

Market Feasibility Analysis

Cool Lane Apartments
1900 Cool Lane
Richmond, Henrico County, Virginia 23223

Prepared For

Ms. Julie Anderson
Virginia Supportive Housing
PO Box 8585
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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

19-117 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.

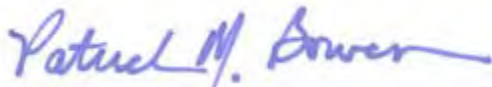
Bowen National Research is a disinterested third party without any current or future financial interest in the project under consideration. We have received a fee for the preparation of the market study. However, no contingency fees exist between our firm and the client.

VHDA Certification

I affirm the following:

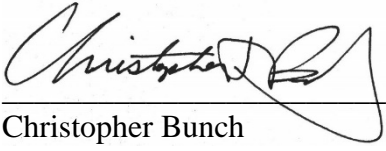
1. I have made a physical inspection of the site and market area
2. The appropriate information has been used in the comprehensive evaluation of the need and demand for the proposed rental units.
3. To the best of my knowledge the market can support the demand shown in this study. I understand that any 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 continued market feasibility of the Cool Lane Apartments project in Richmond, Virginia, following the adaptive-reuse of an existing building using Low-Income Housing Tax Credit (LIHTC) financing. This study was initiated by Ms. Julie Anderson of Virginia Supportive Housing 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 subject site is identified. The Site PMA is generally described as the smallest geographic area expected to generate most of the support for the subject 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 subject 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 subject development. An in-depth evaluation of those two property types provides an indication of the potential of the subject 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 adaptive-reuse of an existing building are complete 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 subject 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 subject development is determined. Using a Rent Comparability Grid, the features of the subject 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 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 Virginia Supportive Housing or Bowen National Research is strictly prohibited.

II. Executive Summary

This report evaluates the market feasibility of the proposed 86-unit Cool Lane Apartments rental community to operate as a Low-Income Housing Tax Credit (LIHTC) project in Richmond, Henrico County, 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 adaptive-reuse of an existing building built in 1977 and located at 1900 Cool Lane in Richmond, Henrico County, Virginia into an 86-unit rental housing project to be known as Cool Lane Apartments. The project will be comprised of six (6) studio and 80 one-bedroom garden-style units in a two-story, elevator-served residential building with integrated community spaces. Cool Lane Apartments will be developed using Low-Income Housing Tax Credits (LIHTC) and will target lower-income adults and formerly homeless persons earning up to 50% of Area Median Household Income (AMHI). Additionally, 43 of the units are anticipated to operate under the HUD Section 8 program, allowing tenants of these units to pay up to 30% of their adjusted gross household income towards shelter costs (rent and utilities). Proposed collected non-subsidized Tax Credit rents will be \$725. The proposed project is expected to be complete by December 2021. Additional details regarding the project are included in *Section III* of this report.

Site Evaluation

The site is a 5.34-acre parcel located at 1900 Cool Lane in Henrico County, Virginia. The site consists of a two-story vacant building and adjacent parking lots and is located within a neighborhood with commercial and residential land uses. Adjacent land uses include single family homes, a grocery store, convenience stores, a gas station, and a church. The site has excellent visibility along Cool Lane, as the site building maintains frontage along this street. Access is aided by existing roadways at the southeast and southwest corners of the site. The subject site is also within very close proximity of Interstate 64 and various public bus stops which further enhance access to the subject site. Most community services are within 2.0 miles and are easily accessible via Mechanicsville Turnpike (U.S. Highway 360) and Interstate 64. Overall, it is our opinion that the site is conducive to affordable rental product such as that proposed for the subject 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 Site PMA includes the southern portion of Henrico County and portions of northern and eastern Richmond. The boundaries of the Site PMA include East Laburnum Avenue to the north, North Laburnum Avenue, and South Laburnum Avenue to the east; U.S. Highway 60 and railroad tracks north of Charles City Road to the south; and the James River, Interstate 95, Interstate 64, and U.S. Highway 301 to the west. A map of the Site PMA is included in *Section IV* on *page 11*.

Demographic Overview

Demographic growth is projected for the Site PMA between 2019 and 2024 in terms of both total population and household growth, a trend which has been ongoing since 2000. The Site PMA is largely comprised of renter households as such households represent nearly 60.0% of the total household base. The number of renter households is projected to increase by 678, or 3.7%, between 2019 and 2024 and smaller one- and two-person households are expected to experience the most rapid growth among renter households during this time period. These smaller renter household sizes also represent approximately 65.0% of all renter households in the market. Further, nearly 60.0% of all one- and two-person renter households are projected to earn less than \$30,000 in 2024. It is also important to note that more than 600 homeless persons were identified within the local Continuum of Care (CoC) jurisdiction, which includes the City of Richmond and Henrico County. Based on the preceding factors, a large and expanding base of potential size- and income-appropriate renter support, as well as potential support from homeless individuals, exists within and near the Site PMA for 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 12*.

Economic Summary

The labor force within the Site PMA is well-balanced as no single industry segment represents more than 11.9% of the total labor force within the market. A well-diversified labor force generally contributes to the strength of the local economy. The employment base within Henrico County has steadily improved each of the past nine years and employment growth rates within the county have outpaced statewide trends during this time period. Notably, more than 25,000 jobs have been added in Henrico County since 2009, an increase of nearly 17.0% during this time period. Similarly, the unemployment rate within the county has also improved significantly over the past several years, as it has fallen more than four full percentage points since 2010, to a rate of just 3.0% through the end of 2018. Based on the preceding factors and considering the numerous announcements of new and/or expanding businesses within the Greater Richmond area, we expect the Richmond/Henrico County economy will remain strong and continue to improve for the foreseeable future. Additional economic information is included in *Section IV* of this report, beginning on *page 19*.

Housing Supply Analysis

We identified and personally surveyed 45 conventional rental housing projects containing a total of 5,166 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 93.8%, 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	28	3,155	298	90.6%
Market-Rate/Tax Credit	1	143	0	100.0%
Market-Rate/Tax Credit/Government-Subsidized	1	128	0	100.0%
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	45	5,166	320	93.8%

All rental housing segments surveyed report overall occupancy rates of 90.6% 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 offer studio and one-bedroom garden-style units targeting general-occupancy and/or homeless/formerly homeless households earning up to 50% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. None of the LIHTC properties identified within the Site PMA specifically target homeless/formerly homeless households such as some units proposed for the subject property. We have, however, surveyed five existing general-occupancy LIHTC properties which offer one-bedroom units at similar income levels as compared to those proposed for the subject property. These properties will be competitive with the general-occupancy units proposed for the subject project and provide a good base of comparability for the subject's one-bedroom units. Thus, these five LIHTC properties have been included in our comparable/competitive Tax Credit analysis.

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

Map I.D.	Project Name	Year Built/Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Cool Lane Apartments	2021	86	-	-	-	General-Occupancy & Formerly Homeless; 50% AMHI & Section 8
18	Jefferson Mews	1994 / 2014	56	98.2%	1.6 Miles	None	Families; 50% & 60% AMHI
25	Tobacco Landing	1994	62	100.0%	2.2 Miles	3 H.H.	Families; 50% & 60% AMHI
35	Market Slip	1860 / 1994	30	100.0%	1.9 Miles	3 H.H.	Families; 50% & 60% AMHI
40	North Oak Apts.	1963 / 2012	141*	100.0%	3.3 Miles	None	Families; 60% AMHI
44	Highland Grove	2013	118*	100.0%	1.7 Miles	None	Families; 50% AMHI & Public Housing

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

The five comparable LIHTC projects have a combined occupancy rate of 99.8%, which is reflective of just one (1) vacant three-bedroom unit at Jefferson Mews (Map ID 18). Thus, all comparable one-bedroom units offered among these properties are currently occupied (0.0% vacancy rate), demonstrating strong demand for product similar to that proposed for the majority of the subject property. None of the comparable LIHTC units offer studio units. It is also important to reiterate that none of the comparable LIHTC properties specifically target homeless/ formerly homeless individuals/households such as the subject project. This is expected to create a competitive advantage for the property and the subject project will help fill a void in the Site PMA rental 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
		Studio	One-Br.	Two-Br.	Three-Br.	
Site	Cool Lane Apartments	\$650/50% (3) \$889/50% (3)*	\$725/50% (40) \$932/50% (40)*	-	-	-
18	Jefferson Mews	-	\$750/50% (4/0) \$905/60% (4/0)	\$919/50% (9/0) \$1,029/60% (8/0)	\$1,093/50% (22/0) \$1,343/60% (9/1)	None
25	Tobacco Landing	-	\$780/50% (16/0) \$900/60% (37/0)	\$1,050/60% (9/0)	-	None
35	Market Slip	-	\$760/50% (10/0) \$880/60% (10/0)	\$1,030/60% (10/0)	-	None
40	North Oak Apts.	-	\$715/60% (43/0)	\$826/60% (98/0)	-	None
44	Highland Grove	-	\$830/50% (20/0) \$674/50% (14/0)*	\$1,006-\$1,028/50% (30/0) \$841/50% (12/0)*	\$1,186-\$1,212/50% (30/0) \$996/50% (12/0)*	None

*Subsidized (residents pay 30% of their income, as this is a government-subsidized property, which also operates under the Tax Credit program)

As the preceding illustrates, the subject's non-subsidized gross Tax Credit rents are among the lowest LIHTC rents reported for similar unit types at the comparable properties. Thus, the subject project is considered very competitive in terms of price point. This is especially true when considering the newness and anticipated quality of the subject project, as well as the fact that the subject units will come furnished with basic living and bedroom furnishings.

Comparable/Competitive Tax Credit Summary

The five most comparable LIHTC properties surveyed in the Site PMA report an overall occupancy rate of 99.8%, but all one-bedroom units offered among these projects are occupied. Thus, the proposed unit types for the majority of the subject development are clearly in strong demand within the Site PMA. The subject's proposed non-subsidized Tax Credit rents are very competitive with those reported among similar unit types at the comparable properties and are considered affordable to low-income individuals within the market. The property will also compete well in terms of overall design (square feet and number of bathrooms) and amenities offered. In fact, the subject property will include all basic living and bedroom furnishings within each unit, a feature not offered among the comparable properties. This is expected to create a competitive advantage for the property and is considered beneficial to the targeted homeless/formerly homeless population.

Comparable Special Needs Supply Analysis

As detailed throughout this report, the subject project will offer some units which will be set aside for homeless/formerly homeless individuals/households. Since none of the comparable Tax Credit properties evaluated within this report specifically target this special-needs population, we have included a separate analysis of additional homeless-oriented properties surveyed within the Site PMA and surrounding areas of Richmond. These six additional properties are summarized along with the subject project in the following table:

Map I.D.	Project Name	Year Built/Renovated	Units	Occ. Rate	Distance to Site	Target Market (Waiting List)
Site	Cool Lane Apartments	2021	43*	-	-	Homeless/At-Risk; 50% AMHI & Section 8
13	FIND II	1920 / 2002	4	100.0%	1.5 Miles	Homeless; Affordable Market-Rate (Yes; # unknown)
14	FIND III	1919 / 2002	4	100.0%	2.0 Miles	Homeless; Affordable Market-Rate (Yes; # unknown)
15	FIND IV	1920 / 2004	4	100.0%	1.3 Miles	Homeless; Affordable Market-Rate (Yes; # unknown)
901	Studios I	2011	21	100.0%	6.8 Miles	Homeless Individuals; 50% AMHI & Section 8 (Yes; # unknown)
902	Studios II	1972 / 1997	39	100.0%	6.8 Miles	Homeless Individuals; 50% AMHI & Section 8 (Yes; # unknown)
903	Daily Planet Safe Haven	2002	11	100.0%	4.5 Miles	Homeless Individuals; Private Subsidy (None)

Occ. – Occupancy

900 Map IDs are located outside of the Site PMA

*Homeless set aside units only

As the preceding illustrates, the six homeless-oriented rental properties surveyed in the market and region are all 100.0% occupied. This is a clear indication of strong and pent-up demand for such product within the Richmond area. The subject project is expected to help alleviate a portion of this pent-up demand.

The subject project will provide a project-based Section 8 subsidy to each of the special-needs units proposed for the subject site. Further, the three traditional homeless-oriented properties surveyed outside the Site PMA also provide some type of subsidy to their tenants. As such, we have not provided a rent analysis of the subject and comparable special-needs properties, as the majority of the residents of these properties will effectively pay little to no rent due to the available subsidies. The subsidy proposed for the subject project will ensure the subject’s special-needs units are marketable within the Site PMA and is considered appropriate for and beneficial to the targeted population segment.

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 rent for a one-bedroom unit similar to those proposed for the subject project is \$1,055, which is illustrated as follows:

Bedroom Type	% AMHI	Proposed Collected Rent*	Achievable Market Rent	Market Rent Advantage
Studio	50%	\$650	\$990	34.3%
One-Br.	50%	\$725	\$1,055	31.3%

*Non-subsidized units only

Typically, Tax Credit rents set at 60% of AMHI are set 10% or more below achievable market rents to ensure that the project will have a sufficient flow of tenants. Thus, units such as those proposed at the lower 50% AMHI level generally should represent an even greater market rent advantage, typically of at least 20% in an urban market such as the subject Site PMA. As such, the subject rents are expected to be perceived as a significant value within the market as they represent a market rent advantages ranging from 31.3% to 34.3%.

Capture Rate Estimates

The following is a summary of our demand calculations. *Note that since the subject project is comprised entirely of one-bedroom units, our demand estimates have been limited to only include one- and two-person households.*

Demand Component	Percent of Median Household Income			
	Scenario One: LIHTC w/Subsidy Limited to 50% AMHI			Scenario Two: LIHTC Only Limited to 50% AMHI (\$22,286-\$33,300)
	Subsidized LIHTC Units (\$0-\$33,300)	LIHTC Only Units (\$22,286-\$33,300)	Overall (\$0-\$33,300)	
Net Demand	5,299	1,302	5,299	1,302
Proposed Units	43	43	86	86
Proposed Units / Net Demand	43 / 5,299	43 / 1,302	86 / 5,299	86 / 1,302
Capture Rate	= 0.8%	= 3.3%	= 1.6%	= 6.6%

Utilizing this methodology, capture rates below 30.0% are considered achievable, though capture rates below 20.0% are considered ideal. As such, the subject’s capture rates ranging from 0.8% to 3.3% under the subsidized scenario are considered low and achievable within the 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.

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 size- and income-appropriate renter households would still exist for the subject project. This is evident by the low 6.6% capture rate for the subject project as a whole, under this scenario.

Supplemental Homeless Demand Estimates

As discussed in *Section IV*, according to the 2018 Point-In-Time survey conducted by the VA-500 Richmond/Henrico, Chesterfield, Hanover Counties Continuum of Care (CoC), there are a total of 609 homeless persons within the CoC’s jurisdiction. It is important to note that this is a conservative count, as not all homeless individuals within the Continuum of Care’s jurisdiction are identified within the 24-hour survey period. Regardless, this provides a good representation of the depth of support for special needs units such as the set aside units to be offered at the subject project.

Based on the preceding analysis, we have provided a homeless renter household capture rate, as summarized in the following table:

	Homeless Capture Rate
Number of Subject Units	43
Eligible Renters – 2018	/ 609
Capture Rate	= 7.1%

Considering the nature of homelessness, capture rates up to and above 100% are considered achievable. Therefore, the capture rate of 7.1% is considered low and demonstrates a deep base of potential support for the homeless units at the subject project.

Penetration Rate Calculations

The 236 existing directly comparable (by bedroom type and AMHI level) non-subsidized Tax Credit units identified and/or surveyed in the market must also be considered, along with the 11 such units currently in the development pipeline, 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 \$22,286 to \$33,300. The following table summarizes the market penetration rate 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)	333
Size- and Income-Eligible Renter Households – 2021	/ 1,858
Overall Market Penetration Rate	= 17.9%

It is our opinion that the 17.9% penetration rate for the LIHTC units, both existing and proposed, is achievable. This is especially true when considering the 100.0% occupancy rate of the directly comparable LIHTC units surveyed in the market.

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

Absorption Estimates

It is our opinion that the 86 LIHTC units proposed for the subject site will reach a stabilized occupancy of 95% within five months of opening. This absorption rate is based on an average monthly absorption rate of approximately 16 to 17 units per month. It is also anticipated that the subject's subsidized homeless/formerly homeless units will experience the most rapid absorption of the subject units, as these units will likely be filled as fast as applications can be processed. Of course, this assumes that management/ownership of the subject project forms strong relationships and works closely with area referral agencies to help identify and attract homeless individuals within the Greater Richmond area. The preceding absorption projections assume the project will be built as outlined in this report and will operate with a project-based subsidy available to half (43) of the 86 subject units. Changes to the project's rents, amenities, floor plans, location, subsidy availability or other features may invalidate our findings.

Should the project-based Section 8 subsidy not be secured, the subject property would likely experience an extended absorption period due to the more limited demographic base for the subject project under this unlikely scenario. In this instance, we would expect the subject project would reach a stabilized occupancy rate of 95% within seven months of opening. This is reflective of an average monthly absorption rate of approximately 11 to 12 units per month.

III. Project Description

The subject project involves the adaptive-reuse of an existing building built in 1977 and located at 1900 Cool Lane in Richmond, Henrico County, Virginia into an 86-unit rental housing project to be known as Cool Lane Apartments. The project will be comprised of six (6) studio and 80 one-bedroom garden-style units in a two-story, elevator-served residential building with integrated community spaces. Cool Lane Apartments will be developed using Low-Income Housing Tax Credits (LIHTC) and will target lower-income adults and formerly homeless persons earning up to 50% of Area Median Household Income (AMHI). Additionally, 43 of the units are anticipated to operate under the HUD Section 8 program, allowing tenants of these units to pay up to 30% of their adjusted gross household income towards shelter costs (rent and utilities). Proposed collected non-subsidized Tax Credit rents will be \$725. The proposed project is expected to be complete by December 2021. Additional details of the subject project are as follows:

- A. PROJECT NAME:** Cool Lane Apartments
- B. PROPERTY LOCATION:** 1900 Cool Lane
Richmond, Virginia 23223
(Henrico County)
- C. PROJECT TYPE:** Tax Credit & Section 8
- D. UNIT CONFIGURATION AND RENTS:**

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Program Rents			
						Collected Rent	Utility Allowance	Gross Rent	Max. Allowable LIHTC Gross Rent
3	Studio	1.0	Garden	504	50%	\$650	\$0	\$650	\$728
3^	Studio	1.0	Garden	504	50%/Section 8	\$889	\$0	\$889	\$728
40	One-Br.	1.0	Garden	525	50%	\$725	\$0	\$725	\$780
40^	One-Br.	1.0	Garden	525	50%/Section 8	\$932*	\$0	\$932	\$780
86	Total								

Source: Virginia Supportive Housing

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

*Represents proposed Section 8 Contract Rent; Residents will pay up to 30% of income toward rent

^Homeless/Formally Homeless units

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 proposed rent illustrated in the preceding table is reflective of the contract rent under the Section 8 program. In the event this subsidy was lost and these units were to operate exclusively under the LIHTC program, rents would need to be lowered to, or below, the maximum allowable LIHTC gross rent reflected for the proposed units in the preceding table. For

the purpose of this report, we assume these units would also operate at the same rent levels (\$650 and \$725) as the non-subsidized units currently proposed.

E. TARGET MARKET: Low-income individuals & formerly homeless

F. PROJECT DESIGN: Garden-style units in a two-story, elevator-served residential building with integrated community spaces.

G. ORIGINAL YEAR BUILT: 1977 (Adaptive Reuse)

H. PROJECTED OPENING DATE: December 2021

I. UNIT AMENITIES:

- Electric Range
- Refrigerator
- Central Air Conditioning
- Furnishings*
- VCT Flooring
- Window Blinds
- Intercom

*All units will be furnished with bed, dresser, table and two chairs, nightstand, love seat, and coffee table

J. COMMUNITY AMENITIES:

- On-Site Management
- Community Room
- Laundry Facility
- Fitness Center
- Elevator
- Key Fob Access
- Security Cameras
- Supportive/Social Services*

*On-site supportive services will include case management, counseling and skills training, at a minimum.

K. UTILITY RESPONSIBILITY:

The costs of all utilities, including electric cooking, electric heat, electric water heat, general electricity, cold water, sewer and trash collection will be included in the rent.

L. PARKING:

An unassigned surface parking lot containing 227 spaces will be available to the residents at no additional charge.

M. CURRENT OCCUPANCY:

Not Applicable; Adaptive Reuse

N. PLANNED RENOVATION:

Not Applicable; Adaptive Reuse

O. STATISTICAL AREA:

Richmond, VA MSA (2018)

P. FLOOR AND SITE PLAN REVIEW:

Floor and site plans for the subject project were not available for review at the time this report was prepared. Additional information provided by the developer, however, indicates that the property will be comprised of studio and one-bedroom garden-style units located within a two-story elevator-equipped building. All units will come furnished with a bed, dresser, table and two chairs, nightstand, love seat, and coffee table. A range and refrigerator will also be provided as kitchen appliances and each unit will have intercom access within a controlled access building. The property will feature common/community areas such a fitness center, laundry facility, and a community room, as well as an on-site management office. Overall, the subject project appears to be conducive to affordable rental product, particularly for the targeted homeless population. It is important, however, that the developer is aware of and considers any potential design constraints that may exist due to the property being developed within the footprint of an existing structure. Such constraints could include, but may not be limited to, support columns, lack of exterior windows allowing for proper natural light, irregularly shaped units, and/or undesirable unit locations within the building/property.

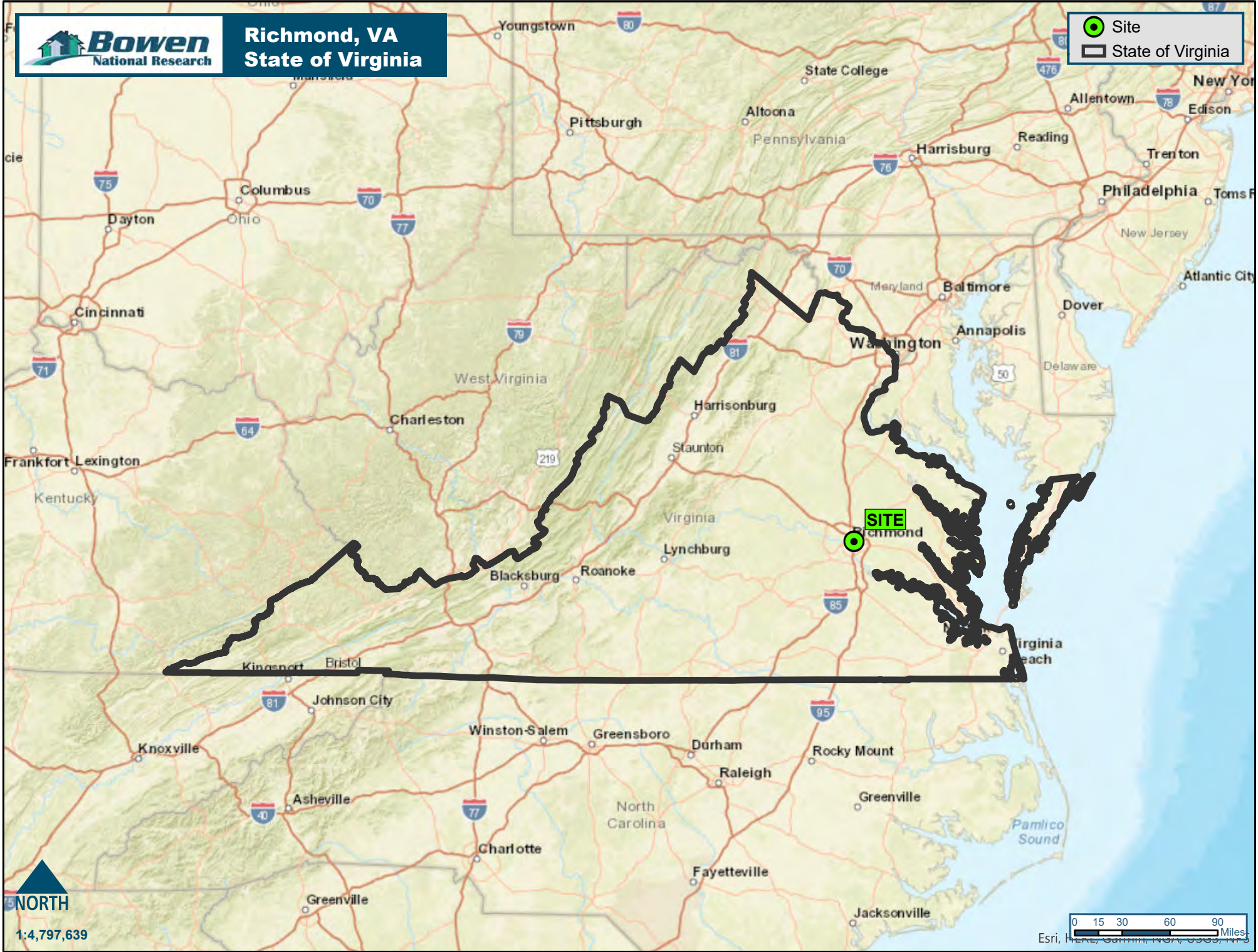
An in-depth comparable/competitive analysis is included in Section V to better evaluate the subject project's competitive position and marketability within the Richmond market.

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



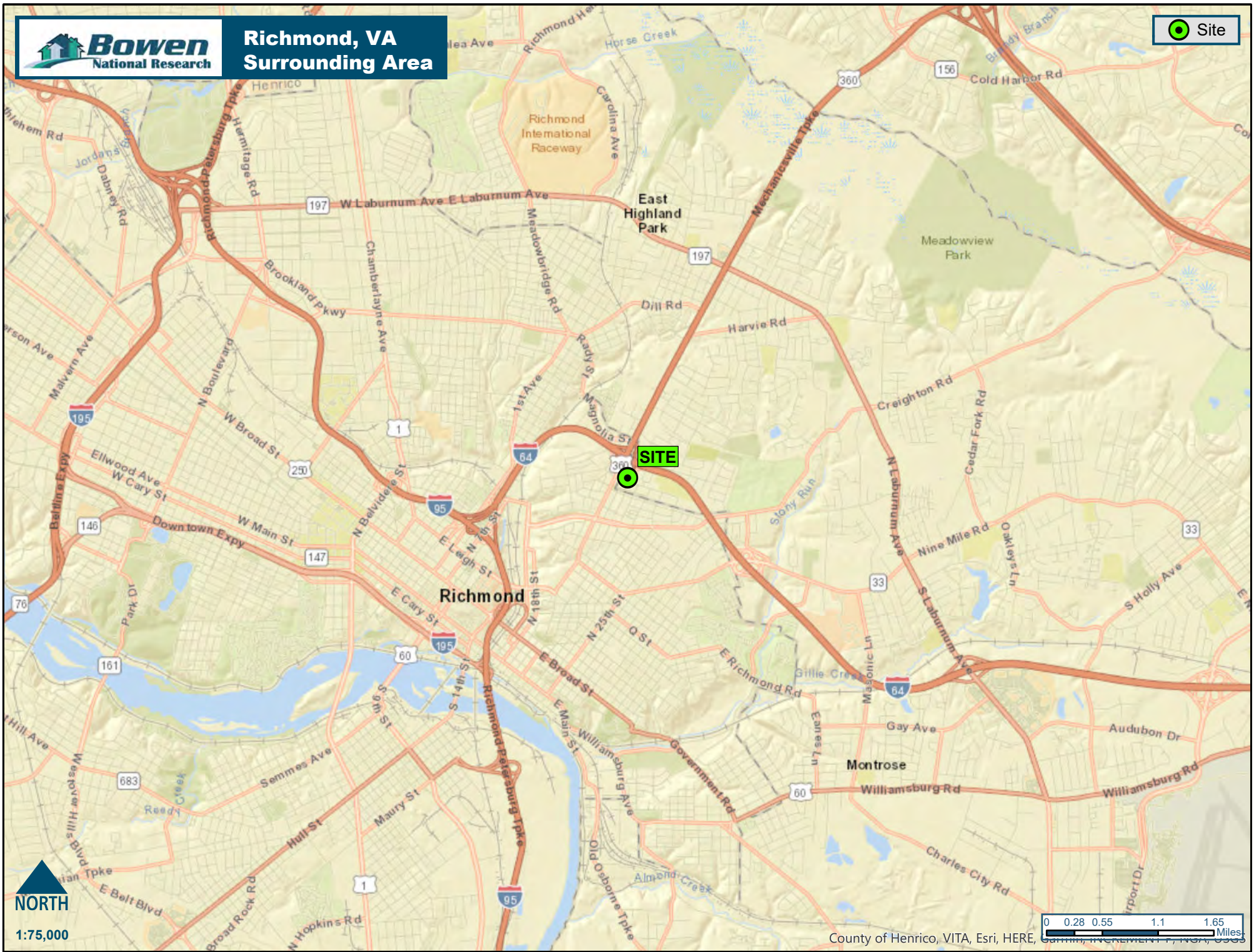
NORTH
1:4,797,639

0 15 30 60 90 Miles
Esri, HERE, Garmin, NAV, USGS, FWS

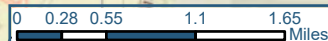


Richmond, VA Surrounding Area

Site



1:75,000





Richmond, VA Site Neighborhood

Legend
Site Area



NORTH
1:4,510

0 0.02 0.04 0.09 0.14 Miles

IV. Area Analysis

A. SITE DESCRIPTION AND EVALUATION

1. LOCATION

The site is a 5.34-acre parcel located at 1900 Cool Lane in the southern portion of Henrico County, Virginia. The site parcel consists of an existing two-story building formerly used as an assisted-living facility. The existing two-story building was vacant on the date of our visit. The site is located approximately 2.5 miles northeast of the Richmond Central Business District. The subject site visit and corresponding fieldwork were completed during the week of January 28, 2019.

2. SURROUNDING LAND USES

Surrounding land uses include single-family homes, a church, convenience stores, gas stations, a grocery store, and a highway interchange. Adjacent land uses are detailed as follows:

North -	The Interstate 64/U.S. Highway 360 interchange borders the site to the north. A row of mature trees is located along the northern border of the site, which mostly blocks view of this highway interchange from the site building. A single-family residential neighborhood is located on the north side of Interstate 64. Commercial and retail buildings are located farther north of the site along U.S. Highway 360 (Mechanicsville Turnpike).
East -	A single-family residential neighborhood borders the site to the east. A chain-link fence separates the site from the adjacent single-family neighborhood. Homes within this neighborhood are generally in satisfactory condition. The Armstrong High School campus is located immediately east of the single-family neighborhood on the north side of Cool Lane.
South -	Cool Lane, a two-lane street, borders the site to the south. Cool Lane generally experiences light to moderate vehicular traffic, with notable traffic increases during opening and dismissal times at nearby Armstrong High School. Community Supermarket, a vacant convenience store, and Faith Community Baptist Church are each located on the south side of Cool Lane. Community Supermarket and the vacant convenience store are in satisfactory condition, while Faith Community Baptist Church is in good condition. A single-family neighborhood is located farther south of the site along Mechanicsville Turnpike.

West -

A Valero gas station/convenience store borders the site to the west. This property is in satisfactory condition. Mechanicsville Turnpike (U.S. Highway 360) is located immediately west of Valero. Mechanicsville Turnpike is a four-lane street with moderate to heavy vehicular traffic. Commercial businesses are located on the west side of Mechanicsville Turnpike, including a Shell gas station, 360 Express Mart and Deli, Ruby Red Beauty Supply, and Davinci Pizza. A single-family residential neighborhood and the Whitcomb Court Apartments extend farther west of the site along Whitcomb Street.

The site is adjacent to a variety of residential and commercial land uses. The site location near Mechanicsville Turnpike (U.S. Highway 360) and Interstate 64 is viewed as a positive marketing attribute, as it allows for convenient access to community services throughout the Richmond area. Note that the site is adjacent to the Interstate 64/U.S. Highway 360 interchange. A row of mature trees is located between the site and the highway. This row of mature trees helps to reduce visibility and traffic noise from the adjacent highway and interchange. Therefore, we do not believe that the proximity of this highway interchange will adversely affect the marketability of the site.

Overall, the subject property fits well with the surrounding land uses and they should contribute to the marketability of the site. The proposed renovations to the subject building will help preserve an existing building and contribute to revitalization efforts in the subject neighborhood. Photographs of the site can be found in *Section VIII* of this report.

3. VISIBILITY AND ACCESS

The site is located on the north side of Cool Lane, 0.1 mile east of Mechanicsville Turnpike. Visibility of the site building is excellent from Cool Lane, as the existing building maintains significant frontage along Cool Lane. A portion of the site building is also visible to northbound motorists traveling on Mechanicsville Turnpike. Due to the mature tree line in place along the northern boundary of the site, the site building is not clearly visible from Interstate 64.

Access to the site is aided by existing roadways used when the site building was formerly an assisted-living facility. These roadways encircle the building and connect to surface parking lots at the northeast and northwest corners of the site. Access to the site is considered excellent due to the existence of these roadways and parking lots. Traffic along Cool Lane is generally light to moderate, and access to the site is not expected to be difficult. A traffic signal at the intersection of Cool Lane and

Mechanicsville Turnpike further regulates traffic along Cool Lane. The subject's proximity to Interstate 64 further enhances accessibility.

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	U.S. Highway 360 (Mechanicsville Turnpike) Interstate 64	0.1 North 0.2 North
Public Bus Stop	Greater Richmond Transit Authority (Bus Route 5) Greater Richmond Transit Authority (Bus Route 12)	0.2 Southwest 0.3 East
Major Employers/ Employment Centers	Bon Secours Richmond VCU Health System Wells Fargo Dominion Energy	1.4 South 3.0 Southwest 3.8 Southwest 3.9 Southwest
Convenience Store	Valero Shell 360 Express Mart and Deli	0.1 West 0.2 West 0.2 West
Grocery	Community Supermarket Market at 25 th (Under Construction) Food Lion	0.1 South 1.3 South 1.5 Northeast
Discount Department Store	Roses Family Dollar Walmart Supercenter	1.1 North 1.2 South 3.3 Southeast
Shopping Center/Mall	Oak Hill Plaza Glen Lea Shopping Center East Gate Shopping Center	1.5 Northeast 2.0 Northeast 3.2 East
Schools: Elementary Middle/Junior High High	Ratliffe Elementary Fairfield Middle Highland Springs High	2.3 Northeast 4.0 East 7.0 West
Hospital	Bon Secours Richmond Community Hospital VCU Medical Center	1.4 South 3.0 Southwest
Police	Henrico County Police (South Station)	6.3 Southeast
Fire	Henrico County Fire Department (Firehouse 7)	2.2 Northeast
Post Office	U.S. Post Office	1.9 Southwest
Bank	SunTrust Bank (East Main Street) Wells Fargo Bank SunTrust Bank (East Broad Street)	2.6 Southwest 2.7 Southeast 2.8 South
Recreational Facilities	Hidden Creek Recreation Center Glenwood Golf Club	1.5 East 1.5 East
Gas Station	Valero Shell Exxon	0.1 West 0.2 West 0.5 North
Pharmacy	Walgreens McGuire Park Pharmacy CVS Pharmacy	2.0 Northeast 2.4 Southwest 2.6 Northeast

(Continued)

Community Services	Name	Driving Distance From Site (miles)
Restaurant	Davinci Pizza	0.2 Southwest
	McDonald's	0.5 North
	Stuart's Fresh Catch	0.5 North
	Pizza Hut	1.4 North
	Subway	1.4 North
Day Care	Robert L. Taylor Childcare Center	1.5 South
	Bethlehem Baptist Day Care	0.9 Southwest
	Love and Learn Child Care	3.6 East
Community Center	Hidden Creek Recreation Center	1.5 East
Library	Henrico County Public Library	2.8 East
Park	Hidden Creek Park	1.5 East
	Jefferson Park	1.6 Southeast
	Chimborazo Park	2.6 South
Church	Faith Community Baptist Church	0.1 South
	Wesley Memorial United Methodist Church	0.3 Southwest
	Mosby Memorial Baptist Church	1.0 North

The site is near several community services in the southern portion of Henrico County and the northern portion of the City of Richmond. The site is adjacent to or near a grocery store, three convenience stores, two gas stations, and a church. Mechanicsville Turnpike, located 0.1 mile west of the site, is a major commercial corridor in the southern portion of Henrico County. Mechanicsville Turnpike provides access to restaurants, grocery stores, and the nearest pharmacy to the site. Access to Interstate 64 is 0.3 miles north of the site, leading to additional employment and shopping opportunities throughout the Greater Richmond area.

Greater Richmond Transit Authority (GRTA) provides public transportation services within the site area. The site is within 0.3 miles of two bus stops. The nearest bus stop, located at Mechanicsville Turnpike and Phaup Street, provides service along Bus Route 5. A bus stop is also located on the north side of Cool Lane, adjacent to Armstrong High School. This bus stop provides service along Bus Route 12. Bus Route 5 and Bus Route 12 each provide access to community services in the southern portion of Henrico County and the northern portion of Richmond.

5. OVERALL SITE EVALUATION

The site is a 5.34-acre parcel located at 1900 Cool Lane in Henrico County, Virginia. The site consists of a two-story vacant building and adjacent parking lots and is located within a neighborhood with commercial and residential land uses. Adjacent land uses include single family homes, a grocery store, convenience stores, a gas station, and a church. The site has excellent visibility along Cool Lane, as the site building maintains frontage along this street. Access is aided by existing roadways at the southeast and southwest corners of the site. The subject site is also within very close proximity of Interstate 64 and various public bus stops which further

enhance access to the subject site. Most community services are within 2.0 miles and are easily accessible via Mechanicsville Turnpike (U.S. Highway 360) and Interstate 64. Overall, it is our opinion that the site is conducive to affordable rental product such as that proposed for the subject 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 Henrico County is 72, with indexes for personal and property crime of 53 and 74, respectively.

	Crime Risk Index	
	Site Zip Code	Henrico County
Total Crime	136	72
Personal Crime	174	53
Murder	512	107
Rape	79	55
Robbery	248	61
Assault	148	47
Property Crime	130	74
Burglary	141	60
Larceny	125	82
Motor Vehicle Theft	148	44

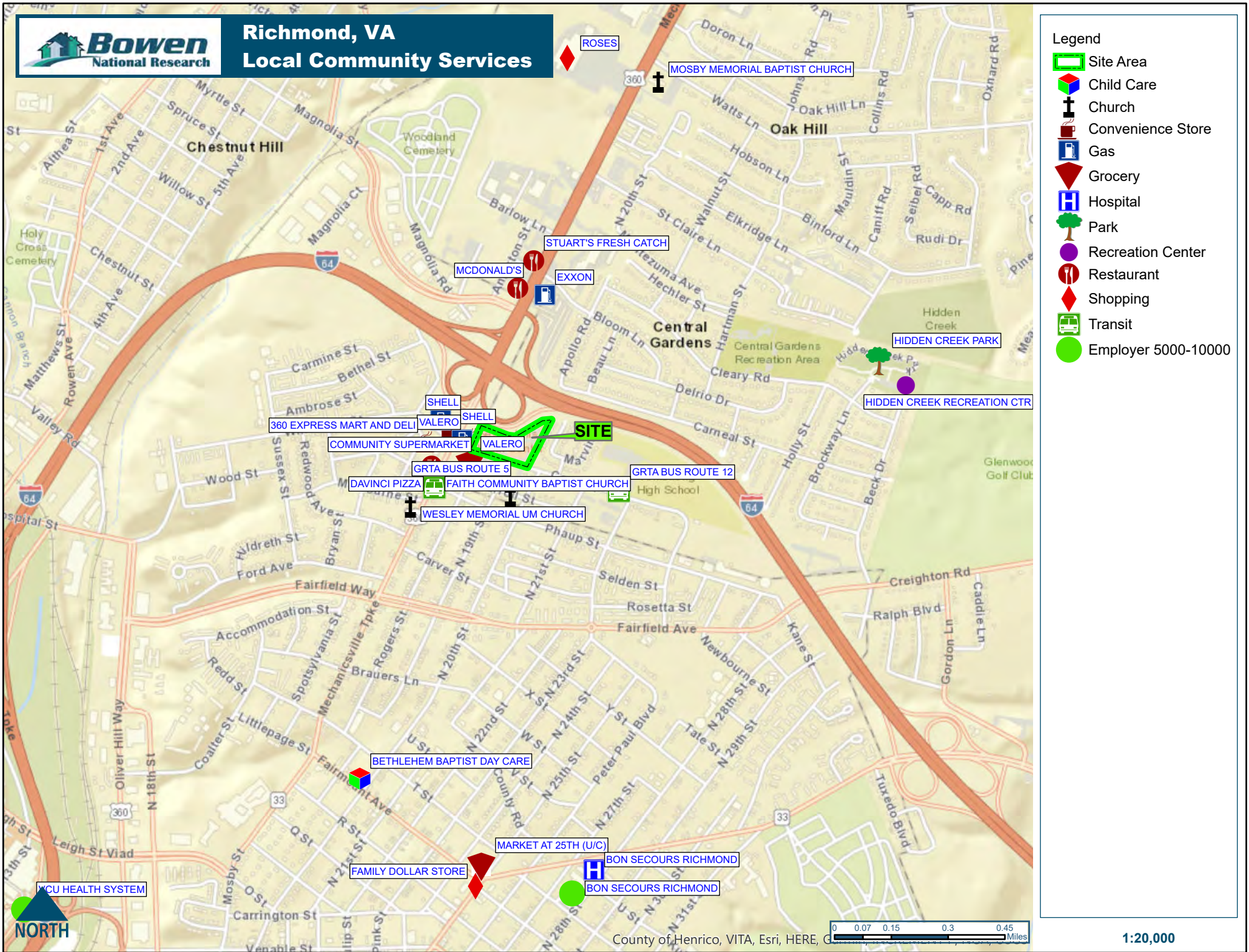
Source: Applied Geographic Solutions

Although the crime risk index for the Site Zip Code (136) is higher than that reported for Henrico County (72) as a whole, it is not considered high for a densely populated urban area such as the site area. This crime index is also similar to the national average of 100. As such, crime is not expected to have any adverse impact on marketability of the subject project.

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



Richmond, VA Local Community Services

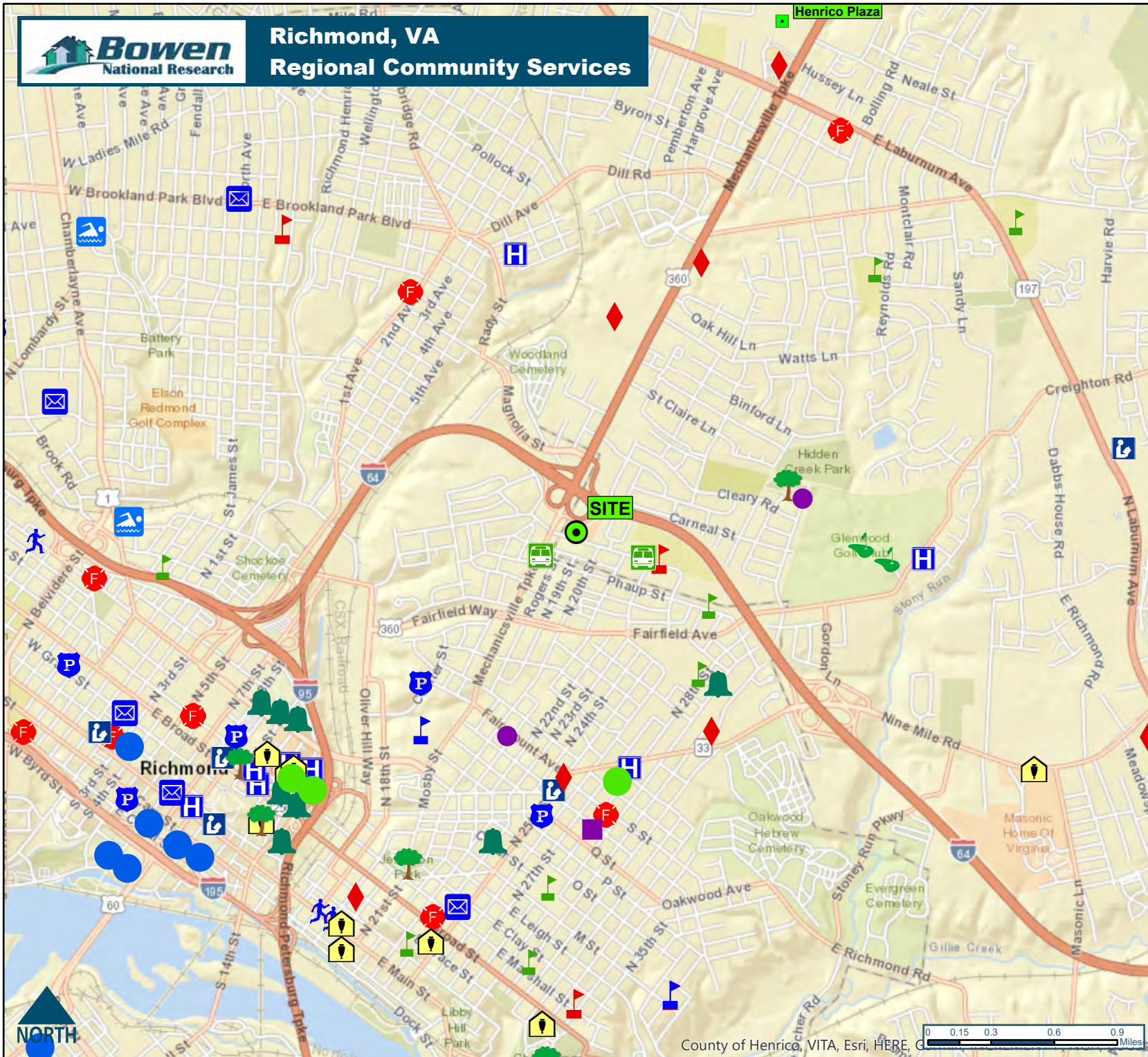


- Legend
- Site Area
 - Child Care
 - Church
 - Convenience Store
 - Gas
 - Grocery
 - Hospital
 - Park
 - Recreation Center
 - Restaurant
 - Shopping
 - Transit
 - Employer 5000-10000





Richmond, VA Regional Community Services



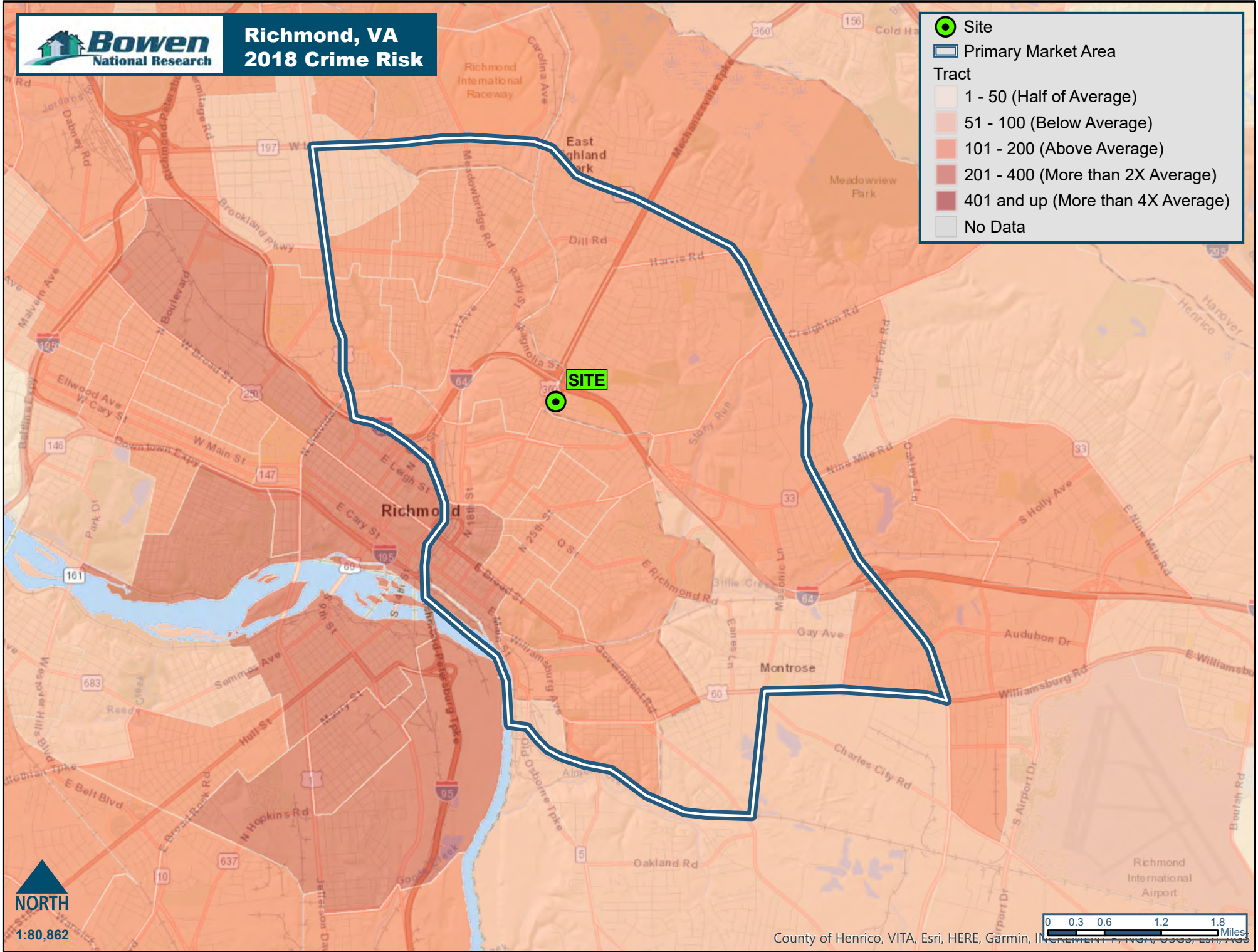
- Legend**
- Site
 - Elementary School
 - Fire
 - Fitness Center
 - Golf
 - High School
 - Hospital
 - Library
 - Middle School
 - Museum
 - Park
 - Police
 - Post Office
 - Recreation Center
 - Senior Services
 - Shopping
 - Swimming
 - Transit
 - University
 - Employer 1000-5000
 - Employer 5000-10000
- Shopping Center**
Gross Leasable Area
 < 500,000 sq. ft.





Richmond, VA 2018 Crime Risk

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



NORTH
1:80,862



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 Site PMA was determined through interviews with area leasing and real estate agents, and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

The Site PMA includes the southern portion of Henrico County and portions of northern and eastern Richmond. The boundaries of the Site PMA include East Laburnum Avenue to the north, North Laburnum Avenue, and South Laburnum Avenue to the east; U.S. Highway 60 and railroad tracks north of Charles City Road to the south; and the James River, Interstate 95, Interstate 64, and U.S. Highway 301 to the west. Adjacent areas of Henrico County and the City of Richmond could provide additional support to the proposed project; however, most support is expected to come from residents living in the northern Richmond area.

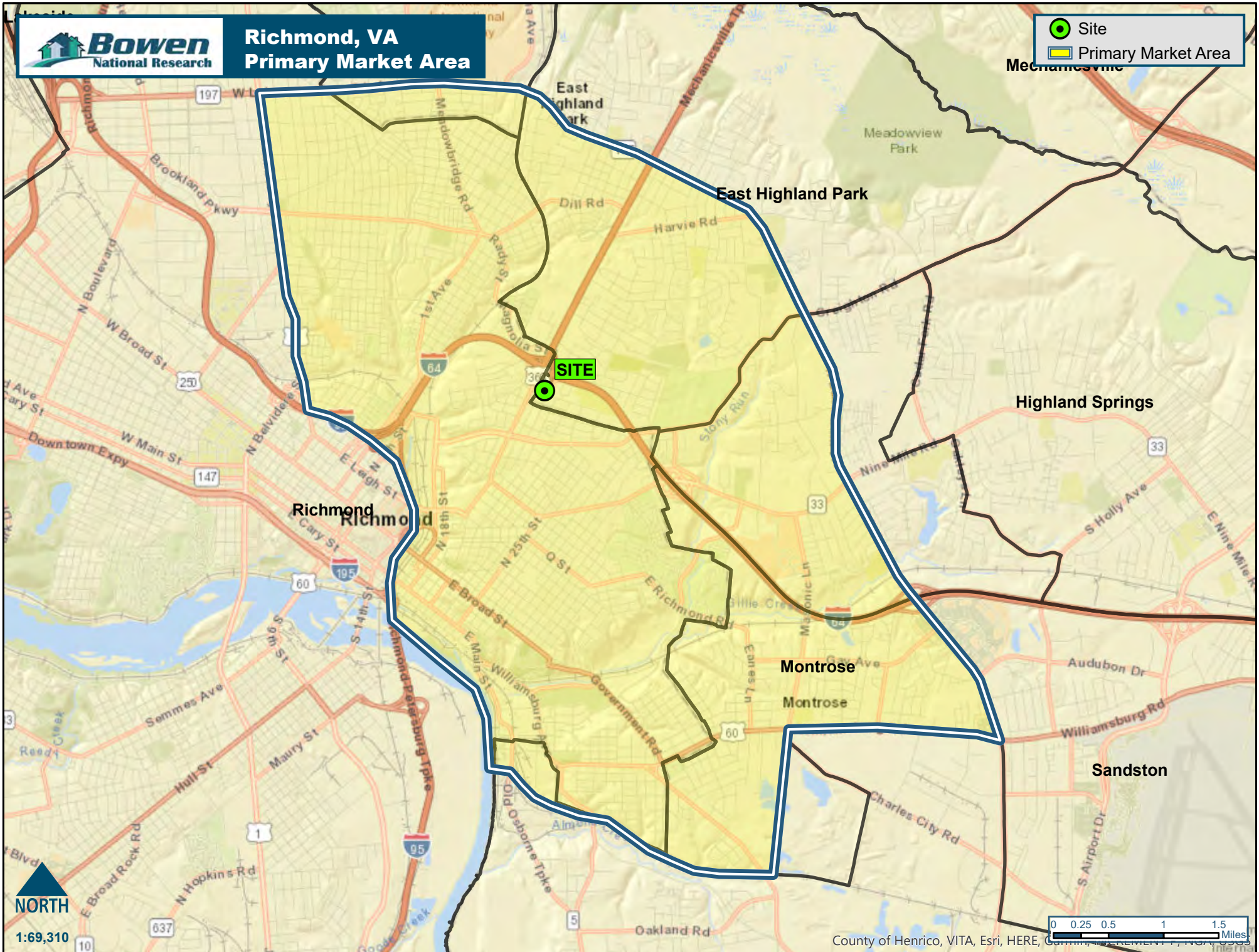
Areas north and west of the Site PMA are generally comprised of higher-income households as compared to areas comprised within the Site PMA. In addition, Interstate 64/95 serves as a boundary separating areas of east and west Richmond. Similarly, the James River serves as a natural boundary to the southwest, 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. Due to the preceding factors and considering the densely populated nature of the areas comprised within the Site PMA, areas outside the Site PMA have been excluded and 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



1:69,310



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	68,796	69,174	76,897	81,016
Population Change	-	378	7,723	4,119
Percent Change	-	0.5%	11.2%	5.4%

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

The Site PMA population base increased by 378 between 2000 and 2010. This represents a 0.5% increase over the 2000 population, or an annual rate of 0.05%. Between 2010 and 2019, the population increased by 7,723, or 11.2%. It is projected that the population will increase by 4,119, or 5.4%, 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	18,958	27.4%	19,216	25.0%	19,771	24.4%	555	2.9%
20 to 24	5,539	8.0%	5,760	7.5%	5,742	7.1%	-18	-0.3%
25 to 34	10,544	15.2%	12,477	16.2%	12,966	16.0%	489	3.9%
35 to 44	8,355	12.1%	9,157	11.9%	10,307	12.7%	1,150	12.6%
45 to 54	9,970	14.4%	9,130	11.9%	8,922	11.0%	-208	-2.3%
55 to 64	7,703	11.1%	9,857	12.8%	9,850	12.2%	-7	-0.1%
65 to 74	4,308	6.2%	6,593	8.6%	7,940	9.8%	1,347	20.4%
75 & Over	3,797	5.5%	4,706	6.1%	5,517	6.8%	811	17.2%
Total	69,174	100.0%	76,897	100.0%	81,016	100.0%	4,119	5.4%

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

As the preceding table illustrates, nearly 53% of the population is estimated to be between 25 and 64 years old in 2019. This age group is the primary group of potential renters for the subject site and will likely represent a significant number of the tenants.

2. HOUSEHOLD TRENDS

Household trends within the Site PMA are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2019 (Estimated)	2024 (Projected)
Households	26,478	27,826	31,093	32,854
Household Change	-	1,348	3,267	1,761
Percent Change	-	5.1%	11.7%	5.7%
Household Size	2.60	2.49	2.39	2.39

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

Within the Site PMA, households increased by 1,348 (5.1%) between 2000 and 2010. Between 2010 and 2019, households increased by 3,267 or 11.7%. By 2024, there will be 32,854 households, an increase of 1,761 households, or 5.7% over 2019 levels. This is an increase of approximately 352 households annually over the next five years.

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

Households by Age	2010 (Census)		2019 (Estimated)		2024 (Projected)		Change 2019-2024	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	2,024	7.3%	1,947	6.3%	2,017	6.1%	70	3.6%
25 to 34	5,497	19.8%	6,289	20.2%	6,477	19.7%	188	3.0%
35 to 44	4,491	16.1%	4,693	15.1%	5,232	15.9%	539	11.5%
45 to 54	5,462	19.6%	4,753	15.3%	4,550	13.9%	-203	-4.3%
55 to 64	4,767	17.1%	5,808	18.7%	5,691	17.3%	-117	-2.0%
65 to 74	2,962	10.6%	4,380	14.1%	5,168	15.7%	788	18.0%
75 to 84	1,935	7.0%	2,232	7.2%	2,575	7.8%	343	15.4%
85 & Over	688	2.5%	993	3.2%	1,146	3.5%	153	15.4%
Total	27,826	100.0%	31,093	100.0%	32,854	100.0%	1,761	5.7%

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

Aside from the 45 to 64 age cohort, household growth is projected among households of all ages between 2019 and 2024. This is a good indication of ongoing demand for both family (general-occupancy) and senior-oriented housing alternatives within the Site PMA. The one-bedroom garden-style units proposed within an elevator-equipped building at the subject site are expected to appeal to both younger individuals/couples and seniors.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2019 (Estimated)		2024 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	12,373	44.5%	12,674	40.8%	13,755	41.9%
Renter-Occupied	15,453	55.5%	18,420	59.2%	19,098	58.1%
Total	27,826	100.0%	31,094	100.0%	32,853	100.0%

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

In 2019, homeowners occupy 40.8% of all occupied housing units, while the remaining 59.2% are occupied by renters. The share of renters is relatively high and represents a good base of potential renter support in the market for the subject development. Notably, renter households are projected to increase by 678, or 3.7%, between 2019 and 2024.

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

Persons Per Renter Household	2019 (Estimated)		2024 (Projected)		Change 2019-2024	
	Households	Percent	Households	Percent	Households	Percent
1 Person	6,586	35.8%	6,850	35.9%	264	4.0%
2 Persons	5,455	29.6%	5,731	30.0%	276	5.1%
3 Persons	3,072	16.7%	3,145	16.5%	73	2.4%
4 Persons	2,044	11.1%	2,106	11.0%	62	3.0%
5 Persons+	1,264	6.9%	1,266	6.6%	2	0.2%
Total	18,420	100.0%	19,098	100.0%	678	3.7%

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

Persons Per Owner Household	2019 (Estimated)		2024 (Projected)		Change 2019-2024	
	Households	Percent	Households	Percent	Households	Percent
1 Person	3,597	28.4%	3,967	28.8%	370	10.3%
2 Persons	4,756	37.5%	5,194	37.8%	439	9.2%
3 Persons	2,070	16.3%	2,186	15.9%	116	5.6%
4 Persons	1,465	11.6%	1,548	11.3%	83	5.6%
5 Persons+	786	6.2%	860	6.2%	74	9.4%
Total	12,674	100.0%	13,755	100.0%	1,081	8.5%

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

The studio and one-bedroom units proposed for the subject site are expected to accommodate up to two-person households. Notably, one-person households represent the largest share (35.8%) of renter households in the market by household size and one- and two-person households comprise more than 65.0% of all renter households in the market. These two renter household segments are also projected to experience the most rapid renter household growth in the Site PMA between 2019 and 2024.

3. INCOME TRENDS

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

Household Income	2010 (Census)		2019 (Estimated)		2024 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	4,703	16.9%	4,899	15.8%	5,453	16.6%
\$10,000 to \$19,999	5,149	18.5%	5,115	16.5%	5,470	16.7%
\$20,000 to \$29,999	3,950	14.2%	3,858	12.4%	4,124	12.6%
\$30,000 to \$39,999	3,339	12.0%	3,203	10.3%	3,320	10.1%
\$40,000 to \$49,999	2,693	9.7%	2,774	8.9%	2,792	8.5%
\$50,000 to \$59,999	2,035	7.3%	2,209	7.1%	2,132	6.5%
\$60,000 to \$74,999	2,447	8.8%	3,015	9.7%	3,008	9.2%
\$75,000 to \$99,999	1,629	5.9%	2,722	8.8%	2,834	8.6%
\$100,000 to \$124,999	714	2.6%	1,443	4.6%	1,628	5.0%
\$125,000 to \$149,999	407	1.5%	668	2.1%	719	2.2%
\$150,000 to \$199,999	478	1.7%	540	1.7%	597	1.8%
\$200,000 & Over	282	1.0%	648	2.1%	776	2.4%
Total	27,826	100.0%	31,094	100.0%	32,853	100.0%
Median Income	\$30,332		\$35,229		\$34,154	

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

In 2010, the median household income was \$30,332. This increased by 16.1% to \$35,229 in 2019. By 2024, it is projected that the median household income will be \$34,154, a decline of 3.1% over 2019.

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

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	1,235	1,088	647	505	317	3,792
\$10,000 to \$19,999	1,552	965	574	448	281	3,819
\$20,000 to \$29,999	878	702	418	326	205	2,528
\$30,000 to \$39,999	590	539	321	250	157	1,857
\$40,000 to \$49,999	404	399	237	185	116	1,341
\$50,000 to \$59,999	201	213	127	99	62	702
\$60,000 to \$74,999	234	260	154	120	76	844
\$75,000 to \$99,999	85	101	60	47	29	321
\$100,000 to \$124,999	20	25	15	11	7	78
\$125,000 to \$149,999	11	14	8	7	4	44
\$150,000 to \$199,999	21	25	15	11	7	79
\$200,000 & Over	13	14	9	7	4	46
Total	5,243	4,345	2,584	2,015	1,266	15,453

Source: ESRI; Urban Decision Group

Renter Households	2019 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	1,461	1,164	655	436	270	3,986
\$10,000 to \$19,999	1,741	1,039	585	389	241	3,995
\$20,000 to \$29,999	1,049	788	444	295	182	2,758
\$30,000 to \$39,999	670	619	349	232	144	2,014
\$40,000 to \$49,999	517	498	281	187	116	1,598
\$50,000 to \$59,999	300	348	196	130	81	1,056
\$60,000 to \$74,999	423	469	264	176	109	1,441
\$75,000 to \$99,999	266	317	179	119	73	954
\$100,000 to \$124,999	71	98	55	37	23	283
\$125,000 to \$149,999	35	44	25	17	10	131
\$150,000 to \$199,999	23	32	18	12	7	93
\$200,000 & Over	28	38	22	14	9	111
Total	6,586	5,455	3,072	2,044	1,264	18,420

Source: ESRI; Urban Decision Group

Renter Households	2024 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	1,479	1,195	666	444	272	4,056
\$10,000 to \$19,999	1,760	1,047	583	389	238	4,018
\$20,000 to \$29,999	1,054	806	449	299	183	2,791
\$30,000 to \$39,999	663	623	347	232	142	2,006
\$40,000 to \$49,999	511	491	274	183	112	1,570
\$50,000 to \$59,999	306	350	195	130	80	1,061
\$60,000 to \$74,999	443	475	265	177	108	1,468
\$75,000 to \$99,999	303	347	193	129	79	1,051
\$100,000 to \$124,999	81	110	61	41	25	319
\$125,000 to \$149,999	39	49	27	18	11	144
\$150,000 to \$199,999	23	32	18	12	7	92
\$200,000 & Over	29	39	22	15	9	114
Total	6,691	5,565	3,101	2,068	1,265	18,691

Source: ESRI; Urban Decision Group

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

4. SUPPLEMENTAL HOMELESS DEMOGRAPHIC DATA

As noted in *Section III*, the subject project will offer some units which will target homeless households. The definition of homelessness varies, but always includes those households that lack a fixed, regular and adequate nighttime residence. In an effort to quantify and address the needs of this population, Point-in-Time surveys are conducted each year across the country in order to document homelessness within a given area. Often, the areas where homeless households congregate are urban in nature and are overseen by a Continuum of Care (CoC) that is established to provide shelter, food, clothing, social and financial assistance. These Continuums of Care are responsible for conducting the homeless Point-in-Time survey and report their data to a national source.

The subject site is located in Henrico County, which falls within the VA-500 Richmond/Henrico, Chesterfield, Hanover Counties Continuum of Care (CoC). In January 2018, the CoC conducted a point-in-time survey to identify the homeless. The findings are illustrated in the following tables:

PART 1: Homeless Population	Sheltered		Unsheltered	Total
	Emergency	Transitional		
Persons in Households without Children	294	87	104	485
Persons in Households with At Least 1 Adult & 1 Child	112	12	0	124
Persons in Households with only Children	0	0	0	0
Total Persons:	406	99	104	609

Source: Point-In-Time Summary 2018 – VA-500 Richmond/Henrico, Chesterfield, Hanover Counties CoC

As the preceding table illustrates, there are approximately 609 homeless individuals within the region at any given time, 485 of which do not have children, comprising nearly 80.0% of the total homeless population. Approximately two-thirds (66.6%) of the homeless individuals are residing in emergency shelters, while 16.3% reside in transitional housing. Approximately 104 individuals remain without housing or shelter. All homeless households, whether sheltered or unsheltered, within the CoC’s jurisdiction would benefit from and likely respond to permanent supportive housing units such as those to be offered at the subject site.

Homeless subpopulations from the 2018 point-in-time survey for the region are illustrated in the following table:

PART 2: Homeless Subpopulations	Sheltered	Unsheltered	Total
Chronically Homeless	68	22	90
Severely Mentally Ill	106	29	135
Chronic Substance Abuse	107	13	120
Veterans	82	10	92
Persons with HIV/AIDS	4	1	5
Victims of Domestic Violence	32	0	32
Unaccompanied Youth	28	8	36
Parenting Youth	8	0	8
Children of Parenting Youth	10	0	10

Source: Point-In-Time Summary 2018 – VA-500 Richmond/Henrico, Chesterfield, Hanover Counties CoC

The largest number of homeless individuals is categorized as "severely mentally ill", representing a count of 135 individuals or more than 22.0% of the overall homeless population. Other notable shares are categorized as “chronic substance abuse”, "chronically homeless” and “veterans” all of which represent around 15.0% to 20.0% of the homeless population. It is important to note that homeless individuals could be classified in multiple subpopulations, thus resulting in double-counting. Regardless, it is clear that there are a variety of personal factors that contribute to the homeless problem and that the availability of supportive services to address these factors is critical to stemming the problem.

Demographic Summary

Demographic growth is projected for the Site PMA between 2019 and 2024 in terms of both total population and household growth, a trend which has been ongoing since 2000. The Site PMA is largely comprised of renter households as such households represent nearly 60.0% of the total household base. The number of renter households is projected to increase by 678, or 3.7%, between 2019 and 2024 and smaller one- and two-person households are expected to experience the most rapid growth among renter households during this time period. These smaller renter household sizes also represent approximately 65.0% of all renter households in the market. Further, nearly 60.0% of all one- and two-person renter households are projected to earn less than \$30,000 in 2024. It is also important to note that more than 600 homeless persons were identified within the local Continuum of Care (CoC) jurisdiction, which includes the City of Richmond and Henrico County. Based on the preceding factors, a large and expanding base of potential size- and income-appropriate renter support, as well as potential support from homeless individuals, exists within and near the Site PMA for rental product such as that proposed for the subject site.

D. LOCAL ECONOMIC PROFILE AND ANALYSIS

1. LABOR FORCE PROFILE

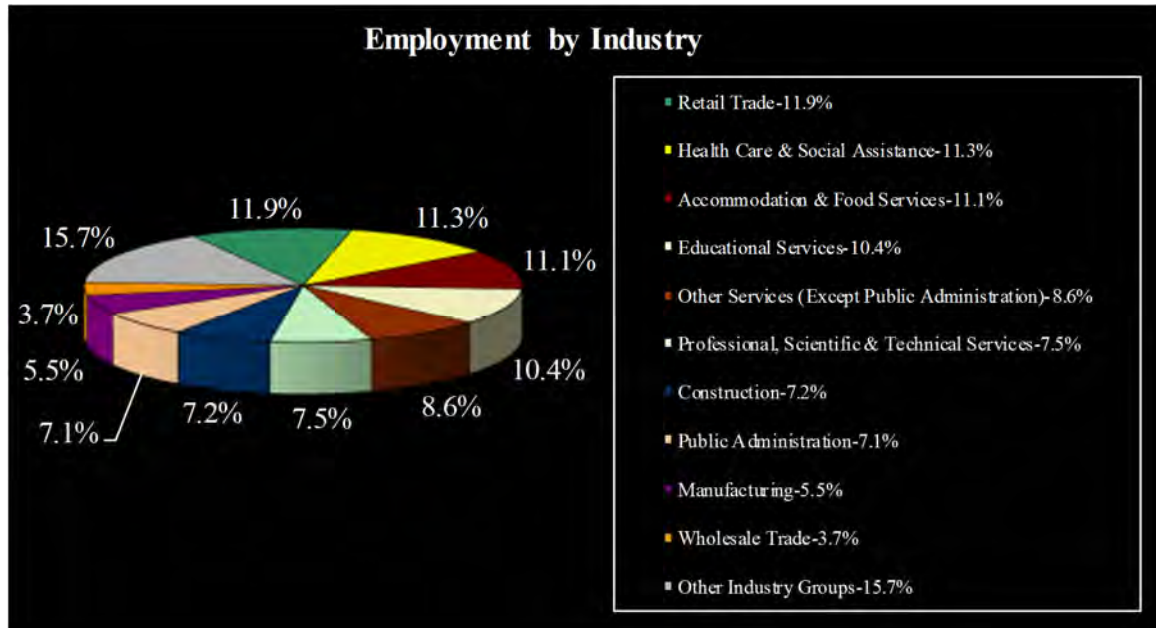
The labor force within the Site PMA is based primarily in four sectors. Retail Trade (which comprises 11.9%), Health Care & Social Assistance, Accommodation & Food Services and Educational Services comprise nearly 45% of the Site PMA labor force. Employment in the Site PMA, as of 2018, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	1	0.1%	4	0.0%	4.0
Mining	0	0.0%	0	0.0%	0.0
Utilities	0	0.0%	0	0.0%	0.0
Construction	94	5.7%	1,293	7.2%	13.8
Manufacturing	40	2.4%	984	5.5%	24.6
Wholesale Trade	47	2.9%	668	3.7%	14.2
Retail Trade	226	13.8%	2,136	11.9%	9.5
Transportation & Warehousing	34	2.1%	450	2.5%	13.2
Information	34	2.1%	583	3.3%	17.1
Finance & Insurance	54	3.3%	360	2.0%	6.7
Real Estate & Rental & Leasing	124	7.5%	499	2.8%	4.0
Professional, Scientific & Technical Services	125	7.6%	1,345	7.5%	10.8
Management of Companies & Enterprises	3	0.2%	25	0.1%	8.3
Administrative, Support, Waste Management & Remediation Services	41	2.5%	536	3.0%	13.1
Educational Services	45	2.7%	1,857	10.4%	41.3
Health Care & Social Assistance	132	8.0%	2,023	11.3%	15.3
Arts, Entertainment & Recreation	34	2.1%	321	1.8%	9.4
Accommodation & Food Services	146	8.9%	1,991	11.1%	13.6
Other Services (Except Public Administration)	321	19.5%	1,540	8.6%	4.8
Public Administration	52	3.2%	1,271	7.1%	24.4
Nonclassifiable	90	5.5%	40	0.2%	0.4
Total	1,643	100.0%	17,926	100.0%	10.9

*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 project will generally target households earning below \$30,000. As such, the area employment base appears to have several income-appropriate occupations from which potential tenants of the subject project could choose.

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

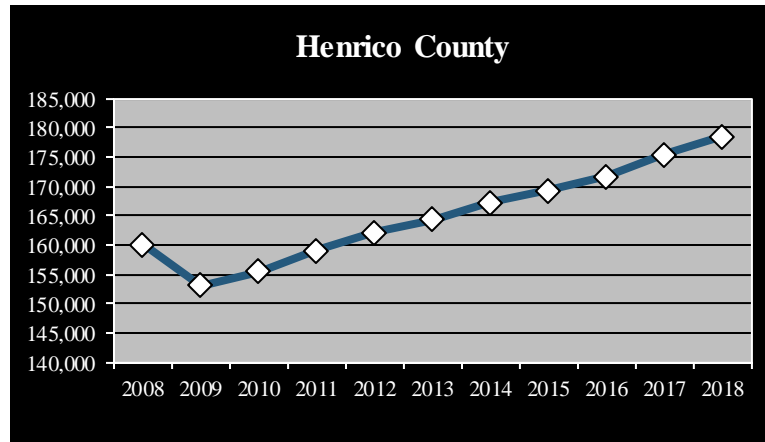
The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

Excluding 2018, the employment base has increased by 6.7% over the past five years in Henrico County, 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 Henrico County, the state of Virginia and the United States.

Year	Total Employment					
	Henrico County		Virginia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2008	159,993	-	3,970,428	-	146,047,748	-
2009	153,042	-4.3%	3,842,516	-3.2%	140,696,560	-3.7%
2010	155,452	1.6%	3,860,386	0.5%	140,469,139	-0.2%
2011	159,037	2.3%	3,934,326	1.9%	141,791,255	0.9%
2012	162,158	2.0%	3,967,987	0.9%	143,621,634	1.3%
2013	164,368	1.4%	3,995,182	0.7%	145,017,562	1.0%
2014	167,224	1.7%	4,022,160	0.7%	147,446,676	1.7%
2015	169,312	1.2%	4,029,043	0.2%	149,733,744	1.6%
2016	171,560	1.3%	4,069,139	1.0%	152,169,822	1.6%
2017	175,365	2.2%	4,146,134	1.9%	154,577,364	1.6%
2018	178,445	1.8%	4,218,182	1.7%	156,301,105	1.1%

Source: Department of Labor; Bureau of Labor Statistics

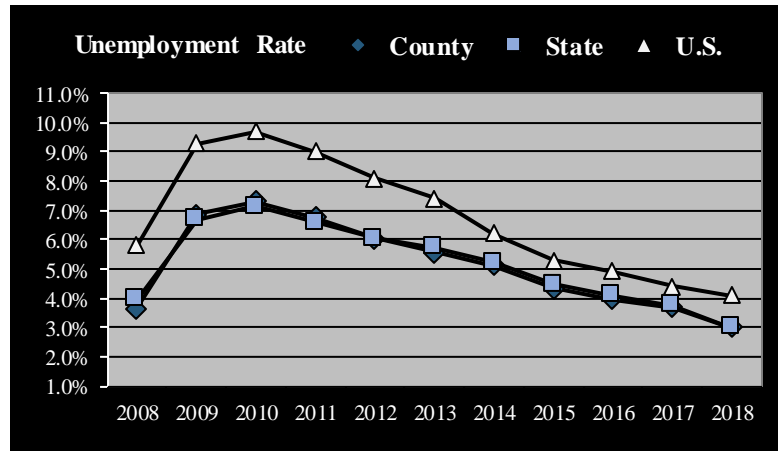


As the preceding illustrates, the Henrico County employment base has increased by at least 1.2% each of the past nine years and by a total of 25,403 jobs, or 16.6%, during this time period. Notably, employment growth within the county during this time period has outpaced statewide averages.

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

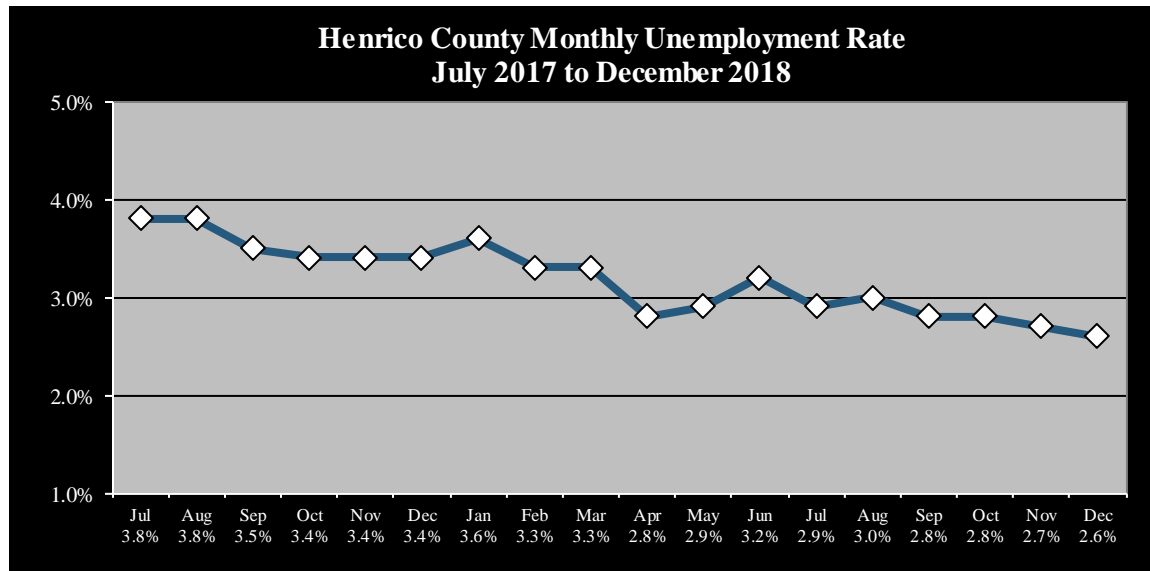
Year	Unemployment Rate		
	Henrico County	Virginia	United States
2008	3.6%	3.9%	5.8%
2009	6.9%	6.7%	9.3%
2010	7.3%	7.2%	9.7%
2011	6.8%	6.6%	9.0%
2012	6.0%	6.0%	8.1%
2013	5.6%	5.7%	7.4%
2014	5.1%	5.2%	6.2%
2015	4.3%	4.5%	5.3%
2016	3.9%	4.1%	4.9%
2017	3.7%	3.8%	4.4%
2018	3.0%	3.0%	4.1%

Source: Department of Labor, Bureau of Labor Statistics



The unemployment rate in Henrico County has declined each year since 2010, to a rate of just 3.0% through the end of 2018. This is considered a low unemployment rate and is identical to the state average and more than one full percentage point lower than the national average.

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



The monthly unemployment rate within the county has generally trended downward over the past 18-month period, from a rate of 3.8% in July of 2017 to 2.6% in December of 2018. The monthly unemployment rate within the county has been below 3.0% each month since August 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 Henrico County.

In-Place Employment Henrico County			
Year	Employment	Change	Percent Change
2008	178,807	-	-
2009	170,881	-7,926	-4.4%
2010	170,411	-470	-0.3%
2011	172,959	2,548	1.5%
2012	178,088	5,129	3.0%
2013	179,427	1,339	0.8%
2014	179,377	-50	0.0%
2015	187,015	7,638	4.3%
2016	189,377	2,362	1.3%
2017	192,970	3,593	1.9%
2018*	190,835	-2,135	-1.1%

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 Henrico County to be 110.0% of the total Henrico County employment. This means that Henrico County has more employed persons coming to the county from other counties for work (daytime employment) than those who both live and work there.

3. **ECONOMIC FORECAST**

The labor force within the Site PMA is well-balanced as no single industry segment represents more than 11.9% of the total labor force within the market. A well-diversified labor force generally contributes to the strength of the local economy. The employment base within Henrico County has steadily improved each of the past nine years and employment growth rates within the county have outpaced statewide trends during this time period. Notably, more than 25,000 jobs have been added in Henrico County since 2009, an increase of nearly 17.0% during this time period. Similarly, the unemployment rate within the county has also improved significantly over the past several years, as it has fallen more than four full percentage points since 2010, to a rate of just 3.0% through the end of 2018. Based on the preceding factors and considering the numerous announcements of new and/or expanding businesses within the Greater Richmond area, we expect the Richmond/Henrico County economy will remain strong and continue to improve 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	21,269	71.5%
Carpooled	3,259	11.0%
Public Transit	2,199	7.4%
Walked	1,039	3.5%
Other Means	867	2.9%
Worked at Home	1,117	3.8%
Total	29,750	100.0%

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

Nearly 71% of all workers drove alone, 11.0% carpooled and 7.4% used public transportation. Given the subject site serves very low-income and/or formerly homeless households and is within walking distance of multiple public bus stops, 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	6,052	20.3%
15 to 29 Minutes	14,615	49.1%
30 to 44 Minutes	5,295	17.8%
45 to 59 Minutes	1,246	4.2%
60 or More Minutes	1,425	4.8%
Worked at Home	1,117	3.8%
Total	29,750	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. A drive-time map for the subject site is on the following page.

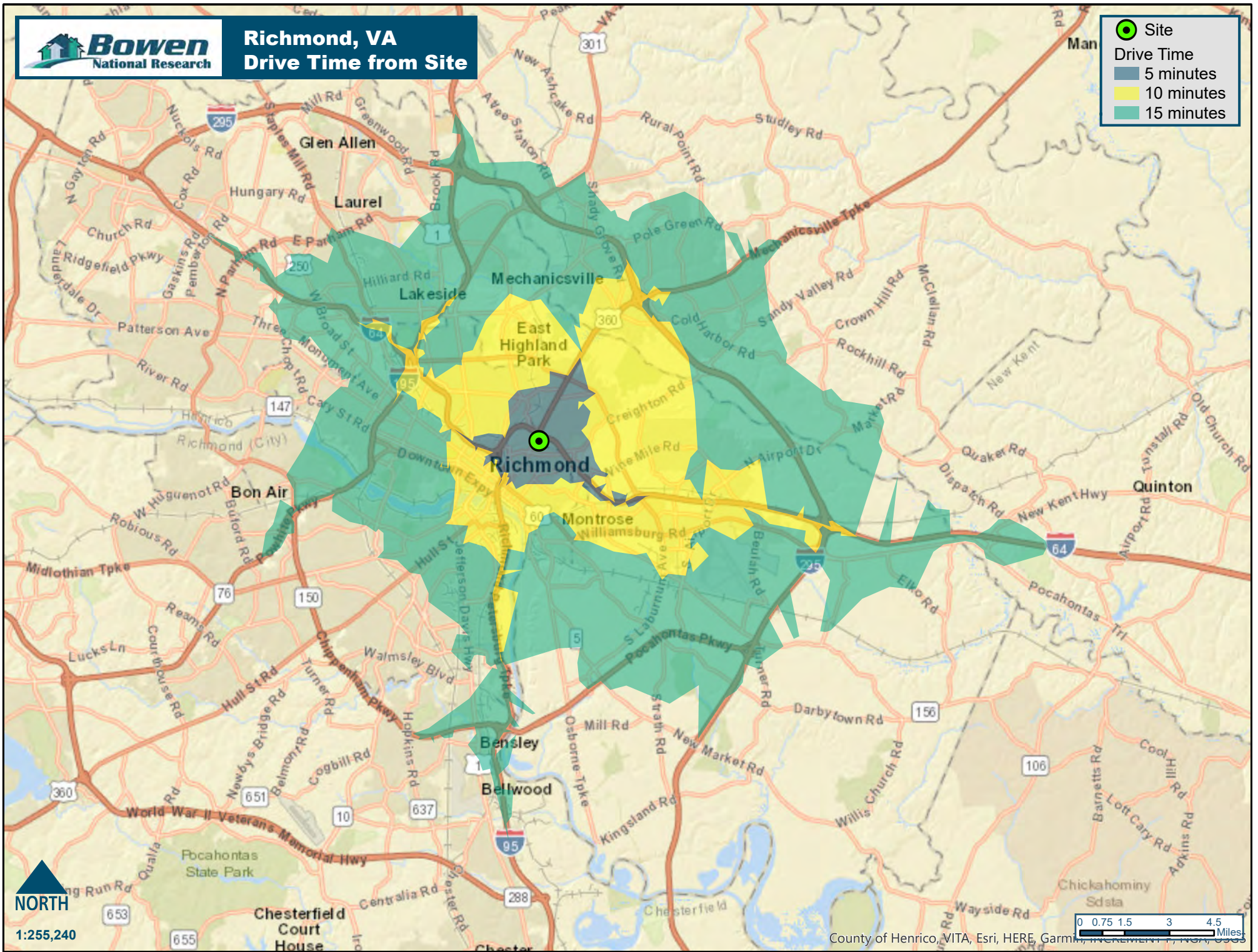


Richmond, VA Drive Time from Site

● Site

Drive Time

- 5 minutes
- 10 minutes
- 15 minutes



NORTH
1:255,240

0 0.75 1.5 3 4.5 Miles

V. Rental Housing Analysis (Supply)

A. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the 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	27,826	86.6%	31,093	87.2%
Owner-Occupied	12,373	44.5%	12,674	40.8%
Renter-Occupied	15,453	55.5%	18,420	59.2%
Vacant	4,320	13.4%	4,580	12.8%
Total	32,146	100.0%	35,673	100.0%

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

Based on a 2019 update of the 2010 Census, of the 35,673 total housing units in the market, 12.8% 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 Site PMA.

Conventional Apartments

We identified and personally surveyed 45 conventional rental housing projects containing a total of 5,166 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 93.8%, 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	28	3,155	298	90.6%
Market-Rate/Tax Credit	1	143	0	100.0%
Market-Rate/Tax Credit/Government-Subsidized	1	128	0	100.0%
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	45	5,166	320	93.8%

All rental housing segments surveyed report overall occupancy rates of 90.6% 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 16 Tax Credit properties surveyed, we also identified 13 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)
Scockoe Hill I, II & III	210 Hospital St.	2001	177	Seniors; 60% AMHI	100.0%; 6 Month Waitlist (June 2018)
Highland Park Senior	1221 E. Brookland Park Blvd.	1990/2016	77	Seniors; 40% & 50% AMHI and Section 8	100.0%; 34 H.H. Waitlist (June 2018)
Delmont Plaza	3808 Delmont St.	1980/2008	41	Families; 60% AMHI and Section 8	100.0%; 6-12 Mo. Waitlist (February 2012)
Bradford Manor	2027 Fairfield Ave.	1963/1996	56	Families; 60% AMHI	100.0%; No Waitlist (February 2018)
Fairmont House	1501 N. 21 st St.	1985/2007	160	Seniors; 50% & 60% AMHI & Section 8	100.0%; 75 H.H. Waitlist (May 2018)
Delmont Village Apts.	3716 Delmont St.	1960/2006	94	Families; 40% & 50% AMHI	98.9%; No Waitlist (February 2017)
Oliver Crossing	1329 Coalter St.	1956/2011	222	Families; 60% AMHI & Section 8	100.0%; 1 Year Waitlist (March 2018)
Fieldcrest Apts.	3731 Delmont St.	2006	29	Families; 50% AMHI	100.0%; 10 H.H. Waitlist (February 2017)
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 th St.	2013	39	Seniors; 40% & 50% AMHI	100.0%; 10 H.H. Waitlist (June 2018)

H.H. – Households

As the preceding illustrates, several of the properties unable to be surveyed target family (general-occupancy) households. However, none target homeless households such as some units proposed for 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	54.5%	170	9.8%	\$1,106
One-Bedroom	1.5	116	3.7%	4	3.4%	\$1,664
Two-Bedroom	1.0	227	7.2%	5	2.2%	\$1,411
Two-Bedroom	1.5	139	4.4%	0	0.0%	\$1,335
Two-Bedroom	2.0	727	23.0%	103	14.2%	\$1,609
Two-Bedroom	2.5	83	2.6%	0	0.0%	\$1,645
Three-Bedroom	1.0	8	0.3%	0	0.0%	\$610
Three-Bedroom	2.0	39	1.2%	0	0.0%	\$1,761
Three-Bedroom	2.5	16	0.5%	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
Total Market-Rate		3,167	100.0%	298	9.4%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	545	36.8%	0	0.0%	\$769
Two-Bedroom	1.0	335	22.7%	19	5.7%	\$963
Two-Bedroom	1.5	62	4.2%	0	0.0%	\$858
Two-Bedroom	2.0	280	18.9%	1	0.4%	\$1,006
Two-Bedroom	2.5	8	0.5%	0	0.0%	\$919
Three-Bedroom	1.0	42	2.8%	1	2.4%	\$1,118
Three-Bedroom	1.5	15	1.0%	0	0.0%	\$1,093
Three-Bedroom	2.0	150	10.1%	1	0.7%	\$1,186
Three-Bedroom	2.5	10	0.7%	0	0.0%	\$1,212
Four-Bedroom	2.0	32	2.2%	0	0.0%	\$1,294
Total Tax Credit		1,479	100.0%	22	1.5%	-

The market-rate units are 90.6% occupied and the non-subsidized Tax Credit units are 98.5% occupied. A variety of bedroom types are offered among both non-subsidized rental housing segments, none of which report vacancy rates above 5.7% 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 545 one-bedroom Tax Credit units surveyed are currently occupied (0.0% vacancy). This is a clear indication of strong demand for product such as that proposed for the majority of the subject property. 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 98.5% occupancy rate, are good indications that non-subsidized Tax Credit product represents a good value within the market.

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

Year Built	Projects	Units	Vacancy Rate
Before 1970	24	2,295	3.0%
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	1	90	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+	14	1,876	4.5%
B	5	355	42.8%
B-	2	397	0.0%
C+	1	4	0.0%
C	2	8	0.0%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	3	364	0.0%
B	5	476	0.6%
B-	4	421	4.5%
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 4.5%, regardless of quality rating. This is a good indication that quality does not have a direct impact on vacancy rates among these projects.

Government-Subsidized

The four properties surveyed in the Site PMA that offer government-subsidized units operate under the HUD Section 8 and Public Housing programs 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	86	31.9%	0	0.0%
Two-Bedroom	1.0	116	43.0%	0	0.0%
Two-Bedroom	1.5	12	4.4%	0	0.0%
Three-Bedroom	1.0	44	16.3%	0	0.0%
Three-Bedroom	2.5	12	4.4%	0	0.0%
Total Subsidized Tax Credit		270	100.0%	0	0.0%
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%
Total Subsidized		250	100.0%	0	0.0%

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 target households earning up to 50% of AMHI and will offer a subsidy on a portion of the units, the subject project will have units affordable to very low-income households which will enhance marketability of the property within the market.

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 offer studio and one-bedroom garden-style units targeting general-occupancy and/or homeless/formerly homeless households earning up to 50% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. None of the LIHTC properties identified within the Site PMA specifically target homeless/formerly homeless households such as some units proposed for the subject property. We have, however, surveyed five existing general-occupancy LIHTC properties which offer one-bedroom units at similar income levels as compared to those proposed for the subject property. These properties will be competitive with the general-occupancy units proposed for the subject project and provide a good base of comparability for the subject’s one-bedroom units. Thus, these five LIHTC properties have been included in our comparable/competitive Tax Credit analysis.

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

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Cool Lane Apartments	2021	86	-	-	-	General-Occupancy & Formerly Homeless; 50% AMHI & Section 8
18	Jefferson Mews	1994 / 2014	56	98.2%	1.6 Miles	None	Families; 50% & 60% AMHI
25	Tobacco Landing	1994	62	100.0%	2.2 Miles	3 H.H.	Families; 50% & 60% AMHI
35	Market Slip	1860 / 1994	30	100.0%	1.9 Miles	3 H.H.	Families; 50% & 60% AMHI
40	North Oak Apts.	1963 / 2012	141*	100.0%	3.3 Miles	None	Families; 60% AMHI
44	Highland Grove	2013	118*	100.0%	1.7 Miles	None	Families; 50% AMHI & Public Housing

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



The five comparable LIHTC projects have a combined occupancy rate of 99.8%, which is reflective of just one (1) vacant three-bedroom unit at Jefferson Mews (Map ID 18). Thus, all comparable one-bedroom units offered among these properties are currently occupied (0.0% vacancy rate), demonstrating strong demand for product similar to that proposed for the majority of the subject property. None of the comparable LIHTC units offer studio units. It is also important to reiterate that none of the comparable LIHTC properties specifically target homeless/ formerly homeless individuals/households such as the subject project. This is expected to create a competitive advantage for the property and the subject project will help fill a void in the Site PMA rental market.

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

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
18	Jefferson Mews	56	12	21.4%
25	Tobacco Landing	62	7	11.3%
35	Market Slip	30	N/A	-
40	North Oak Apts.	141*	35	24.8%
44	Highland Grove	118*	5	4.2%
Total		377	60	15.9%

*Tax Credit units only

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

As the preceding table illustrates, there are a total of approximately 60 voucher holders residing at the comparable properties for which this information was available within the market. This comprises 15.9% of the 377 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 market and will serve as an accurate benchmark with which to compare the subject property.

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:

As the preceding illustrates, the subject's non-subsidized gross

**Gross Rent/Percent of AMHI
(Number of Units/Vacancies)**

Map I.D.	Project Name	Studio	One-Br.	Two-Br.	Three-Br.	Rent Special
Site	Cool Lane Apartments	\$650/50% (3) \$889/50% (3)*	\$725/50% (40) \$932/50% (40)*	-	-	-
18	Jefferson Mews	-	\$750/50% (4/0) \$905/60% (4/0)	\$919/50% (9/0) \$1,029/60% (8/0)	\$1,093/50% (22/0) \$1,343/60% (9/1)	None
25	Tobacco Landing	-	\$780/50% (16/0) \$900/60% (37/0)	\$1,050/60% (9/0)	-	None
35	Market Slip	-	\$760/50% (10/0) \$880/60% (10/0)	\$1,030/60% (10/0)	-	None
40	North Oak Apts.	-	\$715/60% (43/0)	\$826/60% (98/0)	-	None
44	Highland Grove	-	\$830/50% (20/0) \$674/50% (14/0)*	\$1,006-\$1,028/50% (30/0) \$841/50% (12/0)*	\$1,186-\$1,212/50% (30/0) \$996/50% (12/0)*	None

*Subsidized (residents pay 30% of their income, as this is a government-subsidized property, which also operates under the Tax Credit program)

Tax Credit rents are among the lowest LIHTC rents reported for similar unit types at the comparable properties. Thus, the subject project is considered very competitive in terms of price point. This is especially true when considering the newness and anticipated quality of the subject project, as well as the fact that the subject units will come furnished with basic living and bedroom furnishings.

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:

		Square Footage			
Map I.D.	Project Name	Studio	One-Br.	Two-Br.	Three-Br.
Site	Cool Lane Apartments	504	525	-	-
18	Jefferson Mews	-	700	1,100	1,300
25	Tobacco Landing	-	662	899	-
35	Market Slip	-	462 - 638	848	-
40	North Oak Apts.	-	456 - 654	713	-
44	Highland Grove	-	947	1,056 - 1,115	1,371 - 1,513

		Number of Baths			
Map I.D.	Project Name	Studio	One-Br.	Two-Br.	Three-Br.
Site	Cool Lane Apartments	1.0	1.0	-	-
18	Jefferson Mews	-	1.0	1.0 - 2.5	1.0 - 1.5
25	Tobacco Landing	-	1.0	2.0	-
35	Market Slip	-	1.0	2.0	-
40	North Oak Apts.	-	1.0	1.0	-
44	Highland Grove	-	1.0	1.5 - 2.0	2.0 - 2.5

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

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											OTHER		
	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
SITE	X	X					X		V						X		B		S	Hwtplkj gf
40	X	X		X			X		W								B		S	
44	X	X	X	X	X	X	X		C	O	X		X				B		O,S	
18	X	X		X		X	X		C	S	X	S	S				B		O,S	
25	X	X		X	X			X	C					X			B		O,G	
35	X	X		X	X		X		C	X	X			X			B		O,G	

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 Security Cameras
40		X	X					X											
44		X				X							X				X		WiFi Café
18																			
25		X	X		X							X							CCTV; Bike Racks
35		X	X																

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

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

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

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

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

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

The subject project will offer a basic kitchen appliance package and relatively limited standard unit amenity package as compared to most of the comparable LIHTC properties. It is important to point out, however, that the subject units will come fully furnished with basic living and bedroom furnishings. This is expected to create a competitive advantage for the property, particularly when considering the homeless population to be targeted by a portion of at the subject project. The project amenity package proposed will feature key amenities such as on-site management, a laundry facility, community space, fitness center, and social services package/coordinator. This project amenity package is competitive with those offered among the comparable properties. Overall, the subject project appears to offer an amenity package which is considered appropriate for the targeted tenant population and will allow the property to compete well within the Site PMA.

Comparable/Competitive Tax Credit Summary

The five most comparable LIHTC properties surveyed in the Site PMA report an overall occupancy rate of 99.8%, but all one-bedroom units offered among these projects are occupied. Thus, the proposed unit types for the majority of the subject development are clearly in strong demand within the Site PMA. The subject’s proposed non-subsidized Tax Credit rents are very competitive with those reported among similar unit types at the comparable properties and are considered affordable to low-income individuals within the market. The property will also compete well in terms of overall design (square feet and number of bathrooms) and amenities offered. In fact, the subject property will include all basic living and bedroom furnishings within each unit, a feature not offered among the comparable properties. This is expected to create a competitive advantage for the property and is considered beneficial to the targeted homeless/formerly homeless population.

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	Approved: 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	Under Construction: 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 – Estimated Completion Date



(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	Under Construction: 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 st Street	Tax Credit, Section 8 & Market-Rate	60	The Community Builders	Under Construction: 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	Under Construction: 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	Approved: 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
Church Hill North 2B (Senior) 1611 North 31 st Street	Tax Credit & Section 8	45	The Community Builders	Approved: Allocated 2016. Currently still in planning stages but moving forward
Venable Street Development 1900 Venable Street	Tax Credit	151	Genesis Properties	Approved: 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 th Street & Grace Street	Market-Rate	129	Steve Uphoff	Planning Stages: 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	DavidWhite and Louis Salomonsky	Proposed: Located at the end of Tobacco Row. Approved for rezoning in March 2017.
Main2525 2525 E. Main Street	Market-Rate	216	Macfarlane Partners	Under Construction: 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 th Street; Nine Mile Road and Fairmont Avenue	N/A	42-49	Timmons Group	Under Construction: 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	Planned: 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.

ECD – Estimated Completion Date

N/A – Not Available

(Continued)

Project Name & Address	Type	Units	Developer	Status/Details
Apartments at Kingsridge II 390 Kingsridge Road	Tax Credit	71	Community Housing Partners	Planned: 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	Under Renovation: Dodson Management recently took over. Select units offline due to renovations. Formerly known as Flats at Ginter Park

Five of the rental projects currently in the development pipeline are expected to target general-occupancy households and offer unit types similar to the one-bedroom units 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
18	Jefferson Mews	98.2%	95.0% +
25	Tobacco Landing	100.0%	95.0% +
35	Market Slip	100.0%	95.0% +
40	North Oak Apts.	100.0%	95.0% +
44	Highland Grove	100.0%	95.0% +

The comparable/competitive LIHTC properties currently report occupancy rates of 98.2% or higher. Further, as detailed earlier in this section, the one-bedroom units offered among the comparable properties are fully-occupied. These are clear indications of strong and pent-up demand for LIHTC product similar to that proposed for the subject site. It is also important to reiterate that while the aforementioned projects are considered comparable in terms of unit types offered, none specifically target homeless/formerly homeless persons/households. As half of the subject units will target this special needs population, the subject’s competitive overlap with the existing LIHTC properties will be minimal. In addition, our demand estimates included in *Section VII* demonstrate sufficient demographic support for both the proposed subject project and the existing comparable LIHTC product in the Site PMA. Based on the preceding factors, we do not anticipate the subject project having any adverse impact on future occupancy rates among existing comparable LIHTC product in the market.

E. COMPARABLE SPECIAL NEEDS SUPPLY ANALYSIS

As detailed throughout this report, the subject project will offer some units which will be set aside for homeless/formerly homeless individuals/households. Since none of the comparable Tax Credit properties evaluated earlier in this section specifically target this special-needs population, we have included a separate analysis of additional homeless-oriented properties surveyed within the Site PMA and surrounding areas of Richmond. These six additional properties are summarized along with the subject project in the following table:

Map I.D.	Project Name	Year Built/Renovated	Units	Occ. Rate	Distance to Site	Target Market (Waiting List)
Site	Cool Lane Apartments	2021	43*	-	-	Homeless/At-Risk; 50% AMHI & Section 8
13	FIND II	1920 / 2002	4	100.0%	1.5 Miles	Homeless; Affordable Market-Rate (Yes; # unknown)
14	FIND III	1919 / 2002	4	100.0%	2.0 Miles	Homeless; Affordable Market-Rate (Yes; # unknown)
15	FIND IV	1920 / 2004	4	100.0%	1.3 Miles	Homeless; Affordable Market-Rate (Yes; # unknown)
901	Studios I	2011	21	100.0%	6.8 Miles	Homeless Individuals; 50% AMHI & Section 8 (Yes; # unknown)
902	Studios II	1972 / 1997	39	100.0%	6.8 Miles	Homeless Individuals; 50% AMHI & Section 8 (Yes; # unknown)
903	Daily Planet Safe Haven	2002	11	100.0%	4.5 Miles	Homeless Individuals; Private Subsidy (None)

Occ. – Occupancy

900 Map IDs are located outside of the Site PMA

*Homeless set aside units only

As the preceding illustrates, the six homeless-oriented rental properties surveyed in the market and region are all 100.0% occupied. This is a clear indication of strong and pent-up demand for such product within the Richmond area. The subject project is expected to help alleviate a portion of this pent-up demand.

The subject project will provide a project-based Section 8 subsidy to each of the special-needs units proposed for the subject site. Further, the three traditional homeless-oriented properties surveyed outside the Site PMA also provide some type of subsidy to their tenants. As such, we have not provided a rent analysis of the subject and comparable special-needs properties, as the majority of the residents of these properties will effectively pay little to no rent due to the available subsidies. The subsidy proposed for the subject project will ensure the subject’s special-needs units are marketable within the Site PMA and is considered appropriate for and beneficial to the targeted population segment.

The unit sizes (square footage) and number of bathrooms included in each of the different special-needs unit types surveyed in the market and region are compared with the subject development in the following tables:

Map I.D.	Project Name	Square Footage			
		Studio	One- Br.	Two- Br.	Three- Br.
Site	Cool Lane Apartments	504	525	-	-
13	FIND II	-	-	850	950
14	FIND III	-	-	-	1,091 - 1,103
15	FIND IV	-	-	850	950
901	Studios I	360	-	-	-
902	Studios II	275	-	-	-
903	Daily Planet Safe Haven	-	150	-	-

900 Series Map IDs are located outside the Site PMA

Map I.D.	Project Name	Number of Baths			
		Studio	One- Br.	Two- Br.	Three- Br.
Site	Cool Lane Apartments	1.0	1.0	-	-
13	FIND II	-	-	1.0	1.0
14	FIND III	-	-	-	1.0
15	FIND IV	-	-	1.0	1.0
901	Studios I	1.0	-	-	-
902	Studios II	1.0	-	-	-
903	Daily Planet Safe Haven	1.0	-	-	-

900 Series Map IDs are located outside the Site PMA

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

The following tables compare the appliances and the unit and project amenities of the subject site with existing special-needs properties in the market and region.

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		V						X		B		S	Furnished
13	X	X		X			X		W	X	X	X					B		O, S	
14	X	X		X			X		W	X	X	X					B		O	
15	X	X			X		X		W	X	X	X					B		O, S	
901	X	X						X	V					X			B		S	
902	X	X						X	V					X			B		S	
903							X							X			S		S	

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

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

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

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

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

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

COMPARABLE PROPERTIES AMENITIES - RICHMOND, VIRGINIA

PROJECT AMENITIES																			
MAP ID	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	OTHER
SITE		X	X		X	X						X					X		Key Fob Access Security Cameras
13																			
14																			
15																			
901		X	X		L							X		X		X			CCTV
902		X	X		L							X		X		X			CCTV
903		X	X		X												X		

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

X - All Units
S - Some Units
O - Optional

Window Treatments
B - Blinds
C - Curtains
D - Drapes

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

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

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

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

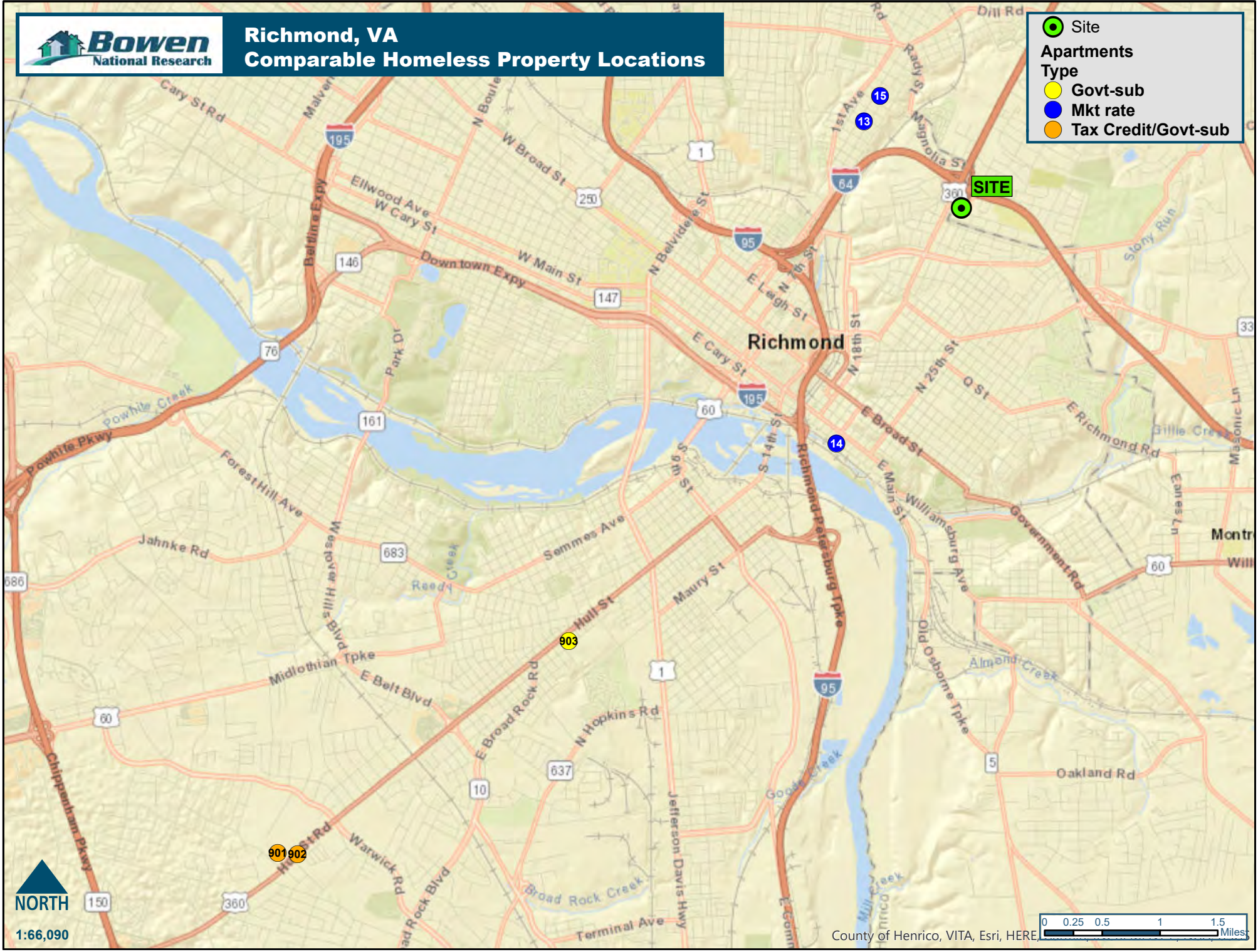
As the preceding illustrates, the subject project will offer a competitive overall amenity package which will feature standard kitchen appliances, fully furnished living and bedroom areas, an on-site manager, community room, fitness center, and social services package/coordinator. These features are considered beneficial to the targeted tenant population and are expected to contribute to the subject's overall marketability.

A map depicting the location of the comparable homeless/special-needs properties surveyed in relation to the subject project is included on the following page.



Richmond, VA Comparable Homeless Property Locations

- Site
- Apartments Type
 - Govt-sub
 - Mkt rate
 - Tax Credit/Govt-sub



1:66,090



County of Henrico, VITA, Esri, HERE

F. BUY VERSUS RENT ANALYSIS

According to ESRI, the median home value within the Site PMA was \$138,879. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$138,879 home is \$836, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$138,879
Mortgaged Value = 95% of Median Home Price	\$131,935
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$668
Estimated Taxes and Insurance*	\$167
Estimated Monthly Mortgage Payment	\$836

*Estimated at 25% of principal and interest

In comparison, the collected Tax Credit rent ranging from \$650 to \$725 for the subject’s studio and one-bedroom units are at least \$111 less than the cost of a monthly mortgage for a typical home in the area. It is also important to reiterate that the subject project will include all utility expenses and basic furnishings in the monthly rent, as well as offering a full project amenity package. These features are not typically offered among for-sale homes in most markets and must also be considered when evaluating the value of the subject project as compared to the for-sale market. Based on the preceding factors and considering that the subject project will target very low-income and/or homeless households, 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 Site PMA that we consider most comparable to the subject project in terms of age, design, unit types, and amenities. 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)			
					Studio	One-Br.	Two-Br.	Three-Br.
Site	Cool Lane Apartments	2021	86	-	6 (-)	86 (-)	-	-
11	Shockoe Valley View I	2014	150	96.7%	-	90 (96.7%)	60 (96.7%)	-
12	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%)
42	Old Stone Row at Shockoe Valley Heights	2010	96	96.9%	-	76 (100.0%)	20 (85.0%)	-
45	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 that the selected properties are well-received and will serve as accurate benchmarks with which to compare the subject project.

The Rent Comparability Grid on the following page shows the collected rents for each of the selected properties and illustrates 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 →

STUDIO

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Cool Lane Apartments		Shockoe Valley View I		Shockoe Valley View II		Lakefield Mews		Old Stone Row at Shockoe Valley Heights		Cedar Broad Apts.	
1900 Cool Lane		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	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1 \$ Last Rent / Restricted?		\$949		\$979		\$880		\$1,130		\$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	1.74	\$979	1.80	\$880	1.37	\$1,130	2.05	\$1,087	1.99
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6 Structure / Stories	EE/2	EE/4		EE/3,4		WU/2		EE/5		EE/4,5	
7 Yr. Built/Yr. Renovated	2021	2014	\$7	2017	\$4	1992	\$29	2010	\$11	2012	\$9
8 Condition/Street Appeal	G	E	(\$15)	E	(\$15)	G		G		E	(\$15)
9 Neighborhood	G	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	STUDIO	1	(\$50)	1	(\$50)	1	(\$50)	1	(\$50)	1	(\$50)
12 # Baths	1	1		1		1		1		1	
13 Unit Interior Sq. Ft.	504	544	(\$18)	544	(\$18)	644	(\$62)	551	(\$21)	547	(\$19)
14 Balcony/Patio	N	N		Y	(\$5)	Y	(\$5)	Y	(\$5)	N	
15 AC: Central/Wall	C	C		C		C		C		C	
16 Range/Refrigerator	R/F	R/F		R/F		R/F		R/F		R/F	
17 Microwave/Dishwasher	N/N	Y/Y	(\$15)	Y/Y	(\$15)	Y/Y	(\$15)	Y/Y	(\$15)	Y/Y	(\$15)
18 Washer/Dryer	L	W/D	(\$35)	W/D	(\$35)	HU/L	(\$10)	W/D	(\$35)	W/D	(\$35)
19 Floor Coverings	V	W		W		C		W		W	
20 Window Coverings	B	B		B		B		B		B	
21 Cable/Internet Included	N/N	Y/Y	(\$85)	Y/Y	(\$85)	N/N		Y/Y	(\$85)	Y/Y	(\$85)
22 Garbage Disposal/Furnished	N/Y	Y/N	\$62	Y/N	\$62	Y/N	\$62	Y/N	\$62	Y/N	\$62
23 Ceiling Fans/Storage	N/N	Y/N	(\$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)	LOT/\$0	STREET	\$50	STREET	\$50	LOT/\$0		LOT/\$0		STREET	\$85
25 On-Site Management	Y	Y		Y		Y		Y		Y	
26 Security Features	Y	N	\$5	N	\$5	N	\$5	N	\$5	N	\$5
27 Community Space	Y	Y		Y		Y		N	\$5	Y	
28 Pool/Recreation Areas	F	P/F	(\$10)	P/F	(\$10)	P/S	(\$8)	P/F	(\$10)	F	
29 Computer/Business Center	N	Y	(\$3)	Y	(\$3)	N		N		N	
30 Picnic Area	N	Y	(\$3)	Y	(\$3)	Y	(\$3)	Y	(\$3)	N	
31 Playground	N	N		N		Y	(\$3)	N		N	
32 Social Services	Y	N	\$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)	Y/E	N/E	\$14	N/E	\$14	N/E	\$14	Y/E		N/E	\$14
34 Cooling (in rent?/ type)	Y/E	N/E		N/E		N/E		Y/E		N/E	
35 Cooking (in rent?/ type)	Y/E	N/E	\$5	N/E	\$5	N/E	\$5	Y/E		N/E	\$5
36 Hot Water (in rent?/ type)	Y/E	N/E	\$11	N/E	\$11	N/E	\$11	Y/E		N/E	\$11
37 Other Electric	Y	N	\$31	N	\$31	N	\$31	Y		N	\$31
38 Cold Water/Sewer	Y/Y	N/N	\$55	N/N	\$55	N/N	\$55	Y/Y		N/N	\$55
39 Trash/Recycling	Y/N	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	10	5	11	4	9	5	9	5	7
41 Sum Adjustments B to D		\$134	(\$239)	\$131	(\$244)	\$106	(\$161)	\$93	(\$229)	\$171	(\$224)
42 Sum Utility Adjustments		\$116		\$116		\$116				\$116	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43 Net/ Gross Adjmts B to E		\$11	\$489	\$3	\$491	\$61	\$383	(\$136)	\$322	\$63	\$511
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44 Adjusted Rent (5+ 43)		\$960		\$982		\$941		\$994		\$1,150	
45 Adj Rent/Last rent			101%		100%		107%		88%		106%
46 Estimated Market Rent	\$990	\$1.96 ← Estimated Market Rent/ Sq. Ft									

Rent Comparability Grid

Unit Type →

ONE-BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Cool Lane Apartments		Shockoe Valley View I		Shockoe Valley View II		Lakefield Mews		Old Stone Row at Shockoe Valley Heights		Cedar Broad Apts.	
1900 Cool Lane		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	
Data		Data		Data		Data		Data		Data	
on		on		on		on		on		on	
Subject		Subject		Subject		Subject		Subject		Subject	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1 \$ Last Rent / Restricted?		\$949		\$979		\$880		\$1,130		\$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	1.74	\$979	1.80	\$880	1.37	\$1,130	2.05	\$1,087	1.99
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6 Structure / Stories	EE/2	EE/4		EE/3,4		WU/2		EE/5		EE/4,5	
7 Yr. Built/Yr. Renovated	2021	2014	\$7	2017	\$4	1992	\$29	2010	\$11	2012	\$9
8 Condition/Street Appeal	G	E	(\$15)	E	(\$15)	G		G		E	(\$15)
9 Neighborhood	G	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	1	1		1		1		1		1	
12 # Baths	1	1		1		1		1		1	
13 Unit Interior Sq. Ft.	525	544	(\$8)	544	(\$8)	644	(\$53)	551	(\$12)	547	(\$10)
14 Balcony/Patio	N	N		Y	(\$5)	Y	(\$5)	Y	(\$5)	N	
15 AC: Central/Wall	C	C		C		C		C		C	
16 Range/Refrigerator	R/F	R/F		R/F		R/F		R/F		R/F	
17 Microwave/Dishwasher	N/N	Y/Y	(\$15)	Y/Y	(\$15)	Y/Y	(\$15)	Y/Y	(\$15)	Y/Y	(\$15)
18 Washer/Dryer	L	W/D	(\$35)	W/D	(\$35)	HU/L	(\$10)	W/D	(\$35)	W/D	(\$35)
19 Floor Coverings	V	W		W		C		W		W	
20 Window Coverings	B	B		B		B		B		B	
21 Cable/Internet Included	N/N	Y/Y	(\$85)	Y/Y	(\$85)	N/N		Y/Y	(\$85)	Y/Y	(\$85)
22 Garbage Disposal/Furnished	N/Y	Y/N	\$62	Y/N	\$62	Y/N	\$62	Y/N	\$62	Y/N	\$62
23 Ceiling Fans/Storage	N/N	Y/N	(\$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)	LOT/\$0	STREET	\$50	STREET	\$50	LOT/\$0		LOT/\$0		STREET	\$85
25 On-Site Management	Y	Y		Y		Y		Y		Y	
26 Security Features	Y	N	\$5	N	\$5	N	\$5	N	\$5	N	\$5
27 Community Space	Y	Y		Y		Y		N	\$5	Y	
28 Pool/Recreation Areas	F	P/F	(\$10)	P/F	(\$10)	P/S	(\$8)	P/F	(\$10)	F	
29 Computer/Business Center	N	Y	(\$3)	Y	(\$3)	N		N		N	
30 Picnic Area	N	Y	(\$3)	Y	(\$3)	Y	(\$3)	Y	(\$3)	N	
31 Playground	N	N		N		Y	(\$3)	N		N	
32 Social Services	Y	N	\$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)	Y/E	N/E	\$16	N/E	\$16	N/E	\$16	Y/E		N/E	\$16
34 Cooling (in rent?/ type)	Y/E	N/E		N/E		N/E		Y/E		N/E	
35 Cooking (in rent?/ type)	Y/E	N/E	\$5	N/E	\$5	N/E	\$5	Y/E		N/E	\$5
36 Hot Water (in rent?/ type)	Y/E	N/E	\$13	N/E	\$13	N/E	\$13	Y/E		N/E	\$13
37 Other Electric	Y	N	\$35	N	\$35	N	\$35	Y		N	\$35
38 Cold Water/Sewer	Y/Y	N/N	\$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		Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40 # Adjustments B to D		5	9	5	10	4	8	5	8	5	6
41 Sum Adjustments B to D		\$134	(\$179)	\$131	(\$184)	\$106	(\$102)	\$93	(\$170)	\$171	(\$165)
42 Sum Utility Adjustments		\$129		\$129		\$129				\$129	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43 Net/ Gross Adjmts B to E		\$84	\$442	\$76	\$444	\$133	\$337	(\$77)	\$263	\$135	\$465
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44 Adjusted Rent (5+ 43)		\$1,033		\$1,055		\$1,013		\$1,053		\$1,222	
45 Adj Rent/Last rent			109%		108%		115%		93%		112%
46 Estimated Market Rent	\$1,055	\$2.01 ← 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 Grid, it was determined that the present-day achievable market rent for a one-bedroom unit similar to those proposed for the subject project is \$1,055, which is illustrated as follows:

Bedroom Type	% AMHI	Proposed Collected Rent*	Achievable Market Rent	Market Rent Advantage
Studio	50%	\$650	\$990	34.3%
One-Br.	50%	\$725	\$1,055	31.3%

*Non-subsidized units only

Typically, Tax Credit rents set at 60% of AMHI are set 10% or more below achievable market rents to ensure that the project will have a sufficient flow of tenants. Thus, units such as those proposed at the lower 50% AMHI level generally should represent an even greater market rent advantage, typically of at least 20% in an urban market such as the subject Site PMA. As such, the subject rents are expected to be perceived as a significant value within the market as they represent a market rent advantages ranging from 31.3% to 34.3%.

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 a very good quality finish/street appeal once construction is complete. We have, however, made adjustments for some properties that we consider to be of superior quality compared to the subject development.
11. None of the selected properties offer studio units. Thus, we have utilized the next most comparable floor plan (one-bedroom) at the selected properties as comparables for the proposed studio units. Notably, the one-bedroom units offered among the selected properties are generally within 50 square feet of the studio units proposed. Nonetheless, negative adjustments of \$50 have been applied to each of the selected properties to reflect their inclusion of a defined bedroom as compared to the studio units proposed.
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. However, the subject project will include basic living and bedroom furnishings which are not offered among the comparable properties. This resulted in a positive \$65 adjustment to each of the selected properties. We have also made adjustments for features lacking at the subject project, and in some cases, we have made adjustments for features the selected properties do not offer.

Also note that four of the five 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 included in Line 21.

- 24.-32. The proposed project 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.

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 proposed subject project's potential.

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 50% of AMHI. The following table summarizes the maximum allowable income by household size and targeted AMHI level.

Household Size	Targeted AMHI Maximum Allowable Income
	50%
One-Person	\$29,150
Two-Person	\$33,300

1. Maximum Income Limits

The one-bedroom units proposed for the subject site are expected to house up to two-person households. As such, the maximum allowable income at the subject site is **\$33,300**.

2. Minimum Income Requirements

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

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

The proposed non-subsidized LIHTC units will have a gross rent of \$650. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$7,800. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement of **\$22,286**, for the non-subsidized LIHTC units.

3. Income-Appropriate Range

Based on the preceding analyses, the income-appropriate range required to live at the proposed project with units built to serve households at 50% of AMHI, with and without the subsidy, is as follows:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit w/Subsidy (Limited to 50% of AMHI)	\$0	\$33,300
Tax Credit Only (Limited to 50% of AMHI)	\$22,286	\$33,300

B. CAPTURE RATE CALCULATIONS

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

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

- 1. Demand from New Renter Households.** *Determine demand for new units in the Primary Market Area based on projected rental household growth. This is to be determined using 2019 as the base year and projecting forward to 2021 (anticipated subject completion year), per VHDA guidelines. The projected population must be limited to the target group, age- and income-appropriate. Demand for each target group must be shown separately, as reflected in the market study requirements. Demand estimates for proposals for elderly developments must be derived from household population age 65 and older. In instances where a significant number of proposed units (more than 20%) are comprised on three- and four-bedroom units, the analyst must refine the analysis by factoring in the number of large households, typically four or more persons. Failure to account for this may result in overstated demand.*

2. **Demand from Existing Households:** *The sum of demand from rental household growth and demand from all components of existing households will constitute **Total Demand**. The demand components from existing households are detailed below:*

a) **Rent overburdened households, if any, within the age group, income groups and renters targeted for the proposed development.** *“Overburdened” is defined by VHDA as households paying more than 35% of gross income (40% if elderly) for gross rent. Analysts are encouraged to be conservative in this regard.*

Based on the American Community Survey (ACS) 5-Year Estimates (Table B25074), 64.7% to 67.0% 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 3.3% 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.*

Not applicable; subject site is general-occupancy.

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 five LIHTC projects planned in the Site PMA which will offer one-bedroom units to general-occupancy households. 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	Glenwood Ridge	2016	12	-	2 (2)**	10 (10)
P/P	Goodwyn at Union Hill	2016	8	2 (2)**	1 (1)	5 (5)
P/P	Church Hill North 1A	2015/2016	3	-	3 (3)	-
P/P	Church Hill North 2A	2018	10	-	-	10 (10)
P/P	Venable Street Development	2018	10	5 (5)	5 (5)	-

P/P – Planned/Proposed

*Directly comparable *one-bedroom* units only

**Subsidized units

The directly comparable planned units located among the 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. *Note that since the subject project is comprised entirely of one-bedroom units, our demand estimates have been limited to only include one- and two-person households.*

Demand Component	Percent of Median Household Income			
	Scenario One: LIHTC w/Subsidy Limited to 50% AMHI			Scenario Two: LIHTC Only Limited to 50% AMHI (\$22,286-\$33,300)
	Subsidized LIHTC Units (\$0-\$33,300)	LIHTC Only Units (\$22,286-\$33,300)	Overall (\$0-\$33,300)	
Demand from New Rental Households (Size- and Income-Appropriate)	7,765 - 7,667 = 98	1,858 - 1,842 = 16	7,765 - 7,667 = 98	1,858 - 1,842 = 16
+				
Demand from Existing Households (Rent Overburdened)	7,667 X 64.7% = 4,961	1,842 X 67.0% = 1,234	7,667 X 64.7% = 4,961	1,842 X 67.0% = 1,234
+				
Demand from Existing Households (Renters in Substandard Housing)	7,667 X 3.3% = 253	1,842 X 3.3% = 61	7,667 X 3.3% = 253	1,842 X 3.3% = 61
+				
Demand from Existing Households (Elderly Homeowner Conversion)	N/A			
+				
Demand from Existing Households (Existing Qualifying Tenants Likely to Remain After Renovations)	N/A			
=				
Total Demand	5,312	1,311	5,312	973
-				
Supply (Directly Comparable Vacant Units Completed or in the Pipeline)	13	9	13	9
=				
Net Demand	5,299	1,302	5,299	1,302
Proposed Units	43	43	86	86
Proposed Units / Net Demand	43 / 5,299	43 / 1,302	86 / 5,299	86 / 1,302
Capture Rate	= 0.8%	= 3.3%	= 1.6%	= 6.6%
Total Absorption Period	3 Months	5 Months	5 Months	7 Months

N/A-Not Available

Utilizing this methodology, capture rates below 30.0% are considered achievable, though capture rates below 20.0% are considered ideal. As such, the subject’s capture rates ranging from 0.8% to 3.3% under the subsidized scenario are considered low and achievable within the 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.

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 size- and income-appropriate renter households would still exist for the subject project. This is evident by the low 6.6% capture rate for the subject project as a whole, under this scenario.

D. PENETRATION RATE CALCULATIONS

The 236 existing directly comparable (by bedroom type and AMHI level) non-subsidized Tax Credit units identified and/or surveyed in the market must also be considered, along with the 11 such units currently in the development pipeline, 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 \$22,286 to \$33,300. The following table summarizes the market penetration rate 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)	333
Size- and Income-Eligible Renter Households – 2021	/ 1,858
Overall Market Penetration Rate	= 17.9%

It is our opinion that the 17.9% penetration rate for the LIHTC units, both existing and proposed, is achievable. This is especially true when considering the 100.0% occupancy rate of the directly comparable LIHTC units surveyed in the market.

E. SUPPLEMENTAL HOMELESS DEMAND ESTIMATES

As discussed in *Section IV*, according the 2018 Point-In-Time survey conducted by the VA-500 Richmond/Henrico, Chesterfield, Hanover Counties Continuum of Care (CoC), there are a total of 609 homeless persons within the CoC’s jurisdiction. It is important to note that this is a conservative count, as not all homeless individuals within the Continuum of Care’s jurisdiction are identified within the 24-hour survey period. Regardless, this provides a good representation of the depth of support for special needs units such as the set aside units to be offered at the subject project.

Based on the preceding analysis, we have provided a homeless renter household capture rate, as summarized in the following table:

	Homeless Capture Rate
Number of Subject Units	43
Eligible Renters – 2018	/ 609
Capture Rate	= 7.1%

Considering the nature of homelessness, capture rates up to and above 100% are considered achievable. Therefore, the capture rate of 7.1% is considered low and demonstrates a deep base of potential support for the homeless units at the subject project.

F. 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)
Studio	\$889	\$650 (50%)
One-Bedroom	\$932	\$725 (50%)

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

G. 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 86 LIHTC units proposed for the subject site will reach a stabilized occupancy of 95% within five months of opening. This absorption rate is based on an average monthly absorption rate of approximately 16 to 17 units per month. It is also anticipated that the subject's subsidized homeless/formerly homeless units will experience the most rapid absorption of the subject units, as these units will likely be filled as fast as applications can be processed. Of course, this assumes that management/ownership of the subject project forms strong relationships and works closely with area referral agencies to help identify and attract homeless individuals within the Greater Richmond area.

These absorption projections assume a December 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 operate with a project-based subsidy available to half (43) of the 86 subject 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. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development ultimately receives.

Should the project-based Section 8 subsidy not be secured, the subject property would likely experience an extended absorption period due to the more limited demographic base for the subject project under this unlikely scenario. In this instance, we would expect the subject project would reach a stabilized occupancy rate of 95% within seven months of opening. This is reflective of an average monthly absorption rate of approximately 11 to 12 units per month.

VIII. Local Perspective (Interviews)

We conducted interviews with various local sources familiar with the Henrico County and 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, state there is a great need for affordable new construction rental product targeting general-occupancy (family) households in the Richmond area. Ms. Green further 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.
- Narkita Lewis is the Property Manager of the Studios I and II, two homeless-oriented properties located outside the Site PMA but within the Richmond area. According to Ms. Lewis, there is a need for additional homeless units within the area, as evidenced by the 100.0% occupancy rates reported at her properties. Ms. Lewis further explained that she receives several calls each day from individuals looking for this type of housing.
- According to Diana Crosswhite, HCVP Policy & Training Manager for the Virginia Housing Development Authority, there is a need for affordable housing for both homeless and 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. Ms. Crosswhite further explained that their agency receives calls on a daily basis from families looking for an affordable unit and many of those families are disabled or have a member of the family that is disabled.

IX. Analysis & Conclusions

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

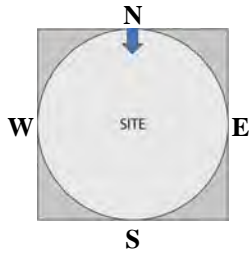
The subject site is located within a mixed-use and generally good quality neighborhood. As the subject project will involve the adaptive re-use of an existing structure, the property is expected to be consistent and fit well with other existing surrounding structures in the immediate area. The property will be clearly visible and easily accessible given its frontage along Cool Lane and proximity to Interstate 64.

The subject project will offer both general-occupancy units and units set aside for the homeless/formerly homeless population. None of the LIHTC or government-subsidized properties surveyed within the Site PMA offer units specifically targeting the homeless/formerly homeless population. Thus, the subject project is expected to help fill a void in the local rental market. Three government-subsidized homeless-oriented rental properties were surveyed outside the Site PMA but within the Richmond area. All three are currently 100.0% occupied. It is also of note that the one-bedroom units offered among the comparable general-occupancy LIHTC properties surveyed in the Site PMA are also 100.0% occupied. As such, the subject project will provide a rental product that is clearly in high demand and has virtually no availability within the Site PMA. The subject project is expected to compete well both in terms of price point (gross rent) and overall design (i.e. unit square footage, number of bathrooms, and amenities offered).

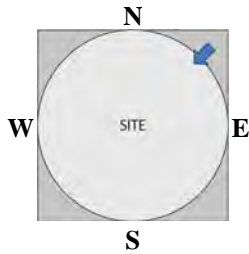
The demographic base within the Site PMA is primarily comprised of renter households, as more than 59.0% of all households in the market are estimated to be renters in 2019. The number of renter households is also projected to increase by 678, or 3.7%, between 2019 and 2023. Further, more than 65.0% of all renter households are comprised of smaller one- and two-person households, demonstrating a good base of potential size-appropriate renter households for the smaller studio and one-bedroom units proposed for the subject project. Our demand estimates further demonstrate a deep base of potential support for both the subsidized and non-subsidized Tax Credit units proposed, as capture rates under the subsidized scenario do not exceed 3.3%, which is considered low and easily achievable.

Overall, the subject project is considered feasible as proposed and is not expected to have any adverse impact on future occupancy rates among existing comparable LIHTC properties in this market. This is due to the deep base of demographic support and strong occupancy rates reported among existing comparable properties in the market and region. We have no recommendations or modifications to the subject project at this time.

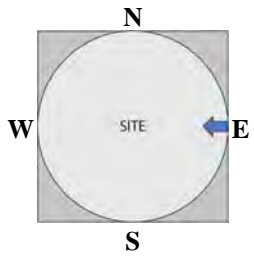
X. SITE PHOTOGRAPHS



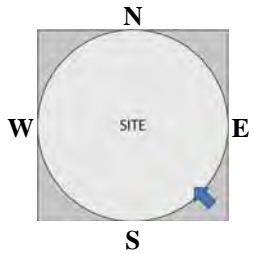
View of site from the north



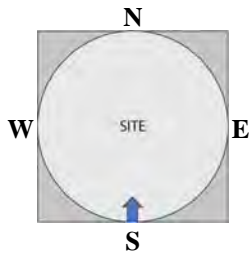
View of site from the northeast



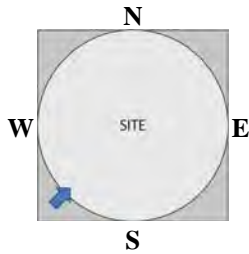
View of site from the east



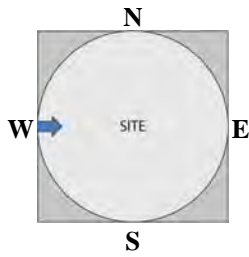
View of site from the southeast



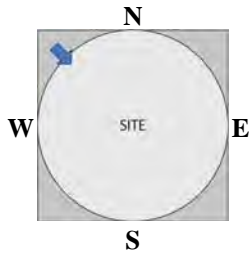
View of site from the south



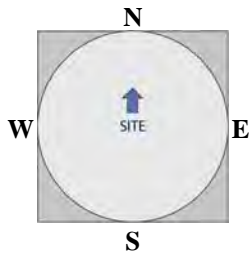
View of site from the southwest



View of site from the west



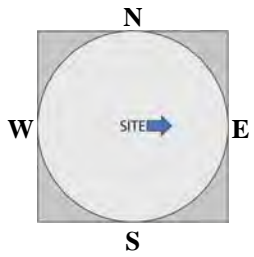
View of site from the northwest



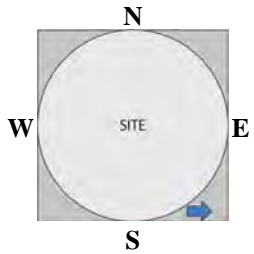
North view from site



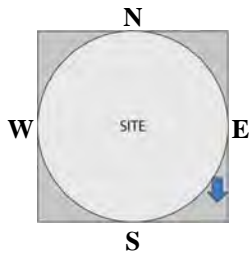
Northeast view from site



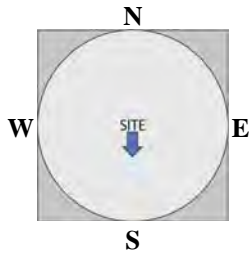
East view from site



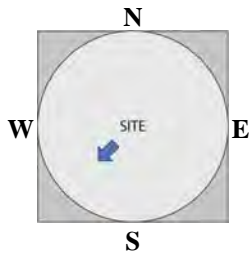
East view from southeast corner



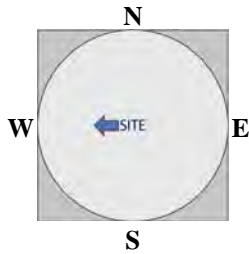
South view from southeast corner



South view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape - East view within site



Streetscape - West view within site



Streetscape - East view along Cool Lane



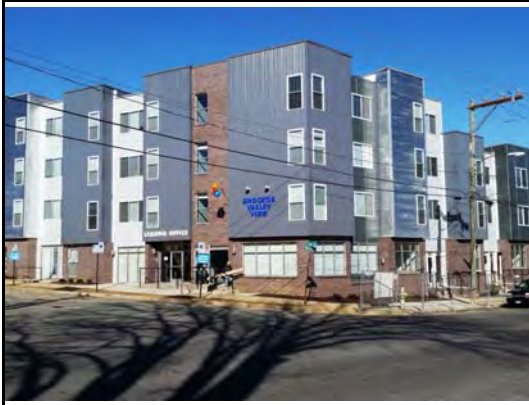
Streetscape - West view along Cool Lane

XI.

COMPARABLE PROPERTY PROFILES

11 Shockoe Valley View I

1.3 miles to site



Address 1904 Cedar St.
Richmond, VA 23223

Phone (855) 469-7522 **Contact** Shay

Total Units 150 **Vacancies** 5 **Percent Occupied** 96.7%

Project Type Market-Rate

Year Open 2014 **Floors** 4

Concessions No Rent Specials

Parking On Street Parking, Surface Parking

Waiting List NONE

Quality Rating A **Neighborhood Rating** B

Remarks
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

Utilities Landlord pays Trash, Cable, Internet
Unit Amenities Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Intercom, Security System, Blinds
Project Amenities 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

12 Shockoe Valley View II

1.3 miles to site



Address 1904 Cedar St.
Richmond, VA 23223

Phone (855) 469-7522 **Contact** Shay

Total Units 87 **Vacancies** 5 **Percent Occupied** 94.3%

Project Type Market-Rate

Year Open 2017 **Floors** 3,4

Concessions No Rent Specials

Parking On Street Parking, Surface Parking

Waiting List NONE

Quality Rating A **Neighborhood Rating** B

Remarks 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

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

Unit Configuration

BRs	BAAs	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

13 FIND II

1.5 miles to site



Address 2203 3rd Ave.
Richmond, VA 23222

Phone (804) 836-1062 **Contact** Julie

Total Units 4 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Market-Rate

Year Open 1920 **Renovated** 2002 **Floors** 2

Concessions No Rent Specials

Parking On Street Parking, Surface Parking

Waiting List NONE

Quality Rating C+ **Neighborhood Rating** C

Remarks HOME Funds (4 units); Designated at risk for homelessness or formerly homeless families



Features and Utilities

Utilities Landlord pays Electric, Gas Heat, Gas Hot Water, Gas for Cooking, Water, Sewer, Trash

Unit Amenities Refrigerator, Range, Dishwasher, Central AC, Wood Flooring, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds

Project Amenities

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
2	1	G	2	0	850	\$0.64	\$543
3	1	G	2	0	950	\$0.63	\$594

14 FIND III

2.0 miles to site



Address	2123-20123 Cary St. Richmond, VA 23220		
Phone	(804) 836-1062	Contact	Julie
Total Units	4	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	1919	Renovated	2002
		Floors	2
Concessions	No Rent Specials		
Parking	On Street Parking		
Waiting List	NONE		
Quality Rating	C	Neighborhood Rating	C
Remarks	HCV (4 units); Designated at risk for homelessness or formerly homeless families		

No Picture
on File

Features and Utilities

Utilities Landlord pays Electric, Gas Heat, Gas Hot Water, Gas for Cooking, Water, Sewer, Trash
Unit Amenities Refrigerator, Range, Dishwasher, Central AC, Wood Flooring, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds
Project Amenities

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
3	1	G	4	0	1091 to 1103	\$0.88 - \$0.89	\$975

15 FIND IV

1.3 miles to site



Address 2504 3rd Ave.
Richmond, VA 23220

Phone (804) 836-1062 **Contact** Julie

Total Units 4 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Market-Rate

Year Open 1920 **Renovated** 2004 **Floors** 2

Concessions No Rent Specials

Parking On Street Parking, Surface Parking

Waiting List NONE

Quality Rating C **Neighborhood Rating** C

Remarks HCV (4 units); Designated at risk for homelessness or formerly homeless families



Features and Utilities

Utilities Landlord pays Electric, Gas Heat, Gas Hot Water, Gas for Cooking, Water, Sewer, Trash

Unit Amenities Refrigerator, Range, Disposal, Central AC, Wood Flooring, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds

Project Amenities

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
2	1	G	2	0	850	\$0.69	\$585
3	1	G	2	0	950	\$0.64	\$610

20 Lakefield Mews

3.9 miles to site



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

Features and Utilities

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

Unit Configuration

BRs	BAAs	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

42 Old Stone Row at Shockoe Valley Heights

1.8 miles to site



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

Features and Utilities

Utilities	Landlord pays Electric, Electric Heat, Electric HotWater, for Cooking Heat, Water, Sewer, Trash, Cable, Intern
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Microwave, Central AC, Wood Flooring, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Intercom, Blinds
Project Amenities	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

45 Cedar Broad Apts.

1.6 miles to site



Address	1820 E. Broad St. Richmond, VA 23223		
Phone	(804) 977-4870	Contact	Greg
Total Units	204	Vacancies	6
		Percent Occupied	97.1%
Project Type	Market-Rate		
Year Open	2012	Floors	4,5
Concessions	No Rent Specials		
Parking	On Street Parking, Surface Parking, Parking Garage		
Waiting List	NONE		
Quality Rating	A	Neighborhood Rating	B
Remarks	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

Utilities	Landlord pays Trash, Cable, Internet
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Wood Flooring, Washer & Dryer, Washer/Dryer Hook Up, Ceiling Fan, Security System, Blinds
Project Amenities	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

40 North Oak Apts.

3.3 miles to site



Address	617 W. Laburnum Ave. Richmond, VA 23222		
Phone	(804) 321-1155	Contact	Crystal
Total Units	143	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate & Tax Credit		
Year Open	1963	Renovated	2012
		Floors	2.5
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B-	Neighborhood Rating	C
Remarks	Market-rate (2 units); 60% AMHI (141 units); HCV (36 units); Built in 3 phases: 1963, 1966 & 1971; Unit mix estimated		

Features and Utilities

Utilities	Landlord pays Gas Heat, Gas Hot Water, Gas for Cooking, Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Central AC, Wood Flooring, Blinds
Project Amenities	On-site Management, Laundry Facility, Playground

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	43	0	456 to 654	\$1.04 - \$1.49	\$680	60%
2	1	G	2	0	713	\$1.09	\$780	
2	1	G	98	0	713	\$1.09	\$780	60%

44 Highland Grove

1.7 miles to site



Address 1132 Dove St.
Richmond, VA 23222

Phone (804) 477-7504 **Contact** Diane

Total Units 128 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Market-Rate, Tax Credit & Government-Subsidized

Year Open 2013 **Floors** 2,3

Concessions No Rent Specials

Parking On Street Parking, Surface Parking

Waiting List NONE

Quality Rating B+ **Neighborhood Rating** B

Remarks 50% AMHI (80 units); Market-rate (10 units); Public Housing & 50% AMHI (38 units); HCV (5 units)



Features and Utilities

Utilities Landlord pays Trash
Unit Amenities Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Ceiling Fan, Blinds
Project Amenities On-site Management, Fitness Center, Computer Lab, Business Center, WiFi Café

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	20	0	947	\$0.72	\$685	50%
1	1	G	14	0	947	\$0.56	\$529	50%
2	1.5	T	5	0	1056	\$0.81	\$855	
2	1.5	T	10	0	1056	\$0.77	\$814	50%
2	1.5	T	12	0	1056	\$0.59	\$627	50%
2	2	G	20	0	1115	\$0.73	\$814	50%
3	2	G	20	0	1371	\$0.68	\$931	50%
3	2.5	T	5	0	1513	\$0.67	\$1019	
3	2.5	T	10	0	1513	\$0.62	\$931	50%
3	2.5	T	12	0	1513	\$0.47	\$715	50%

18 Jefferson Mews

1.6 miles to site



Address	501 N. 23rd St. & 906 N. 26th St. Richmond, VA 23223		
Phone	(804) 643-1956	Contact	Tatiana
Total Units	56	Vacancies	1
		Percent Occupied	98.2%
Project Type	Tax Credit		
Year Open	1994	Renovated	2014
		Floors	2
Concessions	No Rent Specials		
Parking	On Street Parking, Surface Parking		
Waiting List	NONE		
Quality Rating	B	Neighborhood Rating	B
Remarks	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		



Features and Utilities

Utilities Landlord pays Water, Sewer, Trash
Unit Amenities Refrigerator, Range, Dishwasher, Microwave, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities

Unit Configuration

BRs	BA	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	4	0	700	\$1.17	\$820	60%
1	1	G	4	0	700	\$0.95	\$665	50%
2	1 to 2.5	T	8	0	1100	\$0.82	\$905	60%
2	1 to 2.5	T	9	0	1100	\$0.72	\$795	50%
3	1 to 1.5	T	9	1	1300	\$0.92	\$1195	60%
3	1 to 1.5	T	22	0	1300	\$0.73	\$945	50%

25

Tobacco Landing

2.2 miles to site



Address 2701 E. Main St.
Richmond, VA 23223

Phone (844) 379-9647 **Contact** Lafonda

Total Units 62 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Tax Credit

Year Open 1994 **Floors** 5

Concessions No Rent Specials

Parking On Street Parking, Parking Garage

Waiting List 3 households

Quality Rating B **Neighborhood Rating** B

Remarks 50% & 60% AMHI; HCV (7 units)

**Features and Utilities**

Utilities Landlord pays Electric, Electric Heat, Electric HotWater, for Cooking Heat, Water, Sewer, Trash

Unit Amenities Refrigerator, Range, Dishwasher, Disposal, Window AC, Carpet, Intercom, Blinds

Project Amenities On-site Management, Laundry Facility, Meeting Room, Elevator, CCTV; Bike Racks

Unit Configuration

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	37	0	662	\$1.36	\$900	60%
1	1	G	16	0	662	\$1.18	\$780	50%
2	2	G	9	0	899	\$1.17	\$1050	60%

35 Market Slip

1.9 miles to site



Address	2 S. 17th St. Richmond, VA 23219		
Phone	(844) 379-9617	Contact	LaFonda
Total Units	30	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	1860	Renovated	1994
		Floors	2,3
Concessions	No Rent Specials		
Parking	On Street Parking, Parking Garage		
Waiting List	3 households		
Quality Rating	B-	Neighborhood Rating	B
Remarks	50% & 60% AMHI; Accepts HCV; Adaptive reuse		

Features and Utilities

Utilities	Landlord pays Electric, Electric Heat, Electric HotWater, for Cooking Heat, Water, Sewer, Trash, Internet
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Intercom, Blinds
Project Amenities	On-site Management, Laundry Facility

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	10	0	462 to 638	\$1.41 - \$1.95	\$900	60%
1	1	G	10	0	462 to 638	\$1.22 - \$1.69	\$780	50%
2	2	G	10	0	848	\$1.24	\$1050	60%

901 Studios I

6.8 miles to site



Address 5409 Hull Street Rd.
Richmond, VA 23224

Phone (804) 358-0375 **Contact** Narkita

Total Units 21 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Tax Credit & Government-Subsidized

Year Open 2011 **Floors** 2

Concessions No Rent Specials

Parking Surface Parking

Waiting List NONE

Quality Rating B **Neighborhood Rating** C

Remarks 50% AMHI; HUD Section 8; Designated at risk for homelessness or formerly homeless families



Features and Utilities

Utilities Landlord pays Electric, Electric Heat, Electric HotWater, for Cooking Heat, Water, Sewer, Trash

Unit Amenities Refrigerator, Range, Window AC, Vinyl Flooring, Intercom, Blinds, Furnished Units

Project Amenities On-site Management, Laundry Facility, Meeting Room, Elevator, Computer Lab, Picnic Area, CCTV

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
0	1	G	21	0	360	\$2.33	\$837	50%

902 Studios II

6.8 miles to site



Address	5409 Hull Street Rd. Richmond, VA 23224		
Phone	(804) 358-0375	Contact	Narkita
Total Units	39	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit & Government-Subsidized		
Year Open	1972	Renovated	1997
		Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B	Neighborhood Rating	C
Remarks	50% AMHI; HUD Section 8; Designated at risk for homelessness or formerly homeless families; One maintenance unit not included in total		



Features and Utilities

Utilities	Landlord pays Electric, Gas Heat, Gas Hot Water, Gas for Cooking, Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Window AC, Vinyl Flooring, Intercom, Blinds, Furnished Units
Project Amenities	On-site Management, Laundry Facility, Meeting Room, Elevator, Computer Lab, Picnic Area, CCTV

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
0	1	G	39	0	275	\$2.90	\$797	50%

903 Daily Planet Safe Haven

4.5 miles to site



Address	2864 Hull St. Richmond, VA 23220		
Phone	(804) 231-7137	Contact	Miss Angela
Total Units	11	Vacancies	0
		Percent Occupied	100.0%
Project Type	Government-Subsidized		
Year Open	2002	Floors	1
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B+	Neighborhood Rating	C
Remarks	Designated to chronic homelessness & severe mental illness; Transitional housing up to one year; Must go through required programs; Funded through COC Grants & VA; Shared kitchen		

Features and Utilities

Utilities	Landlord pays Electric, Electric Heat, Electric HotWater, for Cooking Heat, Water, Sewer, Trash, Cable, Intern
Unit Amenities	Central AC, Intercom, Blinds
Project Amenities	On-site Management, Laundry Facility, Meeting Room, Social Services

Unit Configuration

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	11	0	150	\$0.00	N.A.

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.

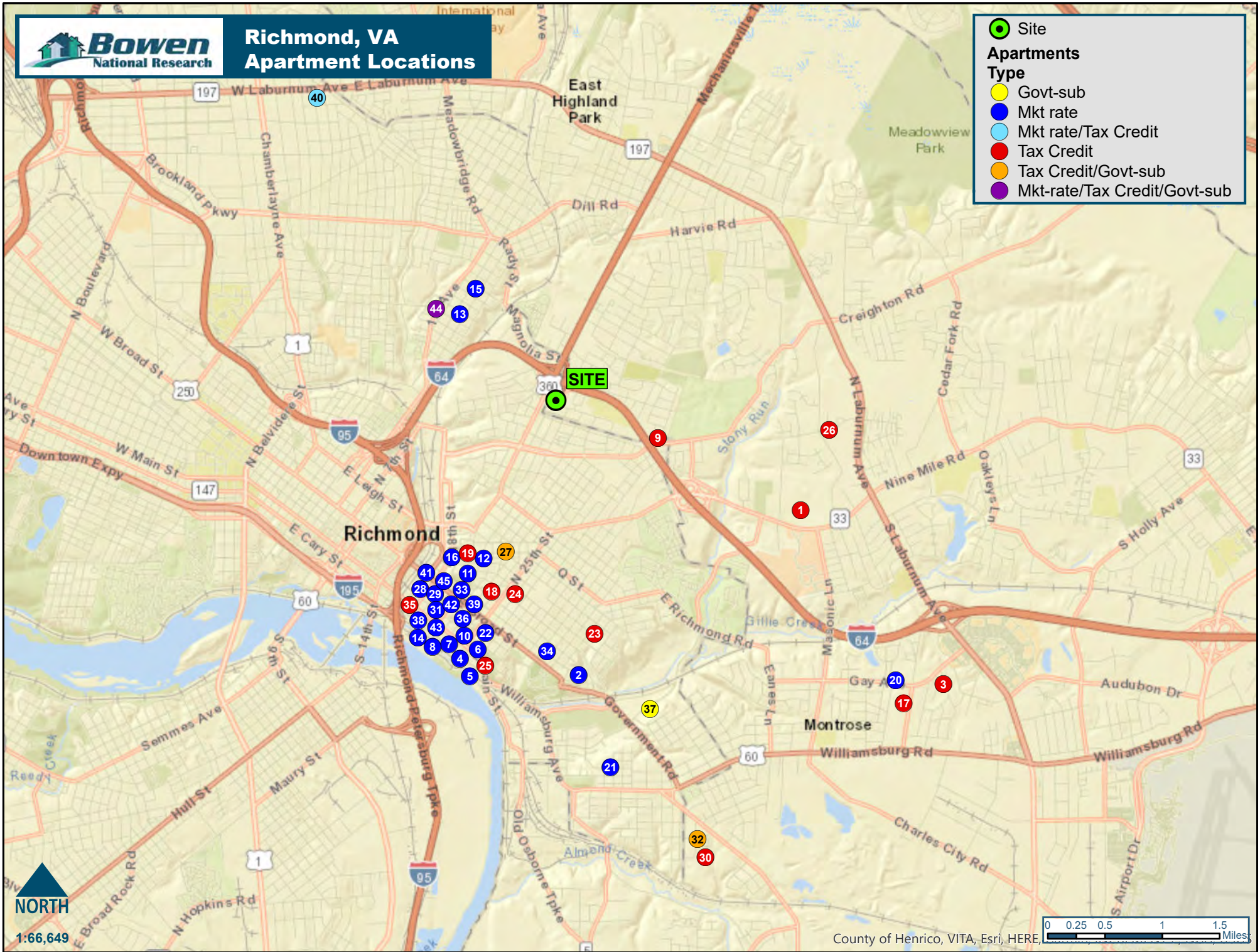


Richmond, VA Apartment Locations

● Site

Apartments Type

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



1:66,649

County of Henrico, VITA, Esri, HERE, 0 0.25 0.5 1 1.5 Miles

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%	2.2
2	Lofty	MRR	B+	2015	34	3	91.2%	2.5
3	Reflections	TAX	B+	2002	104	0	100.0%	4.2
4	River Lofts Cameron Kinney	MRR	B+	1886	259	10	96.1%	2.1
5	River Lofts Lucky Strike	MRR	B+	1910	131	5	96.2%	2.2
6	River Lofts Cutter's Ridge	MRR	A	2006	12	0	100.0%	2.1
7	River Lofts American Cigar	MRR	B+	1901	174	6	96.6%	2.0
8	River Lofts Consolidated-Carolina	MRR	B+	1897	166	6	96.4%	2.0
9	Mallard Greens Townhomes	TAX	B-	1965	192	19	90.1%	0.9
10	Poythress Building Apts.	MRR	B	1870	31	0	100.0%	2.0
11	Shockoe Valley View I	MRR	A	2014	150	5	96.7%	1.3
12	Shockoe Valley View II	MRR	A	2017	87	5	94.3%	1.3
13	FIND II	MRR	C+	1920	4	0	100.0%	1.5
14	FIND III	MRR	C	1919	4	0	100.0%	2.0
15	FIND IV	MRR	C	1920	4	0	100.0%	1.3
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%	4.2
18	Jefferson Mews	TAX	B	1994	56	1	98.2%	1.6
19	Jefferson Townhomes	TAX	C+	1965	218	0	100.0%	1.3
20	Lakefield Mews	MRR	B-	1992	395	0	100.0%	3.9
21	Artisan Hill Apts.	MRR	A	2018	50	44	12.0%	3.7
22	Pohlig Box Factory	MRR	B	1953	65	0	100.0%	1.9
23	Bacon Retirement Community	TAX	B-	1913	58	0	100.0%	2.1
24	Bowler Retirement Community	TAX	B	1910	62	0	100.0%	1.6
25	Tobacco Landing	TAX	B	1994	62	0	100.0%	2.2
26	Apartments at Kingsridge I	TAX	B+	2018	72	0	100.0%	3.0
27	Goodwyn at Union Hill	TGS	B+	1923	0	0	U/C	1.3
28	Market Villas	MRR	B	1920	31	1	96.8%	1.9
29	Shockoe Center Apts.	MRR	B+	1880	47	1	97.9%	1.7
30	Darby House	TAX	B+	2006	108	0	100.0%	4.0
31	Edge at American Tobacco Center	MRR	B+	2018	156	22	85.9%	1.8
32	Henrico Arms	TGS	C+	1974	232	0	100.0%	4.0
33	Vida East	MRR	B	2018	178	151	15.2%	1.6
34	Lava Lofts	MRR	B	1901	50	0	100.0%	2.2
35	Market Slip	TAX	B-	1860	30	0	100.0%	1.9
36	Dill Building	MRR	B+	1894	55	0	100.0%	2.0
37	Ashley Oaks Apts.	GSS	B	1976	250	0	100.0%	3.1

◆	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	Overview - City Side & Riverside	MRR	B+	2017	201	9	95.5%	1.9
39	American Tobacco Center	MRR	B+	1902	153	7	95.4%	1.7
40	North Oak Apts.	MRT	B-	1963	143	0	100.0%	3.3
41	Raven Place Apts.	MRR	B+	1910	66	3	95.5%	1.7
42	Old Stone Row at Shockoe Valley Heights	MRR	B+	2010	96	3	96.9%	1.8
43	Engine Company Lofts	MRR	A	1928	24	1	95.8%	1.9
44	Highland Grove	TMG	B+	2013	128	0	100.0%	1.7
45	Cedar Broad Apts.	MRR	A	2012	204	6	97.1%	1.6

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	28	3,155	298	90.6%	204
MRT	1	143	0	100.0%	0
TMG	1	128	0	100.0%	0
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

XII-5



DISTRIBUTION OF UNITS - RICHMOND, VIRGINIA

MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
0	1	63	2.0%	16	25.4%	\$1,006
1	1	1,727	54.5%	170	9.8%	\$1,106
1	1.5	116	3.7%	4	3.4%	\$1,664
2	1	227	7.2%	5	2.2%	\$1,411
2	1.5	139	4.4%	0	0.0%	\$1,335
2	2	727	23.0%	103	14.2%	\$1,609
2	2.5	83	2.6%	0	0.0%	\$1,645
3	1	8	0.3%	0	0.0%	\$610
3	2	39	1.2%	0	0.0%	\$1,761
3	2.5	16	0.5%	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
TOTAL		3,167	100.0%	298	9.4%	

204 UNITS UNDER CONSTRUCTION

TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	545	36.8%	0	0.0%	\$769
2	1	335	22.7%	19	5.7%	\$963
2	1.5	62	4.2%	0	0.0%	\$858
2	2	280	18.9%	1	0.4%	\$1,006
2	2.5	8	0.5%	0	0.0%	\$919
3	1	42	2.8%	1	2.4%	\$1,118
3	1.5	15	1.0%	0	0.0%	\$1,093
3	2	150	10.1%	1	0.7%	\$1,186
3	2.5	10	0.7%	0	0.0%	\$1,212
4	2	32	2.2%	0	0.0%	\$1,294
TOTAL		1,479	100.0%	22	1.5%	

46 UNITS UNDER CONSTRUCTION

TAX CREDIT, GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	86	31.9%	0	0.0%	N.A.
2	1	116	43.0%	0	0.0%	N.A.
2	1.5	12	4.4%	0	0.0%	N.A.
3	1	44	16.3%	0	0.0%	N.A.
3	2.5	12	4.4%	0	0.0%	N.A.
TOTAL		270	100.0%	0	0.0%	

6 UNITS UNDER CONSTRUCTION

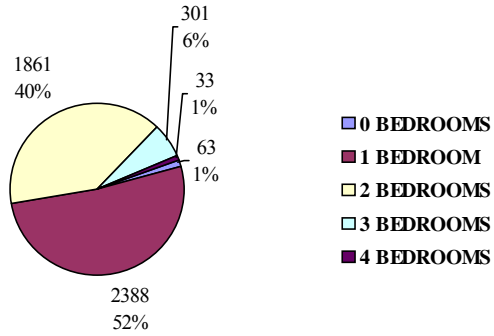
GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	35	14.0%	0	0.0%	N.A.
2	1	122	48.8%	0	0.0%	N.A.
3	1	48	19.2%	0	0.0%	N.A.
3	1.5	25	10.0%	0	0.0%	N.A.
4	1.5	20	8.0%	0	0.0%	N.A.
TOTAL		250	100.0%	0	0.0%	

DISTRIBUTION OF UNITS - RICHMOND, VIRGINIA

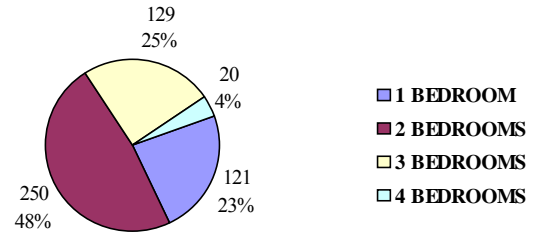
GRAND TOTAL	5,166	-	320	6.2%	
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DISTRIBUTION OF UNITS BY BEDROOM






NON-SUBSIDIZED



SUBSIDIZED



SURVEY OF PROPERTIES - RICHMOND, VIRGINIA





1 Carter Woods I & II			
	Address 301 Dabbs House Rd. Richmond, VA 23223	Phone (804) 222-4395 (Contact in person)	Total Units 152
	Year Built 2004 Comments 40% & 50% & 60% AMHI; HCV (14 units); Phase II opened in 2006; Select units have ceiling fans	Contact Meredith	Vacancies 0 Occupied 100.0% Floors 2,3 Quality Rating B Senior Restricted (62+) Waiting List 27 households
2 Lofty			
	Address 3618 E. Broad St. Richmond, VA 23223	Phone (804) 226-9555 (Contact in person)	Total Units 34
	Year Built 2015 Comments Does not accept HCV; Select units have front porch & some have balcony	Contact Adam	Vacancies 3 Occupied 91.2% Floors 3 Quality Rating B+ Waiting List None
3 Reflections			
	Address 461 Lou's Lore Ln. Richmond, VA 23231	Phone (804) 497-4343 (Contact in person)	Total Units 104
	Year Built 2002 Comments 40% & 50% AMHI; HCV (13 units)	Contact DeAnna	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B+ Senior Restricted (55+) Waiting List 3 years
4 River Lofts Cameron Kinney			
	Address 2400 & 2500 E. Cary St. Richmond, VA 23223	Phone (804) 649-1850 (Contact by phone)	Total Units 259
	Year Built 1886 Renovated 1991 Comments 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	Contact Mary	Vacancies 10 Occupied 96.1% Floors 4,5,6 Quality Rating B+ Waiting List None
5 River Lofts Lucky Strike			
	Address 2600 E. Cary St. Richmond, VA 23223	Phone (804) 649-1850 (Contact by phone)	Total Units 131
	Year Built 1910 Renovated 2009 Comments 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	Contact Mary	Vacancies 5 Occupied 96.2% Floors 2,6 Quality Rating B+ Waiting List 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			
	Address 2605-2627 E. Main St. Richmond, VA 23223	Phone (804) 649-1850 (Contact by phone)	Total Units 12
	Year Built 2006	Contact Mary	Vacancies 0
	Comments 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		Occupied 100.0%
			Floors 3
			Quality Rating A
			Waiting List None
7 River Lofts American Cigar			
	Address 2300 E. Cary St. Richmond, VA 23223	Phone (804) 649-1850 (Contact by phone)	Total Units 174
	Year Built 1901 Renovated 2005	Contact Mary	Vacancies 6
	Comments 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		Occupied 96.6%
			Floors 5,6
			Quality Rating B+
			Waiting List None
8 River Lofts Consolidated-Carolina			
	Address 2200 & 2222 E. Cary St. Richmond, VA 23223	Phone (804) 649-1850 (Contact by phone)	Total Units 166
	Year Built 1897 Renovated 2006	Contact Mary	Vacancies 6
	Comments 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		Occupied 96.4%
			Floors 3,6
			Quality Rating B+
			Waiting List None
9 Mallard Greens Townhomes			
	Address 2852 Fairfield Ave. Richmond, VA 23223	Phone (804) 709-3539 (Contact in person)	Total Units 192
	Year Built 1965 Renovated 2007	Contact Briana	Vacancies 19
	Comments 60% AMHI; HCV (40 units); Rent range due to unit updates		Occupied 90.1%
			Floors 2
			Quality Rating B-
			Waiting List None
10 Poythress Building Apts.			
	Address 16 N. 22nd St. Richmond, VA 23223	Phone (804) 649-0591 (Contact in person)	Total Units 31
	Year Built 1870 Renovated 2000	Contact Beth	Vacancies 0
	Comments Does not accept HCV; Rents change daily; Adaptive reuse of tobacco factory, originally built in 1870		Occupied 100.0%
			Floors 4
			Quality Rating B
			Waiting List 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 Shockoe Valley View I			
	Address 1904 Cedar St. Richmond, VA 23223	Phone (855) 469-7522 (Contact by phone)	Total Units 150
	Year Built 2014	Contact Shay	Vacancies 5
	Comments 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		Occupied 96.7%
			Floors 4
			Quality Rating A
			Waiting List None
12 Shockoe Valley View II			
	Address 1904 Cedar St. Richmond, VA 23223	Phone (855) 469-7522 (Contact by phone)	Total Units 87
	Year Built 2017	Contact Shay	Vacancies 5
	Comments Does not accept HCV; 1st floor units have polished concrete flooring, all other levels have bamboo flooring; Unit mix & square footage estimated		Occupied 94.3%
			Floors 3,4
			Quality Rating A
			Waiting List None
13 FIND II			
	Address 2203 3rd Ave. Richmond, VA 23222	Phone (804) 836-1062 (Contact in person)	Total Units 4
	Year Built 1920 Renovated 2002	Contact Julie	Vacancies 0
	Comments HOME Funds (4 units); Designated at risk for homelessness or formerly homeless families		Occupied 100.0%
			Floors 2
			Quality Rating C+
			Waiting List None
14 FIND III			
	Address 2123-20123 Cary St. Richmond, VA 23220	Phone (804) 836-1062 (Contact in person)	Total Units 4
	Year Built 1919 Renovated 2002	Contact Julie	Vacancies 0
	Comments HCV (4 units); Designated at risk for homelessness or formerly homeless families		Occupied 100.0%
			Floors 2
			Quality Rating C
			Waiting List None
15 FIND IV			
	Address 2504 3rd Ave. Richmond, VA 23220	Phone (804) 836-1062 (Contact in person)	Total Units 4
	Year Built 1920 Renovated 2004	Contact Julie	Vacancies 0
	Comments HCV (4 units); Designated at risk for homelessness or formerly homeless families		Occupied 100.0%
			Floors 2
			Quality Rating C
			Waiting List 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


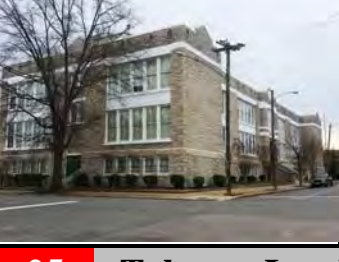
16 Atrium Lofts at Cold Storage I			
	Address 500 N. 18th St. Richmond, VA 23219	Phone (804) 977-3883 (Contact in person)	Total Units 328
	Year Built 1917 Renovated 2011	Contact Brian	Vacancies 10
	Comments Does not accept HCV; Select units have patio/balcony; Flooring is concrete; Select units have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

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






21 Artisan Hill Apts.			
	Address 1000 Carlisle Ave. Richmond, VA 23231	Phone (804) 226-9555 (Contact by phone)	Total Units 50
	Year Built 2018 Comments 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	Contact Adam	Vacancies 44 Occupied 12.0% Floors 5,6 Quality Rating A
			Waiting List None
22 Pohlig Box Factory			
	Address 2419 E. Franklin St. Richmond, VA 23223	Phone (804) 377-9194 (Contact in person)	Total Units 65
	Year Built 1953 Renovated 2004 Comments Does not accept HCV; Select units have deck/balcony; Six townhomes are penthouses; Adaptive reuse	Contact Holly	Vacancies 0 Occupied 100.0% Floors 3, 4 Quality Rating B
			Waiting List 75 households
23 Bacon Retirement Community			
	Address 815 N. 35th St. Richmond, VA 23223	Phone (804) 222-4125 (Contact in person)	Total Units 58
	Year Built 1913 Renovated 1999 Comments 50% & 60% AMHI; Accepts HCV; Select units have vinyl flooring; Adaptive reuse; Unit mix estimated	Contact Cheryl	Vacancies 0 Occupied 100.0% Floors 1,2,5 Quality Rating B- Senior Restricted (55+)
			Waiting List None
24 Bowler Retirement Community			
	Address 608 N. 26th St. Richmond, VA 23230	Phone (804) 222-4125 (Contact in person)	Total Units 62
	Year Built 1910 Renovated 1998 Comments 50% & 60% AMHI; Accepts HCV; Some units are all vinyl flooring	Contact Cheryl	Vacancies 0 Occupied 100.0% Floors 2,5 Quality Rating B Senior Restricted (55+)
			Waiting List None
25 Tobacco Landing			
	Address 2701 E. Main St. Richmond, VA 23223	Phone (844) 379-9647 (Contact by phone)	Total Units 62
	Year Built 1994 Comments 50% & 60% AMHI; HCV (7 units)	Contact Lafonda	Vacancies 0 Occupied 100.0% Floors 5 Quality Rating B
			Waiting List 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 Apartments at Kingsridge I			
	Address 390 Kingsridge Rd. Richmond, VA 23223	Phone (804) 457-6808 (Contact by phone)	Total Units 72
	Year Built 2018 Comments 50% & 60% AMHI; Accepts HCV; Opened 10/2018, 100% occupied 12/2018; Square footage estimated	Contact Sabrina	Vacancies 0 Occupied 100.0% Floors 3 Quality Rating B+
			Waiting List None
27 Goodwyn at Union Hill			
	Address 2230-2238 Venable St. Richmond, VA 23223	Phone (804) 644-0546 (Contact by phone)	Total Units 0
	Year Built 1923 Renovated 2019 Comments 40%, 50% & 60% AMHI; PBV (approx 6 units); 52 units UC, adaptive reuse & new construction, expect completion early 2019	Contact Laroya	Vacancies 0 Occupied 0 Floors 2,2.5,3 Quality Rating B+
			Waiting List 100 households
28 Market Villas			
	Address 15 N. 18th St. Richmond, VA 23223	Phone (844) 292-0585 (Contact in person)	Total Units 31
	Year Built 1920 Renovated 2003 Comments Accepts HCV (0 currently); 5 units have balcony; A few units have icemaker or fireplace; Adaptive reuse; Rents change daily; 1st floor commercial	Contact Christina	Vacancies 1 Occupied 96.8% Floors 3 Quality Rating B
			Waiting List None
29 Shockoe Center Apts.			
	Address 1900 E. Franklin St. Richmond, VA 23223	Phone (804) 377-9900 (Contact in person)	Total Units 47
	Year Built 1880 Renovated 2002 Comments Does not accept HCV; Select units have ceiling fan; Rents change daily; Adaptive reuse	Contact Jason	Vacancies 1 Occupied 97.9% Floors 4 Quality Rating B+
			Waiting List None
30 Darby House			
	Address 1400 Shirleydale Ave. Richmond, VA 23231	Phone (804) 236-8382 (Contact in person)	Total Units 108
	Year Built 2006 Comments 40% & 50% AMHI; HCV (14 units); E-call buttons are pendants provided at no additional cost	Contact Kelly	Vacancies 0 Occupied 100.0% Floors 4 Quality Rating B+
			Senior Restricted (62+) Waiting List 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




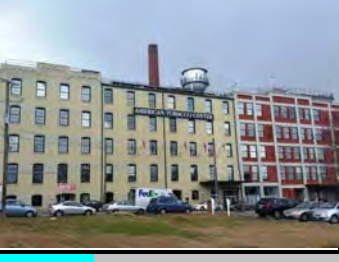

31 Edge at American Tobacco Center			
	Address 1914 E. Franklin St. Richmond, VA 23223	Phone (804) 335-0801 (Contact in person)	Total Units 156
	Year Built 2018 Comments Does not accept HCV; Opened 4/2018, still in lease-up, began preleasing 2/2018; Rent range based on floor plan, level & patio/balcony	Contact Whitney	Vacancies 22
	Rent Special 2-br/2-ba: One month's rent free		Occupied 85.9%
			Floors 5
			Quality Rating B+
			Waiting List None
32 Henrico Arms			
	Address 1664 Henrico Arms Pl. Richmond, VA 23231	Phone (804) 222-0542 (Contact in person)	Total Units 232
	Year Built 1974 Renovated 2003 Comments 60% AMHI; HUD Section 8	Contact Demetria	Vacancies 0
			Occupied 100.0%
			Floors 2
			Quality Rating C+
			Waiting List 350-400 households
33 Vida East			
	Address 1903 E. Marshall St. Richmond, VA 23223	Phone (804) 669-3278 (Contact by phone)	Total Units 178
	Year Built 2018 Comments Does not accept HCV; Opened 10/2018, no pre-leasing, still in lease-up; 20 units at 80% AMHI	Contact Laura	Vacancies 151
	Rent Special One month's rent free		Occupied 15.2%
			Floors 5
			Quality Rating B
			Waiting List None
34 Lava Lofts			
	Address 310 N. 33rd St. Richmond, VA 23223	Phone (855) 969-3331 (Contact in person)	Total Units 50
	Year Built 1901 Renovated 2012 Comments 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	Contact Kim	Vacancies 0
			Occupied 100.0%
			Floors 3
			Quality Rating B
			Waiting List None
35 Market Slip			
	Address 2 S. 17th St. Richmond, VA 23219	Phone (844) 379-9617 (Contact by phone)	Total Units 30
	Year Built 1860 Renovated 1994 Comments 50% & 60% AMHI; Accepts HCV; Adaptive reuse	Contact LaFonda	Vacancies 0
			Occupied 100.0%
			Floors 2,3
			Quality Rating B-
			Waiting List 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






36 Dill Building			
	Address 2020 E. Franklin St. Richmond, VA 23223	Phone (804) 377-9900 (Contact in person)	Total Units 55
	Year Built 1894 Renovated 2007 Contact Jason	Comments Does not accept HCV; Adaptive reuse & new construction	Vacancies 0 Occupied 100.0% Floors 4 Quality Rating B+
			Waiting List None
37 Ashley Oaks Apts.			
	Address 1402 Jennie Scher Rd. Richmond, VA 23231	Phone (804) 222-8776 (Contact in person)	Total Units 250
	Year Built 1976 Renovated 2009 Contact Michelle	Comments HUD Section 8; Townhomes have patios, 4-br have washer/dryer hookups; Unit mix estimated	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B
			Waiting List 18 months
38 Overview - City Side & Riverside			
	Address 12 S 19th St. Richmond, VA 23223	Phone (804) 836-1836 (Contact in person)	Total Units 201
	Year Built 2017 Contact Julia	Comments 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	Vacancies 9 Occupied 95.5% Floors 6,8 Quality Rating B+
			Waiting List None
39 American Tobacco Center			
	Address 119 N. 20th St. Richmond, VA 23223	Phone (804) 377-9900 (Contact by phone)	Total Units 153
	Year Built 1902 Renovated 2005 Contact Dester	Comments Does not accept HCV; Two 1-br have balcony; Select units have fireplace; Adaptive reuse; HUD Insured	Vacancies 7 Occupied 95.4% Floors 4,5 Quality Rating B+
			Waiting List None
40 North Oak Apts.			
	Address 617 W. Laburnum Ave. Richmond, VA 23222	Phone (804) 321-1155 (Contact in person)	Total Units 143
	Year Built 1963 Renovated 2012 Contact Crystal	Comments Market-rate (2 units); 60% AMHI (141 units); HCV (36 units); Built in 3 phases: 1963, 1966 & 1971; Unit mix estimated	Vacancies 0 Occupied 100.0% Floors 2.5 Quality Rating B-
			Waiting List 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 Raven Place Apts.			
	Address 1710 E. Broad St. Richmond, VA 23223	Phone (804) 365-5893 (Contact in person)	Total Units 66
	Year Built 1910 Renovated 2008	Contact Christina	Vacancies 3
	Comments Does not accept HCV; Select units have balcony; Flooring is stained concrete or bamboo; Rent range based on floor plan, level & location; Adaptive reuse		Occupied 95.5%
			Floors 4
			Quality Rating B+
			Waiting List None
42 Old Stone Row at Shockoe Valley Heights			
	Address 2005 E. Franklin St. Richmond, VA 23223	Phone (804) 440-7368 (Contact in person)	Total Units 96
	Year Built 2010	Contact Becky	Vacancies 3
	Comments 80% AMHI with VHDA Bond (22 units); Does not accept HCV; 1st floor retail		Occupied 96.9%
			Floors 5
			Quality Rating B+
			Waiting List None
43 Engine Company Lofts			
	Address 2026 E. Main St. Richmond, VA 23223	Phone (804) 495-2172 (Contact in person)	Total Units 24
	Year Built 1928 Renovated 2010	Contact Shanti	Vacancies 1
	Comments Does not accept HCV; Adaptive reuse & new construction; 1st floor commercial/retail; Rents change daily		Occupied 95.8%
			Floors 5
			Quality Rating A
			Waiting List None
44 Highland Grove			
	Address 1132 Dove St. Richmond, VA 23222	Phone (804) 477-7504 (Contact in person)	Total Units 128
	Year Built 2013	Contact Diane	Vacancies 0
	Comments 50% AMHI (80 units); Market-rate (10 units); Public Housing & 50% AMHI (38 units); HCV (5 units)		Occupied 100.0%
			Floors 2,3
			Quality Rating B+
			Waiting List None
45 Cedar Broad Apts.			
	Address 1820 E. Broad St. Richmond, VA 23223	Phone (804) 977-4870 (Contact by phone)	Total Units 204
	Year Built 2012	Contact Greg	Vacancies 6
	Comments 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		Occupied 97.1%
			Floors 4,5
			Quality Rating A
			Waiting List 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		\$949	\$1279						
12		\$979 to \$1199	\$1299	\$1599					
13			\$543	\$594					
14				\$975					
15			\$585	\$610					
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		\$680 to \$700	\$750 to \$800						
24		\$680 to \$700							
25		\$780 to \$900	\$1050						
26			\$690 to \$840	\$795 to \$960					
27									
28		\$919 to \$974	\$1214 to \$1474	\$1489					
29		\$1039 to \$1159	\$1517 to \$1766						
30		\$520 to \$675	\$795						
31		\$1090 to \$1430	\$1668 to \$1840						
33	\$899 to \$1099	\$1139 to \$1269	\$1539 to \$1800						
34		\$1000 to \$1300	\$1500 to \$1550						
35		\$780 to \$900	\$1050						
36		\$1053	\$1350 to \$2000	\$2000					
38		\$1137 to \$1537	\$1569 to \$1875						

◆	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		\$1012 to \$1142	\$1289 to \$2009	\$1580 to \$2091					
40		\$680	\$780						
41		\$1064 to \$1104	\$1269 to \$1414						
42		\$850 to \$1140	\$1400 to \$1650						
43		\$1127 to \$1165					\$1515		
44		\$685	\$814	\$931			\$814 to \$855	\$931 to \$1019	
45		\$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
33	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
11	Shockoe Valley View I	1	544 to 603	\$1038	\$1.72 to \$1.91
12	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
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	Edge at American Tobacco Center	1	555 to 747	\$1179 to \$1519	\$2.03 to \$2.12
33	Vida East	1	474 to 625	\$1268 to \$1398	\$2.24 to \$2.68
34	Lava Lofts	1	600 to 905	\$1069 to \$1369	\$1.51 to \$1.78
36	Dill Building	1 to 1.5	504 to 1018	\$1142	\$1.12 to \$2.27
38	Overview - City Side & Riverside	1	645 to 799	\$1097 to \$1497	\$1.70 to \$1.87
39	American Tobacco Center	1	400 to 844	\$1101 to \$1231	\$1.46 to \$2.75
41	Raven Place Apts.	1	617 to 943	\$1093 to \$1133	\$1.20 to \$1.77
42	Old Stone Row at Shockoe Valley Heights	1	533 to 699	\$810 to \$1100	\$1.52 to \$1.57
43	Engine Company Lofts	1	652 to 710	\$1156 to \$1194	\$1.68 to \$1.77
45	Cedar Broad Apts.	1	547	\$1106 to \$1246	\$2.02 to \$2.28
40	North Oak Apts.	1	456 to 654	\$715	\$1.09 to \$1.57
44	Highland Grove	1	947	\$830	\$0.88
◆ 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
18	Jefferson Mews	1	700	\$750 to \$905	\$1.07 to \$1.29

◆	Senior Restricted
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■	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
23	Bacon Retirement Community	1	600	\$680 to \$700	\$1.13 to \$1.17
24	Bowler Retirement Community	1	600	\$680 to \$700	\$1.13 to \$1.17
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
27	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
11	Shockoe Valley View I	2	849 to 892	\$1418	\$1.59 to \$1.67
12	Shockoe Valley View II	2	849 to 892	\$1438	\$1.61 to \$1.69
13	FIND II	1	850	\$543	\$0.64
15	FIND IV	1	850	\$585	\$0.69
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
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	Edge at American Tobacco Center	2	909 to 1159	\$1807 to \$1979	\$1.71 to \$1.99
33	Vida East	2	750 to 830	\$1718 to \$1979	\$2.29 to \$2.38
34	Lava Lofts	1 to 2	950 to 1026	\$1592 to \$1642	\$1.60 to \$1.68
36	Dill Building	2	878 to 932	\$1489 to \$2139	\$1.70 to \$2.30
38	Overview - City Side & Riverside	1	1085	\$1529 to \$1835	\$1.41 to \$1.69
39	American Tobacco Center	2	800 to 1238	\$1428 to \$2148	\$1.74 to \$1.79

◆	Senior Restricted
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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	Raven Place Apts.	1	832	\$1321 to \$1366	\$1.59 to \$1.64
		2	1098	\$1421 to \$1466	\$1.29 to \$1.34
42	Old Stone Row at Shockoe Valley Heights	2	831 to 964	\$1360 to \$1610	\$1.64 to \$1.67
43	Engine Company Lofts	2	868 to 957	\$1588	\$1.66 to \$1.83
45	Cedar Broad Apts.	2	756	\$1534 to \$1609	\$2.03 to \$2.13
40	North Oak Apts.	1	713	\$826	\$1.16
44	Highland Grove	1.5	1056	\$1028 to \$1069	\$0.97 to \$1.01
		2	1115	\$1006	\$0.90
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
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	Bacon Retirement Community	1	750 to 800	\$750 to \$800	\$1.00 to \$1.00
25	Tobacco Landing	2	899	\$1050	\$1.17
26	Apartments at Kingsridge I	2	952	\$817 to \$967	\$0.86 to \$1.02
30	Darby House	2	883	\$887	\$1.00
35	Market Slip	2	848	\$1030	\$1.21
27	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
12	Shockoe Valley View II	3	1110	\$1800	\$1.62
13	FIND II	1	950	\$594	\$0.63
14	FIND III	1	1091 to 1103	\$975	\$0.88 to \$0.89
15	FIND IV	1	950	\$610	\$0.64
20	Lakefield Mews	2	1334	\$1761	\$1.32
28	Market Villas	2	992 to 1229	\$1561	\$1.27 to \$1.57
36	Dill Building	2	1506	\$2201	\$1.46
39	American Tobacco Center	2	1100 to 1317	\$1781 to \$2292	\$1.62 to \$1.74
45	Cedar Broad Apts.	2.5	1065	\$1943 to \$1991	\$1.82 to \$1.87
44	Highland Grove	2	1371	\$1186	\$0.87

◆	Senior Restricted
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■	Tax Credit
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Survey Date: January 2019

PRICE PER SQUARE FOOT - RICHMOND, VIRGINIA

THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
44	Highland Grove	2.5	1513	\$1212 to \$1300	\$0.80 to \$0.86
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
26	Apartments at Kingsridge I	2	1116	\$961 to \$1126	\$0.86 to \$1.01
27	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
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■	Government-subsidized

Survey Date: January 2019

AVERAGE GROSS RENT PER SQUARE FOOT - RICHMOND, VIRGINIA

MARKET-RATE			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$1.81	\$1.72	\$1.45
TOWNHOUSE	\$0.00	\$1.25	\$1.05

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$1.21	\$1.12	\$1.06
TOWNHOUSE	\$1.26	\$1.17	\$1.01

COMBINED			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$1.69	\$1.55	\$1.19
TOWNHOUSE	\$1.26	\$1.21	\$1.02

TAX CREDIT UNITS - RICHMOND, VIRGINIA

ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
27	Goodwyn at Union Hill	0	545	1	40%	\$496
◆ 30	Darby House	11	620 - 643	1	40%	\$520
44	Highland Grove	14	947	1	50%	\$529
◆ 1	Carter Woods I & II	16	600	1	40%	\$545
27	Goodwyn at Union Hill	0	545	1	50%	\$652
18	Jefferson Mews	4	700	1	50%	\$665
◆ 30	Darby House	65	620 - 643	1	50%	\$675
19	Jefferson Townhomes	61	620	1	60%	\$675 - \$685
40	North Oak Apts.	43	456 - 654	1	60%	\$680
◆ 24	Bowler Retirement Community	10	600	1	50%	\$680
◆ 23	Bacon Retirement Community	10	600	1	50%	\$680
44	Highland Grove	20	947	1	50%	\$685
◆ 1	Carter Woods I & II	31	600	1	50%	\$700
◆ 24	Bowler Retirement Community	52	600	1	60%	\$700
◆ 23	Bacon Retirement Community	46	600	1	60%	\$700
◆ 3	Reflections	52	788	1	50%	\$716
9	Mallard Greens Townhomes	3	710	1	60%	\$725
35	Market Slip	10	462 - 638	1	50%	\$780
25	Tobacco Landing	16	662	1	50%	\$780
27	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
27	Goodwyn at Union Hill	0	950	2	40%	\$588
44	Highland Grove	12	1056	1.5	50%	\$627
◆ 1	Carter Woods I & II	20	800	2	40%	\$645
26	Apartments at Kingsridge I	18	952	2	50%	\$690
◆ 23	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
27	Goodwyn at Union Hill	0	950	2	50%	\$775
40	North Oak Apts.	98	713	1	60%	\$780
18	Jefferson Mews	9	1100	1 - 2.5	50%	\$795
◆ 30	Darby House	32	883	2	50%	\$795
44	Highland Grove	20	1115	2	50%	\$814
44	Highland Grove	10	1056	1.5	50%	\$814
◆ 1	Carter Woods I & II	10	800	2	50%	\$835
26	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
27	Goodwyn at Union Hill	0	950	2	60%	\$962
◆ 1	Carter Woods I & II	31	800	2	60%	\$1020
25	Tobacco Landing	9	899	2	60%	\$1050
35	Market Slip	10	848	2	60%	\$1050
32	Henrico Arms	116	757	1	60%	\$1077

◆ - Senior Restricted

TAX CREDIT UNITS - RICHMOND, VIRGINIA

THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
27	Goodwyn at Union Hill	0	982	2	40%	\$670
44	Highland Grove	12	1513	2.5	50%	\$715
26	Apartments at Kingsridge I	18	1116	2	50%	\$795
27	Goodwyn at Union Hill	0	982	2	50%	\$886
19	Jefferson Townhomes	45	920 - 1106	1 - 2	60%	\$890 - \$900
44	Highland Grove	20	1371	2	50%	\$931
44	Highland Grove	10	1513	2.5	50%	\$931
18	Jefferson Mews	22	1300	1 - 1.5	50%	\$945
26	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
27	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+	14	1,876	4.5%	\$1,006	\$1,133	\$1,610	\$2,201	
B	5	355	42.8%	\$1,015	\$1,268	\$1,718	\$1,561	\$3,439
B-	2	397	0.0%		\$1,009	\$1,335	\$1,761	
C+	1	4	0.0%			\$543	\$594	
C	2	8	0.0%			\$585	\$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	364	0.0%		\$744	\$887	\$1,126	
B	5	476	0.6%		\$769	\$1,109	\$1,291	
B-	4	421	4.5%		\$715	\$963	\$1,138	
C+	1	218	0.0%		\$790	\$919	\$1,128	\$1,294

DISTRIBUTION OF UNITS BY QUALITY RATING



YEAR BUILT - RICHMOND, VIRGINIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	24	2295	69	3.0%	2295	49.4%
1970 to 1979	0	0	0	0.0%	2295	0.0%
1980 to 1989	0	0	0	0.0%	2295	0.0%
1990 to 1999	3	513	1	0.2%	2808	11.0%
2000 to 2005	3	400	2	0.5%	3208	8.6%
2006 to 2010	3	216	3	1.4%	3424	4.6%
2011	0	0	0	0.0%	3424	0.0%
2012	1	204	6	2.9%	3628	4.4%
2013	1	90	0	0.0%	3718	1.9%
2014	1	150	5	3.3%	3868	3.2%
2015	1	34	3	8.8%	3902	0.7%
2016	0	0	0	0.0%	3902	0.0%
2017	2	288	14	4.9%	4190	6.2%
2018**	4	456	217	47.6%	4646	9.8%
TOTAL	43	4646	320	6.9%	4646	100.0 %

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	17.4%
2000 to 2005	9	513	15	2.9%	922	21.8%
2006 to 2010	7	852	34	4.0%	1774	36.2%
2011	1	328	10	3.0%	2102	14.0%
2012	2	193	0	0.0%	2295	8.2%
2013	0	0	0	0.0%	2295	0.0%
2014	1	56	1	1.8%	2351	2.4%
2015	0	0	0	0.0%	2351	0.0%
2016	0	0	0	0.0%	2351	0.0%
2017	0	0	0	0.0%	2351	0.0%
2018**	0	0	0	0.0%	2351	0.0%
TOTAL	24	2351	70	3.0%	2351	100.0 %

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

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	42	100.0%	4,646
REFRIGERATOR	42	100.0%	4,646
ICEMAKER	21	50.0%	2,534
DISHWASHER	38	90.5%	4,348
DISPOSAL	37	88.1%	4,367
MICROWAVE	28	66.7%	3,507
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	41	97.6%	4,584
AC - WINDOW	1	2.4%	62
FLOOR COVERING	42	100.0%	4,646
WASHER/DRYER	30	71.4%	3,064
WASHER/DRYER HOOK-UP	35	83.3%	3,869
PATIO/DECK/BALCONY	25	59.5%	2,612
CEILING FAN	25	59.5%	3,044
FIREPLACE	3	7.1%	196
BASEMENT	1	2.4%	12
INTERCOM SYSTEM	21	50.0%	2,264
SECURITY SYSTEM	4	9.5%	773
WINDOW TREATMENTS	42	100.0%	4,646
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	3	7.1%	364

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

PROJECT AMENITIES - RICHMOND, VIRGINIA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	16	38.1%	2,503
ON-SITE MANAGEMENT	33	78.6%	4,191
LAUNDRY	11	26.2%	1,450
CLUB HOUSE	9	21.4%	1,655
MEETING ROOM	17	40.5%	1,803
FITNESS CENTER	27	64.3%	3,276
JACUZZI/SAUNA	5	11.9%	742
PLAYGROUND	5	11.9%	946
COMPUTER LAB	8	19.0%	1,179
SPORTS COURT	2	4.8%	551
STORAGE	1	2.4%	65
LAKE	2	4.8%	467
ELEVATOR	28	66.7%	3,178
SECURITY GATE	3	7.1%	350
BUSINESS CENTER	2	4.8%	242
CAR WASH AREA	1	2.4%	395
PICNIC AREA	13	31.0%	1,961
CONCIERGE SERVICE	8	19.0%	1,164
SOCIAL SERVICE PACKAGE	3	7.1%	364

DISTRIBUTION OF UTILITIES - RICHMOND, VIRGINIA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
LANDLORD			
ELECTRIC	7	822	15.9%
GAS	6	449	8.7%
TENANT			
ELECTRIC	25	2,969	57.5%
GAS	7	926	17.9%
			100.0%
COOKING FUEL			
LANDLORD			
ELECTRIC	10	664	12.9%
GAS	4	638	12.3%
TENANT			
ELECTRIC	29	3,796	73.5%
GAS	2	68	1.3%
			100.0%
HOT WATER			
LANDLORD			
ELECTRIC	7	822	15.9%
GAS	6	449	8.7%
TENANT			
ELECTRIC	25	2,969	57.5%
GAS	7	926	17.9%
			100.0%
ELECTRIC			
LANDLORD	12	1,128	21.8%
TENANT	33	4,038	78.2%
			100.0%
WATER			
LANDLORD	26	2,419	46.8%
TENANT	19	2,747	53.2%
			100.0%
SEWER			
LANDLORD	28	2,491	48.2%
TENANT	17	2,675	51.8%
TRASH PICK-UP			
LANDLORD	40	4,424	85.6%
TENANT	5	742	14.4%
			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

XII-32



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.

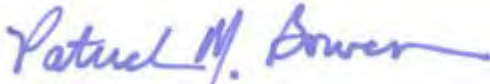
Kelly Wiseman, Research Specialist Director, has significant experience in the evaluation and surveying of housing projects operating under a variety of programs. In addition, she has conducted numerous interviews with experts throughout the country, including economic development, planning, housing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

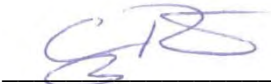


Patrick M. Bowen

President

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Date: January 30, 2019



Craig Rupert

Market Analyst

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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)
Executive Summary		
1.	Executive Summary	II
Project Description		
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
Location and Market Area		
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)
Employment and Economy		
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
Demographic Characteristics		
24.	Population and household estimates and projections	IV
25.	Area building permits	V
26.	Distribution of income	IV
27.	Households by tenure	IV
Competitive Environment		
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
Analysis/Conclusions		
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)

Other Requirements		Section (s)
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