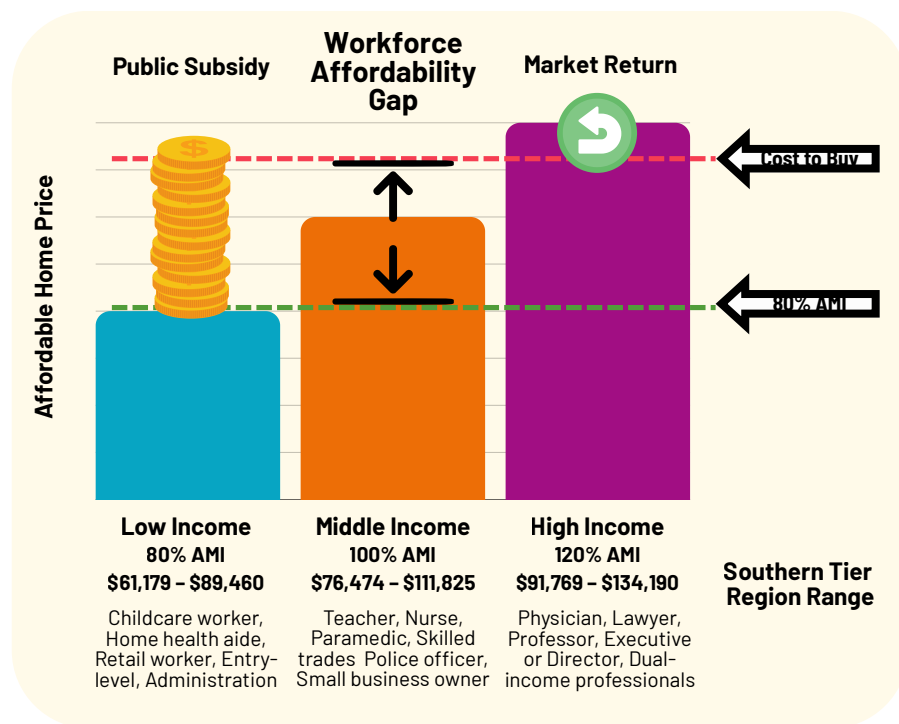


Addressing the Southern Tier's Workforce Challenge: Housing



HOUSING AFFORDABILITY FOR THE LOCAL WORKFORCE

Based on the 2023 ACS data, across the U.S., the median income in 2023 was \$96,922, with 80% of that income at roughly \$77,500 and 120% at \$116,300. New York State's median was even higher at \$105,060, pushing the "middle-income" band to \$84,000–\$126,000. But in most Southern Tier counties, median incomes are \$20,000–\$30,000 lower. That means a large proportion of households in our region fall far below statewide and national standards for what's considered "middle income."



KEY MEASURES:

Median Home Values:

Median values represent owner-reported estimates of home worth, reflecting the overall condition and composition of the housing stock. While relatively stable, they may lag behind rapid market changes and often capture older, less updated homes. (US Census Bureau's American Community Survey 5 year estimates)

Median Sale Price:

Median sale prices represent recent buyer costs and market demand but are more volatile, especially in areas with fewer sales or limited inventory. They reflect what homes actually sell for today, often influenced by demand pressures and the availability of move-in ready properties. (New York State Association of Realtors 2023 Annual Report)

"Affordable" Home Loan Range (20%-30% of Gross Annual income):

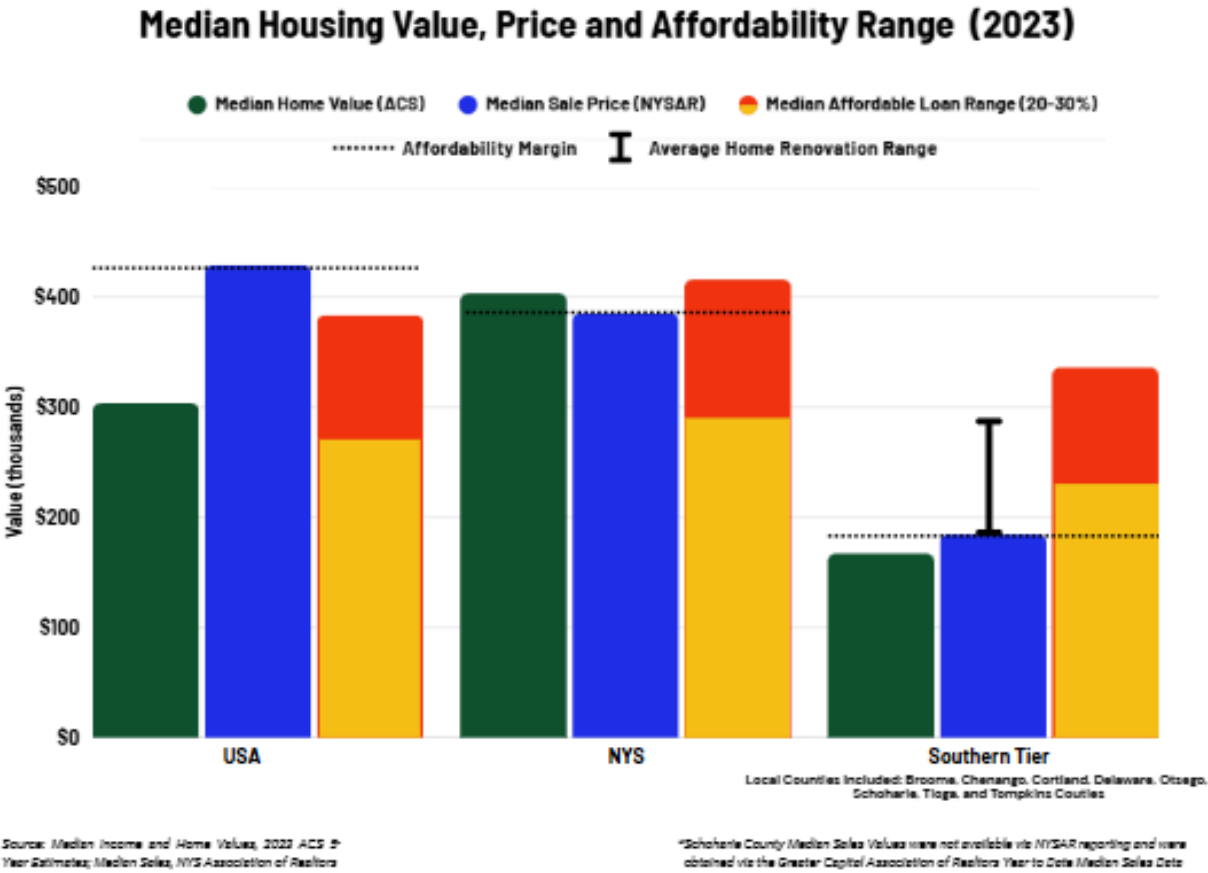
Affordable housing loan calculated using local median incomes from the ACS 2023 5 year estimates. Assumes households spend no more than 30% of their gross income on housing costs (HUD standard affordability rule), and a 30 year mortgage at 6.5% interest and 3.5% down payment. Recognizing local costs and other expenses, we applied a second threshold, a more conservative 20% to better capture realistic affordability. This dual benchmark approach provides a cautious but consistent way to evaluate affordability range at a very high level.

Affordability Margin:

Difference between what a household can afford and the actual cost of a home. A positive margin means the household has financial room to cover additional housing-related costs, while a negative margin indicates purchase may not be feasible. This represents the cushion that a homeowner would have to be competitive in the market, handle volatility in other homeownership costs, as well as volatility in other related expenses.

Average Home Renovation Range:

Rough estimate of what is needed to make older homes livable, safe and energy-efficient. While actual costs vary widely based on property condition, region, and scope of work, national and regional benchmarks (via HomeGuide.com) suggest renovation costs can easily reach an average of \$100,000 for homes requiring roof, HVAC, plumbing, or efficiency upgrades. These repair needs often go unaccounted for in affordability calculations, yet directly affect whether a home is truly livable, financially sustainable, and a sound equity investment for the average resident.



Workforce Affordability:

Lacking the ability to grow like other areas of the State and Appalachia, the Southern Tier has not only lost more jobs across all industries, the communities have not been able to recover like others. Since 2000, while non-Appalachia New York State (and the USA) have experienced continued employment growth by more than 9%, while the Southern Tier of New York has experienced decline more rapidly than the rest of Appalachia, 10 percentage points below the USA and the State, 5 percentage points below Appalachia. See ARC’s “Industrial Makeup of the Appalachian Region” (Total Employment, page 22).

TOTAL EMPLOYMENT % CHANGE

Year	USA	NYS (outside Appalachian)	Appalachian NY (Southern Tier)
2002 - 2007	9%	7.4%	2.4%
2007 - 2012	0%	3.5%	-4%
2012 - 2017	10%	9.3%	-1.1%