



REAL PROPERTY **RESEARCH** GROUP

ATLANTA ■ WASHINGTON/BALTIMORE

Market Feasibility Analysis

Friendship Court Phase I

Charlottesville, Virginia

Prepared for:

Piedmont Housing Alliance

Project #19-6164

Site Inspection: December 19th, 2018

Effective Date: January 20th, 2019





TABLE OF CONTENTS

TABLE OF CONTENTS II

TABLES, FIGURES AND MAPS V

EXECUTIVE SUMMARY VII

Concluding Remarks xii

I. INTRODUCTION 1

A. Overview of Subject 1

B. Purpose 1

C. Format of Report 1

D. Client, Intended User, and Intended Use 1

E. Applicable Requirements 1

F. Scope of Work 2

G. Report Limitations 3

H. Other Pertinent Remarks 3

II. PROJECT DESCRIPTION 4

A. Project Overview..... 4

 1. Current Conditions..... 4

 2. Current Rent Roll 4

 3. Proposed Redevelopment..... 5

B. Detailed Project Information 5

 1. Project Description 5

 2. Project Features and Community Amenities 7

 3. Proposed Timing of Development 8

III. SITE AND NEIGHBORHOOD ANALYSIS 9

A. Site Analysis..... 9

 1. Site Location 9

 2. Size, Shape and Topography..... 9

 3. Zoning and Government Review 10

 4. Existing Uses 10

 5. Description of Land Uses Surrounding the Subject Site 10

B. Site Visibility and Accessibility 13

 1. Visibility..... 13

 2. Vehicular Access 13

 3. Availability of Public Transit 14

 4. Pedestrian Access 14

 5. Accessibility Improvements under Construction and Planned 14

 6. Public Safety 14

C. Residential Support Network..... 15

 1. Key Facilities and Services near the Subject Site 15

 2. Essential Services 17

IV. ECONOMIC CONTEXT 21

A. Introduction..... 21

B. Labor Force, Resident Employment, and Unemployment..... 21

 1. Trends in County-City Labor Force and Resident Employment 21

 2. Trends in County-City Unemployment Rate 21



C.	Commutation Patterns, American Community Survey	21
D.	County At-Place Employment.....	23
1.	Trends in Total At-Place Employment.....	23
2.	At-Place Employment by Industry Sector.....	24
E.	Wage Data	25
F.	Major Employers.....	25
V.	HOUSING MARKET AREA	27
A.	Introduction.....	27
B.	Delineation of Market Area	27
VI.	DEMOGRAPHIC ANALYSIS	29
A.	Introduction and Methodology	29
B.	Trends in Population and Households.....	29
1.	Recent Past Trends	30
2.	Projected Trends.....	30
3.	Building Permit Trends.....	31
C.	Demographic Characteristics.....	31
1.	Age Distribution and Household Type.....	31
2.	Renter Household Characteristics.....	33
3.	Projected Trends.....	34
4.	Renter Household Characteristics.....	35
D.	Income Characteristics.....	36
E.	Cost-Burdened Renter Households.....	37
VII.	COMPETITIVE HOUSING ANALYSIS.....	39
A.	Introduction and Sources of Information.....	39
B.	Overview of Market Area Housing Stock.....	39
1.	Housing Stock Characteristics.....	39
2.	For Sale Market – State of Foreclosures in the Market.....	41
3.	For Sale Market – Cost to Rent Versus to Own.....	41
C.	Survey of General Occupancy Rental Communities.....	41
1.	Introduction.....	41
2.	Location.....	42
3.	Age of Communities.....	43
4.	Structure Type	44
5.	Size of Communities.....	45
6.	Vacancy Rates.....	45
7.	Rent Concessions.....	45
8.	Absorption History.....	45
D.	Analysis of Rental Products and Pricing	46
1.	Payment of Utility Costs.....	46
2.	Parking	46
3.	Unit Finishes and Features	46
4.	Community Amenities.....	47
5.	Unit Distribution	48
6.	Unit Size	49
7.	Unit Pricing.....	50
E.	Subsidized Rental Communities.....	50
F.	Derivation of Market Rent.....	51
G.	Achievable Restricted Rents.....	56
H.	Proposed and Pipeline Rental Communities	58



VIII. FINDINGS AND CONCLUSIONS 62

- A. Key Findings..... 62
 - 1. Site and Neighborhood Analysis 62
 - 2. Economic Context 62
 - 3. Demographic Analysis 63
 - 4. Competitive Housing Analysis 63
- B. Derivation of Demand 64
 - 1. Net Demand Methodology 64
 - 2. Net Demand Calculation 67
 - 3. Conclusions on Net Demand 68
- C. Effective Demand – Affordability/Capture & Penetration Analyses 69
 - 1. Methodology 69
 - 2. Affordability Analysis 70
 - 3. Penetration Analysis 72
 - 4. Conclusions on Affordability and Penetration 73
- D. VHDA Demand Analysis..... 74
- E. Target Markets 76
- F. Product Recommendations 76
- G. Price Position 77
- H. Concluding Remarks..... 80

IX. APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS 81

X. APPENDIX 2 NCHMA CHECKLIST 83

XI. APPENDIX 3 NCHMA CERTIFICATION 86

XII. APPENDIX 4 RENTAL COMMUNITY PROFILES..... 87

XIII. APPENDIX 5 ANALYST RESUMES 88

XIV. APPENDIX 6 VHDA CERTIFICATION..... 90



TABLES, FIGURES AND MAPS

Table 1 HUD Rent & Income Limits..... 2

Table 2 Current Unit Distribution, Unit Sizes & Rents, Friendship Court 4

Table 3 Proposed Unit Mix – Friendship Court Phase I..... 7

Table 4 Salient Project Information – Friendship Court Phase I..... 8

Table 5 Key Facilities and Services near Subject Site 16

Table 6 Standards of Learning Test Results, Cities and Counties of Virginia – 2016/2017 School Year 19

Table 7 Standards of Learning Test Results, Charlottesville Public Schools – 2017/2018 School Year 19

Table 8 Labor Force and Unemployment Rates..... 22

Table 9 Commutation Data, Friendship Court Market Area..... 22

Table 10 Wage Data, City of Charlottesville..... 25

Table 11 Major Employers – Albemarle County/ City of Charlottesville..... 26

Table 12 Summary of Charlottesville MSA Population Estimates..... 29

Table 13 Population and Household Trends, 2000 to 2024 30

Table 14 Building Permits for New Residential Units, City of Charlottesville 31

Table 15 2019 Age Distribution 32

Table 16 2010 Households by Household Type..... 33

Table 17 Households by Tenure, 2000-2019..... 34

Table 18 Households by Tenure, 2019-2024..... 35

Table 19 Renter Households by Household Size..... 35

Table 20 Renter Households by Age of Householder 36

Table 21 2019 Household Income 36

Table 22 2019 Household Income by Tenure..... 37

Table 23 Rent Burden by Household Income, 2011-2015, Friendship Court Market Area 38

Table 24 Rental Dwelling Units by Structure Type..... 39

Table 25 Rental Dwelling Units by Year Built 40

Table 26 Value of Owner Occupied Housing Stock..... 40

Table 27 For Sale affordability..... 41

Table 28 Rental Communities Summary, Friendship Court Market Area 44

Table 29 Utility Arrangement and Unit Features, Friendship Court Market Area Communities..... 47

Table 30 Community Amenities, Friendship Court Market Area Rental Communities..... 48

Table 31 Unit Distribution, Size and Pricing, Friendship Court Market Area Communities 49

Table 32 Subsidized & Public Housing, Friendship Court Market Area..... 51

Table 33 Market Rent Advantage – Adjustment Table 52

Table 34 Market Rent Analysis – One Bedroom Units – 60% of AMI..... 53

Table 35 Market Rent Analysis – Two Bedroom Units – 60% of AMI 54

Table 36 Market Rent Analysis – Three Bedroom Units – 60% of AMI..... 55

Table 37 Market Rent Advantage – Summary..... 56

Table 38 Achievable Restricted Rents..... 57

Table 39 Multifamily Pipeline Projects..... 60

Table 40 Components of Inventory Change (CINCH)..... 66

Table 41 Derivation of Net Demand, Friendship Court Market Area..... 68

Table 42 2021 Total and Renter Income Distribution, Friendship Court Market Area 69

Table 43 2021 Affordability Analysis for Friendship Court, Assuming 35% Rent Burden and Subsidies..... 71

Table 44 2021 Affordability Analysis for Friendship Court, Assuming 35% Rent Burden and No Subsidies..... 72

Table 45 Penetration Analysis for Friendship Court, Assuming 35% Rent Burden 73

Table 46 VHDA Demand by Overall Income Targeting..... 75

Table 47 VHDA Three-Bedroom Demand (Units without Subsidies) 75

Figure 1 Preliminary Site Plan, Friendship Court Phase I 5



Figure 2 Aerial View of Site 10

Figure 3 Views of Subject Site 11

Figure 4 Views of Surrounding Land Uses 12

Figure 5 At-Place Employment, Albemarle County and the City of Charlottesville..... 23

Figure 6 Total Employment by Sector 24

Figure 7 Employment Change by Sector 25

Figure 8 Wage by Sector, City of Charlottesville..... 26

Figure 9 Friendship Court HH by Tenure, 2000 to 2019..... 33

Figure 10 Foreclosure Activity December 2018 – Zip Code 22902 41

Figure 11 Price Position of Friendship Court Phase I Apartments 78

Map 1 Site Location, Friendship Court..... 9

Map 2 Friendship Court Market Area CrimeRisk Index..... 15

Map 3 Neighborhood Amenities 17

Map 4 Friendship Court Market Area 28

Map 5 Competitive Rental Communities, Friendship Court Market Area..... 43

Map 6 Subsidized & Public Housing Communities 51

Map 7 Pipeline Communities in Friendship Court Market Area 61



EXECUTIVE SUMMARY

Real Property Research Group, Inc. (RPRG) has been retained by Piedmont Housing Alliance to conduct a market feasibility study for the development of Friendship Court Phase I, a 106 unit mixed income community located in downtown Charlottesville, Virginia. Phase I is the initial phase of the redevelopment of Friendship Court, an existing 150-unit subsidized garden and townhouse community on an 11.75-acre site. The Phase I project is located on 3.87 acres of the overall site. When completed, the site will be converted into a mixed income rental community that could potentially include up to 500 units of subsidized, affordable and market rate rental apartments. Phase I includes 46 subsidized and 60 affordable garden and townhome units which will be income-restricted in accordance with the Department of Housing and Urban Development's 2018 median household income for the Charlottesville, VA HUD Metro FMR Area. The developers of the project will be applying for 9 percent tax credits under Virginia Housing Development Authority's LIHTC program. The 30 affordable tax credit apartments include one bedroom, two bedroom, three bedroom, and four bedroom units targeted to households with incomes at or below 30, 50, and 60 percent of Area Median Income (AMI). Another 30 tax credit units are considered "workforce housing" and will be restricted to households earning at or below 80 percent of AMI. The community's unit features and amenities will be superior compared to other larger tax credit communities in the area.

Based on our research, including a site visit on December 19th, 2018, we arrived at the following findings:

- **Site:** The subject site is located in a desirable urban location that is well-suited to the proposed use as a mixed income rental community. The plan to reposition this large parcel of land from a low-density subsidized rental property to a higher density mixed income development has many benefits for both the existing household base as well as the local community. The site's location is likely to have a widespread appeal, as demonstrated by the success of other multifamily rental properties within the immediate neighborhood. The site is located only two blocks from Charlottesville's Downtown Mall, a major commercial and entertainment center that encourages a vibrant urban residential setting. In addition, the greater Charlottesville area provides numerous opportunities for convenience and comparison retail shopping within roughly a 5 – 15 minute drive of the site. The site is served by public bus transportation and the City of Charlottesville's Transit Center is within roughly a five minute walk of the site.
- **Economic Analysis:** The Albemarle County/ City of Charlottesville economic base, buttressed by the region's recession proof health, education, and defense sectors, has consistently remained strong even weathering the recent recession with minimal adverse impact. Despite a major economic recession during the 2008 to 2010 period, Albemarle-Charlottesville's unemployment rate remained remarkably low, peaking at just 6.0 percent in 2010. Over the last three years, the unemployment rates has remained below 4 percent; As of September 2018 the rate stood at 2.7 percent, below the 3.2 percent rate for the state and the 4.0 percent rate for the nation. Since 2010 the number of county/ city jobs has grown to 97,000 jobs as of Q2 2018, a gain of 13,800 jobs or 16.5 percent since 2010. Albemarle County has a diverse economic base with one dominant sector – Government - accounting for 32 percent of the employment base and the next four largest sectors - Trade-Transportation-Utilities, Professional-Business, Leisure-Hospitality, and Education-Health - each comprising 12 to 13 percent of the local job base. The largest employer is the University of Virginia. Overall, five of the top ten employers are in the Education-Health sector including the UVA Medical Center and Sentara Healthcare (Martha Jefferson Hospital). Other large employers include State Farm Insurance, the U.S. Department of Defense, defense contractor Northrop Grumman, the city of Charlottesville, and Albemarle County.



- **Demographic Analysis:** The market area reported strong population and household growth during the 2000 to 2010 period that has accelerated during the 2010 to 2024 period as more housing options have emerged in Charlottesville and the close-in Albemarle County neighborhoods. The market area will add households at an average net rate of 1.4 percent (472 households) per year between 2019 and 2024, greater than the 1.0 percent rate during the 2000 to 2010 period. The Friendship Court Market Area renter percentage of 59.0 percent in 2019 is significantly greater than the region's MSA's 37.4 percent. Given the substantial pipeline of rental units and local trends, RPRG projects renter households will continue to contribute roughly 62.3 percent of net household growth over the next five years that matches renter share of household growth over the past 19 years. The market area is dominated by younger renter households living alone. One- and two-person households account for two-thirds (68.4 percent) of all renters. The estimated 2017 median household income in the Friendship Court Market Area is 55,523. The primary market area's median renter household earns \$38,322 per year. The median renter income is modest and likely influenced by the large number of students as well as households residing in rent-subsidized properties within the market area. Data from the 2013 to 2017 ACS indicates that nearly two out of five (37 percent) renter households pay more than 40 percent towards housing.
- **Competitive Housing Analysis:** Based on the low vacancies reported in RPRG's survey of both the market rate and income-restricted general occupancy rental communities, the rental market in the Friendship Court Market Area is tight, pointing to its ability to support the proposed subject apartments. The current combined stabilized vacancy rate across the surveyed rental communities is 2.1 percent; the tax credit vacancy rate is lower at 1.1 percent.

There has been a significant expansion in the multifamily rental housing stock in recent years; a vast majority of the new apartments target the highest income renter households. The market rate rental communities typically offer residents some amenities and/or an attractive downtown location with upscale unit features. Effective rents for Upper Tier one-bedroom apartments average \$1,284 (\$1.64 per square foot); the two-bedroom market rate units average \$1,457 (\$1.37 per square foot); and the three-bedroom market rate units average \$1,691 (\$1.25 per square foot).

Tax Credit rental units in the Friendship Court Market Area account for only one out of four of the surveyed multifamily stock. While these properties are older, many have undergone some renovation in recent years. On average, income-restricted properties are smaller and have fewer community amenities. Effective rents for one-bedroom apartments average \$739 (\$1.07 per square foot); two-bedroom tax credit units average \$879 (\$0.95 per square foot); and three-bedroom tax credit units average \$1,025 (\$0.87 per square foot).

Three rental communities are under construction at this time with a total of 142 units. Within the next three years, it is anticipated that five other properties – one tax credit and four market rate – will deliver another 662 units.

- **Net Demand:** The Net Demand calculation indicates a healthy market place with healthy pent up demand for rental housing of 300 units beyond what is proposed. The underlying strength of the rental market with a low vacancy rate of two percent buttressed by strong economic and household growth supports the demand analysis. The subject is also strategically located in a portion of the market area that has been underserved by affordable apartment product. Per VHDA's demand methodology (given net demand of 5,728 units), the 106-unit new rental project on the Friendship Court site would need to capture 1.9 percent of income-qualified renter households

Target Markets: Targeted moderate income households may include individuals working in service sectors such as retail, leisure and hospitality; in the local hospitals as technicians,



orderlies and other medical support staff; administrative and maintenance personnel associated with the University of Virginia; government or contract workers; local public servants such as firefighters, police officers, and teachers; and younger persons early in professional careers. The proposed community could appeal to a wide-range of households, including single persons, married and unmarried couples, roommate situations, as well as single- and dual-parent families. .

Overall, RPRG judges that the subject site can readily be repositioned as a mixed income rental property. As stated previously, the subject site is exceptionally well located in downtown Charlottesville, is served by public transportation and has good access to amenities, services and employment. Considered in the context of the competitive environment, the recommendations for the proposed new rental buildings on the Friendship Court site are as follows:

- **Structure Type:** The Developer has proposed one four-story garden structure over podium parking that is compatible with the existing community and similar in style to the other existing market rate and tax credit inventory. The two four-story townhome structures with each unit having a private entrance are unique in the market area. The proposed structure types are appropriate for this development.
- **Unit Distribution:** In the context of the target markets, the proposed unit mix is appropriate. Given the large number of families at the existing Friendship Courts Apartments, the emphasis on larger units (three- and four-bedroom units) with a 38 percent share appear reasonable to address existing renter base. Overall, almost one third or renter households in the market have 3 or more persons, which need to be addressed by larger housing units. The proposed 20 percent share of one bedroom units at the subject is comparable to the 20 percent share of smaller units (studios and one bedroom units) in the existing tax credit inventory. The proposed 42 percent share of two bedroom units is moderately below the 52 percent share of two bedroom unit in the tax credit inventory but is counterbalanced by the larger number of three and four bedroom units.
- **Income Targeting:** Given the substantial waiting lists at both subsidized and non-subsidized affordable communities and the limited number of new affordable communities, the range of targeted incomes at the subject appear reasonable. The introduction of qualified moderate income households at 80 percent of AMI will address the needs for quality workforce housing.
- **Unit Size:** The proposed floor plans at Friendship Court Phase I are generously sized compared to the existing tax credit inventory and most units in the market rate group.
 - One bedroom units at the subject are sized on average at 642 square feet, comparable to the tax credit average of 634 square feet and less than the 781 square foot average of the market rate one bedroom units.
 - Two bedroom garden units at the subject are sized on average at 939 square feet, larger than the tax credit average of 925 square feet and less than the 1,062 square foot average of the market rate two bedroom units. The 1,154 square foot floor plan for the townhome exceeds the average square footage of the surveyed two bedroom model in the market area by roughly 100 square feet.
 - Three bedroom garden units at the subject are sized on average at 1,276 square feet, larger than the tax credit average of 1,172 square feet and the 1,354 square foot average of the market rate one bedroom units. In a similar fashion, the 1,570 square foot floor plan for the townhome models exceeds the average square footage of the surveyed two bedroom model in the market area by roughly 200 square feet.
 - The average size of the four bedroom garden units at the subject at 1,491 square feet and townhomes sized at 1,959 square feet are substantial by any measure.



Unit	Units	%	Type	Income Level	Rent Subsidy	Contract Rent (1)	Utility Allowance	Gross Rent	Area (SF)	Contract Rent/ SF
9% LIHTC										
1BR/1BA	6	6%	Garden	50%		\$744	\$55	\$799	642	\$1.16
1BR/1BA	4	4%	Garden	60%		\$855	\$55	\$910	642	\$1.33
1BR/1BA	11	10%	Garden	80%		\$1,162	\$55	\$1,217	642	\$1.81
Total 1 BR	21	20%				\$984	\$55	\$1,039	642	\$1.53
2BR/1BA	5	5%	Garden	30%		\$498	\$78	\$576	939	\$0.53
2BR/2BA	1	1%	TH	30%		\$498	\$78	\$576	1,154	\$0.43
2BR/2BA	9	8%	Garden	50%	Sect 8	\$1,195	\$78	\$1,273	939	\$1.27
2BR/2BA	3	3%	Garden	50%		\$882	\$78	\$960	939	\$0.94
2BR/2BA	3	3%	TH	50%	Sect 8	\$1,195	\$78	\$1,273	1,154	\$1.04
2BR/2BA	1	1%	TH	50%		\$882	\$78	\$960	1,154	\$0.76
2BR/2BA	5	5%	Garden	60%		\$1,022	\$78	\$1,100	939	\$1.09
2BR/2BA	14	13%	Garden	80%		\$1,350	\$78	\$1,428	939	\$1.44
2BR/2BA	3	3%	TH	80%		\$1,350	\$78	\$1,428	1,154	\$1.17
Total 2 BR	44	42%				\$1,112	\$78	\$1,190	978	\$1.14
3BR/2BA	2	2%	Garden	30%		\$574	\$91	\$665	1,276	\$0.45
3BR/2BA	2	2%	TH	30%		\$574	\$91	\$665	1,570	\$0.37
3BR/2BA	4	4%	Garden	50%	Sect 8	\$1,383	\$91	\$1,474	1,276	\$1.08
3BR/2.5BA	10	9%	TH	50%	Sect 8	\$1,383	\$91	\$1,474	1,570	\$0.88
3BR/2BA	8	8%	Garden	60%	Sect 8	\$1,383	\$91	\$1,474	1,276	\$1.08
3BR/2.5BA	2	2%	TH	60%	Sect 8	\$1,383	\$91	\$1,331	1,570	\$0.88
3BR/2.5BA	2	2%	TH	80%		\$1,529	\$91	\$1,623	1,570	\$0.97
Total 3 BR	30	28%				\$1,285	\$91	\$1,376	1,433	\$0.90
4BR/2BA	1	1%	Garden	30%		\$639	\$103	\$742	1,491	\$0.43
4BR/2.5BA	8	8%	TH	50%	Sect 8	\$1,469	\$103	\$1,572	1,959	\$0.75
4BR/2BA	2	2%	Garden	60%	Sect 8	\$1,469	\$103	\$1,572	1,491	\$0.99
Total 4 BR	11	10%				\$1,394	\$187	\$1,581	1,831	\$0.76
Total/Avg	106					\$1,165	\$187	\$1,352	1,129	\$1.03

Note: Contract rents include trash

Source: Piedmont Housing Alliance

Average Net Rentable Square Footages were used.

Number of Section 8 Units	46
----------------------------------	-----------

Model Type	No.	%
Garden Units	74	70%
Townhome Units	32	30%
Total	106	

Target AMI	No.	%
30%	11	10%
50%	10	9%
50% Section 8	34	32%
60%	9	8%
60% Section 8	12	11%
80%	30	28%
Total	106	

- Unit Features:** Units will feature energy-efficient appliances including range/oven, refrigerator, microwave, dishwasher, range hood, laminate counters, and wood cabinets. Luxury vinyl tile (LVT) flooring will cover most of the apartment. A washer/dryer appliance will be provided in each unit. Townhome units will have private entrances. The inclusion of microwaves and in unit washer-dryers in all units provides the subject a competitive advantage compared to most tax credit communities.
- Utilities Included in Rent:** Four of the ten tax credit communities and six of the market rate communities includes trash removal costs as does the subject.
- Common Area Amenities:** The existing community amenities that will be available to tenants at the subject include an on-site resident services programs, after-school care in a community building, a large playground and resident garden. Additional amenities to be provided at the subject include a library, work room/ conference center, and fitness facility. The combination



- of the existing and proposed amenities will be superior to the amenity packages currently offered at existing tax credit communities.
- **Parking:** The proposed parking at the subject, consisting of 49 surface lot spaces and 67 garage spaces, is consistent with parking at the other tax credit and market rate communities.
 - **Price Position:** The proposed 30, 50, 60, and 80 percent of AMI rents at Friendship Court Phase I Apartment fall below or are equal to the maximum LIHTC Tenant Rent Limits for each of the target AMI rents as specified in the Department of Housing and Urban Development's 2018 median household income for the Charlottesville, VA HUD Metro FMR Area. The subsidized rents are not evaluated since they are not subject to market factors.
 - **One Bedroom Units:** The proposed 50 percent one bedroom rent of \$744 is above the range of the \$665 to \$710 50 percent one bedroom rents at the surveyed LIHTC communities. The proposed 60 percent one bedroom rent of \$855 falls within the middle range of the \$772 to \$885 60 percent one bedroom rents at the surveyed LIHTC communities.
 - **Two Bedroom Units:** Since there are no 30 percent models in the market area, the proposed 30 percent two bedroom rent of \$498 will be the lowest rent of any the models surveyed at the 23 market area communities. The proposed 50 percent two bedroom rent of \$882 will be slightly above the \$690 to \$860 50 percent two bedroom rent range at the surveyed LIHTC Communities. The proposed 60 percent two bedroom rent of \$1,022 falls within the upper middle range of the \$870 to \$1,056 60 percent two bedroom rents at the surveyed LIHTC communities.
 - **Three Bedroom Units:** The proposed 30 percent three bedroom rent of \$574 will also be among the lowest rent of any the models surveyed at the 23 market area communities.
 - **Four Bedroom Units:** The proposed 30 percent four bedroom rent of \$639 will also be among the lowest rent of any of the models surveyed at the 23 market area communities
 - **80 Percent of AMI Units (Work Force):** The proposed 80 percent AMI rents are generally positioned in the lower to middle range of the 23 market rate communities and will provide quality affordable housing for households earning too much for traditional tax credit units and too little to afford the newer upscale housing emerging in the market area. Eight of these nine more affordable market rate communities were built between 1967 and 1993; the ninth community (Lofts at McIntire) was built in 2002.
 - **One Bedroom Units:** The proposed one bedroom rent of \$1,162 falls within the middle range of the \$1,007 to \$1,195 one bedroom rents of the lower third of the surveyed market rate group.
 - **Two Bedroom Units:** The proposed two bedroom rent of \$1,350 for the garden model and for the generously sized townhome model (1,497 square foot) approaches the mid-range of the entire surveyed market rate group.
 - **Three Bedroom Units:** The proposed rent of \$1,529 for the generously sized townhome model (1,766 square foot) approaches the mid-range of the entire surveyed market rate group.
 - **Effective Demand – Affordability/Capture and Penetration:** RPRG judges that all capture and penetration rates are very low and readily achievable, particularly since the subject will be in a prime downtown location and will offer new and attractive units at affordable rates. The subject's overall renter capture rates is low at 0.8 percent– significantly lower than the five percent threshold indicative of a strong market. Even without subsidies, the overall capture rate is still a very low 1.2 percent. RPRG considers the calculated penetration rate for the tax credit units of 29 percent of income-restricted renter households to be reasonable within the



context of the Friendship Court Market Area. In essence, our analysis suggests that the most directly competitive rental units will need to capture roughly three out of ten income-restricted renter households.

- **VHDA Demand Methodology:** Given net demand of 5,728 units, the 106-unit new rental project on the Friendship Court site would need to capture 1.9 percent of income-qualified renter households per VHDA’s demand methodology. Since more than 20 percent of the subject will offer large units of three bedrooms or more, we calculated demand for the proposed subject’s three- and four bedroom units without any subsidies. In this analysis, we have applied a large family factor of 31.6 percent to reflect the proportion of three-person and larger households within the market area. The VHDA capture rate for these unit types ranges from 0.1 to 0.4 percent.

RPRG considers the key captures rates for the new units proposed for Friendship Court as both reasonable and readily achievable. Taking into consideration the very low capture rates, we have estimated an overall project lease up pace of roughly five months, reflecting an average absorption pace of 12 units per month for the 60 new tax credit and market rate units (assuming the 46 subsidized units would be quickly leased from existing waiting lists), or an average project absorption (including the existing subsidized units) of 21 units per month.

Concluding Remarks

The subject site is located strategically close to the Downtown Mall, the urban core of downtown Charlottesville that is well-suited to the proposed use as a mixed income rental community. The plan to reposition this large parcel of land from a low-density subsidized rental property to a higher density mixed income development has many benefits for both the existing household base as well as the local community. The site’s location is likely to have a widespread appeal, as demonstrated by the success of other multifamily rental properties within the immediate neighborhood. The Albemarle County/ City of Charlottesville economic base, buttressed by the region’s recession proof health, education, and defense sectors, has consistently remained strong even weathering the recent recession with minimal adverse impact. The market area reported strong population and household growth during the 2000 to 2010 period that has accelerated during the 2010 to 2024 period as more housing options have emerged in Charlottesville and the close-in Albemarle County neighborhoods. Based on the low vacancies reported in RPRG’s survey of both the market rate and income-restricted general occupancy rental communities, the rental market in the Friendship Court Market Area is tight at 2.0 percent vacancy, pointing to its ability to support the proposed subject apartments.

Despite a short term pipeline of eight projects, the demand analysis indicates substantial pent up demand of over 300 units; only one of these projects is a tax credit community that would be directly competitive with the subject. Capture and penetration rates are also low, indicating a large pool of income qualified households to support both the subject and competitive properties. The demand for affordable housing is further demonstrated by virtually full occupancies and waiting lists at subsidized and tax credit properties.

In summary, RPRG recommends the development of Phase I of Friendship Court as a viable and strategic component of downtown Charlottesville’s evolution into a vibrant mixed use and mixed income urban center.



I. INTRODUCTION

A. Overview of Subject

The subject of this report, Phase I of Friendship Court Apartments, is the initial phase of the redevelopment of Friendship Court, an existing 150-unit subsidized garden and townhouse community on an 11.75-acre site in downtown Charlottesville, Virginia. When completed, the site will be converted into a mixed income rental community that could potentially include up to 500 units of subsidized, affordable and market rate rental apartments. Phase I (located on 3.87 acres) consists of 106 garden and townhomes units that include 46 subsidized unit and 60 affordable units which will be income-restricted in accordance with the Department of Housing and Urban Development's 2018 median household income for the Charlottesville, VA HUD Metro FMR Area (Table 1). The developers of the project will be applying for 9 percent tax credits under Virginia Housing Development Authority's LIHTC program. The 30 affordable tax credit apartments include one bedroom, two bedroom, three bedroom, and four bedroom units targeted to households with incomes at or below 30, 50, and 60 percent of Area Median Income (AMI). Another 30 tax credit units are considered or "workforce housing" and will be restricted to households earning at or below 80 percent of AMI. The community's unit features and amenities will be superior compared to other larger tax credit communities in the area.

B. Purpose

The purpose of this market study is to perform a market feasibility analysis through an examination of site characteristics, the economic context, a demographic analysis of the defined market area, a competitive housing analysis, a derivation of demand, and affordability/ penetration rate analyses. In accordance with Virginia Housing Development Authority's 2018 Market Study Guidelines, both net and effective demand will include all of the subject's units proposed for the development.

C. Format of Report

The report format is Comprehensive. Accordingly, the market study addresses all required items set forth in the 2019 Market Study Guidelines of the Virginia Housing Development Authority (VHDA). Furthermore, the market analyst has considered the recommended model content and market study index of the National Council of Housing Market Analysts (NCHMA.).

D. Client, Intended User, and Intended Use

The Client (and Developer) is Piedmont Housing Alliance. Along with the Client, the Intended Users are representatives of VHDA and potential investors. The subject report will be submitted to VHDA as part of an application for nine percent tax credits.

E. Applicable Requirements

This market study is intended to conform to the requirements of the following:

- VHDA's 2019 Market Study Guidelines.
- National Council of Housing Market Analyst's (NCHMA) Model Content Standards and Market Study Checklist.



Table 1 HUD Rent & Income Limits

HUD 2018 Median Household Income										
Charlottesville, VA HUD Metro FMR Area		\$89,600								
Very Low Income for 4 Person Household		\$42,650								
2018 Computed Area Median Gross Income		\$85,300								
Utility Allowance:		1 Bedroom		\$55						
		2 Bedroom		\$78						
		3 Bedroom		\$91						
		4 Bedroom		\$103						
Household Income Limits by Household Size:										
Household Size	30%	40%	50%	60%	80%	100%	120%	150%	200%	
1 Person	\$17,940	\$23,920	\$29,900	\$35,880	\$47,840	\$59,800	\$71,760	\$89,700	\$119,600	
2 Persons	\$20,490	\$27,320	\$34,150	\$40,980	\$54,640	\$68,300	\$81,960	\$102,450	\$136,600	
3 Persons	\$23,040	\$30,720	\$38,400	\$46,080	\$61,440	\$76,800	\$92,160	\$115,200	\$153,600	
4 Persons	\$25,590	\$34,120	\$42,650	\$51,180	\$68,240	\$85,300	\$102,360	\$127,950	\$170,600	
5 Persons	\$27,660	\$36,880	\$46,100	\$55,320	\$73,760	\$92,200	\$110,640	\$138,300	\$184,400	
6 Persons	\$29,700	\$39,600	\$49,500	\$59,400	\$79,200	\$99,000	\$118,800	\$148,500	\$198,000	
Imputed Income Limits by Number of Bedroom (Assuming 1.5 persons per bedroom):										
Persons	# Bed-rooms	30%	40%	50%	60%	80%	100%	120%	150%	200%
1	0	\$17,940	\$23,920	\$29,900	\$35,880	\$47,840	\$59,800	\$71,760	\$89,700	\$119,600
1.5	1	\$19,215	\$25,620	\$32,025	\$38,430	\$51,240	\$64,050	\$76,860	\$96,075	\$128,100
3	2	\$23,040	\$30,720	\$38,400	\$46,080	\$61,440	\$76,800	\$92,160	\$115,200	\$153,600
4.5	3	\$26,625	\$35,500	\$44,375	\$53,250	\$71,000	\$88,750	\$106,500	\$133,125	\$177,500
6	4	\$29,700	\$39,600	\$49,500	\$59,400	\$79,200	\$99,000	\$118,800	\$148,500	\$198,000
LIHTC Tenant Rent Limits by Number of Bedrooms (assumes 1.5 persons per bedroom):										
# Persons	30%		40%		50%		60%		80%	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
1 Bedroom	\$480	\$425	\$640	\$585	\$800	\$745	\$960	\$905	\$1,281	\$1,226
2 Bedroom	\$576	\$498	\$768	\$690	\$960	\$882	\$1,152	\$1,074	\$1,536	\$1,458
3 Bedroom	\$665	\$574	\$887	\$796	\$1,109	\$1,018	\$1,331	\$1,240	\$1,775	\$1,684
4 Bedroom	\$742	\$639	\$990	\$887	\$1,237	\$1,134	\$1,485	\$1,382	\$1,980	\$1,877

Source: U.S. Department of Housing and Urban Development

F. Scope of Work

To determine the appropriate scope of work for the assignment, we considered the intended use of the market study, the needs of the user, the complexity of the property, and other pertinent factors. Our concluded scope of work is described below:

- Please refer to Appendix 2 for a detailed list of NCHMA requirements and the corresponding pages of requirements within the report.
- Jerry Levin, Senior Analyst at Real Property Research Group, Inc. conducted a visit to the subject site and market area on December 19, 2018.
- We present primary information gathered through field and phone interviews throughout the various sections of this report. The interviewees included rental community property managers and leasing agents. As part of our housing market research, RPRG communicated with Brian Haluska, Principal Planner with the City of Charlottesville’s Department of Neighborhood Services and Chris Perez and Andrew Knuppel, Neighborhood Planners with Albemarle County’s Planning Division of the Department of Community Development. We reviewed local business and development websites and



talked to local developers and management agents. We also reviewed the Virginia Housing Development Authority website. Finally, we conducted a survey of rental communities in January 2019.

- All information obtained is incorporated in the appropriate section(s) of this report.

G. Report Limitations

The conclusions reached in a market feasibility analysis are inherently subjective and should not be relied upon as a determinative predictor of results that will actually occur in the marketplace. There can be no assurance that the estimates made or assumptions employed in preparing this report will in fact be realized or that other methods or assumptions might not be appropriate. The conclusions expressed in this report are as of the date of this report, and an analysis conducted as of another date may require different conclusions. The actual results achieved will depend on a variety of factors, including the performance of management, the impact of changes in general and local economic conditions, and the absence of material changes in the regulatory or competitive environment. Reference is made to the statement of Underlying Assumptions and Limiting Conditions contained in Appendix 1 of this report.

H. Other Pertinent Remarks

None.



II. PROJECT DESCRIPTION

A. Project Overview

1. Current Conditions

Friendship Court is an existing Low Income Housing Tax Credit (LIHTC) multifamily rental community located at 400 – 426 Garrett Street in Charlottesville, Virginia. The rental community includes 150 apartments and townhouses in 21 building clusters as well as community amenities. All of the units have project-based HUD Section 8 rental subsidies.

The property was initially constructed in 1978 and was purchased in 2002 by Piedmont Housing Alliance (Developer) and National Housing Trust. The property was subsequently renovated with tax credit equity in 2004 with the rental subsidies remaining in effect. Table 2 illustrates the current unit mix, unit sizes and HUD contract rents as well as utility allowances. With the project-based rental subsidies, tenants pay only 30 percent of their adjusted incomes for rent.

Table 2 Current Unit Distribution, Unit Sizes & Rents, Friendship Court

Unit	Type	Units	% of Total	Unit Size (Sq.Ft.)	HUD Contract Rent	Utility Allowance	Gross Rent
2BR/1BA	Garden	80	53%	857	\$801	\$95	\$896
3BR/2BA	Garden	16	11%	1,237	\$886	\$149	\$1,035
3BR/1.5BA	Townhouse	38	25%	1,176	\$877	\$153	\$1,030
4BR/2.5BA	Townhouse	16	11%	1,326	\$934	\$197	\$1,131
Total		150	100%	1,028	\$844	\$126	\$970

Note: Contract rent includes water, sewer & trash collection.

All of the buildings have two-stories and brick exteriors. The units are basic but include kitchens with range, refrigerator and disposal. Flooring is carpet and VCT tile. All of the units include an in-unit washer/dryer. An exterior storage unit is included on the rear patio of the townhouse units. The community amenities include an on-site supportive services program as well as after-school care in a community building. Other amenities include a large playground, basketball court and resident garden. The property remains fully occupied except for turnover and the waiting list is extensive: 2BR – 33 households; 3BR – 69 households; and, 4BR – 33 households.

2. Current Rent Roll

RPRG has reviewed a rent roll summary for Friendship Court, dated January 29, 2019 provided by the Piedmont Housing Alliance. Roughly 43.5 percent of the residents for whom income information has been presented have extremely low incomes at or below 30 percent of AMI. Of the remaining residents, 36 percent of residents have very low incomes at or below 50 percent of AMI and 20 percent of residents have low incomes at or below 80 percent of AMI¹. The average income for a household reporting a wage/salary \$20,986.

The overall profile of residents is youthful with an average age of 21. Of the 437 residents, 235 persons (53.8 percent) were children under age 18 while only eight persons (1.8 percent) were age 62 or older. Households headed by a female (117 households) outnumbered those headed by a

¹ Definitions of extremely low income, very low income, and low income are provided by HUD

male (30 households) roughly four-to-one. Sixty-two percent (91) of households report earning wage or salaries.

3. Proposed Redevelopment

A Master Plan to reposition the existing Friendship Court as a mixed-income rental community was prepared in December 2016. The redevelopment is projected to take place in phases over the next 10 – 15 years. At full build-out the campus will contain approximately 500 units. The initial phase of redevelopment – the subject of this report - will include the construction of three new buildings with 106 units on the eastern side of the campus (Figure 1).

Figure 1 Preliminary Site Plan, Friendship Court Phase I



B. Detailed Project Information

1. Project Description

Friendship Court Phase I will include a total of 106 one-, two-, three, and four-bedroom units. One four-story garden structure over podium parking will contain 60 apartments and two four-story structures will contain 46 townhomes, all with private entrances (Table 3). Forty-three percent of the units (46) will have project based Section 8 low income subsidies; 27 percent of the units (30) will be apartments targeted to households earning up to 30, 50, and 60 percent of AMI, and 28 percent of the units (30) will “workforce housing” units targeted to households earning up to 80 percent of AMI. The unit distribution includes 21 one bedroom units (20 percent); 44 two



bedroom units (42 percent); 30 three bedroom units (28 percent); and 11 four bedroom units (10 percent).

- One bedroom floor plans are sized on average at 642 square feet.
- Two bedroom floor plans are sized from 939 to 1,154 square feet and average 978 square feet.
- Three bedroom floor plans are sized from 1,276 to 1,570 square feet and average 1,433 square feet
- Four bedroom floor plans are sized from 1,491 to 1,959 square feet and average 1,831 square feet.



Table 3 Proposed Unit Mix – Friendship Court Phase I

Unit	Units	%	Type	Income Level	Rent Subsidy	Contract Rent (1)	Utility Allowance	Gross Rent	Area (SF)	Contract Rent/ SF
9% LIHTC										
1BR/1BA	6	6%	Garden	50%		\$744	\$55	\$799	642	\$1.16
1BR/1BA	4	4%	Garden	60%		\$855	\$55	\$910	642	\$1.33
1BR/1BA	11	10%	Garden	80%		\$1,162	\$55	\$1,217	642	\$1.81
Total 1 BR	21	20%				\$984	\$55	\$1,039	642	\$1.53
2BR/1BA	5	5%	Garden	30%		\$498	\$78	\$576	939	\$0.53
2BR/2BA	1	1%	TH	30%		\$498	\$78	\$576	1,154	\$0.43
2BR/2BA	9	8%	Garden	50%	Sect 8	\$1,195	\$78	\$1,273	939	\$1.27
2BR/2BA	3	3%	Garden	50%		\$882	\$78	\$960	939	\$0.94
2BR/2BA	3	3%	TH	50%	Sect 8	\$1,195	\$78	\$1,273	1,154	\$1.04
2BR/2BA	1	1%	TH	50%		\$882	\$78	\$960	1,154	\$0.76
2BR/2BA	5	5%	Garden	60%		\$1,022	\$78	\$1,100	939	\$1.09
2BR/2BA	14	13%	Garden	80%		\$1,350	\$78	\$1,428	939	\$1.44
2BR/2BA	3	3%	TH	80%		\$1,350	\$78	\$1,428	1,154	\$1.17
Total 2 BR	44	42%				\$1,112	\$78	\$1,190	978	\$1.14
3BR/2BA	2	2%	Garden	30%		\$574	\$91	\$665	1,276	\$0.45
3BR/2BA	2	2%	TH	30%		\$574	\$91	\$665	1,570	\$0.37
3BR/2BA	4	4%	Garden	50%	Sect 8	\$1,383	\$91	\$1,474	1,276	\$1.08
3BR/2.5BA	10	9%	TH	50%	Sect 8	\$1,383	\$91	\$1,474	1,570	\$0.88
3BR/2BA	8	8%	Garden	60%	Sect 8	\$1,383	\$91	\$1,474	1,276	\$1.08
3BR/2.5BA	2	2%	TH	60%	Sect 8	\$1,383	\$91	\$1,331	1,570	\$0.88
3BR/2.5BA	2	2%	TH	80%		\$1,529	\$91	\$1,623	1,570	\$0.97
Total 3 BR	30	28%				\$1,285	\$91	\$1,376	1,433	\$0.90
4BR/2BA	1	1%	Garden	30%		\$639	\$103	\$742	1,491	\$0.43
4BR/2.5BA	8	8%	TH	50%	Sect 8	\$1,469	\$103	\$1,572	1,959	\$0.75
4BR/2BA	2	2%	Garden	60%	Sect 8	\$1,469	\$103	\$1,572	1,491	\$0.99
Total 4 BR	11	10%				\$1,394	\$187	\$1,581	1,831	\$0.76
Total/Avg	106					\$1,165	\$187	\$1,352	1,129	\$1.03

Note: Contract rents include trash

Source: Piedmont Housing Alliance

Average Net Rentable Square Footages were used.

Number of Section 8 Units	46
----------------------------------	-----------

Model Type	No.	%
Garden Units	74	70%
Townhome Units	32	30%
Total	106	

Target AMI	No.	%
30%	11	10%
50%	10	9%
50% Section 8	34	32%
60%	9	8%
60% Section 8	12	11%
80%	30	28%
Total	106	

2. Project Features and Community Amenities

Units will feature energy-efficient appliances including range/ oven, refrigerator, microwave, dishwasher, range hood, laminate counters, and wood cabinets (Table 4). Luxury vinyl tile (LVT) flooring will cover most of the apartment. A washer/dryer appliance will be provided in each unit. Townhome units will have private entrances.

The existing community amenities that will be available to tenants at the subject include an on-site residential services programs, after-school care in a community building, a large playground, and



resident garden. Additional amenities at the subject will include a library, work room/ conference center and fitness facility. The existing basketball court will be removed during construction of the new buildings. The community will offer 49 surface parking spaces and 67 space in an underground garage located below the new multi-family structure.

Table 4 Salient Project Information – Friendship Court Phase I

Friendship Court Phase I 400 to 426 Garrett Street Charlottesville, VA			
Project Information		Additional Information	
Number of Residential Buildings	3	Construction Start Date	Summer 2020
Building Type	One four-story garden structure over podium parking; two four-story TH structure with private entrances	Delivery of First Units	Summer 2021
Number of Stories	4	Delivery of Final Units	Fall 2021
Construction Type	New Construction	Pre-Leasing Start Date	TBD
Exterior Design Elements	Brick and Hardi-plank	Parking Type & Cost	49 surface parkings space; 67 spaces in structured garage below apartment structure
Common Area Amenities	The existing community amenities that will be available to tenants at the subject include on-site resident services programs, after-school care in a community building, a large playground, and resident garden. Additional amenities at the subject will include a library, work room/ conference center and fitness facility	Kitchen Amenities	
		Dishwasher	Yes
		Disposal	Yes
		Microwave	Yes
		Range	Yes
		Refrigerator w/ Icemaker	Yes
Unit Features	Units will feature energy-efficient appliances including range/ oven, refrigerator, microwave, dishwasher, range hood, laminate counters, and wood cabinets. Luxury vinyl tile (LVT) flooring will cover most of the apartment. A stacked washer/dryer will be provided in each unit. Townhome units will have private entrances	Utilities Included	
		Cold Water/Sewer	Tenant
		Trash Removal	Owner
		Heat	Tenant
		Hot Water	Tenant
		Electricity	Tenant
		Cooking	Tenant
		Cooking Source	Electric
Hot Water Source	Electric		
		Heat Source	Electric

Source: SCG Development

3. Proposed Timing of Development

The Developer intends to apply to VHDA for competitive (nine percent) Low Income Housing Tax Credits in March 2019 with a project start date in summer 2020. The plan is for all new buildings on the site to be ready for occupancy by fall 2021.

III. SITE AND NEIGHBORHOOD ANALYSIS

A. Site Analysis

1. Site Location

The subject site is located in downtown Charlottesville, two blocks south of that portion of Main Street known as the “Downtown Mall”. The seven-block Downtown Mall is a well-recognized and successful pedestrian shopping and dining locale. The Downtown Mall is lined with 120 shops and boutiques, 30 restaurants and cafes, art galleries, performing arts venues as well as service-oriented businesses (banks, professional offices, government offices). In addition to commercial uses, many of the upper stories of first floor retail uses along the Mall are occupied by apartments. There are also numerous condominium and rental properties located along the Mall’s periphery. As a result, the subject site is located within a vibrant mixed-use urban neighborhood.

Map 1 Site Location, Friendship Court

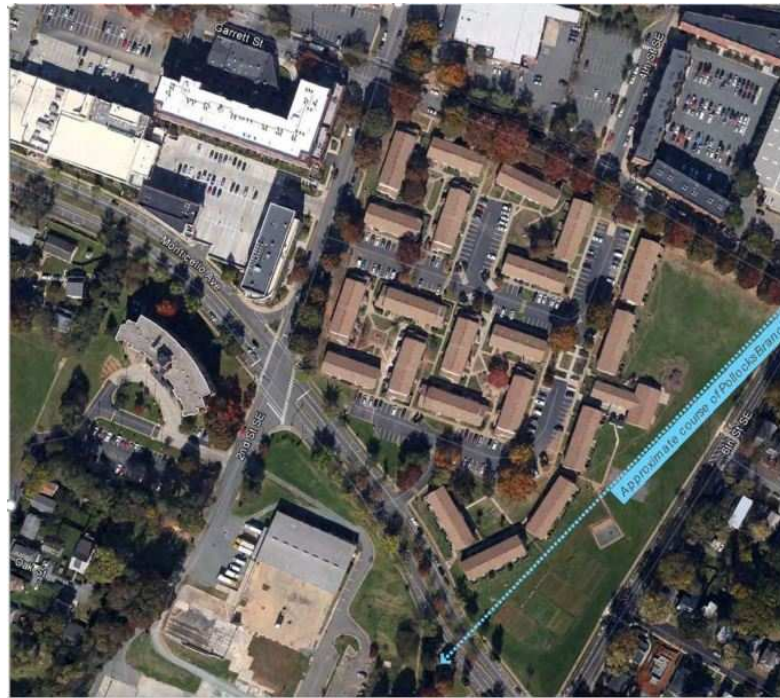


2. Size, Shape and Topography

The overall project site consists of 11.75 acres. The Phase I project is located on 3.87 acres of the overall site. The existing buildings are located along Garrett Street, 2nd Street SE and Monticello Avenue, while that portion of the site proposed for the initial phase of redevelopment is the open green area primarily fronting 6th Street SE. The overall site has a rectangular shape and the topography slopes downward from street level along both Garrett and 6th Street SE. Running diagonally through that portion of the site identified for the initial phase of redevelopment is

Pollocks Branch, an underground stream buried in a 6' by 6' culvert. Because this stream accommodates run-off from a significant portion of the City of Charlottesville, the relocation of this stream is not considered to be financially feasible. Placement of future buildings on the site will need to maintain a buffer from this flood-prone area.

Figure 2 Aerial View of Site



3. Zoning and Government Review

The site is zoned Downtown Extended and has an allowable density by right of 500+/- units. The site is also located in the designated Strategic Investment Area, a target area identified for future growth due to its low density and available land for development as well as its location as a gateway to the downtown.

4. Existing Uses

As observed during RPRG's recent site visit on December 19, 2019, the subject site is improved with 21 clusters of two-story buildings as well as a community building and separate leasing office. The site also includes a playground, basketball court, resident garden and open space as well as surface parking. The majority of the buildings are enclosed by a perimeter iron fence that is open during the day but is kept locked after dark.

5. Description of Land Uses Surrounding the Subject Site

The area near the subject site is comprised of a variety of uses, including other residential multifamily rental communities, both market rate (Norcross Station) and subsidized (Crescent Halls public housing); ownership condominium properties (Gleason building); commercial office buildings (ACAC and Ferguson Enterprises), urban chic retail (Three Notched Brewing Company and The Glass Building) as well as miscellaneous uses, such as the Water Street Parking Garage and the CSX Railroad tracks.

The land uses directly bordering the subject site are as follows and are presented in Figure 4:

- **North:** Uses along Garrett Street, including Norcross Station (88 market rate apartments in an adaptive reuse midrise building and two three-story garden buildings with lofts). Two blocks to the north is Charlottesville’s Downtown Mall district.
- **East:** 6th Street SE, a one-way street for northbound traffic. Single-family detached homes are located along this road.
- **South:** Monticello Avenue, a two-way street with center median. IX Art Park, a unique walk-through sculpture park anchored by the Three Notched Brewing Company.
- **West:** Uses located off 2nd Street SE, including the 38-unit Gleason building, the Atlantic Coast Athletic Club, a state-of-the-art fitness center with rooftop pool, office buildings and Crescent Halls midrise public housing.

Figure 3 presents photos of the subject site while Figure 4 provides views of the neighboring properties.

Figure 3 Views of Subject Site



View of existing townhouses along Garrett Street



View of site proposed for redevelopment looking towards 6th Street SE



View of existing buildings in interior of site



View of playground on site



View of entrance into community from Monticello Avenue



View of site proposed for new construction along Monticello Avenue & 6th Street SE

Figure 4 Views of Surrounding Land Uses



Norcross Station new construction building



IX Art Park & Three Notched Brewery



Crescent Halls public housing



View along 6th Street SE



Nearby medical, , including Downtown Family Health Center



Directional signage one block from site

B. Site Visibility and Accessibility

1. Visibility

The proposed new rental buildings on the Friendship Court site will have excellent visibility from surrounding roadways including Garrett Street, Monticello Avenue and 6th Street SE. This location is heavily traveled due to its proximity to both the Downtown Mall (two blocks to the north) and the IX Art Park (the adjoining block to the south). The streets surrounding Friendship Court are also heavily traveled by pedestrians who are walking to the nearby shopping, employment and entertainment venues. We believe that the site will have both good visibility as well as a readily recognizable location.

2. Vehicular Access

Currently, vehicular access to Friendship Court is from Monticello Avenue to the south and 2nd Street SE from the west. The proposed initial phase will be located on the eastern corners of the site so that traffic to the buildings will need to travel past the existing rental community. In the future, there are plans to extend 4th Street SE through the site from Garrett Street to Monticello Avenue. This will open the site up to the neighborhood and increase accessibility to the planned new rental apartment buildings.

Overall, the site is convenient to major roads and public transit nodes. The downtown roadways connect to the University of Virginia campus roughly 1.5 miles to the west while north-west routes link to VA Route 250 Bypass/U.S. Route 29. Several routes provide access within roughly two miles to I-64, a major east-west connector in central Virginia. Although traffic in the downtown can be challenging, the site has good access to numerous outbound roadways.

Route 29 is the major commercial corridor of the Charlottesville area that stretches from Downtown Mall and UVA Campus to the Barracks Road Center, Seminole Square, Shops at Stonefield, Rio Hill Shopping Center and further north to Hollymead Town Center, UVA Research Center, and NGIC. On a regional basis, Route 29 links Charlottesville with the Northern Virginia/ Washington DC metropolitan area (to the north) and with Lynchburg, Danville, and Greensboro, North Carolina (to the south). The 250 Bypass provides access to Interstate 64, a primary east-



west connector in central Virginia, which directly links Charlottesville with Staunton and Interstate-81 to the west and Richmond and the Norfolk/ Hampton Roads area to the east

3. Availability of Public Transit

Charlottesville Transit Services (CTS) is the primary provider of mass transit services to the citizens of Charlottesville although other bus routes are operated by the University Transit Service (UTS). The subject site is located within roughly a five minute walk of the Downtown Transit Station, located at the eastern terminus of the Downtown Mall. This transit hub provides access to all of the bus routes operated within Charlottesville; transfers between bus lines are available at no additional charge. CAT Route 1 (East Market Street and Piedmont Virginia Community College) stops directly in front of the subject site and several other routes, including CAT Route 2 (5th Street Station and Downtown), CAT Route 3 (Belmont and Southwood) and CAT Route 4 (Cherry Avenue and Harris Road) have stops within roughly one block. The City of Charlottesville also offers free trolley service that regularly travels the loop connecting the University of Virginia campus with the downtown area.

The closest Amtrak station is located 0.8 mile west of the site. The station is served by the Cardinal, Crescent and Northeast Regional lines with service to all of the major East Coast cities. Amtrak Virginia Thruway buses also provide connecting service to Richmond and other destinations. The Greyhound Bus terminal is located at 310 W. Main Street (0.3 miles west). The local Charlottesville-Albemarle County Airport is located roughly ten miles to the north.

4. Pedestrian Access

There are sidewalks along all of the streets that border the subject site and throughout the Friendship Court property. The local neighborhood is pedestrian-friendly with crosswalks.

5. Accessibility Improvements under Construction and Planned

According to Brian Haluska, planner with the City of Charlottesville, a major infrastructure improvement in the area will be the replacement of the nearby Belmont Bridge. The Charlottesville City Council approved the plans in July 2018 with construction slated to begin in 2020. The replacement bridge will allow for pedestrian and bike traffic. Otherwise, no major transportation projects are anticipated within the Friendship Court neighborhood at this time.

6. Public Safety

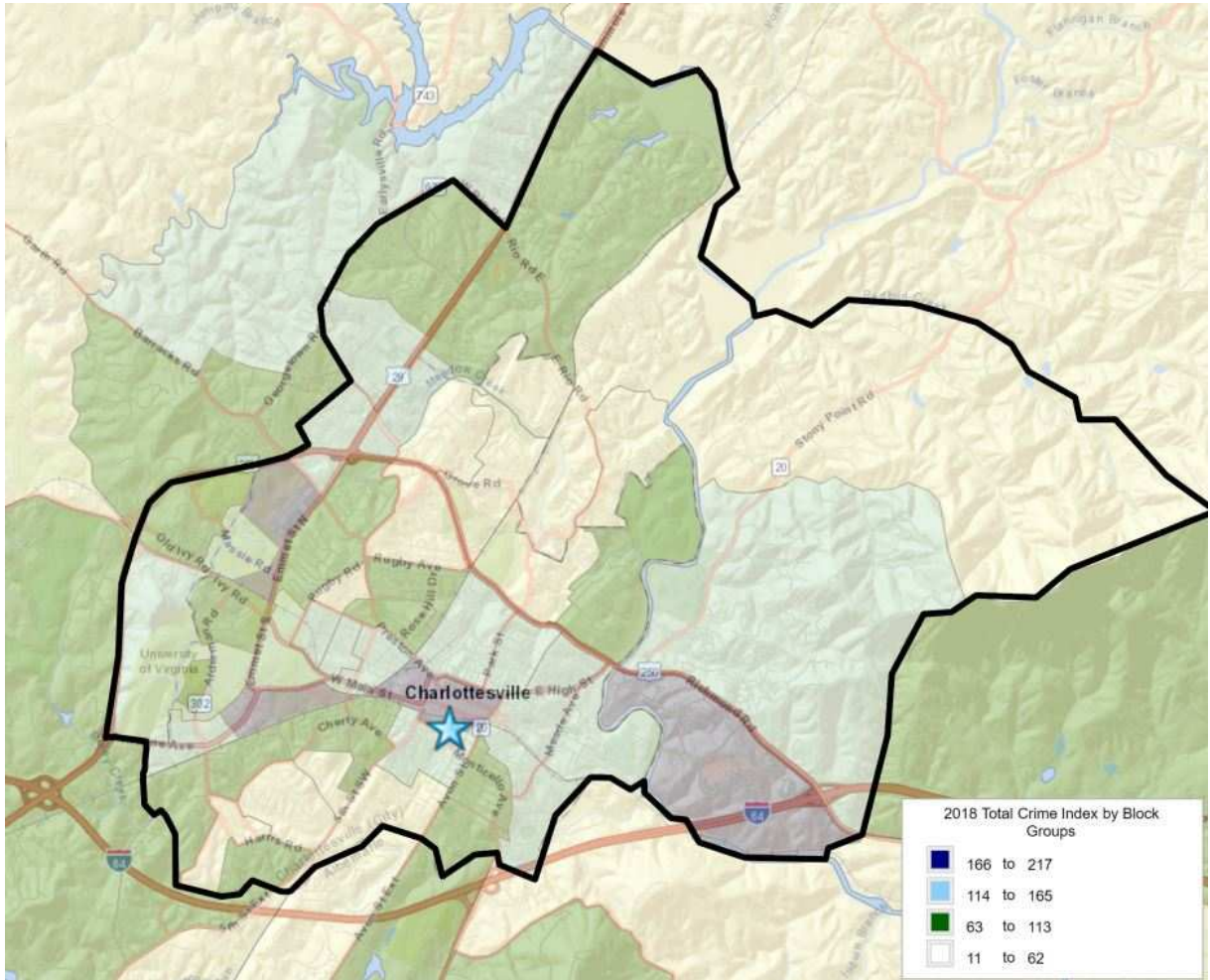
CrimeRisk data is an analysis tool for crime provided by Applied Geographic Solutions (AGS). CrimeRisk is a block-group level index that measures the relative risk of crime compared to a national average. AGS analyzes known socio-economic indicators for local jurisdictions that report crime statistics to the FBI under the Uniform Crime Reports (UCR) program. Based on detailed modeling of these relationships, CrimeRisk provides a detailed view of the risk of total crime as well as specific crime types at the block group level. In accordance with the reporting procedures used in the UCR reports, aggregate indexes have been prepared for personal and property crimes separately as well as a total index. However, it must be recognized that these are unweighted indexes, in that a murder is weighted no more heavily than purse snatching in this computation. The analysis provides a useful measure of the relative overall crime risk in an area but should be used in conjunction with other measures. The color graduations correspond to relative crime risk – tan is the lowest risk; green is low to moderate risk; light blue is medium; and dark blue is the highest crime risk.

The central core of Charlottesville generally exhibits higher rates of crime than the surrounding area since much of this area is colored in the dark blue shades (Map 2). The subject is located in a

neighborhood that contains light and darker blue census tracts that represent a moderate to high degree of crime risk that is typical of a more urban areas. However, the area is regarded as a safe place to live according to local rental managers and the perceived threat of crime has not been an impediment to virtually full occupancies at many of the downtown rental communities.

The Charlottesville Fire and Police Departments are located within one-half mile of the site.

Map 2 Friendship Court Market Area CrimeRisk Index



C. Residential Support Network

1. Key Facilities and Services near the Subject Site

The appeal of a residential community is based in part on its proximity to facilities and services that are required on a day-to-day basis. Key facilities and services and their distances from the subject site are listed in Table 5 and the locations of those facilities are plotted on Map 3.



Table 5 Key Facilities and Services near Subject Site

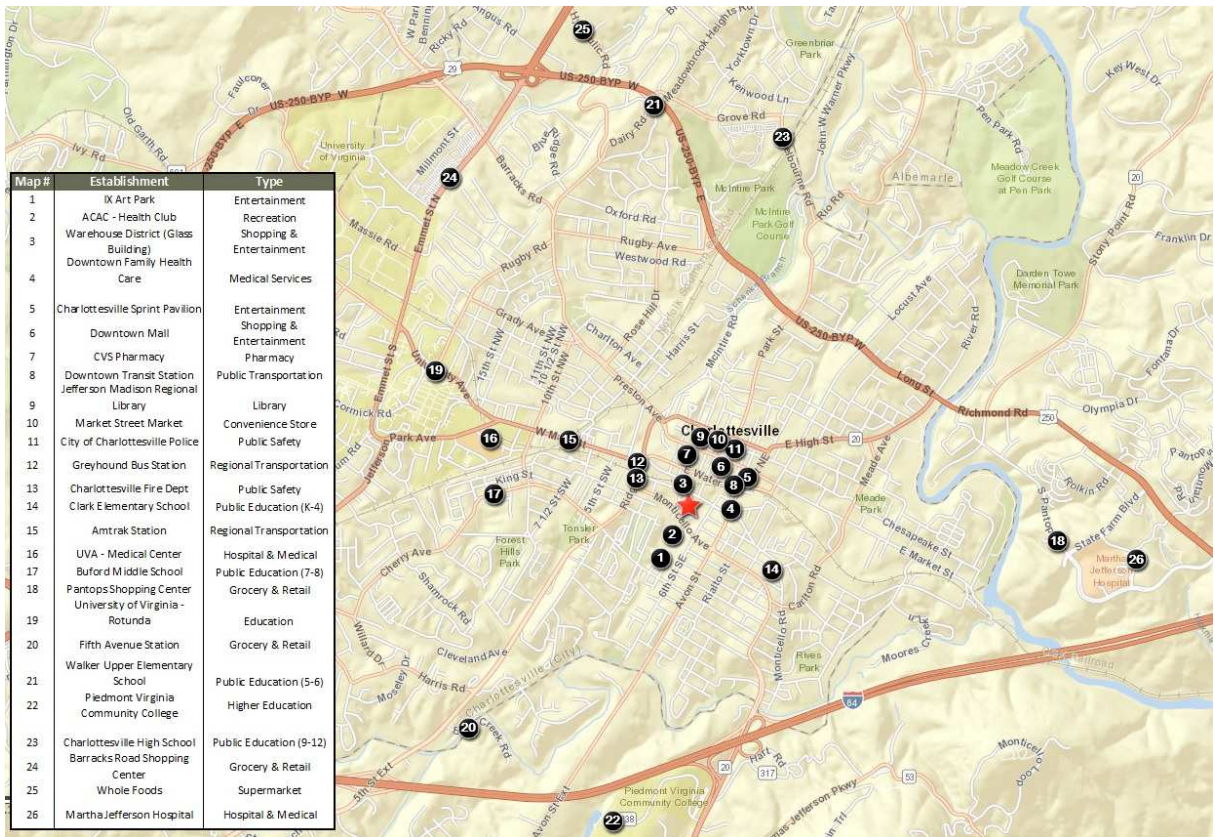
Establishment	Address	Type	Distance (miles)
IX Art Park	520 2nd Street SE	Entertainment	0.1 mi S
ACAC - Health Club	455 2nd Street SE	Recreation	0.1 mi W
Warehouse District (Glass Building)	313 E. 2nd Street	Shopping & Entertainment	0.1 mi W
Downtown Family Health Care	310 Avon Street	Medical Services	0.2 mi E
Charlottesville Sprint Pavilion	600 E. Water Street	Entertainment	0.2 mi E
Downtown Mall	200 - 600 E. Main Street	Shopping & Entertainment	0.2 mi N
CVS Pharmacy	208 E. Main Street	Pharmacy	0.2 mi N
Downtown Transit Station	615 E. Water Street	Public Transportation	0.2 mi NE
Jefferson Madison Regional Library	201 E. Market Street	Library	0.3 mi N
Market Street Market	400 E. Market Street	Convenience Store	0.3 mi N
City of Charlottesville Police	606 E. Market Street	Public Safety	0.3 mi N
Greyhound Bus Station	310 W. Main Street	Regional Transportation	0.3 mi NW
Charlottesville Fire Dept	203 Ridge Street	Public Safety	0.4 mi W
Clark Elementary School	1000 Belmont Avenue	Public Education (K-4)	0.5 mi E
Amtrak Station	810 W. Main Street	Regional Transportation	0.8 mi NW
UVA - Medical Center	1215 Lee Street	Hospital & Medical	1.3 mi W
Buford Middle School	100+C20:C220 Cherry Avenue	Public Education (7-8)	1.4 mi W
Pantops Shopping Center (Food Lion)	394 S.Pantops Drive	Grocery & Retail	1.7 mi E
University of Virginia - Rotunda	1826 University Avenue	Education	1.9 mi W
Fifth Avenue Station (Wegman's)	149 5th Street Station Parkway	Grocery & Retail	2.2 mi S
Walker Upper Elementary School	1564 Dairy Road	Public Education (5-6)	2.4 mi N
Piedmont Virginia Community College	501 College Drive	Higher Education	2.4 mi S
Charlottesville High School	1400 Melbourne Road	Public Education (9-12)	2.5 mi N
Barracks Road Shopping Center (Harris Teeter, Kroger)	1117 Emmet Street N	Grocery & Retail	2.6 mi NW
Whole Foods	1797 Hydraulic Rad	Supermarket	3.4 mi N
Martha Jefferson Hospital	500 Martha Jefferson Drive	Hospital & Medical	3.5 mi E
Rio Hill Shopping Center (Lowe's, Wal-Mart)	1940 Rio Hill Drive	General Retail	5.0 mi N
Fashion Square Mall (Belk, JC Penney, Sears)	1600 Rio Road E	Regional Retail	5.2 mi N
Charlottesville-Albemarle Airport	Bowen Loop	Air Transportation	10.7 mi N

Note: Distances calculated from 418 Garrett Street, Charlottesville, VA 22902

Source: Real Property Research Group, Inc.



Map 3 Neighborhood Amenities



2. Essential Services

a. Shopping and Retail

The subject is ideally situated to take full advantage of an array of eating, shopping, cultural, historic, and entertainment options available within only several blocks (and within walking distance) of the subject site. The Downtown Mall in Charlottesville is a successful pedestrian-oriented seven block streetscape filled with an assortment of shops and boutiques, restaurants and cafes, as well as employment and service-oriented establishments. Other eateries and shops are also located along side streets as well as Water and Market Streets. The emerging “Warehouse District” located just west of the subject site includes trendy boutiques and eateries in renovated former warehouses.

Major big box retailers and regional shopping centers are available in the greater Charlottesville area. For example, the Barracks Road Shopping Center is located along U.S. Route 29 and Emmet Street and includes retailers such as Old Navy, Michaels, Barnes & Noble, Bed, Bath & Beyond, Harris Teeter and Kroger as well as 80+/- smaller stores. Another major shopping mall is the Charlottesville Fashion Square, located at the intersection of U.S. Route 29 and Rio Road, and including JC Penney, Belk, as well as 75+/- other shops and eateries. The Pantops area also serves as a major shopping hub for the City of Charlottesville, including the Pantops Shopping Center (570 Riverbend Drive) with its Food Lion and Rose’s variety store as well as the Rivanna Ridge Shopping



Center (1900 Abbey Road), anchored by Giant. Other shopping hubs are located at the intersection of U.S. Route 29 and Hydraulic Road.

The newest large-scale retail center, Fifth Street Station, opened in late 2016 and includes major retailers, such as Wegman's, Dick's Sports, Field & Stream, PetSmart, Planet Fitness, and numerous eateries and restaurants. This center is located slightly more than two mile south of the subject site.

b. Health Care

Two major hospitals serve the greater Charlottesville area. The closest major medical facility to the site is the UVA Hospital Medical Center, a 570-bed acute care hospital located approximately 1.3 miles to the west. Services include a level-one trauma center, surgery services, neurosciences, and a cancer center among others. The other major hospital serving residents in the Charlottesville area is the smaller Martha Jefferson Hospital with 176 inpatient beds. This facility is located in the Pantops area, roughly 3.5 miles from the subject site.

There are numerous private medical practitioners in the City of Charlottesville, including the Downtown Family Health Center, located within a five minute walk of the subject site. The local CVS Pharmacy is also within walking distance.

c. Education

The Commonwealth of Virginia administers Standards of Learning (SOL) Assessment Tests to monitor student performance and the quality of classroom instruction in public school systems across the state. The most comprehensive testing occurs in the 3rd, 5th, 8th, and 11th grades. Elementary and middle school students are tested in core areas including English, history, mathematics, science, and writing. High school tests are conducted upon students' completion of relevant coursework and focus on more specific subject areas such as algebra I, algebra II, biology, chemistry, and geometry, in addition to English and writing.

The results of SOL tests can be used to compare the performance of students in various schools and school districts. To construct this comparison, we compiled data on the percentage of students testing at the state-defined 'proficient' level or 'advanced' level in core subject areas. We compiled data for the 2016 to 2017 school year to compare overall school performance on a school district basis in Virginia and for the 2017 to 2018 school year to compare school performance across the school district.

Charlottesville City Public Schools System provides instruction to all school-age children in the City of Charlottesville. As of the 2016-2017 school year, this public school system ranked 81st out of the 132 school districts in the Commonwealth of Virginia with 78.9 percent of their students testing at a "Proficient" or "Advanced" level, just slightly below the overall Virginia average of 79.3 percent (Table 6).

The schools that would serve residents with children residing at the subject site include: Clark Elementary School (1000 Belmont Avenue – 0.5 miles east); Buford Middle School (1000 Cherry Avenue – 1.4 miles north); and, Charlottesville High School (1400 Melbourne Road – 2.5 miles north).



Table 6 Standards of Learning Test Results, Cities and Counties of Virginia – 2016/2017 School Year

Rank	County or City	Grade 5		Grade 8		High School			Total
		English	Math	English	Math	Algebra II	English	Writing	Composite
1	West Point	89.0	94.0	89.0	92.0	96.0	94.0	95.0	92.7
2	Wise County	82.0	91.0	87.0	97.0	99.0	96.0	96.0	92.6
3	Falls Church	93.0	87.0	90.0	89.0	91.0	97.0	96.0	91.9
4	York County	93.0	92.0	84.0	83.0	96.0	93.0	91.0	90.3
5	Poquoson	92.0	93.0	88.0	70.0	95.0	97.0	94.0	89.9
6	Russell County	85.0	89.0	77.0	93.0	93.0	94.0	95.0	89.4
7	Washington County	91.0	90.0	80.0	87.0	94.0	90.0	90.0	88.9
8	Tazewell County	87.0	88.0	79.0	87.0	94.0	89.0	94.0	88.3
9	Scott County	89.0	91.0	76.0	91.0	98.0	92.0	80.0	88.1
10	Botetourt County	89.0	89.0	87.0	79.0	93.0	92.0	87.0	88.0
75	Craig County	83.0	76.0	78.0	71.0	91.0	84.0	75.0	79.7
76	Staunton	76.0	78.0	68.0	65.0	96.0	80.0	93.0	79.4
77	Smyth County	80.0	77.0	77.0	80.0	93.0	77.0	71.0	79.3
78	Fauquier County	81.0	74.0	75.0	63.0	86.0	88.0	87.0	79.1
79	Suffolk	82.0	77.0	71.0	83.0	82.0	81.0	78.0	79.1
80	Sussex County	77.0	87.0	68.0	73.0	93.0	78.0	78.0	79.1
81	Charlottesville	70.0	62.0	71.0	78.0	83.0	94.0	94.0	78.9
82	Orange County	78.0	69.0	73.0	77.0	87.0	85.0	83.0	78.9
83	Waynesboro	76.0	73.0	63.0	84.0	94.0	85.0	77.0	78.9
84	Grayson County	83.0	93.0	76.0	61.0	89.0	80.0	69.0	78.7
85	New Kent County	83.0	86.0	71.0	48.0	90.0	85.0	86.0	78.4
86	Warren County	74.0	72.0	71.0		93.0	82.0	77.0	78.2
87	Amherst County	78.0	74.0	76.0	80.0	73.0	85.0	81.0	78.1
88	Hampton	76.0	76.0	75.0	80.0	85.0	82.0	70.0	77.7
89	Nottoway County	76.0	81.0	63.0	60.0	96.0	86.0	82.0	77.7
90	Roanoke	77.0	80.0	71.0	66.0	96.0	71.0	83.0	77.7
130	Danville	58.0	55.0	51.0	28.0	90.0	72.0	73.0	61.0
131	Richmond	70.0	67.0	45.0	40.0	71.0	64.0	65.0	60.3
132	Lancaster County	64.0	56.0	63.0	14.0	53.0	79.0	73.0	57.4
Virginia Composite Averages		79.2	78.7	72.2	69.8	88.8	84.7	81.7	79.3

Source: Virginia Department of Education.

Based on the measure employed in this analysis (2017-2018 SOL results), the elementary school (Clark) serving Friendship Court ranked 7th out of the seven elementary schools for students in the lower grades with 56.0 percent of students tested as either proficient or advanced (Table 7). In comparison, 78.9 percent of all students in the Commonwealth of Virginia achieved at either a proficient or advanced level. At Buford Middle School, 63.0 percent of students tested as either proficient or advanced, compared to the Virginia average of 74.0 percent. Of those students attending Charlottesville High School, 89.5 percent tested as either proficient or advanced, compared to the Virginia average of 86.5 percent.

Table 7 Standards of Learning Test Results, Charlottesville Public Schools – 2017/2018 School Year

Elementary Schools					Middle Schools				
VSLA - 2018		Grade 4 & 5			VSLA - 2018		Grade 8		
Rank	Elementary Schools	English	Math	Composite	Rank	Middle Schools	English	Math	Composite
1	Greenbrier Elementary	79.0%	91.0%	85.0%	1	Buford Middle	64.0%	62.0%	63.0%
2	Venable Elementary	81.0%	79.0%	80.0%	County Average		64.0%	62.0%	63.0%
3	Burnley-Moran Elementary	79.0%	77.0%	78.0%	State Average		77.0%	71.0%	74.0%
4	Johnson Elementary	79.0%	75.0%	77.0%	High Schools				
5	Jackson-Via Elementary	66.0%	77.0%	71.5%	EOC - 2018				
6	Walker Upper Elementary	63.0%	53.0%	58.0%	Rank	High Schools	Reading	Algebra II	Composite
7	Clark Elementary	55.0%	57.0%	56.0%	1	Charlottesville High	97.0%	82.0%	89.5%
County Average		71.7%	72.7%	72.2%	County Average		97.0%	82.0%	89.5%
State Average		80.0%	77.0%	78.5%	State Average		87.0%	86.0%	86.5%

Source: Virginia Department of Education



For higher education opportunities, the University of Virginia in Charlottesville is less than two miles west of the subject site. The public institution's enrollment is more than 21,000 students, and the school employs more than 12,000 full time faculty and staff. The local community college, Piedmont Virginia Community College, is located only 2.4 miles to the south just outside the City of Charlottesville.

d. Recreational & Other Community Amenities

The subject site is convenient to many outdoor recreational amenities in both the City of Charlottesville and Albemarle County. The Charlottesville Pavilion, located on the eastern end of the Downtown Mall, provides a great "backyard" entertainment locale, hosting performing artists and other events. The newly restored Jefferson Theater is also located in the Downtown Mall as is the local library. Directly to the south of the subject site is the IX Art Park, an open air "museum" of art sculptures and other exhibits that is free and open to the public. Several parks are also located near the subject site, including Tonsler Park to the west; McIntire Park to the north; and, Darden Towe Park to the east.



IV. ECONOMIC CONTEXT

A. Introduction

This section focuses primarily on economic trends and conditions in Albemarle County and the independent city of Charlottesville, which we will refer to as Albemarle-Charlottesville. However, City of Charlottesville statistics alone were used for wage data. This is the local economic environment in which the subject community will operate. For purposes of comparison, certain economic trends in Virginia and in the nation are also discussed.

B. Labor Force, Resident Employment, and Unemployment

The Albemarle County/ City of Charlottesville economic base, buttressed by the region's recession proof health, education, and defense sectors, has consistently remained strong even weathering the recent recession with minimal adverse impact.

1. Trends in County-City Labor Force and Resident Employment

Despite small dips in 2009 and 2013, Albemarle-Charlottesville's labor force increased at a steady pace over the past 11 years, growing from 72,572 workers in 2007 to 83,607 workers as of September 2018, an increase of 11,000 workers (a gain of 15.2 percent) (Table 8).

2. Trends in County-City Unemployment Rate

Despite a major economic recession during the 2008 to 2010 period, Albemarle-Charlottesville's unemployment rate remained remarkably low, peaking at just 6.0 percent in 2010. These low rates reflects the virtual recession proof economic underpinnings of the region's health, education, and defense sectors. The area's unemployment rate has consistently remained below that of the Commonwealth of Virginia and that of the nation as a whole. Between 2007 and 2008, the county-city's annual unemployment rate ranged from 2.5 percent to 3.2 percent. By 2011, the unemployment rate started to drop falling to 5.6 percent in 2012 and 4.4 percent in 2014. Starting in 2015 when the rate fell to 3.8 percent, Albemarle-Charlottesville's unemployment rate remained below 4 percent. As of September 2018, the unemployment rate stood at 2.7, compared to 3.1 percent for the state and 4.0 percent for the nation.

C. Commutation Patterns, American Community Survey

Roughly three-quarters of workers residing in the market area commuted 25 minutes or less to work. According to the 2013-2017 American Community Survey (ACS) data, 40 percent of the workers residing in the Friendship Court Market Area commuted less than 15 minutes to work and another 37 percent of workers commuted 15 to 24 minutes (Table 9). Nine percent of workers commuted 25 to 34 minutes and 8.5 percent of workers commuted 35 miles or more.

Fifty-seven percent of workers residing in the Friendship Court Market Area work in their county of residence; 42.5 percent worked outside their county of residence. Only one percent of the market area's workers were employed outside the state.



Table 8 Labor Force and Unemployment Rates

Annual Unemployment Rates - Not Seasonally Adjusted

Annual Unemployment	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 Jan-Sept
Labor Force	72,572	74,380	73,650	74,190	75,408	76,097	75,968	78,110	78,974	79,831	80,918	83,607
Employment	70,773	71,967	69,586	69,727	71,199	72,151	72,339	74,648	75,971	77,163	78,305	81,349
Unemployment	1,799	2,413	4,064	4,463	4,209	3,946	3,629	3,462	3,003	2,668	2,612	2,258
Unemployment Rate												
County & Charlottesville City	2.5%	3.2%	5.5%	6.0%	5.6%	5.2%	4.8%	4.4%	3.8%	3.3%	3.2%	2.7%
Virginia	3.0%	3.9%	6.7%	7.1%	6.6%	6.1%	5.7%	5.2%	4.5%	4.1%	3.8%	3.1%
United States	4.6%	5.8%	9.3%	9.6%	8.8%	8.3%	7.4%	6.2%	5.3%	4.9%	4.4%	4.0%

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

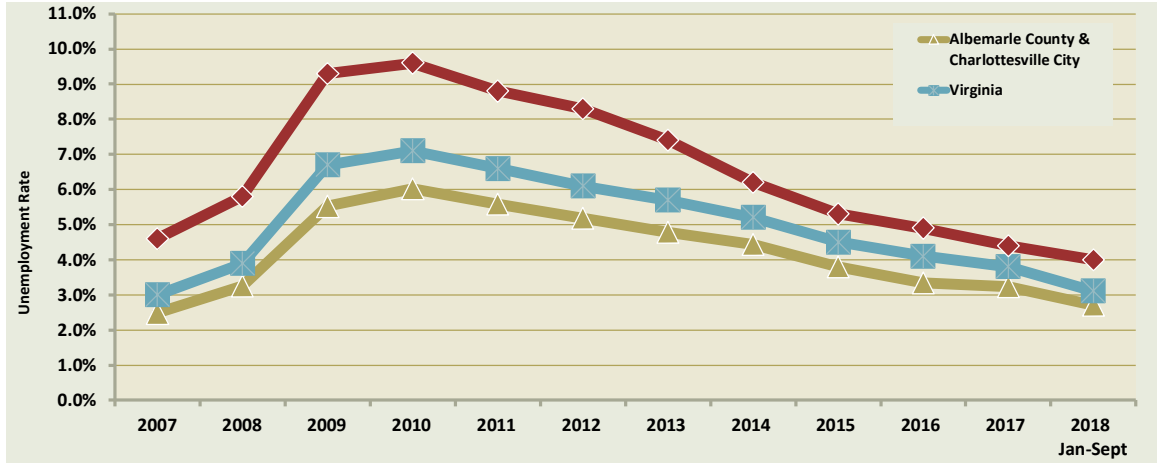
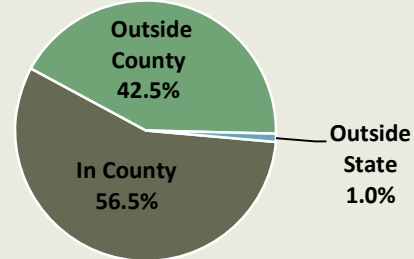


Table 9 Commutation Data, Friendship Court Market Area

Travel Time to Work			Place of Work		
Workers 16 years+	#	%	Workers 16 years and over	#	%
Did not work at home:	34,937	94.0%	Worked in state of residence:	36,764	99.0%
Less than 5 minutes	1,063	2.9%	Worked in county of residence	20,993	56.5%
5 to 9 minutes	5,130	13.8%	Worked outside county of residence	15,771	42.5%
10 to 14 minutes	8,581	23.1%	Worked outside state of residence	384	1.0%
15 to 19 minutes	8,872	23.9%	Total	37,148	100%
20 to 24 minutes	4,732	12.7%			
25 to 29 minutes	1,158	3.1%			
30 to 34 minutes	2,229	6.0%			
35 to 39 minutes	521	1.4%			
40 to 44 minutes	605	1.6%			
45 to 59 minutes	1,006	2.7%			
60 to 89 minutes	589	1.6%			
90 or more minutes	451	1.2%			
Worked at home	2,211	6.0%			
Total	37,148				

Source: American Community Survey 2013-2017

**2013-2017 Commuting Patterns
Friendship Court Market**



Source: American Community Survey 2013-2017

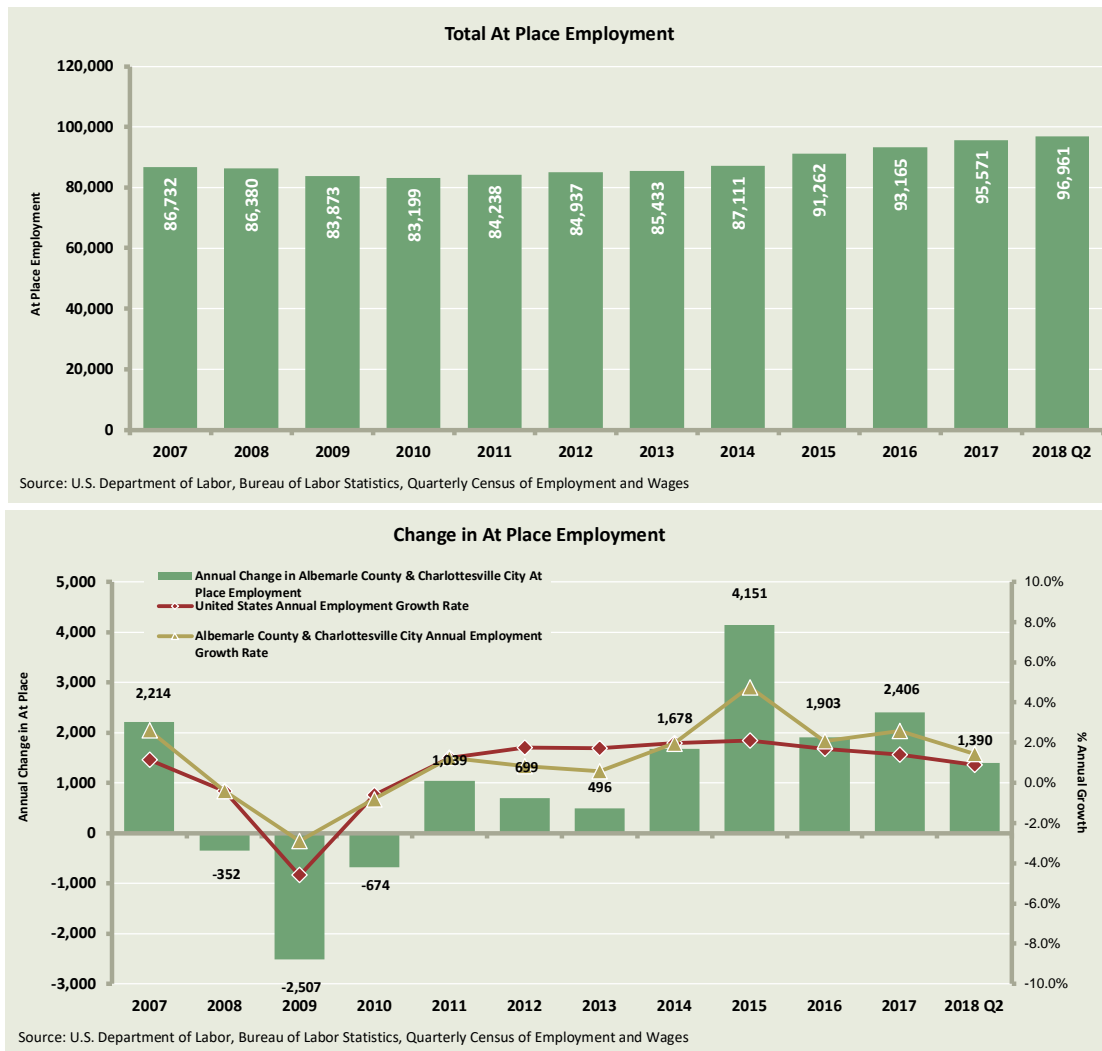


D. County At-Place Employment

1. Trends in Total At-Place Employment

Albemarle County/ City of Charlottesville’s at-place employment fell moderately over the recession period 2008 and 2010 to 83,199 jobs, a loss of 3,500 jobs (4.1 percent) from the 2007 total of 86,723 jobs (Figure 5). Over the next seven years, however, at-place employment gradually recovered and by Q2 2018 had reached a new peak of 96,961 jobs, 13,800 jobs greater than the 2010 low point (16.5 percent gain). Impressively, 4,100 jobs were added in 2015, an additional 1,900 jobs in 2016 and over 2,400 more jobs during 2017. Another 1,400 jobs were added during the first six months of 2018. The trend lines on the bottom of Figure 5 illustrate that jobs in Albemarle proportionately declined at a lesser rate than national trends during the recession but also recovered at a similar pace compared to the country as a whole except in the year 2015 when the area’s growth spurt exceed the national rate.

Figure 5 At-Place Employment, Albemarle County and the City of Charlottesville





2. At-Place Employment by Industry Sector

As of Q2 2018, Government is the dominant employment sector in the local area accounting for 31.6 percent of Albemarle-Charlottesville’s employment base, twice as large as the national proportion of 15.1 percent (Figure 6). The next four largest sectors in the local economy are Trade-Transportation-Utilities, Professional-Business, Leisure-Hospitality, and Education-Health, each with approximately 12 to 13 percent of the local job base. Three sectors represent a smaller proportion of the local economy compared to the national share; the Leisure-Hospitality sector has a larger share. Five sectors are much smaller in size, each accounting for two to four percent of the county-city job base – Other, Financial Activities, Manufacturing, Construction, and Information.

Figure 7 details employment change by economic sector within Albemarle-Charlottesville and the United States between 2011 and Q2 2018. Nine of the eleven job sectors in the area experienced net growth (two of the smaller sectors, Information and Manufacturing, lost jobs). The largest gains (36 and 32 percent) were also recorded by two of the smallest sectors – Natural Resources-Mining and Financial Activities. Government, the largest sector, grew by 10.7 percent - substantially higher than the national rate of 2.9 percent. The other larger sectors grew at rates of 8.8 percent (Trade-Transportation-Utilities), 12.0 percent (Education-Health), 21.7 percent (Leisure-Hospitality), and 24.0 percent (Professional Business). The growth rate of the Professional-Business and Leisure-Hospitality sectors exceeded their national rates while Education-Health and Trade growth rates lagged behind their national counterparts.

Figure 6 Total Employment by Sector

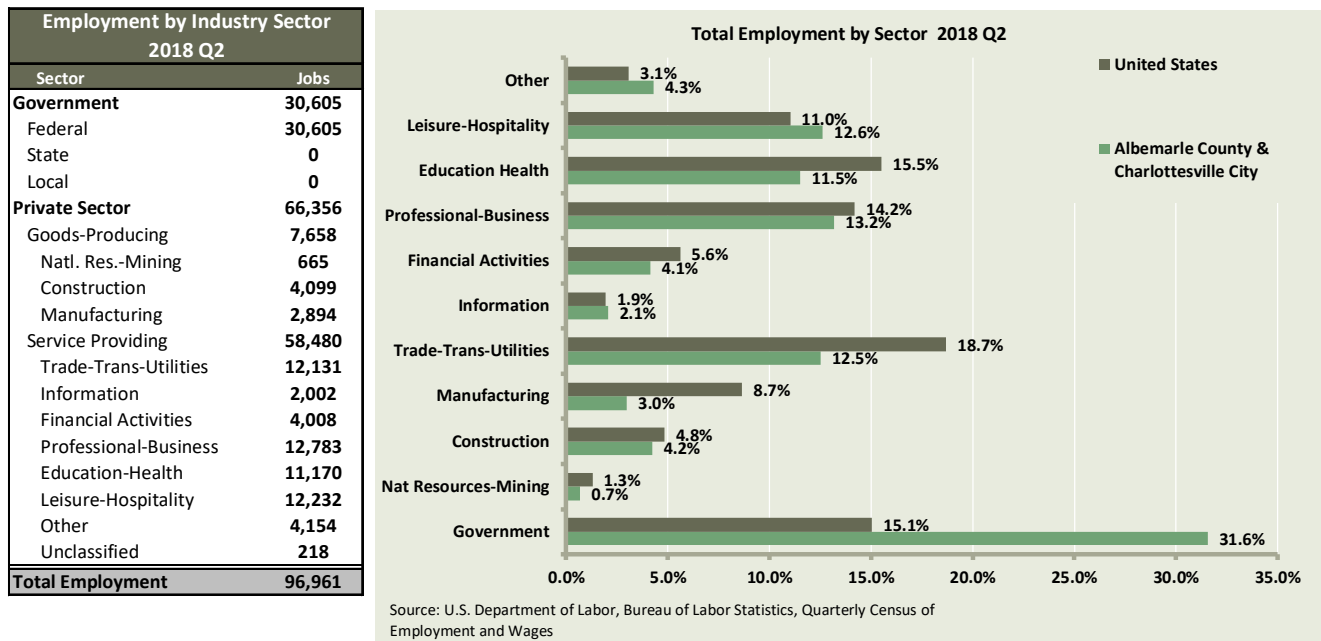
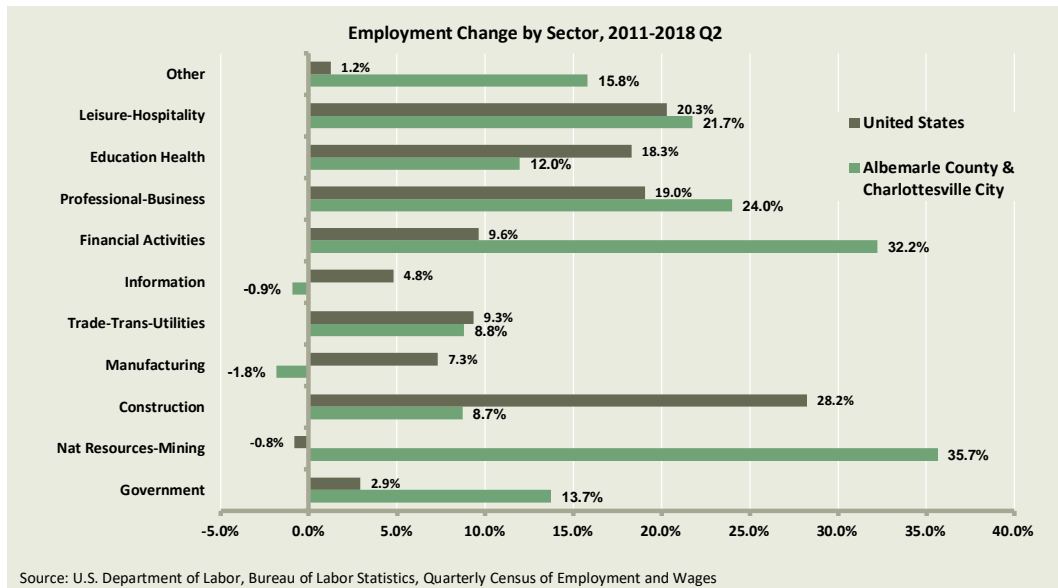




Figure 7 Employment Change by Sector



E. Wage Data

The average annual wage in 2017 for the city of Charlottesville was \$54,397. The city average is four percent below the state-wide average of \$56,506 and two percent below the national average of \$55,375 (Table 10). Charlottesville’s average annual wage in 2017 represents an increase of \$11,800 or 28 percent since 2010.

Table 10 Wage Data, City of Charlottesville

	2010	2011	2012	2013	2014	2015	2016	2017
Charlottesville City	\$42,590	\$44,441	\$44,512	\$46,624	\$48,797	\$51,353	\$51,416	\$54,397
Virginia	\$49,651	\$50,657	\$51,646	\$51,918	\$52,929	\$54,276	\$54,855	\$56,503
United States	\$46,751	\$48,043	\$49,289	\$49,804	\$51,361	\$52,942	\$53,621	\$55,375

Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages

The average wage in the city of Charlottesville is below the national wage for six sectors and three county sectors lie above the national average – Government, Education-Health, and Other (Figure 8). Two sectors, Manufacturing and Natural Resources-Mining are not represented in the city. The highest paying sectors in the city are Financial Activities (\$88,423) and Information (\$83,621). Leisure-Hospitality is the lowest paying sector with a 2017 average annual pay of \$21,395, below the national average of \$23,182.

F. Major Employers

The list of major employers in Albemarle-Charlottesville includes a broad variety of employers led by Education-Healthcare, Government and Professional-Business sectors. The largest employer is the University of Virginia. Overall, five of the top ten employers are in the Education-Health sector. (Table 11). Other employers in the top ten include State Farm Insurance, the U.S. Department of Defense, defense contractor Northrop Grumman, the city of Charlottesville, and Albemarle County.



Figure 8 Wage by Sector, City of Charlottesville



Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Table 11 Major Employers – Albemarle County/ City of Charlottesville

Rank	Name	Sector	Employment
1	University of Virginia / Blue Ridge Hospital	Education	1000 + employees
2	County of Albemarle	Government	1000 + employees
3	Sentara Healthcare (Martha Jefferson Hospital)	Medical	1000 + employees
4	State Farm Mutual Automobile Insurance	Professional Services	1000 + employees
5	University of Virginia Medical Center	Medical	1000 + employees
6	City of Charlottesville	Government	1000 + employees
7	U.S. Department of Defense	Government	500 to 999 employees
8	Northrop Grumman Corporation	Manufacturing	500 to 999 employees
9	Piedmont Virginia Community College	Education	500 to 999 employees
10	UVA Health Services Foundation	Medical	500 to 999 employees
11	Charlottesville City School Board	Education	500 to 999 employees
12	Sevicelink Management Com Inc	Professional Services	500 to 999 employees
13	SNL Security LP	Manufacturing (publishing)	500 to 999 employees
14	Wal Mart	Trade	250 to 499 employees
15	GE Fanuc Automation North Corporation	Manufacturing	250 to 499 employees
16	Athena Innovative Solutions Inc	Professional Services	250 to 499 employees
17	Crutchfield Corporation	Trade	250 to 499 employees
18	State Farm Fire and Casualty Insurance	Professional	250 to 499 employees
19	Thomas Jefferson Memorial	Professional Services	250 to 499 employees
20	Boar's Head Inn	Leisure	250 to 499 employees

Source: Virginia Employment Commission



V. HOUSING MARKET AREA

A. Introduction

The primary market area for any new residential community is defined as the geographic area from which future residents of the community would primarily be drawn and in which competitive housing alternatives are located. In defining the primary market area, RPRG sought to accommodate the joint interests of conservatively estimating housing demand and reflecting the realities of the local rental housing marketplace.

B. Delineation of Market Area

The primary market area defined by RPRG to evaluate the proposed Friendship Court rental community is depicted in Map 4. The 2010 Census tracts comprising the primary market area are listed on the edge of the map. The primary market area will be referred to as the Friendship Court Market Area for the remainder of this report.

The Friendship Court Market Area includes essentially all of the City of Charlottesville as well as a portion of Albemarle County to the east and north of the city. The primary market area largely excludes Albemarle County west of U.S. Route 250 Bypass and U.S. Route 29 as well as south of I-64. The market area's irregular shape reflects the underlying census tracts.

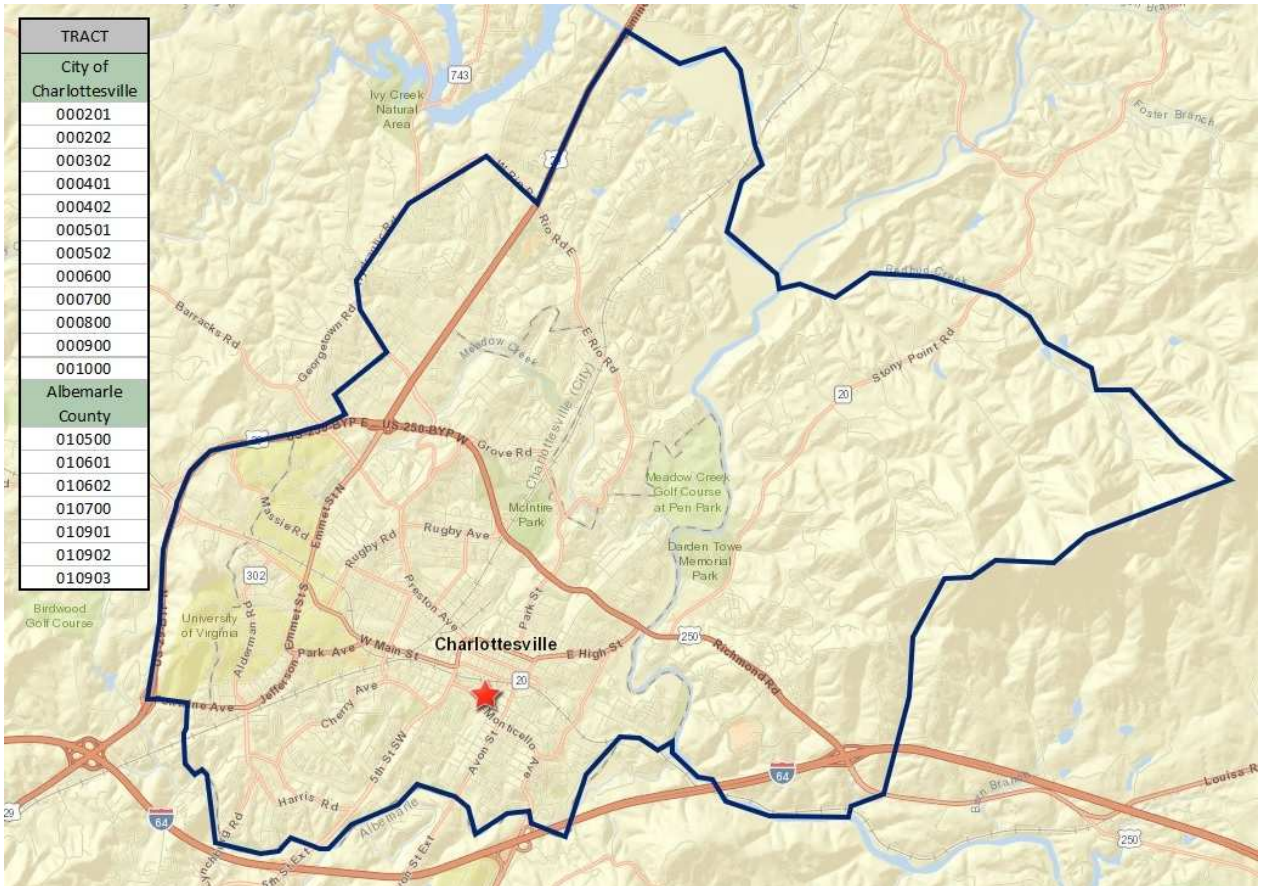
The approximate boundaries of the Friendship Court Market Area and their distances from the subject site are as follows:

- **North:** South Fork/Rivanna River (5.3 miles)
- **East:** Shadwell Creek and Broadhead Mountain Trail (3.1 miles).
- **South:** I-64 and the Charlottesville City-Albemarle County line following Pollocks Branch and Moore's Creek (1.9 miles)
- **West:** U.S. Route 250 Bypass and U.S. Route 29 (2.9 miles)

As appropriate for this analysis, RPRG compares and contrasts the Friendship Court Market Area with the Charlottesville MSA, including the City of Charlottesville and the surrounding five counties (Albemarle, Fluvanna, Greene, Buckingham, and Nelson). We consider the Charlottesville MSA to be the secondary market area for Friendship Court although we judge that there is sufficient demand from within the market area to fill the subject's proposed units.



Map 4 Friendship Court Market Area





VI. DEMOGRAPHIC ANALYSIS

A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the Friendship Court Market Area and Charlottesville MSA using U.S. Census estimates and data from the Environmental Systems Research Institute (Esri), a national data vendor which prepares small area estimates and projections of population and households. Additionally, we examined estimates of population on a countywide and citywide basis for the state of Virginia dated July 1, 2017 issued by The Weldon Cooper Center for Public Service at the University of Virginia. The Census and Weldon forecasts for the city and five county Charlottesville MSA were used as proxies for evaluating the validity of the Esri forecasts. As the primary market area consists of portions of the city of Charlottesville and Albemarle County and there are no small area forecasts, we have no choice but to utilize macro area data.

As Table 12 indicates, the 2017 Esri forecast of 155,865 people in the city of Charlottesville and Albemarle County represents a 9.4 percent increase compared to the US Census tally of 142,445 for 2010. The 2017 Esri forecast falls between the US Census estimate of 8.0 percent and the Weldon Cooper estimate of 10.1 percent for these two jurisdictions. Given the midpoint position of the Esri forecasts, we are comfortable in using Esri estimates and projections in this study for the PMA. Additionally, Esri provides data down to the census tract levels.

In a similar vein, the Esri forecast of 235,383 people for the Charlottesville MSA (City of Charlottesville and Albemarle, Fluvanna, Greene, Nelson, and Buckingham Counties) represent a 7.6 percent increase compared to the US Census tally of 218,785 for 2010. The 2017 Esri forecast is comparable to the Weldon Cooper estimate of 7.5 percent (less than 300 people difference) and above the 5.9 percent US Census estimate. Given the comparability of the Esri and Weldon Cooper estimates and desire for consistency with the PMA data, we are also comfortable in using Esri estimates and projection for the SMA.

Table 12 Summary of Charlottesville MSA Population Estimates

	US Census		2010 to 2017 Change		Weldon Cooper	2010 to 2017 Change		Esri		2010 to 2017 Change	
	2010	2017	No.	%	2017	No	%	2018	2017*	No	%
City of Charlottesville	43,475	46,912	3,437	7.9%	49,132	5,657	13.0%	48,656	48,008	4,533	10.4%
Albemarle County	98,970	106,878	7,908	8.0%	107,697	8,727	8.8%	109,126	107,857	8,887	9.0%
PMA Subtotal	142,445	153,790	11,345	8.0%	156,829	14,384	10.1%	157,782	155,865	13,420	9.4%
Fluvanna County	25,691	26,452	761	3.0%	26,467	776	3.0%	27,153	26,970	1,279	5.0%
Greene County	18,403	19,371	968	5.3%	19,985	1,582	8.6%	20,330	20,089	1,686	9.2%
Nelson County	15,020	14,943	-77	-0.5%	14,858	-162	-1.1%	15,178	15,158	138	0.9%
Buckingham County	17,146	17,065	-81	-0.5%	16,957	-189	-1.1%	17,322	17,300	154	0.9%
Charlottesville MSA Total	218,705	231,621	12,916	5.9%	235,096	16,391	7.5%	237,765	235,383	16,678	7.6%

Source: US Census, Weldon Cooper Center - University of Virginia, Esri, RPRG

*Extrapolated by RPRG

B. Trends in Population and Households

The market area reported strong population and household growth during the 2000 to 2010 period that has accelerated during the 2010 to 2024 period as more housing options have emerged in Charlottesville and the close-in Albemarle County neighborhoods. The robust growth patterns of the population and household bases are characteristic of smaller metropolitan areas with such key



employment anchors as a nationally renowned university with a respected medical center and defense, high-tech, and bio-medical business parks.

1. Recent Past Trends

At the time of the 2000 Census, 63,628 persons and 25,189 households resided in the Friendship Court Market Area (Table 13). Based on the 2010 Census, the population of the Friendship Court Market Area increased to 70,381 persons over the decade, reflecting a 10.6 percent increase since 2000 (1.0 percent annual increase). The primary market area’s 2010 household base increased by 9.4 percent to 27,567 households (0.9 percent annual increase).

Between 2000 and 2010, the Charlottesville MSA grew by 29,061 persons and 11,626 households (annual growth of 1.4 and 1.5 percent, respectively). As of 2010, 218,705 persons and 84,525 households resided in the Charlottesville MSA.

2. Projected Trends

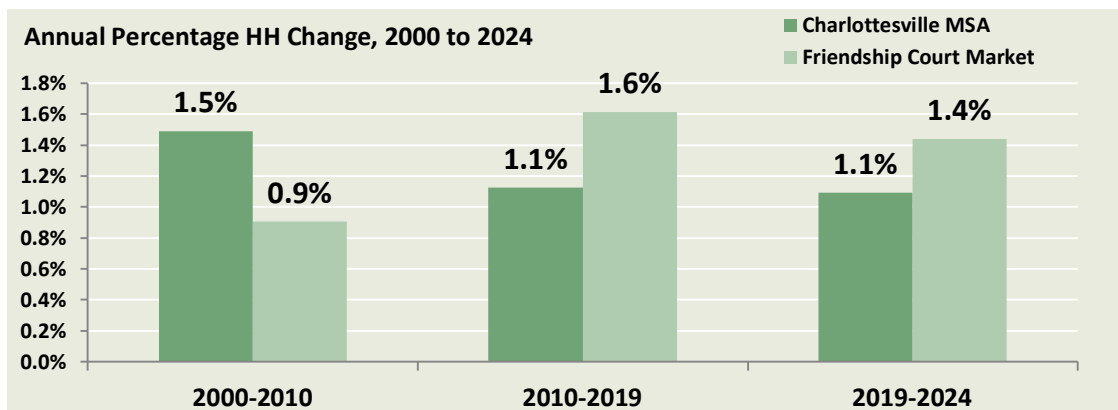
Based on Esri data, RPRG estimates 2019 population and household totals for the Friendship Court Market Area of 80,203 persons and 31,840 households. This reflects an annual average increase of 1,091 persons (1.5 percent) and 475 households (1.6 percent). For the Charlottesville MSA, RPRG estimates annual population and household growth rates of 1.1 percent over this period.

Table 13 Population and Household Trends, 2000 to 2024

		Charlottesville MSA				Friendship Court Market				
Population	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	189,644					63,628				
2010	218,705	29,061	15.3%	2,906	1.4%	70,381	6,753	10.6%	675	1.0%
2019	240,335	21,630	9.9%	2,403	1.1%	80,203	9,822	14.0%	1,091	1.5%
2024	253,185	12,850	5.3%	2,570	1.0%	85,777	5,574	6.9%	1,115	1.4%

		Charlottesville MSA				Friendship Court Market				
Households	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	72,899					25,189				
2010	84,525	11,626	15.9%	1,163	1.5%	27,567	2,378	9.4%	238	0.9%
2019	93,475	8,950	10.6%	994	1.1%	31,840	4,273	15.5%	475	1.6%
2024	98,687	5,212	5.6%	1,042	1.1%	34,202	2,362	7.4%	472	1.4%

Source: 2000 Census; 2010 Census; Esri; and Real Property Research Group, Inc.





RPRG projects that the Friendship Court Market Area will continue to experience healthy net population increases – at an average rate of 1.4 percent, or 1,115 persons per year – over the next five years growing to 85,777 people by 2024. RPRG further projects that the primary market area’s household base will expand by 472 households (1.4 percent) per year through 2024 growing to 34,202 households. The Charlottesville MSA will experience population and household growth of 1.0 to 1.1 percent on an annual basis through 2024.

3. Building Permit Trends

The peak year of building permit activity achieved in 2007 of 1,418 permits in 2007 has not yet been equaled. However, the trend line for the Charlottesville MSA has generally remained between 1,100 to 1,200 permits annually between 2010 and 2017 after quickly recovering from the recent recession (Table 14). Permit activity dropped to 702 permits in 2009 but then jumped to over 1,100 permits the following year. Over the last eight years, permit activity has averaged 1,100 permits ranging from 873 permits in 2014 to a high of 1,276 permits in 2017 (Table 14). Multifamily building permits accounted for roughly 26 percent of all permits issued in the Charlottesville MSA over the 12-year period and a higher rate of 32 percent over the past nine years.

Table 14 Building Permits for New Residential Units, City of Charlottesville

Charlottesville MSA													2007-2017	Annual Average
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017			
Single Family	1,252	906	620	638	649	616	703	706	757	886	963	8,696	791	
Two Family	4	16	28	16	10	10	24	18	14	8	0	148	13	
3 - 4 Family	0	4	0	0	0	4	0	0	0	0	0	8	1	
5+ Family	162	72	54	482	379	615	325	149	218	340	313	3,109	283	
Total	1,418	998	702	1,136	1,038	1,245	1,052	873	989	1,234	1,276	11,961	1,087	

Source: U.S. Census Bureau, C-40 Building Permit Reports.



C. Demographic Characteristics

1. Age Distribution and Household Type

The median age in the Friendship Court Market Area is 30, eight years younger than the median age of residents living throughout the Charlottesville MSA (38 years) (Table 15). Young adults, age 20 to 34 years, comprise a higher percentage of the primary market area’s population than that of the Charlottesville MSA population – 34.8 percent versus 22.8 percent – reflecting the presence of the University of Virginia within the market area. Adults ages 35 to 61 account for roughly one out



of four (26.5 percent) of the market area population but represent one-third (33.1 percent) of all persons in the MSA. Senior citizens 62 years and older account for 16 percent of the primary market area’s population, a lower proportion than in the Charlottesville MSA (21 percent). Children and youth under age 20 comprise roughly the same proportion of the population in both areas at 23 percent.

According to the 2010 Census, individuals living alone – a category that typically includes many young adults and seniors – accounted for 35.7 percent of the households in the Friendship Court Market Area but only 27.6 percent of the households throughout the Charlottesville MSA as of 2010 (Table 16). In the primary market area, 18.5 percent of households fell into the ‘non-family without children’ category, a designation that typically includes roommate living arrangements and unmarried couples. The percentage of households with children in the Friendship Court Market Area (21.9 percent) is lower than the percentage of households with children throughout the Charlottesville MSA (28.9 percent). Married households without children account for 18.7 of all households in the primary market area but a significantly higher proportion (28.2 percent) in the Charlottesville MSA .

Table 15 2019 Age Distribution

2019 Age Distribution	Charlottesville MSA		Friendship Court Market	
	#	%	#	%
Children/Youth	55,155	22.9%	18,128	22.6%
Under 5 years	12,176	5.1%	3,824	4.8%
5-9 years	12,870	5.4%	3,511	4.4%
10-14 years	13,503	5.6%	3,269	4.1%
15-19 years	16,606	6.9%	7,525	9.4%
Young Adults	54,707	22.8%	27,917	34.8%
20-24 years	22,541	9.4%	14,238	17.8%
25-34 years	32,166	13.4%	13,679	17.1%
Adults	79,580	33.1%	21,291	26.5%
35-44 years	28,770	12.0%	8,927	11.1%
45-54 years	28,992	12.1%	7,302	9.1%
55-61 years	21,817	9.1%	5,062	6.3%
Seniors	50,893	21.2%	12,867	16.0%
62-64 years	9,350	3.9%	2,169	2.7%
65-74 years	24,241	10.1%	5,516	6.9%
75-84 years	12,218	5.1%	3,224	4.0%
85 and older	5,084	2.1%	1,957	2.4%
TOTAL	240,335	100%	80,203	100%
Median Age	38		30	

Source: Esri; RPRG, Inc.

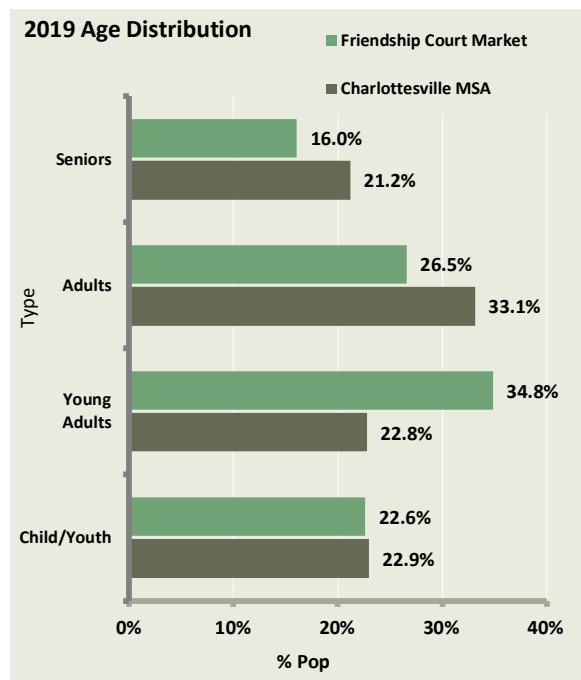
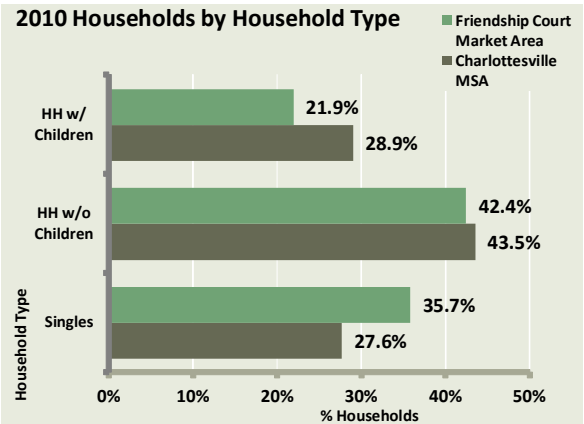




Table 16 2010 Households by Household Type

2010 Households by Household Type	Charlottesville MSA		Friendship Court Market Area	
	#	%	#	%
Married w/Children	16,702	19.8%	3,533	12.8%
Other w/ Children	7,751	9.2%	2,498	9.1%
Households w/ Children	24,453	28.9%	6,031	21.9%
Married w/o Children	23,817	28.2%	5,151	18.7%
Other Family w/o Children	4,629	5.5%	1,440	5.2%
Non-Family w/o Children	8,286	9.8%	5,094	18.5%
Households w/o Children	36,732	43.5%	11,685	42.4%
Singles	23,340	27.6%	9,851	35.7%
Total	84,525	100%	27,567	100%

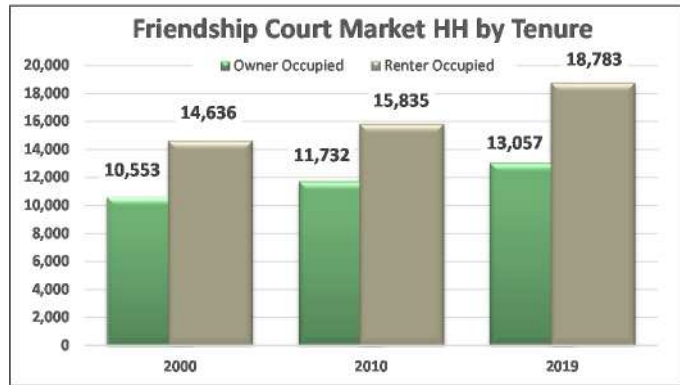
Source: 2010 Census; RPRG, Inc.



2. Renter Household Characteristics

The number of renter households in the Friendship Court Market Area increased from 14,636 in 2000 to 18,783 in 2019 for a net increase of 4,147 renter households or 28.3 percent² (Figure 9). By comparison, the number of owner households in the market area increased by 23.7 percent during the same period, from 10,553 to 13,057.

Figure 9 Friendship Court HH by Tenure, 2000 to 2019



Source: U.S. Census of Population and Housing, 2000, 2010; Esri, RPRG, Inc.

The Friendship Court Market Area renter percentage of 59.0 percent in 2019 is significantly greater than the region’s MSA’s 37.4 percent (Table 17). The market area’s annual average growth by tenure over the past 19 years was 218 renter households (1.3 percent) and 132 owner households (1.1 percent). The last column of Table 17 (blue shaded) quantifies the market area’s net growth by tenure over the past 19 years; renter households contributed 62.3 percent of net household growth over this period. Over the last nine years, renter household growth actually accounted for 69 percent of net household growth, averaging 328 net new renter households a year. Renter households contributed a lesser share of net household growth in the MSA at 47.2 percent of net household growth over the past 19 years. The MSA’s renter households increased at an average annual rate of 1.7 percent compared to 1.1 percent for owner households.

² Based on change from 2000 to 2010 Census counts and Esri’s 2018 Estimate



Table 17 Households by Tenure, 2000-2019

Charlotteville MSA	2000		2010		2019		Change 2000-2019				% of Change 2000 - 2019	Change 2010-2019				% of Change 2010 - 2019
							Total Change		Annual Change			Total Change		Annual Change		
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Housing Units																
Owner Occupied	47,608	65.3%	55,414	65.6%	58,472	62.6%	10,864	22.8%	572	1.1%	52.8%	3,058	5.5%	340	0.6%	34.2%
Renter Occupied	25,291	34.7%	29,111	34.4%	35,004	37.4%	9,713	38.4%	511	1.7%	47.2%	5,893	20.2%	655	2.1%	65.8%
Total Occupied	72,899	100%	84,525	100%	93,475	100%	20,576	28.2%	1,083	1.3%	100%	8,950	10.6%	994	1.1%	100%
Total Vacant	7,260		11,853		13,401											
TOTAL UNITS	80,159		96,378		106,877											

Friendship Court Market	2000		2010		2019		Change 2000-2019				% of Change 2000 - 2019	Change 2010-2019				% of Change 2010 - 2019
							Total Change		Annual Change			Total Change		Annual Change		
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Housing Units																
Owner Occupied	10,553	41.9%	11,732	42.6%	13,057	41.0%	2,504	23.7%	132	1.1%	37.7%	1,325	11.3%	147	1.2%	31.0%
Renter Occupied	14,636	58.1%	15,835	57.4%	18,783	59.0%	4,147	28.3%	218	1.3%	62.3%	2,948	18.6%	328	1.9%	69.0%
Total Occupied	25,189	100%	27,567	100%	31,840	100%	6,651	26.4%	350	1.2%	100%	4,273	15.5%	475	1.6%	100%
Total Vacant	1,130		2,275		2,331											
TOTAL UNITS	26,319		29,842		34,171											

Source: U.S. Census of Population and Housing, 2000, 2010; Esri, RPRG, Inc.

3. Projected Trends

Esri projects the renter household growth in the market area to slow significantly over the next five years despite an increase in overall household growth, a significant departure from past census trends and Esri’s previous estimates/projections. Esri changed its methodology for determining household tenure in its most recent³ data release to include national multi-family property data from Axiomtrics in addition to other changes⁴. Esri’s new methodology is producing significant deviations from recent past trends that are inconsistent with verified construction and lease-up activity in many markets across the United States, including the Friendship Court Market Area.

As detailed in Table 18, Esri projects renter households to increase by 960 households over the next five years or annual growth of roughly 192 renter households; the market area added an average of 218 renter household year over the past 19 years. This decrease in renter household growth is not supported by historical trends and current development activity, which includes eight short term and five longer term multi-family rental developments that exceeds the pace of five new rental communities introduced over the past eight years.

Based on our research including an analysis of demographic and multi-family trends, RPRG projects renter households will continue to contribute roughly 62.3 percent of net household growth over the next five years that matches renter share of household growth over the past 19 years and lower than the rentership rate experienced over the last nine years.

³ July 2018 Release

⁴ Correspondence with Douglas Skuta or Esri on 7/27/18



Table 18 Households by Tenure, 2019-2024

Friendship Court Market	2019		2024 Esri HH by Tenure		Esri Change by Tenure	
	#	%	#	%	#	%
Housing Units						
Owner Occupied	13,057	41.0%	14,459	42.3%	1,402	59.4%
Renter Occupied	18,783	59.0%	19,743	57.7%	960	40.6%
Total Occupied	31,840	100%	34,202	100%	2,362	100%
Total Vacant	2,313		2,412			
TOTAL UNITS	34,153		36,615			

Friendship Court Market	2019		2024 RPRG HH by Tenure		RPRG Change by Tenure	
	#	%	#	%	#	%
Housing Units						
Owner Occupied	13,057	41.0%	13,947	40.8%	889	37.7%
Renter Occupied	18,783	59.0%	20,256	59.2%	1,473	62.3%
Total Occupied	31,840	100%	34,202	100%	2,362	100%
Total Vacant	2,313		2,412			
TOTAL UNITS	34,153		36,615			

Source: Esri, RPRG, Inc.

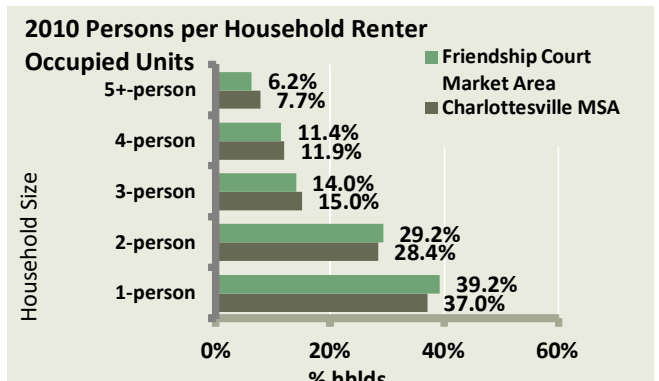
4. Renter Household Characteristics

One- person households accounted for two-fifths (39.2 percent) of the renter households in the Friendship Court Market Area while one- and two-person households combined accounted for nearly seven out of ten renters (68.4 percent) as of the 2010 Census (Table 19). Renter households with three to four members accounted for one-quarter (25.4 percent) of all renter households in the market area while those with five or more members represented 6.2 percent. The composition of renter households was similar in the Charlottesville MSA although skewing slightly larger, as would be expected given the urban vs. suburban settings of the two areas.

Table 19 Renter Households by Household Size

Renter Occupied	Charlottesville MSA		Friendship Court Market Area	
	#	%	#	%
1-person hhld	10,772	37.0%	6,204	39.2%
2-person hhld	8,255	28.4%	4,628	29.2%
3-person hhld	4,364	15.0%	2,218	14.0%
4-person hhld	3,475	11.9%	1,802	11.4%
5+-person hhld	2,245	7.7%	983	6.2%
TOTAL	29,111	100%	15,835	100%

Source: 2010 Census



The Friendship Court Market Area has a higher proportion of younger renters than does the Charlottesville MSA as a whole (Table 20). Over one-half (53.3 percent) of primary market area renters as of 2019 are estimated to be below the age of 35 while 45.8 percent are represented throughout the Charlottesville MSA. Households between the ages of 35 and 54 account for 26.1 percent of all renter households within the market area and 28.5 percent of renters throughout

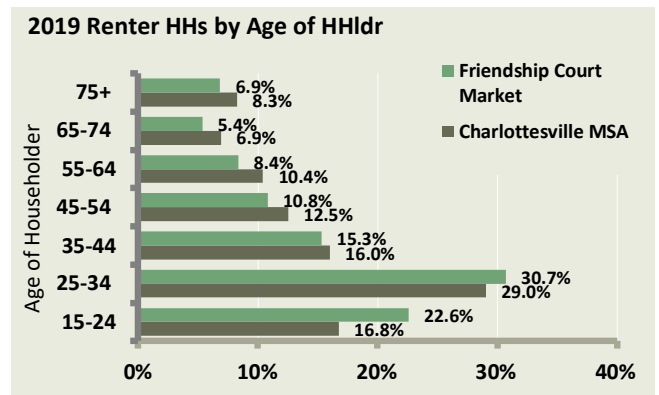


the Charlottesville MSA. These are the households who are most likely to be permanent renters, renting more out of necessity than lifestyle preference. Older households age 55+ represent 20.7 percent of all renters within the market area and 25.6 percent MSA-wide.

Table 20 Renter Households by Age of Householder

Renter Households	Charlottesville MSA		Friendship Court Market	
	#	%	#	%
Age of HHldr				
15-24 years	5,872	16.8%	4,243	22.6%
25-34 years	10,157	29.0%	5,767	30.7%
35-44 years	5,608	16.0%	2,875	15.3%
45-54 years	4,387	12.5%	2,032	10.8%
55-64 years	3,651	10.4%	1,572	8.4%
65-74 years	2,427	6.9%	1,008	5.4%
75+ years	2,900	8.3%	1,287	6.9%
Total	35,004	100%	18,783	100%

Source: Esri, Real Property Research Group, Inc.



D. Income Characteristics

The Friendship Court Market Area is a moderate-income market with incomes less than incomes throughout the Charlottesville MSA (Table 21). Esri estimates the median annual household income in the Friendship Court Market Area at \$55,523, 16.1 percent lower than the Charlottesville MSA’s overall median household income of \$66,211. One out of four (23.6 percent) of primary market area households have annual incomes below \$25,000 while a comparable proportion (22.8 percent) have incomes between \$25,000 and \$49,999. The highest income households, i.e., those with incomes over \$100,000 account for another one-quarter (25.8 percent) and the remaining 27.8 percent have incomes between \$50,000 and \$99,999.

Table 21 2019 Household Income

Estimated 2019 Household Income		Charlottesville MSA		Friendship Court Market	
		#	%	#	%
less than \$15,000	\$15,000	9,649	10.3%	4,505	14.1%
\$15,000	\$24,999	6,847	7.3%	3,016	9.5%
\$25,000	\$34,999	8,042	8.6%	3,199	10.0%
\$35,000	\$49,999	11,592	12.4%	4,062	12.8%
\$50,000	\$74,999	16,358	17.5%	5,151	16.2%
\$75,000	\$99,999	12,301	13.2%	3,700	11.6%
\$100,000	\$149,999	14,872	15.9%	4,318	13.6%
\$150,000	Over	13,815	14.8%	3,889	12.2%
Total		93,475	100%	31,840	100%
Median Income		\$66,211		\$55,523	

Source: Esri; Real Property Research Group, Inc.

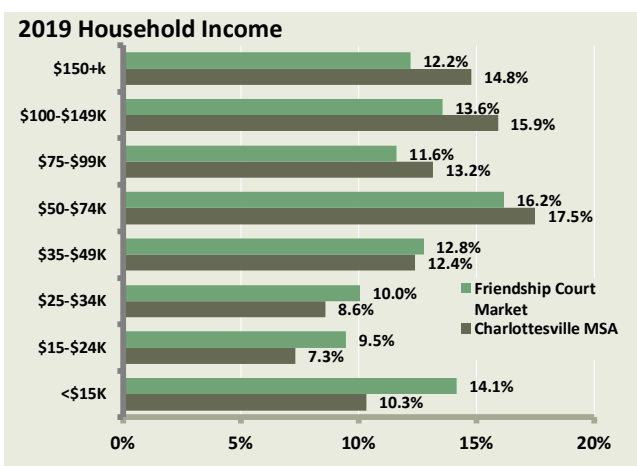


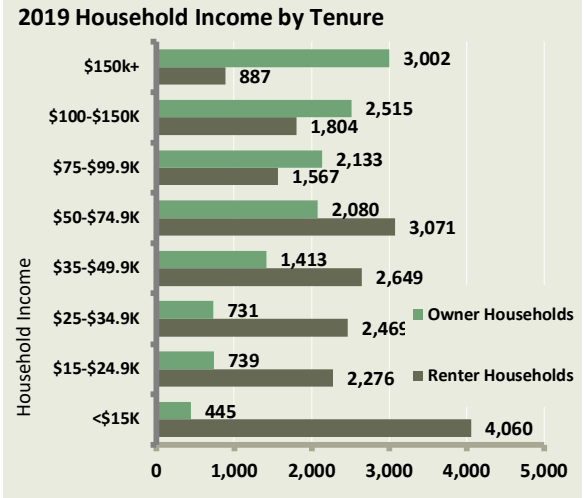
Table 22 presents distributions of 2019 household incomes for renter and homeowner households in the Friendship Court Market Area. Based on income estimate data from the 2013-2017 ACS, Esri income projections, and RPRG’s household estimates, the median annual income among the primary market area’s renter households as of 2019 is estimated at \$38,332. The median income



of homeowner households in the Friendship Court Market Area – \$88,142 – is more than double the median renter income. One-third (33.7 percent) of the primary market area’s renters have annual incomes below \$25,000. Another one-quarter (27.2 percent) earn between \$25,000 and \$49,999 while the remaining 39 percent have incomes in excess of \$50,000. There are fifty percent more renter households with incomes below \$15,000 (21.6 percent) than there are households with incomes above \$100,000 (14.3 percent).

Table 22 2019 Household Income by Tenure

Estimated 2019 HH Income		Renter Households		Owner Households	
Friendship Court Market		#	%	#	%
less than \$15,000		4,060	21.6%	445	3.4%
\$15,000 \$24,999		2,276	12.1%	739	5.7%
\$25,000 \$34,999		2,469	13.1%	731	5.6%
\$35,000 \$49,999		2,649	14.1%	1,413	10.8%
\$50,000 \$74,999		3,071	16.4%	2,080	15.9%
\$75,000 \$99,999		1,567	8.3%	2,133	16.3%
\$100,000 \$149,999		1,804	9.6%	2,515	19.3%
\$150,000 over		887	4.7%	3,002	23.0%
Total		18,783	100%	13,057	100%
Median Income		\$38,322		\$88,132	



Source: American Community Survey 2013-2017 Estimates, RPRG, Inc.

E. Cost-Burdened Renter Households

‘Rent Burden’ is defined as the ratio of a household’s gross monthly housing costs – rent paid to landlords plus utility costs – to that household’s monthly income. VHDA requires that household rent burdens under the LIHTC program be no higher than 35 percent.

Rent burden data from the 2013-2017 ACS highlights that lower-income renter households in the Friendship Court Market Area tend to pay a very high percentage of their monthly income toward housing costs (Table 23). Thirty-seven percent of all renter households residing in the Friendship Court Market Area have rent burdens of 40 percent or higher. The cost-burdened situation of many low- to moderate-income renter households is a primary indicator of a need for new affordable income- and rent-restricted rental housing in the primary market area. Additionally, 2.4 percent of the rental housing stock within the market area can be considered substandard, i.e., lacking complete plumbing facilities, or overcrowded with more than 1.0 occupants per room.



Table 23 Rent Burden by Household Income, 2011-2015, Friendship Court Market Area

Rent Cost Burden		
Total Households	#	%
Less than 10.0 percent	818	5.0%
10.0 to 14.9 percent	1,345	8.3%
15.0 to 19.9 percent	1,648	10.1%
20.0 to 24.9 percent	2,044	12.6%
25.0 to 29.9 percent	1,666	10.2%
30.0 to 34.9 percent	1,116	6.9%
35.0 to 39.9 percent	863	5.3%
40.0 to 49.9 percent	1,251	7.7%
50.0 percent or more	4,391	27.0%
Not computed	1,123	6.9%
Total	16,265	100%
> 40% income on rent	5,642	37.3%

Substandardness	
Total Households	
Owner occupied:	
Complete plumbing facilities:	12,584
1.00 or less occupants per room	12,584
1.01 or more occupants per room	0
Lacking complete plumbing facilities:	14
Overcrowded or lacking plumbing	14
Renter occupied:	
Complete plumbing facilities:	16,245
1.00 or less occupants per room	15,867
1.01 or more occupants per room	378
Lacking complete plumbing facilities:	20
Overcrowded or lacking plumbing	398
Substandard Housing	412
% Total Stock Substandard	1.4%
% Rental Stock Substandard	2.4%

Source: American Community Survey 2013-2017



VII. COMPETITIVE HOUSING ANALYSIS

A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of housing in the Friendship Court Market Area. We provide data regarding structure types, structure age, and home values from the 2013-2017 American Community Survey (ACS). We pursued several avenues of research to identify multifamily projects that are in the planning stages or under construction in the market area. RPRG communicated with the planning departments of the City of Charlottesville and Albemarle County. We reviewed local development and real estate websites and spoke to local developers and management agents. We also reviewed the Virginia Housing Development Authority (VHDA) website. We surveyed rental communities in January 2019.

B. Overview of Market Area Housing Stock

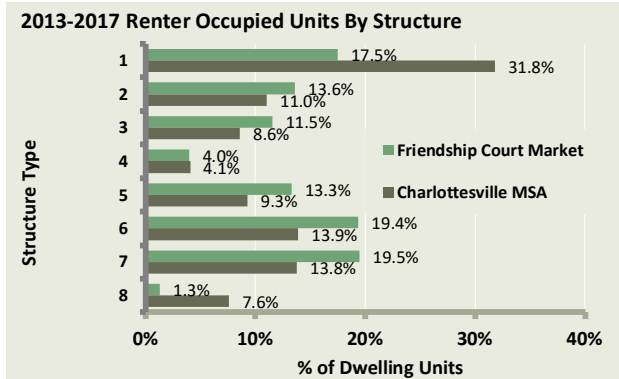
1. Housing Stock Characteristics

As recorded in the 2013-2017 ACS, more than two out of five (42.6 percent) of the renter-occupied housing stock of the Friendship Court Market Area was found in single family rentals structures – detached homes, attached townhouses or duplexes (Table 24). Multifamily structures of at least 10 units accounted for a slightly smaller proportion (38.9 percent) of all rentals while the remaining units (17.3 percent) in small 3- to 9-unit buildings or mobile homes (1.3 percent). Throughout Charlottesville MSA, more renter-occupied units were in single-family structures (51.4 percent) and fewer were in large multifamily structures (27.7 percent) while 13.4 percent of rental units were in smaller multifamily buildings and 7.6 percent were mobile homes.

Table 24 Rental Dwelling Units by Structure Type

Structure Type	Renter Occupied			
	Charlottesville MSA		Friendship Court Market	
	#	%	#	%
1, detached	9,977	31.8%	2,843	17.5%
1, attached	3,458	11.0%	2,211	13.6%
2	2,690	8.6%	1,875	11.5%
3-4	1,275	4.1%	644	4.0%
5-9	2,916	9.3%	2,161	13.3%
10-19	4,361	13.9%	3,151	19.4%
20+ units	4,323	13.8%	3,167	19.5%
Mobile home	2,376	7.6%	213	1.3%
TOTAL	31,376	100%	16,265	100%

Source: American Community Survey 2013-2017



The housing stock of the Friendship Court Market Area as determined during the 2013-2017 ACS was only marginally older than in the Charlottesville MSA (Table 25). The median rental unit in the Friendship Court Market Area was constructed in 1981 whereas the median year built in the Charlottesville MSA for a renter-occupied housing unit was 1982. Twenty percent of the primary market area’s rental units were constructed since 2000 while an additional 30.5 percent were constructed between 1980 and 2000. The MSA distribution for housing built since 2000 was similar to the market area but the share of housing constructed between 1980 and 2000 was slightly larger at one-third (34.1 percent).

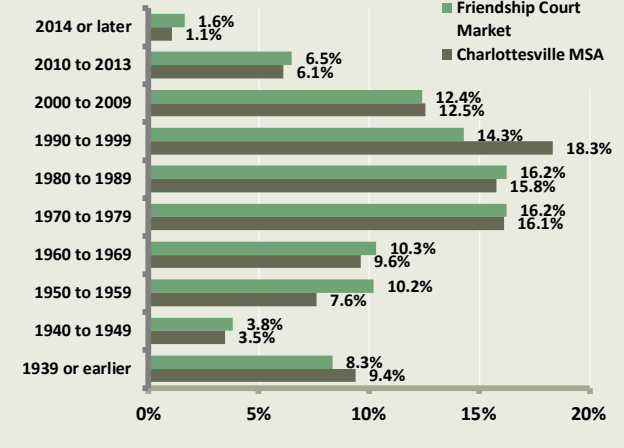


Table 25 Rental Dwelling Units by Year Built

Year Built	Renter Occupied			
	Charlottesville MSA		Friendship Court Market	
	#	%	#	%
2014 or later	334	1.1%	266	1.6%
2010 to 2013	1,919	6.1%	1,057	6.5%
2000 to 2009	3,938	12.5%	2,018	12.4%
1990 to 1999	5,752	18.3%	2,325	14.3%
1980 to 1989	4,948	15.8%	2,638	16.2%
1970 to 1979	5,056	16.1%	2,639	16.2%
1960 to 1969	3,016	9.6%	1,680	10.3%
1950 to 1959	2,392	7.6%	1,661	10.2%
1940 to 1949	1,088	3.5%	623	3.8%
1939 or earlier	2,941	9.4%	1,358	8.3%
TOTAL	31,384	100%	16,265	100%
MEDIAN YEAR BUILT	1982		1981	

Source: American Community Survey 2013-2017

2013-2017 Rental Units by Year Built



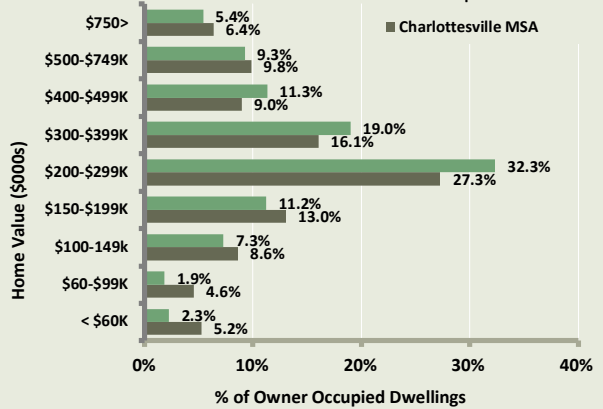
According to ACS data, the median value among owner-occupied housing units in the Friendship Court Market Area was \$284,580 (Table 26). The median homeownership unit in the Charlottesville MSA as a whole was lower 6.2 percent lower at \$267,861. Affordable homeownership opportunities in the Friendship Court Market Area are limited, as an estimated 521 units (4.2 percent) are valued at less than \$100,000.

Table 26 Value of Owner Occupied Housing Stock

2013-2017 Home Value	Charlottesville MSA		Friendship Court Market	
	#	%	#	%
less than \$60,000	2,955	5.2%	286	2.3%
\$60,000 - \$99,999	2,567	4.6%	235	1.9%
\$100,000 - \$149,999	4,858	8.6%	918	7.3%
\$150,000 - \$199,999	7,346	13.0%	1,415	11.2%
\$200,000 - \$299,999	15,376	27.3%	4,073	32.3%
\$300,000 - \$399,999	9,042	16.1%	2,392	19.0%
\$400,000 - \$499,999	5,041	9.0%	1,428	11.3%
\$500,000 - \$749,999	5,547	9.8%	1,168	9.3%
\$750,000 over	3,589	6.4%	683	5.4%
Total	56,321	100%	12,598	100%
Median Value	\$267,861		\$284,580	

Source: American Community Survey 2013-2017

2013-2017 Home Value





2. For Sale Market – State of Foreclosures in the Market

According to RealtyTrac, an online marketer of foreclosed properties, the foreclosure rate in zip code 22902 (the location of the subject in the city of Charlottesville) in December 2018 stood at a low 0.01 percent (one in 9,937 homes foreclosed) comparable to the rates in Charlottesville (Figure 10). The state (0.03 percent) and national rates (0.04 percent) were higher than the subject’s local rates.

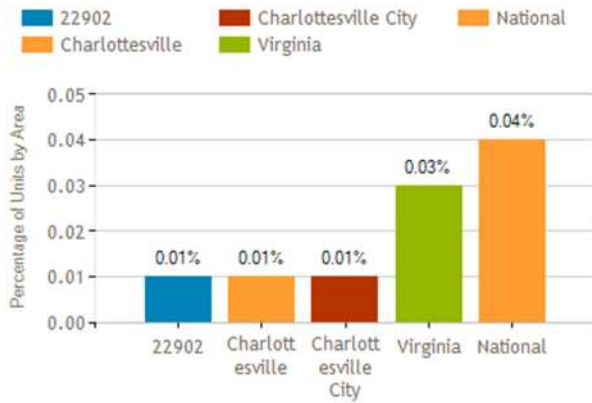


Figure 10 Foreclosure Activity December 2018 – Zip Code 22902

3. For Sale Market – Cost to Rent Versus to Own

To gauge the cost to own a home in the Friendship Court Market Area, RPRG has conducted an affordability analysis, using the median home value of \$267,861. Assuming a down payment of 5% (\$13,393), a 30-year mortgage term, a 5.5 percent interest rate and a local property tax rate of \$0.95 per \$100 of assessed value, the average monthly mortgage payment would be \$1,723 (**Error! Reference source not found.**). Assuming an underwriting standard of 28 percent for PITI, which is typical for households looking to purchase a home in the area, a potential buyer would need to earn at least \$73,826 to afford this monthly payment.

Table 27 For Sale affordability

Product Base Price	Median Home \$247,300
Number of Units	
Median Home Base Price	\$267,861
% Down Payment	5%
\$ Down Payment	\$13,393
Term	30
Interest Rate	5.50%
Local Property Tax Rate	\$0.95
HOA/ Condo Fee	30
Payment	\$1,723
Income Range	\$73,826

The average mortgage payment of \$1,723 is substantially above the range of developer proposed affordable rents proposed for this project - \$535 to \$1,425. Most importantly, the target tenants are renters by choice – young worker, couples, families, and older households who are seeking affordable housing options, typically do not have the equity save for a down payment and are not in the stage of their lives where they would consider purchasing a home. As a result, we believe that the existing state of the for-sale housing market will not have a negative impact on the proposed subject.

C. Survey of General Occupancy Rental Communities

1. Introduction

In order to gauge the status of the rental market within which the proposed subject would compete, RPRG surveyed 33 general occupancy rental communities in the Friendship Court Market Area in January 2019. Twenty-three properties offer strictly conventional market rate units and ten communities are LIHTC properties, of which one property has units that can be rented by households without any income restrictions. We have divided the rental communities into two categories for ease of comparison: Market Rate and Tax Credit. No communities are in lease-up.



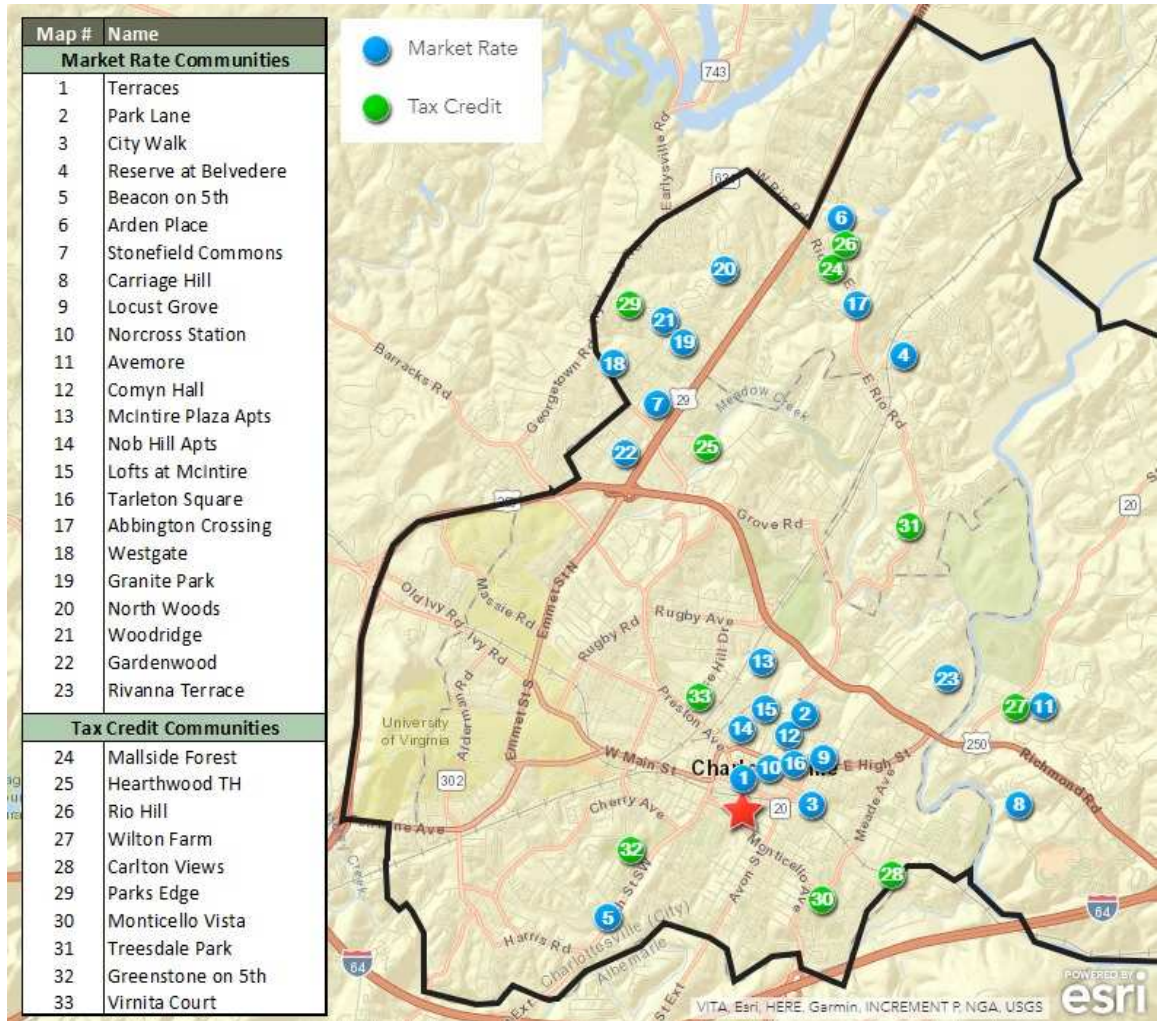
The detailed competitive survey excludes those properties that rent primarily to students (by bedroom rather than unit) as well as age-restricted senior rental properties. A separate discussion of rental communities with project-based rental subsidies will be presented later in this section. Profile sheets with detailed information on each surveyed general occupancy community, including photographs, are attached as Appendix 2.

2. Location

Map 5 shows the locations of the 33 surveyed competitive communities in relation to the subject site. Twelve market rate rental properties and four tax credit properties are located in the City of Charlottesville portion of the market area. Eleven market rate properties and six tax credit properties are located in the Albemarle portion of the market area. Overall, the rental communities are clustered near downtown Charlottesville; in the Barracks Road neighborhood along the U.S. Route 29 corridor to the north of the downtown; even further north along Rio Road near the Fashion Square Mall; or to the east in the Pantops area. One market rate property, Beacon on Fifth lies south of the downtown core. Our survey specifically excludes properties located near the University of Virginia since rents at these properties are more likely to be influenced by the student population.



Map 5 Competitive Rental Communities, Friendship Court Market Area



3. Age of Communities

The surveyed stock of market rate general occupancy rental communities has an average year built of 1995, translating to an average structure age of 24 years (Table 28). The average age of the tax credit rental communities is significantly older at 36 years (average year built of 1983). Eleven properties have undergone significant renovation, including six tax credit communities, and likely others have done so as well although this information was not reported. Ten properties have opened since 2010 including eight market rate properties and two tax credit properties. Two market rate properties opened in 2017 (Beacon on Fifth and McIntire Plaza Apartments) plus one tax credit property (Carlton Views).



Table 28 Rental Communities Summary, Friendship Court Market Area

Map #	Community	Year Built	Year Rehab	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Incentive
Market Rate										
1	Terraces	2000		Mid Rise	25	0	0.0%	\$1,550	\$2,800	None
2	Park Lane	1965	2017	Gar	24	6	25.0%		\$1,763	None
3	City Walk	2014		Mid Rise	301	0	0.0%	\$1,423	\$1,755	None
4	Reserve at Belvedere	2012		Gar/TH	294	3	1.0%	\$1,400	\$1,747	None
5	Beacon on 5th	2017		Gar/TH	241	5	2.1%	\$1,464	\$1,699	None
6	Arden Place	2011		Gar	212	6	2.8%	\$1,484	\$1,672	None
7	Stonefield Commons	2013		Mid Rise	251	1	0.4%	\$1,400	\$1,569	None
8	Carriage Hill	2000		Gar	142	1	0.7%	\$1,199	\$1,523	None
9	Locust Grove	2015		Mid Rise	43	6	14.0%	\$1,295	\$1,475	1/2 off 1st month
10	Norcross Station	2004		Gar/ Mid	88	1	1.1%	\$1,246	\$1,462	None
11	Avemore	2005		Gar/TH	280	8	2.9%	\$1,294	\$1,440	LRO; none
12	Comyn Hall	2012		Gar	12	0	0.0%	\$1,282		None
13	McIntire Plaza Apts	2017		Mid Rise	18	0	0.0%	\$1,246	\$1,345	None
14	Nob Hill Apts	1963	2000	Gar	24	0	0.0%	\$1,197		None
15	Lofts at McIntire	2002		Gar	20	0	0.0%	\$1,195		None
16	Tarleton Square	1967		Mid Rise	54	0	0.0%	\$1,169	\$1,309	\$100 to \$200 Gift Cards
17	Abbingtion Crossing	1979	2017	Gar/TH	468	6	1.3%	\$1,172	\$1,246	None
18	Westgate	1971	2008	Gar/TH	284	1	0.4%	\$1,089	\$1,202	None
19	Granite Park	1978	2017	Gar	425	29	6.8%	\$1,024	\$1,128	\$200 off 1st month
20	North Woods	1975	2001	Gar/TH	310	15	4.8%	\$1,165	\$1,124	None
21	Woodridge	1993		Gar	60	0	0.0%		\$1,088	None
22	Gardenwood*	1975		Gar	18	0	0.0%		\$875	None
23	Rivanna Terrace	1989		Gar	48	0	0.0%		\$795	None
Market Rate Total/Average		1995			3,642	88	2.4%	\$1,279	\$1,451	
Tax Credit										
24	Mallside Forest**	1998		Gar	160	0	0.0%	\$885	\$1,056	None
25	Hearthwood TH**	1975	1997	Gar/TH	200	2	1.0%	\$899	\$1,049	None
26	Rio Hill**	1996		Gar	139	0	0.0%		\$951	None
27	Wilton Farm**	1992	2013	Gar	144	1	0.7%		\$930	None
28	Carlton Views**	2017		Mid Rise	54	0	0.0%	\$778	\$863	None
29	Parks Edge**	1977	2003	Gar	96	8	8.3%	\$722	\$853	None
30	Monticello Vista**	1924	2009	Gar	50	1	2.0%	\$655	\$825	None
31	Treesdale Park**	2012		Gar	72	0	0.0%		\$815	None
32	Greenstone on 5th**	1978	2013	Gar	202	0	0.0%	\$665	\$765	None
33	Virnita Court**	1960	2006	Gar	16	0	0.0%	\$681	\$735	None
Tax Credit Total/Average		1983			1,133	12	1.1%	\$755	\$884	
Total/Average		1991			4,775	100	2.1%	\$1,138	\$1,262	

(**) Tax Credit Communities

*Year built is estimated

(1) Rent is contract rent, and not adjusted for utilities or incentives

4. Structure Type

Walk-up garden-style buildings are the most common structure type, accounting for 18 properties. Generally, these communities have either two- or three-story buildings. Seven other properties have a mix of both garden and townhouse units. Seven other properties have elevator-served buildings and one property, Norcross Station, has one elevator building and two garden-style buildings. Only three rental communities include some adaptive reuse structures while the remaining properties are new construction.



5. Size of Communities

The 33 surveyed rental communities offer 4,775 market rate and tax credit units, with an overall average size of 145 units per community. The average size among the market rate rental communities is 158 units, slightly larger than the tax credit communities averaging 113 units. Twelve of the market rate communities are smaller than 100 units; one community (Carriage Hill) falls within the 100 to 199 unit range; and the remaining 10 communities are larger than 200 units. Five of the tax credit communities are smaller than 100 units; three are in the 100 to 199 unit range; and the remaining two communities are sized at 200 and 202 units.

6. Vacancy Rates

The overall vacancy rate for the 33 surveyed communities is low at 2.1 percent. The vacancy rate of the market rate communities is higher at 2.4 percent while the tax credit average vacancy rate is lower at 1.1 percent. The real vacancy rate in the tax credit group is closer to full occupancy. One community, Park Edge, accounts for eight of the 12 vacancies – six of the remaining tax credit properties are fully leased with waiting lists. Park Edge was recently acquired by Piedmont Housing Alliance and is the oldest property having been built in 1977. The new owners plan to finance a total renovation of the property under the LIHTC program. As a result, vacancies are a reflection of new management and turnover; not market conditions. However, Piedmont did indicate that there is a substantial waiting list at the property.

7. Rent Concessions

Among the 33 surveyed rental communities, only two market rate rental communities reported modest rent concessions of \$200 and one-half off the first month's rent. Another property is offering a \$100 gift card and \$200 shopping spree for new residents. None of the tax credit communities are offering any type of leasing specials. One community uses daily pricing to set rents.

8. Absorption History

Among the Affordable/Tax Credit properties, **Carlton Views** opened in January 2017 and was fully leased as of the beginning of May, reflecting an absorption pace of roughly 13 - 14 units per month. However, the demand for these apartments was very strong and the lease up pace is a reflection of when the applications could be processed rather than market interest. Prior to opening, this community had an interest list of several hundred households. The property's current waiting list is not extensive. **Treesdale Park** opened in January 2012 and reached stabilized occupancy in August 2012, reflecting a lease up rate of 12+/- units per month. Another recent tax credit rental community located outside the market area just north of the Albemarle County line in Greene County, **Lily Ridge**, opened in mid-September 2015 and was fully leased by mid-December 2015, for an absorption of roughly 16 units per month.

Among the market rate rental communities, **Arden Place** opened in October 2011 and stabilized within roughly one year. This reflects a lease up pace of 15 – 16 units per month. **Reserve at Belvedere** opened at the end of July 2012 and stabilized within roughly 11 months, reflecting a lease up pace of 26+/- units per month. **City Walk** experienced the strongest lease up pace of 30 units per month upon opening in September 2014. Two other market area rental properties have opened in 2017. **McIntire Plaza** opened in late September 2017 and more than one-half (11 of the 18 units) were preleased. The more substantial **Beacon on 5th** (241 units) initially opened in February 2017 and stabilized in mid-November. This property has leased up at a pace of 24+/- units per month.



D. Analysis of Rental Products and Pricing

1. Payment of Utility Costs

Within the market rate communities, the utility structure is varied. Eleven properties include no utilities; six include trash removal and six include water, sewer and trash (Table 29). Among the tax credit communities, six communities include water, sewer and trash and four include only trash.

2. Parking

All surveyed rental communities except for Terraces in downtown Charlottesville incorporate on-site surface or structured parking at no charge to residents. Five Upper Tier market rate communities do offer detached garages for monthly fees up to \$200 per month. Among the market rate group, five properties (Stonefield Commons, Reserve at Belvedere, Avemore, Beacon on 5th, and Arden Place) provide surface parking, attached garages in select models, and detached garages. Carriage Hill surface parking and detached garages; City Walk offers structured garage parking at no cost. Fifteen communities offer only surface parking and The Terraces only provides street parking. Among the LIHTC communities, only surface parking is provided. Monthly fees at the six communities offering detached garages range from \$115 to \$200.

3. Unit Finishes and Features

All unit kitchens at the market rate rental communities are equipped with stoves/ranges, refrigerators, and; dishwashers. Twelve communities offer microwaves in all units; 13 communities provide in unit washer-dryers; and five communities provide in unit washer-dryers in select units. The newer market rate communities (Reserve at Belvedere, City Walk, Beacon on 5th, Stonefield Commons) have the highest level of finishes, typically including units with granite countertops, stainless steel appliances, laminate wood (or similar) flooring.

The level of finish among the older market rate and tax credit rental supply is more basic, generally including laminated countertop and white appliances. Carlton Views, the newest tax credit rental community, includes granite countertops, black appliances, including side-by-side refrigerators, faux-wood floors, upgraded lighting, and small built-in bookshelves. Except for Hearthwood Townhomes which provides dishwashers in select units, all other tax credit communities provide dishwasher in all units. Including Carlton Views, only two properties offer microwaves. Three communities provide in unit washer-dryers in all units; two provides washer-dryers in select units; four provides washer-dryer connections; and Greenstone on 5th offers no in unit laundry facilities.



Table 29 Utility Arrangement and Unit Features, Friendship Court Market Area Communities

Community	Heat Type	Utilities Included in Rent						Dish-washer	Micro-wave	Parking	In-Unit Laundry	Storage
		Heat	Hot Water	Cooking	Electric	Water	Trash					
Market Rate Communities												
Granite Park	Gas	☐	☐	☐	☐	☒	☒	Std	N/A	Surface	Select	In Building/Fee
Westgate	Gas	☐	☐	☐	☐	☐	☐	Std	Std	Surface	Select	
Carriage Hill	Elec	☐	☐	☐	☐	☐	☒	Std	N/a	Surf; Det Gar \$150	Std - Full	
Woodridge	Elec	☐	☐	☐	☐	☐	☒	Std	A	Surface	Std - Stacked	
North Woods	Gas	☐	☐	☐	☐	☐	☐	Std	N/A	Surface	Select	
McIntire Plaza Apts	Elec	☐	☐	☐	☐	☐	☐	Std	Std	Surface	Std - Full	
Abbington Crossing	Elec	☐	☐	☐	☐	☐	☐	Std	Select	Surface	Std - Full	
Beacon on 5th	Elec	☐	☐	☐	☐	☐	☐	Std	Std	Surf; Det Gar \$200; Att Gar	Std - Full	
Avemore	Elec	☐	☐	☐	☐	☐	☒	Std	N/A	Surf; Det Gar \$115; Att Gar	Std - Full	In Building/Fee
Norcross Station	Elec	☐	☐	☐	☐	☐	☐	Std	Std	Surface	Std - Stacked	
Lofts at McIntire	Elec	☐	☐	☐	☐	☒	☒	Std	N/A	Surface	Select	
Tarleton Square	Elec	☐	☐	☐	☐	☒	☒	Std	Select	Surface	N/A	
Arden Place	Elec	☐	☐	☐	☐	☐	☐	Std	Std	Surf; Det Gar \$175; Att Gar	Std - Full	In Building/Fee
Park Lane	Gas	☐	☐	☐	☐	☐	☐	Std	N/A	Surface	N/A	
Rivanna Terrace	Elec	☐	☐	☐	☐	☐	☒	Std	N/A	Surface	N/A	
Locust Grove	Elec	☐	☐	☐	☐	☒	☒	Std	Std	Surface	Std - Stacked	In Building/Fee
Gardenwood	Gas & Elec	☐	☐	☐	☐	☒	☒	Std	N/A	Surface	N/A	
Stonefield Commons	Elec	☐	☐	☐	☐	☐	☐	Std	Std	Surf; Det Gar \$150; Att Gar	Std - Full	
Nob Hill Apts	Elec	☐	☐	☐	☐	☐	☐	Std	Std	Surface	Std - Full	
City Walk	Elec	☐	☐	☐	☐	☐	☒	Std	Std	Structured Garage	Std - Full	
Reserve at Belvedere	Elec	☐	☐	☐	☐	☐	☒	Std	Std	Surf; Det Gar \$150; Att Gar	Std - Full	
Terraces	Gas	☐	☐	☐	☐	☒	☒	Std	Std	Street Parking	Select	
Comyn Hall	Elec	☐	☐	☐	☐	☐	☐	Std	Std	Surface	N/A	
Tax Credit Communities												
Hearthwood TH	Gas	☐	☐	☐	☐	☒	☒	Select	N/A	Surface	Hook Ups	
Parks Edge	Elec	☐	☐	☐	☐	☒	☒	Std	N/A	Surface	Std - Full	
Treesdale Park	Elec	☐	☐	☐	☐	☐	☒	Std	N/A	Surface	Std - Full	
Wilton Farm	Gas	☐	☐	☐	☐	☒	☒	Std	N/A	Surface	Hook Ups	
Rio Hill	Gas	☐	☐	☐	☐	☒	☒	Std	N/A	Surface	Std - Full	
Mallside Forest	Gas	☐	☐	☐	☐	☒	☒	Std	N/A	Surface	Select	
Carlton Views	Elec	☐	☐	☐	☐	☐	☒	Std	Std	Surface	Hook Ups	
Monticello Vista	Elec	☐	☐	☐	☐	☐	☒	Std	N/A	Surface	Select	
Virrita Court	Elec	☐	☐	☐	☐	☐	☒	Std	Std	Surface	Hook Ups	
Greenstone on 5th	Elec	☐	☐	☐	☐	☒	☒	Std	N/A	Surface	N/A	

Source: Field Survey, Real Property Research Group, Inc. January 2019.

4. Community Amenities

As shown in Table 30 the larger market rate rental communities (150 units or greater) in the Friendship Court Market Area provide a full slate of amenities that includes a clubhouse, resident lounge, fitness facility, and pool. Most also provide a playground and business center. Other selected amenities include grilling/picnic area, dog park, tennis courts, and sports courts. Seven of the smaller, older market rate communities provide no amenities.

Mallside Forest, the largest LIHTC community at 160 units, provide a full slate of amenities. Some of the other larger LIHTC communities, such as Rio Hill and Treesdale Park provide selected amenities such as a pool and fitness room. Six communities offer a playground.



Table 30 Community Amenities, Friendship Court Market Area Rental Communities

Community	Clubhouse	Fitness Room	Pool	Hot Tub	Sauna	Playground	Tennis Court	Business Center	Gated Entry
Market Rate Communities									
Granite Park	☒	☒	☒	☐	☐	☒	☐	☒	☐
Westgate	☒	☒	☒	☐	☐	☐	☐	☐	☐
Carriage Hill	☒	☒	☒	☒	☒	☒	☒	☒	☐
Woodridge	☐	☐	☐	☐	☐	☒	☐	☐	☐
North Woods	☒	☒	☒	☐	☐	☒	☐	☒	☐
Nob Hill Apts	☐	☐	☐	☐	☐	☐	☐	☐	☐
Abbingtion Crossing	☒	☒	☒	☐	☐	☒	☐	☒	☐
Arden Place	☒	☒	☒	☐	☐	☒	☐	☐	☐
Park Lane	☐	☐	☐	☐	☐	☐	☐	☐	☒
Avemore	☒	☒	☒	☐	☐	☒	☐	☒	☐
Norcross Station	☐	☐	☐	☐	☐	☐	☐	☐	☐
Lofts at McIntire	☐	☐	☐	☐	☐	☐	☐	☐	☐
Rivanna Terrace	☐	☐	☐	☐	☐	☐	☐	☐	☐
Gardenwood	☐	☐	☐	☐	☐	☐	☐	☐	☐
Stonefield Commons	☒	☒	☒	☐	☐	☐	☐	☒	☐
City Walk	☒	☒	☒	☐	☐	☐	☐	☒	☐
Reserve at Belvedere	☒	☒	☒	☒	☐	☒	☐	☐	☐
Tarleton Square	☐	☒	☐	☐	☐	☐	☐	☐	☐
McIntire Plaza Apts	☐	☐	☐	☐	☐	☐	☐	☐	☐
Terraces	☐	☐	☐	☒	☐	☐	☐	☐	☐
Comyn Hall	☐	☐	☐	☐	☐	☐	☐	☐	☐
Locust Grove	☐	☒	☐	☐	☐	☐	☐	☐	☐
Beacon on 5th	☒	☒	☒	☐	☐	☐	☐	☒	☐
Tax Credit Communities									
Rio Hill	☐	☐	☒	☐	☐	☒	☐	☐	☐
Mallside Forest	☒	☒	☒	☐	☐	☒	☐	☐	☐
Parks Edge	☐	☐	☐	☐	☐	☒	☐	☐	☐
Wilton Farm	☐	☐	☐	☐	☐	☒	☐	☐	☐
Treesdale Park	☐	☒	☐	☐	☐	☐	☐	☐	☐
Hearthwood TH	☐	☐	☒	☐	☐	☒	☐	☐	☐
Carlton Views	☐	☐	☐	☐	☐	☐	☐	☐	☐
Monticello Vista	☐	☐	☐	☐	☐	☒	☐	☐	☐
Virnita Court	☐	☐	☐	☐	☐	☐	☐	☐	☐
Greenstone on 5th	☐	☐	☐	☐	☐	☐	☐	☐	☐

Source: Field Survey, Real Property Research Group, Inc. January 2019.

5. Unit Distribution

Table 31 presents details on the unit distribution of those properties within our competitive survey. The unit distribution is known for all surveyed communities. Among market rate communities, two bedroom units are dominant with a 55 percent share followed by one bedroom units with a 34 percent share (including one percent den units). Three bedroom units only comprise nine percent of units; 64 studios are found in four communities comprising less than two percent of units.

Among tax credit units, there is a greater concentration of studio and three bedroom units and a lesser presence of one bedroom units. Two bedroom units comprise 52.5 percent of all models followed by three bedroom units with a 27 percent share. Smaller units account for 20 percent of the inventory, with one bedroom units at 14 percent and studios at six percent of units.



Table 31 Unit Distribution, Size and Pricing, Friendship Court Market Area Communities

Community	Total Units	Studio Units				One Bedroom Units				Two Bedroom Units				Three Bedroom Units			
		Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
SUBJECT SITE- Proposed (Tax Credit Units)																	
										5	\$498	939	\$0.53	2	\$574	1,276	\$0.45
										1	\$498	1,154	\$0.43	2	\$574	1,570	\$0.37
						6	\$744	642	\$1.16	3	\$882	939	\$0.94				
										1	\$882	1,154	\$0.76				
						4	\$855	642	\$1.33	5	\$1,022	939	\$1.09				
						11	\$1,162	642	\$1.81	14	\$1,350	939	\$1.44	2	\$1,529	1,570	\$0.97
										3	\$1,350	1,154	\$1.17				
						21				32				6			
	Total	60															
Market Rate																	
Terraces	25	6	\$1,187	417	\$2.85	9	\$1,535	770	\$1.99	10	\$2,780	1,550	\$1.79				
Park Lane	24									24	\$1,773	823	\$2.15				
City Walk	301					175	\$1,423	811	\$1.75	126	\$1,755	1,172	\$1.50				
Beacon on 5th *	241					123	\$1,474	812	\$1.81	86	\$1,709	1,163	\$1.47	32	\$2,060	1,606	\$1.28
Reserve at Belvedere*	294					89	\$1,359	868	\$1.57	161	\$1,653	1,196	\$1.38	44	\$1,933	1,390	\$1.39
Arden Place *	212					90	\$1,494	832	\$1.80	112	\$1,620	1,169	\$1.39	10	\$1,840	1,421	\$1.29
Stonefield Commons *	251					115	\$1,399	778	\$1.80	104	\$1,579	1,095	\$1.44	32	\$1,843	1,352	\$1.36
Comyn Hall	12					12	\$1,292	560	\$2.31								
Carriage Hill	142					36	\$1,199	893	\$1.34	70	\$1,523	1,339	\$1.14	36	\$1,725	1,627	\$1.06
Norcross Station	88					50	\$1,248	862	\$1.45	35	\$1,472	1,063	\$1.38				
Avemore*	280	40	\$1,100	665	\$1.65	68	\$1,231	842	\$1.46	122	\$1,409	1,364	\$1.03	28	\$1,785	1,619	\$1.10
Locust Grove	43					31	\$1,226	847	\$1.45	12	\$1,394	875	\$1.59				
McIntire Plaza Apts	18					9	\$1,256	763	\$1.65	9	\$1,355	936	\$1.45				
Nob Hill Apts	24					24	\$1,207	650	\$1.86								
Tarleton Square	54	3	\$1,059	483	\$2.19	22	\$1,154	780	\$1.48	29	\$1,289	1,004	\$1.28				
Abbingdon Crossing	468					84	\$1,182	748	\$1.58	344	\$1,256	943	\$1.33	40	\$1,444	1,155	\$1.25
Lofts at McIntire	20	15	\$817	471	\$1.74	5	\$1,180	880	\$1.34								
Westgate	284					111	\$1,087	631	\$1.72	153	\$1,212	940	\$1.29	8	\$1,319	1,155	\$1.14
North Woods	310					32	\$1,175	750	\$1.57	246	\$1,134	1,027	\$1.10	32	\$1,330	1,100	\$1.21
Granite Park	425					124	\$992	760	\$1.31	243	\$1,091	949	\$1.15	58	\$1,380	1,115	\$1.24
Woodridge	60									60	\$1,088	993	\$1.10				
Gardenwood	18									18	\$855	900	\$0.95				
Rivanna Terrace	48									48	\$795	735	\$1.08				
Sub-Total/Average Unit Distribution	3,642		\$1,041	509	\$2.05		\$1,269	781	\$1.63		\$1,437	1,062	\$1.35		\$1,666	1,354	\$1.23
% of Total	99.0%	64	1.8%			1,209	33.2%			2,012	55.2%			320	8.8%		
Tax Credit																	
Mallside Forest-60%**	160					32	\$870	690	\$1.26	68	\$1,036	932	\$1.11	60	\$1,191	1,190	\$1.00
Hearthwood TH-60%**	200	41	\$686	300	\$2.29	39	\$884	687	\$1.29	100	\$1,029	987	\$1.04	20	\$1,224	1,187	\$1.03
Carlton Views-60%**	40					27	\$850	687	\$1.24	9	\$1,015	990	\$1.03	4	\$1,150	1,192	\$0.96
Rio Hill-60%**	110									81	\$950	1,100	\$0.86	29	\$1,070	1,300	\$0.82
Wilton Farm-60%**	144									88	\$910	882	\$1.03	56	\$991	1,071	\$0.92
Rio Hill-50%**	29									22	\$860	1,100	\$0.78	7	\$975	1,300	\$0.75
Virmita Court-Mkt	5					3	\$735	510	\$1.44	2	\$850	690	\$1.23				
Virmita Court-60%**	2									2	\$850	690	\$1.23				
Parks Edge-60%**	96					19	\$707	822	\$0.86	57	\$833	938	\$0.89	20	\$955	1,128	\$0.85
Monticello Vista-50%**	45	24	\$675	565	\$1.19	7	\$695	770	\$0.90	8	\$825	1,100	\$0.75	6	\$990	1,100	\$0.90
Treesdale Park-50%**	66									48	\$815	1,082	\$0.75	18	\$936	1,263	\$0.74
Greenstone on 5th-50%**	202					21	\$650	600	\$1.08	97	\$745	780	\$0.96	84	\$815	900	\$0.91
Virmita Court-50%**	7									7	\$670	690	\$0.97				
Virmita Court-40%**	2					2	\$600	510	\$1.18								
Carlton Views-40%**	14					8	\$535	687	\$0.78	6	\$635	990	\$0.64				
Monticello Vista-40%**	5	3	\$503	360	\$1.40	2	\$513	770	\$0.67								
Treesdale Park-40%**	6													6	\$700	1,263	\$0.55
Sub-Total/Average Unit Distribution	1,133		\$621	408	\$1.52		\$704	673	\$1.05		\$859	925	\$0.93		\$1,000	1,172	\$0.85
% of Total	100.0%	68	6.0%			160	14.1%			595	52.5%			310	27.4%		
Total/Average Unit Distribution	4,775		\$861	466	\$1.85		\$1,074	744	\$1.44		\$1,199	1,005	\$1.19		\$1,317	1,259	\$1.05
% of Total	99.2%	132	2.8%			1,369	28.7%			2,607	54.6%			630	13.2%		
(***) Tax Credit Communities Note: Three market rate communities offer 37 one bedroom den units (1.0 percent of units) (1) Rent is adjusted to include only Trash and incentives * Adjusted for including attached garages in rent Source: Field Survey, Real Property Research Group, Inc. January 2019.																	

6. Unit Size

The average unit sizes for the surveyed market rate units are 509 square feet for the studio units; 781 square feet for the one-bedroom units; 1,062 square feet for two-bedroom units; and 1,354 square feet for three-bedroom units. The tax credit models are smaller across the board by at least 100 square feet compared to the market rate units with an average of 408 square feet for the



studio units; 673 square feet for the one-bedroom units; 925 square feet for the two-bedroom units; and 1,172 square feet for the three-bedroom units.

7. Unit Pricing

The rents listed in Table 31 are net or effective rents, as opposed to published or street rents. We calculated effective rents in order to facilitate an ‘apples to apples’ comparison of tenants’ housing costs across the surveyed communities. To derive effective rents, we first applied downward adjustments to relevant published rents for units impacted by current rental incentives. Second, the effective rents reflect upward or downward adjustments to published rents to equalize the impact of utility expenses across properties. Specifically, the effective rents reflect the hypothetical situation where tenants of each community are responsible for utility bills other than those for water, sewer and trash removal. In addition, a downward adjustment of \$125 was taken for units at those Upper Tier communities which include an attached garage. We have made this adjustment so as to not overstate the contract rents and to equalize the comparison between properties. For all LIHTC communities, rents target a range of households earning at or below 40, 50, and 60 percent AMI. Virnita Court also offers a limited number of market rate one and two bedroom units that appear to approximate 60 percent AMI rent levels.

- The average market rate one bedroom unit has a net effective rent of \$1,284 for 781 square feet (\$1.64 per square foot). One-bedroom rents range from \$1,007 to \$1,550. The market leaders are Terraces and Arden Place.

The average tax credit one bedroom unit has a net effective rent of \$719 for 673 square feet (\$1.07 per square foot). One-bedroom tax credit rents range from \$528 to 899 and floor plans range from 510 to 822 square feet.

- The average market rate two-bedroom effective rent is \$1,457 for 1,062 square feet, or an average rent per square foot of \$1.37. Two-bedroom rents range from \$815 to \$2,800. The market leaders are Terraces, Park Lane, and City Walk.

The average tax credit two bedroom unit has a net effective rent of \$879 for 925 square feet (\$0.95 per square foot). Two-bedroom tax credit rents range from \$655 to \$1,056 and floor plans range from 690 to 1,100 square feet.

- The average market rate three-bedroom unit has a net effective rent of \$1,691 for 1,354 square foot unit or \$1.25 per square foot. Rents range from \$1,405 to \$2,085. The market leaders are Beacon on 5th and Reserve at Belvedere.

The average tax credit three bedroom unit has a net effective rent of \$1,025 for 1,172 square feet (\$0.87 per square foot). Three bedroom tax credit rents range from \$725 to \$1,249 and floor plans range from 900 to 1,300.

E. Subsidized Rental Communities

In addition to Friendship Court, two other Affordable/Tax Credit properties have some units with project-based rental assistance. These properties are commonly referred to as “deep” subsidy rental housing. Deep subsidy units include those where rental assistance is provided in the form of project-based Section 8 rent subsidies or other governmental programs, such as in public housing. In many subsidized arrangements, tenants pay an amount roughly equivalent to 30 percent of their income toward housing costs (rents plus utility costs), while the rent subsidy covers the remainder of the relevant housing costs.

Within the Friendship Court Market Area, we have identified 588 units of subsidized rental housing (Table 32) (Map 6). Although waiting list data for the public housing communities was not available, units with rental subsidies are nearly always fully subscribed with extensive waiting lists.

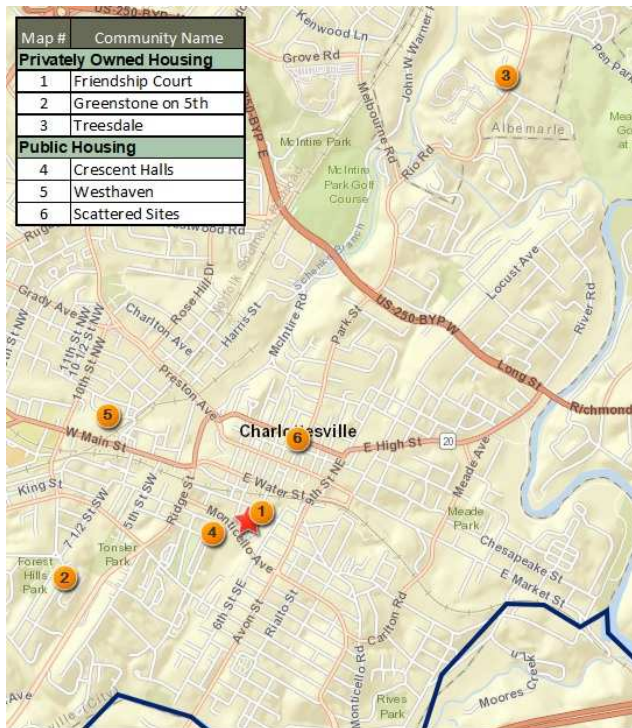


Table 32 Subsidized & Public Housing, Friendship Court Market Area

Map #	Community Name	Address	Total Units	Units w/ Subsidies	Type	Tax Credit	Waiting List
Privately Owned Housing							
1	Friendship Court	418 Garrett Street	150	150	HUD Sect 8	Yes	2BR-33 hhlds 3BR-69 hhlds 4BR-33 hhlds
2	Greenstone on 5th	746 Prospect Avenue	202	40	HUD Sect 8	Yes	Yes - but hhld count not available
3	Treesdale	1720 Treesdale Way	88	22	HUD Sect 8	Yes	70+/- hhlds
Public Housing Communities							
4	Crescent Halls	500 1st Street South	105	105	Public Housing	No	Centralized wait list; Wait list is open
5	Westhaven	801-836 Hardy Drive	126	126	Public Housing	No	
6	Scattered Sites	Various locations	145	145	Public Housing	No	
TOTAL			816	588			

Source: Field Survey by Real Property Research Group, Inc., January 2019

Map 6 Subsidized & Public Housing Communities



F. Derivation of Market Rent

RPRG has prepared a Derivation of Market Rent to better understand how the proposed contract rents for the 60 tax credit units without subsidies at Friendship Court compare with the surveyed rental market. The purpose of this exercise is to determine whether the proposed LIHTC rents for the subject offer a value relative to market-rate rent levels within a given market area. The rent derived for bedroom type is not to be confused with an appraisal or rent comparability study (RCS)



based approach, which is more specific as it compares specific models in comparable rental communities to specific floor plans at the subject and is used for income/expense analysis and valuation. Since none of the three bedroom units offer 60 percent AMI tax credit rents, we estimated a target 60 percent tax credit so that the 30 and 80 percent AMI tax credit rents could be evaluated in a similar fashion to the other model types.

The contract rents of comparable communities can be adjusted for differences in a variety of factors including curb appeal, structure age, square footage, the handling of utilities, and shared amenities. See Table 33 for relevant adjustments. Market-rate communities are the most desirable comparables to be used in this type of analysis, as the use of market-rate communities allows RPRG to derive an estimate of market rent.

We elected to compare the units at the subject to the comparable floor plans at Abington Crossing, Carriage Hill and North Woods. Once a particular floor plan’s market rent has been determined, it can be used to evaluate: a.) whether or not the subject project has a rent advantage or disadvantage versus competing communities, and b.) the extent of that rent advantage or disadvantage.

The derivation of achievable rent calculations for the 60 percent of AMI units are displayed in Table 34, Table 35 and Table 36. The results of the calculations are summarized in Table 37. The recommended tax credit rents are close to the allowable maximums for all unit types, given the assumed utility allowances of \$55 for one-bedroom units; \$78 for two-bedroom units; and \$91 for three-bedroom units.

Rent Adjustments Summary	
B. Design, Location, Condition	
Structure / Stories	\$10.00
Year Built / Renovated	\$0.75
Quality/Street Appeal	\$10.00
Location	\$10.00
C. Unit Equipment / Amenities	
Number of Bedrooms	\$25.00
Number of Bathrooms	\$30.00
Unit Interior Square Feet	\$0.25
Balcony / Patio / Porch	\$5.00
AC Type:	\$5.00
Range / Refrigerator	\$25.00
Microwave / Dishwasher	\$5.00
Washer / Dryer: In Unit	\$25.00
Washer / Dryer: Hook-ups	\$5.00
D. Site Equipment / Amenities	
Parking (\$ Fee)	
Learning Center	\$10.00
Club House/Learning Center	\$10.00
Pool	\$10.00
Recreation Areas	\$5.00
Fitness Center	\$10.00

Table 33 Market Rent Advantage – Adjustment Table



Table 34 Market Rent Analysis – One Bedroom Units – 60% of AMI

One Bedroom Units - 60%							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
Friendship Court Apartments 418 Garrett Street Charlottesville, VA 22902	Abington Crossing		Carriage Hill		North Woods		
	1000 Old Brook Road		825 Beverly Drive		63 Four Seasons Drive		
	Charlottesville	VA	Charlottesville	VA	Charlottesville	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent - 60% AMI	\$855	\$1,172	\$0	\$1,125	\$0	\$1,165	\$0
Utilities Included	T	None	\$10	T	\$0	None	\$0
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$855	\$1,182		\$1,125		\$1,165	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	TH/4	Garden/3	\$10	Garden/2	\$10	Garden/2	\$10
Year Built / Renovated	2021	2017	\$3	2000	\$16	2001	\$15
Quality/Street Appeal	Excellent	Average	\$20	Average	\$20	Average	\$20
Location	Excellent	Average	\$20	Average	\$20	Average	\$20
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	1	1	\$0	1	\$0	1	\$0
Number of Bathrooms	1	1	\$0	1	\$0	1	\$0
Unit Interior Square Feet	642	748	(\$27)	831	(\$47)	750	(\$27)
Balcony / Patio / Porch	No	No	\$0	Yes	(\$5)	Yes	(\$5)
AC Type:	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	No / Yes	\$5	No / Yes	\$5	Yes / Yes	\$0
Washer / Dryer: In Unit	Yes	Yes	\$0	Yes	\$0	No	\$25
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Club House/Learning Center	yes	Yes	\$0	Yes	\$0	Yes	\$0
Pool	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		5	2	5	3	5	3
Sum of Adjustments B to D		\$58	(\$37)	\$71	(\$62)	\$90	(\$42)
F. Total Summary							
Gross Total Adjustment		\$95		\$133		\$132	
Net Total Adjustment		\$21		\$9		\$48	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,203		\$1,134		\$1,213	
% of Effective Rent		101.8%		100.8%		104.1%	
Estimated Market Rent	\$1,183						
Rent Advantage \$	\$328						
Rent Advantage %	27.7%						



Table 35 Market Rent Analysis – Two Bedroom Units – 60% of AMI

Two Bedroom Units - 60% of AMI							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
Friendship Court Apartments 418 Garrett Street Charlottesville, VA 22902	Abington Crossing		Carriage Hill		North Woods		
	1000 Old Brook Road		825 Beverly Drive		63 Four Seasons Drive		
	Charlottesville	VA	Charlottesville	VA	Charlottesville	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent - 60%	\$1,022	\$1,248	\$0	\$1,353	\$0	\$1,165	\$0
Utilities Included	T	None	\$10	T	\$0	None	\$10
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$1,022	\$1,258		\$1,353		\$1,175	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	TH/4	Garden/3	\$0	Garden/2	\$0	Garden/2	\$0
Year Built / Condition	2021	2017	\$3	2000	\$16	2001	\$15
Quality/Street Appeal	Excellent	Average	\$20	Average	\$20	Average	\$20
Location	Excellent	Average	\$20	Average	\$20	Average	\$20
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	2	2	\$0	2	\$0	2	\$0
Number of Bathrooms	2	2	\$0	2	\$0	1	\$30
Unit Interior Square Feet	1,154	943	\$53	1,142	\$3	1,050	\$26
Balcony / Patio / Porch	No	No	\$0	Yes	(\$5)	Yes	(\$5)
AC: (C)entral / (W)all / (N)on	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	No / Yes	\$5	No / Yes	\$5	Yes / Yes	\$0
Washer / Dryer: In Unit	Yes	Yes	\$0	Yes	\$0	Yes	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	\$0	\$0	\$40	\$0	\$0	\$0	\$0
Club House/Learning Center	yes	Yes	\$0	Yes	\$0	Yes	\$0
Pool	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		6	1	5	2	5	2
Sum of Adjustments B to D		\$141	(\$10)	\$64	(\$15)	\$111	(\$15)
F. Total Summary							
<i>Gross Total Adjustment</i>		\$151		\$79		\$126	
<i>Net Total Adjustment</i>		\$131		\$49		\$96	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,389		\$1,402		\$1,271	
% of Effective Rent		110.4%		103.6%		108.2%	
Estimated Market Rent	\$1,354						
Rent Advantage \$	\$332						
Rent Advantage %	24.5%						



Table 36 Market Rent Analysis – Three Bedroom Units – 60% of AMI

Three Bedroom Units - 60% of AMI							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
Friendship Court Apartments 418 Garrett Street Charlottesville, VA 22902	Abington Crossing		Carriage Hill		North Woods		
	1000 Old Brook Road		825 Beverly Drive		63 Four Seasons Drive		
	Charlottesville	VA	Charlottesville	VA	Charlottesville	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent - 60%	\$1,171	\$1,396	\$0	\$1,725	\$0	\$1,320	\$0
Utilities Included	T	None	\$10	T	\$0	None	\$10
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$1,171	\$1,406		\$1,725		\$1,330	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	TH; 2/3	TH; 2	\$0	Garden/2	\$0	TH	(\$50)
Year Built / Condition	2021	2017	\$3	2000	\$16	2001	\$15
Quality/Street Appeal	Excellent	Average	\$20	Average	\$20	Average	\$20
Location	Excellent	Average	\$20	Average	\$20	Average	\$20
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	3	3	\$0	3	\$0	3	\$0
Number of Bathrooms	2.5	2.5	\$0	2	\$15	2	\$15
Unit Interior Square Feet	1,266	1,155	\$28	1,627	(\$90)	1,100	\$42
Balcony / Patio / Porch	Yes	No	\$5	Yes	\$0	Yes	\$0
AC: (C)entral / (W)all / (N)on	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	No / Yes	\$5	No / Yes	\$5	Yes / Yes	\$0
Washer / Dryer: In Unit	Yes	Yes	\$0	Yes	\$0	Yes	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	\$0	\$0	\$40	\$0	\$0	\$0	\$0
Club House/Learning Center	yes	Yes	\$0	Yes	\$0	Yes	\$0
Pool	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		7	1	5	2	5	2
Sum of Adjustments B to D		\$121	(\$10)	\$76	(\$100)	\$112	(\$60)
F. Total Summary							
Gross Total Adjustment		\$131		\$176		\$172	
Net Total Adjustment		\$111		(\$24)		\$52	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,517		\$1,701		\$1,382	
% of Effective Rent		107.9%		98.6%		103.9%	
Estimated Market Rent	\$1,533						
Rent Advantage \$	\$362						
Rent Advantage %	23.6%						



Table 37 Market Rent Advantage – Summary

30% AMI Units	Two Bedroom Units	Three Bedroom Units	
Subject Rent	\$498	\$574	
Estimated Market Rent	\$1,354	\$1,533	
Rent Advantage (\$)	\$856	\$959	
Rent Advantage (%)	63.2%	62.6%	
50% AMI Units			
One Bedroom Units	Two Bedroom Units		
Subject Rent	\$744	\$882	
Estimated Market Rent	\$1,183	\$1,354	
Rent Advantage (\$)	\$439	\$472	
Rent Advantage (%)	37.1%	34.9%	
60% AMI Units			
One Bedroom Units	Two Bedroom Units	Three Bedroom Units	
Subject Rent	\$855	\$1,022	\$1,171
Estimated Market Rent	\$1,183	\$1,354	\$1,533
Rent Advantage (\$)	\$328	\$332	\$362
Rent Advantage (%)	27.7%	24.5%	23.6%
80% AMI Units (Market Rate)			
One Bedroom Units	Two Bedroom Units	Three Bedroom Units	
Subject Rent	\$1,162	\$1,350	\$1,529
Estimated Market Rent	\$1,183	\$1,354	\$1,533
Rent Advantage (\$)	\$21	\$4	\$4
Rent Advantage (%)	1.8%	0.3%	0.3%

After adjustments, the estimated market rent for a one-bedroom unit is \$1,183, providing the subject’s 60 percent of AMI one-bedroom units with a market advantage of 27.7 percent. The estimated market rent for two-bedroom/two bath unit is \$1,354, resulting in the subject’s 60 percent of AMI units having a 24.5 percent rent advantage. The estimated market rent for three-bedroom/two bath unit is \$1,533 resulting in the subject’s 60 percent of AMI units having a 23.6 percent rent advantage.

- The corresponding rent advantage for the 30 percent of AMI units are 63.2 percent and 62.6 percent, respectively, for the two- and three-bedroom units.
- The corresponding rent advantage for the 50 percent of AMI units are 37.1 percent and 34.9 percent, respectively, for the one- and two- bedroom units.
- The corresponding rent advantage for the 80 percent of AMI units are 1.8 percent, 0.3 percent and 0.3 percent, respectively, for the one-, two- and three-bedroom units.

G. Achievable Restricted Rents

The market rent derived above is an estimate of what a willing landlord might reasonably expect to receive, and a willing tenant might reasonably expect to pay for a unit at the subject. However, as a tax credit community, the maximum rent that a project owner can charge for a low-income unit is a gross rent based on bedroom size and applicable HUD’s median household income for the subject area. If these LIHTC maximum gross/net rents are below the market rent (adjusted



downward by ten percent), then the maximum rents also function as the achievable rents for each unit type and income band. Conversely, if the adjusted market rents are below the LIHTC maximum rents, then the adjusted market rents (less ten percent) act as the achievable rents. Therefore, achievable rents are the lower of the market rent or maximum LIHTC rent. In the case of the units targeted to at or below 80 percent of AMI, we look at achievable rents without the 10 percent adjustment

As shown in Table 38, the maximum LIHTC rents for the 30, 50, and 60 percent of AMI units are well below estimated adjusted market rents. Therefore, the maximum LIHTC rents are the achievable rents for the LIHTC units. All proposed 30, 50, and 60 percent LIHTC rents for the subject are at or below the achievable rents. For 80 percent one and two bedroom rent, the estimated market rents are the achievable rents. For the 80 percent three bedroom rents, the maximum LIHTC rent is below the estimated adjust market rent and thus is the achievable rent. The 80 percent LIHTC rents for the subject are below the achievable rents for each model type.

Table 38 Achievable Restricted Rents

30% AMI Units	Two Bedroom Units	Three Bedroom Units	
Estimated Market Rent	\$1,354	\$1,533	
Less 10%	\$1,219	\$1,380	
Maximum LIHTC Rent*	\$498	\$574	
Achievable Rent	\$498	\$574	
SUBJECT RENT	\$498	\$574	
50% AMI Units			
	One Bedroom Units	Two Bedroom Units	
Estimated Market Rent	\$1,183	\$1,354	
Less 10%	\$1,065	\$1,219	
Maximum LIHTC Rent*	\$744	\$882	
Achievable Rent	\$744	\$882	
SUBJECT RENT	\$744	\$882	
60% AMI Units			
	One Bedroom Units	Two Bedroom Units	
Estimated Market Rent	\$1,183	\$1,354	
Less 10%	\$1,065	\$1,219	
Maximum LIHTC Rent*	\$904	\$1,074	
Achievable Rent	\$904	\$1,074	
SUBJECT RENT	\$855	\$1,022	
80% AMI Units (Market Rate)			
	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
Estimated Market Rent	\$1,183	\$1,354	\$1,533
Maximum LIHTC Rent*	\$1,225	\$1,458	\$1,684
Achievable Rent	\$1,183	\$1,354	\$1,684
SUBJECT RENT	\$1,162	\$1,350	\$1,529

*Assumes utility allowances of \$55(1BR); \$78(2BR); \$91(3BR)



H. Proposed and Pipeline Rental Communities

Based on our research, RPRG has identified eight short-term market area pipeline projects totaling 804 units that are likely to deliver over the next three years (Table 39). All projects will be completed in 2019.

Three projects with 142 units are currently under construction:

- The 65 unit **Lofts at Meadow Creek** in Albemarle County with 13 affordable units (80% AMI), 13 workforce units (120% AMI) and 39 market rate units
- The 53 unit **Blue Moon Apartments**, a six story general occupancy apartment behind Blue Moon Diner in Charlottesville.
- The 24 units at **Riverside Village**, a mixed use building with ground floor retail and three stories of apartments in the Pantops neighborhood in Albemarle County. All projects will be completed in 2019.

Another five projects, totaling 662 units, are in preliminary stages of financing and county review but are expected to be completed by January 2022.

- The 144 unit market rate **Vista at Pantops**, located in the Pantops area close to the Martha Jefferson Hospital campus, has resolved challenges related to flood plain issues; final site plans are being review by Albemarle County. The developer expects to obtain financing under a VHDA program for market rate properties.
- The 250 unit market rate **Presidio**, being developed by Castle Development, has received preliminary site approval from Albemarle County but has not yet submitted final plans for review. Castle is expected to submit The Presidio to HUD for financing later in 2019.
- **Carlton Views II** is a proposed 48 unit 4 percent tax credit bond project currently under review by the city. Phase I includes 54 units placed in service January 2017 at 1337 Carlton Avenue.
- The redevelopment of the **Monticello Dairy Building** at 10th and Preston Streets in the city has started which will include renovation of the existing structure as a retail and food hall and 50,000 square feet of office space that is scheduled to open in fall 2019. The second phase includes the construction of 175 market rate apartments; plans are currently under review by the city with construction slated to begin in 2020.
- Plans for a 45 unit apartment structure at **901 River Road** are currently under review by the city; construction is expected to start in late 2019.

Finally, five additional projects totaling 1,161 units are in the preliminary phase of development and thus likely will take longer to materialize:

- The development of Phase II at **Arden Place** has been placed on hold until traffic issues with Albemarle County have been resolved.
- The development of the next phase of **Stonefield** is still in the exploratory phases – the developer is considering changing the unit mix to combination of for-sale townhomes and rentals.
- A special use permit has been granted by the Charlottesville City Council for the redevelopment of an existing medical office building at **1011 E. Jefferson Street** into up to 126 market rate apartments on a 1.46-acre site. The project, which has met with a great deal of community opposition, would have five stories above 10th Street and three stories



above 11th Street. The building would also include 10,000 square feet of commercial space. Development will involve relocation of existing offices.

- Riverbend Development has been planning a 138 unit apartment complex, **the Belmont Apartments**, in the Belmont neighborhood for years. Plans are under review by the city.
- Great Eastern Management Company, the owners of **Seminole Square**, is planning a large-scale redevelopment of the former Giant site into 500 market rate apartment in 11 five-story structures. Prior to starting, leases with existing tenants at the center have to be renegotiated; conceptual plans have been presented to the county.
- Map 7 presents the location of both the short term and long term pipeline communities.



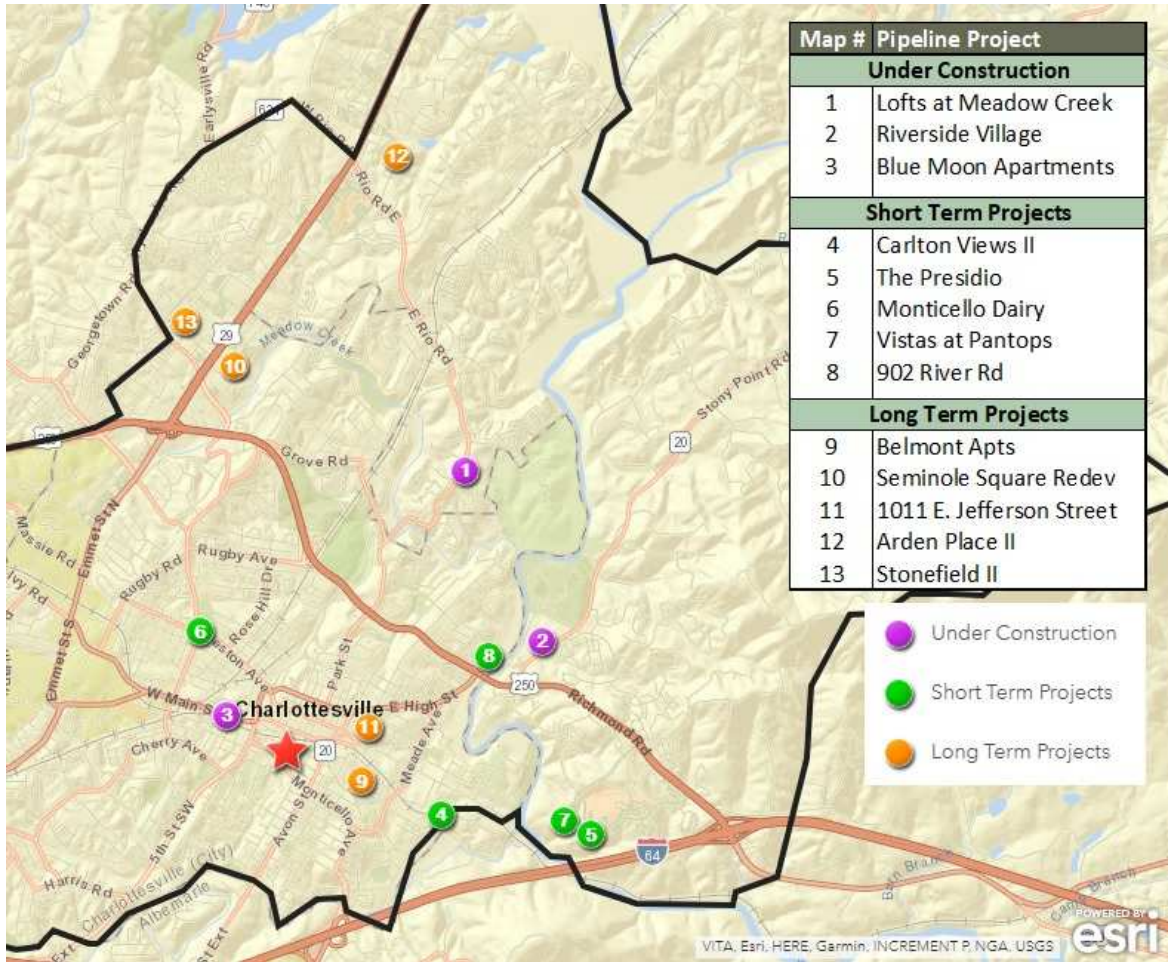
Table 39 Multifamily Pipeline Projects

Project	Address	City/ County	Developer	No. Units	S status	Delivery
Under Construction						
Lofts at Meadow Creek	Pen Park Lane off of Rio Road East	Albemarle County	Pinnacle Construction	65	Under construction; 13 affordable units (80 % AMI), 13 "workforce" units (120% AMI), and 39 market rate units.	Spring 2019
Riverside Village	157 Trailside Drive	Albemarle County	Gordonsville Realty Investment	24	Mixed use - apts over 16,000 sf retail. Approved by county. Sitework started in late 2018	2019
Blue Moon Apartments	600 W. Main Street	City of Charlottesville	Jeffrey Levien	53	Six-story general occupancy apartment behind the Blue Moon Diner under construction	fall 2019
Subtotal - Under Construction				142		
Short-Term Projects - Within 3 Years						
Carlton Views Phase II	1335 Carlton Avenue	City of Charlottesville	Community Housing Partners	48	Proposed 4% tax credit/bond multifamily project; plans under review by city	2020
The Presidio	South of Peter Jefferson Drive; south of Martha Jefferson parking lot	Albemarle County	Castle Development/Riverbend Development	250	Initial site plans approved; county waiting for final site plan for review	2021
Monticello Dairy Building	Preston Street & 10th Street SW	City of Charlottesville	Stony Point Design/Build	175	Initial phase (office, retail & food hall) under construction; Phase II apts under review.	2021
Vistas at Pantops	South of S. Pantops Drive; SW of Martha Jefferson Hosp	Albemarle County	Management Services Corporation	144	Zoning and site plans approved by county; flood plain issues resolved. Final site plan being reviewed by County. Seeking financing under VHDA program	2021
902 River Rd	901 River Rd	City of Charlottesville	Gostoreit LLC	45	Under Review by planning; start late 2019	late 2021
Subtotal - Short Term				662		
TOTAL - Under Construction & Short-Term				804		
Long Term Projects						
Belmont Apts	North of 126 Garden Street	City of Charlottesville	Riverbend Development	138	Part of Belmont neighborhood redevelopment; plans under review	TBD
Seminole Square Redevelopment	200 Zan Road	City of Charlottesville	Great Eastern Management Co	500	Redevelopment of Seminole Square; former Giant Site. Preliminary design under review by planning - need to terminate Kroger lease. 11 five story apartment bldgs planned	TBD
1011 E. Jefferson Street	1011 E. Jefferson Street	City of Charlottesville	Jefferson Medical Bldg Ltd Partnership	126	Market rate apartment building with 10,000 SF ground floor retail. Special use permit has been approved. Development will involve relocation of existing offices.	TBD
Arden Place Phase II	1810 Arden Creek lane	Albemarle County	Castle Development	157	Developer has indicated that project has been put on hold due to traffic issues with the county.	TBD
Stonefield Apts Phase II	NE US Route 29/ Hydraulic Rd; 2100 Bond St	Albemarle County	O'Connor Capital Partners	240	New plans are being formulated to change land use from rental to a mix of for sale townhomes and rentals	TBD
Subtotal - Long Term/Speculative				1161		

Source: Albemarle County & City of Charlottesville Planning Departments, VHDA website; local development websites; compiled by RPRG, January 2019



Map 7 Pipeline Communities in Friendship Court Market Area





VIII. FINDINGS AND CONCLUSIONS

A. Key Findings

Based on the preceding review of the subject project, its neighborhood surroundings, and demographic and competitive housing trends in the Friendship Court Market Area, RPRG offers the following key findings:

1. Site and Neighborhood Analysis

The subject site is located in a desirable urban location that is well-suited to the proposed use as a mixed income rental community.

- The plan to reposition this large parcel of land from a low-density subsidized rental property to a higher density mixed income development has many benefits for both the existing household base as well as the local community. The site's location is likely to have a widespread appeal, as demonstrated by the success of other multifamily rental properties within the immediate neighborhood. The site is also located within the City of Charlottesville's Strategic Investment Area and in a setting that is targeted for other redevelopment efforts.
- The site is located only two blocks from Charlottesville's Downtown Mall, a major commercial and entertainment center that encourages a vibrant urban residential setting. The Downtown Mall is lined with dozens of restaurants, cafes, boutiques, art galleries, and entertainment venues and is one of most notable examples of a successful and walkable "Main Street". In addition, the greater Charlottesville area provides numerous opportunities for convenience and comparison retail shopping within roughly a 5 – 15 minute drive of the site.
- The site is served by public bus transportation and the City of Charlottesville's Transit Center is within roughly a five minute walk of the site.
- The site is sufficiently large to support redevelopment efforts without the need to relocate the existing tenants to off-site locations. In this regard, the site's phasing can take place in an orderly fashion with only minimal disruption to residents.

2. Economic Context

The Albemarle County/ City of Charlottesville economic base, buttressed by the region's recession proof health, education, and defense sectors, has consistently remained strong even weathering the recent recession with minimal adverse impact.

- Despite a major economic recession during the 2008 to 2010 period, Albemarle-Charlottesville's unemployment rate remained remarkably low, peaking at just 6.0 percent in 2010. Over the last three years, the unemployment rates has remained below 4 percent; As of September 2018 the rate stood at 2.7 percent, below the 3.2 percent rate for the state and the 4.0 percent rate for the nation.
- Since 2010 the number of county/ city jobs has grown to 97,000 jobs as of Q2 2018, a gain of 13,800 jobs or 16.5 percent since 2010.
- Albemarle County has a diverse economic base with one dominant sector – Government - accounting for 32 percent of the employment base and the next four largest sectors - Trade-Transportation-Utilities, Professional-Business, Leisure-Hospitality, and Education-Health - each comprising 12 to 13 percent of the local job base.
- The largest employer is the University of Virginia. Overall, five of the top ten employers are in the Education-Health sector including the UVA Medical Center and Sentara Healthcare (Martha



Jefferson Hospital). Other large employers include State Farm Insurance, the U.S. Department of Defense, defense contractor Northrop Grumman, the city of Charlottesville, and Albemarle County.

3. Demographic Analysis

The market area reported strong population and household growth during the 2000 to 2010 period that has accelerated during the 2010 to 2024 period as more housing options have emerged in Charlottesville and the close-in Albemarle County neighborhoods.

- The market area will add households at an average net rate of 1.4 percent (472 households) per year between 2019 and 2024, greater than the 1.0 percent rate during the 2000 to 2010 period.
- The Friendship Court Market Area renter percentage of 59.0 percent in 2019 is significantly greater than the region's MSA's 37.4 percent.
- Given the substantial pipeline of rental units and local trends, RPRG projects renter households will continue to contribute roughly 62.3 percent of net household growth over the next five years that matches renter share of household growth over the past 19 years.
- The market area is dominated by younger renter households living alone. One- and two-person households account for two-thirds (68.4 percent) of all renters. More than one-half (53.3 percent) of the primary market area's renters are young adults under the age of 35 although another one-quarter are renters between the ages of 35 – 54. These households are most likely to be renting more out of financial necessity than lifestyle preference.
- The estimated 2017 median household income in the Friendship Court Market Area is 55,523. The primary market area's median renter household earns \$38,322 per year. The median renter income is modest and likely influenced by the large number of students as well as households residing in rent-subsidized properties within the market area. Roughly one-half (47 percent) of the primary market area's renters have annual incomes below \$35,000 although nearly one-third (31.0 percent) of all renter households have an annual income between \$35,000 and \$75,000.
- Data from the 2013 to 2017 ACS indicates that nearly two out of five (37 percent) renter households pay more than 40 percent towards housing. This excludes those households who reside in subsidized rent situations because their housing expenses are capped at 30 percent of their income.

4. Competitive Housing Analysis

Based on the low vacancies reported in RPRG's survey of both the market rate and income-restricted general occupancy rental communities, the rental market in the Friendship Court Market Area is tight, pointing to its ability to support the proposed subject apartments.

- The current combined stabilized vacancy rate across the surveyed rental communities is 2.1 percent; the tax credit vacancy rate is lower at 1.1 percent.
- There has been a significant expansion in the multifamily rental housing stock in recent years; a vast majority of the new apartments target the highest income renter households. Since 2010, eight market rate rental communities have opened with 1,372 units. In contrast, only two tax credit rental communities have opened with 126 units.



- The market rate rental communities have a varied building structure and range in size from 12 units up to 468 units. These communities typically offer residents some amenities and/or an attractive downtown location with upscale unit features. Effective rents for Upper Tier one-bedroom apartments average \$1,284 (\$1.64 per square foot); the two-bedroom market rate units average \$1,457 (\$1.37 per square foot); and the three-bedroom market rate units average \$1,691 (\$1.25 per square foot).
- Tax Credit rental units in the Friendship Court Market Area account for only one out of four of the surveyed multifamily stock. While these properties are older, many have undergone some renovation in recent years. On average, income-restricted properties are smaller and have fewer community amenities. Effective rents for one-bedroom apartments average \$739 (\$1.07 per square foot); two-bedroom tax credit units average \$879 (\$0.95 per square foot); and three-bedroom tax credit units average \$1,025 (\$0.87 per square foot).
- Three rental communities are under construction at this time with a total of 142 units. Within the next three years, it is anticipated that five other properties – one tax credit and four market rate – will deliver another 662 units.

B. Derivation of Demand

1. Net Demand Methodology

In this section, RPRG presents a Derivation of Demand calculation that is intended to gauge whether sufficient demand from renter households exists in the Friendship Court Market Area to absorb the number of units proposed for the subject project plus those units proposed at other pipeline rental communities. The result of this analysis can be either a positive number (which shows the extent to which available demand for rental units would exceed available supply), a negative number (which shows the extent to which available supply would exceed the number of units needed/demanded over the period in question), or very rarely zero (in which case rental supply and rental demand would be perfectly in balance in terms of number of units demanded versus number of units supplied). We restrict the analysis to a three-year period in part to avoid artificially inflating demand by incorporating demand that would not be created until well after the subject project was introduced to the market and in part due to the difficulty in accurately predicting the likely supply of competing rental units beyond the three-year period.

RPRG's Derivation of Demand examines the balance of the demand for new rental housing units of all types (i.e. luxury market-rate, more affordable market-rate, tax credit, rent-subsidized, and age-restricted) versus the upcoming supply of rental housing units of all types. The Derivation of Demand calculation is an incremental or net analysis, in that it focuses upon the change in demand over the period in question, as opposed to focusing on the market's total demand. Considerations such as household incomes, floor plan types, and proposed rents for the subject and other pipeline projects are not factored into the Derivation of Demand; rather, we address the interplay of these factors within the subsequent related Affordability Analysis and Penetration Analysis sections.

RPRG sums demand generated from three broad sources to arrive at 'Total Demand for New Rental Units' over the January 2019 to January 2022 period.

RPRG sums demand generated from three broad sources in order to arrive at 'Net Demand for New Rental Units' over the January 2019 to January 2022 period:

- **Projected Change in the Household Base.** Recall that in the Growth Trends section of this report, we presented projections of household change within the primary market area over the 2010 to 2024 period. We factor in three years' worth of the household change suggested by the annual rate of household growth or decline (2019 to 2020, 2020 to 2021, and 2021 to

2022). Note that net household change incorporates growth or decline stemming from both organic changes within existing households (i.e. new household formation as children move out of their parents' homes, divorces, roommates electing to begin renting separately) and household migration into and out of the market area

- **Need for Housing Stock Upgrades.** Demand for new housing units within a primary market area is generated when the stock of available housing units ceases to meet the housing needs of households that wish to remain residents of that primary market. In such instances, the housing stock needs to be upgraded either through the renovation of existing units or the construction of new units. That a housing unit has ceased to meet the housing needs of a market area's households becomes evident in any number of ways, including:
 - **Physical Removal or Demolition.** Clearly, if a unit is demolished or otherwise physically removed from a market, it is no longer available to serve local households. Several factors contribute to the removal of housing units. Housing units are occasionally removed from any given market through disasters such as fires and various types of weather phenomenon. While such disasters occur somewhat randomly, the decision whether to repair or demolish a unit is based on the economic value of the property. Thus, a unit being permanently lost in a disaster should be correlated with factors such as its age, structure type, and physical condition. Demolitions can also be instigated through the loss of economic value or in response to a situation where vacant land has become more valuable than the land plus its existing structure. Based on American Housing Survey data, researchers have analyzed Components of Inventory Change (CINCH) (Table 40). CINCH data indicated that renter-occupied or vacant units were far more likely to be demolished than owner-occupied units; among renter-occupied and vacant units, single-family detached units were more likely to be demolished than multifamily units.
 - **Permanent Abandonment.** Housing units can be technically removed from the stock available to serve households without being physically removed. This happens when a housing unit's owner elects to permanently abandon the unit – due to obsolescence, overwhelming repair costs, or other factors – without going through the steps (and costs) of demolishing it. If a dilapidated unit was occupied up until the time of permanent abandonment, the former occupant represents a source of demand for other units in the area.
 - **Overcrowding.** As defined by the U.S. Census Bureau, a housing unit is classified as overcrowded if the household occupying the unit has more people than the housing unit has rooms. Particularly in markets with high housing costs, lower-income individuals and families are often driven into an overcrowded housing situation. Overcrowded households constitute pent-up demand for new housing units not typically captured in household growth projections; were two affordable units to become available, an overcrowded household would very likely split into two households and generate an additional net unit of housing demand.
 - **Mismatch between Household Incomes and Housing Stock Quality.** While permanent abandonment and overcrowding are two factors likely to lead to net new demand for affordable housing units, limited recent housing construction in a stable, long-established neighborhood can be an indicator of pent-up demand for new housing units serving middle- to upper-income households. Areas that exhibit this phenomenon are often downtown, inner city, or inner ring suburban locations that currently have – and have had for years – limited to no undeveloped land available for new housing construction/growth. When a neighborhood is



stable in terms of overall household numbers but near the point of build-out for many years, many resident households develop a desire for a modern housing unit and the wherewithal to rent or purchase one but have no stock of modern units from which to choose. Such households are ‘under-housed’ in that the quality of the housing stock in the area where they live (and wish to remain) does not match the type of housing they demand and could afford. Such pent-up demand is rarely captured in public projections of household growth and is difficult to translate to specific calculations. However, this pent-up demand is a very real factor driving demand for new housing units in stable, established residential neighborhoods.

Table 40 Components of Inventory Change (CINCH)

A. Characteristics	C. Present in 2011	D. 2011 units present in 2013	2011 Unit change ('000 Units)							TOTAL Lost to Stock	Total exclude MH	2011-13 Annual
			E. Change in characteristics	F. lost due to conversion /merger	G. house or mobile moved out	H. changed to non residential use	I. lost through demolition or disaster	J. badly damaged or condemned	K. lost in other ways			
Total Housing Stock	132,420	130,852		98	161	202	470	212	424	1,567	1,406	703
				0.07%	0.12%	0.15%	0.35%	0.16%	0.32%	1.18%	1.06%	0.53%
Occupancy												
Occupied units	114,907	105,864	8,313	58	99	68	238	59	207	729	630	315
				0.05%	0.09%	0.06%	0.21%	0.05%	0.18%	0.63%	0.55%	0.27%
Vacant	13,381	5,123	7,642	38	50	85	175	110	158	616	566	283
				0.28%	0.37%	0.64%	1.31%	0.82%	1.18%	4.60%	4.23%	2.11%
Seasonal	4,132	2,132	1,778	2	11	49	57	43	59	221	210	105
				0.05%	0.27%	1.19%	1.38%	1.04%	1.43%	5.35%	5.08%	2.54%
Region (All Units)												
Northeast	23,978	23,718	38	0	28	55	40	99		260	260	130
				0.16%	0.00%	0.12%	0.23%	0.17%	0.41%	1.08%	1.08%	0.54%
Midwest	29,209	28,849	14	28	49	117	56	95		359	331	166
				0.05%	0.10%	0.17%	0.40%	0.19%	0.33%	1.23%	1.13%	0.57%
South	50,237	49,526	29	120	75	235	94	159		712	592	296
				0.06%	0.24%	0.15%	0.47%	0.19%	0.32%	1.42%	1.18%	0.59%
West	28,996	28,759	17	13	50	63	23	71		237	224	112
				0.06%	0.04%	0.17%	0.22%	0.08%	0.24%	0.82%	0.77%	0.39%
Owner occupied	76,092	69,324	6,418	14	83	14	116	26	97	350	267	134
				0.02%	0.11%	0.02%	0.15%	0.03%	0.13%	0.46%	0.35%	0.18%
Renter occupied	38,815	31,181	7,253	45	16	54	122	33	110	380	364	182
				0.12%	0.04%	0.14%	0.31%	0.09%	0.28%	0.98%	0.94%	0.47%
Metro Status												
In Central Cities	37,400	36,974	49	3	70	124	67	112		425	422	211
				0.13%	0.01%	0.19%	0.33%	0.18%	0.30%	1.14%	1.13%	0.56%
In Suburbs	65,872	65,311	26	57	54	169	69	186		561	504	252
				0.04%	0.09%	0.08%	0.26%	0.10%	0.28%	0.85%	0.77%	0.38%
Outside Metro Area	29,148	28,567	23	101	78	177	76	125		580	479	240
				0.08%	0.35%	0.27%	0.61%	0.26%	0.43%	1.99%	1.64%	0.82%

Source: American Housing Survey, Components of Inventory Change 2011-2013; Prepared by Ecometrica, Inc. for U.S. Department of Housing & Urban Development Office of Policy Development & Research; April 2016

- Competitive Multifamily Vacancy Rates.** The final source of demand that factors into RPRG’s calculation of demand for rental units is the observed vacancy rate in the primary market area’s competitive rental market. RPRG assumes that a 5.0 percent vacancy rate is required to keep a rental market relatively elastic. Elasticity in this context means that an adequate number of quality housing units are vacant and available at any given time so that households seeking rental units can be accommodated and can have some choice among units. When the market vacancy rate is below 5.0 percent, additional units are needed to ensure an adequate number of available units from which to choose. When the market vacancy rate is above 5.0 percent, the market has the capacity to absorb some

additional demand (whereby that amount of demand would not need to be met through the development of new units).

In considering competitive vacancy rates, we focus on multifamily units for several reasons. One of the primary reasons is that the scattered market in single-family homes, condominiums, and other properties is extremely fluid and cannot be relied upon to consistently serve renter households, since the inventory can convert to homeownership very quickly. We leave rent-subsidized multifamily properties out of this calculation to avoid overestimating demand, as the subsidized rental market is generally fully subscribed with waiting lists.

2. Net Demand Calculation

Table 41 applies the discussion of sources of demand for new rental units to the Friendship Court Market Area. The steps in our Derivation of Demand analysis for the three-year period between January 2019 and January 2022 are as follows:

- Per the household trend information discussed earlier, RPRG estimates that there are 31,840 households in the Friendship Court Market Area as of January 2019, a number that is projected to increase to 33,258 by January 2022. The Friendship Court Market Area is expected to add approximately 1,417 net households during the three-year period.
- Using national statistical observations from 2011-2013 CINCH data, Econometrica determined that the average annual loss of occupied housing units in the United States (for all reasons other than the moving of homes, particularly mobile homes) was 0.27 percent of the total occupied stock.

We determined the size of the housing stock in the primary market area for 2019, 2020 and 2021 by applying the ratio of occupied to total housing units from the 2010 Census to RPRG's projected household totals. Applying the assumed 0.27 percent removal rate over the three years in question, we estimate that 281 units are likely to be lost.

Summing the net household increases with the number of units removed from the market, we calculate the net new demand for housing units of all types over the three-year period to be 1,698 units.

- Given the substantial pipeline of rental units and local trends, RPRG projects renter households will continue to contribute roughly 62.3 percent of net household growth over the next five years that matches renter share of household growth over the past 19 years. Applying this rate to new housing demand results in demand for 1,059 new rental units over the next three years.
- RPRG survey of the stabilized general occupancy rental communities in the primary market area consists of 4,775 units. Of these, 100 are currently vacant, yielding a 2.1 percent vacancy rate. (Conservatively, we have excluded the deep subsidy rental market since these properties typically remain fully occupied and including them may over-estimate demand for market rate properties.)
- RPRG assumes a 95 percent occupancy level in calculating the third broad component of demand. Given the surveyed competitive marketplace of 4,775 units, approximately 239 vacancies would be required to arrive at a 5.0 percent vacancy rate. Subtracting the 100 vacant units from this number reveals an unmet demand for 139 additional rental units in the Friendship Court Market Area.
- Summing demand from household change, projected unit removals, and the vacancy rate in the existing market, there would be total demand for 1,197 new rental units in the primary market area over the next three years.



- Net demand for new rental units must be balanced against new rental stock likely to be added to the market area’s inventory over this period. In addition to the subject’s proposed 106 units, there are eight rental communities in various stages of construction/development that will add an additional 804 units to the rental supply over the next three years. After adjusting for 95 percent occupancy, all of these projects will add 865 units to the existing supply.

Upon subtracting the expected additions to the supply (865 units) from net demand for new rental units (1,197 units), we arrive at an excess demand for 333 rental units in the Friendship Court Market Area between January 2019 and January 2022.

Table 41 Derivation of Net Demand, Friendship Court Market Area

Demand			
<i>Projected Change in Household Base</i>			<i>Units</i>
January 2019 Households			31,840
January 2022 Households			33,258
Net Change in Households			1,417
	Housing Stock	Removal Rate	Units Removed
Add: Units Removed from Housing Stock			
2019 Housing Stock	34,171	0.27%	92
2020 Housing Stock	34,661	0.27%	94
2021 Housing Stock	35,150	0.27%	95
Total Units Removed from Housing Stock			281
New Housing Demand			1,698
Average Percent Renter Households over Analysis Period			62.3%
New Rental Housing Demand			1,059
	Inventory		Vacant
Add: Multifamily Competitive Vacancy			
Stabilized Multifamily Communities	4,775		100
Communities Under Lease Up	0		0
Total Competitive Inventory		4,775	100
Market Vacancy at 5%			239
Less: Current Vacant Units			-100
Vacant Units Required to Reach 5% Market Vacancy			139
Total Demand for New Rental Units			1,197
Planned Additions to the Supply			
	Total Units	95% Occupancy	
Lofts at Meadow Creek (U/C)	65	62	
Riverside Village (U/C)	24	23	
Blue Moon Apartments (U/C)	53	50	
Carlton Views Phase II -LIHTC	48	46	
The Presidio	250	238	
Monticello Dairy Building	175	166	
Vistas at Pantops	144	137	
902 River Road	45	43	
Subject Property	106	101	
Total New Rental Supply		910	865
Excess Demand for Rental Housing			333

Source: RPRG, Inc.

3. Conclusions on Net Demand

The Net Demand calculation indicates a healthy market place with healthy pent up demand for rental housing of 300 units beyond what is proposed. The underlying strength of the rental market



with a low vacancy rate of two percent buttressed by strong economic and household growth supports the demand analysis. The subject is also strategically located in a portion of the market area that has been underserved by affordable apartment product.

C. Effective Demand – Affordability/Capture & Penetration Analyses

1. Methodology

In this section, we test whether sufficient income-qualified households would be available to support the specific units at the subject property and properties in the same broad segment of the rental market in terms of pricing. This analysis is conducted independently of the Net Demand Analysis as units at the subject property are likely to be filled by a combination of new households (either moving to or created in the market area) and existing households moving within the market area. The total demand – comprised of the net or incremental demand and the demand from existing households – is the relevant frame of reference for the analysis.

The Affordability/Capture Analysis tests the percentage of income-qualified households in the primary market area that the subject community must capture in order to achieve full occupancy. The Penetration Analysis tests the percentage of income-qualified households in the market area that the subject community and comparable competitive communities combined must capture in order to achieve full occupancy. The combination of the Net Demand, Affordability/Capture and Penetration Analyses determines if the primary market area can support additional rental units and if sufficient households exist in the targeted income range to support the proposed units.

The first component of the Effective Demand involves looking at total income and renter income among Friendship Court Market Area households for the target year. The Developer projects that units at Friendship Court will initially be placed in service in 2021 and, as such, 2021 is used as the target year for these analyses. RPRG calculated 2021 income distributions for total households and renter households based on RPRG household projections, income estimates from the 2013-2017 ACS, and income projections from Esri (Table 42).

Table 42 2021 Total and Renter Income Distribution, Friendship Court Market Area

Friendship Court Market		Total Households		Renter Households	
2021 Income		#	%	#	%
less than	\$15,000	4,370	13.3%	3,598	18.6%
	\$15,000 - \$24,999	2,938	9.0%	2,419	12.5%
	\$25,000 - \$34,999	3,148	9.6%	2,172	11.2%
	\$35,000 - \$49,999	4,039	12.3%	2,848	14.7%
	\$50,000 - \$74,999	5,244	16.0%	3,125	16.1%
	\$75,000 - \$99,999	3,900	11.9%	2,125	11.0%
	\$100,000 - \$149,999	4,797	14.6%	1,856	9.6%
	\$150,000 - Over	4,349	13.3%	1,229	6.3%
Total		32,785	100%	19,371	100%
Median Income		\$59,044		\$42,883	

Source: American Community Survey 2013-2017 Projections, RPRG, Inc.

A particular housing unit is typically said to be affordable to households that would be expending a certain percentage of their annual income or less on the expenses related to living in that unit. In the case of rental units, these expenses are generally of two types – monthly contract rents paid to property owners and payment of utility bills for which the tenant is responsible. The sum of the



contract rent and utility bills is referred to as a household's 'gross rent burden'. For the Affordability/Capture and Penetration Analyses, RPRG employs a 35 percent gross rent burden. The 35 percent rent burden is the rent burden mandated by VHDA for use in evaluating proposed general occupancy LIHTC communities. Rent burdens of 35 percent are also typically used in underwriting multifamily rental communities in the Mid-Atlantic region, particularly communities with rents targeting low- and moderate-income households in areas with high housing costs.

All of the tax credit units at the subject will be restricted to households with incomes at 30 percent, 50 percent, 60 percent, and 80 percent of AMI although 46 units will have project-based rental subsidies so that these households could essentially have incomes ranging from \$0 to a maximum of 60 percent AMI. The household sizes assume 1.5 persons per bedroom for the one-, two-, three-, and four-bedroom units. Utility allowances were provided by the client assuming Energy Star appliances.

2. Affordability Analysis

The steps in our Affordability Analysis for Friendship Court at RPRG's proposed rents are as follows (Table 43). We assume no minimum income for subsidized units.

- As an example, the overall shelter cost (gross rent) for a two-bedroom unit at 30 percent of AMI, would be \$576 per month (\$498 rent plus a \$78 utility allowance for utility costs beyond those for water, sewer and trash removal).
- By applying a 35 percent rent burden to this gross rent, we determined that the two-bedroom unit at 30 percent of AMI would be affordable to households earning at least \$19,749 per year. The projected number of primary market area renter households earning at least \$19,749 in 2021 is 14,669.
- A household occupying a two-bedroom unit (assuming 1.5 persons/bedroom) and earning 30 percent of AMI for the Charlottesville VA MSA would have a maximum income of \$23,040. According to the interpolated income distribution for 2021, there would be 13,871 renter households in the primary market area with incomes exceeding the upper income bound.
- Subtracting the 13,871 renter households with incomes above the 30 percent maximum income limit from the 14,669 renter households that could afford to rent this unit, we calculate that 799 households in the primary market area as of 2021 would be in the band of affordability for the subject's 30 percent two-bedroom units. Friendship Court would need to capture 0.8 percent of these income-qualified renter households to absorb all 6 of the 30 percent two-bedroom units as of 2021.
- Following the same methodology, we tested the affordability of the remaining unit types at each of the income bands as well as those units which are subsidized with no minimum incomes required for residency. The capture rates among income-qualified renter households for these distinct unit types by income band range from 0.2 percent (for the 60 percent of AMI units) to 0.7 percent (for the 80 percent of AMI units).



Table 43 2021 Affordability Analysis for Friendship Court, Assuming 35% Rent Burden and Subsidies

30% AMI		35% Rent Burden		Two Bedroom Units		Three Bedroom Units		Four Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		6		4		1			
Net Rent		\$498		\$574		\$640			
Gross Rent		\$576		\$665		\$743			
Income Range (Min, Max)		\$19,749		\$23,040		\$22,800		\$25,474 \$29,700	
Renter Households									
Range of Qualified Hhlds		14,669		13,871		13,929		13,041	
# Qualified Hhlds		799		888		920			
Renter HH Capture Rate		0.8%		0.5%		0.1%			

50% AMI		35% Rent Burden		One Bedroom Units		Two Bedroom Units		Three Bedroom Units		Four Bedroom Units	
Number of Units		6		16		14		8			
Net Rent/Gross Rent		\$744		\$1,195		\$1,383		\$1,469			
Gross Rent		\$800		\$1,273		\$1,474		\$1,572			
Income Range (Min, Max)		\$27,429		\$32,025		no min\$ \$38,400		no min\$ \$44,375		no min\$ \$49,500	
Renter Households											
Range of Qualified Hhlds		12,866		11,865		19,431		10,569		19,431	
# Qualified Households		1,001		8,862		10,000		8,456		10,975	
Renter HH Capture Rate		0.6%		0.2%		0.1%		0.1%			

60% AMI		35% Rent Burden		One Bedroom Units		Two Bedroom Units		Three Bedroom Units		Four Bedroom Units	
Number of Units		4		5		10		2			
Net Rent		\$855		\$1,022		\$1,383		\$1,469			
Gross Rent		\$911		\$1,100		\$1,474		\$1,572			
Income Range (Min, Max)		\$31,234		\$38,430		no min\$ \$53,250		no min\$ \$59,400			
Renter Households											
Range of Qualified Hhlds		12,037		10,564		10,700		9,107		19,431	
# Qualified Households		1,473		11,478		7,953		11,478		7,182	
Renter HH Capture Rate		0.3%		0.3%		0.1%		0.0%			

80% AMI		35% Rent Burden		One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
Number of Units		11		17		2			
Net Rent		\$1,162		\$1,350		\$1,529			
Gross Rent		\$1,218		\$1,428		\$1,620			
Income Range (Min, Max)		\$41,760		\$51,240		\$48,960		\$61,440	
Renter Households									
Range of Qualified Hhlds		9,929		8,205		8,558		6,926	
# Qualified Households		1,725		1,632		7,665		5,727	
Renter HH Capture Rate		0.6%		1.0%		0.1%			

Income Target	# Units	Renter Households = 19,431				
		Band of Qualified Hhlds		# Qualified HHs	Capture Rate	
30% AMI	11	Income Households	\$19,749	\$29,700	2,298	0.5%
50% AMI	44	Income Households	no min\$	\$49,500	10,975	0.4%
60% AMI	21	Income Households	19,431	7,182	12,249	0.2%
80% AMI	30	Income Households	\$41,760	\$71,000	4,202	0.7%
LIHTC Units	106	Income Households	no min\$	\$71,000	13,704	0.8%

- The 46 tax credit units with project-based subsidies (those which target households at or below 50 and 60 percent of AMI) would need to capture less than 0.1 to 0.2 percent of the income-qualified renters. The 60 tax credit units without project-based subsidies would need to capture 0.1 to 1.0 percent of the income-qualified renter households. Overall, the capture rate for all units is 0.8 percent.
- In the event that Section 8 subsidies go away, we have performed a sensitivity analysis assuming that all two, three, and four bedroom units with subsidies convert to 50 and 60



percent of AMI unit units. The capture rate for 50 percent units increases to 0.9 percent compared to 0.5 percent with subsidies, the capture rate for 60 percent units increases to 0.5 percent compared to 0.2 percent, and the overall capture rate increases to 1.2 percent compared to 0.8 percent with subsidies.

Table 44 2021 Affordability Analysis for Friendship Court, Assuming 35% Rent Burden and No Subsidies

30% AMI		35% Rent Burden		Two Bedroom Units		Three Bedroom Units		Four Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Number of Units				6		4		1	
Net Rent				\$498		\$575		\$640	
Gross Rent				\$576		\$666		\$743	
Income Range (Min, Max)				\$19,749	\$23,040	\$22,834	\$26,625	\$25,474	\$29,700
Renter Households									
Range of Qualified Hhlds				14,669	13,871	13,921	13,041	13,292	12,371
# Qualified Hhlds				799		880		920	
Renter HH Capture Rate				0.8%		0.5%		0.1%	

50% AMI		35% Rent Burden		One Bedroom Units		Two Bedroom Units		Three Bedroom Units		Four Bedroom Units	
Number of Units		1		16		14		8			
Net Rent/Gross Rent		\$746		\$882		\$1,018		\$1,134			
Gross Rent		\$802		\$960		\$1,109		\$1,237			
Income Range (Min, Max)		\$27,497		\$32,025		\$32,914		\$38,400		\$42,411	
Renter Households											
Range of Qualified Hhlds		12,851		11,865		11,671		10,569		9,805	
# Qualified Households		986		1,102		1,210		1,350			
Renter HH Capture Rate		0.1%		1.5%		1.2%		0.6%			

60% AMI		35% Rent Burden		One Bedroom Units		Two Bedroom Units		Three Bedroom Units		Four Bedroom Units	
Number of Units		4		5		10		2			
Net Rent		\$855		\$1,074		\$1,240		\$1,382			
Gross Rent		\$911		\$1,152		\$1,331		\$1,485			
Income Range (Min, Max)		\$31,234		\$38,430		\$39,497		\$46,080		\$50,914	
Renter Households											
Range of Qualified Hhlds		12,037		10,564		10,360		9,107		8,246	
# Qualified Households		1,473		1,254		1,239		1,239		1,064	
Renter HH Capture Rate		0.3%		0.4%		0.8%		0.2%			

80% AMI		35% Rent Burden		One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
Number of Units		11		17		2			
Net Rent		\$1,162		\$1,350		\$1,529			
Gross Rent		\$1,218		\$1,428		\$1,620			
Income Range (Min, Max)		\$41,760		\$51,240		\$48,960		\$61,440	
Renter Households									
Range of Qualified Hhlds		9,929		8,205		8,558		6,926	
# Qualified Households		1,725		1,632		1,938		1,938	
Renter HH Capture Rate		0.6%		1.0%		0.1%			

Income Target	# Units	Renter Households = 19,431				
		Band of Qualified Hhlds		# Qualified HHs	Capture Rate	
30% AMI	11	Income	\$19,749	\$29,700	2,298	0.5%
		Households	14,669	12,371		
50% AMI	39	Income	\$27,497	\$49,500	4,396	0.9%
		Households	12,851	8,456		
60% AMI	26	Income	\$31,234	\$59,400	4,855	0.5%
		Households	12,037	7,182		
80% AMI	30	Income	\$41,760	\$71,000	4,202	0.7%
		Households	9,929	5,727		
LIHTC Units	106	Income	\$19,749	\$71,000	8,942	1.2%
		Households	14,669	5,727		

Source: Income Projections, RPRG, Inc.

3. Penetration Analysis

To provide further insight into the market dynamics, we have also conducted a Penetration Analysis (Table 45). The Penetration Analysis evaluates the capacity of the market area to serve the entire inventory of directly competitive rental units. Our analysis utilizes the same target date



of 2021; the same 35 percent rent burden; and, income levels as presented in the Affordability Analysis for the tax credit units (the subsidized units were not included because of the substantial waiting lists for all bedroom types at the existing Friendship Court property).

As of 2021, the competitive supply of 30, 50, 60, and 80 percent AMI rental stock consists of a total of 2,591 units, of which 121 are in the development pipeline (60 units at the subject, 48 units at Carlton Views, and 13 workforce units at Lofts at Meadows Creek). In addition, the directly competitive supply of units that target the subject’s workforce units (targeted to 80 percent of AMI) have conservatively included seven of the lowest rent communities in the market rate group. The incomes of households who could afford the directly competitive supply range from \$19,749 to \$71,000. The minimum income for the 30 percent of AMI units utilizes the subject’s two-bedroom contract rent and ranges up to the allowable maximum income for a four-bedroom unit at 80 percent of AMI. An estimated 8,942 renter households will be in the band of affordability for all 30, 50, 60, and 80 percent of AMI one-, two-, three-, and four-bedroom units as of 2021. The existing and planned affordable supply would need to capture 29.0 percent of these renter households in order to reach full occupancy.

Table 45 Penetration Analysis for Friendship Court, Assuming 35% Rent Burden

30% Units		50% Units		60% Units		80% Units	
Competitive Units	Units	Competitive Units	Units	Competitive Units	Units	Competitive Units	Units
		Virnita Court	7	Malside Forest	160	Virnita Hill Market	5
		Treesdale Park	66	Hearthwood TH	200	Abbingtion Crossing	344
		Greenstone on 5th	202	Carlton Views	40	Westgate	284
		Monticello Vista	45	Rio Hill	110	North Woods	310
				Wilton Farm	144	Granite Park	425
				Virnita Court	2	Woodridge	60
						Gardenwood	18
						Rivanna Terrace	48
subtotal	0	subtotal	320	subtotal	656	subtotal	1,494
Pipeline Units	Units	Pipeline Units	Units	Pipeline Units	Units	Pipeline Units	Units
		Carlton Views II	8	Carlton Views II	40	Lofts at Meadow Creek	13
subtotal	0	subtotal	8	subtotal	40	subtotal	13
Subject Property	Units	Subject Property	Units	Subject Property	Units	Subject Property	Units
	11		10		9		30
Total	11	Total	338	Total	705	Total	1,537

Income Target	Total Competitive Units	Renter Households = 19,431		# Qualified HHs	Penetration Rate
		Band of Qualified Hhlds			
		Two Bedroom	Four Bedroom		
30% Units	11	\$19,749	\$29,700	2,298	0.5%
		14,669	12,371		
		One Bedroom	Two Bedroom		
50% Units	338	\$27,497	\$38,400	2,282	14.8%
		12,851	10,569		
		One Bedroom	Two Bedroom		
60% Units	705	\$31,234	\$46,080	2,930	24.1%
		12,037	9,107		
		One Bedroom	Three Bedroom		
80% Units	1,537	\$41,760	\$71,000	4,202	36.6%
		9,929	5,727		
		One Bedroom	Three Bedroom		
Total Units	2,591	\$19,749	\$71,000	8,942	29.0%
		14,669	5,727		

4. Conclusions on Affordability and Penetration

RPRG judges that all capture and penetration rates are very low and readily achievable, particularly since the subject will be in a prime downtown location and will offer new and attractive units at affordable rates. The subject’s overall renter capture rates is low at 0.8 percent– significantly lower



than the five percent threshold indicative of a strong market. Even without subsidies, the overall capture rate is still a very low 1.2 percent.

RPRG considers the calculated penetration rate for the tax credit units of 29 percent of income-restricted renter households to be reasonable within the context of the Friendship Court Market Area. In essence, our analysis suggests that the most directly competitive rental units will need to capture roughly three out of ten income-restricted renter households.

D. VHDA Demand Analysis

The Virginia Housing Development Authority (VHDA) mandates a particular demand methodology in evaluating applications for Low-Income Housing Tax Credits. VHDA opts for a need-driven demand methodology which factors the topics of cost-burdened renters and substandard rental housing into the demand equation. In this section, RPRG calculates demand according to the VHDA methodology for Friendship Court. VHDA's demand methodology for general occupancy LIHTC projects such as the subject accounts for as many as four primary components of potential need/demand:

- **Household Growth or Decline.** The household trend required by VHDA is the net increase or decrease in the number of income-qualified renter households in the primary market area between a base year of 2019 and a target year of 2022.
- **Cost Burdened Renters.** VHDA's second component of demand is cost burdened renters, a designation which is typically defined as those renter households paying more than 35 percent of household income for housing costs. To be conservative, RPRG uses the 2013-2017 ACS data on cost-burdened renter households presented earlier in Table 23 to estimate the percentage and number of income-qualified renters for the subject project that will be cost-burdened as of 2019 as defined by spending 40 percent of income on rent, or 37.3 percent of renters.
- **Renter Households in Substandard Housing.** VHDA's third component of demand accounts for income-qualified renter households living in substandard units, defined as overcrowded units (having 1.01 or more persons per room) and/or units lacking complete plumbing facilities. According to the 2013-2017 ACS, the percentage of renter households in the primary market area that lived in substandard conditions was 2.4 percent.
 - **Existing Tenants Likely to Remain.** For projects that constitute the renovation of an existing property with current tenants, VHDA requests that analysts consider the percentage of current tenants that are likely to remain following the proposed renovation. This section is not applicable since all tenants at the subject will be new to the community.

Table 46 outlines the detailed VHDA demand calculations for Friendship Court that stem from the four demand components. Total demand available for the 106-unit proposed mixed income project is expected to include 590 net new renter households, 4,937 cost-burdened households, and 324 households currently residing in substandard housing. The calculation thus yields a total demand for 5,851 additional units of rental housing serving the targeted income bands.

Comparable units that are presently available or that would likely be available constitute supply that must be subtracted from total VHDA demand to arrive at VHDA net demand. Based on the known vacancy rates for the rental communities in our survey, there are 62 vacant units in the competitive supply. The pipeline consists of 13 affordable units at Lofts at Meadow Creek and 48 units at Carlton Views II. Subtracting the vacant existing and pipeline units, VHDA net demand totals 5,728 units.



Given net demand of 5,728 units, the 106-unit new rental project on the Friendship Court site would need to capture 1.9 percent of income-qualified renter households per VHDA’s demand methodology

Table 46 VHDA Demand by Overall Income Targeting

Income Target	30% AMI	50% AMI*	60% AMI*	80% AMI	Project Total
Minimum Income Limit	\$19,749	no min\$	no min\$	\$41,760	no min\$
Maximum Income Limit	\$29,700	\$49,500	\$59,400	\$71,000	\$71,000
(A) Renter Income Qualification Percentage	11.8%	56.5%	63.0%	21.6%	70.5%
Demand from New Renter Households - Calculation (C-B)*F*A	99	472	527	181	590
+ Demand from Rent Overburdened HHs - Calculation: B*E*F*A	828	3,954	4,413	1,514	4,937
+ Demand from Substandard Housing - Calculation B*D*F*A	54	260	290	99	324
+ Existing Qualified Tenants to Remain	36				
Total Income Qualified Renter Demand	1,017	4,686	5,230	1,794	5,851
Less: Comparable Vacant Units	0	1	11	50	62
Less: Comparable Pipeline Units	0	8	40	13	61
Net Demand	1,017	4,677	5,179	1,731	5,728
Subject Proposed Units	11	39	26	30	106
Capture Rate	1.1%	0.8%	0.5%	1.7%	1.9%
Estimated Absorption Period					

* Some units are subsidized

Demand Calculation Inputs	
A). % of Renter HHlds with Qualifying Income	see above
B). 2019 Households	31,840
C). 2022 Households	33,258
D). Substandard Housing (% of Rental Stock)	2.4%
E). Rent Overburdened (% of Renter HHlds at >40%)	37.3%
F). Renter Percentage (% of all 2019 HHlds)	59.0%

Given that more than 20 percent of the subject will offer large units of three bedrooms or more, Table 47 calculates demand for the proposed subject’s three- and four bedroom units without any subsidies. In this analysis, we have applied a large family factor of 31.6 percent as documented in Table 19 to reflect the proportion of three-person and larger households within the market area. The VHDA capture rate for these unit types ranges from 0.1 to 0.4 percent.

Table 47 VHDA Three-Bedroom Demand (Units without Subsidies)

Project Total	Three Bedroom Units	Four Bedroom Units
Minimum Income Limit	\$22,834	\$25,474
Maximum Income Limit	\$55,543	\$29,700
Renter Income Qualification Percentage	59.07%	63.04%
Total Income Qualified Renter Demand	4,901	5,230
Large HH Size Adjustment (% renter 3+ renter hhlds)	31.6%	31.6%
Net Income Qualified Renter Demand	1,549	1,653
Vacant and Comparable Units	4	0
Net Demand	1,545	1,653
Proposed Units	6	1
Capture Rate	0.4%	0.1%

Source: Esri

RPRG considers the key captures rates for the new units proposed for Friendship Court as both reasonable and readily achievable. Taking into consideration the very low capture rates, we have estimated an overall project lease up pace of roughly five months, reflecting an average absorption pace of 12 units per month for the 60 new tax credit and market rate units (assuming the 46 subsidized units would be quickly leased from existing waiting lists), or an average project absorption (including the existing subsidized units) of 21 units per month.



E. Target Markets

Targeted moderate income households may include individuals working in service sectors such as retail, leisure and hospitality; in the local hospitals as technicians, orderlies and other medical support staff; administrative and maintenance personnel associated with the University of Virginia; government or contract workers; local public servants such as firefighters, police officers, and teachers; and younger persons early in professional careers. The proposed community could appeal to a wide-range of households, including single persons, married and unmarried couples, roommate situations, as well as single- and dual-parent families.

F. Product Recommendations

Overall, RPRG judges that the subject site can readily be repositioned as a mixed income rental property. As stated previously, the subject site is exceptionally well located in downtown Charlottesville, is served by public transportation and has good access to amenities, services and employment.

- **Structure Type:** The Developer has proposed one four-story garden structure over podium parking that is compatible with the existing community and similar in style to the other existing market rate and tax credit inventory. The two four-story townhome structures with each unit having a private entrance are unique in the market area. The proposed structure types are appropriate for this development.
- **Unit Distribution:** In the context of the target markets, the proposed unit mix is appropriate. Given the large number of families at the existing Friendship Courts Apartments, the emphasis on larger units (three- and four-bedroom units) with a 38 percent share appear reasonable to address existing renter base. Overall, almost one third or renter households in the market have 3 or more persons, which need to be addressed by larger housing units. The proposed 20 percent share of one bedroom units at the subject is comparable to the 20 percent share of smaller units (studios and one bedroom units) in the existing tax credit inventory. The proposed 42 percent share of two bedroom units is moderately below the 52 percent share of two bedroom unit in the tax credit inventory but is counterbalanced by the larger number of three and four bedroom units.
- **Income Targeting:** Given the substantial waiting lists at both subsidized and non-subsidized affordable communities and the limited number of new affordable communities, the range of targeted incomes at the subject appear reasonable. The introduction of qualified moderate income households at 80 percent of AMI will address the needs for quality workforce housing.
- **Unit Size:** The proposed one and two bedroom floor plans at Friendship Court Phase I are competitive with the existing tax credit inventory and the market rate group while the three and four bedroom units are generously sized.
 - One bedroom units at the subject are sized on average at 642 square feet, comparable to the tax credit average of 634 square feet and less than the 781 square foot average of the market rate one bedroom units.
 - Two bedroom garden units at the subject are sized on average at 939 square feet, larger than the tax credit average of 925 square feet and less than the 1,062 square foot average of the market rate two bedroom units. The 1,154 square foot floor plan for the townhome exceeds the average square footage of the surveyed two bedroom model in the market area by roughly 100 square feet.
 - Three bedroom garden units at the subject are sized on average at 1,276 square feet, larger than the tax credit average of 1,172 square feet and the 1,354 square foot average of the



market rate one bedroom units. In a similar fashion, the 1,570 square foot floor plan for the townhome models exceeds the average square footage of the surveyed two bedroom model in the market area by roughly 200 square feet.

- The average size of the four bedroom garden units at the subject at 1,491 square feet and townhomes sized at 1,959 square feet are substantial by any measure.
- **Unit Features:** Units will feature energy-efficient appliances including range/oven, refrigerator, microwave, dishwasher, range hood, laminate counters, and wood cabinets. Luxury vinyl tile (LVT) flooring will most of the apartment. A washer/dryer appliance will be provided in each unit. Townhome units will have private entrances. The inclusion of microwaves and in unit washer-dryers in all units provides the subject a competitive advantage compared to most tax credit communities.
- **Utilities Included in Rent:** Four of the ten tax credit communities and six of the market rate communities includes trash removal costs as does the subject.
- **Common Area Amenities:** The existing community amenities that will be available to tenants at the subject include an on-site resident services programs, after-school care in a community building, a large playground and resident garden. Additional amenities to be provided at the subject include a library, work room/ conference center, and fitness facility. The combination of the existing and proposed amenities will be superior to the amenity packages currently offered at existing tax credit communities.
- **Parking:** The proposed parking at the subject, consisting of 49 surface lot spaces and 67 garage spaces, is consistent with parking at the other tax credit and market rate communities.

G. Price Position

The proposed 30, 50, 60, and 80 percent of AMI rents at Friendship Court Phase I Apartment fall below or are equal to the maximum LIHTC Tenant Rent Limits for each of the target AMI rents as specified in the Department of Housing and Urban Development's 2018 median household income for the Charlottesville, VA HUD Metro FMR Area (Table 1). The subsidized rents are not evaluated since they are not subject to market factors.

- **One Bedroom Units:** The proposed 50 percent one bedroom rent of \$744 is above the range of the \$665 to \$710 50 percent one bedroom rents at the surveyed LIHTC communities. The proposed 60 percent one bedroom rent of \$855 falls within the middle range of the \$772 to \$885 60 percent one bedroom rents at the surveyed LIHTC communities.
- **Two Bedroom Units:** Since there are no 30 percent models in the market area, the proposed 30 percent two bedroom rent of \$498 will be the lowest rent of any the models surveyed at the 23 market area communities. The proposed 50 percent two bedroom rent of \$882 will be slightly above the \$690 to \$860 50 percent two bedroom rent range at the surveyed LIHTC Communities. The proposed 60 percent two bedroom rent of \$1,022 falls within the upper middle range of the \$870 to \$1,056 60 percent two bedroom rents at the surveyed LIHTC communities.
- **Three Bedroom Units:** The proposed 30 percent three bedroom rent of \$574 will also be among the lowest rent of any the models surveyed at the 23 market area communities.
- **Four Bedroom Units:** The proposed 30 percent four bedroom rent of \$639 will also be among the lowest rent of any of the models surveyed at the 23 market area communities
- **80 Percent of AMI Units (Work Force):** The proposed 80 percent AMI rents are generally positioned in the lower to middle range of the 23 market rate communities and will provide

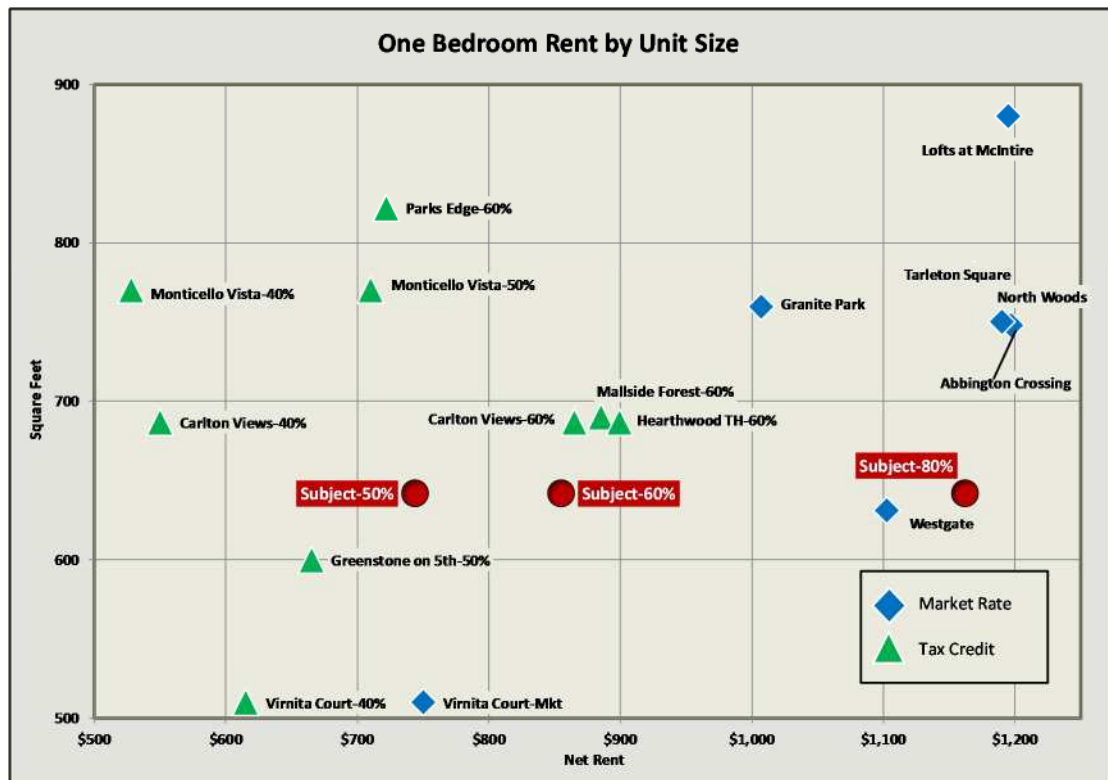


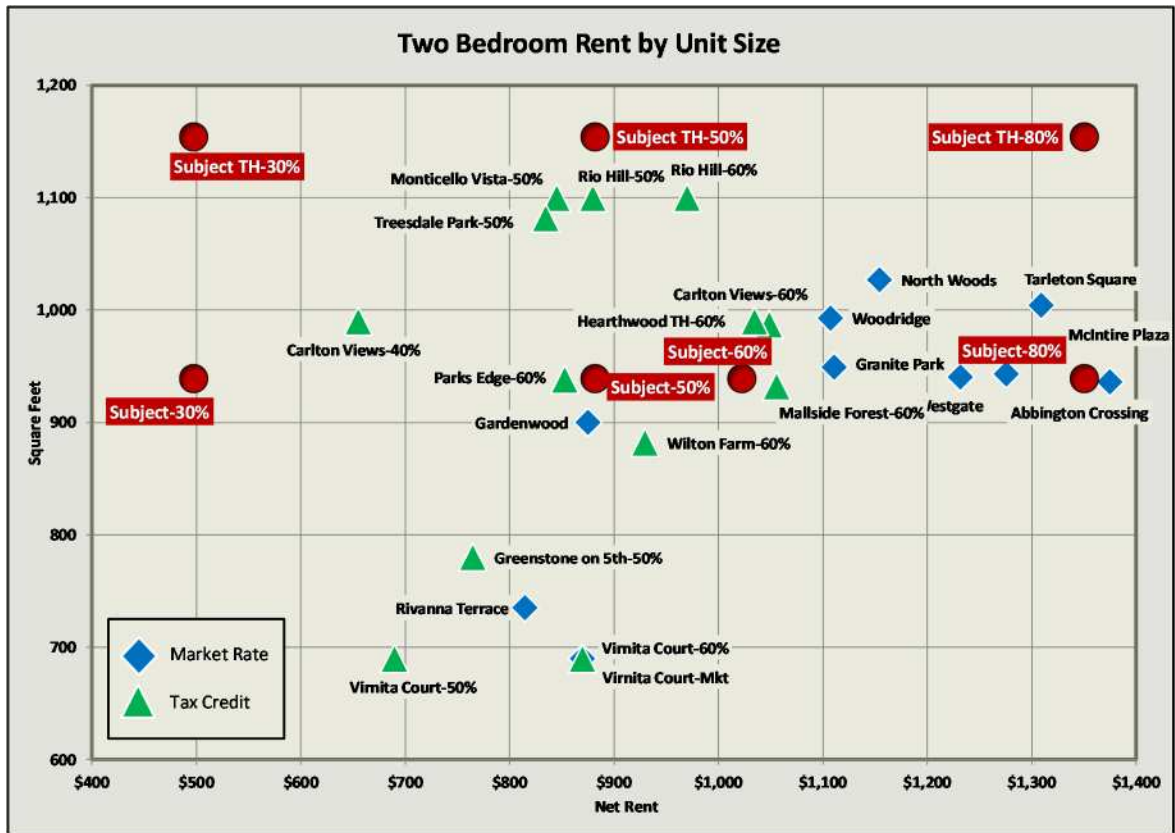
quality affordable housing for households earning too much for traditional tax credit units and too little to afford the newer upscale housing emerging in the market area. Eight of these nine more affordable market rate communities were built between 1967 and 1993; the ninth community (Lofts at McIntire) was built in 2002.

- **One Bedroom Units:** The proposed one bedroom rent of \$1,162 falls within the middle range of the \$1,007 to \$1,195 one bedroom rents of the lower third of the surveyed market rate group.
- **Two Bedroom Units:** The proposed two bedroom rent of \$1,350 for the garden model and for the generously sized townhome model (1,497 square foot) approaches the mid-range of the entire surveyed market rate group.
- **Three Bedroom Units:** The proposed rent of \$1,529 for the generously sized townhome model (1,766 square foot) approaches the mid-range of the entire surveyed market rate group.

Figure 11 provides a graphic representation of the competitive positions of the rents and square footages proposed for the subject’s tax credit unit within the context of the Affordable/Tax Credit supply as well as the subject’s market rate one, two, and three bedroom units within the context of the lower third of the market rate surveyed inventory.

Figure 11 Price Position of Friendship Court Phase I Apartments







H. Concluding Remarks

The subject site is located strategically close to the Downtown Mall, the urban core of downtown Charlottesville that is well-suited to the proposed use as a mixed income rental community. The plan to reposition this large parcel of land from a low-density subsidized rental property to a higher density mixed income development has many benefits for both the existing household base as well as the local community. The site’s location is likely to have a widespread appeal, as demonstrated by the success of other multifamily rental properties within the immediate neighborhood. The Albemarle County/ City of Charlottesville economic base, buttressed by the region’s recession proof health, education, and defense sectors, has consistently remained strong even weathering the recent recession with minimal adverse impact. The market area reported strong population and household growth during the 2000 to 2010 period that has accelerated during the 2010 to 2024 period as more housing options have emerged in Charlottesville and the close-in Albemarle County neighborhoods. Based on the low vacancies reported in RPRG’s survey of both the market rate and income-restricted general occupancy rental communities, the rental market in the Friendship Court Market Area is tight at 2.0 percent vacancy, pointing to its ability to support the proposed subject apartments.

Despite a short term pipeline of eight projects, the demand analysis indicates substantial pent up demand of over 300 units; only one of these projects is a tax credit community that would be directly competitive with the subject. Capture and penetration rates are also low, indicating a large pool of income qualified households to support both the subject and competitive properties. The demand for affordable housing is further demonstrated by virtually full occupancies and waiting lists at subsidized and tax credit properties.

In summary, RPRG recommends the development of Phase I of Friendship Court as a viable and strategic component of downtown Charlottesville’s evolution into a vibrant mixed use and mixed income urban center.

We hope you find this analysis helpful in your decision making process.

Handwritten signature of Jerry Levin in black ink.

Jerry Levin
Senior Analyst

Handwritten signature of Robert M. Lefenfeld in black ink.

Robert M. Lefenfeld
Founding Principal



IX. APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

In conducting the analysis, we will make the following assumptions, except as otherwise noted in our report:

1. There are no zoning, building, safety, environmental or other federal, state or local laws, regulations or codes which would prohibit or impair the development, marketing or operation of the subject project in the manner contemplated in our report, and the subject project will be developed, marketed and operated in compliance with all applicable laws, regulations and codes.
2. No material changes will occur in (a) any federal, state or local law, regulation or code (including, without limitation, the Internal Revenue Code) affecting the subject project, or (b) any federal, state or local grant, financing or other program which is to be utilized in connection with the subject project.
3. The local, national and international economies will not deteriorate, and there will be no significant changes in interest rates or in rates of inflation or deflation.
4. The subject project will be served by adequate transportation, utilities and governmental facilities.
5. The subject project will not be subjected to any war, energy crisis, embargo, strike, earthquake, flood, fire or other casualty or act of God.
6. The subject project will be on the market at the time and with the product anticipated in our report, and at the price position specified in our report.
7. The subject project will be developed, marketed and operated in a highly professional manner.
8. No projects will be developed which will be in competition with the subject project, except as set forth in our report.
9. There are no existing judgments nor any pending or threatened litigation, which could hinder the development, marketing or operation of the subject project.



The analysis will be subject to the following limiting conditions, except as otherwise noted in our report:

1. The analysis contained in this report necessarily incorporates numerous estimates and assumptions with respect to property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates and the variations may be material.
2. Our absorption estimates are based on the assumption that the product recommendations set forth in our report will be followed without material deviation.
3. All estimates of future dollar amounts are based on the current value of the dollar, without any allowance for inflation or deflation.
4. We have no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal matters, environmental matters, architectural matters, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering matters.
5. Information, estimates and opinions contained in or referred to in our report, which we have obtained from sources outside of this office, are assumed to be reliable and have not been independently verified.
6. The conclusions and recommendations in our report are subject to these Underlying Assumptions and Limiting Conditions and to any additional assumptions or conditions set forth in the body of our report.



X. APPENDIX 2 NCHMA CHECKLIST

Introduction: The National Council of Housing Market Analysts provides a checklist referencing all components of their market study. This checklist is intended to assist readers on the location and content of issues relevant to the evaluation and analysis of market studies. The page number of each component referenced is noted in the right column. 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 "V" (variation) with a comment explaining the conflict. More detailed notations or explanations are also acceptable.

Component (*First occurring page is noted)		*Page(s)
Executive Summary		
1.	Executive Summary	vii
Project Summary		
2.	Project description with exact number of bedrooms and baths proposed, income limitation, proposed rents, and utility allowances	5
3.	Utilities (and utility sources) included in rent	5
4.	Project design description	
5.	Unit and project amenities; parking	7
6.	Public programs included	7
7.	Target population description	76
8.	Date of construction/preliminary completion	8
9.	If rehabilitation, existing unit breakdown and rents	n/a
10.	Reference to review/status of project plans	5
Location and Market Area		
11.	Market area/secondary market area description	27
12.	Concise description of the site and adjacent parcels	9
13.	Description of site characteristics	9
14.	Site photos/maps	10
15.	Map of community services	17
16.	Visibility and accessibility evaluation	13
17.	Crime information	14
Employment and Economy		
18.	Employment by industry	24
19.	Historical unemployment rate	21



20.	Area major employers	25
21.	Five-year employment growth	23
22.	Typical wages by occupation	25
23.	Discussion of commuting patterns of area workers	21
Demographic Characteristics		
24.	Population and household estimates and projections	29
25.	Area building permits	31
26.	Distribution of income	36
27.	Households by tenure	35
Competitive Environment		
28.	Comparable property profiles	86
29.	Map of comparable properties	43
30.	Comparable property photos	86
31.	Existing rental housing evaluation	41
32.	Comparable property discussion	41
33.	Area vacancy rates, including rates for tax credit and government-subsidized communities	45
34.	Comparison of subject property to comparable properties	76
35.	Availability of Housing Choice Vouchers	50
36.	Identification of waiting lists	45, 50
37.	Description of overall rental market including share of market-rate and affordable properties	41
38.	List of existing LIHTC properties	44
39.	Discussion of future changes in housing stock	58
40.	Discussion of availability and cost of other affordable housing options, including homeownership	41
41.	Tax credit and other planned or under construction rental communities in market area	58
Analysis/Conclusions		
42.	Calculation and analysis of Capture Rate	70
43.	Calculation and analysis of Penetration Rate	72
44.	Evaluation of proposed rent levels	77
45.	Derivation of Achievable Market Rent and Market Advantage	51
46.	Derivation of Achievable Restricted Rent	56
47.	Precise statement of key conclusions	62



48.	Market strengths and weaknesses impacting project	62
49.	Recommendation and/or modification to project description	n/a
50.	Discussion of subject property's impact on existing housing	41
51.	Absorption projection with issues impacting performance	74
52.	Discussion of risks or other mitigating circumstances impacting project	n/a
53.	Interviews with area housing stakeholders	2
Certifications		
54.	Preparation date of report	Cover
55.	Date of field work	Cover
56.	Certifications	Back
57.	Statement of qualifications	88
58.	Sources of data not otherwise identified	N/A
59.	Utility allowance schedule	7



XI. APPENDIX 3 NCHMA CERTIFICATION

This market study has been prepared by Real Property Research Group, Inc., 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 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 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.

Real Property Research Group, Inc. is duly qualified and experienced in providing market analysis for Affordable Housing. The company's principals participate in NCHMA educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Real Property Research Group, Inc. is an independent market analyst. No principal or employee of Real Property Research Group, Inc. has any financial interest whatsoever in the development for which this analysis has been undertaken.

While the document specifies Real Property Research Group, Inc., the certification is always signed by the individual completing the study and attesting to the certification.

Real Property Research Group, Inc.



Bob Lefenfeld
Name

Founding Principal
Title

January 20, 2019
Date



XII. APPENDIX 4 RENTAL COMMUNITY PROFILES

Abbingdon Crossing

Multifamily Community Profile

1000 Old Brook Road
Charlottesville, VA 22901

CommunityType: Market Rate - General

Structure Type: 3-Story Garden/TH

468 Units 1.3% Vacant (6 units vacant) as of 12/27/2018

Last Major Rehab in 2017 Opened in 1979



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	17.9%	\$1,197	748	\$1.60	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	73.5%	\$1,276	943	\$1.35	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	8.5%	\$1,469	1,155	\$1.27	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Full Size); Carpet	
Select Units: Microwave; Patio/Balcony	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Weinstein Properties Owner: --	

Comments

Last Major Rehab-2017. Dog park, enclosed sports field. Renovation started 2013.

Roughly 1/2 have patio/balcony. Trash \$4.99

Newly renovated - maple cabinets, black or stainless appliances. All units have been renovated as of 10/26/17

Floorplans (Published Rents as of 12/27/2018) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	84	\$1,172	748	\$1.57	Market	12/27/18	1.3%	\$1,197	\$1,276	\$1,469
Townhouse	--	2	1.5	43	\$1,150	934	\$1.23	Market	9/26/18	0.4%	\$1,179	\$1,332	\$1,334
Garden	--	2	2	206	\$1,248	943	\$1.32	Market	7/6/18	0.0%	\$1,074	\$1,331	\$1,387
Garden	--	2	1.5	95	\$1,284	947	\$1.36	Market	2/27/18	3.0%	\$1,052	\$1,359	\$1,284
Garden	--	3	1.5	18	\$1,482	1,155	\$1.28	Market					
Townhouse	--	3	2.5	22	\$1,396	1,155	\$1.21	Market					

Adjustments to Rent

Incentives:

none

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Arden Place

Multifamily Community Profile

1810 Arden Creek Lane
Charlottesville, VA 22901

Community Type: Market Rate - General

Structure Type: 3-Story Garden

212 Units 2.8% Vacant (6 units vacant) as of 12/27/2018

Opened in 2011



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	42.5%	\$1,509	863	\$1.75	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	52.8%	\$1,702	1,169	\$1.46	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	4.7%	\$1,865	1,421	\$1.31	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Full Size); Central A/C; Carpet	
Select Units: Patio/Balcony	
Optional(\$): --	
Security: Intercom	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$175
Property Manager: Grady Mgmt Owner: Castle Develop Partners	

Comments

Lease up pace of 20 units/month. 18 Carports & 21 Garages. 3rd floor units have upgraded features - SS appliances, Granite CT & upgraded kitch cabinets. Storage units-5X5X8 (\$45). Trash \$5 per month. 2 BRs most popular. Theatre room, Indoor Children's playarea, Dog Park, Golf Simulator & Cyber Café. Clubhouse is 7,000 sqft.

Amenity Fee: \$ 200

Floorplans (Published Rents as of 12/27/2018) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Elm / Garden	--	1	1	14	\$1,355	589	\$2.30	Market	12/27/18	2.8%	\$1,509	\$1,702	\$1,865
Birch / Garden	--	1	1	15	\$1,508	913	\$1.65	Market	9/26/18	1.9%	\$1,360	\$1,697	\$1,930
Oak / Garden	Built-in Desk	1	1	61	\$1,508	913	\$1.65	Market	7/6/18	1.9%	\$1,423	\$1,668	\$1,985
Maple / Garden	Storage Close	2	2	25	\$1,673	1,168	\$1.43	Market	2/27/18	0.9%	\$1,369	\$1,661	\$1,985
Dogwood / Garden	Built-in Desk	2	2	85	\$1,673	1,168	\$1.43	Market	* Indicates initial lease-up.				
Chestnut / Garden	Garage	2	2	2	\$1,650	1,203	\$1.37	Market					
Walnut / Garden	Storage	3	3	3	\$1,830	1,421	\$1.29	Market					
Magnolia / Garden	Desk	3	3	7	\$1,830	1,421	\$1.29	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Avemore

Multifamily Community Profile

1540 Avemore Lane
Charlottesville, VA 22911

Community Type: Market Rate - General

Structure Type: Garden/TH

280 Units 2.9% Vacant (8 units vacant) as of 12/27/2018

Opened in 2005



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	14.3%	\$1,113	665	\$1.67	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	24.3%	\$1,277	842	\$1.52	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One/Den	7.9%	\$1,405	1,061	\$1.32	<input type="checkbox"/>	<input type="checkbox"/>
Two	43.6%	\$1,460	1,364	\$1.07	<input type="checkbox"/>	<input type="checkbox"/>
Two/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Three	10.0%	\$1,810	1,619	\$1.12	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input checked="" type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; High Ceilings	
Select Units: Patio/Balcony; ADA Access	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$115
Property Manager: River Asset Owner: --	

Comments

Movie Theatre, Conference Room, Rose Garden Courtyard.

Select units have built-in computer desk. Attached & Detached Garages, oversize tubs, ceramic tile, white appls., white cabinets. View charge=\$20, End unit (TH)=\$15. Some accessible units.

Amenity Fee: \$ 150

Floorplans (Published Rents as of 12/27/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	Eff	1	20	\$1,100	581	\$1.89	--	12/27/18	2.9%	\$1,309	\$1,460	\$1,810
Garden	--	Eff	1	20	\$1,100	749	\$1.47	--	10/8/18	2.5%	\$1,373	\$1,522	\$1,650
Office / Garden	Den	1	1	22	\$1,390	1,061	\$1.31	--	7/6/18	1.8%	\$1,321	\$1,536	\$1,653
Garden	--	1	1	23	\$1,180	810	\$1.46	--	3/5/18	4.3%	\$1,126	\$1,336	\$1,571
Garden	--	1	1	23	\$1,280	832	\$1.54	--					
Garden	Garage	1	1	22	\$1,330	886	\$1.50	--					
Garden	Garage	2	2	30	\$1,440	1,246	\$1.16	--					
Garden	--	2	2	31	\$1,315	1,292	\$1.02	--					
Garden	Sunroom	2	2	31	\$1,355	1,304	\$1.04	--					
Townhouse	Den & Garage	2	3.5	30	\$1,655	1,620	\$1.02	--					
Garden	Sunroom	3	2	14	\$1,615	1,582	\$1.02	--					
Garden	Den	3	2	14	\$1,955	1,655	\$1.18	--					

Adjustments to Rent

Incentives:
LRO; none

Utilities in Rent: Heat Fuel: Electric
 Heat: Cooking: Wtr/Swr:
 Hot Water: Electricity: Trash:

Avemore

VA540-012293

Beacon on 5th

Multifamily Community Profile

100 Dalton Lane
Charlottesville, VA 22903

Community Type: Market Rate - General

Structure Type: 4-Story Garden/TH

241 Units 2.1% Vacant (5 units vacant) as of 12/27/2018

Opened in 2017



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	51.0%	\$1,489	812	\$1.83	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	35.7%	\$1,729	1,163	\$1.49	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	13.3%	\$2,110	1,606	\$1.31	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ceiling Fan; In Unit Laundry (Full Size); Patio/Balcony; HighCeilings; Hardwood / Carpet	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$200
Property Manager: Castle Development	Owner: --

Comments

Granite CT, SS appl, grill area, cyber café, yoga rm. Garage fee double car \$400. Lrg walk in closets, crwn molding, kitch island, 42" cabinets, vinyl wood flrs. Rents from web mgmt wouldn't participate in survey.
Opened Feb 2017; finished construction Oct 2017; stabilized Nov 2017.

Floorplans (Published Rents as of 12/27/2018) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Afton	--	1	1	41	\$1,344	675	\$1.99	Market	12/27/18	2.1%	\$1,489	\$1,729	\$2,110
Berkmar / Garden	--	1	1	82	\$1,524	881	\$1.73	Market	7/9/18	0.8%	\$1,467	\$1,704	\$2,110
Ivy / Garden	--	2	2	84	\$1,689	1,150	\$1.47	Market	3/6/18	2.1%	\$1,467	\$1,704	\$2,110
Rawlins/Carriage / Garde	--	2	2	2	\$2,100	1,713	\$1.23	Market	11/8/17	5.0%	\$1,461	\$1,790	\$1,806
Ednam / Townhouse	--	3	3.5	2	\$1,849	1,222	\$1.51	Market					
Levy / Townhouse	--	3	2.5	4	\$1,849	1,394	\$1.33	Market					
Keswick / Townhouse	Garage	3	3.5	17	\$2,100	1,634	\$1.28	Market					
Shadwell / Townhouse	Garage	3	2.5	9	\$2,179	1,733	\$1.26	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Carlton Views

Multifamily Community Profile

1337 Carlton Avenue
Charlottesville, VA 22902

CommunityType: LIHTC - General
Structure Type: 4-Story Mid Rise

54 Units 0.0% Vacant (0 units vacant) as of 1/9/2019

Opened in 2017



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One	64.8%	\$793	687	\$1.15	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
One/Den	--	--	--	--	Elevator: <input checked="" type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two	27.8%	\$883	990	\$0.89	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Two/Den	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Three	7.4%	\$1,175	1,192	\$0.99	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
Four+	--	--	--	--	Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Vinyl/Linoleum / Ceramic	
Select Units: Patio/Balcony	
Optional(\$): --	
Security: Patrol; Keyed Bldg Entry; Cameras	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: CHP Owner: --	

Comments

Blk appli., Granite CT, upgraded lighting, built-in bookshelves, window coverings, double pane windows, framed mirrors, pantry, faux-wood flrs, side by side fridge, wide hallways, tile baths. Select units-Grabbars, stand up showers. Lounge area on each flr. Opened 1/17. Fully leased 5/17. WL-60-70. Hundreds of applications prior to opening. W/D rental \$30.

Floorplans (Published Rents as of 1/9/2019) (2)										Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$	
Garden	--	1	1	8	\$535	687	\$.78	LIHTC/ 40%	1/9/19	0.0%	\$793	\$883	\$1,175	
Garden	--	1	1	27	\$850	687	\$1.24	LIHTC/ 60%	11/6/17	0.0%	\$793	\$890	\$1,203	
Garden	--	2	2	6	\$635	990	\$.64	LIHTC/ 40%						
Garden	--	2	2	9	\$1,015	990	\$1.03	LIHTC/ 60%						
Garden	--	3	2	4	\$1,150	1,192	\$.96	LIHTC/ 60%						

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Carriage Hill

Multifamily Community Profile

825 Beverly Drive
Charlottesville, VA 22911

CommunityType: Market Rate - General

Structure Type: 2-Story Garden

142 Units 0.7% Vacant (1 units vacant) as of 12/27/2018

Opened in 2000



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	25.4%	\$1,214	893	\$1.36	Comm Rm: <input type="checkbox"/>	Basketball: <input checked="" type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	49.3%	\$1,543	1,339	\$1.15	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	25.4%	\$1,750	1,627	\$1.08	Hot Tub: <input checked="" type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input checked="" type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; HighCeilings	
Select Units: Fireplace; ADA Access	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$150
Property Manager: Cathcart Mgmt Owner: --	

Comments

304 total units, 142 rentals & 162 condos. 24 bldgs. Private entrance (grd flr). Select units-wood burning fireplace.

Prices vary by level, location. Features single-car & double car garages. Amenities include pool w/spa & hot tub, pitching/putting green, kiddie pool, basketball court, 2 tot lots, dog park, 6100 sqft. Clubhse, & tanning bed.

Amenity Fee: \$ 0

Floorplans (Published Rents as of 12/27/2018) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Jefferson / Garden	--	1	1	18	\$1,125	831	\$1.35	Market	12/27/18	0.7%	\$1,214	\$1,543	\$1,750
Monroe / Garden	--	1	1	18	\$1,273	954	\$1.33	Market	9/26/18	0.0%	\$1,213	\$1,591	\$1,750
Madison / Garden	--	2	2	35	\$1,353	1,142	\$1.18	Market	7/6/18	2.1%	\$1,225	\$1,575	\$1,750
Hamilton / Garden	--	2	2	35	\$1,693	1,535	\$1.10	Market	3/5/18	0.7%	\$1,213	\$1,591	\$1,750
Roosevelt / Garden	--	3	2	36	\$1,725	1,627	\$1.06	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

City Walk

Multifamily Community Profile

1111 E Water Street
Charlottesville, VA 22902

Community Type: Market Rate - General

Structure Type: 4-Story Mid Rise

301 Units 0.0% Vacant (0 units vacant) as of 12/27/2018

Opened in 2014



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	58.1%	\$1,438	811	\$1.77	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	41.9%	\$1,775	1,172	\$1.51	Elevator: <input checked="" type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; HighCeilings; Carpet / Hardwood	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Structured Garage	Parking 2: --
Fee: --	Fee: --
Property Manager: MCO Management	
Owner: --	

Comments

Opened Sept. 2014; 30 units a month lease-up pace.

Extra storage \$50-\$140. Upgraded units -SS appliances, granite countertop, some w/wood plank floors.

Parking on same floor as apt.

Floorplans (Published Rents as of 12/27/2018) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
A4 / Mid Rise - Elevator	--	1	1	9	\$1,245	597	\$2.09	Market	12/27/18	0.0%	\$1,438	\$1,775	--
A3 / Mid Rise - Elevator	--	1	1	62	\$1,365	774	\$1.76	Market	9/26/18	0.0%	\$1,418	\$1,754	--
A2 / Mid Rise - Elevator	--	1	1	2	\$1,385	793	\$1.75	Market	7/6/18	0.7%	\$1,395	\$1,740	--
A1 / Mid Rise - Elevator	--	1	1	102	\$1,475	853	\$1.73	Market	2/27/18	0.3%	\$1,374	\$1,710	--
B1 / Mid Rise - Elevator	--	2	2	76	\$1,705	1,134	\$1.50	Market	* Indicates initial lease-up.				
B3 / Mid Rise - Elevator	--	2	2	22	\$1,863	1,227	\$1.52	Market					
B2 / Mid Rise - Elevator	--	2	2	28	\$1,805	1,231	\$1.47	Market					

Adjustments to Rent	
Incentives: None	
Utilities in Rent:	Heat Fuel: Electric
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

City Walk

VA540-021112

Comyn Hall

Multifamily Community Profile

601 Park Street
Charlottesville, VA 22902

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

12 Units 0.0% Vacant (0 units vacant) as of 12/27/2018

Opened in 2012



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	100.0%	\$1,307	560	\$2.33	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	--	--	--	--	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; Microwave	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: Woodard Properties	
Owner: --	

Comments

Historical house that was converted into apts.
\$70 mandatory utility fee which includes internet.
French doors.

Floorplans (Published Rents as of 12/27/2018) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Mid Rise - Elevator	--	1	1	12	\$1,282	560	\$2.29	--	12/27/18	0.0%	\$1,307	--	--
									2/27/18	0.0%	\$1,235	--	--
									10/27/17	0.0%	\$1,280	--	--
									7/20/17	0.0%	\$1,280	--	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Fifth Street Place

Multifamily Community Profile

299 Windfield Circle
Charlottesville, 22902

Community Type: Market Rate - General

Structure Type: 4-Story Mix

200 Units 9.5% Vacant (19 units vacant) as of 12/27/2018

Opened in 2017



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	68.0%	\$1,376	799	\$1.72	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	32.0%	\$1,743	1,145	\$1.52	Elevator: <input checked="" type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Hardwood	
Select Units:	--
Optional(\$):	--
Security:	Intercom; Keyed Bldg Entry
Parking 1:	Free Surface Parking
Fee:	--
Parking 2:	--
Fee:	--
Property Manager:	Bell Partners
Owner:	Rivergate KW Residential

Comments

5 Bldgs. 2 Elevator & 3 garden. 1st move-in end of Nov. Preleasing 10/2017. 2 Buildings completed; finish by 05/2018.

23 Affordable 1BR/1BA-739sf \$877/mo.(no income requirements). Granite CT, SS appliances.

Storage fee: \$25-\$50. Trash fee: \$14/mo. New mgmt 12/21/2018

Floorplans (Published Rents as of 12/27/2018) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
	--	1	1	23	\$877	741	\$1.18	Affordable	12/27/18*	9.5%	\$1,376	\$1,743	--
	--	1	1	38	\$1,409	745	\$1.89	Market	7/9/18*	30.0%	\$1,418	\$1,685	--
	--	1	1	38	\$1,444	822	\$1.76	Market	3/6/18*	76.0%	\$1,244	\$1,554	--
	--	1	1	37	\$1,489	867	\$1.72	Market	11/14/17*	90.0%	\$1,324	\$1,627	--
	--	2	2	22	\$1,641	1,074	\$1.53	Market	* Indicates initial lease-up.				
	--	2	2	21	\$1,718	1,154	\$1.49	Market					
	--	2	2	21	\$1,783	1,210	\$1.47	Market					

Adjustments to Rent

Incentives:

none

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Fifth Street Place

VA540-026653

Gardenwood

Multifamily Community Profile

2204 N. Berkshire Road
Charlottesville, VA 22901

CommunityType: Market Rate - General

Structure Type: 2-Story Garden

18 Units 0.0% Vacant (0 units vacant) as of 1/9/2019



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	100.0%	\$875	900	\$0.97	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

Features	
Standard:	Dishwasher; Carpet
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1:	Surface Parking
Fee:	--
Parking 2:	--
Fee:	--
Property Manager:	Real Property, Inc.
Owner:	--

Comments

1 space per 2BR.
New carpets, appliances, cabinets, fixtures-baths. White appliances

Floorplans (Published Rents as of 1/9/2019) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	18	\$875	900	\$.97	Market	1/9/19	0.0%	--	\$875	--
									10/27/17	0.0%	--	\$815	--
									10/19/12	16.7%	--	--	--
Adjustments to Rent													
Incentives:													
None													
Utilities in Rent: Heat Fuel: Natural Gas &													
Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>													
Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>													

Gardenwood

VA540-018236

Granite Park

Multifamily Community Profile

2407 Peyton Drive
Charlottesville, VA 22901

CommunityType: Market Rate - General

Structure Type: 2-Story Garden

425 Units 6.8% Vacant (29 units vacant) as of 12/27/2018

Last Major Rehab in 2017 Opened in 1978



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	29.2%	\$1,007	760	\$1.33	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	54.8%	\$1,110	951	\$1.17	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	2.4%	\$1,133	906	\$1.25	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	13.6%	\$1,405	1,115	\$1.26	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ceiling Fan; Central A/C; Cable TV; Broadband Internet; Carpet	
Select Units: In Unit Laundry	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: BH Mgmt. Services	
Owner: --	

Comments

Landmark bought Autumn Hill & changed name in 2012. Formerly Trophy Chase. Sold again July 2016.

Units upgraded upon turnover: wood vinyl flr, faux white granite ctop, black appl, white cabs. \$5.5 million renovation

Cable/pest included in rent. Everything being renovated. Over 1/2 of units renovated. 93% Leased.

Amenity Fee: \$ 150

Floorplans (Published Rents as of 12/27/2018) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	124	\$1,024	760	\$1.35	Market	12/27/18	6.8%	\$1,007	\$1,111	\$1,405
Garden	Den	2	1	10	\$1,150	906	\$1.27	Market	9/26/18	2.4%	\$1,057	\$1,117	\$1,401
b / Garden	--	2	1.5	12	\$1,163	919	\$1.27	Market	7/6/18	2.1%	\$1,114	\$1,338	\$1,411
c / Garden	--	2	1	221	\$1,125	953	\$1.18	Market	3/1/18	2.6%	\$1,020	\$1,200	\$1,679
d / Garden	--	3	1.5	10	\$1,378	1,046	\$1.32	Market					
e / Garden	--	3	1	43	\$1,403	1,126	\$1.25	Market					
Garden	--	3	2	5	\$1,672	1,154	\$1.45	Market					

Adjustments to Rent

Incentives:

\$200 off 1st month

Utilities in Rent: Heat Fuel: Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Granite Park

VA540-005287

Greenstone on 5th

Multifamily Community Profile

746 Prospect Avenue
Charlottesville, VA 22903

CommunityType: LIHTC - General

Structure Type: Garden

202 Units 0.0% Vacant (0 units vacant) as of 12/27/2018

Last Major Rehab in 2013 Opened in 1978

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	10.4%	\$665	600	\$1.11	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	48.0%	\$765	780	\$0.98	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	41.6%	\$840	900	\$0.93	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	
Features						
Standard: Dishwasher; Central A/C						
Select Units: Ice Maker						
Optional(\$): --						
Security: --						
Parking 1: Free Surface Parking			Parking 2: --			
Fee: --			Fee: --			
Property Manager: Community Housing						
Owner: --						

Comments

Property has 181 TC units, of which 40 units have Project-Based Sect 8 units. 21 Market rate (no income restrictions).

All units "float" & require income certification. Excellent resident services package. Small wait list.

Waitlist: 2-3 months

Floorplans (Published Rents as of 12/27/2018) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	21	\$665	600	\$1.11	LIHTC/ 50%	12/27/18	0.0%	\$665	\$765	\$840
Garden	--	2	1	97	\$765	780	\$.98	LIHTC/ 50%	11/7/17	0.0%	\$655	\$755	\$830
Townhouse	--	3	1	84	\$840	900	\$.93	LIHTC/ 50%					
Adjustments to Rent													
Incentives: None													
Utilities in Rent: Heat Fuel: Electric													
Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>													
Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>													

Greenstone on 5th

VA540-026631

Hearthwood TH

Multifamily Community Profile

2111 Michie Drive
Charlottesville, VA 22901

CommunityType: LIHTC - General
Structure Type: 2-Story Garden/TH

200 Units 1.0% Vacant (2 units vacant) as of 11/7/2017

Last Major Rehab in 1997 Opened in 1975



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	20.5%	\$699	300	\$2.33	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	19.5%	\$899	687	\$1.31	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	50.0%	\$1,049	987	\$1.06	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	10.0%	\$1,249	1,187	\$1.05	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: In Unit Laundry (Hook-ups); Carpet	
Select Units: Dishwasher; Disposal; Central A/C	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Cannon Properties Owner: --	

Comments

W/S/T included for all units. Heating and gas included for 2 & 3 BR units.
Efficiency units do not have dishwasher, disposal, w/d hookups. Central a/c only in 2BR & 3BR.
Waitlist- 1 month

Floorplans (Published Rents as of 11/7/2017) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	Eff	1	41	\$699	300	\$2.33	LIHTC/ 60%	11/7/17	1.0%	--	--	--
Garden	--	1	1	39	\$899	687	\$1.31	LIHTC/ 60%	10/27/17	0.0%	\$845	\$1,010	\$1,208
Townhouse	--	2	1	100	\$1,049	987	\$1.06	LIHTC/ 60%	7/21/17	0.0%	\$829	\$980	\$1,190
Townhouse	--	3	1	20	\$1,249	1,187	\$1.05	LIHTC/ 60%	10/7/15	0.0%	\$795	\$900	\$1,110

Adjustments to Rent

Incentives:
None

Utilities in Rent: Heat Fuel: Gas
Heat: Cooking: Wtr/Swr:
Hot Water: Electricity: Trash:

Hearthwood TH

VA540-018235

Locust Grove

Multifamily Community Profile

459 Locust Avenue
Charlottesville, VA 22903

CommunityType: Market Rate - General

Structure Type: 6-Story Mid Rise

43 Units 14.0% Vacant (6 units vacant) as of 1/9/2019

Opened in 2015



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One	72.1%	\$1,241	847	\$1.47	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
One/Den	--	--	--	--	Elevator: <input checked="" type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two	27.9%	\$1,414	875	\$1.62	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Two/Den	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Three	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
Four+	--	--	--	--	Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Stacked); Central A/C; HighCeilings; Hardwood	
Select Units:	--
Optional(\$):	--
Security:	Intercom
Parking 1:	Free Surface Parking
Fee:	--
Parking 2:	--
Fee:	--
Property Manager:	Real Property Manag
Owner:	--

Comments

Opened Jan. 2015. Adaptive reuse of historic hospital Bldg. Constructed in 1904. SS appliances, Granite CT, oversized windows, pendant lighting. Grilling area, bike racks, extra storage (\$35) Located 4 blocks from downtown. Corp rentals avail (Furnished & all utilities \$2800) Each unit individually priced-Averages estimated by Christina Weaver.

Floorplans (Published Rents as of 1/9/2019) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Sparrow / Mid Rise - Elev	--	1	1	16	\$1,295	750	\$1.73	--	1/9/19	14.0%	\$1,241	\$1,414	--
Dove / Mid Rise - Elevato	--	1	1	15	\$1,295	950	\$1.36	--	9/26/18	11.6%	\$1,297	\$1,400	--
Raven / Mid Rise - Elevat	--	2	2	6	\$1,475	850	\$1.73	--	7/6/18	2.3%	\$1,231	\$1,250	--
Owl / Mid Rise - Elevator	--	2	2	6	\$1,475	900	\$1.64	--	2/27/18	4.7%	\$1,231	\$1,200	--

* Indicates initial lease-up.

Adjustments to Rent	
Incentives: 1/2 off 1st month	
Utilities in Rent:	Heat Fuel: Electric
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

Locust Grove

VA540-021126

Lofts at McIntire

Multifamily Community Profile

510 McIntire
Charlottesville, VA 22902

Community Type: Market Rate - General

Structure Type: 3-Story Garden

20 Units 0.0% Vacant (0 units vacant) as of 1/10/2019

Opened in 2002



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	75.0%	\$830	471	\$1.76	<input type="checkbox"/>	<input type="checkbox"/>
One	25.0%	\$1,195	880	\$1.36	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Central A/C; High Ceilings; Hardwood	
Select Units: In Unit Laundry	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Cathcart Property Mg Owner: --	

Comments

1BR units have washer/dryer
Parking is under the building.

Floorplans (Published Rents as of 1/10/2019) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Mid Rise - Elevator	--	Eff	1	7	\$750	350	\$2.14	Market	1/10/19	0.0%	\$1,195	--	--
Mid Rise - Elevator	--	Eff	1	8	\$900	576	\$1.56	Market	3/14/18	0.0%	\$1,175	--	--
Mid Rise - Elevator	--	1	1	5	\$1,195	880	\$1.36	Market	10/30/17	0.0%	\$1,175	--	--
									7/19/17	0.0%	\$1,100	--	--

Adjustments to Rent	
Incentives: None	
Utilities in Rent:	Heat Fuel: Electric
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

Lofts at McIntire

VA540-012298

Mallside Forest

Multifamily Community Profile

816 Mallside Forest Court
Charlottesville, VA 22901

CommunityType: LIHTC - General

Structure Type: 3-Story Garden

160 Units 0.0% Vacant (0 units vacant) as of 12/28/2018

Opened in 1998



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	20.0%	\$885	690	\$1.28	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	42.5%	\$1,056	932	\$1.13	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	37.5%	\$1,216	1,190	\$1.02	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Central A/C; Patio/Balcony; Carpet	
Select Units: In Unit Laundry	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Fore Property Owner: --	

Comments

1BR- washer/dryer hook ups. 2BR & 3BR- in unit washer/dryer
No waitlist

Floorplans (Published Rents as of 12/28/2018) (2)										Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$	
Garden	--	1	1	32	\$885	690	\$1.28	LIHTC/ 60%	12/28/18	0.0%	\$885	\$1,056	\$1,216	
Garden	--	2	1.5	68	\$1,056	932	\$1.13	LIHTC/ 60%	10/11/18	0.0%	\$885	\$1,056	\$1,216	
Garden	--	3	2	60	\$1,216	1,190	\$1.02	LIHTC/ 60%	10/27/17	3.1%	\$901	\$1,079	\$1,242	
									7/21/17	1.3%	\$799	\$999	\$1,099	

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Mallside Forest

VA540-010618

McIntire Plaza Apts

Multifamily Community Profile

1745 Allied Street
Charlottesville, VA 22903

CommunityType: Market Rate - General

Structure Type: 4-Story Mid Rise

18 Units 0.0% Vacant (0 units vacant) as of 12/27/2018

Opened in 2017



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	50.0%	\$1,271	763	\$1.67	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	50.0%	\$1,375	936	\$1.47	Elevator: <input checked="" type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; In Unit Laundry (Full Size); Central A/C; HighCeilings	
Select Units: Patio/Balcony	
Optional(\$): --	
Security: Intercom; Keyed Bldg Entry	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Woodard Properties Owner: --	

Comments

Quartz CT, SS appliances. Leased 11 units in one month. Property is in initial lease up. Opened late Sept.2017
\$135 fee for Internet/Water/Sewer/Trash. A second building will open February 2019.
Roof top deck. Part of mixed use center w/Retail In a shopping center. Ground flr empty but will have retail uses.

Floorplans (Published Rents as of 12/27/2018) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Mid Rise - Elevator	--	1	1.5	6	\$1,199	720	\$1.67	Market	12/27/18	0.0%	\$1,271	\$1,375	--
Deluxe / Mid Rise - Elevat	--	1	1.5	3	\$1,340	850	\$1.58	Market	11/2/17*	38.9%	\$1,257	\$1,479	--
Mid Rise - Elevator	--	2	2	9	\$1,345	936	\$1.44	Market	* Indicates initial lease-up.				

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

McIntire Plaza Apts

VA540-026559

Monticello Vista

Multifamily Community Profile

1400 Monticello Rd
Charlottesville, VA 22902

CommunityType: LIHTC - General

Structure Type: --

50 Units 2.0% Vacant (1 units vacant) as of 1/16/2019

Last Major Rehab in 2009 Opened in 1924



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	54.0%	\$669	542	\$1.23	<input type="checkbox"/>	<input type="checkbox"/>
One	18.0%	\$670	770	\$0.87	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	16.0%	\$845	1,100	\$0.77	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	12.0%	\$1,015	1,100	\$0.92	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Central A/C; Carpet	
Select Units: In Unit Laundry	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Piedmont Housing AI Owner: --	

Comments

Two Bldgs: One Adaptive reuse of former factory building along Monticello Ave & one 12-unit new construction bldg in rear. Hook-ups in select units.

Floorplans (Published Rents as of 1/16/2019) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
	--	Eff	1	3	\$503	360	\$1.40	LIHTC/ 40%	1/16/19	2.0%	\$670	\$845	\$1,015
	--	Eff	1	24	\$675	565	\$1.19	LIHTC/ 50%	11/10/17	4.0%	\$766	\$910	\$1,015
	--	1	1	2	\$513	770	\$.67	LIHTC/ 40%					
	--	1	1	7	\$695	770	\$.90	LIHTC/ 50%					
	--	2	1	8	\$825	1,100	\$.75	LIHTC/ 50%					
	--	3	1	6	\$990	1,100	\$.90	LIHTC/ 50%					

Adjustments to Rent	
Incentives: None	
Utilities in Rent:	Heat Fuel: Electric
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

Monticello Vista

VA540-026622

Nob Hill Apts

Multifamily Community Profile

500 McIntire Road
Charlottesville, VA 22902

CommunityType: Market Rate - General

Structure Type: 4-Story Garden

24 Units 0.0% Vacant (0 units vacant) as of 12/28/2018

Last Major Rehab in 2000 Opened in 1963



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	100.0%	\$1,222	650	\$1.88	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	--	--	--	--	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>
					<input type="checkbox"/>	

Features	
Standard: Dishwasher; Microwave; In Unit Laundry (Full Size); Central A/C; Hardwood	
Select Units:	--
Optional(\$):	--
Security:	Keyed Bldg Entry
Parking 1:	Free Surface Parking
Fee:	--
Parking 2:	--
Fee:	--
Property Manager:	Mgmt Services Corp
Owner:	--

Comments

\$50 for W/S/T & Internet. Some units have been upgraded w/ SS appliances. Eight units planned for upgrading in 2018.

Undergraduates not allowed.

Floorplans (Published Rents as of 12/28/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	24	\$1,197	650	\$1.84	Market	12/28/18	0.0%	\$1,222	--	--
									11/7/17	0.0%	\$1,188	--	--

Adjustments to Rent

Incentives:

—

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Norcross Station

Multifamily Community Profile

300 4th Street
Charlottesville, VA 22902

Community Type: Market Rate - General

Structure Type: 4-Story Mid Rise

88 Units 1.1% Vacant (1 units vacant) as of 1/2/2019

Opened in 2004



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	56.8%	\$1,263	862	\$1.47	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	3.4%	\$1,410	1,000	\$1.41	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	39.8%	\$1,492	1,063	\$1.40	Elevator: <input checked="" type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; In Unit Laundry (Stacked); Central A/C; High Ceilings; Carpet / Hardwood	
Select Units:	--
Optional(\$):	--
Security:	Keyed Bldg Entry
Parking 1:	Surface Parking
Fee:	--
Parking 2:	--
Fee:	--
Property Manager:	Enterprise Properties
Owner:	--

Comments

Phase I-4 story elevator-Adaptive reuse-2004-SS appliances. 32 flats. Phase II-3-story-New Construction-2004-Black appliances. 32 flats & lofts. Phase III-3-story-New construction-2009-Black appliances. 24 flats & lofts. Mandatory \$50 fee for water, sewer, trash, and parking.

Floorplans (Published Rents as of 1/2/2019) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Phase II / Garden	Den	1	1	3	\$1,385	1,000	\$1.39	Market	1/2/19	1.1%	\$1,271	\$1,492	--
Phase I / Mid Rise - Eleva	--	1	1	4	\$1,305	1,093	\$1.19	Market	2/27/18	0.0%	\$1,299	\$1,483	--
Phase I / Mid Rise - Eleva	--	1	1	2	\$1,090	744	\$1.47	Market	10/27/17	0.0%	\$1,505	\$1,549	--
Phase II / Garden	Loft	1	1	8	\$1,130	750	\$1.51	Market	7/18/17	--	\$1,408	\$1,538	--
Phase II / Garden	--	1	1	14	\$1,250	750	\$1.67	Market					
Phase I / Mid Rise - Eleva	--	1	1	6	\$1,193	797	\$1.50	Market					
Phase I / Mid Rise - Eleva	--	1	1	16	\$1,300	998	\$1.30	Market					
Phase II / Garden	--	2	1	7	\$1,460	1,046	\$1.40	Market					
Phase III / Garden	--	2	1	6	\$1,540	1,055	\$1.46	Market					
Phase I / Mid Rise - Eleva	--	2	1	1	\$1,600	1,225	\$1.31	Market					
Phase I / Mid Rise - Eleva	--	2	2	3	\$1,680	1,661	\$1.01	Market					
Phase III / Garden	Loft	2	1	6	\$1,510	962	\$1.57	Market					
Phase III / Garden	--	2	1	12	\$1,335	965	\$1.38	Market					

Adjustments to Rent

Incentives: None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Norcross Station

VA540-012297

North Woods

Multifamily Community Profile

63 Four Seasons Drive
Charlottesville, VA 22901

CommunityType: Market Rate - General

Structure Type: 2-Story Garden/TH

310 Units 4.8% Vacant (15 units vacant) as of 12/28/2018

Last Major Rehab in 2001 Opened in 1975



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	10.3%	\$1,190	750	\$1.59	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	79.4%	\$1,154	1,027	\$1.12	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	10.3%	\$1,355	1,100	\$1.23	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Microwave; Ceiling Fan; Central A/C	
Select Units: In Unit Laundry; Patio/Balcony	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Mgmt. Services Owner: --	

Comments

Washer & Dryer in all units except select 1 bedroom units(optional fee). Some TH units have been renovated to include ss appli;, white cabinets, wood plank floors, & accent walls. Dog Park.
W/S/T/Gas Fee: 1BR-\$55, 2BR-\$85, 3BR-\$100.(Gas heat now included)

Floorplans (Published Rents as of 12/28/2018) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
a / Garden	--	1	1	32	\$1,165	750	\$1.55	Market	12/28/18	4.8%	\$1,190	\$1,154	\$1,355
d / Garden	--	2	1	60	\$1,165	1,050	\$1.11	Market	9/26/18	1.9%	\$1,285	\$1,391	\$1,570
c / Townhouse	--	2	1.5	86	\$1,165	1,100	\$1.06	Market	7/6/18	1.9%	\$1,160	\$1,404	\$1,495
b / Townhouse	--	2	1	100	\$1,065	950	\$1.12	Market	2/27/18	3.2%	\$1,090	\$1,262	\$1,365
e / Townhouse	--	3	1.5	32	\$1,320	1,100	\$1.20	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Park Lane

Multifamily Community Profile

630 Park Street
Charlottesville, VA 22902

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

24 Units 25.0% Vacant (6 units vacant) as of 12/28/2018

Last Major Rehab in 2017 Opened in 1965



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input checked="" type="checkbox"/>	Tennis:
Two	100.0%	\$1,793	823	\$2.18	Elevator:	Volleyball:
Two/Den	--	--	--	--	Fitness:	CarWash:
Three	--	--	--	--	Hot Tub:	BusinessCtr:
Four+	--	--	--	--	Sauna:	ComputerCtr:
					Playground:	<input type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; Central A/C; Patio/Balcony; HighCeilings; Hardwood	
Select Units:	--
Optional(\$):	--
Security:	Gated Entry
Parking 1:	Surface Parking
Fee:	--
Parking 2:	--
Fee:	--
Property Manager:	Alcova Properties
Owner:	--

Comments

Renovation include adding a 2nd bathroom and in-unit washer/dryer to all units.

Floorplans (Published Rents as of 12/28/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	24	\$1,763	823	\$2.14	Market	12/28/18	25.0%	--	\$1,793	--
									10/27/17	100.0%	--	\$30	--
									10/22/12	0.0%	--	--	--
Adjustments to Rent													
Incentives: None													
Utilities in Rent: Heat Fuel: Natural Gas													
Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>													
Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input type="checkbox"/>													

Park Lane

VA540-018230

Parks Edge

Multifamily Community Profile

181 Whitewood Road
Charlottesville, VA 22901

CommunityType: LIHTC - General

Structure Type: 3-Story Garden

96 Units 8.3% Vacant (8 units vacant) as of 1/16/2019

Last Major Rehab in 2003 Opened in 1977



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One	19.8%	\$722	822	\$0.88	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
One/Den	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two	59.4%	\$853	938	\$0.91	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Two/Den	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Three	20.8%	\$980	1,128	\$0.87	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Full Size); Central A/C; Patio/Balcony	
Select Units: --	
Optional(\$): --	
Security: Keyed Bldg Entry	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Piedmont Housing AI Owner: --	

Comments

Property is scheduled for a renovation in an application to UHDA for 9% tax credits.

In 2002 property was allocated 9% tax credits. Long application list.

Note-10 units are allocated as floating 40% units(all 2BR units)

Floorplans (Published Rents as of 1/16/2019) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	19	\$722	822	\$.88	LIHTC/ 60%	1/16/19	8.3%	\$722	\$853	\$980
Garden	--	2	2	57	\$853	938	\$.91	LIHTC/ 60%	12/28/18	2.1%	\$722	\$853	\$980
Garden	--	3	2	20	\$980	1,128	\$.87	LIHTC/ 60%	11/7/17	0.0%	\$722	\$853	\$970
									7/28/17	4.2%	\$672	\$803	\$930

Adjustments to Rent	
Incentives: None	
Utilities in Rent:	Heat Fuel: Electric
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

Parks Edge

VA540-010614

Reserve at Belvedere

Multifamily Community Profile

200 Reserve Road
Charlottesville, VA 22901

Community Type: Market Rate - General

Structure Type: 4-Story Garden/TH

294 Units 1.0% Vacant (3 units vacant) as of 12/27/2018

Opened in 2012



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	30.3%	\$1,415	868	\$1.63	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	41.5%	\$1,798	1,172	\$1.53	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	13.3%	\$1,670	1,273	\$1.31	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	15.0%	\$1,958	1,390	\$1.41	Hot Tub: <input checked="" type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; HighCeilings; Carpet / Ceramic	
Select Units: Ceiling Fan; Fireplace	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$150
Property Manager: Cathcart Property Mg Owner: --	

Comments

26 units a month lease-up pace
Premiums for floor and view.
Garage fee: \$150- \$175. 8600 SF Clubhouse w/movie room, chef kitchen, cyber café.

Floorplans (Published Rents as of 12/27/2018) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Afton / Garden	--	1	1	30	\$1,260	805	\$1.57	Market	12/27/18	1.0%	\$1,415	\$1,767	\$1,958
Albemarle / Garden	Garage	1	1	29	\$1,420	830	\$1.71	Market	9/26/18	0.3%	--	--	--
Belmont / Garden	--	1	1.5	30	\$1,520	968	\$1.57	Market	7/6/18	0.3%	\$1,397	\$1,736	\$1,884
Blue Ridge / Garden	--	2	2	39	\$1,700	1,125	\$1.51	Market	3/1/18	4.4%	\$1,388	\$1,714	\$1,830
Farmington / Garden	Garage	2	2	38	\$1,880	1,125	\$1.67	Market					
Greencroft / Garden	Garage	2	2	39	\$1,700	1,190	\$1.43	Market					
Earlsville/Loft / Garden	Den	2	2.5	39	\$1,650	1,273	\$1.30	Market					
Keswick / Townhouse	Garage	2	2.5	6	\$2,150	1,655	\$1.30	Market					
Hollymeade / Garden	--	3	2	22	\$1,835	1,320	\$1.39	Market					
Ivy/Loft / Garden	Den	3	2.5	22	\$2,030	1,460	\$1.39	Market					

Adjustments to Rent

Incentives:
None

Utilities in Rent: Heat Fuel: Electric
 Heat: Cooking: Wtr/Swr:
 Hot Water: Electricity: Trash:

Reserve at Belvedere

VA540-021113

Rio Hill

Multifamily Community Profile

1610 Rio Hill Drive
Charlottesville, VA 22901

CommunityType: LIHTC - General

Structure Type: 3-Story Garden

139 Units 0.0% Vacant (0 units vacant) as of 12/28/2018

Opened in 1996



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt		
Eff	--	--	--	--	Clubhouse: <input type="checkbox"/>	Pool-Outdr: <input checked="" type="checkbox"/>
One	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	74.1%	\$951	1,100	\$0.86	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	25.9%	\$1,077	1,300	\$0.83	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Full Size); Central A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: Amurcon Realty	
Owner: --	

Comments

Located off Putt Putt Lane
Waitlist- 2 hlds

Floorplans (Published Rents as of 12/28/2018) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	81	\$970	1,100	\$.88	LIHTC/ 60%	12/28/18	0.0%	--	\$951	\$1,077
Garden	--	2	1	22	\$880	1,100	\$.80	LIHTC/ 50%	10/11/18	0.7%	--	\$931	\$1,056
Garden	--	3	2	29	\$1,095	1,300	\$.84	LIHTC/ 60%	10/27/17	1.4%	--	\$920	\$1,045
Garden	--	3	2	7	\$1,000	1,300	\$.77	LIHTC/ 50%	7/26/17	1.4%	--	\$925	\$1,052

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Rio Hill

VA540-010617

Rivanna Terrace

Multifamily Community Profile

1220 Smith Street
Charlottesville, VA 22901

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

48 Units 0.0% Vacant (0 units vacant) as of 12/27/2018

Opened in 1989



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	100.0%	\$815	735	\$1.11	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>
					<input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Central A/C; Carpet	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: Alcova Properties	
Owner: --	

Comments

No Waitlist
Four units are ADA accessible.

Floorplans (Published Rents as of 12/27/2018) (2)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	48	\$795	735	\$1.08	Market	12/27/18	0.0%	--	\$815	--
									10/11/18	0.0%	--	\$815	--
									3/5/18	0.0%	--	\$795	--
									10/27/17	0.0%	--	\$795	--

Adjustments to Rent

Incentives:
None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

© 2019 Real Property Research Group, Inc. (1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent (2) Published Rent is rent as quoted by management.

Stonefield Commons

Multifamily Community Profile

3105 District Avenue
Charlottesville, VA 22901

Community Type: Market Rate - General

Structure Type: 4-Story Mid Rise

251 Units 0.4% Vacant (1 units vacant) as of 1/10/2019

Opened in 2013



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	45.8%	\$1,425	778	\$1.83	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	41.4%	\$1,599	1,095	\$1.46	Elevator: <input checked="" type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	12.7%	\$1,868	1,352	\$1.38	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Full Size); Central A/C; HighCeilings; Carpet	
Select Units: Patio/Balcony	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$150
Property Manager: MAA Owner: --	

Comments

Kitchen islands, double crown molding, walk in closets, garden tubs, black & SS appl., granite ctops, 9' ceilings. Saline pool, theater, Internet café, conference room. Cabanas, grill area, and WiFi at pool. Some accessible units. Some screened in porches. Starting rents are listed below.

Floorplans (Published Rents as of 1/10/2019) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Carriage Home / Mid Rise	Garage	1	1	10	\$1,723	1,029	\$1.67	Market	1/10/19	0.4%	\$1,425	\$1,599	\$1,868
Madison / Mid Rise - Elev	--	1	1	26	\$1,318	665	\$1.98	Market	9/26/18	1.6%	\$1,448	\$1,647	\$2,000
Highland / Mid Rise - Ele	--	1	1	26	\$1,418	742	\$1.91	Market	7/6/18	0.8%	\$1,567	\$1,750	\$2,035
Ashland / Mid Rise - Elev	--	1	1	26	\$1,333	784	\$1.70	Market	3/1/18	0.8%	\$1,426	\$1,603	\$1,953
Jouett / Mid Rise - Elevat	--	1	1	27	\$1,408	821	\$1.71	Market	* Indicates initial lease-up.				
Greencroft / Mid Rise - El	--	2	2	35	\$1,082	1,082	\$1.00	Market					
Lafayette / Mid Rise - Ele	--	2	2	35	\$1,849	1,101	\$1.68	Market					
Shadwell / Mid Rise - Ele	--	2	2	34	\$1,783	1,104	\$1.62	Market					
Pavillion / Mid Rise - Elev	--	3	2	32	\$1,833	1,352	\$1.36	Market					

Adjustments to Rent

Incentives:
none

Utilities in Rent: Heat Fuel: Electric
 Heat: Cooking: Wtr/Swr:
 Hot Water: Electricity: Trash:

Tarleton Square

Multifamily Community Profile

701 E. High Street
Charlottesville, VA 22902

CommunityType: Market Rate - General

Structure Type: 4-Story Mid Rise

54 Units 0.0% Vacant (0 units vacant) as of 12/28/2018

Opened in 1967



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	5.6%	\$1,072	483	\$2.22	<input type="checkbox"/>	<input type="checkbox"/>
One	40.7%	\$1,169	780	\$1.50	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	53.7%	\$1,309	1,004	\$1.30	Elevator: <input checked="" type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ceiling Fan; Central A/C; Carpet / Vinyl/Linoleum	
Select Units: Microwave; Ice Maker	
Optional(\$): --	
Security: Keyed Bldg Entry	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Great Eastern Mgmt Owner: --	

Comments

Mixed use property w/offices in rear of property on ground flr. A few units renovated w/new kitchens & baths, W/D, crown molding. Very few units turnover. No other renovations planned at this time.

Floorplans (Published Rents as of 12/28/2018) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Mid Rise - Elevator	--	Eff	1	3	\$1,072	483	\$2.22	Market	12/28/18	0.0%	\$1,169	\$1,309	--
Mid Rise - Elevator	--	1	1	22	\$1,169	780	\$1.50	Market	11/7/17	0.0%	\$1,129	\$1,264	--
Mid Rise - Elevator	--	2	2	29	\$1,309	1,004	\$1.30	Market					

Adjustments to Rent

Incentives:

\$100 Gift cards. \$200 shopping spree.

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:
Hot Water: Electricity: Trash:

Tarleton Square

VA540-026624

Terraces

Multifamily Community Profile

107 S. 1st Street
Charlottesville, VA 22902

CommunityType: Market Rate - General

Structure Type: 4-Story Mid Rise

25 Units 0.0% Vacant (0 units vacant) as of 12/28/2018

Opened in 2000



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	24.0%	\$1,200	417	\$2.88	<input type="checkbox"/>	<input type="checkbox"/>
One	36.0%	\$1,550	770	\$2.01	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	40.0%	\$2,800	1,550	\$1.81	Elevator: <input checked="" type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input checked="" type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features
Standard: Dishwasher; Disposal; Microwave; Ice Maker; Patio/Balcony; Hardwood

Select Units: In Unit Laundry

Optional(\$): --

Security: --

Parking 1: Street Parking Parking 2: --
Fee: -- Fee: --

Property Manager: Erin Hill
Owner: --

Comments

Retail & offices on ground floor-3 floors of residential. Rooftop terrace. Luxury & urban finishes- Exposed beams, industrial fixtures, vaulted ceilings, Black or SS appliances. Some units have gas heat & others have electric. Rent includes Internet. Managed by Erin Hill (434-249-9061)

Floorplans (Published Rents as of 12/28/2018) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Mid Rise - Elevator	--	Eff	1	6	\$1,200	417	\$2.88	Market	12/28/18	0.0%	\$1,550	\$2,800	--
Mid Rise - Elevator	--	1	1	9	\$1,550	770	\$2.01	Market	3/1/18	0.0%	\$1,938	\$3,050	--
Mid Rise - Elevator	--	2	2	10	\$2,800	1,550	\$1.81	Market	11/7/17	0.0%	\$1,985	\$3,435	--
									7/21/17	0.0%	--	--	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Treesdale Park

Multifamily Community Profile

1720 Treesdale Way
Charlottesville, VA 22901

CommunityType: LIHTC - General
Structure Type: 3-Story Garden

72 Units 0.0% Vacant (0 units vacant) as of 12/28/2018

Opened in 2012



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
One/Den	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two	66.7%	\$835	1,082	\$0.77	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Two/Den	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Three	33.3%	\$902	1,263	\$0.71	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
Four+	--	--	--	--	Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Full Size); Central A/C; Carpet	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking Fee: --	Parking 2: Covered Spaces Fee: \$0
Property Manager: Park Properties Owner: --	

Comments

28 covered spaces. Opened Jan.2012 & stabilized August 2012. 16 Sec8 units not included in total.
Very strict criteria for income & criminal background. 22 units have project-based subsidies. The HAP rents are
The HAP rents are 2BR-\$885 & 3BR-\$1150. Waitlist- 3 hhdls

Floorplans (Published Rents as of 12/28/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	2	48	\$815	1,082	\$.75	LIHTC/ 50%	12/28/18	0.0%	--	\$835	\$902
Garden	--	3	2	18	\$936	1,263	\$.74	LIHTC/ 50%	10/27/17	0.0%	--	\$829	\$708
Garden	--	3	2	6	\$700	1,263	\$.55	LIHTC/ 40%	7/21/17	1.4%	--	\$829	\$936
									10/8/15	1.4%	--	\$805	\$873

Adjustments to Rent	
Incentives: None	
Utilities in Rent:	Heat Fuel: Electric
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

Treesdale Park

VA540-018231

Virnita Court

Multifamily Community Profile

800 Rose Hill Dr
Charlottesville, VA 22903

CommunityType: LIHTC - General

Structure Type: 2-Story Garden

16 Units 0.0% Vacant (0 units vacant) as of 1/16/2019

Last Major Rehab in 2006 Opened in 1960



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	31.3%	\$696	510	\$1.36	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	68.8%	\$755	690	\$1.09	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; In Unit Laundry (Hook-ups); Central A/C; Carpet	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: Piedmont Housing AI	
Owner: --	

Comments

--	--	--	--	--	--	--	--	--	--	--	--	--	--

Floorplans (Published Rents as of 1/16/2019) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
	--	1	1	2	\$600	510	\$1.18	LIHTC/ 40%	1/16/19	0.0%	\$696	\$755	--
	--	1	1	3	\$735	510	\$1.44	Market	11/10/17	0.0%	--	--	--
	--	2	1	7	\$670	690	\$.97	LIHTC/ 50%					
	--	2	1	2	\$850	690	\$1.23	LIHTC/ 60%					
	--	2	1	2	\$850	690	\$1.23	Market					

Adjustments to Rent													
Incentives:													
None													
Utilities in Rent: Heat Fuel: Electric													
Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>													
Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>													

Virnita Court

VA540-026623

Westgate

Multifamily Community Profile

2615 Hydraulic Road
Charlottesville, VA 22901

CommunityType: Market Rate - General

Structure Type: Garden/TH

284 Units 0.4% Vacant (1 units vacant) as of 12/27/2018

Last Major Rehab in 2008 Opened in 1971



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	39.1%	\$1,102	631	\$1.75	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	4.2%	\$1,224	725	\$1.69	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	53.9%	\$1,232	940	\$1.31	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	2.8%	\$1,344	1,155	\$1.16	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Central A/C	
Select Units: In Unit Laundry; Fireplace; Patio/Balcony	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Great Eastern Mgmt. Owner: --	

Comments

New Clubhouse, dog park. Utility fee of \$90-\$170 w/s/t , gas heat, hot water & cooking. One phase of property also includes electric for a slightly higher fee.

Amenity Fee: \$ 0

Floorplans (Published Rents as of 12/27/2018) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Junior / Garden	--	1	1	12	\$939	478	\$1.96	Market	12/27/18	0.4%	\$1,114	\$1,232	\$1,344
Garden	--	1	1	99	\$1,094	650	\$1.68	Market	9/26/18	0.4%	\$1,123	\$1,226	\$1,344
Garden	Den	1	1	12	\$1,199	725	\$1.65	Market	7/6/18	0.0%	\$1,090	\$1,208	\$1,289
TH / Townhouse	--	2	1.5	15	\$1,309	1,200	\$1.09	Market	8/7/17	0.0%	\$1,092	\$1,369	\$1,439
Garden	--	2	1	69	\$1,132	912	\$1.24	Market					
Garden	--	2	2	69	\$1,249	912	\$1.37	Market					
Garden	--	3	2	8	\$1,309	1,155	\$1.13	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent:

Heat Fuel: Natural Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Wilton Farm

Multifamily Community Profile

1475 Wilton Farm Road
Charlottesville, VA 22911

CommunityType: LIHTC - General

Structure Type: 4-Story Garden

144 Units 0.7% Vacant (1 units vacant) as of 1/23/2019

Last Major Rehab in 2013 Opened in 1992



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	61.1%	\$930	882	\$1.05	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Three	38.9%	\$1,016	1,071	\$0.95	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input checked="" type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: Amurcon Realty	
Owner: --	

Comments

Community has 3-4 story bldgs. 25 units can be rented by households w/incomes up to 150% of median.

3 tot lots. \$40/month Full-Size W/D

No waitlist

Floorplans (Published Rents as of 1/23/2019) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	88	\$930	882	\$1.05	LIHTC/ 60%	1/23/19	0.7%	--	\$930	\$1,016
Garden	--	3	1	26	\$995	1,008	\$.99	LIHTC/ 60%	3/5/18	0.7%	--	\$895	\$981
Garden	--	3	2	28	\$1,030	1,118	\$.92	LIHTC/ 60%	10/30/17	0.0%	--	\$895	\$981
Garden	Den	3	2	2	\$1,085	1,244	\$.87	LIHTC/ 60%	7/21/17	0.7%	--	\$885	\$965

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Woodridge

Multifamily Community Profile

320 Commonwealth Court
Charlottesville, VA 22901

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

60 Units 0.0% Vacant (0 units vacant) as of 12/27/2018

Opened in 1993



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	100.0%	\$1,108	993	\$1.12	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input checked="" type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Stacked); Central A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: Mgmt. Services	
Owner: --	

Comments

--	--

Floorplans (Published Rents as of 12/27/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	2	60	\$1,088	993	\$1.10	Market	12/27/18	0.0%	--	\$1,108	--
									9/26/18	0.0%	--	\$1,025	--
									7/6/18	0.0%	--	\$1,070	--
									2/27/18	0.0%	--	\$1,070	--
Adjustments to Rent													
Incentives: None													
Utilities in Rent: Heat Fuel: Electric													
Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>													
Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>													

Woodridge

VA540-010608



XIII. APPENDIX 5 ANALYST RESUMES

ROBERT M. LEFENFELD

Managing Principal

Mr. Lefenfeld is the Managing Principal of the firm with over 30 years of experience in the field of residential market research. Before founding Real Property Research Group in February, 2001, Bob served as an officer of research subsidiaries of the accounting firm of Reznick Fedder & Silverman and Legg Mason. Between 1998 and 2001, Bob was Managing Director of RF&S Realty Advisors, conducting market studies throughout the United States on rental and for sale projects. From 1987 to 1995, Bob served as Senior Vice President of Legg Mason Realty Group, managing the firm's consulting practice and serving as publisher of a Mid-Atlantic residential data service, Housing Market Profiles. Prior to joining Legg Mason, Bob spent ten years with the Baltimore Metropolitan Council as a housing economist. Bob also served as Research Director for Regency Homes between 1995 and 1998, analyzing markets throughout the Eastern United States and evaluating the company's active building operation.

Bob oversees the execution and completion of all of the firm's research assignments, ranging from a strategic assessment of new development and building opportunities throughout a region to the development and refinement of a particular product on a specific site. He combines extensive experience in the real estate industry with capabilities in database development and information management. Over the years, he has developed a series of information products and proprietary databases serving real estate professionals.

Bob has lectured and written extensively on the subject of residential real estate market analysis. He has served as a panel member, speaker, and lecturer at events held by the National Association of Homebuilders, the National Council on Seniors' Housing and various local homebuilder associations. Bob serves as a visiting professor for the Graduate Programs in Real Estate Development, School of Architecture, Planning and Preservation, University of Maryland College Park. He also serves as Immediate Past Chair of the National Council of Affordable Housing Market Analysts (NCAHMA) and is a board member of the Baltimore chapter of Lambda Alpha Land Economics Society.

AREAS OF CONCENTRATION:

- **Strategic Assessments:** Mr. Lefenfeld has conducted numerous corridor analyses throughout the United States to assist building and real estate companies in evaluating development opportunities. Such analyses document demographic, economic, competitive, and proposed development activity by submarket and discuss opportunities for development.
- **Feasibility Analysis:** Mr. Lefenfeld has conducted feasibility studies for various types of residential developments for builders and developers. Subjects for these analyses have included for-sale single-family and townhouse developments, age-restricted rental and for-sale developments, large multi-product PUDs, urban renovations and continuing care facilities for the elderly.
- **Information Products:** Bob has developed a series of proprietary databases to assist clients in monitoring growth trends. Subjects of these databases have included for sale housing, pipeline information, and rental communities. Information compiled is committed to a Geographic Information System (GIS), facilitating the comprehensive integration of data.

EDUCATION:

Master of Urban and Regional Planning; The George Washington University.
Bachelor of Arts - Political Science; Northeastern University.



Gerald Levin

Senior Analyst

Mr. Levin has over 30 years of experience in all aspects of real estate development, financial and market feasibility analyses, financing and due diligence, project management, marketing, and development programming. Along with research experience with Real Property Research Group and Gladstone Associates, his work experience has included development and asset management. Prior to joining Real Property Research Group as a Director, Mr. Levin was part of senior management at Landex Corporation, a regional development and property management firm specializing in redevelopment of multi-family properties, and at Struever Bros., Eccles & Rouse, Baltimore's largest developer of historic properties. He served 12 years as Vice President of Chevy Chase/ B. F. Saul Co. in Washington DC where he managed \$300 million plus residential and commercial real estate portfolios in both the development and work-out departments; served as Director of Development for RS Properties in Baltimore, a real estate investment firm specializing in the historic redevelopment of urban properties; and served as Financial Services Officer for the Baltimore Economic Development Corporation.

Areas of Concentration:

- **Feasibility Analysis:** Mr. Levin's experience has encompassed a wide range of studies including: residential (single-family, townhouse, multi-family, condominium, senior, active adult, lot sales, tax credit), industrial, office, retail, research & development, special purpose (retreat facilities, performing arts Centers, self-storage facilities, convention centers, conference facilities), and mixed- use development. Recent studies have focused on family and senior tax credit communities, inner-city revitalization projects, and due diligence for investment funds in locations throughout the Mid-Atlantic and Midwest.
- **Site Analysis and Development Programming:** Mr. Levin has a comprehensive background in development including analysis of zoning and public ordinance compatibility, the neighborhood setting, availability of utilities, public transit and road connections, market feasibility, community issues, and developer experience. His development experience has included preparation of development profiles based on site features and market, development of public/ private partnerships to showcase "anchor" projects impacted by public infrastructure (i.e., transit stations), project scheduling, coordination of financing, due diligence, community participation, and coordination of critical issues – environment review, historic certification, historic tax credits, transportation linkages, and parking.
- **Financial Analyses and Financial Packaging:** Mr. Levin has a broad background in the preparation of proforma development budgets and operating statements, analysis of economic returns to owners and investors, the preparation of financial loan packages for review by potential lenders, investors, and owners including project overview, project financial information, market overview, status of required public approvals/ actions, and the oversight of the due diligence process required for transfer of property and loan closings.

Education:

Master of Urban and Regional Planning; University of North Carolina at Chapel Hill
Bachelor of Arts, Economics; Yale University



XIV. APPENDIX 6 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 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 of, or on behalf of VHDA.
- 6.) Compensation for my services is not contingent upon this development receiving a LIHTC reservation or allocation.

A handwritten signature in cursive script that reads "Jerry Levin".

Jerry Levin
Market Analyst

January 19, 2019

Date