



Workforce Dwelling Unit For-sale Task Force

KICK-OFF MEETING

APRIL 28, 2023



Topics

- **Applicability**
- **WDU For-Sale Production**
- **WDU For-Sale Pipeline**
- **WDU Challenges**



Applicability

W D U P O L I C I E S



WDU For-sale Applicability and Expectations

Applicability:

- Tysons Urban Center
- Suburban Centers
- Community Business Centers
- Transit Station Areas

Expectations:

- A minimum of 12% of units as ADUs and/or WDUs
- Required ADUs calculated first, then WDUs

Bonus Density:

- 12% to 20% above maximum planned density, in general
- For use as residential or non-residential square feet

For-Sale Units				
Income Tiers	Countywide	Tysons Non-High-rise	Tysons High-rise Condo (On-site)	Tysons High-rise Condo (Off-site)
101-120% AMI	4% of total units	5% of total units		
81-100% AMI	4% of total units	5% of total units	4.67 % of total units	5.33% of total units
71-80% AMI	4% of total units	5% of total units	4.67 % of total units	5.33% of total units
61-70% AMI	-	3% of total units	4.67 % of total units, under 70% AMI	5.33% of total units, under 70% AMI
up to 60% AMI	-	2% of total units		
Total	12%	20%	14%	16%

WDU For-sale compared to WDU Rental (2021 Update)

Countywide		
Income Tiers	For-Sale Units	Rental
101-120% AMI	4% of total units	-
81-100% AMI	4% of total units	-
71-80% AMI	4% of total units	4% of total units
61-70% AMI	-	2% of total units
up to 60% AMI	-	2% of total units
Total	12%	8%

Tysons (except Highrise Condominiums)			
Income Tiers	For-Sale Units	Rental Option 1	Rental Option 2
101-120% AMI	5% of total units	-	
81-100% AMI	5% of total units	-	
71-80% AMI	5% of total units	8% of total units	
61-70% AMI	3% of total units	3% of total units	
up to 60% AMI	2% of total units	2% of total units	10% of total units
Total	20%	13%	10%

For-sale expectations:

- higher total number of units
- higher affordability levels

2022 Area Median Income and For-Sale WDU Pricing

- The maximum sales price is based on:
- efficiency - 1 person household
 - 1 bedroom - 2 person household
 - 2 bedroom - 4 person household
 - 3 bedroom - 6 person household
 - 4 bedroom - 8 person household

Area Median Income Percentage		Maximum Household Income Limits	Maximum Sales Price
Efficiency (1 person household)			
60.00%		\$59,750	\$174,500
70.00%		\$69,750	\$210,600
80.00%		\$79,700	\$246,150
100.00%		\$99,600	\$317,250
120.00%		\$119,550	\$388,550
1 bedroom (2 person household)			
60.00%		\$68,300	\$192,600
70.00%		\$79,700	\$233,300
80.00%		\$91,050	\$273,850
100.00%		\$113,850	\$355,300
120.00%		\$136,600	\$436,600
2 bedroom (4 person household)			
60.00%		\$85,400	\$240,800
70.00%		\$99,600	\$291,550
80.00%		\$113,850	\$342,450
100.00%		\$142,300	\$444,100
120.00%		\$170,750	\$545,750
3 bedroom (6 person household)			
60.00%		\$99,050	\$276,700
70.00%		\$115,550	\$335,650
80.00%		\$132,050	\$394,600
100.00%		\$165,050	\$512,500
120.00%		\$198,100	\$630,600
4 bedroom (8 person household)			
60.00%		\$112,300	\$312,600
70.00%		\$131,500	\$379,800
80.00%		\$150,250	\$446,800
100.00%		\$187,850	\$581,100
120.00%		\$225,400	\$715,300

The 2022 area median income for a family of 4 is \$142,300. Calculations are adjusted based on family size and income tier served.



WDUs Delivered

The number of WDUs as delivered by Notice of Availability
and Offering Agreement

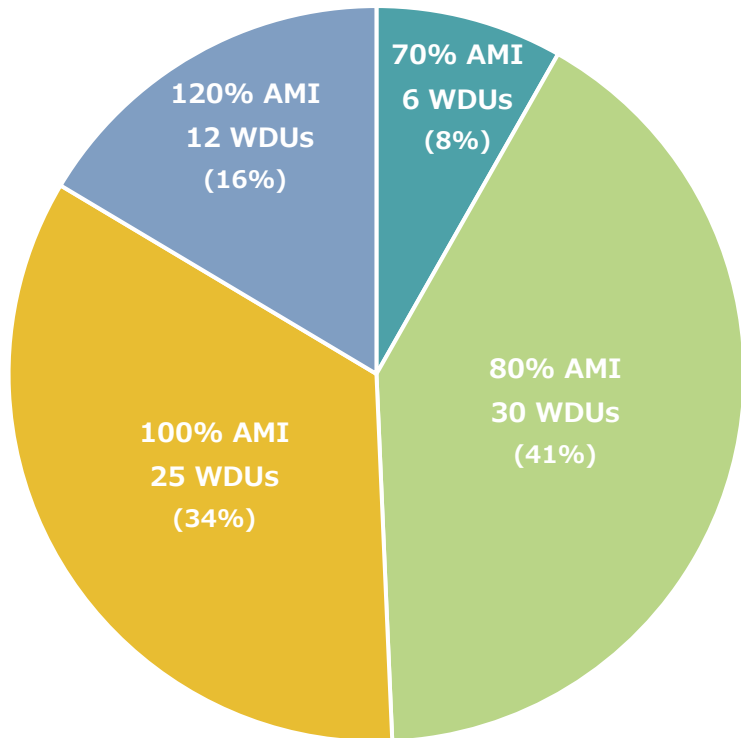
73 WDUs Delivered*

Development Name	District	Unit Type	60%	70%	80%	100%	120%	Total
Liberty Park	Dranesville	2-over-2			1	1		2
Lofts at Reston Station	Hunter Mill	2-over-2		1	1	1		3
Sunrise Square	Hunter Mill	Flats		2		2		4
Valley and Park	Hunter Mill	Townhouse		3		2		5
Boulevard 6060	Mason	Townhouse			3			3
Bren Pointe	Mason	Townhouse			5			5
Huntington Crossing	Mount Vernon	Back-to-back			2	2	3	7
The Signet McLean	Dranesville	Flats			5	5	5	15
Park at Fair Oaks	Springfield	2-over-2			3	2	2	7
Commonwealth Place at Westfields	Sully	2-over-2			2	2		4
Foster's Glen	Sully	2-over-2			1	1	2	4
Pender Oaks	Sully	Flats			3	7		10
Retreat at Westfields	Sully	Townhouse			4			4
TOTAL			0	6	30	25	12	73

* The number of WDUs as delivered in fully executed Notice of Availability and Offering Agreement

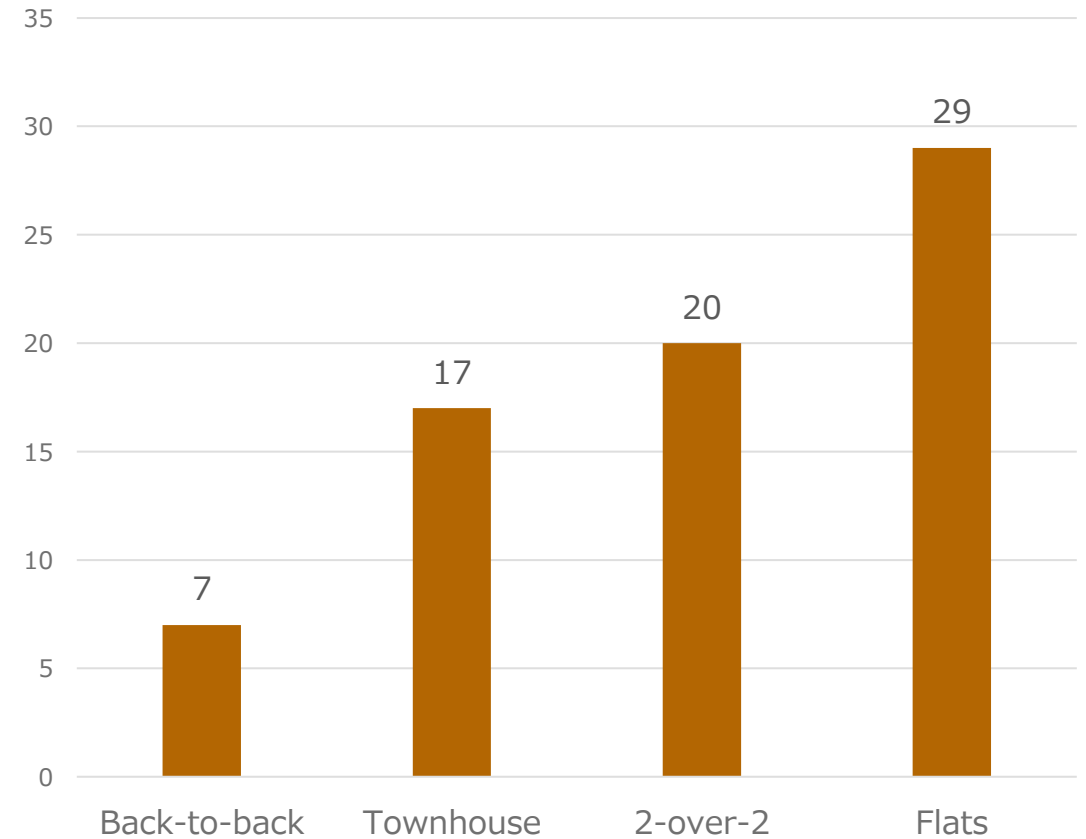
WDUs Delivered by AMI and Structure Type

WDUs Delivered by AMI



60% AMI 70% AMI 80% AMI 100% AMI 120% AMI

WDUs Delivered by Structure Type





WDU Pipeline

The pipeline includes developments that anticipate delivering WDUs in 2023

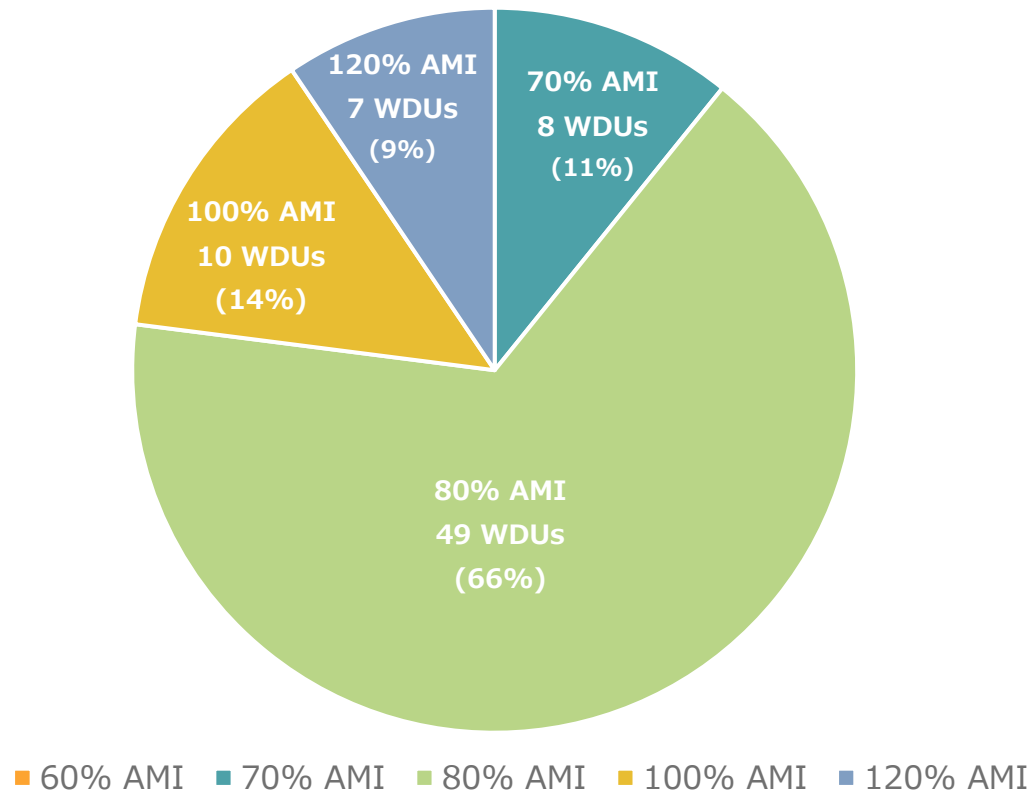
74 WDUs in Pipeline*

Development Name	District	Unit Type	60%	70%	80%	100%	120%	Total
Overlook at Dulles Tech	Dranesville	2-over-2			7	7	7	21
Reston Arboretum	Hunter Mill	Townhouse			3			3
Little River Crossing	Mason	Townhouse			5			5
Monarch	Providence	Flats		2	3	3		8
Boulevards at Westfields	Sully	2-over-2			23			23
Retreat at Westfields	Sully	Townhouse			3			3
Stonebrook at Westfields	Sully	2-over-2		6	5			11
TOTAL			0	8	49	10	7	74

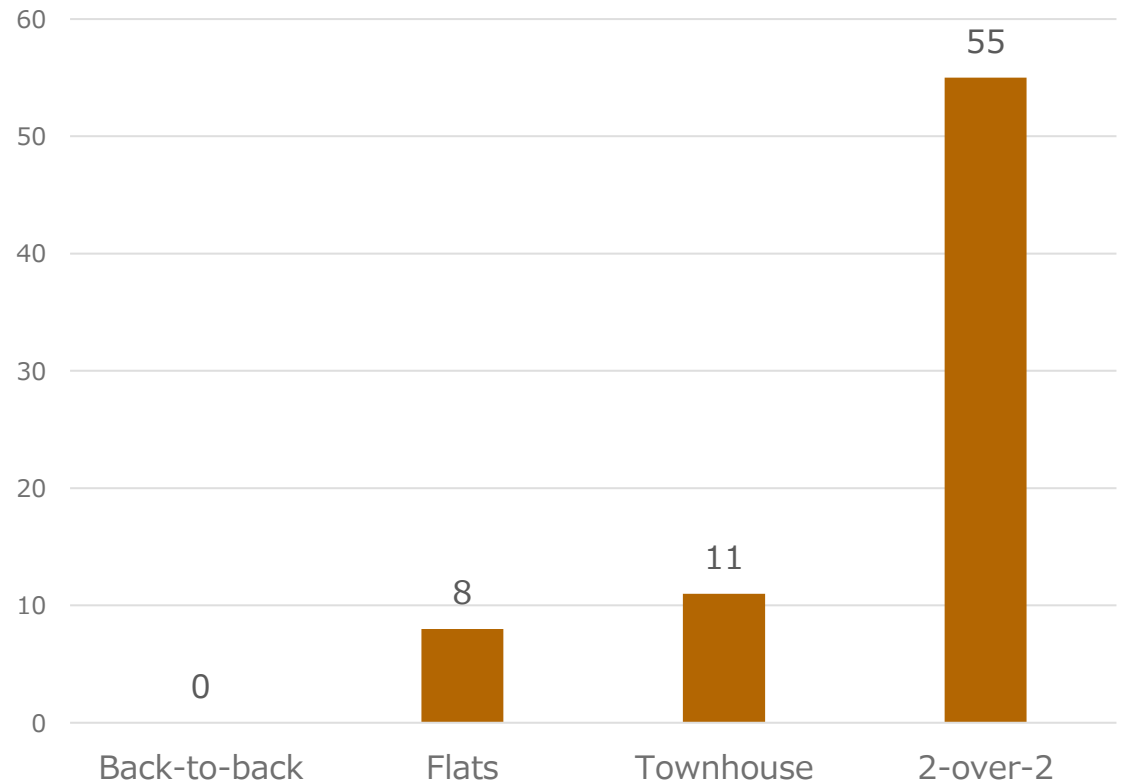
*The pipeline includes developments that anticipate delivering WDUs in 2023. Actual delivery within each development may occur over several years.

WDU Pipeline by AMI and Structure Type

WDUs in the Pipeline by AMI



Pipeline WDUs by Structure Type





WDU Sales

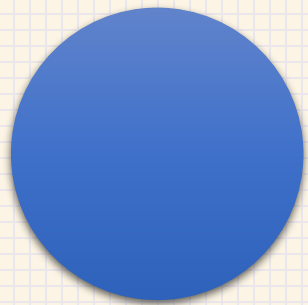
SALES THROUGH 4/28/2023

WDUs SOLD: Percent Sold by AMI

A low percentage of WDUs at 120% AMI have sold

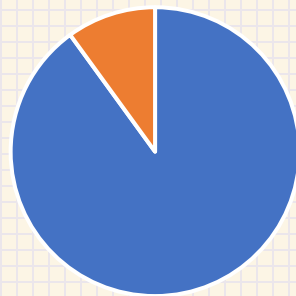
	Total WDUs	Sold	Unsold	% Sold
70% AMI	6	6	0	100%
80% AMI	30	27	3	90%
100% AMI	25	22	3	88%
120% AMI	12	7	5	58%
Total	73	62	11	85%

70% AMI - 100% Sold
(6 out of 6 units sold)



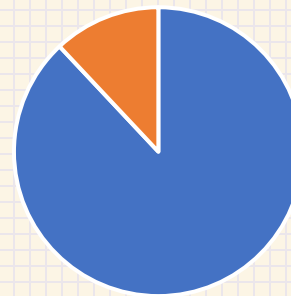
■ Sold ■ Available

80% AMI - 90% Sold
(27 out of 30 units sold)



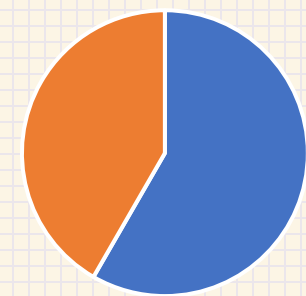
■ Sold ■ Available

100% AMI - 88% Sold
(22 out of 25 units sold)



■ Sold ■ Available

120% AMI - 58% Sold
(7 out of 12 units sold)



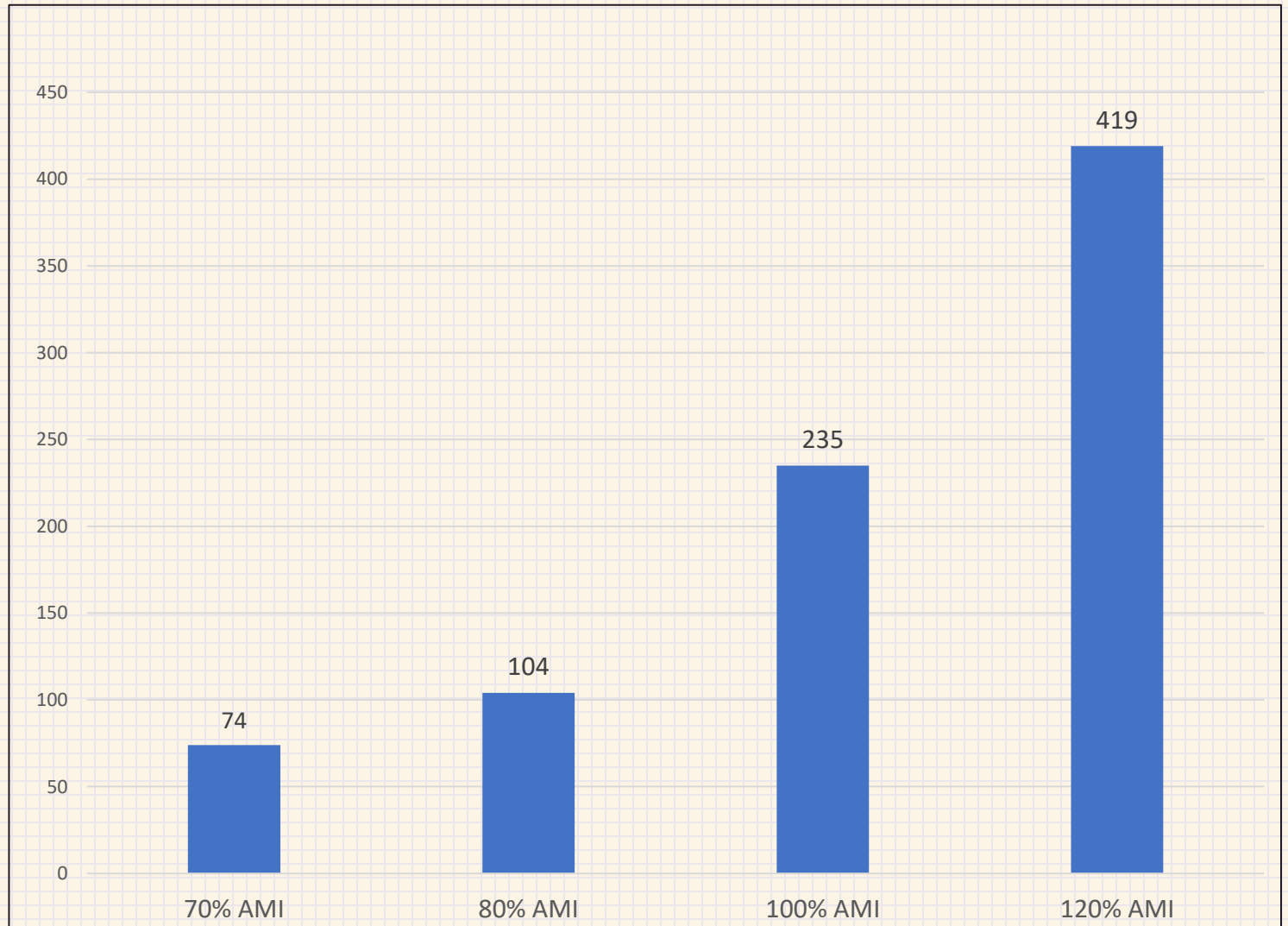
■ Sold ■ Available

WDUs SOLD: Average Number of Days to Sell

WDUs at higher AMIs take longer to sell

	Average # Days to Sell*
70% AMI	74
80% AMI	104
100% AMI	235
120% AMI	419

*from the date the Notice of Availability and Offering Agreement is fully executed



WDUs Sold with Seller Incentives

WDUs at higher AMIs need incentives to sell

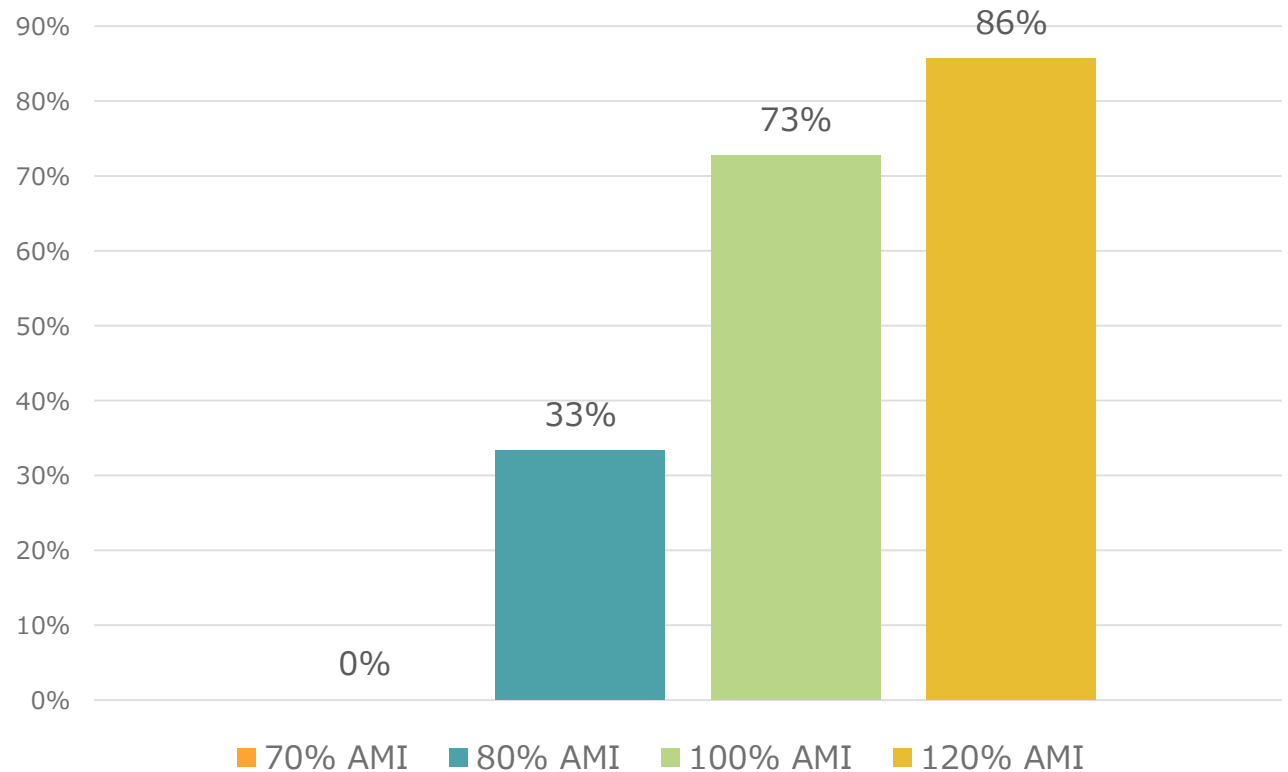
	Total WDUs	Sold	Lowered Price	Other Seller Incentive	Total WDUs sold with Incentive	% Sold with Seller Incentives
70% AMI	6	6	0	0	0	0%
80% AMI	30	27	0	9	9	33%
100% AMI	25	22	7	9	16	73%
120% AMI	12	7	1	5	6	86%
Total	73	62				

Seller incentives include:

- Lowering AMI
- Sales price reduction
- Closing cost assistance / seller credit
- Prepayment of condo fees

CDBG downpayment assistance from the FCRHA is available to buyers with income at or below 80% AMI.

Percentage of WDUs Sold with an Incentive

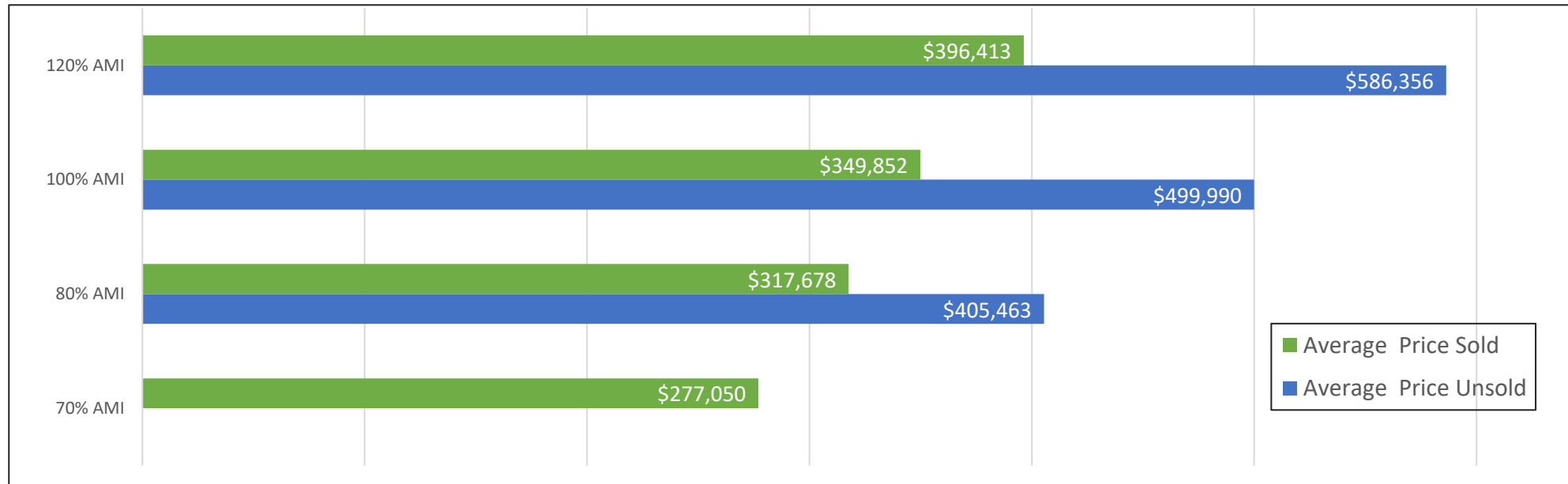


Comparison of Sold and Available WDUs

Incentives may be needed to sell remaining WDUs

	Sold Units				Available Units				
	Average Price	No Sale Incentive	Sale Incentives	Average # Days to Sell	Unsold*	Average Price	No Sale Incentives	Sale Incentives	Average # Days to Sell
70% AMI	\$ 277,050	3	3	74	0				0
80% AMI	\$ 317,678	1	26	104	3	\$ 405,463	2	1	249
100% AMI	\$ 349,852	5	17	235	3	\$ 499,990		3	181
120% AMI	\$ 396,413	1	6	419	5	\$ 586,356	3	2	189

*Contracts are pending on 2 of the 80% AMI units





WDU Challenges

Challenges

- **Sales Prices**
 - Starting prices set at maximum sales prices for all units regardless of structure type
 - Maximum sales prices unaffordable to most within income tier
- **Documents**
 - Lengthy approval process
- **Bonus Density**
- **AMI Levels:**
 - Higher AMI units have needed incentives to sell
 - Restricted properties are less attractive to buyers at higher income tiers who have option to purchase market units.
 - Condo fees and maintenance costs may affect affordability
 - Lack of ready pool of qualified applicants at higher AMI tiers





Thank you



Appendix

Area Median Income

Household Size	2022 Maximum Income Limits					
	60%	70%	80%	90%	100%	120%
1	\$59,800	\$69,700	\$79,700	\$89,650	\$99,600	\$119,500
2	\$68,300	\$79,700	\$91,100	\$102,450	\$113,850	\$136,600
3	\$76,850	\$89,600	\$102,450	\$115,250	\$128,050	\$153,700
4	\$85,400	\$99,600	\$113,850	\$128,050	\$142,300	\$170,750
5	\$92,250	\$107,550	\$122,950	\$138,300	\$153,700	\$184,400
6	\$99,050	\$115,550	\$132,050	\$148,550	\$165,050	\$198,050
7	\$105,900	\$123,500	\$141,150	\$158,800	\$176,450	\$211,750
8	\$112,750	\$131,450	\$150,300	\$169,050	\$187,850	\$225,400