



PHARVA.com

Assessments of Affordable Housing Properties



REGIONAL HOUSING FRAMEWORK

Issue Case Study – Urban Hope

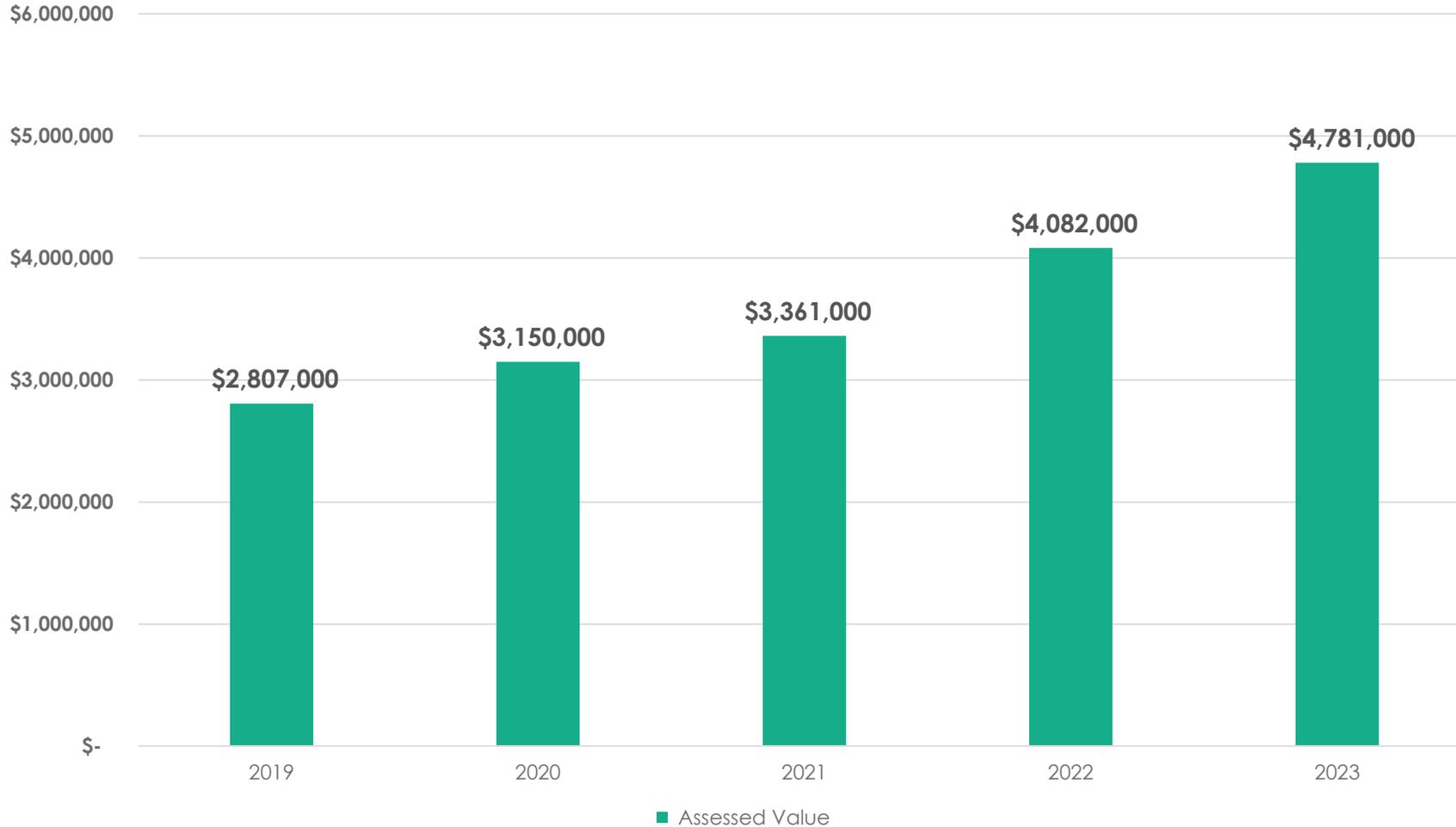
- 25 affordable housing properties
- \$296,798 in total annual rental income
- \$11,872 average annual rental income per property

Number of Bedrooms	Number of Units In Stock	Minimum Allowable Rent
1	2	\$680
2	20	\$800
3	9	\$1000
4	1	\$1200

Source: Urban Hope

Urban Hope Assessment Increases

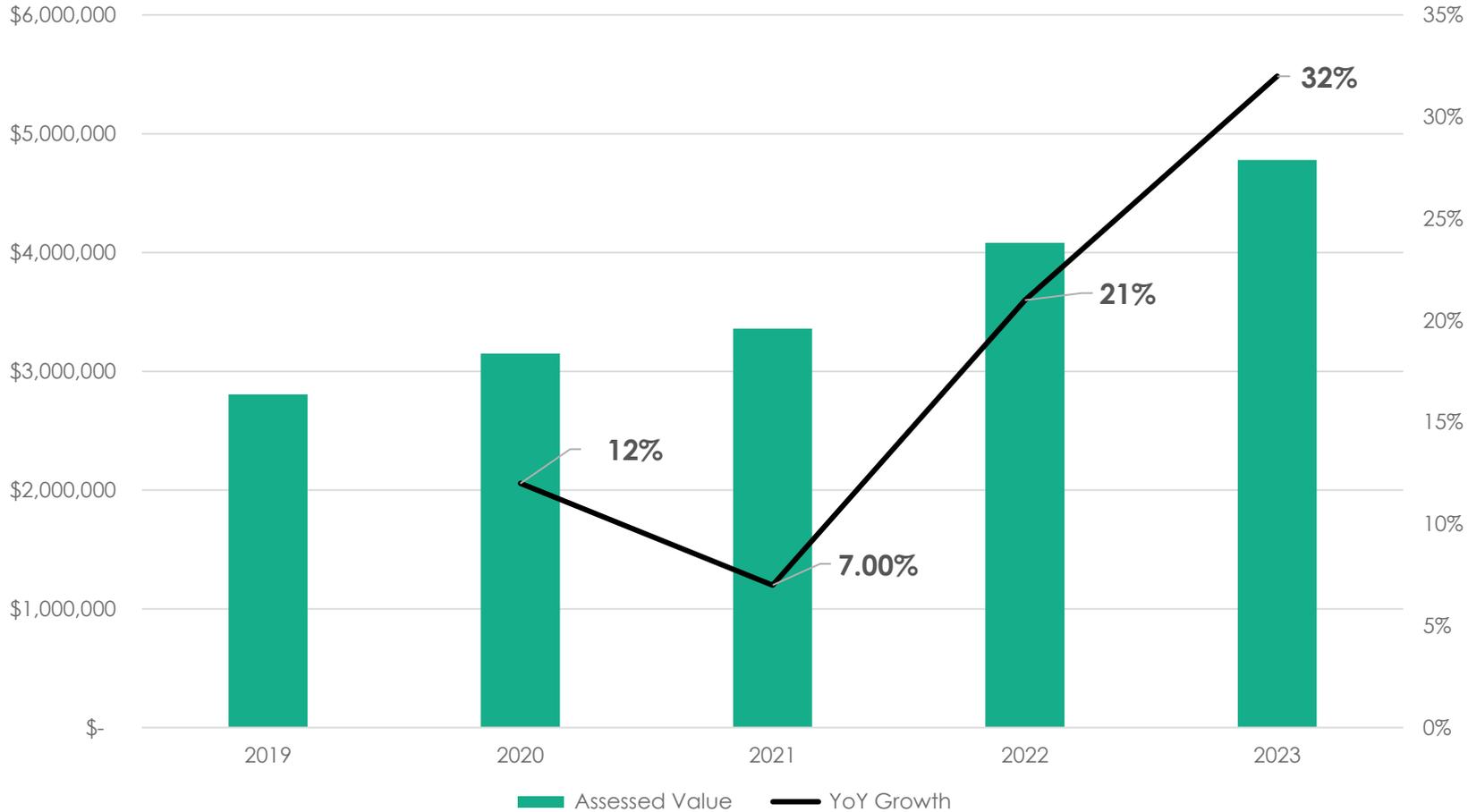
Urban Hope Assessed Value



Source: Urban Hope

Urban Hope Assessment Increases

Urban Hope Assessed Value



Source: Urban Hope

Issue Case Study – Lynx Ventures

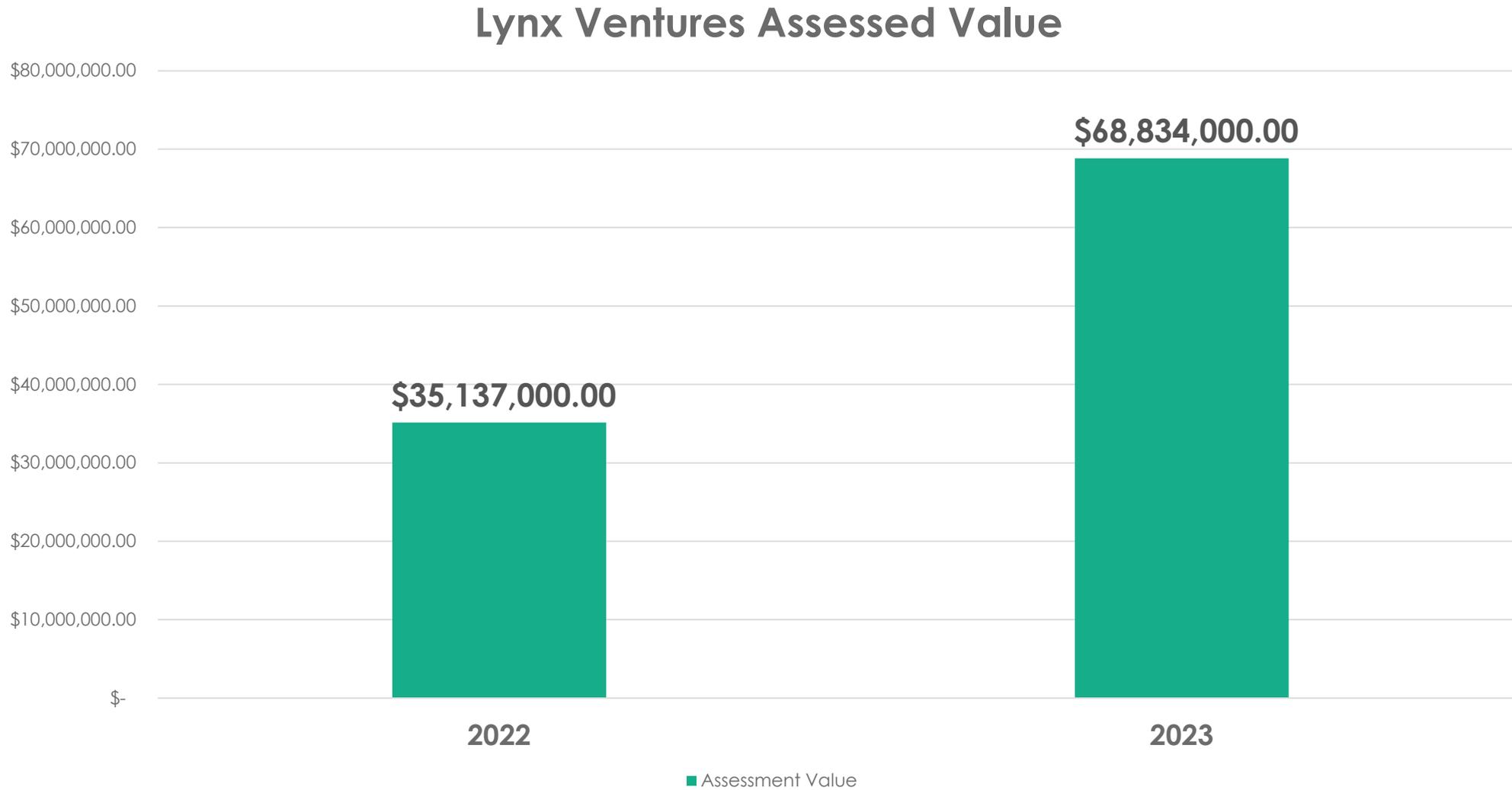
- 6 affordable housing properties in Richmond
- Serve households between 40% AMI – 80%AMI



Source: Lynx Ventures

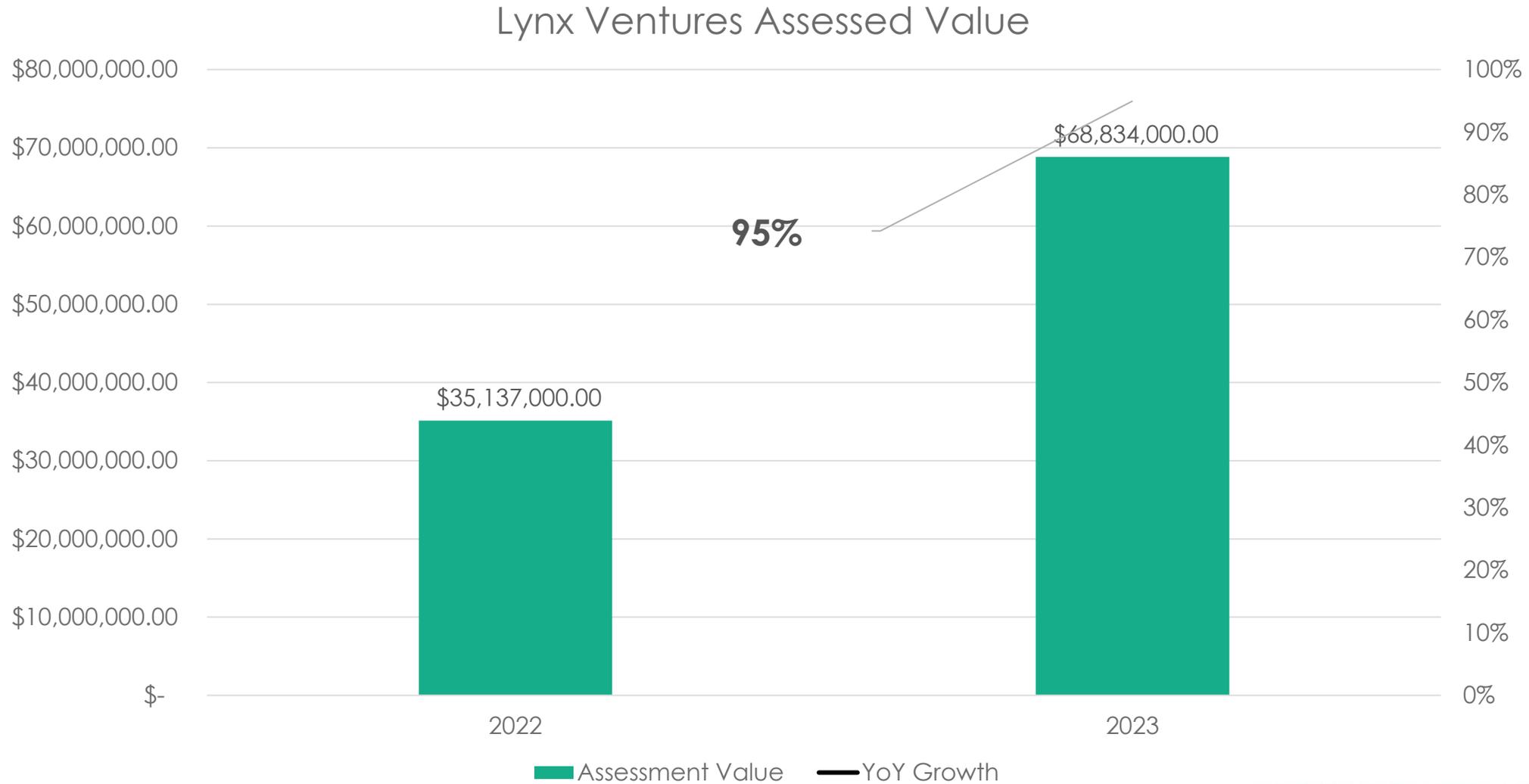


Lynx Ventures Assessment Increases



Source: Lynx Ventures

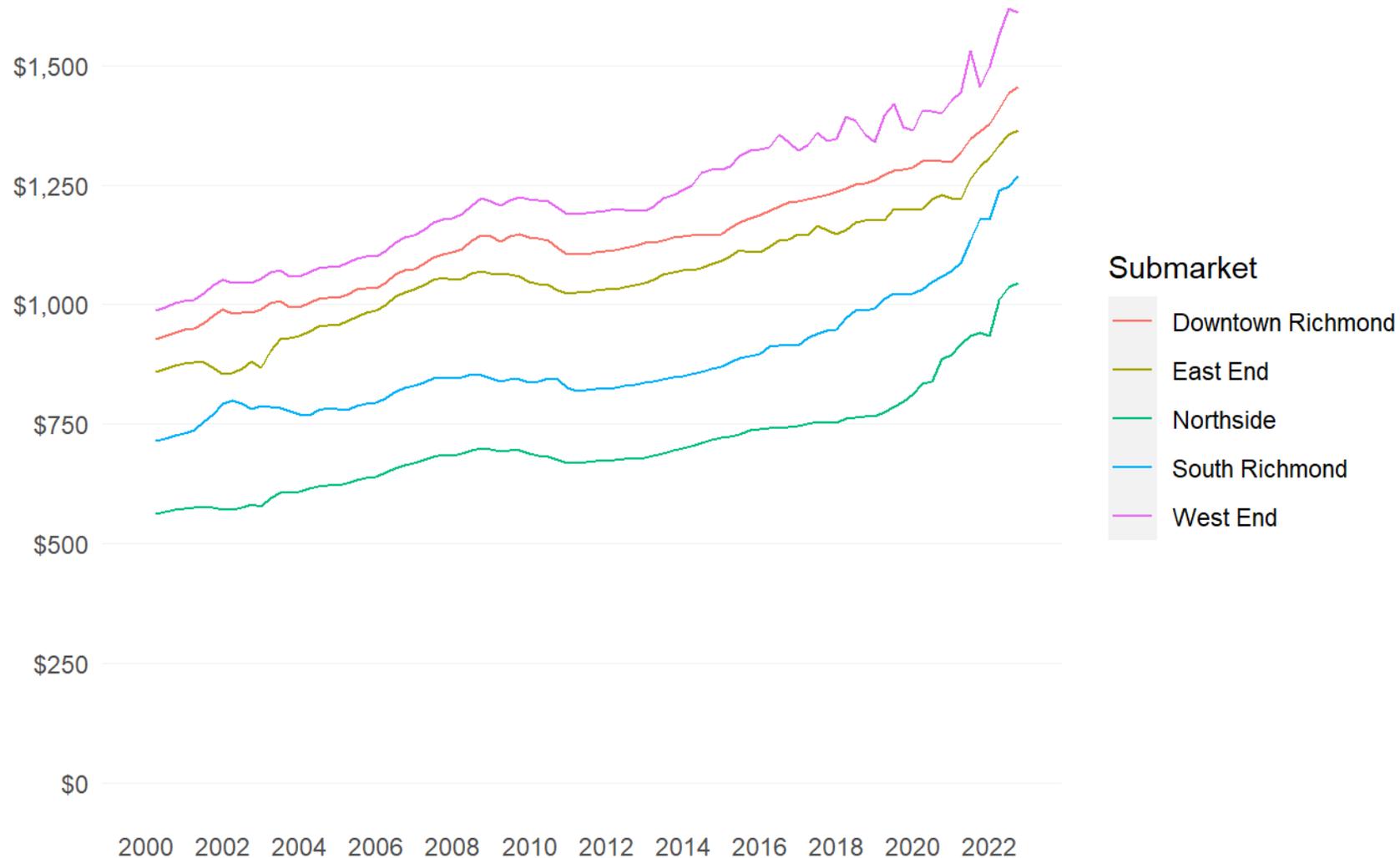
Lynx Ventures Assessment Increases



Source: Lynx Ventures

Skyrocketing Rents

Richmond city: Average asking rent by submarket
2000 Q1 to 2022 Q3 | Not adjusted for inflation



Lagging Renter Income

Table 10.1: Richmond city: Submarket rents

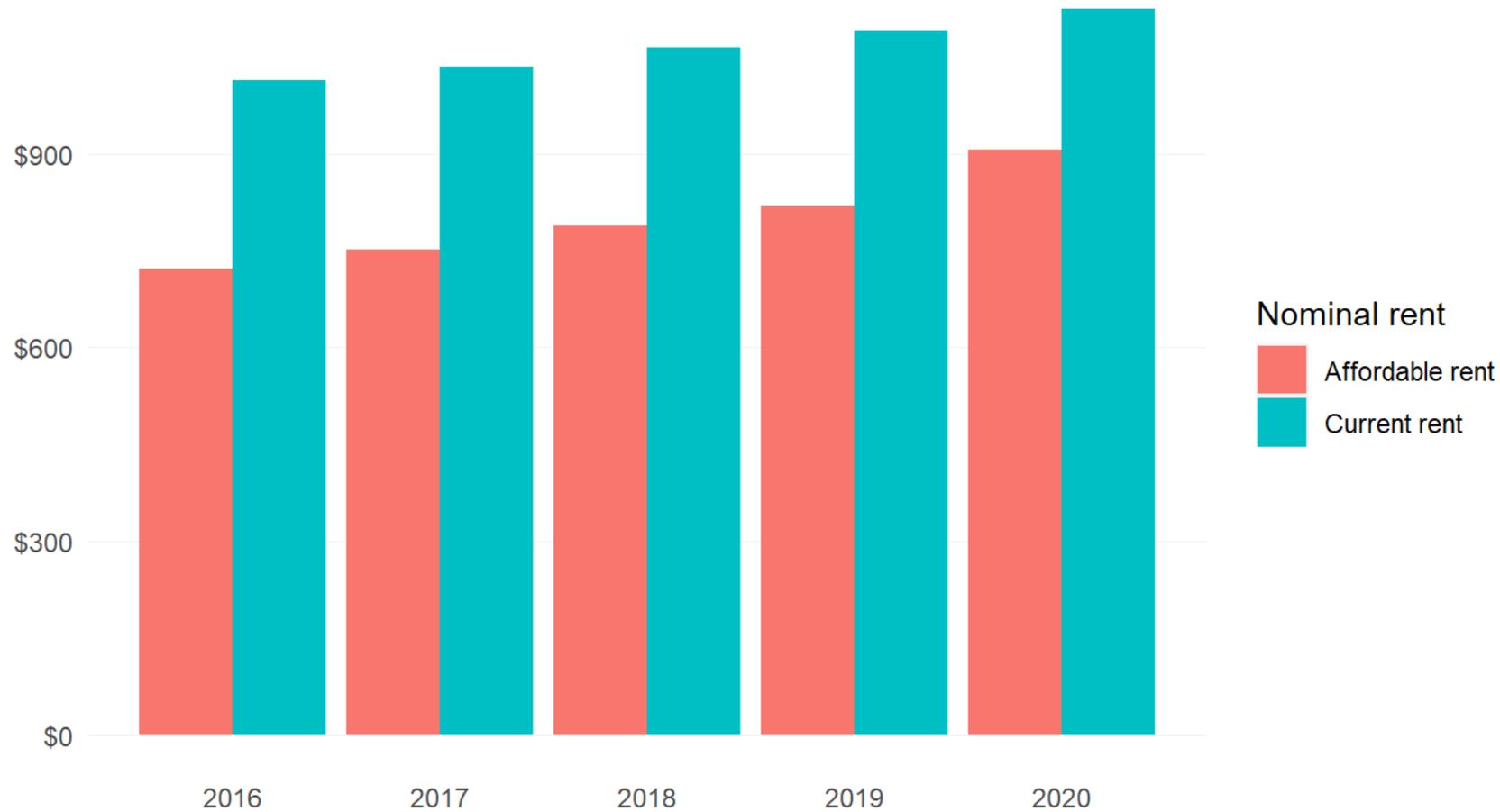
Richmond submarket	2016 Q1 Rent	2022 Q3 Rent	Percent change
Northside	\$742	\$1,045	41%
South Richmond	\$912	\$1,268	39%
East End	\$1,120	\$1,365	22%
Downtown Richmond	\$1,196	\$1,455	22%
West End	\$1,328	\$1,611	21%

Note:

2016 Q1 Rent has not been adjusted for inflation

Income vs Rent

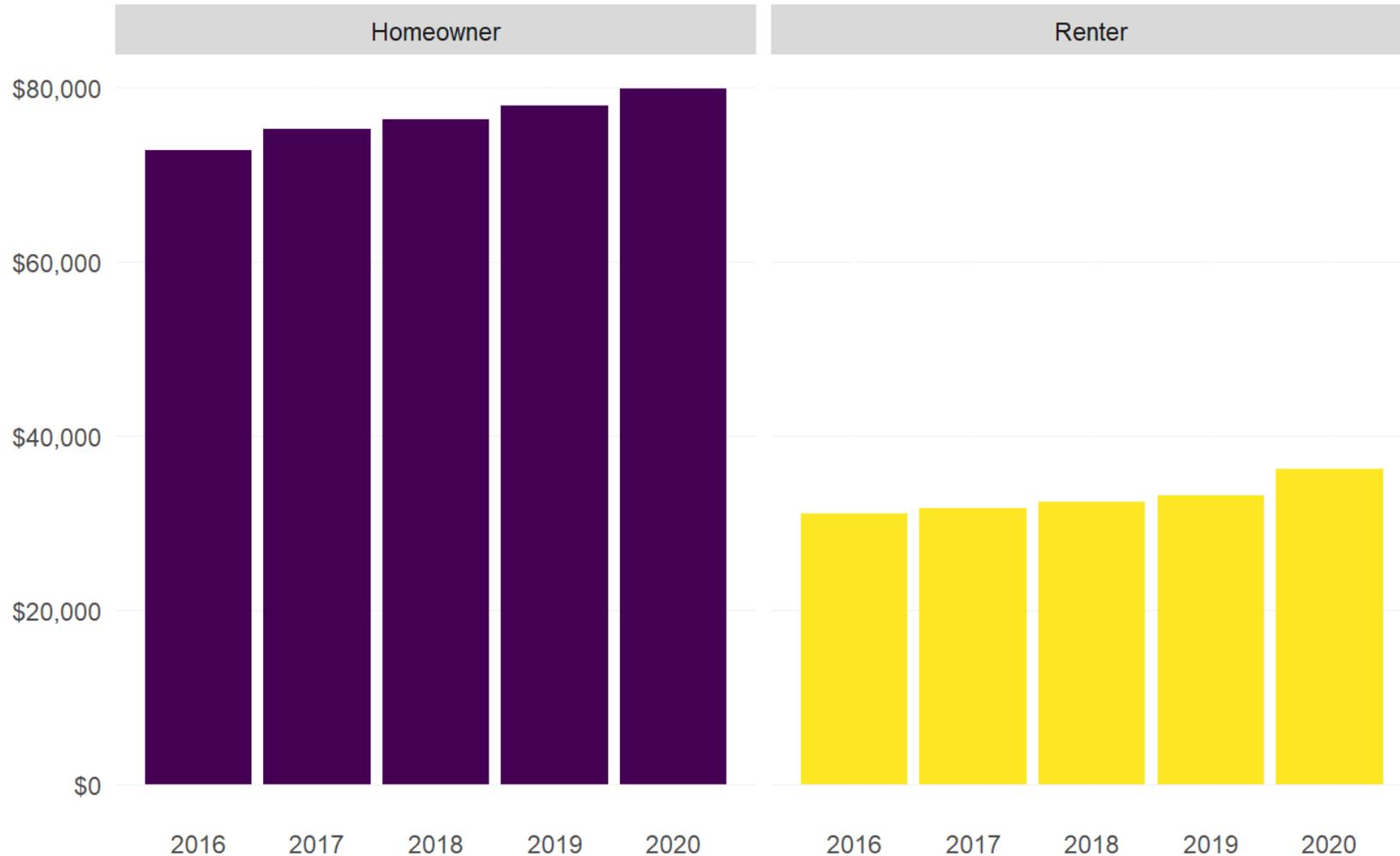
Richmond city: Average asking rent versus rent affordable to median renter income
2016 to 2020



Sources: U.S. Census Bureau, American Community Survey, Table B25119 and CoStar Group Inc.

Lagging Renter Income

Richmond city: Median household income by tenure
2016 to 2020 | Adjusted to 2020 dollars



Source: U.S. Census Bureau, American Community Survey

Impact on City Residents & Housing Providers

Residents

- Increase in rents leads to instability
- Prospective renters pushed out of eligibility

Housing Providers

- Inability to pay property tax increases
- Forced to increase rents (if allowed)
- Pursue limited private funding

What can be done?

Local Changes

- Assess affordable properties based on rental income

Current State Code:

“the duly authorized real estate assessor shall consider:

- 1. The contract rent and the impact of applicable rent restrictions;”**

State Changes

- Enable local exemptions for affordable housing
- Use as incentive for affordable housing

Florida Exemption Example – H.B. 7061

- 2021 legislation allows 100% exemption of tax credit properties with at least 70 units of affordable housing
- Previously, a 50% exemption was in place



Thank You

 Jovan Burton

 804.422.5057

 info@PHARVA.com

 PHARVA.com

