

# Market Feasibility Analysis

Carrier Point I  
2800 Jefferson Avenue  
Newport News, Newport News City, Virginia 23607

*Prepared For*

Ms. Karen Wilds  
Newport News Redevelopment and Housing Authority  
227 27<sup>th</sup> Street, P.O. Box 797  
Newport News, Virginia 23607

*Authorized User*

Virginia Housing Development Authority (VHDA)  
601 S. Belvidere Street  
Richmond, VA 23220

*Effective Date*

February 19, 2019

*Job Reference Number*

19-127 JP



155 E. Columbus Street, Suite 220  
Pickerington, Ohio 43147  
Phone: (614) 833-9300  
Bowennational.com

# Market Study Certification

## NCHMA Certification

This certifies that Jeff Peters, an employee of Bowen National Research, personally made an inspection of the area including competing properties and the proposed site in Newport News, Virginia. Further, the information contained in this report is true and accurate as of February 19, 2019.

Bowen National Research is a disinterested third party without any current or future financial interest in the project under consideration. We have received a fee for the preparation of the market study. However, no contingency fees exist between our firm and the client.

## VHDA Certification

I affirm the following:

1. I have made a physical inspection of the site and market area
2. The appropriate information has been used in the comprehensive evaluation of the need and demand for the proposed rental units.
3. To the best of my knowledge the market can support the demand shown in this study. I understand that any misrepresentation in this statement may result in the denial of participation in the Low-Income Housing Tax Credit Program in Virginia as administered by VHDA.
4. Neither I nor anyone at my firm has any interest in the proposed development or a relationship with the ownership entity.
5. Neither I nor anyone at my firm nor anyone acting on behalf of my firm in connection with the preparation of this report has communicated to others that my firm is representing VHDA or in any way acting for, at the request, or on behalf of VHDA.
6. Compensation for my services is not contingent upon this development receiving a LIHTC reservation or allocation.

Certified:



Patrick M. Bowen  
President/Market Analyst  
Bowen National Research  
155 E. Columbus St., Suite 220  
Pickerington, OH 43147  
(614) 833-9300  
[patrickb@bowennational.com](mailto:patrickb@bowennational.com)  
Date: February 19, 2019





Jeff Peters

Market Analyst

[jeffp@bowennational.com](mailto:jeffp@bowennational.com)

Date: February 19, 2019

## Table of Contents

- I. Introduction
  - II. Executive Summary
  - III. Project Description
  - IV. Area Analysis
  - V. Rental Housing Analysis (Supply)
  - VI. Achievable Market Rent Analysis
  - VII. Capture Rate Analysis
  - VIII. Local Perspective
  - IX. Analysis & Conclusions
  - X. Site Photographs
  - XI. Comparable Property Profiles
  - XII. Field Survey of Conventional Rentals
  - XIII. Qualifications
- Addendum A – NCHMA Member Certification & Checklist



# I. Introduction

## A. PURPOSE

The purpose of this report is to evaluate the market feasibility of a proposed Low-Income Housing Tax Credit (LIHTC) project to be developed in Newport News, Virginia. This study was initiated by Ms. Karen Wilds of Newport News Redevelopment and Housing Authority and complies with the guidelines of the Virginia Housing Development Authority (VHDA). This study conforms to the standards adopted by the National Council of Housing Market Analysts (NCHMA). These standards include the accepted definitions of key terms used in market studies for affordable housing projects and model content standards for the content of market studies for affordable housing projects. These standards are designed to enhance the quality of market studies and to make them easier to prepare, understand and use by market analysts and end users.

## B. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

- The Primary Market Area (PMA) generated for the proposed site is identified. The Site PMA is generally described as the smallest geographic area expected to generate most of the support for the proposed project. Site PMAs are not defined by radius. The use of a radius is an ineffective approach because it does not consider mobility patterns, changes in socioeconomic or demographic character of neighborhoods or physical landmarks that might impede development.

PMAs are established using a variety of factors that include, but are not limited to:

- A detailed demographic and socioeconomic evaluation.
  - Interviews with area planners, realtors and other individuals who are familiar with area growth patterns.
  - A drive-time analysis to the site.
  - Personal observations of the field analyst.
  - An evaluation of existing housing supply characteristics and trends.
- A field survey of modern apartment developments is conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the apartment market. This is accomplished by an evaluation of unit mix, vacancies, rent levels and overall quality of product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the proposed property. Given the complexity of the LIHTC market, there might be multiple comparable properties.

- Two types of directly comparable properties are identified through the field survey. They include other Section 42 LIHTC developments and market-rate developments that offer unit and project amenities similar to the proposed development. An in-depth evaluation of those two property types provides an indication of the potential of the proposed development.
- Economic and demographic characteristics of the area are evaluated. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics and area growth perceptions. The demographic evaluation uses the most recently issued Census information, as well as projections that determine what the characteristics of the market will be when the proposed project opens and after it achieves a stabilized occupancy.
- Area building statistics and interviews with officials familiar with area development provide identification of those properties that might be planned or proposed for the area that will have an impact on the marketability of the proposed development. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, the timing of the project and its impact on the market and the subject development.
- We conduct an analysis following VHDA and NCHMA market study guidelines of the subject project's required capture of the number of income-appropriate households within the Site PMA. This analysis is conducted on a renter household level and a market capture rate is determined for the subject development. This capture rate is compared with acceptable capture rates for similar types of projects to determine whether the subject development's capture rate is achievable. In addition, Bowen National Research also compares all existing and planned LIHTC housing within the market to the number of income-appropriate households. The resulting penetration rate is evaluated in conjunction with the project's capture rate.
- Achievable market rent for the proposed subject development is determined. Using a Rent Comparability Grid, the features of the proposed development are compared item-by-item with the most comparable properties in the market. Adjustments are made for each feature that differs from that of the proposed subject development. These adjustments are then included with the collected rent resulting in an achievable market rent for a unit comparable to the proposed unit.

### **C. SOURCES**

Bowen National Research uses various sources to gather and confirm data used in each analysis. These sources include the following:

- The 2000 and 2010 Census on Housing
- American Community Survey
- ESRI
- Urban Decision Group (UDG)
- Applied Geographic Solutions
- U.S. Department of Labor
- Management for each property included in the survey
- Local planning and building officials
- Local housing authority representatives
- U.S. Department of Housing and Urban Development (HUD)

### **D. REPORT LIMITATIONS**

The intent of this report is to collect and analyze significant levels of data to forecast the market success of the subject property within an agreed to time period. Bowen National Research relies on a variety of data sources to generate this report. These data sources are not always verifiable; Bowen National Research, however, makes a significant effort to assure accuracy. While this is not always possible, we believe our effort provides an acceptable standard margin of error. Bowen National Research is not responsible for errors or omissions in the data provided by other sources.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the property that is the subject of this report and we have no personal interest or bias with respect to the parties involved. Our compensation is not contingent on an action or event (such as the approval of a loan) resulting from the analyses, opinions, conclusions in or the use of this study.

Any reproduction or duplication of this report without the express approval of Newport News Redevelopment and Housing Authority or Bowen National Research is strictly prohibited.

## II. Executive Summary

This report evaluates the market feasibility of the proposed 37-unit Carrier Point I rental community to operate as a Low-Income Housing Tax Credit (LIHTC) project in Newport News, Virginia. Based on the findings contained in this report, it is our opinion that a market exists for the proposed subject development, assuming it is constructed and operated as outlined in this report.

The following is a summary of key findings from our report:

### Project Concept

The subject project involves the new construction of the 37-unit Carrier Point I rental community on an approximate 1.0-acre site at 2800 Jefferson Avenue in Newport News, Virginia. The project will offer 13 one-bedroom, 21 two-bedroom, and three (3) three-bedroom garden-style units within a four-story elevator-served building with integrated community spaces. Carrier Point I will be developed using Low-Income Housing Tax Credits (LIHTC) and 34 units will target lower-income family households earning up to 30%, 40%, 50% and 60% of Area Median Household Income (AMHI). The remaining three (3) units will operate as unrestricted market-rate. Additionally, 21 units will operate with project-based Section 8 Voucher assistance. The proposed project is expected to be complete in 2021.

### Site Evaluation

The proposed subject site is comprised of vacant land located in the southern portion of Newport News. Surrounding land uses primarily consist of single-family homes, multifamily homes and community services. The site neighborhood is a mixed-use area of Newport News which is bordered by single-family homes, but still has convenient access to basic community services in the area. Some community services are within walking distance of the site. Visibility of the proposed subject site is good, as there are unobstructed views from Jefferson Avenue (State Route 143), an arterial roadway in the area. Regardless, promotional signage placed along this aforementioned roadway will enhance visibility of the site considering the higher traffic volumes on this roadway. Accessibility of the proposed subject site is considered good as the surrounding roadways have light to moderate traffic patterns and no traffic disruptions are expected upon ingress and egress of the subject site. Additionally, the nearest HRT bus stop is adjacent west of the site, along Jefferson Avenue (State Route 143). HRT provides affordable public transportation throughout Newport News and surrounding communities. Overall, the surrounding land uses and proximity to community services are believed to enhance the marketability of the site. A detailed site evaluation is included in *Section IV*.

### Primary Market Area

The Primary Market Area (PMA) is the geographical area from which most of the support for the proposed development is expected to originate. The Newport News Site PMA includes the southern portion of Newport News. The boundaries of the Site PMA generally include Hampton Roads Center Parkway and Interstate 64 to the north; Interstate 64 and LaSalle Avenue to the east; Hampton Roads Bay to the south; and the James River to the west. A map of the Site PMA is included in *Section IV* on *page 11*.

### Demographic Overview

Both the population and household bases within the Newport News Site PMA are projected to decline between 2019 and 2024, a trend which has been consistent since 2000. Although the area population and household base is projected to decline between 2019 and 2024, it will do so at a slower rate than previous years, which is a good indication of a stabilizing population and household base. The 25 to 64 age cohort, which is expected to be the primary age cohort of potential renters at the general-occupancy subject project, comprise more than 68.0% of all households in 2019 and will comprise nearly 66.0% of all households through 2024. Nearly half of all households were renters in 2019 and the 18,232 renter households projected for 2024 illustrate a good base of renter support. Approximately 70.0% of all renter households are projected to earn below \$50,000 in 2024. Based on the preceding analysis, a large base of lower-income renter household will continue to exist in the market during this time period. Additional demographic information regarding the Site PMA is included in *Section IV* of this report, beginning on *page 12*.

### Economic Summary

The labor force within the Newport News Site PMA is dominated by the manufacturing industry, which comprises 53.9% of the total labor force. This is considered beneficial to the targeted low-income population, as this industry segment is less susceptible to economic downturns and/or changes in the economy. This will contribute to the continued stability of the local economy within the both the PMA and the city of Newport News. Employment growth has been ongoing since 2015 within the city of Newport News, as more than 3,000 jobs have been added to the local employment base between 2015 and 2018. Based on the numerous recent announcements of new and/or expanding businesses within the Newport News area, we expect employment growth will continue for the foreseeable future. The unemployment rate within the city has also been improving, as it has declined each year since 2010, to a rate of 3.7% through 2018. Overall, the Newport News economy is improving and considered strong, a trend which is expected to continue. However, we also expect demand for affordable housing alternatives will remain strong for the foreseeable future, when considering that many occupations within the area have typical wages of less than \$50,000. Additional economic information is included in *Section IV* of this report, beginning on *page 17*.

## Housing Supply Analysis

We identified and personally surveyed 41 conventional housing projects containing a total of 6,687 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 96.4%, a good rate for rental housing. Each rental housing segment surveyed is summarized as follows:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	12	3,616	163	95.5%
Market-rate/Tax Credit/Government-Subsidized	1	60	0	100.0%
Tax Credit	13	1,264	64	94.9%
Tax Credit/Government-Subsidized	11	859	3	99.7%
Government-Subsidized	4	888	10	98.9%
Total	41	6,687	240	96.4%

All rental housing segments surveyed report overall occupancy rates of 94.9% or higher. Although the Tax Credit segment is reporting 64 vacant units, it is important to note that 57 (89.1%) of these vacant units are located at two poorly performing Tax Credit properties that are some of the oldest properties in the market, as these two properties, Admiral Pointe (Map ID 6) and Ivy Farms (Map ID 11), were originally built in 1943 and 1969, respectively. Excluding these two properties, the Tax Credit segment is reporting just seven vacant units and the overall Tax Credit occupancy is 99.2%. As such, the overall Newport News rental market is performing well, with the exception of these two properties.

## Comparable/Competitive Tax Credit Analysis

The proposed subject project will target general-occupancy (family) households earning up to 30%, 40%, 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. In addition, the subject project will also operate under the HUD Section 8 program with a direct subsidy available to 21 units. For the purpose of this analysis, however, we only select comparable *non-subsidized* LIHTC properties as these properties provide the most accurate representation of achievable non-subsidized Tax Credit rents within the Newport News market. The subject development will also offer three market-rate units, which will be evaluated later in the report.

Within the Site PMA, we identified and surveyed a total of 15 general-occupancy LIHTC properties which offer non-subsidized units in the Newport News market. Of these 15 LIHTC properties, we have selected the six most comparable properties based on unit types similar to those proposed for the subject project, in terms of bedroom type, targeted income level, age and quality.



These six LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address, phone number, contact name and utility responsibility is included in the *Field Survey of Conventional Rentals*.

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
<b>Site</b>	<b>Carrier Point I</b>	<b>2021</b>	<b>34*</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>Families; 30%, 40%, 50% &amp; 60% AMHI &amp; Section 8</b>
2	Ada Park	2018	42	100.0%	5.8 Miles	Yes	Families; 40%, 50%, & 60% AMHI
31	Noland Green Apts.	1920 / 2011	54*	100.0%	0.8 Miles	55 H.H.	Families; 40% & 50% AMHI & Section 8
35	Heritage Forest I	2012	144	100.0%	1.6 Miles	None	Families; 40% & 60% AMHI
36	Heritage Forest II	2012	104	100.0%	1.5 Miles	None	Families; 40% & 60% AMHI
40	Brennan Pointe I	2016	44	100.0%	0.7 Miles	20 H.H.	Families; 40%, 50%, & 60% AMHI
41	Brennan Pointe II	2018	43	100.0%	0.7 Miles	20 H.H.	Families; 50% & 60% AMHI & PBV

OCC. – Occupancy

H.H. - Households

\*Tax Credit units only

The six LIHTC projects have a combined occupancy rate of 100.0% and four of the six maintain waiting list for their next available units, the longest of which contains 55 households. These are clear indications of strong and pent-up demand for additional general-occupancy LIHTC product in this market.

The gross rents for the comparable projects and the proposed rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Carrier Point I	\$421/30% (1) *\$562/40% (1) *\$703/50% (1) \$815/60% (9)	\$506/30% (1) *\$675/40% (2) *\$843/50% (14) \$980/60% (2)	*\$780/40% (1) *\$1,170/60% (2)	-
2	Ada Park	-	\$794/40% (5/0) \$962/50% (16/0) \$1,031/60% (9/0)	\$1,159/60% (12/0)	None
31	Noland Green Apts.	\$834/40% (1/0) \$707/50% (10/0)	\$905/40% (2/0) \$843/50% (30/0)	\$1,009/40% (2/0) \$971/50% (9/0)	None
35	Heritage Forest I	\$630/40% (8/0) \$911/60% (10/0)	\$770/40% (7/0) \$1,115/60% (89/0)	\$1,292/60% (30/0)	None
36	Heritage Forest II	\$630/40% (2/0) \$911/60% (14/0)	\$770/40% (9/0) \$1,115/60% (57/0)	\$1,292/60% (22/0)	None
40	Brennan Pointe I	-	\$816/40% (3/0) \$981/50% (18/0) \$1,022/60% (7/0)	\$952/40% (2/0) \$1,137/50% (11/0) \$1,212/60% (3/0)	None
41	Brennan Pointe II	\$1,014/50% (3/0)	\$822/50% (10/0) \$922/60% (14/0)	\$955/50% (7/0) \$1,228/50% (2/0) \$1,060/60% (7/0)	None

\*Subsidized-Rent is reflective of maximum allowable LIHTC rent

The subject's proposed gross Tax Credit rents will be competitive in the market, relative to similar unit types among the comparable properties. Notably, the subject's gross rents are positioned lower than those reported at Ada Park and Brennan Pointe II, the newest LIHTC properties in the market. Thus, the subject rents are considered appropriate for and marketable within the Newport News Site PMA. It important to reiterate that the subject project will also operate with a project-based Section 8 subsidy available to 21 units. This will allow tenants of these units to pay up to 30% of their adjusted gross rent, rather than the proposed Tax Credit rents reflected in the preceding table. The availability of this subsidy will ensure the subject project represents a significant value within the Newport News Site PMA.

#### Comparable/Competitive Tax Credit Summary

The six comparable general-occupancy LIHTC properties are all 100.0% occupied and four maintain waiting lists, the longest of which contains 55 households. The proposed subject project is expected to help alleviate a portion of this pent-up demand for additional general-occupancy LIHTC product. The subject's proposed gross Tax Credit rents are competitive in the market and are positioned below those offered at the newest LIHTC properties in the market. Thus, the subject rents are considered appropriate for this market. In addition, the subject property will offer a project-based Section 8 subsidy to 21 units, which will allow tenants of these units to only pay up



to 30% of their income towards rent. In terms of design, the subject property will generally offer some of the smallest unit sizes in the market, however, the competitive amenities package and low proposed rents will enable the subject to represent a value to low-income renters. Based on the preceding factors, the subject project is considered marketable as proposed.

An in-depth analysis of the Newport News rental housing market within the Site PMA is included in *Section V* of this report.

Achievable Market Rent

Based on the Rent Comparability Grids included in *Section VI* of this report, it was determined that the present-day achievable market rents for units similar to the proposed subject development are \$925 for a one-bedroom unit, \$1,115 for a two-bedroom unit and \$1,540 for a three-bedroom unit, which are illustrated as follows:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Br.	30%	\$346	\$925	62.6%
One-Br.	40%/S8	*\$487	\$925	47.4%
One-Br.	50%/S8	*\$628	\$925	32.1%
One-Br.	60%	\$740	\$925	20.0%
One-Br.	MR	\$950	\$925	-2.7%
Two-Br.	30%	\$406	\$1,115	63.6%
Two-Br.	40%/S8	*\$575	\$1,115	48.4%
Two-Br.	50%/S8	*\$743	\$1,115	33.4%
Two-Br.	60%	\$880	\$1,115	21.1%
Two-Br.	MR	\$1,100	\$1,115	1.3%
Three-Br.	40%/S8	*\$645	\$1,540	58.1%
Three-Br.	60%/S8	*\$1,035	\$1,540	32.8%

\*Subsidized, rent is reflective of maximum allowable LIHTC rent  
 MR – Market-Rate  
 S8 – Section 8

Typically, Tax Credit rents are set 10% or more below achievable market rents to ensure that the project will represent a value and have a sufficient flow of tenants. Therefore, the subject’s proposed Tax Credit rents, which represent market rent advantages of between 20.0% and 63.6%, are considered appropriate and should represent good values within the Newport News market. It is also important to reiterate that the subject project will operate with a project-based Section 8 subsidy available to 21 units. Thus, most of the units at the property will represent an even greater value than that reflected by the market rent advantages in the preceding table as these tenants will pay only 30% of their income towards rent, rather than the proposed rents evaluated throughout this report. Although the subject’s one-bedroom market-rate units represent a slightly negative market rent advantage, market-rate rents do not typically need to represent a market rent advantage. In fact, as illustrated

in *Section V*, the subject's market-rate rents are competitively positioned among similar market-rate product.

Capture Rate Estimates

The following is a summary of our demand calculations:

Demand Component	Percent of Median Household Income				
	30% AMHI \$14,434-\$20,250	40% AMHI \$19,269-\$32,400	50% AMHI \$24,103-\$33,750	60% AMHI \$27,943-\$48,600	Overall LIHTC Only \$14,434-\$48,600
Net Demand	1,471	2,634	1,850	1,984	5,037
Proposed Units	2	4	15	13	34
Proposed Units / Net Demand	2 / 1,471	4 / 2,634	15 / 1,850	13 / 1,984	34 / 5,037
Capture Rate	= 0.1%	= 0.2%	= 0.8%	= 0.7%	= 0.7%

Demand Component	Percent of Median Household Income	
	Overall LIHTC with Subsidy (\$0-\$48,600)	Market-Rate Only (\$48,601+)
Net Demand	7,997	558
Proposed Units	37	3
Proposed Units / Net Demand	34 / 7,997	3 / 558
Capture Rate	= 0.4%	= 0.5%

The LIHTC capture rates by income level are considered very low and easily achievable, ranging from 0.1% to 0.8%. The overall LIHTC capture rate of 0.7% is also considered very low and easily achievable, demonstrating that a significant amount of demographic support exists for the subject's affordable units. When considering the Section 8 available to most of the property, the subject's overall capture rate is just 0.4%, also a very low and easily achievable capture rate. The subject's market-rate units have a low capture rate of 0.5%. These capture rates are considered easily achievable, especially considering the high occupancy rates maintained at the competitive LIHTC and market-rate communities.

A detailed analysis of our demand estimates is included in *Section VII*.

### Penetration Rate Calculations

The 1,818 existing and proposed Tax Credit units (both general-occupancy and age-restricted) in the market must also be considered when evaluating the achievable penetration rate for the subject development. Based on the same calculation process used for the subject site, the income-eligible range for the existing and planned Tax Credit units is \$14,434 to \$48,660. Based on the Demographic Characteristics and Trends of household incomes for the Site PMA, there will be an estimated 9,182 renter households with eligible incomes in 2021. The 1,818 existing and proposed Tax Credit units represent a penetration rate of 19.8% of the 9,182 income-eligible renter households, which is summarized on the following table.

	Market Penetration
Number of LIHTC Units (Proposed and Existing)	1,818
Income-Eligible Renter Households – 2021	/ 9,182
Overall Market Penetration Rate	= 19.8%

It is our opinion that the 19.8% penetration rate for the LIHTC units, both existing and proposed, is achievable.

### Absorption Estimates

Considering the facts contained in the market study, as well as the preceding factors, and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the proposed subject development. It is our opinion that the proposed 34 LIHTC units at the subject site will reach a stabilized occupancy of 95.0% within three months of opening. This absorption rate is based on an average monthly absorption rate of 11 units per month. It is anticipated that the subject's three market-rate units will stabilize in less than one month. Note that these absorption projections assume the proposed project will operate with a subsidy available to most units. In the unlikely scenario the subject project did not operate with a subsidy available to 21 units, the proposed project will likely experience a slightly extended absorption period of approximately four months, which is reflective of an absorption rate of eight units per month.

### III. Project Description

The subject project involves the new construction of the 37-unit Carrier Point I rental community on an approximate 1.0-acre site at 2800 Jefferson Avenue in Newport News, Virginia. The project will offer 13 one-bedroom, 21 two-bedroom, and three (3) three-bedroom garden-style units within a four-story elevator-served building with integrated community spaces. Carrier Point I will be developed using Low-Income Housing Tax Credits (LIHTC) and 34 units will target lower-income family households earning up to 30%, 40%, 50% and 60% of Area Median Household Income (AMHI). The remaining three (3) units will operate as unrestricted market-rate. Additionally, 21 units will operate with project-based Section 8 Voucher assistance. The proposed project is expected to be complete in 2021. Additional details of the subject project are as follows:

- A. PROJECT NAME:** Carrier Point I
- B. PROPERTY LOCATION:** 2800 Jefferson Avenue  
Newport News, Virginia 23607  
(Newport News City)
- C. PROJECT TYPE:** Tax Credit
- D. UNIT CONFIGURATION AND RENTS:**

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Program Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
1	One-Br.	1.0	Garden	583	30%	\$346	\$75	\$421	\$421
1	One-Br.	1.0	Garden	561	40%/S8	\$912	\$75	\$987	\$562
1	One-Br.	1.0	Garden	583	50%/S8	\$912	\$75	\$987	\$703
9	One-Br.	1.0	Garden	561-634	60%	\$740	\$75	\$815	\$843
1	One-Br.	1.0	Garden	561	MR	\$950	\$75	\$1,025	-
1	Two-Br.	1.5	Garden	888	30%	\$406	\$100	\$506	\$506
2	Two-Br.	1.5	Garden	855	40%/S8	\$1,095	\$100	\$1,195	\$675
14	Two-Br.	1.5	Garden	855	50%/S8	\$1,095	\$100	\$1,195	\$843
2	Two-Br.	1.5	Garden	888	60%	\$880	\$100	\$980	\$1,012
2	Two-Br.	1.5	Garden	888	MR	\$1,100	\$100	\$1,200	-
1	Three-Br.	2.0	Garden	1,173	40%/S8	\$1,533	\$135	\$1,668	\$780
2	Three-Br.	2.0	Garden	1,173	60%/S8	\$1,533	\$135	\$1,668	\$1,170
37	Total								

Source: Newport News Redevelopment and Housing Authority  
 AMHI – Area Median Household Income (Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area; 2018)  
 MR – Market-Rate  
 S8 – Section 8

*Note that tenants residing within the 21 HUD Section 8 units will effectively pay up to 30% of their adjusted gross household income towards gross rent due to the presence of the subsidy. The maximum allowable LIHTC gross rents of \$562 to \$1,170 are the programmatic limits for units targeting households earning up to 40%, 50% and 60% of AMHI. However, these limits would only apply in the unlikely scenario that the property ceased to operate with a project-based subsidy.*

- E. TARGET MARKET:** Low-Income Families
- F. PROJECT DESIGN:** Garden-style units within a four-story elevator-served building with integrated community spaces.
- G. ORIGINAL YEAR BUILT:** Not Applicable
- H. PROJECTED OPENING DATE:** 2021
- I. UNIT AMENITIES:**
- Electric Range
  - Refrigerator
  - Garbage Disposal
  - Dishwasher
  - Patio/Balcony
  - Carpet & LVT Flooring
  - Window Blinds
  - Washer/Dryer Hookups
  - Central Air Conditioning
- J. COMMUNITY AMENITIES:**
- On-Site Management
  - Community Room
  - Elevator
- K. UTILITY RESPONSIBILITY:**
- The costs of sewer and trash collection will be included in the rent, while tenants will be responsible for the following:
- General Electricity
  - Electric Heat
  - Cold Water
  - Electric Water Heat
  - Electric Cooking
- L. PARKING:**
- An unassigned surface parking lot with 37 spaces will be available to the residents at no additional charge.

**M. CURRENT OCCUPANCY:**

Not Applicable; New Construction

**N. PLANNED RENOVATION:**

Not Applicable; New Construction

**O. STATISTICAL AREA:**

Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area (2018)

**P. FLOOR AND SITE PLAN REVIEW:**

Floor and site plans for the subject project were provided for review at the time this report was prepared. Based on these plans, the subject project will offer one-, two- and three-bedroom garden-style units ranging in size from 561 to 1,173 square feet. The subject units will be located within one (1) four-story elevator-equipped building which will also include integrated common areas. The subject units will be well-equipped in terms of unit amenities and all units will feature a patio/balcony area. Residents of the subject property will also have access to additional community features such as a community room. Overall, the subject property appears to be appropriately designed for the targeted population. Nonetheless, an in-depth comparable/competitive analysis is included in *Section V* to better determine the competitive position and overall marketability of the subject property within the Newport News market.

A state map, an area map and a site neighborhood map are on the following pages.

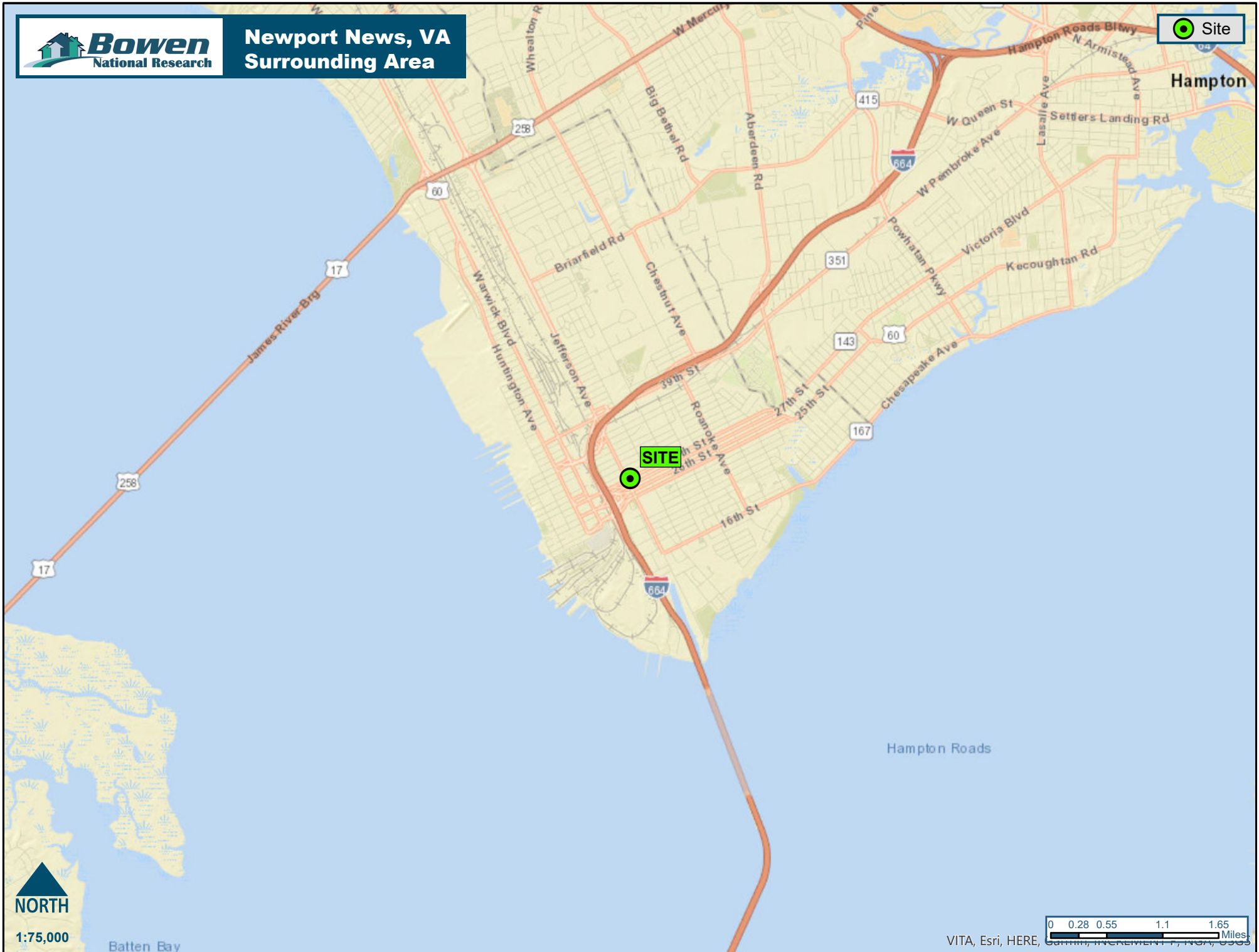








# Newport News, VA Surrounding Area



1:75,000

Batten Bay

0 0.28 0.55 1.1 1.65 Miles

VITA, Esri, HERE, Garmin, INCREMENT P, NOAA, USGS





# Newport News, VA Site Neighborhood

Legend  
Site Area



NORTH  
1:3,000

0 0.01 0.03 0.06 0.09 Miles



## IV. Area Analysis

### A. SITE DESCRIPTION AND EVALUATION

#### 1. LOCATION

The proposed site consists of undeveloped land between 28<sup>th</sup> Street and 29<sup>th</sup> Street located at 2800 Jefferson Avenue in the southern portion of Newport News, Virginia. Newport News is approximately 27.0 miles northwest of Norfolk, Virginia and approximately 69.0 miles southeast of Richmond, Virginia. The subject site visit and corresponding fieldwork were completed during the week of February 18, 2019 and the site inspection was conducted on February 19, 2019.

#### 2. SURROUNDING LAND USES

The proposed site is located within an established portion of Newport News. Surrounding land uses generally consist of single-family homes, multifamily homes and various community services. Adjacent land uses are detailed as follows:

<b>North -</b>	The northern boundary of the site is defined by 29 <sup>th</sup> Street, a lightly traveled two-lane roadway. Continuing north is a vacant structure that was formerly a convenience store. Note that it appears this structure is currently being renovated. Various community services extend north along Jefferson Avenue (State Route 143), a moderately traveled arterial roadway and commercial corridor in the area.
<b>East -</b>	The eastern boundary is defined by single-family homes in fair to good condition and a historical home. Single-family homes in fair to good condition extend east.
<b>South -</b>	The southern boundary of the site is defined by 28 <sup>th</sup> Street, a lightly traveled two-lane roadway. Undeveloped land, a convenience store, restaurant and various businesses extend south along Jefferson Avenue (State Route 143).
<b>West -</b>	The western boundary is defined by Jefferson Avenue (State Route 143) and a property that is currently under construction, as well as multifamily apartments above office and retail space. Interstate 664, a major highway, and downtown Newport News are located farther west of the site.

Overall, the subject project is expected to fit well with the surrounding land uses, which were generally observed to be well-maintained and in good condition. Although the site is adjacent to a vacant retail structure, it appears that this building is being renovated and based on the development within the site area it is unlikely this property will remain vacant at the time the subject project is constructed. As such, it appears that these land uses will not adversely impact the marketability of the subject site. Photographs of the site can be found in *Section X* of this report.

### **3. VISIBILITY AND ACCESS**

According to site plans provided by the developer at the time of this analysis, the subject project will maintain frontage along Jefferson Avenue (State Route 143), a moderately traveled arterial roadway and commercial corridor in the area. This will provide the subject will good passerby traffic and views of the subject site will be unobstructed from this aforementioned roadway. In addition, the four-story design of the subject project will enhance visibility of the subject project and two Hampton Roads Transit (HRT) bus stops are situated west of the site, along Jefferson Avenue (State Route 143), and the subject will be visible to persons utilizing this bus route and these bus stops. The subject site will have two vehicular access points, one along 29<sup>th</sup> Street (north of the site) and one along 28<sup>th</sup> Street (south of the site). Both of these roadways were observed to generally experience light vehicular traffic, which will allow for unimpeded ingress and egress. As previously mentioned, HRT offers fixed-route public transportation throughout the Newport News area and there are multiple bus stops within walking distance of the subject site. The presence of fixed-route public transportation at the subject site is considered beneficial to the targeted low-income population and will contribute to the site's marketability. The subject site is also near arterial roadways, as Jefferson Avenue (State Route 143) borders the site to the west and U.S. Highway 60 and Interstate 664 are both accessed within 0.1 mile of the site. These aforementioned roadways provide convenient access throughout Newport News and to surrounding communities. Overall, visibility and access of the subject site are considered good and will contribute to the marketability of the subject site.

#### 4. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

The site is served by the community services detailed in the following table:

Community Services	Name	Driving Distance From Site (miles)
Major Highways	Jefferson Avenue (State Route 143) U.S. Highway 60 Interstate 664	Adjacent West 0.1 South 0.1 Southwest
Public Bus Stop	HRT	Adjacent West
Major Employers/ Employment Centers	Northrop Grumman Shipbuilding Alcoa Howmet	1.2 West 3.2 Northeast
Convenience Store	7-Eleven Fast & Easy Speedy Mart H & H Food Mart	0.1 Southeast 0.3 Northwest 0.5 Southeast 0.5 North
Grocery	Piggly Wiggly F & S Supermarket Big Tiger	0.2 North 0.4 East 0.4 Southeast
Discount Department Store	Family Dollar Family Dollar Store Family Dollar Store	0.2 Northwest 0.2 Southeast 1.2 Northwest
Shopping Center/Mall	Southeast Shopping Center Warwick Shopping Center	0.2 Southwest 5.3 Northwest
Schools: Elementary Middle/Junior High High	Achievable Dream Elementary Achievable Middle School Heritage High School	1.1 Southeast 1.7 North 2.0 North
Hospital	Southeastern Virginia Health RGM Medical Center Virginia Medical Ctr-Hampton	1.3 North 4.5 Northeast 6.9 East
Police	Newport News Police Department	0.3 North
Fire	Newport News Fire Department	0.7 Southwest
Post Office	U.S. Post Office	0.8 Southwest
Bank	Bank of America Wells Fargo Bank Bayport Credit Union	0.6 West 0.6 West 1.4 Northwest
Recreational Facilities	Newsome Park Recreation Center	1.1 North
Gas Station	7-Eleven Fast & Easy	0.1 Southeast 0.3 Northwest
Pharmacy	Rite Aid Rite Aid	0.2 South 3.5 North
Restaurant	Mcdonald's Jason's Deli Number 1 Chinese Restaurant	0.1 Southeast 0.1 Southeast 0.2 Northwest
Day Care	Headstart Kidz Rus Childcare Zion Baptist Day Care Center	0.5 North 0.5 North 0.5 Southeast
Community Center	Newsome Park Recreation Center	1.1 North
Library	Newport News Library	0.8 West

(Continued)

Community Services	Name	Driving Distance From Site (miles)
Park	Superblock Park	0.6 West
	Christopher Newport Park	0.7 West
	Victory Landing Park	1.1 West
Church	First Baptist Church East End	0.2 North
	Greater Walters AME Zion	0.3 East

The proposed subject site is situated in the southern portion of Newport News and is within proximity of numerous area services. Notably, multiple convenience stores, a grocery store, discount retailer, and multiple restaurants are located within walking distance of the subject site. There are numerous bus stops located within walking distance of the site and situated along Jefferson Avenue (State Route 143). The convenient accessibility of public transportation is considered beneficial and will likely contribute to the overall marketability of the subject project.

Public safety services are provided via the Newport News Police and Fire departments, located 0.3 miles and 0.7 miles from the proposed subject site, respectively. Note that all schools that serve the site's location are located within 2.0 miles of the site. The proximity to these community services and public safety services will positively impact the marketability of the site.

## 5. OVERALL SITE EVALUATION

The proposed subject site is comprised of vacant land located in the southern portion of Newport News. Surrounding land uses primarily consist of single-family homes, multifamily homes and community services. The site neighborhood is a mixed-use area of Newport News which is bordered by single-family homes, but still has convenient access to basic community services in the area. Some community services are within walking distance of the site. Visibility of the proposed subject site is good, as there are unobstructed views from Jefferson Avenue (State Route 143), an arterial roadway in the area. Regardless, promotional signage placed along this aforementioned roadway will enhance visibility of the site considering the higher traffic volumes on this roadway. Accessibility of the proposed subject site is considered good as the surrounding roadways have light to moderate traffic patterns and no traffic disruptions are expected upon ingress and egress of the subject site. Additionally, the nearest HRT bus stop is adjacent west of the site, along Jefferson Avenue (State Route 143). HRT provides affordable public transportation throughout Newport News and surrounding communities. Overall, the surrounding land uses and proximity to community services are believed to enhance the marketability of the site.

## 6. CRIME ISSUES

The primary source for Crime Risk data is the FBI Uniform Crime Report (UCR). The FBI collects data from each of roughly 16,000 separate law enforcement jurisdictions across the country and compiles this data into the UCR. The most recent update showed an overall coverage rate of 95% of all jurisdictions nationwide with a coverage rate of 97% of all jurisdictions in metropolitan areas.

Applied Geographic Solutions uses the UCR at the jurisdictional level to model each of the seven crime types at other levels of geography. Risk indexes are standardized based on the national average. A Risk Index value of 100 for a particular risk indicates that, for the area, the relative probability of the risk is consistent with the average probability of that risk across the United States.

It should be noted that aggregate indexes for total crime, personal crime and property crime are not weighted, and a murder is no more significant statistically in these indexes than petty theft. Thus, caution should be exercised when using them.

Total crime risk (211) for the Site ZIP Code is above the national average with an overall personal crime index of 302 and a property crime index of 198. Total crime risk (116) for Newport News City is above the national average with indexes for personal and property crime of 111 and 117, respectively.

	Crime Risk Index	
	Site ZIP Code	Newport News city
<b>Total Crime</b>	<b>211</b>	<b>116</b>
<b>Personal Crime</b>	<b>302</b>	<b>111</b>
Murder	976	255
Rape	124	104
Robbery	421	137
Assault	263	98
<b>Property Crime</b>	<b>198</b>	<b>117</b>
Burglary	192	93
Larceny	196	126
Motor Vehicle Theft	225	95

Source: Applied Geographic Solutions

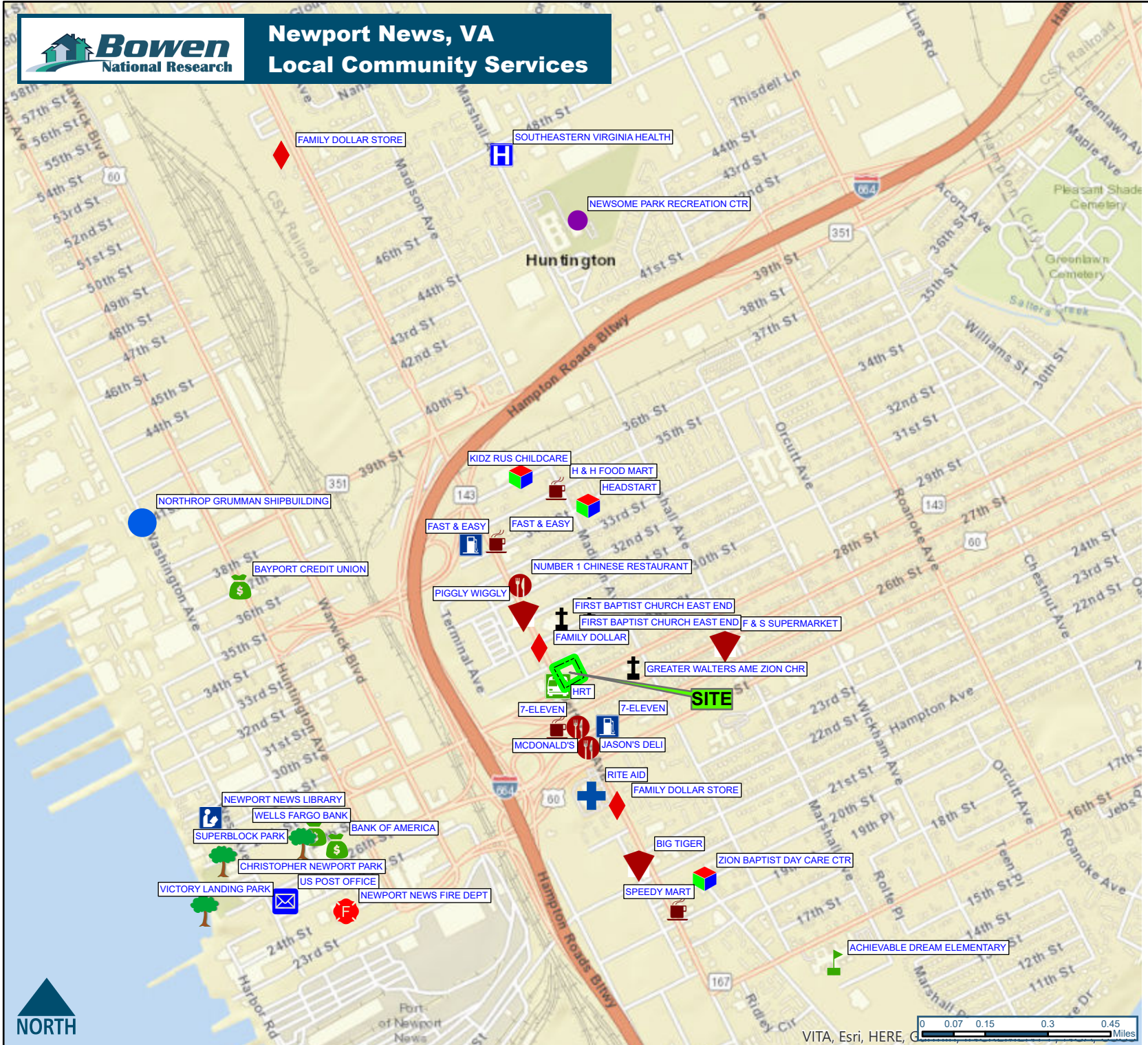
As the preceding illustrates, the crime risk index for the Site ZIP Code (211) is higher than that reported for the city of Newport News (116) as a whole. These aforementioned crime indexes are above the national average of 100, however, this is typical for a densely populated urban area such as the Newport News area and the site's location. In addition, the subject project

will include an on-site management office, a feature which typically deters crime. Regardless, most properties surveyed in the area report high occupancy rates, a good indication that crime has not adversely impacted rental properties in this market.

Maps illustrating the location of community services and crime risk are on the following pages.





















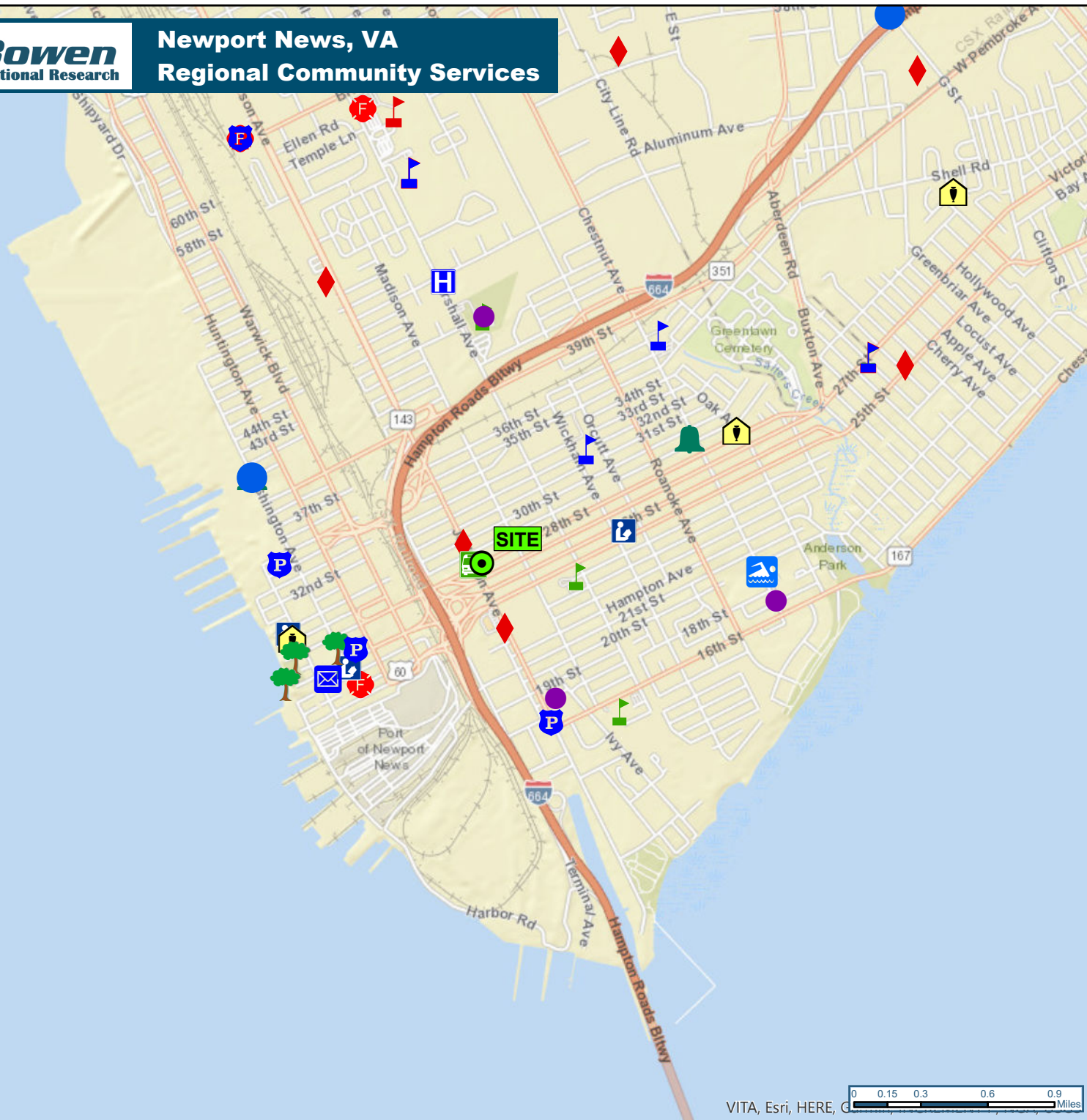
- Legend**
- Site Area
  - Bank
  - Child Care
  - Church
  - Convenience Store
  - Elementary School
  - Fire
  - Gas
  - Grocery
  - Hospital
  - Library
  - Park
  - Pharmacy
  - Post Office
  - Recreation Center
  - Restaurant
  - Shopping
  - Transit
  - Employer 1000-5000





### Legend

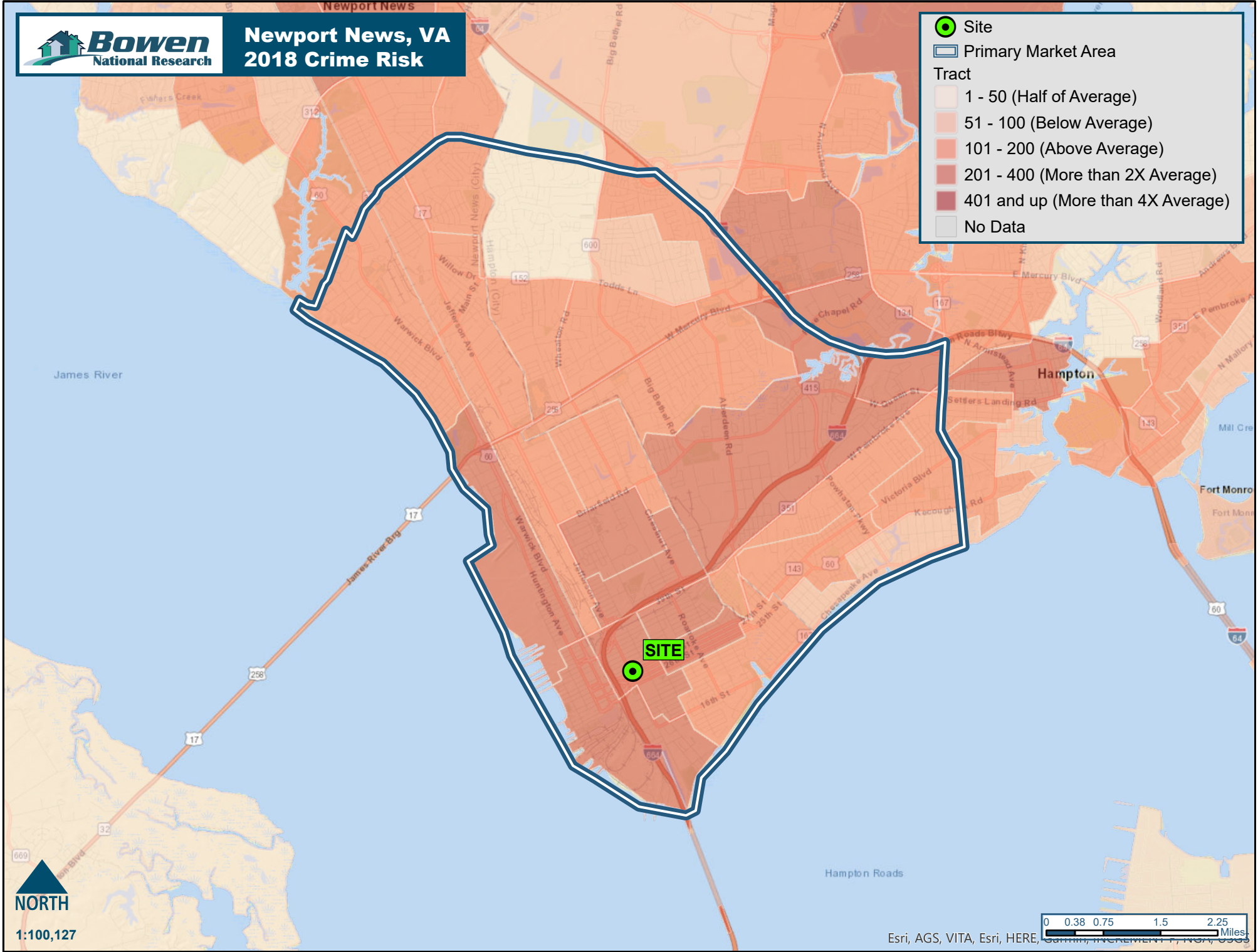
-  Site
-  Elementary School
-  Fire
-  High School
-  Hospital
-  Library
-  Middle School
-  Museum
-  Park
-  Police
-  Post Office
-  Recreation Center
-  Senior Services
-  Shopping
-  Swimming
-  Transit
-  University
-  Employer 1000-5000





# Newport News, VA 2018 Crime Risk

- Site
- ▭ Primary Market Area
- Tract
  - 1 - 50 (Half of Average)
  - 51 - 100 (Below Average)
  - 101 - 200 (Above Average)
  - 201 - 400 (More than 2X Average)
  - 401 and up (More than 4X Average)
  - No Data



**NORTH**  
1:100,127





## **B. PRIMARY MARKET AREA DELINEATION**

The Primary Market Area (PMA) is the geographical area from which most of the support for the subject development is expected to originate. The Newport News Site PMA was determined through interviews with area leasing agents and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

The Newport News Site PMA includes the southern portion of Newport News. The boundaries of the Site PMA generally include Hampton Roads Center Parkway and Interstate 64 to the north; Interstate 64 and LaSalle Avenue to the east; Hampton Roads Bay to the south; and the James River to the west.

According to management at Heritage Forest I and II (Map ID 35 & Map ID 36), comparable Tax Credit properties, the majority of support for the property that she manages originated from within the southern portion of Newport News. According to this representative, this area has a high concentration of low-income renters and that some of her residents have originated from areas outside of Newport News, but this support base is minimal and she anticipates that an affordable property at the subject site's location would likely generate support from similar areas, thus confirming the Site PMA.

We recognize that the subject site will undoubtedly receive some support from areas outside the Site PMA. However, this potential support base is expected to be minimal, given the density of the areas comprised within the Site PMA, which will allow for more localized support for the subject project. We have not considered any secondary market area in this report.

A map delineating the boundaries of the Site PMA is included on the following page.



## C. DEMOGRAPHIC CHARACTERISTICS AND TRENDS

### 1. POPULATION TRENDS

The Site PMA population bases for 2000, 2010, 2019 (estimated) and 2024 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2019 (Estimated)	2024 (Projected)
Population	100,756	98,445	97,257	96,434
Population Change	-	-2,311	-1,188	-823
Percent Change	-	-2.3%	-1.2%	-0.8%

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The Newport News Site PMA population base declined by 2,311 between 2000 and 2010. This represents a 2.3% decline over the 2000 population, or an annual rate of 0.2%. Between 2010 and 2019, the population declined by 1,188, or 1.2%. It is projected that the population will decline by 823, or 0.8%, between 2019 and 2024.

The Site PMA population bases by age are summarized as follows:

Population by Age	2010 (Census)		2019 (Estimated)		2024 (Projected)		Change 2019-2024	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	26,657	27.1%	24,164	24.8%	23,636	24.5%	-528	-2.2%
20 to 24	7,596	7.7%	6,680	6.9%	6,158	6.4%	-522	-7.8%
25 to 34	13,121	13.3%	14,147	14.5%	13,687	14.2%	-460	-3.3%
35 to 44	11,664	11.8%	11,552	11.9%	12,428	12.9%	876	7.6%
45 to 54	15,487	15.7%	12,091	12.4%	10,912	11.3%	-1,179	-9.8%
55 to 64	11,427	11.6%	12,947	13.3%	12,213	12.7%	-734	-5.7%
65 to 74	6,789	6.9%	9,184	9.4%	10,183	10.6%	999	10.9%
75 & Over	5,704	5.8%	6,492	6.7%	7,217	7.5%	725	11.2%
Total	98,445	100.0%	97,257	100.0%	96,434	100.0%	-823	-0.8%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, over 52% of the population is expected to be between 25 and 64 years old in 2019. This age group is the primary group of potential renters for the subject site and will likely represent a significant number of the tenants.

## 2. HOUSEHOLD TRENDS

Household trends within the Newport News Site PMA are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2019 (Estimated)	2024 (Projected)
Households	40,153	39,973	39,296	38,925
Household Change	-	-180	-677	-371
Percent Change	-	-0.4%	-1.7%	-0.9%
Household Size	2.51	2.46	2.42	2.42

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Within the Newport News Site PMA, households declined by 180 (0.4%) between 2000 and 2010. Between 2010 and 2019, households declined by 677 or 1.7%. By 2024, there will be 38,925 households, a decline of 371 households, or 0.9% over 2019 levels. This is a decline of approximately 74 households annually over the next five years.

The Site PMA household bases by age are summarized as follows:

Households by Age	2010 (Census)		2019 (Estimated)		2024 (Projected)		Change 2019-2024	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	2,676	6.7%	2,130	5.4%	2,023	5.2%	-107	-5.0%
25 to 34	6,519	16.3%	6,734	17.1%	6,431	16.5%	-303	-4.5%
35 to 44	6,359	15.9%	6,017	15.3%	6,385	16.4%	368	6.1%
45 to 54	8,819	22.1%	6,545	16.7%	5,813	14.9%	-732	-11.2%
55 to 64	6,992	17.5%	7,595	19.3%	7,050	18.1%	-545	-7.2%
65 to 74	4,528	11.3%	5,878	15.0%	6,403	16.4%	525	8.9%
75 to 84	2,923	7.3%	3,103	7.9%	3,402	8.7%	299	9.6%
85 & Over	1,157	2.9%	1,295	3.3%	1,419	3.6%	124	9.6%
Total	39,973	100.0%	39,296	100.0%	38,925	100.0%	-371	-0.9%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

As previously discussed, the primary age group of potential renters for the subject project is expected to be the 25 to 64 age group. Notably, this age cohort is estimated to comprise more than 68.0% of all households in 2019. Although this age cohort is projected to decline between 2019 and 2024, this age cohort will continue to comprise nearly 66.0% of all households in the market in 2024.



Households by tenure are distributed as follows:

Tenure	2010 (Census)		2019 (Estimated)		2024 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	21,613	54.1%	20,427	52.0%	20,693	53.2%
Renter-Occupied	18,360	45.9%	18,869	48.0%	18,232	46.8%
Total	39,973	100.0%	39,296	100.0%	38,925	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2019, homeowners occupied 52.0% of all occupied housing units, while the remaining 48.0% were occupied by renters. The share of renters is relatively high and represents a good base of potential renter support in the market for the subject development.

The household sizes by tenure within the Site PMA, based on the 2019 estimates and 2024 projections, were distributed as follows:

Persons Per Renter Household	2019 (Estimated)		2024 (Projected)		Change 2019-2024	
	Households	Percent	Households	Percent	Households	Percent
1 Person	7,748	41.1%	7,577	41.6%	-171	-2.2%
2 Persons	5,137	27.2%	4,899	26.9%	-237	-4.6%
3 Persons	2,628	13.9%	2,397	13.1%	-231	-8.8%
4 Persons	1,920	10.2%	1,886	10.3%	-33	-1.7%
5 Persons+	1,436	7.6%	1,472	8.1%	36	2.5%
Total	18,869	100.0%	18,232	100.0%	-637	-3.4%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Persons Per Owner Household	2019 (Estimated)		2024 (Projected)		Change 2019-2024	
	Households	Percent	Households	Percent	Households	Percent
1 Person	6,156	30.1%	6,283	30.4%	127	2.1%
2 Persons	7,168	35.1%	7,203	34.8%	35	0.5%
3 Persons	3,492	17.1%	3,543	17.1%	51	1.5%
4 Persons	2,051	10.0%	2,007	9.7%	-44	-2.2%
5 Persons+	1,560	7.6%	1,657	8.0%	97	6.2%
Total	20,427	100.0%	20,693	100.0%	266	1.3%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The one- through three-bedroom units proposed at the subject site are expected to house up to five-person households. As such, the subject project will be able to accommodate most renter households in the market, based on household size.

### 3. INCOME TRENDS

The distribution of households by income within the Newport News Site PMA is summarized as follows:

Household Income	2010 (Census)		2019 (Estimated)		2019 (Estimated)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	4,551	11.4%	3,472	8.8%	3,359	8.6%
\$10,000 to \$19,999	6,063	15.2%	4,545	11.6%	4,295	11.0%
\$20,000 to \$29,999	4,552	11.4%	4,876	12.4%	4,862	12.5%
\$30,000 to \$39,999	5,152	12.9%	4,463	11.4%	4,282	11.0%
\$40,000 to \$49,999	4,333	10.8%	4,052	10.3%	4,059	10.4%
\$50,000 to \$59,999	3,495	8.7%	3,534	9.0%	3,454	8.9%
\$60,000 to \$74,999	4,187	10.5%	4,003	10.2%	3,854	9.9%
\$75,000 to \$99,999	4,105	10.3%	4,499	11.4%	4,510	11.6%
\$100,000 to \$124,999	1,699	4.3%	2,418	6.2%	2,455	6.3%
\$125,000 to \$149,999	608	1.5%	1,302	3.3%	1,495	3.8%
\$150,000 to \$199,999	782	2.0%	1,191	3.0%	1,255	3.2%
\$200,000 & Over	446	1.1%	940	2.4%	1,044	2.7%
Total	39,973	100.0%	39,296	100.0%	38,925	100.0%
Median Income	\$39,357		\$45,655		\$46,563	

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2010, the median household income was \$39,357. This increased by 16.0% to \$45,655 in 2019. By 2024, it is projected that the median household income will be \$46,563, an increase of 2.0% from 2019.

The following tables illustrate renter household income by household size for 2010, 2019 and 2024 for the Newport News Site PMA:

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	1,231	928	616	298	212	3,286
\$10,000 to \$19,999	1,644	1,107	736	356	253	4,096
\$20,000 to \$29,999	1,000	750	498	241	171	2,660
\$30,000 to \$39,999	969	754	501	242	172	2,639
\$40,000 to \$49,999	774	596	396	192	136	2,095
\$50,000 to \$59,999	355	296	197	95	68	1,010
\$60,000 to \$74,999	423	356	236	114	81	1,210
\$75,000 to \$99,999	352	291	193	93	66	996
\$100,000 to \$124,999	75	61	40	20	14	210
\$125,000 to \$149,999	26	22	15	7	5	75
\$150,000 to \$199,999	19	15	10	5	3	52
\$200,000 & Over	11	9	6	3	2	30
Total	6,881	5,185	3,444	1,665	1,184	18,360

Source: ESRI; Urban Decision Group



Renter Households	2019 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	1,055	668	342	250	187	2,501
\$10,000 to \$19,999	1,443	787	403	294	220	3,147
\$20,000 to \$29,999	1,277	822	421	307	230	3,058
\$30,000 to \$39,999	1,039	714	366	267	200	2,586
\$40,000 to \$49,999	922	624	319	233	175	2,274
\$50,000 to \$59,999	535	409	209	153	114	1,420
\$60,000 to \$74,999	626	454	232	170	127	1,609
\$75,000 to \$99,999	525	402	206	150	112	1,395
\$100,000 to \$124,999	159	123	63	46	34	425
\$125,000 to \$149,999	83	67	34	25	19	229
\$150,000 to \$199,999	47	37	19	14	10	126
\$200,000 & Over	37	29	15	11	8	100
Total	7,748	5,137	2,628	1,920	1,436	18,869

Source: ESRI; Urban Decision Group

Renter Households	2024 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	970	605	296	233	182	2,286
\$10,000 to \$19,999	1,311	700	342	270	210	2,833
\$20,000 to \$29,999	1,249	779	381	300	234	2,942
\$30,000 to \$39,999	994	662	324	255	199	2,435
\$40,000 to \$49,999	934	609	298	235	183	2,259
\$50,000 to \$59,999	558	416	204	160	125	1,463
\$60,000 to \$74,999	656	449	220	173	135	1,633
\$75,000 to \$99,999	534	397	194	153	119	1,397
\$100,000 to \$124,999	170	127	62	49	38	447
\$125,000 to \$149,999	100	79	39	30	24	272
\$150,000 to \$199,999	55	41	20	16	12	145
\$200,000 & Over	45	34	17	13	10	120
Total	7,577	4,899	2,397	1,886	1,472	18,232

Source: ESRI; Urban Decision Group

Data from the preceding tables is used in our demand estimates.

### Demographic Summary

Both the population and household bases within the Newport News Site PMA are projected to decline between 2019 and 2024, a trend which has been consistent since 2000. Although the area population and household base is projected to decline between 2019 and 2024, it will do so at a slower rate than previous years, which is a good indication of a stabilizing population and household base. The 25 to 64 age cohort, which is expected to be the primary age cohort of potential renters at the general-occupancy subject project, comprise more than 68.0% of all households in 2019 and will comprise nearly 66.0% of all households through 2024. Nearly half of all households were renters in 2019 and the 18,232 renter households projected for 2024 illustrate a good base of renter support. Approximately

70.0% of all renter households are projected to earn below \$50,000 in 2024. Based on the preceding analysis, a large base of lower-income renter household will continue to exist in the market during this time period.

**D. LOCAL ECONOMIC PROFILE AND ANALYSIS**

**1. LABOR FORCE PROFILE**

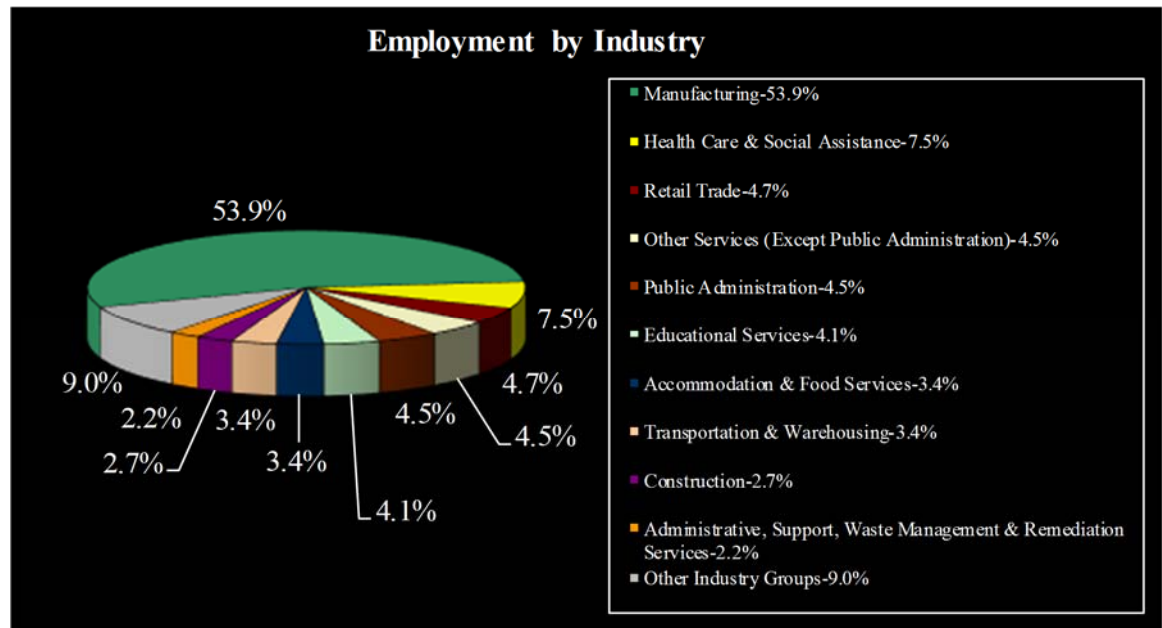
The labor force within the Newport News Site PMA is based primarily in one sector. Manufacturing dominates the market comprising nearly 54% of the Site PMA labor force. Employment in the Newport News Site PMA, as of 2018, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	1	0.0%	2	0.0%	2.0
Mining	3	0.1%	566	0.8%	188.7
Utilities	2	0.1%	135	0.2%	67.5
Construction	168	6.6%	1,981	2.7%	11.8
Manufacturing	95	3.7%	39,599	53.9%	416.8
Wholesale Trade	85	3.3%	1,469	2.0%	17.3
Retail Trade	383	15.1%	3,429	4.7%	9.0
Transportation & Warehousing	72	2.8%	2,464	3.4%	34.2
Information	32	1.3%	354	0.5%	11.1
Finance & Insurance	91	3.6%	469	0.6%	5.2
Real Estate & Rental & Leasing	175	6.9%	905	1.2%	5.2
Professional, Scientific & Technical Services	129	5.1%	1,596	2.2%	12.4
Management of Companies & Enterprises	3	0.1%	10	0.0%	3.3
Administrative, Support, Waste Management & Remediation Services	89	3.5%	1,646	2.2%	18.5
Educational Services	67	2.6%	3,044	4.1%	45.4
Health Care & Social Assistance	196	7.7%	5,539	7.5%	28.3
Arts, Entertainment & Recreation	52	2.0%	817	1.1%	15.7
Accommodation & Food Services	173	6.8%	2,518	3.4%	14.6
Other Services (Except Public Administration)	548	21.5%	3,332	4.5%	6.1
Public Administration	81	3.2%	3,307	4.5%	40.8
Nonclassifiable	98	3.9%	280	0.4%	2.9
<b>Total</b>	<b>2,543</b>	<b>100.0%</b>	<b>73,462</b>	<b>100.0%</b>	<b>28.9</b>

\*Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

E.P.E. - Average Employees Per Establishment

Note: Since this survey is conducted of establishments and not of residents, some employees may not live within the Site PMA. These employees, however, are included in our labor force calculations because their places of employment are located within the Site PMA.



Typical wages by job category for the Virginia Beach-Norfolk-Newport News Metropolitan Statistical Area (MSA) are compared with those of Virginia in the following table:

Typical Wage by Occupation Type		
Occupation Type	Virginia Beach-Norfolk-Newport News MSA	Virginia
Management Occupations	\$116,620	\$136,850
Business and Financial Occupations	\$74,450	\$84,180
Computer and Mathematical Occupations	\$83,610	\$100,830
Architecture and Engineering Occupations	\$81,490	\$88,780
Community and Social Service Occupations	\$48,550	\$50,070
Art, Design, Entertainment and Sports Medicine Occupations	\$48,720	\$58,520
Healthcare Practitioners and Technical Occupations	\$77,270	\$79,980
Healthcare Support Occupations	\$31,730	\$31,550
Protective Service Occupations	\$42,580	\$46,990
Food Preparation and Serving Related Occupations	\$23,240	\$23,600
Building and Grounds Cleaning and Maintenance Occupations	\$25,280	\$27,170
Personal Care and Service Occupations	\$25,060	\$27,170
Sales and Related Occupations	\$33,840	\$39,660
Office and Administrative Support Occupations	\$36,200	\$37,980
Construction and Extraction Occupations	\$44,050	\$44,610
Installation, Maintenance and Repair Occupations	\$47,960	\$49,350
Production Occupations	\$41,280	\$37,620
Transportation and Moving Occupations	\$37,030	\$37,880

Source: U.S. Department of Labor, Bureau of Statistics

Most annual blue-collar salaries range from \$23,240 to \$48,720 within the Virginia Beach-Norfolk-Newport News MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$86,688. It is important to note that most occupational types within the Virginia Beach-Norfolk-Newport News MSA have lower typical wages than the state of Virginia's typical wages. As such, the area employment base appears to have a significant number of income-appropriate occupations from which the proposed subject project will be able to draw renter support.

The ten largest employers within the Newport News area are summarized as follows:

Employer Name/Area	Business Type	Total Employed
Huntington Ingalls Industries, Inc.	Manufacturer/Shipbuilding	20,000+
Riverside Health System	Health Care	12,000+
Newport News City Schools	Education	5,000+
Newport News City	Government	4,000+
Ferguson Enterprises	Plumbing & Piping Products	1,600+
Christopher Newport University	Higher Education	1,300+
Canon Virginia, Inc.	Electronics Manufacturer	1,300+
Army & Air Force Exchange Distribution Center	Exchange Supplier	800+
Jefferson Laboratory	Scientific Research	700+
Northrop Grumman	Computer Systems Design	600+

Source: Hampton Roads Economic Development Alliance Hoovers, Inc.; InfoGroup; Company Data; Localities-April 2017

The following are summaries of some of the major factors recently impacting the Newport News economy:

- Newport News Shipbuilding, a division of Huntington Ingalls, Inc. plans to create 2,000 jobs by 2022 because they have a large buildup of work, and in 2021 the shipyard will begin constructing the components for a fleet of ballistic missile submarines for the United States Navy. The company is expected to reach over 25,000 employees by 2024.
- Fairlead, a smaller shipbuilding company in Newport Beach is also expanding in 2019 to help with the Navy's plans to increase their fleet of warships. They will invest \$5 million and plans to create over 25 new jobs.
- Ferguson Enterprise, a plumbing wholesale company, is investing \$82.8 million to construct an expansion to its headquarters at 751 Lakefront Commons, in Newport News. Ground was broken for this eight-story, 260,000 square-foot campus in July 2018. The expansion will retain 1,000 jobs and add 434 jobs to the region.

- In March 2018 Liebherr-International AG, a large manufacturer of construction machinery, announced plans to expand its facility in Newport News with a \$45 million investment. The expansion includes 251,000 square feet of space in three new buildings. The buildings will house their headquarters, and administration offices. Also, a new production/workshop facility, and space for their warehouse and distribution operations. The project is estimated to be completed by mid-2020.
- The Tech Center at Oyster Point (expansion of Jefferson Lab) will be located at 638 Oyster Point Road in Newport News and is the second phase of a \$450 million mixed-use project. The project will include more than 250,000 square feet of retail, restaurants, Onelife Fitness, Whole Foods and the Venture Apartments. The Tech Center at Oyster Point will also include 1.1 million square feet of office space. In December 2016 Jefferson Lab was awarded \$2.1 million as part of a \$1 billion electron-ion collider project. The project is estimated to create more than 4,000 jobs within the area, which would include construction jobs and skilled labor, over a ten-year period. Building One at Tech Center Research Park is planned to open mid-2019. The 80,000-square foot building is one of many buildings that will be located at the 50-acre research park located at Jefferson Avenue and Hogan Drive in Newport News. Building one has co-working spaces with access to conference rooms with videoconferencing technology, printing and copying.

Infrastructure:

Work started in August 2017 on the Atkinson connector bridge between Warwick Boulevard and Jefferson Avenue. This extensive project end investment will be \$33 million. The 1,700 feet long, four-lane bridge will cross over the interstate and CSX railroad tracks and end on the existing Atkinson Way. The project is estimated to be completed in 2021.

WARN (layoff notices):

WARN Notices of large-scale layoffs/closures were reviewed on February 27 and according to the Virginia Employment Commission there has been one WARN notice reported for Newport News over the past 18 months. Below is a table summarizing this notice.

WARN Notices				
Company	Location	Jobs	Notice Date	Effective Date
Farm Fresh	Newport News	92	3-14-2018	5-14-2018

## 2. EMPLOYMENT TRENDS

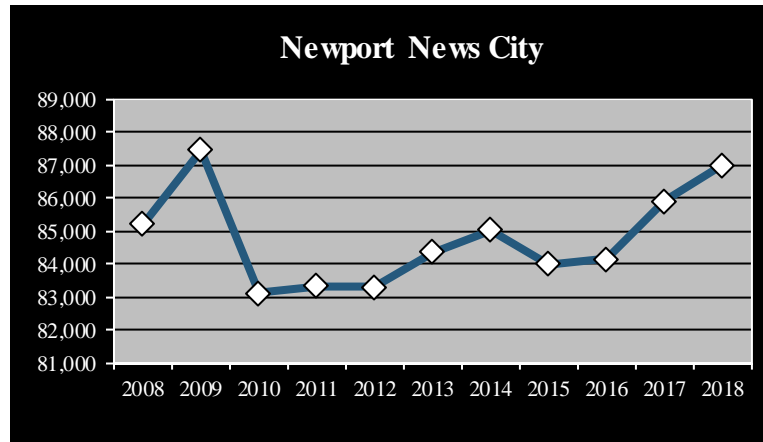
The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

Excluding 2018, the employment base has increased by 1.8% over the past five years in Newport News City, less than the Virginia state increase of 3.8%. Total employment reflects the number of employed persons who live within the county.

The following illustrates the total employment base for Newport News City, the state of Virginia and the United States.

Year	Total Employment					
	Newport News City		Virginia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2008	85,187	-	3,970,428	-	146,047,748	-
2009	87,426	2.6%	3,842,516	-3.2%	140,696,560	-3.7%
2010	83,104	-4.9%	3,860,386	0.5%	140,469,139	-0.2%
2011	83,305	0.2%	3,934,326	1.9%	141,791,255	0.9%
2012	83,286	0.0%	3,967,987	0.9%	143,621,634	1.3%
2013	84,337	1.3%	3,995,182	0.7%	145,017,562	1.0%
2014	85,007	0.8%	4,022,160	0.7%	147,446,676	1.7%
2015	83,972	-1.2%	4,029,043	0.2%	149,733,744	1.6%
2016	84,128	0.2%	4,069,139	1.0%	152,169,822	1.6%
2017	85,883	2.1%	4,146,134	1.9%	154,577,364	1.6%
2018	86,988	1.3%	4,218,182	1.7%	156,752,471	1.4%

Source: Department of Labor; Bureau of Labor Statistics

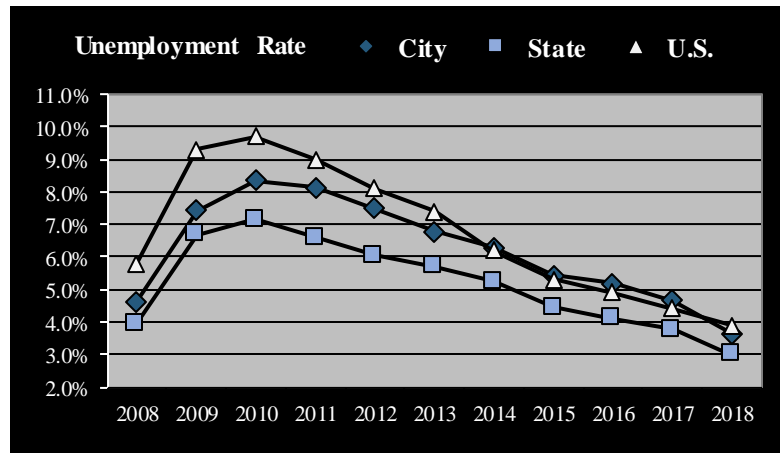


As the preceding illustrates, the employment base within Newport News has increased by 3,016 jobs, or 3.6%, since 2015 (through 2018.)

Unemployment rates for Newport News City, the state of Virginia and the United States are illustrated as follows:

Year	Unemployment Rate		
	Newport News City	Virginia	United States
2008	4.6%	3.9%	5.8%
2009	7.4%	6.7%	9.3%
2010	8.3%	7.2%	9.7%
2011	8.1%	6.6%	9.0%
2012	7.5%	6.0%	8.1%
2013	6.8%	5.7%	7.4%
2014	6.3%	5.2%	6.2%
2015	5.4%	4.5%	5.3%
2016	5.2%	4.1%	4.9%
2017	4.7%	3.8%	4.4%
2018	3.7%	3.0%	3.9%

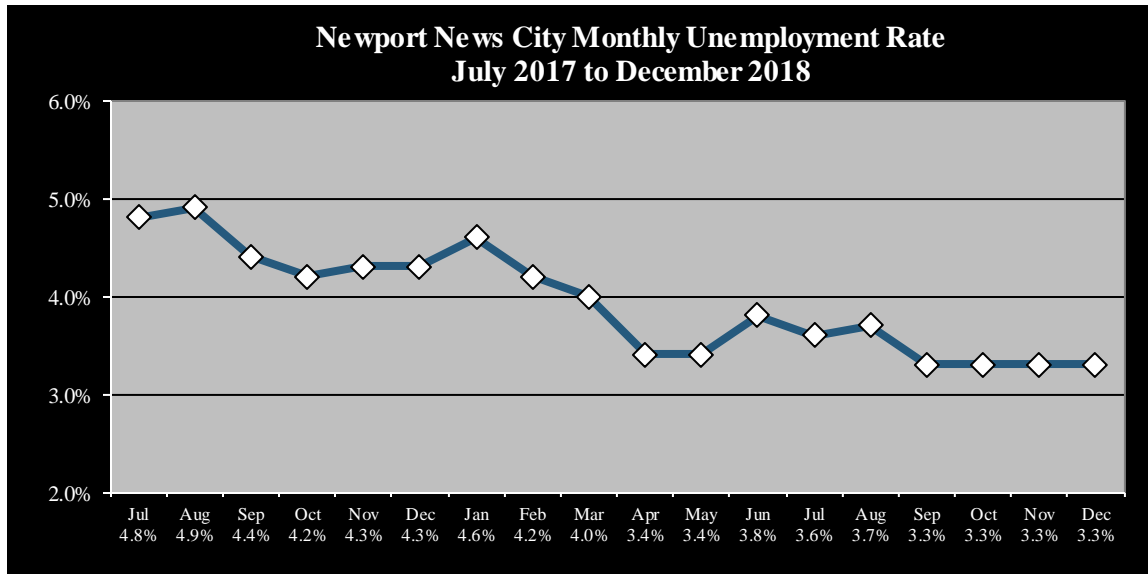
Source: Department of Labor, Bureau of Labor Statistics



The unemployment rate in Newport News has declined each year since 2010, to rate of 3.7% through 2018. This is reflective of a nearly five full percentage point decline during this time period.

The following table illustrates the monthly unemployment rate in Newport News City for the most recent 18-month period for which data is currently available.





The monthly unemployment rate within the city of Newport News has generally trended downward over the past 18-month period and has remained below 4.0% each month since March of 2018.

In-place employment reflects the total number of jobs within the county regardless of the employee's county of residence. The following illustrates the total in-place employment base for Newport News City.

In-Place Employment Newport News City			
Year	Employment	Change	Percent Change
2008	98,317	-	-
2009	95,622	-2,695	-2.7%
2010	95,481	-141	-0.1%
2011	96,309	828	0.9%
2012	96,261	-48	0.0%
2013	97,302	1,041	1.1%
2014	98,179	877	0.9%
2015	97,536	-643	-0.7%
2016	96,225	-1,311	-1.3%
2017	97,754	1,529	1.6%
2018*	101,460	3,706	3.8%

Source: Department of Labor, Bureau of Labor Statistics

\*Through September

Data for 2017, the most recent year that year-end figures are available, indicates in-place employment in Newport News City to be 113.8% of the total Newport News City employment. This means that Newport News City has more employed persons coming to the county from other counties for work (daytime employment) than those who both live and work there.



### 3. ECONOMIC FORECAST

The labor force within the Newport News Site PMA is dominated by the manufacturing industry, which comprises 53.9% of the total labor force. This is considered beneficial to the targeted low-income population, as this industry segment is less susceptible to economic downturns and/or changes in the economy. This will contribute to the continued stability of the local economy within the both the PMA and the city of Newport News. Employment growth has been ongoing since 2015 within the city of Newport News, as more than 3,000 jobs have been added to the local employment base between 2015 and 2018. Based on the numerous recent announcements of new and/or expanding businesses within the Newport News area, we expect employment growth will continue for the foreseeable future. The unemployment rate within the city has also been improving, as it has declined each year since 2010, to a rate of 3.7% through 2018. Overall, the Newport News economy is improving and considered strong, a trend which is expected to continue. However, we also expect demand for affordable housing alternatives will remain strong for the foreseeable future, when considering that many occupations within the area have typical wages of less than \$50,000.

### 4. COMMUTING PATTERNS

Based on the American Community Survey (2013-2017), the following is a distribution of commuting patterns for Site PMA workers age 16 and over:

Mode of Transportation	Workers Age 16+	
	Number	Percent
Drove Alone	35,016	79.6%
Carpooled	3,859	8.8%
Public Transit	2,187	5.0%
Walked	1,273	2.9%
Other Means	896	2.0%
Worked at Home	771	1.8%
Total	44,002	100.0%

Source: American Community Survey (2013-2017); ESRI; Urban Decision Group; Bowen National Research

Nearly 80% of all workers drove alone, 8.8% carpooled and only 5.0% used public transportation. Given the subject site serves very low-income households and is within walking distance of a public bus stop, we anticipate a higher than normal share of site residents' use of public transportation.

Typical travel times to work for the Site PMA residents are illustrated as follows:

Travel Time	Workers Age 16+	
	Number	Percent
Less Than 15 Minutes	13,669	31.1%
15 to 29 Minutes	17,474	39.7%
30 to 44 Minutes	6,956	15.8%
45 to 59 Minutes	2,414	5.5%
60 or More Minutes	2,717	6.2%
Worked at Home	771	1.8%
Total	44,001	100.0%

Source: American Community Survey (2013-2017); ESRI; Urban Decision Group; Bowen National Research

The largest share of area commuters has typical travel times to work ranging from 15 to 29 minutes. The subject site is within a 15-minute drive to most of the area's largest employers, which should contribute to the project's marketability. A drive-time map for the subject site is on the following page.

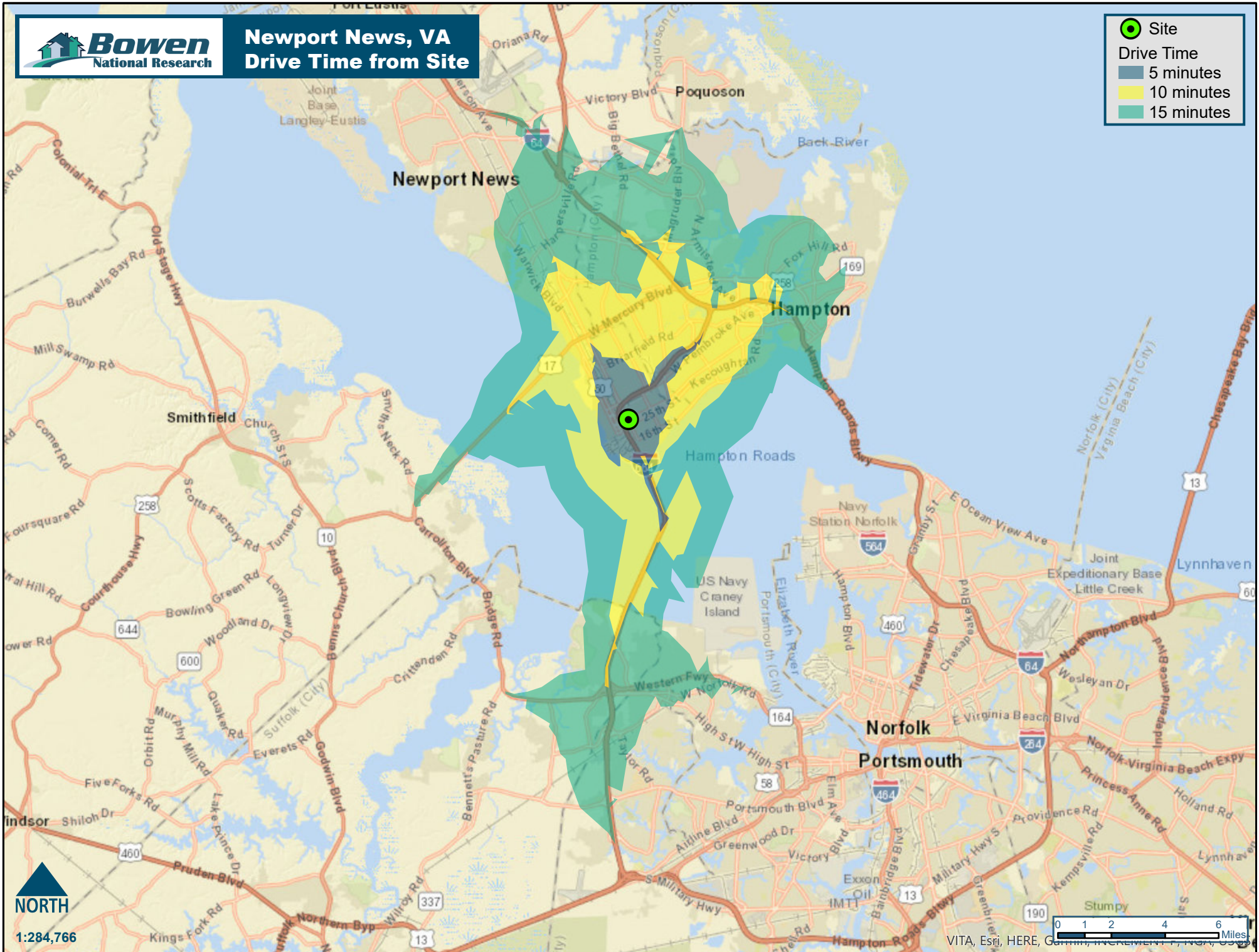


# Newport News, VA Drive Time from Site

● Site

Drive Time

- 5 minutes
- 10 minutes
- 15 minutes



**NORTH**  
1:284,766

0 1 2 4 6 Miles

VITA, Esri, HERE, Garmin, INCREMENTAL, NAVTEQ



## V. Rental Housing Analysis (Supply)

### A. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Newport News Site PMA in 2010 and 2018 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2018 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	39,973	91.8%	39,370	89.8%
Owner-Occupied	21,613	54.1%	20,374	51.8%
Renter-Occupied	18,360	45.9%	18,996	48.2%
Vacant	3,581	8.2%	4,459	10.2%
Total	43,554	100.0%	43,829	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Based on a 2018 update of the 2010 Census, of the 43,829 total housing units in the market, 10.2% were vacant. In 2018, it was estimated that homeowners occupied 51.8% of all occupied housing units, while the remaining 48.2% were occupied by renters. The share of renters is considered relatively high and will contribute to the need for more housing within the Site PMA.

#### Conventional Apartments

We identified and personally surveyed 41 conventional housing projects containing a total of 6,687 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 96.4%, a good rate for rental housing. Each rental housing segment surveyed is summarized as follows:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	12	3,616	163	95.5%
Market-rate/Tax Credit/Government-Subsidized	1	60	0	100.0%
Tax Credit	13	1,264	64	94.9%
Tax Credit/Government-Subsidized	11	859	3	99.7%
Government-Subsidized	4	888	10	98.9%
Total	41	6,687	240	96.4%

All rental housing segments surveyed report overall occupancy rates of 94.9% or higher. Although the Tax Credit segment is reporting 64 vacant units, it is important to note that 57 (89.1%) of these vacant units are located at two poorly performing Tax Credit properties that are some of the oldest properties in the market, as these two properties, Admiral Pointe (Map ID 6) and Ivy Farms (Map ID 11), were originally built in 1943 and 1969, respectively. Excluding these two properties, the Tax Credit segment is reporting just seven vacant units and the overall Tax Credit occupancy is 99.2%. As such, the overall Newport News rental market is performing well, with the exception of these two properties.



**Tax Credit Property Disclosure:** In addition to the 25 Tax Credit properties surveyed, we also identified three (3) additional properties within the Site PMA that operate under the Low-Income Housing Tax Credit (LIHTC) program that we were unable to survey at the time of this report. The known details of these projects based on previous surveys conducted by Bowen National Research in the Newport News area and from our review of the state Tax Credit allocation list are summarized in the following table:

Name	Location	Year Built/ Renovated	Total Units	Target Population	Occupancy at Last Survey
Orcutt Village Townhomes III	900 36 <sup>th</sup> Street	2011	30	Families; 40%, 50% & 60% AMHI & Public Housing	100.0%; 978 Waitlist (July 2014)
Medical Arts Senior Apartments	2901 West Avenue	2003	20	Seniors; 50% AMHI	90.0%; No Waitlist (June 2017)
Warwick SRO	2410 West Avenue	1994/2011	88	Homeless; 50% AMHI & Section 8	100.0%; 38 H.H. Waitlist (May 2017)

H.H. – Households

As the preceding illustrates, only one of the properties unable to be surveyed targets family households, however, this property also operates with a subsidy. As such, this property might have some competitive overlap with the subject development. Regardless, the properties unable to be surveyed have been excluded from our survey and this comparable/competitive analysis. Although the units at the only non-subsidized Tax Credit property target a different population (senior) and will not be directly competitive with the proposed development, we have conservatively included all 20 age-restricted non-subsidized Tax Credit units at this property we were unable to survey in our penetration rate calculations in *Section VII*.

The following table summarizes the breakdown of market-rate and non-subsidized Tax Credit units surveyed within the Site PMA.

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Studio	1.0	52	1.4%	0	0.0%	\$509
One-Bedroom	1.0	1,180	32.6%	22	1.9%	\$875
Two-Bedroom	1.0	1,129	31.2%	76	6.7%	\$961
Two-Bedroom	1.5	225	6.2%	2	0.9%	\$1,250
Two-Bedroom	2.0	470	13.0%	6	1.3%	\$1,336
Two-Bedroom	2.5	65	1.8%	0	0.0%	\$1,320
Three-Bedroom	1.0	247	6.8%	52	21.1%	\$1,101
Three-Bedroom	1.5	2	0.1%	0	0.0%	\$1,139
Three-Bedroom	2.0	42	1.2%	0	0.0%	\$1,515
Three-Bedroom	2.5	182	5.0%	4	2.2%	\$1,516
Three-Bedroom	3.0	8	0.2%	1	12.5%	\$1,909
Four-Bedroom	1.5	20	0.6%	0	0.0%	\$1,406
<b>Total Market-Rate</b>		<b>3,622</b>	<b>100.0%</b>	<b>163</b>	<b>4.5%</b>	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	132	9.1%	2	1.5%	\$848
Two-Bedroom	1.0	854	59.0%	62	7.3%	\$900
Two-Bedroom	1.5	82	5.7%	0	0.0%	\$843
Two-Bedroom	2.0	234	16.2%	0	0.0%	\$1,115
Three-Bedroom	1.5	7	0.5%	0	0.0%	\$971
Three-Bedroom	2.0	98	6.8%	0	0.0%	\$1,292
Three-Bedroom	2.5	40	2.8%	0	0.0%	\$1,133
<b>Total Tax Credit</b>		<b>1,447</b>	<b>100.0%</b>	<b>64</b>	<b>4.4%</b>	-

The market-rate units are 95.5% occupied and the Tax Credit units are 95.6% occupied. Note the lower median gross rents reported among most Tax Credit unit types as compared to similar market-rate units surveyed. These lower median gross rents, along with the 95.6% occupancy rate, are good indications that non-subsidized Tax Credit product represents a good value within the market.

The following is a distribution of non-subsidized units surveyed by year built for the Site PMA:

Year Built	Projects	Units	Vacancy Rate
Before 1970	9	1,931	10.2%
1970 to 1979	4	1,010	1.1%
1980 to 1989	2	751	1.1%
1990 to 1999	2	512	1.6%
2000 to 2005	2	180	0.0%
2006 to 2010	0	0	0.0%
2011	0	0	0.0%
2012	2	248	0.0%
2013	1	197	2.0%
2014	3	38	0.0%
2015	0	0	0.0%
2016	2	108	0.0%
2017	1	14	0.0%
2018	2	80	0.0%
2019*	0	0	0.0%

\*As of January

The highest vacancy rate by year built is within the properties built before 1970. As such, age may impact the marketability of a property, which bodes well for the new construction subject project. Notably, one non-subsidized Tax Credit property was added to the market in 2018 (Ada Park) and is 100.0% occupied. Based on information provided by management, this property opened in February of 2018 and reached 100.0% occupancy in March of 2018. This results in an average absorption rate of approximately 21 units per month, which is considered a rapid absorption rate and demonstrates significant demand for non-subsidized Tax Credit product in this market. In addition, Brennan Pointe II, a Tax Credit property offering both subsidized and non-subsidized Tax Credit units, opened in November of 2018 and reached a 100.0% occupancy rate in December 2018, reflective of an absorption rate of approximately 21 units per month. This further demonstrates the high demand for Tax Credit product in this market.

We rated each non-subsidized property surveyed on a scale of "A" through "F". All non-subsidized properties were rated based on quality and overall appearance (i.e. aesthetic appeal, building appearance, landscaping and grounds appearance). Following is a distribution by quality rating, units and vacancies.

Market-Rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A	1	197	2.0%
B+	1	567	1.4%
B	4	694	1.2%
B-	4	1,167	5.9%
C+	2	849	8.7%
C-	1	148	0.0%

Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	7	450	0.0%
B	5	531	7.0%
B-	2	48	0.0%
C+	1	202	3.0%
C	2	216	9.7%

Tax Credit product surveyed in the market varies in quality as evident by the quality ratings assigned by our analyst and included in the preceding table. Most properties, however, are considered to be of relatively good overall condition. However, the properties assigned the lowest quality rating reported the highest vacancy rate, indicating quality could have an impact on vacancy rates in this market. Regardless, the proposed subject project is expected to have an excellent overall quality/condition upon completion which is expected to contribute to the subject's marketability within the Newport News market.

#### Government-Subsidized

The 11 government-subsidized projects within the Site PMA operate under the HUD Section 8 and Public Housing programs. Generally, these properties have few amenities, are older and offer small unit sizes (square feet). The government-subsidized units (both with and without Tax Credits) in the Site PMA are summarized as follows.

Subsidized Tax Credit					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	210	29.2%	0	0.0%
One-Bedroom	1.5	3	0.4%	0	0.0%
Two-Bedroom	1.0	259	36.1%	0	0.0%
Two-Bedroom	1.5	31	4.3%	0	0.0%
Three-Bedroom	1.0	24	3.3%	0	0.0%
Three-Bedroom	1.5	1	0.1%	0	0.0%
Three-Bedroom	2.0	154	21.4%	0	0.0%
Four-Bedroom	2.0	36	5.0%	0	0.0%
<b>Total Subsidized Tax Credit</b>		<b>718</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>
Government-Subsidized					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	328	36.4%	1	0.3%
Two-Bedroom	1.0	293	32.6%	2	0.7%
Two-Bedroom	1.5	146	16.2%	4	2.7%
Three-Bedroom	1.0	48	5.3%	0	0.0%
Three-Bedroom	1.5	1	0.1%	1	100.0%
Three-Bedroom	2.0	66	7.3%	2	3.0%
Four-Bedroom	2.0	18	2.0%	3	16.7%
<b>Total Subsidized</b>		<b>900</b>	<b>100.0%</b>	<b>13</b>	<b>1.4%</b>



The subsidized Tax Credit units are 100.0% occupied and the government-subsidized units are 98.6% occupied. These high occupancy rates illustrate high demand for very low-income housing in the market.

A complete field survey of all conventional apartments we surveyed, as well as an apartment location map, is included in *Section XII, Field Survey of Conventional Rentals*.

**B. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES**

The proposed subject project will target general-occupancy (family) households earning up to 30%, 40%, 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. In addition, the subject project will also operate under the HUD Section 8 program with a direct subsidy available to 21 units. For the purpose of this analysis, however, we only select comparable *non-subsidized* LIHTC properties as these properties provide the most accurate representation of achievable non-subsidized Tax Credit rents within the Newport News market. The subject development will also offer three market-rate units, which will be evaluated later in the report.

Within the Site PMA, we identified and surveyed a total of 15 general-occupancy LIHTC properties which offer non-subsidized units in the Newport News market. Of these 15 LIHTC properties, we have selected the six most comparable properties based on unit types similar to those proposed for the subject project, in terms of bedroom type, targeted income level, age and quality.

These six LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address, phone number, contact name and utility responsibility is included in the *Field Survey of Conventional Rentals*.

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Carrier Point I	2021	34*	-	-	-	Families; 30%, 40%, 50% & 60% AMHI & Section 8
2	Ada Park	2018	42	100.0%	5.8 Miles	Yes	Families; 40%, 50%, & 60% AMHI
31	Noland Green Apts.	1920 / 2011	54*	100.0%	0.8 Miles	55 H.H.	Families; 40% & 50% AMHI & Section 8
35	Heritage Forest I	2012	144	100.0%	1.6 Miles	None	Families; 40% & 60% AMHI
36	Heritage Forest II	2012	104	100.0%	1.5 Miles	None	Families; 40% & 60% AMHI
40	Brennan Pointe I	2016	44	100.0%	0.7 Miles	20 H.H.	Families; 40%, 50%, & 60% AMHI
41	Brennan Pointe II	2018	43	100.0%	0.7 Miles	20 H.H.	Families; 50% & 60% AMHI & PBV

OCC. – Occupancy  
H.H. - Households  
\*Tax Credit units only



The six LIHTC projects have a combined occupancy rate of 100.0% and four of the six maintain waiting list for their next available units, the longest of which contains 55 households. These are clear indications of strong and pent-up demand for additional general-occupancy LIHTC product in this market.

The following table identifies the comparable LIHTC properties that accept Housing Choice Vouchers as well as the approximate number and share of units occupied by residents utilizing Housing Choice Vouchers:

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
2	Ada Park	42	N/A	-
31	Noland Green Apts.	54*	6	11.1%
35	Heritage Forest I	144	98	68.1%
36	Heritage Forest II	104	71	68.3%
40	Brennan Pointe I	44	N/A	-
41	Brennan Pointe II	43	N/A	-
Total		302	175	57.9%

\*Tax Credit units only

N/A – Number not available (units not included in total)

There are a total of approximately 175 voucher holders residing at the comparable properties for which this information was available within the market. This comprises 57.9% of the 302 total non-subsidized LIHTC units offered among these properties. This is considered a high share of voucher support and indicates that the subject development can likely rely on voucher support in its non-subsidized units. In addition, nearly half of the non-subsidized Tax Credit units among the comparable LIHTC properties are occupied by tenants which are paying the gross rents at these properties and indicates that the gross rents at these properties are achievable within the Newport News market and will serve as accurate benchmarks with which to compare the subject project.

The gross rents for the comparable projects and the proposed rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Carrier Point I	\$421/30% (1) *\$562/40% (1) *\$703/50% (1) \$815/60% (9)	\$506/30% (1) *\$675/40% (2) *\$843/50% (14) \$980/60% (2)	*\$780/40% (1) *\$1,170/60% (2)	-
2	Ada Park	-	\$794/40% (5/0) \$962/50% (16/0) \$1,031/60% (9/0)	\$1,159/60% (12/0)	None
31	Noland Green Apts.	\$834/40% (1/0) \$707/50% (10/0)	\$905/40% (2/0) \$843/50% (30/0)	\$1,009/40% (2/0) \$971/50% (9/0)	None
35	Heritage Forest I	\$630/40% (8/0) \$911/60% (10/0)	\$770/40% (7/0) \$1,115/60% (89/0)	\$1,292/60% (30/0)	None
36	Heritage Forest II	\$630/40% (2/0) \$911/60% (14/0)	\$770/40% (9/0) \$1,115/60% (57/0)	\$1,292/60% (22/0)	None
40	Brennan Pointe I	-	\$816/40% (3/0) \$981/50% (18/0) \$1,022/60% (7/0)	\$952/40% (2/0) \$1,137/50% (11/0) \$1,212/60% (3/0)	None
41	Brennan Pointe II	\$1,014/50% (3/0)	\$822/50% (10/0) \$922/60% (14/0)	\$955/50% (7/0) \$1,228/50% (2/0) \$1,060/60% (7/0)	None

\*Subsidized-Rent is reflective of maximum allowable LIHTC rent

The subject's proposed gross Tax Credit rents will be competitive in the market, relative to similar unit types among the comparable properties. Notably, the subject's gross rents are positioned lower than those reported at Ada Park and Brennan Pointe II, the newest LIHTC properties in the market. Thus, the subject rents are considered appropriate for and marketable within the Newport News Site PMA. It important to reiterate that the subject project will also operate with a project-based Section 8 subsidy available to 21 units. This will allow tenants of these units to pay up to 30% of their adjusted gross rent, rather than the proposed Tax Credit rents reflected in the preceding table. The availability of this subsidy will ensure the subject project represents a significant value within the Newport News Site PMA.

The unit sizes (square footage) and number of bathrooms included in each of the different LIHTC unit types offered in the market are compared with the subject development in the following tables:

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
<b>Site</b>	<b>Carrier Point I</b>	<b>561-634</b>	<b>855-888</b>	<b>1,173</b>
2	Ada Park	-	884	1,100
31	Noland Green Apts.	525 - 565	685 - 740	885
35	Heritage Forest I	720	1,035	1,222
36	Heritage Forest II	720	1,035	1,222
40	Brennan Pointe I	-	1,130	1,560
41	Brennan Pointe II	883	883	1,130

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
<b>Site</b>	<b>Carrier Point I</b>	<b>1.0</b>	<b>1.5</b>	<b>2.0</b>
2	Ada Park	-	2.0	2.0
31	Noland Green Apts.	1.0	1.5	1.5 - 2.0
35	Heritage Forest I	1.0	2.0	2.0
36	Heritage Forest II	1.0	2.0	2.0
40	Brennan Pointe I	-	1.5	2.0
41	Brennan Pointe II	1.5	1.5	2.0

The proposed development will offer the smallest one-bedroom units in the market, and the two- and three-bedroom units are competitively positioned among the comparable LIHTC properties. These characteristics will contribute to the subject's marketability within the Newport News market.

The following tables compare the appliances and the unit and project amenities of the subject site with existing Tax Credit properties in the market.



# COMPARABLE PROPERTIES AMENITIES - NEWPORT NEWS, VIRGINIA

MAP ID	APPLIANCES							UNIT AMENITIES												
	RANGE	REFRIGERATOR	ICEMAKER	DISHWASHER	DISPOSAL	MICROWAVE	CENTRAL AC	WINDOW AC	FLOOR COVERING	WASHER AND DRYER	W/D HOOKUP	PATIO/DECK/BALCONY	CEILING FAN	BASEMENT	INTERCOM	SECURITY	WINDOW TREATMENTS	E-CALL BUTTONS	PARKING	OTHER
SITE	X	X		X	X		X		C		X	X					B		S	
31	X	X		X			X		W			X					B		S	
2	X	X		X	X		X		C		X	X					B			
35	X	X	X	X	X	X	X		C	X	X	X					B		S	
36	X	X	X	X	X	X	X		C	X	X	X					B		S	
40	X	X		X	X	X	X		C		X	X					B		S	
41	X	X		X	X	X	X		C		X	X					B		S	

◆ Senior Restricted
■ Market-rate
■ Market-rate/Tax Credit
■ Market-rate/Government-subsidized
■ Market-rate/Tax Credit/Government-subsidized
■ Tax Credit
■ Tax Credit/Government-subsidized
■ Government-subsidized

X - All Units	
S - Some Units	
O - Optional	
Window Treatments	
B - Blinds	C - Curtains
D - Drapes	

Parking	
A - Attached	C - Carport
D - Detached	O - On Street
S - Surface	G - Parking Garage
(o) - Optional	(s) - Some

Sports Courts	
B - Basketball	D - Baseball Diamonds
P - Putting Green	T - Tennis
V - Volleyball	X - Multiple

Floor Covering	
C - Carpet	H - Hardwood
V - Vinyl	W - Wood
T - Tile	

Community Space	
A - Activity Room	L - Lounge/Gathering Room
T - Training Room	

# COMPARABLE PROPERTIES AMENITIES - NEWPORT NEWS, VIRGINIA

MAP ID	PROJECT AMENITIES													OTHER					
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE		COMPUTER LAB	LIBRARY	PICNIC AREA	SOCIAL SERVICES	BUSINESS CENTER
<b>SITE</b>		X			X							X							
<b>31</b>		X	X		L	X		X			X		X			X			CCTV
<b>2</b>		X	X		X														
<b>35</b>	X	X		X		X		X				X							Courtesy Officer
<b>36</b>	X	X		X		X		X				X							Courtesy Officer
<b>40</b>		X	X		X			X			X								Gazebo
<b>41</b>		X			X						X								

◆ Senior Restricted
■ Market-rate
■ Market-rate/Tax Credit
■ Market-rate/Government-subsidized
■ Market-rate/Tax Credit/Government-subsidized
■ Tax Credit
■ Tax Credit/Government-subsidized
■ Government-subsidized

X - All Units
S - Some Units
O - Optional
<b>Window Treatments</b>
B - Blinds
C - Curtains
D - Drapes

<b>Parking</b>
A - Attached
C - Carport
D - Detached
O - On Street
S - Surface
G - Parking Garage
(o) - Optional
(s) - Some

<b>Sports Courts</b>
B - Basketball
D - Baseball Diamonds
P - Putting Green
T - Tennis
V - Volleyball
X - Multiple

<b>Floor Covering</b>
C - Carpet
H - Hardwood
V - Vinyl
W - Wood
T - Tile

<b>Community Space</b>
A - Activity Room
L - Lounge/Gathering Room
T - Training Room

The proposed amenity package for the subject project is very competitive with those offered among the comparable general-occupancy LIHTC properties, both in terms of unit and project amenities. The subject property does not appear to lack any key amenities that would adversely impact its marketability as a LIHTC property within the Newport News Site PMA. This is particularly true when considering the high occupancy rates maintained among the comparable properties and the available Section 8 subsidy to be provided at the subject project.

Comparable/Competitive Tax Credit Summary

The six comparable general-occupancy LIHTC properties are all 100.0% occupied and four maintain waiting lists, the longest of which contains 55 households. The proposed subject project is expected to help alleviate a portion of this pent-up demand for additional general-occupancy LIHTC product. The subject’s proposed gross Tax Credit rents are competitive in the market and are positioned below those offered at the newest LIHTC properties in the market. Thus, the subject rents are considered appropriate for this market. In addition, the subject property will offer a project-based Section 8 subsidy to 21 units, which will allow tenants of these units to only pay up to 30% of their income towards rent. In terms of design, the subject property will generally offer some of the smallest unit sizes in the market, however, the competitive amenities package and low proposed rents will enable the subject to represent a value to low-income renters. Based on the preceding factors, the subject project is considered marketable as proposed.

Market-Rate

Considering the proposed project will offer three market-rate units, we have also provided a comparable market-rate analysis to assess the competitiveness of these units. We identified five comparable market-rate properties within the Site PMA. These five comparable market-rate properties and the proposed subject development are summarized as follows:

Map I.D.	Project Name	Year Built/Renovated	Units	Occupancy Rate	Distance to Site	Rent Special
Site	Carrier Point I	2021	3*	-	-	-
12	Hampstead Heath Luxury Homes	1977 / 2006	101	100.0%	5.1 Miles	None
16	Harper's Landing	1978 / 1996	296	98.6%	5.8 Miles	None
19	Liberty Apts.	2013	197	98.0%	1.0 Miles	\$50 off one month rent (three-bedroom units only)
26	Riverlands Apts.	1992 / 2000	404	98.0%	2.7 Miles	None
30	Abbingtion at Northampton	1982 / 2013	567	98.6%	4.1 Miles	None

\*Market-rate units only



The five selected market-rate projects have a combined total of 1,565 units with an overall occupancy rate of 98.5%. This high occupancy rate illustrates that market-rate product is in high demand.

The gross rents for the comparable market-rate projects and the proposed rents at the subject site, as well as their rent per square foot, unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent (Number of Units/Vacancies)			
		Studio	One-Br.	Two-Br.	Three-Br.
<b>Site</b>	<b>Carrier Point I</b>	-	<b>\$1,025 (1)</b>	<b>\$1,200 (2)</b>	-
12	Hampstead Heath Luxury Homes	-	-	\$1,320 (65/0)	\$1,515-\$1,791 (36/0)
16	Harper's Landing	\$734-\$784 (16/0)	\$800-\$860 (56/0)	\$852-\$917 (176/2)	\$1,070 (48/2)
19	Liberty Apts.	-	\$1,171-\$1,211 (85/0)	\$1,531-\$1,571 (104/3)	\$1,909-\$2,009 (8/1)
26	Riverlands Apts.	-	\$875-\$915 (192/2)	\$1,050-\$1,130 (200/6)	\$1,300-\$1,355 (12/0)
30	Abbingdon at Northampton	-	\$1,040-\$1,100 (241/2)	\$1,251-\$1,355 (231/3)	\$1,516 (95/3)

The subject's proposed market-rate rents are competitively positioned among the comparable market-rate rents in the market. In fact, the subject's proposed market-rate rents are positioned below the newest comparable market-rate property, Liberty Apartments, indicating the subject's proposed rents are likely appropriate.

The unit sizes (square footage) and number of bathrooms included in each of the different comparable market-rate unit types offered in the market are compared with the subject development in the following tables:

Map I.D.	Project Name	Square Footage			
		Studio	One-Br.	Two-Br.	Three-Br.
<b>Site</b>	<b>Carrier Point I</b>	-	<b>561</b>	<b>888</b>	-
12	Hampstead Heath Luxury Homes	-	-	1,332	1,248 - 1,724
16	Harper's Landing	450	650	900	1,050
19	Liberty Apts.	-	543 - 566	825 - 848	1,106 - 1,130
26	Riverlands Apts.	-	557 - 597	757 - 900	1,196 - 1,275
30	Abbingdon at Northampton	-	638 - 736	845 - 924	1,085

Map I.D.	Project Name	Number of Baths			
		Studio	One-Br.	Two-Br.	Three-Br.
<b>Site</b>	<b>Carrier Point I</b>	-	<b>1.0</b>	<b>1.5</b>	-
12	Hampstead Heath Luxury Homes	-	-	2.5	2.0 - 2.5
16	Harper's Landing	1.0	1.0	1.0	1.0
19	Liberty Apts.	-	1.0	2.0	3.0
26	Riverlands Apts.	-	1.0	1.0	2.0
30	Abbingdon at Northampton	-	1.0	2.0	2.5

The proposed development will be competitive with the existing comparable market-rate projects in the market based on unit size (square footage) and the number of baths offered.

**C. PLANNED MULTIFAMILY DEVELOPMENT**

After several attempts we were unable to reach local planning/building representatives. However, through extensive online research, it was determined that there are two rental housing projects in the development pipeline within the Site PMA. These developments are summarized as follows:

- Whittaker Place, located at 1003 28<sup>th</sup> Street in Newport News, is an adaptive reuse project of a former hospital built in 1915. The apartments will target low- to moderate- income tenants. The developer was allocated LIHTC 4% Bond financing in 2018. This project is expected to comprise 67 apartments comprised of 14 studios, 42 one-bedroom units and 11 two-bedroom units. The developers are Canterbury Enterprises. The renovations began in late 2018 and it is unknown when the project is expected to be complete.
- Soundview Townhomes, located at 827 41<sup>st</sup> Street in Newport News, is a former portion of a larger market-rate project built in 1969. A developer bought 250 of the 600 units at Meadowview Townhomes in 2017 and was allocated LIHTC funding for renovations under the Tax Credit program. The units are being renovated and residents are still occupying units and additional information regarding when the project will be complete was unavailable at the time of this report.

The two rental projects currently in the development pipeline are expected to target general-occupancy households and offer unit types similar to those proposed for the subject site. These properties have been considered in our demand estimates included in *Section VII*.

**D. ANTICIPATED IMPACT ON EXISTING TAX CREDIT PROPERTIES**

The anticipated occupancy rates of the existing and surveyed comparable/competitive Tax Credit developments during the first year of occupancy at the subject property are as follows:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2021
2	Ada Park	100.0%	95.0% +
31	Noland Green Apts.	100.0%	95.0% +
35	Heritage Forest I	100.0%	95.0% +
36	Heritage Forest II	100.0%	95.0% +
40	Brennan Pointe I	100.0%	95.0% +
41	Brennan Pointe II	100.0%	95.0% +



The comparable/competitive LIHTC properties are all currently 100.0% occupied. Further, four of the six maintain waiting lists, the longest of which contains 55 households. These are clear indications of strong and pent-up demand for general-occupancy LIHTC product in the Newport News market. Considering the depth of support (demand estimates) for the subject project and the existing properties, we do not anticipate the subject project having any adverse impact on future occupancy rates among existing comparable LIHTC product in the market. In fact, the subject property is expected to help alleviate a portion of the pent-up demand for additional general-occupancy LIHTC product in this market.

**E. BUY VERSUS RENT ANALYSIS**

According to ESRI, the median home value within the Site PMA was \$183,712. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$183,712 home is \$1,105, including estimated taxes and insurance.

<b>Buy Versus Rent Analysis</b>	
Median Home Price - ESRI	\$183,712
Mortgaged Value = 95% of Median Home Price	\$174,526
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$884
Estimated Taxes and Insurance*	\$221
Estimated Monthly Mortgage Payment	\$1,105

\*Estimated at 25% of principal and interest

In comparison, the collected Tax Credit rents for the subject property range from \$346 to \$1,035 per month. While it is possible that some potential tenants of the subject project could afford the monthly payments required to own a home in this market, the number that could also afford the down payment, routine maintenance costs, and/or utility costs associated with such a home is considered minimal. Further, the Section 8 subsidy to be provided at 21 units must also be considered, as tenants of these units will effectively pay only 30% of their income towards rent, rather than the proposed rents evaluated throughout this report. Based on the preceding factors, we do not anticipate any competitive impact on or from the homebuyer market.

## VI. Achievable Market Rent Analysis

### A. INTRODUCTION

We identified five market-rate properties within the Newport News Site PMA that we consider most comparable to the subject project in terms of building design, unit type, age, and amenities offered. These selected properties are used to derive market rent for a project with characteristics similar to the proposed subject development and the subject property's market advantage. It is important to note that, for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the proposed subject units without maximum income and rent restrictions.

The basis for the selection of these projects includes, but is not limited to, the following factors:

- Surrounding neighborhood characteristics
- Target market (seniors, families, disabled, etc.)
- Unit types offered (garden or townhouse, bedroom types, etc.)
- Building type (single-story, midrise, high-rise, etc.)
- Unit and project amenities offered
- Age and appearance of property

Since it is unlikely that any two properties are identical, we adjust the collected rent (the actual rent paid by tenants) of the selected properties according to whether or not they compare favorably with the subject development. Rents of projects that have additional or better features than the subject site are adjusted negatively, while projects with inferior or fewer features are adjusted positively. For example, if the proposed subject project does not have a washer or dryer and a selected property does, then we lower the collected rent of the selected property by the estimated value of a washer and dryer to derive an *achievable market rent* for a project similar to the proposed project.

The rent adjustments used in this analysis are based on various sources, including known charges for additional features within the Site PMA, estimates made by area property managers and realtors, quoted rental rates from furniture rental companies and Bowen National Research's prior experience in markets nationwide.

It is important to note that one or more of the selected properties may be more similar to the subject property than others. These properties are given more weight in terms of reaching the final achievable market rent determination. While monetary adjustments are made for various unit and project features, the final market rent determination is based upon the judgments of our market analysts.

The proposed subject development and the five selected properties include the following:

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)			
					Studio	One-Br.	Two-Br.	Three-Br.
<b>Site</b>	<b>Carrier Point I</b>	<b>2021</b>	<b>37</b>	<b>-</b>	<b>-</b>	<b>13 (-)</b>	<b>21 (-)</b>	<b>3 (-)</b>
12	Hampstead Heath Luxury Homes	1977 / 2006	101	100.0%	-	-	65 (100.0%)	36 (100.0%)
16	Harper's Landing	1978 / 1996	296	98.6%	16 (100.0%)	56 (100.0%)	176 (98.9%)	48 (95.8%)
19	Liberty Apts.	2013	197	98.0%	-	85 (100.0%)	104 (97.1%)	8 (87.5%)
26	Riverlands Apts.	1992 / 2000	404	98.0%	-	192 (99.0%)	200 (97.0%)	12 (100.0%)
30	Abbingdon at Northampton	1982 / 2013	567	98.6%	-	241 (99.2%)	231 (98.7%)	95 (96.8%)

Occ. – Occupancy

The five selected market-rate projects have a combined total of 1,565 units with an overall occupancy rate of 98.5%. None of the comparable properties has an occupancy rate below 98.0%. These occupancy rates are good indications the selected properties are well-received within the Newport News market and will serve as accurate benchmarks with which to compare the subject project.

The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate the adjustments made (as needed) for various features and location or neighborhood characteristics, as well as quality differences that exist among the selected properties and the proposed subject development.

**Rent Comparability Grid**

Unit Type →

**ONE-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Carrier Point I		Hampstead Heath Luxury Homes		Harper's Landing		Liberty Apts.		Riverlands Apts.		Abbington at Northampton	
2800 Jefferson Avenue		1 Hampstead Heath Way		761 Adams Dr.		3201 Washington Ave.		45 Riverlands Dr.		103 Kathann Dr.	
Newport News, VA		Hampton, VA		Newport News, VA		Newport News, VA		Newport News, VA		Hampton, VA	
<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>	
<b>on</b>		<b>\$ Adj</b>		<b>\$ Adj</b>		<b>\$ Adj</b>		<b>\$ Adj</b>		<b>\$ Adj</b>	
<b>Subject</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>	
<b>A.</b>	<b>Rents Charged</b>										
1	\$ Last Rent / Restricted?	\$1,095		\$745		\$990		\$743		\$839	
2	Date Surveyed	Jan-19		Feb-19		Jan-19		Jan-19		Jan-19	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%	\$33	100%	\$22	100%	\$30	99%	\$22	99%	\$25
5	Effective Rent & Rent/ sq. ft	\$1,128	0.85	\$767	1.18	\$1,020	1.80	\$765	1.28	\$864	1.35
<b>B.</b>	<b>Design, Location, Condition</b>										
6	Structure / Stories	EE/4		WU/2		EE/4		WU/2,3		WU/2	
7	Yr. Built/Yr. Renovated	2021		1978/1996	\$34	2013	\$8	1992/2000	\$25	1982/2013	\$23
8	Condition/Street Appeal	E	\$20	F	\$30	E		G	\$15	G	\$15
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
<b>C.</b>	<b>Unit Equipment/ Amenities</b>										
11	# Bedrooms	1	(\$50)	1		1		1		1	
12	# Baths	1	(\$45)	1		1		1		1	
13	Unit Interior Sq. Ft.	583	(\$218)	650	(\$20)	566	\$5	597	(\$4)	638	(\$16)
14	Balcony/Patio	Y		N	\$5	N	\$5	N	\$5	N	\$5
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y		N/Y		Y/Y	(\$5)	N/N	\$10	Y/Y	(\$5)
18	Washer/Dryer	HU		HU/L	(\$5)	W/D	(\$25)	L	\$5	W/D	(\$25)
19	Floor Coverings	C/V		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Secured Entry	N		N		Y	(\$3)	Y	(\$3)	N	
22	Garbage Disposal	Y		N	\$5	Y		N	\$5	Y	
23	Ceiling Fans/Storage	N/N	(\$5)	Y/Y	(\$10)	N/N		Y/N	(\$5)	N/N	
<b>D.</b>	<b>Site Equipment/ Amenities</b>										
24	Parking ( \$ Fee)	LOT/\$0		LOT/\$0		P-GAR	(\$30)	LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	N		N		Y	(\$5)	N		N	
27	Community Space	Y		N	\$5	Y		N	\$5	Y	
28	Pool/Recreation Areas	N	(\$18)	N		P/F	(\$15)	P/F	(\$15)	P/F	(\$15)
29	Computer/Business Center	N		N		Y	(\$3)	N		N	
30	Picnic Area	N		Y	(\$3)	N		Y	(\$3)	Y	(\$3)
31	Playground	N		Y	(\$3)	N		N		Y	(\$3)
32	Social Services	N		N		N		N		N	
<b>E.</b>	<b>Utilities</b>										
33	Heat (in rent?/ type)	N/E		N/G		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/G		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/Y	\$38	Y/Y	(\$21)	N/N	\$38	N/N	\$38	N/N	\$38
39	Trash/Recycling	Y/N		Y/N		N/N	\$29	Y/N		N/N	\$29
<b>F.</b>	<b>Adjustments Recap</b>										
40	# Adjustments B to D	2	5	5	5	3	7	7	5	3	6
41	Sum Adjustments B to D	\$49	(\$336)	\$79	(\$41)	\$18	(\$86)	\$70	(\$30)	\$43	(\$67)
42	Sum Utility Adjustments	\$38			(\$21)	\$67		\$38		\$67	
		<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>
43	Net/ Gross Adjmts B to E	(\$249)	\$423	\$17	\$141	(\$1)	\$171	\$78	\$138	\$43	\$177
<b>G.</b>	<b>Adjusted &amp; Market Rents</b>										
44	Adjusted Rent (5+ 43)	\$879		\$784		\$1,019		\$843		\$907	
45	Adj Rent/Last rent		78%		102%		100%		110%		105%
46	Estimated Market Rent	\$925	\$1.59 ←	Estimated Market Rent/ Sq. Ft							

**Rent Comparability Grid**

Unit Type →

**TWO-BEDROOM**

<i>Subject</i>		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>		<i>Comp #5</i>	
Carrier Point I		Hampstead Heath Luxury Homes		Harper's Landing		Liberty Apts.		Riverlands Apts.		Abbington at Northampton	
2800 Jefferson Avenue		1 Hampstead Heath Way		761 Adams Dr.		3201 Washington Ave.		45 Riverlands Dr.		103 Kathann Dr.	
Newport News, VA		Hampton, VA		Newport News, VA		Newport News, VA		Newport News, VA		Hampton, VA	
<i>Subject</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>	
<i>A. Rents Charged</i>		<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>
1	\$ Last Rent / Restricted?	\$1,095		\$785		\$1,295		\$903		\$1,099	
2	Date Surveyed	Jan-19		Feb-19		Jan-19		Jan-19		Jan-19	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%	\$33	99%	\$24	97%		97%		98%	\$33
5	Effective Rent & Rent/ sq. ft	\$1,128	0.85	\$809	0.90	\$1,295	1.53	\$903	1.00	\$1,132	1.34
<i>B. Design, Location, Condition</i>		<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>
6	Structure / Stories	EE/4		WU/2		EE/4		WU/2,3		WU/2	
7	Yr. Built/Yr. Renovated	2021		1977/2006	\$29	1978/1996	\$34	2013	\$8	1992/2000	\$25
8	Condition/Street Appeal	E		G-	\$20	F	\$30	E		G	\$15
9	Neighborhood	G		G		G		G		G	
10	Same Market?			Yes		Yes		Yes		Yes	
<i>C. Unit Equipment/ Amenities</i>		<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>
11	# Bedrooms	2		2		2		2		2	
12	# Baths	1.5	(\$30)	2.5	(\$30)	1	\$15	2	(\$15)	1	\$15
13	Unit Interior Sq. Ft.	863	(\$126)	1332	(\$126)	900	(\$10)	848	\$4	900	(\$10)
14	Balcony/Patio	Y		Y		Y		N	\$5	Y	
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	N/Y		N/Y		N/Y		Y/Y	(\$5)	N/N	\$10
18	Washer/Dryer	HU		HU		HU/L	(\$5)	W/D	(\$25)	L	\$5
19	Floor Coverings	C/V		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Secured Entry	N		N		N		Y	(\$3)	Y	(\$3)
22	Garbage Disposal	Y		Y		N	\$5	Y		N	\$5
23	Ceiling Fans/Storage	N/N	(\$5)	Y/N	(\$5)	Y/Y	(\$10)	N/N		Y/N	(\$5)
<i>D Site Equipment/ Amenities</i>		<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>
24	Parking ( \$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		P-GAR	(\$30)	LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	N		N		N		Y	(\$5)	N	
27	Community Space	Y		Y		N	\$5	Y		N	\$5
28	Pool/Recreation Areas	N	(\$18)	P/F/J	(\$18)	N		P/F	(\$15)	P/F	(\$15)
29	Computer/Business Center	N		N		N		Y	(\$3)	N	
30	Picnic Area	N		N		Y	(\$3)	N		Y	(\$3)
31	Playground	N		N		Y	(\$3)	N		N	
32	Social Services	N		N		N		N		N	
<i>E. Utilities</i>		<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>
33	Heat (in rent?/ type)	N/E		N/G		N/G		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/G		N/G		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/Y	\$58	N/N	\$58	Y/Y	(\$29)	N/N	\$58	N/N	\$58
39	Trash/Recycling	Y/N		Y/N		Y/N		N/N	\$29	Y/N	\$29
<i>F. Adjustments Recap</i>		<i>Pos</i>	<i>Neg</i>	<i>Pos</i>	<i>Neg</i>	<i>Pos</i>	<i>Neg</i>	<i>Pos</i>	<i>Neg</i>	<i>Pos</i>	<i>Neg</i>
40	# Adjustments B to D	2	4	5	5	3	8	7	5	3	6
41	Sum Adjustments B to D	\$49	(\$179)	\$89	(\$31)	\$17	(\$101)	\$80	(\$36)	\$43	(\$66)
42	Sum Utility Adjustments	\$58			(\$29)	\$87		\$58		\$87	
		<i>Net</i>	<i>Gross</i>	<i>Net</i>	<i>Gross</i>	<i>Net</i>	<i>Gross</i>	<i>Net</i>	<i>Gross</i>	<i>Net</i>	<i>Gross</i>
43	Net/ Gross Adjmts B to E	(\$72)	\$286	\$29	\$149	\$3	\$205	\$102	\$174	\$64	\$196
<i>G. Adjusted &amp; Market Rents</i>		<i>Adj. Rent</i>		<i>Adj. Rent</i>		<i>Adj. Rent</i>		<i>Adj. Rent</i>		<i>Adj. Rent</i>	
44	Adjusted Rent (5+ 43)	\$1,056		\$838		\$1,298		\$1,005		\$1,196	
45	Adj Rent/Last rent		94%		104%		100%		111%		106%
46	Estimated Market Rent	\$1,115		\$1.29 ←		Estimated Market Rent/ Sq. Ft					



**Rent Comparability Grid**

Unit Type →

**THREE-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Carrier Point I		Hampstead Heath Luxury Homes		Harper's Landing		Liberty Apts.		Riverlands Apts.		Abbington at Northampton	
2800 Jefferson Avenue		1 Hampstead Heath Way		761 Adams Dr.		3201 Washington Ave.		45 Riverlands Dr.		103 Kathann Dr.	
Newport News, VA		Hampton, VA		Newport News, VA		Newport News, VA		Newport News, VA		Hampton, VA	
<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>	
<b>on</b>		<b>\$ Adj</b>		<b>\$ Adj</b>		<b>\$ Adj</b>		<b>\$ Adj</b>		<b>\$ Adj</b>	
<b>Subject</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>	
<b>A. Rents Charged</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
1 \$ Last Rent / Restricted?		\$1,255		\$920		\$1,700		\$1,075		\$1,199	
2 Date Surveyed		Jan-19		Feb-19		Jan-19		Jan-19		Jan-19	
3 Rent Concessions		None		None		Yes (\$42)		None		None	
4 Occupancy for Unit Type		100%	\$38	96%		88%		100%	\$32	97%	
5 Effective Rent & Rent/ sq. ft	▼	\$1,293	1.04	\$920	0.88	\$1,658	1.47	\$1,107	0.87	\$1,199	1.11
<b>B. Design, Location, Condition</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
6 Structure / Stories	EE/4	WU/2,3		WU/2		EE/4		WU/2,3		TH/2	
7 Yr. Built/Yr. Renovated	2021	1977/2006	\$29	1978/1996	\$34	2013	\$8	1992/2000	\$25	1982/2013	\$23
8 Condition/Street Appeal	E	G-	\$20	F	\$30	E		G	\$15	G	\$15
9 Neighborhood	G	G		G		G		G		G	
10 Same Market?		Yes		Yes		Yes		Yes		Yes	
<b>C. Unit Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
11 # Bedrooms	3	3		3		3		3		3	
12 # Baths	2	2		1	\$30	3	(\$30)	2		2.5	(\$15)
13 Unit Interior Sq. Ft.	1163	1248	(\$23)	1050	\$30	1130	\$9	1275	(\$30)	1085	\$21
14 Balcony/Patio	Y	Y		Y		N	\$5	Y		Y	
15 AC: Central/Wall	C	C		C		C		C		C	
16 Range/Refrigerator	R/F	R/F		R/F		R/F		R/F		R/F	
17 Microwave/Dishwasher	N/Y	Y/Y	(\$5)	N/Y		Y/Y	(\$5)	N/N	\$10	Y/Y	(\$5)
18 Washer/Dryer	HU	HU		HU/L	(\$5)	W/D	(\$25)	HU/L	(\$5)	W/D	(\$25)
19 Floor Coverings	C/V	C		C		C		C		C	
20 Window Coverings	B	B		B		B		B		B	
21 Secured Entry	N	N		N		Y	(\$3)	Y	(\$3)	N	
22 Garbage Disposal	Y	Y		N	\$5	Y		N	\$5	Y	
23 Ceiling Fans/Storage	N/N	Y/N	(\$5)	Y/Y	(\$10)	N/N		Y/N	(\$5)	N/N	
<b>D Site Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
24 Parking ( \$ Fee)	LOT/\$0	LOT/\$0		LOT/\$0		P-GAR	(\$30)	LOT/\$0		LOT/\$0	
25 On-Site Management	Y	Y		Y		Y		Y		Y	
26 Security Features	N	N		N		Y	(\$5)	N		N	
27 Community Space	Y	Y		N	\$5	Y		N	\$5	Y	
28 Pool/Recreation Areas	N	P/F/J	(\$18)	N		P/F	(\$15)	P/F	(\$15)	P/F	(\$15)
29 Computer/Business Center	N	N		N		Y	(\$3)	N		N	
30 Picnic Area	N	N		Y	(\$3)	N		Y	(\$3)	Y	(\$3)
31 Playground	N	N		Y	(\$3)	N		N		Y	(\$3)
32 Social Services	N	N		N		N		N		N	
<b>E. Utilities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
33 Heat (in rent?/ type)	N/E	N/G		N/G		N/E		N/E		N/E	
34 Cooling (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
35 Cooking (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
36 Hot Water (in rent?/ type)	N/E	N/G		N/G		N/E		N/E		N/E	
37 Other Electric	N	N		N		N		N		N	
38 Cold Water/Sewer	N/Y	N/N	\$74	Y/Y	(\$36)	N/N	\$74	N/N	\$74	N/N	\$74
39 Trash/Recycling	Y/N	Y/N		Y/N		N/N	\$29	Y/N		N/N	\$29
<b>F. Adjustments Recap</b>		<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>
40 # Adjustments B to D		2	4	6	4	3	8	5	6	3	6
41 Sum Adjustments B to D		\$49	(\$51)	\$134	(\$21)	\$22	(\$116)	\$60	(\$61)	\$59	(\$66)
42 Sum Utility Adjustments		\$74			(\$36)	\$103		\$74		\$103	
		<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>
43 Net/ Gross Adjmts B to E		\$72	\$174	\$77	\$191	\$9	\$241	\$73	\$195	\$96	\$228
<b>G. Adjusted &amp; Market Rents</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44 Adjusted Rent (5+ 43)		\$1,365		\$997		\$1,667		\$1,180		\$1,295	
45 Adj Rent/Last rent			106%		108%		101%		107%		108%
46 Estimated Market Rent	\$1,540	\$1.32	← Estimated Market Rent/ Sq. Ft								

Once all adjustments to collected rents were made, the adjusted rents for each comparable were used to derive an achievable market rent for each bedroom type. Each property was considered and weighed based upon its proximity to the subject site and its amenities and unit layout compared to the subject site.

Based on the preceding Rent Comparability Grids, it was determined that the present-day achievable market rents for units similar to the proposed subject development are \$925 for a one-bedroom unit, \$1,115 for a two-bedroom unit and \$1,540 for a three-bedroom unit, which are illustrated as follows:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Br.	30%	\$346	\$925	62.6%
One-Br.	40%/S8	*\$487	\$925	47.4%
One-Br.	50%/S8	*\$628	\$925	32.1%
One-Br.	60%	\$740	\$925	20.0%
One-Br.	MR	\$950	\$925	-2.7%
Two-Br.	30%	\$406	\$1,115	63.6%
Two-Br.	40%/S8	*\$575	\$1,115	48.4%
Two-Br.	50%/S8	*\$743	\$1,115	33.4%
Two-Br.	60%	\$880	\$1,115	21.1%
Two-Br.	MR	\$1,100	\$1,115	1.3%
Three-Br.	40%/S8	*\$645	\$1,540	58.1%
Three-Br.	60%/S8	*\$1,035	\$1,540	32.8%

\*Subsidized, rent is reflective of maximum allowable LIHTC rent

MR – Market-Rate

S8 – Section 8

Typically, Tax Credit rents are set 10% or more below achievable market rents to ensure that the project will represent a value and have a sufficient flow of tenants. Therefore, the subject’s proposed Tax Credit rents, which represent market rent advantages of between 20.0% and 63.6%, are considered appropriate and should represent good values within the Newport News market. It is also important to reiterate that the subject project will operate with a project-based Section 8 subsidy available to 21 units. Thus, most of the units at the property will represent an even greater value than that reflected by the market rent advantages in the preceding table as these tenants will pay only 30% of their income towards rent, rather than the proposed rents evaluated throughout this report. Although the subject’s one-bedroom market-rate units represent a slightly negative market rent advantage, market-rate rents do not typically need to represent a market rent advantage. In fact, as illustrated in *Section V*, the subject’s market-rate rents are competitively positioned among similar market-rate product.

**B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)**

None of the selected properties offer the same amenities as the subject property. As a result, we have made adjustments to the collected rents to reflect the differences between the subject property and the selected properties. The following are explanations (preceded by the line reference number on the comparability grid table) for each rent adjustment made to each selected property.

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions. When multiple rent levels were offered, we included an average rent.
4. Unit types with occupancy rates of 98.0% or higher can likely achieve higher rents without adversely impacting occupancy levels. As such, these unit types have been conservatively adjusted by approximately 3.0%.
7. The subject project will be complete in 2021. Comparatively, the selected properties were built between 1977 and 2013, however some of these properties have been renovated. We have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties.
8. It is anticipated that the proposed subject project will have an excellent quality finish/street appeal once construction is complete. We have made adjustments for those properties that we consider to be of inferior quality compared to the subject development.
11. Each of the selected market-rate properties offers two- and three-bedroom units. However, not all of the selected properties offer one-bedroom units, similar to the subject project. As such, we have used the two-bedroom units at these selected properties and applied a negative adjustment of \$50 to reflect the lack of an additional defined bedroom at the subject project as compared to these selected properties.
12. There is a variety of the number of bathrooms offered at each of the selected properties. We have made adjustments of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared with the comparable properties.

13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. The proposed subject project will offer a unit amenity package similar to the selected properties. We have made, however, numerous adjustments for features lacking at the selected properties, and in some cases, we have made adjustments for features the subject property does not offer.
- 24.-32. The proposed project offers a competitive project amenities package. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.

## VII. Capture Rate Analysis

### A. DETERMINATION OF INCOME ELIGIBILITY

The number of income-eligible households necessary to support the project from the Site PMA is an important consideration in evaluating the subject project's potential. Note that we have evaluated the subject project assuming two different scenarios. The first capture rate scenario assumed the unlikely event that the subject project lost its project-based Section 8 subsidy, thus requiring all units to operate exclusively under the Tax Credit guidelines, targeting households earning up to 60% of AMHI. The second scenario has been calculated assuming that the project operates with a HUD Section 8 subsidy available to some units. In this scenario, residents of these subsidized units will be restricted to 50% of Area Median Household Income (AMHI) under the Section 8 guidelines and will pay up to 30% of their adjusted gross income towards rent.

Under the Low-Income Housing Tax Credit (LIHTC) program, household eligibility is based on household income not exceeding the targeted percentage of Area Median Household Income (AMHI), depending upon household size.

The subject site is within the Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area, which has a median four-person household income of \$75,000 for 2018. The subject property will be restricted to households with incomes of up to 50% of AMHI under the Section 8 program and up to 60% of AMHI under the LIHTC program. Note that the subject project will also offer market-rate units that will have no income restrictions. The following table summarizes the maximum allowable income by household size and income level:

Household Size	Targeted AMHI Maximum Allowable Income			
	30%	40%	50%	60%
One-Person	\$15,750	\$21,000	\$26,250	\$31,500
Two-Person	\$18,000	\$24,000	\$30,000	\$36,000
Three-Person	\$20,250	\$27,000	\$33,750	\$40,500
Four-Person	\$22,500	\$30,000	\$37,500	\$45,000
Five-Person	\$24,300	\$32,400	\$40,500	\$48,600

#### 1. Maximum Income Limits

The largest proposed units (three-bedroom) at the subject site are expected to house up to five-person households. As such, the maximum allowable income for the subject's LIHTC units is **\$48,600**.



## 2. Minimum Income Requirements

Leasing industry standards typically require households to have rent-to-income ratios of 27% to 40%. Pursuant to VHDA market study guidelines, the maximum rent-to-income ratio permitted for family projects is 35%, while elderly projects have a 40% rent-to-income ratio.

Since the subject project will operate with a project-based HUD Section 8 subsidy available to some units, the subject project will effectively be able to serve households with incomes as low as \$0. This has been considered in our demand estimates.

In the unlikely event the aforementioned subsidy was not secured, and the property had to operate exclusively under the LIHTC guidelines, proposed LIHTC units will have a lowest gross rent of \$421. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$5,052. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement of **\$14,434**.

Utilizing the same methodology, but assuming a lower rent-to-income ratio of 30% (typical of unrestricted market-rate product), the subject's market-rate units require a minimum annual household income requirement of \$41,000. However, as this overlaps with the income requirements of the subject's LIHTC units, we have conservatively assumed a minimum income requirement of \$48,601 (\$1 over the maximum allowable income for the subject's LIHTC units) for the subject's market-rate units.

## 3. Income-Appropriate Range

Based on the preceding analyses, the income-appropriate range required to live at the proposed project with units built to serve households at 30%, 40%, 50% and 60% of AMHI is as follows:

Unit Type	Income Range	
	Minimum	Maximum
Section 8 (Limited to 50%)	\$0	\$40,500
Tax Credit (Limited to 30% of AMHI)	\$14,434	\$20,250
Tax Credit (Limited to 40% of AMHI)	\$19,269	\$32,400
Tax Credit (Limited to 50% of AMHI)	\$24,103	\$33,750
Tax Credit (Limited to 60% of AMHI)	\$27,943	\$48,600
<b>Overall Tax Credit</b>	<b>\$14,434</b>	<b>\$48,600</b>
<b>Overall Tax Credit with subsidy</b>	<b>\$0</b>	<b>\$48,600</b>
<b>Market-Rate</b>	<b>\$48,601</b>	<b>None</b>

## **B. CAPTURE RATE CALCULATIONS**

Per VHDA market study requirements, analysts are required to use net demand in calculating capture rates and the absorption period. Net demand is determined by subtracting the supply of vacant comparable units in the PMA, completed or pipeline, from Total Demand. Total Demand includes New Renter Household Growth and Demand from Existing Households (defined below).

The following are the demand components as outlined by Virginia Housing Development Authority (VHDA):

1. **Demand from New Renter Households.** *Determine demand for new units in the Primary Market Area based on projected rental household growth. This is to be determined using 2019 as the base year and projecting forward to 2021 (anticipated subject completion year), per VHDA guidelines. The projected population must be limited to the target group, age- and income-appropriate. Demand for each target group must be shown separately, as reflected in the market study requirements. Demand estimates for proposals for elderly developments must be derived from household population age 65 and older. In instances where a significant number of proposed units (more than 20%) are comprised on three- and four-bedroom units, the analyst must refine the analysis by factoring in the number of large households, typically four or more persons. Failure to account for this may result in overstated demand.*
2. **Demand from Existing Households:** *The sum of demand from rental household growth and demand from all components of existing households will constitute **Total Demand**. The demand components from existing households are detailed below:*
  - a) **Rent overburdened households, if any, within the age group, income groups and renters targeted for the proposed development.** *“Overburdened” is defined by VHDA as households paying more than 35% of gross income (40% if elderly) for gross rent. Analysts are encouraged to be conservative in this regard.*

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25074), 3.3% to 78.2% of households, depending upon income level, within the site PMA, are considered to be rent overburdened.

- b) **Households in substandard housing** (*i.e. overcrowded and/or lack of plumbing: Must be age and income group appropriate. Analysts must use their knowledge of the market area and the proposed development to determine if demand from this source is realistic. Analysts are encouraged to be conservative in this regard.*

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25016), approximately 6.2% of all households within the Site PMA are living in substandard housing. Considering the targeted low-income tenant base, this estimate is considered appropriate for the area.

- c) **Elderly Homeowners likely to convert to rental housing:** *This component may not comprise more than 20% of total demand. The analyst must provide a narrative describing how these numbers were derived. Analysts are encouraged to be conservative in this regard.*

The subject project will not specifically target senior households.

- d) **Existing qualifying tenants likely to remain after renovations:** *This component of demand applies only to existing developments undergoing rehabilitations.*

The sum of demand from rental household growth and demand from all components of existing households will constitute total demand.

**C. DEMAND/CAPTURE RATE CALUCLATIONS**

As stated and discussed in the *Section V* of this report, there are currently six directly comparable family (general-occupancy) Tax Credit projects containing 431 directly comparable non-subsidized LIHTC units. These projects contain no vacant units. As such, there are no vacant units among the comparable Tax Credit product in the market. However, there are 317 general-occupancy Tax Credit units in the development pipeline. Further, out of the 1,565 comparable market-rate units, 26 are vacant and have been factored in our demand analysis of the subject's market-rate units. The unit breakdowns of these Tax Credit and market-rate units are illustrated in the following tables:

Map I.D.	Project Name	Year Allocated	LIHTC Units	Units at Targeted AMHI (Vacant Units)			
				30% AMHI	40% AMHI	50% AMHI	60% AMHI
P/P	Soundview Townhomes	2017	250	-	-	-	250
P/P	Whittaker Place	2018	67	-	*8	-	59

P/P – Planned/Proposed  
\*Subsidized units



Market Rate Units by Bedroom (Vacant Units)						
Map I.D.	Project Name	Year Built / Renovated	Units	One-Br.	Two-Br.	Three-Br.
12	Hampstead Heath Luxury Homes	101	101	-	65 (0)	36 (0)
16	Harper's Landing	296	296	56 (2)	176 (2)	48 (2)
19	Liberty Apts.	197	197	85 (0)	104 (3)	8 (1)
26	Riverlands Apts.	404	404	192 (2)	200 (6)	12 (0)
30	Abbingdon at Northampton	567	567	241 (2)	231 (3)	95 (3)

These directly comparable market-rate units have been subtracted from the total demand in the following analysis to determine the net demand.

The following is a summary of our demand calculations:

Demand Component	30% AMHI \$14,434-\$20,250	40% AMHI \$19,269-\$32,400	50% AMHI \$24,103-\$33,750	60% AMHI \$27,943-\$48,600	Overall LIHTC Only \$14,434-\$48,600
Demand From New Rental Households (Age- And Income-Appropriate)	1,757 - 1,828 = -71	3,838 - 3,908 = -70	2,723 - 2,773 = -50	5,095 - 5,170 = -75	9,169 - 9,350 = -181
+					
Demand From Existing Households (Rent Overburdened)	1,828 X 78.2% = 1,429	3,908 X 63.2% = 2,470	2,773 X 62.3% = 1,728	5,170 X 39.6% = 2,047	9,350 X 53.0% = 4,955
+					
Demand From Existing Households (Renters In Substandard Housing)	1,828 X 6.2% = 113	3,908 X 6.2% = 242	2,773 X 6.2% = 172	5,170 X 6.2% = 321	9,350 X 6.2% = 580
+					
Demand From Existing Households (Elderly Homeowner Conversion)	N/A	N/A	N/A	N/A	N/A
=					
Total Demand	1,471	2,642	1,850	2,293	5,354
-					
Supply (Directly Comparable Vacant Units Completed Or In The Pipeline)	0	8	0	309	317
=					
Net Demand	1,471	2,634	1,850	1,984	5,037
Proposed Units	2	4	15	13	34
Proposed Units / Net Demand	2 / 1,471	4 / 2,634	15 / 1,850	13 / 1,984	34 / 5,037
Capture Rate	= 0.1%	= 0.2%	= 0.8%	= 0.7%	= 0.7%
Total Absorption Period	1 Month	1 Month	3 Months	3 Months	4 Months

N/A-Not Applicable

Demand Component	Overall LIHTC with Subsidy (\$0-\$48,600)	Market-Rate Only (\$48,601+)
Demand From New Rental Households (Age- And Income-Appropriate)	12,924 - 13,247 = -323	5,582 - 5,522 = 60
+		
Demand From Existing Households (Rent Overburdened)	13,247 X 59.0% = 7,816	5,522 X 3.3% = 182
+		
Demand From Existing Households (Renters In Substandard Housing)	13,247 X 6.2% = 821	5,522 X 6.2% = 342
+		
Demand From Existing Households (Elderly Homeowner Conversion)	N/A	N/A
=		
Total Demand	8,314	584
-		
Supply (Directly Comparable Vacant Units Completed Or In The Pipeline)	317	26
=		
Net Demand	7,997	558
Proposed Units	37	3
Proposed Units / Net Demand	34 / 7,997	3 / 558
Capture Rate	= 0.4%	= 0.5%
Total Absorption Period	3 Months	<1 Month

N/A-Not Applicable

The LIHTC capture rates by income level are considered very low and easily achievable, ranging from 0.1% to 0.8%. The overall LIHTC capture rate of 0.7% is also considered very low and easily achievable, demonstrating that a significant amount of demographic support exists for the subject's affordable units. When considering the Section 8 available to most of the property, the subject's overall capture rate is just 0.4%, also a very low and easily achievable capture rate. The subject's market-rate units have a low capture rate of 0.5%. These capture rates are considered easily achievable, especially considering the high occupancy rates maintained at the competitive LIHTC and market-rate communities.

#### **D. PENETRATION RATE CALCULATIONS**

The 1,818 existing and proposed Tax Credit units (both general-occupancy and age-restricted) in the market must also be considered when evaluating the achievable penetration rate for the subject development. Based on the same calculation process used for the subject site, the income-eligible range for the existing and planned Tax Credit units is \$14,434 to \$48,660. Based on the Demographic Characteristics and Trends of household incomes for the Site



PMA, there will be an estimated 9,182 renter households with eligible incomes in 2021. The 1,818 existing and proposed Tax Credit units represent a penetration rate of 19.8% of the 9,182 income-eligible renter households, which is summarized on the following table:

	Market Penetration
Number of LIHTC Units (Proposed and Existing)	1,818
Income-Eligible Renter Households – 2021	/ 9,182
Overall Market Penetration Rate	= 19.8%

It is our opinion that the 19.8% penetration rate for the LIHTC units, both existing and proposed, is achievable.

*Please note that penetration rates are not provided for market-rate units.*

**E. SUPPORT FROM HOUSING CHOICE VOUCHER HOLDERS**

According to a representative with the Newport News Housing and Redevelopment Authority, there are approximately 2,581 Housing Choice Voucher holders within the housing authority’s jurisdiction, and 145 people currently on the waiting list for additional Vouchers. The waiting list is closed, and it is unknown when the waiting list will reopen. Annual turnover is estimated at 240 households. This reflects the continuing need for Housing Choice Voucher assistance.

If the rents do not exceed the payment standards established by the local housing authority, households with Housing Choice Vouchers may be willing to reside at a LIHTC project. Established by the Newport News Housing and Redevelopment Authority the local payment standards, as well as the proposed subject gross rents, are summarized in the following table:

Bedroom Type	% AMHI	Payment Standards	Proposed Tax Credit Gross Rents
One-Br.	30%	\$957	\$421
One-Br.	40%/S8		\$562*
One-Br.	50%/S8		\$703*
One-Br.	60%		\$815
One-Br.	MR		\$1,025
Two-Br.	30%	\$1,149	\$506
Two-Br.	40%/S8		\$675*
Two-Br.	50%/S8		\$843*
Two-Br.	60%		\$1,012
Two-Br.	MR		\$1,200
Three-Br.	40%/S8	\$1,609	\$780*
Three-Br.	60%/S8		\$1,170*

\*Subsidized, rent is reflective of maximum allowable LIHTC rent

As the preceding table illustrates, all of the proposed LIHTC gross rents are below the local payment standards. As such, the subject project will be able to rely on support from Housing Choice Voucher holders. This will increase the demographic base of potential support for the proposed development and has been considered in our absorption projections.

**F. ABSORPTION PROJECTIONS**

Considering the facts contained in the market study, as well as the preceding factors, and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the proposed subject development. It is our opinion that the proposed 34 LIHTC units at the subject site will reach a stabilized occupancy of 95.0% within three months of opening. This absorption rate is based on an average monthly absorption rate of 11 units per month. It is anticipated that the subject's three market-rate units will stabilize in less than one month. Note that these absorption projections assume the proposed project will operate with a subsidy available to most units. In the unlikely scenario the subject project did not operate with a subsidy available to 21 units, the proposed project will likely experience a slightly extended absorption period of approximately four months, which is reflective of an absorption rate of eight units per month.

These absorption projections assume a 2021 opening date. A different opening may have a slowing impact on the absorption potential for the subject project. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, unit design, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development receives.

## VIII. Local Perspective (Interviews)

We conducted numerous interviews with local sources familiar with the Newport News area and the housing, economic and/or demographic characteristics that impact the need for affordable housing. These include, but are not limited to, interviews with local planning and building department representatives, local chamber of commerce and/or economic development officials, housing authority representatives, local real estate professionals and/or apartment managers.

Summaries of key interviews regarding the need for affordable rental housing within the area follow:

- Angela York, the Executive Director of THRIVE, a non-profit that ministers to the physical, economic, educational, emotional and spiritual needs of the southern peninsula, stated that yes there is a need for more affordable rental housing for families in the Newport News area. Ms. York added that they receive 80 to 120 requests a week for rental assistance. The rents in Newport News are also typically too high and many low-income renters in the area cannot afford them. Many working people are at risk of or become homeless because of the lack of affordable and safe housing.
- According to management at Heritage Forest I and II (Map ID 35 & Map ID 36), Tax Credit properties which also offer subsidized units, there is a need for more affordable housing throughout Newport News. This is based on the 100.0% occupancy rate maintained at these properties.

## IX. Analysis & Conclusions

Based on the findings of this report, a market exists for the subject property and the project is considered marketable as proposed.

The proposed subject property will consist of the new construction of a 37-unit rental property. Note that 34 of these units will operate under the LIHTC program (21 Section 8) and three units will operate as unrestricted market-rate units. The subject site neighborhood is primarily comprised of well-maintained structures. The proposed site is also within proximity of numerous community services, as well as public transportation.

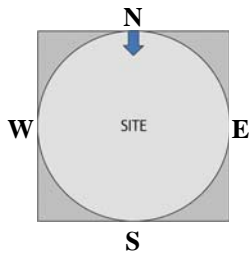
The subject property will offer general-occupancy units which will operate under the Tax Credit program, a product type that is clearly in high demand given the 100.0% occupancy rates and waiting lists maintained among the six existing comparable Tax Credit properties surveyed. The subject's proposed rents are competitive with those reported among existing comparable Tax Credit product in the market and the property will be very competitive in terms of overall design and amenities offered. Note that while the subject's proposed Tax Credit rents are considered appropriate and marketable, 21 units at the property will also operate with a project-based Section 8 subsidy. This will allow tenants of these units to pay only 30% of their income towards rent, rather than the proposed rents evaluated throughout the report. The available subsidy to be provided will further ensure the subject project represents a value within the Site PMA.

Although the overall population and households bases within the market are projected to slightly decline between 2019 and 2024, approximately 70.0% of all renter households are projected to earn below \$50,000 in 2024. The subject's overall capture rates of 0.4%, assuming the project-based subsidy is provided, and 0.7% in the unlikely scenario the subject did not operate with a subsidy, are both considered very low and further demonstrate a deep base of potential support for the subject project.

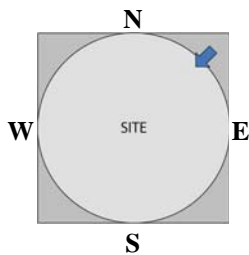
Considering the preceding factors and additional information contained within this report, the subject property is expected to help alleviate a portion of the pent-up demand for additional general-occupancy LIHTC product in the market. The subject project is not expected to have any adverse impact on future occupancy rates among the existing comparable LIHTC properties in the Newport News Site PMA. The subject property is considered competitive and marketable as proposed. We have no recommendations or modifications to the subject project at this time.



# X. SITE PHOTOGRAPHS

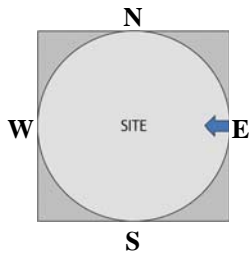


View of site from the north

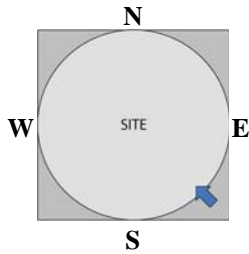


View of site from the northeast



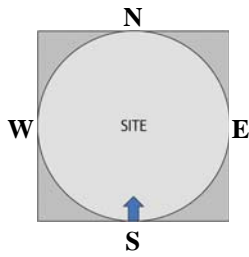


View of site from the east

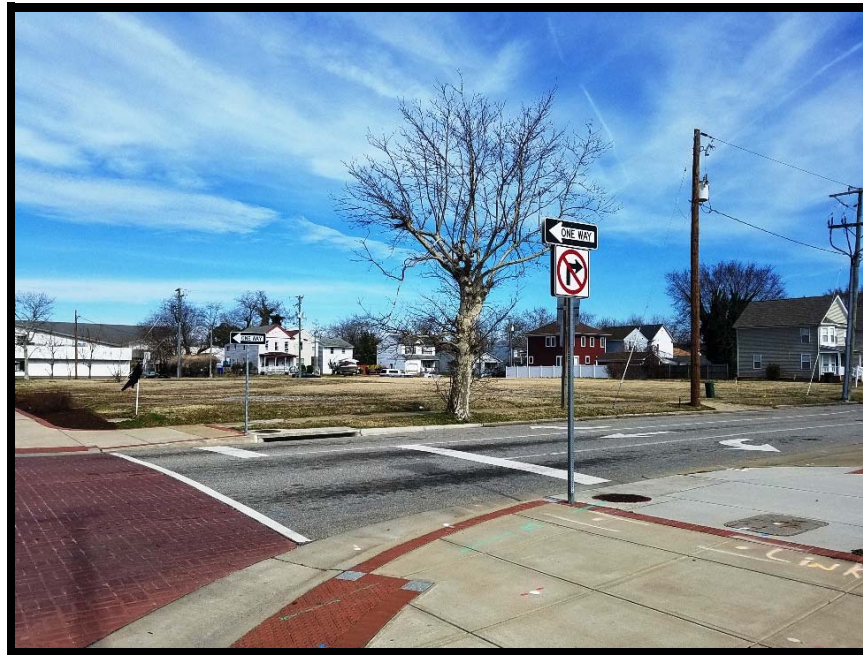
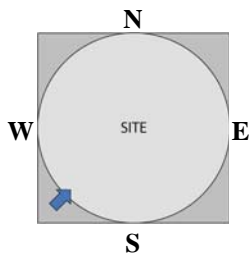


View of site from the southeast



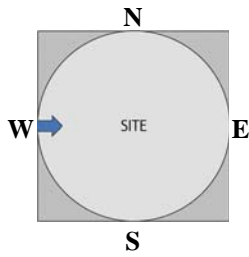


View of site from the south

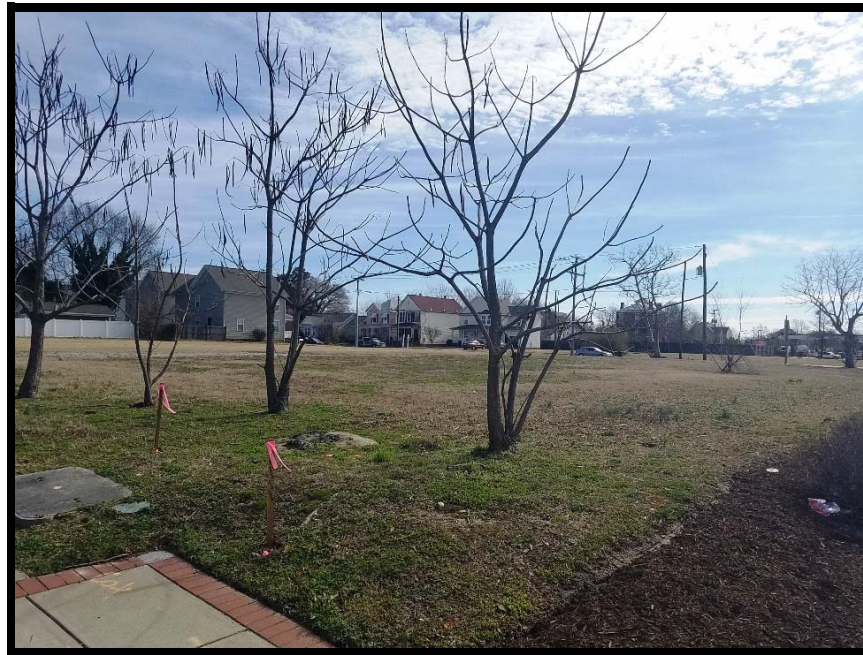
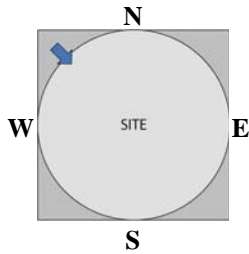


View of site from the southwest



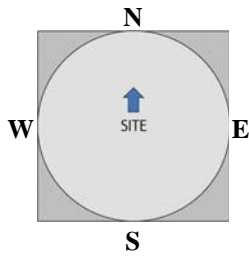


View of site from the west

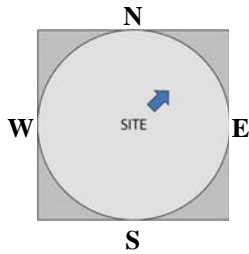


View of site from the northwest



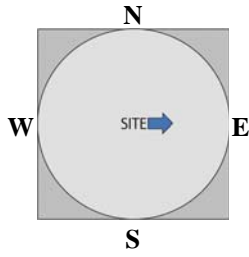


North view from site

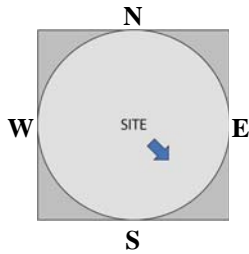


Northeast view from site



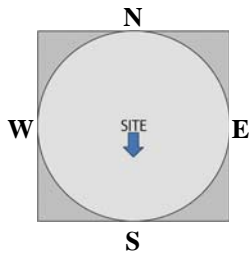


East view from site

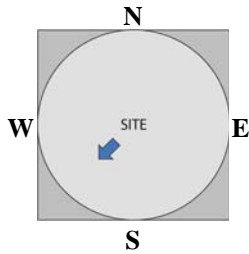


Southeast view from site

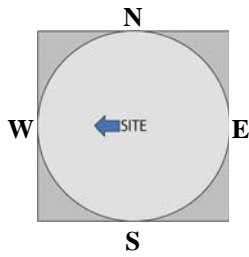




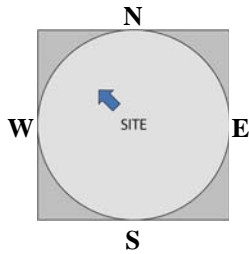
South view from site



Southwest view from site



West view from site



Northwest view from site





Streetscape - North view of Jefferson Avenue



Streetscape - South view of Jefferson Avenue



Streetscape - East view of 27th Street

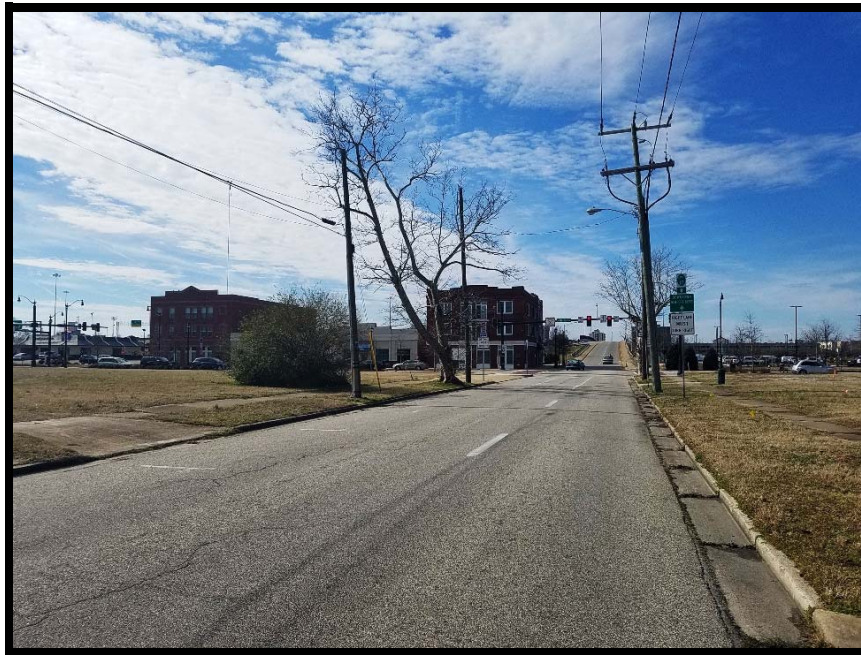


Streetscape - West view of 27th Street

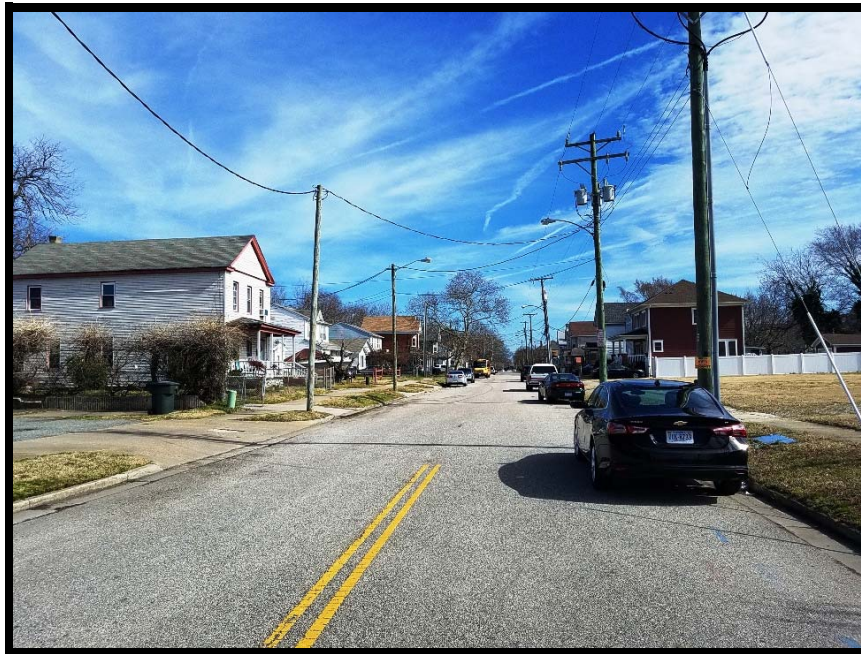




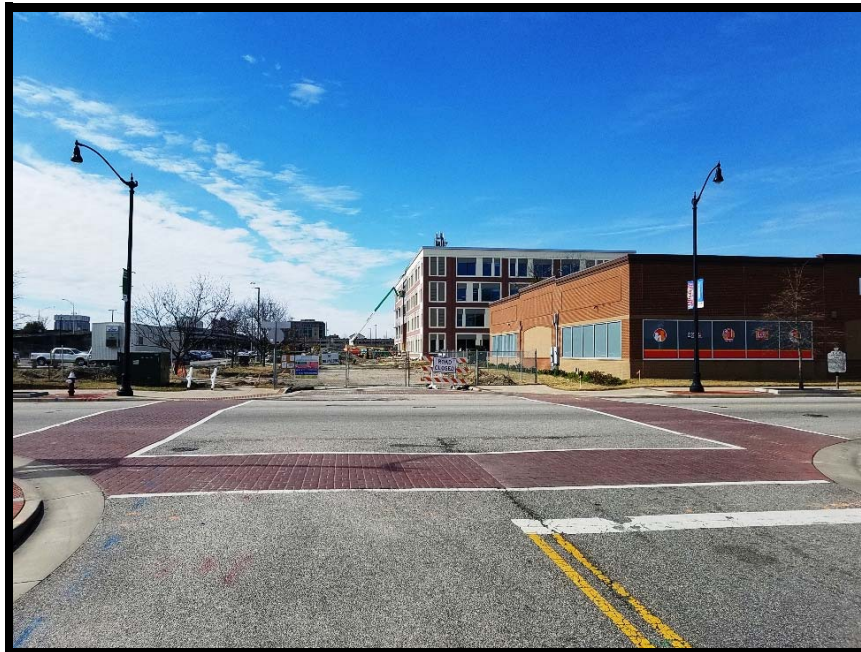
Streetscape - East view of 28th Street



Streetscape - West view of 28th Street



Streetscape - East view of 29th Street



Streetscape - West view of 29th Street



**XI.**

**COMPARABLE  
PROPERTY PROFILES**

**12 Hampstead Heath Luxury Homes**

5.1 miles to site



<b>Address</b>	1 Hampstead Heath Way Hampton, VA 23666		
<b>Phone</b>	(757) 826-7776	<b>Contact</b>	Christy
<b>Total Units</b>	101	<b>Vacancies</b>	0
		<b>Percent Occupied</b>	100.0%
<b>Project Type</b>	Market-Rate		
<b>Year Open</b>	1977	<b>Renovated</b>	2006
		<b>Floors</b>	2,3
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	Surface Parking		
<b>Waiting List</b>	NONE		
<b>Quality Rating</b>	B-	<b>Neighborhood Rating</b>	B
<b>Remarks</b>	Does not accept HCV; Garden units are all electric & have microwaves, fireplaces; 3-br TH have den; Rent range based on floor plan & fireplace		



**Features and Utilities**

<b>Utilities</b>	Landlord pays Trash
<b>Unit Amenities</b>	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Fireplace, Blinds
<b>Project Amenities</b>	Swimming Pool, On-site Management, Club House, Fitness Center, Jacuzzi

**Unit Configuration**

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
2	2.5	T	65	0	1332	\$0.82	\$1095
3	2	G	24	0	1248 to 1446	\$0.94 - \$1.01	\$1255 to \$1360
3	2.5	T	12	0	1724	\$0.88	\$1525



# 16 Harper's Landing

5.8 miles to site



<b>Address</b>	761 Adams Dr. Newport News, VA 23601		
<b>Phone</b>	(757) 595-0201	<b>Contact</b>	Lawshaunda
<b>Total Units</b>	296	<b>Vacancies</b>	4
		<b>Percent Occupied</b>	98.6%
<b>Project Type</b>	Market-Rate		
<b>Year Open</b>	1978	<b>Renovated</b>	1996
		<b>Floors</b>	2
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	Surface Parking		
<b>Waiting List</b>	NONE		
<b>Quality Rating</b>	C+	<b>Neighborhood Rating</b>	B
<b>Remarks</b>	Accepts HCV on 3-br only; 2 & 3-br have patio/balcony; End units do not have exterior storage; Rent range due to renovated units		



## Features and Utilities

<b>Utilities</b>	Landlord pays Water, Sewer, Trash
<b>Unit Amenities</b>	Refrigerator, Range, Dishwasher, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage
<b>Project Amenities</b>	On-site Management, Laundry Facility, Playground, Picnic Area

## Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
0	1	G	16	0	450	\$1.41 - \$1.52	\$635 to \$685
1	1	G	56	0	650	\$1.05 - \$1.15	\$685 to \$745
2	1	G	176	2	900	\$0.80 - \$0.87	\$720 to \$785
3	1	G	48	2	1050	\$0.88	\$920

**19 Liberty Apts.**

1.0 miles to site



**Address** 3201 Washington Ave.  
Newport News, VA 23602

**Phone** (757) 928-1100 **Contact** Brooke

**Total Units** 197 **Vacancies** 4 **Percent Occupied** 98.0%

**Project Type** Market-Rate

**Year Open** 2013 **Floors** 4

**Concessions** 3-br units \$500 off 1st months rent

**Parking** On Street Parking, Parking Garage

**Waiting List** NONE

**Quality Rating** A **Neighborhood Rating** B

**Remarks** Does not accept HCV; 1st floor retail; Juliette balconies; 1st floor units have patios; Rent range based on floor plan & view



**Features and Utilities**

**Utilities** No landlord paid utilities  
**Unit Amenities** Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Intercom, Blinds  
**Project Amenities** Swimming Pool, On-site Management, Meeting Room, Fitness Center, Elevator, Computer Lab, Business Center, CCTV; Dog Park

**Unit Configuration**

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	85	0	543 to 566	\$1.78 - \$1.79	\$970 to \$1010
2	2	G	104	3	825 to 848	\$1.55 - \$1.55	\$1275 to \$1315
3	3	G	8	1	1106 to 1130	\$1.45 - \$1.50	\$1600 to \$1700

**26 Riverlands Apts.**

2.7 miles to site



<b>Address</b>	45 Riverlands Dr. Newport News, VA 23605		
<b>Phone</b>	(757) 380-5804	<b>Contact</b>	Feasha
<b>Total Units</b>	404	<b>Vacancies</b>	8
		<b>Percent Occupied</b>	98.0%
<b>Project Type</b>	Market-Rate		
<b>Year Open</b>	1992	<b>Renovated</b>	2000
		<b>Floors</b>	2,3
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	Surface Parking		
<b>Waiting List</b>	NONE		
<b>Quality Rating</b>	B	<b>Neighborhood Rating</b>	B
<b>Remarks</b>	HCV (approx. 12 units); 3-br have washer/dryer hookups; Ground level units have patio; Rent range based on floor plan & patio		

**Features and Utilities**

<b>Utilities</b>	Landlord pays Trash
<b>Unit Amenities</b>	Refrigerator, Range, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Intercom, Blinds
<b>Project Amenities</b>	Swimming Pool, On-site Management, Laundry Facility, Fitness Center, Picnic Area

**Unit Configuration**

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	192	2	557 to 597	\$1.24 - \$1.26	\$703 to \$743
2	1	G	200	6	757 to 900	\$1.00 - \$1.09	\$823 to \$903
3	2	G	12	0	1196 to 1275	\$0.84 - \$0.85	\$1020 to \$1075

### 30 Abbington at Northampton

4.1 miles to site



**Address** 103 Kathann Dr.  
Hampton, VA 23605

**Phone** (757) 826-4945 **Contact** Nicole

**Total Units** 567 **Vacancies** 8 **Percent Occupied** 98.6%

**Project Type** Market-Rate

**Year Open** 1982 **Renovated** 2013 **Floors** 2

**Concessions** 2-br: One month's rent free

**Parking** Surface Parking

**Waiting List** NONE

**Quality Rating** B+ **Neighborhood Rating** B

**Remarks** Does not accept HCV; 1-br has no patio/balcony; Unit mix estimated



### Features and Utilities

- Utilities** No landlord paid utilities
- Unit Amenities** Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds
- Project Amenities** Swimming Pool, On-site Management, Club House, Fitness Center, Playground, Car Wash Area, Picnic Area, Dog Park

### Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	T	133	1	736	\$1.21	\$894
1	1	G	108	1	638	\$1.32	\$839
2	2	T	150	1	916	\$1.08	\$989
2	2	G	81	2	845 to 924	\$1.19 - \$1.30	\$1099
3	2.5	T	95	3	1085	\$1.11	\$1199



**31 Noland Green Apts.**

0.8 miles to site



<b>Address</b>	2600 Warwick Blvd. Newport News, VA 23607		
<b>Phone</b>	(757) 223-8774	<b>Contact</b>	Denise
<b>Total Units</b>	60	<b>Vacancies</b>	0
		<b>Percent Occupied</b>	100.0%
<b>Project Type</b>	Market-Rate, Tax Credit & Government-Subsidized		
<b>Year Open</b>	1920	<b>Renovated</b>	2011
		<b>Floors</b>	4
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	Surface Parking		
<b>Waiting List</b>	55 households		
<b>Quality Rating</b>	B	<b>Neighborhood Rating</b>	B

**Remarks** 50% AMHI (49 units); Market-rate (6 units); HUD Section 8 & 40% AMHI (5 units); HCV (7 units); Adaptive reuse; Square footage estimated by management

**Features and Utilities**

<b>Utilities</b>	Landlord pays Water, Sewer, Trash
<b>Unit Amenities</b>	Refrigerator, Range, Dishwasher, Central AC, Wood Flooring, Ceiling Fan, Blinds
<b>Project Amenities</b>	On-site Management, Laundry Facility, Meeting Room, Fitness Center, Playground, Elevator, Computer Lab, Picnic Area, CCTV

**Unit Configuration**

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	1	0	525 to 565	\$1.27 - \$1.37	\$719	
1	1	G	1	0	525 to 565	\$1.28 - \$1.37	\$721	40%
1	1	G	10	0	525 to 565	\$1.05 - \$1.13	\$594	50%
2	1.5	G	2	0	685 to 740	\$1.15 - \$1.24	\$849	
2	1.5	G	2	0	685 to 740	\$1.03 - \$1.12	\$765	40%
2	1.5	G	30	0	685 to 740	\$0.95 - \$1.03	\$703	50%
3	1.5 to 2	G	3	0	885 to 1200	\$0.81 - \$1.09	\$969	
3	1.5 to 2	G	2	0	885	\$0.95	\$839	40%
3	1.5 to 2	G	9	0	885	\$0.91	\$801	50%

**2 Ada Park**

5.8 miles to site



<b>Address</b>	674 Summer Day Court Newport News, VA 23601		
<b>Phone</b>	(757) 926-4811	<b>Contact</b>	Tammy
<b>Total Units</b>	42	<b>Vacancies</b>	0
		<b>Percent Occupied</b>	100.0%
<b>Project Type</b>	Tax Credit		
<b>Year Open</b>	2018	<b>Floors</b>	3
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	N.A.		
<b>Waiting List</b>	Yes		
<b>Quality Rating</b>	B+	<b>Neighborhood Rating</b>	B
<b>Remarks</b>	40%, 50% & 60% AMHI; Accepts HCV; Opened 2/2018, 100% occupied 3/2018, began preleasing 8/2017		

**Features and Utilities**

<b>Utilities</b>	No landlord paid utilities
<b>Unit Amenities</b>	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Ceiling Fan, Blinds
<b>Project Amenities</b>	On-site Management, Laundry Facility, Meeting Room

**Unit Configuration**

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
2	2	G	5	0	884	\$0.61	\$538	40%
2	2	G	9	0	884	\$0.88	\$775	60%
2	2	G	16	0	884	\$0.80	\$706	50%
3	2	G	12	0	1100	\$0.77	\$850	60%

**35 Heritage Forest I**

1.6 miles to site



<b>Address</b>	901 Forest Lake Ct. Newport News, VA 23605		
<b>Phone</b>	(757) 327-0627	<b>Contact</b>	Mary
<b>Total Units</b>	144	<b>Vacancies</b>	0
		<b>Percent Occupied</b>	100.0%
<b>Project Type</b>	Tax Credit		
<b>Year Open</b>	2012	<b>Floors</b>	3
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	Surface Parking		
<b>Waiting List</b>	NONE		
<b>Quality Rating</b>	B+	<b>Neighborhood Rating</b>	C
<b>Remarks</b>	40% & 60% AMHI; HUD Insured; HCV (98 units); Waitlist shared with phase II		

**Features and Utilities**

<b>Utilities</b>	Landlord pays Trash
<b>Unit Amenities</b>	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds
<b>Project Amenities</b>	Swimming Pool, On-site Management, Club House, Fitness Center, Playground, Lake, Security Gate, Courtesy Officer

**Unit Configuration**

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	10	0	720	\$1.03	\$739	60%
1	1	G	8	0	720	\$0.64	\$458	40%
2	2	G	89	0	1035	\$0.86	\$888	60%
2	2	G	7	0	1035	\$0.52	\$543	40%
3	2	G	30	0	1222	\$0.83	\$1012	60%

**36**

**Heritage Forest II**

1.5 miles to site



<b>Address</b>	901 Forest Lake Ct. Newport News, VA 23605		
<b>Phone</b>	(757) 327-0627	<b>Contact</b>	Erin
<b>Total Units</b>	104	<b>Vacancies</b>	0
		<b>Percent Occupied</b>	100.0%
<b>Project Type</b>	Tax Credit		
<b>Year Open</b>	2012	<b>Floors</b>	2,3
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	Surface Parking		
<b>Waiting List</b>	NONE		
<b>Quality Rating</b>	B+	<b>Neighborhood Rating</b>	C
<b>Remarks</b>	40% & 60% AMHI; HUD Insured; HCV (71 units); Waitlist shared with phase I		

**Features and Utilities**

<b>Utilities</b>	Landlord pays Trash
<b>Unit Amenities</b>	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds
<b>Project Amenities</b>	Swimming Pool, On-site Management, Club House, Fitness Center, Playground, Lake, Security Gate, Courtesy Officer

**Unit Configuration**

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	14	0	720	\$1.03	\$739	60%
1	1	G	2	0	720	\$0.64	\$458	40%
2	2	G	57	0	1035	\$0.86	\$888	60%
2	2	G	9	0	1035	\$0.52	\$543	40%
3	2	G	22	0	1222	\$0.83	\$1012	60%



**40**

**Brennan Pointe I**

0.7 miles to site



<b>Address</b>	3100 Warwick Blvd. Newport News, VA 23607		
<b>Phone</b>	(757) 621-6406	<b>Contact</b>	Sharon
<b>Total Units</b>	44	<b>Vacancies</b>	0
		<b>Percent Occupied</b>	100.0%
<b>Project Type</b>	Tax Credit		
<b>Year Open</b>	2016	<b>Floors</b>	4
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	Surface Parking		
<b>Waiting List</b>	20 households		
<b>Quality Rating</b>	B+	<b>Neighborhood Rating</b>	B
<b>Remarks</b>	40%, 50% & 60% AMHI; Accepts HCV; Opened 12/2016, 100% occupied 5/2017		

**Features and Utilities**

<b>Utilities</b>	No landlord paid utilities
<b>Unit Amenities</b>	Refrigerator, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds
<b>Project Amenities</b>	On-site Management, Laundry Facility, Meeting Room, Playground, Elevator, Gazebo

**Unit Configuration**

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
2	1.5	G	7	0	1130	\$0.68	\$766	60%
2	1.5	G	18	0	1130	\$0.64	\$725	50%
2	1.5	G	3	0	1130	\$0.50	\$560	40%
3	2	G	3	0	1560	\$0.58	\$903	60%
3	2	G	11	0	1560	\$0.53	\$828	50%
3	2	G	2	0	1560	\$0.41	\$643	40%

**41 Brennan Pointe II**

0.7 miles to site



<b>Address</b>	3150 Warwick Blvd. Newport News, VA		
<b>Phone</b>	(757) 621-6406	<b>Contact</b>	Sharon
<b>Total Units</b>	43	<b>Vacancies</b>	0
		<b>Percent Occupied</b>	100.0%
<b>Project Type</b>	Tax Credit & Government-Subsidized		
<b>Year Open</b>	2018	<b>Floors</b>	4
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	Surface Parking		
<b>Waiting List</b>	20 households		
<b>Quality Rating</b>	B+	<b>Neighborhood Rating</b>	B-
<b>Remarks</b>	50% & 60% AMHI (38 units); PBV & 50% AMHI (5 units); Opened 11/2018, stabilized occupancy 12/2018, began preleasing 8/2018		

**Features and Utilities**

<b>Utilities</b>	Landlord pays Trash
<b>Unit Amenities</b>	Refrigerator, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds
<b>Project Amenities</b>	On-site Management, Meeting Room, Elevator

**Unit Configuration**

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1.5	G	3	0	883	\$0.95	\$842	50%
2	1.5	G	14	0	883	\$0.79	\$695	60%
2	1.5	G	10	0	883	\$0.67	\$595	50%
3	2	G	7	0	1130	\$0.69	\$780	60%
3	2	G	7	0	1130	\$0.60	\$675	50%
3	2	G	2	0	1130	\$0.84	\$948	50%

## XII. FIELD SURVEY OF CONVENTIONAL RENTALS

### NEWPORT NEWS, VIRGINIA

The following section is a field survey of conventional rental properties. These properties were identified through a variety of sources including area apartment guides, yellow page listings, government agencies, the Chamber of Commerce, and our own field inspection. The intent of this field survey is to evaluate the overall strength of the existing rental market, identify trends that impact future development, and identify those properties that would be considered most comparable to the subject site.

The field survey has been organized by the type of project surveyed. Properties have been color coded to reflect the project type. Projects have been designated as market-rate, Tax Credit, government-subsidized, or a combination of the three project types. The field survey is organized as follows:

- A color-coded map indicating each property surveyed and the project type followed by a list of properties surveyed.
- Properties surveyed by name, address, telephone number, project type, year built or renovated (if applicable), number of floors, total units, occupancy rate, quality rating, rent incentives, and Tax Credit designation. Housing Choice Vouchers and Rental Assistance are also noted here. Note that projects are organized by project type.
- Distribution of non-subsidized and subsidized units and vacancies in properties surveyed.
- Listings for unit and project amenities, parking options, optional charges, utilities (including responsibility), and appliances.
- Collected rent by unit type and bedrooms.
- Unit size by unit type and bedrooms.
- Calculations of rent per square foot (all utilities are adjusted to reflect similar utility responsibility). Data is summarized by unit type.
- An analysis of units, vacancies, and median rent. Where applicable, non-subsidized units are distributed separately.
- An analysis of units added to the area by project construction date and, when applicable, by year of renovation.
- Aggregate data and distributions for all non-subsidized properties are provided for appliances, unit amenities and project amenities.

- A rent distribution is provided for all market-rate and non-subsidized Tax Credit units by unit type. Note that rents are adjusted to reflect common utility responsibility.
- Aggregation of projects by utility responsibility (market-rate and non-subsidized Tax Credit only).
- A utility allowance worksheet.

Note that other than the property listing following the map, data is organized by project types. Market-rate properties (blue designation) are first followed by variations of market-rate and Tax Credit properties. Non-government subsidized Tax Credit properties are red and government-subsidized properties are yellow. See the color codes at the bottom of each page for specific project types.



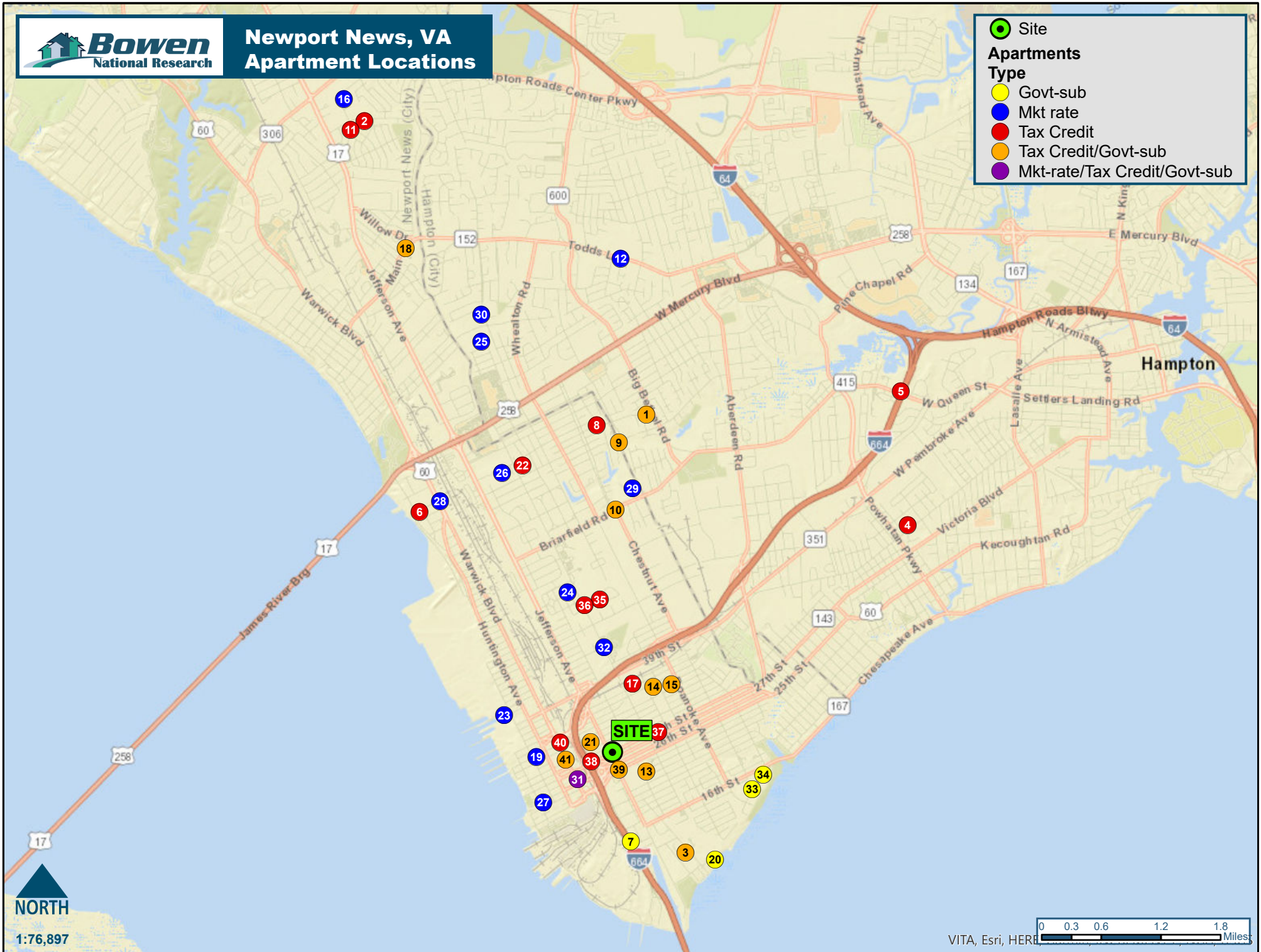


# Newport News, VA Apartment Locations

**Site**  
● Site

**Apartments Type**

- Govt-sub
- Mkt rate
- Tax Credit
- Tax Credit/Govt-sub
- Mkt-rate/Tax Credit/Govt-sub



1:76,897



VITA, Esri, HERE

# MAP IDENTIFICATION LIST - NEWPORT NEWS, VIRGINIA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
1	Century Plaza	TGS	C+	1972	120	0	100.0%	3.8
2	Ada Park	TAX	B+	2018	42	0	100.0%	5.8
3	Lassiter Courts	TGS	C+	1962	50	0	100.0%	1.1
4	Shell Gardens	TAX	C	1967	48	1	97.9%	3.2
5	Tidewater Seniors	TAX	B	2001	140	0	100.0%	6.7
6	Admiral Pointe	TAX	B	1943	204	37	81.9%	3.2
7	John H Ridley Place	GSS	C-	1952	259	10	96.1%	0.9
8	Chestnut Square	TAX	B-	2000	40	0	100.0%	3.3
9	City Line	TGS	C+	1975	200	0	100.0%	3.6
10	Snowden Senior Apts.	TGS	B+	2016	68	0	100.0%	2.6
11	Ivy Farms	TAX	C	1969	168	20	88.1%	5.7
12	Hampstead Heath Luxury Homes	MRR	B-	1977	101	0	100.0%	5.1
13	Newport Harbour Apts.	TGS	C+	1962	200	0	100.0%	0.5
14	Wilbert & Effie Ashe Manor	TGS	B	2001	50	0	100.0%	0.9
15	Orcutt Village Townhomes II	TGS	B	2005	40	0	100.0%	1.0
16	Harper's Landing	MRR	C+	1978	296	4	98.6%	5.8
17	Seven Oaks	TAX	C+	1958	202	6	97.0%	0.8
18	801 Main Senior Apts.	TGS	B+	2017	44	0	100.0%	4.5
19	Liberty Apts.	MRR	A	2013	197	4	98.0%	1.0
20	Ivy Towers	GSS	C+	1976	140	0	100.0%	1.4
21	Lofts at Jefferson	TGS	B	2014	14	0	100.0%	0.0
22	Westover Station	TAX	B	1991	108	0	100.0%	2.8
23	St. James Terrace	MRR	B	1940	100	0	100.0%	1.3
24	Cottage Grove Apts.	MRR	C+	1945	553	70	87.3%	1.5
25	Cambridge Townhomes	MRR	B-	1972	465	7	98.5%	3.8
26	Riverlands Apts.	MRR	B	1992	404	8	98.0%	2.7
27	River Park Tower	MRR	B	1988	184	0	100.0%	0.8
28	Huntington on the James	MRR	B-	1942	201	2	99.0%	3.0
29	Lakeland Village Apts.	MRR	C-	1974	148	0	100.0%	2.8
30	Abbingtion at Northampton	MRR	B+	1982	567	8	98.6%	4.1
31	Noland Green Apts.	TMG	B	1920	60	0	100.0%	0.8
32	Meadow View	MRR	B-	1967	400	60	85.0%	1.1
33	Stuart Gardens I	GSS	C	1942	250	0	100.0%	1.7
34	Stuart Gardens II	GSS	C	1942	239	0	100.0%	1.7
35	Heritage Forest I	TAX	B+	2012	144	0	100.0%	1.5
36	Heritage Forest II	TAX	B+	2012	104	0	100.0%	1.5
37	Jefferson Brookville (A)	TAX	B-	2014	8	0	100.0%	0.7

◆ Senior Restricted
■ Market-rate
■ Market-rate/Tax Credit
■ Market-rate/Government-subsidized
■ Market-rate/Tax Credit/Government-subsidized
■ Tax Credit
■ Tax Credit/Government-subsidized
■ Government-subsidized

\* - Drive Distance (Miles)

Survey Date: January 2019



# MAP IDENTIFICATION LIST - NEWPORT NEWS, VIRGINIA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
38	Jefferson Brookville (B)	TAX	B	2014	12	0	100.0%	0.2
39	Jefferson Brookville (C)	TGS	B	2014	30	3	90.0%	0.2
40	Brennan Pointe I	TAX	B+	2016	44	0	100.0%	0.7
41	Brennan Pointe II	TGS	B+	2018	43	0	100.0%	0.7

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	12	3,616	163	95.5%	0
TMG	1	60	0	100.0%	0
TAX	13	1,264	64	94.9%	0
TGS	11	859	3	99.7%	50
GSS	4	888	10	98.9%	0

Total units does not include units under construction.

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

\* - Drive Distance (Miles)

Survey Date: January 2019

XII-5

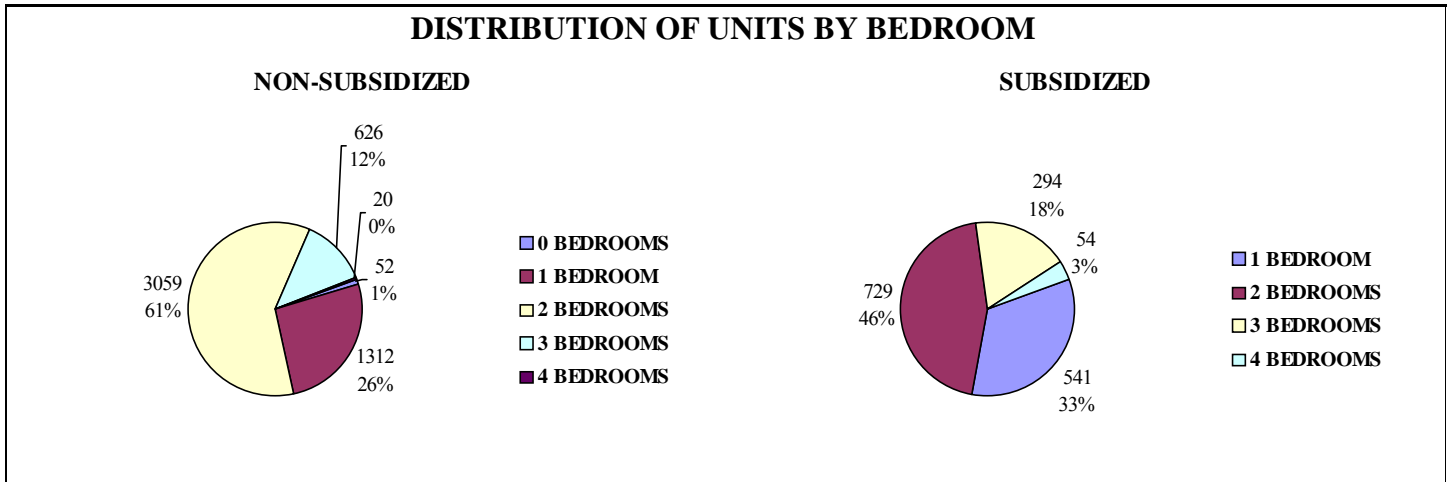


# DISTRIBUTION OF UNITS - NEWPORT NEWS, VIRGINIA






<b>MARKET-RATE</b>						
<b>BEDROOMS</b>	<b>BATHS</b>	<b>UNITS</b>	<b>DISTRIBUTION</b>	<b>VACANT</b>	<b>%VACANT</b>	<b>MEDIAN GROSS RENT</b>
0	1	52	1.4%	0	0.0%	\$509
1	1	1,180	32.6%	22	1.9%	\$875
2	1	1,129	31.2%	76	6.7%	\$961
2	1.5	225	6.2%	2	0.9%	\$1,250
2	2	470	13.0%	6	1.3%	\$1,336
2	2.5	65	1.8%	0	0.0%	\$1,320
3	1	247	6.8%	52	21.1%	\$1,101
3	1.5	2	0.1%	0	0.0%	\$1,139
3	2	42	1.2%	0	0.0%	\$1,515
3	2.5	182	5.0%	4	2.2%	\$1,516
3	3	8	0.2%	1	12.5%	\$1,909
4	1.5	20	0.6%	0	0.0%	\$1,406
<b>TOTAL</b>		<b>3,622</b>	<b>100.0%</b>	<b>163</b>	<b>4.5%</b>	
<b>TAX CREDIT, NON-SUBSIDIZED</b>						
<b>BEDROOMS</b>	<b>BATHS</b>	<b>UNITS</b>	<b>DISTRIBUTION</b>	<b>VACANT</b>	<b>%VACANT</b>	<b>MEDIAN GROSS RENT</b>
1	1	132	9.1%	2	1.5%	\$848
2	1	854	59.0%	62	7.3%	\$900
2	1.5	82	5.7%	0	0.0%	\$843
2	2	234	16.2%	0	0.0%	\$1,115
3	1.5	7	0.5%	0	0.0%	\$971
3	2	98	6.8%	0	0.0%	\$1,292
3	2.5	40	2.8%	0	0.0%	\$1,133
<b>TOTAL</b>		<b>1,447</b>	<b>100.0%</b>	<b>64</b>	<b>4.4%</b>	
<b>TAX CREDIT, GOVERNMENT-SUBSIDIZED</b>						
<b>BEDROOMS</b>	<b>BATHS</b>	<b>UNITS</b>	<b>DISTRIBUTION</b>	<b>VACANT</b>	<b>%VACANT</b>	<b>MEDIAN GROSS RENT</b>
1	1	210	29.2%	0	0.0%	N.A.
1	1.5	3	0.4%	0	0.0%	N.A.
2	1	259	36.1%	0	0.0%	N.A.
2	1.5	31	4.3%	0	0.0%	N.A.
3	1	24	3.3%	0	0.0%	N.A.
3	1.5	1	0.1%	0	0.0%	N.A.
3	2	154	21.4%	0	0.0%	N.A.
4	2	36	5.0%	0	0.0%	N.A.
<b>TOTAL</b>		<b>718</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>	
50 UNITS UNDER CONSTRUCTION						
<b>GOVERNMENT-SUBSIDIZED</b>						
<b>BEDROOMS</b>	<b>BATHS</b>	<b>UNITS</b>	<b>DISTRIBUTION</b>	<b>VACANT</b>	<b>%VACANT</b>	<b>MEDIAN GROSS RENT</b>
1	1	328	36.4%	1	0.3%	N.A.
2	1	293	32.6%	2	0.7%	N.A.
2	1.5	146	16.2%	4	2.7%	N.A.
3	1	48	5.3%	0	0.0%	N.A.
3	1.5	1	0.1%	1	100.0%	N.A.
3	2	66	7.3%	2	3.0%	N.A.
4	2	18	2.0%	3	16.7%	N.A.
<b>TOTAL</b>		<b>900</b>	<b>100.0%</b>	<b>13</b>	<b>1.4%</b>	
<b>GRAND TOTAL</b>		<b>6,687</b>	<b>-</b>	<b>240</b>	<b>3.6%</b>	



# DISTRIBUTION OF UNITS - NEWPORT NEWS, VIRGINIA



# SURVEY OF PROPERTIES - NEWPORT NEWS, VIRGINIA

1 Century Plaza			
	<b>Address</b> 135 Lassiter Dr. Hampton, VA 23666	<b>Phone</b> (757) 838-1816 (Contact in person)	<b>Total Units</b> 120
	<b>Year Built</b> 1972 <b>Renovated</b> 2004 <b>Comments</b> 50% AMHI & HUD Section 8	<b>Contact</b> Tiffany	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 1,2 <b>Quality Rating</b> C+
			<b>Waiting List</b> 122 households
2 Ada Park			
	<b>Address</b> 674 Summer Day Court Newport News, VA 23601	<b>Phone</b> (757) 926-4811 (Contact in person)	<b>Total Units</b> 42
	<b>Year Built</b> 2018 <b>Comments</b> 40%, 50% & 60% AMHI; Accepts HCV; Opened 2/2018, 100% occupied 3/2018, began preleasing 8/2017	<b>Contact</b> Tammy	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 3 <b>Quality Rating</b> B+
			<b>Waiting List</b> Yes
3 Lassiter Courts			
	<b>Address</b> 9th St. & Lassiter Dr. Newport News, VA 23607	<b>Phone</b> (757) 928-2659 (Contact in person)	<b>Total Units</b> 50
	<b>Year Built</b> 1962 <b>Renovated</b> 1997 <b>Comments</b> 60% AMHI; Public housing; 50 units down for renovations, expect completion 1/2020	<b>Contact</b> Carl	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 1,2 <b>Quality Rating</b> C+
			<b>Waiting List</b> None
4 Shell Gardens			
	<b>Address</b> 2211 Shell Rd. Hampton, VA 23661	<b>Phone</b> (757) 727-1119 (Contact in person)	<b>Total Units</b> 48
	<b>Year Built</b> 1967 <b>Renovated</b> 2002 <b>Comments</b> 60% AMHI; HCV (22 units); Waitlist shared with Monterey Apts.	<b>Contact</b> Cheryl	<b>Vacancies</b> 1 <b>Occupied</b> 97.9% <b>Floors</b> 2 <b>Quality Rating</b> C
			<b>Waiting List</b> None
5 Tidewater Seniors			
	<b>Address</b> 1446 W. Queen St. Hampton, VA 23669	<b>Phone</b> (757) 265-1472 (Contact in person)	<b>Total Units</b> 140
	<b>Year Built</b> 2001 <b>Comments</b> 60% AMHI; HCV (approx. 100 units); Three units, used as community space not included in total	<b>Contact</b> Janice	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 3 <b>Quality Rating</b> B <b>Senior Restricted (55+)</b> <b>Waiting List</b>
			Yes

### Project Type

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

Survey Date: January 2019

# SURVEY OF PROPERTIES - NEWPORT NEWS, VIRGINIA




<b>6 Admiral Pointe</b>			
	<b>Address</b> 201 73rd St. Newport News, VA 23607	<b>Phone</b> (757) 244-4414 (Contact in person)	<b>Total Units</b> 204
	<b>Year Built</b> 1943 <b>Renovated</b> 2002 <b>Contact</b> Connie	<b>Comments</b> 60% AMHI, Tax Credit Bond; HCV (54 units); Adaptive reuse, originally built in 1943; Vacancies due to eviction sweep	
	<b>Rent Special</b> \$300 off 1st month's rent; \$200 off 2nd month's rent & \$100 off 3rd month's rent		<b>Occupied</b> 81.9%
			<b>Floors</b> 2
			<b>Quality Rating</b> B
			<b>Waiting List</b> None
<b>7 John H Ridley Place</b>			
	<b>Address</b> 811 C Taylor Ave. Newport News, VA 23607	<b>Phone</b> (757) 928-2659 (Contact in person)	<b>Total Units</b> 259
	<b>Year Built</b> 1952 <b>Renovated</b> 1999 <b>Contact</b> Carl	<b>Comments</b> Public Housing; Washer hookups only	
			<b>Occupied</b> 96.1%
			<b>Floors</b> 2
			<b>Quality Rating</b> C-
			<b>Waiting List</b> None
<b>8 Chestnut Square</b>			
	<b>Address</b> 800 Dana Rae Ct. Newport News, VA 23605	<b>Phone</b> (757) 896-6380 (Contact in person)	<b>Total Units</b> 40
	<b>Year Built</b> 2000 <b>Contact</b> Austin	<b>Comments</b> 60% AMHI; HCV (29 units)	
			<b>Vacancies</b> 0
			<b>Occupied</b> 100.0%
			<b>Floors</b> 2
			<b>Quality Rating</b> B-
			<b>Waiting List</b> 10 households
<b>9 City Line</b>			
	<b>Address</b> 155 Mytilene Dr. Newport News, VA 23605	<b>Phone</b> (757) 838-5553 (Contact in person)	<b>Total Units</b> 200
	<b>Year Built</b> 1975 <b>Renovated</b> 2006 <b>Contact</b> Barbara	<b>Comments</b> 30% AMHI; HUD Section 8	
			<b>Vacancies</b> 0
			<b>Occupied</b> 100.0%
			<b>Floors</b> 2
			<b>Quality Rating</b> C+
			<b>Waiting List</b> 200 households
<b>10 Snowden Senior Apts.</b>			
	<b>Address</b> 1115 & 1117 Briarfield Rd. Newport News, VA 23605	<b>Phone</b> (704) 335-9112 (Contact in person)	<b>Total Units</b> 68
	<b>Year Built</b> 2016 <b>Contact</b> Crystal	<b>Comments</b> 40%, 50% & 60% AMHI (64 units); 40% AMHI & PBV Four 1-br units; Accepts HCV; Opened 12/2017, 100% occupied 2/2018, began preleasing summer 2017	
			<b>Vacancies</b> 0
			<b>Occupied</b> 100.0%
			<b>Floors</b> 3
			<b>Quality Rating</b> B+
			<b>Senior Restricted (55+)</b> <b>Waiting List</b> 120 households

## Project Type

<span style="color: blue;">■</span>	Market-rate
<span style="color: cyan;">■</span>	Market-rate/Tax Credit
<span style="color: pink;">■</span>	Market-rate/Government-subsidized
<span style="color: purple;">■</span>	Market-rate/Tax Credit/Government-subsidized
<span style="color: red;">■</span>	Tax Credit
<span style="color: orange;">■</span>	Tax Credit/Government-subsidized
<span style="color: yellow;">■</span>	Government-subsidized

Survey Date: January 2019

# SURVEY OF PROPERTIES - NEWPORT NEWS, VIRGINIA

11 Ivy Farms			
	<b>Address</b> 621 Adams Dr. Newport News, VA 23601	<b>Phone</b> (757) 506-0855 (Contact in person)	<b>Total Units</b> 168
	<b>Year Built</b> 1969 <b>Renovated</b> 2010 <b>Contact</b> Kirsten	<b>Comments</b> 60% AMHI; Accepts HCV; Vacancies attributed to evictions	
	<b>Rent Special</b> \$200 off 1st months rent; \$200 off 2nd months rent		<b>Occupied</b> 88.1%
			<b>Floors</b> 2
			<b>Quality Rating</b> C
			<b>Waiting List</b>
			None
12 Hampstead Heath Luxury Homes			
	<b>Address</b> 1 Hampstead Heath Way Hampton, VA 23666	<b>Phone</b> (757) 826-7776 (Contact in person)	<b>Total Units</b> 101
	<b>Year Built</b> 1977 <b>Renovated</b> 2006 <b>Contact</b> Christy	<b>Comments</b> Does not accept HCV; Garden units are all electric & have microwaves, fireplaces; 3-br TH have den; Rent range based on floor plan & fireplace	
			<b>Occupied</b> 100.0%
			<b>Floors</b> 2,3
			<b>Quality Rating</b> B-
			<b>Waiting List</b>
			None
13 Newport Harbour Apts.			
	<b>Address</b> 2325 Madison Ave. Newport News, VA 23607	<b>Phone</b> (757) 247-0303 (Contact in person)	<b>Total Units</b> 200
	<b>Year Built</b> 1962 <b>Renovated</b> 2003 <b>Contact</b> Sheron	<b>Comments</b> 50% AMHI; HUD Section 8	
			<b>Occupied</b> 100.0%
			<b>Floors</b> 2
			<b>Quality Rating</b> C+
			<b>Waiting List</b>
			178 households
14 Wilbert & Effie Ashe Manor			
	<b>Address</b> 900 36th St. Newport News, VA 23607	<b>Phone</b> (757) 928-2659 (Contact in person)	<b>Total Units</b> 50
	<b>Year Built</b> 2001 <b>Contact</b> Carl	<b>Comments</b> 40% & 50% AMHI; Public Housing; Phase II built in 2005, phase III built in 2011	
			<b>Occupied</b> 100.0%
			<b>Floors</b> 4
			<b>Quality Rating</b> B
			<b>Waiting List</b>
			978 households
15 Orcutt Village Townhomes II			
	<b>Address</b> 1031 34th St. Newport News, VA 23607	<b>Phone</b> (757) 928-2659 (Contact in person)	<b>Total Units</b> 40
	<b>Year Built</b> 2005 <b>Contact</b> Carl	<b>Comments</b> 40% & 50% AMHI; Public Housing; Waitlist maintained by housing authority	
			<b>Occupied</b> 100.0%
			<b>Floors</b> 2
			<b>Quality Rating</b> B
			<b>Waiting List</b>
			978 households






## Project Type

<span style="color: blue;">■</span>	Market-rate
<span style="color: cyan;">■</span>	Market-rate/Tax Credit
<span style="color: pink;">■</span>	Market-rate/Government-subsidized
<span style="color: purple;">■</span>	Market-rate/Tax Credit/Government-subsidized
<span style="color: red;">■</span>	Tax Credit
<span style="color: orange;">■</span>	Tax Credit/Government-subsidized
<span style="color: yellow;">■</span>	Government-subsidized

Survey Date: January 2019



# SURVEY OF PROPERTIES - NEWPORT NEWS, VIRGINIA

<b>16 Harper's Landing</b>			
	<b>Address</b> 761 Adams Dr. Newport News, VA 23601	<b>Phone</b> (757) 595-0201 (Contact in person)	<b>Total Units</b> 296
	<b>Year Built</b> 1978 <b>Renovated</b> 1996	<b>Contact</b> Lawshaunda	<b>Vacancies</b> 4
	<b>Comments</b> Accepts HCV on 3-br only; 2 & 3-br have patio/balcony; End units do not have exterior storage; Rent range due to renovated units		<b>Occupied</b> 98.6%
			<b>Floors</b> 2
			<b>Quality Rating</b> C+
			<b>Waiting List</b> None
<b>17 Seven Oaks</b>			
	<b>Address</b> 869 36th St. Newport News, VA 23607	<b>Phone</b> (757) 244-2216 (Contact in person)	<b>Total Units</b> 202
	<b>Year Built</b> 1958 <b>Renovated</b> 2005	<b>Contact</b> Angela	<b>Vacancies</b> 6
	<b>Comments</b> 50% AMHI; HCV (approx. 7 units); Every two units shares patio		<b>Occupied</b> 97.0%
			<b>Floors</b> 1,2
			<b>Quality Rating</b> C+
			<b>Waiting List</b> None
<b>18 801 Main Senior Apts.</b>			
	<b>Address</b> 801 Main St. Newport News, VA 23605	<b>Phone</b> (919) 878-0522 (Contact in person)	<b>Total Units</b> 44
	<b>Year Built</b> 2017	<b>Contact</b> Karen	<b>Vacancies</b> 0
	<b>Comments</b> 40%, 50% & 60% AMHI; 1 & 2-br at 50% AMHI are PBV; HCV (11 units); Opened 4/2017, 100% occupied 5/2017; Square footage estimated		<b>Occupied</b> 100.0%
			<b>Floors</b> 1,2
			<b>Quality Rating</b> B+
			<b>Senior Restricted (55+)</b> <b>Waiting List</b> 20 households
<b>19 Liberty Apts.</b>			
	<b>Address</b> 3201 Washington Ave. Newport News, VA 23602	<b>Phone</b> (757) 928-1100 (Contact in person)	<b>Total Units</b> 197
	<b>Year Built</b> 2013	<b>Contact</b> Brooke	<b>Vacancies</b> 4
	<b>Comments</b> Does not accept HCV; 1st floor retail; Juliette balconies; 1st floor units have patios; Rent range based on floor plan & view		<b>Occupied</b> 98.0%
			<b>Floors</b> 4
			<b>Quality Rating</b> A
	<b>Rent Special</b> 3-br units \$500 off 1st months rent		<b>Waiting List</b> None
<b>20 Ivy Towers</b>			
	<b>Address</b> 700 Waterfront Cir. Newport News, VA 23607	<b>Phone</b> (757) 380-0851 (Contact in person)	<b>Total Units</b> 140
	<b>Year Built</b> 1976	<b>Contact</b> Sara	<b>Vacancies</b> 0
	<b>Comments</b> HUD Section 8		<b>Occupied</b> 100.0%
			<b>Floors</b> 12
			<b>Quality Rating</b> C+
			<b>Waiting List</b> 50 households

### Project Type

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

Survey Date: January 2019

# SURVEY OF PROPERTIES - NEWPORT NEWS, VIRGINIA






21 Lofts at Jefferson			
	<b>Address</b> 558 28th St. Newport News, VA 23607	<b>Phone</b> (757) 928-2681 (Contact in person)	<b>Total Units</b> 14
	<b>Year Built</b> 2014 <b>Comments</b> 60% AMHI & HUD Section 8; Adaptive reuse; Units have Juliette balcony	<b>Contact</b> Stephanie	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 3 <b>Quality Rating</b> B
			<b>Waiting List</b> 8 households
22 Westover Station			
	<b>Address</b> 805 Roam Ct. Newport News, VA 23605	<b>Phone</b> (877) 247-7956 (Contact in person)	<b>Total Units</b> 108
	<b>Year Built</b> 1991 <b>Comments</b> 60% AMHI; HCV (59 units); Has access to swimming pool & fitness center at sister property across the street	<b>Contact</b> Iesha	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 3 <b>Quality Rating</b> B
			<b>Waiting List</b> None
23 St. James Terrace			
	<b>Address</b> 80 30th St. Newport News, VA 23607	<b>Phone</b> (757) 245-7167 (Contact in person)	<b>Total Units</b> 100
	<b>Year Built</b> 1940 <b>Comments</b> Does not accept HCV; 1-br rent range due to floor level	<b>Contact</b> Suzette	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 2,3 <b>Quality Rating</b> B
			<b>Waiting List</b> 10-15 households
24 Cottage Grove Apts.			
	<b>Address</b> 614 Peninsula Dr. Newport News, VA 23605	<b>Phone</b> (757) 245-2879 (Contact in person)	<b>Total Units</b> 553
	<b>Year Built</b> 1945 <b>Renovated</b> 2009 <b>Comments</b> HCV (12 units); Higher rent on townhomes that include washer/dryer; Typical rents: 2-br townhomes \$725-785	<b>Contact</b> Clarusa	<b>Vacancies</b> 70 <b>Occupied</b> 87.3% <b>Floors</b> 1,2 <b>Quality Rating</b> C+
<b>Rent Special</b> Reported rents discounted			<b>Waiting List</b> None
25 Cambridge Townhomes			
	<b>Address</b> 5109 Goldsboro Dr. Newport News, VA 23605	<b>Phone</b> (757) 838-6401 (Contact in person)	<b>Total Units</b> 465
	<b>Year Built</b> 1972 <b>Renovated</b> 2004 <b>Comments</b> Does not accept HCV; All 2-br have patio storage & 2-br townhomes include washer/dryer; Rent range based on unit amenities & upgraded kitchens	<b>Contact</b> Chelsea	<b>Vacancies</b> 7 <b>Occupied</b> 98.5% <b>Floors</b> 2 <b>Quality Rating</b> B-
<b>Rent Special</b> Move-in: 1 & 2-br \$300 off			<b>Waiting List</b> None

## Project Type

<span style="color: blue;">■</span>	Market-rate
<span style="color: cyan;">■</span>	Market-rate/Tax Credit
<span style="color: pink;">■</span>	Market-rate/Government-subsidized
<span style="color: purple;">■</span>	Market-rate/Tax Credit/Government-subsidized
<span style="color: red;">■</span>	Tax Credit
<span style="color: orange;">■</span>	Tax Credit/Government-subsidized
<span style="color: yellow;">■</span>	Government-subsidized

Survey Date: January 2019

# SURVEY OF PROPERTIES - NEWPORT NEWS, VIRGINIA

26 Riverlands Apts.			
	<b>Address</b> 45 Riverlands Dr. Newport News, VA 23605	<b>Phone</b> (757) 380-5804 (Contact in person)	<b>Total Units</b> 404
	<b>Year Built</b> 1992 <b>Renovated</b> 2000	<b>Contact</b> Feasha	<b>Vacancies</b> 8
	<b>Comments</b> HCV (approx. 12 units); 3-br have washer/dryer hookups; Ground level units have patio; Rent range based on floor plan & patio		<b>Occupied</b> 98.0%
			<b>Floors</b> 2,3
			<b>Quality Rating</b> B
			<b>Waiting List</b> None
27 River Park Tower			
	<b>Address</b> 2601 West Ave. Newport News, VA 23607	<b>Phone</b> (757) 928-0000 (Contact in person)	<b>Total Units</b> 184
	<b>Year Built</b> 1988	<b>Contact</b> David	<b>Vacancies</b> 0
	<b>Comments</b> Does not accept HCV; Select units have microwaves; Rents change daily; Parking in parking garage available for all tenants, reserved space \$30		<b>Occupied</b> 100.0%
			<b>Floors</b> 20
			<b>Quality Rating</b> B
			<b>Waiting List</b> None
28 Huntington on the James			
	<b>Address</b> 312 73rd St. Newport News, VA 23607	<b>Phone</b> (757) 245-6913 (Contact in person)	<b>Total Units</b> 201
	<b>Year Built</b> 1942 <b>Renovated</b> 2003	<b>Contact</b> Paige	<b>Vacancies</b> 2
	<b>Comments</b> Does not accept HCV; 3-br is a single family home in middle of property		<b>Occupied</b> 99.0%
			<b>Floors</b> 2.5
			<b>Quality Rating</b> B-
			<b>Waiting List</b> None
29 Lakeland Village Apts.			
	<b>Address</b> 1124 Lakeland Dr. Newport News, VA 23605	<b>Phone</b> (757) 838-0936 (Contact in person)	<b>Total Units</b> 148
	<b>Year Built</b> 1974	<b>Contact</b> Angela	<b>Vacancies</b> 0
	<b>Comments</b> Does not accept HCV; Higher rent on 0-br with dishwasher & 2-br with washer/dryer hookups; Disposals are being removed as they break		<b>Occupied</b> 100.0%
			<b>Floors</b> 2
			<b>Quality Rating</b> C-
			<b>Waiting List</b> 5-6 households
30 Abbington at Northampton			
	<b>Address</b> 103 Kathann Dr. Hampton, VA 23605	<b>Phone</b> (757) 826-4945 (Contact in person)	<b>Total Units</b> 567
	<b>Year Built</b> 1982 <b>Renovated</b> 2013	<b>Contact</b> Nicole	<b>Vacancies</b> 8
	<b>Comments</b> Does not accept HCV; 1-br has no patio/balcony; Unit mix estimated		<b>Occupied</b> 98.6%
			<b>Floors</b> 2
			<b>Quality Rating</b> B+
	<b>Rent Special</b> 2-br: One month's rent free		<b>Waiting List</b> None



### Project Type

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

Survey Date: January 2019



# SURVEY OF PROPERTIES - NEWPORT NEWS, VIRGINIA

<b>31 Noland Green Apts.</b>			
	<b>Address</b> 2600 Warwick Blvd. Newport News, VA 23607	<b>Phone</b> (757) 223-8774 (Contact in person)	<b>Total Units</b> 60
	<b>Year Built</b> 1920 <b>Renovated</b> 2011 <b>Contact</b> Denise	<b>Comments</b> 50% AMHI (49 units); Market-rate (6 units); HUD Section 8 & 40% AMHI (5 units); HCV (7 units); Adaptive reuse; Square footage estimated by management	
			<b>Waiting List</b> 55 households
<b>32 Meadow View</b>			
	<b>Address</b> 4801 Marshall Ave. Newport News, VA 23607	<b>Phone</b> (757) 245-0001 (Contact in person)	<b>Total Units</b> 400
	<b>Year Built</b> 1967 <b>Renovated</b> 2017 <b>Contact</b> Latovia	<b>Comments</b> Accepts HCV; Select units have w/d hookups & ceiling fan; Rent range based on unit amenities & location; Vac due to recently completed renovations, opened 3/2017, still in lease-up; Unit mix estimated	
<b>Rent Special</b> One month's rent free; Application fee waived			<b>Waiting List</b> None
<b>33 Stuart Gardens I</b>			
	<b>Address</b> 1326-C Garden Dr. Newport News, VA 23607	<b>Phone</b> (757) 245-5266 (Contact in person)	<b>Total Units</b> 250
	<b>Year Built</b> 1942 <b>Renovated</b> 1980 <b>Contact</b> Kellie	<b>Comments</b> HUD Section 8	
			<b>Waiting List</b> 18 months
<b>34 Stuart Gardens II</b>			
	<b>Address</b> 1326-C Garden Dr. Newport News, VA 23607	<b>Phone</b> (757) 245-5266 (Contact in person)	<b>Total Units</b> 239
	<b>Year Built</b> 1942 <b>Renovated</b> 1980 <b>Contact</b> Kellie	<b>Comments</b> HUD Section 8; Ten higher rent 1-br units are handicap accessible	
			<b>Waiting List</b> 18 months
<b>35 Heritage Forest I</b>			
	<b>Address</b> 901 Forest Lake Ct. Newport News, VA 23605	<b>Phone</b> (757) 327-0627 (Contact in person)	<b>Total Units</b> 144
	<b>Year Built</b> 2012 <b>Contact</b> Mary	<b>Comments</b> 40% & 60% AMHI; HUD Insured; HCV (98 units); Waitlist shared with phase II	
			<b>Waiting List</b> None






### Project Type

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

Survey Date: January 2019



# SURVEY OF PROPERTIES - NEWPORT NEWS, VIRGINIA


<b>36 Heritage Forest II</b>			
	<b>Address</b> 901 Forest Lake Ct. Newport News, VA 23605	<b>Phone</b> (757) 327-0627 (Contact in person)	<b>Total Units</b> 104
	<b>Year Built</b> 2012 <b>Comments</b> 40% & 60% AMHI; HUD Insured; HCV (71 units); Waitlist shared with phase I	<b>Contact</b> Erin	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 2,3 <b>Quality Rating</b> B+
			<b>Waiting List</b> None
<b>37 Jefferson Brookville (A)</b>			
	<b>Address</b> 815 28th St. Newport News, VA 23607	<b>Phone</b> (757) 643-7023 (Contact in person)	<b>Total Units</b> 8
	<b>Year Built</b> 2014 <b>Comments</b> 50% AMHI; HCV (2 units); Waitlist shared with all phases; Unit mix & square footage estimated	<b>Contact</b> Courtney	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 2,5 <b>Quality Rating</b> B-
			<b>Waiting List</b> 1 household
<b>38 Jefferson Brookville (B)</b>			
	<b>Address</b> 2701 Jefferson Ave. Newport News, VA 23607	<b>Phone</b> (757) 643-7023 (Contact in person)	<b>Total Units</b> 12
	<b>Year Built</b> 2014 <b>Comments</b> 50% AMHI; Accepts HCV; Waitlist shared with all phases; Unit mix & square footage estimated	<b>Contact</b> Ms. Fox	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 3 <b>Quality Rating</b> B
			<b>Waiting List</b> 226 households
<b>39 Jefferson Brookville (C)</b>			
	<b>Address</b> 2501 Jefferson Ave. Newport News, VA 23607	<b>Phone</b> (757) 643-7023 (Contact in person)	<b>Total Units</b> 30
	<b>Year Built</b> 2014 <b>Comments</b> 50% AMHI (18 units); PBRA (12 units); Accepts HCV; Waitlist shared with all phases; Unit mix & square footage estimated	<b>Contact</b> Courtney	<b>Vacancies</b> 3 <b>Occupied</b> 90.0% <b>Floors</b> 2,2.5,3 <b>Quality Rating</b> B
			<b>Waiting List</b> None
<b>40 Brennan Pointe I</b>			
	<b>Address</b> 3100 Warwick Blvd. Newport News, VA 23607	<b>Phone</b> (757) 621-6406 (Contact in person)	<b>Total Units</b> 44
	<b>Year Built</b> 2016 <b>Comments</b> 40%, 50% & 60% AMHI; Accepts HCV; Opened 12/2016, 100% occupied 5/2017	<b>Contact</b> Sharon	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 4 <b>Quality Rating</b> B+
			<b>Waiting List</b> 20 households

### Project Type

<span style="color: blue;">■</span>	Market-rate
<span style="color: cyan;">■</span>	Market-rate/Tax Credit
<span style="color: pink;">■</span>	Market-rate/Government-subsidized
<span style="color: purple;">■</span>	Market-rate/Tax Credit/Government-subsidized
<span style="color: red;">■</span>	Tax Credit
<span style="color: orange;">■</span>	Tax Credit/Government-subsidized
<span style="color: yellow;">■</span>	Government-subsidized

Survey Date: January 2019

# SURVEY OF PROPERTIES - NEWPORT NEWS, VIRGINIA

41 Brennan Pointe II	
	<p><b>Address</b> 3150 Warwick Blvd. Newport News, VA</p> <p><b>Year Built</b> 2018</p> <p><b>Comments</b> 50% &amp; 60% AMHI (38 units); PBV &amp; 50% AMHI (5 units); Opened 11/2018, stabilized occupancy 12/2018, began preleasing 8/2018</p>
	<p><b>Phone</b> (757) 621-6406 (Contact in person)</p> <p><b>Contact</b> Sharon</p> <p><b>Total Units</b> 43</p> <p><b>Vacancies</b> 0</p> <p><b>Occupied</b> 100.0%</p> <p><b>Floors</b> 4</p> <p><b>Quality Rating</b> B+</p> <p><b>Waiting List</b> 20 households</p>

### Project Type

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: January 2019

# COLLECTED RENTS - NEWPORT NEWS, VIRGINIA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
2			\$538 to \$775	\$850					
4			\$734						
5			\$995						
6			\$720 to \$760						
8								\$845	
10		\$550 to \$680	\$465 to \$814						
11			\$690						
12				\$1255 to \$1360			\$1095	\$1525	
16	\$635 to \$685	\$685 to \$745	\$720 to \$785	\$920					
17		\$500					\$610		
18		\$593	\$825 to \$934						
19		\$970 to \$1010	\$1275 to \$1315	\$1600 to \$1700					
22		\$735	\$865						
23		\$575 to \$610	\$620	\$760					
24		\$655				\$670	\$699		
25		\$829 to \$899	\$1009				\$999 to \$1079	\$1299	
26		\$703 to \$743	\$823 to \$903	\$1020 to \$1075					
27		\$1005	\$1010 to \$1080	\$1400				\$1509	
28		\$740	\$850					\$1600	
29	\$410 to \$415	\$500	\$595 to \$635						
30		\$839	\$1099			\$894	\$989	\$1199	
31		\$594 to \$719	\$703 to \$849	\$801 to \$969					
32		\$590					\$630	\$810	\$1065
35		\$458 to \$739	\$543 to \$888	\$1012					
36		\$458 to \$739	\$543 to \$888	\$1012					
37		\$589							
38		\$589	\$689						
39		\$589	\$689	\$789					
40			\$560 to \$766	\$643 to \$903					
41			\$595 to \$695	\$675 to \$780					

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: January 2019

# PRICE PER SQUARE FOOT - NEWPORT NEWS, VIRGINIA

STUDIO UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
16	Harper's Landing	1	450	\$734 to \$784	\$1.63 to \$1.74
29	Lakeland Village Apts.	1	400	\$504 to \$509	\$1.26 to \$1.27
ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
16	Harper's Landing	1	650	\$800 to \$860	\$1.23 to \$1.32
19	Liberty Apts.	1	543 to 566	\$1171 to \$1211	\$2.14 to \$2.16
23	St. James Terrace	1	475	\$688 to \$723	\$1.45 to \$1.52
24	Cottage Grove Apts.	1	511 to 588	\$856 to \$876	\$1.49 to \$1.68
25	Cambridge Townhomes	1	700	\$1030 to \$1100	\$1.47 to \$1.57
26	Riverlands Apts.	1	557 to 597	\$875 to \$915	\$1.53 to \$1.57
27	River Park Tower	1	700 to 900	\$1206	\$1.34 to \$1.72
28	Huntington on the James	1	650	\$853	\$1.31
29	Lakeland Village Apts.	1	700	\$613	\$0.88
30	Abbingdon at Northampton	1	638 to 736	\$1040 to \$1100	\$1.49 to \$1.63
32	Meadow View	1	530	\$791	\$1.49
31	Noland Green Apts.	1	525 to 565	\$707 to \$832	\$1.35 to \$1.47
17	Seven Oaks	1	650	\$672	\$1.03
22	Westover Station	1	661	\$848	\$1.28
35	Heritage Forest I	1	720	\$630 to \$911	\$0.88 to \$1.27
36	Heritage Forest II	1	720	\$630 to \$911	\$0.88 to \$1.27
37	Jefferson Brookville (A)	1	675	\$702	\$1.04
38	Jefferson Brookville (B)	1	675	\$731	\$1.08
◆ 10	Snowden Senior Apts.	1	654	\$722 to \$852	\$1.10 to \$1.30
◆ 18	801 Main Senior Apts.	1	560	\$765	\$1.37
39	Jefferson Brookville (C)	1	675	\$702	\$1.04
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
12	Hampstead Heath Luxury Homes	2.5	1332	\$1320	\$0.99
16	Harper's Landing	1	900	\$852 to \$917	\$0.95 to \$1.02
19	Liberty Apts.	2	825 to 848	\$1531 to \$1571	\$1.85 to \$1.86
23	St. James Terrace	1	550	\$749	\$1.36
24	Cottage Grove Apts.	1	678 to 768	\$961	\$1.25 to \$1.42
25	Cambridge Townhomes	1	850	\$1254	\$1.48
		1.5	1200	\$1250 to \$1330	\$1.04 to \$1.11
26	Riverlands Apts.	1	757 to 900	\$1050 to \$1130	\$1.26 to \$1.39

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: January 2019



# PRICE PER SQUARE FOOT - NEWPORT NEWS, VIRGINIA

TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
27	River Park Tower	2	1062 to 1218	\$1266 to \$1336	\$1.10 to \$1.19
28	Huntington on the James	1	950	\$990	\$1.04
29	Lakeland Village Apts.	1.5	800	\$735 to \$775	\$0.92 to \$0.97
30	Abbingtion at Northampton	2	845 to 924	\$1251 to \$1355	\$1.47 to \$1.48
32	Meadow View	1	720	\$881	\$1.22
31	Noland Green Apts.	1.5	685 to 740	\$843 to \$989	\$1.23 to \$1.34
2	Ada Park	2	884	\$794 to \$1031	\$0.90 to \$1.17
4	Shell Gardens	1	759	\$874	\$1.15
5	Tidewater Seniors	1	804	\$995	\$1.24
6	Admiral Pointe	1	800 to 950	\$860 to \$900	\$0.95 to \$1.08
11	Ivy Farms	1	975	\$917	\$0.94
17	Seven Oaks	1	811	\$843	\$1.04
22	Westover Station	1	870	\$1005	\$1.16
35	Heritage Forest I	2	1035	\$770 to \$1115	\$0.74 to \$1.08
36	Heritage Forest II	2	1035	\$770 to \$1115	\$0.74 to \$1.08
38	Jefferson Brookville (B)	1	780	\$858	\$1.10
40	Brennan Pointe I	1.5	1130	\$816 to \$1022	\$0.72 to \$0.90
10	Snowden Senior Apts.	2	950	\$692 to \$1041	\$0.73 to \$1.10
18	801 Main Senior Apts.	1	700	\$1052 to \$1161	\$1.50 to \$1.66
39	Jefferson Brookville (C)	1	780	\$829	\$1.06
41	Brennan Pointe II	1.5	883	\$822 to \$922	\$0.93 to \$1.04
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
12	Hampstead Heath Luxury Homes	2	1248 to 1446	\$1515 to \$1620	\$1.12 to \$1.21
		2.5	1724	\$1791	\$1.04
16	Harper's Landing	1	1050	\$1070	\$1.02
19	Liberty Apts.	3	1106 to 1130	\$1909 to \$2009	\$1.73 to \$1.78
23	St. James Terrace	1	600	\$906	\$1.51
25	Cambridge Townhomes	2.5	1500	\$1590	\$1.06
26	Riverlands Apts.	2	1196 to 1275	\$1300 to \$1355	\$1.06 to \$1.09
27	River Park Tower	2	1584 to 2016	\$1709 to \$1826	\$0.91 to \$1.08
28	Huntington on the James	1.5	1700	\$1778	\$1.05
30	Abbingtion at Northampton	2.5	1085	\$1516	\$1.40
32	Meadow View	1	940	\$1101	\$1.17
31	Noland Green Apts.	1.5 to 2	885 to 1200	\$971 to \$1139	\$0.95 to \$1.10

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: January 2019

## PRICE PER SQUARE FOOT - NEWPORT NEWS, VIRGINIA

THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
2	Ada Park	2	1100	\$1159	\$1.05
8	Chestnut Square	2.5	1225	\$1133	\$0.92
35	Heritage Forest I	2	1222	\$1292	\$1.06
36	Heritage Forest II	2	1222	\$1292	\$1.06
40	Brennan Pointe I	2	1560	\$952 to \$1212	\$0.61 to \$0.78
39	Jefferson Brookville (C)	1.5	890	\$959	\$1.08
41	Brennan Pointe II	2	1130	\$955 to \$1060	\$0.85 to \$0.94
FOUR+ BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
32	Meadow View	1.5	1140	\$1406	\$1.23

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: January 2019

AVERAGE GROSS RENT PER SQUARE FOOT - NEWPORT NEWS,  
VIRGINIA

<b>MARKET-RATE</b>			
<b>UNIT TYPE</b>	<b>ONE-BR</b>	<b>TWO-BR</b>	<b>THREE-BR</b>
GARDEN	\$1.54	\$1.29	\$1.15
TOWNHOUSE	\$1.49	\$1.27	\$1.20

<b>TAX CREDIT (NON-SUBSIDIZED)</b>			
<b>UNIT TYPE</b>	<b>ONE-BR</b>	<b>TWO-BR</b>	<b>THREE-BR</b>
GARDEN	\$1.19	\$1.06	\$0.99
TOWNHOUSE	\$0.00	\$1.04	\$0.92

<b>COMBINED</b>			
<b>UNIT TYPE</b>	<b>ONE-BR</b>	<b>TWO-BR</b>	<b>THREE-BR</b>
GARDEN	\$1.50	\$1.18	\$1.07
TOWNHOUSE	\$1.49	\$1.23	\$1.17

# TAX CREDIT UNITS - NEWPORT NEWS, VIRGINIA

ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
◆ 10	Snowden Senior Apts.	4	654	1	40%	\$405
36	Heritage Forest II	2	720	1	40%	\$458
35	Heritage Forest I	8	720	1	40%	\$458
17	Seven Oaks	10	650	1	50%	\$500
◆ 10	Snowden Senior Apts.	10	654	1	50%	\$550
21	Lofts at Jefferson	14	551 - 834	1	60%	\$573 - \$650
37	Jefferson Brookville (A)	8	675	1	50%	\$589
38	Jefferson Brookville (B)	4	675	1	50%	\$589
39	Jefferson Brookville (C)	6	675	1	50%	\$589
◆ 18	801 Main Senior Apts.	2	560	1	40%	\$593
31	Noland Green Apts.	10	525 - 565	1	50%	\$594
◆ 10	Snowden Senior Apts.	12	654	1	60%	\$680
31	Noland Green Apts.	1	525 - 565	1	40%	\$721
22	Westover Station	36	661	1	60%	\$735
36	Heritage Forest II	14	720	1	60%	\$739
35	Heritage Forest I	10	720	1	60%	\$739
14	Wilbert & Effie Ashe Manor	32	855	1	50%	\$740
14	Wilbert & Effie Ashe Manor	10	855	1	40%	\$740
41	Brennan Pointe II	3	883	1.5	50%	\$842
◆ 18	801 Main Senior Apts.	9	560	1	50%	\$850
9	City Line	100	623	1	30%	\$862
1	Century Plaza	24	770	1	50%	\$872
13	Newport Harbour Apts.	16	491	1	50%	\$873

◆ - Senior Restricted



# TAX CREDIT UNITS - NEWPORT NEWS, VIRGINIA

TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
◆ 10	Snowden Senior Apts.	3	950	2	40%	\$465
2	Ada Park	5	884	2	40%	\$538
36	Heritage Forest II	9	1035	2	40%	\$543
35	Heritage Forest I	7	1035	2	40%	\$543
40	Brennan Pointe I	3	1130	1.5	40%	\$560
41	Brennan Pointe II	10	883	1.5	50%	\$595
17	Seven Oaks	192	811	1	50%	\$610
◆ 10	Snowden Senior Apts.	18	950	2	50%	\$650
38	Jefferson Brookville (B)	8	780	1	50%	\$689
39	Jefferson Brookville (C)	10	780	1	50%	\$689
11	Ivy Farms	168	975	1	60%	\$690
41	Brennan Pointe II	14	883	1.5	60%	\$695
31	Noland Green Apts.	30	685 - 740	1.5	50%	\$703
2	Ada Park	16	884	2	50%	\$706
6	Admiral Pointe	204	800 - 950	1	60%	\$720 - \$760
40	Brennan Pointe I	18	1130	1.5	50%	\$725
4	Shell Gardens	48	759	1	60%	\$734
3	Lassiter Courts	21	720	1.5	60%	\$749
31	Noland Green Apts.	2	685 - 740	1.5	40%	\$765
40	Brennan Pointe I	7	1130	1.5	60%	\$766
2	Ada Park	9	884	2	60%	\$775
◆ 10	Snowden Senior Apts.	21	950	2	60%	\$814
◆ 18	801 Main Senior Apts.	8	700	1	60%	\$825
22	Westover Station	72	870	1	60%	\$865
14	Wilbert & Effie Ashe Manor	8	1123	1.5	50%	\$883
36	Heritage Forest II	57	1035	2	60%	\$888
35	Heritage Forest I	89	1035	2	60%	\$888
9	City Line	100	723	1	30%	\$897
◆ 18	801 Main Senior Apts.	4	700	1	40%	\$934
13	Newport Harbour Apts.	66	815	1	50%	\$941
◆ 18	801 Main Senior Apts.	21	700	1	50%	\$950
◆ 5	Tidewater Seniors	140	804	1	60%	\$995
1	Century Plaza	72	770	1	50%	\$1014

◆ - Senior Restricted

# TAX CREDIT UNITS - NEWPORT NEWS, VIRGINIA

THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
40	Brennan Pointe I	2	1560	2	40%	\$643
41	Brennan Pointe II	7	1130	2	50%	\$675
41	Brennan Pointe II	7	1130	2	60%	\$780
39	Jefferson Brookville (C)	2	890	1.5	50%	\$789
31	Noland Green Apts.	9	885	1.5 - 2	50%	\$801
40	Brennan Pointe I	11	1560	2	50%	\$828
31	Noland Green Apts.	2	885	1.5 - 2	40%	\$839
8	Chestnut Square	40	1225	2.5	60%	\$845
2	Ada Park	12	1100	2	60%	\$850
40	Brennan Pointe I	3	1560	2	60%	\$903
41	Brennan Pointe II	2	1130	2	50%	\$948
36	Heritage Forest II	22	1222	2	60%	\$1012
35	Heritage Forest I	30	1222	2	60%	\$1012
15	Orcutt Village Townhomes II	6	1450	2	40%	\$1066
15	Orcutt Village Townhomes II	34	1450	2	50%	\$1066
3	Lassiter Courts	27	940	2	60%	\$1077
13	Newport Harbour Apts.	84	859	2	50%	\$1163
1	Century Plaza	24	950	1	50%	\$1268
FOUR-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
13	Newport Harbour Apts.	34	1108	2	50%	\$1270
3	Lassiter Courts	2	1140	2	60%	\$1360

◆ - Senior Restricted

# QUALITY RATING - NEWPORT NEWS, VIRGINIA

## MARKET-RATE PROJECTS AND UNITS

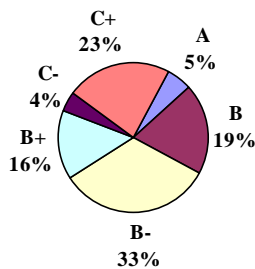
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A	1	197	2.0%		\$1,211	\$1,531	\$1,909	
B+	1	567	1.4%		\$1,100	\$1,251	\$1,516	
B	4	694	1.2%		\$875	\$1,130	\$1,300	
B-	4	1,167	5.9%		\$853	\$1,250	\$1,101	\$1,406
C+	2	849	8.7%	\$734	\$856	\$961	\$1,070	
C-	1	148	0.0%	\$504	\$613	\$735		

## TAX CREDIT (NON-SUBSIDIZED) PROJECTS AND UNITS

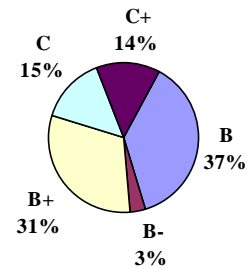
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
B+	7	450	0.0%		\$852	\$1,115	\$1,292	
B	5	531	7.0%		\$848	\$900	\$971	
B-	2	48	0.0%		\$702		\$1,133	
C+	1	202	3.0%		\$672	\$843		
C	2	216	9.7%			\$917		

## DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



## YEAR BUILT - NEWPORT NEWS, VIRGINIA \*

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	9	1931	196	10.2%	1931	38.1%
1970 to 1979	4	1010	11	1.1%	2941	19.9%
1980 to 1989	2	751	8	1.1%	3692	14.8%
1990 to 1999	2	512	8	1.6%	4204	10.1%
2000 to 2005	2	180	0	0.0%	4384	3.6%
2006 to 2010	0	0	0	0.0%	4384	0.0%
2011	0	0	0	0.0%	4384	0.0%
2012	2	248	0	0.0%	4632	4.9%
2013	1	197	4	2.0%	4829	3.9%
2014	3	38	0	0.0%	4867	0.7%
2015	0	0	0	0.0%	4867	0.0%
2016	2	108	0	0.0%	4975	2.1%
2017	1	14	0	0.0%	4989	0.3%
2018**	2	80	0	0.0%	5069	1.6%
<b>TOTAL</b>	<b>30</b>	<b>5069</b>	<b>227</b>	<b>4.5%</b>	<b>5069</b>	<b>100.0 %</b>

## YEAR RENOVATED - NEWPORT NEWS, VIRGINIA \*

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	0	0	0	0.0%	0	0.0%
1980 to 1989	0	0	0	0.0%	0	0.0%
1990 to 1999	1	296	4	1.4%	296	8.1%
2000 to 2005	6	1524	61	4.0%	1820	41.6%
2006 to 2010	3	822	90	10.9%	2642	22.4%
2011	1	55	0	0.0%	2697	1.5%
2012	0	0	0	0.0%	2697	0.0%
2013	1	567	8	1.4%	3264	15.5%
2014	0	0	0	0.0%	3264	0.0%
2015	0	0	0	0.0%	3264	0.0%
2016	0	0	0	0.0%	3264	0.0%
2017	1	400	60	15.0%	3664	10.9%
2018**	0	0	0	0.0%	3664	0.0%
<b>TOTAL</b>	<b>13</b>	<b>3664</b>	<b>223</b>	<b>6.1%</b>	<b>3664</b>	<b>100.0 %</b>

Note: The upper table (Year Built) includes all of the units included in the lower table.

\* Only Market-Rate and Tax Credit projects. Does not include government-subsidized projects.

\*\* As of January 2019



## APPLIANCES AND UNIT AMENITIES - NEWPORT NEWS, VIRGINIA

<b>APPLIANCES</b>			
<b>APPLIANCE</b>	<b>PROJECTS</b>	<b>PERCENT</b>	<b>UNITS*</b>
RANGE	26	100.0%	5,069
REFRIGERATOR	26	100.0%	5,069
ICEMAKER	9	34.6%	2,006
DISHWASHER	18	69.2%	3,325
DISPOSAL	14	53.8%	2,602
MICROWAVE	9	34.6%	2,045
<b>UNIT AMENITIES</b>			
<b>AMENITY</b>	<b>PROJECTS</b>	<b>PERCENT</b>	<b>UNITS*</b>
AC - CENTRAL	26	100.0%	5,069
AC - WINDOW	1	3.8%	100
FLOOR COVERING	26	100.0%	5,069
WASHER/DRYER	9	34.6%	2,555
WASHER/DRYER HOOK-UP	19	73.1%	4,456
PATIO/DECK/BALCONY	11	42.3%	2,746
CEILING FAN	15	57.7%	3,196
FIREPLACE	1	3.8%	101
BASEMENT	0	0.0%	
INTERCOM SYSTEM	3	11.5%	849
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	26	100.0%	5,069
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	0	0.0%	78

\* - Does not include units where appliances/amenities are optional; Only includes market-rate or non-government subsidized Tax Credit.

## PROJECT AMENITIES - NEWPORT NEWS, VIRGINIA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	12	46.2%	3,095
ON-SITE MANAGEMENT	25	96.2%	5,039
LAUNDRY	18	69.2%	3,393
CLUB HOUSE	7	26.9%	1,170
MEETING ROOM	7	26.9%	804
FITNESS CENTER	12	46.2%	2,431
JACUZZI/SAUNA	1	3.8%	101
PLAYGROUND	15	57.7%	3,280
COMPUTER LAB	2	7.7%	330
SPORTS COURT	2	7.7%	248
STORAGE	0	0.0%	
LAKE	2	7.7%	248
ELEVATOR	7	26.9%	774
SECURITY GATE	2	7.7%	248
BUSINESS CENTER	1	3.8%	197
CAR WASH AREA	1	3.8%	567
PICNIC AREA	8	30.8%	2,084
CONCIERGE SERVICE	1	3.8%	184
SOCIAL SERVICE PACKAGE	0	0.0%	64

# DISTRIBUTION OF UTILITIES - NEWPORT NEWS, VIRGINIA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
<b>HEAT</b>			
LANDLORD			
ELECTRIC	2	280	4.2%
GAS	2	250	3.7%
TENANT			
ELECTRIC	29	4,446	66.5%
GAS	8	1,711	25.6%
			100.0%
<b>COOKING FUEL</b>			
LANDLORD			
ELECTRIC	4	589	8.8%
GAS	1	200	3.0%
TENANT			
ELECTRIC	33	4,933	73.8%
GAS	3	965	14.4%
			100.0%
<b>HOT WATER</b>			
LANDLORD			
ELECTRIC	2	280	4.2%
GAS	2	250	3.7%
TENANT			
ELECTRIC	29	4,446	66.5%
GAS	8	1,711	25.6%
			100.0%
<b>ELECTRIC</b>			
LANDLORD	5	789	11.8%
TENANT	36	5,898	88.2%
			100.0%
<b>WATER</b>			
LANDLORD	21	2,827	42.3%
TENANT	20	3,860	57.7%
			100.0%
<b>SEWER</b>			
LANDLORD	21	2,827	42.3%
TENANT	20	3,860	57.7%
<b>TRASH PICK-UP</b>			
LANDLORD	29	3,874	57.9%
TENANT	12	2,813	42.1%
			100.0%

# UTILITY ALLOWANCE - NEWPORT NEWS, VIRGINIA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	\$48	\$34		\$26	\$15	\$24	\$2	\$5	\$31	\$20	\$35	\$29	\$20
1	GARDEN	\$54	\$40		\$30	\$18	\$30	\$3	\$5	\$38	\$21	\$38	\$29	\$20
1	TOWNHOUSE	\$57	\$43		\$32	\$18	\$30	\$3	\$5	\$40	\$21	\$38	\$29	\$20
2	GARDEN	\$58	\$55		\$41	\$25	\$36	\$3	\$6	\$43	\$29	\$58	\$29	\$20
2	TOWNHOUSE	\$62	\$59		\$44	\$25	\$36	\$3	\$6	\$45	\$29	\$58	\$29	\$20
3	GARDEN	\$61	\$64		\$48	\$31	\$48	\$3	\$7	\$51	\$36	\$74	\$29	\$20
3	TOWNHOUSE	\$64	\$69		\$52	\$31	\$48	\$3	\$7	\$54	\$36	\$74	\$29	\$20
4	GARDEN	\$72	\$88		\$66	\$37	\$60	\$4	\$8	\$59	\$42	\$90	\$29	\$20
4	TOWNHOUSE	\$77	\$94		\$71	\$37	\$60	\$4	\$8	\$62	\$42	\$90	\$29	\$20

VA-Newport News (11/2018) Fees

Survey Date: January 2019

XII-30





## XIII. Qualifications

### The Company

Bowen National Research employs an expert staff to ensure that each market study is of the utmost quality. Each staff member has hands-on experience evaluating sites and comparable properties, analyzing market characteristics and trends, and providing realistic recommendations and conclusions. The Bowen National Research staff has the expertise to provide the answers for your development.

### Company Leadership

**Patrick Bowen** is the President of Bowen National Research. He has prepared and supervised thousands of market feasibility studies for all types of real estate products, including affordable family and senior housing, multifamily market-rate housing and student housing, since 1996. He has also prepared various studies for submittal as part of HUD 221(d)(3) & (4), HUD 202 developments and applications for housing for Native Americans. He has also conducted studies and provided advice to city, county and state development entities as it relates to residential development, including affordable and market rate housing, for both rental and for-sale housing. Mr. Bowen has worked closely with many state and federal housing agencies to assist them with their market study guidelines. Mr. Bowen has his bachelor's degree in legal administration (with emphasis on business and law) from the University of West Florida.

**Desireé Johnson** is the Director of Operations for Bowen National Research. Ms. Johnson is responsible for all client relations, the procurement of work contracts, and the overall supervision and day-to-day operations of the company. She has been involved in the real estate market research industry since 2006. Ms. Johnson has an Associate of Applied Science in Office Administration from Columbus State Community College.

### Market Analysts

**Christopher T. Bunch**, Market Analyst has over ten years of professional experience in real estate, including five years of experience in the real estate market research field. Mr. Bunch is responsible for preparing market feasibility studies for a variety of clients. Mr. Bunch earned a bachelor's degree in Geography with a concentration in Urban and Regional Planning from Ohio University in Athens, Ohio.

**Lisa Goff**, Market Analyst, has conducted site-specific analyses in both rural and urban markets throughout the country. She is also experienced in the day-to-day operation and financing of Low-Income Housing Tax Credit and subsidized properties, which gives her a unique understanding of the impact of housing development on current market conditions.

**Jeff Peters**, Market Analyst, has conducted on-site inspection and analysis for rental properties throughout the country since 2014. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Peters graduated from The Ohio State University with a Bachelor of Arts in Economics.

**Gregory Piduch**, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Piduch holds a Bachelor of Arts in Communication and Rhetoric from the University of Albany, State University of New York and a Master of Professional Studies in Sports Industry Management from Georgetown University.

**Craig Rupert**, Market Analyst, has conducted market analysis in both urban and rural markets throughout the United States since 2010. Mr. Rupert is experienced in the evaluation of multiple types of housing programs, including market-rate, Tax Credit and various government subsidies and uses this knowledge and research to provide both qualitative and quantitative analysis. Mr. Rupert has a degree in Hospitality Management from Youngstown State University.

**Jack Wiseman**, Market Analyst, has conducted extensive market research in over 200 markets throughout the United States since 2007. He provides thorough evaluation of site attributes, area competitors, market trends, economic characteristics and a wide range of issues impacting the viability of real estate development. He has evaluated market conditions for a variety of real estate alternatives, including affordable and market-rate apartments, retail and office establishments, student housing, and a variety of senior residential alternatives. Mr. Wiseman has a Bachelor of Arts degree in Economics from Miami University.

**Jude Warner**, Market Analyst, is experienced in the assessment of housing operating under various programs throughout the country, as well as other development alternatives. He is also experienced in evaluating projects in the development pipeline and economic trends. Mr. Warner received his Bachelor's Degree in Marketing from St. Mary's University of Minnesota.

**Tammy Whited**, Market Analyst, has conducted site-specific analyses in both rural and urban markets throughout the country. She is also experienced in the day-to-day operation and financing of Low-Income Housing Tax Credit and subsidized properties, which gives her a unique understanding of the impact of housing development on current market conditions.

**Faysal Ahmed**, Market Analyst, has a background in multifamily property management. This experience has provided him with inside knowledge of the day-to-day operations of rental housing. Mr. Ahmed holds a Bachelor of Public Affairs from The Ohio State University and a Master of Science in Applied Economics from Southern New Hampshire University.

**Zachary Seaman**, Market Analyst, has experience in the property management industry and has managed a variety of rental housing types. He has the ability to analyze market and economic trends and conditions, as well as to assess a proposed site's ability to perform successfully in the market.

### **Research Staff**

Bowen National Research employs a staff of in-house researchers who are experienced in the surveying and evaluation of all rental and for-sale housing types, as well as in conducting interviews and surveys with city officials, economic development offices, chambers of commerce, housing authorities and residents.

**Stephanie Viren** is the Research and Travel Coordinator at Bowen National Research. Ms. Viren focuses on collecting detailed data concerning housing conditions in various markets throughout the United States. Ms. Viren has extensive interviewing skills and experience and also possesses the expertise necessary to conduct surveys of diverse pools of respondents regarding population and housing trends, housing marketability, economic development and other socioeconomic issues relative to the housing industry. Ms. Viren's professional specialty is condominium and senior housing research. Ms. Viren earned a Bachelor of Arts in Business Administration from Heidelberg University.

**Kelly Wiseman**, Research Specialist Director, has significant experience in the evaluation and surveying of housing projects operating under a variety of programs. In addition, she has conducted numerous interviews with experts throughout the country, including economic development, planning, housing authorities and other stakeholders.

**June Davis**, Office Manager of Bowen National Research, has been in the market feasibility research industry since 1988. Ms. Davis has overseen production on over 20,000 market studies for projects throughout the United States.

## Addendum A – Member Certification & Checklist

This market study has been prepared by Bowen National Research, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the *Standard Definitions of Key Terms Used in Market Studies for Housing Projects*, and *Model Content Standards for the Content of Market Studies for Housing Projects*. These Standards are designed to enhance the quality of market studies and to make them easier to prepare, understand, and use by market analysts and by the end users. These Standards are voluntary only, and no legal responsibility regarding their use is assumed by the National Council of Housing Market Analysts.

Bowen National Research is duly qualified and experienced in providing market analysis for housing. The company's principals participate in the National Council of Housing Market Analysts (NCHMA) educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Bowen National Research is an independent market analyst. No principal or employee of Bowen National Research has any financial interest whatsoever in the development for which this analysis has been undertaken.



Patrick M. Bowen

President

[patrickb@bowennational.com](mailto:patrickb@bowennational.com)

Date: February 19, 2019



Jeff Peters

Market Analyst

[jeffp@bowennational.com](mailto:jeffp@bowennational.com)

Date: February 19, 2019

Note: Information on the National Council of Housing Market Analysts may be obtained by calling 202-939-1750, or by visiting <http://www.housingonline.com>.



## ADDENDUM-MARKET STUDY INDEX

### A. INTRODUCTION

Members of the National Council of Housing Market Analysts provide a checklist referencing all components of their market study. This checklist is intended to assist readers on the location content of issues relevant to the evaluation and analysis of market studies.

### B. DESCRIPTION AND PROCEDURE FOR COMPLETING

The following components have been addressed in this market study. The section number of each component is noted below. Each component is fully discussed in that section. In cases where the item is not relevant, the author has indicated 'N/A' or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a 'VAR' (variation) with a comment explaining the conflict.

### C. CHECKLIST

		Section (s)
<b>Executive Summary</b>		
1.	Executive Summary	II
<b>Project Description</b>		
2.	Proposed number of bedrooms and baths proposed, income limitations, proposed rents and utility allowances	III
3.	Utilities (and utility sources) included in rent	III
4.	Project design description	III
5.	Unit and project amenities; parking	III
6.	Public programs included	III
7.	Target population description	III
8.	Date of construction/preliminary completion	III
9.	If rehabilitation, existing unit breakdown and rents	III
10.	Reference to review/status of project plans	III
<b>Location and Market Area</b>		
11.	Market area/secondary market area description	IV
12.	Concise description of the site and adjacent parcels	IV
13.	Description of site characteristics	IV
14.	Site photos/maps	X
15.	Map of community services	IV
16.	Visibility and accessibility evaluation	IV
17.	Crime Information	IV

## CHECKLIST (Continued)

		Section (s)
<b>Employment and Economy</b>		
18.	Employment by industry	IV
19.	Historical unemployment rate	IV
20.	Area major employers	IV
21.	Five-year employment growth	IV
22.	Typical wages by occupation	IV
23.	Discussion of commuting patterns of area workers	IV
<b>Demographic Characteristics</b>		
24.	Population and household estimates and projections	IV
25.	Area building permits	V
26.	Distribution of income	IV
27.	Households by tenure	IV
<b>Competitive Environment</b>		
28.	Comparable property profiles	XI
29.	Map of comparable properties	X
30.	Comparable property photographs	XI
31.	Existing rental housing evaluation	V
32.	Comparable property discussion	V
33.	Area vacancy rates, including rates for Tax Credit and government-subsidized	V
34.	Comparison of subject property to comparable properties	V
35.	Availability of Housing Choice Vouchers	V
36.	Identification of waiting lists	V & XII
37.	Description of overall rental market including share of market-rate and affordable properties	V
38.	List of existing LIHTC properties	V
39.	Discussion of future changes in housing stock	V
40.	Discussion of availability and cost of other affordable housing options including homeownership	V
41.	Tax Credit and other planned or under construction rental communities in market area	V
<b>Analysis/Conclusions</b>		
42.	Calculation and analysis of Capture Rate	VII
43.	Calculation and analysis of Penetration Rate	VII
44.	Evaluation of proposed rent levels	V & VI
45.	Derivation of Achievable Market Rent and Market Advantage	VI
46.	Derivation of Achievable Restricted Rent	N/A
47.	Precise statement of key conclusions	II
48.	Market strengths and weaknesses impacting project	II
49.	Recommendations and/or modification to project discussion	II
50.	Discussion of subject property's impact on existing housing	V
51.	Absorption projection with issues impacting performance	II
52.	Discussion of risks or other mitigating circumstances impacting project projection	II
53.	Interviews with area housing stakeholders	V

**CHECKLIST (Continued)**

<b>Other Requirements</b>		<b>Section (s)</b>
54.	Preparation date of report	Title Page
55.	Date of Field Work	Certification
56.	Certifications	Certification
57.	Statement of qualifications	XIII
58.	Sources of data not otherwise identified	I
59.	Utility allowance schedule	XII