OHIO HOUSING
FINANCE AGENCY

LIHTC Rental Underwriting Guidelines

Office of Multifamily Housing | **December 20, 2023**

Table of Contents

A. LIHTC Rental Underwriting Introduction

Purpose

The Ohio Housing Finance Agency's (OHFA's) Office of Multifamily Housing assists in the creation of affordable rental housing in Ohio through the administration of the federal Low-Income Housing Tax Credit (LIHTC) program These underwriting guidelines were developed to meet the federal LIHTC statutory underwriting requirements as set forth in 26 U.S.C. §42(m)(2) and regulatory underwriting requirements referenced in 26 C.F.R. §1.42-17(a)(3)-(4) while implementing industry standards to ensure financially-feasible LIHTC rental properties over the 30-year extended use period. If coupling LIHTC with other federal and state gap financing resources such as HOME Investment Partnerships Program (HOME), National Housing Trust Fund (NHTF), and/or Ohio Housing Trust Fund (OHTF) resources, these standards must be overlayed with the applicable programmatic guidelines.

Applicability

OHFA will perform financial underwriting analysis on all LIHTC affordable rental housing applications to ensure compliance with federal LIHTC requirements. The Agency may request further clarification, justification, or documentation for any questions that are identified during the underwriting analysis. At its discretion, OHFA may reduce, alter, or remove items that do not meet the underwriting standards contained in these Guidelines.

These Guidelines will apply to any LIHTC application submitted on or after January 1, 2024. The Guidelines may be subject to change, pending developments in federal and/or state legislative requirements and/or OHFA policy.

Underwriting Process

9% LIHTC Underwriting Process

All developments applying for 9% LIHTCs, with or without OHFA gap financing, must undergo underwriting reviews at the following three stages in accordance with 26 U.S.C. §42(m)(2)(C), 26 C.F.R. §1.42-17(a)(4)(i):

1. At Proposal Application submission to determine if they are eligible for competitive review;
2. At Final Application prior to issuing a Carryover Allocation Agreement; and
3. At the time the development is placed-in-service and requests Internal Revenue Service (IRS) Form(s) 8609.

Such developments must also meet all requirements outlined in the most recently-published 9% LIHTC Qualified Allocation Plan (QAP). All terms capitalized in this section and not otherwise defined will have the same meaning as that defined in the most recently-published 9% LIHTC QAP.

4% LIHTC Underwriting Process

All developments applying for 4% LIHTCs, with or without OHFA gap financing, must undergo underwriting reviews at the following stages in accordance with 26 U.S.C. §42(m)(2)(C) and 26 C.F.R. §1.42-17(a)(4)(i):

1. At Final Application prior to issuing a 42(m) Letter of Eligibility for LIHTCs; and
2. At the time the development is placed-in-service and requests Internal Revenue Service (IRS) Form(s) 8609.

Such developments must also meet all requirements outlined in the most recently-published 4% LIHTC QAP. All terms capitalized in this section and not otherwise defined will have the same meaning as that defined in the most recently-published 4% LIHTC QAP.

B. Underwriting Standards

Analysis of Project Income

Annual Income Escalation Assumption

OHFA will assume a 2% annual residential income increase to demonstrate compliance with Debt Service Coverage Ratio (DSCR), income-to-expense ratio, and deferred developer fee repayment standards.

Rental Income Analysis

OHFA will compare the achievable LIHTC rents, maximum LIHTC rents, and comparable market rents from a market study meeting the Market Study Standards referenced in Appendix B to conclude reasonable rental income. Tenant-paid gross rents must be set at the lower of the maximum allowable LIHTC Rents or the achievable LIHTC rents as indicated in the Market Study.

Project-Based Rental Subsidy

For developments with project-based rental subsidy, the budgeted rents in the AHFA must match the rental subsidy documentation included in the application submission. Rental subsidy documentation must meet the requirements stated in the applicable QAP and/or program guidelines under "Rental Subsidy Contracts". The entity must provide documentation providing the rental subsidy (e.g., HUD, local PHA, etc.) and detail the approved rents/subsidies for the development and may come in the form of a formal contract, comfort letter, or email from the entity providing the subsidy. If this is not available, OHFA will underwrite to the achievable LIHTC rents in the Market Study for the respective LIHTC income restrictions.

Commercial Income

Income from commercial space, including cellphone towers, will not count in the cash flow analysis toward meeting either Hard Debt Service Coverage Ratio (DSCR) or non-DSCR requirements.

Vacancy

OHFA will assume a 7% vacancy rate beginning with the first stabilized year to calculate the effective gross income.

- Existing projects seeking to be rehabilitated with LIHTC with project-based rental subsidy for at least 70% of the total units may use a 5% rate if they can document a strong occupancy/low vacancy history and the market study agrees.
- New Construction developments with project-based rental subsidy for at least 70% of the total units may use a 5% rate if the market study agrees.

Tenant Utility Allowances

In accordance with 26 U.S.C. §42(g)(2)(B)(ii) and 26 C.F.R. §1.42-10, gross rent for LIHTC projects must be reduced by a utility allowance if the cost of any utility (other than telephone, cable television, or internet) is to be paid directly by the tenants. All utility allowances must conform to OHFA's Utility Allowance Request Procedure.

Other Income

Fees and other income such as laundry, pet deposits, and parking must be reasonable and comparable to similar properties within the region and the developer's portfolio. If fees and other income above $100 per unit per year is projected, the income must be supported by existing financial audits from the property, similar properties, or third-party documentation. OHFA may request justification for any fees that appear unreasonable.

Analysis of Project Expenses

Annual Operating Expense Escalation Assumption

OHFA will assume a 3% annual expense increase to demonstrate compliance with DSCR, income-to-expense ratio, and deferred developer fee repayment standards.

Operating Expense Reasonableness

OHFA will evaluate operating expense reasonableness by comparing application expenses to similar developments, as determined by building type, population served, type of financing, and location, using the most recent Operating Expense Calculator. For existing properties, OHFA will consider audited financials in evaluating operating expense reasonableness. OHFA may use other data sources to assess operating expense reasonableness.

OHFA may require additional information for developments that exceed expected budget projections based on the comparable developments and/or adjust match industry norms. OHFA may adjust assumed operating expenses if they are outside of the interquartile range of comparable properties.

Developments will be subject to any additional expense requirements imposed by the specific program to which the application is made, if applicable.

Service Coordination Expenses and Fees

Service coordination or supportive services expenses and fees will be limited to $275 per unit per year. OHFA may grant exceptions to Service Enriched developments (including integrated permanent supportive housing), senior developments, or developments that must have a higher service coordination fee based on a federal program requirement.

Syndicator Expenses

Reasonable investor/syndicator asset management fees will be permitted as either a capitalized development cost or a "soft" operating expense repaid from available cash flow, after amortizing permanent mortgages before deferred developer fee and soft loan repayments.

Analysis of the Development Budget (Uses)

Cost Reasonableness

OHFA will evaluate development cost reasonableness pursuant to the applicable QAP and/or program guidelines and may require additional information for developments that exceed expected budget projections based on comparable developments. Developments will be subject to any additional cost requirements imposed by the specific program to which application is made, if applicable.

Building Acquisition and Land Costs (for Preserved Affordability or Adaptive Reuse Only)

OHFA will subtract the land valuation identified in the as-is appraisal submitted at application from the total property valuation or the purchase price, whichever is less, to arrive at the allowable acquisition basis. If the total purchase price is less than the total property valuation, OHFA will use the percentage of the property's land valuation in comparison to the total property valuation to determine allowable acquisition basis. OHFA will limit the property valuation to the as-is valuation.

Lease Option Agreements

Counties, townships, or municipal/non-profit corporations that are exempted from property taxes under the Ohio Revised Code and will option to lease the property on a long-term basis must submit a lease option agreement for a minimum 35-year term.

Hard Construction Costs

Hard Construction Costs include the following line items found in the Agency's template proforma, the Affordable Housing Funding Application (AHFA): Demolition, On-Site Improvements, Hard Construction (Residential New Const.), Hard Construction (Residential Rehab.), Hard Construction (Commercial), Hard Construction (Amenity Fee Items), Construction Contingency, and Furniture, Fixtures & Equipment.

Hard Construction Cost Contingency

The maximum Hard Construction cost contingency is limited to a percentage of Hard Construction Costs net of the Construction Contingency based on the following construction types: 5% for new construction,10% for rehabilitation, and 15% for adaptive reuse. Projects that have blended construction types may contact OHFA for additional guidance.

OHFA may allow exceptions to this limit if the applicant can demonstrate that another funding source requires a higher contingency. The requirement must be evidenced in a commitment letter from that funding source.

Contractor Fee and Cost Limits

The maximum contractor cost limits are the following percent of Hard Construction Costs:

- Contractor Profit: 6%
- Contractor Overhead: 2%
- Contractor General Requirements: 6%

General Requirements includes but is not limited to project management, superintendent, temporary construction sign, field office expense, storage trailers, portable restrooms, temporary utilities, and dumpsters.

OHFA will consider reasonable adjustments to these requirements, not to exceed 14%, across general requirements, overhead, and profit, for contractors that are not related parties.

General Contractor Cost Savings

If the final general contractor cost certification identifies savings, OHFA will divide such amounts 50%/50% between it and the developer for related-party contractor entities and 67% to developers for third-party contractors.

OHFA may take its share in any one or more of the following ways.

- Reducing the development's Housing Development Assistance Program (HDAP) award, if applicable
- Reducing LIHTCs
- Supplementing reserves
- Achieving deeper income targeting
- Upgrading specific items in the project, or
- Pre-paying Housing Development Loan (HDL) and/or Multifamily Lending Program (MLP) debt, if applicable

Owners must contact OHFA prior to requesting IRS Form(s) 8609 or completing their Final Performance Report (HDAP only) regarding the above options.

Professional Soft Costs Definition

Professional Soft Costs are defined in the Agency's AHFA as the following: Survey(s) Costs, Architectural Fees, Engineering Fees, Appraisal, Market Study, Environmental Report, Title & Recording, Rent-up Costs/Marketing, Legal Fees (not syndication related), Accounting Fees, Developer Fee, Application/Development Consultant Fees, Construction Management Fees, Guarantee Fees, Developer-Charged Financing Fees, Organizational Fees, Soft Cost Contingency, Syndication Expenses, and Developer-Charged Asset Management Fees.

Professional Soft Cost Limits

Developments may have a total professional soft cost no higher than 25 percent of the total development cost.

Developer Fee

Maximum developer fees are as defined in the applicable QAP. Applicants must show that any deferred developer fee can be paid in full from development cash flow within the first 15 years. Any unpaid or deferred balance after year 15, may be transitioned to a capital contribution if it is stated in the developer fee commitment letter. Any unpaid or deferred balance after year 15 that is not automatically transitioned to a capital contribution will be deducted from the LIHTC eligible basis. If this results in a lower eligible basis amount, the basis will be reduced to the appropriate amount and may result in a lower LIHTC allocation.

Soft Cost Contingency

The maximum soft cost contingency is 3% of professional soft costs, exclusive of the soft cost contingency.

Capitalized Operating Reserves

The minimum Operating Reserve for a development is 4 months of the first stabilized year's projected operating expenses, hard debt service payments, and replacement reserve contributions. The maximum is 12 months of the same.

Capitalized Replacement Reserves

Capitalized Replacement Reserves are not permitted for new construction developments, except for adaptive reuse developments and single-family development properties intended for eventual tenant ownership.

Lease-purchase properties may include up to $5,000 per unit in capitalized prefunded replacement reserve set aside in escrow to cover major capital expenditures prior to transitioning the home to the buyer. An additional $3,000 per unit may be set aside in escrow to cover closing costs. An independent housing inspector approved by OHFA must complete an inspection before reserves can be accessed.

Ongoing Replacement Reserve Contributions

OHFA's minimum replacement reserve amounts by product type are as follows; the below distinctions are based on population served and construction type, not by funding pool:

- Senior, New Construction = $300 per unit
- Family/Service Enriched, New Construction = $400 per unit
- Single Family Homes = $400 per unit
- Senior, Rehabilitation = $350 per unit
- Family/Service Enriched, Rehabilitation = $425 per unit

Projects that have blended construction types may contact OHFA for additional guidance.

Special Reserves

OHFA will allow special reserves if required by HUD or USDA Rural Development to the extent indicated in supporting documentation. The requirement must be evidenced in a financial commitment letter from that funding source.

OHFA will permit special reserves for single-family developments for wheelchair lifts as an alternative to ramp requirements under accessibility criteria.

Analysis of LIHTC Calculation

Codified Basis Boost

In accordance with 26 U.S.C. §42(d)(5)(B), buildings located in Qualified Census Tracts (QCTs) or Difficult Development Areas (DDAs) are statutorily eligible for an increase in eligible basis of up to 130%. Such designations are typically determined by HUD in October of the prior year in which such buildings are eligible. To determine if a building is located in a QCT or DDA, visit HUD's Office of Policy Development and Research (PD&R) Web site here.

Discretionary Basis Boost (9% LIHTC Only)

In accordance with 26 U.S.C. §42(d)(5)(B)(v), state housing credit agencies may allow for buildings to be considered located in a DDA and therefore eligible for an increase in eligible basis of up to 130% if needed for such buildings to be financially feasible as part of a qualified 9% LIHTC project. Buildings that are part of a 4% LIHTC transaction are federally prohibited from receiving a discretionary basis boost.

9% LIHTC Only Calculation

The LIHTC amount reserved will not increase after the Proposal Application underwriting for 9% LIHTC applications. OHFA may require a legal opinion from a qualified tax credit attorney, at the applicant's expense, for any items that do not clearly count as eligible basis.

LIHTC Stewardship

In accordance with 26 U.S.C. §42(m)(2), OHFA shall allocate no more in LIHTC than it deems necessary to ensure the project's financial feasibility. In making this determination, OHFA will review the sources and uses of funds and the total financing planned for the project, any proceeds or receipts expected to be generated by reason of tax benefits, the percentage of the LIHTC amount used for project costs other than the cost of intermediaries, and the reasonableness of the development and operational costs of the project.

Analysis of the Development Financing (Sources)

All Sources Identified

Applicants and owners must identify all funding sources, including LIHTC equity, hard debt, gap financing, seller financing, soft or non-recourse loans, grants, development team contributions, interest during construction and reserves used to fund development. Applications must include commitment letters for all non-OHFA sources. All commitments must be fully executed and dated within 60 days of the application.

Federal LIHTC and/or Ohio LIHTC (OLIHTC) Equity Commitment

OHFA will evaluate the conditional equity commitment provided by the syndicator/investor at Proposal and Final Application. Conditional equity commitments must include the following:

- Gross and net equity amount and pricing;
- Proposed terms and conditions;
- Detailed equity installment schedule, including pay-ins during construction;
- If seeking HDL, the additional requirements as listed in the most recently published HDL Guidelines.

If a syndicator/investor is providing equity for more than one type of credit, each type of credits terms, conditions and pay in schedule must be listed separately. OHFA may require adjustments based on comparable, historical, and/or current market conditions and trends.

As a construction source, OHFA will consider equity installments commencing at financial closing up to, but not including, the 100% Construction Completion installment, if applicable.

Other Tax Credits

Projects with non-OHFA allocated credits such as Federal Historic Preservation Tax Incentives or federal Solar Investment Tax Credits must submit the following:

- Documentation, such as an allocation agreement, from the administrating entity indicating the total credit amount and type of credit, and
- A conditional equity commitment letter from the syndicator with the proposed terms and conditions and a detailed equity installment schedule.

Debt Financing

OHFA will evaluate all funding source terms and may choose to underwrite at different terms for any funding source which OHFA determines will cause unnecessary or excessive subsidy.

Proposal and Final Applications must include conditional financial commitments for all debt sources and evidence of current balances for all assumed debt.

Other Sources of Funding

- Assumed or restructured debt: The applicant must provide supporting documentation detailing the terms and conditions of any assumed or restructured debt including the current outstanding balance and the projected outstanding balance at equity closing.
- Assumed reserves: The applicant must provide supporting documentation of any assumed reserves including the current outstanding balance and the projected outstanding balance at equity closing.
- Anticipated, but unsecured competitive sources: Any source of funds that is not at least conditionally committed will not be considered.
- HOME Investment Partnerships Program (HOME) and other federal funds not administered by OHFA: The applicant must submit a preliminary award letter or commitment letter reserving the funds that includes the anticipated term, amortization, rate, fees or specify that the funds will be a grant.

Analysis of the Development Cash Flow

Debt Service Coverage Ratio (DSCR)

The minimum acceptable DSCR is 1.20 for the first year of stabilized operations. OHFA may make exceptions for the first year of stabilized operations where the DSCR is no lower than 1.15 and improved and upward trends in DSCR are sustained over 15 years.

The development must maintain an annual DSCR above 1.00 during the entire 15-year compliance period. The average hard DSCR over the 15-year compliance period must not be greater than 1.5.

Income-to-Expense Ratio (I/E Ratio)

For developments with no hard debt, the developments must maintain an annual expense ratio above 1.00 during the entire 15-year compliance period. The average expense ratio over the 15-year compliance period must be at least 1.10 and may not exceed 1.50.

C. Underwriting Exception Requests

Underwriting exceptions must be submitted with the application. Additional exceptions may be permitted or disallowed per the applicable program guidelines.

Underwriting exceptions must be submitted with the applicable application. The following underwriting exceptions to these Guidelines are permitted:

- Development Budget: Construction Contingency

  If the applicant can demonstrate that another funding source requires a higher contingency.

- Development Budget: Reserves

  If different amount required by another funding source.

- Income and Expense Analysis: Income/Expense Escalations

  Properties in which operating subsidy is provided by HUD, RD, or the local public housing authority to achieve break-even operations at the property.

- Income and Expense Analysis: Service Coordination Expenses

  Service Enriched developments, senior developments, or developments that must have a higher service coordination fee based on a federal program requirement.

- Income and Expense Analysis: Debt Coverage Ratio

  Where the first year DSCR is at least 1.15 and improved and upward trends in DSCR are sustained over 15 years.

D. Appraisal Requirements

OHFA requires “as-is” appraisals meeting all requirements outlined in these Guidelines. These requirements are applicable to all OHFA multifamily programs. An appraisal is required if the applicant is:

- seeking HDAP funds and/or;
- including any acquisition costs in LIHTC eligible basis or the HDAP funding request.

An acceptable As-Is Appraisal is either a Summary Appraisal Report or a Self-Contained Appraisal Report (the Report) that meets the most current edition of The Appraisal Foundation’s Uniform Standards of Professional Appraisal Practice (USPAP) and must be completed by a Certified General Real Estate Appraiser licensed in Ohio. OHFA must be listed as an intended user. The licensed appraiser must conduct a site inspection for the subject property.

As-Is Value Definitions

OHFA requires the appraiser to provide the as-is value as defined below. When a value is determined by the appraiser for existing properties, the appraiser is requested to reflect a total value that can be broken down into a value of the improvements and a value for the land.

All appraisals submitted to OHFA shall at a minimum include the following as-is values, as applicable:

- market with restricted rents for existing properties;
- market with market rents for existing properties; and
- land (unimproved, vacant land value).

OHFA requires the income approach for existing properties and the sales comparison approach for unimproved, vacant land. When using the Income Approach, appraisers shall use actual operating expenses to determine value; appraisers may choose to create two appraisals, one using actual operating expenses and a separate one using adjusted operating expenses.

Favorable financing terms and LIHTCs must not be considered in determining the as-is value.

The appraiser must identify properties that have physical and locational (nearest location) characteristics similar to those of the subject property. Using sales of comparable vacant land or existing developments from other regions of Ohio is discouraged without a detailed explanation and rationale from the appraiser to support this methodology and approach. Confidential comps may not be used in the appraisal.

Updates

OHFA may require the appraiser to update its existing appraisal to match these Guidelines or may order an additional appraisal. The cost of the additional appraisal will be paid for by the applicant.

OHFA will accept appraisals, including those from RD and HUD, dated no later than 12 months prior to the funding application deadline. For older appraisals, the appraiser may provide an updated letter if there are no material changes to the development, market, and the update meets USPAP and other appraisal industry rules or guidelines.

Ownership of Appraisal

Any appraisal submitted to OHFA in connection with an application will become property of OHFA and may be relied upon for the purposes of determining as-is value and feasibility of the proposed development, regardless of the relationship between the Applicant and appraisal provider.

E. Market Study Standards

In accordance with in 26 U.S.C. §42(m)(1)(A)(iii), a market study must be conducted by an OHFA-approved, market study professional. To be approved, market analysts must complete the Preferred Market Study Provider Application available on the OHFA website and abide by the National Council of Housing Market Analysts (NCHMA) Model Content Standards for Market Studies for Rental Housing, including use of NCHMA's Market Study Terminology.

OHFA will remove any professional submitting inaccurate information from the list of approved market study providers.

Content

At minimum, the market study must include all of the sections as specified in the NCHMA Model Content Standards for Market Studies for Rental Housing. The market study professional must complete and submit the OHFA Market Study Checklist indicating the location of the specified items within the market study.

OHFA may independently determine if a market exists for the proposed project and require additional information and/or another market study. OHFA may also contact the market analyst during the review process if any required information cannot be found in the study.

1. Executive Summary

   Provide an executive summary that briefly reviews all of the essential market study requirements and recommendations or suggested modifications and key findings to the proposed project. The executive summary should convey all necessary information.

2. Conclusion

   Concise conclusion by the author that indicates whether a market exists for the proposed project, including the estimated stable year vacancy rate and the estimated time needed to fully lease-up. The study must provide an explanation if the estimated stable year vacancy rate exceeds 7% and/or the estimated lease-up time exceeds one year.

3. Description of Proposed Site

4. Description of PMA

   Description and map of the PMA for the proposed project, including the methodology used to determine the boundaries, including an explanation if the PMA include any areas outside of a five-mile radius from the proposed project and a discussion of the health of the overall rental housing market in the PMA. Provide population and household income and housing data if the demographics of the immediate site area are significantly different from the PMA. If an assisted living or independent living development, state the number of units serving that population.

5. Rent Comparison Chart

   Create a Derived Rent and Programmatic Rent Comparison Chart showing pro forma and achievable rents ratio to maximum program rents, derived market rents, the current Fair Market Rent (FMR), and 90% FMR rents.

6. Income Qualification

   Description of the number of income qualified renter households divided by the number units in the PMA(capture rate). The maximum income for this range would assume 1.5 persons per bedroom rounded up to the next whole person. Provide an explanation if this exceeds 10%.

7. Description of Public Services

   Description and evaluation of the employers and public services in the PMA, including transportation, police, fire department, schools, day care, library and community center), infrastructure (including roads and traffic), community services (including shopping, restaurants, parks, recreational facilities, hospital, health care facilities, and services for special needs, if applicable. Provide a list of the approximate distances and a map that clearly identifies the location of the project and all public and community services.

8. Description of the Federally Subsidized Developments

   Description of the federally subsidized development projects that received Ohio Housing Trust Funds (OHTF), National Housing Trust Funds (NHTF), or HOME Investment Partnerships Program (HOME) and LIHTC projects, both operating and not yet placed-in-service, located in the PMA. Provide the current vacancy rate for each project and include the person(s) contacted and the method of contact. Compare the rents, amenities, unit sizes, bedroom sizes, and populations served to the proposed project.

   The following information must also be included: name, location, population served, type of design, age and condition, number of units by bedroom type, rent levels, number of bedrooms and baths for each unit type, size (in square footage) of units, type of utilities and whether paid by tenant or owner, unit and site amenities.

   Comparisons to the subject rents should be based on comparable amenities, utilities, location, parking, and any rental concessions. Identify specific reasons why comparable types are faring poorly in the market, if applicable. OHFA may require projects that receive a reservation to amend their market study to incorporate those other projects receiving an allocation in the same round and are located in the same PMA. Calculate the ratio of subsidized projects that received OHTF/NHTF/HOME funds and HTC units to income eligible renter households.

9. Vacancy Rates

   Estimate of the current vacancy rates of the OHTF, NHTF, HOME, and HTC funded projects include only those currently operating located in the PMA during the first stabilized year of the proposed project. Provide an explanation if the estimated vacancy rate exceeds 10% for any project.

10. Comparable Development

    Description of comparable market rate developments located in the PMA. Provide the current vacancy rate for each project and include the person(s) contacted for each competing project and the method of contact.

    Compare the rents, amenities, unit sizes, bedroom sizes, and populations served of the competing projects to the proposed project. The following information must also be included: name, location, population served, type of design, age and condition, number of units by bedroom type, rent levels, number of bedrooms and baths for each unit type, size (in square footage) of units, type of utilities and whether paid by tenant or owner, unit and site amenities. Comparisons to the subject rents should be based on comparable amenities, utilities, location, parking, and any rental concessions.

11. Financial Interest

    An executed original Market Study Certification that the market analyst has no financial interest in the proposed project. Financial interest is any compensation other than the fee for preparing the market study and the fee is not contingent upon the proposed project being approved.

12. Data Sources Used in the Market Study