

# Market Feasibility Analysis

Church Hill North Phase 2B  
3201 South Rabza Boulevard  
Richmond, Independent Richmond City, Virginia 23223

*Prepared For*

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*Authorized User*

Virginia Housing Development Authority (VHDA)  
601 S. Belvidere Street  
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*Effective Date*

January 30, 2019

*Job Reference Number*

19-158 CR



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# Market Study Certification

## NCHMA Certification

This certifies that Christopher Bunch, an employee of Bowen National Research, personally made an inspection of the area including competing properties and the proposed site in Richmond, Virginia. Further, the information contained in this report is true and accurate as of January 30, 2019.

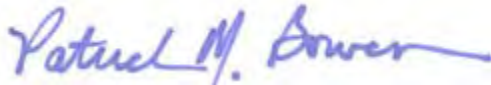
Bowen National Research is a disinterested third party without any current or future financial interest in the project under consideration. We have received a fee for the preparation of the market study. However, no contingency fees exist between our firm and the client.

## VHDA Certification

I affirm the following:

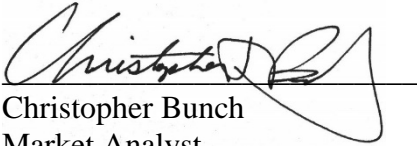
1. I have made a physical inspection of the site and market area
2. The appropriate information has been used in the comprehensive evaluation of the need and demand for the proposed rental units.
3. To the best of my knowledge the market can support the demand shown in this study. I understand that any 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:



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# 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 Richmond, Virginia. This study was initiated by Ms. Emily Phillips of The Community Builders, Incorporated 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 The Community Builders, Incorporated or Bowen National Research is strictly prohibited.

## II. Executive Summary

This report evaluates the market feasibility of the proposed 45-unit Church Hill North Phase 2B rental community to operate as a Low-Income Housing Tax Credit (LIHTC) project in Richmond, 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 45-unit Church Hill North Phase 2B rental community to be located at 3201 South Rabza Boulevard in Richmond, Virginia. This project is part of the Church Hill North Revitalization project and will occupy just over three (3) acres scattered over multiple parcels on the campus of the former Armstrong High School. The subject project will offer 43 one-bedroom and two (2) two-bedroom garden-style units within one (1) three-story elevator-served building with community spaces integrated throughout. The proposed site will be developed using Low-Income Housing Tax Credit (LIHTC) financing and will target lower-income senior households ages 62 and older earning up to 40%, 50% and 60% of Area Median Household Income (AMHI). In addition, all units will operate under the HUD Section 8 program, allowing residents to effectively pay up to 30% of their adjusted gross household income towards gross rent due to the presence of the subsidy. The proposed project is expected to be complete by January 2021. Additional details regarding the project are included in *Section III* of this report.

### Site Evaluation

The proposed subject site is comprised of vacant land on the former campus of Armstrong High School, located in the eastern portion of Richmond. Surrounding land uses primarily consist of single-family homes, convenience stores and a cemetery. The site neighborhood is a generally residential area of Richmond with 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 North 31<sup>st</sup> Street. Regardless, promotional signage placed near the intersection of Nine Mile Road and North 31<sup>st</sup> Street will enhance visibility as this roadway (Nine Mile Road) experiences higher volumes of vehicular traffic than North 31<sup>st</sup> Street. 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 GRTC bus stop is 0.3 miles north of the site, near the intersection of Creighton Road and Nine Mile Road. GRTC provides affordable public transportation throughout Richmond 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 Richmond Site PMA includes portions of eastern Richmond. The boundaries of the Site PMA include U.S. Highway 360 and North Laburnum Avenue to the north; North and South Laburnum Avenue to the east; U.S. Highway 60 and East Main Street to the south; and U.S. Highway 360, Interstate 64 and Interstate 95 to the west. A map of the Site PMA is included in *Section IV* on *page 12*.

### Demographic Overview

The Richmond Site PMA is projected to experience both population and household growth between 2019 and 2024, a trend which has been ongoing since 2000. Household growth among seniors age 62 and older (subject site target population) is projected to account for more than 57.0% of the projected overall household growth between 2019 and 2024. More than one-third (34.5%) of this senior household growth is projected to occur among senior renter households, as 262 senior renter households are projected to be added to the market over the next five years. This will result in total base of nearly 2,700 senior (age 62 and older) renter households in the Richmond market in 2024. Further, nearly 85.0% of all senior renter households are expected to earn less than \$40,000 in 2024. Based on the preceding factors, a large and expanding base of potential age- and income-appropriate renter households exists in the market for affordable senior-oriented rental product such as that proposed for the subject site. Additional demographic information regarding the Site PMA is included in *Section IV* of this report, beginning on *page 13*.

### Economic Summary

The labor force within the Richmond Site PMA is relatively well-balanced as no single industry segment represents more than 13.7% of the total labor force. The employment base within the City of Richmond has been steadily improving since 2009, as has the unemployment rate within the city. Notably, the employment base has increased by more than 22,000 jobs, or 24.2%, since 2009 and the unemployment rate has declined by six full percentage points. Considering these aforementioned trends and the numerous announcements of new and/or expanding businesses within the Richmond area, we expect the Richmond economy to continue to improve and remain strong for the foreseeable future. Additional economic information is included in *Section IV* of this report, beginning on *page 24*.

### Housing Supply Analysis

We identified and personally surveyed 41 conventional rental housing projects containing a total of 4,887 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 93.5%, a stable 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	26	3,147	298	90.5%
Tax Credit	12	1,258	22	98.3%
Tax Credit/Government-Subsidized	2	232	0	100.0%
Government-Subsidized	1	250	0	100.0%
Total	41	4,887	320	93.5%

All rental housing segments surveyed report overall occupancy rates of 90.5% or higher. It is of note, however, that all segments that offer some type of affordable (i.e. Tax Credit and/or government-subsidized) component are 98.3% occupied or higher. This is a good indication that such product is in high demand within the Site PMA. It is also important to understand, however, that 217 (72.8%) of the 298 vacant market-rate units are located within three properties which recently opened between April and November of 2018 and are still within their initial lease-up period. When excluding these three properties, the remaining market-rate properties surveyed have an overall occupancy rate of 97.1%, a good rate for market-rate product.

### Comparable/Competitive Tax Credit Analysis

The proposed subject project will target senior (age 62 and older) households earning up to 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 all 45 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 Richmond market.

Within the Site PMA, we identified and surveyed a total of five non-subsidized age-restricted LIHTC properties which offer unit types similar to those proposed for the subject project, in terms of bedroom type and/or targeted income level.

These five 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>Church Hill North Phase 2B</b>	<b>2021</b>	<b>45</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>Seniors 62+; 40%, 50% &amp; 60% AMHI &amp; Section 8</b>
1	Carter Woods I & II	2004	152	100.0%	1.3 Miles	27 H.H.	Seniors 62+; 40%, 50%, & 60% AMHI
3	Reflections	2002	104	100.0%	3.2 Miles	3 Years	Seniors 55+; 40% & 50% AMHI
11	Bacon Retirement Community	1913 / 1999	58	100.0%	0.9 Miles	None	Seniors 55+; 50% & 60% AMHI
12	Bowler Retirement Community	1910 / 1998	62	100.0%	1.1 Miles	None	Seniors 55+; 50% & 60% AMHI
30	Darby House	2006	108	100.0%	2.8 Miles	60-65 H.H.	Seniors 62+; 40% & 50% AMHI

OCC. – Occupancy  
H.H. - Households

The five comparable age-restricted LIHTC projects have a combined occupancy rate of 100.0% and three of the five maintain waiting lists of up to 65-households or three years in duration. These are clear indications of strong and pent-up demand for additional senior-oriented 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.	
<b>Site</b>	<b>Church Hill North Phase 2B</b>	<b>\$624/40% (5)</b> <b>\$780/50% (18)</b> <b>\$932/60% (20)</b>	<b>\$1,067/60% (2)</b>	<b>-</b>
1	Carter Woods I & II	\$614/40% (16/0) \$769/50% (31/0) \$924/60% (44/0)	\$737/40% (20/0) \$927/50% (10/0) \$1,112/60% (31/0)	None
3	Reflections	\$785/50% (52/0)	\$858/40% (41/0) \$948/50% (11/0)	None
11	Bacon Retirement Community	\$680/50% (10/0) \$700/60% (46/0)	\$750-\$800/60% (2/0)	None
12	Bowler Retirement Community	\$680/50% (10/0) \$700/60% (52/0)	-	None
30	Darby House	\$589/40% (11/0) \$744/50% (65/0)	\$887/50% (32/0)	None

The subject's proposed gross Tax Credit rents will be some of the highest in the market, relative to similar unit types among the comparable properties. They are, however, similar to, if not lower than, those reported at Carter Woods I & II (Map ID 1). Thus, the subject rents are considered appropriate for and marketable within the Richmond Site PMA. Nonetheless, the subject project will operate with a project-based Section 8 subsidy available to all 45 units. This will allow tenants of the property 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 Richmond Site PMA.

Comparable/Competitive Tax Credit Summary

The five comparable age-restricted LIHTC properties are all 100.0% occupied and three maintain waiting lists of up to 65-households or three years in duration. The proposed subject project is expected to help alleviate a portion of this pent-up demand for additional age-restricted LIHTC product. The subject's proposed gross Tax Credit rents are among the highest in the market but are very competitive with those reported at Carter Woods I & II (Map ID 1), which is 100.0% occupied as previously mentioned. Thus, the subject rents are considered appropriate for this market. Regardless, the subject property will offer a project-based Section 8 subsidy to all units, which will allow tenants of the property to only pay up to 30% of their income towards rent. In terms of design, the subject property will generally offer the largest units among the comparable properties in terms of square footage, will offer 2.0 full bathrooms within its two-bedroom units as compared to some properties which offer a lesser number of bathrooms, and will include a very competitive overall amenity package. Based on the preceding factors, the subject project is considered marketable as proposed.

An in-depth analysis of the Richmond 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 \$965 for a one-bedroom unit and \$1,370 for a two-bedroom unit, which are illustrated as follows:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Br.	40%	\$562*	\$965	41.8%
One-Br.	50%	\$718*	\$965	25.6%
One-Br.	60%	\$870	\$965	9.8%
Two-Br.	60%	\$982	\$1,370	28.3%

\*Reflective of maximum allowable LIHTC rent level as proposed contract rent under Section 8 exceeds maximum allowable limit.



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 rents which represent market rent advantages ranging from 9.8% to 41.8% are considered appropriate and should represent good values within the Richmond market. It is also important to reiterate that the subject project will effectively operate with a project-based Section 8 subsidy available to all units. Thus, the property will represent an even greater value that that reflected by the market rent advantages in the preceding table as tenants will effectively pay only 30% of their income towards rent, rather than the proposed rents evaluated throughout this report.

### Capture Rate Estimates

The following is a summary of our demand calculations assuming the subject property operates as anticipated, *with a project-based subsidy*:

Demand Component – Age 62+	Percent of Median Household Income		
	40%	50%	Overall
Net Demand	1,255	1,416	1,416
Proposed Units	5	40	45
Proposed Units / Net Demand	5 / 1,255	40 / 1,416	45 / 1,416
Capture Rate	= 0.4%	= 2.8%	= 3.2%

Utilizing this methodology, capture rates below 30% are considered achievable, though capture rates below 20% are considered ideal. As such, the subject's overall subsidized capture rate of 3.2% is low and achievable within the Richmond Site PMA. This is particularly true when considering the high occupancy rates and waiting lists maintained among existing comparable LIHTC properties surveyed in the market.

### Penetration Rate Calculations

The 485 existing non-subsidized age-restricted Tax Credit units (both surveyed and those which were not surveyed) 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 \$18,720 to \$39,960. The following summarizes the market penetration rate calculation for the subject project based on data contained in the Demographic Characteristics and Trends section of this report.

	Market Penetration
Number of LIHTC Units (Proposed and Existing)	530
Age- and Income-Eligible Renter Households – 2021	/ 1,186
Overall Market Penetration Rate	= 44.7%

While a penetration rate of 44.7% could be construed as high, it is considered acceptable for the Richmond market given the 485 existing non-subsidized age-restricted LIHTC units surveyed are 100.0% occupied. This is especially true when considering the extensive waiting lists maintained among the existing properties in the market.

A detailed analysis of our demand estimates, including estimates for the property in the unlikely event the project-based subsidy was lost, is included in *Section VII*.

### Absorption Estimates

It is our opinion that the 45 LIHTC units proposed for the subject site will reach a stabilized occupancy of 95% within three months of opening. This absorption rate is based on an average monthly absorption rate of approximately 14 to 15 units per month. These absorption projections assume the project will be built as outlined in this report and will provide a project-based subsidy to all 45 units. Changes to the project's rents, amenities, floor plans, location, subsidy availability, or other features may invalidate our findings.

Should the Section 8 subsidy not be secured, and the property had to operate exclusively under the LIHTC guidelines at the proposed rent levels evaluated throughout this report, the subject project would likely experience an extended absorption period. This is due to the more limited demographic base for the property in the market as the property would no longer be capable of targeting households earning below \$18,720. In this unlikely scenario we would expect the subject project would reach a stabilized occupancy rate of 95% within four months of opening. This is based on an average monthly absorption rate of approximately 10 to 11 units per month.



### III. Project Description

The subject project involves the new construction of the 45-unit Church Hill North Phase 2B rental community to be located at 3201 South Rabza Boulevard in Richmond, Virginia. This project is part of the Church Hill North Revitalization project and will occupy just over three (3) acres scattered over multiple parcels on the campus of the former Armstrong High School. The subject project will offer 43 one-bedroom and two (2) two-bedroom garden-style units within one (1) three-story elevator-served building with community spaces integrated throughout. The proposed site will be developed using Low-Income Housing Tax Credit (LIHTC) financing and will target lower-income senior households ages 62 and older earning up to 40%, 50% and 60% of Area Median Household Income (AMHI). In addition, all units will operate under the HUD Section 8 program, allowing residents to effectively pay up to 30% of their adjusted gross household income towards gross rent due to the presence of the subsidy. The proposed project is expected to be complete by January 2021. Additional details of the subject project are as follows:

- A. PROJECT NAME:** Church Hill North Phase 2B
- B. PROPERTY LOCATION:** 3201 South Rabza Boulevard  
Richmond, Virginia 23223  
(Independent Richmond City)
- C. PROJECT TYPE:** Tax Credit & HUD Section 8
- D. UNIT CONFIGURATION AND RENTS:**

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI/ Subsidy	Program Rents			
						Collected Rent	Utility Allowance	Gross Rent	Max. Allowable LIHTC Gross Rent
5	One-Br.	1.0	Garden	652	40%/Sec. 8	\$870	\$62	\$932	\$624
18	One-Br.	1.0	Garden	652	50%/Sec. 8	\$870	\$62	\$932	\$780
20	One-Br.	1.0	Garden	652	60%/Sec. 8	\$870	\$62	\$932	\$936
2	Two-Br.	2.0	Garden	1,034	60%/Sec. 8	\$982	\$85	\$1,067	\$1,123
45	Total								

Source: The Community Builders, Inc.

AMHI – Area Median Household Income (Richmond, VA MSA; 2018)

Sec.8 – Section 8

Note that tenants residing within the 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 and proposed LIHTC gross rents included in the preceding table are the programmatic rents/limits for the subject property. However, these would only apply in the unlikely scenario that the property ceased to operate with a project-based subsidy. Nonetheless, we have evaluated the subject project based on the proposed Tax Credit rents included for the subject units at the 60% AMHI level in the preceding table, and maximum allowable rent levels for the units which the proposed rent exceeds maximum allowable limits.

- E. TARGET MARKET:** Low-income seniors ages 62+
- F. PROJECT DESIGN:** Garden-style units within one (1) three-story elevator-served building with community spaces integrated throughout.
- G. ORIGINAL YEAR BUILT:** Not Applicable; New Construction
- H. PROJECTED OPENING DATE:** January 2021

**I. UNIT AMENITIES:**

- Electric Range
- Refrigerator
- Garbage Disposal
- Dishwasher
- Central Air Conditioning
- LVT Flooring
- Window Blinds
- Patio/Balcony
- Ceiling Fan
- Emergency Call System

**J. COMMUNITY AMENITIES:**

- On-Site Management
- Community Room
- Laundry Facility
- Elevator
- Picnic Area
- Key Fob Access
- Resident Services Coordinator

**K. UTILITY RESPONSIBILITY:**

The costs of cold water, sewer and trash collection will be included in the rent, while tenants will be responsible for the following:

- General Electricity
- Electric Heat
- Electric Water Heat
- Electric Cooking

**L. PARKING:**

A total of 20 surface parking spaces will be available to the residents at no additional charge. While this equates to less than one space per unit, the targeted senior population will diminish the need for the subject project to offer parking at a ratio of one or more per unit. The subsidy to be provide will further diminish the need for parking at the site due to the fact that many low-income seniors at the site may not own a vehicle. The subject property is located within walking distance of a public bus stop which will enhance access to area services and the subject site itself.



**M. CURRENT OCCUPANCY:**

Not Applicable; New Construction

**N. PLANNED RENOVATION:**

Not Applicable; New Construction

**O. STATISTICAL AREA:**

Richmond, VA MSA (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- and two-bedroom garden-style units ranging in size from 650 to 1,032 square feet. The subject units will be located within one (1) three-story elevator-equipped building which will also include integrated common areas. The subject property will be part of the larger Church Hill North Revitalization project. The subject building will be centrally located within this larger redevelopment project and will be easily accessible via residential roadways providing access throughout the interior of the larger overall subject development. The subject property is expected to fit well with the other planned/under construction phases of the subject development.

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 several community features such as a community room, laundry facility, and picnic area. Overall, the subject property appears to be appropriately designed for the targeted senior 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 Richmond market.

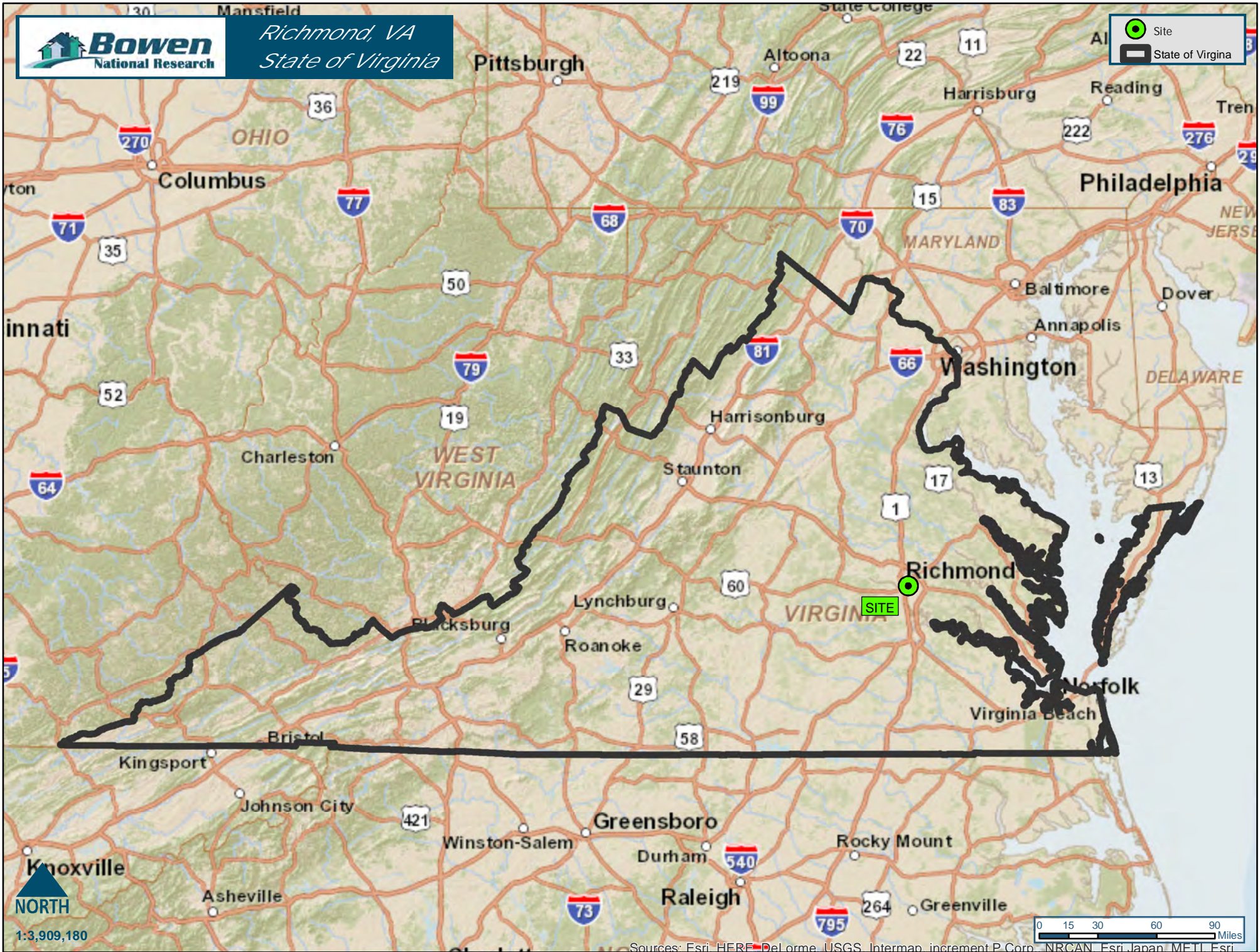
A state map, an area map and a site neighborhood map are on the following pages.





Richmond, VA  
State of Virginia

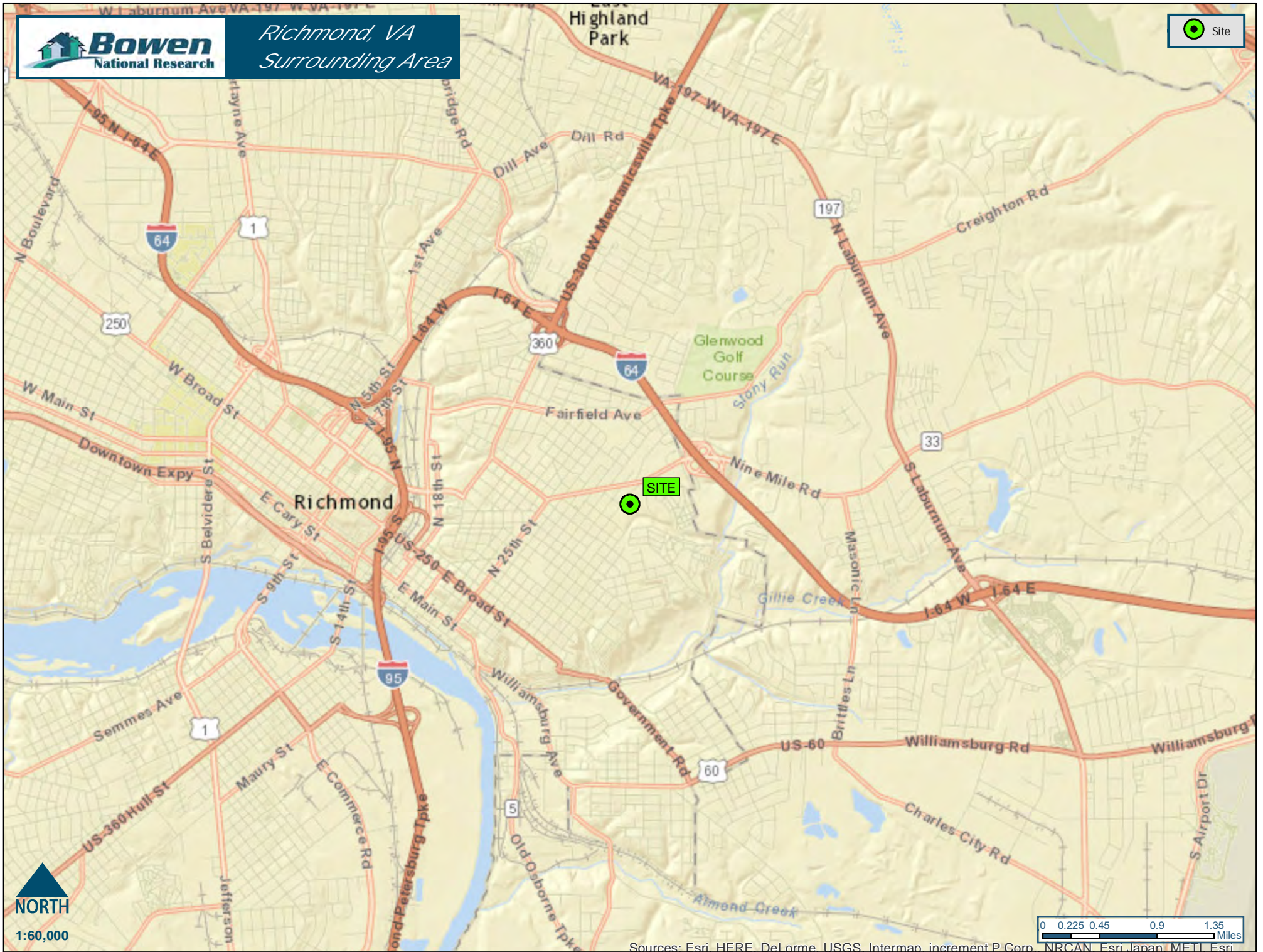
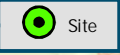
Site  
State of Virginia







*Richmond, VA  
Surrounding Area*









## IV. Area Analysis

### A. SITE DESCRIPTION AND EVALUATION

#### 1. LOCATION

The subject site consists of under construction land on the grounds of the former Armstrong High School campus, located at 1611 North 31<sup>st</sup> Street, in the eastern portion of Richmond, Virginia. The specific site for this analysis is Phase 2B of the Church Hill North Revitalization project. Phase 2B is proposed as a 45-unit apartment building for senior residents.

The Church Hill North Revitalization will be a mixed-use residential community consisting of apartment buildings, townhouses, and single-family homes when completed. The townhouses and single-family homes will be constructed in Phases 1A and 2A and will be located along the outer edges of the site development. The interior of the site development will consist of two senior apartment buildings (Phases 1B and 2B). On the date of our visit, only one building (Phase 1B) was under construction. Phase 1B will be a 45-unit senior building when completed.

The subject site is approximately 2.5 miles east of downtown Richmond. The subject site visit and corresponding fieldwork were completed on January 30, 2019.

#### 2. SURROUNDING LAND USES

The subject site is within an established area of Richmond. Surrounding land uses include single-family homes, convenience stores and a cemetery. Adjacent land uses are detailed as follows: *(Note: For the purpose of this analysis, we have considered the entire Church Hill North Revitalization project as the site).*

<b>North -</b>	The northern boundary of the site development is defined by the intersection of North 31 <sup>st</sup> Street and Nine Mile Road. Various retail and commercial structures, including two convenience stores and an automobile repair shop, are located along Nine Mile Road. Extending north are single-family homes and a school. Generally, the existing structures north of the subject site are considered to be in fair condition.
<b>East -</b>	The eastern site boundary is defined by Oakwood Cemetery, which buffers the site from single-family dwellings in fair condition farther east of the site. Extending east is wooded land and Interstate 64. Access to Interstate 64 is 0.6 miles northeast of the site.

<b>South -</b>	The southern site boundary is defined by wooded land that naturally buffers the subject site from additional portions of the Oakwood Cemetery. Extending farther south is a neighborhood of single-family homes considered to be in fair to good condition.
<b>West -</b>	The western boundary is defined by North 31 <sup>st</sup> Street, a lightly traveled two-lane roadway. Extending west are single-family homes considered to be in fair condition, as well as retail and commercial structures located along Nine Mile Road.

The subject site is within an established area of Richmond and comprised of land which is currently being cleared and/or is under construction as parts of additional phases of the subject development. Surrounding land uses primarily consist of single-family homes and local businesses and should provide an environment conducive to residential housing such as that proposed at the subject site. The development of the subject project is also expected to contribute to the revitalization of the immediate site neighborhood. Overall, the subject property is expected to fit well with the surrounding land uses and they should contribute to the marketability of the site. Photographs of the site can be found in *Section VIII* of this report.

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

The subject site maintains significant frontage along North 31<sup>st</sup> Street and is clearly visible with unobstructed views. Additionally, the subject's location on the campus of the former Armstrong High School is also expected to enhance awareness of the subject project as this was a well-known facility in the area. Accessibility of the subject site is good, as North 31<sup>st</sup> Street is lightly-traveled and Nine Mile Road is moderately-traveled. No traffic disruptions are expected at or near the subject site upon ingress and egress. Further, Interstate 64 can be accessed 0.6 miles northeast of the subject site. Proximity to Interstate 64 is important as this major highway provides convenient access to surrounding communities and downtown Richmond and further enhances accessibility of the subject site and site neighborhood. Public transportation is available via the Greater Richmond Transit Company (GRTC) and the nearest public bus stop is located 0.3 miles north of the subject site, at the intersection of Creighton Road and Nine Mile Road. The availability of public transportation is considered beneficial to the targeted low-income senior population at the subject project. Based on the preceding analysis, visibility and access of the subject site are both considered good and are expected to contribute to the overall marketability of the subject project.

#### 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	Interstate 64	0.6 Northeast
	Interstate 95	1.5 West
Public Bus Stop	Greater Richmond Transit Company (GRTC)	0.3 North
Major Employers/ Employment Centers	Bon Secours Richmond	0.7 West
	VCU Health System	2.2 West
	Wells Fargo	2.6 West
	Dominion Energy	3.0 West
Convenience Store	The Market Place	0.3 North
	Mo's Convenience Store	0.3 Northwest
	OMG Convenience	0.3 North
	Express Corner Store	0.4 West
Grocery	Community Food Market	0.3 Northwest
	Market at 25 <sup>th</sup> (Under Construction)	0.8 West
	Chimbo Supermarket	1.1 Southwest
	Community Supermarket	1.5 Northwest
	Walmart Supercenter	2.3 Northeast
Discount Department Store	Family Dollar Store	0.9 West
	Citi Trends	2.3 Northeast
	Walmart Supercenter	2.3 Northeast
Shopping Center/Mall	East Gate Town Center	2.3 Northeast
	The Shops at White Oak Village	2.9 Southeast
Hospital	Bon Secours Richmond Community Hospital	0.7 West
	VCU Medical Center	2.2 West
Police	Richmond Police Department (First Precinct)	1.0 West
Fire	Richmond Fire Station (Engine 11)	0.8 West
Post Office	U.S. Post Office	1.5 West
Bank	SunTrust Bank (East Broad Street)	1.6 West
	SunTrust Bank (North Laburnum Avenue)	2.0 East
	TowneBank	2.3 East
Recreational Facilities	Hidden Creek Recreation Center	1.5 North
Gas Station	Exxon	1.1 East
	CITGO	1.5 South
	Sunoco	1.5 East
Pharmacy	CVS Pharmacy	1.9 Southwest
	McGuire Park Pharmacy	2.0 West
	Walgreens	2.1 East
Restaurant	Inner City Blues Carolina BBQ	0.3 Northwest
	Wan Jing Lou Chinese Restaurant	0.4 Northwest
	Dolce Pizza & Grill	0.5 Northwest
Community Center	Hidden Creek Recreation Center	1.5 North
Library	Richmond Public Library	0.9 West
Park	Chimborazo Park	1.6 Southwest
	Libby Hill Park	1.8 Southwest
	Gillies Creek Park	1.9 South
Church	St John's United Holy Church	0.6 West
	Woodville Presbyterian Church	0.7 Northwest
	Cathedral of Prayer	0.7 West

The proposed subject site is situated in the eastern portion of Richmond 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. The nearest public bus stop is located 0.3 miles north, near the intersection of Creighton Road and Nine Mile Road. The convenient accessibility of public transportation is considered beneficial and will likely contribute to the overall marketability of the subject project. Additionally, the nearest shopping center is East Gate Town Center, which is anchored by Walmart Supercenter. East Gate Town Center is located approximately 2.3 miles from the proposed subject site.

Public safety services are provided via the Richmond Police and Fire departments, located 1.0 mile and 0.8 miles from the proposed subject site, respectively. Note that the nearest full-service hospital is the Bon Secours Richmond Community Hospital, located 0.7 miles west of the proposed subject 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 on the former campus of Armstrong High School, located in the eastern portion of Richmond. Surrounding land uses primarily consist of single-family homes, convenience stores and a cemetery. The site neighborhood is a generally residential area of Richmond with 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 North 31<sup>st</sup> Street. Regardless, promotional signage placed near the intersection of Nine Mile Road and North 31<sup>st</sup> Street will enhance visibility as this roadway (Nine Mile Road) experiences higher volumes of vehicular traffic than North 31<sup>st</sup> Street. 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 GRTC bus stop is 0.3 miles north of the site, near the intersection of Creighton Road and Nine Mile Road. GRTC provides affordable public transportation throughout Richmond 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.

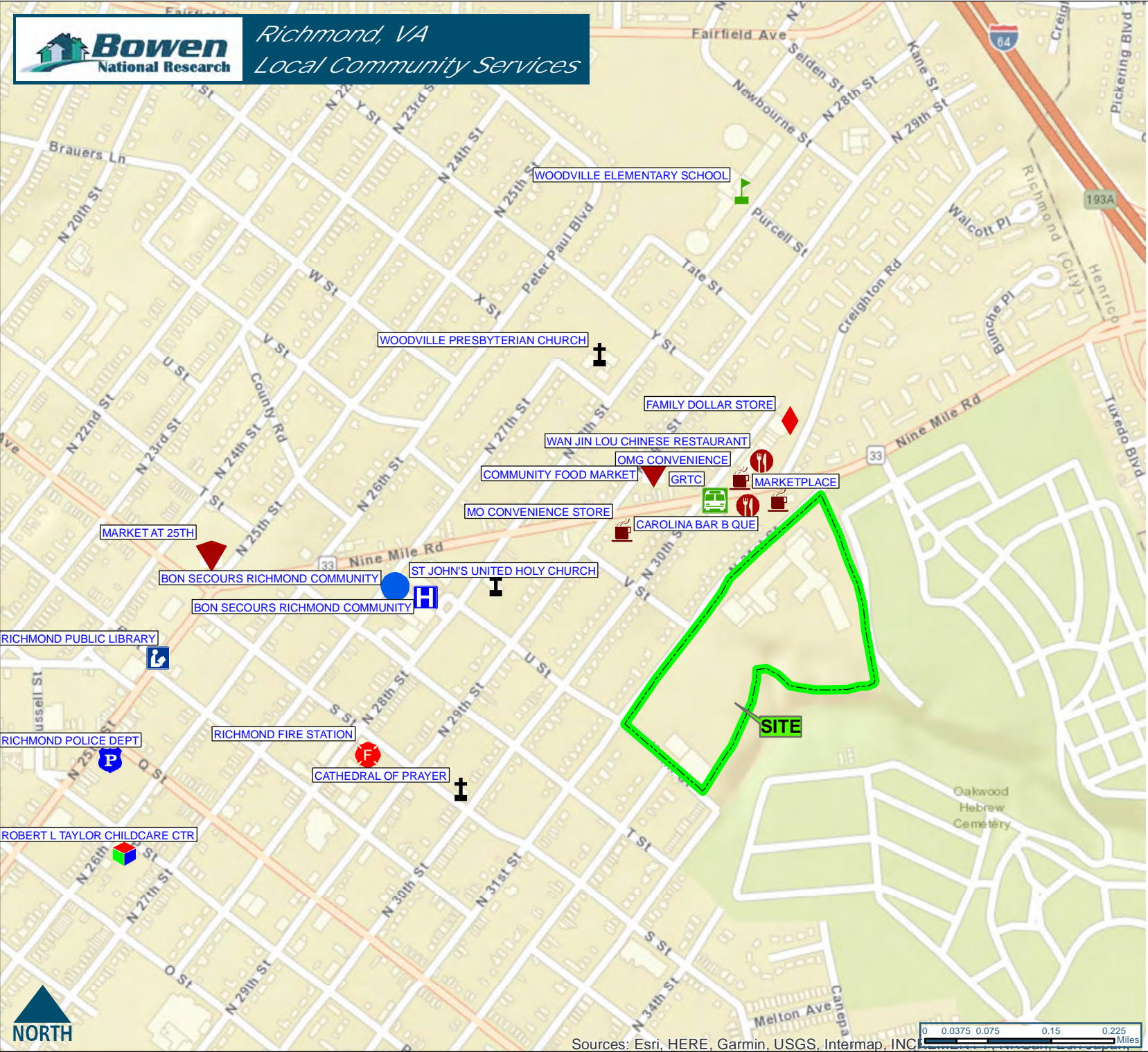
Total crime risk for the Site ZIP Code is 136, with an overall personal crime index of 174 and a property crime index of 130. Total crime risk for the City of Richmond is 149, with indexes for personal and property crime of 152 and 148, respectively.

	Crime Risk Index	
	Site Zip Code	Richmond city
<b>Total Crime</b>	<b>136</b>	<b>149</b>
<b>Personal Crime</b>	<b>174</b>	<b>152</b>
Murder	512	385
Rape	79	61
Robbery	248	252
Assault	148	117
<b>Property Crime</b>	<b>130</b>	<b>148</b>
Burglary	141	143
Larceny	125	147
Motor Vehicle Theft	148	171





Source: Applied Geographic Solutions

The crime risk index reported for the Site Zip Code (136) is lower than that reported for the City of Richmond (149) as a whole. Although these are both above the national average of 100, crime indexes of 136 and 149 are not considered high for densely populated urban areas such as the Richmond market. Thus, it is likely that there is a low perception of crime within the subject site area, which is expected to contribute to the overall marketability of the subject project. The high occupancy rates reported among most rental properties surveyed in the market are further indications that crime is not a factor impacting rental occupancy rates within the Richmond market.

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



*Legend*

-  Site Area
-  Child Care
-  Church
-  Convenience Store
-  Elementary School
-  Fire
-  Grocery
-  Hospital
-  Library
-  Police
-  Restaurant
-  Shopping
-  Transit
-  Employer 1000-5000





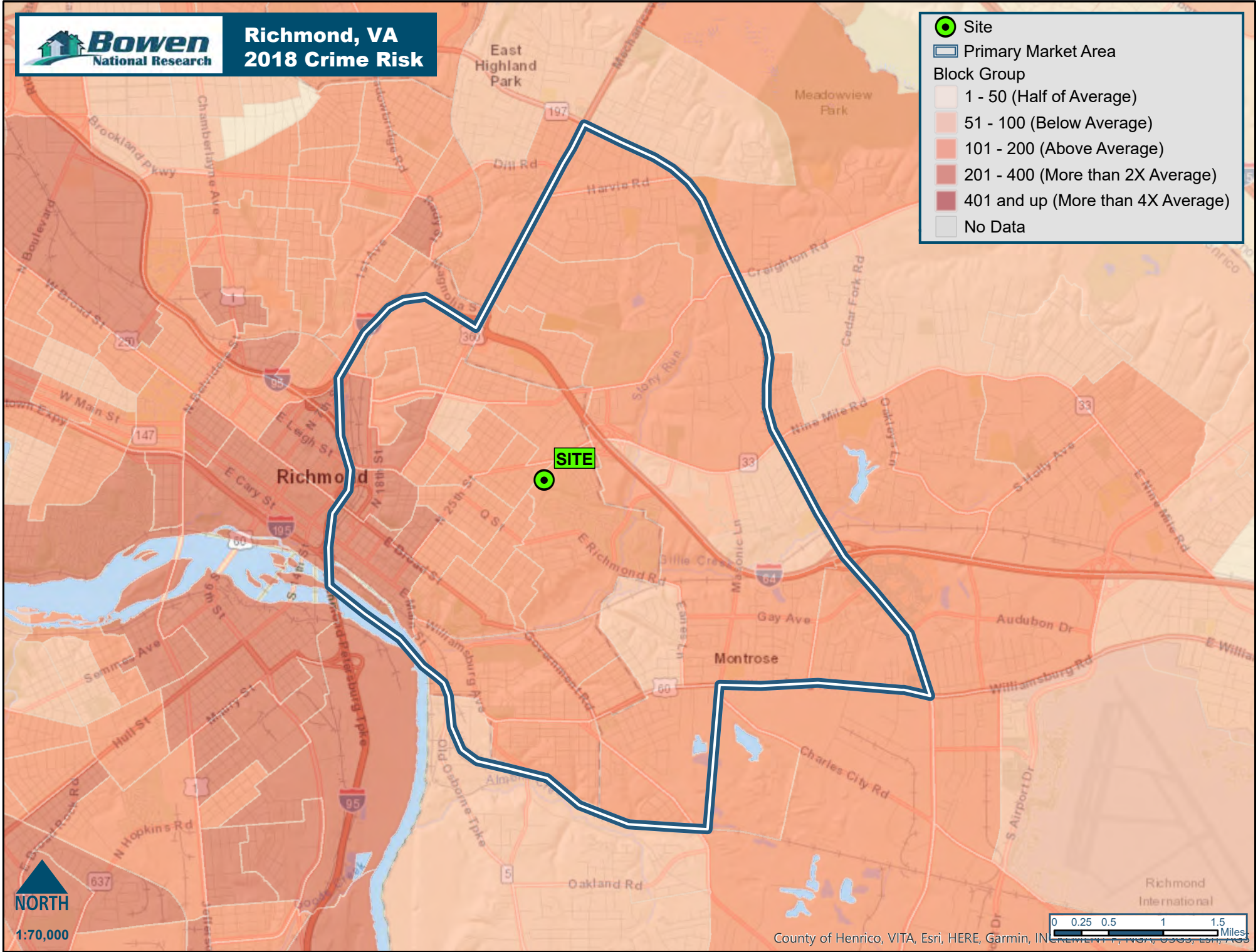






# Richmond, VA 2018 Crime Risk

- Site
- ▭ Primary Market Area
- Block Group
  - 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**  
1:70,000



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

The Primary Market Area (PMA) is the geographical area from which most of the support for the proposed development is expected to originate. The Richmond Site PMA was determined through interviews with area leasing and real estate agents, planning officials, economic development representatives 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 following is a summary of an interview conducted with a local property manager that helped to establish/confirm the Richmond Site PMA:

- Lafonda Bullock is the Property Manager of Tobacco Landing, a general-occupancy Tax Credit property in the Site PMA. Ms. Bullock stated that a new affordable housing project at the proposed subject site would generate a large amount of support from areas in, or near, the eastern portion of downtown Richmond. According to Ms. Bullock, residents within these areas prefer to remain near downtown services as many of these services can easily be accessed via public transportation. Given the subject's proximity to downtown Richmond and public transportation, Ms. Bullock believes that the subject project will likely attract residents from throughout the areas comprised within the Site PMA boundaries. Ms. Bullock confirmed the boundaries of the Richmond Site PMA.

The Richmond Site PMA includes portions of eastern Richmond. The boundaries of the Site PMA include U.S. Highway 360 and North Laburnum Avenue to the north; North and South Laburnum Avenue to the east; U.S. Highway 60 and East Main Street to the south; and U.S. Highway 360, Interstate 64 and Interstate 95 to the west.



Areas north and northwest of the Site PMA are generally comprised of higher-income households as compared to areas comprised within the Site PMA. In addition, Interstate 64/95 serves as a boundary separating areas of east and west Richmond. Similarly, the James River serves as a natural boundary to the southwest, limiting access between the northern and southern portions of Richmond. Areas east and south of the Site PMA generally become less developed as you travel away from the city center of Richmond and are also comprised of lower shares of renter households as compared to the more densely populated areas comprised within the Site PMA. We recognize that the subject project will undoubtedly receive some support from areas outside the Site PMA. However, due to the preceding factors and considering the densely populated nature of the areas comprised within the Site PMA, this support base is expected to be minimal and areas outside the Site PMA have been excluded. A secondary market area was not considered or included in this report.

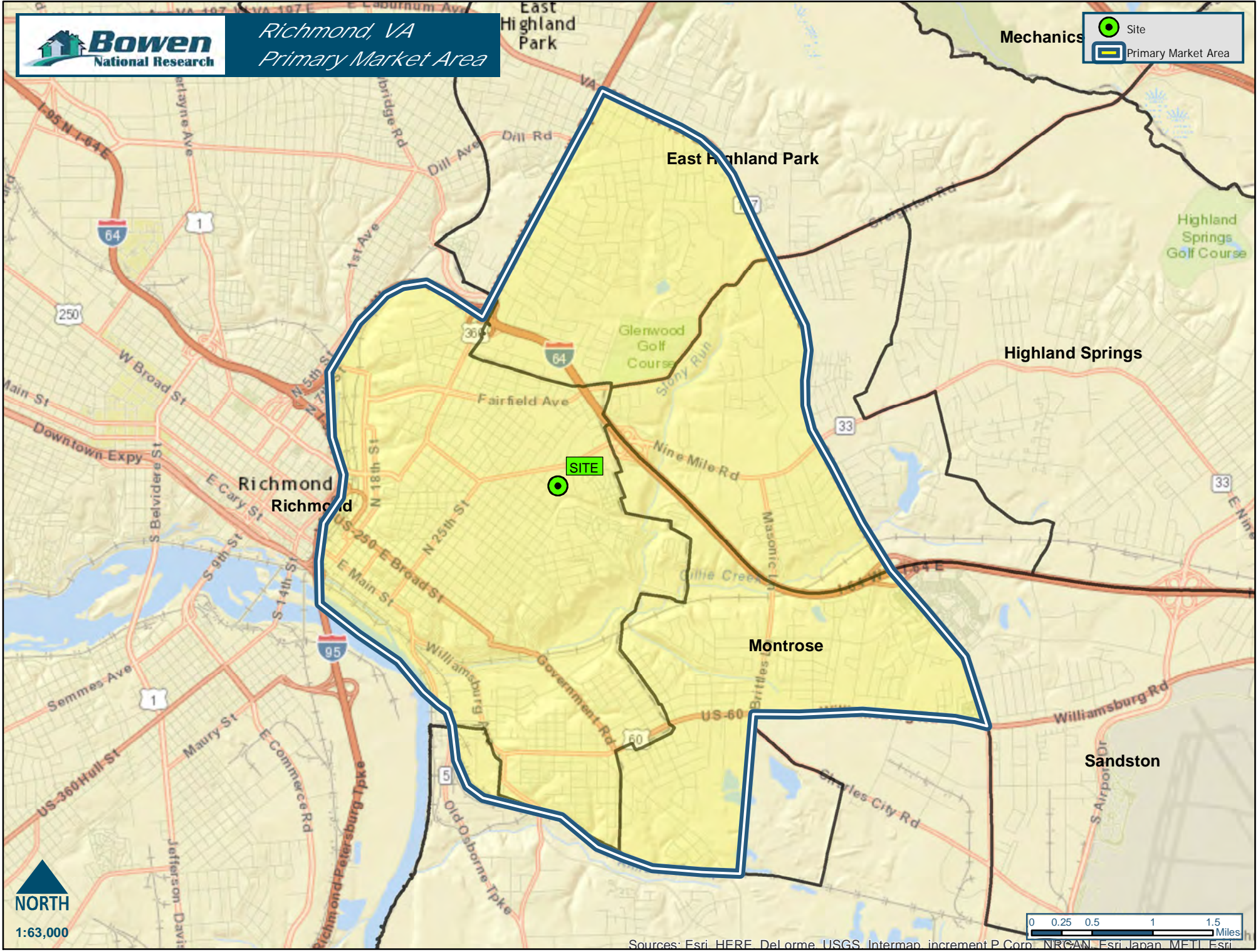
A map delineating the boundaries of the Site PMA is included on the following page.





*Richmond, VA  
Primary Market Area*

 Site  
 Primary Market Area



  
 NORTH  
 1:63,000



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri



## 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	43,270	45,848	51,405	54,324
Population Change	-	2,578	5,557	2,919
Percent Change	-	6.0%	12.1%	5.7%

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

The Richmond Site PMA population base increased by 2,578 between 2000 and 2010. This represents a 6.0% increase over the 2000 population, or an annual rate of 0.6%. Between 2010 and 2019, the population increased by 5,557, or 12.1%. It is projected that the population will increase by 2,919, or 5.7%, 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	12,467	27.2%	12,774	24.8%	13,169	24.2%	395	3.1%
20 to 24	4,017	8.8%	4,258	8.3%	4,283	7.9%	25	0.6%
25 to 34	7,730	16.9%	9,275	18.0%	9,760	18.0%	485	5.2%
35 to 44	5,610	12.2%	6,272	12.2%	7,124	13.1%	852	13.6%
45 to 54	6,295	13.7%	5,814	11.3%	5,703	10.5%	-111	-1.9%
55 to 64	4,818	10.5%	6,171	12.0%	6,189	11.4%	18	0.3%
65 to 74	2,622	5.7%	4,057	7.9%	4,855	8.9%	798	19.7%
75 & Over	2,289	5.0%	2,784	5.4%	3,241	6.0%	457	16.4%
Total	45,848	100.0%	51,405	100.0%	54,324	100.0%	2,919	5.7%

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

As detailed throughout this report, the subject project will be restricted to seniors age 62 and older. Thus, the primary age group of potential renters is expected to be those age 65 and older, an age cohort which comprises more than 13.0% of the total population and is projected to increase by 1,255 persons, or 18.3%, between 2019 and 2024.

## 2. HOUSEHOLD TRENDS

Household trends within the Richmond Site PMA are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2019 (Estimated)	2024 (Projected)
Households	16,684	18,698	21,208	22,533
Household Change	-	2,014	2,510	1,325
Percent Change	-	12.1%	13.4%	6.2%
Household Size	2.59	2.45	2.33	2.33

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

Within the Richmond Site PMA, households increased by 2,014 (12.1%) between 2000 and 2010. Between 2010 and 2019, households increased by 2,510 or 13.4%. By 2024, there will be 22,533 households, an increase of 1,325 households, or 6.2% over 2019 levels. This is an increase of approximately 265 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	1,523	8.1%	1,573	7.4%	1,631	7.2%	58	3.7%
25 to 34	4,189	22.4%	4,890	23.1%	5,116	22.7%	226	4.6%
35 to 44	3,115	16.7%	3,295	15.5%	3,723	16.5%	428	13.0%
45 to 54	3,576	19.1%	3,113	14.7%	3,003	13.3%	-110	-3.5%
55 to 64	3,033	16.2%	3,720	17.5%	3,673	16.3%	-47	-1.3%
65 to 74	1,791	9.6%	2,720	12.8%	3,199	14.2%	479	17.6%
75 to 84	1,096	5.9%	1,398	6.6%	1,612	7.2%	214	15.3%
85 & Over	375	2.0%	500	2.4%	577	2.6%	77	15.4%
Total	18,698	100.0%	21,208	100.0%	22,533	100.0%	1,325	6.2%

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

Between 2019 and 2024, the 65 to 74 age cohort is projected to experience the most rapid household growth, both in terms of the total number of households added and the rate of change. Notably, households age 65 and older are projected to increase by 770, or 16.7%, between 2019 and 2024. This accounts for more than 58.0% of the overall household growth projected for the market during this time period and is a good indication of ongoing demand for senior-oriented housing alternatives.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2019 (Estimated)		2024 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	7,995	42.8%	8,170	38.5%	8,901	39.5%
Renter-Occupied	10,703	57.2%	13,038	61.5%	13,631	60.5%
Total	18,698	100.0%	21,208	100.0%	22,532	100.0%

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

In 2019, homeowners are estimated to occupy 38.5% of all occupied housing units, while the remaining 61.5% are occupied by renters. This is considered a large share of renter households.

Note that while the subject project will effectively be restricted to seniors age 62 and older under the HUD Section 8 program guidelines, the property would be capable of accommodating seniors age 55 and older in the unlikely event this subsidy was lost, and the property were to operate exclusively under the Tax Credit guidelines. Thus, we have provided demographic data for both seniors age 55 and older, and age 62 and older to correlate with our demand estimates included in *Section VII*.

Households by tenure for those age 55 and older in 2010, 2019 (estimated) and 2024 (projected) are distributed as follows:

Tenure Age 55+	2010 (Census)		2019 (Estimated)		2024 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	3,833	60.9%	4,667	56.0%	5,150	56.8%
Renter-Occupied	2,462	39.1%	3,670	44.0%	3,911	43.2%
Total	6,295	100.0%	8,338	100.0%	9,061	100.0%

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

A total of 3,670 (44.0%) of all households age 55 and older within the Site PMA are renters in 2019.

Households by tenure for those age 62 and older in 2010, 2019 (estimated) and 2024 (projected) are distributed as follows:

Tenure Age 62+	2010 (Census)		2019 (Estimated)		2024 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	2,081	63.8%	3,298	57.6%	3,796	58.5%
Renter-Occupied	1,181	36.2%	2,428	42.4%	2,690	41.5%
Total	3,262	100.0%	5,726	100.0%	6,486	100.0%

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

A total of 2,428 (42.4%) of all households age 62 and older within the Site PMA are renters in 2019. Between 2019 and 2024 senior renter households (age 62 and older) are projected to increase by 262, or 10.8%. This will likely increase demand for senior-oriented rental product within the Richmond market.

The household sizes by tenure for age 55 and older within the Site PMA, based on the 2019 estimates and 2024 projections, were distributed as follows:

Persons Per Renter Household Age 55+	2019 (Estimated)		2024 (Projected)		Change 2019-2024	
	Households	Percent	Households	Percent	Households	Percent
1 Person	2,580	70.3%	2,822	72.2%	241	9.4%
2 Persons	550	15.0%	546	14.0%	-4	-0.7%
3 Persons	283	7.7%	292	7.5%	9	3.2%
4 Persons	144	3.9%	140	3.6%	-3	-2.3%
5 Persons+	113	3.1%	110	2.8%	-3	-2.4%
Total	3,670	100.0%	3,911	100.0%	240	6.5%

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

Persons Per Owner Household Age 55+	2019 (Estimated)		2024 (Projected)		Change 2019-2024	
	Households	Percent	Households	Percent	Households	Percent
1 Person	1,830	39.2%	1,921	37.3%	91	5.0%
2 Persons	1,579	33.8%	1,792	34.8%	213	13.5%
3 Persons	625	13.4%	704	13.7%	79	12.6%
4 Persons	404	8.7%	462	9.0%	58	14.3%
5 Persons+	228	4.9%	271	5.3%	43	18.8%
Total	4,666	100.0%	5,149	100.0%	484	10.4%

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

The household sizes by tenure for age 62 and older within the Site PMA, based on the 2019 estimates and 2024 projections, were distributed as follows:

Persons Per Renter Household Age 62+	2019 (Estimated)		2024 (Projected)		Change 2019-2024	
	Households	Percent	Households	Percent	Households	Percent
1 Person	1,789	73.7%	2,023	75.2%	234	13.1%
2 Persons	324	13.3%	336	12.5%	12	3.6%
3 Persons	167	6.9%	179	6.6%	11	6.8%
4 Persons	84	3.5%	86	3.2%	2	2.2%
5 Persons+	64	2.6%	67	2.5%	3	4.7%
Total	2,428	100.0%	2,690	100.0%	262	10.8%

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

Persons Per Owner Household Age 62+	2019 (Estimated)		2024 (Projected)		Change 2019-2024	
	Households	Percent	Households	Percent	Households	Percent
1 Person	1,330	40.3%	1,444	38.0%	114	8.5%
2 Persons	1,097	33.3%	1,308	34.5%	211	19.2%
3 Persons	434	13.1%	515	13.6%	82	18.9%
4 Persons	281	8.5%	334	8.8%	53	18.8%
5 Persons+	156	4.7%	196	5.2%	39	25.1%
Total	3,298	100.0%	3,796	100.0%	498	15.1%

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

The one- and two-bedroom units proposed for the subject site are expected to house up to two-person senior households. Notably, such households comprise more than 87.0% of all senior (age 62 and older) renter households in the Richmond market and are projected to increase by 246, or 11.6%, between 2019 and 2024.

### 3. INCOME TRENDS

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

Household Income	2010 (Census)		2019 (Estimated)		2024 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	3,166	16.9%	3,253	15.3%	3,560	15.8%
\$10,000 to \$19,999	3,307	17.7%	3,486	16.4%	3,866	17.2%
\$20,000 to \$29,999	2,586	13.8%	2,578	12.2%	2,732	12.1%
\$30,000 to \$39,999	2,190	11.7%	2,131	10.0%	2,246	10.0%
\$40,000 to \$49,999	1,815	9.7%	1,743	8.2%	1,735	7.7%
\$50,000 to \$59,999	1,648	8.8%	1,817	8.6%	1,777	7.9%
\$60,000 to \$74,999	1,528	8.2%	1,974	9.3%	1,957	8.7%
\$75,000 to \$99,999	1,159	6.2%	1,941	9.2%	2,038	9.0%
\$100,000 to \$124,999	504	2.7%	936	4.4%	1,063	4.7%
\$125,000 to \$149,999	289	1.5%	519	2.4%	589	2.6%
\$150,000 to \$199,999	300	1.6%	397	1.9%	444	2.0%
\$200,000 & Over	206	1.1%	431	2.0%	523	2.3%
Total	18,698	100.0%	21,208	100.0%	22,532	100.0%
Median Income	\$31,324		\$36,038		\$34,932	

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

In 2010, the median household income was \$31,324. This increased by 15.0% to \$36,038 in 2019. By 2024, it is projected that the median household income will be \$34,932, a decline of 3.1% over 2019.

The distribution of households by income age 55 and older within the Richmond Site PMA is summarized as follows:

Household Income 55+	2010 (Census)		2019 (Estimated)		2024 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	972	15.4%	1,176	14.1%	1,274	14.1%
\$10,000 to \$19,999	1,313	20.9%	1,819	21.8%	2,121	23.4%
\$20,000 to \$29,999	1,030	16.4%	1,187	14.2%	1,258	13.9%
\$30,000 to \$39,999	783	12.4%	916	11.0%	959	10.6%
\$40,000 to \$49,999	601	9.5%	681	8.2%	693	7.7%
\$50,000 to \$59,999	485	7.7%	583	7.0%	585	6.5%
\$60,000 to \$74,999	468	7.4%	693	8.3%	723	8.0%
\$75,000 to \$99,999	325	5.2%	666	8.0%	720	7.9%
\$100,000 to \$124,999	112	1.8%	257	3.1%	297	3.3%
\$125,000 to \$149,999	69	1.1%	136	1.6%	163	1.8%
\$150,000 to \$199,999	67	1.1%	107	1.3%	125	1.4%
\$200,000 & Over	70	1.1%	114	1.4%	141	1.6%
Total	6,295	100.0%	8,336	100.0%	9,060	100.0%
Median Income	\$28,374		\$29,880		\$29,020	

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

In 2010, the median household income for households age 55 and older was \$28,374. This increased by 5.3% to \$29,880 in 2019. By 2024, it is projected that the median household income will be \$29,020, a decline of 2.9% over 2019.

The distribution of households by income age 62 and older within the Richmond Site PMA is summarized as follows:

Household Income 62+	2010 (Census)		2019 (Estimated)		2024 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	645	15.5%	752	13.1%	846	13.0%
\$10,000 to \$19,999	946	22.7%	1,395	24.4%	1,701	26.2%
\$20,000 to \$29,999	752	18.1%	893	15.6%	968	14.9%
\$30,000 to \$39,999	554	13.3%	655	11.4%	700	10.8%
\$40,000 to \$49,999	363	8.7%	470	8.2%	503	7.7%
\$50,000 to \$59,999	306	7.3%	362	6.3%	375	5.8%
\$60,000 to \$74,999	273	6.6%	452	7.9%	503	7.8%
\$75,000 to \$99,999	174	4.2%	414	7.2%	470	7.2%
\$100,000 to \$124,999	56	1.3%	148	2.6%	181	2.8%
\$125,000 to \$149,999	28	0.7%	72	1.3%	93	1.4%
\$150,000 to \$199,999	29	0.7%	56	1.0%	71	1.1%
\$200,000 & Over	39	0.9%	58	1.0%	76	1.2%
Total	4,165	100.0%	5,726	100.0%	6,486	100.0%
Median Income	\$26,536		\$28,018		\$27,190	

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

In 2010, the median household income for households age 62 and older was \$26,536. This increased by 5.6% to \$28,018 in 2019. By 2024, it is projected that the median household income will be \$27,190, a decline of 3.0% over 2019.

The following tables illustrate renter household income by household size for age 55 and older for 2010, 2019 and 2024 for the Richmond Site PMA:

Renter Age 55+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	379	91	43	25	20	557
\$10,000 to \$19,999	508	114	53	31	25	731
\$20,000 to \$29,999	326	75	35	20	17	473
\$30,000 to \$39,999	195	47	22	13	10	288
\$40,000 to \$49,999	126	34	16	9	8	194
\$50,000 to \$59,999	56	15	7	4	3	86
\$60,000 to \$74,999	61	17	8	5	4	94
\$75,000 to \$99,999	19	6	3	2	1	30
\$100,000 to \$124,999	3	1	0	0	0	4
\$125,000 to \$149,999	2	1	0	0	0	3
\$150,000 to \$199,999	1	0	0	0	0	1
\$200,000 & Over	1	0	0	0	0	2
<b>Total</b>	<b>1,677</b>	<b>400</b>	<b>188</b>	<b>109</b>	<b>88</b>	<b>2,462</b>

Source: ESRI; Urban Decision Group

Renter Age 55+ Households	2019 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	545	121	62	32	25	785
\$10,000 to \$19,999	866	169	87	44	35	1,201
\$20,000 to \$29,999	449	93	48	24	19	633
\$30,000 to \$39,999	274	61	31	16	13	395
\$40,000 to \$49,999	163	38	19	10	8	238
\$50,000 to \$59,999	84	20	10	5	4	124
\$60,000 to \$74,999	107	25	13	7	5	157
\$75,000 to \$99,999	61	15	8	4	3	90
\$100,000 to \$124,999	16	4	2	1	1	25
\$125,000 to \$149,999	10	2	1	1	1	14
\$150,000 to \$199,999	2	1	0	0	0	3
\$200,000 & Over	3	1	0	0	0	4
<b>Total</b>	<b>2,580</b>	<b>550</b>	<b>283</b>	<b>144</b>	<b>113</b>	<b>3,670</b>

Source: ESRI; Urban Decision Group

Renter Age 55+ Households	2024 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	591	120	64	31	24	829
\$10,000 to \$19,999	1,012	178	95	46	36	1,367
\$20,000 to \$29,999	459	88	47	22	18	633
\$30,000 to \$39,999	276	56	30	14	11	389
\$40,000 to \$49,999	161	34	18	9	7	228
\$50,000 to \$59,999	81	18	10	5	4	116
\$60,000 to \$74,999	108	23	12	6	5	153
\$75,000 to \$99,999	75	16	9	4	3	107
\$100,000 to \$124,999	32	8	4	2	2	47
\$125,000 to \$149,999	19	5	2	1	1	28
\$150,000 to \$199,999	3	1	0	0	0	5
\$200,000 & Over	4	1	1	0	0	6
<b>Total</b>	<b>2,822</b>	<b>546</b>	<b>292</b>	<b>140</b>	<b>110</b>	<b>3,911</b>

Source: ESRI; Urban Decision Group



The following tables illustrate owner household income by household size for age 55 and older for 2010, 2019 and 2024 for the Richmond Site PMA:

Owner Age 55+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	175	132	57	34	17	415
\$10,000 to \$19,999	250	182	78	47	24	582
\$20,000 to \$29,999	235	177	76	46	23	557
\$30,000 to \$39,999	202	161	69	42	21	495
\$40,000 to \$49,999	163	134	58	35	17	407
\$50,000 to \$59,999	164	129	56	34	17	399
\$60,000 to \$74,999	152	122	53	32	16	374
\$75,000 to \$99,999	119	97	42	25	13	295
\$100,000 to \$124,999	41	37	16	10	5	108
\$125,000 to \$149,999	25	22	10	6	3	66
\$150,000 to \$199,999	25	22	10	6	3	66
\$200,000 & Over	26	23	10	6	3	68
Total	1,578	1,237	533	322	162	3,833

Source: ESRI; Urban Decision Group

Owner Age 55+ Households	2019 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	157	130	51	33	19	390
\$10,000 to \$19,999	257	201	80	51	29	618
\$20,000 to \$29,999	225	183	73	47	26	554
\$30,000 to \$39,999	203	177	70	45	26	521
\$40,000 to \$49,999	170	152	60	39	22	444
\$50,000 to \$59,999	177	157	62	40	23	459
\$60,000 to \$74,999	208	183	72	47	26	536
\$75,000 to \$99,999	222	197	78	50	28	576
\$100,000 to \$124,999	86	81	32	21	12	232
\$125,000 to \$149,999	45	43	17	11	6	122
\$150,000 to \$199,999	39	36	14	9	5	103
\$200,000 & Over	40	39	15	10	6	110
Total	1,830	1,579	625	404	228	4,666

Source: ESRI; Urban Decision Group

Owner Age 55+ Households	2024 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	172	151	59	39	23	444
\$10,000 to \$19,999	301	251	99	65	38	754
\$20,000 to \$29,999	239	214	84	55	32	625
\$30,000 to \$39,999	209	200	79	52	30	570
\$40,000 to \$49,999	168	165	65	42	25	465
\$50,000 to \$59,999	171	165	65	43	25	469
\$60,000 to \$74,999	210	200	79	52	30	570
\$75,000 to \$99,999	226	215	84	55	32	612
\$100,000 to \$124,999	88	90	35	23	14	250
\$125,000 to \$149,999	48	49	19	13	7	135
\$150,000 to \$199,999	43	43	17	11	6	120
\$200,000 & Over	47	49	19	13	7	135
Total	1,921	1,792	704	462	271	5,149

Source: ESRI; Urban Decision Group



The following tables illustrate renter household income by household size for age 62 and older for 2010, 2019 and 2024 for the Richmond Site PMA:

Renter Age 62+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	253	48	23	13	10	347
\$10,000 to \$19,999	368	65	31	18	15	496
\$20,000 to \$29,999	235	43	20	12	11	320
\$30,000 to \$39,999	135	27	12	7	5	185
\$40,000 to \$49,999	73	16	8	4	3	104
\$50,000 to \$59,999	34	7	4	2	1	47
\$60,000 to \$74,999	33	7	4	2	2	48
\$75,000 to \$99,999	9	2	1	0	0	13
\$100,000 to \$124,999	2	0	0	0	0	2
\$125,000 to \$149,999	1	0	0	0	0	1
\$150,000 to \$199,999	0	0	0	0	0	0
\$200,000 & Over	0	0	0	0	0	0
Total	1,144	214	102	58	46	1,564

Source: ESRI; Urban Decision Group

Renter Age 62+ Households	2019 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	345	64	33	16	13	472
\$10,000 to \$19,999	661	111	57	29	23	880
\$20,000 to \$29,999	329	58	30	15	12	445
\$30,000 to \$39,999	187	36	19	10	6	259
\$40,000 to \$49,999	105	21	11	6	4	147
\$50,000 to \$59,999	47	10	5	2	2	67
\$60,000 to \$74,999	64	13	7	3	3	89
\$75,000 to \$99,999	34	7	4	2	1	47
\$100,000 to \$124,999	9	2	1	0	0	12
\$125,000 to \$149,999	5	1	0	0	0	7
\$150,000 to \$199,999	1	0	0	0	0	1
\$200,000 & Over	2	0	0	0	0	2
Total	1,789	324	167	84	64	2,428

Source: ESRI; Urban Decision Group

Renter Age 62+ Households	2024 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	386	65	34	17	14	516
\$10,000 to \$19,999	803	124	66	31	25	1,049
\$20,000 to \$29,999	342	56	30	14	12	454
\$30,000 to \$39,999	192	34	18	9	6	259
\$40,000 to \$49,999	110	20	10	6	4	150
\$50,000 to \$59,999	47	9	5	2	2	64
\$60,000 to \$74,999	68	13	6	3	3	93
\$75,000 to \$99,999	44	8	5	2	1	59
\$100,000 to \$124,999	18	4	2	0	0	25
\$125,000 to \$149,999	10	2	2	0	0	15
\$150,000 to \$199,999	2	0	0	0	0	2
\$200,000 & Over	2	0	0	0	0	3
Total	2,023	336	179	86	67	2,690

Source: ESRI; Urban Decision Group

The following tables illustrate owner household income by household size for age 62 and older for 2010, 2019 and 2024 for the Richmond Site PMA:

Owner Age 62+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	133	92	39	24	11	298
\$10,000 to \$19,999	201	137	59	36	18	450
\$20,000 to \$29,999	187	134	58	35	18	432
\$30,000 to \$39,999	155	117	51	31	15	369
\$40,000 to \$49,999	108	83	35	22	11	259
\$50,000 to \$59,999	111	81	35	21	11	259
\$60,000 to \$74,999	96	71	30	19	9	225
\$75,000 to \$99,999	68	51	22	13	7	161
\$100,000 to \$124,999	21	18	7	5	2	54
\$125,000 to \$149,999	11	10	4	2	1	27
\$150,000 to \$199,999	12	10	4	2	1	29
\$200,000 & Over	16	13	6	3	1	39
<b>Total</b>	<b>1,118</b>	<b>817</b>	<b>349</b>	<b>212</b>	<b>105</b>	<b>2,601</b>

Source: ESRI; Urban Decision Group

Owner Age 62+ Households	2019 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	117	91	36	23	13	280
\$10,000 to \$19,999	220	165	65	42	23	515
\$20,000 to \$29,999	187	146	58	37	21	448
\$30,000 to \$39,999	157	133	52	34	19	396
\$40,000 to \$49,999	126	110	43	28	16	322
\$50,000 to \$59,999	117	100	40	25	14	295
\$60,000 to \$74,999	145	122	48	31	18	363
\$75,000 to \$99,999	146	123	49	31	18	367
\$100,000 to \$124,999	51	47	19	12	6	136
\$125,000 to \$149,999	25	23	9	6	3	65
\$150,000 to \$199,999	21	19	8	5	3	55
\$200,000 & Over	20	20	8	5	3	56
<b>Total</b>	<b>1,330</b>	<b>1,097</b>	<b>434</b>	<b>281</b>	<b>156</b>	<b>3,298</b>

Source: ESRI; Urban Decision Group

Owner Age 62+ Households	2024 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	132	110	44	28	16	330
\$10,000 to \$19,999	265	215	84	55	32	652
\$20,000 to \$29,999	200	175	69	45	26	514
\$30,000 to \$39,999	164	154	61	39	23	441
\$40,000 to \$49,999	129	125	49	32	18	352
\$50,000 to \$59,999	114	109	43	28	17	310
\$60,000 to \$74,999	153	143	56	36	22	410
\$75,000 to \$99,999	155	142	56	37	22	411
\$100,000 to \$124,999	55	56	22	15	8	156
\$125,000 to \$149,999	28	28	11	7	4	79
\$150,000 to \$199,999	25	25	9	6	3	69
\$200,000 & Over	25	27	11	7	4	73
<b>Total</b>	<b>1,444</b>	<b>1,308</b>	<b>515</b>	<b>334</b>	<b>196</b>	<b>3,796</b>

Source: ESRI; Urban Decision Group

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

### Demographic Summary

The Richmond Site PMA is projected to experience both population and household growth between 2019 and 2024, a trend which has been ongoing since 2000. Household growth among seniors age 62 and older (subject site target population) is projected to account for more than 57.0% of the projected overall household growth between 2019 and 2024. More than one-third (34.5%) of this senior household growth is projected to occur among senior renter households, as 262 senior renter households are projected to be added to the market over the next five years. This will result in total base of nearly 2,700 senior (age 62 and older) renter households in the Richmond market in 2024. Further, nearly 85.0% of all senior renter households are expected to earn less than \$40,000 in 2024. Based on the preceding factors, a large and expanding base of potential age- and income-appropriate renter households exists in the market for affordable senior-oriented rental product such as that proposed for the subject site.

## D. LOCAL ECONOMIC PROFILE AND ANALYSIS

### 1. LABOR FORCE PROFILE

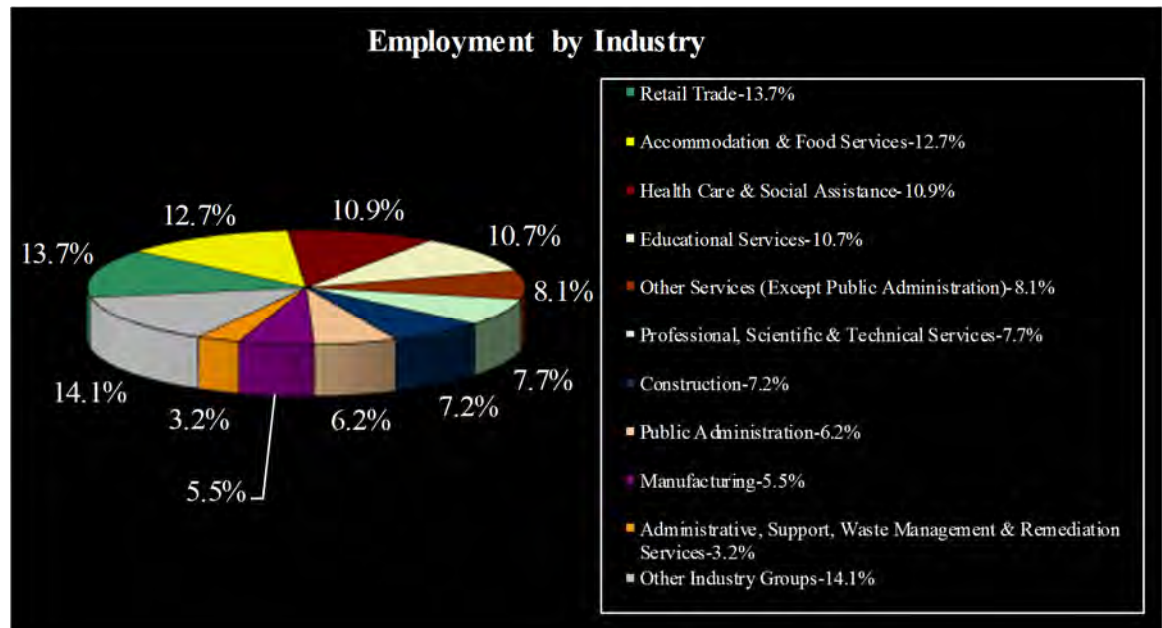
The labor force within the Richmond Site PMA is based primarily in four sectors. Retail Trade (which comprises 13.7%), Accommodation & Food Services, Health Care & Social Assistance and Educational Services comprise approximately 48% of the Site PMA labor force. Employment in the Richmond Site PMA, as of 2018, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	1	0.1%	3	0.0%	3.0
Mining	0	0.0%	0	0.0%	0.0
Utilities	0	0.0%	0	0.0%	0.0
Construction	53	4.6%	932	7.2%	17.6
Manufacturing	23	2.0%	712	5.5%	31.0
Wholesale Trade	22	1.9%	210	1.6%	9.5
Retail Trade	161	13.9%	1,767	13.7%	11.0
Transportation & Warehousing	22	1.9%	268	2.1%	12.2
Information	22	1.9%	321	2.5%	14.6
Finance & Insurance	45	3.9%	312	2.4%	6.9
Real Estate & Rental & Leasing	93	8.0%	392	3.0%	4.2
Professional, Scientific & Technical Services	101	8.7%	996	7.7%	9.9
Management of Companies & Enterprises	1	0.1%	11	0.1%	11.0
Administrative, Support, Waste Management & Remediation Services	30	2.6%	411	3.2%	13.7
Educational Services	30	2.6%	1,375	10.7%	45.8
Health Care & Social Assistance	94	8.1%	1,411	10.9%	15.0
Arts, Entertainment & Recreation	29	2.5%	279	2.2%	9.6
Accommodation & Food Services	123	10.6%	1,637	12.7%	13.3
Other Services (Except Public Administration)	204	17.6%	1,046	8.1%	5.1
Public Administration	43	3.7%	793	6.2%	18.4
Nonclassifiable	62	5.3%	17	0.1%	0.3
<b>Total</b>	<b>1,159</b>	<b>100.0%</b>	<b>12,893</b>	<b>100.0%</b>	<b>11.1</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 Richmond Metropolitan Statistical Area (MSA) are compared with those of Virginia in the following table:

Typical Wage by Occupation Type		
Occupation Type	Richmond MSA	Virginia
Management Occupations	\$127,790	\$136,850
Business and Financial Occupations	\$74,800	\$84,180
Computer and Mathematical Occupations	\$87,620	\$100,830
Architecture and Engineering Occupations	\$79,500	\$88,780
Community and Social Service Occupations	\$46,770	\$50,070
Art, Design, Entertainment and Sports Medicine Occupations	\$51,920	\$58,520
Healthcare Practitioners and Technical Occupations	\$79,410	\$79,980
Healthcare Support Occupations	\$30,290	\$31,550
Protective Service Occupations	\$43,460	\$46,990
Food Preparation and Serving Related Occupations	\$22,860	\$23,600
Building and Grounds Cleaning and Maintenance Occupations	\$25,910	\$27,170
Personal Care and Service Occupations	\$26,540	\$27,170
Sales and Related Occupations	\$40,800	\$39,660
Office and Administrative Support Occupations	\$37,530	\$37,980
Construction and Extraction Occupations	\$43,590	\$44,610
Installation, Maintenance and Repair Occupations	\$48,750	\$49,350
Production Occupations	\$37,000	\$37,620
Transportation and Moving Occupations	\$34,270	\$37,880

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

Most annual blue-collar salaries range from \$22,860 to \$51,920 within the Richmond MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$89,824. It is important to note that most occupational types within the Richmond MSA have lower typical wages than the state of Virginia's typical wages. Regardless, the subject site is restricted to seniors age 62 and older, many of which are likely to be retired and/or living on fixed incomes.

The ten largest employers in the Richmond area are summarized below:

Employer Name	Business Type	Total Employed
Capital One Financial Corporation	Financial Services	11,252
Virginia Commonwealth University Health System	Healthcare	9,313
HCA Virginia Health System	Healthcare	7,628
Bon Secours Richmond	Healthcare	7,136
Dominion Virginia Power	Energy	5,433
SunTrust Banks Incorporated	Financial	3,810
Altria Group Incorporated	Manufacturer	3,800
Amazon	Online Retail	3,800
Wells Fargo	Financial	2,902
Anthem Blue Cross and Blue Shield	Health Insurance	2,655
	Total	57,729

Source: Greater Richmond Partnership August 2018

Some notable activity that has recently occurred or that is planned for the Richmond area, based on our research, is summarized as follows:

- In December 2018 Devon USA received approval for a \$20 million 320,000 square foot warehouse at the James River Logistics Center in Chesterfield County. The project is being referred to as “Project Lightning II” and will consist of 17,567 square feet of office space along with a warehouse/distribution center. No word on who may lease the facility at the time of this study.
- In 2018 a \$100 million riverfront project began at the former paper mill site located at 111 Hull Street west of the Mayo Bridge. Dubbed South Falls I, the first tower will consist of 256 apartments and ground level retail. Plans for the second tower have not been submitted but it is estimated to consist of 225 apartments.
- Lumber Liquidators announced in July 2018 that the company will move its worldwide headquarters and call center from James City County to Henrico County. This relocation project will involve the rehabilitation/renovation of an existing 52,900 square foot building and is expected to happen in late 2019. The facility will have about 200 employees.

- Lynx Ventures is investing \$50 to \$60 million on The Current which will consist of 40,000 square feet of office space and 6,000 square feet of retail along with 214 apartments with 10,000 square feet of commercial space. The development is located off of Hull Street in Richmond.
- In July 2018 Cascades, Inc., a Canadian manufacturer of green packaging and paper products, announced the purchase of the Bear Island Paper Mill in Hanover County. The company will begin production of recycled paper products in the 601,000 square foot facility. The project will involve an investment of approximately \$300 million and is anticipated to create up to 1,140 jobs.
- In 2018 Armada Hoffler Properties began construction on a 220,000 square foot distribution center in Chesterfield County. In December 2018 they sold the distribution center to a subsidiary of PepsiCo for \$25.9 million. No mention of jobs could be found at the time of this study.
- In 2018 Sabra Dipping Co. broke ground on a 40,000 square foot expansion project at its facility in 2018. A total of 12 jobs were created due to this expansion.
- Ippon Technologies is relocating within Richmond to a larger building, doubling its current workspace. The relocation is planned to be complete by spring 2019 and the company expects to add jobs once in the larger space. They currently have 60 employees.
- In August 2018 Ocean Network Express, a global shipping company, announced an investment of \$2.5 million and an addition of over 125 new jobs as part of an expansion to its North American Regional Headquarters in Richmond.
- In November 2018 Rising Tides Solutions, LLC, a custom software developer, relocated to a larger facility in Henrico County and plans to create 90 new jobs over the next several years.
- Virginia Commonwealth University (VCU) broke ground in June 2018 on a \$93 million facility for the School of Engineering. The new building will include a 9,000 square foot experiential learning space, faculty offices, career services and labs for students. The project is scheduled to be complete in 2020.



- VCU Health also broke ground in June 2018 on a new \$349.2 million healthcare facility located in downtown Richmond. The project is expected to be complete in summer 2020.
- In March 2018 developer Hourigan Group announced plans to redevelop the former Alleghany Warehouse by demolishing the facility and rebuilding a 1.5 million square foot warehouse to be known as Deepwater Industrial Park. The project is to cost \$13 to \$15 million.
- In 2018 a groundbreaking ceremony was held at the former Armstrong School site for phase one of the Church Hill North project in Richmond. The development will cost around \$100 million and will consist of single-family homes, apartments for both seniors and families and low-income units along with a community center, memorial garden, open space and playgrounds. Phase one is expected to be completed in 2019 and construction of the second phase is to start early 2019.
- In April 2018, Riverside Logistics Services announced opened a new 121,000 square-foot warehouse facility in Richmond's Southpark Industrial Complex.
- West Creek Financial Inc., located in Henrico County, announced in 2018 they would be adding a second office in the area and would hire approximately 100 additional employees over the next year.
- In May 2018, it was announced that TemperPack would invest \$10.4 million for a new facility in Henrico County. The investment will create 141 new jobs for the area.
- In April 2018, it was announced that UDig, a consulting firm, would invest \$1.6 million to expand its IT headquarters in Henrico County, which will create 51 new jobs.
- In 2018 a ribbon cutting ceremony was held for the newly renovated Richmond Raceway. The \$30 million project was announced in 2017 and the renovations were completed in September 2018 and includes a walkway that will allow fans to have an up close view of the cars, suites and an 80 person bar and club with a rooftop deck.

- In January 2018, Dominion Energy announced the investment of \$1 billion in its solar fleet in Virginia and North Carolina. One of the projects is to power the new Facebook data center in Henrico County. During construction, Dominion has created 4,300 jobs in both Virginia and North Carolina. Dominion Energy also has a headquarters under construction in downtown Richmond that will have first-floor retail. Tower one is known as 600 Canal Place and tower two is known as 700 Canal Place. 600 Canal Place will consist of 960,000 square feet and is expected to be completed in the second quarter of 2019.
- In December 2017, construction began on Phase I of the one million square-foot Facebook data facility located in the White Oak Technology Park in Henrico County. The \$1 billion investment is expected to be fully operational sometime in 2019 and is anticipated to create thousands of construction jobs. As part of the project Facebook will pay for a new solar power facility to help offset the power used by the data center. In December 2018 about 100 non-construction employees began working at the new facility. Phase II of the facility will be an additional \$750 million. Once all phases are completed 200 fulltime jobs will be created at the 2.4 million square foot facility.
- In February 2017, Owens & Minor, a global healthcare services company, announced their selection of Richmond as the location for their \$15 million investment for approximately 90,000 square feet of office space at Riverfront Plaza. The new facility will be home to the company's 500 current employees, as well as the 300 new employees planned to be added as part of this project.
- The \$35 million redevelopment of the Regency Square Mall began in January 2017 in Henrico County. The redevelopment will include 44,000 square feet of additional retail space, new signage, theater, trampoline park and sidewalks. Demolition of a parking deck and demolition of the Quioccasin Road flyover bridge took place in late 2017. In fall of 2018 the roadwork for entrances into the mall were complete and select stores and business began to open such as Starbucks Coffee, MOD Pizza and Chipotle.
- Amazon announced in 2017 they would be opening two new distribution centers in the Richmond Region, one in Hanover County and another in Henrico County. The 328,000-square foot facility in Hanover County is expected to employ 300 people and opened in 2018. Building permits were issued in April 2017 for the Henrico County location, though the number to be employed at this location is unknown at this time.

- In 2017, AvePoint, Inc., an independent software provider specializing in Microsoft solutions, opened a new office in the City of Richmond and will hire 80 to 100 employees over a three-year period for positions in sales and back office opportunities.
- Three new schools are under construction in the Richmond area and are expected to be completed in time for the 2020 school year. Two of them are elementary schools and one is a middle school. All three schools total \$110 million in construction and will replace dilapidated and overcrowded schools.

While these announcements likely represent only a portion of the economic expansions expected for the region, they provide clear indications as to the interest in investment and job expansions for the area. Such investment and job expansions will add to the continued growth expected for the area for the foreseeable future.

#### Infrastructure Projects

- State Route 10 between State Route 1 and Interstate 95 in Chesterfield County will be widened to six lanes. Widening work to begin in fall 2018 with completion by summer 2019.
- A \$2.3 million project to widen the ramp from Interstate 95 south to East Franklin City is currently ongoing in Richmond. The project is will also include new lights and a pedestrian crossing and is to be completed in summer 2019.
- In February 2019 a \$35 million improvement project began at the intersection of Interstate 64 and Airport Drive in Henrico County. The project will include two bridges being replaced and interchange improvements at Airport Drive and Interstate 64. The project is expected to be completed in late 2022.

#### WARN (layoff notices):

WARN Notices (large-scale layoffs/closures) were reviewed on February 19, 2019 and according to the Virginia Employment Commission, there have been eight WARN notices reported for the Richmond area since January of 2018. The following is a table summarizing these notices.

Company	Location	Jobs	Notice Date	Effective Date
Spectrum Pharmaceuticals	Richmond/Midlothian	2	2-13-2019	3-15-2019
Signify Health	Richmond	132	1-18-2019	3-18-2019
Crothall Healthcare	Richmond	139	11-15-2018	1-20-2019
Southeast Services Corporation	Richmond	134	11-29-2018	1-31-2019
DAL Global Services, LLC	Richmond	92	8-6-2018	10-17-2018
Tailored Brands	Richmond	64	6-29-2018	8-31-2018
Farm Fresh #6274	Richmond	84	3-14-2018	5-14-2018
Sam's Club #4788	Richmond	163	1-11-2018	3-16-2018

## 2. EMPLOYMENT TRENDS

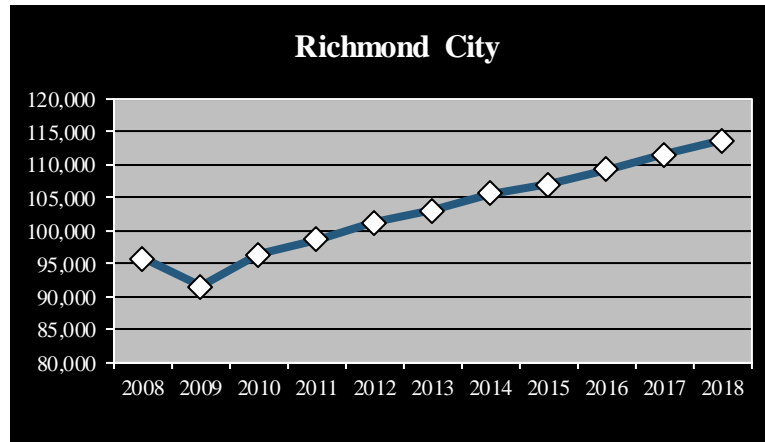
The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

Excluding 2018, the employment base has increased by 8.3% over the past five years in Richmond City, more 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 the City of Richmond, the state of Virginia and the United States.

Year	Total Employment					
	Richmond City		Virginia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2008	95,650	-	3,970,428	-	146,047,748	-
2009	91,416	-4.4%	3,842,516	-3.2%	140,696,560	-3.7%
2010	96,347	5.4%	3,860,386	0.5%	140,469,139	-0.2%
2011	98,520	2.3%	3,934,326	1.9%	141,791,255	0.9%
2012	101,135	2.7%	3,967,987	0.9%	143,621,634	1.3%
2013	102,949	1.8%	3,995,182	0.7%	145,017,562	1.0%
2014	105,455	2.4%	4,022,160	0.7%	147,446,676	1.7%
2015	106,819	1.3%	4,029,043	0.2%	149,733,744	1.6%
2016	109,128	2.2%	4,069,139	1.0%	152,169,822	1.6%
2017	111,499	2.2%	4,146,134	1.9%	154,577,364	1.6%
2018	113,517	1.8%	4,218,182	1.7%	156,301,105	1.1%

Source: Department of Labor; Bureau of Labor Statistics

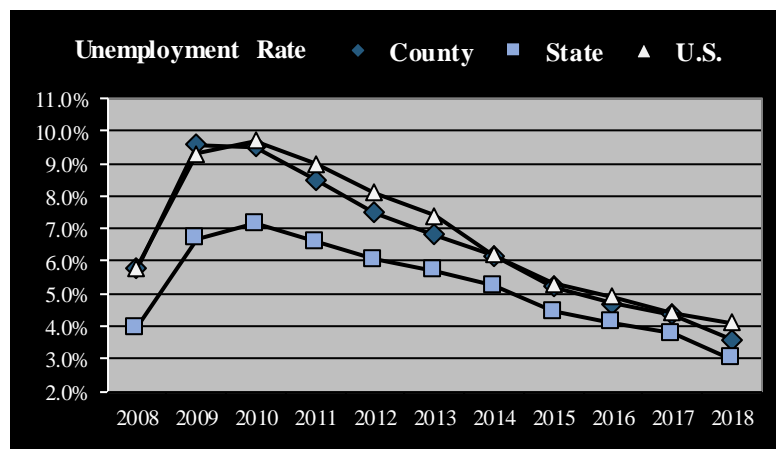


As the preceding illustrates, the City of Richmond employment base has steadily increased by at least 1.3% each year since 2009.

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

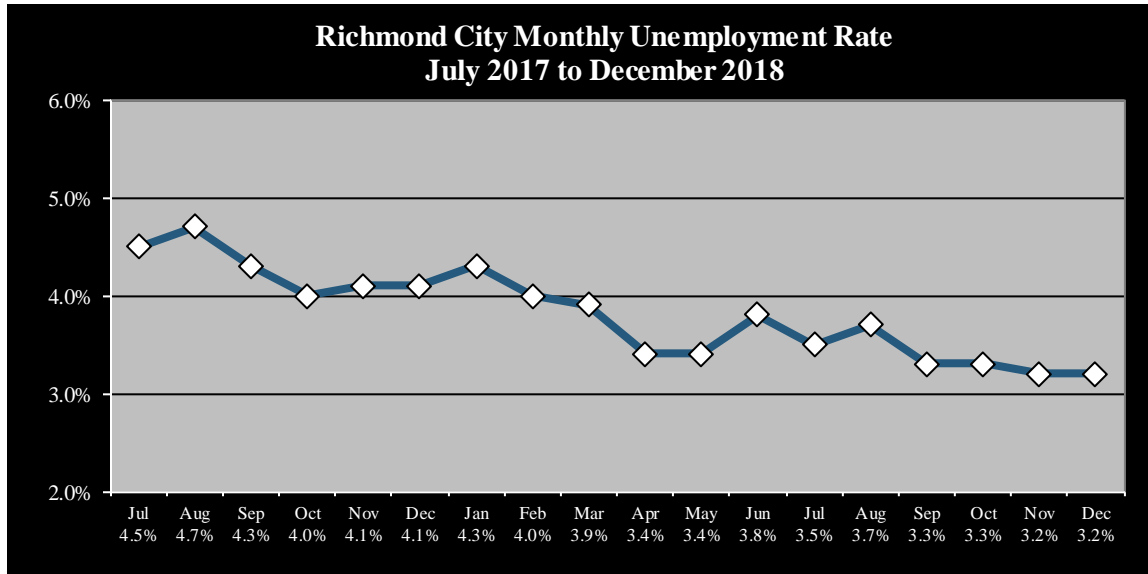
Year	Unemployment Rate		
	Richmond City	Virginia	United States
2008	5.8%	3.9%	5.8%
2009	9.6%	6.7%	9.3%
2010	9.5%	7.2%	9.7%
2011	8.5%	6.6%	9.0%
2012	7.5%	6.0%	8.1%
2013	6.8%	5.7%	7.4%
2014	6.2%	5.2%	6.2%
2015	5.2%	4.5%	5.3%
2016	4.7%	4.1%	4.9%
2017	4.4%	3.8%	4.4%
2018	3.6%	3.0%	4.1%

Source: Department of Labor, Bureau of Labor Statistics



The unemployment rate for the City of Richmond has declined each of the past nine years, to a rate of 3.6% through the end of 2018. This is similar to the state average of 3.0% and lower than the national average of 4.1%.

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



The monthly unemployment rate within the City of Richmond has generally trended downward over the past 18-month period and has remained below 4.0% each month since February 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 the City of Richmond.

Year	In-Place Employment Richmond City		
	Employment	Change	Percent Change
2008	159,063	-	-
2009	150,777	-8,286	-5.2%
2010	148,083	-2,694	-1.8%
2011	149,540	1,457	1.0%
2012	148,410	-1,130	-0.8%
2013	147,607	-803	-0.5%
2014	148,477	870	0.6%
2015	149,651	1,174	0.8%
2016	153,128	3,477	2.3%
2017	154,502	1,374	0.9%
2018*	154,869	367	0.2%

Source: Department of Labor, Bureau of Labor Statistics

\*Through June

Data for 2017, the most recent year that year-end figures are available, indicates in-place employment in the City of Richmond to be 138.6% of the total City of Richmond employment. This means that Richmond City has more employed persons coming to the city from other cities and/or for work (daytime employment) than those who both live and work there.

**3. ECONOMIC FORECAST**

The labor force within the Richmond Site PMA is relatively well-balanced as no single industry segment represents more than 13.7% of the total labor force. The employment base within the City of Richmond has been steadily improving since 2009, as has the unemployment rate within the city. Notably, the employment base has increased by more than 22,000 jobs, or 24.2%, since 2009 and the unemployment rate has declined by six full percentage points. Considering these aforementioned trends and the numerous announcements of new and/or expanding businesses within the Richmond area, we expect the Richmond economy to continue to improve and remain strong for the foreseeable future.

**4. COMMUTING PATTERNS**

Based on the American Community Survey (2012-2016), 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	15,294	73.5%
Carpooled	2,144	10.3%
Public Transit	1,200	5.8%
Walked	853	4.1%
Other Means	588	2.8%
Worked at Home	725	3.5%
Total	20,804	100.0%

Source: American Community Survey (2012-2016); ESRI; Urban Decision Group; Bowen National Research

Nearly 74% of all workers drove alone, 10.3% carpooled and 5.8% used public transportation. Given the subject site serves very low-income senior 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	4,448	21.4%
15 to 29 Minutes	10,151	48.8%
30 to 44 Minutes	3,811	18.3%
45 to 59 Minutes	903	4.3%
60 or More Minutes	764	3.7%
Worked at Home	725	3.5%
Total	20,802	100.0%

Source: American Community Survey (2012-2016); ESRI; Urban Decision Group; Bowen National Research

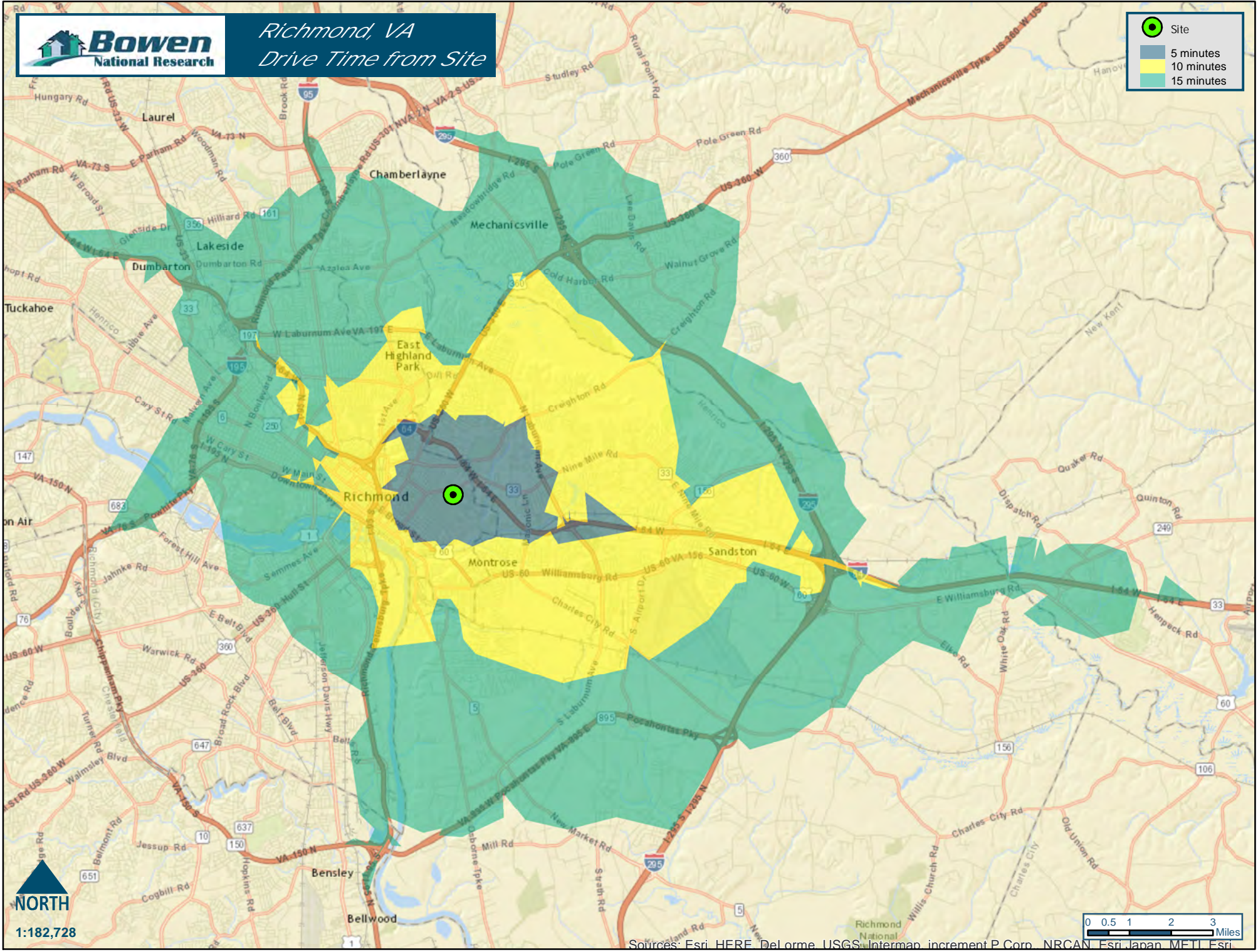
The largest share of area commuters has typical travel times to work ranging from 15 to 29 minutes. The subject site is within a 30-minute drive to most of the area's largest employers, which should contribute to the project's marketability among seniors still in the workforce. A drive-time map for the subject site is on the following page.



*Richmond, VA  
Drive Time from Site*

Site

- 5 minutes
- 10 minutes
- 15 minutes



**NORTH**  
1:182,728



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri



## V. Rental Housing Analysis (Supply)

### A. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Richmond Site PMA in 2010 and 2019 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2019 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	18,698	87.0%	21,208	88.0%
Owner-Occupied	7,995	42.8%	8,170	38.5%
Renter-Occupied	10,703	57.2%	13,038	61.5%
Vacant	2,794	13.0%	2,900	12.0%
Total	21,492	100.0%	24,108	100.0%

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

Based on a 2019 update of the 2010 Census, of the 24,108 total housing units in the market, 12.1% were vacant. Although the number of vacant housing units increased between 2010 and 2019, the number of both owner- and renter-occupied housing units increased. This is a clear indication of an expanding housing market within the Site PMA, despite the increased number of vacant units. It is also important to point out that the number of vacant housing units included in the preceding table includes abandoned, dilapidated, and/or for-sale housing units. Thus, we have conducted a Field Survey of Conventional Rentals to better determine the strength of the long-term rental housing market within the Richmond Site PMA.

#### Conventional Apartments

We identified and personally surveyed 41 conventional rental housing projects containing a total of 4,887 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 93.5%, a stable 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	26	3,147	298	90.5%
Tax Credit	12	1,258	22	98.3%
Tax Credit/Government-Subsidized	2	232	0	100.0%
Government-Subsidized	1	250	0	100.0%
Total	41	4,887	320	93.5%

All rental housing segments surveyed report overall occupancy rates of 90.5% or higher. It is of note, however, that all segments that offer some type of affordable (i.e. Tax Credit and/or government-subsidized) component are 98.3% occupied or higher. This is a good indication that such product is in high demand within the Site PMA. It is also important to understand, however, that 217 (72.8%) of the 298 vacant market-rate units are located within three properties which recently opened between April and November of 2018 and are still within their initial lease-up period. When excluding these three properties, the remaining market-rate properties surveyed have an overall occupancy rate of 97.1%, a good rate for market-rate product.

**Tax Credit Property Disclosure:** In addition to the 14 Tax Credit properties surveyed, we also identified eight (8) 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 Richmond 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
Glenwood Farms Apts.	3753 Bolling Rd.	1948/2003	294	Families; 60% AMHI	90.1%; No Waitlist (February 2018)
Bradford Manor	2027 Fairfield Ave.	1963/1996	56	Families; 60% AMHI	100.0%; No Waitlist (February 2018)
Fairmont House	1501 N. 21 <sup>st</sup> St.	1985/2007	160	Seniors; 50% & 60% AMHI & Section 8	100.0%; 75 H.H. Waitlist (May 2018)
Oliver Crossing	1329 Coalter St.	1956/2011	222	Families; 60% AMHI & Section 8	100.0%; 1 Year Waitlist (March 2018)
Lawndale Farms	4969 Millers Ln.	1965/1997	50	Families; 60% AMHI	94.0%; No Waitlist (February 2018)
Williamsburg Village	1658 Thalia Crescent	1972/2002	140	Families; 60% AMHI & Section 8	100.0%; 2 Year Waitlist (February 2018)
Churchill House	2400 Burton St.	2007	137	Seniors; 50% AMHI & Section 8	100.0%; 100 H.H. Waitlist (May 2018)
Somanath Senior Apts. at Beckstoffer's	1208 & 1231 N. 28 <sup>th</sup> St.	2013	39	Seniors; 40% & 50% AMHI	100.0%; 10 H.H. Waitlist (June 2018)

H.H. – Households

As the preceding illustrates, three of the properties unable to be surveyed target senior households and will likely have some competitive overlap with the subject project. The properties unable to be surveyed have been excluded from our survey and thus comparable/competitive analysis. They have, however, been considered in our market penetration rate calculation included 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	63	2.0%	16	25.4%	\$1,006
One-Bedroom	1.0	1,727	54.9%	170	9.8%	\$1,106
One-Bedroom	1.5	116	3.7%	4	3.4%	\$1,664
Two-Bedroom	1.0	221	7.0%	5	2.3%	\$1,411
Two-Bedroom	1.5	134	4.3%	0	0.0%	\$1,335
Two-Bedroom	2.0	727	23.1%	103	14.2%	\$1,609
Two-Bedroom	2.5	83	2.6%	0	0.0%	\$1,645
Three-Bedroom	1.0	4	0.1%	0	0.0%	\$975
Three-Bedroom	2.0	39	1.2%	0	0.0%	\$1,761
Three-Bedroom	2.5	11	0.3%	0	0.0%	\$1,943
Three-Bedroom	3.0	9	0.3%	0	0.0%	\$1,800
Three-Bedroom	3.5	12	0.4%	0	0.0%	\$2,496
Four-Bedroom	3.5	1	0.0%	0	0.0%	\$3,439
<b>Total Market-Rate</b>		<b>3,147</b>	<b>100.0%</b>	<b>298</b>	<b>9.5%</b>	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	482	38.3%	0	0.0%	\$769
Two-Bedroom	1.0	237	18.8%	19	8.0%	\$963
Two-Bedroom	1.5	52	4.1%	0	0.0%	\$858
Two-Bedroom	2.0	260	20.7%	1	0.4%	\$967
Two-Bedroom	2.5	8	0.6%	0	0.0%	\$919
Three-Bedroom	1.0	42	3.3%	1	2.4%	\$1,118
Three-Bedroom	1.5	15	1.2%	0	0.0%	\$1,093
Three-Bedroom	2.0	130	10.3%	1	0.8%	\$1,291
Four-Bedroom	2.0	32	2.5%	0	0.0%	\$1,294
<b>Total Tax Credit</b>		<b>1,258</b>	<b>100.0%</b>	<b>22</b>	<b>1.7%</b>	-

The market-rate units are 90.5% occupied and the Tax Credit units are 98.3% occupied. A variety of bedroom types are offered among both non-subsidized rental housing segments, none of which report vacancy rates above 8.0% among the Tax Credit product surveyed. This is a good indication of strong demand for non-subsidized Tax Credit product among households of all sizes within the Site PMA. It is also important to note that all 482 one-bedroom Tax Credit units surveyed are currently occupied (0.0% vacancy), while the two-bedroom/2.0-bath units report a very low vacancy rate of 0.4%. This is a clear indication of strong demand for product such as that proposed for the subject site. Also 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 98.3% 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	21	2,144	3.2%
1970 to 1979	0	0	0.0%
1980 to 1989	0	0	0.0%
1990 to 1999	3	513	0.2%
2000 to 2005	3	400	0.5%
2006 to 2010	3	216	1.4%
2011	0	0	0.0%
2012	1	204	2.9%
2013	0	0	0.0%
2014	1	150	3.3%
2015	1	34	8.8%
2016	0	0	0.0%
2017	2	288	4.9%
2018	4	456	47.6%
2019*	0	0	0.0%

\*As of January

Although the newest product surveyed reports the highest vacancy rate, this is due to three market-rate properties which are still within their initial lease-up period. Notably, one non-subsidized Tax Credit property was added to the market in 2018 (Apartments at Kingsridge I) and is 100.0% occupied. Based on information provided by management, this property opened in October of 2018 and reached 100.0% occupancy in December of 2018. This results in an average absorption rate of approximately 24 units per month, which is considered rapid absorption and demonstrates significant demand for non-subsidized Tax Credit product in this market.

We rated each property surveyed on a scale of "A" through "F". All 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	6	527	11.6%
B+	13	1,866	4.6%
B	5	355	42.8%
B-	1	395	0.0%
C	1	4	0.0%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	3	284	0.0%
B	5	476	0.6%
B-	3	280	6.8%
C+	1	218	0.0%

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. Regardless, vacancy rates do not exceed 6.8%, regardless of quality rating. This is a good indication that quality does not have a direct impact on vacancy rates among these projects. 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 Richmond market.

Government-Subsidized

The three properties surveyed in the Site PMA that offer government-subsidized units operate under the HUD Section 8 program or with other private forms of project-based subsidies/vouchers. 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	72	31.0%	0	0.0%
Two-Bedroom	1.0	116	50.0%	0	0.0%
Three-Bedroom	1.0	44	19.0%	0	0.0%
<b>Total Subsidized Tax Credit</b>		<b>232</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>
Government-Subsidized					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	35	14.0%	0	0.0%
Two-Bedroom	1.0	122	48.8%	0	0.0%
Three-Bedroom	1.0	48	19.2%	0	0.0%
Three-Bedroom	1.5	25	10.0%	0	0.0%
Four-Bedroom	1.5	20	8.0%	0	0.0%
<b>Total Subsidized</b>		<b>250</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>

The subsidized units, both with and without Tax Credits, are 100.0% occupied, demonstrating significant and pent-up demand for rental product affordable to very low-income households within the Site PMA. As the subject property will offer a subsidy on all units, the project will have units affordable to very low-income households which will enhance marketability of the property within the market and help alleviate some of the pent-up demand for such product in the Site PMA.

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

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

The proposed subject project will target senior (age 62 and older) households earning up to 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 all 45 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 Richmond market.

Within the Site PMA, we identified and surveyed a total of five non-subsidized age-restricted LIHTC properties which offer unit types similar to those proposed for the subject project, in terms of bedroom type and/or targeted income level.

These five 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>Church Hill North Phase 2B</b>	<b>2021</b>	<b>45</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>Seniors 62+; 40%, 50% &amp; 60% AMHI &amp; Section 8</b>
1	Carter Woods I & II	2004	152	100.0%	1.3 Miles	27 H.H.	Seniors 62+; 40%, 50%, & 60% AMHI
3	Reflections	2002	104	100.0%	3.2 Miles	3 Years	Seniors 55+; 40% & 50% AMHI
11	Bacon Retirement Community	1913 / 1999	58	100.0%	0.9 Miles	None	Seniors 55+; 50% & 60% AMHI
12	Bowler Retirement Community	1910 / 1998	62	100.0%	1.1 Miles	None	Seniors 55+; 50% & 60% AMHI
30	Darby House	2006	108	100.0%	2.8 Miles	60-65 H.H.	Seniors 62+; 40% & 50% AMHI

OCC. – Occupancy  
H.H. - Households

The five comparable age-restricted LIHTC projects have a combined occupancy rate of 100.0% and three of the five maintain waiting lists of up to 65-households or three years in duration. These are clear indications of strong and pent-up demand for additional senior-oriented 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
1	Carter Woods I & II	152	14	9.2%
3	Reflections	104	13	12.5%
11	Bacon Retirement Community	58	N/A	-
12	Bowler Retirement Community	62	N/A	-
30	Darby House	108	14	13.0%
Total		364	41	11.3%

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

There are a total of approximately 41 voucher holders residing at the comparable properties for which this information was available within the market. This comprises 11.3% of the 364 total non-subsidized LIHTC units offered among these properties. This is considered a low share of voucher support and is a good indication that the gross rents at these properties are achievable within the Richmond 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.	
<b>Site</b>	<b>Church Hill North Phase 2B</b>	<b>\$624/40% (5)</b> <b>\$780/50% (18)</b> <b>\$932/60% (20)</b>	<b>\$1,067/60% (2)</b>	-
1	Carter Woods I & II	\$614/40% (16/0) \$769/50% (31/0) \$924/60% (44/0)	\$737/40% (20/0) \$927/50% (10/0) \$1,112/60% (31/0)	None
3	Reflections	\$785/50% (52/0)	\$858/40% (41/0) \$948/50% (11/0)	None
11	Bacon Retirement Community	\$680/50% (10/0) \$700/60% (46/0)	\$750-\$800/60% (2/0)	None
12	Bowler Retirement Community	\$680/50% (10/0) \$700/60% (52/0)	-	None
30	Darby House	\$589/40% (11/0) \$744/50% (65/0)	\$887/50% (32/0)	None



The subject's proposed gross Tax Credit rents will be some of the highest in the market, relative to similar unit types among the comparable properties. They are, however, similar to, if not lower than, those reported at Carter Woods I & II (Map ID 1). Thus, the subject rents are considered appropriate for and marketable within the Richmond Site PMA. Nonetheless, the subject project will operate with a project-based Section 8 subsidy available to all 45 units. This will allow tenants of the property 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 Richmond 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.
<b>Site</b>	<b>Church Hill North Phase 2B</b>	<b>652</b>	<b>1,034</b>
1	Carter Woods I & II	600	800
3	Reflections	788	997
11	Bacon Retirement Community	600	750 - 800
12	Bowler Retirement Community	600	-
30	Darby House	620 - 643	883

Map I.D.	Project Name	Number of Baths	
		One-Br.	Two-Br.
<b>Site</b>	<b>Church Hill North Phase 2B</b>	<b>1.0</b>	<b>2.0</b>
1	Carter Woods I & II	1.0	2.0
3	Reflections	1.0	1.5
11	Bacon Retirement Community	1.0	1.0
12	Bowler Retirement Community	1.0	-
30	Darby House	1.0	2.0

The subject project will offer some of the largest one-bedroom units, and the largest two-bedroom units, among the comparable properties, in terms of square feet. The subject's two-bedroom units will also offer 2.0 full bathrooms as compared to the lesser number of bathrooms offered among two of the comparable properties. These characteristics are expected to create a competitive advantage for the subject project and will contribute to the subject's ability to achieve premium rents within the Richmond 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 - RICHMOND, 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		>			X	X				B	X	S	
◆ 1	X	X		X	X		X		C				S				B	X	S	
◆ 3	X	X		X	X		X		C	X	X						B	X	S	
◆ 11	X	X			X		X		C								B		O,S	
◆ 12	X	X			X		X		C								B		O,S	
◆ 30	X	X		X	X		X		C					X			B	X	S	

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
◆ SITE		X	X		X							X				X	X		Key Fob Access
◆ 1		X	X		X	X						X		X			X		
◆ 3		X	X	X											X		X		Courtesy Van
◆ 11		X	X		X							X							
◆ 12		X	X		X							X							
◆ 30		X	X		X	X						X	X	X	X	X	X		Salon; Gazebo

<ul style="list-style-type: none"> <li>◆ Senior Restricted</li> <li>■ Market-rate</li> <li>■ Market-rate/Tax Credit</li> <li>■ Market-rate/Government-subsidized</li> <li>■ Market-rate/Tax Credit/Government-subsidized</li> <li>■ Tax Credit</li> <li>■ Tax Credit/Government-subsidized</li> <li>■ Government-subsidized</li> </ul>	<table border="1"> <tr><th colspan="2">Window Treatments</th></tr> <tr><td>B - Blinds</td></tr> <tr><td>C - Curtains</td></tr> <tr><td>D - Drapes</td></tr> </table>	Window Treatments		B - Blinds	C - Curtains	D - Drapes	<table border="1"> <tr><th colspan="2">Parking</th></tr> <tr><td>A - Attached</td></tr> <tr><td>C - Carport</td></tr> <tr><td>D - Detached</td></tr> <tr><td>O - On Street</td></tr> <tr><td>S - Surface</td></tr> <tr><td>G - Parking Garage</td></tr> <tr><td>(o) - Optional</td></tr> <tr><td>(s) - Some</td></tr> </table>	Parking		A - Attached	C - Carport	D - Detached	O - On Street	S - Surface	G - Parking Garage	(o) - Optional	(s) - Some	<table border="1"> <tr><th colspan="2">Sports Courts</th></tr> <tr><td>B - Basketball</td></tr> <tr><td>D - Baseball Diamonds</td></tr> <tr><td>P - Putting Green</td></tr> <tr><td>T - Tennis</td></tr> <tr><td>V - Volleyball</td></tr> <tr><td>X - Multiple</td></tr> </table>	Sports Courts		B - Basketball	D - Baseball Diamonds	P - Putting Green	T - Tennis	V - Volleyball	X - Multiple	<table border="1"> <tr><th colspan="2">Floor Covering</th></tr> <tr><td>C - Carpet</td></tr> <tr><td>H - Hardwood</td></tr> <tr><td>V - Vinyl</td></tr> <tr><td>W - Wood</td></tr> <tr><td>T - Tile</td></tr> </table>	Floor Covering		C - Carpet	H - Hardwood	V - Vinyl	W - Wood	T - Tile	<table border="1"> <tr><th colspan="2">Community Space</th></tr> <tr><td>A - Activity Room</td></tr> <tr><td>L - Lounge/Gathering Room</td></tr> <tr><td>T - Training Room</td></tr> </table>	Community Space		A - Activity Room	L - Lounge/Gathering Room	T - Training Room
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The proposed amenity package for the subject project is very competitive with those offered among the comparable age-restricted 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 Richmond 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 five comparable age-restricted LIHTC properties are all 100.0% occupied and three maintain waiting lists of up to 65-households or three years in duration. The proposed subject project is expected to help alleviate a portion of this pent-up demand for additional age-restricted LIHTC product. The subject’s proposed gross Tax Credit rents are among the highest in the market but are very competitive with those reported at Carter Woods I & II (Map ID 1), which is 100.0% occupied as previously mentioned. Thus, the subject rents are considered appropriate for this market. Regardless, the subject property will offer a project-based Section 8 subsidy to all units, which will allow tenants of the property to only pay up to 30% of their income towards rent. In terms of design, the subject property will generally offer the largest units among the comparable properties in terms of square footage, will offer 2.0 full bathrooms within its two-bedroom units as compared to some properties which offer a lesser number of bathrooms, and will include a very competitive overall amenity package. Based on the preceding factors, the subject project is considered marketable as proposed.

**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 several rental housing projects in the development pipeline within the Site PMA. These developments are summarized as follows:

Project Name & Address	Type	Units	Developer	Status/Details
Glenwood Ridge Apartments 3801 Glenwood Avenue	Tax Credit & Section 8	82	Humanities Foundation	<b>Approved:</b> Allocated 2016. Ground being moved. Units at 40%, 50% and 60% AMHI. Select 50% AMHI and all 40% AMHI units also Section 8. Rents ranging from \$783 to \$1,181
Artisan Hill Apartments 1000 Carlisle Avenue	Market-Rate	237	Fulton Hill Properties	<b>Under Construction:</b> 50 units opened in 11/2018. Additional 204 units under construction with ECD May 2019. One- and two-bedrooms; granite counters, 9’ ceilings, stainless steel appliances, washer/dryer, microwave. Former Robert Fulton Elementary

ECD – Expected Completion Date  
N/A – Not Available



(Continued)

Project Name & Address	Type	Units	Developer	Status/Details
Goodwyn at Union Hill (aka Citadel of Hope) 2230 Venable Street	Tax Credit & Section 8	52	Better Housing Coalition	<b>Under Construction:</b> Allocated in 2016. Units at 40%; 50% and 60% AMHI with select units also being Section 8. One-, two- and three-bedrooms. Tax Credit rents estimated at \$496 to \$670 40% AMHI; \$652 to \$886 for 50% AMHI; \$808 to \$1,103 for 60% AMHI. ECD early 2019
Church Hill North 1A (Family) 1611 North 31 <sup>st</sup> Street	Tax Credit, Section 8 & Market-Rate	60	The Community Builders	<b>Under Construction:</b> Allocated 2015 and 2016. (32) units at 50% and 60% AMHI; (18) units at 40% and 50% AMHI along with Section 8. Ten (10) market-rate units. Consists of one- to three-bedroom units. ECD 12/2019
Church Hill North 1B (Senior) 1611 North 31st Street	Tax Credit & Section 8	45	The Community Builders	<b>Under Construction:</b> Allocated 2016. (27) 50% and (18) 60% AMHI and Section 8; (43) One- and (2) two-bedrooms for seniors age 62+. ECD 10/2019
Church Hill North 2A (Family) 1611 North 31st Street	Tax Credit & Section 8	70	The Community Builders	<b>Approved:</b> Allocated 2018. Demolition of former structures completed. No construction has begun. (8) 40% AMHI and Section 8; (20) 50% AMHI; (9) 50% AMHI and Section 8; (33) 60% AMHI; ECD 9/2019
Venable Street Development 1900 Venable Street	Tax Credit	151	Genesis Properties	<b>Approved:</b> Allocated 2018. 40%, 50% and 60% AMHI units. Construction to begin 8/2019 for (72) one-bedrooms; (68) two-bedrooms and (11) three-bedrooms. Rents from \$472 to \$1,047. Square footage from 524 to 942. Five (5) units may be Section 8. ECD late 2020
Belvidere 18 <sup>th</sup> Street & Grace Street	Market-Rate	129	Steve Uphoff	<b>Planning Stages:</b> No construction. Demolition of a Sunoco station. Will include 12 studios; (96) one-bedrooms; (20) two-bedrooms, and one (1) three-bedroom. Mixed-use development.
N/A 2801 E. Main Street	Market-Rate	N/A	David White and Louis Salomonsky	<b>Proposed:</b> Located at the end of Tobacco Row. Approved for rezoning in March 2017.
Main2525 2525 E. Main Street	Market-Rate	216	Macfarlane Partners	<b>Under Construction:</b> 20% of units to be set aside for low-income (not LIHTC). Will offer a swimming pool, indoor bike storage, rooftop terrace. Mixed-use development
Church Hill North Retail Center North 25 <sup>th</sup> Street; Nine Mile Road and Fairmont Avenue	N/A	42-49	Timmons Group	<b>Under Construction:</b> Culinary school began construction 2017 at 2500 Nine Mile Road. Once completed construction to begin on grocery store then on the apartments. Not on Tax Credit list.
Baker School Senior Apartments 100 W. Baker Street	Tax Credit & Section 8	51	Community Housing Partners	<b>Planned:</b> Allocated 2017 and 2018. Part of the Frederick A. Fay Towers relocation and RAD development project for seniors 62+. No construction or renovations currently ongoing.
Apartments at Kingsridge II 390 Kingsridge Road	Tax Credit	71	Community Housing Partners	<b>Planned:</b> Allocated in 2018. Two- and three-bedroom units at 40%, 50%, and 60% AMHI. Phase I was completed in October 2018.
Dwell Richmond 3211 Chamberlayne Avenue	Market-Rate	568	Dodson Management	<b>Under Renovation:</b> Dodson Management recently took over. Select units offline due to renovations. Formerly known as Flats at Ginter Park

ECD – Expected Completion Date

N/A – Not Available



Two of the rental projects currently in the development pipeline are expected to target senior 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
1	Carter Woods I & II	100.0%	95.0% +
3	Reflections	100.0%	95.0% +
11	Bacon Retirement Community	100.0%	95.0% +
12	Bowler Retirement Community	100.0%	95.0% +
30	Darby House	100.0%	95.0% +

The comparable/competitive LIHTC properties are all currently 100.0% occupied. Further, three of the five maintain waiting lists of up to 65-households or three years in duration. These are clear indications of strong and pent-up demand for age-restricted LIHTC product in the Richmond market. It is also of note that the subject property will effectively operate with a project-based Section 8 subsidy as compared to the five existing properties which do not offer any type of subsidy. The subsidy availability at the subject project is expected to reduce the amount of competitive overlap between the subject project and the five existing properties surveyed. Due to the preceding factors and 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 senior-oriented LIHTC product in this market.

**E. BUY VERSUS RENT ANALYSIS**

According to ESRI, the median home value within the Site PMA was \$139,419. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$139,419 home is \$839, including estimated taxes and insurance.

<b>Buy Versus Rent Analysis</b>	
Median Home Price - ESRI	\$139,419
Mortgaged Value = 95% of Median Home Price	\$132,448
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$671
Estimated Taxes and Insurance*	\$168
Estimated Monthly Mortgage Payment	\$839

\*Estimated at 25% of principal and interest

In comparison, the collected Tax Credit rents for the subject property range from \$870 to \$982 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 the subject project must also be considered, as tenants of the property will effectively pay only 30% of their income towards rent, rather than the proposed rents evaluated throughout this report. Further, as the subject project will be restricted to seniors, it is likely that the property will actually attract some senior homeowners looking to downsize to a smaller maintenance-free rental alternative. 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 Richmond 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	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	<b>Church Hill North Phase 2B</b>	<b>2021</b>	<b>45</b>	<b>-</b>	<b>43 (-)</b>	<b>2 (-)</b>	<b>-</b>
13	Shockoe Valley View I	2014	150	96.7%	90 (96.7%)	60 (96.7%)	-
14	Shockoe Valley View II	2017	87	94.3%	26 (92.3%)	52 (94.2%)	9 (100.0%)
20	Lakefield Mews	1992	395	100.0%	83 (100.0%)	296 (100.0%)	16 (100.0%)
39	Old Stone Row at Shockoe Valley Heights	2010	96	96.9%	76 (100.0%)	20 (85.0%)	-
41	Cedar Broad Apts.	2012	204	97.1%	142 (97.2%)	51 (96.1%)	11 (100.0%)

Occ. – Occupancy

The five selected market-rate projects have a combined total of 932 units with an overall occupancy rate of 98.0%. None of the comparable properties has an occupancy rate below 94.3%. These occupancy rates are good indications the selected properties are well-received within the Richmond 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**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Church Hill North Phase 2B		Shockoe Valley View I		Shockoe Valley View II		Lakefield Mews		Old Stone Row at Shockoe Valley Heights		Cedar Broad Apts.	
3201 South Rabza Boulevard		1904 Cedar St.		1904 Cedar St.		4431 Lakefield Mews Dr.		2005 E. Franklin St.		1820 E. Broad St.	
Richmond, VA		Richmond, VA		Richmond, VA		Richmond, VA		Richmond, VA		Richmond, VA	
<b>A.</b>	<b>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?	\$949		\$979		\$880		\$1,140		\$1,087	
2	Date Surveyed	Jan-19		Jan-19		Jan-19		Jan-19		Jan-19	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	97%		92%		100%		100%		97%	
5	Effective Rent & Rent/ sq. ft	\$949	1.57	\$979	1.80	\$880	1.37	\$1,140	1.64	\$1,087	1.99
<b>B.</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/3		EE/3,4		WU/2		EE/5		EE/4,5	
7	Yr. Built/Yr. Renovated	2021	\$7	2017	\$4	1992	\$29	2010	\$11	2012	\$9
8	Condition/Street Appeal	E		E		G	\$15	G	\$15	E	
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
<b>C.</b>	<b>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	1		1		1		1		1	
12	# Baths	1		1		1		1		1	
13	Unit Interior Sq. Ft.	652	\$20	544	\$45	644	\$3	695	(\$18)	547	\$44
14	Balcony/Patio	Y	\$5	Y		Y		Y		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	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)
18	Washer/Dryer	L	(\$35)	W/D	(\$35)	HU/L	(\$10)	W/D	(\$35)	W/D	(\$35)
19	Floor Coverings	V		W		C		W		W	
20	Window Coverings	B		B		B		B		B	
21	Secured Entry	Y		Y		N	\$3	Y		Y	
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fans/E-Call System	Y/Y	\$5	Y/N	\$5	Y/N	\$5	Y/N	\$5	Y/N	\$5
<b>D.</b>	<b>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)	NONE		STREET		LOT/\$0	(\$10)	LOT/\$0	(\$10)	STREET	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	N		N		N		N		N	
27	Community Space	Y		Y		Y		N	\$5	Y	
28	Pool/Recreation Areas	N	(\$15)	P/F	(\$15)	P/S	(\$13)	P/F	(\$15)	F	(\$5)
29	Computer/Business Center	N	(\$3)	Y	(\$3)	N		N		N	
30	Picnic Area/Storage	Y/N		Y/N		Y/N		Y/N		Y/N	
31	Cable/Internet Svcs. Included	N/N	(\$85)	Y/Y	(\$85)	N/N		Y/Y	(\$85)	Y/Y	(\$85)
32	Social Services	Y	\$10	N	\$10	N	\$10	N	\$10	N	\$10
<b>E.</b>	<b>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/E		N/E		Y/E	(\$16)	N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		Y/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		Y/E	(\$5)	N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		Y/E	(\$13)	N/E	
37	Other Electric	N		N		N		Y	(\$35)	N	
38	Cold Water/Sewer	Y/Y	\$60	N/N	\$60	N/N	\$60	Y/Y		N/N	\$60
39	Trash/Recycling	Y/N		Y/N		Y/N		Y/N		Y/N	
<b>F.</b>	<b>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	5	5	4	5	6	4	5	6	5	4
41	Sum Adjustments B to D	\$47	(\$143)	\$64	(\$143)	\$65	(\$38)	\$46	(\$168)	\$73	(\$130)
42	Sum Utility Adjustments	\$60		\$60		\$60		\$60	(\$69)	\$60	
		<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	(\$36)	\$250	(\$19)	\$267	\$87	\$163	(\$191)	\$283	\$3	\$263
<b>G.</b>	<b>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)	\$913		\$960		\$967		\$949		\$1,090	
45	Adj Rent/Last rent		96%		98%		110%		83%		100%
46	Estimated Market Rent	\$965	\$1.48	← 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>	
Church Hill North Phase 2B		Shockoe Valley View I		Shockoe Valley View II		Lakefield Mews		Old Stone Row at Shockoe Valley Heights		Cedar Broad Apts.	
3201 South Rabza Boulevard		1904 Cedar St.		1904 Cedar St.		4431 Lakefield Mews Dr.		2005 E. Franklin St.		1820 E. Broad St.	
Richmond, VA		Richmond, VA		Richmond, VA		Richmond, VA		Richmond, VA		Richmond, VA	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,279		\$1,299		\$1,130		\$1,650		\$1,433	
2	Date Surveyed	Jan-19		Jan-19		Jan-19		Jan-19		Jan-19	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	97%		94%		100%		85%		96%	
5	Effective Rent & Rent/ sq. ft	\$1,279	1.43	\$1,299	1.46	\$1,130	1.33	\$1,650	1.71	\$1,433	1.90
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	EE/3		EE/3,4		WU/2		EE/5		EE/4,5	
7	Yr. Built/Yr. Renovated	2021	\$7	2017	\$4	1992	\$29	2010	\$11	2012	\$9
8	Condition/Street Appeal	E		E		G	\$15	G	\$15	E	
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	2		2		1	\$30	2		2	
13	Unit Interior Sq. Ft.	1034	\$55	892	\$55	852	\$71	964	\$27	756	\$108
14	Balcony/Patio	Y	\$5	N		Y		Y		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	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)
18	Washer/Dryer	L	(\$35)	W/D	(\$35)	HU/L	(\$10)	W/D	(\$35)	W/D	(\$35)
19	Floor Coverings	V		W		C		W		W	
20	Window Coverings	B		B		B		B		B	
21	Secured Entry	Y		Y		N	\$3	Y		Y	
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fans/E-Call System	Y/Y	\$5	Y/N	\$5	Y/N	\$5	Y/N	\$5	Y/N	\$5
D.	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking ( \$ Fee)	NONE		STREET		STREET		LOT/\$0	(\$10)	STREET	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	N		N		N		N		N	
27	Community Space	Y		Y		Y		N	\$5	Y	
28	Pool/Recreation Areas	N	(\$15)	P/F	(\$15)	P/S	(\$13)	P/F	(\$15)	F	(\$5)
29	Computer/Business Center	N	(\$3)	Y	(\$3)	N		N		N	
30	Picnic Area/Storage	Y/N		Y/N		Y/N		Y/N		Y/N	
31	Cable/Internet Svcs. Included	N/N	(\$85)	Y/Y	(\$85)	N/N		Y/Y	(\$85)	Y/Y	(\$85)
32	Social Services	Y	\$10	N	\$10	N	\$10	N	\$10	N	\$10
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		Y/E	(\$21)	N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		Y/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		Y/E	(\$8)	N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		Y/E	(\$17)	N/E	
37	Other Electric	N		N		N		Y	(\$46)	N	
38	Cold Water/Sewer	Y/Y	\$87	N/N	\$87	N/N	\$87	Y/Y		N/N	\$87
39	Trash/Recycling	Y/N		Y/N		Y/N		Y/N		Y/N	
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	5	5	4	5	7	4	6	5	5	4
41	Sum Adjustments B to D	\$82	(\$143)	\$74	(\$143)	\$163	(\$38)	\$73	(\$150)	\$137	(\$130)
42	Sum Utility Adjustments	\$87		\$87		\$87		\$87	(\$92)	\$87	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$26	\$312	\$18	\$304	\$212	\$288	(\$169)	\$315	\$94	\$354
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,305		\$1,317		\$1,342		\$1,481		\$1,527	
45	Adj Rent/Last rent		102%		101%		119%		90%		107%
46	Estimated Market Rent	\$1,370		\$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 \$965 for a one-bedroom unit and \$1,370 for a two-bedroom unit, which are illustrated as follows:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Br.	40%	\$562*	\$965	41.8%
One-Br.	50%	\$718*	\$965	25.6%
One-Br.	60%	\$870	\$965	9.8%
Two-Br.	60%	\$982	\$1,370	28.3%

\*Reflective of maximum allowable LIHTC rent level as proposed contract rent under Section 8 exceeds maximum allowable limit.

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 rents which represent market rent advantages ranging from 9.8% to 41.8% are considered appropriate and should represent good values within the Richmond market. It is also important to reiterate that the subject project will effectively operate with a project-based Section 8 subsidy available to all units. Thus, the property will represent an even greater value that that reflected by the market rent advantages in the preceding table as tenants will effectively pay only 30% of their income towards rent, rather than the proposed rents evaluated throughout this report.

**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.



7. The subject project will be complete in 2021. Comparatively, the selected properties were built between 1992 and 2017. 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.
12. One of the selected properties only offers 1.0 bathroom within its two-bedroom units as compared to the 2.0 bathrooms offered within similar subject units. We have made adjustments of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared to this property.
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 which is slightly inferior to those offered among the selected properties. We have made, however, adjustments for features lacking at the subject project, and in some cases, we have made adjustments for features the selected properties do not offer.
- 24.-32. The proposed project also offers an inferior project amenities package as compared to those offered among the comparable market-rate properties. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.

Note, four of the five of the selected properties include the cost of cable and internet services in the monthly rent, unlike the subject property. To account for the inclusion of these services, we have applied negative adjustments of \$85 to each property. The value of this adjustment is based on quotes for basic cable/internet services as provided by cable/internet providers in the Richmond area and is applied in Line 31.

- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property as needed. 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 has been calculated assuming that the project operates with a HUD Section 8 subsidy available to all 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. We also provided a capture rate scenario for 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. Note that under the Section 8 program the subject project will be restricted to senior households age 62 and older. However, in the unlikely event the subsidy was lost, and all units had to operate exclusively under the Tax Credit program, the project would be open to senior residents age 55 and older.

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 Richmond, Virginia Metropolitan Statistical Area (MSA), which has a median four-person household income of \$83,200 for 2018. The subject property will be restricted to households with incomes of up to 40% and 50% of AMHI under the Section 8 program and up to 40%, 50%, and 60% of AMHI under the LIHTC program. The following table summarizes the maximum allowable income by household size and targeted AMHI level.

Household Size	Targeted AMHI Maximum Allowable Income		
	40%	50%	60%
One-Person	\$23,320	\$29,150	\$34,980
Two-Person	\$26,640	\$33,300	\$39,960

#### 1. Maximum Income Limits

The largest proposed units (two-bedroom) at the subject site are expected to house up to two-person senior households. As such, the maximum allowable income at the subject site is **\$39,960**.

## 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 all 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, the LIHTC units will have a gross rent of \$624. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$7,488. Applying a 40% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement of **\$18,720**.

## 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 senior households, with and without the project-based subsidy, is as follows:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit w/Subsidy (Limited to 40% of AMHI)	\$0	\$26,640
Tax Credit w/Subsidy (Limited to 50% of AMHI)	\$0	\$33,300
Tax Credit w/Subsidy Overall	\$0	\$33,300
Tax Credit Only (Limited to 40% of AMHI)	\$18,720	\$26,640
Tax Credit Only (Limited to 50% of AMHI)	\$23,400	\$33,300
Tax Credit Only (Limited to 60% of AMHI)	\$27,960	\$39,960
Tax Credit Only Overall	\$18,720	\$39,960

## 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. 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), 53.5% to 70.7% 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 2.9% 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.*

Based on our experience in the Richmond area as well as throughout markets across the country, we assume 5.0% of all income-eligible senior homeowners in this market may potentially be attracted to the proposed subject site. Considering that all age-restricted LIHTC units surveyed in the market are occupied, it is likely that there are some senior homeowners within the Site PMA that wish to downsize to an affordable maintenance-free housing alternative, but have been unsuccessful due to the lack of availability of such product in the market. Given this lack of available affordable age-restricted rental alternatives in the market, we believe the subject project will be successful in attracting some senior homeowners, thus we believe a 5.0% homeowner conversion rate to be appropriate for this market.

- 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 discussed in the *Section V*, we identified and surveyed five comparable LIHTC projects in the Site PMA. The directly comparable/competitive units offered among these projects are 100.0% occupied. Also, note that there are two age-restricted LIHTC projects planned in the Site PMA which will offer units similar to those proposed for the subject project. Those which are considered directly comparable to and competitive with those proposed for the subject project have been considered in our demand estimates and are summarized as follows.

Map I.D.	Project Name	Year Allocated	LIHTC Units	Units at Targeted AMHI (Vacant Units)		
				40% AMHI	50% AMHI	60% AMHI
P/P	Church Hill North 1B	2016	45*	-	27 (27)	18 (18)
P/P	Baker School Senior Apts.	2017/2018	50*	-	-	50 (50)

P/P – Planned/Proposed

\*Subsidized units

The directly comparable planned units located among the age-restricted LIHTC projects referenced in the preceding table 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 assuming the subject property operates as anticipated, *with a project-based subsidy*:

Demand Component – Age 62+	Percent of Median Household Income		
	40%	50%	Overall
Demand from New Rental Households (Age- and Income-Appropriate)	1,735 - 1,648 = 87	1,972 - 1,883 = 89	1,972 - 1,883 = 89
+			
Demand from Existing Households (Rent Overburdened)	1,648 X 64.6% = 1,065	1,883 X 65.3% = 1,230	1,883 X 65.3% = 1,230
+			
Demand from Existing Households (Renters in Substandard Housing)	1,648 X 2.9% = 48	1,883 X 2.9% = 55	1,883 X 2.9% = 55
+			
Demand from Existing Households (Elderly Homeowner Conversion)	1,092 X 5.0% = 55	1,373 X 5.0% = 69	1,373 X 5.0% = 69
+			
Demand from Existing Households (Existing Qualifying Tenants Likely to Remain After Renovations)	N/A	N/A	N/A
=			
Total Demand	1,255	1,443	1,443
-			
Supply (Directly Comparable Vacant Units Completed or in the Pipeline)	0	27	27
=			
Net Demand	1,255	1,416	1,416
Proposed Units	5	40	45
Proposed Units / Net Demand	5 / 1,255	40 / 1,416	45 / 1,416
Capture Rate	= 0.4%	= 2.8%	= 3.2%
Total Absorption Period	1 Month	3 Months	3 Months

N/A-Not Available

Utilizing this methodology, capture rates below 30% are considered achievable, though capture rates below 20% are considered ideal. As such, the subject's overall subsidized capture rate of 3.2% is low and achievable within the Richmond Site PMA. This is particularly true when considering the high occupancy rates and waiting lists maintained among existing comparable LIHTC properties surveyed in the market.

The following is a summary of our demand calculations assuming the unlikely scenario that the subject project operates exclusively as a LIHTC property, *without* any type of project-based subsidy.

Demand Component – Age 55+	Percent of Median Household Income			
	40%	50%	60%	Overall
Demand from New Rental Households (Age- and Income-Appropriate)	582 - 574 = 8	547 - 548 = -1	520 - 522 = -2	1,186 - 1,180 = 6
+				
Demand from Existing Households (Rent Overburdened)	574 X 70.7% = 406	548 X 69.9% = 383	522 X 53.5% = 279	1,180 X 61.7% = 728
+				
Demand from Existing Households (Renters in Substandard Housing)	574 X 2.9% = 17	548 X 2.9% = 16	522 X 2.9% = 15	1,180 X 2.9% = 34
+				
Demand from Existing Households (Elderly Homeowner Conversion)	447 X 5.0% = 22	538 X 5.0% = 27	632 X 5.0% = 32	1,152 X 5.0% = 58
+				
Demand from Existing Households (Existing Qualifying Tenants Likely to Remain After Renovations)	N/A	N/A	N/A	N/A
=				
Total Demand	453	425	324	826
-				
Supply (Directly Comparable Vacant Units Completed or in the Pipeline)	0	27	68	95
=				
Net Demand	453	398	256	731
Proposed Units	5	18	22	45
Proposed Units / Net Demand	5 / 453	18 / 398	22 / 256	45 / 731
Capture Rate	= 1.1%	= 4.5%	= 8.6%	= 6.2%
Total Absorption Period	1 Month	3 Months	4 Months	4 Months

N/A-Not Available

In the unlikely event the project-based subsidy was not secured, and the property had to operate *exclusively* under the LIHTC program, a sufficient base of age- and income-appropriate renter households would still exist for the subject project. This is evident by the 6.2% capture rate for the subject project as a whole, under this scenario.

**D. PENETRATION RATE CALCULATIONS**

The 485 existing non-subsidized age-restricted Tax Credit units (both surveyed and those which were not surveyed) 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 \$18,720 to \$39,960. The following summarizes the market penetration rate calculation for the subject project based on data contained in the Demographic Characteristics and Trends section of this report.

	Market Penetration
Number of LIHTC Units (Proposed and Existing)	530
Age- and Income-Eligible Renter Households – 2021	/ 1,186
Overall Market Penetration Rate	= 44.7%

While a penetration rate of 44.7% could be construed as high, it is considered acceptable for the Richmond market given the 485 existing non-subsidized age-restricted LIHTC units surveyed are 100.0% occupied. This is especially true when considering the extensive waiting lists maintained among the existing properties in the market.

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

According to a representative with the Richmond Redevelopment and Housing Authority, there are approximately 3,291 Housing Choice Voucher holders within the housing authority’s jurisdiction, and 6,339 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 within the voucher program is estimated at 179 households. This reflects the continuing need for affordable housing alternatives and/or Housing Choice Voucher assistance within the Richmond area.

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 Richmond Redevelopment and Housing Authority, the local payment standards, as well as the proposed subject gross rents, are summarized in the following table:

Bedroom Type	Payment Standards	Proposed Tax Credit Gross Rents (AMHI)
One-Bedroom	\$932	\$624 (40%) \$780 (50%) \$932 (60%)
Two-Bedroom	\$1,067	\$1,067 (60%)

As the preceding table illustrates, the proposed LIHTC gross rents are equal to or below the local payment standards. As such, the subject project will be able to rely on support from Housing Choice Voucher holders in the unlikely event the project-based subsidy is not provided. This will increase the demographic base of potential support for the proposed development in this scenario and has been considered in our absorption projections.

In reality, however, the subject project will operate with a project-based Section 8 subsidy available to all units and therefore will not be able to accommodate tenant-based vouchers.

## **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 45 LIHTC units proposed for the subject site will reach a stabilized occupancy of 95% within three months of opening. This absorption rate is based on an average monthly absorption rate of approximately 14 to 15 units per month.

These absorption projections assume a January 2021 opening date. A different opening may impact the absorption potential (positively or negatively) for the subject project. Further, these absorption projections assume the project will be built as outlined in this report and will provide a project-based subsidy to all 45 units. Changes to the project's rents, amenities, floor plans, location, subsidy availability, 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.

Should the Section 8 subsidy not be secured, and the property had to operate exclusively under the LIHTC guidelines at the proposed rent levels evaluated throughout this report, the subject project would likely experience an extended absorption period. This is due to the more limited demographic base for the property in the market as the property would no longer be capable of targeting households earning below \$18,720. In this unlikely scenario we would expect the subject project would reach a stabilized occupancy rate of 95% within four months of opening. This is based on an average monthly absorption rate of approximately 10 to 11 units per month.



## VIII. Local Perspective (Interviews)

We conducted interviews with various local sources familiar with the Richmond 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:

- Kenyatta Green, Director of the Housing Choice Voucher Program and Tenant Selection Office for the Richmond Redevelopment and Housing Authority, explained that there are currently more than 6,000 persons/households on the waiting list for additional Housing Choice Vouchers within the Richmond area. This is a clear indication of the pent-up demand for affordable housing in the area. Ms. Green also mentioned there is a shortage of available smaller units for single-person households.
- According to Diana Crosswhite, HCVP Policy & Training Manager for the Virginia Housing Development Authority, there is a need for affordable housing for low-income individuals within the Richmond area. Ms. Crosswhite mentioned studies that have been done by various groups, including Housing Virginia, have all confirmed a need for additional affordable housing in the area.
- A Leasing Agent for Carter Woods I & II, a 152-unit Tax Credit property for seniors age 62 and older, stated that this property is 100.0% occupied and has a waiting list of 6 to 12 months for one-bedroom units and over 12 months for two-bedroom units. These are good indications of the ongoing need for age-restricted LIHTC product within the Richmond market.
- According to Craig Williams, Center Supervisor at Linwood Robinson Center, several seniors have mentioned having trouble finding affordable housing in the Richmond area. Mr. Williams went on to say a lot of people of all ages are moving to the Richmond area and due to this increase in population there is a need for additional housing in the area. Mr. Williams also mentioned the seniors he has spoken to cannot afford the options that are in the area at this time and prefer one-bedroom units as they want more room than what a studio would offer.

- According to Yvette Jones, Program Manager for the Office on Aging & Persons with Disabilities, there is definitely a need for additional affordable housing for seniors in the Richmond area. Ms. Jones went on to say recently she has received numerous calls inquiring about senior housing. Ms. Jones also mentioned seniors are having trouble finding housing with affordable rates and with a Tax Credit property, their income would work as far as qualifying. A lot of seniors are wanting one-bedroom units located within a single-story structure or on the ground level, according to Ms. Jones.

## 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.

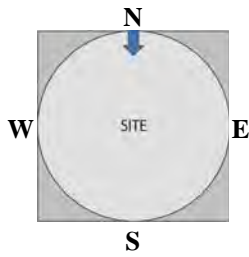
The proposed subject property will consist of one phase of the multiphase Church Hill North Revitalization project located in the eastern portion of Richmond. The subject site neighborhood is primarily residential and generally of relatively good quality. The subject property is expected to be centrally located within the larger Church Hill North Revitalization development and is expected to be consistent with other surrounding portions of this project in terms of overall design.

The subject property will offer age-restricted 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 five existing comparable age-restricted 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, the property will effectively operate with a project-based Section 8 subsidy available to all units. This will allow tenants of the property 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.

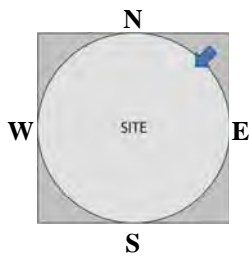
The targeted senior demographic is projected to experience good population and household growth within the Richmond Site PMA between 2019 and 2024, including renter household growth. This is expected to increase demand for senior-oriented rental alternatives within the Richmond market. The subject's overall capture rate of 3.2%, assuming the project-based subsidy is provided, is considered very low and further demonstrates 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 age-restricted LIHTC product in the market. The subject project is not expected to have any adverse impact on future occupancy rates among the existing comparable age-restricted LIHTC properties in the Richmond 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

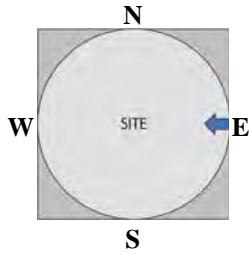


View of site from the north

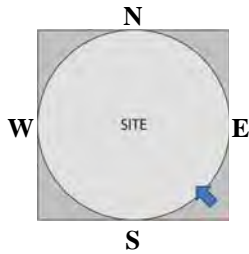


View of site from the northeast



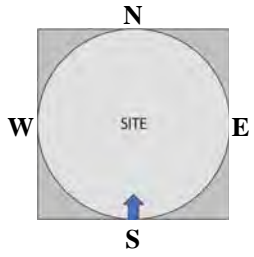


View of site from the east

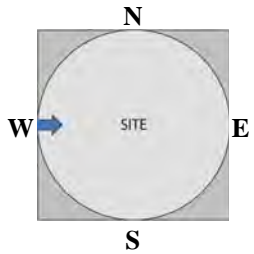


View of site from the southeast

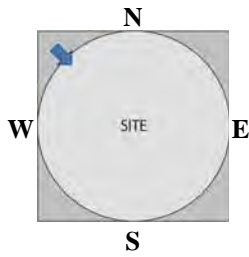




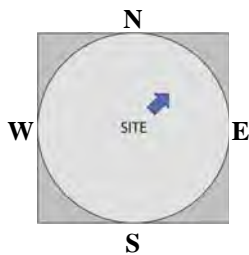
View of site from the south



View of site from the west

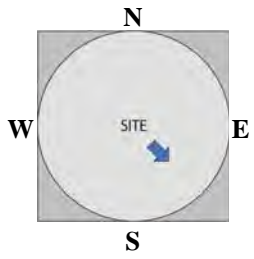


View of site from the northwest

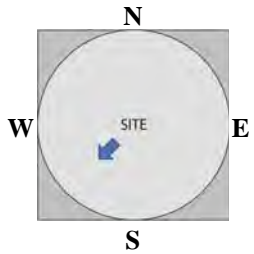


Northeast view from site





Southeast view from site



Southwest view from site



Northwest view from site



Streetscape - Southeast view





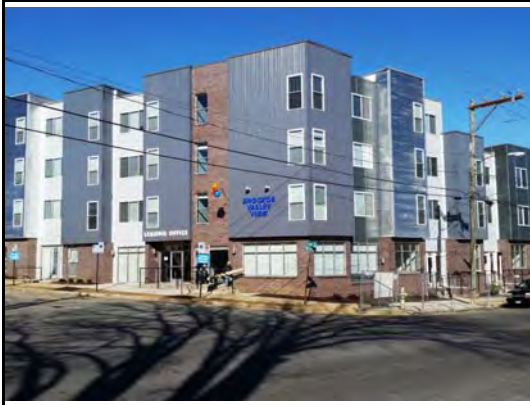
Streetscape - Southwest view

**XI.**

**COMPARABLE  
PROPERTY PROFILES**

**13 Shockoe Valley View I**

1.3 miles to site



<b>Address</b>	1904 Cedar St. Richmond, VA 23223		
<b>Phone</b>	(855) 469-7522	<b>Contact</b>	Shay
<b>Total Units</b>	150	<b>Vacancies</b>	5
		<b>Percent Occupied</b>	96.7%
<b>Project Type</b>	Market-Rate		
<b>Year Open</b>	2014	<b>Floors</b>	4
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	On Street Parking, Surface Parking		
<b>Waiting List</b>	NONE		
<b>Quality Rating</b>	A	<b>Neighborhood Rating</b>	B
<b>Remarks</b>	Does not accept HCV; Ground level units have monitored security & polished concrete flooring, all other levels have bamboo flooring; Rent range based on floor level & view; Unit mix estimated		



**Features and Utilities**

<b>Utilities</b>	Landlord pays Trash, Cable, Internet
<b>Unit Amenities</b>	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Intercom, Security System, Blinds
<b>Project Amenities</b>	Swimming Pool, On-site Management, Club House, Fitness Center, Elevator, Computer Lab, Picnic Area, Dog Run; Bike Shop

**Unit Configuration**

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	90	3	544 to 603	\$1.57 - \$1.74	\$949
2	2	G	60	2	849 to 892	\$1.43 - \$1.51	\$1279

# 14 Shockoe Valley View II

1.2 miles to site



<b>Address</b>	1904 Cedar St. Richmond, VA 23223		
<b>Phone</b>	(855) 469-7522	<b>Contact</b>	Shay
<b>Total Units</b>	87	<b>Vacancies</b>	5
		<b>Percent Occupied</b>	94.3%
<b>Project Type</b>	Market-Rate		
<b>Year Open</b>	2017	<b>Floors</b>	3,4
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	On Street Parking, Surface Parking		
<b>Waiting List</b>	NONE		
<b>Quality Rating</b>	A	<b>Neighborhood Rating</b>	B
<b>Remarks</b>	Does not accept HCV; 1st floor units have polished concrete flooring, all other levels have bamboo flooring; Unit mix & square footage estimated		

## Features and Utilities

<b>Utilities</b>	Landlord pays Trash, Cable, Internet
<b>Unit Amenities</b>	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Wood Flooring, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Intercom, Blinds
<b>Project Amenities</b>	Swimming Pool, On-site Management, Club House, Fitness Center, Elevator, Computer Lab, Picnic Area, Dog Park; Bike Shop;, Rooftop Deck

## Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	26	2	544 to 603	\$1.80 - \$1.99	\$979 to \$1199
2	2	G	52	3	849 to 892	\$1.46 - \$1.53	\$1299
3	3	G	9	0	1110	\$1.44	\$1599



**20 Lakefield Mews**

2.8 miles to site



<b>Address</b>	4431 Lakefield Mews Dr. Richmond, VA 23231		
<b>Phone</b>	(804) 222-7777	<b>Contact</b>	Demetria
<b>Total Units</b>	395	<b>Vacancies</b>	0
		<b>Percent Occupied</b>	100.0%
<b>Project Type</b>	Market-Rate		
<b>Year Open</b>	1992	<b>Floors</b>	2
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	Surface Parking		
<b>Waiting List</b>	1 household		
<b>Quality Rating</b>	B-	<b>Neighborhood Rating</b>	B
<b>Remarks</b>	Does not accept HCV; Some units have black or stainless steel appliances, ground level garden units have wood plank flooring		

**Features and Utilities**

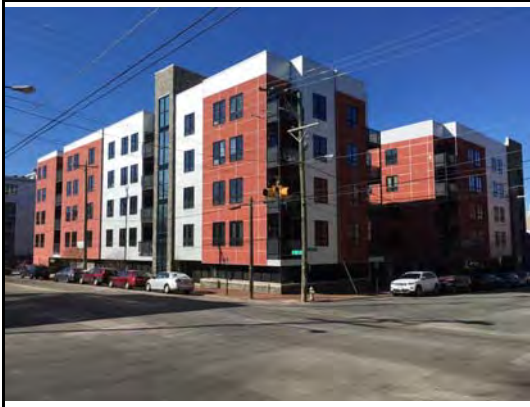
<b>Utilities</b>	Landlord pays Trash
<b>Unit Amenities</b>	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
<b>Project Amenities</b>	Swimming Pool, On-site Management, Laundry Facility, Club House, Playground, Sports Court, Lake, Car Wash Area, Picnic Area, Dog Park

**Unit Configuration**

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	
1	1	G	8	0	790	\$1.26	\$995	
1	1	G	75	0	644	\$1.37	\$880	
2	1	G	84	0	852	\$1.33	\$1130	
2	1.5	T	134	0	1154	\$0.98	\$1135	
2	2.5	T	39	0	1181	\$1.16	\$1375	
2	2.5	T	39	0	1154	\$1.25	\$1445	
3	2	G	16	0	1334	\$1.14	\$1520	

### 39 Old Stone Row at Shockoe Valley Heights

1.6 miles to site



<b>Address</b>	2005 E. Franklin St. Richmond, VA 23223	
<b>Phone</b>	(804) 440-7368	<b>Contact</b> Becky
<b>Total Units</b>	96	<b>Vacancies</b> 3 <b>Percent Occupied</b> 96.9%
<b>Project Type</b>	Market-Rate	
<b>Year Open</b>	2010	<b>Floors</b> 5
<b>Concessions</b>	No Rent Specials	
<b>Parking</b>	Surface Parking, Parking Garage	
<b>Waiting List</b>	NONE	
<b>Quality Rating</b>	B+	<b>Neighborhood Rating</b> B
<b>Remarks</b>	80% AMHI with VHDA Bond (22 units); Does not accept HCV; 1st floor retail	

### Features and Utilities

<b>Utilities</b>	Landlord pays Electric, Electric Heat, Electric HotWater, for Cooking Heat, Water, Sewer, Trash, Cable, Intern
<b>Unit Amenities</b>	Refrigerator, Range, Dishwasher, Disposal, Microwave, Central AC, Wood Flooring, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Intercom, Blinds
<b>Project Amenities</b>	Swimming Pool, On-site Management, Fitness Center, Elevator, Picnic Area

### Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	22	0	533 to 699	\$1.22 - \$1.59	\$850
1	1	G	54	0	551 to 695	\$1.64 - \$2.05	\$1130 to \$1140
2	2	G	20	3	831 to 964	\$1.68 - \$1.71	\$1400 to \$1650

**41 Cedar Broad Apts.**

1.5 miles to site



<b>Address</b>	1820 E. Broad St. Richmond, VA 23223		
<b>Phone</b>	(804) 977-4870	<b>Contact</b>	Greg
<b>Total Units</b>	204	<b>Vacancies</b>	6
		<b>Percent Occupied</b>	97.1%
<b>Project Type</b>	Market-Rate		
<b>Year Open</b>	2012	<b>Floors</b>	4,5
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	On Street Parking, Surface Parking, Parking Garage		
<b>Waiting List</b>	NONE		
<b>Quality Rating</b>	A	<b>Neighborhood Rating</b>	B
<b>Remarks</b>	Does not accept HCV; Some units have Juliette balcony; Living areas have wood laminate flooring; Rent range based on floor plan, unit location & view; Rents change daily; HUD Insured		

**Features and Utilities**

<b>Utilities</b>	Landlord pays Trash, Cable, Internet
<b>Unit Amenities</b>	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Wood Flooring, Washer & Dryer, Washer/Dryer Hook Up, Ceiling Fan, Security System, Blinds
<b>Project Amenities</b>	On-site Management, Club House, Fitness Center, Elevator

**Unit Configuration**

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	142	4	547	\$1.86 - \$2.12	\$1017 to \$1157
2	2	G	51	2	756	\$1.85 - \$1.94	\$1395 to \$1470
3	2.5	G	11	0	1065	\$1.64 - \$1.68	\$1742 to \$1790

1

## Carter Woods I &amp; II

1.3 miles to site



**Address** 301 Dabbs House Rd.  
Richmond, VA 23223

**Phone** (804) 222-4395 **Contact** Meredith

**Total Units** 152 **Vacancies** 0 **Percent Occupied** 100.0%

**Project Type** Tax Credit

**Year Open** 2004 **Floors** 2,3

**Concessions** No Rent Specials

**Parking** Surface Parking

**Waiting List** 27 households

**Quality Rating** B **Neighborhood Rating** C

**Remarks** 40% & 50% & 60% AMHI; HCV (14 units); Phase II opened in 2006; Select units have ceiling fans

### Features and Utilities

**Utilities** Landlord pays Water, Sewer, Trash

**Unit Amenities** Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Ceiling Fan, Blinds, E-Call Button

**Project Amenities** On-site Management, Laundry Facility, Meeting Room, Fitness Center, Elevator, Computer Lab, Social Services

### Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	44	0	600	\$1.43	\$855	60%
1	1	G	31	0	600	\$1.17	\$700	50%
1	1	G	16	0	600	\$0.91	\$545	40%
2	2	G	31	0	800	\$1.28	\$1020	60%
2	2	G	20	0	800	\$0.81	\$645	40%
2	2	G	10	0	800	\$1.04	\$835	50%



**3 Reflections**

3.2 miles to site



<b>Address</b>	461 Lou's Lore Ln. Richmond, VA 23231		
<b>Phone</b>	(804) 497-4343	<b>Contact</b>	DeAnna
<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>	2002	<b>Floors</b>	1
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	Surface Parking		
<b>Waiting List</b>	3 years		
<b>Quality Rating</b>	B+	<b>Neighborhood Rating</b>	B
<b>Remarks</b>	40% & 50% AMHI; HCV (13 units)		



**Features and Utilities**

<b>Utilities</b>	Landlord pays Water, Sewer, Trash
<b>Unit Amenities</b>	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds, E-Call Button
<b>Project Amenities</b>	On-site Management, Laundry Facility, Club House, Social Services, Courtesy Van

**Unit Configuration**

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	52	0	788	\$0.91	\$716	50%
2	1.5	G	11	0	997	\$0.86	\$856	50%
2	1.5	G	41	0	997	\$0.77	\$766	40%

# 11 Bacon Retirement Community

0.9 miles to site



<b>Address</b>	815 N. 35th St. Richmond, VA 23223		
<b>Phone</b>	(804) 222-4125	<b>Contact</b>	Cheryl
<b>Total Units</b>	58	<b>Vacancies</b>	0
		<b>Percent Occupied</b>	100.0%
<b>Project Type</b>	Tax Credit		
<b>Year Open</b>	1913	<b>Renovated</b>	1999
		<b>Floors</b>	1,2,5
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	On Street Parking, Surface Parking		
<b>Waiting List</b>	NONE		
<b>Quality Rating</b>	B-	<b>Neighborhood Rating</b>	B
<b>Remarks</b>	50% & 60% AMHI; Accepts HCV; Select units have vinyl flooring; Adaptive reuse; Unit mix estimated		

## Features and Utilities

<b>Utilities</b>	Landlord pays Electric, Electric Heat, Electric HotWater, for Cooking Heat, Water, Sewer, Trash
<b>Unit Amenities</b>	Refrigerator, Range, Disposal, Central AC, Carpet, Blinds
<b>Project Amenities</b>	On-site Management, Laundry Facility, Meeting Room, Elevator

## Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	46	0	600	\$1.17	\$700	60%
1	1	G	10	0	600	\$1.13	\$680	50%
2	1	G	2	0	750 to 800	\$1.00 - \$1.00	\$750 to \$800	60%

**12 Bowler Retirement Community**

1.1 miles to site



<b>Address</b>	608 N. 26th St. Richmond, VA 23230		
<b>Phone</b>	(804) 222-4125	<b>Contact</b>	Cheryl
<b>Total Units</b>	62	<b>Vacancies</b>	0
		<b>Percent Occupied</b>	100.0%
<b>Project Type</b>	Tax Credit		
<b>Year Open</b>	1910	<b>Renovated</b>	1998
		<b>Floors</b>	2.5
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	On Street Parking, Surface Parking		
<b>Waiting List</b>	NONE		
<b>Quality Rating</b>	B	<b>Neighborhood Rating</b>	B
<b>Remarks</b>	50% & 60% AMHI; Accepts HCV; Some units are all vinyl flooring		

**Features and Utilities**

<b>Utilities</b>	Landlord pays Electric, Gas Heat, Gas Hot Water, Gas for Cooking, Water, Sewer, Trash
<b>Unit Amenities</b>	Refrigerator, Range, Disposal, Central AC, Carpet, Blinds
<b>Project Amenities</b>	On-site Management, Laundry Facility, Meeting Room, Elevator

**Unit Configuration**

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	10	0	600	\$1.13	\$680	50%
1	1	G	52	0	600	\$1.17	\$700	60%

**30 Darby House**

2.8 miles to site



<b>Address</b>	1400 Shirleydale Ave. Richmond, VA 23231		
<b>Phone</b>	(804) 236-8382	<b>Contact</b>	Kelly
<b>Total Units</b>	108	<b>Vacancies</b>	0
		<b>Percent Occupied</b>	100.0%
<b>Project Type</b>	Tax Credit		
<b>Year Open</b>	2006	<b>Floors</b>	4
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	Surface Parking		
<b>Waiting List</b>	60-65 households		
<b>Quality Rating</b>	B+	<b>Neighborhood Rating</b>	C
<b>Remarks</b>	40% & 50% AMHI; HCV (14 units); E-call buttons are pendants provided at no additional cost		

**Features and Utilities**

<b>Utilities</b>	Landlord pays Water, Sewer, Trash
<b>Unit Amenities</b>	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Intercom, Blinds, E-Call Button
<b>Project Amenities</b>	On-site Management, Laundry Facility, Meeting Room, Fitness Center, Elevator, Security Gate, Computer Lab, Picnic Area, Social Services, Salon; Gazebo

**Unit Configuration**

BRs	BA	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	65	0	620 to 643	\$1.05 - \$1.09	\$675	50%
1	1	G	11	0	620 to 643	\$0.81 - \$0.84	\$520	40%
2	2	G	32	0	883	\$0.90	\$795	50%



## XII. FIELD SURVEY OF CONVENTIONAL RENTALS

### RICHMOND, 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.



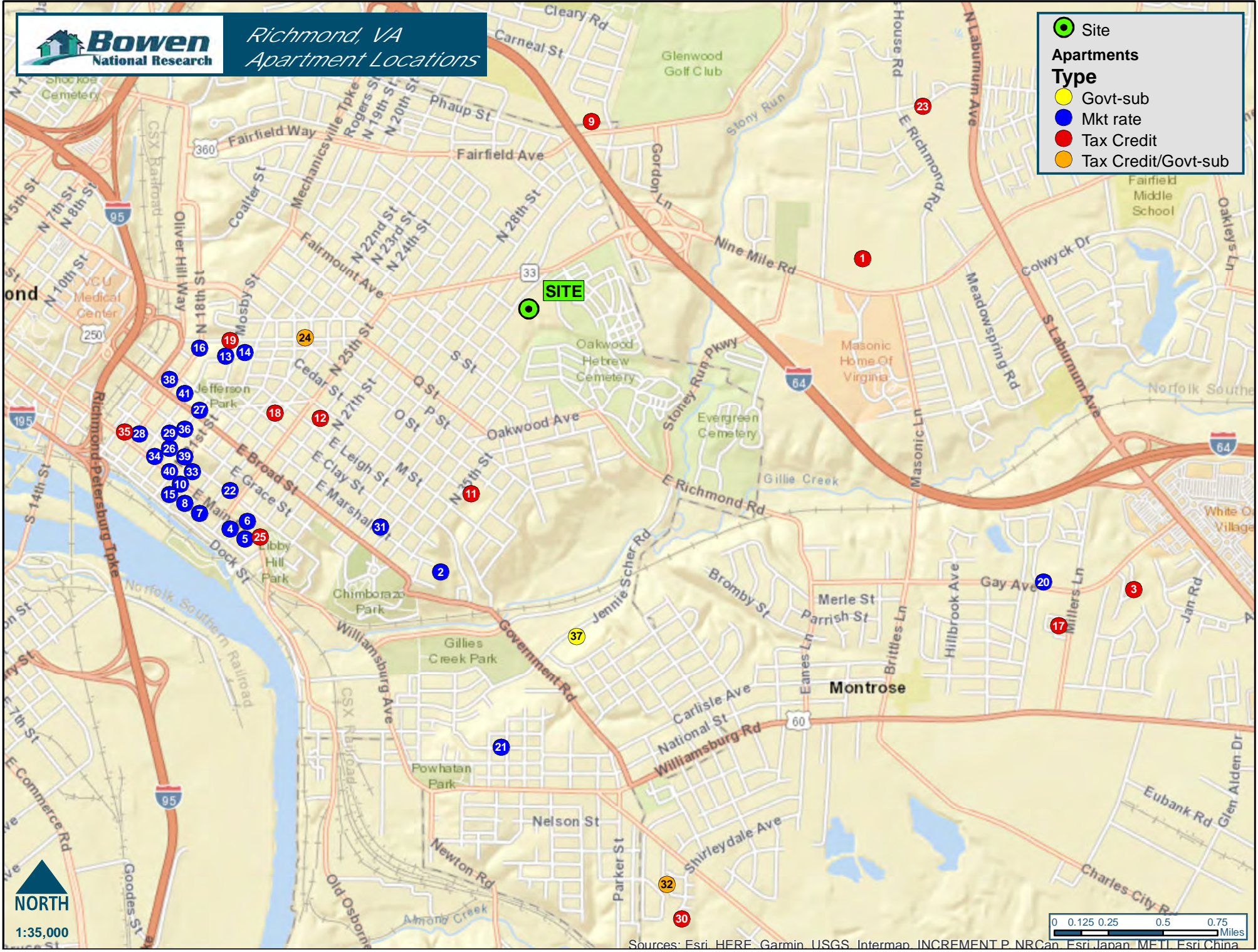


# Richmond, VA Apartment Locations

**Site**  
● Site

**Apartments Type**

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





# MAP IDENTIFICATION LIST - RICHMOND, VIRGINIA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
1	Carter Woods I & II	TAX	B	2004	152	0	100.0%	1.3
2	Lofty	MRR	B+	2015	34	3	91.2%	1.3
3	Reflections	TAX	B+	2002	104	0	100.0%	3.2
4	River Lofts Cameron Kinney	MRR	B+	1886	259	10	96.1%	1.7
5	River Lofts Lucky Strike	MRR	B+	1910	131	5	96.2%	1.7
6	River Lofts Cutter's Ridge	MRR	A	2006	12	0	100.0%	1.7
7	River Lofts American Cigar	MRR	B+	1901	174	6	96.6%	1.7
8	River Lofts Consolidated-Carolina	MRR	B+	1897	166	6	96.4%	1.7
9	Mallard Greens Townhomes	TAX	B-	1965	192	19	90.1%	0.9
10	Poythress Building Apts.	MRR	B	1870	31	0	100.0%	1.7
11	Bacon Retirement Community	TAX	B-	1913	58	0	100.0%	0.9
12	Bowler Retirement Community	TAX	B	1910	62	0	100.0%	1.1
13	Shockoe Valley View I	MRR	A	2014	150	5	96.7%	1.3
14	Shockoe Valley View II	MRR	A	2017	87	5	94.3%	1.2
15	FIND III	MRR	C	1919	4	0	100.0%	1.8
16	Atrium Lofts at Cold Storage I	MRR	B+	1917	328	10	97.0%	1.7
17	Glenns at Millers Lane	TAX	B	2000	144	2	98.6%	3.1
18	Jefferson Mews	TAX	B	1994	56	1	98.2%	1.2
19	Jefferson Townhomes	TAX	C+	1965	218	0	100.0%	1.2
20	Lakefield Mews	MRR	B-	1992	395	0	100.0%	2.8
21	Artisan Hill Apts.	MRR	A	2018	50	44	12.0%	2.5
22	Pohlig Box Factory	MRR	B	1953	65	0	100.0%	1.5
23	Apartments at Kingsridge I	TAX	B+	2018	72	0	100.0%	2.2
24	Goodwyn at Union Hill	TGS	B+	1923	0	0	U/C	1.0
25	Tobacco Landing	TAX	B	1994	62	0	100.0%	1.7
26	Edge at American Tobacco Center	MRR	B+	2018	156	22	85.9%	1.7
27	Vida East	MRR	B	2018	178	151	15.2%	1.5
28	Market Villas	MRR	B	1920	31	1	96.8%	1.8
29	Shockoe Center Apts.	MRR	B+	1880	47	1	97.9%	1.7
30	Darby House	TAX	B+	2006	108	0	100.0%	2.8
31	Lava Lofts	MRR	B	1901	50	0	100.0%	1.1
32	Henrico Arms	TGS	C+	1974	232	0	100.0%	2.8
33	Dill Building	MRR	B+	1894	55	0	100.0%	1.7
34	Overview - City Side & Riverside	MRR	B+	2017	201	9	95.5%	1.8
35	Market Slip	TAX	B-	1860	30	0	100.0%	1.9
36	American Tobacco Center	MRR	B+	1902	153	7	95.4%	1.6
37	Ashley Oaks Apts.	GSS	B	1976	250	0	100.0%	1.9

◆ 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 - RICHMOND, VIRGINIA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
38	Raven Place Apts.	MRR	B+	1910	66	3	95.5%	1.7
39	Old Stone Row at Shockoe Valley Heights	MRR	B+	2010	96	3	96.9%	1.6
40	Engine Company Lofts	MRR	A	1928	24	1	95.8%	1.7
41	Cedar Broad Apts.	MRR	A	2012	204	6	97.1%	1.5

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	26	3,147	298	90.5%	204
TAX	12	1,258	22	98.3%	0
TGS	2	232	0	100.0%	52
GSS	1	250	0	100.0%	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

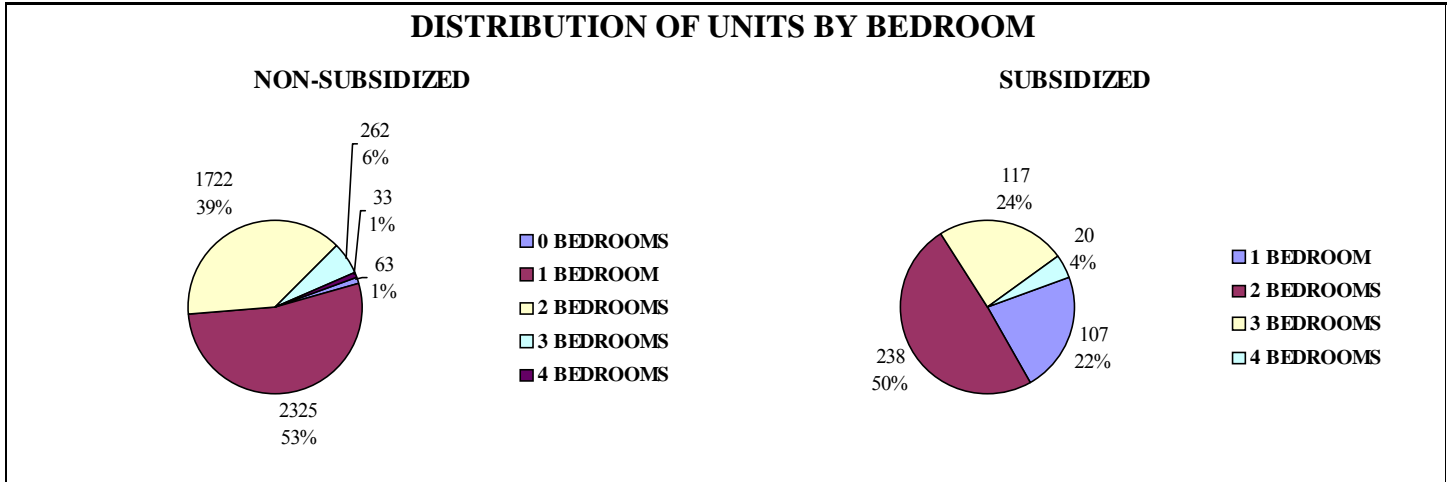
\* - Drive Distance (Miles)

Survey Date: January 2019

# DISTRIBUTION OF UNITS - RICHMOND, 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	63	2.0%	16	25.4%	\$1,006
1	1	1,727	54.9%	170	9.8%	\$1,106
1	1.5	116	3.7%	4	3.4%	\$1,664
2	1	221	7.0%	5	2.3%	\$1,411
2	1.5	134	4.3%	0	0.0%	\$1,335
2	2	727	23.1%	103	14.2%	\$1,609
2	2.5	83	2.6%	0	0.0%	\$1,645
3	1	4	0.1%	0	0.0%	\$975
3	2	39	1.2%	0	0.0%	\$1,761
3	2.5	11	0.3%	0	0.0%	\$1,943
3	3	9	0.3%	0	0.0%	\$1,800
3	3.5	12	0.4%	0	0.0%	\$2,496
4	3.5	1	0.0%	0	0.0%	\$3,439
<b>TOTAL</b>		<b>3,147</b>	<b>100.0%</b>	<b>298</b>	<b>9.5%</b>	
204 UNITS UNDER CONSTRUCTION						
<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	482	38.3%	0	0.0%	\$769
2	1	237	18.8%	19	8.0%	\$963
2	1.5	52	4.1%	0	0.0%	\$858
2	2	260	20.7%	1	0.4%	\$967
2	2.5	8	0.6%	0	0.0%	\$919
3	1	42	3.3%	1	2.4%	\$1,118
3	1.5	15	1.2%	0	0.0%	\$1,093
3	2	130	10.3%	1	0.8%	\$1,291
4	2	32	2.5%	0	0.0%	\$1,294
<b>TOTAL</b>		<b>1,258</b>	<b>100.0%</b>	<b>22</b>	<b>1.7%</b>	
46 UNITS UNDER CONSTRUCTION						
<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	72	31.0%	0	0.0%	N.A.
2	1	116	50.0%	0	0.0%	N.A.
3	1	44	19.0%	0	0.0%	N.A.
<b>TOTAL</b>		<b>232</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>	
6 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	35	14.0%	0	0.0%	N.A.
2	1	122	48.8%	0	0.0%	N.A.
3	1	48	19.2%	0	0.0%	N.A.
3	1.5	25	10.0%	0	0.0%	N.A.
4	1.5	20	8.0%	0	0.0%	N.A.
<b>TOTAL</b>		<b>250</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>	
<b>GRAND TOTAL</b>		<b>4,887</b>	<b>-</b>	<b>320</b>	<b>6.5%</b>	

# DISTRIBUTION OF UNITS - RICHMOND, VIRGINIA



# SURVEY OF PROPERTIES - RICHMOND, VIRGINIA

1 Carter Woods I & II			
	<b>Address</b> 301 Dabbs House Rd. Richmond, VA 23223	<b>Phone</b> (804) 222-4395 (Contact in person)	<b>Total Units</b> 152
	<b>Year Built</b> 2004 <b>Comments</b> 40% & 50% & 60% AMHI; HCV (14 units); Phase II opened in 2006; Select units have ceiling fans	<b>Contact</b> Meredith	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 2,3 <b>Quality Rating</b> B <b>Senior Restricted (62+)</b> <b>Waiting List</b> 27 households
2 Lofty			
	<b>Address</b> 3618 E. Broad St. Richmond, VA 23223	<b>Phone</b> (804) 226-9555 (Contact in person)	<b>Total Units</b> 34
	<b>Year Built</b> 2015 <b>Comments</b> Does not accept HCV; Select units have front porch & some have balcony	<b>Contact</b> Adam	<b>Vacancies</b> 3 <b>Occupied</b> 91.2% <b>Floors</b> 3 <b>Quality Rating</b> B+ <b>Waiting List</b> None
3 Reflections			
	<b>Address</b> 461 Lou's Lore Ln. Richmond, VA 23231	<b>Phone</b> (804) 497-4343 (Contact in person)	<b>Total Units</b> 104
	<b>Year Built</b> 2002 <b>Comments</b> 40% & 50% AMHI; HCV (13 units)	<b>Contact</b> DeAnna	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 1 <b>Quality Rating</b> B+ <b>Senior Restricted (55+)</b> <b>Waiting List</b> 3 years
4 River Lofts Cameron Kinney			
	<b>Address</b> 2400 & 2500 E. Cary St. Richmond, VA 23223	<b>Phone</b> (804) 649-1850 (Contact by phone)	<b>Total Units</b> 259
	<b>Year Built</b> 1886 <b>Renovated</b> 1991 <b>Comments</b> Does not accept HCV; Part of River Lofts at Tobacco Row, access to shared amenities, one-time fee \$400; Mixed-use; Select units have mw; Rent range based on amenities, location & flr level; Unit mix est	<b>Contact</b> Mary	<b>Vacancies</b> 10 <b>Occupied</b> 96.1% <b>Floors</b> 4,5,6 <b>Quality Rating</b> B+ <b>Waiting List</b> None
5 River Lofts Lucky Strike			
	<b>Address</b> 2600 E. Cary St. Richmond, VA 23223	<b>Phone</b> (804) 649-1850 (Contact by phone)	<b>Total Units</b> 131
	<b>Year Built</b> 1910 <b>Renovated</b> 2009 <b>Comments</b> Does not accept HCV; Part of River Lofts at Tobacco Row, access to shared amenities, one-time fee \$400; Mixed-use; Select 1st flr units have patio; Rent range based on amenities, location & flr level; Unit mix est	<b>Contact</b> Mary	<b>Vacancies</b> 5 <b>Occupied</b> 96.2% <b>Floors</b> 2,6 <b>Quality Rating</b> B+ <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 - RICHMOND, VIRGINIA

6 River Lofts Cutter's Ridge			
	<b>Address</b> 2605-2627 E. Main St. Richmond, VA 23223	<b>Phone</b> (804) 649-1850 (Contact by phone)	<b>Total Units</b> 12
	<b>Year Built</b> 2006	<b>Contact</b> Mary	<b>Vacancies</b> 0
	<b>Comments</b> Does not accept HCV; Part of River Lofts at Tobacco Row, access to shared amenities, one-time fee \$400; Attached 1 or 1.5 car garage; Unit mix estimated		<b>Occupied</b> 100.0%
			<b>Floors</b> 3
			<b>Quality Rating</b> A
			<b>Waiting List</b> None
7 River Lofts American Cigar			
	<b>Address</b> 2300 E. Cary St. Richmond, VA 23223	<b>Phone</b> (804) 649-1850 (Contact by phone)	<b>Total Units</b> 174
	<b>Year Built</b> 1901 <b>Renovated</b> 2005	<b>Contact</b> Mary	<b>Vacancies</b> 6
	<b>Comments</b> Does not accept HCV; Part of River Lofts at Tobacco Row, access to shared amenities, one-time fee \$400; Mixed-use; Rent range based on amenities, location & flr level; Unit mix estimated		<b>Occupied</b> 96.6%
			<b>Floors</b> 5,6
			<b>Quality Rating</b> B+
			<b>Waiting List</b> None
8 River Lofts Consolidated-Carolina			
	<b>Address</b> 2200 & 2222 E. Cary St. Richmond, VA 23223	<b>Phone</b> (804) 649-1850 (Contact by phone)	<b>Total Units</b> 166
	<b>Year Built</b> 1897 <b>Renovated</b> 2006	<b>Contact</b> Mary	<b>Vacancies</b> 6
	<b>Comments</b> Does not accept HCV; Part of River Lofts at Tobacco Row, access to shared amenities, one-time fee \$400; Mixed-use; Select units have icemaker; Rent range based on amenities, location & flr level; Unit mix estimated		<b>Occupied</b> 96.4%
			<b>Floors</b> 3,6
			<b>Quality Rating</b> B+
			<b>Waiting List</b> None
9 Mallard Greens Townhomes			
	<b>Address</b> 2852 Fairfield Ave. Richmond, VA 23223	<b>Phone</b> (804) 709-3539 (Contact in person)	<b>Total Units</b> 192
	<b>Year Built</b> 1965 <b>Renovated</b> 2007	<b>Contact</b> Briana	<b>Vacancies</b> 19
	<b>Comments</b> 60% AMHI; HCV (40 units); Rent range due to unit updates		<b>Occupied</b> 90.1%
			<b>Floors</b> 2
			<b>Quality Rating</b> B-
			<b>Waiting List</b> None
10 Poythress Building Apts.			
	<b>Address</b> 16 N. 22nd St. Richmond, VA 23223	<b>Phone</b> (804) 649-0591 (Contact in person)	<b>Total Units</b> 31
	<b>Year Built</b> 1870 <b>Renovated</b> 2000	<b>Contact</b> Beth	<b>Vacancies</b> 0
	<b>Comments</b> Does not accept HCV; Rents change daily; Adaptive reuse of tobacco factory, originally built in 1870		<b>Occupied</b> 100.0%
			<b>Floors</b> 4
			<b>Quality Rating</b> B
			<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 - RICHMOND, VIRGINIA






11 Bacon Retirement Community			
	<b>Address</b> 815 N. 35th St. Richmond, VA 23223	<b>Phone</b> (804) 222-4125 (Contact in person)	<b>Total Units</b> 58
	<b>Year Built</b> 1913 <b>Renovated</b> 1999	<b>Contact</b> Cheryl	<b>Vacancies</b> 0
	<b>Comments</b> 50% & 60% AMHI; Accepts HCV; Select units have vinyl flooring; Adaptive reuse; Unit mix estimated		<b>Occupied</b> 100.0%
			<b>Floors</b> 1,2,5
			<b>Quality Rating</b> B-
			<b>Senior Restricted (55+)</b>
			<b>Waiting List</b>
			None
12 Bowler Retirement Community			
	<b>Address</b> 608 N. 26th St. Richmond, VA 23230	<b>Phone</b> (804) 222-4125 (Contact in person)	<b>Total Units</b> 62
	<b>Year Built</b> 1910 <b>Renovated</b> 1998	<b>Contact</b> Cheryl	<b>Vacancies</b> 0
	<b>Comments</b> 50% & 60% AMHI; Accepts HCV; Some units are all vinyl flooring		<b>Occupied</b> 100.0%
			<b>Floors</b> 2,5
			<b>Quality Rating</b> B
			<b>Senior Restricted (55+)</b>
			<b>Waiting List</b>
			None
13 Shockoe Valley View I			
	<b>Address</b> 1904 Cedar St. Richmond, VA 23223	<b>Phone</b> (855) 469-7522 (Contact by phone)	<b>Total Units</b> 150
	<b>Year Built</b> 2014	<b>Contact</b> Shay	<b>Vacancies</b> 5
	<b>Comments</b> Does not accept HCV; Ground level units have monitored security & polished concrete flooring, all other levels have bamboo flooring; Rent range based on floor level & view; Unit mix estimated		<b>Occupied</b> 96.7%
			<b>Floors</b> 4
			<b>Quality Rating</b> A
			<b>Waiting List</b>
			None
14 Shockoe Valley View II			
	<b>Address</b> 1904 Cedar St. Richmond, VA 23223	<b>Phone</b> (855) 469-7522 (Contact by phone)	<b>Total Units</b> 87
	<b>Year Built</b> 2017	<b>Contact</b> Shay	<b>Vacancies</b> 5
	<b>Comments</b> Does not accept HCV; 1st floor units have polished concrete flooring, all other levels have bamboo flooring; Unit mix & square footage estimated		<b>Occupied</b> 94.3%
			<b>Floors</b> 3,4
			<b>Quality Rating</b> A
			<b>Waiting List</b>
			None
15 FIND III			
	<b>Address</b> 2123-20123 Cary St. Richmond, VA 23220	<b>Phone</b> (804) 836-1062 (Contact in person)	<b>Total Units</b> 4
	<b>Year Built</b> 1919 <b>Renovated</b> 2002	<b>Contact</b> Julie	<b>Vacancies</b> 0
	<b>Comments</b> HCV (4 units); Designated at risk for homelessness or formerly homeless families		<b>Occupied</b> 100.0%
			<b>Floors</b> 2
			<b>Quality Rating</b> C
			<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 - RICHMOND, VIRGINIA

16 Atrium Lofts at Cold Storage I			
	<b>Address</b> 500 N. 18th St. Richmond, VA 23219	<b>Phone</b> (804) 977-3883 (Contact in person)	<b>Total Units</b> 328
	<b>Year Built</b> 1917 <b>Renovated</b> 2011	<b>Contact</b> Brian	<b>Vacancies</b> 10
	<b>Comments</b> Does not accept HCV; Select units have patio/balcony; Flooring is concrete; Select units have patio/balcony; Rent range based on floor plan & view; HUD Insured; Adaptive reuse		<b>Occupied</b> 97.0%
			<b>Floors</b> 1,4,5
			<b>Quality Rating</b> B+
			<b>Waiting List</b> None
17 Glens at Millers Lane			
	<b>Address</b> 4700 Millers Ln. Richmond, VA 23231	<b>Phone</b> (804) 652-4602 (Contact by phone)	<b>Total Units</b> 144
	<b>Year Built</b> 2000	<b>Contact</b> Larisha	<b>Vacancies</b> 2
	<b>Comments</b> 60% AMHI; HCV (108 units)		<b>Occupied</b> 98.6%
			<b>Floors</b> 2
			<b>Quality Rating</b> B
			<b>Waiting List</b> None
18 Jefferson Mews			
	<b>Address</b> 501 N. 23rd St. & 906 N. 26th St. Richmond, VA 23223	<b>Phone</b> (804) 643-1956 (Contact in person)	<b>Total Units</b> 56
	<b>Year Built</b> 1994 <b>Renovated</b> 2014	<b>Contact</b> Tatiana	<b>Vacancies</b> 1
	<b>Comments</b> 50% & 60% AMHI; HCV (12 units); Select units have patio/balcony or include washer/dryer; Random units have tenant installed ceiling fan; Unit mix estimated		<b>Occupied</b> 98.2%
			<b>Floors</b> 2
			<b>Quality Rating</b> B
			<b>Waiting List</b> None
19 Jefferson Townhomes			
	<b>Address</b> 1951 Venable St. & Mosby St. Richmond, VA 23223	<b>Phone</b> (804) 643-1131 (Contact in person)	<b>Total Units</b> 218
	<b>Year Built</b> 1965 <b>Renovated</b> 2008	<b>Contact</b> David	<b>Vacancies</b> 0
	<b>Comments</b> 60% AMHI; HCV (60 units); Units located on Mosby have higher rent & security gate; Units on Venable have street parking		<b>Occupied</b> 100.0%
			<b>Floors</b> 2
			<b>Quality Rating</b> C+
			<b>Waiting List</b> None
20 Lakefield Mews			
	<b>Address</b> 4431 Lakefield Mews Dr. Richmond, VA 23231	<b>Phone</b> (804) 222-7777 (Contact by phone)	<b>Total Units</b> 395
	<b>Year Built</b> 1992	<b>Contact</b> Demetria	<b>Vacancies</b> 0
	<b>Comments</b> Does not accept HCV; Some units have black or stainless steel appliances, ground level garden units have wood plank flooring		<b>Occupied</b> 100.0%
			<b>Floors</b> 2
			<b>Quality Rating</b> B-
			<b>Waiting List</b> 1 household






### 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 - RICHMOND, VIRGINIA

<b>21 Artisan Hill Apts.</b>			
	<b>Address</b> 1000 Carlisle Ave. Richmond, VA 23231	<b>Phone</b> (804) 226-9555 (Contact by phone)	<b>Total Units</b> 50
	<b>Year Built</b> 2018 <b>Comments</b> Does not accept HCV; 1st units opened 11/2018, began preleasing 7/2018, remaining 204 units UC, expect to open 5/2019; 12 units set aside for artists; Unit mix estimated	<b>Contact</b> Adam	<b>Vacancies</b> 44 <b>Occupied</b> 12.0% <b>Floors</b> 5,6 <b>Quality Rating</b> A
			<b>Waiting List</b> None
<b>22 Pohlig Box Factory</b>			
	<b>Address</b> 2419 E. Franklin St. Richmond, VA 23223	<b>Phone</b> (804) 377-9194 (Contact in person)	<b>Total Units</b> 65
	<b>Year Built</b> 1953 <b>Renovated</b> 2004 <b>Comments</b> Does not accept HCV; Select units have deck/balcony; Six townhomes are penthouses; Adaptive reuse	<b>Contact</b> Holly	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 3, 4 <b>Quality Rating</b> B
			<b>Waiting List</b> 75 households
<b>23 Apartments at Kingsridge I</b>			
	<b>Address</b> 390 Kingsridge Rd. Richmond, VA 23223	<b>Phone</b> (804) 457-6808 (Contact by phone)	<b>Total Units</b> 72
	<b>Year Built</b> 2018 <b>Comments</b> 50% & 60% AMHI; Accepts HCV; Opened 10/2018, 100% occupied 12/2018; Square footage estimated	<b>Contact</b> Sabrina	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 3 <b>Quality Rating</b> B+
			<b>Waiting List</b> None
<b>24 Goodwyn at Union Hill</b>			
	<b>Address</b> 2230-2238 Venable St. Richmond, VA 23223	<b>Phone</b> (804) 644-0546 (Contact by phone)	<b>Total Units</b> 0
	<b>Year Built</b> 1923 <b>Renovated</b> 2019 <b>Comments</b> 40%, 50% & 60% AMHI; PBV (approx 6 units); 52 units UC, adaptive reuse & new construction, expect completion early 2019	<b>Contact</b> Laroya	<b>Vacancies</b> 0 <b>Occupied</b> 0 <b>Floors</b> 2,2.5,3 <b>Quality Rating</b> B+
			<b>Waiting List</b> 100 households
<b>25 Tobacco Landing</b>			
	<b>Address</b> 2701 E. Main St. Richmond, VA 23223	<b>Phone</b> (844) 379-9647 (Contact by phone)	<b>Total Units</b> 62
	<b>Year Built</b> 1994 <b>Comments</b> 50% & 60% AMHI; HCV (7 units)	<b>Contact</b> Lafonda	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 5 <b>Quality Rating</b> B
			<b>Waiting List</b> 3 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 - RICHMOND, VIRGINIA




26 Edge at American Tobacco Center			
	<b>Address</b> 1914 E. Franklin St. Richmond, VA 23223	<b>Phone</b> (804) 335-0801 (Contact in person)	<b>Total Units</b> 156
	<b>Year Built</b> 2018	<b>Contact</b> Whitney	<b>Vacancies</b> 22
	<b>Comments</b> Does not accept HCV; Opened 4/2018, still in lease-up, began preleasing 2/2018; Rent range based on floor plan, level & patio/balcony		<b>Occupied</b> 85.9%
	<b>Rent Special</b> 2-br/2-ba: One month's rent free		<b>Floors</b> 5
			<b>Quality Rating</b> B+
			<b>Waiting List</b> None
27 Vida East			
	<b>Address</b> 1903 E. Marshall St. Richmond, VA 23223	<b>Phone</b> (804) 669-3278 (Contact by phone)	<b>Total Units</b> 178
	<b>Year Built</b> 2018	<b>Contact</b> Laura	<b>Vacancies</b> 151
	<b>Comments</b> Does not accept HCV; Opened 10/2018, no pre-leasing, still in lease-up; 20 units at 80% AMHI		<b>Occupied</b> 15.2%
	<b>Rent Special</b> One month's rent free		<b>Floors</b> 5
			<b>Quality Rating</b> B
			<b>Waiting List</b> None
28 Market Villas			
	<b>Address</b> 15 N. 18th St. Richmond, VA 23223	<b>Phone</b> (844) 292-0585 (Contact in person)	<b>Total Units</b> 31
	<b>Year Built</b> 1920 <b>Renovated</b> 2003	<b>Contact</b> Christina	<b>Vacancies</b> 1
	<b>Comments</b> Accepts HCV (0 currently); 5 units have balcony; A few units have icemaker or fireplace; Adaptive reuse; Rents change daily; 1st floor commercial		<b>Occupied</b> 96.8%
			<b>Floors</b> 3
			<b>Quality Rating</b> B
			<b>Waiting List</b> None
29 Shockoe Center Apts.			
	<b>Address</b> 1900 E. Franklin St. Richmond, VA 23223	<b>Phone</b> (804) 377-9900 (Contact in person)	<b>Total Units</b> 47
	<b>Year Built</b> 1880 <b>Renovated</b> 2002	<b>Contact</b> Jason	<b>Vacancies</b> 1
	<b>Comments</b> Does not accept HCV; Select units have ceiling fan; Rents change daily; Adaptive reuse		<b>Occupied</b> 97.9%
			<b>Floors</b> 4
			<b>Quality Rating</b> B+
			<b>Waiting List</b> None
30 Darby House			
	<b>Address</b> 1400 Shirleydale Ave. Richmond, VA 23231	<b>Phone</b> (804) 236-8382 (Contact in person)	<b>Total Units</b> 108
	<b>Year Built</b> 2006	<b>Contact</b> Kelly	<b>Vacancies</b> 0
	<b>Comments</b> 40% & 50% AMHI; HCV (14 units); E-call buttons are pendants provided at no additional cost		<b>Occupied</b> 100.0%
			<b>Floors</b> 4
			<b>Quality Rating</b> B+
			<b>Senior Restricted (62+)</b> <b>Waiting List</b> 60-65 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 - RICHMOND, VIRGINIA





31 Lava Lofts			
	<b>Address</b> 310 N. 33rd St. Richmond, VA 23223	<b>Phone</b> (855) 969-3331 (Contact in person)	<b>Total Units</b> 50
	<b>Year Built</b> 1901 <b>Renovated</b> 2012 <b>Contact</b> Kim	<b>Comments</b> Does not accept HCV; Select units have balcony; Surface parking available across street, no charge, eight reserved spaces available \$75/mo; Adaptive reuse; Unit mix & square footage estimated	
32 Henrico Arms			
	<b>Address</b> 1664 Henrico Arms Pl. Richmond, VA 23231	<b>Phone</b> (804) 222-0542 (Contact in person)	<b>Total Units</b> 232
	<b>Year Built</b> 1974 <b>Renovated</b> 2003 <b>Contact</b> Demetria	<b>Comments</b> 60% AMHI; HUD Section 8	
33 Dill Building			
	<b>Address</b> 2020 E. Franklin St. Richmond, VA 23223	<b>Phone</b> (804) 377-9900 (Contact in person)	<b>Total Units</b> 55
	<b>Year Built</b> 1894 <b>Renovated</b> 2007 <b>Contact</b> Jason	<b>Comments</b> Does not accept HCV; Adaptive reuse & new construction	
34 Overview - City Side & Riverside			
	<b>Address</b> 12 S 19th St. Richmond, VA 23223	<b>Phone</b> (804) 836-1836 (Contact in person)	<b>Total Units</b> 201
	<b>Year Built</b> 2017 <b>Contact</b> Julia	<b>Comments</b> Does not accept HCV; Select 1 br have den; Opened & 100% occupied 10/2017, began preleasing 6/2017; Space in parking garage incl'd, reserved space \$100/mo; Unit mix estimated	
35 Market Slip			
	<b>Address</b> 2 S. 17th St. Richmond, VA 23219	<b>Phone</b> (844) 379-9617 (Contact by phone)	<b>Total Units</b> 30
	<b>Year Built</b> 1860 <b>Renovated</b> 1994 <b>Contact</b> LaFonda	<b>Comments</b> 50% & 60% AMHI; Accepts HCV; Adaptive reuse	

### 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 - RICHMOND, VIRGINIA

<b>36 American Tobacco Center</b>			
	<b>Address</b> 119 N. 20th St. Richmond, VA 23223	<b>Phone</b> (804) 377-9900 (Contact by phone)	<b>Total Units</b> 153
	<b>Year Built</b> 1902 <b>Renovated</b> 2005 <b>Contact</b> Dester	<b>Comments</b> Does not accept HCV; Two 1-br have balcony; Select units have fireplace; Adaptive reuse; HUD Insured	
			<b>Vacancies</b> 7
			<b>Occupied</b> 95.4%
			<b>Floors</b> 4,5
			<b>Quality Rating</b> B+
			<b>Waiting List</b> None
<b>37 Ashley Oaks Apts.</b>			
	<b>Address</b> 1402 Jennie Scher Rd. Richmond, VA 23231	<b>Phone</b> (804) 222-8776 (Contact in person)	<b>Total Units</b> 250
	<b>Year Built</b> 1976 <b>Renovated</b> 2009 <b>Contact</b> Michelle	<b>Comments</b> HUD Section 8; Townhomes have patios, 4-br have washer/dryer hookups; Unit mix estimated	
			<b>Vacancies</b> 0
			<b>Occupied</b> 100.0%
			<b>Floors</b> 2
			<b>Quality Rating</b> B
			<b>Waiting List</b> 18 months
<b>38 Raven Place Apts.</b>			
	<b>Address</b> 1710 E. Broad St. Richmond, VA 23223	<b>Phone</b> (804) 365-5893 (Contact in person)	<b>Total Units</b> 66
	<b>Year Built</b> 1910 <b>Renovated</b> 2008 <b>Contact</b> Christina	<b>Comments</b> Does not accept HCV; Select units have balcony; Flooring is stained concrete or bamboo; Rent range based on floor plan, level & location; Adaptive reuse	
			<b>Vacancies</b> 3
			<b>Occupied</b> 95.5%
			<b>Floors</b> 4
			<b>Quality Rating</b> B+
			<b>Waiting List</b> None
<b>39 Old Stone Row at Shockoe Valley Heights</b>			
	<b>Address</b> 2005 E. Franklin St. Richmond, VA 23223	<b>Phone</b> (804) 440-7368 (Contact in person)	<b>Total Units</b> 96
	<b>Year Built</b> 2010 <b>Contact</b> Becky	<b>Comments</b> 80% AMHI with VHDA Bond (22 units); Does not accept HCV; 1st floor retail	
			<b>Vacancies</b> 3
			<b>Occupied</b> 96.9%
			<b>Floors</b> 5
			<b>Quality Rating</b> B+
			<b>Waiting List</b> None
<b>40 Engine Company Lofts</b>			
	<b>Address</b> 2026 E. Main St. Richmond, VA 23223	<b>Phone</b> (804) 495-2172 (Contact in person)	<b>Total Units</b> 24
	<b>Year Built</b> 1928 <b>Renovated</b> 2010 <b>Contact</b> Shanti	<b>Comments</b> Does not accept HCV; Adaptive reuse & new construction; 1st floor commercial/retail; Rents change daily	
			<b>Vacancies</b> 1
			<b>Occupied</b> 95.8%
			<b>Floors</b> 5
			<b>Quality Rating</b> A
			<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 - RICHMOND, VIRGINIA

41 Cedar Broad Apts.			
	<b>Address</b> 1820 E. Broad St. Richmond, VA 23223	<b>Phone</b> (804) 977-4870 (Contact by phone)	<b>Total Units</b> 204
	<b>Year Built</b> 2012	<b>Contact</b> Greg	<b>Vacancies</b> 6
<b>Comments</b> Does not accept HCV; Some units have Juliette balcony; Living areas have wood laminate flooring; Rent range based on floor plan, unit location & view; Rents change daily; HUD Insured		<b>Occupied</b> 97.1%	
		<b>Floors</b> 4,5	
		<b>Quality Rating</b> A	
		<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



# COLLECTED RENTS - RICHMOND, VIRGINIA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
1		\$545 to \$855	\$645 to \$1020						
2		\$1230	\$1380 to \$1580						
3		\$716	\$766 to \$856						
4		\$900 to \$1500	\$1200 to \$2500	\$1500 to \$2500					
5		\$900 to \$1500	\$1200 to \$2500						
6								\$2200	
7		\$900 to \$1500	\$1200 to \$2500	\$2500					
8		\$900 to \$1500	\$1200 to \$2500						
9						\$725	\$850 to \$915	\$999 to \$1030	
10		\$1115 to \$1145	\$1305 to \$1499						
11		\$680 to \$700	\$750 to \$800						
12		\$680 to \$700							
13		\$949	\$1279						
14		\$979 to \$1199	\$1299	\$1599					
15				\$975					
16	\$824 to \$1046	\$1070 to \$1284	\$1611 to \$1772						
17			\$930	\$1050					
18		\$665 to \$820					\$795 to \$905	\$945 to \$1195	
19						\$675 to \$685	\$759 to \$769	\$890 to \$900	\$995 to \$1005
20		\$880 to \$995	\$1130	\$1520			\$1135 to \$1445		
21		\$940 to \$1200	\$1400 to \$2300						
22	\$840 to \$950	\$860 to \$1335	\$1130 to \$1695				\$2700		\$3100
23			\$690 to \$840	\$795 to \$960					
24									
25		\$780 to \$900	\$1050						
26		\$1090 to \$1430	\$1668 to \$1840						
27	\$899 to \$1099	\$1139 to \$1269	\$1539 to \$1800						
28		\$919 to \$974	\$1214 to \$1474	\$1489					
29		\$1039 to \$1159	\$1517 to \$1766						
30		\$520 to \$675	\$795						
31		\$1000 to \$1300	\$1500 to \$1550						
33		\$1053	\$1350 to \$2000	\$2000					
34		\$1137 to \$1537	\$1569 to \$1875						
35		\$780 to \$900	\$1050						
36		\$1012 to \$1142	\$1289 to \$2009	\$1580 to \$2091					
38		\$1064 to \$1104	\$1269 to \$1414						

◆	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



# COLLECTED RENTS - RICHMOND, VIRGINIA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
39		\$850 to \$1140	\$1400 to \$1650						
40		\$1127 to \$1165					\$1515		
41		\$1017 to \$1157	\$1395 to \$1470	\$1742 to \$1790					

◆	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 - RICHMOND, VIRGINIA

STUDIO UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
16	Atrium Lofts at Cold Storage I	1	486	\$784 to \$1006	\$1.61 to \$2.07
22	Pohlig Box Factory	1	608 to 618	\$956 to \$1066	\$1.57 to \$1.72
27	Vida East	1	351 to 465	\$1015 to \$1215	\$2.61 to \$2.89
ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
2	Lofty	1	762 to 799	\$1259	\$1.58 to \$1.65
4	River Lofts Cameron Kinney	1	690 to 1261	\$1064 to \$1664	\$1.32 to \$1.54
5	River Lofts Lucky Strike	1 to 1.5	715 to 1013	\$1064 to \$1664	\$1.49 to \$1.64
7	River Lofts American Cigar	1 to 1.5	540 to 1210	\$1064 to \$1664	\$1.38 to \$1.97
8	River Lofts Consolidated-Carolina	1	600 to 1258	\$1064 to \$1664	\$1.32 to \$1.77
10	Poythress Building Apts.	1	511 to 700	\$1179 to \$1209	\$1.73 to \$2.31
13	Shockoe Valley View I	1	544 to 603	\$1038	\$1.72 to \$1.91
14	Shockoe Valley View II	1	544 to 603	\$1068 to \$1288	\$1.96 to \$2.14
16	Atrium Lofts at Cold Storage I	1	507 to 757	\$1030 to \$1244	\$1.64 to \$2.03
20	Lakefield Mews	1	644 to 790	\$1009 to \$1124	\$1.42 to \$1.57
21	Artisan Hill Apts.	1	540 to 756	\$969 to \$1229	\$1.63 to \$1.79
22	Pohlig Box Factory	1	604 to 944	\$989 to \$1464	\$1.55 to \$1.64
26	Edge at American Tobacco Center	1	555 to 747	\$1179 to \$1519	\$2.03 to \$2.12
27	Vida East	1	474 to 625	\$1268 to \$1398	\$2.24 to \$2.68
28	Market Villas	1	388 to 695	\$948 to \$1003	\$1.44 to \$2.44
29	Shockoe Center Apts.	1	500 to 800	\$999 to \$1119	\$1.40 to \$2.00
31	Lava Lofts	1	600 to 905	\$1069 to \$1369	\$1.51 to \$1.78
33	Dill Building	1 to 1.5	504 to 1018	\$1142	\$1.12 to \$2.27
34	Overview - City Side & Riverside	1	645 to 799	\$1097 to \$1497	\$1.70 to \$1.87
36	American Tobacco Center	1	400 to 844	\$1101 to \$1231	\$1.46 to \$2.75
38	Raven Place Apts.	1	617 to 943	\$1093 to \$1133	\$1.20 to \$1.77
39	Old Stone Row at Shockoe Valley Heights	1	533 to 699	\$810 to \$1100	\$1.52 to \$1.57
40	Engine Company Lofts	1	652 to 710	\$1156 to \$1194	\$1.68 to \$1.77
41	Cedar Broad Apts.	1	547	\$1106 to \$1246	\$2.02 to \$2.28
◆ 1	Carter Woods I & II	1	600	\$614 to \$924	\$1.02 to \$1.54
◆ 3	Reflections	1	788	\$785	\$1.00
◆ 9	Mallard Greens Townhomes	1	710	\$810	\$1.14
◆ 11	Bacon Retirement Community	1	600	\$680 to \$700	\$1.13 to \$1.17
◆ 12	Bowler Retirement Community	1	600	\$680 to \$700	\$1.13 to \$1.17
◆ 18	Jefferson Mews	1	700	\$750 to \$905	\$1.07 to \$1.29

◆	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 - RICHMOND, VIRGINIA

ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
19	Jefferson Townhomes	1	620	\$780 to \$790	\$1.26 to \$1.27
25	Tobacco Landing	1	662	\$780 to \$900	\$1.18 to \$1.36
30	Darby House	1	620 to 643	\$589 to \$744	\$0.95 to \$1.16
35	Market Slip	1	462 to 638	\$760 to \$880	\$1.38 to \$1.65
24	Goodwyn at Union Hill	1	545 to 982	\$744 to \$900	\$0.92 to \$1.37
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
2	Lofty	2	845 to 932	\$1432 to \$1632	\$1.69 to \$1.75
4	River Lofts Cameron Kinney	1 to 2	850 to 1513	\$1411 to \$2711	\$1.66 to \$1.79
5	River Lofts Lucky Strike	2	1050 to 1551	\$1411 to \$2711	\$1.34 to \$1.75
7	River Lofts American Cigar	1 to 2	960 to 1855	\$1411 to \$2711	\$1.46 to \$1.47
8	River Lofts Consolidated-Carolina	2	1008 to 1330	\$1411 to \$2711	\$1.40 to \$2.04
10	Poythress Building Apts.	2	735 to 1185	\$1389 to \$1583	\$1.34 to \$1.89
13	Shockoe Valley View I	2	849 to 892	\$1418	\$1.59 to \$1.67
14	Shockoe Valley View II	2	849 to 892	\$1438	\$1.61 to \$1.69
16	Atrium Lofts at Cold Storage I	2	726 to 964	\$1571 to \$1732	\$1.80 to \$2.16
20	Lakefield Mews	1	852	\$1309	\$1.54
		1.5	1154	\$1335	\$1.16
		2.5	1154 to 1181	\$1575 to \$1645	\$1.36 to \$1.39
21	Artisan Hill Apts.	2	880 to 1483	\$1452 to \$2352	\$1.59 to \$1.65
22	Pohlig Box Factory	1	812 to 862	\$1349 to \$1399	\$1.62 to \$1.66
		2	901 to 1410	\$1309 to \$1729	\$1.23 to \$1.45
		2.5	1271 to 2338	\$1754 to \$2900	\$1.24 to \$1.38
26	Edge at American Tobacco Center	2	909 to 1159	\$1807 to \$1979	\$1.71 to \$1.99
27	Vida East	2	750 to 830	\$1718 to \$1979	\$2.29 to \$2.38
28	Market Villas	2	830 to 1040	\$1266 to \$1526	\$1.47 to \$1.53
29	Shockoe Center Apts.	1 to 2	1000 to 1300	\$1477 to \$1726	\$1.33 to \$1.48
31	Lava Lofts	1 to 2	950 to 1026	\$1592 to \$1642	\$1.60 to \$1.68
33	Dill Building	2	878 to 932	\$1489 to \$2139	\$1.70 to \$2.30
34	Overview - City Side & Riverside	1	1085	\$1529 to \$1835	\$1.41 to \$1.69
36	American Tobacco Center	2	800 to 1238	\$1428 to \$2148	\$1.74 to \$1.79
38	Raven Place Apts.	1	832	\$1321 to \$1366	\$1.59 to \$1.64
		2	1098	\$1421 to \$1466	\$1.29 to \$1.34
39	Old Stone Row at Shockoe Valley Heights	2	831 to 964	\$1360 to \$1610	\$1.64 to \$1.67
40	Engine Company Lofts	2	868 to 957	\$1588	\$1.66 to \$1.83

◆	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 - RICHMOND, VIRGINIA

TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
41	Cedar Broad Apts.	2	756	\$1534 to \$1609	\$2.03 to \$2.13
◆ 1	Carter Woods I & II	2	800	\$737 to \$1112	\$0.92 to \$1.39
◆ 3	Reflections	1.5	997	\$858 to \$948	\$0.86 to \$0.95
9	Mallard Greens Townhomes	1	830	\$963 to \$1028	\$1.16 to \$1.24
◆ 11	Bacon Retirement Community	1	750 to 800	\$750 to \$800	\$1.00 to \$1.00
17	Glenns at Millers Lane	2	830	\$1109	\$1.34
18	Jefferson Mews	1 to 2.5	1100	\$919 to \$1029	\$0.84 to \$0.94
19	Jefferson Townhomes	1 to 2	770	\$919 to \$929	\$1.19 to \$1.21
23	Apartments at Kingsridge I	2	952	\$817 to \$967	\$0.86 to \$1.02
25	Tobacco Landing	2	899	\$1050	\$1.17
◆ 30	Darby House	2	883	\$887	\$1.00
35	Market Slip	2	848	\$1030	\$1.21
24	Goodwyn at Union Hill	2	950	\$902 to \$1089	\$0.95 to \$1.15
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
4	River Lofts Cameron Kinney	2	1396 to 1620	\$1774 to \$2774	\$1.27 to \$1.71
6	River Lofts Cutter's Ridge	3.5	1997 to 2454	\$2496	\$1.02 to \$1.25
7	River Lofts American Cigar	2	1735	\$2774	\$1.60
14	Shockoe Valley View II	3	1110	\$1800	\$1.62
15	FIND III	1	1091 to 1103	\$975	\$0.88 to \$0.89
20	Lakefield Mews	2	1334	\$1761	\$1.32
28	Market Villas	2	992 to 1229	\$1561	\$1.27 to \$1.57
33	Dill Building	2	1506	\$2201	\$1.46
36	American Tobacco Center	2	1100 to 1317	\$1781 to \$2292	\$1.62 to \$1.74
41	Cedar Broad Apts.	2.5	1065	\$1943 to \$1991	\$1.82 to \$1.87
9	Mallard Greens Townhomes	1	910	\$1138 to \$1169	\$1.25 to \$1.28
17	Glenns at Millers Lane	2	1100	\$1291	\$1.17
18	Jefferson Mews	1 to 1.5	1300	\$1093 to \$1343	\$0.84 to \$1.03
19	Jefferson Townhomes	1 to 2	920 to 1106	\$1118 to \$1128	\$1.02 to \$1.22
23	Apartments at Kingsridge I	2	1116	\$961 to \$1126	\$0.86 to \$1.01
24	Goodwyn at Union Hill	2	982	\$1052 to \$1269	\$1.07 to \$1.29
FOUR+ BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
22	Pohlig Box Factory	3.5	4043	\$3439	\$0.85
19	Jefferson Townhomes	2	1175	\$1294 to \$1304	\$1.10 to \$1.11

◆	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 - RICHMOND, VIRGINIA

<b>MARKET-RATE</b>			
<b>UNIT TYPE</b>	<b>ONE-BR</b>	<b>TWO-BR</b>	<b>THREE-BR</b>
GARDEN	\$1.81	\$1.73	\$1.50
TOWNHOUSE	\$0.00	\$1.25	\$1.13

<b>TAX CREDIT (NON-SUBSIDIZED)</b>			
<b>UNIT TYPE</b>	<b>ONE-BR</b>	<b>TWO-BR</b>	<b>THREE-BR</b>
GARDEN	\$1.22	\$1.12	\$1.09
TOWNHOUSE	\$1.26	\$1.18	\$1.04

<b>COMBINED</b>			
<b>UNIT TYPE</b>	<b>ONE-BR</b>	<b>TWO-BR</b>	<b>THREE-BR</b>
GARDEN	\$1.70	\$1.59	\$1.24
TOWNHOUSE	\$1.26	\$1.21	\$1.05

## TAX CREDIT UNITS - RICHMOND, VIRGINIA

ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
24	Goodwyn at Union Hill	0	545	1	40%	\$496
◆ 30	Darby House	11	620 - 643	1	40%	\$520
◆ 1	Carter Woods I & II	16	600	1	40%	\$545
24	Goodwyn at Union Hill	0	545	1	50%	\$652
18	Jefferson Mews	4	700	1	50%	\$665
19	Jefferson Townhomes	61	620	1	60%	\$675 - \$685
◆ 30	Darby House	65	620 - 643	1	50%	\$675
◆ 12	Bowler Retirement Community	10	600	1	50%	\$680
◆ 11	Bacon Retirement Community	10	600	1	50%	\$680
◆ 11	Bacon Retirement Community	46	600	1	60%	\$700
◆ 12	Bowler Retirement Community	52	600	1	60%	\$700
◆ 1	Carter Woods I & II	31	600	1	50%	\$700
◆ 3	Reflections	52	788	1	50%	\$716
9	Mallard Greens Townhomes	3	710	1	60%	\$725
25	Tobacco Landing	16	662	1	50%	\$780
35	Market Slip	10	462 - 638	1	50%	\$780
24	Goodwyn at Union Hill	0	982	1	60%	\$808
18	Jefferson Mews	4	700	1	60%	\$820
◆ 1	Carter Woods I & II	44	600	1	60%	\$855
35	Market Slip	10	462 - 638	1	60%	\$900
25	Tobacco Landing	37	662	1	60%	\$900
32	Henrico Arms	72	593	1	60%	\$914

◆ - Senior Restricted

## TAX CREDIT UNITS - RICHMOND, VIRGINIA

TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
24	Goodwyn at Union Hill	0	950	2	40%	\$588
◆ 1	Carter Woods I & II	20	800	2	40%	\$645
23	Apartments at Kingsridge I	18	952	2	50%	\$690
◆ 11	Bacon Retirement Community	2	750 - 800	1	60%	\$750 - \$800
19	Jefferson Townhomes	80	770	1 - 2	60%	\$759 - \$769
◆ 3	Reflections	41	997	1.5	40%	\$766
24	Goodwyn at Union Hill	0	950	2	50%	\$775
◆ 30	Darby House	32	883	2	50%	\$795
18	Jefferson Mews	9	1100	1 - 2.5	50%	\$795
◆ 1	Carter Woods I & II	10	800	2	50%	\$835
23	Apartments at Kingsridge I	18	952	2	60%	\$840
9	Mallard Greens Townhomes	186	830	1	60%	\$850 - \$915
◆ 3	Reflections	11	997	1.5	50%	\$856
18	Jefferson Mews	8	1100	1 - 2.5	60%	\$905
17	Glenns at Millers Lane	72	830	2	60%	\$930
24	Goodwyn at Union Hill	0	950	2	60%	\$962
◆ 1	Carter Woods I & II	31	800	2	60%	\$1020
35	Market Slip	10	848	2	60%	\$1050
25	Tobacco Landing	9	899	2	60%	\$1050
32	Henrico Arms	116	757	1	60%	\$1077
THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
24	Goodwyn at Union Hill	0	982	2	40%	\$670
23	Apartments at Kingsridge I	18	1116	2	50%	\$795
24	Goodwyn at Union Hill	0	982	2	50%	\$886
19	Jefferson Townhomes	45	920 - 1106	1 - 2	60%	\$890 - \$900
18	Jefferson Mews	22	1300	1 - 1.5	50%	\$945
23	Apartments at Kingsridge I	18	1116	2	60%	\$960
9	Mallard Greens Townhomes	3	910	1	60%	\$999 - \$1030
17	Glenns at Millers Lane	72	1100	2	60%	\$1050
24	Goodwyn at Union Hill	0	982	2	60%	\$1103
18	Jefferson Mews	9	1300	1 - 1.5	60%	\$1195
32	Henrico Arms	44	885	1	60%	\$1219
FOUR-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
19	Jefferson Townhomes	32	1175	2	60%	\$995 - \$1005

◆ - Senior Restricted



# QUALITY RATING - RICHMOND, VIRGINIA

## MARKET-RATE PROJECTS AND UNITS

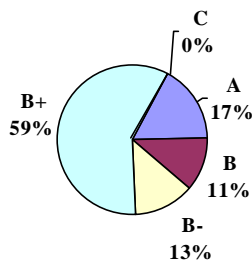
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A	6	527	11.6%		\$1,106	\$1,438	\$1,991	
B+	13	1,866	4.6%	\$1,006	\$1,133	\$1,610	\$2,201	
B	5	355	42.8%	\$1,015	\$1,268	\$1,718	\$1,561	\$3,439
B-	1	395	0.0%		\$1,009	\$1,335	\$1,761	
C	1	4	0.0%				\$975	

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

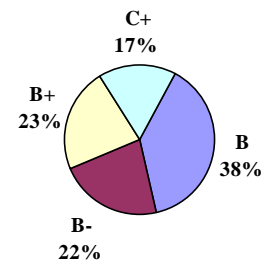
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
B+	3	284	0.0%		\$744	\$887	\$961	
B	5	476	0.6%		\$769	\$1,109	\$1,291	
B-	3	280	6.8%		\$700	\$1,028	\$1,138	
C+	1	218	0.0%		\$790	\$919	\$1,128	\$1,294

## DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



## YEAR BUILT - RICHMOND, VIRGINIA \*

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	21	2144	69	3.2%	2144	48.7%
1970 to 1979	0	0	0	0.0%	2144	0.0%
1980 to 1989	0	0	0	0.0%	2144	0.0%
1990 to 1999	3	513	1	0.2%	2657	11.6%
2000 to 2005	3	400	2	0.5%	3057	9.1%
2006 to 2010	3	216	3	1.4%	3273	4.9%
2011	0	0	0	0.0%	3273	0.0%
2012	1	204	6	2.9%	3477	4.6%
2013	0	0	0	0.0%	3477	0.0%
2014	1	150	5	3.3%	3627	3.4%
2015	1	34	3	8.8%	3661	0.8%
2016	0	0	0	0.0%	3661	0.0%
2017	2	288	14	4.9%	3949	6.5%
2018**	4	456	217	47.6%	4405	10.4%
<b>TOTAL</b>	<b>39</b>	<b>4405</b>	<b>320</b>	<b>7.3%</b>	<b>4405</b>	<b>100.0 %</b>

## YEAR RENOVATED - RICHMOND, 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	4	409	10	2.4%	409	18.6%
2000 to 2005	7	505	15	3.0%	914	23.0%
2006 to 2010	7	852	34	4.0%	1766	38.7%
2011	1	328	10	3.0%	2094	14.9%
2012	1	50	0	0.0%	2144	2.3%
2013	0	0	0	0.0%	2144	0.0%
2014	1	56	1	1.8%	2200	2.5%
2015	0	0	0	0.0%	2200	0.0%
2016	0	0	0	0.0%	2200	0.0%
2017	0	0	0	0.0%	2200	0.0%
2018**	0	0	0	0.0%	2200	0.0%
<b>TOTAL</b>	<b>21</b>	<b>2200</b>	<b>70</b>	<b>3.2%</b>	<b>2200</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 - RICHMOND, VIRGINIA

<b>APPLIANCES</b>			
<b>APPLIANCE</b>	<b>PROJECTS</b>	<b>PERCENT</b>	<b>UNITS*</b>
RANGE	38	100.0%	4,405
REFRIGERATOR	38	100.0%	4,405
ICEMAKER	20	52.6%	2,444
DISHWASHER	35	92.1%	4,111
DISPOSAL	35	92.1%	4,273
MICROWAVE	27	71.1%	3,417
<b>UNIT AMENITIES</b>			
<b>AMENITY</b>	<b>PROJECTS</b>	<b>PERCENT</b>	<b>UNITS*</b>
AC - CENTRAL	37	97.4%	4,343
AC - WINDOW	1	2.6%	62
FLOOR COVERING	38	100.0%	4,405
WASHER/DRYER	28	73.7%	3,056
WASHER/DRYER HOOK-UP	32	84.2%	3,771
PATIO/DECK/BALCONY	23	60.5%	2,604
CEILING FAN	24	63.2%	2,954
FIREPLACE	3	7.9%	196
BASEMENT	1	2.6%	12
INTERCOM SYSTEM	21	55.3%	2,264
SECURITY SYSTEM	4	10.5%	773
WINDOW TREATMENTS	38	100.0%	4,405
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	3	7.9%	364

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

## PROJECT AMENITIES - RICHMOND, VIRGINIA

<b>PROJECT AMENITIES</b>			
<b>AMENITY</b>	<b>PROJECTS</b>	<b>PERCENT</b>	<b>UNITS</b>
POOL	16	42.1%	2,503
ON-SITE MANAGEMENT	31	81.6%	3,958
LAUNDRY	10	26.3%	1,307
CLUB HOUSE	9	23.7%	1,655
MEETING ROOM	17	44.7%	1,803
FITNESS CENTER	26	68.4%	3,186
JACUZZI/SAUNA	5	13.2%	742
PLAYGROUND	4	10.5%	803
COMPUTER LAB	7	18.4%	1,089
SPORTS COURT	2	5.3%	551
STORAGE	1	2.6%	65
LAKE	2	5.3%	467
ELEVATOR	28	73.7%	3,178
SECURITY GATE	3	7.9%	350
BUSINESS CENTER	0	0.0%	
CAR WASH AREA	1	2.6%	395
PICNIC AREA	13	34.2%	1,961
CONCIERGE SERVICE	8	21.1%	1,164
SOCIAL SERVICE PACKAGE	3	7.9%	364



# DISTRIBUTION OF UTILITIES - RICHMOND, VIRGINIA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
<b>HEAT</b>			
LANDLORD			
ELECTRIC	7	822	16.8%
GAS	3	298	6.1%
TENANT			
ELECTRIC	25	2,969	60.8%
GAS	6	798	16.3%
			100.0%
<b>COOKING FUEL</b>			
LANDLORD			
ELECTRIC	8	656	13.4%
GAS	3	495	10.1%
TENANT			
ELECTRIC	28	3,668	75.1%
GAS	2	68	1.4%
			100.0%
<b>HOT WATER</b>			
LANDLORD			
ELECTRIC	7	822	16.8%
GAS	3	298	6.1%
TENANT			
ELECTRIC	25	2,969	60.8%
GAS	6	798	16.3%
			100.0%
<b>ELECTRIC</b>			
LANDLORD	10	1,120	22.9%
TENANT	31	3,767	77.1%
			100.0%
<b>WATER</b>			
LANDLORD	23	2,268	46.4%
TENANT	18	2,619	53.6%
			100.0%
<b>SEWER</b>			
LANDLORD	25	2,340	47.9%
TENANT	16	2,547	52.1%
<b>TRASH PICK-UP</b>			
LANDLORD	36	4,145	84.8%
TENANT	5	742	15.2%
			100.0%

# UTILITY ALLOWANCE - RICHMOND, VIRGINIA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	\$34	\$14		\$12	\$7	\$11	\$3	\$5	\$31	\$21	\$34	\$19	\$20
1	GARDEN	\$37	\$16		\$14	\$8	\$13	\$5	\$5	\$35	\$23	\$37	\$19	\$20
1	TOWNHOUSE	\$44	\$23		\$17	\$10	\$16	\$3	\$5	\$41	\$23	\$37	\$19	\$20
2	GARDEN	\$40	\$21		\$17	\$11	\$17	\$6	\$8	\$46	\$35	\$52	\$19	\$20
2	TOWNHOUSE	\$48	\$27		\$19	\$14	\$21	\$5	\$8	\$57	\$35	\$52	\$19	\$20
3	GARDEN	\$43	\$24		\$18	\$15	\$20	\$8	\$10	\$58	\$54	\$75	\$19	\$20
3	TOWNHOUSE	\$51	\$31		\$20	\$18	\$25	\$6	\$10	\$73	\$54	\$75	\$19	\$20
4	GARDEN	\$47	\$27		\$18	\$18	\$24	\$9	\$13	\$69	\$73	\$99	\$19	\$20
4	TOWNHOUSE	\$55	\$36		\$21	\$23	\$29	\$8	\$13	\$89	\$73	\$99	\$19	\$20

VA-Richmond (1/2019) Fees

Survey Date: January 2019

## 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.

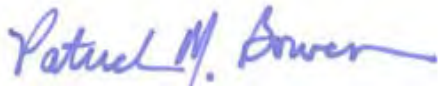
**Kelly Wiseman**, Research Specialist Director, has significant experience in the evaluation and surveying of housing projects operating under a variety of programs. In addition, she has conducted numerous interviews with experts throughout the country, including economic development, planning, housing 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: January 30, 2019



Craig Rupert

Market Analyst

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

Date: January 30, 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