

**REAL ESTATE STRATEGIES, INC.**

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November 18, 2014

Ms. Pita Lacenski Oxholm  
Executive Director  
Esperanza Housing and Economic Development  
4261 North 5<sup>th</sup> Street  
Philadelphia, PA 19140

Dear Ms. Oxholm:

In accordance with our engagement letter, Real Estate Strategies, Inc. is pleased to submit this updated Market Study/Housing Needs Assessment for the Roberto Clemente Homes LIHTC development.

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 the Tax Credit Division at (717) 780-3948.

**MARKET STUDY/HOUSING NEEDS ASSESSMENT**

**Roberto Clemente Homes**  
Proposed Development Name

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**3921-61 North 5<sup>th</sup> Street**  
Street Address

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<b>Philadelphia</b> City	<b>Philadelphia</b> County	<b>19140</b> (ZIP)
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Housing Type:     Elderly 62+     General Occupancy

Elderly 55+     Other (describe)

Total Number of Rental Units:   38  

Additional Development Information:

**The subject of the Market Study/Housing Needs Assessment is Roberto Clemente Homes (the Subject Property), to be developed by Esperanza Housing and Community Development (Esperanza) on a 1.7 acre site at 3921-61 N. 5<sup>th</sup> Street in the Hunting Park neighborhood of the City of Philadelphia. The development will involve the adaptive reuse of the former Roberto Clemente Middle School as a mixed-use building including 38 apartments for low-income households and 5,500 square feet of retail space. The retail space will be structured as a separate condominium unit and will not be funded through the LIHTC program.**

**The Roberto Clemente Homes site contains an existing outbuilding, which will be demolished, and a multi-story former industrial building (subsequently used as a school) that will undergo partial demolition to transform it into a three-story structure with first floor retail. The site plan includes 62 parking spaces for residents and retail patrons. In addition to the retail space, the first floor of the building will include a lobby, community room with kitchen, mail room and rental office. A secure tot lot for residents' use will be provided adjacent to the parking lot.**

**Roberto Clemente Homes will include 28 two-bedroom units (averaging 900 square feet) and ten three-**

bedroom units (averaging 1,200 square feet). Each apartment will include a refrigerator, stove, dishwasher, washer, dryer and central air conditioning. Tenants will pay for gas (heat, hot water, cooking) and unit electric. Water, sewer and trash are included in the rent.

When completed, the Subject Property will be leased to residents with incomes in three income bands: below 20 percent Area Median Income (AMI), below 50 percent AMI and below 60 percent AMI. Esperanza is seeking a commitment for 38 units of ACC rental operating subsidy from the Philadelphia Housing Authority (PHA). With the ACC contracts in place, tenants would pay 30 percent of their household income for rent and utilities. Esperanza has also applied for an award of 10 Project Based Vouchers (PBVs) from PHA that would be used for the three-bedroom units. If the vouchers are awarded, Esperanza will reduce the ACC subsidy request to 28 units. The table below shows the unit distribution and proposed income tiers as well as the pro forma rental assistance and tenant expense for the subject units, assuming all 38 units have ACC rental assistance payments.

**Roberto Clemente Homes Proposed Unit Distribution And Rents  
with ACC Rental Assistance**

	Number of Units	Average Square Feet	Tenant Paid Rent	Utility Allowance	Total Tenant Expense *	Rental Assistance Payment (ACC)
<b>2BR</b>						
20% AMI	3	900	\$177	\$179	\$356	\$500
50% AMI	15	900	\$350	\$179	\$529	\$500
60% AMI	10	900	\$454	\$179	\$629	\$500
<b>3BR</b>						
20% AMI	1	1,200	\$195	\$216	\$411	\$500
50% AMI	6	1,200	\$250	\$216	\$466	\$500
60 % AMI	3	1,200	\$300	\$216	\$516	\$500
<b>Total</b>	<b>38</b>					

\*Units will be rent-subsidized. Tenants will pay 30 percent of income for rent and utilities.

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:

**Esperanza is based in Philadelphia’s Hunting Park neighborhood and serves the surrounding Hispanic community. RES has defined the Primary Market Area (PMA) for Roberto Clemente Homes as including those census tracts in Hunting Park and adjacent neighborhoods north of Diamond Street in which more than half of the population identified as Hispanic in the 2010 Census. The PMA incorporates the following 21 census tracts:**

162	177.02	198
163	190	199
164	191	287
175	192	288
176.01	195.01	289.01
176.02	195.02	289.02
177.01	197	383

**The PMA is bounded by Roosevelt Boulevard to the north, the Tacony Creek and Kensington Avenue to the east, Diamond Street to the south and Germantown Avenue and Old York Road to the west. The PMA is the area from which 60 to 70 percent of tenants at Roberto Clemente Homes are expected to be drawn.**

**Attachment 1 contains a map with the PMA and the location of the Subject Property delineated. Attachment 2 provides a street map indicating the location of the site and the location of amenities in the surrounding area.**

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 site and surrounding land uses.**

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 County 2010 Census Tract 383, which is included on the PHFA list of Qualified Census Tracts and Difficult Development Areas. The surrounding Hunting Park neighborhood is characterized by dense blocks of small rowhouses interspersed with older commercial and industrial properties.**

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 21,836 5-year Projection from current date 20,458

Data Source: 2014 and 2019: Esri household age by income tabulations for the delineated general occupancy PMA. The 2010 Census did not collect data on household income.

Because the Roberto Clemente Homes units will be rent-subsidized, eligible households were estimated based on a minimum income of \$0. The maximum income was set at \$49,200 based on an imputed 4.5 person household size (1.5 persons per bedroom for a three-bedroom unit) at 60% AMI. Only households with head of household age 61 and younger were included in the estimate. This approach may be conservative as grandparents raising grandchildren could find this elevator building to be an attractive housing option. The counts of age- and income-qualified households presented above include both renter and homeowner households.

Please note that income range used to define the target market is based on income limits in effect in November 2014 and has not been adjusted to account for income limits that could be in effect during 2019.

**Roberto Clemente Homes PMA Population and Household Change**

	<b>Population</b>	<b>Households</b>
2000 Census	105,605	32,241
2010 Census	106,060	32,908
2014 Esri Estimate	106,870	33,299
Change 2000 - 2010	0.43%	2.07%
Change 2010 - 2014	0.76%	1.19%
2019 Esri Projections	108,566	33,863
Esri Projected Change 2014 – 2019	1.59%	1.69%

Source: US Bureau of the Census, ESRI, Real Estate Strategies, Inc.

Census data presented in the table above shows that the overall population in the PMA grew by 0.4 percent between 2000 and 2010. The number of households grew at a greater rate—2.1 percent, resulting in a decrease in average household size. Despite this decline, the average 2014 household size in the PMA is estimated to be 3.16 persons and the average family size is 3.63 persons. Neighborhoods with large Hispanic populations typically have larger households.

Esri estimates that the PMA population has grown another 0.76 percent between 2010 and 2014, however, the number of households has increased 1.2 percent over this same period. Esri projects that both the PMA population and the household count will continue to grow between 2014 and 2019, suggesting market support for housing rehabilitation and development.

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

- The 2010 Census showed that for the first time in 50 years, the population of the City of Philadelphia grew during the previous 10 years. Many Philadelphia neighborhoods also stabilized or grew during this decade.
  - The aging of the Baby Boom generation is reflected in statistics showing the number of households growing while population decreases. As the population in North Philadelphia ages in place, average household size has decreased. One and two person elderly households are still occupying the homes in which they raised their families.
  - The Hispanic community in Eastern North Philadelphia is growing. The 2010 Census reported that 66 percent of the PMA population was Hispanic; by 2019, that proportion is projected to increase to 73.5 percent.
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 38 divided by the number of age and income qualified households 21,836 equals a capture rate of 0.2 %.

In 2013, RES prepared a more detailed capture rate analysis for Esperanza that considered the number of age- and income-qualified renter households of sizes eligible to live at Roberto Clemente Homes. For each household size, the number of households with incomes between 10 percent and 60 percent AMI was quantified. This is a more conservative approach to estimating potential demand for the Roberto Clemente Homes development and resulted in a required capture rate of 0.6 percent for the building to lease fully. This capture rate signifies a deep tenant pool of age-, income- and size-qualified renter households.

**PMA Age- and Income- and Size-Qualified Renter Households (2013 Estimate) and Capture Rate Analysis: Two- and Three-Bedroom Units**

Household Size	Income Ranges		Households Age <62 in Range	Proposed Units	Capture Rate
	Minimum	Maximum			
All 2 BR and 3BR Eligible HH: 10% to 60% AMI					
2 persons	\$6,340	38,040	1,611		
3 persons	\$7,130	42,780	1,909		
4 persons	\$7,920	47,520	1,587		
5 persons	\$8,560	51,360	1,030		
6 persons*	\$9,190	55,140	<u>517</u>		
			6,653	38	0.6%

Sources: Ribbon Demographics/Nielsen 2013 household age by income estimates for the delineated PMA. Census 2010 did not collect data on household income. HUD/PHFA income limits. RES capture rate calculations.

\*Ribbon Demographics cross tabulations include all households with 6 or more persons in one cohort. Based on a review of 2010 Census households size data, RES used 50% of the cohort to reflect an estimate of 6 person households.

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 **819** divided by the number of age and income qualified households **21,836** equals an overall capture rate of **3.8 %**.

**This overall capture rate is based on the listing of affordable housing in the PMA found in Attachment 6, which was developed as a result of information received in response to the PHFA Inventory Request (Attachment 4) If the overall capture rate calculation is completed using the more detailed 2013 estimate of 6,653 age-, income- and size-qualified renter households presented above, then the overall capture rate would be 12.3 percent.**

- 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:

**Esperanza is the key community development organization in the neighborhood surrounding the Subject Property. The organization is pursuing the Roberto Clemente Homes LIHTC development as a means to attract investment to the neighborhood, provide affordable housing to area residents, and redevelop a blighted building impacting the 5<sup>th</sup> Street commercial corridor.**

As of November 2014, Esperanza is not aware of any community opposition to the Roberto Clemente Homes development.

**Jennifer Kates, Legislative Assistant to City Councilperson Quinones-Sanchez – 215-686-3448:** Ms. Kates confirmed that the Councilperson is strongly supportive of the Roberto Clemente Homes development and that the office has prepared a formal letter of support for inclusion in the LIHTC application. She stated that she is not aware of any community opposition to the proposed development.

**Ashley Richards, North District Community Planner, Philadelphia City Planning Commission – 215-683-4616:** Ashley Richards noted that there is a documented need for affordable housing throughout North Philadelphia; Roberto Clemente Homes will provide Nueva Esperanza the opportunity to service the Hunting Park neighborhood in answering the need for affordable housing units. This also provides low-income and formerly homeless families to live in a healthy and viable housing environment. The City has provided a letter of support for this development. The LIHTC program is an important tool for bringing equitable and modern quality housing units to the neighborhood that are accessible to local residents. Ms. Richards is not aware of any opposition to the development.

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 Roberto Clemente Homes site is located on the eastern edge of a dense intact residential neighborhood. The site is in the middle of the mix of residential row houses and commercial uses that line the 5th Street corridor. A shopping center is immediately north of the Subject Property and includes a Cousins Supermarket and Taco Bell, KFC and Dunkin Donuts restaurants. Smaller “mom and pop” businesses are located in scattered locations along the otherwise residential street. The retail space on the first floor of Roberto Clemente Homes will help to create a more defined commercial core on this part of N. 5th Street. The presence of a supermarket in the next block should be very appealing to prospective tenant households.

Rising Sun Avenue runs along the eastern edge of the property and forms a boundary between the residential/commercial area to the west and an industrial area to the east. Industrial uses in close proximity to the Roberto Clemente Homes site include a junked car lot and an asphalt plant. There is a significant grade difference between the industrial uses and the Roberto Clemente Homes site. The industrial area is elevated and lined with trees and other vegetation, screening the asphalt plant from view at street level and forming an overpass over Luzerne Street. Several auto related uses are located along Rising Sun Avenue within a block of the Subject Property. Because of industrial uses in close proximity to the site, the provision of a secure lot at Roberto Clemente Homes is an important amenity for family households.

Esperanza is headquartered at 4261 N. 5<sup>th</sup> Street, 0.3 miles north of the Subject Property. In addition to providing a range of social and employment services, the organization operates the Esperanza Academy Charter School, which will be expanding to serve up to grade 8, as well as Esperanza College, a two-year degree-granting institution associated with Eastern College.

Other retail and services including a bank, pharmacy, doctor’s offices and a gas station are located within 0.25 miles of the Subject Property. SEPTA’s Route 47 bus runs along N. 5<sup>th</sup> Street in front of the Roberto Clemente Homes building. A city recreation center is located at Hunting Park. The

Park, which has undergone a revitalization in recent years because of community volunteer efforts in concert with the City's Fairmount Park Commission, is located approximately 0.5 miles northwest of the Subject Property.

Residents at the Subject Property will enjoy excellent access to nearby employment opportunities. Census Bureau LEHD data indicates that as of 2011, there were more than 15,890 jobs located within one mile of the Subject Property, up from 13,029 in 2006, despite the intervening recession. Many of these jobs are in the health and educational services sector, which have been growth engines in the Philadelphia metropolitan area economy. In addition to providing employment opportunities, both Temple University Hospital (0.8 miles to the southwest of the site) and St. Christopher's Hospital for Children (0.6 miles to the southeast of the site) offer emergency rooms and wide-ranging health care services for children and adults.

Children living at Roberto Clemente Homes who attend public school would go to Bayard Taylor Elementary School (0.25 miles south of the Subject Property). This school had been on the Philadelphia School District's closure list, but was removed from the list in March 2013. Older students would attend Roberto Clemente Middle school and Thomas Edison High School, both of which are located within 0.5 miles of the Subject Property.

In summary, the location of Roberto Clemente Homes will offer residents convenient access to neighborhood retail and service establishments, a choice of schools including a two-year college, health care, employment and public transportation. The most significant negatives of this location for family housing are a lack of open space close by and the adjacent industrial uses. Mitigating factors include the presence of Hunting Park and a City recreation center within one-half mile of the Subject Property as well as the screening offered by the change in elevation and vegetation between the residential and industrial uses.

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 faxed to Mr. Kelvin Jeremiah, President and CEO of the Philadelphia Housing Authority on November 5, 2014. A copy of the request is included as Attachment 5 to this report. As of November 17, 2014, the market analysts had not received a response from PHA. Waiting list information provided by PHA during September 2014 indicates that there are a total of 27,889 households on the waiting list for conventional public housing units. There are a total of 34,149 households on the waiting list for PHA's AME (alternative management entity) developments—the newer LIHTC mixed-finance properties developed by the housing authority. Although there is overlap between these two lists, the sheer volume indicates overwhelming demand for additional rent subsidized housing units.

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.

Attachment 6 summarizes the survey of competitive affordable housing properties. According to PHFA's list of LIHTC and PennHOMES properties in the market area, there are 631 affordable general occupancy housing units in the twelve operating properties in the PMA that offer two-and/or three-bedroom units. Seven of these properties offer rent subsidized units. The addition of the 38 units at Roberto Clemente Homes will bring the total number of PHFA-assisted units in the PMA to 669. There are two additional non-PHFA affordable general occupancy properties in the PMA, Dorado Village and Kensington Townhouses. Including the 150 units at these two properties, the total number of operating and proposed affordable general occupancy rental units in the PMA is 819.

There are 27 vacant units in the 11 PHFA and two non-PHFA operating properties that would provide information to the market analyst. Carl Mackley Apartments, which did not cooperate with the survey this year, was 100 percent occupied when surveyed for the initial market analysis. If the Carl Mackley units are excluded from the total, the occupancy rate in the 13 remaining properties is 96.7 percent. All of the vacancies are in developments that charge fixed LIHTC rents without a rent subsidy, with the exception of one vacant unit at Evelyn Sanders Townhouses II. This property has over 600 households on its waiting list. This unit was in the process of turnover and a new tenant household has been pulled from the waiting list. Most of the property managers interviewed for this analysis report that demand has been increasing, particularly for rent subsidized units. Properties with rent subsidies have waiting lists with waits of at least three years.

Both HACE and APM have LIHTC properties with relatively high vacancy rates and low numbers of households on the waiting list. These organizations emphasized that vacancies are in units without rent subsidies and that many households seeking affordable units in the market area have incomes too low to afford fixed LIHTC rents.

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.

The housing stock immediately east of the Subject Property and throughout most of the PMA, consists primarily of two-story row houses on small lots. These row homes were built between 70 and 100 years ago. There are two-story row houses on blocks near the Subject Property and some larger twin residences in the surrounding neighborhood. 2005-2009 ACS five-year estimates indicate that 80.4 percent of the PMA housing units are in single-family attached structures. An additional nine percent of the housing units are in structures containing two to four units. There are few large multifamily buildings in the PMA; nearly 97 percent of the housing stock is in structures with fewer than four units.

According to local Realtors and a review of multiple list data, houses in the PMA range in price from as low as \$20,000 to as high as \$170,000. The majority of the units are in the \$21,000 to \$65,000 range. Houses priced at the lower end of the range (\$20,000) are often in need of significant repairs and modernization. Many are uninhabitable vacant shells where the cost to renovate the structure would be in excess of the value of the completed house. Row houses priced between \$50,000 and \$65,000 need updating, but could be affordable homeownership options for households with incomes between 50 and 60 percent AMI, depending on their credit and level of savings.

The median sales price for houses within the zip code of the Subject Property (19140) was \$26,000 in the Q3 2014, as reported in the TREND Marketwatch Report. For the remaining zip codes

comprising the PMA, median sales prices ranged from \$36,250 to \$61,500 in zip codes 19133, 19120 and 19124 and was \$150,000 in 19122. The housing units which are priced much higher than those surrounding the Subject Property are located in areas of these zip codes outside of the PMA delineation. These areas include Fishtown and Port Richmond immediately to the southeast of the PMA and Olney to the north. Homes near the Subject Property that have potential to be converted to multifamily apartment use can also command higher pricing from investors.

Almost all market-rate apartments offered for rent in the PMA are in older buildings and former row houses converted to apartments. Most were also built between 70 and 100 years ago. Very few units offer central air conditioning, dishwashers, garbage disposals, laundry facilities or sprinkler systems.

The 2010 Census reported that 51.7 percent of the 32,908 occupied housing units in the PMA are owner-occupied, while 48.3 percent were renter-occupied. The tenure split for households headed by persons under age 65 was similar: 51.5 percent renter/48.5 percent owner. According to the 2010 Census, 11.1 percent (4,125 units) of the total housing units in the PMA were vacant, including units available for sale or rent. Of the total vacant housing units, 1,952 housing units (5.3 percent of all housing units) were classified as "Other Vacant Units" in 2010. This classification generally indicates the units are deteriorated and are not available for occupancy. The vacancy percentage in the PMA is lower than in other parts of North Philadelphia. Esri estimated the percent of vacant units was the same in 2014, and will remain consistent through 2019.

According to the 2005-2009 ACS five-year estimates, over 85.3 percent of the housing stock was built prior to 1960, and 48.8 percent prior to 1939. Consequently, many of these houses would require substantial updating to have the features and amenities offered by the Subject Property.

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 includes 38 rent-subsidized affordable housing units targeted for general occupancy by low and extremely low income households. Demographic trends, the capture rate data and the performance of comparable affordable properties suggest that there is strong demand in the market for quality rent-subsidized units serving family households. Given the count of existing rent-subsidized units in the PMA, and the age and condition of much of the market rate housing stock, it is likely that many of these households are living in substandard conditions.

The PMA can absorb additional rent-subsidized affordable general occupancy units without substantially impacting the performance of other LIHTC/PennHOMES properties in the market area. Household growth in the PMA will continue to support housing demand and will limit the impact of new supply on occupancy levels in the existing market-rate and affordable housing stock.

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 contains a map that shows the locations of comparison properties and a Comparable Housing Survey form for each property. Market rental comparables include market-rate units with no income restrictions. Although some apartments are advertised in the PMA (generally within a converted row house), many rental listings are for two- and three-bedroom row houses.**

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>
Two-bedroom	<u>\$784</u>	+	<u>\$179</u>	=	<u>\$963</u>
Three-bedroom	<u>\$915</u>	+	<u>\$216</u>	=	<u>\$1,131</u>

**RES made adjustments only for tenant paid utilities and differences in bathroom counts. No adjustments were made for unit size, building age or other amenities. Adjustments for tenant paid utilities were made based on the Philadelphia Housing Authority’s Section 8 Utility Allowances in effect in November 2014.**

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

**Pricing advantage was computed using the “total tenant expense” figure in the pro forma rent table provided at the beginning of this report. Because the units are rent subsidized, tenants will pay 30 percent of income for rent and utilities; depending on a household’s income, the pricing advantage could be higher or lower than the figure shown in the table below.**

**Market rental rates fall between the 50 percent AMI and 60 percent AMI maximum LIHTC rents. At the Subject Property, households with incomes between 50 and 60 percent of AMI would typically not enjoy a rent advantage over market rents, although the quality of the new well-amenitized apartments at Roberto Clemente Homes will significantly exceed that of investor-owned rental units typically available in the PMA. Larger households (four person households in two-bedroom units and six-person households in three-bedroom units) with incomes close to 50 percent AMI also would not see a rent advantage.**

		<u>Subject Gross Rent</u>	<u>Adjusted Market Rent</u>	<u>Pricing Advantage</u>
2 BR/1 BA @	20% AMI	\$356	\$963	170.6%
2 BR/1 BA @	50% AMI	\$529	\$963	82.1%
2 BR/1 BA @	60% AMI	\$629	\$963	53.1%

		<b>Subject Gross Rent</b>	<b>Adjusted Market Rent</b>	<b>Pricing Advantage</b>
3 BR/1 BA @	20% AMI	\$411	\$1,131	175.2%
3 BR/1 BA @	50% AMI	\$466	\$1,131	142.7%
3 BR/1 BA @	60% AMI	\$516	\$1,131	119.2%

\*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.**

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.

**Market Support for the Project**

Supply and demand conditions in the Primary Market Area indicate a need for additional affordable general occupancy housing in the PMA and market support for the size and type of units Esperanza proposes for Roberto Clemente Homes. A pool of more than 6,650 age-, income- and size- qualified renter households is present in the PMA. The 38 units at Roberto Clemente Homes would need to capture approximately 0.2 percent of age- and income-eligible households to lease fully (0.6 percent of all age- and income-eligible renter households). An analysis of the capture rates for individual unit types and income tiers also indicates capture rates below one percent, suggesting that there is an adequate pool of prospective tenants for both two- and three-bedroom units in each tier. The size of the prospective tenant pool is expected to increase due to projected household growth in the PMA.

The overall capture rate of 3.8 percent of age- and income- eligible households (12.3 of age- and income-eligible renter households) indicates that the PMA should be able to absorb additional affordable rental units, given the strong performance of the existing affordable inventory. Existing affordable general occupancy rental properties with rent subsidies maintain high occupancy and have multi-year waiting lists. Properties charging LIHTC rents are close to market rent levels, and some have struggled to fill the fixed rent units. Rent subsidies are important to provide very low income and extremely low income tenants a more significant rent advantage over market rates.

**Absorption Rate**

Given the demand for quality rent subsidized general occupancy housing in the PMA, RES estimates that the Subject Property could achieve an average absorption rate of 10 to 12 units per month and achieve stabilized occupancy within three to four months of completion.

**Vacancy Rate**

Based on the performance of other rent-subsidized rental buildings in the PMA, it is likely that Roberto Clemente Homes will maintain average occupancy of 99 percent or higher. A stabilized vacancy rate of five percent would be a conservative pro forma assumption.

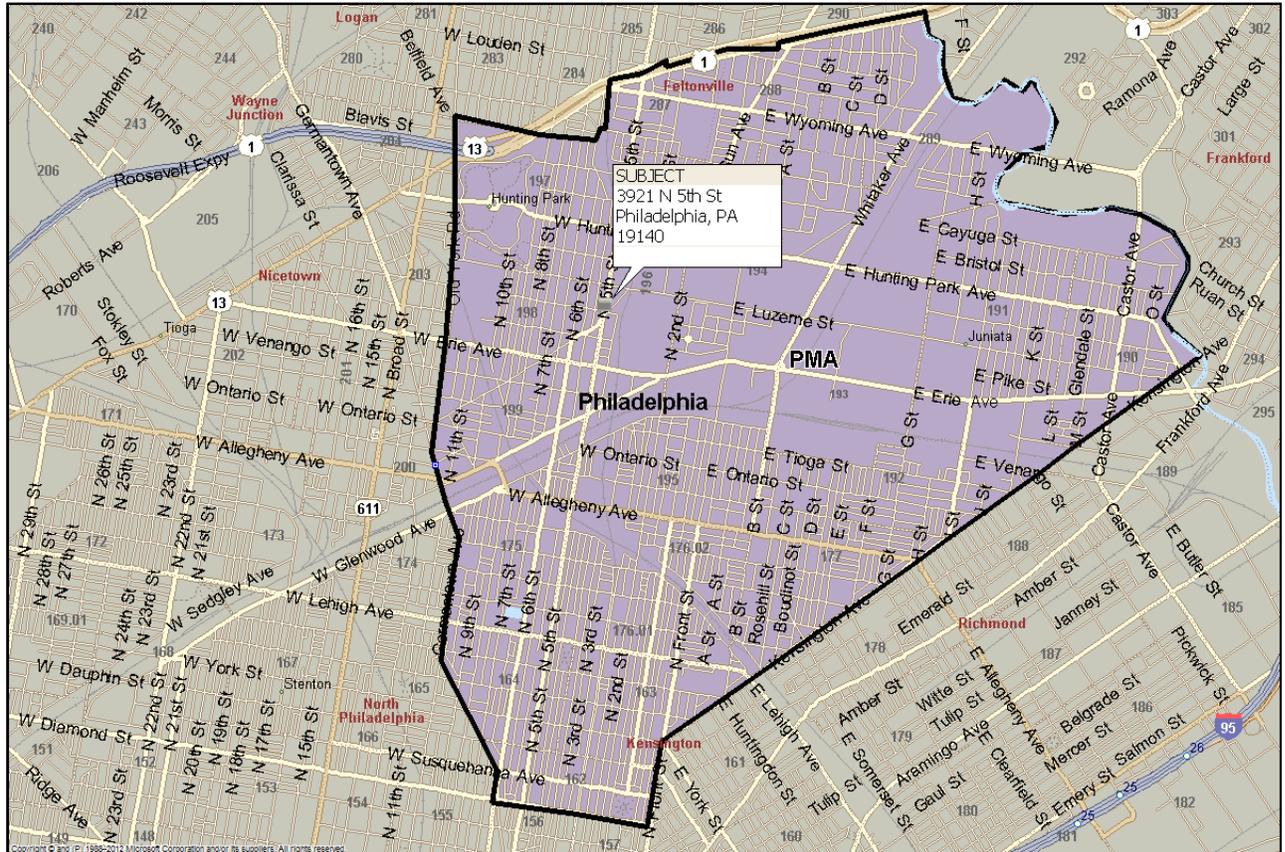
Submitted by:

<u>11/18/2014</u>	<b>Elizabeth M. Beckett</b>
Date	Name (type or print)
	<b>Senior Vice President</b>
	Title
	<b>Real Estate Strategies, Inc.</b>
	Firm
	<b>63 Chestnut Road, Suite 6, Paoli, PA 19301</b>
	Address
	<b>610.240.0820</b>
	Phone Number
	<b>610.240.0822</b>
	FAX Number
	<b>ebeckett@resadvisors.com</b>
	Email

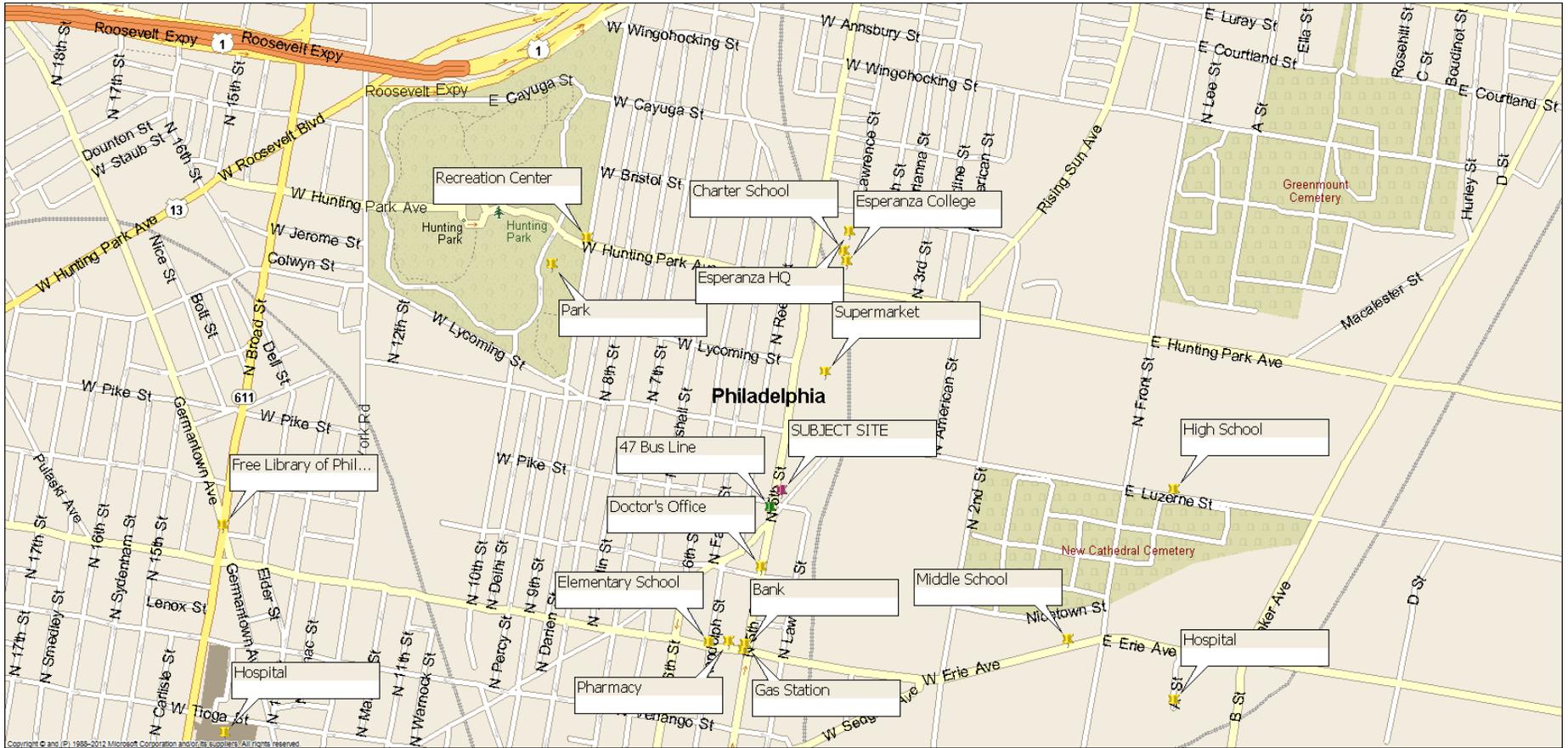
Information about the qualifications of Real Estate Strategies, Inc. and resumes of individuals who were involved in the preparation of this market study are provided in Attachment 8.

# ATTACHMENT 1

## Primary Market Area Delineation and Location of the Subject Property



**ATTACHMENT 2**  
**Location of the Subject Property and Neighborhood Amenities**



**ATTACHMENT 3**  
**Photographs of the Subject Property and Surrounding Area**



**View of Site from Rising Sun Avenue**



**View of Site frontage on 5<sup>th</sup> Street**



**Houses on 5<sup>th</sup> Street adjacent to Site**



**Shopping center across Luzerne Street from Site (Cousins Supermarket in background)**



**Overpass across Rising Sun Avenue from Site**

**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 5, 2014

Mr. Kelvin A. Jeremiah  
President and CEO  
Philadelphia Housing Authority  
12 S. 23<sup>rd</sup> Street  
Executive Office  
Philadelphia, PA 19103

BY FAX: 215-684-4163

Dear Mr. Jeremiah:

I am preparing an updated market analysis for inclusion in Esperanza's Roberto Clemente submission to the Pennsylvania Housing Finance Agency (PHFA) for the January 2015 Low Income Housing Tax Credit round. The development will include 38 general occupancy units to be built on N. 5<sup>th</sup> Street in the Hunting Park neighborhood. PHFA requires that market analysts submit a "Housing Provider 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 authority and returned to the market analyst within five days of receipt.

The form can be faxed back to me at 610-240-0822 or scanned and e-mailed to [ebeckett@resadvisors.com](mailto:ebeckett@resadvisors.com). Thank you in advance for your timely attention to this matter. Please call me at 610-240-0820 if you have any questions about the proposed development or this form.

Sincerely yours,

Elizabeth M. Beckett  
Senior Vice President

Enclosure

## 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:

Roberto Clemente Homes

Location:

3921-61 North 5<sup>th</sup> Street

Philadelphia, PA 19140

Primary Market Area:

**Philadelphia Census Tracts:**

<b>162</b>	<b>177.02</b>	<b>198</b>
<b>163</b>	<b>190</b>	<b>199</b>
<b>164</b>	<b>191</b>	<b>287</b>
<b>175</b>	<b>192</b>	<b>288</b>
<b>176.01</b>	<b>195.01</b>	<b>289.01</b>
<b>176.02</b>	<b>195.02</b>	<b>289.02</b>
<b>177.01</b>	<b>197</b>	<b>383</b>

The Primary Market Area is bounded by Diamond Street to the south, Front Street/Kensington Ave to the east, the Tacony Creek to the northeast, Route 1 to the north and Germantown Ave to the west. It includes parts of the following zip codes: 19120, 19122, 19124, 19133 and 19140.

Occupancy Type: Elderly  General

Unit Type(s):	Bdrm Type	Quantity	Sq. Ft.	Rent (gross)
	SRO			
	EFF			
	1 Bdrm			
	2 Bdrm	28	900	rent subsidized*
	3 Bdrm	10	1200	rent subsidized*
	4 Bdrm			
	5 Bdrm			

\*Sponsor is pursuing ACC and PBV subsidies. Tenants will pay 30% of income for rent and utilities.

Expected date of completion: 2017

Resident's Income Range: 20% AMI , 50% AMI and 60% AMI income limits. Please see chart below.

Household Size	Income Ranges	
	Minimum	Maximum
All 2 BR and 3BR Eligible HH under 60% AMI		
2 persons	\$0	\$37,860
3 persons	\$0	\$42,600
4 persons	\$0	\$47,280
5 persons	\$0	\$51,120
6 persons	\$0	\$54,900

**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.)

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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)

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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

---

**ATTACHMENT 5**  
**PHFA Housing Inventory Request Form**

# PHFA HOUSING INVENTORY REQUEST FORM

Date: 11/5/2014

Person Requesting Information Elizabeth Beckett

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 [EBeckett@RESAdvisors.com](mailto:EBeckett@RESAdvisors.com)

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

Development Name (if known) Roberto Clemente Homes

Exact Site Location/Address 3921-61 North 5<sup>th</sup> Street

Philadelphia, PA 19140

Requesting Information For

Primary Market Area Census Tracts (all Philadelphia)		
162	177.02	198
163	190	199
164	191	287
175	192	288
176.01	195.01	289.01
176.02	195.02	289.02
177.01	197	383

Additional Information and/or Comments

General occupancy

Submit your request by fax 717-780-1811 or by e-mail [llutz@phfa.org](mailto:llutz@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 General Occupancy Affordable Rental Properties**  
**Roberto Clemente Homes PMA**

Project Name	Address	ZIP Code	Number of Units	Vacant Units	Vacancy Rate	Households on the Waiting List	Change in Last 2-3 Years	Comments
<b>PHFA LIHTC Units</b>								
Carl Mackley Apartments	1401 E. Bristol Street	19124	184	0				manager would not provide information
Evelyn Sanders Townhouses Phase II	3029-55 N. Percy Street	19133	71	1	1.4%	600	Increase	Rents - 30% of income
Hancock Manor	174 W. Allegheny Avenue	19133	45	0	0.0%	None	N/A	Tenants do not pay rent
Iris Nydia Brown Townhouses	2744-62 N. Mascher Street	19133	12	0	0.0%	600	Increase	Rents - 30% of income
Karen Donnally Townhouses	2108-2110 N. Orianna	19122	32	1	3.1%	600	Increase	
Lehigh Park Apartments Phase I	2600 N. Lawrence Street	19133	27	8	29.6%	NAV	NAV	2 units have rental asst.
Lehigh Park Apartments Phase II	2622-46 N. Lawrence Street	19133	48	10	20.8%	NAV	NAV	52% have rental asst.
One APM Plaza	2316-27 N. 7th Street	19133	23	3	13.0%	5	Increase	
Two APM Plaza	2311-13 N. 7th Street	19133	12	0	0.0%	2	increase	
Taino Gardens	601-7 Dauphin Street	19133	42	0	0.0%	14	Increase	
Adolfina Villanueva Townhouses	7th/8th/Somerset	19133	54	2	0.0%	600	Increase	Rents - 30% of income
Villas de Caribe	Scattered Sites	19133	<u>81</u>	<u>2</u>	<u>2.5%</u>	NAV	NAV	50% have rental asst.
<b>Total Operating Properties</b>			631	27				
Roberto Clemente Homes (Subject)	3921-61 N. 5th Street	19113	<u>38</u>					
<b>Total PHFA Units</b>			669					
<b>Non-PHFA Subsidized Units</b>								
Dorado Village	2642 Marshall Street	19133	80	0	0.0%	315	Increase	Rents - 30% of income
Kensington Townhouses	2607 N. Howard Street	19133	<u>70</u>	<u>0</u>	0.0%	3 - 5 years	Same	Rents - 30% of income
<b>Non-PHFA Affordable Units</b>			150	0				
<b>Total Affordable General Occupancy Units</b>			<b>819</b>	<b>27</b>	<b>3.3%</b>	<b>(Based on a total 629 units, excluding Carl Mackley)</b>		

Source: RES interviews with property management during October 2014.



# COMPARABLE HOUSING SURVEY FORM

Date: 11/12/2014  
 Name of Property: 2362 Front – Two-bedroom Unit  
 Address: 2362 Front Street, Philadelphia, PA 19133  
 Distance From Subject Property: 1.9 miles  
 Is it within Primary Market Area: X Yes      No  
 Building Type: X Walk-up      Row/Townhouse      Elevator  
 Age of the property: N/A  
 Contact: Crystal Clear Realty  
 Telephone No. of Contact: 215.634.0400

	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>Stove, refrigerator, washer/dryer hookups, microwave</u>
Hot water	<u>Gas</u>		<u>X</u>	Sewer	<u>X</u>	
Cooking	<u>Gas</u>		<u>X</u>			
A/C	<u>Electric</u>		<u>X</u>			
Unit lighting	<u>Electric</u>		<u>X</u>			

Number of Units	Number of Bdrm/Bath	Square Feet	Rent	Occupancy or Vacancy (%)	Number on Waiting List
	<u>2 BR / 2 BA</u>	<u>992</u>	<u>\$850</u>	<u>Available</u>	<u>N/A</u>
<b>For Rent</b>					

Identify any special characteristics or amenities of the comparables: **Second floor apartment in a renovated, multi-family building.**



## COMPARABLE HOUSING SURVEY FORM

Date: 11/12/2014  
 Name of Property: 2668 N. Orkney – Two-Bedroom House  
 Address: 2668 N. Orkney Street, Philadelphia, PA 19133  
 Distance From Subject Property: 1.6 miles  
 Is it within Primary Market Area: X Yes      No  
 Building Type:      Walk-up   X   Row/Townhouse      Elevator  
 Age of the property: N/A, renovated  
 Contact: Leasing Agent at JC Investment Co.  
 Telephone No. of Contact: 215.236.2363

	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>Washer/dryer, stove/oven</u>
Hot water	<u>Gas</u>		<u>X</u>	Sewer		<u>refrigerator</u>
Cooking	<u>Gas</u>		<u>X</u>			
A/C	<u>Electric</u>		<u>X</u>			
Unit lighting	<u>Electric</u>		<u>X</u>			

Number of Units	Number of Bdrm/Bath	Square Feet	Rent	Occupancy or Vacancy (%)	Number on Waiting List
	<u>2 BR / 1 BA</u>	<u>N/A</u>	<u>\$875</u>	<u>Available</u>	<u>N/A</u>
<b>For Rent</b>					

Identify any special characteristics or amenities of the comparables: **Two-bedroom, two-story row home for rent. Kitchen appliances are new.**



## COMPARABLE HOUSING SURVEY FORM

Date: 10/2014  
 Name of Property: 3416 Tampa – Two-bedroom House  
 Address: 3416 Tampa Street, Philadelphia, PA 19134  
 Distance From Subject Property: 1.9 miles  
 Is it within Primary Market Area: X Yes      No  
 Building Type:      Walk-up X Row/Townhouse      Elevator  
 Age of the property: Renovated in 2014  
 Contact: Bella  
 Telephone No. of Contact: 215.778.7497

	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>Washer/dryer, refrigerator</u> <u>stove</u>
Hot water	<u>Gas</u>		<u>X</u>	Sewer	<u>X</u>	
Cooking	<u>Gas</u>		<u>X</u>			
A/C	<u>Electric</u>		<u>X</u>			
Unit lighting	<u>Electric</u>		<u>X</u>			

Number of Units	Number of Bdrm/Bath	Square Feet	Rent	Occupancy or Vacancy (%)	Number on Waiting List
	<u>2 BR / 1 BA</u>	<u>1,008</u>	<u>\$650</u>	<u>Available</u>	
				<b>For Rent</b>	

Identify any special characteristics or amenities of the comparables: N/A



# COMPARABLE HOUSING SURVEY FORM

Date: 11/12/2014  
 Name of Property: 2217 N. Mutter – Two-Bedroom House  
 Address: 2217 N. Mutter Street, Philadelphia, PA 19133  
 Distance From Subject Property: 2.2 miles  
 Is it within Primary Market Area: X Yes      No  
 Building Type:      Walk-up X Row/Townhouse      Elevator  
 Age of the property: 1939, renovated  
 Contact: Orlando Martinez, Quality Real Estate – Broad Street  
 Telephone No. of Contact: 215.457.2600

	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>Electric</u>		<u>X</u>	Water	<u>X</u>	<u>Refrigerator, stove/range, laundry in basement</u>
Hot water	<u>Electric</u>		<u>X</u>	Sewer	<u>X</u>	
Cooking	<u>Electric</u>		<u>X</u>			
A/C	<u>None</u>		<u>X</u>			
Unit lighting	<u>Electric</u>		<u>X</u>			

Number of Units	Number of Bdrm/Bath	Square Feet	Rent	Occupancy or Vacancy (%)	Number on Waiting List
	<u>2 BR / 1 BA</u>	<u>732</u>	<u>\$800</u>	<u>Available</u>	<u>N/A</u>
<b>For Rent</b>					

Identify any special characteristics or amenities of the comparables: **Newly renovated two-story row home. Property includes a side yard that can be used as one parking space.**



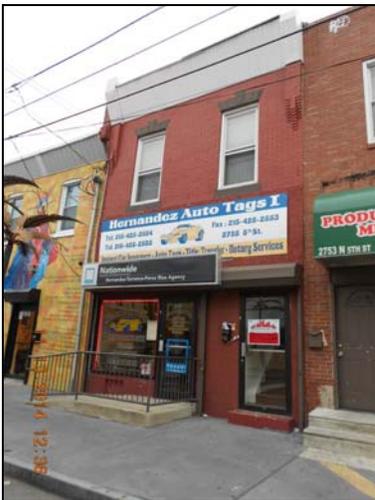
# COMPARABLE HOUSING SURVEY FORM

Date: 11/12/2014  
 Name of Property: 2755 N. 5th – Two-Bedroom Unit  
 Address: 2755 N. 5th Street, Philadelphia, PA 19133  
 Distance From Subject Property: 1.3 miles  
 Is it within Primary Market Area: X Yes      No  
 Building Type:      Walk-up   X   Row/Townhouse      Elevator  
 Age of the property: 1949, renovated  
 Contact: Robert Rodriquez, Casa Latino AZR Realty  
 Telephone No. of Contact: 215.888.7859

	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>Stove/range</u>
Hot water	<u>Gas</u>		<u>X</u>	Sewer	<u>X</u>	
Cooking	<u>Gas</u>		<u>X</u>			
A/C	<u>None</u>		<u>X</u>			
Unit lighting	<u>Electric</u>		<u>X</u>			

Number of Units	Number of Bdrm/Bath	Square Feet	Rent	Occupancy or Vacancy (%)	Number on Waiting List
	<u>2 BR / 1 BA</u>	<u>N/A</u>	<u>\$685</u>	<u>Available</u>	<u>N/A</u>
<b>For Rent</b>					

Identify any special characteristics or amenities of the comparables: **Updated second floor apartment; unit is above first-floor commercial space.**



# COMPARABLE HOUSING SURVEY FORM

Date: 11/11/2014  
 Name of Property: 2047 N. Howard – Three-bedroom Unit  
 Address: 2047 N. Howard Street, Apt. 3, Philadelphia, PA 19122  
 Distance From Subject Property: 2.5 miles  
 Is it within Primary Market Area: X\* Yes        No **\*just outside PMA**  
 Building Type:        Walk-up   X   Row/Townhouse        Elevator  
 Age of the property: 1925, renovated  
 Contact: Vera Rosen  
 Telephone No. of Contact: 732.300.0848

	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>Stove, refrigerator,</u> <u>microwave</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	Rent	Occupancy or Vacancy (%)	Number on Waiting List
	<u>3 BR / 1 BA</u>	<u>N/A</u>	<u>\$950</u>	<u>Available</u>	<u>N/A</u>
<b>For Rent</b>					

Identify any special characteristics or amenities of the comparables: **Three-bedroom, bi-level unit. Central laundry in the building. Tenants have access to a yard.**



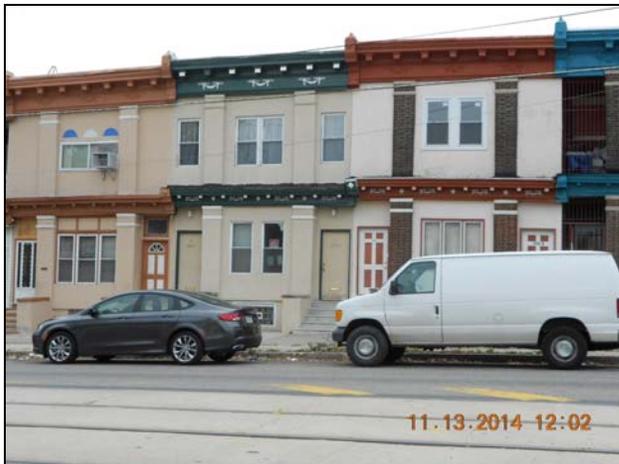
# COMPARABLE HOUSING SURVEY FORM

Date: 11/11/2014  
 Name of Property: 1014 W. Erie – Three-bedroom Unit  
 Address: 1014 W. Erie Ave., Philadelphia, PA 19140  
 Distance From Subject Property: 0.6 miles  
 Is it within Primary Market Area:  Yes  No  
 Building Type:  Walk-up  Row/Townhouse  Elevator  
 Age of the property: 75 years  
 Contact: Chango  
 Telephone No. of Contact: 215.634.0400 ext. 3

	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>Stove, refrigerator, washer/dryer hookups, 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	Rent	Occupancy or Vacancy (%)	Number on Waiting List
	<u>3 BR / 2 BA</u>	<u>1,300 est.</u>	<u>\$900</u>	<u>Available</u>	<u>N/A</u>
				<b>For Rent</b>	

Identify any special characteristics or amenities of the comparables: **Two-bedroom unit in duplex. This unit is on the first floor.**



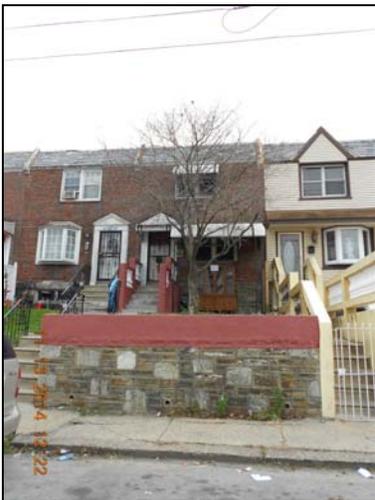
# COMPARABLE HOUSING SURVEY FORM

Date: 11/11/2014  
 Name of Property: 542 E. Louden – Three-bedroom House  
 Address: 542 E. Louden St., Phildelphia, PA 19120  
 Distance From Subject Property: 1.8 miles  
 Is it within Primary Market Area:  Yes  No  
 Building Type:  Walk-up  Row/Townhouse  Elevator  
 Age of the property: 74 years  
 Contact: Juan  
 Telephone No. of Contact: 607.288.2910

	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>Stove, washer/dryer</u> <u>refrigerator</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	Rent	Occupancy or Vacancy (%)	Number on Waiting List
	<u>3 BR / 1.5 BA</u>	<u>1,202</u>	<u>\$900</u>	<u>Available</u>	<u>N/A</u>
<b>For Rent</b>					

Identify any special characteristics or amenities of the comparables: **One month free rent.**



# COMPARABLE HOUSING SURVEY FORM

Date: 11/12/2014  
 Name of Property: 401 W. Courtland – Three-bedroom House  
 Address: 401 W. Courtland St., Philidelphia, PA 19140  
 Distance From Subject Property: 0.8 miles  
 Is it within Primary Market Area: X Yes      No  
 Building Type:      Walk-up   X   Row/Townhouse      Elevator  
 Age of the property:   years  
 Contact: Marta Price  
 Telephone No. of Contact: 215.331.1500

	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>Stove, refrigerator,</u> <u>microwave, fenced yard</u> <u>security system, washer/</u> <u>dryer hookup</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	Rent	Occupancy or Vacancy (%)	Number on Waiting List
	<u>3 BR / 1 BA</u>	<u>1,024</u>	<u>\$900</u>	<u>Rented</u>	<u>N/A</u>

Identify any special characteristics or amenities of the comparables: N/A



# COMPARABLE HOUSING SURVEY FORM

Date: 11/12/2014  
 Name of Property: 3738 Dungan – Three-Bedroom House  
 Address: 3738 Dungan Street, Philadelphia, PA 19124  
 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: 1939, renovated  
 Contact: Orlando Martinez, Quality Real Estate – Broad Street  
 Telephone No. of Contact: 215.457.2600

	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>		<input checked="" type="checkbox"/>	Water	<input checked="" type="checkbox"/>	<u>Refrigerator, microwave, dishwasher, stove, laundry in basement</u>
Hot water	<u>Gas</u>		<input checked="" type="checkbox"/>	Sewer	<input checked="" type="checkbox"/>	
Cooking	<u>Gas</u>		<input checked="" type="checkbox"/>			
A/C	<u>None</u>		<input checked="" type="checkbox"/>			
Unit lighting	<u>Electric</u>		<input checked="" type="checkbox"/>			

Number of Units	Number of Bdrm/Bath	Square Feet	Rent	Occupancy or Vacancy (%)	Number on Waiting List
	<u>3 BR / 1 BA</u>	<u>1,200</u>	<u>\$925</u>	<u>Available</u>	<u>N/A</u>
				<u>For Rent</u>	

Identify any special characteristics or amenities of the comparables: **Newly renovated, two-story row home.**



## **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:

- Philadelphia Housing Authority and Philadelphia Redevelopment Authority – Market Assessment Letter for inclusion in the application for the North Philadelphia Choice Implementation Grant application submitted to the Department of Housing and Urban Development on September 10, 2013.
- BCM Affordable Housing - Market study for St. Moran's Housing, a senior LIHTC development in South Philadelphia.
- Asociacion Puertorriquenos En Marcha (APM) and Jonathan Rose Companies – Market studies for the market-rate, affordable, and commercial components of Paseo Verde, a mixed-income, mixed-use development located adjacent to the Temple University rail station in 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 Elizabeth Beckett whose resume follows:

**Elizabeth M. Beckett, CRE**, Senior Vice President of RES, has 25 years of real estate consulting experience, including five years of association with the real estate advisory services practices of major national accounting and consulting firms. Ms. Beckett's areas of expertise include the following:

- Market and financial analyses of real estate projects;
- Grantsmanship assistance for public/private development ventures;
- Local and regional economic development strategies and target industry studies; and,
- Fiscal and economic impact analysis.

Ms. Beckett has assisted not-for-profit sponsors and for-profit developers of affordable and mixed income housing by preparing market studies to be included in applications for Low-Income Housing Tax Credit, HOPE VI and HUD Section 202/811 financing. Beyond drafting the formal report, Ms. Beckett provides input to help shape development programs and unit designs that will be competitive in the market. Her affordable housing work is concentrated in Pennsylvania, New Jersey and Delaware, and her clients include experienced developers such as The Ingerman Group, New Courtland Elder Services and Community Investment Strategies.

Ms. Beckett previously was a senior associate in the Coopers & Lybrand Real Estate Advisory Services practice. Before that, she was a real estate and economic development consultant at Laventhol & Horwath. Ms. Beckett has also served on the professional staff of the County Executive of New Castle County, Delaware. Her responsibilities included oversight and administration of the County's \$30 million mortgage revenue bond program and other assignments related to affordable housing, housing and community development program analysis and coordination, and community outreach.

A graduate of Haverford College, Ms. Beckett received a Master of Governmental Administration degree from the Fels Center of Government of the University of Pennsylvania. She is a member of the Philadelphia Chapter of the National Network of Commercial Real Estate Women and a charter member and Vice Chair of the National Council of Housing Market Analysts. Ms. Beckett holds the Counselor of Real Estate (CRE) designation.