

## **EXHIBIT "O"**

### **Market Analysis Requirements for Single Family Homebuyer Projects**

#### **Five or more Affordable Single Family HOME Assisted Units**

1. Provide information to demonstrate a need for the type and number of housing units. Who is the target market? What product will sell in the market area? Provide market area definition. What is the competition? Tie it back to the 5 Year Consolidated Plan and the goals, objectives and strategies.
2. Will the CHDO/Subrecipient/Developer be able to sell the planned homebuyer units prior to the six month deadline?
3. Will the development adversely impact existing affordable housing developments?
4. Provide information on the following topics:
  - Housing demand (income eligible households and characteristics of households likely to be attracted to housing)
  - Demographic trends (Is the market growing, contracting, stable?) Market area/project area/neighborhood conditions and trends with demographic/socioeconomic trends and physical condition
  - Housing supply (sales volume, prices, length of time on the market, are there excess for-sale units on the market? Are sales prices rising, stable, or declining?) Characteristics, prices, sales activity trends in the target market area and characteristics and prices in other areas where potential buyers could purchase housing)
  - Construction trends (Examine changes in the supply of for-sale housing, Is the market now balance in terms of single family housing supply and demand? Is additional housing needed? Is the market already overbuilt?)
  - Vacancy rates (Examine for-sale single family housing vacancy conditions and trends. Are vacancy rates increasing, stable or declining?)
  - Market context: Project area/neighborhood
5. Advantages/disadvantages of project area/housing for attracting buyers
6. Provide the target market-buyer eligibility requirements, showing HOME Income guidelines with Income required, Max % for Mortgage, Annual/Monthly Payment, Term, Interest Rate and Mortgage amount.