

MARKET STUDY

Property:
Kilmarnock Village Apartments
89 School Street
Kilmarnock, Lancaster County, Virginia 22482



Type of Property:
Affordable Multifamily Development
Family
Renovation

Date of Report:
February 21, 2019

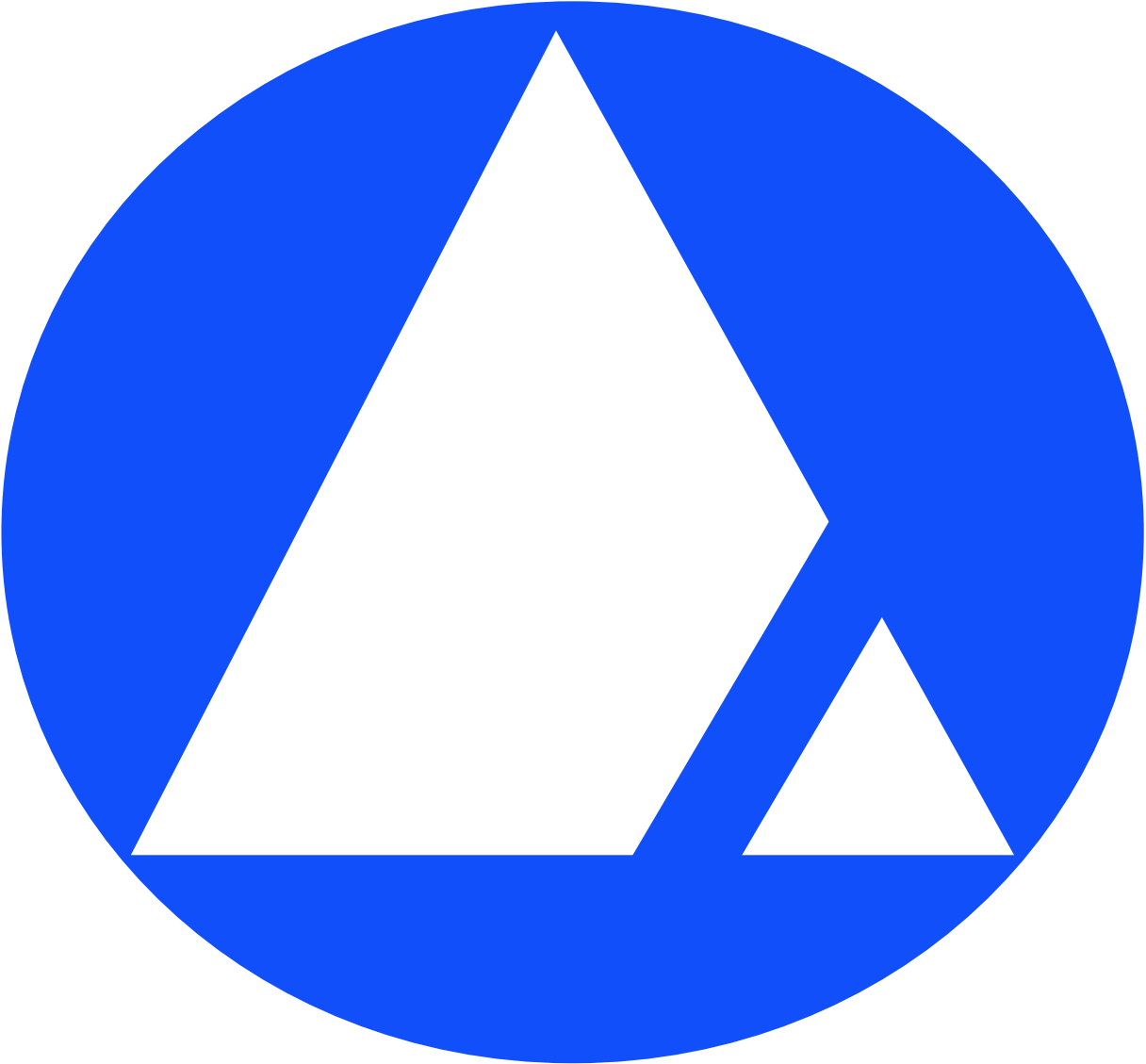
Effective Date:
February 21, 2019

Date of Site Visit:
February 7, 2019

Prepared For:
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February 21, 2019

Mr. Ari Severe
TM Associates
1375 Piccard Drive #150
Rockville, Maryland 20850

Re: Kilmarnock Village Apartments

Dear Mr. Ari Severe:

The subject property, known as Kilmarnock Village Apartments, is an existing affordable multifamily development located at 89 School Street in Kilmarnock, Lancaster County, Virginia (Map # 23A 21 16D). The subject property consists of 24 revenue-producing units originally constructed in 1984 with USDA-RD financing and renovated in 2002 with tax credit financing. The sponsor has proposed to renovate the property with an allocation of tax credits and the assumption and reamortization of the outstanding USDA-RD 515 loan. The subject property is an open age community.

The subject property is proposed to consist of 24 revenue-producing units including 1 and 2-bedroom garden apartments. A total of 3 units are proposed to be income restricted to 40% of AMI; a total of 9 units are proposed to be income restricted to 50% of AMI; a total of 12 units are proposed to be income restricted to 60% of AMI; no units are proposed to be set aside as market rate units; a total of 23 units are proposed to benefit from project-based rental assistance; no units are proposed to benefit from HOME financing.

The scope of this assignment consists of a comprehensive market analysis for the subject property. The market study was completed in accordance with VHDA, National Council for Housing Market Analyst (NCHMA) guidelines and the Uniform Standards of Professional Practice (USPAP). The completion of this report involved a site visit, interviews with local property managers, and the collection of market data through discussions with persons knowledgeable of the local real estate market.

The purpose, intended use, and function of the report is to assess the marketability of the subject property for tax credit application purposes. This report should not be used for any other purposes without the express written permission of Allen & Associates Consulting.

The report has been generated for the benefit of our client TM Associates. VHDA is named as an additional user of the report. No other person or entity may use the report for any reason whatsoever without our express written permission.

A summary of our findings and conclusions is found in the following pages. The conclusions reported are based on the conditions that exist as of the effective date of this report. These factors are subject to change and may alter, or otherwise affect the findings and conclusions presented in this report.

To the best of our knowledge, this report presents an accurate evaluation of market conditions for the subject property as of the effective date of this report. While the analysis that follows is based upon information obtained from sources believed to be reliable, no guarantee is made of its accuracy.

Feel free to contact us with any questions or comments.

Respectfully submitted:
ALLEN & ASSOCIATES CONSULTING

A handwritten signature in blue ink, appearing to read "Jeff Carroll", is positioned above the printed name.

Jeff Carroll

EXECUTIVE SUMMARY

The following is a summary of our key findings and conclusions with respect to the subject property:

Project Description

The subject property, known as Kilmarnock Village Apartments, is an existing affordable multifamily development located at 89 School Street in Kilmarnock, Lancaster County, Virginia (Map # 23A 21 16D). The subject property consists of 24 revenue-producing units originally constructed in 1984 with USDA-RD financing and renovated in 2002 with tax credit financing. The sponsor has proposed to renovate the property with an allocation of tax credits and the assumption and reamortization of the outstanding USDA-RD 515 loan. The subject property is an open age community.

Proposed Unit Mix

The subject property is proposed to consist of 24 revenue-producing units including 1 and 2-bedroom garden apartments. A total of 3 units are proposed to be income restricted to 40% of AMI; a total of 9 units are proposed to be income restricted to 50% of AMI; a total of 12 units are proposed to be income restricted to 60% of AMI; no units are proposed to be set aside as market rate units; a total of 23 units are proposed to benefit from project-based rental assistance; no units are proposed to benefit from HOME financing.

The sponsor has proposed to reamortize the existing USDA-RD loan for 50 years; the rent and income restrictions associated with this loan will remain in place until it is repaid. The rent and income restrictions associated with the proposed allocation of tax credits will run for the next 30 years.

Unit Type / Income Limit / Rent Limit	Proposed Unit Configuration		Units	Gross Rent	UA	Net Rent
	HOME	Subsidized				
1BR-1BA-583sf / 40% of AMI / 40% of AMI	No	Yes	1	\$836	\$103	\$733
1BR-1BA-583sf / 50% of AMI / 50% of AMI	No	Yes	3	\$836	\$103	\$733
1BR-1BA-658sf / 60% of AMI / 60% of AMI	No	Yes	4	\$836	\$103	\$733
2BR-1BA-705sf / 40% of AMI / 40% of AMI	No	Yes	2	\$927	\$141	\$786
2BR-1BA-705sf / 50% of AMI / 50% of AMI	No	Yes	6	\$927	\$141	\$786
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	Yes	7	\$927	\$141	\$786
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	No	1	\$927	\$141	\$786
Total/Average			24	\$897	\$128	\$768

Site Description

The subject property includes an irregular-shaped parcel consisting of approximately 1.415 acres and approximately 200 feet of road frontage.

A total of 34 parking spaces are planned for this development (31 regular / 3 accessible / 1.42 spaces per unit). Privately-owned parking areas are planned for the subject property. We normally see 1.5 to 2.0 spaces per unit for projects like the subject. Public transportation is not found in the area. In our opinion, the current parking appears light for the subject property.

Additional Considerations:

Zoning	R-2 Residential. Legal, conforming use.
Environmental	1984 construction. No suspected environmental conditions.
Topography	No issues detected.
Flood	Zone X. Outside the 100-year flood zone.
DDA Status	Lancaster County, Virginia. Not designated as a Difficult to Develop Area.
QCT Status	Tract 302.00. Not designated as a Qualified Census Tract.
Access	Very good. Located off a heavily-traveled road.
Visibility	Very good. Located off a heavily-traveled road.

In our opinion, the site is suitable for development.

Neighborhood Description

In our opinion, the subject property has a very good location relative to competing properties with respect to neighborhood characteristics.

In our opinion, the subject property has a very good location relative to competing properties with respect to area amenities.

Additional Considerations:

Crime	Similar to market average.
Schools	Higher graduation rates than market average.
Average Commute	Shorter commute than market average.

In our opinion, the neighborhood is suitable for development.

Primary Market Area

We defined the primary market area by generating a 30-minute drive time zone around the subject property. We also considered existing concentrations of multifamily properties and the nearest census tract boundaries in our analysis.

The primary market area includes a population of 29,521 persons and covers a total of 476.3 square miles, making it 24.6 miles across on average.

We estimate that up to 20 percent of demand will come from areas outside of the primary market area.

Demographic Characteristics

We anticipate moderate population and household growth for the market area. Renter households are anticipated to increase modestly as well. Finally, we anticipate that rents will grow with CPI over the next few years. Additional details follow:

Population	Market area population currently stands at 29,521 and is projected to grow 0.8 percent this year.
Households	Market area households currently stand at 13,340 and is projected to grow 0.8 percent this year.
Renter Households	Market area renter households currently stand at 2,584 and is projected to decline 0.5 percent this year.
Renter Tenure	Market area renter tenure currently stands at 19.4 percent.
Rent Growth	Market area rents have grown 4.75% annually since 2010.

Regional Economic Outlook

We anticipate moderate economic growth for the region. Additional details follow:

Est Employment	Regional establishment employment currently stands at 16,714 and is projected to grow 1.5 percent this year.
Civ Employment	Regional civilian employment currently stands at 14,512 and is projected to grow 0.4 percent this year.
Empl by Industry	Regional establishment employment currently stands at 16,714. The data suggests that State and Local Government is the largest employment category accounting for 12.9% of total regional employment. Retail Trade is the second largest category accounting for 10.9% of total employment. Health Care and Social Assistance is the third largest category accounting for 10.3% of total employment. Other Services is the fourth largest category accounting for 9.2% of total employment. Construction is the fifth largest category accounting for 9.1% of total employment.

Top Employers	The top employers include: (1) Rappahannock General Hospital (415 employees); (2) Haynesville Correctional Ctr (350 employees) and; (3) Rappahannock Westminster (300 employees).
Layoffs/Expansions	Major employers are currently hiring; none reported any pending layoffs.

Supply Analysis

Our analysis includes a total of 8 confirmed market area properties consisting of 182 units. The occupancy rate for these units currently stands at 96 percent. This rate reflects the occupancy for all confirmed market area units, regardless of project status (stabilized, under construction, proposed, etc.).

The following tables summarize our findings for this market area:

Grand Total				
Project Type	Properties	Units	Vacant	Occupancy
Market Rate	2	32	5	84%
Restricted	3	22	0	100%
Subsidized	3	128	2	98%
Total	8	182	7	96%

Stabilized				
Family				
Project Type	Properties	Units	Vacant	Occupancy
Market Rate	2	32	5	84%
Restricted	2	21	0	100%
Subsidized	0	23	1	96%
Total	4	76	6	92%

Elderly				
Project Type	Properties	Units	Vacant	Occupancy
Market Rate	0	0	0	0%
Restricted	1	1	0	100%
Subsidized	3	105	1	99%
Total	4	106	1	99%

Pipeline				
Family				
Project Type	Properties	Units	Vacant	Occupancy
Market Rate	0	0	0	0%
Restricted	0	0	0	0%
Subsidized	0	0	0	0%
Total	0	0	0	0%

Elderly				
Project Type	Properties	Units	Vacant	Occupancy
Market Rate	0	0	0	0%
Restricted	0	0	0	0%
Subsidized	0	0	0	0%
Total	0	0	0	0%

Most Comparable Properties

An overview of the market rate comparables selected for purposes of our analysis follows. The properties we consider to be the best comparables are highlighted for the reader's reference.

Key	Property	Units	Occupancy	Built	Renovated	Rents	Type	Miles to Sub
009	Courthouse Commons, Phase	12	100%	1982	na	Market Rate	Family	25.33
010	Courthouse Commons, Phase	12	100%	2007	na	Market Rate	Family	25.33
017	Falls, (The) Apartments	44	100%	2007	na	Market Rate	Family	29.19
018	Town Centre Suites	28	89%	1975	1990	Market Rate	Family	0.39
041	Reed Landing	4	50%	1985	na	Market Rate	Family	10.04
056	Winn Court Apartments	14	93%	1993	na	Market Rate	Family	30.37

An overview of the restricted rent comparables selected for purposes of our analysis follows. The properties we consider to be the best comparables are highlighted for the reader's reference.

Key	Property	Units	Occupancy	Built	Renovated	Rents	Type	Miles to Sub
008	College Green Apartments, P	16	100%	1985	2007	Restricted	Family	25.32
019	Foxchase Apartments	60	95%	2003	na	Restricted	Family	30.10
022	Indian Creek Apartments	20	100%	1991	2009	Restricted	Family	0.44
033	Montross Apartments	16	100%	1989	2010	Restricted	Family	33.64
039	Rappahannock Apartments	30	100%	1983	2005	Restricted	Family	29.23
042	Reedville Manor Apartments	26	96%	2000	na	Restricted	Elderly	10.12

Achievable Rents

In the following table we present our concluded achievable rents and rent advantage for the subject property:

Unit Type / Income Limit / Rent Limit	Achievable Rents			Units	Achievable	Proposed	Advantage
	HOME	Subsidized					
1BR-1BA-583sf / 40% of AMI / 40% of AMI	No	Yes		1	\$575	\$733	-27.5%
1BR-1BA-583sf / 50% of AMI / 50% of AMI	No	Yes		3	\$575	\$733	-27.5%
1BR-1BA-658sf / 60% of AMI / 60% of AMI	No	Yes		4	\$600	\$733	-22.2%
2BR-1BA-705sf / 40% of AMI / 40% of AMI	No	Yes		2	\$725	\$786	-8.4%
2BR-1BA-705sf / 50% of AMI / 50% of AMI	No	Yes		6	\$725	\$786	-8.4%
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	Yes		7	\$750	\$786	-4.8%
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	No		1	\$685	\$786	-14.7%
Total / Average				24	\$685	\$768	-12.2%

Our analysis suggests an average achievable rent of \$685 for the subject property. This is compared with an average proposed rent of \$768, yielding an achievable rent advantage of -12.2 percent. Overall, the subject property appears to be priced above achievable rents for the area.

NCHMA Demand Analysis

In the following tables we present our concluded demand, capture rate, penetration rate and absorption period estimates for the subject property using the NCHMA demand methodology:

Unit Type / Rent Type / Income Limit	Vac Units at Market Entry	Gross Demand	Vacant & Pipeline Units	Capture Rate Gross	Capture Rate Net	Penetration Rate	Absorption Pd (Mos)
1-Bedroom / Subsidized / 60% of AMI	4	763	1	0.5%	0.5%	1.6%	<1
2-Bedroom / Subsidized / 60% of AMI	7	1,007	0	0.7%	0.7%	2.2%	1
2-Bedroom / Restricted / 60% of AMI	1	164	0	0.6%	0.6%	1.2%	1

Project-Wide Gross Capture Rate	1.2%
Project-Wide Net Capture Rate	1.2%
Project-Wide Penetration Rate	3.5%
Stabilized Occupancy	97%
Project-Wide Absorption Period	1 mos

In our opinion, the estimated project-level capture rate suggests an appropriate number of units for the subject property. The unit level capture rates suggest an appropriate mix of units for the subject property.

In our opinion, the estimated project-level penetration rate suggest an appropriate number of units for the subject

property. The unit-level penetration rates suggest an appropriate mix of units for the subject property.

Our analysis suggests that the subject property will stabilize at 97 percent occupancy. We estimate 1 months of absorption and an average absorption rate of 9.2 units per month for this project. In our opinion, the absorption period suggests an appropriate number and mix of units for the subject property.

It is important to note that this analysis does not account for pent-up demand, pre-leasing efforts or rent concessions. In our opinion, an effective pre-leasing effort could result in a month-for-month reduction in the estimated absorption period for this project. In addition, any concessions or rent subsidies not accounted for already in this analysis could cut capture rates and absorption periods significantly.

VHDA Demand Analysis

In the following table we present our concluded capture rate and absorption period estimates for the subject property using the VHDA demand methodology:

Project-Wide Capture Rate - LIHTC Units	6.0%
Project-Wide Capture Rate - Market Units	0.0%
Project-Wide Capture Rate - All Units	6.0%
Project-Wide Absorption Period (Months)	1 mos

Conclusion

In conclusion, the subject property appears to be feasible from a market standpoint, subject to the recommendations in this report. Some of the units appears to be priced above achievable rents; the sponsor should revisit the rents for these units. In addition, we anticipate a rapid lease-up after construction.

Because of the demonstrated depth of demand in this area and the current occupied status of the subject property, we do not believe the renovation of this property will have an adverse impact on existing projects in the market area.

Kilmarnock Village Apartments
89 School Street
Kilmarnock, Virginia 22482

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Minimum Income	\$3,531				\$28,320				\$3,531
Maximum Income	\$40,680				\$40,680				\$40,680
New Rental Households	-10				-2				-12
(+)									
Existing Households - Overburdened	256				40				297
(+)									
Existing Households - Substandard Housing	93				15				107
(+)									
Elderly Households - Likely to Convert to Rental Housing									
(+)									
Existing Qualifying Tenants - To Remain After Renovation	12								12
(+)									
Total Demand	351				53				404
(-)									
Supply (Directly Comparable Vacant Units Completed or in Pipeline in PMA)	1								1
(=)									
Net Demand	350				53				403
Proposed Units	23				1				24
Capture Rate	6.6%				1.9%				6.0%
Absorption Period (Months)	1 mos				1 mos				1 mos

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PROJECT OVERVIEW

Project Description

The subject property, known as Kilmarnock Village Apartments, is an existing affordable multifamily development located at 89 School Street in Kilmarnock, Lancaster County, Virginia (Map # 23A 21 16D). The subject property consists of 24 revenue-producing units originally constructed in 1984 with USDA-RD financing and renovated in 2002 with tax credit financing. The sponsor has proposed to renovate the property with an allocation of tax credits and the assumption and reamortization of the outstanding USDA-RD 515 loan. The subject property is an open age community.

Select project details are summarized below:

Project Description	
Property Name	Kilmarnock Village Apartments
Street Number	89
Street Name	School
Street Type	Street
City	Kilmarnock
County	Lancaster County
State	Virginia
Zip	22482
Units	24
Year Built	1984
Project Rent	Restricted
Project Type	Family
Project Status	Prop Rehab
Financing Type	Tax Credit

Scope of Renovation

The subject property is currently in fair condition. The sponsor has proposed to rehabilitate the subject property to bring it up to “like new” condition using tax credit financing. The contemplated rehabilitation scope includes roof, parking lot, landscape, appliance, cabinet, HVAC and tile repairs and/or replacement. Tenants will be temporarily displaced as renovation progresses for this property.

Construction and Lease-Up Schedule

We anticipate a 12-month construction period for this project. Assuming a September 1, 2019 closing, this yields a date of completion of September 1, 2020. Our demand analysis (found later in this report) suggests a 1-month absorption period. This yields a date of stabilization of October 1, 2020.

Unit Configuration

The subject property currently consists of 24 revenue-producing units including 1 and 2-bedroom garden apartments. A total of 24 units are currently income restricted to 60% of AMI; no units are currently set aside as market rate units; a total of 23 units currently benefit from project-based rental assistance. The subject property currently stands at 96% occupancy. The current rent and income restrictions will remain in place for the next 33 years or until the outstanding USDA-RD debt is repaid, whichever is earlier.

Current Unit Configuration										
BR	BA	SF	Unit Type	Income Limit	Rent Limit	HOME Units	Subs Units	Total Units	Gross Rent	Net Rent
1	1.0	583	Garden/Flat	60%	60%	No	Yes	4	\$816	\$751
1	1.0	658	Garden/Flat	60%	60%	No	Yes	4	\$816	\$751
2	1.0	705	Garden/Flat	60%	60%	No	Yes	8	\$902	\$804
2	1.0	837	Garden/Flat	60%	60%	No	Yes	7	\$902	\$804
2	1.0	837	Garden/Flat	60%	60%	No	No	1	\$902	\$804
Total/Average		721						24	\$873	\$786

The subject property is proposed to consist of 24 revenue-producing units including 1 and 2-bedroom garden apartments. A total of 3 units are proposed to be income restricted to 40% of AMI; a total of 9 units are proposed to be income restricted to 50% of AMI; a total of 12 units are proposed to be income restricted to 60% of AMI; no units are proposed to be set aside as market rate units; a total of 23 units are proposed to benefit from project-based rental assistance; no units are proposed to benefit from HOME financing.

The sponsor has proposed to reamortize the existing USDA-RD loan for 50 years; the rent and income restrictions associated with this loan will remain in place until it is repaid. The rent and income restrictions associated with the proposed allocation of tax credits will run for the next 30 years.

Proposed Unit Configuration										
BR	BA	SF	Unit Type	Income Limit	Rent Limit	HOME Units	Subs Units	Total Units	Gross Rent	Net Rent
1	1.0	583	Garden/Flat	40%	40%	No	Yes	1	\$836	\$733
1	1.0	583	Garden/Flat	50%	50%	No	Yes	3	\$836	\$733
1	1.0	658	Garden/Flat	60%	60%	No	Yes	4	\$836	\$733
2	1.0	705	Garden/Flat	40%	40%	No	Yes	2	\$927	\$786
2	1.0	705	Garden/Flat	50%	50%	No	Yes	6	\$927	\$786
2	1.0	837	Garden/Flat	60%	60%	No	Yes	7	\$927	\$786
2	1.0	837	Garden/Flat	60%	60%	No	No	1	\$927	\$786
Total/Average		721						24	\$897	\$768

Please note: Subsidized units will be operated subject to LIHTC income restrictions and USDA-RD income requirements. The RD income requirements give priority to residents at or below 50% of AMI. This may affect the operation of the subject property.



USDA Rural Rental Assistance Program (Section 521)

Housing Assistance Council

June 2008

Section 521 Rural Rental Assistance (RA) is available in some properties financed by the Section 515 Rural Rental or Section 514/516 Farm Labor Housing programs of the U.S. Department of Agriculture's Rural Development Housing and Community Facilities Programs office (RD). It covers the difference between 30 percent of a tenant's income and the monthly rental rate.

Purpose

RA is a project-based program, providing an additional subsidy for tenants in Section 515- or 514/516-financed rental housing with incomes too low to pay the RD subsidized rent from their own resources. RD pays the owner the difference between the tenant's contribution (30 percent of adjusted income) and the monthly rental rate, which is calculated based on the owner's project costs.

Eligibility

Properties: Rental Assistance may be used in both existing and newly constructed RD Section 515- or 514/516-financed developments. Projects must be established on a nonprofit or limited profit basis.

Tenants: Persons with very low and low incomes, elderly persons, and persons with disabilities are eligible if they are unable to pay the basic monthly rent within 30 percent of adjusted monthly income. Very low income is defined as below 50 percent of the area median income (AMI); low income is between 50 and 80 percent of AMI. In new projects, 95 percent of those assisted must have very low incomes. In existing projects 75 percent of new tenants must have very low incomes.

Terms

RD and the project owner execute a one-year contract in which RD commits payments on behalf of tenants in a designated number or percentage of the units. Additional units may be covered if funds are available and an additional contract is executed. The agreement may be renewed as many times as funds are made available. RD State Directors may transfer unused and unneeded contracts or portions of contracts to other projects.

Priority

Overall priority is provided to renewal of expiring contracts.

A portion of the RA appropriation every year is used for RA in Section 515 and 514/516 projects whose owners want to prepay their mortgages. Additional RA can be used as an incentive for an owner to keep the RD mortgage, or to assist a nonprofit organization or public agency purchasing a property and assuming the mortgage.

Priority for RA in housing newly financed by Section 515 is given to a project either if a market study indicates the greatest percentage of prospective tenants need RA or if the area has the greatest housing need within the state and is selected for funding in accordance with the regulations.

Comments

The request for Rental Assistance is generally initiated by the property owner. If the borrower does not request it, however, tenants eligible for RA may petition the owner to obtain it for them. There is an RD appeals procedure if RA is denied by the owner.

In existing projects, demand for RA far exceeds supply. In a typical year, renewals account for most of RA funds.

Income & Rent Limits

The subject property is operated subject to certain income restrictions. The following table gives the applicable income limits for this area:

Income Limits						
HH Size	30% of AMI	40% of AMI	50% of AMI	60% of AMI	70% of AMI	80% of AMI
1.0 Person	\$14,250	\$19,000	\$23,750	\$28,500	\$33,250	\$38,000
2.0 Person	\$16,290	\$21,720	\$27,150	\$32,580	\$38,010	\$43,440
3.0 Person	\$18,330	\$24,440	\$30,550	\$36,660	\$42,770	\$48,880
4.0 Person	\$20,340	\$27,120	\$33,900	\$40,680	\$47,460	\$54,240
5.0 Person	\$21,990	\$29,320	\$36,650	\$43,980	\$51,310	\$58,640
6.0 Person	\$23,610	\$31,480	\$39,350	\$47,220	\$55,090	\$62,960
7.0 Person	\$25,230	\$33,640	\$42,050	\$50,460	\$58,870	\$67,280
8.0 Person	\$26,850	\$35,800	\$44,750	\$53,700	\$62,650	\$71,600

Source: HUD; State Housing Finance Agency

The income limits found above were based (in part) on HUD's published median household income for the area. The table below shows how this statistic has increased/decreased over the past several years:

Historical Median Income		
Year	\$	Change
2008	\$55,300	1.5%
2009	\$58,400	5.6%
2010	\$58,700	0.5%
2011	\$56,100	-4.4%
2012	\$56,900	1.4%
2013	\$58,500	2.8%
2014	\$62,600	7.0%
2015	\$66,800	6.7%
2016	\$67,900	1.6%
2017	\$65,800	-3.1%
2018	\$67,800	3.0%

Source: HUD

The subject property is operated subject to certain rent restrictions. The following table gives the maximum housing expense (net rent limit + tenant-paid utilities) for this area:

Maximum Housing Expense						
Unit Type	30% of AMI	40% of AMI	50% of AMI	60% of AMI	70% of AMI	80% of AMI
0 Bedroom	\$356	\$475	\$593	\$712	\$831	\$950
1 Bedroom	\$381	\$509	\$636	\$763	\$890	\$1,018
2 Bedroom	\$458	\$611	\$763	\$916	\$1,069	\$1,222
3 Bedroom	\$529	\$705	\$881	\$1,058	\$1,234	\$1,411
4 Bedroom	\$590	\$787	\$983	\$1,180	\$1,377	\$1,574

Source: HUD

The following table sets forth the gross fair market rents (net fair market rents + tenant-paid utilities) that would apply to any Section 8 voucher recipients or any units benefiting from HOME financing at the subject property:

Fair Market Rents	
Unit Type	Gross Rent
0 Bedroom	\$670
1 Bedroom	\$803
2 Bedroom	\$998
3 Bedroom	\$1,250
4 Bedroom	\$1,349

Source: HUD



IMPROVEMENT DESCRIPTION & ANALYSIS

Our improvement analysis includes an evaluation of the following factors with respect to the subject property: (1) Building Features; (2) Unit Features; (3) Project Amenities, (4) Utility Configuration; and (5) Useful Life Analysis.

Building Features

The subject property currently consists of 24 revenue-producing units in 3 residential buildings and 0 non-residential buildings. The development currently includes approximately 17,300 square feet of net rentable area and 18,248 square feet of gross building area.

The subject property is proposed to consist of 24 revenue-producing units in 3 residential buildings and 1 non-residential building. The development is proposed to include approximately 17,300 square feet of net rentable area and 18,997 square feet of gross building area.

Additional information regarding the subject property's major building systems is found below.

Foundation - Concrete Slab, Basements, Crawl Spaces, etc.

The subject property includes slab on grade foundations.

Structural Frame - Floor, Wall, Roof Structural Systems, etc.

The subject property is constructed with wood frame surfaced with plywood. Floor/ceiling assemblies consist of wood joists & plywood or concrete subfloors. Roof assemblies consist of wood trusses & plywood sheathing.

Exterior Wall - Exterior Finishes, Doors, Windows, Exterior Stairs, etc.

The subject currently includes stucco siding, double hung vinyl double pane windows, steel clad insulated six-panel unit entry doors, and sliding glass patio doors. The sponsor proposes to replace the siding, windows and exterior doors as part of the planned renovation.

Roof - Sheathing, Coverings, Warranties, Gutters & Downspouts, Soffit & Fascia, etc.

The subject includes gabled asphalt shingle roofs. The sponsor proposes to replace the roofs as part of the planned renovation.

Vertical Transportation - Elevator, Interior Stair Systems

None.

Plumbing - Sanitary, Storm, Sewer, Fixtures, Domestic Hot Water

Domestic water piping is constructed of CPVC pipe and fittings. Wastewater lines consist of PVC pipe and fittings. Potable hot water is supplied via individual electric hot water heaters. The sponsor proposes to replace the water heaters as part of the planned renovation.

HVAC - Heating, Air Conditioning, Ventilation

The subject property currently includes individual interior-mounted electric heat, individual exterior-mounted a/c compressors with interior-mounted air handlers. New HVAC systems are proposed as part of the planned renovation.

Electrical and Communications - Distribution, Aluminum Wiring, etc.

Buildings receive electrical power from exterior pad-mounted transformers. Electrical service to units consists of 120/240V AC with 100 amps available for each panel. Electrical wiring is made of copper. Properly grounded, three-prong outlets are found in each dwelling unit. The outlets located in the wet areas are Ground Fault Circuit Interrupter (GFCI) outlets. Surface-mounted fluorescent & LED fixtures are proposed after renovation.

Fire Suppression

The subject property is not currently equipped with an NFPA-13 fully automatic fire suppression (sprinkler) system. However, hard-wired smoke detectors with battery backup are found in each bedroom area. The sponsor proposes to replace the smoke detectors as part of the planned renovation.

Unit Features

The subject property currently contains 24 revenue-producing units including 22 regular units and 2 accessible units including 40 bedrooms, 24 full bathrooms and 0 half bathrooms.

The subject property is proposed to contain 24 revenue-producing units including 19 regular units and 5 accessible units, including 40 bedrooms, 24 full bathrooms and 0 half bathrooms.

Additional information regarding the subject property's unit features is found below.

Walls / Ceilings / Interior Doors

Subject property units include 8 foot ceilings, painted gypsum wallboard & ceilings, wood hollow-core flat panel interior doors and wood hollow-core flat panel closet doors. The sponsor proposes to replace the interior doors as part of the planned renovation. Wood solid-core flat panel doors are planned post renovation.

Floor Covering

Floor covering currently consists of vinyl sheeting in the entryways, bathrooms & kitchens along with wall-to-wall carpeting in the living areas & bedrooms. The sponsor proposes to replace the flooring as part of the planned renovation. Luxury vinyl plank is planned post renovation.

Kitchens

Kitchens currently include electric four-top ranges, range hoods, frost-free refrigerators, wood cabinets, laminated countertops and stainless steel sinks. The sponsor proposes to replace the appliances, cabinets and countertops as part of the planned renovation. Dishwashers are planned after renovation.

Bathrooms

Bathrooms currently includes composite wood vanities, cultured marble countertops, porcelain sinks & toilets, along with fiberglass tubs & surrounds. The bathrooms also include exhaust fans and other accessories. The sponsor proposes to replace these components as part of the planned renovation.

Project Amenities

A discussion of the development's project amenities is found below.

Site & Common Area Amenities

A playground is currently found at the subject property. A community center is planned post renovation.

Parking

Open parking is found at the subject property.

Laundry

Central laundry facilities are currently found at the subject property.

Security

Monitoring and security patrols are currently found at the subject property.

Services

No additional services are currently found at the subject property.

Tables comparing the subject property's amenities to that of the most comparable properties are found at the end of this section.

Utility Configuration

The subject property currently includes electric heat, electric cooking and electric hot water. All utilities - including cold water, sewer and trash - are currently paid by the resident.

The sponsor has proposed a utility configuration change as part of the planned renovation. All utilities - with the exception of trash - are proposed to be paid by the resident.

In the table that follows we compare the subject's proposed utility allowances (also known as tenant paid utilities) to the estimated allowances using the HUD Utility Schedule Model:

Utility Allowances										
BR	BA	SF	Unit Type	Inc Lmt	Rnt Lmt	HOME	Subs	Units	UA	HUD UA
1	1.0	583	Garden/Flat	40% of AMI	40% of AMI	No	Yes	1	\$103	\$89
1	1.0	583	Garden/Flat	50% of AMI	50% of AMI	No	Yes	3	\$103	\$89
1	1.0	658	Garden/Flat	60% of AMI	60% of AMI	No	Yes	4	\$103	\$89
2	1.0	705	Garden/Flat	40% of AMI	40% of AMI	No	Yes	2	\$141	\$112
2	1.0	705	Garden/Flat	50% of AMI	50% of AMI	No	Yes	6	\$141	\$112
2	1.0	837	Garden/Flat	60% of AMI	60% of AMI	No	Yes	7	\$141	\$112
2	1.0	837	Garden/Flat	60% of AMI	60% of AMI	No	No	1	\$141	\$112
Total/Average								24	\$128	\$104

The HUD utility allowances are a good measure of the energy costs for a given property. Our analysis suggests that the proposed utility allowances are higher than those established using the HUD model.

Tables comparing the subject property's utility configuration to that of the most comparable properties are found at the end of this section. Outputs from the HUD Utility Schedule Model are also found there.

Useful Life Analysis

The subject property was originally constructed in 1984 and is currently in fair condition. In our opinion, the subject has a remaining useful life & remaining economic life of 20 years in its current condition. Assuming the scope of work described above, we anticipate a remaining useful life & remaining economic life of 50 years after renovation. Finally, we estimate a post-renovation effective age of 10 years for this project.

In the course of completing this study, we rated the condition of the subject property and the most comparable properties on a 1-5 scale (1 being the worst and 5 being the best). We also evaluated the actual and effective ages of the subject and select comparables. A table summarizing our findings is found below:

		Actual Age Effective Age Condition			Rank		
		Rating					
Key	Project Name	Actual Age	Effective Age	Property Condition	Actual Age	Effective Age	Property Condition
Sub	Kilmarnock Village Apartments	1984	2009	4.00	10	4	2
008	College Green Apartments, Phase 2	1985	2000	3.00	8	6	6
009	Courthouse Commons, Phase 1	1982	1995	2.75	12	10	9
010	Courthouse Commons, Phase 2	2007	1995	2.75	1	10	9
017	Falls, (The) Apartments	2007	2005	3.25	1	5	5
018	Town Centre Suites	1975	2000	3.50	13	6	3
019	Foxchase Apartments	2003	2010	3.50	3	1	3
022	Indian Creek Apartments	1991	2010	4.50	6	1	1
033	Montross Apartments	1989	2010	3.00	7	1	6
039	Rappahannock Apartments	1983	2000	3.00	11	6	6
041	Reed Landing	1985	1985	2.25	8	13	13
042	Reedville Manor Apartments	2000	2000	2.75	4	6	9
056	Winn Court Apartments	1993	1995	2.75	5	10	9

Source: Allen & Associates; Sponsor

Amenities

Key	Project Name	Site & Common Area Amenities																				
		Ball Field	BBQ Area	Billiards Game Rm	Business Comp Ctr	Car Care Center	Community Center	Elevator	Fitness Center	Gazebo Patio	Hot Tub Jacuzzi	Herb Garden	Horseshoes	Lake	Library	Movie Media Ctr	Picnic Area	Playground	Pool	Sauna	Sports Court	Walking Trail
Sub	Kilmarnock Village Apartments	no	no	no	no	no	yes	no	no	no	no	no	no	no	no	no	yes	yes	no	no	no	no
008	College Green Apartments, Phase 2	no	yes	no	no	no	yes	no	no	no	no	no	no	no	no	no	yes	yes	no	no	no	no
009	Courthouse Commons, Phase 1	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no
010	Courthouse Commons, Phase 2	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no
017	Falls, (The) Apartments	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	yes	no	no	no	no	no	no
018	Town Centre Suites	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no
019	Foxchase Apartments	no	no	no	no	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no
022	Indian Creek Apartments	no	no	no	no	no	yes	no	no	no	no	no	no	no	no	no	yes	no	no	no	no	no
033	Montross Apartments	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	yes	no	no	no	no	no
039	Rappahannock Apartments	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	yes	no	no	no	no	no
041	Reed Landing	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no
042	Reedville Manor Apartments	no	yes	no	no	no	yes	no	no	no	no	no	no	no	no	yes	no	no	no	no	no	no
056	Winn Court Apartments	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no

Key	Project Name	Unit Amenities					Kitchen Amenities					Air Conditioning				Heat					
		Blinds	Ceiling Fans	Carpeting	Fireplace	Patio Balcony	Storage	Stove	Refrigerator	Disposal	Dishwasher	Microwave	Central	Wall Units	Window Units	None	Central	Wall Units	Baseboards	Boiler Radiator	None
Sub	Kilmarnock Village Apartments	yes	yes	yes	no	yes	no	yes	yes	no	yes	no	yes	no	no	no	yes	no	no	no	no
008	College Green Apartments, Phase 2	yes	yes	no	no	no	yes	yes	yes	no	no	no	yes	no	no	no	yes	no	no	no	no
009	Courthouse Commons, Phase 1	yes	yes	yes	no	no	no	yes	yes	yes	yes	yes	yes	no	no	no	yes	no	no	no	no
010	Courthouse Commons, Phase 2	yes	yes	yes	no	no	no	yes	yes	yes	yes	yes	yes	no	no	no	yes	no	no	no	no
017	Falls, (The) Apartments	yes	yes	yes	no	no	no	yes	yes	yes	yes	yes	yes	no	no	no	yes	no	no	no	no
018	Town Centre Suites	yes	no	yes	some	yes	no	yes	yes	no	yes	no	yes	no	no	no	yes	no	no	no	no
019	Foxchase Apartments	yes	no	yes	no	no	no	yes	yes	yes	yes	no	yes	no	no	no	yes	no	no	no	no
022	Indian Creek Apartments	yes	no	yes	no	yes	no	yes	yes	no	yes	no	yes	no	no	no	yes	no	no	no	no
033	Montross Apartments	yes	no	yes	no	yes	no	yes	yes	no	no	no	yes	no	no	no	yes	no	no	no	no
039	Rappahannock Apartments	yes	no	yes	no	yes	yes	yes	yes	no	no	no	yes	no	no	no	yes	no	no	no	no
041	Reed Landing	yes	no	yes	no	some	no	yes	yes	no	no	no	yes	no	no	no	yes	no	no	no	no
042	Reedville Manor Apartments	yes	no	yes	no	yes	no	yes	yes	no	no	no	yes	no	no	no	yes	no	no	no	no
056	Winn Court Apartments	no	no	yes	no	no	yes	yes	yes	no	no	no	yes	no	no	no	yes	no	no	no	no

Key	Project Name	Parking					Laundry			Security					Services							
		Garage	Covered Parking	Assigned Parking	Open Parking	None	Central	W/D Units	W/D Hookups	Call Buttons	Controlled Access	Courtesy Officer	Monitoring	Security Alarms	Security Patrols	After School	Concierge	Hair Salon	Health Care	House-keeping	Meals	Transportation
Sub	Kilmarnock Village Apartments	no	no	no	yes	no	yes	no	no	no	no	no	no	no	yes	no	no	no	no	no	no	no
008	College Green Apartments, Phase 2	no	no	no	no	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no	no
009	Courthouse Commons, Phase 1	no	no	no	no	yes	no	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	no
010	Courthouse Commons, Phase 2	no	no	no	yes	no	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no
017	Falls, (The) Apartments	no	no	no	yes	no	no	no	yes	no	no	yes	no	no	no	no	no	no	no	no	no	no
018	Town Centre Suites	no	no	no	yes	no	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no	no
019	Foxchase Apartments	no	no	no	yes	no	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no
022	Indian Creek Apartments	no	no	no	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no
033	Montross Apartments	no	no	no	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no
039	Rappahannock Apartments	no	no	no	yes	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no	no	no
041	Reed Landing	no	no	no	yes	no	no	yes	no	no	no	no	no	no	no	na	na	na	na	na	na	na
042	Reedville Manor Apartments	no	no	no	yes	no	yes	no	no	yes	no	no	no	no	no	no	no	no	no	no	no	no
056	Winn Court Apartments	no	no	no	yes	no	no	no	yes	no	no	no	no	no	no	no	no	no	no	no	no	no

Source: Allen & Associates; Sponsor

		Utilities																						
Key	Project Name	Tenant-Paid											Owner-Paid											
		Heat / Gas	Heat / Electric	Cooking / Gas	Cooking / Electric	Other / Electric	AC / Electric	HW / Gas	HW / Electric	Water	Sewer	Trash	Heat / Gas	Heat / Electric	Cooking / Gas	Cooking / Electric	Other / Electric	AC / Electric	HW / Gas	HW / Electric	Water	Sewer	Trash	
Sub	Kilmarnock Village Apartments	no	yes	no	yes	yes	yes	no	yes	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	yes	yes
008	College Green Apartments, Phase 2	no	yes	no	yes	yes	yes	no	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	yes	yes
009	Courthouse Commons, Phase 1	no	yes	no	yes	yes	yes	no	yes	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	no
010	Courthouse Commons, Phase 2	no	yes	no	yes	yes	yes	no	yes	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	no
017	Falls, (The) Apartments	no	yes	no	yes	yes	yes	no	yes	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	no
018	Town Centre Suites	no	yes	no	yes	yes	yes	no	yes	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	yes
019	Foxchase Apartments	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	yes	yes	yes	yes	yes
022	Indian Creek Apartments	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	yes	yes	yes	yes	yes
033	Montross Apartments	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	yes	yes	yes	yes	yes
039	Rappahannock Apartments	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	yes	yes	yes	yes	yes
041	Reed Landing	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	yes	yes	yes	yes	yes
042	Reedville Manor Apartments	no	yes	no	yes	yes	yes	no	yes	no	no	no	no	no	no	no	no	no	no	yes	yes	yes	yes	yes
056	Winn Court Apartments	no	yes	no	yes	yes	yes	no	yes	yes	yes	yes	no	no	no	no	no	no	no	no	no	no	no	no

Source: Allen & Associates; Sponsor

HUD Utility Schedule Model Output					
	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Heat - Gas	34	37	40	43	46
Heat - Elec	10	12	15	16	17
Cooking - Gas	3	3	4	6	7
Cooking - Elec	4	5	7	9	11
Other Electric	14	17	24	30	37
Air Conditioning	5	6	8	11	13
Hot Water-Gas	6	7	10	13	16
Hot Water-Elec	9	11	14	17	20
Water	14	14	16	25	35
Sewer	24	24	28	50	71
Trash	0	0	0	0	0

Source: Local Utility Providers; HUD

SITE DESCRIPTION & ANALYSIS

Our assessment of the site included an evaluation of the following factors with respect to the subject property: (1) Survey; (2) Site Plan; (3) Nuisances, Hazards, Detrimental Influences & Environmental; (4) Topography; (5) Flood Zone; (6) Difficult to Develop Area Status; (7) Qualified Census Tract Status; and (8) Traffic Patterns, Access & Visibility.

Survey

A survey for the subject property was not provided to the analyst for review. Current surveys should be evaluated to ascertain whether there are any easements encumbering the subject property.

Site Plan

A site plan for the subject property was not provided to the analyst for review. Site plans are necessary to analyze the site improvements, parking configuration, internal traffic flow, location of building improvements and landscaping improvements for the subject property. The developer did provide us with a description of the development's site features. A summary of these features is found below.

Acres / Lot Shape / Frontage

The subject property includes an irregular-shaped parcel consisting of approximately 1.415 acres and approximately 200 feet of road frontage.

Zoning

According to the sponsor, the subject property is currently zoned R-2 Medium Density. It is our understanding that the current zoning for the subject is a legal, conforming use.

Parking / Streets / Curbs / Sidewalks

A total of 34 parking spaces are planned for this development (31 regular / 3 accessible / 1.42 spaces per unit). Privately-owned parking areas are planned for the subject property. We normally see 1.5 to 2.0 spaces per unit for projects like the subject. Public transportation is not found in the area. In our opinion, the current parking appears light for the subject property.

Dumpsters / Dumpster Enclosures

The subject is includes 2 publicly-owned dumpsters along with privately-owned wood enclosures.

Landscaping / Perimeter Fence / Retaining Walls / Entry Sign

Trees, shrubs & lawns are found at the subject property. A perimeter fence is not found at the subject property. Retaining walls are not found at this property. One unlighted entry sign is found at this property.

Stormwater Management / Site Lighting / Water Service / Wastewater Service

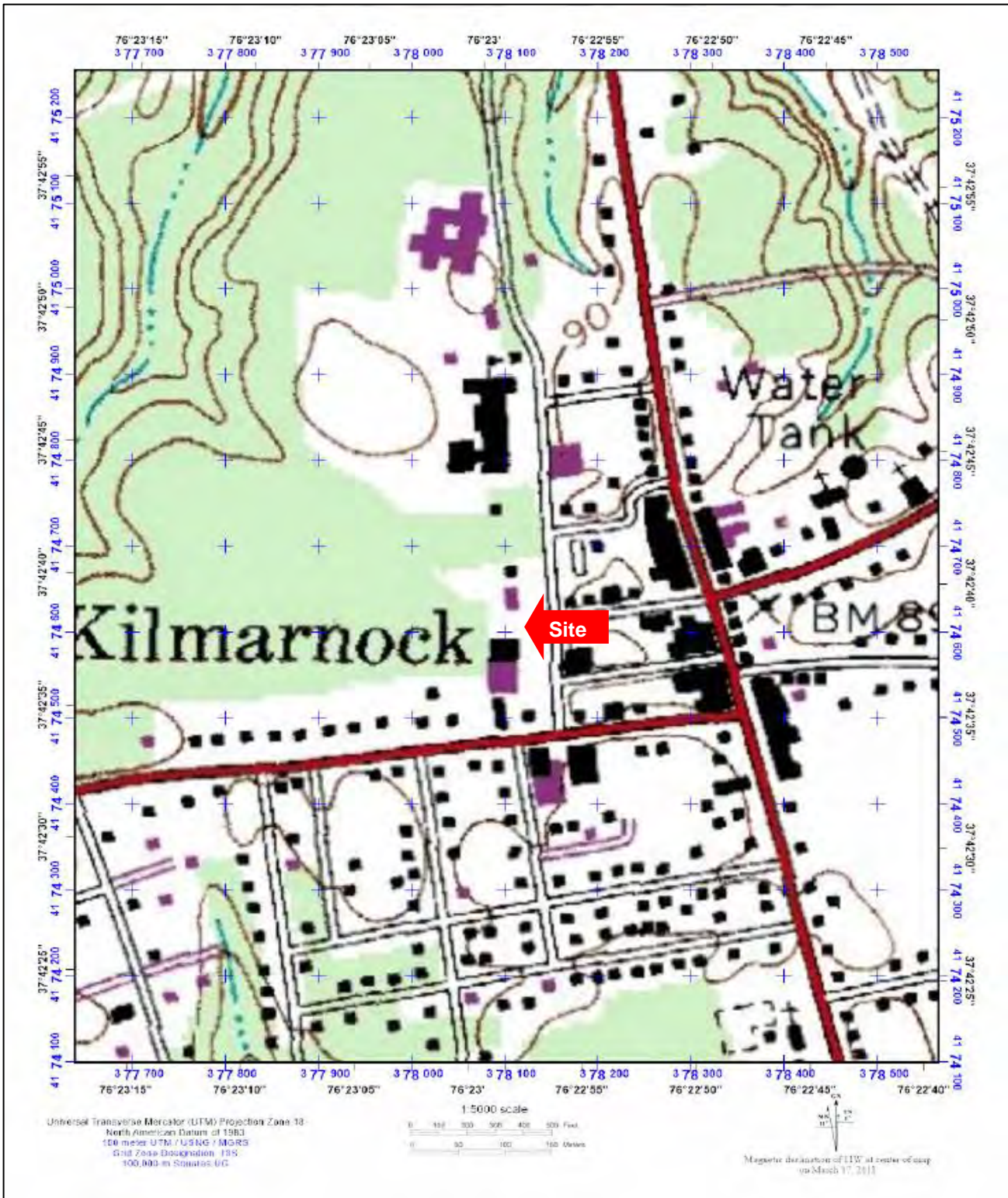
Stormwater management consists of catch basins and concrete pipe connecting to a public system. Site lighting consists of publicly-owned HID poles. Domestic water service to buildings consists of ductile iron pipe connecting to a public system. Wastewater service to buildings consists of PVC pipe connecting to a public system.

Nuisances, Hazards, Detrimental Influences & Environmental

We did not observe any nuisances, hazards, detrimental influences or recognized environmental conditions on our inspection of the subject property. The subject property was originally constructed in 1984, after the 1978 ban on lead and asbestos containing construction materials. Nevertheless, we recommend that the sponsor obtain a comprehensive environmental assessment from a qualified professional.

Topography

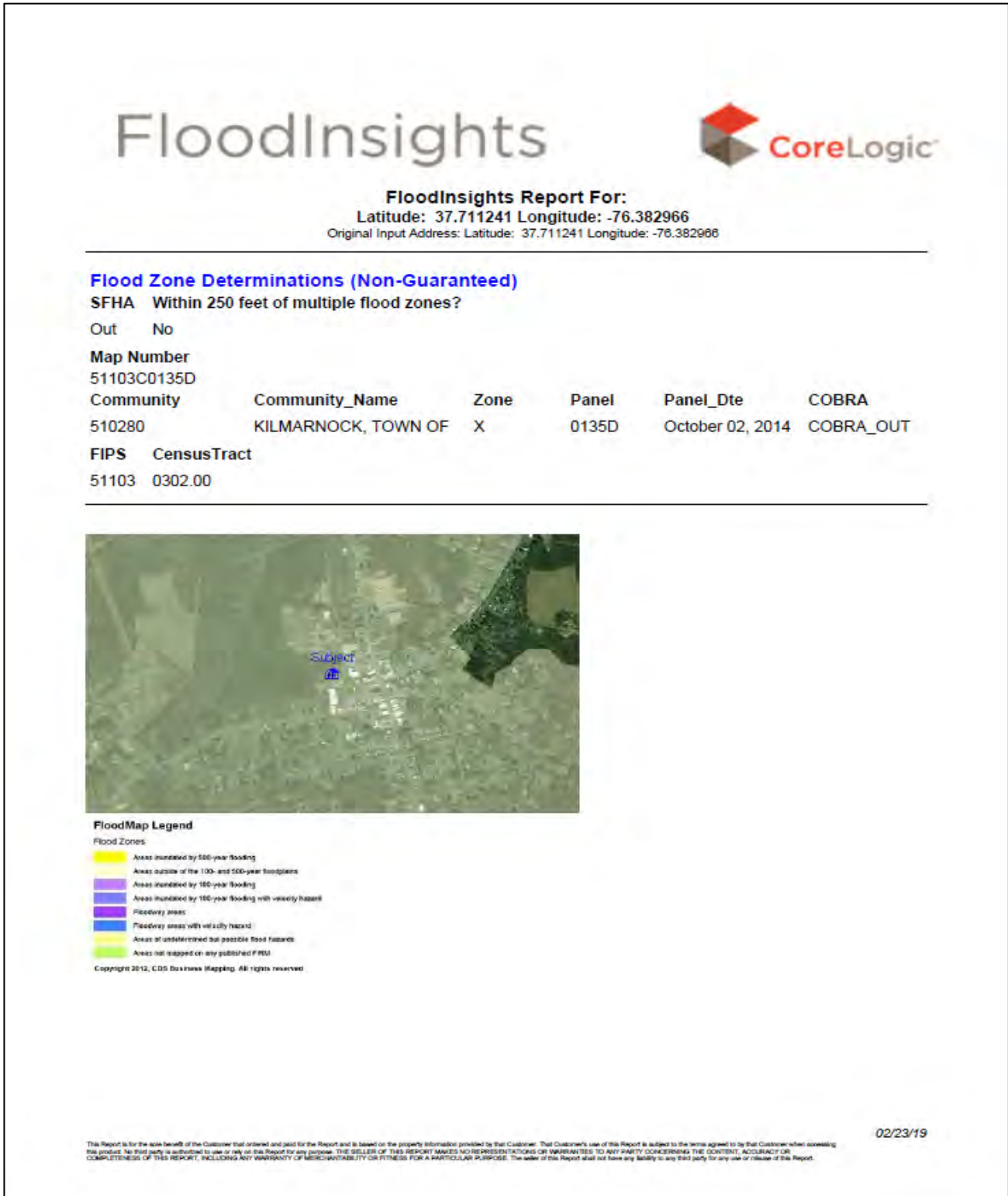
The USGS map showing the topography of the subject property and surrounding area is found below:



The topographic map shows that the site is flat and drains to adjacent properties to the west. In our opinion, there do not appear to be any topographic issues with respect to the subject property.

Flood Zone

The map showing the location of the subject property relative to nearby areas prone to flooding (identified in purple) is found below:



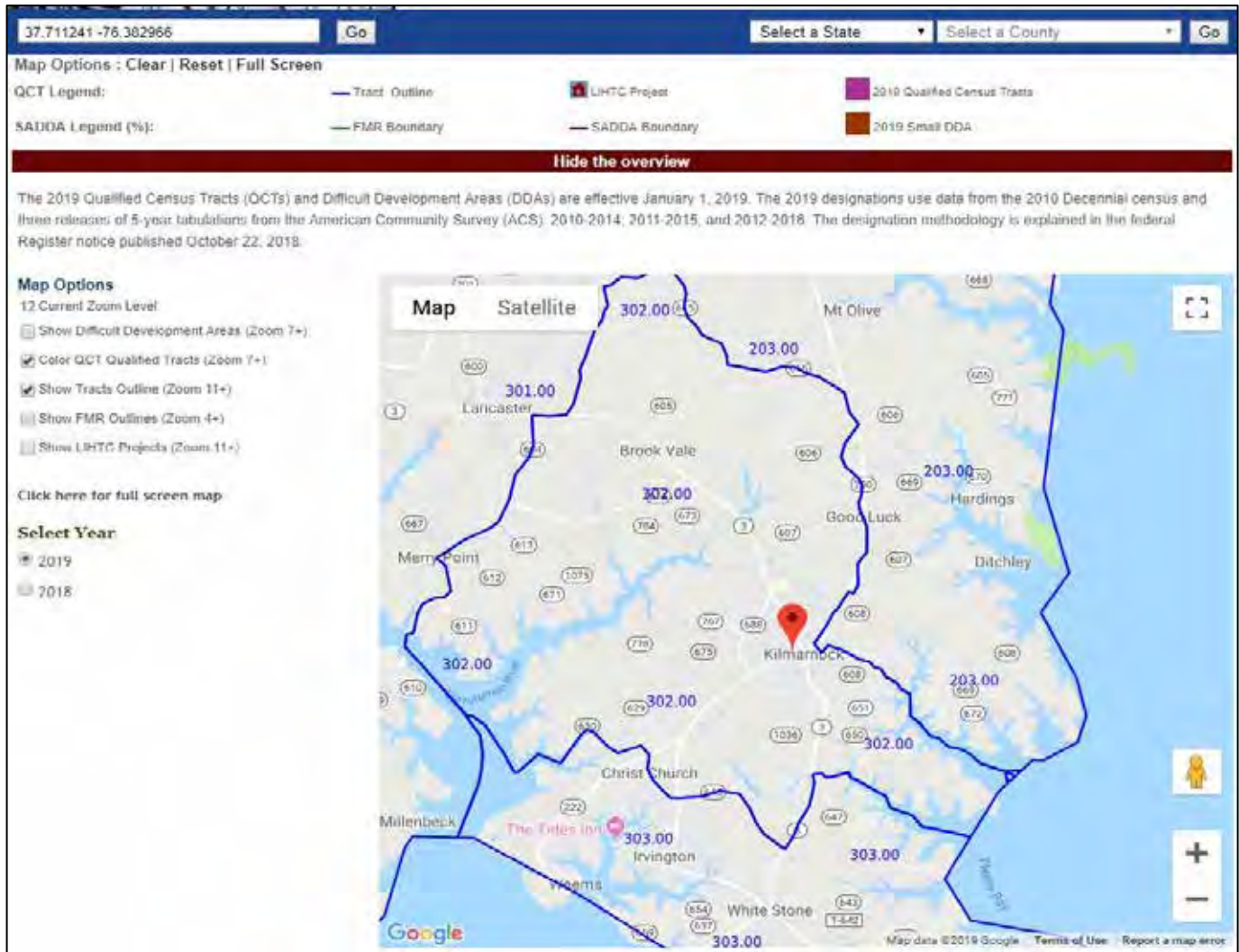
According to FEMA map number 51103C0135D dated October 02, 2014, the subject property is located in Zone X. This is an area that is identified as being located outside the 100-year flood zone.

Difficult to Develop Area Status

The subject property is located in Lancaster County, Virginia - an area that is designated as a Difficult to Develop Area. Consequently, the subject property does appear to qualify for special DDA funding under state and federal programs.

Qualified Census Tract Status

The federal government has identified census tracts throughout the United States that include high concentrations of low-income households and substandard housing units. These areas, known as Qualified Census Tracts, qualify for special funding under various state and federal programs. A QCT map showing the location of the subject property is found below:



The subject property is located in Census Tract 302.00 - an area that is not designated as a Qualified Census Tract. Consequently, the subject property does not appear to qualify for special QCT funding under state and federal programs.

Traffic Patterns, Access & Visibility

A traffic map identifying the subject property is found below:



Access

The subject property is located on School Street, approximately 1 block west of Route 3 in Kilmarnock, Virginia. School Street is a moderately-traveled north-south road carrying approximately 6,000 vehicles per day. Route 3 is a heavily-traveled north-south road carrying approximately 11,000 vehicles per day. We did not observe any road or infrastructure improvements taking place in the immediate vicinity of the subject property. In our opinion, therefore, accessibility is very good by virtue of the location of the subject property relative to existing streets and thoroughfares.

Visibility

The subject property is visible from School Street with 200' of frontage and a moderate volume of drive-by traffic. Consequently, in our opinion visibility is very good by virtue of the exposure of the subject property to existing drive-by traffic volumes.

In the course of completing this study, we rated the access and visibility for the subject property and the most comparable properties on a 1-5 scale (1 being the worst and 5 being the best). A table summarizing our findings is found below:

Access & Visibility						
Rating				Rank		
Key	Project Name	Access	Visibility	Access	Visibility	
Sub	Kilmarnock Village Apartments	4.00	4.00	1	1	
008	College Green Apartments, Phase 2	2.25	2.00	10	11	
009	Courthouse Commons, Phase 1	2.25	2.25	10	8	
010	Courthouse Commons, Phase 2	2.25	2.25	10	8	
017	Falls, (The) Apartments	2.75	2.75	5	5	
018	Town Centre Suites	2.50	2.00	8	11	
019	Foxchase Apartments	3.25	3.25	3	3	
022	Indian Creek Apartments	2.50	2.25	8	8	
033	Montross Apartments	3.00	3.00	4	4	
039	Rappahannock Apartments	2.75	2.75	5	5	
041	Reed Landing	3.50	3.50	2	2	
042	Reedville Manor Apartments	2.00	1.75	13	13	
056	Winn Court Apartments	2.75	2.50	5	7	

Source: Allen & Associates

NEIGHBORHOOD DESCRIPTION & ANALYSIS

Neighborhood

Our assessment of the neighborhood includes an evaluation of the following factors with respect to the subject property: (1) Life Cycle; (2) Surrounding Properties; (3) Economic Characteristics; (4) Crime Rates; (5) Educational Attainment; and (6) Commuting Patterns.

Life Cycle

Neighborhoods are sometimes thought to evolve through four distinct stages:

- Growth – A period during which the area gains public favor and acceptance.
- Stability – A period of equilibrium without marked gains or losses.
- Decline – A period of diminishing demand.
- Revitalization – A period of renewal, redevelopment, modernization, and increasing demand.

Based on our evaluation of the neighborhood, the subject property is located in an area that appears to be in the stability stage of its life cycle. Modest population growth is anticipated for the next several years.

Surrounding Properties

The subject property is located in Kilmarnock, Virginia. The immediate area consists of a variety of land uses.

A school in very good condition is located to the north of the subject property; a fire house and bank in good condition are located to the south; commercial in good condition is located to the east; vacant land is located to the west of the subject property. Neighboring land uses appear to be complimentary to the use of the subject property. The condition of the neighboring properties appears to be complimentary as well.

Surrounding property uses are summarized in the table found below:

Surrounding Properties		
Direction	Use	Condition
North	School	Very Good
South	Fire House/Bank	Good
East	Commercial	Good
West	Vacant Land	-

Source: Allen & Associates

Economic Characteristics

The subject property is located in an area with average household incomes of \$51,369 (in 2015 dollars); this is compared with \$48,952 for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with median cash rents of \$877 (in 2015 dollars); this is compared with \$734 for the most comparable properties included in this analysis.

Finally, the subject property is located in an area with median single family home values of \$346,800 (in 2015 dollars); this is compared with \$229,738 for the most comparable properties included in this analysis.

Crime Rates

The subject property is located in an area with personal crime rates of 4.9%. Personal crime includes offenses such as rape, murder, robbery and assault. Our research suggests that the average personal crime rate for the most comparable properties stands at 2.8%.

In addition, the subject property is located in an area with property crime rates of 3.0%. Property crimes include offenses such as burglary, larceny and theft. Our research suggests that the average property crime rate for the most

comparable properties stands at 3.9%.

Please note: The crime statistics included in this analysis are historical area-wide figures. These statistics make no consideration for changing demographics or the implementation of an affirmative crime prevention program at the subject property.

Educational Attainment

The subject property is located in an area with high school graduation rates of 82.3%; this is compared with 80.6% for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with college graduation rates of 25.4%; this is compared with 17.8% for the most comparable properties included in this analysis.

Commuting Patterns

The subject property is located in an area with an average drive to work of 19.1 minutes; this is compared with 24.7 minutes for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with an average of 1.86 vehicles per household; this is compared with 1.78 vehicles per household for the most comparable properties included in this analysis.

Conclusion

In our opinion, the subject property has a very good location relative to competing properties with respect to neighborhood characteristics.

Proximity to Area Amenities

Our assessment included an evaluation of the proximity of various amenities to the subject and the most comparable properties. We looked at the following amenities in our analysis: (1) Banks; (2) Grocery; (3) Emergency Clinics; (4) Pharmacies; and (5) Discount Stores.

A listing of some of the area amenities is found below. An amenity map is found in the following pages:

Proximity to Area Amenities		
Amenity	Name	Miles
Bank	Chesapeake Bank	0.1 mi S
Grocery	Tri-Star Supermarket	0.1 mi S
Emergency Clinic	Rappahannock General Hospital	0.7 mi S
Pharmacy	Anchor Pharmacy	0.1 mi E
Discount Store	Peebles	0.6 mi NW
Elementary School	Lancaster Primary School	3.3 mi NW
Middle School	Lancaster Middle School	0.1 mi N
High School	Brook Vale High School	3.3 mi NW
Bus Stop	-	-

Source: Google Maps

Chesapeake Bank, Tri-Star Supermarket, Anchor Pharmacy, and Peebles are all located less than 1.0 miles away from the subject property. Rappahannock General Hospital is located 0.7 miles away.

Number of Area Amenities

We utilized Microsoft Streets & Trips to evaluate the subject and the most comparable properties with respect to the number of amenities in the immediate area.

- Microsoft Streets & Trips identified 5 banks within 2.0 miles of the subject property. The subject is ranked 1 out of the 13 properties included in this analysis.
- A total of 3 grocery stores are in the vicinity of the subject property. The subject is ranked 1 for the area.
- A total of 2 hospital are in the vicinity of the subject property. The subject is ranked 1 for the area.
- A total of 4 pharmacies are in the vicinity of the subject property. The subject is ranked 1 for the area.
- A total of 23 shopping centers are in the vicinity of the subject property. The subject is ranked 1 for the area.

Nearest Area Amenities

We utilized Microsoft Streets & Trips to evaluate the subject and the most comparable properties with respect to the nearest area amenities.

- According to Microsoft Streets & Trips, the nearest bank is 0.21 miles away from the subject property. The subject is ranked 4 out of the 13 properties included in this analysis.
- The nearest grocery store is 0.14 miles away from the subject property. The subject is ranked 1 for the area.
- The nearest hospital is 0.65 miles away from the subject property. The subject is ranked 2 for the area.
- The nearest pharmacy is 0.43 miles away from the subject property. The subject is ranked 2 for the area.
- The nearest shopping center is 0.04 miles away from the subject property. The subject is ranked 1 for the area.

Conclusion

In our opinion, the subject property has a very good location relative to competing properties with respect to area amenities.

Tables comparing the subject property's proximity to area amenities to that of the most comparable properties is found on the next page. Maps showing the proximity of the subject property to area amenities and area employers is also found in the following pages.

In the course of completing this study, we rated the neighborhood and the proximity to area amenities for the subject property and the most comparable properties on a 1-5 scale (1 being the worst and 5 being the best). The tables on the following pages give these ratings.

Neighborhood Ratings

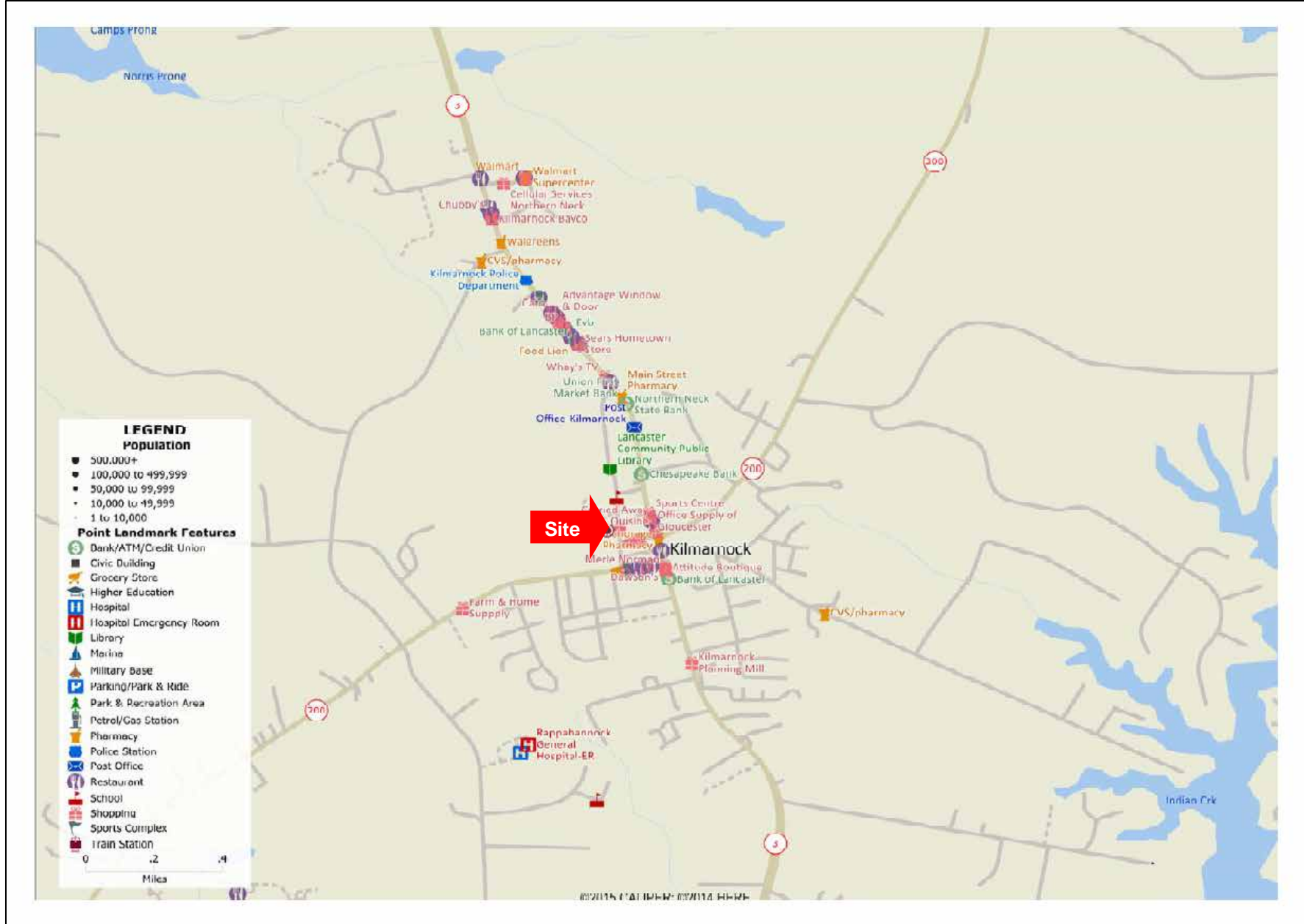
		Rating								Rank (1 = Property with Highest Rating)								Final Rating (1-5 Scale)
		Surrounding Area			Crime Rates		Education		Commute	Surrounding Area			Crime Rates		Education		Commute	
Key	Project Name	Avg HH Income (2015)	Med Cash Rent (2015)	Med SF Value (2015)	Personal Crime	Property Crime	High School or More	Bachelor's or More	Average Commute	Avg HH Income (2015)	Med Cash Rent (2015)	Med SF Value (2015)	Personal Crime	Property Crime	High School or More	Bachelor's or More	Average Commute	
Sub	Kilmarnock Village Apartments	\$51,369	\$877	\$346,800	4.9%	3.0%	82.3%	25.4%	19.07	4	3	1	12	5	4	1	2	4.50
008	College Green Apartments, Phase 2	\$68,304	\$757	\$157,700	2.2%	2.0%	79.2%	20.1%	31.58	1	5	7	5	2	6	3	10	4.50
009	Courthouse Commons, Phase 1	\$68,304	\$757	\$157,700	2.2%	2.0%	79.2%	20.1%	31.58	1	5	7	5	2	6	3	10	4.50
010	Courthouse Commons, Phase 2	\$68,304	\$757	\$157,700	2.2%	2.0%	79.2%	20.1%	31.58	1	5	7	5	2	6	3	10	4.50
017	Falls, (The) Apartments	\$41,786	\$616	\$292,900	3.3%	3.4%	77.2%	18.9%	20.20	8	11	5	10	8	9	6	4	3.00
018	Town Centre Suites	\$51,369	\$877	\$346,800	4.9%	3.0%	82.3%	25.4%	19.07	4	3	1	12	5	4	1	2	4.50
019	Foxchase Apartments	\$35,750	\$937	\$144,900	2.0%	9.1%	74.6%	15.2%	24.93	11	1	11	3	12	11	10	8	2.80
022	Indian Creek Apartments	\$39,063	\$627	\$152,700	3.2%	1.9%	86.3%	8.2%	17.57	10	10	10	9	1	3	13	1	3.30
033	Montross Apartments	\$34,948	\$475	\$144,400	2.5%	3.0%	66.9%	12.1%	37.34	13	13	13	8	7	13	12	13	2.00
039	Rappahannock Apartments	\$41,786	\$616	\$292,900	3.3%	3.4%	77.2%	18.9%	20.20	8	11	5	10	8	9	6	4	3.00
041	Reed Landing	\$49,824	\$657	\$323,600	2.0%	4.5%	94.7%	15.9%	21.27	6	8	3	1	10	1	8	6	4.10
042	Reedville Manor Apartments	\$49,824	\$657	\$323,600	2.0%	4.5%	94.7%	15.9%	21.27	6	8	3	1	10	1	8	6	4.10
056	Winn Court Apartments	\$35,750	\$937	\$144,900	2.0%	9.1%	74.6%	15.2%	24.93	11	1	11	3	12	11	10	8	2.80

Proximity to Area Amenities

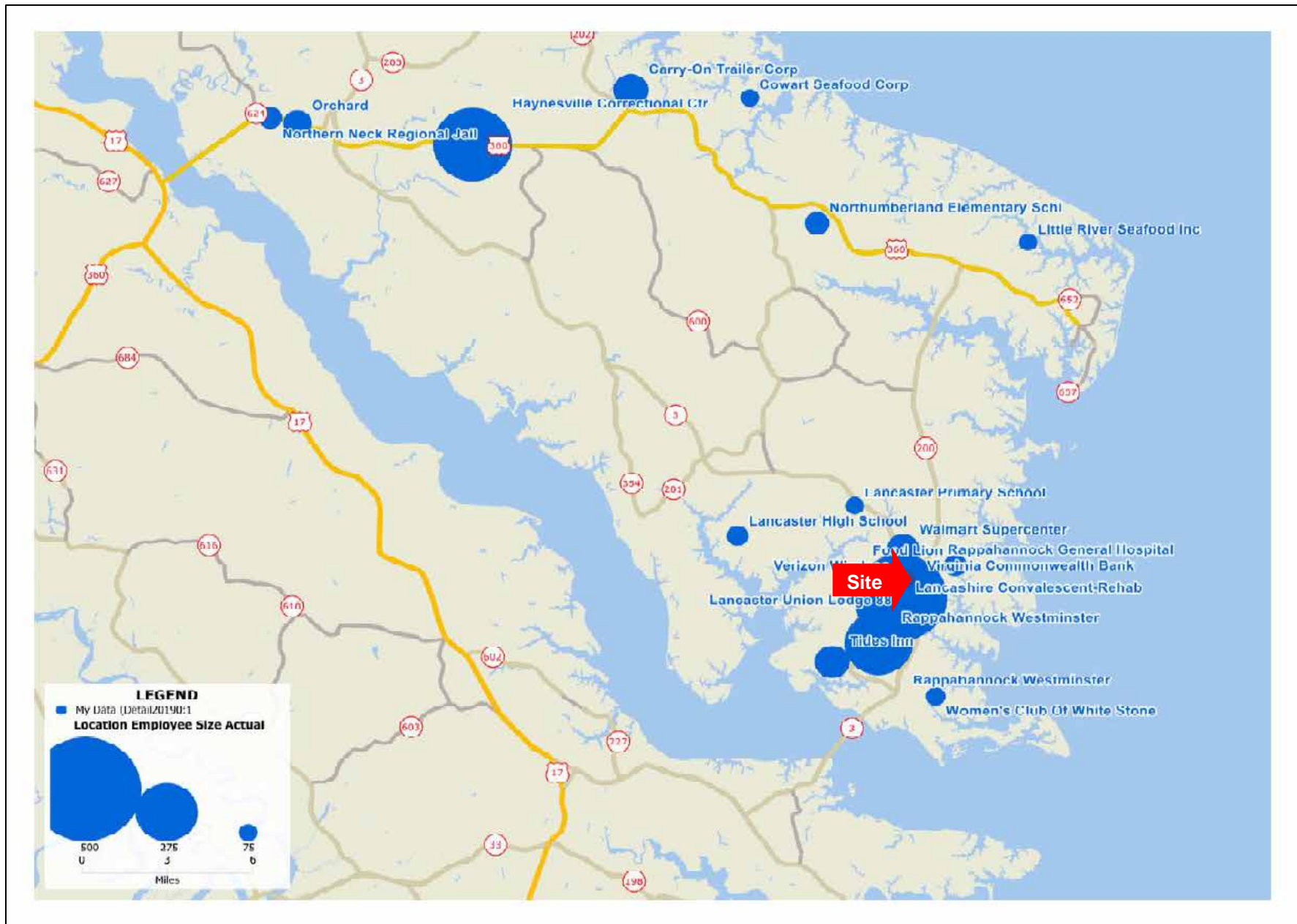
		Rating								Rank (1 = Property with Highest Rating)								Final Rating (1-5 Scale)
		Number within 2.0 miles of Property					Nearest to Property, Miles			Number within 2.0 miles of Property					Nearest to Property, Miles			
Key	Project Name	Banks	Grocery	Hospital	Pharmacy	Shopping Center	Shopping Center	Grocery	Hospital	Banks	Grocery	Hospital	Pharmacy	Shopping Center	Shopping Center	Grocery	Hospital	
Sub	Kilmarnock Village Apartments	5	3	2	4	23	0.0	0.1	0.7	1	1	1	1	1	1	1	2	4.50
008	College Green Apartments, Phase 2	3	2	0	1	7	0.4	0.6	7.5	8	8	8	8	8	8	5	8	2.60
009	Courthouse Commons, Phase 1	3	2	0	1	7	0.3	0.6	7.6	8	8	8	8	8	6	6	9	2.90
010	Courthouse Commons, Phase 2	3	2	0	1	7	0.3	0.6	7.6	8	8	8	8	8	6	6	9	2.90
017	Falls, (The) Apartments	5	3	2	3	19	0.2	0.6	1.2	1	1	1	4	5	4	8	5	3.50
018	Town Centre Suites	5	3	2	4	23	0.2	0.3	1.1	1	1	1	1	1	5	3	4	4.20
019	Foxchase Apartments	5	3	2	3	19	0.5	0.7	1.8	1	1	1	4	5	9	10	7	3.30
022	Indian Creek Apartments	5	3	2	4	22	0.1	0.4	0.4	1	1	1	1	3	2	4	1	4.00
033	Montross Apartments	2	1	0	1	1	2.0	0.2	13.3	11	11	8	8	11	13	2	13	2.30
039	Rappahannock Apartments	5	3	2	3	19	0.2	0.7	1.2	1	1	1	4	5	3	9	6	3.30
041	Reed Landing	1	0	0	0	1	1.5	3.6	12.0	12	12	8	12	11	11	12	12	2.00
042	Reedville Manor Apartments	1	0	0	0	1	1.9	3.9	12.0	12	12	8	12	11	12	13	11	2.00
056	Winn Court Apartments	5	3	2	3	21	1.0	1.2	1.0	1	1	1	4	4	10	11	3	3.20

Source: US Census; Claritas; Google Maps

Proximity to Area Amenities



Proximity to Area Employers



SUBJECT PROPERTY PHOTOS

Photos of the subject property and the surrounding area are found below:



Subject Property



Looking North From Entrance



Looking South From Entrance



Looking East From Entrance



Looking West From Entrance



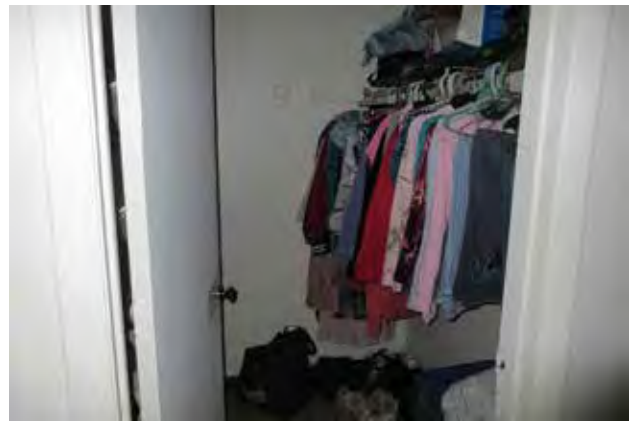
Typical Family Room



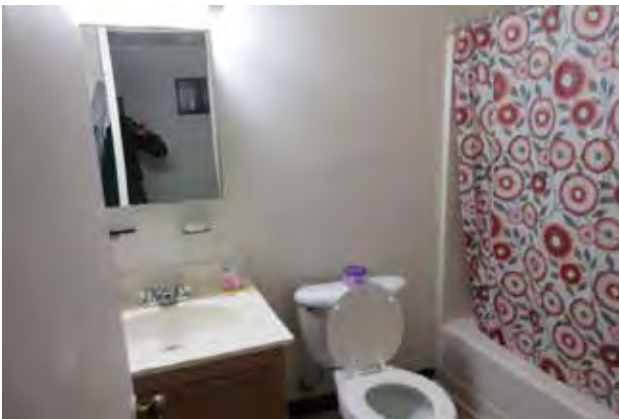
Typical Kitchen



Typical Bedroom



Typical Closet



Typical Bathroom



Utility Room



Laundry Area



Playground

MARKET AREA

Overview

Market areas are influenced by a variety of interrelated factors. These factors include site location, economic, and demographic characteristics (tenure, income, rent levels, etc.), local transportation patterns, physical boundaries (rivers, streams, topography, etc.), census geographies, and the location of comparable and/or potentially competing communities.

In areas where the county seat is the largest city, centrally located, and draws from the entire county, the county may be the market area. In the case where there are potentially competing communities in one county, the market area may be part of the county. In fact, the market area could include portions of adjacent counties. In this case, a combination of county subdivisions may be used to define the market area. In urban or suburban areas, the market area will be adjacent to the site extending to all locations of similar character with residents or potential residents likely to be interested in the project. In this case, county subdivisions, townships, or a combination of census tracts may be used to define the market area.

Allen & Associates recently conducted a series of property management interviews to better understand market areas and resident moving patterns for multifamily properties. Our study suggested that markets may be classified into the following general categories: urban, suburban and rural. Renters in urban markets are typically willing to move 5 to 10 minutes when looking for a new apartment. Our research also shows that renters in suburban markets are normally willing to move 10 to 15 minutes when looking for a new place to live. Renters in rural markets are typically willing to move 15 to 20 minutes when looking for a new apartment. We considered these general guidelines in our evaluation of the subject property.

Our study suggested that secondary market areas were generally a function of whether the proposed development was family or elderly. Our research suggested that secondary market demand for family properties ranged from 10 to 30 percent. Secondary market demand for elderly properties ranged from 10 to 50 percent. Although seniors move less frequently than younger renters, they are often willing to move longer distances when looking for housing. We considered these general secondary market guidelines in our evaluation of the subject property.

Our primary and secondary market area definitions are found below.

Primary Market Area

We defined the primary market area by generating a 30-minute drive time zone around the subject property. We also considered existing concentrations of multifamily properties and the nearest census tract boundaries in our analysis.

Primary market area, drive time and existing multifamily maps are found in the following pages. The primary market area included all or part of the following census tracts:

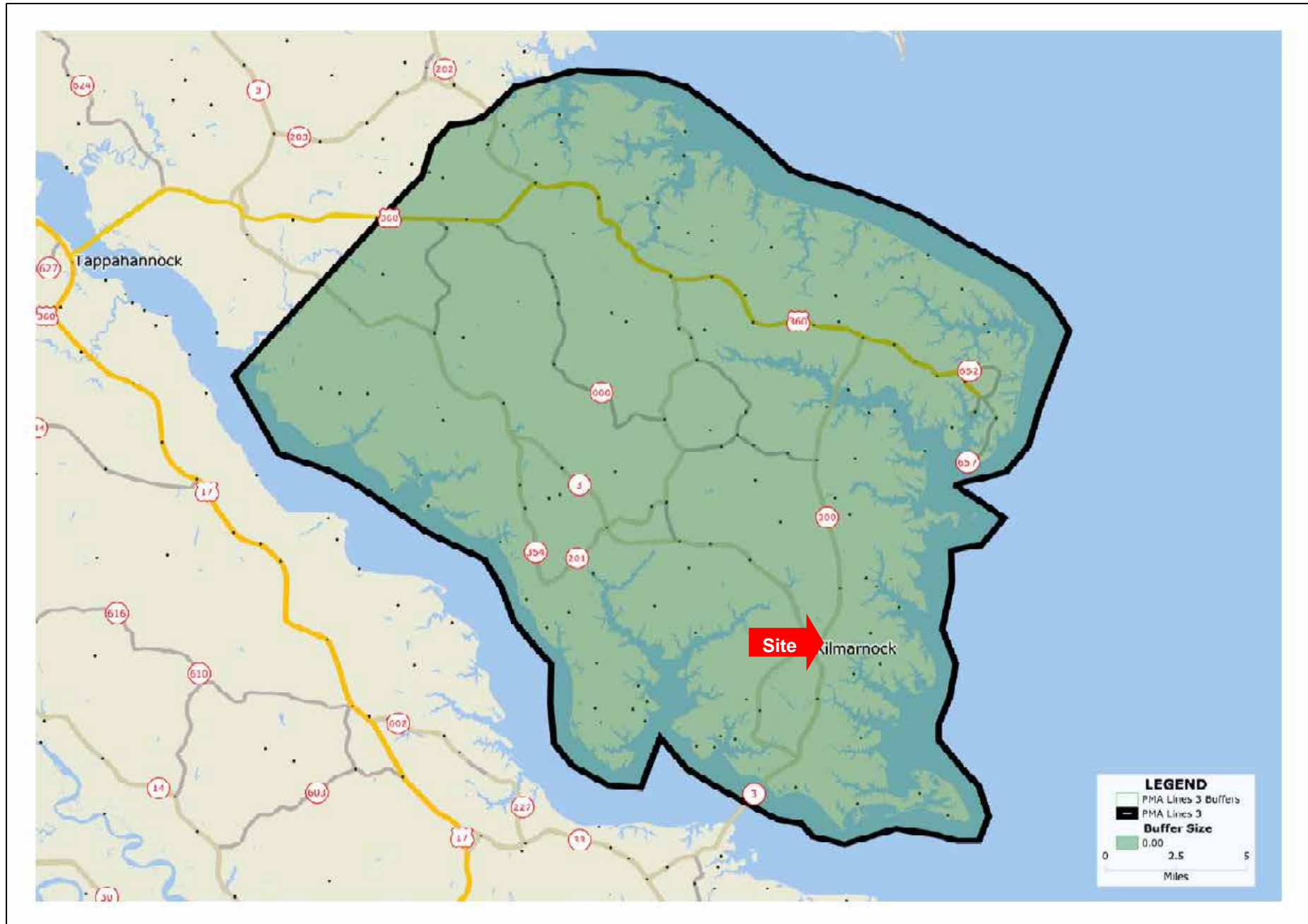
Census Tract	County	State
51103030100	Lancaster County	Virginia
51103030200	Lancaster County	Virginia
51103030300	Lancaster County	Virginia
51133020100	Northumberland County	Virginia
51133020200	Northumberland County	Virginia
51133020300	Northumberland County	Virginia
51159040100	Richmond County	Virginia
51159040200	Richmond County	Virginia

The primary market area includes a population of 29,521 persons and covers a total of 476.3 square miles, making it 24.6 miles across on average.

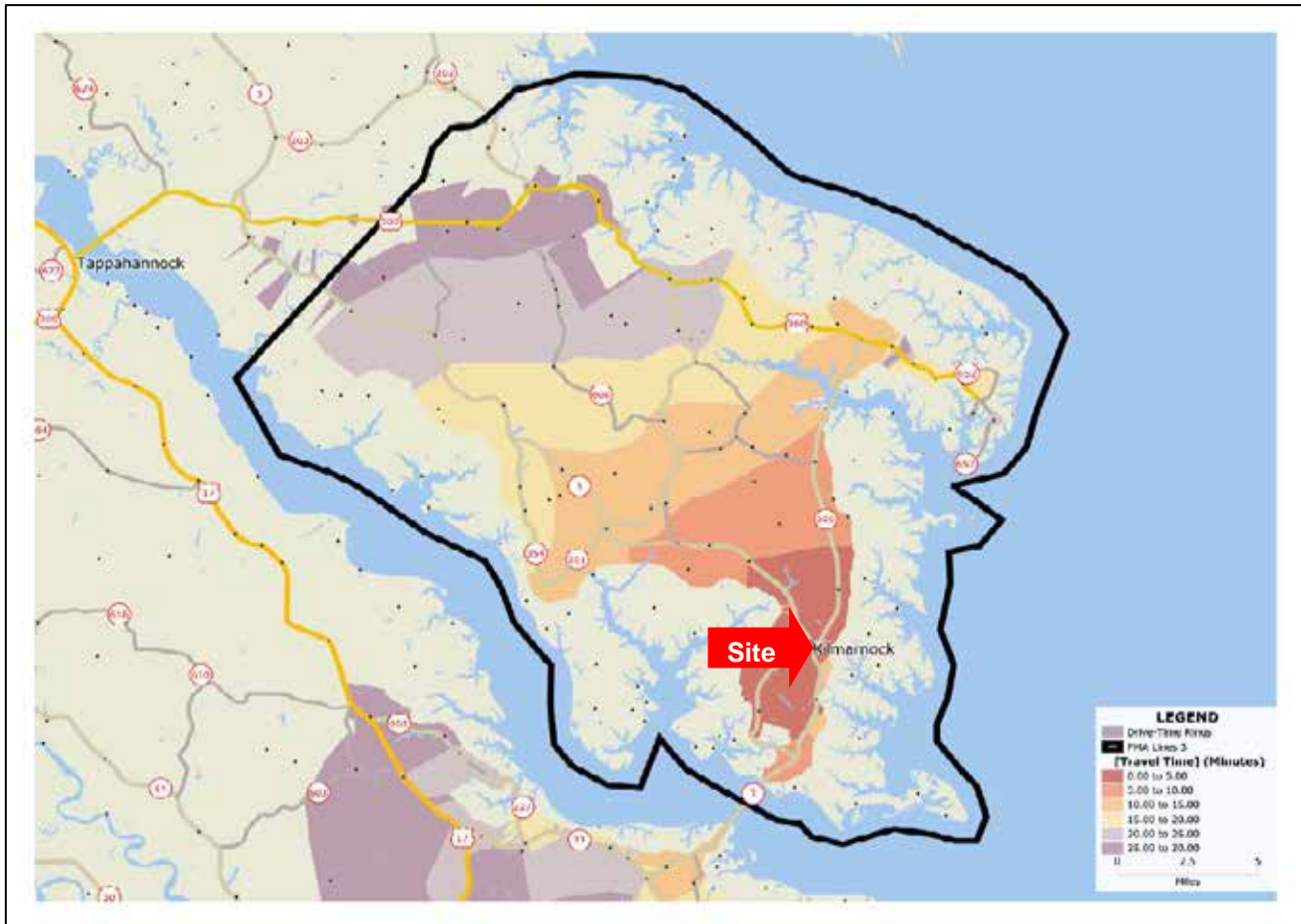
Secondary Market Area

We estimate that up to 20 percent of demand will come from areas outside of the primary market area.

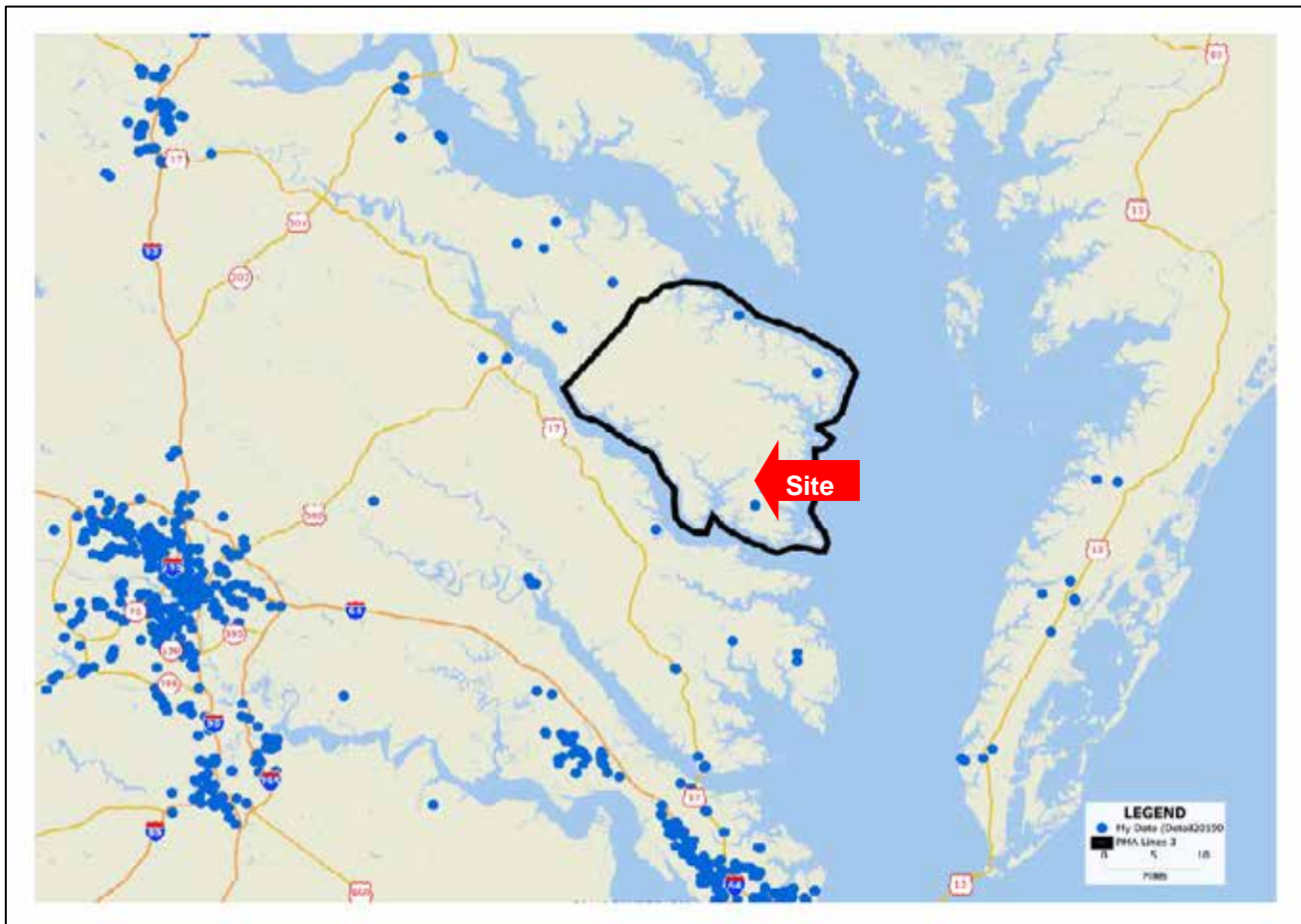
Market Area



Drive Time

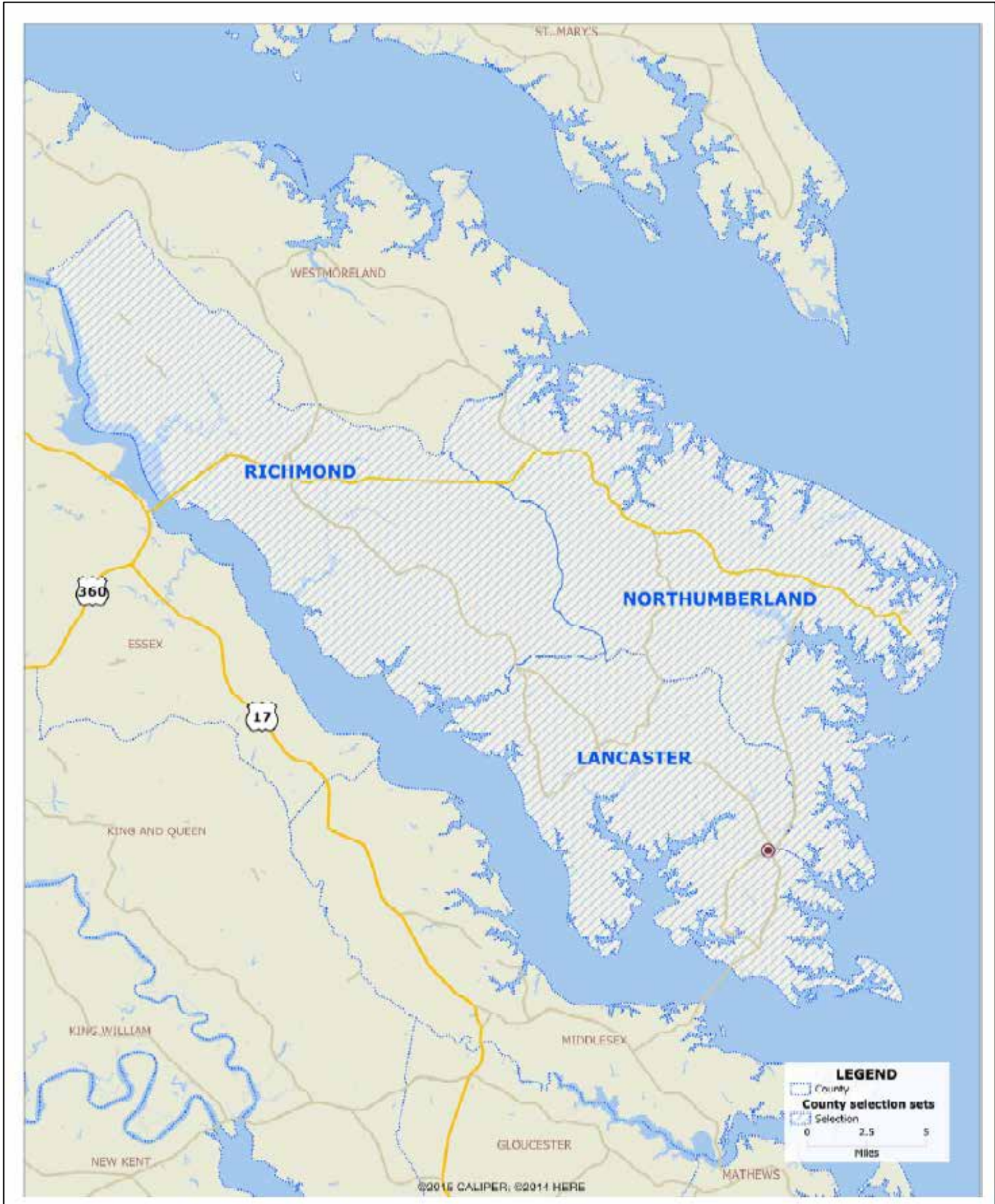


Existing Multifamily



ECONOMIC OUTLOOK

In this section we conduct an analysis of the regional economy. For purposes of our analysis, we define the region as Lancaster, Northumberland, and Richmond Counties, Virginia. A map depicting the Region is found below.



Employment by Industry

The Bureau of Labor Statistics (BLS) tracks establishment employment by major industry. In the table below we present the current breakdown and percent distribution. The data set comes from the Bureau of Labor Statistics (BLS) via Woods & Pool Economics.

Establishment Employment			
Industry	Region	Reg %	US %
Farm Employment	332	2.0%	1.3%
Forestry, Fishing, Related Activities And Other Employment	470	2.8%	0.5%
Mining Employment	34	0.2%	0.7%
Utilities Employment	35	0.2%	0.3%
Construction Employment	1,521	9.1%	5.5%
Manufacturing Employment	994	5.9%	6.7%
Wholesale Trade Employment	368	2.2%	3.6%
Retail Trade Employment	1,824	10.9%	10.3%
Transportation And Warehousing Employment	368	2.2%	3.5%
Information Employment	206	1.2%	1.7%
Finance And Insurance Employment	708	4.2%	5.3%
Real Estate And Rental And Lease Employment	1,012	6.1%	4.7%
Professional And Technical Services Employment	933	5.6%	6.9%
Management Of Companies And Enterprises Employment	91	0.5%	1.3%
Administrative And Waste Services Employment	748	4.5%	6.0%
Educational Services Employment	197	1.2%	2.4%
Health Care And Social Assistance Employment	1,720	10.3%	11.6%
Arts, Entertainment, And Recreation Employment	353	2.1%	2.2%
Accommodation And Food Services Employment	919	5.5%	7.5%
Other Services, Except Public Administration Employment	1,530	9.2%	5.8%
Federal Civilian Government Employment	94	0.6%	1.4%
Federal Military Employment	98	0.6%	0.9%
State And Local Government Employment	2,159	12.9%	9.8%
Establishment Employment	16,714	100.0%	100.0%

Source: W&P Economics

Regional establishment employment currently stands at 16,714. The data suggests that State and Local Government is the largest employment category accounting for 12.9% of total regional employment. Retail Trade is the second largest category accounting for 10.9% of total employment. Health Care and Social Assistance is the third largest category accounting for 10.3% of total employment. Other Services is the fourth largest category accounting for 9.2% of total employment. Construction is the fifth largest category accounting for 9.1% of total employment.

Economists generally classify employment two ways: basic and non-basic. Basic employment, which is considered to be the engine of a local economy, includes industries that rely on external factors to fuel demand. For instance, mining, logging and manufacturers are frequently considered basic employers. Goods for these industries are shipped outside the location where they are produced. Non-basic employers depend largely on local demand and usually employ local workers. For example, grocery stores and restaurants are sometimes considered non-basic employers.

The Location Quotient (LQ) technique is the most common method of identifying basic industries for a given economy. The LQ technique compares the share of workers in each industry of a given economy with that of a larger reference economy. If the number of workers in the given economy is greater than that of the reference economy, these are considered to be basic industries because they fill needs beyond those of the reference community.

In the table above we highlight the basic industries for the region. The distribution of employment in these industries exceeds that for the United States. These basic industries represent about 8,848 employees or about 52.9% of total regional employment. These are the industries that drive the regional economy.

Earnings by Industry

The Bureau of Labor Statistics (BLS) tracks average earnings by major industry. In the table below we present the current breakdown and rank. The data set comes from the Bureau of Labor Statistics (BLS) via Woods & Pool Economics.

Average Earnings (2009 \$)		
Industry	Earnings	Rank
Farm Employment	\$10,169	21
Forestry, Fishing, Related Activities And Other Employment	\$15,651	20
Mining Employment	\$2,235	23
Utilities Employment	\$73,543	1
Construction Employment	\$41,132	11
Manufacturing Employment	\$48,838	5
Wholesale Trade Employment	\$43,492	7
Retail Trade Employment	\$21,739	16
Transportation And Warehousing Employment	\$32,370	13
Information Employment	\$41,311	10
Finance And Insurance Employment	\$43,345	8
Real Estate And Rental And Lease Employment	\$7,673	22
Professional And Technical Services Employment	\$44,480	6
Management Of Companies And Enterprises Employment	\$66,242	3
Administrative And Waste Services Employment	\$23,274	14
Educational Services Employment	\$21,574	17
Health Care And Social Assistance Employment	\$41,899	9
Arts, Entertainment, And Recreation Employment	\$17,408	19
Accommodation And Food Services Employment	\$19,703	18
Other Services, Except Public Administration Employment	\$22,808	15
Federal Civilian Government Employment	\$68,011	2
Federal Military Employment	\$34,776	12
State And Local Government Employment	\$51,435	4
Establishment Employment	\$33,521	

Source: W&P Economics

The data suggests that Utilities is the highest paid industry averaging \$73,543 per employee. Federal Civilian Government is the second highest paid industry averaging \$68,011 per employee. Management of Companies is the third highest paid profession averaging \$66,242 per employee. State and Local Government is the fourth highest paid industry averaging \$51,435 per employee. Manufacturing is the fifth highest paid category averaging \$48,838 per employee. These figures are compared with regional Average Earnings of \$33,521 per employee.

The highlighted industries represent basic industries for the region. Average earnings for these basic industries comes to \$24,372 or 27.3% lower than average for the region.

Top Employers

The table below gives a listing of the region's top employers. The data comes from InfoUSA and includes a primary industry description for each employer.

Top Employers				
Name	Employees	SIC Code	Industry Description	Location Type
Rappahannock General Hospital	415	8062-02	Hospitals	Subsidiary
Haynesville Correctional Ctr	350	9121-02	Government Offices-State	Branch
Rappahannock Westminster	300	8059-17	Long Term Care Facility	-
Rappahannock Westminster	200	8059-04	Retirement Communities & Homes	-
Lancaster Union Lodge 88	160	8641-01	Fraternal Organizations	-
Carry-On Trailer Corp	150	3792-02	Trailers-Camping & Travel-Manufacturers	-
Tides Inn	150	7011-11	Resorts	-
Walmart Supercenter	140	5311-02	Department Stores	Branch
Orchard	120	8361-05	Residential Care Homes	-
Virginia Commonwealth Bank	115	6021-01	Banks	Subsidiary

Source: InfoUSA

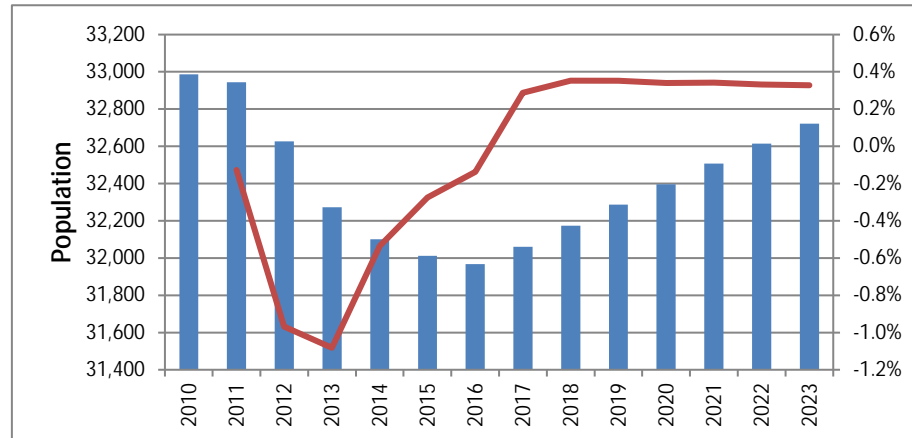
The top employers include: (1) Rappahannock General Hospital (415 employees); (2) Haynesville Correctional Ctr (350 employees) and; (3) Rappahannock Westminster (300 employees).

Population

In this section we present population data for the region. The table and graph below show historic data since 2010 along with a forecast through 2023. The historic data comes from the US Census; the forecast comes from Woods & Pool Economics.

Population Forecast		
Year	Pop	Growth %
2010	32,987	
2011	32,945	-0.1%
2012	32,626	-1.0%
2013	32,273	-1.1%
2014	32,100	-0.5%
2015	32,012	-0.3%
2016	31,968	-0.1%
2017	32,060	0.3%
2018	32,173	0.4%
2019	32,286	0.4%
2020	32,396	0.3%
2021	32,507	0.3%
2022	32,615	0.3%
2023	32,722	0.3%

Source: US Census; W&P Economics



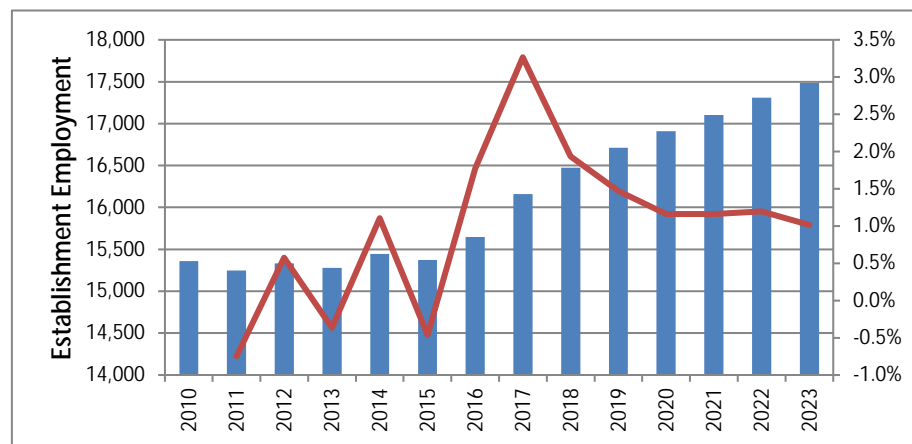
Population decreased from 32,987 in 2010 to 32,173 in 2018 and is anticipated to increase to 32,722 in 2023.

Establishment Employment

In this section we present establishment employment data for the region. The table and graph below show historic data since 2010 along with a forecast through 2023. The historic data comes from the Bureau of Labor Statistics (BLS); the forecast comes from Woods & Pool Economics.

Establishment Employment Forecast		
Year	Est Emp	Growth %
2010	15,360	
2011	15,245	-0.7%
2012	15,333	0.6%
2013	15,277	-0.4%
2014	15,446	1.1%
2015	15,375	-0.5%
2016	15,648	1.8%
2017	16,159	3.3%
2018	16,472	1.9%
2019	16,714	1.5%
2020	16,908	1.2%
2021	17,104	1.2%
2022	17,309	1.2%
2023	17,485	1.0%

Source: BLS; W&P Economics



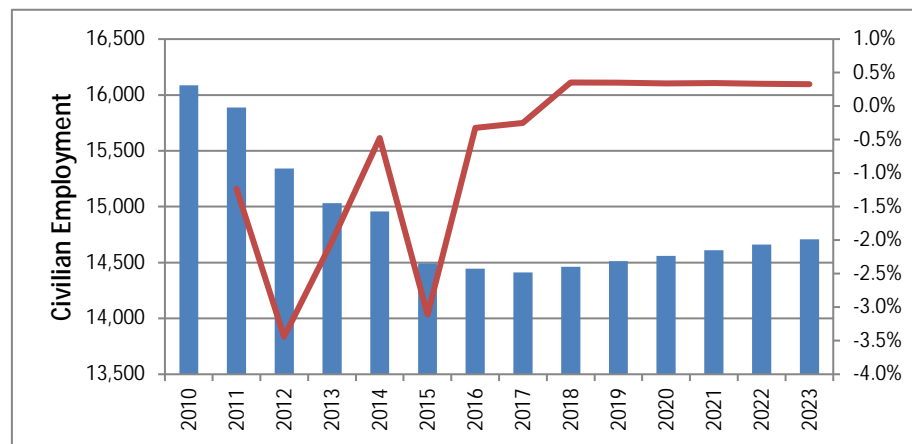
Establishment employment increased from 15,360 in 2010 to 16,472 in 2018 and is anticipated to increase to 17,485 in 2023.

Civilian Employment

In this section we present civilian employment data for the region. The table and graph below show historic data since 2010 along with a forecast through 2023. The historic data comes from the Bureau of Labor Statistics (BLS); the forecast utilizes data from Woods & Pool Economics.

Year	Civ Emp	Growth %
2010	16,085	
2011	15,887	-1.2%
2012	15,340	-3.4%
2013	15,030	-2.0%
2014	14,959	-0.5%
2015	14,494	-3.1%
2016	14,447	-0.3%
2017	14,410	-0.3%
2018	14,461	0.4%
2019	14,512	0.4%
2020	14,561	0.3%
2021	14,611	0.3%
2022	14,660	0.3%
2023	14,708	0.3%

Source: BLS; W&P Economics



Civilian employment decreased from 16,085 in 2010 to 14,410 in 2017 and is anticipated to increase to 14,708 in 2023.

Labor Force and Unemployment

In this section we take a look at the labor force and unemployment. The table below shows civilian employment, unemployment and labor force statistics for the region since 2010. The data set comes from the Bureau of Labor Statistics (BLS) via the Texas A&M Real Estate Center.

Year	Civ Emp	Unemp	Lab Force	Unemp Rate
2010	16,085	1,387	14,698	8.6%
2011	15,887	1,344	14,543	8.5%
2012	15,340	1,171	14,169	7.6%
2013	15,030	1,071	13,959	7.1%
2014	14,959	1,026	13,933	6.9%
2015	14,494	851	13,643	5.9%
2016	14,447	735	13,712	5.1%
2017	14,410	722	13,688	5.0%

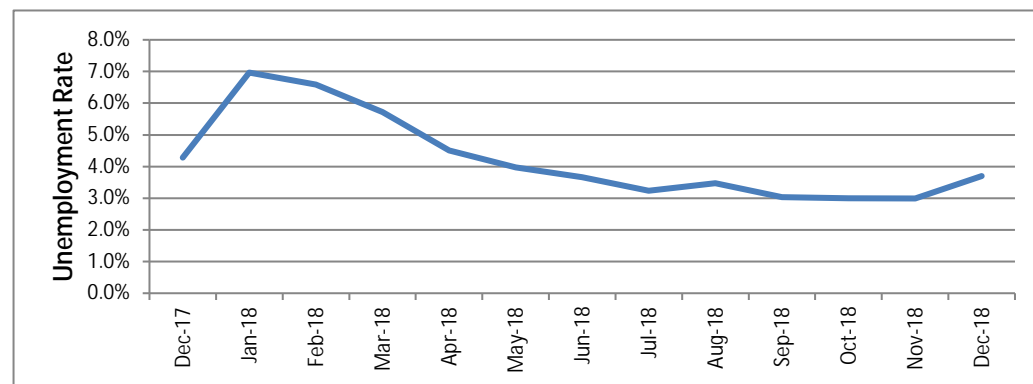
Source: BLS; Texas A&M Real Estate Center

Unemployment decreased from 1,387 in 2010 to 722 in 2017. The unemployment rate decreased from 8.6% in 2010 to 5.0% in 2017.

The table and graph below show the unemployment rate for the region for the past 12 months.

Month	Unemp Rate
Dec-17	4.3%
Jan-18	7.0%
Feb-18	6.6%
Mar-18	5.7%
Apr-18	4.5%
May-18	4.0%
Jun-18	3.7%
Jul-18	3.2%
Aug-18	3.5%
Sep-18	3.0%
Oct-18	3.0%
Nov-18	3.0%
Dec-18	3.7%

Source: TAMU



The Unemployment Rate for the Region came in at 4.3% in December 2017 and 3.7% in December 2018.

Building Permits

In this section we look at building permits. The table and graph below show historical data for the region since 2000. The data set comes from the US Census.

Building Permits				
Year	1 Family	2-4 Family	5+ Family	Total
2000	241	4	8	253
2001	238	9	0	247
2002	263	8	0	271
2003	335	18	0	353
2004	370	10	0	380
2005	413	2	0	415
2006	394	16	0	410
2007	332	2	0	334
2008	201	2	0	203
2009	119	6	5	130
2010	149	4	16	169
2011	123	2	0	125
2012	110	0	0	110
2013	124	16	0	140
2014	98	15	0	113
2015	83	0	0	83
2016	129	4	12	145
2017	138	0	0	138

Source: US Census

Building permits for the region increased from 247 in 2001 to 415 in 2005, before decreasing to 83 in 2015 and increasing to 138 in 2017.

Conclusion

We anticipate moderate economic growth accompanied by modest population growth for the region over the next several years.

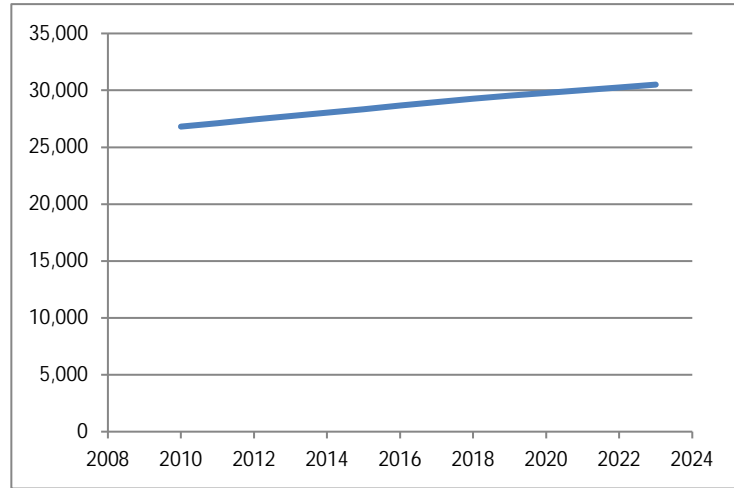
DEMOGRAPHIC CHARACTERISTICS

Population

In the table below we give the 2010-2023 ESRI population projection for the Market Area. The data set comes from ESRI.

Population Forecast		
Year	Population	Growth %
2010	26,813	-
2011	27,121	1.1%
2012	27,429	1.1%
2013	27,736	1.1%
2014	28,044	1.1%
2015	28,352	1.1%
2016	28,660	1.1%
2017	28,967	1.1%
2018	29,275	1.1%
2019	29,521	0.8%
2020	29,766	0.8%
2021	30,012	0.8%
2022	30,257	0.8%
2023	30,503	0.8%

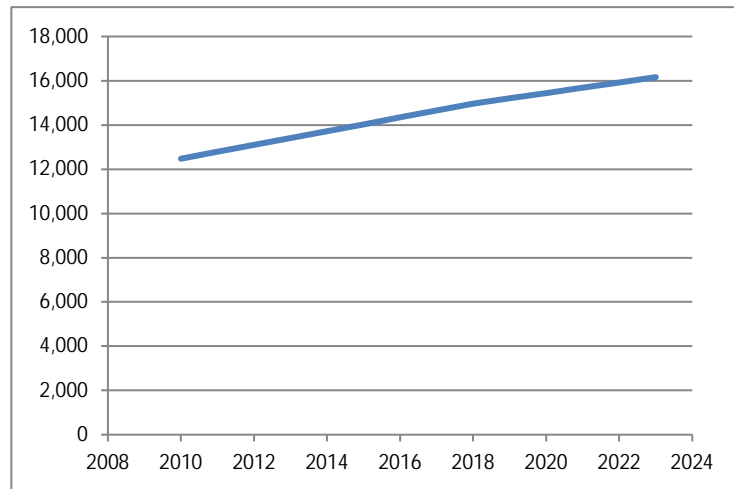
Source: ESRI; Allen & Associates



In the table below we give the 2010-2023 ESRI 55+ population projection for the Market Area.

55+ Population Forecast		
Year	Population	Growth %
2010	12,475	-
2011	12,786	2.5%
2012	13,097	2.4%
2013	13,407	2.4%
2014	13,718	2.3%
2015	14,029	2.3%
2016	14,340	2.2%
2017	14,650	2.2%
2018	14,961	2.1%
2019	15,201	1.6%
2020	15,441	1.6%
2021	15,682	1.6%
2022	15,922	1.5%
2023	16,162	1.5%

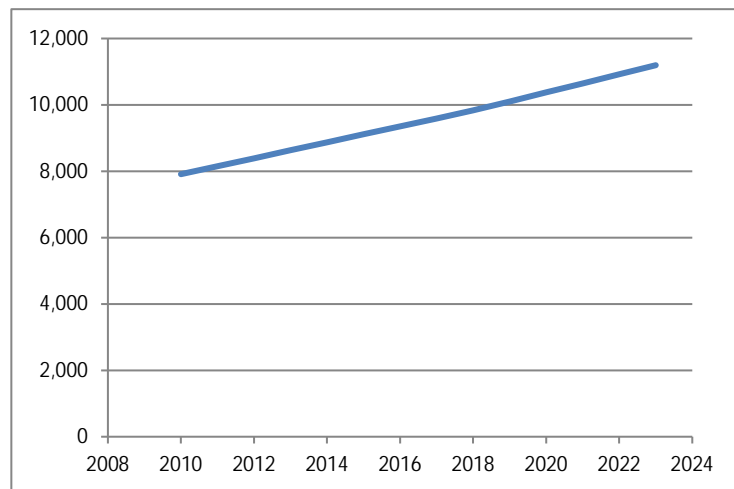
Source: ESRI; Allen & Associates



In the table below we give the 2010-2023 ESRI 65+ population projection for the Market Area.

65+ Population Forecast		
Year	Population	Growth %
2010	7,912	-
2011	8,152	3.0%
2012	8,392	2.9%
2013	8,632	2.9%
2014	8,872	2.8%
2015	9,112	2.7%
2016	9,352	2.6%
2017	9,592	2.6%
2018	9,832	2.5%
2019	10,105	2.8%
2020	10,377	2.7%
2021	10,650	2.6%
2022	10,922	2.6%
2023	11,195	2.5%

Source: ESRI; Allen & Associates

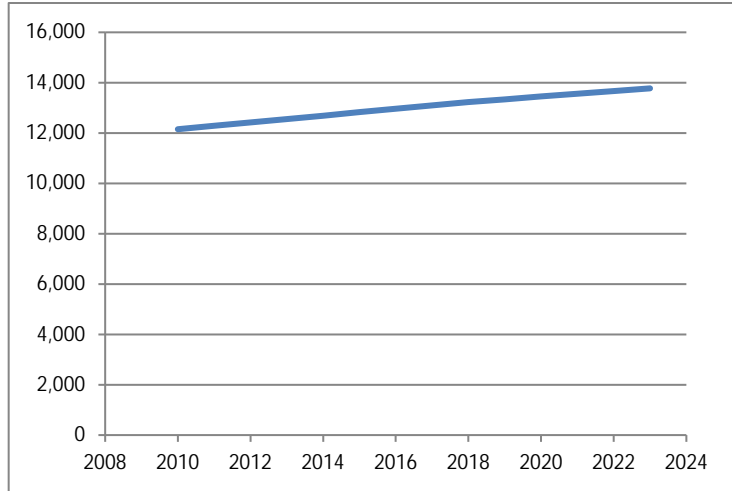


Households

In the table below we give the 2010-2023 ESRI household projection for the Market Area. The data set comes from ESRI.

Household Forecast		
Year	Households	Growth %
2010	12,151	-
2011	12,286	1.1%
2012	12,421	1.1%
2013	12,556	1.1%
2014	12,691	1.1%
2015	12,826	1.1%
2016	12,961	1.1%
2017	13,096	1.0%
2018	13,231	1.0%
2019	13,340	0.8%
2020	13,448	0.8%
2021	13,557	0.8%
2022	13,665	0.8%
2023	13,774	0.8%

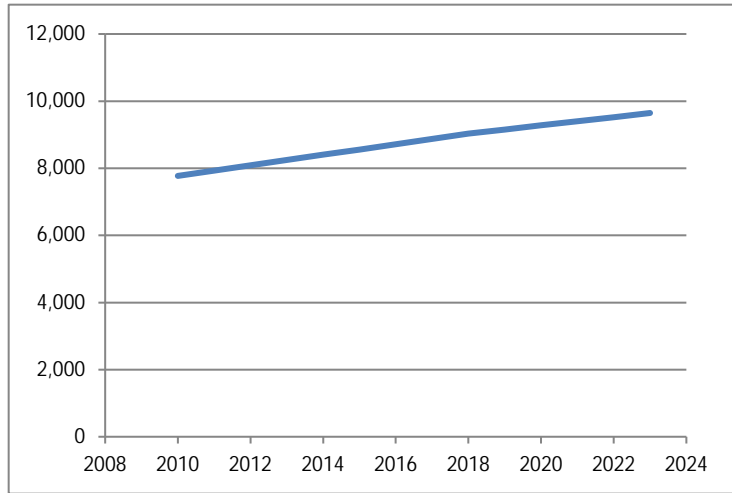
Source: ESRI; Allen & Associates



In the table below we give the 2010-2023 ESRI 55+ household projection for the Market Area.

55+ Household Forecast		
Year	Households	Growth %
2010	7,772	-
2011	7,929	2.0%
2012	8,087	2.0%
2013	8,244	1.9%
2014	8,402	1.9%
2015	8,559	1.9%
2016	8,716	1.8%
2017	8,874	1.8%
2018	9,031	1.8%
2019	9,154	1.4%
2020	9,277	1.3%
2021	9,400	1.3%
2022	9,523	1.3%
2023	9,646	1.3%

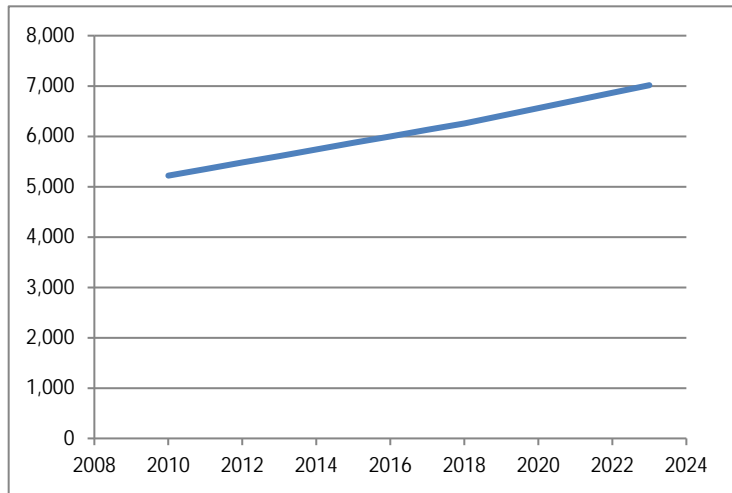
Source: ESRI; Allen & Associates



In the table below we give the 2010-2023 ESRI 65+ household projection for the Market Area.

65+ Household Forecast		
Year	Households	Growth %
2010	5,220	-
2011	5,350	2.5%
2012	5,480	2.4%
2013	5,609	2.4%
2014	5,739	2.3%
2015	5,869	2.3%
2016	5,999	2.2%
2017	6,128	2.2%
2018	6,258	2.1%
2019	6,410	2.4%
2020	6,561	2.4%
2021	6,713	2.3%
2022	6,864	2.3%
2023	7,016	2.2%

Source: ESRI; Allen & Associates

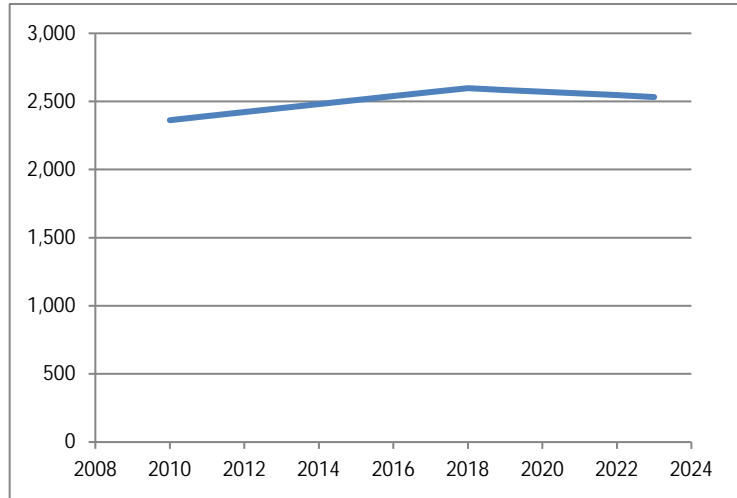


Renter Households

In the table below we give the 2010-2023 ESRI renter household projection for the Market Area. The data set comes from ESRI.

Renter Household Forecast		
Year	Households	Growth %
2010	2,362	-
2011	2,392	1.2%
2012	2,421	1.2%
2013	2,451	1.2%
2014	2,480	1.2%
2015	2,509	1.2%
2016	2,539	1.2%
2017	2,568	1.2%
2018	2,597	1.1%
2019	2,584	-0.5%
2020	2,572	-0.5%
2021	2,559	-0.5%
2022	2,546	-0.5%
2023	2,533	-0.5%

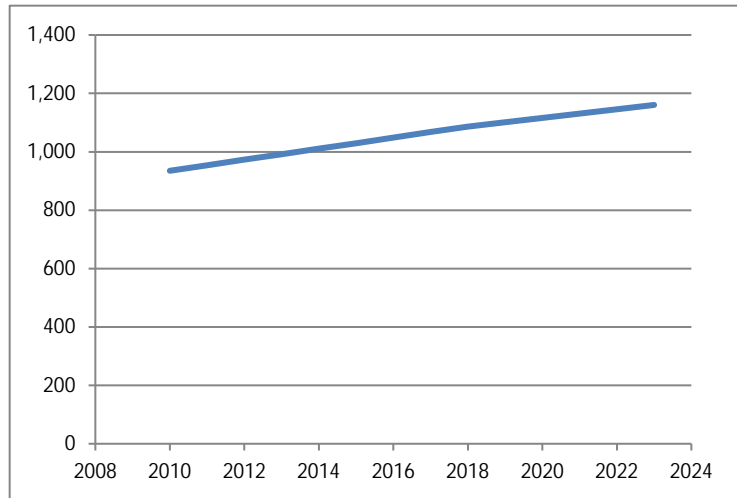
Source: ESRI; Allen & Associates



In the table below we give the 2010-2023 ESRI 55+ renter household projection for the Market Area.

55+ Renter Household Forecast		
Year	Households	Growth %
2010	935	-
2011	954	2.0%
2012	973	2.0%
2013	992	1.9%
2014	1,011	1.9%
2015	1,030	1.9%
2016	1,049	1.8%
2017	1,068	1.8%
2018	1,086	1.8%
2019	1,101	1.4%
2020	1,116	1.3%
2021	1,131	1.3%
2022	1,146	1.3%
2023	1,160	1.3%

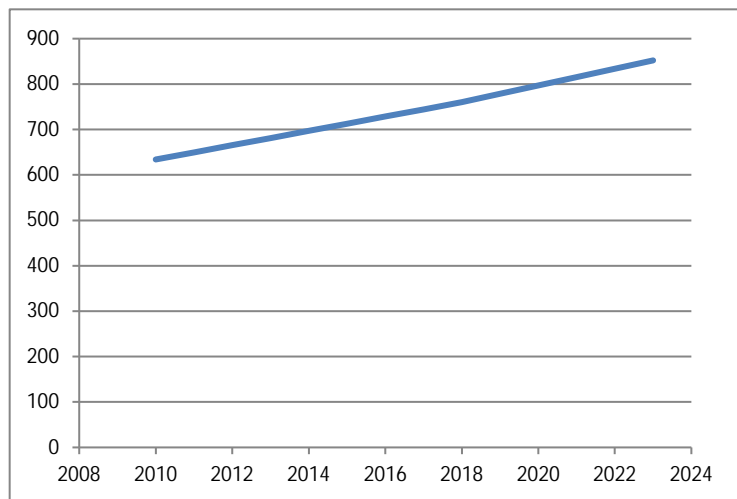
Source: ESRI; Allen & Associates



In the table below we give the 2010-2023 ESRI 65+ renter household projection for the Market Area.

65+ Renter Household Forecast		
Year	Households	Growth %
2010	634	-
2011	650	2.5%
2012	666	2.4%
2013	681	2.4%
2014	697	2.3%
2015	713	2.3%
2016	729	2.2%
2017	744	2.2%
2018	760	2.1%
2019	778	2.4%
2020	797	2.4%
2021	815	2.3%
2022	834	2.3%
2023	852	2.2%

Source: ESRI; Allen & Associates



Household Income

The following table shows the current distribution of household incomes for the Market Area. The data set comes from ESRI and Ribbon Demographics.

2019 \$		Households, by Income, by Size						
Min	Max	2019 Households						
		1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	620	146	75	18	9	1	870
\$10,000	\$19,999	847	298	68	24	16	2	1,255
\$20,000	\$29,999	585	530	104	26	30	14	1,289
\$30,000	\$39,999	332	433	145	80	47	19	1,056
\$40,000	\$49,999	315	443	169	78	73	34	1,112
\$50,000	\$59,999	327	471	234	159	42	13	1,244
\$60,000	\$74,999	181	736	179	126	115	56	1,393
\$75,000	\$99,999	310	986	165	224	89	36	1,811
\$100,000	\$124,999	248	631	279	120	34	11	1,322
\$125,000	\$149,999	67	351	95	117	47	22	697
\$150,000	\$199,999	79	346	76	24	10	3	539
\$200,000	more	173	458	66	25	21	9	751
Total		4,086	5,829	1,653	1,020	533	219	13,340

The following table shows the current distribution of 55+ household incomes for the Market Area.

2019 \$		55+ Households, by Income, by Size						
Min	Max	2019 Households						
		1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	483	77	17	5	4	0	585
\$10,000	\$19,999	739	188	11	2	9	2	950
\$20,000	\$29,999	491	436	23	3	10	4	967
\$30,000	\$39,999	278	375	51	17	13	3	736
\$40,000	\$49,999	237	311	56	19	8	2	633
\$50,000	\$59,999	253	361	82	51	12	0	758
\$60,000	\$74,999	154	574	61	20	58	27	893
\$75,000	\$99,999	278	888	77	42	49	18	1,352
\$100,000	\$124,999	217	530	84	33	12	1	877
\$125,000	\$149,999	56	341	10	16	5	0	428
\$150,000	\$199,999	47	246	60	8	7	1	369
\$200,000	more	135	434	19	11	5	0	604
Total		3,368	4,761	550	225	192	58	9,154

The following table shows the current distribution of 65+ household incomes for the Market Area.

2019 \$		65+ Households, by Income, by Size						
Min	Max	2019 Households						
		1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	335	32	8	3	3	0	380
\$10,000	\$19,999	603	119	8	2	2	0	735
\$20,000	\$29,999	413	322	10	1	4	0	750
\$30,000	\$39,999	243	305	25	10	11	3	597
\$40,000	\$49,999	186	184	34	16	3	0	424
\$50,000	\$59,999	128	225	43	43	7	0	446
\$60,000	\$74,999	122	377	26	2	26	11	564
\$75,000	\$99,999	194	643	71	37	8	0	953
\$100,000	\$124,999	201	384	37	14	5	0	642
\$125,000	\$149,999	42	235	7	3	3	0	290
\$150,000	\$199,999	29	155	24	2	3	0	213
\$200,000	more	77	327	7	2	3	0	417
Total		2,574	3,309	300	136	77	14	6,410

Source: ESRI & Ribbon Demographics

Renter Household Income

The following table shows the current distribution of renter household incomes for the Market Area. The data set comes from ESRI and Ribbon Demographics.

2019 \$		2019 Households						
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	291	74	63	13	7	1	449
\$10,000	\$19,999	193	107	29	24	13	2	367
\$20,000	\$29,999	157	95	56	8	19	9	344
\$30,000	\$39,999	85	7	97	58	7	0	255
\$40,000	\$49,999	78	42	44	50	7	0	220
\$50,000	\$59,999	62	37	39	57	16	3	213
\$60,000	\$74,999	38	63	33	30	18	4	187
\$75,000	\$99,999	36	59	17	3	17	3	134
\$100,000	\$124,999	69	32	44	18	10	1	174
\$125,000	\$149,999	18	6	14	14	5	0	58
\$150,000	\$199,999	26	44	13	9	4	0	96
\$200,000	more	47	14	18	5	3	0	88
Total		1,099	580	465	289	127	24	2,584

The following table shows the current distribution of 55+ renter household incomes for the Market Area.

2019 \$		2019 Households						
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	168	40	8	4	3	0	223
\$10,000	\$19,999	124	26	5	2	8	2	167
\$20,000	\$29,999	107	29	8	2	2	0	147
\$30,000	\$39,999	53	2	23	2	5	0	86
\$40,000	\$49,999	24	11	4	2	3	0	43
\$50,000	\$59,999	43	20	6	2	6	0	75
\$60,000	\$74,999	19	22	20	4	3	0	67
\$75,000	\$99,999	24	40	8	2	5	0	78
\$100,000	\$124,999	51	25	5	6	4	0	91
\$125,000	\$149,999	12	4	4	7	3	0	30
\$150,000	\$199,999	19	7	6	5	4	0	41
\$200,000	more	33	10	7	2	2	0	52
Total		676	235	103	38	47	2	1,101

The following table shows the current distribution of 65+ renter household incomes for the Market Area.

2019 \$		2019 Households						
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6 + Person	Total
\$0	\$9,999	112	2	6	3	2	0	125
\$10,000	\$19,999	126	26	4	2	1	0	159
\$20,000	\$29,999	102	9	6	1	1	0	119
\$30,000	\$39,999	48	2	5	1	4	0	60
\$40,000	\$49,999	22	11	4	2	1	0	40
\$50,000	\$59,999	21	2	4	1	4	0	31
\$60,000	\$74,999	14	4	5	2	1	0	27
\$75,000	\$99,999	9	40	7	2	4	0	62
\$100,000	\$124,999	52	17	3	0	3	0	75
\$125,000	\$149,999	8	3	3	3	2	0	19
\$150,000	\$199,999	14	2	1	2	2	0	21
\$200,000	more	25	8	4	1	2	0	40
Total		554	126	49	20	29	0	778

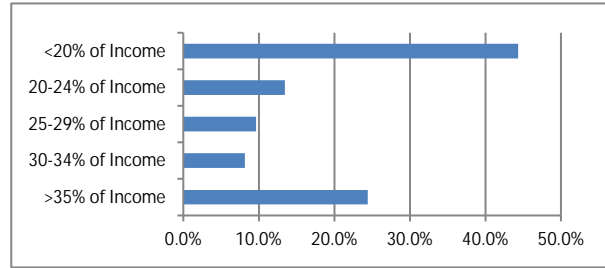
Source: ESRI & Ribbon Demographics

Overburdened Renter Households

The following tables give overburdened renter household data for the Market Area. The data set comes from the U.S. Census Bureau.

Overburdened Renter Households	
	% of Total
<20% of Income Spent on Housing	44.3%
20-24% of Income Spent on Housing	13.4%
25-29% of Income Spent on Housing	9.6%
30-34% of Income Spent on Housing	8.2%
>35% of Income Spent on Housing	24.4%
Total	100.0%

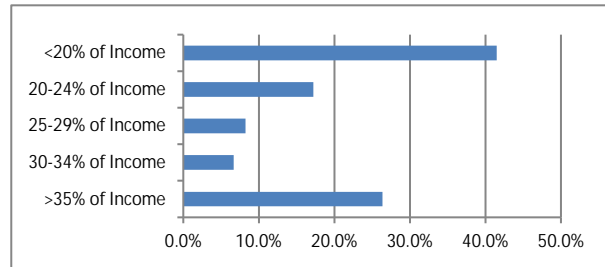
Source: U.S. Census Bureau



Our research suggests that 24.4 percent of the renter households in this market area are overburdened, paying more than 35 percent of their income towards housing-related costs. Our research also suggests that 32.6 percent of the renter households are overburdened to 30 percent of income.

55+ Overburdened Renter Households	
	% of Total
<20% of Income Spent on Housing	41.5%
20-24% of Income Spent on Housing	17.2%
25-29% of Income Spent on Housing	8.3%
30-34% of Income Spent on Housing	6.7%
>35% of Income Spent on Housing	26.4%
Total	100.0%

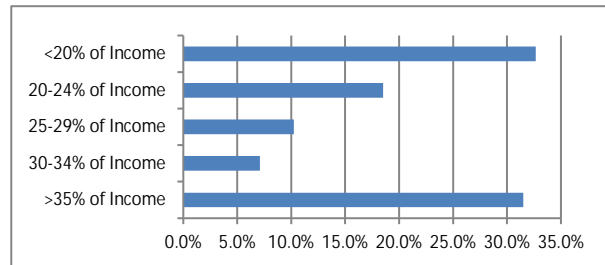
Source: U.S. Census Bureau



Our research suggests that 26.4 percent of the 55+ renter households in this market area are overburdened, paying more than 35 percent of their income towards housing-related costs. Our research also suggests that 33.0 percent of the 55+ renter households are overburdened to 30 percent of income.

65+ Overburdened Renter Households	
	% of Total
<20% of Income Spent on Housing	32.7%
20-24% of Income Spent on Housing	18.5%
25-29% of Income Spent on Housing	10.2%
30-34% of Income Spent on Housing	7.1%
>35% of Income Spent on Housing	31.5%
Total	100.0%

Source: U.S. Census Bureau



Our research suggests that 31.5 percent of the 65+ renter households in this market area are overburdened, paying more than 35 percent of their income towards housing-related costs. Our research also suggests that 38.6 percent of the 65+ renter households are overburdened to 30 percent of income.

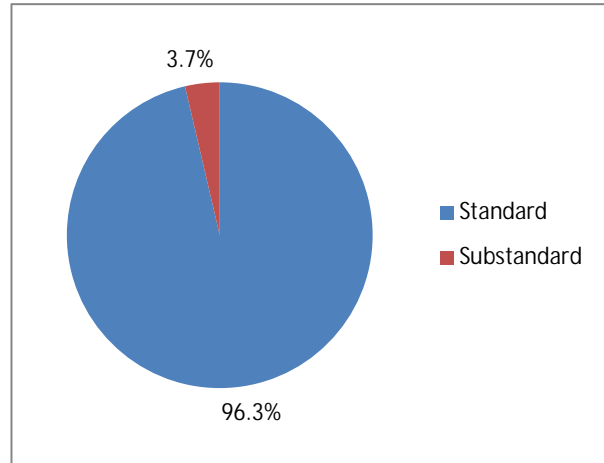
Owner Substandard Units

The U.S. Census Bureau defines substandard housing units as follows: (1) Units without complete plumbing; or (2) Units with 1.00 or more persons per room.

The following tables give owner substandard housing unit data for occupied housing units in the nation, state, region and market area. The data comes from the U.S. Census Bureau:

Owner Substandard Units	
	% of Total
1.00 persons per room or less	96.3%
1.01 to 1.50 persons per room	1.1%
1.51 persons per room or more	0.5%
Complete Plumbing	98.0%
1.00 persons per room or less	1.9%
1.01 to 1.50 persons per room	0.2%
1.51 persons per room or more	0.0%
Lacking Complete Plumbing	2.0%
Standard	96.3%
Substandard	3.7%
Total	100.0%

Source: U.S. Census Bureau



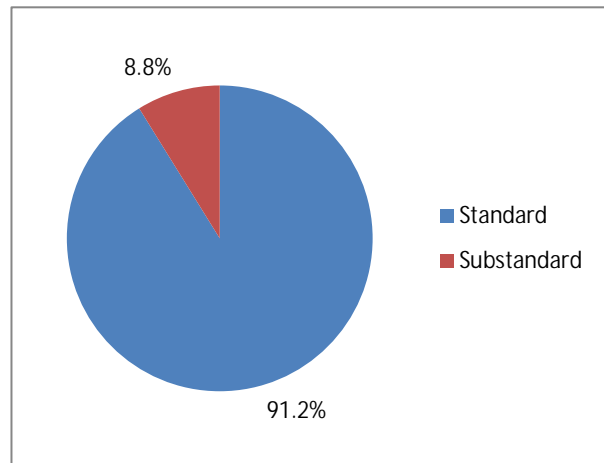
Our research suggests that 3.7 percent of occupied owner housing units in the market area are substandard.

Renter Substandard Units

The following tables give renter substandard housing unit data for occupied housing units in the nation, state, region and market area. The data comes from the U.S. Census Bureau:

Renter Substandard Units	
	% of Total
1.00 persons per room or less	91.2%
1.01 to 1.50 persons per room	1.9%
1.51 persons per room or more	1.5%
Complete Plumbing	94.6%
1.00 persons per room or less	5.2%
1.01 to 1.50 persons per room	0.2%
1.51 persons per room or more	0.0%
Lacking Complete Plumbing	5.4%
Standard	91.2%
Substandard	8.8%
Total	100.0%

Source: U.S. Census Bureau



Our research suggests that 8.8 percent of renter owner housing units in the market area are substandard.

Owner Movership

The following tables give owner household movership data for the market area with an estimated breakout by household size. The data comes from the U.S. Census Bureau and the American Housing Survey:

Owner Movership, by Size								
Market Area								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7+ Person	Total
Owner to Owner	2.5%	3.9%	5.0%	5.0%	5.4%	5.8%	6.8%	4.1%
Owner to Renter	2.4%	2.2%	4.0%	3.7%	3.7%	5.6%	8.5%	3.0%
Owner Movership Rate	4.9%	6.1%	9.0%	8.7%	9.1%	11.4%	15.3%	7.2%

Source: U.S. Census, American Housing Survey; Allen & Associates

Our research suggests an owner movership rate of 7.2 percent.

Elderly Owner Movership, by Size								
AHS Survey								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7+ Person	Total
Owner to Owner	2.0%	2.8%	2.3%	1.6%	3.1%	1.0%	3.7%	2.4%
Owner to Renter	1.7%	0.8%	1.4%	2.1%	0.6%	2.6%	0.0%	1.2%
Owner Movership Rate	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%

Source: U.S. Census, American Housing Survey; Allen & Associates

Our research suggests an elderly owner movership rate of 3.7 percent.

Renter Movership

The following tables give renter household movership data for the market area with an estimated breakout by household size. The data comes from the U.S. Census Bureau and the American Housing Survey:

Renter Movership, by Size								
Market Area								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7+ Person	Total
Renter to Renter	8.7%	19.5%	27.5%	33.1%	33.4%	36.2%	55.9%	19.7%
Renter to Owner	2.1%	8.0%	8.1%	10.3%	11.3%	8.8%	10.3%	6.2%
Renter Movership Rate	10.8%	27.5%	35.6%	43.4%	44.7%	45.0%	66.2%	26.0%

Source: U.S. Census, American Housing Survey; Allen & Associates

Our research suggests a renter movership rate of 26.0 percent.

Elderly Renter Movership, by Size								
AHS Survey								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7+ Person	Total
Renter to Renter	7.4%	6.6%	7.2%	7.6%	6.0%	7.8%	0.0%	7.1%
Renter to Owner	0.6%	1.4%	0.7%	0.4%	2.0%	0.2%	8.0%	0.9%
Renter Movership Rate	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%

Source: U.S. Census, American Housing Survey; Allen & Associates

Our research suggests an elderly renter movership rate of 8.0 percent.

SUPPLY ANALYSIS

In conducting our analysis, we began by attempting to compile a list of every multifamily property with 10 or more units in the market area. We included conventionally-financed multifamily communities as well as properties financed by the local housing authority and the state housing finance agency in our listing. We even included properties financed by and/or subsidized by USDA and/or HUD. Finally, we included properties that are either proposed or currently under construction. The result was a listing of projects with 10 or more units - whether existing, under construction, or proposed - for this area. Our rental property inventory listing is found in the pages that follow.

A map showing the location of the properties included in the rental property inventory is found in the pages that follow. Properties identified with red pushpins have 100 percent market rate units (market rate properties), properties identified with yellow pushpins have a mixture of market rate / restricted / subsidized units (restricted properties), and properties identified with blue pushpins have 100 percent project-based rental assistance (subsidized properties).

After accounting for any unconfirmed properties and any properties that are located outside the defined market area, we arrived at a list of confirmed market area properties. This was the listing of properties upon which our analysis is based. In our opinion, the properties included on this list give a credible picture of market conditions as of the effective date of this report. This listing is found in the pages that follow.

Our next step was to compile a master list of unrestricted market rate rent comparables from the listing of confirmed properties. We eliminated any properties which were either under construction, being renovated, in lease up, or which were unstabilized for one reason or another. We identified market rate properties of similar age and condition to the subject property. If we were unable to identify a sufficient number of market rate comparables in the market area, we included market rate properties from outside the market area. If we were still unable to identify a sufficient number of market rate comparables, we included rent restricted properties - provided, however, that the rents charged at these properties were below statutory limits and similar to the rents charged at the market rate properties in the market area (suggesting that these rent restricted properties were *de facto* market rate properties).

Finally, we compiled a master list of restricted rent comparables from the listing of confirmed properties. We used the same approach described above for unrestricted market rate properties.

The resulting master lists of rent comparables and accompanying locator maps are found in this section as well. Detailed write-ups for the properties included on these lists are found in the Appendix. We include write-ups for *all* of the rent comparables identified on our master lists, regardless of whether they ended up being selected as one of the *best* rent comparables. We did this for two reasons: (1) To be transparent; and (2) To provide the reader with context regarding our selection process.

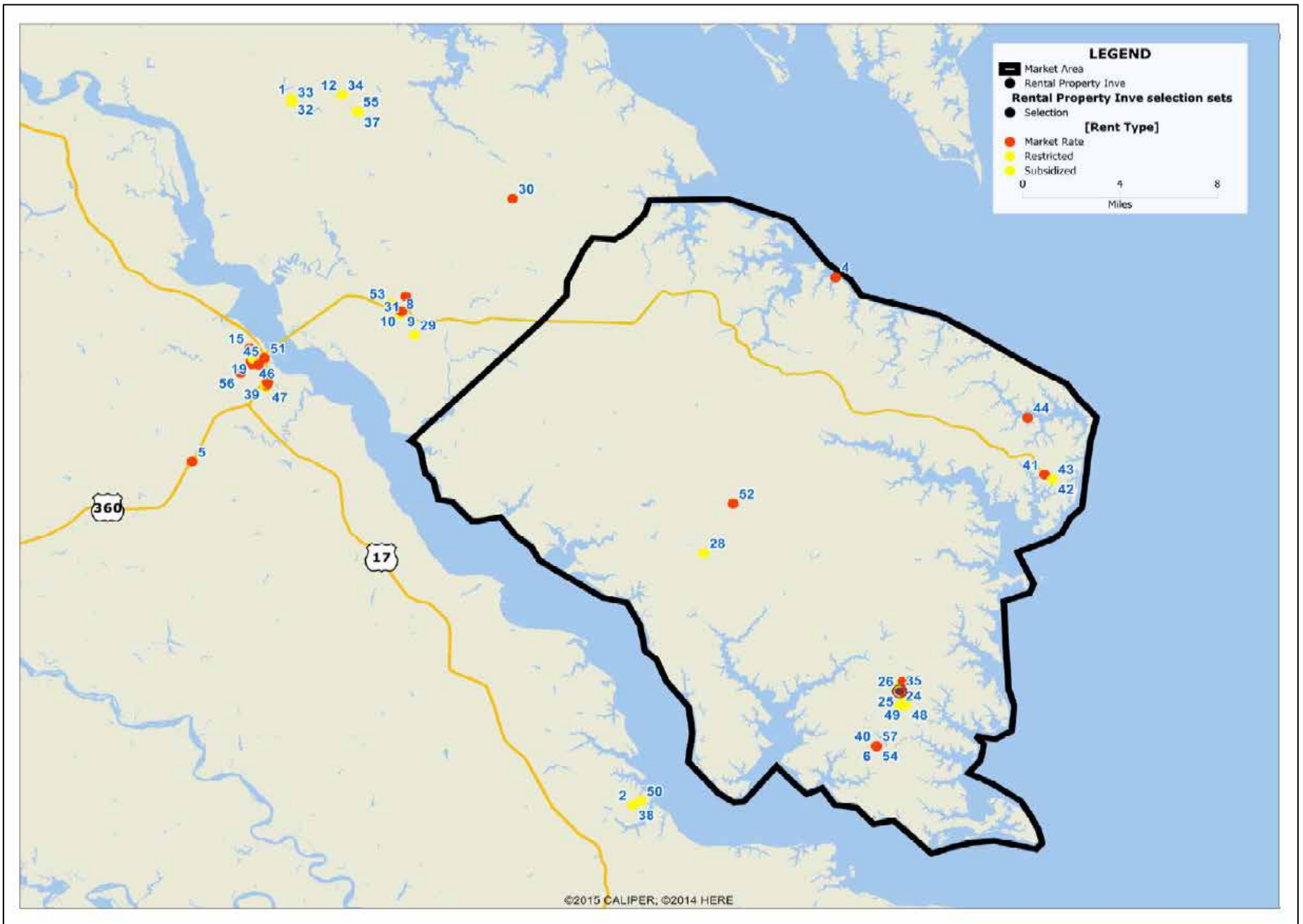
The balance of this section includes a breakdown of confirmed market area properties by rent type, project status, year built, and financing source. We also include a rent, unit mix, and amenity summary for confirmed market area properties. Finally, we provide summary of vouchers, concessions, and waiting lists for the properties included in this report.

Rental Property Inventory

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
001	Agency on Aging Apartments	38.0927	-76.8400	2003	na	Market Rate	Family	Non-Inventory	Other	0	0	0.0%
002	Bay Aging Apartments Middlesex	37.6379	-76.5837	2006	na	Market Rate	Elderly	Duplicate	HUD	0	0	0.0%
003	Bay Aging Properties	37.7026	-76.3780	2005	na	Market Rate	Elderly	Non-Inventory	HUD	0	0	0.0%
004	Bay Quarter Shores	37.9779	-76.4309	2011	na	Market Rate	Family	Non-Inventory	Conventional	0	0	0.0%
005	Blanton Apartments	37.8592	-76.9148	1978	na	Market Rate	Family	Stabilized	Conventional	30	0	100.0%
006	Canterbury Cottages	37.6760	-76.4002	1994	na	Market Rate	Elderly	Unconfirmed	Conventional	0	0	0.0%
007	College Green Apartments, Phase 1	37.9543	-76.7583	1981	2005	Subsidized	Elderly	Stabilized	Tax Credit	32	0	100.0%
008	College Green Apartments, Phase 2	37.9543	-76.7583	1985	2007	Restricted	Family	Stabilized	Tax Credit	16	0	100.0%
009	Courthouse Commons, Phase 1	37.9560	-76.7574	1982	na	Market Rate	Family	Stabilized	Conventional	12	0	100.0%
010	Courthouse Commons, Phase 2	37.9560	-76.7574	2007	na	Market Rate	Family	Stabilized	Conventional	12	0	100.0%
011	Dangerfield Street Apartments	37.9216	-76.8648	na	na	Market Rate	Family	Unconfirmed	Conventional	8	0	100.0%
012	DaVillas	38.0954	-76.8018	2018	na	Restricted	Family	Non-Inventory	Tax Credit	32	32	0.0%
013	Derby Properties	37.9219	-76.8697	na	na	Market Rate	Family	Unconfirmed	Conventional	0	0	0.0%
014	Donahue Properties	37.7108	-76.3804	1975	na	Market Rate	Family	Unconfirmed	Conventional	30	2	93.3%
015	Essex Garden Apartments	37.9323	-76.8715	na	na	Market Rate	Family	Unconfirmed	Conventional	0	0	0.0%
016	Essex Manor Apartments	37.9071	-76.8593	1994	2019	Subsidized	Elderly	Stabilized	Tax Credit	40	1	97.5%
017	Falls, (The) Apartments	37.9082	-76.8593	2007	na	Market Rate	Family	Stabilized	Conventional	44	0	100.0%
018	Town Centre Suites	37.7175	-76.3800	1975	1990	Market Rate	Family	Stabilized	Conventional	28	3	89.3%
019	Foxchase Apartments	37.9256	-76.8693	2003	na	Restricted	Family	Stabilized	Tax Credit	60	3	95.0%
020	Harvey Place Apartments	37.7175	-76.3800	1975	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
021	Holly Court Apartments	37.7015	-76.3830	1995	2013	Subsidized	Elderly	Stabilized	HUD	40	0	100.0%
022	Indian Creek Apartments	37.7042	-76.3798	1991	2009	Restricted	Family	Stabilized	Tax Credit	20	0	100.0%
023	Jeff Howard Jr	37.9107	-76.8583	2011	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
024	Kilmarnock New Horizons	37.7149	-76.3827	1999	na	Subsidized	Family	Special Needs	HUD	8	0	100.0%
025	Kilmarnock Village Apartments	37.7112	-76.3830	1984	2019	Restricted	Family	Prop Rehab	Tax Credit	24	1	95.8%
026	Kilmarnock Village Apartments	37.7112	-76.3830	1984	2002	Restricted	Family	Stabilized	Tax Credit	24	1	95.8%
027	Lake Drive Town Homes	37.9099	-76.8582	1999	na	Market Rate	Family	Unconfirmed	Conventional	0	0	0.0%
028	Lively Turning Point	37.8002	-76.5301	na	na	Subsidized	Family	Special Needs	HUD	6	0	100.0%
029	Mack Haven Apartments	37.9408	-76.7476	1982	na	Subsidized	Family	Stabilized	RD	12	1	91.7%
030	Manor House	38.0286	-76.6738	2007	na	Market Rate	Family	Hotel	Conventional	0	0	0.0%
031	Midtown Apartments	37.9656	-76.7543	2017	na	Market Rate	Family	Stabilized	Conventional	16	0	100.0%
032	Mill Pond Village Apartments	38.0927	-76.8400	2002	na	Subsidized	Elderly	Stabilized	HUD	24	0	100.0%
033	Montross Apartments	38.0910	-76.8399	1989	2010	Restricted	Family	Stabilized	RD	16	0	100.0%
034	Montross Project	38.0954	-76.8024	2015	na	Restricted	Family	Non-Inventory	Tax Credit	185	185	0.0%
035	New Horizons Apartments	37.7118	-76.3825	1999	na	Market Rate	Family	Duplicate	HUD	0	0	0.0%
036	Old Creek Lake Townhomes	37.9099	-76.8582	na	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
037	Parker Run Apartments	38.0844	-76.7898	2007	na	Subsidized	Elderly	Stabilized	HUD	24	0	100.0%
038	Port Town Village Apartments	37.6379	-76.5837	2006	na	Subsidized	Elderly	Stabilized	HUD	25	0	100.0%
039	Rappahannock Apartments	37.9091	-76.8598	1983	2005	Restricted	Family	Stabilized	Tax Credit	30	0	100.0%
040	Rappahannock Westminster	37.6760	-76.4002	1994	na	Market Rate	Family	Duplicate	Conventional	0	0	0.0%
041	Reed Landing	37.8508	-76.2737	1985	na	Market Rate	Family	Stabilized	Conventional	4	2	50.0%
042	Reedville Manor Apartments	37.8479	-76.2680	2000	na	Restricted	Elderly	Stabilized	Tax Credit	26	1	96.2%
043	Reedville Manor Apartments	37.8479	-76.2680	2000	2016	Restricted	Elderly	Non-Inventory	Tax Credit	26	0	100.0%
044	Sherwood Forest Shores	37.8875	-76.2865	2015	na	Market Rate	Family	Condominiums	Conventional	0	0	0.0%
045	Tanyard Apartments	37.9240	-76.8705	2002	na	Market Rate	Family	Stabilized	Conventional	38	0	100.0%
046	Tanyard Farms Apartments	37.9225	-76.8690	2008	na	Market Rate	Family	Stabilized	Conventional	4	0	100.0%
047	Tappahannock Greens Apartments	37.9071	-76.8593	1994	na	Subsidized	Elderly	Duplicate	Tax Credit	40	1	97.5%
048	Tartan Village Apartments, Phase 1	37.7026	-76.3780	2004	na	Subsidized	Elderly	Stabilized	HUD	22	0	100.0%
049	Tartan Village Apartments, Phase 2	37.7026	-76.3780	2007	na	Subsidized	Elderly	Stabilized	HUD	18	0	100.0%
050	Urbanna Estates Apartments	37.6407	-76.5773	1983	na	Restricted	Family	Unconfirmed	RD	12	1	91.7%
051	Virginia Street Apartments	37.9259	-76.8606	2007	na	Market Rate	Family	Stabilized	Conventional	4	1	75.0%
052	Warren Clarke Apartments	37.8322	-76.5081	1988	na	Market Rate	Family	Unconfirmed	Conventional	6	2	66.7%

Rental Property Inventory

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
053	Warsaw Manor Apartments	37.9611	-76.7653	1995	2014	Subsidized	Elderly	Stabilized	Tax Credit	56	2	96.4%
054	Westlake Apartments	37.6760	-76.4002	1994	na	Market Rate	Elderly	Unconfirmed	Conventional	0	0	0.0%
055	Westmoreland Senior Project	38.0849	-76.7908	2010	na	Restricted	Elderly	Non-Inventory	Tax Credit	36	36	0.0%
056	Winn Court Apartments	37.9163	-76.8785	1993	na	Market Rate	Family	Stabilized	Conventional	14	1	92.9%
057	Woods Edge Single Family Homes	37.6760	-76.4002	1994	na	Market Rate	Family	Unconfirmed	Conventional	0	0	0.0%



Rental Property Inventory, Unconfirmed

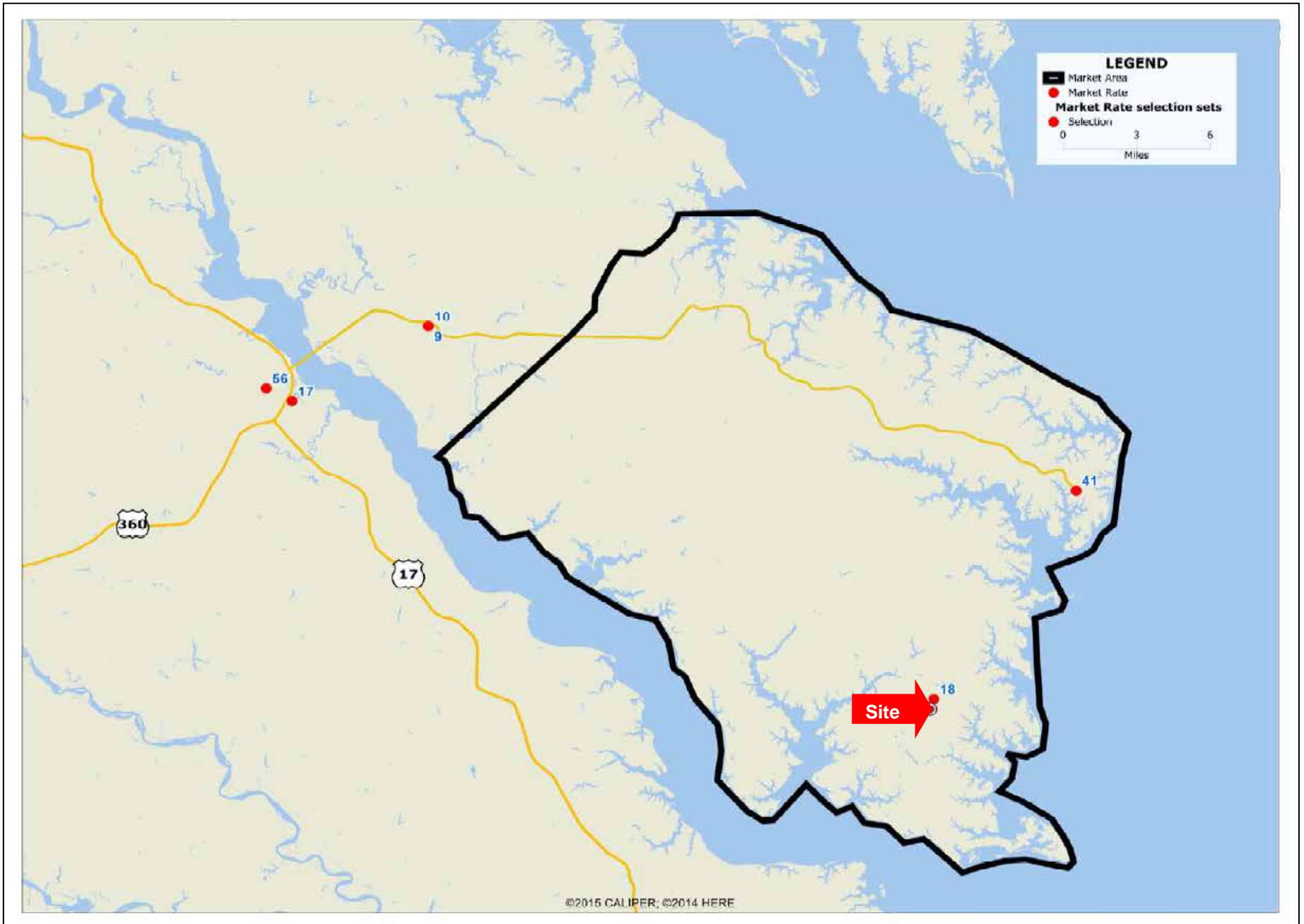
Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
006	Canterbury Cottages	37.6760	-76.4002	1994	na	Market Rate	Elderly	Unconfirmed	Conventional	0	0	0.0%
011	Dangerfield Street Apartments	37.9216	-76.8648	na	na	Market Rate	Family	Unconfirmed	Conventional	8	0	100.0%
013	Derby Properties	37.9219	-76.8697	na	na	Market Rate	Family	Unconfirmed	Conventional	0	0	0.0%
014	Donahue Properties	37.7108	-76.3804	1975	na	Market Rate	Family	Unconfirmed	Conventional	30	2	93.3%
015	Essex Garden Apartments	37.9323	-76.8715	na	na	Market Rate	Family	Unconfirmed	Conventional	0	0	0.0%
027	Lake Drive Town Homes	37.9099	-76.8582	1999	na	Market Rate	Family	Unconfirmed	Conventional	0	0	0.0%
050	Urbanna Estates Apartments	37.6407	-76.5773	1983	na	Restricted	Family	Unconfirmed	RD	12	1	91.7%
052	Warren Clarke Apartments	37.8322	-76.5081	1988	na	Market Rate	Family	Unconfirmed	Conventional	6	2	66.7%
054	Westlake Apartments	37.6760	-76.4002	1994	na	Market Rate	Elderly	Unconfirmed	Conventional	0	0	0.0%
057	Woods Edge Single Family Homes	37.6760	-76.4002	1994	na	Market Rate	Family	Unconfirmed	Conventional	0	0	0.0%

Rental Property Inventory, Confirmed, Inside Market Area

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
018	Town Centre Suites	37.7175	-76.3800	1975	1990	Market Rate	Family	Stabilized	Conventional	28	3	89.3%
021	Holly Court Apartments	37.7015	-76.3830	1995	2013	Subsidized	Elderly	Stabilized	HUD	40	0	100.0%
022	Indian Creek Apartments	37.7042	-76.3798	1991	2009	Restricted	Family	Stabilized	Tax Credit	20	0	100.0%
026	Kilmarnock Village Apartments	37.7112	-76.3830	1984	2002	Restricted	Family	Stabilized	Tax Credit	24	1	95.8%
041	Reed Landing	37.8508	-76.2737	1985	na	Market Rate	Family	Stabilized	Conventional	4	2	50.0%
042	Reedville Manor Apartments	37.8479	-76.2680	2000	na	Restricted	Elderly	Stabilized	Tax Credit	26	1	96.2%
048	Tartan Village Apartments, Phase 1	37.7026	-76.3780	2004	na	Subsidized	Elderly	Stabilized	HUD	22	0	100.0%
049	Tartan Village Apartments, Phase 2	37.7026	-76.3780	2007	na	Subsidized	Elderly	Stabilized	HUD	18	0	100.0%

Master List of Market Rate Comparables

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
009	Courthouse Commons, Phase 1	37.9560	-76.7574	1982	na	Market Rate	Family	Stabilized	Conventional	12	0	100.0%
010	Courthouse Commons, Phase 2	37.9560	-76.7574	2007	na	Market Rate	Family	Stabilized	Conventional	12	0	100.0%
017	Falls, (The) Apartments	37.9082	-76.8593	2007	na	Market Rate	Family	Stabilized	Conventional	44	0	100.0%
018	Town Centre Suites	37.7175	-76.3800	1975	1990	Market Rate	Family	Stabilized	Conventional	28	3	89.3%
041	Reed Landing	37.8508	-76.2737	1985	na	Market Rate	Family	Stabilized	Conventional	4	2	50.0%
056	Winn Court Apartments	37.9163	-76.8785	1993	na	Market Rate	Family	Stabilized	Conventional	14	1	92.9%



Master List of Restricted Rent Comparables

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy
008	College Green Apartments, Phase 2	37.9543	-76.7583	1985	2007	Restricted	Family	Stabilized	Tax Credit	16	0	100.0%
019	Foxchase Apartments	37.9256	-76.8693	2003	na	Restricted	Family	Stabilized	Tax Credit	60	3	95.0%
022	Indian Creek Apartments	37.7042	-76.3798	1991	2009	Restricted	Family	Stabilized	Tax Credit	20	0	100.0%
033	Montross Apartments	38.0910	-76.8399	1989	2010	Restricted	Family	Stabilized	RD	16	0	100.0%
039	Rappahannock Apartments	37.9091	-76.8598	1983	2005	Restricted	Family	Stabilized	Tax Credit	30	0	100.0%
042	Reedville Manor Apartments	37.8479	-76.2680	2000	na	Restricted	Elderly	Stabilized	Tax Credit	26	1	96.2%



Rental Property Inventory, Confirmed, Inside Market Area, by Rent Type

The following tables and graphs provide a summary of the confirmed market area properties included in this analysis broken out by rent type:

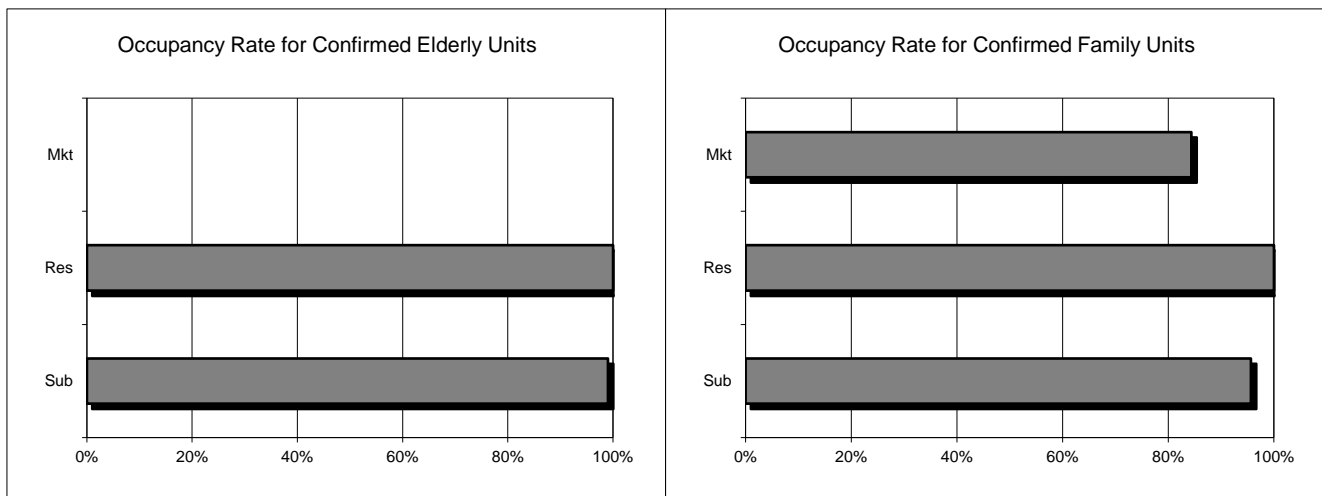
Rental Property Inventory, Confirmed, Inside Market Area			
Total Properties			
	Elderly	Family	Total
Market Rate		2	2
Restricted	1	2	3
Subsidized	3		3
Total	4	4	8

Total Units			
	Elderly	Family	Total
Market Rate		32	32
Restricted	1	21	22
Subsidized	105	23	128
Total	106	76	182

Vacant Units			
	Elderly	Family	Total
Market Rate		5	5
Restricted			
Subsidized	1	1	2
Total	1	6	7

Occupancy Rate			
	Elderly	Family	Total
Market Rate		84%	84%
Restricted	100%	100%	100%
Subsidized	99%	96%	98%
Total	99%	92%	96%

Source: Allen & Associates



Our analysis includes a total of 8 confirmed market area properties consisting of 182 units. The occupancy rate for these units currently stands at 96 percent. This rate reflects the occupancy for all confirmed market area units, regardless of project status (stabilized, under construction, proposed, etc.).

Confirmed market area properties break down by rent type and tenure as shown in the tables above.

Rental Property Inventory, Confirmed, Inside Market Area, by Project Status

The following tables and graphs provide a summary of the confirmed market area properties included in this analysis broken out by project status:

Rental Property Inventory, Confirmed, Inside Market Area

Elderly					Family				
Total Properties					Total Properties				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized	3	1		4	Stabilized		2	2	4
Lease Up					Lease Up				
Construction					Construction				
Rehabilitation					Rehabilitation				
Prop Const					Prop Const				
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal					Subtotal				
Total	3	1		4	Total		2	2	4

Total Units					Total Units				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized	105	1		106	Stabilized	23	21	32	76
Lease Up					Lease Up				
Construction					Construction				
Rehabilitation					Rehabilitation				
Prop Const					Prop Const				
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal					Subtotal				
Total	105	1		106	Total	23	21	32	76

Vacant Units					Vacant Units				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized	1			1	Stabilized	1		5	6
Lease Up					Lease Up				
Construction					Construction				
Rehabilitation					Rehabilitation				
Prop Const					Prop Const				
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal					Subtotal				
Total	1			1	Total	1		5	6

Source: Allen & Associates

Our survey includes a total of 8 stabilized market area properties consisting of 182 units standing at 96 percent occupancy.

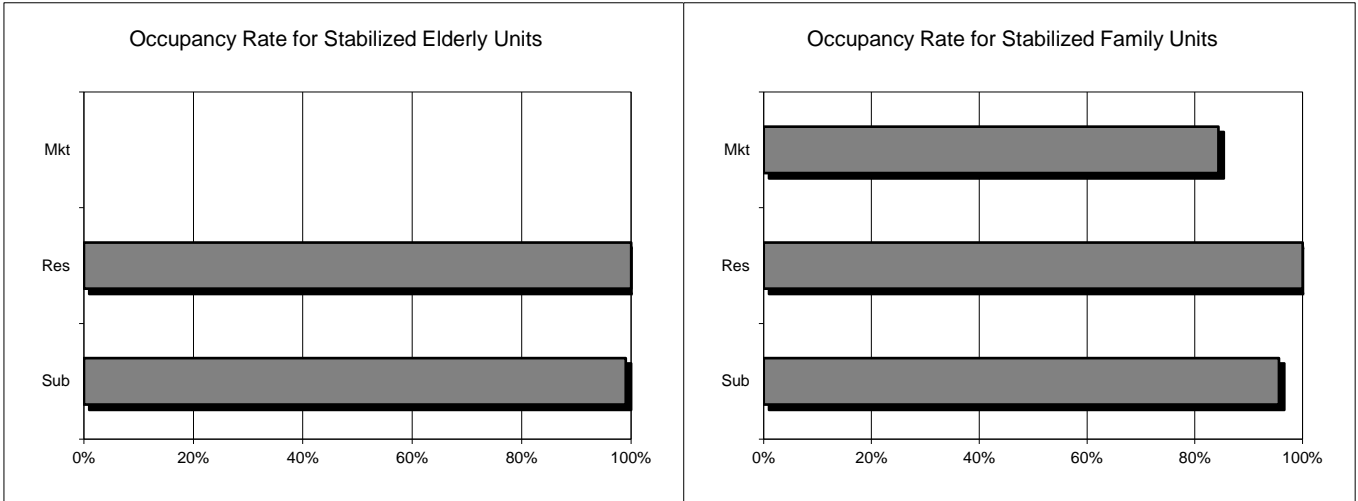
Our research suggests that there are no properties in the market area that are not yet stabilized. Unstabilized units (also referred to as pipeline units) include vacant units in lease up, construction, rehabilitation, proposed new construction, and units with proposed renovation plans.

Rental Property Inventory, Confirmed, Inside Market Area

Elderly					Family				
Occupancy Rate					Occupancy Rate				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
Stabilized	99%	100%		99%	Stabilized	96%	100%	84%	92%
Lease Up					Lease Up				
Construction					Construction				
Rehabilitation					Rehabilitation				
Prop Const					Prop Const				
Prop Rehab					Prop Rehab				
Unstabilized					Unstabilized				
Subtotal					Subtotal				
Total	99%	100%		99%	Total	96%	100%	84%	92%

Source: Allen & Associates

Occupancies of stabilized market area properties broken out by occupancy type (elderly or family) and rent type (subsidized, restricted or market rate) are found below:



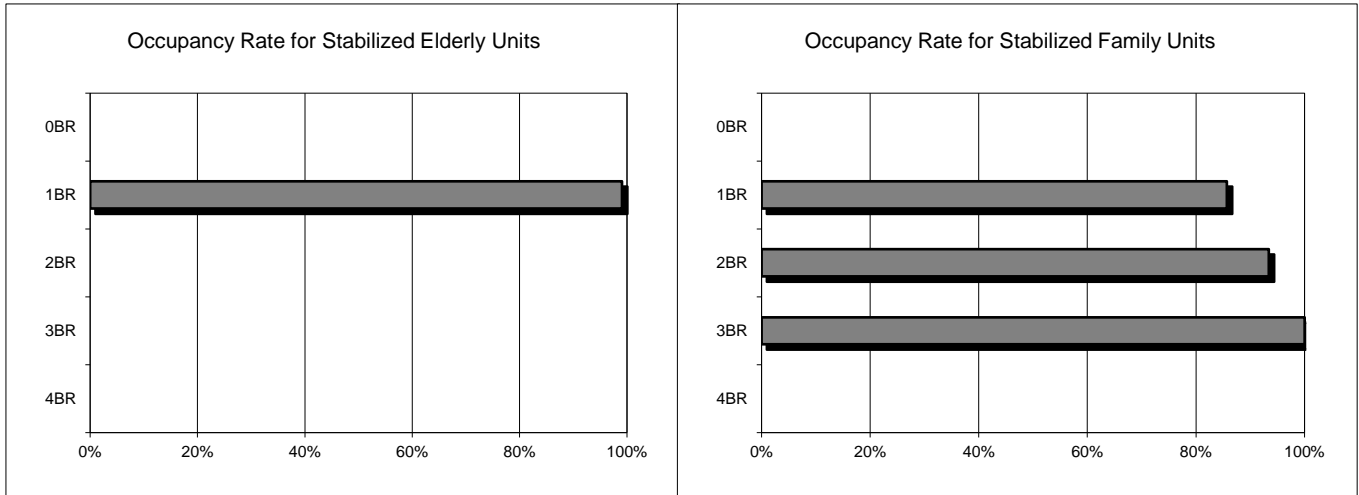
Our research suggests the following occupancy levels for the 106 stabilized elderly units in this market area:

- Subsidized, 99 percent (105 units in survey)
- Restricted, 100 percent (1 units in survey)
- Market Rate, not applicable (0 units in survey)

Our research suggests the following occupancy levels for the 76 stabilized family units in this market area:

- Subsidized, 96 percent (23 units in survey)
- Restricted, 100 percent (21 units in survey)
- Market Rate, 84 percent (32 units in survey)

Occupancy rates for stabilized market area properties broken out by occupancy type (elderly or family) and unit type are found below (supporting data is found in the pages that follow):



Our research suggests the following occupancy levels for the 106 stabilized elderly units in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 99 percent (106 units in survey)
- 2-Bedroom, not applicable (0 units in survey)
- 3-Bedroom, not applicable (0 units in survey)
- 4-Bedroom, not applicable (0 units in survey)

Our research suggests the following occupancy levels for the 76 stabilized family units in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 86 percent (14 units in survey)
- 2-Bedroom, 93 percent (61 units in survey)
- 3-Bedroom, 100 percent (1 units in survey)
- 4-Bedroom, not applicable (0 units in survey)

Rental Property Inventory, Confirmed, Inside Market Area, 0-Bedroom Units

Elderly									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Source: Allen & Associates

Rental Property Inventory, Confirmed, Inside Market Area, 1-Bedroom Units

Elderly									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	4				1				5
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	4				1				5

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	1		1	1				1	4
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	1		1	1				1	4

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	105				1				106
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	105				1				106

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	8		1	3				2	14
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	8		1	3				2	14

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	1								1
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	1								1

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	1							1	2
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	1							1	2

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	99%				100%				99%
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	99%				100%				99%

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	88%		100%	100%				50%	86%
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	88%		100%	100%				50%	86%

Source: Allen & Associates

Rental Property Inventory, Confirmed, Inside Market Area, 2-Bedroom Units

Elderly									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	1		1	1	1			2	6
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	1		1	1	1			2	6

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	15		1	15	1			29	61
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	15		1	15	1			29	61

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized								4	4
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total								4	4

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized	100%		100%	100%	100%			86%	93%
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total	100%		100%	100%	100%			86%	93%

Source: Allen & Associates

Rental Property Inventory, Confirmed, Inside Market Area, 3-Bedroom Units

Elderly									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized								1	1
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal								1	1
Total								1	1

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized								1	1
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal								1	1
Total								1	1

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized								100%	100%
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal								100%	100%
Total								100%	100%

Source: Allen & Associates

Rental Property Inventory, Confirmed, Inside Market Area, 4-Bedroom Units

Elderly									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Family									
Total Properties with Unit Type									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Total Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Vacant Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Occupancy Rate									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
Stabilized									
Lease Up									
Construction									
Rehabilitation									
Prop Const									
Prop Rehab									
Unstabilized									
Subtotal									
Total									

Source: Allen & Associates

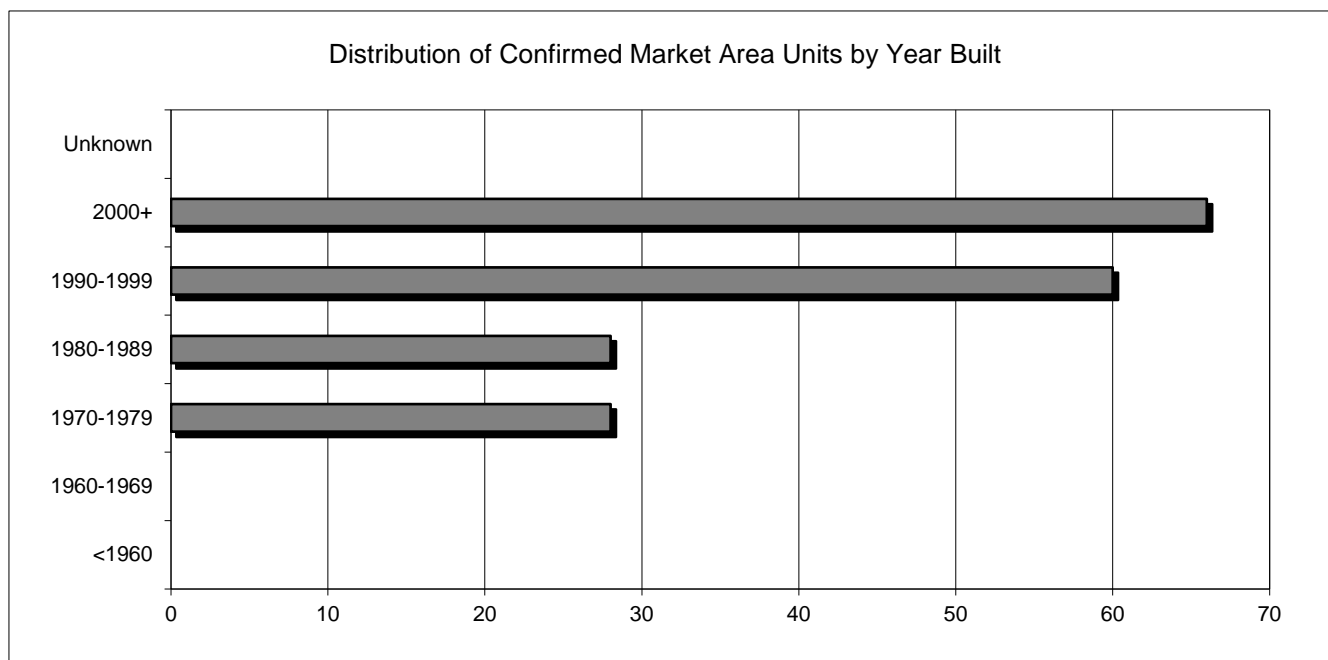
Rental Property Inventory, Confirmed, Inside Market Area, by Year Built

The following tables and graph provide a summary of the confirmed market area properties included in this analysis broken out by year built:

Rental Property Inventory, Confirmed, Inside Market Area			
Total Properties			
	Elderly	Family	Total
<1960			
1960-1969			
1970-1979		1	1
1980-1989		2	2
1990-1999	1	1	2
2000+	3		3
Unknown			
Total	4	4	8

Total Units			
	Elderly	Family	Total
<1960			
1960-1969			
1970-1979		28	28
1980-1989		28	28
1990-1999	40	20	60
2000+	66		66
Unknown			
Total	106	76	182

Source: Allen & Associates



Our research suggests that of the 8 confirmed market area properties (182 units) included in this report, 0 properties (0 units) were constructed before 1960, 0 properties (0 units) were constructed between 1960 and 1969, 1 property (28 units) between 1970 and 1979, 2 properties (28 units) between 1980 and 1989, 2 properties (60 units) between 1990 and 1999, and 3 properties (66 units) after 2000. In addition, 0 properties (0 units) had an unknown date of construction.

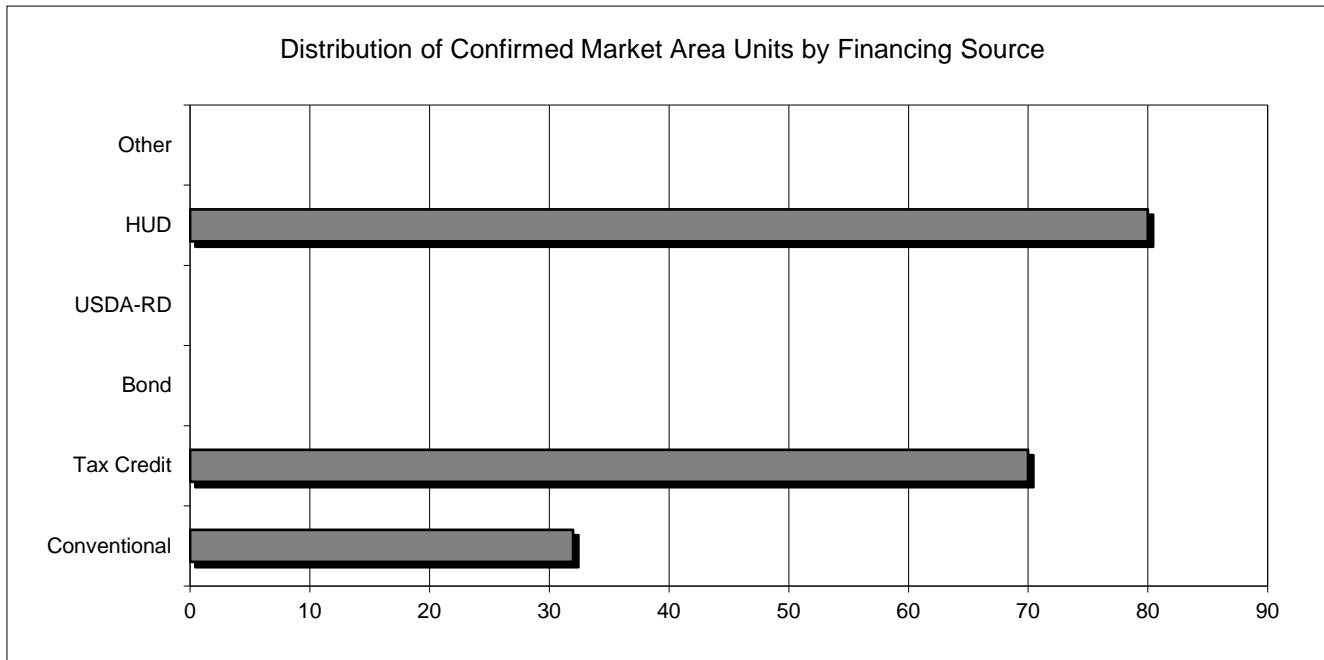
Rental Property Inventory, Confirmed, Inside Market Area, by Financing Source

The following tables and graph provide a summary of the confirmed market area properties included in this analysis broken out by financing source:

Rental Property Inventory, Confirmed, Inside Market Area			
Total Properties			
	Elderly	Family	Total
Conventional		2	2
Tax Credit	1	2	3
Bond			
USDA-RD			
HUD	3		3
Other			
Total	4	4	8

Total Units			
	Elderly	Family	Total
Conventional		32	32
Tax Credit	26	44	70
Bond			
USDA-RD			
HUD	80		80
Other			
Total	106	76	182

Source: Allen & Associates



Our research suggests that of the 8 confirmed properties in the market area, 2 properties (consisting of 32 units) are conventionally financed, 3 properties (consisting of 70 units) include tax credit financing, 0 properties (consisting of 0 units) are bond financed, 0 properties (consisting of 0 units) are exclusively USDA-RD financed, and 3 properties (consisting of 80 units) are exclusively HUD financed.

The average project size for this market area is 23 units. The smallest projects are conventionally financed, averaging 16 units in size. The largest projects are exclusively HUD financed, averaging 27 units in size.

Rental Property Inventory, Confirmed, Inside Market Area, Rent Summary

The following tables and graphs provide a summary of the rents charged at confirmed market area properties broken out by unit type:

Rental Property Inventory, Confirmed, Inside Market Area									
Rents									
	Subsidized			Restricted			Market		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
0-Bedroom	-	-	-	-	-	-	-	-	-
1-Bedroom	\$300	\$751	\$494	\$492	\$564	\$516	\$475	\$475	\$475
2-Bedroom	\$804	\$804	\$804	\$599	\$804	\$729	\$783	\$800	\$792
3-Bedroom	-	-	-	-	-	-	\$925	\$925	\$925
4-Bedroom	-	-	-	-	-	-	-	-	-

Unit Size									
	Subsidized			Restricted			Market		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
0-Bedroom	-	-	-	-	-	-	-	-	-
1-Bedroom	525	621	564	617	620	618	700	700	700
2-Bedroom	767	767	767	820	837	826	1,000	1,006	1,003
3-Bedroom	-	-	-	-	-	-	1,250	1,250	1,250
4-Bedroom	-	-	-	-	-	-	-	-	-

Rent per Square Foot									
	Subsidized			Restricted			Market		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
0-Bedroom	-	-	-	-	-	-	-	-	-
1-Bedroom	\$0.57	\$1.21	\$0.88	\$0.80	\$0.91	\$0.83	\$0.68	\$0.68	\$0.68
2-Bedroom	\$1.05	\$1.05	\$1.05	\$0.73	\$0.96	\$0.88	\$0.78	\$0.80	\$0.79
3-Bedroom	-	-	-	-	-	-	\$0.74	\$0.74	\$0.74
4-Bedroom	-	-	-	-	-	-	-	-	-

Source: Allen & Associates



Our research suggests the following average rent levels for confirmed restricted rent units:

- 0-Bedroom, not applicable
- 1-Bedroom, \$0.83 per square foot
- 2-Bedroom, \$0.88 per square foot
- 3-Bedroom, not applicable
- 4-Bedroom, not applicable

Our research suggests the following average rent levels for confirmed market rate units:

- 0-Bedroom, not applicable
- 1-Bedroom, \$0.68 per square foot
- 2-Bedroom, \$0.79 per square foot
- 3-Bedroom, \$0.74 per square foot
- 4-Bedroom, not applicable

A detailed listing of rents and floor areas for confirmed market area properties by unit type and income target is found in the following pages.

Rental Property Inventory, Confirmed, Inside Market Area, Unit Mix Summary

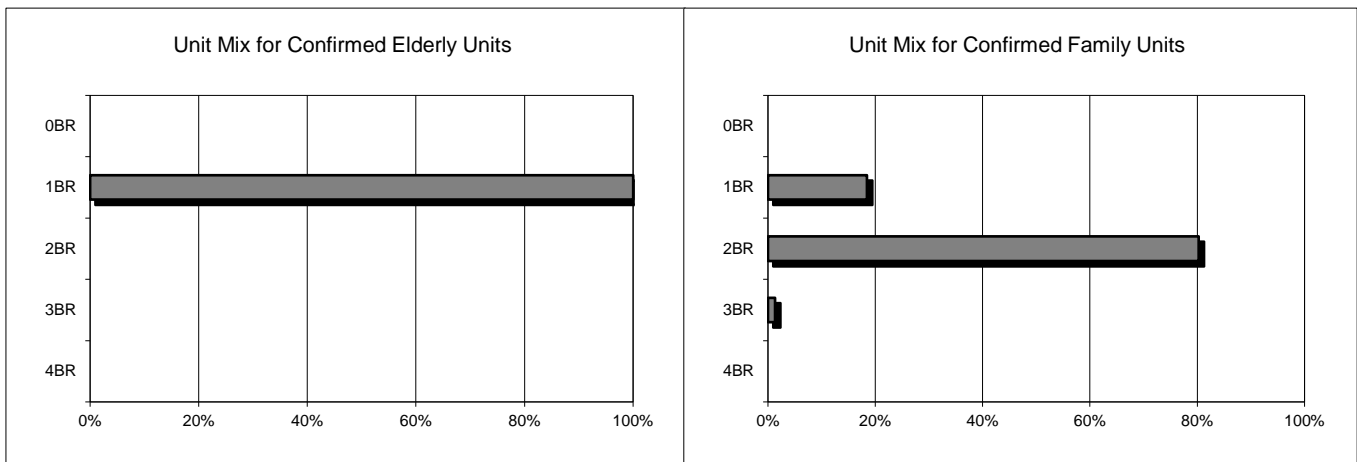
In the tables and graphs found below we present a breakdown of unit mix for confirmed market area properties broken out by occupancy type (elderly or family):

Rental Property Inventory, Confirmed, Inside Market Area, Unit Mix Summary

Elderly					Family				
Total Units					Total Units				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
0-Bedroom					0-Bedroom				
1-Bedroom	105	1		106	1-Bedroom	8	4	2	14
2-Bedroom					2-Bedroom	15	17	29	61
3-Bedroom					3-Bedroom			1	1
4-Bedroom					4-Bedroom				
Total	105	1		106	Total	23	21	32	76

Unit Mix					Unit Mix				
	Sub	Res	Mkt	Tot		Sub	Res	Mkt	Tot
0-Bedroom					0-Bedroom				
1-Bedroom	100%	100%		100%	1-Bedroom	35%	19%	6%	18%
2-Bedroom					2-Bedroom	65%	81%	91%	80%
3-Bedroom					3-Bedroom			3%	1%
4-Bedroom					4-Bedroom				
Total	100%	100%		100%	Total	100%	100%	100%	100%

Source: Allen & Associates



Our research suggests the following unit mix for the 106 confirmed elderly units located in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 100 percent (106 units in survey)
- 2-Bedroom, not applicable (0 units in survey)
- 3-Bedroom, not applicable (0 units in survey)
- 4-Bedroom, not applicable (0 units in survey)

Our research suggests the following unit mix for the 76 confirmed family units located in this market area:

- 0-Bedroom, not applicable (0 units in survey)
- 1-Bedroom, 18 percent (14 units in survey)
- 2-Bedroom, 80 percent (61 units in survey)
- 3-Bedroom, 1 percent (1 units in survey)
- 4-Bedroom, not applicable (0 units in survey)

Rental Property Inventory, Confirmed, Inside Market Area, Amenity Summary

In the table found below we present a summary of amenities found at confirmed market area properties:

Rental Property Inventory, Confirmed, Inside Market Area, Amenity Summary			
Building Type		Air Conditioning	
1 Story	50%	Central	100%
2-4 Story	50%	Wall Units	0%
5-10 Story	0%	Window Units	0%
>10 Story	0%	None	0%
Project Amenities		Heat	
Ball Field	0%	Central	100%
BBQ Area	50%	Wall Units	0%
Billiards	0%	Baseboards	0%
Bus/Comp Ctr	0%	Radiators	0%
Car Care Ctr	0%	None	0%
Comm Center	63%		
Elevator	0%	Parking	
Fitness Center	0%	Garage	0%
Gazebo	25%	Covered	0%
Hot Tub/Jacuzzi	0%	Assigned	0%
Horseshoe Pit	0%	Open	100%
Lake	0%	None	0%
Library	0%		
Movie Theatre	0%	Laundry	
Picnic Area	50%	Central	75%
Playground	25%	W/D Units	25%
Pool	0%	W/D Hookups	38%
Sauna	0%		
Sports Court	0%	Security	
Walking Trail	0%	Call Buttons	50%
		Cont Access	0%
		Courtesy Officer	0%
		Monitoring	13%
		Security Alarms	0%
		Security Patrols	13%
Unit Amenities		Services	
Blinds	100%	After School	0%
Ceiling Fans	25%	Concierge	0%
Upgraded Flooring	100%	Hair Salon	0%
Fireplace	0%	Health Care	0%
Patio/Balcony	50%	Linens	0%
Storage	0%	Meals	0%
		Transportation	0%
Kitchen Amenities			
Stove	100%		
Refrigerator	100%		
Disposal	0%		
Dishwasher	25%		
Microwave	0%		

Source: Allen & Associates

Our research suggests that 50 percent of confirmed market area properties are 1 story in height, 50 percent are 2-4 stories in height, 0 percent are 5-10 stories in height, and 0 percent are over 10 stories in height. In addition, surveyed properties benefit from the following project amenities: 0 percent have a business/computer center, 63 percent have a community center, 0 percent have a fitness center, 25 percent have a playground, and 0 percent have a sports court.

Our research also suggests that the following unit amenities are present at surveyed properties: 100 percent have blinds, 100 percent have carpeting, 50 percent have patios/balconies, and 0 percent have outside storage. Surveyed properties also include the following kitchen amenities: 100 percent have a stove, 100 percent have a refrigerator, 0 percent have a disposal, 25 percent have a dishwasher, and 0 percent have a microwave.

In addition, 100 percent of confirmed market area properties have central heat while 100 percent have central air. Our research also suggests that 100 percent of surveyed properties have open parking. A total of 75 percent of area properties have central laundry facilities, while 38 percent have washer/dryer hookups, and 25 percent have washer/dryer units in each residential unit.

A total of 50 percent of confirmed market area properties have call buttons, 0 percent have controlled access, and 0 percent have security alarms.

It is also our understanding that the majority of confirmed market area properties provide cable access.

Finally, in the following pages we provide a summary of vouchers, concessions and waiting lists for the confirmed market area properties included in this report. We also include any absorption information we have uncovered as part of our research.

Rental Property Inventory, Confirmed, Inside Market Area

Key	Project	Latitude	Longitude	Built	Renovated	Rent Type	Occ Type	Status	Financing	Tot Units	Vac Units	Occupancy	Concessions	Vouchers	Abs Rate	Waiting List
018	Town Centre Suites	37.7175	-76.3800	1975	1990	Market Rate	Family	Stabilized	Conventional	28	3	89.3%	0%	0%	-	-
021	Holly Court Apartments	37.7015	-76.3830	1995	2013	Subsidized	Elderly	Stabilized	HUD	40	0	100.0%	0%	0%	-	10 people
022	Indian Creek Apartments	37.7042	-76.3798	1991	2009	Restricted	Family	Stabilized	Tax Credit	20	0	100.0%	0%	40%	-	3 people
026	Kilmarnock Village Apartments	37.7112	-76.3830	1984	2002	Restricted	Family	Stabilized	Tax Credit	24	1	95.8%	0%	4%	-	12 people
041	Reed Landing	37.8508	-76.2737	1985	na	Market Rate	Family	Stabilized	Conventional	4	2	50.0%	0%	0%	-	-
042	Reedville Manor Apartments	37.8479	-76.2680	2000	na	Restricted	Elderly	Stabilized	Tax Credit	26	1	96.2%	0%	0%	-	3 people
048	Tartan Village Apartments, Phase 1	37.7026	-76.3780	2004	na	Subsidized	Elderly	Stabilized	HUD	22	0	100.0%	0%	0%	-	52 people
049	Tartan Village Apartments, Phase 2	37.7026	-76.3780	2007	na	Subsidized	Elderly	Stabilized	HUD	18	0	100.0%	0%	0%	-	52 people

RENT COMPARABILITY ANALYSIS

In this section we develop restricted and unrestricted market rent conclusions for the subject property on an "as if complete & stabilized" basis. Our analysis begins with an evaluation of unrestricted market rents.

Unrestricted Rent Analysis

In this section we develop an unrestricted market rent conclusion for the subject property units. Our analysis began by selecting comparable rentals to use to develop estimates of market rents for the units at the subject property, assuming that the subject was an unrestricted property. Our selection of comparables was based on location, age, condition, unit mix and amenities of the comparable properties relative to the subject property.

Rental Property Inventory, by Unit Type

In the following pages we present an inventory of properties included in this analysis. Rents for these properties, broken out by unit type, were used in selecting the rent comparables used in this analysis.

The properties that we consider to be comparable to the subject property are highlighted in the tables found in the following pages. We attempted to select stabilized market rate properties as comparables for purposes of our rent comparability analysis.

Comparables with restricted rents are used when a sufficient number of market rent comparables are not available and when maximum allowable rents for properties with restricted rents exceed prevailing rents in the area. In the event that program rental rates exceed market rental rates, restricted units are, in fact, *de facto* market rate units.

Rent Comparables, Market Rate, Map

A map showing the location of the properties selected as comparables in this analysis is found in the following pages. Properties identified with red pushpins have market rents, properties identified with yellow pushpins have restricted rents, and properties identified with blue pushpins have subsidized rents. Detailed write-ups for the select rent comparables are found in the Appendix to this report.

Rent Comparability Grids

Our analysis employed the use of rent comparability grids and resulted in an unrestricted market rent estimate for each of the subject's unit types. These grids and a narrative describing our rent adjustments are found in the following pages.

Rental Property Inventory, 1-Bedroom Units

Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	20%	30%	40%	50%	60%	80%	Mkt
005	Blanton Apartments	1978	na	Market Rate	Family	Stabilized								
009	Courthouse Commons, Phase 1	1982	na	Market Rate	Family	Stabilized								\$595
010	Courthouse Commons, Phase 2	2007	na	Market Rate	Family	Stabilized								
017	Falls, (The) Apartments	2007	na	Market Rate	Family	Stabilized								
018	Town Centre Suites	1975	1990	Market Rate	Family	Stabilized								
031	Midtown Apartments	2017	na	Market Rate	Family	Stabilized								
041	Reed Landing	1985	na	Market Rate	Family	Stabilized								\$475
045	Tanyard Apartments	2002	na	Market Rate	Family	Stabilized								
046	Tanyard Farms Apartments	2008	na	Market Rate	Family	Stabilized								
051	Virginia Street Apartments	2007	na	Market Rate	Family	Stabilized								
056	Winn Court Apartments	1993	na	Market Rate	Family	Stabilized								

Source: Allen & Associates

Rental Property Inventory, 2-Bedroom Units

Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	20%	30%	40%	50%	60%	80%	Mkt
005	Blanton Apartments	1978	na	Market Rate	Family	Stabilized								\$600
009	Courthouse Commons, Phase 1	1982	na	Market Rate	Family	Stabilized								\$675
010	Courthouse Commons, Phase 2	2007	na	Market Rate	Family	Stabilized								\$695
017	Falls, (The) Apartments	2007	na	Market Rate	Family	Stabilized								\$775
018	Town Centre Suites	1975	1990	Market Rate	Family	Stabilized								\$783
031	Midtown Apartments	2017	na	Market Rate	Family	Stabilized								\$775
041	Reed Landing	1985	na	Market Rate	Family	Stabilized								\$800
045	Tanyard Apartments	2002	na	Market Rate	Family	Stabilized								\$539
046	Tanyard Farms Apartments	2008	na	Market Rate	Family	Stabilized								\$695
051	Virginia Street Apartments	2007	na	Market Rate	Family	Stabilized								\$725
056	Winn Court Apartments	1993	na	Market Rate	Family	Stabilized								\$725

Source: Allen & Associates



Rent Adjustments

Our analysis included a property management survey and a technique known as "statistical extraction" to help us identify the best adjustments to use. Statistical extraction, which is similar to the matched pair method, helped us derive the optimal adjustments for our particular data set.

Here's a hypothetical example to illustrate how we derived our rent adjustments. Assume that property managers tell us we should expect rent adjustments ranging from \$0.00 to \$0.50 per square foot for a particular market. Next, assume that we select 25 rent comparables with an adjusted sample standard deviation (a statistical measure of variability) of \$100. We employ a square foot rent adjustment of \$0.10 for each comparable resulting in an adjusted sample standard deviation of \$90. This tells us that the assumed adjustment "explained" some of the variability in the data. We repeat this process for adjustments of \$0.20, \$0.30, \$0.40 and \$0.50 which yielded adjusted sample standard deviations of \$80, \$70, \$65 and \$75, respectively. The \$0.40 square foot adjustment "explains" the most variability because any other adjustment yields a higher adjusted sample standard deviation. Consequently, a \$0.40 rent adjustment is the best adjustment for purposes of this example. This is a simplified example because we actually adjusted for numerous variables simultaneously in our analysis.

Many adjustments (bedroom count, bathroom count and square footage) are highly interrelated. Statistical extraction helped us unravel the interrelationships between these variables. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is superior a "plus" adjustment is made. If the subject is inferior a "minus" adjustment is made.

We used the Excel Solver function to help us with our analysis. The Solver function was programmed to minimize the adjusted standard deviation for our data set. We evaluated a total of 62 variables in 22 categories (AC systems, heating systems, technology, bedrooms, bathrooms, square feet, visibility, access, neighborhood, area amenities, condition, effective age, project amenities, elevator, unit amenities, storage, kitchen amenities, parking, laundry, security, on-site management, on-site maintenance) in an effort to identify the mix of adjustments that explained the most variability found in our raw data.

A discussion of our surveyed and concluded adjustments is found below.

Concessions

The first step in our analysis was to account for any concessions at the subject and the comparables. We considered the advertised street rent and concessions being offered and derived a net rent estimate for each comparable. Net rent, defined as advertised street rent minus monthly concessions, represents the cash rent paid by new residents at the various properties. This is the best measure of market value (prior to any other adjustments) for the comparables included in this analysis.

Tenant-Paid Utilities

The next step in our analysis was to account for differences in tenant-paid utilities between the comparable properties and the subject. We used the HUD Utility Schedule Model to derive our adjustments. The HUD model includes a current utility rate survey for the area. In the event that the tenant-paid utilities associated with a particular property are higher or lower than the subject, adjustments were made to account for the differences. Adjustments reflect the difference between the tenant-paid utilities for the comparable property minus that for the subject.

Technology

We accounted for technology (cable and internet access) offered in the rent for each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$0 per month for cable; internet access was valued at \$0.

Adjustment	Technology		Concluded
	Survey	Range	
Cable	\$0	\$50	\$0
Internet	\$0	\$50	\$0

Bedrooms

Our analysis also included an adjustment for the number of bedrooms at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$200 per bedroom.

Bedrooms			
Adjustment	Survey Range		Concluded
Bedrooms	\$0	\$200	\$200

Bathrooms

Our analysis also included an adjustment for the number of bathrooms at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$45 per bathroom.

Bathrooms			
Adjustment	Survey Range		Concluded
Bathrooms	\$0	\$100	\$45

Square Feet

Our analysis also included an adjustment for square footage at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$0.10 per square foot.

Square Feet			
Adjustment	Survey Range		Concluded
Square Feet	\$0.00	\$2.00	\$0.10

Visibility

We also accounted for differences in visibility at each of the comparables as compared to the subject property in our analysis. Based on our field review, we assigned a visibility rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$0 per point for differences in visibility ratings between the subject and the comparables.

Visibility			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$0

Access

Our analysis also included an adjustment for access at each of the comparables as compared to the subject property. Based on our field review, we assigned an access rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$0 per point for differences in access ratings between the subject and the comparables.

Access			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$0

Neighborhood

We considered differences in neighborhood at each of the comparables as compared to the subject property in our analysis. Based on our field review and our evaluation of local demographic and crime data (presented earlier in this report), we assigned a neighborhood rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$0 per point for differences in neighborhood ratings between the subject and the comparables.

Neighborhood			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$0

Area Amenities

We also accounted for area amenities for each of the comparables as compared to the subject property in our analysis. Based on our field review and our evaluation of local amenity data (presented earlier in this report), we assigned a local amenity rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$20 per point for differences in amenity ratings between the subject and the comparables.

Area Amenities			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$20

Median Household Income

Our analysis also included an adjustment for median household income for the area in which each of the comparables is located as compared to the subject property. Statistical extraction resulted in an adjustment of \$0.0000 per dollar of median household income.

Median Household Income			
Adjustment	Survey Range		Concluded
Med HH Inc	\$0.0000	\$0.0100	\$0.0000

Average Commute

Our analysis also included an adjustment for average commute for the area in which each of the comparables is located as compared to the subject property. Statistical extraction resulted in an adjustment of \$2.00 per each minute of commute.

Average Commute			
Adjustment	Survey Range		Concluded
Avg Commute	\$0.00	\$20.00	\$2.00

Public Transportation

Our analysis also included an adjustment for the existence of public transportation within walking distance of each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$0.00 for public transportation.

Public Transportation			
Adjustment	Survey Range		Concluded
Public Trans	\$0.00	\$200.00	\$0.00

Personal Crime

Our analysis also included an adjustment for personal crime rates for the area in which each of the comparables is located as compared to the subject property. Statistical extraction resulted in an adjustment of \$0 per 0.01 percentage points.

Personal Crime			
Adjustment	Survey Range		Concluded
Personal Crime	\$0	\$50,000	\$0

Condition

Our analysis also included an adjustment for the condition of each comparable as compared to the subject property. Based on our field review, we assigned a condition rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$10 per point for differences in condition ratings between the subject and the comparables.

Condition			
Adjustment	Survey Range		Concluded
Rating	\$10	\$50	\$10

Effective Age

We considered differences in effective age in our analysis. Based on our field review, we estimated the effective age for each of the properties included in this analysis. Our estimates reflected the condition-adjusted age and remaining useful life of each property. Statistical extraction resulted in an adjustment of \$1.25 per year for differences in effective age between the subject and the comparables.

Effective Age			
Adjustment	Survey Range		Concluded
Rating	\$1.00	\$5.00	\$1.25

Project Amenities

We considered the presence of various project amenities at the comparables as compared to the subject property. Project amenities include ball fields, BBQ areas, billiards, business/computer centers, car care centers, community centers, elevators, fitness centers, gazebos, hot tubs/Jacuzzis, horseshoe pits, lakes, libraries, movie theatres, picnic areas, playgrounds, pools, saunas, sports courts and walking trails. The survey range and our concluded adjustment for each amenity is summarized below.

Project Amenities			
Adjustment	Survey Range		Concluded
Ball Field	\$2	\$10	\$2
BBQ Area	\$2	\$10	\$2
Billiards	\$2	\$10	\$2
Bus/Comp Ctrs	\$2	\$10	\$2
Car Care Center	\$2	\$10	\$2
Community Center	\$2	\$10	\$2
Elevator	\$10	\$100	\$10
Fitness Center	\$2	\$10	\$2
Gazebo	\$2	\$10	\$2
Hot Tub/Jacuzzi	\$2	\$10	\$2
Horseshoe Pit	\$2	\$10	\$2
Lake	\$2	\$10	\$2
Library	\$2	\$10	\$2
Movie Theatre	\$2	\$10	\$2
Picnic Area	\$2	\$10	\$2
Playground	\$2	\$10	\$2
Pool	\$2	\$10	\$2
Sauna	\$2	\$10	\$2
Sports Court	\$2	\$10	\$2
Walking Trail	\$2	\$10	\$2

Unit Amenities

We considered the presence of various unit amenities at the comparables as compared to the subject property. Unit amenities include blinds, ceiling fans, carpeting/upgraded flooring, fireplaces, patios/balconies and storage. The survey range and our concluded adjustment for each amenity is summarized below.

Unit Amenities			
Adjustment	Survey Range		Concluded
Blinds	\$2	\$10	\$2
Ceiling Fans	\$2	\$10	\$10
Carpeting	\$2	\$10	\$2
Fireplace	\$2	\$10	\$2
Patio/Balcony	\$2	\$10	\$2
Storage	\$10	\$50	\$50

Kitchen Amenities

We considered the presence of various kitchen amenities at the comparables as compared to the subject property. Kitchen amenities include stoves, refrigerators, disposals, dishwashers and microwaves. The survey range and our concluded adjustment for each amenity is summarized below.

Kitchen Amenities			
Adjustment	Survey Range		Concluded
Stove	\$2	\$10	\$2
Refrigerator	\$2	\$10	\$2
Disposal	\$2	\$10	\$2
Dishwasher	\$2	\$10	\$2
Microwave	\$2	\$10	\$2

Parking

We also adjusted for differing types of parking configurations. We classified parking five ways: (1) Garage, (2) Covered; (3) Assigned, (4) Open and (5) No parking offered. Statistical extraction resulted in an adjustment of \$50 per month for garages; covered parking was valued at \$20; assigned parking was valued at \$10; open parking was valued at \$0; no parking was valued at \$0.

Parking			
Adjustment	Survey Range		Concluded
Garage	\$50	\$200	\$50
Covered	\$20	\$100	\$20
Assigned	\$10	\$50	\$10
Open	\$0	\$0	\$0
None	\$0	\$0	\$0

Laundry

We also evaluated differing types of laundry configurations. We classified laundry amenities three ways: (1) Central Laundry, (2) Washer/Dryer Units; and (3) Washer/Dryer Hookups. Our analysis resulted in an adjustment of \$5 per month for central laundries; washer/dryer units were valued at \$45; washer/dryer hookups were valued at \$5.

Laundry			
Adjustment	Survey Range		Concluded
Central	\$5	\$25	\$5
W/D Units	\$10	\$50	\$45
W/D Hookups	\$5	\$25	\$5

Security

We considered the presence of various security amenities at the comparables as compared to the subject property. Security amenities include call buttons, controlled access, courtesy officers, monitoring, security alarms and security patrols. The survey range and our concluded adjustment for each amenity is summarized below.

Security			
Adjustment	Survey Range		Concluded
Call Buttons	\$2	\$10	\$2
Controlled Access	\$2	\$10	\$2
Courtesy Officer	\$2	\$10	\$2
Monitoring	\$2	\$10	\$2
Security Alarms	\$2	\$10	\$2
Security Patrols	\$2	\$10	\$2

Rent Conclusion, 1BR-1BA-583sf

The development of our rent conclusion for the 1BR-1BA-583sf units is found below.

Our analysis included the evaluation of a total of 15 unit types found at 6 properties. We selected the 15 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 15 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-02	Kilmarnock Village Apartments	1BR-1BA-583sf	\$733	\$0	\$733	-	\$0	\$733	-
009-01	Courthouse Commons, Phase 1	1BR-1BA-905sf	\$595	\$0	\$595	\$152	\$42	\$637	1
009-02	Courthouse Commons, Phase 1	2BR-2BA-1005sf	\$675	\$0	\$675	\$402	-\$190	\$485	12
010-01	Courthouse Commons, Phase 2	2BR-2BA-1004sf	\$695	\$0	\$695	\$402	-\$190	\$505	11
017-01	Falls, (The) Apartments	2BR-2BA-1004sf	\$775	\$0	\$775	\$361	-\$243	\$532	6
018-01	Town Centre Suites	2BR-1BA-700sf	\$695	\$0	\$695	\$311	-\$202	\$493	4
018-02	Town Centre Suites	2BR-1BA-700sf	\$750	\$0	\$750	\$311	-\$202	\$548	4
018-03	Town Centre Suites	2BR-1.5BA-1000sf	\$875	\$0	\$875	\$363	-\$255	\$620	7
018-04	Town Centre Suites	2BR-1.5BA-1250sf	\$810	\$0	\$810	\$388	-\$280	\$530	10
018-05	Town Centre Suites	2BR-2BA-825sf	\$825	\$0	\$825	\$368	-\$260	\$565	8
018-06	Town Centre Suites	3BR-2BA-1250sf	\$925	\$0	\$925	\$657	-\$456	\$469	15
041-01	Reed Landing	1BR-1BA-700sf	\$400	\$0	\$400	\$238	\$20	\$420	2
041-02	Reed Landing	1BR-1BA-700sf	\$550	\$0	\$550	\$238	\$20	\$570	2
041-03	Reed Landing	2BR-1BA-1000sf	\$700	\$0	\$700	\$451	-\$193	\$507	13
041-04	Reed Landing	2BR-2BA-1000sf	\$900	\$0	\$900	\$496	-\$238	\$662	14
056-01	Winn Court Apartments	2BR-1BA-745sf	\$725	\$0	\$725	\$377	-\$165	\$560	9
	Adjusted Rent, Minimum							\$420	
	Adjusted Rent, Maximum							\$662	
	Adjusted Rent, Average							\$540	
	Adjusted Rent, Modified Average							\$540	
	Rent, Concluded							\$575	

Our analysis suggests a rent of \$575 for the 1BR-1BA-583sf units at the subject property.

In our opinion, the 1BR-1BA-905sf units at Courthouse Commons, Phase 1 (Property # 009), the 1BR-1BA-700sf units at Reed Landing (Property # 041), the 2BR-1BA-700sf units at Town Centre Suites (Property # 018), the 2BR-2BA-1004sf units at Falls, (The) Apartments (Property # 017), and the 2BR-1BA-745sf units at Winn Court Apartments (Property # 056) are the best comparables for the units at the subject property.

Rent Conclusion, As Is

In the table below we derive our "as is" rent conclusion using the "as renovated" rent conclusion developed above:

Rent Conclusion, As Is				
Adjustment	Conc Adj	As Ren	As Is	\$ Adj
Tenant Paid Utilities	0	\$103	\$65	\$38
Condition	\$10	4.00	2.50	-\$15
Effective Age	\$1.25	2009	1995	-\$18
Community Center	\$2	yes	no	-\$2
Ceiling Fans	\$10	yes	no	-\$10
Dishwasher	\$2	yes	no	-\$2
Adjustments				-\$9
Adjusted Rent, Minimum				\$412
Adjusted Rent, Maximum				\$654
Adjusted Rent, Average				\$532
Adjusted Rent, Modified Average				\$531
Rent, Concluded, As Is				\$565

Our analysis suggests an "as is" rent of \$565 for the 1BR-1BA-583sf units at the subject property.

Comparable	Subject	1	2	3	4	5						
Property-Unit Key	Sub-02	009-01	017-01	018-02	041-02	056-01						
Unit Type	1BR-1BA-583sf	1BR-1BA-905sf	2BR-2BA-1004sf	2BR-1BA-700sf	1BR-1BA-700sf	2BR-1BA-745sf						
Property Name	Kilmarnock Village Apartments	Courthouse Commons, Phase 1	Falls, (The) Apartments	Town Centre Commons	Reed Landing	Winn Court Apartments						
Address	89 School Street	260 Wallace Street	200 Falls Circle	4 Fox Hill Drive	Lumberland Highway and Morris Av	101 Winn Court						
City	Kilmarnock	Warsaw	Tappahannock	Kilmarnock	Reedville	Tappahannock						
State	Virginia	Virginia	Virginia	Virginia	Virginia	Virginia						
Zip	22482	22572	22560	22482	22539	22560						
Latitude	37.71124	37.95603	37.90819	37.71753	37.85081	37.91634						
Longitude	-76.38297	-76.75737	-76.85925	-76.38001	-76.27372	-76.87850						
Miles to Subject	0.00	25.33	29.19	0.39	10.04	30.37						
Year Built	1984	1982	2007	1975	1985	1993						
Year Rehab	2019	na	na	1990	na	na						
Project Rent	Restricted	Market Rate	Market Rate	Market Rate	Market Rate	Market Rate						
Project Type	Family	Family	Family	Family	Family	Family						
Project Status	Prop Rehab	Stabilized	Stabilized	Stabilized	Stabilized	Stabilized						
Phone	(804) 435-2997	(804) 445-0065	(804) 517-6200	(804) 529-9505	(703) 878-0000	(804) 529-9505						
Effective Date	21-Feb-19	07-Feb-19	07-Feb-19	09-Feb-19	06-Feb-19	08-Feb-19						
<u>Project Level</u>												
Units	24	12	44	28	4	14						
Vacant Units	1	0	0	3	2	1						
Vacancy Rate	4%	0%	0%	11%	50%	7%						
<u>Unit Type</u>												
Units	3	3	44	6	1	14						
Vacant Units	0	0	0	1	0	1						
Vacancy Rate	0%	0%	0%	17%	0%	7%						
Street Rent	\$733	\$595	\$775	\$750	\$550	\$725						
Concessions	\$0	\$0	\$0	\$0	\$0	\$0						
Net Rent	\$733	\$595	\$775	\$750	\$550	\$725						
Adj	Data	Data	Adj	Data	Adj	Data	Adj	Data	Adj			
Tenant-Paid Utilities	TPU	\$103	\$89	-\$14	\$112	\$9	\$112	\$9	\$51	-\$52	\$112	\$9
Cable		\$0	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Internet		\$0	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bedrooms	\$200	1	1	\$0	2	-\$200	2	-\$200	1	\$0	2	-\$200
Bathrooms	\$45	1.00	1.00	\$0	2.00	-\$45	1.00	\$0	1.00	\$0	1.00	\$0
Square Feet	\$0.10	583	905	-\$32	1004	-\$42	700	-\$12	700	-\$12	745	-\$16
Visibility	\$0	4.00	2.25	\$0	2.75	\$0	2.00	\$0	3.50	\$0	2.50	\$0
Access	\$0	4.00	2.25	\$0	2.75	\$0	2.50	\$0	3.50	\$0	2.75	\$0
Neighborhood	\$0	4.50	4.50	\$0	3.00	\$0	4.50	\$0	4.10	\$0	2.80	\$0
Area Amenities	\$20	4.50	2.90	\$32	3.50	\$20	4.20	\$6	2.00	\$50	3.20	\$26
Median HH Income	\$0.0000	\$51,369	\$68,304	\$0	\$41,786	\$0	\$51,369	\$0	\$49,824	\$0	\$35,750	\$0
Average Commute	\$2	19.07	31.58	\$25	20.20	\$2	19.07	\$0	21.27	\$4	24.93	\$12
Public Transportation	\$0	na	na	\$0	na	\$0	na	\$0	na	\$0	na	\$0
Personal Crime	\$0	4.9%	2.2%	\$0	3.3%	\$0	4.9%	\$0	2.0%	\$0	2.0%	\$0
Condition	\$10	4.00	2.75	\$13	3.25	\$8	3.50	\$5	2.25	\$18	2.75	\$13
Effective Age	\$1.25	2009	1995	\$18	2005	\$5	2000	\$11	1985	\$30	1995	\$18
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
BBQ Area	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no	\$0
Billiards	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bus/Comp Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Car Care Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Community Center	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Elevator	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Fitness Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Gazebo	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Lake	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Library	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Movie Theatre	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Picnic Area	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no	\$0
Playground	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Pool	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Sports Court	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	no	\$2
Ceiling Fans	\$10	yes	yes	\$0	yes	\$0	no	\$10	no	\$10	no	\$10
Carpeting	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Fireplace	\$2	no	no	\$0	no	\$0	some	\$0	no	\$0	no	\$0
Patio/Balcony	\$2	yes	no	\$2	no	\$2	yes	\$0	some	\$2	no	\$2
Storage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0	yes	-\$50
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Disposal	\$2	no	yes	-\$2	yes	-\$2	no	\$0	no	\$0	no	\$0
Dishwasher	\$2	yes	yes	\$0	yes	\$0	yes	\$0	no	\$2	no	\$2
Microwave	\$2	no	yes	-\$2	yes	-\$2	no	\$0	no	\$0	no	\$0
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Assigned	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Open	\$0	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Central	\$5	yes	yes	\$0	no	\$5	no	\$5	no	\$5	no	\$5
W/D Units	\$45	no	no	\$0	no	\$0	yes	-\$45	yes	-\$45	no	\$0
W/D Hookups	\$5	no	yes	-\$5	yes	-\$5	no	\$0	no	\$0	yes	-\$5
Call Buttons	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Controlled Access	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Courtesy Officer	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no	\$0
Monitoring	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Security Alarms	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Security Patrols	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Indicated Rent	\$575	\$637	\$532	\$548	\$570	\$560						

Rent Conclusion, 1BR-1BA-658sf

The development of our rent conclusion for the 1BR-1BA-658sf units is found below.

Our analysis included the evaluation of a total of 15 unit types found at 6 properties. We selected the 15 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 15 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-03	Kilmarnock Village Apartments	1BR-1BA-658sf	\$733	\$0	\$733	-	\$0	\$733	-
009-01	Courthouse Commons, Phase 1	1BR-1BA-905sf	\$595	\$0	\$595	\$145	\$49	\$644	1
009-02	Courthouse Commons, Phase 1	2BR-2BA-1005sf	\$675	\$0	\$675	\$395	-\$183	\$492	12
010-01	Courthouse Commons, Phase 2	2BR-2BA-1004sf	\$695	\$0	\$695	\$395	-\$183	\$512	11
017-01	Falls, (The) Apartments	2BR-2BA-1004sf	\$775	\$0	\$775	\$353	-\$236	\$539	6
018-01	Town Centre Suites	2BR-1BA-700sf	\$695	\$0	\$695	\$303	-\$195	\$500	4
018-02	Town Centre Suites	2BR-1BA-700sf	\$750	\$0	\$750	\$303	-\$195	\$555	4
018-03	Town Centre Suites	2BR-1.5BA-1000sf	\$875	\$0	\$875	\$356	-\$247	\$628	7
018-04	Town Centre Suites	2BR-1.5BA-1250sf	\$810	\$0	\$810	\$381	-\$272	\$538	10
018-05	Town Centre Suites	2BR-2BA-825sf	\$825	\$0	\$825	\$361	-\$252	\$573	8
018-06	Town Centre Suites	3BR-2BA-1250sf	\$925	\$0	\$925	\$649	-\$449	\$476	15
041-01	Reed Landing	1BR-1BA-700sf	\$400	\$0	\$400	\$230	\$28	\$428	2
041-02	Reed Landing	1BR-1BA-700sf	\$550	\$0	\$550	\$230	\$28	\$578	2
041-03	Reed Landing	2BR-1BA-1000sf	\$700	\$0	\$700	\$443	-\$185	\$515	13
041-04	Reed Landing	2BR-2BA-1000sf	\$900	\$0	\$900	\$488	-\$230	\$670	14
056-01	Winn Court Apartments	2BR-1BA-745sf	\$725	\$0	\$725	\$369	-\$158	\$567	9
	Adjusted Rent, Minimum					\$428			
	Adjusted Rent, Maximum					\$670			
	Adjusted Rent, Average					\$548			
	Adjusted Rent, Modified Average					\$547			
	Rent, Concluded					\$600			

Our analysis suggests a rent of \$600 for the 1BR-1BA-658sf units at the subject property.

In our opinion, the 1BR-1BA-905sf units at Courthouse Commons, Phase 1 (Property # 009), the 1BR-1BA-700sf units at Reed Landing (Property # 041), the 2BR-1BA-700sf units at Town Centre Suites (Property # 018), the 2BR-2BA-1004sf units at Falls, (The) Apartments (Property # 017), and the 2BR-1BA-745sf units at Winn Court Apartments (Property # 056) are the best comparables for the units at the subject property.

Rent Conclusion, As Is

In the table below we derive our "as is" rent conclusion using the "as renovated" rent conclusion developed above:

Rent Conclusion, As Is				
Adjustment	Conc Adj	As Ren	As Is	\$ Adj
Tenant Paid Utilities	0	\$103	\$65	\$38
Condition	\$10	4.00	2.50	-\$15
Effective Age	\$1.25	2009	1995	-\$18
Community Center	\$2	yes	no	-\$2
Ceiling Fans	\$10	yes	no	-\$10
Dishwasher	\$2	yes	no	-\$2
Adjustments				-\$9
Adjusted Rent, Minimum				\$419
Adjusted Rent, Maximum				\$661
Adjusted Rent, Average				\$539
Adjusted Rent, Modified Average				\$539
Rent, Concluded, As Is				\$590

Our analysis suggests an "as is" rent of \$590 for the 1BR-1BA-658sf units at the subject property.

Comparable	Subject	1		2		3		4		5	
Property-Unit Key	Sub-03	009-01		017-01		018-02		041-02		056-01	
Unit Type	1BR-1BA-658sf	1BR-1BA-905sf		2BR-2BA-1004sf		2BR-1BA-700sf		1BR-1BA-700sf		2BR-1BA-745sf	
Property Name	Kilmarnock Village Apartments	Courthouse Commons, Phase 1		Falls, (The) Apartments		Town Centre Commons		Reed Landing		Winn Court Apartments	
Address	89 School Street	260 Wallace Street		200 Falls Circle		4 Fox Hill Drive		Lumberland Highway and Morris Av		101 Winn Court	
City	Kilmarnock	Warsaw		Tappahannock		Kilmarnock		Reedville		Tappahannock	
State	Virginia	Virginia		Virginia		Virginia		Virginia		Virginia	
Zip	22482	22572		22560		22482		22539		22560	
Latitude	37.71124	37.95603		37.90819		37.71753		37.85081		37.91634	
Longitude	-76.38297	-76.75737		-76.85925		-76.38001		-76.27372		-76.87850	
Miles to Subject	0.00	25.33		29.19		0.39		10.04		30.37	
Year Built	1984	1982		2007		1975		1985		1993	
Year Rehab	2019	na		na		1990		na		na	
Project Rent	Restricted	Market Rate		Market Rate		Market Rate		Market Rate		Market Rate	
Project Type	Family	Family		Family		Family		Family		Family	
Project Status	Prop Rehab	Stabilized		Stabilized		Stabilized		Stabilized		Stabilized	
Phone	(804) 435-2997	(804) 445-0065		(804) 517-6200		(804) 529-9505		(703) 878-0000		(804) 529-9505	
Effective Date	21-Feb-19	07-Feb-19		07-Feb-19		09-Feb-19		06-Feb-19		08-Feb-19	
Project Level											
Units	24	12		44		28		4		14	
Vacant Units	1	0		0		3		2		1	
Vacancy Rate	4%	0%		0%		11%		50%		7%	
Unit Type											
Units	4	3		44		6		1		14	
Vacant Units	1	0		0		1		0		1	
Vacancy Rate	25%	0%		0%		17%		0%		7%	
Street Rent	\$733	\$595		\$775		\$750		\$550		\$725	
Concessions	\$0	\$0		\$0		\$0		\$0		\$0	
Net Rent	\$733	\$595		\$775		\$750		\$550		\$725	
Adj Data											
Tenant-Paid Utilities TPU	\$103	\$89	\$-14	\$112	\$9	\$112	\$9	\$51	\$-52	\$112	\$9
Cable	\$0	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Internet	\$0	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bedrooms	\$200	1	\$0	2	\$-200	2	\$-200	1	\$0	2	\$-200
Bathrooms	\$45	1.00	\$0	2.00	\$-45	1.00	\$0	1.00	\$0	1.00	\$0
Square Feet	\$0.10	658	\$-25	1004	\$-35	700	\$-4	700	\$-4	745	\$-9
Visibility	\$0	4.00	\$0	2.75	\$0	2.00	\$0	3.50	\$0	2.50	\$0
Access	\$0	4.00	\$0	2.75	\$0	2.50	\$0	3.50	\$0	2.75	\$0
Neighborhood	\$0	4.50	\$0	3.00	\$0	4.50	\$0	4.10	\$0	2.80	\$0
Area Amenities	\$20	4.50	\$32	3.50	\$20	4.20	\$6	2.00	\$50	3.20	\$26
Median HH Income	\$0.0000	\$51,369	\$68,304	\$0	\$41,786	\$0	\$51,369	\$0	\$49,824	\$0	\$35,750
Average Commute	\$2	19.07	\$25	31.58	\$2	20.20	\$2	19.07	\$4	24.93	\$12
Public Transportation	\$0	na	\$0	na	\$0	na	\$0	na	\$0	na	\$0
Personal Crime	\$0	4.9%	\$0	2.2%	\$0	3.3%	\$0	4.9%	\$0	2.0%	\$0
Condition	\$10	4.00	\$13	2.75	\$8	3.25	\$5	2.25	\$18	2.75	\$13
Effective Age	\$1.25	2009	\$18	1995	\$5	2005	\$11	1985	\$30	1995	\$18
Ball Field	\$2	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
BBQ Area	\$2	no	\$0	no	\$0	yes	\$-2	no	\$0	no	\$0
Billiards	\$2	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bus/Comp Center	\$2	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Car Care Center	\$2	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Community Center	\$2	yes	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Elevator	\$10	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Fitness Center	\$2	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Gazebo	\$2	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Hot Tub/Jacuzzi	\$2	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Horseshoe Pit	\$2	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Lake	\$2	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Library	\$2	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Movie Theatre	\$2	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Picnic Area	\$2	no	\$0	no	\$0	yes	\$-2	no	\$0	no	\$0
Playground	\$2	yes	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Pool	\$2	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Sauna	\$2	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Sports Court	\$2	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Walking Trail	\$2	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Blinds	\$2	yes	\$0	yes	\$0	yes	\$0	yes	\$0	no	\$2
Ceiling Fans	\$10	yes	\$0	yes	\$0	yes	\$10	no	\$10	no	\$10
Carpeting	\$2	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Fireplace	\$2	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Patio/Balcony	\$2	yes	\$2	no	\$2	no	\$2	yes	\$2	no	\$2
Storage	\$50	no	\$0	no	\$0	no	\$0	no	\$0	yes	\$-50
Stove	\$2	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Refrigerator	\$2	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Disposal	\$2	no	\$-2	yes	\$-2	no	\$0	no	\$0	no	\$0
Dishwasher	\$2	yes	\$0	yes	\$0	yes	\$0	no	\$2	no	\$2
Microwave	\$2	no	\$-2	yes	\$-2	no	\$0	no	\$0	no	\$0
Garage	\$50	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Covered	\$20	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Assigned	\$10	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Open	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
None	\$0	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Central	\$5	yes	\$0	no	\$5	no	\$5	no	\$5	no	\$5
W/D Units	\$45	no	\$0	no	\$0	yes	\$-45	yes	\$-45	no	\$0
W/D Hookups	\$5	no	\$-5	yes	\$-5	no	\$0	no	\$0	yes	\$-5
Call Buttons	\$2	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Controlled Access	\$2	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Courtesy Officer	\$2	no	\$0	yes	\$-2	no	\$0	no	\$0	no	\$0
Monitoring	\$2	yes	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Security Alarms	\$2	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Security Patrols	\$2	yes	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Indicated Rent	\$600	\$644		\$539		\$555		\$578		\$567	

Rent Conclusion, 2BR-1BA-705sf

The development of our rent conclusion for the 2BR-1BA-705sf units is found below.

Our analysis included the evaluation of a total of 15 unit types found at 6 properties. We selected the 15 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 15 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-05	Kilmarnock Village Apartments	2BR-1BA-705sf	\$786	\$0	\$786	-	\$0	\$786	-
009-01	Courthouse Commons, Phase 1	1BR-1BA-905sf	\$595	\$0	\$595	\$378	\$216	\$811	12
009-02	Courthouse Commons, Phase 1	2BR-2BA-1005sf	\$675	\$0	\$675	\$210	-\$16	\$659	9
010-01	Courthouse Commons, Phase 2	2BR-2BA-1004sf	\$695	\$0	\$695	\$210	-\$16	\$679	8
017-01	Falls, (The) Apartments	2BR-2BA-1004sf	\$775	\$0	\$775	\$169	-\$69	\$706	3
018-01	Town Centre Suites	2BR-1BA-700sf	\$695	\$0	\$695	\$120	-\$28	\$667	1
018-02	Town Centre Suites	2BR-1BA-700sf	\$750	\$0	\$750	\$120	-\$28	\$722	1
018-03	Town Centre Suites	2BR-1.5BA-1000sf	\$875	\$0	\$875	\$171	-\$81	\$794	4
018-04	Town Centre Suites	2BR-1.5BA-1250sf	\$810	\$0	\$810	\$196	-\$106	\$704	7
018-05	Town Centre Suites	2BR-2BA-825sf	\$825	\$0	\$825	\$176	-\$86	\$739	5
018-06	Town Centre Suites	3BR-2BA-1250sf	\$925	\$0	\$925	\$407	-\$282	\$643	13
041-01	Reed Landing	1BR-1BA-700sf	\$400	\$0	\$400	\$464	\$194	\$594	14
041-02	Reed Landing	1BR-1BA-700sf	\$550	\$0	\$550	\$464	\$194	\$744	14
041-03	Reed Landing	2BR-1BA-1000sf	\$700	\$0	\$700	\$276	-\$19	\$681	10
041-04	Reed Landing	2BR-2BA-1000sf	\$900	\$0	\$900	\$321	-\$64	\$836	11
056-01	Winn Court Apartments	2BR-1BA-745sf	\$725	\$0	\$725	\$185	\$9	\$734	6
	Adjusted Rent, Minimum							\$594	
	Adjusted Rent, Maximum							\$836	
	Adjusted Rent, Average							\$714	
	Adjusted Rent, Modified Average							\$714	
	Rent, Concluded							\$725	

Our analysis suggests a rent of \$725 for the 2BR-1BA-705sf units at the subject property.

In our opinion, the 2BR-1BA-700sf units at Town Centre Suites (Property # 018), the 2BR-2BA-1004sf units at Falls, (The) Apartments (Property # 017), the 2BR-1BA-745sf units at Winn Court Apartments (Property # 056), the 2BR-2BA-1004sf units at Courthouse Commons, Phase 2 (Property # 010), and the 2BR-1BA-1000sf units at Reed Landing (Property # 041) are the best comparables for the units at the subject property.

Rent Conclusion, As Is

In the table below we derive our "as is" rent conclusion using the "as renovated" rent conclusion developed above:

Rent Conclusion, As Is				
Adjustment	Conc Adj	As Ren	As Is	\$ Adj
Tenant Paid Utilities	0	\$141	\$98	\$43
Condition	\$10	4.00	2.50	-\$15
Effective Age	\$1.25	2009	1995	-\$18
Community Center	\$2	yes	no	-\$2
Ceiling Fans	\$10	yes	no	-\$10
Dishwasher	\$2	yes	no	-\$2
Adjustments				-\$4
Adjusted Rent, Minimum				\$591
Adjusted Rent, Maximum				\$833
Adjusted Rent, Average				\$711
Adjusted Rent, Modified Average				\$711
Rent, Concluded, As Is				\$720

Our analysis suggests an "as is" rent of \$720 for the 2BR-1BA-705sf units at the subject property.

Comparable	Subject	1	2	3	4	5		
Property-Unit Key	Sub-05	010-01	017-01	018-02	041-03	056-01		
Unit Type	2BR-1BA-705sf	2BR-2BA-1004sf	2BR-2BA-1004sf	2BR-1BA-700sf	2BR-1BA-1000sf	2BR-1BA-745sf		
Property Name	Kilmarnock Village Apartments	Courthouse Commons, Phase 2	Falls, (The) Apartments	Town Centre Suites	Reed Landing	Winn Court Apartments		
Address	89 School Street	260 Wallace Street	200 Falls Circle	4 Fox Hill Drive	Lumberland Highway and Morris Av	101 Winn Court		
City	Kilmarnock	Warsaw	Tappahannock	Kilmarnock	Reedville	Tappahannock		
State	Virginia	Virginia	Virginia	Virginia	Virginia	Virginia		
Zip	22482	22572	22560	22482	22539	22560		
Latitude	37.71124	37.95603	37.90819	37.71753	37.85081	37.91634		
Longitude	-76.38297	-76.75737	-76.85925	-76.38001	-76.27372	-76.87850		
Miles to Subject	0.00	25.33	29.19	0.39	10.04	30.37		
Year Built	1984	2007	2007	1975	1985	1993		
Year Rehab	2019	na	na	1990	na	na		
Project Rent	Restricted	Market Rate	Market Rate	Market Rate	Market Rate	Market Rate		
Project Type	Family	Family	Family	Family	Family	Family		
Project Status	Prop Rehab	Stabilized	Stabilized	Stabilized	Stabilized	Stabilized		
Phone	(804) 435-2997	(804) 517-6200	(804) 517-6200	(804) 529-9505	(703) 878-0000	(804) 529-9505		
Effective Date	21-Feb-19	07-Feb-19	07-Feb-19	09-Feb-19	06-Feb-19	08-Feb-19		
<u>Project Level</u>								
Units	24	12	44	28	4	14		
Vacant Units	1	0	0	3	2	1		
Vacancy Rate	4%	0%	0%	11%	50%	7%		
<u>Unit Type</u>								
Units	6	12	44	6	1	14		
Vacant Units	0	0	0	1	1	1		
Vacancy Rate	0%	0%	0%	17%	100%	7%		
Street Rent	\$786	\$695	\$775	\$750	\$700	\$725		
Concessions	\$0	\$0	\$0	\$0	\$0	\$0		
Net Rent	\$786	\$695	\$775	\$750	\$700	\$725		
<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	
Tenant-Paid Utilities	TPU	\$141	\$112	-\$29	\$112	-\$29	\$112	-\$29
Cable	\$0	no	no	\$0	no	\$0	no	\$0
Internet	\$0	no	no	\$0	no	\$0	no	\$0
Bedrooms	\$200	2	2	\$0	2	\$0	2	\$0
Bathrooms	\$45	1.00	2.00	-\$45	2.00	-\$45	1.00	\$0
Square Feet	\$0.10	705	1004	-\$30	1004	-\$30	1000	-\$30
Visibility	\$0	4.00	2.25	\$0	2.75	\$0	3.50	\$0
Access	\$0	4.00	2.25	\$0	2.75	\$0	3.50	\$0
Neighborhood	\$0	4.50	4.50	\$0	3.00	\$0	4.50	\$0
Area Amenities	\$20	4.50	2.90	\$32	3.50	\$20	2.00	\$50
Median HH Income	\$0.0000	\$51,369	\$68,304	\$0	\$41,786	\$0	\$51,369	\$0
Average Commute	\$2	19.07	31.58	\$25	20.20	\$2	19.07	\$4
Public Transportation	\$0	na	na	\$0	na	\$0	na	\$0
Personal Crime	\$0	4.9%	2.2%	\$0	3.3%	\$0	4.9%	\$0
Condition	\$10	4.00	2.75	\$13	3.25	\$8	3.50	\$5
Effective Age	\$1.25	2009	1995	\$18	2005	\$5	2000	\$11
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0
BBQ Area	\$2	no	no	\$0	yes	-\$2	no	\$0
Billiards	\$2	no	no	\$0	no	\$0	no	\$0
Bus/Comp Center	\$2	no	no	\$0	no	\$0	no	\$0
Car Care Center	\$2	no	no	\$0	no	\$0	no	\$0
Community Center	\$2	yes	no	\$2	no	\$2	no	\$2
Elevator	\$10	no	no	\$0	no	\$0	no	\$0
Fitness Center	\$2	no	no	\$0	no	\$0	no	\$0
Gazebo	\$2	no	no	\$0	no	\$0	no	\$0
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0
Lake	\$2	no	no	\$0	no	\$0	no	\$0
Library	\$2	no	no	\$0	no	\$0	no	\$0
Movie Theatre	\$2	no	no	\$0	no	\$0	no	\$0
Picnic Area	\$2	no	no	\$0	yes	-\$2	no	\$0
Playground	\$2	yes	no	\$2	no	\$2	no	\$2
Pool	\$2	no	no	\$0	no	\$0	no	\$0
Sauna	\$2	no	no	\$0	no	\$0	no	\$0
Sports Court	\$2	no	no	\$0	no	\$0	no	\$0
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0
Ceiling Fans	\$10	yes	yes	\$0	yes	\$0	no	\$10
Carpeting	\$2	yes	yes	\$0	yes	\$0	yes	\$0
Fireplace	\$2	no	no	\$0	no	\$0	some	\$0
Patio/Balcony	\$2	yes	no	\$2	no	\$2	yes	\$0
Storage	\$50	no	no	\$0	no	\$0	no	\$0
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0
Disposal	\$2	no	yes	-\$2	yes	-\$2	no	\$0
Dishwasher	\$2	yes	yes	\$0	yes	\$0	no	\$2
Microwave	\$2	no	yes	-\$2	yes	-\$2	no	\$0
Garage	\$50	no	no	\$0	no	\$0	no	\$0
Covered	\$20	no	no	\$0	no	\$0	no	\$0
Assigned	\$10	no	no	\$0	no	\$0	no	\$0
Open	\$0	yes	yes	\$0	yes	\$0	yes	\$0
None	\$0	no	no	\$0	no	\$0	no	\$0
Central	\$5	yes	yes	\$0	no	\$5	no	\$5
W/D Units	\$45	no	no	\$0	no	\$0	yes	-\$45
W/D Hookups	\$5	no	yes	-\$5	yes	-\$5	no	\$0
Call Buttons	\$2	no	no	\$0	no	\$0	no	\$0
Controlled Access	\$2	no	no	\$0	no	\$0	no	\$0
Courtesy Officer	\$2	no	no	\$0	yes	-\$2	no	\$0
Monitoring	\$2	yes	no	\$2	no	\$2	no	\$2
Security Alarms	\$2	no	no	\$0	no	\$0	no	\$0
Security Patrols	\$2	yes	no	\$2	no	\$2	no	\$2
Indicated Rent	\$725	\$679	\$706	\$722	\$681	\$734		

Rent Conclusion, 2BR-1BA-837sf

The development of our rent conclusion for the 2BR-1BA-837sf units is found below.

Our analysis included the evaluation of a total of 15 unit types found at 6 properties. We selected the 15 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 15 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-07	Kilmarnock Village Apartments	2BR-1BA-837sf	\$786	\$0	\$786	-	\$0	\$786	-
009-01	Courthouse Commons, Phase 1	1BR-1BA-905sf	\$595	\$0	\$595	\$365	\$229	\$824	12
009-02	Courthouse Commons, Phase 1	2BR-2BA-1005sf	\$675	\$0	\$675	\$197	-\$3	\$672	9
010-01	Courthouse Commons, Phase 2	2BR-2BA-1004sf	\$695	\$0	\$695	\$197	-\$3	\$692	8
017-01	Falls, (The) Apartments	2BR-2BA-1004sf	\$775	\$0	\$775	\$155	-\$56	\$719	3
018-01	Town Centre Suites	2BR-1BA-700sf	\$695	\$0	\$695	\$133	-\$15	\$680	1
018-02	Town Centre Suites	2BR-1BA-700sf	\$750	\$0	\$750	\$133	-\$15	\$735	1
018-03	Town Centre Suites	2BR-1.5BA-1000sf	\$875	\$0	\$875	\$158	-\$68	\$807	4
018-04	Town Centre Suites	2BR-1.5BA-1250sf	\$810	\$0	\$810	\$183	-\$93	\$717	6
018-05	Town Centre Suites	2BR-2BA-825sf	\$825	\$0	\$825	\$165	-\$73	\$752	5
018-06	Town Centre Suites	3BR-2BA-1250sf	\$925	\$0	\$925	\$394	-\$269	\$656	13
041-01	Reed Landing	1BR-1BA-700sf	\$400	\$0	\$400	\$478	\$208	\$608	14
041-02	Reed Landing	1BR-1BA-700sf	\$550	\$0	\$550	\$478	\$208	\$758	14
041-03	Reed Landing	2BR-1BA-1000sf	\$700	\$0	\$700	\$263	-\$5	\$695	10
041-04	Reed Landing	2BR-2BA-1000sf	\$900	\$0	\$900	\$308	-\$50	\$850	11
056-01	Winn Court Apartments	2BR-1BA-745sf	\$725	\$0	\$725	\$190	\$22	\$747	7
	Adjusted Rent, Minimum							\$608	
	Adjusted Rent, Maximum							\$850	
	Adjusted Rent, Average							\$727	
	Adjusted Rent, Modified Average							\$727	
	Rent, Concluded							\$750	

Our analysis suggests a rent of \$750 for the 2BR-1BA-837sf units at the subject property.

In our opinion, the 2BR-1BA-700sf units at Town Centre Suites (Property # 018), the 2BR-2BA-1004sf units at Falls, (The) Apartments (Property # 017), the 2BR-1BA-745sf units at Winn Court Apartments (Property # 056), the 2BR-2BA-1004sf units at Courthouse Commons, Phase 2 (Property # 010), and the 2BR-1BA-1000sf units at Reed Landing (Property # 041) are the best comparables for the units at the subject property.

Rent Conclusion, As Is

In the table below we derive our "as is" rent conclusion using the "as renovated" rent conclusion developed above:

Rent Conclusion, As Is				
Adjustment	Conc Adj	As Ren	As Is	\$ Adj
Tenant Paid Utilities	0	\$141	\$98	\$43
Condition	\$10	4.00	2.50	-\$15
Effective Age	\$1.25	2009	1995	-\$18
Community Center	\$2	yes	no	-\$2
Ceiling Fans	\$10	yes	no	-\$10
Dishwasher	\$2	yes	no	-\$2
Adjustments				-\$4
Adjusted Rent, Minimum				\$604
Adjusted Rent, Maximum				\$846
Adjusted Rent, Average				\$724
Adjusted Rent, Modified Average				\$724
Rent, Concluded, As Is				\$745

Our analysis suggests an "as is" rent of \$745 for the 2BR-1BA-837sf units at the subject property.

Comparable	Subject	1		2		3		4		5		
Property-Unit Key	Sub-07	010-01		017-01		018-02		041-03		056-01		
Unit Type	2BR-1BA-837sf	2BR-2BA-1004sf		2BR-2BA-1004sf		2BR-1BA-700sf		2BR-1BA-1000sf		2BR-1BA-745sf		
Property Name	Kilmarnock Village Apartments	Courthouse Commons, Phase 2		Falls, (The) Apartments		Town Centre Suites		Reed Landing		Winn Court Apartments		
Address	89 School Street	260 Wallace Street		200 Falls Circle		4 Fox Hill Drive		Lumberland Highway and Morris Av		101 Winn Court		
City	Kilmarnock	Warsaw		Tappahannock		Kilmarnock		Reedville		Tappahannock		
State	Virginia	Virginia		Virginia		Virginia		Virginia		Virginia		
Zip	22482	22572		22560		22482		22539		22560		
Latitude	37.71124	37.95603		37.90819		37.71753		37.85081		37.91634		
Longitude	-76.38297	-76.75737		-76.85925		-76.38001		-76.27372		-76.87850		
Miles to Subject	0.00	25.33		29.19		0.39		10.04		30.37		
Year Built	1984	2007		2007		1975		1985		1993		
Year Rehab	2019	na		na		1990		na		na		
Project Rent	Restricted	Market Rate		Market Rate		Market Rate		Market Rate		Market Rate		
Project Type	Family	Family		Family		Family		Family		Family		
Project Status	Prop Rehab	Stabilized		Stabilized		Stabilized		Stabilized		Stabilized		
Phone	(804) 435-2997	(804) 517-6200		(804) 517-6200		(804) 529-9505		(703) 878-0000		(804) 529-9505		
Effective Date	21-Feb-19	07-Feb-19		07-Feb-19		09-Feb-19		06-Feb-19		08-Feb-19		
<u>Project Level</u>												
Units	24	12		44		28		4		14		
Vacant Units	1	0		0		3		2		1		
Vacancy Rate	4%	0%		0%		11%		50%		7%		
<u>Unit Type</u>												
Units	1	12		44		6		1		14		
Vacant Units	0	0		0		1		1		1		
Vacancy Rate	0%	0%		0%		17%		100%		7%		
Street Rent	\$786	\$695		\$775		\$750		\$700		\$725		
Concessions	\$0	\$0		\$0		\$0		\$0		\$0		
Net Rent	\$786	\$695		\$775		\$750		\$700		\$725		
	<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	
Tenant-Paid Utilities	TPU	\$141	\$112	-\$29	\$112	-\$29	\$112	-\$29	\$68	-\$73	\$112	-\$29
Cable	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Internet	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bedrooms	\$200	2	2	\$0	2	\$0	2	\$0	2	\$0	2	\$0
Bathrooms	\$45	1.00	2.00	-\$45	2.00	-\$45	1.00	\$0	1.00	\$0	1.00	\$0
Square Feet	\$0.10	837	1004	-\$17	1004	-\$17	700	\$14	1000	-\$16	745	\$9
Visibility	\$0	4.00	2.25	\$0	2.75	\$0	2.00	\$0	3.50	\$0	2.50	\$0
Access	\$0	4.00	2.25	\$0	2.75	\$0	2.50	\$0	3.50	\$0	2.75	\$0
Neighborhood	\$0	4.50	4.50	\$0	3.00	\$0	4.50	\$0	4.10	\$0	2.80	\$0
Area Amenities	\$20	4.50	2.90	\$32	3.50	\$20	4.20	\$6	2.00	\$50	3.20	\$26
Median HH Income	\$0.0000	\$51,369	\$68,304	\$0	\$41,786	\$0	\$51,369	\$0	\$49,824	\$0	\$35,750	\$0
Average Commute	\$2	19.07	31.58	\$25	20.20	\$2	19.07	\$4	21.27	\$4	24.93	\$12
Public Transportation	\$0	na	na	\$0	na	\$0	na	\$0	na	\$0	na	\$0
Personal Crime	\$0	4.9%	2.2%	\$0	3.3%	\$0	4.9%	\$0	2.0%	\$0	2.0%	\$0
Condition	\$10	4.00	2.75	\$13	3.25	\$8	3.50	\$5	2.25	\$18	2.75	\$13
Effective Age	\$1.25	2009	1995	\$18	2005	\$5	2000	\$11	1985	\$30	1995	\$18
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
BBQ Area	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no	\$0
Billiards	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bus/Comp Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Car Care Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Community Center	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Elevator	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Fitness Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Gazebo	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Lake	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Library	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Movie Theatre	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Picnic Area	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no	\$0
Playground	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Pool	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Sports Court	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	no	\$2
Ceiling Fans	\$10	yes	yes	\$0	yes	\$0	no	\$10	no	\$10	no	\$10
Carpeting	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Fireplace	\$2	no	no	\$0	no	\$0	some	\$0	no	\$0	no	\$0
Patio/Balcony	\$2	yes	no	\$2	no	\$2	yes	\$0	some	\$2	no	\$2
Storage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0	yes	-\$50
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Disposal	\$2	no	yes	-\$2	yes	-\$2	no	\$0	no	\$0	no	\$0
Dishwasher	\$2	yes	yes	\$0	yes	\$0	yes	\$0	no	\$2	no	\$2
Microwave	\$2	no	yes	-\$2	yes	-\$2	no	\$0	no	\$0	no	\$0
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Assigned	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Open	\$0	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Central	\$5	yes	yes	\$0	no	\$5	no	\$5	no	\$5	no	\$5
W/D Units	\$45	no	no	\$0	no	\$0	yes	-\$45	yes	-\$45	no	\$0
W/D Hookups	\$5	no	yes	-\$5	yes	-\$5	no	\$0	no	\$0	yes	-\$5
Call Buttons	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Controlled Access	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Courtesy Officer	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no	\$0
Monitoring	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Security Alarms	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Security Patrols	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Indicated Rent	\$750	\$692		\$719		\$735		\$695		\$747		

Unrestricted Market Rent Conclusion

Based on our evaluation of the rents at the select comparable properties, and considering the location, quality and amenities of the subject property, we conclude the following market rents for the subject property units, assuming that the subject were an unrestricted property:

Unrestricted Market Rent Conclusion						
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Market	Proposed	Advantage
1BR-1BA-583sf / 40% of AMI / 40% of AMI	No	Yes	1	\$575	\$733	-27.5%
1BR-1BA-583sf / 50% of AMI / 50% of AMI	No	Yes	3	\$575	\$733	-27.5%
1BR-1BA-658sf / 60% of AMI / 60% of AMI	No	Yes	4	\$600	\$733	-22.2%
2BR-1BA-705sf / 40% of AMI / 40% of AMI	No	Yes	2	\$725	\$786	-8.4%
2BR-1BA-705sf / 50% of AMI / 50% of AMI	No	Yes	6	\$725	\$786	-8.4%
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	Yes	7	\$750	\$786	-4.8%
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	No	1	\$750	\$786	-4.8%
Total / Average			24	\$688	\$768	-11.8%

Our analysis suggests an average unrestricted market rent of \$688 for the subject property. This is compared with an average proposed rent of \$768, yielding an unrestricted market rent advantage of -11.8 percent. Overall, the subject property appears to be priced above unrestricted market rents for the area.

We selected a total of 6 properties as comparables for purposes of our analysis. The average occupancy at the select rent comparables currently stands at 95 percent.

Occupancy rates for the selected rent comparables are broken out below:

Occupancy Rate, Select Comparables								
	Subsidized	20% of AMI	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	Market
0-Bedroom								
1-Bedroom								80%
2-Bedroom								95%
3-Bedroom								
4-Bedroom								
Total								95%

Occupancy rates for all stabilized market area properties are broken out below:

Occupancy Rate, Stabilized Properties								
	Subsidized	20% of AMI	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	Market
0-Bedroom								
1-Bedroom	98%		100%	100%	100%			50%
2-Bedroom	100%		100%	100%	100%			86%
3-Bedroom								100%
4-Bedroom								
Total	98%		100%	100%	100%			84%

HUD conducts an annual rent survey to derive Fair Market Rent estimates for an area. Based on this, 2-bedroom rents for the area grew from \$687 to \$948 since 2010. This represents an average 4.7% annual increase over this period.

Fair market rent data for the area is found below:

Year	Rent			Change		
	1BR	2BR	3BR	1BR	2BR	3BR
2006	\$477	\$581	\$715	-	-	-
2007	\$496	\$604	\$743	4.0%	4.0%	3.9%
2008	\$530	\$645	\$793	6.9%	6.8%	6.7%
2009	\$551	\$671	\$825	4.0%	4.0%	4.0%
2010	\$564	\$687	\$845	2.4%	2.4%	2.4%
2011	\$581	\$708	\$871	3.0%	3.1%	3.1%
2012	\$646	\$787	\$968	11.2%	11.2%	11.1%
2013	\$635	\$859	\$1,070	-1.7%	9.1%	10.5%
2014	\$593	\$802	\$999	-6.6%	-6.6%	-6.6%
2015	\$649	\$878	\$1,093	9.4%	9.5%	9.4%
2016	\$583	\$781	\$1,131	-10.2%	-11.0%	3.5%
2017	\$686	\$912	\$1,326	17.7%	16.8%	17.2%
2018	\$773	\$948	\$1,286	12.7%	3.9%	-3.0%

Source: HUD

Unrestricted Market Rent Conclusion, As Is

In the table found below we summarize the market rents for the subject property units on an "as is" basis, assuming that the subject were an unrestricted property:

Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Market	Proposed	Advantage
1BR-1BA-583sf / 60% of AMI / 60% of AMI	No	Yes	4	\$565	\$751	-32.9%
1BR-1BA-658sf / 60% of AMI / 60% of AMI	No	Yes	4	\$590	\$751	-27.3%
2BR-1BA-705sf / 60% of AMI / 60% of AMI	No	Yes	8	\$720	\$804	-11.7%
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	Yes	7	\$745	\$804	-7.9%
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	No	1	\$745	\$804	-7.9%
Total / Average			24	\$681	\$786	-15.5%

Restricted Rent Analysis

In this section we develop a restricted market rent conclusion and an achievable rent conclusion for the subject property units. Our analysis began by selecting comparable rentals to use to develop estimates of market rents for the units at the subject property, assuming that the subject was a restricted property. Our selection of comparables was based on location, age, condition, unit mix and amenities of the comparable properties relative to the subject property.

Rental Property Inventory, by Unit Type

In the following pages we present an inventory of properties included in this analysis. Rents for these properties, broken out by unit type, were used in selecting the rent comparables used in this analysis.

The properties that we consider to be comparable to the subject property are highlighted in the tables found in the following pages. We attempted to select stabilized restricted rent properties as comparables for purposes of our rent comparability analysis.

Comparables with market rents are used when a sufficient number of restricted rent comparables are not available and when maximum allowable rents for properties with restricted rents exceed prevailing rents in the area. In the event that program rental rates exceed market rental rates, restricted units are, in fact, *de facto* market rate units.

Rent Comparables, Restricted Rent, Map

A map showing the location of the properties selected as comparables in this analysis is found in the following pages. Properties identified with red pushpins have market rents, properties identified with yellow pushpins have restricted rents, and properties identified with blue pushpins have subsidized rents. Detailed write-ups for the select rent comparables are found in the Appendix to this report.

Rent Comparability Grids

Our analysis employed the use of rent comparability grids and resulted in a restricted market rent estimate for each of the subject's unit types. These grids and a narrative describing our rent adjustments are found in the following pages.

Rental Property Inventory, 1-Bedroom Units

Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	20%	30%	40%	50%	60%	80%	Mkt
008	College Green Apartments, Phase 2	1985	2007	Restricted	Family	Stabilized				\$496				
019	Foxchase Apartments	2003	na	Restricted	Family	Stabilized								
022	Indian Creek Apartments	1991	2009	Restricted	Family	Stabilized			\$492	\$492				
026	Kilmarnock Village Apartments	1984	2002	Restricted	Family	Stabilized	\$751							
033	Montross Apartments	1989	2010	Restricted	Family	Stabilized	\$474				\$474			
039	Rappahannock Apartments	1983	2005	Restricted	Family	Stabilized				\$458	\$520			
042	Reedville Manor Apartments	2000	na	Restricted	Elderly	Stabilized	\$470				\$564			

Source: Allen & Associates

Rental Property Inventory, 2-Bedroom Units

Overview							Rents							
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	20%	30%	40%	50%	60%	80%	Mkt
008	College Green Apartments, Phase 2	1985	2007	Restricted	Family	Stabilized	\$511			\$639				
019	Foxchase Apartments	2003	na	Restricted	Family	Stabilized					\$650			
022	Indian Creek Apartments	1991	2009	Restricted	Family	Stabilized			\$599	\$785				
026	Kilmarnock Village Apartments	1984	2002	Restricted	Family	Stabilized	\$804				\$804			
033	Montross Apartments	1989	2010	Restricted	Family	Stabilized	\$524				\$742			
039	Rappahannock Apartments	1983	2005	Restricted	Family	Stabilized				\$546	\$685			
042	Reedville Manor Apartments	2000	na	Restricted	Elderly	Stabilized								

Source: Allen & Associates



Rent Adjustments

Our analysis included a property management survey and a technique known as "statistical extraction" to help us identify the best adjustments to use. Statistical extraction, which is similar to the matched pair method, helped us derive the optimal adjustments for our particular data set.

Here's a hypothetical example to illustrate how we derived our rent adjustments. Assume that property managers tell us we should expect rent adjustments ranging from \$0.00 to \$0.50 per square foot for a particular market. Next, assume that we select 25 rent comparables with an adjusted sample standard deviation (a statistical measure of variability) of \$100. We employ a square foot rent adjustment of \$0.10 for each comparable resulting in an adjusted sample standard deviation of \$90. This tells us that the assumed adjustment "explained" some of the variability in the data. We repeat this process for adjustments of \$0.20, \$0.30, \$0.40 and \$0.50 which yielded adjusted sample standard deviations of \$80, \$70, \$65 and \$75, respectively. The \$0.40 square foot adjustment "explains" the most variability because any other adjustment yields a higher adjusted sample standard deviation. Consequently, a \$0.40 rent adjustment is the best adjustment for purposes of this example. This is a simplified example because we actually adjusted for numerous variables simultaneously in our analysis.

Many adjustments (bedroom count, bathroom count and square footage) are highly interrelated. Statistical extraction helped us unravel the interrelationships between these variables. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is superior a "plus" adjustment is made. If the subject is inferior a "minus" adjustment is made.

We used the Excel Solver function to help us with our analysis. The Solver function was programmed to minimize the adjusted standard deviation for our data set. We evaluated a total of 62 variables in 22 categories (AC systems, heating systems, technology, bedrooms, bathrooms, square feet, visibility, access, neighborhood, area amenities, condition, effective age, project amenities, elevator, unit amenities, storage, kitchen amenities, parking, laundry, security, on-site management, on-site maintenance) in an effort to identify the mix of adjustments that explained the most variability found in our raw data.

A discussion of our surveyed and concluded adjustments is found below.

Concessions

The first step in our analysis was to account for any concessions at the subject and the comparables. We considered the advertised street rent and concessions being offered and derived a net rent estimate for each comparable. Net rent, defined as advertised street rent minus monthly concessions, represents the cash rent paid by new residents at the various properties. This is the best measure of market value (prior to any other adjustments) for the comparables included in this analysis.

Tenant-Paid Utilities

The next step in our analysis was to account for differences in tenant-paid utilities between the comparable properties and the subject. We used the HUD Utility Schedule Model to derive our adjustments. The HUD model includes a current utility rate survey for the area. In the event that the tenant-paid utilities associated with a particular property are higher or lower than the subject, adjustments were made to account for the differences. Adjustments reflect the difference between the tenant-paid utilities for the comparable property minus that for the subject.

Technology

We accounted for technology (cable and internet access) offered in the rent for each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$0 per month for cable; internet access was valued at \$0.

Adjustment	Technology		Concluded
	Survey	Range	
Cable	\$0	\$50	\$0
Internet	\$0	\$50	\$0

Bedrooms

Our analysis also included an adjustment for the number of bedrooms at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$170 per bedroom.

Bedrooms			
Adjustment	Survey Range		Concluded
Bedrooms	\$0	\$200	\$170

Bathrooms

Our analysis also included an adjustment for the number of bathrooms at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$0 per bathroom.

Bathrooms			
Adjustment	Survey Range		Concluded
Bathrooms	\$0	\$100	\$0

Square Feet

Our analysis also included an adjustment for square footage at each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$0.00 per square foot.

Square Feet			
Adjustment	Survey Range		Concluded
Square Feet	\$0.00	\$2.00	\$0.00

Visibility

We also accounted for differences in visibility at each of the comparables as compared to the subject property in our analysis. Based on our field review, we assigned a visibility rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$0 per point for differences in visibility ratings between the subject and the comparables.

Visibility			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$0

Access

Our analysis also included an adjustment for access at each of the comparables as compared to the subject property. Based on our field review, we assigned an access rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$0 per point for differences in access ratings between the subject and the comparables.

Access			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$0

Neighborhood

We considered differences in neighborhood at each of the comparables as compared to the subject property in our analysis. Based on our field review and our evaluation of local demographic and crime data (presented earlier in this report), we assigned a neighborhood rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$0 per point for differences in neighborhood ratings between the subject and the comparables.

Neighborhood			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$0

Area Amenities

We also accounted for area amenities for each of the comparables as compared to the subject property in our analysis. Based on our field review and our evaluation of local amenity data (presented earlier in this report), we assigned a local amenity rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$0 per point for differences in amenity ratings between the subject and the comparables.

Area Amenities			
Adjustment	Survey Range		Concluded
Rating	\$0	\$100	\$0

Median Household Income

Our analysis also included an adjustment for median household income for the area in which each of the comparables is located as compared to the subject property. Statistical extraction resulted in an adjustment of \$0.0000 per dollar of median household income.

Median Household Income			
Adjustment	Survey Range		Concluded
Med HH Inc	\$0.0000	\$0.0100	\$0.0000

Average Commute

Our analysis also included an adjustment for average commute for the area in which each of the comparables is located as compared to the subject property. Statistical extraction resulted in an adjustment of \$2.00 per each minute of commute.

Average Commute			
Adjustment	Survey Range		Concluded
Avg Commute	\$0.00	\$20.00	\$2.00

Public Transportation

Our analysis also included an adjustment for the existence of public transportation within walking distance of each of the comparables as compared to the subject property. Statistical extraction resulted in an adjustment of \$0.00 for public transportation.

Public Transportation			
Adjustment	Survey Range		Concluded
Public Trans	\$0.00	\$200.00	\$0.00

Personal Crime

Our analysis also included an adjustment for personal crime rates for the area in which each of the comparables is located as compared to the subject property. Statistical extraction resulted in an adjustment of \$0 per 0.01 percentage points.

Personal Crime			
Adjustment	Survey Range		Concluded
Personal Crime	\$0	\$50,000	\$0

Condition

Our analysis also included an adjustment for the condition of each comparable as compared to the subject property. Based on our field review, we assigned a condition rating for each of the properties included in this analysis. Our ratings ranged from 1 to 5 with 1 being the worst and 5 being the best. Statistical extraction resulted in an adjustment of \$10 per point for differences in condition ratings between the subject and the comparables.

Condition			
Adjustment	Survey Range		Concluded
Rating	\$10	\$50	\$10

Effective Age

We considered differences in effective age in our analysis. Based on our field review, we estimated the effective age for each of the properties included in this analysis. Our estimates reflected the condition-adjusted age and remaining useful life of each property. Statistical extraction resulted in an adjustment of \$1.00 per year for differences in effective age between the subject and the comparables.

Effective Age			
Adjustment	Survey Range		Concluded
Rating	\$1.00	\$5.00	\$1.00

Project Amenities

We considered the presence of various project amenities at the comparables as compared to the subject property. Project amenities include ball fields, BBQ areas, billiards, business/computer centers, car care centers, community centers, elevators, fitness centers, gazebos, hot tubs/Jacuzzis, horseshoe pits, lakes, libraries, movie theatres, picnic areas, playgrounds, pools, saunas, sports courts and walking trails. The survey range and our concluded adjustment for each amenity is summarized below.

Project Amenities			
Adjustment	Survey Range		Concluded
Ball Field	\$2	\$10	\$2
BBQ Area	\$2	\$10	\$3
Billiards	\$2	\$10	\$2
Bus/Comp Ctrs	\$2	\$10	\$2
Car Care Center	\$2	\$10	\$2
Community Center	\$2	\$10	\$2
Elevator	\$10	\$100	\$10
Fitness Center	\$2	\$10	\$2
Gazebo	\$2	\$10	\$2
Hot Tub/Jacuzzi	\$2	\$10	\$2
Horseshoe Pit	\$2	\$10	\$2
Lake	\$2	\$10	\$2
Library	\$2	\$10	\$2
Movie Theatre	\$2	\$10	\$2
Picnic Area	\$2	\$10	\$3
Playground	\$2	\$10	\$10
Pool	\$2	\$10	\$2
Sauna	\$2	\$10	\$2
Sports Court	\$2	\$10	\$2
Walking Trail	\$2	\$10	\$2

Unit Amenities

We considered the presence of various unit amenities at the comparables as compared to the subject property. Unit amenities include blinds, ceiling fans, carpeting/upgraded flooring, fireplaces, patios/balconies and storage. The survey range and our concluded adjustment for each amenity is summarized below.

Unit Amenities			
Adjustment	Survey Range		Concluded
Blinds	\$2	\$10	\$2
Ceiling Fans	\$2	\$10	\$2
Carpeting	\$2	\$10	\$10
Fireplace	\$2	\$10	\$2
Patio/Balcony	\$2	\$10	\$10
Storage	\$10	\$50	\$10

Kitchen Amenities

We considered the presence of various kitchen amenities at the comparables as compared to the subject property. Kitchen amenities include stoves, refrigerators, disposals, dishwashers and microwaves. The survey range and our concluded adjustment for each amenity is summarized below.

Kitchen Amenities			
Adjustment	Survey Range		Concluded
Stove	\$2	\$10	\$2
Refrigerator	\$2	\$10	\$2
Disposal	\$2	\$10	\$2
Dishwasher	\$2	\$10	\$2
Microwave	\$2	\$10	\$2

Parking

We also adjusted for differing types of parking configurations. We classified parking five ways: (1) Garage, (2) Covered; (3) Assigned, (4) Open and (5) No parking offered. Statistical extraction resulted in an adjustment of \$50 per month for garages; covered parking was valued at \$20; assigned parking was valued at \$10; open parking was valued at \$0; no parking was valued at \$0.

Parking			
Adjustment	Survey Range		Concluded
Garage	\$50	\$200	\$50
Covered	\$20	\$100	\$20
Assigned	\$10	\$50	\$10
Open	\$0	\$0	\$0
None	\$0	\$0	\$0

Laundry

We also evaluated differing types of laundry configurations. We classified laundry amenities three ways: (1) Central Laundry, (2) Washer/Dryer Units; and (3) Washer/Dryer Hookups. Our analysis resulted in an adjustment of \$25 per month for central laundries; washer/dryer units were valued at \$10; washer/dryer hookups were valued at \$5.

Laundry			
Adjustment	Survey Range		Concluded
Central	\$5	\$25	\$25
W/D Units	\$10	\$50	\$10
W/D Hookups	\$5	\$25	\$5

Security

We considered the presence of various security amenities at the comparables as compared to the subject property. Security amenities include call buttons, controlled access, courtesy officers, monitoring, security alarms and security patrols. The survey range and our concluded adjustment for each amenity is summarized below.

Security			
Adjustment	Survey Range		Concluded
Call Buttons	\$2	\$10	\$10
Controlled Access	\$2	\$10	\$2
Courtesy Officer	\$2	\$10	\$2
Monitoring	\$2	\$10	\$2
Security Alarms	\$2	\$10	\$2
Security Patrols	\$2	\$10	\$2

Rent Conclusion, 1BR-1BA-583sf

The development of our rent conclusion for the 1BR-1BA-583sf units is found below.

Our analysis included the evaluation of a total of 13 unit types found at 6 properties. We selected the 13 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 13 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-02	Kilmarnock Village Apartments	1BR-1BA-583sf	\$733	\$0	\$733	-	\$0	\$733	-
008-01	College Green Apartments, Phase :	1BR-1BA-594sf	\$496	\$0	\$496	\$165	\$29	\$525	6
008-03	College Green Apartments, Phase :	2BR-1.5BA-828sf	\$639	\$0	\$639	\$322	-\$128	\$511	12
019-01	Foxchase Apartments	2BR-2BA-952sf	\$650	\$0	\$650	\$253	-\$167	\$483	11
019-02	Foxchase Apartments	3BR-2BA-1152sf	\$750	\$0	\$750	\$446	-\$250	\$500	13
022-02	Indian Creek Apartments	1BR-1BA-617sf	\$492	\$0	\$492	\$46	-\$34	\$458	1
022-04	Indian Creek Apartments	2BR-1BA-820sf	\$785	\$0	\$785	\$215	-\$203	\$582	7
033-02	Montross Apartments	1BR-1BA-625sf	\$474	\$0	\$474	\$98	\$16	\$490	5
033-04	Montross Apartments	2BR-1BA-830sf	\$742	\$0	\$742	\$253	-\$139	\$603	10
039-02	Rappahannock Apartments	1BR-1BA-638sf	\$495	\$0	\$495	\$67	-\$5	\$490	2
039-03	Rappahannock Apartments	1BR-1BA-638sf	\$593	\$0	\$593	\$67	-\$5	\$588	2
039-05	Rappahannock Apartments	2BR-1BA-829sf	\$693	\$0	\$693	\$228	-\$166	\$527	8
039-06	Rappahannock Apartments	2BR-1BA-829sf	\$676	\$0	\$676	\$228	-\$166	\$510	8
042-02	Reedville Manor Apartments	1BR-1BA-620sf	\$564	\$0	\$564	\$93	-\$5	\$559	4

Adjusted Rent, Minimum	\$458
Adjusted Rent, Maximum	\$603
Adjusted Rent, Average	\$525
Adjusted Rent, Modified Average	\$524
Rent, Concluded	\$525

Our analysis suggests a rent of \$525 for the 1BR-1BA-583sf units at the subject property.

In our opinion, the 1BR-1BA-617sf units at Indian Creek Apartments (Property # 022), the 1BR-1BA-638sf units at Rappahannock Apartments (Property # 039), the 1BR-1BA-620sf units at Reedville Manor Apartments (Property # 042), the 1BR-1BA-625sf units at Montross Apartments (Property # 033), and the 1BR-1BA-594sf units at College Green Apartments, Phase 2 (Property # 008) are the best comparables for the units at the subject property.

Rent Conclusion, As Is

In the table below we derive our "as is" rent conclusion using the "as renovated" rent conclusion developed above:

Rent Conclusion, As Is				
Adjustment	Conc Adj	As Ren	As Is	\$ Adj
Tenant Paid Utilities	0	\$103	\$65	\$38
Condition	\$10	4.00	2.50	-\$15
Effective Age	\$1.00	2009	1995	-\$14
Community Center	\$2	yes	no	-\$2
Ceiling Fans	\$2	yes	no	-\$2
Dishwasher	\$2	yes	no	-\$2
Adjustments				\$3
Adjusted Rent, Minimum				\$461
Adjusted Rent, Maximum				\$606
Adjusted Rent, Average				\$528
Adjusted Rent, Modified Average				\$527
Rent, Concluded, As Is				\$530

Our analysis suggests an "as is" rent of \$530 for the 1BR-1BA-583sf units at the subject property.

Comparable	Subject	1		2		3		4		5		
Property-Unit Key	Sub-02	008-01		022-02		033-02		039-03		042-02		
Unit Type	1BR-1BA-583sf	1BR-1BA-594sf		1BR-1BA-617sf		1BR-1BA-625sf		1BR-1BA-638sf		1BR-1BA-620sf		
Property Name	Kilmarnock Village Apartments	College Green Apartments, Phase 2		Indian Creek Apartments		Montross Apartments		Rappahannock Apartments		Reedville Manor Apartments		
Address	89 School Street	30 Bluebird Lane		501 Southport Lane		201 Peach Grove Lane		941 Winston Road		134 Reedville Manor Lane		
City	Kilmarnock	Warsaw		Kilmarnock		Montross		Tappahannock		Reedville		
State	Virginia	Virginia		Virginia		Virginia		Virginia		Virginia		
Zip	22482	22572		22482		22520		22560		22539		
Latitude	37.71124	37.95431		37.70419		38.09097		37.90908		37.84793		
Longitude	-76.38297	-76.75829		-76.37976		-76.83988		-76.85976		-76.26795		
Miles to Subject	0.00	25.32		0.44		33.64		29.23		10.12		
Year Built	1984	1985		1991		1989		1983		2000		
Year Rehab	2019	2007		2009		2010		2005		na		
Project Rent	Restricted	Restricted		Restricted		Restricted		Restricted		Restricted		
Project Type	Family	Family		Family		Family		Family		Elderly		
Project Status	Prop Rehab	Stabilized		Stabilized		Stabilized		Stabilized		Stabilized		
Phone	(804) 435-2997	(804) 333-3944		(804) 435-2997		(804) 493-9896		(804) 443-9666		(804) 453-5327		
Effective Date	21-Feb-19	07-Feb-19		01-Feb-19		07-Feb-19		07-Feb-19		07-Feb-19		
<u>Project Level</u>												
Units	24	16		20		16		30		26		
Vacant Units	1	0		0		0		0		1		
Vacancy Rate	4%	0%		0%		0%		0%		4%		
<u>Unit Type</u>												
Units	3	4		3		4		2		1		
Vacant Units	0	0		0		0		0		0		
Vacancy Rate	0%	0%		0%		0%		0%		0%		
Street Rent	\$733	\$496		\$492		\$474		\$593		\$564		
Concessions	\$0	\$0		\$0		\$0		\$0		\$0		
Net Rent	\$733	\$496		\$492		\$474		\$593		\$564		
<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	
Tenant-Paid Utilities	TPU	\$103	\$61	-\$42	\$72	-\$31	\$63	-\$40	\$77	-\$26	\$70	-\$33
Cable	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Internet	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bedrooms	\$170	1	1	\$0	1	\$0	1	\$0	1	\$0	1	\$0
Bathrooms	\$0	1.00	1.00	\$0	1.00	\$0	1.00	\$0	1.00	\$0	1.00	\$0
Square Feet	\$0.00	583	594	\$0	617	\$0	625	\$0	638	\$0	620	\$0
Visibility	\$0	4.00	2.00	\$0	2.25	\$0	3.00	\$0	2.75	\$0	1.75	\$0
Access	\$0	4.00	2.25	\$0	2.50	\$0	3.00	\$0	2.75	\$0	2.00	\$0
Neighborhood	\$0	4.50	4.50	\$0	3.30	\$0	2.00	\$0	3.00	\$0	4.10	\$0
Area Amenities	\$0	4.50	2.60	\$0	4.00	\$0	2.30	\$0	3.30	\$0	2.00	\$0
Median HH Income	\$0.0000	\$51,369	\$68,304	\$0	\$39,063	\$0	\$34,948	\$0	\$41,786	\$0	\$49,824	\$0
Average Commute	\$2	19.07	31.58	\$25	17.57	-\$3	37.34	\$37	20.20	\$2	21.27	\$4
Public Transportation	\$0	na	na	\$0	na	\$0	na	\$0	na	\$0	na	\$0
Personal Crime	\$0	4.9%	2.2%	\$0	3.2%	\$0	2.5%	\$0	3.3%	\$0	2.0%	\$0
Condition	\$10	4.00	3.00	\$10	4.50	-\$5	3.00	\$10	3.00	\$10	2.75	\$13
Effective Age	\$1.00	2009	2000	\$9	2010	-\$1	2010	-\$1	2000	\$9	2000	\$9
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
BBQ Area	\$3	no	yes	-\$3	no	\$0	no	\$0	no	\$0	yes	-\$3
Billiards	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bus/Comp Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Car Care Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Community Center	\$2	yes	yes	\$0	yes	\$0	no	\$2	no	\$2	yes	\$0
Elevator	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Fitness Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Gazebo	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Lake	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Library	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Movie Theatre	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Picnic Area	\$3	no	yes	-\$3	no	\$0	no	\$0	no	\$0	yes	-\$3
Playground	\$10	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	no	\$10
Pool	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Sports Court	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Ceiling Fans	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Carpeting	\$10	yes	no	\$10	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Fireplace	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Patio/Balcony	\$10	yes	no	\$10	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Storage	\$10	no	yes	-\$10	no	\$0	no	\$0	yes	-\$10	no	\$0
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Disposal	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Dishwasher	\$2	yes	no	\$2	yes	\$0	no	\$2	no	\$2	no	\$2
Microwave	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Assigned	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Open	\$0	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Central	\$25	yes	no	\$25	yes	\$0	yes	\$0	yes	\$0	yes	\$0
W/D Units	\$10	no	yes	-\$10	no	\$0	no	\$0	no	\$0	no	\$0
W/D Hookups	\$5	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Call Buttons	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	yes	-\$10
Controlled Access	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Courtesy Officer	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Monitoring	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Security Alarms	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Security Patrols	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Indicated Rent	\$525	\$525		\$458		\$490		\$588		\$559		

Rent Conclusion, 1BR-1BA-658sf

The development of our rent conclusion for the 1BR-1BA-658sf units is found below.

Our analysis included the evaluation of a total of 13 unit types found at 6 properties. We selected the 13 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 13 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-03	Kilmarnock Village Apartments	1BR-1BA-658sf	\$733	\$0	\$733	-	\$0	\$733	-
008-01	College Green Apartments, Phase :	1BR-1BA-594sf	\$496	\$0	\$496	\$165	\$29	\$525	6
008-03	College Green Apartments, Phase :	2BR-1.5BA-828sf	\$639	\$0	\$639	\$322	-\$128	\$511	12
019-01	Foxchase Apartments	2BR-2BA-952sf	\$650	\$0	\$650	\$253	-\$167	\$483	11
019-02	Foxchase Apartments	3BR-2BA-1152sf	\$750	\$0	\$750	\$446	-\$250	\$500	13
022-02	Indian Creek Apartments	1BR-1BA-617sf	\$492	\$0	\$492	\$46	-\$34	\$458	1
022-04	Indian Creek Apartments	2BR-1BA-820sf	\$785	\$0	\$785	\$215	-\$203	\$582	7
033-02	Montross Apartments	1BR-1BA-625sf	\$474	\$0	\$474	\$98	\$16	\$490	5
033-04	Montross Apartments	2BR-1BA-830sf	\$742	\$0	\$742	\$253	-\$139	\$603	10
039-02	Rappahannock Apartments	1BR-1BA-638sf	\$495	\$0	\$495	\$67	-\$5	\$490	2
039-03	Rappahannock Apartments	1BR-1BA-638sf	\$593	\$0	\$593	\$67	-\$5	\$588	2
039-05	Rappahannock Apartments	2BR-1BA-829sf	\$693	\$0	\$693	\$228	-\$166	\$527	8
039-06	Rappahannock Apartments	2BR-1BA-829sf	\$676	\$0	\$676	\$228	-\$166	\$510	8
042-02	Reedville Manor Apartments	1BR-1BA-620sf	\$564	\$0	\$564	\$93	-\$5	\$559	4

Adjusted Rent, Minimum	\$458
Adjusted Rent, Maximum	\$603
Adjusted Rent, Average	\$525
Adjusted Rent, Modified Average	\$524
Rent, Concluded	\$535

Our analysis suggests a rent of \$535 for the 1BR-1BA-658sf units at the subject property.

In our opinion, the 1BR-1BA-617sf units at Indian Creek Apartments (Property # 022), the 1BR-1BA-638sf units at Rappahannock Apartments (Property # 039), the 1BR-1BA-620sf units at Reedville Manor Apartments (Property # 042), the 1BR-1BA-625sf units at Montross Apartments (Property # 033), and the 1BR-1BA-594sf units at College Green Apartments, Phase 2 (Property # 008) are the best comparables for the units at the subject property.

Rent Conclusion, As Is

In the table below we derive our "as is" rent conclusion using the "as renovated" rent conclusion developed above:

Rent Conclusion, As Is				
Adjustment	Conc Adj	As Ren	As Is	\$ Adj
Tenant Paid Utilities	0	\$103	\$65	\$38
Condition	\$10	4.00	2.50	-\$15
Effective Age	\$1.00	2009	1995	-\$14
Community Center	\$2	yes	no	-\$2
Ceiling Fans	\$2	yes	no	-\$2
Dishwasher	\$2	yes	no	-\$2
Adjustments				\$3
Adjusted Rent, Minimum				\$461
Adjusted Rent, Maximum				\$606
Adjusted Rent, Average				\$528
Adjusted Rent, Modified Average				\$527
Rent, Concluded, As Is				\$540

Our analysis suggests an "as is" rent of \$540 for the 1BR-1BA-658sf units at the subject property.

Comparable	Subject	1		2		3		4		5		
Property-Unit Key	Sub-03	008-01		022-02		033-02		039-03		042-02		
Unit Type	1BR-1BA-658sf	1BR-1BA-594sf		1BR-1BA-617sf		1BR-1BA-625sf		1BR-1BA-638sf		1BR-1BA-620sf		
Property Name	Kilmarnock Village Apartments	College Green Apartments, Phase 2		Indian Creek Apartments		Montross Apartments		Rappahannock Apartments		Reedville Manor Apartments		
Address	89 School Street	30 Bluebird Lane		501 Southport Lane		201 Peach Grove Lane		941 Winston Road		134 Reedville Manor Lane		
City	Kilmarnock	Warsaw		Kilmarnock		Montross		Tappahannock		Reedville		
State	Virginia	Virginia		Virginia		Virginia		Virginia		Virginia		
Zip	22482	22572		22482		22520		22560		22539		
Latitude	37.71124	37.95431		37.70419		38.09097		37.90908		37.84793		
Longitude	-76.38297	-76.75829		-76.37976		-76.83988		-76.85976		-76.26795		
Miles to Subject	0.00	25.32		0.44		33.64		29.23		10.12		
Year Built	1984	1985		1991		1989		1983		2000		
Year Rehab	2019	2007		2009		2010		2005		na		
Project Rent	Restricted	Restricted		Restricted		Restricted		Restricted		Restricted		
Project Type	Family	Family		Family		Family		Family		Elderly		
Project Status	Prop Rehab	Stabilized		Stabilized		Stabilized		Stabilized		Stabilized		
Phone	(804) 435-2997	(804) 333-3944		(804) 435-2997		(804) 493-9896		(804) 443-9666		(804) 453-5327		
Effective Date	21-Feb-19	07-Feb-19		01-Feb-19		07-Feb-19		07-Feb-19		07-Feb-19		
Project Level												
Units	24	16		20		16		30		26		
Vacant Units	1	0		0		0		0		1		
Vacancy Rate	4%	0%		0%		0%		0%		4%		
Unit Type												
Units	4	4		3		4		2		1		
Vacant Units	1	0		0		0		0		0		
Vacancy Rate	25%	0%		0%		0%		0%		0%		
Street Rent	\$733	\$496		\$492		\$474		\$593		\$564		
Concessions	\$0	\$0		\$0		\$0		\$0		\$0		
Net Rent	\$733	\$496		\$492		\$474		\$593		\$564		
Adj												
Tenant-Paid Utilities	TPU	\$103	\$61	-\$42	\$72	-\$31	\$63	-\$40	\$77	-\$26	\$70	-\$33
Cable	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Internet	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bedrooms	\$170	1	1	\$0	1	\$0	1	\$0	1	\$0	1	\$0
Bathrooms	\$0	1.00	1.00	\$0	1.00	\$0	1.00	\$0	1.00	\$0	1.00	\$0
Square Feet	\$0.00	658	594	\$0	617	\$0	625	\$0	638	\$0	620	\$0
Visibility	\$0	4.00	2.00	\$0	2.25	\$0	3.00	\$0	2.75	\$0	1.75	\$0
Access	\$0	4.00	2.25	\$0	2.50	\$0	3.00	\$0	2.75	\$0	2.00	\$0
Neighborhood	\$0	4.50	4.50	\$0	3.30	\$0	2.00	\$0	3.00	\$0	4.10	\$0
Area Amenities	\$0	4.50	2.60	\$0	4.00	\$0	2.30	\$0	3.30	\$0	2.00	\$0
Median HH Income	\$0.0000	\$51,369	\$68,304	\$0	\$39,063	\$0	\$34,948	\$0	\$41,786	\$0	\$49,824	\$0
Average Commute	\$2	19.07	31.58	\$25	17.57	-\$3	37.34	\$37	20.20	\$2	21.27	\$4
Public Transportation	\$0	na	na	\$0	na	\$0	na	\$0	na	\$0	na	\$0
Personal Crime	\$0	4.9%	2.2%	\$0	3.2%	\$0	2.5%	\$0	3.3%	\$0	2.0%	\$0
Condition	\$10	4.00	3.00	\$10	4.50	-\$5	3.00	\$10	3.00	\$10	2.75	\$13
Effective Age	\$1.00	2009	2000	\$9	2010	-\$1	2010	-\$1	2000	\$9	2000	\$9
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
BBQ Area	\$3	no	yes	-\$3	no	\$0	no	\$0	no	\$0	yes	-\$3
Billiards	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bus/Comp Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Car Care Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Community Center	\$2	yes	yes	\$0	yes	\$0	no	\$2	no	\$2	yes	\$0
Elevator	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Fitness Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Gazebo	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Lake	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Library	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Movie Theatre	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Picnic Area	\$3	no	yes	-\$3	no	\$0	no	\$0	no	\$0	yes	-\$3
Playground	\$10	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	no	\$10
Pool	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Sports Court	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Ceiling Fans	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Carpeting	\$10	yes	no	\$10	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Fireplace	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Patio/Balcony	\$10	yes	no	\$10	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Storage	\$10	no	yes	-\$10	no	\$0	no	\$0	yes	-\$10	no	\$0
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Disposal	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Dishwasher	\$2	yes	no	\$2	yes	\$0	no	\$2	no	\$2	no	\$2
Microwave	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Assigned	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Open	\$0	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Central	\$25	yes	no	\$25	yes	\$0	yes	\$0	yes	\$0	yes	\$0
W/D Units	\$10	no	yes	-\$10	no	\$0	no	\$0	no	\$0	no	\$0
W/D Hookups	\$5	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Call Buttons	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	yes	-\$10
Controlled Access	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Courtesy Officer	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Monitoring	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Security Alarms	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Security Patrols	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Indicated Rent	\$535	\$525		\$458		\$490		\$588		\$559		

Rent Conclusion, 2BR-1BA-705sf

The development of our rent conclusion for the 2BR-1BA-705sf units is found below.

Our analysis included the evaluation of a total of 13 unit types found at 6 properties. We selected the 13 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 13 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-05	Kilmarnock Village Apartments	2BR-1BA-705sf	\$786	\$0	\$786	-	\$0	\$786	-
008-01	College Green Apartments, Phase :	1BR-1BA-594sf	\$496	\$0	\$496	\$373	\$161	\$657	13
008-03	College Green Apartments, Phase :	2BR-1.5BA-828sf	\$639	\$0	\$639	\$190	\$4	\$643	6
019-01	Foxchase Apartments	2BR-2BA-952sf	\$650	\$0	\$650	\$121	-\$35	\$615	5
019-02	Foxchase Apartments	3BR-2BA-1152sf	\$750	\$0	\$750	\$238	-\$118	\$632	7
022-02	Indian Creek Apartments	1BR-1BA-617sf	\$492	\$0	\$492	\$254	\$98	\$590	8
022-04	Indian Creek Apartments	2BR-1BA-820sf	\$785	\$0	\$785	\$83	-\$71	\$714	1
033-02	Montross Apartments	1BR-1BA-625sf	\$474	\$0	\$474	\$306	\$148	\$622	12
033-04	Montross Apartments	2BR-1BA-830sf	\$742	\$0	\$742	\$121	-\$7	\$735	4
039-02	Rappahannock Apartments	1BR-1BA-638sf	\$495	\$0	\$495	\$275	\$127	\$622	9
039-03	Rappahannock Apartments	1BR-1BA-638sf	\$593	\$0	\$593	\$275	\$127	\$720	9
039-05	Rappahannock Apartments	2BR-1BA-829sf	\$693	\$0	\$693	\$96	-\$34	\$659	2
039-06	Rappahannock Apartments	2BR-1BA-829sf	\$676	\$0	\$676	\$96	-\$34	\$642	2
042-02	Reedville Manor Apartments	1BR-1BA-620sf	\$564	\$0	\$564	\$301	\$127	\$691	11
	Adjusted Rent, Minimum					\$590			
	Adjusted Rent, Maximum					\$735			
	Adjusted Rent, Average					\$657			
	Adjusted Rent, Modified Average					\$656			
	Rent, Concluded					\$675			

Our analysis suggests a rent of \$675 for the 2BR-1BA-705sf units at the subject property.

In our opinion, the 2BR-1BA-820sf units at Indian Creek Apartments (Property # 022), the 2BR-1BA-829sf units at Rappahannock Apartments (Property # 039), the 2BR-1BA-830sf units at Montross Apartments (Property # 033), the 2BR-2BA-952sf units at Foxchase Apartments (Property # 019), and the 2BR-1.5BA-828sf units at College Green Apartments, Phase 2 (Property # 008) are the best comparables for the units at the subject property.

Rent Conclusion, As Is

In the table below we derive our "as is" rent conclusion using the "as renovated" rent conclusion developed above:

Rent Conclusion, As Is				
Adjustment	Conc Adj	As Ren	As Is	\$ Adj
Tenant Paid Utilities	0	\$141	\$98	\$43
Condition	\$10	4.00	2.50	-\$15
Effective Age	\$1.00	2009	1995	-\$14
Community Center	\$2	yes	no	-\$2
Ceiling Fans	\$2	yes	no	-\$2
Dishwasher	\$2	yes	no	-\$2
Adjustments				\$8
Adjusted Rent, Minimum				\$598
Adjusted Rent, Maximum				\$743
Adjusted Rent, Average				\$665
Adjusted Rent, Modified Average				\$664
Rent, Concluded, As Is				\$685

Our analysis suggests an "as is" rent of \$685 for the 2BR-1BA-705sf units at the subject property.

Comparable	Subject	1	2	3	4	5						
Property-Unit Key	Sub-05	008-03	019-01	022-04	033-04	039-05						
Unit Type	2BR-1BA-705sf	2BR-1.5BA-828sf	2BR-2BA-952sf	2BR-1BA-820sf	2BR-1BA-830sf	2BR-1BA-829sf						
Property Name	Kilmarnock Village Apartments	College Green Apartments, Phase 2	Foxchase Apartments	Indian Creek Apartments	Montross Apartments	Rappahannock Apartments						
Address	89 School Street	30 Bluebird Lane	695 Foxchase Drive	501 Southport Lane	201 Peach Grove Lane	941 Winston Road						
City	Kilmarnock	Warsaw	Tappahannock	Kilmarnock	Montross	Tappahannock						
State	Virginia	Virginia	Virginia	Virginia	Virginia	Virginia						
Zip	22482	22572	22560	22482	22520	22560						
Latitude	37.71124	37.95431	37.92562	37.70419	38.09097	37.90908						
Longitude	-76.38297	-76.75829	-76.86934	-76.37976	-76.83988	-76.85976						
Miles to Subject	0.00	25.32	30.10	0.44	33.64	29.23						
Year Built	1984	1985	2003	1991	1989	1983						
Year Rehab	2019	2007	na	2009	2010	2005						
Project Rent	Restricted	Restricted	Restricted	Restricted	Restricted	Restricted						
Project Type	Family	Family	Family	Family	Family	Family						
Project Status	Prop Rehab	Stabilized	Stabilized	Stabilized	Stabilized	Stabilized						
Phone	(804) 435-2997	(804) 333-3944	(804) 443-1602	(804) 435-2997	(804) 493-9896	(804) 443-9666						
Effective Date	21-Feb-19	07-Feb-19	08-Feb-19	01-Feb-19	07-Feb-19	07-Feb-19						
<u>Project Level</u>												
Units	24	16	60	20	16	30						
Vacant Units	1	0	3	0	0	0						
Vacancy Rate	4%	0%	5%	0%	0%	0%						
<u>Unit Type</u>												
Units	6	10	32	15	7	8						
Vacant Units	0	0	1	0	0	0						
Vacancy Rate	0%	0%	3%	0%	0%	0%						
Street Rent	\$786	\$639	\$650	\$785	\$742	\$693						
Concessions	\$0	\$0	\$0	\$0	\$0	\$0						
Net Rent	\$786	\$639	\$650	\$785	\$742	\$693						
	<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>						
Tenant-Paid Utilities	TPU	\$141	\$74	-\$67	\$71	-\$70	\$73	-\$68	\$78	-\$63	\$86	-\$55
Cable	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Internet	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bedrooms	\$170	2	2	\$0	2	\$0	2	\$0	2	\$0	2	\$0
Bathrooms	\$0	1.00	1.50	\$0	2.00	\$0	1.00	\$0	1.00	\$0	1.00	\$0
Square Feet	\$0.00	705	828	\$0	952	\$0	820	\$0	830	\$0	829	\$0
Visibility	\$0	4.00	2.00	\$0	3.25	\$0	2.25	\$0	3.00	\$0	2.75	\$0
Access	\$0	4.00	2.25	\$0	3.25	\$0	2.50	\$0	3.00	\$0	2.75	\$0
Neighborhood	\$0	4.50	4.50	\$0	2.80	\$0	3.30	\$0	2.00	\$0	3.00	\$0
Area Amenities	\$0	4.50	2.60	\$0	3.30	\$0	4.00	\$0	2.30	\$0	3.30	\$0
Median HH Income	\$0.0000	\$51,369	\$68,304	\$0	\$35,750	\$0	\$39,063	\$0	\$34,948	\$0	\$41,786	\$0
Average Commute	\$2	19.07	31.58	\$25	24.93	\$12	17.57	-\$3	37.34	\$37	20.20	\$2
Public Transportation	\$0	na	na	\$0	na	\$0	na	\$0	na	\$0	na	\$0
Personal Crime	\$0	4.9%	2.2%	\$0	2.0%	\$0	3.2%	\$0	2.5%	\$0	3.3%	\$0
Condition	\$10	4.00	3.00	\$10	3.50	\$5	4.50	-\$5	3.00	\$10	3.00	\$10
Effective Age	\$1.00	2009	2000	\$9	2010	-\$1	2010	-\$1	2010	-\$1	2000	\$9
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
BBQ Area	\$3	no	yes	-\$3	no	\$0	no	\$0	no	\$0	no	\$0
Billiards	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bus/Comp Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Car Care Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Community Center	\$2	yes	yes	\$0	yes	\$0	yes	\$0	no	\$2	no	\$2
Elevator	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Fitness Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Gazebo	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Lake	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Library	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Movie Theatre	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Picnic Area	\$3	no	yes	-\$3	no	\$0	no	\$0	no	\$0	no	\$0
Playground	\$10	yes	yes	\$0	no	\$10	yes	\$0	yes	\$0	yes	\$0
Pool	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Sports Court	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Ceiling Fans	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Carpeting	\$10	yes	no	\$10	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Fireplace	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Patio/Balcony	\$10	yes	no	\$10	no	\$10	yes	\$0	yes	\$0	yes	\$0
Storage	\$10	no	yes	-\$10	no	\$0	no	\$0	no	\$0	yes	-\$10
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Disposal	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no	\$0
Dishwasher	\$2	yes	no	\$2	yes	\$0	yes	\$0	no	\$2	no	\$2
Microwave	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Assigned	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Open	\$0	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Central	\$25	yes	no	\$25	yes	\$0	yes	\$0	yes	\$0	yes	\$0
W/D Units	\$10	no	yes	-\$10	no	\$0	no	\$0	no	\$0	no	\$0
W/D Hookups	\$5	no	no	\$0	yes	-\$5	no	\$0	no	\$0	no	\$0
Call Buttons	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Controlled Access	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Courtesy Officer	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Monitoring	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Security Alarms	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Security Patrols	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Indicated Rent		\$675	\$643		\$615		\$714		\$735		\$659	

Rent Conclusion, 2BR-1BA-837sf

The development of our rent conclusion for the 2BR-1BA-837sf units is found below.

Our analysis included the evaluation of a total of 13 unit types found at 6 properties. We selected the 13 most comparable units to utilize as rent comparables for purposes of this analysis. A write-up for each of the properties included in this analysis is found in the Appendix.

Our analysis included the adjustments developed in the previous section. Adjustments represent dollar amounts by which the subject property varies from the comparable properties. If the subject is better, a “plus” adjustment is made. If the subject is inferior, a “minus” adjustment is made. In the table below, we summarize the adjustments and the resulting indicated rent for the top 13 comparables included in this analysis. The units that we consider most comparable are highlighted for the reader's reference.

Rent Conclusion									
Comparable			Unadjusted Rent			Adjusted Rent			
Property-Unit Key	Property Name	Unit Type	Street Rent	Concessions	Net Rent	Gross Adjustments	Net Adjustments	Adjusted Rent	Rank
Sub-07	Kilmarnock Village Apartments	2BR-1BA-837sf	\$786	\$0	\$786	-	\$0	\$786	-
008-01	College Green Apartments, Phase :	1BR-1BA-594sf	\$496	\$0	\$496	\$373	\$161	\$657	13
008-03	College Green Apartments, Phase :	2BR-1.5BA-828sf	\$639	\$0	\$639	\$190	\$4	\$643	6
019-01	Foxchase Apartments	2BR-2BA-952sf	\$650	\$0	\$650	\$121	-\$35	\$615	5
019-02	Foxchase Apartments	3BR-2BA-1152sf	\$750	\$0	\$750	\$238	-\$118	\$632	7
022-02	Indian Creek Apartments	1BR-1BA-617sf	\$492	\$0	\$492	\$254	\$98	\$590	8
022-04	Indian Creek Apartments	2BR-1BA-820sf	\$785	\$0	\$785	\$83	-\$71	\$714	1
033-02	Montross Apartments	1BR-1BA-625sf	\$474	\$0	\$474	\$306	\$148	\$622	12
033-04	Montross Apartments	2BR-1BA-830sf	\$742	\$0	\$742	\$121	-\$7	\$735	4
039-02	Rappahannock Apartments	1BR-1BA-638sf	\$495	\$0	\$495	\$275	\$127	\$622	9
039-03	Rappahannock Apartments	1BR-1BA-638sf	\$593	\$0	\$593	\$275	\$127	\$720	9
039-05	Rappahannock Apartments	2BR-1BA-829sf	\$693	\$0	\$693	\$96	-\$34	\$659	2
039-06	Rappahannock Apartments	2BR-1BA-829sf	\$676	\$0	\$676	\$96	-\$34	\$642	2
042-02	Reedville Manor Apartments	1BR-1BA-620sf	\$564	\$0	\$564	\$301	\$127	\$691	11
	Adjusted Rent, Minimum					\$590			
	Adjusted Rent, Maximum					\$735			
	Adjusted Rent, Average					\$657			
	Adjusted Rent, Modified Average					\$656			
	Rent, Concluded					\$685			

Our analysis suggests a rent of \$685 for the 2BR-1BA-837sf units at the subject property.

In our opinion, the 2BR-1BA-820sf units at Indian Creek Apartments (Property # 022), the 2BR-1BA-829sf units at Rappahannock Apartments (Property # 039), the 2BR-1BA-830sf units at Montross Apartments (Property # 033), the 2BR-2BA-952sf units at Foxchase Apartments (Property # 019), and the 2BR-1.5BA-828sf units at College Green Apartments, Phase 2 (Property # 008) are the best comparables for the units at the subject property.

Rent Conclusion, As Is

In the table below we derive our "as is" rent conclusion using the "as renovated" rent conclusion developed above:

Rent Conclusion, As Is				
Adjustment	Conc Adj	As Ren	As Is	\$ Adj
Tenant Paid Utilities	0	\$141	\$98	\$43
Condition	\$10	4.00	2.50	-\$15
Effective Age	\$1.00	2009	1995	-\$14
Community Center	\$2	yes	no	-\$2
Ceiling Fans	\$2	yes	no	-\$2
Dishwasher	\$2	yes	no	-\$2
Adjustments				\$8
Adjusted Rent, Minimum				\$598
Adjusted Rent, Maximum				\$743
Adjusted Rent, Average				\$665
Adjusted Rent, Modified Average				\$664
Rent, Concluded, As Is				\$695

Our analysis suggests an "as is" rent of \$695 for the 2BR-1BA-837sf units at the subject property.

Comparable	Subject	1		2		3		4		5		
Property-Unit Key	Sub-07	008-03		019-01		022-04		033-04		039-05		
Unit Type	2BR-1BA-837sf	2BR-1.5BA-828sf		2BR-2BA-952sf		2BR-1BA-820sf		2BR-1BA-830sf		2BR-1BA-829sf		
Property Name	Kilmarnock Village Apartments	College Green Apartments, Phase 2		Foxchase Apartments		Indian Creek Apartments		Montross Apartments		Rappahannock Apartments		
Address	89 School Street	30 Bluebird Lane		695 Foxchase Drive		501 Southport Lane		201 Peach Grove Lane		941 Winston Road		
City	Kilmarnock	Warsaw		Tappahannock		Kilmarnock		Montross		Tappahannock		
State	Virginia	Virginia		Virginia		Virginia		Virginia		Virginia		
Zip	22482	22572		22560		22482		22520		22560		
Latitude	37.71124	37.95431		37.92562		37.70419		38.09097		37.90908		
Longitude	-76.38297	-76.75829		-76.86934		-76.37976		-76.83988		-76.85976		
Miles to Subject	0.00	25.32		30.10		0.44		33.64		29.23		
Year Built	1984	1985		2003		1991		1989		1983		
Year Rehab	2019	2007		na		2009		2010		2005		
Project Rent	Restricted	Restricted		Restricted		Restricted		Restricted		Restricted		
Project Type	Family	Family		Family		Family		Family		Family		
Project Status	Prop Rehab	Stabilized		Stabilized		Stabilized		Stabilized		Stabilized		
Phone	(804) 435-2997	(804) 333-3944		(804) 443-1602		(804) 435-2997		(804) 493-9896		(804) 443-9666		
Effective Date	21-Feb-19	07-Feb-19		08-Feb-19		01-Feb-19		07-Feb-19		07-Feb-19		
<u>Project Level</u>												
Units	24	16		60		20		16		30		
Vacant Units	1	0		3		0		0		0		
Vacancy Rate	4%	0%		5%		0%		0%		0%		
<u>Unit Type</u>												
Units	1	10		32		15		7		8		
Vacant Units	0	0		1		0		0		0		
Vacancy Rate	0%	0%		3%		0%		0%		0%		
Street Rent	\$786	\$639		\$650		\$785		\$742		\$693		
Concessions	\$0	\$0		\$0		\$0		\$0		\$0		
Net Rent	\$786	\$639		\$650		\$785		\$742		\$693		
<u>Adj</u>	<u>Data</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	<u>Data</u>	<u>Adj</u>	
Tenant-Paid Utilities	TPU	\$141	\$74	-\$67	\$71	-\$70	\$73	-\$68	\$78	-\$63	\$86	-\$55
Cable	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Internet	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bedrooms	\$170	2	2	\$0	2	\$0	2	\$0	2	\$0	2	\$0
Bathrooms	\$0	1.00	1.50	\$0	2.00	\$0	1.00	\$0	1.00	\$0	1.00	\$0
Square Feet	\$0.00	837	828	\$0	952	\$0	820	\$0	830	\$0	829	\$0
Visibility	\$0	4.00	2.00	\$0	3.25	\$0	2.25	\$0	3.00	\$0	2.75	\$0
Access	\$0	4.00	2.25	\$0	3.25	\$0	2.50	\$0	3.00	\$0	2.75	\$0
Neighborhood	\$0	4.50	4.50	\$0	2.80	\$0	3.30	\$0	2.00	\$0	3.00	\$0
Area Amenities	\$0	4.50	2.60	\$0	3.30	\$0	4.00	\$0	2.30	\$0	3.30	\$0
Median HH Income	\$0.0000	\$51,369	\$68,304	\$0	\$35,750	\$0	\$39,063	\$0	\$34,948	\$0	\$41,786	\$0
Average Commute	\$2	19.07	31.58	\$25	24.93	\$12	17.57	-\$3	37.34	\$37	20.20	\$2
Public Transportation	\$0	na	na	\$0	na	\$0	na	\$0	na	\$0	na	\$0
Personal Crime	\$0	4.9%	2.2%	\$0	2.0%	\$0	3.2%	\$0	2.5%	\$0	3.3%	\$0
Condition	\$10	4.00	3.00	\$10	3.50	\$5	4.50	-\$5	3.00	\$10	3.00	\$10
Effective Age	\$1.00	2009	2000	\$9	2010	-\$1	2010	-\$1	2010	-\$1	2000	\$9
Ball Field	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
BBQ Area	\$3	no	yes	-\$3	no	\$0	no	\$0	no	\$0	no	\$0
Billiards	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Bus/Comp Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Car Care Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Community Center	\$2	yes	yes	\$0	yes	\$0	yes	\$0	no	\$2	no	\$2
Elevator	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Fitness Center	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Gazebo	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Hot Tub/Jacuzzi	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Horseshoe Pit	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Lake	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Library	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Movie Theatre	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Picnic Area	\$3	no	yes	-\$3	no	\$0	no	\$0	no	\$0	no	\$0
Playground	\$10	yes	yes	\$0	no	\$10	yes	\$0	yes	\$0	yes	\$0
Pool	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Sauna	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Sports Court	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Walking Trail	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Blinds	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Ceiling Fans	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Carpeting	\$10	yes	no	\$10	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Fireplace	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Patio/Balcony	\$10	yes	no	\$10	no	\$10	yes	\$0	yes	\$0	yes	\$0
Storage	\$10	no	yes	-\$10	no	\$0	no	\$0	no	\$0	yes	-\$10
Stove	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Refrigerator	\$2	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
Disposal	\$2	no	no	\$0	yes	-\$2	no	\$0	no	\$0	no	\$0
Dishwasher	\$2	yes	no	\$2	yes	\$0	yes	\$0	no	\$2	no	\$2
Microwave	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Garage	\$50	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Covered	\$20	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Assigned	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Open	\$0	yes	yes	\$0	yes	\$0	yes	\$0	yes	\$0	yes	\$0
None	\$0	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Central	\$25	yes	no	\$25	yes	\$0	yes	\$0	yes	\$0	yes	\$0
W/D Units	\$10	no	yes	-\$10	no	\$0	no	\$0	no	\$0	no	\$0
W/D Hookups	\$5	no	no	\$0	yes	-\$5	no	\$0	no	\$0	no	\$0
Call Buttons	\$10	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Controlled Access	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Courtesy Officer	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Monitoring	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Security Alarms	\$2	no	no	\$0	no	\$0	no	\$0	no	\$0	no	\$0
Security Patrols	\$2	yes	no	\$2	no	\$2	no	\$2	no	\$2	no	\$2
Indicated Rent	\$685	\$643		\$615		\$714		\$735		\$659		

Restricted Market Rent Conclusion

Based on our evaluation of the rents at the select comparable properties, and considering the location, quality and amenities of the subject property, we conclude the following market rents for the subject property units, assuming that the subject were a restricted property:

Restricted Market Rent Conclusion				
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Market
1BR-1BA-583sf / 40% of AMI / 40% of AMI	No	Yes	1	\$525
1BR-1BA-583sf / 50% of AMI / 50% of AMI	No	Yes	3	\$525
1BR-1BA-658sf / 60% of AMI / 60% of AMI	No	Yes	4	\$535
2BR-1BA-705sf / 40% of AMI / 40% of AMI	No	Yes	2	\$675
2BR-1BA-705sf / 50% of AMI / 50% of AMI	No	Yes	6	\$675
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	Yes	7	\$685
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	No	1	\$685
Total / Average			24	\$630

Our analysis suggests an average restricted market rent of \$630 for the subject property.

We selected a total of 6 properties as comparables for purposes of our analysis. The average occupancy at the select rent comparables currently stands at 99 percent.

The occupancy rate of the selected rent comparables is broken out in the tables below:

Occupancy Rate, Select Comparables								
	Subsidized	20% of AMI	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	Market
0-Bedroom								
1-Bedroom	96%		100%	100%	100%			
2-Bedroom	100%		100%	100%	98%			
3-Bedroom								
4-Bedroom								
Total	97%		100%	100%	99%			

Occupancy rates for all stabilized market area properties are broken out below:

Occupancy Rate, Stabilized Properties								
	Subsidized	20% of AMI	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	Market
0-Bedroom								
1-Bedroom	98%		100%	100%	100%			50%
2-Bedroom	100%		100%	100%	100%			86%
3-Bedroom								100%
4-Bedroom								
Total	98%		100%	100%	100%			84%

Rents at rent restricted properties tend to move with median household incomes for an area. Given HUD's published median incomes, we derived 1, 2 and 3-bedroom 60% of AMI rent limits since 2006. According to our analysis, maximum 2-bedroom rents for the area grew from \$792 to \$915 since 2010. This represents an average 1.9% annual increase over this period.

Maximum tax credit rent data for the area is found below:

Year	Rent			Change		
	1BR	2BR	3BR	1BR	2BR	3BR
2006	\$592	\$710	\$821	-	-	-
2007	\$613	\$736	\$850	3.5%	3.7%	3.5%
2008	\$622	\$747	\$863	1.5%	1.5%	1.5%
2009	\$657	\$788	\$911	5.6%	5.5%	5.6%
2010	\$660	\$792	\$916	0.5%	0.5%	0.5%
2011	\$631	\$757	\$875	-4.4%	-4.4%	-4.5%
2012	\$640	\$768	\$888	1.4%	1.5%	1.5%
2013	\$658	\$790	\$913	2.8%	2.9%	2.8%
2014	\$704	\$845	\$977	7.0%	7.0%	7.0%
2015	\$751	\$902	\$1,042	6.7%	6.7%	6.7%
2016	\$764	\$917	\$1,059	1.7%	1.7%	1.6%
2017	\$740	\$888	\$1,026	-3.1%	-3.2%	-3.1%
2018	\$763	\$915	\$1,058	3.1%	3.0%	3.1%

Source: HUD

Restricted Market Rent Conclusion, As Is

In the table found below we summarize the market rents for the subject property units on an "as is" basis, assuming that the subject were a restricted property:

Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Market
1BR-1BA-583sf / 60% of AMI / 60% of AMI	No	Yes	4	\$530
1BR-1BA-658sf / 60% of AMI / 60% of AMI	No	Yes	4	\$540
2BR-1BA-705sf / 60% of AMI / 60% of AMI	No	Yes	8	\$685
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	Yes	7	\$695
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	No	1	\$695
Total / Average			24	\$638

Achievable Rent Conclusion

The next step in our analysis is to develop an achievable rent conclusion for the subject property. Achievable rents represent the absolute highest rent permissible for the area, considering market rents, program rent limits, and any other applicable rent restrictions on the subject property.

Our analysis begins by establishing the applicable program rent limits for the subject property. Program rent limits include any applicable LIHTC and FMR rent limits. LIHTC rent limits typically apply to units benefitting from tax credit and/or bond financing. The LIHTC rent limits for applicable units at the subject property follow:

LIHTC Rent Limits						
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Gross Rent	Utilities	Net Rent
1BR-1BA-583sf / 40% of AMI / 40% of AMI	No	Yes	1	\$509	\$103	\$406
1BR-1BA-583sf / 50% of AMI / 50% of AMI	No	Yes	3	\$636	\$103	\$533
1BR-1BA-658sf / 60% of AMI / 60% of AMI	No	Yes	4	\$763	\$103	\$660
2BR-1BA-705sf / 40% of AMI / 40% of AMI	No	Yes	2	\$611	\$141	\$470
2BR-1BA-705sf / 50% of AMI / 50% of AMI	No	Yes	6	\$763	\$141	\$622
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	Yes	7	\$916	\$141	\$775
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	No	1	\$916	\$141	\$775
Total / Average			24	\$775	\$128	\$647

Our analysis suggests an average net LIHTC rent limit of \$647 for 24 applicable units at the subject property.

FMR rent limits typically apply to units benefitting from HOME funds. The FMR rent limits for applicable units at the subject property follow:

FMR Rent Limits						
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Gross Rent	Utilities	Net Rent
1BR-1BA-583sf / 40% of AMI / 40% of AMI	No	Yes	-	-	-	-
1BR-1BA-583sf / 50% of AMI / 50% of AMI	No	Yes	-	-	-	-
1BR-1BA-658sf / 60% of AMI / 60% of AMI	No	Yes	-	-	-	-
2BR-1BA-705sf / 40% of AMI / 40% of AMI	No	Yes	-	-	-	-
2BR-1BA-705sf / 50% of AMI / 50% of AMI	No	Yes	-	-	-	-
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	Yes	-	-	-	-
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	No	-	-	-	-
Total / Average			-	-	-	-

HOME funding is not proposed for the subject property.

Units benefitting exclusively from tax credits and/or bond financing are subject to LIHTC rent limits. Units benefitting from HOME funds in addition to tax credit and/or bond financing are subject to the lesser of LIHTC rent limits or FMR rent limits. Units benefitting from project-based rental assistance are normally limited to unrestricted market rent. With these parameters in mind, the following table sets forth the concluded program rent limits for applicable units at the subject property:

Program Rent Limits							
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	LIHTC	FMR	Market	Program
1BR-1BA-583sf / 40% of AMI / 40% of AMI	No	Yes	1	\$406	-	\$575	\$575
1BR-1BA-583sf / 50% of AMI / 50% of AMI	No	Yes	3	\$533	-	\$575	\$575
1BR-1BA-658sf / 60% of AMI / 60% of AMI	No	Yes	4	\$660	-	\$600	\$600
2BR-1BA-705sf / 40% of AMI / 40% of AMI	No	Yes	2	\$470	-	\$725	\$725
2BR-1BA-705sf / 50% of AMI / 50% of AMI	No	Yes	6	\$622	-	\$725	\$725
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	Yes	7	\$775	-	\$750	\$750
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	No	1	\$775	-	-	\$775
Total / Average			24	\$647	-	\$685	\$689

Our analysis suggests an average program rent limit of \$689 for 24 applicable units at the subject property.

Now that we have established program rent limits, we are in a position to develop an achievable rent conclusion for the subject property. Achievable rents represent the absolute highest rent permissible for the area, considering unrestricted and restricted market rents, program rent limits, and any other applicable rent restrictions on the subject property. The following table summarizes our findings:

Achievable Rents									
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Program	Unrestricted	Restricted	Achievable	Proposed	Advantage
1BR-1BA-583sf / 40% of AMI / 40% of AMI	No	Yes	1	\$575	\$575	\$525	\$575	\$733	-27.5%
1BR-1BA-583sf / 50% of AMI / 50% of AMI	No	Yes	3	\$575	\$575	\$525	\$575	\$733	-27.5%
1BR-1BA-658sf / 60% of AMI / 60% of AMI	No	Yes	4	\$600	\$600	\$535	\$600	\$733	-22.2%
2BR-1BA-705sf / 40% of AMI / 40% of AMI	No	Yes	2	\$725	\$725	\$675	\$725	\$786	-8.4%
2BR-1BA-705sf / 50% of AMI / 50% of AMI	No	Yes	6	\$725	\$725	\$675	\$725	\$786	-8.4%
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	Yes	7	\$750	\$750	\$685	\$750	\$786	-4.8%
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	No	1	\$775	\$750	\$685	\$685	\$786	-14.7%
Total / Average			24	\$689	\$688	\$630	\$685	\$768	-12.2%

Our analysis suggests an average achievable rent of \$685 for the subject property. This is compared with an average proposed rent of \$768, yielding an achievable rent advantage of -12.2 percent. Overall, the subject property appears to be priced above achievable rents for the area.

Finally, assuming no rent subsidies, we arrive at the following achievable rents for units at this property:

Achievable Rents, No Rent Subsidies									
Unit Type / Income Limit / Rent Limit	HOME	Subsidized	Units	Program	Unrestricted	Restricted	Achievable	Proposed	Advantage
1BR-1BA-583sf / 40% of AMI / 40% of AMI	No	No	1	\$406	\$575	\$525	\$406	\$733	-80.5%
1BR-1BA-583sf / 50% of AMI / 50% of AMI	No	No	3	\$533	\$575	\$525	\$525	\$733	-39.6%
1BR-1BA-658sf / 60% of AMI / 60% of AMI	No	No	4	\$660	\$600	\$535	\$535	\$733	-37.0%
2BR-1BA-705sf / 40% of AMI / 40% of AMI	No	No	2	\$470	\$725	\$675	\$470	\$786	-67.2%
2BR-1BA-705sf / 50% of AMI / 50% of AMI	No	No	6	\$622	\$725	\$675	\$622	\$786	-26.4%
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	No	7	\$775	\$750	\$685	\$685	\$786	-14.7%
2BR-1BA-837sf / 60% of AMI / 60% of AMI	No	No	1	\$775	\$750	\$685	\$685	\$786	-14.7%
Total / Average			24	\$647	\$688	\$630	\$595	\$768	-29.2%

DEMAND ANALYSIS

Overview

In this section we evaluate demand for the subject property using the recommended demand methodology promulgated by the National Council of Housing Market Analysts (NCHMA). For purposes of this analysis, we define demand as the number of income-qualified renter households (by household size and unit type) that would qualify to live at the subject property at the lesser of the developer's proposed rents or achievable rents.

Our analysis begins by developing a breakdown of the number of renter households, by income, by size as of the date of market entry for this development. This breakdown, which utilizes demographic data presented earlier in this report, is presented below:

2019 \$		Renter Households, by Income, by Size							
Min	Max	2020							
		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	Total	
\$0	to \$9,999	289	73	63	13	7	1	447	
\$0	to \$19,999	481	180	91	36	20	4	812	
\$0	to \$29,999	637	274	147	45	39	13	1,155	
\$0	to \$39,999	722	281	243	103	46	13	1,408	
\$0	to \$49,999	800	323	287	152	53	13	1,627	
\$0	to \$59,999	861	359	325	208	69	16	1,839	
\$0	to \$74,999	899	423	357	238	87	20	2,024	
\$0	to \$99,999	935	481	374	242	103	23	2,158	
\$0	to \$124,999	1,004	513	418	260	113	24	2,331	
\$0	to \$149,999	1,022	519	432	274	119	24	2,389	
\$0	to \$199,999	1,047	563	445	282	123	24	2,484	
\$0	or more	1,094	577	463	288	127	24	2,572	

Source: ESRI & Ribbon Demographics

Our analysis includes an estimate of demand along with capture rate and penetration rate estimates. Capture rates were computed two ways: (1) On a gross basis (the number of proposed units divided by qualified demand) and (2) On a net basis (the number of proposed units divided by qualified demand minus competing & pipeline units). Penetration rates are defined as the number of proposed units plus competing & pipeline units divided by income-qualified demand. In the following pages we provide detailed listings of competing & pipeline units in the market area broken by unit type.

Competing & Pipeline Units, 1-Bedroom Units

Overview						Total Units								Vacant Units								
Key Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt	Sub	30%	40%	50%	60%	70%	80%	Mkt	
018 Town Centre Suites	1975	1990	Market Rate	Family	Stabilized																	
022 Indian Creek Apartments	1991	2009	Restricted	Family	Stabilized			1	3													
026 Kilmarnock Village Apartments	1984	2002	Restricted	Family	Stabilized	8								1								
041 Reed Landing	1985	na	Market Rate	Family	Stabilized								2									1
Total						8		1	3				2	1								1

Source: Allen & Associates

Competing & Pipeline Units, 2-Bedroom Units

Overview						Total Units								Vacant Units									
Key	Property Name	Built	Renovated	Rent Type	Occ Type	Status	Sub	30%	40%	50%	60%	70%	80%	Mkt	Sub	30%	40%	50%	60%	70%	80%	Mkt	
018	Town Centre Suites	1975	1990	Market Rate	Family	Stabilized				1	15			27									3
022	Indian Creek Apartments	1991	2009	Restricted	Family	Stabilized																	
026	Kilmarnock Village Apartments	1984	2002	Restricted	Family	Stabilized	15						1										
041	Reed Landing	1985	na	Market Rate	Family	Stabilized								2									1
Total							15		1	15	1			29									4

Source: Allen & Associates

Demand Estimate, 1-Bedroom, Subsidized, 60% of AMI

In this section we estimate demand for the 1-Bedroom / Subsidized / 60% of AMI units at the subject property. Our analysis assumes a total of 8 units, 4 of which are anticipated to be vacant on market entry in 2020. Our analysis assumes a 35% income qualification ratio and 2-person households.

Unit Details	
Target Population	Family Households
Unit Type	1-Bedroom
Rent Type	Subsidized
Income Limit	60% of AMI
Total Units	8
Vacant Units at Market Entry	4

Minimum Qualified Income	
Net Rent	\$0
Utilities	\$103
Gross Rent	\$103
Income Qualification Ratio	35%
Minimum Qualified Income	\$294
Months/Year	12
Minimum Qualified Income	\$3,531

Renter Households, by Income, by Size								
2020								
2019	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	289	73	63	13	7	1
\$0	to	\$19,999	481	180	91	36	20	4
\$0	to	\$29,999	637	274	147	45	39	13
\$0	to	\$39,999	722	281	243	103	46	13
\$0	to	\$49,999	800	323	287	152	53	13
\$0	to	\$59,999	861	359	325	208	69	16
\$0	to	\$74,999	899	423	357	238	87	20
\$0	to	\$99,999	935	481	374	242	103	23
\$0	to	\$124,999	1,004	513	418	260	113	24
\$0	to	\$149,999	1,022	519	432	274	119	24
\$0	to	\$199,999	1,047	563	445	282	123	24
\$0	or	more	1,094	577	463	288	127	24

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$28,500	\$32,580	\$36,660	\$40,680	\$43,980	\$47,220	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	No	No	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	614	276	0	0	0	0
HH Below Minimum Income	101	26	0	0	0	0
Subtotal	512	250	0	0	0	0

Demand Estimate 763

Our analysis suggests demand for a total of 763 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 2-Bedroom, Subsidized, 60% of AMI

In this section we estimate demand for the 2-Bedroom / Subsidized / 60% of AMI units at the subject property. Our analysis assumes a total of 15 units, 7 of which are anticipated to be vacant on market entry in 2020. Our analysis assumes a 35% income qualification ratio and 4-person households.

Unit Details	
Target Population	Family Households
Unit Type	2-Bedroom
Rent Type	Subsidized
Income Limit	60% of AMI
Total Units	15
Vacant Units at Market Entry	7

Minimum Qualified Income	
Net Rent	\$0
Utilities	\$141
Gross Rent	\$141
Income Qualification Ratio	35%
Minimum Qualified Income	\$403
Months/Year	12
Minimum Qualified Income	\$4,834

Renter Households, by Income, by Size								
2020								
2019	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	289	73	63	13	7	1
\$0	to	\$19,999	481	180	91	36	20	4
\$0	to	\$29,999	637	274	147	45	39	13
\$0	to	\$39,999	722	281	243	103	46	13
\$0	to	\$49,999	800	323	287	152	53	13
\$0	to	\$59,999	861	359	325	208	69	16
\$0	to	\$74,999	899	423	357	238	87	20
\$0	to	\$99,999	935	481	374	242	103	23
\$0	to	\$124,999	1,004	513	418	260	113	24
\$0	to	\$149,999	1,022	519	432	274	119	24
\$0	to	\$199,999	1,047	563	445	282	123	24
\$0	or	more	1,094	577	463	288	127	24

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$28,500	\$32,580	\$36,660	\$40,680	\$43,980	\$47,220	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	614	276	209	105	0	0
HH Below Minimum Income	130	33	28	6	0	0
Subtotal	484	243	181	100	0	0

Demand Estimate 1,007

Our analysis suggests demand for a total of 1,007 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 2-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 2-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 1 units, 1 of which are anticipated to be vacant on market entry in 2020. Our analysis assumes a 35% income qualification ratio and 4-person households.

Unit Details	
Target Population	Family Households
Unit Type	2-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	1
Vacant Units at Market Entry	1

Minimum Qualified Income	
Net Rent	\$685
Utilities	\$141
Gross Rent	\$826
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,360
Months/Year	12
Minimum Qualified Income	\$28,320

Renter Households, by Income, by Size								
2020								
2019	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	289	73	63	13	7	1
\$0	to	\$19,999	481	180	91	36	20	4
\$0	to	\$29,999	637	274	147	45	39	13
\$0	to	\$39,999	722	281	243	103	46	13
\$0	to	\$49,999	800	323	287	152	53	13
\$0	to	\$59,999	861	359	325	208	69	16
\$0	to	\$74,999	899	423	357	238	87	20
\$0	to	\$99,999	935	481	374	242	103	23
\$0	to	\$124,999	1,004	513	418	260	113	24
\$0	to	\$149,999	1,022	519	432	274	119	24
\$0	to	\$199,999	1,047	563	445	282	123	24
\$0	or	more	1,094	577	463	288	127	24

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$28,500	\$32,580	\$36,660	\$40,680	\$43,980	\$47,220	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	614	276	209	105	0	0
HH Below Minimum Income	606	255	136	43	0	0
Subtotal	8	21	74	62	0	0

Demand Estimate 164

Our analysis suggests demand for a total of 164 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, Subsidized

In this section we account for income-band overlap and develop a demand estimate for the subsidized units at the subject property.

Renter Households, by Income, by Size								
			2020					
2019	\$		1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	289	73	63	13	7	1
\$0	to	\$19,999	481	180	91	36	20	4
\$0	to	\$29,999	637	274	147	45	39	13
\$0	to	\$39,999	722	281	243	103	46	13
\$0	to	\$49,999	800	323	287	152	53	13
\$0	to	\$59,999	861	359	325	208	69	16
\$0	to	\$74,999	899	423	357	238	87	20
\$0	to	\$99,999	935	481	374	242	103	23
\$0	to	\$124,999	1,004	513	418	260	113	24
\$0	to	\$149,999	1,022	519	432	274	119	24
\$0	to	\$199,999	1,047	563	445	282	123	24
\$0	or	more	1,094	577	463	288	127	24

Demand Estimate, Subsidized							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	-	-	-	-	-	-	-
Maximum Income, 1BR	\$28,500	\$32,580	-	-	-	-	-
Maximum Income, 2BR	\$28,500	\$32,580	\$36,660	\$40,680	-	-	-
Maximum Income, 3BR	-	-	-	-	-	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$28,500	\$32,580	\$36,660	\$40,680	-	-	-
Minimum Income, 0BR	-	-	-	-	-	-	-
Minimum Income, 1BR	\$3,531	\$3,531	-	-	-	-	-
Minimum Income, 2BR	\$4,834	\$4,834	\$4,834	\$4,834	-	-	-
Minimum Income, 3BR	-	-	-	-	-	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	\$3,531	\$3,531	\$4,834	\$4,834	-	-	-
HH Below Upper Income	614	276	209	105	0	0	
HH Below Lower Income	101	26	28	6	0	0	
Subtotal	512	250	181	100	0	0	

Demand Estimate 1,043

Our analysis suggests demand for a total of 1,043 size- and income-qualified units in the market area.

Please note: This demand estimate does not account for income band overlap at the project level. A demand estimate taking this into consideration will be developed later.

Demand Estimate, Restricted, 60% of AMI

In this section we account for income-band overlap and develop a demand estimate for the units restricted to 60% of AMI at the subject property.

Renter Households, by Income, by Size								
			2020					
	2019	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	289	73	63	13	7	1
\$0	to	\$19,999	481	180	91	36	20	4
\$0	to	\$29,999	637	274	147	45	39	13
\$0	to	\$39,999	722	281	243	103	46	13
\$0	to	\$49,999	800	323	287	152	53	13
\$0	to	\$59,999	861	359	325	208	69	16
\$0	to	\$74,999	899	423	357	238	87	20
\$0	to	\$99,999	935	481	374	242	103	23
\$0	to	\$124,999	1,004	513	418	260	113	24
\$0	to	\$149,999	1,022	519	432	274	119	24
\$0	to	\$199,999	1,047	563	445	282	123	24
\$0	or	more	1,094	577	463	288	127	24

Demand Estimate, Restricted, 60% of AMI							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	-	-	-	-	-	-	-
Maximum Income, 1BR	-	-	-	-	-	-	-
Maximum Income, 2BR	\$28,500	\$32,580	\$36,660	\$40,680	-	-	-
Maximum Income, 3BR	-	-	-	-	-	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$28,500	\$32,580	\$36,660	\$40,680	-	-	-
Minimum Income, 0BR	-	-	-	-	-	-	-
Minimum Income, 1BR	-	-	-	-	-	-	-
Minimum Income, 2BR	\$28,320	\$28,320	\$28,320	\$28,320	-	-	-
Minimum Income, 3BR	-	-	-	-	-	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	\$28,320	\$28,320	\$28,320	\$28,320	-	-	-
HH Below Upper Income	614	276	209	105	0	0	
HH Below Lower Income	606	255	136	43	0	0	
Subtotal	8	21	74	62	0	0	

Demand Estimate

164

Our analysis suggests demand for a total of 164 size- and income-qualified units in the market area.

Please note: This demand estimate does not account for income band overlap at the project level. A demand estimate taking this into consideration will be developed later.

Demand Estimate, Project-Level

In this section we account for income-band overlap and develop a project-level demand estimate for the subject property.

Renter Households, by Income, by Size								
			2020					
	2019	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	289	73	63	13	7	1
\$0	to	\$19,999	481	180	91	36	20	4
\$0	to	\$29,999	637	274	147	45	39	13
\$0	to	\$39,999	722	281	243	103	46	13
\$0	to	\$49,999	800	323	287	152	53	13
\$0	to	\$59,999	861	359	325	208	69	16
\$0	to	\$74,999	899	423	357	238	87	20
\$0	to	\$99,999	935	481	374	242	103	23
\$0	to	\$124,999	1,004	513	418	260	113	24
\$0	to	\$149,999	1,022	519	432	274	119	24
\$0	to	\$199,999	1,047	563	445	282	123	24
\$0	or	more	1,094	577	463	288	127	24

Demand Estimate, Project-Level							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, Subsidized	\$28,500	\$32,580	\$36,660	\$40,680	-	-	
Maximum Income, 30% of AMI	-	-	-	-	-	-	
Maximum Income, 40% of AMI	-	-	-	-	-	-	
Maximum Income, 50% of AMI	-	-	-	-	-	-	
Maximum Income, 60% of AMI	\$28,500	\$32,580	\$36,660	\$40,680	-	-	
Maximum Income, 70% of AMI	-	-	-	-	-	-	
Maximum Income, 80% of AMI	-	-	-	-	-	-	
Maximum Income, Market Rate	-	-	-	-	-	-	
Maximum Allowable Income	\$28,500	\$32,580	\$36,660	\$40,680	-	-	
Minimum Income, Subsidized	\$3,531	\$3,531	\$4,834	\$4,834	-	-	
Minimum Income, 30% of AMI	-	-	-	-	-	-	
Minimum Income, 40% of AMI	-	-	-	-	-	-	
Minimum Income, 50% of AMI	-	-	-	-	-	-	
Minimum Income, 60% of AMI	\$28,320	\$28,320	\$28,320	\$28,320	-	-	
Minimum Income, 70% of AMI	-	-	-	-	-	-	
Minimum Income, 80% of AMI	-	-	-	-	-	-	
Minimum Income, Market Rate	-	-	-	-	-	-	
Minimum Qualified Income	\$3,531	\$3,531	\$4,834	\$4,834	-	-	
HH Below Upper Income	614	276	209	105	0	0	
HH Below Lower Income	101	26	28	6	0	0	
Subtotal	512	250	181	100	0	0	

Demand Estimate 1,043

Our analysis suggests project-level demand for a total of 1,043 size- and income-qualified units in the market area.

Capture Rates

In this section, we summarize our demand conclusions and estimate the capture rate for the subject property. Our analysis begins by summarizing the estimated number of vacant subject property units on the date of market entry.

Subject Property Units (Total)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	8								8
2BR	15				1				16
3BR									
4BR									
Tot	23				1				24

Subject Property Units (Vacant at Market Entry)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	4								4
2BR	7				1				8
3BR									
4BR									
Tot	11				1				12

The next step in our analysis is to summarize the demand conclusions derived previously. For purposes of this analysis, we define demand as age- and income- qualified renter households for each of the unit types proposed at the subject property. Unit-level demand estimates are found in the body of the chart found below; project-level demand estimates are found in the column and row totals.

Please note: Because of income-band overlap, unit-level demand may not add up to project-level demand. The overlap, which was quantified in the demand estimates presented earlier, has been accounted for in our estimates of project-level demand.

Gross Demand									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	763								763
2BR	1,007				164				1,171
3BR									
4BR									
Tot	1,043				164				1,043

The next step in our analysis is to compute the capture rate for the project. For purposes of this computation, we define capture rate as the number of subject property units divided by gross demand. Underwriters often utilize capture rate limits of 10 to 25 percent using this methodology. Our estimates are presented below:

Capture Rates (Subject Property Units / Gross Demand)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	0.5%								0.5%
2BR	0.7%				0.6%				0.7%
3BR									
4BR									
Tot	1.1%				0.6%				1.2%

The next step in our analysis is to tabulate the number of vacant competing & pipeline units in the market area by

unit/income type. This information will be used to further refine our capture rate estimate for the subject property. A table showing the distribution of vacant competing & pipeline units is found below.

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	1								1
2BR									
3BR									
4BR									
Tot	1								1

The next step in our analysis is to subtract the number of vacant competing & pipeline units from gross demand to arrive at a net demand estimate for the subject property units. As described earlier, unit-level net demand estimates are found in the body of the chart found below; project-level net demand estimates are found in the column and row totals.

Please note: Because of income-band overlap, unit-level net demand may not add up to project-level net demand. The overlap, which was quantified in the demand estimates presented earlier, has been accounted for in our estimates of project-level net demand.

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	762								762
2BR	1,007				164				1,171
3BR									
4BR									
Tot	1,042				164				1,042

The next step in our analysis is to compute the capture rate for the project. For purposes of this computation, we define capture rate as the number of subject property units divided by net demand. A capture rate in excess of 20 percent is considered excessive using this methodology. Our estimates are presented below:

	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	0.5%								0.5%
2BR	0.7%				0.6%				0.7%
3BR									
4BR									
Tot	1.1%				0.6%				1.2%

In our opinion, the estimated project-level capture rate suggests an appropriate number of units for the subject property. The unit level capture rates suggest an appropriate mix of units for the subject property.

Penetration Rates

In this section, we summarize our demand conclusions and estimate the penetration rate for the subject property. Our analysis begins by summarizing the estimated number of vacant subject property units on the date of market entry.

Subject Property Units (Total)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	8								8
2BR	15				1				16
3BR									
4BR									
Tot	23				1				24

Subject Property Units (Vacant at Market Entry)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	4								4
2BR	7				1				8
3BR									
4BR									
Tot	11				1				12

The next step in our analysis is to summarize the demand conclusions derived previously. For purposes of this analysis, we define demand as age- and income- qualified renter households for each of the unit types proposed at the subject property. Unit-level demand estimates are found in the body of the chart found below; project-level demand estimates are found in the column and row totals.

Please note: Because of income-band overlap, unit-level demand may not add up to project-level demand. The overlap, which was quantified in the demand estimates presented earlier, has been accounted for in our estimates of project-level demand.

Gross Demand									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	763								763
2BR	1,007				164				1,171
3BR									
4BR									
Tot	1,043				164				1,043

The next step in our analysis is to tabulate the number of competing & pipeline units in the market area by unit/income type. This information will be used to derive our penetration rate estimate for the subject property. A table showing the distribution of competing & pipeline units is found below.

Competing & Pipeline Units									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	8								8
2BR	15				1				16
3BR									
4BR									
Tot	23				1				24

The next step in our analysis is to compute inclusive supply for the market area by unit/income type. Inclusive

supply will be taken into account in our penetration rate estimate for the subject property. For purposes of this estimate, inclusive supply consists of vacant subject property units plus competing & pipeline units.

Inclusive Supply (Subject Property Units + Competing & Pipeline Units)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	12								12
2BR	22				2				24
3BR									
4BR									
Tot	34				2				36

The next step in our analysis is to compute the penetration rate for the project. For purposes of this computation, penetration rate is defined as inclusive supply divided by gross demand. A penetration rate in excess of 100 percent is considered excessive using this methodology. Our estimates are presented below:

Penetration Rates (Inclusive Supply / Gross Demand)									
	Sub	30%	40%	50%	60%	70%	80%	Mkt	Tot
0BR									
1BR	1.6%								1.6%
2BR	2.2%				1.2%				2.0%
3BR									
4BR									
Tot	3.3%				1.2%				3.5%

In our opinion, the estimated project-level penetration rate suggest an appropriate number of units for the subject property. The unit-level penetration rates suggest an appropriate mix of units for the subject property.

Absorption Period

In this section, we estimate the absorption period for the subject property. Our analysis begins by summarizing the estimated number of vacant subject property units on the date of market entry.

Subject Property Units (Total)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	8							
2BR	15				1			
3BR								
4BR								

Subject Property Units (Vacant at Market Entry)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	4							
2BR	7				1			
3BR								
4BR								

The next step in our analysis is to summarize the demand conclusions derived previously. For purposes of this analysis, we define demand as age- and income- qualified renter households for each of the unit types proposed at the subject property. Our analysis uses the unit-level demand estimates derived previously.

Gross Demand								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	763							
2BR	1,007				164			
3BR								
4BR								

The next step in our analysis is to apply an annual growth & movership rate to derive an annual rental household growth & movership estimate for the market area. Our estimates are found in the tables below.

Annual Growth & Movership Rate	
Growth	-0.5%
Movership	26.0%
Total	25.5%

Growth & Movership Estimate								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	194							
2BR	257				42			
3BR								
4BR								

The next step in our analysis is to account for secondary market area migration in our annual rental household growth & movership estimate for the market area. Our estimates are found in the tables below.

Secondary Market Area	
	20%

Growth & Movership Estimate								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	243							
2BR	321				52			
3BR								
4BR								

The next step in our analysis is to estimate fair share, or the proportion of growth and movership that we would expect the subject property to capture. The fair share analysis is used extensively in single-family, multifamily, commercial, and retail market studies. The books entitled Market Analysis for Valuation Appraisals (1994, Appraisal Institute) and Market Analysis and Highest & Best Use (2005, Appraisal institute) provide a good overview of this technique and its application to a variety of property types.

Based on our review of the subject and competing properties, along with their relative conditions/locations, we arrive at the following fair share estimates for the various unit/income types at the subject property.

Competing Properties								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	1		1	1				1
2BR	1		1	1	1			2
3BR								1
4BR								

Fair Share								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	20.0%							
2BR	20.0%				20.0%			
3BR								
4BR								

Applying the concluded fair share estimates to annual growth & movership and dividing by twelve yields the following monthly absorption rate estimates for the various unit/income types at the subject property.

Monthly Absorption Rate Estimate								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	4.0							
2BR	5.3				0.9			
3BR								
4BR								

The next step in our analysis is to estimate stabilized occupancy by unit/income type for the subject property. These estimates, which were based on data previously presented in the supply analysis and rent comparability analysis sections of this report, are found below.

Rental Property Inventory, Confirmed, Inside Market Area, Family, Stabilized Occupancy								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	88%		100%	100%				50%
2BR	100%		100%	100%	100%			86%
3BR								100%
4BR								

Occupancy Rate, Select Comparables								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	96%		100%	100%	100%			80%
2BR	100%		100%	100%	98%			95%
3BR								
4BR								

Concluded Stabilized Occupancy Rate								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	97%							
2BR	97%				97%			
3BR								
4BR								

Applying the stabilized occupancy rate estimates to the number of vacant subject property units at market entry, yields the number of occupied units by unit/income type at stabilization as set forth below.

Occupied Units at Stabilization								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	4							
2BR	7				1			
3BR								
4BR								

Dividing the number of occupied units at stabilization by the monthly absorption rate yields an absorption period estimate by unit/income type for the various units at the subject property. Underwriters often utilize absorption period limits of 12 to 18 months for projects similar to the subject property. Our absorption period estimates are found below.

Absorption Period (Months to Stabilization)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
0BR								
1BR	<1							
2BR	1				1			
3BR								
4BR								

Our analysis suggests that the subject property will stabilize at 97 percent occupancy. We estimate 1 months of absorption and an average absorption rate of 9.2 units per month for this project. In our opinion, the absorption period suggests an appropriate number and mix of units for the subject property.

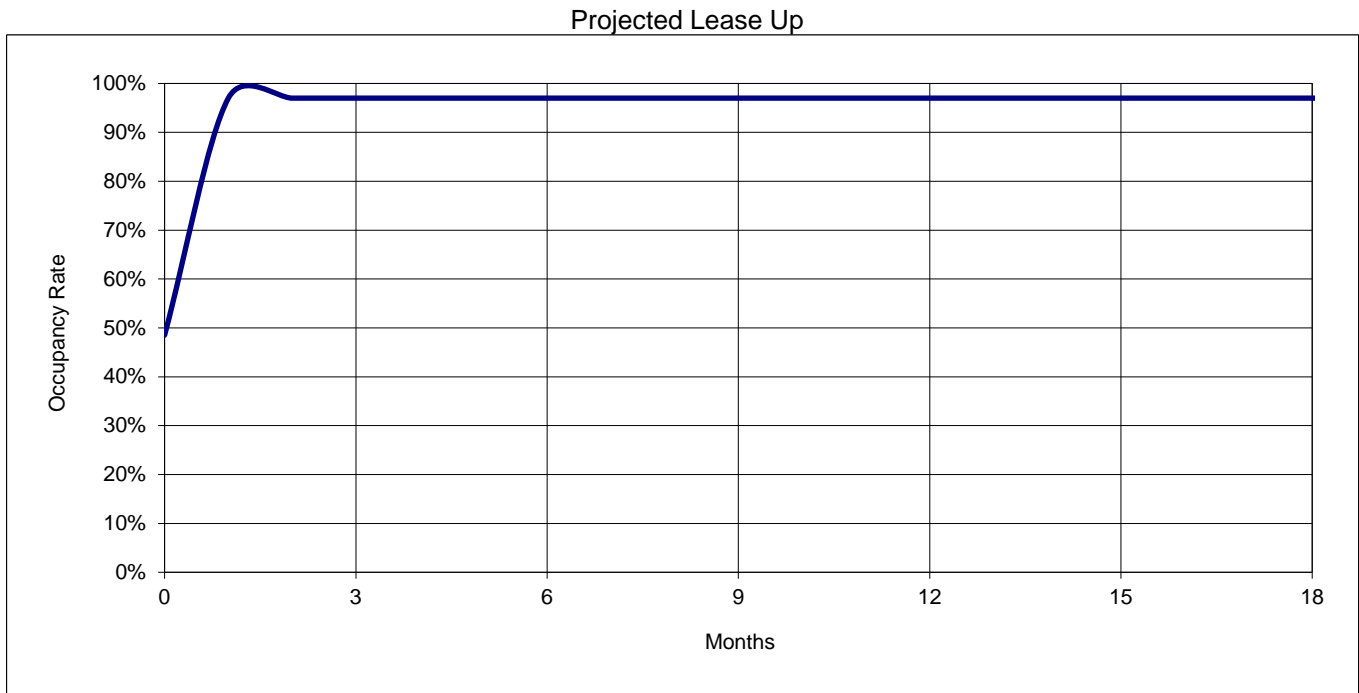
Absorption rates for multifamily properties depend on a variety of factors: (1) The competitive environment in which the property resides; (2) The pricing of the subject property units relative to competing units, (3) The presence of rent or income restrictions at the subject property; and (4) The availability of any rent concessions or rental assistance at the subject property. Subsidized properties normally lease up at a rate of 15-20 units per month. Unsubsidized properties with rent and income restrictions typically fill at a rate of 5-10 units per month. Market rate properties normally lease up at a rate of 10-15 units per month.

As part of our analysis, we inquired about the absorption history for every property we surveyed. The following list summarizes our findings:

Key	Project	Built	Renovated	Rent Type	Occ Type	Tot Units	Ab Rte
010	Courthouse Commons, Phase 2	2007	na	Market Rate	Family	12	-
017	Falls, (The) Apartments	2007	na	Market Rate	Family	44	-
019	Foxchase Apartments	2003	na	Restricted	Family	60	-
031	Midtown Apartments	2017	na	Market Rate	Family	16	-
032	Mill Pond Village Apartments	2002	na	Subsidized	Elderly	24	-
037	Parker Run Apartments	2007	na	Subsidized	Elderly	24	-
038	Port Town Village Apartments	2006	na	Subsidized	Elderly	25	-
042	Reedville Manor Apartments	2000	na	Restricted	Elderly	26	-
045	Tanyard Apartments	2002	na	Market Rate	Family	38	-
046	Tanyard Farms Apartments	2008	na	Market Rate	Family	4	-
048	Tartan Village Apartments, Phase 1	2004	na	Subsidized	Elderly	22	-
049	Tartan Village Apartments, Phase 2	2007	na	Subsidized	Elderly	18	-
051	Virginia Street Apartments	2007	na	Market Rate	Family	4	-

Absorption Analysis

In this section, we analyze the anticipated lease up for the subject property. We begin our analysis by taking the the absorption period conclusions from the previous section and restating them graphically as illustrated below.



Our analysis suggests that the subject property will achieve 70 percent occupancy in 0 months, 80 percent occupancy in 0 months, and 90 percent occupancy in 0 months. We anticipate that the subject property will stabilize at 97 percent occupancy in 1 months.

It is important to note that this analysis does not account for pent-up demand, pre-leasing efforts or rent concessions. In our opinion, an effective pre-leasing effort could result in a month-for-month reduction in the estimated absorption period for this project. In addition, any concessions or rent subsidies not accounted for already in this analysis could cut capture rates and absorption periods significantly.

VHDA DEMAND ANALYSIS

Overview

In this section we evaluate demand for the subject property using the VHDA demand methodology. For purposes of this analysis, we define VHDA demand as the number of new income-qualified and existing income-qualified overburdened and substandard renter households that would qualify to live at the subject property at the lesser of achievable rents or the sponsor's proposed rents. Our analysis accounts for any rent subsidies for the subject property.

Our analysis begins by developing a breakdown of the number of renter households, by income, by size as of the date of market entry for this development. This breakdown, which utilizes demographic data presented earlier in this report, is presented below:

Renter Households, by Income, by Size

2019 \$			2019						
Min	to	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	Total
\$0	to	\$9,999	291	74	63	13	7	1	449
\$0	to	\$19,999	484	181	91	37	20	4	816
\$0	to	\$29,999	641	276	148	45	39	13	1,161
\$0	to	\$39,999	726	282	245	103	46	13	1,415
\$0	to	\$49,999	804	324	288	153	53	13	1,635
\$0	to	\$59,999	866	361	327	209	69	16	1,848
\$0	to	\$74,999	904	425	359	239	87	20	2,034
\$0	to	\$99,999	940	484	376	243	104	23	2,169
\$0	to	\$124,999	1,009	515	420	261	114	24	2,343
\$0	to	\$149,999	1,027	522	434	275	119	24	2,401
\$0	to	\$199,999	1,053	565	447	284	124	24	2,497
\$0	or	more	1,099	580	465	289	127	24	2,584

Source: ESRI & Ribbon Demographics

Demand Estimate, 1-Bedroom, Subsidized, 60% of AMI

In this section we estimate demand for the 1-Bedroom / Subsidized / 60% of AMI units at the subject property. Our analysis assumes a total of 8 units, 4 of which are anticipated to be vacant on market entry in 2019. Our analysis assumes a 35% income qualification ratio and 2-person households.

Unit Details	
Target Population	Family Households
Unit Type	1-Bedroom
Rent Type	Subsidized
Income Limit	60% of AMI
Total Units	8
Vacant Units at Market Entry	4

Minimum Qualified Income	
Net Rent	\$0
Utilities	\$103
Gross Rent	\$103
Income Qualification Ratio	35%
Minimum Qualified Income	\$294
Months/Year	12
Minimum Qualified Income	\$3,531

Renter Households, by Income, by Size									
2019									
	2019	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
	\$0	to	\$9,999	291	74	63	13	7	1
	\$0	to	\$19,999	484	181	91	37	20	4
	\$0	to	\$29,999	641	276	148	45	39	13
	\$0	to	\$39,999	726	282	245	103	46	13
	\$0	to	\$49,999	804	324	288	153	53	13
	\$0	to	\$59,999	866	361	327	209	69	16
	\$0	to	\$74,999	904	425	359	239	87	20
	\$0	to	\$99,999	940	484	376	243	104	23
	\$0	to	\$124,999	1,009	515	420	261	114	24
	\$0	to	\$149,999	1,027	522	434	275	119	24
	\$0	to	\$199,999	1,053	565	447	284	124	24
	\$0	or	more	1,099	580	465	289	127	24

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$28,500	\$32,580	\$36,660	\$40,680	\$43,980	\$47,220	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	No	No	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	617	278	0	0	0	0
HH Below Minimum Income	102	26	0	0	0	0
Subtotal	516	252	0	0	0	0

Demand Estimate 767

Our analysis suggests demand for a total of 767 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 2-Bedroom, Subsidized, 60% of AMI

In this section we estimate demand for the 2-Bedroom / Subsidized / 60% of AMI units at the subject property. Our analysis assumes a total of 15 units, 7 of which are anticipated to be vacant on market entry in 2019. Our analysis assumes a 35% income qualification ratio and 4-person households.

Unit Details	
Target Population	Family Households
Unit Type	2-Bedroom
Rent Type	Subsidized
Income Limit	60% of AMI
Total Units	15
Vacant Units at Market Entry	7

Minimum Qualified Income	
Net Rent	\$0
Utilities	\$141
Gross Rent	\$141
Income Qualification Ratio	35%
Minimum Qualified Income	\$403
Months/Year	12
Minimum Qualified Income	\$4,834

Renter Households, by Income, by Size									
2019									
	2019	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
	\$0	to	\$9,999	291	74	63	13	7	1
	\$0	to	\$19,999	484	181	91	37	20	4
	\$0	to	\$29,999	641	276	148	45	39	13
	\$0	to	\$39,999	726	282	245	103	46	13
	\$0	to	\$49,999	804	324	288	153	53	13
	\$0	to	\$59,999	866	361	327	209	69	16
	\$0	to	\$74,999	904	425	359	239	87	20
	\$0	to	\$99,999	940	484	376	243	104	23
	\$0	to	\$124,999	1,009	515	420	261	114	24
	\$0	to	\$149,999	1,027	522	434	275	119	24
	\$0	to	\$199,999	1,053	565	447	284	124	24
	\$0	or	more	1,099	580	465	289	127	24

Maximum Allowable Income								
			1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Maximum Allowable Income			\$28,500	\$32,580	\$36,660	\$40,680	\$43,980	\$47,220

Size Qualified								
			1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified			Yes	Yes	Yes	Yes	No	No

Demand Estimate								
			1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income			617	278	211	106	0	0
HH Below Minimum Income			131	33	28	6	0	0
Subtotal			487	244	183	100	0	0

Demand Estimate 1,013

Our analysis suggests demand for a total of 1,013 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 2-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 2-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 1 units, 1 of which are anticipated to be vacant on market entry in 2019. Our analysis assumes a 35% income qualification ratio and 4-person households.

Unit Details	
Target Population	Family Households
Unit Type	2-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	1
Vacant Units at Market Entry	1

Minimum Qualified Income	
Net Rent	\$685
Utilities	\$141
Gross Rent	\$826
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,360
Months/Year	12
Minimum Qualified Income	\$28,320

Renter Households, by Income, by Size								
2019								
2019	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	291	74	63	13	7	1
\$0	to	\$19,999	484	181	91	37	20	4
\$0	to	\$29,999	641	276	148	45	39	13
\$0	to	\$39,999	726	282	245	103	46	13
\$0	to	\$49,999	804	324	288	153	53	13
\$0	to	\$59,999	866	361	327	209	69	16
\$0	to	\$74,999	904	425	359	239	87	20
\$0	to	\$99,999	940	484	376	243	104	23
\$0	to	\$124,999	1,009	515	420	261	114	24
\$0	to	\$149,999	1,027	522	434	275	119	24
\$0	to	\$199,999	1,053	565	447	284	124	24
\$0	or	more	1,099	580	465	289	127	24

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$28,500	\$32,580	\$36,660	\$40,680	\$43,980	\$47,220	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	617	278	211	106	0	0
HH Below Minimum Income	610	257	137	43	0	0
Subtotal	8	21	74	62	0	0

Demand Estimate 165

Our analysis suggests demand for a total of 165 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, Subsidized

In this section we account for income-band overlap and develop a demand estimate for the subsidized units at the subject property.

Renter Households, by Income, by Size								
2019								
2019	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	291	74	63	13	7	1
\$0	to	\$19,999	484	181	91	37	20	4
\$0	to	\$29,999	641	276	148	45	39	13
\$0	to	\$39,999	726	282	245	103	46	13
\$0	to	\$49,999	804	324	288	153	53	13
\$0	to	\$59,999	866	361	327	209	69	16
\$0	to	\$74,999	904	425	359	239	87	20
\$0	to	\$99,999	940	484	376	243	104	23
\$0	to	\$124,999	1,009	515	420	261	114	24
\$0	to	\$149,999	1,027	522	434	275	119	24
\$0	to	\$199,999	1,053	565	447	284	124	24
\$0	or	more	1,099	580	465	289	127	24

Demand Estimate, Subsidized							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	-	-	-	-	-	-	-
Maximum Income, 1BR	\$28,500	\$32,580	-	-	-	-	-
Maximum Income, 2BR	\$28,500	\$32,580	\$36,660	\$40,680	-	-	-
Maximum Income, 3BR	-	-	-	-	-	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$28,500	\$32,580	\$36,660	\$40,680	-	-	-
Minimum Income, 0BR	-	-	-	-	-	-	-
Minimum Income, 1BR	\$3,531	\$3,531	-	-	-	-	-
Minimum Income, 2BR	\$4,834	\$4,834	\$4,834	\$4,834	-	-	-
Minimum Income, 3BR	-	-	-	-	-	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	\$3,531	\$3,531	\$4,834	\$4,834	-	-	-
HH Below Upper Income	617	278	211	106	0	0	
HH Below Lower Income	102	26	28	6	0	0	
Subtotal	516	252	183	100	0	0	

Demand Estimate 1,050

Our analysis suggests demand for a total of 1,050 size- and income-qualified units in the market area.

Please note: This demand estimate does not account for income band overlap at the project level. A demand estimate taking this into consideration will be developed later.

Demand Estimate, Restricted, 60% of AMI

In this section we account for income-band overlap and develop a demand estimate for the units restricted to 60% of AMI at the subject property.

Renter Households, by Income, by Size								
2019								
	2019	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	291	74	63	13	7	1
\$0	to	\$19,999	484	181	91	37	20	4
\$0	to	\$29,999	641	276	148	45	39	13
\$0	to	\$39,999	726	282	245	103	46	13
\$0	to	\$49,999	804	324	288	153	53	13
\$0	to	\$59,999	866	361	327	209	69	16
\$0	to	\$74,999	904	425	359	239	87	20
\$0	to	\$99,999	940	484	376	243	104	23
\$0	to	\$124,999	1,009	515	420	261	114	24
\$0	to	\$149,999	1,027	522	434	275	119	24
\$0	to	\$199,999	1,053	565	447	284	124	24
\$0	or	more	1,099	580	465	289	127	24

Demand Estimate, Restricted, 60% of AMI							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	-	-	-	-	-	-	-
Maximum Income, 1BR	-	-	-	-	-	-	-
Maximum Income, 2BR	\$28,500	\$32,580	\$36,660	\$40,680	-	-	-
Maximum Income, 3BR	-	-	-	-	-	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$28,500	\$32,580	\$36,660	\$40,680	-	-	-
Minimum Income, 0BR	-	-	-	-	-	-	-
Minimum Income, 1BR	-	-	-	-	-	-	-
Minimum Income, 2BR	\$28,320	\$28,320	\$28,320	\$28,320	-	-	-
Minimum Income, 3BR	-	-	-	-	-	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	\$28,320	\$28,320	\$28,320	\$28,320	-	-	-
HH Below Upper Income	617	278	211	106	0	0	0
HH Below Lower Income	610	257	137	43	0	0	0
Subtotal	8	21	74	62	0	0	0

Demand Estimate

165

Our analysis suggests demand for a total of 165 size- and income-qualified units in the market area.

Please note: This demand estimate does not account for income band overlap at the project level. A demand estimate taking this into consideration will be developed later.

Demand Estimate

In this section, we derive our overburdened demand and capture rate estimates for the subject property. Our analysis, which begins with the income-qualified renter household estimates developed above, is found below.

Income Qualified Renter Households								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	1,050				165			

The next step in our analysis is to account for 2 years of growth to estimate the demand stemming from new income qualified rental households. Our estimates are found below.

Annual Renter Household Growth Rate								
-0.5%								
New Rental Households								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	-10				-2			

The next step in our analysis is to estimate existing demand stemming from income-qualified overburdened renter households in this market area. Our estimates are found below.

Overburdened Renter Households								
24.4%								
Existing Households - Rent Overburdened								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	256				40			

The next step in our analysis is to estimate existing demand stemming from income-qualified substandard renter households in this market area. Our estimates are found below.

Substandard Renter Households								
8.8%								
Existing Households - Substandard								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	93				15			

The next step in our analysis is to account for elderly homeowners likely to convert to rental housing. This component may not comprise more than 20 percent of total demand. Our estimates are found below.

Elderly Homeowners Likely to Convert to Rental Housing								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot								

The next step in our analysis is to account for existing qualifying tenants likely to remain after renovation. Our estimates are found below.

Subject Property Units (Total)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	23				1			
Existing Qualifying Tenants Likely to Remain after Renovation								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	12							

The next step in our analysis is to tally up total demand for the subject property. Our estimates are found below.

Total Demand								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	351				53			

The next step in our analysis is to tabulate the number of vacant competing & pipeline units in the market area by unit/income type. This information will be used to further refine our capture rate estimate for the subject property. A table showing the distribution of vacant competing & pipeline units is found below.

Vacant Competing & Pipeline Units								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	1							

The next step in our analysis is to subtract the number of vacant competing & pipeline units from total demand to arrive at a net demand estimate for the subject property. Our estimates are found below.

Net Demand (Total Demand - Vacant Competing & Pipeline Units)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	350				53			

The next step in our analysis is to compute the capture rate for the project. For purposes of this computation, we define capture rate as the total number of subject property units divided by net demand. Underwriters often utilize capture rate limits of 10 to 20 percent using this methodology. Our estimates are presented below:

Capture Rates (Subject Property Units / Net Demand)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot	6.6%				1.9%			

Our findings are summarized below.

Project-Wide Capture Rate - LIHTC Units	6.0%
Project-Wide Capture Rate - Market Units	
Project-Wide Capture Rate - All Units	6.0%
Project-Wide Absorption Period (Months)	1 months

Please note: Project-wide capture rate estimates do not account for income band overlap at the project level.

VHDA DEMAND ANALYSIS (UNSUBSIDIZED)

Overview

In this section we evaluate demand for the subject property using the VHDA demand methodology. For purposes of this analysis, we define VHDA demand as the number of new income-qualified and existing income-qualified overburdened and substandard renter households that would qualify to live at the subject property at the lesser of achievable rents or the sponsor's proposed rents. Our analysis IGNORES any rent subsidies for the subject property.

Our analysis begins by developing a breakdown of the number of renter households, by income, by size as of the date of market entry for this development. This breakdown, which utilizes demographic data presented earlier in this report, is presented below:

2019 \$		Renter Households, by Income, by Size							Total
		2019							
Min	Max	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person		
\$0	to \$9,999	291	74	63	13	7	1	449	
\$0	to \$19,999	484	181	91	37	20	4	816	
\$0	to \$29,999	641	276	148	45	39	13	1,161	
\$0	to \$39,999	726	282	245	103	46	13	1,415	
\$0	to \$49,999	804	324	288	153	53	13	1,635	
\$0	to \$59,999	866	361	327	209	69	16	1,848	
\$0	to \$74,999	904	425	359	239	87	20	2,034	
\$0	to \$99,999	940	484	376	243	104	23	2,169	
\$0	to \$124,999	1,009	515	420	261	114	24	2,343	
\$0	to \$149,999	1,027	522	434	275	119	24	2,401	
\$0	to \$199,999	1,053	565	447	284	124	24	2,497	
\$0	or more	1,099	580	465	289	127	24	2,584	

Source: ESRI & Ribbon Demographics

Demand Estimate, 1-Bedroom, Restricted, 40% of AMI

In this section we estimate demand for the 1-Bedroom / Restricted / 40% of AMI units at the subject property. Our analysis assumes a total of 1 units, 1 of which are anticipated to be vacant on market entry in 2019. Our analysis assumes a 35% income qualification ratio and 2-person households.

Unit Details	
Target Population	Family Households
Unit Type	1-Bedroom
Rent Type	Restricted
Income Limit	40% of AMI
Total Units	1
Vacant Units at Market Entry	1

Minimum Qualified Income	
Net Rent	\$406
Utilities	\$103
Gross Rent	\$509
Income Qualification Ratio	35%
Minimum Qualified Income	\$1,454
Months/Year	12
Minimum Qualified Income	\$17,451

Renter Households, by Income, by Size									
2019									
	2019	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
	\$0	to	\$9,999	291	74	63	13	7	1
	\$0	to	\$19,999	484	181	91	37	20	4
	\$0	to	\$29,999	641	276	148	45	39	13
	\$0	to	\$39,999	726	282	245	103	46	13
	\$0	to	\$49,999	804	324	288	153	53	13
	\$0	to	\$59,999	866	361	327	209	69	16
	\$0	to	\$74,999	904	425	359	239	87	20
	\$0	to	\$99,999	940	484	376	243	104	23
	\$0	to	\$124,999	1,009	515	420	261	114	24
	\$0	to	\$149,999	1,027	522	434	275	119	24
	\$0	to	\$199,999	1,053	565	447	284	124	24
	\$0	or	more	1,099	580	465	289	127	24

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$19,000	\$21,720	\$24,440	\$27,120	\$29,320	\$31,480	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	No	No	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	465	195	0	0	0	0
HH Below Minimum Income	426	149	0	0	0	0
Subtotal	39	46	0	0	0	0

Demand Estimate 85

Our analysis suggests demand for a total of 85 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 1-Bedroom, Restricted, 50% of AMI

In this section we estimate demand for the 1-Bedroom / Restricted / 50% of AMI units at the subject property. Our analysis assumes a total of 3 units, 1 of which are anticipated to be vacant on market entry in 2019. Our analysis assumes a 35% income qualification ratio and 2-person households.

Unit Details	
Target Population	Family Households
Unit Type	1-Bedroom
Rent Type	Restricted
Income Limit	50% of AMI
Total Units	3
Vacant Units at Market Entry	1

Minimum Qualified Income	
Net Rent	\$525
Utilities	\$103
Gross Rent	\$628
Income Qualification Ratio	35%
Minimum Qualified Income	\$1,794
Months/Year	12
Minimum Qualified Income	\$21,531

Renter Households, by Income, by Size									
2019									
	2019	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
	\$0	to	\$9,999	291	74	63	13	7	1
	\$0	to	\$19,999	484	181	91	37	20	4
	\$0	to	\$29,999	641	276	148	45	39	13
	\$0	to	\$39,999	726	282	245	103	46	13
	\$0	to	\$49,999	804	324	288	153	53	13
	\$0	to	\$59,999	866	361	327	209	69	16
	\$0	to	\$74,999	904	425	359	239	87	20
	\$0	to	\$99,999	940	484	376	243	104	23
	\$0	to	\$124,999	1,009	515	420	261	114	24
	\$0	to	\$149,999	1,027	522	434	275	119	24
	\$0	to	\$199,999	1,053	565	447	284	124	24
	\$0	or	more	1,099	580	465	289	127	24

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$23,750	\$27,150	\$30,550	\$33,900	\$36,650	\$39,350	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	No	No	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	539	248	0	0	0	0
HH Below Minimum Income	508	195	0	0	0	0
Subtotal	31	52	0	0	0	0

Demand Estimate 84

Our analysis suggests demand for a total of 84 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 1-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 1-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 4 units, 2 of which are anticipated to be vacant on market entry in 2019. Our analysis assumes a 35% income qualification ratio and 2-person households.

Unit Details	
Target Population	Family Households
Unit Type	1-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	4
Vacant Units at Market Entry	2

Minimum Qualified Income	
Net Rent	\$535
Utilities	\$103
Gross Rent	\$638
Income Qualification Ratio	35%
Minimum Qualified Income	\$1,823
Months/Year	12
Minimum Qualified Income	\$21,874

Renter Households, by Income, by Size									
2019									
	2019	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
	\$0	to	\$9,999	291	74	63	13	7	1
	\$0	to	\$19,999	484	181	91	37	20	4
	\$0	to	\$29,999	641	276	148	45	39	13
	\$0	to	\$39,999	726	282	245	103	46	13
	\$0	to	\$49,999	804	324	288	153	53	13
	\$0	to	\$59,999	866	361	327	209	69	16
	\$0	to	\$74,999	904	425	359	239	87	20
	\$0	to	\$99,999	940	484	376	243	104	23
	\$0	to	\$124,999	1,009	515	420	261	114	24
	\$0	to	\$149,999	1,027	522	434	275	119	24
	\$0	to	\$199,999	1,053	565	447	284	124	24
	\$0	or	more	1,099	580	465	289	127	24

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$28,500	\$32,580	\$36,660	\$40,680	\$43,980	\$47,220	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	No	No	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	617	278	0	0	0	0
HH Below Minimum Income	508	195	0	0	0	0
Subtotal	110	82	0	0	0	0

Demand Estimate 192

Our analysis suggests demand for a total of 192 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 2-Bedroom, Restricted, 40% of AMI

In this section we estimate demand for the 2-Bedroom / Restricted / 40% of AMI units at the subject property. Our analysis assumes a total of 2 units, 1 of which are anticipated to be vacant on market entry in 2019. Our analysis assumes a 35% income qualification ratio and 4-person households.

Unit Details	
Target Population	Family Households
Unit Type	2-Bedroom
Rent Type	Restricted
Income Limit	40% of AMI
Total Units	2
Vacant Units at Market Entry	1

Minimum Qualified Income	
Net Rent	\$470
Utilities	\$141
Gross Rent	\$611
Income Qualification Ratio	35%
Minimum Qualified Income	\$1,746
Months/Year	12
Minimum Qualified Income	\$20,949

Renter Households, by Income, by Size									
2019									
	2019	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
	\$0	to	\$9,999	291	74	63	13	7	1
	\$0	to	\$19,999	484	181	91	37	20	4
	\$0	to	\$29,999	641	276	148	45	39	13
	\$0	to	\$39,999	726	282	245	103	46	13
	\$0	to	\$49,999	804	324	288	153	53	13
	\$0	to	\$59,999	866	361	327	209	69	16
	\$0	to	\$74,999	904	425	359	239	87	20
	\$0	to	\$99,999	940	484	376	243	104	23
	\$0	to	\$124,999	1,009	515	420	261	114	24
	\$0	to	\$149,999	1,027	522	434	275	119	24
	\$0	to	\$199,999	1,053	565	447	284	124	24
	\$0	or	more	1,099	580	465	289	127	24

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$19,000	\$21,720	\$24,440	\$27,120	\$29,320	\$31,480	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	0	195	114	43	0	0
HH Below Minimum Income	0	186	94	37	0	0
Subtotal	0	10	20	5	0	0

Demand Estimate 35

Our analysis suggests demand for a total of 35 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 2-Bedroom, Restricted, 50% of AMI

In this section we estimate demand for the 2-Bedroom / Restricted / 50% of AMI units at the subject property. Our analysis assumes a total of 6 units, 3 of which are anticipated to be vacant on market entry in 2019. Our analysis assumes a 35% income qualification ratio and 4-person households.

Unit Details	
Target Population	Family Households
Unit Type	2-Bedroom
Rent Type	Restricted
Income Limit	50% of AMI
Total Units	6
Vacant Units at Market Entry	3

Minimum Qualified Income	
Net Rent	\$622
Utilities	\$141
Gross Rent	\$763
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,180
Months/Year	12
Minimum Qualified Income	\$26,160

Renter Households, by Income, by Size									
2019									
	2019	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
	\$0	to	\$9,999	291	74	63	13	7	1
	\$0	to	\$19,999	484	181	91	37	20	4
	\$0	to	\$29,999	641	276	148	45	39	13
	\$0	to	\$39,999	726	282	245	103	46	13
	\$0	to	\$49,999	804	324	288	153	53	13
	\$0	to	\$59,999	866	361	327	209	69	16
	\$0	to	\$74,999	904	425	359	239	87	20
	\$0	to	\$99,999	940	484	376	243	104	23
	\$0	to	\$124,999	1,009	515	420	261	114	24
	\$0	to	\$149,999	1,027	522	434	275	119	24
	\$0	to	\$199,999	1,053	565	447	284	124	24
	\$0	or	more	1,099	580	465	289	127	24

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$23,750	\$27,150	\$30,550	\$33,900	\$36,650	\$39,350	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	0	248	153	65	0	0
HH Below Minimum Income	0	238	125	42	0	0
Subtotal	0	10	28	24	0	0

Demand Estimate 61

Our analysis suggests demand for a total of 61 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, 2-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 2-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 8 units, 4 of which are anticipated to be vacant on market entry in 2019. Our analysis assumes a 35% income qualification ratio and 4-person households.

Unit Details	
Target Population	Family Households
Unit Type	2-Bedroom
Rent Type	Restricted
Income Limit	60% of AMI
Total Units	8
Vacant Units at Market Entry	4

Minimum Qualified Income	
Net Rent	\$685
Utilities	\$141
Gross Rent	\$826
Income Qualification Ratio	35%
Minimum Qualified Income	\$2,360
Months/Year	12
Minimum Qualified Income	\$28,320

Renter Households, by Income, by Size								
2019								
2019	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
\$0	to	\$9,999	291	74	63	13	7	1
\$0	to	\$19,999	484	181	91	37	20	4
\$0	to	\$29,999	641	276	148	45	39	13
\$0	to	\$39,999	726	282	245	103	46	13
\$0	to	\$49,999	804	324	288	153	53	13
\$0	to	\$59,999	866	361	327	209	69	16
\$0	to	\$74,999	904	425	359	239	87	20
\$0	to	\$99,999	940	484	376	243	104	23
\$0	to	\$124,999	1,009	515	420	261	114	24
\$0	to	\$149,999	1,027	522	434	275	119	24
\$0	to	\$199,999	1,053	565	447	284	124	24
\$0	or	more	1,099	580	465	289	127	24

Maximum Allowable Income							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Allowable Income	\$28,500	\$32,580	\$36,660	\$40,680	\$43,980	\$47,220	

Size Qualified						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
Size Qualified	Yes	Yes	Yes	Yes	No	No

Demand Estimate						
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
HH Below Maximum Income	617	278	211	106	0	0
HH Below Minimum Income	610	257	137	43	0	0
Subtotal	8	21	74	62	0	0

Demand Estimate 165

Our analysis suggests demand for a total of 165 size- and income-qualified units in the market area.

Please note: This unit-level demand estimate does not account for income band overlap with other units. Project-level demand estimates taking these factors into consideration will be developed later.

Demand Estimate, Restricted, 40% of AMI

In this section we account for income-band overlap and develop a demand estimate for the units restricted to 40% of AMI at the subject property.

Renter Households, by Income, by Size								
2019								
	2019	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	291	74	63	13	7	1
\$0	to	\$19,999	484	181	91	37	20	4
\$0	to	\$29,999	641	276	148	45	39	13
\$0	to	\$39,999	726	282	245	103	46	13
\$0	to	\$49,999	804	324	288	153	53	13
\$0	to	\$59,999	866	361	327	209	69	16
\$0	to	\$74,999	904	425	359	239	87	20
\$0	to	\$99,999	940	484	376	243	104	23
\$0	to	\$124,999	1,009	515	420	261	114	24
\$0	to	\$149,999	1,027	522	434	275	119	24
\$0	to	\$199,999	1,053	565	447	284	124	24
\$0	or	more	1,099	580	465	289	127	24

Demand Estimate, Restricted, 40% of AMI							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	-	-	-	-	-	-	-
Maximum Income, 1BR	\$19,000	\$21,720	-	-	-	-	-
Maximum Income, 2BR	-	\$21,720	\$24,440	\$27,120	-	-	-
Maximum Income, 3BR	-	-	-	-	-	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$19,000	\$21,720	\$24,440	\$27,120	-	-	-
Minimum Income, 0BR	-	-	-	-	-	-	-
Minimum Income, 1BR	\$17,451	\$17,451	-	-	-	-	-
Minimum Income, 2BR	-	\$20,949	\$20,949	\$20,949	-	-	-
Minimum Income, 3BR	-	-	-	-	-	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	\$17,451	\$17,451	\$20,949	\$20,949	-	-	-
HH Below Upper Income	465	195	114	43	0	0	
HH Below Lower Income	426	149	94	37	0	0	
Subtotal	39	46	20	5	0	0	

Demand Estimate

110

Our analysis suggests demand for a total of 110 size- and income-qualified units in the market area.

Please note: This demand estimate does not account for income band overlap at the project level. A demand estimate taking this into consideration will be developed later.

Demand Estimate, Restricted, 50% of AMI

In this section we account for income-band overlap and develop a demand estimate for the units restricted to 50% of AMI at the subject property.

Renter Households, by Income, by Size								
2019								
	2019	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	291	74	63	13	7	1
\$0	to	\$19,999	484	181	91	37	20	4
\$0	to	\$29,999	641	276	148	45	39	13
\$0	to	\$39,999	726	282	245	103	46	13
\$0	to	\$49,999	804	324	288	153	53	13
\$0	to	\$59,999	866	361	327	209	69	16
\$0	to	\$74,999	904	425	359	239	87	20
\$0	to	\$99,999	940	484	376	243	104	23
\$0	to	\$124,999	1,009	515	420	261	114	24
\$0	to	\$149,999	1,027	522	434	275	119	24
\$0	to	\$199,999	1,053	565	447	284	124	24
\$0	or	more	1,099	580	465	289	127	24

Demand Estimate, Restricted, 50% of AMI							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	-	-	-	-	-	-	-
Maximum Income, 1BR	\$23,750	\$27,150	-	-	-	-	-
Maximum Income, 2BR	-	\$27,150	\$30,550	\$33,900	-	-	-
Maximum Income, 3BR	-	-	-	-	-	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$23,750	\$27,150	\$30,550	\$33,900	-	-	-
Minimum Income, 0BR	-	-	-	-	-	-	-
Minimum Income, 1BR	\$21,531	\$21,531	-	-	-	-	-
Minimum Income, 2BR	-	\$26,160	\$26,160	\$26,160	-	-	-
Minimum Income, 3BR	-	-	-	-	-	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	\$21,531	\$21,531	\$26,160	\$26,160	-	-	-
HH Below Upper Income	539	248	153	65	0	0	0
HH Below Lower Income	508	195	125	42	0	0	0
Subtotal	31	52	28	24	0	0	0

Demand Estimate

135

Our analysis suggests demand for a total of 135 size- and income-qualified units in the market area.

Please note: This demand estimate does not account for income band overlap at the project level. A demand estimate taking this into consideration will be developed later.

Demand Estimate, Restricted, 60% of AMI

In this section we account for income-band overlap and develop a demand estimate for the units restricted to 60% of AMI at the subject property.

Renter Households, by Income, by Size								
2019								
	2019	\$	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person
\$0	to	\$9,999	291	74	63	13	7	1
\$0	to	\$19,999	484	181	91	37	20	4
\$0	to	\$29,999	641	276	148	45	39	13
\$0	to	\$39,999	726	282	245	103	46	13
\$0	to	\$49,999	804	324	288	153	53	13
\$0	to	\$59,999	866	361	327	209	69	16
\$0	to	\$74,999	904	425	359	239	87	20
\$0	to	\$99,999	940	484	376	243	104	23
\$0	to	\$124,999	1,009	515	420	261	114	24
\$0	to	\$149,999	1,027	522	434	275	119	24
\$0	to	\$199,999	1,053	565	447	284	124	24
\$0	or	more	1,099	580	465	289	127	24

Demand Estimate, Restricted, 60% of AMI							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	
Maximum Income, 0BR	-	-	-	-	-	-	-
Maximum Income, 1BR	\$28,500	\$32,580	-	-	-	-	-
Maximum Income, 2BR	\$28,500	\$32,580	\$36,660	\$40,680	-	-	-
Maximum Income, 3BR	-	-	-	-	-	-	-
Maximum Income, 4BR	-	-	-	-	-	-	-
Maximum Allowable Income	\$28,500	\$32,580	\$36,660	\$40,680	-	-	-
Minimum Income, 0BR	-	-	-	-	-	-	-
Minimum Income, 1BR	\$21,874	\$21,874	-	-	-	-	-
Minimum Income, 2BR	\$28,320	\$28,320	\$28,320	\$28,320	-	-	-
Minimum Income, 3BR	-	-	-	-	-	-	-
Minimum Income, 4BR	-	-	-	-	-	-	-
Minimum Qualified Income	\$21,874	\$21,874	\$28,320	\$28,320	-	-	-
HH Below Upper Income	617	278	211	106	0	0	0
HH Below Lower Income	508	195	137	43	0	0	0
Subtotal	110	82	74	62	0	0	0

Demand Estimate

329

Our analysis suggests demand for a total of 329 size- and income-qualified units in the market area.

Please note: This demand estimate does not account for income band overlap at the project level. A demand estimate taking this into consideration will be developed later.

Demand Estimate

In this section, we derive our overburdened demand and capture rate estimates for the subject property. Our analysis, which begins with the income-qualified renter household estimates developed above, is found below.

Income Qualified Renter Households								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			110	135	329			

The next step in our analysis is to account for 2 years of growth to estimate the demand stemming from new income qualified rental households. Our estimates are found below.

Annual Renter Household Growth Rate								
-0.5%								
New Rental Households								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			-1	-1	-3			

The next step in our analysis is to estimate existing demand stemming from income-qualified overburdened renter households in this market area. Our estimates are found below.

Overburdened Renter Households								
24.4%								
Existing Households - Rent Overburdened								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			27	33	80			

The next step in our analysis is to estimate existing demand stemming from income-qualified substandard renter households in this market area. Our estimates are found below.

Substandard Renter Households								
8.8%								
Existing Households - Substandard								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			10	12	29			

The next step in our analysis is to account for elderly homeowners likely to convert to rental housing. This component may not comprise more than 20 percent of total demand. Our estimates are found below.

Elderly Homeowners Likely to Convert to Rental Housing								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot								

The next step in our analysis is to account for existing qualifying tenants likely to remain after renovation. Our estimates are found below.

Subject Property Units (Total)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			3	9	12			
Existing Qualifying Tenants Likely to Remain after Renovation								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			1	5	6			

The next step in our analysis is to tally up total demand for the subject property. Our estimates are found below.

Total Demand								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			36	49	112			

The next step in our analysis is to tabulate the number of vacant competing & pipeline units in the market area by unit/income type. This information will be used to further refine our capture rate estimate for the subject property. A table showing the distribution of vacant competing & pipeline units is found below.

Vacant Competing & Pipeline Units								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot								

The next step in our analysis is to subtract the number of vacant competing & pipeline units from total demand to arrive at a net demand estimate for the subject property. Our estimates are found below.

Net Demand (Total Demand - Vacant Competing & Pipeline Units)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			36	49	112			

The next step in our analysis is to compute the capture rate for the project. For purposes of this computation, we define capture rate as the total number of subject property units divided by net demand. Underwriters often utilize capture rate limits of 10 to 20 percent using this methodology. Our estimates are presented below:

Capture Rates (Subject Property Units / Net Demand)								
	Sub	30%	40%	50%	60%	70%	80%	Mkt
Tot			8.2%	18.5%	10.7%			

Our findings are summarized below.

Project-Wide Capture Rate - LIHTC Units	12.2%
Project-Wide Capture Rate - Market Units	
Project-Wide Capture Rate - All Units	12.2%
Project-Wide Absorption Period (Months)	1 months

Please note: Project-wide capture rate estimates do not account for income band overlap at the project level.

RENT COMPARABLES, MARKET RATE

Project Information

Property Name	Courthouse Commons, Phase 1
Street Number	260
Street Name	Wallace
Street Type	Street
City	Warsaw
State	Virginia
Zip	22572
Phone Number	(804) 445-0065
Year Built	1982
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	\$20
Waiting List	na
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	37.9560
Longitude	-76.7574
Nearest Crossroads	behind Courthouse
AAC Code	19-038 009

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Belinda Reynolds
Phone Number	(804) 572-4809
Interview Date	07-Feb-19
Interviewed By	JS

Contact advised in 2016 that most units have been rehabbed over the years. There are no new apartments or businesses nearby.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	905	Garden/Flat	Mar	Mar	No	No	3		\$595		\$595	\$89	\$684
2	2.0	1005	Garden/Flat	Mar	Mar	No	No	9		\$675		\$675	\$112	\$787
Total / Average		980						12		\$655		\$655	\$106	\$761

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	yes	yes
Sewer	yes	yes
Trash	yes	no
Comp vs. Subject	Similar	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.25	4.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.25	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	4.50	4.50
Comp vs. Subject	Similar	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	2.90	4.50
Comp vs. Subject	Inferior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	2.75	4.00
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	1995	2009
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	no
Fitness Ctr	no	no
Gazebo/Patio	no	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	no	no
Playground	no	yes
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	yes	yes
Upgraded Flooring	yes	yes
Fireplace	no	no
Patio/Balcony	no	yes
Storage	no	no
Comp vs. Subject	Inferior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	yes	no
Dishwasher	yes	yes
Microwave	yes	no
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	no	no
W/D Hookups	yes	no
Comp vs. Subject	Superior	

Security		
Amenity	Comp	Subj
Call Buttons	no	no
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	yes
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Courthouse Commons, Phase 1 is an existing multifamily development located at 260 Wallace Street in Warsaw, Virginia. The property, which consists of 12 apartment units, was originally constructed in 1982 with conventional financing. All units are set aside as market rate units. The property currently stands at 100 percent occupancy.

Project Information

Property Name	Courthouse Commons, Phase 2
Street Number	260
Street Name	Wallace
Street Type	Street
City	Warsaw
State	Virginia
Zip	22572
Phone Number	(804) 517-6200
Year Built	2007
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	\$20
Waiting List	na
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	37.9560
Longitude	-76.7574
Nearest Crossroads	behind Courthouse
AAC Code	19-038 010

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Belinda Reynolds
Phone Number	(804) 572-4809
Interview Date	07-Feb-19
Interviewed By	JS

Also manages The Falls. There are no new apartments or businesses nearby. Contact advised that businesses in the area are not closing or laying off employees.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
2	2.0	1004	Garden/Flat	Mar	Mar	No	No	12		\$695		\$695	\$112	\$807
Total / Average		1,004					170	12		\$695		\$695	\$112	\$807

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	yes	yes
Sewer	yes	yes
Trash	yes	no
Comp vs. Subject	Similar	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.25	4.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.25	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	4.50	4.50
Comp vs. Subject	Similar	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	2.90	4.50
Comp vs. Subject	Inferior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	2.75	4.00
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	1995	2009
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	no
Fitness Ctr	no	no
Gazebo/Patio	no	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	no	no
Playground	no	yes
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	yes	yes
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	no	yes
Storage	no	no
Comp vs. Subject	Inferior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	yes	no
Dishwasher	yes	yes
Microwave	yes	no
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	no	no
W/D Hookups	yes	no
Comp vs. Subject	Superior	

Security		
Amenity	Comp	Subj
Call Buttons	no	no
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	yes
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Courthouse Commons, Phase 2 is an existing multifamily development located at 260 Wallace Street in Warsaw, Virginia. The property, which consists of 12 apartment units, was originally constructed in 2007 with conventional financing. All units are set aside as market rate units. The property currently stands at 100 percent occupancy.

Project Information

Property Name	Falls, (The) Apartments
Street Number	200
Street Name	Falls
Street Type	Circle
City	Tappahannock
State	Virginia
Zip	22560
Phone Number	(804) 517-6200
Year Built	2007
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	\$20
Waiting List	4 people
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	37.9082
Longitude	-76.8593
Nearest Crossroads	off Winston Road
AAC Code	19-038 017

Photo



Location Map



Interview Notes

Person Interviewed	ielinda Reynolds, Management
Phone Number	(804) 572-4809
Interview Date	07-Feb-19
Interviewed By	JS

2018 renovations included Stainless Steel appliances in 8 units, changing carpet to Prego hardwood as needed. There are no new apartments or businesses nearby. Contact advised that businesses in the area are not closing or laying off employees.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
2	2.0	1004	Garden/Flat	Mar	Mar	No	No	44		\$775		\$775	\$112	\$887
Total / Average		1,004					172	44		\$775		\$775	\$112	\$887

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	yes	yes
Sewer	yes	yes
Trash	yes	no
Comp vs. Subject	Similar	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.75	4.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.75	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	3.00	4.50
Comp vs. Subject	Inferior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.50	4.50
Comp vs. Subject	Inferior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	3.25	4.00
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2005	2009
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	yes	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	no
Fitness Ctr	no	no
Gazebo/Patio	no	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	yes	no
Playground	no	yes
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Similar	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	yes	yes
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	no	yes
Storage	no	no
Comp vs. Subject	Inferior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	yes	no
Dishwasher	yes	yes
Microwave	yes	no
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	no	yes
W/D Units	no	no
W/D Hookups	yes	no
Comp vs. Subject	Similar	

Security		
Amenity	Comp	Subj
Call Buttons	no	no
Cont Access	no	no
Courtesy Officer	yes	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	yes
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Falls, (The) Apartments is an existing multifamily development located at 200 Falls Circle in Tappahannock, Virginia. The property, which consists of 44 apartment units, was originally constructed in 2007 with conventional financing. All units are set aside as market rate units. The property currently stands at 100 percent occupancy.

Project Information

Property Name	Town Centre Suites
Street Number	4
Street Name	Fox Hill
Street Type	Drive
City	Kilmarnock
State	Virginia
Zip	22482
Phone Number	(804) 529-9505
Year Built	1975
Year Renovated	1990
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	\$20
Waiting List	na
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	37.7175
Longitude	-76.3800
Nearest Crossroads	na
AAC Code	19-038 018

Photo



Location Map



Interview Notes

Person Interviewed	Mr. Lee Self, Owner
Phone Number	(804) 313-5200
Interview Date	09-Feb-19
Interviewed By	JS

Property was sold to Mr. Lee Self in 2015 and name was changed from Fox Hill Townhomes to Town Centre Suites - street name was changed to Fox Hill Drive. Contact advised one - 2BR 1.5BA Townhome and the one - 3BR 2BA Townhome have unfinished basements. In 2011 contact stated appliances in all but 1/2 of units have been replaced.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent	
2	1.0	700	Garden/Flat	Mar	Mar	No	No	4		\$695		\$695	\$112	\$807	
2	1.0	700	Duplex	Mar	Mar	No	No	6	1	\$750		\$750	\$112	\$862	
2	1.5	1000	Townhome	Mar	Mar	No	No	1		\$875		\$875	\$112	\$987	
2	1.5	1250	Duplex	Mar	Mar	No	No	14	2	\$810		\$810	\$112	\$922	
2	2.0	825	Townhome	Mar	Mar	No	No	2		\$825		\$825	\$112	\$937	
3	2.0	1250	Townhome	Mar	Mar	No	No	1		\$925		\$925	\$158	\$1,083	
Total / Average		1,014						174	28	3	\$788		\$788	\$114	\$902

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	yes	yes
Sewer	yes	yes
Trash	no	no
Comp vs. Subject	Similar	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.00	4.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.50	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	4.50	4.50
Comp vs. Subject	Similar	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	4.20	4.50
Comp vs. Subject	Inferior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	3.50	4.00
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2000	2009
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	no
Fitness Ctr	no	no
Gazebo/Patio	no	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	no	no
Playground	no	yes
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	yes
Carpeting	yes	yes
Fireplace	some	no
Patio/Balcony	yes	yes
Storage	no	no
Comp vs. Subject	Inferior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	no	no
Dishwasher	yes	yes
Microwave	no	no
Comp vs. Subject	Similar	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	no	yes
W/D Units	yes	no
W/D Hookups	no	no
Comp vs. Subject	Superior	

Security		
Amenity	Comp	Subj
Call Buttons	no	no
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	yes
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Town Centre Suites is an existing multifamily development located at 4 Fox Hill Drive in Kilmarnock, Virginia. The property, which consists of 28 apartment units, was originally constructed in 1975 with conventional financing. All units are set aside as market rate units. The property currently stands at 89 percent occupancy.

Project Information

Property Name	Reed Landing
Street Number	Northumberland Highway
Street Name	and
Street Type	Morris Avenue
City	Reedville
State	Virginia
Zip	22539
Phone Number	(703) 878-0000
Year Built	1985
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	na
Other Fees	na
Waiting List	na
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	37.8508
Longitude	-76.2737
Nearest Crossroads	na
AAC Code	19-038 041

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Susan, Leasing Agent
Phone Number	(703) 878-0000
Interview Date	06-Feb-19
Interviewed By	JS

1 building discovered during our site visit with 5 unit entry doors and one deck to an upstairs entry door. 4 electric panels, 2 heat pumps and 2 wall HVACs. Contact advised total of 4 units at this property, although she gave rents but not unit size. She advised the owner renovates units.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent	
1	1.0	700	Garden/Flat	Mar	Mar	No	No	1	1	\$400		\$400	\$51	\$451	
1	1.0	700	Garden/Flat	Mar	Mar	No	No	1		\$550		\$550	\$51	\$601	
2	1.0	1000	Garden/Flat	Mar	Mar	No	No	1	1	\$700		\$700	\$68	\$768	
2	2.0	1000	Garden/Flat	Mar	Mar	No	No	1		\$900		\$900	\$68	\$968	
Total / Average		850						176	4	2	\$638		\$638	\$60	\$697

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	no	yes
Sewer	no	yes
Trash	no	no
Comp vs. Subject	Superior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	3.50	4.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	3.50	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	4.10	4.50
Comp vs. Subject	Inferior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	2.00	4.50
Comp vs. Subject	Inferior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	2.25	4.00
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	1985	2009
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	no
Fitness Ctr	no	no
Gazebo/Patio	no	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	no	no
Playground	no	yes
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	yes
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	some	yes
Storage	no	no
Comp vs. Subject	Inferior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	no	no
Dishwasher	no	yes
Microwave	no	no
Comp vs. Subject	Inferior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	no	yes
W/D Units	yes	no
W/D Hookups	no	no
Comp vs. Subject	Superior	

Security		
Amenity	Comp	Subj
Call Buttons	no	no
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	yes
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	na	no
Concierge	na	no
Hair Salon	na	no
Health Care	na	no
Housekeeping	na	no
Meals	na	no
Transportation	na	no
Comp vs. Subject	Similar	

Reed Landing is an existing multifamily development located at Northumberland Highway and Morris Avenue in Reedville, Virginia. The property, which consists of 4 apartment units, was originally constructed in 1985 with conventional financing. All units are set aside as market rate units. The property currently stands at 50 percent occupancy.

Project Information

Property Name	Winn Court Apartments
Street Number	101
Street Name	Winn
Street Type	Court
City	Tappahannock
State	Virginia
Zip	22560
Phone Number	(804) 529-9505
Year Built	1993
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	\$20
Waiting List	no
Project Rent	Market Rate
Project Type	Family
Project Status	Stabilized
Financing	Conventional
Vouchers	
Latitude	37.9163
Longitude	-76.8785
Nearest Crossroads	na
AAC Code	19-038 056

Photo



Location Map



Interview Notes

Person Interviewed	Mr. Lee Self, Owner
Phone Number	(804) 313-5200
Interview Date	08-Feb-19
Interviewed By	JS

Contact advised that he built a Duplex (2BR 2BT) in 2012 located off Tanyard Drive. Sister property's are Tanyard Farms Apartments and Tanyard Townhomes. Property replaced the roofs in 2012 due to hurricane damage. There are no new apartments or businesses nearby.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
2	1.0	745	Garden/Flat	Mar	Mar	No	No	14	1	\$725		\$725	\$112	\$837
Total / Average		745					178	14	1	\$725		\$725	\$112	\$837

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	yes	yes
Sewer	yes	yes
Trash	yes	no
Comp vs. Subject	Similar	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.50	4.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.75	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.80	4.50
Comp vs. Subject	Inferior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.20	4.50
Comp vs. Subject	Inferior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	2.75	4.00
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	1995	2009
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	no
Fitness Ctr	no	no
Gazebo/Patio	no	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	no	no
Playground	no	yes
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	no	yes
Ceiling Fans	no	yes
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	no	yes
Storage	yes	no
Comp vs. Subject	Superior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	no	no
Dishwasher	no	yes
Microwave	no	no
Comp vs. Subject	Inferior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	no	yes
W/D Units	no	no
W/D Hookups	yes	no
Comp vs. Subject	Similar	

Security		
Amenity	Comp	Subj
Call Buttons	no	no
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	yes
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Winn Court Apartments is an existing multifamily development located at 101 Winn Court in Tappahannock, Virginia. The property, which consists of 14 apartment units, was originally constructed in 1993 with conventional financing. All units are set aside as market rate units. The property currently stands at 93 percent occupancy.

RENT COMPARABLES, RESTRICTED RENT

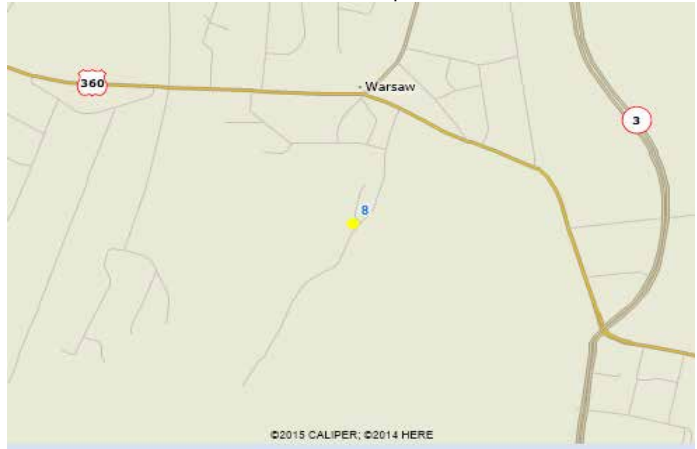
Project Information

Property Name	College Green Apartments, Phase 2	
Street Number	30	
Street Name	Bluebird	
Street Type	Lane	
City	Warsaw	
State	Virginia	
Zip	22572	
Phone Number	(804) 333-3944	
Year Built	1985	
Year Renovated	2007	
Minimum Lease	12	
Min. Security Dep.	1 month	
Other Fees	\$22	
Waiting List	35 people	
Project Rent	Restricted	
Project Type	Family	
Project Status	Stabilized	
Financing	2006	Tax Credit
Vouchers		
Latitude	37.9543	
Longitude	-76.7583	
Nearest Crossroads	off Wallace Street	
AAC Code	19-038	008

Photo



Location Map



Interview Notes

Person Interviewed	Mr. Sharazz, Manager	
Phone Number	(804) 333-3944	
Interview Date	07-Feb-19	
Interviewed By	JS	

2006 TC's awarded for rehabilitation of this property with 2 units of RD project based rental assistance available to tenants. Community room and laundry room are shared with Phase 2, but belong to Phase 1. There are no new apartments or businesses nearby.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	594	Garden/Flat	50%	50%	No	No	4		\$496		\$496	\$61	\$557
2	1.5	828	Garden/Flat	40%	40%	No	Yes	2		\$511		\$511	\$74	\$585
2	1.5	828	Garden/Flat	50%	50%	No	No	10		\$639		\$639	\$74	\$713
Total / Average		770						16		\$587		\$587	\$71	\$658

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	yes	yes
Sewer	no	yes
Trash	no	no
Comp vs. Subject	Superior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.00	4.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.25	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	4.50	4.50
Comp vs. Subject	Similar	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	2.60	4.50
Comp vs. Subject	Inferior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	3.00	4.00
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2000	2009
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	yes	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	yes	yes
Elevator	no	no
Fitness Ctr	no	no
Gazebo/Patio	no	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	yes	no
Playground	yes	yes
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Superior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	yes
Carpeting	no	yes
Fireplace	no	no
Patio/Balcony	no	yes
Storage	yes	no
Comp vs. Subject	Superior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	no	no
Dishwasher	no	yes
Microwave	no	no
Comp vs. Subject	Inferior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	no	yes
W/D Units	yes	no
W/D Hookups	no	no
Comp vs. Subject	Superior	

Security		
Amenity	Comp	Subj
Call Buttons	no	no
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	yes
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

College Green Apartments, Phase 2 is an existing multifamily development located at 30 Bluebird Lane in Warsaw, Virginia. The property, which consists of 16 apartment units, was originally constructed in 1985. This property is currently operated as a rent restricted property. The property currently stands at 100 percent occupancy.

Project Information

Property Name	Foxchase Apartments
Street Number	695
Street Name	Foxchase
Street Type	Drive
City	Tappahannock
State	Virginia
Zip	22560
Phone Number	(804) 443-1602
Year Built	2003
Year Renovated	na
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	\$16
Waiting List	3 people
Project Rent	Restricted
Project Type	Family
Project Status	Stabilized
Financing	2001 Tax Credit
Vouchers	15
Latitude	37.9256
Longitude	-76.8693
Nearest Crossroads	off Marsh Street
AAC Code	19-038 019

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Jackie, Manager
Phone Number	(804) 443-1602
Interview Date	08-Feb-19
Interviewed By	JS

2001 TC's awarded for construction of this property without project based rental assistance. There are no new apartments nearby. Contact advised that businesses in the area are not closing or laying off employees.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
2	2.0	952	Garden/Flat	60%	60%	No	No	32	1	\$650		\$650	\$71	\$721
3	2.0	1152	Garden/Flat	60%	60%	No	No	28	2	\$750		\$750	\$158	\$908
Total / Average		1,045						183	60	3		\$697	\$112	\$808

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	no	yes
Sewer	no	yes
Trash	no	no
Comp vs. Subject	Superior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	3.25	4.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	3.25	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.80	4.50
Comp vs. Subject	Inferior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.30	4.50
Comp vs. Subject	Inferior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	3.50	4.00
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2010	2009
Comp vs. Subject	Superior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	yes	yes
Elevator	no	no
Fitness Ctr	no	no
Gazebo/Patio	no	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	no	no
Playground	no	yes
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	yes
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	no	yes
Storage	no	no
Comp vs. Subject	Inferior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	yes	no
Dishwasher	yes	yes
Microwave	no	no
Comp vs. Subject	Superior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	no	no
W/D Hookups	yes	no
Comp vs. Subject	Superior	

Security		
Amenity	Comp	Subj
Call Buttons	no	no
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	yes
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Foxchase Apartments is an existing multifamily development located at 695 Foxchase Drive in Tappahannock, Virginia. The property, which consists of 60 apartment units, was originally constructed in 2003 . This property is currently operated as a rent restricted property. The property currently stands at 95 percent occupancy.

Project Information

Property Name	Indian Creek Apartments	
Street Number	501	
Street Name	Southport	
Street Type	Lane	
City	Kilmarnock	
State	Virginia	
Zip	22482	
Phone Number	(804) 435-2997	
Year Built	1991	
Year Renovated	2009	
Minimum Lease	12	
Min. Security Dep.	1 month	
Other Fees	\$11	
Waiting List	3 people	
Project Rent	Restricted	
Project Type	Family	
Project Status	Stabilized	
Financing	2009	Tax Credit
Vouchers	8	
Latitude	37.7042	
Longitude	-76.3798	
Nearest Crossroads	off Route 3	
AAC Code	19-038	022

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Amanda, Manager
Phone Number	(804) 435-2997
Interview Date	01-Feb-19
Interviewed By	DFR

1990 TC's awarded for construction and 2009 TC's for rehabilitation of this RD property without project based rental assistance available to tenants. Tenants share patios. Kilmarnock Village Apartments are managed out of this office also.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	617	Garden/Flat	40%	40%	No	No	1		\$492		\$492	\$72	\$564
1	1.0	617	Garden/Flat	50%	50%	No	No	3		\$492		\$492	\$72	\$564
2	1.0	820	Garden/Flat	40%	40%	No	No	1		\$599		\$599	\$73	\$672
2	1.0	820	Garden/Flat	50%	50%	No	No	15		\$785		\$785	\$73	\$858
Total / Average		779						185	20	\$717		\$717	\$73	\$790

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	no	yes
Sewer	no	yes
Trash	no	no
Comp vs. Subject	Superior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.25	4.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.50	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	3.30	4.50
Comp vs. Subject	Inferior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	4.00	4.50
Comp vs. Subject	Inferior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	4.50	4.00
Comp vs. Subject	Superior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2010	2009
Comp vs. Subject	Superior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	yes	yes
Elevator	no	no
Fitness Ctr	no	no
Gazebo/Patio	no	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	no	no
Playground	yes	yes
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Similar	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	yes
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	no	no
Comp vs. Subject	Inferior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	no	no
Dishwasher	yes	yes
Microwave	no	no
Comp vs. Subject	Similar	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	no	no
W/D Hookups	no	no
Comp vs. Subject	Similar	

Security		
Amenity	Comp	Subj
Call Buttons	no	no
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	yes
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Indian Creek Apartments is an existing multifamily development located at 501 Southport Lane in Kilmarnock, Virginia. The property, which consists of 20 apartment units, was originally constructed in 1991 . This property is currently operated as a rent restricted property. The property currently stands at 100 percent occupancy.

Project Information

Property Name	Montross Apartments
Street Number	201
Street Name	Peach Grove
Street Type	Lane
City	Montross
State	Virginia
Zip	22520
Phone Number	(804) 493-9896
Year Built	1989
Year Renovated	2010
Minimum Lease	12
Min. Security Dep.	1 month
Other Fees	\$22
Waiting List	12 people
Project Rent	Restricted
Project Type	Family
Project Status	Stabilized
Financing	RD
Vouchers	3
Latitude	38.0910
Longitude	-76.8399
Nearest Crossroads	na
AAC Code	19-038 033

Photo



Location Map



Interview Notes

Person Interviewed	Mr. Shabazz, Manager
Phone Number	(804) 493-9896
Interview Date	07-Feb-19
Interviewed By	JS

RD property with 5 units of project based rental assistance available to tenants. 2010 renovations include central air for all units. Also manages Rappahannock Apartments. Basic rent rates are different for Subsidized and Restricted units.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	625	Garden/Flat	50%	50%	No	Yes	2		\$474		\$474	\$63	\$537
1	1.0	625	Garden/Flat	60%	60%	No	No	4		\$474		\$474	\$63	\$537
2	1.0	830	Garden/Flat	50%	50%	No	Yes	3		\$524		\$524	\$78	\$602
2	1.0	830	Garden/Flat	60%	60%	No	No	7		\$742		\$742	\$78	\$820
Total / Average		753						187	16	\$601		\$601	\$72	\$673

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	no	yes
Sewer	no	yes
Trash	no	no
Comp vs. Subject	Superior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	3.00	4.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	3.00	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	2.00	4.50
Comp vs. Subject	Inferior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	2.30	4.50
Comp vs. Subject	Inferior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	3.00	4.00
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2010	2009
Comp vs. Subject	Superior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	no
Fitness Ctr	no	no
Gazebo/Patio	no	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	no	no
Playground	yes	yes
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	yes
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	no	no
Comp vs. Subject	Inferior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	no	no
Dishwasher	no	yes
Microwave	no	no
Comp vs. Subject	Inferior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	no	no
W/D Hookups	no	no
Comp vs. Subject	Similar	

Security		
Amenity	Comp	Subj
Call Buttons	no	no
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	yes
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Montross Apartments is an existing multifamily development located at 201 Peach Grove Lane in Montross, Virginia. The property, which consists of 16 apartment units, was originally constructed in 1989 . This property is currently operated as a rent restricted property. The property currently stands at 100 percent occupancy.

Project Information

Property Name	Rappahannock Apartments	
Street Number	941	
Street Name	Winston	
Street Type	Road	
City	Tappahannock	
State	Virginia	
Zip	22560	
Phone Number	(804) 443-9666	
Year Built	1983	
Year Renovated	2005	
Minimum Lease	12	
Min. Security Dep.	1 month	
Other Fees	\$22	
Waiting List	12 people	
Project Rent	Restricted	
Project Type	Family	
Project Status	Stabilized	
Financing	2004	Tax Credit
Vouchers	4	
Latitude	37.9091	
Longitude	-76.8598	
Nearest Crossroads	941 Cold Cheer Road	
AAC Code	19-038	039

Photo

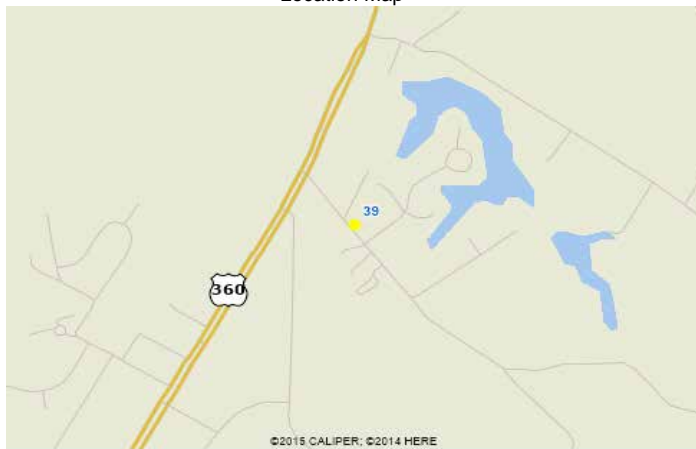


Interview Notes

Person Interviewed	Mr. Shabazz, Manager	
Phone Number	(540) 382-2002	
Interview Date	07-Feb-19	
Interviewed By	JS	

2004 TC's awarded for rehabilitation of this RD property without project based rental assistance. Property is located near the Riverside Gym. Manager advised that in 2012, the property replaced all commodes in the units. CHP's extensive rehabilitation of the community includes new kitchen cabinets and appliances, roofs, energy efficient windows, sliding

Location Map



Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	638	Garden/Flat	50%	50%	No	No	2		\$458		\$458	\$77	\$535
1	1.0	638	Garden/Flat	60%	60%	No	No	6		\$495		\$495	\$77	\$572
1	1.0	638	Garden/Flat	60%	60%	No	No	2		\$593		\$593	\$77	\$670
2	1.0	829	Garden/Flat	50%	50%	No	No	4		\$546		\$546	\$86	\$632
2	1.0	829	Garden/Flat	60%	60%	No	No	8		\$693		\$693	\$86	\$779
2	1.0	829	Garden/Flat	60%	60%	No	No	8		\$676		\$676	\$86	\$762
Total / Average		765						189	30	\$607		\$607	\$83	\$690

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	no	yes
Sewer	no	yes
Trash	no	no
Comp vs. Subject	Superior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	2.75	4.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.75	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	3.00	4.50
Comp vs. Subject	Inferior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	3.30	4.50
Comp vs. Subject	Inferior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	3.00	4.00
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2000	2009
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	no	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	no	yes
Elevator	no	no
Fitness Ctr	no	no
Gazebo/Patio	no	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	no	no
Playground	yes	yes
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Inferior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	yes
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	yes	no
Comp vs. Subject	Superior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	no	no
Dishwasher	no	yes
Microwave	no	no
Comp vs. Subject	Inferior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	no	no
W/D Hookups	no	no
Comp vs. Subject	Similar	

Security		
Amenity	Comp	Subj
Call Buttons	no	no
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	yes
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Rappahannock Apartments is an existing multifamily development located at 941 Winston Road in Tappahannock, Virginia. The property, which consists of 30 apartment units, was originally constructed in 1983. This property is currently operated as a rent restricted property. The property currently stands at 100 percent occupancy.

Project Information

Property Name	Reedville Manor Apartments		
Street Number		134	
Street Name	Reedville Manor		
Street Type		Lane	
City	Reedville		
State	Virginia		
Zip	22539		
Phone Number	(804) 453-5327		
Year Built		2000	
Year Renovated		na	
Minimum Lease		12	
Min. Security Dep.		\$200	
Other Fees		\$30	
Waiting List		3 people	
Project Rent		Restricted	
Project Type		Elderly	
Project Status		Stabilized	
Financing	1999	Tax Credit	
Vouchers			
Latitude		37.8479	
Longitude		-76.2680	
Nearest Crossroads	intersection with Fleeton Road		
AAC Code	19-038		042

Photo



Location Map



Interview Notes

Person Interviewed	Ms. Crystal, RD Office		
Phone Number	(804) 287-1547		
Interview Date	07-Feb-19		
Interviewed By	JS		

1999 TC's awarded for construction of this property with 25 units of project based rental assistance available to tenants. There are no new apartments or businesses nearby. Contact advised that businesses in the area are not closing or laying off employees.

Unit Configuration

BR	BA	SF	Unit Type	Inc Limit	Rent Limit	HOME Units	Subs Units	Total Units	Vac Units	Street Rent	Disc	Net Rent	UA	Gross Rent
1	1.0	620	Duplex	60%	60%	No	Yes	25	1	\$470		\$470	\$70	\$540
1	1.0	620	Duplex	60%	60%	No	No	1		\$564		\$564	\$70	\$634
Total / Average		620						26	1	\$474		\$474	\$70	\$544

Tenant-Paid Utilities		
Utility	Comp	Subj
Heat-Electric	yes	yes
Cooking-Electric	yes	yes
Other Electric	yes	yes
Air Cond	yes	yes
Hot Water-Electric	yes	yes
Water	no	yes
Sewer	no	yes
Trash	no	no
Comp vs. Subject	Superior	

Tenant-Paid Technology		
Technology	Comp	Subj
Cable	yes	yes
Internet	yes	yes
Comp vs. Subject	Similar	

Visibility		
Rating (1-5 Scale)	Comp	Subj
Visibility	1.75	4.00
Comp vs. Subject	Inferior	

Access		
Rating (1-5 Scale)	Comp	Subj
Access	2.00	4.00
Comp vs. Subject	Inferior	

Neighborhood		
Rating (1-5 Scale)	Comp	Subj
Neighborhood	4.10	4.50
Comp vs. Subject	Inferior	

Proximity to Area Amenities		
Rating (1-5 Scale)	Comp	Subj
Area Amenities	2.00	4.50
Comp vs. Subject	Inferior	

Condition		
Rating (1-5 Scale)	Comp	Subj
Condition	2.75	4.00
Comp vs. Subject	Inferior	

Effective Age		
Rating (1-5 Scale)	Comp	Subj
Effective Age	2000	2009
Comp vs. Subject	Inferior	

Site & Common Area Amenities		
Amenity	Comp	Subj
Ball Field	no	no
BBQ Area	yes	no
Billiard/Game	no	no
Bus/Comp Ctr	no	no
Car Care Ctr	no	no
Comm Center	yes	yes
Elevator	no	no
Fitness Ctr	no	no
Gazebo/Patio	no	no
Hot Tub/Jacuzzi	no	no
Herb Garden	no	no
Horseshoes	no	no
Lake	no	no
Library	no	no
Movary/Media Ctr	no	no
Picnic Area	yes	no
Playground	no	yes
Pool	no	no
Sauna	no	no
Sports Court	no	no
Walking Trail	no	no
Comp vs. Subject	Superior	

Unit Amenities		
Amenity	Comp	Subj
Blinds	yes	yes
Ceiling Fans	no	yes
Carpeting	yes	yes
Fireplace	no	no
Patio/Balcony	yes	yes
Storage	no	no
Comp vs. Subject	Inferior	

Kitchen Amenities		
Amenity	Comp	Subj
Stove	yes	yes
Refrigerator	yes	yes
Disposal	no	no
Dishwasher	no	yes
Microwave	no	no
Comp vs. Subject	Inferior	

Air Conditioning		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Window Units	no	no
None	no	no
Comp vs. Subject	Similar	

Heat		
Amenity	Comp	Subj
Central	yes	yes
Wall Units	no	no
Baseboards	no	no
Boiler/Radiators	no	no
None	no	no
Comp vs. Subject	Similar	

Parking		
Amenity	Comp	Subj
Garage	no	no
Covered Pkg	no	no
Assigned Pkg	no	no
Open	yes	yes
None	no	no
Comp vs. Subject	Similar	

Laundry		
Amenity	Comp	Subj
Central	yes	yes
W/D Units	no	no
W/D Hookups	no	no
Comp vs. Subject	Similar	

Security		
Amenity	Comp	Subj
Call Buttons	yes	no
Cont Access	no	no
Courtesy Officer	no	no
Monitoring	no	yes
Security Alarms	no	no
Security Patrols	no	yes
Comp vs. Subject	Inferior	

Services		
Amenity	Comp	Subj
After School	no	no
Concierge	no	no
Hair Salon	no	no
Health Care	no	no
Housekeeping	no	no
Meals	no	no
Transportation	no	no
Comp vs. Subject	Similar	

Reedville Manor Apartments is an existing multifamily development located at 134 Reedville Manor Lane in Reedville, Virginia. The property, which consists of 26 apartment units, was originally constructed in 2000 . This property is currently operated as a rent restricted property. The property currently stands at 96 percent occupancy.

STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS

- The title to the subject property is merchantable, and the property is free and clear of all liens and encumbrances, except as noted.
- No liability is assumed for matters legal in nature.
- Ownership and management are assumed to be in competent and responsible hands.
- No survey has been made by the appraiser. Dimensions are as supplied by others and are assumed to be correct.
- The report was prepared for the purpose so stated and should not be used for any other reason.
- All direct and indirect information supplied by the owner and their representatives concerning the subject property is assumed to be true and accurate.
- No responsibility is assumed for information supplied by others and such information is believed to be reliable and correct. This includes zoning and tax information provided by Municipal officials.
- The signatories shall not be required to give testimony or attend court or be at any governmental hearing with respect to the subject property unless prior arrangements have been made with the client.
- Disclosure of the contents of this report is governed by the By-Laws and Regulations of the Appraisal Institute.
- The legal description is assumed to be accurate.
- This report specifically assumes that there are no site, subsoil, or building contaminants present resulting from residual substances or construction materials, such as asbestos, radon gas, PCB, etc. Should any of these factors exist, the appraiser reserves the right to review these findings, review the value estimates, and change the estimates, if deemed necessary.
- The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with
- This analysis specifically assumes that the subject property is operated as described in this report.
- This analysis specifically assumes that the subject property is constructed/rehabilitated as described in this report.
- This analysis specifically assumes that the subject property is financed as described in this report.
- This analysis specifically assumes the timing set forth in this report.

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of the appraisal.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice.
- I made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this certification. Debbie Rucker and Frank Victory (Allen & Associates Consulting) assisted in compiling the data used in this report.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I have completed the Standards and Ethics Education Requirements for Members of the Appraisal Institute.
- I am presently licensed in good standing as a Certified General Real Estate Appraiser in the states of Delaware, Georgia, Maryland, North Carolina, South Carolina, and Virginia, allowing me to appraise all types of real estate.

Respectfully submitted:

ALLEN & ASSOCIATES CONSULTING, INC.



Jeff Carroll

VHDA CERTIFICATION

I affirm the following:

- 1) I have made a physical inspection of the site and market area.
- 2) The appropriate information has been used in the comprehensive evaluation of the need and demand for the proposed rental units.
- 3) To the best of my knowledge the market can support the demand shown in this study. I understand that any misrepresentation in this statement may result in the denial of participation in the Low Income Housing Tax Credit Program in Virginia as administered by the 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.



Jeff Carroll

February 23, 2019

Date

NCHMA MARKET STUDY INDEX

Introduction: Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. By completion of this checklist, the analyst asserts that he/she has completed all required items per section.

Executive Summary		
1	Executive Summary	Executive Summary
Scope of Work		
2	Scope of Work	Letter of Transmittal
Project Description		
3	Unit mix including bedrooms, bathrooms, square footage, rents, and income targeting	Section 1
4	Utilities (and utility sources) included in rent	Section 2
5	Target market/population description	Section 1
6	Project description including unit features and community amenities	Section 2
7	Date of construction/preliminary completion	Section 1
8	If rehabilitation, scope of work, existing rents, and existing vacancies	Section 1
Location		
9	Concise description of the site and adjacent parcels	Sections 3 & 4
10	Site photos/maps	Section 5
11	Map of community services	Section 4
12	Site evaluation/neighborhood including visibility, accessibility, and crime	Section 4
Market Area		
13	PMA description	Section 6
14	PMA Map	Section 6
Employment and Economy		
15	At-Place employment trends	Section 7
16	Employment by sector	Section 7
17	Unemployment rates	Section 7
18	Area major employers/employment centers and proximity to site	Section 7
19	Recent or planned employment expansions/reductions	Section 7
Demographic Characteristics		
20	Population and household estimates and projections	Section 8
21	Area building permits	Section 7
22	Population and household characteristics including income, tenure, and size	Section 8
23	For senior or special needs projects, provide data specific to target market	Section 8
Competitive Environment		
24	Comparable property profiles and photos	Appendix
25	Map of comparable properties	Section 10
26	Existing rental housing evaluation including vacancy and rents	Section 9
27	Comparison of subject property to comparable properties	Section 10
28	Discussion of availability and cost of other affordable housing options including homeownership, if applicable	NA
29	Rental communities under construction, approved, or proposed	Section 9
30	For senior or special needs populations, provide data specific to target market	Section 8

NCHMA MARKET STUDY INDEX

Introduction: Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. By completion of this checklist, the analyst asserts that he/she has completed all required items per section.

Affordability, Demand, and Penetration Rate Analysis		
31	Estimate of demand	Section 11
32	Affordability analysis with capture rate	Section 11
33	Penetration rate analysis with capture rate	Section 11
Analysis/Conclusions		
34	Absorption rate and estimated stabilized occupancy for subject	Section 11
35	Evaluation of proposed rent levels including estimate of market/achievable rents.	Section 10
36	Precise statement of key conclusions	Executive Summary
37	Market strengths and weaknesses impacting project	Executive Summary
38	Product recommendations and/or suggested modifications to subject	Executive Summary
39	Discussion of subject property's impact on existing housing	Executive Summary
40	Discussion of risks or other mitigating circumstances impacting subject	Executive Summary
41	Interviews with area housing stakeholders	Appendix
Other Requirements		
42	Certifications	Appendix
43	Statement of qualifications	Appendix
44	Sources of data not otherwise identified	NA

MISCELLANEOUS

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E-Mail: jcarroll@mba1988.hbs.edu

Summary

Founder of Tartan Residential, a firm specializing in the development of workforce and affordable housing.

Co-founder of Delphin Properties, a firm specializing in the acquisition and development of manufactured home communities.

Founder of Allen & Associates Consulting, a development consulting firm specializing in workforce and affordable housing.

Wrote articles on workforce and affordable housing, development, property management, market feasibility, and financial analysis for Urban Land magazine, The Journal of Property Management, Community Management magazine, Merchandise magazine, HousingThink, and a publication of the Texas A&M Real Estate Research Center known as Terra Grande.

Conducted seminars on workforce and affordable housing, development, property management, market feasibility, and financial analysis for the American Planning Association, Community Management magazine, the Georgia Department of Community Affairs, the Manufactured Housing Institute, the National Association of State and Local Equity Funds, the Virginia Community Development Corporation, and the National Council of Housing Market Analysts.

Specialties: Specialties include workforce and affordable housing, low-income housing tax credits, tax-exempt bond transactions, multifamily, manufactured housing, development, development consulting, feasibility studies, market analysis, rent comparability studies, appraisals, capital needs assessments, and utility studies.

Experience

President | Tartan Residential, Inc. | Charlotte, NC | 1997 - present

Founder of Tartan Residential, a firm specializing in the development of workforce and affordable housing. Major projects include:

- Buchanan's Crossing Subdivision - A 40-unit duplex development serving families in Kansas City, KS. The estimated cost of this three-phase project is \$8.0 million. This mixed income project, targeting families between 50% and 120% of area median income, is financed with a mixture of conventional debt and tax credit equity. Construction commenced in 2016.
- Davidson's Landing - A proposed 115-unit garden apartment community serving families in Kansas City, KS. The estimated cost of this project is \$19 million. This workforce housing development project, which targets families between 30% and 80% of area median income, is proposed to be financed with tax-exempt bonds. Construction is planned to begin in 2019.
- Fraser Court - A proposed 120-unit garden apartment community serving families in Monroe, NC. The estimated cost of this project is \$20 million. This workforce housing development project, which targets families between 40% and 80% of area median income, is proposed to be financed with tax-exempt bonds. Construction is planned to begin in 2019.
- Graham Ridge - A proposed 96-unit garden apartment community serving families in Charlotte, NC. The estimated cost of this project is \$16 million. This workforce housing development project,

which targets families between 40% and 80% of area median income, is proposed to be financed with tax-exempt bonds. Construction is planned to begin in 2019.

Co-Founder | Delphin Properties LLC | Charlotte, NC | 1998 - present

Co-founder of Delphin Properties, a firm specializing in the acquisition and development of manufactured home communities. Major projects include:

- Crystal Lakes - A 338-unit manufactured home community serving seniors in Fort Myers, Florida. Purchased the partially-constructed development, completed construction, and sold it for a \$1 million profit.
- Mahler's Glen - A 348-unit development originally planned as a manufactured home community serving families in Garner, North Carolina. Secured zoning and site plan approval, engineered the property (including a private wastewater treatment facility), and sold it to a national homebuilder for a \$2 million profit.
- Beacon Wood - A 363-unit development originally planned as a manufactured home community serving families in Crockery Township, Michigan. Secured zoning and site plan approval, engineered the property, and sold it to a regional homebuilder for a \$1 million profit.

President | Allen & Associates Consulting, Inc. | Charlotte, NC | 2000 - present

Founder of Allen & Associates Consulting, a real estate advisory firm specializing in workforce and affordable housing. Practice areas include low-income housing tax credits, tax-exempt bond transactions, HUD assisted and financed multifamily, USDA-RD assisted and financed properties, public housing, historic tax credits, conventional multifamily, and manufactured housing. Services include development consulting, feasibility studies, market analysis, rent comparability studies, appraisals, capital needs assessments, and utility studies. Performed over 3000 development consulting assignments in 46 states since 2000. Major projects include:

- Market Analysis - Completed market studies for 13 proposed tax credit apartment developments on behalf of the Georgia Department of Community Affairs. The portfolio included 5 family and 8 senior communities. Our analysis identified the 4 best deals for the housing finance agency to consider funding.
- Appraisals - Developed a disposition plan for a 30-property portfolio of apartments on behalf of a private owner. The 921-unit portfolio (located in MD, DE, PA and VA) was valued at \$23 million. Our client relied on our valuations and advice to maximize sales proceeds for the portfolio.
- Capital Needs Assessments - Completed capital needs assessments for an 8-property portfolio of RD-financed apartments on behalf of a private developer. The portfolio (located in FL) included 6 family and 2 senior communities. Our client utilized our assessments to develop a scope of work for the proposed acquisition and renovation of the 214-unit portfolio.
- Utility Allowance Studies - Completed utility allowance studies for a portfolio of tax credit apartments on behalf of a large national owner/developer. The portfolio (located in CT, DC, IL, IN, MA, NC, OH, PA and VA) included 31 properties. Our client utilized our research to maximize rents and net operating income for the portfolio.
- Underwriting - Conducted a financial review on behalf of a local housing authority for the proposed redevelopment of a vacant historic textile mill into loft apartments. Our client had been asked to issue \$4 million in tax-exempt bonds for the \$15 million project. Our assistance in underwriting the transaction resulted in the green light for the development.

Development Director | Clayton, Williams & Sherwood, Inc. | Austin, TX | 1995 - 1997

Development Director for Clayton, Williams & Sherwood, a privately-owned operator of manufactured home communities and apartment complexes. Major projects included:

- Multifamily Development - Managed the construction and lease-up of two apartment communities consisting of 564 units and valued at \$38 million. Each property leased up in excess of 25 units per month.
- Manufactured Home Community Development - Put together development plans for 4 manufactured home communities and 2 manufactured home subdivisions consisting of 2047 units and valued at \$63 million.

Assistant to the President | Southwest Property Trust | Dallas, TX | 1993 - 1995

Assistant to the President for Southwest Property Trust, a large apartment REIT. Provided support to management personnel operating a 12,000-unit apartment portfolio.

Investment Analyst/Manager | GE Capital | Dallas, TX | 1991 - 1993

Investment Analyst/Manager for GE Capital's Residential Construction Lending business. Assisted in the management of a \$500 million investment portfolio including 30 single family residential land development investments and 70 single family construction lines of credit.

Regional Manager | Clayton, Williams & Sherwood, Inc. | Newport Beach, CA | 1989 - 1991

Regional Manager for Clayton, Williams & Sherwood, a privately-owned operator of manufactured home communities and apartment complexes. Major projects included:

- Multifamily Management - Management of a 1200-unit apartment portfolio valued at over \$72 million. Implemented a portfolio-wide 10 percent rent increase while cutting operating expenses 3 percent resulting in a \$7 million increase in portfolio value.
- Manufactured Home Community Management - Management of a 1200-unit manufactured home community portfolio valued at over \$36 million. Implemented a 15 percent rent increase in a 500-unit community resulting in a \$4 million increase in property value.

Education

Harvard Business School | MBA, General Management, Real Estate, Economics | 1986 - 1988

Graduated in 1988 with an MBA from Harvard Business School. Emphasis in General Management and Real Estate with a minor concentration in Economics.

Clemson University | BS, Engineering, Economics | 1978 - 1983

Graduated in 1983 with a BS in Engineering from Clemson University. Minor concentration in Economics. Honors included Dean's List and Alpha Lambda Delta honorary. Elected officer for Phi Delta Theta social fraternity. Awarded scholarship on Clemson's varsity wrestling team.

Certifications, Designations and Affiliations

Mr. Carroll is a certified general appraiser, licensed to appraise real estate in the states of Delaware, Georgia, Maryland, North Carolina, South Carolina and Virginia. Mr. Carroll is also a designated member of the Appraisal Institute (MAI).

Mr. Carroll is a peer-reviewed member of the National Council of Housing Market Analysts (NCHMA), where he served on the Executive Committee and chaired the Data and Ethics Committees.



FY 2019 FAIR MARKET RENT DOCUMENTATION SYSTEM

The FY 2019 FMRs for All Bedroom Sizes

Final FY 2019 FMRs By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2019 FMR	\$670	\$803	\$998	\$1,250	\$1,349
FY 2018 FMR	\$693	\$773	\$948	\$1,286	\$1,291

Lancaster County, VA is a non-metropolitan county.

Fair Market Rent Calculation Methodology

[Show/Hide Methodology Narrative](#)

Fair Market Rents for metropolitan areas and non-metropolitan FMR areas are developed as follows:

1. 2012-2016 5-year American Community Survey (ACS) estimates of 2-bedroom adjusted standard quality gross rents calculated for each FMR area are used as the new basis for FY2019 provided the estimate is statistically reliable. For FY2019, the test for reliability is whether the margin of error for the estimate is less than 50% of the estimate itself and whether the ACS estimate is based on at least 100 survey cases. HUD does not receive the exact number of survey cases, but rather a categorical variable known as the count indicator indicating a range of cases. An estimate based on at least 100 cases corresponds to a count indicator of 4 or higher.

If an area does not have a reliable 2012-2016 5-year, HUD checks whether the area has had at least minimally reliable estimate in any of the past 3 years, or estimates that meet the 50% margin of error test described above. If so, the FY2019 base rent is the average of the inflated ACS estimates.

If an area has not had a minimally reliable estimate in the past 3 years, the estimate State for the area's corresponding metropolitan area (if applicable) or State non-metropolitan area is used as the basis for FY2019.

2. HUD calculates a recent mover adjustment factor by comparing a 2016 1-year 40th percentile recent mover 2-bedroom rent to the 2012-2016 5-year 40th percentile adjusted standard quality gross rent. If either the recent mover and non-recent mover rent estimates are not reliable, HUD uses the recent mover adjustment for a larger geography. For metropolitan areas, the order of geographies examined is: FMR Area, Entire Metropolitan Area (for Metropolitan Sub-Areas), State Metropolitan Portion, Entire State, and Entire US; for non-metropolitan areas, the order of geographies examined is: FMR Area, State Non-Metropolitan Portion, Entire State, and Entire US. The recent mover adjustment factor is floored at one.
3. HUD calculates the appropriate recent mover adjustment factor between the 5-year data and the 1-year data and applies this to the 5-year base rent estimate.
4. Rents are calculated as of 2017 using the relevant (regional or local) change in gross rent

Consumer Price Index (CPI) from annual 2016 to annual 2017.

5. All estimates are then inflated from 2017 to FY2019 using a trend factor based on the forecast of gross rent changes through FY2019.
6. FY2019 FMRs are then compared to a State minimum rent, and any area whose preliminary FMR falls below this value is raised to the level of the State minimum.
7. FY2019 FMRs may not be less than 90% of FY2018 FMRs.

The results of the Fair Market Rent Step-by-Step Process

1. The following are the 2016 American Community Survey 5-year 2-Bedroom Adjusted Standard Quality Gross Rent estimate and margin of error for Lancaster County, VA.

Area	ACS ₂₀₁₆ 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent	ACS ₂₀₁₆ 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent Margin of Error	Ratio	Sample Size Category	Result
Lancaster County, VA	\$830	\$71	\$71 / \$830=0.086	1	1 < 4 Check for reliable local ACS estimates from previous years

ACS ₂₀₁₆ 5-year Estimate	ACS ₂₀₁₆ 5-year Error	ACS ₂₀₁₆ 5-year Estimate Minimally Reliable?	ACS ₂₀₁₅ 5-year Estimate	ACS ₂₀₁₅ 5-year Error	ACS ₂₀₁₅ 5-year Estimate Minimally Reliable?	ACS ₂₀₁₄ 5-year Estimate	ACS ₂₀₁₄ 5-year Error	ACS ₂₀₁₄ 5-year Estimate Minimally Reliable?
\$830	\$71	\$71 / \$830=0.086	\$842	\$71	\$71 / \$842=0.084	\$831	\$36	\$36 / \$831=0.043

Since 3 of 3 ACS estimates are minimally reliable, the base rent is the average of those estimates, with each estimate first inflated to 2016 dollars (not shown).

Area	FY2019 Base Rent
Lancaster County, VA	\$852

2. A recent mover adjustment factor is applied based on the smallest area of geography which contains Lancaster County, VA and has an ACS₂₀₁₆ 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than .5.

Area	ACS ₂₀₁₆ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent	ACS ₂₀₁₆ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent Margin of Error	Ratio	Sample Size Category	Result
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Area	ACS ₂₀₁₆ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent	ACS ₂₀₁₆ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent Margin of Error	Ratio	Sample Size Category	Result
Lancaster County, VA – 2 Bedroom	N/A	N/A	N/A	N/A	No ACS ₂₀₁₆ 1-Year 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent Produced For Lancaster County, VA
Lancaster County, VA – All Bedroom	N/A	N/A	N/A	N/A	No ACS ₂₀₁₆ 1-Year All Bedroom Adjusted Standard Quality Recent-Mover Gross Rent Produced For Lancaster County, VA
Virginia Non-metropolitan Portion – 2 Bedroom	\$658	\$22	0.033	5	0.033 < .5 5 ≥ 4 Use ACS ₂₀₁₆ 1-Year Non-metropolitan Portion 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent

The smallest area of geography which contains Lancaster County, VA and has an ACS₂₀₁₆ 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than .5 and with a sufficient number of sample cases is the Virginia Non-metropolitan Portion.

3. The calculation of the relevant Recent-Mover Adjustment Factor for Lancaster County, VA is as follows:

ACS ₂₀₁₆ 5-Year Area	ACS ₂₀₁₆ 5-Year 40th Percentile Adjusted Standard Quality Gross Rent	ACS ₂₀₁₆ 1-Year 40th Percentile Adjusted Standard Quality Recent-Mover Gross Rent
Virginia Non-metropolitan Portion – 2 Bedroom	\$613	\$658

Area	Ratio	Recent-Mover Adjustment Factor
Lancaster County, VA	\$658 / \$613 = 1.073	1.073 ≥ 1.0 Use calculated Recent-Mover Adjustment Factor of 1.073

4. The calculation of the relevant CPI Update Factors for Lancaster County, VA is as follows: HUD updates the 2016 intermediate rent with the ratio of the annual 2017 local or regional CPI to the annual 2016 local or regional CPI to establish rents as of 2017.

	Update Factor	Type
CPI Update Factor	1.0323	Region CPI

5. The calculation of the Trend Factor is as follows: HUD forecasts the change in national gross rents from 2017 to 2019. This makes Fair Market Rents "as of" FY2019.

National Trend Factor
1.0572

6. The FY 2019 2-Bedroom Fair Market Rent for Lancaster County, VA is calculated as follows:

Area	ACS₂₀₁₆ 5-Year Estimate	Recent-Mover Adjustment Factor	Annual 2016 to 2017 CPI Adjustment	Trending 1.0572 to FY2019	FY 2019 2-Bedroom FMR
Lancaster County, VA	\$852	1.073	1.0323	1.0572	$\$852 * 1.073 *$ $1.0323 *$ $1.0572 = \$998$

7. In keeping with HUD policy, the preliminary FY 2019 FMR is checked to ensure that it does not fall below the state minimum.

Area	Preliminary FY2019 2-Bedroom FMR	FY 2019 Virginia State Minimum	Final FY2019 2-Bedroom FMR
Lancaster County, VA	\$998	\$700	\$998 ≥ \$700 Use Lancaster County, VA FMR of \$998

8. Bedroom ratios are applied to calculate FMRs for unit sizes other than two bedrooms.

Click on the links in the table to see how the bedroom ratios are calculated.

FY 2019 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2019 FMR	\$670	\$803	\$998	\$1,250	\$1,349

9. The FY2019 FMR must not be below 90% of the FY2018 FMR.

	Efficiency	One- Bedroom	Two- Bedroom	Three- Bedroom	Four- Bedroom
FY2018 FMR	\$693	\$773	\$948	\$1,286	\$1,291
FY2018 floor	\$624	\$696	\$853	\$1,157	\$1,162
FY 2019 FMR	\$670	\$803	\$998	\$1,250	\$1,349

Use FY2018 floor for FY2019?	No	No	No	No	No
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Final FY2019 Rents for All Bedroom Sizes for Lancaster County, VA

The following table shows the Final FY 2019 FMRs by bedroom sizes.

Final FY 2019 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
Final FY 2019 FMR	\$670	\$803	\$998	\$1,250	\$1,349

The FMRs for unit sizes larger than four bedrooms are calculated by adding 15 percent to the four bedroom FMR, for each extra bedroom. For example, the FMR for a five bedroom unit is 1.15 times the four bedroom FMR, and the FMR for a six bedroom unit is 1.30 times the four bedroom FMR. FMRs for single-room occupancy units are 0.75 times the zero bedroom (efficiency) FMR.

Permanent link to this page: http://www.huduser.gov/portal/data_sets/fmr/fmrs/FY2019_code/2019summary.odn?&year=2019&fmrtype=Final&selection_type=county&fips=5110399999

Select a different area

Press below to select a different county within the same state (same primary state for metropolitan areas):

Accomack County, VA
 Albemarle County, VA
 Alexandria city, VA
 Alleghany County, VA
 Amelia County, VA

Press below to select a different state:

Select a Final FY 2019 Metropolitan FMR Area:

Abilene, TX MSA

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 [HUD LIHTC Database](#)

Prepared by the [Economic and Market Analysis Division](#), HUD. Technical problems or questions? [Contact Us](#).



Rent & Income Limit Calculator ©

If you would like to engage Novogradac & Company LLP to calculate the rent & income limits for your property, please contact Thomas Stagg at thomas.stagg@novoco.com.

You can view demographic information and a detailed list of affordable housing properties in [compsMART+](#).

Click on the icons below to view historical charts.

Program and Location Information













Affordable Housing Program	IRS Section 42 Low-Income Housing Tax Credit (LIHTC)
Year ⁽¹⁾⁽²⁾	2018 (effective 04/01/18)
State	VA
County	Lancaster County
MSA	Lancaster County, VA
Persons / Bedroom	1.5 Person / Bedroom
4-person AMI	\$67,800
National Non-Metropolitan Median Income ⁽³⁾⁽⁴⁾	\$58,400
Hold Harmless ⁽⁶⁾	You have indicated that your project was placed in service on or after 04/01/2018 and is therefore eligible to have its income and rent limit held harmless beginning with the 2018 limits.
Placed in Service Date ⁽⁷⁾	On or after 04/01/2018.

HUD Published Income Limits for 2018 (with no adjustments)







Display Income Limits Hide Income Limits

		Section 8			
	Charts	MTSP 50%	Extremely Low	Very Low	Low
1 Person		\$23,750	\$14,250	\$23,750	\$38,000
2 Person		\$27,150	\$16,460	\$27,150	\$43,400
3 Person		\$30,550	\$20,780	\$30,550	\$48,850
4 Person		\$33,900	\$25,100	\$33,900	\$54,250
5 Person		\$36,650	\$29,420	\$36,650	\$58,600
6 Person		\$39,350	\$33,740	\$39,350	\$62,950
7 Person		\$42,050	\$38,060	\$42,050	\$67,300
8 Person		\$44,750	\$42,380	\$44,750	\$71,650
9 Person		\$47,450	N/A ⁽¹⁰⁾	\$47,450	\$75,950
10 Person		\$50,150	N/A ⁽¹⁰⁾	\$50,150	\$80,300
11 Person		\$52,900	N/A ⁽¹⁰⁾	\$52,900	\$84,650
12 Person		\$55,600	N/A ⁽¹⁰⁾	\$55,600	\$88,950

LIHTC Income Limits for 2018
(Based on 2018 MTSP Income Limits)

	Charts	60.00%	20.00%	30.00%	40.00%	50.00%	70.00%	80.00%	140.00%
1 Person		28,500	9,500	14,250	19,000	23,750	33,250	38,000	39,900
2 Person		32,580	10,860	16,290	21,720	27,150	38,010	43,440	45,612
3 Person		36,660	12,220	18,330	24,440	30,550	42,770	48,880	51,324
4 Person		40,680	13,560	20,340	27,120	33,900	47,460	54,240	56,952
5 Person		43,980	14,660	21,990	29,320	36,650	51,310	58,640	61,572
6 Person		47,220	15,740	23,610	31,480	39,350	55,090	62,960	66,108
7 Person		50,460	16,820	25,230	33,640	42,050	58,870	67,280	70,644
8 Person		53,700	17,900	26,850	35,800	44,750	62,650	71,600	75,180
9 Person		56,940	18,980	28,470	37,960	47,450	66,430	75,920	79,716
10 Person		60,180	20,060	30,090	40,120	50,150	70,210	80,240	84,252
11 Person		63,480	21,160	31,740	42,320	52,900	74,060	84,640	88,872
12 Person		66,720	22,240	33,360	44,480	55,600	77,840	88,960	93,408

LIHTC Rent Limits for 2018
(Based on 2018 MTSP/VLI Income Limits)

Bedrooms (People)	Charts	60.00%	20.00%	30.00%	40.00%	50.00%	70.00%	80.00%	FMR	HOME Low Rent	HOME High Rent
Efficiency (1.0)		712	237	356	475	593	831	950	693	595	693
1 Bedroom (1.5)		763	254	381	509	636	890	1,018	773	637	773
2 Bedrooms (3.0)		916	305	458	611	763	1,069	1,222	948	765	948
3 Bedrooms (4.5)		1,058	352	529	705	881	1,234	1,411	1,286	883	1,200
4 Bedrooms (6.0)		1,180	393	590	787	983	1,377	1,574	1,291	985	1,291
5 Bedrooms (7.5)		1,302	434	651	868	1,085	1,519	1,736		1,086	1,437

Before using the numbers from the Rent & Income Limit Calculator[®], we strongly recommend that you check with the applicable state housing agency to verify that the state agrees with the numbers. The numbers round down to the nearest \$1.

This Rent & Income Limit Calculator[®] does not calculate low-income housing tax credit (LIHTC) limits greater than 50% LIHTC or 60% LIHTC limits, depending on the minimum set-aside elected with the IRS on Form 8609 in accordance with Internal Revenue Code Section 42(i)(3)(A). In other words, if the 20/50 minimum set-aside was elected then 50% LIHTC is the maximum rent calculated and allowed to qualify as a tax credit unit; or if the 40/60 minimum set-aside was elected then 60% LIHTC is the maximum allowed to qualify as a tax credit unit.

[Revenue Ruling 89-24](#) require that the LIHTC rent & income levels start their calculations with the HUD published very low-income (VLI) amounts because the HUD published VLI amounts include certain HUD adjustments, such as high housing cost for high FMR areas to increase income, and state non-metropolitan median income to provide a floor for income limits. The result is that many counties have VLI amounts that are different than 50% of the AMI published by HUD (the 4-person AMGI we have shown above). The Novogradac Rent & Income Calculator[®] starts by default with the HUD published VLI amounts in accordance with [Revenue Ruling 89-24](#).

(1) The rent and income limits for each year are effective beginning with the effective date shown above. There is a grace period for 45 days to implement the new rent and income limits, which means that the old limits can be relied upon for 45 days after the effective date of the new limits. For example income limits effective 12/04/2012, can be relied on until 1/17/2013. For more information, see [Revenue Ruling 94-57](#).

[IRS LIHC Newsletter #48](#) and [IRS LIHC Newsletter #50](#) clarify that for projects placed in service during the 45-day grace period, the owner may choose the new or the old income limits. For example, if a project was placed in service on 1/8/2013 and the 2012 income limits are higher than the 2013 income limits, an owner may use the higher income limits from 2012 to income qualify tenants and set rents accordingly because the project was placed in service with the 45-day grace period.

Please note, the Rent & Income Limit Calculator[®] does not apply a 45-day grace period automatically. The user needs to indicate that the placed in service date and/or gross rent floor date occurred 45 days earlier (in the prior HUD Fiscal Year) if they want to apply the 45-day rule under [Revenue Ruling 94-57](#) that allows owners to rely on the prior year. Therefore, projects that were placed in service during the 45-day grace period, and want to use the prior year, should select that they were placed in service as of the prior year. For example, if a project placed in service on 1/8/2013, and the project wanted to use the 45-day grace period, the user should select that their project was in service prior to 12/4/2012. Similarly, projects that have a gross rent floor effective as of the carryover allocation date (or reservation letter date for bond projects) during the 45-day grace period, and want to use the prior year, should select that the gross rent floor was effective as of the prior year. For example, if a project received a carryover allocation letter on 1/8/2013, and the owner did not elect placed in service date as the gross rent floor, and the project wanted to use the 45-day grace period, the user should select that their gross rent floor was effective prior to 12/4/2012.

(2) For HUD FY 2013 HUD originally issued income limits on December 4, 2012 then issued revised income limits on December 11, 2012. In [IRS LIHC Newsletter #50](#), the IRS has stated that the effective date for the revised FY 2013 income limits is December 4, 2012. Based on this guidance, the Rent & Income Limit Calculator[®] uses December 4, 2013 for the effective date for the revised FY 2013 limits. Please see [IRS LIHC Newsletter #50](#) for more detail.

(3) An area may lose its rural area status. There is no clear guidance that a project is held harmless at the national non-metropolitan income limits when an area loses its rural status. The Rent & Income Limit Calculator[®] assumes that a project that is not indicated as rural in the current year was also not rural in the prior year, and therefore, does not receive hold harmless treatment based on the prior year national non-metro amount.

Please consult your state agency and tax advisor for further clarification.

(4) USDA may change their determination of what projects qualify as rural during the course of a year. Please periodically check with USDA to determine the continued rural eligibility of your project.

The national non-metropolitan median income has been adjusted for household size based on the family size adjustments outlined in the HUD Briefing Materials and as shown in each year's [HUD FAQ](#). The IRS did not specify whether or not to round to the nearest \$50, however, the Rent & Income Limit Calculator[®] will round to the nearest \$50 in accordance with the methodology referenced in HUD Briefing Materials.

(5) A project uses HERA Special if income was determined prior to 1/1/2009 and the project is in a HERA Special county. A project's income limits are held harmless at the prior year income limits if income was determined in the prior year or earlier and the income limits have decreased. Please note that the IRS has informally indicated that the definition of "determined" for purposes of the HERA Special and MTSP Hold Harmless income limits means that a project was placed in service. Please see [IRS LIHC Newsletter #35](#) for more information about "determined" and

projects with buildings that were placed in service before and after HUD income limit effective dates. Therefore, projects placed in service prior to 1/1/2009 are generally eligible for HERA Special. Please see footnote 7 for information about acquisition/rehabilitation projects.

(6) Internal Revenue Code Section 142(d)(2)(i) indicates that hold harmless applies on a calendar year. The Rent & Income Limit Calculator© assumes that "calendar year" in the hold harmless rule means the HUD Fiscal Year. For example, the 2009 calendar year means the HUD Fiscal Year from 3/19/2009 through 5/13/2010. In other words, the Rent & Income Limit Calculator© assumes that "calendar year" in the hold harmless rule means the highest income level achieved during any HUD Fiscal Year.

The Rent & Income Limit Calculator© assumes that a rural project will receive hold harmless treatment at the national non-metro amount based on the prior year national non-metro amount if the national non-metro median income were to fall from year to year. If a rural project qualifies for HERA Special and the HERA Special is higher than the national non-metro, then the HERA Special amount will be used. Please note that the IRS has not issued guidance that specifically allows hold harmless treatment at the national non-metro amount for rural projects, however, Internal Revenue Code 42(g)(4) by reference to Internal Revenue Code 142(d)(2)(E) implies that hold harmless treatment would apply at the national non-metro amount for rural projects. Please consult your tax advisor for further clarification.

(7) Please note that for acquisition/rehabilitation projects, the IRS guidance indicates that income and rent limits are determined at the later of the acquisition date or when management begins income-qualifying households in the project. For example, if a project was acquired in 2011, the rehabilitation was placed-in-service in 2012, and management began income-qualifying households in 2011 then the project would be considered placed in service in 2011 for income and rent purposes. If a project was acquired in 2011, the rehabilitation was placed-in-service in 2012, and management began income-qualifying households when the rehabilitation placed-in-service in 2012, then the project would be considered placed in service in 2012 for income and rent purposes. Please see [IRS LIHC Newsletter #35](#) for more detail. Please consult your tax advisor for further clarification.

(8) [Revenue Procedure 94-57](#) gives guidance on the gross rent floor election.

Tax credit projects without bond financing:

"The Internal Revenue Service will treat the gross rent floor in section 42(g)(2)(A) as taking effect on the date an Agency initially allocates a housing credit dollar amount to the building [generally referred to as the 42M letter] under section 42(h)(1). However, the Service will treat the gross rent floor as taking effect on a building's placed in service date if the building owner designates that date as the date on which the gross rent floor will take effect for the building. An owner must make this designation to use the placed in service date and inform the Agency that made the allocation to the building no later than the date on which the building is placed in service."

Tax credit projects with bond financing:

"The Service will treat the gross rent floor as taking effect on a building's placed in service date if the building owner designates that date as the date on which the gross rent floor will take effect for the building. An owner must make this designation to use the placed in service date and inform the Agency that issued the determination letter to the building no later than the date on which the building is placed in service."

(9) The Rent & Income Limit Calculator© assumes all buildings in a project have a rent floor effective date under [Revenue Procedure 94-57](#) in the same HUD Fiscal Year. However, if your buildings have rent floor effective dates under [Revenue Procedure 94-57](#) in different HUD Fiscal Years, then you should run the calculator separately for each group of buildings in a particular HUD Fiscal Year.

The Rent & Income Limit Calculator© assumes that different AMGI limits (40%, 35%, 30%, etc.) chosen by the user will also have a rent floor election under [Revenue Procedure 94-57](#) from the same HUD Fiscal Year that applies to the federal level of 50% or 60%.

(10) The Consolidated Appropriations Act of 2014 changed how the 30% income limit is calculated. The 30% limit, which is now called the extremely low income limit, is determined by taking the greater of the 30% income limit as calculated by HUD or the poverty level as determined by the Department of Health and Human Services, which is then capped at the 50% Very Low Income Limit ('VLI') published by HUD. HUD has only published the data up to 8 people. For household sizes above 8 people please visit the following website:
http://www.huduser.org/portal/datasets/il/il14/index_il2014.html

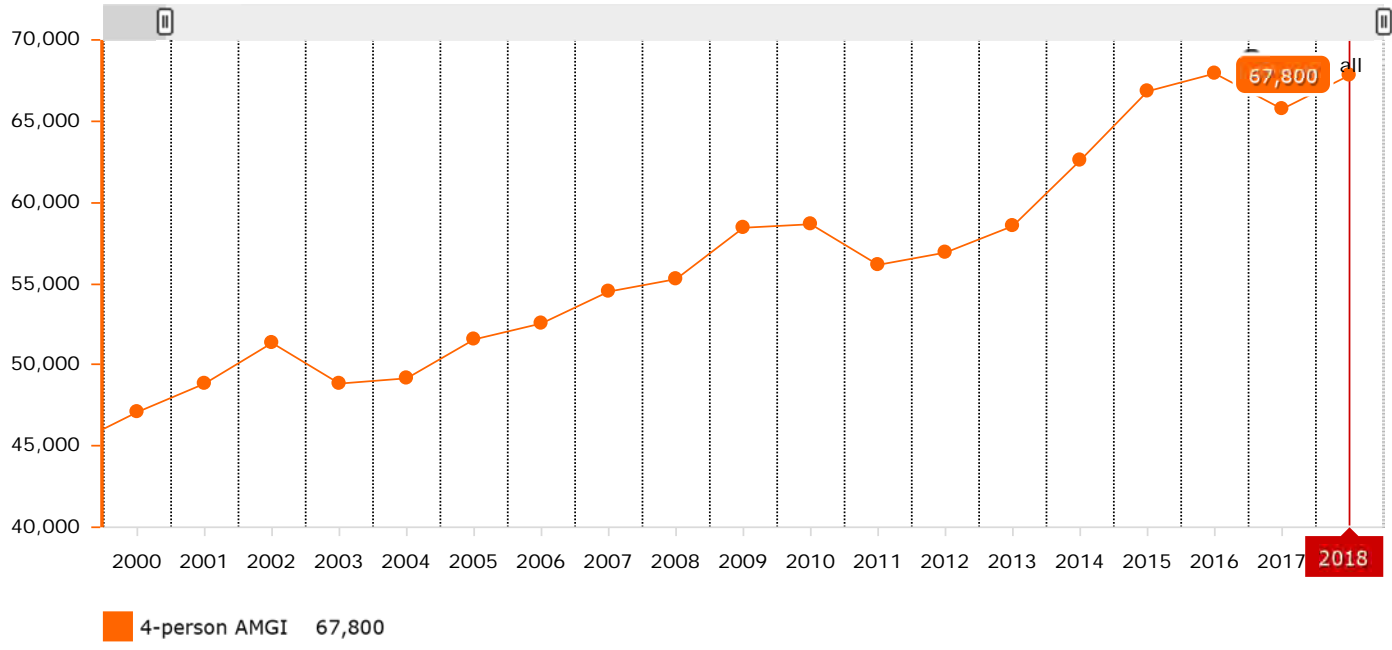
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chart by amcharts.com



Display: 4-person AMGI

Average Increase (AMGI): 2.2%/year

Close Window

STATE:VIRGINIA

-----I N C O M E L I M I T S-----

PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON	
Buchanan County, VA FY 2018 MFI: 40600	VERY LOW INCOME 60% INCOME LIMIT	19600 23520	22400 26880	25200 30240	27950 33540	30200 36240	32450 38940	34700 41640	36900 44280
Carroll County-Galax city, VA HNMFA FY 2018 MFI: 47300	VERY LOW INCOME 60% INCOME LIMIT	19600 23520	22400 26880	25200 30240	27950 33540	30200 36240	32450 38940	34700 41640	36900 44280
Charlotte County, VA FY 2018 MFI: 45700	VERY LOW INCOME 60% INCOME LIMIT	19600 23520	22400 26880	25200 30240	27950 33540	30200 36240	32450 38940	34700 41640	36900 44280
Cumberland County, VA FY 2018 MFI: 56000	VERY LOW INCOME 60% INCOME LIMIT	22300 26760	25500 30600	28700 34440	31850 38220	34400 41280	36950 44340	39500 47400	42050 50460
Dickenson County, VA FY 2018 MFI: 46600	VERY LOW INCOME 60% INCOME LIMIT	19600 23520	22400 26880	25200 30240	27950 33540	30200 36240	32450 38940	34700 41640	36900 44280
Essex County, VA FY 2018 MFI: 56300	VERY LOW INCOME 60% INCOME LIMIT	19750 23700	22550 27060	25350 30420	28150 33780	30450 36540	32700 39240	34950 41940	37200 44640
Grayson County, VA FY 2018 MFI: 41600	VERY LOW INCOME 60% INCOME LIMIT	19600 23520	22400 26880	25200 30240	27950 33540	30200 36240	32450 38940	34700 41640	36900 44280
Greensville County-Emporia city, VA HNMFA FY 2018 MFI: 46500	VERY LOW INCOME 60% INCOME LIMIT	19600 23520	22400 26880	25200 30240	27950 33540	30200 36240	32450 38940	34700 41640	36900 44280
Halifax County, VA FY 2018 MFI: 51800	VERY LOW INCOME 60% INCOME LIMIT	19600 23520	22400 26880	25200 30240	27950 33540	30200 36240	32450 38940	34700 41640	36900 44280
Henry County-Martinsville city, VA HNMFA FY 2018 MFI: 48000	VERY LOW INCOME 60% INCOME LIMIT	19600 23520	22400 26880	25200 30240	27950 33540	30200 36240	32450 38940	34700 41640	36900 44280
Highland County, VA FY 2018 MFI: 58000	VERY LOW INCOME 60% INCOME LIMIT	20300 24360	23200 27840	26100 31320	29000 34800	31350 37620	33650 40380	36000 43200	38300 45960
King George County, VA FY 2018 MFI: 95200	VERY LOW INCOME 60% INCOME LIMIT	33350 40020	38100 45720	42850 51420	47600 57120	51450 61740	55250 66300	59050 70860	62850 75420
King and Queen County, VA FY 2018 MFI: 56200	VERY LOW INCOME 60% INCOME LIMIT	22300 26760	25500 30600	28700 34440	31850 38220	34400 41280	36950 44340	39500 47400	42050 50460
Lancaster County, VA FY 2018 MFI: 67800	VERY LOW INCOME 60% INCOME LIMIT	23750 28500	27150 32580	30550 36660	33900 40680	36650 43980	39350 47220	42050 50460	44750 53700
Lee County, VA FY 2018 MFI: 45600	VERY LOW INCOME 60% INCOME LIMIT	19600 23520	22400 26880	25200 30240	27950 33540	30200 36240	32450 38940	34700 41640	36900 44280

* Income Limit for any project in a HUD impacted area whose current limit would be less than last year or less than its FY2008 limit times the Current Year Median (FY2018) over the FY2008 median. HUD impacted areas are areas with Section 8 Income Limits held harmless by HUD in FY2007 or FY2008.