	1,564	1,445
SOUTHSIDE C.A.N.	2,386	2,322	2,231	2,152
STAMBAUGH ELWOOD	89	83	78	71
VASSOR VILLAGE	1,025	944	871	789

Source: 2000 Census; Claritas, Vogt Williams & Bowen, LLC

PERCENT CHANGE IN HOUSEHOLDS			
	1990-2000	**2000-2005**	**2005-2010**
FRANKLIN COUNTY	**15.9%**	**4.3%**	**4.1%**
COLUMBUS CITY	**14.9%**	**4.6%**	**4.4%**
NEAR SOUTH	**-3.6%**	**-4.2%**	**-4.5%**
DOWNTOWN	17.0%	4.7%	5.2%
NEAR EAST	-3.4%	-3.4%	-3.3%
SHORT NORTH	0.8%	0.3%	0.6%
GERMAN VILLAGE	2.5%	-1.0%	-1.8%
HUNGARIAN VILLAGE	-11.4%	-5.9%	-7.3%
MERION VILLAGE	-1.7%	-6.0%	-6.2%
REEB-HOSACK	-14.8%	-10.3%	-7.9%
SCHUMACHER PLACE	-0.1%	-3.0%	-1.6%
SOUTHERN ORCHARDS	-7.5%	-6.2%	-7.6%
SOUTHSIDE C.A.N.	-2.7%	-3.9%	-3.5%
STAMBAUGH ELWOOD	-6.7%	-6.5%	-9.0%
VASSOR VILLAGE	-7.9%	-7.8%	-9.4%

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

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While the city and county are projected to experience 4.4% and 4.1% household gains, respectively between 2005 and 2010, the Near South and Near East submarkets are expected to experience continued decline in household numbers. This decline is projected at a rate of 4.5% during that time for the Near South submarket. This is the highest rate of decline among all of the selected areas. Downtown and the Short North are projected to experience gains, with growth in the Downtown submarket projected to be significant at 5.2%. However, note the relatively small number of households in this submarket compared to the other submarkets.

The median age of householders (heads of household) within the Near South submarket is projected to increase between 2005 and 2010. The tables on the following pages illustrate the distribution of households by age of householder, along with the median age of householders for the selected areas:

% DISTRIBUTION HOUSEHOLDS BY AGE OF HOUSEHOLDER 2005								
	<25	**25-34**	**35-44**	**45-54**	**55-64**	**65+**	**% FAMILY HH'S**	**MEDIAN AGE (YEARS)**
FRANKLIN COUNTY	37,612 8.2%	99,992 21.9%	98,358 21.5%	90,634 19.8%	58,778 12.8%	72,149 15.8%	272,594 59.6%	44.3
COLUMBUS CITY	32,884 10.4%	80,018 25.4%	65,608 20.8%	56,267 17.8%	36,458 11.6%	44,223 14.0%	171,407 54.3%	41.8
NEAR SOUTH	**771 6.4%**	**2,962 24.5%**	**2,605 21.5%**	**2,357 19.5%**	**1,614 13.3%**	**1,798 14.9%**	**8,695 71.8%**	**43.9**
DOWNTOWN	175 8.5%	468 22.7%	349 17.0%	291 14.1%	256 12.4%	519 25.2%	199 9.7%	42.1
NEAR EAST	847 8.0%	1,929 18.2%	2,100 19.8%	2,053 19.3%	1,459 13.7%	2,225 21.0%	5,227 49.2%	33.2
SHORT NORTH	736 11.2%	2,491 37.9%	1,317 20.0%	873 13.3%	572 8.7%	583 8.9%	1,,536 23.4%	33.1
TOTAL CENTRAL CITY SUBMARKETS	**2,529**	**7,850**	**6,371**	**5,574**	**3,901**	**5,125**	**15,657**	**-**
GERMAN VILLAGE	104 5.4%	683 35.2%	362 18.7%	350 18.0%	223 11.5%	217 11.2%	538 27.7%	40.1
HUNGARIAN VILLAGE	41 8.2%	85 17.1%	100 20.2%	107 21.6%	68 13.8%	95 19.1%	325 65.5%	47.1
MERION VILLAGE	154 6.5%	595 25.0%	498 20.9%	475 19.9%	280 11.8%	382 16.0%	1,098 46.0%	43.9
REEB-HOSACK	32 7.9%	60 14.9%	79 19.5%	93 23.0%	60 14.8%	80 19.9%	255 63.4%	48.3
SCHUMACHER PLACE	71 8.1%	306 35.0%	174 19.9%	136 15.6%	101 11.5%	86 9.9%	275 31.4%	38.4
SOUTHERN ORCHARDS	125 8.0%	327 20.9%	341 21.8%	307 19.7%	204 13.0%	261 16.7%	1,089 69.6%	44.7
SOUTHSIDE C.A.N.	113 5.1%	417 18.7%	563 25.2%	494 22.1%	307 13.8%	336 15.1%	1,461 65.5%	45.5
STAMBAUGH ELWOOD	2 2.6%	11 13.7%	15 19.8%	12 15.2%	16 20.6%	22 28.1%	55 70.6%	54.5
VASSOR VILLAGE	95 10.9%	194 22.3%	181 20.8%	157 18.1%	99 11.3%	145 16.6%	619 71.1%	43.1

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

% DISTRIBUTION HOUSEHOLDS BY AGE OF HOUSEHOLDER 2010								
	<25	**25-34**	**35-44**	**45-54**	**55-64**	**65+**	**% FAMILY HH'S**	**MEDIAN**
FRANKLIN COUNTY	39,105 8.2%	99,270 20.8%	95,888 20.1%	95,788 20.1%	68,404 14.4%	77,814 16.3%	281,460 59.1%	45.4
COLUMBUS CITY	33,932 10.3%	80,053 24.3%	64,711 19.7%	59,805 18.2%	43,007 13.1%	47,709 14.5%	177,234 53.8%	42.8
NEAR SOUTH	**718** **6.2%**	**2,398** **20.7%**	**2,465** **21.3%**	**2,265** **19.6%**	**1,860** **15.8%**	**1,885** **16.3%**	**7,846** **67.9%**	**45.9**
DOWNTOWN	66 3.0%	486 22.4%	407 18.8%	314 14.5%	300 13.9%	593 27.4%	209 9.6%	44.2
NEAR EAST	895 8.7%	1,606 15.6%	1,988 19.4%	2,000 19.5%	1,627 15.9%	2,148 20.9%	4,995 48.7%	34.6
SHORT NORTH	456 6.9%	2,342 35.4%	1,417 21.4%	1,026 15.5%	710 10.7%	658 10.0%	1,517 23.0%	34.8
TOTAL CENTRAL CITY SUBMARKETS	2,135	6,832	6,277	5,605	4,497	5,284	14,567	-
GERMAN VILLAGE	60 3.2%	665 34.9%	343 18.0%	356 18.7%	250 13.1%	231 12.1%	520 27.3%	41.6
HUNGARIAN VILLAGE	39 8.4%	74 16.1%	86 18.7%	97 21.1%	70 15.3%	94 20.4%	298 64.7%	48.2
MERION VILLAGE	144 6.4%	532 23.8%	438 19.6%	449 20.1%	297 13.3%	377 16.8%	1,016 45.4%	45.1
REEB-HOSACK	31 8.3%	50 13.5%	67 18.0%	86 23.1%	63 16.9%	75 20.2%	231 62.4%	49.4
SCHUMACHER PLACE	72 8.4%	287 33.3%	161 18.7%	138 16.1%	109 12.6%	93 10.8%	268 31.1%	39.4
SOUTHERN ORCHARDS	113 7.8%	285 19.7%	295 20.4%	284 19.7%	213 14.7%	256 17.7%	999 69.1%	46.0
SOUTHSIDE C.A.N.	112 5.2%	374 17.4%	504 23.4%	475 22.1%	338 15.7%	348 16.2%	1,396 64.9%	46.8
STAMBAUGH ELWOOD	2 2.8%	9 12.2%	12 17.6%	11 15.3%	16 22.7%	21 29.5%	49 69.1%	55.2
VASSOR VILLAGE	85 10.8%	164 20.8%	151 19.1%	148 18.8%	102 12.9%	139 17.6%	554 70.3%	44.5

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

% CHANGE IN HOUSEHOLDS BY AGE OF HOUSEHOLDER 2005-2010								
	<25	**25-34**	**35-44**	**45-54**	**55-64**	**65+**	**% FAMILY HH'S**	**MEDIAN**
FRANKLIN COUNTY	4.0%	-0.7%	-2.5%	5.7%	16.4%	7.9%	3.3%	2.5%
COLUMBUS CITY	3.2%	0.0%	-1.4%	6.3%	18.0%	7.9%	3.4%	2.3%
NEAR SOUTH	**-6.9%**	**-19.0%**	**-5.4%**	**-3.9%**	**13.4%**	**4.8%**	**-9.8%**	**4.7%**
DOWNTOWN	-62.3%	3.8%	16.6%	7.9%	17.2%	14.3%	5.0%	7.9%
NEAR EAST	5.7%	-16.7%	-5.3%	-2.6%	11.5%	-3.5%	-4.4%	-3.5%
SHORT NORTH	-38.0%	-6.0%	7.6%	17.5%	24.1%	12.9%	-1.2%	7.6%
GERMAN VILLAGE	-42.2%	-2.6%	-5.2%	1.7%	12.1%	6.5%	-3.3%	3.9%
HUNGARIAN VILLAGE	-4.9%	-13.0%	-14.0%	-9.3%	2.9%	-1.1%	-8.3%	2.3%
MERION VILLAGE	-6.5%	-10.6%	-12.0%	-5.5%	6.1%	-1.3%	-7.5%	2.6%
REEB-HOSACK	-3.1%	-16.7%	-15.3%	-7.6%	5.0%	-6.3%	-9.4%	2.3%
SCHUMACHER PLACE	1.4%	-6.2%	-7.5%	1.5%	8.0%	8.1%	-2.5%	2.6%
SOUTHERN ORCHARDS	-9.6%	-12.9%	-13.5%	-7.5%	4.4%	-1.9%	-8.3%	2.9%
SOUTHSIDE C.A.N.	-0.9%	-10.3%	-10.5%	-3.8%	10.1%	3.6%	-4.4%	2.9%
STAMBAUGH ELWOOD	0.0%	-18.9%	-19.5%	-8.5%	0.0%	-4.6%	-10.9%	1.4%
VASSOR VILLAGE	-10.5%	-15.5%	-16.6%	-5.7%	3.0%	-4.1%	-10.5%	3.2%

Source: 2000 Census; Claritas, Vogt Williams & Bowen, LLC

Projections to 2010 indicate growth among households headed by 55 and over householders within the Near South submarket. While all of the neighborhood areas within the Near South are projected to experience losses in households within most of the younger age groups, the decline in family households is striking at –9.8% for the Near South overall, and up to 10.9% loss within the Stambaugh Elwood neighborhood. Note that the Near South has a higher share of family households than the city, county, or any of the other central city submarkets

The median age of householder is projected to increase between 2005 and 2010 within all of the selected areas, ranging from 1.4% to 3.9% throughout the Near South neighborhoods.

The following table illustrates estimated and projected tenure for 2005 and 2010 for the selected areas.

NUMBER AND DISTRIBUTION OF HOUSEHOLDS BY TENURE (2005 – 2010)				
	OWNER 2005	**RENTER 2005**	**OWNER 2010**	**RENTER 2010**
FRANKLIN COUNTY	260,808 (57.0%)	196,714 (43.0%)	271,987 57.1%	204,281 (42.9%)
COLUMBUS CITY	155,208 (49.2%)	160,249 (50.8%)	162,282 (49.3%)	166,934 (50.7%)
NEAR SOUTH	**5,680 (46.9%)**	**6,428 (53.1%)**	**5,413 (46.8%)**	**6,148 (53.2%)**
DOWNTOWN	155 (7.5%)	1,904 (92.5%)	158 (7.3%)	2,008 (92.7%)
NEAR EAST	3,372 (31.8%)	7,242 (68.2%)	3,267 (31.8%)	6,997 (68.2%)
SHORT NORTH	1,492 (22.7%)	5,080 (77.3%)	1,500 (22.7%)	5,109 (77.3%)
TOTAL CENTRAL CITY SUBMARKETS	10,699 (34.1%)	20,654 (65.9%)	10,338 (33.7%)	20,262 (66.3%)
GERMAN VILLAGE	894 (46.1%)	1,046 (53.9%)	879 (46.1%)	1,027 (53.9%)
HUNGARIAN VILLAGE	186 (37.5%)	310 (62.5%)	172 (37.4%)	288 (62.6%)
MERION VILLAGE	1,194 (50.1%)	1,191 (49.9%)	1,119 (50.0%)	1,119 (50.0%)
REEB-HOSACK	145 (36.0%)	258 (64.0%)	133 (35.8%)	238 (64.2%)
SCHUMACHER PLACE	370 (42.3%)	505 (57.7%)	364 (42.3%)	497 (57.7%)
SOUTHERN ORCHARDS	633 (40.4%)	932 (59.6%)	586 (40.5%)	860 (59.5%)
SOUTHSIDE C.A.N.	1,166 (52.3%)	1,065 (47.7%)	1,121 (52.1%)	1,031 (47.9%)
STAMBAUGH ELWOOD	53 (67.9%)	25 (32.1%)	48 (67.6%)	23 (32.4%)
VASSOR VILLAGE	320 (36.8%)	550 (63.2%)	286 (36.3%)	502 (63.7%)

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

According to Census estimates, in 2005 owner-occupied households in the Near South submarket comprised 46.9% of all households. Census projections to 2010 indicate slight increases in renter-occupied households within this submarket. We expect this owner-renter ratio to remain relatively unchanged for the next several years. The increase in housing values expected to continue to draw interest from both homeowners and investors. Note that the Near South submarket has a much higher share of owner occupied households than any of the other central city submarkets.

Among the Near South neighborhoods, Stambaugh-Elwood, Southside CAN, and Merion Village all have at least 50.0% owner-occupancy in 2005 and 2010. Note that the most affluent neighborhood, German Village, has a lower share of owner-occupied households.

The following table illustrates household turnover by tenure for both owner and renter-occupied households for the various geographic groups (2000):

	OWNER-OCCUPIED HOUSING TURNOVER BY YEAR MOVED (2000)							
TURNOVER	**TOTAL HH'S**	**% 1999-2000**	**% 1995-1998**	**% 1990-1994**	**% 1980-1989**	**% 1970-1979**	**% 1969 OR BEFORE**	**ANNUAL RATE (2000)**
FRANKLIN COUNTY	**249,633**	**10.1%**	**27.8%**	**19.3%**	**18.1%**	**12.3%**	**12.4%**	**8.1%**
COLUMBUS CITY	**148,004**	**10.9%**	**29.1%**	**18.9%**	**17.2%**	**11.4%**	**12.4%**	**8.7%**
NEAR SOUTH	**5,956**	**9.9%**	**23.6%**	**15.1%**	**16.7%**	**14.7%**	**20.1%**	**7.9%**
DOWNTOWN	153	11.8%	20.9%	30.7%	20.9%	0.7%	15.0%	9.4%
NEAR EAST	3,495	8.4%	17.2%	12.7%	17.7%	15.9%	28.1%	6.8%
SHORT NORTH	1,492	11.1%	27.5%	25.5%	18.6%	7.4%	9.9%	8.8%
GERMAN VILLAGE	902	18.3%	34.3%	11.8%	16.0%	7.1%	12.6%	14.6%
HUNGARIAN VILLAGE	197	9.1%	22.8%	2.0%	17.8%	14.7%	33.5%	7.3%
MERION VILLAGE	1,271	8.9%	24.7%	17.9%	15.6%	13.1%	19.7%	7.1%
REEB-HOSACK	162	3.7%	29.0%	11.1%	16.0%	15.4%	24.7%	3.0%
SCHUMACHER PLACE	380	18.2%	30.0%	16.3%	9.7%	8.4%	17.4%	14.5%
SOUTHERN ORCHARDS	674	1.0%	10.2%	14.1%	12.9%	29.4%	32.3%	0.8%
SOUTHSIDE C.A.N.	1,218	10.3%	22.1%	14.2%	21.8%	14.9%	16.7%	8.2%
STAMBAUGH ELWOOD	57	0.0%	15.8%	12.3%	21.1%	24.6%	26.3%	0.0%
VASSOR VILLAGE	359	9.7%	19.2%	4.5%	20.1%	22.0%	24.5%	7.8%

	RENTER-OCCUPIED HOUSING TURNOVER BY YEAR MOVED (2000)							
TURNOVER	**TOTAL HH'S**	**% 1999-2000**	**% 1995-1998**	**% 1990-1994**	**% 1980-1989**	**% 1970-1979**	**% 1969 OR BEFORE**	**ANNUAL RATE (2000)**
FRANKLIN COUNTY	189,145	45.9%	37.0%	9.5%	5.3%	1.6%	0.8%	36.7%
COLUMBUS CITY	153,530	47.3%	36.6%	9.1%	4.9%	1.4%	0.7%	37.8%
NEAR SOUTH	**6,681**	**40.5%**	**36.1%**	**13.5%**	**6.2%**	**2.2%**	**1.4%**	**32.4%**
DOWNTOWN	1,813	36.5%	34.5%	16.3%	9.1%	2.8%	0.8%	29.2%
NEAR EAST	7,494	35.1%	38.4%	12.7%	8.8%	3.2%	1.9%	28.1%
SHORT NORTH	5,062	48.1%	34.7%	9.1%	6.5%	0.5%	1.0%	38.5%
GERMAN VILLAGE	1,058	40.0%	37.3%	13.9%	6.3%	0.9%	1.5%	32.0%
HUNGARIAN VILLAGE	330	38.5%	24.8%	17.6%	12.1%	6.7%	0.3%	30.8%
MERION VILLAGE	1,265	48.4%	35.2%	11.4%	3.8%	0.2%	1.0%	38.7%
REEB-HOSACK	287	27.5%	36.2%	16.4%	12.2%	4.2%	3.5%	22.0%
SCHUMACHER PLACE	522	47.5%	33.0%	11.9%	5.4%	0.6%	1.7%	38.0%
SOUTHERN ORCHARDS	993	31.3%	38.2%	23.1%	3.7%	2.4%	1.3%	25.1%
SOUTHSIDE C.A.N.	1,104	35.9%	43.3%	8.9%	5.7%	3.8%	2.4%	28.7%
STAMBAUGH ELWOOD	26	26.9%	15.4%	15.4%	23.1%	19.2%	0.0%	21.5%
VASSOR VILLAGE	585	43.4%	37.1%	11.5%	5.3%	2.7%	0.0%	34.7%

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

According to the 2000 Census, owner household turnover for the Near South submarket was 7.9% between 1999 and 2000. Owner-occupied households in the Downtown submarket experienced the highest rate of turnover at 9.4%, while those in the Near East had the lowest turnover at 6.8%. Note the high rates of owner-occupied turnover within German Village and Schumacher Place (14.6% and 14.5%, respectively) in 2000. Renter households experienced a much higher rate of turnover within all of the central city submarkets, ranging from 28.1% in the Near East to 38.5% in the Short North.

The distribution of household size by tenure for the selected areas (2000) is illustrated in the following table:

HOUSEHOLD SIZE BY TENURE, SELECTED AREAS (2000)						
HOUSEHOLD SIZE	NEAR SOUTH	DOWNTOWN	NEAR EAST	SHORT NORTH	COLUMBUS CITY	FRANKLIN COUNTY
TOTAL OWNER-OCCUPIED (2000)	**5,956**	153	3,495	1,492	148,004	249,633
% 1 PERSON	**31.6%**	74.0%	33.1%	41.2%	26.3%	22.9%
% 2 PERSONS	**37.5%**	13.9%	34.7%	40.0%	35.3%	35.6%
% 3 PERSONS	**13.8%**	12.0%	16.3%	10.4%	16.8%	17.2%
% 4 PERSONS	**8.6%**	0.0%	8.6%	5.3%	13.6%	15.3%
% 5 PERSONS	**8.5%**	0.0%	7.4%	3.2%	7.9%	9.0%
TOTAL RENTER-OCCUPIED (2000)	**6,681**	1,813	7,494	5,062	153,530	189,145
% 1 PERSON	**37.2%**	71.9%	47.8%	55.3%	41.7%	41.4%
% 2 PERSONS	**26.0%**	22.3%	18.4%	30.7%	28.8%	28.6%
% 3 PERSONS	**14.2%**	3.7%	12.3%	8.6%	14.0%	14.3%
% 4 PERSONS	**11.8%**	1.6%	9.2%	3.3%	8.6%	8.9%
% 5 PERSONS	**10.8%**	0.5%	12.2%	2.1%	6.9%	6.8%

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

One- and two-person households comprised 69.1% of all owner-occupied households within the Near South submarket. In contrast, the Short North submarket's share of one- and two-person owner-occupied households is 81.2%. Larger-sized households comprised of four or more persons made up 17.1% of owner households and 22.6% of renter households within the Near South submarket. Interestingly, the Near South and Near East sub-markets contained much higher shares of larger, renter-occupied households than did Downtown or the Short North. The Near South also contains one of the highest ratios of larger housing units, as discussed in Section VII of this report.

3. INCOME TRENDS

The following tables summarize the estimated household distribution by income for the Housing CMA as well as the four individual central city submarkets:

ALL SUBMARKETS IN HOUSING CMA	HOUSEHOLDS BY INCOME					
	2000		2005		2010	
$0 - $10,000	6,850	21.3%	5,916	18.9%	5,185	16.9%
$10,000 - $20,000	5,776	18.0%	5,007	16.0%	4,424	14.5%
$20,000 - $30,000	5,134	16.0%	4,460	14.2%	3,871	12.7%
$30,000 - $40,000	3,997	12.4%	3,686	11.8%	3,376	11.0%
$40,000 - $50,000	2,772	8.6%	3,059	9.8%	2,936	9.6%
$50,000 - $60,000	2,115	6.6%	2,165	6.9%	2,305	7.5%
$60,000 - $74,999	1,917	6.0%	2,148	6.9%	2,338	7.6%
$75,000 - $99,000	1,641	5.1%	2,070	6.6%	2,301	7.5%
$100,000 +	1,944	6.0%	2,842	9.1%	3,864	12.6%
TOTAL	32,146	100.0%	31,353	100.0%	30,600	100.0%

Source: Ribbon Demographics

NEAR SOUTH	HOUSEHOLDS BY INCOME					
	2000		2005		2010	
$0 - $10,000	1,694	13.4%	1,451	12.0%	1,246	10.8%
$10,000 - $20,000	2,053	16.2%	1,704	14.1%	1,410	12.2%
$20,000 - $30,000	2,254	17.8%	1,730	14.3%	1,397	12.1%
$30,000 - $40,000	1,773	14.0%	1,660	13.7%	1,468	12.7%
$40,000 - $50,000	1,273	10.1%	1,346	11.1%	1,246	10.8%
$50,000 - $60,000	1,081	8.6%	967	8.0%	1,010	8.7%
$60,000 - $74,999	886	7.0%	1,074	8.9%	1,042	9.0%
$75,000 - $99,000	713	5.6%	895	7.4%	1,062	9.2%
$100,000 +	910	7.2%	1,281	10.6%	1,680	14.5%
TOTAL	12,637	100.0%	12,108	100.0%	11,561	100.0%
MEDIAN	$31,680		$36,732		$42,066	

Source: Ribbon Demographics

At $31,680, the 2000 median income is nearly 33.0% below the national median of $41,994. Within the economically diverse Near South submarket, the trend in polarization of income bands is projected to continue to 2010. The area is expected to experience growth among households earning $60,000 and over. In 2000, these households comprised 19.3% of all households, while 2010 projections indicate they will make up 32.7% of all households. Households earning under $20,000 will decrease from nearly 30.0% to 23.0% during this time.

DOWNTOWN	HOUSEHOLDS BY INCOME					
	2000		2005		2010	
$0 - $10,000	682	34.7%	665	32.3%	649	30.0%
$10,000 - $20,000	401	20.4%	411	20.0%	418	19.3%
$20,000 - $30,000	316	16.1%	310	15.1%	312	14.4%
$30,000 - $40,000	205	10.4%	232	11.3%	235	10.8%
$40,000 - $50,000	113	5.7%	129	6.3%	169	7.8%
$50,000 - $60,000	57	2.9%	80	3.9%	90	4.2%
$60,000 - $74,999	31	1.6%	48	2.3%	72	3.3%
$75,000 - $99,000	97	4.9%	93	4.5%	95	4.4%
$100,000 +	64	3.3%	91	4.4%	126	5.8%
TOTAL	1,966	100.0%	2,059	100.0%	2,166	100.0%
MEDIAN	$16,970		$18,709		$20,494	

Source: Ribbon Demographics

At $16,970, the 2000 median income for the Downtown submarket is the lowest of all the submarkets. Much of the housing within this submarket, which also contains the fewest households, is comprised primarily of high-rise apartment buildings, a large portion of which target low-income households. The Downtown submarket also contains the highest share of renter households of all the submarkets. Over the past five years, downtown Columbus has experienced a surge in construction of market-rate apartments and condominium units. We expect to see this area outgrow Census estimates in terms of owner-occupied household numbers as well as incomes.

NEAR EAST	HOUSEHOLDS BY INCOME					
	2000		2005		2010	
$0 - $10,000	3,432	31.2%	2,925	27.6%	2,530	24.6%
$10,000 - $20,000	2,203	20.0%	2,023	19.1%	1,853	18.1%
$20,000 - $30,000	1,636	14.9%	1,525	14.4%	1,355	13.2%
$30,000 - $40,000	1,096	10.0%	1,061	10.0%	1,036	10.1%
$40,000 - $50,000	790	7.2%	814	7.7%	855	8.3%
$50,000 - $60,000	528	4.8%	629	5.9%	605	5.9%
$60,000 - $74,999	451	4.1%	527	5.0%	657	6.4%
$75,000 - $99,000	438	4.0%	483	4.6%	539	5.3%
$100,000 +	415	3.8%	627	5.9%	834	8.1%
TOTAL	10,989	100.0%	10,614	100.0%	10,264	100.0%
MEDIAN	$19,257		$22,242		$25,405	

Source: Ribbon Demographics

The Near East submarket also has a very low 2000 median household income at $19,257. This is less than half of the national and state median income. The share of households earning $60,000 and over is expected to increase by nearly 56.0% over the next five years. However, this is only an increase of 724 households.

SHORT NORTH	HOUSEHOLDS BY INCOME					
	2000		2005		2010	
$0 - $10,000	1,042	15.9%	875	13.3%	760	11.5%
$10,000 - $20,000	1,119	17.1%	869	13.2%	743	11.2%
$20,000 - $30,000	928	14.2%	895	13.6%	807	12.2%
$30,000 - $40,000	923	14.1%	733	11.2%	637	9.6%
$40,000 - $50,000	596	9.1%	770	11.7%	666	10.1%
$50,000 - $60,000	449	6.9%	489	7.4%	600	9.1%
$60,000 - $74,999	549	8.4%	499	7.6%	567	8.6%
$75,000 - $99,000	393	6.0%	599	9.1%	605	9.2%
$100,000 +	555	8.5%	843	12.8%	1,224	18.5%
TOTAL	6,554	100.0%	6,572	100.0%	6,609	100.0%
MEDIAN	$32,142		$38,846		$45,549	

Source: Ribbon Demographics

With the highest median income in the Housing CMA, the Short North submarket is still 30.0% below the national median. This submarket is expected to show the most dynamic upward trend in income growth. Households earning $60,000 and over are projected to increase from 1,497 in 2000 to 2,396 in 2010. This is a 60.0% increase.

The tables on the following pages summarize Near South households by household size, income and year, and tenure. Because the majority of support for *rental* housing within the Near South submarket is expected to come from the Near South submarket, we have included these tables. They have been used in our estimates of support for rental housing, including family and senior (55+) apartments.

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NEAR SOUTH SUBMARKET
RENTER HOUSEHOLDS BY INCOME 2000 - 2010

NEAR SOUTH SUBMARKET RENTER HOUSEHOLDS	2000 CENSUS					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
$0 - $10,000	606	187	183	142	130	1,249
$10,000 - $20,000	494	293	217	177	163	1,344
$20,000 - $30,000	508	367	136	139	105	1,255
$30,000 - $40,000	416	182	90	138	127	953
$40,000 - $50,000	236	157	114	71	34	612
$50,000 - $60,000	83	173	87	64	66	472
$60,000+	145	377	121	56	97	796
TOTAL	2,487	1,736	948	787	722	6,681

Source: Ribbon Demographics

NEAR SOUTH SUBMARKET RENTER HOUSEHOLDS	2005 ESTIMATED					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
$0 - $10,000	591	164	158	119	110	1,142
$10,000 - $20,000	448	247	185	145	135	1,160
$20,000 - $30,000	440	279	109	105	84	1,018
$30,000 - $40,000	422	166	84	149	130	951
$40,000 - $50,000	258	178	116	84	43	679
$50,000 - $60,000	101	172	82	48	46	449
$60,000+	207	465	157	69	131	1,029
TOTAL	2,467	1,670	892	719	680	6,428

Source: Ribbon Demographics

NEAR SOUTH SUBMARKET RENTER HOUSEHOLDS	2010 PROJECTED					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
$0 - $10,000	544	131	127	94	86	981
$10,000 - $20,000	416	208	154	117	110	1,004
$20,000 - $30,000	388	213	88	81	69	839
$30,000 - $40,000	407	150	72	131	118	877
$40,000 - $50,000	253	151	127	95	48	674
$50,000 - $60,000	117	177	88	57	48	487
$60,000+	293	553	195	82	162	1,285
TOTAL	2,418	1,582	851	657	640	6,148

Source: Ribbon Demographics

NEAR SOUTH SUBMARKET
OWNER HOUSEHOLDS BY INCOME 2000 - 2010

NEAR SOUTH SUBMARKET OWNER HOUSEHOLDS	2000 CENSUS					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
$0 - $10,000	349	123	8	30	6	515
$10,000 - $20,000	368	255	36	16	36	711
$20,000 - $30,000	379	293	115	76	89	953
$30,000 - $40,000	325	322	111	44	59	861
$40,000 - $50,000	178	200	112	75	64	629
$50,000 - $60,000	98	215	126	114	69	623
$60,000+	260	804	266	188	147	1,664
TOTAL	1,956	2,213	774	541	472	5,956

Source: Ribbon Demographics

NEAR SOUTH SUBMARKET OWNER HOUSEHOLDS	2005 ESTIMATED					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
$0 - $10,000	327	100	7	24	7	465
$10,000 - $20,000	318	215	27	13	29	602
$20,000 - $30,000	296	227	90	57	68	738
$30,000 - $40,000	310	292	105	37	56	800
$40,000 - $50,000	191	176	118	76	76	637
$50,000 - $60,000	94	183	96	79	48	501
$60,000+	334	900	318	219	167	1,938
TOTAL	1,872	2,093	761	504	450	5,680

Source: Ribbon Demographics

NEAR SOUTH SUBMARKET OWNER HOUSEHOLDS	2010 PROJECTED					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
$0 - $10,000	284	84	5	15	5	392
$10,000 - $20,000	286	168	17	10	20	501
$20,000 - $30,000	251	181	74	38	48	592
$30,000 - $40,000	293	248	91	27	44	703
$40,000 - $50,000	165	175	139	67	74	621
$50,000 - $60,000	81	147	89	76	45	438
$60,000+	432	967	345	234	188	2,165
TOTAL	1,792	1,970	760	467	423	5,413

Source: Ribbon Demographics

NEAR SOUTH SUBMARKET
55+ RENTER HOUSEHOLDS BY INCOME 2000 - 2010

NEAR SOUTH SUBMARKET 55+ RENTER HOUSEHOLDS	2000 CENSUS					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
$0 - $10,000	318	3	0	0	0	321
$10,000 - $20,000	87	3	0	0	0	90
$20,000 - $30,000	77	7	0	0	0	84
$30,000 - $40,000	44	3	0	0	0	47
$40,000 - $50,000	15	5	0	4	1	25
$50,000 - $60,000	24	0	0	0	0	24
$60,000+	3	24	0	0	0	26
TOTAL	567	44	0	4	1	616

Source: Ribbon Demographics

NEAR SOUTH SUBMARKET 55+RENTER HOUSEHOLDS	2005 ESTIMATED					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
$0 - $10,000	334	3	0	0	0	337
$10,000 - $20,000	104	3	0	0	0	107
$20,000 - $30,000	99	9	1	1	0	109
$30,000 - $40,000	47	3	0	1	0	50
$40,000 - $50,000	23	7	0	2	1	33
$50,000 - $60,000	16	1	0	1	1	18
$60,000+	4	26	1	1	0	31
TOTAL	626	52	2	5	2	686

Source: Ribbon Demographics

NEAR SOUTH SUBMARKET 55+ RENTER HOUSEHOLDS	2010 PROJECTED					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
$0 - $10,000	355	2	0	0	0	357
$10,000 - $20,000	140	3	1	0	0	143
$20,000 - $30,000	105	9	1	0	1	115
$30,000 - $40,000	55	4	1	1	1	63
$40,000 - $50,000	16	6	1	3	1	26
$50,000 - $60,000	17	1	1	1	1	21
$60,000+	5	29	2	2	1	40
TOTAL	692	54	6	7	5	765

Source: Ribbon Demographics

NEAR SOUTH SUBMARKET
55+ OWNER HOUSEHOLDS BY INCOME 2000 - 2010

NEAR SOUTH SUBMARKET 55+ OWNER HOUSEHOLDS	2000 CENSUS					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
$0 - $10,000	8	0	0	0	0	8
$10,000 - $20,000	17	6	6	0	0	28
$20,000 - $30,000	4	0	0	0	0	4
$30,000 - $40,000	0	0	3	0	0	3
$40,000 - $50,000	0	0	1	0	1	2
$50,000 - $60,000	0	5	0	0	0	5
$60,000+	17	4	3	0	0	24
TOTAL	45	16	12	0	1	74

Source: Ribbon Demographics

NEAR SOUTH SUBMARKET 55+ OWNER HOUSEHOLDS	2005 ESTIMATED					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
$0 - $10,000	8	0	0	0	0	8
$10,000 - $20,000	23	6	5	0	0	34
$20,000 - $30,000	5	0	0	0	1	6
$30,000 - $40,000	1	1	2	1	1	5
$40,000 - $50,000	0	0	0	0	0	1
$50,000 - $60,000	1	5	1	1	1	8
$60,000+	19	4	2	1	1	27
TOTAL	57	15	10	3	3	89

Source: Ribbon Demographics

NEAR SOUTH SUBMARKET 55+ OWNER HOUSEHOLDS	2010 PROJECTED					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
$0 - $10,000	8	0	0	0	0	8
$10,000 - $20,000	34	7	8	0	0	49
$20,000 - $30,000	5	0	1	0	1	7
$30,000 - $40,000	2	2	3	2	2	10
$40,000 - $50,000	0	2	2	0	2	5
$50,000 - $60,000	2	2	1	1	1	6
$60,000+	29	5	5	2	2	43
TOTAL	80	17	19	5	6	128

Source: Ribbon Demographics

4. TRANSPORTATION AND COMMUTER PATTERNS

The following table illustrates the number of vehicles available per household within the Near South submarket

NUMBER OF VEHICLES AVAILABLE 2005	NEAR SOUTH	COLUMBUS	FRANKLIN COUNTY
NONE	15.6%	10.1%	8.4%
ONE	46.5%	42.2%	38.2%
TWO OR MORE	37.9%	47.7%	53.4%
TOTAL	100.0%	100.0%	100.0%

Nearly 85.0% of households in the Near South submarket have one or more vehicles per household. This is a lower share than those in Columbus (90.0%) and Franklin County (92.0%). This lower ratio is likely due, in part, to the greater share of central city households that carpool, use public transportation, bicycle, or walk to work. However, this lower share is also largely reflective of the large share of low-income households in the Near South submarket.

The following table illustrates transportation methods to work for workers age 16 and over within the Near South submarket, Columbus, and Franklin County (2005):

TRANSPORTATON METHOD (2005)	NEAR SOUTH SUBMARKET	COLUMBUS	FRANKLIN COUNTY
WORKERS AGE 16+	13,569 (100.0%)	374,127 (100.0%)	560,063 (100.0%)
DROVE ALONE	72.4%	79.0%	80.9%
CARPOOLED	13.0%	10.7%	9.9%
PUBLIC TRANS.: BUS, TROLLEY, TRAIN	6.6%	3.8%	3.0%
WALKED	4.3%	0.1%	0.1%
MOTORCYCLE	0.0%	0.0%	0.0%
BICYCLE	0.2%	3.6%	2.9%
OTHER MEANS	0.6%	0.5%	0.4%
WORKED AT HOME	2.8%	2.3%	2.7%

Note that a higher percentage of Near South workers carpooled, used public transportation, walked, or worked at home than within Columbus or Franklin County. The number of workers who used public transportation in the Near South submarket is more than double that of Franklin County, while the ratio of those who walk to work in Columbus and Franklin County to the Near South is 1:43.

The following table summarizes commute times for the Near South, city and county areas (2005):

TRAVEL TIME TO WORK	NEAR SOUTH	COLUMBUS	FRANKLIN COUNTY
0 - 10 MINUTES	14.4%	10.7%	11.4%
10 - 19 MINUTES	35.8%	34.7%	33.7%
20 - 29 MINUTES	26.3%	28.2%	28.0%
30 - 59 MINUTES	16.6%	17.2%	17.6%
60+ MINUTES	4.1%	1.4%	1.4%
WORKED AT HOME	2.8%	2.3%	2.7%

Source: U.S. Census, Claritas

Those with travel times of 0-10 minutes comprised a higher share of total workers within the Near South submarket than within the Columbus or Franklin County areas. Over half of Near South submarket workers experienced commute times of less than 20 minutes. However, the Near South submarket also had a higher ratio of workers that spent 60 minutes or more commuting to work.

5. LIFESTYLE SEGMENTATION

In addition to evaluating demographic data, we have also considered lifestyle segmentation that evaluates consumer preferences. While residents of the Near South submarket may share similar economic and demographic characteristics, the likelihood they actually consider spending their retail dollars within the study area should be considered.

PRIZM NE™, Claritas' lifestyle segmentation system, defines every neighborhood in the U.S. in terms of 66 distinct lifestyle types using neighborhood segmentation techniques. Neighborhoods with the most similar characteristics are grouped together, and neighborhoods showing divergent characteristics are separated.

PRIZM NE™ combines traditional statistical segment analysis methodology with newer data mining techniques. These techniques complement the traditional methodology used in working with large amounts of geo-demographic data, to produce a thorough segmentation of U.S. neighborhoods. Detailed definitions of the 66 segmentation groups can be found on the Internet at www.claritas.com. There are a total of 14 social groups within the PRIZM NE classification system.

PRIZM NE™ provides demographic descriptions for households in specific geographic areas, based upon U.S. Census data and estimates. The following table summarizes the top ten PRIZM NE™ segmentation groups, or "lifestyle segments" in order of predominance in the Near South submarket, as well as the share of those segments within the city of Columbus boundaries. The index in the third column of the table reflects a comparison of rate of occurrence between the Near South and Columbus (Near South/Columbus = ratio differential)

PRIZM NE™ LIFESTYLE SEGMENTS 2005

LIFESTYLE SEGMENTS	NEAR SOUTH	CITY OF COLUMBUS	RATIO DIFFERENTIAL
MULTI-CULTI MOSAIC	22.7%	6.5%	3.5
AMERICAN DREAMS	15.4%	4.5%	3.4
LOW-RISE LIVING	11.6%	3.2%	3.6
CITY ROOTS	8.3%	2.8%	3.0
CLOSE-IN COUPLES	5.8%	2.5%	2.3
BOHEMIAN MIX	5.4%	1.8%	3.0
URBAN ACHIEVERS	3.9%	7.0%	0.6
YOUNG DIGERATI	3.8%	1.1%	3.5
BIG CITY BLUES	3.4%	3.7%	0.9
YOUNG INFLUENTIALS	3.2%	6.8%	0.5
TOTAL	**83.5%**	**39.9%**	

Half of the households within the Near South submarket are within three PRIZM NE™ lifestyle segmentation groups. These groups represent different social patterns, but have one component in common. All are relatively racially diverse.

Nearly one quarter (22.7%) of households are classified as "Multi-Culti Mosaic", a lower-middle class, mixed race group with a median income of nearly $34,000. Nearly a quarter of these young householders are immigrants. Multi-Culti Mosaic householders have a varied educational makeup, but are typically age 25 to 44, childless singles and couples who pursue active social lives -frequenting bars, health clubs and restaurants at high rates. Multi-Culti households listen to progressive music, drive small imports and acquire the latest consumer electronics.

The group with the second highest share of households is American Dreams. Another ethnically diverse group, American Dreams households are more affluent, living in owner-occupied homes with solid middle class lifestyles but upscale tastes that are reflected in their marketplace choices. These households tend to frequent the arts, shop at exclusive retailers, drive imported cars and spend heavily on recreational "toys", computers and wireless technology. American Dreams are typically 25 to 44 year old householders earning a median income of $52,000.

The third group, Low-Rise Living, is one of the least affluent of the lifestyle segmentation groups. Low-Rise Living households are downscale, ethnically mixed, with a high percentage of African American, Asian and Hispanic families. Most householders are younger than 35, hold blue-collar and service jobs, earning wages that relegate their families to small, older apartments homes. Lifestyles are modest; households play games and sports, shop at discount chains and convenience stores, and frequently tune into television and radio.

Following are profiles of the top ten lifestyle segments within the Near South submarket:

1. An immigrant gateway community, Multi-Culti Mosaic is the urban home for a mixed populace of younger Hispanic, Asian and African-American singles and families. With nearly a quarter of the residents foreign born, this segment is a Mecca for first-generation Americans who are striving to improve their lower-middle-class status. Median income for these households, typically headed by individuals age 25 to 44, is $33,800. These households favor specialty footwear shops (Foot Locker) and fast food restaurants.

2. American Dreams is a living example of how ethnically diverse the nation has become: more than half the residents are Hispanic, Asian or African-American. In these multilingual neighborhoods-one in ten speaks a language other than English-middle-aged immigrants and their children live in middle-class comfort. Median income is $52,000 for these 25 to 44 year old mixed household types.

3. The most economically challenged urban segment, Low-Rise Living, is known as a transient world for young, ethnically diverse singles and single parents. Home values are low-about half the national average-with less than a quarter of residents who can afford to own real estate. Typically, the commercial base of Mom-and-Pop stores is struggling and in need of a renaissance. The typical householder is less than 35 years old with a median income of $23,100.

4. Found in urban neighborhoods, City Roots is a segment of lower-income retirees, typically living in older homes and duplexes they've owned for years. In these ethnically diverse neighborhoods-more than a third are African-American and Hispanic-residents are often widows and widowers living on fixed incomes and maintaining low-key lifestyles. These 65+ urban homeowners, eat at IHOP, have elementary and high school educations, and earn a median $26,500 annually.

5. Close-In Couples is a group of predominantly older, African-American couples living in older homes in the urban neighborhoods of mid-sized metropolitan areas. High school educated and empty nesting, these 55-year-old-plus residents typically live in older city neighborhoods, enjoying secure and comfortable retirements. Median income for these 55+ homeowners is $38,600.

6. A collection of young, mobile urbanites, Bohemian Mix represents the nation's most liberal lifestyles. Its residents are a progressive mix of young singles and couples, students and professionals, Hispanics, Asians, African-Americans and whites. In their funky row houses and apartments, Bohemian Mixers are early adapters who are quick to check out the latest movie, nightclub, laptop and microbrew. With a median income of $51,000, these singles, typically under age 35 enjoy upscale shopping and drive imported cars.

7. Concentrated in the nation's port cities, Urban Achievers is often the first stop for up-and-coming immigrants from Asia, South America and Europe. These young (typically under 35) singles and couples are typically college-educated and ethnically diverse: about a third are foreign-born, and even more speak a language other than English. They earn a median $31,200 and enjoy movies and physical fitness activities.

8. Young Digerati includes the nation's tech-savvy singles and couples living in fashionable neighborhoods on the urban fringe. Affluent, highly educated and ethnically mixed, Young Digerati communities are typically filled with trendy apartments and condos, fitness clubs and clothing boutiques, casual restaurants and all types of bars-from juice to coffee to microbrew. Median income of $81,000, 25-44, mixed households. Young digerati shop in stores and online for home electronics, and drive imported cars.

9. With a population that is 50 percent Latino, Big City Blues has the highest concentration of Hispanic Americans in the nation. But it's also the multi-ethnic address for downscale Asian and African-American households occupying older inner-city apartments. Concentrated in a handful of major metropolitan areas, these young singles and single-parent families face enormous challenges: low incomes, uncertain jobs and modest educations. More than 40 percent haven't finished high school. With incomes of $30,000, these renters are under 45 and have as little as an elementary education. Dining out means fast food; videos are a big part of entertainment.

10. Once known as the home of the nation's yuppies, Young Influentials reflects the fading glow of acquisitive yuppiedom. Today, the segment is a common address for young, middle-class singles and couples who are more preoccupied with balancing work and leisure pursuits. Having recently left college dorms, they now live in apartment complexes surrounded by ball fields, health clubs and casual-dining restaurants. With a median income of $46,900, Young Influentials are single, less than 35, renters with high school or college educations. They enjoy nights out and high-end computers.

Note that seven of the segmentation groups consist primarily of one- or two-person households with no children, or grown children. However, two of these groups, City Roots and Big City Blues, have very little spending power. The remaining groups reflect a variety of consumer preferences, ranging from upscale dining and high-end electronics to family restaurants and home-based entertainment. We expect that a mix of retail offerings suitable for these eclectic groups would include offerings targeting both ends of the consumer spectrum.

It is important to point out that segmentation groups are formulated using broad neighborhood characteristics and therefore certain preferences/behavioral patterns can be consistent within multiple segments. Opportunities certainly exist to target other segments in the CMA that would respond to any of the proposed retail or housing concepts.

Relative to Franklin County, the Near South submarket has a proportionately larger concentration of households within the Low-Rise Living, Multi-Culti Mosaic, and Young Digerati lifestyle segments. These groups reflect a high degree of diversity as well as mobility but varied levels of disposable income. Note that Young Digerati (3.8%) and American Dreams (15.4%) and Bohemian Mix (5.4%) have the greatest upward mobility as well as expendable income. These groups, particularly the Young Digerati and Bohemian Mix, are adventurous consumers who would likely be drawn to a new retail cluster near their place of residence. We have also considered the spending patterns and consumer needs of the other lifestyle segments.

VI. AREA ECONOMIC CHARACTERISTICS

A. LABOR FORCE PROFILE

The Columbus Metropolitan Statistical Area is one of the fastest growing metropolitan areas in the Midwest. With advantages of location, convenient infrastructure and proximity to skilled workers, the Columbus MSA has emerged as a hub for transportation and warehousing, finance, insurance and real estate (F.I.R.E.), technology and information services over the past two decades. The city of Columbus is home to the Ohio State University, the county seat of Franklin County and the state capitol, and has a large number of government, health care, social services and education jobs. The majority of these jobs are white-collar, higher paying positions that require associate's or bachelor's degrees.

The Near South area of Columbus, which includes the Parsons Avenue study area, has a tradition of manufacturing and retail jobs. These sectors still hold large shares of jobs in the Near South.

The following table summarizes employment by industry for 2004 within selected areas.

EMPLOYMENT BY INDUSTRY COMPARISONS (2004)					
SIC GROUP	**NEAR SOUTH SUBMARKET**	**COLUMBUS**	**FRANKLIN COUNTY**	**OHIO**	**% OF TOTAL EMPLOYMENT/ FRANKLIN COUNTY**
TOTAL EMPLOYEES (16+)	20,202	582,324	786,238	6,357,992	2.6%
% AGRICULTURE & NATURAL RESOURCES	0.4%	0.6%	0.8%	0.8%	0.0%
% MINING	0.0%	0.0%	0.0%	0.2%	0.0%
% CONSTRUCTION	2.9%	3.1%	3.7%	4.2%	0.0%
% MANUFACTURING	20.7%	9.8%	9.5%	16.1%	0.5%
% TRANSPORTATION & UTILITIES	2.0%	4.2%	4.3%	4.4%	0.0%
% WHOLESALE TRADE	3.6%	2.8%	3.5%	4.5%	0.1%
% RETAIL TRADE	20.1%	22.4%	21.3%	20.1%	0.5%
% F.I.R.E. (FINANCE, INSURANCE AND REAL ESTATE)	19.0%	7.4%	7.6%	6.1%	0.5%
% SERVICES	29.6%	39.2%	39.4%	36.3%	0.8%
% GOVERNMENT	1.5%	9.7%	9.1%	6.5%	0.0%
% NON-CLASSIFIABLE	0.2%	0.6%	0.8%	0.9%	0.0%
TOTAL	100.0%	100.0%	100.0%	100.0%	-

Source: U.S. Census; Claritas; Bureau of Labor Statistics

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Historically, Central Ohio has had one of the most diverse economies in the Midwest. As shown in the preceding table, Franklin County employment is concentrated within the services sector, which includes Education, Health Care, Social Assistance, Administrative and Support Services, and Professional and Technical services, and other white-collar industry groups. Other white-collar employment types that are well represented throughout Franklin County include such as state and county government, finance and insurance.

The Near South submarket comprises just 2.6% of the Franklin County total employment; not surprising given the largely residential nature of the submarket, large share of vacancies at former manufacturing sites, and the fact that employment is concentrated within a handful of retail and commercial corridors, including South High Street, South Front Street, Livingston Avenue, and Parsons Avenue.

Large shares of Manufacturing, Retail and F.I.R.E. jobs as well as service jobs typify employment in the Near South area. The Near South contains a slightly smaller share of retail jobs than Columbus; however retail employment comprises one fifth of total employment. This share is equal to the statewide share of retail jobs.

In the Columbus MSA, there are 47 school districts serving more than 230,000 students in kindergarten through 12th grade. There are more than 40 private schools. The Columbus MSA is the location of several institutions of higher learning, including The Ohio State University, Otterbein College, Ohio Wesleyan University, Dennison College, Capital University, Franklin University, Columbus State Community College, Columbus College of Art and Design (CCAD), and others. The presence of these institutions contributes to the area's economic stability, as well as the large number of jobs in the Services industry sector.

Employment by industry among sub-markets surrounding the CMA (2004) is distributed as follows:

EMPLOYMENT BY INDUSTRY			
SIC GROUP	SHORT NORTH	DOWNTOWN	NEAR EAST
TOTAL EMPLOYEES (16+)	18,720	79,190	19,269
% AGRICULTURE & NATURAL RESOURCES	0.1%	0.1%	0.3%
% MINING	0.0%	0.0%	0.0%
% CONSTRUCTION	4.5%	1.2%	1.7%
% MANUFACTURING	42.8%	3.3%	4.2%
% TRANSPORTATION & UTILITIES	0.7%	1.4%	3.0%
% WHOLESALE TRADE	2.5%	0.6%	2.0%
% RETAIL TRADE	9.3%	7.2%	6.0%
% F.I.R.E. (FINANCE, INSURANCE AND REAL ESTATE)	2.4%	20.7%	5.8%
% SERVICES	36.9%	33.6%	69.8%
% GOVERNMENT	0.6%	31.5%	6.7%
% NON-CLASSIFIABLE	0.2%	0.5%	0.5%
TOTAL	100.0%	100.0%	100.0%

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

Overall, employment within the Downtown, Short North and Near East submarkets is fairly balanced with Government, Services and F.I.R.E dominating the downtown employee mix. Note the high concentration of jobs (42.8%) within the Manufacturing sector in the Short North submarket. This is largely due to the presence of Abbott Laboratories, including Ross Nutritional Products and other large manufacturers located in the eastern portion of this submarket. It is of note that Abbott Laboratories plans to cut "several hundred" in the Ross Products division. Most of these cuts will occur at the Short North manufacturing plant on Cleveland Avenue.

Among the central city sub-markets, employment distribution is generally consistent with the socio-economic status as exhibited in our demographic analysis (Section V). White-collar workers average $21.05 per hour and account for 61.0% of Columbus MSA employees, according to the U.S. Department of Labor (2004); blue-collar workers average $14.30 per hour (25.0% of labor force); and service workers earn $11.69 per hour (remaining 14.0% of workers).

Over the past three decades, two large manufacturing employers in the Near South submarket have closed, and one has downsized. Another publishing company that employed several hundred workers also closed during this time. These closings removed several thousand high-paying jobs from the area. However, note that the Near South submarket contains a higher share of jobs than the Near East and Short North submarkets.

According to the Greater Columbus Chamber of Commerce, based upon statistics provided by the U.S. Bureau of Labor Statistics, the ten largest employers in the Columbus Ohio Metropolitan Statistical Area (2004) are as follows:

COMPANY	INDUSTRY	EMPLOYEES
THE STATE OF OHIO*	GOVERNMENT	26,037
THE OHIO STATE UNIVERSITY*	SERVICES EDUCATION/ HEALTH CARE	17,361
UNITED STATES GOVERNMENT	F.I.R.E.	13,300
J.P. MORGAN CHASE	F.I.R.E	12,130
NATIONWIDE*	F.I.R.E.	11,293
OHIOHEALTH*	SERVICES HEALTH CARE	8,398
COLUMBUS PUBLIC SCHOOLS*	SERVICES EDUCATION	8,024
CITY OF COLUMBUS*	GOVERNMENT	7,919
LIMITED BRANDS*	RETAIL TRADE	7,200
HONDA OF AMERICA, INC.	MANUFACTURING	6,350
	TOTALS	118,012

Source: U.S. Bureau of Labor Statistics
*Headquartered locally

According to interviews conducted in September 2005, none of the area's largest employers are expecting significant *decreases* in their employment base in the foreseeable future. Columbus Public Schools has undergone budget cuts since these interviews were conducted, resulting in job cuts within that organization.

Several notable developments in local employment include:

- In the spring of 2005, the Pentagon announced that the Defense Supply Center Columbus (DSCC) would remain open and undergo possible expansion. The site was threatened by a possible closure, which would have eliminated a significant portion of the 6,100 employees there. DSCC is located in east Columbus, approximately 5.5 miles east of the study area.

- The growth of the area's four largest health care systems (including Children's Hospital, Mount Carmel, OhioHealth and The Ohio State University Medical Center) lends momentum to the Health Care Services industry sector in terms of employment. These health care systems employed an estimated 55,000 workers in 2005, and planned expansions are expected to create an estimated 17,000 new jobs over the next five to seven years.

- Children's Hospital is located immediately north of the study area, with the majority of its facilities located on a campus at the northeast corner of Livingston and Parsons Avenues. In the fall of 2005, Children's Hospital plans a comprehensive site redevelopment project expansions that are expected to be complete in 2008. The expansion will increase employment at that site (currently reported at 5,000 workers) by 1,200. Most of these new positions will be research-related positions; however some maintenance, food service and support positions will be created. These large-scale expansions are expected to positively impact the corridor. A new parking garage will be built on the southeastern side of Livingston Avenue, near the entrance to the study area. Although this constitutes the only physical improvement to the south side of Livingston Avenue by Children's Hospital, the overall project should impact the area in terms of job creation, increased retail activity and increased visibility to the Parsons Avenue study area.

- In July 2005 officials broke ground for the Rickenbacker intermodal facility to be used for the interchange of containers between trains and trucks. This development is expected to become a vital asset to the existing Rickenbacker logistics infrastructure as well as increase Central Ohio's impact on North American freight distribution. The intermodal facility and related development is expected to create over 20,000 new jobs and $15.1 billion in economic impact over the next 30 years. The facility will be developed to be complimentary with Rickenbacker's existing facilities and the Norfolk and Southern railroad infrastructure, has a projected completion date of 2007. The project is being developed as a result of efforts from a broad group of public and private sector officials. The primary development organizations are the Norfolk Southern railroad and the Columbus Regional Airport Authority. The intermodal site is approximately 13.0 miles south of the southernmost point of the study area.

B. EMPLOYMENT TRENDS

After trailing the national average in per capita income in the 1970s and the early 1980s, Columbus has exceeded the national average since 1985, according to the U.S. Census Bureau. The unemployment rate in the Columbus market has consistently been 1 to 3 percentage points below the national average for all but a few years since 1960. However, looking forward, the central Ohio economy appears to be much more vulnerable than in the past as white collar jobs, like blue collar jobs in the past decade, are being outsourced overseas, replaced by technology, or eliminated by bankrupt companies with untenable business models (such as the "dot-coms"). Bankruptcies reached record levels in 2003 before moderating in 2004.

The following tables illustrate the total employment base and unemployment rate for Franklin County and state of Ohio.

	TOTAL EMPLOYMENT	
YEAR	FRANKLIN COUNTY	OHIO
1990	515,088	5,099,214
1991	517,502	5,088,524
1992	522,794	5,094,796
1993	527,065	5,130,907
1994	538,455	5,234,843
1995	549,128	5,330,591
1996	552,442	5,378,491
1997	563,040	5,448,161
1998	567,340	5,488,877
1999	576,737	5,534,376
2000	573,135	5,570,928
2001	576,918	5,570,389
2002	569,824	5,500,016
2003	568,497	5,506,038
2004	573,740	5,523,037
2005*	580,377	5,562,972

*Through August 2005

	UNEMPLOYMENT RATE	
YEAR	FRANKLIN COUNTY	OHIO
1990	3.4%	5.7%
1991	3.8%	6.4%
1992	4.6%	7.3%
1993	4.5%	6.5%
1994	3.7%	5.5%
1995	3.0%	4.9%
1996	3.0%	5.0%
1997	2.8%	4.6%
1998	2.6%	4.3%
1999	2.6%	4.3%
2000	3.2%	4.0%
2001	3.4%	4.4%
2002	5.1%	5.7%
2003	5.4%	6.2%
2004	5.4%	6.1%
2005*	5.3%	6.0%

*Through August 2005

As of August 2005, employment in Franklin County had increased by 12.7% since 1990, outpacing the 9.0% statewide increase during the same time period. Between 2000 and August 2005, average (seasonally adjusted) employment increased by 1.3% in Franklin County. Statewide employment decreased by 0.1% during this time.

Since 1990, the Franklin County unemployment rate has ranged between 2.4% and 5.4%, well below the state average. This historically low unemployment rate is a positive indicator of the economic strength of the area. However, it is of note that the area is currently experiencing the highest unemployment rates in over 15 years.

Workforce participation among residents of selected areas is summarized in the following table:

2005 ESTIMATED POPULATION AGE 16 AND OVER BY EMPLOYMENT								
	NEAR SOUTH WITH GERMAN VILLAGE		**NEAR SOUTH WITHOUT GERMAN VILLAGE**		**COLUMBUS**		**FRANKLIN COUNTY**	
IN ARMED FORCES	11	0.1%	5	0.03%	501	0.1%	795	0.1%
CIVILIAN - EMPLOYED	13,164	61.0%	10,453	58.0%	386,960	68.1%	575,392	68.0%
CIVILIAN - UNEMPLOYED	1,183	5.5%	964	5.4%	19,298	3.4%	24,830	2.9%
NOT IN LABOR FORCE	7,240	33.5%	6,605	36.6%	161,718	28.5%	245,052	27.0%
TOTAL	21,598	100.0%	18,026	100.0%	568,477	100.0%	846,069	100.0%

The Near South submarket without the inclusion of German Village has the highest percentage of individuals age 16 and over that are not in the labor force (36.6%), while Franklin County has the lowest share of the same group not in the labor force. This is likely due, in part, to the age of residents of the Near South submarket (including German Village). While age and disability are factors for population not in the labor force, lower educational attainment is also a driving factor.

The following table illustrates employment by occupation classification for the same selected areas.

EMPLOYED CIVILIAN POPULATION 16+ YEARS BY OCCUPATION CLASSIFICATION (EST.)								
	NEAR SOUTH WITH GERMAN VILLAGE		**NEAR SOUTH WITHOUT GERMAN VILLAGE**		**COLUMBUS**		**FRANKLIN COUNTY**	
BLUE-COLLAR	3,130	23.8%	2,915	27. 9%	73,383	19.0%	105,382	18.3%
WHITE-COLLAR	7,715	58.6%	5,537	53.0%	255,097	65.9%	389,920	67.8%
SERVICE & FARM	2,319	17.6%	2,001	19.1%	58,480	15.1%	80,090	13.9%
TOTAL	13,164	100.0%	10,453	100.0%	386,960	100.0%	575,392	100.0%

The distribution of workers by occupation classification reflects a higher share of blue-collar workers within the Near South submarket without the German Village neighborhood, which contains a higher share of white-collar workers.

However, the share of white-collar workers within the city and county are significantly higher than the Near South submarket, both with and without the inclusion of German Village.

C. ECONOMIC FORECAST

Over the past four years, the myth of the "recession-proof" Greater Columbus economy has been debunked, according to Bill LaFayette, Ph.D., Vice President of Economic Analysis for the Greater Columbus Chamber of Commerce. Greater Columbus lost 3.5% of its total job base, or 31,000 jobs from February 2001 through November 2003. Proportionately, this was nearly twice the 1.8% nationwide job loss over the same period. The region's overbuilt retail sector was particularly hard-hit with a loss of 10,000 positions, or 8.2% of its jobs.

Mr. Lafayette comments that the central city is the only under-retailed area of Columbus. This is supported demographically, with emerging neighborhoods and wealthier households with expendable income finding their way back to urban areas, providing greater opportunities for retail development.

The economic growth that began on the national level in 2002 should lead to a net gain in jobs in Greater Columbus over the next year. The Blue Chip Economic Panel (January 2006) predicts an increase in employment in the region of about 0.6%, or approximately 5,800 jobs in 2006. This estimate is based upon several factors, including a disappointing year in 2005 in terms of growth (0.6%) due to losses in retail, and manufacturing jobs as well as very sluggish growth within the business and financial services sector. This compares to average annual growth of 1.6% in the 1990s.

Between 2004 and 2005, The Columbus metropolitan economy has witnessed positive growth in the Construction, Education, Health and Social Services, Leisure and Other Services, and Business and Professional Services. Retail and Wholesale Trade and Manufacturing declined.

The following are synopses of the Columbus Chamber's Blue Chip Economic Forecast per industry sector:

	GROWTH	
INDUSTRY GROUP	**ESTIMATED 2006-2007**	**CALCULATED 2004 - 2005**
GOVERNMENT	0.0%	0.1%
BUSINESS AND PROFESSIONAL SVS.	1.3%	0.6%
LEISURE AND OTHER SVS.	1.1%	1.2%
RETAIL TRADE	-0.5%	-0.8%
EDUCATION, HEATLH AND SOCIAL SERVICES	2.2%	2.5%
TRANSPORTATION, INFORMATION AND UTILITIES	0.8%	0.3%
MANUFACTURING	-0.7%	-0.9%
FINANCIAL ACTIVITIES	0.7%	0.3%
CONSTRUCTION	1.4%	3.9%
WHOLESALE TRADE	-0.2%	-0.2%
TOTAL	0.6%	0.6%

These projections indicate modest growth within six industry groups, with government to remain flat. The highest rates of growth are expected within the Education, Health and Social Services, Construction, and Business and Professional Services, while Manufacturing, Retail and Wholesale Trade are expected to continue to decline.

D. NEAR SOUTH SUBMARKET ECONOMIC PROFILE

The Near South submarket has lost several large employers over the past three decades. These include Federal Glass, one of the first mass-manufacturers of glassware made in the United States; Techneglas, a picture tube and television glass manufacturer; National Graphics, a publishing company; Columbus Community Hospital; the South Side YMCA, a bank and several parochial schools.

The factory closings have been particularly hard on this working-class area, which at one time served as a portal for a wide variety of workers entering the city to find work and affordable housing.

The spring 2005 closing of the South Side Schottensteins Department Store was a hard blow to residents and other retailers, some of whom viewed the store as a piece of history as well as an anchor and defining piece of the Parsons Avenue landscape.

The Schottensteins store opened a permanent location at 1887 Parsons Avenue in the early 1900s, and anchored area retail for over 90 years afterward. The store served the surrounding community as a retailer as well as an entertainment destination. One local resident comments, “The store blended theatrics with commerce. There were carnival tents in the parking lot, dances and theme days inside. Employees dressed as clowns, cowboys and showgirls. People cashed their paychecks there on Fridays.”

The demise of major manufacturers and downsizing of Buckeye Steel Castings had a negative impact on neighborhood retailers and eventually overshadowed the struggling store’s efforts to survive.

Dave Hughes, facilities manager for Federal Industrial Park, a million-square-foot complex that operated until 1979 as Federal Glass, comments that that facility counted many area residents among the 1,500 former employees of Federal Glass. Currently, about 85 percent of the park is leased for light manufacturing and warehousing.

Empty industrial sites dot the fringes of Parsons Avenue, including an American Electric Power plant, Techneglas and the former home of the region's largest printer, National Graphics. In 2002, an investor bought the empty 168,000-square-foot plant on Woodrow Avenue and spent hundreds of thousands of dollars to refurbish the exterior and add wrought-iron gates and other flourishes to entice tenants or a buyer. The site remains empty, a “tough sell” say property brokers.

Several recent developments could bring new jobs and a new look to some of the corridor’s vacant retail/commercial and industrial sites.

- In late 2005, Pizza Hut unveiled plans to open a carryout and delivery establishment at the northeast corner of Stewart Street and Parsons Avenue. Pizza Hut will purchase almost an entire block, including existing structures, the Laird Brothers building and an old greenhouse. There will not be a sit-down restaurant initially, but the parcel contains additional property for development of a full-service facility. The project has the approval of the Parsons Avenue Merchants’ Association and the Council of South Side Organizations. As of February 2006, City Council approval was pending.

- Subway Development of Columbus, one of the largest subway franchisees in Central Ohio, owns a parcel of land at the southeast corner of Parsons and Sycamore across from Plank’s restaurant. According to a local business owner, their plans for a development of a restaurant at that site are within the terms of the urban commercial overlay.

- In February 2006, the Church for All People, a community-based church, was in the process of purchasing the Kessco Drug Building at the northeast corner of Whittier Street and Parsons Avenue. The church currently occupies a space near Kossuth and Parsons, north of the Kesco site, but is in need of the additional space, and plan a $1 million rehab of the building. The church is an “asset to the neighborhood” according to several community members, offering a free store with household items, clothing, and food to poor and indigent. The church also has a Community Development Corporation that will purchase vacant housing, renovate and resell it.

- The acquisition and development of the former Techneglas site by Marvin Katz, a local developer, is expected to bring up to 200 to 250 warehousing, low- and semi-skilled labor and office jobs to the site area. Katz purchased the Techneglas site in late 2005 and is currently actively engaged in retaining tenants. The redeveloped site is called TechCenter/South.

- The comprehensive redevelopment of the Children’s Hospital site is expected to positively impact construction labor within the study area, also creating opportunities for area retailers to benefit from proximity to the development. Children’s Hospital’s long-term strategic plan includes expanding its employment base by 1,200 workers over the next five years. These workers will be highly skilled professionals including doctors, nurses and physical therapists as well as researchers. There will be growth in non-professional positions including maintenance and food service, but these positions are expected to comprise only 10.0% of overall growth.

Citywide issues will continue to impact the south side neighborhoods, both positively and negatively. These include:

- Closings of 18 of Columbus Public Schools buildings, two of which (Reeb Elementary School and Barrett Middle School) are located within the Parsons Avenue study area. The district continues to lose students to suburban, community and charter schools.

- Columbus is one of the nation’s largest cities without a mass transit system. Meanwhile, the local bus transportation agency struggles to maintain ridership levels in spite of economic growth and suburban sprawl in the region. Traffic congestion has risen to the top of the list of concerns for greater Columbus residents, according to a Q2 survey reported in *The Columbus Dispatch*.

- The Mid-Ohio Regional Planning Council (MORPC) predicts that time spent in traffic will double for the average person in central Ohio over the next 10 years. Eighty-four percent (84.0%) of greater Columbus' workforces drive to work alone, one of the highest percentages in the nation. According to the 2000 Census, the average commute to work for the Columbus region is 21 minutes but is as high as 29 minutes on average for suburban residents of Westerville, Powell, and Dublin.

- Between 1970 and 2000, there has been four times as much growth in urbanized land area as there has been population growth. Without geographic barriers, central Ohio continues to sprawl outward with large lot housing that further isolates its economically elite households from the have-nots left behind. Sprawl is an underlying cause of several of central Ohio's most pressing issues, including traffic, schools, and overbuilding. Reinvestments in neglected urban areas are needed to stem the outward wave of development that threatens to undermine central Ohio's economic prosperity and quality of life. A strong urban core is necessary to combat sprawl in central Ohio.

- In 2001, Mayor Michael Coleman unveiled a ten-year business plan to revitalize downtown Columbus. This plan is guided by five action strategies:

    - Build more downtown housing
    - Stabilize the downtown office market
    - Concentrate new mixed-use development around City Center and Gay Street
    - Create a riverfront park and promenade
    - Improve parking and the movement of cars, transit, and people

- A strong downtown will improve opportunities in neighborhoods that lie on its periphery, including the Near South neighborhoods, the Brewery District and Whittier Peninsula. Nationwide Insurance will continue to be a major player in downtown's revitalization as it prepares to tackle the River South District (in conjunction with Georgetown Company) next after its hugely successful Arena District project. We expect that the appeal of conducting business downtown will grow over the next several years as the number of new residents and recreation and entertainment opportunities continue to increase.

- The Chamber of Commerce is promoting further development of a strong creative services cluster in and around downtown. Advertising agencies, design firms, architectural studios, graphic artists, urban planning consultancies, and other creative companies gravitate to lively interactive environments and their employees often prefer to live in urban neighborhoods as well.

- The Chamber of Commerce has also taken a lead in combining information technology with its geographically central location (one of its existing strengths) to promote Columbus as a logistics hub. Moving forward, Columbus' sustained growth and presence of professional and technical employees should allow it to compete for jobs in growing high tech industries, such as information services, software development, logistics management, medical technologies, pharmaceuticals, publishing, insurance, and research.

- Based upon a comparative analysis of four economic development studies written on the Greater Columbus area, the Chamber of Commerce notes that recommended specific industry clusters with potential for growth in the area include:

    - Logistics and distribution
    - Logistics-sensitive manufacturing
    - Advanced business services (including information technology, data business services, marketing, design, retail support, and financial packaging/processing)
    - Insurance
    - Survey research
    - Telemarketing
    - Creative business services
    - Entertainment and the arts
    - Life sciences (healthcare, bioinformatics, research and development)

- Columbus contains a wealth of research and information resources (Ohio State, Battelle, Chemical Abstracts, and an outstanding public library system, etc.), which attracts other high profile, high-technology businesses and organizations.

- In 2004 and 2005, Columbus was recognized as a leader in high tech circles. *Popular Science* magazine ranked Columbus 7th among top tech cities in the nation. The magazine based their ratings on technology indicators such as the research and development budgets at universities, and hospital use of robotic surgery.

- Also in 2005, *Small Times*, a nanotechnology publication, rated each state in six categories, based on data from at least a dozen federal research agencies and commercial analysis firms. Ohio held on to the 10^{th} spot in the overall rankings, while rising four spots from last year to claim 10^{th} in the research category. Initiatives of The Ohio State University (OSU) played a role in each assessment. Listed among the state's pluses was the recent $12.9 million grant to OSU from the National Science Foundation to create a Nanotech Science and Engineering Center. In 2004 alone, OSU received more than $500 million in research funding. In 1999, the OSU Medical Center was the first in North America to use a new minimally invasive heart surgery technique utilizing robotic technology. In 2006, Children's Hospital was the first hospital in the country to perform a double heart transplant on infant children.

- Governor Taft's Third Frontier program, established to support technology development statewide, has spurred continued development of the area's core research strengths, including advanced materials, biosciences, instruments, controls and electronics, information technology, and power and propulsion.

- Another major economic development initiative is to encourage entrepreneurship in growth industries (especially, high tech). Columbus ranks eighth out of 50 U.S. markets for percent of population that uses the Internet daily, according to Yahoo! Since 1993, Columbus entrepreneurs have started about 4,500 to 5,000 new businesses each year. Entrepreneurs are drawn to business districts that offer a positive business image and support services and amenities they do not have in-house.

VII. AREA HOUSING CHARACTERISTICS

A. INTRODUCTION

Residential neighborhoods on Columbus' south side reflect the history of the area as a port for early working-class German, Italian, Scottish, Irish, and Hungarian immigrants to Columbus. Although the study area neighborhoods contain numerous grand homes, particularly in the German Village neighborhood around Schiller Park, the larger share of homes are small in size. The neighborhoods that flank the Parsons Avenue study area are typically single-family or duplex homes on small to medium-sized, narrow lots. Although some row house structures containing more than two units exist on the south side, the Parsons Avenue study area contains a very small share of larger (5+ units) conventional multifamily apartment buildings.

The Parsons Avenue corridor experienced a significant housing boom during the peak production years of the Buckeye Steel Castings Company, and many homes were built in the shadow of the steel plant. During the first half of the 20th century, Columbus' south side became a destination for many European and Appalachian families in search of higher paying jobs that the steel mills offered. The south side, particularly the Parsons Avenue corridor, still serves as an entry point for households moving from Appalachian areas such as Kentucky, West Virginia and Tennessee, in search of employment opportunities.

Given their proximity to German Village, one of the country's premiere historic neighborhoods, areas such as Merion Village and Schumacher Place have experienced increases in housing values, and are perceived more positively than a decade earlier. It should be noted that both of these neighborhoods share boundaries with German Village. According to preliminary results issued by the Franklin County auditor, within these two neighborhoods, housing values increased 32.0% between 2002 and 2005, from an average value of $126,553 to $167,543. Values in the Olde Towne East neighborhood just north of the study area rose 34.0% to an average of nearly $122,000. (Franklin County Auditor, *Columbus Dispatch*, August 28, 2005).

Realtors who work extensively in the south side note that there is increased interest from buyers in homes on the east side of Parsons Avenue. These neighborhoods continue to gain momentum. Area realtors interviewed note that pockets of blight continue to affect specific blocks within south side neighborhoods, particularly on the east side of Parsons. Renovation, block watch, and beautification activities are prevalent within both established and fledgling neighborhood organizations in the area.

Several realtors interviewed by our analysts comment that they do not see Parsons Avenue as a line of demarcation in terms of a property's attractiveness to buyers. One realtor commented that the neighborhoods throughout the study area should be viewed "block by block" in terms of marketability. One of the primary housing issues raised by neighborhood residents is housing maintenance. Dilapidated housing can impact the area around it for blocks, many say. Also, vacant housing provides an entrée for illegal habitation, as well as drug activity.

Neighborhood activists explain that drug activity, prostitution, and other criminal activity continue to be an issue on both sides of the corridor. However, crime watch groups and fewer vacant homes, as well as increased home ownership on the west side of Parsons Avenue has made that area significantly more attractive to homebuyers and investors over the past several years.

B. OVERVIEW OF HOUSING CHARACTERISTICS

As described in Section IV, Market Area Delineation, single-family and rental housing is expected to compete within a central city market area, defined by four separate submarkets, including the Near South, Downtown, the Short North, and the Near East. The Near South submarket is expected to be the primary market area from which support for rental housing exists.

The distribution of housing stock within the Near South submarket for 2000 and 2005 (estimated) is summarized on the following table:

	2000 CENSUS		**2005 ESTIMATED**	
NEAR SOUTH SUBMARKET HOUSING STATUS (2005)	**HOUSING UNITS**	**PERCENT**	**HOUSING UNITS**	**PERCENT**
TOTAL OCCUPIED	12,637	88.9%	12,108	89.1%
OWNER-OCCUPIED	5,956	47.1%	5,680	46.9%
RENTER-OCCUPIED	6,681	52.9%	6,428	53.1%
VACANT	1,572	11.1%	1,481	10.9%
TOTAL	14,209	100.0%	13,589	100.0%

Source: 2000 Census; Claritas

According to estimates based upon the 2000 Census, Within the South Side submarket the share of homeowners decreased slightly between 2000 and 2005. The number of vacant units also decreased slightly during this time period.

The following table contains a distribution of housing units by tenure and vacancy rates for each submarket as well as the Housing CMA.

HOUSING TENURE (2005)	SUB-MARKET DOWNTOWN	NEAR SOUTH	SHORT NORTH	NEAR EAST	TOTAL HOUSING CMA
TOTAL OCCUPIED UNITS	2,670 (91.8%)	12,108 (89.1%)	5,680 (87.4%)	9,302 (81.8%)	29,762 (86.6%)
%OWNER OCCUPIED	253 (9.5%)	5,680 (46.9%)	1,391 (21.4%)	2,786 (24.5%)	10,110 (34.0%)
% RENTER OCCUPIED	2,417 (90.5%)	6,428 (53.1%)	4,289 (66.0%)	6,516 (57.3%)	19,650 (66.0%)
% VACANT	236 (8.1%)	1,481 (10.9%)	819 12.6%	2,070 18.2%	4,606 13.4%
TOTAL	**2,908 (100.0%)**	**13,589 (100.0%)**	**6,499 (100.0%)**	**11,372 (100.0%)**	**34,368 (100.0%)**

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

The Near South submarket has a lower vacancy rate than both the Short North and Near East submarkets. Some of this can be attributed to housing condition, while we also must consider that the Short North area is one of the youngest demographic groups in the city, and younger households tend to have higher rentership and turnover rates. We expect that the higher vacancy rates within the Near East are more attributable to poor housing condition, while the higher vacancy in the Short North is due largely to higher turnover and most likely, increasing issues of affordability.

The Near East submarket contains the second largest number of housing units with nearly 11,400. This submarket contains the largest number of vacant units, with an 18.2% vacancy rate. This is an extremely high vacancy rate and reflects the age of the market, a large share of units that are owned by absentee landlords and abandoned housing. Rental housing turnover likely also accounts for a portion of the vacancies in this submarket.

Vacancies in the Downtown submarket are the lowest at 8.1%. This lower vacancy rate reflects a recent, concerted effort by the city of Columbus and other local housing stakeholders to eliminate obsolete housing in the Downtown area.

The Near South submarket contains the largest number of housing units, with 39.5% of all housing units within the Housing CMA. Of all of the submarkets, the Near South has the most evenly balanced ratio of owner- to renter-occupied housing. The Near South also has a more moderate overall vacancy rate of 10.9%, lower than that of the Housing CMA, 13.4%.

Nearly 97.0% of all housing within the Housing CMA was built prior to 1990. The following table illustrates the age distribution of housing and median length of residence within the Housing CMA submarkets:

	SUB-MARKET			
AGE OF HOUSING	**DOWNTOWN**	**NEAR SOUTH**	**SHORT NORTH**	**NEAR EAST**
1999 – MARCH 2000	0.1%	0.0%	0.5%	0.3%
1995 – 1998	1.1%	0.5%	1.4%	1.0%
1990 – 1994	2.1%	1.1%	3.5%	1.5%
BEFORE 1990	96.7%	98.4%	94.6%	97.2%
MEDIAN LENGTH OF OCCUPANCY (YEARS)	2.5	4.2	2.4	4.0

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

The Near South has the highest percentage of housing built prior to 1990, while the Short North has the lowest. This suggests that a larger amount of infill housing construction has occurred in the Short North submarket, given that all of the submarket areas contain a significant amount of pre-1940s housing. Infill activity in the Short North submarket has been steady since the late 1980s. The median length of residence (including owners and renters) in the Near South is the longest at 4.2 years, followed by the Near East at 4.0 years. Longer tenure is likely a result, particularly in the case of the Near South, of larger shares of family households as well as owner-occupied households, which tend to have longer tenure in terms of housing occupancy.

During the Census 2000, homeowners estimated the value of their homes. At that time, over 72.0% of all housing units in the Near South submarket were valued at under $100,000. We expect that this is a very conservative estimate, given that housing values in many Housing CMA neighborhoods have appreciated, and that homeowners, especially older individuals, tend to underestimate the value of their homes.

The following table summarizes housing value distribution across submarkets according to the 2000 Census:

HOUSING VALUES	DOWNTOWN	NEAR SOUTH	SHORT NORTH	NEAR EAST
2000 MEDIAN HOME VALUE	$162,261	$72,098	$146,625	$82,274
% UNDER $100,000	17.1%	72.4%	26.9%	70.1%
% $100,000 - $199,999	60.6%	17.7%	49.6%	25.0%
% $200,000 - $299,999	13.5%	5.3%	17.3%	2.5%
% 300,000 +	8.8%	4.6%	6.2%	2.4%

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

The Short North submarket contains the largest share (23.5%) of housing valued at $200,000 and above, while the Near East has the lowest (4.9%). This disparity of housing values within such a small geographical area illustrates the wide difference in perceived value and neighborhood perceptions of these two areas. While the Short North is widely recognized throughout Central Ohio and the Midwest as a successful urban renaissance neighborhood, the Near East and Near South continue to experience negative perceptions of crime, urban decay, and poverty. Over 90.0% of homes in the Near South are valued under $200,000, while just over one quarter of homes in the Short North are within this price range. The Near South, however, contains twice as many homes valued over $200,000 than does the Near East submarket.. The presence of the German Village neighborhood within the Near South submarket influences the share of higher-valued homes.

According to our 2005 field survey of "single-lot" housing development within the Housing Site CMA, the Near South sub-market, which includes the Parsons Avenue Study area, has both the broadest range of housing values as well as the highest average home *sales* value ($221,720). The Short North sub-market has the second highest average home sales value ($200,680), followed by the Near East sub-market ($106,170). The average home sales value in the Near East sub-market is 89.0% lower than the Short North sub-market, a significant differential.

The distribution of housing units by units in structure (2000) follows:

NEAR SOUTH SUBMARKET NUMBER OF UNITS IN STRUCTURE (2000)		
1; DETACHED	7,143	56.5%
1; ATTACHED	1,487	11.8%
2 TO 4	2,728	21.6%
5 TO 9	590	4.7%
10 TO 19	343	2.7%
20 TO 49	139	1.1%
50+	76	0.6%
MOBILE HOMES	131	1.0%
BOAT, RV, VANS	0	0.0%
TOTAL	12,637	100.0%

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

Nearly 90.0% of all housing units in the Near South submarket (2000) are single-unit attached or detached, or two- to four-unit structures. This reflects the lack of conventional multifamily apartment development in the area.

The distribution of housing units by number of bedrooms for the selected areas (2000) follows:

BEDROOMS	DOWNTOWN	NEAR SOUTH	SHORT NORTH	NEAR EAST	HOUSNG CMA
NO BEDROOM	17.5%	1.3%	6.4%	3.5%	4.5%
1 BEDROOM	47.4%	13.9%	30.7%	26.5%	23.8%
2 BEDROOMS	25.5%	40.2%	35.1%	28.3%	33.3%
3+ BEDROOMS	9.6%	44.6%	27.7%	41.8%	38.4%

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

Households with three or more persons comprise 30.9% of all owner-occupied households and 36.8% of renter households in the Near South submarket (Section V, page 8). Given this, the share of larger bedrooms in this submarket appears reasonable.

The Near South and the Near East submarket have the largest share of three+ -bedroom housing units, with 44.6% and 41.8%, respectively. Downtown, which contains a large number of single-room occupancy and studio units (no bedrooms) has the largest share of smaller units, with 90.4% of all housing units with two or fewer bedrooms. This is typical for Downtown housing, but according to local realtors, newer housing units under renovation or in development in the Downtown area contain a greater number of bedrooms. According to one realtor, most of the units currently in development in downtown Columbus contain at least two bedrooms.

Overall in the Housing CMA, housing unit distribution is relatively well balanced. However, the Near South contains a very low share of one-bedroom units, indicating that there may be demand for these smaller units by new, smaller households, particularly as the median age increases.

Following are average gross rents, based upon the 2000 Census:

RENTAL RATES	DOWNTOWN	NEAR SOUTH	SHORT NORTH	NEAR EAST	COLUMBUS
2000 GROSS AVERAGE RENT	$450	$577	$567	$392	$482
% OVER $1,000	4.0%	4.9%	8.4%	1.1%	3.5%

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

In 2000, the Short North had the highest share of units with rents over $1,000, while the Near South had the highest average gross rent at $577. Note that these rents are influenced by the higher rents in the Brewery District, German Village and increasingly, Merion Village. The lowest rents in the Housing CMA were in the Near East, at $392, with only 1.1% of all units leasing for over $1,000.

Based upon our 2005 apartment housing field survey, median gross rents in the Site CMA range from a low of $384 for studio units in the Near East sub-market to $1,224 for two-bedroom units in the Near South sub-market. Median gross rents are highest in most cases in the Near South sub-market. As would be expected in the market with little newer product, the Near East area currently offers the lowest median gross rents among each unit type available in that sub-market ($384 for a studio to $738 for a three-bedroom), with the exception of four-bedroom units.

Many moderate- to low-income areas contain a higher-than average share of rent-overburdened households, housing units lacking complete kitchen and bathroom facilities, and overcrowded conditions. The shares of these "indicators" point to need for additional quality affordable housing. The following table illustrates the number and share of households that are overcrowded, cost-burdened (paying over 30% of income towards rent), lacking complete plumbing and kitchen facilities for the submarkets as well as the city of Columbus, based upon the 2000 Census:

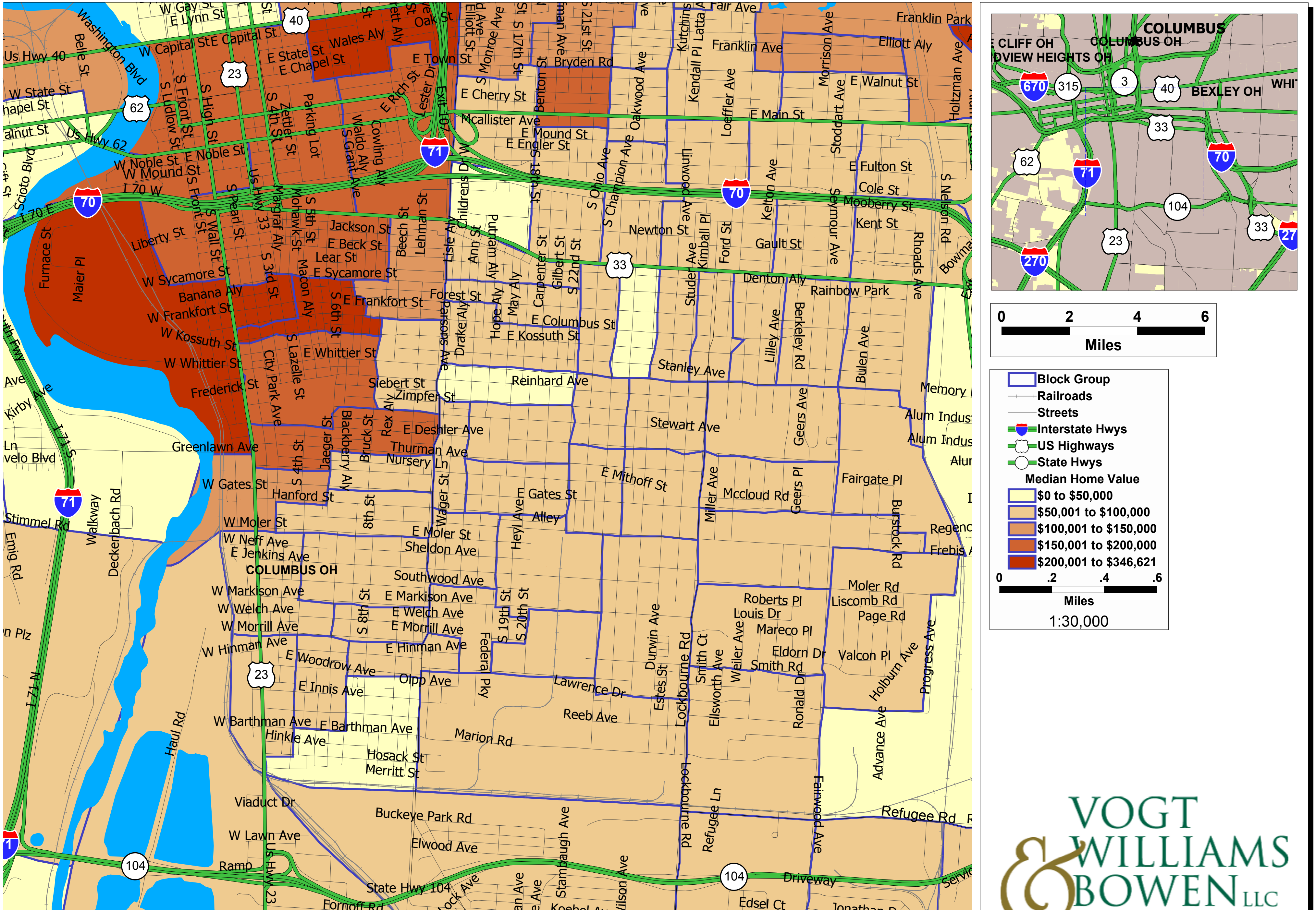
	DOWNTOWN	NEAR SOUTH	SHORT NORTH	NEAR EAST	CITY OF COLUMBUS
TOTAL RENTER HOUSEHOLDS (2000)	2,417	6,681	4,289	6,516	153,328
PAYING OVER 30% OF INCOME TOWARDS RENT	918 (38.0%)	2,406 (36.0%)	1,544 (36.0%)	2,736 (42.0%)	55,588 (36.0%)
% LACKING COMPLETE PLUMBING	2.0%	1.0%	0.0%	1.0%	0.0%
% LACKING COMPLETE KITCHEN	3.0%	0.0%	1.0%	1.0%	1.0%
% IN OVERCROWDED CONDITIONS >1.0 PERSON PER ROOM	1.0%	4.0%	2.0%	4.0%	3.0%

The Near East and Downtown sub-areas contain a slightly higher ratio of renters paying over 30.0% of their income towards rent, while the Near South and Short North areas are on par with the city. None of the sub-areas have significant shares of households lacking complete plumbing or kitchen facilities; however 4.0% of households in both the Near South and Near East submarkets have overcrowded conditions.

An analysis of existing supply and demand for single- and multifamily housing units is included in Section IX of this report.

A thematic map illustrating median home value within the Near South submarket follows.

Columbus, OH: Median Home Value (2000)



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VIII. RETAIL MARKET ANALYSIS

RETAIL DEMAND ANALYSIS

Parsons Avenue Study Area Retail Market Area

The Near South submarket is the geographic area from which most of the support as well as competition for new neighborhood commercial development along Parsons Avenue originates. The Retail Competitive Market Area (CMA) includes retail corridors Livingston Avenue, South High Street, South Third Street as well as the Parsons Avenue Study area. Regional shopping centers such as Great Southern Shopping Center, Easton, and Lennox Center also represent shopping options for Near South residents, we expect that within the realm of neighborhood-level retail, particularly within this densely populated central city area, that the primary competition for any type of new retail exists within the boundaries of the Near South submarket. The boundaries for this market area were determined through interviews with local planners, commercial real estate agents, and Parsons Avenue retailers.

The Near South submarket contains a mix of small and medium size retailers with the majority of establishments comprised of less than 10,000 square feet and fewer than 10 employees. These retailers serve daytime neighborhood workers, drive-by commuters, and surrounding neighborhood residents. Parsons Avenue has traditionally served as the "Main Street" of the Near South. Land uses within the study area on Parsons Avenue are largely commercial/retail, with scattered residential and industrial uses. Conversely, South High Street, a primary commercial corridor north of Livingston, is largely residential through the Near South of the city. The continuum of retail on South Third Avenue, Lockbourne Road, and Livingston Avenue are also broken by residential and institutional uses.

The following table illustrates household growth within the Near South submarket for the same time period:

NEAR SOUTH SUBMARKET	YEAR			
	1990 (CENSUS)	2000 (CENSUS)	2005 (ESTIMATED)	2010 (PROJECTED)
HOUSEHOLDS	13,114	12,637	12,108	11,561
HOUSEHOLD CHANGE	-	-477	-529	-547
PERCENT CHANGE	-	-3.6%	-4.2%	-4.5%
HOUSEHOLD SIZE	2.5	2.4	2.3	2.3

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

Declines in households are forecast to 2010. Continued housing development in Downtown and the Near South submarkets is expected to help slow this decline, as well as draw a slightly greater number of homeowner households to the Near South submarket.

Household size within the Near South submarket for 2000 and 2005, based on the 2000 Census, is distributed as follows:

PERSONS PER HOUSEHOLD	2000 (CENSUS)		2005 (ESTIMATED)		CHANGE 2000-2005	
	HOUSEHOLDS	PERCENT	HOUSEHOLDS	PERCENT	HOUSEHOLDS	PERCENT
1 PERSON	4,372	34.6%	4,369	36.1%	-3	-0.1%
2 PERSONS	3,970	31.4%	3,737	30.9%	-233	-5.9%
3 PERSONS	1,768	14.0%	1,683	13.9%	-85	-4.8%
4 PERSONS	1,299	10.3%	1,210	10.0%	-89	-6.9%
5 PERSONS	714	5.7%	650	5.4%	-64	-9.0%
6+ PERSONS	514	4.1%	459	3.8%	-55	-10.7%
TOTAL	12,637	100.0%	12,108	100.0%	-529	-4.2%

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

From 2000 to 2005, Census estimates indicate a slight increase in the share of one- and two-person households within the Near South submarket. This is reflective of nationwide trends in smaller households.

Estimates indicate that in 2005, these households comprise 67.0% of all households in the Near South submarket. This distribution is characteristic of modern urban markets.

The distribution of households by the age of head of household (householder) for the Near South submarket is as follows:

HOUSEHOLDS BY AGE	2005 (ESTIMATED)		2010 (PROJECTED)		CHANGE 2005-2010	
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
UNDER 25	771	6.4%	718	6.2%	-53	-6.9%
25 - 34	2,962	24.5%	2,398	20.7%	-564	-19.0%
35 - 44	2,605	21.5%	2,465	21.3%	-140	-5.4%
45 - 54	2,357	19.5%	2,265	19.6%	-92	-3.9%
55 - 64	1,614	13.3%	1,830	15.8%	216	13.4%
65 - 74	951	7.9%	1,008	8.7%	57	6.0%
75 – 84	633	5.2%	625	5.4%	-8	-1.3%
85+	215	1.8%	252	2.2%	38	17.8%
TOTAL	12,108	100.0%	11,561	100.0%	-546	-4.5%

Source: 2000 Census; AGS; Vogt Williams & Bowen, LLC

Estimates for 2005 indicate that within the Near South submarket, two-thirds of householders were between the ages of 25 and 54, indicating a strong base of working-age households. This base is expected to lose ground to the rapidly increasing 55 and over householder group by 2010.

Households by tenure are distributed as follows:

TENURE	2000 (CENSUS)		2005 (ESTIMATED)	
	HOUSEHOLDS	PERCENT	HOUSEHOLDS	PERCENT
OWNER-OCCUPIED	5,956	47.1%	5,680	46.9%
RENTER-OCCUPIED	6,681	52.9%	6,428	53.1%
TOTAL	12,637	100.0%	12,108	100.0%

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

The rate of renter-occupancy in 2000 (52.9%) in the Near South submarket reflects the lifestyle pattern of the area's top demographic group, the metropolitan renter. This is a typical balance of housing tenure for a central city neighborhood area. Census estimates to 2005 indicate a slight increase in renter households.

The following tables illustrate income distribution for the Near South submarket in 2000, 2005 and 2010.

HOUSEHOLD INCOME	2000 (CENSUS)		2005 (ESTIMATED)		2010 (PROJECTED)	
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
LESS THAN $10,000	1,694	13.4%	1,451	12.0%	1,246	10.8%
$10,000 - $19,999	2,053	16.2%	1,704	14.1%	1,410	12.2%
$20,000 - $29,999	2,254	17.8%	1,730	14.3%	1,397	12.1%
$30,000 - $39,999	1,773	14.0%	1,660	13.7%	1,468	12.7%
$40,000 - $49,999	1,273	10.1%	1,346	11.1%	1,246	10.8%
$50,000 - $59,999	1,081	8.6%	967	8.0%	1,010	8.7%
$60,000 - $74,999	886	7.0%	1,074	8.9%	1,042	9.0%
$75,000 - $99,999	713	5.6%	895	7.4%	1,062	9.2%
$100,000 & HIGHER	910	7.2%	1,281	10.6%	1,680	14.5%
TOTAL	12,637	100.0%	12,108	100.0%	11,561	100.0%
MEDIAN INCOME	$31,680		$36,732		$42,066	

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

The 2000 median income in the Near South submarket is nearly 23.0% lower than the statewide median of $41,000. This income differential is typical of many older urban areas. In 2005, an estimated 54.1% of households in the Near South submarket in 2005 earn less than $40,000 annually. While this share is expected to decrease to 48.0% in 2010, this large share reflects a lower level of purchasing power. However, increases within the $75,000 and higher income category are significant between 2005 and 2010 at 69.0%. These income groups are, in our opinion, primarily reflective of the inclusion of the German Village and Brewery District households within the Near South submarket, and the earning power and upward mobility of householders. However it is important to note that the large majority (67.0%) of households in 2005 are small one- and two-person households. Given this, we expect more spending power per household.

Educational Attainment for the Near South submarket and Franklin County is as follows:

EDUCATIONAL ATTAINMENT LEVEL (2000)	NEAR SOUTH SUBMARKET	COLUMBUS CITY	FRANKLIN COUNTY
LESS THAN 9TH GRADE (%)	5.8%	3.8%	3.3%
SOME HIGH SCHOOL (%)	23.0%	12.0%	10.6%
HIGH SCHOOL GRADUATES (%)	28.4%	27.0%	26.9%
SOME COLLEGE (%)	15.6%	22.0%	21.4%
ASSOCIATE'S DEGREE (%)	3.6%	5.7%	5.6%
BACHELOR'S DEGREE (%)	15.2%	20.4%	21.5%
GRADUATE SCHOOL (%)	8.4%	9.3%	10.7%
TOTAL POPULATION AGE 25+ (%)	18,793 (100.0%)	461,345 (100.0%)	702,082 (100.0%)

Near South submarket adults age 25 and over are nearly twice as likely to have not finished high school. Further these residents are 25.0% less likely to have not completed a bachelor’s degree, compared with the city of Columbus and Franklin County. The share of Near South adults with associate’s degrees is also lower than the other selected areas. Typically educational attainment signifies higher earning capabilities. It is significant that the Near South has much lower educational attainment rates than the surrounding city and county areas. This indicates limitations on upward economic mobility for these adults, and therefore limited purchasing power.

Over 70.0% of residents are aged between 19 and 64, comprising a significant number of workforce-eligible residents within the Near South submarket. The Near South submarket has a 2005 median household income of nearly $37,000 and relatively affordable cost of living. Housing values reported by homeowners for Census 2000 yield a median housing value of $71,000, and a median length of stay of four years.

Employment by industry estimates for 2005 within the Near South submarket indicate a predominance of Retail, Professional Services, Health Care, Hospitality/Food Services and Educational Services jobs in the area. Jobs in three of the five industry groups (Health Care, Social Services, Educational Services, Financial Services and Real Estate) tend to be higher paying and likely contribute to increased buying power among Near South submarket daytime employees. However statistics indicate that according to educational attainment, these positions are not a reflection of the workforce makeup of the residential population of the area. However, they are an indication of the potential for retail and services along Parsons Avenue to capture some of the expendable income from daytime workers. It is our opinion that appropriately positioned Parsons Avenue retailer could more effectively capture downtown and neighborhood worker dollars.

Residents of the Near South submarket have an estimated 2005 aggregate income of $575 million, within a trade area size of 5.31 square miles, or $108.3 million per square mile, This translates to a per capita income of $19,172, 6.3% lower than the per capita income for the city of Columbus ($20,455).

In addition to evaluating demographic and economic data, we have also considered lifestyle segmentation that evaluates consumer preferences. While neighborhoods may share similar economic and demographic characteristics, the likelihood they will support new retail offerings along Parsons Avenue should be evaluated. The five top lifestyle groups include:

- Multi-Culti Mosaic, a mixed populace of younger Hispanic, African-American and Asian singles and families

- American Dreams, middle-class, middle-aged populations, more of half of which are African-American, Hispanic, and Asian

- Low-Rise Living, the most economically challenged urban segment, comprised of young, ethnically diverse singles and single parents

- City Roots, a segment of lower-income retiree homeowners living in older homes.

- Close-In Couples includes older couples living in older homes with more secure retirement years than their City Roots counterparts

It is of note that Low-Rise Living, City Roots and Close-In Couples tend to be more conservative in their spending than the younger and more upwardly mobile groups in the Near South submarket neighborhood mix. These three groups tend to be less adventurous shoppers, and are far less likely to flex their spending muscles in uncharted retail territory. The addition of well-recognized, affordable chain restaurants or discount general merchandisers would more effectively capture the attention of these households.

Multi-Culti Mosaic dominates the landscape of the Near South submarket. Although this group symbolizes potential spending power, these young households have lower incomes and operate on a budget, with limited extra dollars to spend above the basics. Urban street wear for the whole family, discount clothing and accessories, fast food and fast casual restaurants, CDs and DVDs and consumer electronics are popular within this group.

American Dreams occupies the second largest piece of the Near South demographic pie. These established households are typically comprised of one or two working adults with children. In the case of the Near South submarket, American Dreams is comprised of predominantly African-American households earning middle-class wages with a fair amount of expendable income. With children at home, these households spend on food (from the grocery store as well as eating and drinking establishments), clothing, home goods and automobile travel. Family restaurants and fast food are popular with this group.

A more in-depth analysis of all of the PRIZM™ groups can be found is Section V of this report.

Profiles of estimated and projected consumer expenditures provide insight into spending patterns of Near South submarket residents, as well as into the channels that comprise the greatest share of consumer spending power.

An examination of annual growth within general consumer channels also indicates sectors and channels that are expanding, as well as those that are declining. The Market Index provides a comparison to nationwide spending power.

Projections for the Near South submarket from 2005 to 2010 for total specified consumer expenditures are summarized in the following table.

SPECIFIED CONSUMER EXPENDITURES (AGGREGATE) NEAR SOUTH SUBMARKET 2005 - 2010						
	2005	**% OF TOTAL**	**2010**	**% OF TOTAL**	**AVERAGE ANNUAL GROWTH 2005 - 2010**	**MARKET INDEX TO USA**
TOTAL	**$464.5**	**100.0%**	**$527.6**	**100.0%**	**2.7%**	**83**
FOOD AT HOME	$55.4	11.9%	$57.0	10.8%	0.6%	83
FOOD AWAY FROM HOME & ALCOHOL	$65.5	14.1%	$70.2	13.3%	1.4%	91
DAY CARE, EDUCATION & CONTRIBUTIONS	$31.8	6.9%	$36.4	6.9%	2.9%	77
HEALTHCARE	$37.8	8.2%	$54.6	10.3%	8.8%	85
HOUSEHOLD FURNISHINGS & APPLIANCES	$25.9	5.6%	$28.2	5.4%	1.8%	77
HOUSING RELATED & PERSONAL	$45.3	9.8%	$50.9	9.7%	2.5%	78
PERSONAL CARE & SMOKING PRODUCTS	$19.9	4.3%	$21.9	4.2%	2.0%	97
PET EXPENSES	$4.4	0.9%	$5.2	1.0%	4.0%	77
SPORTS & ENTERTAINMENT	$50.0	10.8%	$58.9	11.2%	3.5%	83
TRANSPORTATION & AUTO EXPENSES	$85.9	18.5%	$98.0	18.6%	2.8%	81
TOTAL APPAREL	$42.6	9.2%	$46.3	8.8%	1.7%	84
		100.0%		100.0%		

In 2005, estimated total consumer expenditures totaled $464.5 million. Of this, an estimated 18.5%, the largest share, was spent within the Transportation and Auto Expenses category. This channel is typically the largest consumer expenditure, and it is notable that the spending index of this category compared to national spending is significantly less at 81. Transportation and Auto Expenses are expected to increase by 2.8% by 2010.

The second highest share of total consumer expenditures is Food Away From Home and Alcohol, which made up 14.1% of total consumer expenditures in 2005, and is also projected to increase moderately by 1.4% between 2005 and 2010. Note that this category, along with Personal Care and Smoking Products, are within the 10 points of the national spending index. At 91 and 97, respectively, the indices for Food Away From Home and Alcohol and Personal Care and Smoking Products indicate that spending power is comparatively strong within these categories.

The most significant increase in consumer spending is on Healthcare, with spending increasing *annually* by nearly 9.0%. This $37.8 million channel includes including medical services ($14.5), prescription drugs ($21.7) and medical supplies ($1.6). These increases are expected to divert retail dollars primarily toward prescription drugs as the Near South population ages.

Also exhibiting high annual growth rates are the Pet Expenses, Sports and Entertainment, and Daycare-Education-Contributions categories. Of these three categories, Pet Expenses is projected for the highest growth rate at 4.0%. As increasing shares of households demonstrate a willingness to spend on their pets, we expect to see continued growth within this relatively small channel.

In addition to comprising a growing share of consumer expenditures, Sports and Entertainment is projected for healthy annual growth of 3.5% to 2010. This growth is likely a result of the combined purchasing power of family households, active singles, childless couples and empty nesters.

While continuing to make up about 7.0% of consumer expenditures in both 2005 and 2010, Daycare, Education and Contributions spending is expected to increase at an annual rate of 2.9%. This growth is likely driven by the fact that nearly 23.0% of the population within the Near South submarket was under the age of 14 in 2000. Further, while enrollment within Columbus Public Schools (which serves the Near South submarket) continues to decline, we expect to see households within the school system continue to migrate toward K-12 schools that offer educational services for a range of fees.

The Near South submarket includes German Village and the Brewery District. Both of these areas draw significantly from the surrounding Central Ohio area because of their status as dining and entertainment destinations. These areas positively impact sales within the Near South submarket.

Because we expect that as the Study Area evolves, it will draw increasingly from non-resident customers for support, it is important to consider consumer expenditures (from resident households) with total sales (from local businesses) to determine the economic impact from dining and entertainment "destination" visitors, daytime workers, commuters and other customers. Therefore we have determined expenditures and sales for the Near South submarket as well as for the submarket without consideration of German Village and the Brewery District.

The following tables illustrate these differences:

CONSUMER EXPENDITURES AND SALES (IN MILLIONS) NEAR SOUTH SUBMARKET (2005)			
	EXPENDITURES	**SALES**	**EXPENDITURE/ SALES DIFFERENTIAL**
FOOD STORES	$65.5	$83.0	+$17.5
EATING AND DRINKING PLACES	$39.5	$100.0	+$60.5
HOME IMPROVEMENT STORES	$11.6	$27.0	+$15.4
GENERAL MERCHANDISE	$132.8	$21.0	-$111.8
TOTAL HOME FURNISHINGS	$17.8	$15.0	-$2.8
TOTAL CLOTHING AND ACCESSORIES	$55.1	$33.0	-$22.1
TOTAL AUTO AND GAS	$82.2	$67.0	-$15.2
TOTAL MISCELLANEOUS RETAIL STORES	$9.9	$51.0	+$41.1
TOTAL	**$414.4**	**$398.0**	**-$16.4**

CONSUMER EXPENDITURES AND SALES (IN MILLIONS) NEAR SOUTH SUBMARKET (2005) EXCLUDING GERMAN VILLAGE AND THE BREWERY DISTRICT			
	EXPENDITURES	**SALES**	**EXPENDITURE/ SALES DIFFERENTIAL**
FOOD STORES	$51.5	$73.0	+$21.5
EATING AND DRINKING PLACES	$28.0	$31.0	+$3.0
HOME IMPROVEMENT STORES	$8.4	$11.0	+$2.6
GENERAL MERCHANDISE	$96.7	$23.0	-$73.7
TOTAL HOME FURNISHINGS	$12.4	$6.0	-$6.4
TOTAL CLOTHING AND ACCESSORIES	$39.5	$4.0	-$35.5
TOTAL AUTO AND GAS	$59.4	$65.0	+$5.6
TOTAL MISCELLANEOUS RETAIL STORES	$12.9	$19.0	+$6.1
TOTAL	**$308.8**	**$232.0**	**-$95.9**

As evidenced by the tables above, food stores within the Near South submarket receive support from outside the area, likely from the many daytime workers and commuters, as well as households who are underserved by grocery stores to the east and north of the submarket. When we do not consider German Village and the Brewery District, the sales among food stores (which include grocery and convenience stores) is higher. This indicates potential to grow retail clusters and capture commuter and daytime worker traffic in the vicinity of the Near South's larger grocery stores, including the Kroger store on the northwest corner of Parsons Sheldon Avenues.

Sales within the Near South submarket for Eating and Drinking Places are greater than expenditures. This is to be expected, given the food and nightlife destination status of German Village and the Brewery District. However, the Near South submarket excluding these two areas also has higher sales than expenditures, indicating that even with limited offerings, sales are greater. It is our opinion that increased offerings in the eating and drinking places category could draw an even larger number of dollars from commuters and daytime workers as well as local residents, even without the additional draw of German Village and areas to the west.

RETAIL SUPPLY ANALYSIS

Central City Retail Development Trends

According to recent research, Central Columbus is the only under-retailed zone within Franklin County. It has less than half of Franklin County's shopping center space per capita. The typical shopping center in central Columbus is 30 years old. Central Columbus residents spend a larger portion of their collective incomes on retail purchases, especially basics. Higher household density creates larger markets in urban areas. The drugstore chains, particularly CVS and Walgreen's have discovered and embraced urban markets; and other segments of the retail industry will follow, in our view. The International Council of Shopping Centers is reaching out to community development corporations through a new Ohio Alliance program that promotes public-private partnerships. Target recently opened a store at Graceland Mall on the city's north side, Lowe's, is pleased with its Hudson Street location, and Wal-Mart, Home Depot, and others are rumored to be scouting for urban locations. The addition of an increased number of chain and big box retailers is expected to provide stiff competition to local neighborhood retailers; however we expect that given the density of population and daytime workers in the target area, that the two retail types could be complimentary and coexist well, even benefiting each other given the appropriate mix of offerings. Based upon interviews and focus groups with local residents, the Parsons Avenue corridor is well served in terms of grocery stores.

Redevelopment of older retail corridors (Nationwide Arena District, Graceland Shopping Center, The Ohio State University campus, Northland and Eastland Malls) is commonplace within the Columbus over the past several years. However many neighborhood retail areas continue to perish under ever-increasing competition from the big boxes and newer centers, many of which are located outside the city limits.

The Columbus City Center, a three-story downtown mall, opened in 1989 and showcased as a regional destination during the early and mid 1990s, continues to lose tenants. City officials hoped that the center's development would facilitate housing and other retail growth in downtown. Developed by The Taubman Company, a Michigan-based developer of upscale shopping centers, the City Center is currently operated by The Mills Corporation, a real estate investment company that also operates Tuttle Crossing. It is of note that the Mills Corporation, which invested in the floundering center in 2005, only operates about half of the total retail space within the City Center. A local charter school is also a tenant, occupying approximately 15.0% of the mall. Local development officials comment that there is hope for the City Center in the form of the RiverSouth Redevelopment Project. One development representative comments that the growth of housing in downtown, as well as other improvements to the southwestern portion of downtown, is expected to positively impact the City Center. He notes, however, that retail uses may not comprise the largest share of a revamped City Center mall.

According to the most recent report by CB Richard Ellis (Q1 2006), overall retail vacancies in Columbus were stable in 2005, hovering between 10.0% and 11.0%. Lease rates also remained stable in 2005 with direct triple net rent of all types averaging $8.69. The average asking rates in older markets (C and D class centers) were $2.00 to $4.00 per square foot (triple net) for 30,000 to 150,000 square feet. For centers ranging from 1,500 to 30,000 square feet, asking rates were $8.00 to $12.00. In new markets (A and B class centers), asking rates were $8.00 to $12.00 per square foot (triple net) for 30,000 to 150,000 square feet and $18.00 to $22.00 per square foot (triple net) for 1,500 to 30,000 square feet.

<u>Near South Submarket Retail Profile</u>

The diversity of the Near South is reflected in its retail offerings. The South High and Parsons Avenue Corridors contain a variety of neighborhood and convenience retailers targeting primarily those who live and work in the area. However, the Near South's Brewery District and German Village attract a healthy component of non-neighborhood consumers, particularly on the weekends. The two areas attract a component of specialty shoppers and those who appreciate the wide variety of casual and fine dining restaurants, as well as taverns and nightclubs.

While the downtown retail mix consists of convenience goods and services as well as lunchtime eating establishments, the Near South retail corridors, including Front, High, and Third Streets, contain a rich variety of specialty shops, upscale restaurants and budget carry-outs. Retail establishments tend to be more upscale in the German Village area. With a mix of antique and specialty shops, a variety of restaurants ranging from upscale to casual, and small convenience stores, the German Village retail district has offerings for surrounding neighborhood residents, downtown workers, and specialty shoppers. In the late 1960s and throughout the 1970s, renovations to historic buildings and infrastructure updates have created a retail climate that serves neighborhood residents and provides an interesting and varied destination for Central Ohio shoppers.

Establishments located along South High Street south of Thurman Avenue, Parsons Avenue, and Lockbourne Road target lower-income family shoppers. The Brewery District's retail offerings are more homogenous, comprised primarily of eating and drinking establishments targeting both the lunch and dinner crowds, as well as weekend entertainment seekers.

In March of 2005, the South Side Schottensteins Department Store closed its doors after over 90 years in business. The building, located at 1887 Parsons Avenue, employed 72 workers at the time the closing announcement was made. Retail Ventures, Inc., the chain's Columbus-based parent company, noted in a news release in January 2005 that the closing was a "difficult decision" even though the store had been unprofitable for years. "We have had a store on the South Side for more than 90 years, and the Schottensteins south store has a great deal of historic significance to our company and to the community," said Jim McGrady, chief financial officer of the department store chain.

Company founder E. L. Schottenstein opened a store on Parsons Avenue in 1912 after three years of selling clothing by horse and buggy. The store moved to its present location in 1930. During the heyday of the steel industry, immigrants flocked to the store on Friday evenings to cash their paychecks, most of which were gotten in the nearby factories and steel companies. Decline of the neighborhood spelled the ultimate decline of the area's hallmark department store.

The following table outlines the distribution of square footage and occupancies within the sub-markets and the Near South submarket:

	OCCUPANCY RATES		
RETAIL AREA	**TOTAL SQUARE FEET**	**AVAILABLE SQUARE FEET**	**PERCENT OCCUPIED**
DOWNTOWN[4]	826,514	57,902	93.0%
CITY CENTER[3]	703,000	246,050	65.0%
GERMAN VILLAGE[1]	271,196	10,224	96.2%
MERION VILLAGE	138,155	4,226	96.9%
BREWERY DISTRICT[2]	489,189	14,166	97.1%
PARSONS AVENUE	615,795	138,282	77.5%
TOTAL	**3,043,849**	**470,850**	**84.5%**

1-Info from five properties not available
2-Info from five properties, including one vacant, not available
3-Occupancy includes non-retail (charter school) tenants
4-Square footage info from two vacant properties not available

The overall occupancy rate for retail establishments surveyed in the Near South submarket is 84.5%. This rate is negatively affected by the high vacancy rate within the City Center and the former Schottensteins building. Excluding the City Center from the equation yields an overall occupancy rate among properties surveyed of 90.4%. This is a moderate occupancy rate and a good indicator of the general health neighborhood-scale retail within the Downtown and Near South submarkets. However the vacancy within the Schottensteins building negatively impacts the overall rate within the Parsons Avenue corridor.

Both the Downtown and Near South have long-established “retail cultures” and many retail tenants in both the Downtown and Near South submarkets have been in business for decades. To some extent, this is due to their proximity to “locked in” audiences—downtown workers and neighborhood residents.

Some of the lowest quality retail space is located in the far southern area of the South High, South Third and Parsons Avenue corridors. It is notable that due to vacancies within several large retail/commercial structures along Parsons Avenue, that corridor has the highest vacancy rate at 77.5%.

The following table illustrates retail space in the Near South submarket by sub-area and age.

	AGE OF RETAIL (SQUARE FEET)			
RETAIL AREA	**BEFORE 1980**	**1980 – 1989**	**1990 – 1999**	**2000 – 2005**
DOWNTOWN[3]	39,668*	3,840	23,639	4,650
CITY CENTER	0	0	703,000	0
GERMAN VILLAGE[1]	247,958***	10,466	12,772	0
MERION VILLAGE	130,001	5,472	2,682	0
BREWERY DISTRICT[2]	322,814**	10,572	27,300	128,503
PARSONS AVENUE	572,005	26,240	17,550	0
TOTAL (%)	1,312,446	56,590	786,943	133,153

1-Info from five properties, including one vacant, not available
2-Info from five properties, including one vacant, not available
3-Square footage info from two properties, both vacant, not available
*Six buildings have been renovated
**One building has been renovated
***Ten buildings have been renovated

Nearly 93.0% of retail space within the Parsons Avenue corridor was developed prior to 1980. Similarly, 71.8% of 899,000 square feet of retail space reporting square footages in German Village, the Brewery District, and Merion Village was built before 1980. While Downtown contains a smaller share of pre-1980 retail stock, many buildings are historic in nature.

According to our field analysts, a number of retail structures within Downtown and the Near South submarket appear to have undergone extensive renovations to maintain their historic character and structural integrity. Overall, retail real estate in Downtown and the Near South is in very good condition, given the predominance of older building stock. Our field analysts note that the Parsons Avenue and South High Street retail areas surveyed do not appear to be as well maintained.

The following table illustrates lease rates (per square foot) for the five retail sub-areas:

	LEASE-RATES (GROSS)	
RETAIL AREA	**LOW**	**HIGH**
DOWNTOWN	$0.80	$13.50
CITY CENTER	N/A	N/A
GERMAN VILLAGE	$5.40	$20.00
MERION VILLAGE	$6.50	$9.70
BREWERY DISTRICT	$8.00	$15.00
PARSONS AVENUE	$2.50	$6.00
RANGE	**$0.80 -$8.00**	**$6.00 - $20.00**

Our preliminary analysis of lease rates within the selected retail corridors yields a relatively wide range of rents. Leasing agents for the City Center comment that lease rates are negotiated on a per tenant basis, and did not provide low or high rates for that space.

Note that Parsons Avenue and South High Street in Merion Village have the lowest lease rates. These corridors contain a retail mix that caters to generally lower-income consumers. Lower rates are typical of smaller, neighborhood retail spaces, and as the table illustrates, rates for smaller retail spaces are low even for the specialty retailers in Downtown and German Village. These rates are in contrast to retail rates on the Interstate 670 Cap in the upscale Short North submarket, which range (gross) from $25 to $35 per square foot. We expect that, because of the amount of tenure that many Downtown and Near South businesses have in their current space, these rates would be significantly higher for new businesses moving into the same space. This is confirmed by one realtor based in Columbus' south side, who adds that she believes the Merion Village area will experience increases in retail leasing rates over the next several years.

The following table illustrates the distribution of retail types by square footage for the Parsons Avenue study area.

	PARSONS AVENUE RETAIL ESTABLISHMENTS (2005)			
RETAIL TYPE	**NUMBER**	**SHARE**	**SQUARE FEET**	**SHARE**
Auto Parts & Service/Gas	16	11.2%	68,596	11.1%
Bar/Carry Out/Drive-thru	12	8.4%	39,155	6.4%
Cell Phone/Pager	7	4.9%	32,406	5.3%
Check Cashing	2	1.4%	4,500	0.7%
Clothing & Dept. Stores-New	5	3.5%	19,420	3.2%
FIRE	7	4.9%	16,170	2.6%
Used Furniture and Appliances	12	8.4%	45,223	8.1%
Hardware	1	0.7%	4,889	0.8%
Grocery	3	2.1%	78,436	12.7%
Health Care	3	2.1%	12,000	1.9%
Pawn/Thrift Stores	7	4.9%	19,107	3.1%
Personal Services	11	7.7%	36,464	5.9%
Pharmacy	2	1.4%	18,342	3.0%
Professional Services	8	5.6%	33,875	5.5%
Restaurants	11	7.7%	31,116	5.1%
Used Automobile	14	9.8%	17,814	2.9%
Vacant	22	15.4%	138,282	22.5%
Total	**143**	**100.0%**	**615,795**	**100.0%**

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Of the 143 retail sites surveyed, 22 were vacant at the time of our survey. We were able to obtain comprehensive square footage information for these and the occupied retail spaces through the Franklin County Auditor's website and from business or property owners.

With nearly 13.0% of the total survey, grocery stores comprise the highest share of square footages in the corridor, followed by auto parts and service and gas stations, with 11.1%.

While used automobile sales establishments occupy a large and highly visible portion of the corridor, the actual retail space is comparatively small, given sales offices are generally small buildings on larger lots.

Note that while the Bobb Chevrolet dealership is located at the northeastern corner of Parsons Avenue and Livingston, this business address is Livingston Avenue, and therefore we have not included it in our survey. However, the dealership marks the northern entrance to the study area, and is a significant presence in the area. The dealership differs from the majority of businesses surveyed along Parsons Avenue in that it draws from a wider market area, and is not considered neighborhood retail. However, we do expect that some synergies exist between the larger, more prominent Bobb dealership and the smaller used car sales businesses further south on Parsons Avenue. Several used automobile business owners report a moderate level of drive-by business (such as commuters who see a car while driving to or from work), as well as central city customers familiar with the corridor.

Conclusions

Based upon our demographic and economic analysis of the Near South submarket, field survey of retail space, and interviews with project stakeholders, it is our opinion that retail developed within the Parsons Avenue corridor should provide a small-scale continuum architecture and retail type from the downtown and surrounding retail strips, catering to neighborhood residents and daytime workers.

Given the synergies that exist within the Study Area for "used" and "thrift" products, we expect that additional establishments within these niches would have a good likelihood of survival. However it is our opinion that additional well-placed eating and drinking establishments would help to create "family dining" and "fast casual" synergies to serve the more budget challenged residents of the area as well as on-the-go workers. We expect that development of restaurant space along Parsons Avenue would attract affluent customers from neighborhoods to the west.

The predominance of smaller retail spaces in Near South submarket as well as zero-line setback and multi-story space is in keeping with the “rough” plan for retail within the Parsons Avenue corridor.

Project stakeholders voice concerns related to "gentrification" of retail and commercial development along Parsons Avenue. These stakeholders indicate that they would like the corridor to reflect the character of the neighborhood and its history as a multi-ethnic, working class area.

Local respondents note that high levels of crime, or at least the perception of crime, deter potential businesses, lending institutions, and customers.

Some retailers have been in business along Parsons Avenue for decades, and say that neighborhood residents are very loyal to local businesses.

Parking is a major concern for stakeholders, some who argue that the zero setback design overlay (that would not allow for front of store parking lots) hurts Parsons Avenue businesses. Others argue that it hasn’t hurt businesses in German Village, the Short North, or areas of Franklinton.

Recommendations for development of specific areas of the corridor, as well as more general recommendations concerning new retail and commercial development, are found in Section II - Conclusions and Recommendations of this report.

IX. HOUSING ANALYSIS

A. SINGLE-FAMILY MARKET SURVEY

The Parsons Avenue study area is an established, historic area containing a large share of homes built prior to 1950. The Near South submarket contains only one "subdivision", defined as a multiple-lot (more than two lots) home development designed or built by a single developer. This project, the high-end Schiller Haus, is located in German Village.

Given the historic character of neighborhoods surrounding the study area, the inventory of newer subdivisions is constrained significantly by the absence of available land. It is therefore also important to consider "single-lot" developments – individual "infill" homes built on a single site or scattered sites. An analysis of newer "single-lot" homes within the Housing Competitive Market Area (defined by the Near South, Downtown, Short North and Near East submarkets) is presented in *Section C* below.

In September 2005, we identified 10 subdivisions located in the four central city submarkets. Among these subdivisions, six communities are currently "active" with unsold product, while the remaining four communities are "established" without new product. The six active subdivisions have a total of 149 units of which 31 are sold; the four established subdivisions have sold 74 total units.

Note that all of the subdivisions identified in the market have production built homes. "Production" subdivisions sell the completed house to the end user. By contrast, "estate lot" subdivisions sell lots to end users, requiring the lot owner to assume responsibility of building the house.

A significant factor that impacts single-family housing sales/values is the local school district. All the selected properties are located within the Columbus City School District. According to realtors based in the German Village and Merion Village area, this factor influences the types of households seeking to purchase homes within the Near South submarket. These households tend to be childless couples or empty nesters, rather than family households with school-age children. The district is currently in the Academic Watch designation assigned by the Ohio Department of Education. This designation indicates that there is need for improvement within the Columbus City Schools in terms of performance indicators and adequate yearly progress.

The following table provides the status of properties included in our survey.

PROJECT STATUS	NUMBER OF PROJECTS	TOTAL UNITS*
ESTABLISHED	4	74
ACTIVE	6	149
TOTAL	10	223

*Includes sold and unsold units.

The relatively small number of newer single-family subdivisions within the Housing Competitive Market Area is largely attributed to scarcity of land, given the well-established, high-density character of the central city area.

The following table summaries the inventory of single-family product by sub-markets within the four central city submarkets.

	ALL SUBDIVISIONS		
SUB-MARKET	**TOTAL PROJECTS**	**TOTAL UNITS**	**SOLD UNITS**
NEAR EAST	5	117	81
DOWNTOWN	0	0	0
SHORT NORTH	4	100	18
NEAR SOUTH	1	6	6
CMA TOTAL	**10**	**223**	**105**

Newer single-family housing subdivision product is concentrated in the Near East and Near North sub-markets, which together account for approximately 97.3% of total inventory. Notice that there are no newer single-family subdivisions located in the Downtown sub-market and only one located in the Near South sub-market. Limited availability and high cost for land in the Downtown sub-market has made attached condominium housing a more economical alternative.

The following table summaries the volume of annual single-family subdivision sales since 2000 by sub-market:

SUB-MARKET	2000	2001	2002	2003	2004	2005*	TOTAL
NEAR EAST	0	0	0	4	9	7	**20**
DOWNTOWN	0	0	0	0	0	0	**0**
SHORT NORTH	0	0	3	4	2	2	**11**
NEAR SOUTH	0	0	0	0	0	0	**0**
TOTAL	**0**	**0**	**3**	**8**	**11**	**9**	**31**
% YOY CHANGE	**-**	**0.0%**	**0.0%**	**166.7%**	**37.5%**	**-18.2%**	**-**

*Sales through June 2005; YOY – Year Over Year

Since 2000, the Housing CMA absorbed 31 new single-family homes in subdivisions. This translates into an average sales velocity of approximately 0.5 units monthly, a low rate. Nonetheless, the number of home sales has grown steadily. Aggregate year over year growth has trended positive over the past two years.

The following table details the 10 single-family subdivisions. Currently active projects are bolded.

MAP ID	PROJECT	SUB-MARKET	TOTAL UNITS	SOLD UNITS	MONTHLY ABSORPTION	AVERAGE HOME VALUE (2005)
1*	**WILEY ESTATE HOMES**	**NEAR EAST**	**9**	**4**	**0.3**	**$138,000**
2	CAPITOL VIEW ESTATES	NEAR EAST	44	44	2.1	$75,000
3*	**TAYLOR HOMES**	**NEAR EAST**	**15**	**11**	**0.5**	**$130,000**
4	ELIJAH PIERCE ESTATES	NEAR EAST	17	17	0.5	$94,000
5*	**NORTH OF BROAD**	**NEAR EAST**	**32**	**5**	**1.0**	**$155,000**
6	SCHILLER HAUS	NEAR SOUTH	6	6	0.3	$335,000
7*	**NEW VICTORIANS**	**SHORT NORTH**	**20**	**11**	**0.3**	**$250,000**
8	586 SOUTH 2ND AVENUE	SHORT NORTH	7	7	0.1	$46,500
9*	**RESIDENCE OF ITALIAN VILLAGE**	**SHORT NORTH**	**11**	**0**	**0.0**	**$335,000**
10*	**HARRISON PARK**	**SHORT NORTH**	**62**	**0**	**0.0**	**$390,000**
	TOTALS/AVERAGES	**-**	**223**	**105**	**0.5**	**$194,850**

*Currently active subdivisions; certificates of occupancy not issued; Harrison Park has 25 reservations

Three of the six active projects are located in the Near East sub-market and three are within the Short North sub-market. The following table details the active projects by sub-market:

	ACTIVE SINGLE-FAMILY SUBDIVISIONS						
SUB-MARKET	**ACTIVE PROJECTS**	**TOTAL UNITS**	**AVAIL. UNITS**	**AVERAGE PRICE RANGE**	**AVERAGE PRICE**	**MEDIAN PRICE/SF***	**MONTHLY ABSORP.****
NEAR EAST	3	56	36	$130,000 – $155,000	$141,000	$90.00	0.6
DOWNTOWN	0	0	0	N/A	N/A	N/A	N/A
SHORT NORTH	3	93	82	$250,000 – $390,000	$325,000	$208.33	0.3
NEAR SOUTH	0	0	0	N/A	N/A	N/A	N/A
CMA TOTAL	**6**	**149**	**118**	**$130,000 – $390,000**	**$233,000**	**$108.52**	**0.5**

*Base pricing per square foot, excluding options
**Average monthly sales per project

Average pricing and median pricing per square foot for new single-family housing in the Short North sub-market is greater than twice the pricing offered in the Near East sub-market. It is interesting to note that average monthly absorption rate is inversely related to price.

The average absorption rate in the Near East sub-market (0.6 units monthly) is twice the rate of the Short North sub-market. Note that the average absorption figures exclude two projects in the Short North sub-market. Both Residence of Italian Village and Harrison Park are newly opened and have yet to record a sale, although as of September 2005, 25 reservations had been placed on homes at Harrison Park.

The following table lists the active properties, the product offered, unit sizes, sales prices, and sales price per square foot:

**PRICE ANALYSIS AND AVAILABILITY
BY BEDROOM TYPE
ACTIVE SINGLE-FAMILY SUBDIVISIONS
SEPTEMBER 2005**

MAP ID	PROJECT	HOME DESCRIPTION			SQ. FT.	BASE PRICE	PRICE PER SQ. FT.	AVAIL. UNITS
		BRS	BATHS	STYLE				
1	WILEY ESTATE HOMES	3	1.5	2-STORY	1,320	$143,000	$108.33	5
3		3	1.5	2-STORY	1,400 – 1,572	$145,000	$92.24-$103.57	0
	TAYLOR HOMES	2	1.0	2-STORY	1,200 – 1,332	$79,900	$59.98-$66.58	4
5	NORTH OF BROAD	3	2.5	2-STORY	1,500 – 1,800	$135,000	$75.00-$90.00	27
7	NEW VICTORIANS	3	2.5	2-STORY	2,300	$250,000	$108.70	9
9	RESIDENCE OF ITALIAN VILLAGE	3	3.5	2-STORY	2,300	$335,000	$145.65	11
		3	2.5	2-STORY	1,922 – 2,016	$405,000	$200.89-$210.72	19
		2	2.5	2-STORY	1,644 – 1,680	$350,000	$208.33-$212.90	27
10	HARRISON PARK	2	2.5	2-STORY	1,344	$300,000	$223.21	16

The average price per square foot for these homes is $136.86, and the median price is $108.52. As noted above, the median price per square foot for the Near East sub-market is $90.00, while the median price per square foot for the Short North sub-market is $208.33.

A total of 118 single-family homes in subdivisions are currently available in the Columbus Central City area. Most of the currently available product (82 units or 69.5%) is located within the Short North sub-market. Harrison Park, located within the far western portion of the Short North sub-market, has the largest number of available units (62 units) as well as the highest pricing among active subdivisions. Note, however, that Harrison Park has presold 25 of its 62 units.

B. PLANNED SINGLE-FAMILY DEVELOPMENT

As of September 2005, local planning and development officials report three planned single-family subdivision projects in the area. The following table summarizes these planned projects:

PROJECT NAME (LOCATION)	DEVELOPER	PROJECT TYPE	TOTAL UNITS	PROJECT SPECIFICS	DEVELOPMENT STATUS	ANTICIPATED OPENING DATE
Neighborhood Homes at Jeffrey Place (Short North)	National Community Builders	Production built single-family homes	24	Ranging from 1,800-2,200 sq. ft. at $365,000-$485,000	In planning process; expected to begin marketing late summer 2005.	First homes to be on-line late summer 2006
Park Homes at Jeffrey Place (Short North)	National Community Builders	Custom-built, high density estate homes	8	Ranging from 3,800-5,000 sq. ft. at $900,000-$1,500,000	In planning process; expected to begin marketing fall 2006.	First homes to be on-line late fall 2006
North of Broad II Scattered sites along Broad St., Mt. Vernon Ave., 20th & 21st Streets (Near East)	National Community Builders	Renovation and new construction single-family home infill project	32	Ranging from approx. 1,200-1,800 sq. ft. at $140,000-$199,900	In planning process; expected to begin marketing fall 2006.	First homes to be on-line late fall 2006

There are a total of 64 homes planned within the Columbus Central City area as part of three subdivisions. Note that there are no planned subdivisions within the Downtown or Near South sub-markets. Half (32 homes) the planned homes will be part of the Jeffery Place development located in the Short North sub-market, while the other half will be part of a new project in the Near East sub-market. Note that all planned single-family homes listed above are being developed by National Community Builders.

Jeffery Place will offer two single-family housing components: 24 “mid-level” homes priced from the mid $300,000’s to upper $400,000’s and 8 “mansion” homes priced from the $900,000’s up to $1.5 million. North of Broad will be a 32 home scattered site project in the Near East sub-market with pricing from $140,000 to $200,000.

Pricing for the planned inventory is entirely at “market-rate” and appears to be consistent with the current range of pricing per square foot offered within the respective sub-markets.

C. SELECT FOR SALE SINGLE-FAMILY HOMES

In order to fully evaluate the characteristics and performance of the local single-family housing market, it is necessary to examine new "single-lot" infill home sales, as well as resales of existing homes.

Newer "Single-Lot" Home Developments

In September 2005, we identified new "single-lot" (which includes scattered sites) homes built since 1995 within the Housing CMA. Based on data provided by the Franklin County Auditor and Columbus Board of Realtors' *Multiple Listing Service (MLS)*, a total of 45 homes were identified. It is important to note that there are also several custom, "infill" homes built over this period throughout the CMA. These homes are generally not sold (or transferred) so we have not included them in this analysis. But, significantly, these custom housing values and construction costs are among the highest in the market.

The following table summarizes the inventory of new "single-lot" homes by Housing CMA sub-market and year built.

	NEWER "SINGLE-LOT" HOME DEVELOPMENTS				
SUB-MARKET	**# HOMES**	**% BUILT 1995-1997**	**% BUILT 1998-2000**	**% BUILT 2001-2003**	**% BUILT 2004-2005**
NEAR EAST	11	18.2%	45.5%	27.3%	9.0%
DOWNTOWN	0	N/A	N/A	N/A	N/A
SHORT NORTH	22	13.7%	45.5%	40.8%	0.0%
NEAR SOUTH	12	33.3%	16.7%	33.3%	16.7%
CMA TOTAL	**45**	**20.0%**	**37.8%**	**35.6%**	**6.6%**

Notice there are no "single-lot" home developments within the Downtown sub-market. The Short North sub-market has the highest concentration of homes (22 homes or 48.9% of the total), with the balance evenly divided between the Near East and Near South sub-markets. This distribution of homes is not surprising given the relatively high rate of appreciation experienced within the Short North sub-market during the past ten years as well as the increasing land costs in the central city.

Most (57.8%) of these homes were built prior to 2001. In fact, just three homes were built since the beginning of 2004, two within the Near South sub-market and one in the Near East sub-market.

The small number of "single-lot" home developments, as with conventional single-family subdivisions, can be attributed to the limited availability of buildable sites within the central city area. Further, it is important to note that homebuyers most often choose these neighborhoods for their historic architecture; so "new" homes are generally viewed as a less desirable housing alternative.

The following table summarizes the "single-lot" home development inventory by sub-market and bedroom type.

DISTRIBUTION BY BEDROOM TYPE	NEWER "SINGLE-LOT" HOME DEVELOPMENTS					
	NEAR EAST		SHORT NORTH		NEAR SOUTH	
	COUNT	PERCENT	COUNT	PERCENT	COUNT	PERCENT
TWO-BEDROOM	2	18.2%	5	22.7%	1	8.3%
THREE-BEDROOM	8	72.7%	15	68.2%	9	75.0%
FOUR-BEDROOM	1	9.1%	2	9.1%	2	16.7%
TOTAL	**11**	**100.0%**	**22**	**100.0%**	**12**	**100.0%**

The 45 new "single-lot" home developments include two-, three-, and four-bedroom configurations. For each of the sub-markets, the largest concentration of homes have three-bedrooms. Two-bedroom configurations represent the second highest proportion within the Near East and Short North sub-markets, while the second highest proportion within the Near South have four-bedrooms. The distribution by bedroom configuration throughout the Housing CMA is generally consistent with the existing, historic housing inventory.

The following table summarizes the "single-lot" home development inventory by sub-market, bedroom type, and sales price.

SALES PRICES* BY BEDROOM TYPE	NEWER "SINGLE-LOT" HOME DEVELOPMENTS					
	NEAR EAST		SHORT NORTH		NEAR SOUTH	
	PRICE RANGE	AVERAGE	PRICE RANGE	AVERAGE	PRICE RANGE	AVERAGE
TWO-BEDROOM	$78,000-$260,000	$169,000	$137,900-$249,900	$209,780	$217,000	$217,000
THREE-BEDROOM	$30,000-$260,000	$87,500	$57,530-$321,100	$195,410	$109,000-$500,000	$219,700
FOUR-BEDROOM	$130,000	$130,000	$147,900-$287,000	$217,450	$143,000-$323,200	$233,100
TOTAL	**$30,000-$260,000**	**$106,170**	**$57,530-$321,100**	**$200,680**	**$109,000-$500,000**	**$221,720**

*Original Sales

It is important to note that sales prices reflect the *original* sales prices for the homes. Again, these selected homes were built over the past ten years (since 1995); the sales prices therefore do not factor in appreciation.

Although there exist methods to *roughly* estimate appreciation for a particular neighborhood or sub-market, we have elected to not make appreciation adjustments given the limited number of homes identified, wide variety of home locations within the respective sub-markets, and the broad range of variables impacting perception of value. A uniform measure is not applicable even at the sub-market level. Nonetheless, based on our extensive experience assessing these sub-markets, it is fair to assume 1) all the selected homes have been increasing in value since their initial sale and 2) the relative value of housing among the sub-markets has remained fairly consistent.

The Near South sub-market, which includes the Parsons Avenue Corridor and surrounding neighborhoods, has both the broadest range of housing values as well as the highest average home value ($221,720) for single-lot home development. The Short North sub-market has the second highest average home value ($200,680), followed by the Near East sub-market ($106,170). Note the average home value in the Near East sub-market is 47.9% of the average home value in the Near South sub-market, a significant differential.

The following table summarizes the "single-lot" home development inventory by sub-market, bedroom type, and square footage.

	NEWER "SINGLE-LOT" HOME DEVELOPMENTS					
SQUARE FEET BY BEDROOM TYPE	NEAR EAST		SHORT NORTH		NEAR SOUTH	
	SF* RANGE	AVERAGE	SF* RANGE	AVERAGE	SF* RANGE	AVERAGE
TWO-BEDROOM	1,078 – 1,768	1,423	1,214 – 1,520	1,410	1,932	1,932
THREE-BEDROOM	1,080 – 2,592	1,534	1,200 – 2,633	1,720	951 – 2,379	1,616
FOUR-BEDROOM	1,536	1,536	1,690 – 2,248	1,969	2,070 – 2,940	2,505
TOTAL	**1,078 – 1,592**	**1,514**	**1,200 – 2,633**	**1,673**	**951 – 2,940**	**1,791**

*SF – Square Feet

Not surprisingly, within all the sub-markets, average square footages correlate directly with the number of bedrooms. Average square footages for each sub-market also correlate directly with average home values. The Near South sub-market has on average the largest home sizes, followed by the Short North sub-market and then the Near East sub-market. There exists a relatively wide variation in average square footages between the sub-markets. The Near East sub-market average square footage is 18.2% smaller than the Near South sub-market average.

The following table summarizes the "single-lot" home development inventory by sub-market, bedroom type, and sale price per square foot.

	NEWER "SINGLE-LOT" HOME DEVELOPMENTS					
PRICE/SF* BY BEDROOM TYPE	NEAR EAST		SHORT NORTH		NEAR SOUTH	
	PRICE/SF* RANGE	AVERAGE	PRICE/SF* RANGE	AVERAGE	PRICE/SF* RANGE	AVERAGE
TWO-BEDROOM	$72.36 – $147.06	$109.71	$107.73 – $164.42	$147.35	$112.38	$112.38
THREE-BEDROOM	$17.36 – $141.92	$55.93	$47.94 – $199.40	$115.43	$84.56 – $210.17	$131.49
FOUR-BEDROOM	$84.64	$84.64	$87.51 – $127.67	$107.59	$48.64 – $156.13	$102.39
TOTAL	**$17.36 – $147.06**	**$68.31**	**$47.94 – $199.40**	**$121.97**	**$48.64 – $210.17**	**$125.05**

As previously explained, sales prices reflect the *original* sales prices for the homes and do not factor in appreciation. With the exception of the Near South sub-market, the average pricing per square foot correlates inversely with the number of bedrooms. Two-bedroom homes in the Near-South sub-market have, on average the highest pricing per square foot within the sub-market.

Consistent with sub-market average home value characteristics, the Near South sub-market has the highest average pricing per square foot (at $125.05 per square foot). The Short North sub-market has the second highest average ($121.97), followed by the Near East sub-market ($68.31). The average in the Near East sub-market is 78.6% lower than the Short North sub-market.

Again, these 45 homes do not include a significant share of custom homes. It has been our observation that custom homes, on average, have much higher pricing than the 45 homes identified in this section.

Existing Home Resale Characteristics and Activity

In September 2005, we identified all housing with the Housing CMA that has sold since January 2005. Based on information gathered from the Columbus Board of Realtors' *Multiple Listing Service (MLS)*, a total of 359 homes (including single-family attached and detached) have sold throughout the CMA since the beginning of the year.

The following table summarizes this inventory of homes by Housing CMA sub-market.

	YEAR-TO-DATE SALES ACTIVITY (JULY 2005)					
		DAYS-ON-MARKET (DOM)		SALE PRICE	
SUB-MARKET	**# HOMES**	**RANGE**	**MEDIAN**	**RANGE**	**MEDIAN**
NEAR EAST	97	2 – 365+	75.0	$11,000 - $460,000	$94,000
DOWNTOWN	0	N/A	N/A	N/A	N/A
SHORT NORTH	41	1 – 230	35.5	$119,900 - $499,900	$238,700
NEAR SOUTH	221	1 – 365+	50.0	$10,000 - $611,000	$50,500
CMA TOTAL	**359**				

Consistent with new single-family housing construction trends, there have been no sales of single-family homes within the Downtown sub-market since the beginning of the year. The largest number of homes sold within the Near South sub-market, which accounts for 61.6% (221 homes) of the total. The Near East sub-market has the second highest proportion with 27.0% (97 homes).

The following tables summarize the 359 sold homes by sub-market, bedroom type, sales price, size, and sales pricing per square foot.

DISTRIBUTION BY BEDROOM TYPE	YEAR-TO-DATE SALES ACTIVITY (HOMES SOLD JAN - JULY 2005)					
	NEAR EAST		SHORT NORTH		NEAR SOUTH	
	COUNT	PERCENT	COUNT	PERCENT	COUNT	PERCENT
ONE-BEDROOM	0	0.0%	0	0.0%	3	1.4%
TWO-BEDROOM	8	8.2%	10	24.4%	77	34.8%
THREE-BEDROOM	48	49.5%	20	48.8%	120	54.3%
FOUR+ BEDROOM	41	42.3%	11	26.8%	21	9.5%
TOTAL	**97**	**100.0%**	**41**	**100.0%**	**221**	**100.0%**

SALES PRICES BY BEDROOM TYPE	YEAR-TO-DATE SALES ACTIVITY (HOMES SOLD JAN - JULY 2005)					
	NEAR EAST		SHORT NORTH		NEAR SOUTH	
	PRICE RANGE	AVERAGE	PRICE RANGE	AVERAGE	PRICE RANGE	AVERAGE
ONE-BEDROOM	N/A	N/A	N/A	N/A	$42,500 - $268,000	$95,000
TWO-BEDROOM	$11,000 - $208,500	$104,982	$119,900 - $258,000	$189,000	$10,000 - $392,500	$82,100
THREE-BEDROOM	$13,000 - $304,900	$86,970	$156,500 - $377,000	$235,000	$12,500 - $611,000	$77,500
FOUR+ BEDROOM	$27,900 - $460,000	$169,531	$120,000 - $499,900	$311,380	$27,500- $535,,000	$96,700
TOTAL	**$11,000 - $460,000**	**$122,500**	**$119,900 - $499,900**	**$243,500**	**$10,000 - $611,000**	**$80,800**

SQUARE FEET BY BEDROOM TYPE	YEAR-TO-DATE SALES ACTIVITY (HOMES SOLD JAN - JULY 2005)					
	NEAR EAST		SHORT NORTH		NEAR SOUTH	
	SF* RANGE	AVERAGE	SF RANGE	AVERAGE	SF* RANGE	AVERAGE
ONE-BEDROOM	N/A	N/A	N/A	N/A	642 – 1,020	840
TWO-BEDROOM	690 – 2,500	1,416	823 – 1,641	1,228	706 – 1,800	1,051
THREE-BEDROOM	925 – 2,990	1,580	912 – 2,450	1,678	800 – 3,000	1,344
FOUR+ BEDROOM	1,272 – 5,566	2,496	1,417 – 4,156	2,713	1,065 – 2,108	1,803
TOTAL	**690 – 5,566**	**1,944**	**823 – 4,156**	**1,835**	**642 – 3,000**	**1,283**

PRICE/SF* BY BEDROOM TYPE	YEAR-TO-DATE SALES ACTIVITY (HOMES SOLD JAN - JULY 2005)					
	NEAR EAST		SHORT NORTH		NEAR SOUTH	
	PRICE/SF* RANGE	AVERAGE	PRICE/SF* RANGE	AVERAGE	PRICE/SF* RANGE	AVERAGE
ONE-BEDROOM	N/A	N/A	N/A	N/A	$66.20 - $156.90	$113.00
TWO-BEDROOM	$10.19 - $133.31	$70.66	$99.17 - $216.24	$157.72	$13.00 - $281.40	$78.40
THREE-BEDROOM	$7.55 - $126.72	$53.49	$97.92 - $188.67	$142.97	$8.60 - $218.60	$57.50
FOUR+ BEDROOM	$13.74 - $133.07	$65.20	$68.64 - $164.25	$116.25	$21.60 - $194,900	$55.30
TOTAL	**$7.55 - $133.31**	**$59.74**	**$68.64 - $216.24**	**$139.64**	**$8.60 - $281.40**	**$76.05**

*SF – Square Feet

Median days-on-market (DOM) ranges from 35.5 days in the Short North sub-market to 75.0 days in the Near East sub-market. As would be expected, median sales pricing correlates indirectly with days on market among the sub-markets.

The median sales price ranges from $50,500 in the Near South sub-market to $238,700 in the Short North sub-market. Note that the broadest sales price range is within the Near South sub-market ($10,000 to $611,000).

Established home sales prices within the Near East, Short North and Near South submarkets cover a higher range than do new home sales prices. This can be attributed largely to the preference for historic homes as compared to new build single-family homes. Notice that the average sales prices of established homes in the Short North sub-market are somewhat higher compared to the new home sales. Also, pricing per square foot in the Short North and Near South sub-markets are higher, while the Near East sub-market is lower compared to new home sales.

D. CMA DEMOGRAPHICS AND AFFORDABILITY

The 2000 Census reported 70,914 people in 32,668 households within the Housing CMA. The estimate for population and households in 2005 is 67,739 people in 31,353 households. Based on projections from Claritas, by 2010, the population is expected to decrease to 64,859, a decline of 8.5% over 2000. This decline is attributed to an aging household base and smaller families. The number of households, a more important number impacting housing demand, is expected to decrease to 30,600, a decrease of 2.4% from 2000. Note that these estimates are based on *historical* trends, and new housing options will likely have a positive impact on *future* trends.

Demand for for-sale housing is established by estimating the share of households in the CMA likely to respond to either a new single-family or condominium development as well as external support or households new to the CMA. Capture rates are based upon the historic performance of other, well-developed markets, as well as a projection of the share that will respond, given a choice.

To project this share, an analysis of income levels, tenure characteristics, and other socioeconomic data is conducted. The following represents a distribution of income levels within the CMA in 2005 for all households:

	ALL HOUSEHOLDS	
INCOME LEVEL	NUMBER	DISTRIBUTION
LESS THAN $30,000	15,383	49.1%
$30,000 - $39,999	3,686	11.8%
$40,000 - $49,999	3,059	9.8%
$50,000 - $74,999	4,313	13.8%
$75,000 - $99,999	2,070	6.6%
$100,000 AND OVER	2,842	9.1%
TOTAL	31,353	100.0%

For the purposes of this analysis, we conservatively assume that a homebuyer would be required to make a minimum down payment of $10,000 or 10.0% of the purchase price for the purchase of a new home. Further, we assume that a reasonable down payment will equal approximately 35.0% to 45.0% of a household's annual income. The following represents the potential purchase price by income level (assuming a fixed rate of 6.0% financed over a period of 30 years):

INCOME LEVEL	DOWNPAYMENT	MAXIMUM PURCHASE PRICE
$30,000-$39,999	$15,000	$100,000-$140,000
$40,000-$49,999	$20,000	$140,000-$200,000
$50,000-$74,999	$25,000	$200,000-$300,000
$75,000-$99,999	$30,000	$300,000-$400,000
$100,000 AND OVER	$35,000	$400,000+

Naturally, there are cases where a household can afford a higher down payment to purchase a more expensive home or a household that purchases a less expensive home even though they could afford a higher purchase price. This broad analysis provides the basis in which capture rates can be applied to estimate the *potential* annual sales of homes within the CMA.

E. SINGLE-FAMILY DEMAND ESTIMATES

Based upon the capture rates established in well-developed single-family markets, our analysis of new single-family home sales within the CMA, demographic characteristics, other available housing choices, interviews with realtors, and examination of housing trends, we have applied capture rates to the distribution of household income to estimate the potential demand for *new* single-family housing in the Housing CMA. Note that support for single-family homes in the Housing CMA is both internal (from within the established Housing CMA) and external (from other parts of the Greater Columbus metropolitan area and outside the area). We estimate that at least householders from within the Housing CMA purchase 60% of new single-family homes. This factor was verified through interviews with project developers, marketing staff, and county records.

INCOME RANGE	HOME SALES PRICE	QUALIFYING HOUSEHOLDS	CAPTURE RATE*	ANNUAL DEMAND	
				UNITS	DISTRIBUTION
$30,000-$39,999	LESS THAN $140,000	3,686	0.010	37	24.2%
$40,000-$49,999	$140,000-$199,900	3,059	0.010	31	20.3%
$50,000-$74,999	$200,000-$299,900	4,313	0.011	47	31.4%
$75,000-$99,999	$300,000-$400,000	2,070	0.010	21	30.7%
$100,000 +	$400,000+	2,842	0.006	17	13.7%
			TOTAL	153	100.0%

*The capture rate is based on a variety of factors including historic single-family sales, demographic characteristics, and other available housing choices.

It is important to understand this estimated annual demand reflects 1) support for *new* housing within the Housing CMA and 2) only the component of single-family housing support *from within the Housing CMA*. Based on our evaluation of the characteristics of the CMA and historical sales volume of single-family homes within the area, we estimate the CMA could generate up to 153 *new* home sales annually in the near term. Note that to achieve maximum levels in various sale price categories requires the market to offer all price points, locations, and product alternatives.

It should also be noted that annual support levels are generally not cumulative. In most markets, if there is support for new single-family homes at a particular price point or concept and they are not offered in a specific area, households may leave the area seeking this housing alternative, defer their purchase decision, or seek another housing alternative. We anticipate that some potential buyers of homes within the Housing CMA have either delayed their purchase (reflecting pent-up demand) or opted for an alternative existing single-family home alternative offered in the market.

Within the Housing CMA is a current inventory of 133 new single-family homes, as well as 64 homes planned as part of new projects in the market. We have considered the 133 new single-family homes only.

PRODUCT AFFORDABILITY	ANNUAL DEMAND*	EXISTING INVENTORY	NET ANNUALIZED DEMAND
LESS THAN $140,000	37	4	33
$140,000-$199,900	31	32	-1
$200,000-$299,900	47	24	23
$300,000-$400,000	21	54	-33
$400,000+	17	19	-2
TOTAL	153	133	20

*Reflects only support from the Housing CMA.

The above table details the Net Annualized Demand for 2005 *only*. The net annualized demand (NAD) in 2005 in the Housing CMA is a deficit of 20 homes. We estimate that there exists a deficit at the less than $140,000 and $200,000 to $299,999 price points. The other price points have an estimated surplus of 36 units *in 2005*. This analysis does not consider the approximately 65 units in the pipeline.

It is important to note that new single-family housing sales have been significantly constrained by the lack of appropriate land in the Housing CMA. Although the Downtown sub-market is less inhibited compared to the other CMA sub-markets, land costs encourage (and require) higher density development (e.g., multi-story condominiums). It is our opinion that historical sales of new single-family homes do not reflect the future potential as a result. Recent activity in the market, in fact, indicates "pent up" demand for this housing alternative. For instance, as of September 2005, the planned Harrison Park development in the Short North sub-market had already taken 25 reservations for single-family homes.

These reservations alone eclipse the average historic pace of 15 new single-family home sales annually (150 total new homes sold over the past 10 years) in the market. Additionally, with 118 available homes and 64 planned homes poised to enter the market, we anticipate that the increased availability of product choices will yield greater absorption potentials.

F. CMA RENTAL HOUSING CONDITIONS

Single-family rentals

The Near South market contains a high share of single-family and duplex style homes. The following table illustrates the distribution of housing unit types within the Near South, Near East and Short North rental market:

	NEAR SOUTH		NEAR EAST		SHORT NORTH		DOWNTOWN	
UNITS IN STRUCTURE (2000)	**NUMBER**	**SHARE**	**NUMBER**	**SHARE**	**NUMBER**	**SHARE**	**NUMBER**	**SHARE**
1; DETACHED	7,143	56.5%	4,214	38.3%	1,459	22.3%	124	6.3%
1; ATTACHED	1,487	11.8%	915	8.3%	474	7.2%	46	2.3%
2 TO 4	2,728	21.6%	2,439	22.2%	1,875	28.6%	168	8.5%
5 TO 9	590	4.7%	891	8.1%	989	15.1%	109	5.5%
10 TO 19	343	2.7%	939	8.5%	734	11.2%	230	11.7%
20 TO 49	139	1.1%	325	3.0%	444	6.8%	297	15.1%
50+	76	0.6%	1,244	11.3%	579	8.8%	992	50.5%
MOBILE HOMES	131	1.0%	22	0.2%	0	0.0%	0	0.0%
BOAT, RV, VANS	0	0.0%	0	0.0%	0	0.0%	0	0.0%
TOTAL	12,637	100.0%	10,989	100.0%	6,554	100.0%	1,966	100.0%

In 2000, nearly 90.0% of all housing units within the Near South submarket were within single-family, duplex or two- to four-unit apartment structures. In contrast, the Near East submarket contains only 68.8% of these unit types, while the remaining submarkets have smaller shares. The Near South contains the highest share of one-unit housing structures (68.3%) among all of the CMA submarkets.

Subsequently, single family and duplex units comprise the most common type of rental housing within the Near South submarket. In September and October 2005, we personally identified and surveyed 50 single-family and duplex rental units within the CMA. These units were located within one-, two- and three-story structures. A total of 48 of these rentals are two-story structures, while the remaining two are of one- and three-story construction. This reflects the predominance of two-story structures within the Near South area. These units contain one-, two- and three-bedrooms.

A total of seven (14.0%) of the single-family rentals surveyed are one-story garden-style (one-story) units, while the remaining 86.0% are townhouse (two-story) units. Given the age distribution of the Near South market area, as well as trends indicating increasing numbers of senior householders, we expect that this unit design will prevent some seniors with disabilities from remaining in the neighborhood.

There is currently one senior-specific apartment project in the Near South area. Marion Square, a 245-unit public housing development located on Marion Road east of Lockbourne Road, targets low-income senior households age 62 and over. These households must have incomes of less than 50% of the area median household income to qualify to live there. We expect that as south side households age, they will want to stay in their homes. However, given that disabilities and two-story housing designs may prevent them from doing so, a senior apartment project with services, supportive living facility, designed to accommodate older seniors would likely receive support from the south side. Further exploration of this concept is warranted.

The following table summarizes these rental units:

BEDROOM TYPE	**TOTAL UNITS**	**AVERAGE AGE**	**S.F. RANGE (AVERAGE)**	**RENT RANGE**	**MEDIAN COLLECTED RENT**
ONE-BR. GARDEN	3	1962	500-1,200 (767)	\$350 - \$785	\$538
ONE-BR. TH	2	1926	700-800 (750)	\$500-\$700	\$600
TWO-BR. GARDEN	4	1942	600-1,100 (901)	\$450 - \$950	\$685
TWO-BR. TH	29	1926	720-1,536 (1,092)	\$400 - \$1,100	\$598
THREE-BR. GARDEN	0	-	-	-	-
THREE-BR. TH	12	1922		\$450 - \$1,000	\$625
TOTAL/RANGE	**50**	**1929**	**1,089-1,642 (1,275)**	**\$350 - \$1,100**	**\$600**

Rents for single-family homes range from $350 for a one-bedroom garden style unit to $1,100 for a two-bedroom townhouse style unit. Of the 50 total single-family rentals surveyed, 12 (24.0%) reported renovations. These renovations occurred between 1995 and 2005. The median rent for these units is $625, only $25 (4.2%) higher than the median of all units surveyed ($600).

Our field analysts gauge each structure for quality factors—curb appeal, exterior, landscaping, evidence of regular maintenance, as well as basic design features. An analysis of the quality of these rentals follows:

QUALITY RATING	NUMBER OF UNITS	SHARE
B+	3	6.0%
B	9	18.0%
B-	11	22.0%
C+	11	22.0%
C	8	16.0%
C-	7	14.0%
D	1	2.0%
TOTAL	**50**	**100.0%**

Over half of the single-family rentals surveyed received quality ratings within the "C" range. This is, in part, an indicator of the age of housing, as well as the fact that many rental properties are not owner-occupied, a factor that traditionally impacts the way that properties are maintained.

The following table reflects our field analyst's determination of the quality of the neighborhood where the single-family rentals are located. These ratings reflect valuations on adjacent land uses, including traffic, noise, accessibility, nearby amenities such as parks and green space, or detrimental uses such as industrial or dilapidated housing.

NEIGHBORHOOD RATING	NUMBER OF UNITS	SHARE
A	1	2.0%
B+	3	6.0%
B	14	28.0%
B-	6	12.0%
C+	5	10.0%
C	13	26.0%
C-	7	14.0%
D	1	2.0%
TOTAL	**50**	**100.0%**

Half of the for-rent property neighborhoods were given "C" ratings, while another 46.0% received "B" ratings. This is a relatively even distribution, but indicates that this sampling contains a majority of fair to poor quality rental homes.

There are two scattered-site infill rental projects in the Near South submarket.

Columbus Housing Partnership (CHP) completed 32 single-family homes within the study area using Low-Income Housing Tax Credits, which restricts eligibility to residents at or below 60% of the Area Median Household Income. The homes are available on a lease-purchase plan wherein the renter may purchase the home via lease payments over 15 years. Beacon Property Management of Columbus manages Southside Homes.

The first units of this project, Southside Homes, opened in early 2004. According to one spokesperson from CHP, demand for affordable single-family homes is strong within this area, and most homes were rented as soon as they became available. He notes, however, some of the homes took up to two weeks to rent, because they were located in an area that was less desirable; namely the areas around the Oakwood and Livingston Avenue intersection. However, he qualifies, the entire project nevertheless leased very quickly.

Seven of the homes, which all have a four-bedroom, one-and-a-half bath configuration, are available to residents earning 30% of area median income or less. These homes rent for $329 per month, while the homes targeting households with incomes up to 60% of area median income rent for $662 per month.

Another low-income rental project is the 112-unit scattered site Spruce Bough Homes. These units were developed with assistance from CHP, and include four- and six-unit buildings, which are currently being renovated under the management of Community Properties of Ohio. These units are expected to be back in service during the first quarter of 2006.

Conventional Rental Market Condition

In September 2005 we identified and personally surveyed 118 conventional, non-subsidized (market-rate and Tax Credit) apartment properties totaling 4,507 units in the Housing CMA. In addition, there were 222 units under construction or renovation in three of the four sub-markets. The remaining 3,223 government-subsidized units are located among 27 subsidized properties.

The overall occupancy rate for the Housing CMA is 93.1%, a moderate occupancy rate. Of the four sub-markets surveyed, the Downtown (94.3%

occupancy) and Short North (94.2% occupancy) sub-markets have the largest number of conventional apartment units and the highest overall occupancy rates, with only the Near South sub-market showing an occupancy rate below 92.0%. It is important to note the favorable interest rate environment and an increasing supply of for-sale affordable housing options have adversely impacted rental occupancy in the Housing CMA, and Central Ohio in general.

More than 62.5% of the non-subsidized units in the Housing CMA were built prior to 1970. While a very small share of rental housing stock was added to the Housing CMA between 1980 and 1999, over the last five years, a significantly higher proportion of properties were developed compared to the previous 20 years. Much of this growth is the result of development and revitalization efforts in the Short North, Downtown, and Near South sub-markets. Note that the Near East area has experienced the least amount of development of new non-subsidized rental housing over the last five years, with only 39 new units added to the market since 2000.

The median gross rents in the Housing CMA range from a low of $384 for studio units in the Near East sub-market to $1,224 for two-bedroom units in the Near South sub-market. Median gross rents are highest in most cases in the Near South sub-market. The western portion of the Near South submarket (which includes German Village and the Brewery District) contains nearly all of the conventional (non-government subsidized) apartments surveyed.

As would be expected in the market with no newer product, the Near East area currently offers the lowest median gross rents among each unit type available in that sub-market ($384 for a studio to $738 for a three-bedroom), with the exception of four-bedroom units. The following table summarizes median gross rents for market-rate units by submarket for the Housing CMA:

MEDIAN GROSS RENT (2005)				
BEDROOM TYPE	**DOWNTOWN**	**NEAR EAST**	**NEAR SOUTH**	**SHORT NORTH**
STUDIO	$430	$384	$548	$440
ONE-BR.	$556	$481	$877	$635
TWO-BR.	$902	$524	$1,224	$775
THREE-BR.	-	$738	-	$1,028
FOUR+BR.	-	$870	$886	$731

We have used these rents as the basis for our market-rate demand calculations.

New Market-Rate Developments

We identified seven market-rate properties within the Housing CMA that are very high quality and in our opinion are the most competitive market-rate projects within the Housing CMA. These seven properties were selected based on several criteria including newness, proximity to the Parsons Avenue corridor, quality, and community size. These seven selected projects are summarized on the following table:

MAP I.D.	PROJECT NAME	YEAR BUILT/ RENOVATED	QUALITY RATING	TOTAL UNITS	OCCUPANCY	DISTANCE TO STUDY AREA*	SUB-MARKET
12	MARKET MOHAWK	1989	A-	94	93.6%	0.8	DOWNTOWN
19	SIXTY SPRING APARTMENTS	2005	A	68	95.6%	2.1	DOWNTOWN
54	BREWERS YARD	2003	A	303	94.4%	1.6	NEAR SOUTH SIDE
58	772 N. HIGH ST.	1945/2003	A	8	100.0%	3.0	SHORT NORTH
59	LIBERTY PLACE	2005	A	132**	100.0%	1.6	NEAR SOUTH SIDE
71	CASA DI CITTA	2002	A-	26	100.0%	1.6	SHORT NORTH
92	ARENA CROSSING	2004	A	252	99.2%	2.8	DOWNTOWN
			TOTAL	873	96.8%	0.8 – 3.0	

*Defined as the distance in miles to the corner of Parsons Avenue and Livingston Avenue
**132 units completed and 100.0% occupied. Another 178 units in planning

The seven selected market-rate properties have a combined total of 873 existing units, with an overall occupancy rate of 96.8%. Arena Crossing opened in August 2004 and experienced an average monthly absorption rate of approximately 18 to 20 units per month. Sixty Spring Apartments, which opened in late 2005, experienced a lower absorption rate of approximately 12 to 13 units per month.

Studio rents range from $660 to $942; one-bedroom gross rents range from $751 to $1,517; two-bedroom gross rents vary from $902 to $2,002; and three-bedroom gross rents are $1,621. Note that only one of the market-rate comparables, Liberty Place, offers three-bedroom units. This may represent a somewhat underserved portion of the Housing CMA housing market.

Typical unit amenities among comparable properties in the market include a refrigerator, range, dishwashers, microwaves, central air conditioning, washer/dryer hookups or washer/dryer in the units, intercom entry systems, and balconies or patios. Common project amenities include swimming pool, on-site management, clubhouse, elevators, fitness center, and laundry rooms.

Tax Credit Properties

In addition to the market-rate comparables that were previously identified, we also identified four of the most modern Low-Income Housing Tax Credit (LIHTC) properties within the Housing CMA. These properties target households with up to 60% of AMHI, and are summarized as follows:

PROJECT NAME	YEAR BUILT/ RENOVATED	LIHTC UNITS	OCCUPANCY RATE	TARGET MARKET
COMMONS AT GRANT	2003	100	100.0%	FAMILIES @ 60% AMHI; SECTION 8
FOURTH AVE. SCHOOL	1904 / 2004	34	100.0%	SENIORS 62+ @ 60% AMHI; SECTION 8
SOUTHSIDE HOMES	2004	26	100.0%	FAMILIES @ 60% AMHI; HOME PROGRAM
THE BRYDEN HOUSE	1993	143	95.1%	SENIORS 55+ @ 60% AMHI

Three of the four selected LIHTC projects are 100.0% occupied, with waiting lists ranging from 12 to 300 households at two of these three fully-occupied properties. Bryden House is a senior (age 55+) Tax Credit property that maintains a stable occupancy rate of approximately 95.1%. Fourth Avenue School is a senior (age 62+) restricted project that is also full. In general, the affordable housing market in the Housing PMA is relatively strong, with a few exceptions. Commons at Grant is in the Downtown sub-market, Fourth Avenue School is in the Short North sub-market, Southside Homes is in the Near South Side sub-market, and the Bryden House is in the Near East sub-market.

Gross rents for these Tax Credit properties range from $380 for a studio unit at the Bryden House to $886 for a four-bedroom single-family home at Southside Homes. The existing affordable units range in size from 375 square feet for a studio at Commons at Grant to 1,400 square feet for a four-bedroom single-family home at Southside Homes. While the four-bedroom Southside Homes unit has only one-and-a-half bathrooms, we believe any new three- or four-bedroom LIHTC units should offer at least two full bathrooms in order to ensure long-term marketability.

Government-subsidized properties

In addition to the 245-unit Marion Square, a 62+ senior public housing development, there are two family projects within the Near South submarket. These are the 292-unit Lincoln Park, located in Vassor Village, and the 27-unit Reeb-Hosack project, located in the Reeb-Hosack neighborhood. All projects are 100.0% occupied with extensive waiting lists. Households must have incomes of less than 50% of the area median household income to qualify to live at these projects.

Duplex and Four-plex Rental Conditions

As noted earlier, given its historic nature, much of the Housing CMA has significant inventories of duplex and four-plex rental properties. Supply is most concentrated in the Short North and Near South portions of the Housing CMA.

According to local realtors, duplex and four-plex rentals in the area typically include a range, refrigerator, carpet/hardwood flooring, washer and dryer hookups, private yards, front or back porches, and unfinished basements. Note that a significant number of rentals have been renovated, with the extent of the renovation and quality of finish significantly impacting rent potential.

In the German Village area, the average gross rent for duplex and four-plex ranges from $804 for one-bedroom units, $842 to $1,389 for two-bedroom units, and $969 to $1,292 for three-bedroom units. Meanwhile, in the Short North area, the average gross rent is $776 for one-bedroom units, $903 to $1,434 for two-bedroom units, and $870 for three-bedroom units.

Planned and Proposed

There are nine potential apartment developments in the Housing CMA development pipeline at this time. These nine proposed or planned projects will all offer market-rate units at moderate to high prices for the Housing CMA, with almost all units priced above median gross rents by unit type in the Housing CMA. There are a potential total of 947 market-rate units in the pipeline of development for the Housing CMA, although we do not anticipate all of these proposed projects to be developed as apartments. All but one of the proposed projects is located in the Downtown or Short North sub-markets. A total of 219 units are proposed for Downtown and 550 units are proposed in the Short North neighborhoods of Italian Village and Victorian Village. The remaining 178 units are in planning for the second phase of Liberty Place, summarized in “market-rate apartments” on page 18 of this section.

Market-Rate Rental Demand Estimate

We consider demand for non-age restricted market-rate apartment units from two primary support components:

- Turnover support from existing renters
- New renter household growth since 2000

The total number of proposed units compared to these two support components represents the overall capture rate. This capture rate is then compared with those of other markets with similar market conditions and characteristics. The following is a summary of our demand estimates of the potential support for the proposed subject units.

Income Requirements

Leasing industry standards among market-rate projects typically require households to have gross rent- (including all utilities) to-income ratios of no more than 30%. For example, the lowest gross rent for a one-bedroom unit within the Housing CMA ($481) per month would yield a minimum household income requirement of $1,603 per month (or $19,240 yearly).

There are no maximum income restrictions for market-rate apartment units. Typically, when households reach a certain income level, they are more likely to become homeowners since their ability to qualify for a home mortgage increases. Naturally, this is contingent on a number of factors including availability of homeownership opportunities that meet the expectation of the tenant and the long-term residency expectation. A review of the estimated 2005 demographics for the Site PMA, however, indicated that approximately 19.0% of the area's renters have incomes of $50,000 and higher, and that by 2009 this share is expected to reach 23.7%. This is a relatively high share of the renter households, thus we have conducted this particular analysis of income-qualified households without a maximum income limitation.

Turnover Support from Existing Renters

It is anticipated that a significant portion of the existing renters would be willing to increase their rents by as much as 10% to live in a more modern, better appointed, community. The "turnover support" is calculated by applying the annual renter turnover rate (40.1% as illustrated on page VI-10 of this report) in the market to the estimated number of income-eligible renter households currently paying greater than 90% of proposed rent.

Support from New Renter Household Growth

For the purposes of this analysis, "new" support is defined as growth in the number of income-qualified renter households from 2005 to 2010.

The following tables detail the estimated demand levels for rental housing in the Housing CMA, based on the above-defined income and support components.

INCOME RANGE		INCOME-QUALIFIED HOUSEHOLDS (2005)	X RENTER TURNOVER	+ NEW RENTER HOUSEHOLDS (2005 – 2010)	= TOTAL INCOME-QUALIFIED RENTER HOUSEHOLDS (2010)
LOW	HIGH				
$19,240	UNLIMITED	11,949	11,949 X 40.1%= 4,792	+484	5,276

Penetration Rates for Rental Housing

The following tables calculate penetration rates for market-rate rental housing based on the above estimated number of income-qualified renter households. It is important to note that while not all new and existing income-qualified households are likely to respond to new rental housing, we have used these figures to determine estimates of support.

For the purposes of this analysis, the supply component includes only market-rate rental housing supply built since 2000, currently under construction, or planned. It is important to note that units built since 2000 only include those affordable to the total support component within that particular configuration and rent. In addition, planned units and support components have been distributed by our estimated share of demand by bedroom type within the Site PMA given the limited information available. We have conservatively assumed planned units will be affordable at each rent.

The following is our estimated share of demand by bedroom type within the Site PMA:

ESTIMATED DEMAND BY BEDROOM			
BEDROOM TYPE	2010 INCOME-QUALIFIED RENTER HOUSEHOLDS	ESTIMATED SHARE BY UNIT TYPE	ESTIMATED INCOME-QUALIFIED HOUSEHOLDS BY UNIT TYPE
ONE-BEDROOM	5,276	40.0%	2,110
TWO-BEDROOM	5,276	50.0%	2,638
THREE+-BEDROOM	5,276	10.0%	528

Note that the penetration rates reflect the ratio of total supply to total support potential.

BEDROOM TYPE	ESTIMATED INCOME-QUALIFIED RENTER HOUSEHOLDS*	BUILT SINCE 2000	UNDER CONSTRUCTION	PLANNED**	TOTAL	PENETRATION RATE
ONE-BEDROOM	2,110	528	88	417	1,033	49.0%
TWO-BEDROOM	2,638	191	116	521	828	31.4%
THREE-BEDROOM	528	6	28	105	139	26.3%

*Distributed by estimated demand by bedroom type.
**We have estimated that approximately 10% of the planned units will be within 10% of this price point.

The penetration rates for market-rate units range from 26.3% for three+ bedroom units to 49.0% for one-bedroom units. Some support and supply overlap exists at each rent level. With this methodology, it is our opinion an acceptable penetration ratio is up to 40.0% given the exclusion of supply factors from The Ohio State University campus area and the level of household growth the area is projected to experience over the next five years. Based upon the above table, it is our opinion that one-bedroom units would experience longer lease-up rates than the other unit types. This is also dependent, of course, upon lease rates, location, quality, and other factors.

Based upon the above penetration rates, we expect that support exists for additional market-rate apartments within the Housing CMA, particularly for two- and three-bedroom unit types. Given the growing attractiveness of the Near South submarket, we expect that new rental units developed in this area could attract a fair share of this support.

Estimate of Support for LIHTC Rental Housing

In order to determine Tax Credit rental demand from income-eligible households, we must first establish the income range each household would be required to meet under the Low-Income Housing Tax Credit program for the subject site.

Under the Low-Income Housing Tax Credit program, household eligibility is based on household income not exceeding the targeted percentage of Area Median Household Income, depending upon household size.

The subject site is within the Columbus Metropolitan Statistical Area (MSA), which has a median household income of $64,000 for four-person households in 2005. The following table summarizes the maximum allowable income by household size for the Columbus MSA at 50% and 60% of AMHI.

MAXIMUM ALLOWABLE INCOMES		
HOUSEHOLD SIZE	**50% AMHI**	**60% AMHI**
ONE-PERSON	$22,400	$26,880
TWO-PERSON	$25,600	$30,720
THREE-PERSON	$28,800	$34,560
FOUR-PERSON	$32,000	$38,400

The maximum allowable income for a three-bedroom LIHTC unit at 60% of AMHI is $38,400, based on a four-person household income limit.

Leasing industry standards typically require households to have rent-to-income ratios of 27% to 40%. Generally, market-rate properties require a lower rent- to-income ratio, while an acceptable rent-to-income ratio for low-income units is typically around 40%. For example, a gross rent of $500 per month would yield a minimum income of $1,250 per month (or $15,000 yearly).

Because there is a very limited supply of LIHTC properties in the Site PMA that are not subsidized, we have recommended gross Tax Credit rents for units targeting households up to 60% of AMHI. We have used the maximum allowable gross Tax Credit rents at 50% of AMHI to perform the following penetration rate analysis, as very few LIHTC properties in the Housing CMA area are achieving maximum allowable LIHTC rents at 60% of AMHI. Note we have assumed units can house one person plus the number of bedrooms.

FAMILY	50% MAX GROSS RENT	MINIMUM INCOME	MAXIMUM INCOME
ONE-BEDROOM	$600	$18,000	$30,720
TWO-BEDROOM	$720	$21,600	$34,560
THREE-BEDROOM	$831	$24,930	$38,400

The following table presents the number of income-qualified renter households in the Site PMA by unit configuration and rent:

FAMILY	MEDIAN GROSS RENT	INCOME-ELIGIBLE RENTER HOUSEHOLDS
ONE-BEDROOM	$600	3,796
TWO-BEDROOM	$720	3,599
THREE-BEDROOM	$831	3,552

The following table calculates penetration rates for family LIHTC rental housing based on the above estimated support levels for the various configurations and rents. For our purposes, the supply component includes all non-subsidized Tax Credit rental housing supply in the market. Note that the penetration rates reflect the ratio of total supply to total support potential.

FAMILY	INCOME-ELIGIBLE RENTER HOUSEHOLDS	SUPPLY	PENETRATION RATES
ONE-BEDROOM	3,796 X 40.0% =1,518	178	11.7%
TWO-BEDROOM	3,599 X 50.0%=1780	47	2.6%
THREE-BEDROOM	3,552 X 10.0%=355	106	29.9%

The penetration rates for LIHTC units range from 2.6% to 29.9%. The two-bedroom penetration rate is considered excellent, the rate for one-bedroom units is considered fair and achievable. The rate for three-bedroom units is considered moderate and less achievable. All these estimated penetration rates are excellent. Given the low number of two-bedroom LIHTC units in the market, the greatest opportunities likely exist for this unit type. It is important to note that these penetration rates assume support from the *entire* Housing CMA.

Established by HUD, 2005 Fair Market Rents for the Columbus MSA are summarized in the following table:

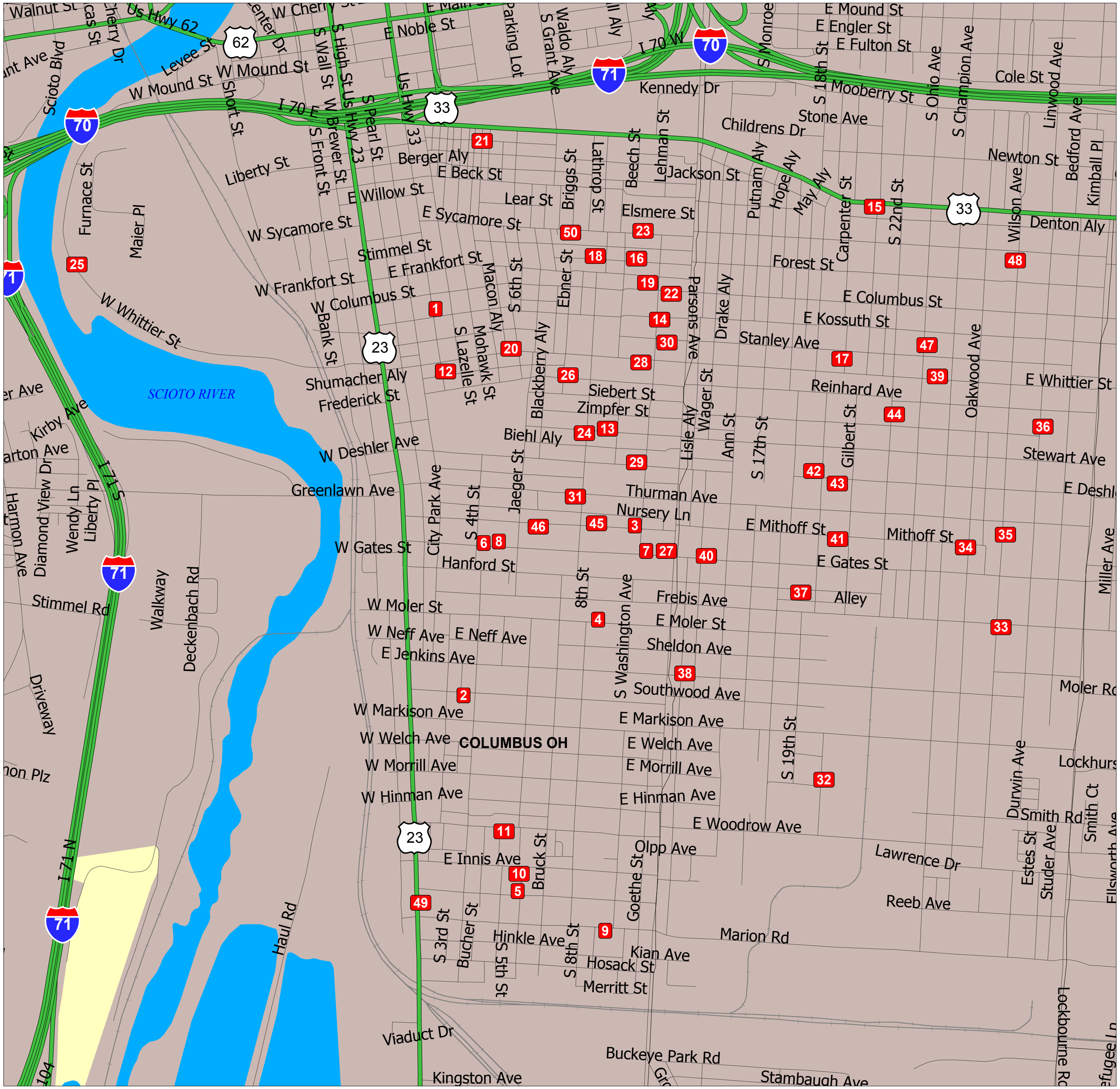
UNIT TYPE	FAIR MARKET RENT-2005 COLUMBUS, OH MSA
STUDIO	$459
ONE-BEDROOM	$534
TWO-BEDROOM	$675
THREE-BEDROOM	$851

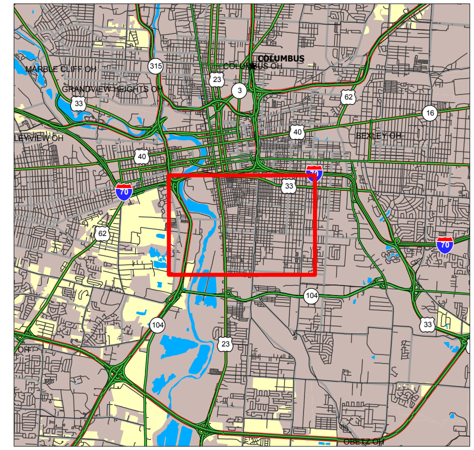
Unit gross rents (rent including tenant paid utilities) must be at or below Fair Market Rents in order to accept HUD Section 8 vouchers.

While penetration rates indicate that additional affordable units could be supported within the Housing CMA, it is important to note that the State of Ohio has strict guidelines regulating the development of affordable housing, and current market conditions (occupancy rates, capture and penetration rates) may prohibit development of some projects. However given the moderate penetration rates for the entire Housing CMA as well as recent affordable housing absorption patterns within the Near South submarket, we expect that a small-scale project up to 40 units could be supported and would experience healthy absorption patterns.

Maps illustrating the location of single-family rentals surveyed, single-family home sales by days on the market, and single-family home sales by price are on the following pages.

Columbus, OH: Parsons Avenue Vision Plan; Single-Family Rentals





0	2	4	6

Miles

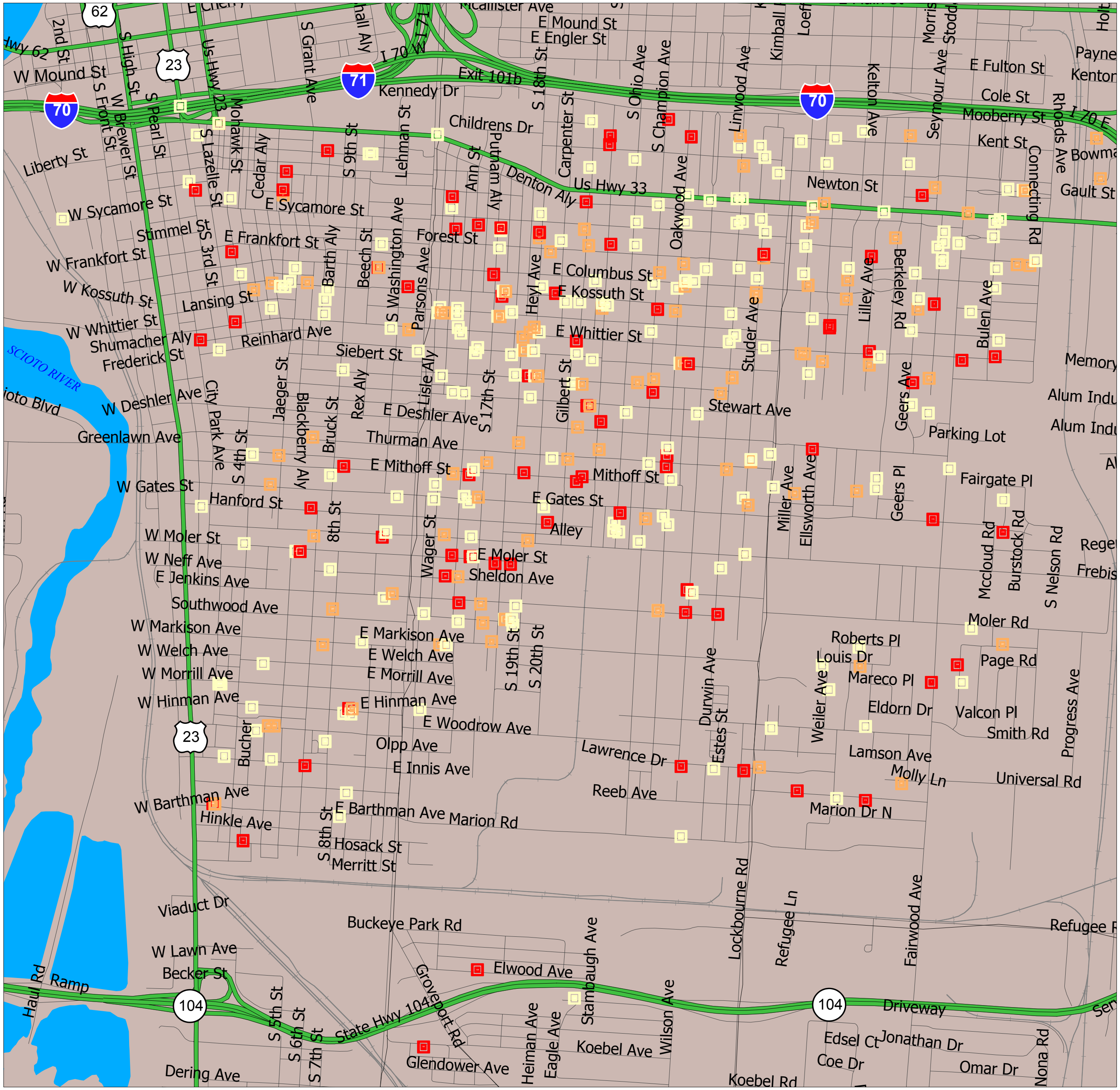
- Railroads
- Streets
- Single-family Rental
- Interstate Hwys
- US Highways
- State Hwys

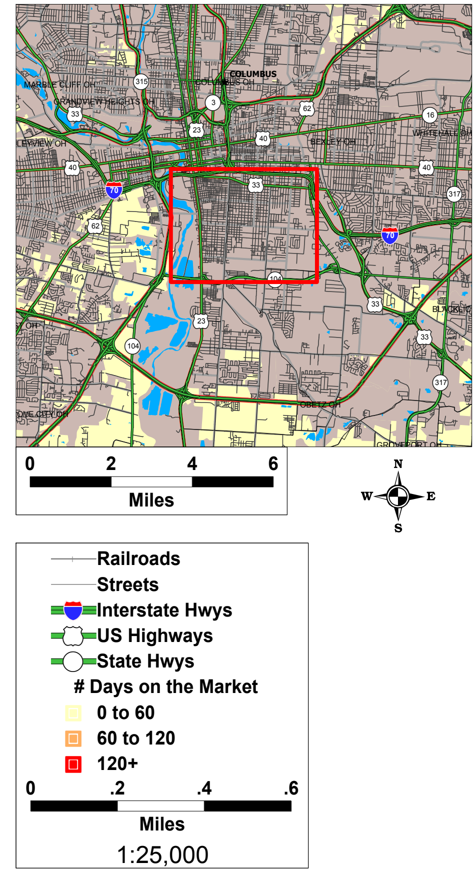
0	.2	.4	.6

Miles

1:20,000

Columbus, OH: Parsons Avenue Vision Plan; Single-Family Sales- Days on the Market





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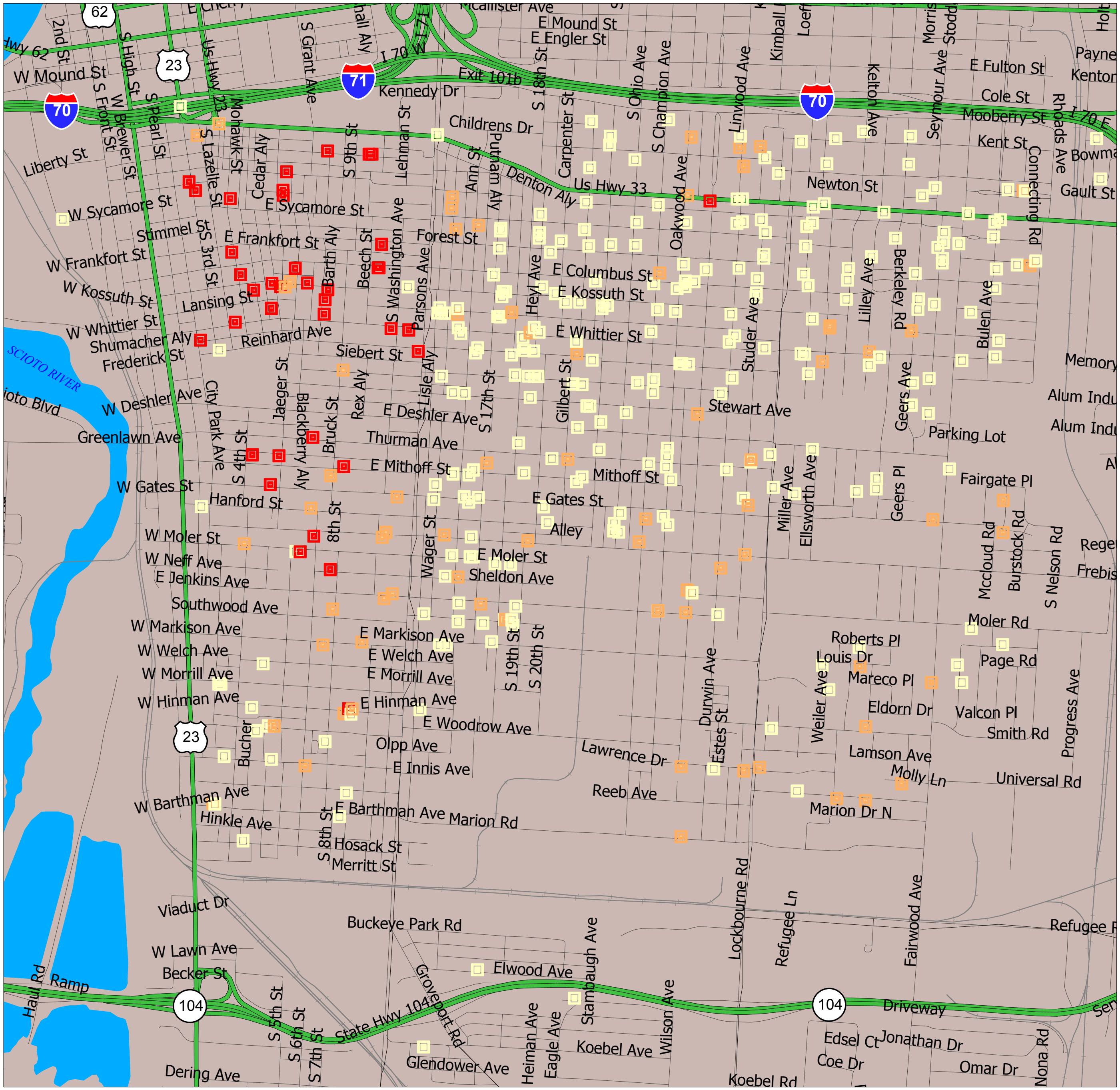
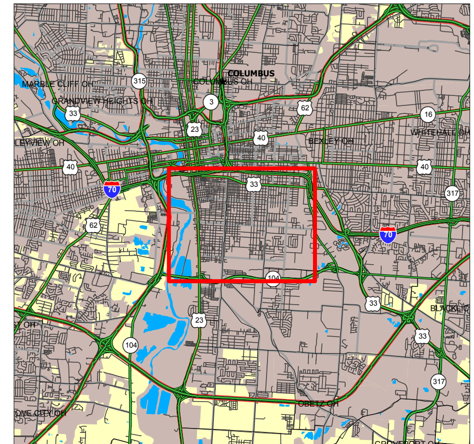
Columbus, OH: Parsons Avenue Vision Plan; Single-Family Sales- Price





0 2 4 6
Miles

N
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Railroads
Streets
Interstate Hwys
US Highways
State Hwys
SALE PRICE
$0 to $70,000
$70,000 to $120,000
$120,000+

0 .2 .4 .6
Miles
1:25,000

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X. INDUSTRIAL MARKET ANALYSIS

A. INTRODUCTION AND BACKGROUND

Industrial uses on Columbus' South Side began in the 1820s with the construction of breweries and other businesses along the Columbus Feeder to the Ohio and Erie Canal, which served the Brewery District and Whittier Peninsula areas. In the late 1800s, steel companies and other heavy manufacturing operations established themselves along the railroad tracks around Parsons Avenue because the area was just outside Columbus' city limits. This location exempted the companies from city taxes and regulations.

This southern portion of Parsons Avenue (near the southern boundary of the study area) became known as Smokey Row Road, and the neighborhood south of Barthman Avenue was known as Steelton. Hungarian, Romanian, Italian, and Appalachian immigrants came to south side neighborhoods in great numbers in search of work. A streetcar connecting the German Village area to Steelton was soon developed, creating a way for workers to get to their jobs at the factories. The South Side was also connected to inter-urban rail lines to Chillicothe and Lancaster.

The Buckeye Steel Castings Company opened in 1902, growing out of the Buckeye Malleable Iron & Coupler Company. Buckeye Steel grew to one of the largest steel foundries in the world. Samuel Bush, President George W. Bush's grandfather, was president of Buckeye Steel in the early 20th century. Throughout the 1900s, Buckeye Steel Castings Company specialized in railroad parts, especially coupling mechanisms and the undercarriages of railroad cars.

Over the past fifty years, transportation, warehousing and light industrial uses have replaced much of the heavy industry that typified the Parsons Avenue/Steelton area. After a period of significant decline (mirroring the decline of the railroad industry and the nation's primary shipping mode), the company closed its doors in October of 2002, a few days after celebrating its 100th birthday. An estimated 700 workers were laid off while Buckeye Steel filed for Chapter 11 bankruptcy. The company was taken over by new investors, and renamed the Columbus Steel Castings Company, Inc. The company currently employs a fraction of its former workforce.

Another large employer within the study area recently closed its doors. Techneglas, which manufactures glass for television sets, occupied a one million square foot site in the southeastern quadrant of the study area, shut down in August 2004, putting 1,100 out of work at three Ohio and Pennsylvania plants. At its East Jenkins Avenue plant, 382 people lost jobs. The site is currently being redeveloped as transportation/warehousing, office, and small manufacturing spaces by developer Marvin Katz of Columbus.

The Federal Glass Company opened in Columbus in 1900 and supplied "Depression Glass" (manufactured glassware that often accompanied store promotions) to suppliers around the country. Federal Glass was highly popular during the first half of the 20th century, but the decline in popularity led to the plant's closure in 1979. Federal Glass is now widely collected. The million square foot site currently houses the Odd Lots distribution operations as well as smaller tool and dye and manufacturing tenants. Currently the Federal Glass site is approximately 85.0% occupied.

Another large commercial property, the former home of the National Graphics Company at Woodrow Avenue and South 20th Street, currently sits vacant. The building contains approximately 168,000 square feet of manufacturing and office space.

The closing of industrial operations over the past several decades has contributed to the decay of the surrounding neighborhoods, including housing stock and retail establishments.

B. INDUSTRIAL/WAREHOUSING ANALYSIS

Columbus is one of the major distribution markets in the United States and continues to attract companies looking for Midwest distribution centers. Central Ohio's extensive network of interstate highways, airfreight, railways, foreign trade zones (such as Rickenbacker International Airport), generous tax incentives (both state and local), low average lease rates, and available blue-collar work force makes Columbus a very attractive location for industrial users. An estimated 90.7% of the market's 200.1 million square feet of industrial space (Q4 2005) is dedicated to warehousing and distribution rather than factories and plants.

While manufacturing and warehousing activity continues to move outward from the central city area, the southeast quadrant of Columbus remains the scene of development activity in the transportation, warehousing, and light industrial arenas. Area-wide, trends continue toward consolidation of smaller warehouses into larger distribution centers. Advanced fire protection, state-of-the-art lighting, environmental climate controls, higher ceilings, dock doors, and large surface parking lots are required in the big box facilities that are currently being built.

Much of the activity in the southeast quadrant is clustered around Interstate 270 in the communities of Groveport, Obetz, Grove City and Urbancrest, all within a 15-minute drive from Parsons Avenue neighborhoods.

Approximately two-thirds of Franklin County's industrial space lies south of Interstate 70, primarily clustered on the Interstate 270 outer belt. Communities such as Groveport, Obetz, Grove City, and Canal Winchester, have been very aggressive in attracting new industry with tax abatements, modern utilities, new roads, and streamlined development approvals. Rickenbacker Airport, one of the nation's busiest cargo hubs and a foreign trade zone (FTZ), is a major draw for international distribution operations.

The remainder of Franklin County's industrial space lies north of I-270, particularly northeast in Westerville, Gahanna, the Columbus International Airport area, and in the Milo-Grogan district of Columbus. Northwest Columbus primarily consists of smaller industrial buildings, including office/warehouse flex-space.

The following table summarizes industrial and warehousing space distribution (including activity, space under construction, average asking lease rate and availability rate) by Columbus market area:

COLUMBUS INDUSTIRAL MARKET STATISTICS-Q4 2005

MARKET	RENTABLE AREA	% OF TOTAL BASE	GROSS ACTIVITY (SF)	UNDER CONSTRUCTION SF	AVERAGE ASKING LEASE RATE NNN $/SF/YR	AVAILABILITY RATE
DOWNTOWN	40,483,806	20.2%	48,700	0	$2.77	7.7%
EAST	22,340,053	11.2%	66,805	0	$3.21	16.0%
NORTHEAST	13,907,559	7.0%	136,358	78,000	$5.70	9.0%
NORTHWEST	1,749,081	0.9%	9,300	0	$6.23	9.8%
OUTLYING	39,853,760	19.9%	120,000	749,550	$2.99	8.7%
SOUTHEAST	35,537,306	17.8%	452,043	754,000	$3.08	22.1%
SOUTHWEST	11,289,100	5.6%	172,705	0	$3.35	10.1%
WEST	34,937,531	17.5%	418,382	0	$3.19	17.1%
MARKET TOTAL	**200,098,196**	**100.0%**	**1,424,293**	**1,581,550**	**$3.00**	**13.3%**

Source: CB Richard Ellis

The central Ohio vacancy rate for industrial space has nearly doubled from 7.0% in 2000 to about 13.3% as of Q4 2005. The range of asking net rents for industrial space throughout the Columbus market, already among the lowest in the country, range from $2.77 (Downtown Market) to $6.23 (Northwest Market) per square foot on average. Smaller "flex" space projects have a market-rate vacancy rate of about 25% to 30%. Typically, the Southeast market reported the highest leasing activity of 452,000 in Q4 2005.

As of Q4 2005, industrial growth within the Southeastern quadrant (and most of the Columbus market) appears to have slowed. However, additional development is inevitable as expansions to the Rickenbacker Airfield continue. These expansions involve creation of an Intermodal Transit Center, and the addition of 20,000 new jobs and a $15.1 billion economic impact for the area over the next 30 years. Any industrial sites along Parsons Avenue should be developed with this in mind.

The Parsons Avenue study area lies in the Downtown submarket as identified by CB Richard Ellis. The Central Business District is Franklin County's largest industrial submarket yet has its lowest vacancy rate. The CBD offers multiple highways (Interstates 71, 70, 670, State Route 104, and State Route 315), rail hubs, and a central location. However, its older building stock commands only $2.77 per square foot on average. The current rate of $2.77 per square foot approaches the overall average rate, showing an increase from $2.50 per square foot 21 months ago in Q1 2004.

In October 2005, we personally surveyed existing industrial stock within the study area. The following table summarizes existing product by total square feet distribution by parcel size, occupancy rates and lease rates:

STUDY AREA INDUSTIRAL MARKET STATISTICS-Q4 2005				
	SQUARE FEET	DISTRIBUTION BY SIZE	VACANCY RATE	LEASE RATE (NNN/S.F./YR.)
<10,000	54,121	1.1%	58.9%	$3.60 - $7.50
10,000 – 49,999	253,878	5.2%	36.9%	$1.50 - $4.80
50,000 – 99,999	380,799	7.8%	1.1%	$1.95
100,000 – 249,999	1,243,814	25.3%	23.6%	$1.80 - $3.25
250,000 – 999,999	976,886	19.9%	0.0%	N/A
1.0 M +	2,000,000	40.7%	57.5%	$1.25 - $4.00
TOTAL	**4,909,398**	**100.0%**	**32.1%**	**$1.25 - $7.50**

Source: Vogt Williams & Bowen, LLC
M-Million
NNN – Triple Net

As evidenced by the table above, the vacancy rate within the study area is nearly 2.5 times that of the overall Columbus market, and sharply contrasts with the 7.7% Downtown market vacancy rate.

The recent acquisition and redevelopment of the 1.0 million square foot Techneglas site in the southeastern portion of the study area is expected to reduce the overall vacancy rate within the study area to less than 12.0% over the next several years.

Planned Activity

While the Southeast market has the highest availability rate, this area has also experienced the most activity and has the greatest potential for growth. On July 25, 2005, an official groundbreaking ceremony was held on the site of the future Rickenbacker Intermodal facility approximately 2.0 miles southeast of the village of Lockbourne. The facility is located just south of the Rickenbacker airfield off of Ashville Pike.

According to a report released in late 2005, the intermodal facility will be operational in 2006 and used for the interchange of containers between trains and trucks. Container cargo will include a variety of consumer and industrial products.

The facility is expected to increase Central Ohio's role in North American freight distribution. The facility (and related development) is expected to create over 20,000 new jobs and $15.1 billion in economic impact over the next 30 years. According to an independent study, benefits realized after the first 10 years of intermodal facility operation:

- $660 million in transportation cost savings to shippers.
- A reduction of 49 million truck miles in Ohio.
- Significant reduction of emissions.

Based upon the same study, over the next 30 years, the new intermodal facility and resulting development is expected to produce:

- 9,500 direct jobs.
- 10,900 indirect jobs.
- 34 million additional square feet of industrial-building development.
- $1.2 billion of building construction.
- $1.37 billion invested in machinery and equipment.
- $15.1 billion in economic impact.
- $800+ million in direct local, state and school district tax revenues.
- $1.26 billion of indirect tax revenues.

Companies currently operating distribution centers in Central Ohio include The Limited, Big Lots, Pier One, J.C. Penney, Value City, Gap, Dollar General and Spiegel.

Conclusions

Despite having excellent access to Interstates 70, 71, 670 and 270, the Parsons Avenue corridor has lost its competitive edge for attracting industrial tenants. Newer, cleaner, and more modern facilities are available in close proximity to transport sites just south of the site area.

Although it is our opinion that industrial development should be limited to light industrial and warehousing/transportation uses, the southern portion of the study area has definite potential for redevelopment, given its location and the dynamics of these industry groups further south.

Based upon the success of the development of the West Edge Business Center, we expect that similar public, private, industrial and transportation uses could be developed, relying partially on synergies cultivated with the Rickenbacker Intermodal facility. Of course, we would expect that a 10-year 75.0% property tax abatement would be offered by the city.

Developer Kapac is currently redeveloping the Techneglas site, indicating confidence in the area from within the private sector.

Opportunities exist for new development of areas within the former Federal Glass industrial park, now used primarily by transportation and warehousing and small tool and dye companies.

XI. INTERVIEWS

INTRODUCTION

Between September 2005 and January 2006, Vogt Williams & Bowen, LLP personally conducted interviews with numerous community stakeholders regarding the Parsons Avenue Vision Plan. Interviews with stakeholders were conducted by telephone and in person. These stakeholders include the following respondents:

- Neighborhood civic leaders
- Representatives from major area employers
- Local police officers
- Banks
- Private and non-profit housing developers
- Industrial/warehousing real estate developers
- Commercial/retail real estate developers
- Leasing agents and other real estate professionals

These interviews are summarized in the following pages.

Charlie Fraas, Retail Real Estate
Casto Development
Columbus, Ohio
(614) 228-5331

Mr. Fraas works on many redevelopment projects for Casto. Recently, he explains, he spoke to a group about the Franklin County Stadium redevelopment project. "Retailers set criteria when they look at potential sites." There are some areas that are very difficult to develop, and the stadium area is one. Parsons Avenue is another. Retailer criteria include:

- Traffic Counts
- Density of households
- Density of workers
- Density of income

Casto, primarily a retail developer, operates centers at Central and Mound, Central and Broad (recently sold), and Eakin and Harrisburg Pike. The Great Southern Shopping Center, which is leased by Casto, is anchored by Wal-Mart and Kroger and has an adjacent Lowe's store. Great Southern has one large vacancy, the former Big Bear space. Without considering that space, the shopping center is approximately 90.0% occupied, with lease rates ranging from $6 to $14 per square foot, depending upon what type of space it is. The center's "arcade space", smaller retail spaces that are older and have a higher share of local businesses, have a higher vacancy rate than the rest of the center. Mr. Fraas notes that this portion of the center may be redeveloped.

Mr. Fraas comments, "when surveying suburban areas, we (retail developers) look at 1-, 3-, and 5-mile areas, but within an urban area, the radius is much tighter. Here, I wouldn't go out more than two miles. I'd say that given how large the study area is, that the corridor is its own trade area. Demographics reveal lower home ownership, lower median household income, and lower educational attainment rates. These things are important for major retail chains. Traffic counts just south of Livingston, are around 18,000. My guess is as you go south, they're lower."

Mr. Fraas agrees with the notion that courting neighborhood scale retail is appropriate for redevelopment of Parsons Avenue, but also concedes that doing so is a difficult challenge, given the above-mentioned lack of leverage.

Casto Development (Continued)

Building upon neighborhood improvements is important, and increasing safety factors, home ownership, and perceptions of crime are very important. Mr. Fraas agrees that the industrial structures in the southern portion of the corridor are interesting and unique to Columbus, because the city is a post-industrial city built on law, finance, and white-collar businesses. However, how well do they fit in with redevelopment strategies?

Mr. Fraas comments that although Casto doesn't develop much office space, the criteria is very interesting; basically the same as with retail—Class A office space users want specific areas, "hot" areas, not areas in decline. They want high-income households close by, and a highly trained workforce. "You can't just say you're going to be good for office. You have to have good demographics."

Some of the specific challenges to the corridor include:

- Size—where do you begin to make improvements?
- Urban Commercial Overlay districts—there are some exceptions to that rule.

Some possible solutions to those challenges include:

- Focus on core areas where it makes sense for redevelopment.
- Make that a public private partnership.
- Modal purposes, transportation.
- Identify opportunities, and clusters of vacant buildings.
- Overlay districts—realize that there are exceptions to the rule, particularly within a corridor as long as the study area.
- Is condemnation a factor?
- Parking is the critical element. General retail, you need four spaces per 1,000 feet of store area.
- Are there three to four properties present that we can get a willing landowner to sell?
- Identify buildings with low overhead and high levels of foot traffic
- Retailers located close to anchors tend to do better
- Retail trade areas have synergy, public parking, shared parking
- You are stuck with shallow lots with an alley behind them—where are the exceptions? (Corner of Mithoff and Parsons, for example).

He notes that one major complaint that he has heard from store managers in blighted urban areas is that inventory is lost "out the back door", which discourages retailers even further from taking a chance on a fringe area.

Patty McClimon
Vice President of Planning
Children's Hospital
Columbus, Ohio
(614) 722-2000

Children's Hospital currently has approximately 5,000 employees, including off-site staff in clinics and other community facilities. Ms. McClimon notes, "We are in the process of completing a master facilities plan that focuses on our locations and properties that we own." That plan will be taken to our board on September 22, 2005. However I would be happy to share the results with you. We own property to Jackson Street, which is comprised of parking lots for employees. Children's Hospital provided a small piece of land along Parsons Avenue at the corner of Livingston Avenue for an entrance sign "Parsons Avenue, Gateway to the South".

Children's Hospital has a long-term strategic plan that includes expanding the hospital's employment base by 1,200 workers over the next five years. The majority of additional workers will be highly skilled professionals including doctors and other health care specialists (nurses and physical therapists), as well as researchers. There will be growth in non-professional positions including maintenance and food service, but these positions are expected to comprise only 10.0% of overall growth.

Another contact is Tracey Mahoney, who is the Community Relations director.

David Whitaker, Vice President
Business Development and Communications
Columbus Regional Airport Authority
Columbus, Ohio
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On July 25, 2005, officials broke ground for the Rickenbacker intermodal facility to be used for the interchange of containers with all types of consumer and industrial products between trains and trucks, is expected to become a vital asset in Rickenbacker's logistics infrastructure, and increase Central Ohio's impact on North American freight distribution. The intermodal facility and related development is expected to create over 20,000 new jobs and $15.1 billion in economic impact over the next 30 years.

The current Discovery Park (truck to train) facility at Rickenbacker is operating at a substantially higher capacity than originally designated, with 125,000 lifts in 2002, and an estimated 160,000 in 2003. Norfolk Southern reports that they are currently "turning business away" because the Discovery Park facility is working at capacity, and cannot handle any more work. Further expansion of the Discovery Park (owned by Norfolk-Southern) facility as an intermodal site was not practical because of space constraints. The planned Rickenbacker Intermodal facility, which will have a capacity of approximately 400,000 lifts per year, is currently in development at a 300-acre site on the southwest portion of the Rickenbacker Airport facility.

The Intermodal facility is being developed and will be operated by the Norfolk-Southern Corporation in partnership with the Columbus Regional Airport Authority. A consortium of area governments, including the city of Columbus, state of Ohio, and local communities will share a $30 million transportation funding allocation to make infrastructure improvements around the site. One of the primary processes will involve bringing water service to the site.

A groundbreaking ceremony was held in mid-2005, and the current timeline for development anticipates construction to begin in early 2006, with completion projected for early 2007.

Mr. Whitaker notes that the Airport Authority, in partnership with Duke Realty/Capital Square, will develop some industrial/warehousing facilities on 1,000 acres of airport land located close to the Intermodal facility. In addition to the airport's 5,000 acres, there is another 1,000 acres remaining that may be marketed for additional industrial use.

Columbus Regional Airport Authority (Continued)

The new facility is expected to usurp the users of Discovery Park, who will transition three to five miles south to the Intermodal. Discovery Park will be converted to a Triple Crown Road Railer facility, which uses an innovative technique by which truck trailers are fitted with specialty rail car wheels, allowing them to be linked together for rail transit. This is an alternative for moving freight by rail, and would provide a useful alternative for operations needing to save shipping time. Specific customers for this service have not been identified.

Mr. Whitaker notes that the partnership will benefit the Airport Authority. "Rickenbacker Airport has not been self-sustaining, and that the space was ideal for growth and development. We are looking for more diversified users."

The Intermodal facility is expected provide resounding economic benefits to many areas of Central Ohio, Whitaker says. Lots of other land that we think will also be developed. The community of Gahanna is positioning themselves as a great location for transportation and warehousing because of the proximity to Rickenbacker. Employment at the facility (Norfolk Southern employees) is expected to comprise a small fraction of job creation, with most of the jobs coming from private companies already located in Central Ohio, or who are attracted to the Intermodal facility.

According to Norbridge Research (2002), "Ohio—and in particular, Columbus—has emerged as a center for distribution activity." In fact, nine of the country's 31 top retail importers have distribution centers in Central Ohio. Whitaker confirms that marketing the Intermodal to those retailers who do not have Ohio distribution centers is planned. The Norbridge report lists those retailers (company name and nationwide rank) without Ohio distribution centers:

- Payless (3)
- Home Depot (5)
- Ikea (8)
- Footstar (14)
- Sears Roebuck (15)
- Williams Sonoma (17)
- Ames (19)
- Federated (20)
- KB Toys (21)
- TJX (24)
- Michaels Stores (25)
- Dollar Tree (30)

VOGT WILLIAMS & BOWEN LLC

Columbus Regional Airport Authority (Continued)

For more information about this project, contact Allen Nederveld, Associate General Counsel, at (614) 239-5033 or via email at Anederveld@ColumbusAirports.com.

Roy Lowenstein, Director of Development
Columbus Housing Partnership
Columbus, Ohio
(614) 221-8889

For-Sale single-family homes

The Columbus Housing Partnership (CHP) has developed approximately five for-sale scattered single-family homes (some new-build, some renovation). As of September 2005, all five of the homes have been purchased. Some of the homebuyers received assistance through government grants to lower their loan and their monthly payments. The government grants are for homebuyers earning below 80% of the median household income; these individuals can only afford very low monthly payments (typically $150 and slightly higher). The organization will put the money from the sale of the homes back into the program and build/renovate three more, and then with that money, will build two more.

A total of 32 scattered-site single-family homes on the south side of Columbus (Southside Homes) were built in 2003 and 2004, and were placed online between early 2004 and 2005. These homes are all of four-bedroom/1.5 bath configuration with rents ranging from $329 to $662 per month. Target household incomes range from 30% to 60% of the area median. According to Lowenstein, all 32 homes were leased very shortly after coming on-line; even the slowest movers took only two weeks to be leased. This is an indicator of very strong demand for affordable housing in the area. Southside Homes were developed using Low-Income Housing Tax Credit financing, and are available on a lease-purchase option.

CHP is currently developing the North of Broad development, and is planning two small subdivisions in the Linden neighborhood of Columbus. Seven homes off of S. Waverly Street just south of Mound Street are also in planning. Construction on 16 homes in the vicinity of 24th Avenue and Joyce Avenue began in July 2005.

Lease-Option to buy single-family homes

Homes built on a "lease-option" program are available for-sale to the renter after being rental units for a 15-year period. There are many stipulations to this program, including:

Columbus Housing Partnership (Continued)

- The individual must have rented/occupied the home for at least three years
- The home must be finished with the 15-year tax credit cycle
- The individual must have paid all rent and other charges on time
- The individual must have attended the CHP home maintenance and credit-counseling program

If the individual qualifies, he will receive a $1,000 credit for each year he leased the home to put toward a down payment.

Officer Lisa Swisher, Precinct 13
(614) 645-1413
Officer Brian Smith, Precinct 11
(614) 645-1411
Columbus Police Department
Columbus, Ohio

Officer Swisher will pull crime statistics for the three cruiser districts in Precinct 13. Those districts are 136, 130, 131

Within Precinct 13, the majority of crimes occurred in cruiser district 136. This is the northernmost cruiser district, encompassing portions of Merion Village, Hungarian Village, and Lincoln Park and Vassor Village.

Officer Smith will pull crime statistics for the six cruiser districts in Precinct 11. Those districts are 110, 111, 113, 114, 116, 117.

Lou Seipel, Director
Community Properties of Ohio
Columbus, Ohio
(614) 253-0984; (614) 253-8136

Community Properties of Ohio is a housing redevelopment and management arm of Ohio Capital Corporation for Housing. Community Properties of Ohio (CPO) was formed to manage the portfolio of 249 project-based Section 8 buildings formerly owned by Broad Street Management Company. These buildings, which contain over 1,300 units, were all in poor condition, notes Ms. Seipel. CPO is redeveloping and managing the tenant displacement issues while renovations are completed. In most cases, tenants are relocated temporarily and then return to the same unit after is has been renovated. Each unit will undergo over $40,000 worth of upgrades, including new carpeting (many units had only hardwood or vinyl), installation of central air conditioning, (units had no air conditioning), new appliances, plumbing, kitchen and bathroom fixtures, paint, woodwork, and other renovations as needed.

The demographic profile of residents is about 90.0% single mothers with one to four children. Most of these women are 18 to 25 years old, and have never had a job. Their annual incomes range between $5,000 and $7,000. Another 10.0% are seniors age 55 and over, and disabled individuals. Some of these residents receive Social Security and Supplemental Security Income.

The redevelopment project is approximately half completed, after beginning in early 2003. Complete renovation of all units is expected to be finished in the fall of 2007.

Mike Wiles, President,
Council of South Side Organizations
Columbus, Ohio
(614) 443-4184
wilesmd@hotmail.com

The Council of South Side Organizations (CSSO) was founded in 1940 and serves the Southside area bounded by Interstate 70 to the north; State Route 33 to the east; the Columbus city limits to the south; and Harmon Avenue to the west. CSSO hosts monthly meetings the second Thursday of the month.

CSSO promotes the south side of Columbus through relationships developed with local media, government, businesses and civic associations. Additionally, the CSSO aids in the development of the community by serving as an advocate for the individuals and organizations within the south side of Columbus.

The CSSO consists of representatives from various churches, schools, civic groups, businesses and neighborhood associations located within its boundaries. Members include major south side employers Columbus Steel Castings, Wasserstrom Inc., Children's Hospital, and numerous small businesses.

Mr. Wiles describes the industrial climate as needing change, and states that a lot of industrial tenants of the south side have left over the past several decades. He says that a man named Mike Casey is the "foremost historian" on industrial activity on the south side. A brief description of some south side industrial tenants and former tenants is as follows:

- Federal Glass, which occupied about 65 acres at a site at Woodrow and Ann streets, closed its doors in 1980. A portion of the site is being used by Odd Lots for warehousing.

- Buckeye Steel declared bankruptcy in 2001, and was reformed (following a legal battle between the workers' union and the new investment group) as Columbus Steel Castings. Craig Holman is the President of the new company.

- Owens Illinois/Techneglas, located on Southwood Avenue, closed in 2003

- National Graphics closed several years ago. The site, located just east of the Lincoln Park Apartment complex between Woodrow Avenue and Marion Road, is currently for sale.

Council of South Side Organizations (Continued)

Other industrial/manufacturing businesses that have closed include:

- Seagraves Fire Engines on South High Street
- Latimer Stevens on Marion Road
- American Standard on Marion Road

Brown Steel and Buckeye Stamping, both on Marion Road, are still in operation. Ohio Mulch and a recycling operation are also located on Marion Road.

Lockbourne Road contains a trucking terminal between Marion and Refugee roads.

Franklin Chemical and Grossman Recycling are located west of Parsons Avenue, around Hosack and 4th streets.

Across from Columbus Steel Castings, there is another industrial site containing Excelsior Printing.

Valerie McDaniel, Director of Community Relations
Crane Plastics Manufacturing, Ltd. (CPM)
2141 Fairwood Avenue
Columbus, Ohio
(614) 542-1111
Valerie@crane-plastics.com

Crane Plastics Manufacturing, Ltd. (CPM) is a manufacturer of custom plastic profile extrusions in the thermoplastics industry. The Crane Plastics family of companies is 55 years old. CPM specializes in custom plastic profiles in PVC, wood composite, foam PVC, and a variety of other materials. CPMs two plants are located in Columbus, Ohio and Jacksboro, Tennessee, and operate three shifts, 24 hours a day, five days a week. Crane Group also has a Wilmington, Ohio plant.

Ms. McDaniel notes that employees come primarily from the 43206 and 43207 zip codes. Two locations in Columbus employ about 650 workers. There are 310 workers in the manufacturing facility, 60 in the holding company, and 350 in the siding company. The plant in Wilmington, Ohio employs 130

Ms. McDaniel comments that Mary Boyer would be able to provide more statistics on employees, and her number is (614) 542-1108.

“We don’t do a lot with the trade schools in the area.”

Jim Clark, Senior Vice President, Office leasing
Duke Realty
Columbus, Ohio
(614) 932-6016

Mr. Clark explains that Duke Realty/Columbus is comprised primarily of office and light industrial developments. Currently, Duke has 2.0 million of warehouse space on a 120-acre site at Rohr Road and Alum Creek. At that site, there are another 125,000 square feet under construction, and a pad containing 950,000 square feet.

The facility contains primarily warehousing space for trucking companies. Although the Rickenbacker Intermodal facility is less than 4.0 miles from his site, Clark notes, “we don’t have rail access to our site, we just accommodate regular bulk distribution”. He says bulk distribution warehousing space is around $3 per square foot. Other (types of space) get higher (in price) because it might have more office space in it, etc., but that $3 is the average price per square foot for new bulk warehousing space. Some of the criteria for new warehousing/transportation facilities include:

- Building height—“we’re building everything 30 feet clear. For stacking, bulk distribution, you have to have building height.”

- Power (capabilities) or lack thereof can generally make things obsolete.

- Bays must be deep enough to cross-dock.

- Ideally, it’s good to be as close to Interstate 270 as possible. Proximity is a nicety, but you don’t have to be right at the interstate in order to make a successful industrial facility.

Mr. Clark comments that he thinks any redevelopment of former industrial space in the study area sounds like it would work out better as “Flex space—little warehouse and little bit of office.” This is because it doesn’t have the large-scale capabilities of a modern industrial park.

When commenting on office development trends in the Columbus area, Clark says, “office users either look north and northeast, or north and northwest”. It has a lot to do with demographics, where workers live, and what type of image the business wants to project. They may want to be near complimentary or client businesses. Clark notes, “in 2004 we built 500,000 new office spaces, including the Lane Bryant offices, a spec building, and an addition to BMW in Hilliard. We are already at over 90.0% occupancy.” He adds “the market for 10,000 square foot Class B office buildings is totally different than that of the larger-scale Class A office developer/renter”.

Duke Realty (Continued)

He adds, "The statistics can mislead people about the office market here. The numbers are primarily attributed to what is happening downtown. What happens downtown has very little effect on what happens in the suburbs".

Lease rates (net) for Class A office space is as follows in the following communities: New Albany, $11; Easton, $14; Tuttle Crossing $11

Mr. Clark comments that the Rickenbacker area could see some future growth in back-up office facilities. Technology infrastructure will likely be installed that would facilitate office use. Some buildings will likely be equipped with wi-fi and increased power capabilities. He notes that emergency/back-up offices are a concernment of many office facilities.

David Hughes, Facility Manager
Federal Industrial Park
1879 Federal Parkway
Columbus, Ohio 43207
(614) 444-1102

David is the site facility manager at the Federal Industrial Park (FIP Realty), the former site of the Federal Glass plant, which opened in 1900 in Columbus. Established by the Beatty family, who were well known in glass manufacturing at the turn of the century, the first pieces produced were pressed crystal wares with needle etching. The company was quick to see the country's need for an economical ware that could be mass-produced by automated means. Most of the patterns produced during this period were made from molds acquired from other manufacturers, primarily U.S. Glass. Their trademark was "F" in a shield. By the mid 1920s Federal produced the largest amount of machine made tumblers and jugs in the country. In the 1930s it was the number one producer of colored glassware and mold injected dinnerware, which is highly collectible today.

In addition to pressed glass tableware, Federal Glass produced packaging items for grocery stores, such as salt, pepper and spice shakers, goblets, measuring jugs and jars shaped like tumblers. Federal maintained their own mold making department and continued to make hand-blown and decorated tumblers. In 1958, the company merged with the Federal Paper Board, and in 1979, the company closed its doors. The decline of Federal Glass was exacerbated by the gasoline slump of the 1970s. At that time, the factory was producing a lot of glass for promotional purposes to gas stations. At its height, the factory employed approximately 1,500 workers.

The site includes approximately 1.0 million square feet of building space. Currently, the park is about 85.0% occupied. David comments that that figure will probably drop to around 66.0% within six months, because much of the occupancy is temporary. Odd Lots is one of the larger tenants, using space for warehousing.

Lease rates at the site range from $1.25 to $3.50, with warehousing leasing for $.25 to $.35 per square foot less than manufacturing. This is a "gross lease" agreement, with tenant paying utilities and tax increases on property.

The site includes a total of, 68 acres, with four acres that are not contiguous, and are undeveloped. In addition, the site contains 10 to 11 acres of undeveloped land at its east end.

Federal Industrial Park (Continued)

The site has a few properties not suitable for manufacturing or warehousing but well suited to live-work and office space, including a 149,000 square foot, three-story building with wood columns every 16 feet. David comments, “If that particular building had been located in the Short North area, it could be rehabbed for residential. In the south end, I don’t see that happening. To me, it’s the location of it.” The building faces west, but across the street, there are palette operations.

David notes that there is also a 10,000 square foot office building on the site that would accommodate an office or commercial user.

According to David, demand for manufacturing space has declines, and most of the trends are within users who are in warehousing and transportation from the site. “We don’t have too many small buildings that stand alone. Occasionally, somebody might want space for a machine shop, but the large-scale users aren’t there anymore.”

Bruce Myers, Spokesperson
Franklin International
2020 Bruck Street
Columbus, Ohio 43207
(614) 443-0241

Mr. Myers explained that Franklin International is a privately held company that began in the early 1930s making glue and adhesives. He advised that information about the company is on the website.

Mr. Myers declined to discuss the size of the south side facility or any details about employment, and declined to participate in the targeted focus group session.

Mark Hoosier, COO,
Hirschvogel
2230 S. 3rd
Columbus, Ohio
(614) 445-6060
mhoosier@hivo.com

The Columbus facility of Hirschvogel, a German-owned company, is the operation's only North American plant. The company has plants all over the world, including Europe and South America. They make forgings for the automotive industry. Their technologies include cold and warm forging, but not hot forging (this is the old fashioned method).

Mr. Hoosier explains, "We're a growing company. We started here in 1989. In the beginning, this company was a joint venture between Hirschvogel and another German company called Schuler, a manufacturer of presses. In 1992, Hirschvogel bought out Schuler. Schuler still owns the adjacent building, renting it to Quality Press Inc. They make hydraulic jacks for airplanes.

"Location was the primary reason we chose this site. The building was already here, and it has a central location. We ship parts to the north, to Detroit, and ship to the south. All shipping is done by truck."

However, Mr. Hoosier explains, "If we had to do it again, we wouldn't be here. The main reason that is, is labor. It's difficult for us to find laborers. We have a lot of manual work here. Columbus is a dying town when it comes to manufacturing. The skilled labor pool that we're trying to acquire is causing our labor costs to increase. Approximately 35% to 40% of the Hirschvogel workforce comes from outside of Interstate 270, from communities that have more of a manual labor/manufacturing background. Up to 20% of our labor force comes from one hour away.

Hirschvogel currently has 165 employees, and 25 to 30 (nearly 20.0%) come from Perry County. These people enjoy manual labor, manufacturing because that's what they were raised on. Many workers from the Columbus area do not come from manufacturing backgrounds.

Further, Mr. Hoosier notes, “We get caught on two fronts:

- When someone comes to Columbus, they can get a job.
- At one point, we turned over our workforce 110% to 115% during the year.
- Down here on the south side, there are so many warehouses. People are making $12 to $15 an hour driving a fork truck, in air conditioning. These are “cushier” jobs and (although probably very mundane) are “easier”.
- Fifteen years ago, we started our factory workers at $8 per hour. Now we start them at $12 per hour, so we’re competing with those “cushy” warehousing jobs.

“We’re expanding, and we’re going to hire 50 to 60 new people over the next six months. We were awarded a training grant—we had Hocking Tech come up. And it’s extremely difficult to find workers/applicants. And we’re paying $15 an hour for the new hires. Our current facility is 170,000 square feet, and we’re adding an additional 20,000 square feet—breaking ground in 2007. Currently, I’m turning away customers, largely due to not having the right amount of qualified workers. Our number one issue is people; the workforce isn’t here in Columbus. There is a group of six or seven companies down on the south side. We hire and train workers and then they move around to the next company. That is a waste of our money, training people who turn around and leave.”

“I get a high percentage of south side residents who are applying for jobs, but unfortunately, the majority of these individuals are not as well qualified as other applicants. We need a training facility—improve skill sets of these people—let them learn a trade. Let them go out and get a job. I need people who are semi-skilled, work-ethic ready. I go to Detroit a lot, and a lot of community colleges and schools offer training classes that have been developed in conjunction with area businesses. One of my managers is researching all of the technical schools in the area—to see if there are programs, or if they could start a program.”

Hirschvogel (Continued)

Mr. Hoosier comments that five or six years ago, the city improved the access roads from High Street to his facility, which helped access to Hirschvogel as well as the adjacent Columbus Equipment Company. Sewers were also improved. Hirschvogel received a tax abatement on their expansion project from the city, which is very positive. Mr. Hoosier notes that “we have 30 to 50 shipments a day going out and another 50 trucks coming in every day, and there is no light to get on High Street. The State says (our intersection) is too close to the exit off of High, to State Route 104.” However, he says it is an ongoing access issue.

Another key issue is transportation in general. “I’ve investigated shipping steel from Arkansas. There used to be a spur next to my building. I have this railroad right behind me. But I can’t offload it there, I have to offload it someplace else. Rickenbacker’s location might be attractive now, because diesel is so expensive.”

When asked where workers tend to shop, eat lunch, etc., Mr. Hoosier notes that the Great Southern area is the most convenient for workers, who “don’t have any need to jump over and get onto Parsons Avenue.”

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Ms. Benham notes that Huntington Banks, which is headquartered in Columbus, has been involved in a variety of community development projects over the past several years, and she expressed an interest in getting involved with the Parsons Avenue Vision Plan. She explains that the Huntington Bank has adopted the Northland Corridor, and is currently working on the King-Lincoln area. Barbara would like to partner with the Columbus Urban Growth Corporation to see the Parsons Avenue area re-emerge.

“In Northland, we moved 600 associates to the area, and are leading the effort to create a Special Improvement District (SID). We have opened two new banking offices along the corridor, and are actively working with the Northland Alliance and Northland Business Association to help them leverage their efforts toward neighborhood improvements. We get involved heavily from the volunteer perspective. We also get involved in lobbying the city for action.”

For Northland, the Huntington also completed the following:

- Rehabbed the Northland Business Center
- Built a daycare center
- Built a community center
- Reconfiguring traffic lights and bus stops by working with the city and COTA.
- Getting the best quality bus stop shelter available.

She also comments that given the different scale of Parsons Avenue, she doesn’t imagine the bank’s involvement to be quite as extensive. She also notes that because the Huntington is also well represented in the south side, she doesn’t think they will be bringing in a branch to Parsons Avenue.

When asked how she identifies individuals who work at Huntington and live in a target area, Ms. Benham comments, “It’s not scientific. We would use our people who live and work in the area. We use bank management structure to identify those individuals who are active in their communities.”

Huntington National Bank-Barbara H. Benham (Continue)

Ms. Benham has several comments on specific area developments. “Community groups want something done around the (former) Schottenstein's area. But, when you talk with the business community, they’re going to focus at Rickenbacker and work their way up the corridor. I’d suggest working on the Schottenstein’s store, to bring something in there, and that’s in between the corridor and Rickenbacker. What we’ve asked for is a market study about what the market will bear. People want some type of big box or discount store such as Marc’s. Those stores draw from outside the area.”

Ms. Benham said she would provide contact info for residential and commercial development and feasibility experts from Huntington.

Moniqua Spencer, Spokesperson
Small Business Startup and Maintenance Loans
Huntington National Bank-Moniqua Spencer
Columbus, Ohio
(614) 480-1957

Ms. Spencer comments that within her business group, at least 15 relationship managers handle Central Ohio. Each is assigned two to three banking offices that the relationship managers support. If the loan request is less than $100,000 and we're not going to need some additional expertise, then the loan is typically handled by banking office managers.

On the south end, that banking office would be the Great Southern Huntington. Ms. Spencer adds "we don't get a lot of business startups on the south side." Referral partners may refer a deal in a particular area of town where not many deals are done. She works in many distressed areas and offers several suggestions in terms of programming:

Huntington Hometown Partnership commits $275 million in lending for home purchase or renovation to small business in historic urban areas of Columbus over five years. The program is a direct response to the city's Partnership for a 21st Century City. During the second year of the program, the bank increased its Small Business Administration lending by 16%. Additionally, the community development goal was exceeded by supporting organizations (such as the Columbus Metropolitan Library) with loans and grants.

Ms. Spencer sites on the Board of Trustees for Columbus Compact. She explains that "when people see something as an anchor, hear the mayor make speeches about how he wants to see an area revitalized, that starts to spark interest. Projects like these benefit greatly from some type of anchor, redevelopment effort coming into the community." *Example: COTA transfer on East Main Street; the Salvation Army moving into the near east side*.

She comments that the Schottenstein's site must have deep pockets. "In the case where you have a great business plan, management experience, but no cash flow,

Huntington National Bank-Moniqua Spencer (Continued)

A couple of notable projects Ms. Spencer helped orchestrate include a restaurant at Cleveland and Myrtle where the client purchased the building, and Huntington came in to help with renovation financing. The development team used NCR grants, $3,000 per storefront, for renovations to the building. That particular client used the money for signs and new windows. The second project involves the development of a Popeye's Chicken project at 5th and Cleveland. The clients were already Popeye's franchise owners who received the opportunity for a second site. Huntington helped with building acquisition.

Public funding sources that Ms. Spencer cited include:

- Columbus Compact Corporation offers "equity injection" pre-development funding (up to $30K).

- Ohio State Brownfield Development Fund. Older areas of town can benefit specific areas. The state is very interested in projects located in Central Ohio, and has done a lot here. The Timken Site (at 5th and Cleveland avenues) is applying for Brownfield funding. Solove wants to make it into a mini-Easton and include a Target, Barnes and Noble and a public library that would provide retail and services for Weinland Park and Italian Village.

- The city of Columbus moved the servicing of their loans to CCDC—Community Capital Development Corporation. Typically what Ms. Spencer does is assist her clients through the process of working with the city, including using bank loans to provide matching funds for the NCR grant. Leveraging partnerships with Huntington and loan monies to make improvements is a key strategy.

Jerri Hall, Senior Vice President and Area Manager
Central Ohio Mortgage Banking Office
Huntington National Bank-Jerri Hall
Columbus, Ohio
(614) 480-6395

Ms. Hall comments, "right now, we're focused on the commitment that the mayor has in fixing central city areas of Columbus. Our products are more forgiving. We design products that target low- and moderate-income neighborhoods." She recommends referencing the FFIEC website, which is a resource for determining whether a geographic area is low-, moderate-, or upper-income.

Ms. Hall explains that the Huntington has been committed to helping the Neighborhood Investment Districts in Columbus, in partnership with the mayor's NID program. The South Side is one of five NIDs, which also include Linden, north of Broad to Interstate 670, Hilltop, and South of Main. These five areas will have the NIDs designation until December 31, 2006, and homeowners will be eligible for residential tax abatements for up to 15 years.

Ms. Hall comments that she believes the city is planning to adopt two more NIDs, with Franklinton likely being one area. According to the NID website, depending upon the success in attracting investment, other NIDs areas may be designated. Ms. Hall comments, "we partner with the city to know what they want, and how we can help with that." Some of their policies follow:

- No private mortgage insurance.
- Homeowner counseling
- No predatory lending
- Homebuyer education.
- Review of job history and credit.
- Review focusing on current circumstances rather than past credit issues.
- Low to no down payment programs-100.0% loans.

"One of the primary reasons we implemented these programs was that people who were buying homes at the affordable level ($50,000 to $80,000) could not afford to rehabilitate them. We act as counselors in terms of repairs, offering financing for major repairs, including roof, hot water, wiring, and others. These improvements make homes saleable. Typically it takes up to $25,000 to do these repairs on a $50,000 home. "It's a case by case basis."

Huntington National Bank-Jerri Hall (Continued)

Ms. Hall also comments on trends in home investment in older neighborhoods. “We have not restricted our products to homeowners. Many of the “home owners” do not have the desire to make marketable improvements. An investor typically does. And an investor is still bringing people back into the neighborhood.”

You can get a feel for areas that are being fixed up. Nicely sided homes are adjacent to uninhabitable homes.

Huntington has a volunteer corps that goes out into the neighborhoods to repair homes. The Rebuilding Together Columbus Christmas In April program helps homeowners, typically elderly, who cannot fix up their homes themselves, and do not have family or resources to turn to. Volunteers go into NID neighborhoods en masse, installing new furnaces, roofs, painting and scraping homes. This helps prevent code violations as well as providing a help to elderly homeowners or those with high levels of need. The volunteer corps also helps neighborhoods celebrate individual neighborhood Pride Week.

Jim Hildenbrand, Owner
Jim Hildenbrand Realty
975 Parsons Avenue
Columbus, Ohio
(614) 443-9449

Mr. Hildenbrand has lived in the neighborhood for 53 years and says that improvements to the area's retail and real estate environments will only come after drugs, prostitution and other crime is removed. Mr. Hildenbrand notes that the two community associations that are most active in the area are the Merion Village Association, which will celebrate its 20th anniversary this year, and the Vassar Village Association, which is less than a year old. He adds "a million community organizations aren't going to do a thing until you clean up the crime in this area. You either do something about it or learn to live with it."

Mr. Hildenbrand comments that a closer relationship with vice squad members, bicycle police and patrolmen is important. He notes "10 years ago, the police were more visible." Now, they may be in the neighborhood working, but they're undercover, posing as prostitutes. Crime is pervasive in the neighborhood, and everywhere you go, particularly in areas east of Parsons Avenue, there are homes that harbor drug activity, which breeds other crimes.

Mr. Hildenbrand has operated a business on Parsons Avenue for decades, and notes that although he sells properties (residential and commercial) in the area, that the Parsons Avenue area is a very hard sell. "Criminal activity is all around," he adds.

Melissa P. Ingwersen, Vice President, Division Manager, Metropolitan Division
JP Morgan Chase/Bank One
Columbus, Ohio

The bank gets involved in several different types of community development activities, including grant making, neighborhood development, and small business development.

Non-profits (501C3s) approach Jeff Little, who manages the philanthropic, or grant making portion of these activities.

We have specific interests in giving areas:

- Education, early childhood development
- Economic growth and empowerment
- Enhancing the city of Columbus in the fields of arts and culture

We don't support health related organizations.

- Where is need that this organization is hoping to fill?
- How do we play a role in that?

Good partnerships begin with non-profit organizations getting together though either Jeff Little or through one of our Board members. We ask ourselves some questions prior to awarding grants or even determining a good fit:

In terms of community development, CDCs contact Jeff Greenleaf, and Community Reinvestment Areas (CRAs) contact Michael Childs. These individuals get engaged with neighborhood building organizations on specific projects, typically physical improvements, new builds, landscaping, etc.

Generally, the CDC side is looking for a loan—something that is going to be repaid. These are investments supporting projects—primarily capital improvement

The third community outreach activity is business banking, and most of our small business lending comes from branches. There are several Bank One/Chase branches in the Parsons Avenue area—including Lockbourne Road, South High Street, and Downtown.

Marvin Katz, Owner-Retired
Kapac Company
330 West Spring Street
Columbus, Ohio 43215
614-322-2084

Kapac acquired the Techneglas site, which contains approximately one million square feet of manufacturing, warehousing and office space, in November of 2005. The site has been virtually vacant, aside from 15 to 20 office/accounting workers, since Techneglas shut down operations in late 2004. The site, which has perennially been known as "the Techneglas site" has been renamed Tech Center/South. Kapac is working with Ohio Equities to market space at the site.

Mr. Katz comments that much of the site is comprised of warehouse space, but that he expects to attract warehousing tenants for approximately 600,000 square feet of space at the site. The remaining 350,000 square feet of space will be marketed to tenants in the wholesale, small operations, and metal fabrication fields. He estimates that this portion will be divided among six to ten tenants.

Mr. Katz notes that the other ancillary buildings will be marketed to small businesses. He comments that the target tenant for ancillary buildings will also be more of a services operation; most likely small machine shops, tool and dye shops, and similar operations.

The site also contains approximately 50,000 square feet of office space. Kapac is attempting to attract a call center to occupy this space, which is considered highly marketable, because of its proximity to the local neighborhood workforce. Because of proximity to labor supply, a call center is compatible with that type of labor, and many neighborhood residents could walk to work. Kapac and Ohio Equities are in discussions with approximately several different users that have interest in the manufacturing/warehouse space. One tenant is in line to occupy approximately 20% of the former manufacturing space, while Ohio Equities are working with three businesses for potential occupancy of the warehousing space.

As of January 2005, Kapac is finishing up environmental work at the site, which Mr. Katz described as "easy compared to other sites we've been involved with." He describes the site as "pretty clean" and notes that Techneglas has an outstanding record on environmental responsibility, with no citations or orders for cleanups. He estimates that cleanup will be complete within the next four to five months (summer of 2006).

Kapac Company (Continued)

Mr. Katz estimates that the site will have approximately ten workers at each of the six to ten small businesses, as well as approximately 50 workers in the warehouse. He estimates conservatively that the call center/office space user would likely employ at least 100 workers.

This is as many as 250 new jobs created in the center of the corridor study area.

Bob Leighty, President
Merion Village Association
Columbus, Ohio
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rleighty@columbus.rr.com

Mr. Leighty has been a Merion Village resident for over a decade, and has been an active community participant in a variety of south side development projects. He sees a lot of potential for growth in south side neighborhoods, and has noticed increased mobility of households moving south and east from more affluent areas to the north, specifically German Village.

Neighborhoods in the area have a growing sense of identity, and are taking measures to identify themselves. The Reeb-Hosack neighborhood recently erected a sign that identifies the area as "Steelton Village", remembering the area formerly known as "Steelton" because of its proximity to Buckeye Steel. The Reeb-Hosack neighborhood recently held its first garden tour.

Several sites have a lot of potential for redevelopment, and "blue sky" visions for these include:

- A business incubator in the Schottensteins building that would include an emphasis on high-tech, transportation, and health care industries. Because the building is owned by The Ohio State University, it seems logical that that institution might want to invest in a complimentary use for it.

- Brownfield Redevelopment for the Buckeye Steel site. This site could be converted to residential, commercial/office, or light industrial uses.

- Synergy with Rickenbacker Intermodal Transit Center using vacant, underutilized land to provide space for complimentary transportation/warehousing/logistics businesses. Because developers of the Transit Center, which broke ground in August 2005, expect the project to create approximately 20,000 jobs over the next 30 years, it would be important for residents to be poised for upcoming employment opportunities.

- Examine and make improvements to the Parsons/State Route 104 interchange. What improvements could make it better, more efficient for future uses?

Merion Village Association (Continued)

- The Columbus Public Library/Parsons Avenue Branch could double in size to accommodate demand. Generally, the library is heavily utilized, particularly the computers. The opportunity is there, because there is available land located immediately adjacent to the library.

- Children's Hospital would be more communicative with the community—"We need to know what their plans are so we can plan accordingly." Children's Hospital expansions have traditionally made some neighbors upset. Expansions of the research center create jobs—we need to know about job opportunities for the community.

- Mr. Leighty is currently working on a capital campaign to raise money for a new building to house the South Side Learning and Development Center, an early childcare center at 255 Reeb Avenue. The building that currently houses the center was built in the 1920s and is in very poor condition.

- The Southside Settlement House, 310 Innis Avenue, is also an older structure but houses many important community services, and should be maintained, given capital improvements.

- Community Reinvestment Area (CRA) designation could bring an influx for neighborhood improvements to the south side neighborhoods. Merion Village received funding and used it for a variety of projects, including landscaping, and entryway arches.

One project that is very important to Mr. Leighty is school building preservation and redevelopment. Having helped spearhead efforts to preserve Reeb Elementary and Southwood Elementary School, Mr. Leighty notes that both Barrett Middle School and Livingston Elementary School both have potential for renovation as opposed to demolition/rebuild. South High School, which serves the Parsons Avenue area, will be renovated under the OSFC plan.

The incidence of crime seems higher in the southern and eastern portions of the study area. The Merion Village Safety Committee has cultivated close relationships with the bicycle police, and the neighborhood has its own community crime patrol. Mr. Leighty notes that there are individuals within many areas of the study area who have cultivated positive relationships with police, but specific areas, such as the park near the South Side Learning and Development Center, are the setting for guns, drugs, and prostitution.

Jim Merkel, Realtor
Ohio Equities
Bob Benz, SIOR
Society of Industrial & Office Realtors in Central Ohio
Columbus, Ohio
(614) 224-2400

Mr. Merkel leases industrial and commercial properties for Ohio Equities, and notes that many of the for-lease industrial buildings on the south side are older and do not have the qualities to compete with new facilities going up in the southeast quadrant of Columbus. The properties along the Parsons Avenue corridor are predominantly smaller spaces, with clear heights ranging from 12 feet to approximately 26 feet. Many have limited power usage capacity, but the primary negative affect on marketability is the low clear heights, as well as limited number of dock and drive-in doors. Per square foot gross rent ranges from $1.50 to $1.95 within the study area. However, some properties have specialized equipment, including automobile repair equipment, cranes, and machine tools. Given this, these facilities can run up to $4.65 per square foot.

Newer facilities in the Groveport, Grove City, and Rickenbacker area have clear heights of 30 feet, larger square footage, better lighting, access, power, and connectivity capabilities. Many projects are in tax-abated areas in the southeast quadrant, but even so, those square foot gross rents range from $2.95 to $3.50.

Bob Benz, who prepares the annual report for the Society of Industrial and Office Realtors in Central Ohio, notes that because the price of steel has gone up recently, new construction and gross rents will be affected. Benz expects rents to rise over the next few years.

Mr. Benz notes that in 2000, Franklin County had 10 million square feet of vacant industrial/warehousing space. Now, in 2005, that number has doubled. This trend has a lot to do with development in anticipation of the Rickenbacker Intermodal facility, and the increased pace of new construction in the Columbus area, as Central Ohio develops a greater reputation for transportation and warehousing. Much of the new development continues to be in the southeastern quadrant of Columbus. Mr. Benz notes that in Franklin County, 5 to 6 million square feet of space is leased annually. Industrial occupancy rates have trended upward steadily since a low of 5.8% in 1993. In the first half of 2005, industrial vacancy rates for Franklin County peaked at 13.6%, an increase of 0.8 points over the 2004 12.8% vacancy.

Ohio Equities (Continued)

Mr. Benz adds, "from 2000 and on, vacancies increased. Much of the vacancies occurred in the southeast quadrant, including the Southfield Park, an old facility. However, he qualifies this increase in vacancies again. "Rickenbacker is so massive, it changes the dynamics of the market. Opus and Duke, Pizzutti are building a lot down there. Currently, there is not much new construction *except* at Rickenbacker, Grove City, and Groveport. This changes the southeast quadrant drastically. But, Rickenbacker *should* have a 10.0% vacancy rate *at all times* for anybody coming in from out of town."

Buildings that go up at 300,000 and 500,000 square foot per building are bound to change the climate, particularly when most of the development is occurring in the southeastern quadrant. New construction of industrial facilities (in Franklin County, in millions of square feet) was 5.2 in 2001, 1.3 in 2002, and 3.1 in 2003.

Mr. Merkel notes that Mike Semon and Curt Berlin have both done a lot of work in the south side, and Mike Semon notes that he believes he has sold the 1.0 million square foot Techneglas factory site. Techneglas filed for Chapter 11 bankruptcy protection in spring of 2004, and the site has been virtually vacant for nearly a year. Mr. Semon notes that the buyer, a local real estate holding entity, has put a $200,000 non-refundable deposit on the property.

Mr. Merkel comments that older buildings are not current in terms of many amenities that modern facilities offer, including sprinkler systems, truck ports, electrical systems, etc. "The market for industrial property in that area is very slow." Further, projects in the Rickenbacker area are giving tax abatements, which yield savings of $0.60 to $0.90 per square foot off the rent. Growth at Rickenbacker has affected south side and west side markets.

Tax-abated buildings offer extra savings and value because most are new build. Mr. Merkel did a cost comparison of net rents and expenses over the past 24 months, and came up with per square foot rents (gross) of $3.50, $3.35, $3.15, $3.29 and $2.95. These are tax-abated rents, and include space rented by a logistics company, a medical services company, and McGraw-Hill within four projects developed by Opus, Pizzutti, and Duke in the southeast quadrant.

In July of 2005, the Columbus area (four quadrants and downtown) had a total of 10,366,000 available square feet of industrial/warehousing space. Of this available space, approximately 10 million was available within the southeast quadrant. Of course, the southeast quadrant has experienced the highest rate of growth over the past several years, particularly given the plans for the Rickenbacker Intermodal center.

Ohio Equities (Continued)

Mr. Merkel says that while gross rents in the southeastern quadrant range within the $3.00 to $3.50 range, rents in the study area range between $1.50 and $2.00 gross. New build lease rates are expected to rise with the price of steel, but tax abatements should continue to give the newer projects a competitive edge.

Mr. Merkel referred Bob Benz at the Society of Industrial and Office Realtors at (614) 385-4274. Mr. Merkel also noted that Mike Semen and Curt Berlin of Ohio Equities have done a lot of work in the southeastern quadrant.

Jeff Knoll, Spokesperson
Parsons Avenue Merchants Association
The Graphic Touch
827 Parsons Avenue
Columbus, Ohio
(614) 444-3770
jknoll@columbus.rr.com

Mr. Knoll is the owner of The Graphic Touch, and has maintained his business on Parsons Avenue for approximately 10 years. He recounts some of the history of the area. The corridor was a thriving commercial area, serving families on the South Side for many years, until the companies that were located there (and employed many local workers) began laying people off. These companies include Buckeye Steel, Federal Glass, and Techneglas. Some of these companies have administrative workforce and some labor force, but the employment rolls are a fraction of what they once were.

One industrial site, Columbus Steel Castings (formerly Buckeye Steel), has a lot of potential for development, as well as numerous unused acres. Preparation of the site for redevelopment would involve Brownfield funding.

Another point that Mr. Knoll makes is that people complain that the area needs jobs. Parsons Avenue is a primarily retail corridor, with single-family housing surrounding it. The area's job center was formerly at the southern end of the corridor. People tend to blame the fact that all of the manufacturers have withdrawn on the decline of the area. However, the issue is that the people need to be mobilized, from when they are young. Older residents of the area were somewhat "lost" after the manufacturing closings. New generations can be trained to be more mobile. The area doesn't necessarily need jobs in the immediate area that would support whole families, but it does need some jobs for youth, both part- and full-time, as well as job training in emerging or growing industries—computers, high-technology, health care, transportation logistics, heavy machinery, etc. There could be a downtown connection, but a strong sense of community needs to be instilled in our youth. They need to go to school here, work here, and play here.

Trends in retail along the Parsons Avenue Corridor include long-time residents aging and dying, or moving away to live in nursing homes. Typical shoppers at the Schottenstein's Department Store on Parsons Avenue were neighborhood parents buying work and school clothing for their children. The South Side Schottenstein's never really had a good selection of suits, because the neighborhood people were very blue-collar types. Now, children from those families moved south and east to raise their own families. They didn't want to deal with Columbus Public Schools. The single-family homes that were once owned by the families that lived in them are now rented.

Parsons Avenue Merchants Association (Continued)

The new types of retail reflect the level of poverty in the neighborhood: used automobile lots, pawnshops, taverns, and discount furniture. Lots of turnover in terms of the local bars and taverns, but some eating and drinking establishments have been there for decades.

The retail area stops at Livingston and Parsons. The competitive retail area for Parsons Avenue corridor residents extends west to areas of South High Street below Thurman Avenue. Mr. Knoll notes that there is a distinct *lack* of competitive retail mix in the Parsons Avenue corridor. Perceptions shared by shoppers, potential businesses, investors, banks, and others are that it is not a safe place, that crime is rampant. These perceptions are not really accurate, he notes.

The regional draw for the south side is Southland/Great Southern Shopping Center. Great Southern has a Kroger, Lowes, Wal-Mart, and some other smaller retailers. The center, at South High and Obetz Road, is 5.4 miles south of Livingston and Parsons.

Opportunities for grocery shopping are plentiful. In addition to the Great Southern Kroger, there is a Kroger store at Livingston and Parsons, as well as a store at 1440 Parsons. The store at 1440 is newer. The one at Livingston and Parsons is older, dirtier, but appears to have a bigger selection. Many prefer it, and it serves residents of German Village. Note that there is also a Giant Eagle on Whittier Street in German Village. Mr. Knoll notes that the Kroger at Parsons and Livingston is considering a major expansion. This would likely benefit the area and draw more shoppers from areas south.

Suggestions for Retail: Hobby shop, computer supplies, men's clothing, and delicatessen.

Children's Hospital sponsors the Community Awards Program, contributes to capital improvements in Livingston Park, and provided banners for their side of Parsons Avenue during the banner campaign.

Parsons Avenue Merchants Association (Continued)

Strengths:

- Older residents have a sense of community, identity
- Strong sense of history
- Many historic structures
- A sense of cultural diversity
- Proximity to downtown
- Accessibility for a variety of neighborhoods
- "Gateway to the South" Parsons Avenue serves as an entrance point to the city of Columbus from the south side
- Like it's own little city/downtown area

Challenges:

- Youth have little sense of community—they want to get away
- Deteriorating housing stock—high rate of absentee owners, lots of vacancies, maintenance issues
- Low share of owner-occupancy
- Apathy—"The city has forgotten Parsons Avenue"
- Cut off from downtown by freeways
- Industrial and residential land uses coexist poorly—need to find a compromise, like buffers, green space, commercial, light industrial, and warehousing
- Streets aren't customer-friendly; traffic is high-volume and goes fast.

Ed Roche, Realtor
Property One
Columbus, Ohio
(614) 486-7000

Mr. Roche is leasing the former National Graphics building at 724 Woodrow Avenue at S. 20th Street, located immediately east of the Lincoln Park public housing development. The building has been vacant since National Graphics, a publishing company, closed in 2001. The building has been examined by the city of Columbus for potential redevelopment, and can be subdivided in increments of 50,000 square feet. The total area of the building is 168,000 square feet, of which 20,000 is office space and the remaining industrial/warehousing. The lot across Woodrow just south of the building contains approximately 4.0 acres of surface parking.

Property One realtors "would prefer to sell the property" with an asking price of $2.3 million. However, they would lease the property for $1.80 to $1.95 per square foot.

Mr. Roche believes that there is a lot of pride in the South Side, as evidenced by the generally good condition that people keep their homes. He notes that he thinks industrial and transportation/warehousing can make a comeback in the area, but there is going to have to be some investment.

Roberta Bishop, Executive Director
South Side Learning and Development Center
255 Reeb Avenue
Columbus, Ohio
(614) 444-1529

Ms. Bishop notes that the South Side Learning and Development Center, which has been a presence in the Reeb-Hosack neighborhood since 1924, is one of the first child care centers in the city. The Center serves children ages six weeks to 10 years old from low-income families, and staff includes degreed teachers and a licensed social worker. Care and education is provided for children at two locations, one at the Reeb Avenue central office and one at the Lincoln Park Recreation Center on Woodrow.

The Center serves 111 children, primarily of families from the city's south side. Of these children, 37% have special medical needs or behavioral problems, while 84% of the families served have single heads of household. Over three-fourths of families are at or below 165% of poverty, and 87% receive other subsidized services. Ms. Bishop notes that about 85% of the families served live in the 43207 (study area) zip code.

The Center is a United Way Agency, and receives support from the city of Columbus, TANF, ELI, USDA, Franklin County, Canaan Land Baptist Church (Grove City) and other sources, including childcare fees, which are based upon a sliding scale according to income. Grants, contributions and fundraising comprise 13.0% of the $1.25 million 2005 to 2006 budget.

Ms. Bishop notes that many of the children receive *all* of their meals at the center, which serves Health and Nutrition, Education, Family Support Services, and other social needs for children and families. Ms. Bishop says that the center, along with the Southside Settlement House, serves a wide variety of needs in the community, because people know that when they come there looking for help, that the staff and teachers will try to help them as much as possible.

The Center is currently operating its 2005 Capital Campaign for a larger facility, which has been in planning since 1999, and in development for an even longer period of time. The capital campaign would provide for a much larger building, playground, parking and other facilities on land that the Center currently owns, on and around its central office site.

South Side Learning and Development Center (Continued)

The Center's Capital Campaign literature projects a cost of $3.8 million for the new facility. The new Center will allow SSLDC to increase the number of children served by more than 50%. The center will provide space for physical activity during inclement weather, grow area where technology instruction can take place, and provide facilities for services for children with special needs. The new center would also provide a family resource center, where training and group instruction for adults can take place. This training could include education and job training, literacy training, and computer training.

The SSLDC plans to conduct several fundraising efforts under the umbrella capital campaign. These include a women's campaign, a corporate campaign, south side business assistance, foundations, and community involvement.

The SSLDC has several openings for paid positions, including administrative assistant, maintenance, teachers (2), and substitute teacher (1).

Openings for volunteer positions include receptionist, data entry, grandparents in classrooms, and transportation services.

The Center is a hub for home care providers (8) and is among the leading group of ELI service providers in the state. Central Ohio currently has 28, but is growing to 40.

The Center needs funding for speech therapist, either from the city or from the Ohio State University.

Linda Henry, resident and volunteer
Southside Neighbors Against Crime (SNAC)
Columbus, Ohio
(614) 445-0206
Sergeant Tom Nance
(614) 645-4500

Ms. Henry has lived in the neighborhood for about 17 years, and has noticed a definite decline in the neighborhood. Ms. Henry is the recipient of numerous awards, including the Jefferson Award for outstanding community activism. She has been recognized for her achievements by Mayor Michael Coleman, Columbus City Council, WBNS Channel 10 and the Columbus *Dispatch* and was also nominated for the Jacqueline Kennedy Onassis Award for outstanding community contributions.

Several years ago Ms. Henry contacted officer David Baker to have some junk/abandoned cars removed from the neighborhood. He suggested she start a block watch, so she did. Once she began to contact people, she was surprised at what an enthusiastic response she received. After six months, the group had worked diligently and collected so much information on the street that they were able to help get three crack houses located on Barthman Avenue raided. One crack dealer was sent to prison during this raid. One woman, who was actually a member of the Franklin County Vice Squad, was posing as a prostitute. Ms. Henry turned her in to the authorities!

The group, Southside Neighbors Against Crime (SNAC), has been organized for four years as of October 2005. The boundaries of SNAC are Innis to north, Parsons to east, Hosack to the south, and South High to the west. Ms. Henry comments, "I've helped out 11th and 13th precincts. I've helped other community groups. They call and ask, 'How do I get the drug house in my neighborhood removed?' I tell them how I do it. I call cruiser districts, and email officers. I send a lot of emails. Keep them current with what is going on. Give the home number to code enforcement. I'm available 24/7. I call in the address to the narcotics hotline. Most of my information is fed through the police officers. I cover my areas, and get with Sergeant Nance with 13th Precinct."

When Ms. Henry first started leading SNAC, she was told by officers to back off a bit, due to concerns for her safety. She still insists that tenacity is the key to success when dealing with crime, drug dealers, and other bad elements.

Southside Neighbors Against Crime (SNAC) (Continued)

"It's a start when someone tells me they have a crack house or prostitution house there. I do the rundown on the auditor's website, check out who owns the house—I look up everything. Then I let Code Enforcement know and they just go out and check it out. They contact the owner: 'you need gutters, need to fix your porch, your paint is chipping.' I've had a couple of good teachers in code enforcement. John Cross, the south side code officer, taught me a lot about what to look for. I think those guys are spread too thin, so we have to help them. Although she's not sure how many Code Enforcement officers there are working the south side, she knows several by name—John Cross, Chris McGee, Luanne Irwin, and Mike Sweeney.

Code cards go to the mayor's action center. It is called a "fix it form". It has all of the options that need to be fixed. Vacant homes are taken over by eminent domain. They are beginning to use permanent injunctions on homeowners here. That way, they have to fix up their properties or they get charged for each day they stay in disrepair.

Ms. Henry says there are several bad property owners in the area. Some of the businesses, she thinks, are covers for more dubious money making operations such as drug sales. "There are six or so that never have any customers." She has ways to chip away at suspected drug activity. "I check out the address to see who owns it. Then I go to Franklin County Municipal Court records and find out that many of these business owners have prior misdemeanor drug use charges."

Ms. Henry is proud of the fact that she single-handedly closed the Friendly Tavern down a few years ago. Friendly Tavern was on Parsons Avenue south of Woodrow Avenue on the east side of Parsons. It is now a used car lot.

As she says, the place was the site for "major drug dealing". Also, she comments, "people were going from the Friendly Tavern to purchase drugs from a dealer who lived in the vicinity.

XII. QUALIFICATIONS

A. THE COMPANY

Vogt Williams & Bowen, LLC is a real estate research firm with offices in Columbus, Ohio and Austin, Texas established to provide accurate and insightful market forecasts for a broad range client base. The three principals of the firm, Robert Vogt, Tim Williams, and Patrick Bowen have a combined 37 years of real estate market feasibility experience throughout the United States.

Serving real estate developers, syndicators, lenders, state housing finance agencies, and the U.S. Department of Housing and Urban Development (HUD), the firm provides market feasibility studies for affordable housing, market-rate apartments, condominiums, senior housing, student housing, and single-family developments.

The company's principals participate in the National Council of Affordable Housing Market Analysts (NCAHMA) educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge.

B. THE STAFF

Robert Vogt has conducted and reviewed over 5,000 market analyses over the past 26 years for market-rate and Low-Income Housing Tax Credit apartments, as well as studies for single-family, golf course/residential, office, retail and elderly housing throughout the United States. Mr. Vogt is a founding member and the chairman of the National Council of Affordable Housing Market Analysts, a group formed to bring standards and professional practices to market feasibility. He is a frequent speaker at many real estate and state housing conferences. Mr. Vogt has a bachelor's degree in finance, real estate, and urban land economics from The Ohio State University.

Tim Williams has over 20 years of sales and marketing experience, and over six years in the real estate market feasibility industry. He is a frequent speaker at state housing conferences and an active member of the National Council of State Housing Agencies and the National Housing and Rehabilitation Association. Mr. Williams has a bachelor's degree in English from Hobart and William Smith College.

Patrick Bowen has prepared and supervised market feasibility studies for all types of real estate products including affordable family and senior housing, multifamily market-rate housing, and student housing for more than nine years. He has also prepared various studies for submittal as part of HUD 221(d) 3 & 4, HUD 202 developments, and applications for housing for Native Americans. Mr. Bowen has worked closely with many state and federal housing agencies to assist them with their market study guidelines. Mr. Bowen has his bachelor's degree in legal administration (with emphasis on business & law) from The University of West Florida.

Brian Gault has conducted fieldwork and analyzed real estate markets for the past five years. In this time, Mr. Gault has conducted a broad range of studies including Low-Income Housing Tax Credit, comprehensive community housing assessment, student housing analysis, and mixed-use developments. Mr. Gault has his bachelor's degree in public relations from The Ohio University Scripps School of Journalism.

K. David Adamescu has conducted real estate market research and analysis over the past four years for a broad range of products including Low-Income Housing Tax Credit apartments, market-rate apartments, student-targeted housing, condominiums, single-family housing, mixed-use developments, and commercial office space. Mr. Adamescu has participated in over 100 market feasibility studies with sites located in more than 30 states. Mr. Adamescu holds a bachelors degree in Economics and Masters of City and Regional Planning (with emphasis in urban economics) from The Ohio State University.

Nancy Patzer has been consulting in the areas of economic and community development and housing research for the past nine years. Ms. Patzer has been employed by a number of research organizations including Community Research Partners, United Way of Central Ohio, Retail Planning Associates, the city of Columbus, and Boulevard Strategies. Ms. Patzer has analyzed or conducted field research for over 75 housing markets across the United States. She holds a Bachelor of Science in Journalism degree from the E.W. Scripps School of Journalism at Ohio University.

Davonne Lewis has more than eight years of professional experience in the real estate and construction business. Previously Vice President of a national real estate consulting firm, her experience includes supervising and preparing market feasibility studies for low-income housing. Ms. Lewis has prepared many market studies in numerous states throughout the country and also has a background in the management and administration of real estate construction and real estate appraisal companies. Ms. Lewis was educated at Hardin-Simmons University in Abilene, Texas where she obtained a Bachelor of Behavioral Science degree and is a member of the National Council of Affordable Housing Market Analysts and the Real Estate Council of Austin.

Charlotte Bergdorf has over four years of professional experience in real estate market analysis and has prepared market analyses for Tax Credit syndicators, housing finance agencies, housing authorities, banks, investment banking companies, and real estate developers in many states across the country. Ms. Bergdorf attended the University of Wisconsin-Parkside in Kenosha, earning a bachelor's degree in English with a concentration in writing and has additional experience in journalism. Ms. Bergdorf is also a member of the National Council of Affordable Housing Market Analysts.

David Twehues holds a bachelor's degree in Geographic Information Systems (GIS) and a master's degree in Quantitative and Statistical Methods from The Ohio State University. He has contributed mapping and demographic products to over 250 community development market studies. Mr. Twehues has extensive knowledge in the field of statistics, including experience in mathematical modeling and computer programming, and has two years of experience using GIS in multiple report formats.

Christopher T. Bunch has eight years of professional experience in real estate, including three years experience in the real estate market research field. Mr. Bunch, who holds an Ohio Real Estate Appraisal License, is responsible for preparing market feasibility studies and rent comparability studies for a variety of clients. Mr. Bunch earned a bachelor's degree in Geography with a concentration in Urban and Regional Planning from Ohio University in Athens, Ohio.

Andrew W. Mazak has three years of experience in the real estate market research field. He has conducted and participated in market feasibility studies in numerous markets throughout the United States. Mr. Mazak attended Capital University in Columbus, Ohio, where he graduated with a bachelor's degree in Business Management and Marketing.

June Davis is an administrative assistant with 17 years experience in market feasibility. Ms. Davis has overseen production on over 1,000 market studies for projects throughout the United States.

Field Staff – Vogt Williams & Bowen, LLC maintains a field staff of professionals experienced at collecting critical on-site real estate data. Each member has been fully trained to evaluate site attributes, area competitors, trends in the market, economic characteristics, and a wide range of issues impacting the viability of real estate development.