

# MARKET STUDY

Property:  
Piper Square Apartments  
1529 Piper Square Drive  
Hopewell, Hopewell City, Virginia 23860



Type of Property:  
Affordable Multifamily Development  
Family  
Renovation

Date of Report:  
April 21, 2019

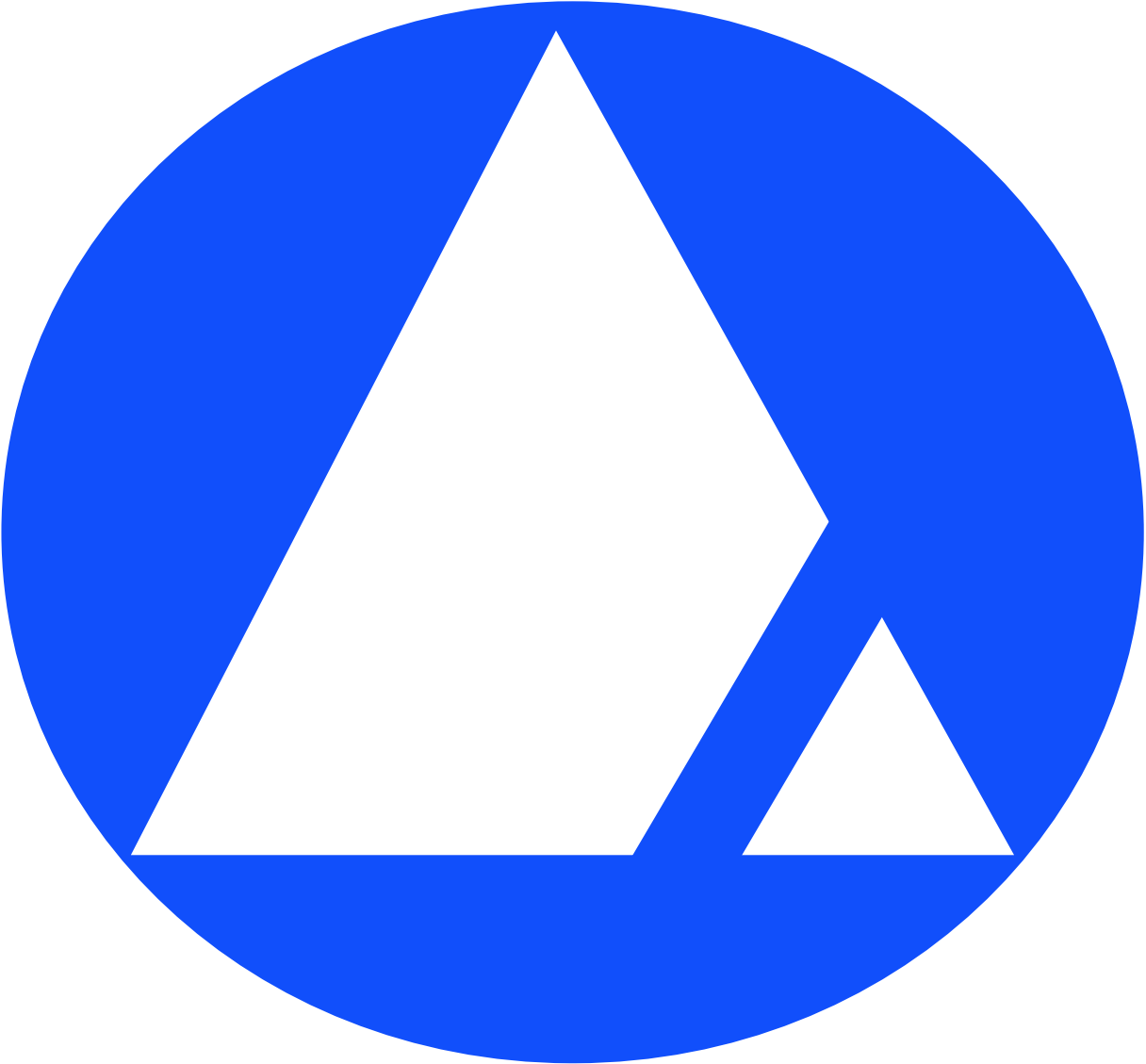
Effective Date:  
April 19, 2019

Date of Site Visit:  
April 10, 2019

Prepared For:  
Mr. Tarvaris McCoy  
Hopewell Redevelopment and Housing Authority  
350 E Poythress Street  
Hopewell, Virginia 23860  
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April 21, 2019

Mr. Tarvaris McCoy  
Hopewell Redevelopment and Housing Authority  
350 E Poythress Street  
Hopewell, Virginia 23860

Re: Piper Square Apartments

Dear Mr. Tarvaris McCoy:

The subject property, known as Piper Square, is an existing affordable multifamily development located at 1529 Piper Square Drive in Hopewell, Virginia (PID 106-0494). The subject property consists of 103 revenue-producing units originally constructed in 1982. The sponsor has proposed to renovate the property with tax-exempt bond financing. The subject property is an open age community.

The subject property is proposed to consist of 103 revenue-producing units including 1, 2, 3 and 4-bedroom garden and townhome-style apartment units. A total of 52 units are proposed to be income restricted to 50% of AMI; a total of 51 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 103 units are proposed to benefit from project-based rental assistance; no units are proposed to benefit from HOME financing. Under the proposed terms of the tax-exempt bond financing, these restrictions will have a term of 30 years.

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 Hopewell Redevelopment and Housing Authority. 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 Piper Square, is an existing affordable multifamily development located at 1529 Piper Square Drive in Hopewell, Virginia (PID 106-0494). The subject property consists of 103 revenue-producing units originally constructed in 1982. The sponsor has proposed to renovate the property with tax-exempt bond financing. The

### Proposed Unit Mix

The subject property is proposed to consist of 103 revenue-producing units including 1, 2, 3 and 4-bedroom garden and townhome-style apartment units. A total of 52 units are proposed to be income restricted to 50% of AMI; a total of 51 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 103 units are proposed to benefit from project-based rental assistance; no units are proposed to benefit from HOME financing. Under the proposed terms of the tax-exempt bond financing, these restrictions will have a term of 30 years.

| Proposed Unit Configuration             |      |            |       |            |      |          |
|---|------|------------|-------|------------|------|----------|
| Unit Type / Income Limit / Rent Limit   | HOME | Subsidized | Units | Gross Rent | UA   | Net Rent |
| 1BR-1BA-606sf / 50% of AMI / 50% of AMI | No   | Yes        | 10    | \$605      | \$54 | \$551    |
| 1BR-1BA-606sf / 60% of AMI / 60% of AMI | No   | Yes        | 6     | \$605      | \$54 | \$551    |
| 1BR-1BA-606sf / 60% of AMI / 60% of AMI | No   | Yes        | 4     | \$605      | \$54 | \$551    |
| 2BR-1BA-627sf / 50% of AMI / 50% of AMI | No   | Yes        | 17    | \$697      | \$62 | \$635    |
| 2BR-1BA-764sf / 50% of AMI / 50% of AMI | No   | Yes        | 7     | \$697      | \$62 | \$635    |
| 2BR-1BA-764sf / 60% of AMI / 60% of AMI | No   | Yes        | 7     | \$697      | \$62 | \$635    |
| 2BR-1BA-905sf / 60% of AMI / 60% of AMI | No   | Yes        | 13    | \$697      | \$62 | \$635    |
| 2BR-1BA-905sf / 60% of AMI / 60% of AMI | No   | Yes        | 4     | \$697      | \$62 | \$635    |
| 3BR-1BA-764sf / 50% of AMI / 50% of AMI | No   | Yes        | 8     | \$920      | \$70 | \$850    |
| 3BR-1BA-784sf / 50% of AMI / 50% of AMI | No   | Yes        | 7     | \$920      | \$70 | \$850    |
| 3BR-1BA-899sf / 60% of AMI / 60% of AMI | No   | Yes        | 13    | \$920      | \$70 | \$850    |
| 3BR-2BA-899sf / 60% of AMI / 60% of AMI | No   | Yes        | 1     | \$920      | \$70 | \$850    |
| 4BR-1BA-989sf / 50% of AMI / 50% of AMI | No   | Yes        | 3     | \$1,098    | \$79 | \$1,019  |
| 4BR-1BA-989sf / 60% of AMI / 60% of AMI | No   | Yes        | 3     | \$1,098    | \$79 | \$1,019  |
| Total/Average                           |      |            | 103   | \$765      | \$64 | \$702    |

### Site Description

The subject property includes an irregular-shaped parcel consisting of approximately 13.1 acres and approximately 800 feet of road frontage.

A total of 149 parking spaces are planned for this development (142 regular / 7 accessible / 1.45 spaces per unit). Privately-owned parking areas are found at 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 immediate area. In our opinion, the proposed parking appears a bit light for the subject property.

### Additional Considerations:

|               |   |
|---------------|---|
| Zoning        | R-4. Legal, conforming use.   |
| Environmental | 1982 construction. No suspected environmental conditions.           |
| Topography    | No issues detected.   |
| Flood         | Zone X. Outside the 100-year flood zone.                            |
| DDA Status    | Hopewell, Virginia. Not designated as a Difficult to Develop Area.  |
| QCT Status    | Tract 8206.00. Designated as a Qualified Census Tract.              |
| Access        | Good. Located off a moderately-traveled road.                       |
| Visibility    | Fair. Located off a moderately-traveled road with limited frontage. |

In our opinion, the site is suitable for development.

Neighborhood Description

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

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

Additional Considerations:

|                 |   |
|-----------------|---|
| Crime           | Higher crime rates than market average.     |
| Schools         | Lower graduation rates than market average. |
| Average Commute | Similar to market average.                  |

In our opinion, the neighborhood is suitable for development.

Primary Market Area

We defined the primary market area by generating a 10-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 109,057 persons and covers a total of 105.3 square miles, making it 11.6 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 109,057 and is projected to grow 0.5 percent this year.      |
| Households        | Market area households currently stand at 41,734 and is projected to grow 0.5 percent this year.        |
| Renter Households | Market area renter households currently stand at 19,241 and is projected to grow 0.0 percent this year. |
| Renter Tenure     | Market area renter tenure currently stands at 46.1 percent.   |
| Rent Growth       | Market area rents have grown 1.51% 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 286,611 and is projected to grow 2.1 percent this year.  |
| Civ Employment   | Regional civilian employment currently stands at 250,779 and is projected to grow 1.2 percent this year.   |
| Empl by Industry | Regional establishment employment currently stands at 286,611. The data suggests that Retail Trade is the largest employment category accounting for 12.2% of total regional employment. Health Care and Social Assistance is the second largest category accounting for 10.7% of total employment. State and Local Government is the third largest category accounting for 9.8% of total employment. Construction is the fourth largest category accounting for 7.6% of total employment. Accommodation and Food Services is the fifth largest category |

|                    |  |
|--------------------|--|
|                    | accounting for 7.2% of total employment.   |
| Top Employers      | The top employers include: (1) Chesterfield County Govt Ofcs (4562 employees); (2) Defense Logistics Agency (4000 employees) and; (3) Amazon.Com Inc (3300 employees). |
| Layoffs/Expansions | Major employers are currently hiring; none reported any pending layoffs.   |

### Supply Analysis

Our analysis includes a total of 91 confirmed market area properties consisting of 8,979 units. The occupancy rate for these units currently stands at 89 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  | 55         | 5,550 | 420    | 92%       |
| Restricted   | 22         | 2,135 | 329    | 85%       |
| Subsidized   | 14         | 1,294 | 216    | 83%       |
| Total        | 91         | 8,979 | 965    | 89%       |

| Stabilized   |            |       |        |           |
|--------------|------------|-------|--------|-----------|
| Family       |            |       |        |           |
| Project Type | Properties | Units | Vacant | Occupancy |
| Market Rate  | 52         | 5,350 | 273    | 95%       |
| Restricted   | 16         | 1,581 | 63     | 96%       |
| Subsidized   | 6          | 528   | 23     | 96%       |
| Total        | 74         | 7,459 | 359    | 95%       |

| Elderly      |            |       |        |           |
|--------------|------------|-------|--------|-----------|
| Project Type | Properties | Units | Vacant | Occupancy |
| Market Rate  | 0          | 0     | 0      | 0%        |
| Restricted   | 4          | 262   | 3      | 99%       |
| Subsidized   | 5          | 518   | 9      | 98%       |
| Total        | 9          | 780   | 12     | 98%       |

| Pipeline     |            |       |        |           |
|--------------|------------|-------|--------|-----------|
| Family       |            |       |        |           |
| Project Type | Properties | Units | Vacant | Occupancy |
| Market Rate  | 3          | 200   | 147    | 27%       |
| Restricted   | 2          | 292   | 263    | 10%       |
| Subsidized   | 2          | 148   | 148    | 0%        |
| Total        | 7          | 640   | 558    | 13%       |

| Elderly      |            |       |        |           |
|--------------|------------|-------|--------|-----------|
| Project Type | Properties | Units | Vacant | Occupancy |
| Market Rate  | 0          | 0     | 0      | 0%        |
| Restricted   | 0          | 0     | 0      | 0%        |
| Subsidized   | 1          | 100   | 36     | 64%       |
| Total        | 1          | 100   | 36     | 64%       |

### 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 |
|-----|------------------------------|-------|-----------|-------|-----------|-------------|--------|--------------|
| 003 | Addison Crater Woods Phase   | 120   | 97%       | 1982  | na        | Market Rate | Family | 5.88         |
| 015 | Branchester Lakes            | 120   | 99%       | 1997  | na        | Market Rate | Family | 1.76         |
| 025 | Chesterfield Garden Apartmei | 106   | 100%      | 2002  | na        | Market Rate | Family | 3.19         |
| 043 | Farmingdale Townhouses       | 122   | 100%      | 1966  | 2011      | Market Rate | Family | 0.75         |
| 050 | Harwood Square Apartments    | 24    | 100%      | 2007  | na        | Market Rate | Family | 1.55         |
| 062 | Jefferson Pointe Apartments  | 220   | 99%       | 2000  | na        | Market Rate | Family | 0.92         |
| 115 | River's Bend Apartments Hon  | 318   | 98%       | 1999  | na        | Market Rate | Family | 5.56         |

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 |
|-----|------------------------------|-------|-----------|-------|-----------|------------|--------|--------------|
| 009 | Bailey's Ridge               | 156   | 100%      | 2000  | na        | Restricted | Family | 0.86         |
| 029 | Clearfield Apartments        | 144   | 88%       | 1993  | 2012      | Restricted | Family | 4.73         |
| 064 | Jefferson South of the James | 200   | 98%       | 1974  | 2000      | Restricted | Family | 7.30         |
| 094 | Oaks Of Dunlop               | 144   | 99%       | 1990  | 2017      | Restricted | Family | 4.70         |
| 105 | Pinetree Apartments          | 144   | 90%       | 1995  | na        | Restricted | Family | 3.99         |
| 117 | Mattox Landing Apartments    | 88    | 99%       | 2000  | na        | Restricted | Family | 5.85         |
| 131 | Terrace View                 | 62    | 100%      | 1999  | na        | Restricted | Family | 6.33         |

#### 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-606sf / 50% of AMI / 50% of AMI | No               | Yes        |  | 10    | \$870      | \$551    | 36.7%     |
| 1BR-1BA-606sf / 60% of AMI / 60% of AMI | No               | Yes        |  | 6     | \$870      | \$551    | 36.7%     |
| 1BR-1BA-606sf / 60% of AMI / 60% of AMI | No               | Yes        |  | 4     | \$870      | \$551    | 36.7%     |
| 2BR-1BA-627sf / 50% of AMI / 50% of AMI | No               | Yes        |  | 17    | \$950      | \$635    | 33.2%     |
| 2BR-1BA-764sf / 50% of AMI / 50% of AMI | No               | Yes        |  | 7     | \$950      | \$635    | 33.2%     |
| 2BR-1BA-764sf / 60% of AMI / 60% of AMI | No               | Yes        |  | 7     | \$950      | \$635    | 33.2%     |
| 2BR-1BA-905sf / 60% of AMI / 60% of AMI | No               | Yes        |  | 13    | \$950      | \$635    | 33.2%     |
| 2BR-1BA-905sf / 60% of AMI / 60% of AMI | No               | Yes        |  | 4     | \$950      | \$635    | 33.2%     |
| 3BR-1BA-764sf / 50% of AMI / 50% of AMI | No               | Yes        |  | 8     | \$1,175    | \$850    | 27.7%     |
| 3BR-1BA-784sf / 50% of AMI / 50% of AMI | No               | Yes        |  | 7     | \$1,175    | \$850    | 27.7%     |
| 3BR-1BA-899sf / 60% of AMI / 60% of AMI | No               | Yes        |  | 13    | \$1,275    | \$850    | 33.3%     |
| 3BR-2BA-899sf / 60% of AMI / 60% of AMI | No               | Yes        |  | 1     | \$1,275    | \$850    | 33.3%     |
| 4BR-1BA-989sf / 50% of AMI / 50% of AMI | No               | Yes        |  | 3     | \$1,350    | \$1,019  | 24.5%     |
| 4BR-1BA-989sf / 60% of AMI / 60% of AMI | No               | Yes        |  | 3     | \$1,350    | \$1,019  | 24.5%     |
| Total / Average                         |                  |            |  | 103   | \$1,035    | \$702    | 32.2%     |

Our analysis suggests an average achievable rent of \$1,035 for the subject property. This is compared with an average proposed rent of \$702, yielding an achievable rent advantage of 32.2 percent. Overall, the subject property appears to be priced at or below 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  | 10                        | 6,313        | 33                      | 0.2%               | 0.2%             | 1.9%             | <1                  |
| 2-Bedroom / Subsidized / 60% of AMI  | 24                        | 9,142        | 60                      | 0.3%               | 0.3%             | 3.7%             | 2                   |
| 3-Bedroom / Subsidized / 60% of AMI  | 15                        | 9,792        | 66                      | 0.2%               | 0.2%             | 2.3%             | <1                  |
| 4-Bedroom / Subsidized / 60% of AMI  | 3                         | 10,022       | 12                      | 0.0%               | 0.0%             | 0.4%             | <1                  |



|                                 |       |
|---------------------------------|-------|
| Project-Wide Gross Capture Rate | 0.5%  |
| Project-Wide Net Capture Rate   | 0.5%  |
| Project-Wide Penetration Rate   | 7.1%  |
| Stabilized Occupancy            | 97%   |
| Project-Wide Absorption Period  | 2 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 2 months of absorption and an average absorption rate of 33.0 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  | 2.8%  |
| Project-Wide Capture Rate - Market Units | 0.0%  |
| Project-Wide Capture Rate - All Units    | 2.8%  |
| Project-Wide Absorption Period (Months)  | 2 mos |

#### Conclusion

In conclusion, the subject property appears to be feasible from a market standpoint. The units appear to be priced appropriately and we anticipate a rapid lease-up after renovation.

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.

Piper Square Apartments  
 1529 Piper Square Drive  
 Hopewell, Virginia 23860

|  | Sub      | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot      |
|--|----------|-----|-----|-----|-----|-----|-----|-----|----------|
| Minimum Income   | \$1,851  |     |     |     |     |     |     |     | \$1,851  |
| Maximum Income   | \$57,960 |     |     |     |     |     |     |     | \$57,960 |
| New Rental Households  | 9        |     |     |     |     |     |     |     | 9        |
| (+)  |          |     |     |     |     |     |     |     |          |
| Existing Households -<br>Overburdened  | 3,096    |     |     |     |     |     |     |     | 3,096    |
| (+)  |          |     |     |     |     |     |     |     |          |
| Existing Households -<br>Substandard Housing                                       | 703      |     |     |     |     |     |     |     | 703      |
| (+)  |          |     |     |     |     |     |     |     |          |
| Elderly Households -<br>Likely to Convert to<br>Rental Housing                     |          |     |     |     |     |     |     |     |          |
| (+)  |          |     |     |     |     |     |     |     |          |
| Existing Qualifying<br>Tenants - To Remain<br>After Renovation                     | 51       |     |     |     |     |     |     |     | 51       |
| (+)  |          |     |     |     |     |     |     |     |          |
| Total Demand   | 3,859    |     |     |     |     |     |     |     | 3,859    |
| (-)  |          |     |     |     |     |     |     |     |          |
| Supply (Directly<br>Comparable Vacant<br>Units Completed or in<br>Pipeline in PMA) | 171      |     |     |     |     |     |     |     | 171      |
| (=)  |          |     |     |     |     |     |     |     |          |
| Net Demand   | 3,688    |     |     |     |     |     |     |     | 3,688    |
| Proposed Units   | 103      |     |     |     |     |     |     |     | 103      |
| Capture Rate   | 2.8%     |     |     |     |     |     |     |     | 2.8%     |
| Absorption Period<br>(Months)  | 2 mos    |     |     |     |     |     |     |     | 2 mos    |

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## PROJECT OVERVIEW

### Project Description

The subject property, known as Piper Square, is an existing affordable multifamily development located at 1529 Piper Square Drive in Hopewell, Virginia (PID 106-0494). The subject property consists of 103 revenue-producing units originally constructed in 1982. The sponsor has proposed to renovate the property with tax-exempt bond financing. The subject property is an open age community.

Select project details are summarized below:

| Project Description |                         |
|---------------------|-------------------------|
| Property Name       | Piper Square Apartments |
| Street Number       | 1529                    |
| Street Name         | Piper Square            |
| Street Type         | Drive                   |
| City                | Hopewell                |
| County              | Hopewell City           |
| State               | Virginia                |
| Zip                 | 23860                   |
| Units               | 103                     |
| Year Built          | 1982                    |
| Project Rent        | Subsidized              |
| 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 June 1, 2019 closing, this yields a date of completion of June 1, 2020. Our demand analysis (found later in this report) suggests a 2-month absorption period. This yields a date of stabilization of August 1, 2021.

### Unit Configuration

The subject property currently consists of 103 revenue-producing units including 1, 2, 3 and 4-bedroom garden and townhome-style units. A total of 103 units are currently income restricted to 60% of AMI; no units are currently set aside as market rate units; a total of 103 units are currently operated as public housing authority units. In anticipation of the planned renovation, the subject property currently stands at 81% occupancy.

| 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 | 617   | Garden/Flat | 60%          | 60%        | No         | Yes        | 20          | \$664      | \$664    |
| 2                          | 1.0 | 774   | Garden/Flat | 60%          | 60%        | No         | Yes        | 34          | \$787      | \$787    |
| 2                          | 1.0 | 905   | Townhome    | 60%          | 60%        | No         | Yes        | 14          | \$787      | \$787    |
| 3                          | 1.0 | 899   | Garden/Flat | 60%          | 60%        | No         | Yes        | 8           | \$1,035    | \$1,035  |
| 3                          | 1.0 | 989   | Townhome    | 60%          | 60%        | No         | Yes        | 20          | \$1,035    | \$1,035  |
| 3                          | 1.0 | 1,214 | Townhome    | 60%          | 60%        | No         | Yes        | 1           | \$1,035    | \$1,035  |
| 4                          | 1.0 | 1,192 | Townhome    | 60%          | 60%        | No         | Yes        | 6           | \$1,235    | \$1,235  |
| Total/Average              |     | 841   |             |              |            |            |            | 103         | \$859      | \$859    |

The subject property is proposed to consist of 103 revenue-producing units including 1, 2, 3 and 4-bedroom garden and townhome-style apartment units. A total of 52 units are proposed to be income restricted to 50% of AMI; a total of 51 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 103 units are proposed to benefit from project-based rental assistance; no units are proposed to benefit from HOME financing. Under the proposed terms of the tax-exempt bond financing, these restrictions will have a term of 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 | 606 | Garden/Flat | 50%          | 50%        | No         | Yes        | 10          | \$605      | \$551    |
| 1                           | 1.0 | 606 | Garden/Flat | 60%          | 60%        | No         | Yes        | 6           | \$605      | \$551    |
| 1                           | 1.0 | 606 | Garden/Flat | 60%          | 60%        | No         | Yes        | 4           | \$605      | \$551    |
| 2                           | 1.0 | 627 | Garden/Flat | 50%          | 50%        | No         | Yes        | 17          | \$697      | \$635    |
| 2                           | 1.0 | 764 | Townhome    | 50%          | 50%        | No         | Yes        | 7           | \$697      | \$635    |
| 2                           | 1.0 | 764 | Townhome    | 60%          | 60%        | No         | Yes        | 7           | \$697      | \$635    |
| 2                           | 1.0 | 905 | Garden/Flat | 60%          | 60%        | No         | Yes        | 13          | \$697      | \$635    |
| 2                           | 1.0 | 905 | Garden/Flat | 60%          | 60%        | No         | Yes        | 4           | \$697      | \$635    |
| 3                           | 1.0 | 764 | Garden/Flat | 50%          | 50%        | No         | Yes        | 8           | \$920      | \$850    |
| 3                           | 1.0 | 784 | Townhome    | 50%          | 50%        | No         | Yes        | 7           | \$920      | \$850    |
| 3                           | 1.0 | 899 | Townhome    | 60%          | 60%        | No         | Yes        | 13          | \$920      | \$850    |
| 3                           | 2.0 | 899 | Townhome    | 60%          | 60%        | No         | Yes        | 1           | \$920      | \$850    |
| 4                           | 1.0 | 989 | Townhome    | 50%          | 50%        | No         | Yes        | 3           | \$1,098    | \$1,019  |
| 4                           | 1.0 | 989 | Townhome    | 60%          | 60%        | No         | Yes        | 3           | \$1,098    | \$1,019  |
| Total/Average               |     | 767 |             |              |            |            |            | 103         | \$765      | \$702    |

## 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    | \$17,490   | \$23,320   | \$29,150   | \$34,980   | \$40,810   | \$46,640   |
| 2.0 Person    | \$19,980   | \$26,640   | \$33,300   | \$39,960   | \$46,620   | \$53,280   |
| 3.0 Person    | \$22,470   | \$29,960   | \$37,450   | \$44,940   | \$52,430   | \$59,920   |
| 4.0 Person    | \$24,960   | \$33,280   | \$41,600   | \$49,920   | \$58,240   | \$66,560   |
| 5.0 Person    | \$26,970   | \$35,960   | \$44,950   | \$53,940   | \$62,930   | \$71,920   |
| 6.0 Person    | \$28,980   | \$38,640   | \$48,300   | \$57,960   | \$67,620   | \$77,280   |
| 7.0 Person    | \$30,960   | \$41,280   | \$51,600   | \$61,920   | \$72,240   | \$82,560   |
| 8.0 Person    | \$32,970   | \$43,960   | \$54,950   | \$65,940   | \$76,930   | \$87,920   |

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:

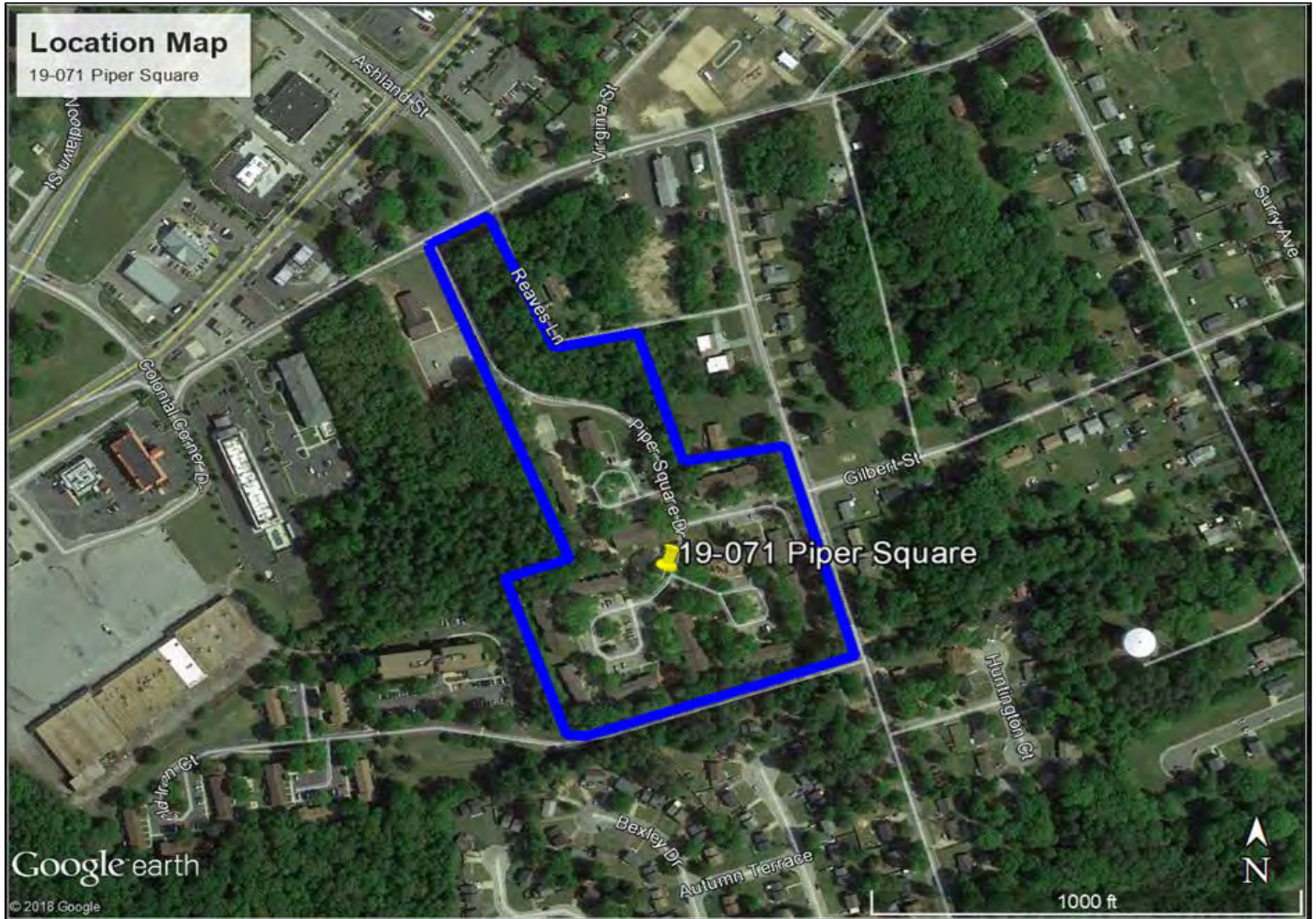
| Historical Median Income |          |        |
|--------------------------|----------|--------|
| Year                     | \$       | Change |
| 2008                     | \$69,300 | 0.9%   |
| 2009                     | \$73,200 | 5.6%   |
| 2010                     | \$73,900 | 1.0%   |
| 2011                     | \$74,600 | 0.9%   |
| 2012                     | \$75,600 | 1.3%   |
| 2013                     | \$73,900 | -2.2%  |
| 2014                     | \$72,900 | -1.4%  |
| 2015                     | \$74,200 | 1.8%   |
| 2016                     | \$72,400 | -2.4%  |
| 2017                     | \$78,700 | 8.7%   |
| 2018                     | \$83,200 | 5.7%   |

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         | \$889      |
| 1 Bedroom         | \$932      |
| 2 Bedroom         | \$1,067    |
| 3 Bedroom         | \$1,421    |
| 4 Bedroom         | \$1,713    |

Source: HUD



# Site Plan

**Legend**

|          |                      |
|----------|----------------------|
| □ DETAIL | — 1" = 1' SECTION    |
| □ DETAIL | — 1" = 2' SECTION    |
| □ DETAIL | — 1" = 4' SECTION    |
| □ DETAIL | — 1" = 8' SECTION    |
| □ DETAIL | — 1" = 16' SECTION   |
| □ DETAIL | — 1" = 32' SECTION   |
| □ DETAIL | — 1" = 64' SECTION   |
| □ DETAIL | — 1" = 128' SECTION  |
| □ DETAIL | — 1" = 256' SECTION  |
| □ DETAIL | — 1" = 512' SECTION  |
| □ DETAIL | — 1" = 1024' SECTION |
| □ DETAIL | — 1" = 2048' SECTION |
| □ DETAIL | — 1" = 4096' SECTION |

**Abbreviations**

|    |             |
|----|-------------|
| 1  | WATER       |
| -T | -LET DETAIL |
| -L | -LET DETAIL |
| -T | -LET DETAIL |
| -L | -LET DETAIL |
| -T | -LET DETAIL |
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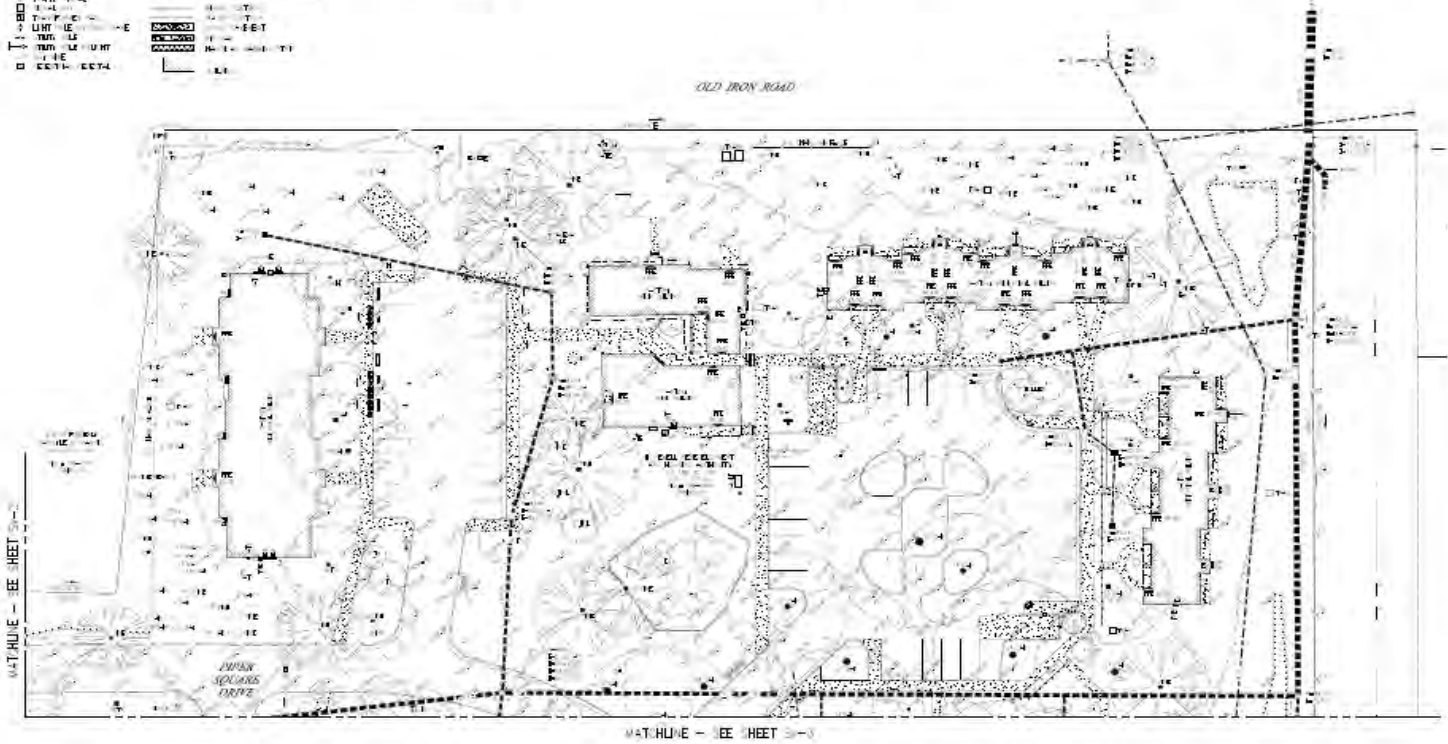
**General Note**

1. THE SITE PLAN IS A REPRESENTATION OF THE DESIGNER'S INTENT. IT IS NOT A CONTRACT DOCUMENT. IT IS THE DESIGNER'S OBLIGATION TO VERIFY THE ACCURACY OF ALL DATA AND INFORMATION SUPPLIED BY THE CLIENT. THE DESIGNER SHALL NOT BE RESPONSIBLE FOR ANY ERRORS OR OMISSIONS IN THE SITE PLAN. THE CLIENT SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES. THE DESIGNER SHALL NOT BE RESPONSIBLE FOR ANY DELAYS OR COSTS INCURRED BY THE CLIENT DUE TO INADEQUATE INFORMATION OR LACK OF COOPERATION FROM THIRD PARTIES.

2. THE SITE PLAN IS BASED ON THE INFORMATION PROVIDED BY THE CLIENT. THE DESIGNER HAS CONDUCTED A VISUAL INSPECTION OF THE SITE AND HAS FOUND NO APPARENT DISCREPANCIES. THE DESIGNER SHALL NOT BE RESPONSIBLE FOR ANY UNDISCOVERED CONDITIONS OR FOR ANY CHANGES IN THE SITE PLAN DUE TO NEW INFORMATION OR CHANGES IN THE CLIENT'S REQUIREMENTS.

3. THE SITE PLAN IS A PRELIMINARY DESIGN AND IS SUBJECT TO CHANGE. THE DESIGNER SHALL BE RESPONSIBLE FOR ALL CHANGES TO THE SITE PLAN. THE CLIENT SHALL BE RESPONSIBLE FOR NOTIFYING THE DESIGNER OF ANY CHANGES TO THE CLIENT'S REQUIREMENTS.

4. THE SITE PLAN IS NOT TO BE USED FOR ANY OTHER PURPOSES WITHOUT THE WRITTEN CONSENT OF THE DESIGNER. THE DESIGNER SHALL NOT BE RESPONSIBLE FOR ANY CONSEQUENCES OF ANY UNAUTHORIZED USE OF THE SITE PLAN.



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Virginia Beach, VA 23462  
757-465-1222



**Hopewell Redevelopment & Housing Authority  
Piper Square Apartments**

Hopewell, Virginia

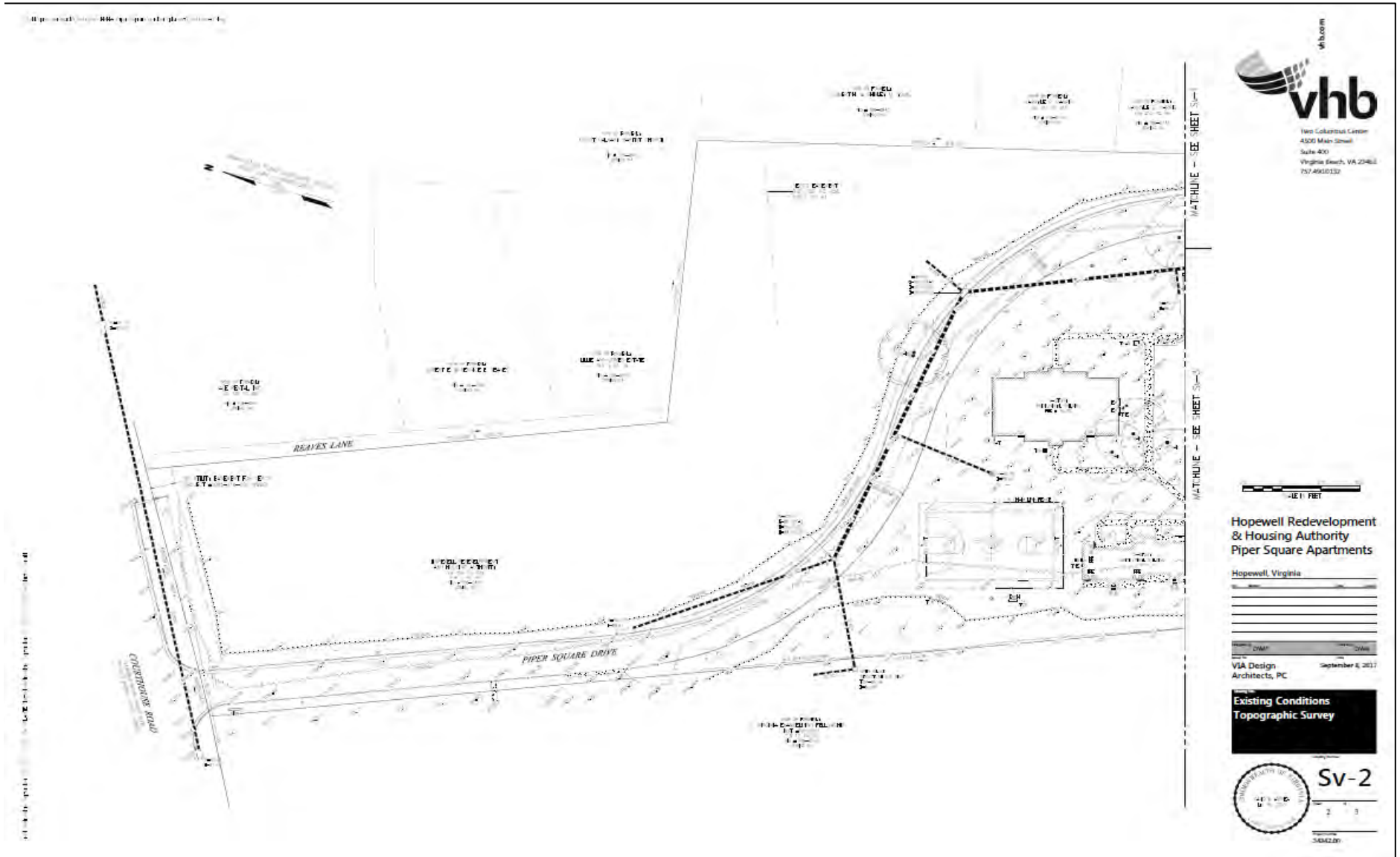
VIA Design Architects, PC September 4, 2013

Existing Conditions  
Topographic Survey

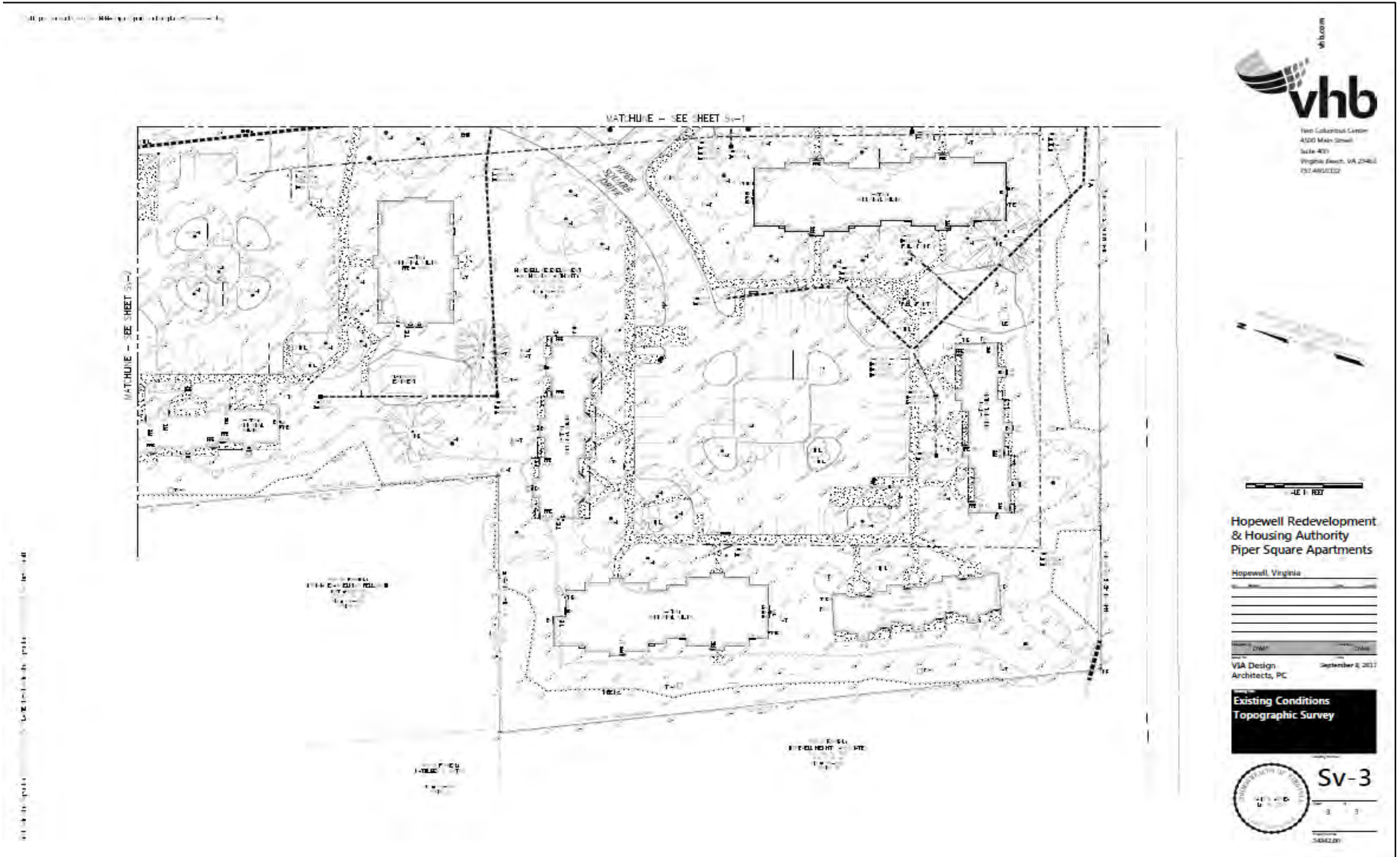
SV-1  
Professional Engineer  
Virginia License No. 58432



# Site Plan (Continued)



# Site Plan (Continued)



Hopewell Redevelopment  
 & Housing Authority  
 Piper Square Apartments

Hopewell, Virginia

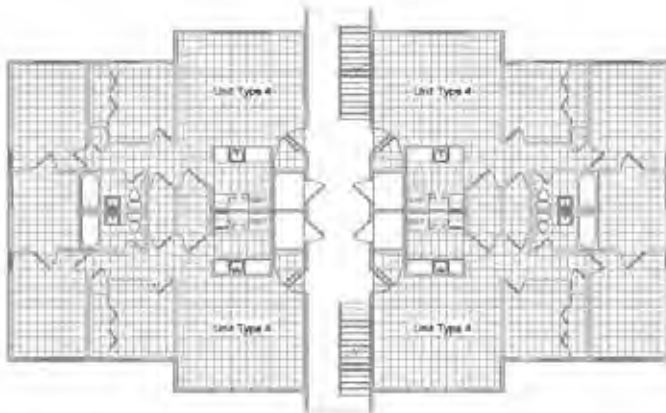
|      |             |
|------|-------------|
| DATE | DESCRIPTION |
|      |             |
|      |             |
|      |             |
|      |             |
|      |             |

VIA Design  
 Architects, PC  
 September 4, 2017

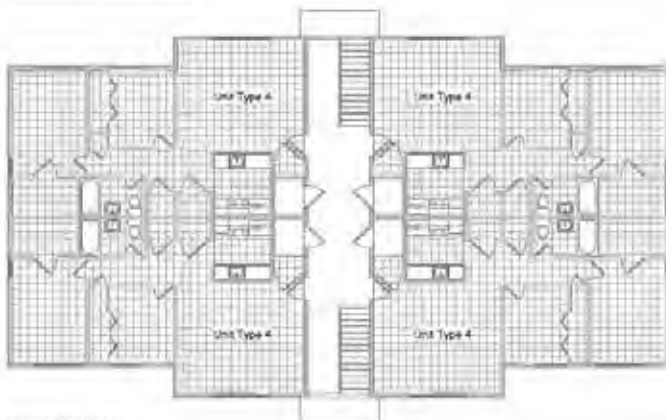
Existing Conditions  
 Topographic Survey



## Building Plans



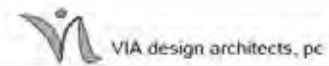
First Floor



Second Floor

**Piper Square Apartments**  
1529 Piper Square Dr, Hopewell, VA 23860

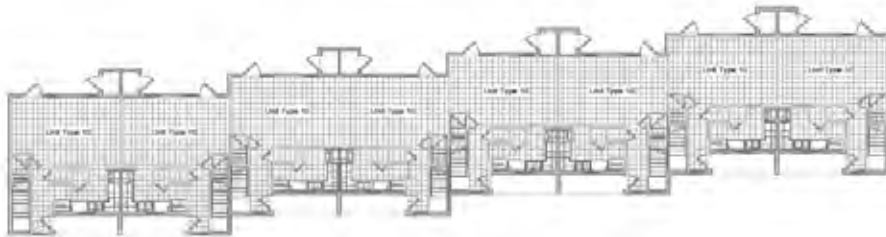
2017.09.19 Building A



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| 2017 Unit Inspection Checklist - Exteriors |   |   |       |
|--|---|---|-------|
| Neighborhood                               |   |  |       |
| Building Number                            | 1520  |   |       |
| Address/Unit Number                        |   |   |       |
| Architectural                              |   | Remedy?<br>(Y/N)  | NOTES |
| Site                                       | Asphalt (Damaged, Cracking, Spalling, Etc)      |   |       |
|  | Concrete ( Damaged, Cracking, Heaving, Etc)     |   |       |
|  | Composter - Pad (2ft)                           |   |       |
|  | Composter - Enclosure (Missing, Non-Accessible) |   |       |
|  | Walk Slope                                      |   |       |
|  | Drainings (10ft from building)                  |   |       |
| Elevations                                 | Lighting - Site                                 |   |       |
|  | Railings (Wood, Damaged, Etc)                   |   |       |
|  | Siding/Weeps (6" Clear)                         |   |       |
|  | Roof - Finish                                   |   |       |
|  | Roof - Gutters & Downspouts                     |   |       |
|  | Siding (Damaged, Deterior, Aerial, Etc)         |   |       |
| Building Systems                           | Siding, Trim (Damaged, Dented, Material, Etc)   |   |       |
|  | Masonry (Damaged, Cracked, Mortar, Etc)         |   |       |
|  | Windows   |   |       |
|  | Windows - Lintels                               |   |       |
| Other                                      | Windows - Sills                                 |   |       |
|  | Lighting - Unit Numbers                         |   |       |
|  | Utilities (Abandoned, Horizontal Conduit, Etc)  |   |       |
|  | Penetrations (VANT PADS, Sealant, Etc)          |   |       |
|  | Other   |   |       |

## Building Plans (Continued)



First Floor \_\_\_\_\_




Second Floor \_\_\_\_\_

**Piper Square Apartments**  
1529 Piper Square Dr, Hopewell, VA 23860

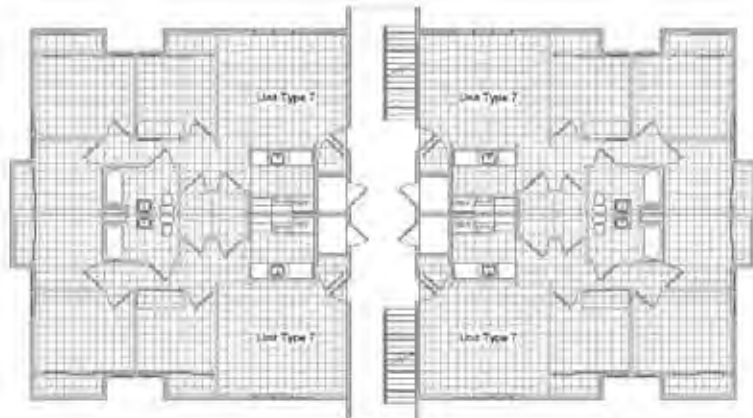
2017.09.19 Building B



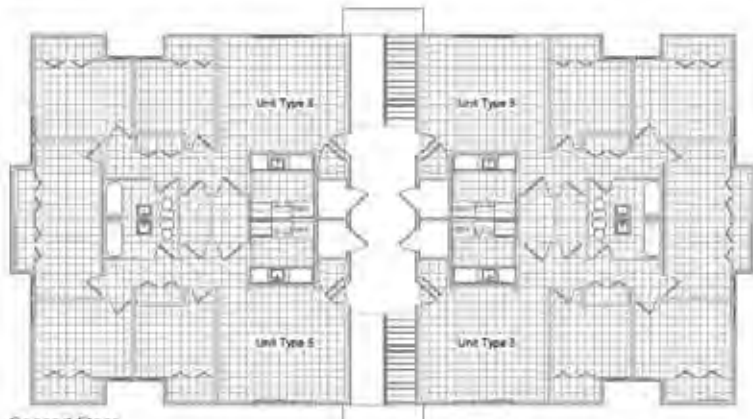
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| 2017 Unit Inspection Checklist - Exteriors |  |   |       |
|--|--|---|-------|
| Neighborhood                               |  |  |       |
| Building Number                            | 1522/1524/1526/1528                            |   |       |
| Address/Unit Number                        |  |   |       |
| Architectural                              |  | Remedy?<br>(Y/N)  | NOTES |
| Site                                       | Asphalt (Damaged, Cracking, Spalling, Etc)     |   |       |
|  | Concrete ( Damaged, Cracking, Heaving, Etc)    |   |       |
|  | Dumpster - Pad (22ft)                          |   |       |
|  | Dumpster - Enclosure (Missing, Non-Accessible) |   |       |
|  | 5% slope                                       |   |       |
|  | Plantings (10ft from building)                 |   |       |
|  | Lighting - Site                                |   |       |
| Elevations                                 | Paints (Wood, Damaged, Etc)                    |   |       |
|  | Siding/Veeps (6" Clear)                        |   |       |
|  | Roof - Finish                                  |   |       |
|  | Roof - Gutters & Downspouts                    |   |       |
|  | Siding (Damaged, Dented, Material, Etc)        |   |       |
|  | Siding, Trim (Damaged, Dented, Material, Etc)  |   |       |
|  | Masonry (Damaged, Cracked, Mortar, Etc)        |   |       |
| Building Systems                           | Windows  |   |       |
|  | Windows - Lintels                              |   |       |
|  | Windows - Sills                                |   |       |
| Other                                      | Lighting - Unit Numbers                        |   |       |
|  | Utilities (Abandoned, Horizontal Conduit, Etc) |   |       |
|  | Penetrations (Vent Caps, Seismic, Etc)         |   |       |

## Building Plans (Continued)



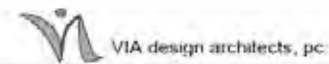
First Floor



Second Floor

**Piper Square Apartments**  
1529 Piper Square Dr, Hopewell, VA 23860

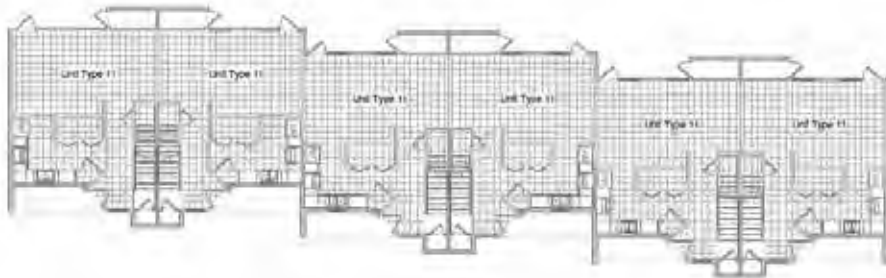
2017.09.19 Building C



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| 2017 Unit Inspection Checklist - Exteriors |   |   |       |
|--|---|---|-------|
| Neighborhood                               |   |  |       |
| Building Number                            | 1530  |   |       |
| Address/Unit Number                        |   |   |       |
| Architectural                              |   | Remedy/ (Y/N)   | NOTES |
| Site                                       | Asphalt (Damaged, Cracking, Spalling, Etc)        |   |       |
|  | Concrete ( Damaged, Cracking, Heaving, Etc)       |   |       |
|  | Composter - Pad (22ft)                            |   |       |
|  | Composter - Enclosure (Missing, Inert-Accessible) |   |       |
|  | 5/8" Slope  |   |       |
|  | Plantings (10ft from building)                    |   |       |
|  | Lighting - Site                                   |   |       |
| Elevations                                 | Painting (Wood, Damaged, Etc)                     |   |       |
|  | Siding/Windows (6" Clear)                         |   |       |
|  | Roof - Finish                                     |   |       |
|  | Roof - Gutters & Downspouts                       |   |       |
|  | Siding (Damaged, Missing, Material, Etc)          |   |       |
|  | Siding, Trim (Damaged, Dented, Material, Etc)     |   |       |
|  | Masonry (Damaged, Cracked, Mortar, Etc)           |   |       |
| Building Systems                           | Windows   |   |       |
|  | Windows - Latches                                 |   |       |
|  | Windows - Sills                                   |   |       |
| Other                                      | Lighting - Unit Numbers                           |   |       |
|  | Utilities (Abandoned, Horizontal Conduit, Etc)    |   |       |
|  | Penetrations (Vent Caps, Sealant, Etc)            |   |       |

## Building Plans (Continued)



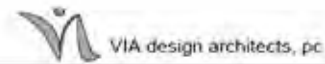
First Floor \_\_\_\_\_



Second Floor \_\_\_\_\_

**Piper Square Apartments**  
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2017.09.19 Building D



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| 2017 Unit Inspection Checklist - Exteriors |   |   |       |
|--|---|---|-------|
| Neighborhood                               |   |  |       |
| Building Number                            | 1332/1334/1336                                  |   |       |
| Address/Unit Number                        |   |   |       |
| Architectural                              |   | Remedy/ (Y/N)   | NOTES |
| Site                                       | Asphalt (Damaged, Cracking, Spalling, Etc)      |   |       |
|  | Concrete ( Damaged, Cracking, Heaving, Etc)     |   |       |
|  | Driveway - Pad (22ft)                           |   |       |
|  | Dumpster - Enclosure (Missing, Item Accessible) |   |       |
|  | 5/8 Slope                                       |   |       |
|  | Plantings (10ft from building)                  |   |       |
|  | Lighting - Site                                 |   |       |
| Elevations                                 | Painting (Wood, Damaged, Etc)                   |   |       |
|  | Siding/Wrecks (6" Clear)                        |   |       |
|  | Roof - Finish                                   |   |       |
|  | Roof - Gutters & Downspouts                     |   |       |
|  | Siding (Damaged, Dented, Material, Etc)         |   |       |
|  | Siding, Trim (Damaged, Dented, Material, Etc)   |   |       |
|  | Masonry (Damaged, Cracked, Mortar, Etc)         |   |       |
| Building Systems                           | Windows   |   |       |
|  | Windows - Lenses                                |   |       |
|  | Windows - Sills                                 |   |       |
|  | Lighting - Unit Numbers                         |   |       |
| Other                                      | Utilities (Abandoned, Horizontal Conduit, Etc)  |   |       |
|  | Penetrations (Vent Caps, Sealant, Etc)          |   |       |

## Building Plans (Continued)



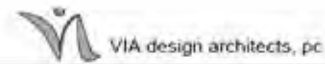
First Floor



Second Floor

**Piper Square Apartments**  
1529 Piper Square Dr, Hopewell, VA 23860

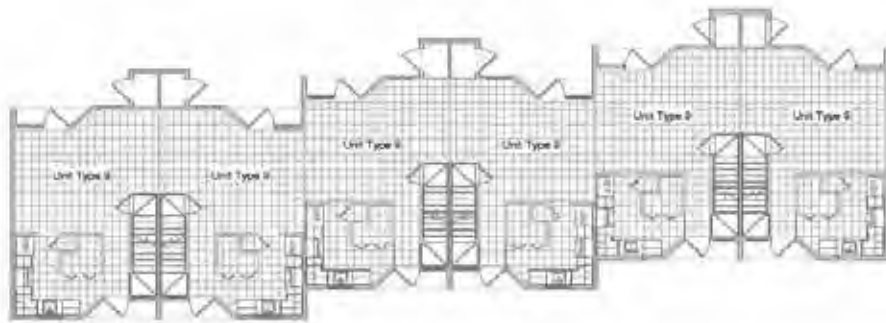
2017.09.19 Building E



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| 2017 Unit Inspection Checklist - Exteriors |   |   |       |
|--|---|---|-------|
| Neighborhood                               |   |  |       |
| Building Number                            |   |   |       |
| Address/Unit Number                        |   |   |       |
| Architectural                              |   | Retain? (Y/N)   | NOTES |
| Site                                       | Asphalt (Damaged, Cracking, Spalling, Etc)      |   |       |
|  | Concrete ( Damaged, Cracking, Heaving, Etc)     |   |       |
|  | Composter - Pad (12ft)                          |   |       |
|  | Composter - Enclosure (Missing, Non-Accessible) |   |       |
|  | 3% Slope  |   |       |
|  | Plantings (10ft From Building)                  |   |       |
|  | Lighting - Site                                 |   |       |
| Elevations                                 | Railings (Wood, Damaged, Etc)                   |   |       |
|  | Siding/Veeds (6" Clear)                         |   |       |
|  | Roof - Finish                                   |   |       |
|  | Roof - Gutter & Downspouts                      |   |       |
|  | Siding (Damaged, Dented, Material, Etc)         |   |       |
|  | Siding, Trim (Damaged, Dented, Material, Etc)   |   |       |
|  | Masonry (Damaged, Cracked, Mortar, Etc)         |   |       |
| Building Systems                           | Windows   |   |       |
|  | Windows - Lintels                               |   |       |
|  | Windows - Sills                                 |   |       |
| Other                                      | Lighting - Unit Number                          |   |       |
|  | Utilities (Aerialwood, Horizontal Conduit, Etc) |   |       |
|  | Penetrations (Vest Caps, Seals, Etc)            |   |       |

## Building Plans (Continued)



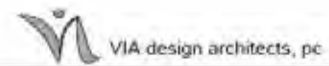
First Floor



Second Floor

**Piper Square Apartments**  
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2017.09.19 Building F



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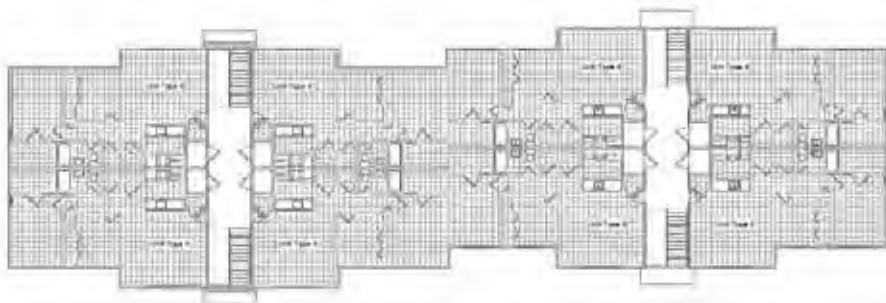
| 2017 Unit Inspection Checklist - Exteriors |  |   |       |
|--|--|---|-------|
| Neighborhood                               |  |  |       |
| Building Number                            | 1542/1544/1546                                 |   |       |
| Address/Unit Number                        |  |   |       |
| Architectural                              |  | Remedy?   | NOTES |
| Site                                       | Asphalt (Damaged, Cracking, Spalling, Etc)     |   |       |
|  | Concrete ( Damaged, Cracking, Heaving, Etc)    |   |       |
|  | Dumpster - Pad (20%)                           |   |       |
|  | Dumpster - Enclosure (Missing, Non-Accessible) |   |       |
|  | Ice Storage                                    |   |       |
|  | Warnings (10ft From Building)                  |   |       |
|  | Lighting - Site                                |   |       |
| Elevations                                 | Painting (Wood, Damaged, Etc)                  |   |       |
|  | Siding/Weeps (6" Clear)                        |   |       |
|  | Roof - Finish                                  |   |       |
|  | Roof - Gutters & Downspouts                    |   |       |
|  | Siding (Damaged, Dented, Material, Etc)        |   |       |
|  | Siding, Trim (Damaged, Dented, Material, Etc)  |   |       |
|  | Masonry (Damaged, Cracked, Mortar, Etc)        |   |       |
| Building Systems                           | Windows  |   |       |
|  | Windows - Sills                                |   |       |
|  | Windows - Sills                                |   |       |
| Other                                      | Lighting - Unit Numbers                        |   |       |
|  | Utilities (Abandoned, Horizontal Contact, Etc) |   |       |
|  | Penetrations (Vent Caps, Sealant, Etc)         |   |       |



## Building Plans (Continued)



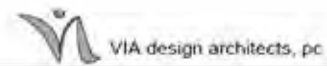
First Floor



Second Floor

**Piper Square Apartments**  
1529 Piper Square Dr, Hopewell, VA 23860

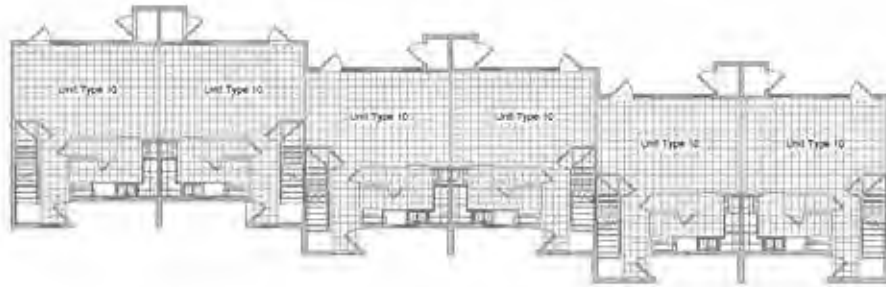
2017.09.19 Building H



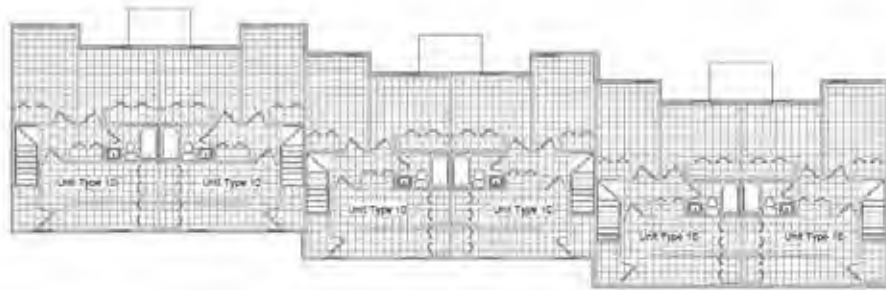
150 RANDOLPH STREET  
NORFOLK, VIRGINIA 23510  
757.627.1488 FAX 607.1892  
www.viadesignarchitects.com

| 2017 Unit Inspection Checklist - Exteriors |  |  |       |
|--|--|--|-------|
| Neighborhood                               |  | <br><b>VHDA</b> |       |
| Building Number                            | 1545/1547                                      |  |       |
| Address/Unit Number                        |  |  |       |
| Architectural                              |  | Remedy<br>Y/N  | NOTES |
| Site                                       | Asphalt (Damaged, Cracking, Settling, Etc)     |  |       |
|  | Concrete (Damaged, Cracking, Heaving, Etc)     |  |       |
|  | Dumpster - R45 (12ft)                          |  |       |
|  | Dumpster - Enclosure (Missing, Non-Accessible) |  |       |
|  | 3% Slope                                       |  |       |
| Elevations                                 | Handings (Lift From Building)                  |  |       |
|  | Lighting - Site                                |  |       |
|  | Wallings (Wood, Damaged, Etc)                  |  |       |
|  | Siding/Sweeps (6" Clear)                       |  |       |
|  | Roof - Finish                                  |  |       |
| Building Systems                           | Roof - Gutters & Downspouts                    |  |       |
|  | Siding (Damaged, Dented, Material, Etc)        |  |       |
|  | Siding - Trim (Damaged, Dented, Material, Etc) |  |       |
|  | Masonry (Damaged, Cracked, Mortar, Etc)        |  |       |
|  | Windows - Lintels                              |  |       |
| Other                                      | Windows - Sills                                |  |       |
|  | Lighting - Unit Numbers                        |  |       |
|  | Utilities (Abandoned, Horizontal Conduit, Etc) |  |       |
|  | Penetrations (Vent Cans, Seals, Etc)           |  |       |

## Building Plans (Continued)



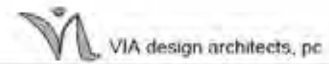
First Floor



Second Floor

**Piper Square Apartments**  
1529 Piper Square Dr, Hopewell, VA 23860

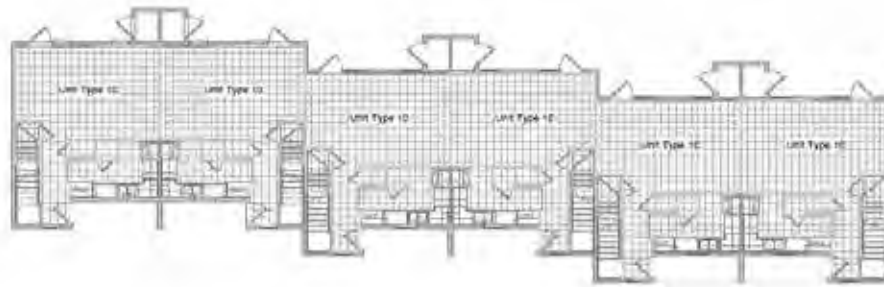
2017.09.19 Building I



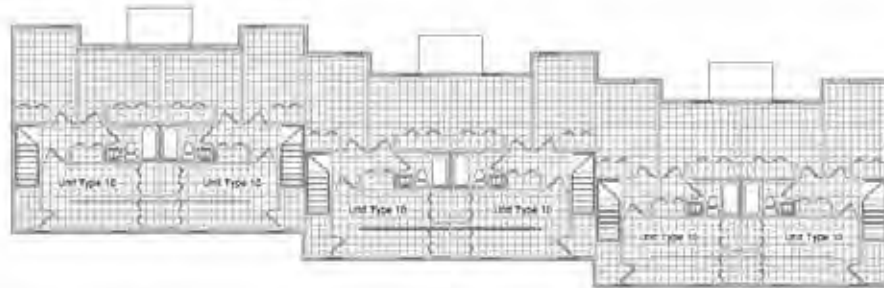
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| 2017 Unit Inspection Checklist - Exteriors |  |   |       |
|--|--|---|-------|
| Neighborhood                               |  |  |       |
| Building Number                            | 1539/1541/1543                                 |   |       |
| Address/Unit Number                        |  |   |       |
| Architectural                              |  | Ready?<br>(Y/N)   | NOTES |
| Site                                       | Asphalt (Damaged, Cracking, Spalling, Etc)     |   |       |
|  | Concrete (Damaged, Cracking, Heaving, Etc)     |   |       |
|  | Dumpster - Pad (2x8)                           |   |       |
|  | Dumpster - Enclosure (Missing, Non-Accessible) |   |       |
|  | 8% slope                                       |   |       |
|  | Plantings (20ft from building)                 |   |       |
| Elevations                                 | Lighting - Site                                |   |       |
|  | Painting (Wood, Damaged, Etc)                  |   |       |
|  | Siding/Windows (6" Clear)                      |   |       |
|  | Roof - Finish                                  |   |       |
|  | Roof - Gutters & Downspouts                    |   |       |
|  | Siding (Damaged, Dented, Material, Etc)        |   |       |
| Building Systems                           | Siding, Trim (Damaged, Dented, Material, Etc)  |   |       |
|  | Masonry (Damaged, Cracked, Mortar, Etc)        |   |       |
|  | Windows  |   |       |
|  | Systems / Details                              |   |       |
| Other                                      | Lighting - Unit Numbers                        |   |       |
|  | Utilities (Abandoned, Horizontal Conduit, Etc) |   |       |
|  | Exhaustions (Water Caps, Locks, Etc)           |   |       |

## Building Plans (Continued)



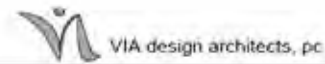
First Floor \_\_\_\_\_



Second Floor \_\_\_\_\_

**Piper Square Apartments**  
1529 Piper Square Dr, Hopewell, VA 23860

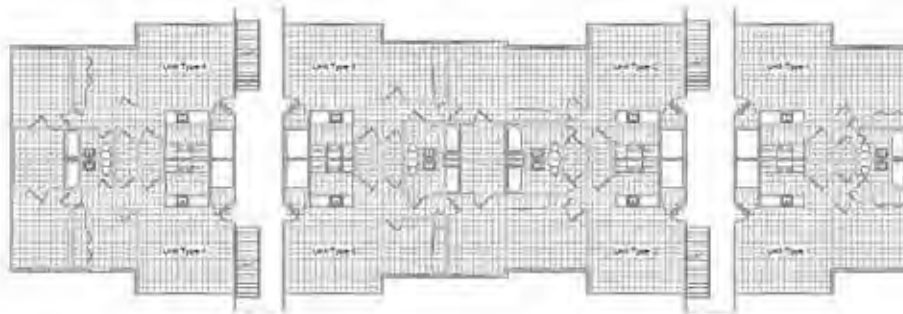
2017.09.19 Building I



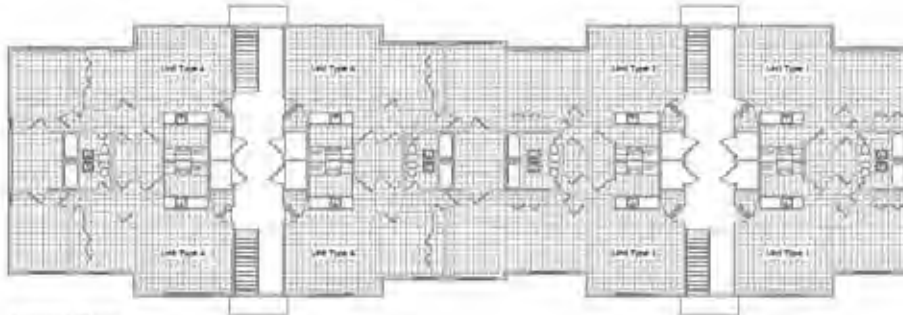
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| 2017 Unit Inspection Checklist - Exteriors |  |   |       |
|--|--|---|-------|
| Neighborhood                               |  |  |       |
| Building Number                            | 1531/1533/1535/1537                            |   |       |
| Address/Unit Number                        |  |   |       |
| Architectural                              |  | Remedy?   | NOTES |
| Site                                       | Asphalt (Damaged, Cracking, Spalling, Etc)     | (Y/N)   |       |
|  | Concrete (Damaged, Cracking, Heaving, Etc)     |   |       |
|  | Dumpster - Pad (22R)                           |   |       |
|  | Dumpster - Enclosure (Missing, Non-accessible) |   |       |
|  | 5% slope                                       |   |       |
|  | Plantings (10FT from building)                 |   |       |
| Elevation                                  | Lighting - Site                                |   |       |
|  | Railings (Wood, Damaged, Etc)                  |   |       |
|  | Siding/Woods (6" clear)                        |   |       |
|  | Roof - Finish                                  |   |       |
|  | Roof - Gutters & Downspouts                    |   |       |
|  | Siding (Damaged, Dented, Material, Etc)        |   |       |
| Building Systems                           | Siding Trim (Damaged, Dented, Material, Etc)   |   |       |
|  | Masonry (Damaged, Cracked, Mortar, Etc)        |   |       |
|  | Windows  |   |       |
|  | Window - Lintel                                |   |       |
|  | Window - Sill                                  |   |       |
|  | Lighting - Unit Numbers                        |   |       |
| Other                                      | Utilities (Abandoned, Horizontal Conduit, Etc) |   |       |
|  | Penetrations (Vent Caps, Seals, Etc)           |   |       |

## Building Plans (Continued)



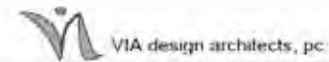
First Floor



Second Floor

**Piper Square Apartments**  
1529 Piper Square Dr, Hopewell, VA 23860

2017.09.19 Building K



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| 2017 Unit Inspection Checklist - Exteriors |   |   |       |
|--|---|---|-------|
| Neighborhood                               |   |  |       |
| Building Number                            |   |   |       |
| Address/Unit Number                        |   |   |       |
| Architectural                              |   | Remedy?   | NOTES |
| Site                                       | Asphalt (Damaged, Cracking, Spalling, Etc)<br>Concrete ( Damaged, Cracking, Heaving, Etc)<br>Dumpster - Pad (Lift)<br>Dumpster - Enclosure (Missing, Non-accessible)<br>% Slope<br>Plantings (10ft From Building)<br>Lighting - SDR<br>Railings (Wood, Damaged, Etc)<br>Siding/Woops (6" clear) |   |       |
| Elevations                                 | Roof - Gutter & Downspout<br>Siding (Damaged, Dented, Material, Etc)<br>Siding Trim (Damaged, Dented, Material, Etc)<br>Masonry (Damaged, Cracked, Mortar, Etc)<br>Windows<br>Windows - Litter<br>Windows - Sill  |   |       |
| Building Systems                           | Lighting - Unit Numbers<br>Utilities (Abandoned, Non-combat Conduit, Etc)<br>Penetrations (Vent Pipe, Sealing, Etc)   |   |       |
| Other                                      |   |   |       |

## 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 103 revenue-producing units in 11 residential buildings and 1 non-residential building. The development currently includes approximately 78,980 square feet of net rentable area and 102,221 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 vinyl siding & brick veneer, double hung aluminum double pane windows, steel clad insulated six-panel unit entry doors, and steel -clad six panel patio doors in select units. The sponsor proposes to replace the siding, windows and exterior doors as part of the planned renovation. Vinyl windows are proposed after 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 currently supplied via central gas hot water heaters. The sponsor proposes to replace the water heaters as part of the planned renovation. Individual gas hot water heaters are proposed post renovation.

#### HVAC - Heating, Air Conditioning, Ventilation

The subject property currently includes individual interior-mounted gas heat and no air conditioning systems. New HVAC systems are proposed as part of the planned renovation. Individual interior-mounted gas heat with exterior-mounted a/c compressors and interior-mounted air handlers are proposed after renovation. Air conditioning is proposed post 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 103 revenue-producing units including 100 regular units and 3 accessible units including 227 bedrooms, 103 full bathrooms and 0 half bathrooms.

The subject property is proposed to contain 103 revenue-producing units including 92 regular units and 11 accessible units, including 227 bedrooms, 104 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.

### Floor Covering

Floor covering currently consists of VCT tile in the entryways, bathrooms, kitchens, 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 gas 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. Electric four-top ranges and dishwashers are proposed post-renovation.

### Bathrooms

Bathrooms currently include porcelain sinks & toilets, along with steel coated enamel tubs & fiberglass 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 business/computer center, community center, playground, and sports court are currently found at the subject property.

### Parking

Open parking is found at the subject property.

### Laundry

Central laundry facilities are currently found at the subject property.

### Security

Monitoring is currently found at the subject property.

### Services

An after school program is 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 gas heat, gas cooking and gas hot water. All utilities - including cold water, sewer and trash - are currently paid by the owner.

The sponsor has proposed a utility configuration change as part of the planned renovation. Gas heat, gas cooking and gas hot water are proposed post renovation. All utilities - with the exception of cold water, sewer, and 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 | 606 | Garden/Flat | 50% of AMI | 50% of AMI | No   | Yes  | 10    | \$54 | \$69   |
| 1                  | 1.0 | 606 | Garden/Flat | 60% of AMI | 60% of AMI | No   | Yes  | 6     | \$54 | \$69   |
| 1                  | 1.0 | 606 | Garden/Flat | 60% of AMI | 60% of AMI | No   | Yes  | 4     | \$54 | \$69   |
| 2                  | 1.0 | 627 | Garden/Flat | 50% of AMI | 50% of AMI | No   | Yes  | 17    | \$62 | \$86   |
| 2                  | 1.0 | 764 | Townhome    | 50% of AMI | 50% of AMI | No   | Yes  | 7     | \$62 | \$86   |
| 2                  | 1.0 | 764 | Townhome    | 60% of AMI | 60% of AMI | No   | Yes  | 7     | \$62 | \$86   |
| 2                  | 1.0 | 905 | Garden/Flat | 60% of AMI | 60% of AMI | No   | Yes  | 13    | \$62 | \$86   |
| 2                  | 1.0 | 905 | Garden/Flat | 60% of AMI | 60% of AMI | No   | Yes  | 4     | \$62 | \$86   |
| 3                  | 1.0 | 764 | Garden/Flat | 50% of AMI | 50% of AMI | No   | Yes  | 8     | \$70 | \$104  |
| 3                  | 1.0 | 784 | Townhome    | 50% of AMI | 50% of AMI | No   | Yes  | 7     | \$70 | \$104  |
| 3                  | 1.0 | 899 | Townhome    | 60% of AMI | 60% of AMI | No   | Yes  | 13    | \$70 | \$104  |
| 3                  | 2.0 | 899 | Townhome    | 60% of AMI | 60% of AMI | No   | Yes  | 1     | \$70 | \$104  |
| 4                  | 1.0 | 989 | Townhome    | 50% of AMI | 50% of AMI | No   | Yes  | 3     | \$79 | \$119  |
| 4                  | 1.0 | 989 | Townhome    | 60% of AMI | 60% of AMI | No   | Yes  | 3     | \$79 | \$119  |
| Total/Average      |     |     |             |            |            |      |      | 103   | \$64 | \$90   |

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 lower 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 1982 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 |               |                    |            |               |                    |
|-----|--------------------------------|--|---------------|--------------------|------------|---------------|--------------------|
|     |                                | Rating                                 |               |                    | Rank       |               |                    |
| Key | Project Name                   | Actual Age                             | Effective Age | Property Condition | Actual Age | Effective Age | Property Condition |
| Sub | Piper Square Apartments        | 1982                                   | 2009          | 4.00               | 12         | 5             | 1                  |
| 003 | Addison Crater Woods Phase 1   | 1982                                   | 2000          | 3.50               | 12         | 8             | 7                  |
| 009 | Bailey's Ridge                 | 2000                                   | 2010          | 3.50               | 3          | 1             | 7                  |
| 015 | Branchester Lakes              | 1997                                   | 2010          | 3.75               | 8          | 1             | 4                  |
| 025 | Chesterfield Garden Apartments | 2002                                   | 2005          | 4.00               | 2          | 6             | 1                  |
| 029 | Clearfield Apartments          | 1993                                   | 2010          | 3.25               | 10         | 1             | 12                 |
| 043 | Farmingdale Townhouses         | 1966                                   | 2005          | 3.00               | 15         | 6             | 14                 |
| 050 | Harwood Square Apartments      | 2007                                   | 1990          | 2.50               | 1          | 15            | 15                 |
| 062 | Jefferson Pointe Apartments    | 2000                                   | 2010          | 3.50               | 3          | 1             | 7                  |
| 064 | Jefferson South of the James   | 1974                                   | 2000          | 3.25               | 14         | 8             | 12                 |
| 094 | Oaks Of Dunlop                 | 1990                                   | 2000          | 3.75               | 11         | 8             | 4                  |
| 105 | Pinetree Apartments            | 1995                                   | 1995          | 3.50               | 9          | 14            | 7                  |
| 115 | River's Bend Apartments Homes  | 1999                                   | 2000          | 4.00               | 6          | 8             | 1                  |
| 117 | Mattox Landing Apartments      | 2000                                   | 2000          | 3.75               | 3          | 8             | 4                  |
| 131 | Terrace View                   | 1999                                   | 2000          | 3.50               | 6          | 8             | 7                  |

Source: Allen & Associates; Sponsor



Amenities

| Key | Project Name                   | Site & Common Area Amenities |          |                   |                   |                 |                  |          |                |              |                 |             |             |      |         |                 |             |            |      |       |              |
|-----|--------------------------------|------------------------------|----------|-------------------|-------------------|-----------------|------------------|----------|----------------|--------------|-----------------|-------------|-------------|------|---------|-----------------|-------------|------------|------|-------|--------------|
|     |                                | Bell Field                   | BBQ Area | Billiards Game Rm | Business Comp Ctr | Cat Care Center | Community Center | Elevator | Fitness Center | Gazebo Patio | Hot Tub Jacuzzi | Herb Garden | Hoses/shoes | Lake | Library | Movie Media Ctr | Picnic Area | Playground | Pool | Sauna | Sports Court |
| Sub | Piper Square Apartments        | no                           | no       | no                | yes               | no              | yes              | no       | no             | no           | no              | no          | no          | no   | no      | no              | yes         | no         | no   | yes   | no           |
| 003 | Addison Crater Woods Phase 1   | no                           | no       | yes               | yes               | yes             | yes              | no       | yes            | no           | no              | no          | no          | no   | yes     | no              | yes         | yes        | no   | yes   | no           |
| 009 | Bailey's Ridge                 | no                           | yes      | no                | no                | no              | yes              | no       | yes            | no           | no              | no          | no          | no   | no      | no              | yes         | yes        | yes  | no    | no           |
| 015 | Branchester Lakes              | no                           | no       | no                | no                | no              | no               | no       | yes            | no           | no              | no          | no          | no   | no      | no              | yes         | yes        | no   | yes   | no           |
| 025 | Chesterfield Garden Apartments | no                           | yes      | no                | yes               | no              | yes              | no       | yes            | no           | no              | no          | no          | no   | no      | yes             | yes         | yes        | no   | yes   | no           |
| 029 | Clearfield Apartments          | no                           | no       | no                | yes               | no              | yes              | no       | yes            | no           | no              | no          | no          | no   | no      | no              | yes         | yes        | no   | yes   | no           |
| 043 | Farmingdale Townhouses         | no                           | no       | no                | no                | no              | no               | no       | yes            | no           | no              | no          | no          | no   | no      | no              | no          | yes        | no   | no    | no           |
| 050 | Harwood Square Apartments      | no                           | no       | no                | no                | no              | no               | no       | no             | no           | no              | no          | no          | no   | no      | no              | no          | no         | no   | no    | no           |
| 062 | Jefferson Pointe Apartments    | no                           | yes      | no                | yes               | no              | yes              | no       | yes            | no           | no              | no          | no          | no   | no      | yes             | yes         | yes        | no   | yes   | no           |
| 064 | Jefferson South of the James   | no                           | no       | no                | no                | no              | no               | no       | no             | no           | no              | no          | no          | no   | no      | no              | no          | no         | no   | yes   | no           |
| 094 | Oaks Of Dunlop                 | no                           | yes      | no                | no                | no              | yes              | no       | no             | no           | no              | no          | no          | no   | no      | yes             | yes         | yes        | no   | yes   | no           |
| 105 | Pinetree Apartments            | no                           | no       | no                | no                | no              | yes              | no       | yes            | no           | no              | no          | no          | no   | no      | no              | yes         | yes        | yes  | no    | no           |
| 115 | River's Bend Apartments Homes  | no                           | yes      | no                | yes               | no              | yes              | no       | yes            | yes          | no              | no          | no          | no   | no      | yes             | yes         | yes        | no   | no    | yes          |
| 117 | Mattox Landing Apartments      | no                           | no       | no                | no                | no              | yes              | no       | yes            | no           | no              | no          | no          | no   | no      | no              | no          | yes        | no   | no    | no           |
| 131 | Terrace View                   | no                           | no       | no                | no                | no              | yes              | 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 | Piper Square Apartments        | yes            | no           | no        | no        | yes           | some    | yes               | yes          | no       | yes        | no        | yes              | no         | no           | no   | no      | yes        | no         | no              | no   | no |
| 003 | Addison Crater Woods Phase 1   | yes            | yes          | yes       | no        | yes           | yes     | yes               | yes          | yes      | yes        | yes       | yes              | yes        | yes          | no   | no      | yes        | no         | no              | no   | no |
| 009 | Bailey's Ridge                 | yes            | yes          | yes       | no        | yes           | yes     | yes               | yes          | yes      | yes        | yes       | no               | yes        | no           | no   | no      | yes        | no         | no              | no   | no |
| 015 | Branchester Lakes              | yes            | no           | yes       | yes       | yes           | no      | yes               | yes          | yes      | yes        | yes       | yes              | yes        | no           | no   | no      | yes        | no         | no              | no   | no |
| 025 | Chesterfield Garden Apartments | yes            | no           | yes       | yes       | yes           | no      | yes               | yes          | yes      | yes        | yes       | yes              | yes        | no           | no   | no      | yes        | no         | no              | no   | no |
| 029 | Clearfield Apartments          | yes            | no           | yes       | no        | yes           | no      | yes               | yes          | yes      | yes        | no        | yes              | no         | no           | no   | yes     | no         | no         | no              | no   |    |
| 043 | Farmingdale Townhouses         | yes            | no           | yes       | no        | yes           | no      | yes               | yes          | no       | yes        | no        | yes              | no         | no           | no   | yes     | no         | no         | no              | no   |    |
| 050 | Harwood Square Apartments      | yes            | no           | yes       | no        | yes           | no      | yes               | yes          | no       | yes        | yes       | yes              | no         | no           | no   | yes     | no         | no         | no              | no   |    |
| 062 | Jefferson Pointe Apartments    | yes            | yes          | yes       | some      | yes           | yes     | yes               | yes          | no       | yes        | no        | yes              | no         | no           | no   | yes     | no         | no         | no              | no   |    |
| 064 | Jefferson South of the James   | yes            | no           | yes       | no        | no            | no      | yes               | yes          | yes      | yes        | yes       | yes              | yes        | no           | no   | yes     | no         | no         | no              | no   |    |
| 094 | Oaks Of Dunlop                 | yes            | yes          | yes       | some      | yes           | yes     | yes               | yes          | yes      | yes        | no        | yes              | no         | no           | no   | yes     | no         | no         | no              | no   |    |
| 105 | Pinetree Apartments            | yes            | no           | yes       | no        | yes           | no      | yes               | yes          | yes      | yes        | yes       | no               | yes        | no           | no   | yes     | no         | no         | no              | no   |    |
| 115 | River's Bend Apartments Homes  | yes            | yes          | yes       | some      | yes           | yes     | yes               | yes          | yes      | yes        | yes       | yes              | yes        | no           | no   | yes     | no         | no         | no              | no   |    |
| 117 | Mattox Landing Apartments      | yes            | no           | yes       | no        | yes           | yes     | yes               | yes          | no       | yes        | no        | yes              | no         | no           | no   | yes     | no         | no         | no              | no   |    |
| 131 | Terrace View                   | yes            | no           | yes       | no        | yes           | no      | yes               | yes          | yes      | yes        | 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 | Alter School | Concierge | Hair Salon | Health Care | House-keeping | Meals | Transportation |    |
| Sub | Piper Square Apartments        | no      | no              | no               | yes          | no   | yes     | no        | no          | no           | no                | no               | no         | yes             | no               | no           | yes       | na         | na          | na            | na    | na             | na |
| 003 | Addison Crater Woods Phase 1   | no      | no              | yes              | no           | no   | no      | yes       | no          | no           | no                | no               | no         | no              | some             | no           | no        | no         | no          | no            | no    | no             | no |
| 009 | Bailey's Ridge                 | no      | no              | no               | yes          | no   | yes     | no        | yes         | no           | no                | no               | no         | no              | no               | no           | na        | na         | na          | na            | na    | na             | na |
| 015 | Branchester Lakes              | no      | no              | no               | yes          | no   | no      | yes       | no          | no           | no                | no               | no         | no              | no               | na           | na        | na         | na          | na            | na    | na             | na |
| 025 | Chesterfield Garden Apartments | no      | no              | no               | yes          | no   | no      | yes       | no          | no           | no                | no               | yes        | no              | no               | no           | no        | no         | no          | no            | no    | no             | no |
| 029 | Clearfield Apartments          | no      | no              | no               | yes          | no   | yes     | no        | yes         | no           | no                | no               | no         | no              | no               | no           | no        | no         | no          | no            | no    | no             | no |
| 043 | Farmingdale Townhouses         | no      | no              | no               | yes          | no   | yes     | no        | yes         | no           | no                | no               | no         | no              | no               | na           | na        | na         | na          | na            | na    | na             | na |
| 050 | Harwood Square Apartments      | no      | no              | no               | yes          | no   | no      | yes       | no          | no           | no                | no               | no         | no              | no               | na           | na        | na         | na          | na            | na    | na             | na |
| 062 | Jefferson Pointe Apartments    | no      | no              | no               | yes          | no   | no      | yes       | no          | no           | no                | no               | no         | no              | no               | na           | na        | na         | na          | na            | na    | na             | na |
| 064 | Jefferson South of the James   | no      | no              | no               | yes          | no   | no      | yes       | no          | no           | no                | no               | no         | no              | no               | no           | no        | no         | no          | no            | no    | no             | no |
| 094 | Oaks Of Dunlop                 | no      | no              | no               | yes          | no   | no      | no        | yes         | no           | no                | no               | no         | no              | no               | no           | no        | no         | no          | no            | no    | no             | no |
| 105 | Pinetree Apartments            | no      | no              | no               | yes          | no   | yes     | no        | yes         | no           | no                | no               | no         | no              | no               | no           | no        | no         | no          | no            | no    | no             | no |
| 115 | River's Bend Apartments Homes  | yes     | no              | no               | yes          | no   | no      | yes       | no          | no           | no                | no               | no         | no              | no               | no           | no        | no         | no          | no            | no    | no             | no |
| 117 | Mattox Landing Apartments      | no      | no              | no               | yes          | no   | yes     | no        | yes         | no           | no                | no               | no         | no              | no               | no           | no        | no         | no          | no            | no    | no             | no |
| 131 | Terrace View                   | no      | no              | no               | yes          | no   | yes     | no        | yes         | no           | 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 |
| Sub | Piper Square Apartments        | yes         | no              | yes           | no                 | yes              | yes           | yes      | no            | no    | no    | no    | no         | no              | no            | no                 | no               | no            | no       | yes           | yes   | yes   |
| 003 | Addison Crater Woods Phase 1   | no          | yes             | no            | yes                | yes              | yes           | no       | yes           | yes   | yes   | yes   | yes        | no              | no            | no                 | no               | no            | no       | no            | no    | no    |
| 009 | Bailey's Ridge                 | no          | yes             | no            | yes                | yes              | yes           | no       | yes           | yes   | yes   | no    | no         | no              | no            | no                 | no               | no            | no       | no            | no    | yes   |
| 015 | Branchester Lakes              | yes         | no              | no            | yes                | yes              | yes           | yes      | no            | yes   | yes   | no    | no         | no              | no            | no                 | no               | no            | no       | no            | no    | yes   |
| 025 | Chesterfield Garden Apartments | no          | yes             | no            | yes                | yes              | yes           | no       | yes           | yes   | yes   | yes   | no         | no              | no            | no                 | no               | no            | no       | no            | no    | no    |
| 029 | Clearfield Apartments          | yes         | no              | no            | yes                | yes              | yes           | yes      | no            | yes   | yes   | no    | no         | no              | no            | no                 | no               | no            | no       | no            | no    | yes   |
| 043 | Farmingdale Townhouses         | no          | yes             | no            | yes                | yes              | yes           | no       | yes           | yes   | yes   | no    | no         | no              | no            | no                 | no               | no            | no       | no            | no    | yes   |
| 050 | Harwood Square Apartments      | no          | no              | no            | no                 | no               | no            | no       | no            | no    | no    | no    | no         | no              | yes           | no                 | yes              | no            | yes      | yes           | yes   | yes   |
| 062 | Jefferson Pointe Apartments    | no          | yes             | no            | yes                | yes              | yes           | no       | yes           | yes   | yes   | no    | no         | no              | no            | no                 | no               | no            | no       | no            | no    | yes   |
| 064 | Jefferson South of the James   | no          | yes             | no            | yes                | yes              | yes           | no       | yes           | no    | no    | no    | no         | yes             | no            | yes                | no               | yes           | no       | yes           | yes   | yes   |
| 094 | Oaks Of Dunlop                 | no          | yes             | no            | yes                | yes              | yes           | no       | yes           | no    | no    | no    | no         | no              | no            | no                 | no               | no            | no       | yes           | yes   | yes   |
| 105 | Pinetree Apartments            | no          | yes             | no            | yes                | yes              | yes           | no       | yes           | no    | no    | no    | no         | no              | no            | no                 | no               | no            | no       | yes           | yes   | yes   |
| 115 | River's Bend Apartments Homes  | no          | yes             | no            | yes                | yes              | yes           | no       | yes           | yes   | yes   | yes   | no         | no              | no            | no                 | no               | no            | no       | no            | no    | no    |
| 117 | Mattox Landing Apartments      | no          | yes             | no            | yes                | yes              | yes           | no       | yes           | yes   | yes   | no    | no         | no              | no            | no                 | no               | no            | no       | no            | no    | yes   |
| 131 | Terrace View                   | no          | yes             | no            | yes                | yes              | yes           | no       | yes           | no    | no    | no    | no         | no              | no            | no                 | no               | no            | no       | yes           | yes   | yes   |

Source: Allen & Associates; Sponsor

| HUD Utility Schedule Model Output |           |           |           |           |           |
|-----------------------------------|-----------|-----------|-----------|-----------|-----------|
|                                   | 0 Bedroom | 1 Bedroom | 2 Bedroom | 3 Bedroom | 4 Bedroom |
| Heat - Gas                        | 32        | 34        | 37        | 39        | 41        |
| Heat - Elec                       | 9         | 10        | 12        | 14        | 15        |
| Cooking - Gas                     | 3         | 3         | 4         | 6         | 7         |
| Cooking - Elec                    | 4         | 5         | 7         | 9         | 11        |
| Other Electric                    | 15        | 17        | 24        | 31        | 37        |
| Air Conditioning                  | 7         | 8         | 11        | 15        | 18        |
| Hot Water-Gas                     | 6         | 7         | 10        | 13        | 16        |
| Hot Water-Elec                    | 9         | 11        | 14        | 17        | 20        |
| Water                             | 21        | 21        | 25        | 31        | 38        |
| Sewer                             | 41        | 42        | 50        | 63        | 76        |
| Trash                             | 21        | 21        | 21        | 21        | 21        |

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 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. Our review did not identify any problem areas with respect to the subject property. A summary of the development's site features is found below.

#### Acres / Lot Shape / Frontage

The subject property includes an irregular-shaped parcel consisting of approximately 13.1 acres and approximately 800 feet of road frontage.

#### Zoning

According to the sponsor, the subject property is currently zoned R-4. It is our understanding that the subject is an approved, legal, conforming use under this classification.

#### Parking / Streets / Curbs / Sidewalks

A total of 149 parking spaces are planned for this development (142 regular / 7 accessible / 1.45 spaces per unit). Privately-owned parking areas are found at 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 immediate area. In our opinion, the proposed parking appears a bit light for the subject property.

#### Dumpsters / Dumpster Enclosures

The subject is proposed to include 6 publicly-owned dumpsters along with privately-owned vinyl 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 lighted entry sign is found at this property.

#### Stormwater Management / Site Lighting / Water Service / Wastewater Service

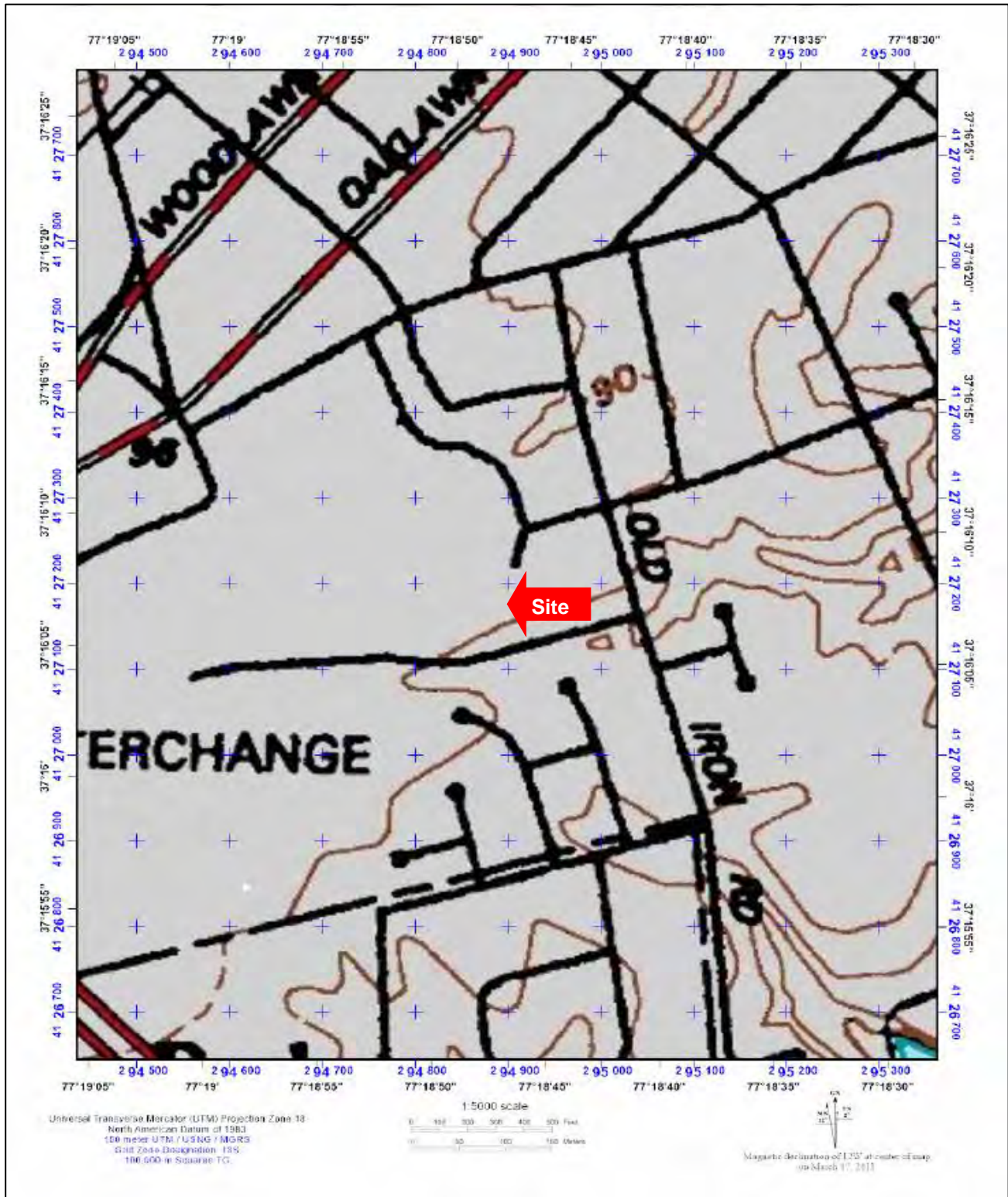
Stormwater management consists of catch basins and concrete pipe connecting to a public system. Site lighting consists of publicly-owned HID poles. Domestic water service to buildings consists of ductile iron pipe connecting to a public system. Wastewater service to buildings consists of PVC pipe connecting 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 1982, 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

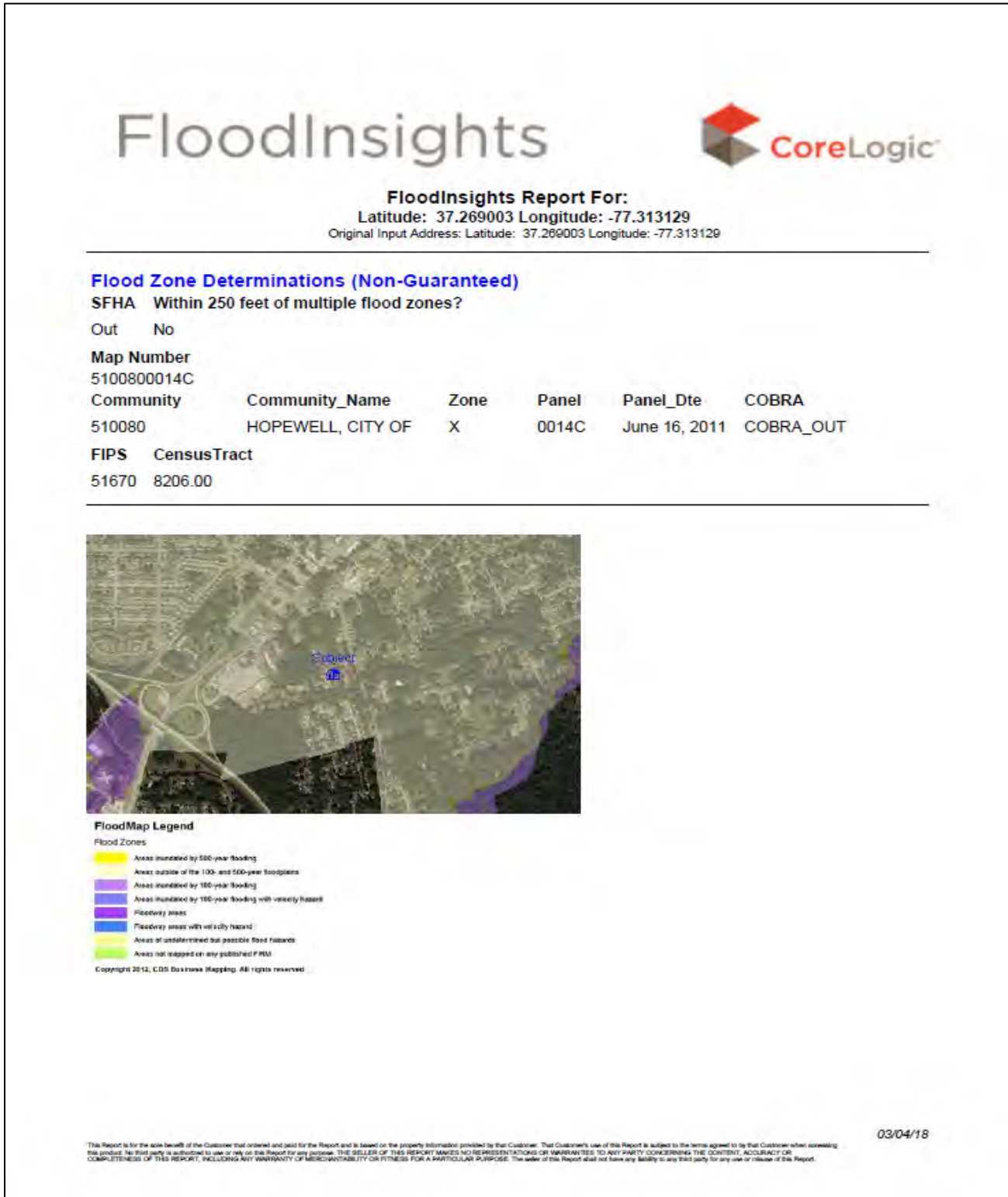
The USGS map showing the topography of the subject property and surrounding area is found below:



The topographic map shows that the site is flat and drains to adjacent properties to the south and east. 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:



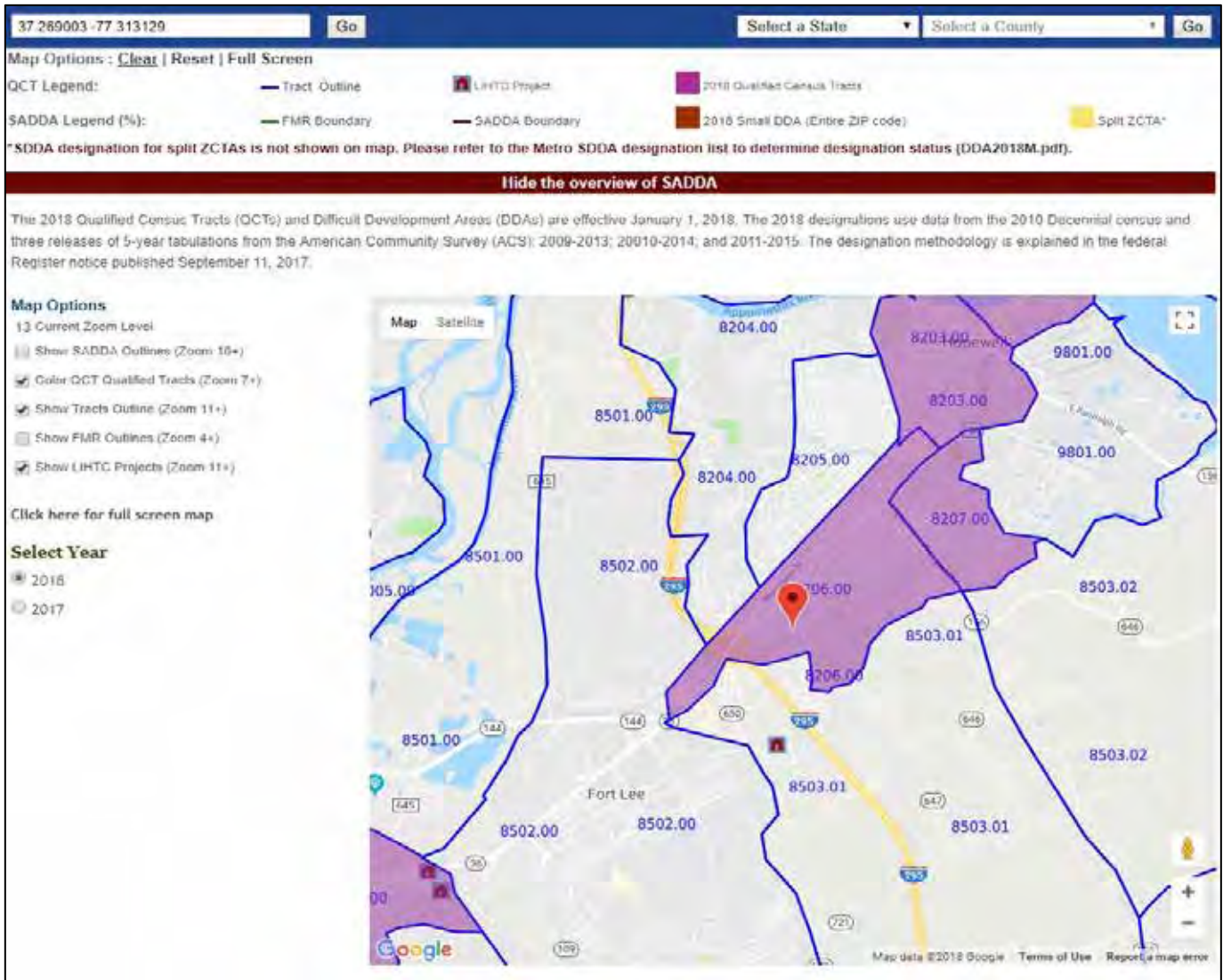
According to FEMA map number 5100800014C dated June 16, 2011, the subject property is located in Zone X. This is an area that is identified as being located outside the 100-year flood zone.

## Difficult to Develop Area Status

The subject property is located in Hopewell, Virginia, in a Small Area Difficult to Develop Area (SADDA). 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 8206.00 - an area that is designated as a Qualified Census Tract. Consequently, the subject property does 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 Piper Square Drive, 1 block south of Courthouse Road in Hopewell, Virginia. Piper Square Drive is a dedicated north-south road providing access to the subject property; Courthouse Road is a moderately-traveled east-west road carrying approximately 6,000 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 good by virtue of the location of the subject property relative to existing streets and thoroughfares.

Visibility

The subject property is visible from Courthouse Road with limited frontage and a moderate volume of drive-by traffic. Consequently, in our opinion visibility is fair 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                 | Piper Square Apartments        | 3.00   | 2.00       | 5      | 13         |  |
| 003                 | Addison Crater Woods Phase 1   | 3.00   | 2.75       | 5      | 8          |  |
| 009                 | Bailey's Ridge                 | 3.00   | 3.00       | 5      | 4          |  |
| 015                 | Branchester Lakes              | 3.00   | 2.75       | 5      | 8          |  |
| 025                 | Chesterfield Garden Apartments | 3.50   | 2.50       | 1      | 11         |  |
| 029                 | Clearfield Apartments          | 3.00   | 3.25       | 5      | 1          |  |
| 043                 | Farmingdale Townhouses         | 3.25   | 3.25       | 4      | 1          |  |
| 050                 | Harwood Square Apartments      | 3.50   | 3.00       | 1      | 4          |  |
| 062                 | Jefferson Pointe Apartments    | 3.00   | 2.75       | 5      | 8          |  |
| 064                 | Jefferson South of the James   | 3.00   | 3.00       | 5      | 4          |  |
| 094                 | Oaks Of Dunlop                 | 3.50   | 3.25       | 1      | 1          |  |
| 105                 | Pinetree Apartments            | 2.50   | 2.00       | 14     | 13         |  |
| 115                 | River's Bend Apartments Homes  | 3.00   | 2.25       | 5      | 12         |  |
| 117                 | Mattox Landing Apartments      | 2.50   | 2.00       | 14     | 13         |  |
| 131                 | Terrace View                   | 3.00   | 3.00       | 5      | 4          |  |

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 Hopewell, Virginia. The immediate area consists of a mix of land uses.

Commercial in fair to good condition is located to the north of the subject property; single family in good condition is located to the south and east; vacant land and a hotel in good condition is located to the west of the subject property. In our opinion, neighboring land uses appear to be complimentary to the use of the subject property. The condition of the neighboring properties appears to be complimentary to the anticipated post-renovation condition of the subject property.

Surrounding property uses are summarized in the table found below:

| Surrounding Properties |                     |             |
|------------------------|---------------------|-------------|
| Direction              | Use                 | Condition   |
| North                  | Commercial          | Fair / Good |
| South                  | Single Family       | Good        |
| East                   | Single Family       | Good        |
| West                   | Vacant Land / Hotel | Good        |

Source: Allen & Associates

### Economic Characteristics

The subject property is located in an area with average household incomes of \$25,978 (in 2015 dollars); this is compared with \$53,174 for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with median cash rents of \$625 (in 2015 dollars); this is compared with \$1,014 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 \$117,800 (in 2015 dollars); this is compared with \$167,653 for the most comparable properties included in this analysis.

### Crime Rates

The subject property is located in an area with personal crime rates of 21.2%. 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 6.2%.

In addition, the subject property is located in an area with property crime rates of 12.6%. 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 8.3%.

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 62.0%; this is compared with 87.7% for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with college graduation rates of 8.2%; this is compared with 21.5% 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 22.0 minutes; this is compared with 23.1 minutes for the most comparable properties included in this analysis.

In addition, the subject property is located in an area with an average of 1.14 vehicles per household; this is compared with 1.69 vehicles per household for the most comparable properties included in this analysis.

Conclusion

In our opinion, the subject property has a fair 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                        | First Colonial Bank              | 0.75 mi SW |
| Grocery                     | Food Lion                        | 1.0 mi SW  |
| Emergency Clinic            | BetterMed Urgent Care            | 3.25 mi SW |
| Pharmacy                    | Rite Aid                         | 0.9 mi SW  |
| Discount Store              | Family Dollar                    | 0.7 mi N   |
| Elementary School           | Harry E. James Elementary School | 1.2 mi NE  |
| Middle School               | Carter G Woodson Middle School   | 1.9 mi NE  |
| High School                 | Hopewell High School             | 1.4 mi N   |
| Bus Stop                    | -                                | -          |

Source: Google Maps

First Colonial Bank, Food Lion, Rite Aid, and Family Dollar are all located less than 1.0 miles away from the subject property. BetterMed Urgent Care is located 3.25 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 6 out of the 15 properties included in this analysis.
- A total of 12 grocery stores are in the vicinity of the subject property. The subject is ranked 4 for the area.
- A total of 0 hospital are in the vicinity of the subject property. The subject is ranked 4 for the area.
- A total of 3 pharmacies are in the vicinity of the subject property. The subject is ranked 7 for the area.
- A total of 13 shopping centers are in the vicinity of the subject property. The subject is ranked 7 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 0.8 miles away from the subject property. The subject is ranked 8 out of the 15 properties included in this analysis.
- The nearest grocery store is 0.28 miles away from the subject property. The subject is ranked 5 for the area.
- The nearest hospital is 2.91 miles away from the subject property. The subject is ranked 8 for the area.
- The nearest pharmacy is 0.26 miles away from the subject property. The subject is ranked 2 for the area.
- The nearest shopping center is 0.49 miles away from the subject property. The subject is ranked 7 for the area.

### Conclusion

In our opinion, the subject property has a good to 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

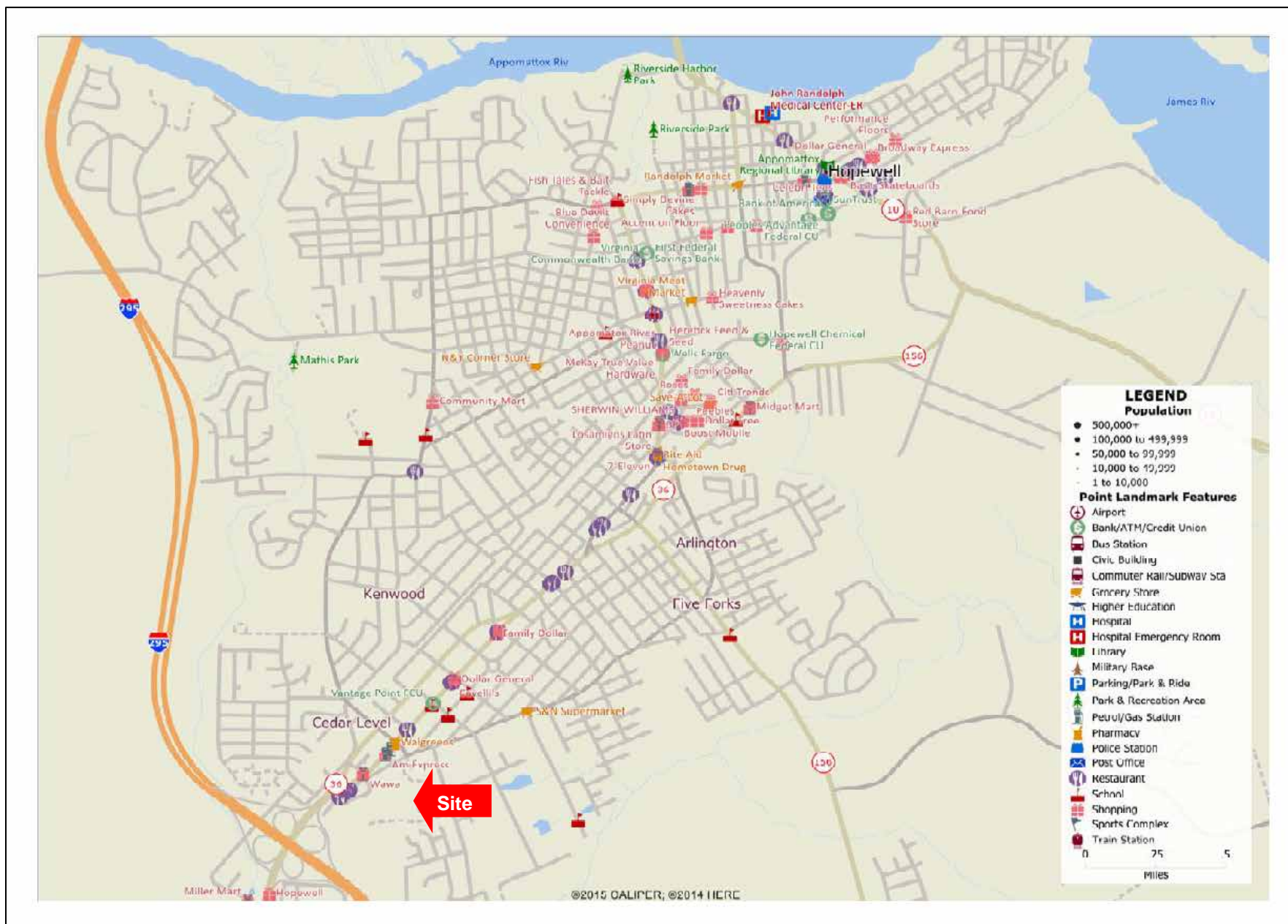
|     |                                | Rating               |                      |                     |                |                |                     |                    |                 | Rank (1 = Property with Highest Rating) |                      |                     |                |                |                     |                    |                 | Final Rating<br>(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 | Piper Square Apartments        | \$25,978             | \$625                | \$117,800           | 21.2%          | 12.6%          | 62.0%               | 8.2%               | 22.04           | 14                                      | 15                   | 14                  | 14             | 11             | 15                  | 15                 | 7               | 2.00                        |
| 003 | Addison Crater Woods Phase 1   | \$52,344             | \$1,114              | \$170,000           | 18.2%          | 20.9%          | 90.7%               | 22.0%              | 23.89           | 6                                       | 4                    | 5                   | 13             | 14             | 7                   | 6                  | 9               | 3.30                        |
| 009 | Bailey's Ridge                 | \$50,875             | \$1,113              | \$134,400           | 0.3%           | 0.4%           | 87.7%               | 14.8%              | 26.10           | 7                                       | 5                    | 11                  | 2              | 2              | 10                  | 11                 | 12              | 3.30                        |
| 015 | Branchester Lakes              | \$69,122             | \$1,380              | \$210,600           | 0.2%           | 0.3%           | 88.7%               | 25.4%              | 20.56           | 2                                       | 1                    | 3                   | 1              | 1              | 8                   | 5                  | 3               | 4.50                        |
| 025 | Chesterfield Garden Apartments | \$68,750             | \$1,142              | \$159,200           | 1.8%           | 2.2%           | 93.0%               | 26.1%              | 26.04           | 3                                       | 3                    | 7                   | 6              | 5              | 3                   | 4                  | 11              | 4.00                        |
| 029 | Clearfield Apartments          | \$40,596             | \$908                | \$157,800           | 2.7%           | 10.5%          | 83.0%               | 11.8%              | 20.63           | 12                                      | 12                   | 8                   | 7              | 9              | 13                  | 13                 | 4               | 2.80                        |
| 043 | Farmingdale Townhouses         | \$42,986             | \$910                | \$132,000           | 7.2%           | 5.7%           | 93.0%               | 16.0%              | 24.81           | 11                                      | 11                   | 13                  | 11             | 8              | 4                   | 10                 | 10              | 3.00                        |
| 050 | Harwood Square Apartments      | \$66,719             | \$1,081              | \$237,400           | 0.3%           | 0.5%           | 87.8%               | 20.3%              | 28.70           | 4                                       | 7                    | 2                   | 4              | 4              | 9                   | 8                  | 15              | 3.80                        |
| 062 | Jefferson Pointe Apartments    | \$50,875             | \$1,113              | \$134,400           | 0.3%           | 0.4%           | 87.7%               | 14.8%              | 26.10           | 7                                       | 5                    | 11                  | 2              | 2              | 10                  | 11                 | 12              | 3.30                        |
| 064 | Jefferson South of the James   | \$23,880             | \$852                | \$98,500            | 21.6%          | 17.9%          | 91.8%               | 20.3%              | 15.73           | 15                                      | 14                   | 15                  | 15             | 13             | 5                   | 7                  | 1               | 2.60                        |
| 094 | Oaks Of Dunlop                 | \$40,596             | \$908                | \$157,800           | 2.7%           | 10.5%          | 83.0%               | 11.8%              | 20.63           | 12                                      | 12                   | 8                   | 7              | 9              | 13                  | 13                 | 4               | 2.80                        |
| 105 | Pinetree Apartments            | \$44,602             | \$976                | \$141,900           | 8.4%           | 3.7%           | 83.4%               | 28.5%              | 21.12           | 10                                      | 9                    | 10                  | 12             | 7              | 12                  | 2                  | 6               | 3.20                        |
| 115 | River's Bend Apartments Homes  | \$116,650            | \$1,150              | \$325,500           | 0.6%           | 2.6%           | 98.7%               | 57.0%              | 23.06           | 1                                       | 2                    | 1                   | 5              | 6              | 1                   | 1                  | 8               | 4.50                        |
| 117 | Mattox Landing Apartments      | \$54,125             | \$954                | \$164,400           | 3.8%           | 14.0%          | 94.1%               | 27.0%              | 19.68           | 5                                       | 10                   | 6                   | 10             | 12             | 2                   | 3                  | 2               | 3.70                        |
| 131 | Terrace View                   | \$49,509             | \$983                | \$173,100           | 3.5%           | 22.1%          | 91.4%               | 18.9%              | 26.91           | 9                                       | 8                    | 4                   | 9              | 15             | 6                   | 9                  | 14              | 3.00                        |

Proximity to Area Amenities

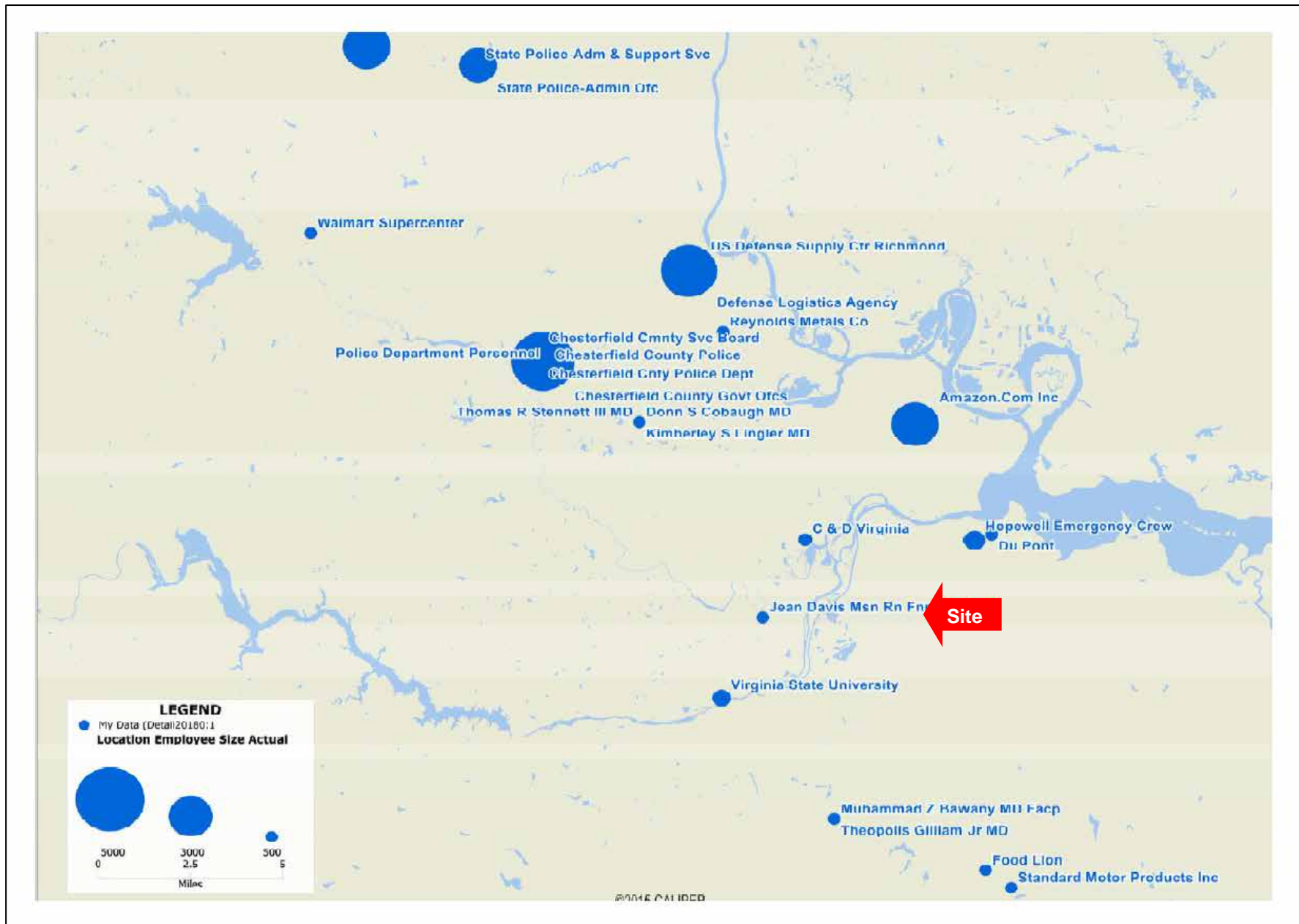
|     |                                | Rating                              |         |          |          |                            |                 |         |          | Rank (1 = Property with Highest Rating) |         |          |          |                            |                 |         |          | Final Rating<br>(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 | Piper Square Apartments        | 5                                   | 12      | 0        | 3        | 13                         | 0.5             | 0.3     | 2.9      | 6                                       | 4       | 4        | 7        | 7                          | 7               | 5       | 8        | 3.80                        |
| 003 | Addison Crater Woods Phase 1   | 5                                   | 9       | 2        | 8        | 15                         | 0.2             | 0.2     | 0.5      | 6                                       | 5       | 1        | 3        | 5                          | 2               | 2       | 1        | 4.50                        |
| 009 | Bailey's Ridge                 | 5                                   | 6       | 0        | 1        | 6                          | 0.5             | 0.8     | 3.9      | 6                                       | 9       | 4        | 10       | 10                         | 9               | 11      | 11       | 2.60                        |
| 015 | Branchester Lakes              | 1                                   | 2       | 0        | 0        | 1                          | 0.3             | 0.3     | 3.7      | 13                                      | 14      | 4        | 14       | 15                         | 4               | 6       | 9        | 2.00                        |
| 025 | Chesterfield Garden Apartments | 0                                   | 5       | 2        | 0        | 4                          | 0.2             | 0.5     | 1.9      | 15                                      | 11      | 1        | 14       | 12                         | 3               | 8       | 4        | 2.40                        |
| 029 | Clearfield Apartments          | 12                                  | 7       | 0        | 10       | 81                         | 0.6             | 0.2     | 4.5      | 1                                       | 6       | 4        | 1        | 2                          | 10              | 3       | 14       | 3.50                        |
| 043 | Farmingdale Townhouses         | 6                                   | 15      | 0        | 4        | 15                         | 0.5             | 0.8     | 2.3      | 5                                       | 3       | 4        | 6        | 5                          | 8               | 11      | 6        | 3.10                        |
| 050 | Harwood Square Apartments      | 2                                   | 7       | 0        | 3        | 7                          | 0.6             | 0.6     | 2.8      | 10                                      | 6       | 4        | 7        | 9                          | 13              | 9       | 7        | 2.40                        |
| 062 | Jefferson Pointe Apartments    | 5                                   | 6       | 0        | 1        | 6                          | 0.6             | 0.9     | 4.0      | 6                                       | 9       | 4        | 10       | 10                         | 11              | 14      | 12       | 2.30                        |
| 064 | Jefferson South of the James   | 2                                   | 17      | 1        | 2        | 9                          | 0.6             | 0.3     | 1.1      | 10                                      | 2       | 3        | 9        | 8                          | 12              | 4       | 2        | 3.00                        |
| 094 | Oaks Of Dunlop                 | 12                                  | 7       | 0        | 10       | 81                         | 0.5             | 0.1     | 4.4      | 1                                       | 6       | 4        | 1        | 2                          | 6               | 1       | 13       | 4.00                        |
| 105 | Pinetree Apartments            | 2                                   | 2       | 0        | 1        | 3                          | 2.0             | 1.7     | 1.7      | 10                                      | 14      | 4        | 10       | 14                         | 15              | 15      | 3        | 2.10                        |
| 115 | River's Bend Apartments Homes  | 1                                   | 3       | 0        | 1        | 4                          | 0.2             | 0.8     | 4.8      | 13                                      | 13      | 4        | 10       | 12                         | 1               | 13      | 15       | 2.10                        |
| 117 | Mattox Landing Apartments      | 10                                  | 25      | 0        | 8        | 97                         | 0.3             | 0.3     | 2.2      | 3                                       | 1       | 4        | 3        | 1                          | 4               | 7       | 5        | 3.80                        |
| 131 | Terrace View                   | 9                                   | 4       | 0        | 7        | 26                         | 0.7             | 0.7     | 3.8      | 4                                       | 12      | 4        | 5        | 4                          | 14              | 10      | 10       | 2.60                        |

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



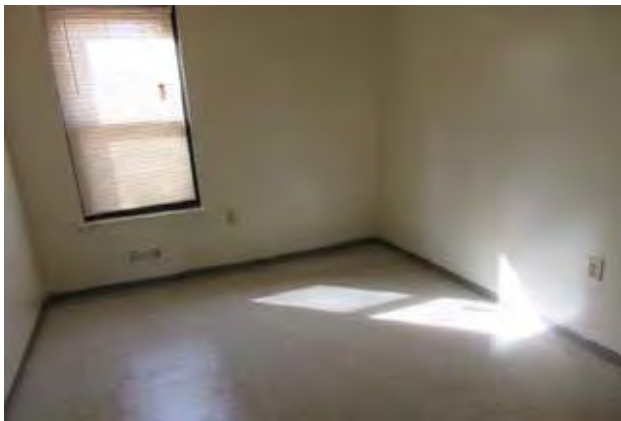
Looking West From Entrance



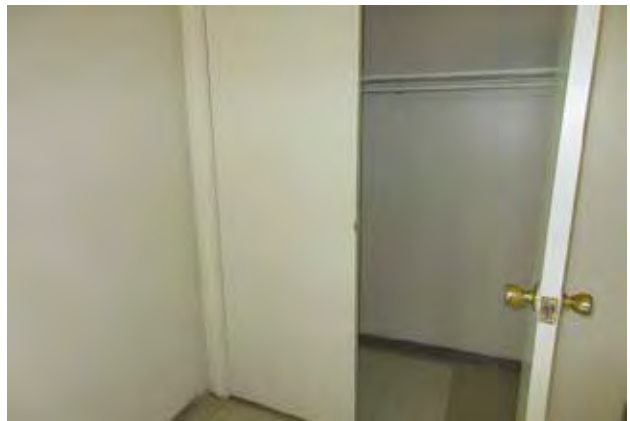
Typical Family Room



Typical Kitchen



Typical Bedroom



Typical Closet



Typical Bathroom



Utility Room





Utility Room



Playground



Community Room



Basketball Court

# 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 10-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    |
|--------------|-----------------------|----------|
| 51041100403  | Chesterfield County   | Virginia |
| 51041100506  | Chesterfield County   | Virginia |
| 51041100508  | Chesterfield County   | Virginia |
| 51041100509  | Chesterfield County   | Virginia |
| 51041100510  | Chesterfield County   | Virginia |
| 51149850100  | Prince George County  | Virginia |
| 51149850200  | Prince George County  | Virginia |
| 51149850301  | Prince George County  | Virginia |
| 51149850302  | Prince George County  | Virginia |
| 51149850400  | Prince George County  | Virginia |
| 51149850501  | Prince George County  | Virginia |
| 51149850502  | Prince George County  | Virginia |
| 51570830100  | Colonial Heights city | Virginia |
| 51570830200  | Colonial Heights city | Virginia |
| 51570830300  | Colonial Heights city | Virginia |
| 51570830400  | Colonial Heights city | Virginia |
| 51570830500  | Colonial Heights city | Virginia |

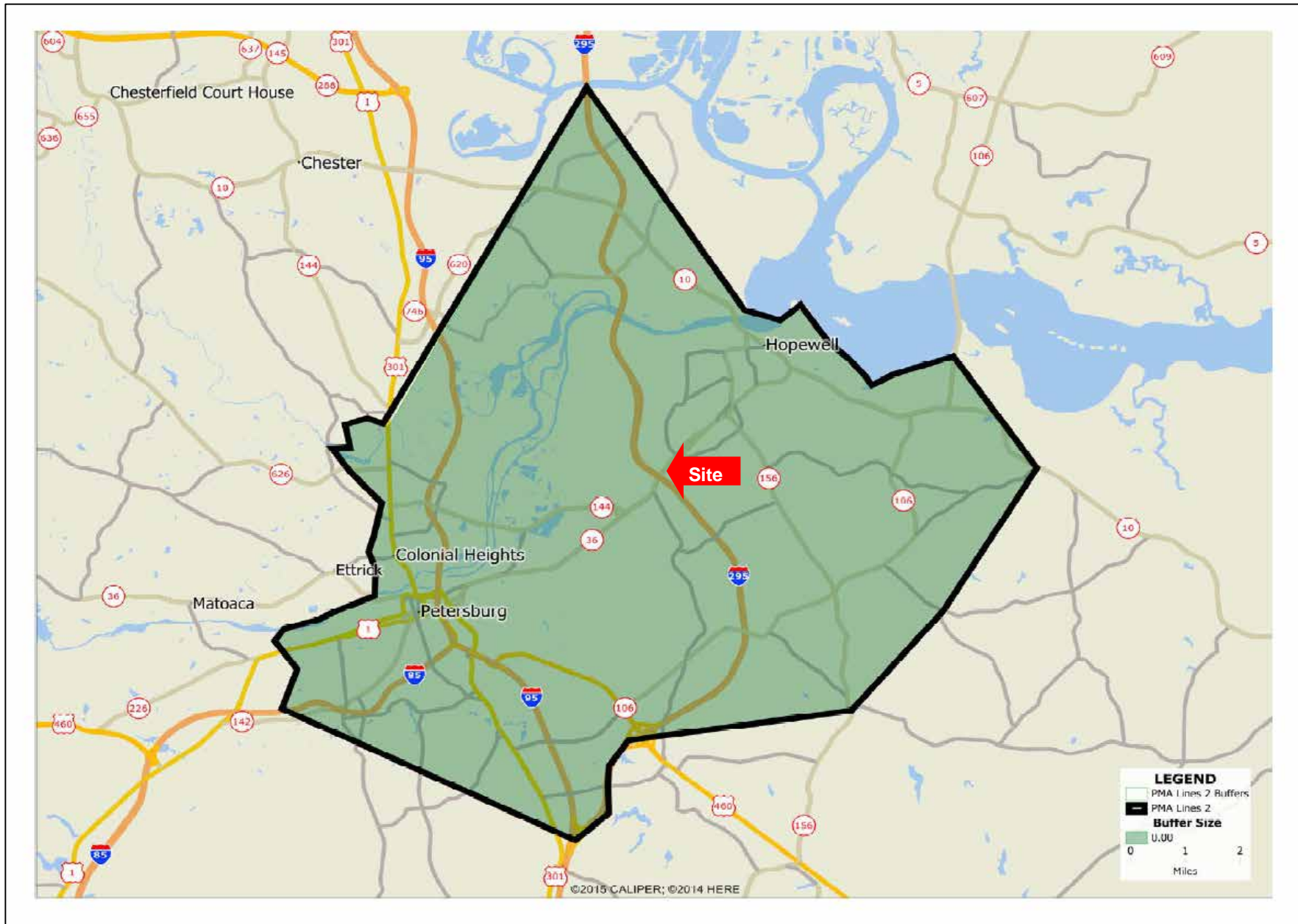
|             |                 |          |
|-------------|-----------------|----------|
| 51670820100 | Hopewell city   | Virginia |
| 51670820300 | Hopewell city   | Virginia |
| 51670820400 | Hopewell city   | Virginia |
| 51670820500 | Hopewell city   | Virginia |
| 51670820600 | Hopewell city   | Virginia |
| 51670820700 | Hopewell city   | Virginia |
| 51670980100 | Hopewell city   | Virginia |
| 51730810100 | Petersburg city | Virginia |
| 51730810300 | Petersburg city | Virginia |
| 51730810400 | Petersburg city | Virginia |
| 51730810500 | Petersburg city | Virginia |
| 51730810600 | Petersburg city | Virginia |
| 51730810700 | Petersburg city | Virginia |
| 51730810900 | Petersburg city | Virginia |
| 51730811000 | Petersburg city | Virginia |
| 51730811100 | Petersburg city | Virginia |
| 51730811200 | Petersburg city | Virginia |
| 51730811300 | Petersburg city | Virginia |

The primary market area includes a population of 109,057 persons and covers a total of 105.3 square miles, making it 11.6 miles across on average.

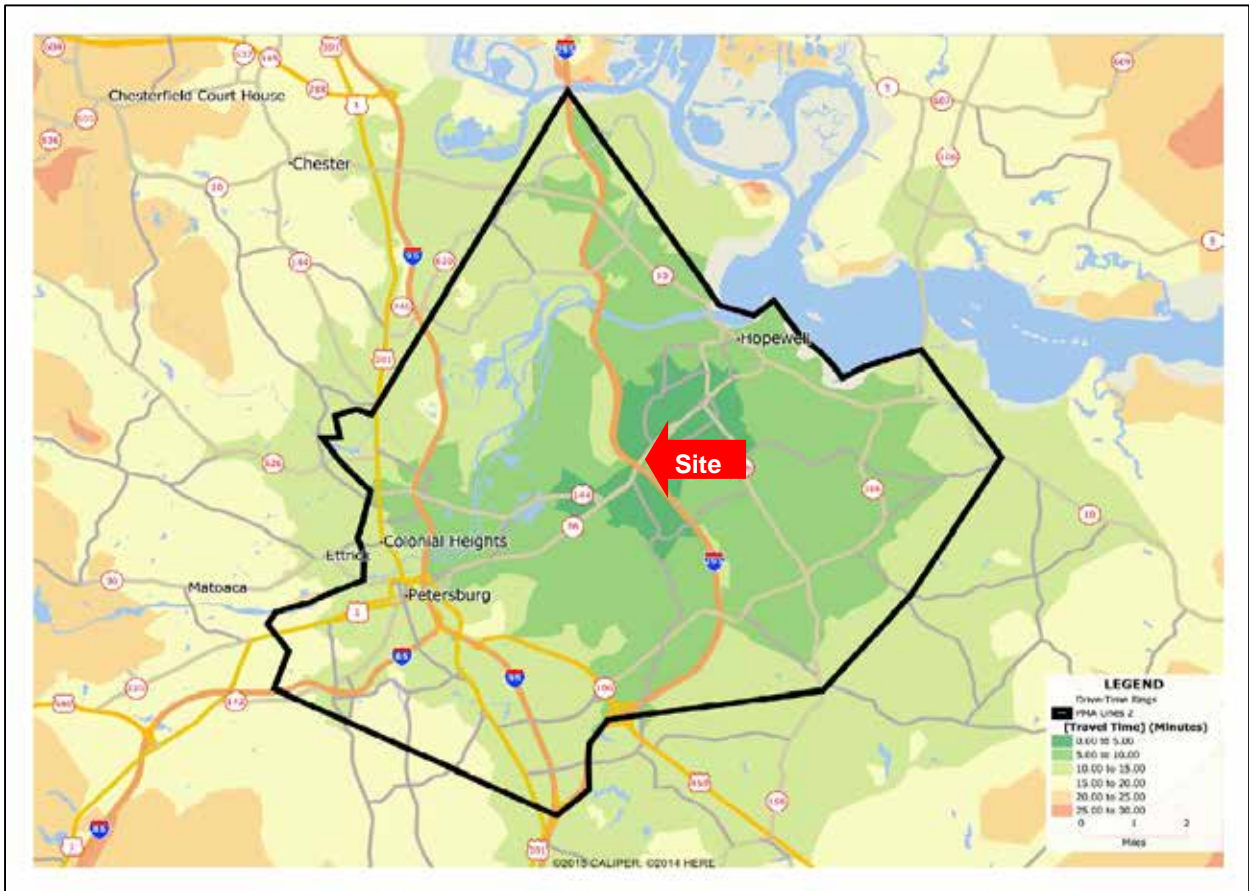
### **Secondary Market Area**

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

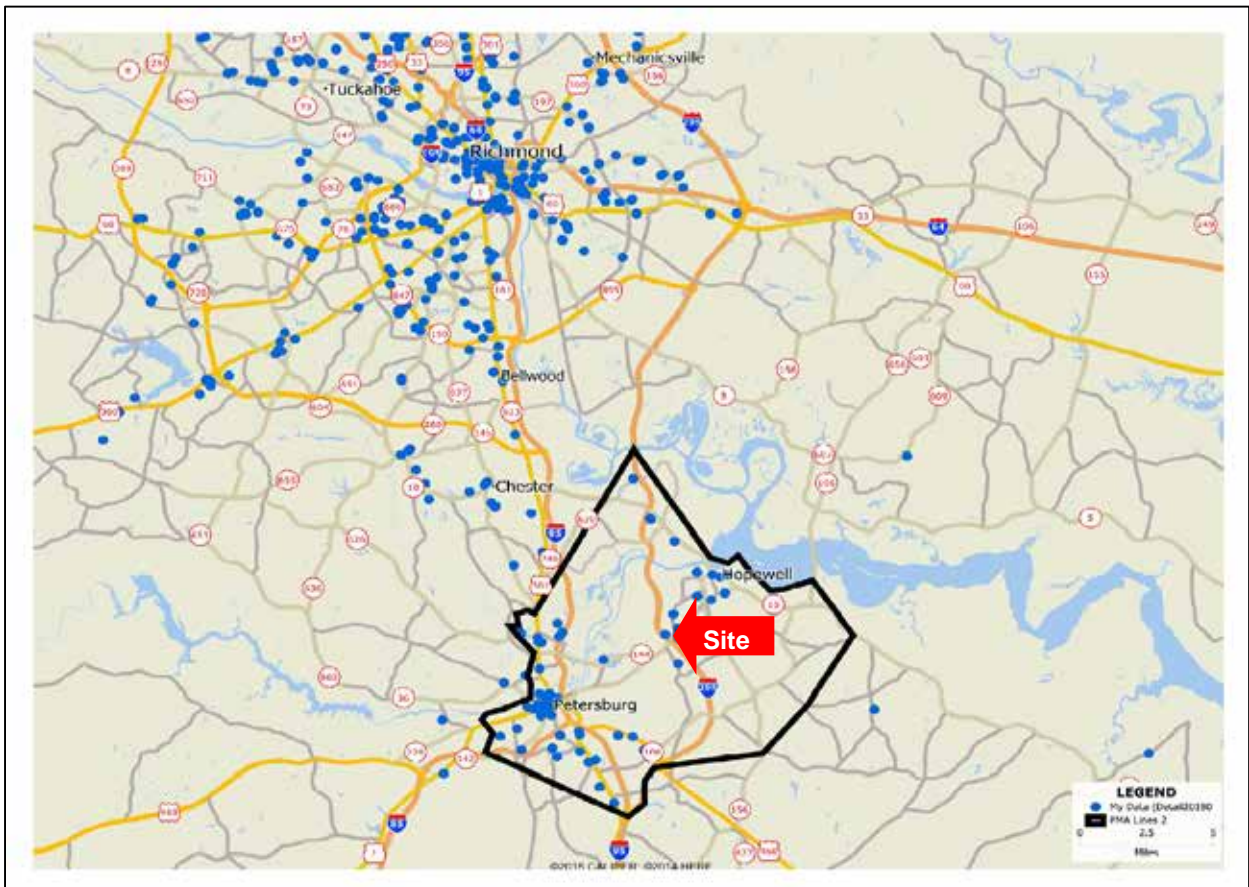
# Market Area



# Drive Time

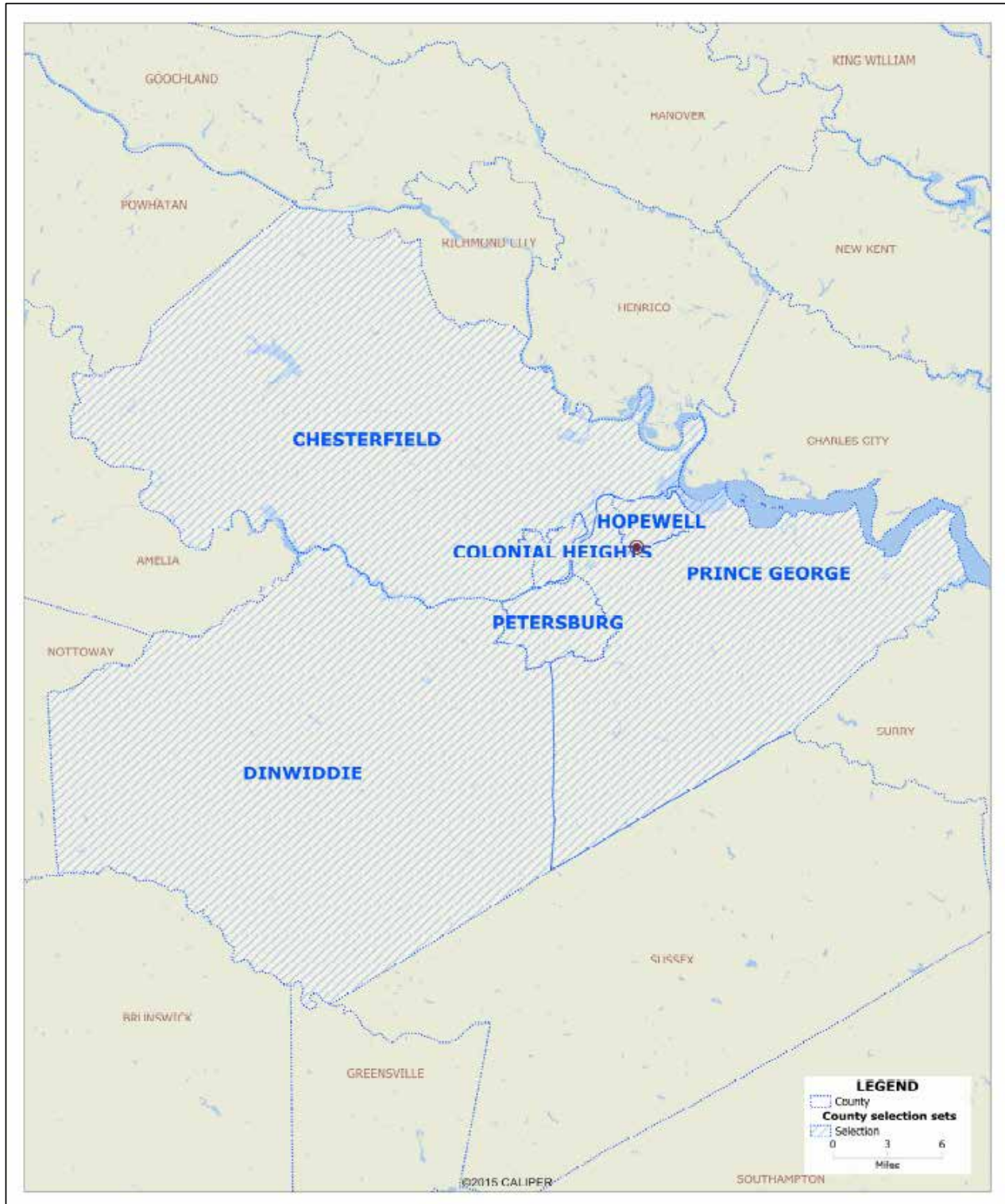


# Existing Multifamily



## ECONOMIC OUTLOOK

In this section we conduct an analysis of the regional economy. For purposes of our analysis, we define the region as Chesterfield, Colonial Heights, Dinwiddie, Hopewell, Petersburg, and Prince George, 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  | 830     | 0.3%   | 1.3%   |
| Forestry, Fishing, Related Activities And Other Employment | 496     | 0.2%   | 0.5%   |
| Mining Employment  | 364     | 0.1%   | 0.7%   |
| Utilities Employment                                       | 1,048   | 0.4%   | 0.3%   |
| Construction Employment                                    | 21,641  | 7.6%   | 5.5%   |
| Manufacturing Employment                                   | 14,256  | 5.0%   | 6.7%   |
| Wholesale Trade Employment                                 | 10,009  | 3.5%   | 3.6%   |
| Retail Trade Employment                                    | 34,859  | 12.2%  | 10.3%  |
| Transportation And Warehousing Employment                  | 15,097  | 5.3%   | 3.5%   |
| Information Employment                                     | 2,292   | 0.8%   | 1.7%   |
| Finance And Insurance Employment                           | 11,887  | 4.1%   | 5.3%   |
| Real Estate And Rental And Lease Employment                | 11,562  | 4.0%   | 4.7%   |
| Professional And Technical Services Employment             | 16,116  | 5.6%   | 6.9%   |
| Management Of Companies And Enterprises Employment         | 1,649   | 0.6%   | 1.3%   |
| Administrative And Waste Services Employment               | 18,171  | 6.3%   | 6.0%   |
| Educational Services Employment                            | 4,082   | 1.4%   | 2.4%   |
| Health Care And Social Assistance Employment               | 30,528  | 10.7%  | 11.6%  |
| Arts, Entertainment, And Recreation Employment             | 6,638   | 2.3%   | 2.2%   |
| Accommodation And Food Services Employment                 | 20,598  | 7.2%   | 7.5%   |
| Other Services, Except Public Administration Employment    | 17,475  | 6.1%   | 5.8%   |
| Federal Civilian Government Employment                     | 8,374   | 2.9%   | 1.4%   |
| Federal Military Employment                                | 10,536  | 3.7%   | 0.9%   |
| State And Local Government Employment                      | 28,103  | 9.8%   | 9.8%   |
| Establishment Employment                                   | 286,611 | 100.0% | 100.0% |

Source: W&P Economics

Regional establishment employment currently stands at 286,611. The data suggests that Retail Trade is the largest employment category accounting for 12.2% of total regional employment. Health Care and Social Assistance is the second largest category accounting for 10.7% of total employment. State and Local Government is the third largest category accounting for 9.8% of total employment. Construction is the fourth largest category accounting for 7.6% of total employment. Accommodation and Food Services is the fifth largest category accounting for 7.2% 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 133,839 employees or about 46.7% 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  | \$6,641   | 23   |
| Forestry, Fishing, Related Activities And Other Employment | \$20,093  | 19   |
| Mining Employment  | \$10,239  | 22   |
| Utilities Employment                                       | \$123,540 | 1    |
| Construction Employment                                    | \$55,533  | 9    |
| Manufacturing Employment                                   | \$83,031  | 4    |
| Wholesale Trade Employment                                 | \$75,032  | 6    |
| Retail Trade Employment                                    | \$26,884  | 16   |
| Transportation And Warehousing Employment                  | \$41,880  | 12   |
| Information Employment                                     | \$50,969  | 10   |
| Finance And Insurance Employment                           | \$39,200  | 13   |
| Real Estate And Rental And Lease Employment                | \$13,785  | 20   |
| Professional And Technical Services Employment             | \$57,943  | 8    |
| Management Of Companies And Enterprises Employment         | \$98,516  | 3    |
| Administrative And Waste Services Employment               | \$32,832  | 14   |
| Educational Services Employment                            | \$20,315  | 18   |
| Health Care And Social Assistance Employment               | \$49,098  | 11   |
| Arts, Entertainment, And Recreation Employment             | \$13,192  | 21   |
| Accommodation And Food Services Employment                 | \$20,984  | 17   |
| Other Services, Except Public Administration Employment    | \$30,124  | 15   |
| Federal Civilian Government Employment                     | \$100,947 | 2    |
| Federal Military Employment                                | \$79,484  | 5    |
| State And Local Government Employment                      | \$58,467  | 7    |
| Establishment Employment                                   | \$46,207  |      |

Source: W&P Economics

The data suggests that Utilities is the highest paid industry averaging \$123,540 per employee. Federal Civilian Government is the second highest paid industry averaging \$100,947 per employee. Management of Companies is the third highest paid profession averaging \$98,516 per employee. Manufacturing is the fourth highest paid industry averaging \$83,031 per employee. Federal Military is the fifth highest paid category averaging \$79,484 per employee. These figures are compared with regional Average Earnings of \$46,207 per employee.

The highlighted industries represent basic industries for the region. Average earnings for these basic industries comes to \$56,046 or 21.3% higher 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 |
| Chesterfield County Govt Ofcs  | 4,562     | 9121-03  | Government Offices-County                | -             |
| Defense Logistics Agency       | 4,000     | 8742-66  | Logistics                                | -             |
| Amazon.Com Inc                 | 3,300     | 5099-98  | Distribution Centers (Whls)              | -             |
| CJW Med Ctr                    | 3,300     | 8071-01  | Laboratories-Medical                     | -             |
| US Defense Supply Ctr Richmond | 3,000     | 9121-01  | Government Offices-US                    | -             |
| State Police-Admin Ofc         | 2,500     | 9121-02  | Government Offices-State                 | Headquarter   |
| Hopewell Emergency Crew        | 1,163     | 4119-06  | Rescue Squads                            | -             |
| Virginia State University      | 950       | 8221-01  | Schools-Universities & Colleges Academic | Subsidiary    |
| State Police-Adm & Support Svc | 643       | 9199-02  | State Government-General Offices         | Branch        |
| C & D Virginia                 | 600       | 3069-24  | Condoms-Manufacturers                    | -             |

Source: InfoUSA

The top employers include: (1) Chesterfield County Govt Ofcs (4562 employees); (2) Defense Logistics Agency (4000 employees) and; (3) Amazon.Com Inc (3300 employees).

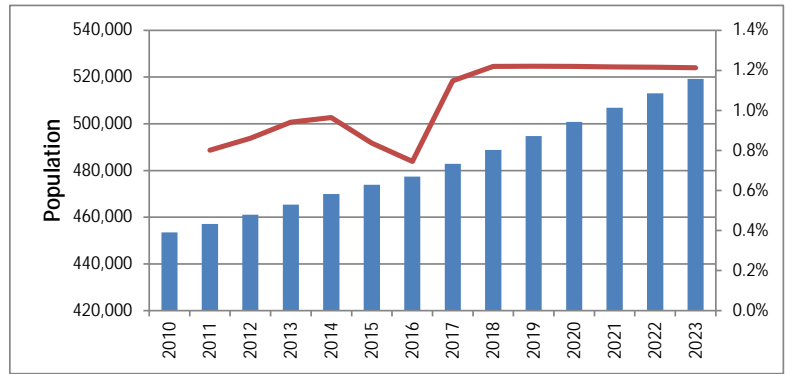


## Population

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                | 453,523 |          |
| 2011                | 457,156 | 0.8%     |
| 2012                | 461,096 | 0.9%     |
| 2013                | 465,437 | 0.9%     |
| 2014                | 469,926 | 1.0%     |
| 2015                | 473,855 | 0.8%     |
| 2016                | 477,387 | 0.7%     |
| 2017                | 482,867 | 1.1%     |
| 2018                | 488,761 | 1.2%     |
| 2019                | 494,728 | 1.2%     |
| 2020                | 500,761 | 1.2%     |
| 2021                | 506,859 | 1.2%     |
| 2022                | 513,023 | 1.2%     |
| 2023                | 519,247 | 1.2%     |

Source: US Census; W&P Economics



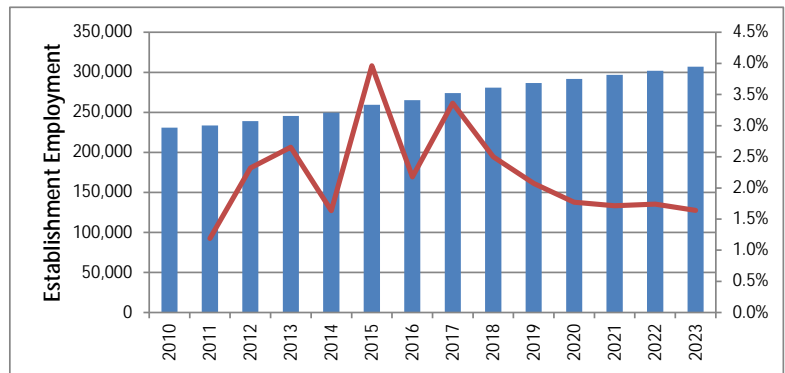
Population increased from 453,523 in 2010 to 488,761 in 2018 and is anticipated to increase to 519,247 in 2023.

## 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                              | 230,971 |          |
| 2011                              | 233,717 | 1.2%     |
| 2012                              | 239,144 | 2.3%     |
| 2013                              | 245,488 | 2.7%     |
| 2014                              | 249,501 | 1.6%     |
| 2015                              | 259,385 | 4.0%     |
| 2016                              | 265,032 | 2.2%     |
| 2017                              | 273,940 | 3.4%     |
| 2018                              | 280,789 | 2.5%     |
| 2019                              | 286,611 | 2.1%     |
| 2020                              | 291,688 | 1.8%     |
| 2021                              | 296,688 | 1.7%     |
| 2022                              | 301,852 | 1.7%     |
| 2023                              | 306,807 | 1.6%     |

Source: BLS; W&P Economics



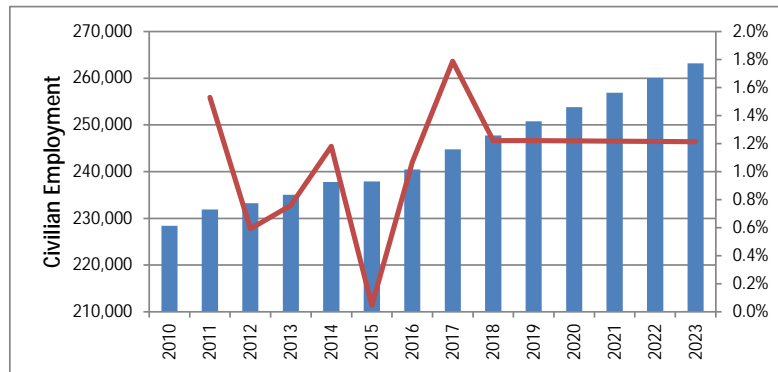
Establishment employment increased from 230,971 in 2010 to 280,789 in 2018 and is anticipated to increase to 306,807 in 2023.

## 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.

| Civilian Employment Forecast |         |          |
|------------------------------|---------|----------|
| Year                         | Civ Emp | Growth % |
| 2010                         | 228,399 |          |
| 2011                         | 231,893 | 1.5%     |
| 2012                         | 233,266 | 0.6%     |
| 2013                         | 235,038 | 0.8%     |
| 2014                         | 237,813 | 1.2%     |
| 2015                         | 237,921 | 0.0%     |
| 2016                         | 240,467 | 1.1%     |
| 2017                         | 244,766 | 1.8%     |
| 2018                         | 247,754 | 1.2%     |
| 2019                         | 250,779 | 1.2%     |
| 2020                         | 253,837 | 1.2%     |
| 2021                         | 256,928 | 1.2%     |
| 2022                         | 260,053 | 1.2%     |
| 2023                         | 263,207 | 1.2%     |

Source: BLS; W&P Economics



Civilian employment increased from 228,399 in 2010 to 244,766 in 2017 and is anticipated to increase to 263,207 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.

| Labor Force & Unemployment |         |        |           |            |
|----------------------------|---------|--------|-----------|------------|
| Year                       | Civ Emp | Unemp  | Lab Force | Unemp Rate |
| 2010                       | 228,399 | 18,399 | 210,000   | 8.1%       |
| 2011                       | 231,893 | 17,346 | 214,547   | 7.5%       |
| 2012                       | 233,266 | 15,879 | 217,387   | 6.8%       |
| 2013                       | 235,038 | 15,011 | 220,027   | 6.4%       |
| 2014                       | 237,813 | 13,784 | 224,029   | 5.8%       |
| 2015                       | 237,921 | 11,572 | 226,349   | 4.9%       |
| 2016                       | 240,467 | 10,511 | 229,956   | 4.4%       |
| 2017                       | 244,766 | 9,901  | 234,865   | 4.0%       |

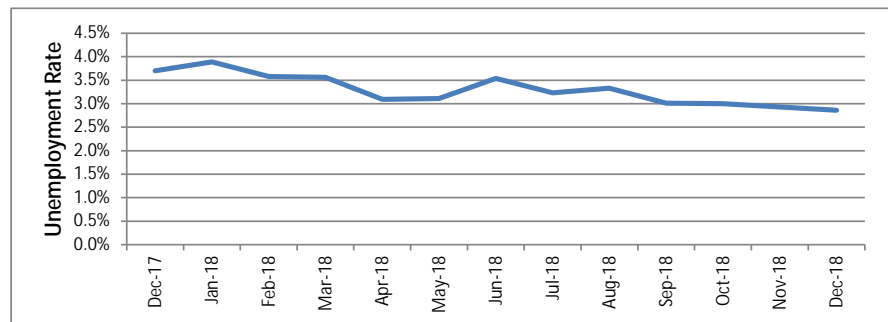
Source: BLS; Texas A&M Real Estate Center

Unemployment decreased from 18,399 in 2010 to 9,901 in 2017. The unemployment rate decreased from 8.1% in 2010 to 4.0% in 2017.

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

| Unemployment Rate |            |
|-------------------|------------|
| Month             | Unemp Rate |
| Dec-17            | 3.7%       |
| Jan-18            | 3.9%       |
| Feb-18            | 3.6%       |
| Mar-18            | 3.6%       |
| Apr-18            | 3.1%       |
| May-18            | 3.1%       |
| Jun-18            | 3.5%       |
| Jul-18            | 3.2%       |
| Aug-18            | 3.3%       |
| Sep-18            | 3.0%       |
| Oct-18            | 3.0%       |
| Nov-18            | 2.9%       |
| Dec-18            | 2.9%       |

Source: TAMU



The Unemployment Rate for the Region came in at 3.7% in December 2017 and 2.9% 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             | 2,359    | 42         | 0         | 2,401 |
| 2001             | 3,092    | 22         | 441       | 3,555 |
| 2002             | 3,031    | 6          | 812       | 3,849 |
| 2003             | 2,570    | 88         | 821       | 3,479 |
| 2004             | 2,626    | 174        | 960       | 3,760 |
| 2005             | 2,827    | 155        | 374       | 3,356 |
| 2006             | 2,496    | 140        | 96        | 2,732 |
| 2007             | 1,888    | 238        | 695       | 2,821 |
| 2008             | 1,197    | 67         | 857       | 2,121 |
| 2009             | 1,058    | 78         | 314       | 1,450 |
| 2010             | 714      | 61         | 429       | 1,204 |
| 2011             | 744      | 28         | 51        | 823   |
| 2012             | 951      | 71         | 547       | 1,569 |
| 2013             | 1,131    | 52         | 533       | 1,716 |
| 2014             | 1,079    | 87         | 675       | 1,841 |
| 2015             | 1,238    | 78         | 212       | 1,528 |
| 2016             | 1,534    | 103        | 346       | 1,983 |
| 2017             | 1,641    | 169        | 646       | 2,456 |

Source: US Census

Building permits for the region increased from 2,401 in 2000 to 3,760 in 2004, before decreasing to 823 in 2011 and increasing to 2,456 in 2017.

## Conclusion

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

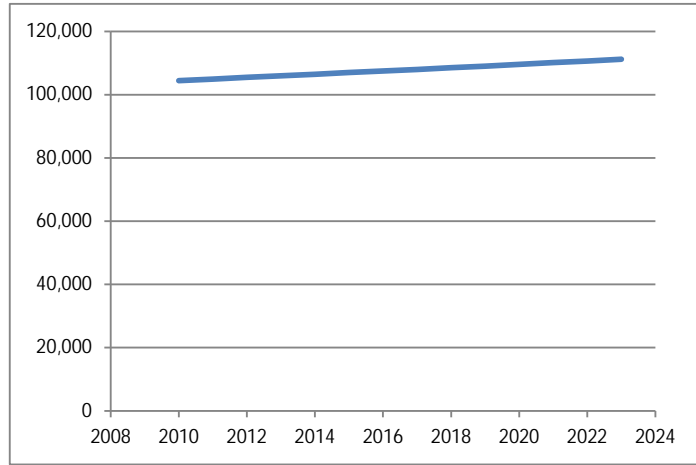
## DEMOGRAPHIC CHARACTERISTICS

### 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                | 104,445    | -        |
| 2011                | 104,954    | 0.5%     |
| 2012                | 105,463    | 0.5%     |
| 2013                | 105,972    | 0.5%     |
| 2014                | 106,481    | 0.5%     |
| 2015                | 106,990    | 0.5%     |
| 2016                | 107,499    | 0.5%     |
| 2017                | 108,008    | 0.5%     |
| 2018                | 108,517    | 0.5%     |
| 2019                | 109,057    | 0.5%     |
| 2020                | 109,597    | 0.5%     |
| 2021                | 110,136    | 0.5%     |
| 2022                | 110,676    | 0.5%     |
| 2023                | 111,216    | 0.5%     |

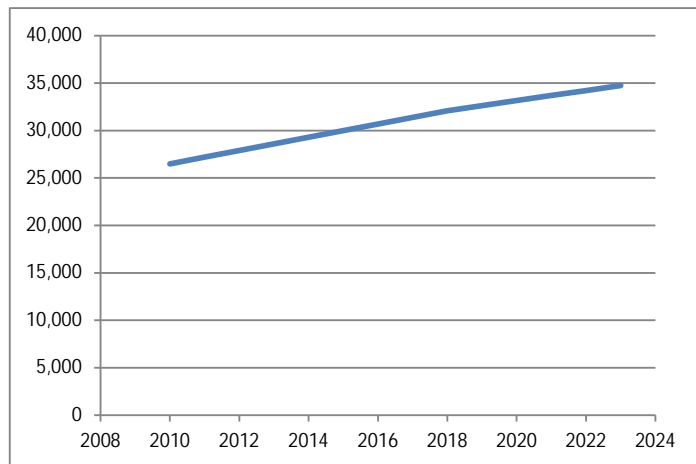
Source: ESRI; Allen & Associates



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

| 55+ Population Forecast |            |          |
|-------------------------|------------|----------|
| Year                    | Population | Growth % |
| 2010                    | 26,486     | -        |
| 2011                    | 27,188     | 2.6%     |
| 2012                    | 27,889     | 2.6%     |
| 2013                    | 28,591     | 2.5%     |
| 2014                    | 29,293     | 2.5%     |
| 2015                    | 29,994     | 2.4%     |
| 2016                    | 30,696     | 2.3%     |
| 2017                    | 31,397     | 2.3%     |
| 2018                    | 32,099     | 2.2%     |
| 2019                    | 32,629     | 1.7%     |
| 2020                    | 33,159     | 1.6%     |
| 2021                    | 33,688     | 1.6%     |
| 2022                    | 34,218     | 1.6%     |
| 2023                    | 34,748     | 1.5%     |

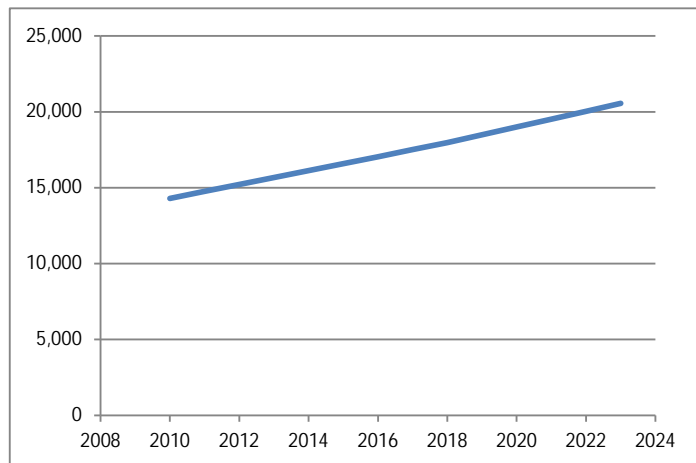
Source: ESRI; Allen & Associates



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

| 65+ Population Forecast |            |          |
|-------------------------|------------|----------|
| Year                    | Population | Growth % |
| 2010                    | 14,293     | -        |
| 2011                    | 14,752     | 3.2%     |
| 2012                    | 15,211     | 3.1%     |
| 2013                    | 15,670     | 3.0%     |
| 2014                    | 16,130     | 2.9%     |
| 2015                    | 16,589     | 2.8%     |
| 2016                    | 17,048     | 2.8%     |
| 2017                    | 17,507     | 2.7%     |
| 2018                    | 17,966     | 2.6%     |
| 2019                    | 18,484     | 2.9%     |
| 2020                    | 19,002     | 2.8%     |
| 2021                    | 19,520     | 2.7%     |
| 2022                    | 20,038     | 2.7%     |
| 2023                    | 20,556     | 2.6%     |

Source: ESRI; Allen & Associates

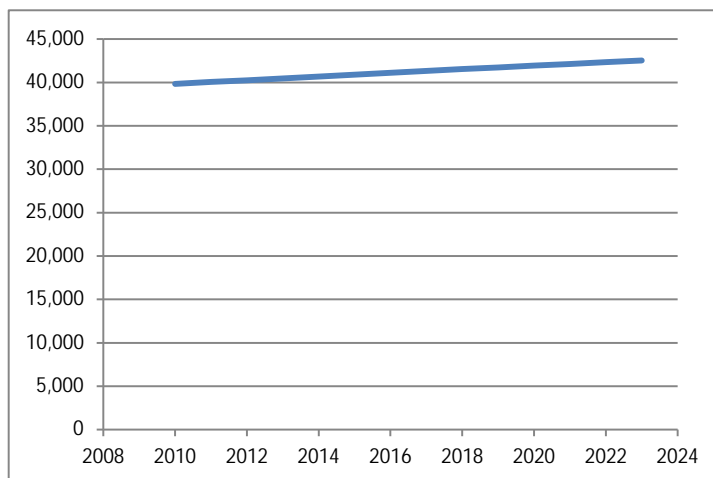


## Households

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               | 39,830     | -        |
| 2011               | 40,043     | 0.5%     |
| 2012               | 40,256     | 0.5%     |
| 2013               | 40,469     | 0.5%     |
| 2014               | 40,683     | 0.5%     |
| 2015               | 40,896     | 0.5%     |
| 2016               | 41,109     | 0.5%     |
| 2017               | 41,322     | 0.5%     |
| 2018               | 41,535     | 0.5%     |
| 2019               | 41,734     | 0.5%     |
| 2020               | 41,932     | 0.5%     |
| 2021               | 42,131     | 0.5%     |
| 2022               | 42,329     | 0.5%     |
| 2023               | 42,528     | 0.5%     |

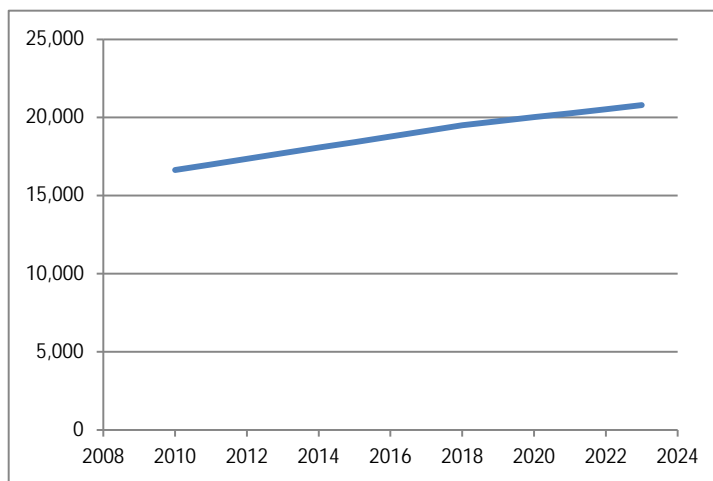
Source: ESRI; Allen & Associates



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

| 55+ Household Forecast |            |          |
|------------------------|------------|----------|
| Year                   | Households | Growth % |
| 2010                   | 16,642     | -        |
| 2011                   | 17,000     | 2.1%     |
| 2012                   | 17,357     | 2.1%     |
| 2013                   | 17,715     | 2.1%     |
| 2014                   | 18,072     | 2.0%     |
| 2015                   | 18,430     | 2.0%     |
| 2016                   | 18,787     | 1.9%     |
| 2017                   | 19,145     | 1.9%     |
| 2018                   | 19,502     | 1.9%     |
| 2019                   | 19,761     | 1.3%     |
| 2020                   | 20,020     | 1.3%     |
| 2021                   | 20,278     | 1.3%     |
| 2022                   | 20,537     | 1.3%     |
| 2023                   | 20,796     | 1.3%     |

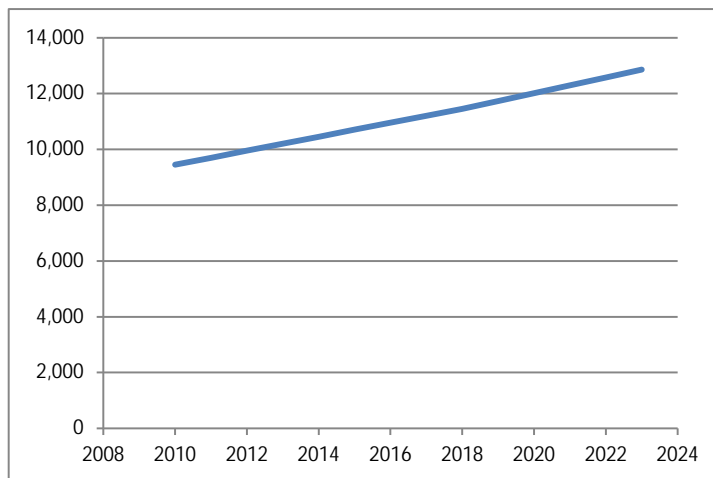
Source: ESRI; Allen & Associates



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

| 65+ Household Forecast |            |          |
|------------------------|------------|----------|
| Year                   | Households | Growth % |
| 2010                   | 9,453      | -        |
| 2011                   | 9,704      | 2.6%     |
| 2012                   | 9,954      | 2.6%     |
| 2013                   | 10,205     | 2.5%     |
| 2014                   | 10,455     | 2.5%     |
| 2015                   | 10,706     | 2.4%     |
| 2016                   | 10,956     | 2.3%     |
| 2017                   | 11,207     | 2.3%     |
| 2018                   | 11,457     | 2.2%     |
| 2019                   | 11,738     | 2.5%     |
| 2020                   | 12,019     | 2.4%     |
| 2021                   | 12,299     | 2.3%     |
| 2022                   | 12,580     | 2.3%     |
| 2023                   | 12,861     | 2.2%     |

Source: ESRI; Allen & Associates

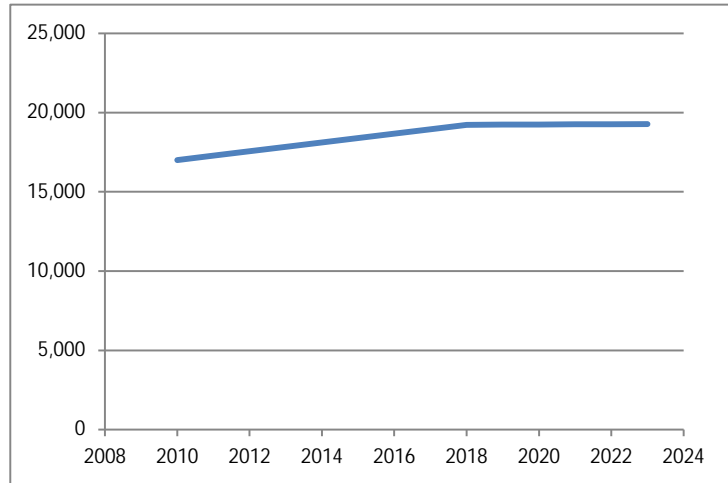


## Renter Households

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

| Year | Households | Growth % |
|------|------------|----------|
| 2010 | 17,005     | -        |
| 2011 | 17,283     | 1.6%     |
| 2012 | 17,562     | 1.6%     |
| 2013 | 17,840     | 1.6%     |
| 2014 | 18,119     | 1.6%     |
| 2015 | 18,397     | 1.5%     |
| 2016 | 18,676     | 1.5%     |
| 2017 | 18,954     | 1.5%     |
| 2018 | 19,233     | 1.5%     |
| 2019 | 19,241     | 0.0%     |
| 2020 | 19,250     | 0.0%     |
| 2021 | 19,259     | 0.0%     |
| 2022 | 19,268     | 0.0%     |
| 2023 | 19,277     | 0.0%     |

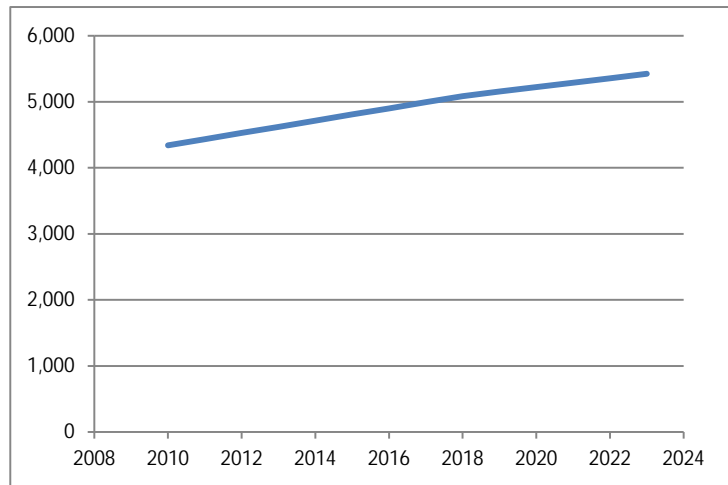
Source: ESRI; Allen & Associates



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

| Year | Households | Growth % |
|------|------------|----------|
| 2010 | 4,341      | -        |
| 2011 | 4,434      | 2.1%     |
| 2012 | 4,528      | 2.1%     |
| 2013 | 4,621      | 2.1%     |
| 2014 | 4,714      | 2.0%     |
| 2015 | 4,807      | 2.0%     |
| 2016 | 4,901      | 1.9%     |
| 2017 | 4,994      | 1.9%     |
| 2018 | 5,087      | 1.9%     |
| 2019 | 5,155      | 1.3%     |
| 2020 | 5,222      | 1.3%     |
| 2021 | 5,290      | 1.3%     |
| 2022 | 5,357      | 1.3%     |
| 2023 | 5,425      | 1.3%     |

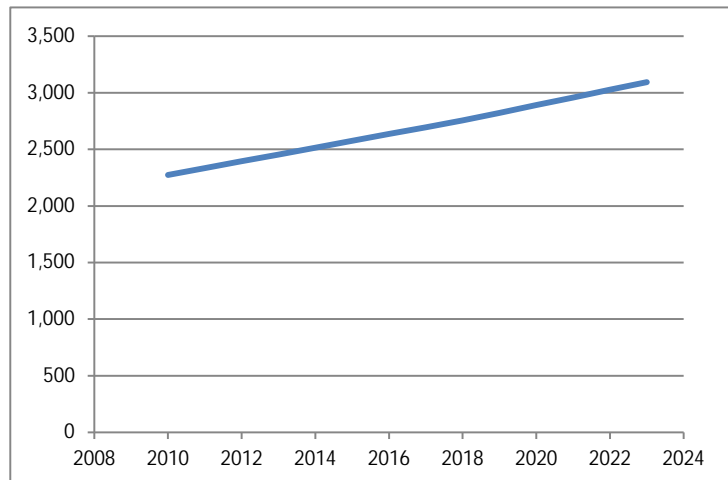
Source: ESRI; Allen & Associates



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

| Year | Households | Growth % |
|------|------------|----------|
| 2010 | 2,274      | -        |
| 2011 | 2,334      | 2.6%     |
| 2012 | 2,395      | 2.6%     |
| 2013 | 2,455      | 2.5%     |
| 2014 | 2,515      | 2.5%     |
| 2015 | 2,575      | 2.4%     |
| 2016 | 2,636      | 2.3%     |
| 2017 | 2,696      | 2.3%     |
| 2018 | 2,756      | 2.2%     |
| 2019 | 2,824      | 2.5%     |
| 2020 | 2,891      | 2.4%     |
| 2021 | 2,959      | 2.3%     |
| 2022 | 3,026      | 2.3%     |
| 2023 | 3,094      | 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   | 1,878                          | 774      | 442      | 318      | 165      | 75         | 3,653  |
| \$10,000  | \$19,999  | 2,379                          | 1,094    | 689      | 304      | 197      | 105        | 4,769  |
| \$20,000  | \$29,999  | 2,033                          | 1,232    | 588      | 215      | 144      | 60         | 4,271  |
| \$30,000  | \$39,999  | 1,816                          | 1,247    | 545      | 475      | 252      | 151        | 4,485  |
| \$40,000  | \$49,999  | 1,059                          | 1,623    | 600      | 575      | 242      | 119        | 4,216  |
| \$50,000  | \$59,999  | 768                            | 911      | 537      | 490      | 138      | 50         | 2,895  |
| \$60,000  | \$74,999  | 731                            | 1,453    | 802      | 532      | 293      | 179        | 3,990  |
| \$75,000  | \$99,999  | 974                            | 1,914    | 972      | 672      | 368      | 196        | 5,095  |
| \$100,000 | \$124,999 | 330                            | 1,131    | 833      | 711      | 270      | 144        | 3,419  |
| \$125,000 | \$149,999 | 150                            | 724      | 395      | 401      | 204      | 94         | 1,969  |
| \$150,000 | \$199,999 | 137                            | 503      | 473      | 303      | 190      | 94         | 1,700  |
| \$200,000 | more      | 184                            | 432      | 320      | 190      | 102      | 44         | 1,271  |
| Total     |           | 12,438                         | 13,038   | 7,195    | 5,188    | 2,564    | 1,311      | 41,734 |

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   | 981                                | 348      | 119      | 32       | 47       | 14         | 1,540  |
| \$10,000  | \$19,999  | 1,821                              | 489      | 151      | 76       | 30       | 11         | 2,579  |
| \$20,000  | \$29,999  | 1,451                              | 828      | 168      | 51       | 49       | 17         | 2,564  |
| \$30,000  | \$39,999  | 962                                | 653      | 172      | 46       | 43       | 14         | 1,889  |
| \$40,000  | \$49,999  | 656                                | 913      | 232      | 107      | 72       | 29         | 2,008  |
| \$50,000  | \$59,999  | 447                                | 628      | 179      | 68       | 47       | 12         | 1,381  |
| \$60,000  | \$74,999  | 476                                | 892      | 147      | 131      | 49       | 20         | 1,715  |
| \$75,000  | \$99,999  | 506                                | 1,199    | 339      | 99       | 54       | 21         | 2,217  |
| \$100,000 | \$124,999 | 213                                | 738      | 229      | 105      | 87       | 48         | 1,421  |
| \$125,000 | \$149,999 | 117                                | 517      | 167      | 92       | 34       | 10         | 936    |
| \$150,000 | \$199,999 | 112                                | 329      | 213      | 107      | 28       | 10         | 800    |
| \$200,000 | more      | 149                                | 317      | 138      | 71       | 25       | 10         | 710    |
| Total     |           | 7,891                              | 7,851    | 2,254    | 984      | 565      | 216        | 19,761 |

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   | 526                                | 206      | 53       | 16       | 24       | 3          | 828    |
| \$10,000  | \$19,999  | 1,412                              | 208      | 107      | 43       | 21       | 8          | 1,799  |
| \$20,000  | \$29,999  | 1,081                              | 572      | 115      | 31       | 25       | 4          | 1,829  |
| \$30,000  | \$39,999  | 667                                | 375      | 98       | 32       | 20       | 6          | 1,198  |
| \$40,000  | \$49,999  | 477                                | 607      | 149      | 57       | 39       | 15         | 1,343  |
| \$50,000  | \$59,999  | 287                                | 413      | 114      | 33       | 23       | 6          | 876    |
| \$60,000  | \$74,999  | 254                                | 547      | 68       | 76       | 9        | 1          | 955    |
| \$75,000  | \$99,999  | 312                                | 675      | 122      | 30       | 21       | 3          | 1,163  |
| \$100,000 | \$124,999 | 144                                | 406      | 118      | 17       | 41       | 27         | 753    |
| \$125,000 | \$149,999 | 49                                 | 211      | 48       | 12       | 9        | 1          | 331    |
| \$150,000 | \$199,999 | 83                                 | 153      | 72       | 14       | 8        | 1          | 330    |
| \$200,000 | more      | 90                                 | 163      | 49       | 24       | 5        | 1          | 332    |
| Total     |           | 5,382                              | 4,535    | 1,112    | 386      | 246      | 77         | 11,738 |

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   | 1,310           | 397      | 341      | 281      | 129      | 64         | 2,523  |  |
| \$10,000  | \$19,999  | 1,555           | 641      | 564      | 265      | 136      | 74         | 3,235  |  |
| \$20,000  | \$29,999  | 1,020           | 546      | 397      | 155      | 98       | 42         | 2,258  |  |
| \$30,000  | \$39,999  | 1,089           | 639      | 271      | 296      | 174      | 114        | 2,582  |  |
| \$40,000  | \$49,999  | 489             | 564      | 316      | 344      | 117      | 58         | 1,888  |  |
| \$50,000  | \$59,999  | 375             | 244      | 265      | 203      | 62       | 23         | 1,172  |  |
| \$60,000  | \$74,999  | 359             | 453      | 384      | 233      | 184      | 118        | 1,731  |  |
| \$75,000  | \$99,999  | 511             | 479      | 367      | 321      | 154      | 86         | 1,917  |  |
| \$100,000 | \$124,999 | 178             | 240      | 199      | 155      | 82       | 40         | 894    |  |
| \$125,000 | \$149,999 | 82              | 68       | 95       | 28       | 116      | 52         | 441    |  |
| \$150,000 | \$199,999 | 61              | 78       | 108      | 23       | 40       | 12         | 321    |  |
| \$200,000 | more      | 88              | 73       | 37       | 56       | 17       | 8          | 280    |  |
| Total     |           | 7,117           | 4,423    | 3,342    | 2,360    | 1,309    | 691        | 19,241 |  |

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   | 528             | 71       | 56       | 11       | 24       | 6          | 695   |  |
| \$10,000  | \$19,999  | 971             | 93       | 55       | 56       | 12       | 3          | 1,190 |  |
| \$20,000  | \$29,999  | 512             | 170      | 36       | 22       | 22       | 2          | 763   |  |
| \$30,000  | \$39,999  | 325             | 111      | 34       | 18       | 21       | 9          | 518   |  |
| \$40,000  | \$49,999  | 213             | 209      | 82       | 30       | 19       | 5          | 558   |  |
| \$50,000  | \$59,999  | 117             | 60       | 21       | 32       | 14       | 3          | 247   |  |
| \$60,000  | \$74,999  | 165             | 92       | 21       | 35       | 18       | 7          | 338   |  |
| \$75,000  | \$99,999  | 174             | 97       | 36       | 22       | 28       | 12         | 368   |  |
| \$100,000 | \$124,999 | 76              | 32       | 45       | 23       | 9        | 2          | 186   |  |
| \$125,000 | \$149,999 | 58              | 13       | 18       | 9        | 8        | 1          | 108   |  |
| \$150,000 | \$199,999 | 36              | 13       | 18       | 12       | 6        | 0          | 84    |  |
| \$200,000 | more      | 56              | 9        | 12       | 20       | 3        | 1          | 101   |  |
| Total     |           | 3,230           | 969      | 435      | 287      | 183      | 50         | 5,155 |  |

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   | 223             | 30       | 8        | 5        | 15       | 1          | 283   |  |
| \$10,000  | \$19,999  | 705             | 23       | 45       | 31       | 6        | 1          | 809   |  |
| \$20,000  | \$29,999  | 364             | 87       | 30       | 16       | 12       | 0          | 509   |  |
| \$30,000  | \$39,999  | 210             | 38       | 7        | 14       | 9        | 3          | 280   |  |
| \$40,000  | \$49,999  | 138             | 127      | 44       | 4        | 7        | 1          | 322   |  |
| \$50,000  | \$59,999  | 65              | 25       | 5        | 20       | 7        | 1          | 123   |  |
| \$60,000  | \$74,999  | 98              | 21       | 6        | 22       | 4        | 0          | 151   |  |
| \$75,000  | \$99,999  | 72              | 39       | 21       | 10       | 8        | 0          | 151   |  |
| \$100,000 | \$124,999 | 42              | 10       | 10       | 7        | 4        | 1          | 74    |  |
| \$125,000 | \$149,999 | 18              | 3        | 6        | 3        | 5        | 0          | 35    |  |
| \$150,000 | \$199,999 | 25              | 8        | 9        | 3        | 3        | 0          | 47    |  |
| \$200,000 | more      | 23              | 5        | 6        | 6        | 1        | 0          | 41    |  |
| Total     |           | 1,983           | 418      | 197      | 140      | 79       | 8          | 2,824 |  |

Source: ESRI & Ribbon Demographics

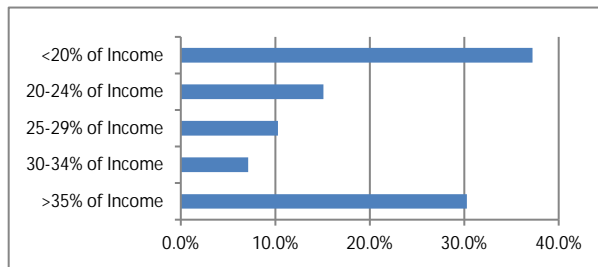


## Overburdened Renter Households

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   | 37.2%         |
| 20-24% of Income Spent on Housing | 15.1%         |
| 25-29% of Income Spent on Housing | 10.3%         |
| 30-34% of Income Spent on Housing | 7.1%          |
| >35% of Income Spent on Housing   | 30.3%         |
| <b>Total</b>                      | <b>100.0%</b> |

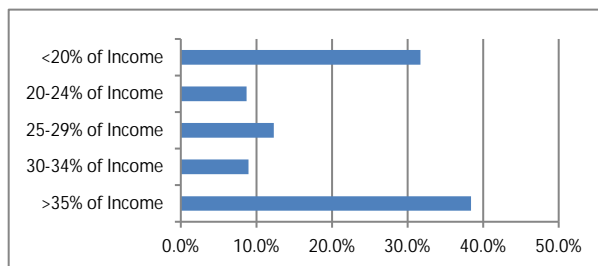
Source: U.S. Census Bureau



Our research suggests that 30.3 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 37.4 percent of the renter households are overburdened to 30 percent of income.

| 55+ Overburdened Renter Households |               |
|------------------------------------|---------------|
|                                    | % of Total    |
| <20% of Income Spent on Housing    | 31.7%         |
| 20-24% of Income Spent on Housing  | 8.7%          |
| 25-29% of Income Spent on Housing  | 12.3%         |
| 30-34% of Income Spent on Housing  | 8.9%          |
| >35% of Income Spent on Housing    | 38.4%         |
| <b>Total</b>                       | <b>100.0%</b> |

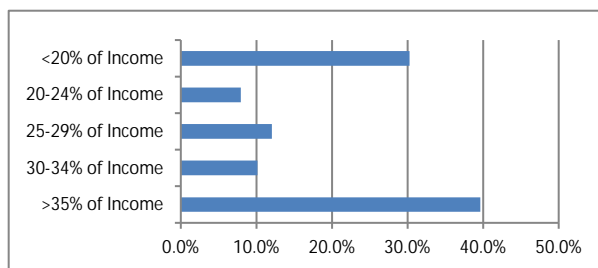
Source: U.S. Census Bureau



Our research suggests that 38.4 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 47.3 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    | 30.2%         |
| 20-24% of Income Spent on Housing  | 8.0%          |
| 25-29% of Income Spent on Housing  | 12.0%         |
| 30-34% of Income Spent on Housing  | 10.1%         |
| >35% of Income Spent on Housing    | 39.6%         |
| <b>Total</b>                       | <b>100.0%</b> |

Source: U.S. Census Bureau



Our research suggests that 39.6 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 49.8 percent of the 65+ renter households are overburdened to 30 percent of income.

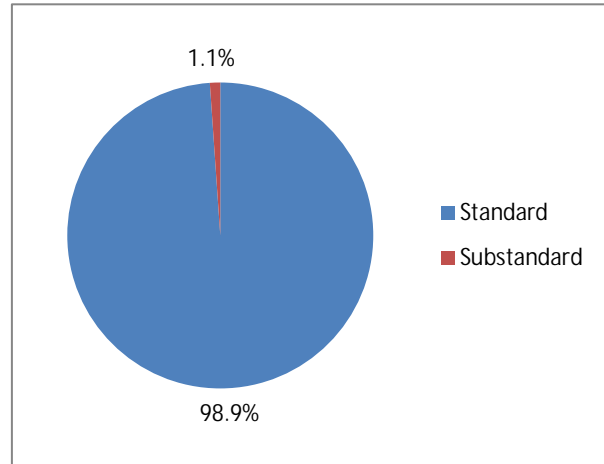
## Owner Substandard Units

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 | 98.9%      |
| 1.01 to 1.50 persons per room | 0.7%       |
| 1.51 persons per room or more | 0.1%       |
| Complete Plumbing             | 99.8%      |
| 1.00 persons per room or less | 0.2%       |
| 1.01 to 1.50 persons per room | 0.0%       |
| 1.51 persons per room or more | 0.0%       |
| Lacking Complete Plumbing     | 0.2%       |
| Standard                      | 98.9%      |
| Substandard                   | 1.1%       |
| Total                         | 100.0%     |

Source: U.S. Census Bureau



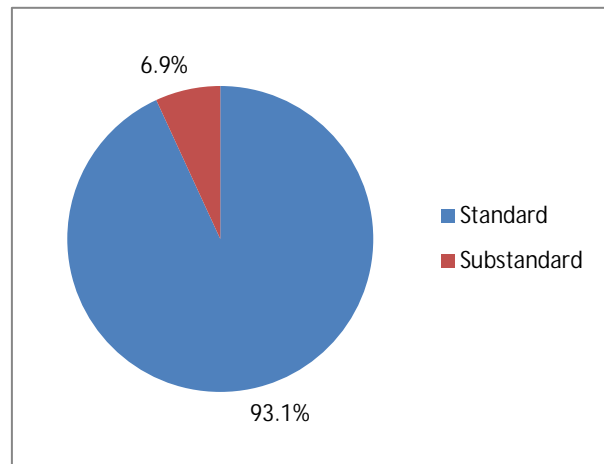
Our research suggests that 1.1 percent of occupied owner housing units in the market area are substandard.

## 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 | 93.1%      |
| 1.01 to 1.50 persons per room | 4.4%       |
| 1.51 persons per room or more | 1.9%       |
| Complete Plumbing             | 99.4%      |
| 1.00 persons per room or less | 0.5%       |
| 1.01 to 1.50 persons per room | 0.1%       |
| 1.51 persons per room or more | 0.1%       |
| Lacking Complete Plumbing     | 0.6%       |
| Standard                      | 93.1%      |
| Substandard                   | 6.9%       |
| Total                         | 100.0%     |

Source: U.S. Census Bureau



Our research suggests that 6.9 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           | 2.3%     | 3.6%     | 4.6%     | 4.6%     | 4.9%     | 5.4%     | 6.2%      | 3.8%  |
| Owner to Renter          | 2.2%     | 2.0%     | 3.6%     | 3.4%     | 3.4%     | 5.1%     | 7.8%      | 2.8%  |
| Owner Movership Rate     | 4.4%     | 5.6%     | 8.3%     | 8.0%     | 8.3%     | 10.5%    | 14.0%     | 6.6%  |

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

Our research suggests an owner movership rate of 6.6 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          | 10.7%    | 23.9%    | 33.8%    | 40.6%    | 41.1%    | 44.5%    | 68.7%     | 24.3% |
| Renter to Owner           | 2.6%     | 9.8%     | 9.9%     | 12.7%    | 13.9%    | 10.8%    | 12.7%     | 7.7%  |
| Renter Movership Rate     | 13.3%    | 33.7%    | 43.7%    | 53.3%    | 55.0%    | 55.3%    | 81.4%     | 31.9% |

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

Our research suggests a renter movership rate of 31.9 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

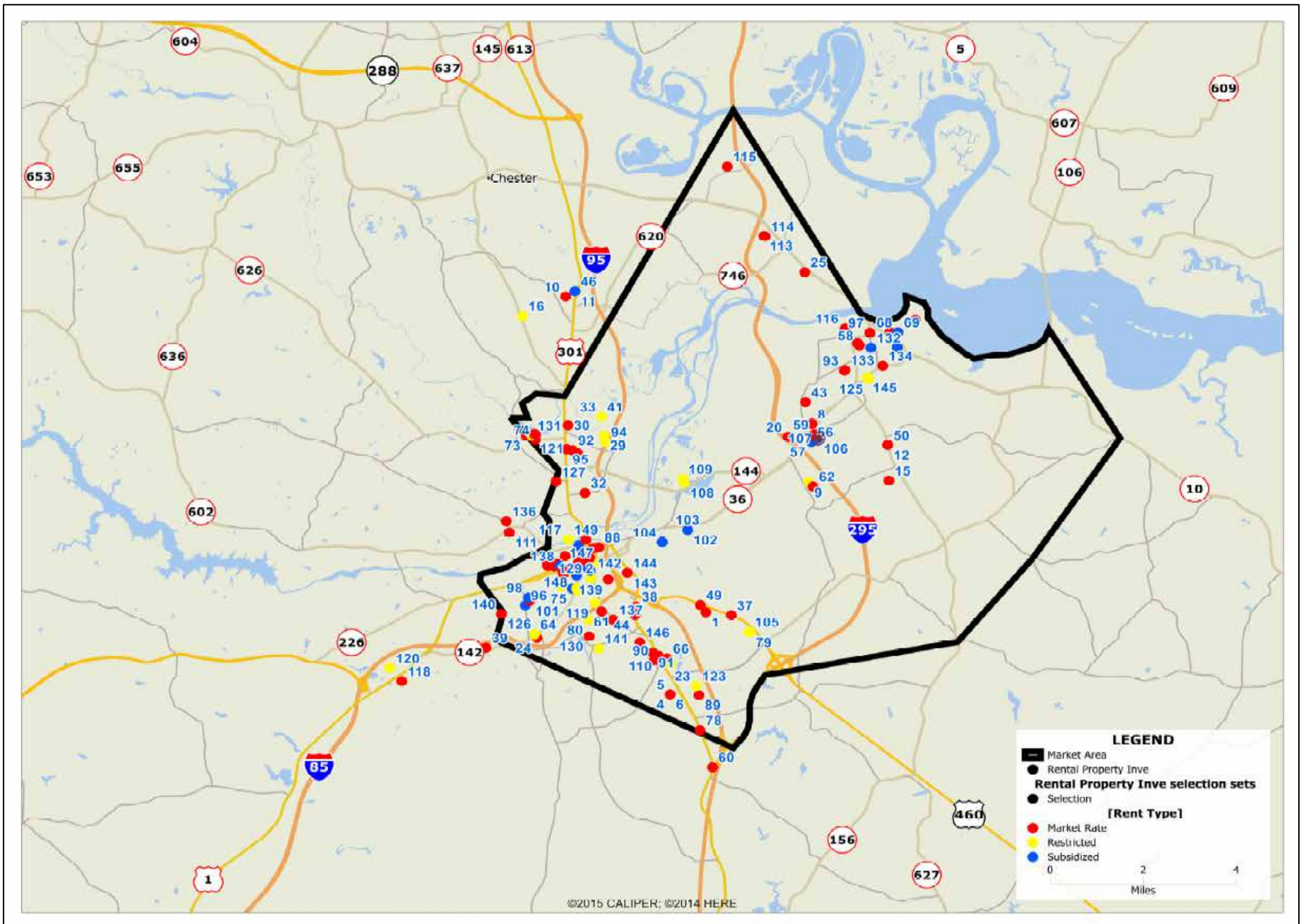
| Key | Project                              | Latitude | Longitude | Built | Renovated | Rent Type   | Occ Type | Status        | Financing    | Tot Units | Vac Units | Occupancy |
|-----|--------------------------------------|----------|-----------|-------|-----------|-------------|----------|---------------|--------------|-----------|-----------|-----------|
| 001 | 1200 Acqua Apartments                | 37.2104  | -77.3569  | 2009  | na        | Market Rate | Family   | Stabilized    | Conventional | 336       | 11        | 96.7%     |
| 002 | 30 Franklin                          | 37.2287  | -77.4022  | 1930  | 2017      | Market Rate | Family   | Stabilized    | Conventional | 20        | 2         | 90.0%     |
| 003 | Addison Crater Woods Phase 1         | 37.1828  | -77.3708  | 1982  | na        | Market Rate | Family   | Stabilized    | Conventional | 120       | 4         | 96.7%     |
| 004 | Addison Crater Woods Phase 2         | 37.1828  | -77.3708  | 1985  | na        | Market Rate | Family   | Stabilized    | Conventional | 120       | 6         | 95.0%     |
| 005 | Addison Crater Woods Phase 3         | 37.1828  | -77.3708  | 2008  | na        | Market Rate | Family   | Stabilized    | Conventional | 234       | 21        | 91.0%     |
| 006 | Addison Crater Woods Phase 4         | 37.1828  | -77.3708  | 2010  | na        | Market Rate | Family   | Stabilized    | Conventional | 162       | 4         | 97.5%     |
| 007 | Art Craft Management                 | 37.3060  | -77.3024  | 1984  | na        | Market Rate | Family   | Non-Inventory | Conventional | 0         | 0         | 0.0%      |
| 008 | Ashwood Terrace Apartments           | 37.2738  | -77.3155  | 1912  | 2000      | Market Rate | Family   | Unconfirmed   | Conventional | 10        | 0         | 100.0%    |
| 009 | Bailey's Ridge                       | 37.2542  | -77.3168  | 2000  | na        | Restricted  | Family   | Stabilized    | Tax Credit   | 156       | 0         | 100.0%    |
| 010 | Bermuda Grove                        | 37.3168  | -77.4116  | na    | na        | Market Rate | Family   | Non-Inventory | Conventional | 0         | 0         | 0.0%      |
| 011 | Bermuda Run Apartments Sec 2         | 37.3186  | -77.4080  | 1981  | na        | Subsidized  | Family   | Duplicate     | HUD          | 100       | 3         | 97.0%     |
| 012 | Birchett Estates Townhomes           | 37.2668  | -77.2859  | 1974  | na        | Market Rate | Family   | Stabilized    | Conventional | 26        | 0         | 100.0%    |
| 013 | Boiling Park Apartments              | 37.2217  | -77.4017  | 1928  | 2000      | Restricted  | Elderly  | Stabilized    | Tax Credit   | 47        | 0         | 100.0%    |
| 014 | Bosco (The)                          | 37.2321  | -77.4007  | 1900  | 2016      | Market Rate | Family   | Lease Up      | Conventional | 73        | 44        | 39.7%     |
| 015 | Branchester Lakes                    | 37.2548  | -77.2855  | 1997  | na        | Market Rate | Family   | Stabilized    | Conventional | 120       | 1         | 99.2%     |
| 016 | Broadwater Townhome 1 & 2            | 37.3103  | -77.4284  | 2003  | na        | Restricted  | Family   | Stabilized    | Tax Credit   | 223       | 5         | 97.8%     |
| 017 | Burr Lofts                           | 37.2233  | -77.4124  | 1930  | 2016      | Market Rate | Family   | Stabilized    | Conventional | 40        | 1         | 97.5%     |
| 018 | Butterworth Lofts                    | 37.3049  | -77.2850  | 1915  | 2012      | Market Rate | Family   | Stabilized    | Conventional | 24        | 2         | 91.7%     |
| 019 | Cameron Lofts                        | 37.2248  | -77.4087  | 1930  | 2012      | Market Rate | Family   | Stabilized    | Conventional | 34        | 2         | 94.1%     |
| 020 | Canterbury Townhouses                | 37.2695  | -77.3249  | 1985  | na        | Market Rate | Family   | Stabilized    | Conventional | 140       | 2         | 98.6%     |
| 021 | Carriage House Apartments            | 37.2329  | -77.4065  | 1887  | 2006      | Subsidized  | Elderly  | Stabilized    | Tax Credit   | 118       | 0         | 100.0%    |
| 022 | Cavalier Apartments 1                | 37.1930  | -77.3706  | 2017  | na        | Restricted  | Elderly  | Stabilized    | Tax Credit   | 80        | 2         | 97.5%     |
| 023 | Cavalier Apartments 2                | 37.1856  | -77.3606  | 2018  | na        | Restricted  | Family   | Lease Up      | Tax Credit   | 66        | 37        | 43.9%     |
| 024 | Chelsea Gardens                      | 37.2018  | -77.4228  | 2013  | na        | Market Rate | Family   | Duplicate     | Conventional | 0         | 0         | 0.0%      |
| 025 | Chesterfield Garden Apartments       | 37.3250  | -77.3183  | 2002  | na        | Market Rate | Family   | Stabilized    | Conventional | 106       | 0         | 100.0%    |
| 026 | Claiborne Square Apartments          | 37.2185  | -77.4073  | 2011  | na        | Restricted  | Elderly  | Stabilized    | Tax Credit   | 47        | 1         | 97.9%     |
| 027 | Claiborne Square Apartments Phase 2  | 37.2178  | -77.4069  | 2012  | na        | Restricted  | Family   | Non-Inventory | Tax Credit   | 40        | 40        | 0.0%      |
| 028 | Claiborne Square Apartments Phase 3  | 37.2185  | -77.4073  | 2012  | na        | Restricted  | Elderly  | Non-Inventory | Tax Credit   | 40        | 40        | 0.0%      |
| 029 | Clearfield Apartments                | 37.2701  | -77.3966  | 1993  | 2012      | Restricted  | Family   | Stabilized    | Tax Credit   | 144       | 17        | 88.2%     |
| 030 | Colonial Apartments                  | 37.2734  | -77.4107  | 1967  | na        | Market Rate | Family   | Stabilized    | Conventional | 16        | 1         | 93.8%     |
| 031 | Colonial Commons                     | 37.2703  | -77.4234  | 1991  | na        | Market Rate | Family   | Stabilized    | Conventional | 4         | 0         | 100.0%    |
| 032 | Colonial Court Apartments            | 37.2506  | -77.4041  | 1945  | na        | Market Rate | Family   | Stabilized    | Conventional | 64        | 13        | 79.7%     |
| 033 | Colonial Heights of Dunlop Farms     | 37.2763  | -77.3976  | 2000  | na        | Restricted  | Elderly  | Stabilized    | Tax Credit   | 88        | 0         | 100.0%    |
| 034 | Colonial Marble Building             | 37.2323  | -77.3987  | na    | 2009      | Market Rate | Family   | Non-Inventory | Conventional | 100       | 100       | 0.0%      |
| 035 | Commerce Street Apartments           | 37.2269  | -77.4155  | 1970  | 2018      | Market Rate | Family   | Lease Up      | Conventional | 65        | 49        | 24.6%     |
| 036 | Cornez Manor Apartments              | 37.3048  | -77.2851  | 1986  | na        | Market Rate | Family   | Stabilized    | Conventional | 20        | 4         | 80.0%     |
| 037 | County Line Apartments               | 37.2095  | -77.3470  | 2010  | na        | Market Rate | Family   | Hotel         | Conventional | 50        | 3         | 94.0%     |
| 038 | Crater Square Apartments             | 37.2124  | -77.3842  | 1984  | na        | Market Rate | Family   | Stabilized    | Conventional | 130       | 4         | 96.9%     |
| 039 | Daniel Court / Dupuy Road Apartments | 37.1985  | -77.4427  | 1967  | na        | Market Rate | Family   | Unconfirmed   | Conventional | 48        | 2         | 95.8%     |
| 040 | Davisville & Bland Court Apartments  | 37.2996  | -77.2822  | 1942  | na        | Subsidized  | Family   | Stabilized    | PHA          | 124       | 2         | 98.4%     |
| 041 | Dunlop Farms Seniors                 | 37.2763  | -77.3976  | 2000  | na        | Restricted  | Elderly  | Duplicate     | Tax Credit   | 88        | 5         | 94.3%     |
| 042 | Dunlop Street Lofts                  | 37.2261  | -77.4187  | 1915  | 2008      | Market Rate | Family   | Stabilized    | Conventional | 64        | 6         | 90.6%     |
| 043 | Farmingdale Townhouses               | 37.2812  | -77.3180  | 1966  | 2011      | Market Rate | Family   | Stabilized    | Conventional | 122       | 0         | 100.0%    |
| 044 | First Colony Townhouses              | 37.2095  | -77.3845  | 1963  | 2010      | Market Rate | Family   | Stabilized    | Conventional | 58        | 3         | 94.8%     |
| 045 | Gillhaven Manor Apartments           | 37.2229  | -77.4073  | 1982  | na        | Subsidized  | Elderly  | Stabilized    | HUD          | 100       | 1         | 99.0%     |
| 046 | Glen At Colonial Heights             | 37.3186  | -77.4080  | 1981  | na        | Subsidized  | Family   | Unconfirmed   | HUD          | 100       | 3         | 97.0%     |
| 047 | Gressett Street Project              | 37.2178  | -77.4066  | 2014  | na        | Restricted  | Family   | Non-Inventory | Tax Credit   | 40        | 40        | 0.0%      |
| 048 | Hampton Court Townhomes              | 37.2640  | -77.4070  | 1980  | na        | Market Rate | Family   | Stabilized    | Conventional | 40        | 0         | 100.0%    |
| 049 | Harrison Creek Apartments            | 37.2129  | -77.3591  | 2009  | na        | Market Rate | Family   | Duplicate     | Conventional | 0         | 0         | 0.0%      |
| 050 | Harwood Square Apartments            | 37.2668  | -77.2859  | 2007  | na        | Market Rate | Family   | Stabilized    | Conventional | 24        | 0         | 100.0%    |
| 051 | Henry Williams Townhomes             | 37.2190  | -77.4134  | 2011  | na        | Restricted  | Family   | Stabilized    | Tax Credit   | 42        | 0         | 100.0%    |
| 052 | Heritage Garden Apartments           | 37.3089  | -77.2751  | 1929  | 1996      | Market Rate | Family   | Unconfirmed   | Conventional | 21        | 1         | 95.2%     |

Rental Property Inventory

| Key | Project                                 | Latitude | Longitude | Built | Renovated | Rent Type   | Occ Type | Status          | Financing    | Tot Units | Vac Units | Occupancy |
|-----|---|----------|-----------|-------|-----------|-------------|----------|-----------------|--------------|-----------|-----------|-----------|
| 053 | Highstreet Lofts                        | 37.2294  | -77.4118  | 1930  | 2008      | Market Rate | Family   | Unconfirmed     | Conventional | 16        | 0         | 100.0%    |
| 054 | Hopewell Heights Apartments - Elderly   | 37.2684  | -77.3149  | 1979  | na        | Subsidized  | Elderly  | Stabilized      | HUD          | 100       | 1         | 99.0%     |
| 055 | Hopewell Heights Apartments - Elderly   | 37.2684  | -77.3149  | 1979  | 2017      | Subsidized  | Elderly  | Prop Rehab      | HUD          | 100       | 1         | 99.0%     |
| 056 | Hopewell Heights Apartments - Family    | 37.2679  | -77.3157  | 1979  | na        | Subsidized  | Family   | Stabilized      | HUD          | 50        | 0         | 100.0%    |
| 057 | Hopewell Heights Apartments - Family    | 37.2679  | -77.3157  | 1979  | 2017      | Subsidized  | Family   | Prop Rehab      | HUD          | 50        | 0         | 100.0%    |
| 058 | Hopewell Lofts                          | 37.3004  | -77.2970  | 1920  | 2010      | Market Rate | Family   | Stabilized      | Conventional | 50        | 6         | 88.0%     |
| 059 | Hopewell Redevelopment & Housng         | 37.2703  | -77.3144  | 2005  | na        | Market Rate | Family   | Non-Inventory   | Conventional | 0         | 0         | 0.0%      |
| 060 | Independence Village Apartments         | 37.1582  | -77.3543  | 2009  | na        | Market Rate | Family   | Non-Inventory   | Conventional | 336       | 336       | 0.0%      |
| 061 | Ivy Gates Apartments                    | 37.2107  | -77.3976  | 1974  | na        | Market Rate | Family   | Stabilized      | Conventional | 120       | 0         | 100.0%    |
| 062 | Jefferson Pointe Apartments             | 37.2528  | -77.3150  | 2000  | na        | Market Rate | Family   | Stabilized      | Conventional | 220       | 3         | 98.6%     |
| 063 | Jefferson Scott Landing                 | 37.2136  | -77.4001  | 1991  | na        | Restricted  | Family   | Unconfirmed     | Tax Credit   | 14        | 0         | 100.0%    |
| 064 | Jefferson South of the James            | 37.2030  | -77.4238  | 1974  | 2000      | Restricted  | Family   | Stabilized      | Tax Credit   | 200       | 4         | 98.0%     |
| 065 | Jesse Lee Apartments                    | 37.1949  | -77.3720  | 2008  | na        | Restricted  | Family   | Stabilized      | Tax Credit   | 108       | 4         | 96.3%     |
| 066 | Jesse Lee Manor Apartments              | 37.1949  | -77.3720  | 2008  | na        | Market Rate | Family   | Duplicate       | Tax Credit   | 0         | 0         | 0.0%      |
| 067 | Joe Battiston's Wythe Street Apartments | 37.2245  | -77.4127  | 1900  | 2009      | Market Rate | Family   | Non-Inventory   | Conventional | 60        | 60        | 0.0%      |
| 068 | Kippax Place Apartments                 | 37.3048  | -77.2819  | 1973  | na        | Subsidized  | Elderly  | Stabilized      | PHA          | 100       | 4         | 96.0%     |
| 069 | Kippax Place Apartments                 | 37.3048  | -77.2819  | 1973  | 2015      | Subsidized  | Elderly  | Prop Rehab      | Tax Credit   | 100       | 4         | 96.0%     |
| 070 | Lafayette House Apartments              | 37.2245  | -77.4021  | 1981  | 2000      | Subsidized  | Elderly  | Stabilized      | HUD          | 100       | 3         | 97.0%     |
| 071 | Lakeview Terrace Apartments             | 37.2705  | -77.4239  | 1975  | na        | Market Rate | Family   | Stabilized      | Conventional | 76        | 0         | 100.0%    |
| 072 | Lakeview Village                        | 37.2705  | -77.4239  | 1975  | na        | Market Rate | Family   | Stabilized      | Conventional | 63        | 1         | 98.4%     |
| 073 | Lakeview West Apartments                | 37.2700  | -77.4269  | 1999  | na        | Market Rate | Family   | Stabilized      | Tax Credit   | 30        | 1         | 96.7%     |
| 074 | Lakeview West Apartments                | 37.2685  | -77.4235  | 1999  | na        | Market Rate | Family   | Duplicate       | Conventional | 0         | 0         | 0.0%      |
| 075 | Landmark Apartments                     | 37.2184  | -77.4090  | 1983  | na        | Subsidized  | Family   | Stabilized      | HUD          | 53        | 1         | 98.1%     |
| 076 | Langston Park Apartments                | 37.2891  | -77.2933  | 2015  | na        | Restricted  | Family   | Duplicate       | Tax Credit   | 56        | 5         | 91.1%     |
| 077 | Langston Park Apartments                | 37.2891  | -77.2933  | 1962  | na        | Subsidized  | Family   | Demolished/Burr | PHA          | 29        | 0         | 100.0%    |
| 078 | La-Salle Motel & Efficiency             | 37.1707  | -77.3592  | 1984  | na        | Market Rate | Family   | Hotel           | Conventional | 0         | 0         | 0.0%      |
| 079 | Liberty Pointe                          | 37.2038  | -77.3397  | 2015  | na        | Restricted  | Family   | Stabilized      | Tax Credit   | 48        | 0         | 100.0%    |
| 080 | Lieutenants Run Apartments              | 37.2079  | -77.4026  | 2005  | na        | Restricted  | Family   | Stabilized      | Tax Credit   | 168       | 5         | 97.0%     |
| 081 | Lofts at 301 N Dunlop (The)             | 37.2273  | -77.4187  | 1925  | 2011      | Market Rate | Family   | Stabilized      | Conventional | 34        | 5         | 85.3%     |
| 082 | Lofts on Market (The)                   | 37.2270  | -77.4066  | 1920  | 2010      | Market Rate | Family   | Stabilized      | Conventional | 23        | 2         | 91.3%     |
| 083 | Long Lofts                              | 37.3011  | -77.2977  | 1930  | 2017      | Market Rate | Family   | Lease Up        | Conventional | 62        | 54        | 12.9%     |
| 084 | Madison Terrace Apartments              | 37.2920  | -77.3027  | 1978  | na        | Market Rate | Family   | Stabilized      | Conventional | 76        | 2         | 97.4%     |
| 085 | Mallonee School Lofts                   | 37.3011  | -77.2977  | 1925  | 2010      | Market Rate | Family   | Duplicate       | Conventional | 0         | 0         | 0.0%      |
| 086 | Mayton Transfer Lofts                   | 37.2322  | -77.3998  | 1911  | 2008      | Market Rate | Family   | Stabilized      | Conventional | 111       | 4         | 96.4%     |
| 087 | Mayton Transfer Lofts Phase 1           | 37.2321  | -77.3999  | 1911  | 2008      | Market Rate | Family   | Duplicate       | Conventional | 100       | 100       | 0.0%      |
| 088 | Mayton Transfer Lofts Phase 2           | 37.2323  | -77.3987  | na    | 2009      | Market Rate | Family   | Duplicate       | Conventional | 0         | 0         | 0.0%      |
| 089 | Meridian Pine Hill                      | 37.1825  | -77.3596  | 2014  | na        | Market Rate | Family   | Non-Inventory   | Conventional | 300       | 0         | 100.0%    |
| 090 | Mill Creek Apartments                   | 37.1943  | -77.3770  | 1977  | na        | Market Rate | Family   | Stabilized      | Conventional | 55        | 0         | 100.0%    |
| 091 | Mill Pond Apartments                    | 37.1969  | -77.3776  | 2007  | na        | Market Rate | Family   | Stabilized      | Conventional | 16        | 0         | 100.0%    |
| 092 | Newcastle Apartments                    | 37.2651  | -77.4090  | 1965  | na        | Market Rate | Family   | Stabilized      | Conventional | 24        | 0         | 100.0%    |
| 093 | Nola Property                           | 37.2919  | -77.3028  | 2015  | na        | Market Rate | Family   | Duplicate       | Conventional | 0         | 0         | 0.0%      |
| 094 | Oaks Of Dunlop                          | 37.2679  | -77.3961  | 1990  | 2017      | Restricted  | Family   | Stabilized      | Tax Credit   | 144       | 1         | 99.3%     |
| 095 | Old Town Creek Townhomes                | 37.2654  | -77.4112  | 1966  | na        | Market Rate | Family   | Unconfirmed     | Conventional | 40        | 2         | 95.0%     |
| 096 | Osage House                             | 37.2128  | -77.4273  | na    | na        | Subsidized  | Family   | Special Needs   | HUD          | 13        | 0         | 100.0%    |
| 097 | P & N Co LLC                            | 37.3047  | -77.2929  | 1995  | na        | Market Rate | Family   | Unconfirmed     | Conventional | 110       | 2         | 98.2%     |
| 098 | Pecan Acres Estates                     | 37.2154  | -77.4262  | 2018  | na        | Subsidized  | Family   | Prop Const      | Tax Credit   | 50        | 50        | 0.0%      |
| 099 | Perry Street Loft                       | 37.2248  | -77.4087  | 1930  | 2012      | Market Rate | Family   | Stabilized      | Conventional | 148       | 17        | 88.5%     |
| 100 | Petersburg Association                  | 37.2296  | -77.4054  | 2014  | na        | Market Rate | Family   | Special Needs   | Conventional | 0         | 0         | 0.0%      |
| 101 | Petersburg Redevelopment Authority      | 37.2143  | -77.4257  | 2014  | na        | Market Rate | Family   | Non-Inventory   | Conventional | 0         | 0         | 0.0%      |
| 102 | Petesburg East Phase 1                  | 37.2382  | -77.3640  | 1975  | 2006      | Subsidized  | Family   | Stabilized      | Tax Credit   | 100       | 0         | 100.0%    |
| 103 | Petesburg East Phase 2                  | 37.2382  | -77.3640  | 1976  | 2005      | Subsidized  | Family   | Stabilized      | Tax Credit   | 68        | 0         | 100.0%    |
| 104 | Pin Oaks Estates                        | 37.2340  | -77.3739  | 2018  | na        | Subsidized  | Family   | Prop Const      | Tax Credit   | 98        | 98        | 0.0%      |

Rental Property Inventory

| Key | Project                               | Latitude | Longitude | Built | Renovated | Rent Type   | Occ Type | Status          | Financing    | Tot Units | Vac Units | Occupancy |
|-----|---------------------------------------|----------|-----------|-------|-----------|-------------|----------|-----------------|--------------|-----------|-----------|-----------|
| 105 | Pinetree Apartments                   | 37.2038  | -77.3400  | 1995  | na        | Restricted  | Family   | Stabilized      | Tax Credit   | 144       | 15        | 89.6%     |
| 106 | Piper Square Apartments               | 37.2690  | -77.3131  | 1982  | na        | Subsidized  | Family   | Stabilized      | PHA          | 103       | 20        | 80.6%     |
| 107 | Piper Square Apartments               | 37.2690  | -77.3131  | 1982  | 2019      | Subsidized  | Family   | Prop Rehab      | Tax Credit   | 103       | 20        | 80.6%     |
| 108 | Puddledock Place Apartments 1         | 37.2541  | -77.3653  | 2014  | na        | Restricted  | Family   | Stabilized      | Tax Credit   | 84        | 4         | 95.2%     |
| 109 | Puddledock Place Apartments 2         | 37.2554  | -77.3659  | 2015  | na        | Restricted  | Family   | Stabilized      | Tax Credit   | 72        | 6         | 91.7%     |
| 110 | Quail Oaks Apartments                 | 37.1958  | -77.3754  | 1972  | 2000      | Market Rate | Family   | Stabilized      | Conventional | 37        | 1         | 97.3%     |
| 111 | River Road Terrace Apartments         | 37.2373  | -77.4336  | 1976  | na        | Market Rate | Family   | Stabilized      | Conventional | 128       | 61        | 52.3%     |
| 112 | River Street Loft                     | 37.2348  | -77.4038  | 1930  | 2013      | Market Rate | Family   | Unconfirmed     | Conventional | 7         | 0         | 100.0%    |
| 113 | Rivermont Landing                     | 37.3373  | -77.3342  | 2010  | na        | Market Rate | Family   | Stabilized      | Conventional | 145       | 5         | 96.6%     |
| 114 | Rivermont Station Apartments          | 37.3371  | -77.3338  | 2008  | na        | Market Rate | Family   | Stabilized      | Conventional | 312       | 6         | 98.1%     |
| 115 | River's Bend Apartments Homes         | 37.3606  | -77.3485  | 1999  | na        | Market Rate | Family   | Stabilized      | Conventional | 318       | 5         | 98.4%     |
| 116 | Riverside Park Apartments             | 37.3061  | -77.3026  | 1969  | 1984      | Market Rate | Family   | Stabilized      | Conventional | 120       | 6         | 95.0%     |
| 117 | Mattox Landing Apartments             | 37.2350  | -77.4106  | 2000  | na        | Restricted  | Family   | Stabilized      | Tax Credit   | 88        | 1         | 98.9%     |
| 118 | Rohoic Wood Apartments Phases 1-5     | 37.1872  | -77.4756  | 1994  | na        | Market Rate | Family   | Stabilized      | Conventional | 240       | 0         | 100.0%    |
| 119 | Saint Mark Street Project             | 37.2136  | -77.4001  | 1991  | na        | Restricted  | Family   | Duplicate       | Tax Credit   | 14        | 0         | 100.0%    |
| 120 | Sentry Woods Apartments               | 37.1916  | -77.4802  | 1988  | 2003      | Restricted  | Family   | Stabilized      | Tax Credit   | 30        | 0         | 100.0%    |
| 121 | Shanel Corp                           | 37.2691  | -77.4240  | 1930  | 1992      | Market Rate | Family   | Duplicate       | Conventional | 0         | 0         | 0.0%      |
| 122 | South Street Lofts                    | 37.2260  | -77.4161  | 1930  | 2001      | Market Rate | Family   | Stabilized      | Conventional | 41        | 3         | 92.7%     |
| 123 | Southside Lodge Apartments            | 37.1856  | -77.3606  | 2017  | na        | Restricted  | Family   | Non-Inventory   | Tax Credit   | 96        | 96        | 0.0%      |
| 124 | Star Lofts                            | 37.2263  | -77.4069  | 1930  | 2013      | Market Rate | Family   | Stabilized      | Conventional | 66        | 5         | 92.4%     |
| 125 | Summit Apartments (The)               | 37.2891  | -77.2933  | 2014  | na        | Restricted  | Family   | Stabilized      | Tax Credit   | 56        | 1         | 98.2%     |
| 126 | Summit Point Apartments               | 37.2099  | -77.4367  | 1951  | 2008      | Market Rate | Family   | Unconfirmed     | Conventional | 578       | 29        | 95.0%     |
| 127 | Swearingen Realty Co                  | 37.2544  | -77.4154  | 1992  | na        | Market Rate | Family   | Stabilized      | Conventional | 183       | 8         | 95.6%     |
| 128 | Sycamore Towers Apartments            | 37.2253  | -77.4029  | 1971  | na        | Subsidized  | Elderly  | Rehabilitation  | PHA          | 100       | 36        | 64.0%     |
| 129 | Sycamore Towers Apartments            | 37.2253  | -77.4029  | 1971  | 2018      | Subsidized  | Elderly  | Prop Rehab      | Tax Credit   | 100       | 36        | 64.0%     |
| 130 | Tanglewood Apartments                 | 37.2024  | -77.4024  | 1971  | 2010      | Market Rate | Family   | Stabilized      | Conventional | 408       | 20        | 95.1%     |
| 131 | Terrace View                          | 37.2700  | -77.4249  | 1999  | na        | Restricted  | Family   | Stabilized      | Tax Credit   | 62        | 0         | 100.0%    |
| 132 | Thomas Rolfe Court & Annex Apartments | 37.2996  | -77.2925  | 1960  | na        | Subsidized  | Family   | Unconfirmed     | PHA          | 136       | 3         | 97.8%     |
| 133 | Towne Square Apartments               | 37.2920  | -77.3027  | 1978  | na        | Market Rate | Family   | Duplicate       | Conventional | 76        | 2         | 97.4%     |
| 134 | Twin Rivers Townhouses                | 37.2935  | -77.2879  | 1976  | na        | Market Rate | Family   | Stabilized      | Conventional | 149       | 4         | 97.3%     |
| 135 | Union Flats                           | 37.2279  | -77.4049  | 1915  | 1983      | Market Rate | Family   | Stabilized      | Conventional | 65        | 2         | 96.9%     |
| 136 | University Apartments At Ettrick      | 37.2411  | -77.4348  | 2004  | na        | Market Rate | Family   | Student Housing | Conventional | 126       | 0         | 100.0%    |
| 137 | Walnut Hill Apartments                | 37.2079  | -77.3930  | 1936  | na        | Market Rate | Family   | Condominiums    | Conventional | 0         | 0         | 0.0%      |
| 138 | Washington Columns Apartments         | 37.2261  | -77.4137  | 1912  | 2002      | Subsidized  | Elderly  | Unconfirmed     | Tax Credit   | 26        | 0         | 100.0%    |
| 139 | Webster Court Apartments              | 37.2215  | -77.3950  | 1968  | na        | Market Rate | Family   | Stabilized      | Conventional | 88        | 7         | 92.0%     |
| 140 | West End Properties                   | 37.2099  | -77.4367  | 1985  | na        | Market Rate | Family   | Duplicate       | Conventional | 0         | 0         | 0.0%      |
| 141 | Westover Commons Apartments           | 37.1982  | -77.3987  | 1947  | 2001      | Restricted  | Family   | Stabilized      | Tax Credit   | 83        | 5         | 94.0%     |
| 142 | Windham Hills Apartments              | 37.2237  | -77.3876  | 1968  | 1998      | Market Rate | Family   | Stabilized      | Tax Credit   | 72        | 4         | 94.4%     |
| 143 | Windy Hill Apartments                 | 37.2237  | -77.3876  | 1968  | 1998      | Restricted  | Family   | Duplicate       | Tax Credit   | 72        | 10        | 86.1%     |
| 144 | Windy Ridge Apartments                | 37.2237  | -77.3876  | 1968  | 1998      | Market Rate | Family   | Duplicate       | Tax Credit   | 0         | 0         | 0.0%      |
| 145 | Winston Churchill Project             | 37.2896  | -77.2940  | 2012  | na        | Restricted  | Family   | Duplicate       | PHA          | 64        | 64        | 0.0%      |
| 146 | Woodmere Apartments                   | 37.2003  | -77.3827  | 1964  | 2006      | Market Rate | Family   | Stabilized      | Conventional | 148       | 8         | 94.6%     |
| 147 | Wythe Row Townhomes                   | 37.2272  | -77.3985  | 1911  | 2000      | Restricted  | Family   | Stabilized      | Tax Credit   | 12        | 0         | 100.0%    |
| 148 | Petersburg Artist Space               | 37.2240  | -77.4086  | 1879  | 2019      | Restricted  | Family   | Prop Rehab      | Bond         | 226       | 226       | 0.0%      |
| 149 | Riverview Apartments                  | 37.2350  | -77.4106  | 2000  | na        | Restricted  | Family   | Duplicate       | Tax Credit   | 88        | 0         | 100.0%    |





Rental Property Inventory, Unconfirmed

| Key | Project                               | Latitude | Longitude | Built | Renovated | Rent Type   | Occ Type | Status      | Financing    | Tot Units | Vac Units | Occupancy |
|-----|---------------------------------------|----------|-----------|-------|-----------|-------------|----------|-------------|--------------|-----------|-----------|-----------|
| 008 | Ashwood Terrace Apartments            | 37.2738  | -77.3155  | 1912  | 2000      | Market Rate | Family   | Unconfirmed | Conventional | 10        | 0         | 100.0%    |
| 039 | Daniel Court / Dupuy Road Apartments  | 37.1985  | -77.4427  | 1967  | na        | Market Rate | Family   | Unconfirmed | Conventional | 48        | 2         | 95.8%     |
| 046 | Glen At Colonial Heights              | 37.3186  | -77.4080  | 1981  | na        | Subsidized  | Family   | Unconfirmed | HUD          | 100       | 3         | 97.0%     |
| 052 | Heritage Garden Apartments            | 37.3089  | -77.2751  | 1929  | 1996      | Market Rate | Family   | Unconfirmed | Conventional | 21        | 1         | 95.2%     |
| 053 | Highstreet Lofts                      | 37.2294  | -77.4118  | 1930  | 2008      | Market Rate | Family   | Unconfirmed | Conventional | 16        | 0         | 100.0%    |
| 063 | Jefferson Scott Landing               | 37.2136  | -77.4001  | 1991  | na        | Restricted  | Family   | Unconfirmed | Tax Credit   | 14        | 0         | 100.0%    |
| 095 | Old Town Creek Townhomes              | 37.2654  | -77.4112  | 1966  | na        | Market Rate | Family   | Unconfirmed | Conventional | 40        | 2         | 95.0%     |
| 097 | P & N Co LLC                          | 37.3047  | -77.2929  | 1995  | na        | Market Rate | Family   | Unconfirmed | Conventional | 110       | 2         | 98.2%     |
| 112 | River Street Loft                     | 37.2348  | -77.4038  | 1930  | 2013      | Market Rate | Family   | Unconfirmed | Conventional | 7         | 0         | 100.0%    |
| 126 | Summit Point Apartments               | 37.2099  | -77.4367  | 1951  | 2008      | Market Rate | Family   | Unconfirmed | Conventional | 578       | 29        | 95.0%     |
| 132 | Thomas Rolfe Court & Annex Apartments | 37.2996  | -77.2925  | 1960  | na        | Subsidized  | Family   | Unconfirmed | PHA          | 136       | 3         | 97.8%     |
| 138 | Washington Columns Apartments         | 37.2261  | -77.4137  | 1912  | 2002      | Subsidized  | Elderly  | Unconfirmed | Tax Credit   | 26        | 0         | 100.0%    |

Rental Property Inventory, Confirmed, Inside Market Area

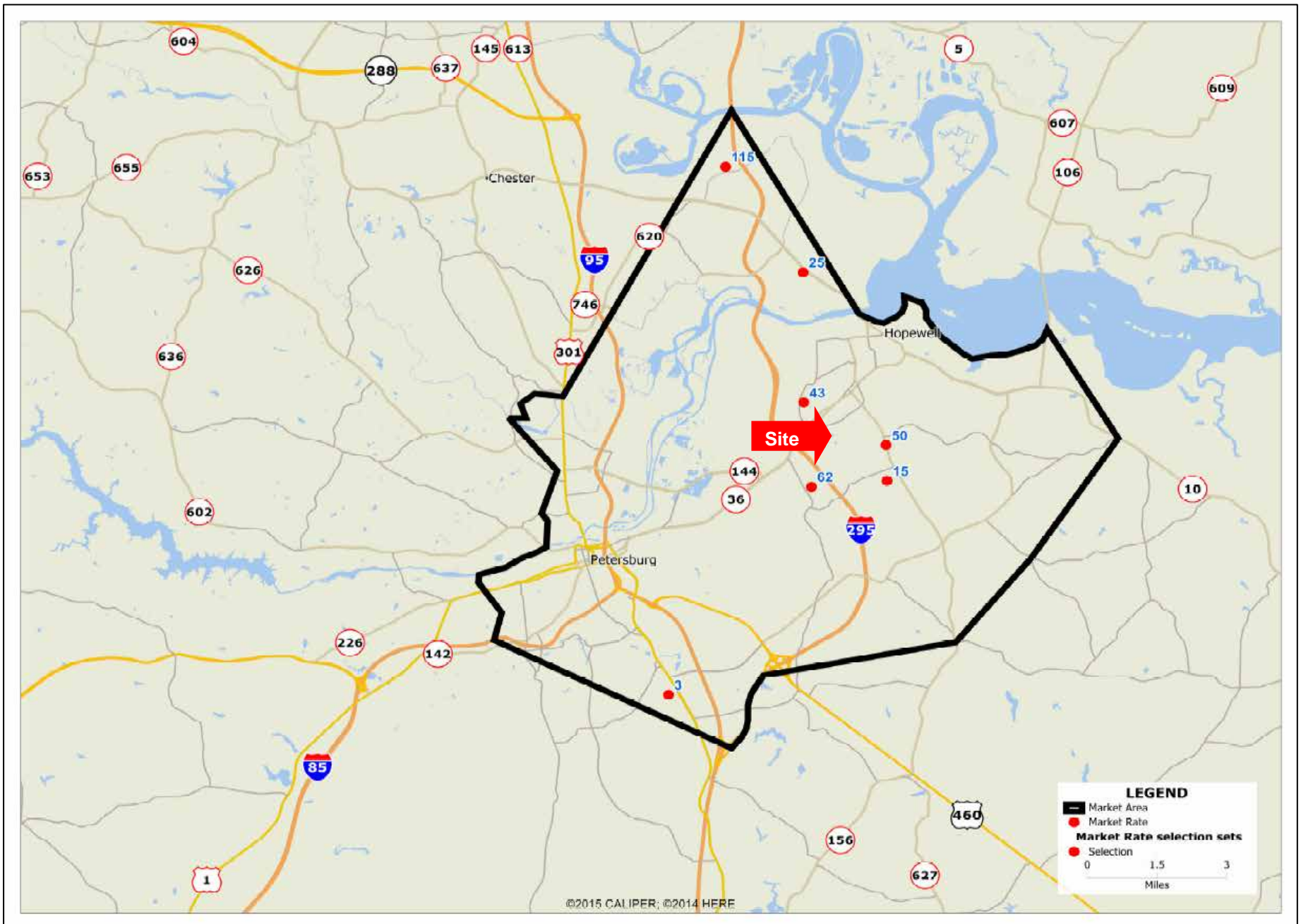
| Key | Project                               | Latitude | Longitude | Built | Renovated | Rent Type   | Occ Type | Status     | Financing    | Tot Units | Vac Units | Occupancy |
|-----|---------------------------------------|----------|-----------|-------|-----------|-------------|----------|------------|--------------|-----------|-----------|-----------|
| 001 | 1200 Acqua Apartments                 | 37.2104  | -77.3569  | 2009  | na        | Market Rate | Family   | Stabilized | Conventional | 336       | 11        | 96.7%     |
| 002 | 30 Franklin                           | 37.2287  | -77.4022  | 1930  | 2017      | Market Rate | Family   | Stabilized | Conventional | 20        | 2         | 90.0%     |
| 003 | Addison Crater Woods Phase 1          | 37.1828  | -77.3708  | 1982  | na        | Market Rate | Family   | Stabilized | Conventional | 120       | 4         | 96.7%     |
| 004 | Addison Crater Woods Phase 2          | 37.1828  | -77.3708  | 1985  | na        | Market Rate | Family   | Stabilized | Conventional | 120       | 6         | 95.0%     |
| 005 | Addison Crater Woods Phase 3          | 37.1828  | -77.3708  | 2008  | na        | Market Rate | Family   | Stabilized | Conventional | 234       | 21        | 91.0%     |
| 006 | Addison Crater Woods Phase 4          | 37.1828  | -77.3708  | 2010  | na        | Market Rate | Family   | Stabilized | Conventional | 162       | 4         | 97.5%     |
| 009 | Bailey's Ridge                        | 37.2542  | -77.3168  | 2000  | na        | Restricted  | Family   | Stabilized | Tax Credit   | 156       | 0         | 100.0%    |
| 012 | Birchett Estates Townhomes            | 37.2668  | -77.2859  | 1974  | na        | Market Rate | Family   | Stabilized | Conventional | 26        | 0         | 100.0%    |
| 013 | Boiling Park Apartments               | 37.2217  | -77.4017  | 1928  | 2000      | Restricted  | Elderly  | Stabilized | Tax Credit   | 47        | 0         | 100.0%    |
| 014 | Bosco (The)                           | 37.2321  | -77.4007  | 1900  | 2016      | Market Rate | Family   | Lease Up   | Conventional | 73        | 44        | 39.7%     |
| 015 | Branchester Lakes                     | 37.2548  | -77.2855  | 1997  | na        | Market Rate | Family   | Stabilized | Conventional | 120       | 1         | 99.2%     |
| 017 | Burr Lofts                            | 37.2233  | -77.4124  | 1930  | 2016      | Market Rate | Family   | Stabilized | Conventional | 40        | 1         | 97.5%     |
| 018 | Butterworth Lofts                     | 37.3049  | -77.2850  | 1915  | 2012      | Market Rate | Family   | Stabilized | Conventional | 24        | 2         | 91.7%     |
| 019 | Cameron Lofts                         | 37.2248  | -77.4087  | 1930  | 2012      | Market Rate | Family   | Stabilized | Conventional | 34        | 2         | 94.1%     |
| 020 | Canterbury Townhouses                 | 37.2695  | -77.3249  | 1985  | na        | Market Rate | Family   | Stabilized | Conventional | 140       | 2         | 98.6%     |
| 021 | Carriage House Apartments             | 37.2329  | -77.4065  | 1887  | 2006      | Subsidized  | Elderly  | Stabilized | Tax Credit   | 118       | 0         | 100.0%    |
| 022 | Cavalier Apartments 1                 | 37.1930  | -77.3706  | 2017  | na        | Restricted  | Elderly  | Stabilized | Tax Credit   | 80        | 2         | 97.5%     |
| 023 | Cavalier Apartments 2                 | 37.1856  | -77.3606  | 2018  | na        | Restricted  | Family   | Lease Up   | Tax Credit   | 66        | 37        | 43.9%     |
| 025 | Chesterfield Garden Apartments        | 37.3250  | -77.3183  | 2002  | na        | Market Rate | Family   | Stabilized | Conventional | 106       | 0         | 100.0%    |
| 026 | Claiborne Square Apartments           | 37.2185  | -77.4073  | 2011  | na        | Restricted  | Elderly  | Stabilized | Tax Credit   | 47        | 1         | 97.9%     |
| 029 | Clearfield Apartments                 | 37.2701  | -77.3966  | 1993  | 2012      | Restricted  | Family   | Stabilized | Tax Credit   | 144       | 17        | 88.2%     |
| 030 | Colonial Apartments                   | 37.2734  | -77.4107  | 1967  | na        | Market Rate | Family   | Stabilized | Conventional | 16        | 1         | 93.8%     |
| 031 | Colonial Commons                      | 37.2703  | -77.4234  | 1991  | na        | Market Rate | Family   | Stabilized | Conventional | 4         | 0         | 100.0%    |
| 032 | Colonial Court Apartments             | 37.2506  | -77.4041  | 1945  | na        | Market Rate | Family   | Stabilized | Conventional | 64        | 13        | 79.7%     |
| 033 | Colonial Heights of Dunlop Farms      | 37.2763  | -77.3976  | 2000  | na        | Restricted  | Elderly  | Stabilized | Tax Credit   | 88        | 0         | 100.0%    |
| 035 | Commerce Street Apartments            | 37.2269  | -77.4155  | 1970  | 2018      | Market Rate | Family   | Lease Up   | Conventional | 65        | 49        | 24.6%     |
| 036 | Cornez Manor Apartments               | 37.3048  | -77.2851  | 1986  | na        | Market Rate | Family   | Stabilized | Conventional | 20        | 4         | 80.0%     |
| 038 | Crater Square Apartments              | 37.2124  | -77.3842  | 1984  | na        | Market Rate | Family   | Stabilized | Conventional | 130       | 4         | 96.9%     |
| 040 | Davisville & Bland Court Apartments   | 37.2996  | -77.2822  | 1942  | na        | Subsidized  | Family   | Stabilized | PHA          | 124       | 2         | 98.4%     |
| 042 | Dunlop Street Lofts                   | 37.2261  | -77.4187  | 1915  | 2008      | Market Rate | Family   | Stabilized | Conventional | 64        | 6         | 90.6%     |
| 043 | Farmingdale Townhouses                | 37.2812  | -77.3180  | 1966  | 2011      | Market Rate | Family   | Stabilized | Conventional | 122       | 0         | 100.0%    |
| 044 | First Colony Townhouses               | 37.2095  | -77.3845  | 1963  | 2010      | Market Rate | Family   | Stabilized | Conventional | 58        | 3         | 94.8%     |
| 045 | Gillhaven Manor Apartments            | 37.2229  | -77.4073  | 1982  | na        | Subsidized  | Elderly  | Stabilized | HUD          | 100       | 1         | 99.0%     |
| 048 | Hampton Court Townhomes               | 37.2640  | -77.4070  | 1980  | na        | Market Rate | Family   | Stabilized | Conventional | 40        | 0         | 100.0%    |
| 050 | Harwood Square Apartments             | 37.2668  | -77.2859  | 2007  | na        | Market Rate | Family   | Stabilized | Conventional | 24        | 0         | 100.0%    |
| 051 | Henry Williams Townhomes              | 37.2190  | -77.4134  | 2011  | na        | Restricted  | Family   | Stabilized | Tax Credit   | 42        | 0         | 100.0%    |
| 054 | Hopewell Heights Apartments - Elderly | 37.2684  | -77.3149  | 1979  | na        | Subsidized  | Elderly  | Stabilized | HUD          | 100       | 1         | 99.0%     |
| 056 | Hopewell Heights Apartments - Family  | 37.2679  | -77.3157  | 1979  | na        | Subsidized  | Family   | Stabilized | HUD          | 50        | 0         | 100.0%    |
| 058 | Hopewell Lofts                        | 37.3004  | -77.2970  | 1920  | 2010      | Market Rate | Family   | Stabilized | Conventional | 50        | 6         | 88.0%     |
| 061 | Ivy Gates Apartments                  | 37.2107  | -77.3976  | 1974  | na        | Market Rate | Family   | Stabilized | Conventional | 120       | 0         | 100.0%    |
| 062 | Jefferson Pointe Apartments           | 37.2528  | -77.3150  | 2000  | na        | Market Rate | Family   | Stabilized | Conventional | 220       | 3         | 98.6%     |
| 064 | Jefferson South of the James          | 37.2030  | -77.4238  | 1974  | 2000      | Restricted  | Family   | Stabilized | Tax Credit   | 200       | 4         | 98.0%     |
| 065 | Jesse Lee Apartments                  | 37.1949  | -77.3720  | 2008  | na        | Restricted  | Family   | Stabilized | Tax Credit   | 108       | 4         | 96.3%     |
| 068 | Kippax Place Apartments               | 37.3048  | -77.2819  | 1973  | na        | Subsidized  | Elderly  | Stabilized | PHA          | 100       | 4         | 96.0%     |
| 070 | Lafayette House Apartments            | 37.2245  | -77.4021  | 1981  | 2000      | Subsidized  | Elderly  | Stabilized | HUD          | 100       | 3         | 97.0%     |
| 071 | Lakeview Terrace Apartments           | 37.2705  | -77.4239  | 1975  | na        | Market Rate | Family   | Stabilized | Conventional | 76        | 0         | 100.0%    |
| 072 | Lakeview Village                      | 37.2705  | -77.4239  | 1975  | na        | Market Rate | Family   | Stabilized | Conventional | 63        | 1         | 98.4%     |
| 073 | Lakeview West Apartments              | 37.2700  | -77.4269  | 1999  | na        | Market Rate | Family   | Stabilized | Tax Credit   | 30        | 1         | 96.7%     |
| 075 | Landmark Apartments                   | 37.2184  | -77.4090  | 1983  | na        | Subsidized  | Family   | Stabilized | HUD          | 53        | 1         | 98.1%     |
| 079 | Liberty Pointe                        | 37.2038  | -77.3397  | 2015  | na        | Restricted  | Family   | Stabilized | Tax Credit   | 48        | 0         | 100.0%    |
| 080 | Lieutenants Run Apartments            | 37.2079  | -77.4026  | 2005  | na        | Restricted  | Family   | Stabilized | Tax Credit   | 168       | 5         | 97.0%     |
| 081 | Lofts at 301 N Dunlop (The)           | 37.2273  | -77.4187  | 1925  | 2011      | Market Rate | Family   | Stabilized | Conventional | 34        | 5         | 85.3%     |

Rental Property Inventory, Confirmed, Inside Market Area

| Key | Project                       | Latitude | Longitude | Built | Renovated | Rent Type   | Occ Type | Status         | Financing    | Tot Units | Vac Units | Occupancy |
|-----|-------------------------------|----------|-----------|-------|-----------|-------------|----------|----------------|--------------|-----------|-----------|-----------|
| 082 | Lofts on Market (The)         | 37.2270  | -77.4066  | 1920  | 2010      | Market Rate | Family   | Stabilized     | Conventional | 23        | 2         | 91.3%     |
| 083 | Long Lofts                    | 37.3011  | -77.2977  | 1930  | 2017      | Market Rate | Family   | Lease Up       | Conventional | 62        | 54        | 12.9%     |
| 084 | Madison Terrace Apartments    | 37.2920  | -77.3027  | 1978  | na        | Market Rate | Family   | Stabilized     | Conventional | 76        | 2         | 97.4%     |
| 086 | Mayton Transfer Lofts         | 37.2322  | -77.3998  | 1911  | 2008      | Market Rate | Family   | Stabilized     | Conventional | 111       | 4         | 96.4%     |
| 090 | Mill Creek Apartments         | 37.1943  | -77.3770  | 1977  | na        | Market Rate | Family   | Stabilized     | Conventional | 55        | 0         | 100.0%    |
| 091 | Mill Pond Apartments          | 37.1969  | -77.3776  | 2007  | na        | Market Rate | Family   | Stabilized     | Conventional | 16        | 0         | 100.0%    |
| 092 | Newcastle Apartments          | 37.2651  | -77.4090  | 1965  | na        | Market Rate | Family   | Stabilized     | Conventional | 24        | 0         | 100.0%    |
| 094 | Oaks Of Dunlop                | 37.2679  | -77.3961  | 1990  | 2017      | Restricted  | Family   | Stabilized     | Tax Credit   | 144       | 1         | 99.3%     |
| 098 | Pecan Acres Estates           | 37.2154  | -77.4262  | 2018  | na        | Subsidized  | Family   | Prop Const     | Tax Credit   | 50        | 50        | 0.0%      |
| 099 | Perry Street Loft             | 37.2248  | -77.4087  | 1930  | 2012      | Market Rate | Family   | Stabilized     | Conventional | 148       | 17        | 88.5%     |
| 102 | Petesburg East Phase 1        | 37.2382  | -77.3640  | 1975  | 2006      | Subsidized  | Family   | Stabilized     | Tax Credit   | 100       | 0         | 100.0%    |
| 103 | Petesburg East Phase 2        | 37.2382  | -77.3640  | 1976  | 2005      | Subsidized  | Family   | Stabilized     | Tax Credit   | 68        | 0         | 100.0%    |
| 104 | Pin Oaks Estates              | 37.2340  | -77.3739  | 2018  | na        | Subsidized  | Family   | Prop Const     | Tax Credit   | 98        | 98        | 0.0%      |
| 105 | Pinetree Apartments           | 37.2038  | -77.3400  | 1995  | na        | Restricted  | Family   | Stabilized     | Tax Credit   | 144       | 15        | 89.6%     |
| 106 | Piper Square Apartments       | 37.2690  | -77.3131  | 1982  | na        | Subsidized  | Family   | Stabilized     | PHA          | 103       | 20        | 80.6%     |
| 108 | Puddledock Place Apartments 1 | 37.2541  | -77.3653  | 2014  | na        | Restricted  | Family   | Stabilized     | Tax Credit   | 84        | 4         | 95.2%     |
| 109 | Puddledock Place Apartments 2 | 37.2554  | -77.3659  | 2015  | na        | Restricted  | Family   | Stabilized     | Tax Credit   | 72        | 6         | 91.7%     |
| 110 | Quail Oaks Apartments         | 37.1958  | -77.3754  | 1972  | 2000      | Market Rate | Family   | Stabilized     | Conventional | 37        | 1         | 97.3%     |
| 111 | River Road Terrace Apartments | 37.2373  | -77.4336  | 1976  | na        | Market Rate | Family   | Stabilized     | Conventional | 128       | 61        | 52.3%     |
| 113 | Rivermont Landing             | 37.3373  | -77.3342  | 2010  | na        | Market Rate | Family   | Stabilized     | Conventional | 145       | 5         | 96.6%     |
| 114 | Rivermont Station Apartments  | 37.3371  | -77.3338  | 2008  | na        | Market Rate | Family   | Stabilized     | Conventional | 312       | 6         | 98.1%     |
| 115 | River's Bend Apartments Homes | 37.3606  | -77.3485  | 1999  | na        | Market Rate | Family   | Stabilized     | Conventional | 318       | 5         | 98.4%     |
| 116 | Riverside Park Apartments     | 37.3061  | -77.3026  | 1969  | 1984      | Market Rate | Family   | Stabilized     | Conventional | 120       | 6         | 95.0%     |
| 117 | Mattox Landing Apartments     | 37.2350  | -77.4106  | 2000  | na        | Restricted  | Family   | Stabilized     | Tax Credit   | 88        | 1         | 98.9%     |
| 122 | South Street Lofts            | 37.2260  | -77.4161  | 1930  | 2001      | Market Rate | Family   | Stabilized     | Conventional | 41        | 3         | 92.7%     |
| 124 | Star Lofts                    | 37.2263  | -77.4069  | 1930  | 2013      | Market Rate | Family   | Stabilized     | Conventional | 66        | 5         | 92.4%     |
| 125 | Summit Apartments (The)       | 37.2891  | -77.2933  | 2014  | na        | Restricted  | Family   | Stabilized     | Tax Credit   | 56        | 1         | 98.2%     |
| 127 | Swearingen Realty Co          | 37.2544  | -77.4154  | 1992  | na        | Market Rate | Family   | Stabilized     | Conventional | 183       | 8         | 95.6%     |
| 128 | Sycamore Towers Apartments    | 37.2253  | -77.4029  | 1971  | na        | Subsidized  | Elderly  | Rehabilitation | PHA          | 100       | 36        | 64.0%     |
| 130 | Tanglewood Apartments         | 37.2024  | -77.4024  | 1971  | 2010      | Market Rate | Family   | Stabilized     | Conventional | 408       | 20        | 95.1%     |
| 131 | Terrace View                  | 37.2700  | -77.4249  | 1999  | na        | Restricted  | Family   | Stabilized     | Tax Credit   | 62        | 0         | 100.0%    |
| 134 | Twin Rivers Townhouses        | 37.2935  | -77.2879  | 1976  | na        | Market Rate | Family   | Stabilized     | Conventional | 149       | 4         | 97.3%     |
| 135 | Union Flats                   | 37.2279  | -77.4049  | 1915  | 1983      | Market Rate | Family   | Stabilized     | Conventional | 65        | 2         | 96.9%     |
| 139 | Webster Court Apartments      | 37.2215  | -77.3950  | 1968  | na        | Market Rate | Family   | Stabilized     | Conventional | 88        | 7         | 92.0%     |
| 141 | Westover Commons Apartments   | 37.1982  | -77.3987  | 1947  | 2001      | Restricted  | Family   | Stabilized     | Tax Credit   | 83        | 5         | 94.0%     |
| 142 | Windham Hills Apartments      | 37.2237  | -77.3876  | 1968  | 1998      | Market Rate | Family   | Stabilized     | Tax Credit   | 72        | 4         | 94.4%     |
| 146 | Woodmere Apartments           | 37.2003  | -77.3827  | 1964  | 2006      | Market Rate | Family   | Stabilized     | Conventional | 148       | 8         | 94.6%     |
| 147 | Wythe Row Townhomes           | 37.2272  | -77.3985  | 1911  | 2000      | Restricted  | Family   | Stabilized     | Tax Credit   | 12        | 0         | 100.0%    |
| 148 | Petersburg Artist Space       | 37.2240  | -77.4086  | 1879  | 2019      | Restricted  | Family   | Prop Rehab     | Bond         | 226       | 226       | 0.0%      |

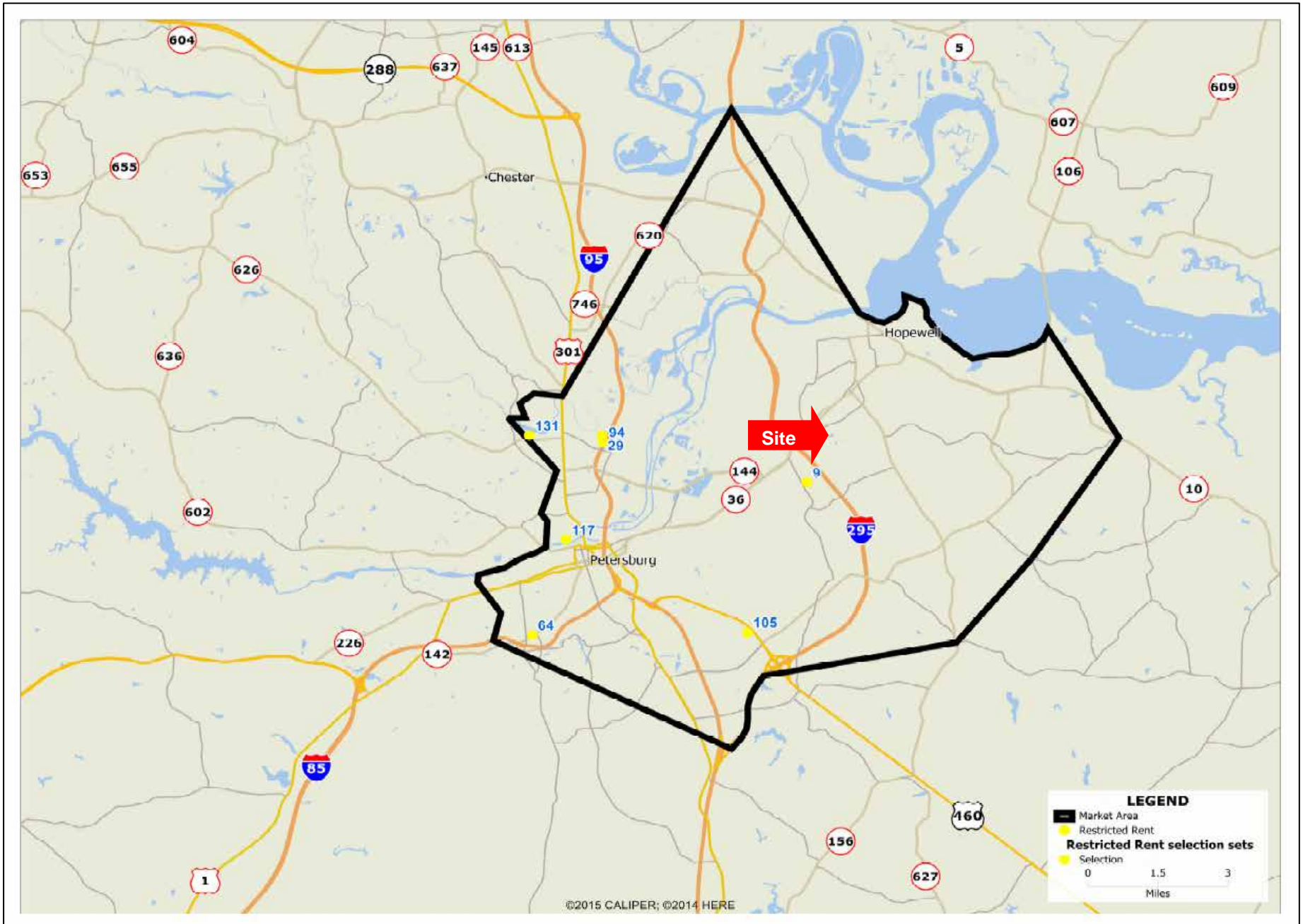
Master List of Market Rate Comparables

| Key | Project                        | Latitude | Longitude | Built | Renovated | Rent Type   | Occ Type | Status     | Financing    | Tot Units | Vac Units | Occupancy |
|-----|--------------------------------|----------|-----------|-------|-----------|-------------|----------|------------|--------------|-----------|-----------|-----------|
| 003 | Addison Crater Woods Phase 1   | 37.1828  | -77.3708  | 1982  | na        | Market Rate | Family   | Stabilized | Conventional | 120       | 4         | 96.7%     |
| 015 | Branchester Lakes              | 37.2548  | -77.2855  | 1997  | na        | Market Rate | Family   | Stabilized | Conventional | 120       | 1         | 99.2%     |
| 025 | Chesterfield Garden Apartments | 37.3250  | -77.3183  | 2002  | na        | Market Rate | Family   | Stabilized | Conventional | 106       | 0         | 100.0%    |
| 043 | Farmingdale Townhouses         | 37.2812  | -77.3180  | 1966  | 2011      | Market Rate | Family   | Stabilized | Conventional | 122       | 0         | 100.0%    |
| 050 | Harwood Square Apartments      | 37.2668  | -77.2859  | 2007  | na        | Market Rate | Family   | Stabilized | Conventional | 24        | 0         | 100.0%    |
| 062 | Jefferson Pointe Apartments    | 37.2528  | -77.3150  | 2000  | na        | Market Rate | Family   | Stabilized | Conventional | 220       | 3         | 98.6%     |
| 115 | River's Bend Apartments Homes  | 37.3606  | -77.3485  | 1999  | na        | Market Rate | Family   | Stabilized | Conventional | 318       | 5         | 98.4%     |



Master List of Restricted Rent Comparables

| Key | Project                      | Latitude | Longitude | Built | Renovated | Rent Type  | Occ Type | Status     | Financing  | Tot Units | Vac Units | Occupancy |
|-----|------------------------------|----------|-----------|-------|-----------|------------|----------|------------|------------|-----------|-----------|-----------|
| 009 | Bailey's Ridge               | 37.2542  | -77.3168  | 2000  | na        | Restricted | Family   | Stabilized | Tax Credit | 156       | 0         | 100.0%    |
| 029 | Clearfield Apartments        | 37.2701  | -77.3966  | 1993  | 2012      | Restricted | Family   | Stabilized | Tax Credit | 144       | 17        | 88.2%     |
| 064 | Jefferson South of the James | 37.2030  | -77.4238  | 1974  | 2000      | Restricted | Family   | Stabilized | Tax Credit | 200       | 4         | 98.0%     |
| 094 | Oaks Of Dunlop               | 37.2679  | -77.3961  | 1990  | 2017      | Restricted | Family   | Stabilized | Tax Credit | 144       | 1         | 99.3%     |
| 105 | Pinetree Apartments          | 37.2038  | -77.3400  | 1995  | na        | Restricted | Family   | Stabilized | Tax Credit | 144       | 15        | 89.6%     |
| 117 | Mattox Landing Apartments    | 37.2350  | -77.4106  | 2000  | na        | Restricted | Family   | Stabilized | Tax Credit | 88        | 1         | 98.9%     |
| 131 | Terrace View                 | 37.2700  | -77.4249  | 1999  | na        | Restricted | Family   | Stabilized | Tax Credit | 62        | 0         | 100.0%    |



## 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  |           | 55        | 55        |
| Restricted   | 4         | 18        | 22        |
| Subsidized   | 6         | 8         | 14        |
| <b>Total</b>   | <b>10</b> | <b>81</b> | <b>91</b> |

| Total Units  |            |              |              |
|--------------|------------|--------------|--------------|
|              | Elderly    | Family       | Total        |
| Market Rate  |            | 5,550        | 5,550        |
| Restricted   | 262        | 1,873        | 2,135        |
| Subsidized   | 618        | 676          | 1,294        |
| <b>Total</b> | <b>880</b> | <b>8,099</b> | <b>8,979</b> |

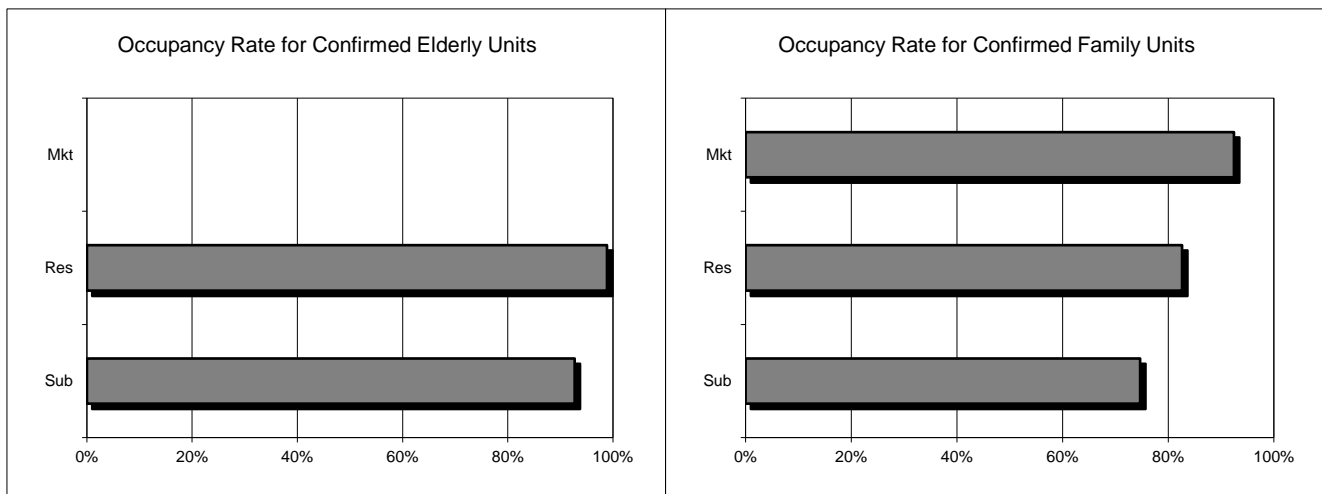
  

| Vacant Units |           |            |            |
|--------------|-----------|------------|------------|
|              | Elderly   | Family     | Total      |
| Market Rate  |           | 420        | 420        |
| Restricted   | 3         | 326        | 329        |
| Subsidized   | 45        | 171        | 216        |
| <b>Total</b> | <b>48</b> | <b>917</b> | <b>965</b> |

| Occupancy Rate |            |            |            |
|----------------|------------|------------|------------|
|                | Elderly    | Family     | Total      |
| Market Rate    |            | 92%        | 92%        |
| Restricted     | 99%        | 83%        | 85%        |
| Subsidized     | 93%        | 75%        | 83%        |
| <b>Total</b>   | <b>95%</b> | <b>89%</b> | <b>89%</b> |

Source: Allen & Associates



Our analysis includes a total of 91 confirmed market area properties consisting of 8,979 units. The occupancy rate for these units currently stands at 89 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       | 5   | 4   |     | 9   | Stabilized       | 6   | 16  | 52  | 74  |
| Lease Up         |     |     |     |     | Lease Up         |     | 1   | 3   | 4   |
| Construction     |     |     |     |     | Construction     |     |     |     |     |
| Rehabilitation   | 1   |     |     | 1   | Rehabilitation   |     |     |     |     |
| Prop Const       |     |     |     |     | Prop Const       | 2   |     |     | 2   |
| Prop Rehab       |     |     |     |     | Prop Rehab       |     | 1   |     | 1   |
| Unstabilized     |     |     |     |     | Unstabilized     |     |     |     |     |
| Subtotal         | 1   |     |     | 1   | Subtotal         | 2   | 2   | 3   | 7   |
| Total            | 6   | 4   |     | 10  | Total            | 8   | 18  | 55  | 81  |

| Total Units    |     |     |     |     | Total Units    |     |       |       |       |
|----------------|-----|-----|-----|-----|----------------|-----|-------|-------|-------|
|                | Sub | Res | Mkt | Tot |                | Sub | Res   | Mkt   | Tot   |
| Stabilized     | 518 | 262 |     | 780 | Stabilized     | 528 | 1,581 | 5,350 | 7,459 |
| Lease Up       |     |     |     |     | Lease Up       |     | 66    | 200   | 266   |
| Construction   |     |     |     |     | Construction   |     |       |       |       |
| Rehabilitation | 100 |     |     | 100 | Rehabilitation |     |       |       |       |
| Prop Const     |     |     |     |     | Prop Const     | 148 |       |       | 148   |
| Prop Rehab     |     |     |     |     | Prop Rehab     |     | 226   |       | 226   |
| Unstabilized   |     |     |     |     | Unstabilized   |     |       |       |       |
| Subtotal       | 100 |     |     | 100 | Subtotal       | 148 | 292   | 200   | 640   |
| Total          | 618 | 262 |     | 880 | Total          | 676 | 1,873 | 5,550 | 8,099 |

| Vacant Units   |     |     |     |     | Vacant Units   |     |     |     |     |
|----------------|-----|-----|-----|-----|----------------|-----|-----|-----|-----|
|                | Sub | Res | Mkt | Tot |                | Sub | Res | Mkt | Tot |
| Stabilized     | 9   | 3   |     | 12  | Stabilized     | 23  | 63  | 273 | 359 |
| Lease Up       |     |     |     |     | Lease Up       |     | 37  | 147 | 184 |
| Construction   |     |     |     |     | Construction   |     |     |     |     |
| Rehabilitation | 36  |     |     | 36  | Rehabilitation |     |     |     |     |
| Prop Const     |     |     |     |     | Prop Const     | 148 |     |     | 148 |
| Prop Rehab     |     |     |     |     | Prop Rehab     |     | 226 |     | 226 |
| Unstabilized   |     |     |     |     | Unstabilized   |     |     |     |     |
| Subtotal       | 36  |     |     | 36  | Subtotal       | 148 | 263 | 147 | 558 |
| Total          | 45  | 3   |     | 48  | Total          | 171 | 326 | 420 | 917 |

Source: Allen & Associates

Our survey includes a total of 83 stabilized market area properties consisting of 8,239 units standing at 95 percent occupancy.

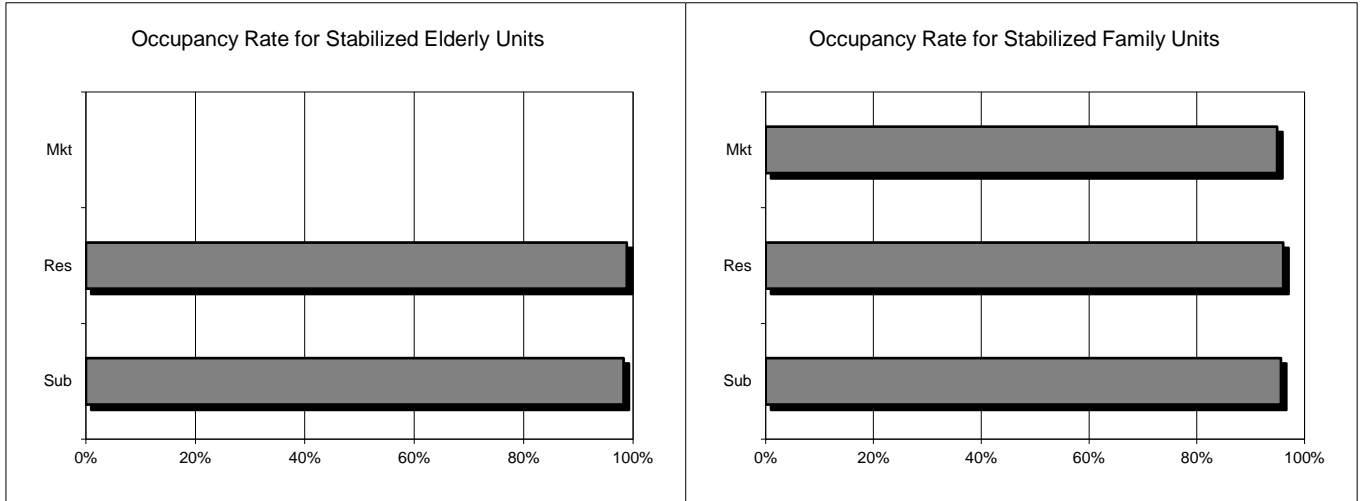
Our survey also includes a total of 8 market area properties consisting of 740 units that are not yet stabilized. Unstabilized units (also referred to as pipeline units) include vacant units in lease up, construction, rehabilitation, proposed new construction, and units with proposed renovation plans.

Rental Property Inventory, Confirmed, Inside Market Area

| Elderly        |     |     |     |     | Family         |     |     |     |     |
|----------------|-----|-----|-----|-----|----------------|-----|-----|-----|-----|
| Occupancy Rate |     |     |     |     | Occupancy Rate |     |     |     |     |
|                | Sub | Res | Mkt | Tot |                | Sub | Res | Mkt | Tot |
| Stabilized     | 98% | 99% |     | 98% | Stabilized     | 96% | 96% | 95% | 95% |
| Lease Up       |     |     |     |     | Lease Up       |     | 44% | 27% | 31% |
| Construction   |     |     |     |     | Construction   |     |     |     |     |
| Rehabilitation | 64% |     |     | 64% | Rehabilitation |     |     |     |     |
| Prop Const     |     |     |     |     | Prop Const     | 0%  |     |     | 0%  |
| Prop Rehab     |     |     |     |     | Prop Rehab     |     | 0%  |     | 0%  |
| Unstabilized   |     |     |     |     | Unstabilized   |     |     |     |     |
| Subtotal       | 64% |     |     | 64% | Subtotal       | 0%  | 10% | 27% | 13% |
| Total          | 93% | 99% |     | 95% | Total          | 75% | 83% | 92% | 89% |

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:



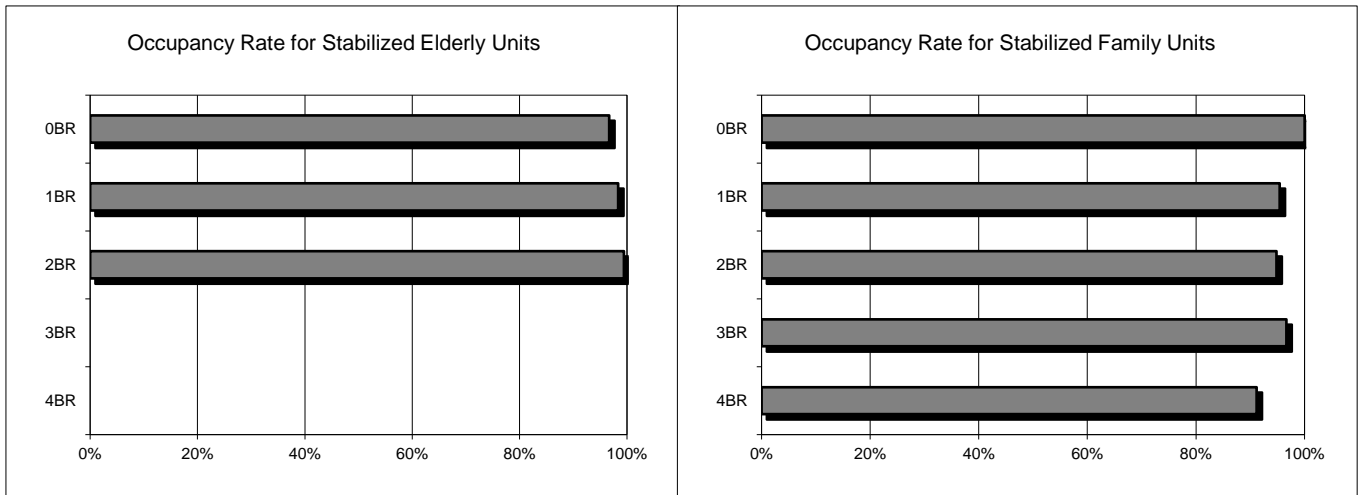
Our research suggests the following occupancy levels for the 780 stabilized elderly units in this market area:

- Subsidized, 98 percent (518 units in survey)
- Restricted, 99 percent (262 units in survey)
- Market Rate, not applicable (0 units in survey)

Our research suggests the following occupancy levels for the 7,459 stabilized family units in this market area:

- Subsidized, 96 percent (528 units in survey)
- Restricted, 96 percent (1581 units in survey)
- Market Rate, 95 percent (5350 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 780 stabilized elderly units in this market area:

- 0-Bedroom, 97 percent (60 units in survey)
- 1-Bedroom, 98 percent (549 units in survey)
- 2-Bedroom, 99 percent (171 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 7,459 stabilized family units in this market area:

- 0-Bedroom, 100 percent (11 units in survey)
- 1-Bedroom, 95 percent (1376 units in survey)
- 2-Bedroom, 95 percent (4926 units in survey)
- 3-Bedroom, 97 percent (1112 units in survey)
- 4-Bedroom, 91 percent (34 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   | 1   |     |     |     |     |     |     |     | 1   |
| Lease Up<br>Construction<br>Rehabilitation<br>Prop Const<br>Prop Rehab<br>Unstabilized | 1   |     |     |     |     |     |     |     | 1   |
| Subtotal   | 1   |     |     |     |     |     |     |     | 1   |
| Total  | 2   |     |     |     |     |     |     |     | 2   |

| Family   |     |     |     |     |     |     |     |     |     |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Total Properties with Unit Type  |     |     |     |     |     |     |     |     |     |
|  | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized   |     |     |     |     |     |     |     | 2   | 2   |
| Lease Up<br>Construction<br>Rehabilitation<br>Prop Const<br>Prop Rehab<br>Unstabilized |     |     |     |     | 1   |     |     |     | 1   |
| Subtotal   |     |     |     |     | 1   |     |     |     | 1   |
| Total  |     |     |     |     | 1   |     |     | 2   | 3   |

| Total Units  |     |     |     |     |     |     |     |     |     |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|
|  | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized   | 60  |     |     |     |     |     |     |     | 60  |
| Lease Up<br>Construction<br>Rehabilitation<br>Prop Const<br>Prop Rehab<br>Unstabilized | 56  |     |     |     |     |     |     |     | 56  |
| Subtotal   | 56  |     |     |     |     |     |     |     | 56  |
| Total  | 116 |     |     |     |     |     |     |     | 116 |

| Total Units  |     |     |     |     |     |     |     |     |     |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|
|  | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized   |     |     |     |     |     |     |     | 11  | 11  |
| Lease Up<br>Construction<br>Rehabilitation<br>Prop Const<br>Prop Rehab<br>Unstabilized |     |     |     |     | 13  |     |     |     | 13  |
| Subtotal   |     |     |     |     | 13  |     |     |     | 13  |
| Total  |     |     |     |     | 13  |     |     | 11  | 24  |

| Vacant Units   |     |     |     |     |     |     |     |     |     |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|
|  | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized   | 2   |     |     |     |     |     |     |     | 2   |
| Lease Up<br>Construction<br>Rehabilitation<br>Prop Const<br>Prop Rehab<br>Unstabilized | 22  |     |     |     |     |     |     |     | 22  |
| Subtotal   | 22  |     |     |     |     |     |     |     | 22  |
| Total  | 24  |     |     |     |     |     |     |     | 24  |

| Vacant Units   |     |     |     |     |     |     |     |     |     |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|
|  | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized   |     |     |     |     |     |     |     |     |     |
| Lease Up<br>Construction<br>Rehabilitation<br>Prop Const<br>Prop Rehab<br>Unstabilized |     |     |     |     | 13  |     |     |     | 13  |
| Subtotal   |     |     |     |     | 13  |     |     |     | 13  |
| Total  |     |     |     |     | 13  |     |     |     | 13  |

| Occupancy Rate   |     |     |     |     |     |     |     |     |     |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|
|  | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized   | 97% |     |     |     |     |     |     |     | 97% |
| Lease Up<br>Construction<br>Rehabilitation<br>Prop Const<br>Prop Rehab<br>Unstabilized | 61% |     |     |     |     |     |     |     | 61% |
| Subtotal   | 61% |     |     |     |     |     |     |     | 61% |
| Total  | 79% |     |     |     |     |     |     |     | 79% |

| Occupancy Rate   |     |     |     |     |     |     |     |      |      |
|--|-----|-----|-----|-----|-----|-----|-----|------|------|
|  | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt  | Tot  |
| Stabilized   |     |     |     |     |     |     |     | 100% | 100% |
| Lease Up<br>Construction<br>Rehabilitation<br>Prop Const<br>Prop Rehab<br>Unstabilized |     |     |     |     | 0%  |     |     |      | 0%   |
| Subtotal   |     |     |     |     | 0%  |     |     |      | 0%   |
| Total  |     |     |     |     | 0%  |     |     | 100% | 46%  |

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                      | 5   |     | 1   | 2   | 1   |     |     |     | 9   |
| Lease Up                        |     |     |     |     |     |     |     |     |     |
| Construction                    |     |     |     |     |     |     |     |     |     |
| Rehabilitation                  | 1   |     |     |     |     |     |     |     | 1   |
| Prop Const                      |     |     |     |     |     |     |     |     |     |
| Prop Rehab                      |     |     |     |     |     |     |     |     |     |
| Unstabilized                    |     |     |     |     |     |     |     |     |     |
| Subtotal                        | 1   |     |     |     |     |     |     |     | 1   |
| Total                           | 6   |     | 1   | 2   | 1   |     |     |     | 10  |

| Family                          |     |     |     |     |     |     |     |     |     |
|---------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Total Properties with Unit Type |     |     |     |     |     |     |     |     |     |
|                                 | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized                      | 4   |     |     | 1   | 4   |     |     | 32  | 41  |
| Lease Up                        |     |     |     |     |     |     |     |     |     |
| Construction                    |     |     | 1   |     | 1   |     |     | 2   | 4   |
| Rehabilitation                  |     |     |     |     |     |     |     |     |     |
| Prop Const                      | 2   |     |     |     |     |     |     |     | 2   |
| Prop Rehab                      |     |     |     |     | 1   |     |     |     | 1   |
| Unstabilized                    |     |     |     |     |     |     |     |     |     |
| Subtotal                        | 2   |     | 1   |     | 2   |     |     | 2   | 7   |
| Total                           | 6   |     | 1   | 1   | 6   |     |     | 34  | 48  |

| Total Units    |     |     |     |     |     |     |     |     |     |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
|                | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized     | 441 |     | 9   | 55  | 44  |     |     |     | 549 |
| Lease Up       |     |     |     |     |     |     |     |     |     |
| Construction   |     |     |     |     |     |     |     |     |     |
| Rehabilitation | 36  |     |     |     |     |     |     |     | 36  |
| Prop Const     |     |     |     |     |     |     |     |     |     |
| Prop Rehab     |     |     |     |     |     |     |     |     |     |
| Unstabilized   |     |     |     |     |     |     |     |     |     |
| Subtotal       | 36  |     |     |     |     |     |     |     | 36  |
| Total          | 477 |     | 9   | 55  | 44  |     |     |     | 585 |

| Total Units    |     |     |     |     |     |     |     |       |       |
|----------------|-----|-----|-----|-----|-----|-----|-----|-------|-------|
|                | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt   | Tot   |
| Stabilized     | 80  |     |     | 12  | 78  |     |     | 1,206 | 1,376 |
| Lease Up       |     |     |     |     |     |     |     |       |       |
| Construction   |     |     | 7   |     | 5   |     |     | 135   | 147   |
| Rehabilitation |     |     |     |     |     |     |     |       |       |
| Prop Const     | 28  |     |     |     |     |     |     |       | 28    |
| Prop Rehab     |     |     |     |     | 101 |     |     |       | 101   |
| Unstabilized   |     |     |     |     |     |     |     |       |       |
| Subtotal       | 28  |     | 7   |     | 106 |     |     | 135   | 276   |
| Total          | 108 |     | 7   | 12  | 184 |     |     | 1,341 | 1,652 |

| Vacant Units   |     |     |     |     |     |     |     |     |     |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
|                | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized     | 7   |     |     | 2   |     |     |     |     | 9   |
| Lease Up       |     |     |     |     |     |     |     |     |     |
| Construction   |     |     |     |     |     |     |     |     |     |
| Rehabilitation | 12  |     |     |     |     |     |     |     | 12  |
| Prop Const     |     |     |     |     |     |     |     |     |     |
| Prop Rehab     |     |     |     |     |     |     |     |     |     |
| Unstabilized   |     |     |     |     |     |     |     |     |     |
| Subtotal       | 12  |     |     |     |     |     |     |     | 12  |
| Total          | 19  |     |     | 2   |     |     |     |     | 21  |

| Vacant Units   |     |     |     |     |     |     |     |     |     |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
|                | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized     | 5   |     |     | 2   |     |     |     | 56  | 63  |
| Lease Up       |     |     |     |     |     |     |     |     |     |
| Construction   |     |     | 1   |     | 1   |     |     | 98  | 100 |
| Rehabilitation |     |     |     |     |     |     |     |     |     |
| Prop Const     | 28  |     |     |     |     |     |     |     | 28  |
| Prop Rehab     |     |     |     |     | 101 |     |     |     | 101 |
| Unstabilized   |     |     |     |     |     |     |     |     |     |
| Subtotal       | 28  |     | 1   |     | 102 |     |     | 98  | 229 |
| Total          | 33  |     | 1   | 2   | 102 |     |     | 154 | 292 |

| Occupancy Rate |     |     |      |     |      |     |     |     |     |
|----------------|-----|-----|------|-----|------|-----|-----|-----|-----|
|                | Sub | 30% | 40%  | 50% | 60%  | 70% | 80% | Mkt | Tot |
| Stabilized     | 98% |     | 100% | 96% | 100% |     |     |     | 98% |
| Lease Up       |     |     |      |     |      |     |     |     |     |
| Construction   |     |     |      |     |      |     |     |     |     |
| Rehabilitation | 67% |     |      |     |      |     |     |     | 67% |
| Prop Const     |     |     |      |     |      |     |     |     |     |
| Prop Rehab     |     |     |      |     |      |     |     |     |     |
| Unstabilized   |     |     |      |     |      |     |     |     |     |
| Subtotal       | 67% |     |      |     |      |     |     |     | 67% |
| Total          | 96% |     | 100% | 96% | 100% |     |     |     | 96% |

| Occupancy Rate |     |     |     |     |      |     |     |     |     |
|----------------|-----|-----|-----|-----|------|-----|-----|-----|-----|
|                | Sub | 30% | 40% | 50% | 60%  | 70% | 80% | Mkt | Tot |
| Stabilized     | 94% |     |     | 83% | 100% |     |     | 95% | 95% |
| Lease Up       |     |     |     |     |      |     |     |     |     |
| Construction   |     |     | 86% |     | 80%  |     |     | 27% | 32% |
| Rehabilitation |     |     |     |     |      |     |     |     |     |
| Prop Const     | 0%  |     |     |     |      |     |     |     | 0%  |
| Prop Rehab     |     |     |     |     | 0%   |     |     |     | 0%  |
| Unstabilized   |     |     |     |     |      |     |     |     |     |
| Subtotal       | 0%  |     | 86% |     | 4%   |     |     | 27% | 17% |
| Total          | 69% |     | 86% | 83% | 45%  |     |     | 89% | 82% |

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                      | 4   |     |     | 3   | 2   |     |     |     | 9   |
| Lease Up                        |     |     |     |     |     |     |     |     |     |
| Construction                    |     |     |     |     |     |     |     |     |     |
| Rehabilitation                  | 1   |     |     |     |     |     |     |     | 1   |
| Prop Const                      |     |     |     |     |     |     |     |     |     |
| Prop Rehab                      |     |     |     |     |     |     |     |     |     |
| Unstabilized                    |     |     |     |     |     |     |     |     |     |
| Subtotal                        | 1   |     |     |     |     |     |     |     | 1   |
| Total                           | 5   |     |     | 3   | 2   |     |     |     | 10  |

| Family                          |     |     |     |     |     |     |     |     |     |
|---------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Total Properties with Unit Type |     |     |     |     |     |     |     |     |     |
|                                 | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized                      | 7   |     | 1   | 7   | 9   |     |     | 46  | 70  |
| Lease Up                        |     |     |     | 1   | 1   |     |     | 1   | 3   |
| Construction                    |     |     |     |     |     |     |     |     |     |
| Rehabilitation                  |     |     |     |     |     |     |     |     |     |
| Prop Const                      | 2   |     |     |     |     |     |     |     | 2   |
| Prop Rehab                      |     |     |     |     | 1   |     |     |     | 1   |
| Unstabilized                    |     |     |     |     |     |     |     |     |     |
| Subtotal                        | 2   |     |     | 1   | 2   |     |     | 1   | 6   |
| Total                           | 9   |     | 1   | 8   | 11  |     |     | 47  | 76  |

| Total Units    |     |     |     |     |     |     |     |     |     |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
|                | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized     | 17  |     |     | 136 | 18  |     |     |     | 171 |
| Lease Up       |     |     |     |     |     |     |     |     |     |
| Construction   |     |     |     |     |     |     |     |     |     |
| Rehabilitation | 8   |     |     |     |     |     |     |     | 8   |
| Prop Const     |     |     |     |     |     |     |     |     |     |
| Prop Rehab     |     |     |     |     |     |     |     |     |     |
| Unstabilized   |     |     |     |     |     |     |     |     |     |
| Subtotal       | 8   |     |     |     |     |     |     |     | 8   |
| Total          | 25  |     |     | 136 | 18  |     |     |     | 179 |

| Total Units    |     |     |     |     |       |     |     |       |       |
|----------------|-----|-----|-----|-----|-------|-----|-----|-------|-------|
|                | Sub | 30% | 40% | 50% | 60%   | 70% | 80% | Mkt   | Tot   |
| Stabilized     | 265 |     | 3   | 256 | 931   |     |     | 3,471 | 4,926 |
| Lease Up       |     |     |     | 15  | 15    |     |     | 65    | 95    |
| Construction   |     |     |     |     |       |     |     |       |       |
| Rehabilitation |     |     |     |     |       |     |     |       |       |
| Prop Const     | 52  |     |     |     |       |     |     |       | 52    |
| Prop Rehab     |     |     |     |     | 112   |     |     |       | 112   |
| Unstabilized   |     |     |     |     |       |     |     |       |       |
| Subtotal       | 52  |     |     | 15  | 127   |     |     | 65    | 259   |
| Total          | 317 |     | 3   | 271 | 1,058 |     |     | 3,536 | 5,185 |

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

| Vacant Units   |     |     |     |     |     |     |     |     |     |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
|                | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized     | 8   |     |     | 9   | 42  |     |     | 197 | 256 |
| Lease Up       |     |     |     | 8   | 9   |     |     | 49  | 66  |
| Construction   |     |     |     |     |     |     |     |     |     |
| Rehabilitation |     |     |     |     |     |     |     |     |     |
| Prop Const     | 52  |     |     |     |     |     |     |     | 52  |
| Prop Rehab     |     |     |     |     | 112 |     |     |     | 112 |
| Unstabilized   |     |     |     |     |     |     |     |     |     |
| Subtotal       | 52  |     |     | 8   | 121 |     |     | 49  | 230 |
| Total          | 60  |     |     | 17  | 163 |     |     | 246 | 486 |

| Occupancy Rate |      |     |     |      |     |     |     |     |     |
|----------------|------|-----|-----|------|-----|-----|-----|-----|-----|
|                | Sub  | 30% | 40% | 50%  | 60% | 70% | 80% | Mkt | Tot |
| Stabilized     | 100% |     |     | 100% | 94% |     |     |     | 99% |
| Lease Up       |      |     |     |      |     |     |     |     |     |
| Construction   |      |     |     |      |     |     |     |     |     |
| Rehabilitation | 75%  |     |     |      |     |     |     |     | 75% |
| Prop Const     |      |     |     |      |     |     |     |     |     |
| Prop Rehab     |      |     |     |      |     |     |     |     |     |
| Unstabilized   |      |     |     |      |     |     |     |     |     |
| Subtotal       | 75%  |     |     |      |     |     |     |     | 75% |
| Total          | 92%  |     |     | 100% | 94% |     |     |     | 98% |

| Occupancy Rate |     |     |      |     |     |     |     |     |     |
|----------------|-----|-----|------|-----|-----|-----|-----|-----|-----|
|                | Sub | 30% | 40%  | 50% | 60% | 70% | 80% | Mkt | Tot |
| Stabilized     | 97% |     | 100% | 96% | 95% |     |     | 94% | 95% |
| Lease Up       |     |     |      | 47% | 40% |     |     | 25% | 31% |
| Construction   |     |     |      |     |     |     |     |     |     |
| Rehabilitation |     |     |      |     |     |     |     |     |     |
| Prop Const     | 0%  |     |      |     |     |     |     |     | 0%  |
| Prop Rehab     |     |     |      |     | 0%  |     |     |     | 0%  |
| Unstabilized   |     |     |      |     |     |     |     |     |     |
| Subtotal       | 0%  |     |      | 47% | 5%  |     |     | 25% | 11% |
| Total          | 81% |     | 100% | 94% | 85% |     |     | 93% | 91% |

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                      | 7   |     | 1   | 6   | 7   |     |     | 15  | 36  |
| Lease Up                        |     |     |     | 1   | 1   |     |     |     | 2   |
| Construction                    |     |     |     |     |     |     |     |     |     |
| Rehabilitation                  |     |     |     |     |     |     |     |     |     |
| Prop Const                      | 2   |     |     |     |     |     |     |     | 2   |
| Prop Rehab                      |     |     |     |     |     |     |     |     |     |
| Unstabilized                    |     |     |     |     |     |     |     |     |     |
| Subtotal                        | 2   |     |     | 1   | 1   |     |     |     | 4   |
| Total                           | 9   |     | 1   | 7   | 8   |     |     | 15  | 40  |

| 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     | 155 |     | 2   | 119 | 180 |     |     | 656 | 1,112 |
| Lease Up       |     |     |     | 12  | 12  |     |     |     | 24    |
| Construction   |     |     |     |     |     |     |     |     |       |
| Rehabilitation |     |     |     |     |     |     |     |     |       |
| Prop Const     | 58  |     |     |     |     |     |     |     | 58    |
| Prop Rehab     |     |     |     |     |     |     |     |     |       |
| Unstabilized   |     |     |     |     |     |     |     |     |       |
| Subtotal       | 58  |     |     | 12  | 12  |     |     |     | 82    |
| Total          | 213 |     | 2   | 131 | 192 |     |     | 656 | 1,194 |

| 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     | 8   |     |     | 4   | 6   |     |     | 19  | 37  |
| Lease Up       |     |     |     | 9   | 9   |     |     |     | 18  |
| Construction   |     |     |     |     |     |     |     |     |     |
| Rehabilitation |     |     |     |     |     |     |     |     |     |
| Prop Const     | 58  |     |     |     |     |     |     |     | 58  |
| Prop Rehab     |     |     |     |     |     |     |     |     |     |
| Unstabilized   |     |     |     |     |     |     |     |     |     |
| Subtotal       | 58  |     |     | 9   | 9   |     |     |     | 76  |
| Total          | 66  |     |     | 13  | 15  |     |     | 19  | 113 |

| 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     | 95% |     | 100% | 97% | 97% |     |     | 97% | 97% |
| Lease Up       |     |     |      | 25% | 25% |     |     |     | 25% |
| Construction   |     |     |      |     |     |     |     |     |     |
| Rehabilitation |     |     |      |     |     |     |     |     |     |
| Prop Const     | 0%  |     |      |     |     |     |     |     | 0%  |
| Prop Rehab     |     |     |      |     |     |     |     |     |     |
| Unstabilized   |     |     |      |     |     |     |     |     |     |
| Subtotal       | 0%  |     |      | 25% | 25% |     |     |     | 7%  |
| Total          | 69% |     | 100% | 90% | 92% |     |     | 97% | 91% |

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                      | 4   |     |     |     |     |     |     | 1   | 5   |
| Lease Up                        |     |     |     |     |     |     |     |     |     |
| Construction                    |     |     |     |     |     |     |     |     |     |
| Rehabilitation                  |     |     |     |     |     |     |     |     |     |
| Prop Const                      | 2   |     |     |     |     |     |     |     | 2   |
| Prop Rehab                      |     |     |     |     |     |     |     |     |     |
| Unstabilized                    |     |     |     |     |     |     |     |     |     |
| Subtotal                        | 2   |     |     |     |     |     |     |     | 2   |
| Total                           | 6   |     |     |     |     |     |     | 1   | 7   |

| 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     | 28  |     |     |     |     |     |     | 6   | 34  |
| Lease Up       |     |     |     |     |     |     |     |     |     |
| Construction   |     |     |     |     |     |     |     |     |     |
| Rehabilitation |     |     |     |     |     |     |     |     |     |
| Prop Const     | 10  |     |     |     |     |     |     |     | 10  |
| Prop Rehab     |     |     |     |     |     |     |     |     |     |
| Unstabilized   |     |     |     |     |     |     |     |     |     |
| Subtotal       | 10  |     |     |     |     |     |     |     | 10  |
| Total          | 38  |     |     |     |     |     |     | 6   | 44  |

| 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     | 2   |     |     |     |     |     |     | 1   | 3   |
| Lease Up       |     |     |     |     |     |     |     |     |     |
| Construction   |     |     |     |     |     |     |     |     |     |
| Rehabilitation |     |     |     |     |     |     |     |     |     |
| Prop Const     | 10  |     |     |     |     |     |     |     | 10  |
| Prop Rehab     |     |     |     |     |     |     |     |     |     |
| Unstabilized   |     |     |     |     |     |     |     |     |     |
| Subtotal       | 10  |     |     |     |     |     |     |     | 10  |
| Total          | 12  |     |     |     |     |     |     | 1   | 13  |

| 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     | 93% |     |     |     |     |     |     | 83% | 91% |
| Lease Up       |     |     |     |     |     |     |     |     |     |
| Construction   |     |     |     |     |     |     |     |     |     |
| Rehabilitation |     |     |     |     |     |     |     |     |     |
| Prop Const     | 0%  |     |     |     |     |     |     |     | 0%  |
| Prop Rehab     |     |     |     |     |     |     |     |     |     |
| Unstabilized   |     |     |     |     |     |     |     |     |     |
| Subtotal       | 0%  |     |     |     |     |     |     |     | 0%  |
| Total          | 68% |     |     |     |     |     |     | 83% | 70% |

Source: Allen & Associates



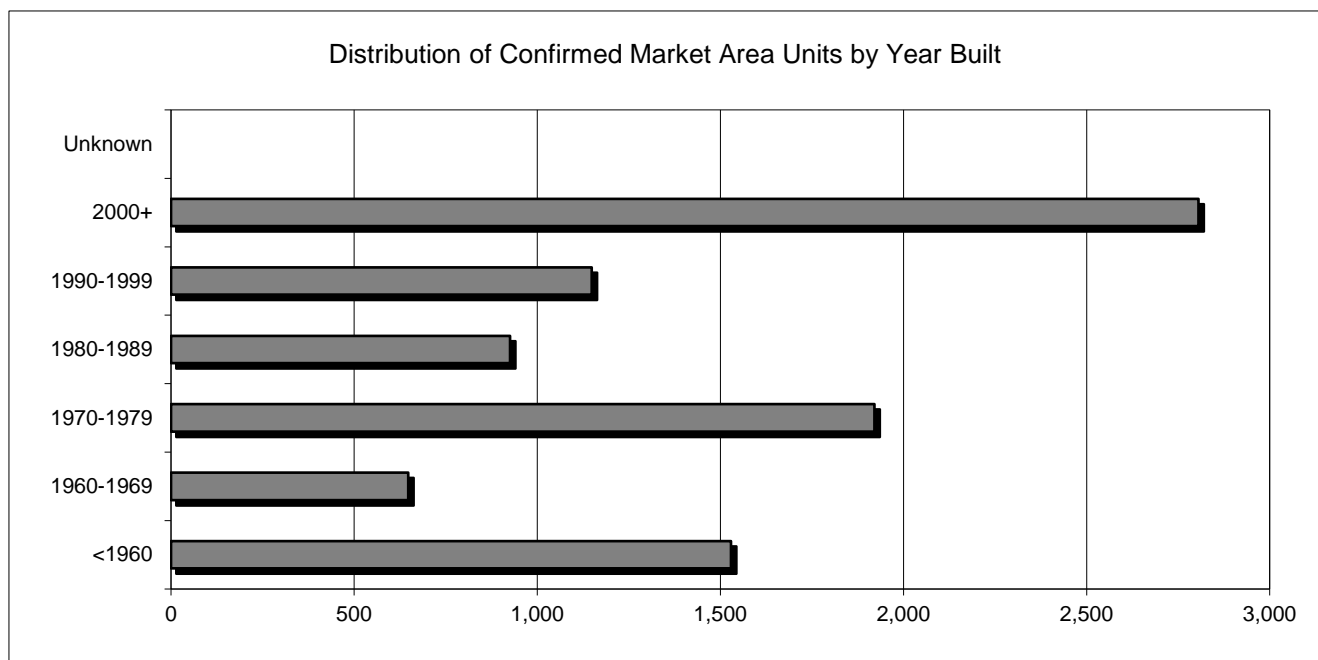
## Rental Property Inventory, Confirmed, Inside Market Area, by Year Built

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  | 2         | 20        | 22        |
| 1960-1969  |           | 8         | 8         |
| 1970-1979  | 3         | 15        | 18        |
| 1980-1989  | 2         | 8         | 10        |
| 1990-1999  |           | 9         | 9         |
| 2000+  | 3         | 21        | 24        |
| Unknown  |           |           |           |
| <b>Total</b>   | <b>10</b> | <b>81</b> | <b>91</b> |

| Total Units  |            |              |              |
|--------------|------------|--------------|--------------|
|              | Elderly    | Family       | Total        |
| <1960        | 165        | 1,364        | 1,529        |
| 1960-1969    |            | 648          | 648          |
| 1970-1979    | 300        | 1,621        | 1,921        |
| 1980-1989    | 200        | 726          | 926          |
| 1990-1999    |            | 1,149        | 1,149        |
| 2000+        | 215        | 2,591        | 2,806        |
| Unknown      |            |              |              |
| <b>Total</b> | <b>880</b> | <b>8,099</b> | <b>8,979</b> |

Source: Allen & Associates



Our research suggests that of the 91 confirmed market area properties (8979 units) included in this report, 22 properties (1529 units) were constructed before 1960, 8 properties (648 units) were constructed between 1960 and 1969, 18 properties (1921 units) between 1970 and 1979, 10 properties (926 units) between 1980 and 1989, 9 properties (1149 units) between 1990 and 1999, and 24 properties (2806 units) after 2000. In addition, 0 properties (0 units) had an unknown date of construction.

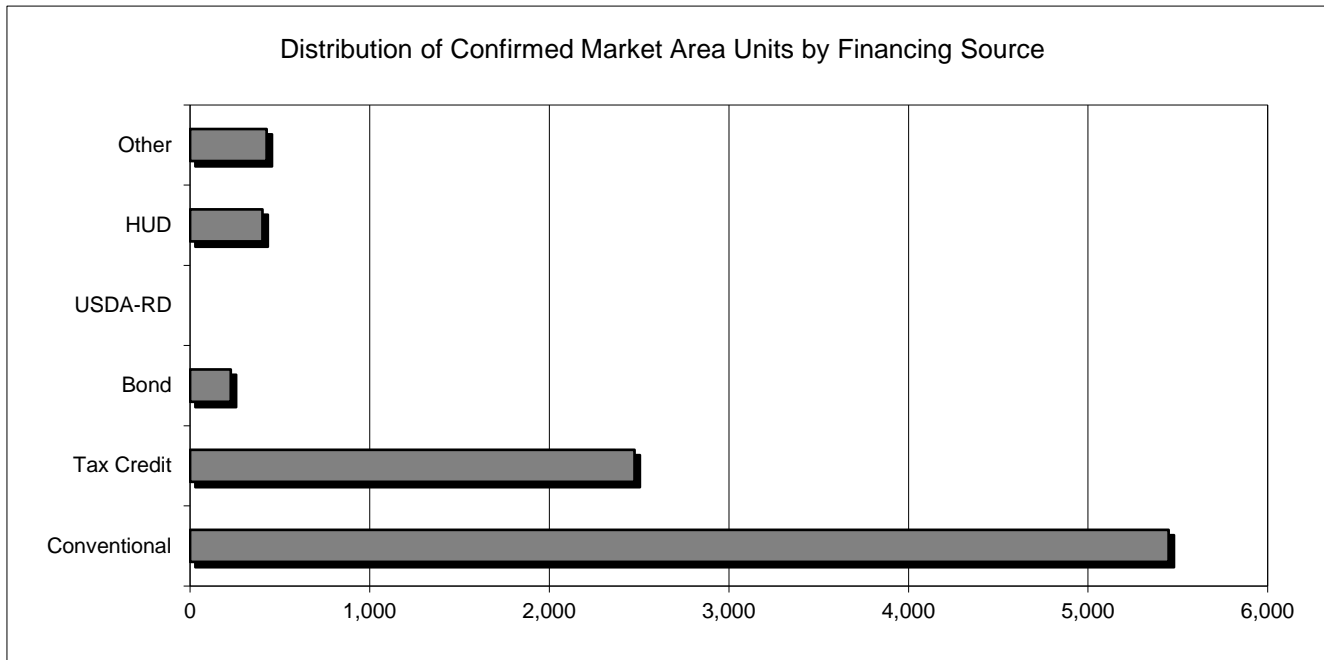
## Rental Property Inventory, Confirmed, Inside Market Area, by Financing Source

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   |           | 53        | 53        |
| Tax Credit   | 5         | 23        | 28        |
| Bond   |           | 1         | 1         |
| USDA-RD  |           |           |           |
| HUD  | 3         | 2         | 5         |
| Other  | 2         | 2         | 4         |
| <b>Total</b>   | <b>10</b> | <b>81</b> | <b>91</b> |

| Total Units  |            |              |              |
|--------------|------------|--------------|--------------|
|              | Elderly    | Family       | Total        |
| Conventional |            | 5,448        | 5,448        |
| Tax Credit   | 380        | 2,095        | 2,475        |
| Bond         |            | 226          | 226          |
| USDA-RD      |            |              |              |
| HUD          | 300        | 103          | 403          |
| Other        | 200        | 227          | 427          |
| <b>Total</b> | <b>880</b> | <b>8,099</b> | <b>8,979</b> |

Source: Allen & Associates



Our research suggests that of the 91 confirmed properties in the market area, 53 properties (consisting of 5448 units) are conventionally financed, 28 properties (consisting of 2475 units) include tax credit financing, 1 property (consisting of 226 units) is bond financed, 0 properties (consisting of 0 units) are exclusively USDA-RD financed, and 5 properties (consisting of 403 units) are exclusively HUD financed.

The average project size for this market area is 99 units. The smallest projects are exclusively HUD financed, averaging 81 units in size. The largest projects are bond financed, averaging 226 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 | \$632      | \$692   | \$662 | \$728      | \$728   | \$728 | \$513   | \$695   | \$604   |
| 1-Bedroom | \$350      | \$915   | \$646 | \$512      | \$875   | \$679 | \$585   | \$1,048 | \$811   |
| 2-Bedroom | \$425      | \$1,009 | \$717 | \$595      | \$1,040 | \$792 | \$570   | \$1,385 | \$917   |
| 3-Bedroom | \$481      | \$1,035 | \$749 | \$755      | \$1,200 | \$915 | \$849   | \$1,696 | \$1,184 |
| 4-Bedroom | \$859      | \$1,235 | \$954 | -          | -       | -     | \$1,300 | \$1,300 | \$1,300 |

Unit Size

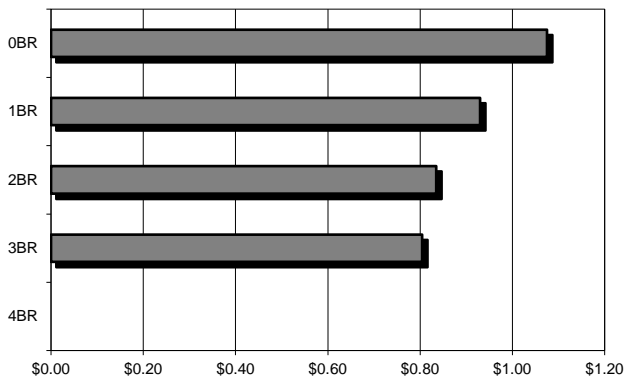
| Unit Size |            |       |       |            |       |       |        |       |       |
|-----------|------------|-------|-------|------------|-------|-------|--------|-------|-------|
|           | Subsidized |       |       | Restricted |       |       | Market |       |       |
|           | Min        | Max   | Avg   | Min        | Max   | Avg   | Min    | Max   | Avg   |
| 0-Bedroom | 403        | 404   | 403   | 677        | 677   | 677   | 300    | 426   | 363   |
| 1-Bedroom | 531        | 739   | 654   | 651        | 850   | 730   | 488    | 875   | 696   |
| 2-Bedroom | 711        | 1,164 | 876   | 805        | 1,095 | 949   | 720    | 1,369 | 970   |
| 3-Bedroom | 934        | 1,250 | 1,113 | 1,010      | 1,364 | 1,137 | 942    | 1,750 | 1,304 |
| 4-Bedroom | 1,192      | 1,478 | 1,348 | -          | -     | -     | 1,400  | 1,400 | 1,400 |

Rent per Square Foot

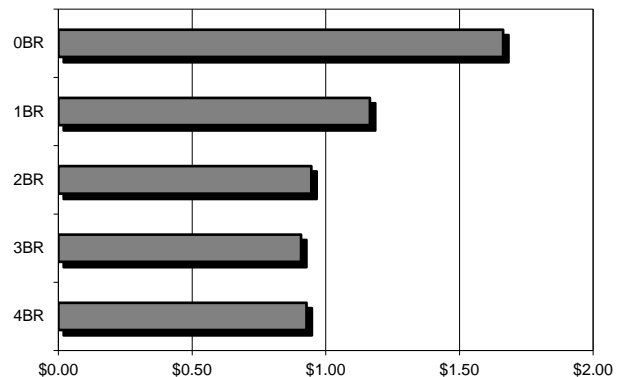
| Rent per Square Foot |            |        |        |            |        |        |        |        |        |
|----------------------|------------|--------|--------|------------|--------|--------|--------|--------|--------|
|                      | Subsidized |        |        | Restricted |        |        | Market |        |        |
|                      | Min        | Max    | Avg    | Min        | Max    | Avg    | Min    | Max    | Avg    |
| 0-Bedroom            | \$1.57     | \$1.71 | \$1.64 | \$1.08     | \$1.08 | \$1.08 | \$1.63 | \$1.71 | \$1.66 |
| 1-Bedroom            | \$0.66     | \$1.24 | \$0.99 | \$0.79     | \$1.03 | \$0.93 | \$1.20 | \$1.20 | \$1.17 |
| 2-Bedroom            | \$0.60     | \$0.87 | \$0.82 | \$0.74     | \$0.95 | \$0.83 | \$0.79 | \$1.01 | \$0.95 |
| 3-Bedroom            | \$0.51     | \$0.83 | \$0.67 | \$0.75     | \$0.88 | \$0.80 | \$0.90 | \$0.97 | \$0.91 |
| 4-Bedroom            | \$0.72     | \$0.84 | \$0.71 | -          | -      | -      | \$0.93 | \$0.93 | \$0.93 |

Source: Allen & Associates

Rent per Square Foot for Restricted Units



Rent per Square Foot for Market Rate Units



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

- 0-Bedroom, \$1.08 per square foot
- 1-Bedroom, \$0.93 per square foot
- 2-Bedroom, \$0.83 per square foot
- 3-Bedroom, \$0.80 per square foot
- 4-Bedroom, not applicable

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

- 0-Bedroom, \$1.66 per square foot
- 1-Bedroom, \$1.17 per square foot
- 2-Bedroom, \$0.95 per square foot
- 3-Bedroom, \$0.91 per square foot
- 4-Bedroom, \$0.93 per square foot

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):

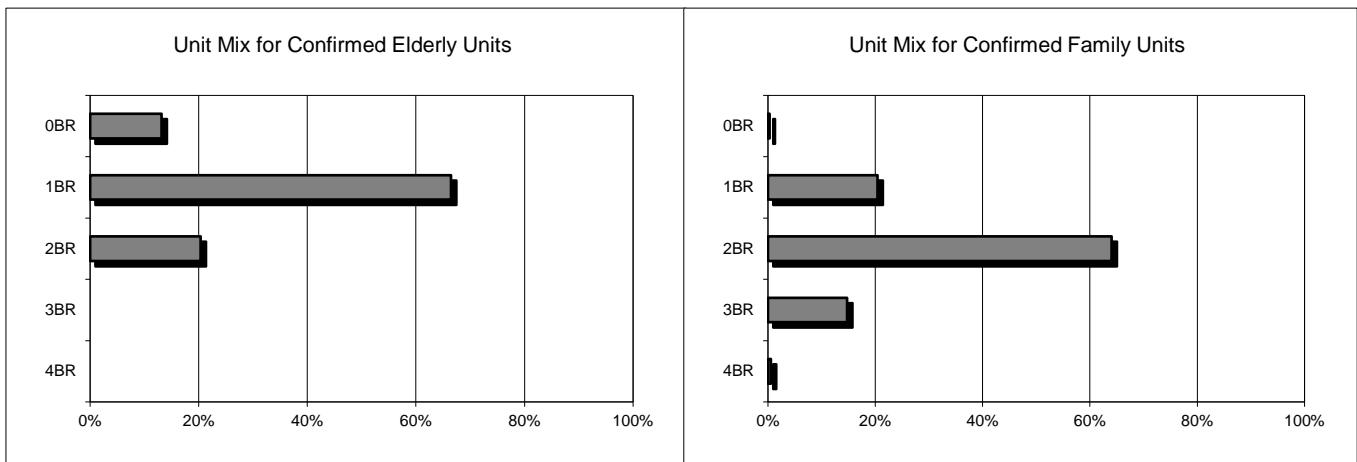
Rental Property Inventory, Confirmed, Inside Market Area, Unit Mix Summary

| Elderly      |            |            |     |            | Family       |            |              |              |              |
|--------------|------------|------------|-----|------------|--------------|------------|--------------|--------------|--------------|
| Total Units  |            |            |     |            | Total Units  |            |              |              |              |
|              | Sub        | Res        | Mkt | Tot        |              | Sub        | Res          | Mkt          | Tot          |
| 0-Bedroom    | 116        |            |     | 116        | 0-Bedroom    |            | 13           | 11           | 24           |
| 1-Bedroom    | 477        | 108        |     | 585        | 1-Bedroom    | 108        | 203          | 1,341        | 1,652        |
| 2-Bedroom    | 25         | 154        |     | 179        | 2-Bedroom    | 317        | 1,332        | 3,536        | 5,185        |
| 3-Bedroom    |            |            |     |            | 3-Bedroom    | 213        | 325          | 656          | 1,194        |
| 4-Bedroom    |            |            |     |            | 4-Bedroom    | 38         |              | 6            | 44           |
| <b>Total</b> | <b>618</b> | <b>262</b> |     | <b>880</b> | <b>Total</b> | <b>676</b> | <b>1,873</b> | <b>5,550</b> | <b>8,099</b> |

| Elderly      |             |             |     |             | Family       |             |             |             |             |
|--------------|-------------|-------------|-----|-------------|--------------|-------------|-------------|-------------|-------------|
| Unit Mix     |             |             |     |             | Unit Mix     |             |             |             |             |
|              | Sub         | Res         | Mkt | Tot         |              | Sub         | Res         | Mkt         | Tot         |
| 0-Bedroom    | 19%         |             |     | 13%         | 0-Bedroom    |             | 1%          | 0%          | 0%          |
| 1-Bedroom    | 77%         | 41%         |     | 66%         | 1-Bedroom    | 16%         | 11%         | 24%         | 20%         |
| 2-Bedroom    | 4%          | 59%         |     | 20%         | 2-Bedroom    | 47%         | 71%         | 64%         | 64%         |
| 3-Bedroom    |             |             |     |             | 3-Bedroom    | 32%         | 17%         | 12%         | 15%         |
| 4-Bedroom    |             |             |     |             | 4-Bedroom    | 6%          |             | 0%          | 1%          |
| <b>Total</b> | <b>100%</b> | <b>100%</b> |     | <b>100%</b> | <b>Total</b> | <b>100%</b> | <b>100%</b> | <b>100%</b> | <b>100%</b> |

Source: Allen & Associates



Our research suggests the following unit mix for the 880 confirmed elderly units located in this market area:

- 0-Bedroom, 13 percent (116 units in survey)
- 1-Bedroom, 66 percent (585 units in survey)
- 2-Bedroom, 20 percent (179 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 8,099 confirmed family units located in this market area:

- 0-Bedroom, percent (24 units in survey)
- 1-Bedroom, 20 percent (1,652 units in survey)
- 2-Bedroom, 64 percent (5,185 units in survey)
- 3-Bedroom, 15 percent (1,194 units in survey)
- 4-Bedroom, 1 percent (44 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 |      |                         |     |
|---|------|-------------------------|-----|
| <u>Building Type</u>  |      | <u>Air Conditioning</u> |     |
| 1 Story   | 2%   | Central                 | 90% |
| 2-4 Story   | 90%  | Wall Units              | 7%  |
| 5-10 Story  | 8%   | Window Units            | 1%  |
| >10 Story   | 0%   | None                    | 2%  |
| <u>Project Amenities</u>  |      | <u>Heat</u>             |     |
| Ball Field  | 0%   | Central                 | 93% |
| BBQ Area  | 14%  | Wall Units              | 4%  |
| Billiards   | 9%   | Baseboards              | 2%  |
| Bus/Comp Ctr  | 26%  | Radiators               | 0%  |
| Car Care Ctr  | 7%   | None                    | 0%  |
| Comm Center   | 56%  |                         |     |
| Elevator  | 22%  | <u>Parking</u>          |     |
| Fitness Center  | 42%  | Garage                  | 2%  |
| Gazebo  | 10%  | Covered                 | 0%  |
| Hot Tub/Jacuzzi   | 1%   | Assigned                | 8%  |
| Horseshoe Pit   | 0%   | Open                    | 91% |
| Lake  | 5%   | None                    | 8%  |
| Library   | 1%   |                         |     |
| Movie Theatre   | 11%  | <u>Laundry</u>          |     |
| Picnic Area   | 22%  | Central                 | 59% |
| Playground  | 43%  | W/D Units               | 33% |
| Pool  | 35%  | W/D Hookups             | 26% |
| Sauna   | 0%   |                         |     |
| Sports Court  | 18%  | <u>Security</u>         |     |
| Walking Trail   | 2%   | Call Buttons            | 12% |
|   |      | Cont Access             | 26% |
| <u>Unit Amenities</u>   |      | Courtesy Officer        | 5%  |
| Blinds  | 95%  | Monitoring              | 14% |
| Ceiling Fans  | 40%  | Security Alarms         | 1%  |
| Upgraded Flooring   | 97%  | Security Patrols        | 5%  |
| Fireplace   | 3%   |                         |     |
| Patio/Balcony   | 49%  | <u>Services</u>         |     |
| Storage   | 18%  | After School            | 2%  |
|   |      | Concierge               | 0%  |
| <u>Kitchen Amenities</u>  |      | Hair Salon              | 1%  |
| Stove   | 100% | Health Care             | 1%  |
| Refrigerator  | 100% | Linens                  | 0%  |
| Disposal  | 62%  | Meals                   | 0%  |
| Dishwasher  | 78%  | Transportation          | 0%  |
| Microwave   | 37%  |                         |     |

Source: Allen & Associates

Our research suggests that 2 percent of confirmed market area properties are 1 story in height, 90 percent are 2-4 stories in height, 8 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: 26 percent have a business/computer center, 56 percent have a community center, 42 percent have a fitness center, 43 percent have a playground, and 18 percent have a sports court.

Our research also suggests that the following unit amenities are present at surveyed properties: 95 percent have blinds, 97 percent have carpeting, 49 percent have patios/balconies, and 18 percent have outside storage. Surveyed properties also include the following kitchen amenities: 100 percent have a stove, 100 percent have a refrigerator, 62 percent have a disposal, 78 percent have a dishwasher, and 37 percent have a microwave.

In addition, 93 percent of confirmed market area properties have central heat while 90 percent have central air. Our research also suggests that 91 percent of surveyed properties have open parking. A total of 59 percent of area properties have central laundry facilities, while 26 percent have washer/dryer hookups, and 33 percent have washer/dryer units in each residential unit.

A total of 12 percent of confirmed market area properties have call buttons, 26 percent have controlled access, and 1 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 |
|-----|-------------------------------|----------|-----------|-------|-----------|-------------|----------|----------------|--------------|-----------|-----------|-----------|-------------|----------|----------|--------------|
| 106 | Piper Square Apartments       | 37.2690  | -77.3131  | 1982  | na        | Subsidized  | Family   | Stabilized     | PHA          | 103       | 20        | 80.6%     | 0%          | 0%       | -        | yes          |
| 108 | Puddledock Place Apartments 1 | 37.2541  | -77.3653  | 2014  | na        | Restricted  | Family   | Stabilized     | Tax Credit   | 84        | 4         | 95.2%     | 0%          | 24%      | -        | -            |
| 109 | Puddledock Place Apartments 2 | 37.2554  | -77.3659  | 2015  | na        | Restricted  | Family   | Stabilized     | Tax Credit   | 72        | 6         | 91.7%     | 0%          | 69%      | 36.00    | -            |
| 110 | Quail Oaks Apartments         | 37.1958  | -77.3754  | 1972  | 2000      | Market Rate | Family   | Stabilized     | Conventional | 37        | 1         | 97.3%     | 0%          | 8%       | -        | no           |
| 111 | River Road Terrace Apartments | 37.2373  | -77.4336  | 1976  | na        | Market Rate | Family   | Stabilized     | Conventional | 128       | 61        | 52.3%     | 0%          | 3%       | -        | -            |
| 113 | Rivermont Landing             | 37.3373  | -77.3342  | 2010  | na        | Market Rate | Family   | Stabilized     | Conventional | 145       | 5         | 96.6%     | 0%          | 0%       | 5.20     | -            |
| 114 | Rivermont Station Apartments  | 37.3371  | -77.3338  | 2008  | na        | Market Rate | Family   | Stabilized     | Conventional | 312       | 6         | 98.1%     | 0%          | 0%       | -        | no           |
| 115 | River's Bend Apartments Homes | 37.3606  | -77.3485  | 1999  | na        | Market Rate | Family   | Stabilized     | Conventional | 318       | 5         | 98.4%     | 0%          | 0%       | -        | no           |
| 116 | Riverside Park Apartments     | 37.3061  | -77.3026  | 1969  | 1984      | Market Rate | Family   | Stabilized     | Conventional | 120       | 6         | 95.0%     | 0%          | 0%       | -        | no           |
| 117 | Mattox Landing Apartments     | 37.2350  | -77.4106  | 2000  | na        | Restricted  | Family   | Stabilized     | Tax Credit   | 88        | 1         | 98.9%     | 0%          | 25%      | -        | no           |
| 122 | South Street Lofts            | 37.2260  | -77.4161  | 1930  | 2001      | Market Rate | Family   | Stabilized     | Conventional | 41        | 3         | 92.7%     | 0%          | 0%       | -        | no           |
| 124 | Star Lofts                    | 37.2263  | -77.4069  | 1930  | 2013      | Market Rate | Family   | Stabilized     | Conventional | 66        | 5         | 92.4%     | 0%          | 0%       | -        | no           |
| 125 | Summit Apartments (The)       | 37.2891  | -77.2933  | 2014  | na        | Restricted  | Family   | Stabilized     | Tax Credit   | 56        | 1         | 98.2%     | 0%          | 23%      | 3.29     | 7 people     |
| 127 | Swearingen Realty Co          | 37.2544  | -77.4154  | 1992  | na        | Market Rate | Family   | Stabilized     | Conventional | 183       | 8         | 95.6%     | 0%          | 0%       | -        | -            |
| 128 | Sycamore Towers Apartments    | 37.2253  | -77.4029  | 1971  | na        | Subsidized  | Elderly  | Rehabilitation | PHA          | 100       | 36        | 64.0%     | 0%          | 0%       | -        | -            |
| 130 | Tanglewood Apartments         | 37.2024  | -77.4024  | 1971  | 2010      | Market Rate | Family   | Stabilized     | Conventional | 408       | 20        | 95.1%     | 0%          | 0%       | -        | no           |
| 131 | Terrace View                  | 37.2700  | -77.4249  | 1999  | na        | Restricted  | Family   | Stabilized     | Tax Credit   | 62        | 0         | 100.0%    | 0%          | 24%      | -        | 3 people     |
| 134 | Twin Rivers Townhouses        | 37.2935  | -77.2879  | 1976  | na        | Market Rate | Family   | Stabilized     | Conventional | 149       | 4         | 97.3%     | 0%          | 0%       | -        | no           |
| 135 | Union Flats                   | 37.2279  | -77.4049  | 1915  | 1983      | Market Rate | Family   | Stabilized     | Conventional | 65        | 2         | 96.9%     | 0%          | 0%       | -        | no           |
| 139 | Webster Court Apartments      | 37.2215  | -77.3950  | 1968  | na        | Market Rate | Family   | Stabilized     | Conventional | 88        | 7         | 92.0%     | 0%          | 0%       | -        | no           |
| 141 | Westover Commons Apartments   | 37.1982  | -77.3987  | 1947  | 2001      | Restricted  | Family   | Stabilized     | Tax Credit   | 83        | 5         | 94.0%     | 0%          | 12%      | -        | 6 people     |
| 142 | Windham Hills Apartments      | 37.2237  | -77.3876  | 1968  | 1998      | Market Rate | Family   | Stabilized     | Tax Credit   | 72        | 4         | 94.4%     | 4%          | 4%       | -        | no           |
| 146 | Woodmere Apartments           | 37.2003  | -77.3827  | 1964  | 2006      | Market Rate | Family   | Stabilized     | Conventional | 148       | 8         | 94.6%     | 0%          | 0%       | -        | -            |
| 147 | Wythe Row Townhomes           | 37.2272  | -77.3985  | 1911  | 2000      | Restricted  | Family   | Stabilized     | Tax Credit   | 12        | 0         | 100.0%    | 0%          | 83%      | -        | 15 people    |
| 148 | Petersburg Artist Space       | 37.2240  | -77.4086  | 1879  | 2019      | Restricted  | Family   | Prop Rehab     | Bond         | 226       | 226       | 0.0%      | 0%          | 0%       | -        | -            |

## 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   |
| 001      | 1200 Acqua Apartments             | 2009  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$910 |
| 002      | 30 Franklin                       | 1930  | 2017      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$675 |
| 003      | Addison Crater Woods Phase 1      | 1982  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$944 |
| 004      | Addison Crater Woods Phase 2      | 1985  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 005      | Addison Crater Woods Phase 3      | 2008  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$721 |
| 006      | Addison Crater Woods Phase 4      | 2010  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$963 |
| 012      | Birchett Estates Townhomes        | 1974  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 015      | Branchester Lakes                 | 1997  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$943 |
| 017      | Burr Lofts                        | 1930  | 2016      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$899 |
| 018      | Butterworth Lofts                 | 1915  | 2012      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$786 |
| 019      | Cameron Lofts                     | 1930  | 2012      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$975 |
| 020      | Canterbury Townhouses             | 1985  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 025      | Chesterfield Garden Apartments    | 2002  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 030      | Colonial Apartments               | 1967  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 031      | Colonial Commons                  | 1991  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$625 |
| 032      | Colonial Court Apartments         | 1945  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 036      | Cornez Manor Apartments           | 1986  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$627 |
| 038      | Crater Square Apartments          | 1984  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$699 |
| 042      | Dunlop Street Lofts               | 1915  | 2008      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$941 |
| 043      | Farmingdale Townhouses            | 1966  | 2011      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 044      | First Colony Townhouses           | 1963  | 2010      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 048      | Hampton Court Townhomes           | 1980  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 050      | Harwood Square Apartments         | 2007  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$850 |
| 058      | Hopewell Lofts                    | 1920  | 2010      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$838 |
| 061      | Ivy Gates Apartments              | 1974  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 062      | Jefferson Pointe Apartments       | 2000  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$850 |
| 071      | Lakeview Terrace Apartments       | 1975  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$699 |
| 072      | Lakeview Village                  | 1975  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$689 |
| 073      | Lakeview West Apartments          | 1999  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$669 |
| 081      | Lofts at 301 N Dunlop (The)       | 1925  | 2011      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$900 |
| 082      | Lofts on Market (The)             | 1920  | 2010      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$876 |
| 084      | Madison Terrace Apartments        | 1978  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 086      | Mayton Transfer Lofts             | 1911  | 2008      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$838 |
| 090      | Mill Creek Apartments             | 1977  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$585 |
| 091      | Mill Pond Apartments              | 2007  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$660 |
| 092      | Newcastle Apartments              | 1965  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 099      | Perry Street Loft                 | 1930  | 2012      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$900 |
| 110      | Quail Oaks Apartments             | 1972  | 2000      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 111      | River Road Terrace Apartments     | 1976  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 113      | Rivermont Landing                 | 2010  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 114      | Rivermont Station Apartments      | 2008  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 115      | River's Bend Apartments Homes     | 1999  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$968 |
| 116      | Riverside Park Apartments         | 1969  | 1984      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$752 |
| 118      | Rohoic Wood Apartments Phases 1-5 | 1994  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$745 |
| 122      | South Street Lofts                | 1930  | 2001      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$861 |

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   |
| 124      | Star Lofts               | 1930  | 2013      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$943 |
| 127      | Swearingen Realty Co     | 1992  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 130      | Tanglewood Apartments    | 1971  | 2010      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$690 |
| 134      | Twin Rivers Townhouses   | 1976  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 135      | Union Flats              | 1915  | 1983      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$623 |
| 139      | Webster Court Apartments | 1968  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 142      | Windham Hills Apartments | 1968  | 1998      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 146      | Woodmere Apartments      | 1964  | 2006      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$720 |

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     |
| 001      | 1200 Acqua Apartments             | 2009  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,053 |
| 002      | 30 Franklin                       | 1930  | 2017      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$995   |
| 003      | Addison Crater Woods Phase 1      | 1982  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,008 |
| 004      | Addison Crater Woods Phase 2      | 1985  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,149 |
| 005      | Addison Crater Woods Phase 3      | 2008  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$814   |
| 006      | Addison Crater Woods Phase 4      | 2010  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,199 |
| 012      | Birchett Estates Townhomes        | 1974  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$675   |
| 015      | Branchester Lakes                 | 1997  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,043 |
| 017      | Burr Lofts                        | 1930  | 2016      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 018      | Butterworth Lofts                 | 1915  | 2012      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,037 |
| 019      | Cameron Lofts                     | 1930  | 2012      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,200 |
| 020      | Canterbury Townhouses             | 1985  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$695   |
| 025      | Chesterfield Garden Apartments    | 2002  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,188 |
| 030      | Colonial Apartments               | 1967  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 031      | Colonial Commons                  | 1991  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$750   |
| 032      | Colonial Court Apartments         | 1945  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$695   |
| 036      | Cornez Manor Apartments           | 1986  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 038      | Crater Square Apartments          | 1984  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$776   |
| 042      | Dunlop Street Lofts               | 1915  | 2008      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,295 |
| 043      | Farmingdale Townhouses            | 1966  | 2011      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$906   |
| 044      | First Colony Townhouses           | 1963  | 2010      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$753   |
| 048      | Hampton Court Townhomes           | 1980  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$763   |
| 050      | Harwood Square Apartments         | 2007  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 058      | Hopewell Lofts                    | 1920  | 2010      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,058 |
| 061      | Ivy Gates Apartments              | 1974  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$860   |
| 062      | Jefferson Pointe Apartments       | 2000  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$953   |
| 071      | Lakeview Terrace Apartments       | 1975  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$799   |
| 072      | Lakeview Village                  | 1975  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$789   |
| 073      | Lakeview West Apartments          | 1999  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 081      | Lofts at 301 N Dunlop (The)       | 1925  | 2011      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,175 |
| 082      | Lofts on Market (The)             | 1920  | 2010      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,150 |
| 084      | Madison Terrace Apartments        | 1978  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$605   |
| 086      | Mayton Transfer Lofts             | 1911  | 2008      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,075 |
| 090      | Mill Creek Apartments             | 1977  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$665   |
| 091      | Mill Pond Apartments              | 2007  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 092      | Newcastle Apartments              | 1965  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$735   |
| 099      | Perry Street Loft                 | 1930  | 2012      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,175 |
| 110      | Quail Oaks Apartments             | 1972  | 2000      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$675   |
| 111      | River Road Terrace Apartments     | 1976  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$665   |
| 113      | Rivermont Landing                 | 2010  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,385 |
| 114      | Rivermont Station Apartments      | 2008  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,153 |
| 115      | River's Bend Apartments Homes     | 1999  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,159 |
| 116      | Riverside Park Apartments         | 1969  | 1984      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$835   |
| 118      | Rohoic Wood Apartments Phases 1-5 | 1994  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$832   |
| 122      | South Street Lofts                | 1930  | 2001      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,189 |
| 124      | Star Lofts                        | 1930  | 2013      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,077 |
| 127      | Swearingen Realty Co              | 1992  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$932   |

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   |
| 130      | Tanglewood Apartments    | 1971  | 2010      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$780 |
| 134      | Twin Rivers Townhouses   | 1976  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$635 |
| 135      | Union Flats              | 1915  | 1983      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 139      | Webster Court Apartments | 1968  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$590 |
| 142      | Windham Hills Apartments | 1968  | 1998      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$570 |
| 146      | Woodmere Apartments      | 1964  | 2006      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$782 |

Source: Allen & Associates

Rental Property Inventory, 3-Bedroom Units

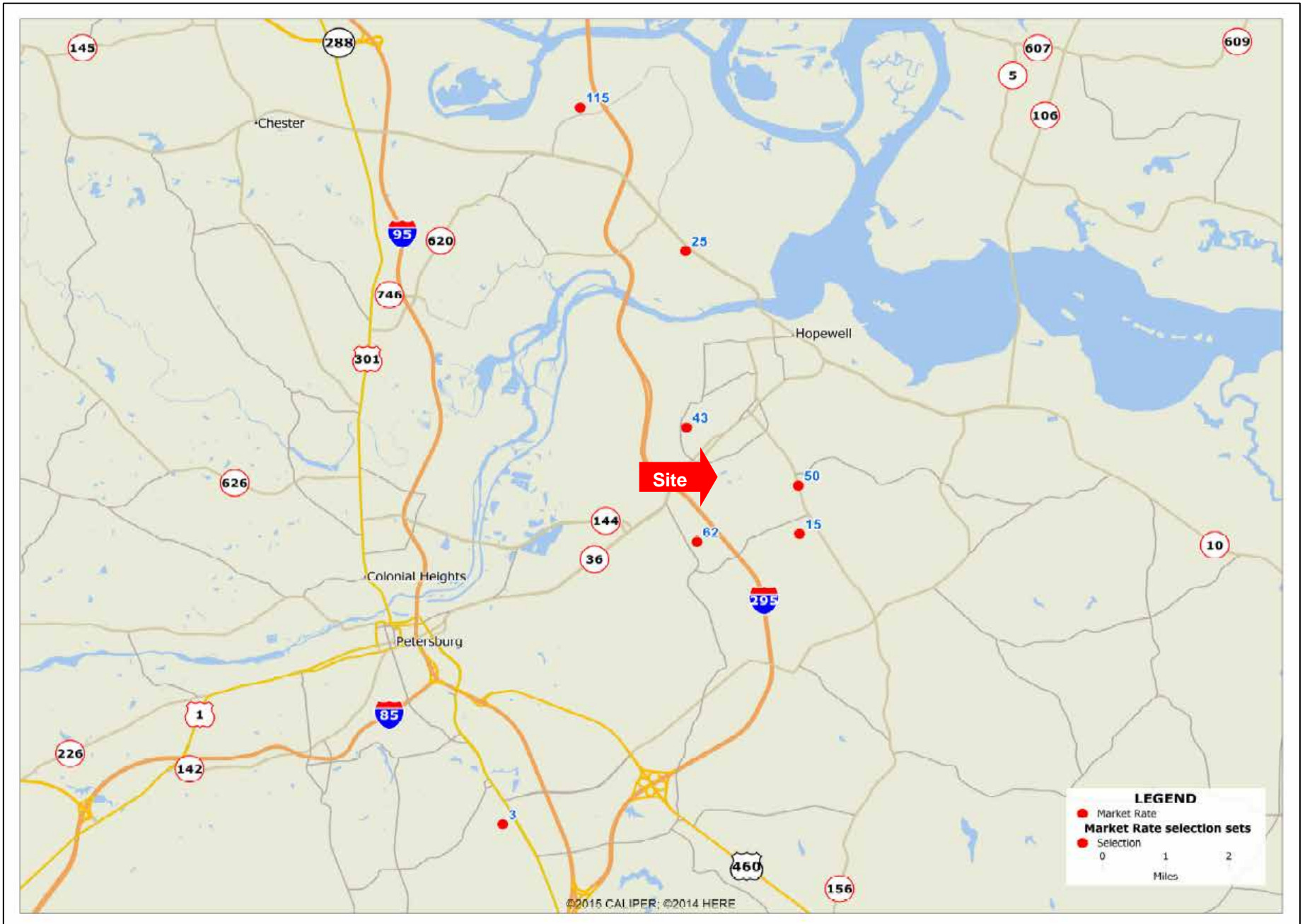
| Overview |                                   |       |           |             |          |            | Rents |     |     |     |     |     |     |         |
|----------|-----------------------------------|-------|-----------|-------------|----------|------------|-------|-----|-----|-----|-----|-----|-----|---------|
| Key      | Property Name                     | Built | Renovated | Rent Type   | Occ Type | Status     | Sub   | 20% | 30% | 40% | 50% | 60% | 80% | Mkt     |
| 001      | 1200 Acqua Apartments             | 2009  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 002      | 30 Franklin                       | 1930  | 2017      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 003      | Addison Crater Woods Phase 1      | 1982  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 004      | Addison Crater Woods Phase 2      | 1985  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 005      | Addison Crater Woods Phase 3      | 2008  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 006      | Addison Crater Woods Phase 4      | 2010  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,313 |
| 012      | Birchett Estates Townhomes        | 1974  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 015      | Branchester Lakes                 | 1997  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,273 |
| 017      | Burr Lofts                        | 1930  | 2016      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 018      | Butterworth Lofts                 | 1915  | 2012      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 019      | Cameron Lofts                     | 1930  | 2012      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 020      | Canterbury Townhouses             | 1985  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 025      | Chesterfield Garden Apartments    | 2002  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,477 |
| 030      | Colonial Apartments               | 1967  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 031      | Colonial Commons                  | 1991  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 032      | Colonial Court Apartments         | 1945  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 036      | Cornez Manor Apartments           | 1986  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 038      | Crater Square Apartments          | 1984  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$849   |
| 042      | Dunlop Street Lofts               | 1915  | 2008      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 043      | Farmingdale Townhouses            | 1966  | 2011      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 044      | First Colony Townhouses           | 1963  | 2010      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 048      | Hampton Court Townhomes           | 1980  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 050      | Harwood Square Apartments         | 2007  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 058      | Hopewell Lofts                    | 1920  | 2010      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,350 |
| 061      | Ivy Gates Apartments              | 1974  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$980   |
| 062      | Jefferson Pointe Apartments       | 2000  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,175 |
| 071      | Lakeview Terrace Apartments       | 1975  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$895   |
| 072      | Lakeview Village                  | 1975  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 073      | Lakeview West Apartments          | 1999  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 081      | Lofts at 301 N Dunlop (The)       | 1925  | 2011      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 082      | Lofts on Market (The)             | 1920  | 2010      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 084      | Madison Terrace Apartments        | 1978  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 086      | Mayton Transfer Lofts             | 1911  | 2008      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 090      | Mill Creek Apartments             | 1977  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 091      | Mill Pond Apartments              | 2007  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 092      | Newcastle Apartments              | 1965  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 099      | Perry Street Loft                 | 1930  | 2012      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 110      | Quail Oaks Apartments             | 1972  | 2000      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 111      | River Road Terrace Apartments     | 1976  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 113      | Rivermont Landing                 | 2010  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,696 |
| 114      | Rivermont Station Apartments      | 2008  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,345 |
| 115      | River's Bend Apartments Homes     | 1999  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,323 |
| 116      | Riverside Park Apartments         | 1969  | 1984      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,019 |
| 118      | Rohoic Wood Apartments Phases 1-5 | 1994  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$921   |
| 122      | South Street Lofts                | 1930  | 2001      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 124      | Star Lofts                        | 1930  | 2013      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |         |
| 127      | Swearingen Realty Co              | 1992  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$1,300 |

Rental Property Inventory, 3-Bedroom Units

| Overview |                          |       |           |             |          |            | Rents |     |     |     |     |     |     |       |
|----------|--------------------------|-------|-----------|-------------|----------|------------|-------|-----|-----|-----|-----|-----|-----|-------|
| Key      | Property Name            | Built | Renovated | Rent Type   | Occ Type | Status     | Sub   | 20% | 30% | 40% | 50% | 60% | 80% | Mkt   |
| 130      | Tanglewood Apartments    | 1971  | 2010      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$882 |
| 134      | Twin Rivers Townhouses   | 1976  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 135      | Union Flats              | 1915  | 1983      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 139      | Webster Court Apartments | 1968  | na        | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 142      | Windham Hills Apartments | 1968  | 1998      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     |       |
| 146      | Woodmere Apartments      | 1964  | 2006      | Market Rate | Family   | Stabilized |       |     |     |     |     |     |     | \$885 |

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 \$160 per bedroom.

| Bedrooms   |              |       |           |
|------------|--------------|-------|-----------|
| Adjustment | Survey Range |       | Concluded |
| Bedrooms   | \$0          | \$200 | \$160     |

*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 \$100 per bathroom.

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

*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 \$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 \$0.0011 per dollar of median household income.

| Median Household Income |              |          |           |
|-------------------------|--------------|----------|-----------|
| Adjustment              | Survey Range |          | Concluded |
| Med HH Inc              | \$0.0000     | \$0.0100 | \$0.0011  |

*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 \$0.00 per each minute of commute.

| Average Commute |              |         |           |
|-----------------|--------------|---------|-----------|
| Adjustment      | Survey Range |         | Concluded |
| Avg Commute     | \$0.00       | \$20.00 | \$0.00    |

*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  | \$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 | \$2       |
| Carpeting      | \$2          | \$10 | \$2       |
| Fireplace      | \$2          | \$10 | \$2       |
| Patio/Balcony  | \$2          | \$10 | \$2       |
| 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 \$5 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 | \$5       |
| 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 | \$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-606sf

The development of our rent conclusion for the 1BR-1BA-606sf units is found below.

Our analysis included the evaluation of a total of 21 unit types found at 7 properties. We selected the 21 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 21 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            | Piper Square Apartments        | 1BR-1BA-606sf    | \$551           | \$0         | \$551    | -                 | \$0             | \$551         | -    |
| 003-01            | Addison Crater Woods Phase 1   | 1BR-1BA-798sf    | \$944           | \$0         | \$944    | \$198             | \$6             | \$950         | 4    |
| 003-02            | Addison Crater Woods Phase 1   | 2BR-2BA-881sf    | \$949           | \$0         | \$949    | \$496             | -\$234          | \$715         | 12   |
| 003-03            | Addison Crater Woods Phase 1   | 2BR-2BA-1196sf   | \$1,304         | \$0         | \$1,304  | \$527             | -\$265          | \$1,039       | 15   |
| 015-01            | Branchester Lakes              | 1BR-1BA-717sf    | \$943           | \$0         | \$943    | \$175             | \$12            | \$955         | 2    |
| 015-02            | Branchester Lakes              | 2BR-2BA-947sf    | \$1,043         | \$0         | \$1,043  | \$488             | -\$241          | \$802         | 10   |
| 015-03            | Branchester Lakes              | 3BR-2BA-1099sf   | \$1,273         | \$0         | \$1,273  | \$700             | -\$379          | \$894         | 18   |
| 025-01            | Chesterfield Garden Apartments | 2BR-2BA-956sf    | \$1,136         | \$0         | \$1,136  | \$491             | -\$249          | \$887         | 11   |
| 025-02            | Chesterfield Garden Apartments | 2BR-2BA-1070sf   | \$1,239         | \$0         | \$1,239  | \$502             | -\$260          | \$979         | 13   |
| 025-03            | Chesterfield Garden Apartments | 3BR-2BA-1180sf   | \$1,477         | \$0         | \$1,477  | \$710             | -\$394          | \$1,083       | 19   |
| 043-01            | Farmingdale Townhouses         | 2BR-1BA-1008sf   | \$880           | \$0         | \$880    | \$343             | -\$117          | \$763         | 7    |
| 043-02            | Farmingdale Townhouses         | 2BR-1.5BA-1088sf | \$920           | \$0         | \$920    | \$401             | -\$175          | \$745         | 8    |
| 050-01            | Harwood Square Apartments      | 1BR-1BA-825sf    | \$850           | \$0         | \$850    | \$184             | -\$86           | \$764         | 3    |
| 062-01            | Jefferson Pointe Apartments    | 1BR-1BA-875sf    | \$850           | \$0         | \$850    | \$159             | -\$15           | \$835         | 1    |
| 062-02            | Jefferson Pointe Apartments    | 2BR-2BA-1112sf   | \$953           | \$0         | \$953    | \$472             | -\$270          | \$683         | 9    |
| 062-03            | Jefferson Pointe Apartments    | 3BR-2BA-1282sf   | \$1,175         | \$0         | \$1,175  | \$686             | -\$410          | \$765         | 17   |
| 115-01            | River's Bend Apartments Homes  | 1BR-1BA-696sf    | \$940           | \$0         | \$940    | \$298             | -\$100          | \$840         | 5    |
| 115-02            | River's Bend Apartments Homes  | 1BR-1BA-782sf    | \$995           | \$0         | \$995    | \$306             | -\$108          | \$887         | 6    |
| 115-03            | River's Bend Apartments Homes  | 2BR-1BA-944sf    | \$1,035         | \$0         | \$1,035  | \$512             | -\$256          | \$779         | 14   |
| 115-04            | River's Bend Apartments Homes  | 2BR-2BA-1123sf   | \$1,190         | \$0         | \$1,190  | \$629             | -\$373          | \$817         | 16   |
| 115-05            | River's Bend Apartments Homes  | 3BR-2BA-1313sf   | \$1,295         | \$0         | \$1,295  | \$845             | -\$515          | \$780         | 20   |
| 115-06            | River's Bend Apartments Homes  | 3BR-2BA-1372sf   | \$1,350         | \$0         | \$1,350  | \$851             | -\$521          | \$829         | 21   |

|                                 |         |
|---------------------------------|---------|
| Adjusted Rent, Minimum          | \$683   |
| Adjusted Rent, Maximum          | \$1,083 |
| Adjusted Rent, Average          | \$847   |
| Adjusted Rent, Modified Average | \$843   |
| Rent, Concluded                 | \$870   |

Our analysis suggests a rent of \$870 for the 1BR-1BA-606sf units at the subject property.

In our opinion, the 1BR-1BA-875sf units at Jefferson Pointe Apartments (Property # 062), the 1BR-1BA-717sf units at Branchester Lakes (Property # 015), the 1BR-1BA-825sf units at Harwood Square Apartments (Property # 050), the 1BR-1BA-798sf units at Addison Crater Woods Phase 1 (Property # 003), and the 1BR-1BA-696sf units at River's Bend Apartments Homes (Property # 115) 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<br>Adj | As<br>Ren | As<br>Is | \$<br>Adj |
| Tenant Paid Utilities           | 0           | \$54      | \$0      | \$54      |
| Square Feet                     | \$0.10      | 606       | 617      | \$1       |
| Condition                       | \$10        | 4.00      | 3.00     | -\$10     |
| Effective Age                   | \$1.00      | 2009      | 1995     | -\$14     |
| Dishwasher                      | \$2         | yes       | no       | -\$2      |
| Adjustments                     |             |           |          | \$29      |
| Adjusted Rent, Minimum          |             |           |          | \$712     |
| Adjusted Rent, Maximum          |             |           |          | \$1,112   |
| Adjusted Rent, Average          |             |           |          | \$876     |
| Adjusted Rent, Modified Average |             |           |          | \$872     |
| Rent, Concluded, As Is          |             |           |          | \$900     |

Our analysis suggests an "as is" rent of \$900 for the 1BR-1BA-606sf units at the subject property.



| Comparable            | Subject                 | 1                            |          | 2                 |          | 3                         |          | 4                           |          | 5                             |           |
|-----------------------|-------------------------|------------------------------|----------|-------------------|----------|---------------------------|----------|-----------------------------|----------|-------------------------------|-----------|
| Property-Unit Key     | Sub-03                  | 003-01                       |          | 015-01            |          | 050-01                    |          | 062-01                      |          | 115-01                        |           |
| Unit Type             | 1BR-1BA-606sf           | 1BR-1BA-798sf                |          | 1BR-1BA-717sf     |          | 1BR-1BA-825sf             |          | 1BR-1BA-875sf               |          | 1BR-1BA-696sf                 |           |
| Property Name         | Piper Square Apartments | Addison Crater Woods Phase 1 |          | Branchester Lakes |          | Harwood Square Apartments |          | Jefferson Pointe Apartments |          | River's Bend Apartments Homes |           |
| Address               | 1529 Piper Square Drive | 200 Addison Way              |          | 6797 Lake Road    |          | 3401 Prince George Drive  |          | 4399 Jefferson Pointe Lane  |          | 401 Liverpool Circle          |           |
| City                  | Hopewell                | Petersburg                   |          | Prince George     |          | Prince George             |          | Prince George               |          | Chester                       |           |
| State                 | Virginia                | Virginia                     |          | Virginia          |          | Virginia                  |          | Virginia                    |          | Virginia                      |           |
| Zip                   | 23860                   | 23805                        |          | 23875             |          | 23875                     |          | 23875                       |          | 23836                         |           |
| Latitude              | 37.26900                | 37.18278                     |          | 37.25480          |          | 37.26682                  |          | 37.25281                    |          | 37.36061                      |           |
| Longitude             | -77.31313               | -77.37082                    |          | -77.28552         |          | -77.28591                 |          | -77.31501                   |          | -77.34854                     |           |
| Miles to Subject      | 0.00                    | 5.88                         |          | 1.76              |          | 1.55                      |          | 0.92                        |          | 5.56                          |           |
| Year Built            | 1982                    | 1982                         |          | 1997              |          | 2007                      |          | 2000                        |          | 1999                          |           |
| Year Rehab            | 2019                    | na                           |          | na                |          | na                        |          | na                          |          | na                            |           |
| Project Rent          | Subsidized              | 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) 541-0392          | (804) 732-0220               |          | (804) 452-0023    |          | (804) 541-8353            |          | (804) 541-4000              |          | (804) 530-0200                |           |
| Effective Date        | 19-Apr-19               | 08-Apr-19                    |          | 08-Apr-19         |          | 08-Apr-19                 |          | 08-Apr-19                   |          | 08-Apr-19                     |           |
| <u>Project Level</u>  |                         |                              |          |                   |          |                           |          |                             |          |                               |           |
| Units                 | 103                     | 120                          |          | 120               |          | 24                        |          | 220                         |          | 318                           |           |
| Vacant Units          | 20                      | 4                            |          | 1                 |          | 0                         |          | 3                           |          | 5                             |           |
| Vacancy Rate          | 19%                     | 3%                           |          | 1%                |          | 0%                        |          | 1%                          |          | 2%                            |           |
| <u>Unit Type</u>      |                         |                              |          |                   |          |                           |          |                             |          |                               |           |
| Units                 | 4                       | 24                           |          | 16                |          | 24                        |          | 16                          |          | 83                            |           |
| Vacant Units          | 1                       | 0                            |          | 1                 |          | 0                         |          | 0                           |          | 1                             |           |
| Vacancy Rate          | 25%                     | 0%                           |          | 6%                |          | 0%                        |          | 0%                          |          | 1%                            |           |
| Street Rent           | \$551                   | \$944                        |          | \$943             |          | \$850                     |          | \$850                       |          | \$940                         |           |
| Concessions           | \$0                     | \$0                          |          | \$0               |          | \$0                       |          | \$0                         |          | \$0                           |           |
| Net Rent              | \$551                   | \$944                        |          | \$943             |          | \$850                     |          | \$850                       |          | \$940                         |           |
|                       | Adj                     | Data                         | Data     | Adj               | Data     | Adj                       | Data     | Adj                         | Data     | Adj                           | Data      |
| Tenant-Paid Utilities | TPU                     | \$54                         | \$135    | \$81              | \$134    | \$80                      | \$0      | -\$54                       | \$114    | \$60                          | \$135     |
| Cable                 | \$0                     | no                           | no       | \$0               | yes      | \$0                       | no       | \$0                         | no       | \$0                           | no        |
| Internet              | \$0                     | no                           | no       | \$0               | yes      | \$0                       | no       | \$0                         | no       | \$0                           | no        |
| Bedrooms              | \$160                   | 1                            | 1        | \$0               | 1        | \$0                       | 1        | \$0                         | 1        | \$0                           | 1         |
| Bathrooms             | \$100                   | 1.00                         | 1.00     | \$0               | 1.00     | \$0                       | 1.00     | \$0                         | 1.00     | \$0                           | 1.00      |
| Square Feet           | \$0.10                  | 606                          | 798      | -\$19             | 717      | -\$11                     | 825      | -\$22                       | 875      | -\$27                         | 696       |
| Visibility            | \$0                     | 2.00                         | 2.75     | \$0               | 2.75     | \$0                       | 3.00     | \$0                         | 2.75     | \$0                           | 2.25      |
| Access                | \$0                     | 3.00                         | 3.00     | \$0               | 3.00     | \$0                       | 3.50     | \$0                         | 3.00     | \$0                           | 3.00      |
| Neighborhood          | \$0                     | 2.00                         | 3.30     | \$0               | 4.50     | \$0                       | 3.80     | \$0                         | 3.30     | \$0                           | 4.50      |
| Area Amenities        | \$0                     | 3.80                         | 4.50     | \$0               | 2.00     | \$0                       | 2.40     | \$0                         | 2.30     | \$0                           | 2.10      |
| Median HH Income      | \$0.0011                | \$25,978                     | \$52,344 | -\$29             | \$69,122 | -\$47                     | \$66,719 | -\$45                       | \$50,875 | -\$27                         | \$116,650 |
| Average Commute       | \$0                     | 22.04                        | 23.89    | \$0               | 20.56    | \$0                       | 28.70    | \$0                         | 26.10    | \$0                           | 23.06     |
| Public Transportation | \$0                     | na                           | na       | \$0               | na       | \$0                       | na       | \$0                         | na       | \$0                           | na        |
| Personal Crime        | \$0                     | 21.2%                        | 18.2%    | \$0               | 0.2%     | \$0                       | 0.3%     | \$0                         | 0.3%     | \$0                           | 0.6%      |
| Condition             | \$10                    | 4.00                         | 3.50     | \$5               | 3.75     | \$3                       | 2.50     | \$15                        | 3.50     | \$5                           | 4.00      |
| Effective Age         | \$1.00                  | 2009                         | 2000     | \$9               | 2010     | -\$1                      | 1990     | \$19                        | 2010     | -\$1                          | 2000      |
| Ball Field            | \$2                     | no                           | no       | \$0               | no       | \$0                       | no       | \$0                         | no       | \$0                           | no        |
| BBQ Area              | \$2                     | no                           | no       | \$0               | no       | \$0                       | no       | \$0                         | yes      | -\$2                          | yes       |
| Billiards             | \$2                     | no                           | yes      | -\$2              | no       | \$0                       | no       | \$0                         | no       | \$0                           | no        |
| Bus/Comp Center       | \$2                     | yes                          | yes      | \$0               | no       | \$2                       | no       | \$2                         | yes      | \$0                           | yes       |
| Car Care Center       | \$2                     | no                           | yes      | -\$2              | no       | \$0                       | no       | \$0                         | no       | \$0                           | no        |
| Community Center      | \$2                     | yes                          | yes      | \$0               | no       | \$2                       | no       | \$2                         | yes      | \$0                           | yes       |
| Elevator              | \$10                    | no                           | no       | \$0               | no       | \$0                       | no       | \$0                         | no       | \$0                           | no        |
| Fitness Center        | \$2                     | no                           | yes      | -\$2              | yes      | -\$2                      | no       | \$0                         | yes      | -\$2                          | yes       |
| Gazebo                | \$2                     | no                           | no       | \$0               | no       | \$0                       | no       | \$0                         | no       | \$0                           | yes       |
| Hot Tub/Jacuzzi       | \$2                     | no                           | no       | \$0               | no       | \$0                       | no       | \$0                         | no       | \$0                           | no        |
| Horseshoe Pit         | \$2                     | no                           | no       | \$0               | no       | \$0                       | no       | \$0                         | no       | \$0                           | no        |
| Lake                  | \$2                     | no                           | no       | \$0               | no       | \$0                       | no       | \$0                         | no       | \$0                           | no        |
| Library               | \$2                     | no                           | no       | \$0               | no       | \$0                       | no       | \$0                         | no       | \$0                           | no        |
| Movie Theatre         | \$2                     | no                           | yes      | -\$2              | no       | \$0                       | no       | \$0                         | no       | \$0                           | no        |
| Picnic Area           | \$2                     | no                           | no       | \$0               | no       | \$0                       | no       | \$0                         | yes      | -\$2                          | yes       |
| Playground            | \$2                     | yes                          | yes      | \$0               | yes      | \$0                       | no       | \$2                         | yes      | \$0                           | yes       |
| Pool                  | \$2                     | no                           | yes      | -\$2              | yes      | -\$2                      | no       | \$0                         | yes      | -\$2                          | yes       |
| Sauna                 | \$2                     | no                           | no       | \$0               | no       | \$0                       | no       | \$0                         | no       | \$0                           | no        |
| Sports Court          | \$2                     | yes                          | yes      | \$0               | yes      | \$0                       | no       | \$2                         | yes      | \$0                           | no        |
| Walking Trail         | \$2                     | no                           | no       | \$0               | no       | \$0                       | no       | \$0                         | no       | \$0                           | yes       |
| Blinds                | \$2                     | yes                          | yes      | \$0               | yes      | \$0                       | yes      | \$0                         | yes      | \$0                           | yes       |
| Ceiling Fans          | \$2                     | no                           | yes      | -\$2              | no       | \$0                       | no       | \$0                         | yes      | -\$2                          | yes       |
| Carpeting             | \$2                     | no                           | yes      | -\$2              | yes      | -\$2                      | yes      | -\$2                        | yes      | -\$2                          | yes       |
| Fireplace             | \$2                     | no                           | no       | \$0               | yes      | -\$2                      | no       | \$0                         | some     | \$0                           | some      |
| Patio/Balcony         | \$2                     | yes                          | yes      | \$0               | yes      | \$0                       | yes      | \$0                         | yes      | \$0                           | yes       |
| Storage               | \$10                    | some                         | yes      | -\$10             | no       | \$0                       | no       | \$0                         | yes      | -\$10                         | yes       |
| Stove                 | \$2                     | yes                          | yes      | \$0               | yes      | \$0                       | yes      | \$0                         | yes      | \$0                           | yes       |
| Refrigerator          | \$2                     | yes                          | yes      | \$0               | yes      | \$0                       | yes      | \$0                         | yes      | \$0                           | yes       |
| Disposal              | \$2                     | no                           | yes      | -\$2              | yes      | -\$2                      | no       | \$0                         | no       | \$0                           | yes       |
| Dishwasher            | \$2                     | yes                          | yes      | \$0               | yes      | \$0                       | yes      | \$0                         | yes      | \$0                           | yes       |
| Microwave             | \$2                     | no                           | yes      | -\$2              | yes      | -\$2                      | yes      | -\$2                        | no       | \$0                           | yes       |
| Garage                | \$50                    | no                           | no       | \$0               | no       | \$0                       | no       | \$0                         | no       | \$0                           | yes       |
| Covered               | \$20                    | no                           | no       | \$0               | no       | \$0                       | no       | \$0                         | no       | \$0                           | no        |
| Assigned              | \$10                    | no                           | yes      | -\$10             | no       | \$0                       | no       | \$0                         | no       | \$0                           | no        |
| Open                  | \$0                     | yes                          | no       | \$0               | yes      | \$0                       | yes      | \$0                         | yes      | \$0                           | yes       |
| None                  | \$0                     | no                           | no       | \$0               | no       | \$0                       | no       | \$0                         | no       | \$0                           | no        |
| Central               | \$5                     | yes                          | no       | \$5               | no       | \$5                       | no       | \$5                         | no       | \$5                           | no        |
| W/D Units             | \$10                    | no                           | yes      | -\$10             | yes      | -\$10                     | yes      | -\$10                       | yes      | -\$10                         | yes       |
| W/D Hookups           | \$5                     | no                           | no       | \$0               | no       | \$0                       | no       | \$0                         | no       | \$0                           | no        |
| Call Buttons          | \$2                     | no                           | no       | \$0               | no       | \$0                       | no       | \$0                         | no       | \$0                           | no        |
| Controlled Access     | \$2                     | no                           | no       | \$0               | no       | \$0                       | no       | \$0                         | no       | \$0                           | no        |
| Courtesy Officer      | \$2                     | no                           | no       | \$0               | no       | \$0                       | no       | \$0                         | no       | \$0                           | no        |
| Monitoring            | \$2                     | yes                          | no       | \$2               | no       | \$2                       | no       | \$2                         | no       | \$2                           | no        |
| Security Alarms       | \$2                     | no                           | some     | \$0               | no       | \$0                       | no       | \$0                         | no       | \$0                           | no        |
| Security Patrols      | \$2                     | no                           | no       | \$0               | no       | \$0                       | no       | \$0                         | no       | \$0                           | no        |
| Indicated Rent        | \$870                   | \$950                        |          | \$955             |          | \$764                     |          | \$835                       |          | \$840                         |           |

Rent Conclusion, 2BR-1BA-905sf

The development of our rent conclusion for the 2BR-1BA-905sf units is found below.

Our analysis included the evaluation of a total of 21 unit types found at 7 properties. We selected the 21 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 21 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-08            | Piper Square Apartments         | 2BR-1BA-905sf    | \$635           | \$0         | \$635    | -                 | \$0             | \$635         | -    |
| 003-01            | Addison Crater Woods Phase 1    | 1BR-1BA-798sf    | \$944           | \$0         | \$944    | \$342             | \$188           | \$1,132       | 13   |
| 003-02            | Addison Crater Woods Phase 1    | 2BR-2BA-881sf    | \$949           | \$0         | \$949    | \$302             | -\$52           | \$897         | 7    |
| 003-03            | Addison Crater Woods Phase 1    | 2BR-2BA-1196sf   | \$1,304         | \$0         | \$1,304  | \$329             | -\$83           | \$1,221       | 10   |
| 015-01            | Branchester Lakes               | 1BR-1BA-717sf    | \$943           | \$0         | \$943    | \$335             | \$194           | \$1,137       | 11   |
| 015-02            | Branchester Lakes               | 2BR-2BA-947sf    | \$1,043         | \$0         | \$1,043  | \$290             | -\$59           | \$984         | 5    |
| 015-03            | Branchester Lakes               | 3BR-2BA-1099sf   | \$1,273         | \$0         | \$1,273  | \$502             | -\$197          | \$1,076       | 18   |
| 025-01            | Chesterfield Garden Apartments  | 2BR-2BA-956sf    | \$1,136         | \$0         | \$1,136  | \$293             | -\$67           | \$1,069       | 6    |
| 025-02            | Chesterfield Garden Apartments  | 2BR-2BA-1070sf   | \$1,239         | \$0         | \$1,239  | \$305             | -\$79           | \$1,160       | 8    |
| 025-03            | Chesterfield Garden Apartments  | 3BR-2BA-1180sf   | \$1,477         | \$0         | \$1,477  | \$512             | -\$212          | \$1,265       | 19   |
| 043-01            | Farmingdale Townhouses          | 2BR-1BA-1008sf   | \$880           | \$0         | \$880    | \$145             | \$65            | \$945         | 1    |
| 043-02            | Farmingdale Townhouses          | 2BR-1.5BA-1088sf | \$920           | \$0         | \$920    | \$203             | \$7             | \$927         | 2    |
| 050-01            | Harwood Square Apartments       | 1BR-1BA-825sf    | \$850           | \$0         | \$850    | \$338             | \$96            | \$946         | 12   |
| 062-01            | Jefferson Pointe Apartments     | 1BR-1BA-875sf    | \$850           | \$0         | \$850    | \$287             | \$167           | \$1,017       | 4    |
| 062-02            | Jefferson Pointe Apartments     | 2BR-2BA-1112sf   | \$953           | \$0         | \$953    | \$274             | -\$88           | \$865         | 3    |
| 062-03            | Jefferson Pointe Apartments     | 3BR-2BA-1282sf   | \$1,175         | \$0         | \$1,175  | \$488             | -\$228          | \$947         | 17   |
| 115-01            | River's Bend Apartments Homes   | 1BR-1BA-696sf    | \$940           | \$0         | \$940    | \$462             | \$82            | \$1,022       | 16   |
| 115-02            | River's Bend Apartments Homes   | 1BR-1BA-782sf    | \$995           | \$0         | \$995    | \$453             | \$74            | \$1,069       | 15   |
| 115-03            | River's Bend Apartments Homes   | 2BR-1BA-944sf    | \$1,035         | \$0         | \$1,035  | \$314             | -\$74           | \$961         | 9    |
| 115-04            | River's Bend Apartments Homes   | 2BR-2BA-1123sf   | \$1,190         | \$0         | \$1,190  | \$431             | -\$191          | \$999         | 14   |
| 115-05            | River's Bend Apartments Homes   | 3BR-2BA-1313sf   | \$1,295         | \$0         | \$1,295  | \$648             | -\$334          | \$961         | 20   |
| 115-06            | River's Bend Apartments Homes   | 3BR-2BA-1372sf   | \$1,350         | \$0         | \$1,350  | \$653             | -\$339          | \$1,011       | 21   |
|                   | Adjusted Rent, Minimum          |                  |                 |             |          |                   |                 | \$865         |      |
|                   | Adjusted Rent, Maximum          |                  |                 |             |          |                   |                 | \$1,265       |      |
|                   | Adjusted Rent, Average          |                  |                 |             |          |                   |                 | \$1,029       |      |
|                   | Adjusted Rent, Modified Average |                  |                 |             |          |                   |                 | \$1,025       |      |
|                   | Rent, Concluded                 |                  |                 |             |          |                   |                 | \$950         |      |

Our analysis suggests a rent of \$950 for the 2BR-1BA-905sf units at the subject property.

In our opinion, the 2BR-1BA-1008sf units at Farmingdale Townhouses (Property # 043), the 2BR-2BA-1112sf units at Jefferson Pointe Apartments (Property # 062), the 2BR-2BA-947sf units at Branchester Lakes (Property # 015), the 2BR-2BA-956sf units at Chesterfield Garden Apartments (Property # 025), and the 2BR-2BA-881sf units at Addison Crater Woods Phase 1 (Property # 003) 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<br>Adj | As<br>Ren | As<br>Is | \$<br>Adj |
| Tenant Paid Utilities           | 0           | \$62      | \$0      | \$62      |
| Condition                       | \$10        | 4.00      | 3.00     | -\$10     |
| Effective Age                   | \$1.00      | 2009      | 1995     | -\$14     |
| Dishwasher                      | \$2         | yes       | no       | -\$2      |
| Adjustments                     |             |           |          | \$36      |
| Adjusted Rent, Minimum          |             |           |          | \$901     |
| Adjusted Rent, Maximum          |             |           |          | \$1,301   |
| Adjusted Rent, Average          |             |           |          | \$1,065   |
| Adjusted Rent, Modified Average |             |           |          | \$1,061   |
| Rent, Concluded, As Is          |             |           |          | \$985     |

Our analysis suggests an "as is" rent of \$985 for the 2BR-1BA-905sf units at the subject property.

| Comparable            | Subject                 | 1                            | 2                 | 3                              | 4                      | 5                           |            |
|-----------------------|-------------------------|------------------------------|-------------------|--------------------------------|------------------------|-----------------------------|------------|
| Property-Unit Key     | Sub-08                  | 003-02                       | 015-02            | 025-01                         | 043-01                 | 062-02                      |            |
| Unit Type             | 2BR-1BA-905sf           | 2BR-2BA-881sf                | 2BR-2BA-947sf     | 2BR-2BA-956sf                  | 2BR-1BA-1008sf         | 2BR-2BA-1112sf              |            |
| Property Name         | Piper Square Apartments | Addison Crater Woods Phase 1 | Branchester Lakes | Chesterfield Garden Apartments | Farmingdale Townhouses | Jefferson Pointe Apartments |            |
| Address               | 1529 Piper Square Drive | 200 Addison Way              | 6797 Lake Road    | 2260 Golden Garden Circle      | 3611 Wilmington Avenue | 4399 Jefferson Pointe Lane  |            |
| City                  | Hopewell                | Petersburg                   | Prince George     | Chester                        | Hopewell               | Prince George               |            |
| State                 | Virginia                | Virginia                     | Virginia          | Virginia                       | Virginia               | Virginia                    |            |
| Zip                   | 23860                   | 23805                        | 23875             | 23836                          | 23860                  | 23875                       |            |
| Latitude              | 37.26900                | 37.18278                     | 37.25480          | 37.32503                       | 37.28123               | 37.25281                    |            |
| Longitude             | -77.31313               | -77.37082                    | -77.28552         | -77.31829                      | -77.31801              | -77.31501                   |            |
| Miles to Subject      | 0.00                    | 5.88                         | 1.76              | 3.19                           | 0.75                   | 0.92                        |            |
| Year Built            | 1982                    | 1982                         | 1997              | 2002                           | 1966                   | 2000                        |            |
| Year Rehab            | 2019                    | na                           | na                | na                             | 2011                   | na                          |            |
| Project Rent          | Subsidized              | 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) 541-0392          | (804) 732-0220               | (804) 452-0023    | (804) 425-6200                 | (804) 458-3451         | (804) 541-4000              |            |
| Effective Date        | 19-Apr-19               | 08-Apr-19                    | 08-Apr-19         | 08-Apr-19                      | 08-Apr-19              | 08-Apr-19                   |            |
| <u>Project Level</u>  |                         |                              |                   |                                |                        |                             |            |
| Units                 | 103                     | 120                          | 120               | 106                            | 122                    | 220                         |            |
| Vacant Units          | 20                      | 4                            | 1                 | 0                              | 0                      | 3                           |            |
| Vacancy Rate          | 19%                     | 3%                           | 1%                | 0%                             | 0%                     | 1%                          |            |
| <u>Unit Type</u>      |                         |                              |                   |                                |                        |                             |            |
| Units                 | 4                       | 80                           | 72                | 50                             | 44                     | 170                         |            |
| Vacant Units          | 0                       | 3                            | 0                 | 0                              | 0                      | 2                           |            |
| Vacancy Rate          | 0%                      | 4%                           | 0%                | 0%                             | 0%                     | 1%                          |            |
| Street Rent           | \$635                   | \$949                        | \$1,043           | \$1,136                        | \$880                  | \$953                       |            |
| Concessions           | \$0                     | \$0                          | \$0               | \$0                            | \$0                    | \$0                         |            |
| Net Rent              | \$635                   | \$949                        | \$1,043           | \$1,136                        | \$880                  | \$953                       |            |
| <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 \$62                | \$164                        | \$102             | \$164                          | \$102                  | \$164                       | \$81       |
| Cable                 | \$0                     | no                           | \$0               | yes                            | \$0                    | yes                         | \$0        |
| Internet              | \$0                     | no                           | \$0               | yes                            | \$0                    | yes                         | \$0        |
| Bedrooms              | \$160                   | 2                            | \$0               | 2                              | \$0                    | 2                           | \$0        |
| Bathrooms             | \$100                   | 1.00                         | 2.00              | 2.00                           | 2.00                   | 1.00                        | 2.00       |
| Square Feet           | \$0.10                  | 905                          | 881               | 947                            | 956                    | 1008                        | 1112       |
| Visibility            | \$0                     | 2.00                         | 2.75              | 2.75                           | 2.50                   | 3.25                        | 2.75       |
| Access                | \$0                     | 3.00                         | 3.00              | 3.00                           | 3.50                   | 3.25                        | 3.00       |
| Neighborhood          | \$0                     | 2.00                         | 3.30              | 4.50                           | 4.00                   | 3.00                        | 3.30       |
| Area Amenities        | \$0                     | 3.80                         | 4.50              | 2.00                           | 2.40                   | 3.10                        | 2.30       |
| Median HH Income      | \$0.0011                | \$25,978                     | \$52,344          | \$69,122                       | \$68,750               | \$42,986                    | \$50,875   |
| Average Commute       | \$0                     | 22.04                        | 23.89             | 20.56                          | 26.04                  | 24.81                       | 26.10      |
| Public Transportation | \$0                     | na                           | na                | na                             | na                     | na                          | na         |
| Personal Crime        | \$0                     | 21.2%                        | 18.2%             | 0.2%                           | 1.8%                   | 7.2%                        | 0.3%       |
| Condition             | \$10                    | 4.00                         | 3.50              | 3.75                           | 4.00                   | 3.00                        | 3.50       |
| Effective Age         | \$1.00                  | 2009                         | 2000              | 2010                           | 2005                   | 2005                        | 2010       |
| Ball Field            | \$2                     | no                           | no                | no                             | no                     | no                          | no         |
| BBQ Area              | \$2                     | no                           | no                | no                             | yes                    | no                          | yes        |
| Billiards             | \$2                     | no                           | yes               | no                             | no                     | no                          | no         |
| Bus/Comp Center       | \$2                     | yes                          | yes               | no                             | yes                    | no                          | yes        |
| Car Care Center       | \$2                     | no                           | yes               | no                             | no                     | no                          | no         |
| Community Center      | \$2                     | yes                          | yes               | no                             | yes                    | no                          | yes        |
| Elevator              | \$10                    | no                           | no                | no                             | no                     | no                          | no         |
| Fitness Center        | \$2                     | no                           | yes               | yes                            | yes                    | yes                         | yes        |
| Gazebo                | \$2                     | no                           | no                | no                             | no                     | no                          | no         |
| Hot Tub/Jacuzzi       | \$2                     | no                           | no                | no                             | no                     | no                          | no         |
| Horseshoe Pit         | \$2                     | no                           | no                | no                             | no                     | no                          | no         |
| Lake                  | \$2                     | no                           | no                | no                             | no                     | no                          | no         |
| Library               | \$2                     | no                           | no                | no                             | no                     | no                          | no         |
| Movie Theatre         | \$2                     | no                           | yes               | no                             | no                     | no                          | no         |
| Picnic Area           | \$2                     | no                           | no                | no                             | yes                    | no                          | yes        |
| Playground            | \$2                     | yes                          | yes               | yes                            | yes                    | no                          | yes        |
| Pool                  | \$2                     | no                           | yes               | yes                            | yes                    | yes                         | yes        |
| Sauna                 | \$2                     | no                           | no                | no                             | no                     | no                          | no         |
| Sports Court          | \$2                     | yes                          | yes               | yes                            | yes                    | no                          | yes        |
| Walking Trail         | \$2                     | no                           | no                | no                             | no                     | no                          | no         |
| Blinds                | \$2                     | yes                          | yes               | yes                            | yes                    | yes                         | yes        |
| Ceiling Fans          | \$2                     | no                           | yes               | no                             | no                     | no                          | yes        |
| Carpeting             | \$2                     | no                           | yes               | yes                            | yes                    | yes                         | yes        |
| Fireplace             | \$2                     | no                           | no                | yes                            | yes                    | no                          | some       |
| Patio/Balcony         | \$2                     | yes                          | yes               | yes                            | yes                    | yes                         | yes        |
| Storage               | \$10                    | some                         | yes               | no                             | no                     | no                          | yes        |
| Stove                 | \$2                     | yes                          | yes               | yes                            | yes                    | yes                         | yes        |
| Refrigerator          | \$2                     | yes                          | yes               | yes                            | yes                    | yes                         | yes        |
| Disposal              | \$2                     | no                           | yes               | yes                            | yes                    | no                          | no         |
| Dishwasher            | \$2                     | yes                          | yes               | yes                            | yes                    | yes                         | yes        |
| Microwave             | \$2                     | no                           | yes               | yes                            | yes                    | no                          | no         |
| Garage                | \$50                    | no                           | no                | no                             | no                     | no                          | no         |
| Covered               | \$20                    | no                           | no                | no                             | no                     | no                          | no         |
| Assigned              | \$10                    | no                           | yes               | no                             | no                     | no                          | no         |
| Open                  | \$0                     | yes                          | no                | yes                            | yes                    | yes                         | yes        |
| None                  | \$0                     | no                           | no                | no                             | no                     | no                          | no         |
| Central               | \$5                     | yes                          | no                | no                             | no                     | yes                         | no         |
| W/D Units             | \$10                    | no                           | yes               | yes                            | yes                    | no                          | yes        |
| W/D Hookups           | \$5                     | no                           | no                | no                             | no                     | yes                         | no         |
| Call Buttons          | \$2                     | no                           | no                | no                             | no                     | no                          | no         |
| Controlled Access     | \$2                     | no                           | no                | no                             | no                     | no                          | no         |
| Courtesy Officer      | \$2                     | no                           | no                | no                             | yes                    | no                          | no         |
| Monitoring            | \$2                     | yes                          | no                | no                             | no                     | no                          | no         |
| Security Alarms       | \$2                     | no                           | some              | no                             | no                     | no                          | no         |
| Security Patrols      | \$2                     | no                           | no                | no                             | no                     | no                          | no         |
| <b>Indicated Rent</b> | <b>\$950</b>            | <b>\$897</b>                 | <b>\$984</b>      | <b>\$1,069</b>                 | <b>\$945</b>           | <b>\$865</b>                |            |

Rent Conclusion, 3BR-1BA-784sf

The development of our rent conclusion for the 3BR-1BA-784sf units is found below.

Our analysis included the evaluation of a total of 21 unit types found at 7 properties. We selected the 21 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 21 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-10            | Piper Square Apartments        | 3BR-1BA-784sf    | \$850           | \$0         | \$850    | -                 | \$0             | \$850         | -    |
| 003-01            | Addison Crater Woods Phase 1   | 1BR-1BA-798sf    | \$944           | \$0         | \$944    | \$484             | \$328           | \$1,272       | 14   |
| 003-02            | Addison Crater Woods Phase 1   | 2BR-2BA-881sf    | \$949           | \$0         | \$949    | \$462             | \$88            | \$1,037       | 10   |
| 003-03            | Addison Crater Woods Phase 1   | 2BR-2BA-1196sf   | \$1,304         | \$0         | \$1,304  | \$493             | \$57            | \$1,361       | 16   |
| 015-01            | Branchester Lakes              | 1BR-1BA-717sf    | \$943           | \$0         | \$943    | \$475             | \$334           | \$1,277       | 12   |
| 015-02            | Branchester Lakes              | 2BR-2BA-947sf    | \$1,043         | \$0         | \$1,043  | \$454             | \$81            | \$1,124       | 8    |
| 015-03            | Branchester Lakes              | 3BR-2BA-1099sf   | \$1,273         | \$0         | \$1,273  | \$346             | -\$57           | \$1,216       | 3    |
| 025-01            | Chesterfield Garden Apartments | 2BR-2BA-956sf    | \$1,136         | \$0         | \$1,136  | \$457             | \$73            | \$1,209       | 9    |
| 025-02            | Chesterfield Garden Apartments | 2BR-2BA-1070sf   | \$1,239         | \$0         | \$1,239  | \$469             | \$61            | \$1,300       | 11   |
| 025-03            | Chesterfield Garden Apartments | 3BR-2BA-1180sf   | \$1,477         | \$0         | \$1,477  | \$357             | -\$73           | \$1,404       | 4    |
| 043-01            | Farmingdale Townhouses         | 2BR-1BA-1008sf   | \$880           | \$0         | \$880    | \$309             | \$205           | \$1,085       | 1    |
| 043-02            | Farmingdale Townhouses         | 2BR-1.5BA-1088sf | \$920           | \$0         | \$920    | \$367             | \$147           | \$1,067       | 5    |
| 050-01            | Harwood Square Apartments      | 1BR-1BA-825sf    | \$850           | \$0         | \$850    | \$502             | \$236           | \$1,086       | 18   |
| 062-01            | Jefferson Pointe Apartments    | 1BR-1BA-875sf    | \$850           | \$0         | \$850    | \$445             | \$307           | \$1,157       | 7    |
| 062-02            | Jefferson Pointe Apartments    | 2BR-2BA-1112sf   | \$953           | \$0         | \$953    | \$438             | \$52            | \$1,005       | 6    |
| 062-03            | Jefferson Pointe Apartments    | 3BR-2BA-1282sf   | \$1,175         | \$0         | \$1,175  | \$332             | -\$88           | \$1,087       | 2    |
| 115-01            | River's Bend Apartments Homes  | 1BR-1BA-696sf    | \$940           | \$0         | \$940    | \$602             | \$222           | \$1,162       | 21   |
| 115-02            | River's Bend Apartments Homes  | 1BR-1BA-782sf    | \$995           | \$0         | \$995    | \$593             | \$213           | \$1,208       | 19   |
| 115-03            | River's Bend Apartments Homes  | 2BR-1BA-944sf    | \$1,035         | \$0         | \$1,035  | \$478             | \$66            | \$1,101       | 13   |
| 115-04            | River's Bend Apartments Homes  | 2BR-2BA-1123sf   | \$1,190         | \$0         | \$1,190  | \$596             | -\$52           | \$1,138       | 20   |
| 115-05            | River's Bend Apartments Homes  | 3BR-2BA-1313sf   | \$1,295         | \$0         | \$1,295  | \$492             | -\$194          | \$1,101       | 15   |
| 115-06            | River's Bend Apartments Homes  | 3BR-2BA-1372sf   | \$1,350         | \$0         | \$1,350  | \$498             | -\$200          | \$1,150       | 17   |

|                                 |         |
|---------------------------------|---------|
| Adjusted Rent, Minimum          | \$1,005 |
| Adjusted Rent, Maximum          | \$1,404 |
| Adjusted Rent, Average          | \$1,169 |
| Adjusted Rent, Modified Average | \$1,165 |
| <br>                            |         |
| Rent, Concluded                 | \$1,175 |

Our analysis suggests a rent of \$1,175 for the 3BR-1BA-784sf units at the subject property.

In our opinion, the 2BR-1BA-1008sf units at Farmingdale Townhouses (Property # 043), the 3BR-2BA-1282sf units at Jefferson Pointe Apartments (Property # 062), the 3BR-2BA-1099sf units at Branchester Lakes (Property # 015), the 3BR-2BA-1180sf units at Chesterfield Garden Apartments (Property # 025), and the 3BR-2BA-1313sf units at River's Bend Apartments Homes (Property # 115) 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<br>Adj | As<br>Ren | As<br>Is | \$<br>Adj |
| Tenant Paid Utilities           | 0           | \$70      | \$0      | \$70      |
| Square Feet                     | \$0.10      | 784       | 899      | \$12      |
| Condition                       | \$10        | 4.00      | 3.00     | -\$10     |
| Effective Age                   | \$1.00      | 2009      | 1995     | -\$14     |
| Dishwasher                      | \$2         | yes       | no       | -\$2      |
| Adjustments                     |             |           |          | \$56      |
| Adjusted Rent, Minimum          |             |           |          | \$1,060   |
| Adjusted Rent, Maximum          |             |           |          | \$1,460   |
| Adjusted Rent, Average          |             |           |          | \$1,224   |
| Adjusted Rent, Modified Average |             |           |          | \$1,221   |
| Rent, Concluded, As Is          |             |           |          | \$1,230   |

Our analysis suggests an "as is" rent of \$1,230 for the 3BR-1BA-784sf units at the subject property.

| Comparable            | Subject                 | 1                 |          | 2                              |          | 3                      |          | 4                           |          | 5                             |           |        |
|-----------------------|-------------------------|-------------------|----------|--------------------------------|----------|------------------------|----------|-----------------------------|----------|-------------------------------|-----------|--------|
| Property-Unit Key     | Sub-10                  | 015-03            |          | 025-03                         |          | 043-01                 |          | 062-03                      |          | 115-05                        |           |        |
| Unit Type             | 3BR-1BA-784sf           | 3BR-2BA-1099sf    |          | 3BR-2BA-1180sf                 |          | 2BR-1BA-1008sf         |          | 3BR-2BA-1282sf              |          | 3BR-2BA-1313sf                |           |        |
| Property Name         | Piper Square Apartments | Branchester Lakes |          | Chesterfield Garden Apartments |          | Farmingdale Townhouses |          | Jefferson Pointe Apartments |          | River's Bend Apartments Homes |           |        |
| Address               | 1529 Piper Square Drive | 6797 Lake Road    |          | 2260 Golden Garden Circle      |          | 3611 Wilmington Avenue |          | 4399 Jefferson Pointe Lane  |          | 401 Liverpool Circle          |           |        |
| City                  | Hopewell                | Prince George     |          | Chester                        |          | Hopewell               |          | Prince George               |          | Chester                       |           |        |
| State                 | Virginia                | Virginia          |          | Virginia                       |          | Virginia               |          | Virginia                    |          | Virginia                      |           |        |
| Zip                   | 23860                   | 23875             |          | 23836                          |          | 23860                  |          | 23875                       |          | 23836                         |           |        |
| Latitude              | 37.26900                | 37.25480          |          | 37.32503                       |          | 37.28123               |          | 37.25281                    |          | 37.36061                      |           |        |
| Longitude             | -77.31313               | -77.28552         |          | -77.31829                      |          | -77.31801              |          | -77.31501                   |          | -77.34854                     |           |        |
| Miles to Subject      | 0.00                    | 1.76              |          | 3.19                           |          | 0.75                   |          | 0.92                        |          | 5.56                          |           |        |
| Year Built            | 1982                    | 1997              |          | 2002                           |          | 1966                   |          | 2000                        |          | 1999                          |           |        |
| Year Rehab            | 2019                    | na                |          | na                             |          | 2011                   |          | na                          |          | na                            |           |        |
| Project Rent          | Subsidized              | 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) 541-0392          | (804) 452-0023    |          | (804) 425-6200                 |          | (804) 458-3451         |          | (804) 541-4000              |          | (804) 530-0200                |           |        |
| Effective Date        | 19-Apr-19               | 08-Apr-19         |          | 08-Apr-19                      |          | 08-Apr-19              |          | 08-Apr-19                   |          | 08-Apr-19                     |           |        |
| <u>Project Level</u>  |                         |                   |          |                                |          |                        |          |                             |          |                               |           |        |
| Units                 | 103                     | 120               |          | 106                            |          | 122                    |          | 220                         |          | 318                           |           |        |
| Vacant Units          | 20                      | 1                 |          | 0                              |          | 0                      |          | 3                           |          | 5                             |           |        |
| Vacancy Rate          | 19%                     | 1%                |          | 0%                             |          | 0%                     |          | 1%                          |          | 2%                            |           |        |
| <u>Unit Type</u>      |                         |                   |          |                                |          |                        |          |                             |          |                               |           |        |
| Units                 | 7                       | 32                |          | 6                              |          | 44                     |          | 34                          |          | 16                            |           |        |
| Vacant Units          | 1                       | 0                 |          | 0                              |          | 0                      |          | 1                           |          | 0                             |           |        |
| Vacancy Rate          | 14%                     | 0%                |          | 0%                             |          | 0%                     |          | 3%                          |          | 0%                            |           |        |
| Street Rent           | \$850                   | \$1,273           |          | \$1,477                        |          | \$880                  |          | \$1,175                     |          | \$1,295                       |           |        |
| Concessions           | \$0                     | \$0               |          | \$0                            |          | \$0                    |          | \$0                         |          | \$0                           |           |        |
| Net Rent              | \$850                   | \$1,273           |          | \$1,477                        |          | \$880                  |          | \$1,175                     |          | \$1,295                       |           |        |
| <u>Adj Data</u>       |                         |                   |          |                                |          |                        |          |                             |          |                               |           |        |
| Tenant-Paid Utilities | TPU                     | \$70              | \$201    | \$131                          | \$201    | \$131                  | \$143    | \$73                        | \$180    | \$110                         | \$201     | \$131  |
| Cable                 | \$0                     | no                | yes      | \$0                            | yes      | \$0                    | no       | \$0                         | no       | \$0                           | no        | \$0    |
| Internet              | \$0                     | no                | yes      | \$0                            | yes      | \$0                    | no       | \$0                         | no       | \$0                           | no        | \$0    |
| Bedrooms              | \$160                   | 3                 | 3        | \$0                            | 3        | \$0                    | 2        | \$160                       | 3        | \$0                           | 3         | \$0    |
| Bathrooms             | \$100                   | 1.00              | 2.00     | -\$100                         | 2.00     | -\$100                 | 1.00     | \$0                         | 2.00     | -\$100                        | 2.00      | -\$100 |
| Square Feet           | \$0.10                  | 784               | 1099     | -\$32                          | 1180     | -\$40                  | 1008     | -\$22                       | 1282     | -\$50                         | 1313      | -\$53  |
| Visibility            | \$0                     | 2.00              | 2.75     | \$0                            | 2.50     | \$0                    | 3.25     | \$0                         | 2.75     | \$0                           | 2.25      | \$0    |
| Access                | \$0                     | 3.00              | 3.00     | \$0                            | 3.50     | \$0                    | 3.25     | \$0                         | 3.00     | \$0                           | 3.00      | \$0    |
| Neighborhood          | \$0                     | 2.00              | 4.50     | \$0                            | 4.00     | \$0                    | 3.00     | \$0                         | 3.30     | \$0                           | 4.50      | \$0    |
| Area Amenities        | \$0                     | 3.80              | 2.00     | \$0                            | 2.40     | \$0                    | 3.10     | \$0                         | 2.30     | \$0                           | 2.10      | \$0    |
| Median HH Income      | \$0.0011                | \$25,978          | \$69,122 | -\$47                          | \$68,750 | -\$47                  | \$42,986 | -\$19                       | \$50,875 | -\$27                         | \$116,650 | -\$100 |
| Average Commute       | \$0                     | 22.04             | 20.56    | \$0                            | 26.04    | \$0                    | 24.81    | \$0                         | 26.10    | \$0                           | 23.06     | \$0    |
| Public Transportation | \$0                     | na                | na       | \$0                            | na       | \$0                    | na       | \$0                         | na       | \$0                           | na        | \$0    |
| Personal Crime        | \$0                     | 21.2%             | 0.2%     | \$0                            | 1.8%     | \$0                    | 7.2%     | \$0                         | 0.3%     | \$0                           | 0.6%      | \$0    |
| Condition             | \$10                    | 4.00              | 3.75     | \$3                            | 4.00     | \$0                    | 3.00     | \$10                        | 3.50     | \$5                           | 4.00      | \$0    |
| Effective Age         | \$1.00                  | 2009              | 2010     | -\$1                           | 2005     | \$4                    | 2005     | \$4                         | 2010     | -\$1                          | 2000      | \$9    |
| Ball Field            | \$2                     | no                | no       | \$0                            | no       | \$0                    | no       | \$0                         | no       | \$0                           | no        | \$0    |
| BBQ Area              | \$2                     | no                | no       | \$0                            | yes      | -\$2                   | no       | \$0                         | yes      | -\$2                          | yes       | -\$2   |
| Billiards             | \$2                     | no                | no       | \$0                            | no       | \$0                    | no       | \$0                         | no       | \$0                           | no        | \$0    |
| Bus/Comp Center       | \$2                     | yes               | no       | \$2                            | yes      | \$0                    | no       | \$2                         | yes      | \$0                           | yes       | \$0    |
| Car Care Center       | \$2                     | no                | no       | \$0                            | no       | \$0                    | no       | \$0                         | no       | \$0                           | no        | \$0    |
| Community Center      | \$2                     | yes               | no       | \$2                            | yes      | \$0                    | no       | \$2                         | yes      | \$0                           | yes       | \$0    |
| Elevator              | \$10                    | no                | no       | \$0                            | no       | \$0                    | no       | \$0                         | no       | \$0                           | no        | \$0    |
| Fitness Center        | \$2                     | no                | yes      | -\$2                           | yes      | -\$2                   | yes      | -\$2                        | yes      | -\$2                          | yes       | -\$2   |
| Gazebo                | \$2                     | no                | no       | \$0                            | no       | \$0                    | no       | \$0                         | no       | \$0                           | yes       | -\$2   |
| 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                         | yes      | -\$2                          | yes       | -\$2   |
| Playground            | \$2                     | yes               | yes      | \$0                            | yes      | \$0                    | no       | \$2                         | yes      | \$0                           | yes       | \$0    |
| Pool                  | \$2                     | no                | yes      | -\$2                           | yes      | -\$2                   | yes      | -\$2                        | yes      | -\$2                          | yes       | -\$2   |
| Sauna                 | \$2                     | no                | no       | \$0                            | no       | \$0                    | no       | \$0                         | no       | \$0                           | no        | \$0    |
| Sports Court          | \$2                     | yes               | yes      | \$0                            | yes      | \$0                    | no       | \$2                         | yes      | \$0                           | no        | \$2    |
| Walking Trail         | \$2                     | no                | no       | \$0                            | no       | \$0                    | no       | \$0                         | no       | \$0                           | yes       | -\$2   |
| Blinds                | \$2                     | yes               | yes      | \$0                            | yes      | \$0                    | yes      | \$0                         | yes      | \$0                           | yes       | \$0    |
| Ceiling Fans          | \$2                     | no                | no       | \$0                            | no       | \$0                    | no       | \$0                         | yes      | -\$2                          | yes       | -\$2   |
| Carpeting             | \$2                     | no                | yes      | -\$2                           | yes      | -\$2                   | yes      | -\$2                        | yes      | -\$2                          | yes       | -\$2   |
| Fireplace             | \$2                     | no                | yes      | -\$2                           | yes      | -\$2                   | no       | \$0                         | some     | \$0                           | some      | \$0    |
| Patio/Balcony         | \$2                     | yes               | yes      | \$0                            | yes      | \$0                    | yes      | \$0                         | yes      | \$0                           | yes       | \$0    |
| Storage               | \$10                    | some              | no       | \$0                            | no       | \$0                    | no       | \$0                         | yes      | -\$10                         | 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                | yes      | -\$2                           | yes      | -\$2                   | no       | \$0                         | no       | \$0                           | yes       | -\$2   |
| Dishwasher            | \$2                     | yes               | yes      | \$0                            | yes      | \$0                    | yes      | \$0                         | yes      | \$0                           | yes       | \$0    |
| Microwave             | \$2                     | no                | yes      | -\$2                           | yes      | -\$2                   | no       | \$0                         | no       | \$0                           | yes       | -\$2   |
| Garage                | \$50                    | no                | no       | \$0                            | no       | \$0                    | no       | \$0                         | no       | \$0                           | yes       | -\$50  |
| 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               | no       | \$5                            | no       | \$5                    | yes      | \$0                         | no       | \$5                           | no        | \$5    |
| W/D Units             | \$10                    | no                | yes      | -\$10                          | yes      | -\$10                  | no       | \$0                         | yes      | -\$10                         | yes       | -\$10  |
| W/D Hookups           | \$5                     | no                | no       | \$0                            | no       | \$0                    | yes      | -\$5                        | no       | \$0                           | no        | \$0    |
| 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                     | no                | no       | \$0                            | no       | \$0                    | no       | \$0                         | no       | \$0                           | no        | \$0    |
| Indicated Rent        | \$1,175                 | \$1,216           |          | \$1,404                        |          | \$1,085                |          | \$1,087                     |          | \$1,101                       |           |        |

Rent Conclusion, 3BR-2BA-899sf

The development of our rent conclusion for the 3BR-2BA-899sf units is found below.

Our analysis included the evaluation of a total of 21 unit types found at 7 properties. We selected the 21 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 21 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-12            | Piper Square Apartments        | 3BR-2BA-899sf    | \$850           | \$0         | \$850    | -                 | \$0             | \$850         | -    |
| 003-01            | Addison Crater Woods Phase 1   | 1BR-1BA-798sf    | \$944           | \$0         | \$944    | \$593             | \$439           | \$1,383       | 18   |
| 003-02            | Addison Crater Woods Phase 1   | 2BR-2BA-881sf    | \$949           | \$0         | \$949    | \$354             | \$200           | \$1,149       | 7    |
| 003-03            | Addison Crater Woods Phase 1   | 2BR-2BA-1196sf   | \$1,304         | \$0         | \$1,304  | \$382             | \$168           | \$1,472       | 11   |
| 015-01            | Branchester Lakes              | 1BR-1BA-717sf    | \$943           | \$0         | \$943    | \$586             | \$445           | \$1,388       | 17   |
| 015-02            | Branchester Lakes              | 2BR-2BA-947sf    | \$1,043         | \$0         | \$1,043  | \$343             | \$192           | \$1,235       | 5    |
| 015-03            | Branchester Lakes              | 3BR-2BA-1099sf   | \$1,273         | \$0         | \$1,273  | \$235             | \$54            | \$1,327       | 2    |
| 025-01            | Chesterfield Garden Apartments | 2BR-2BA-956sf    | \$1,136         | \$0         | \$1,136  | \$346             | \$184           | \$1,320       | 6    |
| 025-02            | Chesterfield Garden Apartments | 2BR-2BA-1070sf   | \$1,239         | \$0         | \$1,239  | \$357             | \$173           | \$1,412       | 9    |
| 025-03            | Chesterfield Garden Apartments | 3BR-2BA-1180sf   | \$1,477         | \$0         | \$1,477  | \$245             | \$39            | \$1,516       | 3    |
| 043-01            | Farmingdale Townhouses         | 2BR-1BA-1008sf   | \$880           | \$0         | \$880    | \$398             | \$316           | \$1,196       | 13   |
| 043-02            | Farmingdale Townhouses         | 2BR-1.5BA-1088sf | \$920           | \$0         | \$920    | \$356             | \$258           | \$1,178       | 8    |
| 050-01            | Harwood Square Apartments      | 1BR-1BA-825sf    | \$850           | \$0         | \$850    | \$605             | \$348           | \$1,198       | 19   |
| 062-01            | Jefferson Pointe Apartments    | 1BR-1BA-875sf    | \$850           | \$0         | \$850    | \$539             | \$418           | \$1,268       | 15   |
| 062-02            | Jefferson Pointe Apartments    | 2BR-2BA-1112sf   | \$953           | \$0         | \$953    | \$327             | \$163           | \$1,116       | 4    |
| 062-03            | Jefferson Pointe Apartments    | 3BR-2BA-1282sf   | \$1,175         | \$0         | \$1,175  | \$221             | \$23            | \$1,198       | 1    |
| 115-01            | River's Bend Apartments Homes  | 1BR-1BA-696sf    | \$940           | \$0         | \$940    | \$713             | \$334           | \$1,274       | 21   |
| 115-02            | River's Bend Apartments Homes  | 1BR-1BA-782sf    | \$995           | \$0         | \$995    | \$704             | \$325           | \$1,320       | 20   |
| 115-03            | River's Bend Apartments Homes  | 2BR-1BA-944sf    | \$1,035         | \$0         | \$1,035  | \$566             | \$178           | \$1,213       | 16   |
| 115-04            | River's Bend Apartments Homes  | 2BR-2BA-1123sf   | \$1,190         | \$0         | \$1,190  | \$484             | \$60            | \$1,250       | 14   |
| 115-05            | River's Bend Apartments Homes  | 3BR-2BA-1313sf   | \$1,295         | \$0         | \$1,295  | \$380             | -\$82           | \$1,213       | 10   |
| 115-06            | River's Bend Apartments Homes  | 3BR-2BA-1372sf   | \$1,350         | \$0         | \$1,350  | \$386             | -\$88           | \$1,262       | 12   |

|                                 |             |
|---------------------------------|-------------|
| Adjusted Rent, Minimum          | \$1,116     |
| Adjusted Rent, Maximum          | \$1,516     |
| Adjusted Rent, Average          | \$1,280     |
| Adjusted Rent, Modified Average | \$1,277     |
| <br>Rent, Concluded             | <br>\$1,275 |

Our analysis suggests a rent of \$1,275 for the 3BR-2BA-899sf units at the subject property.

In our opinion, the 3BR-2BA-1282sf units at Jefferson Pointe Apartments (Property # 062), the 3BR-2BA-1099sf units at Branchester Lakes (Property # 015), the 3BR-2BA-1180sf units at Chesterfield Garden Apartments (Property # 025), the 2BR-2BA-881sf units at Addison Crater Woods Phase 1 (Property # 003), and the 3BR-2BA-1313sf units at River's Bend Apartments Homes (Property # 115) 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<br>Adj | As<br>Ren | As<br>Is | \$<br>Adj |
| Tenant Paid Utilities           | 0           | \$70      | \$0      | \$70      |
| Bathrooms                       | \$100       | 2.00      | 1.00     | -\$100    |
| Condition                       | \$10        | 4.00      | 3.00     | -\$10     |
| Effective Age                   | \$1.00      | 2009      | 1995     | -\$14     |
| Dishwasher                      | \$2         | yes       | no       | -\$2      |
| Adjustments                     |             |           |          | -\$56     |
| Adjusted Rent, Minimum          |             |           |          | \$1,060   |
| Adjusted Rent, Maximum          |             |           |          | \$1,460   |
| Adjusted Rent, Average          |             |           |          | \$1,224   |
| Adjusted Rent, Modified Average |             |           |          | \$1,221   |
| Rent, Concluded, As Is          |             |           |          | \$1,220   |

Our analysis suggests an "as is" rent of \$1,220 for the 3BR-2BA-899sf units at the subject property.

| Comparable            | Subject                 |          | 1                            |       | 2                 |       | 3                              |       | 4                           |       | 5                             |        |
|-----------------------|-------------------------|----------|------------------------------|-------|-------------------|-------|--------------------------------|-------|-----------------------------|-------|-------------------------------|--------|
| Property-Unit Key     | Sub-12                  |          | 003-02                       |       | 015-03            |       | 025-03                         |       | 062-03                      |       | 115-05                        |        |
| Unit Type             | 3BR-2BA-899sf           |          | 2BR-2BA-881sf                |       | 3BR-2BA-1099sf    |       | 3BR-2BA-1180sf                 |       | 3BR-2BA-1282sf              |       | 3BR-2BA-1313sf                |        |
| Property Name         | Piper Square Apartments |          | Addison Crater Woods Phase 1 |       | Branchester Lakes |       | Chesterfield Garden Apartments |       | Jefferson Pointe Apartments |       | River's Bend Apartments Homes |        |
| Address               | 1529 Piper Square Drive |          | 200 Addison Way              |       | 6797 Lake Road    |       | 2260 Golden Garden Circle      |       | 4399 Jefferson Pointe Lane  |       | 401 Liverpool Circle          |        |
| City                  | Hopewell                |          | Petersburg                   |       | Prince George     |       | Chester                        |       | Prince George               |       | Chester                       |        |
| State                 | Virginia                |          | Virginia                     |       | Virginia          |       | Virginia                       |       | Virginia                    |       | Virginia                      |        |
| Zip                   | 23860                   |          | 23805                        |       | 23875             |       | 23836                          |       | 23875                       |       | 23836                         |        |
| Latitude              | 37.26900                |          | 37.18278                     |       | 37.25480          |       | 37.32503                       |       | 37.25281                    |       | 37.36061                      |        |
| Longitude             | -77.31313               |          | -77.37082                    |       | -77.28552         |       | -77.31829                      |       | -77.31501                   |       | -77.34854                     |        |
| Miles to Subject      | 0.00                    |          | 5.88                         |       | 1.76              |       | 3.19                           |       | 0.92                        |       | 5.56                          |        |
| Year Built            | 1982                    |          | 1982                         |       | 1997              |       | 2002                           |       | 2000                        |       | 1999                          |        |
| Year Rehab            | 2019                    |          | na                           |       | na                |       | na                             |       | na                          |       | na                            |        |
| Project Rent          | Subsidized              |          | 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) 541-0392          |          | (804) 732-0220               |       | (804) 452-0023    |       | (804) 425-6200                 |       | (804) 541-4000              |       | (804) 530-0200                |        |
| Effective Date        | 19-Apr-19               |          | 08-Apr-19                    |       | 08-Apr-19         |       | 08-Apr-19                      |       | 08-Apr-19                   |       | 08-Apr-19                     |        |
| <u>Project Level</u>  |                         |          |                              |       |                   |       |                                |       |                             |       |                               |        |
| Units                 | 103                     |          | 120                          |       | 120               |       | 106                            |       | 220                         |       | 318                           |        |
| Vacant Units          | 20                      |          | 4                            |       | 1                 |       | 0                              |       | 3                           |       | 5                             |        |
| Vacancy Rate          | 19%                     |          | 3%                           |       | 1%                |       | 0%                             |       | 1%                          |       | 2%                            |        |
| <u>Unit Type</u>      |                         |          |                              |       |                   |       |                                |       |                             |       |                               |        |
| Units                 | 1                       |          | 80                           |       | 32                |       | 6                              |       | 34                          |       | 16                            |        |
| Vacant Units          | 0                       |          | 3                            |       | 0                 |       | 0                              |       | 1                           |       | 0                             |        |
| Vacancy Rate          | 0%                      |          | 4%                           |       | 0%                |       | 0%                             |       | 3%                          |       | 0%                            |        |
| Street Rent           | \$850                   |          | \$949                        |       | \$1,273           |       | \$1,477                        |       | \$1,175                     |       | \$1,295                       |        |
| Concessions           | \$0                     |          | \$0                          |       | \$0               |       | \$0                            |       | \$0                         |       | \$0                           |        |
| Net Rent              | \$850                   |          | \$949                        |       | \$1,273           |       | \$1,477                        |       | \$1,175                     |       | \$1,295                       |        |
| <u>Adj</u>            | <u>Data</u>             |          | <u>Data</u>                  |       | <u>Data</u>       |       | <u>Data</u>                    |       | <u>Data</u>                 |       | <u>Data</u>                   |        |
| Tenant-Paid Utilities | TPU                     | \$70     | \$164                        | \$94  | \$201             | \$131 | \$201                          | \$131 | \$180                       | \$110 | \$201                         | \$131  |
| Cable                 | \$0                     | no       | no                           | \$0   | yes               | \$0   | yes                            | \$0   | no                          | \$0   | no                            | \$0    |
| Internet              | \$0                     | no       | no                           | \$0   | yes               | \$0   | yes                            | \$0   | no                          | \$0   | no                            | \$0    |
| Bedrooms              | \$160                   | 3        | 2                            | \$160 | 3                 | \$0   | 3                              | \$0   | 3                           | \$0   | 3                             | \$0    |
| Bathrooms             | \$100                   | 2.00     | 2.00                         | \$0   | 2.00              | \$0   | 2.00                           | \$0   | 2.00                        | \$0   | 2.00                          | \$0    |
| Square Feet           | \$0.10                  | 899      | 881                          | \$2   | 1099              | -\$20 | 1180                           | -\$28 | 1282                        | -\$38 | 1313                          | -\$41  |
| Visibility            | \$0                     | 2.00     | 2.75                         | \$0   | 2.75              | \$0   | 2.50                           | \$0   | 2.75                        | \$0   | 2.25                          | \$0    |
| Access                | \$0                     | 3.00     | 3.00                         | \$0   | 3.00              | \$0   | 3.50                           | \$0   | 3.00                        | \$0   | 3.00                          | \$0    |
| Neighborhood          | \$0                     | 2.00     | 3.30                         | \$0   | 4.50              | \$0   | 4.00                           | \$0   | 3.30                        | \$0   | 4.50                          | \$0    |
| Area Amenities        | \$0                     | 3.80     | 4.50                         | \$0   | 2.00              | \$0   | 2.40                           | \$0   | 2.30                        | \$0   | 2.10                          | \$0    |
| Median HH Income      | \$0.0011                | \$25,978 | \$52,344                     | -\$29 | \$69,122          | -\$47 | \$68,750                       | -\$47 | \$50,875                    | -\$27 | \$116,650                     | -\$100 |
| Average Commute       | \$0                     | 22.04    | 23.89                        | \$0   | 20.56             | \$0   | 26.04                          | \$0   | 26.10                       | \$0   | 23.06                         | \$0    |
| Public Transportation | \$0                     | na       | na                           | \$0   | na                | \$0   | na                             | \$0   | na                          | \$0   | na                            | \$0    |
| Personal Crime        | \$0                     | 21.2%    | 18.2%                        | \$0   | 0.2%              | \$0   | 1.8%                           | \$0   | 0.3%                        | \$0   | 0.6%                          | \$0    |
| Condition             | \$10                    | 4.00     | 3.50                         | \$5   | 3.75              | \$3   | 4.00                           | \$0   | 3.50                        | \$5   | 4.00                          | \$0    |
| Effective Age         | \$1.00                  | 2009     | 2000                         | \$9   | 2010              | -\$1  | 2005                           | \$4   | 2010                        | -\$1  | 2000                          | \$9    |
| Ball Field            | \$2                     | no       | no                           | \$0   | no                | \$0   | no                             | \$0   | no                          | \$0   | no                            | \$0    |
| BBQ Area              | \$2                     | no       | no                           | \$0   | no                | \$0   | yes                            | -\$2  | yes                         | -\$2  | yes                           | -\$2   |
| Billiards             | \$2                     | no       | yes                          | -\$2  | no                | \$0   | no                             | \$0   | no                          | \$0   | no                            | \$0    |
| Bus/Comp Center       | \$2                     | yes      | yes                          | \$0   | no                | \$2   | yes                            | \$0   | yes                         | \$0   | yes                           | \$0    |
| Car Care Center       | \$2                     | no       | yes                          | -\$2  | no                | \$0   | no                             | \$0   | no                          | \$0   | no                            | \$0    |
| Community Center      | \$2                     | yes      | yes                          | \$0   | no                | \$2   | yes                            | \$0   | yes                         | \$0   | yes                           | \$0    |
| Elevator              | \$10                    | no       | no                           | \$0   | no                | \$0   | no                             | \$0   | no                          | \$0   | no                            | \$0    |
| Fitness Center        | \$2                     | no       | yes                          | -\$2  | yes               | -\$2  | yes                            | -\$2  | yes                         | -\$2  | yes                           | -\$2   |
| Gazebo                | \$2                     | no       | no                           | \$0   | no                | \$0   | no                             | \$0   | no                          | \$0   | yes                           | -\$2   |
| 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       | yes                          | -\$2  | no                | \$0   | no                             | \$0   | no                          | \$0   | no                            | \$0    |
| Picnic Area           | \$2                     | no       | no                           | \$0   | no                | \$0   | yes                            | -\$2  | yes                         | -\$2  | yes                           | -\$2   |
| Playground            | \$2                     | yes      | yes                          | \$0   | yes               | \$0   | yes                            | \$0   | yes                         | \$0   | yes                           | \$0    |
| Pool                  | \$2                     | no       | yes                          | -\$2  | yes               | -\$2  | yes                            | -\$2  | yes                         | -\$2  | yes                           | -\$2   |
| Sauna                 | \$2                     | no       | no                           | \$0   | no                | \$0   | no                             | \$0   | no                          | \$0   | no                            | \$0    |
| Sports Court          | \$2                     | yes      | yes                          | \$0   | yes               | \$0   | yes                            | \$0   | yes                         | \$0   | no                            | \$2    |
| Walking Trail         | \$2                     | no       | no                           | \$0   | no                | \$0   | no                             | \$0   | no                          | \$0   | yes                           | -\$2   |
| Blinds                | \$2                     | yes      | yes                          | \$0   | yes               | \$0   | yes                            | \$0   | yes                         | \$0   | yes                           | \$0    |
| Ceiling Fans          | \$2                     | no       | yes                          | -\$2  | no                | \$0   | no                             | \$0   | yes                         | -\$2  | yes                           | -\$2   |
| Carpeting             | \$2                     | no       | yes                          | -\$2  | yes               | -\$2  | yes                            | -\$2  | yes                         | -\$2  | yes                           | -\$2   |
| Fireplace             | \$2                     | no       | no                           | \$0   | yes               | -\$2  | yes                            | -\$2  | some                        | \$0   | some                          | \$0    |
| Patio/Balcony         | \$2                     | yes      | yes                          | \$0   | yes               | \$0   | yes                            | \$0   | yes                         | \$0   | yes                           | \$0    |
| Storage               | \$10                    | some     | yes                          | -\$10 | no                | \$0   | no                             | \$0   | yes                         | -\$10 | 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       | yes                          | -\$2  | yes               | -\$2  | yes                            | -\$2  | no                          | \$0   | yes                           | -\$2   |
| Dishwasher            | \$2                     | yes      | yes                          | \$0   | yes               | \$0   | yes                            | \$0   | yes                         | \$0   | yes                           | \$0    |
| Microwave             | \$2                     | no       | yes                          | -\$2  | yes               | -\$2  | yes                            | -\$2  | no                          | \$0   | yes                           | -\$2   |
| Garage                | \$50                    | no       | no                           | \$0   | no                | \$0   | no                             | \$0   | no                          | \$0   | yes                           | -\$50  |
| Covered               | \$20                    | no       | no                           | \$0   | no                | \$0   | no                             | \$0   | no                          | \$0   | no                            | \$0    |
| Assigned              | \$10                    | no       | yes                          | -\$10 | no                | \$0   | no                             | \$0   | no                          | \$0   | no                            | \$0    |
| Open                  | \$0                     | yes      | no                           | \$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      | no                           | \$5   | no                | \$5   | no                             | \$5   | no                          | \$5   | no                            | \$5    |
| W/D Units             | \$10                    | no       | yes                          | -\$10 | yes               | -\$10 | yes                            | -\$10 | yes                         | -\$10 | yes                           | -\$10  |
| W/D Hookups           | \$5                     | no       | no                           | \$0   | no                | \$0   | no                             | \$0   | no                          | \$0   | no                            | \$0    |
| 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   | no                | \$0   | yes                            | -\$2  | no                          | \$0   | no                            | \$0    |
| Monitoring            | \$2                     | yes      | no                           | \$2   | no                | \$2   | no                             | \$2   | no                          | \$2   | no                            | \$2    |
| Security Alarms       | \$2                     | no       | some                         | \$0   | no                | \$0   | no                             | \$0   | no                          | \$0   | no                            | \$0    |
| Security Patrols      | \$2                     | no       | no                           | \$0   | no                | \$0   | no                             | \$0   | no                          | \$0   | no                            | \$0    |
| Indicated Rent        |                         | \$1,275  | \$1,149                      |       | \$1,327           |       | \$1,516                        |       | \$1,198                     |       | \$1,213                       |        |

Rent Conclusion, 4BR-1BA-989sf

The development of our rent conclusion for the 4BR-1BA-989sf units is found below.

Our analysis included the evaluation of a total of 21 unit types found at 7 properties. We selected the 21 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 21 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-14            | Piper Square Apartments        | 4BR-1BA-989sf    | \$1,019         | \$0         | \$1,019  | -                 | \$0             | \$1,019       | -    |
| 003-01            | Addison Crater Woods Phase 1   | 1BR-1BA-798sf    | \$944           | \$0         | \$944    | \$653             | \$499           | \$1,443       | 17   |
| 003-02            | Addison Crater Woods Phase 1   | 2BR-2BA-881sf    | \$949           | \$0         | \$949    | \$614             | \$260           | \$1,209       | 11   |
| 003-03            | Addison Crater Woods Phase 1   | 2BR-2BA-1196sf   | \$1,304         | \$0         | \$1,304  | \$624             | \$228           | \$1,532       | 14   |
| 015-01            | Branchester Lakes              | 1BR-1BA-717sf    | \$943           | \$0         | \$943    | \$646             | \$505           | \$1,448       | 16   |
| 015-02            | Branchester Lakes              | 2BR-2BA-947sf    | \$1,043         | \$0         | \$1,043  | \$593             | \$252           | \$1,295       | 7    |
| 015-03            | Branchester Lakes              | 3BR-2BA-1099sf   | \$1,273         | \$0         | \$1,273  | \$477             | \$114           | \$1,387       | 3    |
| 025-01            | Chesterfield Garden Apartments | 2BR-2BA-956sf    | \$1,136         | \$0         | \$1,136  | \$594             | \$244           | \$1,380       | 8    |
| 025-02            | Chesterfield Garden Apartments | 2BR-2BA-1070sf   | \$1,239         | \$0         | \$1,239  | \$599             | \$233           | \$1,472       | 10   |
| 025-03            | Chesterfield Garden Apartments | 3BR-2BA-1180sf   | \$1,477         | \$0         | \$1,477  | \$487             | \$99            | \$1,576       | 4    |
| 043-01            | Farmingdale Townhouses         | 2BR-1BA-1008sf   | \$880           | \$0         | \$880    | \$440             | \$376           | \$1,256       | 1    |
| 043-02            | Farmingdale Townhouses         | 2BR-1.5BA-1088sf | \$920           | \$0         | \$920    | \$498             | \$318           | \$1,238       | 5    |
| 050-01            | Harwood Square Apartments      | 1BR-1BA-825sf    | \$850           | \$0         | \$850    | \$683             | \$408           | \$1,258       | 18   |
| 062-01            | Jefferson Pointe Apartments    | 1BR-1BA-875sf    | \$850           | \$0         | \$850    | \$599             | \$478           | \$1,328       | 9    |
| 062-02            | Jefferson Pointe Apartments    | 2BR-2BA-1112sf   | \$953           | \$0         | \$953    | \$569             | \$223           | \$1,176       | 6    |
| 062-03            | Jefferson Pointe Apartments    | 3BR-2BA-1282sf   | \$1,175         | \$0         | \$1,175  | \$463             | \$83            | \$1,258       | 2    |
| 115-01            | River's Bend Apartments Homes  | 1BR-1BA-696sf    | \$940           | \$0         | \$940    | \$773             | \$394           | \$1,334       | 21   |
| 115-02            | River's Bend Apartments Homes  | 1BR-1BA-782sf    | \$995           | \$0         | \$995    | \$764             | \$385           | \$1,380       | 20   |
| 115-03            | River's Bend Apartments Homes  | 2BR-1BA-944sf    | \$1,035         | \$0         | \$1,035  | \$617             | \$238           | \$1,273       | 12   |
| 115-04            | River's Bend Apartments Homes  | 2BR-2BA-1123sf   | \$1,190         | \$0         | \$1,190  | \$726             | \$120           | \$1,310       | 19   |
| 115-05            | River's Bend Apartments Homes  | 3BR-2BA-1313sf   | \$1,295         | \$0         | \$1,295  | \$622             | -\$22           | \$1,273       | 13   |
| 115-06            | River's Bend Apartments Homes  | 3BR-2BA-1372sf   | \$1,350         | \$0         | \$1,350  | \$628             | -\$28           | \$1,322       | 15   |

|                                 |         |
|---------------------------------|---------|
| Adjusted Rent, Minimum          | \$1,176 |
| Adjusted Rent, Maximum          | \$1,576 |
| Adjusted Rent, Average          | \$1,340 |
| Adjusted Rent, Modified Average | \$1,337 |
| Rent, Concluded                 | \$1,350 |

Our analysis suggests a rent of \$1,350 for the 4BR-1BA-989sf units at the subject property.

In our opinion, the 2BR-1BA-1008sf units at Farmingdale Townhouses (Property # 043), the 3BR-2BA-1282sf units at Jefferson Pointe Apartments (Property # 062), the 3BR-2BA-1099sf units at Branchester Lakes (Property # 015), the 3BR-2BA-1180sf units at Chesterfield Garden Apartments (Property # 025), and the 3BR-2BA-1313sf units at River's Bend Apartments Homes (Property # 115) 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<br>Adj | As<br>Ren | As<br>Is | \$<br>Adj |
| Tenant Paid Utilities           | 0           | \$79      | \$0      | \$79      |
| Square Feet                     | \$0.10      | 989       | 1,192    | \$20      |
| Condition                       | \$10        | 4.00      | 3.00     | -\$10     |
| Effective Age                   | \$1.00      | 2009      | 1995     | -\$14     |
| Dishwasher                      | \$2         | yes       | no       | -\$2      |
| Adjustments                     |             |           |          | \$73      |
| Adjusted Rent, Minimum          |             |           |          | \$1,250   |
| Adjusted Rent, Maximum          |             |           |          | \$1,649   |
| Adjusted Rent, Average          |             |           |          | \$1,414   |
| Adjusted Rent, Modified Average |             |           |          | \$1,410   |
| Rent, Concluded, As Is          |             |           |          | \$1,425   |

Our analysis suggests an "as is" rent of \$1,425 for the 4BR-1BA-989sf units at the subject property.

| Comparable            | Subject                 | 1                 | 2                              | 3                      | 4                           | 5                             |            |       |          |        |           |        |
|-----------------------|-------------------------|-------------------|--------------------------------|------------------------|-----------------------------|-------------------------------|------------|-------|----------|--------|-----------|--------|
| Property-Unit Key     | Sub-14                  | 015-03            | 025-03                         | 043-01                 | 062-03                      | 115-05                        |            |       |          |        |           |        |
| Unit Type             | 4BR-1BA-989sf           | 3BR-2BA-1099sf    | 3BR-2BA-1180sf                 | 2BR-1BA-1008sf         | 3BR-2BA-1282sf              | 3BR-2BA-1313sf                |            |       |          |        |           |        |
| Property Name         | Piper Square Apartments | Branchester Lakes | Chesterfield Garden Apartments | Farmingdale Townhouses | Jefferson Pointe Apartments | River's Bend Apartments Homes |            |       |          |        |           |        |
| Address               | 1529 Piper Square Drive | 6797 Lake Road    | 2260 Golden Garden Circle      | 3611 Wilmington Avenue | 4399 Jefferson Pointe Lane  | 401 Liverpool Circle          |            |       |          |        |           |        |
| City                  | Hopewell                | Prince George     | Chester                        | Hopewell               | Prince George               | Chester                       |            |       |          |        |           |        |
| State                 | Virginia                | Virginia          | Virginia                       | Virginia               | Virginia                    | Virginia                      |            |       |          |        |           |        |
| Zip                   | 23860                   | 23875             | 23836                          | 23860                  | 23875                       | 23836                         |            |       |          |        |           |        |
| Latitude              | 37.26900                | 37.25480          | 37.32503                       | 37.28123               | 37.25281                    | 37.36061                      |            |       |          |        |           |        |
| Longitude             | -77.31313               | -77.28552         | -77.31829                      | -77.31801              | -77.31501                   | -77.34854                     |            |       |          |        |           |        |
| Miles to Subject      | 0.00                    | 1.76              | 3.19                           | 0.75                   | 0.92                        | 5.56                          |            |       |          |        |           |        |
| Year Built            | 1982                    | 1997              | 2002                           | 1966                   | 2000                        | 1999                          |            |       |          |        |           |        |
| Year Rehab            | 2019                    | na                | na                             | 2011                   | na                          | na                            |            |       |          |        |           |        |
| Project Rent          | Subsidized              | 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) 541-0392          | (804) 452-0023    | (804) 425-6200                 | (804) 458-3451         | (804) 541-4000              | (804) 530-0200                |            |       |          |        |           |        |
| Effective Date        | 19-Apr-19               | 08-Apr-19         | 08-Apr-19                      | 08-Apr-19              | 08-Apr-19                   | 08-Apr-19                     |            |       |          |        |           |        |
| <u>Project Level</u>  |                         |                   |                                |                        |                             |                               |            |       |          |        |           |        |
| Units                 | 103                     | 120               | 106                            | 122                    | 220                         | 318                           |            |       |          |        |           |        |
| Vacant Units          | 20                      | 1                 | 0                              | 0                      | 3                           | 5                             |            |       |          |        |           |        |
| Vacancy Rate          | 19%                     | 1%                | 0%                             | 0%                     | 1%                          | 2%                            |            |       |          |        |           |        |
| <u>Unit Type</u>      |                         |                   |                                |                        |                             |                               |            |       |          |        |           |        |
| Units                 | 3                       | 32                | 6                              | 44                     | 34                          | 16                            |            |       |          |        |           |        |
| Vacant Units          | 1                       | 0                 | 0                              | 0                      | 1                           | 0                             |            |       |          |        |           |        |
| Vacancy Rate          | 33%                     | 0%                | 0%                             | 0%                     | 3%                          | 0%                            |            |       |          |        |           |        |
| Street Rent           | \$1,019                 | \$1,273           | \$1,477                        | \$880                  | \$1,175                     | \$1,295                       |            |       |          |        |           |        |
| Concessions           | \$0                     | \$0               | \$0                            | \$0                    | \$0                         | \$0                           |            |       |          |        |           |        |
| Net Rent              | \$1,019                 | \$1,273           | \$1,477                        | \$880                  | \$1,175                     | \$1,295                       |            |       |          |        |           |        |
| <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 \$79                | \$201             | \$122                          | \$201                  | \$122                       | \$143                         | \$64       | \$180 | \$101    | \$201  | \$122     |        |
| Cable                 | \$0                     | no                | yes                            | \$0                    | yes                         | \$0                           | no         | \$0   | no       | \$0    | no        | \$0    |
| Internet              | \$0                     | no                | yes                            | \$0                    | yes                         | \$0                           | no         | \$0   | no       | \$0    | no        | \$0    |
| Bedrooms              | \$160                   | 4                 | 3                              | \$160                  | 3                           | \$160                         | 2          | \$320 | 3        | \$160  | 3         | \$160  |
| Bathrooms             | \$100                   | 1.00              | 2.00                           | -\$100                 | 2.00                        | -\$100                        | 1.00       | \$0   | 2.00     | -\$100 | 2.00      | -\$100 |
| Square Feet           | \$0.10                  | 989               | 1099                           | -\$11                  | 1180                        | -\$19                         | 1008       | -\$2  | 1282     | -\$29  | 1313      | -\$32  |
| Visibility            | \$0                     | 2.00              | 2.75                           | \$0                    | 2.50                        | \$0                           | 3.25       | \$0   | 2.75     | \$0    | 2.25      | \$0    |
| Access                | \$0                     | 3.00              | 3.00                           | \$0                    | 3.50                        | \$0                           | 3.25       | \$0   | 3.00     | \$0    | 3.00      | \$0    |
| Neighborhood          | \$0                     | 2.00              | 4.50                           | \$0                    | 4.00                        | \$0                           | 3.00       | \$0   | 3.30     | \$0    | 4.50      | \$0    |
| Area Amenities        | \$0                     | 3.80              | 2.00                           | \$0                    | 2.40                        | \$0                           | 3.10       | \$0   | 2.30     | \$0    | 2.10      | \$0    |
| Median HH Income      | \$0.0011                | \$25,978          | \$69,122                       | -\$47                  | \$68,750                    | -\$47                         | \$42,986   | -\$19 | \$50,875 | -\$27  | \$116,650 | -\$100 |
| Average Commute       | \$0                     | 22.04             | 20.56                          | \$0                    | 26.04                       | \$0                           | 24.81      | \$0   | 26.10    | \$0    | 23.06     | \$0    |
| Public Transportation | \$0                     | na                | na                             | \$0                    | na                          | \$0                           | na         | \$0   | na       | \$0    | na        | \$0    |
| Personal Crime        | \$0                     | 21.2%             | 0.2%                           | \$0                    | 1.8%                        | \$0                           | 7.2%       | \$0   | 0.3%     | \$0    | 0.6%      | \$0    |
| Condition             | \$10                    | 4.00              | 3.75                           | \$3                    | 4.00                        | \$0                           | 3.00       | \$10  | 3.50     | \$5    | 4.00      | \$0    |
| Effective Age         | \$1.00                  | 2009              | 2010                           | -\$1                   | 2005                        | \$4                           | 2005       | \$4   | 2010     | -\$1   | 2000      | \$9    |
| Ball Field            | \$2                     | no                | no                             | \$0                    | no                          | \$0                           | no         | \$0   | no       | \$0    | no        | \$0    |
| BBQ Area              | \$2                     | no                | no                             | \$0                    | yes                         | -\$2                          | no         | \$0   | yes      | -\$2   | yes       | -\$2   |
| Billiards             | \$2                     | no                | no                             | \$0                    | no                          | \$0                           | no         | \$0   | no       | \$0    | no        | \$0    |
| Bus/Comp Center       | \$2                     | yes               | no                             | \$2                    | yes                         | \$0                           | no         | \$2   | yes      | \$0    | yes       | \$0    |
| Car Care Center       | \$2                     | no                | no                             | \$0                    | no                          | \$0                           | no         | \$0   | no       | \$0    | no        | \$0    |
| Community Center      | \$2                     | yes               | no                             | \$2                    | yes                         | \$0                           | no         | \$2   | yes      | \$0    | yes       | \$0    |
| Elevator              | \$10                    | no                | no                             | \$0                    | no                          | \$0                           | no         | \$0   | no       | \$0    | no        | \$0    |
| Fitness Center        | \$2                     | no                | yes                            | -\$2                   | yes                         | -\$2                          | yes        | -\$2  | yes      | -\$2   | yes       | -\$2   |
| Gazebo                | \$2                     | no                | no                             | \$0                    | no                          | \$0                           | no         | \$0   | no       | \$0    | yes       | -\$2   |
| 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   | yes      | -\$2   | yes       | -\$2   |
| Playground            | \$2                     | yes               | yes                            | \$0                    | yes                         | \$0                           | no         | \$2   | yes      | \$0    | yes       | \$0    |
| Pool                  | \$2                     | no                | yes                            | -\$2                   | yes                         | -\$2                          | yes        | -\$2  | yes      | -\$2   | yes       | -\$2   |
| Sauna                 | \$2                     | no                | no                             | \$0                    | no                          | \$0                           | no         | \$0   | no       | \$0    | no        | \$0    |
| Sports Court          | \$2                     | yes               | yes                            | \$0                    | yes                         | \$0                           | no         | \$2   | yes      | \$0    | no        | \$2    |
| Walking Trail         | \$2                     | no                | no                             | \$0                    | no                          | \$0                           | no         | \$0   | no       | \$0    | yes       | -\$2   |
| Blinds                | \$2                     | yes               | yes                            | \$0                    | yes                         | \$0                           | yes        | \$0   | yes      | \$0    | yes       | \$0    |
| Ceiling Fans          | \$2                     | no                | no                             | \$0                    | no                          | \$0                           | no         | \$0   | yes      | -\$2   | yes       | -\$2   |
| Carpeting             | \$2                     | no                | yes                            | -\$2                   | yes                         | -\$2                          | yes        | -\$2  | yes      | -\$2   | yes       | -\$2   |
| Fireplace             | \$2                     | no                | yes                            | -\$2                   | yes                         | -\$2                          | no         | \$0   | some     | \$0    | some      | \$0    |
| Patio/Balcony         | \$2                     | yes               | yes                            | \$0                    | yes                         | \$0                           | yes        | \$0   | yes      | \$0    | yes       | \$0    |
| Storage               | \$10                    | some              | no                             | \$0                    | no                          | \$0                           | no         | \$0   | yes      | -\$10  | 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                | yes                            | -\$2                   | yes                         | -\$2                          | no         | \$0   | no       | \$0    | yes       | -\$2   |
| Dishwasher            | \$2                     | yes               | yes                            | \$0                    | yes                         | \$0                           | yes        | \$0   | yes      | \$0    | yes       | \$0    |
| Microwave             | \$2                     | no                | yes                            | -\$2                   | yes                         | -\$2                          | no         | \$0   | no       | \$0    | yes       | -\$2   |
| Garage                | \$50                    | no                | no                             | \$0                    | no                          | \$0                           | no         | \$0   | no       | \$0    | yes       | -\$50  |
| 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               | no                             | \$5                    | no                          | \$5                           | yes        | \$0   | no       | \$5    | no        | \$5    |
| W/D Units             | \$10                    | no                | yes                            | -\$10                  | yes                         | -\$10                         | no         | \$0   | yes      | -\$10  | yes       | -\$10  |
| W/D Hookups           | \$5                     | no                | no                             | \$0                    | no                          | \$0                           | yes        | -\$5  | no       | \$0    | no        | \$0    |
| 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                     | no                | no                             | \$0                    | no                          | \$0                           | no         | \$0   | no       | \$0    | no        | \$0    |
| <b>Indicated Rent</b> | <b>\$1,350</b>          | <b>\$1,387</b>    | <b>\$1,576</b>                 | <b>\$1,256</b>         | <b>\$1,258</b>              | <b>\$1,273</b>                |            |       |          |        |           |        |

### 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-606sf / 50% of AMI / 50% of AMI | No   | Yes        | 10    | \$870   | \$551    | 36.7%     |
| 1BR-1BA-606sf / 60% of AMI / 60% of AMI | No   | Yes        | 6     | \$870   | \$551    | 36.7%     |
| 1BR-1BA-606sf / 60% of AMI / 60% of AMI | No   | Yes        | 4     | \$870   | \$551    | 36.7%     |
| 2BR-1BA-627sf / 50% of AMI / 50% of AMI | No   | Yes        | 17    | \$950   | \$635    | 33.2%     |
| 2BR-1BA-764sf / 50% of AMI / 50% of AMI | No   | Yes        | 7     | \$950   | \$635    | 33.2%     |
| 2BR-1BA-764sf / 60% of AMI / 60% of AMI | No   | Yes        | 7     | \$950   | \$635    | 33.2%     |
| 2BR-1BA-905sf / 60% of AMI / 60% of AMI | No   | Yes        | 13    | \$950   | \$635    | 33.2%     |
| 2BR-1BA-905sf / 60% of AMI / 60% of AMI | No   | Yes        | 4     | \$950   | \$635    | 33.2%     |
| 3BR-1BA-764sf / 50% of AMI / 50% of AMI | No   | Yes        | 8     | \$1,175 | \$850    | 27.7%     |
| 3BR-1BA-784sf / 50% of AMI / 50% of AMI | No   | Yes        | 7     | \$1,175 | \$850    | 27.7%     |
| 3BR-1BA-899sf / 60% of AMI / 60% of AMI | No   | Yes        | 13    | \$1,275 | \$850    | 33.3%     |
| 3BR-2BA-899sf / 60% of AMI / 60% of AMI | No   | Yes        | 1     | \$1,275 | \$850    | 33.3%     |
| 4BR-1BA-989sf / 50% of AMI / 50% of AMI | No   | Yes        | 3     | \$1,350 | \$1,019  | 24.5%     |
| 4BR-1BA-989sf / 60% of AMI / 60% of AMI | No   | Yes        | 3     | \$1,350 | \$1,019  | 24.5%     |
| Total / Average                         |      |            | 103   | \$1,035 | \$702    | 32.2%     |

Our analysis suggests an average unrestricted market rent of \$1,035 for the subject property. This is compared with an average proposed rent of \$702, yielding an unrestricted market rent advantage of 32.2 percent. Overall, the subject property appears to be priced at or below unrestricted market rents for the area.

We selected a total of 7 properties as comparables for purposes of our analysis. The average occupancy at the select rent comparables currently stands at 99 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                          |            |            |            |            |            |            |            | 99%    |
| 2-Bedroom                          |            |            |            |            |            |            |            | 99%    |
| 3-Bedroom                          |            |            |            |            |            |            |            | 99%    |
| 4-Bedroom                          |            |            |            |            |            |            |            |        |
| Total                              |            |            |            |            |            |            |            | 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                             | 97%        |            |            |            |            |            |            | 100%   |
| 1-Bedroom                             | 98%        |            | 100%       | 94%        | 100%       |            |            | 95%    |
| 2-Bedroom                             | 97%        |            | 100%       | 98%        | 95%        |            |            | 94%    |
| 3-Bedroom                             | 95%        |            | 100%       | 97%        | 97%        |            |            | 97%    |
| 4-Bedroom                             | 93%        |            |            |            |            |            |            | 83%    |
| Total                                 | 97%        |            | 100%       | 97%        | 96%        |            |            | 95%    |

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 \$930 to \$1042 since 2010. This represents an average 1.5% 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 | \$678 | \$757   | \$1,010 | -      | -     | -     |
| 2007 | \$705 | \$788   | \$1,051 | 4.0%   | 4.1%  | 4.1%  |
| 2008 | \$779 | \$870   | \$1,161 | 10.5%  | 10.4% | 10.5% |
| 2009 | \$828 | \$925   | \$1,234 | 6.3%   | 6.3%  | 6.3%  |
| 2010 | \$832 | \$930   | \$1,241 | 0.5%   | 0.5%  | 0.6%  |
| 2011 | \$857 | \$958   | \$1,278 | 3.0%   | 3.0%  | 3.0%  |
| 2012 | \$786 | \$878   | \$1,171 | -8.3%  | -8.4% | -8.4% |
| 2013 | \$826 | \$979   | \$1,287 | 5.1%   | 11.5% | 9.9%  |
| 2014 | \$830 | \$984   | \$1,294 | 0.5%   | 0.5%  | 0.5%  |
| 2015 | \$838 | \$993   | \$1,306 | 1.0%   | 0.9%  | 0.9%  |
| 2016 | \$835 | \$966   | \$1,276 | -0.4%  | -2.7% | -2.3% |
| 2017 | \$871 | \$1,005 | \$1,332 | 4.3%   | 4.0%  | 4.4%  |
| 2018 | \$907 | \$1,042 | \$1,386 | 4.1%   | 3.7%  | 4.1%  |

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-616.5sf / 60% of AMI / 60% of AMI | No   | Yes        | 20    | \$900   | \$664    | 26.2%     |
| 2BR-1BA-774sf / 60% of AMI / 60% of AMI   | No   | Yes        | 34    | \$985   | \$787    | 20.1%     |
| 2BR-1BA-905sf / 60% of AMI / 60% of AMI   | No   | Yes        | 14    | \$985   | \$787    | 20.1%     |
| 3BR-1BA-899sf / 60% of AMI / 60% of AMI   | No   | Yes        | 8     | \$1,230 | \$1,035  | 15.9%     |
| 3BR-1BA-989sf / 60% of AMI / 60% of AMI   | No   | Yes        | 20    | \$1,230 | \$1,035  | 15.9%     |
| 3BR-1BA-1214sf / 60% of AMI / 60% of AMI  | No   | Yes        | 1     | \$1,220 | \$1,035  | 15.2%     |
| 4BR-1BA-1192sf / 60% of AMI / 60% of AMI  | No   | Yes        | 6     | \$1,425 | \$1,235  | 13.3%     |
| Total / Average                           |      |            | 103   | \$1,063 | \$859    | 19.2%     |

## **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 |
| 009      | Bailey's Ridge                   | 2000  | na        | Restricted | Family   | Stabilized |       |     |       |       |       |     |     |     |
| 013      | Boiling Park Apartments          | 1928  | 2000      | Restricted | Elderly  | Stabilized |       |     |       |       | \$561 |     |     |     |
| 016      | Broadwater Townhome 1 & 2        | 2003  | na        | Restricted | Family   | Stabilized |       |     |       |       |       |     |     |     |
| 022      | Cavalier Apartments 1            | 2017  | na        | Restricted | Elderly  | Stabilized |       |     | \$516 | \$631 |       |     |     |     |
| 026      | Claiborne Square Apartments      | 2011  | na        | Restricted | Elderly  | Stabilized |       |     |       | \$672 |       |     |     |     |
| 029      | Clearfield Apartments            | 1993  | 2012      | Restricted | Family   | Stabilized |       |     |       |       |       |     |     |     |
| 033      | Colonial Heights of Dunlop Farms | 2000  | na        | Restricted | Elderly  | Stabilized |       |     |       |       |       |     |     |     |
| 051      | Henry Williams Townhomes         | 2011  | na        | Restricted | Family   | Stabilized |       |     |       |       |       |     |     |     |
| 064      | Jefferson South of the James     | 1974  | 2000      | Restricted | Family   | Stabilized |       |     |       |       | \$775 |     |     |     |
| 065      | Jesse Lee Apartments             | 2008  | na        | Restricted | Family   | Stabilized |       |     |       |       |       |     |     |     |
| 079      | Liberty Pointe                   | 2015  | na        | Restricted | Family   | Stabilized |       |     |       |       |       |     |     |     |
| 080      | Lieutenants Run Apartments       | 2005  | na        | Restricted | Family   | Stabilized |       |     |       |       |       |     |     |     |
| 094      | Oaks Of Dunlop                   | 1990  | 2017      | Restricted | Family   | Stabilized |       |     |       |       | \$875 |     |     |     |
| 105      | Pinetree Apartments              | 1995  | na        | Restricted | Family   | Stabilized |       |     |       |       | \$698 |     |     |     |
| 108      | Puddledock Place Apartments 1    | 2014  | na        | Restricted | Family   | Stabilized |       |     |       |       |       |     |     |     |
| 109      | Puddledock Place Apartments 2    | 2015  | na        | Restricted | Family   | Stabilized |       |     |       | \$559 |       |     |     |     |
| 117      | Mattox Landing Apartments        | 2000  | na        | Restricted | Family   | Stabilized |       |     |       |       |       |     |     |     |
| 120      | Sentry Woods Apartments          | 1988  | 2003      | Restricted | Family   | Stabilized | \$422 |     |       | \$565 |       |     |     |     |
| 125      | Summit Apartments (The)          | 2014  | na        | Restricted | Family   | Stabilized |       |     |       |       |       |     |     |     |
| 131      | Terrace View                     | 1999  | na        | Restricted | Family   | Stabilized |       |     |       |       | \$812 |     |     |     |
| 141      | Westover Commons Apartments      | 1947  | 2001      | Restricted | Family   | Stabilized |       |     |       |       |       |     |     |     |
| 147      | Wythe Row Townhomes              | 1911  | 2000      | Restricted | Family   | Stabilized |       |     |       |       |       |     |     |     |

Source: Allen & Associates

Rental Property Inventory, 2-Bedroom Units

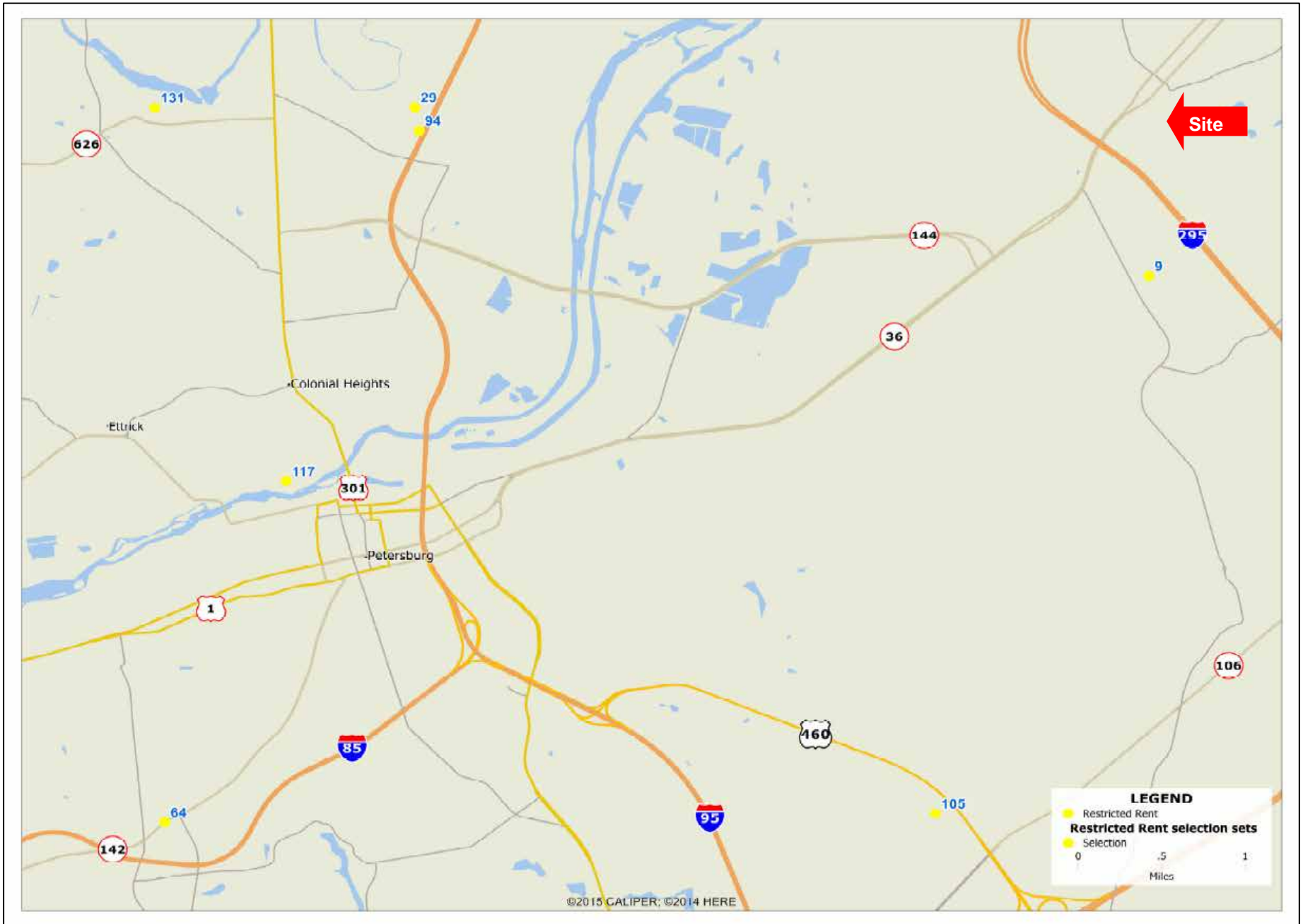
| Overview |                                  |       |           |            |          |            | Rents |     |       |       |         |     |     |     |
|----------|----------------------------------|-------|-----------|------------|----------|------------|-------|-----|-------|-------|---------|-----|-----|-----|
| Key      | Property Name                    | Built | Renovated | Rent Type  | Occ Type | Status     | Sub   | 20% | 30%   | 40%   | 50%     | 60% | 80% | Mkt |
| 009      | Bailey's Ridge                   | 2000  | na        | Restricted | Family   | Stabilized |       |     |       |       | \$813   |     |     |     |
| 013      | Boiling Park Apartments          | 1928  | 2000      | Restricted | Elderly  | Stabilized |       |     |       |       | \$664   |     |     |     |
| 016      | Broadwater Townhome 1 & 2        | 2003  | na        | Restricted | Family   | Stabilized |       |     |       |       |         |     |     |     |
| 022      | Cavalier Apartments 1            | 2017  | na        | Restricted | Elderly  | Stabilized |       |     |       | \$774 | \$877   |     |     |     |
| 026      | Claiborne Square Apartments      | 2011  | na        | Restricted | Elderly  | Stabilized |       |     |       | \$715 |         |     |     |     |
| 029      | Clearfield Apartments            | 1993  | 2012      | Restricted | Family   | Stabilized |       |     |       |       | \$899   |     |     |     |
| 033      | Colonial Heights of Dunlop Farms | 2000  | na        | Restricted | Elderly  | Stabilized |       |     |       | \$828 |         |     |     |     |
| 051      | Henry Williams Townhomes         | 2011  | na        | Restricted | Family   | Stabilized |       |     | \$680 | \$680 |         |     |     |     |
| 064      | Jefferson South of the James     | 1974  | 2000      | Restricted | Family   | Stabilized |       |     |       |       | \$825   |     |     |     |
| 065      | Jesse Lee Apartments             | 2008  | na        | Restricted | Family   | Stabilized |       |     |       | \$701 |         |     |     |     |
| 079      | Liberty Pointe                   | 2015  | na        | Restricted | Family   | Stabilized |       |     |       | \$730 |         |     |     |     |
| 080      | Lieutenants Run Apartments       | 2005  | na        | Restricted | Family   | Stabilized |       |     |       |       | \$775   |     |     |     |
| 094      | Oaks Of Dunlop                   | 1990  | 2017      | Restricted | Family   | Stabilized |       |     |       |       | \$1,040 |     |     |     |
| 105      | Pinetree Apartments              | 1995  | na        | Restricted | Family   | Stabilized |       |     |       |       | \$788   |     |     |     |
| 108      | Puddledock Place Apartments 1    | 2014  | na        | Restricted | Family   | Stabilized |       |     |       | \$755 |         |     |     |     |
| 109      | Puddledock Place Apartments 2    | 2015  | na        | Restricted | Family   | Stabilized |       |     |       | \$781 |         |     |     |     |
| 117      | Mattox Landing Apartments        | 2000  | na        | Restricted | Family   | Stabilized |       |     |       |       | \$800   |     |     |     |
| 120      | Sentry Woods Apartments          | 1988  | 2003      | Restricted | Family   | Stabilized |       |     | \$511 | \$615 |         |     |     |     |
| 125      | Summit Apartments (The)          | 2014  | na        | Restricted | Family   | Stabilized | \$556 |     |       | \$740 |         |     |     |     |
| 131      | Terrace View                     | 1999  | na        | Restricted | Family   | Stabilized |       |     |       |       | \$975   |     |     |     |
| 141      | Westover Commons Apartments      | 1947  | 2001      | Restricted | Family   | Stabilized |       |     |       |       | \$595   |     |     |     |
| 147      | Wythe Row Townhomes              | 1911  | 2000      | Restricted | Family   | Stabilized |       |     |       | \$720 |         |     |     |     |

Source: Allen & Associates

Rental Property Inventory, 3-Bedroom Units

| Overview |                                  |       |           |            |          |            | Rents |     |       |       |         |     |     |         |
|----------|----------------------------------|-------|-----------|------------|----------|------------|-------|-----|-------|-------|---------|-----|-----|---------|
| Key      | Property Name                    | Built | Renovated | Rent Type  | Occ Type | Status     | Sub   | 20% | 30%   | 40%   | 50%     | 60% | 80% | Mkt     |
| 009      | Bailey's Ridge                   | 2000  | na        | Restricted | Family   | Stabilized |       |     |       |       |         |     |     |         |
| 013      | Boiling Park Apartments          | 1928  | 2000      | Restricted | Elderly  | Stabilized |       |     |       |       |         |     |     |         |
| 016      | Broadwater Townhome 1 & 2        | 2003  | na        | Restricted | Family   | Stabilized |       |     |       |       | \$1,117 |     |     | \$1,661 |
| 022      | Cavalier Apartments 1            | 2017  | na        | Restricted | Elderly  | Stabilized |       |     |       |       |         |     |     |         |
| 026      | Claiborne Square Apartments      | 2011  | na        | Restricted | Elderly  | Stabilized |       |     |       |       |         |     |     |         |
| 029      | Clearfield Apartments            | 1993  | 2012      | Restricted | Family   | Stabilized |       |     |       |       | \$1,052 |     |     |         |
| 033      | Colonial Heights of Dunlop Farms | 2000  | na        | Restricted | Elderly  | Stabilized |       |     |       |       |         |     |     |         |
| 051      | Henry Williams Townhomes         | 2011  | na        | Restricted | Family   | Stabilized |       |     | \$755 | \$755 |         |     |     |         |
| 064      | Jefferson South of the James     | 1974  | 2000      | Restricted | Family   | Stabilized |       |     |       |       | \$925   |     |     |         |
| 065      | Jesse Lee Apartments             | 2008  | na        | Restricted | Family   | Stabilized |       |     |       | \$782 |         |     |     |         |
| 079      | Liberty Pointe                   | 2015  | na        | Restricted | Family   | Stabilized |       |     |       | \$770 |         |     |     |         |
| 080      | Lieutenants Run Apartments       | 2005  | na        | Restricted | Family   | Stabilized |       |     |       |       | \$895   |     |     |         |
| 094      | Oaks Of Dunlop                   | 1990  | 2017      | Restricted | Family   | Stabilized |       |     |       |       | \$1,200 |     |     |         |
| 105      | Pinetree Apartments              | 1995  | na        | Restricted | Family   | Stabilized |       |     |       |       | \$908   |     |     |         |
| 108      | Puddledock Place Apartments 1    | 2014  | na        | Restricted | Family   | Stabilized |       |     |       | \$891 |         |     |     |         |
| 109      | Puddledock Place Apartments 2    | 2015  | na        | Restricted | Family   | Stabilized |       |     |       | \$891 |         |     |     |         |
| 117      | Mattox Landing Apartments        | 2000  | na        | Restricted | Family   | Stabilized |       |     |       |       | \$950   |     |     |         |
| 120      | Sentry Woods Apartments          | 1988  | 2003      | Restricted | Family   | Stabilized |       |     |       |       |         |     |     |         |
| 125      | Summit Apartments (The)          | 2014  | na        | Restricted | Family   | Stabilized | \$742 |     |       | \$852 |         |     |     |         |
| 131      | Terrace View                     | 1999  | na        | Restricted | Family   | Stabilized |       |     |       |       | \$1,118 |     |     |         |
| 141      | Westover Commons Apartments      | 1947  | 2001      | Restricted | Family   | Stabilized |       |     |       |       |         |     |     |         |
| 147      | Wythe Row Townhomes              | 1911  | 2000      | Restricted | Family   | 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 \$85 per bedroom.

| Bedrooms   |              |       |           |
|------------|--------------|-------|-----------|
| Adjustment | Survey Range |       | Concluded |
| Bedrooms   | \$0          | \$200 | \$85      |

*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 \$0.25 per square foot.

| Square Feet |              |        |           |
|-------------|--------------|--------|-----------|
| Adjustment  | Survey Range |        | Concluded |
| Square Feet | \$0.00       | \$2.00 | \$0.25    |

*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 \$40 per point for differences in visibility ratings between the subject and the comparables.

| Visibility |              |       |           |
|------------|--------------|-------|-----------|
| Adjustment | Survey Range |       | Concluded |
| Rating     | \$0          | \$100 | \$40      |

*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 \$100 per point for differences in access ratings between the subject and the comparables.

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

*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 \$45 per point for differences in amenity ratings between the subject and the comparables.

| Area Amenities |              |       |           |
|----------------|--------------|-------|-----------|
| Adjustment     | Survey Range |       | Concluded |
| Rating         | \$0          | \$100 | \$45      |

*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 \$0.0025 per dollar of median household income.

| Median Household Income |              |          |           |
|-------------------------|--------------|----------|-----------|
| Adjustment              | Survey Range |          | Concluded |
| Med HH Inc              | \$0.0000     | \$0.0100 | \$0.0025  |

*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 \$0.00 per each minute of commute.

| Average Commute |              |         |           |
|-----------------|--------------|---------|-----------|
| Adjustment      | Survey Range |         | Concluded |
| Avg Commute     | \$0.00       | \$20.00 | \$0.00    |

*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  | \$2       |
| Billiards         | \$2          | \$10  | \$2       |
| Bus/Comp Ctrs     | \$2          | \$10  | \$10      |
| Car Care Center   | \$2          | \$10  | \$2       |
| Community Center  | \$2          | \$10  | \$10      |
| 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  | \$5       |
| Pool              | \$2          | \$10  | \$2       |
| Sauna             | \$2          | \$10  | \$2       |
| Sports Court      | \$2          | \$10  | \$10      |
| 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 | \$2       |
| 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 | \$10      |
| 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 \$25.

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

### *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-606sf

The development of our rent conclusion for the 1BR-1BA-606sf units is found below.

Our analysis included the evaluation of a total of 21 unit types found at 7 properties. We selected the 21 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 21 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            | Piper Square Apartments         | 1BR-1BA-606sf    | \$551           | \$0         | \$551    | -                 | \$0             | \$551         | -    |
| 009-01            | Bailey's Ridge                  | 2BR-2BA-978sf    | \$785           | \$0         | \$785    | \$530             | -\$146          | \$639         | 14   |
| 009-02            | Bailey's Ridge                  | 2BR-2BA-1078sf   | \$895           | \$0         | \$895    | \$612             | -\$114          | \$781         | 18   |
| 029-01            | Clearfield Apartments           | 2BR-2BA-931sf    | \$930           | \$31        | \$899    | \$428             | -\$162          | \$737         | 8    |
| 029-02            | Clearfield Apartments           | 3BR-2BA-1144sf   | \$1,052         | \$0         | \$1,052  | \$603             | -\$263          | \$789         | 16   |
| 064-01            | Jefferson South of the James    | 1BR-1BA-850sf    | \$775           | \$0         | \$775    | \$248             | -\$8            | \$767         | 1    |
| 064-02            | Jefferson South of the James    | 2BR-1BA-950sf    | \$825           | \$0         | \$825    | \$369             | -\$101          | \$724         | 6    |
| 064-03            | Jefferson South of the James    | 3BR-1BA-1100sf   | \$925           | \$0         | \$925    | \$509             | -\$206          | \$719         | 12   |
| 094-01            | Oaks Of Dunlop                  | 1BR-1BA-686sf    | \$875           | \$0         | \$875    | \$273             | -\$168          | \$707         | 2    |
| 094-02            | Oaks Of Dunlop                  | 2BR-2BA-922sf    | \$1,040         | \$0         | \$1,040  | \$423             | -\$306          | \$734         | 7    |
| 094-03            | Oaks Of Dunlop                  | 3BR-2BA-1010sf   | \$1,200         | \$0         | \$1,200  | \$540             | -\$403          | \$797         | 15   |
| 105-01            | Pinetree Apartments             | 1BR-1BA-700sf    | \$685           | \$0         | \$685    | \$322             | \$99            | \$784         | 4    |
| 105-02            | Pinetree Apartments             | 1BR-1BA-780sf    | \$710           | \$0         | \$710    | \$342             | \$79            | \$789         | 5    |
| 105-03            | Pinetree Apartments             | 2BR-2BA-1000sf   | \$765           | \$0         | \$765    | \$501             | -\$42           | \$723         | 11   |
| 105-04            | Pinetree Apartments             | 2BR-2BA-1080sf   | \$810           | \$0         | \$810    | \$521             | -\$62           | \$748         | 13   |
| 105-05            | Pinetree Apartments             | 3BR-2BA-1264sf   | \$895           | \$0         | \$895    | \$681             | -\$164          | \$731         | 20   |
| 105-06            | Pinetree Apartments             | 3BR-2BA-1364sf   | \$920           | \$0         | \$920    | \$706             | -\$189          | \$731         | 21   |
| 117-01            | Mattox Landing Apartments       | 2BR-1.5BA-891sf  | \$800           | \$0         | \$800    | \$445             | -\$90           | \$710         | 9    |
| 117-02            | Mattox Landing Apartments       | 3BR-2BA-1071sf   | \$950           | \$0         | \$950    | \$612             | -\$183          | \$767         | 17   |
| 131-01            | Terrace View                    | 1BR-1BA-780sf    | \$812           | \$0         | \$812    | \$290             | -\$68           | \$744         | 3    |
| 131-02            | Terrace View                    | 2BR-1.5BA-1080sf | \$975           | \$0         | \$975    | \$468             | -\$210          | \$765         | 10   |
| 131-03            | Terrace View                    | 3BR-2BA-1364sf   | \$1,118         | \$0         | \$1,118  | \$644             | -\$346          | \$772         | 19   |
|                   | Adjusted Rent, Minimum          |                  |                 |             |          |                   |                 | \$639         |      |
|                   | Adjusted Rent, Maximum          |                  |                 |             |          |                   |                 | \$797         |      |
|                   | Adjusted Rent, Average          |                  |                 |             |          |                   |                 | \$746         |      |
|                   | Adjusted Rent, Modified Average |                  |                 |             |          |                   |                 | \$749         |      |
|                   | Rent, Concluded                 |                  |                 |             |          |                   |                 | \$750         |      |

Our analysis suggests a rent of \$750 for the 1BR-1BA-606sf units at the subject property.

In our opinion, the 1BR-1BA-850sf units at Jefferson South of the James (Property # 064), the 1BR-1BA-686sf units at Oaks Of Dunlop (Property # 094), the 1BR-1BA-780sf units at Terrace View (Property # 131), the 1BR-1BA-700sf units at Pinetree Apartments (Property # 105), and the 2BR-2BA-931sf units at Clearfield Apartments (Property # 029) 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<br>Adj | As<br>Ren | As<br>Is | \$<br>Adj |
| Tenant Paid Utilities           | 0           | \$54      | \$0      | \$54      |
| Square Feet                     | \$0.25      | 606       | 617      | \$3       |
| Condition                       | \$10        | 4.00      | 3.00     | -\$10     |
| Effective Age                   | \$1.00      | 2009      | 1995     | -\$14     |
| Dishwasher                      | \$2         | yes       | no       | -\$2      |
| Adjustments                     |             |           |          | \$31      |
| Adjusted Rent, Minimum          |             |           |          | \$669     |
| Adjusted Rent, Maximum          |             |           |          | \$828     |
| Adjusted Rent, Average          |             |           |          | \$776     |
| Adjusted Rent, Modified Average |             |           |          | \$779     |
| Rent, Concluded, As Is          |             |           |          | \$780     |

Our analysis suggests an "as is" rent of \$780 for the 1BR-1BA-606sf units at the subject property.

| Comparable            | Subject                 | 1                     | 2                            | 3                | 4                   | 5                      |
|-----------------------|-------------------------|-----------------------|------------------------------|------------------|---------------------|------------------------|
| Property-Unit Key     | Sub-03                  | 029-01                | 064-01                       | 094-01           | 105-01              | 131-01                 |
| Unit Type             | 1BR-1BA-606sf           | 2BR-2BA-931sf         | 1BR-1BA-850sf                | 1BR-1BA-686sf    | 1BR-1BA-700sf       | 1BR-1BA-780sf          |
| Property Name         | Piper Square Apartments | Clearfield Apartments | Jefferson South of the James | Oaks Of Dunlop   | Pinetree Apartments | Terrace View           |
| Address               | 1529 Piper Square Drive | 100 Clearfield Circle | 1800 Boydton Plane Road      | 101 Old Oak Lane | 3100 Pinetree Drive | 202 Lakeview Park Road |
| City                  | Hopewell                | Colonial Heights      | Petersburg                   | Colonial Heights | Petersburg          | Colonial Heights       |
| State                 | Virginia                | Virginia              | Virginia                     | Virginia         | Virginia            | Virginia               |
| Zip                   | 23860                   | 23834                 | 23805                        | 23834            | 23803               | 23834                  |
| Latitude              | 37.26900                | 37.27006              | 37.20300                     | 37.26788         | 37.20381            | 37.27003               |
| Longitude             | -77.31313               | -77.39658             | -77.42377                    | -77.39612        | -77.34001           | -77.42486              |
| Miles to Subject      | 0.00                    | 4.73                  | 7.30                         | 4.70             | 3.99                | 6.33                   |
| Year Built            | 1982                    | 1993                  | 1974                         | 1990             | 1995                | 1999                   |
| Year Rehab            | 2019                    | 2012                  | 2000                         | 2017             | na                  | na                     |
| Project Rent          | Subsidized              | Restricted            | Restricted                   | Restricted       | Restricted          | Restricted             |
| Project Type          | Family                  | Family                | Family                       | Family           | Family              | Family                 |
| Project Status        | Prop Rehab              | Stabilized            | Stabilized                   | Stabilized       | Stabilized          | Stabilized             |
| Phone                 | (804) 541-0392          | (804) 520-6563        | (804) 722-5444               | (804) 520-8500   | (804) 862-1231      | (804) 524-2555         |
| Effective Date        | 19-Apr-19               | 08-Apr-19             | 09-Apr-19                    | 09-Apr-19        | 10-Apr-19           | 19-Apr-19              |
| <u>Project Level</u>  |                         |                       |                              |                  |                     |                        |
| Units                 | 103                     | 144                   | 200                          | 144              | 144                 | 62                     |
| Vacant Units          | 20                      | 17                    | 4                            | 1                | 15                  | 0                      |
| Vacancy Rate          | 19%                     | 12%                   | 2%                           | 1%               | 10%                 | 0%                     |
| <u>Unit Type</u>      |                         |                       |                              |                  |                     |                        |
| Units                 | 4                       | 140                   | 48                           | 12               | 4                   | 10                     |
| Vacant Units          | 1                       | 17                    | 0                            | 0                | 0                   | 0                      |
| Vacancy Rate          | 25%                     | 12%                   | 0%                           | 0%               | 0%                  | 0%                     |
| Street Rent           | \$551                   | \$930                 | \$775                        | \$875            | \$685               | \$812                  |
| Concessions           | \$0                     | \$31                  | \$0                          | \$0              | \$0                 | \$0                    |
| Net Rent              | \$551                   | \$899                 | \$775                        | \$875            | \$685               | \$812                  |
| <u>Adj</u>            | <u>Data</u>             | <u>Data</u>           | <u>Adj</u>                   | <u>Data</u>      | <u>Adj</u>          | <u>Data</u>            |
| Tenant-Paid Utilities | TPU \$54                | \$164                 | \$110                        | \$51             | -\$3                | \$43                   |
| Cable                 | \$0                     | no                    | \$0                          | no               | \$0                 | \$0                    |
| Internet              | \$0                     | no                    | \$0                          | no               | \$0                 | \$0                    |
| Bedrooms              | \$85                    | 1                     | -\$85                        | 1                | \$0                 | \$0                    |
| Bathrooms             | \$0                     | 1.00                  | \$0                          | 1.00             | \$0                 | \$0                    |
| Square Feet           | \$0.25                  | 606                   | 931                          | 850              | -\$61               | 780                    |
| Visibility            | \$40                    | 2.00                  | 3.25                         | 3.00             | -\$40               | \$0                    |
| Access                | \$100                   | 3.00                  | 3.00                         | 3.00             | \$0                 | \$50                   |
| Neighborhood          | \$0                     | 2.00                  | 2.80                         | 2.60             | \$0                 | \$0                    |
| Area Amenities        | \$45                    | 3.80                  | 3.50                         | 3.00             | -\$9                | \$77                   |
| Median HH Income      | \$0.0025                | \$25,978              | \$40,596                     | \$23,880         | -\$37               | \$44,602               |
| Average Commute       | \$0                     | 22.04                 | 20.63                        | 15.73            | \$0                 | 26.91                  |
| Public Transportation | \$0                     | na                    | na                           | na               | \$0                 | \$0                    |
| Personal Crime        | \$0                     | 21.2%                 | 2.7%                         | 21.6%            | \$0                 | 8.4%                   |
| Condition             | \$10                    | 4.00                  | 3.25                         | 3.25             | \$8                 | \$5                    |
| Effective Age         | \$1.00                  | 2009                  | 2010                         | 2000             | -\$1                | \$14                   |
| Ball Field            | \$2                     | no                    | \$0                          | no               | \$0                 | \$0                    |
| BBQ Area              | \$2                     | no                    | \$0                          | no               | -\$2                | \$0                    |
| Billiards             | \$2                     | no                    | \$0                          | no               | \$0                 | \$0                    |
| Bus/Comp Center       | \$10                    | yes                   | \$0                          | no               | \$10                | \$10                   |
| Car Care Center       | \$2                     | no                    | \$0                          | no               | \$0                 | \$0                    |
| Community Center      | \$10                    | yes                   | \$0                          | no               | \$10                | \$0                    |
| Elevator              | \$10                    | no                    | \$0                          | no               | \$0                 | \$0                    |
| Fitness Center        | \$2                     | no                    | -\$2                         | no               | \$0                 | -\$2                   |
| Gazebo                | \$2                     | no                    | \$0                          | no               | \$0                 | \$0                    |
| Hot Tub/Jacuzzi       | \$2                     | no                    | \$0                          | no               | \$0                 | \$0                    |
| Horseshoe Pit         | \$2                     | no                    | \$0                          | no               | \$0                 | \$0                    |
| Lake                  | \$2                     | no                    | \$0                          | no               | \$0                 | \$0                    |
| Library               | \$2                     | no                    | \$0                          | no               | \$0                 | \$0                    |
| Movie Theatre         | \$2                     | no                    | \$0                          | no               | \$0                 | \$0                    |
| Picnic Area           | \$2                     | no                    | \$0                          | no               | -\$2                | \$0                    |
| Playground            | \$5                     | yes                   | \$0                          | no               | \$5                 | \$0                    |
| Pool                  | \$2                     | no                    | -\$2                         | no               | \$0                 | -\$2                   |
| Sauna                 | \$2                     | no                    | \$0                          | no               | \$0                 | \$0                    |
| Sports Court          | \$10                    | yes                   | \$0                          | yes              | \$0                 | \$10                   |
| Walking Trail         | \$2                     | no                    | \$0                          | no               | \$0                 | \$0                    |
| Blinds                | \$2                     | yes                   | \$0                          | yes              | \$0                 | \$0                    |
| Ceiling Fans          | \$2                     | no                    | \$0                          | no               | -\$2                | \$0                    |
| Carpeting             | \$2                     | no                    | -\$2                         | yes              | -\$2                | -\$2                   |
| Fireplace             | \$2                     | no                    | \$0                          | no               | \$0                 | \$0                    |
| Patio/Balcony         | \$10                    | yes                   | \$0                          | no               | \$10                | \$0                    |
| Storage               | \$10                    | some                  | \$0                          | no               | \$0                 | \$0                    |
| Stove                 | \$2                     | yes                   | \$0                          | yes              | \$0                 | \$0                    |
| Refrigerator          | \$2                     | yes                   | \$0                          | yes              | \$0                 | \$0                    |
| Disposal              | \$10                    | no                    | -\$10                        | yes              | -\$10               | -\$10                  |
| Dishwasher            | \$2                     | yes                   | \$0                          | yes              | \$0                 | \$0                    |
| Microwave             | \$2                     | no                    | \$0                          | yes              | -\$2                | \$0                    |
| Garage                | \$50                    | no                    | \$0                          | no               | \$0                 | \$0                    |
| Covered               | \$20                    | no                    | \$0                          | no               | \$0                 | \$0                    |
| Assigned              | \$10                    | no                    | \$0                          | no               | \$0                 | \$0                    |
| Open                  | \$0                     | yes                   | \$0                          | yes              | \$0                 | \$0                    |
| None                  | \$0                     | no                    | \$0                          | no               | \$0                 | \$0                    |
| Central               | \$25                    | yes                   | \$0                          | no               | \$25                | \$0                    |
| W/D Units             | \$10                    | no                    | \$0                          | yes              | -\$10               | \$0                    |
| W/D Hookups           | \$25                    | no                    | -\$25                        | no               | \$0                 | -\$25                  |
| Call Buttons          | \$2                     | no                    | \$0                          | no               | \$0                 | \$0                    |
| Controlled Access     | \$2                     | no                    | \$0                          | no               | \$0                 | \$0                    |
| Courtesy Officer      | \$2                     | no                    | \$0                          | no               | \$0                 | \$0                    |
| Monitoring            | \$2                     | yes                   | \$2                          | no               | \$2                 | \$2                    |
| Security Alarms       | \$2                     | no                    | \$0                          | no               | \$0                 | \$0                    |
| Security Patrols      | \$2                     | no                    | \$0                          | no               | \$0                 | \$0                    |
| Indicated Rent        | \$750                   | \$737                 | \$767                        | \$707            | \$784               | \$744                  |

Rent Conclusion, 2BR-1BA-905sf

The development of our rent conclusion for the 2BR-1BA-905sf units is found below.

Our analysis included the evaluation of a total of 21 unit types found at 7 properties. We selected the 21 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 21 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-08            | Piper Square Apartments         | 2BR-1BA-905sf    | \$635           | \$0         | \$635    | -                 | \$0             | \$635         | -    |
| 009-01            | Bailey's Ridge                  | 2BR-2BA-978sf    | \$785           | \$0         | \$785    | \$362             | \$6             | \$791         | 11   |
| 009-02            | Bailey's Ridge                  | 2BR-2BA-1078sf   | \$895           | \$0         | \$895    | \$444             | \$38            | \$933         | 18   |
| 029-01            | Clearfield Apartments           | 2BR-2BA-931sf    | \$930           | \$31        | \$899    | \$260             | -\$10           | \$889         | 3    |
| 029-02            | Clearfield Apartments           | 3BR-2BA-1144sf   | \$1,052         | \$0         | \$1,052  | \$435             | -\$111          | \$941         | 16   |
| 064-01            | Jefferson South of the James    | 1BR-1BA-850sf    | \$775           | \$0         | \$775    | \$293             | \$143           | \$918         | 5    |
| 064-02            | Jefferson South of the James    | 2BR-1BA-950sf    | \$825           | \$0         | \$825    | \$201             | \$50            | \$875         | 1    |
| 064-03            | Jefferson South of the James    | 3BR-1BA-1100sf   | \$925           | \$0         | \$925    | \$341             | -\$54           | \$871         | 8    |
| 094-01            | Oaks Of Dunlop                  | 1BR-1BA-686sf    | \$875           | \$0         | \$875    | \$393             | -\$16           | \$859         | 13   |
| 094-02            | Oaks Of Dunlop                  | 2BR-2BA-922sf    | \$1,040         | \$0         | \$1,040  | \$255             | -\$154          | \$886         | 2    |
| 094-03            | Oaks Of Dunlop                  | 3BR-2BA-1010sf   | \$1,200         | \$0         | \$1,200  | \$372             | -\$251          | \$949         | 12   |
| 105-01            | Pinetree Apartments             | 1BR-1BA-700sf    | \$685           | \$0         | \$685    | \$426             | \$251           | \$936         | 15   |
| 105-02            | Pinetree Apartments             | 1BR-1BA-780sf    | \$710           | \$0         | \$710    | \$406             | \$231           | \$941         | 14   |
| 105-03            | Pinetree Apartments             | 2BR-2BA-1000sf   | \$765           | \$0         | \$765    | \$333             | \$110           | \$875         | 7    |
| 105-04            | Pinetree Apartments             | 2BR-2BA-1080sf   | \$810           | \$0         | \$810    | \$353             | \$90            | \$900         | 9    |
| 105-05            | Pinetree Apartments             | 3BR-2BA-1264sf   | \$895           | \$0         | \$895    | \$513             | -\$12           | \$883         | 20   |
| 105-06            | Pinetree Apartments             | 3BR-2BA-1364sf   | \$920           | \$0         | \$920    | \$538             | -\$37           | \$883         | 21   |
| 117-01            | Mattox Landing Apartments       | 2BR-1.5BA-891sf  | \$800           | \$0         | \$800    | \$284             | \$62            | \$862         | 4    |
| 117-02            | Mattox Landing Apartments       | 3BR-2BA-1071sf   | \$950           | \$0         | \$950    | \$444             | -\$31           | \$919         | 17   |
| 131-01            | Terrace View                    | 1BR-1BA-780sf    | \$812           | \$0         | \$812    | \$355             | \$83            | \$895         | 10   |
| 131-02            | Terrace View                    | 2BR-1.5BA-1080sf | \$975           | \$0         | \$975    | \$301             | -\$59           | \$916         | 6    |
| 131-03            | Terrace View                    | 3BR-2BA-1364sf   | \$1,118         | \$0         | \$1,118  | \$477             | -\$195          | \$923         | 19   |
|                   | Adjusted Rent, Minimum          |                  |                 |             |          |                   |                 | \$791         |      |
|                   | Adjusted Rent, Maximum          |                  |                 |             |          |                   |                 | \$949         |      |
|                   | Adjusted Rent, Average          |                  |                 |             |          |                   |                 | \$897         |      |
|                   | Adjusted Rent, Modified Average |                  |                 |             |          |                   |                 | \$900         |      |
|                   | Rent, Concluded                 |                  |                 |             |          |                   |                 | \$875         |      |

Our analysis suggests a rent of \$875 for the 2BR-1BA-905sf units at the subject property.

In our opinion, the 2BR-1BA-950sf units at Jefferson South of the James (Property # 064), the 2BR-2BA-922sf units at Oaks Of Dunlop (Property # 094), the 2BR-2BA-931sf units at Clearfield Apartments (Property # 029), the 2BR-1.5BA-891sf units at Mattox Landing Apartments (Property # 117), and the 2BR-1.5BA-1080sf units at Terrace View (Property # 131) 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<br>Adj | As<br>Ren | As<br>Is | \$<br>Adj |
| Tenant Paid Utilities           | 0           | \$62      | \$0      | \$62      |
| Condition                       | \$10        | 4.00      | 3.00     | -\$10     |
| Effective Age                   | \$1.00      | 2009      | 1995     | -\$14     |
| Dishwasher                      | \$2         | yes       | no       | -\$2      |
| Adjustments                     |             |           |          | \$36      |
| Adjusted Rent, Minimum          |             |           |          | \$827     |
| Adjusted Rent, Maximum          |             |           |          | \$985     |
| Adjusted Rent, Average          |             |           |          | \$933     |
| Adjusted Rent, Modified Average |             |           |          | \$936     |
| Rent, Concluded, As Is          |             |           |          | \$910     |

Our analysis suggests an "as is" rent of \$910 for the 2BR-1BA-905sf units at the subject property.

| Comparable            | Subject                 | 1                     | 2                            | 3                | 4                         | 5                      |
|-----------------------|-------------------------|-----------------------|------------------------------|------------------|---------------------------|------------------------|
| Property-Unit Key     | Sub-08                  | 029-01                | 064-02                       | 094-02           | 117-01                    | 131-02                 |
| Unit Type             | 2BR-1BA-905sf           | 2BR-2BA-931sf         | 2BR-1BA-950sf                | 2BR-2BA-922sf    | 2BR-1.5BA-891sf           | 2BR-1.5BA-1080sf       |
| Property Name         | Piper Square Apartments | Clearfield Apartments | Jefferson South of the James | Oaks Of Dunlop   | Mattox Landing Apartments | Terrace View           |
| Address               | 1529 Piper Square Drive | 100 Clearfield Circle | 1800 Boydton Plane Road      | 101 Old Oak Lane | 205 Archer Avenue         | 202 Lakeview Park Road |
| City                  | Hopewell                | Colonial Heights      | Petersburg                   | Colonial Heights | Colonial Heights          | Colonial Heights       |
| State                 | Virginia                | Virginia              | Virginia                     | Virginia         | Virginia                  | Virginia               |
| Zip                   | 23860                   | 23834                 | 23805                        | 23834            | 23834                     | 23834                  |
| Latitude              | 37.26900                | 37.27006              | 37.20300                     | 37.26788         | 37.23499                  | 37.27003               |
| Longitude             | -77.31313               | -77.39658             | -77.42377                    | -77.39612        | -77.41059                 | -77.42486              |
| Miles to Subject      | 0.00                    | 4.73                  | 7.30                         | 4.70             | 5.85                      | 6.33                   |
| Year Built            | 1982                    | 1993                  | 1974                         | 1990             | 2000                      | 1999                   |
| Year Rehab            | 2019                    | 2012                  | 2000                         | 2017             | na                        | na                     |
| Project Rent          | Subsidized              | Restricted            | Restricted                   | Restricted       | Restricted                | Restricted             |
| Project Type          | Family                  | Family                | Family                       | Family           | Family                    | Family                 |
| Project Status        | Prop Rehab              | Stabilized            | Stabilized                   | Stabilized       | Stabilized                | Stabilized             |
| Phone                 | (804) 541-0392          | (804) 520-6563        | (804) 722-5444               | (804) 520-8500   | (804) 504-0230            | (804) 524-2555         |
| Effective Date        | 19-Apr-19               | 08-Apr-19             | 09-Apr-19                    | 09-Apr-19        | 10-Apr-19                 | 19-Apr-19              |
| <u>Project Level</u>  |                         |                       |                              |                  |                           |                        |
| Units                 | 103                     | 144                   | 200                          | 144              | 88                        | 62                     |
| Vacant Units          | 20                      | 17                    | 4                            | 1                | 1                         | 0                      |
| Vacancy Rate          | 19%                     | 12%                   | 2%                           | 1%               | 1%                        | 0%                     |
| <u>Unit Type</u>      |                         |                       |                              |                  |                           |                        |
| Units                 | 4                       | 140                   | 122                          | 108              | 68                        | 42                     |
| Vacant Units          | 0                       | 17                    | 1                            | 0                | 1                         | 0                      |
| Vacancy Rate          | 0%                      | 12%                   | 1%                           | 0%               | 1%                        | 0%                     |
| Street Rent           | \$635                   | \$930                 | \$825                        | \$1,040          | \$800                     | \$975                  |
| Concessions           | \$0                     | \$31                  | \$0                          | \$0              | \$0                       | \$0                    |
| Net Rent              | \$635                   | \$899                 | \$825                        | \$1,040          | \$800                     | \$975                  |
| <u>Adj</u>            | <u>Data</u>             | <u>Data</u>           | <u>Adj</u>                   | <u>Data</u>      | <u>Adj</u>                | <u>Data</u>            |
| Tenant-Paid Utilities | TPU \$62                | \$164                 | \$102                        | \$68             | \$6                       | \$64                   |
| Cable                 | \$0                     | na                    | \$0                          | na               | \$0                       | na                     |
| Internet              | \$0                     | na                    | \$0                          | na               | \$0                       | na                     |
| Bedrooms              | \$85                    | 2                     | \$0                          | 2                | \$0                       | 2                      |
| Bathrooms             | \$0                     | 1.00                  | \$0                          | 1.00             | \$0                       | 2.00                   |
| Square Feet           | \$0.25                  | 905                   | 931                          | 950              | 922                       | 891                    |
| Visibility            | \$40                    | 2.00                  | 3.25                         | 3.00             | 3.25                      | 2.00                   |
| Access                | \$100                   | 3.00                  | 3.00                         | 3.00             | 3.50                      | 2.50                   |
| Neighborhood          | \$0                     | 2.00                  | 2.80                         | 2.60             | 2.80                      | 3.70                   |
| Area Amenities        | \$45                    | 3.80                  | 3.50                         | 3.00             | 4.00                      | 3.80                   |
| Median HH Income      | \$0.0025                | \$25,978              | \$40,596                     | \$23,880         | \$40,596                  | \$54,125               |
| Average Commute       | \$0                     | 22.04                 | 20.63                        | \$0              | 15.73                     | \$0                    |
| Public Transportation | \$0                     | na                    | na                           | na               | na                        | na                     |
| Personal Crime        | \$0                     | 21.2%                 | 2.7%                         | \$0              | 21.6%                     | 3.8%                   |
| Condition             | \$10                    | 4.00                  | 3.25                         | \$8              | 3.25                      | \$3                    |
| Effective Age         | \$1.00                  | 2009                  | 2010                         | 2000             | 2000                      | 2000                   |
| Ball Field            | \$2                     | no                    | no                           | no               | no                        | no                     |
| BBQ Area              | \$2                     | no                    | no                           | no               | yes                       | no                     |
| Billiards             | \$2                     | no                    | no                           | no               | no                        | no                     |
| Bus/Comp Center       | \$10                    | yes                   | yes                          | no               | no                        | no                     |
| Car Care Center       | \$2                     | no                    | no                           | no               | no                        | no                     |
| Community Center      | \$10                    | yes                   | yes                          | no               | yes                       | yes                    |
| Elevator              | \$10                    | no                    | no                           | no               | no                        | no                     |
| Fitness Center        | \$2                     | no                    | yes                          | no               | no                        | yes                    |
| Gazebo                | \$2                     | no                    | no                           | no               | no                        | no                     |
| Hot Tub/Jacuzzi       | \$2                     | no                    | no                           | no               | no                        | no                     |
| Horseshoe Pit         | \$2                     | no                    | no                           | no               | no                        | no                     |
| Lake                  | \$2                     | no                    | no                           | no               | no                        | no                     |
| Library               | \$2                     | no                    | no                           | no               | no                        | no                     |
| Movie Theatre         | \$2                     | no                    | no                           | no               | no                        | no                     |
| Picnic Area           | \$2                     | no                    | no                           | no               | yes                       | no                     |
| Playground            | \$5                     | yes                   | yes                          | no               | yes                       | no                     |
| Pool                  | \$2                     | no                    | yes                          | no               | yes                       | yes                    |
| Sauna                 | \$2                     | no                    | no                           | no               | no                        | no                     |
| Sports Court          | \$10                    | yes                   | yes                          | yes              | yes                       | no                     |
| Walking Trail         | \$2                     | no                    | no                           | no               | no                        | no                     |
| Blinds                | \$2                     | yes                   | yes                          | no               | yes                       | yes                    |
| Ceiling Fans          | \$2                     | no                    | no                           | no               | yes                       | no                     |
| Carpeting             | \$2                     | no                    | yes                          | yes              | yes                       | yes                    |
| Fireplace             | \$2                     | no                    | no                           | no               | some                      | no                     |
| Patio/Balcony         | \$10                    | yes                   | yes                          | no               | yes                       | yes                    |
| Storage               | \$10                    | some                  | no                           | no               | yes                       | yes                    |
| Stove                 | \$2                     | yes                   | yes                          | yes              | yes                       | yes                    |
| Refrigerator          | \$2                     | yes                   | yes                          | yes              | yes                       | yes                    |
| Disposal              | \$10                    | no                    | yes                          | yes              | yes                       | no                     |
| Dishwasher            | \$2                     | yes                   | yes                          | yes              | yes                       | yes                    |
| Microwave             | \$2                     | no                    | no                           | yes              | no                        | no                     |
| Garage                | \$50                    | no                    | no                           | no               | no                        | no                     |
| Covered               | \$20                    | no                    | no                           | no               | no                        | no                     |
| Assigned              | \$10                    | no                    | no                           | no               | no                        | no                     |
| Open                  | \$0                     | yes                   | yes                          | yes              | yes                       | yes                    |
| None                  | \$0                     | no                    | no                           | no               | no                        | no                     |
| Central               | \$25                    | yes                   | yes                          | no               | no                        | yes                    |
| W/D Units             | \$10                    | no                    | no                           | yes              | no                        | no                     |
| W/D Hookups           | \$25                    | no                    | yes                          | no               | yes                       | yes                    |
| Call Buttons          | \$2                     | no                    | no                           | no               | no                        | no                     |
| Controlled Access     | \$2                     | no                    | no                           | no               | no                        | no                     |
| Courtesy Officer      | \$2                     | no                    | no                           | no               | no                        | no                     |
| Monitoring            | \$2                     | yes                   | no                           | no               | no                        | no                     |
| Security Alarms       | \$2                     | no                    | no                           | no               | no                        | no                     |
| Security Patrols      | \$2                     | no                    | no                           | no               | no                        | no                     |
| Indicated Rent        | \$875                   | \$889                 | \$875                        | \$886            | \$862                     | \$916                  |

Rent Conclusion, 3BR-1BA-784sf

The development of our rent conclusion for the 3BR-1BA-784sf units is found below.

Our analysis included the evaluation of a total of 21 unit types found at 7 properties. We selected the 21 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 21 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-10            | Piper Square Apartments      | 3BR-1BA-784sf    | \$850           | \$0         | \$850    | -                 | \$0             | \$850         | -    |
| 009-01            | Bailey's Ridge               | 2BR-2BA-978sf    | \$785           | \$0         | \$785    | \$470             | \$52            | \$837         | 18   |
| 009-02            | Bailey's Ridge               | 2BR-2BA-1078sf   | \$895           | \$0         | \$895    | \$552             | \$84            | \$979         | 21   |
| 029-01            | Clearfield Apartments        | 2BR-2BA-931sf    | \$930           | \$31        | \$899    | \$367             | \$37            | \$936         | 4    |
| 029-02            | Clearfield Apartments        | 3BR-2BA-1144sf   | \$1,052         | \$0         | \$1,052  | \$372             | -\$64           | \$988         | 5    |
| 064-01            | Jefferson South of the James | 1BR-1BA-850sf    | \$775           | \$0         | \$775    | \$389             | \$190           | \$965         | 9    |
| 064-02            | Jefferson South of the James | 2BR-1BA-950sf    | \$825           | \$0         | \$825    | \$312             | \$97            | \$922         | 3    |
| 064-03            | Jefferson South of the James | 3BR-1BA-1100sf   | \$925           | \$0         | \$925    | \$279             | -\$7            | \$918         | 1    |
| 094-01            | Oaks Of Dunlop               | 1BR-1BA-686sf    | \$875           | \$0         | \$875    | \$456             | \$30            | \$905         | 16   |
| 094-02            | Oaks Of Dunlop               | 2BR-2BA-922sf    | \$1,040         | \$0         | \$1,040  | \$375             | -\$108          | \$932         | 6    |
| 094-03            | Oaks Of Dunlop               | 3BR-2BA-1010sf   | \$1,200         | \$0         | \$1,200  | \$310             | -\$205          | \$995         | 2    |
| 105-01            | Pinetree Apartments          | 1BR-1BA-700sf    | \$685           | \$0         | \$685    | \$473             | \$298           | \$983         | 19   |
| 105-02            | Pinetree Apartments          | 1BR-1BA-780sf    | \$710           | \$0         | \$710    | \$453             | \$278           | \$988         | 15   |
| 105-03            | Pinetree Apartments          | 2BR-2BA-1000sf   | \$765           | \$0         | \$765    | \$440             | \$157           | \$922         | 13   |
| 105-04            | Pinetree Apartments          | 2BR-2BA-1080sf   | \$810           | \$0         | \$810    | \$460             | \$137           | \$947         | 17   |
| 105-05            | Pinetree Apartments          | 3BR-2BA-1264sf   | \$895           | \$0         | \$895    | \$450             | \$35            | \$930         | 14   |
| 105-06            | Pinetree Apartments          | 3BR-2BA-1364sf   | \$920           | \$0         | \$920    | \$475             | \$10            | \$930         | 20   |
| 117-01            | Mattox Landing Apartments    | 2BR-1.5BA-891sf  | \$800           | \$0         | \$800    | \$385             | \$108           | \$908         | 8    |
| 117-02            | Mattox Landing Apartments    | 3BR-2BA-1071sf   | \$950           | \$0         | \$950    | \$382             | \$15            | \$965         | 7    |
| 131-01            | Terrace View                 | 1BR-1BA-780sf    | \$812           | \$0         | \$812    | \$402             | \$130           | \$942         | 10   |
| 131-02            | Terrace View                 | 2BR-1.5BA-1080sf | \$975           | \$0         | \$975    | \$408             | -\$12           | \$963         | 11   |
| 131-03            | Terrace View                 | 3BR-2BA-1364sf   | \$1,118         | \$0         | \$1,118  | \$414             | -\$148          | \$970         | 12   |

|                                 |       |
|---------------------------------|-------|
| Adjusted Rent, Minimum          | \$837 |
| Adjusted Rent, Maximum          | \$995 |
| Adjusted Rent, Average          | \$944 |
| Adjusted Rent, Modified Average | \$947 |
| <br>                            |       |
| Rent, Concluded                 | \$950 |

Our analysis suggests a rent of \$950 for the 3BR-1BA-784sf units at the subject property.

In our opinion, the 3BR-1BA-1100sf units at Jefferson South of the James (Property # 064), the 3BR-2BA-1010sf units at Oaks Of Dunlop (Property # 094), the 3BR-2BA-1144sf units at Clearfield Apartments (Property # 029), the 3BR-2BA-1071sf units at Mattox Landing Apartments (Property # 117), and the 3BR-2BA-1364sf units at Terrace View (Property # 131) 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<br>Adj | As<br>Ren | As<br>Is | \$<br>Adj |
| Tenant Paid Utilities           | 0           | \$70      | \$0      | \$70      |
| Square Feet                     | \$0.25      | 784       | 899      | \$29      |
| Condition                       | \$10        | 4.00      | 3.00     | -\$10     |
| Effective Age                   | \$1.00      | 2009      | 1995     | -\$14     |
| Dishwasher                      | \$2         | yes       | no       | -\$2      |
| Adjustments                     |             |           |          | \$73      |
| Adjusted Rent, Minimum          |             |           |          | \$910     |
| Adjusted Rent, Maximum          |             |           |          | \$1,068   |
| Adjusted Rent, Average          |             |           |          | \$1,017   |
| Adjusted Rent, Modified Average |             |           |          | \$1,020   |
| Rent, Concluded, As Is          |             |           |          | \$1,025   |

Our analysis suggests an "as is" rent of \$1,025 for the 3BR-1BA-784sf units at the subject property.

| Comparable            | Subject                 | 1                     | 2                            | 3                | 4                         | 5                      |          |       |          |       |          |        |
|-----------------------|-------------------------|-----------------------|------------------------------|------------------|---------------------------|------------------------|----------|-------|----------|-------|----------|--------|
| Property-Unit Key     | Sub-10                  | 029-02                | 064-03                       | 094-03           | 117-02                    | 131-03                 |          |       |          |       |          |        |
| Unit Type             | 3BR-1BA-784sf           | 3BR-2BA-1144sf        | 3BR-1BA-1100sf               | 3BR-2BA-1010sf   | 3BR-2BA-1071sf            | 3BR-2BA-1364sf         |          |       |          |       |          |        |
| Property Name         | Piper Square Apartments | Clearfield Apartments | Jefferson South of the James | Oaks Of Dunlop   | Mattox Landing Apartments | Terrace View           |          |       |          |       |          |        |
| Address               | 1529 Piper Square Drive | 100 Clearfield Circle | 1800 Boydton Plane Road      | 101 Old Oak Lane | 205 Archer Avenue         | 202 Lakeview Park Road |          |       |          |       |          |        |
| City                  | Hopewell                | Colonial Heights      | Petersburg                   | Colonial Heights | Colonial Heights          | Colonial Heights       |          |       |          |       |          |        |
| State                 | Virginia                | Virginia              | Virginia                     | Virginia         | Virginia                  | Virginia               |          |       |          |       |          |        |
| Zip                   | 23860                   | 23834                 | 23805                        | 23834            | 23834                     | 23834                  |          |       |          |       |          |        |
| Latitude              | 37.26900                | 37.27006              | 37.20300                     | 37.26788         | 37.23499                  | 37.27003               |          |       |          |       |          |        |
| Longitude             | -77.31313               | -77.39658             | -77.42377                    | -77.39612        | -77.41059                 | -77.42486              |          |       |          |       |          |        |
| Miles to Subject      | 0.00                    | 4.73                  | 7.30                         | 4.70             | 5.85                      | 6.33                   |          |       |          |       |          |        |
| Year Built            | 1982                    | 1993                  | 1974                         | 1990             | 2000                      | 1999                   |          |       |          |       |          |        |
| Year Rehab            | 2019                    | 2012                  | 2000                         | 2017             | na                        | na                     |          |       |          |       |          |        |
| Project Rent          | Subsidized              | Restricted            | Restricted                   | Restricted       | Restricted                | Restricted             |          |       |          |       |          |        |
| Project Type          | Family                  | Family                | Family                       | Family           | Family                    | Family                 |          |       |          |       |          |        |
| Project Status        | Prop Rehab              | Stabilized            | Stabilized                   | Stabilized       | Stabilized                | Stabilized             |          |       |          |       |          |        |
| Phone                 | (804) 541-0392          | (804) 520-6563        | (804) 722-5444               | (804) 520-8500   | (804) 504-0230            | (804) 524-2555         |          |       |          |       |          |        |
| Effective Date        | 19-Apr-19               | 08-Apr-19             | 09-Apr-19                    | 09-Apr-19        | 10-Apr-19                 | 19-Apr-19              |          |       |          |       |          |        |
| <b>Project Level</b>  |                         |                       |                              |                  |                           |                        |          |       |          |       |          |        |
| Units                 | 103                     | 144                   | 200                          | 144              | 88                        | 62                     |          |       |          |       |          |        |
| Vacant Units          | 20                      | 17                    | 4                            | 1                | 1                         | 0                      |          |       |          |       |          |        |
| Vacancy Rate          | 19%                     | 12%                   | 2%                           | 1%               | 1%                        | 0%                     |          |       |          |       |          |        |
| <b>Unit Type</b>      |                         |                       |                              |                  |                           |                        |          |       |          |       |          |        |
| Units                 | 7                       | 4                     | 30                           | 24               | 20                        | 10                     |          |       |          |       |          |        |
| Vacant Units          | 1                       | 0                     | 3                            | 1                | 0                         | 0                      |          |       |          |       |          |        |
| Vacancy Rate          | 14%                     | 0%                    | 10%                          | 4%               | 0%                        | 0%                     |          |       |          |       |          |        |
| Street Rent           | \$850                   | \$1,052               | \$925                        | \$1,200          | \$950                     | \$1,118                |          |       |          |       |          |        |
| Concessions           | \$0                     | \$0                   | \$0                          | \$0              | \$0                       | \$0                    |          |       |          |       |          |        |
| <b>Net Rent</b>       | <b>\$850</b>            | <b>\$1,052</b>        | <b>\$925</b>                 | <b>\$1,200</b>   | <b>\$950</b>              | <b>\$1,118</b>         |          |       |          |       |          |        |
| <b>Adj</b>            | <b>Data</b>             | <b>Data</b>           | <b>Adj</b>                   | <b>Data</b>      | <b>Adj</b>                | <b>Data</b>            |          |       |          |       |          |        |
| Tenant-Paid Utilities | TPU                     | \$70                  | \$201                        | \$131            | \$86                      | \$16                   | \$74     | \$4   | \$180    | \$110 | \$108    | \$38   |
| Cable                 | \$0                     | no                    | na                           | \$0              | no                        | \$0                    | no       | \$0   | no       | \$0   | no       | \$0    |
| Internet              | \$0                     | no                    | na                           | \$0              | no                        | \$0                    | no       | \$0   | no       | \$0   | no       | \$0    |
| Bedrooms              | \$85                    | 3                     | 3                            | \$0              | 3                         | \$0                    | 3        | \$0   | 3        | \$0   | 3        | \$0    |
| Bathrooms             | \$0                     | 1.00                  | 2.00                         | \$0              | 1.00                      | \$0                    | 2.00     | \$0   | 2.00     | \$0   | 2.00     | \$0    |
| Square Feet           | \$0.25                  | 784                   | 1144                         | -\$90            | 1100                      | -\$79                  | 1010     | -\$57 | 1071     | -\$72 | 1364     | -\$145 |
| Visibility            | \$40                    | 2.00                  | 3.25                         | -\$50            | 3.00                      | -\$40                  | 3.25     | -\$50 | 2.00     | \$0   | 3.00     | -\$40  |
| Access                | \$100                   | 3.00                  | 3.00                         | \$0              | 3.00                      | \$0                    | 3.50     | -\$50 | 2.50     | \$50  | 3.00     | \$0    |
| Neighborhood          | \$0                     | 2.00                  | 2.80                         | \$0              | 2.60                      | \$0                    | 2.80     | \$0   | 3.70     | \$0   | 3.00     | \$0    |
| Area Amenities        | \$45                    | 3.80                  | 3.50                         | \$14             | 3.00                      | \$36                   | 4.00     | -\$9  | 3.80     | \$0   | 2.60     | \$54   |
| Median HH Income      | \$0.0025                | \$25,978              | \$40,596                     | -\$37            | \$23,880                  | \$5                    | \$40,596 | -\$37 | \$54,125 | -\$70 | \$49,509 | -\$59  |
| Average Commute       | \$0                     | 22.04                 | 20.63                        | \$0              | 15.73                     | \$0                    | 20.63    | \$0   | 19.68    | \$0   | 26.91    | \$0    |
| Public Transportation | \$0                     | na                    | na                           | \$0              | na                        | \$0                    | na       | \$0   | na       | \$0   | na       | \$0    |
| Personal Crime        | \$0                     | 21.2%                 | 2.7%                         | \$0              | 21.6%                     | \$0                    | 2.7%     | \$0   | 3.8%     | \$0   | 3.5%     | \$0    |
| Condition             | \$10                    | 4.00                  | 3.25                         | \$8              | 3.25                      | \$8                    | 3.75     | \$3   | 3.75     | \$3   | 3.50     | \$5    |
| Effective Age         | \$1.00                  | 2009                  | 2010                         | -\$1             | 2000                      | \$9                    | 2000     | \$9   | 2000     | \$9   | 2000     | \$9    |
| Ball Field            | \$2                     | no                    | no                           | \$0              | no                        | \$0                    | no       | \$0   | no       | \$0   | no       | \$0    |
| BBQ Area              | \$2                     | no                    | no                           | \$0              | no                        | \$0                    | yes      | -\$2  | no       | \$0   | no       | \$0    |
| Billiards             | \$2                     | no                    | no                           | \$0              | no                        | \$0                    | no       | \$0   | no       | \$0   | no       | \$0    |
| Bus/Comp Center       | \$10                    | yes                   | yes                          | \$0              | no                        | \$10                   | no       | \$10  | no       | \$10  | no       | \$10   |
| Car Care Center       | \$2                     | no                    | no                           | \$0              | no                        | \$0                    | no       | \$0   | no       | \$0   | no       | \$0    |
| Community Center      | \$10                    | yes                   | yes                          | \$0              | no                        | \$10                   | yes      | \$0   | yes      | \$0   | yes      | \$0    |
| Elevator              | \$10                    | no                    | no                           | \$0              | no                        | \$0                    | no       | \$0   | no       | \$0   | no       | \$0    |
| Fitness Center        | \$2                     | no                    | yes                          | -\$2             | no                        | \$0                    | no       | \$0   | yes      | -\$2  | 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              | no                        | \$0                    | yes      | -\$2  | no       | \$0   | no       | \$0    |
| Playground            | \$5                     | yes                   | yes                          | \$0              | no                        | \$5                    | yes      | \$0   | no       | \$5   | no       | \$5    |
| Pool                  | \$2                     | no                    | yes                          | -\$2             | no                        | \$0                    | yes      | -\$2  | yes      | -\$2  | no       | \$0    |
| Sauna                 | \$2                     | no                    | no                           | \$0              | no                        | \$0                    | no       | \$0   | no       | \$0   | no       | \$0    |
| Sports Court          | \$10                    | yes                   | yes                          | \$0              | yes                       | \$0                    | yes      | \$0   | no       | \$10  | no       | \$10   |
| 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                     | no                    | no                           | \$0              | no                        | \$0                    | yes      | -\$2  | no       | \$0   | no       | \$0    |
| Carpeting             | \$2                     | no                    | yes                          | -\$2             | yes                       | -\$2                   | yes      | -\$2  | yes      | -\$2  | yes      | -\$2   |
| Fireplace             | \$2                     | no                    | no                           | \$0              | no                        | \$0                    | some     | \$0   | no       | \$0   | no       | \$0    |
| Patio/Balcony         | \$10                    | yes                   | yes                          | \$0              | no                        | \$10                   | yes      | \$0   | yes      | \$0   | yes      | \$0    |
| Storage               | \$10                    | some                  | no                           | \$0              | no                        | \$0                    | yes      | -\$10 | 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              | \$10                    | no                    | yes                          | -\$10            | yes                       | -\$10                  | yes      | -\$10 | no       | \$0   | yes      | -\$10  |
| Dishwasher            | \$2                     | yes                   | yes                          | \$0              | yes                       | \$0                    | yes      | \$0   | yes      | \$0   | yes      | \$0    |
| Microwave             | \$2                     | no                    | no                           | \$0              | 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               | \$25                    | yes                   | yes                          | \$0              | no                        | \$25                   | no       | \$25  | yes      | \$0   | yes      | \$0    |
| W/D Units             | \$10                    | no                    | no                           | \$0              | yes                       | -\$10                  | no       | \$0   | no       | \$0   | no       | \$0    |
| W/D Hookups           | \$25                    | no                    | yes                          | -\$25            | no                        | \$0                    | yes      | -\$25 | yes      | -\$25 | yes      | -\$25  |
| 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              | 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                     | no                    | no                           | \$0              | no                        | \$0                    | no       | \$0   | no       | \$0   | no       | \$0    |
| <b>Indicated Rent</b> | <b>\$950</b>            | <b>\$988</b>          | <b>\$918</b>                 | <b>\$995</b>     | <b>\$965</b>              | <b>\$970</b>           |          |       |          |       |          |        |

Rent Conclusion, 3BR-2BA-899sf

The development of our rent conclusion for the 3BR-2BA-899sf units is found below.

Our analysis included the evaluation of a total of 21 unit types found at 7 properties. We selected the 21 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 21 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-12            | Piper Square Apartments      | 3BR-2BA-899sf    | \$850           | \$0         | \$850    | -                 | \$0             | \$850         | -    |
| 009-01            | Bailey's Ridge               | 2BR-2BA-978sf    | \$785           | \$0         | \$785    | \$441             | \$81            | \$866         | 16   |
| 009-02            | Bailey's Ridge               | 2BR-2BA-1078sf   | \$895           | \$0         | \$895    | \$523             | \$113           | \$1,008       | 21   |
| 029-01            | Clearfield Apartments        | 2BR-2BA-931sf    | \$930           | \$31        | \$899    | \$339             | \$65            | \$964         | 4    |
| 029-02            | Clearfield Apartments        | 3BR-2BA-1144sf   | \$1,052         | \$0         | \$1,052  | \$344             | -\$36           | \$1,016       | 5    |
| 064-01            | Jefferson South of the James | 1BR-1BA-850sf    | \$775           | \$0         | \$775    | \$385             | \$219           | \$994         | 10   |
| 064-02            | Jefferson South of the James | 2BR-1BA-950sf    | \$825           | \$0         | \$825    | \$283             | \$126           | \$951         | 3    |
| 064-03            | Jefferson South of the James | 3BR-1BA-1100sf   | \$925           | \$0         | \$925    | \$250             | \$21            | \$946         | 1    |
| 094-01            | Oaks Of Dunlop               | 1BR-1BA-686sf    | \$875           | \$0         | \$875    | \$484             | \$59            | \$934         | 19   |
| 094-02            | Oaks Of Dunlop               | 2BR-2BA-922sf    | \$1,040         | \$0         | \$1,040  | \$346             | -\$79           | \$961         | 6    |
| 094-03            | Oaks Of Dunlop               | 3BR-2BA-1010sf   | \$1,200         | \$0         | \$1,200  | \$281             | -\$176          | \$1,024       | 2    |
| 105-01            | Pinetree Apartments          | 1BR-1BA-700sf    | \$685           | \$0         | \$685    | \$502             | \$327           | \$1,012       | 20   |
| 105-02            | Pinetree Apartments          | 1BR-1BA-780sf    | \$710           | \$0         | \$710    | \$482             | \$307           | \$1,017       | 18   |
| 105-03            | Pinetree Apartments          | 2BR-2BA-1000sf   | \$765           | \$0         | \$765    | \$411             | \$186           | \$951         | 12   |
| 105-04            | Pinetree Apartments          | 2BR-2BA-1080sf   | \$810           | \$0         | \$810    | \$431             | \$166           | \$976         | 15   |
| 105-05            | Pinetree Apartments          | 3BR-2BA-1264sf   | \$895           | \$0         | \$895    | \$421             | \$64            | \$959         | 13   |
| 105-06            | Pinetree Apartments          | 3BR-2BA-1364sf   | \$920           | \$0         | \$920    | \$446             | \$39            | \$959         | 17   |
| 117-01            | Mattox Landing Apartments    | 2BR-1.5BA-891sf  | \$800           | \$0         | \$800    | \$360             | \$137           | \$937         | 8    |
| 117-02            | Mattox Landing Apartments    | 3BR-2BA-1071sf   | \$950           | \$0         | \$950    | \$353             | \$44            | \$994         | 7    |
| 131-01            | Terrace View                 | 1BR-1BA-780sf    | \$812           | \$0         | \$812    | \$431             | \$159           | \$971         | 14   |
| 131-02            | Terrace View                 | 2BR-1.5BA-1080sf | \$975           | \$0         | \$975    | \$379             | \$17            | \$992         | 9    |
| 131-03            | Terrace View                 | 3BR-2BA-1364sf   | \$1,118         | \$0         | \$1,118  | \$385             | -\$119          | \$999         | 11   |

|                                 |         |
|---------------------------------|---------|
| Adjusted Rent, Minimum          | \$866   |
| Adjusted Rent, Maximum          | \$1,024 |
| Adjusted Rent, Average          | \$973   |
| Adjusted Rent, Modified Average | \$976   |
| <br>                            |         |
| Rent, Concluded                 | \$1,000 |

Our analysis suggests a rent of \$1,000 for the 3BR-2BA-899sf units at the subject property.

In our opinion, the 3BR-1BA-1100sf units at Jefferson South of the James (Property # 064), the 3BR-2BA-1010sf units at Oaks Of Dunlop (Property # 094), the 3BR-2BA-1144sf units at Clearfield Apartments (Property # 029), the 3BR-2BA-1071sf units at Mattox Landing Apartments (Property # 117), and the 3BR-2BA-1364sf units at Terrace View (Property # 131) 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<br>Adj | As<br>Ren | As<br>Is | \$<br>Adj |
| Tenant Paid Utilities           | 0           | \$70      | \$0      | \$70      |
| Condition                       | \$10        | 4.00      | 3.00     | -\$10     |
| Effective Age                   | \$1.00      | 2009      | 1995     | -\$14     |
| Dishwasher                      | \$2         | yes       | no       | -\$2      |
| Adjustments                     |             |           |          | \$44      |
| Adjusted Rent, Minimum          |             |           |          | \$910     |
| Adjusted Rent, Maximum          |             |           |          | \$1,068   |
| Adjusted Rent, Average          |             |           |          | \$1,017   |
| Adjusted Rent, Modified Average |             |           |          | \$1,020   |
| Rent, Concluded, As Is          |             |           |          | \$1,045   |

Our analysis suggests an "as is" rent of \$1,045 for the 3BR-2BA-899sf units at the subject property.

| Comparable            | Subject                 | 1                     |            | 2                            |            | 3                |            | 4                         |            | 5                      |            |        |
|-----------------------|-------------------------|-----------------------|------------|------------------------------|------------|------------------|------------|---------------------------|------------|------------------------|------------|--------|
| Property-Unit Key     | Sub-12                  | 029-02                |            | 064-03                       |            | 094-03           |            | 117-02                    |            | 131-03                 |            |        |
| Unit Type             | 3BR-2BA-899sf           | 3BR-2BA-1144sf        |            | 3BR-1BA-1100sf               |            | 3BR-2BA-1010sf   |            | 3BR-2BA-1071sf            |            | 3BR-2BA-1364sf         |            |        |
| Property Name         | Piper Square Apartments | Clearfield Apartments |            | Jefferson South of the James |            | Oaks Of Dunlop   |            | Mattox Landing Apartments |            | Terrace View           |            |        |
| Address               | 1529 Piper Square Drive | 100 Clearfield Circle |            | 1800 Boydton Plane Road      |            | 101 Old Oak Lane |            | 205 Archer Avenue         |            | 202 Lakeview Park Road |            |        |
| City                  | Hopewell                | Colonial Heights      |            | Petersburg                   |            | Colonial Heights |            | Colonial Heights          |            | Colonial Heights       |            |        |
| State                 | Virginia                | Virginia              |            | Virginia                     |            | Virginia         |            | Virginia                  |            | Virginia               |            |        |
| Zip                   | 23860                   | 23834                 |            | 23805                        |            | 23834            |            | 23834                     |            | 23834                  |            |        |
| Latitude              | 37.26900                | 37.27006              |            | 37.20300                     |            | 37.26788         |            | 37.23499                  |            | 37.27003               |            |        |
| Longitude             | -77.31313               | -77.39658             |            | -77.42377                    |            | -77.39612        |            | -77.41059                 |            | -77.42486              |            |        |
| Miles to Subject      | 0.00                    | 4.73                  |            | 7.30                         |            | 4.70             |            | 5.85                      |            | 6.33                   |            |        |
| Year Built            | 1982                    | 1993                  |            | 1974                         |            | 1990             |            | 2000                      |            | 1999                   |            |        |
| Year Rehab            | 2019                    | 2012                  |            | 2000                         |            | 2017             |            | na                        |            | na                     |            |        |
| Project Rent          | Subsidized              | Restricted            |            | Restricted                   |            | Restricted       |            | Restricted                |            | Restricted             |            |        |
| Project Type          | Family                  | Family                |            | Family                       |            | Family           |            | Family                    |            | Family                 |            |        |
| Project Status        | Prop Rehab              | Stabilized            |            | Stabilized                   |            | Stabilized       |            | Stabilized                |            | Stabilized             |            |        |
| Phone                 | (804) 541-0392          | (804) 520-6563        |            | (804) 722-5444               |            | (804) 520-8500   |            | (804) 504-0230            |            | (804) 524-2555         |            |        |
| Effective Date        | 19-Apr-19               | 08-Apr-19             |            | 09-Apr-19                    |            | 09-Apr-19        |            | 10-Apr-19                 |            | 19-Apr-19              |            |        |
| <u>Project Level</u>  |                         |                       |            |                              |            |                  |            |                           |            |                        |            |        |
| Units                 | 103                     | 144                   |            | 200                          |            | 144              |            | 88                        |            | 62                     |            |        |
| Vacant Units          | 20                      | 17                    |            | 4                            |            | 1                |            | 1                         |            | 0                      |            |        |
| Vacancy Rate          | 19%                     | 12%                   |            | 2%                           |            | 1%               |            | 1%                        |            | 0%                     |            |        |
| <u>Unit Type</u>      |                         |                       |            |                              |            |                  |            |                           |            |                        |            |        |
| Units                 | 1                       | 4                     |            | 30                           |            | 24               |            | 20                        |            | 10                     |            |        |
| Vacant Units          | 0                       | 0                     |            | 3                            |            | 1                |            | 0                         |            | 0                      |            |        |
| Vacancy Rate          | 0%                      | 0%                    |            | 10%                          |            | 4%               |            | 0%                        |            | 0%                     |            |        |
| Street Rent           | \$850                   | \$1,052               |            | \$925                        |            | \$1,200          |            | \$950                     |            | \$1,118                |            |        |
| Concessions           | \$0                     | \$0                   |            | \$0                          |            | \$0              |            | \$0                       |            | \$0                    |            |        |
| Net Rent              | \$850                   | \$1,052               |            | \$925                        |            | \$1,200          |            | \$950                     |            | \$1,118                |            |        |
| <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                     | \$70                  | \$201      | \$131                        | \$86       | \$16             | \$74       | \$4                       | \$180      | \$110                  | \$108      | \$38   |
| Cable                 | \$0                     | no                    | na         | \$0                          | no         | \$0              | no         | \$0                       | no         | \$0                    | no         | \$0    |
| Internet              | \$0                     | no                    | na         | \$0                          | no         | \$0              | no         | \$0                       | no         | \$0                    | no         | \$0    |
| Bedrooms              | \$85                    | 3                     | 3          | \$0                          | 3          | \$0              | 3          | \$0                       | 3          | \$0                    | 3          | \$0    |
| Bathrooms             | \$0                     | 2.00                  | 2.00       | \$0                          | 1.00       | \$0              | 2.00       | \$0                       | 2.00       | \$0                    | 2.00       | \$0    |
| Square Feet           | \$0.25                  | 899                   | 1144       | -\$61                        | 1100       | -\$50            | 1010       | -\$28                     | 1071       | -\$43                  | 1364       | -\$116 |
| Visibility            | \$40                    | 2.00                  | 3.25       | -\$50                        | 3.00       | -\$40            | 3.25       | -\$50                     | 2.00       | \$0                    | 3.00       | -\$40  |
| Access                | \$100                   | 3.00                  | 3.00       | \$0                          | 3.00       | \$0              | 3.50       | -\$50                     | 2.50       | \$50                   | 3.00       | \$0    |
| Neighborhood          | \$0                     | 2.00                  | 2.80       | \$0                          | 2.60       | \$0              | 2.80       | \$0                       | 3.70       | \$0                    | 3.00       | \$0    |
| Area Amenities        | \$45                    | 3.80                  | 3.50       | \$14                         | 3.00       | \$36             | 4.00       | -\$9                      | 3.80       | \$0                    | 2.60       | \$54   |
| Median HH Income      | \$0.0025                | \$25,978              | \$40,596   | -\$37                        | \$23,880   | \$5              | \$40,596   | -\$37                     | \$54,125   | -\$70                  | \$49,509   | -\$59  |
| Average Commute       | \$0                     | 22.04                 | 20.63      | \$0                          | 15.73      | \$0              | 20.63      | \$0                       | 19.68      | \$0                    | 26.91      | \$0    |
| Public Transportation | \$0                     | na                    | na         | \$0                          | na         | \$0              | na         | \$0                       | na         | \$0                    | na         | \$0    |
| Personal Crime        | \$0                     | 21.2%                 | 2.7%       | \$0                          | 21.6%      | \$0              | 2.7%       | \$0                       | 3.8%       | \$0                    | 3.5%       | \$0    |
| Condition             | \$10                    | 4.00                  | 3.25       | \$8                          | 3.25       | \$8              | 3.75       | \$3                       | 3.75       | \$3                    | 3.50       | \$5    |
| Effective Age         | \$1.00                  | 2009                  | 2010       | -\$1                         | 2000       | \$9              | 2000       | \$9                       | 2000       | \$9                    | 2000       | \$9    |
| Ball Field            | \$2                     | no                    | no         | \$0                          | no         | \$0              | no         | \$0                       | no         | \$0                    | no         | \$0    |
| BBQ Area              | \$2                     | no                    | no         | \$0                          | no         | \$0              | yes        | -\$2                      | no         | \$0                    | no         | \$0    |
| Billiards             | \$2                     | no                    | no         | \$0                          | no         | \$0              | no         | \$0                       | no         | \$0                    | no         | \$0    |
| Bus/Comp Center       | \$10                    | yes                   | yes        | \$0                          | no         | \$10             | no         | \$10                      | no         | \$10                   | no         | \$10   |
| Car Care Center       | \$2                     | no                    | no         | \$0                          | no         | \$0              | no         | \$0                       | no         | \$0                    | no         | \$0    |
| Community Center      | \$10                    | yes                   | yes        | \$0                          | no         | \$10             | yes        | \$0                       | yes        | \$0                    | yes        | \$0    |
| Elevator              | \$10                    | no                    | no         | \$0                          | no         | \$0              | no         | \$0                       | no         | \$0                    | no         | \$0    |
| Fitness Center        | \$2                     | no                    | yes        | -\$2                         | no         | \$0              | no         | \$0                       | yes        | -\$2                   | 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                          | no         | \$0              | yes        | -\$2                      | no         | \$0                    | no         | \$0    |
| Playground            | \$5                     | yes                   | yes        | \$0                          | no         | \$5              | yes        | \$0                       | no         | \$5                    | no         | \$5    |
| Pool                  | \$2                     | no                    | yes        | -\$2                         | no         | \$0              | yes        | -\$2                      | yes        | -\$2                   | no         | \$0    |
| Sauna                 | \$2                     | no                    | no         | \$0                          | no         | \$0              | no         | \$0                       | no         | \$0                    | no         | \$0    |
| Sports Court          | \$10                    | yes                   | yes        | \$0                          | yes        | \$0              | yes        | \$0                       | no         | \$10                   | no         | \$10   |
| 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                     | no                    | no         | \$0                          | no         | \$0              | yes        | -\$2                      | no         | \$0                    | no         | \$0    |
| Carpeting             | \$2                     | no                    | yes        | -\$2                         | yes        | -\$2             | yes        | -\$2                      | yes        | -\$2                   | yes        | -\$2   |
| Fireplace             | \$2                     | no                    | no         | \$0                          | no         | \$0              | some       | \$0                       | no         | \$0                    | no         | \$0    |
| Patio/Balcony         | \$10                    | yes                   | yes        | \$0                          | no         | \$10             | yes        | \$0                       | yes        | \$0                    | yes        | \$0    |
| Storage               | \$10                    | some                  | no         | \$0                          | no         | \$0              | yes        | -\$10                     | 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              | \$10                    | no                    | yes        | -\$10                        | yes        | -\$10            | yes        | -\$10                     | no         | \$0                    | yes        | -\$10  |
| Dishwasher            | \$2                     | yes                   | yes        | \$0                          | yes        | \$0              | yes        | \$0                       | yes        | \$0                    | yes        | \$0    |
| Microwave             | \$2                     | no                    | no         | \$0                          | 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               | \$25                    | yes                   | yes        | \$0                          | no         | \$25             | no         | \$25                      | yes        | \$0                    | yes        | \$0    |
| W/D Units             | \$10                    | no                    | no         | \$0                          | yes        | -\$10            | no         | \$0                       | no         | \$0                    | no         | \$0    |
| W/D Hookups           | \$25                    | no                    | yes        | -\$25                        | no         | \$0              | yes        | -\$25                     | yes        | -\$25                  | yes        | -\$25  |
| 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                          | 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                     | no                    | no         | \$0                          | no         | \$0              | no         | \$0                       | no         | \$0                    | no         | \$0    |
| Indicated Rent        | \$1,000                 | \$1,016               |            | \$946                        |            | \$1,024          |            | \$994                     |            | \$999                  |            |        |

Rent Conclusion, 4BR-1BA-989sf

The development of our rent conclusion for the 4BR-1BA-989sf units is found below.

Our analysis included the evaluation of a total of 21 unit types found at 7 properties. We selected the 21 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 21 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-14            | Piper Square Apartments      | 4BR-1BA-989sf    | \$1,019         | \$0         | \$1,019  | -                 | \$0             | \$1,019       | -    |
| 009-01            | Bailey's Ridge               | 2BR-2BA-978sf    | \$785           | \$0         | \$785    | \$500             | \$180           | \$965         | 15   |
| 009-02            | Bailey's Ridge               | 2BR-2BA-1078sf   | \$895           | \$0         | \$895    | \$576             | \$212           | \$1,107       | 18   |
| 029-01            | Clearfield Apartments        | 2BR-2BA-931sf    | \$930           | \$31        | \$899    | \$421             | \$164           | \$1,063       | 6    |
| 029-02            | Clearfield Apartments        | 3BR-2BA-1144sf   | \$1,052         | \$0         | \$1,052  | \$397             | \$63            | \$1,115       | 4    |
| 064-01            | Jefferson South of the James | 1BR-1BA-850sf    | \$775           | \$0         | \$775    | \$501             | \$317           | \$1,092       | 16   |
| 064-02            | Jefferson South of the James | 2BR-1BA-950sf    | \$825           | \$0         | \$825    | \$374             | \$224           | \$1,049       | 3    |
| 064-03            | Jefferson South of the James | 3BR-1BA-1100sf   | \$925           | \$0         | \$925    | \$303             | \$120           | \$1,045       | 1    |
| 094-01            | Oaks Of Dunlop               | 1BR-1BA-686sf    | \$875           | \$0         | \$875    | \$601             | \$158           | \$1,033       | 21   |
| 094-02            | Oaks Of Dunlop               | 2BR-2BA-922sf    | \$1,040         | \$0         | \$1,040  | \$451             | \$20            | \$1,060       | 9    |
| 094-03            | Oaks Of Dunlop               | 3BR-2BA-1010sf   | \$1,200         | \$0         | \$1,200  | \$344             | -\$77           | \$1,123       | 2    |
| 105-01            | Pinetree Apartments          | 1BR-1BA-700sf    | \$685           | \$0         | \$685    | \$600             | \$425           | \$1,110       | 20   |
| 105-02            | Pinetree Apartments          | 1BR-1BA-780sf    | \$710           | \$0         | \$710    | \$580             | \$405           | \$1,115       | 19   |
| 105-03            | Pinetree Apartments          | 2BR-2BA-1000sf   | \$765           | \$0         | \$765    | \$465             | \$284           | \$1,049       | 11   |
| 105-04            | Pinetree Apartments          | 2BR-2BA-1080sf   | \$810           | \$0         | \$810    | \$485             | \$264           | \$1,074       | 13   |
| 105-05            | Pinetree Apartments          | 3BR-2BA-1264sf   | \$895           | \$0         | \$895    | \$475             | \$162           | \$1,057       | 12   |
| 105-06            | Pinetree Apartments          | 3BR-2BA-1364sf   | \$920           | \$0         | \$920    | \$500             | \$137           | \$1,057       | 14   |
| 117-01            | Mattox Landing Apartments    | 2BR-1.5BA-891sf  | \$800           | \$0         | \$800    | \$458             | \$236           | \$1,036       | 10   |
| 117-02            | Mattox Landing Apartments    | 3BR-2BA-1071sf   | \$950           | \$0         | \$950    | \$406             | \$143           | \$1,093       | 5    |
| 131-01            | Terrace View                 | 1BR-1BA-780sf    | \$812           | \$0         | \$812    | \$547             | \$257           | \$1,069       | 17   |
| 131-02            | Terrace View                 | 2BR-1.5BA-1080sf | \$975           | \$0         | \$975    | \$433             | \$115           | \$1,090       | 7    |
| 131-03            | Terrace View                 | 3BR-2BA-1364sf   | \$1,118         | \$0         | \$1,118  | \$439             | -\$21           | \$1,097       | 8    |

|                                 |         |
|---------------------------------|---------|
| Adjusted Rent, Minimum          | \$965   |
| Adjusted Rent, Maximum          | \$1,123 |
| Adjusted Rent, Average          | \$1,071 |
| Adjusted Rent, Modified Average | \$1,074 |
| <br>                            |         |
| Rent, Concluded                 | \$1,100 |

Our analysis suggests a rent of \$1,100 for the 4BR-1BA-989sf units at the subject property.

In our opinion, the 3BR-1BA-1100sf units at Jefferson South of the James (Property # 064), the 3BR-2BA-1010sf units at Oaks Of Dunlop (Property # 094), the 3BR-2BA-1144sf units at Clearfield Apartments (Property # 029), the 3BR-2BA-1071sf units at Mattox Landing Apartments (Property # 117), and the 3BR-2BA-1364sf units at Terrace View (Property # 131) 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<br>Adj | As<br>Ren | As<br>Is | \$<br>Adj |
| Tenant Paid Utilities           | 0           | \$79      | \$0      | \$79      |
| Square Feet                     | \$0.25      | 989       | 1,192    | \$51      |
| Condition                       | \$10        | 4.00      | 3.00     | -\$10     |
| Effective Age                   | \$1.00      | 2009      | 1995     | -\$14     |
| Dishwasher                      | \$2         | yes       | no       | -\$2      |
| Adjustments                     |             |           |          | \$104     |
| Adjusted Rent, Minimum          |             |           |          | \$1,068   |
| Adjusted Rent, Maximum          |             |           |          | \$1,226   |
| Adjusted Rent, Average          |             |           |          | \$1,175   |
| Adjusted Rent, Modified Average |             |           |          | \$1,178   |
| Rent, Concluded, As Is          |             |           |          | \$1,205   |

Our analysis suggests an "as is" rent of \$1,205 for the 4BR-1BA-989sf units at the subject property.

| Comparable            | Subject                 | 1                     |          | 2                            |          | 3                |          | 4                         |          | 5                      |          |       |
|-----------------------|-------------------------|-----------------------|----------|------------------------------|----------|------------------|----------|---------------------------|----------|------------------------|----------|-------|
| Property-Unit Key     | Sub-14                  | 029-02                |          | 064-03                       |          | 094-03           |          | 117-02                    |          | 131-03                 |          |       |
| Unit Type             | 4BR-1BA-989sf           | 3BR-2BA-1144sf        |          | 3BR-1BA-1100sf               |          | 3BR-2BA-1010sf   |          | 3BR-2BA-1071sf            |          | 3BR-2BA-1364sf         |          |       |
| Property Name         | Piper Square Apartments | Clearfield Apartments |          | Jefferson South of the James |          | Oaks Of Dunlop   |          | Mattox Landing Apartments |          | Terrace View           |          |       |
| Address               | 1529 Piper Square Drive | 100 Clearfield Circle |          | 1800 Boydton Plane Road      |          | 101 Old Oak Lane |          | 205 Archer Avenue         |          | 202 Lakeview Park Road |          |       |
| City                  | Hopewell                | Colonial Heights      |          | Petersburg                   |          | Colonial Heights |          | Colonial Heights          |          | Colonial Heights       |          |       |
| State                 | Virginia                | Virginia              |          | Virginia                     |          | Virginia         |          | Virginia                  |          | Virginia               |          |       |
| Zip                   | 23860                   | 23834                 |          | 23805                        |          | 23834            |          | 23834                     |          | 23834                  |          |       |
| Latitude              | 37.26900                | 37.27006              |          | 37.20300                     |          | 37.26788         |          | 37.23499                  |          | 37.27003               |          |       |
| Longitude             | -77.31313               | -77.39658             |          | -77.42377                    |          | -77.39612        |          | -77.41059                 |          | -77.42486              |          |       |
| Miles to Subject      | 0.00                    | 4.73                  |          | 7.30                         |          | 4.70             |          | 5.85                      |          | 6.33                   |          |       |
| Year Built            | 1982                    | 1993                  |          | 1974                         |          | 1990             |          | 2000                      |          | 1999                   |          |       |
| Year Rehab            | 2019                    | 2012                  |          | 2000                         |          | 2017             |          | na                        |          | na                     |          |       |
| Project Rent          | Subsidized              | Restricted            |          | Restricted                   |          | Restricted       |          | Restricted                |          | Restricted             |          |       |
| Project Type          | Family                  | Family                |          | Family                       |          | Family           |          | Family                    |          | Family                 |          |       |
| Project Status        | Prop Rehab              | Stabilized            |          | Stabilized                   |          | Stabilized       |          | Stabilized                |          | Stabilized             |          |       |
| Phone                 | (804) 541-0392          | (804) 520-6563        |          | (804) 722-5444               |          | (804) 520-8500   |          | (804) 504-0230            |          | (804) 524-2555         |          |       |
| Effective Date        | 19-Apr-19               | 08-Apr-19             |          | 09-Apr-19                    |          | 09-Apr-19        |          | 10-Apr-19                 |          | 19-Apr-19              |          |       |
| <u>Project Level</u>  |                         |                       |          |                              |          |                  |          |                           |          |                        |          |       |
| Units                 | 103                     | 144                   |          | 200                          |          | 144              |          | 88                        |          | 62                     |          |       |
| Vacant Units          | 20                      | 17                    |          | 4                            |          | 1                |          | 1                         |          | 0                      |          |       |
| Vacancy Rate          | 19%                     | 12%                   |          | 2%                           |          | 1%               |          | 1%                        |          | 0%                     |          |       |
| <u>Unit Type</u>      |                         |                       |          |                              |          |                  |          |                           |          |                        |          |       |
| Units                 | 3                       | 4                     |          | 30                           |          | 24               |          | 20                        |          | 10                     |          |       |
| Vacant Units          | 1                       | 0                     |          | 3                            |          | 1                |          | 0                         |          | 0                      |          |       |
| Vacancy Rate          | 33%                     | 0%                    |          | 10%                          |          | 4%               |          | 0%                        |          | 0%                     |          |       |
| Street Rent           | \$1,019                 | \$1,052               |          | \$925                        |          | \$1,200          |          | \$950                     |          | \$1,118                |          |       |
| Concessions           | \$0                     | \$0                   |          | \$0                          |          | \$0              |          | \$0                       |          | \$0                    |          |       |
| Net Rent              | \$1,019                 | \$1,052               |          | \$925                        |          | \$1,200          |          | \$950                     |          | \$1,118                |          |       |
| <u>Adj</u>            |                         |                       |          |                              |          |                  |          |                           |          |                        |          |       |
| Tenant-Paid Utilities | TPU                     | \$79                  | \$201    | \$122                        | \$86     | \$7              | \$74     | -\$5                      | \$180    | \$101                  | \$108    | \$29  |
| Cable                 | \$0                     | no                    | na       | \$0                          | no       | \$0              | no       | \$0                       | no       | \$0                    | no       | \$0   |
| Internet              | \$0                     | no                    | na       | \$0                          | no       | \$0              | no       | \$0                       | no       | \$0                    | no       | \$0   |
| Bedrooms              | \$85                    | 4                     | 3        | \$85                         | 3        | \$85             | 3        | \$85                      | 3        | \$85                   | 3        | \$85  |
| Bathrooms             | \$0                     | 1.00                  | 2.00     | \$0                          | 1.00     | \$0              | 2.00     | \$0                       | 2.00     | \$0                    | 2.00     | \$0   |
| Square Feet           | \$0.25                  | 989                   | 1144     | -\$39                        | 1100     | -\$28            | 1010     | -\$5                      | 1071     | -\$21                  | 1364     | -\$94 |
| Visibility            | \$40                    | 2.00                  | 3.25     | -\$50                        | 3.00     | -\$40            | 3.25     | -\$50                     | 2.00     | \$0                    | 3.00     | -\$40 |
| Access                | \$100                   | 3.00                  | 3.00     | \$0                          | 3.00     | \$0              | 3.50     | -\$50                     | 2.50     | \$50                   | 3.00     | \$0   |
| Neighborhood          | \$0                     | 2.00                  | 2.80     | \$0                          | 2.60     | \$0              | 2.80     | \$0                       | 3.70     | \$0                    | 3.00     | \$0   |
| Area Amenities        | \$45                    | 3.80                  | 3.50     | \$14                         | 3.00     | \$36             | 4.00     | -\$9                      | 3.80     | \$0                    | 2.60     | \$54  |
| Median HH Income      | \$0.0025                | \$25,978              | \$40,596 | -\$37                        | \$23,880 | \$5              | \$40,596 | -\$37                     | \$54,125 | -\$70                  | \$49,509 | -\$59 |
| Average Commute       | \$0                     | 22.04                 | 20.63    | \$0                          | 15.73    | \$0              | 20.63    | \$0                       | 19.68    | \$0                    | 26.91    | \$0   |
| Public Transportation | \$0                     | na                    | na       | \$0                          | na       | \$0              | na       | \$0                       | na       | \$0                    | na       | \$0   |
| Personal Crime        | \$0                     | 21.2%                 | 2.7%     | \$0                          | 21.6%    | \$0              | 2.7%     | \$0                       | 3.8%     | \$0                    | 3.5%     | \$0   |
| Condition             | \$10                    | 4.00                  | 3.25     | \$8                          | 3.25     | \$8              | 3.75     | \$3                       | 3.75     | \$3                    | 3.50     | \$5   |
| Effective Age         | \$1.00                  | 2009                  | 2010     | -\$1                         | 2000     | \$9              | 2000     | \$9                       | 2000     | \$9                    | 2000     | \$9   |
| Ball Field            | \$2                     | no                    | no       | \$0                          | no       | \$0              | no       | \$0                       | no       | \$0                    | no       | \$0   |
| BBQ Area              | \$2                     | no                    | no       | \$0                          | no       | \$0              | yes      | -\$2                      | no       | \$0                    | no       | \$0   |
| Billiards             | \$2                     | no                    | no       | \$0                          | no       | \$0              | no       | \$0                       | no       | \$0                    | no       | \$0   |
| Bus/Comp Center       | \$10                    | yes                   | yes      | \$0                          | no       | \$10             | no       | \$10                      | no       | \$10                   | no       | \$10  |
| Car Care Center       | \$2                     | no                    | no       | \$0                          | no       | \$0              | no       | \$0                       | no       | \$0                    | no       | \$0   |
| Community Center      | \$10                    | yes                   | yes      | \$0                          | no       | \$10             | yes      | \$0                       | yes      | \$0                    | yes      | \$0   |
| Elevator              | \$10                    | no                    | no       | \$0                          | no       | \$0              | no       | \$0                       | no       | \$0                    | no       | \$0   |
| Fitness Center        | \$2                     | no                    | yes      | -\$2                         | no       | \$0              | no       | \$0                       | yes      | -\$2                   | 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                          | no       | \$0              | yes      | -\$2                      | no       | \$0                    | no       | \$0   |
| Playground            | \$5                     | yes                   | yes      | \$0                          | no       | \$5              | yes      | \$0                       | no       | \$5                    | no       | \$5   |
| Pool                  | \$2                     | no                    | yes      | -\$2                         | no       | \$0              | yes      | -\$2                      | yes      | -\$2                   | no       | \$0   |
| Sauna                 | \$2                     | no                    | no       | \$0                          | no       | \$0              | no       | \$0                       | no       | \$0                    | no       | \$0   |
| Sports Court          | \$10                    | yes                   | yes      | \$0                          | yes      | \$0              | yes      | \$0                       | no       | \$10                   | no       | \$10  |
| 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                     | no                    | no       | \$0                          | no       | \$0              | yes      | -\$2                      | no       | \$0                    | no       | \$0   |
| Carpeting             | \$2                     | no                    | yes      | -\$2                         | yes      | -\$2             | yes      | -\$2                      | yes      | -\$2                   | yes      | -\$2  |
| Fireplace             | \$2                     | no                    | no       | \$0                          | no       | \$0              | some     | \$0                       | no       | \$0                    | no       | \$0   |
| Patio/Balcony         | \$10                    | yes                   | yes      | \$0                          | no       | \$10             | yes      | \$0                       | yes      | \$0                    | yes      | \$0   |
| Storage               | \$10                    | some                  | no       | \$0                          | no       | \$0              | yes      | -\$10                     | 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              | \$10                    | no                    | yes      | -\$10                        | yes      | -\$10            | yes      | -\$10                     | no       | \$0                    | yes      | -\$10 |
| Dishwasher            | \$2                     | yes                   | yes      | \$0                          | yes      | \$0              | yes      | \$0                       | yes      | \$0                    | yes      | \$0   |
| Microwave             | \$2                     | no                    | no       | \$0                          | 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               | \$25                    | yes                   | yes      | \$0                          | no       | \$25             | no       | \$25                      | yes      | \$0                    | yes      | \$0   |
| W/D Units             | \$10                    | no                    | no       | \$0                          | yes      | -\$10            | no       | \$0                       | no       | \$0                    | no       | \$0   |
| W/D Hookups           | \$25                    | no                    | yes      | -\$25                        | no       | \$0              | yes      | -\$25                     | yes      | -\$25                  | yes      | -\$25 |
| 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                          | 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                     | no                    | no       | \$0                          | no       | \$0              | no       | \$0                       | no       | \$0                    | no       | \$0   |
| Indicated Rent        | \$1,100                 | \$1,115               |          | \$1,045                      |          | \$1,123          |          | \$1,093                   |          | \$1,097                |          |       |



**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-606sf / 50% of AMI / 50% of AMI | No   | Yes        | 10    | \$750   |
| 1BR-1BA-606sf / 60% of AMI / 60% of AMI | No   | Yes        | 6     | \$750   |
| 1BR-1BA-606sf / 60% of AMI / 60% of AMI | No   | Yes        | 4     | \$750   |
| 2BR-1BA-627sf / 50% of AMI / 50% of AMI | No   | Yes        | 17    | \$875   |
| 2BR-1BA-764sf / 50% of AMI / 50% of AMI | No   | Yes        | 7     | \$875   |
| 2BR-1BA-764sf / 60% of AMI / 60% of AMI | No   | Yes        | 7     | \$875   |
| 2BR-1BA-905sf / 60% of AMI / 60% of AMI | No   | Yes        | 13    | \$875   |
| 2BR-1BA-905sf / 60% of AMI / 60% of AMI | No   | Yes        | 4     | \$875   |
| 3BR-1BA-764sf / 50% of AMI / 50% of AMI | No   | Yes        | 8     | \$950   |
| 3BR-1BA-784sf / 50% of AMI / 50% of AMI | No   | Yes        | 7     | \$950   |
| 3BR-1BA-899sf / 60% of AMI / 60% of AMI | No   | Yes        | 13    | \$1,000 |
| 3BR-2BA-899sf / 60% of AMI / 60% of AMI | No   | Yes        | 1     | \$1,000 |
| 4BR-1BA-989sf / 50% of AMI / 50% of AMI | No   | Yes        | 3     | \$1,100 |
| 4BR-1BA-989sf / 60% of AMI / 60% of AMI | No   | Yes        | 3     | \$1,100 |
| Total / Average                         |      |            | 103   | \$892   |

Our analysis suggests an average restricted market rent of \$892 for the subject property.

We selected a total of 7 properties as comparables for purposes of our analysis. The average occupancy at the select rent comparables currently stands at 96 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                          |            |            |            |            | 100%       |            |            |        |
| 2-Bedroom                          |            |            |            |            | 96%        |            |            |        |
| 3-Bedroom                          |            |            |            |            | 96%        |            |            |        |
| 4-Bedroom                          |            |            |            |            |            |            |            |        |
| Total                              |            |            |            |            | 96%        |            |            |        |

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                             | 97%        |            |            |            |            |            |            | 100%   |
| 1-Bedroom                             | 98%        |            | 100%       | 94%        | 100%       |            |            | 95%    |
| 2-Bedroom                             | 97%        |            | 100%       | 98%        | 95%        |            |            | 94%    |
| 3-Bedroom                             | 95%        |            | 100%       | 97%        | 97%        |            |            | 97%    |
| 4-Bedroom                             | 93%        |            |            |            |            |            |            | 83%    |
| Total                                 | 97%        |            | 100%       | 97%        | 96%        |            |            | 95%    |

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 \$998 to \$1123 since 2010. This represents an average 1.6% 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 | \$756 | \$907   | \$1,048 | -      | -     | -     |
| 2007 | \$773 | \$927   | \$1,072 | 2.2%   | 2.2%  | 2.3%  |
| 2008 | \$780 | \$936   | \$1,081 | 0.9%   | 1.0%  | 0.8%  |
| 2009 | \$824 | \$988   | \$1,142 | 5.6%   | 5.6%  | 5.6%  |
| 2010 | \$831 | \$998   | \$1,153 | 0.8%   | 1.0%  | 1.0%  |
| 2011 | \$839 | \$1,007 | \$1,164 | 1.0%   | 0.9%  | 1.0%  |
| 2012 | \$851 | \$1,021 | \$1,179 | 1.4%   | 1.4%  | 1.3%  |
| 2013 | \$831 | \$998   | \$1,153 | -2.4%  | -2.3% | -2.2% |
| 2014 | \$820 | \$984   | \$1,137 | -1.3%  | -1.4% | -1.4% |
| 2015 | \$835 | \$1,002 | \$1,158 | 1.8%   | 1.8%  | 1.8%  |
| 2016 | \$814 | \$977   | \$1,129 | -2.5%  | -2.5% | -2.5% |
| 2017 | \$885 | \$1,062 | \$1,228 | 8.7%   | 8.7%  | 8.8%  |
| 2018 | \$936 | \$1,123 | \$1,298 | 5.8%   | 5.7%  | 5.7%  |

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-616.5sf / 60% of AMI / 60% of AMI | No   | Yes        | 20    | \$780   |
| 2BR-1BA-774sf / 60% of AMI / 60% of AMI   | No   | Yes        | 34    | \$910   |
| 2BR-1BA-905sf / 60% of AMI / 60% of AMI   | No   | Yes        | 14    | \$910   |
| 3BR-1BA-899sf / 60% of AMI / 60% of AMI   | No   | Yes        | 8     | \$1,025 |
| 3BR-1BA-989sf / 60% of AMI / 60% of AMI   | No   | Yes        | 20    | \$1,025 |
| 3BR-1BA-1214sf / 60% of AMI / 60% of AMI  | No   | Yes        | 1     | \$1,045 |
| 4BR-1BA-1192sf / 60% of AMI / 60% of AMI  | No   | Yes        | 6     | \$1,205 |
| Total / Average                           |      |            | 103   | \$935   |

**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-606sf / 50% of AMI / 50% of AMI | No   | Yes        | 10    | \$780      | \$54      | \$726    |
| 1BR-1BA-606sf / 60% of AMI / 60% of AMI | No   | Yes        | 6     | \$936      | \$54      | \$882    |
| 1BR-1BA-606sf / 60% of AMI / 60% of AMI | No   | Yes        | 4     | \$936      | \$54      | \$882    |
| 2BR-1BA-627sf / 50% of AMI / 50% of AMI | No   | Yes        | 17    | \$936      | \$62      | \$874    |
| 2BR-1BA-764sf / 50% of AMI / 50% of AMI | No   | Yes        | 7     | \$936      | \$62      | \$874    |
| 2BR-1BA-764sf / 60% of AMI / 60% of AMI | No   | Yes        | 7     | \$1,123    | \$62      | \$1,061  |
| 2BR-1BA-905sf / 60% of AMI / 60% of AMI | No   | Yes        | 13    | \$1,123    | \$62      | \$1,061  |
| 2BR-1BA-905sf / 60% of AMI / 60% of AMI | No   | Yes        | 4     | \$1,123    | \$62      | \$1,061  |
| 3BR-1BA-764sf / 50% of AMI / 50% of AMI | No   | Yes        | 8     | \$1,081    | \$70      | \$1,011  |
| 3BR-1BA-784sf / 50% of AMI / 50% of AMI | No   | Yes        | 7     | \$1,081    | \$70      | \$1,011  |
| 3BR-1BA-899sf / 60% of AMI / 60% of AMI | No   | Yes        | 13    | \$1,298    | \$70      | \$1,228  |
| 3BR-2BA-899sf / 60% of AMI / 60% of AMI | No   | Yes        | 1     | \$1,298    | \$70      | \$1,228  |
| 4BR-1BA-989sf / 50% of AMI / 50% of AMI | No   | Yes        | 3     | \$1,207    | \$79      | \$1,128  |
| 4BR-1BA-989sf / 60% of AMI / 60% of AMI | No   | Yes        | 3     | \$1,449    | \$79      | \$1,370  |
| Total / Average                         |      |            | 103   | \$1,058    | \$64      | \$994    |

Our analysis suggests an average net LIHTC rent limit of \$994 for 103 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-606sf / 50% of AMI / 50% of AMI | No   | Yes        | -     | -          | -         | -        |
| 1BR-1BA-606sf / 60% of AMI / 60% of AMI | No   | Yes        | -     | -          | -         | -        |
| 1BR-1BA-606sf / 60% of AMI / 60% of AMI | No   | Yes        | -     | -          | -         | -        |
| 2BR-1BA-627sf / 50% of AMI / 50% of AMI | No   | Yes        | -     | -          | -         | -        |
| 2BR-1BA-764sf / 50% of AMI / 50% of AMI | No   | Yes        | -     | -          | -         | -        |
| 2BR-1BA-764sf / 60% of AMI / 60% of AMI | No   | Yes        | -     | -          | -         | -        |
| 2BR-1BA-905sf / 60% of AMI / 60% of AMI | No   | Yes        | -     | -          | -         | -        |
| 2BR-1BA-905sf / 60% of AMI / 60% of AMI | No   | Yes        | -     | -          | -         | -        |
| 3BR-1BA-764sf / 50% of AMI / 50% of AMI | No   | Yes        | -     | -          | -         | -        |
| 3BR-1BA-784sf / 50% of AMI / 50% of AMI | No   | Yes        | -     | -          | -         | -        |
| 3BR-1BA-899sf / 60% of AMI / 60% of AMI | No   | Yes        | -     | -          | -         | -        |
| 3BR-2BA-899sf / 60% of AMI / 60% of AMI | No   | Yes        | -     | -          | -         | -        |
| 4BR-1BA-989sf / 50% of AMI / 50% of AMI | No   | Yes        | -     | -          | -         | -        |
| 4BR-1BA-989sf / 60% of AMI / 60% of AMI | No   | Yes        | -     | -          | -         | -        |
| 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-606sf / 50% of AMI / 50% of AMI | No   | Yes        | 10    | \$726   | -   | \$870   | \$870   |
| 1BR-1BA-606sf / 60% of AMI / 60% of AMI | No   | Yes        | 6     | \$882   | -   | \$870   | \$870   |
| 1BR-1BA-606sf / 60% of AMI / 60% of AMI | No   | Yes        | 4     | \$882   | -   | \$870   | \$870   |
| 2BR-1BA-627sf / 50% of AMI / 50% of AMI | No   | Yes        | 17    | \$874   | -   | \$950   | \$950   |
| 2BR-1BA-764sf / 50% of AMI / 50% of AMI | No   | Yes        | 7     | \$874   | -   | \$950   | \$950   |
| 2BR-1BA-764sf / 60% of AMI / 60% of AMI | No   | Yes        | 7     | \$1,061 | -   | \$950   | \$950   |
| 2BR-1BA-905sf / 60% of AMI / 60% of AMI | No   | Yes        | 13    | \$1,061 | -   | \$950   | \$950   |
| 2BR-1BA-905sf / 60% of AMI / 60% of AMI | No   | Yes        | 4     | \$1,061 | -   | \$950   | \$950   |
| 3BR-1BA-764sf / 50% of AMI / 50% of AMI | No   | Yes        | 8     | \$1,011 | -   | \$1,175 | \$1,175 |
| 3BR-1BA-784sf / 50% of AMI / 50% of AMI | No   | Yes        | 7     | \$1,011 | -   | \$1,175 | \$1,175 |
| 3BR-1BA-899sf / 60% of AMI / 60% of AMI | No   | Yes        | 13    | \$1,228 | -   | \$1,275 | \$1,275 |
| 3BR-2BA-899sf / 60% of AMI / 60% of AMI | No   | Yes        | 1     | \$1,228 | -   | \$1,275 | \$1,275 |
| 4BR-1BA-989sf / 50% of AMI / 50% of AMI | No   | Yes        | 3     | \$1,128 | -   | \$1,350 | \$1,350 |
| 4BR-1BA-989sf / 60% of AMI / 60% of AMI | No   | Yes        | 3     | \$1,370 | -   | \$1,350 | \$1,350 |
| Total / Average                         |      |            | 103   | \$994   | -   | \$1,035 | \$1,035 |

Our analysis suggests an average program rent limit of \$1,035 for 103 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-606sf / 50% of AMI / 50% of AMI | No   | Yes        | 10    | \$870   | \$870        | \$750      | \$870      | \$551    | 36.7%     |
| 1BR-1BA-606sf / 60% of AMI / 60% of AMI | No   | Yes        | 6     | \$870   | \$870        | \$750      | \$870      | \$551    | 36.7%     |
| 1BR-1BA-606sf / 60% of AMI / 60% of AMI | No   | Yes        | 4     | \$870   | \$870        | \$750      | \$870      | \$551    | 36.7%     |
| 2BR-1BA-627sf / 50% of AMI / 50% of AMI | No   | Yes        | 17    | \$950   | \$950        | \$875      | \$950      | \$635    | 33.2%     |
| 2BR-1BA-764sf / 50% of AMI / 50% of AMI | No   | Yes        | 7     | \$950   | \$950        | \$875      | \$950      | \$635    | 33.2%     |
| 2BR-1BA-764sf / 60% of AMI / 60% of AMI | No   | Yes        | 7     | \$950   | \$950        | \$875      | \$950      | \$635    | 33.2%     |
| 2BR-1BA-905sf / 60% of AMI / 60% of AMI | No   | Yes        | 13    | \$950   | \$950        | \$875      | \$950      | \$635    | 33.2%     |
| 2BR-1BA-905sf / 60% of AMI / 60% of AMI | No   | Yes        | 4     | \$950   | \$950        | \$875      | \$950      | \$635    | 33.2%     |
| 3BR-1BA-764sf / 50% of AMI / 50% of AMI | No   | Yes        | 8     | \$1,175 | \$1,175      | \$950      | \$1,175    | \$850    | 27.7%     |
| 3BR-1BA-784sf / 50% of AMI / 50% of AMI | No   | Yes        | 7     | \$1,175 | \$1,175      | \$950      | \$1,175    | \$850    | 27.7%     |
| 3BR-1BA-899sf / 60% of AMI / 60% of AMI | No   | Yes        | 13    | \$1,275 | \$1,275      | \$1,000    | \$1,275    | \$850    | 33.3%     |
| 3BR-2BA-899sf / 60% of AMI / 60% of AMI | No   | Yes        | 1     | \$1,275 | \$1,275      | \$1,000    | \$1,275    | \$850    | 33.3%     |
| 4BR-1BA-989sf / 50% of AMI / 50% of AMI | No   | Yes        | 3     | \$1,350 | \$1,350      | \$1,100    | \$1,350    | \$1,019  | 24.5%     |
| 4BR-1BA-989sf / 60% of AMI / 60% of AMI | No   | Yes        | 3     | \$1,350 | \$1,350      | \$1,100    | \$1,350    | \$1,019  | 24.5%     |
| Total / Average                         |      |            | 103   | \$1,035 | \$1,035      | \$892      | \$1,035    | \$702    | 32.2%     |

Our analysis suggests an average achievable rent of \$1,035 for the subject property. This is compared with an average proposed rent of \$702, yielding an achievable rent advantage of 32.2 percent. Overall, the subject property appears to be priced at or below 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-606sf / 50% of AMI / 50% of AMI | No   | No         | 10    | \$726   | \$870        | \$750      | \$726      | \$551    | 24.1%     |
| 1BR-1BA-606sf / 60% of AMI / 60% of AMI | No   | No         | 6     | \$882   | \$870        | \$750      | \$750      | \$551    | 26.5%     |
| 1BR-1BA-606sf / 60% of AMI / 60% of AMI | No   | No         | 4     | \$882   | \$870        | \$750      | \$750      | \$551    | 26.5%     |
| 2BR-1BA-627sf / 50% of AMI / 50% of AMI | No   | No         | 17    | \$874   | \$950        | \$875      | \$874      | \$635    | 27.3%     |
| 2BR-1BA-764sf / 50% of AMI / 50% of AMI | No   | No         | 7     | \$874   | \$950        | \$875      | \$874      | \$635    | 27.3%     |
| 2BR-1BA-764sf / 60% of AMI / 60% of AMI | No   | No         | 7     | \$1,061 | \$950        | \$875      | \$875      | \$635    | 27.4%     |
| 2BR-1BA-905sf / 60% of AMI / 60% of AMI | No   | No         | 13    | \$1,061 | \$950        | \$875      | \$875      | \$635    | 27.4%     |
| 2BR-1BA-905sf / 60% of AMI / 60% of AMI | No   | No         | 4     | \$1,061 | \$950        | \$875      | \$875      | \$635    | 27.4%     |
| 3BR-1BA-764sf / 50% of AMI / 50% of AMI | No   | No         | 8     | \$1,011 | \$1,175      | \$950      | \$950      | \$850    | 10.5%     |
| 3BR-1BA-784sf / 50% of AMI / 50% of AMI | No   | No         | 7     | \$1,011 | \$1,175      | \$950      | \$950      | \$850    | 10.5%     |
| 3BR-1BA-899sf / 60% of AMI / 60% of AMI | No   | No         | 13    | \$1,228 | \$1,275      | \$1,000    | \$1,000    | \$850    | 15.0%     |
| 3BR-2BA-899sf / 60% of AMI / 60% of AMI | No   | No         | 1     | \$1,228 | \$1,275      | \$1,000    | \$1,000    | \$850    | 15.0%     |
| 4BR-1BA-989sf / 50% of AMI / 50% of AMI | No   | No         | 3     | \$1,128 | \$1,350      | \$1,100    | \$1,100    | \$1,019  | 7.4%      |
| 4BR-1BA-989sf / 60% of AMI / 60% of AMI | No   | No         | 3     | \$1,370 | \$1,350      | \$1,100    | \$1,100    | \$1,019  | 7.4%      |
| Total / Average                         |      |            | 103   | \$994   | \$1,035      | \$892      | \$889      | \$702    | 21.1%     |

## 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   | 1,311                                 | 397      | 341      | 281      | 129      | 64        | 2,524  |  |
| \$0     | to \$19,999  | 2,867                                 | 1,039    | 905      | 547      | 265      | 138       | 5,760  |  |
| \$0     | to \$29,999  | 3,887                                 | 1,585    | 1,302    | 702      | 363      | 180       | 8,019  |  |
| \$0     | to \$39,999  | 4,976                                 | 2,224    | 1,573    | 998      | 538      | 294       | 10,602 |  |
| \$0     | to \$49,999  | 5,465                                 | 2,789    | 1,889    | 1,341    | 654      | 352       | 12,491 |  |
| \$0     | to \$59,999  | 5,840                                 | 3,033    | 2,154    | 1,545    | 716      | 375       | 13,664 |  |
| \$0     | to \$74,999  | 6,199                                 | 3,486    | 2,539    | 1,778    | 900      | 493       | 15,395 |  |
| \$0     | to \$99,999  | 6,710                                 | 3,965    | 2,906    | 2,099    | 1,054    | 579       | 17,313 |  |
| \$0     | to \$124,999 | 6,888                                 | 4,206    | 3,104    | 2,254    | 1,137    | 619       | 18,208 |  |
| \$0     | to \$149,999 | 6,970                                 | 4,273    | 3,199    | 2,282    | 1,253    | 672       | 18,650 |  |
| \$0     | to \$199,999 | 7,032                                 | 4,351    | 3,307    | 2,305    | 1,292    | 684       | 18,971 |  |
| \$0     | or more      | 7,120                                 | 4,425    | 3,343    | 2,361    | 1,310    | 691       | 19,250 |  |

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 |    |
| 001      | 1200 Acqua Apartments                | 2009  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 120 |              |     |     |     |     |     |     |     | 4  |
| 002      | 30 Franklin                          | 1930  | 2017      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 13  |              |     |     |     |     |     |     |     | 1  |
| 003      | Addison Crater Woods Phase 1         | 1982  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 24  |              |     |     |     |     |     |     |     |    |
| 004      | Addison Crater Woods Phase 2         | 1985  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 005      | Addison Crater Woods Phase 3         | 2008  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 24  |              |     |     |     |     |     |     |     | 3  |
| 006      | Addison Crater Woods Phase 4         | 2010  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 78  |              |     |     |     |     |     |     |     | 2  |
| 009      | Bailey's Ridge                       | 2000  | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 012      | Birchett Estates Townhomes           | 1974  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 014      | Bosco (The)                          | 1900  | 2016      | Market Rate | Family   | Lease Up   |             |     |     |     |     |     |     | 73  |              |     |     |     |     |     |     |     | 44 |
| 015      | Branchester Lakes                    | 1997  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 16  |              |     |     |     |     |     |     |     | 1  |
| 017      | Burr Lofts                           | 1930  | 2016      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 40  |              |     |     |     |     |     |     |     | 1  |
| 018      | Butterworth Lofts                    | 1915  | 2012      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 8   |              |     |     |     |     |     |     |     | 1  |
| 019      | Cameron Lofts                        | 1930  | 2012      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 12  |              |     |     |     |     |     |     |     | 2  |
| 020      | Canterbury Townhouses                | 1985  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 023      | Cavalier Apartments 2                | 2018  | na        | Restricted  | Family   | Lease Up   |             |     |     | 7   |     | 5   |     |     |              |     | 1   |     | 1   |     |     |     |    |
| 025      | Chesterfield Garden Apartments       | 2002  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 029      | Clearfield Apartments                | 1993  | 2012      | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 030      | Colonial Apartments                  | 1967  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 031      | Colonial Commons                     | 1991  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 2   |              |     |     |     |     |     |     |     |    |
| 032      | Colonial Court Apartments            | 1945  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 035      | Commerce Street Apartments           | 1970  | 2018      | Market Rate | Family   | Lease Up   |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 036      | Comez Manor Apartments               | 1986  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 20  |              |     |     |     |     |     |     |     | 4  |
| 038      | Crater Square Apartments             | 1984  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 16  |              |     |     |     |     |     |     |     |    |
| 040      | Davisville & Bland Court Apartments  | 1942  | na        | Subsidized  | Family   | Stabilized | 32          |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 042      | Dunlop Street Lofts                  | 1915  | 2008      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 32  |              |     |     |     |     |     |     |     | 3  |
| 043      | Farmingdale Townhouses               | 1966  | 2011      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 044      | First Colony Townhouses              | 1963  | 2010      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 048      | Hampton Court Townhomes              | 1980  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 050      | Harwood Square Apartments            | 2007  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 24  |              |     |     |     |     |     |     |     |    |
| 051      | Henry Williams Townhomes             | 2011  | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 056      | Hopewell Heights Apartments - Family | 1979  | na        | Subsidized  | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 058      | Hopewell Lofts                       | 1920  | 2010      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 20  |              |     |     |     |     |     |     |     | 2  |
| 061      | Ivy Gates Apartments                 | 1974  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 062      | Jefferson Pointe Apartments          | 2000  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 16  |              |     |     |     |     |     |     |     |    |
| 064      | Jefferson South of the James         | 1974  | 2000      | Restricted  | Family   | Stabilized |             |     |     |     |     | 48  |     |     |              |     |     |     |     |     |     |     |    |
| 065      | Jesse Lee Apartments                 | 2008  | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 071      | Lakeview Terrace Apartments          | 1975  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 12  |              |     |     |     |     |     |     |     |    |
| 072      | Lakeview Village                     | 1975  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 17  |              |     |     |     |     |     |     |     |    |
| 073      | Lakeview West Apartments             | 1999  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 30  |              |     |     |     |     |     |     |     | 1  |
| 075      | Landmark Apartments                  | 1983  | na        | Subsidized  | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 079      | Liberty Pointe                       | 2015  | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 080      | Lieutenants Run Apartments           | 2005  | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 081      | Lofts at 301 N Dunlop (The)          | 1925  | 2011      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 12  |              |     |     |     |     |     |     |     | 5  |
| 082      | Lofts on Market (The)                | 1920  | 2010      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 20  |              |     |     |     |     |     |     |     | 2  |
| 083      | Long Lofts                           | 1930  | 2017      | Market Rate | Family   | Lease Up   |             |     |     |     |     |     |     | 62  |              |     |     |     |     |     |     |     | 54 |
| 084      | Madison Terrace Apartments           | 1978  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 086      | Mayton Transfer Lofts                | 1911  | 2008      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 71  |              |     |     |     |     |     |     |     | 2  |
| 090      | Mill Creek Apartments                | 1977  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 27  |              |     |     |     |     |     |     |     |    |
| 091      | Mill Pond Apartments                 | 2007  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 16  |              |     |     |     |     |     |     |     |    |
| 092      | Newcastle Apartments                 | 1965  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 094      | Oaks Of Dunlop                       | 1990  | 2017      | Restricted  | Family   | Stabilized |             |     |     |     | 12  |     |     |     |              |     |     |     |     |     |     |     |    |
| 098      | Pecan Acres Estates                  | 2018  | na        | Subsidized  | Family   | Prop Const | 10          |     |     |     |     |     |     |     | 10           |     |     |     |     |     |     |     |    |
| 099      | Perry Street Loft                    | 1930  | 2012      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 50  |              |     |     |     |     |     |     |     | 3  |
| 102      | Petesburg East Phase 1               | 1975  | 2006      | Subsidized  | Family   | Stabilized | 16          |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 103      | Petesburg East Phase 2               | 1976  | 2005      | Subsidized  | Family   | Stabilized | 12          |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 104      | Pin Oaks Estates                     | 2018  | na        | Subsidized  | Family   | Prop Const | 18          |     |     |     |     |     |     |     | 18           |     |     |     |     |     |     |     |    |
| 105      | Pinetree Apartments                  | 1995  | na        | Restricted  | Family   | Stabilized |             |     |     |     | 8   |     |     |     |              |     |     |     |     |     |     |     |    |
| 106      | Piper Square Apartments              | 1982  | na        | Subsidized  | Family   | Stabilized | 20          |     |     |     |     |     |     |     | 5            |     |     |     |     |     |     |     |    |
| 108      | Puddledock Place Apartments 1        | 2014  | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 109      | Puddledock Place Apartments 2        | 2015  | na        | Restricted  | Family   | Stabilized |             |     |     | 12  |     |     |     |     |              |     |     | 2   |     |     |     |     |    |

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 |  |     |
| 110 Quail Oaks Apartments         | 1972  | 2000      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |       |              |     |     |     |     |     |     |     |  |     |
| 111 River Road Terrace Apartments | 1976  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |       |              |     |     |     |     |     |     |     |  |     |
| 113 Rivermont Landing             | 2010  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |       |              |     |     |     |     |     |     |     |  |     |
| 114 Rivermont Station Apartments  | 2008  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |       |              |     |     |     |     |     |     |     |  |     |
| 115 River's Bend Apartments Homes | 1999  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 166   |              |     |     |     |     |     |     |     |  | 1   |
| 116 Riverside Park Apartments     | 1969  | 1984      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 60    |              |     |     |     |     |     |     |     |  | 3   |
| 117 Mattox Landing Apartments     | 2000  | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |       |              |     |     |     |     |     |     |     |  |     |
| 122 South Street Lofts            | 1930  | 2001      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 16    |              |     |     |     |     |     |     |     |  | 1   |
| 124 Star Lofts                    | 1930  | 2013      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 25    |              |     |     |     |     |     |     |     |  | 4   |
| 125 Summit Apartments (The)       | 2014  | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |       |              |     |     |     |     |     |     |     |  |     |
| 127 Swearingen Realty Co          | 1992  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |       |              |     |     |     |     |     |     |     |  |     |
| 130 Tanglewood Apartments         | 1971  | 2010      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 122   |              |     |     |     |     |     |     |     |  | 6   |
| 131 Terrace View                  | 1999  | na        | Restricted  | Family   | Stabilized |             |     |     |     | 10  |     |     |       |              |     |     |     |     |     |     |     |  |     |
| 134 Twin Rivers Townhouses        | 1976  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |       |              |     |     |     |     |     |     |     |  |     |
| 135 Union Flats                   | 1915  | 1983      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 57    |              |     |     |     |     |     |     |     |  | 2   |
| 139 Webster Court Apartments      | 1968  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |       |              |     |     |     |     |     |     |     |  |     |
| 141 Westover Commons Apartments   | 1947  | 2001      | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |       |              |     |     |     |     |     |     |     |  |     |
| 142 Windham Hills Apartments      | 1968  | 1998      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |       |              |     |     |     |     |     |     |     |  |     |
| 146 Woodmere Apartments           | 1964  | 2006      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 40    |              |     |     |     |     |     |     |     |  | 2   |
| 147 Wythe Row Townhomes           | 1911  | 2000      | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |       |              |     |     |     |     |     |     |     |  |     |
| 148 Petersburg Artist Space       | 1879  | 2019      | Restricted  | Family   | Prop Rehab |             |     |     |     | 101 |     |     |       |              |     |     |     |     |     |     |     |  |     |
| <b>Total</b>                      |       |           |             |          |            | 108         |     | 7   | 12  | 184 |     |     | 1,341 | 33           |     | 1   | 2   | 102 |     |     |     |  | 154 |

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 |    |
| 001      | 1200 Acqua Apartments                | 2009  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 216          |     |     |     |     |     |     |     |     | 7  |
| 002      | 30 Franklin                          | 1930  | 2017      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 4            |     |     |     |     |     |     |     |     | 1  |
| 003      | Addison Crater Woods Phase 1         | 1982  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 96           |     |     |     |     |     |     |     |     | 4  |
| 004      | Addison Crater Woods Phase 2         | 1985  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 120          |     |     |     |     |     |     |     |     | 6  |
| 005      | Addison Crater Woods Phase 3         | 2008  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 210          |     |     |     |     |     |     |     |     | 18 |
| 006      | Addison Crater Woods Phase 4         | 2010  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 12           |     |     |     |     |     |     |     |     |    |
| 009      | Bailey's Ridge                       | 2000  | na        | Restricted  | Family   | Stabilized |             |     |     |     | 156 |     |     |              |     |     |     |     |     |     |     |     |    |
| 012      | Birchett Estates Townhomes           | 1974  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 26           |     |     |     |     |     |     |     |     |    |
| 014      | Bosco (The)                          | 1900  | 2016      | Market Rate | Family   | Lease Up   |             |     |     |     |     |     |     |              |     |     |     |     |     |     |     |     |    |
| 015      | Branchester Lakes                    | 1997  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 72           |     |     |     |     |     |     |     |     |    |
| 017      | Burr Lofts                           | 1930  | 2016      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |              |     |     |     |     |     |     |     |     |    |
| 018      | Butterworth Lofts                    | 1915  | 2012      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 16           |     |     |     |     |     |     |     |     | 1  |
| 019      | Cameron Lofts                        | 1930  | 2012      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 22           |     |     |     |     |     |     |     |     |    |
| 020      | Canterbury Townhouses                | 1985  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 140          |     |     |     |     |     |     |     |     | 2  |
| 023      | Cavalier Apartments 2                | 2018  | na        | Restricted  | Family   | Lease Up   |             |     |     | 15  | 15  |     |     |              |     |     |     | 8   | 9   |     |     |     |    |
| 025      | Chesterfield Garden Apartments       | 2002  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 100          |     |     |     |     |     |     |     |     |    |
| 029      | Clearfield Apartments                | 1993  | 2012      | Restricted  | Family   | Stabilized |             |     |     |     | 140 |     |     |              |     |     |     |     | 17  |     |     |     |    |
| 030      | Colonial Apartments                  | 1967  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 16           |     |     |     |     |     |     |     |     | 1  |
| 031      | Colonial Commons                     | 1991  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 2            |     |     |     |     |     |     |     |     |    |
| 032      | Colonial Court Apartments            | 1945  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 64           |     |     |     |     |     |     |     |     | 13 |
| 035      | Commerce Street Apartments           | 1970  | 2018      | Market Rate | Family   | Lease Up   |             |     |     |     |     |     |     | 65           |     |     |     |     |     |     |     |     | 49 |
| 036      | Comez Manor Apartments               | 1986  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |              |     |     |     |     |     |     |     |     |    |
| 038      | Crater Square Apartments             | 1984  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 90           |     |     |     |     |     |     |     |     | 4  |
| 040      | Davisville & Bland Court Apartments  | 1942  | na        | Subsidized  | Family   | Stabilized | 52          |     |     |     |     |     |     |              |     |     |     |     |     |     |     |     |    |
| 042      | Dunlop Street Lofts                  | 1915  | 2008      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 32           |     |     |     |     |     |     |     |     | 3  |
| 043      | Farmingdale Townhouses               | 1966  | 2011      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 122          |     |     |     |     |     |     |     |     |    |
| 044      | First Colony Townhouses              | 1963  | 2010      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 58           |     |     |     |     |     |     |     |     | 3  |
| 048      | Hampton Court Townhomes              | 1980  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 40           |     |     |     |     |     |     |     |     |    |
| 050      | Harwood Square Apartments            | 2007  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |              |     |     |     |     |     |     |     |     |    |
| 051      | Henry Williams Townhomes             | 2011  | na        | Restricted  | Family   | Stabilized |             |     |     | 3   | 15  |     |     |              |     |     |     |     |     |     |     |     |    |
| 056      | Hopewell Heights Apartments - Family | 1979  | na        | Subsidized  | Family   | Stabilized | 32          |     |     |     |     |     |     |              |     |     |     |     |     |     |     |     |    |
| 058      | Hopewell Lofts                       | 1920  | 2010      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 23           |     |     |     |     |     |     |     |     | 3  |
| 061      | Ivy Gates Apartments                 | 1974  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 94           |     |     |     |     |     |     |     |     |    |
| 062      | Jefferson Pointe Apartments          | 2000  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 170          |     |     |     |     |     |     |     |     | 2  |
| 064      | Jefferson South of the James         | 1974  | 2000      | Restricted  | Family   | Stabilized |             |     |     |     | 122 |     |     |              |     |     |     |     | 1   |     |     |     |    |
| 065      | Jesse Lee Apartments                 | 2008  | na        | Restricted  | Family   | Stabilized |             |     |     | 78  |     |     |     |              |     |     |     | 3   |     |     |     |     |    |
| 071      | Lakeview Terrace Apartments          | 1975  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 48           |     |     |     |     |     |     |     |     |    |
| 072      | Lakeview Village                     | 1975  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 46           |     |     |     |     |     |     |     |     | 1  |
| 073      | Lakeview West Apartments             | 1999  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |              |     |     |     |     |     |     |     |     |    |
| 075      | Landmark Apartments                  | 1983  | na        | Subsidized  | Family   | Stabilized | 32          |     |     |     |     |     |     |              |     |     |     |     |     |     |     |     |    |
| 079      | Liberty Pointe                       | 2015  | na        | Restricted  | Family   | Stabilized |             |     |     | 36  |     |     |     |              |     |     |     |     |     |     |     |     |    |
| 080      | Lieutenants Run Apartments           | 2005  | na        | Restricted  | Family   | Stabilized |             |     |     |     | 84  |     |     |              |     |     |     |     | 3   |     |     |     |    |
| 081      | Lofts at 301 N Dunlop (The)          | 1925  | 2011      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 22           |     |     |     |     |     |     |     |     |    |
| 082      | Lofts on Market (The)                | 1920  | 2010      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 3            |     |     |     |     |     |     |     |     |    |
| 083      | Long Lofts                           | 1930  | 2017      | Market Rate | Family   | Lease Up   |             |     |     |     |     |     |     |              |     |     |     |     |     |     |     |     |    |
| 084      | Madison Terrace Apartments           | 1978  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 76           |     |     |     |     |     |     |     |     | 2  |
| 086      | Mayton Transfer Lofts                | 1911  | 2008      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 40           |     |     |     |     |     |     |     |     | 2  |
| 090      | Mill Creek Apartments                | 1977  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 28           |     |     |     |     |     |     |     |     |    |
| 091      | Mill Pond Apartments                 | 2007  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |              |     |     |     |     |     |     |     |     |    |
| 092      | Newcastle Apartments                 | 1965  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 24           |     |     |     |     |     |     |     |     |    |
| 094      | Oaks Of Dunlop                       | 1990  | 2017      | Restricted  | Family   | Stabilized |             |     |     |     | 108 |     |     |              |     |     |     |     |     |     |     |     |    |
| 098      | Pecan Acres Estates                  | 2018  | na        | Subsidized  | Family   | Prop Const | 18          |     |     |     |     |     |     |              | 18  |     |     |     |     |     |     |     |    |
| 099      | Perry Street Loft                    | 1930  | 2012      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 98           |     |     |     |     |     |     |     |     |    |
| 102      | Petesburg East Phase 1               | 1975  | 2006      | Subsidized  | Family   | Stabilized | 48          |     |     |     |     |     |     |              |     |     |     |     |     |     |     |     | 14 |
| 103      | Petesburg East Phase 2               | 1976  | 2005      | Subsidized  | Family   | Stabilized | 40          |     |     |     |     |     |     |              |     |     |     |     |     |     |     |     |    |
| 104      | Pin Oaks Estates                     | 2018  | na        | Subsidized  | Family   | Prop Const | 34          |     |     |     |     |     |     |              | 34  |     |     |     |     |     |     |     |    |
| 105      | Pinetree Apartments                  | 1995  | na        | Restricted  | Family   | Stabilized |             |     |     |     | 128 |     |     |              |     |     |     |     | 15  |     |     |     |    |
| 106      | Piper Square Apartments              | 1982  | na        | Subsidized  | Family   | Stabilized | 48          |     |     |     |     |     |     |              | 8   |     |     |     |     |     |     |     |    |
| 108      | Puddledock Place Apartments 1        | 2014  | na        | Restricted  | Family   | Stabilized |             |     |     |     | 60  |     |     |              |     |     |     |     | 3   |     |     |     |    |
| 109      | Puddledock Place Apartments 2        | 2015  | na        | Restricted  | Family   | Stabilized |             |     |     |     | 42  |     |     |              |     |     |     |     | 3   |     |     |     |    |

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 |  |     |
| 110 Quail Oaks Apartments         | 1972  | 2000      | Market Rate | Family   | Stabilized |             |     |     |     |       |     |     |     |              |     |     |     |     |     |     |     |  | 1   |
| 111 River Road Terrace Apartments | 1976  | na        | Market Rate | Family   | Stabilized |             |     |     |     |       |     |     |     |              |     |     |     |     |     |     |     |  | 61  |
| 113 Rivermont Landing             | 2010  | na        | Market Rate | Family   | Stabilized |             |     |     |     |       |     |     |     |              |     |     |     |     |     |     |     |  | 3   |
| 114 Rivermont Station Apartments  | 2008  | na        | Market Rate | Family   | Stabilized |             |     |     |     |       |     |     |     |              |     |     |     |     |     |     |     |  | 172 |
| 115 River's Bend Apartments Homes | 1999  | na        | Market Rate | Family   | Stabilized |             |     |     |     |       |     |     |     |              |     |     |     |     |     |     |     |  | 4   |
| 116 Riverside Park Apartments     | 1969  | 1984      | Market Rate | Family   | Stabilized |             |     |     |     |       |     |     |     |              |     |     |     |     |     |     |     |  | 120 |
| 117 Mattox Landing Apartments     | 2000  | na        | Restricted  | Family   | Stabilized |             |     |     |     | 68    |     |     |     |              |     |     |     |     |     |     |     |  | 44  |
| 122 South Street Lofts            | 1930  | 2001      | Market Rate | Family   | Stabilized |             |     |     |     |       |     |     |     |              |     |     |     |     |     |     |     |  | 25  |
| 124 Star Lofts                    | 1930  | 2013      | Market Rate | Family   | Stabilized |             |     |     |     |       |     |     |     |              |     |     |     |     |     |     |     |  | 41  |
| 125 Summit Apartments (The)       | 2014  | na        | Restricted  | Family   | Stabilized | 13          |     |     | 13  |       |     |     |     |              |     |     |     |     |     |     |     |  | 1   |
| 127 Swearingen Realty Co          | 1992  | na        | Market Rate | Family   | Stabilized |             |     |     |     |       |     |     |     |              |     |     |     |     |     |     |     |  | 162 |
| 130 Tanglewood Apartments         | 1971  | 2010      | Market Rate | Family   | Stabilized |             |     |     |     |       |     |     |     |              |     |     |     |     |     |     |     |  | 204 |
| 131 Terrace View                  | 1999  | na        | Restricted  | Family   | Stabilized |             |     |     |     | 42    |     |     |     |              |     |     |     |     |     |     |     |  | 10  |
| 134 Twin Rivers Townhouses        | 1976  | na        | Market Rate | Family   | Stabilized |             |     |     |     |       |     |     |     |              |     |     |     |     |     |     |     |  | 149 |
| 135 Union Flats                   | 1915  | 1983      | Market Rate | Family   | Stabilized |             |     |     |     |       |     |     |     |              |     |     |     |     |     |     |     |  | 88  |
| 139 Webster Court Apartments      | 1968  | na        | Market Rate | Family   | Stabilized |             |     |     |     |       |     |     |     |              |     |     |     |     |     |     |     |  | 7   |
| 141 Westover Commons Apartments   | 1947  | 2001      | Restricted  | Family   | Stabilized |             |     |     |     | 83    |     |     |     |              |     |     |     |     |     |     |     |  | 72  |
| 142 Windham Hills Apartments      | 1968  | 1998      | Market Rate | Family   | Stabilized |             |     |     |     |       |     |     |     |              |     |     |     |     |     |     |     |  | 96  |
| 146 Woodmere Apartments           | 1964  | 2006      | Market Rate | Family   | Stabilized |             |     |     |     |       |     |     |     |              |     |     |     |     |     |     |     |  | 96  |
| 147 Wythe Row Townhomes           | 1911  | 2000      | Restricted  | Family   | Stabilized |             |     |     | 12  |       |     |     |     |              |     |     |     |     |     |     |     |  | 7   |
| 148 Petersburg Artist Space       | 1879  | 2019      | Restricted  | Family   | Prop Rehab |             |     |     |     |       |     |     |     |              |     |     |     |     |     |     |     |  | 112 |
| <b>Total</b>                      |       |           |             |          |            | 317         |     | 3   | 271 | 1,058 |     |     |     | 60           |     |     | 17  | 163 |     |     |     |  | 246 |

Source: Allen & Associates

Competing & Pipeline Units, 3-Bedroom Units

| Key | Property Name                        | Overview |           |             |          |            | Total Units |     |     |     |     |     |     |     | Vacant Units |     |     |     |     |     |     |     |    |
|-----|--------------------------------------|----------|-----------|-------------|----------|------------|-------------|-----|-----|-----|-----|-----|-----|-----|--------------|-----|-----|-----|-----|-----|-----|-----|----|
|     |                                      | Built    | Renovated | Rent Type   | Occ Type | Status     | Sub         | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Sub          | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |    |
| 001 | 1200 Acqua Apartments                | 2009     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 002 | 30 Franklin                          | 1930     | 2017      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 003 | Addison Crater Woods Phase 1         | 1982     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 004 | Addison Crater Woods Phase 2         | 1985     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 005 | Addison Crater Woods Phase 3         | 2008     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 006 | Addison Crater Woods Phase 4         | 2010     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 009 | Bailey's Ridge                       | 2000     | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     | 2  |
| 012 | Birchett Estates Townhomes           | 1974     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 014 | Bosco (The)                          | 1900     | 2016      | Market Rate | Family   | Lease Up   |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 015 | Branchester Lakes                    | 1997     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     | 32 |
| 017 | Burr Lofts                           | 1930     | 2016      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 018 | Butterworth Lofts                    | 1915     | 2012      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 019 | Cameron Lofts                        | 1930     | 2012      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 020 | Canterbury Townhouses                | 1985     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 023 | Cavalier Apartments 2                | 2018     | na        | Restricted  | Family   | Lease Up   |             |     |     |     | 12  | 12  |     |     |              |     |     | 9   | 9   |     |     |     |    |
| 025 | Chesterfield Garden Apartments       | 2002     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     | 6  |
| 029 | Clearfield Apartments                | 1993     | 2012      | Restricted  | Family   | Stabilized |             |     |     |     |     |     | 4   |     |              |     |     |     |     |     |     |     |    |
| 030 | Colonial Apartments                  | 1967     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 031 | Colonial Commons                     | 1991     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 032 | Colonial Court Apartments            | 1945     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 035 | Commerce Street Apartments           | 1970     | 2018      | Market Rate | Family   | Lease Up   |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 036 | Cornez Manor Apartments              | 1986     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 038 | Crater Square Apartments             | 1984     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     | 24 |
| 040 | Davisville & Bland Court Apartments  | 1942     | na        | Subsidized  | Family   | Stabilized | 28          |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     | 1  |
| 042 | Dunlop Street Lofts                  | 1915     | 2008      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 043 | Farmingdale Townhouses               | 1966     | 2011      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 044 | First Colony Townhouses              | 1963     | 2010      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 048 | Hampton Court Townhomes              | 1980     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 050 | Harwood Square Apartments            | 2007     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 051 | Henry Williams Townhomes             | 2011     | na        | Restricted  | Family   | Stabilized |             |     |     |     | 2   | 22  |     |     |              |     |     |     |     |     |     |     |    |
| 056 | Hopewell Heights Apartments - Family | 1979     | na        | Subsidized  | Family   | Stabilized | 12          |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 058 | Hopewell Lofts                       | 1920     | 2010      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     | 7  |
| 061 | Ivy Gates Apartments                 | 1974     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     | 26 |
| 062 | Jefferson Pointe Apartments          | 2000     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     | 34 |
| 064 | Jefferson South of the James         | 1974     | 2000      | Restricted  | Family   | Stabilized |             |     |     |     |     |     | 30  |     |              |     |     |     |     |     |     |     | 1  |
| 065 | Jesse Lee Apartments                 | 2008     | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     | 3  |
| 071 | Lakeview Terrace Apartments          | 1975     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     | 16 |
| 072 | Lakeview Village                     | 1975     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 073 | Lakeview West Apartments             | 1999     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 075 | Landmark Apartments                  | 1983     | na        | Subsidized  | Family   | Stabilized | 21          |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     | 1  |
| 079 | Liberty Pointe                       | 2015     | na        | Restricted  | Family   | Stabilized |             |     |     |     |     | 12  |     |     |              |     |     |     |     |     |     |     |    |
| 080 | Lieutenants Run Apartments           | 2005     | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     | 2  |
| 081 | Lofts at 301 N Dunlop (The)          | 1925     | 2011      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 082 | Lofts on Market (The)                | 1920     | 2010      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 083 | Long Lofts                           | 1930     | 2017      | Market Rate | Family   | Lease Up   |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 084 | Madison Terrace Apartments           | 1978     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 086 | Mayton Transfer Lofts                | 1911     | 2008      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 090 | Mill Creek Apartments                | 1977     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 091 | Mill Pond Apartments                 | 2007     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 092 | Newcastle Apartments                 | 1965     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 094 | Oaks Of Dunlop                       | 1990     | 2017      | Restricted  | Family   | Stabilized |             |     |     |     |     |     | 24  |     |              |     |     |     |     |     |     |     | 1  |
| 098 | Pecan Acres Estates                  | 2018     | na        | Subsidized  | Family   | Prop Const | 20          |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     | 20 |
| 099 | Perry Street Loft                    | 1930     | 2012      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 102 | Petesburg East Phase 1               | 1975     | 2006      | Subsidized  | Family   | Stabilized | 36          |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 103 | Petesburg East Phase 2               | 1976     | 2005      | Subsidized  | Family   | Stabilized | 16          |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 104 | Pin Oaks Estates                     | 2018     | na        | Subsidized  | Family   | Prop Const | 38          |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     | 38 |
| 105 | Pinetree Apartments                  | 1995     | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     | 8   |     |              |     |     |     |     |     |     |     |    |
| 106 | Piper Square Apartments              | 1982     | na        | Subsidized  | Family   | Stabilized | 29          |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     | 6  |
| 108 | Puddledock Place Apartments 1        | 2014     | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     | 1  |
| 109 | Puddledock Place Apartments 2        | 2015     | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     | 18  |     |              |     |     |     |     |     |     |     | 1  |

Competing & Pipeline Units, 3-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 |    |
| 110 Quail Oaks Apartments         | 1972  | 2000      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 111 River Road Terrace Apartments | 1976  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 113 Rivermont Landing             | 2010  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 142 |              |     |     |     |     |     |     |     | 5  |
| 114 Rivermont Station Apartments  | 2008  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 140 |              |     |     |     |     |     |     |     | 2  |
| 115 River's Bend Apartments Homes | 1999  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 32  |              |     |     |     |     |     |     |     |    |
| 116 Riverside Park Apartments     | 1969  | 1984      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 16  |              |     |     |     |     |     |     |     | 1  |
| 117 Mattox Landing Apartments     | 2000  | na        | Restricted  | Family   | Stabilized |             |     |     |     | 20  |     |     |     |              |     |     |     |     |     |     |     |    |
| 122 South Street Lofts            | 1930  | 2001      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 124 Star Lofts                    | 1930  | 2013      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 125 Summit Apartments (The)       | 2014  | na        | Restricted  | Family   | Stabilized | 13          |     |     | 13  |     |     |     |     |              |     |     | 1   |     |     |     |     |    |
| 127 Swearingen Realty Co          | 1992  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 15  |              |     |     |     |     |     |     |     | 2  |
| 130 Tanglewood Apartments         | 1971  | 2010      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 82  |              |     |     |     |     |     |     |     | 4  |
| 131 Terrace View                  | 1999  | na        | Restricted  | Family   | Stabilized |             |     |     |     | 10  |     |     |     |              |     |     |     |     |     |     |     |    |
| 134 Twin Rivers Townhouses        | 1976  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 135 Union Flats                   | 1915  | 1983      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 139 Webster Court Apartments      | 1968  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 141 Westover Commons Apartments   | 1947  | 2001      | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 142 Windham Hills Apartments      | 1968  | 1998      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 146 Woodmere Apartments           | 1964  | 2006      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 12  |              |     |     |     |     |     |     |     | 1  |
| 147 Wythe Row Townhomes           | 1911  | 2000      | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| 148 Petersburg Artist Space       | 1879  | 2019      | Restricted  | Family   | Prop Rehab |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |    |
| <b>Total</b>                      |       |           |             |          |            | 213         |     | 2   | 131 | 192 |     |     | 656 | 66           |     |     | 13  | 15  |     |     |     | 19 |

Source: Allen & Associates

Competing & Pipeline Units, 4-Bedroom Units

| Key | Property Name                        | Overview |           |             |          |            | Total Units |     |     |     |     |     |     |     |     | Vacant Units |     |     |     |     |     |     |  |
|-----|--------------------------------------|----------|-----------|-------------|----------|------------|-------------|-----|-----|-----|-----|-----|-----|-----|-----|--------------|-----|-----|-----|-----|-----|-----|--|
|     |                                      | Built    | Renovated | Rent Type   | Occ Type | Status     | Sub         | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Sub | 30%          | 40% | 50% | 60% | 70% | 80% | Mkt |  |
| 001 | 1200 Acqua Apartments                | 2009     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 002 | 30 Franklin                          | 1930     | 2017      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 003 | Addison Crater Woods Phase 1         | 1982     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 004 | Addison Crater Woods Phase 2         | 1985     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 005 | Addison Crater Woods Phase 3         | 2008     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 006 | Addison Crater Woods Phase 4         | 2010     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 009 | Bailey's Ridge                       | 2000     | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 012 | Birchett Estates Townhomes           | 1974     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 014 | Bosco (The)                          | 1900     | 2016      | Market Rate | Family   | Lease Up   |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 015 | Branchester Lakes                    | 1997     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 017 | Burr Lofts                           | 1930     | 2016      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 018 | Butterworth Lofts                    | 1915     | 2012      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 019 | Cameron Lofts                        | 1930     | 2012      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 020 | Canterbury Townhouses                | 1985     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 023 | Cavalier Apartments 2                | 2018     | na        | Restricted  | Family   | Lease Up   |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 025 | Chesterfield Garden Apartments       | 2002     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 029 | Clearfield Apartments                | 1993     | 2012      | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 030 | Colonial Apartments                  | 1967     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 031 | Colonial Commons                     | 1991     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 032 | Colonial Court Apartments            | 1945     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 035 | Commerce Street Apartments           | 1970     | 2018      | Market Rate | Family   | Lease Up   |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 036 | Cornez Manor Apartments              | 1986     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 038 | Crater Square Apartments             | 1984     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 040 | Davisville & Bland Court Apartments  | 1942     | na        | Subsidized  | Family   | Stabilized | 12          |     |     |     |     |     |     |     |     |              |     |     |     |     | 1   |     |  |
| 042 | Dunlop Street Lofts                  | 1915     | 2008      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 043 | Farmingdale Townhouses               | 1966     | 2011      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 044 | First Colony Townhouses              | 1963     | 2010      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 048 | Hampton Court Townhomes              | 1980     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 050 | Harwood Square Apartments            | 2007     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 051 | Henry Williams Townhomes             | 2011     | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 056 | Hopewell Heights Apartments - Family | 1979     | na        | Subsidized  | Family   | Stabilized | 6           |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 058 | Hopewell Lofts                       | 1920     | 2010      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 061 | Ivy Gates Apartments                 | 1974     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 062 | Jefferson Pointe Apartments          | 2000     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 064 | Jefferson South of the James         | 1974     | 2000      | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 065 | Jesse Lee Apartments                 | 2008     | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 071 | Lakeview Terrace Apartments          | 1975     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 072 | Lakeview Village                     | 1975     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 073 | Lakeview West Apartments             | 1999     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 075 | Landmark Apartments                  | 1983     | na        | Subsidized  | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 079 | Liberty Pointe                       | 2015     | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 080 | Lieutenants Run Apartments           | 2005     | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 081 | Lofts at 301 N Dunlop (The)          | 1925     | 2011      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 082 | Lofts on Market (The)                | 1920     | 2010      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 083 | Long Lofts                           | 1930     | 2017      | Market Rate | Family   | Lease Up   |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 084 | Madison Terrace Apartments           | 1978     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 086 | Mayton Transfer Lofts                | 1911     | 2008      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 090 | Mill Creek Apartments                | 1977     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 091 | Mill Pond Apartments                 | 2007     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 092 | Newcastle Apartments                 | 1965     | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 094 | Oaks Of Dunlop                       | 1990     | 2017      | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 098 | Pecan Acres Estates                  | 2018     | na        | Subsidized  | Family   | Prop Const | 2           |     |     |     |     |     |     |     |     |              |     |     |     |     | 2   |     |  |
| 099 | Perry Street Loft                    | 1930     | 2012      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 102 | Petesburg East Phase 1               | 1975     | 2006      | Subsidized  | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 103 | Petesburg East Phase 2               | 1976     | 2005      | Subsidized  | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 104 | Pin Oaks Estates                     | 2018     | na        | Subsidized  | Family   | Prop Const | 8           |     |     |     |     |     |     |     |     |              |     |     |     |     | 8   |     |  |
| 105 | Pinetree Apartments                  | 1995     | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 106 | Piper Square Apartments              | 1982     | na        | Subsidized  | Family   | Stabilized | 6           |     |     |     |     |     |     |     |     |              |     |     |     |     | 1   |     |  |
| 108 | Puddledock Place Apartments 1        | 2014     | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |
| 109 | Puddledock Place Apartments 2        | 2015     | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |     |              |     |     |     |     |     |     |  |

Competing & Pipeline Units, 4-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 |  |   |
| 110 Quail Oaks Apartments         | 1972  | 2000      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |  |   |
| 111 River Road Terrace Apartments | 1976  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |  |   |
| 113 Rivermont Landing             | 2010  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |  |   |
| 114 Rivermont Station Apartments  | 2008  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |  |   |
| 115 River's Bend Apartments Homes | 1999  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |  |   |
| 116 Riverside Park Apartments     | 1969  | 1984      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |  |   |
| 117 Mattox Landing Apartments     | 2000  | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |  |   |
| 122 South Street Lofts            | 1930  | 2001      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |  |   |
| 124 Star Lofts                    | 1930  | 2013      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |  |   |
| 125 Summit Apartments (The)       | 2014  | na        | Restricted  | Family   | Stabilized | 4           |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |  |   |
| 127 Swearingen Realty Co          | 1992  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     | 6   |              |     |     |     |     |     |     |     |  | 1 |
| 130 Tanglewood Apartments         | 1971  | 2010      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |  |   |
| 131 Terrace View                  | 1999  | na        | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |  |   |
| 134 Twin Rivers Townhouses        | 1976  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |  |   |
| 135 Union Flats                   | 1915  | 1983      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |  |   |
| 139 Webster Court Apartments      | 1968  | na        | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |  |   |
| 141 Westover Commons Apartments   | 1947  | 2001      | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |  |   |
| 142 Windham Hills Apartments      | 1968  | 1998      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |  |   |
| 146 Woodmere Apartments           | 1964  | 2006      | Market Rate | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |  |   |
| 147 Wythe Row Townhomes           | 1911  | 2000      | Restricted  | Family   | Stabilized |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |  |   |
| 148 Petersburg Artist Space       | 1879  | 2019      | Restricted  | Family   | Prop Rehab |             |     |     |     |     |     |     |     |              |     |     |     |     |     |     |     |  |   |
| <b>Total</b>                      |       |           |             |          |            | 38          |     |     |     |     |     |     | 6   | 12           |     |     |     |     |     |     |     |  | 1 |

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 20 units, 10 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                  | 20                |
| Vacant Units at Market Entry | 10                |

| Minimum Qualified Income   |         |
|----------------------------|---------|
| Net Rent                   | \$0     |
| Utilities                  | \$54    |
| Gross Rent                 | \$54    |
| Income Qualification Ratio | 35%     |
| Minimum Qualified Income   | \$154   |
| Months/Year                | 12      |
| Minimum Qualified Income   | \$1,851 |

| Renter Households, by Income, by Size |    |           |          |          |          |          |           |     |
|---------------------------------------|----|-----------|----------|----------|----------|----------|-----------|-----|
| 2020                                  |    |           |          |          |          |          |           |     |
| 2019                                  | \$ | 1 Person  | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |     |
| \$0                                   | to | \$9,999   | 1,311    | 397      | 341      | 281      | 129       | 64  |
| \$0                                   | to | \$19,999  | 2,867    | 1,039    | 905      | 547      | 265       | 138 |
| \$0                                   | to | \$29,999  | 3,887    | 1,585    | 1,302    | 702      | 363       | 180 |
| \$0                                   | to | \$39,999  | 4,976    | 2,224    | 1,573    | 998      | 538       | 294 |
| \$0                                   | to | \$49,999  | 5,465    | 2,789    | 1,889    | 1,341    | 654       | 352 |
| \$0                                   | to | \$59,999  | 5,840    | 3,033    | 2,154    | 1,545    | 716       | 375 |
| \$0                                   | to | \$74,999  | 6,199    | 3,486    | 2,539    | 1,778    | 900       | 493 |
| \$0                                   | to | \$99,999  | 6,710    | 3,965    | 2,906    | 2,099    | 1,054     | 579 |
| \$0                                   | to | \$124,999 | 6,888    | 4,206    | 3,104    | 2,254    | 1,137     | 619 |
| \$0                                   | to | \$149,999 | 6,970    | 4,273    | 3,199    | 2,282    | 1,253     | 672 |
| \$0                                   | to | \$199,999 | 7,032    | 4,351    | 3,307    | 2,305    | 1,292     | 684 |
| \$0                                   | or | more      | 7,120    | 4,425    | 3,343    | 2,361    | 1,310     | 691 |

| Maximum Allowable Income |          |          |          |          |          |           |  |
|--------------------------|----------|----------|----------|----------|----------|-----------|--|
|                          | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |  |
| Maximum Allowable Income | \$34,980 | \$39,960 | \$44,940 | \$49,920 | \$53,940 | \$57,960  |  |

| 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 | 4,377    | 2,192    | 0        | 0        | 0        | 0         |
| HH Below Minimum Income | 197      | 60       | 0        | 0        | 0        | 0         |
| Subtotal                | 4,180    | 2,133    | 0        | 0        | 0        | 0         |

Demand Estimate 6,313

Our analysis suggests demand for a total of 6,313 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 48 units, 24 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                  | 48                |
| Vacant Units at Market Entry | 24                |

| Minimum Qualified Income   |         |
|----------------------------|---------|
| Net Rent                   | \$0     |
| Utilities                  | \$62    |
| Gross Rent                 | \$62    |
| Income Qualification Ratio | 35%     |
| Minimum Qualified Income   | \$177   |
| Months/Year                | 12      |
| Minimum Qualified Income   | \$2,126 |

| Renter Households, by Income, by Size |    |           |          |          |          |          |           |     |
|---------------------------------------|----|-----------|----------|----------|----------|----------|-----------|-----|
|                                       |    | 2020      |          |          |          |          |           |     |
| 2019                                  | \$ | 1 Person  | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |     |
| \$0                                   | to | \$9,999   | 1,311    | 397      | 341      | 281      | 129       | 64  |
| \$0                                   | to | \$19,999  | 2,867    | 1,039    | 905      | 547      | 265       | 138 |
| \$0                                   | to | \$29,999  | 3,887    | 1,585    | 1,302    | 702      | 363       | 180 |
| \$0                                   | to | \$39,999  | 4,976    | 2,224    | 1,573    | 998      | 538       | 294 |
| \$0                                   | to | \$49,999  | 5,465    | 2,789    | 1,889    | 1,341    | 654       | 352 |
| \$0                                   | to | \$59,999  | 5,840    | 3,033    | 2,154    | 1,545    | 716       | 375 |
| \$0                                   | to | \$74,999  | 6,199    | 3,486    | 2,539    | 1,778    | 900       | 493 |
| \$0                                   | to | \$99,999  | 6,710    | 3,965    | 2,906    | 2,099    | 1,054     | 579 |
| \$0                                   | to | \$124,999 | 6,888    | 4,206    | 3,104    | 2,254    | 1,137     | 619 |
| \$0                                   | to | \$149,999 | 6,970    | 4,273    | 3,199    | 2,282    | 1,253     | 672 |
| \$0                                   | to | \$199,999 | 7,032    | 4,351    | 3,307    | 2,305    | 1,292     | 684 |
| \$0                                   | or | more      | 7,120    | 4,425    | 3,343    | 2,361    | 1,310     | 691 |

| Maximum Allowable Income |  |          |          |          |          |          |           |
|--------------------------|--|----------|----------|----------|----------|----------|-----------|
|                          |  | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| Maximum Allowable Income |  | \$34,980 | \$39,960 | \$44,940 | \$49,920 | \$53,940 | \$57,960  |

| 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 |  | 4,377    | 2,192    | 1,715    | 1,324    | 0        | 0         |
| HH Below Minimum Income |  | 262      | 79       | 68       | 56       | 0        | 0         |
| Subtotal                |  | 4,115    | 2,113    | 1,647    | 1,268    | 0        | 0         |

Demand Estimate 9,142

Our analysis suggests demand for a total of 9,142 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, 3-Bedroom, Subsidized, 60% of AMI

In this section we estimate demand for the 3-Bedroom / Subsidized / 60% of AMI units at the subject property. Our analysis assumes a total of 29 units, 15 of which are anticipated to be vacant on market entry in 2020. Our analysis assumes a 35% income qualification ratio and 5-person households.

| Unit Details                 |                   |
|------------------------------|-------------------|
| Target Population            | Family Households |
| Unit Type                    | 3-Bedroom         |
| Rent Type                    | Subsidized        |
| Income Limit                 | 60% of AMI        |
| Total Units                  | 29                |
| Vacant Units at Market Entry | 15                |

| Minimum Qualified Income   |         |
|----------------------------|---------|
| Net Rent                   | \$0     |
| Utilities                  | \$70    |
| Gross Rent                 | \$70    |
| Income Qualification Ratio | 35%     |
| Minimum Qualified Income   | \$200   |
| Months/Year                | 12      |
| Minimum Qualified Income   | \$2,400 |

| Renter Households, by Income, by Size |    |           |          |          |          |          |           |     |
|---------------------------------------|----|-----------|----------|----------|----------|----------|-----------|-----|
|                                       |    | 2020      |          |          |          |          |           |     |
| 2019                                  | \$ | 1 Person  | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |     |
| \$0                                   | to | \$9,999   | 1,311    | 397      | 341      | 281      | 129       | 64  |
| \$0                                   | to | \$19,999  | 2,867    | 1,039    | 905      | 547      | 265       | 138 |
| \$0                                   | to | \$29,999  | 3,887    | 1,585    | 1,302    | 702      | 363       | 180 |
| \$0                                   | to | \$39,999  | 4,976    | 2,224    | 1,573    | 998      | 538       | 294 |
| \$0                                   | to | \$49,999  | 5,465    | 2,789    | 1,889    | 1,341    | 654       | 352 |
| \$0                                   | to | \$59,999  | 5,840    | 3,033    | 2,154    | 1,545    | 716       | 375 |
| \$0                                   | to | \$74,999  | 6,199    | 3,486    | 2,539    | 1,778    | 900       | 493 |
| \$0                                   | to | \$99,999  | 6,710    | 3,965    | 2,906    | 2,099    | 1,054     | 579 |
| \$0                                   | to | \$124,999 | 6,888    | 4,206    | 3,104    | 2,254    | 1,137     | 619 |
| \$0                                   | to | \$149,999 | 6,970    | 4,273    | 3,199    | 2,282    | 1,253     | 672 |
| \$0                                   | to | \$199,999 | 7,032    | 4,351    | 3,307    | 2,305    | 1,292     | 684 |
| \$0                                   | or | more      | 7,120    | 4,425    | 3,343    | 2,361    | 1,310     | 691 |

| Maximum Allowable Income |  |          |          |          |          |          |           |
|--------------------------|--|----------|----------|----------|----------|----------|-----------|
|                          |  | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| Maximum Allowable Income |  | \$34,980 | \$39,960 | \$44,940 | \$49,920 | \$53,940 | \$57,960  |

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

| Demand Estimate         |  |          |          |          |          |          |           |
|-------------------------|--|----------|----------|----------|----------|----------|-----------|
|                         |  | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| HH Below Maximum Income |  | 4,377    | 2,192    | 1,715    | 1,324    | 676      | 0         |
| HH Below Minimum Income |  | 262      | 79       | 68       | 56       | 26       | 0         |
| Subtotal                |  | 4,115    | 2,113    | 1,647    | 1,268    | 650      | 0         |

Demand Estimate 9,792

Our analysis suggests demand for a total of 9,792 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, 4-Bedroom, Subsidized, 60% of AMI

In this section we estimate demand for the 4-Bedroom / Subsidized / 60% 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 2020. Our analysis assumes a 35% income qualification ratio and 6-person households.

| Unit Details                 |                   |
|------------------------------|-------------------|
| Target Population            | Family Households |
| Unit Type                    | 4-Bedroom         |
| Rent Type                    | Subsidized        |
| Income Limit                 | 60% of AMI        |
| Total Units                  | 6                 |
| Vacant Units at Market Entry | 3                 |

| Minimum Qualified Income   |         |
|----------------------------|---------|
| Net Rent                   | \$0     |
| Utilities                  | \$79    |
| Gross Rent                 | \$79    |
| Income Qualification Ratio | 35%     |
| Minimum Qualified Income   | \$226   |
| Months/Year                | 12      |
| Minimum Qualified Income   | \$2,709 |

| Renter Households, by Income, by Size |    |           |          |          |          |          |           |     |
|---------------------------------------|----|-----------|----------|----------|----------|----------|-----------|-----|
| 2020                                  |    |           |          |          |          |          |           |     |
| 2019                                  | \$ | 1 Person  | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |     |
| \$0                                   | to | \$9,999   | 1,311    | 397      | 341      | 281      | 129       | 64  |
| \$0                                   | to | \$19,999  | 2,867    | 1,039    | 905      | 547      | 265       | 138 |
| \$0                                   | to | \$29,999  | 3,887    | 1,585    | 1,302    | 702      | 363       | 180 |
| \$0                                   | to | \$39,999  | 4,976    | 2,224    | 1,573    | 998      | 538       | 294 |
| \$0                                   | to | \$49,999  | 5,465    | 2,789    | 1,889    | 1,341    | 654       | 352 |
| \$0                                   | to | \$59,999  | 5,840    | 3,033    | 2,154    | 1,545    | 716       | 375 |
| \$0                                   | to | \$74,999  | 6,199    | 3,486    | 2,539    | 1,778    | 900       | 493 |
| \$0                                   | to | \$99,999  | 6,710    | 3,965    | 2,906    | 2,099    | 1,054     | 579 |
| \$0                                   | to | \$124,999 | 6,888    | 4,206    | 3,104    | 2,254    | 1,137     | 619 |
| \$0                                   | to | \$149,999 | 6,970    | 4,273    | 3,199    | 2,282    | 1,253     | 672 |
| \$0                                   | to | \$199,999 | 7,032    | 4,351    | 3,307    | 2,305    | 1,292     | 684 |
| \$0                                   | or | more      | 7,120    | 4,425    | 3,343    | 2,361    | 1,310     | 691 |

| Maximum Allowable Income |          |          |          |          |          |           |  |
|--------------------------|----------|----------|----------|----------|----------|-----------|--|
|                          | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |  |
| Maximum Allowable Income | \$34,980 | \$39,960 | \$44,940 | \$49,920 | \$53,940 | \$57,960  |  |

| Size Qualified |          |          |          |          |          |           |
|----------------|----------|----------|----------|----------|----------|-----------|
|                | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| Size Qualified | Yes      | Yes      | Yes      | Yes      | Yes      | Yes       |

| Demand Estimate         |          |          |          |          |          |           |
|-------------------------|----------|----------|----------|----------|----------|-----------|
|                         | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| HH Below Maximum Income | 4,377    | 2,192    | 1,715    | 1,324    | 676      | 369       |
| HH Below Minimum Income | 328      | 99       | 85       | 70       | 32       | 16        |
| Subtotal                | 4,049    | 2,093    | 1,630    | 1,254    | 643      | 353       |

Demand Estimate 10,022

Our analysis suggests demand for a total of 10,022 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   | 1,311    | 397      | 341      | 281      | 129       | 64  |
| \$0                                   | to | \$19,999  | 2,867    | 1,039    | 905      | 547      | 265       | 138 |
| \$0                                   | to | \$29,999  | 3,887    | 1,585    | 1,302    | 702      | 363       | 180 |
| \$0                                   | to | \$39,999  | 4,976    | 2,224    | 1,573    | 998      | 538       | 294 |
| \$0                                   | to | \$49,999  | 5,465    | 2,789    | 1,889    | 1,341    | 654       | 352 |
| \$0                                   | to | \$59,999  | 5,840    | 3,033    | 2,154    | 1,545    | 716       | 375 |
| \$0                                   | to | \$74,999  | 6,199    | 3,486    | 2,539    | 1,778    | 900       | 493 |
| \$0                                   | to | \$99,999  | 6,710    | 3,965    | 2,906    | 2,099    | 1,054     | 579 |
| \$0                                   | to | \$124,999 | 6,888    | 4,206    | 3,104    | 2,254    | 1,137     | 619 |
| \$0                                   | to | \$149,999 | 6,970    | 4,273    | 3,199    | 2,282    | 1,253     | 672 |
| \$0                                   | to | \$199,999 | 7,032    | 4,351    | 3,307    | 2,305    | 1,292     | 684 |
| \$0                                   | or | more      | 7,120    | 4,425    | 3,343    | 2,361    | 1,310     | 691 |

| Demand Estimate, Subsidized |          |          |          |          |          |           |
|-----------------------------|----------|----------|----------|----------|----------|-----------|
|                             | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| Maximum Income, 0BR         | -        | -        | -        | -        | -        | -         |
| Maximum Income, 1BR         | \$34,980 | \$39,960 | -        | -        | -        | -         |
| Maximum Income, 2BR         | \$34,980 | \$39,960 | \$44,940 | \$49,920 | -        | -         |
| Maximum Income, 3BR         | \$34,980 | \$39,960 | \$44,940 | \$49,920 | \$53,940 | -         |
| Maximum Income, 4BR         | \$34,980 | \$39,960 | \$44,940 | \$49,920 | \$53,940 | \$57,960  |
| Maximum Allowable Income    | \$34,980 | \$39,960 | \$44,940 | \$49,920 | \$53,940 | \$57,960  |
| Minimum Income, 0BR         | -        | -        | -        | -        | -        | -         |
| Minimum Income, 1BR         | \$1,851  | \$1,851  | -        | -        | -        | -         |
| Minimum Income, 2BR         | \$2,126  | \$2,126  | \$2,126  | \$2,126  | -        | -         |
| Minimum Income, 3BR         | \$2,400  | \$2,400  | \$2,400  | \$2,400  | \$2,400  | -         |
| Minimum Income, 4BR         | \$2,709  | \$2,709  | \$2,709  | \$2,709  | \$2,709  | \$2,709   |
| Minimum Qualified Income    | \$1,851  | \$1,851  | \$2,126  | \$2,126  | \$2,400  | \$2,709   |
| HH Below Upper Income       | 4,377    | 2,192    | 1,715    | 1,324    | 676      | 369       |
| HH Below Lower Income       | 197      | 60       | 68       | 56       | 26       | 16        |
| Subtotal                    | 4,180    | 2,133    | 1,647    | 1,268    | 650      | 353       |

Demand Estimate 10,231

Our analysis suggests demand for a total of 10,231 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   | 1,311    | 397      | 341      | 281      | 129      | 64        |
| \$0                                   | to | \$19,999  | 2,867    | 1,039    | 905      | 547      | 265      | 138       |
| \$0                                   | to | \$29,999  | 3,887    | 1,585    | 1,302    | 702      | 363      | 180       |
| \$0                                   | to | \$39,999  | 4,976    | 2,224    | 1,573    | 998      | 538      | 294       |
| \$0                                   | to | \$49,999  | 5,465    | 2,789    | 1,889    | 1,341    | 654      | 352       |
| \$0                                   | to | \$59,999  | 5,840    | 3,033    | 2,154    | 1,545    | 716      | 375       |
| \$0                                   | to | \$74,999  | 6,199    | 3,486    | 2,539    | 1,778    | 900      | 493       |
| \$0                                   | to | \$99,999  | 6,710    | 3,965    | 2,906    | 2,099    | 1,054    | 579       |
| \$0                                   | to | \$124,999 | 6,888    | 4,206    | 3,104    | 2,254    | 1,137    | 619       |
| \$0                                   | to | \$149,999 | 6,970    | 4,273    | 3,199    | 2,282    | 1,253    | 672       |
| \$0                                   | to | \$199,999 | 7,032    | 4,351    | 3,307    | 2,305    | 1,292    | 684       |
| \$0                                   | or | more      | 7,120    | 4,425    | 3,343    | 2,361    | 1,310    | 691       |

| Demand Estimate, Project-Level |          |          |          |          |          |           |  |
|--------------------------------|----------|----------|----------|----------|----------|-----------|--|
|                                | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |  |
| Maximum Income, Subsidized     | \$34,980 | \$39,960 | \$44,940 | \$49,920 | \$53,940 | \$57,960  |  |
| Maximum Income, 30% of AMI     | -        | -        | -        | -        | -        | -         |  |
| Maximum Income, 40% of AMI     | -        | -        | -        | -        | -        | -         |  |
| Maximum Income, 50% of AMI     | -        | -        | -        | -        | -        | -         |  |
| Maximum Income, 60% of AMI     | -        | -        | -        | -        | -        | -         |  |
| Maximum Income, 70% of AMI     | -        | -        | -        | -        | -        | -         |  |
| Maximum Income, 80% of AMI     | -        | -        | -        | -        | -        | -         |  |
| Maximum Income, Market Rate    | -        | -        | -        | -        | -        | -         |  |
| Maximum Allowable Income       | \$34,980 | \$39,960 | \$44,940 | \$49,920 | \$53,940 | \$57,960  |  |
| Minimum Income, Subsidized     | \$1,851  | \$1,851  | \$2,126  | \$2,126  | \$2,400  | \$2,709   |  |
| Minimum Income, 30% of AMI     | -        | -        | -        | -        | -        | -         |  |
| Minimum Income, 40% of AMI     | -        | -        | -        | -        | -        | -         |  |
| Minimum Income, 50% of AMI     | -        | -        | -        | -        | -        | -         |  |
| Minimum Income, 60% of AMI     | -        | -        | -        | -        | -        | -         |  |
| Minimum Income, 70% of AMI     | -        | -        | -        | -        | -        | -         |  |
| Minimum Income, 80% of AMI     | -        | -        | -        | -        | -        | -         |  |
| Minimum Income, Market Rate    | -        | -        | -        | -        | -        | -         |  |
| Minimum Qualified Income       | \$1,851  | \$1,851  | \$2,126  | \$2,126  | \$2,400  | \$2,709   |  |
| HH Below Upper Income          | 4,377    | 2,192    | 1,715    | 1,324    | 676      | 369       |  |
| HH Below Lower Income          | 197      | 60       | 68       | 56       | 26       | 16        |  |
| Subtotal                       | 4,180    | 2,133    | 1,647    | 1,268    | 650      | 353       |  |

Demand Estimate 10,231

Our analysis suggests project-level demand for a total of 10,231 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.

|     | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 0BR |     |     |     |     |     |     |     |     |     |
| 1BR | 20  |     |     |     |     |     |     |     | 20  |
| 2BR | 48  |     |     |     |     |     |     |     | 48  |
| 3BR | 29  |     |     |     |     |     |     |     | 29  |
| 4BR | 6   |     |     |     |     |     |     |     | 6   |
| Tot | 103 |     |     |     |     |     |     |     | 103 |

|     | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 0BR |     |     |     |     |     |     |     |     |     |
| 1BR | 10  |     |     |     |     |     |     |     | 10  |
| 2BR | 24  |     |     |     |     |     |     |     | 24  |
| 3BR | 15  |     |     |     |     |     |     |     | 15  |
| 4BR | 3   |     |     |     |     |     |     |     | 3   |
| Tot | 52  |     |     |     |     |     |     |     | 52  |

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.

|     | Sub    | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot    |
|-----|--------|-----|-----|-----|-----|-----|-----|-----|--------|
| 0BR |        |     |     |     |     |     |     |     |        |
| 1BR | 6,313  |     |     |     |     |     |     |     | 6,313  |
| 2BR | 9,142  |     |     |     |     |     |     |     | 9,142  |
| 3BR | 9,792  |     |     |     |     |     |     |     | 9,792  |
| 4BR | 10,022 |     |     |     |     |     |     |     | 10,022 |
| Tot | 10,231 |     |     |     |     |     |     |     | 10,231 |

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:

|     | Sub  | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot  |
|-----|------|-----|-----|-----|-----|-----|-----|-----|------|
| 0BR |      |     |     |     |     |     |     |     |      |
| 1BR | 0.2% |     |     |     |     |     |     |     | 0.2% |
| 2BR | 0.3% |     |     |     |     |     |     |     | 0.3% |
| 3BR | 0.2% |     |     |     |     |     |     |     | 0.2% |
| 4BR | 0.0% |     |     |     |     |     |     |     | 0.0% |
| Tot | 0.5% |     |     |     |     |     |     |     | 0.5% |

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 |
| 0BR                               |     |     |     |     |     |     |     |     |     |
| 1BR                               | 33  |     |     |     |     |     |     |     | 33  |
| 2BR                               | 60  |     |     |     |     |     |     |     | 60  |
| 3BR                               | 66  |     |     |     |     |     |     |     | 66  |
| 4BR                               | 12  |     |     |     |     |     |     |     | 12  |
| Tot                               | 171 |     |     |     |     |     |     |     | 171 |

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.

| Net Demand (Gross Demand - Vacant Competing & Pipeline Units) |        |     |     |     |     |     |     |     |        |
|---|--------|-----|-----|-----|-----|-----|-----|-----|--------|
|   | Sub    | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot    |
| 0BR   |        |     |     |     |     |     |     |     |        |
| 1BR   | 6,280  |     |     |     |     |     |     |     | 6,280  |
| 2BR   | 9,082  |     |     |     |     |     |     |     | 9,082  |
| 3BR   | 9,726  |     |     |     |     |     |     |     | 9,726  |
| 4BR   | 10,010 |     |     |     |     |     |     |     | 10,010 |
| Tot   | 10,060 |     |     |     |     |     |     |     | 10,060 |

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:

| Capture Rates (Subject Property Units / Net Demand) |      |     |     |     |     |     |     |     |      |
|---|------|-----|-----|-----|-----|-----|-----|-----|------|
|   | Sub  | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot  |
| 0BR   |      |     |     |     |     |     |     |     |      |
| 1BR   | 0.2% |     |     |     |     |     |     |     | 0.2% |
| 2BR   | 0.3% |     |     |     |     |     |     |     | 0.3% |
| 3BR   | 0.2% |     |     |     |     |     |     |     | 0.2% |
| 4BR   | 0.0% |     |     |     |     |     |     |     | 0.0% |
| Tot   | 0.5% |     |     |     |     |     |     |     | 0.5% |

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                            | 20  |     |     |     |     |     |     |     | 20  |
| 2BR                            | 48  |     |     |     |     |     |     |     | 48  |
| 3BR                            | 29  |     |     |     |     |     |     |     | 29  |
| 4BR                            | 6   |     |     |     |     |     |     |     | 6   |
| Tot                            | 103 |     |     |     |     |     |     |     | 103 |

| Subject Property Units (Vacant at Market Entry) |     |     |     |     |     |     |     |     |     |
|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|
|   | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt | Tot |
| 0BR   |     |     |     |     |     |     |     |     |     |
| 1BR   | 10  |     |     |     |     |     |     |     | 10  |
| 2BR   | 24  |     |     |     |     |     |     |     | 24  |
| 3BR   | 15  |     |     |     |     |     |     |     | 15  |
| 4BR   | 3   |     |     |     |     |     |     |     | 3   |
| Tot   | 52  |     |     |     |     |     |     |     | 52  |

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          | 6,313  |     |     |     |     |     |     |     | 6,313  |
| 2BR          | 9,142  |     |     |     |     |     |     |     | 9,142  |
| 3BR          | 9,792  |     |     |     |     |     |     |     | 9,792  |
| 4BR          | 10,022 |     |     |     |     |     |     |     | 10,022 |
| Tot          | 10,231 |     |     |     |     |     |     |     | 10,231 |

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                        | 108 |     |     |     |     |     |     |     | 108 |
| 2BR                        | 317 |     |     |     |     |     |     |     | 317 |
| 3BR                        | 213 |     |     |     |     |     |     |     | 213 |
| 4BR                        | 38  |     |     |     |     |     |     |     | 38  |
| Tot                        | 676 |     |     |     |     |     |     |     | 676 |

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  | 118 |     |     |     |     |     |     |     | 118 |
| 2BR  | 341 |     |     |     |     |     |     |     | 341 |
| 3BR  | 228 |     |     |     |     |     |     |     | 228 |
| 4BR  | 41  |     |     |     |     |     |     |     | 41  |
| Tot  | 728 |     |     |     |     |     |     |     | 728 |

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   | 1.9% |     |     |     |     |     |     |     | 1.9% |
| 2BR   | 3.7% |     |     |     |     |     |     |     | 3.7% |
| 3BR   | 2.3% |     |     |     |     |     |     |     | 2.3% |
| 4BR   | 0.4% |     |     |     |     |     |     |     | 0.4% |
| Tot   | 7.1% |     |     |     |     |     |     |     | 7.1% |

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                            | 20  |     |     |     |     |     |     |     |
| 2BR                            | 48  |     |     |     |     |     |     |     |
| 3BR                            | 29  |     |     |     |     |     |     |     |
| 4BR                            | 6   |     |     |     |     |     |     |     |

| Subject Property Units (Vacant at Market Entry) |     |     |     |     |     |     |     |     |
|---|-----|-----|-----|-----|-----|-----|-----|-----|
|   | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| 0BR   |     |     |     |     |     |     |     |     |
| 1BR   | 10  |     |     |     |     |     |     |     |
| 2BR   | 24  |     |     |     |     |     |     |     |
| 3BR   | 15  |     |     |     |     |     |     |     |
| 4BR   | 3   |     |     |     |     |     |     |     |

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          | 6,313  |     |     |     |     |     |     |     |
| 2BR          | 9,142  |     |     |     |     |     |     |     |
| 3BR          | 9,792  |     |     |     |     |     |     |     |
| 4BR          | 10,022 |     |     |     |     |     |     |     |

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                         | 0.0%  |
| Movership                      | 31.9% |
| Total                          | 32.0% |

| Growth & Movership Estimate |       |     |     |     |     |     |     |     |
|-----------------------------|-------|-----|-----|-----|-----|-----|-----|-----|
|                             | Sub   | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| 0BR                         |       |     |     |     |     |     |     |     |
| 1BR                         | 2,019 |     |     |     |     |     |     |     |
| 2BR                         | 2,923 |     |     |     |     |     |     |     |
| 3BR                         | 3,131 |     |     |     |     |     |     |     |
| 4BR                         | 3,204 |     |     |     |     |     |     |     |

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                         | 2,523 |     |     |     |     |     |     |     |
| 2BR                         | 3,654 |     |     |     |     |     |     |     |
| 3BR                         | 3,914 |     |     |     |     |     |     |     |
| 4BR                         | 4,006 |     |     |     |     |     |     |     |

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                  |     |     |     |     | 1   |     |     | 2   |
| 1BR                  | 6   |     | 1   | 1   | 6   |     |     | 34  |
| 2BR                  | 9   |     | 1   | 8   | 11  |     |     | 47  |
| 3BR                  | 9   |     | 1   | 7   | 8   |     |     | 15  |
| 4BR                  | 6   |     |     |     |     |     |     | 1   |

| Fair Share |      |     |     |     |     |     |     |     |
|------------|------|-----|-----|-----|-----|-----|-----|-----|
|            | Sub  | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| 0BR        |      |     |     |     |     |     |     |     |
| 1BR        | 5.0% |     |     |     |     |     |     |     |
| 2BR        | 5.0% |     |     |     |     |     |     |     |
| 3BR        | 5.0% |     |     |     |     |     |     |     |
| 4BR        | 5.0% |     |     |     |     |     |     |     |

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                              | 10.5 |     |     |     |     |     |     |     |
| 2BR                              | 15.2 |     |     |     |     |     |     |     |
| 3BR                              | 16.3 |     |     |     |     |     |     |     |
| 4BR                              | 16.7 |     |     |     |     |     |     |     |

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  |     |     |      |     |      |     |     | 100% |
| 1BR  | 94% |     |      | 83% | 100% |     |     | 95%  |
| 2BR  | 97% |     | 100% | 96% | 95%  |     |     | 94%  |
| 3BR  | 95% |     | 100% | 97% | 97%  |     |     | 97%  |
| 4BR  | 93% |     |      |     |      |     |     | 83%  |

| Occupancy Rate, Select Comparables |     |     |     |     |      |     |     |     |
|------------------------------------|-----|-----|-----|-----|------|-----|-----|-----|
|                                    | Sub | 30% | 40% | 50% | 60%  | 70% | 80% | Mkt |
| 0BR                                |     |     |     |     |      |     |     |     |
| 1BR                                |     |     |     |     | 100% |     |     | 99% |
| 2BR                                |     |     |     |     | 96%  |     |     | 99% |
| 3BR                                |     |     |     |     | 96%  |     |     | 99% |
| 4BR                                |     |     |     |     |      |     |     |     |

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

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                             | 10  |     |     |     |     |     |     |     |
| 2BR                             | 23  |     |     |     |     |     |     |     |
| 3BR                             | 15  |     |     |     |     |     |     |     |
| 4BR                             | 3   |     |     |     |     |     |     |     |

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   | 2   |     |     |     |     |     |     |     |
| 3BR   | <1  |     |     |     |     |     |     |     |
| 4BR   | <1  |     |     |     |     |     |     |     |

Our analysis suggests that the subject property will stabilize at 97 percent occupancy. We estimate 2 months of absorption and an average absorption rate of 33.0 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 |
|-----|--------------------------------------|-------|-----------|-------------|----------|-----------|--------|
| 001 | 1200 Acqua Apartments                | 2009  | na        | Market Rate | Family   | 336       | -      |
| 002 | 30 Franklin                          | 1930  | 2017      | Market Rate | Family   | 20        | 1.3    |
| 003 | Addison Crater Woods Phase 1         | 1982  | na        | Market Rate | Family   | 120       | -      |
| 004 | Addison Crater Woods Phase 2         | 1985  | na        | Market Rate | Family   | 120       | -      |
| 005 | Addison Crater Woods Phase 3         | 2008  | na        | Market Rate | Family   | 234       | -      |
| 006 | Addison Crater Woods Phase 4         | 2010  | na        | Market Rate | Family   | 162       | -      |
| 007 | Art Craft Management                 | 1984  | na        | Market Rate | Family   |           | -      |
| 008 | Ashwood Terrace Apartments           | 1912  | 2000      | Market Rate | Family   | 10        | -      |
| 009 | Bailey's Ridge                       | 2000  | na        | Restricted  | Family   | 156       | -      |
| 010 | Bermuda Grove                        | na    | na        | Market Rate | Family   |           | -      |
| 011 | Bermuda Run Apartments Sec 2         | 1981  | na        | Subsidized  | Family   | 100       | -      |
| 012 | Birchett Estates Townhomes           | 1974  | na        | Market Rate | Family   | 26        | -      |
| 013 | Boiling Park Apartments              | 1928  | 2000      | Restricted  | Elderly  | 47        | -      |
| 014 | Bosco (The)                          | 1900  | 2016      | Market Rate | Family   | 73        | 14.5   |
| 015 | Branchester Lakes                    | 1997  | na        | Market Rate | Family   | 120       | -      |
| 016 | Broadwater Townhome 1 & 2            | 2003  | na        | Restricted  | Family   | 223       | -      |
| 017 | Burr Lofts                           | 1930  | 2016      | Market Rate | Family   | 40        | -      |
| 018 | Butterworth Lofts                    | 1915  | 2012      | Market Rate | Family   | 24        | -      |
| 019 | Cameron Lofts                        | 1930  | 2012      | Market Rate | Family   | 34        | -      |
| 020 | Canterbury Townhouses                | 1985  | na        | Market Rate | Family   | 140       | -      |
| 021 | Carriage House Apartments            | 1887  | 2006      | Subsidized  | Elderly  | 118       | -      |
| 022 | Cavalier Apartments 1                | 2017  | na        | Restricted  | Elderly  | 80        | 11.4   |
| 023 | Cavalier Apartments 2                | 2018  | na        | Restricted  | Family   | 66        | 14.5   |
| 024 | Chelsea Gardens                      | 2013  | na        | Market Rate | Family   |           | -      |
| 025 | Chesterfield Garden Apartments       | 2002  | na        | Market Rate | Family   | 106       | -      |
| 026 | Claiborne Square Apartments          | 2011  | na        | Restricted  | Elderly  | 47        | -      |
| 027 | Claiborne Square Apartments Phase 2  | 2012  | na        | Restricted  | Family   | 40        | -      |
| 028 | Claiborne Square Apartments Phase 3  | 2012  | na        | Restricted  | Elderly  | 40        | -      |
| 029 | Clearfield Apartments                | 1993  | 2012      | Restricted  | Family   | 144       | -      |
| 030 | Colonial Apartments                  | 1967  | na        | Market Rate | Family   | 16        | -      |
| 031 | Colonial Commons                     | 1991  | na        | Market Rate | Family   | 4         | -      |
| 032 | Colonial Court Apartments            | 1945  | na        | Market Rate | Family   | 64        | -      |
| 033 | Colonial Heights of Dunlop Farms     | 2000  | na        | Restricted  | Elderly  | 88        | -      |
| 034 | Colonial Marble Building             | na    | 2009      | Market Rate | Family   | 100       | -      |
| 035 | Commerce Street Apartments           | 1970  | 2018      | Market Rate | Family   | 65        | -      |
| 036 | Cornez Manor Apartments              | 1986  | na        | Market Rate | Family   | 20        | -      |
| 037 | County Line Apartments               | 2010  | na        | Market Rate | Family   | 50        | -      |
| 038 | Crater Square Apartments             | 1984  | na        | Market Rate | Family   | 130       | -      |
| 039 | Daniel Court / Dupuy Road Apartments | 1967  | na        | Market Rate | Family   | 48        | -      |
| 040 | Davisville & Bland Court Apartments  | 1942  | na        | Subsidized  | Family   | 124       | -      |
| 041 | Dunlop Farms Seniors                 | 2000  | na        | Restricted  | Elderly  | 88        | -      |
| 042 | Dunlop Street Lofts                  | 1915  | 2008      | Market Rate | Family   | 64        | -      |
| 043 | Farmingdale Townhouses               | 1966  | 2011      | Market Rate | Family   | 122       | -      |
| 044 | First Colony Townhouses              | 1963  | 2010      | Market Rate | Family   | 58        | -      |
| 045 | Gillhaven Manor Apartments           | 1982  | na        | Subsidized  | Elderly  | 100       | -      |
| 046 | Glen At Colonial Heights             | 1981  | na        | Subsidized  | Family   | 100       | -      |
| 047 | Gressett Street Project              | 2014  | na        | Restricted  | Family   | 40        | -      |
| 048 | Hampton Court Townhomes              | 1980  | na        | Market Rate | Family   | 40        | -      |
| 049 | Harrison Creek Apartments            | 2009  | na        | Market Rate | Family   |           | -      |
| 050 | Harwood Square Apartments            | 2007  | na        | Market Rate | Family   | 24        | -      |
| 051 | Henry Williams Townhomes             | 2011  | na        | Restricted  | Family   | 42        | 5.0    |
| 052 | Heritage Garden Apartments           | 1929  | 1996      | Market Rate | Family   | 21        | -      |
| 053 | Highstreet Lofts                     | 1930  | 2008      | Market Rate | Family   | 16        | -      |

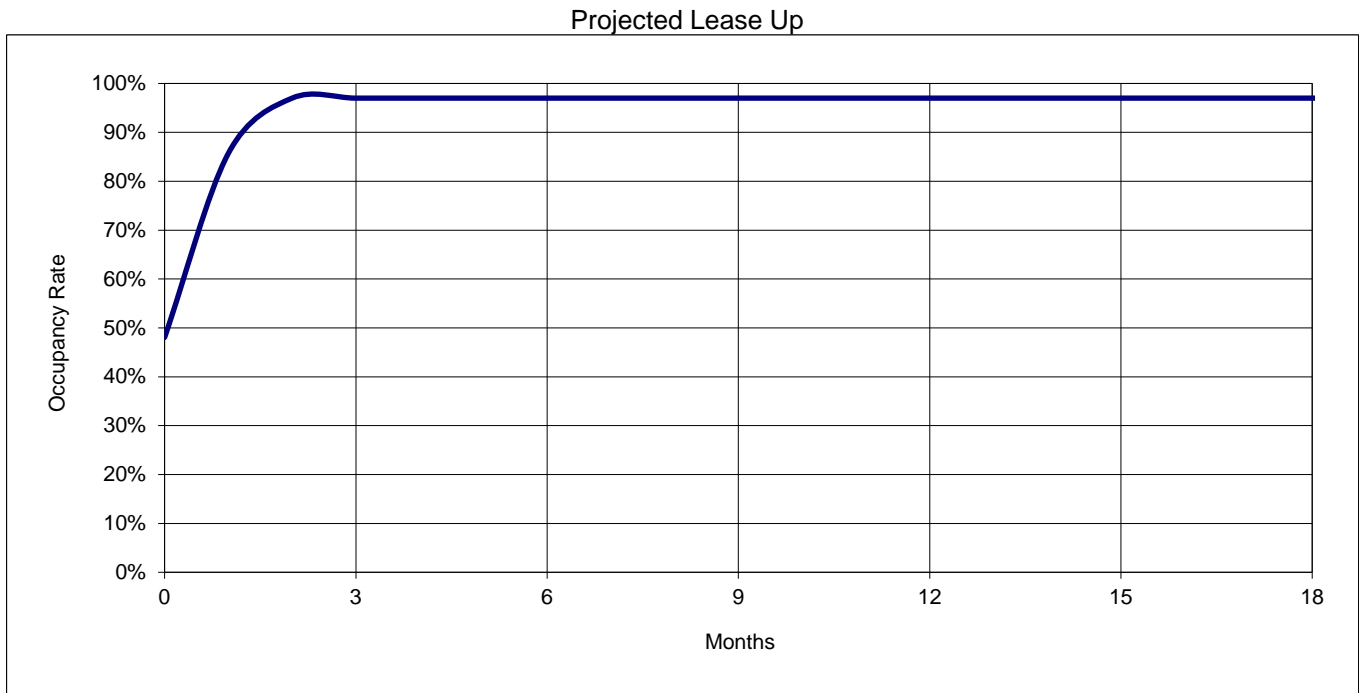
|     |   |      |      |             |         |     |      |
|-----|---|------|------|-------------|---------|-----|------|
| 054 | Hopewell Heights Apartments - Elderly   | 1979 | na   | Subsidized  | Elderly | 100 | -    |
| 055 | Hopewell Heights Apartments - Elderly   | 1979 | 2017 | Subsidized  | Elderly | 100 | -    |
| 056 | Hopewell Heights Apartments - Family    | 1979 | na   | Subsidized  | Family  | 50  | -    |
| 057 | Hopewell Heights Apartments - Family    | 1979 | 2017 | Subsidized  | Family  | 50  | -    |
| 058 | Hopewell Lofts                          | 1920 | 2010 | Market Rate | Family  | 50  | -    |
| 059 | Hopewell Redevelopment & Housng         | 2005 | na   | Market Rate | Family  |     | -    |
| 060 | Independence Village Apartments         | 2009 | na   | Market Rate | Family  | 336 | -    |
| 061 | Ivy Gates Apartments                    | 1974 | na   | Market Rate | Family  | 120 | -    |
| 062 | Jefferson Pointe Apartments             | 2000 | na   | Market Rate | Family  | 220 | -    |
| 063 | Jefferson Scott Landing                 | 1991 | na   | Restricted  | Family  | 14  | -    |
| 064 | Jefferson South of the James            | 1974 | 2000 | Restricted  | Family  | 200 | -    |
| 065 | Jesse Lee Apartments                    | 2008 | na   | Restricted  | Family  | 108 | 13.1 |
| 066 | Jesse Lee Manor Apartments              | 2008 | na   | Market Rate | Family  |     | -    |
| 067 | Joe Battiston's Wythe Street Apartments | 1900 | 2009 | Market Rate | Family  | 60  | -    |
| 068 | Kippax Place Apartments                 | 1973 | na   | Subsidized  | Elderly | 100 | -    |
| 069 | Kippax Place Apartments                 | 1973 | 2015 | Subsidized  | Elderly | 100 | -    |
| 070 | Lafayette House Apartments              | 1981 | 2000 | Subsidized  | Elderly | 100 | -    |
| 071 | Lakeview Terrace Apartments             | 1975 | na   | Market Rate | Family  | 76  | -    |
| 072 | Lakeview Village                        | 1975 | na   | Market Rate | Family  | 63  | -    |
| 073 | Lakeview West Apartments                | 1999 | na   | Market Rate | Family  | 30  | -    |
| 074 | Lakeview West Apartments                | 1999 | na   | Market Rate | Family  |     | -    |
| 075 | Landmark Apartments                     | 1983 | na   | Subsidized  | Family  | 53  | -    |
| 076 | Langston Park Apartments                | 2015 | na   | Restricted  | Family  | 56  | 6.4  |
| 077 | Langston Park Apartments                | 1962 | na   | Subsidized  | Family  | 29  | -    |
| 078 | La-Salle Motel & Efficiency             | 1984 | na   | Market Rate | Family  |     | -    |
| 079 | Liberty Pointe                          | 2015 | na   | Restricted  | Family  | 48  | 24.0 |
| 080 | Lieutenants Run Apartments              | 2005 | na   | Restricted  | Family  | 168 | -    |
| 081 | Lofts at 301 N Dunlop (The)             | 1925 | 2011 | Market Rate | Family  | 34  | -    |
| 082 | Lofts on Market (The)                   | 1920 | 2010 | Market Rate | Family  | 23  | -    |
| 083 | Long Lofts                              | 1930 | 2017 | Market Rate | Family  | 62  | 10.0 |
| 084 | Madison Terrace Apartments              | 1978 | na   | Market Rate | Family  | 76  | -    |
| 085 | Mallonee School Lofts                   | 1925 | 2010 | Market Rate | Family  |     | -    |
| 086 | Mayton Transfer Lofts                   | 1911 | 2008 | Market Rate | Family  | 111 | -    |
| 087 | Mayton Transfer Lofts Phase 1           | 1911 | 2008 | Market Rate | Family  | 100 | -    |
| 088 | Mayton Transfer Lofts Phase 2           | na   | 2009 | Market Rate | Family  |     | -    |
| 089 | Meridian Pine Hill                      | 2014 | na   | Market Rate | Family  | 300 | -    |
| 090 | Mill Creek Apartments                   | 1977 | na   | Market Rate | Family  | 55  | -    |
| 091 | Mill Pond Apartments                    | 2007 | na   | Market Rate | Family  | 16  | -    |
| 092 | Newcastle Apartments                    | 1965 | na   | Market Rate | Family  | 24  | -    |
| 093 | Nola Property                           | 2015 | na   | Market Rate | Family  |     | -    |
| 094 | Oaks Of Dunlop                          | 1990 | 2017 | Restricted  | Family  | 144 | -    |
| 095 | Old Town Creek Townhomes                | 1966 | na   | Market Rate | Family  | 40  | -    |
| 096 | Osage House                             | na   | na   | Subsidized  | Family  | 13  | -    |
| 097 | P & N Co LLC                            | 1995 | na   | Market Rate | Family  | 110 | -    |
| 098 | Pecan Acres Estates                     | 2018 | na   | Subsidized  | Family  | 50  | -    |
| 099 | Perry Street Loft                       | 1930 | 2012 | Market Rate | Family  | 148 | -    |
| 100 | Petersburg Association                  | 2014 | na   | Market Rate | Family  |     | -    |
| 101 | Petersburg Redevelopment Authority      | 2014 | na   | Market Rate | Family  |     | -    |
| 102 | Petesburg East Phase 1                  | 1975 | 2006 | Subsidized  | Family  | 100 | -    |
| 103 | Petesburg East Phase 2                  | 1976 | 2005 | Subsidized  | Family  | 68  | -    |
| 104 | Pin Oaks Estates                        | 2018 | na   | Subsidized  | Family  | 98  | -    |
| 105 | Pinetree Apartments                     | 1995 | na   | Restricted  | Family  | 144 | -    |
| 106 | Piper Square Apartments                 | 1982 | na   | Subsidized  | Family  | 103 | -    |
| 107 | Piper Square Apartments                 | 1982 | 2019 | Subsidized  | Family  | 103 | -    |
| 108 | Puddledock Place Apartments 1           | 2014 | na   | Restricted  | Family  | 84  | -    |
| 109 | Puddledock Place Apartments 2           | 2015 | na   | Restricted  | Family  | 72  | 36.0 |
| 110 | Quail Oaks Apartments                   | 1972 | 2000 | Market Rate | Family  | 37  | -    |

|     |                                       |      |      |             |         |     |     |
|-----|---------------------------------------|------|------|-------------|---------|-----|-----|
| 111 | River Road Terrace Apartments         | 1976 | na   | Market Rate | Family  | 128 | -   |
| 112 | River Street Loft                     | 1930 | 2013 | Market Rate | Family  | 7   | -   |
| 113 | Rivermont Landing                     | 2010 | na   | Market Rate | Family  | 145 | 5.2 |
| 114 | Rivermont Station Apartments          | 2008 | na   | Market Rate | Family  | 312 | -   |
| 115 | River's Bend Apartments Homes         | 1999 | na   | Market Rate | Family  | 318 | -   |
| 116 | Riverside Park Apartments             | 1969 | 1984 | Market Rate | Family  | 120 | -   |
| 117 | Mattox Landing Apartments             | 2000 | na   | Restricted  | Family  | 88  | -   |
| 118 | Rohoic Wood Apartments Phases 1-5     | 1994 | na   | Market Rate | Family  | 240 | -   |
| 119 | Saint Mark Street Project             | 1991 | na   | Restricted  | Family  | 14  | -   |
| 120 | Sentry Woods Apartments               | 1988 | 2003 | Restricted  | Family  | 30  | -   |
| 121 | Shanel Corp                           | 1930 | 1992 | Market Rate | Family  |     | -   |
| 122 | South Street Lofts                    | 1930 | 2001 | Market Rate | Family  | 41  | -   |
| 123 | Southside Lodge Apartments            | 2017 | na   | Restricted  | Family  | 96  | -   |
| 124 | Star Lofts                            | 1930 | 2013 | Market Rate | Family  | 66  | -   |
| 125 | Summit Apartments (The)               | 2014 | na   | Restricted  | Family  | 56  | 3.3 |
| 126 | Summit Point Apartments               | 1951 | 2008 | Market Rate | Family  | 578 | -   |
| 127 | Swearingen Realty Co                  | 1992 | na   | Market Rate | Family  | 183 | -   |
| 128 | Sycamore Towers Apartments            | 1971 | na   | Subsidized  | Elderly | 100 | -   |
| 129 | Sycamore Towers Apartments            | 1971 | 2018 | Subsidized  | Elderly | 100 | -   |
| 130 | Tanglewood Apartments                 | 1971 | 2010 | Market Rate | Family  | 408 | -   |
| 131 | Terrace View                          | 1999 | na   | Restricted  | Family  | 62  | -   |
| 132 | Thomas Rolfe Court & Annex Apartments | 1960 | na   | Subsidized  | Family  | 136 | -   |
| 133 | Towne Square Apartments               | 1978 | na   | Market Rate | Family  | 76  | -   |
| 134 | Twin Rivers Townhouses                | 1976 | na   | Market Rate | Family  | 149 | -   |
| 135 | Union Flats                           | 1915 | 1983 | Market Rate | Family  | 65  | -   |
| 136 | University Apartments At Etrick       | 2004 | na   | Market Rate | Family  | 126 | -   |
| 137 | Walnut Hill Apartments                | 1936 | na   | Market Rate | Family  |     | -   |
| 138 | Washington Columns Apartments         | 1912 | 2002 | Subsidized  | Elderly | 26  | -   |
| 139 | Webster Court Apartments              | 1968 | na   | Market Rate | Family  | 88  | -   |
| 150 | ZZZ - Property Name 150               | na   | na   | Market Rate | Family  |     | -   |
| 141 | Westover Commons Apartments           | 1947 | 2001 | Restricted  | Family  | 83  | -   |
| 142 | Windham Hills Apartments              | 1968 | 1998 | Market Rate | Family  | 72  | -   |
| 143 | Windy Hill Apartments                 | 1968 | 1998 | Restricted  | Family  | 72  | -   |
| 144 | Windy Ridge Apartments                | 1968 | 1998 | Market Rate | Family  |     | -   |
| 145 | Winston Churchill Project             | 2012 | na   | Restricted  | Family  | 64  | -   |
| 146 | Woodmere Apartments                   | 1964 | 2006 | Market Rate | Family  | 148 | -   |
| 147 | Wythe Row Townhomes                   | 1911 | 2000 | Restricted  | Family  | 12  | -   |
| 148 | Petersburg Artist Space               | 1879 | 2019 | Restricted  | Family  | 226 | -   |
| 149 | Riverview Apartments                  | 2000 | na   | Restricted  | Family  | 88  | -   |
| 150 | ZZZ - Property Name 150               | na   | na   | Market Rate | Family  |     | -   |

Source: Allen & Associates Consulting

## 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 1 months. We anticipate that the subject property will stabilize at 97 percent occupancy in 2 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:

| 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   | 1,310                                 | 397      | 341      | 281      | 129      | 64        | 2,523  |       |
| \$0     | to \$19,999  | 2,865                                 | 1,038    | 904      | 546      | 265      | 138       | 5,757  |       |
| \$0     | to \$29,999  | 3,885                                 | 1,584    | 1,301    | 702      | 363      | 180       | 8,015  |       |
| \$0     | to \$39,999  | 4,974                                 | 2,223    | 1,572    | 997      | 537      | 294       | 10,597 |       |
| \$0     | to \$49,999  | 5,463                                 | 2,788    | 1,888    | 1,341    | 654      | 352       | 12,485 |       |
| \$0     | to \$59,999  | 5,837                                 | 3,032    | 2,153    | 1,544    | 716      | 375       | 13,657 |       |
| \$0     | to \$74,999  | 6,196                                 | 3,485    | 2,538    | 1,777    | 900      | 493       | 15,388 |       |
| \$0     | to \$99,999  | 6,707                                 | 3,964    | 2,904    | 2,098    | 1,054    | 579       | 17,305 |       |
| \$0     | to \$124,999 | 6,885                                 | 4,204    | 3,103    | 2,253    | 1,136    | 619       | 18,200 |       |
| \$0     | to \$149,999 | 6,967                                 | 4,271    | 3,198    | 2,281    | 1,252    | 671       | 18,641 |       |
| \$0     | to \$199,999 | 7,028                                 | 4,349    | 3,305    | 2,304    | 1,292    | 683       | 18,962 |       |
| \$0     | or more      | 7,117                                 | 4,423    | 3,342    | 2,360    | 1,309    | 691       | 19,241 |       |

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 20 units, 10 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                  | 20                |
| Vacant Units at Market Entry | 10                |

| Minimum Qualified Income   |         |
|----------------------------|---------|
| Net Rent                   | \$0     |
| Utilities                  | \$54    |
| Gross Rent                 | \$54    |
| Income Qualification Ratio | 35%     |
| Minimum Qualified Income   | \$154   |
| Months/Year                | 12      |
| Minimum Qualified Income   | \$1,851 |

| Renter Households, by Income, by Size |    |           |          |          |          |          |           |     |
|---------------------------------------|----|-----------|----------|----------|----------|----------|-----------|-----|
| 2019                                  |    |           |          |          |          |          |           |     |
| 2019                                  | \$ | 1 Person  | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |     |
| \$0                                   | to | \$9,999   | 1,310    | 397      | 341      | 281      | 129       | 64  |
| \$0                                   | to | \$19,999  | 2,865    | 1,038    | 904      | 546      | 265       | 138 |
| \$0                                   | to | \$29,999  | 3,885    | 1,584    | 1,301    | 702      | 363       | 180 |
| \$0                                   | to | \$39,999  | 4,974    | 2,223    | 1,572    | 997      | 537       | 294 |
| \$0                                   | to | \$49,999  | 5,463    | 2,788    | 1,888    | 1,341    | 654       | 352 |
| \$0                                   | to | \$59,999  | 5,837    | 3,032    | 2,153    | 1,544    | 716       | 375 |
| \$0                                   | to | \$74,999  | 6,196    | 3,485    | 2,538    | 1,777    | 900       | 493 |
| \$0                                   | to | \$99,999  | 6,707    | 3,964    | 2,904    | 2,098    | 1,054     | 579 |
| \$0                                   | to | \$124,999 | 6,885    | 4,204    | 3,103    | 2,253    | 1,136     | 619 |
| \$0                                   | to | \$149,999 | 6,967    | 4,271    | 3,198    | 2,281    | 1,252     | 671 |
| \$0                                   | to | \$199,999 | 7,028    | 4,349    | 3,305    | 2,304    | 1,292     | 683 |
| \$0                                   | or | more      | 7,117    | 4,423    | 3,342    | 2,360    | 1,309     | 691 |

| Maximum Allowable Income |          |          |          |          |          |           |  |
|--------------------------|----------|----------|----------|----------|----------|-----------|--|
|                          | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |  |
| Maximum Allowable Income | \$34,980 | \$39,960 | \$44,940 | \$49,920 | \$53,940 | \$57,960  |  |

| 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 | 4,375    | 2,191    | 0        | 0        | 0        | 0         |  |
| HH Below Minimum Income | 197      | 60       | 0        | 0        | 0        | 0         |  |
| Subtotal                | 4,179    | 2,132    | 0        | 0        | 0        | 0         |  |

Demand Estimate 6,310

Our analysis suggests demand for a total of 6,310 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 48 units, 24 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                  | 48                |
| Vacant Units at Market Entry | 24                |

| Minimum Qualified Income   |         |
|----------------------------|---------|
| Net Rent                   | \$0     |
| Utilities                  | \$62    |
| Gross Rent                 | \$62    |
| Income Qualification Ratio | 35%     |
| Minimum Qualified Income   | \$177   |
| Months/Year                | 12      |
| Minimum Qualified Income   | \$2,126 |

| Renter Households, by Income, by Size |    |           |          |          |          |          |           |     |
|---------------------------------------|----|-----------|----------|----------|----------|----------|-----------|-----|
| 2019                                  |    |           |          |          |          |          |           |     |
| 2019                                  | \$ | 1 Person  | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |     |
| \$0                                   | to | \$9,999   | 1,310    | 397      | 341      | 281      | 129       | 64  |
| \$0                                   | to | \$19,999  | 2,865    | 1,038    | 904      | 546      | 265       | 138 |
| \$0                                   | to | \$29,999  | 3,885    | 1,584    | 1,301    | 702      | 363       | 180 |
| \$0                                   | to | \$39,999  | 4,974    | 2,223    | 1,572    | 997      | 537       | 294 |
| \$0                                   | to | \$49,999  | 5,463    | 2,788    | 1,888    | 1,341    | 654       | 352 |
| \$0                                   | to | \$59,999  | 5,837    | 3,032    | 2,153    | 1,544    | 716       | 375 |
| \$0                                   | to | \$74,999  | 6,196    | 3,485    | 2,538    | 1,777    | 900       | 493 |
| \$0                                   | to | \$99,999  | 6,707    | 3,964    | 2,904    | 2,098    | 1,054     | 579 |
| \$0                                   | to | \$124,999 | 6,885    | 4,204    | 3,103    | 2,253    | 1,136     | 619 |
| \$0                                   | to | \$149,999 | 6,967    | 4,271    | 3,198    | 2,281    | 1,252     | 671 |
| \$0                                   | to | \$199,999 | 7,028    | 4,349    | 3,305    | 2,304    | 1,292     | 683 |
| \$0                                   | or | more      | 7,117    | 4,423    | 3,342    | 2,360    | 1,309     | 691 |

| Maximum Allowable Income |  |          |          |          |          |          |           |
|--------------------------|--|----------|----------|----------|----------|----------|-----------|
|                          |  | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| Maximum Allowable Income |  | \$34,980 | \$39,960 | \$44,940 | \$49,920 | \$53,940 | \$57,960  |

| 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 | 4,375    | 2,191    | 1,714    | 1,324    | 0        | 0         |
| HH Below Minimum Income | 262      | 79       | 68       | 56       | 0        | 0         |
| Subtotal                | 4,113    | 2,112    | 1,646    | 1,268    | 0        | 0         |

Demand Estimate 9,138

Our analysis suggests demand for a total of 9,138 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, 3-Bedroom, Subsidized, 60% of AMI

In this section we estimate demand for the 3-Bedroom / Subsidized / 60% of AMI units at the subject property. Our analysis assumes a total of 29 units, 15 of which are anticipated to be vacant on market entry in 2019. Our analysis assumes a 35% income qualification ratio and 5-person households.

| Unit Details                 |                   |
|------------------------------|-------------------|
| Target Population            | Family Households |
| Unit Type                    | 3-Bedroom         |
| Rent Type                    | Subsidized        |
| Income Limit                 | 60% of AMI        |
| Total Units                  | 29                |
| Vacant Units at Market Entry | 15                |

| Minimum Qualified Income   |         |
|----------------------------|---------|
| Net Rent                   | \$0     |
| Utilities                  | \$70    |
| Gross Rent                 | \$70    |
| Income Qualification Ratio | 35%     |
| Minimum Qualified Income   | \$200   |
| Months/Year                | 12      |
| Minimum Qualified Income   | \$2,400 |

| Renter Households, by Income, by Size |    |           |          |          |          |          |           |     |
|---------------------------------------|----|-----------|----------|----------|----------|----------|-----------|-----|
| 2019                                  |    |           |          |          |          |          |           |     |
| 2019                                  | \$ | 1 Person  | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |     |
| \$0                                   | to | \$9,999   | 1,310    | 397      | 341      | 281      | 129       | 64  |
| \$0                                   | to | \$19,999  | 2,865    | 1,038    | 904      | 546      | 265       | 138 |
| \$0                                   | to | \$29,999  | 3,885    | 1,584    | 1,301    | 702      | 363       | 180 |
| \$0                                   | to | \$39,999  | 4,974    | 2,223    | 1,572    | 997      | 537       | 294 |
| \$0                                   | to | \$49,999  | 5,463    | 2,788    | 1,888    | 1,341    | 654       | 352 |
| \$0                                   | to | \$59,999  | 5,837    | 3,032    | 2,153    | 1,544    | 716       | 375 |
| \$0                                   | to | \$74,999  | 6,196    | 3,485    | 2,538    | 1,777    | 900       | 493 |
| \$0                                   | to | \$99,999  | 6,707    | 3,964    | 2,904    | 2,098    | 1,054     | 579 |
| \$0                                   | to | \$124,999 | 6,885    | 4,204    | 3,103    | 2,253    | 1,136     | 619 |
| \$0                                   | to | \$149,999 | 6,967    | 4,271    | 3,198    | 2,281    | 1,252     | 671 |
| \$0                                   | to | \$199,999 | 7,028    | 4,349    | 3,305    | 2,304    | 1,292     | 683 |
| \$0                                   | or | more      | 7,117    | 4,423    | 3,342    | 2,360    | 1,309     | 691 |

| Maximum Allowable Income |          |          |          |          |          |           |  |
|--------------------------|----------|----------|----------|----------|----------|-----------|--|
|                          | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |  |
| Maximum Allowable Income | \$34,980 | \$39,960 | \$44,940 | \$49,920 | \$53,940 | \$57,960  |  |

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

| Demand Estimate         |          |          |          |          |          |           |
|-------------------------|----------|----------|----------|----------|----------|-----------|
|                         | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| HH Below Maximum Income | 4,375    | 2,191    | 1,714    | 1,324    | 676      | 0         |
| HH Below Minimum Income | 262      | 79       | 68       | 56       | 26       | 0         |
| Subtotal                | 4,113    | 2,112    | 1,646    | 1,268    | 650      | 0         |

Demand Estimate 9,788

Our analysis suggests demand for a total of 9,788 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, 4-Bedroom, Subsidized, 60% of AMI

In this section we estimate demand for the 4-Bedroom / Subsidized / 60% 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 6-person households.

| Unit Details                 |                   |
|------------------------------|-------------------|
| Target Population            | Family Households |
| Unit Type                    | 4-Bedroom         |
| Rent Type                    | Subsidized        |
| Income Limit                 | 60% of AMI        |
| Total Units                  | 6                 |
| Vacant Units at Market Entry | 3                 |

| Minimum Qualified Income   |         |
|----------------------------|---------|
| Net Rent                   | \$0     |
| Utilities                  | \$79    |
| Gross Rent                 | \$79    |
| Income Qualification Ratio | 35%     |
| Minimum Qualified Income   | \$226   |
| Months/Year                | 12      |
| Minimum Qualified Income   | \$2,709 |

| Renter Households, by Income, by Size |    |           |          |          |          |          |           |     |
|---------------------------------------|----|-----------|----------|----------|----------|----------|-----------|-----|
| 2019                                  |    |           |          |          |          |          |           |     |
| 2019                                  | \$ | 1 Person  | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |     |
| \$0                                   | to | \$9,999   | 1,310    | 397      | 341      | 281      | 129       | 64  |
| \$0                                   | to | \$19,999  | 2,865    | 1,038    | 904      | 546      | 265       | 138 |
| \$0                                   | to | \$29,999  | 3,885    | 1,584    | 1,301    | 702      | 363       | 180 |
| \$0                                   | to | \$39,999  | 4,974    | 2,223    | 1,572    | 997      | 537       | 294 |
| \$0                                   | to | \$49,999  | 5,463    | 2,788    | 1,888    | 1,341    | 654       | 352 |
| \$0                                   | to | \$59,999  | 5,837    | 3,032    | 2,153    | 1,544    | 716       | 375 |
| \$0                                   | to | \$74,999  | 6,196    | 3,485    | 2,538    | 1,777    | 900       | 493 |
| \$0                                   | to | \$99,999  | 6,707    | 3,964    | 2,904    | 2,098    | 1,054     | 579 |
| \$0                                   | to | \$124,999 | 6,885    | 4,204    | 3,103    | 2,253    | 1,136     | 619 |
| \$0                                   | to | \$149,999 | 6,967    | 4,271    | 3,198    | 2,281    | 1,252     | 671 |
| \$0                                   | to | \$199,999 | 7,028    | 4,349    | 3,305    | 2,304    | 1,292     | 683 |
| \$0                                   | or | more      | 7,117    | 4,423    | 3,342    | 2,360    | 1,309     | 691 |

| Maximum Allowable Income |          |          |          |          |          |           |  |
|--------------------------|----------|----------|----------|----------|----------|-----------|--|
|                          | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |  |
| Maximum Allowable Income | \$34,980 | \$39,960 | \$44,940 | \$49,920 | \$53,940 | \$57,960  |  |

| Size Qualified |          |          |          |          |          |           |
|----------------|----------|----------|----------|----------|----------|-----------|
|                | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| Size Qualified | Yes      | Yes      | Yes      | Yes      | Yes      | Yes       |

| Demand Estimate         |          |          |          |          |          |           |
|-------------------------|----------|----------|----------|----------|----------|-----------|
|                         | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| HH Below Maximum Income | 4,375    | 2,191    | 1,714    | 1,324    | 676      | 369       |
| HH Below Minimum Income | 328      | 99       | 85       | 70       | 32       | 16        |
| Subtotal                | 4,048    | 2,092    | 1,629    | 1,254    | 643      | 353       |

Demand Estimate 10,019

Our analysis suggests demand for a total of 10,019 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   | 1,310    | 397      | 341      | 281      | 129      | 64        |
| \$0                                   | to   | \$19,999  | 2,865    | 1,038    | 904      | 546      | 265      | 138       |
| \$0                                   | to   | \$29,999  | 3,885    | 1,584    | 1,301    | 702      | 363      | 180       |
| \$0                                   | to   | \$39,999  | 4,974    | 2,223    | 1,572    | 997      | 537      | 294       |
| \$0                                   | to   | \$49,999  | 5,463    | 2,788    | 1,888    | 1,341    | 654      | 352       |
| \$0                                   | to   | \$59,999  | 5,837    | 3,032    | 2,153    | 1,544    | 716      | 375       |
| \$0                                   | to   | \$74,999  | 6,196    | 3,485    | 2,538    | 1,777    | 900      | 493       |
| \$0                                   | to   | \$99,999  | 6,707    | 3,964    | 2,904    | 2,098    | 1,054    | 579       |
| \$0                                   | to   | \$124,999 | 6,885    | 4,204    | 3,103    | 2,253    | 1,136    | 619       |
| \$0                                   | to   | \$149,999 | 6,967    | 4,271    | 3,198    | 2,281    | 1,252    | 671       |
| \$0                                   | to   | \$199,999 | 7,028    | 4,349    | 3,305    | 2,304    | 1,292    | 683       |
| \$0                                   | or   | more      | 7,117    | 4,423    | 3,342    | 2,360    | 1,309    | 691       |

| Demand Estimate, Subsidized |          |          |          |          |          |           |
|-----------------------------|----------|----------|----------|----------|----------|-----------|
|                             | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| Maximum Income, 0BR         | -        | -        | -        | -        | -        | -         |
| Maximum Income, 1BR         | \$34,980 | \$39,960 | -        | -        | -        | -         |
| Maximum Income, 2BR         | \$34,980 | \$39,960 | \$44,940 | \$49,920 | -        | -         |
| Maximum Income, 3BR         | \$34,980 | \$39,960 | \$44,940 | \$49,920 | \$53,940 | -         |
| Maximum Income, 4BR         | \$34,980 | \$39,960 | \$44,940 | \$49,920 | \$53,940 | \$57,960  |
| Maximum Allowable Income    | \$34,980 | \$39,960 | \$44,940 | \$49,920 | \$53,940 | \$57,960  |
| Minimum Income, 0BR         | -        | -        | -        | -        | -        | -         |
| Minimum Income, 1BR         | \$1,851  | \$1,851  | -        | -        | -        | -         |
| Minimum Income, 2BR         | \$2,126  | \$2,126  | \$2,126  | \$2,126  | -        | -         |
| Minimum Income, 3BR         | \$2,400  | \$2,400  | \$2,400  | \$2,400  | \$2,400  | -         |
| Minimum Income, 4BR         | \$2,709  | \$2,709  | \$2,709  | \$2,709  | \$2,709  | \$2,709   |
| Minimum Qualified Income    | \$1,851  | \$1,851  | \$2,126  | \$2,126  | \$2,400  | \$2,709   |
| HH Below Upper Income       | 4,375    | 2,191    | 1,714    | 1,324    | 676      | 369       |
| HH Below Lower Income       | 197      | 60       | 68       | 56       | 26       | 16        |
| Subtotal                    | 4,179    | 2,132    | 1,646    | 1,268    | 650      | 353       |

Demand Estimate 10,227

Our analysis suggests demand for a total of 10,227 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                                | 10,227 |     |     |     |     |     |     |     |

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 |     |     |     |     |     |     |     |     |
|-------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| 0.0%                                |     |     |     |     |     |     |     |     |
| New Rental Households               |     |     |     |     |     |     |     |     |
|                                     | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot                                 | 9   |     |     |     |     |     |     |     |

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          |       |     |     |     |     |     |     |     |
|---|-------|-----|-----|-----|-----|-----|-----|-----|
| 30.3%                                   |       |     |     |     |     |     |     |     |
| Existing Households - Rent Overburdened |       |     |     |     |     |     |     |     |
|   | Sub   | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot                                     | 3,096 |     |     |     |     |     |     |     |

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     |     |     |     |     |     |     |     |     |
|-----------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| 6.9%                              |     |     |     |     |     |     |     |     |
| Existing Households - Substandard |     |     |     |     |     |     |     |     |
|                                   | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot                               | 703 |     |     |     |     |     |     |     |

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   | 103 |     |     |     |     |     |     |     |
| Existing Qualifying Tenants Likely to Remain after Renovation |     |     |     |     |     |     |     |     |
|   | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot   | 51  |     |     |     |     |     |     |     |

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          | 3,859 |     |     |     |     |     |     |     |

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                               | 171 |     |     |     |     |     |     |     |

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   | 3,688 |     |     |     |     |     |     |     |

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   | 2.8% |     |     |     |     |     |     |     |

Our findings are summarized below.

|  |          |
|--|----------|
| Project-Wide Capture Rate - LIHTC Units  | 2.8%     |
| Project-Wide Capture Rate - Market Units |          |
| Project-Wide Capture Rate - All Units    | 2.8%     |
| Project-Wide Absorption Period (Months)  | 2 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:

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   | 1,310    | 397      | 341      | 281      | 129      | 64        | 2,523  |
| \$0     | to | \$19,999  | 2,865    | 1,038    | 904      | 546      | 265      | 138       | 5,757  |
| \$0     | to | \$29,999  | 3,885    | 1,584    | 1,301    | 702      | 363      | 180       | 8,015  |
| \$0     | to | \$39,999  | 4,974    | 2,223    | 1,572    | 997      | 537      | 294       | 10,597 |
| \$0     | to | \$49,999  | 5,463    | 2,788    | 1,888    | 1,341    | 654      | 352       | 12,485 |
| \$0     | to | \$59,999  | 5,837    | 3,032    | 2,153    | 1,544    | 716      | 375       | 13,657 |
| \$0     | to | \$74,999  | 6,196    | 3,485    | 2,538    | 1,777    | 900      | 493       | 15,388 |
| \$0     | to | \$99,999  | 6,707    | 3,964    | 2,904    | 2,098    | 1,054    | 579       | 17,305 |
| \$0     | to | \$124,999 | 6,885    | 4,204    | 3,103    | 2,253    | 1,136    | 619       | 18,200 |
| \$0     | to | \$149,999 | 6,967    | 4,271    | 3,198    | 2,281    | 1,252    | 671       | 18,641 |
| \$0     | to | \$199,999 | 7,028    | 4,349    | 3,305    | 2,304    | 1,292    | 683       | 18,962 |
| \$0     | or | more      | 7,117    | 4,423    | 3,342    | 2,360    | 1,309    | 691       | 19,241 |

Source: ESRI & Ribbon Demographics



## 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 10 units, 5 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                  | 10                |
| Vacant Units at Market Entry | 5                 |

| Minimum Qualified Income   |          |
|----------------------------|----------|
| Net Rent                   | \$726    |
| Utilities                  | \$54     |
| Gross Rent                 | \$780    |
| Income Qualification Ratio | 35%      |
| Minimum Qualified Income   | \$2,229  |
| Months/Year                | 12       |
| Minimum Qualified Income   | \$26,743 |

| Renter Households, by Income, by Size |    |           |          |          |          |          |           |     |
|---------------------------------------|----|-----------|----------|----------|----------|----------|-----------|-----|
| 2019                                  |    |           |          |          |          |          |           |     |
| 2019                                  | \$ | 1 Person  | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |     |
| \$0                                   | to | \$9,999   | 1,310    | 397      | 341      | 281      | 129       | 64  |
| \$0                                   | to | \$19,999  | 2,865    | 1,038    | 904      | 546      | 265       | 138 |
| \$0                                   | to | \$29,999  | 3,885    | 1,584    | 1,301    | 702      | 363       | 180 |
| \$0                                   | to | \$39,999  | 4,974    | 2,223    | 1,572    | 997      | 537       | 294 |
| \$0                                   | to | \$49,999  | 5,463    | 2,788    | 1,888    | 1,341    | 654       | 352 |
| \$0                                   | to | \$59,999  | 5,837    | 3,032    | 2,153    | 1,544    | 716       | 375 |
| \$0                                   | to | \$74,999  | 6,196    | 3,485    | 2,538    | 1,777    | 900       | 493 |
| \$0                                   | to | \$99,999  | 6,707    | 3,964    | 2,904    | 2,098    | 1,054     | 579 |
| \$0                                   | to | \$124,999 | 6,885    | 4,204    | 3,103    | 2,253    | 1,136     | 619 |
| \$0                                   | to | \$149,999 | 6,967    | 4,271    | 3,198    | 2,281    | 1,252     | 671 |
| \$0                                   | to | \$199,999 | 7,028    | 4,349    | 3,305    | 2,304    | 1,292     | 683 |
| \$0                                   | or | more      | 7,117    | 4,423    | 3,342    | 2,360    | 1,309     | 691 |

| Maximum Allowable Income |          |          |          |          |          |           |  |
|--------------------------|----------|----------|----------|----------|----------|-----------|--|
|                          | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |  |
| Maximum Allowable Income | \$29,150 | \$33,300 | \$37,450 | \$41,600 | \$44,950 | \$48,300  |  |

| 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 | 3,783    | 1,776    | 0        | 0        | 0        | 0         |
| HH Below Minimum Income | 3,528    | 1,393    | 0        | 0        | 0        | 0         |
| Subtotal                | 255      | 383      | 0        | 0        | 0        | 0         |

Demand Estimate 638

Our analysis suggests demand for a total of 638 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 10 units, 5 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                  | 10                |
| Vacant Units at Market Entry | 5                 |

| Minimum Qualified Income   |          |
|----------------------------|----------|
| Net Rent                   | \$750    |
| Utilities                  | \$54     |
| Gross Rent                 | \$804    |
| Income Qualification Ratio | 35%      |
| Minimum Qualified Income   | \$2,297  |
| Months/Year                | 12       |
| Minimum Qualified Income   | \$27,566 |

| Renter Households, by Income, by Size |    |           |          |          |          |          |           |     |
|---------------------------------------|----|-----------|----------|----------|----------|----------|-----------|-----|
| 2019                                  |    |           |          |          |          |          |           |     |
| 2019                                  | \$ | 1 Person  | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |     |
| \$0                                   | to | \$9,999   | 1,310    | 397      | 341      | 281      | 129       | 64  |
| \$0                                   | to | \$19,999  | 2,865    | 1,038    | 904      | 546      | 265       | 138 |
| \$0                                   | to | \$29,999  | 3,885    | 1,584    | 1,301    | 702      | 363       | 180 |
| \$0                                   | to | \$39,999  | 4,974    | 2,223    | 1,572    | 997      | 537       | 294 |
| \$0                                   | to | \$49,999  | 5,463    | 2,788    | 1,888    | 1,341    | 654       | 352 |
| \$0                                   | to | \$59,999  | 5,837    | 3,032    | 2,153    | 1,544    | 716       | 375 |
| \$0                                   | to | \$74,999  | 6,196    | 3,485    | 2,538    | 1,777    | 900       | 493 |
| \$0                                   | to | \$99,999  | 6,707    | 3,964    | 2,904    | 2,098    | 1,054     | 579 |
| \$0                                   | to | \$124,999 | 6,885    | 4,204    | 3,103    | 2,253    | 1,136     | 619 |
| \$0                                   | to | \$149,999 | 6,967    | 4,271    | 3,198    | 2,281    | 1,252     | 671 |
| \$0                                   | to | \$199,999 | 7,028    | 4,349    | 3,305    | 2,304    | 1,292     | 683 |
| \$0                                   | or | more      | 7,117    | 4,423    | 3,342    | 2,360    | 1,309     | 691 |

| Maximum Allowable Income |          |          |          |          |          |           |  |
|--------------------------|----------|----------|----------|----------|----------|-----------|--|
|                          | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |  |
| Maximum Allowable Income | \$34,980 | \$39,960 | \$44,940 | \$49,920 | \$53,940 | \$57,960  |  |

| 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 | 4,375    | 2,191    | 0        | 0        | 0        | 0         |
| HH Below Minimum Income | 3,630    | 1,448    | 0        | 0        | 0        | 0         |
| Subtotal                | 745      | 744      | 0        | 0        | 0        | 0         |

Demand Estimate 1,489

Our analysis suggests demand for a total of 1,489 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 24 units, 12 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                  | 24                |
| Vacant Units at Market Entry | 12                |

| Minimum Qualified Income   |          |
|----------------------------|----------|
| Net Rent                   | \$874    |
| Utilities                  | \$62     |
| Gross Rent                 | \$936    |
| Income Qualification Ratio | 35%      |
| Minimum Qualified Income   | \$2,674  |
| Months/Year                | 12       |
| Minimum Qualified Income   | \$32,091 |

| Renter Households, by Income, by Size |    |           |          |          |          |          |           |     |
|---------------------------------------|----|-----------|----------|----------|----------|----------|-----------|-----|
| 2019                                  |    |           |          |          |          |          |           |     |
| 2019                                  | \$ | 1 Person  | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |     |
| \$0                                   | to | \$9,999   | 1,310    | 397      | 341      | 281      | 129       | 64  |
| \$0                                   | to | \$19,999  | 2,865    | 1,038    | 904      | 546      | 265       | 138 |
| \$0                                   | to | \$29,999  | 3,885    | 1,584    | 1,301    | 702      | 363       | 180 |
| \$0                                   | to | \$39,999  | 4,974    | 2,223    | 1,572    | 997      | 537       | 294 |
| \$0                                   | to | \$49,999  | 5,463    | 2,788    | 1,888    | 1,341    | 654       | 352 |
| \$0                                   | to | \$59,999  | 5,837    | 3,032    | 2,153    | 1,544    | 716       | 375 |
| \$0                                   | to | \$74,999  | 6,196    | 3,485    | 2,538    | 1,777    | 900       | 493 |
| \$0                                   | to | \$99,999  | 6,707    | 3,964    | 2,904    | 2,098    | 1,054     | 579 |
| \$0                                   | to | \$124,999 | 6,885    | 4,204    | 3,103    | 2,253    | 1,136     | 619 |
| \$0                                   | to | \$149,999 | 6,967    | 4,271    | 3,198    | 2,281    | 1,252     | 671 |
| \$0                                   | to | \$199,999 | 7,028    | 4,349    | 3,305    | 2,304    | 1,292     | 683 |
| \$0                                   | or | more      | 7,117    | 4,423    | 3,342    | 2,360    | 1,309     | 691 |

| Maximum Allowable Income |          |          |          |          |          |           |  |
|--------------------------|----------|----------|----------|----------|----------|-----------|--|
|                          | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |  |
| Maximum Allowable Income | \$29,150 | \$33,300 | \$37,450 | \$41,600 | \$44,950 | \$48,300  |  |

| 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        | 1,776    | 1,491    | 1,049    | 0        | 0         |
| HH Below Minimum Income | 0        | 1,712    | 1,355    | 761      | 0        | 0         |
| Subtotal                | 0        | 64       | 136      | 288      | 0        | 0         |

Demand Estimate 487

Our analysis suggests demand for a total of 487 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 24 units, 12 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                  | 24                |
| Vacant Units at Market Entry | 12                |

| Minimum Qualified Income   |          |
|----------------------------|----------|
| Net Rent                   | \$875    |
| Utilities                  | \$62     |
| Gross Rent                 | \$937    |
| Income Qualification Ratio | 35%      |
| Minimum Qualified Income   | \$2,677  |
| Months/Year                | 12       |
| Minimum Qualified Income   | \$32,126 |

| Renter Households, by Income, by Size |    |           |          |          |          |          |           |     |
|---------------------------------------|----|-----------|----------|----------|----------|----------|-----------|-----|
| 2019                                  |    |           |          |          |          |          |           |     |
| 2019                                  | \$ | 1 Person  | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |     |
| \$0                                   | to | \$9,999   | 1,310    | 397      | 341      | 281      | 129       | 64  |
| \$0                                   | to | \$19,999  | 2,865    | 1,038    | 904      | 546      | 265       | 138 |
| \$0                                   | to | \$29,999  | 3,885    | 1,584    | 1,301    | 702      | 363       | 180 |
| \$0                                   | to | \$39,999  | 4,974    | 2,223    | 1,572    | 997      | 537       | 294 |
| \$0                                   | to | \$49,999  | 5,463    | 2,788    | 1,888    | 1,341    | 654       | 352 |
| \$0                                   | to | \$59,999  | 5,837    | 3,032    | 2,153    | 1,544    | 716       | 375 |
| \$0                                   | to | \$74,999  | 6,196    | 3,485    | 2,538    | 1,777    | 900       | 493 |
| \$0                                   | to | \$99,999  | 6,707    | 3,964    | 2,904    | 2,098    | 1,054     | 579 |
| \$0                                   | to | \$124,999 | 6,885    | 4,204    | 3,103    | 2,253    | 1,136     | 619 |
| \$0                                   | to | \$149,999 | 6,967    | 4,271    | 3,198    | 2,281    | 1,252     | 671 |
| \$0                                   | to | \$199,999 | 7,028    | 4,349    | 3,305    | 2,304    | 1,292     | 683 |
| \$0                                   | or | more      | 7,117    | 4,423    | 3,342    | 2,360    | 1,309     | 691 |

| Maximum Allowable Income |  |          |          |          |          |          |           |
|--------------------------|--|----------|----------|----------|----------|----------|-----------|
|                          |  | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| Maximum Allowable Income |  | \$34,980 | \$39,960 | \$44,940 | \$49,920 | \$53,940 | \$57,960  |

| 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 | 4,375    | 2,191    | 1,714    | 1,324    | 0        | 0         |
| HH Below Minimum Income | 4,103    | 1,712    | 1,355    | 761      | 0        | 0         |
| Subtotal                | 272      | 479      | 359      | 563      | 0        | 0         |

Demand Estimate 1,673

Our analysis suggests demand for a total of 1,673 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, 3-Bedroom, Restricted, 50% of AMI

In this section we estimate demand for the 3-Bedroom / Restricted / 50% 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 5-person households.

| Unit Details                 |                   |
|------------------------------|-------------------|
| Target Population            | Family Households |
| Unit Type                    | 3-Bedroom         |
| Rent Type                    | Restricted        |
| Income Limit                 | 50% of AMI        |
| Total Units                  | 15                |
| Vacant Units at Market Entry | 7                 |

| Minimum Qualified Income   |          |
|----------------------------|----------|
| Net Rent                   | \$950    |
| Utilities                  | \$70     |
| Gross Rent                 | \$1,020  |
| Income Qualification Ratio | 35%      |
| Minimum Qualified Income   | \$2,914  |
| Months/Year                | 12       |
| Minimum Qualified Income   | \$34,971 |

| Renter Households, by Income, by Size |      |    |           |          |          |          |          |           |     |
|---------------------------------------|------|----|-----------|----------|----------|----------|----------|-----------|-----|
| 2019                                  |      |    |           |          |          |          |          |           |     |
|                                       | 2019 | \$ | 1 Person  | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |     |
|                                       | \$0  | to | \$9,999   | 1,310    | 397      | 341      | 281      | 129       | 64  |
|                                       | \$0  | to | \$19,999  | 2,865    | 1,038    | 904      | 546      | 265       | 138 |
|                                       | \$0  | to | \$29,999  | 3,885    | 1,584    | 1,301    | 702      | 363       | 180 |
|                                       | \$0  | to | \$39,999  | 4,974    | 2,223    | 1,572    | 997      | 537       | 294 |
|                                       | \$0  | to | \$49,999  | 5,463    | 2,788    | 1,888    | 1,341    | 654       | 352 |
|                                       | \$0  | to | \$59,999  | 5,837    | 3,032    | 2,153    | 1,544    | 716       | 375 |
|                                       | \$0  | to | \$74,999  | 6,196    | 3,485    | 2,538    | 1,777    | 900       | 493 |
|                                       | \$0  | to | \$99,999  | 6,707    | 3,964    | 2,904    | 2,098    | 1,054     | 579 |
|                                       | \$0  | to | \$124,999 | 6,885    | 4,204    | 3,103    | 2,253    | 1,136     | 619 |
|                                       | \$0  | to | \$149,999 | 6,967    | 4,271    | 3,198    | 2,281    | 1,252     | 671 |
|                                       | \$0  | to | \$199,999 | 7,028    | 4,349    | 3,305    | 2,304    | 1,292     | 683 |
|                                       | \$0  | or | more      | 7,117    | 4,423    | 3,342    | 2,360    | 1,309     | 691 |

| Maximum Allowable Income |  |  |          |          |          |          |          |           |
|--------------------------|--|--|----------|----------|----------|----------|----------|-----------|
|                          |  |  | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| Maximum Allowable Income |  |  | \$29,150 | \$33,300 | \$37,450 | \$41,600 | \$44,950 | \$48,300  |

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

| Demand Estimate         |          |          |          |          |          |           |
|-------------------------|----------|----------|----------|----------|----------|-----------|
|                         | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| HH Below Maximum Income | 0        | 0        | 1,491    | 1,049    | 590      | 0         |
| HH Below Minimum Income | 0        | 0        | 1,423    | 835      | 441      | 0         |
| Subtotal                | 0        | 0        | 68       | 214      | 148      | 0         |

Demand Estimate 430

Our analysis suggests demand for a total of 430 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, 3-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 3-Bedroom / Restricted / 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 5-person households.

| Unit Details                 |                   |
|------------------------------|-------------------|
| Target Population            | Family Households |
| Unit Type                    | 3-Bedroom         |
| Rent Type                    | Restricted        |
| Income Limit                 | 60% of AMI        |
| Total Units                  | 15                |
| Vacant Units at Market Entry | 7                 |

| Minimum Qualified Income   |          |
|----------------------------|----------|
| Net Rent                   | \$1,000  |
| Utilities                  | \$70     |
| Gross Rent                 | \$1,070  |
| Income Qualification Ratio | 35%      |
| Minimum Qualified Income   | \$3,057  |
| Months/Year                | 12       |
| Minimum Qualified Income   | \$36,686 |

| Renter Households, by Income, by Size |    |           |          |          |          |          |           |     |
|---------------------------------------|----|-----------|----------|----------|----------|----------|-----------|-----|
| 2019                                  |    |           |          |          |          |          |           |     |
| 2019                                  | \$ | 1 Person  | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |     |
| \$0                                   | to | \$9,999   | 1,310    | 397      | 341      | 281      | 129       | 64  |
| \$0                                   | to | \$19,999  | 2,865    | 1,038    | 904      | 546      | 265       | 138 |
| \$0                                   | to | \$29,999  | 3,885    | 1,584    | 1,301    | 702      | 363       | 180 |
| \$0                                   | to | \$39,999  | 4,974    | 2,223    | 1,572    | 997      | 537       | 294 |
| \$0                                   | to | \$49,999  | 5,463    | 2,788    | 1,888    | 1,341    | 654       | 352 |
| \$0                                   | to | \$59,999  | 5,837    | 3,032    | 2,153    | 1,544    | 716       | 375 |
| \$0                                   | to | \$74,999  | 6,196    | 3,485    | 2,538    | 1,777    | 900       | 493 |
| \$0                                   | to | \$99,999  | 6,707    | 3,964    | 2,904    | 2,098    | 1,054     | 579 |
| \$0                                   | to | \$124,999 | 6,885    | 4,204    | 3,103    | 2,253    | 1,136     | 619 |
| \$0                                   | to | \$149,999 | 6,967    | 4,271    | 3,198    | 2,281    | 1,252     | 671 |
| \$0                                   | to | \$199,999 | 7,028    | 4,349    | 3,305    | 2,304    | 1,292     | 683 |
| \$0                                   | or | more      | 7,117    | 4,423    | 3,342    | 2,360    | 1,309     | 691 |

| Maximum Allowable Income |          |          |          |          |          |           |  |
|--------------------------|----------|----------|----------|----------|----------|-----------|--|
|                          | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |  |
| Maximum Allowable Income | \$34,980 | \$39,960 | \$44,940 | \$49,920 | \$53,940 | \$57,960  |  |

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

| Demand Estimate         |          |          |          |          |          |           |
|-------------------------|----------|----------|----------|----------|----------|-----------|
|                         | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| HH Below Maximum Income | 0        | 2,191    | 1,714    | 1,324    | 676      | 0         |
| HH Below Minimum Income | 0        | 1,999    | 1,477    | 894      | 476      | 0         |
| Subtotal                | 0        | 192      | 237      | 430      | 200      | 0         |

Demand Estimate 1,058

Our analysis suggests demand for a total of 1,058 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, 4-Bedroom, Restricted, 50% of AMI

In this section we estimate demand for the 4-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 6-person households.

| Unit Details                 |                   |
|------------------------------|-------------------|
| Target Population            | Family Households |
| Unit Type                    | 4-Bedroom         |
| Rent Type                    | Restricted        |
| Income Limit                 | 50% of AMI        |
| Total Units                  | 3                 |
| Vacant Units at Market Entry | 1                 |

| Minimum Qualified Income   |          |
|----------------------------|----------|
| Net Rent                   | \$1,100  |
| Utilities                  | \$79     |
| Gross Rent                 | \$1,179  |
| Income Qualification Ratio | 35%      |
| Minimum Qualified Income   | \$3,369  |
| Months/Year                | 12       |
| Minimum Qualified Income   | \$40,423 |

| Renter Households, by Income, by Size |    |           |          |          |          |          |           |     |
|---------------------------------------|----|-----------|----------|----------|----------|----------|-----------|-----|
| 2019                                  |    |           |          |          |          |          |           |     |
| 2019                                  | \$ | 1 Person  | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |     |
| \$0                                   | to | \$9,999   | 1,310    | 397      | 341      | 281      | 129       | 64  |
| \$0                                   | to | \$19,999  | 2,865    | 1,038    | 904      | 546      | 265       | 138 |
| \$0                                   | to | \$29,999  | 3,885    | 1,584    | 1,301    | 702      | 363       | 180 |
| \$0                                   | to | \$39,999  | 4,974    | 2,223    | 1,572    | 997      | 537       | 294 |
| \$0                                   | to | \$49,999  | 5,463    | 2,788    | 1,888    | 1,341    | 654       | 352 |
| \$0                                   | to | \$59,999  | 5,837    | 3,032    | 2,153    | 1,544    | 716       | 375 |
| \$0                                   | to | \$74,999  | 6,196    | 3,485    | 2,538    | 1,777    | 900       | 493 |
| \$0                                   | to | \$99,999  | 6,707    | 3,964    | 2,904    | 2,098    | 1,054     | 579 |
| \$0                                   | to | \$124,999 | 6,885    | 4,204    | 3,103    | 2,253    | 1,136     | 619 |
| \$0                                   | to | \$149,999 | 6,967    | 4,271    | 3,198    | 2,281    | 1,252     | 671 |
| \$0                                   | to | \$199,999 | 7,028    | 4,349    | 3,305    | 2,304    | 1,292     | 683 |
| \$0                                   | or | more      | 7,117    | 4,423    | 3,342    | 2,360    | 1,309     | 691 |

| Maximum Allowable Income |  |          |          |          |          |          |           |
|--------------------------|--|----------|----------|----------|----------|----------|-----------|
|                          |  | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| Maximum Allowable Income |  | \$29,150 | \$33,300 | \$37,450 | \$41,600 | \$44,950 | \$48,300  |

| Size Qualified |  |          |          |          |          |          |           |
|----------------|--|----------|----------|----------|----------|----------|-----------|
|                |  | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| Size Qualified |  | Yes      | Yes      | Yes      | Yes      | Yes      | Yes       |

| Demand Estimate         |  |          |          |          |          |          |           |
|-------------------------|--|----------|----------|----------|----------|----------|-----------|
|                         |  | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| HH Below Maximum Income |  | 0        | 0        | 0        | 1,049    | 590      | 340       |
| HH Below Minimum Income |  | 0        | 0        | 0        | 997      | 537      | 294       |
| Subtotal                |  | 0        | 0        | 0        | 52       | 53       | 46        |

Demand Estimate 151

Our analysis suggests demand for a total of 151 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, 4-Bedroom, Restricted, 60% of AMI

In this section we estimate demand for the 4-Bedroom / Restricted / 60% of AMI units at the subject property. Our analysis assumes a total of 3 units, 2 of which are anticipated to be vacant on market entry in 2019. Our analysis assumes a 35% income qualification ratio and 6-person households.

| Unit Details                 |                   |
|------------------------------|-------------------|
| Target Population            | Family Households |
| Unit Type                    | 4-Bedroom         |
| Rent Type                    | Restricted        |
| Income Limit                 | 60% of AMI        |
| Total Units                  | 3                 |
| Vacant Units at Market Entry | 2                 |

| Minimum Qualified Income   |          |
|----------------------------|----------|
| Net Rent                   | \$1,100  |
| Utilities                  | \$79     |
| Gross Rent                 | \$1,179  |
| Income Qualification Ratio | 35%      |
| Minimum Qualified Income   | \$3,369  |
| Months/Year                | 12       |
| Minimum Qualified Income   | \$40,423 |

| Renter Households, by Income, by Size |    |           |          |          |          |          |           |     |
|---------------------------------------|----|-----------|----------|----------|----------|----------|-----------|-----|
| 2019                                  |    |           |          |          |          |          |           |     |
| 2019                                  | \$ | 1 Person  | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |     |
| \$0                                   | to | \$9,999   | 1,310    | 397      | 341      | 281      | 129       | 64  |
| \$0                                   | to | \$19,999  | 2,865    | 1,038    | 904      | 546      | 265       | 138 |
| \$0                                   | to | \$29,999  | 3,885    | 1,584    | 1,301    | 702      | 363       | 180 |
| \$0                                   | to | \$39,999  | 4,974    | 2,223    | 1,572    | 997      | 537       | 294 |
| \$0                                   | to | \$49,999  | 5,463    | 2,788    | 1,888    | 1,341    | 654       | 352 |
| \$0                                   | to | \$59,999  | 5,837    | 3,032    | 2,153    | 1,544    | 716       | 375 |
| \$0                                   | to | \$74,999  | 6,196    | 3,485    | 2,538    | 1,777    | 900       | 493 |
| \$0                                   | to | \$99,999  | 6,707    | 3,964    | 2,904    | 2,098    | 1,054     | 579 |
| \$0                                   | to | \$124,999 | 6,885    | 4,204    | 3,103    | 2,253    | 1,136     | 619 |
| \$0                                   | to | \$149,999 | 6,967    | 4,271    | 3,198    | 2,281    | 1,252     | 671 |
| \$0                                   | to | \$199,999 | 7,028    | 4,349    | 3,305    | 2,304    | 1,292     | 683 |
| \$0                                   | or | more      | 7,117    | 4,423    | 3,342    | 2,360    | 1,309     | 691 |

| Maximum Allowable Income |  |          |          |          |          |          |           |
|--------------------------|--|----------|----------|----------|----------|----------|-----------|
|                          |  | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| Maximum Allowable Income |  | \$34,980 | \$39,960 | \$44,940 | \$49,920 | \$53,940 | \$57,960  |

| Size Qualified |  |          |          |          |          |          |           |
|----------------|--|----------|----------|----------|----------|----------|-----------|
|                |  | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| Size Qualified |  | Yes      | Yes      | Yes      | Yes      | Yes      | Yes       |

| Demand Estimate         |  |          |          |          |          |          |           |
|-------------------------|--|----------|----------|----------|----------|----------|-----------|
|                         |  | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |
| HH Below Maximum Income |  | 0        | 0        | 1,714    | 1,324    | 676      | 369       |
| HH Below Minimum Income |  | 0        | 0        | 1,572    | 997      | 537      | 294       |
| Subtotal                |  | 0        | 0        | 142      | 327      | 139      | 75        |

Demand Estimate 683

Our analysis suggests demand for a total of 683 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, 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   | 1,310    | 397      | 341      | 281      | 129      | 64        |
| \$0                                   | to   | \$19,999  | 2,865    | 1,038    | 904      | 546      | 265      | 138       |
| \$0                                   | to   | \$29,999  | 3,885    | 1,584    | 1,301    | 702      | 363      | 180       |
| \$0                                   | to   | \$39,999  | 4,974    | 2,223    | 1,572    | 997      | 537      | 294       |
| \$0                                   | to   | \$49,999  | 5,463    | 2,788    | 1,888    | 1,341    | 654      | 352       |
| \$0                                   | to   | \$59,999  | 5,837    | 3,032    | 2,153    | 1,544    | 716      | 375       |
| \$0                                   | to   | \$74,999  | 6,196    | 3,485    | 2,538    | 1,777    | 900      | 493       |
| \$0                                   | to   | \$99,999  | 6,707    | 3,964    | 2,904    | 2,098    | 1,054    | 579       |
| \$0                                   | to   | \$124,999 | 6,885    | 4,204    | 3,103    | 2,253    | 1,136    | 619       |
| \$0                                   | to   | \$149,999 | 6,967    | 4,271    | 3,198    | 2,281    | 1,252    | 671       |
| \$0                                   | to   | \$199,999 | 7,028    | 4,349    | 3,305    | 2,304    | 1,292    | 683       |
| \$0                                   | or   | more      | 7,117    | 4,423    | 3,342    | 2,360    | 1,309    | 691       |

| Demand Estimate, Restricted, 50% of AMI |          |          |          |          |          |           |   |
|---|----------|----------|----------|----------|----------|-----------|---|
|   | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |   |
| Maximum Income, 0BR                     | -        | -        | -        | -        | -        | -         | - |
| Maximum Income, 1BR                     | \$29,150 | \$33,300 | -        | -        | -        | -         | - |
| Maximum Income, 2BR                     | -        | \$33,300 | \$37,450 | \$41,600 | -        | -         | - |
| Maximum Income, 3BR                     | -        | -        | \$37,450 | \$41,600 | \$44,950 | -         | - |
| Maximum Income, 4BR                     | -        | -        | -        | \$41,600 | \$44,950 | \$48,300  | - |
| Maximum Allowable Income                | \$29,150 | \$33,300 | \$37,450 | \$41,600 | \$44,950 | \$48,300  | - |
| Minimum Income, 0BR                     | -        | -        | -        | -        | -        | -         | - |
| Minimum Income, 1BR                     | \$26,743 | \$26,743 | -        | -        | -        | -         | - |
| Minimum Income, 2BR                     | -        | \$32,091 | \$32,091 | \$32,091 | -        | -         | - |
| Minimum Income, 3BR                     | -        | -        | \$34,971 | \$34,971 | \$34,971 | -         | - |
| Minimum Income, 4BR                     | -        | -        | -        | \$40,423 | \$40,423 | \$40,423  | - |
| Minimum Qualified Income                | \$26,743 | \$26,743 | \$32,091 | \$32,091 | \$34,971 | \$40,423  | - |
| HH Below Upper Income                   | 3,783    | 1,776    | 1,491    | 1,049    | 590      | 340       | - |
| HH Below Lower Income                   | 3,528    | 1,393    | 1,355    | 761      | 441      | 294       | - |
| Subtotal                                | 255      | 383      | 136      | 288      | 148      | 46        | - |

Demand Estimate 1,256

Our analysis suggests demand for a total of 1,256 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   | 1,310    | 397      | 341      | 281      | 129      | 64        |
| \$0                                   | to   | \$19,999  | 2,865    | 1,038    | 904      | 546      | 265      | 138       |
| \$0                                   | to   | \$29,999  | 3,885    | 1,584    | 1,301    | 702      | 363      | 180       |
| \$0                                   | to   | \$39,999  | 4,974    | 2,223    | 1,572    | 997      | 537      | 294       |
| \$0                                   | to   | \$49,999  | 5,463    | 2,788    | 1,888    | 1,341    | 654      | 352       |
| \$0                                   | to   | \$59,999  | 5,837    | 3,032    | 2,153    | 1,544    | 716      | 375       |
| \$0                                   | to   | \$74,999  | 6,196    | 3,485    | 2,538    | 1,777    | 900      | 493       |
| \$0                                   | to   | \$99,999  | 6,707    | 3,964    | 2,904    | 2,098    | 1,054    | 579       |
| \$0                                   | to   | \$124,999 | 6,885    | 4,204    | 3,103    | 2,253    | 1,136    | 619       |
| \$0                                   | to   | \$149,999 | 6,967    | 4,271    | 3,198    | 2,281    | 1,252    | 671       |
| \$0                                   | to   | \$199,999 | 7,028    | 4,349    | 3,305    | 2,304    | 1,292    | 683       |
| \$0                                   | or   | more      | 7,117    | 4,423    | 3,342    | 2,360    | 1,309    | 691       |

| Demand Estimate, Restricted, 60% of AMI |          |          |          |          |          |           |   |
|---|----------|----------|----------|----------|----------|-----------|---|
|   | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6+ Person |   |
| Maximum Income, 0BR                     | -        | -        | -        | -        | -        | -         | - |
| Maximum Income, 1BR                     | \$34,980 | \$39,960 | -        | -        | -        | -         | - |
| Maximum Income, 2BR                     | \$34,980 | \$39,960 | \$44,940 | \$49,920 | -        | -         | - |
| Maximum Income, 3BR                     | -        | \$39,960 | \$44,940 | \$49,920 | \$53,940 | -         | - |
| Maximum Income, 4BR                     | -        | -        | \$44,940 | \$49,920 | \$53,940 | \$57,960  | - |
| Maximum Allowable Income                | \$34,980 | \$39,960 | \$44,940 | \$49,920 | \$53,940 | \$57,960  | - |
| Minimum Income, 0BR                     | -        | -        | -        | -        | -        | -         | - |
| Minimum Income, 1BR                     | \$27,566 | \$27,566 | -        | -        | -        | -         | - |
| Minimum Income, 2BR                     | \$32,126 | \$32,126 | \$32,126 | \$32,126 | -        | -         | - |
| Minimum Income, 3BR                     | -        | \$36,686 | \$36,686 | \$36,686 | \$36,686 | -         | - |
| Minimum Income, 4BR                     | -        | -        | \$40,423 | \$40,423 | \$40,423 | \$40,423  | - |
| Minimum Qualified Income                | \$27,566 | \$27,566 | \$32,126 | \$32,126 | \$36,686 | \$40,423  | - |
| HH Below Upper Income                   | 4,375    | 2,191    | 1,714    | 1,324    | 676      | 369       | - |
| HH Below Lower Income                   | 3,630    | 1,448    | 1,355    | 761      | 476      | 294       | - |
| Subtotal                                | 745      | 744      | 359      | 563      | 200      | 75        | - |

Demand Estimate 2,685

Our analysis suggests demand for a total of 2,685 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                                |     |     |     | 1,256 | 2,685 |     |     |     |

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 |     |     |     |     |     |     |     |     |
|-------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| 0.0%                                |     |     |     |     |     |     |     |     |
| New Rental Households               |     |     |     |     |     |     |     |     |
|                                     | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot                                 |     |     |     | 1   | 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          |     |     |     |     |     |     |     |     |
|---|-----|-----|-----|-----|-----|-----|-----|-----|
| 30.3%                                   |     |     |     |     |     |     |     |     |
| Existing Households - Rent Overburdened |     |     |     |     |     |     |     |     |
|   | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot                                     |     |     |     | 380 | 813 |     |     |     |

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     |     |     |     |     |     |     |     |     |
|-----------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| 6.9%                              |     |     |     |     |     |     |     |     |
| Existing Households - Substandard |     |     |     |     |     |     |     |     |
|                                   | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot                               |     |     |     | 86  | 184 |     |     |     |

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   |     |     |     | 52  | 52  |     |     |     |
| Existing Qualifying Tenants Likely to Remain after Renovation |     |     |     |     |     |     |     |     |
|   | Sub | 30% | 40% | 50% | 60% | 70% | 80% | Mkt |
| Tot   |     |     |     | 27  | 26  |     |     |     |

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          |     |     |     | 495 | 1,026 |     |     |     |

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                               |     |     |     | 32  | 280 |     |     |     |

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   |     |     |     | 463 | 746 |     |     |     |

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   |     |     |     | 11.2% | 7.0% |     |     |     |

Our findings are summarized below.

|  |          |
|--|----------|
| Project-Wide Capture Rate - LIHTC Units  | 8.6%     |
| Project-Wide Capture Rate - Market Units |          |
| Project-Wide Capture Rate - All Units    | 8.6%     |
| Project-Wide Absorption Period (Months)  | 2 months |

Please note: Project-wide capture rate estimates do not account for income band overlap at the project level.

**RENT COMPARABLES, MARKET RATE**

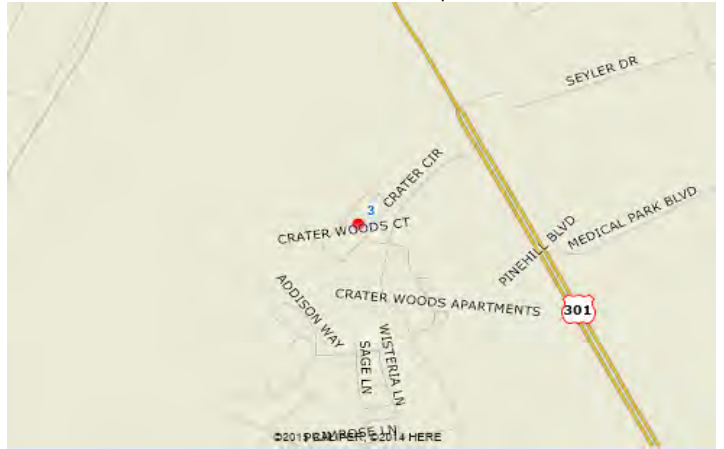
Project Information

|                    |                                 |
|--------------------|---------------------------------|
| Property Name      | Addison Crater Woods Phase 1    |
| Street Number      | 200                             |
| Street Name        | Addison                         |
| Street Type        | Way                             |
| City               | Petersburg                      |
| State              | Virginia                        |
| Zip                | 23805                           |
| Phone Number       | (804) 732-0220                  |
| Year Built         | 1982                            |
| Year Renovated     | na                              |
| Minimum Lease      | 12                              |
| Min. Security Dep. |                                 |
| Other Fees         | \$45                            |
| Waiting List       | no                              |
| Project Rent       | Market Rate                     |
| Project Type       | Family                          |
| Project Status     | Stabilized                      |
| Financing          | Conventional                    |
| Vouchers           |                                 |
| Latitude           | 37.1828                         |
| Longitude          | -77.3708                        |
| Nearest Crossroads | Crater Rd. off South Crater Rd. |
| AAC Code           | 19-071 003                      |

Photo



Location Map



Interview Notes

|                    |                           |
|--------------------|---------------------------|
| Person Interviewed | Ms. Alexis, Leasing Agent |
| Phone Number       | (804) 732-0220            |
| Interview Date     | 08-Apr-19                 |
| Interviewed By     | RF                        |

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 | 798  | Garden/Flat | Mar       | Mar        | No         | No         | 24          |           | \$944       |      | \$944    | \$135 | \$1,079    |
| 2               | 2.0 | 881  | Garden/Flat | Mar       | Mar        | No         | No         | 80          | 3         | \$949       |      | \$949    | \$164 | \$1,113    |
| 2               | 2.0 | 1196 | Garden/Flat | Mar       | Mar        | No         | No         | 16          | 1         | \$1,304     |      | \$1,304  | \$164 | \$1,468    |
| Total / Average |     | 906  |             |           |            |            |            | 206         | 4         | \$995       |      | \$995    | \$158 | \$1,154    |

| 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      | no   |
| Sewer                 | yes      | no   |
| Trash                 | yes      | no   |
| Comp vs. Subject      | Inferior |      |

| 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     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Access             |         |      |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp    | Subj |
| Access             | 3.00    | 3.00 |
| Comp vs. Subject   | Similar |      |

| Neighborhood       |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Neighborhood       | 3.30     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Proximity to Area Amenities |          |      |
|-----------------------------|----------|------|
| Rating (1-5 Scale)          | Comp     | Subj |
| Area Amenities              | 4.50     | 3.80 |
| Comp vs. Subject            | Superior |      |

| 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                | yes      | no   |
| Bus/Comp Ctr                 | yes      | yes  |
| Car Care Ctr                 | yes      | no   |
| Comm Center                  | yes      | yes  |
| Elevator                     | no       | no   |
| Fitness Ctr                  | yes      | no   |
| Gazebo/Patio                 | no       | no   |
| Hot Tub/Jacuzzi              | no       | no   |
| Herb Garden                  | no       | no   |
| Horseshoes                   | no       | no   |
| Lake                         | no       | no   |
| Library                      | no       | no   |
| Movie/Media Ctr              | yes      | no   |
| Picnic Area                  | no       | no   |
| Playground                   | yes      | yes  |
| Pool                         | yes      | no   |
| Sauna                        | no       | no   |
| Sports Court                 | yes      | yes  |
| Walking Trail                | no       | no   |
| Comp vs. Subject             | Superior |      |

| Unit Amenities   |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| Blinds           | yes      | yes  |
| Ceiling Fans     | yes      | no   |
| Carpeting        | yes      | no   |
| Fireplace        | no       | no   |
| Patio/Balcony    | yes      | yes  |
| Storage          | yes      | some |
| Comp vs. Subject | Superior |      |

| 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     | yes      | no   |
| Open             | no       | yes  |
| None             | no       | no   |
| Comp vs. Subject | Superior |      |

| 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  | some     | no   |
| Security Patrols | no       | no   |
| Comp vs. Subject | Inferior |      |

| Services         |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| After School     | no       | yes  |
| Concierge        | no       | na   |
| Hair Salon       | no       | na   |
| Health Care      | no       | na   |
| Housekeeping     | no       | na   |
| Meals            | no       | na   |
| Transportation   | no       | na   |
| Comp vs. Subject | Inferior |      |

Addison Crater Woods Phase 1 is an existing multifamily development located at 200 Addison Way in Petersburg, Virginia. The property, which consists of 120 apartment units, was originally constructed in 1982 with conventional financing. All units are set aside as market rate units. The property currently stands at 97 percent occupancy.

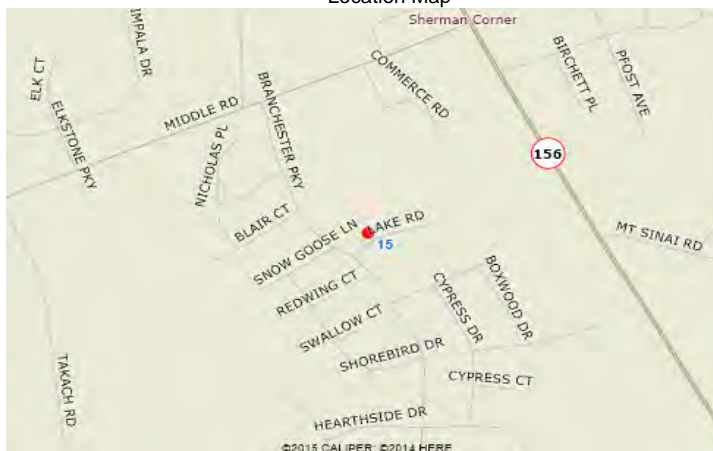
Project Information

|                    |                   |
|--------------------|-------------------|
| Property Name      | Branchester Lakes |
| Street Number      | 6797              |
| Street Name        | Lake              |
| Street Type        | Road              |
| City               | Prince George     |
| State              | Virginia          |
| Zip                | 23875             |
| Phone Number       | (804) 452-0023    |
| Year Built         | 1997              |
| Year Renovated     | na                |
| Minimum Lease      | 12                |
| Min. Security Dep. | \$200             |
| Other Fees         | \$200             |
| Waiting List       | no                |
| Project Rent       | Market Rate       |
| Project Type       | Family            |
| Project Status     | Stabilized        |
| Financing          | Conventional      |
| Vouchers           |                   |
| Latitude           | 37.2548           |
| Longitude          | -77.2855          |
| Nearest Crossroads | na                |
| AAC Code           | 19-071 015        |

Photo



Location Map



Interview Notes

|                    |                      |
|--------------------|----------------------|
| Person Interviewed | Ms. Gale, Management |
| Phone Number       | (804) 452-0023       |
| Interview Date     | 08-Apr-19            |
| Interviewed By     | RF                   |

Higher rents for units with upgraded (black) appliances. 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 | 717  | Garden/Flat | Mar       | Mar        | No         | No         | 16          | 1         | \$943       |      | \$943    | \$134 | \$1,077    |
| 2               | 2.0 | 947  | Garden/Flat | Mar       | Mar        | No         | No         | 72          |           | \$1,043     |      | \$1,043  | \$164 | \$1,207    |
| 3               | 2.0 | 1099 | Garden/Flat | Mar       | Mar        | No         | No         | 32          |           | \$1,273     |      | \$1,273  | \$201 | \$1,474    |
| Total / Average |     | 957  |             |           |            |            |            | 208         |           | \$1,091     |      | \$1,091  | \$170 | \$1,261    |



| Tenant-Paid Utilities |          |      |
|-----------------------|----------|------|
| Utility               | Comp     | Subj |
| Heat-Gas              | yes      | yes  |
| Cooking-Electric      | yes      | yes  |
| Other Electric        | yes      | yes  |
| Air Cond              | yes      | yes  |
| Hot Water-Gas         | yes      | yes  |
| Water                 | yes      | no   |
| Sewer                 | yes      | no   |
| Trash                 | no       | no   |
| Comp vs. Subject      | Inferior |      |

| Tenant-Paid Technology |          |      |
|------------------------|----------|------|
| Technology             | Comp     | Subj |
| Cable                  | no       | yes  |
| Internet               | no       | yes  |
| Comp vs. Subject       | Superior |      |

| Visibility         |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Visibility         | 2.75     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Access             |         |      |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp    | Subj |
| Access             | 3.00    | 3.00 |
| Comp vs. Subject   | Similar |      |

| Neighborhood       |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Neighborhood       | 4.50     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Proximity to Area Amenities |          |      |
|-----------------------------|----------|------|
| Rating (1-5 Scale)          | Comp     | Subj |
| Area Amenities              | 2.00     | 3.80 |
| Comp vs. Subject            | Inferior |      |

| Condition          |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Condition          | 3.75     | 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      | yes  |
| Car Care Ctr                 | no      | no   |
| Comm Center                  | no      | yes  |
| Elevator                     | no      | no   |
| Fitness Ctr                  | yes     | no   |
| Gazebo/Patio                 | no      | no   |
| Hot Tub/Jacuzzi              | no      | no   |
| Herb Garden                  | no      | no   |
| Horseshoes                   | no      | no   |
| Lake                         | no      | no   |
| Library                      | no      | no   |
| Movie/Media Ctr              | no      | no   |
| Picnic Area                  | no      | no   |
| Playground                   | yes     | yes  |
| Pool                         | yes     | no   |
| Sauna                        | no      | no   |
| Sports Court                 | yes     | yes  |
| Walking Trail                | no      | no   |
| Comp vs. Subject             | Similar |      |

| Unit Amenities   |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| Blinds           | yes      | yes  |
| Ceiling Fans     | no       | no   |
| Carpeting        | yes      | no   |
| Fireplace        | yes      | no   |
| Patio/Balcony    | yes      | yes  |
| Storage          | no       | some |
| Comp vs. Subject | Superior |      |

| 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        | 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       | no   |
| Comp vs. Subject | Inferior |      |

| Services         |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| After School     | na       | yes  |
| Concierge        | na       | na   |
| Hair Salon       | na       | na   |
| Health Care      | na       | na   |
| Housekeeping     | na       | na   |
| Meals            | na       | na   |
| Transportation   | na       | na   |
| Comp vs. Subject | Inferior |      |

Branchester Lakes is an existing multifamily development located at 6797 Lake Road in Prince George, Virginia. The property, which consists of 120 apartment units, was originally constructed in 1997 with conventional financing. All units are set aside as market rate units. The property currently stands at 99 percent occupancy.

Project Information

|                    |                                |
|--------------------|--------------------------------|
| Property Name      | Chesterfield Garden Apartments |
| Street Number      | 2260                           |
| Street Name        | Golden Garden                  |
| Street Type        | Circle                         |
| City               | Chester                        |
| State              | Virginia                       |
| Zip                | 23836                          |
| Phone Number       | (804) 425-6200                 |
| Year Built         | 2002                           |
| Year Renovated     | na                             |
| Minimum Lease      | 12                             |
| Min. Security Dep. | \$200                          |
| Other Fees         | \$200                          |
| Waiting List       | no                             |
| Project Rent       | Market Rate                    |
| Project Type       | Family                         |
| Project Status     | Stabilized                     |
| Financing          | Conventional                   |
| Vouchers           |                                |
| Latitude           | 37.3250                        |
| Longitude          | -77.3183                       |
| Nearest Crossroads | na                             |
| AAC Code           | 19-071 025                     |

Photo



Location Map



Interview Notes

|                    |                           |
|--------------------|---------------------------|
| Person Interviewed | Ms. Debbie, Leasing Agent |
| Phone Number       | (804) 425-6200            |
| Interview Date     | 08-Apr-19                 |
| Interviewed By     | RF                        |

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               | 2.0 | 956   | Garden/Flat | Mar       | Mar        | No         | No         | 50          |           | \$1,136     |      | \$1,136  | \$164 | \$1,300    |
| 2               | 2.0 | 1070  | Garden/Flat | Mar       | Mar        | No         | No         | 50          |           | \$1,239     |      | \$1,239  | \$164 | \$1,403    |
| 3               | 2.0 | 1180  | Garden/Flat | Mar       | Mar        | No         | No         | 6           |           | \$1,477     |      | \$1,477  | \$201 | \$1,678    |
| Total / Average |     | 1,022 |             |           |            |            |            | 210         | 106       | \$1,204     |      | \$1,204  | \$166 | \$1,370    |

| 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      | no   |
| Sewer                 | yes      | no   |
| Trash                 | yes      | no   |
| Comp vs. Subject      | Inferior |      |

| Tenant-Paid Technology |          |      |
|------------------------|----------|------|
| Technology             | Comp     | Subj |
| Cable                  | no       | yes  |
| Internet               | no       | yes  |
| Comp vs. Subject       | Superior |      |

| Visibility         |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Visibility         | 2.50     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Access             |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Access             | 3.50     | 3.00 |
| Comp vs. Subject   | Superior |      |

| Neighborhood       |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Neighborhood       | 4.00     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Proximity to Area Amenities |          |      |
|-----------------------------|----------|------|
| Rating (1-5 Scale)          | Comp     | Subj |
| Area Amenities              | 2.40     | 3.80 |
| Comp vs. Subject            | Inferior |      |

| Condition          |         |      |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp    | Subj |
| Condition          | 4.00    | 4.00 |
| Comp vs. Subject   | Similar |      |

| 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                 | yes      | yes  |
| Car Care Ctr                 | no       | no   |
| Comm Center                  | yes      | yes  |
| Elevator                     | no       | no   |
| Fitness Ctr                  | yes      | 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                         | yes      | no   |
| Sauna                        | no       | no   |
| Sports Court                 | yes      | yes  |
| Walking Trail                | no       | no   |
| Comp vs. Subject             | Superior |      |

| Unit Amenities   |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| Blinds           | yes      | yes  |
| Ceiling Fans     | no       | no   |
| Carpeting        | yes      | no   |
| Fireplace        | yes      | no   |
| Patio/Balcony    | yes      | yes  |
| Storage          | no       | some |
| Comp vs. Subject | Superior |      |

| 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        | 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 | yes     | no   |
| Monitoring       | no      | yes  |
| Security Alarms  | no      | no   |
| Security Patrols | no      | no   |
| Comp vs. Subject | Similar |      |

| Services         |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| After School     | no       | yes  |
| Concierge        | no       | na   |
| Hair Salon       | no       | na   |
| Health Care      | no       | na   |
| Housekeeping     | no       | na   |
| Meals            | no       | na   |
| Transportation   | no       | na   |
| Comp vs. Subject | Inferior |      |

Chesterfield Garden Apartments is an existing multifamily development located at 2260 Golden Garden Circle in Chester, Virginia. The property, which consists of 106 apartment units, was originally constructed in 2002 with conventional financing. All units are set aside as market rate units. The property currently stands at 100 percent occupancy.

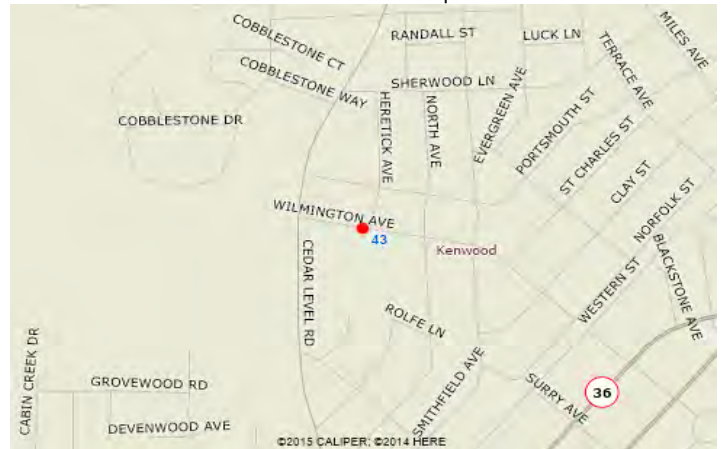
Project Information

|                    |                        |
|--------------------|------------------------|
| Property Name      | Farmingdale Townhouses |
| Street Number      | 3611                   |
| Street Name        | Wilmington             |
| Street Type        | Avenue                 |
| City               | Hopewell               |
| State              | Virginia               |
| Zip                | 23860                  |
| Phone Number       | (804) 458-3451         |
| Year Built         | 1966                   |
| Year Renovated     | 2011                   |
| Minimum Lease      | 6                      |
| Min. Security Dep. | \$350                  |
| Other Fees         | \$40                   |
| Waiting List       | no                     |
| Project Rent       | Market Rate            |
| Project Type       | Family                 |
| Project Status     | Stabilized             |
| Financing          | Conventional           |
| Vouchers           |                        |
| Latitude           | 37.2812                |
| Longitude          | -77.3180               |
| Nearest Crossroads | na                     |
| AAC Code           | 19-071 043             |

Photo



Location Map



Interview Notes

|                    |                      |
|--------------------|----------------------|
| Person Interviewed | Ms. Mona, Management |
| Phone Number       | (804) 458-3451       |
| Interview Date     | 08-Apr-19            |
| Interviewed By     | RF                   |

Renovations completed on all units include new countertops, cabinets, hardwood flooring or carpet. 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 | 1008  | Garden/Flat | Mar       | Mar        | No         | No         | 44          |           | \$880       |      | \$880    | \$143 | \$1,023    |
| 2               | 1.5 | 1088  | Townhome    | Mar       | Mar        | No         | No         | 78          |           | \$920       |      | \$920    | \$143 | \$1,063    |
| Total / Average |     | 1,059 |             |           |            |            |            | 212         |           | \$906       |      | \$906    | \$143 | \$1,049    |

| 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      | no   |
| Sewer                 | yes      | no   |
| Trash                 | no       | no   |
| Comp vs. Subject      | Inferior |      |

| 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     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Access             |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Access             | 3.25     | 3.00 |
| Comp vs. Subject   | Superior |      |

| Neighborhood       |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Neighborhood       | 3.00     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Proximity to Area Amenities |          |      |
|-----------------------------|----------|------|
| Rating (1-5 Scale)          | Comp     | Subj |
| Area Amenities              | 3.10     | 3.80 |
| 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      | 2005     | 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       | yes  |
| Car Care Ctr                 | no       | no   |
| Comm Center                  | no       | yes  |
| Elevator                     | no       | no   |
| Fitness Ctr                  | yes      | 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                         | yes      | no   |
| Sauna                        | no       | no   |
| Sports Court                 | no       | yes  |
| Walking Trail                | no       | no   |
| Comp vs. Subject             | Inferior |      |

| Unit Amenities   |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| Blinds           | yes      | yes  |
| Ceiling Fans     | no       | no   |
| Hardwood/Carpet  | yes      | no   |
| Fireplace        | no       | no   |
| Patio/Balcony    | yes      | yes  |
| Storage          | no       | some |
| Comp vs. Subject | Superior |      |

| 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      | 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       | no   |
| Comp vs. Subject | Inferior |      |

| Services         |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| After School     | na       | yes  |
| Concierge        | na       | na   |
| Hair Salon       | na       | na   |
| Health Care      | na       | na   |
| Housekeeping     | na       | na   |
| Meals            | na       | na   |
| Transportation   | na       | na   |
| Comp vs. Subject | Inferior |      |

Farmingdale Townhouses is an existing multifamily development located at 3611 Wilmington Avenue in Hopewell, Virginia. The property, which consists of 122 apartment units, was originally constructed in 1966 with conventional financing. All units are set aside as market rate units. The property currently stands at 100 percent occupancy.

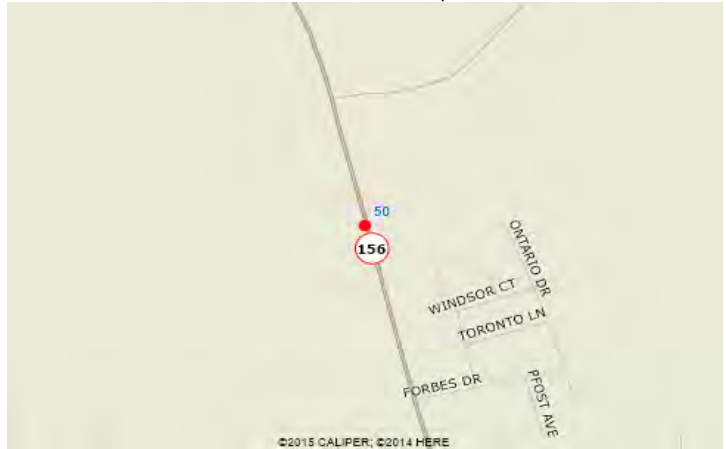
Project Information

|                    |                           |
|--------------------|---------------------------|
| Property Name      | Harwood Square Apartments |
| Street Number      | 3401                      |
| Street Name        | Prince George             |
| Street Type        | Drive                     |
| City               | Prince George             |
| State              | Virginia                  |
| Zip                | 23875                     |
| Phone Number       | (804) 541-8353            |
| Year Built         | 2007                      |
| Year Renovated     | na                        |
| Minimum Lease      | 12                        |
| Min. Security Dep. | 1 month                   |
| Other Fees         | \$40                      |
| Waiting List       | no                        |
| Project Rent       | Market Rate               |
| Project Type       | Family                    |
| Project Status     | Stabilized                |
| Financing          | Conventional              |
| Vouchers           |                           |
| Latitude           | 37.2668                   |
| Longitude          | -77.2859                  |
| Nearest Crossroads | na                        |
| AAC Code           | 19-071 050                |

Photo



Location Map



Interview Notes

|                    |                          |
|--------------------|--------------------------|
| Person Interviewed | Ms. Samantha, Management |
| Phone Number       | (804) 541-8353           |
| Interview Date     | 08-Apr-19                |
| Interviewed By     | RF                       |

Sister property to and share owner and management with Birchett Estates Townhomes. 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 | 825 | Garden/Flat | Mar       | Mar        | No         | No         | 24          |           | \$850       |      | \$850    |    | \$850      |
| Total / Average |     | 825 |             |           |            |            | 214        | 24          |           | \$850       |      | \$850    |    | \$850      |

| Tenant-Paid Utilities |          |      |
|-----------------------|----------|------|
| Utility               | Comp     | Subj |
| Heat-Electric         | no       | yes  |
| Cooking-Electric      | no       | yes  |
| Other Electric        | no       | yes  |
| Air Cond              | no       | yes  |
| Hot Water-Electric    | no       | yes  |
| Water                 | no       | no   |
| Sewer                 | no       | no   |
| 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     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Access             |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Access             | 3.50     | 3.00 |
| Comp vs. Subject   | Superior |      |

| Neighborhood       |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Neighborhood       | 3.80     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Proximity to Area Amenities |          |      |
|-----------------------------|----------|------|
| Rating (1-5 Scale)          | Comp     | Subj |
| Area Amenities              | 2.40     | 3.80 |
| Comp vs. Subject            | Inferior |      |

| Condition          |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Condition          | 2.50     | 4.00 |
| Comp vs. Subject   | Inferior |      |

| Effective Age      |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Effective Age      | 1990     | 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       | yes  |
| 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       | yes  |
| Walking Trail                | no       | no   |
| Comp vs. Subject             | Inferior |      |

| Unit Amenities   |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| Blinds           | yes      | yes  |
| Ceiling Fans     | no       | no   |
| Carpeting        | yes      | no   |
| Fireplace        | no       | no   |
| Patio/Balcony    | yes      | yes  |
| Storage          | no       | some |
| Comp vs. Subject | Superior |      |

| Kitchen Amenities |          |      |
|-------------------|----------|------|
| Amenity           | Comp     | Subj |
| Stove             | yes      | yes  |
| Refrigerator      | yes      | yes  |
| Disposal          | no       | 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        | 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       | no   |
| Comp vs. Subject | Inferior |      |

| Services         |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| After School     | na       | yes  |
| Concierge        | na       | na   |
| Hair Salon       | na       | na   |
| Health Care      | na       | na   |
| Housekeeping     | na       | na   |
| Meals            | na       | na   |
| Transportation   | na       | na   |
| Comp vs. Subject | Inferior |      |

Harwood Square Apartments is an existing multifamily development located at 3401 Prince George Drive in Prince George, Virginia. The property, which consists of 24 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.

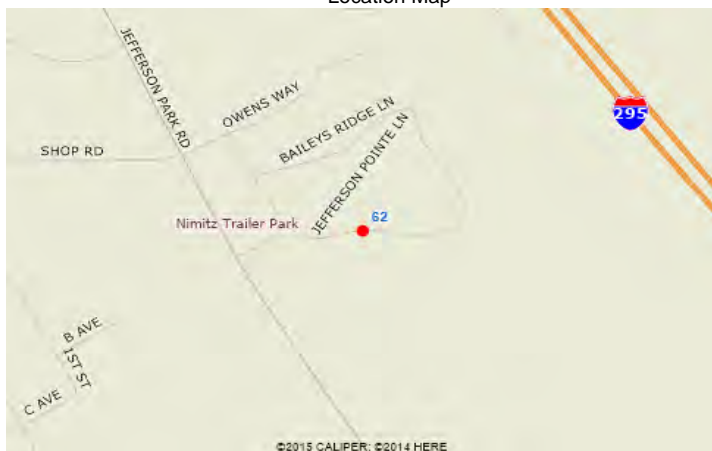
Project Information

|                    |                             |
|--------------------|-----------------------------|
| Property Name      | Jefferson Pointe Apartments |
| Street Number      | 4399                        |
| Street Name        | Jefferson Pointe            |
| Street Type        | Lane                        |
| City               | Prince George               |
| State              | Virginia                    |
| Zip                | 23875                       |
| Phone Number       | (804) 541-4000              |
| Year Built         | 2000                        |
| Year Renovated     | na                          |
| Minimum Lease      | 12                          |
| Min. Security Dep. | \$300                       |
| Other Fees         | \$99                        |
| Waiting List       | no                          |
| Project Rent       | Market Rate                 |
| Project Type       | Family                      |
| Project Status     | Stabilized                  |
| Financing          | Conventional                |
| Vouchers           |                             |
| Latitude           | 37.2528                     |
| Longitude          | -77.3150                    |
| Nearest Crossroads | na                          |
| AAC Code           | 19-071 062                  |

Photo



Location Map



Interview Notes

|                    |                        |
|--------------------|------------------------|
| Person Interviewed | Ms. Alicia, Management |
| Phone Number       | (804) 541-4000         |
| Interview Date     | 08-Apr-19              |
| Interviewed By     | RF                     |

Property operates with the "LRO" rental rate program which determines the rental rate with supply and demand. 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 | 875   | Garden/Flat | Mar       | Mar        | No         | No         | 16          |           | \$850       |      | \$850    | \$114 | \$964      |
| 2               | 2.0 | 1112  | Garden/Flat | Mar       | Mar        | No         | No         | 170         | 2         | \$953       |      | \$953    | \$143 | \$1,096    |
| 3               | 2.0 | 1282  | Garden/Flat | Mar       | Mar        | No         | No         | 34          | 1         | \$1,175     |      | \$1,175  | \$180 | \$1,355    |
| Total / Average |     | 1,121 |             |           |            |            |            | 216         | 3         | \$980       |      | \$980    | \$147 | \$1,126    |



| 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      | no   |
| Sewer                 | yes      | no   |
| Trash                 | no       | no   |
| Comp vs. Subject      | Inferior |      |

| 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     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Access             |         |      |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp    | Subj |
| Access             | 3.00    | 3.00 |
| Comp vs. Subject   | Similar |      |

| Neighborhood       |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Neighborhood       | 3.30     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Proximity to Area Amenities |          |      |
|-----------------------------|----------|------|
| Rating (1-5 Scale)          | Comp     | Subj |
| Area Amenities              | 2.30     | 3.80 |
| 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                     | yes      | no   |
| Billiard/Game                | no       | no   |
| Bus/Comp Ctr                 | yes      | yes  |
| Car Care Ctr                 | no       | no   |
| Comm Center                  | yes      | yes  |
| Elevator                     | no       | no   |
| Fitness Ctr                  | yes      | 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                         | yes      | no   |
| Sauna                        | no       | no   |
| Sports Court                 | yes      | yes  |
| Walking Trail                | no       | no   |
| Comp vs. Subject             | Superior |      |

| Unit Amenities   |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| Blinds           | yes      | yes  |
| Ceiling Fans     | yes      | no   |
| Carpeting        | yes      | no   |
| Fireplace        | some     | no   |
| Patio/Balcony    | yes      | yes  |
| Storage          | yes      | some |
| Comp vs. Subject | Superior |      |

| 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       | no   |
| Comp vs. Subject | Inferior |      |

| Services         |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| After School     | na       | yes  |
| Concierge        | na       | na   |
| Hair Salon       | na       | na   |
| Health Care      | na       | na   |
| Housekeeping     | na       | na   |
| Meals            | na       | na   |
| Transportation   | na       | na   |
| Comp vs. Subject | Inferior |      |

Jefferson Pointe Apartments is an existing multifamily development located at 4399 Jefferson Pointe Lane in Prince George, Virginia. The property, which consists of 220 apartment units, was originally constructed in 2000 with conventional financing. All units are set aside as market rate units. The property currently stands at 99 percent occupancy.

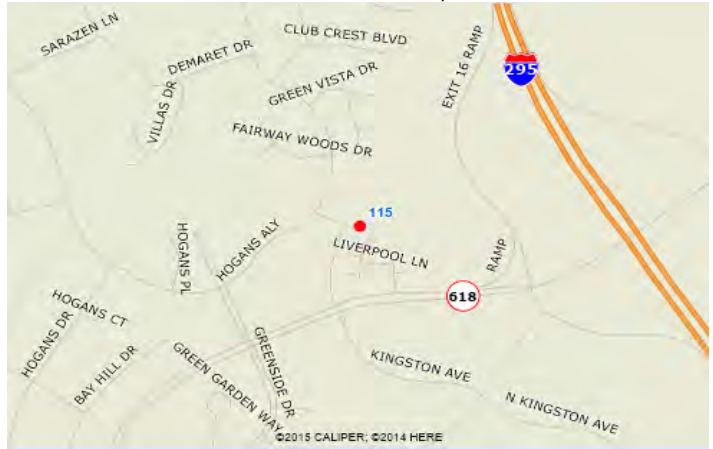
Project Information

|                    |                               |
|--------------------|-------------------------------|
| Property Name      | River's Bend Apartments Homes |
| Street Number      | 401                           |
| Street Name        | Liverpool                     |
| Street Type        | Circle                        |
| City               | Chester                       |
| State              | Virginia                      |
| Zip                | 23836                         |
| Phone Number       | (804) 530-0200                |
| Year Built         | 1999                          |
| Year Renovated     | na                            |
| Minimum Lease      | 12                            |
| Min. Security Dep. | \$200                         |
| Other Fees         | \$150                         |
| Waiting List       | no                            |
| Project Rent       | Market Rate                   |
| Project Type       | Family                        |
| Project Status     | Stabilized                    |
| Financing          | Conventional                  |
| Vouchers           |                               |
| Latitude           | 37.3606                       |
| Longitude          | -77.3485                      |
| Nearest Crossroads | na                            |
| AAC Code           | 19-071 115                    |

Photo



Location Map



Interview Notes

|                    |                      |
|--------------------|----------------------|
| Person Interviewed | Mr. Ryan, Management |
| Phone Number       | (804) 530-0200       |
| Interview Date     | 08-Apr-19            |
| Interviewed By     | RF                   |

Contact advised roofs have been replaced but did not give date. New businesses nearby are a pizza place and Waffle house.

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 | 696  | Garden/Den  | Mar       | Mar        | No         | No         | 83          | 1         | \$940       |         | \$940    | \$135   | \$1,075    |         |
| 1               | 1.0 | 782  | Garden/Den  | Mar       | Mar        | No         | No         | 83          |           | \$995       |         | \$995    | \$135   | \$1,130    |         |
| 2               | 1.0 | 944  | Garden/Flat | Mar       | Mar        | No         | No         | 24          | 2         | \$1,035     |         | \$1,035  | \$164   | \$1,199    |         |
| 2               | 2.0 | 1123 | Garden/Flat | Mar       | Mar        | No         | No         | 96          | 2         | \$1,190     |         | \$1,190  | \$164   | \$1,354    |         |
| 3               | 2.0 | 1313 | Garden/Flat | Mar       | Mar        | No         | No         | 16          |           | \$1,295     |         | \$1,295  | \$201   | \$1,496    |         |
| 3               | 2.0 | 1372 | Garden/Flat | Mar       | Mar        | No         | No         | 16          |           | \$1,350     |         | \$1,350  | \$201   | \$1,551    |         |
| Total / Average |     | 931  |             |           |            |            |            | 218         | 318       | 5           | \$1,075 |          | \$1,075 | \$153      | \$1,228 |

| 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      | no   |
| Sewer                 | yes      | no   |
| Trash                 | yes      | no   |
| Comp vs. Subject      | Inferior |      |

| 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     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Access             |         |      |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp    | Subj |
| Access             | 3.00    | 3.00 |
| Comp vs. Subject   | Similar |      |

| Neighborhood       |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Neighborhood       | 4.50     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Proximity to Area Amenities |          |      |
|-----------------------------|----------|------|
| Rating (1-5 Scale)          | Comp     | Subj |
| Area Amenities              | 2.10     | 3.80 |
| Comp vs. Subject            | Inferior |      |

| Condition          |         |      |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp    | Subj |
| Condition          | 4.00    | 4.00 |
| Comp vs. Subject   | Similar |      |

| 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                 | yes      | yes  |
| Car Care Ctr                 | no       | no   |
| Comm Center                  | yes      | yes  |
| Elevator                     | no       | no   |
| Fitness Ctr                  | yes      | no   |
| Gazebo/Patio                 | yes      | 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                         | yes      | no   |
| Sauna                        | no       | no   |
| Sports Court                 | no       | yes  |
| Walking Trail                | yes      | no   |
| Comp vs. Subject             | Superior |      |

| Unit Amenities   |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| Blinds           | yes      | yes  |
| Ceiling Fans     | yes      | no   |
| Carpeting        | yes      | no   |
| Fireplace        | some     | no   |
| Patio/Balcony    | yes      | yes  |
| Storage          | yes      | some |
| Comp vs. Subject | Superior |      |

| 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           | yes      | no   |
| Covered Pkg      | no       | no   |
| Assigned Pkg     | no       | no   |
| Open             | yes      | yes  |
| None             | no       | no   |
| Comp vs. Subject | Superior |      |

| 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       | no   |
| Comp vs. Subject | Inferior |      |

| Services         |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| After School     | no       | yes  |
| Concierge        | no       | na   |
| Hair Salon       | no       | na   |
| Health Care      | no       | na   |
| Housekeeping     | no       | na   |
| Meals            | no       | na   |
| Transportation   | no       | na   |
| Comp vs. Subject | Inferior |      |

River's Bend Apartments Homes is an existing multifamily development located at 401 Liverpool Circle in Chester, Virginia. The property, which consists of 318 apartment units, was originally constructed in 1999 with conventional financing. All units are set aside as market rate units. The property currently stands at 98 percent occupancy.

**RENT COMPARABLES, RESTRICTED RENT**

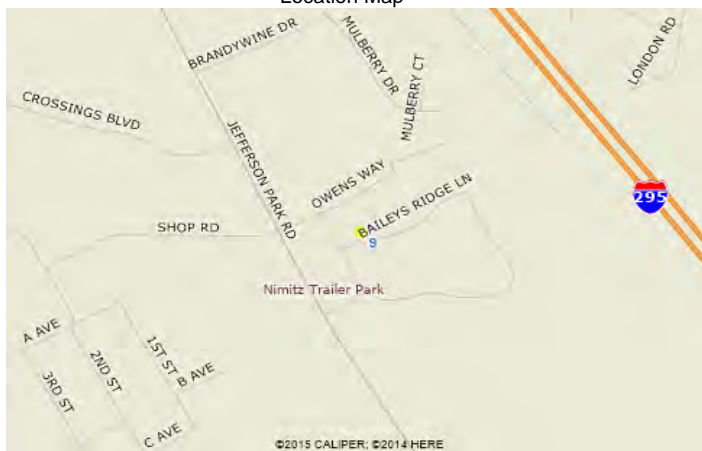
Project Information

|                    |                               |
|--------------------|-------------------------------|
| Property Name      | Bailey's Ridge                |
| Street Number      | 4750                          |
| Street Name        | Baileys Ridge                 |
| Street Type        | Lane                          |
| City               | Prince George                 |
| State              | Virginia                      |
| Zip                | 23875                         |
| Phone Number       | (804) 458-5048                |
| Year Built         | 2000                          |
| Year Renovated     | na                            |
| Minimum Lease      | 12                            |
| Min. Security Dep. | \$300                         |
| Other Fees         | \$132                         |
| Waiting List       | 2 people                      |
| Project Rent       | Restricted                    |
| Project Type       | Family                        |
| Project Status     | Stabilized                    |
| Financing          | 1998 Tax Credit               |
| Vouchers           | 40                            |
| Latitude           | 37.2542                       |
| Longitude          | -77.3168                      |
| Nearest Crossroads | Shop Rd. & Jefferson Park Rd. |
| AAC Code           | 19-071 009                    |

Photo



Location Map



Interview Notes

|                    |                     |
|--------------------|---------------------|
| Person Interviewed | Ms. Rachel, Manager |
| Phone Number       | (804) 458-5048      |
| Interview Date     | 08-Apr-19           |
| Interviewed By     | RF                  |

1998 TC's awarded for construction of this property without units of project based rental assistance. 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               | 2.0 | 978   | Garden/Flat | 60%       | 60%        | No         | No         | 117         |           | \$785       |      | \$785    | \$165 | \$950      |
| 2               | 2.0 | 1078  | Garden/Den  | 60%       | 60%        | No         | No         | 39          |           | \$895       |      | \$895    | \$222 | \$1,117    |
| Total / Average |     | 1,003 |             |           |            |            |            | 221         |           | \$813       |      | \$813    | \$179 | \$992      |

| 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      | no   |
| Sewer                 | yes      | no   |
| Trash                 | no       | no   |
| Comp vs. Subject      | Inferior |      |

| 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     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Access             |         |      |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp    | Subj |
| Access             | 3.00    | 3.00 |
| Comp vs. Subject   | Similar |      |

| Neighborhood       |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Neighborhood       | 3.30     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Proximity to Area Amenities |          |      |
|-----------------------------|----------|------|
| Rating (1-5 Scale)          | Comp     | Subj |
| Area Amenities              | 2.60     | 3.80 |
| 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                     | yes      | no   |
| Billiard/Game                | no       | no   |
| Bus/Comp Ctr                 | no       | yes  |
| Car Care Ctr                 | no       | no   |
| Comm Center                  | yes      | yes  |
| Elevator                     | no       | no   |
| Fitness Ctr                  | yes      | 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                         | yes      | no   |
| Sauna                        | no       | no   |
| Sports Court                 | no       | yes  |
| Walking Trail                | no       | no   |
| Comp vs. Subject             | Superior |      |

| Unit Amenities   |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| Blinds           | yes      | yes  |
| Ceiling Fans     | yes      | no   |
| Carpeting        | yes      | no   |
| Fireplace        | no       | no   |
| Patio/Balcony    | yes      | yes  |
| Storage          | yes      | some |
| Comp vs. Subject | Superior |      |

| 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       | no   |
| Comp vs. Subject | Inferior |      |

| Services         |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| After School     | na       | yes  |
| Concierge        | na       | na   |
| Hair Salon       | na       | na   |
| Health Care      | na       | na   |
| Housekeeping     | na       | na   |
| Meals            | na       | na   |
| Transportation   | na       | na   |
| Comp vs. Subject | Inferior |      |

Bailey's Ridge is an existing multifamily development located at 4750 Baileys Ridge Lane in Prince George, Virginia. The property, which consists of 156 apartment units, was originally constructed in 2000 . This property is currently operated as a rent restricted property. The property currently stands at 100 percent occupancy.

Project Information

|                    |                       |
|--------------------|-----------------------|
| Property Name      | Clearfield Apartments |
| Street Number      | 100                   |
| Street Name        | Clearfield            |
| Street Type        | Circle                |
| City               | Colonial Heights      |
| State              | Virginia              |
| Zip                | 23834                 |
| Phone Number       | (804) 520-6563        |
| Year Built         | 1993                  |
| Year Renovated     | 2012                  |
| Minimum Lease      | 12                    |
| Min. Security Dep. | \$250                 |
| Other Fees         | \$44                  |
| Waiting List       | no                    |
| Project Rent       | Restricted            |
| Project Type       | Family                |
| Project Status     | Stabilized            |
| Financing          | 1991 Tax Credit       |
| Vouchers           | 25                    |
| Latitude           | 37.2701               |
| Longitude          | -77.3966              |
| Nearest Crossroads | na                    |
| AAC Code           | 19-071 029            |

Photo

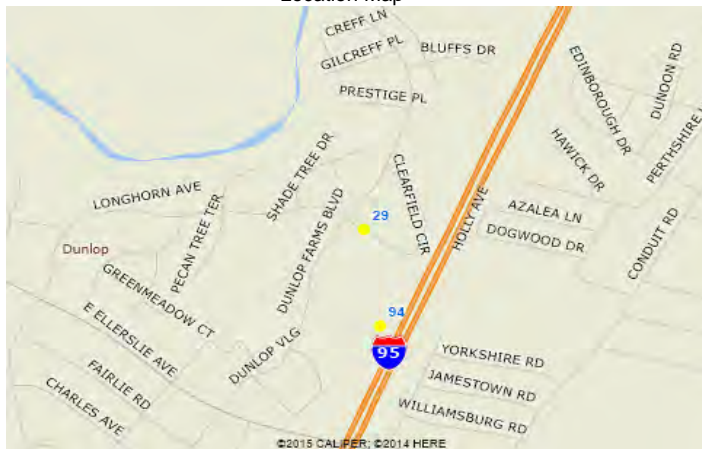


Interview Notes

|                    |                       |
|--------------------|-----------------------|
| Person Interviewed | Ms. Bobby, Management |
| Phone Number       | (804) 520-6563        |
| Interview Date     | 08-Apr-19             |
| Interviewed By     | RF                    |

1991 TC's awarded for construction of this property without project based rental assistance. 2012 renovations of the unit interiors include black appliances and tile. 2BR unit rates for renovated units. No 3BR renovated as of our 2017 survey. Contact in 2019 could not give information on renovations. Rent reflects special pricing of \$899 on

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 |       |         |
|-----------------|-----|------|-------------|-----------|------------|------------|------------|-------------|-----------|-------------|------|----------|-------|------------|-------|---------|
| 2               | 2.0 | 931  | Garden/Flat | 60%       | 60%        | No         | No         | 140         | 17        | \$930       | \$31 | \$899    | \$164 | \$1,063    |       |         |
| 3               | 2.0 | 1144 | Garden/Flat | 60%       | 60%        | No         | No         | 4           |           | \$1,052     |      | \$1,052  | \$201 | \$1,253    |       |         |
| Total / Average |     | 937  |             |           |            |            |            | 223         |           | 144         | 17   | \$933    | \$30  | \$903      | \$165 | \$1,068 |

| Tenant-Paid Utilities |          |      |
|-----------------------|----------|------|
| Utility               | Comp     | Subj |
| Heat-Gas              | yes      | yes  |
| Cooking-Electric      | yes      | yes  |
| Other Electric        | yes      | yes  |
| Air Cond              | yes      | yes  |
| Hot Water-Gas         | yes      | yes  |
| Water                 | yes      | no   |
| Sewer                 | yes      | no   |
| Trash                 | no       | no   |
| Comp vs. Subject      | Inferior |      |

| 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     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Access             |         |      |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp    | Subj |
| Access             | 3.00    | 3.00 |
| Comp vs. Subject   | Similar |      |

| Neighborhood       |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Neighborhood       | 2.80     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Proximity to Area Amenities |          |      |
|-----------------------------|----------|------|
| Rating (1-5 Scale)          | Comp     | Subj |
| Area Amenities              | 3.50     | 3.80 |
| 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      | 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                 | yes      | yes  |
| Car Care Ctr                 | no       | no   |
| Comm Center                  | yes      | yes  |
| Elevator                     | no       | no   |
| Fitness Ctr                  | yes      | 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                         | yes      | no   |
| Sauna                        | no       | no   |
| Sports Court                 | yes      | yes  |
| Walking Trail                | no       | no   |
| Comp vs. Subject             | Superior |      |

| Unit Amenities   |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| Blinds           | yes      | yes  |
| Ceiling Fans     | no       | no   |
| Carpeting        | yes      | no   |
| Fireplace        | no       | no   |
| Patio/Balcony    | yes      | yes  |
| Storage          | no       | some |
| Comp vs. Subject | Superior |      |

| 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       | no   |
| Comp vs. Subject | Inferior |      |

| Services         |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| After School     | no       | yes  |
| Concierge        | no       | na   |
| Hair Salon       | no       | na   |
| Health Care      | no       | na   |
| Housekeeping     | no       | na   |
| Meals            | no       | na   |
| Transportation   | no       | na   |
| Comp vs. Subject | Inferior |      |

Clearfield Apartments is an existing multifamily development located at 100 Clearfield Circle in Colonial Heights, Virginia. The property, which consists of 144 apartment units, was originally constructed in 1993. This property is currently operated as a rent restricted property. The property currently stands at 88 percent occupancy.



Project Information

|                    |                              |            |
|--------------------|------------------------------|------------|
| Property Name      | Jefferson South of the James |            |
| Street Number      | 1800                         |            |
| Street Name        | Boydton Plane                |            |
| Street Type        | Road                         |            |
| City               | Petersburg                   |            |
| State              | Virginia                     |            |
| Zip                | 23805                        |            |
| Phone Number       | (804) 722-5444               |            |
| Year Built         | 1974                         |            |
| Year Renovated     | 2000                         |            |
| Minimum Lease      | 6                            |            |
| Min. Security Dep. | \$200                        |            |
| Other Fees         | \$120                        |            |
| Waiting List       | no                           |            |
| Project Rent       | Restricted                   |            |
| Project Type       | Family                       |            |
| Project Status     | Stabilized                   |            |
| Financing          | 1999                         | Tax Credit |
| Vouchers           | 8                            |            |
| Latitude           | 37.2030                      |            |
| Longitude          | -77.4238                     |            |
| Nearest Crossroads | Off I-95, Exit 65            |            |
| AAC Code           | 19-071                       | 064        |

Photo



Location Map



Interview Notes

|                    |                       |  |
|--------------------|-----------------------|--|
| Person Interviewed | Ms. Velma, Management |  |
| Phone Number       | (804) 722-5444        |  |
| Interview Date     | 09-Apr-19             |  |
| Interviewed By     | RF                    |  |

1999 TC's awarded for rehabilitation of this property without project base rental assistance available to tenants. Property is beyond TC compliance years and under newest owners operates at Market Rate. Minor kitchen updates to property. 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 | 850  | Garden/Flat | 60%       | 60%        | No         | No         | 48          |           | \$775       |       | \$775    | \$51 | \$826      |
| 2               | 1.0 | 950  | Garden/Flat | 60%       | 60%        | No         | No         | 122         | 1         | \$825       |       | \$825    | \$68 | \$893      |
| 3               | 1.0 | 1100 | Garden/Flat | 60%       | 60%        | No         | No         | 30          | 3         | \$925       |       | \$925    | \$86 | \$1,011    |
| Total / Average |     | 949  |             |           |            |            |            | 225         | 200       | 4           | \$828 | \$828    | \$67 | \$895      |

| Tenant-Paid Utilities |         |      |
|-----------------------|---------|------|
| Utility               | Comp    | Subj |
| Heat-Gas              | yes     | yes  |
| Cooking-Gas           | yes     | yes  |
| Other Electric        | yes     | yes  |
| Air Cond              | yes     | yes  |
| Hot Water-Gas         | yes     | yes  |
| Water                 | no      | no   |
| Sewer                 | no      | no   |
| 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         | 3.00     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Access             |         |      |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp    | Subj |
| Access             | 3.00    | 3.00 |
| Comp vs. Subject   | Similar |      |

| Neighborhood       |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Neighborhood       | 2.60     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Proximity to Area Amenities |          |      |
|-----------------------------|----------|------|
| Rating (1-5 Scale)          | Comp     | Subj |
| Area Amenities              | 3.00     | 3.80 |
| 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      | 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       | yes  |
| 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                 | yes      | yes  |
| Walking Trail                | no       | no   |
| Comp vs. Subject             | Inferior |      |

| Unit Amenities   |         |      |
|------------------|---------|------|
| Amenity          | Comp    | Subj |
| Blinds           | yes     | yes  |
| Ceiling Fans     | no      | no   |
| Carpeting        | yes     | no   |
| Fireplace        | no      | no   |
| Patio/Balcony    | no      | yes  |
| Storage          | no      | some |
| Comp vs. Subject | Similar |      |

| 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        | 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       | no   |
| Comp vs. Subject | Inferior |      |

| Services         |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| After School     | no       | yes  |
| Concierge        | no       | na   |
| Hair Salon       | no       | na   |
| Health Care      | no       | na   |
| Housekeeping     | no       | na   |
| Meals            | no       | na   |
| Transportation   | no       | na   |
| Comp vs. Subject | Inferior |      |

Jefferson South of the James is an existing multifamily development located at 1800 Boydton Plane Road in Petersburg, Virginia. The property, which consists of 200 apartment units, was originally constructed in 1974 . This property is currently operated as a rent restricted property. The property currently stands at 98 percent occupancy.

Project Information

|                    |                  |
|--------------------|------------------|
| Property Name      | Oaks Of Dunlop   |
| Street Number      | 101              |
| Street Name        | Old Oak          |
| Street Type        | Lane             |
| City               | Colonial Heights |
| State              | Virginia         |
| Zip                | 23834            |
| Phone Number       | (804) 520-8500   |
| Year Built         | 1990             |
| Year Renovated     | 2017             |
| Minimum Lease      | 12               |
| Min. Security Dep. | \$350            |
| Other Fees         | \$32             |
| Waiting List       | 4 people         |
| Project Rent       | Restricted       |
| Project Type       | Family           |
| Project Status     | Stabilized       |
| Financing          | 1990 Tax Credit  |
| Vouchers           | 15               |
| Latitude           | 37.2679          |
| Longitude          | -77.3961         |
| Nearest Crossroads | na               |
| AAC Code           | 19-071 094       |

Photo

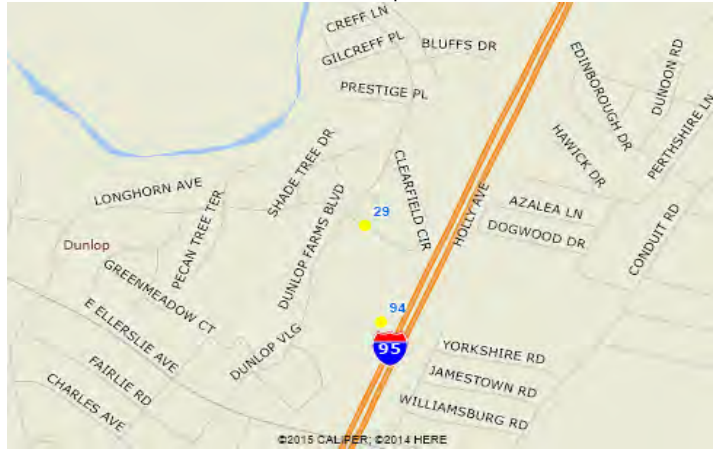


Interview Notes

|                    |                           |
|--------------------|---------------------------|
| Person Interviewed | Ms. Francisca, Management |
| Phone Number       | (804) 520-8500            |
| Interview Date     | 09-Apr-19                 |
| Interviewed By     | RF                        |

1990 TC's awarded for construction of this property without project based rental assistance. 2013 - 2017 renovations included updating cabinets, counters and appliances. There are no new apartments or businesses nearby. Contact advised that businesses in the area are not closing or laying off employees.

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 | 686  | Garden/Flat | 60%       | 60%        | No         | No         | 12          |           | \$875       |      | \$875    | \$58 | \$933      |
| 2               | 2.0 | 922  | Garden/Flat | 60%       | 60%        | No         | No         | 108         |           | \$1,040     |      | \$1,040  | \$64 | \$1,104    |
| 3               | 2.0 | 1010 | Garden/Flat | 60%       | 60%        | No         | No         | 24          | 1         | \$1,200     |      | \$1,200  | \$74 | \$1,274    |
| Total / Average |     | 917  |             |           |            |            |            | 227         | 1         | \$1,053     |      | \$1,053  | \$65 | \$1,118    |

| 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      | no   |
| Sewer                 | no      | no   |
| 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         | 3.25     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Access             |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Access             | 3.50     | 3.00 |
| Comp vs. Subject   | Superior |      |

| Neighborhood       |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Neighborhood       | 2.80     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Proximity to Area Amenities |          |      |
|-----------------------------|----------|------|
| Rating (1-5 Scale)          | Comp     | Subj |
| Area Amenities              | 4.00     | 3.80 |
| Comp vs. Subject            | Superior |      |

| Condition          |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Condition          | 3.75     | 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       | yes  |
| 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                         | yes      | no   |
| Sauna                        | no       | no   |
| Sports Court                 | yes      | yes  |
| Walking Trail                | no       | no   |
| Comp vs. Subject             | Superior |      |

| Unit Amenities   |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| Blinds           | yes      | yes  |
| Ceiling Fans     | yes      | no   |
| Carpeting        | yes      | no   |
| Fireplace        | some     | no   |
| Patio/Balcony    | yes      | yes  |
| Storage          | yes      | some |
| Comp vs. Subject | Superior |      |

| 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          | 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       | no   |
| Comp vs. Subject | Inferior |      |

| Services         |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| After School     | no       | yes  |
| Concierge        | no       | na   |
| Hair Salon       | no       | na   |
| Health Care      | no       | na   |
| Housekeeping     | no       | na   |
| Meals            | no       | na   |
| Transportation   | no       | na   |
| Comp vs. Subject | Inferior |      |

Oaks Of Dunlop is an existing multifamily development located at 101 Old Oak Lane in Colonial Heights, Virginia. The property, which consists of 144 apartment units, was originally constructed in 1990 . This property is currently operated as a rent restricted property. The property currently stands at 99 percent occupancy.

Project Information

|                    |                      |
|--------------------|----------------------|
| Property Name      | Pinetree Apartments  |
| Street Number      | 3100                 |
| Street Name        | Pinetree             |
| Street Type        | Drive                |
| City               | Petersburg           |
| State              | Virginia             |
| Zip                | 23803                |
| Phone Number       | (804) 862-1231       |
| Year Built         | 1995                 |
| Year Renovated     | na                   |
| Minimum Lease      | 12                   |
| Min. Security Dep. | \$250                |
| Other Fees         | \$44                 |
| Waiting List       | no                   |
| Project Rent       | Restricted           |
| Project Type       | Family               |
| Project Status     | Stabilized           |
| Financing          | 1993 Tax Credit      |
| Vouchers           | 20                   |
| Latitude           | 37.2038              |
| Longitude          | -77.3400             |
| Nearest Crossroads | Off County Drive 460 |
| AAC Code           | 19-071 105           |

Photo



Location Map



Interview Notes

|                    |                            |
|--------------------|----------------------------|
| Person Interviewed | Ms. Lagreta, Leasing Agent |
| Phone Number       | (804) 862-1231             |
| Interview Date     | 10-Apr-19                  |
| Interviewed By     | RF                         |

1993 TC's awarded for construction of the property without project base rental assistance. There are no new apartments 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 | 700   | Garden/Flat | 60%       | 60%        | No         | No         | 4           |           | \$685       |      | \$685    | \$97  | \$782      |
| 1               | 1.0 | 780   | Garden/Flat | 60%       | 60%        | No         | No         | 4           |           | \$710       |      | \$710    | \$97  | \$807      |
| 2               | 2.0 | 1000  | Garden/Flat | 60%       | 60%        | No         | No         | 64          | 7         | \$765       |      | \$765    | \$116 | \$881      |
| 2               | 2.0 | 1080  | Garden/Flat | 60%       | 60%        | No         | No         | 64          | 8         | \$810       |      | \$810    | \$116 | \$926      |
| 3               | 2.0 | 1264  | Garden/Flat | 60%       | 60%        | No         | No         | 4           |           | \$895       |      | \$895    | \$145 | \$1,040    |
| 3               | 2.0 | 1364  | Garden/Flat | 60%       | 60%        | No         | No         | 4           |           | \$920       |      | \$920    | \$145 | \$1,065    |
| Total / Average |     | 1,039 |             |           |            |            |            | 229         | 15        | \$789       |      | \$789    | \$117 | \$906      |

| 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      | no   |
| Sewer                 | no      | no   |
| 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    | 2.00 |
| Comp vs. Subject   | Similar |      |

| Access             |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Access             | 2.50     | 3.00 |
| Comp vs. Subject   | Inferior |      |

| Neighborhood       |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Neighborhood       | 3.20     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Proximity to Area Amenities |          |      |
|-----------------------------|----------|------|
| Rating (1-5 Scale)          | Comp     | Subj |
| Area Amenities              | 2.10     | 3.80 |
| 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      | 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      | yes  |
| Car Care Ctr                 | no      | no   |
| Comm Center                  | yes     | yes  |
| Elevator                     | no      | no   |
| Fitness Ctr                  | yes     | 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                         | yes     | no   |
| Sauna                        | no      | no   |
| Sports Court                 | no      | yes  |
| Walking Trail                | no      | no   |
| Comp vs. Subject             | Similar |      |

| Unit Amenities   |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| Blinds           | yes      | yes  |
| Ceiling Fans     | no       | no   |
| Carpeting        | yes      | no   |
| Fireplace        | no       | no   |
| Patio/Balcony    | yes      | yes  |
| Storage          | no       | some |
| Comp vs. Subject | Superior |      |

| 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       | no   |
| Comp vs. Subject | Inferior |      |

| Services         |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| After School     | no       | yes  |
| Concierge        | no       | na   |
| Hair Salon       | no       | na   |
| Health Care      | no       | na   |
| Housekeeping     | no       | na   |
| Meals            | no       | na   |
| Transportation   | no       | na   |
| Comp vs. Subject | Inferior |      |

Pinetree Apartments is an existing multifamily development located at 3100 Pinetree Drive in Petersburg, Virginia. The property, which consists of 144 apartment units, was originally constructed in 1995. This property is currently operated as a rent restricted property. The property currently stands at 90 percent occupancy.

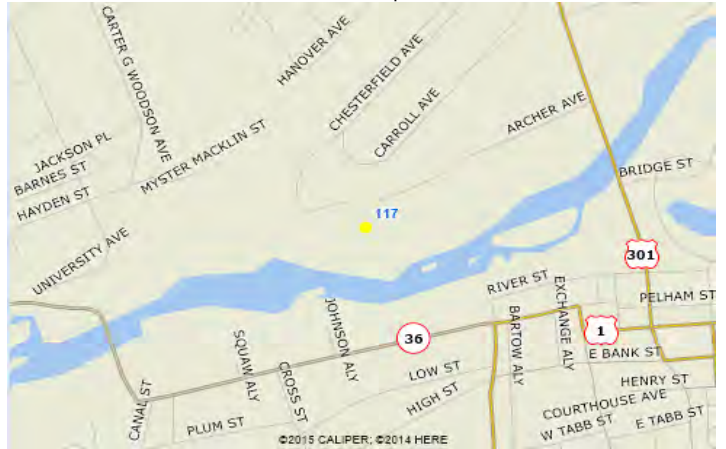
Project Information

|                    |                           |            |
|--------------------|---------------------------|------------|
| Property Name      | Mattox Landing Apartments |            |
| Street Number      | 205                       |            |
| Street Name        | Archer                    |            |
| Street Type        | Avenue                    |            |
| City               | Colonial Heights          |            |
| State              | Virginia                  |            |
| Zip                | 23834                     |            |
| Phone Number       | (804) 504-0230            |            |
| Year Built         | 2000                      |            |
| Year Renovated     | na                        |            |
| Minimum Lease      | 12                        |            |
| Min. Security Dep. | \$250                     |            |
| Other Fees         | \$32                      |            |
| Waiting List       | no                        |            |
| Project Rent       | Restricted                |            |
| Project Type       | Family                    |            |
| Project Status     | Stabilized                |            |
| Financing          | 2000                      | Tax Credit |
| Vouchers           | 22                        |            |
| Latitude           | 37.2350                   |            |
| Longitude          | -77.4106                  |            |
| Nearest Crossroads | na                        |            |
| AAC Code           | 19-071                    | 117        |

Photo



Location Map



Interview Notes

|                    |                      |
|--------------------|----------------------|
| Person Interviewed | Ms. Bell, Management |
| Phone Number       | (804) 504-0230       |
| Interview Date     | 10-Apr-19            |
| Interviewed By     | RF                   |

2000 TC's awarded for construction of this property without units of project based rental assistance available to tenants. In 2019 contact advised they upgraded the lighting. 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               | 1.5 | 891  | Garden/Flat | 60%       | 60%        | No         | No         | 68          | 1         | \$800       |       | \$800    | \$143 | \$943      |
| 3               | 2.0 | 1071 | Garden/Flat | 60%       | 60%        | No         | No         | 20          |           | \$950       |       | \$950    | \$180 | \$1,130    |
| Total / Average |     | 932  |             |           |            |            |            | 281         | 88        | 1           | \$834 | \$834    | \$151 | \$986      |

| 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      | no   |
| Sewer                 | yes      | no   |
| Trash                 | no       | no   |
| Comp vs. Subject      | Inferior |      |

| 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    | 2.00 |
| Comp vs. Subject   | Similar |      |

| Access             |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Access             | 2.50     | 3.00 |
| Comp vs. Subject   | Inferior |      |

| Neighborhood       |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Neighborhood       | 3.70     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Proximity to Area Amenities |         |      |
|-----------------------------|---------|------|
| Rating (1-5 Scale)          | Comp    | Subj |
| Area Amenities              | 3.80    | 3.80 |
| Comp vs. Subject            | Similar |      |

| Condition          |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Condition          | 3.75     | 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                     | no       | no   |
| Billiard/Game                | no       | no   |
| Bus/Comp Ctr                 | no       | yes  |
| Car Care Ctr                 | no       | no   |
| Comm Center                  | yes      | yes  |
| Elevator                     | no       | no   |
| Fitness Ctr                  | yes      | 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                         | yes      | no   |
| Sauna                        | no       | no   |
| Sports Court                 | no       | yes  |
| Walking Trail                | no       | no   |
| Comp vs. Subject             | Inferior |      |

| Unit Amenities   |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| Blinds           | yes      | yes  |
| Ceiling Fans     | no       | no   |
| Carpeting        | yes      | no   |
| Fireplace        | no       | no   |
| Patio/Balcony    | yes      | yes  |
| Storage          | yes      | some |
| Comp vs. Subject | Superior |      |

| 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      | 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       | no   |
| Comp vs. Subject | Inferior |      |

| Services         |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| After School     | no       | yes  |
| Concierge        | no       | na   |
| Hair Salon       | no       | na   |
| Health Care      | no       | na   |
| Housekeeping     | no       | na   |
| Meals            | no       | na   |
| Transportation   | no       | na   |
| Comp vs. Subject | Inferior |      |

Mattox Landing Apartments is an existing multifamily development located at 205 Archer Avenue in Colonial Heights, Virginia. The property, which consists of 88 apartment units, was originally constructed in 2000. This property is currently operated as a rent restricted property. The property currently stands at 99 percent occupancy.



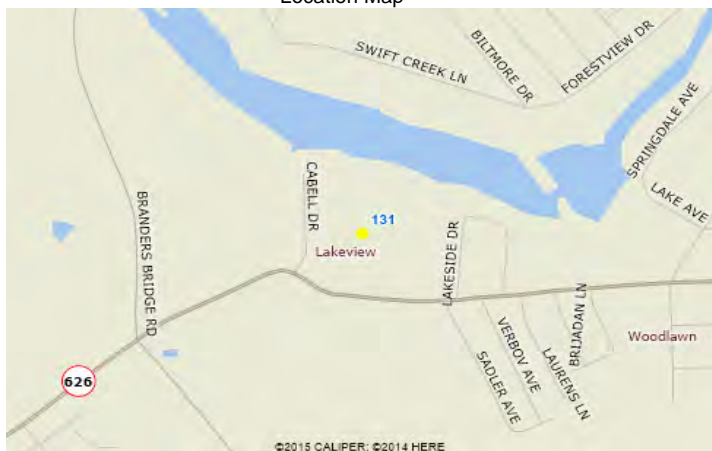
Project Information

|                    |                  |
|--------------------|------------------|
| Property Name      | Terrace View     |
| Street Number      | 202              |
| Street Name        | Lakeview Park    |
| Street Type        | Road             |
| City               | Colonial Heights |
| State              | Virginia         |
| Zip                | 23834            |
| Phone Number       | (804) 524-2555   |
| Year Built         | 1999             |
| Year Renovated     | na               |
| Minimum Lease      | 12               |
| Min. Security Dep. | \$300            |
| Other Fees         | \$40             |
| Waiting List       | 3 people         |
| Project Rent       | Restricted       |
| Project Type       | Family           |
| Project Status     | Stabilized       |
| Financing          | 1997 Tax Credit  |
| Vouchers           | 15               |
| Latitude           | 37.2700          |
| Longitude          | -77.4249         |
| Nearest Crossroads | Off the blvd.    |
| AAC Code           | 19-071 131       |

Photo



Location Map



Interview Notes

|                    |                         |
|--------------------|-------------------------|
| Person Interviewed | Ms. Rebecca, Management |
| Phone Number       | (804) 524-2555          |
| Interview Date     | 19-Apr-19               |
| Interviewed By     | DFR                     |

1997 TC's awarded for this property without project base rental assistance available to tenants. Management referred to their site where rents are current and accurate.

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 | 780   | Garden/Flat | 60%       | 60%        | No         | No         | 10          |           | \$812       |      | \$812    | \$70  | \$882      |
| 2               | 1.5 | 1080  | Garden/Flat | 60%       | 60%        | No         | No         | 42          |           | \$975       |      | \$975    | \$88  | \$1,063    |
| 3               | 2.0 | 1364  | Garden/Flat | 60%       | 60%        | No         | No         | 10          |           | \$1,118     |      | \$1,118  | \$108 | \$1,226    |
| Total / Average |     | 1,077 |             |           |            |            |            | 283         |           | \$972       |      | \$972    | \$88  | \$1,060    |

| 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      | no   |
| Sewer                 | no      | no   |
| 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         | 3.00     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Access             |         |      |
|--------------------|---------|------|
| Rating (1-5 Scale) | Comp    | Subj |
| Access             | 3.00    | 3.00 |
| Comp vs. Subject   | Similar |      |

| Neighborhood       |          |      |
|--------------------|----------|------|
| Rating (1-5 Scale) | Comp     | Subj |
| Neighborhood       | 3.00     | 2.00 |
| Comp vs. Subject   | Superior |      |

| Proximity to Area Amenities |          |      |
|-----------------------------|----------|------|
| Rating (1-5 Scale)          | Comp     | Subj |
| Area Amenities              | 2.60     | 3.80 |
| 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       | yes  |
| 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       | yes  |
| Walking Trail                | no       | no   |
| Comp vs. Subject             | Inferior |      |

| Unit Amenities   |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| Blinds           | yes      | yes  |
| Ceiling Fans     | no       | no   |
| Carpeting        | yes      | no   |
| Fireplace        | no       | no   |
| Patio/Balcony    | yes      | yes  |
| Storage          | no       | some |
| Comp vs. Subject | Superior |      |

| 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       | no   |
| Comp vs. Subject | Inferior |      |

| Services         |          |      |
|------------------|----------|------|
| Amenity          | Comp     | Subj |
| After School     | no       | yes  |
| Concierge        | no       | na   |
| Hair Salon       | no       | na   |
| Health Care      | no       | na   |
| Housekeeping     | no       | na   |
| Meals            | no       | na   |
| Transportation   | no       | na   |
| Comp vs. Subject | Inferior |      |

Terrace View is an existing multifamily development located at 202 Lakeview Park Road in Colonial Heights, Virginia. The property, which consists of 62 apartment units, was originally constructed in 1999 . This property is currently operated as a rent restricted property. The property currently stands at 100 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 performed an appraisal and a market study for the subject property in 2018.
- 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 15, 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.

| <b>Executive Summary</b>           |  |                       |
|------------------------------------|--|-----------------------|
| 1                                  | Executive Summary  | Executive Summary     |
| <b>Scope of Work</b>               |  |                       |
| 2                                  | Scope of Work  | Letter of Transmittal |
| <b>Project Description</b>         |  |                       |
| 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             |
| <b>Location</b>                    |  |                       |
| 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             |
| <b>Market Area</b>                 |  |                       |
| 13                                 | PMA description  | Section 6             |
| 14                                 | PMA Map  | Section 6             |
| <b>Employment and Economy</b>      |  |                       |
| 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             |
| <b>Demographic Characteristics</b> |  |                       |
| 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             |
| <b>Competitive Environment</b>     |  |                       |
| 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.

| <b>Affordability, Demand, and Penetration Rate Analysis</b> |   |                   |
|---|---|-------------------|
| 31  | Estimate of demand  | Section 11        |
| 32  | Affordability analysis with capture rate  | Section 11        |
| 33  | Penetration rate analysis with capture rate                                       | Section 11        |
| <b>Analysis/Conclusions</b>                                 |   |                   |
| 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          |
| <b>Other Requirements</b>                                   |   |                   |
| 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.



# 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](mailto: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

|  |   |
|--|---|
| <b>Affordable Housing Program</b>                                | <b>IRS Section 42 Low-Income Housing Tax Credit (LIHTC)</b>   |
| <b>Year</b> <sup>(1)(2)</sup>                                    | 2018 (effective 04/01/18)   |
| <b>State</b>   | VA  |
| <b>County</b>  | Hopewell city   |
| <b>MSA</b>   | Richmond, VA MSA  |
| <b>Persons / Bedroom</b>   | 1.5 Person / Bedroom  |
| <b>4-person AMI</b>  | \$83,200  |
| <b>National Non-Metropolitan Median Income</b> <sup>(3)(4)</sup> | \$58,400  |
| <b>Hold Harmless</b> <sup>(6)</sup>                              | 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. |
| <b>Placed in Service Date</b> <sup>(7)</sup>                     | On or after 04/01/2018.   |

### HUD Published Income Limits for 2018 (with no adjustments)













Display Income Limits

Hide Income Limits







#### Section 8

|           | <b>Charts</b> | <b>MTSP 50%</b> | <b>Extremely Low</b> | <b>Very Low</b> | <b>Low</b> |
|-----------|---------------|-----------------|----------------------|-----------------|------------|
| 1 Person  |               | \$29,150        | \$17,500             | \$29,150        | \$46,600   |
| 2 Person  |               | \$33,300        | \$20,000             | \$33,300        | \$53,250   |
| 3 Person  |               | \$37,450        | \$22,500             | \$37,450        | \$59,900   |
| 4 Person  |               | \$41,600        | \$25,100             | \$41,600        | \$66,550   |
| 5 Person  |               | \$44,950        | \$29,420             | \$44,950        | \$71,900   |
| 6 Person  |               | \$48,300        | \$33,740             | \$48,300        | \$77,200   |
| 7 Person  |               | \$51,600        | \$38,060             | \$51,600        | \$82,550   |
| 8 Person  |               | \$54,950        | \$42,380             | \$54,950        | \$87,850   |
| 9 Person  |               | \$58,250        | N/A <sup>(10)</sup>  | \$58,250        | \$93,150   |
| 10 Person |               | \$61,550        | N/A <sup>(10)</sup>  | \$61,550        | \$98,500   |
| 11 Person |               | \$64,900        | N/A <sup>(10)</sup>  | \$64,900        | \$103,800  |
| 12 Person |               | \$68,200        | N/A <sup>(10)</sup>  | \$68,200        | \$109,150  |

**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  |  | 34,980 | 11,660 | 17,490 | 23,320 | 29,150 | 40,810 | 46,640  | 48,972  |
| 2 Person  |  | 39,960 | 13,320 | 19,980 | 26,640 | 33,300 | 46,620 | 53,280  | 55,944  |
| 3 Person  |  | 44,940 | 14,980 | 22,470 | 29,960 | 37,450 | 52,430 | 59,920  | 62,916  |
| 4 Person  |  | 49,920 | 16,640 | 24,960 | 33,280 | 41,600 | 58,240 | 66,560  | 69,888  |
| 5 Person  |  | 53,940 | 17,980 | 26,970 | 35,960 | 44,950 | 62,930 | 71,920  | 75,516  |
| 6 Person  |  | 57,960 | 19,320 | 28,980 | 38,640 | 48,300 | 67,620 | 77,280  | 81,144  |
| 7 Person  |  | 61,920 | 20,640 | 30,960 | 41,280 | 51,600 | 72,240 | 82,560  | 86,688  |
| 8 Person  |  | 65,940 | 21,980 | 32,970 | 43,960 | 54,950 | 76,930 | 87,920  | 92,316  |
| 9 Person  |  | 69,900 | 23,300 | 34,950 | 46,600 | 58,250 | 81,550 | 93,200  | 97,860  |
| 10 Person |  | 73,860 | 24,620 | 36,930 | 49,240 | 61,550 | 86,170 | 98,480  | 103,404 |
| 11 Person |  | 77,880 | 25,960 | 38,940 | 51,920 | 64,900 | 90,860 | 103,840 | 109,032 |
| 12 Person |  | 81,840 | 27,280 | 40,920 | 54,560 | 68,200 | 95,480 | 109,120 | 114,576 |

**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)  |    | 874    | 291    | 437    | 583    | 728    | 1,020  | 1,166  | 864   | 728           | 864            |
| 1 Bedroom (1.5)   |    | 936    | 312    | 468    | 624    | 780    | 1,092  | 1,249  | 907   | 780           | 907            |
| 2 Bedrooms (3.0)  |    | 1,123  | 374    | 561    | 749    | 936    | 1,310  | 1,498  | 1,042 | 936           | 1,042          |
| 3 Bedrooms (4.5)  |    | 1,298  | 432    | 649    | 865    | 1,081  | 1,514  | 1,731  | 1,386 | 1,081         | 1,373          |
| 4 Bedrooms (6.0)  |   | 1,449  | 483    | 724    | 966    | 1,207  | 1,690  | 1,932  | 1,684 | 1,207         | 1,513          |
| 5 Bedrooms (7.5)  |  | 1,598  | 532    | 799    | 1,065  | 1,331  | 1,864  | 2,131  |       | 1,331         | 1,650          |

**Before using the numbers from the Rent & Income Limit Calculator<sup>®</sup>, 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<sup>®</sup> 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<sup>®</sup> 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<sup>®</sup> 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<sup>®</sup> 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<sup>®</sup> 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<sup>®</sup> 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](http://www.huduser.org/portal/datasets/il/il14/index_il2014.html)

#### **Terms of Use:**

**Utility allowances are inputted by the user and are not reviewed or verified by Novogradac & Company LLP. Novogradac & Company LLP provides no assurance of the accuracy of the particular results you may obtain from the Rent & Income Limit Calculator©; which is designed only to be a quick reference tool and is no substitute for professional tax and accounting advice. The Rent & Income Limit Calculator© should not be used for any final financial decisions. IRS guidelines and actual HUD amounts should be used for any final decisions. Novogradac & Company LLP does not guarantee the accuracy of the amounts shown above. As**

**consideration for your use of this tool, free of any requirement to pay any related monetary compensation to Novogradac & Company LLP, you agree to hold Novogradac & Company LLP harmless from any damages and claims related to use of the Rent & Income Limit Calculator©. If you do not agree with the terms of this paragraph, you may not use the Rent & Income Limit Calculator©.**

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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       |                |
|--|-------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Richmond, VA MSA<br>FY 2018 MFI: 83200   | VERY LOW INCOME<br>60% INCOME LIMIT | 29150<br>34980 | 33300<br>39960 | 37450<br>44940 | 41600<br>49920 | 44950<br>53940 | 48300<br>57960 | 51600<br>61920 | 54950<br>65940 |
| Roanoke, VA HMFA<br>FY 2018 MFI: 67200   | VERY LOW INCOME<br>60% INCOME LIMIT | 23550<br>28260 | 26900<br>32280 | 30250<br>36300 | 33600<br>40320 | 36300<br>43560 | 39000<br>46800 | 41700<br>50040 | 44400<br>53280 |
| Staunton-Waynesboro, VA MSA<br>FY 2018 MFI: 64300                                  | VERY LOW INCOME<br>60% INCOME LIMIT | 22550<br>27060 | 25750<br>30900 | 28950<br>34740 | 32150<br>38580 | 34750<br>41700 | 37300<br>44760 | 39900<br>47880 | 42450<br>50940 |
|  | HERA Special 50%*                   | 22600          | 25800          | 29050          | 32250          | 34850          | 37450          | 40000          | 42600          |
|  | HERA Special 60%*                   | 27120          | 30960          | 34860          | 38700          | 41820          | 44940          | 48000          | 51120          |
| Virginia Beach-Norfolk-Newport News, VA-NC HMFA<br>FY 2018 MFI: 75000              | VERY LOW INCOME<br>60% INCOME LIMIT | 26250<br>31500 | 30000<br>36000 | 33750<br>40500 | 37500<br>45000 | 40500<br>48600 | 43500<br>52200 | 46500<br>55800 | 49500<br>59400 |
| Warren County, VA HMFA<br>FY 2018 MFI: 76700                                       | VERY LOW INCOME<br>60% INCOME LIMIT | 26850<br>32220 | 30700<br>36840 | 34550<br>41460 | 38350<br>46020 | 41450<br>49740 | 44500<br>53400 | 47600<br>57120 | 50650<br>60780 |
| Washington-Arlington-Alexandria, DC-VA-MD HMFA<br>FY 2018 MFI: 117200              | VERY LOW INCOME<br>60% INCOME LIMIT | 41050<br>49260 | 46900<br>56280 | 52750<br>63300 | 58600<br>70320 | 63300<br>75960 | 68000<br>81600 | 72700<br>87240 | 77400<br>92880 |
| Winchester, VA-WV MSA<br>FY 2018 MFI: 71100  | VERY LOW INCOME<br>60% INCOME LIMIT | 24900<br>29880 | 28450<br>34140 | 32000<br>38400 | 35550<br>42660 | 38400<br>46080 | 41250<br>49500 | 44100<br>52920 | 46950<br>56340 |
|  | HERA Special 50%*                   | 27100          | 30950          | 34800          | 38650          | 41750          | 44850          | 47950          | 51050          |
|  | HERA Special 60%*                   | 32520          | 37140          | 41760          | 46380          | 50100          | 53820          | 57540          | 61260          |
| Accomack County, VA<br>FY 2018 MFI: 52500  | VERY LOW INCOME<br>60% INCOME LIMIT | 19600<br>23520 | 22400<br>26880 | 25200<br>30240 | 27950<br>33540 | 30200<br>36240 | 32450<br>38940 | 34700<br>41640 | 36900<br>44280 |
| Alleghany County-Clifton Forge city-Covington city, VA HNMFA<br>FY 2018 MFI: 57200 | VERY LOW INCOME<br>60% INCOME LIMIT | 20050<br>24060 | 22900<br>27480 | 25750<br>30900 | 28600<br>34320 | 30900<br>37080 | 33200<br>39840 | 35500<br>42600 | 37800<br>45360 |
| Bath County, VA<br>FY 2018 MFI: 60300  | VERY LOW INCOME<br>60% INCOME LIMIT | 21150<br>25380 | 24150<br>28980 | 27150<br>32580 | 30150<br>36180 | 32600<br>39120 | 35000<br>42000 | 37400<br>44880 | 39800<br>47760 |
| Bland County, VA<br>FY 2018 MFI: 62500   | VERY LOW INCOME<br>60% INCOME LIMIT | 21900<br>26280 | 25000<br>30000 | 28150<br>33780 | 31250<br>37500 | 33750<br>40500 | 36250<br>43500 | 38750<br>46500 | 41250<br>49500 |
| Brunswick County, VA<br>FY 2018 MFI: 53100   | VERY LOW INCOME<br>60% INCOME LIMIT | 19600<br>23520 | 22400<br>26880 | 25200<br>30240 | 27950<br>33540 | 30200<br>36240 | 32450<br>38940 | 34700<br>41640 | 36900<br>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.