

Market Study Engagement Letter

Date:

[Applicant/ Responsible Owner]

[Address]

RE: Market Study Report: [Applicant/Responsible Owner]
[Project Name]
[Project Address]

Dear [Applicant/Responsible Owner]:

Please accept this letter which sets forth the terms of engagement (“Engagement Letter”) under which our Firm will provide services to you and your company for purposes of conducting a Market Study Report for the project at the designated address set forth above.

It is our Firm’s understanding that the nature and scope of the professional services to be provided to you are as follows:

1. Our Firm has been engaged by [APPLICANT/RESPONSIBLE OWNER] to conduct a Market Study for The Project’s location specified above in conformance with the scope and limitations of AHFA’s current Qualified Allocation Plan and/or HOME Action Plan requirements.
2. Our Firm understands that the information contained in the Market Study Report will be used by Alabama Housing Finance Authority (“AHFA”) in considering proposed financing of residential development/rehabilitation of the project and, therefore, AHFA may rely upon the Market Study Report in its entirety as if it were originally issued to AHFA. While AHFA will be entitled to rely upon the Market Study Report in its entirety, the Applicant will be solely responsible for any and all fees and expenses associated with completing this scope of engagement.
3. Our Firm understands that AHFA requires certain qualifications for this scope of work and Our Firm meets the following qualifications and requirements:
 - a. Have conducted a market study for a prior application submitted to AHFA for

Housing Credits, HOME funds or Multifamily Bonds or have prior approval from AHFA to submit a market study in the 2018 application cycle.

- b. Be experienced in the area of market demand and feasibility studies, particularly as it relates to multifamily developments.
- c. Have conducted market studies on a regular basis for multifamily mortgage lenders, state hfa's, syndicators and investors.

4. Our Firm understands that to the extent recommendations are being provided by the market analyst to the Applicant concerning the Market Study to be performed and the proposed Project, those recommendations will be incorporated into the final Market Study Report provided to AHFA at the time of Application.

5. Our Firm also understands that once the Applicant submits its Application to AHFA, the Applicant, cannot change the population target, income target, number of units, unit mix, rents and project amenities.

6. Our Firm has been engaged to provide the Applicant/Responsible Owner a Market Study for a proposed project with the following description:

- a. Project City:
- b. Project County:
- c. Number of Low Income Units:
- d. Number of Market Rate Units:
- e. Total Number of Units:
- f. Construction Type:
- g. Income Target:
- h. Population Target:
- i. Unit Mix:
- j. Rents:
- k. Amenity Package: