

# Multi-Family Demand Analysis

## Non- Senior Household Income Analysis – 2007

Households	County	Town	Neighborhood
<b>25 to 34 years</b>	<b>2007</b>	<b>2007</b>	<b>2007</b>
Less than \$10,000	764	493	85
\$ 10,000 to \$14,999	277	162	26
\$ 15,000 to \$19,999	358	180	47
\$ 20,000 to \$24,999	352	175	46
\$ 25,000 to \$29,999	393	160	34
\$ 30,000 to \$34,999	392	157	27
\$ 35,000 to \$39,999	386	168	33
\$ 40,000 to \$49,999	877	353	53
\$ 50,000 to \$59,999	950	382	74
\$ 60,000 to \$74,999	1,177	451	91
\$ 75,000 to \$99,999	1,799	607	113
\$100,000 to \$124,999	1,177	351	81
\$125,000 to \$149,999	809	231	66
\$150,000 to \$199,999	776	250	53
\$200,000 or more	554	180	107
<b>Total 25 to 34 years</b>	<b>11,041</b>	<b>4,300</b>	<b>936</b>
<b>35 to 44 Years</b>	<b>2007</b>	<b>2007</b>	<b>2007</b>
Less than \$10,000	748	348	33
\$ 10,000 to \$14,999	333	183	27
\$ 15,000 to \$19,999	379	179	24
\$ 20,000 to \$24,999	438	186	38
\$ 25,000 to \$29,999	445	205	38
\$ 30,000 to \$34,999	511	175	20
\$ 35,000 to \$39,999	448	182	27
\$ 40,000 to \$49,999	1,149	419	83
\$ 50,000 to \$59,999	1,212	440	89
\$ 60,000 to \$74,999	1,895	662	149
\$ 75,000 to \$99,999	2,786	875	154
\$100,000 to \$124,999	2,227	699	189
\$125,000 to \$149,999	1,602	531	205
\$150,000 to \$199,999	1,698	478	168
\$200,000 or more	1,942	552	403
<b>Total 35 to 44 years</b>	<b>17,813</b>	<b>6,114</b>	<b>1,647</b>

Source: AGS 2007

# Multi-Family Demand Analysis

## Non- Senior Household Income Analysis – 2007

Households 45 to 54 Years	County 2007	Town 2007	Neighborhood 2007
Less than \$10,000	660	371	54
\$ 10,000 to \$14,999	407	204	46
\$ 15,000 to \$19,999	373	179	43
\$ 20,000 to \$24,999	466	237	51
\$ 25,000 to \$29,999	490	195	43
\$ 30,000 to \$34,999	426	167	25
\$ 35,000 to \$39,999	542	202	28
\$ 40,000 to \$49,999	1,274	560	127
\$ 50,000 to \$59,999	1,183	422	81
\$ 60,000 to \$74,999	1,841	678	176
\$ 75,000 to \$99,999	3,026	1,010	317
\$100,000 to \$124,999	2,877	875	253
\$125,000 to \$149,999	2,399	722	277
\$150,000 to \$199,999	2,773	788	283
\$200,000 or more	2,882	979	550
<b>Total 45 to 54 years</b>	<b>21,619</b>	<b>7,589</b>	<b>2,354</b>

Households - Non -Senior	County 2007	Town 2007	Neighborhood 2007
Less than \$10,000	2,172	1,212	172
\$ 10,000 to \$14,999	1,017	549	99
\$ 15,000 to \$19,999	1,110	538	114
\$ 20,000 to \$24,999	1,256	598	135
\$ 25,000 to \$29,999	1,328	560	115
\$ 30,000 to \$34,999	1,329	499	72
\$ 35,000 to \$39,999	1,376	552	88
\$ 40,000 to \$49,999	3,300	1,332	263
\$ 50,000 to \$59,999	3,345	1,244	244
\$ 60,000 to \$74,999	4,913	1,791	416
\$ 75,000 to \$99,999	7,611	2,492	584
\$100,000 to \$124,999	6,281	1,925	523
\$125,000 to \$149,999	4,810	1,484	548
\$150,000 to \$199,999	5,247	1,516	504
\$200,000 or more	5,378	1,711	1,060
<b>Total 25 to 54 years</b>	<b>50,473</b>	<b>18,003</b>	<b>4,937</b>

Source: AGS 2007

# Multi-Family Demand Analysis

## Apartments – Cost of Occupancy

### Two-Bedroom – Market (average- not new Construction)

Scenario	1	2	3	4	5
Monthly Rent	\$1,300	\$1,350	\$1,400	\$1,450	\$1,500
Annual Rent	\$15,600	\$16,200	\$16,800	\$17,400	\$18,000
Income Tax Factor	0.00%	0.00%	0.00%	0.00%	0.00%
Insurance - Liability & Fire	\$350	\$350	\$350	\$350	\$350
Utilities - Renter	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Adjusted Total	\$17,150	\$17,750	\$18,350	\$18,950	\$19,550
Income Tax Refund	\$0	\$0	\$0	\$0	\$0
Reserves & related	\$0	\$0	\$0	\$0	\$0
Annual Funding Required	\$17,150	\$17,750	\$18,350	\$18,950	\$19,550
Required Income - 25%	\$68,600	\$71,000	\$73,400	\$75,800	\$78,200
Required Income - 30%	\$57,167	\$59,167	\$61,167	\$63,167	\$65,167
Required Income - 35%	\$49,000	\$50,714	\$52,429	\$54,143	\$55,857
Required Income - 40%	\$42,875	\$44,375	\$45,875	\$47,375	\$48,875

An average two-bedroom unit now requires household income of over \$60,000 per year and the average household income required to own and maintain a moderate quality three-bedroom mobile home is approximately \$60,000.

### Townhouse - Ownership Expense Formula:

Real Estate taxes and related community and town fees ranged from \$8,000 to \$12,000 per year

Utilities include water, sewer, gas and electric, but not cable or telephone charges. The estimate is \$2,500 to \$3,000 per year.

The common area charges include general insurance for the common area, expenses for landscaping, trash and snow removal. We estimated budget ranged at \$1,200 per unit.

We believe that the majority of tenants will pay from 30% to 40% of their income for mortgage, real estate taxes, insurance, and utilities, after adjusting for income tax factor.

The following chart provides the income parameters with income tax factors:

# Multi-Family Demand Analysis

## Market Townhouses - 314 Units

Scenario	1	Base Case	3	4	5	6
<i>Median value Owner</i>	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000
<i>%Pct Down payment</i>	20.00%	20.00%	20.00%	25.00%	20.00%	25.00%
<i>Additional Down payment</i>	\$0	\$0	\$0	\$0	\$0	\$0
<i>Amount Financed</i>	\$440,000	\$440,000	\$440,000	\$412,500	\$440,000	\$412,500
<i>Income Tax Factor</i>	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%
<i>Interest Rate</i>	6.00%	6.50%	7.00%	6.00%	6.50%	6.50%
<i>Term - Years</i>	30	30	30	30	30	30
<i>Mortgage Constant</i>	-7.2649%	-7.6577%	-8.0586%	-7.2649%	-7.6577%	-7.6577%
<i>Annual Mortgage Pyt</i>	\$31,966	\$33,694	\$35,458	\$29,968	\$33,694	\$31,588
<i>Insurance - Liability &amp; Fire</i>	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
<i>Real Estate Taxes- Avg</i>	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
<i>Common Area maintenance</i>	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
<i>Utilities - Owner</i>	\$3,000	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
<i>Adjusted Total</i>	\$50,666	\$51,894	\$53,658	\$48,168	\$51,894	\$49,788
<i>Income Tax Refund</i>	(\$11,136)	(\$11,774)	(\$12,412)	(\$10,658)	(\$11,774)	(\$11,256)
<i>Reserves &amp; related</i>	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
<i>Annual Funding Required</i>	\$40,530	\$41,120	\$42,246	\$38,510	\$41,120	\$39,533
<i>Required Income - 25%</i>	\$162,118	\$164,480	\$168,984	\$154,041	\$164,480	\$158,130
<i>Required Income - 30%</i>	\$135,098	\$137,067	\$140,820	\$128,367	\$137,067	\$131,775
<i>Required Income - 35%</i>	\$115,799	\$117,486	\$120,703	\$110,029	\$117,486	\$112,950
<i>Required Income - 40%</i>	\$101,324	\$102,800	\$105,615	\$96,275	\$102,800	\$98,831

# Multi-Family Demand Analysis

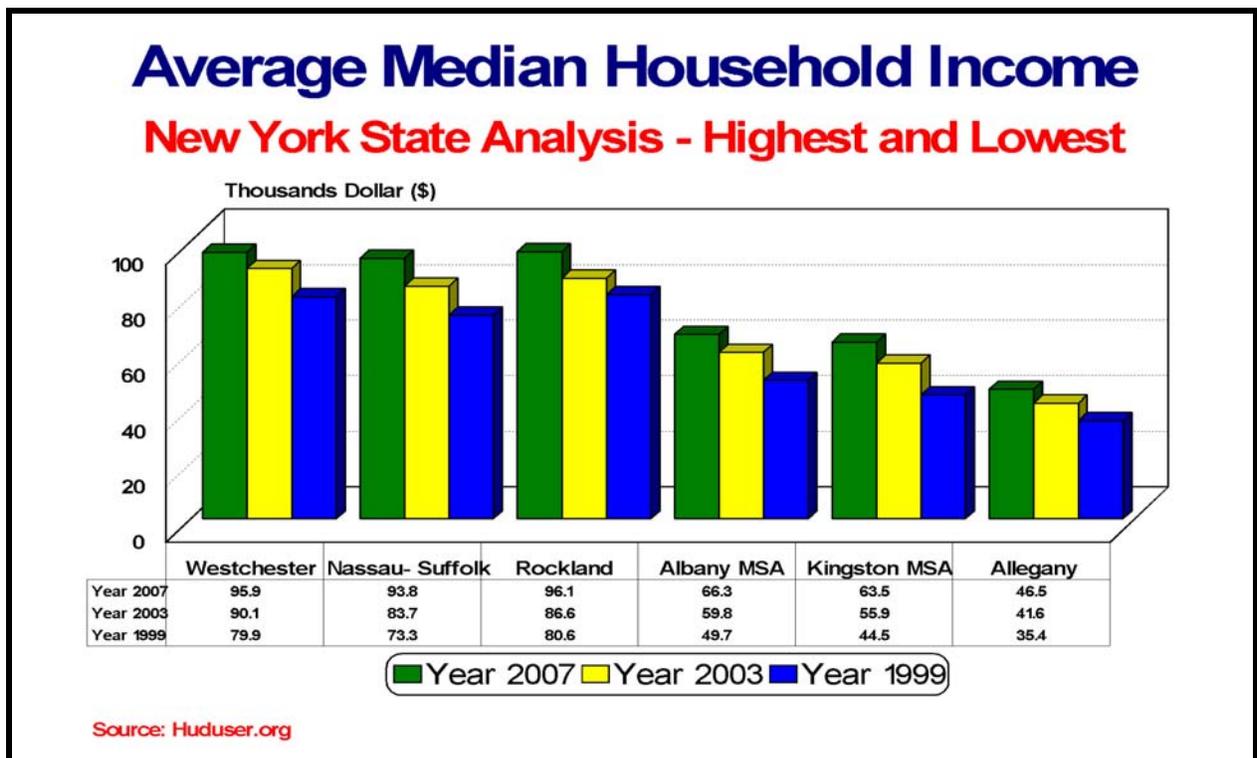
## Affordable Townhouses - 72 Units

Scenario	1	Base Case	4	3	4	5
Median value Owner	\$325,000	\$325,000	\$325,000	\$300,000	\$325,000	\$300,000
%Pct Down payment	15.00%	15.00%	15.00%	15.00%	20.00%	20.00%
Additional Down payment	\$0	\$0	\$0	\$0	\$0	\$0
Amount Financed	\$276,250	\$276,250	\$276,250	\$255,000	\$260,000	\$240,000
Income Tax Factor	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%
Interest Rate	6.00%	6.50%	7.00%	6.00%	6.50%	6.50%
Term - Years	30	30	30	30	30	30
Mortgage Constant	-7.2649%	-7.6577%	-8.0586%	-7.2649%	-7.6577%	-7.6577%
Annual Mortgage Pyt	\$20,069	\$21,155	\$22,262	\$18,525	\$19,910	\$18,379
Insurance - Liability & Fire	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Real Estate Taxes- Avg	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000
Common Area maintenance	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Utilities - Owner	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Adjusted Total	\$33,769	\$34,855	\$35,962	\$32,225	\$33,610	\$32,079
Income Tax Refund	(\$6,144)	(\$6,489)	(\$6,834)	(\$5,825)	(\$6,225)	(\$5,900)
Reserves & related	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Annual Funding Required	\$28,626	\$29,365	\$30,128	\$27,400	\$28,385	\$27,179
Required Income - 25%	\$114,502	\$117,462	\$120,510	\$109,602	\$113,541	\$108,714
Required Income - 30%	\$95,418	\$97,885	\$100,425	\$91,335	\$94,617	\$90,595
Required Income - 35%	\$81,787	\$83,901	\$86,079	\$78,287	\$81,100	\$77,653
Required Income - 40%	\$71,564	\$73,414	\$75,319	\$68,501	\$70,963	\$67,946

# Multi-Family Demand Analysis

**Report Conclusion:** We believe that this proposal is highly market feasible, based on demographic data and market conditions. The property is located in the Town of Ramapo, Rockland County, New York. The proposed development is 487 single family- affordable family townhouses.

Rockland County has the one of the highest average median household income and highest allowable rental rates in the State of New York. Allegany County has the lowest average median household income and lowest allowable rental rates in the state.



The household income required in Rockland County to own the median price home (all types) ranges from a low of \$90,000 in the Town of Haverstraw to a high of \$114,000 in the Town of Clarkstown. To purchase a new moderate income new single family house in Rockland County the required household income would range from \$127,000 to \$168,000.

The County of Rockland and especially the project's defined market area are experiencing a continuing and expanding affordable housing crisis. Families earning less than \$125,000 are priced out of the better quality three and four -bedroom condominiums in the region.

An average two-bedroom unit now requires household income of over \$60,000 per year and the average household income required to own and maintain a moderate quality three-bedroom mobile home is approximately \$60,000.

# Report Certification

I (Richard J. Lampert) certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and my personal, unbiased professional analysis, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event resulting from the analysis, opinions, or conclusions in, or the use, of this report.
- My analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- No one provided significant professional assistance to the person(s) signing this report. The researchers (walkers) only did follow-up analysis and had no impact upon the report's conclusions.
- I hereby acknowledge that I have the appropriate education and experience to complete the assignment in a competent manner.
- This reported is dated as of May 31, 2009 and reflects the conditions at this date.
- ◆ The study is for a **proposed** development of Patrick Farms.
- The units will be sold has affordable and market rate housing.

I certify that, to the best of my knowledge and belief, the reported analysis, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute.

*Richard J. Lampert*

**Richard J. Lampert**  
General State Certified General Real Estate Appraiser # 6405

Dated: May 31, 2009

# Assignment Goal and Scope

## Assignment Goals

Richard J. Lampert was contracted by the Tim Miller Associates, Inc to provide information and data for the company's management and funding requirements. The objective of this study is to provide a market analysis and the goals are as follows:

- Analyze the regional (MSA) and the county for housing, economic and demographic trends.
- Provide a demographic profile of the primary and secondary market profiles using computer data models based on census tract data for the period of 1990 to 2017.
- Determine current demand for affordable housing and projected future demand.

## Assignment Scope

The following is the method of research and work that was undertaken to complete this assignment

- Obtain and analyze economic and population trends by census tract projection data from both public and private sources.
- Inspected and analyze competing residential Developments in the area by a drive time analysis and available public records.
- Obtain specialized population reports to analyze prior and future trends.
- Provide a research report for the developer and their consultants.

## Research Sources

The following sources were used in completing the demographic analysis for this assignment:

<i>Market Statistics</i>	<i>Claritas Demographics</i>
<i>Census 2000 SF3</i>	<i>AGS Demographics</i>
<i>NPA Data Services</i>	<i>Ulster County - Planning Department</i>
<i>Market Statistics</i>	<i>Woods and Pool Research</i>

## Field Inspection of Comparable Properties

Over 25 residential projects (*apartments and condominiums*) in the general area were reviewed in the market. Some projects did not return our telephone calls. However, all sites were inspected and we attempted to find additional data from discussions with residents and/or a review of town records.

# Professional Qualifications of Researchers

## Richard J. Lampert

### Summary of Professional Experience:

Actively engaged in real estate consulting, market analysis, investment research and appraisal since 1975. Market research assignments on senior citizens and multi-family projects in New York, Connecticut, New Jersey, Rhode Island and North Carolina.

Editor and Publisher of *The Waterbury Industrial and Office Report*, *The Greater Glens Falls & Saratoga Real Estate Report*, *Southeastern Connecticut Real Estate Report*, and *The Greater Danbury Office and Industrial Report*.

*Extensive appraisal and consulting experience appraising all types of real property including office buildings, shopping centers, apartment buildings, and vacant land.*

***Richard J. Lampert - Real Estate Consultant and Appraiser, Pleasantville, NY***

***Cushman & Wakefield - Tri-State Financial Services Group, New York, NY***

***VMS Realty Partners, Vice President - Acquisitions & Technical Services, New York, NY***

***Landauer Associates, Assistant Vice President - Appraisal, New York, NY***

***Forest City Enterprises, Senior Analyst - Land Division, Cleveland, Ohio***

***NYS Urban Development Corporation, Real Estate Analyst, New York, NY***

### Education

Long Island University, Master of Science, *Taxation & Finance* - 1975  
Saint Vincent College, Bachelor of Science, *Accounting* - 1973

### Professional Affiliations

Appraisal Institute, State Accredited Affiliate and Candidate  
National Association of Realtors - Real Estate Appraisal Section  
New York - State Certified General Real Estate Appraiser NYS#: 46000006405  
State of Connecticut - Certified General Real Estate Appraiser Conn # 0000354

### Selected Clients

Clients include major commercial bank, local savings banks, Industrial corporations, law firms, accounting firms, developers, and real estate consulting firms.

# Professional Qualifications of Researchers

## Selected Multi-family Assignments

Property	Location	Assignment
Riverview Apts – Proposed	Peekskill, New York	Research Report
Stony Hill Crescent – Proposed	Danbury, Connecticut	Research Report
Second Ave Apts - Proposed	New York, New York	Research Report
Tarryrand Apartments	Tarrytown, New York	Research Report
Woodlands Apts – Proposed	Saratoga Springs, New York	Appraisal Report
Terrance Pines	Ballston Spa, New York	Appraisal Report
Brookline Apartments	Ballston Spa, New York	Appraisal Report
Evergreen Hills Apartments	Macedon, New York	Appraisal Report
Heritage Apartments	Glens Falls, New York	Appraisal Report
Madison Apartments	Sacketts Harbor, New York	Appraisal Report
Willard Street Apartments	Hartford, Connecticut	Research Report
Hartford Tower Apartments	Hartford, Connecticut	Appraisal Report
The Meadows Apartments	Queensbury, New York	Research Report
River Street	Napanoch, New York	Appraisal Report
120 Cannon Street	Poughkeepsie, New York	Appraisal Report
La Triumphe Apartments	Groton, Connecticut	Appraisal Report
Mentebello Commons – Proposed	Montebello, New York	Research Report
Loosestrife Apartments	Montgomery, New York	Appraisal Report
Kensington Village	Hyde Park, New York	Appraisal Report
Silver Maples Acres	Harriman, New York	Appraisal Report
Brookside Acres	Washingtonville, New York	Appraisal Report
Cascade Acres	Lake Placid, New York	Appraisal Report
Amsterdam Senior Study	Amsterdam, New York	Research Report



# Addenda and Supporting Documents - Listing

The following documents are included in the addenda.

<b>Document</b>	<b>Description</b>
<b>Assignment Letter</b>	Assignment authorization and related
<b>Additional Data</b>	Additional data and materials are maintained in the subject's and regional files in my office

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# Supporting and Required Documents

## Assignment Letter

### Richard J. Lampert

Real Estate Consulting and Market Research

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April 20, 2009

Ms Ann Cutignola, AICP  
Tim Miller Associates, Inc – Senior Planner  
10 North Street  
Cold Spring, New York 10516

Re: Patrick Farms

My firm is interested in providing research and consulting services for the above referenced development project. The property is located in the Town of Ramapo, Rockland County, New York.

The proposed development is 497+/- residential development consisting of 87 single family and 314 multi-family units. Our initial review indicates that your proposal has positive factors and could be competitive, but it is generally considered at this time to be a very large project.

The subject is located in Census Tract number 115.01, which is higher income area of the town and county. The median household income for the census tract is \$105,243 and for the town is \$67,284. The median value home is \$568,061 in 2007 with over 60% of the homes valued over \$500,000.

The total cost of the report will be \$5,500. We require \$3,000 up front payment with balance due at delivery. The fee is higher than usual since time limits result in significant overtime and additional staff.

This is a major report with extensive graphic and research. The final report will be over 100 pages.

I am requesting the following data:

1. Conceptual Site Plan (8 ½ x11)
2. Single family: Conceptual unit design with square feet and related factors – bathrooms, dens, garages and etc. ( **Revised not Included**)
3. Multi-family: Conceptual unit design with square feet and related factors – bathrooms, dens, garages and etc.
4. Multi-family (Workforce): Conceptual unit design with square feet and related factors – bathrooms, dens, garages and etc.
5. Workforce Apartments: Conceptual unit design with square feet and related factors – bathrooms, dens, garages and etc. We highly recommend that the apartments be put on its own tax parcel, given the potential for favorable third party favorable financing and real estate tax assessment under 581A.

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2 Sutton Place Pleasantville, NY 10570  
Other Field Offices: Saratoga, NY & Waterbury, CT

(914) 747-3412

# Supporting and Required Documents

## **Richard J. Lampert**

Real Estate Consulting and Market Research

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This is considered a consulting assignment, in which the values are not the prime goal of the report purpose. The report is considered a marketing demand analysis./

My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client. My compensation is not contingent upon an amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event resulting from the analysis, opinions, or conclusions in, or the use, of this report.

The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and my personal, unbiased professional analysis, opinions, and conclusions. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.

There will be additional charges for offsite meetings and work beyond the scope of the assignment. The report will be directed for use by the developer and other related parties.

Please call me if you have any questions

Yours Truly

*Richard J. Lampert*

**Richard J. Lampert**

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2 Sutton Place Pleasantville, NY 10570  
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(914) 747-3412