



**NOVOGRADAC
& COMPANY** LLP®

CERTIFIED PUBLIC ACCOUNTANTS

A HOUSING NEEDS ASSESSMENT OF: OTSEGO COUNTY, NY

A HOUSING NEEDS ASSESSMENT OF: OTSEGO COUNTY, NEW YORK

Report Date: February 27, 2018

Prepared for:

Ms. Mary Beth Bianconi
Delaware Engineering, D.P.C.
28 Madison Avenue Extension
Albany, NY 12203

Assignment Code: DLE600V-001

Prepared by:

Novogradac & Company LLP
11044 Research Blvd, Building C, Suite 400
Austin, Texas 78759
512-340-0420





**NOVOGRADAC
& COMPANY** LLP®

CERTIFIED PUBLIC ACCOUNTANTS

February 27, 2018

Ms. Mary Beth Bianconi
Delaware Engineering, D.P.C.
28 Madison Avenue Extension
Albany, NY 12203

Re: Housing Needs Assessment for Otsego County, New York

Dear Ms. Bianconi:

At your request, Novogradac & Company LLP has performed a study of the housing market in Otsego County, New York.

The purpose of this analysis, broadly, is to analyze the current and proposed housing supply and future housing needs in the City of Oneonta and surrounding Otsego County. The report will be utilized to focus the County's housing and development strategy and to utilize as supporting documentation for future grant requests. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. The scope of this report includes the following:

1) Housing Needs Analysis

- a) Demographics and Economics: Quantify, analyze, and project pertinent demographic characteristics of households and economic attributes of the community.
 - i) Population, socioeconomic, employment, age, educational attainment, etc.
 - ii) Data on rent levels and unit sizes/types based on sample data collected from market.
 - iii) Housing cost burden by housing tenure and household income (moderate cost burden: 31-50% of gross income; severe cost burden: exceeds 50% of gross income) based on census data.
- b) Existing Housing Inventory/Quantify the Existing Housing Stock.
 - i) By tenure: rental (market rate, student-by-unit, student-by-bed, affordable/voucher-based, special needs), owner-occupied, on-campus student housing.
 - ii) By type: single-family, multi-family (identified by number of units, number of beds, manufactured, townhome, condominium, cluster, mobile) based on available data.
 - iii) By value: property valuation ranges in geographic concentrations, rental income generated via census data.
 - iv) By age, condition and amenities based on sample data from the market.
 - v) Pending housing developments (subdivisions, multi-unit projects).
 - vi) Collect data for inventory of subsidized rental housing.
- c) Collect and Analyze Substandard Housing Conditions Data
- d) Public Housing Needs
 - i) Analyze the number of households in need of subsidized housing.
 - ii) Assess condition of public housing available; to the extent possible.
 - iii) Detail physical condition of subsidized projects; to the extent possible.
- e) Homeless Needs. Determine the need for supportive housing and service to address homelessness in the County by demographic data available.
- f) Special Needs Housing.
 - i) Estimate the number of types of special needs housing units required. Includes but is not limited

to: seniors, students, disabled, homeless.

- g) Housing Demand and Construction Need.
 - i) Determine the number and types of families in need of assistance.
 - ii) Provide estimated construction need for low and moderate housing.
 - iii) Identify existing housing costs for the area.
 - iv) Priority Housing Needs – measure the relative priority based upon the numeric and proportional need of each category.
- 2) Meeting Housing Needs.
 - a) Assess Current Affordable Housing Delivery System.
 - i) Examine available federal, state and local housing programs and regulations.
 - b) Identify Barriers to Affordable Housing.
 - c) Assessment and Recommendations.
 - i) Identify and summarize gaps, trends, and what is anticipated.
 - ii) Provide public policy and action item recommendations related to the topics identified in items above.
 - iii) Assess current affordable housing delivery system
 - iv) Examine federal, state, and local housing programs and regulations.
 - v) Identify any potential barriers to affordable housing.
 - vi) Provide any possible recommendations.
- 3) Stakeholder Interview.
 - a) As part of determining demand the following major employers will be interviewed
 - i) CEO's of Fox Hospital and Bassett Hospital.
 - ii) Springbrook.
 - iii) Pathfinder.
 - iv) Presidents of Hartwick and Oneonta Colleges.

Delaware Engineering, D.P.C. is the client in this engagement. We understand that they will use this document for various decision-making purposes, as outlined above; additional intended users include Otsego County. As our client, Delaware Engineering, D.P.C. owns this report and permission must be granted from them before another third party can use this document. We assume that by reading this report another third party has accepted the terms of the original engagement letter including scope of work and limitations of liability. We are prepared to modify this document to meet any specific needs of the potential users under a separate agreement.

Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac & Company LLP can be of further assistance. It has been our pleasure to assist you with this project.

Respectfully submitted,
Novogradac & Company LLP



Brad Weinberg, MAI, CVA, CRE
Partner
Brad.Weinberg@novoco.com



DeAnna Unger
Analyst



Lindsey Sutton
Manager
Lindsey.Sutton@novoco.com

TABLE OF CONTENTS

I.	Introduction	1
	Introduction	1
	Market Area Description	4
	Infrastructure.....	7
II.	Conclusions & Recommendations	9
	Conclusions and Recommendations	9
III.	Economic Analysis	14
	Economic Analysis.....	15
IV.	Demographic Characteristics	39
	Demographic Characteristics	40
	Sub-Market Map.....	40
	Population Trends	42
	Household Trends	47
	Income Trends.....	51
V.	Housing Supply Characteristics.....	65
	Housing Supply Characteristics.....	66
	Housing Market Overview	66
	Single-Family Market Characteristics	72
	Multifamily Market Rate Characteristics	84
	Affordable Rental Characteristics	92
	Special Needs Housing	101
VI.	Future Housing Needs	104
	Future Housing Needs	105
	Interviews with Local Stakeholders.....	105
VII.	Housing Resources	141
	Housing Resources	142
	Housing Development Programs.....	144
VIII.	Recomendations	149
	Recommendations	150

Addendum A: Assumptions and Limiting Conditions

Addendum B: Qualifications of Consultants

I. INTRODUCTION

INTRODUCTION

Purpose of the Housing Needs Assessment

The purpose of this analysis, broadly, is to analyze the current and proposed housing supply and future housing needs in the City of Oneonta and surrounding Otsego County. The report will be utilized to focus the County's housing and development strategy and as supporting documentation for future grant requests. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions.

Typical of many rural communities, Otsego County and smaller cities have struggled with providing adequate affordable housing options to meet the continual increase of demand for these housing options. Local officials and area residents have a common goal: to revitalize the local housing market by providing quality, affordable options for both prospective home owners and renter households by increasing the quality of life for all of the county's residents while stimulating the local economy.

Methodology

The initial stages of research for the affordable housing needs assessment consisted of telephone interviews with various stakeholders including local non-profits, City departments, local developers, real estate agents, lenders, as well as property managers of apartment complexes in Otsego County. Market participants have been interviewed for information on occupancy, turnover, rent growth, concessions and asking rents at multifamily rental properties. Stakeholders were interviewed for information on the challenge of housing problems in Otsego County.

We also used demographic and economic data to analyze trends in population, household growth, employment and unemployment, tenure patterns, and commuting patterns in the local area. Data sources included ESRI Business Information Solutions, the US Census Bureau's American Community Survey, the US Department of Labor, the US Census Bureau's OnTheMap data mapping application, and US Census Bureau Building Permits. We also relied on the US Housing Department of Housing and Urban Development (HUD)'s 2016 Continuum of Care published reports for data on the homeless population in Otsego County.

Our analysis of the age, condition, availability, and pricing of the local housing supply relied on data provided by ESRI Business Information Solutions, Metropolitan Regional Information Systems, Inc. (MRIS), the HUD Comprehensive Housing Affordability Strategy (CHAS), RealtyTrac, and multiple listing services for local real estate, including but not limited to Zillow, Apartments.com, and Delaware-Otsego Board of Realtors. These sources provided insight on the age of the existing housing stock in the city and the county, the percentage of housing in the area lacking complete plumbing facilities, the availability of classified rental housing, and trends in home values, asking rent growth and vacancy.

Components of the Housing Needs Assessment

The components of the housing needs assessment will consist of the following: economic analysis, demographic characteristics, housing supply characteristics, future housing needs, housing resources, and strategies and recommendations.

After an introduction summarizing the market areas that will be examined, the first major section of this report, the *Economic Analysis*, will include employment trends, industries of employment, major employers, notable expansions/contractions, and commuting/migration patterns of the area's employment base. This analysis will examine these characteristics and their effect on housing needs in the county. The second major section of the assessment, *Demographic Characteristics*, will analyze demographic characteristics (population, household, and income data) of Otsego County and the City of Oneonta area. All market areas will be defined in the section following.

The third and fourth sections of the Housing Needs Assessment, the *Housing Supply Characteristics* and *Future Housing Needs*, will primarily focus on two categories of information: the county's existing housing need as well as the county's projected housing need. Information encompassed in this section of the report will include characteristics of current renter and owner-occupied housing stock such as type, condition, pricing patterns, foreclosure information, pricing, and functional utility among other items. An overall projection of the county's housing needs will be presented.

The remaining sections of the report, the *Housing Resources* and *Strategies and Recommendations*, will offer suggestions and action steps, including financing options, for development/redevelopment of the area's housing stock.

Data Sources

2000 U.S. Census
2010 U.S. Census
2011-2015 American Community Survey
2000 Comprehensive Housing Affordability Strategy (CHAS)
ESRI Business Information Solutions 2004 Estimates and Projections, 9/2006
Metropolitan Regional Information Systems, Inc. (MRIS)
Novogradac & Company, Rent and Income Limit Calculator

Other agencies and individuals contacted for this study include but are not limited to the following:

Opportunities for Otsego	CDO Workforce
Pathfinder Village	Otsego County Department of Social Services
Springbrook	Otsego County Planning Department
Oneonta Housing Authority	Michelle Stoeger- Delaware-Otsego Board of Realtors
Nancy Scanlon- Keller Williams	SUNY Oneonta
Rick Weinberg- Rental Company One	Hartwick College
City of Oneonta	A.O. Fox Hospital
SUNY Oneonta	Apartments.com
Trulia.com	New York State Association of Realtors, Inc.
Zillow.com	Realtor.com
Michael Reneri- Benson Real Estate Agency	Ed May- Local Landlord/Developer/Business Owner
Joan Fox- Local Real Estate Agent	Bryan Shaughnessy- Local Housing Landlord

MARKET AREA DESCRIPTION

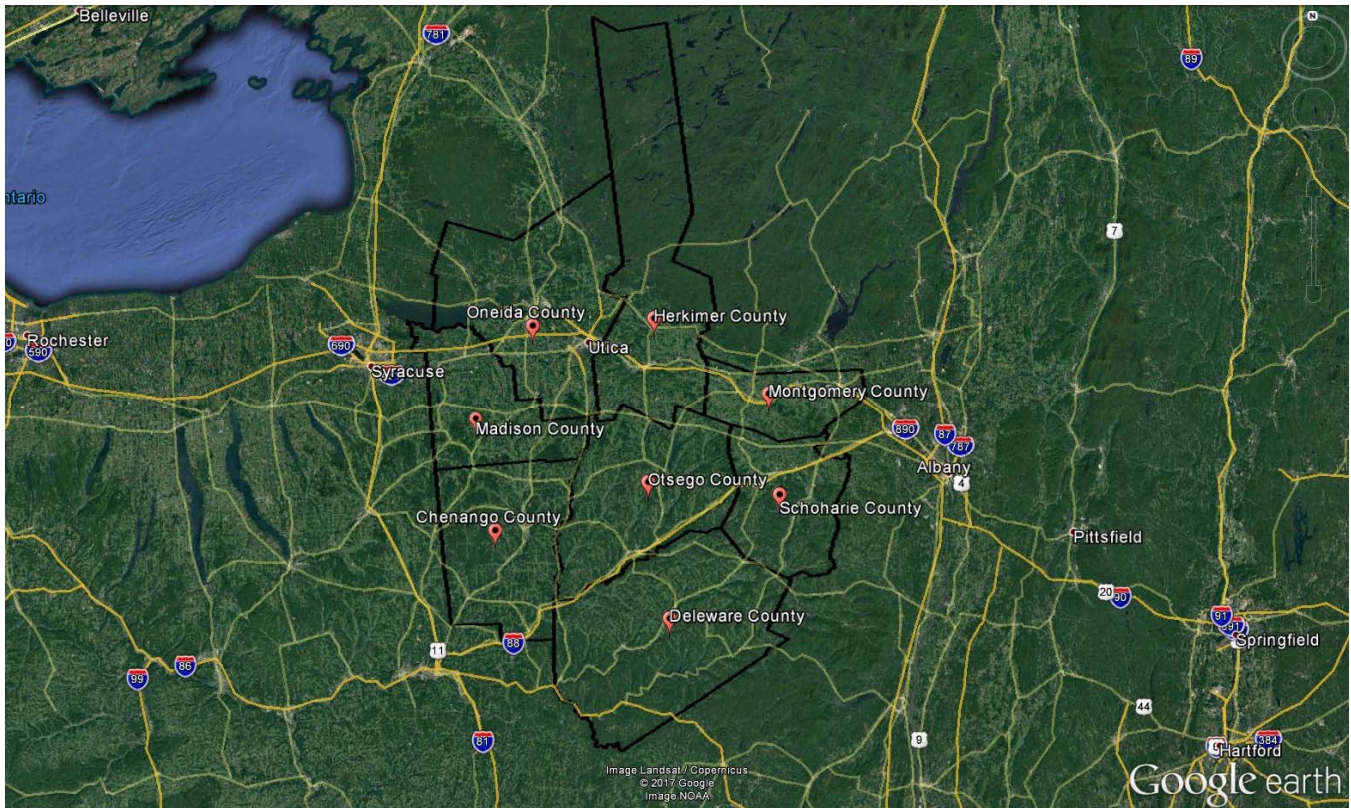
Otsego County, New York is located in east central New York approximately 130 miles northwest of New York City and roughly equidistant from Albany, Binghamton, and Syracuse. Cooperstown, located in the northeastern portion of Otsego County, is the county seat. The City of Oneonta, which has a population of approximately 13,901 per the 2010 U.S. Census, is the largest city in Otsego County. The City of Oneonta is surrounded by the smaller Town of Oneonta, which had a population of 5,229 per the 2010 U.S. Census. The combined population of the two Oneonta municipalities exceeds 19,000. The area's economy is largely reliant on the healthcare/social assistance, retail trade, and educational services sectors.

According to the United States' Census Bureau, Otsego County has an estimated 2016 population of approximately 60,097 people and measures approximately 1,016 square miles. Major thoroughfares in the area include Interstate 88, Interstate 90, and Highway 28. Interstate 88 runs east/west, connecting to Schenectady and the Capital Region to the east and Binghamton to the west. Interstate 90 runs east/west to the north of Otsego County in Oneida, Herkimer, and Montgomery counties. Interstate 90 runs west to Syracuse, Buffalo, and into Pennsylvania, and runs east to the Capital Region, where it meets Interstate 87 in Albany and continues east into Massachusetts. Highway 28 runs north/south through central Otsego County, connecting Cooperstown to Interstate 88 just east of Oneonta. There are several other smaller state highways throughout the county.

There are several other communities located in Otsego County, including but not limited to Oneonta, Cooperstown, Edmeston, Hartwick, and Richfield. Following is a map of regional area, Otsego County, and its surrounding counties. A summary of the county's existing infrastructure is also provided following. For the purpose of our analysis, Otsego County is defined as the Primary Market Area (PMA).

Regional Map

The following map illustrates Otsego County (PMA) and surrounding counties.



Source: Google Earth, August 2017.

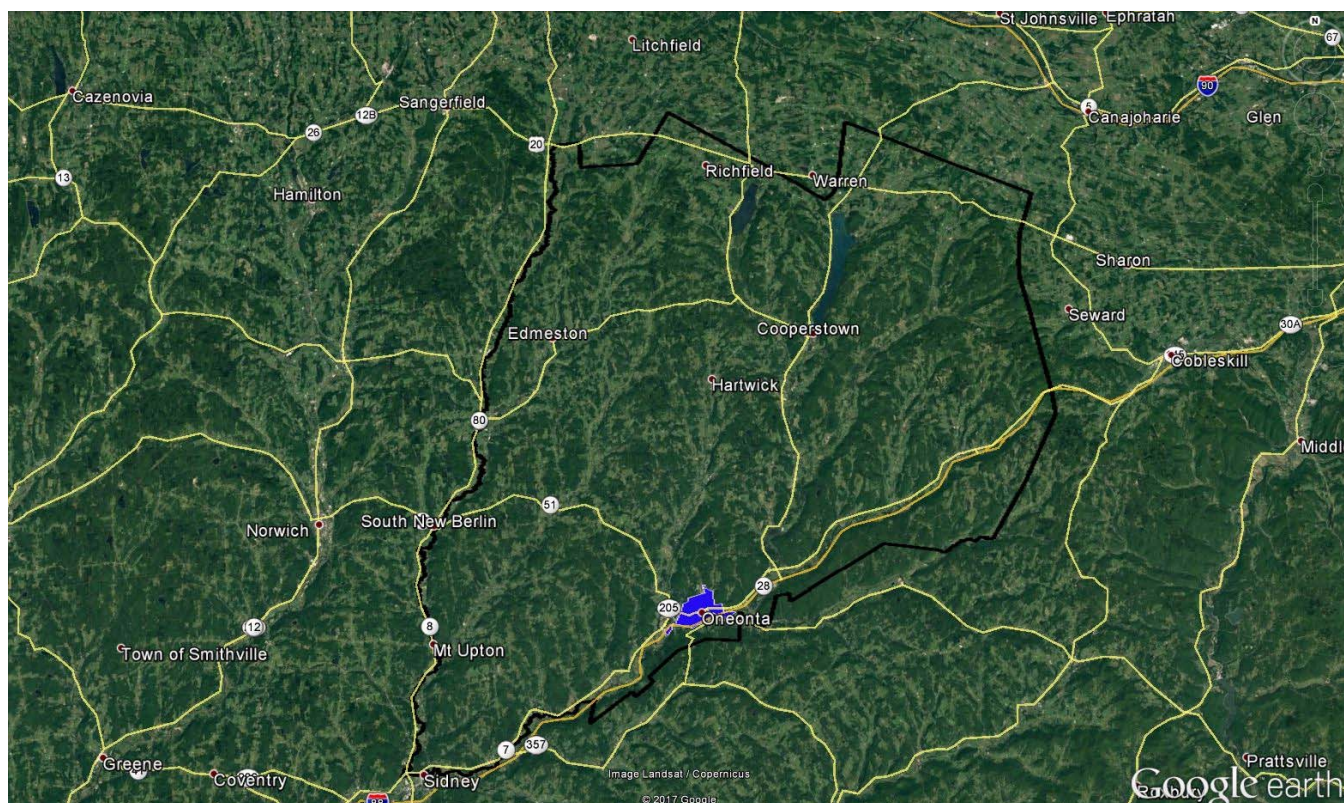
Otsego County Summary

Otsego County is located in east-central New York. It is surrounded by Oneida, Madison, and Chenango counties to the west, Delaware County to the south, Montgomery and Herkimer counties to the north, and Schoharie County to the east. Otsego County contains an area of approximately 1,016 square miles. The county is accessible from points east and west via Interstate 88, which connects the county to the Capital Region to the east and Binghamton to the west. Access to Otsego County from points north and south comes via Highway 8, which runs along the western border of the county, connecting to Interstate 90 in Utica to the north, and Highway 17 to the south, which connects to New York City. Otsego County forms the Oneonta, NY micropolitan statistical area.

According to ESRI demographics, Otsego County has a 2016 population of approximately 62,792 people. The county's median household income is \$50,033. According to ESRI demographics, 77.9 percent of residential structures (22,192 units) in Otsego County were built before 1980, and 45.2 percent of the housing stock in Otsego County was built before 1939. Since 2005, 94 residential structures have been built in Otsego County.

PMA Map

The following map illustrates the PMA as well as the boundaries of the City of Oneonta (shaded in blue).



Source: Google Earth, August 2017.

City of Oneonta Summary

Oneonta is the largest city in Otsego County, New York. Oneonta is located along the southern border of Otsego County on the Susquehanna River. The following table demonstrates the distance to surrounding communities in Oneonta.

City, State	Distance from Oneonta, NY
Cooperstown, NY	33.0 miles
Edmeston, NY	26.3 miles
Hartwick, NY	16.4 miles
Richfield, NY	33.0 miles

Source: Google.com, Novogradac & Company LLP 10/2017

According to ESRI demographics, 65.5 percent of residential structures (2,988 units) in the City of Oneonta were built before 1939. Comparatively, 45.2 percent of the housing stock in Otsego County was built before 1939. Additionally, 27 new residential structures have been built in the City of Oneonta since 2005.

The housing stock within the city exhibits poor to average condition, with the majority of improvements exhibiting poor to fair condition due to various reasons, which include, but are not limited to the following: low median household income (\$35,903 in 2017 in the City of Oneonta, compared to \$50,033 in Otsego County and \$54,149 nationally) and a large student population, which contributes to lack of proper upkeep, absentee landlords, and functional obsolescence attributable to the age of the area's housing stock. Numerous stakeholders also indicated that many of Oneonta's senior citizens struggle to maintain their houses. Additionally, according to American Fact Finder, a division of the United States Census Bureau, the

City of Oneonta (zip code 13820) has an overall housing vacancy rate of 11.3 percent as of 2015, which suggests a level of disinvestment.

Oneonta is home to two four-year colleges: SUNY Oneonta and Hartwick College. Together these schools enroll nearly 7,500 students, which provide a consistent demand for housing and services. Oneonta's downtown business district, centered on Main Street, houses a number of restaurants, retailers, art galleries, and professional and local government offices. A number of local contacts have mentioned that demand for housing in the area has been strong. Additionally, the city has been awarded a \$10 million grant through New York State's Downtown Revitalization Initiative to spur further development in the area. Furthermore, as the largest city of Otsego County, Oneonta is well-positioned to capitalize on significant tourist traffic.

INFRASTRUCTURE

Transportation

Oneonta Public Transit operates five fixed route bus routes throughout the city, as well as a shuttle on the campus of SUNY Oneonta, weekday morning commuter routes, and a cross-county route to Cooperstown. Bus fare for standard routes is \$1.25 per ride, and day passes that exclude the Cooperstown route can be purchased for \$6.00. Commuter passes are priced at \$2.00, and the Cooperstown route is priced at \$3.50. There are discounts available for seniors 62+ and children 17 and under. Service runs Monday through Saturday, and is suspended on major holidays. Otsego Express also provides bus service between municipalities in Otsego County. Service runs Monday through Friday, with a fare of \$1.00 per ride. Seniors are granted a discounted fare of \$0.50, and children under age six ride free of charge. For a \$2.00 premium, route deviation can be provided up to three fourths of a mile off of the standard route – this requires advanced notice.

Oneonta Municipal Airport is located north of Oneonta's central business district and is an untowered general aviation airport. The airport is publicly owned, operated, and used. The City of Oneonta is responsible for its operation. The nearest major commercial airport is Albany International Airport located in Albany, New York approximately 67 miles northeast of Oneonta. This airport is the major air center for New York's capital region, northeastern New York, and western New England. Albany International is serviced by major commercial airlines, including American Airlines, Cape Air, Delta Air Lines, JetBlue, Southwest Airlines, and United Airlines. The airport has approximately 55 daily commercial airline arrivals.

Government

Towns and wards within Otsego County elect members to a County Board of Representatives, which is the official governing body of Otsego County. Representatives on the County Board receive weighted votes respective to the population of the town or ward they represent. The Village of Cooperstown is the county seat of Otsego County. Oneonta is the largest city in Otsego County. The Common Council is the municipal legislative body for the City of Oneonta. Its eight members are elected to four year terms by the voters of individual wards in Oneonta. The Mayor, who presides over the council, is also elected to a four year term.

Education

Otsego County offers public primary and secondary education in 21 districts throughout the county. These 21 school districts include Bainbridge-Guilford, Charlotte Valley, Cherry Valley-Springfield, Cobleskill-Richmondville, Cooperstown, Edmeston, Franklin, Gilbertsville-mount Upton, Laurens, Milford, Morris, Mount Markham, Oneonta, Owen D. Young, Richfield Springs, Schenevus, Sharon Springs, Sidney, Unadilla Valley, Unatego, and Worcester. The Oneonta City School District includes three elementary schools: Greater Plains, Riverside, and Valleyview. It also includes Oneonta Middle School and Oneonta High School. On May 16th, 2017, Oneonta voters approved a \$38,678,108 budget for the school district, as well as two bond packages

for the district. The first bond authorized up to \$18,011,994 in spending via bonds and reserve funds for capital improvements to district facilities, and the second bond authorized \$2,800,000 in energy conservation improvements that allowed for a 10 percent increase in state aid.

There are two institutions of higher education in Otsego County, both of which are located in Oneonta. SUNY Oneonta is a four year, public liberal arts college that enrolls 6,056 undergraduate and graduate students. The university offers 43 bachelor's degree programs, 11 pre-professional tracks, five cooperative programs, one post-baccalaureate certificate, and six master's degrees, including 12 specializations between its two educational master's programs. Hartwick College is a four year, private liberal arts college that enrolls 1,392 students. Hartwick offers 35 bachelor's degree programs – most available on a three year track – as well as four pre-professional tracks and five cooperative programs.

Medical

Otsego County boasts two major healthcare facilities, one each in Oneonta and Cooperstown. A.O. Fox Hospital, located in Oneonta, is a 67 bed hospital with established specialties in cancer, cardiac, emergency, and primary care. Bassett Medical Center in Cooperstown is a 180 bed teaching hospital affiliated with the Columbia University College of Physicians and Surgeons. The facility offers specialties in care for emergency and trauma, cancer, cardiology, and dialysis, and most other medical and surgical specialties. The hospital also hosts the Bassett Clinic, which provides outpatient primary and specialty care, as well as the Bassett Research Institute, which conducts programs in clinical science public health studies. Otsego County Mental Health Center is located in Oneonta and provides residents of Otsego County with a wide range of mental health services, administered by state license psychiatrists, psychologists, psychiatric nurse practitioners, social workers, and clinical social workers. The clinic accepts most health insurance plans, including Medicare and Medicaid, and offers sliding scale fee plans for patients facing financial hardship.

Retail/Commercial Centers

Given the rural nature of Otsego County, retail and commercial centers are sparse. Oneonta is the main commercial and retail center of the county. State Highway 23 is one of the City of Oneonta's major commercial and retail corridors. Situated on the south side of the city on the southern side of the Susquehanna River, the thoroughfare is lined with a myriad of restaurants, hotels, bed and breakfast establishments, a grocery store, automobile dealerships, and numerous major retail centers such as Home Depot, Lowes, Southside Mall, and Wal-Mart. Southside Mall is the major shopping center in the area, and offers retail such as Sears, JC Penny, Dick's Sporting Goods, Petco, and more. The Main Streets in Oneonta and Cooperstown anchor the respective towns' downtown business districts, both of which harbor a number of local restaurants, art galleries, specialty retailers, and offices for professionals and local government. The National Baseball Hall of Fame and Museum is also a major driver of business in Cooperstown's Main Street district, and attracts tourist traffic to the entire county.

II. CONCLUSIONS & RECOMMENDATIONS

CONCLUSIONS AND RECOMMENDATIONS

Economic Analysis

Employment within Otsego County is concentrated in the healthcare/social assistance, retail trade, and educational services sectors.

Historically the unemployment rate has been lower in Otsego County than in the nation. Between 2007 and 2009, the unemployment rate in Otsego County increased substantially. However, unemployment rates in Otsego County have decreased each year since 2012 and remain below unemployment rates in the nation. The city and county's largest employment sectors, healthcare/social assistance, retail trade, and educational services, grew modestly in the past 10 years. Of note, the educational services sector has made marked employment gains over the past five years in the city of Oneonta. Further, the healthcare/social services sector has made marked employment gains over the past five years in Otsego County. Employment growth in these sectors affirms our interviews with local stakeholders who spoke of the area's flourishing educational and health care industries.

The overall outlook for the City of Oneonta and Otsego County is mixed. While the area has not yet recovered its total job losses from the recent recession and year-to-date employment figures are lower than those in 2016, the overarching post-recession trend for the area has been one of modest growth. Additionally, the major employers (discussed ahead) in the area hail from largely stable sectors such as healthcare/social assistance and educational services, and even traditionally less stable sectors such as accommodation/food services and retail trade stand to benefit from the continued presence of the large student population in Oneonta. Given the shrinking local labor force and the large amount of workers who commute outside of the county, both the City of Oneonta and Otsego County are still recovering and need to attract additional employment opportunities to the area.

Demographic Characteristics

The demographic data demonstrates that both the City of Oneonta and Otsego County are projected areas of modest decline in terms of population and households through 2021. One and two-person households make up the majority of households in the City of Oneonta and Otsego County. One-person households represent the single largest group of households in the City of Oneonta while two-person households represent the largest group of households in Otsego County. Average household size is expected to decline marginally through 2021 in both the City of Oneonta and Otsego County, and will continue to lag the nation in both areas.

The median household income in the City of Oneonta is below median household income in both Otsego County and the nation. Renter households in both the City of Oneonta and Otsego County are concentrated in the lowest income cohorts, those earning between \$0 and \$29,999. Renter household income is expected to remain concentrated in these cohorts through 2021, suggesting additional need for affordable rental housing in both the city and the county. Median household income in Otsego County is expected to continue outpacing the City of Oneonta and lagging behind the nation through 2021, while median income in the City of Oneonta will continue to lag both the nation and Otsego County over the same period. Continued income disparity in both the city and the county further underscores the need for additional affordable rental housing in the area.

Housing Supply and Characteristics

We believe there are three types of housing that are in short supply in the area: good quality low to moderate-income owner-occupied single-family homes, good quality mixed-income family rental housing throughout Otsego County, and supportive housing for the disabled and homeless. The existing supply of low to moderate-income single-family homes is very limited, and the existing mixed-income family housing stock is in fair to average condition. Subsidized rental housing is available throughout the county, but many

subsidized properties are limited to senior and disabled tenants. There are a significant number of households in Otsego County and the City of Oneonta that are income-qualified for each identified type of housing. Building permits for Oneonta and Otsego County have decreased significantly, though multifamily housing units are becoming more prevalent. This does not necessarily indicate new construction of good quality multifamily housing stock, however, as the number of multifamily permits issued includes redevelopment of existing buildings for multifamily non-traditional housing. Additional details are located in the Housing Supply and Future Housing Needs section of this report.

Future Housing Development Needs

There are a significant number of households in Otsego County and the City of Oneonta that are income-qualified for each of the three identified types of housing currently in short supply in the area. Additional details are located in the Future Housing Needs section of this report.

The table following summarizes the anticipated need of housing units for Otsego County's future housing stock either new construction or acquisition with rehabilitation of existing housing stock across both the general and senior population through 2021. Note that this calculation is for multifamily rental housing with units set at 50 percent of AMI and all lower subsidies. Further, we believe 75 percent of the total Otsego County's future housing stock would be supportable in the City of Oneonta.

PROJECTED ANNUAL HOUSING NEEDS SUMMARY					
Otsego County - General Population					
Unit Type	30% AMI Without Subsidy – Multifamily Rental	50% AMI Without Subsidy – Multifamily Rental	Market Rate Units – Multifamily Rental	Owner Occupied Single-Family Homes	Special Needs Units – Multifamily Rental
1BR	5	55	10	-	-
2BR	5	45	15	-	-
3BR	5	20	5	-	-
Single-Family Homes	-	-	-	50	-
Unspecified	-	-	-	-	100
Total	15	120	30	50	100
Otsego County - Senior Population (65+)					
Unit Type	30% AMI Without Subsidy – Multifamily Rental	50% AMI Without Subsidy – Multifamily Rental	Market Rate Units – Multifamily Rental	Owner Occupied Single-Family Homes	Special Needs Units – Multifamily Rental
1BR	5	100	25	-	-
2BR	5	45	10	-	-
Total	10	145	35	0	0

To arrive at the stated numbers above, we conducted an *annual demand analysis*, which is based on new renters moving into Otsego County, including the City of Oneonta, that are rent-overburdened (paying over 40 percent of income to living costs). The analysis illustrated above indicates an annual amount of new rental units that could be supported in the market. Meaning, for example, that the annual demand for market rate housing in Otsego County is 100 units; 75 of which we predict could be supportable in the City of Oneonta. This is what is called the 'absorption rate.'

With an estimated annual absorption rate the next task is to determine the 'capture rate' A capture rate is the rate at which housing can be built so as not to overburden or flood the market and outstrip the demand.

To calculate the capture rate, you take the concluded number of units that are proposed for the area divided by the total demand of renter households.

For the market area (Otsego County inclusive of the City of Oneonta), we estimated an annual capture rate of 20 percent. Meaning that 20 percent of the 'projected annual housing needs' as summarized in the table above can be built annually without overburdening the market and that there is still 80 percent of the total demand remaining for additional future rental housing. This approach allows for a gradual build-up of housing to match the rate at which people are moving into the area for new jobs. If, for example, 100% of the units demand supported were constructed in the first year there would not be enough renters to occupy the units until such time the jobs became available thus, creating the demand.

Given our analysis of the market area as well as interviews with multiple local residents and stakeholders, we believe a capture rate of 20 percent is conservative and demand could eventually increase based on new residents moving to the area for new jobs. Further, since we are utilizing only a fraction of available current renter household demand (i.e., 20% capture rate), this implies that existing occupied multifamily units would not be negatively impacted.

Barriers/Challenges to Housing

Based upon our analysis of the market and interviews with key stakeholders, there are several barriers and challenges that should be considered because they negatively affect the housing market in Otsego County and the City of Oneonta. There is no single factor that can prevent or reduce barriers, but any initiative taken to promote the preservation of the existing housing stock in addition to promoting new construction should be taken. Barriers include:

- Lack of newer, high-quality multifamily rental housing.
- Credit worthiness of potential buyers for homeownership (or renters).
- Cost to individuals including cost burdens such as paying over 30 percent of monthly income for rent/mortgage payment and utilities.
- Limited supply of moderate income homes in the area.
- Increasing supply of student housing in the area.
- Inferior housing stock keeps low-income families in substandard housing.
- Influx of affluent second homeowners raising home values throughout the county.
- Lack of good quality senior and supportive housing.
- Decreasing availability of affordable rental housing in the City of Oneonta proper. It should be noted that student housing is not similar to affordable rental housing.

Recommendations

In order to address the area's future housing needs, in light of the aforementioned barriers and challenges, we have established the following recommendations. Specific action steps and potential funding sources are detailed later in this report.

#1: Preserve the City of Oneonta and Otsego County's existing single-family housing stock. Support for this recommendation is discussed in the Future Housing Needs section of this report (pg. 103).

#2: Enhance housing and amenities in downtown Oneonta and the other villages and towns throughout Otsego County. Support for this recommendation is discussed in the Housing Supply Characteristics section of this report (pg. 64).

#3: Implement a voluntary inclusionary zoning policy for multifamily housing within the City of Oneonta and other areas of Otsego County. Support for this recommendation is discussed in the Housing Supply Characteristics (pg. 64) and the Future Housing Needs sections of this report (pg. 103).

#4: Create additional, good quality mixed-income housing within the City of Oneonta. Support for this recommendation is discussed in the Housing Supply Characteristics (pg. 64) and the Future Housing Needs sections of this report (pg. 103).

#5: Create additional, good quality senior housing within the City of Oneonta and Otsego County to support the need for affordable senior housing in the next five years. Support for this recommendation is discussed in the Demographics Characteristics (pg. 38), the Housing Supply Characteristics (pg. 64), and the Future Housing Needs sections of this report (pg. 103).

#6: Create additional, good quality supportive housing within the City of Oneonta and Otsego County to support the need for supportive housing. Support for this recommendation is discussed in the Housing Supply Characteristics section of this report (pg. 64).

#7: Education low to moderate income households on how they can purchase homes and encourage the use of first-time homebuyer incentive programs. Support for this recommendation is discussed in the Housing Supply Characteristics (pg. 64) and the Future Housing Needs sections of this report (pg. 103).

#8 Convert unused space in the downtown area of Oneonta into live/work units for young professionals and small businesses. Support for this recommendation is discussed in the Housing Supply Characteristics (pg. 64) and the Future Housing Needs sections of this report (pg. 103).

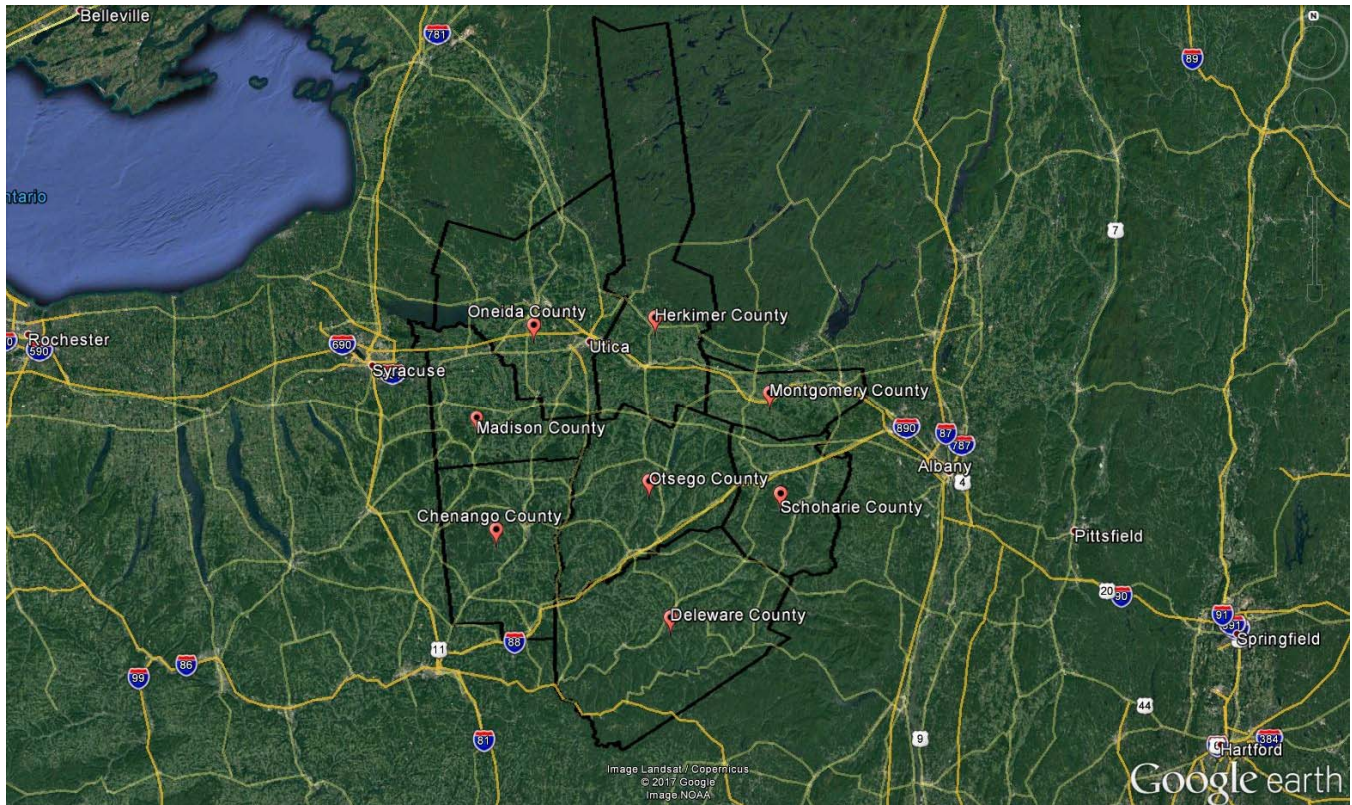
III. ECONOMIC ANALYSIS

ECONOMIC ANALYSIS

The following section discusses the economic characteristics of Oneonta and Otsego County. Oneonta is the largest city in Otsego County, New York. Oneonta is located along the southern border of Otsego County on the Susquehanna River. Otsego County is located in east-central New York, and is surrounded by Oneida, Chenango, Madison, Delaware, Montgomery, Herkimer, Schoharie Counties. As of 2010 census, the City of Oneonta and Otsego County populations were 13,901 and 62,259, respectively.

PMA Map

The following map illustrates Otsego County, the PMA, and surrounding counties.



Source: Google Earth, August 2017

Employment and Unemployment Trends

The following table details employment and unemployment trends for the Otsego County from 2002 through February 2017, the most recent data available. It should be noted that such data for the City of Oneonta was not available.

EMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

	Otsego County			USA		
	Total Employment	% Change	Differential from peak	Total Employment	% Change	Differential from peak
2002	29,967	-	-3.8%	136,485,000	-	-9.9%
2003	29,975	0.0%	-3.7%	137,736,000	0.9%	-9.0%
2004	30,529	1.8%	-1.9%	139,252,000	1.1%	-8.0%
2005	30,771	0.8%	-1.2%	141,730,000	1.8%	-6.4%
2006	31,135	1.2%	0.0%	144,427,000	1.9%	-4.6%
2007	30,530	-1.9%	-1.9%	146,047,000	1.1%	-3.6%
2008	30,342	-0.6%	-2.5%	145,363,000	-0.5%	-4.0%
2009	29,121	-4.0%	-6.5%	139,878,000	-3.8%	-7.6%
2010	29,789	2.3%	-4.3%	139,064,000	-0.6%	-8.2%
2011	29,216	-1.9%	-6.2%	139,869,000	0.6%	-7.6%
2012	29,451	0.8%	-5.4%	142,469,000	1.9%	-5.9%
2013	29,854	1.4%	-4.1%	143,929,000	1.0%	-5.0%
2014	30,012	0.5%	-3.6%	146,305,000	1.7%	-3.4%
2015	30,243	0.8%	-2.9%	148,833,000	1.7%	-1.7%
2016	30,382	0.5%	-2.4%	151,436,000	1.7%	0.0%
2017 YTD Average*	29,564	-2.7%	-	151,060,500	-0.2%	-
Feb-2016	30,208	-	-	150,060,000	-	-
Feb-2017	29,622	-1.9%	-	151,594,000	1.0%	-

Source: U.S. Bureau of Labor Statistics August 2017

UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

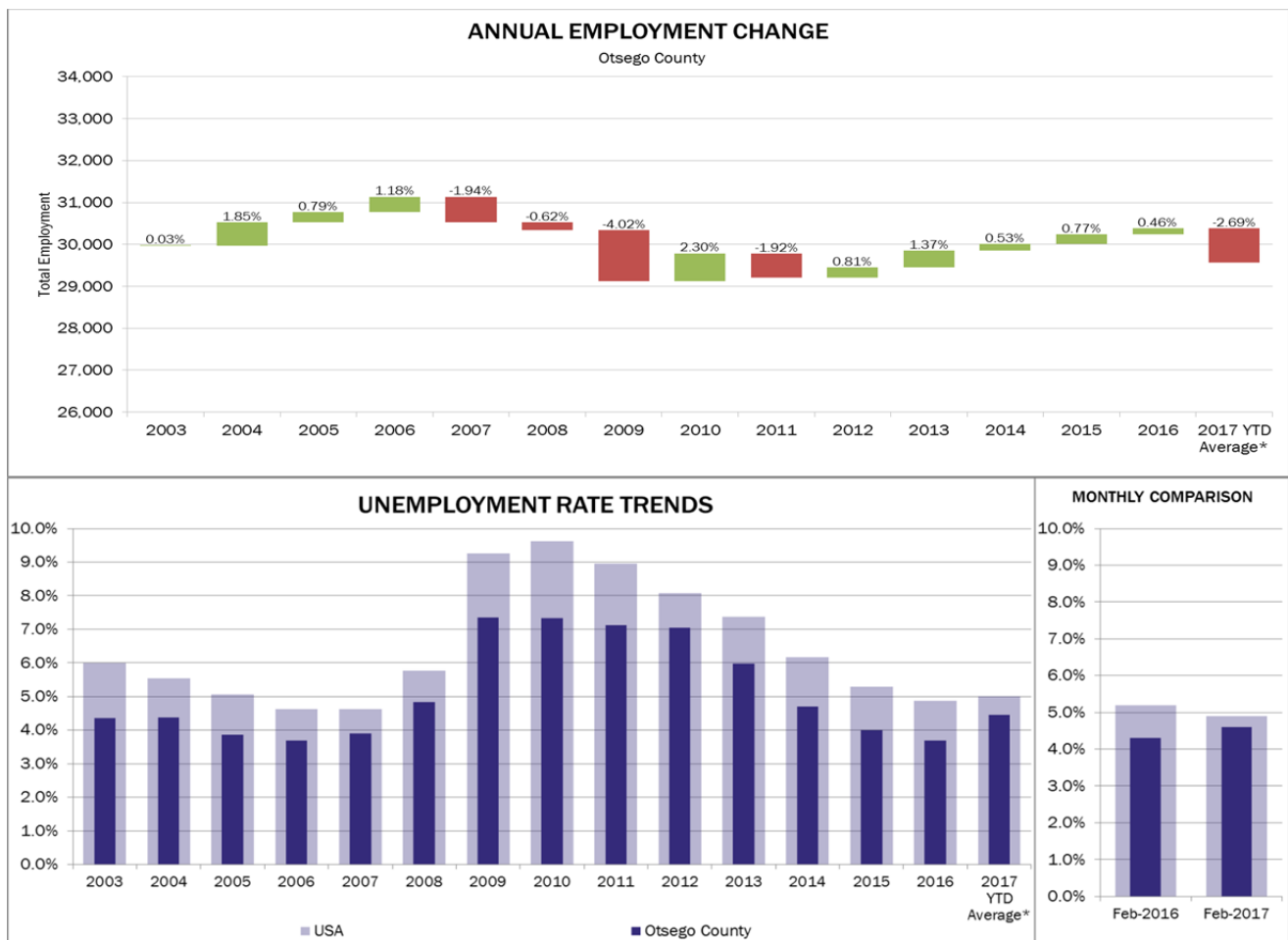
	Otsego County			USA		
	Unemployment Rate	Change	Differential from peak	Unemployment Rate	Change	Differential from peak
2002	4.3%	-	0.6%	5.8%	-	1.2%
2003	4.4%	0.1%	0.7%	6.0%	0.2%	1.4%
2004	4.4%	0.0%	0.7%	5.5%	-0.5%	0.9%
2005	3.9%	-0.5%	0.2%	5.1%	-0.5%	0.5%
2006	3.7%	-0.2%	0.0%	4.6%	-0.5%	0.0%
2007	3.9%	0.2%	0.2%	4.6%	0.0%	0.0%
2008	4.8%	0.9%	1.1%	5.8%	1.2%	1.2%
2009	7.3%	2.5%	3.7%	9.3%	3.5%	4.7%
2010	7.3%	0.0%	3.6%	9.6%	0.3%	5.0%
2011	7.1%	-0.2%	3.4%	9.0%	-0.7%	4.3%
2012	7.1%	-0.1%	3.4%	8.1%	-0.9%	3.5%
2013	6.0%	-1.1%	2.3%	7.4%	-0.7%	2.8%
2014	4.7%	-1.3%	1.0%	6.2%	-1.2%	1.6%
2015	4.0%	-0.7%	0.3%	5.3%	-0.9%	0.7%
2016	3.7%	-0.3%	0.0%	4.9%	-0.4%	0.3%
2017 YTD Average*	4.5%	0.8%	-	5.0%	0.1%	-
Feb-2016	4.3%	-	-	5.2%	-	-
Feb-2017	4.6%	0.3%	-	4.9%	-0.3%	-

Source: U.S. Bureau of Labor Statistics September 2017

Total employment in Otsego County grew each year between 2002 and 2006. Following national trends, Otsego County experienced a significant decrease in total employment from 2007 through 2009. During this period Otsego County lost approximately 1,409 jobs. The decrease in employment suggests that the national recession negatively impacted the local area. From 2010 to 2016, employment in Otsego County expanded every year except for 2011, albeit generally at a slower rate than the national recovery. Otsego County has yet to surpass its pre-recession employment peak. Employment totals in the 12-month period prior to

February 2017 saw a decrease in employment of approximately 1.9 percent. The 2017 year-to-date average suggests total employment in Otsego County is currently the lowest it has been since 2012. Given the relative lack of document layoffs or business closures, it remains to be seen whether this decline is a temporary aberration or the beginning of a new trend.

Historically the unemployment rate has been lower in Otsego County than in the nation. Between 2007 and 2009, the unemployment rate in Otsego County increased substantially. Unemployment reached its highest rate in 2009 and remained relatively stable until 2012, when it began to decrease. Unemployment rates in Otsego County have decreased each year since 2012 and remain below unemployment rates in the nation. However, unemployment rates in Otsego County have shown a slight increase in the past year; unemployment increased by about 0.3 percentage points in the 12-month period between February 2016 and 2017. Of note, multiple stakeholders have indicated that the high proportion of seniors and students in the area's population can skew employment figures. These populations participate in the labor force at significantly lower rates than the general populations, driving the unemployment rate down to figures that are not fully representative of the economic climate. The pattern of declining unemployment with relatively flat total employment is consistent with this assertion.



Economic Characteristics

The City of Oneonta is home to a variety of large industries. Some of the best represented industries in the City of Oneonta include the healthcare/social assistance, retail trade, and educational services. According to ESRI Demographics, these three industries total 56.4 percent of total employment in the City of Oneonta.

Main Street is the center of Oneonta's downtown business district and is home to specialty retailers, restaurants, art galleries, and offices of professionals and the local government.

Historically, Oneonta's economy was based not in manufacturing, as is the case for many cities in Upstate New York, but in transportation. The city's strategic location along the Delaware & Oneonta rail line led to the establishment of a maintenance hub in Oneonta, which fueled the city's growth in the second half of the 1800's and early 1900's. Currently, the city's economy is concentrated in the healthcare/social assistance, retail trade, and educational services industries. Otsego County was significantly impacted by the most recent national recession. Following national trends, total employment in Otsego County declined every year between 2007 and 2011, with the exception of 2009 to 2010. Total employment in Otsego County reached its lowest point in 2009, having fallen 6.5 percent from its peak in 2006. The Information sector has experienced the greatest losses in the City of Oneonta, as 144 jobs were lost between 2000 and 2017. Other industries experiencing employment contractions in the past 17 years include real estate/rental/leasing, construction, public administration, agriculture/hunting/fishing/mining, and wholesale trade. Conversely, industries experiencing the greatest growth in Oneonta include the administrative/support/waste management services, arts/entertainment/recreation, retail trade, accommodation/food services, and transportation/warehousing sectors. Our interviews with local stakeholders indicate that many families have taken up seasonal residence in the county for summer baseball events, affirming the growth of those industries which support tourism in the area.

Unemployment in Otsego County reached its peak of 7.3 percent in 2009. Unemployment in the county has decreased each year since then, reaching its pre-recession low of 3.7 percent in 2016. Between February 2016 and February 2017 unemployment in the county grew by approximately 0.8 percentage points. The 2017 year-to-date average suggests unemployment in Otsego County is approximately 4.5 percent, which is 0.5 percentage points lower than unemployment in the nation. Our interviews with local stakeholders suggest that unemployment data potentially belies the reality of unemployment in the county, as a large and expanding proportion of the population is constituted by students and seniors who do not participate in the labor market. Furthermore, stakeholders have noted the significant difficulties they have faced in attracting middle and higher skilled workers to the area, which results in few highly paid workers residing locally. Additional information on employment expansion and contraction is discussed within this section of the report.

In an effort to stimulate further growth in the region, Otsego Now offers numerous incentives for business owners in several industries. Among these incentives are favorable financing programs, tax exempt bonds, site selection services, as well as workforce training. Otsego Now is the official economic development agency for Otsego County.

In addition to employment opportunities in the immediate area, potential renters in Otsego County have access to good regional employment opportunities. As discussed later, the average commute time for employed individuals in Otsego County is 16.8 minutes. However, approximately 17.6 percent of commuters travel more than 30 minutes to work, suggesting that some individuals in Otsego County commute to larger cities in the region such as Albany or Binghamton.

The overall outlook for the City of Oneonta and Otsego County is mixed. While the area has not yet recovered its total job losses from the recent recession and year-to-date employment figures are lower than those in 2016, the overarching post-recession trend for the area has been one of modest growth. Additionally, the major employers (discussed ahead) in the area hail from largely stable sectors such as healthcare/social assistance and educational services, and even traditionally less stable sectors such as accommodation/food services and retail trade stand to benefit from the continued presence of the large student population in Oneonta. Given the shrinking local labor force and the large amount of workers who commute outside of the

county, both the City of Oneonta and Otsego County are still recovering and need to attract additional employment opportunities to the area.

Employment by Industry

The following table identifies employment by industry sector within the City of Oneonta, Otsego County, and the nation. The three largest industries of employment in each market area are highlighted in yellow.

2017 EMPLOYMENT BY INDUSTRY			
	City of Oneonta	Otsego County	USA
Agric/Forestry/Fishing/Hunting	0.2%	2.3%	1.5%
Mining	0.0%	0.1%	0.5%
Construction	1.6%	5.7%	6.2%
Manufacturing	4.2%	9.0%	10.2%
Wholesale Trade	0.4%	0.8%	2.7%
Retail Trade	15.1%	13.4%	11.3%
Transportation/Warehousing	1.4%	2.6%	4.0%
Utilities	0.4%	0.8%	0.9%
Information	0.8%	1.0%	1.9%
Finance/Insurance	2.0%	4.3%	4.6%
Real Estate/Rental/Leasing	1.3%	1.3%	1.9%
Prof/Scientific/Tech Services	3.4%	2.4%	6.8%
Mgmt of Companies/Enterprises	0.0%	0.0%	0.1%
Admin/Support/Waste Mgmt Svcs	2.2%	2.5%	4.3%
Educational Services	26.8%	14.6%	9.5%
Healthcare/Social Assistance	14.6%	20.7%	14.1%
Arts/Entertainment/Recreation	5.6%	3.7%	2.3%
Accommodation/Food Services	15.6%	8.0%	7.6%
Other Services (excl Publ Adm)	2.5%	3.8%	4.9%
Public Administration	1.9%	3.0%	4.7%
Total Employment	5,818	29,644	151,387,682

Source: Esri Demographics 2017, Novogradac & Company LLP, August 2017

Employment within the City of Oneonta is concentrated in the educational services, accommodation/food services, retail trade, and healthcare/social assistance sectors. These four industries comprise 72.1 percent of employment city-wide. The retail trade, educational services, and accommodation/food services sectors are overrepresented in the City of Oneonta compared to employment in the nation. Conversely, the agriculture/forestry/fishing/hunting, construction, manufacturing, finance/insurance, and healthcare/social assistance sectors are underrepresented in the City of Oneonta when compared to employment in the nation.

Growth by Industry

The following tables illustrate the change in total employment by sector in the City of Oneonta and in Otsego County from 2000 to 2017, respectively.

2000-2017 CHANGE IN EMPLOYMENT - CITY OF ONEONTA

Industry	2000		2017		2000-2017	
	Number Employed	Percent Employed	Number Employed	Percent Employed	Growth	Annualized Percent Change
Educational Services	1,349	25.9%	1,560	26.9%	211	0.9%
Accommodation/Food Services	691	13.3%	905	15.6%	214	1.8%
Retail Trade	636	12.2%	880	15.2%	244	2.3%
Healthcare/Social Assistance	805	15.4%	848	14.6%	43	0.3%
Arts/Entertainment/Recreation	150	2.9%	323	5.6%	173	6.8%
Manufacturing	257	4.9%	247	4.3%	-10	-0.2%
Prof/Scientific/Tech Services	155	3.0%	200	3.5%	45	1.7%
Other Services (excl Publ Adm)	191	3.7%	145	2.5%	-46	-1.4%
Admin/Support/Waste Mgmt Svcs	42	0.8%	128	2.2%	86	12.0%
Finance/Insurance	87	1.7%	116	2.0%	29	2.0%
Public Administration	226	4.3%	113	2.0%	-113	-2.9%
Construction	179	3.4%	94	1.6%	-85	-2.8%
Transportation/Warehousing	59	1.1%	81	1.4%	22	2.2%
Real Estate/Rental/Leasing	92	1.8%	74	1.3%	-18	-1.2%
Information	190	3.6%	46	0.8%	-144	-4.5%
Wholesale Trade	59	1.1%	24	0.4%	-35	-3.5%
Agric/Forestry/Fishing/Hunting	43	0.8%	10	0.2%	-33	-4.5%
Mining	0	0.0%	0	0.0%	0	0.0%
Total Employment	5,211	100.0%	5,794	100.0%	583	0.7%

Source: Esri Demographics 2017, Novogradac & Company LLP, August 2017

*Industry data current as of 2010. Other projections current as of 2017.

* Change in percentage is calculated as a rate of change by industry.

2000-2017 CHANGE IN EMPLOYMENT - OTSEGO COUNTY

Industry	2000		2017		2000-2017	
	Number Employed	Percent Employed	Number Employed	Percent Employed	Annualized Change in Employment	Annual Change in Percentage
Agric/Forestry/Fishing/Hunting	1,160	4.2%	678	2.3%	-28	-2.4%
Mining	46	0.2%	23	0.1%	-1	-2.9%
Construction	1,824	6.6%	1,699	5.7%	-7	-0.4%
Manufacturing	2,888	10.5%	2,676	9.0%	-12	-0.4%
Wholesale Trade	534	1.9%	226	0.8%	-18	-3.4%
Retail Trade	3,274	11.9%	3,982	13.4%	42	1.3%
Transportation/Warehousing	806	2.9%	783	2.6%	-1	-0.2%
Utilities	101	0.4%	227	0.8%	7	7.3%
Information	637	2.3%	291	1.0%	-20	-3.2%
Finance/Insurance	1,187	4.3%	1,275	4.3%	5	0.4%
Real Estate/Rental/Leasing	284	1.0%	379	1.3%	6	2.0%
Prof/Scientific/Tech Services	815	3.0%	706	2.4%	-6	-0.8%
Mgmt of Companies/Enterprises	1	0.0%	7	0.0%	0	35.3%
Admin/Support/Waste Mgmt Svcs	484	1.8%	731	2.5%	15	3.0%
Educational Services	4,173	15.1%	4,341	14.6%	10	0.2%
Healthcare/Social Assistance	4,614	16.7%	6,140	20.7%	90	1.9%
Arts/Entertainment/Recreation	579	2.1%	1,104	3.7%	31	5.3%
Accommodation/Food Services	1,906	6.9%	2,364	8.0%	27	1.4%
Other Services (excl Publ Adm)	1,099	4.0%	1,113	3.8%	1	0.1%
Public Administration	1,189	4.3%	899	3.0%	-17	-1.4%
Total Employment	27,601	100.0%	29,644	100.0%	120	0.4%

Source: Esri Demographics 2017, Novogradac & Company LLP, August 2017

*Industry data current as of 2010. Other projections current as of 2017.

* Change in percentage is calculated as a rate of change by industry.

The industries that have experienced the most employment growth over the past several years are admin/support/waste management services, arts/entertainment/recreation, and retail trade. In contrast, information, agriculture/forestry/fishing/hunting, and wholesale trade have seen the largest employment losses in the City of Oneonta, which is consistent with slowed economic growth during the most recent national recession.

Major Employers

The following table details the largest employers in the City of Oneonta.

MAJOR EMPLOYERS - CITY OF ONEONTA

Company	Industry	Number of Employees
Springbrook	Healthcare and Social Assistance	1,200
A.O. Fox Hospital	Healthcare and Social Assistance	750
SUNY Oneonta	Educational Services	750
Hartwick College	Educational Services	400
Oneonta Job Corps	Educational Services	370
Wal-Mart	Retail Trade	275
The Arc Otsego	Healthcare and Social Assistance	260
Corning, Inc.	Manufacturing	172
Opportunities for Otsego	Healthcare and Social Assistance	150
Mold-A-Matic	Manufacturing	90

Source: Otsego County Chamber of Commerce, August 2017; Otsego County Strategic Prioritization Pla, November 2016; Novogradac & Company LLP

Major employers in the City of Oneonta are concentrated in the healthcare/social assistance and educational services sectors, which together comprise the top five employers and seven of the top 10 employers in the city. Retail trade and manufacturing are also represented among the city's largest employers. The healthcare/social assistance and educational services sectors typically remain relatively stable during economic downturns, while manufacturing and retail trade are more vulnerable to cyclical employment changes. The following table details the largest employers in Otsego County.

MAJOR EMPLOYERS - OTSEGO COUNTY, NY

Employer	Industry	City	Number of Employees
Bassett Healthcare	Healthcare and Social Assistance	Cooperstown	2,400
Springbrook	Healthcare and Social Assistance	Oneonta	1,200
New York Central Mutual	Finance and Insurance	Edmeston	950
A.O. Fox Hospital	Healthcare and Social Assistance	Oneonta	750
SUNY Oneonta	Educational Services	Oneonta	750
Hartwick College	Educational Services	Oneonta	400
Otsego County Government	Government	Various - Mostly Cooperstown	400
Oneonta Job Corps	Educational Services	Oneonta	370
Wal-Mart	Retail Trade	Oneonta	275
The Arc Otsego	Healthcare and Social Assistance	Oneonta	260
Cooperstown All Star Village	Arts, Entertainment, and Recreation	Cooperstown	200 (additional 125 part time/seasonal)
Corning, Inc.	Manufacturing	Oneonta	172
Community Bank, N.A.	Finance and Insurance	Various	150
Opportunities for Otsego	Healthcare and Social Assistance	Oneonta	150

Source: Otsego County Chamber of Commerce, August 2017; Otsego County Strategic Prioritization Plan, November 2016; Novogradac & Company LLP

Major employers in Otsego County are concentrated in the City of Oneonta; seven of the county's top ten employers are located in the City of Oneonta. Other towns in the county with major employers include Cooperstown and Edmeston. The county's major employers represent the healthcare/social assistance, government, educational services, and finance/insurance industries.

According to data provided by the US Census, and confirmed in stakeholder interviews and the Otsego County Strategic Prioritization Plan, much of Otsego County's population is employed outside of the county. The following table details the largest employers in the Mohawk Valley Region of New York, which includes Otsego County, as well as Fulton, Herkimer, Montgomery, Oneida, and Schoharie Counties.

MAJOR EMPLOYERS - MOHAWK VALLEY REGION

Employer	Industry
A.O. Fox Hospital	Healthcare and Social Assistance
Bassett Healthcare Network	Healthcare and Social Assistance
Faxton-St. Luke's Healthcare	Healthcare and Social Assistance
Hannaford Supermarket	Retail Grocery
Metropolitan Life Insurance Company	Finance and Insurance
Price Chopper	Retail Grocery
St. Elizabeth Medical Center	Healthcare and Social Assistance
St. Mary's Hospital	Healthcare and Social Assistance
Utica National Insurance Group	Finance and Insurance
Wal-Mart Stores, Inc.	Retail Trade

Source: New York State Department of Labor, August 2016; Novogradac & Company LLP

The largest employers in the Mohawk Valley Region represent the healthcare and social assistance, finance and insurance, and, retail trade industries. It should be noted that this data, sourced from the New York State Department of Labor, did not provide figures on number of employees. Furthermore, workers employed outside of the county may commute to the two nearest metropolitan areas, Albany and Binghamton, which are not a part of the Mohawk Valley region.

Tourism

Tourism is increasingly important to the economy of Otsego County. Cooperstown is home to the National Baseball Hall of Fame, which attracts over 250,000 visitors per year. Additionally, the area is home to numerous youth baseball camps and tournaments that operate during the summers, bringing tourism dollars from around Otsego County. Furthermore, Otsego County is home to four state parks and dozens of state forests, which have made the area popular for visitors seeking outdoor recreation. The growing importance of this industry is reflected in the increasing percentage of local employment in arts/entertainment/recreation sector.

Employment Expansions/Contractions

We made multiple attempts to contact both the Otsego Now – the county economic development agency – and the Otsego County Chamber of Commerce. Unfortunately, neither organization was responsive to our electronic and telephone outreach. However, stakeholder interviews and independent research paint a consistent picture of the economic landscape in Oneonta and Otsego County. While unemployment rates are at what is typically considered a healthy level, the figures should be taken with proper context. Multiple sources report that the area's high senior and student populations result in a low participation in the labor pool – which is consistent with total employment figures. Our discussions with stakeholders and our own research revealed that there have been few business expansions in the area. The only expansion we are

aware of since 2014 is electronics manufacturer Loxus announcing its intention to build a new 22,000 square foot plant in Oneonta. This investment is backed by \$21 million in series C funding and will add 30 jobs to the company's existing workforce in Oneonta.

We also examined all Worker Adjustment and Retraining Notices (WARN) filed to the New York State Department of Labor since 2014. WARN's are required to be filed to the state by employers who plan to downsize or consolidate their workforce via layoffs, closings, etc. Only one WARN was found to impact Otsego County, filed by the Delaware & Oneonta Railway Company on May 7th, 2015. The notice was primarily for employees in Clifton Park, NY – outside of Otsego County – however it was stated to impact 11 employees in Oneonta as well.

Downtown Revitalization Initiative

In July 2016, the City of Oneonta was awarded \$10,000,000 in grant funds from the State of New York as part of the Downtown Revitalization Initiative (DRI). Oneonta was awarded the grant after a competitive process with other localities in the Mohawk Valley region. The development is targeted to attract advanced manufacturing, transit and transportation oriented developments, and food processing. The nine winning projects for Oneonta's DRI grant are listed in the table below.

DRI WINNING PROJECTS	
Project	Description
Westcott Lot Mixed Use Development	New mixed use building on Main Street in Oneonta including 4,000-6,000 square feet of commercial space and 27-30 apartments.
Small Business Revolving Loans and Sign Grants	Small loans and establishment of a revolving loan fund for renovations of commercial spaces and storefronts in. Micro-grants to business owners to develop signage.
Activate Upper Story Housing	Grants to property owners to renovate upper stories of buildings on Main Street in Oneonta for use as rental housing.
Transit Hub and Parking Garage Renovation	Renovation of existing public parking garage and construction of a new transit hub facility.
Mueller Plaza Passage	Construction of a pedestrian passageway between Mueller Plaza and Water Street to improve downtown connectivity.
Water Street Boardwalk	Construction of a pedestrian passageway between Water Street and Market Street to improve downtown connectivity.
Market Street and South Main Improvements	Infrastructure and streetscape improvements.
Downtown District Signage	Signage design and location plan, placement of markets along regional roads and at other regional destinations; new signage and wayfinding.
Branding and Marketing Downtown Oneonta	Develop a marketing theme and network with which to regularly disseminate marketing materials promoting downtown.

Major Employer Interviews

In order to gain a better understanding of how the local housing market impacts the local economy and employment landscape, as well as how housing policy can be leveraged to encourage business growth, Novogradac & Company LLP conducted the following interviews with the leadership of several major employers in the City of Oneonta.

Springbrook

We spoke with Patricia Kennedy, CEO of Springbrook. Springbrook is a non-profit, state licensed organization that provides services to persons with developmental disabilities. The organization has two campuses in

Otsego County which employ a total of approximately 800 people. Ms. Kennedy emphasized the difficulty the housing market in the area creates for her organization when recruiting young professionals and potential employees with families, stating that the housing stock in the area is saturated with seasonal housing (students in the fall and spring, travel baseball families in the summer) and subsidized housing. According to Mrs. Kennedy, this imbalance in supply not only means it is difficult for professionals and families to find suitable housing, but that the standards of the entire housing stock are driven down because of lack of upkeep. Mrs. Kennedy indicated a strong desire to see the housing stock diversified with more units targeting families and young professionals, as well as mixed tenancy housing that brings market rate units, low income housing, and housing for disabled persons together. She identified two prime locations for such development – Oneonta’s downtown district and the town of Portlandville, which lies on Highway 28 roughly halfway between Cooperstown and Oneonta. She indicated particular optimism about mixed-use and mixed tenancy development in Portlandville given the Springbrook campus adjacent to the town. Ms. Kennedy also indicated a desire for improved standards of upkeep for existing housing, noting that the poor condition of much of the area’s housing stock also plays a role in the difficulties attracting young professionals and families.

Bassett Hospital

We made multiple attempts to contact leadership at Bassett Hospital, but our calls were not returned as of the delivery of this report.

A.O. Fox Hospital

We spoke with Jeff Joyner, President of A.O. Fox Hospital in Oneonta. Mr. Joyner echoed the sentiment that a lack of quality housing geared towards professionals and families impairs the ability of employers to recruit to the area. Mr. Joyner also stated that there is a great opportunity to renovate older, existing houses and vacant spaces downtown into higher quality housing that would help house potential new professionals to Oneonta. Mr. Joyner stated that the economy has been improving slightly, but that rehabilitating the city’s housing stock to include units that appeal to middle and upper income skilled workers would help his and other existing organizations recruit, as well as entice other businesses to expand or relocate their operations to Oneonta.

Pathfinder

We spoke with Paul Landers, CEO of Pathfinder Village. Pathfinder is a planned, open access residential community serving individuals with Down Syndrome. The campus is located in Edmeston, New York, in western Otsego County. Mr. Landers indicated that the area’s housing stock made it difficult to recruit employees, particularly younger early-career workers, due to both short supply and poor quality. He also noted that Pathfinder’s efforts to expand off-campus housing options for its residents have been difficult for the same reasons. According to Mr. Landers, smaller, higher-quality apartment and townhome units are particularly attractive to the workforce at Pathfinder, with demand for two bedroom units being particularly strong. He noted that 60 percent of Pathfinder’s lower level employees are under the age of 25, and of that population, 80 percent have pets, which has made finding housing in the area very challenging. Mr. Landers indicated that very few, if any, of Pathfinder’s employees commute from Oneonta, but do often face equal or longer commutes from cities such as Norwich and Utica in order to find suitable housing. This implies that Oneonta and Otsego County have an opportunity to attract this population with attractive housing options.

Hartwick College

We conducted an interview with Dr. Margaret Drugovich, President of Hartwick College. Hartwick is a private, four year liberal arts college located in Oneonta, and enrolls 1,392 students. Dr. Drugovich echoed the sentiment that the lack of suitable housing presents a major difficulty in attracting early and middle career professionals to the area. Dr. Drugovich indicated that the ability of area property owners to charge inflated prices to students for low quality housing has removed any incentive for landlords to rent to professionals

who expect a more competitive product for their money. Dr. Drugovich emphasized the city's need for housing that is affordable and appealing to younger professionals as well as the need to invest in bringing non-student oriented businesses and residences to the downtown area, noting that a truly vibrant and welcoming downtown would be of great aid to recruitment efforts and overall economic health. Also, similar to other stakeholders, Dr. Drugovich indicated that the underlying issue was a lack of employment opportunities. She noted that the employment landscape not only limits the number of people looking to move to the area, but also ultimately deters some who are looking to do so because of the difficulty their spouses, partners, etc. face in finding employment in the area.

City of Oneonta

We interviewed Katie Böttger, Personnel Director for the City of Oneonta. Mrs. Böttger also noted that the lack of appropriate, affordable housing for professionals has consistently hindered her ability to recruit employees to the area. Specifically, she noted a particular need for such units within walking distance of downtown. Of note, even though she sits fairly high in the City of Oneonta's organizational hierarchy, Mrs. Böttger shared that she and her husband live an hour outside the city due to the lack of suitable professional level housing.

SUNY Oneonta

We spoke with Dr. Nancy Kleniewski, President of SUNY Oneonta. SUNY Oneonta is a public, four year university in Oneonta and enrolls 6,056 total students. Dr. Kleniweski, like many leaders of major employers, indicated that the local housing stock is detrimental when recruiting employees, particularly younger enter-level workers. She noted that a significant portion of university employees live outside of Oneonta in smaller towns across Otsego County due to the inability to find suitable housing in the city, and that higher quality, affordable housing geared towards such workers is a major need. Dr. Kleniweski indicated that wages for entry level workers cannot keep up with the inflated rents generated by the student rental market. The situation is so dire that the university has taken matters into its own hands and purchased a large house in the city and rents out bedrooms to visiting international faculty. Dr. Kleniweski did not note any particularly appealing locations for new housing development, but did express strong support for renovations of existing vacant houses. She indicated that SUNY Oneonta is working to develop a program where the university finances the acquisition and rehab of vacant properties, and turning them into duplexes, triplexes, etc. in order to be sold to employees who are on the market for a starter home. Employees would be able to subsidize their mortgage through the rents on the other units on the property, for which there is established demand. Dr. Kleniweski expressed optimism towards the future of this program, noting the improving outlook for such projects in the banking and financial sector. Dr. Kleniweski also indicated that the employment landscape and the housing market are interconnected – that the area does have a need for more and better paying jobs, but that the current housing market does not meet the needs of existing employers, let alone those looking to expand in the area. She highlighted opportunities to renovate vacant space in the upper stories of buildings downtown as an opportunity with great potential to positively impact the city's outlook in both areas. Conversely, she indicated her skepticism that such development would succeed in catering to students. Dr. Kleniweski noted that roughly 3,600 of the university's 6,000 students live on campus, and that she expects enrollment at SUNY Oneonta to remain relatively flat as New York State's free tuition program takes effect due to the university's emphasis on increasing the number of students graduating in four years. She indicated that a consolidation of student housing into more contiguous neighborhoods would both benefit the university community and allow for an emphasis on non-student residences in the downtown area.

Manufacturing

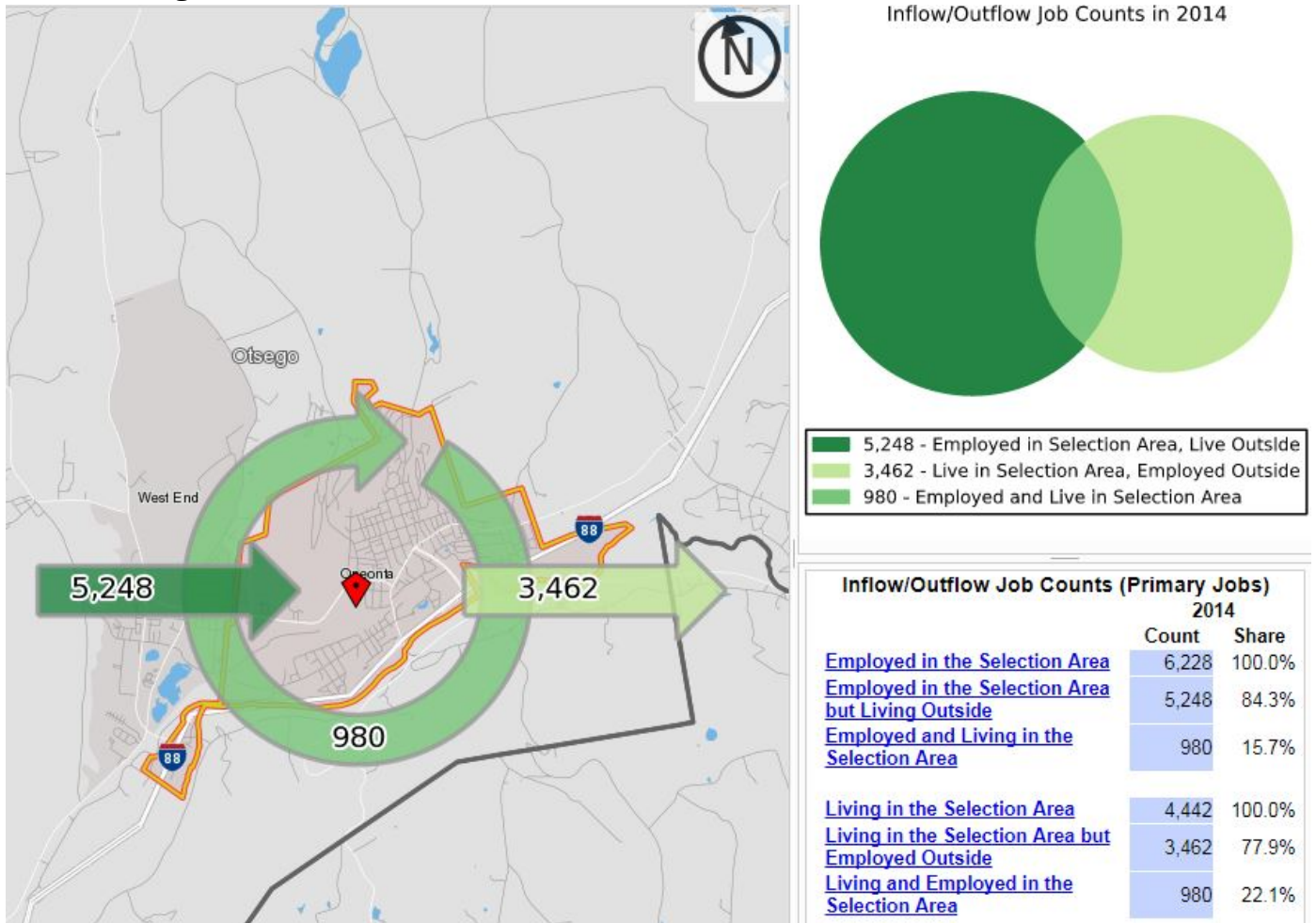
While the manufacturing sector is one of the three largest in the nation, it does not form one of Oneonta's or Otsego County's top industries. Only 4.2 percent of the population in the City of Oneonta is employed in manufacturing, and 9.0 percent of the population of Otsego County is employed in manufacturing. Both

figures are significantly below the national rate, which is approximately 10.2 percent. Unlike much of the region, Oneonta came to economic prominence as a railroad hub rather than a manufacturing center. Still, the area has been hurt by the trend of deindustrialization. According to the Otsego County Strategic Prioritization Plan from November 2016, recent closings of significant manufacturing operations by companies such as Paragon, Inc. and Sentinel Polyolefin, which cut 200 jobs between them, have continued the trend of disinvestment in the area's manufacturing base. According to the report, job losses caused by these closures have not been offset by investments and expansion from other businesses. The county is home to a small number of growing advanced manufacturers including Custom Electronics, Ioxus, and Andela Products, and has expressed its intent to foster the growth of such enterprises. According to Barbara Ann Heegan, President and CEO of the Otsego County Chamber of Commerce, the area's manufacturers have reported strong growth over the past one to two years and have over 140 current open positions. Filling these positions with skilled workers has been a challenge, and the Chamber of Commerce is partnering with local school districts to create vocational programs. While representing a smaller portion of employment than in the national economy, the area's manufacturing sector appears to be expanding and could provide growth to capitalize on.

Work Force Migration

Illustrated in the graph below are inflow/outflow patterns of those who live and/or work in the City of Oneonta and in Otsego County, respectively.

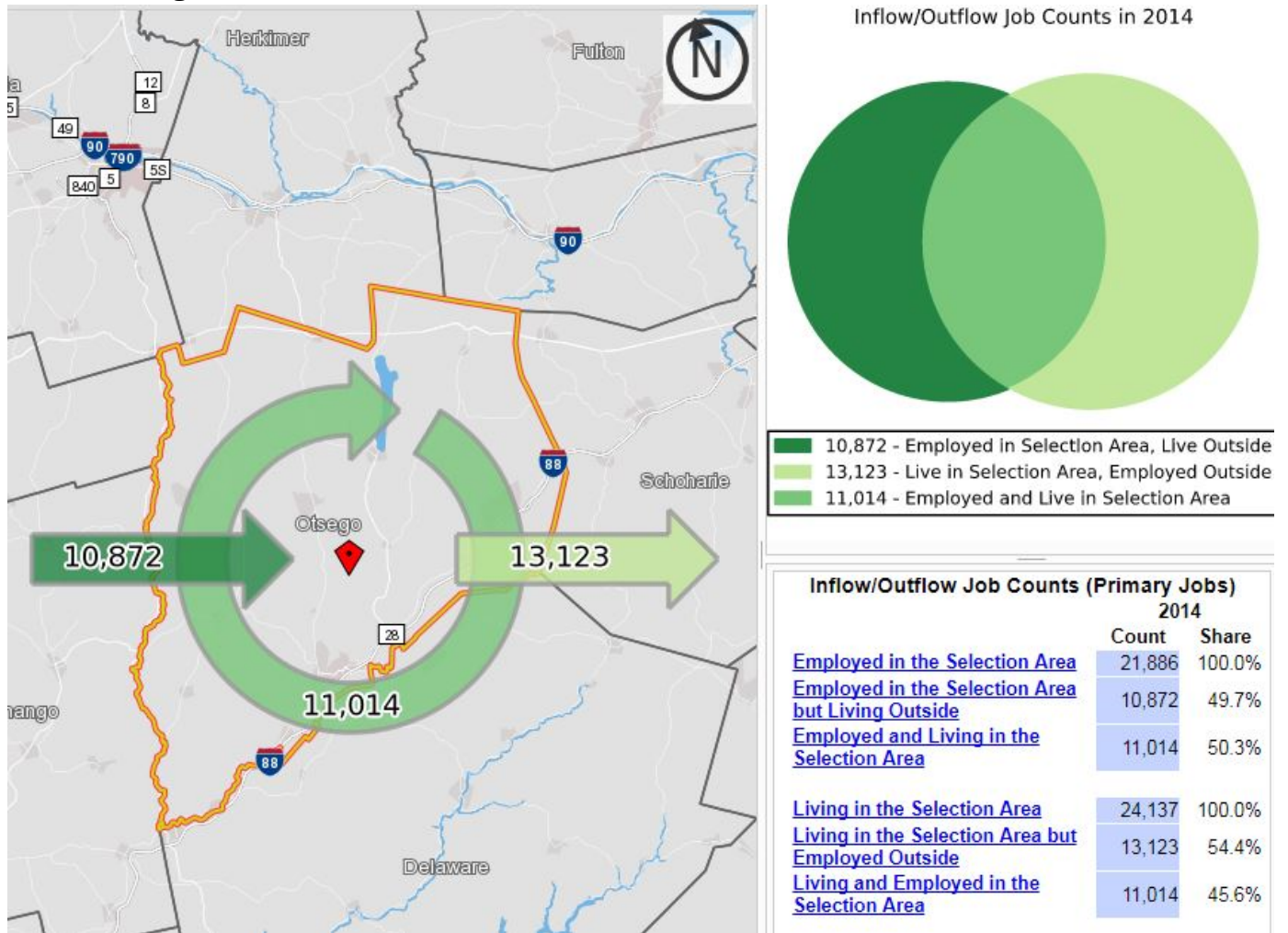
Workforce Migration



Source: US Census Bureau, August 2017

As of 2014 there were 6,228 workers employed in the City of Oneonta. Of those, 5,248 people are employed in the City of Oneonta but living outside of the city. Conversely, 3,462 people lived in the City of Oneonta but were employed outside of the city. Only 980 people in Oneonta were both residents and employed in the city in 2014. The data above indicates that most people employed in the City of Oneonta live outside of the city. The following map and tables illustrate workforce inflow/outflow patterns in Otsego County.

Workforce Migration



Source: US Census Bureau, August 2017

As of 2014, of the 24,137 employed individuals living in Otsego County, 54.4 percent commuted to work outside of the county. Conversely, approximately 10,872 individuals who lived outside Otsego County were employed within the target area. As of 2014, the larger outflow of commuters in Otsego County demonstrated that total employment in the county was supply-constrained: employment opportunities in Otsego County did not meet employment demand. The lack of business expansions discussed previously suggests this workforce migration pattern is likely to remain relatively similar in the immediate future.

Commuting Patterns

The chart below shows the travel time to work for the City of Oneonta according to US Census data.

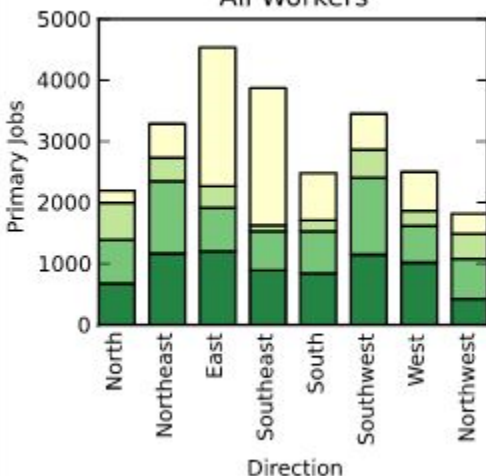
COMMUTING PATTERNS		
2000 Commuting Time to Work	Number of Commuters	Percentage
Travel Time < 5 min	696	14.2%
Travel Time 5-9 min	1,454	29.6%
Travel Time 10-14 min	1,176	24.0%
Travel Time 15-19 min	475	9.7%
Travel Time 20-24 min	186	3.8%
Travel Time 25-29 min	54	1.1%
Travel Time 30-34 min	371	7.6%
Travel Time 35-39 min	66	1.3%
Travel Time 40-44 min	68	1.4%
Travel Time 45-59 min	108	2.2%
Travel Time 60-89 min	154	3.1%
Travel Time 90+ min	100	2.0%
Average Travel Time	16.8 minutes	-

Source: US Census 2000, Novogradac & Company, LLP, September 2017

As shown above, the average travel time for individuals in the City of Oneonta is just over 16 minutes. Approximately 77.5 percent of the persons in the City of Oneonta have a commute time of 19 minutes or less, indicating that, as of 2000, many of the households in the PMA worked locally in the surrounding areas. The following tables illustrate the job counts and commuting patterns for residents living in Otsego County.

Job Counts and Commuting Patterns

Job Counts by Distance/Direction in 2014
All Workers



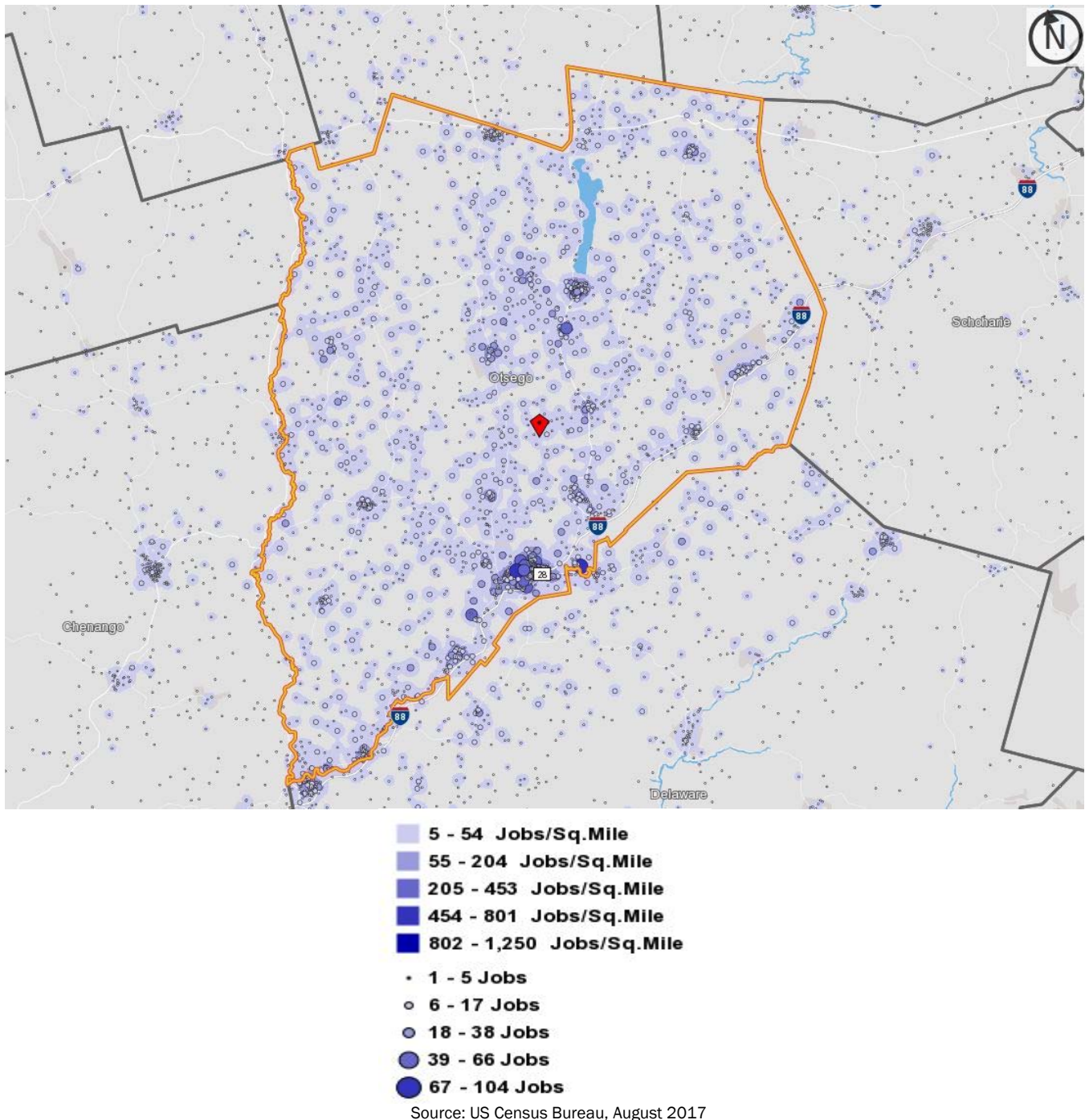
Jobs by Distance - Home Census Block to Work
Census Block

	2014	
	Count	Share
Total Primary Jobs	24,137	100.0%
Less than 10 miles	7,369	30.5%
10 to 24 miles	6,444	26.7%
25 to 50 miles	2,738	11.3%
Greater than 50 miles	7,586	31.4%

Source: US Census Bureau, August 2017

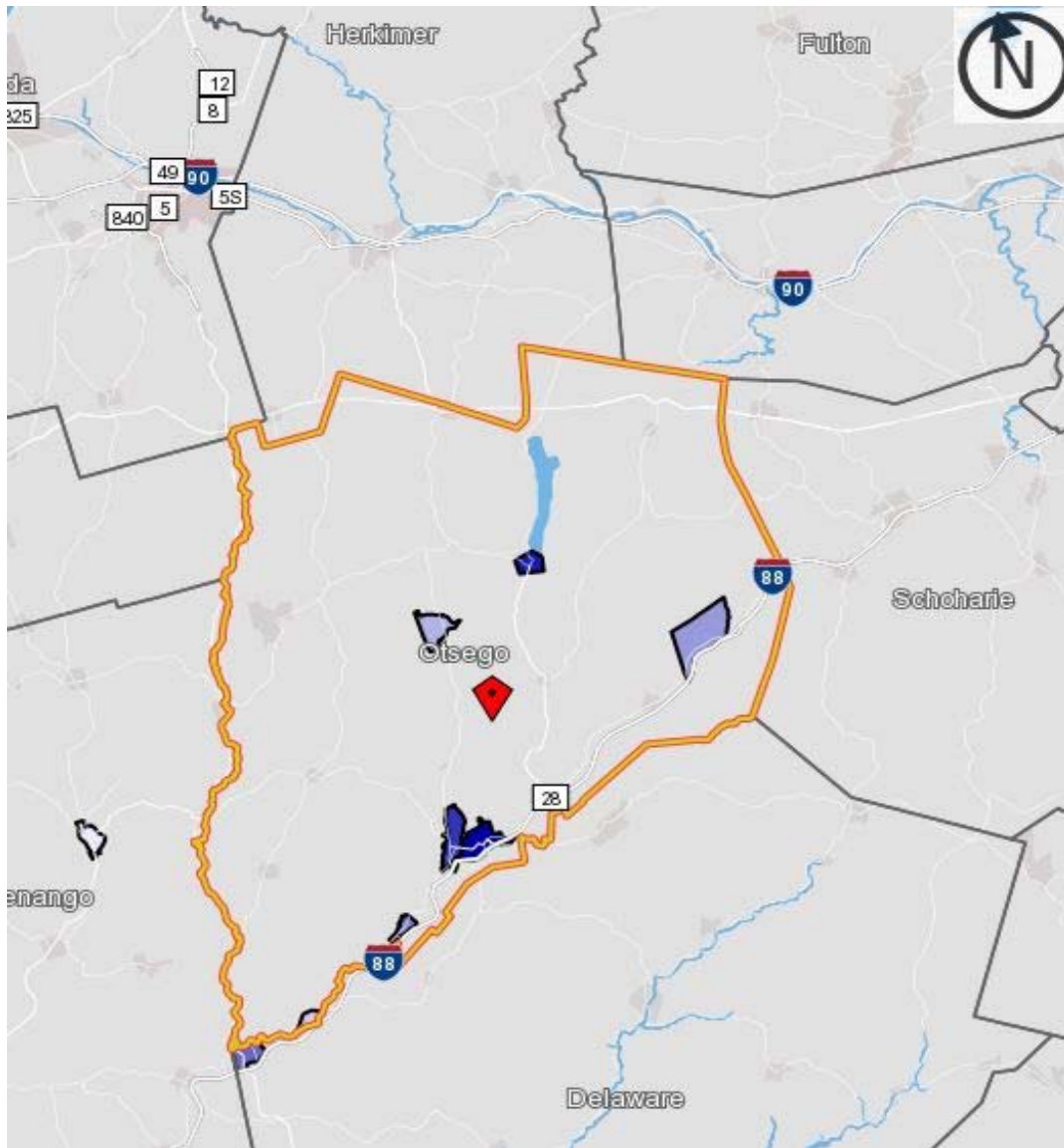
As indicated above, more than 10,000 workers residing in Otsego County (or approximately 42.8 percent) commuted more than 25 miles to work each day in 2014. Additionally, the map below indicates the concentration of employment centers where residents of Otsego County were employed as of 2014.

Concentration of Employment Centers



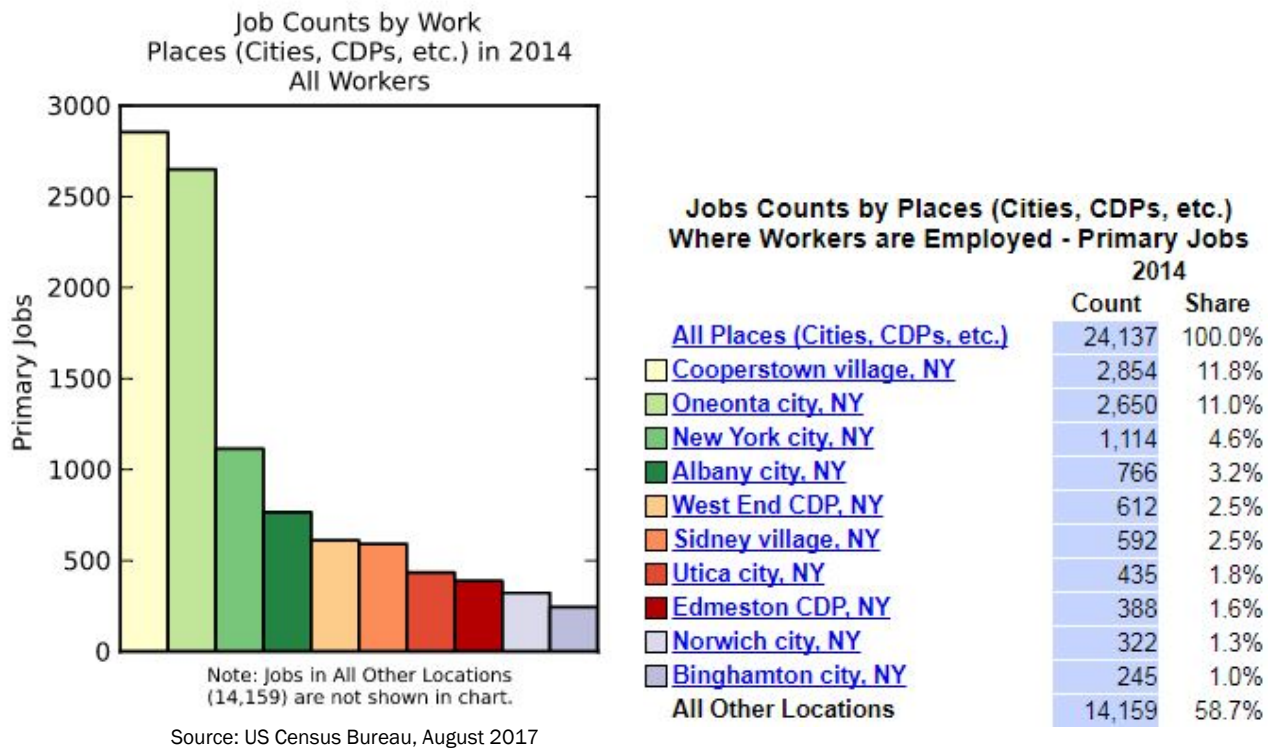
As indicated above, the major employment centers for residents of Otsego County are Oneonta, Cooperstown, and Edmeston within the county, as well as locations outside of the county such as Norwich, Sydney, Delhi, and Cobleskill. Additionally, though not shown on the map above, there are significant concentrations of Otsego County residents employed in the Albany, Binghampton, New York City, and Utica metro areas. The map and tables below illustrate the top commuting destinations by number of jobs for workers who reside in Otsego County.

Top Commuting Destinations by Number of Jobs



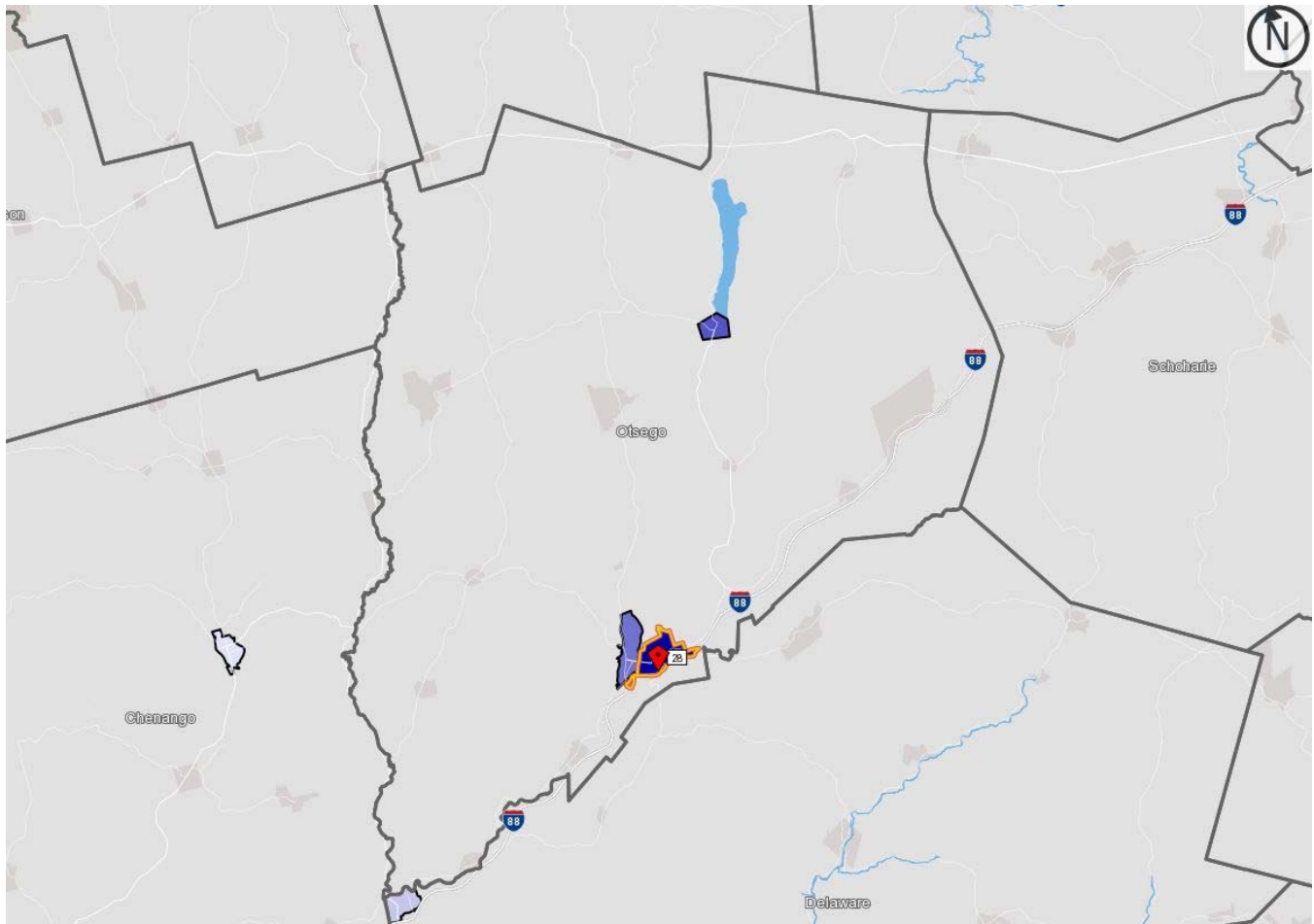
Source: US Census Bureau, August 2017

Job Counts by City



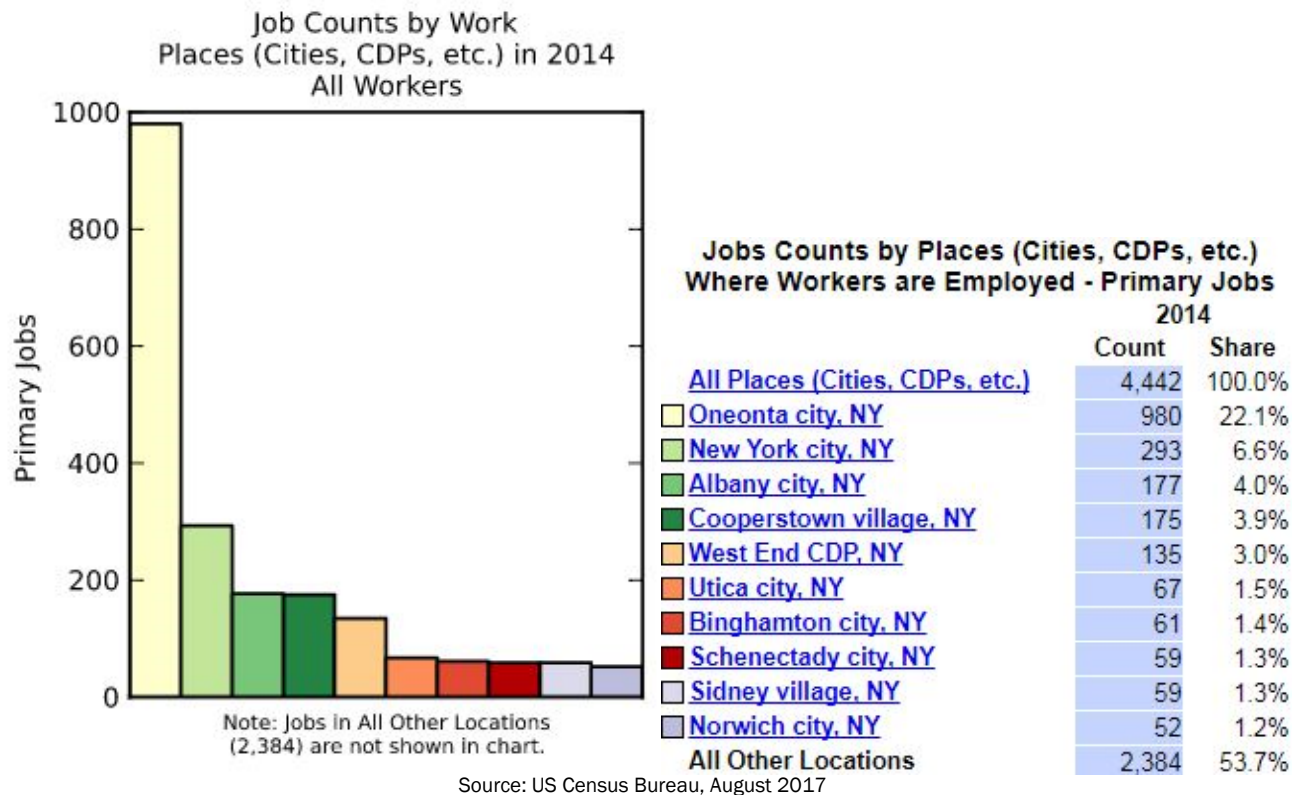
As illustrated above, the Oneonta area and Cooperstown are the main employment centers in Otsego County, with Edmeston also being home to a significant number of jobs. The top destination for Otsego County residents commuting to their primary job outside the county is New York City, followed by Albany, Sydney, Utica, Norwich, and Binghamton, respectively. Six of the top ten commuting destinations for Otsego County workers are outside of the county, accounting for 11.4 percent of all jobs for county residents. It should be noted that these counts only represent the proper definitions of the cities and CDPs, meaning there are likely more workers commuting to these metro areas than are displayed. The following map and tables illustrate the top commuting destinations by number of jobs for residents of Oneonta as of in 2014.

Top Commuting Destinations by Number of Jobs



Source: US Census Bureau, August 2017

Job Counts by City



As illustrated above, the local area and Cooperstown are the top commuting destinations within Otsego County for Oneonta residents. Outside of the county, New York City is the top commuting destination for Oneonta residents, followed by Albany, Utica, Binghamton, Schenectady, Sidney, and Norwich. These destinations outside of Otsego County account for seven of the top ten commuting destinations for Oneonta residents, and 17.3 percent of all jobs held by Oneonta residents. It should be noted that these counts only represent the proper definitions of the cities and CDPs, meaning there are likely more workers commuting to these metro areas than are displayed.

Overall, data from the US Census Bureau published in 2000 and 2014 show that many workers in Oneonta and Otsego County have been forced to look outside of Otsego County for work in recent years. This indicates that employment supply in Oneonta and Otsego County is not meeting demand from residents.

Wages by Occupation

The table below illustrates the wages by occupation in the East Central NY Non Metropolitan Area. Data specific to Otsego County was not available.

EAST CENTRAL NEW YORK NONMETROPOLITAN AREA - 2ND QTR 2015 AREA WAGE ESTIMATES

Occupation	Number of Employees	Mean Hourly Wage	Mean Annual Wage
Total all occupations	34,320	\$21.24	\$44,180
Legal Occupations	200	\$54.00	\$112,330
Management Occupations	1,430	\$45.71	\$95,070
Computer and Mathematical Occupations	240	\$34.15	\$71,030
Business and Financial Operations Occupations	890	\$32.97	\$68,570
Architecture and Engineering Occupations	200	\$32.73	\$68,080
Life, Physical, and Social Science Occupations	100	\$30.69	\$63,840
Healthcare Practitioners and Technical Occupations	1,820	\$29.53	\$61,420
Protective Service Occupations	1,950	\$27.76	\$57,740
Education, Training, and Library Occupations	2,880	\$24.96	\$51,910
Community and Social Services Occupations	980	\$24.39	\$50,740
Arts, Design, Entertainment, Sports, and Media Occupations	300	\$22.34	\$46,480
Installation, Maintenance, and Repair Occupations	1,330	\$22.21	\$46,190
Construction and Extraction Occupations	1,860	\$21.16	\$44,020
Production Occupations	1,540	\$18.48	\$38,440
Transportation and Material Moving Occupations	2,260	\$18.38	\$38,230
Sales and Related Occupations	3,540	\$17.94	\$37,310
Office and Administrative Support Occupations	5,490	\$17.22	\$35,810
Healthcare Support Occupations	1,150	\$14.56	\$30,280
Building and Grounds Cleaning and Maintenance Occupations	1,370	\$14.05	\$29,230
Personal Care and Service Occupations	1,490	\$13.99	\$29,090
Farming, Fishing, and Forestry Occupations	70	\$13.90	\$28,910
Food Preparation and Serving-Related Occupations	3,220	\$12.69	\$26,390

Source: Department Of Labor, Occupational Employment Statistics, 5/2016, retrieved 4/2017

The data presented in the previous table depicts the wages in the East Central NY MSA. The chart shows average hourly and annual wages by employment classification. The mean hourly wage across all occupations is \$21.24, which translates to an annual wage of \$44,179. The classification with the lowest average hourly wage is food preparation at \$12.69 per hour. The highest average hourly wage of \$54.00 is in legal occupations. Provided below is the estimated workers age and earnings for residents of Otsego County from 2014 U.S. Census data.

Total Primary Jobs				
	All Counties		Otsego County, NY	
	Count	Share	Count	Share
Total Primary Jobs	21,886	100.0%	21,886	100.0%

Jobs by Worker Age				
	All Counties		Otsego County, NY	
	Count	Share	Count	Share
Age 29 or younger	4,962	22.7%	4,962	22.7%
Age 30 to 54	11,297	51.6%	11,297	51.6%
Age 55 or older	5,627	25.7%	5,627	25.7%

Jobs by Earnings				
	All Counties		Otsego County, NY	
	Count	Share	Count	Share
\$1,250 per month or less	4,817	22.0%	4,817	22.0%
\$1,251 to \$3,333 per month	9,289	42.4%	9,289	42.4%
More than \$3,333 per month	7,780	35.5%	7,780	35.5%

Source: US Census Bureau, 2014

Cost of Living Index

The City of Oneonta and Otsego County cost of living is lower the national average as a whole. For comparison purposes, we have presented the cost of living in five similarly sized cities and counties throughout New York. The table following illustrates the average cost of living for each index including food, housing utilities, transportation and the overall cost of living in each city and county and compares them to the national average, which is 100.

COST OF LIVING INDEX - CITY OF ONEONTA

Index	Oneonta, NY	Oneida, NY	Amsterdam, NY	Herkimer, NY	Chenango, NY
Food	101	100	100	100	101
Housing	64	50	46	37	63
Utilities	103	102	103	111	101
Transportation	106	106	106	103	106
Health	97	96	96	104	96
Overall Cost of Living	91	86	84	82	90
Overall Population	13,862	11,134	18,008	9,901	11,003

Source: Sperling's Best Places; bestplaces.net, August 2017

COST OF LIVING INDEX - Oneonta County

Index	Otsego County, NY	Washington County, NY	Columbia County, NY	Herkimer County, NY	Genesee County, NY
Food	101	101	102	100	100
Housing	63	68	126	54	59
Utilities	103	103	102	111	103
Transportation	106	107	106	103	104
Health	97	96	97	104	97
Overall Cost of Living	90	92	110	87	88
Overall Population	60,636	62,230	61,509	63,100	58,937

Source: Sperling's Best Places; bestplaces.net, August 2017

The City of Oneonta has an overall cost of living index of 91 percent of the national average, the highest cost of living index among the surveyed New York cities. Otsego County has the third highest cost of living index among the surveyed New York counties at 90 percent of the national average.

Crime Statistics

The following table illustrates crime statistics in the City of Oneonta and in Otsego County. A value of 100 represents the national average, with values above and below 100 being higher and lower than the national average, respectively.

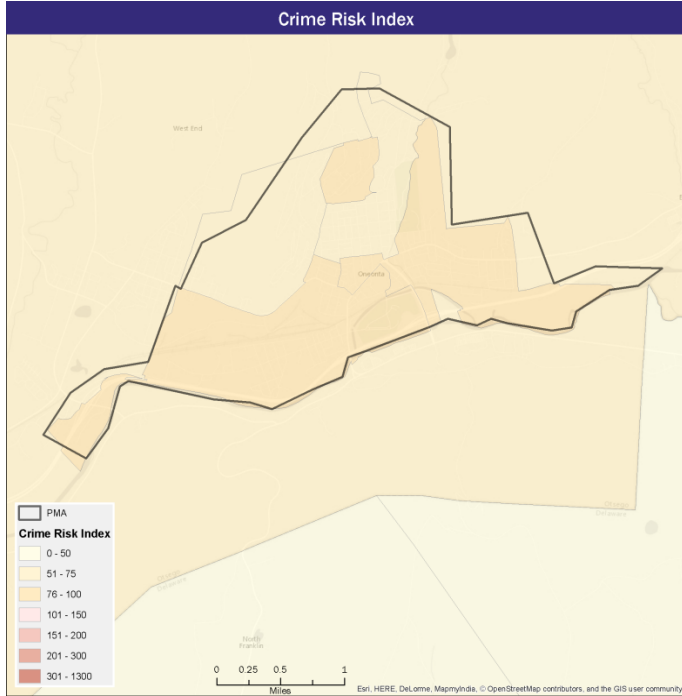
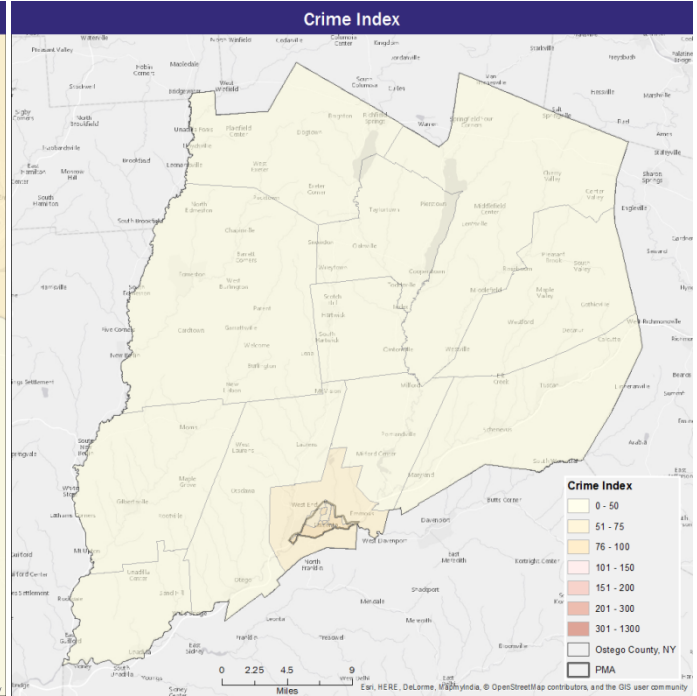
2017 CRIME INDICES

	City of Oneonta	Otsego County
Total Crime*	77	48
Personal Crime*	67	37
Murder	21	20
Rape	65	46
Robbery	20	12
Assault	91	49
Property Crime*	79	49
Burglary	67	45
Larceny	90	55
Motor Vehicle Theft	15	9

Source: Esri Demographics 2017, Novogradac & Company LLP, August 2017

*Unweighted aggregations

The total crime indices in the City of Oneonta are generally above that of Otsego County, but both areas are well below the national average. Assault is the most common crime in the City of Oneonta, while larceny is the most common crime in Otsego County. The map below illustrates crime index indices by census tract in the City of Oneonta and Otsego County, respectively.

Crime Risk Index: City of OneontaCrime Risk Index: Otsego County

Conclusion

Otsego County lost approximately 2,014 jobs, or 6.5 percent of total employment, during the national recession between 2007 and 2009, which exceeded the nation in terms of a percentage of total employment. A significant number of these job losses came in the information, wholesale trade, and agriculture/forestry/fishing/hunting sectors, which are not among the area's largest employment industries. The city and county's largest employment sectors, healthcare/social assistance, retail trade, accommodation/food services, and educational services, grew modestly in the past 17 years. Of note, the arts/entertainment/recreation sector also made marked employment gains during this period, increasing by 6.8 percent annually in the City of Oneonta and by 5.3 percent in Otsego County.

Commuting patterns in the City of Oneonta and Otsego County indicate two trends: most City of Oneonta residents are employed outside the city, while approximately 54.4 percent of county residents are employed outside of the county. Residents of Otsego County commuting outside of the county are traveling to the west and southwest, implying travel to employment centers in areas such as Binghamton and Chenango County. These commuting and employment patterns suggest that employment opportunities in Otsego County are not meeting employment demand.

IV. DEMOGRAPHIC CHARACTERISTICS

DEMOGRAPHIC CHARACTERISTICS

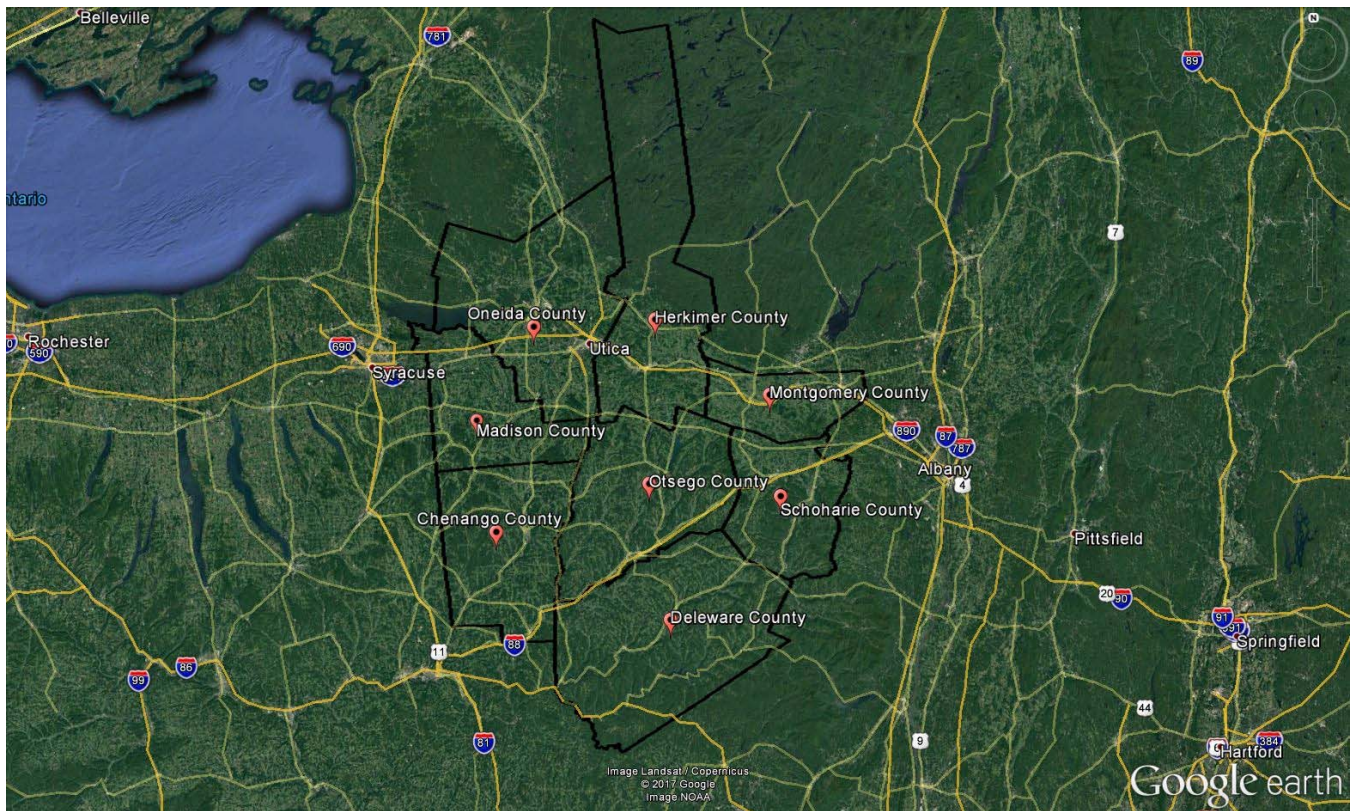
The following section will provide an analysis of the demographic characteristics within Otsego County. Data such as population, households and growth patterns will be studied to determine characteristics of Otsego County and, when available, the City of Oneonta. The discussion will also describe typical household size and will provide a picture of the health of the community and the economy. Demographic data has been obtained from ESRI Business Information Solutions, a national proprietary data provider. ESRI's methodology is outlined in the addenda.

Area of Analysis

The defined area of analysis is Otsego County. As previously mentioned, there are several cities and towns within Otsego County, including the City of Oneonta. We have compared data in the City of Oneonta to that of Otsego County for comparison purposes. Maps of the City of Oneonta and Otsego County are provided following.

Otsego County Map

The following map illustrates Otsego County and the surrounding counties.

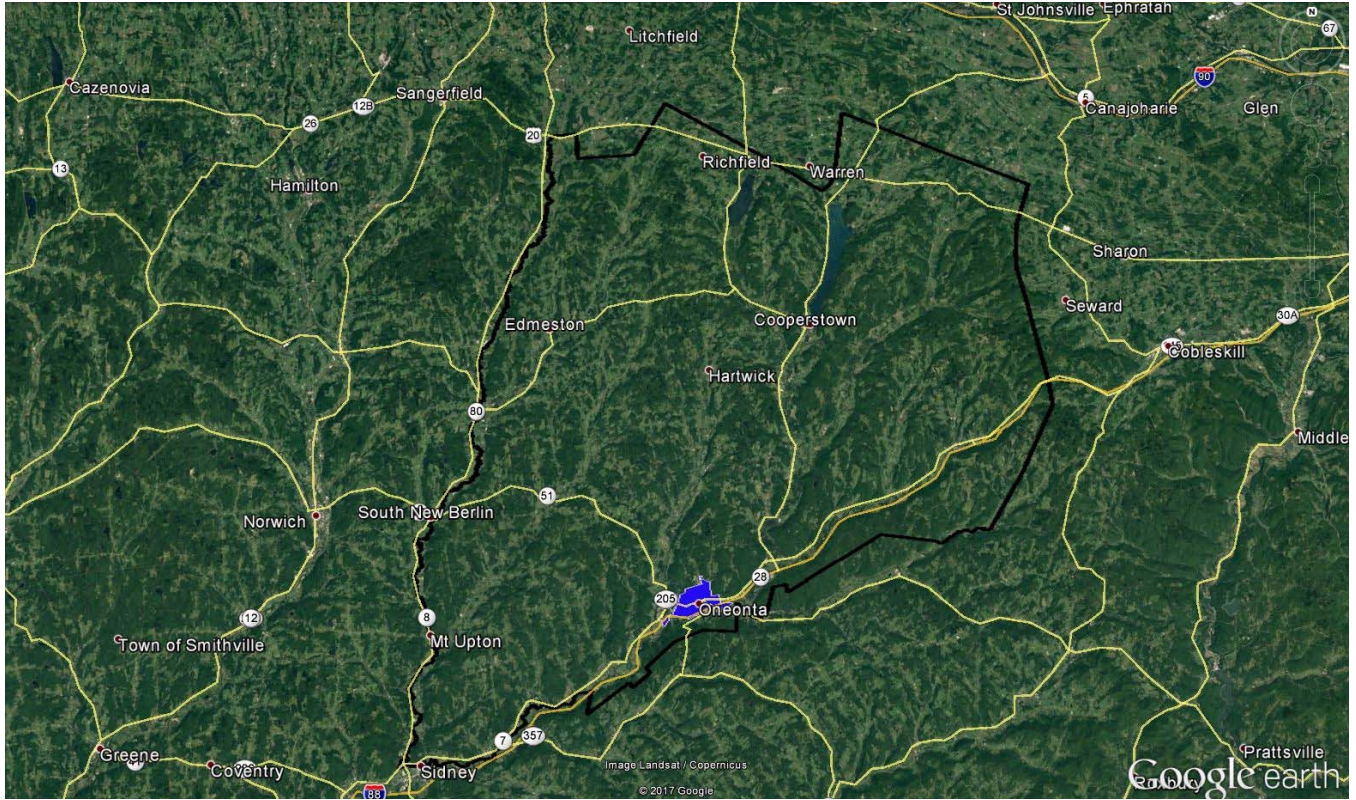


Source: Google Earth, August 2017

SUB-MARKET MAP

City of Oneonta

The following map illustrates the PMA as well as the boundaries of the City of Oneonta (shaded in blue). For the purpose of this analysis, Otsego County will serve as the PMA.



Source: Google Earth, August 2017.

POPULATION TRENDS

Total Population

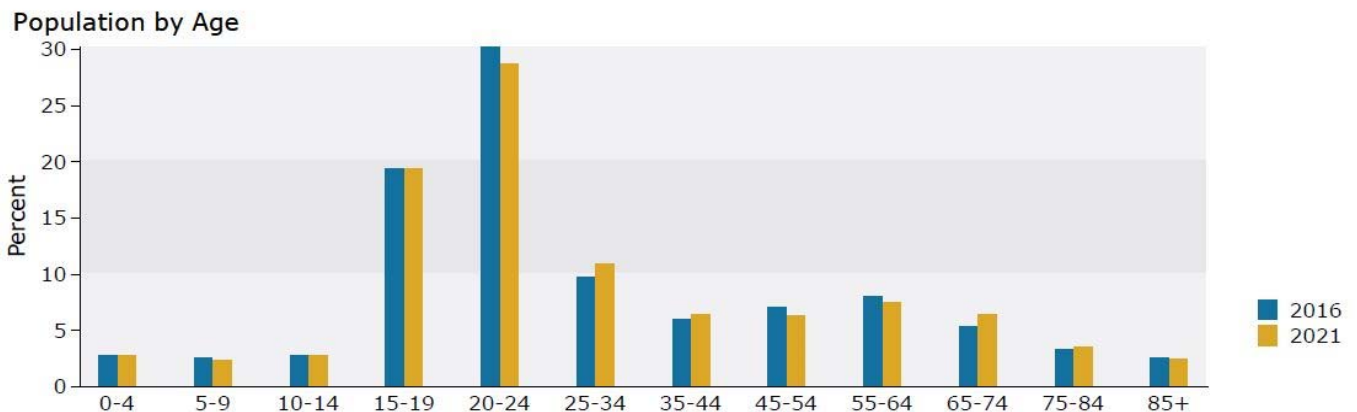
The table below illustrates total population in the City of Oneonta, Otsego County, and the nation in 2000, 2010, 2017, and 2021.

Year	City of Oneonta		Otsego County		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	13,261	-	61,675	-	281,421,906	-
2010	13,776	0.4%	62,259	0.1%	308,745,538	1.0%
2017	13,677	-0.1%	62,792	0.1%	323,580,626	0.7%
2021	13,521	-0.2%	62,632	-0.1%	337,326,118	0.8%

Source: Esri Demographics 2017, Novogradac & Company LLP, August 2017

Population within the City of Oneonta and Otsego County each increased slightly between 2000 and 2010, at rates of 0.4 percent and 0.1 percent, respectively, while population in the nation grew by one percent. Population in the City of Oneonta decreased by 0.1 percent from 2010 to 2017, while the population of Otsego County grew by 0.1 percent and the national population grew by 0.7 percent. Oneonta and Otsego County are projected to see respective population decreases of 0.2 percent and 0.1 percent between 2017 and 2021, which lags behind the national projection of 0.8 percent population growth.

Population by Age: City of Oneonta



Source: ESRI Demographics 2017, Novogradac & Company LLP, August 2017

As illustrated in the graph above, the workforce and overall population in the City of Oneonta is concentrated in the age cohorts between 15 and 64 years old. The age cohorts 25 to 34, 35 to 44, 65 to 74, and 75 to 84 are expected to grow through 2021. Conversely, the age cohorts five to nine, five to nine, 10 to 14, 20 to 24, 45 to 54, 55 to 64, and 85+ are expected to decrease slightly. Population growth is expected to be greatest in the prime work age demographics 25 to 44 and prime retirement ages 65 to 84. Notably, the population of college-aged young people is projected to remain very high, which is attributed to the universities in the area. This suggests future need for housing to accommodate students, young professionals, and senior citizens.

Senior Population

The table below illustrates total senior population in the City of Oneonta, Otsego County, and the nation in 2000, 2010, 2017, and 2021.

SENIOR POPULATION, 65+						
Year	City of Oneonta		Otsego County		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	1,562	-	9,279	-	34,991,753	-
2010	1,436	-0.8%	10,281	1.1%	40,267,984	1.5%
2017	1,539	1.0%	11,834	2.1%	48,626,793	2.9%
2021	1,699	2.1%	13,711	3.2%	57,497,878	3.6%

Source: Esri Demographics 2017, Novogradac & Company LLP, August 2017

The senior population in the City of Oneonta decreased by 0.8 percent per annum between 2000 and 2010, while the senior population increased in Otsego County and in the nation over the same period. The senior population in the City of Oneonta increased between 2010 and 2017; however, it lagged senior population growth in the county and the nation during the same time period. The senior population of the City of Oneonta is expected to continue at a rate of 2.1 percent between 2017 and 2021, though it will continue to lag senior population growth in Otsego County and the nation.

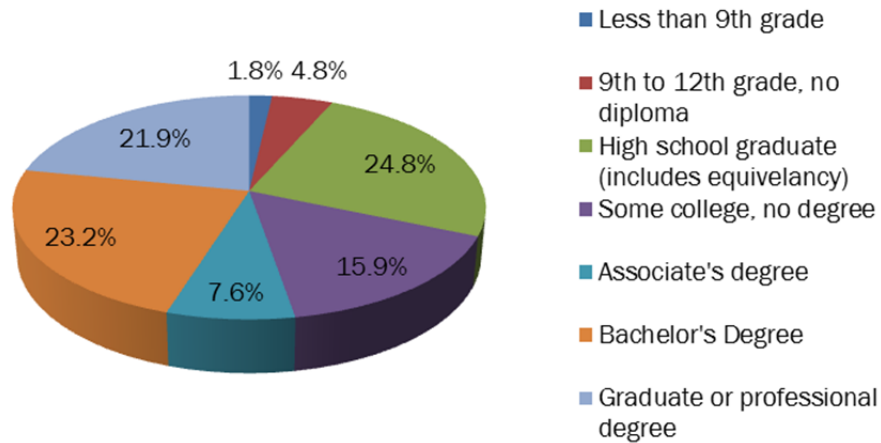
Educational Attainment

The following table illustrates Educational Attainment in the City of Oneonta and Otsego County, based on the American Community Survey.

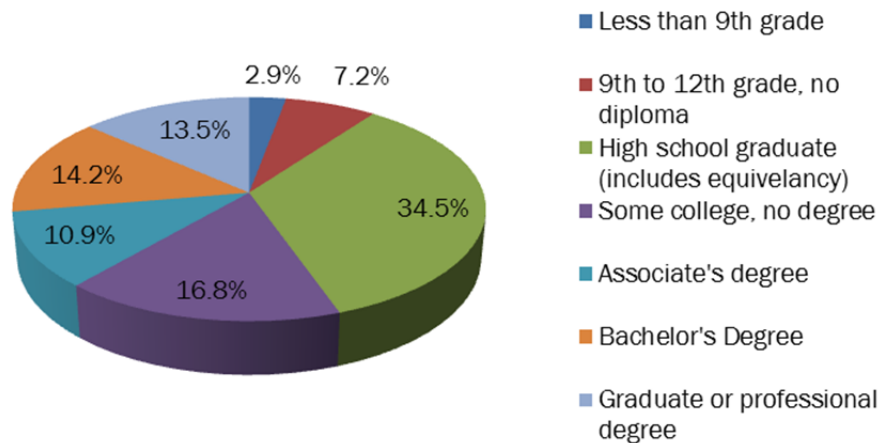
EDUCATIONAL ATTAINMENT		
	City of Oneonta	Otsego County
Population 18 to 24 Years	6,634	10,762
Less than high school graduate	2.2%	7.8%
High school graduate (includes equivalency)	17.2%	24.2%
Some college or associate's degree	78.6%	62.4%
Bachelor's degree or higher	2.0%	5.7%
Population 25 years and over	5,734	40,102
Less than 9th grade	1.8%	2.9%
9th to 12th grade, no diploma	4.8%	7.2%
High school graduate (includes equivalency)	24.8%	34.5%
Some college, no degree	15.9%	16.8%
Associate's degree	7.6%	10.9%
Bachelor's Degree	23.2%	14.2%
Graduate or professional degree	21.9%	13.5%

Source: American Community Survey 2015

2015 EDUCATIONAL ATTAINMENT - CITY OF ONEONTA, 25 AND OVER



2015 EDUCATIONAL ATTAINMENT - OTSEGO COUNTY, 25 AND OVER



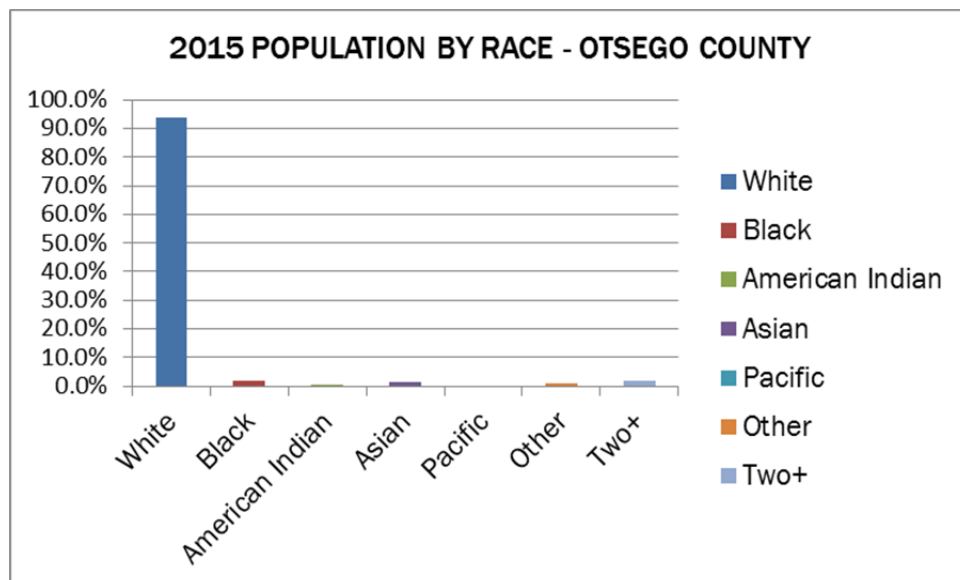
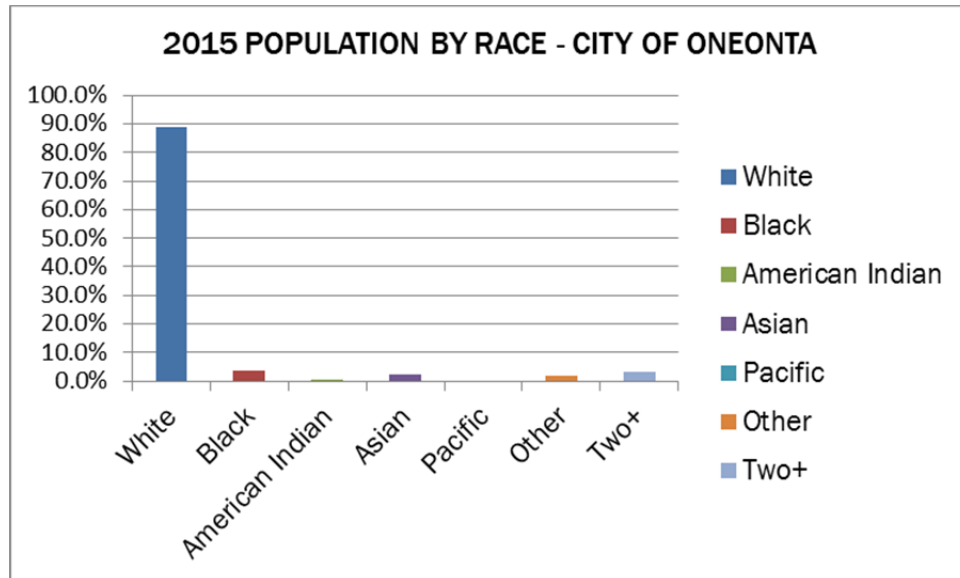
Source: American Community Survey, 2015

According to the 2015 American Community Survey, 89.9 percent of the Otsego County population over the age of 25 has at least a high school diploma, while 55.4 percent has at least some college education. Approximately 81 percent of the City of Oneonta's population had at least a high school diploma, while approximately 50 percent has at least some college education. Nationally, approximately 87 percent of the population has at least a high school diploma, while 59 percent has at least some college education.

Conversely, the City of Oneonta population has a significantly lower percentage of people with no high school diploma. 6.6 percent of the population within the City of Oneonta has less than a high school diploma, compared with only 10.1 percent in Otsego County. Nationally, approximately 12.1 percent of the population does not hold a high school diploma. This indicates a lower concentration of people without a high school diploma in the City of Oneonta than in Otsego County and in the nation.

Population by Race

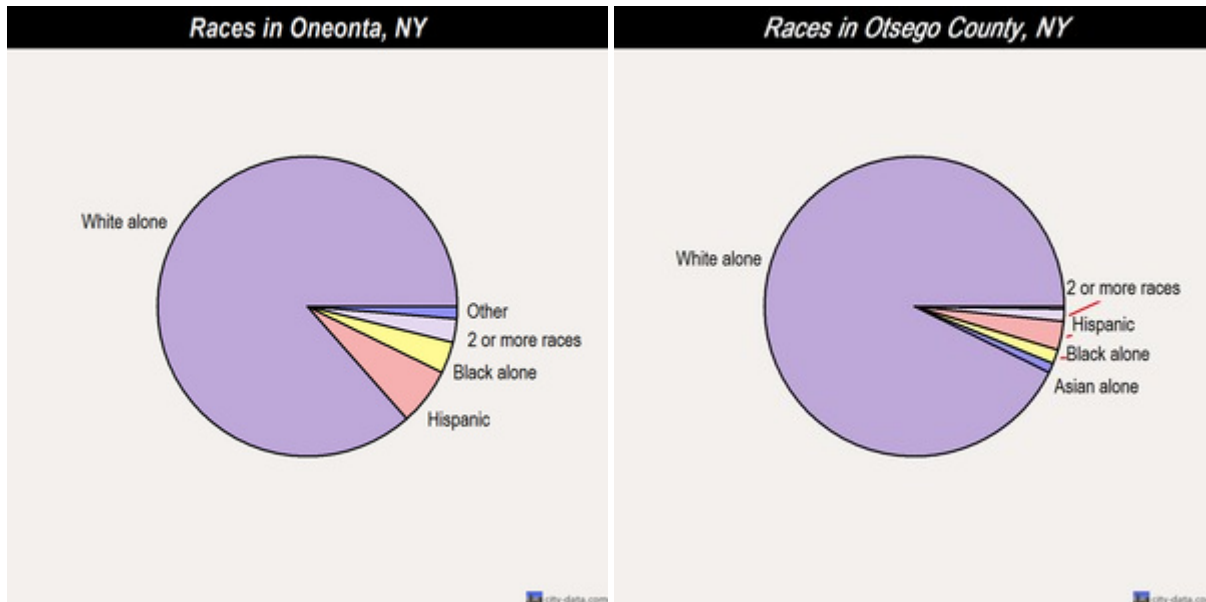
The graphs below illustrate population by race in Otsego County and the City of Oneonta.



Source: American Community Survey, 2015

Population Breakdown by Race/Ethnicity

The following tables illustrate the population by race within the City of Oneonta and Otsego County as a whole, according to 2010 census data.



As illustrated, both the City of Oneonta and Otsego County have a higher white population relative to the other races. The City of Oneonta has a greater proportion of all minority races than Otsego County.

Homeless Population

Per the HUD Point in Time Report, which counts the homeless population in New York by statistical area, a total of 86,352 homeless persons were located in New York as of January 25, 2016 (the most recent data available). According to this report, the majority of the state's homeless individuals are located in New York City. Only 276 of the state's total homeless population is located in Otsego, Broome, Delaware, Chenango, and Cortland Counties (this was the most localized data available). There are numerous resources for the homeless population in Otsego County. Otsego County Department of Social Services provides funding for the non-profit organization Opportunities for Otsego, which works to alleviate poverty in the county. Opportunities for Otsego maintains a shelter for the homeless population in Oneonta which is open 24 hours a day, seven days a week. The organization also provides a number of housing services to the area's homeless and at risk population, including temporary housing assistance, rent/mortgage assistance, housing location, counseling, assistance in speaking with landlords, budget assistance, linkage to legal services, transportation assistance, ongoing case management, and referral to other community service organizations. The Otsego County government also operates an independent Mental Health Department, which provides access to confidential services from licensed mental health professionals at its clinic in Oneonta. The clinic accepts most health insurance plans, including Medicare and Medicaid, and implements a sliding scale fee schedule for those facing financial hardship. Otsego County Department of Veterans Affairs provides localized support for the county's veterans, including transportation assistance, assistance navigating federal and state programs, employment assistance, and a discount program – all of which are available to homeless veterans.

The extent of homelessness in an area is difficult to quantify. The Census cannot track this population. The annual Point-In-Time (PIT) count is conducted by members of the Continuum of Care Network in Otsego, Broome, Delaware, Chenango, and Cortland Counties as part of its application to HUD for Continuum of Care

grant funds. The PIT count has been conducted each January since 2004. It includes homeless individuals and families who are served by the emergency shelters, transitional housing providers, clients of the drop-in center and the domestic violence shelter in the Otsego, Broome, Delaware, Chenango, and Cortland Counties. Unsheltered homeless include those who are turned away from facilities due to lack of space as well as the homeless who and may not be seeking assistance.

People who are not represented in the PIT count and are at risk of homelessness or do not fit HUD's definition of homelessness include the following groups:

- People living in hotels because they do not have permanent housing;
- People living with friends or family at the time of the count;
- People living in their cars or campsites who have not contacted an emergency shelter or transitional housing provider; and
- Unsheltered homeless who have jobs and thus are at work at the time of the count.

According to the PIT count for 2016 (the most recent made publicly available by HUD) in Otsego, Broome, Delaware, Chenango, and Cortland Counties, there were 276 homeless people in the region. This is a decrease of approximately 33 homeless persons since 2014 (the first year data was gathered for this jurisdiction), when the number of homeless persons was approximately 309. However, the homeless are a transient population and can often move from place to place so it is difficult to estimate than number of homeless in the city, county, or even the reporting region at any point in time.

Disabled Population

The number of disabled persons in Otsego County was available via disability data from the 2015 American Community Survey. According to this source, there are approximately 7,739 disabled persons in Otsego County, or 12.7 percent of the population. This figure includes six persons age five and younger, 1,275 persons between the ages of 65 and 74 years old, and 1,987 persons aged 75 and older.

HOUSEHOLD TRENDS

Total Number of Households

The table following illustrates total households in the City of Oneonta, Otsego County, and the nation in 2010, 2017, and 2021.

HOUSEHOLDS						
Year	City of Oneonta		Otsego County		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2010	4,302	0.1%	24,620	0.6%	116,716,292	1.1%
2017	4,171	-0.4%	24,716	0.1%	121,786,233	0.6%
2021	4,091	-0.4%	24,617	-0.1%	126,694,268	0.8%

Source: Esri Demographics 2017, Novogradac & Company LLP, August 2017

Total households within the City of Oneonta increased by 0.1 percent annually between 2000 and 2010, but decreased at a 0.4 percent annual rate between 2010 and 2017. Household growth has been consistent in Otsego County since 2000, but has lagged household growth in the nation. The number of households is expected to continue its decrease in the City of Oneonta, and to decrease in Otsego County, while the nation continues to grow through 2021.

Total Number of Senior Households

The table following illustrates total senior households in the City of Oneonta, Otsego County, and the nation in 2010, 2017, and 2021.

HOUSEHOLDS WITH SENIOR HOUSEHOLDER, 65+

Year	City of Oneonta		Otsego County		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2010	851	-	6,228	-	24,532,661	-
2017	942	1.5%	7,843	3.6%	30,885,675	3.6%
2021	1,006	1.4%	8,501	1.7%	35,821,103	3.2%

Source: Esri Demographics 2017, Novogradac & Company LLP, August 2017

The number of senior households in the City of Oneonta increased between 2010 and 2017, but at a slower rate than the growth of senior households in Otsego County and the nation during the same time period. The number of senior households is expected to grow in all areas through 2021. The number of senior households is expected to grow most dramatically in the nation, while senior household growth in the City of Oneonta will be slightly lower than in Otsego County.

Average Household Size

The table below illustrates average household size in the City of Oneonta, Otsego County, and the nation by number of people.

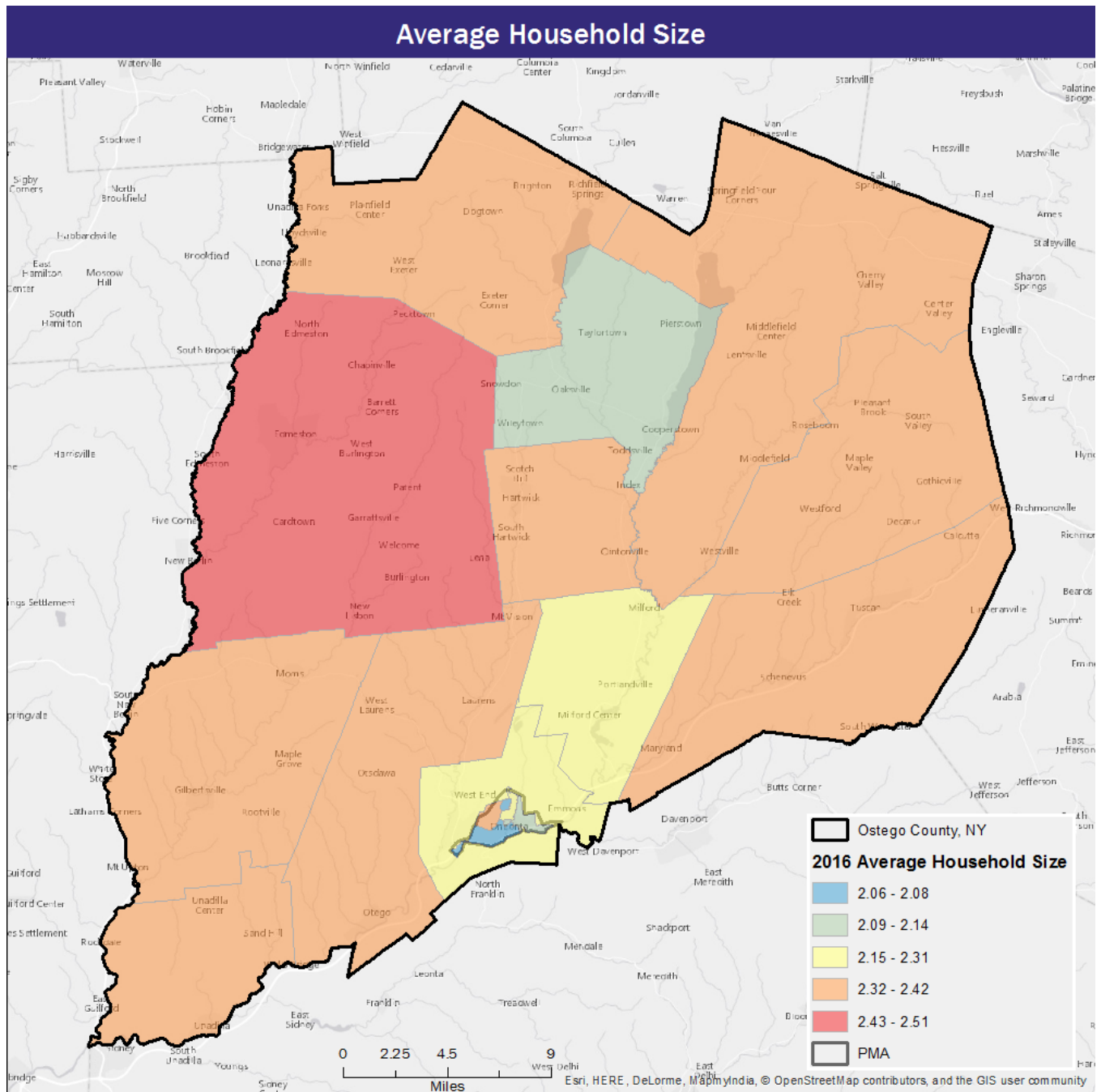
AVERAGE HOUSEHOLD SIZE

Year	City of Oneonta		Otsego County		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.20	-	2.43	-	2.59	-
2010	2.18	-0.1%	2.31	-0.5%	2.58	-0.1%
2017	2.19	0.1%	2.32	0.0%	2.59	0.1%
2021	2.20	0.0%	2.32	0.0%	2.60	0.1%

Source: Esri Demographics 2017, Novogradac & Company LLP, August 2017

As illustrated in the previous table, average household size within the City of Oneonta decreased at the same rate as the nation between 2000 and 2010, while Otsego County decreased at a faster rate. Household sizes grew by 0.1 percent in Oneonta and the nation while remaining stable in Otsego between 2010 and 2017. Both Oneonta and Otsego County are projected to maintain generally stable household sizes through 2021, while the nation is projected to grow slightly. The City of Oneonta has a smaller average household size than Otsego County and the nation.

The map on the next page illustrates average household size by number of people around Otsego County.



Median Age

The following table illustrates the median age in the City of Oneonta, Otsego County, the state of New York, and the nation from 2000 through 2021.

MEDIAN AGE

Year	City of Oneonta		Otsego County		New York		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	23.8	-	37	-	35.9	-	35.3	-
2010	24	0.8%	41	10.8%	37.9	5.6%	37.0	4.8%
2017	23.7	-1.3%	41.9	2.2%	38.7	2.1%	38.0	2.7%
2021	24	1.3%	43	2.6%	39.5	2.1%	39.0	2.6%

Source: ESRI Business Analyst 9.1, Novogradac & Company LLP April 2017.

Of the four areas of analysis, the median age is lowest in the City of Oneonta and highest in Otsego County. This is indicative of a younger population in the City of Oneonta when compared to Otsego County and the state of New York. Although all four areas of analysis are expected to experience an increase in the respective median age through 2021, the City of Oneonta is projected to experience the smallest increase therein, further widening the gap between the median age in the City of Oneonta with that in the county and the state of New York. Oneonta is expected to have a lower median age through 2021 than Otsego County, the state of New York, and the nation. By contrast, the Otsego County is expected to have the highest median age in 2021 in comparison to the City of Oneonta, the state of New York, and the nation.

Households by Number of Persons in the Household

The following tables illustrate household sizes for all households in the City of Oneonta and Otsego County.

CITY OF ONEONTA HOUSEHOLD SIZE DISTRIBUTION

	2000		2017		2021	
Household Size	Total	Percent	Total	Percent	Total	Percent
1 persons	1,502	35.4%	1,579	37.9%	1,578	38.6%
2 persons	1,358	32.0%	1,376	33.0%	1,341	32.8%
3 persons	647	15.3%	646	15.5%	629	15.4%
4 persons	470	11.1%	390	9.3%	372	9.1%
5+ persons	264	6.2%	181	4.3%	171	4.2%
Total	4,242	100.0%	4,171	100.0%	4,091	100.0%

Source: Esri Demographics 2017, Novogradac & Company LLP, August 2017

OTSEGO COUNTY HOUSEHOLD SIZE DISTRIBUTION

	2000		2017		2021	
Household Size	Total	Percent	Total	Percent	Total	Percent
1 persons	6,249	26.8%	7,759	31.4%	7,935	32.2%
2 persons	8,414	36.1%	9,268	37.5%	9,148	37.2%
3 persons	3,622	15.5%	3,664	14.8%	3,640	14.8%
4 persons	3,085	13.2%	2,488	10.1%	2,414	9.8%
5+ persons	1,922	8.3%	1,537	6.2%	1,480	6.0%
Total	23,291	100.0%	24,716	100.0%	24,617	100.0%

Source: Esri Demographics 2017, Novogradac & Company LLP, August 2017

One and two-person households represent the largest groups of households in the City of Oneonta, which is also the same for the Otsego County. One-person households are the most prevalent in the City of Oneonta, accounting for 37.9 percent of all households in 2017. By contrast, two-person households are most prevalent in Otsego County, accounting for 37.5 percent of households in 2017. Of note, three and four-person households are seen at similar rates in Otsego County and the City of Oneonta.

Renter Households by Number of Persons in the Household

The following tables show household size by renter tenure in the City of Oneonta and Otsego County, respectively.

CITY OF ONEONTA RENTER HOUSEHOLD SIZE DISTRIBUTION

Household Size	2000		2017		2021	
	Total	Percent	Total	Percent	Total	Percent
1 persons	1,057	43.6%	1,186	48.2%	1,184	48.9%
2 persons	684	28.2%	647	26.3%	623	25.7%
3 persons	399	16.5%	360	14.7%	351	14.5%
4 persons	175	7.2%	173	7.0%	173	7.2%
5+ persons	110	4.5%	94	3.8%	91	3.7%
Total	2,426	100.0%	2,460	100.0%	2,421	100.0%

Source: Esri Demographics 2017, Novogradac & Company LLP, August 2017

OTSEGO COUNTY RENTER HOUSEHOLD SIZE DISTRIBUTION

Household Size	2000		2017		2021	
	Total	Percent	Total	Percent	Total	Percent
1 persons	2,610	41.6%	3,534	49.8%	3,619	50.7%
2 persons	1,723	27.4%	1,795	25.3%	1,750	24.5%
3 persons	965	15.4%	971	13.7%	968	13.6%
4 persons	572	9.1%	473	6.7%	479	6.7%
5+ persons	410	6.5%	326	4.6%	324	4.5%
Total	6,281	100.0%	7,098	100.0%	7,140	100.0%

Source: Esri Demographics 2017, Novogradac & Company LLP, August 2017

The largest groups of renters in the City of Oneonta and Otsego County are one and two-person households. These account for approximately 74.5 and 75.1 percent of renters in the city and county, respectively. Rental household sizes in both areas are projected to stay relatively stable between 2017 and 2021. As previously noted, the median age in the City of Oneonta is below 24 years, which is attributed to the presents of colleges and universities in the city.

INCOME TRENDS

Median Household Income Levels

The table below illustrates the median household income in the City of Oneonta, Otsego County, and the nation from 2000 to 2017 and projections through 2021.

MEDIAN HOUSEHOLD INCOME

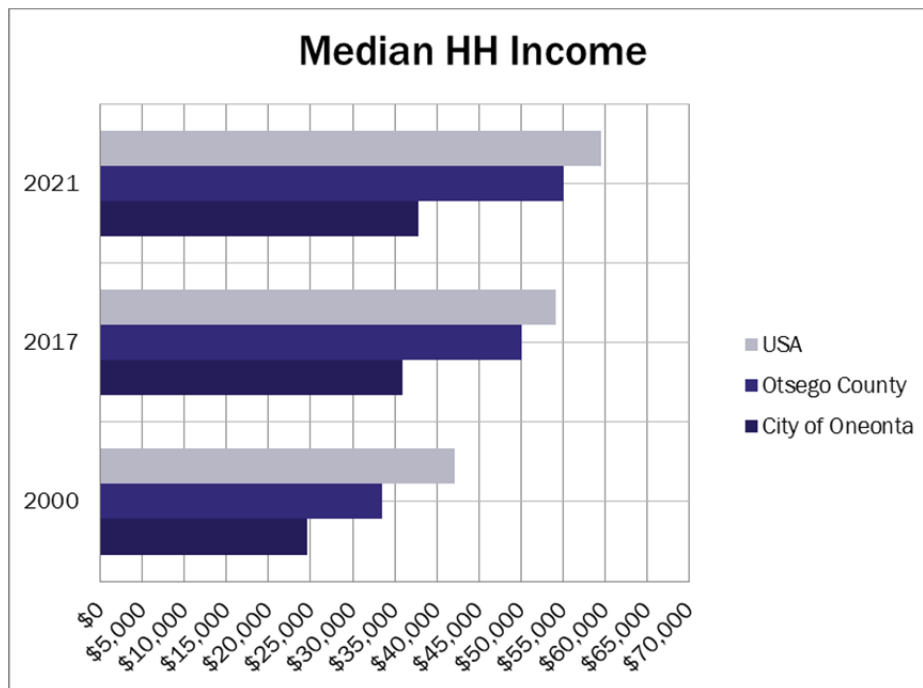
Year	City of Oneonta		Otsego County		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2000	\$24,642	-	\$33,504	-	\$42,164	-
2017	\$35,903	2.6%	\$50,033	2.9%	\$54,149	1.6%
2021	\$37,790	1.1%	\$55,033	2.0%	\$59,476	2.0%

Source: Esri Demographics 2017, Novogradac & Company LLP, August 2017

Median incomes in the City of Oneonta, Otsego County, and the nation have increased from 2000 to 2017 and are projected to continue to increase through 2021. The median income in the City of Oneonta is lower than that of Otsego County and the nation. Median income in Otsego County is also lower than the nation.

The median household income in the City of Oneonta is projected to remain below both that of the county and the nation, while median household income in Otsego County is expected to below the nation.

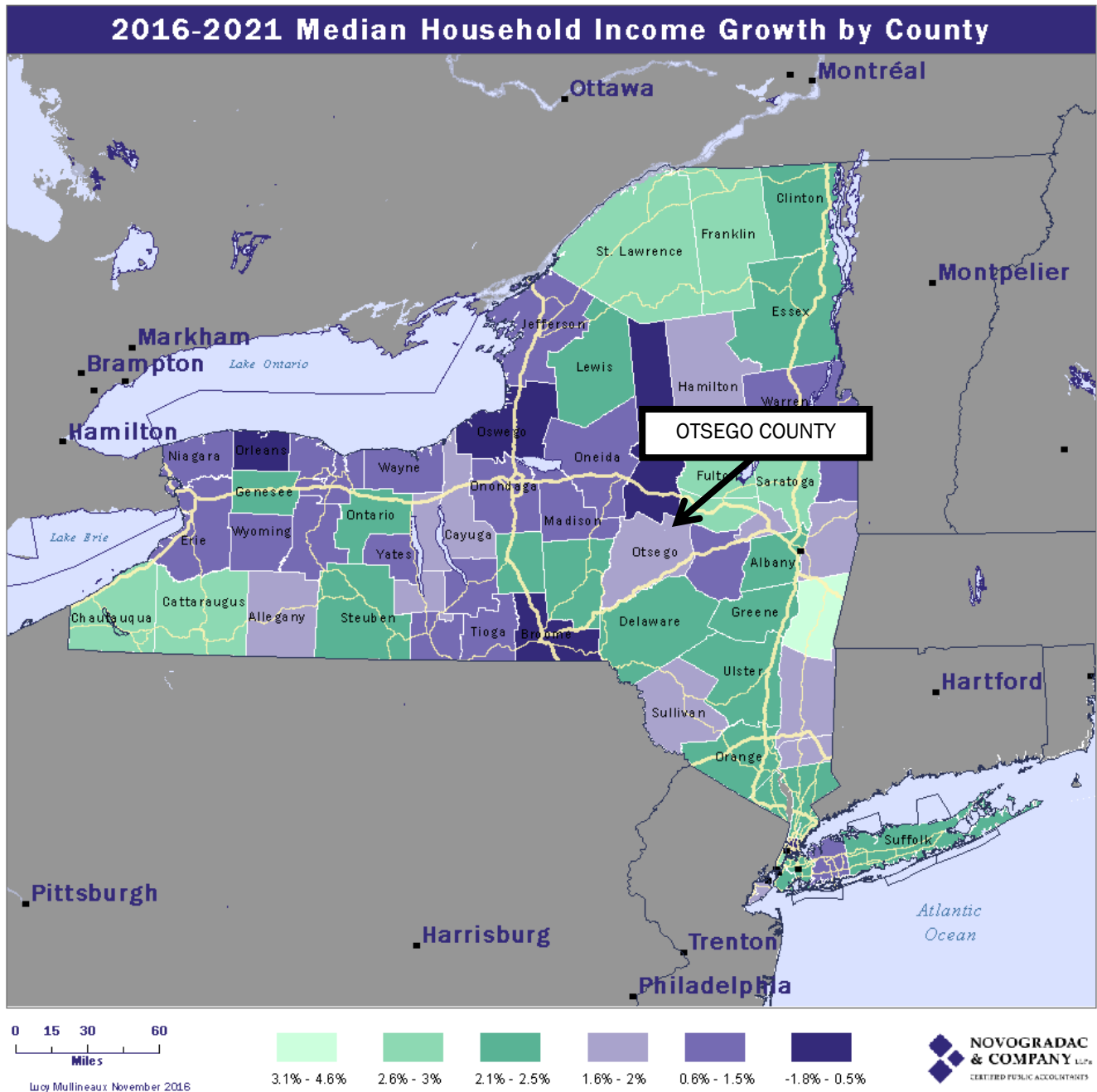
The graph below illustrates the 2017 median household income for the City of Oneonta, Otsego County, and the nation through 2021.



Median household income in Otsego County has grown closer to the national median household income since 2000 but remains below the nation. Though median household income in the City of Oneonta grew between 2000 and 2017, it remains much lower than the median household income of both the county and the nation.

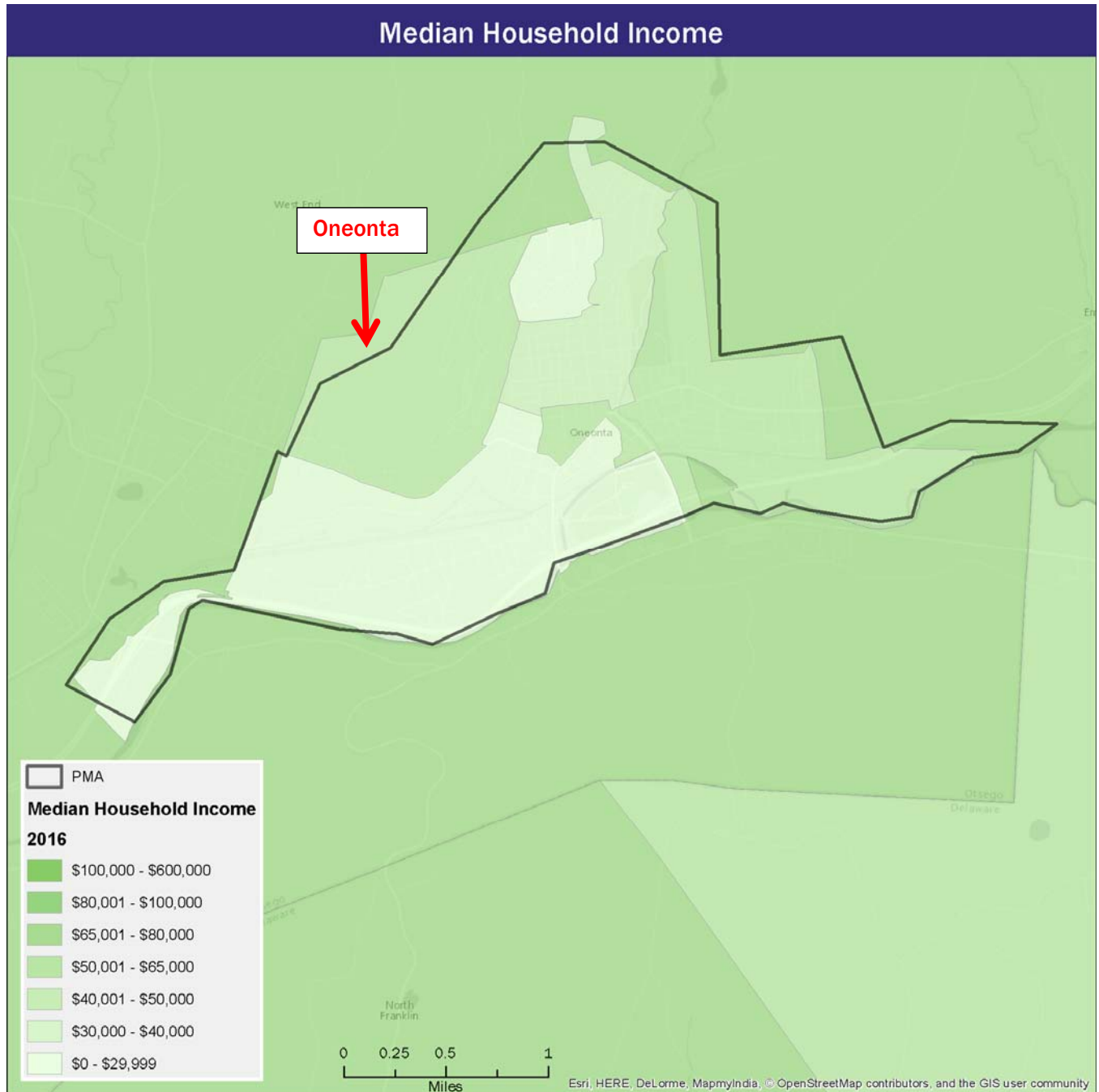
Median Household Income Maps

The following map illustrates projected median household income growth in the state of New York between 2016 and 2021.



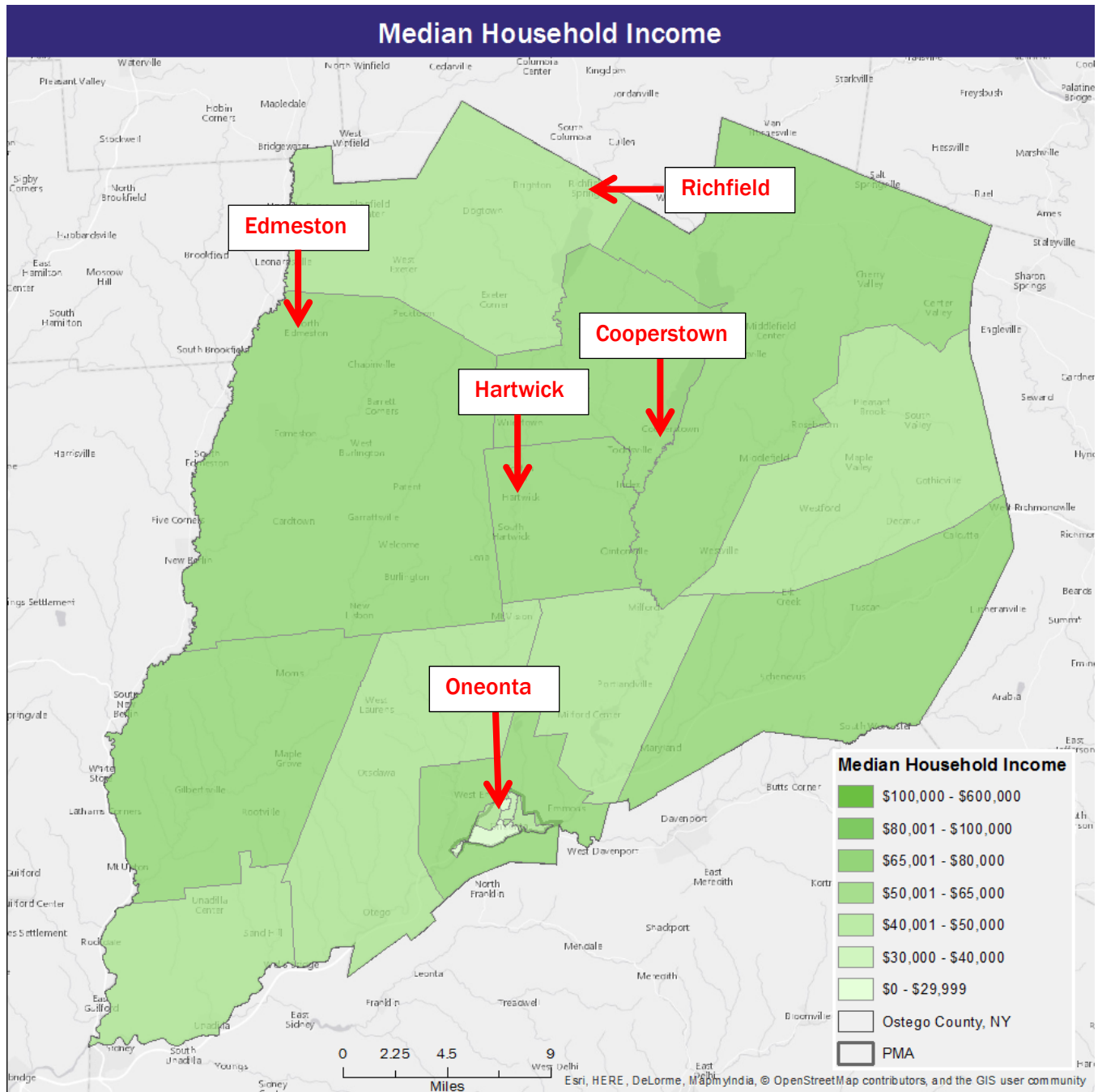
As illustrated above, Otsego County is roughly in the middle of the range of income growth projections for New York's counties. The map below illustrates the median household income distribution within the City of Oneonta as of 2016.

City of Oneonta



Median household income is generally higher in the eastern portion of the city than the western portion. Given the overlap of lower income cohorts with student housing areas, it can be inferred that students – who typically do not work full time and therefore earn less – are pulling the median income down. The median income across Oneonta is \$35,903. Given the low median household income in Oneonta relative to Otsego County as a whole, we have chosen to illustrate median household income for Otsego County to determine how the city compares.

Otsego County



As illustrated in the map above, the median household income in the City of Oneonta is lower than the median incomes earned by all of the surrounding areas of Otsego County. Surrounding areas, such as Cooperstown, Edmeston, Richfield, and Hartwick, have higher median incomes than the City of Oneonta. Demographic data and local stakeholders both indicate that the City of Oneonta has a large population of students and senior citizens, which likely pulls the median income for the area down compared to the rest of the county.

Provided below is a summary of median household income by tenure for the City of Oneonta and Otsego County based on the 2015 American Community Survey, which is the most current data available.

Median Household Income - City of Oneonta	
Owner-Occupied	\$70,323
Renter-Occupied	\$21,719

Source: American Community Survey, 2015

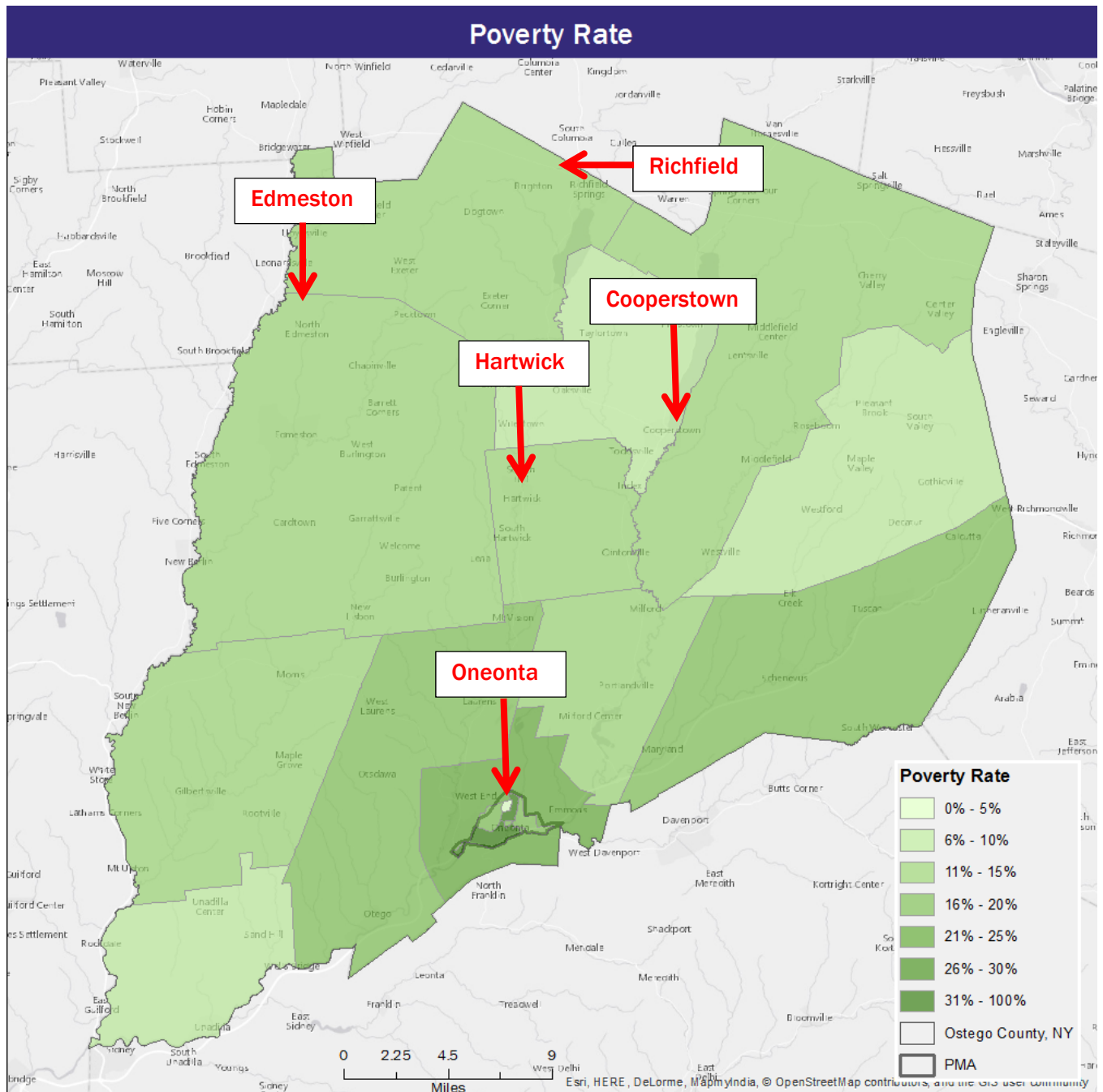
Median Household Income - Otsego County	
Owner-Occupied	\$53,286
Renter-Occupied	\$27,186

Source: American Community Survey, 2015

This data indicates that the median household income of owner-occupied units in both the City of Oneonta and Otsego County in 2015 was significantly greater than the median household income of renter-occupied units, and suggests strong demand for affordable multifamily rental housing in both areas.

Poverty Heat Map

The following map illustrates the percentage of households in poverty within Otsego County. The City of Oneonta is outlined in black.



Source: ESRI Demographics, Novogradac & Company LLP, June 2017

As illustrated in the previous map, there is moderate to high rate of poverty in Otsego county, with the City of Oneonta and the immediate surrounding area experiencing some of the highest rates in the county. Similar to the effect they have on median income data, low earning student and senior households in Oneonta may be inflating poverty data relative to the rest of the county. The 2015 American Community Survey estimates that 10.3 percent of the households in City of Oneonta earn incomes below the poverty line.

Household Income Distribution

The following tables illustrate the household income distribution of the general population in the City of Oneonta and in Otsego County as of 2017 and its projected change through 2021. The three largest income cohorts in each area are shaded in yellow.

HOUSEHOLD INCOME - CITY OF ONEONTA

Income Cohort	2017		2021		Annual Change 2017 to 2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	541	13.0%	495	12.1%	-9	-1.7%
\$10,000-19,999	654	15.7%	597	14.6%	-11	-1.7%
\$20,000-29,999	534	12.8%	494	12.1%	-8	-1.5%
\$30,000-39,999	368	8.8%	373	9.1%	1	0.3%
\$40,000-49,999	308	7.4%	291	7.1%	-3	-1.1%
\$50,000-59,999	264	6.3%	261	6.4%	-1	-0.3%
\$60,000-74,999	343	8.2%	326	8.0%	-4	-1.0%
\$75,000-99,999	399	9.6%	399	9.8%	0	0.0%
\$100,000-124,999	319	7.7%	312	7.6%	-2	-0.5%
\$125,000-149,999	168	4.0%	203	5.0%	7	4.2%
\$150,000-199,999	127	3.0%	162	4.0%	7	5.6%
\$200,000+	145	3.5%	178	4.3%	7	4.5%
Total	4,171	100.0%	4,091	100.0%		

Source: HISTA Data / Ribbon Demographics 2017, Novogradac & Company LLP, August 2017

HOUSEHOLD INCOME - OTSEGO COUNTY

Income Cohort	2017		2021		Annual Change 2017 to 2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,619	6.5%	1,520	6.2%	-20	-1.2%
\$10,000-19,999	2,747	11.1%	2,513	10.2%	-47	-1.7%
\$20,000-29,999	2,815	11.4%	2,634	10.7%	-36	-1.3%
\$30,000-39,999	2,677	10.8%	2,530	10.3%	-29	-1.1%
\$40,000-49,999	2,215	9.0%	2,234	9.1%	4	0.2%
\$50,000-59,999	2,024	8.2%	1,894	7.7%	-26	-1.3%
\$60,000-74,999	2,835	11.5%	2,697	11.0%	-28	-1.0%
\$75,000-99,999	3,074	12.4%	3,167	12.9%	19	0.6%
\$100,000-124,999	2,023	8.2%	2,143	8.7%	24	1.2%
\$125,000-149,999	1,100	4.4%	1,304	5.3%	41	3.7%
\$150,000-199,999	849	3.4%	1,038	4.2%	38	4.5%
\$200,000+	739	3.0%	943	3.8%	41	5.5%
Total	24,716	100.0%	24,617	100.0%		

Source: HISTA Data / Ribbon Demographics 2017, Novogradac & Company LLP, August 2017

The three largest income cohorts in the City of Oneonta are the three lowest bands: \$0 to \$9,999, \$10,000 to \$19,999, and \$20,000 to \$29,999. These cohorts represent approximately 41.5 percent of the population. This percentage of each is expected to decrease slightly in the next four years, but household income will continue to be concentrated in these cohorts through 2021.

The three largest cohorts in Otsego County are the cohorts between \$20,000 and \$29,999, \$60,000 to \$74,999, and \$75,000 to \$99,999. These cohorts represent approximately 35.3 percent of the population. This percentage is expected to decrease slightly in the next four years. These three cohorts will continue to represent the largest percentage of household income through 2021.

Household income in the City of Oneonta is concentrated in the lowest income cohorts, while household income in Otsego County is concentrated in the mid- to highest income cohorts. This trend will continue through 2021. Both the City of Oneonta and Otsego County are expected to experience the greatest percentage of growth in the number of households in the \$200,000+ cohort between 2017 and 2021.

Senior Household Income Distribution

The following tables illustrate the household income distribution of the senior population in Otsego County and the City of Oneonta as of 2017 and its projected change through 2021. The largest income cohorts are shaded in yellow.

SENIOR HOUSEHOLD INCOME (65+) - CITY OF ONEONTA

Income Cohort	2017		2021		Annual Change 2017 to 2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	51	5.4%	56	5.6%	1	1.8%
\$10,000-19,999	146	15.4%	143	14.2%	0	-0.3%
\$20,000-29,999	128	13.5%	133	13.3%	1	0.9%
\$30,000-39,999	97	10.3%	100	9.9%	0	0.5%
\$40,000-49,999	103	10.9%	112	11.1%	2	1.8%
\$50,000-59,999	47	4.9%	55	5.5%	2	3.6%
\$60,000-74,999	156	16.5%	156	15.5%	0	0.0%
\$75,000-99,999	66	7.0%	73	7.3%	2	2.3%
\$100,000-124,999	65	6.9%	64	6.3%	0	-0.3%
\$125,000-149,999	51	5.4%	67	6.6%	3	6.5%
\$150,000-199,999	15	1.6%	24	2.4%	2	11.3%
\$200,000+	19	2.0%	23	2.3%	1	0.0%
Total	942	100.0%	1,006	100.0%		

Source: HISTA Data / Ribbon Demographics 2017, Novogradac & Company LLP, August 2017

SENIOR HOUSEHOLD INCOME (65+) - OTSEGO COUNTY

Income Cohort	2017		2021		Annual Change 2017 to 2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	399	5.1%	424	5.0%	5	1.3%
\$10,000-19,999	1,254	16.0%	1,222	14.4%	-6	-0.5%
\$20,000-29,999	1,147	14.6%	1,170	13.8%	5	0.4%
\$30,000-39,999	1,092	13.9%	1,126	13.2%	7	0.6%
\$40,000-49,999	933	11.9%	1,023	12.0%	18	1.9%
\$50,000-59,999	537	6.8%	567	6.7%	6	1.1%
\$60,000-74,999	886	11.3%	943	11.1%	11	1.3%
\$75,000-99,999	606	7.7%	706	8.3%	20	3.3%
\$100,000-124,999	378	4.8%	464	5.5%	17	4.5%
\$125,000-149,999	247	3.1%	333	3.9%	17	7.0%
\$150,000-199,999	245	3.1%	344	4.1%	20	8.1%
\$200,000+	121	1.5%	177	2.1%	11	9.4%
Total	7,843	100.0%	8,501	100.0%		

Source: HISTA Data / Ribbon Demographics 2017, Novogradac & Company LLP, August 2017

The largest senior income cohorts in the City of Oneonta are \$10,000 to \$19,999, \$20,000 to \$29,999, and \$60,000 to \$74,999. These three cohorts represent 45.4 percent of the senior population in the City of Oneonta. There are a significant number of seniors that earn over \$50,000 in the City of Oneonta, accounting for 45.9 percent of the senior population in Oneonta. In Otsego County the largest senior income cohorts are those between \$10,000 and \$39,999. These cohorts account for approximately 44.5 percent of

the senior population in Otsego County. Senior households earning more than \$50,000 comprise approximately 38.3 percent of the county senior population. The City of Oneonta is expected to see the most senior household growth in the \$150,000 to \$199,999 cohort, while the \$200,000+ cohort is expected to see the biggest increase in Otsego County. It should be noted that growth in these larger cohorts for the senior population is not typical.

Renter Household Income Distribution

The following tables illustrate the household income distribution for renter households in the City of Oneonta and Otsego County. The three biggest cohorts in each area are highlighted in yellow.

RENTER HOUSEHOLD INCOME

City of Oneonta						
Income Cohort	2017		2021		Annual Change 2017 to 2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	465	18.9%	431	17.8%	-7	-1.5%
\$10,000-19,999	562	22.8%	518	21.4%	-9	-1.6%
\$20,000-29,999	385	15.6%	351	14.5%	-7	-1.8%
\$30,000-39,999	245	10.0%	263	10.9%	4	1.4%
\$40,000-49,999	201	8.2%	181	7.5%	-4	-1.9%
\$50,000-59,999	113	4.6%	131	5.4%	4	3.2%
\$60,000-74,999	133	5.4%	125	5.2%	-2	-1.3%
\$75,000-99,999	69	2.8%	73	3.0%	1	1.0%
\$100,000-124,999	137	5.6%	144	6.0%	1	1.0%
\$125,000-149,999	47	1.9%	59	2.5%	3	5.4%
\$150,000-199,999	42	1.7%	62	2.6%	4	9.9%
\$200,000+	60	2.4%	83	3.4%	5	7.5%
Total	2,460	100.0%	2,421	100.0%		

Source: HISTA Data / Ribbon Demographics 2017, Novogradac & Company LLP, August 2017

RENTER HOUSEHOLD INCOME

Otsego County						
Income Cohort	2017		2021		Annual Change 2017 to 2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	933	13.1%	886	12.4%	-9	-1.0%
\$10,000-19,999	1,493	21.0%	1,376	19.3%	-23	-1.6%
\$20,000-29,999	1,189	16.8%	1,128	15.8%	-12	-1.0%
\$30,000-39,999	855	12.0%	864	12.1%	2	0.2%
\$40,000-49,999	722	10.2%	729	10.2%	1	0.2%
\$50,000-59,999	423	6.0%	428	6.0%	1	0.2%
\$60,000-74,999	444	6.3%	442	6.2%	0	-0.1%
\$75,000-99,999	392	5.5%	422	5.9%	6	1.5%
\$100,000-124,999	260	3.7%	307	4.3%	9	3.5%
\$125,000-149,999	131	1.8%	173	2.4%	9	6.5%
\$150,000-199,999	132	1.9%	191	2.7%	12	8.9%
\$200,000+	123	1.7%	195	2.7%	14	11.6%
Total	7,098	100.0%	7,140	92.2%		

Source: HISTA Data / Ribbon Demographics 2017, Novogradac & Company LLP, August 2017

The largest income cohorts for renter households in both the City of Oneonta and Otsego County are the lowest three, ranging from \$0 to \$29,999. Of note, the share of rental households with incomes under \$50,000 is 75.5 and 73.1 percent in Oneonta and Otsego County, respectively. Oneonta and Otsego County are both expected to see the highest growth in rental households in the income cohorts of \$150,000 and

above from 2017 to 2012, while the three largest income cohorts for renter households in both areas are expected to slightly decrease in the next five years.

Senior Renter Household Income Distribution

The following table illustrates the household income distribution for senior renter households in the City of Oneonta and Otsego County. The largest income cohorts are shaded in yellow.

RENTER HOUSEHOLD INCOME 65+

Income Cohort	City of Oneonta				Annual Change 2017 to 2021	
	2017		2021			
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	31	7.1%	38	8.2%	2	5.1%
\$10,000-19,999	98	22.9%	98	21.0%	0	0.0%
\$20,000-29,999	61	14.3%	58	12.5%	-1	-0.9%
\$30,000-39,999	46	10.7%	53	11.4%	2	3.3%
\$40,000-49,999	33	7.6%	36	7.8%	1	2.3%
\$50,000-59,999	20	4.8%	26	5.6%	1	5.7%
\$60,000-74,999	73	17.1%	70	14.9%	-1	-1.0%
\$75,000-99,999	14	3.3%	16	3.5%	0	2.6%
\$100,000-124,999	23	5.5%	20	4.3%	-1	-2.8%
\$125,000-149,999	22	5.2%	36	7.8%	3	12.4%
\$150,000-199,999	5	1.2%	12	2.6%	1	27.5%
\$200,000+	1	0.2%	2	0.4%	0	0.0%
Total	428	100.0%	466	100.0%		

Source: HISTA Data / Ribbon Demographics 2017, Novogradac & Company LLP, August 2017

RENTER HOUSEHOLD INCOME 65+

Income Cohort	Otsego County				Annual Change 2017 to 2021	
	2017		2021			
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	147	7.6%	168	7.9%	4	2.9%
\$10,000-19,999	467	24.0%	464	21.8%	-1	-0.2%
\$20,000-29,999	347	17.9%	362	17.0%	3	0.8%
\$30,000-39,999	305	15.7%	334	15.7%	6	1.8%
\$40,000-49,999	147	7.6%	167	7.8%	4	2.7%
\$50,000-59,999	93	4.8%	100	4.7%	1	1.4%
\$60,000-74,999	150	7.7%	160	7.5%	2	1.4%
\$75,000-99,999	93	4.8%	113	5.3%	4	4.2%
\$100,000-124,999	81	4.2%	97	4.6%	3	3.9%
\$125,000-149,999	45	2.3%	68	3.2%	5	10.3%
\$150,000-199,999	47	2.4%	68	3.2%	4	8.9%
\$200,000+	19	1.0%	28	1.3%	2	9.2%
Total	1,943	100.0%	2,128	100.0%		

Source: HISTA Data / Ribbon Demographics 2017, Novogradac & Company LLP, August 2017

Senior renter households in the City of Oneonta and Otsego are primarily comprised of the lowest four income cohorts, with 55 percent of all seniors earning less than \$40,000 per year in Oneonta, and 65.2 percent in those cohorts in Otsego County. The number of lower income senior households is projected to grow in both areas in the next five years, suggesting additional need for affordable senior housing in the next five years.

Housing Cost by Area Median Income (AMI)

The table below illustrates the 2016 HOME income limits and maximum rents for Otsego County.

2016 HOME INCOME LIMITS AND MAXIMUM RENTS								
# in Household	1	2	3	4	5	6	7	8
30%	\$13,150	\$15,000	\$16,900	\$18,750	\$20,250	\$21,750	\$23,250	\$24,750
Very Low 50%	\$21,900	\$25,000	\$28,150	\$31,250	\$33,750	\$36,250	\$38,750	\$41,250
60%	\$26,280	\$30,000	\$33,780	\$37,500	\$40,500	\$43,500	\$46,500	\$49,500
Low 80%	\$35,000	\$40,000	\$45,000	\$50,000	\$54,000	\$58,000	\$62,000	\$66,000
Maximum Gross Rents by Bedroom Size								
Bedrooms	0	1	2	3	4	5	6	
Low HOME	\$547	\$586	\$703	\$812	\$906	\$1,000	\$1,093	-
High HOME	\$670	\$675	\$853	\$1,100	\$1,211	\$1,318	\$1,425	-
INFO ONLY								
Fair Market	\$631	\$655	\$824	\$1,031	\$1,221	\$1,404	\$1,587	-
50%	\$547	\$586	\$703	\$812	\$906	\$1,000	\$1,093	-
65%	\$745	\$800	\$962	\$1,102	\$1,210	\$1,317	\$1,424	-

Source: HUD, May 2017

We have utilized the data in the table above to extrapolate the housing costs for renter and owner-occupied households at various AMI levels in Otsego County. These housing costs are illustrated in the tables following.

OTSEGO COUNTY RENTAL HOUSING COST BY AMI LEVEL AND HOUSEHOLD SIZE

AMI Level	AMI In Otsego County	Affordable Rent - 30% Rent to Income	Annual Affordable Rent Expenses
<i>One-Person Household</i>			
30%	\$13,140	\$329	\$3,942
50%	\$21,900	\$548	\$6,570
60%	\$26,280	\$657	\$7,884
80%	\$34,040	\$851	\$10,212
<i>Two-Person Household</i>			
30%	\$15,000	\$375	\$4,500
50%	\$25,000	\$625	\$7,500
60%	\$30,000	\$750	\$9,000
80%	\$40,000	\$1,000	\$12,000
<i>Three-Person Household</i>			
30%	\$16,890	\$422	\$5,067
50%	\$28,150	\$704	\$8,445
60%	\$33,780	\$845	\$10,134
80%	\$45,040	\$1,126	\$13,512
<i>Four-Person Household</i>			
30%	\$18,750	\$469	\$5,625
50%	\$31,250	\$781	\$9,375
60%	\$37,500	\$938	\$11,250
80%	\$50,000	\$1,250	\$15,000
<i>Five-Person Household</i>			
30%	\$20,250	\$506	\$6,075
50%	\$33,750	\$844	\$10,125
60%	\$40,500	\$1,013	\$12,150
80%	\$54,000	\$1,350	\$16,200

OTSEGO COUNTY OWNER HOUSING COST BY AMI LEVEL AND HOUSEHOLD SIZE

AMI Level	AMI In Otsego County	Maximum Annual Housing Costs	Maximum Monthly Housing Costs ₁	Equivalent Mortgage (Present Value) ₂	Price Gap Using Median Home Value of \$142,800 ₃
<i>One-Person Household</i>					
30%	\$13,140	\$3,942	\$329	\$58,501	(\$84,299)
50%	\$21,900	\$6,570	\$548	\$97,501	(\$45,299)
60%	\$26,280	\$7,884	\$657	\$117,002	(\$25,798)
80%	\$34,040	\$10,212	\$851	\$151,550	\$8,750
<i>Two-Person Household</i>					
30%	\$15,000	\$4,500	\$375	\$66,782	(\$76,018)
50%	\$25,000	\$7,500	\$625	\$111,303	(\$31,497)
60%	\$30,000	\$9,000	\$750	\$133,563	(\$9,237)
80%	\$40,000	\$12,000	\$1,000	\$178,085	\$35,285
<i>Three-Person Household</i>					
30%	\$16,890	\$5,067	\$422	\$75,196	(\$146,345)
50%	\$28,150	\$8,445	\$704	\$125,327	(\$17,473)
60%	\$33,780	\$10,134	\$845	\$150,392	\$7,592
80%	\$45,040	\$13,512	\$1,126	\$200,523	\$57,723
<i>Four-Person Household</i>					
30%	\$18,750	\$5,625	\$469	\$83,477	(\$138,003)
50%	\$31,250	\$9,375	\$781	\$139,129	(\$3,671)
60%	\$37,500	\$11,250	\$938	\$166,954	\$24,154
80%	\$50,000	\$15,000	\$1,250	\$222,606	\$79,806
<i>Five-Person Household</i>					
30%	\$20,250	\$6,075	\$506	\$90,155	(\$52,645)
50%	\$33,750	\$10,125	\$844	\$150,259	\$7,459
60%	\$40,500	\$12,150	\$1,013	\$180,311	\$37,511
80%	\$54,000	\$16,200	\$1,350	\$240,414	\$97,614

(1) Includes all principal, interest, taxes, and insurance (including private mortgage insurance)

(2) Assumes a 30-year mortgage with a 4.5 percent interest rate

(3) Source: American Community Survey, August 2017

As illustrated in the previous table, there is a price gap among owner-occupied one two person households at the 30, 50, and 60 percent AMI levels; three and four person households at the 30 and 50 percent AMI levels; and five person households at the 30 percent AMI level.

Conclusion

The demographic data demonstrates that both the City of Oneonta is a projected area of decline in terms of population and households through 2021. However, it should be noted that both the Otsego County is a projected area of slight or stable growth in terms of population and households through 2021. One and two-person households make up the majority of households in the City of Oneonta and Otsego County. Further, one-person households represent the single largest group of households in the City of Oneonta while two-person households represent the largest group of households in Otsego County. The average household size is expected to remain stable through 2021 in both the City of Oneonta and Otsego County, and will continue to lag the nation in both areas.

The median household income in the City of Oneonta is below median household income in both Otsego County and the nation. Renter households in both the City of Oneonta and Otsego County are concentrated in the lowest income cohorts, those earning between \$0 and \$29,999. Renter household income is expected to remain concentrated in these cohorts through 2021, suggesting additional need for affordable rental

housing in both the city and the county. Median household income in Otsego County is expected to continue outpacing the City of Oneonta and lagging behind the nation through 2021, while median income in the City of Oneonta will continue to lag both the nation and Otsego County over the same period. Continued income disparity in both the city and the county further underscores the need for additional affordable rental housing in the area.

V. HOUSING SUPPLY CHARACTERISTICS

HOUSING SUPPLY CHARACTERISTICS

HOUSING MARKET OVERVIEW

Novogradac & Company LLP has studied the available housing stock in the City of Oneonta and Otsego County, including both for sale and rental products. The following section will provide general housing data as provided by the Census. Additionally, we have surveyed rental properties located in the City of Oneonta and Otsego County and will discuss various housing characteristics such as pricing, occupancy, turnover, concessions and rent growth. Data on rental properties has been collected from interviews with local property managers and owners. We have also collected data on for sale housing. This data has been collected from interviews with new home builders and Multiple Listing Service data. This data includes information on the pricing, sales pace and demand for particular unit types.

This section of the report provides a broad view of current housing trends within the various market areas (the City of Oneonta and Otsego County) for single-family, multifamily, and special needs housing.

Age of Housing Stock

The following table details the age of the area housing stock as of 2015.

AGE OF HOUSING STOCK				
	CITY OF ONEONTA		OTSEGO COUNTY	
	Number	Percent of Housing Stock	Number	Percent of Housing Stock
Built 2014 or later	4	0.1%	52	0.2%
Built 2010 to 2013	27	0.6%	208	0.7%
Built 2000 to 2009	73	1.6%	2,720	8.9%
Built 1990 to 1999	128	2.7%	3,291	10.7%
Built 1980 to 1989	217	4.6%	3,081	10.0%
Built 1970 to 1979	349	7.5%	3,092	10.1%
Built 1960 to 1969	290	6.2%	2,026	6.6%
Built 1950 to 1959	419	9.0%	1,927	6.3%
Built 1940 to 1949	389	8.3%	1,160	3.8%
Built 1939 or earlier	2,778	59.4%	13,108	42.7%
Total Housing Units	4,674	100.0%	30,665	100.0%

Source: American Community Survey, 2015

As indicated in the above table, the time period with the greatest amount of development in the City of Oneonta was before 1939. Additionally, the majority of the housing stock in Otsego County was built prior to 1959. This table illustrates that existing residential improvements in the City of Oneonta and Otsego County are older vintage and may be more likely to exhibit poor condition and functional obsolescence.

Vacant Units

The following table outlines the number of vacant units in the City of Oneonta, Otsego County, and the nation for comparison purposes.

VACANT HOUSING UNITS						
	City of Oneonta		Otsego County		USA	
For Rent	158	39.9%	615	10.0%	4,137,567	27.6%
Rented and Not Occupied	15	3.8%	45	0.7%	206,825	1.4%
For Sale	45	11.4%	514	8.3%	1,896,796	12.7%
Sold and Not Occupied	15	3.8%	127	2.1%	421,032	2.8%
Seasonal, Recreational, or	35	8.8%	3,621	58.8%	4,649,298	31.0%
Migrant Workers	0	0.0%	5	0.1%	24,161	0.2%
Other Vacant	128	32.3%	1,230	20.0%	3,652,759	24.4%
Total Vacant Housing Units	396	100.0%	6,157	100.0%	14,988,438	100.0%
Total Housing Units and Vacant Housing Units as a Percentage of Total Housing Units	3,399	11.7%	34,040	18.1%	137,928,754	10.9%

Source: Esri Demographics 2017, Novogradac & Company LLP, August 2017

As illustrated in the previous table, the City of Oneonta and Otsego County have a higher percentage of vacant housing units than the nation. Both the City of Oneonta and Otsego County have a majority of housing units built prior to 1959. The City of Oneonta has a higher percentage of renter-occupied housing than the county and the nation. The City of Oneonta has a lower median income than Otsego County and the nation, suggesting that vacancy in the City of Oneonta is due to insufficient income for general maintenance, resulting in a higher percentage of neglected housing stock. Stakeholders in the community have alluded to the high volume of seasonal rentals in the area, which is reflected in the figures for Otsego County.

The table below illustrates the median home value in the City of Oneonta, Otsego County, and the nation.

MEDIAN HOME VALUE		
City of Oneonta	Otsego County	USA
\$147,000	\$142,800	\$178,600

Source: American Community Survey, 2015

The median home value of owner-occupied homes in the City of Oneonta as of 2015 is \$147,000, according to census estimates. This is above the median home value for Otsego County, which is \$142,800. Median home values of owner-occupied homes in both the City of Oneonta and Otsego County are well below the median home value in the nation.

Substandard Units

The following table summarize statistics regarding units lacking either complete plumbing or kitchen facilities within the City of Oneonta and Otsego County, respectively.

CONDITION OF HOUSING - SUBSTANDARD KITCHEN AND/OR PLUMBING				
	CITY OF ONEONTA		OTSEGO COUNTY	
	<i>Number of Units</i>	<i>Percentage</i>	<i>Number of Units</i>	<i>Percentage</i>
Total Number of Occupied Housing Units	4,148	-	23,636	-
Lacking Complete Plumbing Facilities	12	0.3%	118	0.5%
Lacking Complete Kitchen Facilities	58	1.4%	189	0.8%

Source: American Community Survey, 2015

Substandard housing does exist in Otsego County as approximately 0.5 percent of the occupied housing units in Otsego County lack completed plumbing facilities and 0.8 percent lack complete kitchen facilities. The City of Oneonta has lower percentages of incomplete plumbing facilities at 0.3 percent, but a higher rate of units with incomplete kitchen facilities at 1.4 percent.

Tenure by Plumbing Facilities by Occupants per Room

The following table demonstrates the number of occupants per room by complete plumbing facilities in the City of Oneonta and Otsego County. As defined by the US Census Bureau, housing units with “complete plumbing facilities” are those that include hot and cold running water, a flush toilet, and a bathtub or shower.

TENURE BY PLUMBING FACILITIES BY OCCUPANTS PER ROOM				
	OTSEGO COUNTY		CITY OF ONEONTA	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Total:	23,636	100.0%	4,148	100.0%
Owner occupied:	17,352	73.4%	1,924	46.4%
Complete plumbing facilities:	17,265	73.0%	1,924	46.4%
1.00 or less occupants per room	17,088	72.3%	1,877	45.3%
1.01 to 1.50 occupants per room	122	0.5%	9	0.2%
1.51 or more occupants per room	55	0.2%	38	0.9%
Lacking complete plumbing facilities:	87	0.4%	0	0.0%
1.00 or less occupants per room	86	0.4%	0	0.0%
1.01 to 1.50 occupants per room	1	0.0%	0	0.0%
1.51 or more occupants per room	0	0.0%	0	0.0%
Renter occupied:	6,284	26.6%	2,224	53.6%
Complete plumbing facilities:	6,246	26.4%	2,212	53.3%
1.00 or less occupants per room	5,722	24.2%	1,908	46.0%
1.01 to 1.50 occupants per room	106	0.4%	15	0.4%
1.51 or more occupants per room	419	1.8%	289	7.0%
Lacking complete plumbing facilities:	38	0.2%	12	0.3%
1.00 or less occupants per room	35	0.1%	11	0.3%
1.01 to 1.50 occupants per room	1	0.0%	0	0.0%
1.51 or more occupants per room	2	0.0%	1	0.0%

Source: US Census Bureau, American Community Survey (ACS), Novogradac & Company LLP, August 2017.

As shown above, the vast majority of both owner and renter occupied households have complete plumbing facilities – units with incomplete plumbing make up less than one percent of the housing stock in both areas. The data also shows that occupancy trends overwhelmingly favor households with one occupant per room or less.

Housing Units by Structure Type

The following table details the distribution of housing by structure type within the City of Oneonta and Otsego County.

HOUSING UNITS BY STRUCTURE

Type of Structure	CITY OF ONEONTA		OTSEGO COUNTY	
	Number	Percentage	Number	Percentage
1 - Detached	2,068	44.2%	21,121	68.9%
1 - Attached	104	2.2%	370	1.2%
Duplex	901	19.3%	1,911	6.2%
Tri-Plex, Four-Plex	677	14.5%	1,640	5.3%
5 to 9 Units	378	8.1%	723	2.4%
10 to 19 Units	95	2.0%	148	0.5%
20+ Units	451	9.6%	658	2.1%
Mobile Homes	0	0.0%	4,087	13.3%
Other	0	0.0%	7	0.0%
Total	4,674	100.0%	30,665	100.0%

Source: American Community Survey, 2015

As illustrated, the majority of housing units in the City of Oneonta is single-family housing or duplex units. Otsego County has a more dramatic difference between the majority of its housing units by structure and all other housing units: single-family homes form the overwhelming majority of housing units in Otsego County followed by mobile homes. Of note, the City of Oneonta has a much higher proportion of multi-unit housing, particularly duplexes, tri-plexes, and four-plexes.

Building Permit History

The following table details building permit history for Otsego County from 2001 to June 2017, the most recent month available. Note that building permit data for the City of Oneonta was unavailable.

BUILDING PERMITS: OTSEGO COUNTY - 2001 to 2017*

Year	Single-family and Duplex	Three and Four-Family	Five or More Family	Total Units
2001	585	22	0	607
2002	659	30	0	689
2003	152	0	0	152
2004	168	0	0	168
2005	167	0	0	167
2006	16	0	0	16
2007	159	0	0	159
2008	106	0	0	106
2009	86	0	24	110
2010	62	0	0	62
2011	37	0	0	37
2012	47	0	15	62
2013	56	0	9	65
2014	48	0	133	181
2015	53	0	115	168
2016	0	0	0	0
2017*	0	0	0	0
Total	2,401	52	296	2,749
Average**	150	3	19	172

*Only includes through June 2017

** Does not include 2017 permits

Source: US Census Bureau Building Permits, August 2017

New construction permits in Otsego County have historically been concentrated in the development of single-family and duplex housing units. New construction permits for multifamily housing were greatest in 2014, when permits for multifamily housing development surpassed the number of building permits for single-

family and duplex units for the first time. No building permits were issued for multifamily units in 2016 or year-to-date 2017. Issuance of building permits slowed beginning in 2008, but had recovered to pre-recession levels before a complete stop in 2016. This is consistent with interviews among local stakeholders. Of the limited number of issued permits since 2008, single-family construction has been most prevalent, accounting for approximately 56.7 percent of all building permits in Otsego County between 2008 through June 2017.

Tenure Patterns

The tables below illustrate the breakdown by household tenure within the City of Oneonta and Otsego County for 2000, 2017, and 2021.

TENURE PATTERNS - CITY OF ONEONTA

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	1,816	42.8%	2,426	57.2%
2017	1,711	41.0%	2,460	59.0%
2021	1,670	40.8%	2,421	59.2%

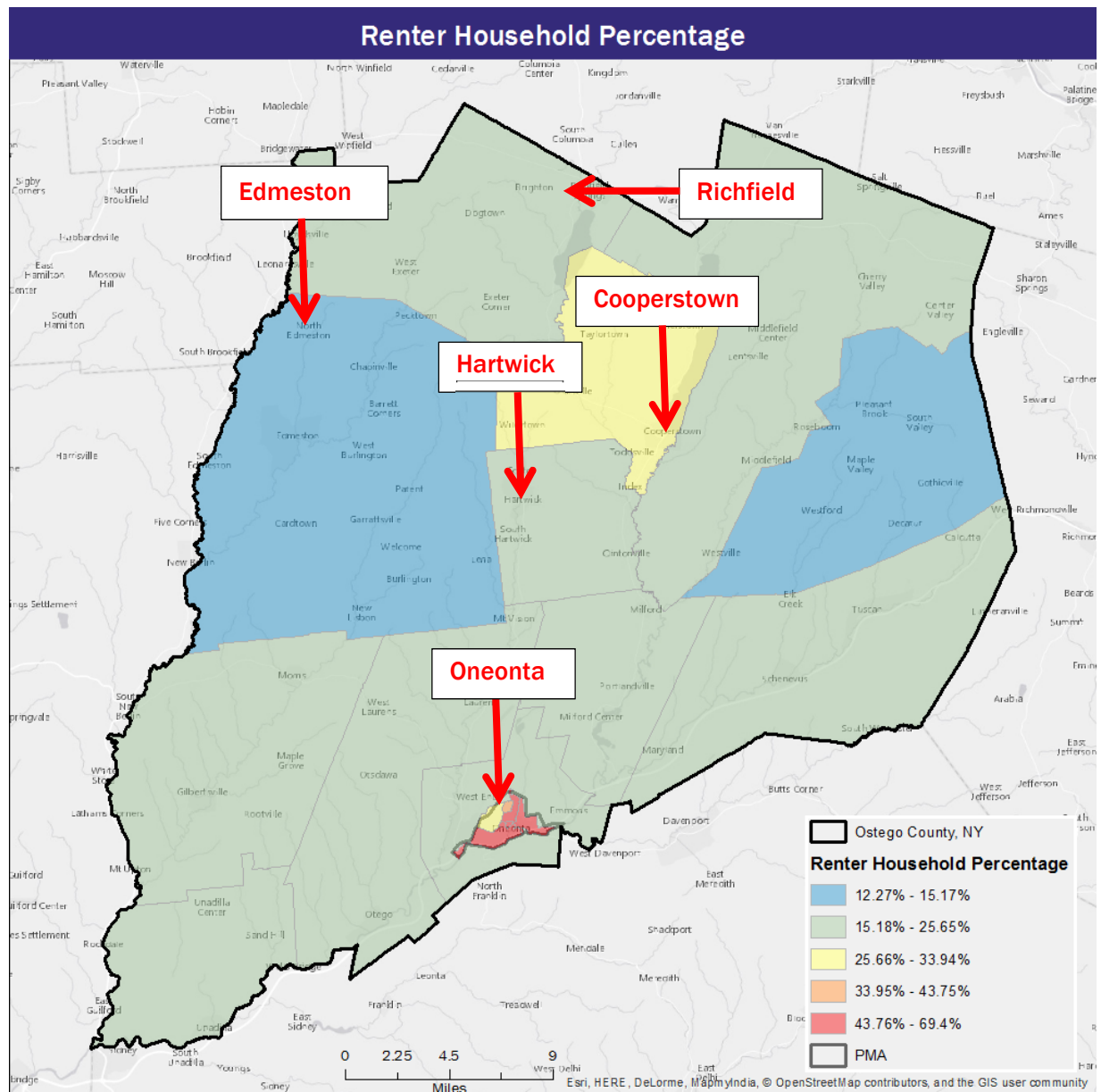
Source: Esri Demographics 2017, Novogradac & Company LLP, August 2017

TENURE PATTERNS - OTSEGO COUNTY

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	17,010	73.0%	6,281	27.0%
2017	17,618	71.3%	7,098	28.7%
2021	17,477	71.0%	7,140	29.0%

Source: Esri Demographics 2017, Novogradac & Company LLP, August 2017

As illustrated in the previous tables, approximately 41 percent of total households in the City of Oneonta are owner-occupied, while 59 percent are renter-occupied. Conversely, in Otsego County 71.3 percent of housing units are owner-occupied and 28.7 percent of housing units are renter-occupied. Nationally, renter-occupied housing accounts for approximately one third of available housing units. Therefore, renter-occupied housing is more common in the City of Oneonta than in the nation, while renter-occupied housing in Otsego County is less common than in the nation.



The largest concentrations of rental housing units are seen in the City of Oneonta, with another pocket of elevated rental rates seen near Cooperstown.

Public Assistance Summary

The table below summarizes the number of households in the City of Oneonta and Otsego County receiving some kind of public assistance.

SSI, SNAP, PUBLIC ASSISTANCE SUMMARY

Households with SSI, SNAP, and/or Cash Public Assistance Income	CITY OF ONEONTA		OTSEGO COUNTY	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
Total Households	943	22.7%	4,290	18.2%

Source: American Community Survey, 2015

As illustrated, the percentage of households in the City of Oneonta is slightly higher than the percentage of households receiving assistance income in Otsego County.

SINGLE-FAMILY MARKET CHARACTERISTICS

The housing market in Otsego County, particularly in the City of Oneonta, is largely characterized by housing stock in poor to average condition. In Oneonta, short supply of quality housing stock has driven home prices up relative to the county, even though the majority of the local housing stock was constructed prior to 1939. The average sales price has remained relatively stable, and area inventory is at a five-year low, indicating that real estate that there is significant demand for homes in good condition. This data is consistent with information received from local stakeholders, who have noted that quality properties tend to sell quickly, but are fairly low in number. Given the declining inventory, low quality of local housing supply, and noted demand for homes in good condition, significant rehabilitation of the area's housing stock is needed.

Value of Owner-Occupied Housing Units

The following table illustrates the value of owner-occupied housing units within the City of Oneonta and Otsego County.

VALUE FOR OWNER-OCCUPIED HOUSING UNITS

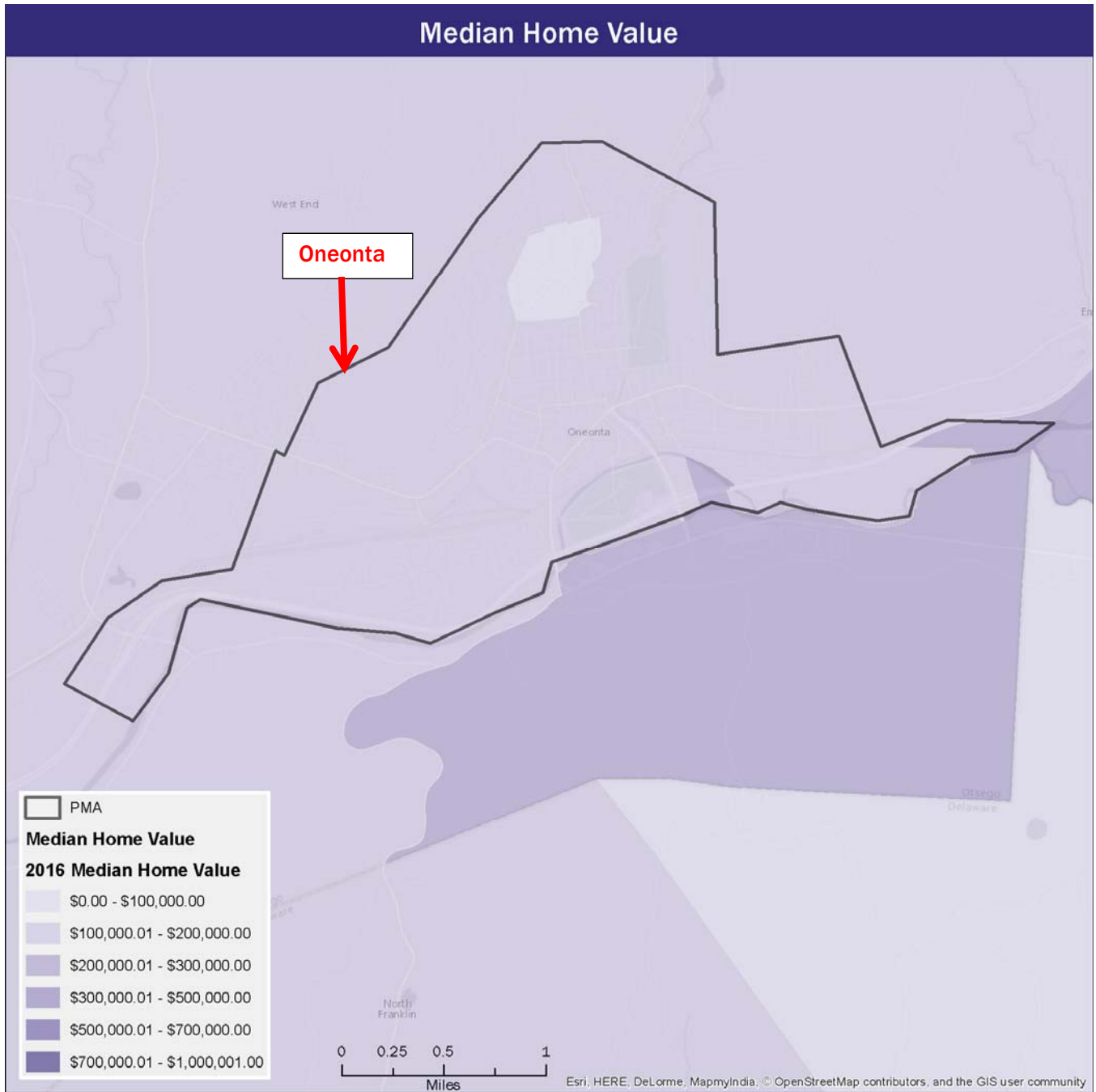
<i>Value</i>	CITY OF ONEONTA		OTSEGO COUNTY	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
Less than \$50,000	43	2.2%	1,727	10.0%
\$50,000 to \$99,000	375	19.5%	3,594	20.7%
\$100,000 to \$149,000	581	30.2%	3,812	22.0%
\$150,000 to \$199,999	586	30.5%	3,220	18.6%
\$200,000 to \$299,999	257	13.4%	2,892	16.7%
\$300,000 to \$499,999	48	2.5%	1,494	8.6%
\$500,000 to \$999,999	15	0.8%	517	3.0%
\$1,000,000 or more	19	1.0%	96	0.6%
Total	1924	100.0%	17,352	100%

Source: American Community Survey, 2015

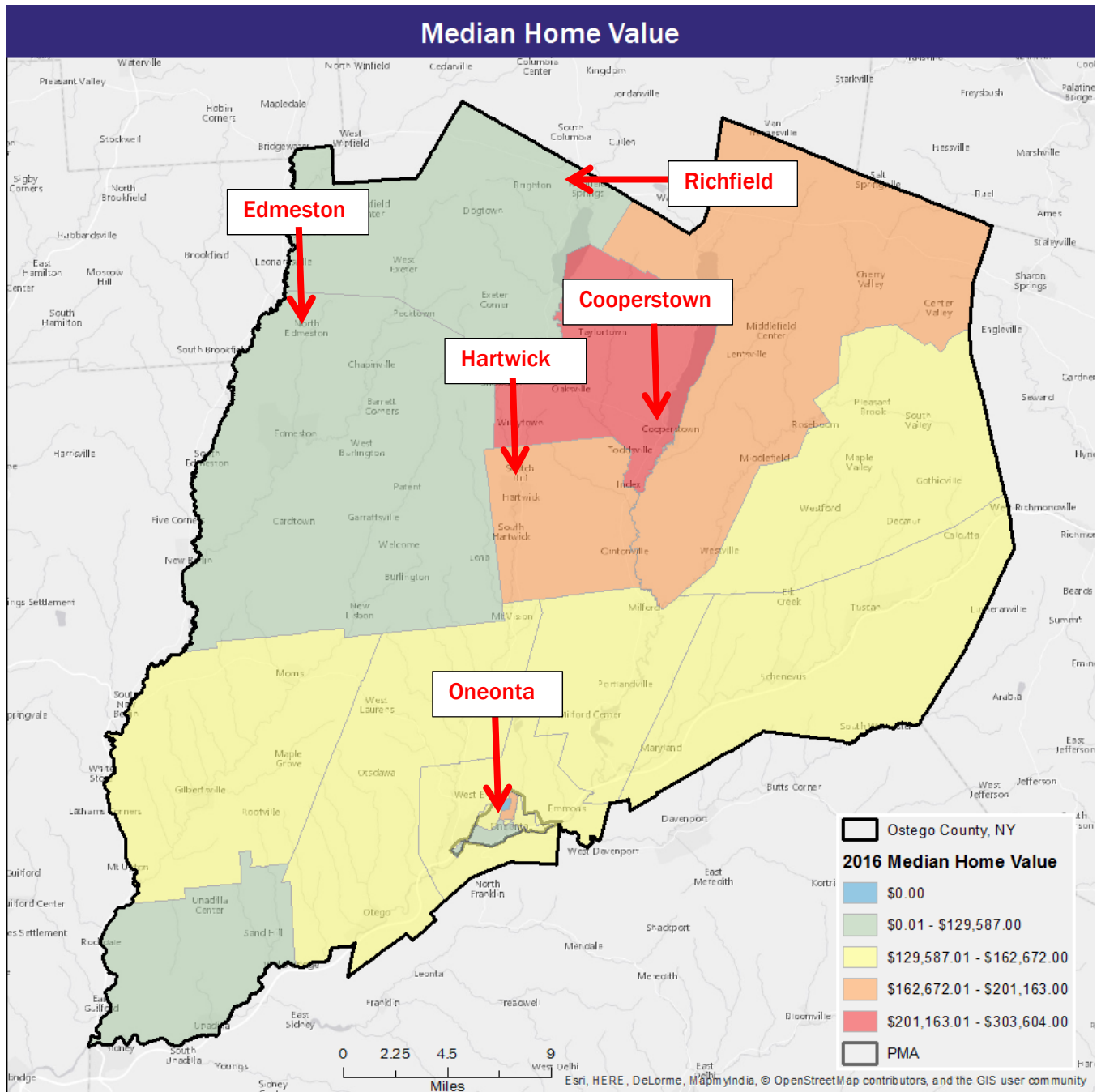
As shown above, the majority of the housing units in the City of Oneonta are valued at \$149,999 or less. The largest cohorts are between \$100,000 and \$199,999. Home values in Otsego County are lower and more varied among cohorts, and the majority of the housing units in the county are still valued at \$149,999 or less. The largest cohorts are between \$50,000 and \$149,999.

The following map illustrates the median home values in the City of Oneonta and Otsego County, respectively.

City of Oneonta



Otsego County



Home values are relatively consistent across the city of Oneonta at the \$100,000-\$200,000 level. There is a pocket of higher valued homes, in the \$200,000-\$300,000 range, immediately to the south and southeast of the city.

As previously discussed, Otsego County is similar to the PMA. The highest home values in Otsego County outside of Oneonta are concentrated in the northeast portion of the county, in and around Cooperstown. The

lowest home values in Otsego County outside of the City of Oneonta are concentrated in the northwestern portion of the county near Richfield and Edmeston.

Sales

We were able to obtain information about home sales in the Otsego County area from several resources, including: Trulia, Realtor.com, Zillow.com, and the New York State Association of Realtors, Inc.

Median Sales Price – Otsego County, NY

The following table demonstrated the median sales price in Otsego County and the state of New York from 2012 to 2016. The most recent data available.

2016 Annual Report on the New York State Market

Area Historical Median Prices

 nysar
New York State Association of REALTORS®, Inc.

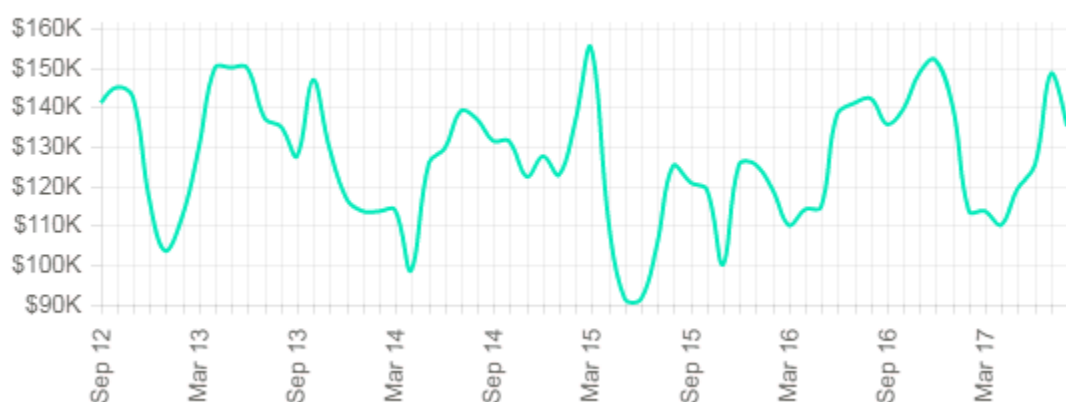
	2012	2013	2014	2015	2016	Change From 2015	Change From 2012
New York State	\$211,999	\$225,000	\$225,000	\$230,000	\$235,000	+ 2.2%	+ 10.8%
Otsego	\$125,000	\$120,500	\$119,500	\$125,000	\$125,000	0.0%	0.0%

As illustrated, the median sales price of a home in Otsego County was \$125,000 in 2016, which was similar to the median sales price in 2015 and slightly higher than the median sales price 2014. According to zillow.com, the median sales price of a single-family home in Otsego County is \$116,900, which is an approximate 0.5 percent decrease from the previous year.

The graph table demonstrated the median sales price in the city of Oneonta from September 2012 to March 2017, the most recent data available. It should be noted that this data was not available for Otsego County.

City Oneonta, NY

Median Sales Price



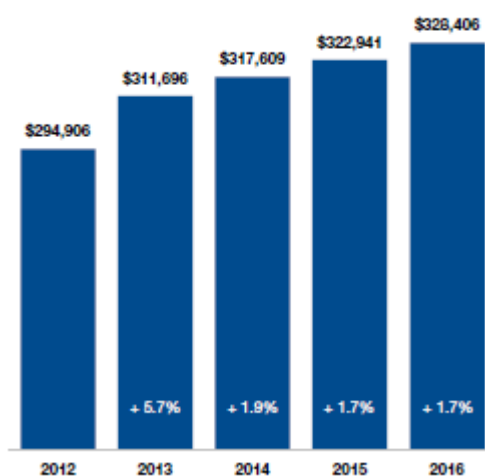
No. Bedrooms	May 24 - Aug 23	y-o-y	3 months prior	1 year prior	5 years prior
1 Bedroom	-	-	-	\$74,000	-
2 Bedroom	\$135,051	+ 22.8%	\$70,000	\$110,000	\$51,000
3 Bedroom	\$114,700	-19.2%	\$136,629	\$142,000	\$139,250
4 Bedroom	\$169,600	+ 7.0%	\$168,650	\$158,500	\$174,200
All Properties	\$160,000	+ 7.9%	\$125,258	\$148,250	\$139,250

Source: Trulia, 10/2017

According to trulia.com, the median sales price of a single-family home in the city of Oneonta is \$160,000, which is a 9.2 percent increase from the previous year, which was at \$148,250. Additionally, the median sale price in the city of Oneonta is still above the median sales price in 2012.

Our interviews with local realtors affirmed this data, suggesting home prices are decreasing in the Oneonta and throughout Otsego County. The following table demonstrated the median sales price in the state of New York from 2012 to 2016, the most recent data available.

Average Sales Price



Source: New York State Association of Realtors Inc.

As shown in the graph above, the 2016 average sales price in New York was above the average sales price since 2012. Further, the average sales price in 2016 was \$328,406, which was significantly higher than both the city of Oneonta and Otsego County. Thus, it appears that the state of New York as a whole is outperforming both areas in terms of sales price.

Inventory of Homes for Sale – Otsego County

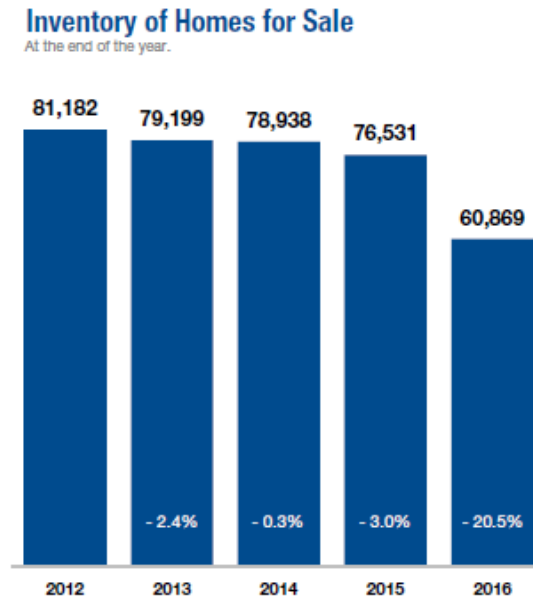
The following table demonstrated the inventory of homes for sale in Otsego County from Q2 2016 to July 2017, the most recent data available.

Inventory of Homes for Sale Otsego County, NY									
2017			2016				2015		
Jul-17	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
667	649	532	517	696	790	688	658	896	903

Source: New York State Association of Realtors Inc, Novogradac & Company LLP, 8/2017

As shown above, the number of sales per month in Otsego County has steadily increased since Q4 2016. Further, the number of sales per month reached its high of 903 in Q2 2015.

The following graph demonstrates the number of home sales in New York over the past five years.



Source: New York State Association of Realtors Inc.

As shown above, the 2016 inventory of homes for sale in the state of New York is below the number of home sales over the last five years, similar to Otsego County.

Months Supply of Inventory – Otsego County

The following table demonstrates the months supply of home sales in Otsego County from Q2 2017 to July 2017, the most recent data available.

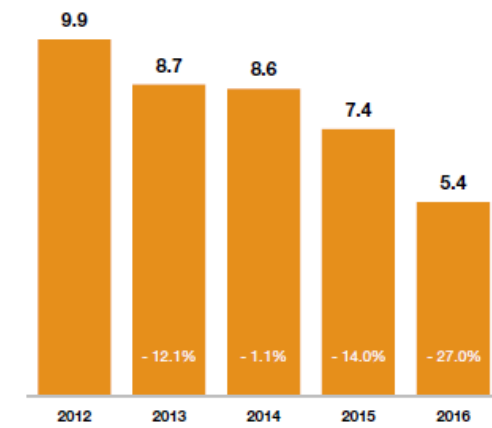
Months Supply of Homes for Sale Otsego County, NY									
2017			2016				2015		
Jul-17	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
15.0	14.4	11.5	11.0	15.3	17.9	15.9	15.9	23.3	25.3

Source: New York State Association of Realtors Inc, Novogradac & Company LLP, 8/2017

As shown above, the months supply of homes for sale in Otsego County has steadily increased since Q4 2016. Further, the months supply of homes for sale reached its high of 25.3 in Q2 2015.

The following graph demonstrates the months supply of home sales in New York over the past five years.

Months Supply of Inventory

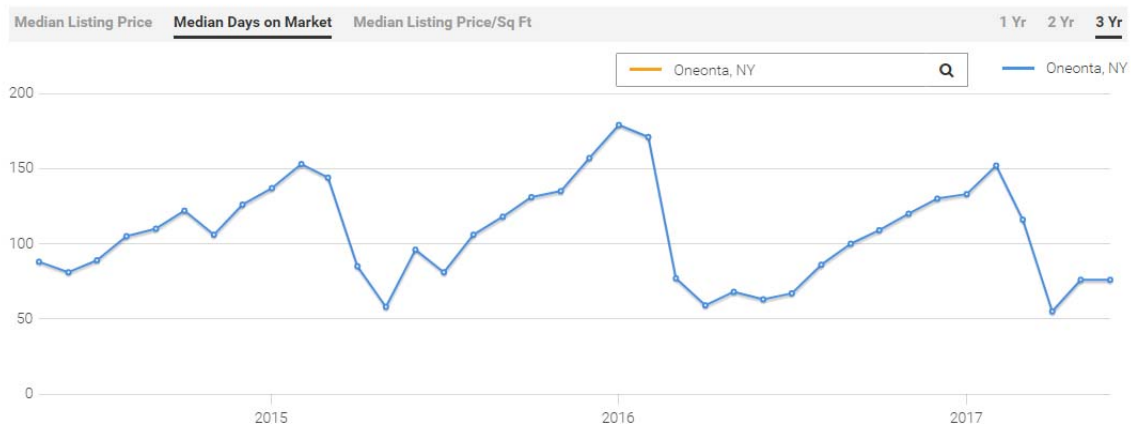


Source: New York State Association of Realtors Inc.

As shown in the graph above, the months supply of inventory in the state of New York is below the number of months supply of inventory over the last five years, similar to Otsego County.

Days on Market Until Sale – Otsego County

Oneonta, NY Real Estate Market Trends



Source: Realtor.com, 8/2017

The chart above illustrates the number of days homes in the Oneonta area remained on the market prior to their sale. Additionally, single-family homes remained on the market for approximately 175 days in 2016, which represents a decrease of about 25 days from 2015. Overall, the number of days single-family homes have remained on the market has generally decreased since 2015. According to Barbara Roberts, a real estate broker with Keller Williams Upstate NY Properties, the average days on market in the city of Oneonta and Otsego County are 148 and 150, respectively.

Current Listings

The following table illustrates the current listings of housing for sale within the City of Oneonta. This data was gathered from various realtor websites.

CLASSIFIED LISTINGS - CITY OF ONEONTA			
Address	Bedrooms	Type	List Price
27 Wisteria Avenue	0	SFH	\$25,900
29 Linden Avenue	1	SFH	\$124,900
2165 Kelly Corners Road	1	SFH	\$219,000
Average Studio & 1BR			\$123,267
6 Boylston Street	2	SFH	\$39,900
5679 State Highway 7	2	SFH	\$124,000
119 County Highway 11	2	SFH	\$113,400
7 Woodside Avenue	2	SFH	\$129,900
133 Old Southside Drive	2	SFH	\$130,148
44 Church Street	2	SFH	\$74,900
54 Richards Avenue	2	SFH	\$125,500
1 Ceperley Avenue	2	SFH	\$119,900
6 Cleveland Street	2	SFH	\$119,000
5692 State Highway 7	2	SFH	\$134,900
13 Hickory Street	2	SFH	\$79,000
184 Lower Reservoir Road	2	SFH	\$845,000
Average 2BR			\$156,581
282 Winnet Hill Road	3	SFH	\$79,000
13 W Wend Avenue	3	SFH	\$129,000
32 High Street	3	SFH	\$159,000
300 Chestnut Street	3	SFH	\$74,900
6 Lonergan Avenue	3	SFH	\$89,000
6 3rd Street	3	SFH	\$99,500
4 Spencer Drive	3	SFH	\$164,500
9 Draper Street	3	SFH	\$129,500
14 Madison Avenue	3	SFH	\$136,900
5 Raymond Avenue	3	SFH	\$74,900
138 Winney Hill Road	3	SFH	\$125,900
25 Central Avenue	3	SFH	\$95,000
27 Central Avenue	3	SFH	\$129,000
110 Spruce Street	3	SFH	\$110,000
131 Oneida Street	3	SFH	\$144,900
7 Woodside Avenue	3	SFH	\$129,900
9 Miller Street	3	SFH	\$89,000
82 Clinton Street	3	SFH	\$149,500
68 Spruce Street	3	SFH	\$137,900
42 Clinton Street	3	SFH	\$149,500
Average 3BR			\$114,133

Current Listings Continued

CLASSIFIED LISTINGS - CITY OF ONEONTA

Address	Bedrooms	Type	List Price
170 West Street	4	SFH	\$174,900
81 W Broadway	4	SFH	\$84,000
134 Chestnut Street	4	SFH	\$124,900
53 Center Street	4	SFH	\$162,000
15 Susquehanna Street	4	SFH	\$69,000
41 Cherry Street	4	SFH	\$81,000
24 Gault Avenue	4	SFH	\$59,900
16 Country Club Road	4	SFH	\$97,000
15 Union Street	4	SFH	\$196,000
30 Cedar Street	4	SFH	\$179,000
17 Rose Avenue	4	SFH	\$94,500
22 Valleyview Street	4	SFH	\$115,000
6 Lane Avenue	4	SFH	\$101,000
31 Linden Street	4	SFH	\$105,000
346 Chestnut Street	4	SFH	\$127,500
217 River Street	4	SFH	\$142,000
17 Columbia Street	4	SFH	\$80,000
9 Pearl Street	4	SFH	\$138,000
502 Main Street	4	SFH	\$129,000
40 Center Street	4	SFH	\$163,700
Average 4BR			\$121,170
14 Division Street	5	SFH	\$142,900
403-406 Main Street	5	SFH	\$149,000
37 1/2 Burnsde Avenue	5	SFH	\$107,500
5981 State Highway 7	5	SFH	\$109,900
51-53 Church Street	5	SFH	\$147,000
10 Pearl Street	5	SFH	\$181,000
155 Peebles Hill Road	5	SFH	\$315,000
1400 County Highway 48	5	SFH	\$1,175,000
3 Ivy Court	5	SFH	\$156,900
61 Richards Avenue	5	SFH	\$165,000
24 Birchwood Drive	5	SFH	\$535,000
43 Cliff Street	5	SFH	\$119,900
41 Maple Steet	5	SFH	\$164,900
5 Herkimer Street	5	SFH	\$249,900
58 Elm Street	5	SFH	\$735,000
Average 5BR			\$296,927

Current Listings Continued

CLASSIFIED LISTINGS - CITY OF ONEONTA

Address	Bedrooms	Type	List Price
296 Chestnut Street	6	SFH	\$115,000
3 Reynolds Avenue	6	SFH	\$249,000
412-414 Chestnut	6	SFH	\$135,000
473-475 Main Street	6	SFH	\$189,000
45-47 Londond Avenue	6	SFH	\$117,900
6405 State Highway	6	SFH	\$395,000
5 Grand Street	6	SFH	\$255,000
6 Fairview Street	6	SFH	\$184,500
22 West Street	6	SFH	\$170,000
23 College Park Drive	6	SFH	\$559,900
38-40 Wilcox Avenue	6	SFH	\$90,000
6-8 Fairview Street	6	SFH	\$184,500
18-20 Valleyview Street	6	SFH	\$155,000
88-90 Center Street	6	SFH	\$175,000
62-1/2 Dietz Street	7	SFH	\$235,000
2959 County Highway 8	7	SFH	\$475,000
27 Watkins Avenue	7	SFH	\$205,000
22 Columbia Street	7	SFH	\$95,000
24 Grand Street	8	SFH	\$339,000
107 Elm Street	9	SFH	\$199,900
Average 6+BR			\$226,185

As illustrated, the majority of the housing currently listed for sale within the City of Oneonta are single-family homes listed at less than \$150,000.

Accepted and Denied Mortgage Information

According to the Home Mortgage Disclosure Act Institution and Location Registry, no specific data for Otsego County is available. However, aggregate 2015 data, which is the most recent available, for the state of New York was available segregated by select metropolitan statistical areas, which is illustrated in the table below.

ACCEPTED/DENIED MORTGAGE INFORMATION

MSA	Purchase Applications	Purchase Applications	Origination Rate
	Received	Denied	
Albany-Schenectady-Troy, NY	8,850	487	94.5%
Dutchess County-Putnam County, NY	3,025	527	82.6%
Syracuse, NY	6,120	798	87.0%
Utica-Rome, NY	<u>2,036</u>	<u>362</u>	<u>82.2%</u>
Total	20,031	2,174	89.1%

Source: Home Mortgage Disclosure Act Institution and Location Registry, July 2017

Otsego County is not part of a combined statistical area (CSA). The most similar MSA listed is the Utica-Rome MSA, which is located north of Otsego County and encompasses an area similarly rural to Otsego County. As shown above, the Utica-Rome, NY MSA experienced the least purchase applications received and denied. Further, the origination rate for the Utica-Rome, NY MSA is 82.2 percent, which is lower than the surveyed MSA's.

Home Affordability

We have calculated the affordability by income level for single-family home ownership in Otsego County, which is shown in the following table. The table also illustrates the subsidy calculation by income level for a four-person family in Otsego County if they were to purchase a single-family home.

SUBSIDY CALCULATION - SINGLE-FAMILY

AMI Level	Number of Households in Otsego County at each AMI level***	4-Person AMI In Otsego County	Maximum Annual Housing Costs	Maximum Monthly Housing Costs*	Equivalent Mortgage**
120%	10,619	\$75,000	\$22,500	\$1,875	\$333,909
100%	2,024	\$62,500	\$18,750	\$1,563	\$278,257
80%	2,215	\$50,000	\$15,000	\$1,250	\$222,606
60%	2,677	\$37,500	\$11,250	\$938	\$166,954
50%	2,815	\$31,250	\$9,375	\$781	\$139,129
40%	2,747	\$25,000	\$7,500	\$625	\$111,303
30%	1,619	\$18,750	\$5,625	\$469	\$83,477
Median Home Value -Otsego County					\$142,800

*Includes all principle, interest, taxes, and insurance (including private mortgage insurance)

**Assumes a 30-year mortgage with a 4.5 percent interest rate, per MFA.

***Estimated by Census data

As illustrated, the median home value of a single-family home in Otsego County is \$142,800, which is well below the estimated building cost (shown in the following table). Given the median home value, the majority of families at AMI levels at 60 percent or higher would not need assistance when purchasing a home. However, the development of new construction single-family homes for sale is financially prohibitive even for households that could afford the cost of new construction, as the resale for the majority of homes would not be greater than the cost of construction. As such, if adequate gap subsidies such as favorable financing and tax credit equity are obtained by a potential developer, the development of single-family homes for a rent-to-own program, or a development targeted to renter-occupied households would be viable options if new construction is desired.

Construction Costs

We have utilized the following calculations to determine whether the total cost to construct a single-family home in Otsego County is economically feasible. The table following illustrates the cost to develop a typical two-story, 2,049 square foot single-family home in Otsego County.

DEVELOPMENT COST - SINGLE FAMILY			
		Marshall & Swift	RS Means
National Cost PSF		\$89.97	\$128.15
Location Adjustment	Utica, NY	1.06	0.95
Subject Cost PSF		\$95.37	\$121.74
Total Construction Cost	2,049	\$195,409	\$249,450
Cost to Transport Materials*	5%	\$205,180	\$261,923
Developer Profit	15%	\$30,777	\$39,288
Total Land Cost	\$0.90 per SF at 0.5 acres	\$19,602	\$19,602
Total Cost		\$255,559	\$320,813

*Estimated square footage of a typical new construction single-family home in Otsego County – Michaels Group Homes

**Assumes a cost of \$1.50 per square foot at 0.5 acres, based on a range of residential land listings on Loopnet.com, July 2017

The median value of a single-family home is \$142,800 in Otsego County, which is well below the development cost for a new single-family home via Marshall & Swift and RS Means, as illustrated in the previous table. This indicates need for the preservation of Otsego County's existing housing stock, rather than new development. The higher construction cost is consistent with the low numbers of new building permits issued for single-family development. As previously discussed, even for those households that could afford the cost of new construction, the housing market does not currently support prices upon resale that exceed the cost per square foot of new construction (median sales price per square foot for a single-family home in the area is approximately \$180, according to Redfin new construction inventory).

PROPOSED CONSTRUCTION

Numerous stakeholder interviews and public data from HUD and the New York Division of Housing and Community Renewal indicate that there are no residential developments currently proposed or planned in Oneonta or Otsego County. The Westcott Lot Mixed Use Development, a project awarded DRI finds, includes a planned 27-30 one- and two-bedroom apartment units in Downtown Oneonta. The development remains in the very early stages of planning.

Conclusion

The housing market in Otsego County is primarily characterized as older vintage single-family homes. The City of Oneonta includes a concentration of the area's oldest housing stock, which is also comprised primarily of single-family homes in fair to average condition. Multifamily new construction permits have increased since the most recent national recession, while single-family and duplex new construction permits have decreased over the same time period. Further, multifamily new construction permits peaked in 2014, and have since declined. Single-family new construction permits peaked in 2002, and have since declined. Median listing prices of houses with four bedrooms or less are affordable to families at or below 60% of AMI in Oneonta, however costs of construction make building such homes unfeasible for developers. This indicates that investment in incentive programs for either new construction or renovation of existing properties could help optimize housing market conditions in the area.

The average sales price has decreased from 2016 to 2017 YTD in the Otsego County area. However, area inventory has steadily increased over the same time period. These indicators have moved concurrently with the area's economic growth, which will continue to serve as a catalyst for recovery as tourism continues to bolster the local economy in and around Otsego County. Additionally, the 2017 data shows a decrease in sales of foreclosure properties in Otsego County. There is still a significant amount of REO properties on the market; however, it appears that the real estate market is beginning to level off. Although there are many recent positive indicators, significant rehabilitation of the area's housing stock is still needed to optimize the housing market in Oneonta and Otsego County.

Notably, median rent in Otsego County is less than the national median rent, consistent with the area's generally lower cost of living. Additionally, the cash necessary for homeownership, including down payment and closing costs, is still a barrier to many families. This indicates that an incentive program for first-time and low/middle income home buyers could help boost the market.

RENTAL MARKET

Otsego County has a renter tenure of approximately 29 percent, slightly below the national average. The City of Oneonta has a much higher renter tenure at approximately 59 percent. Rental properties are examined on the basis of physical characteristics, i.e. building type, age of the property, quality/condition of property, level of common amenities, absorption, as well as similarity in rent. Property managers were interviewed for information on unit mix, sizes, and absorption rates, unit features and project amenities, tenant profiles, and market trends in general. We surveyed all types of rental housing Otsego County including: market rate, non-traditional rental housing, affordable housing, subsidized, and senior housing. We also surveyed disabled and special-needs housing facilities. Detailed matrices describing the individual properties are provided in the addenda. We have utilized 361 units of market-rate, 60 units of LIHTC, 56 units of Rural Housing Developments, and 170 units of Section 8 housing in our analysis. Together, these 647 units comprise approximately nine percent of the total existing rental housing stock in Otsego County.

MULTIFAMILY MARKET RATE CHARACTERISTICS

Following are relevant market characteristics for the market rate family properties surveyed. This includes an analysis of multifamily rental developments with no maximum or rent restrictions. In order to assess the multifamily rental market in Otsego County, 11 market rate properties with a total of 361 units were interviewed. We believe this is a representative sampling that will provide an overview on the state of market rate multifamily housing market in Otsego County. Detailed individual property profile reports for surveyed market rate properties in this analysis are included in the addenda.

Overview

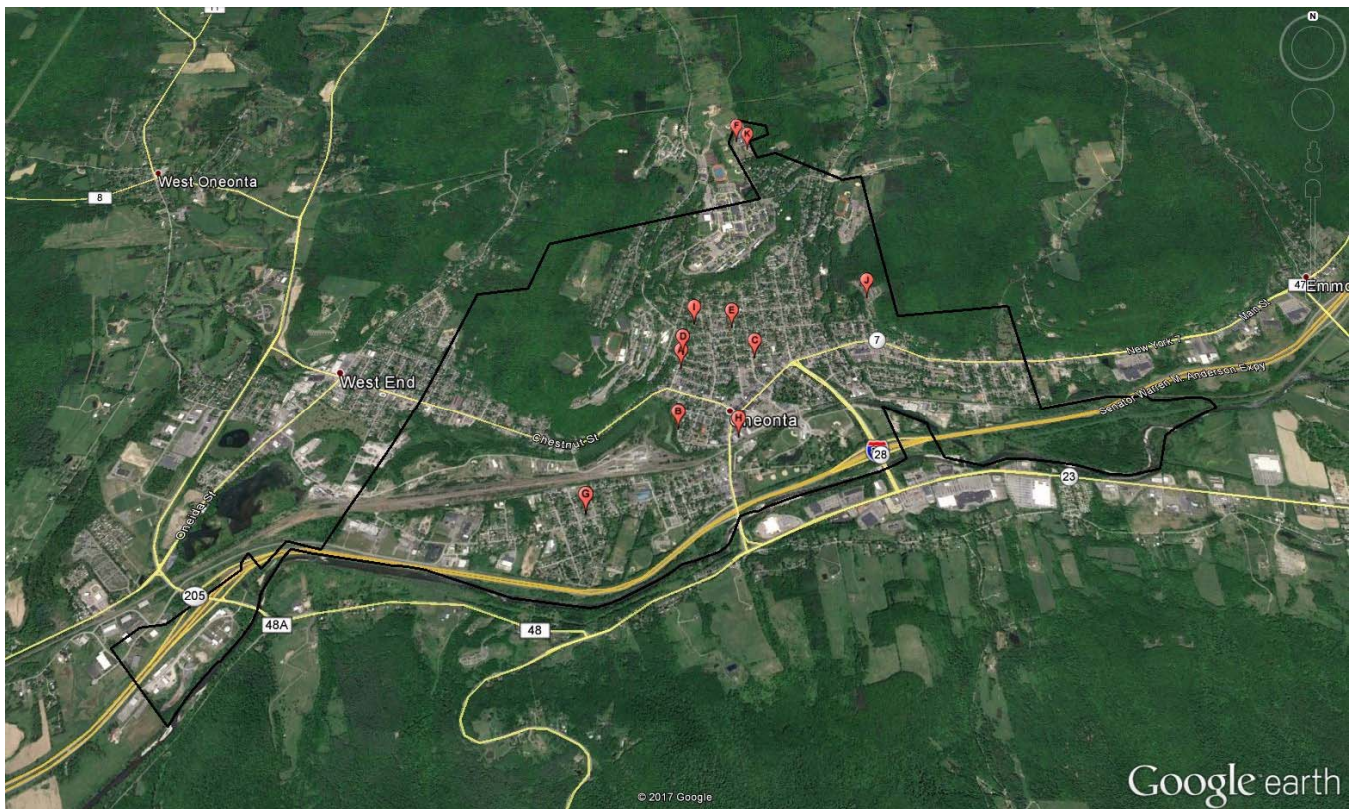
We have examined properties within Oneonta and the surrounding areas of Otsego County. It should be noted that market rate and affordable comparables without subsidy in outlying Otsego County outside of the City of Oneonta were very limited. As such, we concentrated on the Oneonta area and have supplemented our analysis where applicable. The 361 market-rate rental units included in our survey represents seven percent of renter-occupied units within Otsego County.

Otsego County

The following table and map illustrates market rate comparables in Otsego County of which we were able to obtain data. It should be noted that all of the comparable properties we were able to obtain data from are located in Oneonta, as shown in the following table and map.

COMPARABLE PROPERTIES

#	Property Name	city
A	20 West Street	Oneonta
B	24 Cliff	Oneonta
C	26 Walnut Street	Oneonta
D	30 West	Oneonta
E	47 Center	Oneonta
F	Hillside Commons	Oneonta
G	Oak Square	Oneonta
H	Spaulding Apartments	Oneonta
I	Weidnan Place	Oneonta
J	Wilber Park	Oneonta
K	Wood Ridge Apartments	Oneonta



It should be noted that we attempted to contact the following properties, and none of our calls were returned at this time. Thus, they have been excluded from this analysis.

EXCLUDED COMPARABLE PROPERTIES

Property Name	City	Type
Klugo Parkview Place	Oneonta	Market
Oneonta Student Rentals	Oneonta	Market
General Clinton Apartments	Oneonta	Market
Neawah Apartments	Oneonta	Market
193-201 Main Street	Oneonta	Market
70 Market Street	Oneonta	Market
Oak Square Apartments	Oneonta	Market
40 Academy Street	Oneonta	Market

HOUSING NEEDS ASSESSMENT-OTSEGO COUNTY

SUMMARY MATRIX

Comp #	Project	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate
1	20 West Street 20 West Street Oneonta, NY 13820 Otsego County County	Triplex Early 1900's	Market	Studio / 1BA 2BR / 2BA	1	33.30%	Market	\$300	300	n/a	No	0	0.00%
					2	66.70%	Market	\$575	600	n/a	No	0	0.00%
					3	100%						0	0.00%
2	24 Cliff 24 Cliff Street Oneonta, NY 13820 Otsego County County	Duplex 1920	Market	4BR / 2BA	2	100.00%	Market	\$575	1,400	n/a	No	0	0.00%
					2	100%						0	0.00%
3	26 Walnut Street 26 Walnut Street Oneonta, NY 13820 Otsego County	Conversion 1890	Market	1BR / 1BA	8	100.00%	Market	\$700	600	n/a	No	0	0.00%
					8	100%						0	0.00%
4	30 West 30 West Street Oneonta, NY 13820 Otsego County County	Lowrise Early 1900's	Market	1BR / 1BA 2BR / 1BA	2	33.30%	Market	\$575	500	n/a	No	0	0.00%
					4	66.70%	Market	\$575	800	n/a	No	1	25.00%
					6	100%						1	16.70%
5	47 Center 47 Center Street Oneonta, NY 13820 Otsego County County	Conversion Late 1800's	Market	3BR / 1BA	3	100.00%	Market	\$575	1,000	n/a	No	1	33.30%
					3	100%						1	33.30%
6	Hillside Commons 150 Blodgett Drive Oneonta, NY 13820 Otsego County County	Midrise 2014	Market	1BR / 1BA 2BR / 2BA 3BR / 3BA	6	5.30%	Market	\$1,100	687	n/a	No	0	0.00%
					18	15.80%	Market	\$900	875	n/a	No	0	0.00%
					90	78.90%	Market	\$890	1,144	n/a	No	0	0.00%
7	Oak Square 120 River Street Oneonta, NY 13820 Otsego County	Garden (3 stories) 1979	Market	1BR / 1BA 2BR / 1BA	5	16.70%	Market	\$670	700	n/a	Yes	0	0.00%
					25	83.30%	Market	\$810	750	n/a	Yes	0	0.00%
					30	100%						0	0.00%
8	Spaulding Apartments 6-8 Market Street Oneonta, NY 13820 Otsego County County	Lowrise Early 1900's / 1981	Market, Commercial	Studio / 1BA 1BR / 1BA 2BR / 1BA 3BR / 1BA 4BR / 1BA	5	20.00%	Market	\$600	450	n/a	No	0	0.00%
					10	40.00%	Market	\$650	650	n/a	No	0	0.00%
					8	32.00%	Market	\$1,200	800	n/a	No	0	0.00%
					1	4.00%	Commercial	\$0	1,000	n/a	No	0	0.00%
					1	4.00%	Market	\$2,300	1,400	n/a	No	0	0.00%
					25	100%						0	0.00%
9	Weidnan Place 7-9 Weidnan Place Oneonta, NY 13820 Otsego County County	Lowrise 1920's / 1990s	Market	2BR / 1BA 3BR / 1BA 4BR / 1BA	3	50.00%	Market	\$1,000	800	n/a	No	0	0.00%
					2	33.30%	Market	\$1,500	1,000	n/a	No	0	0.00%
					1	16.70%	Market	\$2,000	1,200	n/a	No	0	0.00%
					6	100%						0	0.00%
10	Wilber Park 20 Gardner Place Oneonta, NY 13820 Otsego County	Garden (2 stories) 1989	Market	1BR / 1BA 2BR / 1.5BA 3BR / 1.5BA	49	44.50%	Market	\$954	960	n/a	No	0	0.00%
					49	44.50%	Market	\$1,073	1,150	n/a	No	2	4.10%
					12	10.90%	Market	\$1,160	1,560	n/a	No	0	0.00%
					110	100%						2	1.80%
11	Wood Ridge Apartments 15 Farone Dr Oneonta, NY 13820 Otsego County	Garden (3 stories) 1960	Market	1BR / 1BA 2BR / 1BA	18	33.30%	Market	\$805	750	n/a	Yes	0	0.00%
					36	66.70%	Market	\$885	950	n/a	Yes	0	0.00%
					54	100%						0	0.00%

UNIT MATRIX REPORT

	20 West Street	24 Cliff	26 Walnut Street	30 West	47 Center	Hillside Commons	Oak Square	Spaulding Apartments	Weidman Place	Wilber Park	Wood Ridge Apartments
Comp #	1	2	3	4	5	6	7	8	9	10	11
Property Information											
Property Type	Triplex	Duplex	Conversion	Lowrise	Conversion	Midrise	Carden	Lowrise	Lowrise	Carden	Carden
Year Built / Renovated	Early 1900's	1920	1890	Early 1900's	Late 1800's	2014	1979	Early 1900's / 1981	1920's / 1990's	1989	1960
Market (Conv)/Subsidy Type	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Utility Adjustments											
Cooking	no	no	no	no	no	yes	no	no	no	no	no
Water Heat	no	no	no	no	no	yes	no	no	no	yes	yes
Heat	no	no	no	no	no	yes	no	no	no	yes	yes
Other Electric	no	no	no	no	no	yes	no	no	no	no	no
Water	yes	yes	yes	yes	yes	yes	yes	no	no	yes	yes
Sewer	yes	yes	yes	yes	yes	yes	yes	no	no	yes	yes
Trash Collection	yes	yes	yes	yes	yes	yes	yes	no	no	yes	yes
In-Unit Amenities											
Balcony/Patio	no	no	no	no	no	no	no	no	no	yes	yes
Blinds	yes	yes	yes	yes	yes	no	yes	yes	yes	yes	no
Cable/Satellite/Internet	no	no	no	no	no	no	no	no	yes	no	no
Carpet/Hardwood	no	no	no	no	yes	no	no	no	no	no	no
Carpeting	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	yes
Central A/C	no	no	no	no	no	yes	yes	no	no	yes	yes
Coat Closet	no	no	no	no	no	yes	yes	no	no	yes	yes
Dishwasher	no	no	no	no	no	yes	no	no	no	yes	yes
Exterior Storage	no	no	no	no	no	no	no	no	no	no	yes
Ceiling Fan	no	no	no	no	no	yes	no	no	no	no	no
Furnishing	no	no	no	no	no	yes	no	no	no	no	no
Hand Rails	no	no	no	no	no	no	no	no	no	no	no
Microwave	no	no	no	no	no	yes	no	no	no	no	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Pull Cords	no	no	no	no	yes	no	no	no	no	no	no
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Walk-In Closet	no	no	no	no	no	yes	no	no	no	yes	no
Washer/Dryer	no	no	no	no	yes	yes	no	no	no	no	no
Washer/Dryer hookup	no	yes	no	yes	yes	yes	no	no	no	no	no
Property Amenities											
Business Center/Computer Lab	no	no	no	no	no	yes	no	no	no	no	no
Clubhouse/Community Room	no	no	no	no	no	yes	no	no	no	no	no
Courtyard	no	no	no	no	no	yes	no	no	no	no	no
Elevators	no	no	no	no	no	no	no	no	no	no	no
Exercise Facility	no	no	no	no	no	yes	no	no	no	no	no
Central Laundry	yes	no	yes	no	no	no	yes	yes	yes	yes	yes
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	no	no	no	no	no	yes	no	no	no	no	yes
Picnic Area	no	no	no	no	no	yes	no	no	no	no	no
Playground	no	no	no	no	no	no	yes	no	no	no	no
Security											
Intercom (Buzzer)	no	no	no	no	no	no	yes	no	no	no	no
Limited Access	no	no	no	no	no	no	no	no	no	no	no
Other Amenities											
Other	n/a	n/a	n/a	n/a	n/a	Tanning beds, media room	n/a	n/a	n/a	n/a	n/a

Unit Mix

The table below illustrates the unit mix breakdown of the surveyed market rate comparables from which we were able to obtain data.

UNIT MIX

Unit Type	Total Units	Percent	# of Properties that Offer Unit Type	% of Properties that Offer Unit Type
Studio	6	2%	2	18%
1 BR	98	27%	7	64%
2 BR	145	40%	8	73%
3 BR	108	30%	5	45%
4 BR	4	1%	3	27%
Total	361	100%	11	

As indicated by the known unit mix, the multifamily market is predominantly two- and three-bedroom units. Out of the total number of units, two-bedroom units comprise 40 percent of the housing stock, and three-

bedroom units comprise 30 percent of the housing stock. Additionally, one-bedroom units comprise of 27 percent of the housing stock. Out of the 11 market rate properties surveyed, 64 percent offer one-bedroom units and 73 percent offer two-bedroom units. Further, 45 percent of the comparables offer three-bedroom units. Studio and four-bedroom units are the least common in the market.

Unit Size

The following table illustrates the unit sizes for market rate properties from which we were able to obtain data.

UNIT SIZE COMPARISON			
Unit Type	Surveyed Min (SQFT)	Surveyed Max (SQFT)	Surveyed Average (SQFT)
Studio	300	450	375
1 BR	500	960	692
2 BR	600	1,150	841
3 BR	1,000	1,560	1,182
4 BR	1,200	1,400	1,350

The previous table illustrates the unit sizes among the surveyed comparables for the overall market. As demonstrated, the unit sizes vary widely.

Vacancy

The table following illustrates current vacancy rates among the surveyed comparables from which we were able to obtain data.

OVERALL VACANCY				
Property name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
20 West Street	Market	3	0	0.0%
24 Cliff	Market	2	0	0.0%
26 Walnut Street	Market	8	0	0.0%
30 West	Market	6	1	16.7%
47 Center	Market	3	1	33.3%
Hillside Commons	Market	114	0	0.0%
Oak Square	Market	30	0	0.0%
Spaulding Apartments	Market	25	0	0.0%
Weidnan Place	Market	6	0	0.0%
Wilber Park	Market	110	2	1.8%
Wood Ridge Apartments	Market	54	0	0.0%
Total		361	4	1.1%

The vacancy rates among the market rate comparables range from zero to 33.3 percent, with an overall vacancy rate of 1.1 percent. 30 West and 47 Center reported the highest vacancy rates of 16.7 to 33.3 percent, respectively. However, both of these properties offer less than 10 units total and only reported two vacancies. Excluding these properties, vacancy at the comparables ranges from zero to 1.8 percent, with an average of 1.7 percent. Further, eight of the comparables reported zero vacancies. Overall, the market is stabilized.

Turnover

Turnover information was obtained from six of the surveyed market properties, as shown in the table below.

TURNOVER		
Property name	Rent Structure	Turnover
26 Walnut Street	Market	50%
Oak Square	Market	20%
Spaulding Apartments	Market,	50%
Weidnan Place	Market	50%
Wilber Park	Market	25%
Wood Ridge Apartments	Market	<u>20%</u>
Average Turnover		36%

The turnover percentage ranges from 20 to 50 percent, with an average of 36 percent. The contacts of each respective property noted that the amount of turnover reported is consistent with the historical turnover rates experienced at their respective properties. Further, turnover is elevated in the area due to short-term summer and student leases.

Concessions

None of the properties surveyed are offering a concession at the current time. Therefore, comparison is not meaningful.

Waiting Lists

Only two of the surveyed properties with market rate units reported a waiting list at this time. According to the contact at Oak Square, the property currently maintains a two to three month waiting list. Further, the contact at Wood Ridge Apartments reported a two person waiting list for both unit types.

Market Rent Analysis

The comparable properties command a wide variety of rents based upon location, size, condition and amenities. The table below shows the current rental rates at the market rate comparables from which we were able to obtain data. It should be noted that Hillside Commons leases units on a per-bedroom basis. Per bedroom, the asking rent at Hillside Commons for a one-, two-, and three-bedroom unit is \$1,100, \$900, and \$890, respectively. However, for comparison purposes, we have reflected the Hillside Commons asking rents on a per-unit basis. Per unit, the asking rent at Hillside Commons for a one-, two-, and three-bedroom unit is \$1,100, \$1,800, and \$2,670, respectively.

MARKET RENT COMPARISON							
Property Name	City	Year Built	Studio	1BR	2BR	3BR	4BR
20 West Street	Oneota	Early 1900's	\$300	-	\$1,150	-	-
24 Cliff	Oneonta	1920	-	-	-	-	\$2,300
26 Walnut Street	Oneonta	1890	-	\$700	-	-	-
30 West	Oneonta	Early 1900's	-	\$575	\$1,150	-	-
47 Center	Oneonta	Late 1800's	-	-	-	\$1,725	-
Hillside Commons	Oneonta	2014	-	\$1,100	\$1,800	\$2,670	-
Oak Square	Oneonta	1979	-	\$670	\$810	-	-
Spaulding Apartments	Oneonta	Early 1900's/1981	\$600	\$650	\$1,200	-	\$2,300
Weidnan Place	Oneonta	1920's/1900's	-	-	\$1,000	\$1,500	\$2,000
Wilber Park	Oneonta	1989	-	\$954	\$1,073	\$1,160	-
Wood Ridge Apartments	Oneonta	1960	-	\$805	\$885	-	-
Overall Average			\$450	\$779	\$1,134	\$1,764	\$2,200

As shown above, all of the market rate comparables are located within Oneonta. Seven of the 11 comparables were constructed between the late 1800's through the early 1900's, while the remaining comparables were constructed between 1960 and 2014. The most recently constructed comparable, Hillside Commons, is achieving rents well above the rents at the other comparables, suggesting high variance between comparables based on age. Further, Hillside Commons targets students attending university, and units are leased on a per-bedroom basis.

Rental Rates for Properties Advertised in Classifieds

We have researched local classified listings in Otsego County and the City of Oneonta. These are listed in the following table.

CLASSIFIED RENTAL LISTINGS

Address	City	Bedrooms	Type	Price
5 Myrtle Avenue	Oneonta	0	Single-family	\$658
7 Otsego Street	Oneonta	0	Single-family	\$663
7 Otsego Street	Oneonta	0	Single-family	\$720
22 Maple Street	Oneonta	0	Single-family	\$620
22 Maple Street	Oneonta	0	Single-family	\$562
31 Watkins Avenue	Oneonta	0	Single-family	\$572
31 Watkins Avenue	Oneonta	0	Single-family	\$662
33 Grove Street	Oneonta	0	Single-family	\$648
8 Ford Avenue #1	Oneonta	0	Single-family	\$525
20 West Street #3	Oneonta	0	Single-family	\$475
76 Main Street	Oneonta	0	Single-family	\$1,800
293 Main Street	Oneonta	0	Condo	\$400
Average OBR				\$692
2 Brook Street	Oneonta	1	Single-family	\$898
265 Main Street	Oneonta	1	Single-family	\$758
162 Main Street	Oneonta	1	Single-family	\$912
5 Myrtle Avenue	Oneonta	1	Single-family	\$898
7 Otsego Street	Oneonta	1	Single-family	\$576
7 Otsego Street	Oneonta	1	Single-family	\$720
80 Ford/Linden Avenues	Oneonta	1	Single-family	\$624
9 West Street	Oneonta	1	Single-family	\$816
21 Myrtle Avenue	Oneonta	1	Single-family	\$689
22 Maple Street	Oneonta	1	Single-family	\$668
25 Cedar Street	Oneonta	1	Single-family	\$735
199 Main Street #H	Unadilla	1	Single-family	\$750
49 Center Street Apt 2L	Oneonta	1	Single-family	\$800
6 East Street #3	Edmenston	1	Single-family	\$535
1587 County Highway 11	Laurens	1	Single-family	\$575
Average 1BR				\$730
234 Lakeshore Drive	Oneonta	2	Single-family	\$1,100
2 Brook Street	Oneonta	2	Single-family	\$1,364
5 Myrtle Avenue	Oneonta	2	Single-family	\$1,240
30 Maple Street	Oneonta	2	Single-family	\$1,124
30 Maple Street	Oneonta	2	Single-family	\$1,240
31 Watkins Avenue	Oneonta	2	Single-family	\$1,124
80 Ford/Lindend Avenues	Oneonta	2	Single-family	\$1,200

Classifieds Continued

CLASSIFIED RENTAL LISTINGS

Address	City	Bedrooms	Type	Price
162 Main Street	Oneonta	2	Single-family	\$1,152
265 Main Street	Oneonta	2	Single-family	\$1,200
273 Main Street	Oneonta	2	Single-family	\$1,440
1672 State Highway 205	Oneonta	2	Single-family	\$1,050
156 Huff Road	Cooperstown	2	Single-family	\$2,000
1640 State Highway 7	Unadilla	2	Single-family	\$650
7 Emmons Farm	Oneonta	2	Single-family	\$950
21 Pine Street	Cooperstown	2	Duplex	\$875
Average 2BR				\$1,181
25 Cedar Street	Oneonta	3	Single-family	\$1,944
31 Watkins Avenue	Oneonta	3	Single-family	\$1,686
31 Watkins Avenue	Oneonta	3	Single-family	\$1,686
33 Grove Street	Oneonta	3	Single-family	\$1,944
75 Center Street	Oneonta	3	Single-family	\$1,944
9 West Street	Oneonta	3	Single-family	\$1,944
38 Elm Street	Oneonta	3	Single-family	\$1,200
5668 State Highway 7	Oneonta	3	Single-family	\$1,500
6202 State Highway 28	Fly Creek	3	Single-family	\$1,000
2 Thorn Street	Oneonta	3	Single-family	\$1,200
Rose Avenue	Oneonta	3	Single-family	\$1,200
4121 State Highway 51	Garrattsville	3	Single-family	\$750
Average 3BR				\$1,500
1217 County Highway 26	Fly Creek	4	Single-family	\$2,200
131 Aztell Road	Maryland	4	Single-family	\$1,400
5665 State Highway 7	Oneonta	4	Single-family	\$1,500
Route 7	Oneonta	4	Single-family	\$1,500
County Highway 26	Cooperstown	4	Single-family	\$2,250
Random Knolls at Whalen	Penfield	4	Single-family	\$2,100
81 Chestnut Street	Cooperstown	4	Single-family	\$3,000
Average 4BR				\$1,993
46 Center Street	Oneonta	5	Single-family	\$3,445
4 Glen Avenue	Cooperstown	5	Single-family	\$2,400
166 Cattown Road	Fly Creek	5	Single-family	\$1,800
West Main Street	Sidney	5	Single-family	\$1,350
Main Street	Oneonta	5	Single-family	\$2,500
43 Cliff Street	Oneonta	6	Single-family	\$1,260
Average 5BR+				\$2,126

The table above illustrates rents found in the classified listings. Many of the classified listings are historic buildings that have been converted for use as apartments. Further, the majority of the single-family home rentals are marketed towards students attending school in the Oneonta area. It should be noted that the

majority of the classified listings for units located outside of the city of Oneonta are listed for less than similar units located within the city of Oneonta. Overall, the studio units in the market have an average rent of \$692. The one-bedroom rental units in the market have an average rent of \$730. The two -bedroom rental units in the market have an average rent of \$1,181. The three-bedroom units have an average rent of \$1,500. The four-bedroom units have an average rent of \$1,993. Additionally, five-bedroom or larger units in the market have an average rent of \$2,126. Additionally, the following graph demonstrated the median rent per month in Oneonta over the past year.



Source: Trulia, 8/2017

Affordable Rental Characteristics

Affordable rental properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to survey all existing affordable developments within the market area in order to provide a picture of the health and available affordable supply in the market.

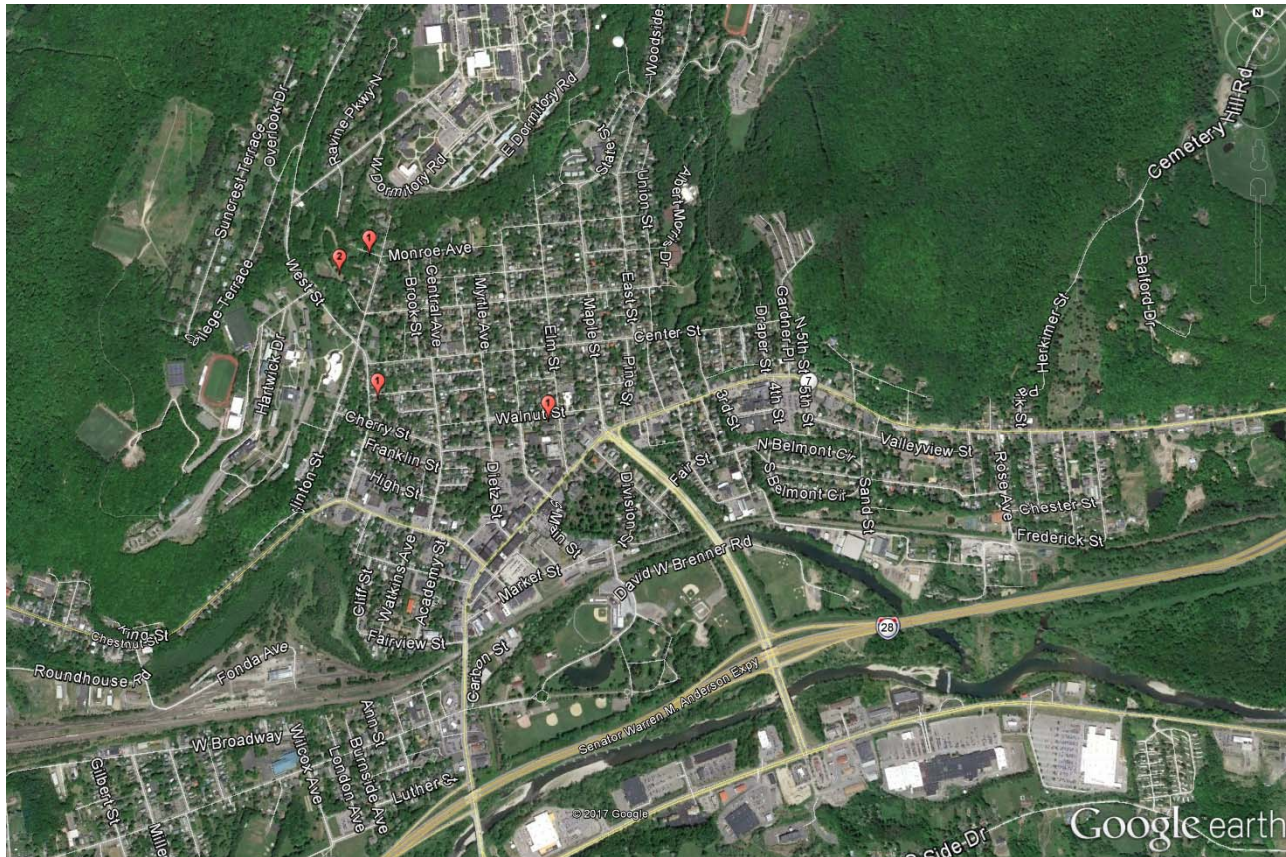
Description of Property Types Surveyed

We performed a field survey of affordable housing properties within Otsego County and Oneonta. For purposes of our analysis, “affordable housing” is defined as properties encumbered by one or more of the following programs: LIHTC, Section 8, and/or public housing. We identified approximately nine combined affordable developments, including two LIHTC, three Section 8, and two USDA Rural Development in Otsego County and the City of Oneonta. It should be noted that there is no public housing in Otsego County or the City of Oneonta.

We were able to survey two unsubsidized affordable developments in Otsego County. These properties include 60 units total, which accounts for approximately one percent of the existing rental housing stock within Otsego County. It should be noted that 22 two-bedroom units at Oneonta Heights- Senior receive Project Based Rental Assistance (PBRA). Due to the rent subsidies, we have excluded the PBRA units from the LIHTC rent analysis later in this report. The following pages include various summary reports that compare various data points as reported by the two unsubsidized affordable comparables.

LIHTC Rentals

The map below illustrates the location of the LIHTC rental properties from which we were able to obtain data. It should be noted that Oneonta Heights- Family has three locations, as shown in the map below.



COMPARABLE PROPERTIES

#	Property Name	City	Type
1	Oneonta Heights - Family	Oneonta	@50%, @60% @40%, @50%, @50% (Project Based)
2	Oneonta Heights - Senior	Oneonta	Rental Assistance - PBRA), @60%

It should be noted that we attempted to contact the following properties, and none of our calls were returned at this time. Thus, they have been excluded from this analysis.

EXCLUDED COMPARABLE PROPERTIES

Property Name	City	Type
50 West Main Street	Milford	LIHTC
Milford Family Housing	Oneonta	LIHTC

SUMMARY MATRIX

Comp #	Project	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate
1	Oneonta Heights - Family 2&4 Monroe Ave., 34& 38 St, 23-25 Columbia Oneonta, NY 13820 Otsego County	Duplex (2 stories) 2016&2017	@50%, @60%	1BR / 1BA	4	20.00%	@60%	\$537	730	no	No	0	0.00%
				2BR / 1.5BA	3	15.00%	@50%	\$575	986	no	No	0	0.00%
				2BR / 1.5BA	3	15.00%	@60%	\$620	986	no	No	0	0.00%
				3BR / 1.5BA	5	25.00%	@50%	\$660	1,163	no	No	0	0.00%
				3BR / 1.5BA	5	25.00%	@60%	\$745	1,163	no	No	0	0.00%
					20	100%						0	0.00%
2	Oneonta Heights - Senior 1 Silver Ave Oneonta, NY 13820 Otsego County	Lowrise (age-restricted) (4 stories) 2017	@40%, @50%, @50% (Project Based Rental Assistance - PBRA), @60%	1BR / 1BA	2	5.00%	@40%	\$445	651	no		N/A	N/A
				1BR / 1BA	9	22.50%	@50%	\$560	651	no		N/A	N/A
				1BR / 1BA	22	55.00%	@50% (PBRA)	\$646	651	n/a		N/A	N/A
				1BR / 1BA	5	12.50%	@60%	\$624	651	no		N/A	N/A
				2BR / 1BA	2	5.00%	@40%	\$543	835	no		N/A	N/A
					40	100%						N/A	N/A

UNIT MATRIX REPORT

Oneonta Heights - Family		Oneonta Heights - Senior	
Comp #	1	2	
	4		
Property Information			
Property Type	Duplex	Lowrise (age-restricted)	
Year Built / Renovated	2016&2017	2017	
Market (Conv.)/Subsidy Type	@50%, @60%	@40%, @50%, @50% (Project Based Rental Assistance - PBRA), @60%	
Utility Adjustments			
Cooking	no	yes	
Water Heat	no	yes	
Heat	no	yes	
Other Electric	no	yes	
Water	yes	yes	
Sewer	yes	yes	
Trash Collection	yes	yes	
In-Unit Amenities			
Balcony/Patio	yes	no	
Blinds	yes	yes	
Carpeting	yes	yes	
Central A/C	yes	yes	
Coat Closet	yes	yes	
Exterior Storage	yes	yes	
Grab Bars	no	yes	
Oven	yes	yes	
Refrigerator	yes	yes	
Washer/Dryer hookup	yes	no	
Property Amenities			
Clubhouse/Meeting Room	no	yes	
Elevators	no	yes	
Central Laundry	no	yes	
Off-Street Parking	yes	yes	
Security			
Limited Access	no	yes	

LIHTC Rental Market Property Characteristics

We have provided a brief overview of the low income housing tax credit program in the State of New York provided by New York State Homes and Community Renewal (NYSHCR).

The Low-Income Housing Credit Program (LIHC) was established under the Tax Reform Act of 1986 to promote private sector involvement in the retention and production of rental housing that is reserved for low-income households. The LIHC program provides a dollar-for-dollar reduction in federal income tax liability for project owners who develop rental housing that serves low-income households with incomes up to 60% of area median income. The amount of LIHC available to project owners is directly related to the number of low-income housing units that they provide. Most projects receiving an allocation of LIHC also utilize another governmental subsidy as part of their project financing. Federal subsidies such as the Community Development Block Grant (CDBG), HOME and USDA RHS 515 have been used in conjunction with the LIHC. On the State level, the LIHC has been allocated to projects employing Housing Trust Fund and New York State HOME Program subsidies. Local government capital subsidies have been employed extensively in projects located in New York City. Project owners use the LIHC allocation as a gap filler in their development budgets. The LIHC is turned into equity to fill the project gaps through the sale of the project and the credit to investors. DHCR is the lead Housing Credit Agency for New York State. Other Housing Credit Agencies are the New York State Housing Finance Agency, the New York City Department of Housing Preservation and Development and the Development Authority of the North Country.

Unit Mix

The following table illustrates the unit mix of LIHTC rental properties from which we were able to obtain data.

UNIT MIX				
Unit Type	Total Units	Percent	# of Properties that Offer Unit Type	% of Properties that Offer Unit Type
1 BR	42	70%	2	100%
2 BR	8	13%	2	100%
3 BR	10	17%	1	50%
Total	60	100%	2	100%

The only unit types at the surveyed comparables are one, two, and three-bedroom units. The majority of LIHTC units are one-bedroom units, which account for 70 percent of units at the surveyed comparables.

Unit Size

The following table illustrates the unit sizes for LIHTC properties from which we were able to obtain data.

UNIT SIZE COMPARISON			
Unit Type	Surveyed Min (SQFT)	Surveyed Max (SQFT)	Surveyed Average (SQFT)
1 BR	651	730	691
2 BR	835	986	911
3 BR	1,163	1,163	1,163

As shown above, unit sizes are generally similar at the surveyed comparable properties with minimal variance.

Vacancy

The table following illustrates the vacancy rates of LIHTC developments from which we were able to obtain data. It should be noted that Oneonta Heights- Senior is still under construction and has been excluded from this analysis. However, the property manager reported that 23 units, or 58 percent of units, have tenant applications currently being processed.

OVERALL VACANCY				
Property name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Oneonta Heights - Family	@50%, @60%	20	0	0%

As illustrated, Oneonta Heights-Family reported 100 percent occupancy, which is low and indicates a supply constrained market.

Turnover

None of the surveyed comparables were able to report turnover information at this time.

Concessions

There are no concessions offered at the surveyed rentals at this time.

Waiting Lists

None of the surveyed comparables reported maintaining a waiting list at this time. Further, it should be noted that Oneonta Heights- Senior is still under construction and undergoing lease-up. Thus, this comparable property has been excluded from this analysis. As previously noted, the property manager reported that 58 percent of units have tenant applications currently being processed.

Affordable Rent Analysis

In order to create appropriate comparisons between the properties, we have established a standard utility basis. As previously noted, 22 two-bedroom units at Oneonta Heights- Senior receive PBRA. Due to the rent subsidies, we have excluded the PRRA units from the LIHTC rent analysis.

LIHTC Rent Comparison - @40%			
Property Name	1BR	2BR	
2017 LIHTC Maximum (Net)	\$469	\$563	
Oneonta Heights - Family	-	-	
Oneonta Heights - Senior	\$445	\$543	

LIHTC Rent Comparison - @50%			
Property Name	1BR	2BR	3BR
2017 LIHTC Maximum (Net)	\$586	\$703	\$812
Oneonta Heights - Family	-	\$575	\$660
Oneonta Heights - Senior	\$560	-	-

LIHTC Rent Comparison - @60%

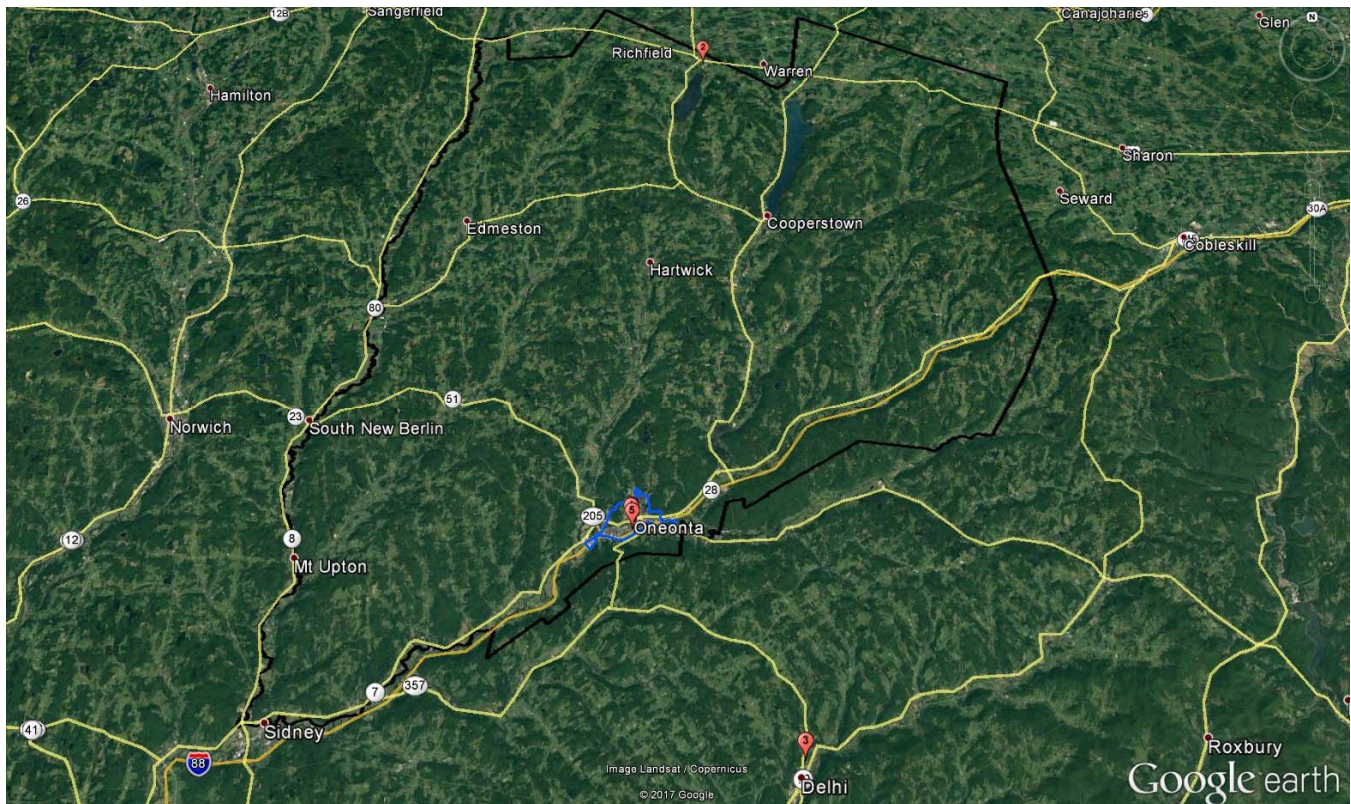
Property Name	1BR	2BR	3BR
2017 LIHTC Maximum (Net)	\$703	\$844	\$975
Oneonta Heights - Family	\$537	\$620	\$745
Oneonta Heights - Senior	\$624	-	-
Average	\$581	\$620	\$745

As demonstrated in the tables above, none of the surveyed LIHTC properties in Otsego County are achieving rents at the maximum allowable levels. Further, the average LIHTC rents are well below the maximum allowable levels at each level of AMI.

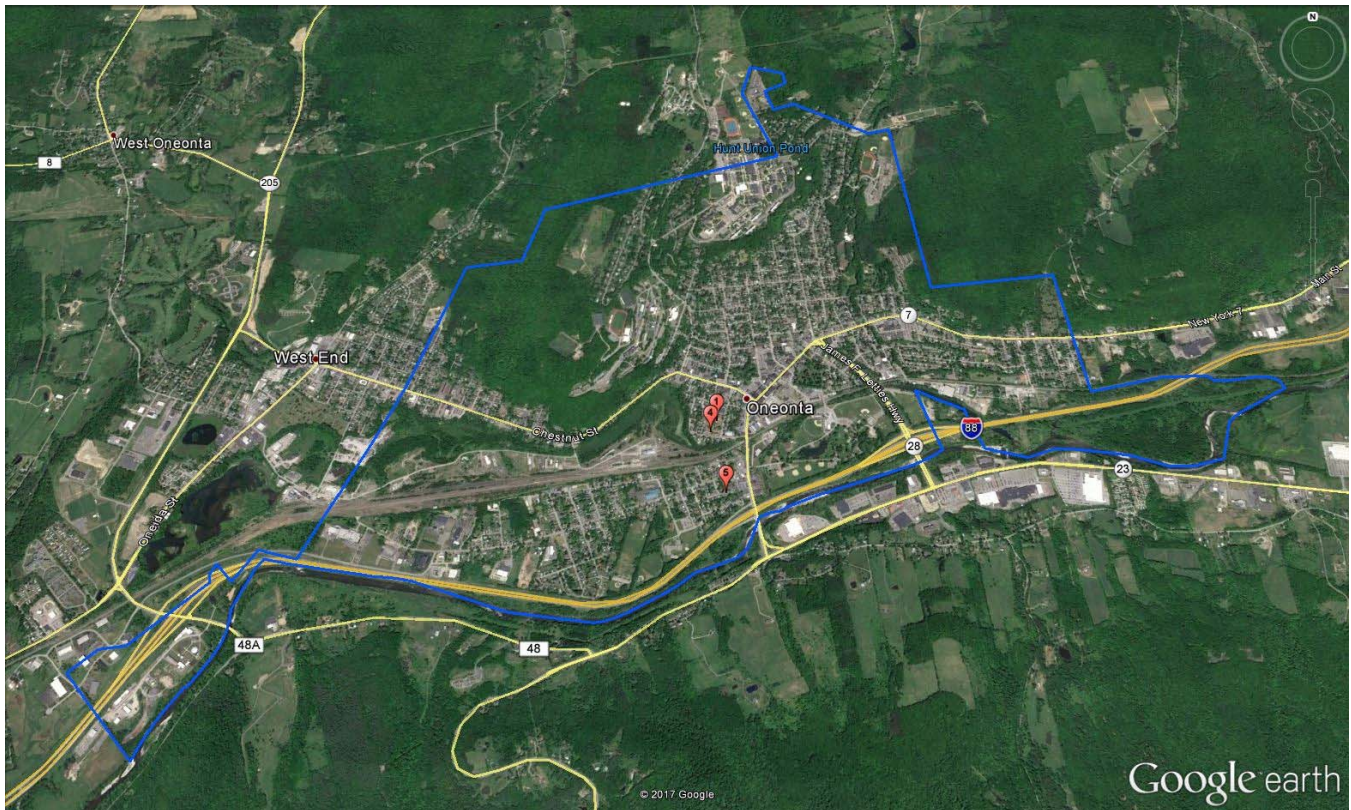
SECTION 8/USDA PROPERTY CHARACTERISTICS

Subsidized Property Maps

The maps and table below illustrate the location of the Section 8 and USDA rental properties in Otsego County from which we were able to obtain data. The boundaries of Otsego County are outlined in black, and the City of Oneonta is outlined in blue.



The map below illustrates the location of the Section 8 and USDA rental properties in the City of Oneonta from which we were able to obtain data. The boundaries of Oneonta are outlined in blue.



COMPARABLE PROPERTIES

#	Property Name	City	Type
1	Academy Arms Apartments	Oneonta	Section 8
2	Bronner Manor	Richfield Springs	Rural Development
3	Delhi Manor	Delhi	Rural Development
4	James F. Lettis Apartments	Oneonta	Section 8
5	Nader Towers	Oneonta	Section 8

Tenants pay 30 percent of their monthly adjusted income towards housing costs at these properties. The total housing stock contains 226 units of subsidized housing. There are 62 family units and 164 senior units.

It should be noted that we attempted to contact the following properties, and none of our calls were returned at this time. Thus, they have been excluded from this analysis.

EXCLUDED SUBSIDIZED COMPARABLE PROPERTIES

Property Name	City	Type
Unadilla Neighborgood	Unadilla	Rural Development
West Hill Terrace	Edmeston	Rural Development
Mayrose Apartments	Oneonta	Rural Development

Unit Mix

The following table illustrates the unit mix of the subsidized rental properties from which we were able to obtain data.

UNIT MIX

Unit Type	Total Units	Percent	# of Properties that Offer Unit Types	% of Properties that Offer Unit Types
Studio	64	28%	1	20%
1 BR	101	45%	4	80%
2 BR	55	24%	3	60%
3 BR	6	3%	1	20%
Total	226	100%	5	

The only unit types in Otsego County are studio, one, two, and three-bedroom units. The majority of subsidized units are studio and one-bedroom units, accounting to a total of 73 percent of the surveyed rental units. Three-bedroom units are the least common units in the market.

Unit Size

The following table illustrates the unit sizes for the subsidized properties from which we were able to obtain data.

UNIT SIZE COMPARISON

Unit Type	Surveyed Min	Surveyed Max	Surveyed Average
Studio	400	400	400
1 BR	500	600	508
2 BR	800	900	833
3 BR	950	950	950

The previous table illustrates the unit sizes among the surveyed comparables for the overall market. Unit sizes are generally similar with minimal variance.

Vacancy

The table following illustrates the vacancy rates of subsidized rental developments from which we were able to obtain data.

OVERALL VACANCY

Property name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Academy Arms Apartments	Section 8	28	0	0.00%
Bronner Manor	Rural Development	24	0	0.00%
Delhi Manor	Rural Development	32	0	0.00%
James F. Lettis Apartments	Section 8	30	0	0.00%
Nader Towers	Section 8	<u>112</u>	<u>0</u>	<u>0.00%</u>
Total		226	0	0.00%

As illustrated, the subsidized properties reported 100 percent occupancy, which is low and indicates a supply constrained market.

Turnover

Turnover information was obtained from four subsidized developments, as shown in the table below.

TURNOVER

Property name	Rent Structure	Turnover
Academy Arms Apartments	Section 8	10%
Bronner Manor	Rural Development	10%
Delhi Manor	Rural Development	15%
James F. Lettis Apartments	Section 8	10%
Average Turnover		11%

The turnover percentage ranges from 10 to 15 percent, with an average of 11 percent. The contacts of each respective property noted that the amount of turnover reported is consistent with the historical turnover rates experienced at their respective properties.

Concessions

There are no concessions offered at the rentals from which we were able to obtain data at this time.

Waiting Lists

The table following illustrates the waiting lists at subsidized rental developments from which we were able to obtain data.

WAITING LIST

Comapable Property	Rent Structure	Waiting List
Academy Arms Apartments	Section 8	Yes; 2 years
Bronner Manor	Rural Development	Yes; 1 year
Delhi Manor	Rural Development	Yes; 10 applicants
James F. Lettis Apartments	Section 8	Yes; 2 years
Nader Towers	Section 8	Yes, 2 years

All of the subsidized housing properties maintain a waiting list, ranging from 10 applicants to two years in length. Thus, it appears that there is a demand for housing in which tenants pay 30 percent of their monthly adjusted income towards housing costs.

PUBLIC HOUSING PROPERTY CHARACTERISTICS

There are no public housing developments in Otsego County or the City of Oneonta.

SPECIAL NEEDS HOUSING**Mental and Physical Disabilities**

We spoke with the Otsego County Department of Social Services regarding housing for individuals with physical and mental disabilities. The department indicated that there were no multifamily properties in the area that catered specifically to the populations in question, and that many individuals rely heavily on assistance from family. It was also noted that there are a number of congregate care communities that provide on-site medical care and services to disabled residents. Additionally, Springbrook and Pathfinder Village, two of the area's largest employers, offer robust residential options to mentally disabled individuals. Springbrook serves over 1,000 adults and children with developmental disabilities from areas throughout New York State. For adults, Springbrook offers 24 staffed community homes, as well as an Alternative Living Services program that helps clients and their families coordinate their own residential arrangements. Additionally, Springbrook operates a residential school for children with developmental disabilities.

Pathfinder Village is a residential facility for individuals with Down Syndrome. The campus is staffed 24 hours a day and houses over 90 residents.

Senior

Oneonta and Otsego County have both experienced significant growth in their senior populations and such trends are expected to continue for the foreseeable future. With growth in the senior population comes increased demand for senior housing. A number of the local stakeholders we interviewed echoed this, indicating that there is significant need for both market rate and affordable senior housing. It was reported that many area seniors seek to downsize from larger, older homes that have become difficult to maintain. Smaller, higher quality apartments and townhomes have seen strong demand from this portion of the senior population. Local properties such as Hampshire Heights and Heritage at the Plains offer senior living ranging from independent living with amenities such as meals and housekeeping to assisted living and memory care units. Property managers at these facilities indicated strong demand and anticipated continued demand growth in the future. Other seniors find affordability to be a challenge given strong demand for senior housing and the inflationary effects of the student housing market on local rental rates. Subsidized senior housing properties in the area such as Academy Arms, Nader Towers, and Bronner Manor uniformly report 100 percent occupancy and waitlists up to two years in length, which underscores the demand for affordable senior housing in the area. Of note, the new Oneonta Heights development by Housing Visions will set aside 40 affordable units for seniors. The property is scheduled to open in October 2017 and is processing 23 applications at the time of this report.

Homeless

Otsego County Department of Social Services provides funding for the non-profit organization Opportunities for Otsego, which works to alleviate poverty in the county. Opportunities for Otsego maintains an 18-bed temporary shelter called Opportunity House for the homeless population in Oneonta which is open 24 hours a day, seven days a week. The organization also provides a number of housing services to the area's homeless and at risk population, including temporary housing assistance, rent/mortgage assistance, housing location, counseling, assistance in speaking with landlords, budget assistance, linkage to legal services, transportation assistance, ongoing case management, and referral to other community service organizations. The Otsego County government also operates an independent Mental Health Department, which provides access to confidential services from licensed mental health professionals at its clinic in Oneonta. The clinic accepts most health insurance plans, including Medicare and Medicaid, and implements a sliding scale fee schedule for those facing financial hardship. Otsego County Department of Veterans Affairs provides localized support for the county's veterans, including transportation assistance, assistance navigating federal and state programs, employment assistance, and a discount program – all of which homeless veterans are eligible to take advantage of. Additionally, Catholic Charities of Delaware, Otsego, and Schoharie Counties maintain three single room occupancy (SRO) residences with a capacity of 27 residents. The SRO residences offer permanent housing for homeless individuals in need of low cost housing, and provide supportive services including case management, meal programs, and referrals. Additionally, Crossroads Inn offers transitional housing for people that are coming from rehab, jail, prison, and the homeless.

According to The Continuum of Care (CoC), a HUD program designed to promote communitywide commitment to the goal of ending homelessness, the homeless population is homeless for a variety of reasons, the most common of which are job loss, mental health issues, substance abuse, and foreclosure. Problems at home, including domestic violence and divorce, also play in a role in homelessness. The Continuum of Care's 2016 Point in Time data for Broome, Otsego, Chenango, and Delaware Counties, the most localized and recent data available for this area, reveals that approximately 100 homeless persons were served by emergency shelters in the listed counties in 2016. This number included 25 families with at least one child. An additional 148 homeless persons were sheltered in the counties' transitional housing,

including 13 homeless households with at least one child. An additional 28 homeless persons remained unsheltered in any kind of housing.

Given the relative lack of permanent facilities available for the homeless population in Otsego County, it appears there is a need for additional supportive housing. Please see the *Future Housing Needs* section of this report for additional details on Otsego County's projected housing needs.

Conclusion

Single-family home value has remained stable in both Oneonta and Otsego County since 2012, while area inventory and number of sales has declined. At the median home value, the majority families in both Oneonta and Otsego County at and above 60% AMI would not need assistance to purchase a home. However, without incentives, construction of new single-family homes in the area is not financially feasible from a developer's standpoint. Otsego County has a renter tenure of approximately 29 percent, slightly below the national average. The City of Oneonta has a much higher renter tenure at approximately 59 percent. This is largely attributable to the dominance of the student population in the Oneonta market. Vacancy rates at affordable and subsidized properties are very low in Oneonta and Otsego County. The county has existing supportive housing options for the mentally disabled, senior, and homeless populations. Please see the *Future Housing Needs* section of this report for additional details on Otsego County's projected housing needs.

VI. FUTURE HOUSING NEEDS

FUTURE HOUSING NEEDS

In order to gain a better understanding of the challenges and opportunities facing the local housing market, Novogradac & Company LLP interviewed several area stakeholders, and are summarized below.

Oneonta Housing Authority

We spoke with Ms. Jennifer Beams, Section 8 Coordinator for the Otsego County Housing Authority regarding the county's affordable housing. The Oneonta Housing Authority manages Housing Choice Vouchers for the City and Town of Oneonta, as well as the nearby localities of Laurens, Maryland, Morris, and Otego. Ms. Beams stated that the county issues 79 total Housing Choice Vouchers, 53 of which are used in Oneonta. As of the date of this report, all of the county's 79 vouchers are in use. The waiting list for Housing Choice Vouchers is currently open and is presently in the process of being purged. Ms. Beams indicated that the waitlist length is currently at three years. Of note, Ms. Beams stated that a significant portion of the applications and wait list occupants for the Section 8 program are from New York City and apply in hopes of obtaining a voucher to use in the New York metro area. While such applicants rarely – if ever – follow through with obtaining a voucher and settle in Otsego County, the volume does demand a significant amount of time and resources that could be better used to address local needs. Additionally, Ms. Beams did indicate that there was a need for affordable housing in the community, and was unsure whether recent developments such as Oneonta Heights and possible downtown development would meet demand.

Opportunities for Otsego

We spoke with Daniel Maskin, Director of Opportunities for Otsego, a community action agency providing numerous services and resources to the low income population of Otsego County. Mr. Maskin reported the organization has difficulty finding affordable housing for the individuals it serves. He indicated that the inability to provide permanent housing forced the at-risk population of Otsego County to utilize their emergency shelters, which is a more expensive and less effective solution to housing problems. Mr. Maskin cited the 60 unit Oneonta Heights development by Housing Visions as an example of a successful and impactful development, and indicated there is demand for more similar projects. Mr. Maskin also pointed out the city's cap on unrelated residents in housing units as an obstacle to finding affordable housing. He indicated that a majority of the demand for such units comes from single adults, and that restricting housing units to three unrelated adults makes finding affordable housing for such individuals even more difficulty. In terms of improvement, Mr. Maskin expressed support for raising or removing the cap on unrelated residents in the city's housing units, as well as expanding investment in the rehabilitation of existing vacant housing stock.

Otsego County Planning Department

We spoke with Mr. Erik Schreivner, Senior Planner in Otsego County's Planning Department, regarding residential development in Otsego County. Mr. Schreivner reported no residential developments proposed, planned, or under construction at the present time. He also reported no new multifamily residential development in the unincorporated areas of Otsego County. Of note, the previously discussed plan by SUNY Oneonta to rehabilitate vacant housing the city could result in future multifamily development.

CDO Workforce

We spoke with Alan Sessions, Outreach Coordinator with CDO Workforce, a regional workforce and business development agency serving Otsego, Chenango, and Delaware Counties. With regards to housing, Mr. Sessions mentioned that he has heard from local employers – particularly SUNY Oneonta and Hartwick College – that the local housing stock has proven to be an obstacle in recruiting for higher paid, professional positions. With the area's larger homes generally being older – and sometimes vacant with significant repairs needed – and a general lack of newer market rate apartments, it is difficult for professionals both with and without families to find suitable housing. Mr. Sessions also indicated that it has become difficult for

lower skilled workers in Oneonta to find housing due to the large student population, which dominates the market and has an inflationary effect on rents. Mr. Sessions specifically cited a need for affordable housing to accommodate this cohort, as well as market rate construction or rehab to make the area more attractive to higher skilled professionals.

Local Real Estate Professionals

We spoke with a number of prominent realtors, landlords, developers, and investors in the Oneonta community. Hearing the perspective of each of these individuals allowed us to evaluate the area's housing market holistically. While opinions varied between individuals, common themes included the need to attract employers and economic development, a generally low level of quality in current housing stock, demand for development geared towards professionals and seniors looking to downsize, and the need to strengthen standards and enforcement of city building code.

Joan Fox, a local real estate agent with over 25 years of experience in the area, cited the need to jump start the employment landscape in the area. She indicated that the sluggish local economy has proven challenging, as it has rendered development of new supply impractical, and leaves existing owners without the resources to properly maintain properties. Ms. Fox specifically indicated a need for affordable, market rate housing for professionals, as well as affordable housing for senior citizens, many of whom would like to move out of larger homes that they no longer wish to maintain or pay high taxes for. She noted the success of mixed-use developments in the downtown area as something that could be built on, and recalled the city's program to subcontract renovations and improvements of existing housing stock a mistake due to their lack of expertise. Furthermore, Ms. Fox praised the work of the Oneonta Housing Authority and expressed a desire to see the city government involve the agency more in future plans.

We also spoke to Michelle Stoeger of the Otsego-Delaware Board of Realtors. Ms. Stoeger echoed the need for development of smaller housing units aimed at seniors looking to downsize, noting that such developments tend to sell quickly. She stated that such market rate units would also be favored amongst professionals looking to move to the area for employment at the colleges or medical centers. Ms. Stoeger noted the lack of recent development, stating that there had not been major development since the recession, which she attributed to a mix of tighter federal and state regulations as well as risk aversion on the part of developers. Ultimately, Ms. Stoeger shared the sentiment that the core issue is the economic outlook for the area, noting that job creating investments and incentive policies would provide a spark to the housing market with increased demand as people look to move to or remain in the area.

Keith Wilbur of Rental Company One specifically mentioned the need for a stricter and more strongly enforced building code. Mr. Wilbur stated that much of the existing supply was in poor condition due to lax enforcement and high numbers of students and elderly who are unable or unwilling to properly upkeep homes. He indicated that the new Hillside Commons student housing complex and renovated units have helped raise market standards, but that a stronger code department was needed long term. Mr. Wilbur noted that while the opening of Hillside Commons has saturated the student rental market, the State of New York's shift to offering free tuition at public colleges would likely help re-balance the market by bringing more students to the city. Similar to other stakeholders, Mr. Wilbur expressed the opinion that the policy focus should be on attracting employers and economic development rather than housing.

Michael Reneri is both a realtor for the Benson Real Estate Agency as well as a landlord in Oneonta. Mr. Reneri expressed concerns about the development of affordable and low income housing in the city, stating that the influx of lower income households from the New York City area was sending the local market into a downward spiral, as Oneonta lacks the industry and economic strength to absorb such a population. Mr. Reneri also expressed a desire to see more openness to smaller, modern market rate developments given the demand from professionals and the elderly. He noted that the zoning and permitting processes for such developments have been painstakingly slow and discourage needed development.

Ed May is a local landlord, developer, and business owner who has also served on the City of Oneonta's Planning Commission. Mr. May indicated a clear need for market rate housing catered to professionals and seniors looking to downsize. Mr. May also expressed concern with the volume of affordable housing being built in the area, noting that the influx of low income residents is fueling a downward economic spiral. Mr. May also voiced his desire for a stronger and better enforced building code, noting that the large amount of student renters – who will pay high rents for housing in inferior condition – allows landlords to ignore city code without market punishment. This, Mr. May observed, has lowered housing standards across the market, contributing to the recruiting issues local employers have faced. Mr. May stated his skepticism that mixed-use development in the downtown area will appeal to the professional demographic it is aimed at.

Rick Weinberg, also of Rental Company One, spoke of the need to attract jobs and investment to jump start the area's economy. He described the city's housing policy as "putting the cart before the horse," indicating that he believes the city should focus on policy initiatives to create jobs, and that housing will follow. Mr. Weinberg noted a general oversupply of multifamily units, particularly since the completion of the large Hillside Commons development, but did agree that there is a need for housing to accommodate seniors looking to downsize. Mr. Weinberg noted that renovation and conversion of existing housing stock would be a better development strategy than new construction, but emphasized that the ultimate issue is employment and economic development.

We also spoke with Bryan Shaughnessy, a local landlord specializing in student housing. Mr. Shaughnessy noted that the city's existing plans center on building housing for professionals, families, and seniors in very close proximity with high-traffic student nightlife areas. Further, he was adamant that such units would not be a good fit given the potential issues with noise, traffic, and community relations, and lobbied for such developments to be placed elsewhere.

We spoke with Nancy Scanlon, a local realtor with Keller Williams. Ms. Scanlon indicated that the single-family home supply in Oneonta suffers from a severe lack of quality inventory. Ms. Scanlon noted that houses that have been maintained well and are move-in ready sell very quickly, but that sales in Oneonta are down 25 percent year-over-year due to the state of disrepair in the housing stock. Ms. Scanlon indicated that the best way to improve the area's supply would be to renovate existing houses, as that would be cheaper and allow for higher quality builds than would new construction. Ms. Scanlon also stated that the economic climate was the underlying cause for the market's woes. She indicated that only one major employer in the area – SUNY Oneonta – had the kind of well paying, full time jobs that encourage purchase and upkeep of homes, and that without more similar positions the low quality of inventory would continue to pervade the market. Similar to other stakeholders, Ms. Scanlon also noted that there is a major shortage of high quality market rate units in the rental market, and noted that there is significant demand for such units.

Conclusion

There is general consensus among the local stakeholders is that the area's current housing stock is inadequate for current market demand, and that the issue is related to equal parts quantity and quality of the current supply. Many stakeholders noted that the lack of newer market rate housing has hindered the area's ability to attract well paid, higher skilled workers to the city and leaves a significant number of elderly homeowners looking to downsize from larger homes without attractive local options. Stakeholders specifically pointed out smaller housing options – one and two bedroom apartments and townhome units – as units that have immense market rate potential. Additionally, the city has a plethora of larger single family homes that have proven too burdensome for aging owners or renters to properly maintain. These houses are falling to disrepair and many have been left completely vacant. This deterioration of quality has proven a deterrent to professionals with families, and many stakeholders have identified renovation of these properties into market rate single and multi-family units as another potentially strong development opportunity.

Furthermore, the city's housing stock is dominated by student housing, which has lowered the standards of quality upkeep across the market. Desire for stronger and better enforced city code to address this issue was expressed by multiple stakeholders. Desire for affordable workforce housing was also noted by many stakeholders, who noted that the large student presence in the market has driven up rents even for lower quality units.

Many stakeholders also strongly emphasized the need to expand employment opportunities in the area before devoting resources to housing development. Stakeholders from the business community noted the lack of major industry in Oneonta and the decades since the last major business expansion in the area. Stakeholders noted the relatively stagnant population and employment figures as reasons housing developers have avoided investing resources in projects in the area. Ultimately, these stakeholders felt that jumpstarting the local economy with expanded employment and creating increased demand for housing would be the best way to entice builders to invest in development of housing in the area.

Potential Sites for Development

The consensus among local stakeholders is that the City of Oneonta is largely built out and that there are no particularly strong locations for new developments. Instead, stakeholders uniformly expressed a desire to see the area's existing stock undergo renovation to bring market standards higher and better meet the area's current needs, such as newer, smaller market rate housing for middle and upper income workers and seniors with a desire to downsize. Stakeholders did indicate that there is land for new development available outside the city, with one stakeholder specifically mentioning the town of Portlandville as an ideal site for investment in new development. However, it was also noted that such development would encounter challenges with utilities, access to services, and current land owners.

As previously discussed, the City of Oneonta was awarded \$10,000,000 in grant funds from the State of New York as part of the Downtown Revitalization Initiative (DRI). The nine winning projects for Oneonta's DRI grant are listed in the table below.

DRI WINNING PROJECTS	
Project	Description
Westcott Lot Mixed Use Development	New mixed use building on Main Street in Oneonta including 4,000-6,000 square feet of commercial space and 27-30 apartments.
Small Business Revolving Loans and Sign Grants	Small loans and establishment of a revolving loan fund for renovations of commercial spaces and storefronts in. Micro-grants to business owners to develop signage.
Activate Upper Story Housing	Grants to property owners to renovate upper stories of buildings on Main Street in Oneonta for use as rental housing.
Transit Hub and Parking Garage Renovation	Renovation of existing public parking garage and construction of a new transit hub facility.
Mueller Plaza Passage	Construction of a pedestrian passageway between Mueller Plaza and Water Street to improve downtown connectivity.
Water Street Boardwalk	Construction of a pedestrian passageway between Water Street and Market Street to improve downtown connectivity.
Market Street and South Main Improvements	Infrastructure and streetscape improvements.
Downtown District Signage	Signage design and location plan, placement of markets along regional roads and at other regional destinations; new signage and wayfinding.
Branding and Marketing Downtown Oneonta	Develop a marketing theme and network with which to regularly disseminate marketing materials promoting downtown.

Future Housing Development Needs

For the purposes of this report, we have provided a projected needs analysis for Otsego County and the city of Oneonta. We have examined the demand for single-family homes as well as multifamily developments, both affordable and market rate.

To assess the likely number of tenants in Otsego County and the City of Oneonta eligible to live in a single-family home or multifamily development (affordable, both with and without subsidy, and market rate), we used Census information as provided by ESRI Demographics and Ribbon Demographics. It should be noted that we have further broken down the analysis by age restriction.

Based upon our assessment of the current housing market in Otsego County and the City of Oneonta, we believe there are three types of housing that are in short supply in the area: good quality low to moderate-income owner-occupied single-family homes, affordable housing for seniors, and market rate housing, which will be discussed after determining the number of households in Otsego County and the City of Oneonta that are income-eligible to reside at the three identified types of housing.

Existing Demand - Losses to Inventory via Conversion or Demolition (includes factor for frictional vacancy):

Demand from Otsego County will stem from several sources in addition to new growth. These sources include demand from households that are forced from existing housing due to demolition or conversion of the housing units. Further, demand will stem from existing households that live in the area but move to a new home because people are searching for better housing or housing in a desired location (frictional vacancy). The calculation begins by determining the year 2017 base level eligible demand.

This figure is then adjusted for losses of inventory via conversion or demolition (which also accounts for frictional vacancy in the market). To determine an appropriate percentage within the market we utilized/analyzed various housing characteristics.

The following table illustrates age of housing stock within the City of Oneonta and Otsego County.

AGE OF HOUSING STOCK				
	CITY OF ONEONTA		OTSEGO COUNTY	
	Number	Percent of Housing Stock	Number	Percent of Housing Stock
Built 2014 or later	4	0.1%	52	0.2%
Built 2010 to 2013	27	0.6%	208	0.7%
Built 2000 to 2009	73	1.6%	2,720	8.9%
Built 1990 to 1999	128	2.7%	3,291	10.7%
Built 1980 to 1989	217	4.6%	3,081	10.0%
Built 1970 to 1979	349	7.5%	3,092	10.1%
Built 1960 to 1969	290	6.2%	2,026	6.6%
Built 1950 to 1959	419	9.0%	1,927	6.3%
Built 1940 to 1949	389	8.3%	1,160	3.8%
Built 1939 or earlier	2,778	59.4%	13,108	42.7%
Total Housing Units	4,674	100.0%	30,665	100.0%

Source: American Community Survey, 2015

As indicated in the tables above, 42.7 percent of Otsego County's housing stock was built prior to 1939, while 59.4 percent of the City of Oneonta's housing stock was built prior to 1939. In addition, 31.0 percent of the housing stock in the City of Oneonta and 26.8 percent of the housing stock in Otsego County was built

between 1940 and 1979. Construction from 1990 to present represents 5.0 percent of the housing stock in the City of Oneonta and 20.5 percent of the housing stock in Otsego County, demonstrating that most of the existing residential improvements in Otsego County are older vintage and may be more likely to exhibit fair to poor condition and functional obsolescence. This also contributes to the difficulty of accepting Housing Choice Vouchers for local landlords as homes must pass an inspection for quality and safety in order to be part of the Section 8 program. It is reasonable to assume that a portion of the existing housing units constructed prior to 1939 will leave the market based upon the loss of functional or physical inadequacies of the units; therefore, we will assume approximately 5.0 percent of these units will leave the market, or 2.1 percent of the total housing supply in Otsego County and 3.0 percent of the total housing supply in the City of Oneonta.

It is also important to recognize demand for new housing will come from the market from households in inadequate living situations. According to the most recent census, approximately 1.3 percent of households in Otsego County and 1.7 percent of households in the City of Oneonta lack complete plumbing or kitchen facilities in their housing units. We have estimated that approximately 1.5 percent or less of the housing units (mostly single-family) are demolished or converted every year within Otsego County and the City of Oneonta.

Further, the demand needs to be adjusted for frictional vacancy within the market. According to The Dictionary of Real Estate Appraisal 6th Edition published in 2015 by the Appraisal Institute, frictional vacancy is the amount of vacant space in the market needed for orderly operation. It allows for relocations as households relocate, and is considered a typical vacancy rate in a given market operating in equilibrium. We believe a frictional vacancy rate of approximately 5.0 percent is appropriate for this market. The following table illustrates our conclusion:

LOSSES TO INVENTORY VIA CONVERSION OR DEMOLITION		
	CITY OF ONEONTA	OTSEGO COUNTY
Housing Stock older than 1939 to leave market due to functional or physical inadequacies	5.0%	5.0%
Lacking Complete Plumbing or Kitchen Facilities	1.7%	1.3%
Demolition or Conversion	1.5%	1.5%
Frictional Vacancy	5.0%	5.0%
Total Percentage	13.2%	12.8%

In order to account for demand created by the previously described factors, we believe that adjusting the demand by 13.2 and 12.8 percent for losses of inventory via conversion or demolition, as well as frictional vacancy is reasonable for all scenarios.

New Household Growth

Household population change as a result of new households moving in or out of the area: This was previously calculated, with the household population estimated to slightly decrease from 2017 to 2021.

Capture Rate Analysis – Projected Need

The following analysis will take the reader through a multi-step process in determining an appropriate capture rate for the Subject. For the purposes of this study, it is necessary to define the market area, or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much “neighborhood-oriented” and are generally very reluctant to move from the area in which they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below-market rents. A certain percent of the Subject’s tenants are expected to hail from the PMA; demand estimates will be adjusted to reflect the potential for “leakage.”

The PMA area encompasses the city of Oneonta while the secondary market area is defined as the larger Otsego County. We believe the Subject will experience some leakage from outside the PMA. We have estimated that 15 percent of the Subject's tenants will come from outside these boundaries. Additionally, we have performed a capture rate analysis on the City of Oneonta.

Demographic Information

The basic demographic information is based upon the definition of a primary market area ("PMA") and an estimate of the characteristics of the people living within that geographic definition.

Demographic data originates from the Census and is compiled by a third party data provider. Novogradac & Company uses data provided by the ESRI Business Analyst. Business Analyst brings in data as produced by ESRI's team of demographers. Sources include the US Census, American Community Survey, and other reputable sources. Housing characteristics are derived from several data sources, including construction data from Hanley Wood Market Intelligence, building permits from counties, the USPS, HUD, BLS, and the Census bureau. Owner and renter occupied units come from the Current Population Survey (BLS) and the Housing Vacancy Survey (Census). Data has been ground-truthed by ESRI staff and proven effective.

ESRI's products have been used by almost all US federal agencies (including HUD and USDA), top state level agencies, over 24,000 state and local governments worldwide, as well as many industry leading technology users—AT&T, Citrix, SAP, Oracle, Microsoft. ESRI produces timely updates based on new releases of data.

Assumptions and Data necessary for this calculation are:

Appropriate Municipality:	City of Oneonta and Otsego County, NY
AMI for four-person household:	\$62,200
Tenancy (Family vs Senior):	General Population and Seniors 65+
Affordability percentage:	35% and 40%, respectively
Leakage:	15%

First, we estimate the minimum and maximum income levels. Since the income bands by household data presented relates to total households, we have assumed that any current household existing in the market would consider new housing, if they meet the income requirements.

GENERAL POPULATION INCOME LIMITS - WITH SUBSIDY

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	30% AMI		50% AMI		60% AMI		Market Rate	
1BR	\$0	\$14,070	\$0	\$23,450	\$0	\$28,140	\$32,400	\$200,000+
2BR	\$0	\$16,890	\$0	\$28,150	\$0	\$33,780	\$40,944	\$200,000+
3BR	\$0	\$19,500	\$0	\$32,500	\$0	\$39,000	\$52,800	\$200,000+

GENERAL POPULATION INCOME LIMITS - ABSENT SUBSIDY

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	30% AMI		50% AMI		60% AMI		Market Rate	
1BR	\$12,857	\$14,070	\$21,429	\$23,450	\$25,714	\$28,140	\$32,400	\$200,000+
2BR	\$14,469	\$16,890	\$24,103	\$28,150	\$28,937	\$33,780	\$40,944	\$200,000+
3BR	\$16,046	\$19,500	\$26,777	\$32,500	\$32,126	\$39,000	\$52,800	\$200,000+

SENIOR 65+ INCOME LIMITS - WITH SUBSIDY

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	30% AMI		50% AMI		60% AMI		Market Rate	
1BR	\$0	\$14,070	\$0	\$23,450	\$0	\$28,140	\$32,400	\$200,000+
2BR	\$0	\$16,890	\$0	\$28,150	\$0	\$33,780	\$40,944	\$200,000+
3BR	\$0	\$19,500	\$0	\$32,500	\$0	\$39,000	\$52,800	\$200,000+

SENIOR 65+ INCOME LIMITS - ABSENT SUBSIDY

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	30% AMI		50% AMI		60% AMI		Market Rate	
1BR	\$11,250	\$14,070	\$18,750	\$23,450	\$22,500	\$28,140	\$32,400	\$200,000+
2BR	\$12,660	\$16,890	\$21,090	\$28,150	\$25,320	\$33,780	\$40,944	\$200,000+
3BR	\$14,040	\$19,500	\$23,430	\$32,500	\$28,110	\$39,000	\$52,800	\$200,000+

Second, we illustrate the household population segregated by income band in order to determine those who are income-qualified to reside in the Subject property.

RENTER HOUSEHOLD INCOME

City of Oneonta						
Income Cohort	2017		2021		Annual Change 2017 to 2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	465	18.9%	431	17.8%	-7	-1.5%
\$10,000-19,999	562	22.8%	518	21.4%	-9	-1.6%
\$20,000-29,999	385	15.6%	351	14.5%	-7	-1.8%
\$30,000-39,999	245	10.0%	263	10.9%	4	1.4%
\$40,000-49,999	201	8.2%	181	7.5%	-4	-1.9%
\$50,000-59,999	113	4.6%	131	5.4%	4	3.2%
\$60,000-74,999	133	5.4%	125	5.2%	-2	-1.3%
\$75,000-99,999	69	2.8%	73	3.0%	1	1.0%
\$100,000-124,999	137	5.6%	144	6.0%	1	1.0%
\$125,000-149,999	47	1.9%	59	2.5%	3	5.4%
\$150,000-199,999	42	1.7%	62	2.6%	4	9.9%
\$200,000+	60	2.4%	83	3.4%	5	7.5%
Total	2,460	100.0%	2,421	100.0%		

Source: HISTA Data / Ribbon Demographics 2017, Novogradac & Company LLP, August 2017

RENTER HOUSEHOLD INCOME

Otsego County						
Income Cohort	2017		2021		Annual Change 2017 to 2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	933	13.1%	886	12.4%	-9	-1.0%
\$10,000-19,999	1,493	21.0%	1,376	19.3%	-23	-1.6%
\$20,000-29,999	1,189	16.8%	1,128	15.8%	-12	-1.0%
\$30,000-39,999	855	12.0%	864	12.1%	2	0.2%
\$40,000-49,999	722	10.2%	729	10.2%	1	0.2%
\$50,000-59,999	423	6.0%	428	6.0%	1	0.2%
\$60,000-74,999	444	6.3%	442	6.2%	0	-0.1%
\$75,000-99,999	392	5.5%	422	5.9%	6	1.5%
\$100,000-124,999	260	3.7%	307	4.3%	9	3.5%
\$125,000-149,999	131	1.8%	173	2.4%	9	6.5%
\$150,000-199,999	132	1.9%	191	2.7%	12	8.9%
\$200,000+	123	1.7%	195	2.7%	14	11.6%
Total	7,098	100.0%	7,140	92.2%		

Source: HISTA Data / Ribbon Demographics 2017, Novogradac & Company LLP, August 2017

RENTER HOUSEHOLD INCOME 65+

Income Cohort	2017		2021		Annual Change 2017 to 2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	31	7.1%	38	8.2%	2	5.1%
\$10,000-19,999	98	22.9%	98	21.0%	0	0.0%
\$20,000-29,999	61	14.3%	58	12.5%	-1	-0.9%
\$30,000-39,999	46	10.7%	53	11.4%	2	3.3%
\$40,000-49,999	33	7.6%	36	7.8%	1	2.3%
\$50,000-59,999	20	4.8%	26	5.6%	1	5.7%
\$60,000-74,999	73	17.1%	70	14.9%	-1	-1.0%
\$75,000-99,999	14	3.3%	16	3.5%	0	2.6%
\$100,000-124,999	23	5.5%	20	4.3%	-1	-2.8%
\$125,000-149,999	22	5.2%	36	7.8%	3	12.4%
\$150,000-199,999	5	1.2%	12	2.6%	1	27.5%
\$200,000+	1	0.2%	2	0.4%	0	0.0%
Total	428	100.0%	466	100.0%		

Source: HISTA Data / Ribbon Demographics 2017, Novogradac & Company LLP, October 2017

RENTER HOUSEHOLD INCOME 65+

Income Cohort	2017		2021		Annual Change 2017 to 2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	147	7.6%	168	7.9%	4	2.9%
\$10,000-19,999	467	24.0%	464	21.8%	-1	-0.2%
\$20,000-29,999	347	17.9%	362	17.0%	3	0.8%
\$30,000-39,999	305	15.7%	334	15.7%	6	1.8%
\$40,000-49,999	147	7.6%	167	7.8%	4	2.7%
\$50,000-59,999	93	4.8%	100	4.7%	1	1.4%
\$60,000-74,999	150	7.7%	160	7.5%	2	1.4%
\$75,000-99,999	93	4.8%	113	5.3%	4	4.2%
\$100,000-124,999	81	4.2%	97	4.6%	3	3.9%
\$125,000-149,999	45	2.3%	68	3.2%	5	10.3%
\$150,000-199,999	47	2.4%	68	3.2%	4	8.9%
\$200,000+	19	1.0%	28	1.3%	2	9.2%
Total	1,943	100.0%	2,128	100.0%		

Source: HISTA Data / Ribbon Demographics 2017, Novogradac & Company LLP, October 2017

Third, we combine the allowable income bands with the income distribution analysis in order to determine the number of potential income-qualified households. The Cohort Overlap is defined as the income amount within income bands defined above that falls within the ESRI provided Income Cohort. The % in Cohort is simply the cohort overlap divided by the income cohort range (generally \$10,000). The # in Cohort is determined by multiplying total renter households by the % in Cohort determination. In some cases the income-eligible band overlaps with more than one income cohort. In those cases, the cohort overlap for more than one income cohort will be calculated. The sum of these calculations provides an estimate of the total number of households that are income-eligible, both by AMI level and in total.

City of Oneonta- General Population

FAMILY INCOME DISTRIBUTION 2017 - ABSENT SUBSIDY

CITY OF ONEONTA																														
Income Cohort	Total Renter Households	30% AMI			50% AMI			60% AMI			Market Rate			All Units																
		cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort														
\$0-9,999	465	6,643	66.44%	373	7,917	79.18%	305	4,285	42.85%	165	7,599	76.00%	186	6,643	66.44%	373														
\$10,000-19,999	562																													
\$20,000-29,999	385																													
\$30,000-39,999	245																													
\$40,000-49,999	201																													
\$50,000-59,999	113																													
\$60,000-74,999	133																													
\$75,000-99,999	69																													
\$100,000-124,999	137																													
\$125,000-149,999	47																													
\$150,000-199,999	42																													
\$200,000+	60																													
Total	2,460		15.18%	373		14.88%	366		15.68%	386					40.20%	989		70.16%	1,726											

FAMILY INCOME DISTRIBUTION 2017 - WITH SUBSIDY

CITY OF ONEONTA																
Income Cohort	Total Renter Households	30% AMI			50% AMI			60% AMI			Market Rate			All Units		
		cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort
\$0-9,999	465	9,999	100.00%	465	9,999	100.00%	465	9,999	100.00%	465	7,599	76.00%	186	9,999	100.00%	465
\$10,000-19,999	562	9,500	95.01%	534	9,999	100.00%	562	9,999	100.00%	562				9,999	100.00%	562
\$20,000-29,999	385				9,999	100.00%	385	9,999	100.00%	385				9,999	100.00%	385
\$30,000-39,999	245				2,500	25.00%	61	9,000	90.01%	221				9,999	100.00%	245
\$40,000-49,999	201													9,999	100.00%	201
\$50,000-59,999	113										9,999	100.00%	113	9,999	100.00%	113
\$60,000-74,999	133										14,999	100.00%	133	14,999	100.00%	133
\$75,000-99,999	69										24,999	100.00%	69	24,999	100.00%	69
\$100,000-124,999	137										24,999	100.00%	137	24,999	100.00%	137
\$125,000-149,999	47										24,999	100.00%	47	24,999	100.00%	47
\$150,000-199,999	42										49,999	100.00%	42	49,999	100.00%	42
\$200,000+	60										200,000	100.00%	60	200,000	100.00%	60
Total	2,460		40.62%	999		59.90%	1,474		66.39%	1,633		40.20%	989		100.00%	2,460

Otsego County- General Population

FAMILY INCOME DISTRIBUTION 2017 - ABSENT SUBSIDY

		OTSEGO COUNTY																												
Income Cohort	Total Renter Households	30% AMI			50% AMI			60% AMI			Market Rate			All Units																
		cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort														
\$0-9,999	933	6,643	66.44%	992	7,917	79.18%	942	4,285	42.85%	510	7,599	76.00%	650	6,643	66.44%	992														
\$10,000-19,999	1,493																													
\$20,000-29,999	1,189																													
\$30,000-39,999	855																													
\$40,000-49,999	722																													
\$50,000-59,999	423													9,999	100.00%	722	9,999	100.00%	722											
\$60,000-74,999	444													9,999	100.00%	423	9,999	100.00%	423											
\$75,000-99,999	392													14,999	100.00%	444	14,999	100.00%	444											
\$100,000-124,999	260													24,999	100.00%	392	24,999	100.00%	392											
\$125,000-149,999	131													24,999	100.00%	260	24,999	100.00%	260											
\$150,000-199,999	132													24,999	100.00%	131	24,999	100.00%	131											
\$200,000+	123													49,999	100.00%	132	49,999	100.00%	132											
Total	7,098													200,000	100.00%	123	200,000	100.00%	123											
		13.97%	992		16.28%	1,156		18.02%	1,279		46.17%	3,277		76.30%	5,416															

FAMILY INCOME DISTRIBUTION 2017 - WITH SUBSIDY

OTSEGO COUNTY																
Income Cohort	Total Renter Households	30% AMI			50% AMI			60% AMI			Market Rate			All Units		
		cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort
\$0-9,999	933	9,999	100.00%	933	9,999	100.00%	933	9,999	100.00%	933	7,599	76.00%	650	9,999	100.00%	933
\$10,000-19,999	1,493	9,500	95.01%	1,418	9,999	100.00%	1,493	9,999	100.00%	1,493				9,999	100.00%	1,493
\$20,000-29,999	1,189				9,999	100.00%	1,189	9,999	100.00%	1,189				9,999	100.00%	1,189
\$30,000-39,999	855				2,500	25.00%	214	9,000	90.01%	770				9,999	100.00%	855
\$40,000-49,999	722													9,999	100.00%	722
\$50,000-59,999	423										9,999	100.00%	423	9,999	100.00%	423
\$60,000-74,999	444										14,999	100.00%	444	14,999	100.00%	444
\$75,000-99,999	392										24,999	100.00%	392	24,999	100.00%	392
\$100,000-124,999	260										24,999	100.00%	260	24,999	100.00%	260
\$125,000-149,999	131										24,999	100.00%	131	24,999	100.00%	131
\$150,000-199,999	132										49,999	100.00%	132	49,999	100.00%	132
\$200,000+	123										200,000	100.00%	123	200,000	100.00%	123
Total	7,098		33.13%	2,352		53.95%	3,829		61.78%	4,385		46.17%	3,277		100.00%	7,098

City of Oneonta- Senior Population

SENIOR INCOME DISTRIBUTION 2017 - ABSENT SUBSIDY

CITY OF ONEONTA																
Income Cohort	Total Renter Households	30% AMI			50% AMI			60% AMI			Market Rate			All Units		
		cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort
\$0-9,999	31															
\$10,000-19,999	98	8,250	82.51%	81	1,249	12.49%	12							8,250	82.51%	81
\$20,000-29,999	61				9,999	100.00%	61	7,499	75.00%	46				9,999	100.00%	61
\$30,000-39,999	46				2,500	25.00%	11	9,000	90.01%	41				9,999	100.00%	46
\$40,000-49,999	33										9,999	100.00%	33	9,999	100.00%	33
\$50,000-59,999	20										9,999	100.00%	20	9,999	100.00%	20
\$60,000-74,999	73										14,999	100.00%	73	14,999	100.00%	73
\$75,000-99,999	14										24,999	100.00%	14	24,999	100.00%	14
\$100,000-124,999	23										24,999	100.00%	23	24,999	100.00%	23
\$125,000-149,999	22										24,999	100.00%	22	24,999	100.00%	22
\$150,000-199,999	5										49,999	100.00%	5	49,999	100.00%	5
\$200,000+	1										200,000	100.00%	1	200,000	100.00%	1
Total	428		18.86%	81		19.82%	85		20.36%	87		53.14%	227		88.86%	380

SENIOR INCOME DISTRIBUTION 2017 - WITH SUBSIDY

CITY OF ONEONTA																
Income Cohort	Total Renter Households	30% AMI			50% AMI			60% AMI			Market Rate			All Units		
		cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort
\$0-9,999	31	9,999	100.00%	31	9,999	100.00%	31	9,999	100.00%	31				9,999	100.00%	31
\$10,000-19,999	98	8,250	82.51%	81	9,999	100.00%	98	9,999	100.00%	98				9,999	100.00%	98
\$20,000-29,999	61				9,999	100.00%	61	9,999	100.00%	61				9,999	100.00%	61
\$30,000-39,999	46				2,500	25.00%	11	9,000	90.01%	41	7,599	76.00%	35	9,999	100.00%	46
\$40,000-49,999	33										9,999	100.00%	33	9,999	100.00%	33
\$50,000-59,999	20										9,999	100.00%	20	9,999	100.00%	20
\$60,000-74,999	73										14,999	100.00%	73	14,999	100.00%	73
\$75,000-99,999	14										24,999	100.00%	14	24,999	100.00%	14
\$100,000-124,999	23										24,999	100.00%	23	24,999	100.00%	23
\$125,000-149,999	22										24,999	100.00%	22	24,999	100.00%	22
\$150,000-199,999	5										49,999	100.00%	5	49,999	100.00%	5
\$200,000+	1										200,000	100.00%	1	200,000	100.00%	1
Total	428		26.00%	111		46.96%	201		53.93%	231		53.14%	227		100.00%	428

Otsego County- Senior Population

SENIOR INCOME DISTRIBUTION 2017 - ABSENT SUBSIDY

OTSEGO COUNTY																
Income Cohort	Total Renter Households	30% AMI			50% AMI			60% AMI			Market Rate			All Units		
		cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort	cohort overlap	% in cohort	# in cohort
\$0-9,999	147															
\$10,000-19,999	467	8,250	82.51%	385	1,249	12.49%	58				8,250	82.51%	385			
\$20,000-29,999	347				9,999	100.00%	347	7,499	75.00%	260	9,999	100.00%	347	9,999	100.00%	347
\$30,000-39,999	305				2,500	25.00%	76	9,000	90.01%	275	9,999	100.00%	305	9,999	100.00%	305
\$40,000-49,999	147										9,999	100.00%	147	9,999	100.00%	147
\$50,000-59,999	93										9,999	100.00%	93	9,999	100.00%	93
\$60,000-74,999	150										14,999	100.00%	150	14,999	100.00%	150
\$75,000-99,999	93										24,999	100.00%	93	24,999	100.00%	93
\$100,000-124,999	81										24,999	100.00%	81	24,999	100.00%	81
\$125,000-149,999	45										24,999	100.00%	45	24,999	100.00%	45
\$150,000-199,999	47										49,999	100.00%	47	49,999	100.00%	47
\$200,000+	19										200,000	100.00%	19	200,000	100.00%	19
Total	1,943		19.84%	385		24.81%	482		27.55%	535		46.75%	908		88.24%	1,714

SENIOR INCOME DISTRIBUTION 2017 - WITH SUBSIDY

SENIOR INCOME DISTRIBUTION 2017 - WITH SUBSIDY																
OTSEGO COUNTY																
Income Cohort	Total Renter Households	30% AMI			50% AMI			60% AMI			Market Rate			All Units		
		cohort	% in cohort	# in cohort	cohort	% in cohort	# in cohort	cohort	% in cohort	# in cohort	cohort	% in cohort	# in cohort	cohort	% in cohort	# in cohort
\$0-9,999	147	9,999	100.00%	147	9,999	100.00%	147	9,999	100.00%	147				9,999	100.00%	147
\$10,000-19,999	467	8,250	82.51%	385	9,999	100.00%	467	9,999	100.00%	467				9,999	100.00%	467
\$20,000-29,999	347				9,999	100.00%	347	9,999	100.00%	347				9,999	100.00%	347
\$30,000-39,999	305				2,500	25.00%	76	9,000	90.01%	275	7,599	76.00%	232	9,999	100.00%	305
\$40,000-49,999	147										9,999	100.00%	147	9,999	100.00%	147
\$50,000-59,999	93										9,999	100.00%	93	9,999	100.00%	93
\$60,000-74,999	150										14,999	100.00%	150	14,999	100.00%	150
\$75,000-99,999	93										24,999	100.00%	93	24,999	100.00%	93
\$100,000-124,999	81										24,999	100.00%	81	24,999	100.00%	81
\$125,000-149,999	45										24,999	100.00%	45	24,999	100.00%	45
\$150,000-199,999	47										49,999	100.00%	47	49,999	100.00%	47
\$200,000+	19										200,000	100.00%	19	200,000	100.00%	19
Total	1,943		27.40%	532		53.41%	1,038		63.63%	1,236		46.75%	908		100.00%	1,943

At this point we know how many income eligible renter households there are within the PMA by AMI level. Using that household figure we have also calculated percentage of income eligible households to total households by AMI level (AMI percentage eligible). However, in order to provide a demand analysis by bedroom type the number of households must now be allocated to a bedroom mix. The first step in that

process is to determine the number of income qualified renter households by the number of persons per household. This can be completed by applying the total number of rental households by person by the AMI percentage eligible. The total number of renter households by person is information provided by ESRI and illustrated in the demographic discussion.

Fourth, we assumed the household size is 1.5 persons per bedroom for LIHTC rent calculation purposes. Additionally HUD assumes that one-person households are accommodated in one-bedroom units. For LIHTC income purposes, the actual size of the household is used.

The distribution of households by unit type is dependent on the following assumptions. This table has been developed by Novogradac as a result of market research.

HOUSEHOLD DISTRIBUTION MATRIX - GENERAL POPULATION

Household Size	Bedrooms				
	1BR	2BR	3BR	4BR	5BR
1 person	80%	20%	-	-	-
2 persons	20%	80%	-	-	-
3 persons	-	60%	40%	-	-
4 persons	-	-	70%	30%	-
5+ persons	-	-	-	50%	50%

HOUSEHOLD DISTRIBUTION MATRIX - SENIORS (65+)

Household Size	Bedrooms				
	1BR	2BR	3BR	4BR	5BR
1 person	80%	20%	-	-	-
2 persons	20%	80%	-	-	-

The projected renter household demand by bedroom size can then be determined by applying these weightings to the number of income qualified renter households previously determined.

Finally, the capture rate is simply determined by dividing the number of units by unit type for the subject by the total number of qualified renter households for that unit type. This calculation is then adjusted for leakage to arrive at a final determination of capture rate by bedroom type and AMI level. The following tables illustrate the projected housing needs for the general population and seniors within the City of Oneonta and Otsego County at 30, 50 and 60 percent AMI, respectively.

City of Oneonta: 30% Annual Demand – General Population

ANNUAL DEMAND - Absent Subsidy					
Calculation					CITY OF ONEONTA
Number of Renter Households in 2017					2,460
Increase in Number of Renter Households					(39)
Number of Renter Households in 2021					2,421
Existing Demand					
Percentage of Total Households that are Renter					59.0%
Percentage of Income-Qualified Renter Households					15.2%
Number of Income-Qualified Renter Households					373
Percentage of Rent-Overburdened					58.6%
Existing Income-Qualified Renter Household Turnover					218
Percentage of Total Units that are Owner-Occupied					1711
Percentage Housing Units built 1939 or Prior					63.0%
Number of Owner-Occupied Units built Prior to 1939					1077
Percentage of Income-Qualified Owner Households					65.0%
Number of Income-Qualified Owner Households					700
Loss of Inventory via Conversion or Demolition					12.7%
Total additional Income-Qualified Owner Households due to Conversion/Demolition					89
Existing Income-Qualified Renter/Owner Households					307
New Income-Qualified Demand, Stated Annually					
Increase in Renter Households per Annum					(8)
Percentage of Income-Qualified Renter Households					15.2%
New Rental Income Qualified Households					(1)
Total Demand (Turnover and Growth) from within Oneonta					
Total Demand (Turnover and Growth) from within City of Oneonta					306
Portion Originating within City of Oneonta					85%
Total Demand (Turnover and Growth) from within City of Oneonta					360
Less: Existing LIHTC Projects in Absorption Process (Number of Units)					0
Appropriate Sized Households					
One-Bedroom Units	360	*	44%	=	158
Two-Bedroom Units	360	*	39%	=	142
Three-Bedroom Units	360	*	11%	=	39
Four-Bedroom Units	360	*	4%	=	14
Five-Bedroom Units	360	*	2%	=	7
Total Demand after Competition (Turnover and Growth)					360

*A proposed development scheme is not applicable to this report.

The previous table illustrates an estimated number of demanded affordable rental units per year in the City of Oneonta that would result in fairly low capture rates and subsequent, fairly rapid absorption. In this case, there is a total demand of 360 units. Any unaccommodated units of demand will be forced to leave the market or remain rent overburdened without the addition or rehabilitation of units to the City of Oneonta's housing stock.

City of Oneonta: 50% Annual Demand – General Population

ANNUAL DEMAND - Absent Subsidy						
Calculation				CITY OF ONEONTA		
Number of Renter Households in 2017				2,460		
Increase in Number of Renter Households				(39)		
Number of Renter Households in 2021				2,421		
<i>Existing Demand</i>						
Percentage of Total Households that are Renter				59.0%		
Percentage of Income-Qualified Renter Households				14.9%		
Number of Income-Qualified Renter Households				366		
Percentage of Rent-Overburdened				58.6%		
Existing Income-Qualified Renter Household Turnover				214		
Percentage of Total Units that are Owner-Occupied				1711		
Percentage Housing Units built 1939 or Prior				63.0%		
Number of Owner-Occupied Units built Prior to 1939				1077		
Percentage of Income-Qualified Owner Households				65.0%		
Number of Income-Qualified Owner Households				700		
Loss of Inventory via Conversion or Demolition				12.7%		
Total additional Income-Qualified Owner Households due to Conversion/Demolition				89		
Existing Income-Qualified Renter/Owner Households				303		
<i>New Income-Qualified Demand, Stated Annually</i>						
Increase in Renter Households per Annum				(8)		
Percentage of Income-Qualified Renter Households				14.9%		
New Rental Income Qualified Households				(1)		
<i>Total Demand (Turnover and Growth) from within Oneonta</i>						
Total Demand (Turnover and Growth) from within City of Oneonta				302		
Portion Originating within City of Oneonta				85%		
Total Demand (Turnover and Growth) from within City of Oneonta				355		
Less: Existing LIHTC Projects in Absorption Process (Number of Units)				0		
<i>Appropriate Sized Households</i>						
One-Bedroom Units		355	*	44%	=	156
Two-Bedroom Units		355	*	39%	=	140
Three-Bedroom Units		355	*	11%	=	38
Four-Bedroom Units		355	*	4%	=	14
Five-Bedroom Units		355	*	2%	=	7
Total Demand after Competition (Turnover and Growth)				355		

*A proposed development scheme is not applicable to this report.

The previous table illustrates an estimated number of demanded affordable rental units per year in the City of Oneonta that would result in fairly low capture rates and subsequent, fairly rapid absorption. In this case, there is a total demand of 355 units. Any unaccommodated units of demand will be forced to leave the market or remain rent overburdened without the addition or rehabilitation of units to the City of Oneonta's housing stock.

City of Oneonta: 60% Annual Demand – General Population

ANNUAL DEMAND - Absent Subsidy					
Calculation					CITY OF ONEONTA
Number of Renter Households in 2017					2,460
Increase in Number of Renter Households					(39)
Number of Renter Households in 2021					2,421
Existing Demand					
Percentage of Total Households that are Renter					59.0%
Percentage of Income-Qualified Renter Households					15.7%
Number of Income-Qualified Renter Households					386
Percentage of Rent-Overburdened					58.6%
Existing Income-Qualified Renter Household Turnover					226
Percentage of Total Units that are Owner-Occupied					1711
Percentage Housing Units built 1939 or Prior					63.0%
Number of Owner-Occupied Units built Prior to 1939					1077
Percentage of Income-Qualified Owner Households					65.0%
Number of Income-Qualified Owner Households					700
Loss of Inventory via Conversion or Demolition					12.7%
Total additional Income-Qualified Owner Households due to Conversion/Demolition					89
Existing Income-Qualified Renter/Owner Households					315
New Income-Qualified Demand, Stated Annually					
Increase in Renter Households per Annum					(8)
Percentage of Income-Qualified Renter Households					15.7%
New Rental Income Qualified Households					(1)
Total Demand (Turnover and Growth) from within Oneonta					
Total Demand (Turnover and Growth) from within City of Oneonta					314
Portion Originating within City of Oneonta					85%
Total Demand (Turnover and Growth) from within City of Oneonta					369
Less: Existing LIHTC Projects in Absorption Process (Number of Units)					0
Appropriate Sized Households					
One-Bedroom Units					369 * 44% = 162
Two-Bedroom Units					369 * 39% = 145
Three-Bedroom Units					369 * 11% = 40
Four-Bedroom Units					369 * 4% = 15
Five-Bedroom Units					369 * 2% = 7
Total Demand after Competition (Turnover and Growth)					369

*A proposed development scheme is not applicable to this report.

The previous table illustrates an estimated number of demanded affordable rental units per year in the City of Oneonta that would result in fairly low capture rates and subsequent, fairly rapid absorption. In this case, there is a total demand of 369 units. Any unaccommodated units of demand will be forced to leave the market or remain rent overburdened without the addition or rehabilitation of units to the City of Oneonta's housing stock.

City of Oneonta: Annual Market Rate Demand – General Population

ANNUAL DEMAND - Absent Subsidy						
Calculation				CITY OF ONEONTA		
Number of Renter Households in 2017				2,460		
Increase in Number of Renter Households				(39)		
Number of Renter Households in 2021				2,421		
<i>Existing Demand</i>						
Percentage of Total Households that are Renter				59.0%		
Percentage of Income-Qualified Renter Households				40.2%		
Number of Income-Qualified Renter Households				989		
Percentage of Rent-Overburdened				58.6%		
Existing Income-Qualified Renter Household Turnover				579		
Percentage of Total Units that are Owner-Occupied				1711		
Percentage Housing Units built 1939 or Prior				63.0%		
Number of Owner-Occupied Units built Prior to 1939				1077		
Percentage of Income-Qualified Owner Households				65.0%		
Number of Income-Qualified Owner Households				700		
Loss of Inventory via Conversion or Demolition				12.7%		
Total additional Income-Qualified Owner Households due to Conversion/Demolition				89		
Existing Income-Qualified Renter/Owner Households				668		
<i>New Income-Qualified Demand, Stated Annually</i>						
Increase in Renter Households per Annum				(8)		
Percentage of Income-Qualified Renter Households				40.2%		
New Rental Income Qualified Households				(3)		
<i>Total Demand (Turnover and Growth) from within Oneonta</i>						
Total Demand (Turnover and Growth) from within City of Oneonta				665		
Portion Originating within City of Oneonta				85%		
Total Demand (Turnover and Growth) from within City of Oneonta				782		
Less: Existing LIHTC Projects in Absorption Process (Number of Units)				0		
<i>Appropriate Sized Households</i>						
One-Bedroom Units		782	*	44%	=	343
Two-Bedroom Units		782	*	39%	=	308
Three-Bedroom Units		782	*	11%	=	84
Four-Bedroom Units		782	*	4%	=	31
Five-Bedroom Units		782	*	2%	=	15
Total Demand after Competition (Turnover and Growth)				782		

*A proposed development scheme is not applicable to this report.

The previous table illustrates an estimated number of demanded market rate rental units per year in the City of Oneonta that would result in fairly low capture rates and subsequent, fairly rapid absorption. In this case, there is a total demand of 782 units. Any unaccommodated units of demand will be forced to leave the market or remain rent overburdened without the addition or rehabilitation of units to the City of Oneonta's housing stock.

The tables following illustrate senior demand (65+) in the City of Oneonta.

City of Oneonta: 30% Annual Demand – Seniors (65+)

ANNUAL DEMAND - Absent Subsidy					
Calculation				CITY OF ONEONTA	
Number of Senior Renter Households in 2017				428	
Increase in Number of Senior Renter Households				39	
Number of Senior Renter Households in 2021				466	
<i>Existing Demand</i>					
Percentage of Total Households that are Renter				59.0%	
Percentage of Income-Qualified Renter Households				18.9%	
Number of Income-Qualified Renter Households				81	
Percentage of Rent-Overburdened				58.6%	
Existing Income-Qualified Renter Household Turnover				47	
Percentage of Total Units that are Owner-Occupied				1711	
Percentage Housing Units built 1939 or Prior				63.0%	
Number of Owner-Occupied Units built Prior to 1939				1077	
Percentage of Income-Qualified Owner Households				48.4%	
Number of Income-Qualified Owner Households				521	
Loss of Inventory via Conversion or Demolition				12.7%	
Total additional Income-Qualified Owner Households due to Conversion/Demolition				66	
Existing Income-Qualified Renter/Owner Households				114	
<i>New Income-Qualified Demand, Stated Annually</i>					
Increase in Renter Households per Annum				8	
Percentage of Income-Qualified Renter Households				18.9%	
New Rental Income Qualified Households				2	
<i>Total Demand (Turnover and Growth) from within Oneonta</i>					
Total Demand (Turnover and Growth) from within City of Oneonta				115	
Portion Originating within City of Oneonta				85%	
Total Demand (Turnover and Growth) from within City of Oneonta				135	
Less: Existing LIHTC Projects in Absorption Process (Number of Units)				40	
<i>Appropriate Sized Households</i>					
One-Bedroom Units		135	*	70%	= 94
Two-Bedroom Units		135	*	30%	= 41
Total Demand after Competition (Turnover and Growth)				95	
*A proposed development scheme is not applicable to this report.					

*A proposed development scheme is not applicable to this report.

The previous table illustrates an estimated number of demanded senior affordable rental units per year in the City of Oneonta that would result in fairly low capture rates and subsequent, fairly rapid absorption. In this case, there is a total demand of 95 units. Any unaccommodated units of demand will be forced to leave the market or remain rent overburdened without the addition or rehabilitation of units to the City of Oneonta's housing stock.

City of Oneonta: 50% Annual Demand – Seniors (65+)

ANNUAL DEMAND - Absent Subsidy						
Calculation				CITY OF ONEONTA		
Number of Senior Renter Households in 2017				428		
Increase in Number of Senior Renter Households				39		
Number of Senior Renter Households in 2021				466		
<i>Existing Demand</i>						
Percentage of Total Households that are Renter				59.0%		
Percentage of Income-Qualified Renter Households				19.8%		
Number of Income-Qualified Renter Households				85		
Percentage of Rent-Overburdened				58.6%		
Existing Income-Qualified Renter Household Turnover				50		
Percentage of Total Units that are Owner-Occupied				1711		
Percentage Housing Units built 1939 or Prior				63.0%		
Number of Owner-Occupied Units built Prior to 1939				1077		
Percentage of Income-Qualified Owner Households				48.4%		
Number of Income-Qualified Owner Households				521		
Loss of Inventory via Conversion or Demolition				12.7%		
Total additional Income-Qualified Owner Households due to Conversion/Demolition				66		
Existing Income-Qualified Renter/Owner Households				116		
<i>New Income-Qualified Demand, Stated Annually</i>						
Increase in Renter Households per Annum				8		
Percentage of Income-Qualified Renter Households				19.8%		
New Rental Income Qualified Households				2		
<i>Total Demand (Turnover and Growth) from within Oneonta</i>						
Total Demand (Turnover and Growth) from within City of Oneonta				117		
Portion Originating within City of Oneonta				85%		
Total Demand (Turnover and Growth) from within City of Oneonta				138		
Less: Existing LIHTC Projects in Absorption Process (Number of Units)				40		
<i>Appropriate Sized Households</i>						
One-Bedroom Units				138	* 70% =	96
Two-Bedroom Units				138	* 30% =	42
Total Demand after Competition (Turnover and Growth)				98		

*A proposed development scheme is not applicable to this report.

The previous table illustrates an estimated number of demanded senior affordable rental units per year in the City of Oneonta that would result in fairly low capture rates and subsequent, fairly rapid absorption. In this case, there is a total demand of 98 units. Any unaccommodated units of demand will be forced to leave the market or remain rent overburdened without the addition or rehabilitation of units to the City of Oneonta's housing stock.

City of Oneonta: 60% Annual Demand – Seniors (65+)

ANNUAL DEMAND - Absent Subsidy						
Calculation				CITY OF ONEONTA		
Number of Senior Renter Households in 2017				428		
Increase in Number of Senior Renter Households				39		
Number of Senior Renter Households in 2021				466		
<i>Existing Demand</i>						
Percentage of Total Households that are Renter				59.0%		
Percentage of Income-Qualified Renter Households				20.4%		
Number of Income-Qualified Renter Households				87		
Percentage of Rent-Overburdened				58.6%		
Existing Income-Qualified Renter Household Turnover				51		
Percentage of Total Units that are Owner-Occupied				1711		
Percentage Housing Units built 1939 or Prior				63.0%		
Number of Owner-Occupied Units built Prior to 1939				1077		
Percentage of Income-Qualified Owner Households				48.4%		
Number of Income-Qualified Owner Households				521		
Loss of Inventory via Conversion or Demolition				12.7%		
Total additional Income-Qualified Owner Households due to Conversion/Demolition				66		
Existing Income-Qualified Renter/Owner Households				117		
<i>New Income-Qualified Demand, Stated Annually</i>						
Increase in Renter Households per Annum				8		
Percentage of Income-Qualified Renter Households				20.4%		
New Rental Income Qualified Households				2		
<i>Total Demand (Turnover and Growth) from within Oneonta</i>						
Total Demand (Turnover and Growth) from within City of Oneonta				119		
Portion Originating within City of Oneonta				85%		
Total Demand (Turnover and Growth) from within City of Oneonta				140		
Less: Existing LIHTC Projects in Absorption Process (Number of Units)				40		
<i>Appropriate Sized Households</i>						
One-Bedroom Units				140	* 70% =	97
Two-Bedroom Units				140	* 30% =	42
Total Demand after Competition (Turnover and Growth)				100		
*A proposed development scheme is not applicable to this report.						

*A proposed development scheme is not applicable to this report.

The previous table illustrates an estimated number of demanded senior affordable rental units per year in the City of Oneonta that would result in fairly low capture rates and subsequent, fairly rapid absorption. In this case, there is a total demand of 100 units. Any unaccommodated units of demand will be forced to leave the market or remain rent overburdened without the addition or rehabilitation of units to the City of Oneonta's housing stock.

City of Oneonta: Annual Market Rate Demand – Seniors (65+)

ANNUAL DEMAND - Absent Subsidy					
Calculation					CITY OF ONEONTA
Number of Senior Renter Households in 2017					428
Increase in Number of Senior Renter Households					39
Number of Senior Renter Households in 2021					466
Existing Demand					
Percentage of Total Households that are Renter					59.0%
Percentage of Income-Qualified Renter Households					53.1%
Number of Income-Qualified Renter Households					227
Percentage of Rent-Overburdened					58.6%
Existing Income-Qualified Renter Household Turnover					133
Percentage of Total Units that are Owner-Occupied					1711
Percentage Housing Units built 1939 or Prior					63.0%
Number of Owner-Occupied Units built Prior to 1939					1077
Percentage of Income-Qualified Owner Households					48.4%
Number of Income-Qualified Owner Households					521
Loss of Inventory via Conversion or Demolition					12.7%
Total additional Income-Qualified Owner Households due to Conversion/Demolition					66
Existing Income-Qualified Renter/Owner Households					199
New Income-Qualified Demand, Stated Annually					
Increase in Renter Households per Annum					8
Percentage of Income-Qualified Renter Households					53.1%
New Rental Income Qualified Households					4
Total Demand (Turnover and Growth) from within Oneonta					
Total Demand (Turnover and Growth) from within City of Oneonta					203
Portion Originating within City of Oneonta					85%
Total Demand (Turnover and Growth) from within City of Oneonta					239
Less: Existing LIHTC Projects in Absorption Process (Number of Units)					40
Appropriate Sized Households					
One-Bedroom Units					239 * 70% = 167
Two-Bedroom Units					239 * 30% = 72
Total Demand after Competition (Turnover and Growth)					199

*A proposed development scheme is not applicable to this report.

The previous table illustrates an estimated number of demanded age-restricted market rate rental units per year in the City of Oneonta that would result in fairly low capture rates and subsequent, fairly rapid absorption. In this case, there is a total demand of 199 units. Any unaccommodated units of demand will be forced to leave the market or remain rent overburdened without the addition or rehabilitation of units to the City of Oneonta's housing stock.

The following tables illustrate the projected housing needs of Otsego County.

Otsego County: 30% Annual Demand – General Population

ANNUAL DEMAND - Absent Subsidy					
Calculation					Otsego County
Number of Renter Households in 2017					7,098
Increase in Number of Renter Households					42
Number of Renter Households in 2021					7,140
<i>Existing Demand</i>					
Percentage of Total Households that are Renter					28.7%
Percentage of Income-Qualified Renter Households					14.0%
Number of Income-Qualified Renter Households					992
Percentage of Rent-Overburdened					58.6%
Existing Income-Qualified Renter Household Turnover					581
Percentage of Total Units that are Owner-Occupied					1711
Percentage Housing Units built 1939 or Prior					42.4%
Number of Owner-Occupied Units built Prior to 1939					725
Percentage of Income-Qualified Owner Households					57.9%
Number of Income-Qualified Owner Households					419
Loss of Inventory via Conversion or Demolition					12.3%
Total additional Income-Qualified Owner Households due to Conversion/Demolition					52
Existing Income-Qualified Renter/Owner Households					633
<i>New Income-Qualified Demand, Stated Annually</i>					
Increase in Renter Households per Annum					8
Percentage of Income-Qualified Renter Households					14.0%
New Rental Income Qualified Households					1
<i>Total Demand (Turnover and Growth) from within Oneonta</i>					
Occupied Units at Subject With Vacancy of: 5%					119
Units Pre-Leased					0
Total Demand (Turnover and Growth) from within City of Oneonta					634
Portion Originating within City of Oneonta					85%
Total Demand (Turnover and Growth) from within City of Oneonta					746
Less: Existing LIHTC Projects in Absorption Process (Number of Units) 0					
<i>Appropriate Sized Households</i>					
One-Bedroom Units	746	*	44%	=	327
Two-Bedroom Units	746	*	39%	=	294
Three-Bedroom Units	746	*	11%	=	80
Four-Bedroom Units	746	*	4%	=	30
Five-Bedroom Units	746	*	2%	=	14
Total Demand after Competition (Turnover and Growth)					746

*A proposed development scheme is not applicable to this report.

The previous table illustrates an estimated number of demanded affordable rental units per year in Otsego County that would result in fairly low capture rates and subsequent, fairly rapid absorption. In this case, there is a total demand of 746 units. Any unaccommodated units of demand will be forced to leave the market or remain rent overburdened without the addition or rehabilitation of units to Otsego County's housing stock.

Otsego County: 50% Annual Demand – General Population

ANNUAL DEMAND - Absent Subsidy					
Calculation					Otsego County
Number of Renter Households in 2017					7,098
Increase in Number of Renter Households					42
Number of Renter Households in 2021					7,140
<i>Existing Demand</i>					
Percentage of Total Households that are Renter					28.7%
Percentage of Income-Qualified Renter Households					16.3%
Number of Income-Qualified Renter Households					1,156
Percentage of Rent-Overburdened					58.6%
Existing Income-Qualified Renter Household Turnover					677
Percentage of Total Units that are Owner-Occupied					1711
Percentage Housing Units built 1939 or Prior					42.4%
Number of Owner-Occupied Units built Prior to 1939					725
Percentage of Income-Qualified Owner Households					57.9%
Number of Income-Qualified Owner Households					419
Loss of Inventory via Conversion or Demolition					12.3%
Total additional Income-Qualified Owner Households due to Conversion/Demolition					52
Existing Income-Qualified Renter/Owner Households					729
<i>New Income-Qualified Demand, Stated Annually</i>					
Increase in Renter Households per Annum					8
Percentage of Income-Qualified Renter Households					16.3%
New Rental Income Qualified Households					1
<i>Total Demand (Turnover and Growth) from within Oneonta</i>					
Occupied Units at Subject With Vacancy of: 5%					119
Units Pre-Leased					0
Total Demand (Turnover and Growth) from within City of Oneonta					730
Portion Originating within City of Oneonta					85%
Total Demand (Turnover and Growth) from within City of Oneonta					859
Less: Existing LIHTC Projects in Absorption Process (Number of Units) 0					
<i>Appropriate Sized Households</i>					
One-Bedroom Units	859	*	44%	=	377
Two-Bedroom Units	859	*	39%	=	338
Three-Bedroom Units	859	*	11%	=	93
Four-Bedroom Units	859	*	4%	=	34
Five-Bedroom Units	859	*	2%	=	16
Total Demand after Competition (Turnover and Growth)					859

*A proposed development scheme is not applicable to this report.

The previous table illustrates an estimated number of demanded affordable rental units per year in Otsego County that would result in fairly low capture rates and subsequent, fairly rapid absorption. In this case, there is a total demand of 859 units. Any unaccommodated units of demand will be forced to leave the market or remain rent overburdened without the addition or rehabilitation of units to Otsego County's housing stock.

Otsego County: 60% Annual Demand – General Population

ANNUAL DEMAND - Absent Subsidy					
Calculation					Otsego County
Number of Renter Households in 2017					7,098
Increase in Number of Renter Households					42
Number of Renter Households in 2021					7,140
Existing Demand					
Percentage of Total Households that are Renter					28.7%
Percentage of Income-Qualified Renter Households					18.0%
Number of Income-Qualified Renter Households					1,279
Percentage of Rent-Overburdened					58.6%
Existing Income-Qualified Renter Household Turnover					749
Percentage of Total Units that are Owner-Occupied					1711
Percentage Housing Units built 1939 or Prior					42.4%
Number of Owner-Occupied Units built Prior to 1939					725
Percentage of Income-Qualified Owner Households					57.9%
Number of Income-Qualified Owner Households					419
Loss of Inventory via Conversion or Demolition					12.3%
Total additional Income-Qualified Owner Households due to Conversion/Demolition					52
Existing Income-Qualified Renter/Owner Households					801
New Income-Qualified Demand, Stated Annually					
Increase in Renter Households per Annum					8
Percentage of Income-Qualified Renter Households					18.0%
New Rental Income Qualified Households					2
Total Demand (Turnover and Growth) from within Oneonta					
Occupied Units at Subject With Vacancy of: 5%					119
Units Pre-Leased					0
Total Demand (Turnover and Growth) from within City of Oneonta					802
Portion Originating within City of Oneonta					85%
Total Demand (Turnover and Growth) from within City of Oneonta					944
Less: Existing LIHTC Projects in Absorption Process (Number of Units) 0					
Appropriate Sized Households					
One-Bedroom Units 944 * 44% =					414
Two-Bedroom Units 944 * 39% =					372
Three-Bedroom Units 944 * 11% =					102
Four-Bedroom Units 944 * 4% =					38
Five-Bedroom Units 944 * 2% =					18
Total Demand after Competition (Turnover and Growth)					944

*A proposed development scheme is not applicable to this report.

The previous table illustrates an estimated number of demanded affordable rental units per year in Otsego County that would result in fairly low capture rates and subsequent, fairly rapid absorption. In this case, there is a total demand of 944 units. Any unaccommodated units of demand will be forced to leave the market or remain rent overburdened without the addition or rehabilitation of units to Otsego County's housing stock.

Otsego County: Annual Market Rate Demand – General Population

ANNUAL DEMAND - Absent Subsidy						
Calculation					Otsego County	
Number of Renter Households in 2017					7,098	
Increase in Number of Renter Households					42	
Number of Renter Households in 2021					7,140	
<i>Existing Demand</i>						
Percentage of Total Households that are Renter					28.7%	
Percentage of Income-Qualified Renter Households					46.2%	
Number of Income-Qualified Renter Households					3,277	
Percentage of Rent-Overburdened					58.6%	
Existing Income-Qualified Renter Household Turnover					1,919	
Percentage of Total Units that are Owner-Occupied					1711	
Percentage Housing Units built 1939 or Prior					42.4%	
Number of Owner-Occupied Units built Prior to 1939					725	
Percentage of Income-Qualified Owner Households					57.9%	
Number of Income-Qualified Owner Households					419	
Loss of Inventory via Conversion or Demolition					12.3%	
Total additional Income-Qualified Owner Households due to Conversion/Demolition					52	
Existing Income-Qualified Renter/Owner Households					1,971	
<i>New Income-Qualified Demand, Stated Annually</i>						
Increase in Renter Households per Annum					8	
Percentage of Income-Qualified Renter Households					46.2%	
New Rental Income Qualified Households					4	
<i>Total Demand (Turnover and Growth) from within Oneonta</i>						
Occupied Units at Subject With Vacancy of:					5%	24
Units Pre-Leased						0
Total Demand (Turnover and Growth) from within City of Oneonta						1,974
Portion Originating within City of Oneonta						85%
Total Demand (Turnover and Growth) from within City of Oneonta						2,323
Less: Existing LIHTC Projects in Absorption Process (Number of Units)					0	
<i>Appropriate Sized Households</i>						
One-Bedroom Units					2,323	* 44% = 1020
Two-Bedroom Units					2,323	* 39% = 915
Three-Bedroom Units					2,323	* 11% = 251
Four-Bedroom Units					2,323	* 4% = 93
Five-Bedroom Units					2,323	* 2% = 44
Total Demand after Competition (Turnover and Growth)						2,323

*A proposed development scheme is not applicable to this report.

The previous table illustrates an estimated number of demanded market rate rental units per year in Otsego County that would result in fairly low capture rates and subsequent, fairly rapid absorption. In this case, there is a total demand of 2,323 units. Any unaccommodated units of demand will be forced to leave the market or remain rent overburdened without the addition or rehabilitation of units to Otsego County's housing stock.

The tables following illustrate senior demand (65+) in Otsego County.

Otsego County: 30% Annual Demand – Seniors (65+)

ANNUAL DEMAND - Absent Subsidy					
Calculation				Otsego County	
Number of Senior Renter Households in 2017				1,943	
Increase in Number of Senior Renter Households				186	
Number of Senior Renter Households in 2021				2,128	
<i>Existing Demand</i>					
Percentage of Total Households that are Renter				28.7%	
Percentage of Income-Qualified Renter Households				19.8%	
Number of Income-Qualified Renter Households				385	
Percentage of Rent-Overburdened				58.6%	
Existing Income-Qualified Renter Household Turnover				225	
Percentage of Total Units that are Owner-Occupied				1711	
Percentage Housing Units built 1939 or Prior				42.4%	
Number of Owner-Occupied Units built Prior to 1939				725	
Percentage of Income-Qualified Owner Households				68.5%	
Number of Income-Qualified Owner Households				496	
Loss of Inventory via Conversion or Demolition				12.3%	
Total additional Income-Qualified Owner Households due to Conversion/Demolition				61	
Existing Income-Qualified Renter/Owner Households				287	
<i>New Income-Qualified Demand, Stated Annually</i>					
Increase in Renter Households per Annum				37	
Percentage of Income-Qualified Renter Households				19.8%	
New Rental Income Qualified Households				7	
<i>Total Demand (Turnover and Growth) from within Oneonta</i>					
Occupied Units at Subject With Vacancy of:				5%	143
Units Pre-Leased					0
Total Demand (Turnover and Growth) from within City of Oneonta					294
Portion Originating within City of Oneonta					85%
Total Demand (Turnover and Growth) from within City of Oneonta					346
Less: Existing LIHTC Projects in Absorption Process (Number of Units)				40	
<i>Appropriate Sized Households</i>					
One-Bedroom Units				346	* 70% = 241
Two-Bedroom Units				346	* 30% = 105
Total Demand after Competition (Turnover and Growth)				306	
*A proposed development scheme is not applicable to this report.					

The previous table illustrates an estimated number of demanded senior affordable rental units per year in Otsego County that would result in fairly low capture rates and subsequent, fairly rapid absorption. In this case, there is a total demand of 306 units. Any unaccommodated units of demand will be forced to leave the market or remain rent overburdened without the addition or rehabilitation of units to the Otsego County housing stock.

Otsego County: 50% Annual Demand – Seniors (65+)

ANNUAL DEMAND - Absent Subsidy					
Calculation				Otsego County	
Number of Senior Renter Households in 2017				1,943	
Increase in Number of Senior Renter Households				186	
Number of Senior Renter Households in 2021				2,128	
<i>Existing Demand</i>					
Percentage of Total Households that are Renter				28.7%	
Percentage of Income-Qualified Renter Households				24.8%	
Number of Income-Qualified Renter Households				482	
Percentage of Rent-Overburdened				58.6%	
Existing Income-Qualified Renter Household Turnover				282	
Percentage of Total Units that are Owner-Occupied				1711	
Percentage Housing Units built 1939 or Prior				42.4%	
Number of Owner-Occupied Units built Prior to 1939				725	
Percentage of Income-Qualified Owner Households				68.5%	
Number of Income-Qualified Owner Households				496	
Loss of Inventory via Conversion or Demolition				12.3%	
Total additional Income-Qualified Owner Households due to Conversion/Demolition				61	
Existing Income-Qualified Renter/Owner Households				343	
<i>New Income-Qualified Demand, Stated Annually</i>					
Increase in Renter Households per Annum				37	
Percentage of Income-Qualified Renter Households				24.8%	
New Rental Income Qualified Households				9	
<i>Total Demand (Turnover and Growth) from within Oneonta</i>					
Occupied Units at Subject With Vacancy of:				5%	143
Units Pre-Leased					0
Total Demand (Turnover and Growth) from within City of Oneonta					353
Portion Originating within City of Oneonta					85%
Total Demand (Turnover and Growth) from within City of Oneonta					415
Less: Existing LIHTC Projects in Absorption Process (Number of Units)				40	
<i>Appropriate Sized Households</i>					
One-Bedroom Units				415	* 70% = 289
Two-Bedroom Units				415	* 30% = 125
Total Demand after Competition (Turnover and Growth)					375

*A proposed development scheme is not applicable to this report.

The previous table illustrates an estimated number of demanded senior affordable rental units per year in Otsego County that would result in fairly low capture rates and subsequent, fairly rapid absorption. In this case, there is a total demand of 375 units. Any unaccommodated units of demand will be forced to leave the market or remain rent overburdened without the addition or rehabilitation of units to the Otsego County housing stock.

Otsego County: 60% Annual Demand – Seniors (65+)

ANNUAL DEMAND - Absent Subsidy					
Calculation				Otsego County	
Number of Senior Renter Households in 2017				1,943	
Increase in Number of Senior Renter Households				186	
Number of Senior Renter Households in 2021				2,128	
Existing Demand					
Percentage of Total Households that are Renter				28.7%	
Percentage of Income-Qualified Renter Households				27.6%	
Number of Income-Qualified Renter Households				535	
Percentage of Rent-Overburdened				58.6%	
Existing Income-Qualified Renter Household Turnover				313	
Percentage of Total Units that are Owner-Occupied				1711	
Percentage Housing Units built 1939 or Prior				42.4%	
Number of Owner-Occupied Units built Prior to 1939				725	
Percentage of Income-Qualified Owner Households				68.5%	
Number of Income-Qualified Owner Households				496	
Loss of Inventory via Conversion or Demolition				12.3%	
Total additional Income-Qualified Owner Households due to Conversion/Demolition				61	
Existing Income-Qualified Renter/Owner Households				374	
New Income-Qualified Demand, Stated Annually					
Increase in Renter Households per Annum				37	
Percentage of Income-Qualified Renter Households				27.6%	
New Rental Income Qualified Households				10	
Total Demand (Turnover and Growth) from within Oneonta					
Occupied Units at Subject With Vacancy of:				5%	143
Units Pre-Leased					0
Total Demand (Turnover and Growth) from within City of Oneonta					385
Portion Originating within City of Oneonta					85%
Total Demand (Turnover and Growth) from within City of Oneonta					452
Less: Existing LIHTC Projects in Absorption Process (Number of Units)				40	
Appropriate Sized Households					
One-Bedroom Units				452	* 70% = 316
Two-Bedroom Units				452	* 30% = 137
Total Demand after Competition (Turnover and Growth)					412

*A proposed development scheme is not applicable to this report.

The previous table illustrates an estimated number of demanded senior affordable rental units per year in Otsego County that would result in fairly low capture rates and subsequent, fairly rapid absorption. In this case, there is a total demand of 412 units. Any unaccommodated units of demand will be forced to leave the market or remain rent overburdened without the addition or rehabilitation of units to the Otsego County housing stock.

Otsego County: Annual Market Rate Demand – Seniors (65+)

ANNUAL DEMAND - Absent Subsidy					
Calculation					Otsego County
Number of Senior Renter Households in 2017					1,943
Increase in Number of Senior Renter Households					186
Number of Senior Renter Households in 2021					2,128
Existing Demand					
Percentage of Total Households that are Renter					28.7%
Percentage of Income-Qualified Renter Households					46.8%
Number of Income-Qualified Renter Households					908
Percentage of Rent-Overburdened					58.6%
Existing Income-Qualified Renter Household Turnover					532
Percentage of Total Units that are Owner-Occupied					1711
Percentage Housing Units built 1939 or Prior					42.4%
Number of Owner-Occupied Units built Prior to 1939					725
Percentage of Income-Qualified Owner Households					68.5%
Number of Income-Qualified Owner Households					496
Loss of Inventory via Conversion or Demolition					12.3%
Total additional Income-Qualified Owner Households due to Conversion/Demolition					61
Existing Income-Qualified Renter/Owner Households					593
New Income-Qualified Demand, Stated Annually					
Increase in Renter Households per Annum					37
Percentage of Income-Qualified Renter Households					46.8%
New Rental Income Qualified Households					17
Total Demand (Turnover and Growth) from within Oneonta					
Occupied Units at Subject With Vacancy of: 5%					33
Units Pre-Leased					0
Total Demand (Turnover and Growth) from within City of Oneonta					610
Portion Originating within City of Oneonta					85%
Total Demand (Turnover and Growth) from within City of Oneonta					718
Less: Existing LIHTC Projects in Absorption Process (Number of Units) 40					
Appropriate Sized Households					
One-Bedroom Units 718 * 70% =					501
Two-Bedroom Units 718 * 30% =					217
Total Demand after Competition (Turnover and Growth)					718
*A proposed development scheme is not applicable to this report.					

The previous table illustrates an estimated number of demanded senior market rate rental units per year in Otsego County that would result in fairly low capture rates and subsequent, fairly rapid absorption. In this case, there is a total demand of 718 units. Any unaccommodated units of demand will be forced to leave the market or remain rent overburdened without the addition or rehabilitation of units to the Otsego County housing stock.

Single-Family Income Eligibility – City of Oneonta

We have also calculated demand for single-family owner-occupied homes in Oneonta, as explained below.

According to the models used by most mortgage lenders, a monthly mortgage payment should represent no more than 30 percent of a household's gross monthly income. Using this standard we have estimated the income levels necessary to purchase a typical single-family home in Oneonta. The necessary income level to purchase a single-family home in Oneonta is approximately \$54,803. There is no maximum limit.

We have utilized a prevailing interest rate of 4.5 percent. A home value of \$147,000 was utilized in Oneonta, which is based on the median home value of a single-family home according to the American Community Survey. The calculations for Oneonta focus areas can be found following.

Oneonta: Single-Family Home Income Calculation – Purchase price of \$147,000

CITY OF ONEONTA SINGLE FAMILY HOME INCOME CALCULATION		
Inputs		Ownership
Average Price		\$147,000
Down payment	10%	\$14,700
Total of 1st Mortgage		\$132,300
Closing Costs	3%	\$3,969
Principal		\$132,300
Interest Rate	4.50%	
Amortization period	30	
Monthly Payment		\$670
Annual Payment		\$8,044
Real Estate Taxes	2.00%	\$2,940
Private Mortgage Insurance	0.50%	\$735
Homeowner's Insurance	1.50%	\$2,205
Utilities	\$150 per/month	\$1,800
Maintenance and Repairs	2.00%	\$2,940
Tax Benefit		
Marginal Tax Bracket	25%	
Annual Interest		\$5,954
Annual Tax Savings		(\$2,223)
Total Annual Cost		\$16,441
Total Monthly Cost		\$1,370
Monthly Income Required		\$4,567
Annual Income Required		\$54,803

OTSEGO COUNTY OWNER HOUSING COST BY AMI LEVEL AND HOUSEHOLD SIZE

AMI Level	AMI In Otsego County	Maximum Annual Housing Costs	Maximum Monthly Housing Costs ₁	Equivalent Mortgage (Present Value) ₂	Price Gap Using Median Home Value of \$142,800 ₃
<i>One-Person Household</i>					
30%	\$13,140	\$3,942	\$329	\$58,501	(\$84,299)
50%	\$21,900	\$6,570	\$548	\$97,501	(\$45,299)
60%	\$26,280	\$7,884	\$657	\$117,002	(\$25,798)
80%	\$34,040	\$10,212	\$851	\$151,550	\$8,750
<i>Two-Person Household</i>					
30%	\$15,000	\$4,500	\$375	\$66,782	(\$76,018)
50%	\$25,000	\$7,500	\$625	\$111,303	(\$31,497)
60%	\$30,000	\$9,000	\$750	\$133,563	(\$9,237)
80%	\$40,000	\$12,000	\$1,000	\$178,085	\$35,285
<i>Three-Person Household</i>					
30%	\$16,890	\$5,067	\$422	\$75,196	(\$146,345)
50%	\$28,150	\$8,445	\$704	\$125,327	(\$17,473)
60%	\$33,780	\$10,134	\$845	\$150,392	\$7,592
80%	\$45,040	\$13,512	\$1,126	\$200,523	\$57,723
<i>Four-Person Household</i>					
30%	\$18,750	\$5,625	\$469	\$83,477	(\$138,003)
50%	\$31,250	\$9,375	\$781	\$139,129	(\$3,671)
60%	\$37,500	\$11,250	\$938	\$166,954	\$24,154
80%	\$50,000	\$15,000	\$1,250	\$222,606	\$79,806
<i>Five-Person Household</i>					
30%	\$20,250	\$6,075	\$506	\$90,155	(\$52,645)
50%	\$33,750	\$10,125	\$844	\$150,259	\$7,459
60%	\$40,500	\$12,150	\$1,013	\$180,311	\$37,511
80%	\$54,000	\$16,200	\$1,350	\$240,414	\$97,614

(1) Includes all principal, interest, taxes, and insurance (including private mortgage insurance)

(2) Assumes a 30-year mortgage with a 4.5 percent interest rate

(3) Source: American Community Survey, August 2017

Single-Family Annual Demand – City of Oneonta

The following table illustrates the calculation of the anticipated demanded single-family units in Oneonta per year through 2019. Based on the data we obtained through local realtors, an estimated one-third of buyers are expected to be first-time homeowners. As such, we believe that five percent is a reasonable estimation of annual renter-to-owner conversion. Additionally, we have previously estimated that approximately 12.7 percent of existing households will relocate due to either conversion/demolition of existing or typical frictional vacancy within the market.

SINGLE-FAMILY DEMAND SUMMARY	
City of Oneonta	
Minimum Income	\$54,803
Maximum Income	\$200,000+
Number of Income Qualified Renters	1,112
% of Renters Becoming Homeowners	5.00%
Estimated Income Qualified First Time Homeowners	56
Number of Income Qualified Owners	7,098
% of Owners Moving to a New Home	12.70%
Estimated Income Qualified Owners Transferring	901
Portion Originating from Oneonta	85%
Total Income Qualified Households	1,061
Number of Homes to be Absorbed	0
Estimated Need	50
Overall Capture Rate	4.71%

Single-Family Income Eligibility – Otsego County

We have also calculated demand for single-family owner-occupied homes in Otsego County, as explained below.

According to the models used by most mortgage lenders, a monthly mortgage payment should represent no more than 30 percent of a household's gross monthly income. Using this standard we have estimated the income levels necessary to purchase a typical single-family home in Otsego County. The necessary income level to purchase a single-family home in Otsego County is approximately \$53,408. There is no maximum limit.

We have utilized a prevailing interest rate of 4.5 percent. A home value of \$142,800 was utilized in Otsego County, which is based on the median home value of a single-family home according to the American Community Survey. The calculations for Otsego County focus areas can be found following.

Otsego County: Single-Family Home Income Calculation – Purchase price of \$142,800

OTSEGO COUNTY SINGLE FAMILY HOME INCOME CALCULATION

Inputs		Ownership
Average Price		\$142,800
Down payment	10%	\$14,280
Total of 1st Mortgage		\$128,520
Closing Costs	3%	\$3,856
Principal		\$128,520
Interest Rate	4.50%	
Amortization period	30	
Monthly Payment		\$651
Annual Payment		\$7,814
Real Estate Taxes	2.00%	\$2,856
Private Mortgage Insurance	0.50%	\$714
Homeowner's Insurance	1.50%	\$2,142
Utilities	\$150 per/month	\$1,800
Maintenance and Repairs	2.00%	\$2,856
Tax Benefit		
Marginal Tax Bracket	25%	
Annual Interest		\$5,783
Annual Tax Savings		(\$2,160)
Total Annual Cost		\$16,022
Total Monthly Cost		\$1,335
Monthly Income Required		\$4,451
Annual Income Required		\$53,408

OTSEGO COUNTY OWNER HOUSING COST BY AMI LEVEL AND HOUSEHOLD SIZE

AMI Level	AMI In Otsego County	Maximum Annual Housing Costs	Maximum Monthly Housing Costs ₁	Equivalent Mortgage (Present Value) ₂	Price Gap Using Median Home Value of \$142,800 ₃
<i>One-Person Household</i>					
30%	\$13,140	\$3,942	\$329	\$58,501	(\$84,299)
50%	\$21,900	\$6,570	\$548	\$97,501	(\$45,299)
60%	\$26,280	\$7,884	\$657	\$117,002	(\$25,798)
80%	\$34,040	\$10,212	\$851	\$151,550	\$8,750
<i>Two-Person Household</i>					
30%	\$15,000	\$4,500	\$375	\$66,782	(\$76,018)
50%	\$25,000	\$7,500	\$625	\$111,303	(\$31,497)
60%	\$30,000	\$9,000	\$750	\$133,563	(\$9,237)
80%	\$40,000	\$12,000	\$1,000	\$178,085	\$35,285
<i>Three-Person Household</i>					
30%	\$16,890	\$5,067	\$422	\$75,196	(\$146,345)
50%	\$28,150	\$8,445	\$704	\$125,327	(\$17,473)
60%	\$33,780	\$10,134	\$845	\$150,392	\$7,592
80%	\$45,040	\$13,512	\$1,126	\$200,523	\$57,723
<i>Four-Person Household</i>					
30%	\$18,750	\$5,625	\$469	\$83,477	(\$138,003)
50%	\$31,250	\$9,375	\$781	\$139,129	(\$3,671)
60%	\$37,500	\$11,250	\$938	\$166,954	\$24,154
80%	\$50,000	\$15,000	\$1,250	\$222,606	\$79,806
<i>Five-Person Household</i>					
30%	\$20,250	\$6,075	\$506	\$90,155	(\$52,645)
50%	\$33,750	\$10,125	\$844	\$150,259	\$7,459
60%	\$40,500	\$12,150	\$1,013	\$180,311	\$37,511
80%	\$54,000	\$16,200	\$1,350	\$240,414	\$97,614

(1) Includes all principal, interest, taxes, and insurance (including private mortgage insurance)

(2) Assumes a 30-year mortgage with a 4.5 percent interest rate

(3) Source: American Community Survey, August 2017

Single-Family Annual Demand – Otsego County

The following table illustrates the calculation of the anticipated demanded single-family units in Otsego County per year through 2019. Based on the data we obtained through local realtors, an estimated one-third of buyers are expected to be first-time homeowners. As such, we believe that five percent is a reasonable estimation of annual renter-to-owner conversion. Additionally, we have previously estimated that approximately 12.3 percent of existing households will relocate due to either conversion/demolition of existing or typical frictional vacancy within the market.

SINGLE-FAMILY DEMAND SUMMARY	
Otsego County	
Minimum Income	\$53,408
Maximum Income	\$200,000+
Number of Income Qualified Renters	1,761
% of Renters Becoming Homeowners	5.00%
Estimated Income Qualified First Time Homeowners	88
Number of Income Qualified Owners	10,193
% of Owners Moving to a New Home	12.30%
Estimated Income Qualified Owners Transferring	1,254
Portion Originating from OTSEGO COUNTY	85%
Total Income Qualified Households	1,475
Number of Homes to be Absorbed	0
Estimated Need	50
Overall Capture Rate	3.39%

Special Needs Housing

The following analysis accounts for the number of income-qualified households within Otsego County and the City of Oneonta for persons with mental handicaps.

Special Needs Analysis (Disabled) - City of Oneonta	
Total Population in City of Oneonta	13,677
Total # of people who suffer from a disability in City of Oneonta*	1,348
Percentage of renter households in City of Oneonta	59.0%
Total number of renter households who suffer from a disability in City of Oneonta	795
Percentage of renters in City of Oneonta income-qualified to reside at an affordable development**	15.7%
Number of disabled-income qualified persons in City of Oneonta	125
Number of existing units targeting persons with disabilities	0
Adjusted number of disabled income-qualified persons	125
Special Needs Analysis (Disabled) - Otsego County	
Total Population in Columbia County	62,792
Total # of people who suffer from a disability in Otsego County*	7,739
Percentage of renter households in Otsego County	28.7%
Total number of renter households who suffer from a disability in Otsego County	2,223
Percentage of renters in Otsego County income-qualified to reside at an affordable development**	18.0%
Number of disabled-income qualified persons in Otsego County	401
Number of existing units targeting persons with disabilities	114
Adjusted number of disabled income-qualified persons	401

Source: ACS, September 2017

*Cognitive Disabilities only, ages 18+

**Without Subsidy

Specific Housing Development Needs

As currently stated, we believe there are three types of housing that are in short supply in the area: good quality low to moderate-income owner-occupied single-family homes, market rate rental housing, and mixed-income or affordable housing. There are a significant number of households in Otsego County and the City of Oneonta that are income-qualified for each identified type of housing.

Moderate Income Owner-Occupied Single-Family Homes

Approximately 42.7 percent of Otsego County's housing stock was built prior to 1939, while 59.4 percent of the City of Oneonta's housing stock was built prior to 1939, demonstrating that most of the existing residential improvements in Otsego County are older vintage and may be more likely to exhibit fair to poor condition and functional obsolescence. The typical life of a single-family home is approximately 40 years before significant renovations and improvements are needed. As noted by local stakeholders, the area's housing stock is a potential concern to future employers, as there is a lack of new construction and readily available turnkey home for employees relocating to the area. There are also several challenges in the market for current borrowers. Given that home values have not rebounded to pre-recession highs, many current homeowners that would be classified as "move-up buyers," have not purchased a nicer, newer home in many years because they are still attempting to recoup their lost equity.

Approximately 24 percent of owner-occupied households within Otsego County earn between \$60,000 and \$99,999. However, there is a limited supply of low to moderate-income homes that are move-in ready. Many interviewees noted that it has been challenging for potential residents in the moderate income bracket to find a suitable home in Otsego County. There are roughly 5,909 households in Otsego County and approximately 742 households in the City of Oneonta in these income brackets, currently, indicating ample demand. The rehabilitation of 50 to 60 homes of the existing housing supply per year for the next five years would help alleviate the lack of low to moderate-income homes.

These low to moderate-income homes would likely need to contain two- to four-bedrooms, contain 1,000 to 3,000 square feet depending on the number of bedrooms, and be priced between \$100,000 and \$200,000.

Mixed-Income Rental Housing

There is a lack of good quality housing throughout Otsego County where the majority of housing stock likely exhibits poor to fair condition (both renter and owner-occupied). As illustrated by the previous income-eligibility tables, there is ample demand for additional affordable housing throughout all market areas, both with and without subsidy. However, there has been a lack of new construction since the recent recession. We believe that a 50 to 75-unit mixed-income multifamily development could be absorbed in the market without cannibalizing existing rental developments. We recommend utilizing a potential development site close to downtown Oneonta to attract tenants that would income-qualify for the unrestricted market rate units as well as affordable units. Further, based on the demand calculations provided previously, we believe an additional 100 units could be developed, county-wide. Further, based on high demand, up to 100 additional units with subsidies, and up to 100 market rate units, would be supported county-wide.

Special Needs Housing

The number of disabled persons in Otsego County and the City of Oneonta were previously quantified by disability data from the American Community Survey. According to this source, there are approximately 7,739 disabled persons in Otsego County, or 12.7 percent of the population. This figure includes six persons age five and younger, 1,275 persons between the ages of 65 and 74 years old, and 1,987 persons aged 75 and older.

To determine the need for housing that targets the disabled, we applied the percentage of renter households as well as the percent of income-qualified renter households within both market areas (absent subsidy) to the respective number of disabled persons. Our calculations indicate that there are approximately 1,348 and 7,739 disabled persons income-qualified to reside within this type of housing in the City of Oneonta and Otsego County, respectively, netting a total of 125 and 461 income-qualified renter households with disabilities, respectively.

According to The Continuum of Care (CoC), a program designed to promote communitywide commitment to the goal of ending homelessness, the homeless population is homeless for a variety of reasons, the most common of which are job loss, mental health issues, substance abuse, and foreclosure. Problems at home, including domestic violence and divorce, also play a role in homelessness.

Given the high number of foreclosures in the Otsego County market and a lack of facilities available for the homeless in the area, it appears there is a need for additional supportive housing.

Conclusion

The *Demand Analysis* illustrates the housing needs of Otsego County based on capture rates of income-eligible households. We have provided an analysis for Otsego County by examining the demand for owner-occupied single-family homes as well as multifamily rental developments, both affordable (with and without subsidy) and market rate. We further broke down the demand analysis by age restriction. The table following summarizes the anticipated need of housing units for Otsego County's future housing stock ***either new construction or acquisition with rehabilitation of existing housing stock across both the general and senior population through 2021.***

PROJECTED ANNUAL HOUSING NEEDS SUMMARY					
Otsego County - General Population					
Unit Type	30% AMI Without Subsidy – Multifamily Rental	50% AMI Without Subsidy – Multifamily Rental	Market Rate Units – Multifamily Rental	Owner Occupied Single-Family Homes	Special Needs Units – Multifamily Rental
1BR	5	55	10	-	-
2BR	5	45	15	-	-
3BR	5	20	5	-	-
Single-Family Homes	-	-	-	50	-
Unspecified	-	-	-	-	100
Total	15	120	30	50	100
Otsego County - Senior Population (65+)					
Unit Type	30% AMI Without Subsidy – Multifamily Rental	50% AMI Without Subsidy – Multifamily Rental	Market Rate Units – Multifamily Rental	Owner Occupied Single-Family Homes	Special Needs Units – Multifamily Rental
1BR	5	100	25	-	-
2BR	5	45	10	-	-
Total	10	145	35	0	0

Further, we believe 75 percent of the total Otsego County's future housing stock would be supportable in the City of Oneonta.

The provided estimates are based on one year of typical demand, but not all years will be typical.

We have provided an estimate of the number of units demanded in a typical year, resulting in optimal capture rates. However, this does not necessarily mean that more units, in a well-conceived project(s), would not be feasible.

Given the scope of work, many assumptions had to be made regarding the market and proposed development(s). These projections should be considered preliminary and a "first glance" estimate of demand only.

VII. HOUSING RESOURCES

HOUSING RESOURCES

There are many resources in the Otsego County area that can be utilized to find and finance market rate and affordable housing. These resources are a combination of financial resources, public, private and nonprofit organizations and federal, state, and local government. The list below highlights some of these organizations.

Finance Program to Assist in the Planning Process

The following programs are available to communities and developers in the planning stages of affordable housing development.

Community Development Block Grant (CDBG):

CDBG funds are granted to projects which benefit low to moderate income beneficiaries and improve areas of slum & blight. CDBG includes planning as an eligible activity. The Plan must benefit specific groups including, persons who have been abused, who are elderly, disabled, homeless or persons living with disease. CDBG funding requires citizen participation and matching funds. There is an annual application process.

Homeownership Programs

The programs below provide financial assistance to existing homeowners and/or communities for the creation and preservation of low to moderate income housing.

Bank of America Foundation

Funds programs focused on creating and preserving affordable housing and homeownership opportunities, foreclosure counseling and mitigation, real-estate owned (REO) disposition and programs that help individuals and families create better money habits and become more financially capable.
<http://about.bankofamerica.com/en-us/global-impact/charitable-foundationfunding.html>

Housing Application Packaging Grants, USDA

Housing Application Packaging Grants provide government funds to tax-exempt public agencies and private nonprofit organizations to package applications for submission to Housing and Community Facilities Programs.

Housing Counseling

Pre-purchase housing counseling for prospective buyers funded by the U.S. Department of Housing and Urban Development (HUD) grants.

Individual Water and Waste Grants, USDA

Individual Water and Waste Water Grants provide Government funds to households residing in an area recognized as a Colonia before October 1, 1989.

Public Housing, Homeownership Program, HUD

The Quality Housing and Work Responsibility Act (QHWRA) permits public housing authorities to make public housing dwelling units available for purchase by low-income families as their principal residence through the following eligible activities:

- Sell all or a portion of a public housing development to eligible public or non-public housing residents;
- Provide Capital Fund assistance to public housing families to purchase homes; or,
- Provide Capital Fund assistance to acquire homes that will be sold to low-income families.

Rural Housing Guaranteed Loan, USDA

Applicants for loans may have an income of up to 115 percent of the AMI. Families must be without adequate housing, but be able to afford the mortgage payments, including taxes and insurance. In addition, applicants must have reasonable credit histories.

Rural Housing Site Loans, USDA

Rural Housing Site Loans are made to provide financing for the purchase and development of housing sites for low to moderate-income families.

Rural Repair and Rehabilitation Loan and Grant, USDA

The Very Low-Income Housing Repair program provides loans and grants to very low-income homeowners to repair, improve, or modernize their dwellings or to remove health and safety hazards. Rural Housing Repair and Rehabilitation Grants are funded directly by the government. A grant is available to dwelling owner/occupant who is 62 years of age or older. Funds may only be used for repairs or improvements to remove health and safety hazards, or to complete repairs to make the dwelling accessible for household members with disabilities.

Section 502 Rural Housing Direct Loan, USDA

Section 502 loans are primarily used to help low-income individuals or households purchase homes in rural areas. Funds can be used to acquire, build (including funds to purchase and prepare sites and to provide water and sewage facilities), repair, renovate, or relocate a home.

Section 502 Mutual Self-Help Loans, USDA

The Section 502 Mutual Self-Help Housing Loan program is used primarily to help very low and low-income households construct their own homes.

Self-Help Technical Assistance Grants, USDA

Self-Help Technical Assistance Grants to provide financial assistance to qualified nonprofit organizations and public bodies that will aid needy very low and low-income individuals and their families to build homes in rural areas by the self-help method. Any state, political subdivision, private or public nonprofit corporation is eligible to apply.

Streamline 203(K), FHA

A 30-year, fixed-rate FHA first mortgage that includes up to \$35,000 for home improvements or energy efficiency upgrades. Down payment assistance programs may be used in conjunction with this loan.

Technical and Supervisory Assistance Grants, USDA

To assist low-income rural families in obtaining adequate housing to meet their family's needs and/or to provide the necessary guidance to promote their continued occupancy of already adequate housing. These objectives will be accomplished through the establishment or support of housing delivery and counseling projects run by eligible applicants.

Fannie Mae Foundation

The Fannie Mae Foundation creates affordable homeownership and housing opportunities through partnerships and initiatives that build healthy, vibrant communities across the country. Fannie Mae provides refinancing and mortgage modification to qualifying home owners. Notable programs include the Home Affordable Refinance Program (HARP) and Home Affordable Modification Program (HAMP). HARP provides eligible homeowners to refinance at a lower interest rate and more stable mortgage product despite underwater home values. HAMP is designed to help at risk homeowners (those currently in default or at imminent risk of default) by providing the borrower with affordable and sustainable monthly payments.

Federal Housing Administration

The Federal Housing Administration (FHA) provides eligible buyers with loan products for purchase or refinance of single-family homes. Purchase loans may offer down payment terms as low as 3.5 percent of the purchase price with the majority of closing costs rolled into the loan, helping ease the burden of the cash required upfront by first time homebuyers. FHA loans offer credit qualifications lower than that of typical conventional loan products; however, homeowners that utilize FHA loan products must pay a mortgage insurance premium for the life of the loan, increasing their monthly payment amount. Additionally, there is an upfront fee of 1.5 percent of the purchase price rolled into the loan, leaving buyers with very little upfront equity.

Loan products through the FHA such as the 203(k), allow for up to \$35,000 of rehabilitation costs to be rolled into the purchase amount, but the property must be owner-occupied. FHA also offers loan products for non-owner occupied properties with up to four units. All loans originated by lenders through the FHA program protect the lender from loss in the event of borrower default.

HUD 255 Home Equity Conversion Mortgage Program (HECM)

Reverse mortgages are increasing in popularity with seniors (homeowners 62 or holder) who have equity in their homes and want to supplement their income. The only reverse mortgage insured by the U.S. Federal Government is called a Home Equity Conversion Mortgage or HECM, and is only available through an FHA approved lender. The HECM enables seniors to withdraw some of the equity in their home as a fixed monthly amount or a line of credit or a combination of both. The HECM can be used to purchase a primary residence if the owner is able to use cash on hand to pay the difference between the HECM proceeds and the sales price plus closing costs for the property being purchased. The property owner must own the property outright or have paid down a considerable amount, occupy the property as a principal residence, not be delinquent on any federal debt and participate in a consumer information session given by a HUD-approved counselor. Single family homes, 2-4 unit homes with one unit occupied by the borrower, and manufactured homes that meet FHA requirements are eligible property types.

United States Department of Veterans Affairs

The VA provides patient care and benefits. The VA helps veterans and active duty personnel purchase and retain homes in recognition of their service to the nation. VA home loans include: no down payment; loan maximums up to 100.0 percent of the VA-established market value, not to exceed \$240,000; 30-year loans with a choice of repayment plans; an appraisal; limitations on closing costs; and no mortgage insurance premium. These loans are made by a local lender and the VA protects the lender against loss if the payments are not made.

HOUSING DEVELOPMENT PROGRAMS

The following programs assist developers in the procurement of affordable housing development.

Calvert Social Investment Foundation

Lends to established community organizations including, CDFIs, loan funds, microfinance institutions, affordable housing developers, and social enterprises. Funds may be used towards loan capital and pre-development costs. <http://www.calvertfoundation.org/>

Community Development Block Grant (CDBG)

CDBG funds are granted to projects that benefit low to moderate income beneficiaries and improve areas of slum and blight. Permanent housing structures are an eligible activity that must benefit specific groups including persons who have been abused, the elderly, disabled, homeless, or persons living with disease. CDBG funding requires citizen participation and matching funds. There is an annual application process.

Community Preservation Corporation (CPC)

CPC financing is available for the rehabilitation of rental housing. CPC works with private landlords and non-profit real estate developers to revitalize low-income neighborhoods. CPC's "Landlord Next Door" program encourages neighborhood residents to take on the purchase and rehabilitation of a nearby rental building, allowing the local community to maintain ownership and interest in rental properties in the area. Previous projects in Albany have helped secure federal CDFI funds to create a down payment grant assistance program for owner-occupied home purchases in targeted neighborhoods.

Farm Labor Housing Loans and Grants, USDA

The Farm Labor Housing Loan and Grant program provides capital financing for the development of housing for domestic farm laborers.

Federal Home Loan Bank of NY, AHP

AHP funding can be used to supplement renovation or rehabilitation of lower income, owner-occupied homes that are receiving HOME, CDBG, or AHC assistance.

FHA 203k Loan Financing

FHA 203k Loan Financing is a loan guarantee mortgage product offered by HUD through various lenders that allows homebuyers to purchase a home in need of renovation and make the necessary repairs in one combined mortgage.

Frost Foundation

Funds organizations and programs that can generate change beyond traditional boundaries, to encourage creativity that recognizes emerging needs and to assist with innovation that addresses current urgent problems. Frost Foundation also considers requests for operating funds. There is a bi-annual application process. <http://www.frostfound.org/index.html>

Guaranteed Rental Housing, USDA

The Rural Housing Programs guarantees loans under the Rural Rental Housing Guaranteed loan program for development of multifamily housing facilities in rural areas of the United States. Loan guarantees are provided for the construction, acquisition, or rehabilitation of rural multi-family housing.

HOME Program

Rental rehabilitation grants and/or loans can be used to improve rental units occupied by lower income tenants. The landlord must agree to continue renting to lower income tenants, and the rent charges are limited by a regulatory agreement.

Home Depot Foundation, Community Impact Grants Program

Awards up to \$5,000 to registered nonprofit organizations to help fund community projects.

Home Depot Foundation, Framing Hope

Provides a donation of materials to nonprofit organizations that focus on affordable housing. <http://www.homedepotfoundation.org/>

HOPE VI Main Street Funds, HUD

Governments of counties, cities, and townships with populations under 50,000 are eligible for grants to replace unused commercial space with affordable housing in historic or traditional central business districts.

Housing Preservation Grants, USDA

The Housing Preservation Grant (HPG) program provides grants to sponsoring organizations for the repair or rehabilitation of low and very low-income multifamily housing.

Local Fees attached to Services

Local municipalities and counties may include fees on applications and/or permits that may be used to fund a local general fund for affordable housing if a Home Rule municipality.

Local Funding, Bonds or General Fund

Local municipalities and counties may allocate general funds or issue bonds towards affordable housing that may include financing of acquisition, construction, and/or rehabilitation.

Low Income Housing Tax Credits (LIHTC), NYSHFA

A federally tax-based program that encourages private investment for the construction or rehabilitation of affordable rental housing. Each year, the New York State Housing Finance Agency (NYSHFA) awards funds on a competitive basis, as outlined in the Qualified Allocation Plan.

Mixed-Finance Public Housing, HUD

HUD allows a mix of public, private, and nonprofit funds to develop and operate housing developments. New developments may be made up of a variety of housing types: rental, homeownership, private, subsidized, and public housing. These new communities are built for residents with a wide range of incomes and are designed to fit into the surrounding community.

Multifamily Housing Preservation and Revitalization (MPR) Loans and Grants, USDA

The goal of the MPR program is to restructure Rural Rental Housing loans and Off-Farm Labor Housing loans and provide grants to revitalize multifamily housing projects in order to extend the affordable use of these projects without displacing tenants due to increased rents.

New York State Affordable Housing Corporation

New York State Affordable Housing Corporation (AHC) provides funds which can be used to provide grants to cover the cost of repair of substandard homes occupied by lower income owners. AHC funds can be combined with HOME and/or CDBG funds.

New York State Energy Research and Development Authority (NYSERDA)

NYSERDA provides a variety of grant and loan initiative to improve energy performance of existing buildings – residential and non-residential.

Public Housing, Asset Management, Operating Fund, HUD

HUD provides funding for public housing authorities to operate and maintain public housing.
http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph

Public Housing, Capital Fund, HUD

HUD provides funding for public housing authorities for development, financing and modernization of public housing development and management improvements.

Risk Sharing Loans HUD 542(c) and USDA 538

Construction and permanent loan programs aimed at the production and preservation of affordable, low-income rental housing units. Both programs require set-asides for a specific number of units to be rented to lower income tenants. These loans are often combined with Federal Low Income Housing Tax Credits and/or HOME Rental loans. Risk Sharing loans can also provide credit enhancements for tax exempt bond financing.

Rural Housing Site Loans, USDA

Rural Housing Site Loans are made to provide financing for the purchase and development of housing sites for low to moderate-income families.

Rural Rental Housing, USDA

This program is adaptable for participation by a wide variety of owners. Loans can be made to individuals, trusts, associations, partnerships, limited partnerships, State or local public agencies, consumer cooperatives, and profit or nonprofit corporations.

US Bank

Provides grants to nonprofit organizations. One of the funding priorities is affordable housing. Eligible activities include:

- Organizations that support the preservation, rehabilitation and construction of quality affordable housing that assists low and moderate-income populations.
- Programs that provide home buyer counseling and related financial education to low and moderate-income individuals and families.

<https://www.usbank.com/community/charitable-giving.html>

Wells Fargo Foundation

Awards grants to nonprofit organizations, including qualified governmental entities. One of the grant priority areas is Community Development which includes building and sustaining affordable housing.

https://www.wellsfargo.com/about/charitable/nm_guidelines

Federal Emergency Management Agency

FEMA offers disaster assistance in several forms but most often in the form of low-interest loans to cover expenses not covered by state or local programs, or private insurance. People who do not qualify for loans may be able to apply for a cash grant. Housing assistance includes lodging expenses reimbursement, rental assistance, home repair/replacement cash grant, and, in rare circumstances, permanent housing construction.

Homeless & Rental Assistance Programs

The programs listed below are designed to assist the homeless and disadvantaged.

Acquired Property Sales for Homeless Providers Program, Veterans Administration

Makes all VA foreclosed properties available for sale to homeless provider organizations at a 20 to 50 percent discount to shelter homeless Veterans.

Continuum of Care (COC)

This program funds agencies that provide assistance for people experiencing homelessness. Services include prevention, street outreach, emergency shelter, transitional housing, and permanent supportive housing.

Homeless Providers Grant and Per Diem Program, Veterans Administration

Provides grants and per diem payments (as funding is available) to help public and nonprofit organizations establish and operate supportive housing and service centers for homeless Veterans.

Housing Choice Vouchers, HUD

HUD provides Housing Choice Vouchers to public housing authorities to provide rental assistance to low income households.

Housing Opportunity for Persons with AIDS (HOPWA)

Provides supportive housing and case management services to individuals who have been diagnosed with HIV/AIDS to prevent homelessness.

Public Housing, Family Self-Sufficiency (FSS) Program, HUD

The Family Self-Sufficiency (FSS) program enables families assisted through the Housing Choice Voucher (HCV) program, Public Housing (PH) residents, and residents of Native American Housing Assistance and Self-Determination Act to increase their earned income and reduce their dependency on welfare assistance and rental subsidies. Under the FSS program, low-income families are provided opportunities for education, job training, counseling and other forms of social service assistance, while living in assisted housing, so they can obtain skills necessary to achieve self-sufficiency.

http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/hcv/fss

Rural Rental Assistance Program, USDA

The Rural Rental Assistance (RA) program provides an additional source of support for households with incomes too low to pay the HCFP subsidized (basic) rent from their own resources.

Supportive Services for Veteran Families (SSVF) Program, VA

Provides grants and technical assistance to community-based, nonprofit organizations to help veterans and their families stay in their homes.

VA Supportive Housing (VASH) Program is a joint effort between the Department of Housing and Urban Development and VA.

HUD "Housing Choice" Section 8 vouchers allow veterans and their families to live in market rate rental units while VA provides case management services. A housing subsidy is paid to the landlord on behalf of the participating Veteran. The Veteran then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

VIII. RECOMENDATIONS

RECOMMENDATIONS

Barriers/Challenges to Housing

Based upon our analysis of the market and interviews with key stakeholders, there are several barriers and challenges that should be considered because they negatively affect the housing market in Otsego County and the City of Oneonta. There is no single factor that can prevent or reduce barriers, but any initiative taken to promote the preservation of the existing housing stock in addition to promoting new construction should be taken. Barriers include:

- Lack of newer, high-quality multifamily rental housing.
- Credit worthiness of potential buyers for homeownership (or renters).
- Cost to individuals including cost burdens such as paying over 30 percent of monthly income for rent/mortgage payment and utilities.
- Limited supply of moderate income homes in the area.
- Lack of newer, high-quality single-family homes that are move-in ready.
- Inferior housing stock keeps low-income families in substandard housing.
- Influx of affluent second homeowners raising home values throughout the county.
- Decreasing availability of affordable rental housing in the City of Oneonta proper.

RECOMMENDATIONS

In order to address the area's future housing needs, in light of the aforementioned barriers and challenges, we have established the following recommendations.

Objective #1: Preserve the City of Oneonta and Otsego County's existing single-family housing stock.

Analysis: Approximately 59.4 and 42.7 percent of the housing stock in the City of Oneonta and Otsego County, respectively, was built prior to 1939, indicating that the housing stock is very old. The typical life of a single-family home is approximately 40 years before significant renovations and improvements are needed. Many homes in Otsego County have fallen in disrepair due to neglect and lack of finances. These homes are in need of serious maintenance. Keeping up this maintenance is difficult for cost-burdened homeowners. However, poorly maintained and condemned homes are a concern for the community and bring down the value of homes in the area.

As illustrated in the table following, among all buyers, the greatest factor influencing a homebuyer's choice of where to live is the quality of the neighborhood. It is clear that preservation of the City of Oneonta's housing stock must be a top priority.

	All Buyers	AGE OF HOME BUYER				
		35 and younger	36 to 50	51 to 60	61 to 69	70 to 90
Quality of the neighborhood	59%	63%	63%	56%	56%	52%
Convenient to job	44	60	50	43	18	8
Overall affordability of homes	38	50	35	35	32	29
Convenient to friends/family	35	39	29	28	39	50
Design of neighborhood	26	26	24	28	26	26
Convenient to shopping	25	20	22	22	33	38
Quality of the school district	25	37	41	11	3	3
Convenient to entertainment/leisure activities	20	24	16	18	24	18
Convenient to schools	20	27	34	8	2	3
Availability of larger lots or acreage	18	20	20	18	15	8
Convenient to parks/recreational facilities	17	20	19	13	13	16
Convenient to health facilities	11	6	6	10	18	30
Home in a planned community	9	5	6	10	17	17
Convenient to public transportation	5	6	5	3	4	4
Convenient to airport	5	5	5	7	6	5
Other	5	3	5	8	7	8

Source: National Association of Realtors, "Home Buyer and Seller Generational Trends Report 2016," March 2016

Action:

- Create a mixed-income scattered-site LIHTC/market rate development of single-family homes. Revitalize dilapidated homes across the city; rehabilitate low and very-low income homes to keep them from failing housing code inspections and prevent condemnation.
- Provide home buyer education, credit and budget counseling, and continue local efforts.
- Encourage the creation of local funding incentives to lower income individuals to prevent homes from declining further.
- Prevent neighborhood deterioration by demolishing homes that have been condemned or are vacant in existing neighborhoods.
- Conduct asbestos, lead paint, and other contaminant abatement.
- Encourage infill development by waiving demolition fees, reducing building permit fees, or providing other city-based incentives.
- Create a purchase incentive program for first time homebuyers. For example, first time homebuyers that purchase a home in the City of Oneonta receive a \$10,000 credit to help rehabilitate the home.
- Create a purchase incentive program to relocate those who work in the City of Oneonta but live elsewhere. Incentives can include down payment assistance, rehabilitation assistance, or loans with lower interest rates.
- Sell property in escheat at a discounted rate to homebuyers who intend to utilize the property as their primary residence. Utilize a portion of the funds to demolish vacant structures, a kickback to the buyer to rehabilitate the property, or favorable financing in the form of a point buy-down, etc.

Funding/Incentives:

- Community Development Block Grant.

Objective #2: Enhance housing and amenities in downtown Oneonta and other cities throughout Otsego County.

Analysis: The current housing stock in the downtown area includes inexpensive market rate apartments as well as several affordable properties. Further, interviews with local stakeholders indicate that transportation poses a significant challenge to tenants of subsidized and low-income properties. Future subsidized and low-income housing should be located along existing public transportation routes and within proximity of existing amenities such as grocery stores, pharmacies, and schools. Affordable housing should be strategically located for ease of tenant commutes to work, school, and local amenities.

Action:

- Emphasize the pedestrian-friendly nature of the county's towns and villages and the conveniences of living in these more urban areas. In the CBD, residents of all demographics will be able to live closer to work, shops, restaurants, and nightlife.
- Continue to convert underutilized/vacant improvements to affordable multifamily rental housing.
- Create affordable multifamily rental housing in the Downtown Area so that empty-nesters looking to downsize and young professionals have housing options.
- Maximize infill developments in blocks or areas that are vacant or rundown.
- Enforce historic preservation district regulations to encourage the responsible historic reuse of properties rather than demolition and new construction.
- Involve out-of-town developers in the financing and construction of properties in downtown Oneonta and the county's other towns and villages to boost development capabilities.
- Establish neighborhood associates and provide association grants for the completion of beautification projects, creation of green space, and other projects beneficial to the city and the community.

Funding/Incentives:

- Section 42 Low Income Housing Tax Credit, Historic Tax Credits and HOME funding – To be used by developers in conjunction with the donated land to increase the area's affordable housing supply.
- Allocate a portion of delinquent property tax interest and penalties for the land bank to be used for funding to purchase land and homes.
- Provide tax abatements to developers to encourage residential housing in this area.

Objective #3: Implement a voluntary inclusionary zoning policy for multifamily housing within the City of Oneonta and other areas of Otsego County.

Analysis: Interviews with local stakeholders indicate that there is a lack of good quality affordable housing within the City of Oneonta and other areas of Otsego County. An inclusionary zoning policy will encourage developers to set aside a percentage of housing units for low- to moderate-income residents. Further, this strategy would increase the private-sector development, and put less reliance on state and federal programs that promote mixed-income developments.

Action:

- Create or implement an incentive, contract commitment, density bonus, or other voluntary program designed to increase the supply of moderate or lower-cost housing units.
- Allow the city to sell properties to be rehabilitated thus increasing the property values of the area as a whole.
- Donate excess land to nonprofit agencies to be used to construct affordable housing for families, young professionals, and seniors.
- Turn unusable land into parks or green space.

Funding/Incentives:

- Provide developers density bonuses as an incentive to build affordable units.
- Provide developer incentives including grants, infrastructure, and tax abatement.

Objective #4: Create additional, good quality mixed-income housing in the Oneonta area.

Analysis: Employment within the City of Oneonta and Otsego County are concentrated in the healthcare/social assistance and educational services sectors. Further, most of the major employers in the county are located within the City of Oneonta, including but not limited to A.O. Fox Hospital, Springbrook Hospital, SUNY Oneonta, Oneonta Job Corps, and Hartwick College. There are several vacant lots throughout Oneonta that could be developed with new, good quality multifamily housing. We have analyzed the creation of a land bank for the City of Oneonta. According to the Center for Community Progress, a 501(c)3 non-profit organization dedicated to reducing blight and advising communities on land bank creation,

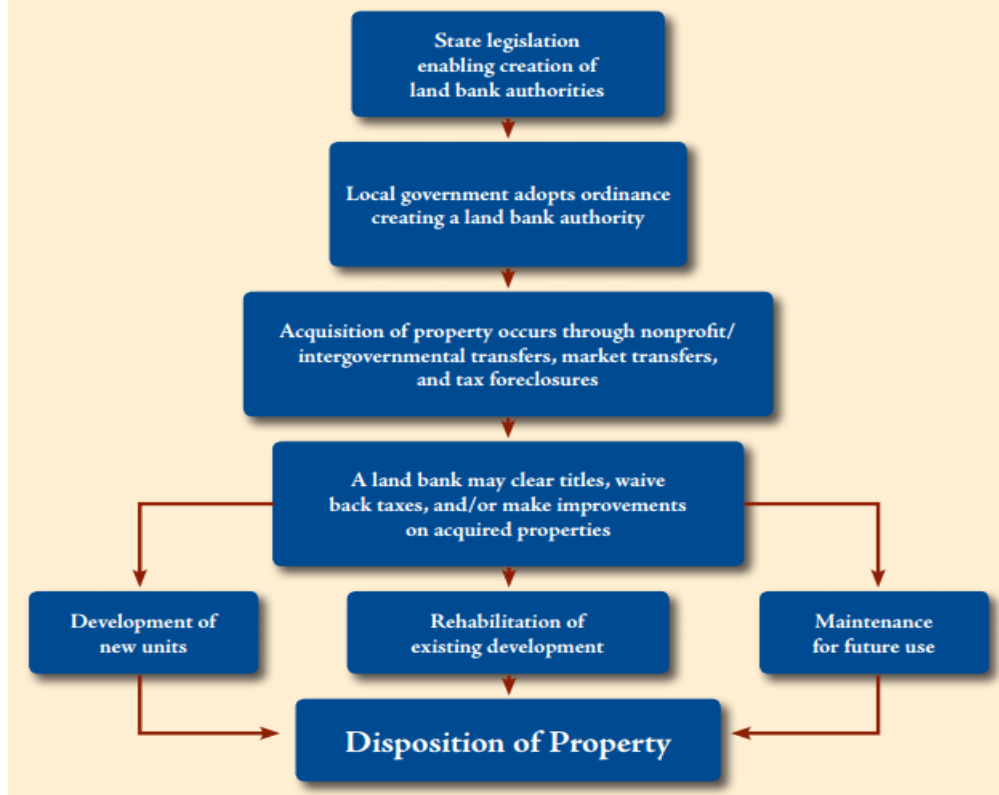
“Vacant, abandoned and neglected properties threaten the safety and stability of neighborhoods, drive down property values and – increasingly, with the recent epidemic of foreclosures – threaten the balance sheets of city and county governments. Too often, communities and governments feel helpless in the face of the magnitude of the problem, with few apparent tools to address the loss of revenue and the attendant problems that neglect and abandonment yield. Land banking as a strategic response – through the creation of land banks or other public authorities – have proven to be a powerful solution, allowing public control of abandoned property; assemblage of parcels for residential, recreational, commercial and industrial redevelopment; and empowerment of communities to reverse the social and economic consequences of neglected and abandoned property.”

Recently, several cities/municipalities in the region have created land banks where vacant properties are acquired mostly through tax foreclosures and set aside of rehabilitation or resale so that they can be reintroduced to the city and county’s tax rolls as well as providing maintenance and landscaping to lots. The Greater Mohawk Valley Land Bank services Herkimer, Montgomery, Otsego, and Schoharie counties, as well as the cities of Rome and Utica. According to the Greater Mohawk Valley Land Bank, they have been awarded \$1.6 million in funding. There are many vacant properties within the City of Oneonta which provides ample opportunity for revitalization and investment. The land bank would provide short-term fiscal benefits as well as long-term development control.

The land bank’s purpose in Oneonta is two-fold, it will help to both remove blight by improving or getting rid of some of the worst housing stock in the area and then increase property values for the surrounding homes. Vacant properties are often in such a state of disrepair that they remain unsold even at auctions. Some of the most feasible options for homes placed in the land bank are:

- Rehabilitate and sell
- Demolish and sell land to developers
- Turn into park or garden space

Land banks across the country operate uniquely. The legislative power among land banks varies as some land banks, such as that in Atlanta, can abate delinquent taxes, whereas others cannot but can set all terms when disposing of a property and/or transferring it to a community development corporation. This is very important as often when delinquent taxes exceed the property’s value, it is difficult to find a buyer for the property. The following chart illustrates the general functions of a land bank, with specific powers varying by location.

Figure 1: Land Bank Functions

Source: Office of Housing and Urban Development, July 2014

There are numerous benefits to establishing a land bank, as illustrated in the following diagram:



Local schools benefit from land banks because they receive more funding when there is an increase in property owners in their school districts, and when homes are no longer vacant there is discouraged criminal activity that decreases the cost burden on the local police and fire departments. Another benefit that these communities have experienced from the creation of a land bank is the assemblage of parcels of land that can be targeted for redevelopment. The ability of the city to amass a larger parcel of land to sell to a developer down the road would be extremely beneficial since the city is so land constrained - with the exception of slight infill development, land for affordable multifamily and/or a single-family home development is extremely limited. Lastly, as an area becomes more populated the needs for services and amenities will grow, boosting the economy.

Overall, the land bank will allow for the public control of abandoned property, assemblage of parcels for residential, recreational, commercial and industrial redevelopment, and generally improve the quality of the housing stock.

Action:

- Move forward with the Greater Mohawk Valley Land Bank initiatives.
- Allow the city and county to sell properties to be rehabilitated, thus increasing the property values of the area as a whole.
- Provide short-term fiscal benefits to the city by getting rid of some of the worst properties in the area, then being able to bring them back onto the tax roll.
- Donate excess land to nonprofit agencies to be used to construct affordable housing for families and professionals.
- Acquire land for future development of low to moderate income housing.
- Gain entitlement to a specific time period's years of property tax payments on resold properties to boost tax revenue.
- Abate delinquent taxes for properties to encourage their purchase and redevelopment.

Objective #5: Create additional, good quality senior housing within the City of Oneonta and Otsego County to support the growing need for affordable senior housing.

Analysis: The senior population in the City of Oneonta and Otsego County are predicted to increase by 2.1 and 3.2 percent annually through 2021, respectively. Further, senior renter households in the City of Oneonta and Otsego are primarily comprised of the lowest four income cohorts, with 55 percent of all seniors earning less than \$40,000 per year in Oneonta, and 65.2 percent in those cohorts in Otsego County. There is a limited supply of senior properties in the area, and the number of lower income senior households is projected to grow in both areas through 2021, suggesting additional need for affordable senior housing.

Action:

- Increase housing supply targeted towards seniors, including smaller homes that require less maintenance in locations that are in close proximity to healthcare and retail amenities.
- Build condominiums and townhomes where seniors can enjoy homeownership instead of renting but do not have to worry about the maintenance of yards, common areas, etc.
- Entice developers through low-interest loans to increase the amount of LIHTC properties.
- Increase the awareness and knowledge of the LIHTC and other state and federally assisted housing programs.
- Allow the city and county to sell properties to be rehabilitated for the purpose of senior housing.
- Donate excess land to nonprofit agencies to be used to construct affordable housing for seniors.
- Acquire land for future development of low to moderate income housing for senior.

Objective #6: Create additional, good quality supportive housing within the City of Oneonta and Otsego County to support the need for additional supportive housing.

Analysis: According to the PIT count for 2016 (the most recent made publicly available by HUD) in Otsego, Broome, Delaware, Chenango, and Cortland Counties, there were 276 homeless people in the region. This is a decrease of approximately 33 homeless persons since 2014 (the first year data was gathered for this jurisdiction), when the number of homeless persons was approximately 309. However, the homeless are a transient population and can often move from place to place so it is difficult to estimate than number of homeless in the city, county, or even the reporting region at any point in time. Given the relative lack of permanent facilities available for the homeless population in Otsego County, it appears there is a need for additional supportive housing.

Action:

- Convert underutilized improvements to homeless facilities.
- Allow the city and county to construct additional homeless facilities.

Objective #7: Educate low to moderate income households on how they can purchase homes and encourage the use of first-time homebuyer incentive programs.

Analysis: Obtaining mortgage financing can be difficult for low to moderate income households due to poor credit and/or lack of funds for down payment assistance. Further, many households are unaware of home buying assistance programs in place in the area.

Action:

- Educate future and prior homebuyers on financing options access to capital and how to improve their credit worthiness by promoting KHRC's home buyer education programs and offering them in the community.
- Inform future homebuyers and potential residents on local home buying assistance programs.
- Provide seminars on how households can improve their credit scores and begin saving for down payments.

ADDENDUM A

Assumptions and Limiting Conditions

ASSUMPTIONS AND LIMITING CONDITIONS

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the market analyst has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the author assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All encumbrances, including mortgages, liens, leases, and servitudes, were disregarded in this valuation unless specified in the report. It was recognized, however, that the typical purchaser would likely take advantage of the best available financing, and the effects of such financing on property value were considered.
4. All information contained in the report, which others furnished, was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
5. The report was made assuming responsible ownership and capable management of the property.
6. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
7. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
8. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors.
9. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the market analyst did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
10. Any distribution of total property value between land and improvements applies only under the existing or specified program of property utilization. Separate valuations for land and buildings must not be used in conjunction with any other study or market study and are invalid if so used.
11. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the author particularly as to value conclusions, the identity of the author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the market analyst. Nor shall the market analyst,

firm, or professional organizations of which the market analyst is a member be identified without written consent of the market analyst.

12. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional organization with which the market analyst is affiliated.
13. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
14. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
15. Opinions of value contained herein are estimates. There is no guarantee, written or implied, that the Subject property will sell or lease for the indicated amounts.
16. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the market study report.
17. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
18. On all studies, Subject to satisfactory completion, repairs, or alterations, the report and conclusions are contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time.
19. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums, except as reported to the market analyst and contained in this report.
20. The party for whom this report is prepared has reported to the market analyst there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
21. Unless stated otherwise, no percolation tests have been performed on this property. In making the market study, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use.
22. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The market analyst does not warrant the condition or adequacy of such systems.
23. No in-depth inspection of existing insulation was made. It is specifically assumed no Urea Formaldehyde Foam Insulation (UFFI), or any other product banned or discouraged by the Consumer Product Safety Commission has been introduced into the property. The market analyst reserves the right to review and/or modify this market study if said insulation exists on the Subject property.
24. Estimates presented in this report are assignable to parties to the development's financial structure.

ADDENDUM B

Qualifications of Consultants

ADDENDUM B
Qualifications of Consultants

CURRICULUM VITAE
BRAD E. WEINBERG, MAI, CVA, CRE

I. Education

University of Maryland, Masters of Science in Accounting & Financial Management
University of Maryland, Bachelors of Arts in Community Planning

II. Licensing and Professional Affiliations

MAI Member, Appraisal Institute, No. 10790
Certified Valuation Analyst (CVA), National Association of Certified Valuers and Analysts (NACVA)

Member, The Counselors of Real Estate (CRE)

Member, Urban Land Institute

Member, National Council of Housing Market Analysts (NCHMA)

State of Alabama – Certified General Real Estate Appraiser, No. G00628

State of California – Certified General Real Estate Appraiser, No. 27638

Washington, D.C. – Certified General Real Estate Appraiser; No. GA10340

State of Florida – Certified General Real Estate Appraiser; No. RZ3249

State of Maine – Certified General Real Estate Appraiser, No. CG3435

State of Maryland – Certified General Real Estate Appraiser; No. 6048

Commonwealth of Massachusetts – Certified General Real Estate Appraiser; No. 103769

State of Michigan – Certified General Real Estate Appraiser, No. 1201074327

State of Nebraska – Certified General Real Estate Appraiser, No. CG2015008R

State of New Jersey – Certified General Real Estate Appraiser; No. 42RG00224900

State of Ohio – Certified General Real Estate Appraiser; No. 2006007302

State of Pennsylvania – Certified General Real Estate Appraiser; No. GA004111

State of South Carolina – Certified General Real Estate Appraiser; No. 4566

III. Professional Experience

Partner, Novogradac & Company LLP

President, Capital Realty Advisors, Inc.

Vice President, The Community Partners Realty Advisory Services Group, LLC

President, Weinberg Group, Real Estate Valuation & Consulting

Manager, Ernst & Young LLP, Real Estate Valuation Services

Senior Appraiser, Joseph J. Blake and Associates

Senior Analyst, Chevy Chase F.S.B.

Fee Appraiser, Campanella & Company

IV. Professional Training

Appraisal Institute Coursework and Seminars Completed for MAI Designation and Continuing Education Requirements

Commercial Investment Real Estate Institute (CIREI) Coursework and Seminars Completed for CCIM Designation and Continuing Education Requirements

V. Speaking Engagements and Authorship

Numerous speaking engagements at Affordable Housing Conferences throughout the Country
Participated in several industry forums regarding the Military Housing Privatization Initiative

Authored "New Legislation Emphasizes Importance of Market Studies in Allocation Process," *Affordable Housing Finance*, March 2001

VI. Real Estate Assignments

A representative sample of Due Diligence, Consulting or Valuation Engagements includes:

- On a national basis, conduct market studies and appraisals for proposed Low-Income Housing Tax Credit properties. Analysis includes preliminary property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis and operating expense analysis to determine appropriate cost estimates.
- On a national basis, conduct market studies and appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing program. This includes projects under the 221(d)3, 221(d)4, 223(f), and 232 programs.
- Completed numerous FannieMae and FreddieMac appraisals of affordable and market rate multifamily properties for DUS Lenders.
- Managed and completed numerous Section 8 Rent Comparability Studies in accordance with HUD's Section 9 Renewal Policy and Chapter 9 for various property owners and local housing authorities.
- Developed a Flat Rent Model for the Trenton Housing Authority. Along with teaming partner, Quadel Consulting Corporation, completed a public housing rent comparability study to determine whether the flat rent structure for public housing units is reasonable in comparison to similar, market-rate units. THA also requested a flat rent schedule and system for updating its flat rents. According to 24 CFR 960.253, public housing authorities (PHAs) are required to establish flat rents, in order to provide residents a choice between paying a "flat" rent, or an "income-based" rent. The flat rent is based on the "market rent", defined as the rent charged for a comparable unit in the private,

unassisted market at which a PHA could lease the public housing unit after preparation for occupancy. Based upon the data collected, the consultant will develop an appropriate flat rent schedule, complete with supporting documentation outlining the methodology for determining and applying the rents. We developed a system that THA can implement to update the flat rent schedule on an annual basis.

- As part of an Air Force Privatization Support Contractor team (PSC) to assist the Air Force in its privatization efforts. Participation has included developing and analyzing housing privatization concepts, preparing the Request for Proposal (RFP), soliciting industry interest and responses to housing privatization RFP, Evaluating RFP responses, and recommending the private sector entity to the Air Force whose proposal brings best value to the Air Force. Mr. Weinberg has participated on numerous initiatives and was the project manager for Shaw AFB and Lackland AFB Phase II.
- Conducted housing market analyses for the U.S. Army in preparation for the privatization of military housing. This is a teaming effort with Parsons Corporation. These analyses were done for the purpose of determining whether housing deficits or surpluses exist at specific installations. Assignment included local market analysis, consultation with installation housing personnel and local government agencies, rent surveys, housing data collection, and analysis, and the preparation of final reports.
- Developed a model for the Highland Company and the Department of the Navy to test feasibility of developing bachelor quarters using public-private partnerships. The model was developed to test various levels of government and private sector participation and contribution. The model was used in conjunction with the market analysis of two test sites to determine the versatility of the proposed development model. The analysis included an analysis of development costs associated with both MILCON and private sector standards as well as the potential market appeal of the MILSPECS to potential private sector occupants.

STATEMENT OF PROFESSIONAL QUALIFICATIONS LINDSEY SUTTON

EDUCATION

Texas State University, Bachelor of Business Administration in Finance

LICENSING AND CERTIFICATIONS

Certified General Real Estate Appraiser – State of Texas (TX 1380684-G)

EXPERIENCE

Novogradac & Company LLP, Manager, December 2012- Present

Novogradac & Company LLP, Real Estate Analyst, September 2011- December 2012

Novogradac & Company LLP, Real Estate Researcher February 2010 – September 2011

REAL ESTATE ASSIGNMENTS

A representative sample of work on various types of projects:

- Performed market studies for proposed new construction and existing Low Income Housing Tax Credit, USDA Rural Development, Section 8 and market rate multifamily and age-restricted developments. This included property screenings, market and demographic analysis, comparable rent surveys, supply and demand analysis, determination of market rents, expense comparability analysis, and other general market analysis. Property types include proposed multifamily, acquisition with rehabilitation, historic rehabilitation, adaptive reuse, and single-family development.
- Conduct physical inspections of subject properties and comparables to determine condition and evaluate independent physical condition assessments.
- Assist on appraisals using the cost approach, income capitalization approach, and sales comparison approach for Low Income Housing Tax Credit, USDA Rural Development, and Section 8 properties. Additional assignments also include partnership valuations and commercial land valuation.
- Prepared HUD Market-to-Market rent comparability studies for Section 8 multifamily developments.
- Perform valuations of General and/or Limited Partnership Interest in a real estate transaction, as well as LIHTC Year 15 valuation analysis.
- Prepare Fair Market Value analyses for solar panel installations in connection with financing and structuring analyses performed for various clients. The reports are used by clients to evaluate with their advisors certain tax consequences applicable to ownership. Additionally, these reports can be used in connection with application for the Federal grant identified as Section 1603 American Recovery & Reinvestment Act of 2009 and the ITC funding process.
- Analyze historic audited financial statements to determine property expense projections.
- Perform market studies and assist on appraisals for proposed and existing multifamily properties under the HUD MAP program. These reports meet the requirements outlined in Chapter 7 of the HUD MAP Guide for the 221(d)4, 223(f), and the LIHTC Pilot Program.
- Consult with lenders and developers and complete valuation assignments for developments converting under the RAD program.

- Completed assignments in the following states:

California

Texas

New Jersey

Georgia

Oklahoma

Virgin Islands

Maryland

Tennessee

Florida

Washington

Louisiana

North Carolina

Missouri

Minnesota

Delaware

South Carolina

Illinois

Utah

Arizona

Oregon

Michigan

New York

Arkansas

Connecticut

Mississippi

Iowa

Tennessee

Indiana

Nebraska

Wisconsin

West Virginia

Ohio

STATEMENT OF PROFESSIONAL QUALIFICATIONS

DEANNA L. UNGER

Education

Saint Edward's University

- Bachelor of Business in Finance

Experience

Real Estate Analyst, Novogradac & Company, LLP (December 2015 – Present)

Junior Analyst, Novogradac & Company, LLP (June 2014 December 2015)

- Performs market studies for proposed new construction and existing Low Income Housing Tax Credit, USDA Rural Development, Section 8 and market rate multifamily and age-restricted developments. This includes property screenings, market and demographic analysis, comparable rent surveys, supply and demand analysis, determination of market rents, expenses comparability analysis, and other general market analysis. Property types include proposed multifamily, acquisition with rehabilitation, historic rehabilitation, adaptive reuse, and single-family development.
- Conducts physical inspections of subject properties and comparable properties to determine condition and evaluate independent physical condition assessments.
- Assists on appraisals using the cost approach, income capitalization, and sales comparison approach for Low Income Housing Tax Credit, USDA Rural Development and Section 8 properties. Additional assignments also include commercial land valuations.
- Prepare HUD Market-to Market rent comparability studies for Section 8 multifamily developments.

Real Estate Assignments: The researcher has conducted research and completed assignments in the following states and U.S. Territories:

Alabama	Kansas	North Carolina
Alaska	Louisiana	Ohio
Arkansas	Massachusetts	Oklahoma
California	Maryland	Pennsylvania
Colorado	Michigan	South Carolina
Delaware	Minnesota	Tennessee
Florida	Mississippi	Texas
Georgia	Missouri	Virginia
Hawaii	Nebraska	Washington
Illinois	Nevada	Wisconsin
Indiana	New Jersey	
Iowa	New York	