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DOWNTOWN ELMIRA MARKET RATE HOUSING DEMAND STUDY UPDATE

December 2020

Background

In 2016, Southern Tier Economic Growth (STEG) recognized the combination of business, healthcare and academic institution expansions would be impacting the demand for housing in downtown Elmira, as well as cultural and social amenities. Simultaneously, it was anticipated the demand for housing would require an enhanced quality of life with strategies targeted at addressing blighted, vacant and underutilized properties, improving the aesthetics of downtown and capitalizing on assets such as the Chemung River.

Elmira's community leaders recognized it was the right time to capitalize on the opportunity to launch a comprehensive initiative that would realize the full potential of Elmira's downtown to be a walkable and vibrant neighborhood. Simultaneously, they had set forth an ambitious, but achievable goal to develop a plan of action that would strategically position Elmira's downtown to achieve long-term sustainability and become a desirable "neighborhood" with a diverse mix of housing, retail and commercial services, education and entertainment.

A study to access the demand for market rate housing in Elmira's downtown core was commissioned in 2016. The primary market area (PMA) was defined as that area from which the downtown could expect to draw the majority of its market rate rental residents, typically, 70% to 80%. The PMA for downtown Elmira was based on several factors including location, access to major commute corridors, drive time to and from major employers, strength and growth projections of anchors, location of competitive rental facilities, new market drivers such as the expansion of Elmira College and introduction of LECOM, and the distribution of target market groups.

Based on these factors, the PMA determined in 2016 included employers and residents in western Chemung County, as well as eastern Chemung County along I86 east to Waverly and Sayre, PA. Demand would be driven primarily by the major employers, Elmira College and plans for the Lake Erie College of Osteopathic Medicine (LECOM). Although Steuben County is within a reasonable commute time, it was determined to be a secondary draw area.

At the time of the 2016 report Elmira was not recognized for having an urban lifestyle and had not undergone transformations supported with major federal and New York State funding such as the \$10 million Downtown Revitalization Initiative grant.

Economic development factors driving potential demand included the changes in the workforce, increased college student population with the expansion of Elmira College and opening of the Lake Erie College of Osteopathic Medicine, and growth of the corporate sector.

Target market groups driving demand included

- **Empty Nesters (60-75 yrs of age)**
- **Executives and Senior Management Level Professionals**
- **Physicians and Other Health Care Professionals**
- **Medical Residents**
- **Engineers, Scientists and IT Professionals**
- **Young Professionals and College Faculty**
- **Elmira College and LECOM Students**

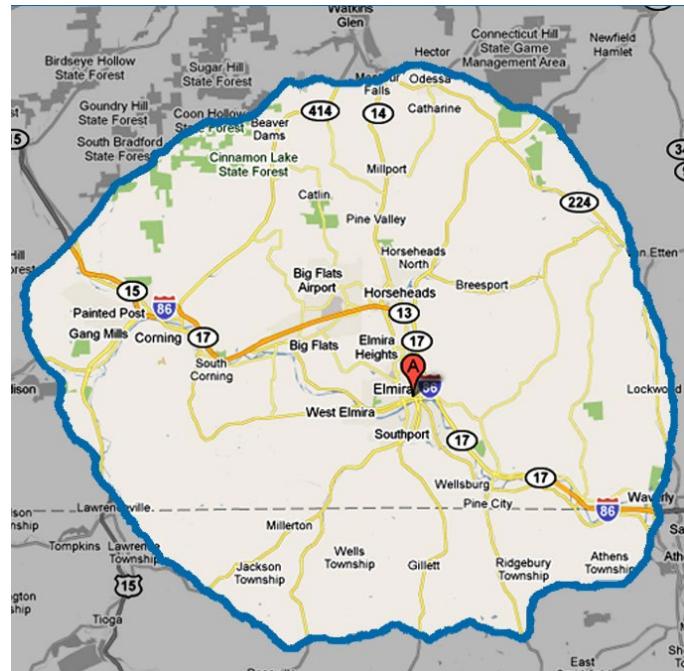
Using the same target market groups, with the exception of Elmira College students, this update report will forecast a conservation demand for the period 2021-2024 and a more optimistic forecast for the period 2022-2027.

Downtown Elmira's Catchment Area

This updated demand analysis defines Elmira's catchment area as a 20-mile radius, primarily to the east, west and south. This includes Corning, Big Flats, Horseheads, and communities in Pennsylvania's Northern Tier including Sayre. This ecosystem supports a population of approximately 150,000.

There are twenty-five anchor employers, 7,600 businesses and nearly 470,000 workers everyday within a 20-minute drive of Downtown Elmira. The local economy is closely tied to the economic prospects of the major employers in technology innovation, healthcare, and advanced manufacturing industries.

These employer clusters will continue to drive the demand for market rate rental housing during the next three year and six-year intervals.



Factors Impacting Demand for Market Rate Housing

Demographics

The population within a 10-mile radius is 80,768, and there are an estimated 150,000 persons living within a 20-mile radius.

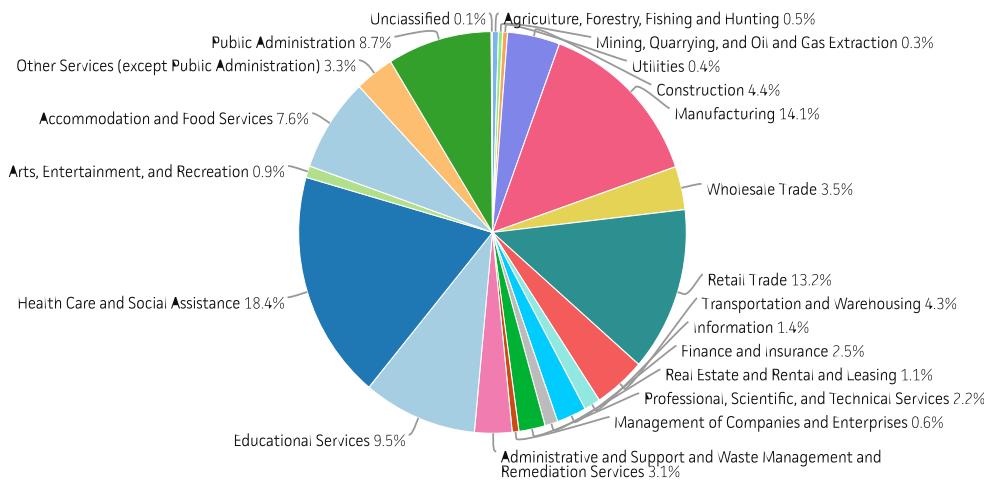
Since 2010 the population has declined by approximately 4,400 persons; however, this trend is expected to subside and drop by less than 1,600 by 2025.

Population	2-Mile	5-Mile	10-Mile
2010 Population	34,758	54,133	85,150
2020 Population	32,145	50,379	80,768
2025 Population Projection	31,285	49,229	79,189

Nearly one-third of the households are renters at 10,613, in comparison to the 21,981 owner-occupied households.

Workforce and Employment

The leading employment clusters in Chemung County are Healthcare and Social Services, Manufacturing, Education, and Retail Trade, which is related to the concentration of chain and big box retail in Big Flats.



Source: JobsEQ®, Data as of 2020Q2

The unemployment rate for Chemung County was 6.5% as of October 2020, lower than the national rate of 6.6%. One year earlier, in October 2019, the unemployment rate in Chemung County was 4.0%.

Although the overall workforce in Chemung County is projected to decline from 35,328 in Q2 2020 to 33,348 in Q2 2025, there are several sectors hiring due to a combination of retirements, people relocating and new technology development. During 2021 there is a projected demand to fill 3,400 jobs in Chemung County with the largest numbers in healthcare, manufacturing and retail trade. This represents one of the key factors influencing the continued demand for market rate housing in downtown Elmira.

Over the next year, the fastest growing occupation groups in Chemung County are expected to be in Healthcare.

Industry	Total Demand	Exits	Transfers
Health Care and Social Assistance	578	303	313
Manufacturing	411	191	327
Retail Trade	533	275	348
Educational Services	270	149	161
Public Administration	234	119	162
Accommodation and Food Services	421	192	242
Construction	145	54	97
Transportation and Warehousing	143	69	93
Wholesale Trade	106	49	81
Other Services (except Public Administration)	115	60	71
Waste Management and Remediation Services	119	54	73
Finance and Insurance	69	31	51
Professional, Scientific, and Technical Services	61	25	42
Information	32	17	29
Real Estate and Rental and Leasing	34	17	21
Arts, Entertainment, and Recreation	45	21	26
Management of Companies and Enterprises	15	7	11
Agriculture, Forestry, Fishing and Hunting	16	8	11
Utilities	10	5	8
Mining, Quarrying, and Oil and Gas Extraction	10	4	8
Unclassified	4	2	2
Total - All Industries	3,400	1,647	2,206

Source: JobsEQ®

Employment data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics and imputed where necessary. Data are updated through 2019Q4 with preliminary estimates updated to 2020Q2. Forecast employment growth uses national projections adapted for regional growth patterns.

Industry Sector Recruitment for Professional Positions

A wide range of industry sectors throughout the Downtown Elmira catchment area are actively hiring at the professional levels. These industry sectors span technology, engineering, and advanced manufacturing to healthcare and education. These same occupation groups have the highest average wages per worker including Management Occupations (\$115,200), Legal Occupations (\$93,600), Architecture and Engineering Occupations (\$77,200), and RN's (\$74,000). These wages are competitive with other regions outside of the New York City metropolitan area.

Recruitment and retention of qualified professionals is dependent on a desirable and competitive quality of life, particularly one that includes urban settings with dynamic downtowns, housing options, and culture and entertainment. Employers in the region report housing is the number one factor impacting their efforts to successfully recruit medical professionals, engineers, scientists, and management leadership. These employers also recognize that talented workers are choosing where to reside based on their preferred lifestyle and quality of place over employment opportunities as the national economy becomes increasingly digitized and connected. Those employers with the greatest potential to increase demand for housing in the Greater Elmira area during the next three-year interval include technology, healthcare and education.

Healthcare Industry

Healthcare is the largest industry sector employer in the region supporting more than 10,700 jobs in the large healthcare systems, as well as other organizations such a long-term care and home health. Arnot Health Inc. and the Guthrie Healthcare System are regional leaders in the healthcare industry and have the most significant economic impact among all employers in the Elmira catchment area. **Arnot Health, based in Elmira**, is a healthcare leader serving as a regional integrated healthcare delivery system. Arnot Health is the largest employer with a workforce of 3,900, including 300 physicians spanning 50 specialties. It is among the top ten employers in the Southern Tier's 8-county region, second only to Corning Incorporated in its 3-county service region of Chemung, Schuyler and Steuben counties. Its main hospital facilities are located in Elmira, with clinics in Horseheads and the Greater Corning Area. **Guthrie Healthcare, based in Sayre, PA** approximately 20 miles east of Elmira, and operates Guthrie Clinic in Sayre, Corning Hospital in the Town of Corning and Guthrie Centerway in the City of Corning.



Both Arnot Health and Guthrie are actively engaged in recruiting physicians and RN's, as well as persons in IT and administrative leadership positions. During the next five years, these two healthcare systems combined with other healthcare organizations in the Greater Elmira catchment area will be actively filling no less than 700 positions in these categories, including new positions and those being vacated due to retirement or relocation. Based on interviews with both healthcare systems, it is reported these major employers now look to Elmira's downtown revitalization as asset for upscale market rate residential housing options.

Education

The Lake Erie College of Osteopathic Medicine (LECOM) at Elmira is a medical school in the City of Elmira. Construction on the \$20 million, 49,000 square-foot state-of-the art academic complex began in 2019 and the first class was admitted in 2020. By 2024, it is expected the annual enrollment to total 450. As a result, the Elmira area will see an influx of health care practitioners in the coming decades, filling a void for the medically underserved in western NYS.



Technology and Innovation

Corning Incorporated, with World-wide Headquarters in Corning, NY just 18 miles to the west of Elmira, is a global leader in technology and innovation. The company spends nearly \$1 billion each year on research and with its cutting-edge product innovation holds a global leadership position in several fields ranging from Automotive, to Display, Mobile Consumer Electronics, Life Sciences and Optical Communications. For this reason, the company actively recruits professionals for positions in many fields ranging from engineering to R&D and senior level management.

Advanced Manufacturing Industry

The Elmira area is recognized for its concentration of manufacturing companies including Hilliard Corporation, DePuy Synthes, Kennedy Valve, Vulcraft, Anchor Glass, F.M. Howell, and Seneca Beverage. Advanced manufacturing is seeing a significant resurgence and many area businesses have made significant investments in the past three years including DeMet's Candy completing a 100,000 sq. ft. expansion in the Town of Big Flats, CemeCon Inc. is creating a national headquarters in Horseheads, and EkoStinger opening a manufacturing facility in Big Flats. In addition, Corelle Brands is investing \$50M in its "Factory of the Future" in the Corning area. In 2021 Hardinge, a leading international provider of advanced metal-cutting and material-cutting tool solutions and accessories, is shifting the manufacturing of its milling and turning machine center solutions from Taiwan to its plant in the City of Elmira. This will result in a substantial increase of the workforce and significant investments in expanding and modernizing the Elmira facility, making it one of the most advanced precision tools manufacturing plants in the world.

Location and Convenience

Elmira is strategically located directly on an exit of a major highway corridor. Interstate 86 Interstate 86 provides easy east-west access to jobs for the regional workforce, as well as business markets and cultural destinations in New York City, Buffalo and Toronto within a four-hour drive. I-86 also provides connections to I-390 North to the New York State Thruway (I-90) and Rochester, I-81 North to I-90, Syracuse and Canada, I-81 South to Washington D.C., I-88 to Albany and Montreal, and the new I-99 to the Pennsylvania Turnpike and I-80.



In addition, the Elmira-Corning Regional Airport (ELM) is located 6 miles from Elmira's downtown. It is the major regional airport serving a multi-county area and providing the service of three major airline carriers.

Affordability

Elmira is an affordable community with a cost-of-living index of 75%, as compared to New York State at 120 and Chemung County at 94.¹ Elmira's 3rd quarter 2020 home value index is at \$101,876 according to Zillow, as compared to New York State at \$305,400 and the surrounding area at \$106,500. Elmira also has been named in a list of top 10 cities in the US, both big and small, as desirable because of its inexpensive housing and high level of gigabit internet connectivity at a low cost.

¹ JobsEQ3. C2ER, data as of 2019q4.

Elmira's Urban Lifestyle

Until 2010, Elmira had faced decades of disinvestment due to manufacturing decline. Since then, more than \$150 million of development has been invested into the City. These public and private investments have made a significant impact on the City's community and economic development environment, resulting in a new "urban vibe" setting.

Talented professionals from across the country are looking for authentic and connected mixed-use environments with walkable access to services and amenities, vibrant downtowns, diverse housing options, and direct access to transit. Elmira's downtown is developing a recognized urban lifestyle with new market rate housing combined with a commercial, cultural, and civic activities setting.



Elmira's Urban Setting

Attributes Young and Mid-career Professionals Seek

- Location on the Chemung River
- Downtown Historic District with architecturally significant churches and buildings with unique facades undergoing repurposing
- Downtown arts and entertainment
- Mass transportation
- Urban landscape
- Walkable downtown with its wide sidewalks, updated streetscape and large parks.
- High speed internet connectivity at a low cost
- Access to healthcare choices among high quality systems
- Access to government services
- Strong financial industry core
- Upgraded corridors and streetscape

Regional Housing Investment Trends

During the past five years investments totaling an estimated \$50 million have been made in new construction and repurposing of buildings in downtown Elmira to support 185 units of market rate housing such as 18 units at 110 North Main Street. By early 2021 the total new inventory will increase to 280 units of market rate housing, including 115 units to house LECOM students, 100 units in the former Mark Twain Hotel, 11 units under construction at 110 Baldwin Street and 10 units at 111 North Main Street.



In late 2020, Arbor Housing and Development completed renovation of a cluster of historic buildings on the Gerard Block of Lake Street that had been vacant for 40 years. The project includes 22 affordable apartments designed to house artists.

Greater Elmira Market Rate Housing Trends

(City of Elmira, Village of Horseheads and Towns of Horseheads and Big Flats)

Vacancy Rate Trends and Forecasts:

- ✓ In Q4 2019 the vacancy rate among all market rate properties in the Greater Elmira Market was 3.18% as compared to the US at 6.4%.
- ✓ The Greater Elmira Market vacancy rate was only 2.2% among 3-5 star properties in 2019.
- ✓ In Q2 2020 the overall vacancy rate among all market rate rental properties declined to 1.7% among all market rate units in the Greater Elmira Market, as compared to 6.4% among all properties across the US. And the vacancy rate in the Greater Elmira Area Market was only 1.6% among 3-5 star properties.
- ✓ The Q3 2020 overall vacancy rate in the Greater Elmira Market held at 1.5%.
- ✓ The projected vacancy rate in the Greater Elmira Market for Q4 2020 is 1.14%, and 1.6% in 3-5-star properties. This is compared to a projected rate of 7.4% in the US.
- ✓ The projection for Q4 2021 is for a 2.2% vacancy rate in the Greater Elmira Market as compared to 8.2% across the country.
- ✓ The projected vacancy rate for Q4 2024 is 4.4% for all market rate properties in the Greater Elmira Market as compared to 6.8% at the national level.

Market Rent Trends and Forecasts:

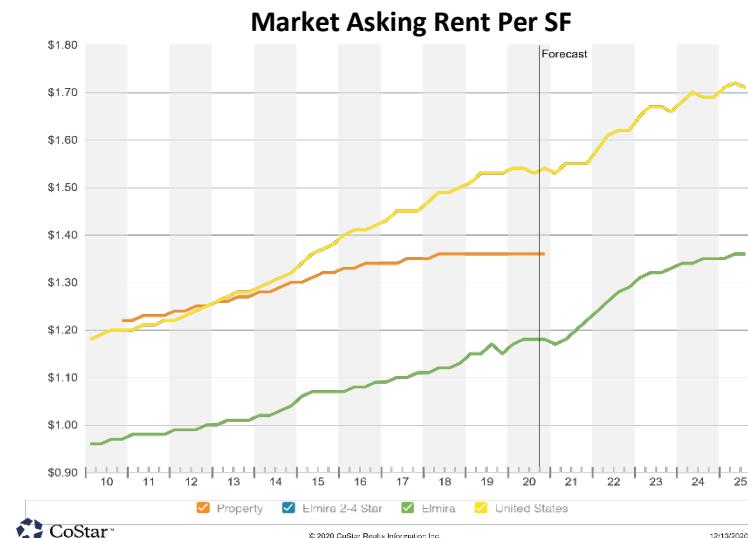
- ✓ In the Greater Elmira market, the rental rates per unit are projected to decline slightly (-0.9%) year-over-year 2019 – 2020.
- ✓ However, in the immediate Elmira Market, the rental rates among 3-5 star properties is expected to remain steady.
- ✓ By year-end 2022, the overall vacancy rate in the Greater Elmira Market is projected at 4%, as compared to the US market at 7.6%.

Property Value Trends and Forecasts:

- ✓ In the Greater Elmira market, the property values for all market rate properties is expected to decline 0.1%.
- ✓ However, the property values for 3-5 star properties in the immediate Elmira area are expected to increase 0.3% over the next year.

Overall Trends in Rents: 2019 – 2024

The average actual asking rent in 2017 was \$1,078 and subsequently rental rates had been growing at 5.9% year-over-year. Rates have grown over three years, and by the end of 2020 the actual rent rate is expected to be at \$1,168. Further, it is projected the average actual rent will be \$1,364 by 2022 and increase to \$1,463 by 2024.



Comparison of Rent Rates as of Q3 2020

Rent Per Square Foot for All Rental Levels in the Greater Elmira Market

US: \$1.52

All Market Rate Properties in Greater Elmira Area: \$1.12

3-5 Star Market Rate Properties in Greater Elmira Area: \$1.12

Average Rent Per Bedroom for All Rental Levels in the Greater Elmira Market

3-bedroom \$1,274 2-bedroom \$977

1-bedroom \$712 Studio \$791

INVENTORY	MARKET 3-5 STAR	OVERALL MARKET
Inventory Units	913	2,096
Existing Buildings	13	103
Avg Units Per Bldg	70	20
12 Mo Demolished Units	0	0
12 Mo Occ % At Delivery	73.5%	86.3%
Under Construction Units	20	-

There are currently 2,096 market rate apartment units, of which 913 are 3-5 star properties with only 15 vacant units, which translates into a vacancy rate of 1.6%.

AVAILABILITY	MARKET 3-5 STAR	OVERALL MARKET
Vacancy Rate	1.6%	1.7%
Vacant Units	15	35
Market Asking Rent/Unit	\$1,168	\$914
Market Effective Rent/Unit	\$1,164	\$910
Studio Asking Rent	\$797	\$791
1 Bedroom Asking Rent	\$917	\$712
2 Bedroom Asking Rent	\$1,258	\$977
3 Bedroom Asking Rent	\$1,447	\$1,274

DEMAND	MARKET 3-5 STAR	MARKET
12 Mo Absorption Units	7	25
12 Mo Absorption % of Inv	0.8%	1.2%
Median Household Income	-	\$54.9 K
Population Growth 5 Yrs	-	-2.5%
Pop Growth 5 Yrs 20-29	-	-8.2%
Pop Growth 5 Yrs 30-39	-	-4.1%
Pop Growth 5 Yrs 40-54	-	-0.1%
Pop Growth 5 Yrs 55+	-	2.1%

Comparison of Market Rate Apartments in the

Greater Elmira Market

Name	Address	Units	Yr Built	Avg SF	Rent per Unit	Studio	1 bed	2-bd	3-bd	Occup Rate	Studio	1-bd	2-bd	3-bd
100 W. Water St	100 W. Water	51	2019	832	\$1,132	-	\$986	\$1,401	-	100%	0	33	18	0
Heritage Park	701 E Water St.	212	-	1,113	\$976	-	\$712	\$935	\$1,198	100%	0	47	107	30
Colonial Manor	1073 Sing Sing Rd Horseheads	144	2020	975	\$1,549	-	\$1,110	\$1,505	-	100%	-	24	120	0
Botcher's Landing	500 Bottchers Dr Big Flats	56	-	1,256	\$1,325	-	-	\$1,176	\$1,573	98.2%	0	0	35	21
Bitmore Crossing	81 Bitmore Crossing Horseheads	56	2014	969	\$653	-	\$561	\$670	\$771	100%	0	16	32	8

Sample Inventory of Apartments in Greater Elmira Area

100 West Water Apts.
100 West Water Street
Elmira

Rating: 3-star

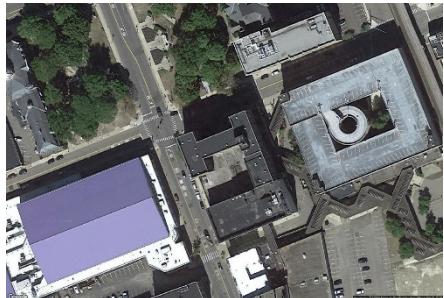
Vacancy Rate: 0.0%



Bedrooms	Units	Avg SF	Asking Rent/Unit
1	33	684	\$986
2	18	1,102	\$1,401
Totals	51	832	\$1,132

Mark Twain Building
149 W Gray St
Elmira

Vacancy Rate: TBD



Bedrooms	Units	Avg SF	Asking Rent/Unit
Studio	48	435	\$797
1	48	633	\$675
2	4	945	\$808
Totals	100	550	\$739

Colonial Manor Apts
1073 Sing Sing Rd.
Horseheads

Rating: 4-star

Vacancy Rate: 0%



Bedrooms	Units	Avg SF	Asking Rent/Unit
1	24	893	\$1,110
2	120	1,158	\$1,505
Total/Avg	144	1,113	\$1,439

Hickory Grove Apts – Stillwater and The Meadows
100 Stillwater Drive
Horseheads

Rating: 3-star

Vacancy Rate: 4%



Bedrooms	Units	Avg SF	Asking Rent/Unit
1	40	899	\$1,188
2	173	1,228	\$1,460
3	33	1,391	\$1,607
Totals/Avg	248	1,197	\$1,435

Bottchers Landing
500 Botchers Drive
Big Flats

Rating: 3-star

Vacancy Rate: 2%



Bedrooms	Units	Avg SF	Asking Rent/Unit
2	35	1,138	\$1,176
3	21	1,452	\$1,573
Totals	56	1,256	\$1,325

Bitmore Crossing
81 Bitmore Crossing
Horseheads

Rating: 4-star

Vacancy Rate: 2%



Bedrooms	Units	Avg SF	Asking Rent/Unit
1	16	750	\$561
2	32	1,036	\$670
3	8	1,136	\$771
Totals	56	969	\$653

Demand Forecast

Overall Unit Demand Forecast

A downtown market rate housing study was conducted in 2016 and forecasted a demand for 330-400 units by 2022. Investors responded and 280 units will have been developed by early 2021.

Based on an updated 2020 analysis, the demand for market rate rental housing continues to be driven by growth in technology, healthcare and academic institutions, with a particular emphasis on regional hiring for professionals including physicians, RN's, engineers, scientists and educators moving to the area.

This will result in demand for a minimum of 230 units and potentially 300 additional units for the period 2021-2024. With a continued desire for an urban lifestyle this number has the potential to reach a total demand for 500 to 645 units during the period 2021-2027.

Target Market Groups

55+ Empty Nesters: Empty nesters are defined as those who are retired or no longer have children at home and are in the age range of 55 – 75 years. The upper income empty nester group in Elmira includes retired engineers, senior management and other professionals who want to reside in Elmira on a permanent basis, as well as those who want a rental situation that allows them the opportunity to spend the winter months in a warm climate.

The vast majority (92%) of these older adults want to continue to live in their own apartments and homes. In both Elmira and Chemung County, that number has grown from 16% in 2016 to 20% in 2020; and, 1 in every 5 residents are over the age of 65. Local real estate professionals report there are typically 15-20 empty nester households per year with the desire to sell their single-family home (typically \$75,000 – \$125,000) and downsize to a quality rental providing them with quality amenities and accessibility. This group seeks an upscale apartment in an urban setting, which is reflected in the tenant mix in the new 100 W. Water Street apartment development. There continues to be demand among those who desire a quality property located in downtown Elmira that provides walkability and convenient parking.

Annual demand by this target market group is forecasted at 5 - 15 units annually over the next 3-4 years and is expected to be 20 – 40 units over the next 7 years. The rent range for this target group of upper income empty nesters is forecasted to be \$950 – \$1,150 for a one-bedroom, and \$1,300 – \$1,750 for a two-bedroom depending on size and amenities.

Executives and Senior Management Level Professionals: There are two subgroups who seek a rental situation in downtown Elmira. One group includes those who are locating to the area and prefer to rent for at least one year prior to purchasing a single-family residence. This group requires 2-3 bedrooms, typically with 1,200 – 1,700 square feet. The second subgroup includes those who maintain a permanent residence in communities such as Syracuse and Rochester and seek an apartment for a partial week while working in the region. A one-bedroom luxury apartment with 900 – 1,000 square feet would meet their needs.

Both of these subgroups are seeking a sophisticated urban atmosphere, with modern conveniences and creative upgrades including designer countertops, high-end appliances and fixtures, in-unit washer and dryer, plus quality tile and carpeting. Annual demand for apartments is forecasted at 15 – 20 by 2024 and 40 – 65 by 2027. Depending on size and amenities, the rent range for this target group is forecasted to be \$950 – \$1,250 for a one-bedroom and \$1,300 – \$1,600 for a two-bedroom; and \$1,200 – \$1,400 for a luxury one-bedroom, and \$1,700 – \$1,850 for a spacious luxury two-bedroom.

Physicians, RN's, and Other Health Care Professionals: Arnot Health, Guthrie Healthcare and other healthcare organizations within a 20-mile radius typically hire no less than 120 - 150 physicians, RN's, high-level medical professionals and administrators annually. This target market group is facing a significant void in market rate housing options to meet their needs and expectations; particularly those being recruited to work in the Sayre, PA area. Many are being forced into purchasing rather than renting an upscale apartment; a less than desirable option for those who want to become acquainted with the community before committing to a purchase. This is particularly an issue for those who are single and couples with no children. It is expected 15-25 individuals in this target market group would be seeking market rate housing during the period 2021-2024 and 20-30 individuals during 2021-2027, with a rent range of \$1,200 – 1,475 for a luxury one-bedroom, and \$1,700 – 2,000 for a spacious luxury two-bedroom.

Engineers, Scientists and IT Professionals: Many of the individuals being actively recruited will be young and have previously lived in a large community where loft style apartments in an urban setting are popular. This group also includes native young professionals. The average annual salary for this group is in the \$95,000 – \$125,000 range. Because many persons in this group are married with children, the forecast for annual demand is set at 10-15 units in the next 3-4 years, but there is potential for this demand to increase to 35-50 units by 2027. It is likely their preference will be for apartments with high quality amenities, including one-bedroom unit in the \$1,200 – \$1,300 range and a two-bedroom unit in the \$1,400 – \$1,700 range.

College Faculty and Young Professionals: Young professionals includes attorneys, accountants, financial advisors, engineers and healthcare administrators under the age of 40 with salaries of \$65,000 - 90,000. And it is projected 45-50 faculty positions will be created by Elmira College and LECOM over the next five-year period, and by 2027 a cumulative total of 75 new faculty members could be hired. The annual demand is forecast to be 10-15 units in the next 3 years but has the potential to increase to 35- 50 units by 2027. The affordable rent range for this group is \$725 - \$850 for a small one bedroom and \$950 – \$1,200 for a one bedroom, and up to \$1,300 for a 2-bedroom.

Medical Residents: The primary affiliation of these physicians in training and residency will be with Arnot Health based Elmira. It is forecasted the number will increase from the current 75 to approximately 150 residents annually, who will have a salary of \$50,000. Because many of these residents will be married or already are residing in the Elmira/Horseheads area, it is expected the majority will continue to live in apartment complexes in Horseheads or in houses being rented in the Elmira area. The forecasted annual demand for market rate housing in downtown Elmira is 35 beginning in 2022 and reaching a maximum of 45 by 2024. This number has the potential to increase to 70-100 by 2027. The maximum rent range for this group is \$750-\$950 for a one-bedroom apartment.

LECOM and Elmira College Students: Beginning summer 2020 the first class of 90 students arrived. That number will grow incrementally over a five-year period and eventually reach 450 students by 2023. As early as 2023, an estimated 240-255 medical students will elect to live in the downtown area in order to be in close proximity to their education classes. A 115-unit apartment building has been constructed to meet the initial demand, but there is additional demand projected at 145-165 new apartment units required to house this group by 2024.

Summary of Demand by Renter Groups

Conservative Estimate of Additional Demand 2021 - 2024

Target Market Group	Minimum Additional Demand	Maximum Additional Demand
1. 55+ Empty Nesters Selling Local Homes and Planning to Remain in the Area	5	15
2. Professionals locating to the Elmira Area	15	20
3. Healthcare Professionals	15	25
4. Engineers, Scientists, IT	10	15
5. College Faculty and Young Professionals	10	15
6. Medical Residents	35	45
7. LECOM and Elmira College Students	145	165
TOTAL	235	300

Estimate of Additional Demand 2022 - 2027

Target Market Group	Minimum Additional Demand	Maximum Additional Demand
1. 55+ Empty Nesters Selling Local Homes and Planning to Remain in the Area	20	40
2. Professionals locating to the Elmira Area for Employment	40	65
3. Healthcare Professionals	20	30
4. Engineers, Scientists, IT Professionals	35	50
5. College Faculty and Young Professionals	35	50
6. Medical Residents	70	100
7. LECOM and Elmira College Students	250	300
TOTAL	500	645

Forecast Demand by Rental Rate Range: 2021-2024

	Studio and Small 1-bed	1-bed	Luxury 1-Bed	2-bed	Spacious 2-bed
	\$725 - \$850	\$925 - \$1,100	\$1,150 - \$1,300	\$1,250 - \$1,400	\$1,500 - \$1,800
Maximum Forecast Demand by Target Market Group					
55+ Empty Nesters		5	5	3	2
Professionals Locating to Area		5	3	5	7
Healthcare Professionals			5	10	10
Engineers, Scientists, IT Professionals		2	3	5	5
College Faculty and Young Professionals	5	5		5	
Medical Residents	5	18		22	
LECOM and Elmira College Students	80	65		20	
TOTAL	90	100	16	70	24