

Market Study Requirements

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General Requirements

- A Market Study must demonstrate clear evidence the neighborhood conditions have been examined and there is clear evidence of need for the type of project and the number of units proposed.
- For multi-family rental projects consisting of twenty (20) or more new units, the market study must be conducted by an IHFA qualified independent Market Study Provider. List is available at [Approved Market Study Provider List](#)
- A Market Study cannot not be more than 6 months old. However, an updated Market Study is allowed up to six months after the original market study has expired. It should include the names, contact information, and positions of the individuals providing the information. The analysis must provide sufficient data to support the need for the proposed project and address all components listed below:
 - ★The HOME multi-family rental market study must include two subsets to help IHFA analyze the true need for any additional new units proposed in the market area:
 1. The first subset should include the market vacancy percentage comprised only of units in projects that are currently funded with LIHTC and/or HOME.
 2. The second subset should include the market vacancy percentage comprised only of units in project that are currently funded with Section 8 and/or USDA-RD project-based rental

Affirmatively-Furthering Fair Housing Choice

Fair Housing Resolution

Documentation is required- Provides clear evidence the local political jurisdiction (city or county depending on site of project) of the proposed HOME project is committed to Affirmatively-Furthering Fair Housing. Evidenced by a copy of the adopted and published resolution or declaration/.

(Important: While referenced here as part of the Market Study requirements, it is the responsibility of the project owner/developer/sponsor to obtain a copy of the adopted resolution and submit with the HOME application. A copy of the AFFH Resolution that has been adopted by the unit of government in which the proposed project will be located can be submitted as a separate attachment in the HOME

application or as part of the Market Study). This is a application threshold requirement.

Analysis of Impediments to Affirmatively Furthering Fair Housing Choice-

- If the proposed activity is in a CDBG Non-Entitlement area, submit the local jurisdiction's most recent *Fair Housing Assessment Plan* as review and approved by the State of Idaho's CDBG Program (Department of Commerce);

or
- If the proposed activity is located in a CDBG Entitlement Area (cities of Boise, Nampa, Meridian, Lewiston, Coeur d' Alene, Idaho Falls, and Pocatello are defined as CDBG Entitlement Areas in Idaho), then submit the city's most recent *Analysis of Impediments To Affirmatively Further Fair Housing*;

or
- If the local jurisdiction has never received State of Idaho CDBG funds (and therefore never completed a *Fair Housing Assessment Plan*), the local jurisdiction is required to complete a Fair Housing Assessment Plan that meets the requirements of the State of Idaho's CDBG Program.

Acquisition and/or Rehabilitation

An MAI Appraisal can be accepted if it addresses the Market Study components identified below. An updated appraisal is allowed up to six months after the original appraisal has expired, although, under no circumstances will the HOME accept an appraisal beyond 12 months of the appraisal's original date.

Complete Description of Proposed Project

- Site map
- Area map
- Site photos
- Proposed rents (include subsidies)
- Income levels of proposed tenants
- Bedroom sizes
- Amenities
- Number of units/type/size

Determination of Need

- Market Area
- Market composition
- Population
- Household description
- Renters, owners, family size, age, income
- Capture Rate

Project Site

- Complete description of the proposed site including:
- Location to schools
- Location to essential shopping
- Location to medical
- Location to major employment
- Location to other services and facilities

Demographic Characteristics

- Demographic community profile
- Economic profile
- Major employers
- Unemployment rate
- Economic outlook
- Housing supply profile
- Existing competition (including vacancy rates)
- Other projects under construction
- Area vacancy rates

Demographic Mapping of Primary Market Area

- Identify the percentage of low-income residents to overall population
- Identify the number of affordable units to total units
- Housing Demand Forecast
- Sources of demand
- Predicted absorption rate of proposed project

Summary

Summary will include a list of strengths and weaknesses for the project, demographic and site information, including proximity to critical services, i.e. schools, medical facilities, pharmacies, transportation, major employment, and grocery stores.