

Wisconsin 2027-28 Qualified Allocation Plan
Appendix A: Market Study Guidelines

Revised 6/30/2025

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General Information

WHEDA requires independent third-party market studies for the following:

- Housing Tax Credit developments;
- WHEDA-financed developments, including: new construction, acquisition/rehab, or adaptive reuse (unless waived by WHEDA). ~~Market study requirements may be waived at WHEDA's discretion.~~

Market studies must be prepared by a WHEDA-approved market study provider. ~~For the list of approved providers navigate to:~~ <https://www.wheda.com/globalassets/documents/tax-credits/htc/approved-market-study-providers.pdf> (or email ~~WHEDA at~~ HTC.FAQ@WHEDA.com).

~~To assist project owners, developers and consultants, WHEDA has prepared market study guidelines that must be used for a study to be considered.~~ These guidelines establish the minimum information and analysis required. Meeting these guidelines does not ensure acceptance of the study. Methodology used and conclusions drawn must be reasonable. WHEDA, in determining whether a sufficient market exists for a proposed project, will consider market factors other than market study. WHEDA reserves the right to may deny any application based on such factors.

Developments that require a Market Study must submit the appropriate study based on the following:

- New construction and adaptive reuse developments – see “New Construction and Adaptive Reuse”
- Acquisition and/or rehabilitation developments – see “Acquisition/Rehabilitation”
- Housing Tax Credit Projects that include a Community Service Facility – see “Community Service Facilities”
- Assisted Living developments – see “New Construction and Adaptive Reuse” and include information requested in WHEDA's “Market Considerations For Assisted Living Developments (RCACs/CBRFs)”

All market studies ~~submitted~~ must include a certification from the provider stating there is no Identity of Interest as defined below.

“An identity of interest relationship exists if any officer, director, board member, or authorized agent of any development team member (consultant, general contractor, attorney, management agent, seller of the land, etc.):

- is also an officer, director, board member or authorized agent of any other development team member;*
- has any financial interest in any other development team member's firm or corporation;*
- is a business partner of an officer, director, board member or authorized agent of any other development team member;*
- has a family relationship through blood, marriage or adoption with an officer, director, board member, or authorized agent of any other development team member; or*
- advances any funds or items of value to the sponsor/borrower.”*

The study must be a concisely-written report including pictures and tables.

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Studies will be considered “stale” after 6 months, but may be updated by the provider to meet requirements. WHEDA will not accept any updated studies After 18 months from original market study date, updated market studies will not be accepted.

For example, WHEDA would allow an updated study for a 2027⁵ competitive tax credit application if the original study was submitted for a 2026⁴ competitive tax credit application. If the same project was submitted again in the 2028⁶ competitive tax credit application cycle a new market study would be required.

Such updates shall must:

- identify and analyze the impact of additional developments not identified in the prior report; ~~it shall also~~
- include changes in the occupancy and rent structure in the marketplace; ~~The analyst should~~
- address other factors that may have significant impact on the proposed development, such as economic changes and/or demographics; ~~The analyst should~~
- specify in the update whether or not all of the changes listed above exist, and explain the changes and resulting effects.

The updated information can be provided in the form of a letter update attached to the original application.

New Construction and Adaptive Reuse

I. Purpose

~~The purpose of these guidelines is to provide standardized terminology and content for Market Studies of affordable rental housing – new construction – prepared for WHEDA.~~ The standards outline the content, data, analysis and conclusions to be included in Market Studies for rental housing. These guidelines do not establish the format or presentation for the report. ~~The Market Study Terminology is included at the end of Appendix A.~~

II. Content

A. Executive Summary. Each market study must include a concise summary of the data, analysis and conclusions, including the following:

1. A concise description of the site and the immediately surrounding area.
2. A brief summary of the project including the proposed number of units, rent levels and population to be served.
3. Precise statement of key conclusions reached by the analyst.
4. Precise statement of analyst's opinion of Market Feasibility including the prospect for long-term performance of the property given housing and demographic trends and economic factors.
5. ~~Provide a~~ Recommendations and/or suggested ~~ed~~ modifications to the proposed project.
6. ~~Provide a~~ summary of market related strengths and/or weaknesses which may influence the subject development's Marketability, including compatibility with surrounding uses, the appropriateness of the subject property's location, unit sizes and configuration, rent levels, and number of units.
7. ~~Provide a~~ summary of the project's ~~amenities~~ Amenities, ~~and~~ a comparison with existing properties in the market, and ~~a~~ description ~~of~~ any issues which would impact the development's ~~M~~marketability.
- 7-8. If the project will charge a fee for parking, ~~the cost for~~ this fee must be included in the market comparisons ~~with a conclusion regarding the monthly parking fee achievable for the subject.~~
- 8-9. Precise statement of comparable ~~market rent~~ Market Rents in the area (1BR, 2BR, 3BR) and the percentage discount the proposed affordable units will provide as compared to those market's rents.
- 9-10. A summary of positive and negative attributes and issues that will affect the property's performance and lease-up and points that will mitigate or reduce any negative attributes.

B. Project Description. The market study ~~should~~ must include a project description to show the analyst's understanding of the project at the point in time the market study is undertaken. ~~The project description should include:~~

1. Proposed number of units by: number of bedrooms and baths, income limit as a percent of AMI, unit size in square feet, utility allowances for Tenant Paid Utilities, proposed rents, proposed fees for parking, and Target Population, including income restrictions and any special needs set-asides.
2. The utilities expected to be paid by ~~tenants~~ Tenants and energy sources for ~~tenant~~ Tenant paid Paid hot water, heat, and cooking.
3. Developer's projected dates for construction start, ~~and~~ completion, and start of pre-leasing.
4. Description of: the number of buildings, design (walk-up, elevator, etc.), and number of stories, unit and common ~~amenities~~ Amenities, site ~~amenities~~ Amenities and parking. The status or date of architectural plans and name of the architect should be referenced. If available, a copy of the

floor plans and elevations should be evaluated by the market analyst and included as an attachment to the report.

C. Location and Market Area Definition

1. Define the Primary Market Area (~~PMA~~) including a map that clearly delineates the areas and an explanation of the basis for the boundaries of the Primary Market Area~~PMA~~. Identify Primary Market Area ~~PMA~~ boundaries by ~~census-Census tracts~~Tracts, jurisdictions, street names, or other geography forming the boundaries. Also define the larger geographic area in which the PMA-Primary Market Area is located (i.e. city, county, MSA, etc.). The use of concentric circles as a ~~market-Market area~~Area is not permitted. A list of ~~census-Census tracts~~Tracts included in the ~~primary-Primary market-Market area~~Area should be included.
2. Provide a written narrative detailing the rationale for the ~~P~~primary ~~market-Market area~~Area. This narrative should specifically address any specific issues with the Primary market-Market area~~Area~~ including the exclusion or nearby areas or justification for geographically large ~~market-Market areas~~Areas.
3. Provide a description of the site characteristics including its size, shape, general topography and vegetation and proximity to adverse conditions.
4. Provide photographs of the site and ~~neighborhood~~Neighborhood including adjoining land uses, and a map clearly identifying the location of the project and the closest transportation linkages, shopping, schools, medical services, public transportation, places of worship, and other services such as libraries, community centers, banks, etc. In situations where it is not feasible to show all the categories on a map, the categories may be addressed in the narrative.
5. Describe the Marketability of the proposed development.
6. Describe and evaluate the visibility and accessibility of the site.
7. Provide information or statistics on crime in the Primary Market Area relative to data for the overall area. Address any local perceptions of crime or problems in the Primary Market Area.

D. Population and Households

1. Provide total population, age and income target data for the Primary Market Area using the most current Census data available, current year estimates, and a five year projection using reputable sources such as Claritis, Local Planning, COG, etc. Data from other legitimate studies, such as ~~Claritas~~, CACI and similar demographic information companies, with detail on household size, ~~tenure~~Tenure, age and other relevant categories may be provided. Indicate the source for all data, provide a methodology for estimates and provide an analysis of trends indicated by the data.
2. Provide a breakdown of households by ~~tenure~~Tenure for 2020 Census, current year and five year projection.
3. Provide an overview analysis of how demographic trends and projections potentially impact the need for housing and specifically the proposed project. Include reference sources for the data and methodology for analyzing the data.
4. Provide a breakdown of households by incomes in \$5,000-\$10,000 increments, by household size and by ~~tenure~~Tenure for 2020 Census, current year, and five year projection.

E. Employment and Economy. Provide data and analysis on the employment and economy of the Primary Market Area to give an understanding of the overall economic health of the community in which the Primary Market Area is located. List sources for the data and methodology for the analysis.

1. Provide a description of employment by industry sector for the Primary Market Area or smallest geographic area available that includes the Primary Market Area and compare the data to the larger geographic area, e.g. the city, county, labor market area, or MSA.
2. List major employers in the Primary Market Area, the type of business and the number employed.

3. Show the historical unemployment rate for the last ten years (or other appropriate period) for the Primary Market Area and compare to the larger geographic area (i.e. MSA, County, etc.).
4. Show at-place employment growth over the same period or a more recent, shorter period (last 5 years). Compare to the larger geographic area.
5. Comment on trends for employment in the Primary Market Area in relation to the subject.
6. If relevant, comment on the availability of Affordable housing for employees of businesses and industries that draw from the Primary Market Area.
7. Provide a breakdown of typical income by occupation.
8. Provide commuting patterns for workers such as how many workers in the Primary Market Area commute from surrounding areas outside the Primary Market Area.

~~Note: The above~~ Section E is not required for elderly developments.

F. Existing Rental Housing Stock. Provide information on other multifamily rental housing in the Primary Market Area and any rental housing proposed to be developed in the Primary Market Area. This section of the Market Study should include:

1. If relevant in the market, a 10-year, or other appropriate period, history of building permits, if available, by housing type and comments on building trends in relation to ~~H~~household ~~trends~~Trends.
2. ~~Identify a~~ list of existing Comparable Properties, including: name, location, population served, services offered and price structure (if applicable), type of design, age and condition, number of units by bedroom type, rent levels, number of bedrooms and baths for each unit type, size in square footage of units, kitchen equipment, type of utilities (state whether paid by ~~tenant~~ Tenant or owner and energy sources for hot water, heat and cooking), unit and site ~~amenities~~ Amenities included, type of parking provided and the cost for resident use of parking, site staffing, occupancy rate, absorption history (if recently completed), name, address and phone number of property contact. Comparables for a proposed RCAC should include other competing RCACs, as well as CBRFs and other independent housing that has a strong service component. Other housing options may also be included if the provider feels they will actively compete with the subject. Attach photos of each Comparable Market Rate and Restricted Rent Property. Include a map identifying the location of each Comparable Market Rate and Restricted Rent Property in relation to the subject.
3. ~~A Describe description of~~ the overall rental market in the Primary Market Area, including the percentage of Market Rate and Affordable Housing properties.
4. ~~Provide a~~ narrative evaluation of the subject property in relation to the Comparable Market Rate Properties, and identify the Competitive Properties, which are most similar to the proposed development. The analyst should state why the comparables referenced have been selected, which are the most directly comparable, and explain why certain projects have not been referenced.
5. A table showing each Comparable Property Market Rate comparisons to the subject rents based on the Comparable Property Amenities, Tenant Paid Utilities, location, parking, ~~concessions~~ Concessions and rent increase or decrease trends.
6. A narrative evaluation of the subject property in relation to the Comparable Restricted Rent Properties, and identify the Competitive Restricted Rent Properties, which are most similar to the proposed development. The analyst should state why the comparables referenced have been selected, which are the most directly comparable, and explain why certain projects have not been referenced.
7. A table showing each Comparable Restricted Rent Property comparisons to the subject rents based on the Comparable Restricted Rent Property Amenities, Tenant Paid Utilities, location, parking, Concessions and rent increase or decrease trends.

~~6-8.~~ ~~A Discussion of~~ the availability of ~~affordable~~ Affordable housing options, including purchase or sale of homes, if applicable.

~~7-9.~~ ~~Include a~~ list of Housing Tax Credit (HTC) projects with allocations in or near the Market area ~~Area~~ that are not placed in service, giving as much known detail as possible on estimated Placed-In-Service dates, unit mix and Income Levels to be served.

~~8-10.~~ ~~A Discuss~~ discussion of the impact of the subject development on the existing housing stock.

~~9-11.~~ ~~The Market~~ Vacancy Rate ~~Vacancy Rate~~ for the Primary Market Area rental housing stock by population served (i.e. market rate, Housing Tax Credit, and Project Based Rent Assistance) and type of occupancy (i.e. family, seniors, special populations) and unit size.

~~10-12.~~ ~~Identify~~ The number of people on waiting lists for each project.

G. Local Perspective of Rental Housing Market and Housing Alternatives. The Market Study should include a summary of the perspective on the rental market, need for the proposed housing, and Unmet Housing Need in the market. The local perspective should consider:

1. Interviews with local planners, housing and community development officials and market participants to estimate proposed additions to the supply of housing that would compete with the subject and to evaluate the local perception of need for additional housing.
2. Interview local Public Housing Authority (PHA) officials and seek comment on the need for housing and possible impact of the proposed development on their housing inventory and waiting lists for ~~assisted~~ Assisted housing ~~Housing~~. Include a statement on the number and availability of Housing Choice Vouchers and the number and types of households on the waiting lists for Housing Choice Vouchers. Compare subject's proposed rents to local payment standards or median rents.
3. Provide a summary of the comments from area apartment managers, particularly at comparable HTC projects, regarding the need for the proposed subject project.

H. Demand Analysis.

1. Provide a detailed analysis of the income levels of the potential ~~tenants~~ Tenants for the proposed units. State and support the minimum household income used for total housing expenses to set the lower limit of the targeted household income range. The rent-to-income ratio for establishing minimum income requirements is 35% for the family developments and 40% for the senior developments. The maximum income limit should be derived by taking 1.5 persons per bedroom, except for age restricted properties which should use the two-person income limit.
2. Derive a Market Rent and an achievable ~~rent~~ Restricted Rent and then compare them to the developer's proposed rent. Quantify and discuss Market Advantage of the subject and impact on Marketability. Include a table detailing the adjustments applied to the rents of both market rate and affordable comparable properties and provide quantitative and qualitative explanations of the adjustments and how they support the concluded achievable LIHTC rents and estimated Market Rents. Adjustments accounted for should include location, size of units, age of developments, amenities offered, and any other material differences between the comparable properties and the subject.
3. Provide analysis of the proposed parking fees in the subject property in relation to the comparable properties in the Primary Market Area.
4. Calculate the Capture Rate for each Income Limit in the subject property incorporating any restrictions such as age, income, living in ~~Substandard Conditions~~ Substandard Conditions, renters versus home owners, household sizes, etc.
5. Calculate the Penetration Rate that includes all competitive properties.
6. Define and justify the Absorption Period and Absorption Rate for the subject property.

7. Project and explain any future changes in the housing stock within the ~~market~~ Market area ~~Area~~.
8. Identify risks (i.e. Competitive Properties which may come ~~on-line~~ online at the same time as the subject property; declining population in the Primary Market Area, etc.), unusual conditions and mitigating circumstances. Evaluate need for voucher support or HUD contracts.
9. Provide statement on viability of the development based on the analysis factors defined above. Provide documentation and descriptions that show the methodology for calculations in the analysis section and relate the conclusions to the data.

Only households above age 65 should be considered for senior developments for the above analysis.

I. Other Requirements

1. Date report was prepared, date of inspection and name and telephone number of analyst preparing study;
2. Certification of no identity of interest between the analyst and the entity for whom the report is prepared including the sponsor, developer or owner of the proposed development;
3. Certification that recommendations and conclusions are based solely on professional opinion and best efforts;
4. Statement of qualifications;
5. List of sources for data in the Market Study;
6. Append current utility allowance schedule (or utility company provider letters).

III. Additional Work

The documentation and analysis outlined previously in [Section II](#) constitutes the entire content for a Market Study. WHEDA may desire a market analyst to provide additional information beyond the basic scope of the Market Study. Any costs associated with additional documentation or analysis beyond the scope of the Market Study shall be paid by the applicant.

Acquisition/Rehabilitation

I. Purpose

~~The purpose of these guidelines is to provide standardized terminology and content for Market Studies of affordable rental housing—acquisition/rehab—prepared for WHEDA.~~ The standards outline the content, data, analysis and conclusions to be included in Market Studies for preservation rental housing. These guidelines do not establish the format or presentation for the report. ~~The Market Study Terminology is included at the end of Appendix A.~~

II. Content

A. Executive Summary. Each ~~market~~Market study~~Study~~ should include a concise summary of the data, analysis and conclusions, including the following:

1. A concise description of the site and the immediately surrounding area.
2. A brief summary of the project and the type of ~~subsidy~~Subsidy program(s) affecting the property.
3. Description of program ~~income limits~~Income Limits and rent limitations, and analysis of where current and proposed subsidized rents are relative to market level.
4. Description of the proposed rehab including list of improvements as well as dollar amount per unit to be spent on rehab, with analysis of whether:
 - ~~proposed rehab supports post-rehab rent increases.~~
 - ~~tenants~~Tenants will be displaced, and the plan regarding temporary relocation.
5. A three year description (table format) of the property's occupancy/vacancy must be presented.
6. An analysis of the income qualification of existing residents with the proposed rent changes.
7. ~~A Precise~~precise statement of key conclusions reached by the analyst.
8. ~~A Precise~~precise statement of analyst's opinion of Market Feasibility including the prospect for long term performance of the property given housing and demographic trends and economic factors.
9. ~~Provide a~~Recommendations and/or suggest modifications to the proposed preservation project.
10. ~~Provide a~~A summary of market related strengths and/or weaknesses which may influence the subject development's Marketability, including compatibility with surrounding uses, the appropriateness of the subject property's location, unit sizes and configuration, rent levels, ~~a~~Amenities, and number of units.
11. A summary of positive and negative attributes and issues that will affect the property's performance and points that will mitigate or reduce any negative attributes.

B. Project Description. The ~~M~~market study~~Study~~ should include a project description to show the analyst's understanding of the project at the point in time the ~~market~~Market study~~Study~~ is undertaken. ~~The project description should include:~~

1. Proposed number of units by: number of bedrooms and baths, income limit as a percent of AMI, unit size in square feet, utility allowances for Tenant Paid Utilities, proposed rents, and Target Population, including income restrictions and any special needs set-asides.
2. The utilities expected to be paid by ~~tenants~~Tenants and energy sources for ~~tenant~~Tenant paid ~~Paid~~ hot water, heat, cooking.
3. Identification of any existing ~~assisted~~Assisted housing~~Housing~~ program at the property such as Section 8, Section 202, Section 811, BMIR, Section 236, etc., as well as current occupancy levels, current rents and proposed rents. A brief profile of current occupants should be provided that includes typical income, household size, age, etc.

4. Developer's projected dates for rehab start, completion and lease-up, if applicable.
5. Description of the existing buildings, design (walk-up, elevator, etc.), ~~and~~ number of stories, unit and common ~~a~~Amenities, site ~~amenities~~Amenities, and parking. Provide a description of the methodology for the rehabilitation and the scope of work. The status or date of architectural plans and name of the architect should be referenced. If available, a copy of the floor plans and elevations should be evaluated by the market analyst and included as an attachment to the report.
6. If occupancy has averaged less than 90% over the last 12 months, address any of the issues identified as contributing to this.

C. Location and Market Area Definition

1. Define the Primary ~~(PMA)~~ Market Area including a map that clearly delineates the areas and an explanation of the basis for the boundaries of the Primary Market Area. This discussion should include information from the subject property such as analysis of rent roll and traffic report, as well as an interview with the management agent at the subject property. Identify Primary Market Area boundaries by ~~census-Census tracts~~Tracts, jurisdictions, street names, or other geography forming the boundaries. Also, define the larger geographic area in which the Primary Market Area is located (i.e. city, county, MSA, etc.). The use of concentric circles as a ~~market Market area-Area~~ is not permitted. A list of ~~census-Census tracts-Tracts~~ included in the ~~Pp~~primary ~~market-Market area-Area~~ should be included.
2. Provide a written narrative detailing the rationale for the ~~primary-Primary market-Market area-Area~~. This narrative should address any specific issues with the ~~market-Market area-Area~~ including the exclusion or nearby areas or justification for geographically large ~~market-Market areas~~Areas.
3. Provide a brief description of the site characteristics including its size, shape, general topography and vegetation and proximity to adverse conditions.
4. Provide photographs of the site and ~~neighborhood~~Neighborhood including adjoining land uses, and a map clearly identifying the location of the project and the closest transportation linkages, shopping, schools, medical services, public transportation, places of worship, and other services such as libraries, community centers, banks, etc. In situations where it is not feasible to show all the categories on a map, the categories may be addressed in the narrative.
5. Discuss any site nuisances that have or may impact ~~Mm~~arketability of the project.

D. Population and Households

1. Provide total population, age and income target data for the Primary Market Area using the ~~1990-most current~~Census, ~~2010-2020~~ Census, current year estimates, and a five year projection using reputable sources such as Claritis, Local Planning, COG, etc. Data from other legitimate studies, such as ~~Claritas~~, CACI and similar demographic information companies, with detail on Household size, ~~tenure~~Tenure, age and other relevant categories may be provided. Indicate the source for all data, provide a methodology for estimates and provide an analysis of trends indicated by the data.
2. Provide a breakdown of Households by ~~tenure~~Tenure for ~~2000-2010~~ Census, ~~2010-2020~~ Census, current year and five year projection.

E. Existing Rental Housing Stock. Provide information on other multifamily rental housing in the Primary Market Area and any rental housing proposed to be developed in the Primary Market Area. This section of the Market Study should include:

1. ~~Identify a~~ list of existing Comparable Market Rate Properties, including: name, location, population served, type of design, age and condition, number of units by bedroom type, rent levels, number of bedrooms and baths for each unit type, size in square footage of units, kitchen equipment, type of utilities (state whether paid by ~~tenant~~ Tenant or owner and energy sources for hot water, heat and cooking), unit and site ~~amenities~~ Amenities included, site staffing, occupancy rate, absorption history (if recently completed), name, address and phone number of property contact. Attach photos of each Comparable Market Rate Property. Include a map identifying the location of each Comparable Market Rate Property in relation to the subject.
- ~~1-2.~~ A list of existing Comparable Restricted Rent Properties, including: name, location, population served, type of design, age and condition, number of units by bedroom type, rent levels, number of bedrooms and baths for each unit type, size in square footage of units, kitchen equipment, type of utilities (state whether paid by Tenant or owner and energy sources for hot water, heat and cooking), unit and site Amenities included, site staffing, occupancy rate, absorption history (if recently completed), name, address and phone number of property contact. Attach photos of each Comparable Restricted Rent Property. Include a map identifying the location of each Restricted Rent Rate Property in relation to the subject.
- ~~2-3.~~ A description of the overall rental market in the Primary Market Area, including the percentage of Market Rate and Affordable Housing properties.
- ~~3.~~ Provide a narrative evaluation of the subject property in relation to the comparable Comparable Market Rate properties, and identify the competitive properties, which are most similar to the proposed development. The analyst should state why the comparables referenced have been selected, which are the most directly comparable, and explain why certain projects have not been referenced.
- ~~4.~~ A table showing each Comparable Market Rate Property comparisons to the subject rents based on the Comparable Property Amenities, Tenant Paid Utilities, location, parking, concessions Concessions and rent increase or decrease trends.
- ~~5.~~ A narrative evaluation of the subject property in relation to the Comparable Restricted Rent Properties, and identify the Competitive Restricted Rent Properties, which are most similar to the proposed development. The analyst should state why the comparables referenced have been selected, which are the most directly comparable, and explain why certain projects have not been referenced.
- ~~4-6.~~ A table showing each Comparable Restricted Rent Property comparisons to the subject rents based on the Comparable Restricted Rent Property Amenities, Tenant Paid Utilities, location, parking, Concessions and rent increase or decrease trends.
- ~~5-7.~~ Include a list of HTC projects with allocations in or near the market Market area Area that are not placed in service, giving as much known detail as possible on estimated Placed-In-Service dates, unit mix and Income Levels to be served.
- ~~6-8.~~ The Market Vacancy Rate Vacancy Rate for the Primary Market Area rental housing stock by population served (i.e. market rate, Housing Tax Credit, and Project Based Rent Assistance) and type of occupancy (i.e. family, seniors, special populations) and unit size.
- ~~7-9.~~ Identify t the number of people on waiting lists for each project.

F. Demand Analysis.

1. Provide a detailed analysis of the income levels of the potential ~~tenants~~ Tenants for the proposed units. State and support the minimum household income used for total housing expenses to set the lower limit of the targeted household income range. If required, provide an analysis based on the regulating agency's requirements.
2. Evaluate the ~~demand~~ Demand in two ways: one as a tax credit project only without any ~~subsidy~~ Subsidy, and other as if the project was to retain its current ~~subsidy~~ Subsidy if applicable.
3. Derive a Market Rent and an achievable ~~rent~~ Restricted Rent and then compare them to the developer's post-rehab proposed rent.

4. Project and explain any future changes in the housing stock within the ~~M~~market ~~area~~Area.
5. Identify risks (i.e. Competitive Properties which may come ~~on-line~~online; declining population in the ~~P~~Primary ~~M~~Market ~~A~~Area, etc.), unusual conditions and mitigating circumstances. Evaluate need for voucher support or HUD contracts.

G. Other Requirements

1. Date report was prepared, date of inspection and name and telephone number of analyst preparing study;
2. Certification of no identity of interest between the analyst and the entity for whom the report is prepared;
3. Certification that recommendations and conclusions are based solely on professional opinion and best efforts;
4. Statement of qualifications;
5. List of sources for data in the Market Study;
6. Append current utility allowance schedule (or utility company provider letters).

III. Additional Work

The documentation and analysis outlined previously in ~~S~~section II constitutes the entire content for a Market Study. WHEDA may desire a market analyst to provide additional information beyond the basic scope of the Market Study. Any costs associated with additional documentation or analysis beyond the scope of the Market Study shall be paid by the applicant.

Assisted Living Developments (RCACs/CBRFs)

The ~~market~~ Market study ~~Study~~ for RCACs/CBRFs considers the special market targeted. Assisted Living Developments must follow “WHEDA Market Study Guidelines – New Construction” and also include information required in this addendum.

➤ **Market Area:**

The Market Study should describe and defend the selected ~~M~~market ~~A~~area in terms of the intended population to be served (i.e. frail elderly, those with dementia, etc.).

➤ **Demographic Information/Demand:**

Market ~~demand~~ Demand should be based on the profile of a typical targeted resident.

Example: if the typical profile of a RCAC resident is an 83 year old female widow, the Market Study should include the following to support its ~~demand~~ Demand analysis:

- No. of elderly over 85 yrs. old (male & female)
- No. of elderly over 75 yrs. old (male & female)
- Household incomes of both age groups
- Household assets of both age groups (if available)
- No. of persons/household (becomes closer to one with higher age)
- Percent of elderly requiring supportive services (increases with age)
- Percent of elderly with moderate to advanced dementia (this population is inappropriate for an RCAC)

➤ **Turnover rate of RCACs/CBRFs**

- Turnover can be significant in assisted living developments (up to 50% annually). The average stay in an RCAC is only 26 months (may be longer if some form of public funding involved).
- Market Study should reference a market turnover rate and the source of that information.
- Market Study should comment on turnover impact during lease up, and implications for occupancy and operations over time.

➤ **Market Study should describe the proposed monthly fee structure and indicate whether services will be bundled, based on level of care, or “ala carte”. Provide estimated monthly service revenue and assumptions used to arrive at this figure.**

➤ **Market Study should describe and defend assumptions regarding resident referrals and marketing:**

- CMO (Care Maintenance Organizations in Family Care counties)
- County Human Resource (issuers of Medicaid Waivers)
- Hospitals
- Nursing homes
- Other health care influencers

➤ **Market Study should answer these questions:**

- What is expected monthly service cost to low-income residents? To market rate residents?
- What is the expected revenue source(s) for these services (how will a low income person pay for services)? Provide examples.

➤ **Estimate current use of Medicaid Waivers or Family Care resources for RCAC/CBRF residents.**

- **Describe the waiting list for Medicaid Waivers in the county, and the working relationship, if any, the developer and/or service provider has with the county human services department relating to Medicaid Waivers.**

Community Service Facilities

Under ~~IRC § 42(d)(4)(C) of the Internal Revenue Code (IRC)~~ a ~~Market Study~~ for a Community Service Facility (CSFs) are permitted to be included in the calculation of the adjusted basis of any building located in a qualified census tract if additional provisions are met as established in the above referenced section of the IRC. The market study should must address the aspects below ~~for all projects which propose to include a CSF for the purpose of the calculation of eligible basis and/or for eligibility of scoring categories in the Housing Tax Credit application that provides points for the inclusion of a CSF.~~

- ~~The market study must demonstrate~~ Demonstrate that the services provided at the facility will be appropriate and helpful to individuals in the area of the project whose income is 60% ~~percent~~ or less of ~~area Area median Median incomeIncome~~; and
- ~~The market study must provide~~ Provide analysis to support the requirement that any fees are charged for services provided will be affordable to individuals whose income is 60% ~~percent~~ or less of ~~area Area median Median incomeIncome~~.

Market Study Terminology

<i>Terminology</i>	<i>Definition</i>
Absorption Period	The period of time necessary for a newly constructed or renovated property to achieve the Stabilized Level of Occupancy. The Absorption Period begins when the first certificate of occupancy is issued and ends when the last unit to reach the Stabilized Level of Occupancy has a signed lease. Assumes a typical pre-marketing period, prior to the issuance of the certificate of occupancy, of about three to six months. The month that leasing is assumed to begin should accompany all absorption estimates.
Absorption Rate	The average number of units rented each month during the Absorption Period.
Acceptable Rent Burden	The rent-to-income ratio used to qualify tenants <u>Tenants</u> for both income-restricted and non-income restricted units. The Acceptable Rent Burden varies depending on the requirements of funding sources, government funding sources, target markets, and local conditions.
Affordable Housing	Housing where the tenant <u>Tenant</u> Household pays no more than 30 percent of its annual income on Gross Rent.
<u>Age Restricted Housing</u>	<u>Housing where (1) all the units in the property are restricted for occupancy by persons 62 years of age or older or (2) at least 80% of the units in each building are restricted for occupancy by Households where at least one Household member is 55 years of age or older and the housing is designed with Amenities and facilities designed to meet the needs of senior citizens.</u>
Amenity	Tangible or intangible benefits offered to a tenant <u>Tenant</u> at no fee, typically on-site recreational facilities or planned programs, services and activities.
Annual Demand	The total estimated demand <u>Demand</u> present in the market in any one year for the type of units proposed.
Area Median Income (AMI)	100% of the gross median Household income for a specific Metropolitan Statistical Area, county or non-metropolitan area established annually by HUD.
Assisted Housing	Housing where the monthly costs to the tenants <u>Tenants</u> are subsidized by federal, state or other programs.
Attached Housing	Two or more dwelling units connected with party walls (e.g. townhouse <u>Townhouses</u> or flats).
Basic Rent	The minimum monthly rent that tenants <u>Tenants</u> who do not have rental assistance pay to lease units developed through the USDA-RD Section 515 Program, the HUD Section 236 Program and HUD Section 223(d)(3) Below Market Interest Rate Program. The Basic Rent is calculated as the amount of rent required to operate the property, maintain debt service on a subsidized mortgage with a below-market interest rate, and provide a return on equity to the developer in accordance with the regulatory documents governing the property.

Below Market Interest Rate Program (BMIR)

Program targeted to renters with income not exceeding 80% of ~~Aarea~~ median-Median income-Income by limiting rents based on HUD's BMIR Program requirements and through the provision of an interest reduction contract to subsidize the market interest rate to a below-market rate. Interest rates are typically subsidized to effective rates of one percent or three percent.

Capture Rate

The percentage of age, size, and income qualified renter Households in the Primary Market Area that the property must capture to achieve the Stabilized Level of Occupancy. Funding agencies may require restrictions to the qualified Households used in the calculation including age, income, living in substandard housing, mover-ship and other comparable factors. The Capture Rate is calculated by dividing the total number of units at the property by the total number of age, size and income qualified renter Households in the Primary Market Area. See Penetration Rate for rate for entire ~~market-Market areaArea~~.

Census Tract

A small, relatively permanent statistical subdivision delineated by a local committee of census data users for the purpose of presenting data. Census ~~tract-Tract~~ boundaries normally follow visible features, but may follow governmental unit boundaries and other non-visible features; they always nest within counties. They are designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time of establishment. Census ~~tracts-Tracts~~ average about 4,000 inhabitants.

Central Business District (CBD)

The center of commercial activity within a town or city; usually the largest and oldest concentration of such activity.

~~Community Development Corporation (CDC)~~

~~Entrepreneurial institution combining public and private resources to aid in the development of socio-economically disadvantaged areas.~~

Community Service Facility (CSF)

Any facility designed to serve primarily individuals whose income is 60 percent or less of ~~Aarea~~ median-Median income Income as defined further in IRC § 42(d)(4)(C)(iii) ~~of the Internal Revenue Code~~.

Comparable Market Rate Property

A property that is representative of the rental housing choices of the subject's Primary Market Area and that is similar in construction, size, ~~amenities~~ Amenities, or age. Generally used to derive ~~market-rent~~ Market Rent.

Comparable Restricted Rent Property

A property that is representative of the rent restricted rental housing choices of the subject's Primary Market Area and that is similar in construction, size, Amenities, or age. Generally used to derive achievable Restricted Rent at the subject property.

Competitive Property

A property that is comparable to the subject and that competes at nearly the same rent levels, and ~~tenant~~ Tenant

profile, such as age, family or income. Generally used to derive ~~market rent~~Market Rent.

Competitive Restricted Rent Property

A rent restricted property that is comparable to the subject and that competes at nearly the same rent levels, and Tenant profile, such as age, family or income. Generally used to derive achievable income Restricted Rents at the subject property.

Concession

Discount given to a prospective ~~tenant~~Tenant to induce the ~~tenant~~Tenant to sign a lease. Concessions typically are in the form of reduced rent or free rent for a specific lease term, or for free ~~amenities~~Amenities which are normally charged separately (i.e. washer/dryer, parking).

Condominium

A form of joint ownership and control of property in which specified volumes of space (for example, apartments) are owned individually while the common elements of the property (for example, outside walls) are owned jointly.

Contract Rent

1. The actual monthly rent payable by the ~~tenant~~Tenant, including any rent ~~subsidy~~Subsidy paid on behalf of the ~~tenant~~Tenant, to the owner, inclusive of all terms of the lease. (HUD & RD) 2. The monthly rent agreed to between a ~~tenant~~Tenant and a landlord (Census).

Demand

The total number of ~~households~~Households in a defined ~~market~~Market areaArea that would potentially move into proposed new or renovated ~~housing unit~~Housing Units. These ~~households~~Households must be of the appropriate age, income, ~~tenure~~Tenure and size for a specific proposed development. Components of demand vary and can include ~~household~~Household growth; turnover, those living in ~~substandard conditions~~Substandard Conditions, rent over-burdened ~~H~~households, and demolished ~~housing unit~~Housing Units. Demand is project specific.

Difficult Development Area (DDA)

An area designated by HUD as an area that has high construction, land, and utility costs relative to the Area Median Gross Income. A project located in a DDA and utilizing the Housing Tax Credit may qualify for up to 130% of eligible basis for the purpose of calculating the Tax Credit allocation.

Detached Housing

A freestanding dwelling unit, typically single-family, situated on its own lot.

Effective Rents

Contract Rent less ~~concessions~~Concessions.

Elderly or Senior Housing

Housing where (1) all the units in the property are restricted for occupancy by persons 62 years of age or older or (2) at least 80% of the units in each building are restricted for occupancy by Households where at least one Household member is 55 years of age or older and the housing is designed with amenities and facilities designed to meet the needs of senior citizens.

Extremely Low Income

Person or Household with income below 30% of Area Median Income adjusted for Household size.

Fair Market Rent (FMR)

The estimates established by HUD of the Gross Rents (Contact Rent plus Tenant Paid Utilities) needed to obtain modest rental units in acceptable condition in a specific county or metropolitan statistical area. HUD generally sets FMR so that 40% of the rental units have rents below the FMR. In rental markets with a shortage of lower priced rental units HUD may approve the use of Fair Market Rents that are as high as the 50th percentile of rents.

Garden Apartments

Apartments in low-rise buildings (typically two to four stories) that feature low density, ample open-space around buildings, and on-site parking.

Gross Rent

The monthly housing cost to a ~~tenant~~Tenant which equals the Contract Rent provided for in the lease plus the estimated cost of all Tenant Paid Utilities.

High-rise

A residential building having more than ten stories.

Household

One or more people who occupy a ~~housing-unit~~Housing Unit as their usual place of residence.

Household Trends

Changes in the number of Households for a particular area over a specific period of time, which is a function of new Household formations (e.g. at marriage or separation) and changes in average Household size.

~~Housing Unit~~Housing Unit

House, apartment, mobile home, or group of rooms used as a separate living quarters by a single ~~household~~Household.

Housing Choice Voucher (Section 8 Program)

Federal rent ~~subsidy~~Subsidy program under Section 8 of the U.S. Housing Act, which issues rent vouchers to eligible Households to use in the housing of their choice. The voucher payment subsidizes the difference between the Gross Rent and the ~~tenant's~~Tenant's contribution of 30% of adjusted income, (or 10% of gross income, whichever is greater). In cases where 30% of the ~~tenants'~~Tenants' income is less than the utility allowance, the ~~tenant~~Tenant will receive an assistance payment. In other cases, the ~~tenant~~Tenant is responsible for paying his share of the rent each month.

~~Housing Finance Agency (HFA)~~

~~State or local agencies responsible for financing housing and administering Assisted Housing programs.~~

~~Housing Tax Credit~~

~~A program to generate equity for investment in affordable rental housing authorized pursuant to Section 42 of the Internal Revenue Code, as amended. The program requires that a certain percentage of units built be restricted for occupancy to households earning 60% or less of Area Median Income, and that the rents on these units be restricted accordingly.~~

HUD Section 202 Program

Federal Program, which provides direct capital assistance (i.e. grant) and operating or rental assistance to finance housing designed for occupancy by elderly ~~households~~Households who have income not exceeding 50% of Area Median Income. ~~The program is limited to housing owned by 501(c)(3) nonprofit organizations or by limited partnerships where the sole general partner is a 501(c)(3) nonprofit organization.~~ Units receive HUD ~~project-based rental assistance~~Project

HUD Section 811 Program

Based Rental Assistance that enables ~~tenants~~ Tenants to occupy units at rents based on 30% of ~~tenant~~ Tenant income. Federal program, which provides direct capital assistance and operating or rental assistance to finance housing designed for occupancy by persons with disabilities who have income not exceeding 50% of Area Median Income. ~~The program is limited to housing owned by 501(c)(3) nonprofit organizations or by limited partnerships where the sole general partner is a 501(c)(3) nonprofit organization.~~

HUD Section 236 Program

Federal program which provides interest reduction payments for loans which finance housing targeted to Households with income not exceeding 80% of ~~area~~ Area median ~~Median income~~ Income who pay rent equal to the greater of Basic Rent or 30 percent of their adjusted income. All rents are capped at a HUD approved ~~market rent~~ Market Rent.

Income Band

The range of incomes of Households that can pay a specific rent but do not have more income than is allowed by the Income Limits of a particular housing program. The minimum household income typically is based on a defined Acceptable Rent Burden percentage and the maximum typically is pre-defined by specific programmatic requirements or by general market parameters.

Income Limits

Maximum Household income by county or Metropolitan Statistical Area-, adjusted for Household size and expressed as a percentage of the Area Median Income for the purpose of establishing an upper limit for eligibility for a specific housing program. Income Limits for federal, state and local rental housing programs typically are established at 30%, 50%, 60% or 80% of AMI. HUD publishes Income Limits each year for 30% median, Very Low Income (50%), and Low-Income (80%), for ~~households~~ Households with 1 through 8 people.

Infrastructure

Services and facilities including roads, highways, water, sewerage, emergency services, parks and recreation, etc. Infrastructure includes both public and private facilities.

Low Income

Person or Household with gross Household income below 80% of Area Median Income adjusted for Household size.

Low Rise Building

A building with one to three stories

Market Advantage

The difference, expressed as a percentage, between the estimated ~~market rent~~ Market Rent for an apartment property without income restrictions and the lesser of (a) the owner's proposed rents or (b) the maximum rents permitted by the financing program for the same apartment property.

Market Analysis

A study of real estate market conditions for a specific type of property.

Market Area or Primary Market Area

A geographic area from which a property is expected to draw the majority of its residents.

Market Demand

The total number of ~~households~~ Households in a defined ~~market~~ Market area ~~Area~~ that would potentially move into

	new or renovated housing-unit <u>Housing Units</u> . Market demand <u>Demand</u> is not project specific and refers to the universe of tenure <u>Tenure</u> appropriate households <u>Households</u> , independent of income. The components of market <u>Market</u> demand <u>Demand</u> are similar to those used in determining demand <u>Demand</u> .
Market Rent	The rent that an apartment, without rent or income restrictions or rent subsidies, would command in the open market considering its location, features and amenities <u>Amenities</u> . Market rent should be adjusted for Concessions and owner paid utilities included in the rent.
Market Study	A comprehensive review of the housing market in a defined market area. A market study can be used to determine the demand for specific proposed development or to examine the overall condition of an area's housing market. Project specific market studies are often used by developers, syndicators, and government entities to determine the appropriateness of a proposed development, whereas market specific market studies are used to determine what housing needs, if any, exist within a specific geography. At a minimum, market studies include a review of location, economic conditions, demographics, and existing and proposed housing stock.
Marketability	The manner in which the subject fits into the market; the relative desirability of a property (for sale or lease) in comparison with similar or competing properties in the area.
Market Vacancy Rate<u>Vacancy Rate</u> Physical Market Vacancy Rate<u>Vacancy Rate</u> Rate Economic	Average number of apartment units in any market which are unoccupied divided by the total number of apartment units in the same Market Area, excluding units in properties which are in the lease-up stage. Percentage of rent loss due to concessions <u>Concessions</u> and vacancies.
Metropolitan Statistical Area (MSA)	A geographic entity defined by the federal Office of Management and Budget for use by federal statistical agencies, based on the concept of a core area with a large population nucleus, plus adjacent communities having a high degree of economic and social integration with that core. Qualification of an MSA requires the presence of a city with 50,000 or more inhabitants, or the presence of an Urbanized Area (UA) and a total population of at least 100,000 (75,000 in New England). The county or counties containing the largest city and surrounding densely settled territory are central counties of the MSA. Additional outlying counties qualify to be included in the MSA by meeting certain other criteria of metropolitan character, such as a specified minimum population density or percentage of the population that is urban.
Mid-rise	A building with four to ten stories.
Migration <u>Migration</u>	The movement of Households from one location or market <u>Market area</u> <u>Area</u> to another.
Mixed Income Property	An apartment property containing (1) both income restricted and unrestricted units <u>Unrestricted Units</u> or (2) units restricted

Mobility

at two or more Income Limits (i.e. Housing Tax Credit property with ~~income limits~~Income Limits of 30%, 50% and 60%).

The ease with which people move from one location to another.

Moderate Income

Person or Household with gross household income between 80 and 120 percent of ~~area~~Area median-Median income ~~Income~~ adjusted for Household size.

Move-up Demand

An estimate of how many consumers are able and willing to relocate to more expensive or desirable units, such as ~~tenant~~Tenants who move up from Class C properties to Class B; and Class B ~~tenant~~Tenants that move up to class A properties; and ~~tenant~~Tenants that move from Class C and B properties to a new superior Housing Tax Credit property.

Multi-family

Structures that contain more than two or more ~~housing unit~~Housing Units.

Neighborhood

An area of a city or town with common demographic and economic features that distinguish it from adjoining areas.

Net Rent (also referred to as Contract or Lease Rent)

Gross Rent less Tenant Paid Utilities.

Penetration Rate

The percentage of age and income qualified renter Households in the Primary Market Area that all existing and proposed properties, to be completed within six months of the subject, and which are competitively priced to the subject that must be captured to achieve the Stabilized Level of Occupancy. Funding agencies may require restrictions to the qualified Households used in the calculation including age, income, living in substandard housing, mover ship and other comparable factors. See Capture Rate for property specific rate.

Pent-up Demand

A market in which there is a scarcity of supply and ~~vacancy rate~~Vacancy Rates are very low.

Population Trends

Changes in population levels for a particular area over a specific period of time—which is a function of the level of births, deaths, and net ~~migration~~Migration.

Primary Market Area

See Market Area.

Programmatic Rents

The proposed rents for a Tax Credit or other income restricted property relative to comparable market rate properties and rents being achieved at another Housing Tax Credit or other income restricted properties in the market. Can be no greater than maximum rents permitted by the Housing Tax Credit or other program regulations.

Project Based Rent Assistance

Rental assistance from a federal, state or local program that is allocated to the property or a specific number of units in the property and is available to each income eligible ~~tenant~~Tenant of the property or an assisted unit.

Public Housing or Low Income Conventional Public Housing

HUD program administered by local (or regional) Housing Authorities which serves Low- and Very-Low Income Households with rent based on the same formula used for HUD Section 8 assistance.

Qualified Census Tract (QCT)

Any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50% of Households have an income less than 60% of Area Median Income or where the poverty rate is at least 25%. A project located in a QCT and receiving Housing Tax Credits may qualify for up to 130% of eligible basis for the purpose of calculating the Tax Credit allocation.

Rural Development (RD) Market Rent

A monthly rent that can be charged for an apartment under a specific USDA-RD housing program, that reflects the agency's estimate of the rent required to operate the property, maintain debt service on an un-subsidized mortgage and provide an adequate return to the property owner. This rent is the maximum rent that a ~~tenant~~Tenant can pay at an RD Property.

Rural Development (RD) Program (Formerly the Farmers Home Administration Section 515 Rural Rental Housing Program)

Federal program which provides low interest loans to finance housing which serves low- and moderate-income persons in rural areas who pay 30 percent of their adjusted income on rent or the ~~basic~~Basic rentRent, whichever is the higher (but not exceeding the ~~market rent~~Market Rent). The Program may include property based rental assistance and interest reduction contracts to write down the interest on the loan to as low as one percent.

Redevelopment

The redesign or rehabilitation of existing properties.

Rent Burden

Gross Rent divided by gross monthly Household income.

Rent Burdened Households

Households with Rent Burden above the level determined by the lender, investor, or public program to be an acceptable rent-to-income ratio.

Restricted Rent

The rent charged under the restrictions of a specific housing program or ~~subsidy~~Subsidy.

Saturation

The point at which there is no longer ~~demand~~Demand to support additional units.

Single-Family Housing

A dwelling unit, either attached or detached, designed for use by one Household and with direct access to a street. It does not share heating facilities or other essential building facilities with any other dwelling.

Special Needs Population

Specific market niche that is typically not catered to in a conventional apartment property. This population should exhibit certain criteria, which can be well defined, in order, for example, to assess the need and ~~demand~~Demand from this source. Examples of special needs populations include: substance abusers, visually impaired person or persons with ~~mobility~~Mobility limitations.

Stabilized Level of Occupancy

The underwritten or actual number of occupied units that a property is expected to maintain after the initial rent-up period, expressed as a percentage of the total units.

State Data Center (SDC)

A state agency or university facility identified by the governor of each state to participate in the Census Bureau's cooperative network for the dissemination of the census data.

Subsidy

Monthly income received by a ~~tenant~~Tenant or by an owner on behalf of a ~~tenant~~Tenant to pay the difference between the apartment's Contract Rent and the amount paid by the ~~tenant~~Tenant toward rent.

Substandard Conditions

Housing conditions that are conventionally considered unacceptable which may be defined in terms of lacking plumbing facilities, one or more major systems not functioning properly, or overcrowded conditions.

Target Income Band

The Income Band from which the subject property will draw ~~tenant~~Tenants.

Target Population

Market niche a development will appeal or cater to. State agencies often use Target Population to refer to various income set asides, elderly v. family, etc.

Tenant

One who rents real property owned by another.

Tenant Paid Utilities

The cost of utilities necessary for the habitation of a dwelling unit, which are paid by the ~~tenant~~Tenant. Tenant Paid Utilities do not include costs for telephone or cable service.

Tenure

The distinction between owner-occupied and renter-occupied ~~housing-unit~~Housing Units.

Townhouse (or Row House)

A single- or multi-story dwelling unit attached in a continuous row of similar units, sharing one or more common side walls, with each unit having an individual private exterior entrance directly to the living space~~Single-family attached residence separated from another by party walls, usually on a narrow lot offering small front and back yards; also called a row house.~~

Turnover Period

1. An estimate of the number of ~~housing-unit~~Housing Units in a Market Area as a percentage of total ~~housing-unit~~Housing Units in the Market Area that will likely change occupants in any one year. See Vacancy Period 2. The percent of occupants in a given apartment complex that move in one year.

Unmet Housing Need

New units required in the Market Area to accommodate Household growth, homeless Households, and housing in ~~substandard conditions~~Substandard Conditions.

Unrestricted Rents

The recommended rents for the market rate units at a Mixed-Income Property.

Unrestricted Units

The units at a Mixed-Income Property that are not subject to any income or rent restrictions.

Vacancy Period

The amount of time that an apartment remains vacant and available for rent.

Vacancy Rate- Economic ~~Vacancy Rate~~ - Physical

Maximum potential revenue less actual rent revenue divided by maximum potential rent revenue. The number of total habitable units that are vacant divided by the total number of units in the property.

Very Low Income

Person or Household whose gross household income does not exceed 50% of Area Median Income adjusted for Household size.

Zoning

Classification and regulation of land by local governments according to use categories (zones); often also includes density designations.