



Networking | Education | Deal Making

AFFORDABLE HOUSING

LSI
COMPANIES



**JUSTIN
THIBAUT**
President & CEO



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SIMMONS**
Managing Partner





AFFORDABLE HOUSING

- **THE PROBLEM**
- **HOW WE GOT HERE**
- **POTENTIAL SOLUTIONS**

An aerial photograph of a suburban residential development. The image shows a central area with a swimming pool, a parking lot, and a playground, surrounded by a circular road and numerous houses with dark roofs. The overall scene is a typical suburban neighborhood layout.

THE PROBLEM

AVERAGE WORKER CAN NOT MAKE ENDS MEET

THE PROBLEM

NEWS & MEDIA



AUGUST 8, 2022

U.S. Renter Income Needed for a Modest Apartment?

By Michael Bartiromo

Report: A worker making \$10/hour in Fla. must work 86 hours to afford a one-bedroom apartment – an affordable rental goal in only 1 out of 10 U.S. counties.



National Low Income
Housing Coalition

“ *There isn’t a single state in America where a minimum-wage worker can afford the average two-bedroom apartment, according to the latest report from the National Low Income Housing Coalition.* ”

FLORIDA HOUSING FINANCE CORPORATION





INCOME LIMITS AND RENT DETERMINATION

THE PROBLEM

2022 HUD INCOME LIMITS AND RENT LIMITS				
LEE COUNTY AREA MEDIAN INCOME \$83,200				
# of Bedrooms	0	1	2	3
50% of AMI	\$703	\$754	\$905	\$1,045
60% of AMI (\$50k)	\$844	\$905	\$1,086	\$1,254
80% of AMI	\$1,156	\$1,206	\$1,447	\$1,671
120% of AMI	\$1,689	\$1,810	\$2,172	\$2,509
140% of AMI	\$1,970	\$2,112	\$2,534	\$2,927

UNITS AVAILABLE AT 60% AMI

AFFORDABLE
HOUSING

	TYPE	RENT COST	AVAILABILITY
	STUDIO	\$844	0
	1-BED	\$905	0
	2-BED	\$1,086	0
	3-BED	\$1,254	0

FLORIDA HOUSING DATA CLEARINGHOUSE

LEE COUNTY WAGE AND RENT COMPARISON

THE PROBLEM

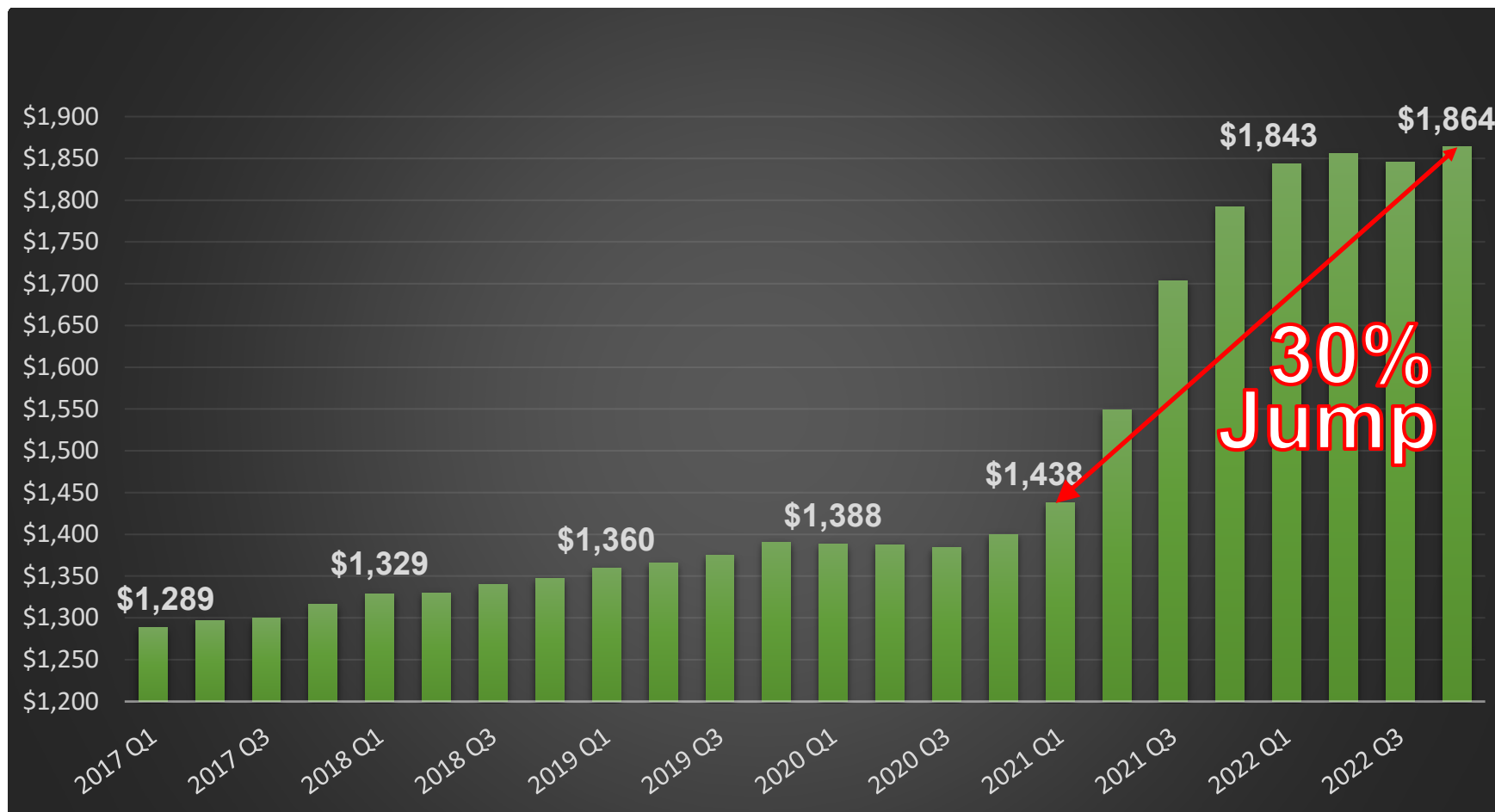
Industry	2020 Average Hourly Wage	Maximum Affordable Rent (30% of Income)	2023 HUD 2BR Fair Market Rent	% Income Needed for 2 BR FMR	# of Workers in 2020
Accommodation and Food Services	\$11.99	\$599	\$1,451	73%	29,559
Leisure and Hospitality	\$13.91	\$696	\$1,451	63%	36,887
Retail Trade	\$17.42	\$871	\$1,451	50%	38,841
Trade, Transportation, and Utilities	\$21.02	\$1,051	\$1,451	41%	53,607
Service-Providing	\$24.66	\$1,233	\$1,451	35%	218,189
Construction	\$26.07	\$1,304	\$1,451	33%	31,960
Goods-Producing	\$26.10	\$1,305	\$1,451	33%	40,025
Education and Health Services	\$28.83	\$1,441	\$1,451	30%	57,567
Professional and Business Services	\$29.56	\$1,478	\$1,451	29%	33,631
Health Care and Social Assistance	\$31.22	\$1,561	\$1,451	28%	41,141
Total	\$23.08	\$1,154	\$1,451	42%	581,407

The top 10 Job industries in Lee County have 580,000 workers, and only 25% of those workers are paid a wage that current rent does not exceed 30% of their income

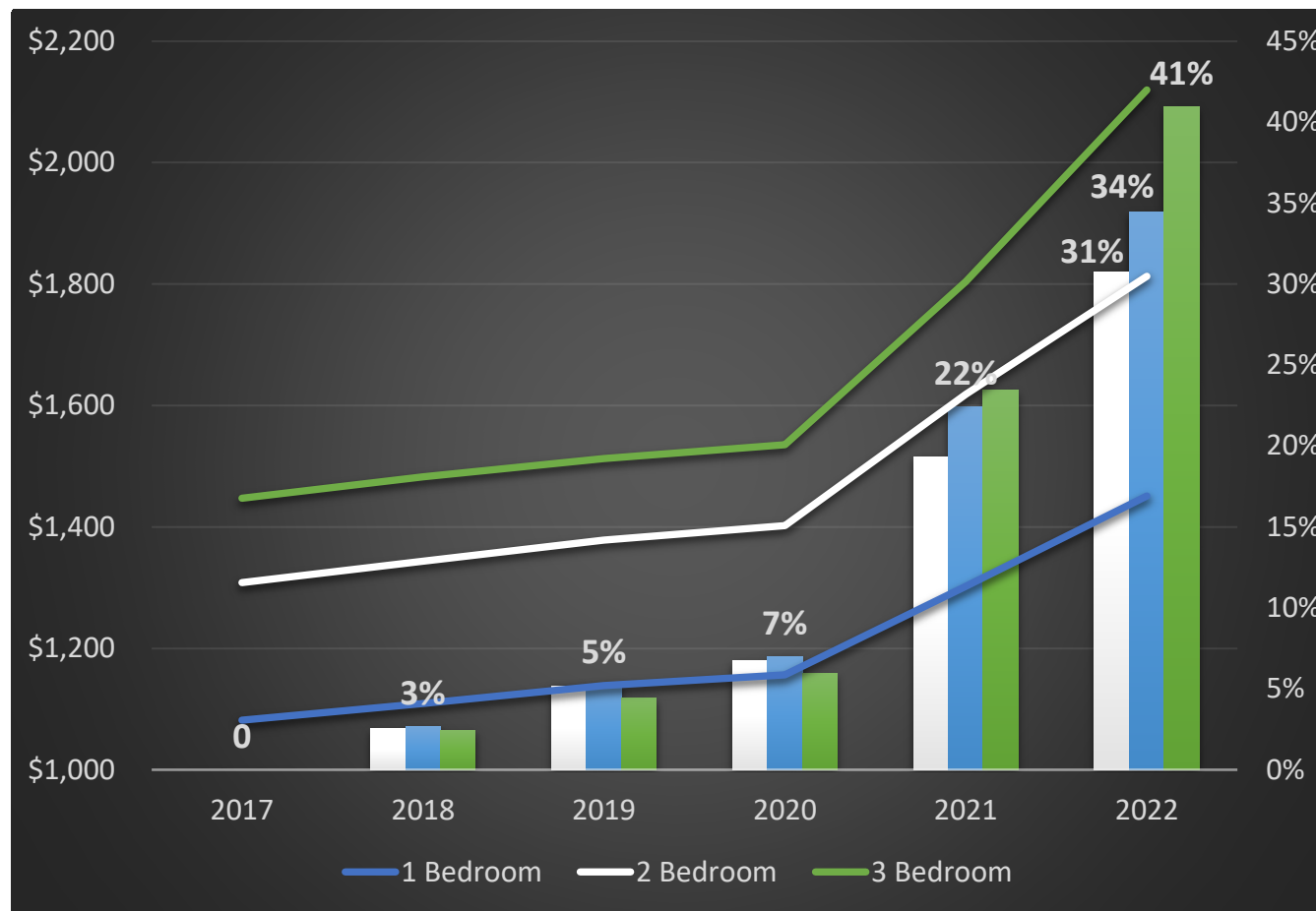
LEE COUNTY MULTI-FAMILY QUARTERLY RENTAL RATES



THE PROBLEM



LEE COUNTY MULTI-FAMILY RENT INCREASES COVID ACCELERATION



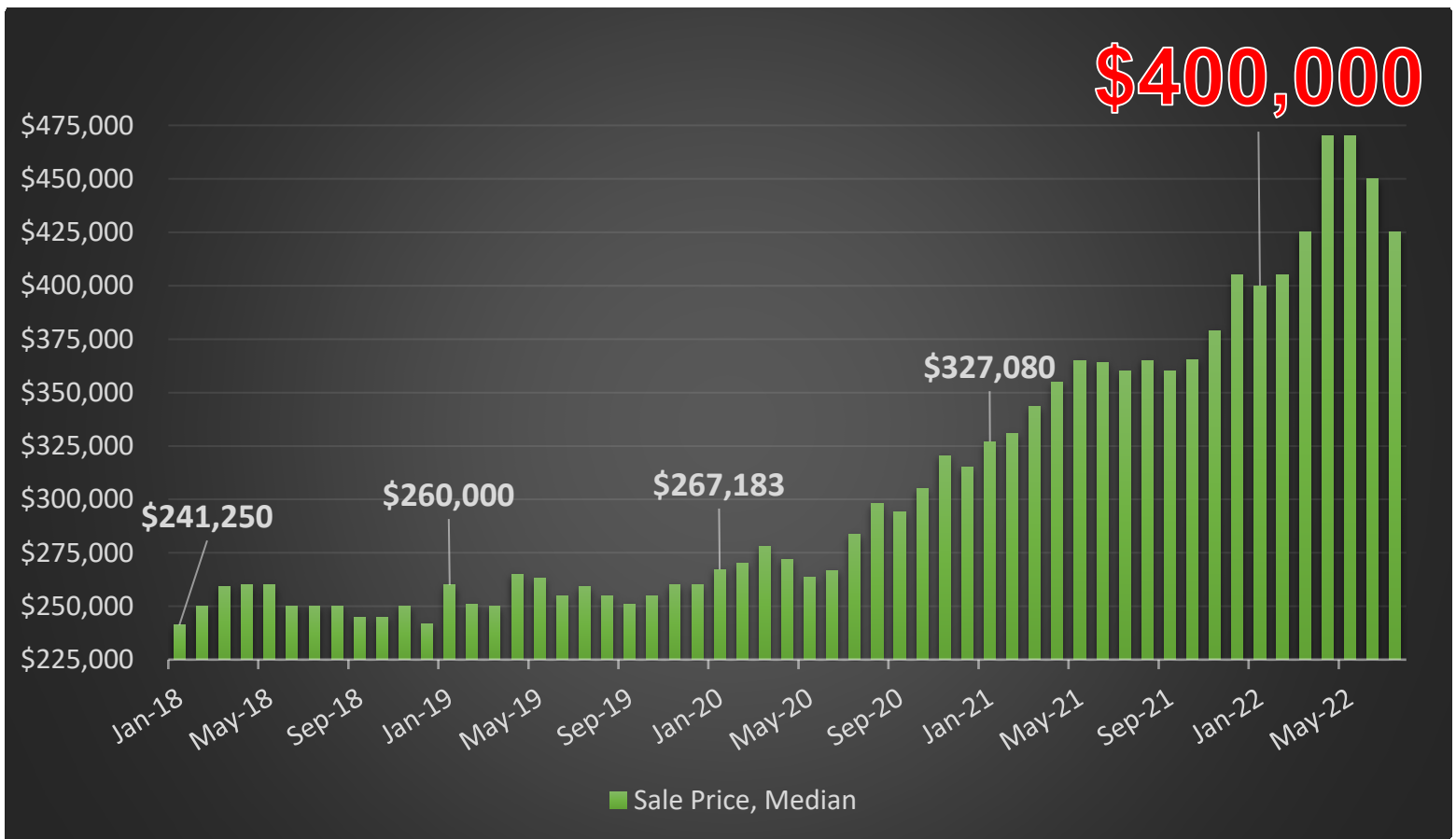
LEE COUNTY INFLUX OF LUXURY PRODUCTS

THE PROBLEM



LEE COUNTY MLS SINGLE FAMILY MEDIAN PRICE

THE PROBLEM



JAN 2022 - \$400,000
 JAN 2021 - \$327,080
 JAN 2020 - \$267,183
 JAN 2019 - \$260,000
 JAN 2018 - \$241,250

INCOME REQUIRED FOR MEDIAN PRICED HOME

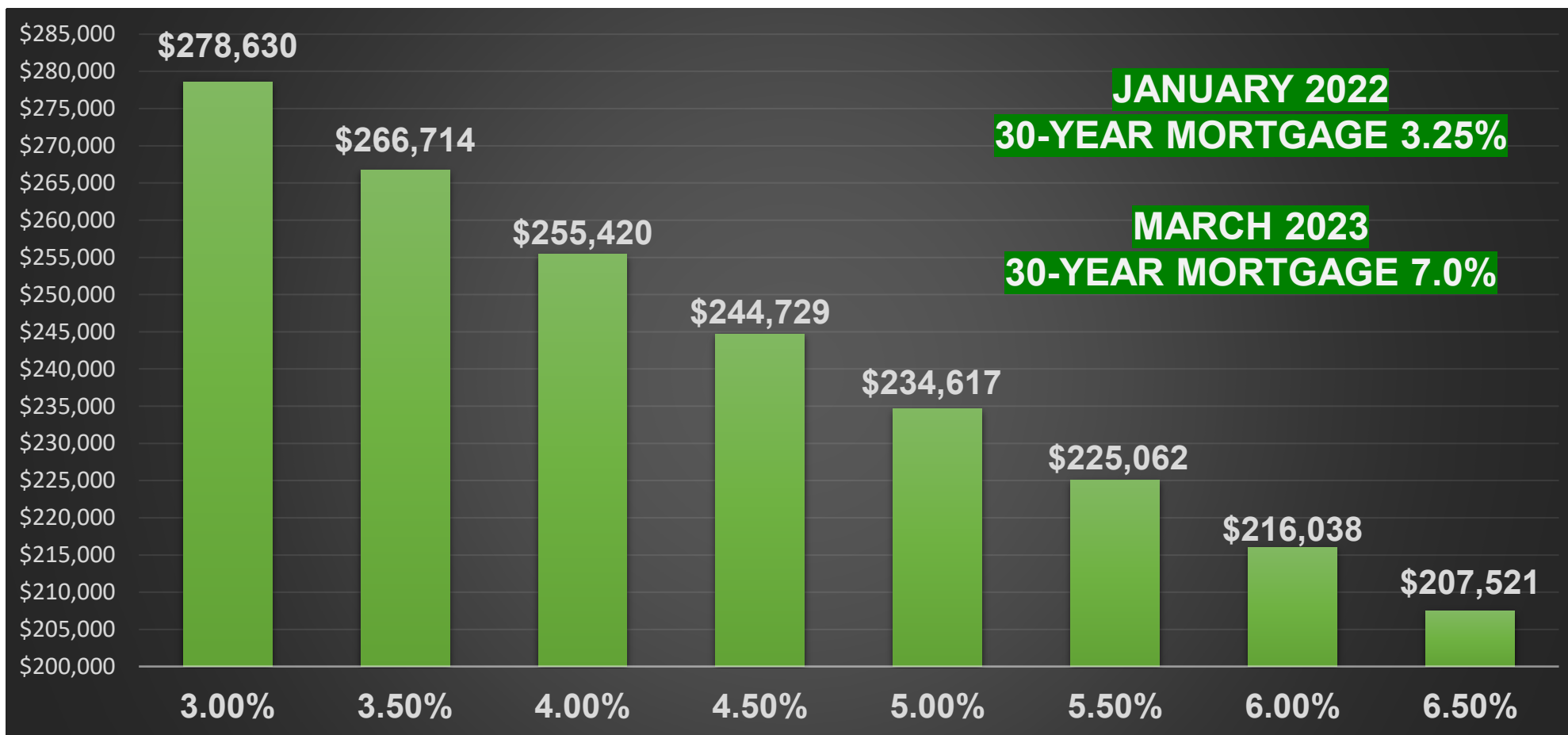
Home Price	10% Down Payment	Mortgage	Mortgage Rate	Required Household Income (30%)
\$140,000	\$14,000	\$126,000	6.00%	\$38,684
\$160,000	\$16,000	\$144,000	6.00%	\$44,567
\$180,000	\$18,000	\$162,000	6.00%	\$50,451
\$200,000	\$20,000	\$180,000	6.00%	\$56,334
\$220,000	\$22,000	\$198,000	6.00%	\$62,218
\$240,000	\$24,000	\$216,000	6.00%	\$68,101
\$260,000	\$26,000	\$234,000	6.00%	\$73,985
\$280,000	\$28,000	\$252,000	6.00%	\$79,868
\$300,000	\$30,000	\$270,000	6.00%	\$85,751
\$320,000	\$32,000	\$288,000	6.00%	\$91,635
\$340,000	\$34,000	\$306,000	6.00%	\$97,518
\$360,000	\$36,000	\$324,000	6.00%	\$103,402
\$380,000	\$38,000	\$342,000	6.00%	\$109,285
\$400,000	\$40,000	\$360,000	6.00%	\$115,169
\$420,000	\$42,000	\$378,000	6.00%	\$121,052
\$440,000	\$44,000	\$396,000	6.00%	\$126,935
\$460,000	\$46,000	\$414,000	6.00%	\$132,819
\$480,000	\$48,000	\$432,000	6.00%	\$138,702
\$500,000	\$50,000	\$450,000	6.00%	\$144,586

THE PROBLEM

INTEREST RATES AFFECT PURCHASING POWER

LEE MEDIAN INCOME HOUSEHOLD (\$59,608)

THE PROBLEM



DRIVE 'TIL YOU QUALIFY' SUBURBS

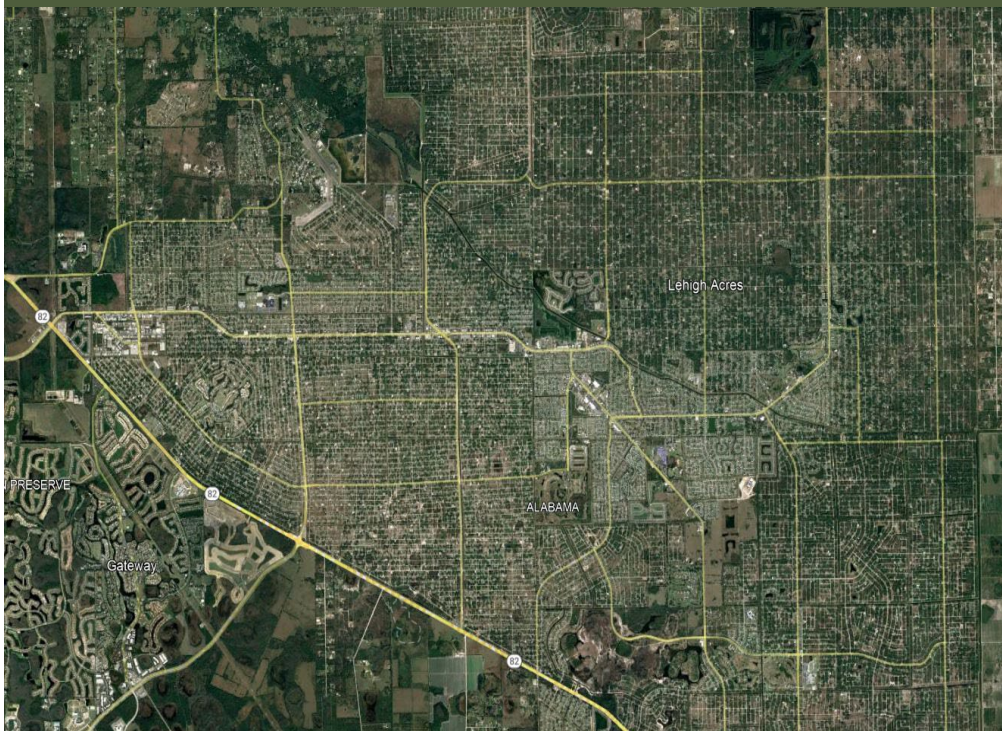


THE PROBLEM

A VAST EXPANSE OF SPRAWL

LEHIGH = REMOTENESS

LAND HAS BEEN SUBDIVIDED INTO A MONOTONOUS GRID FOR MILES AND MILES AND MILES. IT'S HARD TO CONVEY THE SHEER SCALE OF PLACE.



LOCATED INCREASINGLY FURTHER AWAY FROM JOBS AND SERVICES

LEHIGH ACRES SINGLE FAMILY MEDIAN SALE PRICE

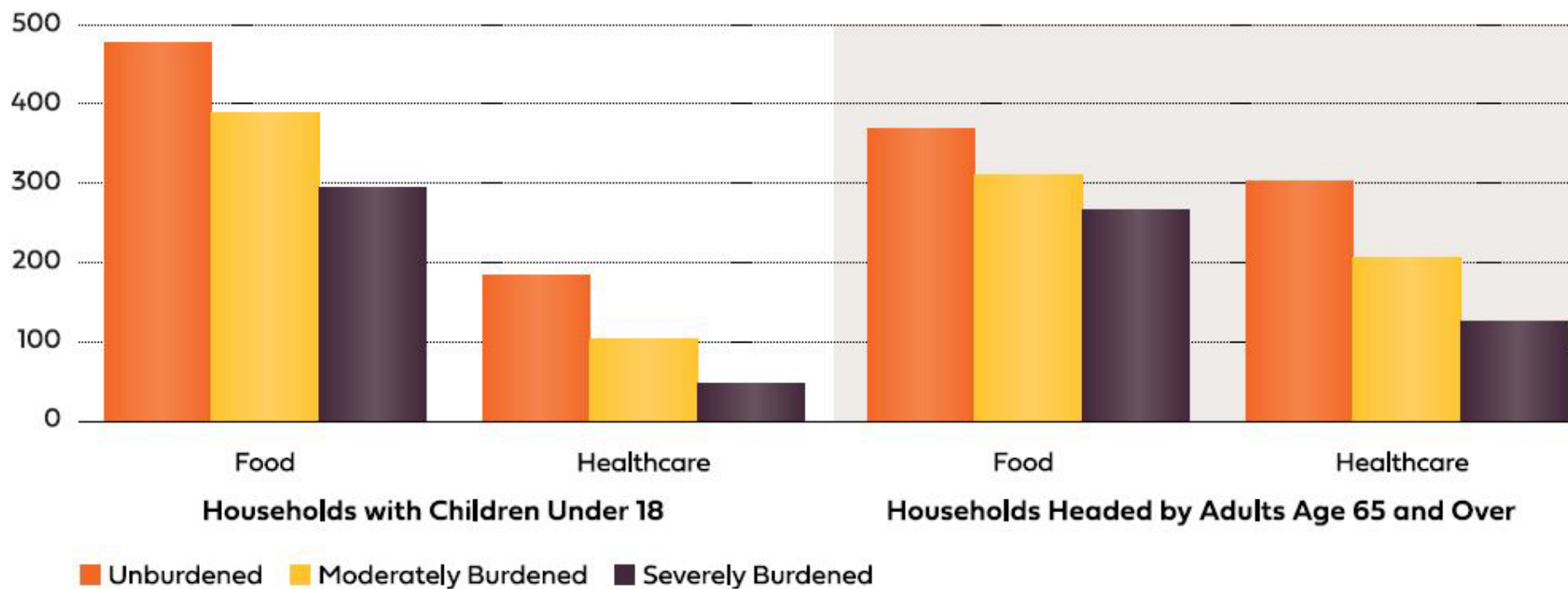


LOWEST INCOME HOUSEHOLDS REDUCE SPENDING ON BASIC NEEDS

THE PROBLEM

High Housing Costs Leave Vulnerable Households Unable to Meet Basic Health Needs

Monthly Expenditures of Lowest-Income Households (Dollars)





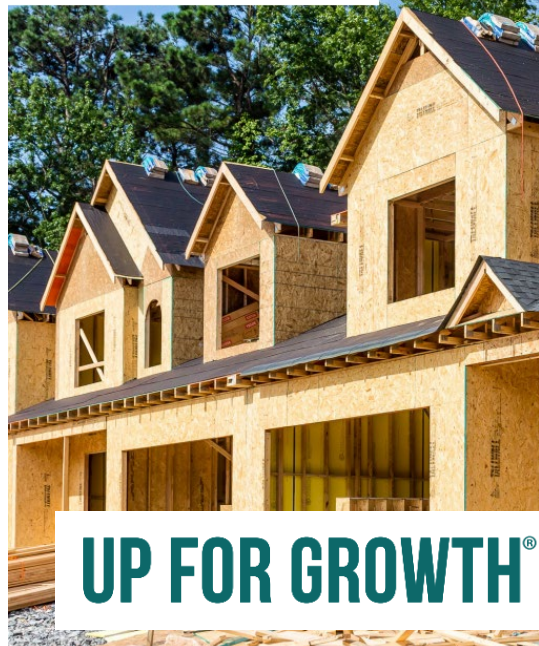
HOW DID WE GET HERE?

Affordable Housing Crisis

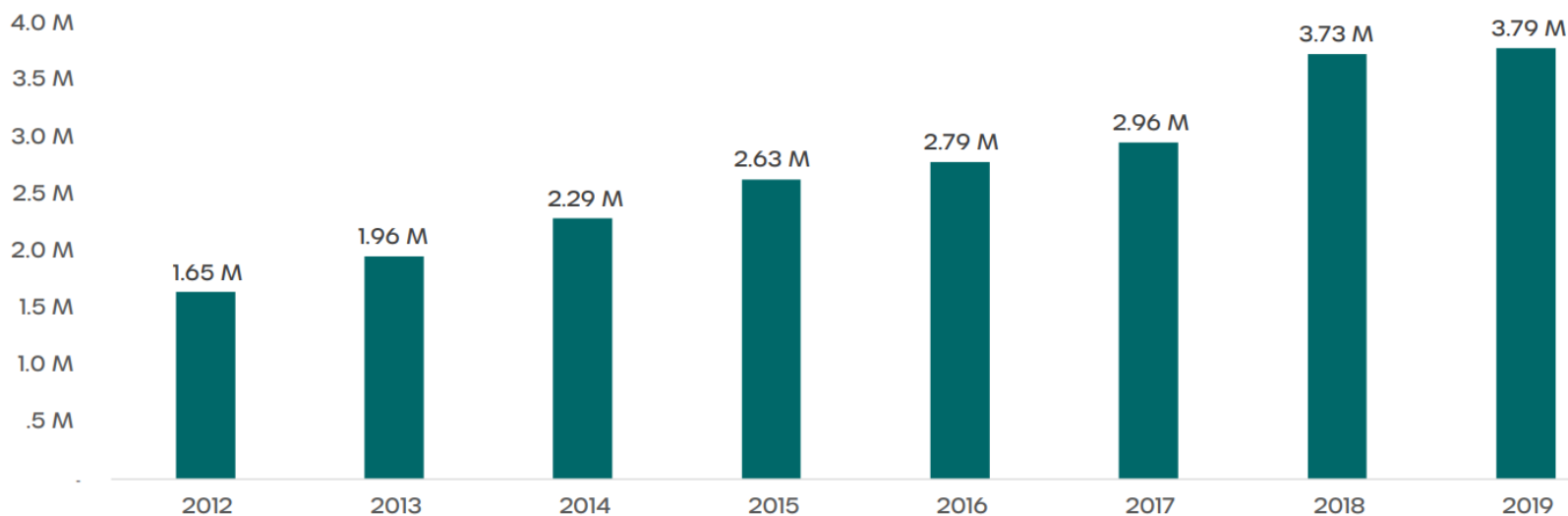
US HOUSING UNDERPRODUCTION BY YEAR

HOW DID WE GET HERE?

Housing Underproduction™ in the U.S. 2022

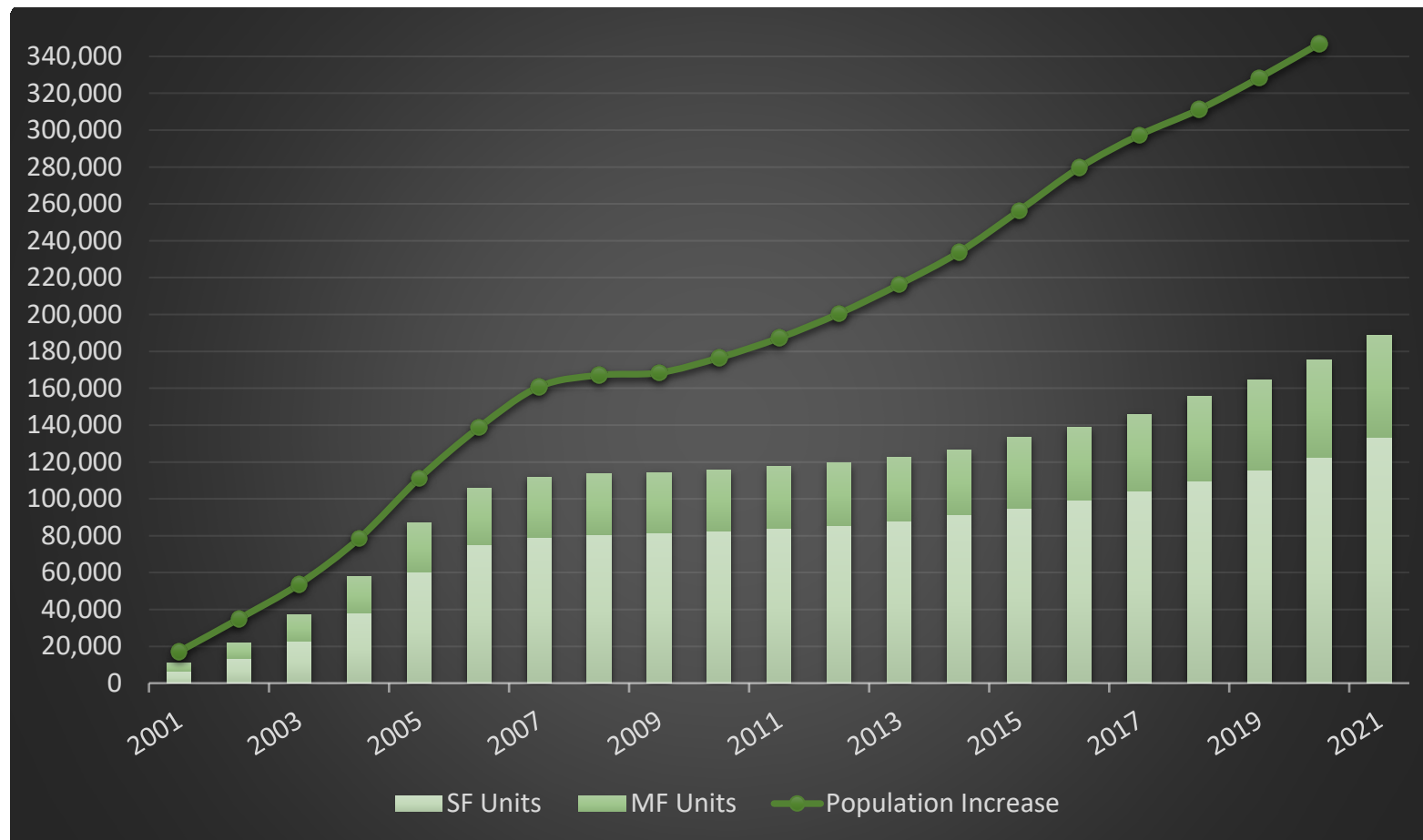


U.S Housing Underproduction by Year



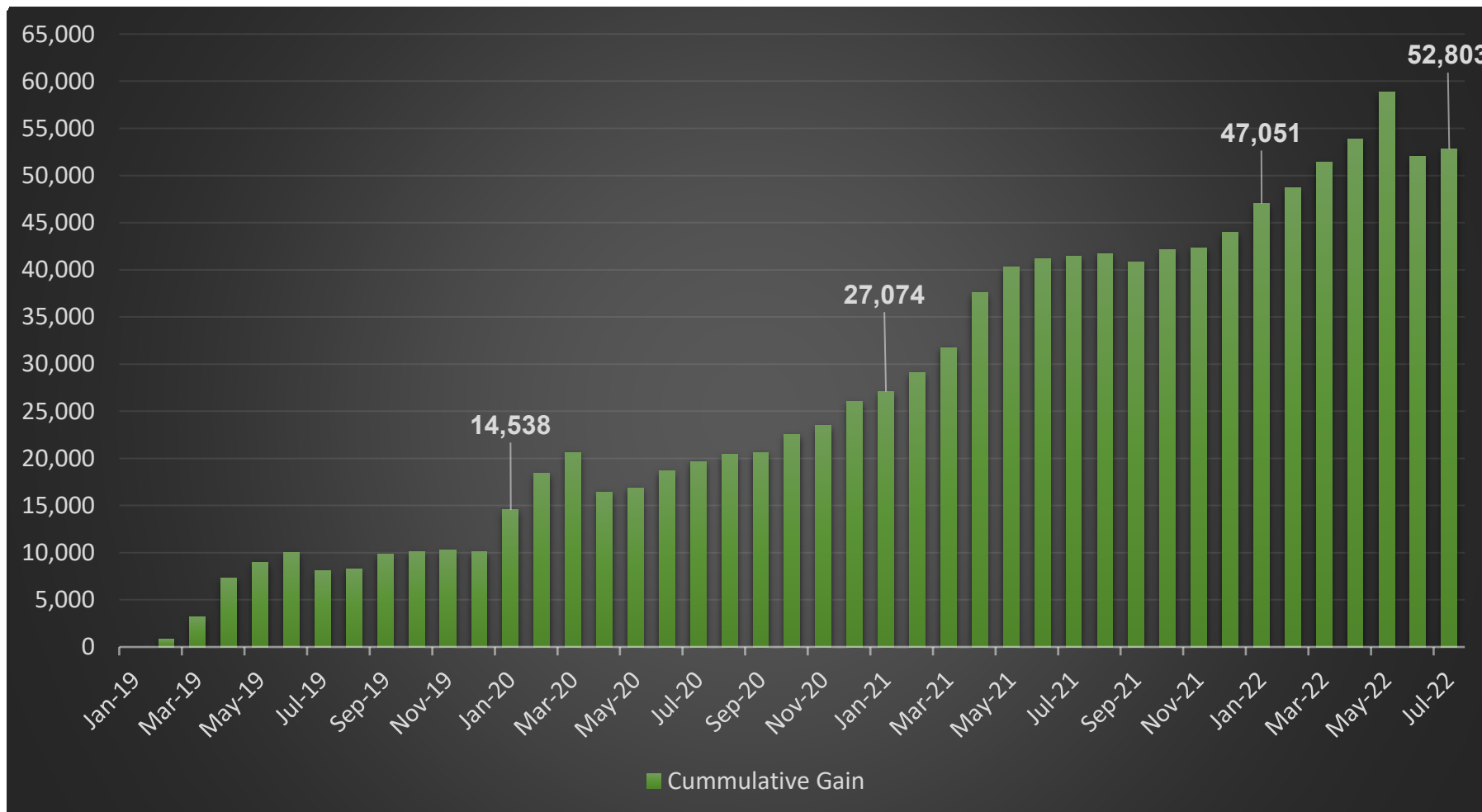
LEE COUNTY TOTAL HOUSING STOCK & POPULATION CHANGE

HOW DID WE GET HERE?



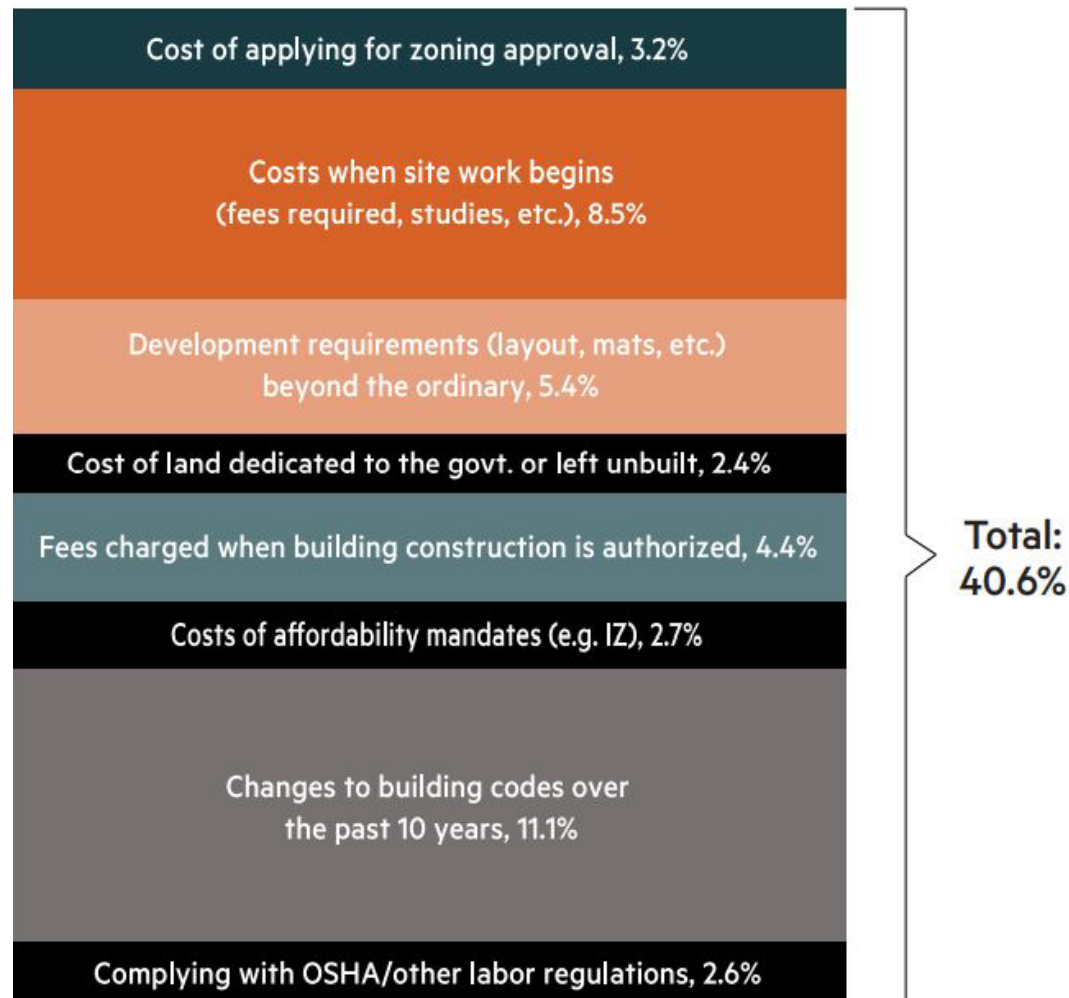
LEE COUNTY REGISTERED VEHICLES

HOW DID WE GET HERE?



REGULATORY COST OF DEVELOPMENT

HOW DID WE GET HERE?



NOT IN MY BACKYARD

HOW DID WE GET HERE?

Florida residents demand border wall around Habitat for Humanity housing

By Sydney Franklin • November 8, 2018 • Development, East, News



Collier County residents say no to rezoning

'It's what we moved out there for, to have the low-density housing'

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COMPANIES



MAXWELL HENDRY SIMMONS
real estate appraisers & consultants

Collier meeting about proposed apartments rescheduled because of crowd capacity

BY TIM ATEN JUNE 3, 2022 PHOTO CREDIT: COLLIER COUNTY GOVERNMENT RECORDS



NOT IN MY BACKYARD

HOW DID WE GET HERE?

Development with 700 homes in protected DR/GR stopped by Bonita Springs City Council



Thaddeus Mast
Naples Daily News

Published 9:00 a.m. ET April 22, 2021

[View Comments](#)



Estero votes to oppose two developments

STEVE DOANE SDOANE@NEWS-PRESS.COM

Published 12:36 p.m. ET June 3, 2015 | Updated 12:17 a.m. ET June 4, 2015

[View Comments](#)



The Estero Village Council approved a resolution Wednesday opposing a pair of large developments planned for the area around Corkscrew Road.



Treeline corridor proposed residential community denied permission to advertise

BY KATIUSKA CARRILLO AUGUST 16, 2022 PHOTO CREDIT: CITY OF FORT MYERS



REGULATION HURDLES

MONEY & TIME

Habitat asks delay in hearing on extra units at Harlem Heights affordable housing site



Bill Smith
The News-Press

Published 12:31 p.m. ET April 16, 2018 | Updated 5:56 p.m. ET April 16, 2018

[View Comments](#)



Site of Habitat for Humanity's Harlem Heights affording housing project is outlined in red. Lee County Graphic

- Habitat applied to increase unit count from 108 to 150 by utilizing a bonus density of 42 units.
- Hearing examiner did not recommend approval of bonus density request, citing inconsistency with the Lee Plan.
- Board of County Commissioners ultimately approved the bonus Density Request of 42 units.
- Original Application submitted to Lee County in September of 2016.
- Board of County Commissioner approval for zoning resolution occurred in May of 2018.

HOW DID WE GET HERE?



The
RENT'S
POTENTIAL SOLUTIONS
TOO
HIGH

INCOME RESTRICTED APARTMENTS

BRISAS DEL SUR APARTMENTS 96 UNITS



60% of AMI – Rent \$986

CYPRESS VILLAGE APARTMENTS 95 UNITS



60% of AMI – Rent \$795

RETHINK DENSITY AND HOME SIZE



SOLTURA
DEVELOPMENT

129 HOMES ON JUST UNDER 12 ACRES



AVERAGE UNIT SIZE: 994 SQ. FT. - RENT \$2,500



POTENTIAL SOLUTIONS

RE-THINKING DENSITY



THE PROBLEM



Sebring

Starting At: \$193,000*



585

Square Footage



1

Bedrooms



1

Baths



Vista

Starting At: \$235,500*



779

Square Footage



2

Bedrooms



2

Baths



Madeira

Starting At: \$214,250*



725

Square Footage



1

Bedrooms



1

Baths



Sunny Isle

Starting At: \$287,500*



1,060

Square Footage



2

Bedrooms



2

Baths

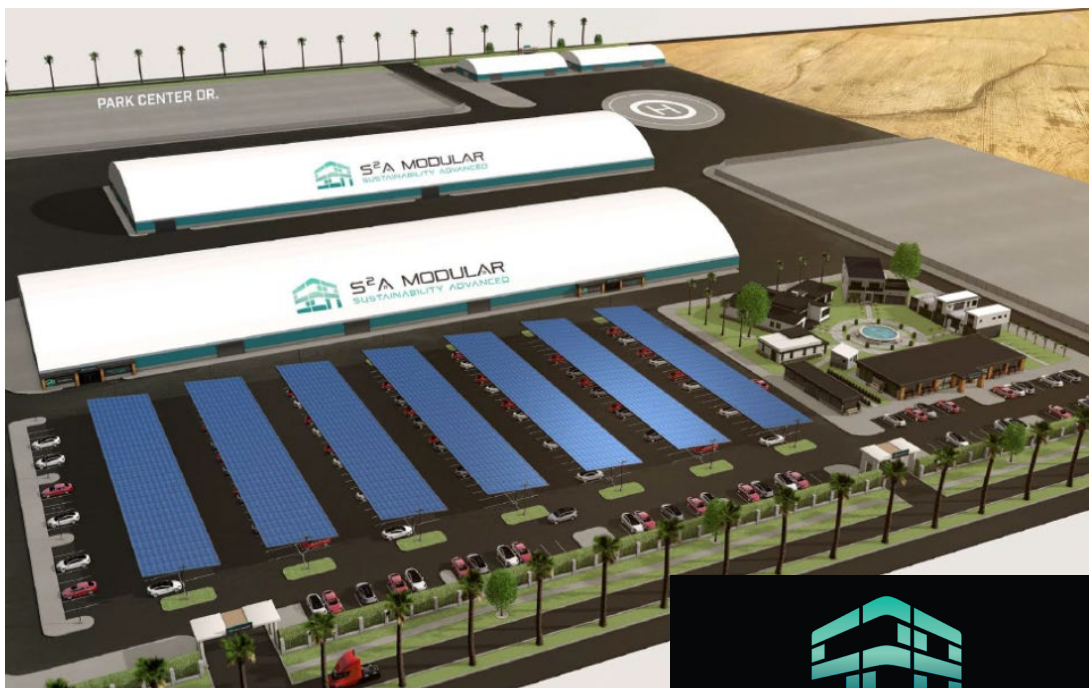
Simple Life

Live large. Carry less.



MODULAR HOME ASSEMBLY LINE COMING TO CHARLOTTE COUNTY

POTENTIAL SOLUTIONS





STRATEGIC DEVELOPMENT LOCATIONS

GULF COAST TOWN CENTER - 277 APARTMENT UNITS



LIGHT TOUCH DENSITY ACCESSORY DWELLING UNITS (ADUS)

POTENTIAL SOLUTIONS



GOVERNMENT INCENTIVE

WAIVE IMPACT FEES ON AFFORDABLE HOME CONSTRUCTION

CAPE CORAL SF HOME IMPACT FEE

Road Impact Fee	\$3,347
School Impact Fee	\$2,879
Water & Irrigation Impact Fee	\$2,551
Sewer Impact Fee	\$2,406
Building Permit Fee	\$1,431
Park Impact Fee	\$1,115
Police Protection Impact Fee	\$597
Fire Impact Fee	\$575
Meter Fee	\$310
School Admin Fee	\$86
Radon	\$43
ALS Impact Fee	\$35
Total	\$15,375



POTENTIAL SOLUTIONS

AFFORDABLE HOUSING

POTENTIAL SOLUTIONS

- **GOVERNMENT INTERVENTION / INCENTIVES**
 - **Fort Myers Beach**
- **STRATEGIC DENSITY**
- **GOVERNMENT NEW BUILDING STRATEGIES**
- **EMPLOYER INCENTIVES**

THANK YOU!

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MAXWELL·HENDRY·SIMMONS
real estate appraisers & consultants