

LOW INCOME HOUSING AND NON-PROFIT DEVELOPMENT

Market Feasibility Studies

TYPES OF LOW INCOME HOUSING

- Senior for-sale, rental and endowment housing of all types, including independent living, assisted living and nursing facilities.
- Family attached and detached for-sale housing.
- Family rental apartments – both new construction and older renovations.

TYPES OF PROGRAMS

- Tax Credits (National)
- HUD Section 8 (National)
- Lease-To-Own (Fairfax County Department of Housing and Community Development)
- Tax Exempt Bond Financing (Virginia)
- LADO (DC)
- Community Development Authority (CDA) Bond Financing (Maryland)
- MPDU's (Montgomery County's Moderately Priced Dwelling Units)
- Self Help Housing (Tri-County Maryland's Sweat Equity Program)

SERVICES OF THE FIRM

MARKET ANALYSIS

- Market studies are directed by executives of the firm who are Counselor's of Real Estate (CRE).
- Survey existing and proposed competitive projects to include sale/rent structure, product characteristics, tenant types, etc. to assess the probable competitive environment and understand the elements which are crucial to project success.
- Project demand by market segment – income ceilings and floors, price, age, family size, etc.
- Compare projected supply to demand and identify market gaps and potential overbuilding.

DEVELOPMENT PROGRAMMING AND PRODUCT DEFINITION

- Evaluate and assess subject site vis-à-vis market strengths.
- Recommend development program, including timing for market entry and market niche – unit types, sizes, and rents/sale prices – as well as unit and project features and amenities.
- Critique of floor plans and evaluation of exterior design elements.

FINANCIAL ANALYSIS

- Quantify debt and equity needs of the project.
- Estimate value and impact of rezoning on value.
- Evaluate the worth of housing programs.

IMPACT ANALYSIS

- Evaluate and make recommendations to mitigate the negative impact on adjoining lots created by MPDU units.
- Evaluate and make design recommendations to improve the appearance of low cost homes.

ILLUSTRATIVE OF RECENT ASSIGNMENTS

- **Cascades Commons, Loudoun County, VA.** Market analysis for a proposed two phased, tax credit Class A apartment project in the Cascades PUD. **Key issue:** depth of the market by income and by household size.
- **Sully Station, Chantilly, VA.** Market feasibility and rent study for a 119 unit, low-to-moderate income elderly independent living, tax credit project. **Key issues:** (1) depth of the market by income and age; (2) geographic definition of the market, and (3) relationship of proposed rents to market rents.
- **Seneca Crossing, Germantown, MD.** Quantification of the impact on lot value created by 63 small single family MPDU units on the adjoining 435 homes priced in the mid-\$200's. **Key Issues:** Evaluation of design, pricing and lot location alternatives to mitigate value diminution.
- **Brawner's Estates, Indian Head, MD.** Evaluation of poor performance of low cost single family home community due to design, niching and marketing deficiencies. **Key Issue:** Self-help housing (owner participates in building home) impact on contractor built home sales.

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