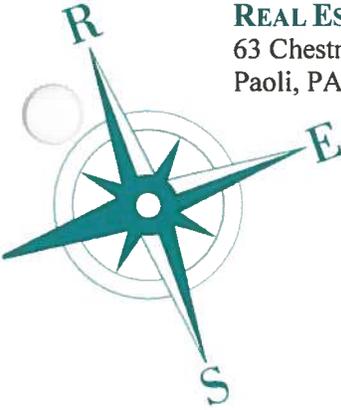


**PHILADELPHIA HOUSING AUTHORITY
RFP #P-004440 UNIT-BASED OPERATING SUBSIDY PROGRAM
GALA – GOLDEN AGE LIVING ACCOMMODATIONS**

4. Housing Needs Analysis:

The market condition in West Oak Lane for senior housing is quite limited. The existing housing stock consists mainly of older, market rate apartment buildings along with row homes none of which provide adequate handicapped accessible units or the level of senior services that will be found at GALA. Additionally, the seniors in the area no longer want to live independently in homes that contain stairs and lack grab bars but at the same time do not want to leave their neighborhood.

Enclosed please find a Market Study performed by Real Estate Strategies which demonstrates a need for affordable senior housing in West Oak Lane particularly housing affordable to senior residents at the lowest income levels that will be subsidized by the seven ACC units.



REAL ESTATE STRATEGIES, INC.
63 Chestnut Road, Suite 6
Paoli, PA 19301

Phone 610.240.0820
Fax 610.240.0822

November 12, 2014

Charles Lewis, Esq.
Senior Vice President of Development
Conifer Realty, LLC
20000 Horizon Way, Suite 180
Mt. Laurel, NJ 08054

**RE: Golden Age Living Accommodations (GALA)
Philadelphia, PA**

Dear Mr. Lewis:

In accordance with our engagement letter, Real Estate Strategies, Inc. is pleased to submit this Market Study/Housing Needs Assessment for GALA – Golden Age Living Accommodations to be located at 2030 E. Haines Street in the West Oak Lane Neighborhood of the City of Philadelphia.

Our report has not ascertained the legal and regulatory requirements applicable to the project. Our report is based on estimates, assumptions and other information developed from research of the market, our knowledge of the industry and other factors, including certain information that you have provided. The sources of information and bases of the estimates and assumptions are stated in our market study. Some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results will vary from those described in our market study, and the variations may be material.

Further, we have neither evaluated management's effectiveness nor are we responsible for future marketing efforts and other management actions upon which actual results will depend. We will have no responsibility for updating our market study to account for events and circumstances that occur after the date of our market study, which is the date of this letter. Our report is intended solely for use in support of applications for loans and grants and for submission to the Pennsylvania Housing Finance Agency as part of an application for funding. Otherwise, neither our report nor its contents, nor any reference to Real Estate Strategies, Inc., may be included or quoted in any offering circular or registration statement, prospectus, sales brochure, loan, appraisal or other agreement or document without our prior written permission.

If there are any questions, please call us at (610) 240-0820.

Very truly yours,

REAL ESTATE STRATEGIES, INC.



Margaret B. Sowell, CRE
President

The Agency will only accept this form without modification for processing.

The completion date of this Market Study/Housing Needs Assessment must be within twelve (12) months of the application date.

If the market analyst has questions on completing this form, please call the Development Division at (717) 780-3876 or (717) 780-3948.

MARKET STUDY/HOUSING NEEDS ASSESSMENT

GALA – Golden Age Living Accommodations

Proposed Development Name

2030 East Haines Street

Street Address

Philadelphia
City

Philadelphia
County

19138
(ZIP)

Housing Type: Elderly 62+ General Occupancy
 Elderly 55+ Other (describe)

Total Number of Rental Units: 62

Additional Development Information:

The subject of this Market Study/Housing Needs Assessment is GALA – Golden Age Living Accommodations (the Subject Property), a proposed 56,120 square foot senior rental development. The development is a new construction three-story, mid-rise building with 62 units. The development site, which is 23,254 square feet, is located at the corner of East Haines Street and Limekiln Pike in the West Oak Lane Neighborhood of Philadelphia. The northern border of the development site has frontage along East Haines Street, while the western border has frontage on Limekiln Pike near the intersection of 69th Street. While the majority of the site is presently vacant, there are a few remaining vacant and deteriorated structures to be demolished. The land is owned by the Mt. Airy Baptist Church, which is located across East Haines Street from the Subject Property.

Pastor Willis Brown and other members of the Mt. Airy Baptist Church have been active in the community for over 30 years. The Church's presence in the neighborhood dates from the early 1970s. It has a strong reputation as a positive influence in the community. In addition to involvement with this affordable senior housing initiative, the Church has several other properties in the neighborhood, including a small multifamily rental building and a child care facility.

To develop the Subject Property, the Church has teamed with Conifer and BCM Affordable Housing, two experienced developers of affordable housing. Conifer, a full service real estate development firm headquartered in Rochester, New York, has developed and/or acquired more than 230 properties with

over 17,300 apartment units concentrated in New York, New Jersey, Maryland, and Pennsylvania. BCM Affordable Housing has developed affordable senior housing properties in Pennsylvania and New Jersey including a recently completed property in South Philadelphia. Conifer will manage the Subject Property when it is completed during the winter/summer of 2016.

The following table provides details for the 62 units proposed. Included is the number of units by income targeting, bedroom size and square feet, utility allowances, and tenant-paid rents. The development team is requesting ACC rental assistance from the Philadelphia Housing Authority (PHA) for seven one-bedroom units targeted for households with incomes at 20 percent of the Area Median Income (AMI) or below. If this additional subsidy is approved, residents occupying these units will pay the lower of the 20 percent LIHTC rents or 30 percent of income.

**Proposed Unit Distribution, Income Targeting, and Rents
Golden Age Living Accommodations (GALA)**

	Number of Units	Average Square Feet	Tenant Paid Rent	Utility Allowance	Total Rent and Utility Allowance
1 BR / 1 BA					
20% AMI	7	647	\$194	\$102	\$296
50% AMI	23	647	\$682	\$57	\$739
60% AMI	28	647	\$830	\$57	\$887
2 BR / 1 BA					
50% AMI	2	808	\$823	\$65	\$888
60% AMI	2	808	\$975	\$65	\$1,040
Total	62				

Source: Conifer, BCM Affordable Housing

Tenants will pay for electric usage, which will include heat, air conditioning, cooking, and lighting. Hot water will be included in the rent. The utility allowance for the seven one-bedroom, one bath units is the Philadelphia Housing Authority (PHA) allowance, which has been used because the developers are requesting ACC subsidies for these units. All other utility allowances are based on estimates prepared by EAM Associates for the Subject Property. The allowances in the above table are the highest estimates for each unit size.

All of the units are targeted for occupancy by households 62 years of age and older. The entire building will be visitable and all 62 units will be handicap-adaptable. Seven units will be fully accessible and set aside for the chronically homeless (Special Needs). Three of these seven units will be equipped for tenants with sensory impairments. Resident services will be provided by Center in the Park, including services to meet the needs of tenants with special needs. All GALA residents will be offered comprehensive social services and a part-time case manager to establish referral linkages with area service providers at no additional cost. Social services will be provided by Center in the Park and Chestnut Hill Hospital and include, but are not limited to health, fitness and wellness, community connections, advocacy services, transportation assistance, nutritional counseling and life-long learning classes. Access to these services will be at various locations including at the Subject Property's social services suite, residents' apartments, the health and wellness room, or the medical office; or at Center in the Park.

The three-story mid-rise building will have two elevators, a social service provider suite, a management/leasing office, maintenance shop, and a furnished community room with a warming kitchen. Parking for the development will be on-street. Residential units will have a foyer, living room, one or two bedrooms with wall-to-wall carpet, and one bathroom. All units will have central air

conditioning, oversized windows, mini-blinds, ceramic tile baths with grab bars in bathtubs, and kitchens with vinyl plank flooring. Kitchens will have all appliances including a dishwasher and a garbage disposal. The building will have a central laundry on the lower level. The Subject Property will be constructed in compliance with Passive House Certification Standards and Enterprise Green Community criteria, and will be compliant with LEED Platinum criteria.

The market analyst must first define the primary market area by the zip code(s) or census tract(s). Once the primary market area is defined, the analyst **MUST** request a listing of existing PennHOMES and Tax Credit housing developments located within the primary market area using the attached PHFA Housing Inventory Request Form. Attach the listing to this study with the current occupancy and waiting lists for each development that may be impacted by the proposal. Refer to #10 below.

Additional information sheets may be attached and must reference the appropriate category.

1. Provide a narrative describing the primary market area and the factors used in making your determination. Attach a street map showing the proposed site and surrounding area **including all amenities** in addition to outlining the primary market area. List each zip code/census tract or part thereof which comprises the primary market area that specifically references the location of the proposed site:

The primary market area (PMA) for GALA is defined as the following three postal ZIP codes in the City of Philadelphia: 19138, 19144, and 19150. The Subject Property is located in zip code 19138. The PMA definition is based primarily on the ZIP codes in which members of the Mt. Airy Baptist Church congregation reside. The Church currently has 1,000 members on its rolls. The majority is seniors, and approximately 250 members attend weekly services. Officials of the Church reported that most members reside in one of the three ZIP codes listed above and that there is substantial interest by members in an affordable senior housing development. The majority of future residents of the Subject Property will likely be members of the congregation or will be referred by members of the Church. The PMA delineation also is consistent with the market analysts' own knowledge of housing markets in Philadelphia, as well as interviews with property managers and representatives of other community-based organizations.

Attachment 1 contains a map of the PMA with the location of the Subject Property indicated. Attachment 2 shows the location of area services and amenities.

2. Provide photographs of the site from a minimum of two perspectives. The photographs must be either originals or **color copies** and should be dated. For multiple sites, the photographs must identify the site address. All photographs must be clear and show the detail of any buildings. (Attach photos on a separate page.)

Attachment 3 provides photographs of the Subject Property.

3. The Market Analysts should determine whether the proposed development is located in an urban, suburban, or rural area and explain the methodology for their determination.

Urban Suburban Rural

The Subject Property is located in Philadelphia's West Oak Lane neighborhood, which is urban in character and is bordered by both the Mt. Airy and Germantown neighborhoods. Philadelphia is

the central city of the Philadelphia-Camden-Wilmington Metropolitan Statistical Area (MSA), and Center City Philadelphia is 7.2 miles from the Subject Property. The Subject Property is located in Philadelphia County and in 2010 Census Tract 265, which is not included on the PHFA list of Qualified Census Tracts and Difficult Development Areas.

4. Provide the number of age and income qualified renter and homeowner households for the primary market area, along with a five-year projection. Discuss the population trend and the three factors that are having the most impact on the trend. Data should reflect the most recent decennial Census Data, recent American Community Survey information, and/or data provided by third-party providers. Include a discussion of the methodologies used to derive estimates or projections.

2014 6,614 5-year Projection from current date 6,332

Data Source: 2014 and 2019: Esri household age by income tabulations for the delineated PMA. The income range used to define the target market is based on income limits in effect in January 2014 and has not been adjusted to account for income limits that could be in effect during 2019.

Eligible households were estimated based on a minimum income of \$7,893 for one-bedroom units at 20 percent AMI. If an award of ACC rental assistance is received, the minimum income of eligible households will be \$0, which will have the effect of increasing the pool of income-eligible households. The minimum income is based on the assumption that senior households will spend no more than 45 percent of their income on gross rent. The maximum income was set at \$37,860 based on a two-person household size at 60 percent AMI. Although the average household size for a two-bedroom unit is three persons, it is unlikely that prospective renter households headed by a senior householder will have more than two persons. Only households with householders 62 years of age or older were included in the estimate of age and income qualified PMA households.

Census data presented in the table below show that the population in the PMA declined between 2000 and 2010. Additional population loss is estimated for 2014. While the number of households also declined from 2000 to 2010, Esri has estimated a small increase in households from 2010 to 2014 and a more substantial increase of 1.2 percent from 2014 and 2019.

Population and Household Change
Golden Age Living Accommodations (GALA)

	Population	Households
2000 Census	106,364	41,290
2010 Census	98,919	40,808
2014 ESRI Estimate	98,438	40,914
Change 2000 - 2010	-7.0%	-1.2%
ESRI Estimated Change 2010 - 2014	-0.5%	0.3%
2019 ESRI Projection	99,285	41,399
ESRI Projected Change 2014 - 2019	0.9%	1.2%

Sources: US Census Bureau; Esri; Real Estate Strategies, Inc.

The following trends are contributing to population and household changes in the PMA:

- The steady population from 2010 to 2014 and the growth projected for 2019 reflect the transition to a more stable housing market in the PMA. Between 2010 and 2019, the total

number of housing units is projected to increase approximately 3.5 percent, an addition of over 1,500 housing units. Throughout this time frame, the majority of the PMA's occupied housing units are expected to remain owner-occupied.

- Although the number of households is estimated to increase by 1.2 percent overall between 2014 and 2019, the growth results primarily from a seven percent increase in households 55 years or older. The number of households with householders younger than 55 is projected to decline over four percent. This suggests that the population in the PMA is aging in place. In 2010, PMA residents age 55 and older represented 27.6 percent of the overall population. That percentage is expected to increase in 2014 and again in 2019 to 29.6 and 31.8 percent, respectively.
 - The slight decrease in the number of age- and income-qualified households from 2014 to 2019 most likely results from applying fixed 2014 income limits to the projected number of households five years in the future. The number of eligible households in 2019 is likely to be underestimated due to inflation and the effects of "bracket creep."
5. Using the number of age and income qualified renter and homeowner households located within the primary market area, compute the development specific capture rate percentage. The minimum household income being used for total housing expenses should not exceed a total housing expense to income ratio of 40% and 45% for general and elderly occupancy designated projects, respectively.

Provide the total/sum of the renter and homeowner households in the primary market area by age and income qualifications. The minimum household income being used for total housing expenses should not exceed 40% for general occupancy or 45% for elderly occupancy. Based on this information compute the development specific primary market area's capture rate percentage for the qualified households to the projected number of units being proposed by income type.

The total number of units proposed 62 divided by the number of age and income qualified households 6,614 equals a capture rate of 0.9 %.

In addition to the development specific capture rate, compute the overall primary market area's capture rate percentage, which incorporates both the number of units proposed for the subject property and the total of similar (general, senior, bedroom size, homeless special needs etc.) existing and proposed PennHOMES and Tax Credit units in the primary market area. If the proposed development includes Project Subsidized units, also include like developments in the PMA.

The total number of units 643 divided by the number of age and income qualified households 6,614 equals a capture rate of 9.7 %.

The overall capture rate is based on the listing of affordable housing in the PMA listed in Attachment 6, which includes the 62 units proposed at the Subject Property. The low capture rate of 9.7 percent reflects the limited number of senior affordable housing units in the PMA.

6. Interview and/or survey neighborhood groups, grassroots organizations, local community development corporations, potential tenant populations, and local government officials to determine support, interest and/or opposition to the proposed development, as well as identifying other proposed housing for the area. List all people interviewed, including phone numbers, and discuss the comments received below:

Marion Johnson, Office of City Councilwoman Marian Tasco – (215) 686-3454: Ms. Johnson indicated that no opposition has been brought to the attention of the Councilwoman's office. Ms. Johnson knows Pastor Brown of the Mt. Airy Baptist Church and stated that he has a great reputation in the community. She is excited about the project. When asked whether there was sufficient demand for senior housing in the neighborhood, Ms. Johnson noted that there is absolutely demand and no one has objected to having a senior development in the area.

Megan McCoy, Director of Grant Research and Development, Center in the Park – (215) 848-7722: This senior community center has written a letter of support for the GALA development. Ms. McCoy indicated that many of their current members are part of the Mt. Airy Baptist Church congregation and reside in the 19150 ZIP code. Center in the Park will provide programming at the Subject Property as they have at other senior housing developments. She stated that there is certainly a demand for senior housing in West Oak Lane and surrounding neighborhoods. Their housing counseling program, developed over ten years ago because of the need for senior housing, still shows strong demand. Seniors will have a wait of more than a year depending on the property.

Isabella Fitzgerald, Legislative Assistance and Community Outreach Liaison, Office of Representative Dwight Evans – (215) 549-0220: Ms. Fitzgerald stated that Representative Evans' office supports development of the Subject Property, as does the community. She is not aware of any opposition raised against the development and noted that there is an absolute need for affordable senior housing in the neighborhood.

Paula Brumbelow, Senior Planner – Development Planning Division, Philadelphia City Planning Commission – (215) 683-4604: Ms. Brumbelow stated that PCPC supported the granting of the variances needed for development at the Subject Property. From the standpoint of the City, development at the Subject Property has been approved.

7. Analyze the suitability of the site for the subject development including accessibility to employment and services and its compatibility with surrounding uses, including economic benefits to the area and/or the proposed residents.

The site is suitable for residential use and the proposed development will be consistent with, and also enhance the character of the surrounding neighborhood. Existing deteriorated structures will be demolished and replaced with an attractive new development.

The site is located in the West Oak Lane neighborhood, which is a predominantly residential neighborhood with two- and three-story row homes. While the 2010 Census did not include information about the characteristics of housing, estimates in the 2008-2012 American Community Survey (ACS) indicate that 67 percent of West Oak Lane's housing units are in single-family detached and attached homes. The site and neighborhood inspection by the market analysts indicated that most nearby row homes appear to be well-maintained, despite their age. ACS estimates place the median year West Oak Lane housing units were built at 1947 with 84.5 percent of housing units constructed before 1960. These types of older residential structures are located along streets near the southern and eastern edges of the site.

In addition to residential uses, the site is located across Haines Street from the Mt. Airy Baptist Church. To the northwest is the Philadelphia National Cemetery, a well-maintained national landmark that provides additional green space in the neighborhood and reduces the density in the immediate area. As shown in the map provided in Attachment 2, the site is convenient to shopping and services.

The Subject Property is well served by Southeastern Pennsylvania Transportation Authority (SEPTA) bus lines. SEPTA Bus Route 6 has a stop at the corner of Ogontz Avenue and East Haines Street, or about one block away; service is provided 24 hours a day. Route 6 buses travel north to the Cheltenham Square Mall and south to Einstein Medical Center and the Olney Transportation Center. There is a Broad Street Subway station at the Olney Transportation Center and numerous other bus routes stop there. The Broad Street Subway travels north/south with stations at Temple University and in Center City Philadelphia before the line terminates at the AT&T Sports and Entertainment Complex. Suburban Station in Center City Philadelphia provides connections from the Broad Street Subway to all regional rail lines, including service to Amtrak's 30th Street Station and the Philadelphia International Airport. Bus stops for the K route are also within close proximity. The K route, traveling east/west from the East Falls to Northwood, stops closest to the Subject Property at Ogontz and 66th Avenues and also stops at the Fern Rock Transportation Center, another station on the Broad Street Subway line.

In addition to public bus routes within walking distance of the Subject Property, SEPTA also offers a Customized Community Transportation (CCT) Connect service for senior citizens through the Shared-Ride Program. This program provides door-to-door service with advanced reservations for Philadelphia residents age 65 years or older.

The West Oak Lane Senior Center is located on Ogontz Avenue less than one-half mile north of the Subject Property. This center offers a variety of programming, including workshops, classes, trips, and special events. Programming focuses on topics spanning nutrition and healthcare, fitness and exercise, and activities like sewing, crocheting, reading, and bingo. The Center also encourages community involvement and provides connections to essential services.

Another senior center, Center in the Park, is located in Vernon Park on Germantown Avenue in the Germantown neighborhood. Programming at Center in the Park focuses on positive and healthy aging, and the curriculum includes such topics as language arts, health, personal enrichment, music, drama, fitness, and arts and crafts. The Center also offers housing and social support services. Although Center in the Park is over two miles from the Subject Property, an interview with a Center representative indicated that many members live in the 19150 zip code and are also members of Mt. Airy Baptist Church. Center in the Park is accessible from the Subject Property via the Route K bus or the CCT Shared-Ride Program. The Center has a transportation budget and travel expenses are often subsidized. As discussed previously, Center in the Park will provide some programs at GALA.

There are numerous recreational destinations in addition to the senior centers near the Subject Property. H&H Community Development Center is across from the site and is a convenient gathering and event space for senior citizens. This center also hosts community meetings. Just beyond one-half mile from the Subject Property are the West Oak Lane Public Library and the Awbury Arboretum. The historic Awbury Arboretum provides 55 acres of open space that includes meadows, wetlands, trails, and gardens. Awbury Arboretum offers seasonal programming; admission is free and the grounds are open every day of the year.

In addition to Mt. Airy Baptist Church, other places of worship representing a variety of faiths are located within a half-mile radius of the Subject Property. Most of the nearby churches are located on or directly off of Ogontz Avenue.

Albert Einstein Medical Center is a major health facility and hospital that will serve residents of the Subject Property. The medical center includes a network of health care providers and a Level I Regional Resource Trauma Center. The Einstein Health Care Network includes a walk-in clinic at the Shop Rite on West Cheltenham Avenue. Residents of the Subject Property will be able to reach the medical center and the walk-in clinic via the Route 6 bus. Other social and health-related

services are in close proximity to the Subject Property. There is a Wedge Recovery Center at North Broad Street that offers mental health outpatient and substance abuse services, as well as mental health day programs through the Recovery & Education Center. There is also a dialysis center, Fresenius Medical Care-Olney, within a half mile of the Subject Property.

As shown on the map in Attachment 2, residents of the Subject Property will have good access to various shopping and retail establishments, including pharmacies, groceries, and banks. The majority of these establishments are located on North Broad Street; however, there is a mini-market on Ogontz Avenue at the intersection of 68th Avenue, about three blocks from the Subject Property. Establishments located along North Broad Street include a CVS Pharmacy and PNC Bank. There also is a Bottom Dollar grocery, although its future is unknown. Bottom Dollar's Pennsylvania stores have been sold to Aldi and no decisions have been announced regarding which stores will reopen as Aldi groceries. Residents can use the Route 6 bus to reach the Cheltenham Square Mall located just over 1.5 miles from the Subject Property. Stores at the Cheltenham Square Mall include a Shop Rite grocery and pharmacy, Target, Home Depot, TD Bank, and various clothing and entertainment retailers inside the mall.

8. Complete the first section of the attached Housing Providers Needs Assessment Form and forward it to the Executive Director of the appropriate County and/or Local Housing Authority and/or Public Housing Agency serving the market area. The response must be incorporated into your evaluation and attached to this final report. If no response, document the date sent to the Housing Authority.

The Housing Providers Needs Assessment Form was submitted to the PHA President and CEO on November 4, 2014. A copy of the request is included as Attachment 4 to this report; there has been no response. Waiting list information provided by PHA during September 2014 indicates that there are a total of 27,889 households on the waiting list for available public housing units. The sheer volume indicates overwhelming demand for additional PHA affordable housing units such as will be provided at the Subject Property.

9. List the name and address of all subsidized housing developments, including existing tax credit properties, public housing authority properties, and other subsidized properties, within the primary market area, including current occupancy levels and number of persons on the waiting list. If you are aware of any deviations in the occupancy levels and size of the waiting list in the past 2 or 3 years, please describe.

A copy of the Housing Inventory Request Form submitted to PHFA is included as Attachment 5 to this report. Attachment 6 summarizes the market analysts' survey of PMA affordable properties.

Attachment 6 presents information for affordable elderly rental complexes in the delineated PMA. The market analysts have excluded properties for general occupancy and supportive housing. One property, Germantown House, has near-elderly households 55 years and older; some of the developments serve households with special needs in addition to the elderly. The list in Attachment 6 includes only units occupied by or reserved for the elderly, as well as the Subject Property.

The list includes a total of 643 affordable elderly housing units in nine properties within the delineated PMA. The market analysts were able to interview representatives of all but one property, and most reported having no vacancies in affordable elderly units. Representatives estimated that applicants on waiting lists at these properties would have to wait from six months to five years for a unit (ten years for a public housing unit). Only one of the nine properties, Corinthian Square, is located in ZIP code 19138. Corinthian Square had no vacancies and a

waiting list of approximately one year. Based on the reported occupancy rates and waiting lists shown in Attachment 6, the market analysts have concluded that demand for affordable elderly housing is very strong in the PMA. Further, most managers reported that demand is either the same as in prior years or is increasing.

10. Discuss the availability of affordable housing options including home ownership opportunities for the target population. Describe the age, condition, etc. of housing, and the extent of abandoned housing and other buildings within the primary market area. If possible identify any substandard housing in the primary market area.

Although Philadelphia is generally considered to be a more affordable housing market than other major northeastern cities, opportunities to live in decent, affordable rental housing are limited by strong occupancy and long waiting lists at existing properties. This is especially true for senior housing in the delineated PMA due to the limited number of affordable senior housing properties, the majority of which are concentrated in the Germantown neighborhood south of West Oak Lane. Of the nine existing affordable housing developments in the three zip codes, eight are located in the Germantown ZIP code, 19144.

Market research by RES indicated that rents for market-rate apartments at well-maintained properties were above affordable levels. Asking rents for units with one-bedroom and one bath ranged from \$767 for a 501 square foot unit to \$1,395 for a 770 square foot unit. Rents for two-bedroom, one bath units ranged from \$875 for a 651 square foot unit, to \$1,311 for a 1,189 square foot unit and \$1,445 for a 1,015 square foot unit. Residents pay utilities in addition to rent. Most of the comparable market-rate rental properties are located in either the 19144 (Germantown) or 19150 (Mt. Airy) ZIP code. Of ten well-maintained market-rate properties identified by RES, only one was in the 19138 ZIP code. Since August 2013, rents at almost all of these properties have increased. Occupancy rates at the six properties used in the pricing advantage calculation presented below have remained stable or have increased since August 2013.

For households interested in homeownership, data indicate increasing home values in the PMA, making it more difficult for older households with modest incomes to purchase homes. The 2000 Census placed the median home value in the PMA at \$63,607; the 2008-2012 ACS estimated the median value to have nearly doubled, to \$124,620. Data from Trend Multi-List for the ZIP codes comprising the PMA indicate fluctuating median sales prices for homes sold. During the second quarter of 2013, the median sales price in zip code 19138 was \$80,000; the median during the second quarter 2014 was \$67,000, but increased to \$80,100 during the third quarter. For ZIP code 19144 the median was \$112,500 in the second quarter 2013, \$132,000 in the second quarter 2014, and \$87,250 during the third quarter 2014. For the third PMA ZIP code, 19150, the median sales price during the second quarter 2013 was \$144,700, the second quarter 2014 median was \$127,500, and the median in the third quarter 2014 was \$139,900. Because the TREND data are for actual sales during the quarter reported, price fluctuations are not unusual even though the number of sales is high in each ZIP. For the third quarter 2014, the lowest number of sales among the three ZIPs was 47 during the quarter; the highest was 66 sales in ZIP 19138, the location of the Subject Property.

While some homes have sale prices that would be affordable for potential residents of the Subject Property, a home purchase often is not the preferred option for seniors. Based on estimates in the 2008-2012 ACS, 58.6 percent of PMA housing units were in single-family attached structures and 81.6 percent of the housing stock in the PMA was in structures with four or fewer units. These types of structures typically have stairs that become increasingly difficult as individuals age. Similarly, elderly individuals struggle with home maintenance and upkeep responsibilities even when homes are rented; therefore, the age and condition of the PMA housing stock also is an issue.

Based on the above information and analyses, the market analysts have concluded that both housing affordability and the availability of housing units with features suitable for elderly occupancy are issues for households eligible for affordable units at the Subject Property. The availability of affordable housing options is further constrained by issues of housing condition that affect both rental and sales housing.

11. Discuss the short and long-term impact that the subject development may have on existing and/or proposed affordable market rate, Tax Credit, and subsidized housing located within the primary market area including the information provided in the PHFA Housing Inventory Request Form. List the properties and identify the current occupancy and number of persons on the waiting list for these properties.

The Subject Property will offer a total of 62 affordable housing units for seniors age 62 and older. As detailed in Attachment 6, the high occupancy rates and long waiting lists at existing affordable senior housing properties in the area indicate that adverse impacts are unlikely at any existing or proposed affordable, Tax Credit, or subsidized housing development in the PMA. This is especially the case for ZIP code 19138, which does not have any affordable elderly housing properties.

All of the PMA affordable elderly housing properties have full occupancy and long waiting lists, with most housing units turning over only when a resident passes away or is moved to an assisted living facility or skilled nursing home. The properties reported waiting times from six months to five years (10 years for public housing) for an applicant to get an apartment. Properties with a rent structure affordable to extremely low-income seniors have the strongest demand.

The Subject Property might adversely affect existing market-rate housing units that are in substandard condition. Seniors seeking safe, affordable housing might opt to vacate units suffering from deferred maintenance and lacking modern features and amenities. This may force landlords to upgrade their units to keep them occupied, a result that would be a positive for the area.

12. List market rental comparables (no income restrictions) within the Primary Market Area. *Do not use rent subsidized developments.* Attach a color photo of each comparable. A minimum of three comparables should be submitted. If comparables cannot be located, a thorough explanation must be provided and report what type of rental housing is available in the market. Attach a map identifying the location of the subject and comparables. Please use the attached Comparable Housing Survey forms.

Attachment 7 provides a map indicating the locations of comparable market-rate apartments, as well as the Comparable Housing Survey forms for each of the following properties:

- Mt. Airy Arms – 1651 East Mt. Airy Avenue, Philadelphia, PA 19150
- Gardens of Mt. Airy – 1133 East Mt. Airy Avenue, Philadelphia, PA 19150
- Chestnut Terrace – 7412 Stenton Avenue, Philadelphia, PA 19150
- Duval Manor – 6350 Greene Street, Philadelphia, PA 19144
- Greene Manor – 259 West Johnson Street, Philadelphia, PA 19144
- Hathaway House – 515 West Cheltenham Avenue, Philadelphia, PA 19144

Market rent comparables include market-rate rental units in low- to mid-rise apartment buildings with elevators. Although some of the properties offer other sizes of units, only those with one or two bedrooms and one bath were used in the comparisons. As previously mentioned, rents at all but two of the properties listed above have increased since August 2013. Similarly, occupancy rates have increased or remained stable.

13. Summarize the comparable unassisted market rent for each unit size.

<u>Unit Size</u>	<u>Rent</u>		<u>Tenant Paid Utilities</u>		<u>Adjusted Market Rent</u>
One-bedroom (20% AMI)*	<u>\$970</u>	+	<u>\$102</u>	=	<u>\$1,072</u>
One-bedroom	<u>\$1,017</u>	+	<u>\$57</u>	=	<u>\$1,073</u>
Two-bedroom	<u>\$1,237</u>	+	<u>\$65</u>	=	<u>\$1,302</u>

*These one-bedroom units are targeted for households with incomes at 20 percent AMI and are expected to be Special Needs units with ACC subsidies from PHA. Because of the ACC subsidies, the estimate of tenant-paid utilities is based on the PHA utility allowances.

14. Compute the Pricing Advantage of the subject development's proposed rents to the Adjusted Market Rent.

<u>Unit Size</u>	<u>Subject Rent</u>	<u>Adjusted Market Rent</u>	<u>Pricing Advantage*</u>
One-bedroom (20% AMI)	<u>\$296</u>	<u>\$1,072</u>	<u>262.0%</u>
One-bedroom (50% AMI)	<u>\$739</u>	<u>\$1,073</u>	<u>45.3%</u>
One-bedroom (60% AMI)	<u>\$887</u>	<u>\$1,073</u>	<u>21.1%</u>
Two-bedroom (50% AMI)	<u>\$888</u>	<u>\$1,302</u>	<u>46.7%</u>
Two-bedroom (60% AMI)	<u>\$1,040</u>	<u>\$1,302</u>	<u>25.2%</u>

*Calculated by subtracting the Subject Rent from the Adjusted Rent and dividing the difference by the Subject Rent.

15. For existing facilities applying for preservation funding provide evidence indicating that the development is or is not a likely candidate for converting to a market rate rental development that may not be affordable to the existing residents. Factors to consider include, but are not limited to, demand for or waiting list of market rate units within the primary market area, significant increases in rents at other market rate properties, significant increases in median incomes and property values within the primary market area, and the development's location or proximity to new economic development which is creating higher than average new employment opportunities.

Not applicable. GALA is not applying for preservation funding.

16. Based on the aforementioned information, discuss your support for the proposed development or provide recommendations and/or suggest modifications. This should include your conclusion regarding the need and marketability of the proposed housing. Also, estimate the absorption period and ongoing vacancy rate for the proposed housing based upon comparables and/or housing experience.

The market analysts support the proposed development and recommend strongly that it be approved. The GALA site is well suited for a residential development and offers an opportunity to expand affordable senior housing in an area with a very limited supply. Market research by RES indicates strong and increasing demand and very few options for elderly individuals and

households seeking an alternative to an older, larger housing unit. There is a limited supply of decent affordable senior housing in the broader PMA and RES has documented strong occupancy and long waiting lists at existing senior properties. Research conducted by the Philadelphia Corporation for Aging has found that the majority of seniors want to remain in their current neighborhood, even when they are no longer able to live alone or to maintain a home. GALA will offer an alternative for these households.

In addition to the strong reputation and positive influence of the Mt Airy Baptist Church in the community, both BCM Affordable Housing and Conifer have substantial experience in successfully developing senior housing. BCM Affordable Housing has developed affordable senior housing properties in Pennsylvania and New Jersey, including Cedars Village in South Philadelphia. Conifer has developed/acquired over 230 properties concentrated in New York, New Jersey, Maryland, and Pennsylvania. Further, Conifer has a solid track record in managing affordable multifamily and senior developments. Conifer’s management portfolio consists of about 180 properties, approximately half of which are senior housing developments.

Absorption Pace

Units at the Subject Property are expected to be absorbed quickly. The property will be the only such development in the immediate area. This will draw residents from West Oak Lane and other neighborhoods in the PMA, including members of the Mt. Airy Baptist Church congregation who have already expressed an interest in moving to the Subject Property once completed. RES estimates that the Subject Property will achieve an average absorption rate of 15 to 16 units per month and will achieve stabilized occupancy within about four months of completion, assuming effective marketing during construction and efficient tenant pre-qualification.

Stabilized Vacancy Rate

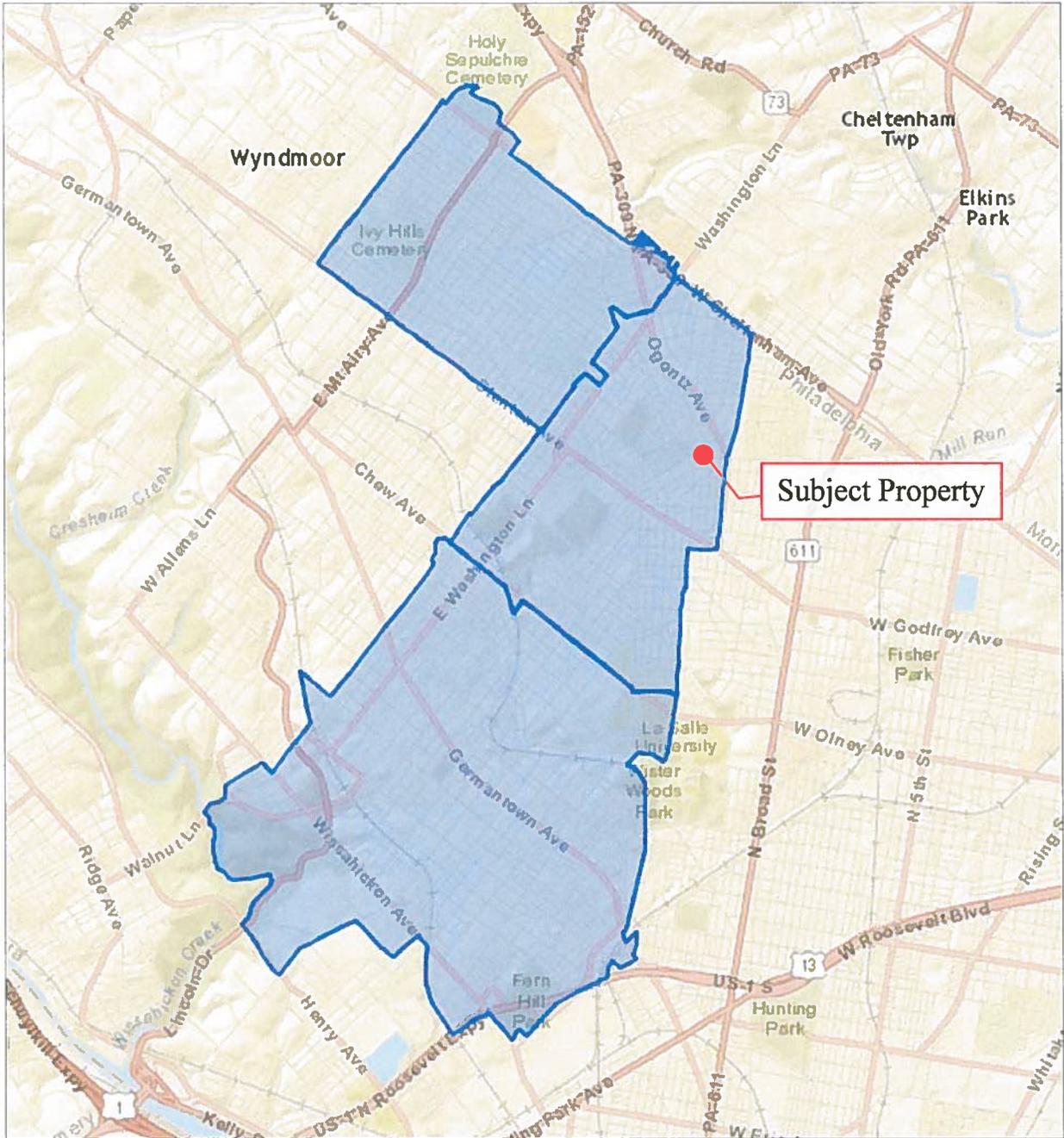
A stabilized vacancy rate of three to five percent is estimated. As with other attractive, affordable senior properties, it is likely that GALA will have few vacancies during the first five or more years of operation as initial residents age in place.

<p><u>11/12/14</u> Date</p>	<p>Submitted by:</p> <p><u>Margaret B. Sowell</u> Name (type or print)</p> <p><u>President</u> Title</p> <p><u>Real Estate Strategies, Inc.</u> Firm</p> <p><u>63 Chestnut Road, Paoli, PA 19301</u> Address</p> <p><u>610-240-0820</u> Phone Number</p> <p><u>610-240-0822</u> FAX Number</p> <p><u>Email</u> Email</p>
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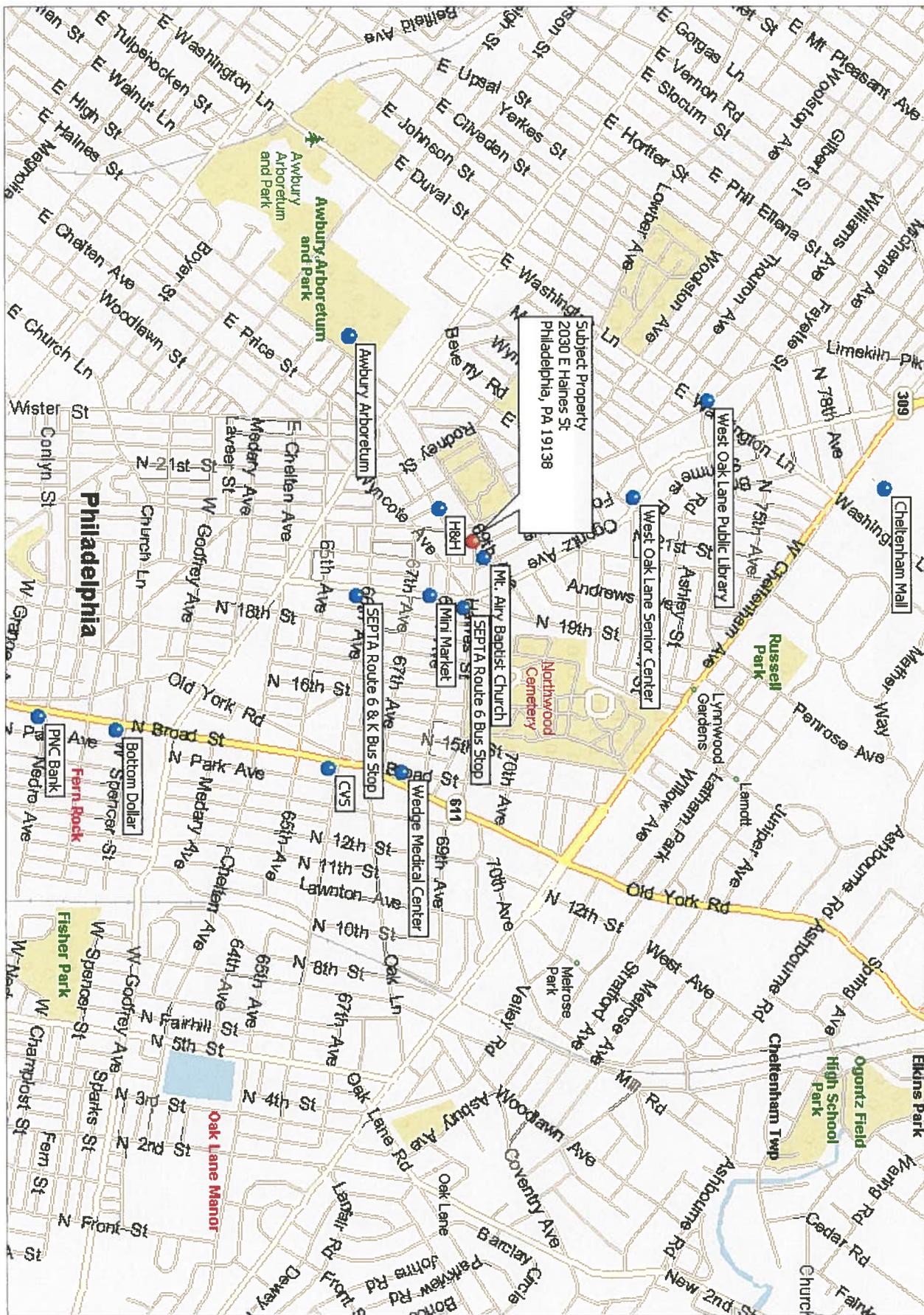
Information about the qualifications of Real Estate Strategies, Inc. and resumes of individuals who were involved in the preparation of this market study are provided in Attachment 8.

ATTACHMENT 1

Primary Market Area Delineation and Location of the Subject Property



ATTACHMENT 2
Location of the Subject Property and Neighborhood Amenities



Subject Property
2030 E Haines St
Philadelphia, PA 19138

West Oak Lane Senior Center

Northwood Cemetery

Ambury Arboretum and Park

Philadelphia

Oak Lane Manor

Fern Rock

Fisher Park

High School

Cheltenham Twp

Cheltenham Mall

Russell Park

High School

Cheltenham Twp

High School

Cheltenham Twp

ATTACHMENT 3
Photographs of the Subject Property and Surrounding Area



Vacant land at the corner of East Haines Street and Limekiln Pike



View of vacant land from East Haines Street looking towards Limekiln Pike



Vacant structures fronting on East Haines Street to be demolished



Another vacant structure fronting on East Haines Street to be demolished

ATTACHMENT 4
Housing Providers Needs Assessment Form



REAL ESTATE STRATEGIES, INC.
63 Chestnut Road, Suite 6
Paoli, PA 19301

Phone 610.240.0820
Fax 610.240.0822

November 4, 2014

Mr. Kelvin A. Jeremiah
President and CEO
Philadelphia Housing Authority
12 South 23rd Street
Executive Office
Philadelphia, PA 19103

**RE: Golden Age Living Accommodations (GALA)
2030 E. Haines Street
Philadelphia, PA 19138**

Dear Mr. Jeremiah:

I am preparing a market analysis for GALA – Golden Age Living Accommodations for submission to the Pennsylvania Housing Finance Agency (PHFA). GALA is a proposed mid-rise rental housing development for seniors aged 62 and older located in the West Oak Lane neighborhood of Philadelphia. The development will have 62 one- and two-bedroom LIHTC units.

As you know, the Pennsylvania Housing Finance Agency (PHFA) requires that market analysts submit a “Housing Providers Needs Assessment Form” to public housing agencies active in the identified primary market area for the proposed project. The form is supposed to be completed by the public housing agency and returned to the market analyst within five days of receipt.

Provided herewith is the Housing Providers Needs Assessment form, which can be faxed back to me at (610) 240-0822, or returned by email to msowell@RESadvisors.com. I want to thank you in advance for your timely attention to this matter. I hope that you will call me at (610) 240-0820 if you have any questions about the proposed project or the form.

Sincerely yours,



Margaret B. Sowell, CRE
President

Attachment: Housing Providers Needs Assessment Form

HOUSING PROVIDERS NEEDS ASSESSMENT

The attached form is to be completed by the County and/or Local Housing Authority and/or other public housing agencies serving the market area of the proposed development and returned within 5 days to the market analyst.

The first section of the form describing the proposed development is to be completed by the market analyst and submitted to the housing authority with the attached form.

The following proposed development intends to apply to the Pennsylvania Housing Finance Agency (PHFA) for funding and/or Low Income Housing Tax Credits.

Development Name: GALA - Golden Age Living Accommodations

Location: 2030 East Haines Street
Philadelphia, PA 19138

The primary market area is defined by the following census tract(s) and/or zip code(s).

Zip Code(s)				
<u>19144</u>	<u>19150</u>	<u>19138</u>	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Census Tract(s)				
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Occupancy Type: Elderly X General

Unit Type(s):	Bdrm Type	Quantity	Sq. Ft.	Rent
	SRO			
	EFF			
	1 Bdrm	58	647	20 – 60% AMI
	2 Bdrm	4	808	50 – 60% AMI
	3 Bdrm			
	4 Bdrm			
	5 Bdrm			

Expected date of completion: 2016

Resident's Income Range: 20% - 60% AMI, max income \$37,860

PENNSYLVANIA HOUSING FINANCE AGENCY (2015 UNDERWRITING APPLICATION)

To assist the market analyst and PHFA in evaluating the need for this proposal, please answer the following questions.

1. Please provide your waiting list, if more than one, by program and how many applicants on each.

2. How many different individuals are on your total waiting list?

Elderly, age 62+ _____ Non-elderly _____ Persons needing accessible units _____

3. How frequently do you purge the waiting list? _____

4. When was the last time you purged the waiting list? _____

5. How many of the individuals on the waiting list are within the income range of the proposed development?

6. How many of the individuals on the waiting list are seeking unit types similar to the proposed development?

7. What was your average utilization rate of the Section 8 voucher program at the end of last year?

8. Are you aware of any subsidized housing or programs in the area that would be at a competitive disadvantage by the proposed housing? (If yes, please include the name of the development, address and reason why.)

9. How many of the individuals on the waiting list currently reside within the primary market area (as defined by the market analyst) of the proposed development?

10. Is the type of housing being proposed being considered a priority/preference under voucher certification program?

11. Is your Public Housing waiting list currently open? _____
(If no, how long has it been closed?) _____

12. Is your Section 8 waiting list currently open? _____
(If no, how long has it been closed?) _____

13. When do you qualify applications for eligibility? a. when application was made _____
or b. after nearing top of the list _____

14. Would you recommend, and/or do you feel there is a need/sufficient demand to develop this housing? (please explain)

15. Please provide any additional information regarding the housing proposal that would assist PHFA in evaluating the need for the housing.

Completed by:

_____ Date

_____ Name (Type or Print)

_____ Executive Director Signature

_____ Name of Public Housing Authority

Rev.7/01/12

ATTACHMENT 5
PHFA Housing Inventory Request Form

PHFA HOUSING INVENTORY REQUEST FORM

Date 10/27/2014

Person Requesting Information Jessica Hubbard

Company Name Real Estate Strategies, Inc.

Address 63 Chestnut Road, Suite 6

City Paoli

State PA Zip Code 19301

Telephone 610.240.0820 FAX 610.240.0822

E-mail Address jhubbard@resadvisors.com

How would you like your request returned? FAX E-MAIL

Development Name (if known) GALA – Golden Age Living Accommodations

Exact Site Location/Address 2030 East Haines Street, Philadelphia, PA 19138

Requesting Information For

Exact Site Municipality Philadelphia

County Philadelphia

Zip Code(s)				
<u>19150</u>	<u>19144</u>	<u>19138</u>	<u> </u>	<u> </u>
<u> </u>				
<u> </u>				

Census Tract(s)				
<u> </u>				
<u> </u>				
<u> </u>				

Additional Information and/or Comments

Proposed mid-rise senior housing development with 62 one- and two-bedroom LIHTC units.

Submit your request by fax 717-780-1811 or by e-mail lutz@phfa.org .

The above information describes the location of the proposed site and additional details to be utilized by the Agency in response to the PHFA Housing Inventory request. The inventory is for information purposes only.

ATTACHMENT 6
Survey of Comparable Affordable Rental Properties

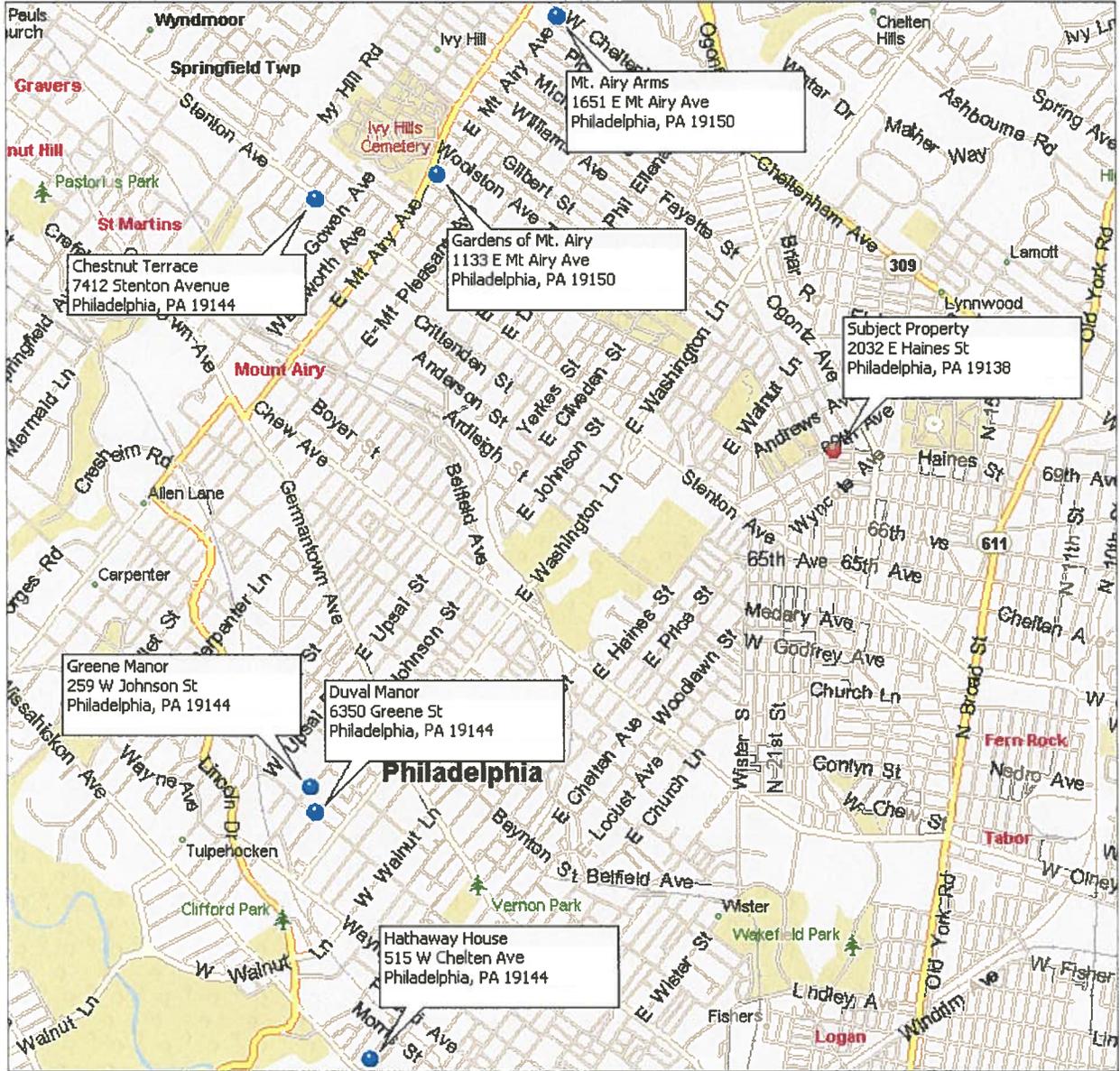
Attachment 6
Survey of Comparable Affordable Rental Properties
GALA - Golden Age Living Accommodations

Property Name	Address	ZIP Code	Number of Affordable Elderly Units	Vacant Affordable Elderly Units	Vacancy Rate	Households on the Waiting List	Changes in Last 2-3 Years
PHFA Operating Properties							
Germantown House	5457 Wayne Avenue	19144	133	0	0.0%	1,639	N/A
Hamill Mill Apartments*	200 E Church Lane	19144	36	0	0.0%	5 years	Increase
Maple Village at Center in the Park	22-44 W Rittenhouse Street	19144	70	0	0.0%	< 1 year	Steady
New Courtland Apartments at Cliveden	319 W Johnson Street	19144	62	Did not return phone calls.			
Nugent Senior Apartments	221 W Johnson Street	19144	57	0	0.0%	33, 1+ year	Increase
Presser Senior Apartments	101 W Johnson Street	19144	45	0	0.0%	210, 3+ years	Increase
Subtotal of Affordable Rental Units in Operating Properties			403				
PHFA Planned and Proposed Properties							
Subject Property - GALA	2030 E Haines Street	19138	62				
Total PHFA Units			465				
Non-PHFA Subsidized Units							
Corinthian Square	2013 W Godfrey Avenue	19138	45	0	0.0%	1 year	Steady
Germantown Interfaith Housing	18 W Cheltenham Avenue	19144	85	2	2.4%	2-4 years	Increase
Morton Homes	5920 Morton Street	19144	48	0	0.0%	1-10 years	N/A
Total Non-PHFA Subsidized Units			178				
Total Affordable Rental Units			643				

*The count of 36 elderly affordable units at Hamill Mill Apartments was obtained from the Philadelphia Corporation for Aging. Source: Interviews of Property Managers by Real Estate Strategies, Inc. during September-November 2014.

ATTACHMENT 7

Map of Comparison Properties and Comparable Housing Survey Forms



COMPARABLE HOUSING SURVEY FORM

Date: November 2014
 Name of Property: Mt. Airy Arms
 Address: 1651 East Mt. Airy Avenue, Philadelphia, PA 19150
 Distance From Subject Property: 2.0 miles
 Is it within Primary Market Area: Yes No
 Building Type: Walk-up Row/Townhouse Elevator
 Age of the property: 1961
 Contact: Lance
 Telephone No. of Contact: 215.453.3433

	Type of Service (gas, elec, etc.)	Included in Rent		Included in Rent		List the appliances provided within the unit: <u>Refrigerator, stove/range</u>
		Yes	No	Yes	No	
Heat	<u>Gas</u>		<u>X</u>	Water	<u>X</u>	
Hot water	<u>Gas</u>		<u>X</u>	Sewer	<u>X</u>	
Cooking	<u>Gas</u>		<u>X</u>			
A/C	<u>Central</u>		<u>X</u>			
Unit lighting	<u>Electric</u>		<u>X</u>			

Number of Units	Number of Bdrm/Bath	Square Feet	Market Rent	Occupancy or Vacancy (%)	Number on Waiting List
<u>100</u>	<u>Studio</u>	<u>339</u>	<u>\$655-715</u>	<u>0.0% Vacancy</u>	<u>N/A</u>
<u>Units</u>	<u>1 BR / 1 BA</u>	<u>690</u>	<u>\$770-850</u>		
<u>Total</u>	<u>2 BR / 1 BA</u>	<u>881</u>	<u>\$1,010-1,070</u>		
	<u>2 BR / 2 BA</u>	<u>931</u>	<u>\$1,035</u>		

Identify any special characteristics or amenities of the comparables: **Units at this property include carpeting and hardwood flooring and energy efficient central lighting and windows. All appliances are energy star rated. There are on-site laundry facilities, on-site property management, and 24 hour emergency maintenance.**



COMPARABLE HOUSING SURVEY FORM

Date: November 2014
 Name of Property: Chestnut Terrace
 Address: 7412 Stenton Avenue, Philadelphia, PA 19150
 Distance From Subject Property: 2.3 miles
 Is it within Primary Market Area: Yes No
 Building Type: Walk-up Row/Townhouse Elevator
 Age of the property: 1972
 Contact: Leasing Agent
 Telephone No. of Contact: 215.242.2112

	Type of Service (gas, elec, etc.)	Included in Rent		Included in Rent		List the appliances provided within the unit:
		Yes	No	Yes	No	
Heat	<u>Gas</u>		<u>X</u>	Water	<u>X</u>	<u>Refrigerator, stove/range, dishwasher (only in 2BRs)</u>
Hot water	<u>Gas</u>		<u>X</u>	Sewer	<u>X</u>	
Cooking	<u>Gas</u>		<u>X</u>			
A/C	<u>Central</u>		<u>X</u>			
Unit lighting	<u>Electric</u>		<u>X</u>			

Number of Units	Number of Bdrm/Bath	Square Feet	Market Rent	Occupancy or Vacancy (%)	Number on Waiting List
<u>42 Units</u>	<u>1 BR / 1 BA</u>	<u>600</u>	<u>\$805-905</u>	<u>2.4% Vacancy</u>	<u>N/A</u>
Total	2 BR / 1 BA	789	\$955-1,145	(1 vacant 2 BR)	

Identify any special characteristics or amenities of the comparables: **Unit include wall-to-wall carpeting, window treatments, and private balconies in select apartments. The property includes on-site laundry facilities and 24 hour maintenance.**



COMPARABLE HOUSING SURVEY FORM

Date: November 2014
 Name of Property: Duval Manor
 Address: 6350 Greene Street, Philadelphia, PA 19144
 Distance From Subject Property: 2.7 miles
 Is it within Primary Market Area: Yes No
 Building Type: Walk-up Row/Townhouse Elevator
 Age of the property: 1951
 Contact: Kelly
 Telephone No. of Contact: 267.338.1882

	Type of Service (gas, elec, etc.)	Included in Rent		Included in Rent		List the appliances provided within the unit:
		Yes	No	Yes	No	
Heat	<u>Gas</u>	<u>X</u>		Water	<u>X</u>	<u>Refrigerator, stove/range, microwave, dishwasher.</u> <u>(all appliances included in upgraded units)</u>
Hot water	<u>Gas</u>	<u>X</u>		Sewer	<u>X</u>	
Cooking	<u>Gas</u>	<u>X</u>				
A/C	<u>Window</u>		<u>X</u>			
Unit lighting	<u>Electric</u>		<u>X</u>			

Number of Units	Number of Bdrm/Bath	Square Feet	Market Rent	Occupancy or Vacancy (%)	Number on Waiting List
<u>168</u>	<u>Studio</u>	<u>308-420</u>	<u>\$750-795</u>	<u>1.2% Vacancy</u>	<u>N/A</u>
<u>Units</u>	<u>1BR / 1BA</u>	<u>540-625</u>	<u>\$925-995</u>		
<u>Total</u>	<u>2BR / 1BA</u>	<u>723-753</u>	<u>\$1,150-1,250</u>		

Identify any special characteristics or amenities of the comparables: **This property has off-street and reserved parking available, an on-site laundry facility, and 24 hours maintenance. Units include either wall-to-wall carpet or new hardwood flooring and energy efficient appliances.**

***Vacancy rate was obtained from REIS, Inc. property comparison reports.**



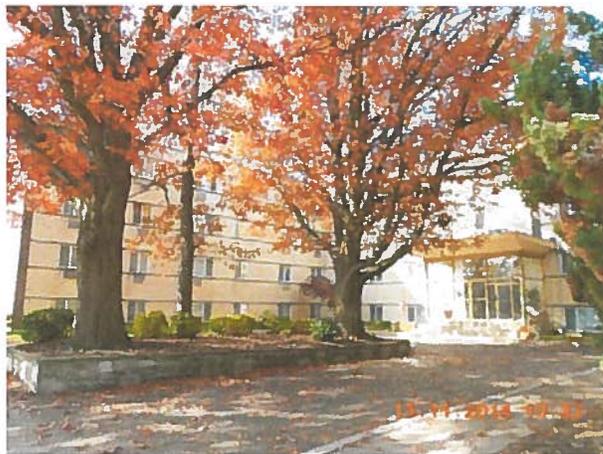
COMPARABLE HOUSING SURVEY FORM

Date: November 2014
 Name of Property: Gardens of Mt. Airy
 Address: 1133 East Mt. Airy Avenue, Philadelphia, PA 19150
 Distance From Subject Property: 2.2 miles
 Is it within Primary Market Area: Yes No
 Building Type: Walk-up Row/Townhouse Elevator
 Age of the property: 1966
 Contact: Lance
 Telephone No. of Contact: 215.453.3433

	Type of Service (gas, elec, etc.)	Included in Rent		Included in Rent		List the appliances provided within the unit:
		Yes	No	Yes	No	
Heat	<u>Gas</u>	<u>X</u>		Water	<u>X</u>	<u>Refrigerator, stove/range, microwave.</u>
Hot water	<u>Gas</u>	<u>X</u>		Sewer	<u>X</u>	
Cooking	<u>Gas</u>	<u>X</u>				
A/C	<u>Central</u>		<u>X</u>			
Unit lighting	<u>Electric</u>		<u>X</u>			

Number of Units	Number of Bdrm/Bath	Square Feet	Market Rent	Occupancy or Vacancy (%)	Number on Waiting List
<u>66</u>	<u>Studio</u>	<u>500</u>	<u>\$690-710</u>	<u>0.0% Vacancy</u>	<u>N/A</u>
<u>Units</u>	<u>1BR / 1BA</u>	<u>661</u>	<u>\$845-925</u>		
<u>Total</u>	<u>2BR / 1BA</u>	<u>960</u>	<u>\$1,005-1,085</u>		

Identify any special characteristics or amenities of the comparables: **Units at this property include carpeting, window treatments, and energy efficient central lighting and windows. All appliances are energy star rated. There are on-site laundry facilities and 24 hour emergency maintenance.**



COMPARABLE HOUSING SURVEY FORM

Date: November 2014
 Name of Property: Greene Manor
 Address: 259 West Johnson Street, Philadelphia, PA 19144
 Distance From Subject Property: 2.7 miles
 Is it within Primary Market Area: Yes No
 Building Type: Walk-up Row/Townhouse Elevator
 Age of the property: 1929, renovated 2009
 Contact: Kelly
 Telephone No. of Contact: 267.338.1882

	Type of Service (gas, elec, etc.)	Included in Rent		Included in Rent		List the appliances provided within the unit:
		Yes	No	Yes	No	
Heat	<u>Gas</u>		<u>X</u>	Water		<u>Refrigerator, microwave, stove, disposal, washer and dryer in unit.</u> <u>(all appliances included in upgraded units)</u>
Hot water	<u>Gas</u>		<u>X</u>	Sewer	<u>X</u>	
Cooking	<u>Gas</u>		<u>X</u>			
A/C	<u>Central</u>		<u>X</u>			
Unit lighting	<u>Electric</u>		<u>X</u>			

Number of Units	Number of Bdrm/Bath	Square Feet	Market Rent	Occupancy or Vacancy (%)	Number on Waiting List
<u>91</u>	<u>1BR / 1BA</u>	<u>650-750</u>	<u>\$1,100-1,250</u>	<u>1.1% Vacancy</u>	<u>N/A</u>
<u>Units</u>	<u>2BR / 1BA</u>	<u>970-1,001</u>	<u>\$1,195-1,445</u>		
<u>Total</u>	<u>2BR / 2BA</u>	<u>1,030-1,060</u>	<u>\$1,595-1,650</u>		
	<u>3BR / 2BA</u>	<u>1,236</u>	<u>\$1,850</u>		

Identify any special characteristics or amenities of the comparables: **This property has off-street and reserved parking available and 24 hours maintenance.**
 *Vacancy rate was obtained from REIS, Inc. property comparison reports.



COMPARABLE HOUSING SURVEY FORM

Date: November 2014
 Name of Property: Hathaway House
 Address: 515 West Cheltenham Avenue, Philadelphia, PA 19144
 Distance From Subject Property: 2.9 miles
 Is it within Primary Market Area: Yes No
 Building Type: Walk-up Row/Townhouse Elevator
 Age of the property: 1967
 Contact: Karen
 Telephone No. of Contact: 844.467.1231

	Type of Service (gas, elec, etc.)	Included in Rent		Included in Rent		List the appliances provided within the unit:
		Yes	No	Yes	No	
Heat	<u>Gas</u>		<u>X</u>	Water	<u>X</u>	<u>Refrigerator, microwave, stove, dishwasher, disposal.</u>
Hot water	<u>Gas</u>	<u>X</u>		Sewer	<u>X</u>	
Cooking	<u>Gas</u>	<u>X</u>				
A/C	<u>Central</u>		<u>X</u>			
Unit lighting	<u>Electric</u>		<u>X</u>			

Number of Units	Number of Bdrm/Bath	Square Feet	Market Rent	Occupancy or Vacancy (%)	Number on Waiting List
<u>136</u>	<u>Studio</u>	<u>500</u>	<u>\$824-927</u>	<u>0.7% Vacancy</u>	<u>N/A</u>
<u>Units</u>	<u>1BR / 1BA</u>	<u>800-919</u>	<u>\$1,068-1,206</u>	<u>(1 vacant)</u>	
<u>Total</u>	<u>2BR / 1BA</u>	<u>1,189</u>	<u>\$1,224-1,331</u>		
	<u>2BR / 2BA</u>	<u>1,238</u>	<u>\$1,464</u>		

Identify any special characteristics or amenities of the comparables: **Units at this property include wall-to-wall carpeting and have private balconies. Tenants have access to a rooftop pool and sun terrace, on-site laundry facilities, a business center, and on-site property management. There are 24 hour lobby attendants and 24 hour emergency maintenance.**

***The vacancy rate obtained from property management matched the rate reported by REIS, Inc. property comparison reports.**



ATTACHMENT 8

Qualifications of Real Estate Strategies, Inc.

Real Estate Strategies, Inc. (RES) is a women-owned business that established offices during March 1995, to provide advisory services in real estate and economic development. Building on the expertise of its professionals and their significant experience in the real estate industry, the Firm specializes in engagements involving market and financial issues affecting proposed and existing real estate projects. Other specialties include engagements in economic development and reuse planning, fiscal impact analysis, and public/private deal structuring.

In our residential market analysis specialty, principals of RES have completed affordable and mixed-income housing market analyses for the following clients:

- BCM Affordable Housing - Market study for St. Moran's Housing, a senior LIHTC development in South Philadelphia.
- Philadelphia Housing Authority – Market analysis for the Strawberry Mansion redevelopment in Philadelphia, PA; market analyses in connection with proposed affordable housing development in several Philadelphia neighborhoods including Southwest Philadelphia, West Philadelphia, and Germantown.
- New Courtland – Market analyses for affordable senior housing developments in the Germantown and North Philadelphia neighborhoods in Philadelphia.
- McCormack Baron Salazar – Market analyses for three phases of the HOPE VI-funded Bedford Hill redevelopment in Pittsburgh. We also prepared market analyses for two phases of the Liberty Park family redevelopment and the Lou Mason senior housing development, also in Pittsburgh, PA.
- KBK Enterprises – Market analyses in Pittsburgh, PA for Phases I through IV of the redevelopment of the former Garfield public housing, which has been completed; market analysis for Phase I of the redevelopment of the former Addison public housing site.
- The Community Builders, Inc. – Market analysis for East Liberty Place I and II and New Pennley in Pittsburgh; market analyses for residential developments in Philadelphia, Coatesville, McKees Rocks, and Moon Township, PA.
- Community Investment Strategies – Market analyses submitted to the New Jersey Housing and Mortgage Finance Agency for affordable rental developments in Toms River, East Greenwich, West Deptford, Deptford, Lawrence, Jackson, Glassboro, Florence, and Woolwich.
- Federation Housing – Market analysis in connection with a tax credit application for senior housing developments in Philadelphia and Elkins Park.
- The Finch Group – Market analysis for the redevelopment of Longwood Gardens to create Arbor Park Village in Cleveland, Ohio.
- Pennrose Properties – Market studies for two components of a HOPE VI-funded redevelopment project in Mobile, Alabama.

This market study was prepared by Margaret Sowell. The following is a brief resume:

Margaret B. Sowell, CRE, President of Real Estate Strategies, Inc. has 25 years of direct experience in market research and financial analysis of residential, commercial, and industrial real estate. Ms. Sowell established RES during 1995 after gaining more than 25 years of experience with real estate and economic development as a government official, private developer, and advisor to public agencies and private companies. She worked with the U.S. Department of Housing and Urban Development for fifteen years and was involved in the development and administration of numerous housing and community development programs. She was the National Director of HUD's Urban Development Action Grant (UDAG) program from 1981 to 1984. Ms. Sowell's experience as a private sector developer was as Vice President for Development with a Wilmington, Delaware full-service real estate company.

A real estate consultant since 1986, Ms. Sowell served as Director of Real Estate Advisory Services in Philadelphia office of Coopers & Lybrand (now PricewaterhouseCoopers L.L.P.) from 1991 through 1994. Ms. Sowell has prepared numerous analyses of residential developments including market-rate, affordable, mixed-income, and mixed-use developments. She has prepared market studies for PHFA-funded developments in Pittsburgh, Philadelphia, Lebanon, Coatesville, MeKees Rocks, Rankin, and Chester. Ms. Sowell is a member of The Urban Land Institute, and she served on the ULI Board of Trustees from 1995 to 1998. She has been a technical reviewer of three ULI publications, and she co-authored the 1997 ULI publication, Developing Infill Housing in Inner City Neighborhoods. She served as market analyst on three ULI Neighborhood Advisory Panels, and she has chaired two additional panels. She is a graduate of the University of Florida. As a company, RES is a founding member of the National Council of Affordable Housing Market Analysts of the National Housing and Rehabilitation Association.