

ARRA Market Update Process

It has come to the attention of DCA that update requests being made to the original market analysts are being denied for various reasons. Given that circumstance, DCA will allow the ARRA applicant to contract for an update to the original 2008 market study with any other market analyst on DCA's approved list. When submitting the update, the applicant must include correspondence from the original market analyst detailing his/her reason(s) for denying the request to perform the update.

Our main objective in requiring the update is to avoid investing resources in projects that are located in areas of severe economic downturn; where foreclosure activity, employment trends, and/or recent lease up experience or delays in projects under construction no longer support the construction or rehabilitation of additional multifamily units. Our intent is for this to be a 'desk review' for the market analyst, including, but not limited to, researching local trends, contacting major employers, comparable projects, and government authorities.

The update market analyst must accept the conclusions of the original market analyst regarding market area so that the update accurately depicts changes in the Primary and Secondary Market areas previously reviewed by DCA staff. The original rent conclusions must also be accepted, in that changes in rent recommendations and/or configurations must be solely supportable by changes occurring since the original report was completed, or a documented material omission from the original report.

As noted in our recent Q&A session, ARRA financing applications may be submitted with the market update to follow, if necessary, as long as the application is substantially complete in all other respects. Please specify when the market update is anticipated to be available. Should the applicant be unable to contract for an update, he/she should be prepared to provide copies of correspondence explaining the reason from each market analyst contacted when requesting assistance from DCA. Requests for assistance should be directed to cathy.johnson@dca.ga.gov.