3517

UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

127240

FOR RELEASE ON DELIVERY
EXPECTED AT 10:00 AM
JUNE 21, 1985

STATEMENT OF
RALPH V. CARLONE, DEPUTY DIRECTOR
RESOURCES, COMMUNITY, AND ECONOMIC DEVELOPMENT DIVISION
U.S. GENERAL ACCOUNTING OFFICE
BEFORE THE
SUBCOMMITTEE ON OVERSIGHT
COMMITTEE ON WAYS AND MEANS
U.S. HOUSE OF REPRESENTATIVES
ON
THE USE OF TAX-EXEMPT BONDS
IN FINANCING MULTIFAMILY RENTAL HOUSING

Mr. Chairman and Members of the Subcommittee:

We appreciate this opportunity to assist the Subcommittee in considering some of the important issues surrounding the use of tax-exempt bonds in financing the construction or rehabilitation of multifamily rental housing under section 103 of the Internal Revenue Code. As you know, we are currently conducting a review requested by the Joint Committee on Taxation to assist that Committee in evaluating the usefulness of tax-exempt bonds in financing lower income multifamily rental housing.

The staffs of the Joint Committee and the Subcommittee on Oversight asked us to focus our efforts on:

--determining the cost to the federal government of the tax-exempt bonds and the percentage of new multifamily rental housing units financed with these bonds,

--describing the impact that tax-exempt bonds have on providing housing for lower income persons and the demographic characteristics of tenants, and

032366

--describing the physical characteristics of projects financed with tax-exempt bonds.

We will summarize our observations relative to these issues and then discuss them in further detail. We found that:

--About $10 billion in tax-exempt bonds were issued in 1983 and 1984 to finance multifamily rental housing. We estimate the present value of the revenue loss to the federal government over the life of the bonds from the tax exemption to be about $2 billion. In addition to bondholders, beneficiaries of these tax-exempt bonds are developers, who receive lower mortgage rates, and a number of intermediaries such as bond counsels, underwriters, and trustees who are involved in the financing. Local housing agencies also often benefit through administrative fees and the investment income they receive on bond proceeds before making the capital available to the developer. In about a third of the projects we visited, low- or moderate-income tenants paid lower rents than did other tenants occupying comparable units.

--We estimate the program helped finance about 24 percent of all multifamily rental housing starts in 1983-84. About 80 percent of the units financed with tax-exempt bonds are new construction as opposed to rehabilitation of existing units.

--All but two of the 55 multifamily housing projects we visited were in compliance with the legislative requirement that at least 20 percent of the tenants have low or moderate incomes.

--The demographic characteristics of tenants in the projects we visited differ from those of the nation's renter population. They are generally younger, of smaller family size, and have higher incomes. The average income of all tenants in these projects was about $24,000, compared with a national average renter income of about $14,000. The average income of the low- or moderate-income tenants was about $15,000--about the same as the national average renter income.

--Project amenities such as swimming pools, tennis courts, and other recreational facilities varied; monthly rents ranged from $195 to $940.

Our observations are based on responses from 165 questionnaires sent to 230 housing agencies that issued tax-exempt bonds in 1983, and visits to 19 of these agencies and 55 projects financed by them. We selected these 55 projects because none of the tenants were receiving rental subsidies under the Department of Housing and Urban Development (HUD) section 8 rental assistance program. Selecting projects without rental subsidies enabled us to better isolate the impact of tax-exempt bonds on low- and moderate-income individuals. From 47 of these projects we were able to obtain income information on 7,500 tenants. We also analyzed Internal Revenue Service and Public Securities Association municipal bond records to determine the volume of the tax-exempt bonds issued and their cost to the federal government.

BACKGROUND

Prior to 1968, section 103 of the Internal Revenue Code exempted interest on state and local government bonds from federal income taxes, regardless of how the state or locality used the proceeds from the bonds. State and local governments have issued bonds for the benefit of private industries--industrial development bonds--since the 1930s. Not until the late 1960s, however, were such bonds issued in any great quantity. In 1968 members of the Congress expressed concern both about federal revenue losses associated with the growing bond volume and with the possibility that the volume of industrial development bonds would raise interest rates on tax-exempt bonds issued for more traditional public purposes, such as roads and schools. In response to these concerns, the Congress amended section 103 to provide that the interest on industrial development bonds be taxable unless issued for certain specified purposes, one of which being construction or rehabilitation of rental property.

In 1980 the law was again amended to require--for the first time--that section 103 bonds be used as a mechanism for providing housing for lower income individuals. The 1980 amendment specified that the bonds were to be used for rental projects where at least 20 percent of the units would be occupied by low- or moderate-income individuals as defined by HUD for its rental assistance program under section 8 of the Housing Act of 1937.

At that time, HUD's section 8 program defined low-income individuals or families as those earning less than 80 percent of an area's median income, as adjusted for family size. Housing legislation enacted in 1981, however, generally reduced the low-income section 8 eligibility requirement to incomes of less than 50 percent of an area's median income, still adjusted for family size.

In addition, the legislation specified that an individual qualifying as having low or moderate income at the time of initial occupancy is included in the 20 percent for as long as the individual continues to reside in the project, even though the individual's income may later rise above the low- or moderate-income level.

According to committee reports, the Congress added the low- and moderate-income requirement because it recognized that the federal government had long pursued direct forms of housing assistance that traditionally benefited mainly the lowest income groups by providing basic shelter. It believed that tax-exempt industrial development bonds for rental housing should, therefore, be available only where there would be some benefit to low- or moderate-income individuals. It also wanted to encourage mixed-income projects.

The Congress in 1982 again amended section 103 of the Internal Revenue Code to provide that "individuals of low and moderate income shall be determined in a manner consistent with determinations of low-income families under section 8 of the United States Housing Act of 1937, . . . except that the percentage of median gross income which qualifies as low or moderate shall be 80 percent." As we will discuss, most housing agencies we visited are interpreting this amendment to mean that 80 percent will be used to define low and moderate income regardless of family size.

For the past decade the growth of tax-exempt bond financing for multifamily rental housing construction has been erratic. The annual volume of these bonds increased sharply between 1975 and 1977 from $900 million to $2.9 billion; it then declined to $2.2 billion in 1980. The following year the volume fell to half that, $1.1 billion. It surged to $5.1 billion in 1982 and then stabilized near that level for the next 2 years. The dramatic changes between 1980 and 1982 were likely influenced by the anticipation and enactment of the 1981 accelerated cost recovery system, which greatly liberalized depreciation rules for new housing. In 1983 about $5.3 billion of such bonds were issued; we estimate that about $5 billion were issued in 1984. The amounts of bonds issued by states during 1983 are shown in exhibit A.

THE COST OF TAX-EXEMPT BONDS AND NUMBER OF NEW UNITS THAT THEY FINANCED

Tax-exempt financing for the development of multifamily rental housing results in a sizable federal revenue loss because holders of these bonds pay no federal income taxes on the interest that they receive. We estimate that the present value of the federal government's lost tax revenue over the life of the bonds issued in 1983 and 1984 is about $2 billion. There are also other factors--such as depreciation on multifamily projects--that could increase the tax loss. Because of the uncertainty associated with calculating appropriate depreciation charges, we have excluded these from our tax loss estimate.

Principal beneficiaries of tax-exempt bonds include developers, financing intermediaries, local housing agencies, and low- and moderate-income tenants. Developers can benefit in two ways. First, using tax-exempt bond financing can result in developers investing less capital than they would using commercial funding; second, developers can borrow funds at lower interest rates. For example, the developer of a $7.3 million multifamily housing project using tax-exempt bond financing invested $1.1 million of his own funds whereas, according to his estimate, he would have had to invest $2.9 million had he used conventional financing. This difference is primarily attributable to the large loan available through using tax-exempt financing. In another project we found that the developer, using tax-exempt bonds, was able to obtain financing at about 10 percent, whereas he estimated the cost of a conventional loan at 13 percent. This 3-percent interest differential amounts to an annual interest savings of $60,000.

Bond counsels, underwriters, and trustees can also benefit from tax-exempt bonds. On the basis of information we could readily obtain for the 55 projects visited, bond counsel and other legal fees averaged about 1 percent of the bond amount per project, underwriting fees for structuring and marketing bond issues averaged about 2.3 percent, and trustee fees for collecting and distributing bond payments and proceeds averaged one-tenth of 1 percent. While there are also fees associated with conventional financing, the above fees are unique to bond financing.

Seventeen of the nineteen housing agencies that we visited charged administrative fees varying from about .1 to .6 percent of the bond amount. In addition, we estimate that housing agencies on average earn 1.2 percent of the bond amount in interest income.

We also estimate that about 24 percent of the approximately 830,000 new multifamily rental units started in 1983-84 were financed with tax-exempt bonds. There is, of course, no way to know exactly how many of these units would have been built without tax-exempt bond financing. This depends on supply and demand conditions in individual housing markets, particularly with regard to whether developers believe they can earn an acceptable rate of return on their investments, as compared with alternative investments.

IMPACT ON LOW- AND MODERATE-INCOME INDIVIDUALS

With two exceptions, the projects in our review were complying with the federal requirement that 20 percent of the units be occupied by households earning 80 percent or less of the area's median income. In fact, 55 percent of the units were occupied by such households. This definition, however, allows individuals earning significantly more than the average renter income to qualify as low- or moderate-income renters.

Higher income renters qualify for low- and moderate-income units primarily for two reasons. First--and let me emphasize this point--using 80 percent of an area's median family income to determine program eligibility results in a high qualifying ceiling. As defined by HUD, median family income includes homeowners as well as renters. Because homeowner incomes are typically twice that of renters, this tends to establish a project ceiling that is substantially higher than the average renter income. For example, an income of $22,640 qualifies a single renter in the Atlanta area for the program. This compares with the average Atlanta renter income of $15,500. Similarly, in the Dallas area, an income of $19,320 qualifies a single renter for the program; the average Dallas renter income is $17,200.

Second, federal legislation and U.S. Treasury regulations do not specifically state whether an individual's income should be adjusted for family size. Consequently, in 14 of the 19 housing agencies that we visited, including those in the Atlanta and Dallas areas, the low- or moderate-income eligibility criterion was the same for one-, two-, and three-person households as for a family of four. If adjustments were made for family size in the Atlanta and Dallas areas, for example, the qualifying income for single-person households would be reduced from $22,640 to $15,850 and from $19,320 to $13,525, respectively.

To illustrate the impact of this adjustment, had all 19 housing agencies required project owners to adjust the qualifying income for family size, an average of 33 percent[1] of projects tenants--rather than 55 percent--would have qualified as low- or moderate-income tenants, and ten of the projects that we visited would not have met the 20-percent low- or moderate-income requirement.

During our review we did find, however, that housing agencies adopted measures to better serve low- or moderate-income households. For example,

--5 housing agencies required family size adjustments in determining low- or moderate-income household eligibility.

--2 of these housing agencies also used less than 80 percent of an area's median income to define low and moderate income. Specifically, one used 65 percent and the other used 70 percent.

Direct benefits to lower income renters can only be observed when they pay less rent than would a higher income renter for the same apartment. Eighteen of the 55 projects we visited require lower rents on some units set aside for low- and moderate-income tenants. For example, a project in the Washington, D.C., area, to comply with local housing agency requirements, designated 20 percent of its units for households earning 65 percent or less of the area's median family income and an additional 30 percent of

---

[1]We calculated this percentage using family size adjustment criteria found in other low-income federal rental assistance programs.

its units for households earning 80 percent or less. For a one-bedroom apartment, the rent charged a person whose income is 65 percent or less of the area median is $356; the rent for a person whose income is 80 percent or less is $442. Everybody else pays $577. A project in the Los Angeles area also makes adjustments for low- and moderate-income tenants. The rent for a one-bedroom apartment for these tenants is $438, compared with $570 for the same unit rented to higher-income tenants.

Project owners made these rent adjustments to comply with local housing agency requirements or to obtain a sufficient number of tenants to meet the 20-percent-occupancy level.

With respect to the projects in our review, I would like to make one final point. Two projects did not meet the federal 20-percent-occupancy criterion. The project managers were using full area median income rather than 80 percent of area median income. As a result, in one project only about 10 percent of the units were occupied by low- or moderate-income tenants; the figure in the other project was about 9 percent. Within 90 days after we brought this matter to their attention, the managers of the projects reported to their trustees that at least 20 percent of their tenants met the federal criterion.

The demographic characteristics of low- or moderate-income tenants in the program differ from those of the renter population in general--and more dramatically from the characteristics of tenants in HUD's section 8 program. The low- and moderate-income tenants in projects financed with tax-exempt bonds are generally younger, of smaller family size, and have higher incomes. As our chart shows,

Average	Low- and moderate-income tenants[a]	All renters nationwide	HUD's section 8 tenants
Age	31	41	50
Family Size	1.7	2.4	3.1
Income	$15,000	$14,000	$7,000

[a]Averages of all tenants in the projects who qualify as low- or moderate-income (55 percent).

More detailed demographic information on low- and moderate-income tenants is included as exhibit B. This information shows, for example, that the majority of tenants are single and almost half are under 28 years old.

CHARACTERISTICS OF PROJECTS

The 55 projects that we visited contained about an equal mix of one- and two-bedroom units; the monthly rents ranged from $195 to $940. For newly constructed units, rents averaged $440 per month.

We previously furnished, at the request of your staff, brochures describing many of these projects. These brochures show that many of the projects contain amenities, such as swimming pools, tennis and racquetball courts, saunas and whirlpools. We should note, however, that not all projects we visited had such facilities.

For purposes of illustration, let me briefly describe the features of one of the projects. Located in a metropolitan area, this high-rise project is described in its brochure as "apartment living designed for people who demand the best in comfortable living at a comfortable cost. To the person wishing to trade the work and expense of home upkeep for the convenience of apartment living--to anyone who believes it's not only where you live, it's how you live." This brochure goes on to invite tenants to "change into your athletic gear in the locker room, equipped with individual lockers. Take a workout in the fully equipped exercise room. Try your skill in the indoor racquetball court. Move outside for tennis on the regulation court, or the exciting new game of platform tennis. Take a few laps or just relax in the large indoor swimming pool. Finish with a sauna and whirlpool."

Thirty-two percent of the tenants in this project qualify as low- or moderate-income tenants without adjustments for family size. If such adjustments were made, the percentage of qualifying tenants would be reduced to 19. Monthly rents in this project range from $506 to $825.

By contrast, another project in the same metropolitan area is a rehabilitated high-rise project with 175 units. At the time of our visit, 133 units were occupied and all of the tenants met the low- or moderate-income requirement without family size adjustment. Even with adjustment, almost 92 percent would meet the low- and moderate-income requirement. This project did not have a brochure but in our walk-through and discussion with project management we observed that aside from carpeting, balconies, and a security alarm system, the project had no notable amenities. Monthly rents in this project ranged from $315 to $390.

I would like to make a final observation about the tenant demographics of the two projects just discussed. Regarding the first, the average income of all tenants was almost $41,000--295 percent of the area's median renter income. On the other hand, the second project had an average tenant income of just over $11,000--about 87 percent of the area's median renter income.

In summary, Mr. Chairman, we found that projects constructed with tax-exempt bonds are, with the two exceptions noted, meeting the income criterion established by law. However, as we discussed, this criterion allows renters with above-average incomes to qualify as low- or moderate-income tenants. For example, in the 47 projects where we were able to obtain income information, the average income for all renters was $24,000--about 70 percent higher than the average renter income nationwide. In addition, the average income of the low- and moderate-income tenants in the projects we visited was about $15,000. This is about twice the income of tenants assisted by other federal rental housing programs, such as HUD's section 8.

Amending the legislation to (1) account for family size adjustments, (2) modify the method used to determine qualifying income, and/or (3) require lower rents for units set aside for low- or moderate-income households could reduce the average income level of those served by the program. As such targeting requirements are tightened, however, the program's attractiveness to developers could diminish, possibly reducing the number of housing units that would be constructed under this program. Because housing markets differ across the country, it is not possible to precisely quantify at what point more stringent criteria would decrease the number of multifamily units that developers are willing to build using tax-exempt bonds. We have included in exhibits C and D additional demographic information for the 55 projects we visited.

Mr. Chairman, this concludes my prepared statement. I would be glad to respond to any questions that members of the Committee might have.

EXHIBIT A

TAX-EXEMPT BONDS ISSUED DURING 1983
BY STATE FOR RENTAL HOUSING
(In millions of dollars)

State	Amount
Alabama	$ 82
Alaska	38
Arizona	172
Arkansas	18
California	793
Colorado	72
Connecticut	82
Delaware	20
Florida	353
Georgia	305
Hawaii	0
Idaho	4
Illinois	99
Indiana	43
Iowa	13
Kansas	45
Kentucky	15
Louisiana	188
Maine	0
Maryland	290
Massachusetts	55
Michigan	96
Minnesota	128
Mississippi	8
Missouri	160
Montana	16
Nebraska	9
Nevada	8
New Hampshire	0
New Jersey	48
New Mexico	11
New York	368
North Carolina	44
North Dakota	1
Ohio	7
Oklahoma	171
Oregon	0
Pennsylvania	21
Rhode Island	13
South Carolina	4
South Dakota	10
Tennessee	70
Texas	1,124
Utah	40
Vermont	8
Virginia	166
Washington	0
West Virginia	28
Wisconsin	7
Wyoming	3
Total	$5,256

Source: Office of the Secretary of the Treasury, Office of Tax Analysis

TENANT DEMOGRAPHICS FOR PROJECTS VISITED

	Average income[a]	Average rent[b]
All tenants	$23,952	$425
Low-income tenants	15,389	383
Non Low-income tenants	34,275	471
Tenants in newly constructed projects	25,370	440
Tenants in rehabilitated projects	18,424	359

[a]Income is the average of 7,501 tenants.
[b]Rent is the average of 7,290 tenants.

TENANT CHARACTERISTICS BY HOUSEHOLD SIZE

		Distribution by Percentage					
		Marital Status		Gender		Income	
Household size	Percentage	Single	Married	Male	Female	Low and moderate	Above moderate
1	46.6	97	3	58	42	61	39
2	38.8	47	53	72	28	43	57
3	9.4	39	61	71	29	62	38
4	3.9	23	77	80	20	62	38
5	1.0	14	86	90	10	55	45
6	0.2	6	94	100	0	28	72
7	0.1	0	100	100	0	33	67
	100.0						

TENANT CHARACTERISTICS BY AGE OF HEAD OF HOUSEHOLD

		Distribution by Percentage					
		Marital Status		Gender		Income	
Age of head of household	Percentage	Single	Married	Male	Female	Low and moderate	Above moderate
18 to 27	47.8	69	31	67	33	60	40
28 to 37	30.1	67	33	66	34	48	52
38 to 47	11.5	71	29	63	37	43	57
48 to 57	5.9	60	40	68	32	43	57
58 to 67	2.9	58	42	69	31	64	36
68 to 77	1.3	62	38	56	44	81	19
78 & above	0.5	77	23	47	53	85	15
	100.0						

Source: GAO analysis of data on tenants surveyed.

Exhibit C

HOUSING AGENCIES AND PROJECTS VISITED DURING REVIEW

Housing Agency and Project Name	Housing Agency Total Bonds Issued in 1983	Project Bond Issue Amount	Type Of Construction	Amount Spent On Rehabilitation	Number Of Units	Monthly Rent Range (a)	Utilities Included In Rent	Percent Of Units Occupied By Low Or Moderate Income Individuals	Rents Reduced For Low or Moderate Income Tenants	Complete or Partial Restrictions
New York City Housing Development Corp., New York, NY	$345,000,000	All projects received Section 8 project-based subsidies.								
Bexar County Housing Finance Corp., San Antonio, TX	122,300,000									
Royalgate		$3,200,000	Rehabilitated	$760,105	153	$260-400	(5)	86	No	None
Oak Run		4,590,000	New		199	295-545	(7)	70	No	None
Hearthstone		4,720,000	New		252	222-369	(5)	68	No	None
Michigan State Housing Development Authority, Lansing, MI	96,100,000									
Sunrise		4,360,162	Rehabilitated	2,714,387	334	255-350	(4)	100	No	None
Grand Meadows		2,793,462	New		101	317-429	(3)	100	No	Elderly Only, No Pets
Housing Opportunity Commission of Montgomery County, Kensington, MD	88,800,000	Our review of projects financed by the Housing Opportunities Commission is incomplete.								
Knights Bridge									Yes	
Greenhills									Yes	
Blair Gardens									Yes	
City of Marietta Housing Authority, Marietta, GA	68,100,000									
Summit Station		14,500,000	New		348	390-575	(4)	38	No	No Pets
Winterset		14,225,000	New		302	475-755	(4)	9(b)	No	None
Wood Glen		15,975,000	New		380	460-635	(7)	26	No	No Children
Wood Knoll		11,900,000	New		312	395-655	(6)	35	No	No Children
Connecticut Housing Authority, Hartford, CT	61,600,000									
Allen Court		2,831,297	Rehabilitated	1,12[illegible],394	50	340-400	(2)	65	No	No Pets
Main Place		(c)	Rehabilitated	1,656,437	72	350-450	(7)	65	No	No Pets
Industrial Development Authority, Phoenix, AZ	59,400,000									
Dunlap		5,230,000	New		192	365-510	(7)	41	Yes	No Children in 162
Westcreek		6,000,000	New		224	305-445	(7)	62	Yes	None
Orange County Housing Authority, Orlando, FL	49,900,000									
Five Flags		6,500,000	New		328	330-470	(4)	54	No	No Pets
Monterey West		7,925,000	New		251	455	(1)	58	No	No Children, No Pets
West Winds		7,700,000	New		272	355-505	(4)	32	No	None
City of Los Angeles, Los Angeles, CA	45,700,000									
Burbank Blvd		1,287,500	New		30	403-460	(4)	20	Yes	None
Amherst Associates		1,025,000	New		21	383-940	N/A	45	Yes	None
Sherway Villa		3,070,000	New		100	383-630	(3)	44	Yes	None

EXHIBIT C

HOUSING AGENCIES AND PROJECTS VISITED DURING REVIEW

Housing Agency and Project Name	Housing Agency Total Bonds Issued In 1983	Project Bond Issue Amount	Type Of Construction	Amount Spent On Rehabilitation	Number Of Units	Monthly Rent Range (a)	Utilities Included In Rent	Percent Of Occupied B Or Moder Income Indiv
Housing Authority of the County of Dekalb, Dekalb, GA	41,600,000							
Summerwood		7,9[illegible],966	New		208	485-610	(7)	25
North Hill		18,7[illegible],000	New		328	505-670	N/A	10(d
Winter Creek		6,450,000	New		200	370-505	(7)	37
Weatherly		6,75[illegible],000	New		223	360-495	(6)	(e)
Post Brook		4,300,000	New		130	410-570	(7)	28
Chimney Trace		5,150,000	New		144	395-495	(7)	27
Towne Park		2,7[illegible],831	Rehabilitated	2,7[illegible],831	132	400-495	(5)	43
6800 Peachtree		5,432,824	Rehabilitated	5,432,824	282	430-550	(5)	42
Highland Park		2,592,379	Rehabilitated	2,592,379	138	435-545	(5)	46
Minneapolis Community Development Agency, Minneapolis, MN	39,800,000							
Vantage Point		2,415,000	Rehabilitated	5[illegible]3,000	175	315-390	(2)	99
St. Anthony Place		4[illegible],000	Rehabilitated	4[illegible],000	21	262-593	(2)	65
Symphony Place		20,130,000	New		250	506-825	(3)	32
Fairfax County Redevelopment Authority, Fairfax, VA	37,600,000	Our review of projects financed by the Fairfax County Redevelopment Authority is incom						
Shenandoah Crossing								
Seven Corners								
Mesquite Housing Finance Corp., Mesquite, TX	33,500,000							
Clayton Hill		7,988,370	New		318	295-520	(5)	59
Pecan Ridge		4,770,000	New		210	320-575	(5)	69
Smith Summit		7,300,000	New		254	425-615	(5)	43
Grand Prairie Housing Finance Authority, Grand Prairie, TX	28,600,000							
Mill Valley		4,550,000	New		164	280-440	(4)	69
High Key		5,850,000	New		208	340-495	(1)	75
Windridge		9,100,000	New		336	320-560	(5)	47
North Carolina Housing Finance Agency, Raleigh, NC	28,600,000							
Quail Forest		1,229,700	New		48	336-435	(5)	44
Parkwood East		3,360,000	New		128	330-445	(4)	42
Norfolk Redevelopment and Housing Authority, Norfolk, VA	25,500,000							
Beechwood		4,700,000	New		136	335-442	(5)	21
Botetourt		1,000,000	Rehabilitated	1,000,000	40	285-675	(4)	23
Oakmont		4,395,000	Rehabilitated	4,353,338	456	310-326	(4)	98
North Shore		6,666,666	(f)		212	365-456	(4)	55

HOUSING AGENCIES AND PROJECTS VISITED DURING REVIEW

Housing Agency and Project Name	Housing Agency Total Bonds Issued In 1983	Project Bond Issue Amount	Type Of Construction	Amount Spent Rehabilitation	Number Of Units	Monthly Rent Range (a)	Utilities Included In Rent	Percent Of Units Occupied By Low Or Moderate Income Individuals	Rents Reduced For Low or Moderate Income Tenants	Complete or Partial Restrictions
Housing Authority of St. Louis County, St. Louis, MO	21,200,000									
Elta Rose		1,1[illegible]0,000	Rehabilitated	2[illegible],000	60	236-258	(5)	86	No	No Pets
Lucas Hunt		11,050,000	Rehabilitated	2,0[illegible],000	606	307-421	(4)	70	No	None
Kensington Square		12,000,000	Rehabilitated	2,0[illegible],000	510	325-425	(5)	63	No	None
Colorado Housing Finance Authority, Denver, CO	12,900,000									
Indian Tree		6,200,000	New		168	375-440	(4)	56	Yes	None
Hunter's Ridge		6,700,000	New		240	365-545	(5)	50	Yes	No Pets
Cambray Park		8,676,[illegible]	New		256	353-533	(4)	56	Yes	No Children, No Dogs
Housing Authority of the City of Gainesville, Gainesville, GA	1,200,000									
Pine Cove		1,230,000	New		66	195-325	(5)	68	No	None
TOTAL SELECTED COLUMNS............	$1,207,600,000	$309,145,557			10,587					

(a) Monthly rents ranged from $195 to $940, averaging $425 for all tenants--averaging $382 for low income tenants and $471 for non-low income tenants.
(b) Since our visit Winterset has increased the percentage of units occupied by low or moderate income individuals to 20%.
(c) Main Place and Allen Court were financed from the same bond issue.
(d) Since our visit North Hill has increased the percentage of units occupied by low or moderate income individuals to 24%.
(e) Tenant income information was not readily available for Weatherly.
(f) North Shore was a change of ownership. It was neither newly constructed nor rehabilitated.

(1) Rental amount includes all utilities.
(2) Rental amount includes some utilities. (Tenant payments total $10 or less monthly.)
(3) Rental amount includes some utilities. (Tenant payments total $11 to $30 monthly.)
(4) Rental amount includes some utilities. (Tenant payments total $31 to $60 monthly.)
(5) Rental amount includes some utilities. (Tenant payments total $61 to $140 monthly.)
(6) Rental amount includes no utilities. (Tenant payments total $31 to $60 monthly.)
(7) Rental amount includes no utilities. (Tenant payments total $61 to $140 monthly.)

Housing Agency and Project Name	Type Of Construction	Project Average	Low Income Average	High Income Average	Area Renter Median Income	Project Average as % of Area Median Renter Income
Bexar County Housing Finance Corp., San Antonio, TX					$13,331	
Royalgate	Rehabilitated	$13,336	$11,700	$23,609		100.0
Oak Run	New	16,161	12,090	26,087		121.2
Hearthstone	New	17,361	12,642	28,241		130.2
Michigan State Housing Development Authority, Lansing, MI						
Sunrise	Rehabilitated	12,482	12,482	(a)	12,904	96.7
Grand Meadows	New	10,224	10,224	(b)	15,158	67.4
City of Marietta Housing Authority, Marietta, GA					17,935	
Summit Station	New	27,724	13,270	34,641		154.6
Winterset	New	36,575	15,154	38,376		203.9
Wood Glen	New	28,700	17,173	33,967		160.0
Wood Knoll	New	28,152	17,181	34,695		157.0
Industrial Development Authority, Phoenix, AZ					14,402	
Dunlap	New	26,875	15,266	38,641		186.6
Westcreek	New	17,495	12,323	32,172		121.5
Orange County Housing Authority, Orlando, FL					14,172	
Five Flags	New	21,338	15,203	28,422		150.9
Monterey West	New	19,330	14,082	26,797		136.4
West Winds	New	23,726	16,149	27,294		167.4
City of Los Angeles, Los Angeles, CA					14,946	
Burbank Blvd	New	15,163	13,191	27,000		101.4
Amherst Associates	New	32,525	14,976	45,291		217.6
Sherway Villa	New	26,661	16,284	35,714		178.4
Housing Authority of the County of Dekalb, Dekalb, GA					15,764	
Summerwood	New	31,414	18,536	35,475		199.3
North Hill	New	39,432	19,731	41,550		250.1
Winter Creek	New	27,226	17,679	32,939		172.7
Post Brook	New	30,040	19,104	34,832		190.6
Chimney Trace	New	29,021	19,150	32,629		184.1
Towne Park	Rehabilitated	26,239	[illegible]	35,519		166.4
3500 Peachtree	Rehabilitated	24,601	17,045	31,968		156.0
Highland Park	Rehabilitated	27,983	16,428	38,950		177.5
Minneapolis Community Development Agency, Minneapolis, MN					13,826	
Vantage Point	Rehabilitated	11,291	11,161	28,520		96.7
St. Anthony Place	Rehabilitated	21,619	14,512	35,833		156.4
Symphony Place	New	40,557	13,083	51,431		295.5

Housing Agency and Project Name	Type Of Construction	Project Average	Low Income Average	High Income Average	Area Renter Median Income	Project Average as % of Area Median Renter Income
Mesquite Housing Finance Corp., Mesquite, TX					17,859	
Clayton Hill	New	22,561	17,460	33,855		126.3
Pecan Ridge	New	21,931	17,276	34,886		122.8
Smith Summit	New	25,939	18,606	33,184		145.2
Grand Prairie Housing Finance Authority, Grand Prairie, TX					17,859	
Mill Valley	New	22,568	18,061	32,410		126.4
High Key	New	21,239	17,103	34,527		118.9
Windridge	New	26,241	17,528	34,083		146.9
North Carolina Housing Finance Agency, Raleigh, NC					14,008	
Quail Forest	New	18,668	13,784	25,310		133.4
Parkwood East	New	21,931	16,706	26,550		156.6
Norfolk Redevelopment and Housing Authority, Norfolk, VA					13,266	
Beechwood	New	17,145	12,474	26,169		129.2
Botetourt	Rehabilitated	29,608	13,771	40,167		223.2
Oakmont	Rehabilitated	12,803	12,428	21,749		96.5
North Shore	(c)	17,697	14,600	27,950		133.4
Housing Authority of St. Louis County, St. Louis, MO					13,576	
Elta Rose	Rehabilitated	15,747	14,162	25,545		116.0
Lucas Hunt	Rehabilitated	15,067	11,357	30,529		111.0
Kensington Square	Rehabilitated	21,060	16,360	28,935		155.1
Colorado Housing Finance Authority, Denver, CO					15,282	
Indian Tree	New	25,303	19,616	32,915		165.6
Hunter's Ridge	New	25,907	16,488	33,688		169.5
Sangray Park	New	26,021	17,937	36,560		170.6
Housing Authority of the City of Gainesville, Gainesville, GA						
Pine Cove	New	13,884	11,937	21,850	13,545	102.5

(a) Sunrise management collected income information on new tenants only. Income data was available on only 25% of the tenants.

(b) There were no high income tenants at Grand Meadows at the time of our visit.

(c) North Shore was a change of ownership. It was neither newly constructed nor rehabilitated.