

AMARKET FEASIBILITY STUDY OF: URBANA AT HIOAKS

A MARKET FEASIBILITY STUDY OF: URBANA AT HIOAKS

6850 Atmore Dr. RICHMOND, RICHMOND CITY, VIRGINIA 23225

Effective Date: October 5, 2020 Report Date: October 26, 2020

Prepared for: Mr. RJ Pasquesi KCG Development 11555 N Meridian Street, Suite 400 Carmel, IN 46032

Assignment Code: 1022928

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October 26, 2020

Mr. RJ Pasquesi KCG Development 11555 N Meridian Street, Suite 400 Carmel, IN 46032

Re: Application Market Study for Urbana at Hioaks, a proposed LIHTC project in Richmond, VA

Dear Mr. Pasquesi:

At your request, Novogradac Consulting LLP has performed a study of the multifamily rental market in the Richmond, Virginia area relative to the above-referenced proposed Low-Income Housing Tax Credit (LIHTC) project.

The purpose of this market study is to assess the viability of Urbana at Hioaks (Subject), a proposed new construction Low-Income Housing Tax Credit (LIHTC) multifamily development. The Subject will offer a total of 216 one-, two-, and three-bedroom units restricted to households earning 60 percent of the Area Median Income (AMI) or less. The Subject will be new construction. It should be noted that we previously completed a preliminary market analysis for the Subject with an effective date of June 5, 2020. We have performed no other services in relation to the Subject in the three-year period immediately preceding the effective date of this report. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions.

The scope of this report meets the requirements of Virginia Housing Development Authority, including the following:

- Analyzing the appropriateness of the proposed unit mix, rent levels, unit and complex amenities, and site.
- In-person inspection of the Subject site and its general location.
- Estimating the market rents, absorption rates and stabilized occupancy levels for the market area.
- Investigating the general economic health and conditions of the multifamily rental market.
- Estimating the number of income-eligible households and performing an analysis of relevant demographic demand for the Subject.
- Complete a by-bedroom capture rate analysis that analyzes the level of potential income-eligible tenants in the Primary Market Area.
- Reviewing relevant public records and contacting appropriate public agencies.
- Analysis of the economic and social conditions in the market area, in relation to the project.
- Establishing the Subject's Primary Market Area, if applicable.
- Surveying competing projects, both LIHTC and market-rate.

Novogradac Consulting LLP adheres to the market study guidelines promulgated by the National Council of Housing Market Analysts (NCHMA). The NCHMA certification and checklist can be found in the Addenda of this report. Please refer to the checklist to find the sections in which content is located.

This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The depth of discussion contained in the report is specific to the needs of the client.

KCG Development is the client in this engagement and intended user of this report. Furthermore, VVirginia Housing is an authorized user of this market study and Virginia Housing may rely on representations made herein. As our client KCG Development owns this report and permission must be granted from them before another third party can use this document. We assume that by reading this report another third party has accepted the terms of the original engagement letter including scope of work and limitations of liability. We are prepared to modify this document to meet any specific needs of the potential uses under a separate agreement.

The Stated Purpose of this assignment is to assist with underwriting and for submittal to Virginia Housing for the purposes of obtaining LIHTC funding. You agree not to use the Report other than for the Stated Purpose, and you agree to indemnify us for any claims, damages or losses that we may incur as the result of your use of the Report for other than the Stated Purpose. Without limiting the general applicability of this paragraph, under no circumstances may the Report be used in advertisements, solicitations and/or any form of securities offering.

The authors of this report certify that we are not part of the development team, owner of the Subject property, general contractor, nor are we affiliated with any member of the development team engaged in the development of the Subject property or the development's partners or intended partners. Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac Consulting LLP can be of further assistance. It has been our pleasure to assist you with this project.

Respectfully Submitted,

Novogradac Consulting LLP

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COVID-19

In the wake of the COVID-19 pandemic there has been significant turmoil and uncertainty. Governments across the globe are taking dramatic efforts reduce the strain on health care systems. These efforts result in extensive impacts to economic activity. However, governments are also implementing significant economic stimulus packages to help with this economic disruption. At this point is it unclear how long it will be before the emergency restrictions are lifted or loosened or how effectively the stimulus packages will blunt the impact from the emergency measures. Further it is unclear as to how these measures will impact the specific housing market surrounding the Subject. However, some trends are clear:

- 1.) Clients and market participants throughout the country report April through October collections that were better than expected for all types of multifamily properties. According to the October 13, 2020 article by National Multifamily Housing Council's Rent Payment Tracker, NMHC found that 86.8 percent of renter households paid their October rent in full or made a partial payment by October 13, 2020, generally similar to the 86.2 percent that made full or partial payments by the 13th of September. Additionally, October 2020 rent payments decreased 2.4 percentage points relative to October 2019. The National Multifamily Housing Council (NMHC) is a leading provider of research and data analysis for the national multifamily housing industry. NMHC offers the Rent Payment Tracker, a publicly-available tool that provides insight into changes in nationwide resident rent payment behavior over the course of each month. NMHC's Rent Payment Tracker releases metrics on the nationwide percentage of renters that make full or partial rent payments, based on findings from its survey of more than 11.5 million units of professionally-managed market rate apartment households. While the previous optimism is tempered by October realism, a significant change in the market is not yet discernible and we continue to be relatively optimistic about the market's ability to weather the current economic storm.
- 2.) Based upon various conversations with market participants and published articles and webinars many believe that multifamily real estate will be impacted but significantly less so than other sectors. Further, the impact is expected be shorter lived. Many view multifamily as a safer haven during this period of uncertainty. The Subject's Section 8 HAP contract, which covers 246 of its 250 units, provides security and stability of income. Additionally, the Subject's proposed renovations will not be completed until 2021, at which point the market is expected to be stabilized or have less uncertainty.
- 3.) Novogradac maintains a proprietary database of operating results from our surveys of affordable and market rate properties. The database was implemented in 2005 and contains over 100,000 individual properties. The national occupancy rate for two-bedroom, 60 percent LIHTC properties dipped slightly during the Great Recession, but began a rebound after 2009. In 2008, the occupancy rate was at 96.3 percent and it dropped less than one percentage point during the slowdown, dropping to 95.4 percent in 2009 before beginning a gradual increase that slowed between 2016 and 2018 but continued through 2019. While this recession will undoubtedly be different than the last, this performance supports the points made above and illustrates the resilience in the affordable housing sector.
- 4.) The state of Virginia has allowed a majority of businesses, including restaurants, bars, gyms, salons, retail, office spaces, theme parks, outdoor recreation, and sports to resume operations with capacity restrictions and social distancing protocols.
- 5.) Finally, there have been transactions that were started prior to shut-down that have recently closed without adjustment.

TABLE OF CONTENTS

l.	Executive Summary	1
	Executive Summary	1
II.	Introduction and Scope of Work	6
	Introduction and Scope of Work	7
III.	Project Description	8
	Project Description	9
IV.	Location	15
	Location	16
٧.	Market Area Definition	24
	Market Area	25
VI.	Employment and Economy	27
	Economic Analysis	28
VII.	Demographic Characteristics	35
	Demographic Characteristics	36
VIII.	Competitive Environment	43
	Housing Summary	44
	Survey of Comparable Properties	48
	Market Characteristics	54
IX.	Affordability Analysis, Demand Analysis, Capture Rates and Penetration Rates	63
	Affordability Analysis, Demand Analysis, Capture rates, and Penetration Rates	64
	Capture Rate Analysis by Unit Type	67
	Annual Capture Rate Analysis	72
	VIRGINIA HOUSING Demand Analysis	73
	Penetration Rate Analysis	75
Χ.	Local Perspectives of Rental Housing Market and Housing Alternatives	77
	Interviews	
ΧI	Analysis/Conclusions	78
XII.	Other Requirements	82

ASSUMPTIONS AND LIMITING CONDITIONS

ADDENDA

Statement of Qualifications
Data Sources
NCHMA Certification and Checklist
Utility Allowance Schedule
Subject and Neighborhood Photographs
Site and Floor Plans
Subject Matrices and Property Profiles

I. EXECUTIVE SUMMARY	

EXECUTIVE SUMMARY

Subject Site Location:

The Subject will be located at 6850 Atmore Drive in Richmond, Virginia 23225. An aerial photo of the Subject site is shown below.



Surrounding Land Uses:

The Subject site is located in southwestern Richmond near the intersection of Chippenham Parkway/VA-150 and Midlothian Turnpike/US-60. The Subject site has fair visibility from Atmore Drive. Land use to the north consists of Sterling Beaufont Apartments, a market rate multifamily property that was included as a comparable property in this report. Land uses to the west of the Subject consist of a state government office building and an assisted living facility. Land uses to the south of the Subject consist of commercial uses, including multiple office buildings and a hotel, as well as a religious use. Land uses to the east of the Subject consist of Reserve South Apartments, a market rate multifamily property that was included as a comparable property in this report, as well as commercial uses, including office space, warehouse space, and a construction contractor. Overall, surrounding land uses appear in average overall condition.

Site Description:

The Subject site is irregular in shape and will be accessible from Atmore Drive. The proposed Subject site currently consists of undeveloped wooded land and offers a total lot size of approximately 12.27 acres, or approximately 534,481 square feet, according to the site plan provided by the client. The site exhibits generally level topography and is not located in a flood plain. Upon completion, the Subject site will be improved with one four-story midrise residential



building with elevator service, as well as five three-story garden-style residential buildings.

Proposed Rents:

The following table details the proposed rents for the Subject's units.

PROPOSED RENTS

Unit Type	Design	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2020 LIHTC Maximum Allowable Gross Rent	2020 HUD Fair Market Rents
				@60%				
1BR / 1BA	Midrise	760	40	\$885	\$121	\$1,006	\$1,006	\$932
2BR / 2BA	Garden	1,010	96	\$1,059	\$148	\$1,207	\$1,207	\$1,061
2BR / 2BA	Midrise	994	24	\$1,059	\$148	\$1,207	\$1,207	\$1,061
2BR / 2BA	Midrise	1,008	10	\$1,059	\$148	\$1,207	\$1,207	\$1,061
3BR / 2BA	Garden	1,175	24	\$1,220	\$175	\$1,395	\$1,395	\$1,410
3BR / 2BA	Midrise	1,165	16	\$1,220	\$175	\$1,395	\$1,395	\$1,410
3BR / 2BA	Midrise	1,207	6	\$1,220	\$175	\$1,395	\$1,395	\$1,410
			216					

Notes (1) Source of Utility Allowance provided by the Developer.

Once placed in service, the Subject will restrict all of its 216 units to households earning 60 percent of AMI or less. The proposed LIHTC asking rents are at the 2020 maximum allowable levels for all unit types.

Scope of Construction:

The Subject site currently consists of undeveloped, wooded land. The proposed Subject will be new construction. The construction timeline was requested but not provided by the client. The Subject site will be improved with one four-story, elevator-serviced midrise building and five three-story garden-style buildings. The Subject will offer 40 one-, 130 two-, and 46 three-bedroom affordable units.

Target Household Income Levels:

Based on the proposed unit mix and rent levels, the range of annual household income levels is depicted below, as proposed and absent subsidy. The household size will range from one to five persons and all units will target general tenancy.

FAMILY INCOME LIMITS

	Minimum	Maximum
Unit Type	Allowable	Allowable
	Income	Income
	@6	0%
1BR	\$34,491	\$42,960
2BR	\$41,383	\$48,300
3BR	\$47,829	\$57,960

Economic Conditions

Employment in the PMA is concentrated in the healthcare/social assistance, retail trade, and educational services industries, which collectively comprise 36.1 percent of local employment. The large share of PMA employment in retail trade is notable as this industry is historically volatile, and prone to contraction during economic downturns. However, the PMA also has a significant share of employment in the healthcare industry,



which is historically known to exhibit greater stability during recessionary periods. The MSA has outperformed the nation in terms of both total employment and unemployment rate since 2012, and both metrics reached record highs and lows in 2019, respectively. However, as of August 2020, the MSA has experienced a year-over-year employment decline of 5.4 percent, and a 12-month increase of 3.8 percentage points in the unemployment rate.

Overall, the MSA economy was in an expansion phase, but currently appears to be experiencing a contraction due to the impact of COVID-19. It should be noted that the MSA economy has continued to outperform the nation, which reported a decline of 6.7 percent in total employment and an increase of 4.7 percentage points in the unemployment rate in the 12-month period ending August 2020.

Primary Market Area

The Subject site is located in southwestern Richmond, near the intersection of Chippehnam Parkway/VA-150 and Midlothian Turnpike/US-60. The boundaries of the PMA are defined as the James River to the north; Chippenham Parkway/VA-150 and Huguenot Road/VA-147 to the west; Hull Street Road/US-360 and Chippenham Parkway/VA-150 to the south; and Interstate 95 to the east. The PMA encompasses approximately 56 square miles, and was primarily devised based on our conversations with local property managers. We also considered commuting pattern data provided by the US Census Bureau. Management at the most of the rent comparables noted that the majority of their tenants originate from within the greater Richmond metro area. We have estimated that 10 percent of the Subject's tenants will come from outside of the PMA boundaries.



Demographic Data

The population in the PMA increased by 12.0 percent between 2000 and 2019, compared to the 23.4 percent increase in the regional MSA and 18.2 percent increase across the overall nation. The percentage of renter households in the PMA remained relatively stable between 2010 and 2019, and is estimated to be 46.2 percent as of 2019. This is more than the estimated 33 percent of renter households across the overall nation. As of 2019, the median income in the PMA is below the surrounding MSA. Median household income growth in the PMA exceeded the MSA between 2000 and 2019. Income growth in both geographic areas exceeded the overall nation during this time period. In particular, median income in the PMA rose from 70 percent of the national median income in 2000 to 87 percent in 2019. Overall, the combination of rising population and household income levels bodes well for future demand for multifamily housing.

Vacancy

The following table summarizes overall weighted vacancy levels at the surveyed properties.

OVERALL VACANC	Υ
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Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Creekpointe*	LIHTC	Family	214	0	0.0%
Genito Glen*	LIHTC	Family	102	0	0.0%
lvy Walk I	LIHTC	Family	126	6	4.8%
lvy Walk II	LIHTC	Family	122	7	5.7%
Port City Apartments	LIHTC	Family	135	2	1.5%
Colony At Centerpointe*	Market	Family	255	9	3.5%
Element At Stonebridge	Market	Family	400	24	6.0%
Link Apartments Manchester	Market	Family	183	17	9.3%
Reserve South Apartments	Market	Family	200	5	2.5%
Sterling Beaufont Apartments	Market	Family	312	7	2.2%
Total LIHTC			699	15	2.1%
Total Market Rate			1,350	62	4.6%
Overall Total			2,049	77	3.8%

^{*}Located outside of the PMA

The comparables reported vacancy rates ranging from zero to 9.3 percent, with an overall weighted average of 3.8 percent. Managers at two of the five LIHTC properties reported being fully occupied. The average vacancy rate reported by the affordable comparables was 2.1 percent, well below the 4.6 percent average reported by the market rate properties. Additionally, three of the five LIHTC comparables reported waiting lists, and all five LIHTC comparables reported no major negative impacts from the COVID-19 pandemic. All of the market rate properties reported vacancy rates of 9.3 percent or lower, and four of the five market rate comparables reported vacancy of 6.0 percent or lower. The contact at Link Apartments Manchester, which reported the highest vacancy rate among the comparables, did not provide insight into the relatively high vacancy rate, but did note that the impact of COVID-19 has lead to a small decrease of approximately five percent in asking rents. The remaining market rate comparables reported no major negative impacts from COVID-19. Based on the performance of the LIHTC comparables, we expect the Subject will operate with a vacancy rate of approximately three percent or less over a typical investment period.



Absorption Estimate

One comparable, Port City Apartments, reported recent absorption data. For support, we have included absorption data for other recently constructed multifamily properties in the Subject's broader market area, as follows.

ABSORPTION

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Canopy At Ginter Park	Market	Family	2019	301	16
The Village At Westlake	Market	Family	2018	252	42
Port City Apartments	LIHTC	Family	2018	135	22
The Lofty	Market	Family	2015	33	7
Hatcher Tobacco Flats	LIHTC	Family	2015	152	43
Colony At Centerpointe	Market	Family	2015	255	21
Shockoe Valley View Apartments	Market	Family	2014	238	30
Belle Summit	LIHTC	Family	2014	50	25
Somanath Senior	LIHTC	Family	2013	38	38
Link Apartments Manchester	Market	Family	2012	183	19
City View Place	LIHTC	Family	2012	32	32
LIHTC Average					32
Market Average					22
Overall Average					27

As illustrated above, the reported absorption rates in the Richmond market area range from seven to 43 units per month, with an average of 27 units per month. The LIHTC properties reported an average absorption rate of 32 units per month, higher than the market rate average of 22 units per month.

Based on the performance of the LIHTC properties, we have estimated that the Subject would absorb approximately 30 units per month, equating to a lease-up period of seven to eight months to reach stabilized occupancy. With the assumption that the Subject begins preleasing units prior to the completion of construction, it appears feasible that the Subject's market-entry would facilitate a more expedient lease-up, given its affordable nature and excellent condition as completed. It should be noted that we do not expect the Subject's absorption to adversely impact other existing LIHTC properties, which are primarily fully occupied or stabilized with waiting lists.

Demand

The Novoco demand analysis illustrates demand for the Subject based on capture rates of income-eligible renter households. When viewing total income-eligible renter households the calculation illustrates overall capture rate of 3.1 percent.

DEMAND CONCLUSION

Calculation	As Proposed
@60%	3.1%
Annual Demand	6.6%

To provide another level of analysis, we removed the households from the income-eligible renter demand pool that are currently suitably housed elsewhere in the PMA. We conducted an *annual demand analysis*, which is based on new income-eligible renter households moving into the area (in the Subject's first year of operation only) and those income-eligible renter households that are rent-overburdened (paying over 35 percent of income to living costs). This is a subset of the income-eligible renter households used previously and yields a far more conservative annual capture rate. Novoco's annual capture rate is 6.6 percent as proposed for the first year of operation. This suggests that the Subject will need to capture only a fraction of the available



demand in its first year of operation in order to stabilize in either scenario. This implies that no demand will be accommodated that is currently suitably housed elsewhere.

This calculation illustrates that there are approximately 3,124 units of demand in the first year of the Subject's operation, as proposed and absent subsidy respectively. The Subject's units will need to accommodate 205 total units of demand in order to stabilize at 95 percent occupancy. Any unaccommodated households will most likely leave the PMA or remain severely rent-overburdened. The lack of available units will force many to look elsewhere.

The Virginia Housing net demand and capture rate table illustrates demand for the Subject based on capture rates of income-eligible renter households. The following table illustrates the conclusions from this table.

VIRGINIA HOUSING DEMAND AND NET DEMAND

	HH at @60% AMI (\$34,491 to \$57,960)	Overall Demand
Demand from New Households (age and income appropriate)	5	5
PLUS	+	+
Demand from Existing Renter Housholds - Rent Overburdened Households	3,239	3,239
PLUS	+	+
Demand from Existing Renter Households - Substandard Housing	132	132
=	=	=
Equals Total Demand	3,377	3,377
Less	-	-
New Supply (Directly comparable vacant or proposed in PMA)	499	499
Equals Net Demand	2,878	2,878
Proposed Units	216	216
CAPTURE RATE	7.5%	7.5%

Project Wide Capture Rate - All Units	7.5%
Project Wide Absorption Period	7-8 months

This is a strong capture rate and indicative of ample demand for the Subject, and once-complete, the proposed project will facilitate a rapid absorption.



Strengths

- The Subject will offer excellent condition as new construction, similar to superior to the comparable properties;
- The Subject will be considered similar to slightly superior to the majority of the comparables in terms of property amenities and unit sizes;
- The Subject will offer midrise and garden-style design, similar to slightly superior to the majority of the comparables;
- The Subject's location is in close proximity to most major locational amenities, and offers good accessibility;
- The Subject's proposed LIHTC rents at 60 percent of AMI appear reasonable and achievable, and offer a significant market rent advantage;
- Demand for the Subject appears strong, with good capture rates and an adequate penetration rate.

Weaknesses

• While generally expected to be competitive in the market, the Subject's unit amenities will be similar to inferior to the majority of the comparables.

Recommendations

The Subject will be well-positioned in the market. As a newly constructed property, the Subject will be in superior condition to most of the comparable properties. The market exhibits strong demand for affordable housing, with a weighted average vacancy rate of 2.1 percent at the comparable LIHTC properties. Three of the five LIHTC comparables reported currently maintaining a waiting list. Vacancy loss at the Subject is expected to be no more than three percent over a typical investment period. Based on the comparable data, we believe the proposed rental rates, which are at the 2020 LIHTC maximum allowable levels, are achievable at 60 percent of AMI. The Subject will be well-accepted in the market as a newly-constructed LIHTC property, and the concluded achievable LIHTC rents offer a significant market rent advantage.



II. INTRODUCTION AND SCOPE OF WORK

INTRODUCTION AND SCOPE OF WORK

Report Description: Novogradac Consulting LLP has performed a comprehensive market

study of the multifamily rental market in the Richmond, Virginia area relative to Urbana at Hioaks, a proposed 216-unit new construction LIHTC development. The Subject is proposed to be financed through

Virginia Housing's four percent LIHTC program.

Developer/Client Information: KCG Development.

Intended Use and Users of the

Report:

The report will be submitted to Virginia Housing for application purposes. The intended users of the report are Virginia Housing and KCG Development.

Scope of the Report:

• Analyzing the appropriateness of the proposed unit mix, rent levels, unit and complex amenities, and site.

In-person inspection of the Subject site and its general location.

 Estimating the market rents, absorption rates and stabilized occupancy levels for the market area.

 Investigating the general economic health and conditions of the multifamily rental market.

 Estimating number of income-eligible households and performing an analysis of relevant demographic demand for the Subject.

 Complete a by-bedroom capture rate analysis that analyzes the level of potential income-eligible tenants in the Primary Market Area.

Reviewing relevant public records and contacting public agencies.

 Analysis of the economic and social conditions in the market area, in relation to the project.

Establishing the Subject's Primary Market Area, if applicable.

Surveying competing projects, both LIHTC and market-rate.

Effective Date: The Subject site was most recently inspected by Zarina Ismailova on

October 5, 2020, which shall serve as the effective date of this report.

Primary Contacts for the Report: Brad Weinberg - Brad.Weinberg@novoco.com;

Lindsey Sutton - Lindsey.Sutton@novoco.com;
Garrett Rogerson - Garrett.Rogerson@novoco.com;

NOVOGRADAC,



PROJECT DESCRIPTION

The project description will discuss the physical features of the Subject site, the proposed unit mix and rents.

Subject Property Description: Urbana at Hioaks, the Subject, is a proposed 216-unit LIHTC

multifamily development located in southwestern Richmond, VA. The Subject will offer 40 one-, 130 two-, and 46 three-

bedroom units at 60 percent of AMI, or less.

Construction Type: The Subject is a proposed new construction LIHTC

development to be funded under the four percent LIHTC program. Once completed, the Subject will be improved with a one four-story midrise residential building, five three-story garden-style residential buildings, and off-street parking. The Subject will exhibit excellent curb appeal and functional layout

upon completion.

Target Population and Occupancy Type: The Subject will be set-aside for low-income households

restricted to households earning 60 percent of the AMI or less. Based on the unit mix and proposed rent levels, the qualified annual incomes for the Subject's proposed units will range

from \$64,491 to \$57,960 as a LIHTC property.

Proposed Rents: The following table details proposed rents for the Subject's

units based on the developer's pro forma.

PROPOSED RENTS

Unit Type	Design	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2020 LIHTC Maximum Allowable Gross Rent	2020 HUD Fair Market Rents
				@60%				
1BR / 1BA	Midrise	760	40	\$885	\$121	\$1,006	\$1,006	\$932
2BR / 2BA	Garden	1,010	96	\$1,059	\$148	\$1,207	\$1,207	\$1,061
2BR / 2BA	Midrise	994	24	\$1,059	\$148	\$1,207	\$1,207	\$1,061
2BR / 2BA	Midrise	1,008	10	\$1,059	\$148	\$1,207	\$1,207	\$1,061
3BR / 2BA	Garden	1,175	24	\$1,220	\$175	\$1,395	\$1,395	\$1,410
3BR / 2BA	Midrise	1,165	16	\$1,220	\$175	\$1,395	\$1,395	\$1,410
3BR / 2BA	Midrise	1,207	6	\$1,220	\$175	\$1,395	\$1,395	\$1,410
			216					

Notes (1) Source of Utility Allowance provided by the Developer.

Once placed in service, the Subject will restrict all 216 units to family households earning 60 percent of AMI or less. The proposed LIHTC rents are at the 2020 maximum allowable levels for all unit types.

Assisted Housing Program: The Subject will not operate with assisted housing programs.

Construction Date: The proposed construction timeline was requested but not

provided by the client.

Target Household Income Levels: Based on the proposed restrictions, the range of annual

household income levels is depicted below.



FAMILY INCOME LIMITS

	Minimum	Maximum
Unit Type	Allowable	Allowable
	Income	Income
	@6	0%
1BR	\$34,491	\$42,960
2BR	\$41,383	\$48,300
3BR	\$47,829	\$57,960

Utility Structure:

According to the client, the tenant will be responsible for all electric utility expenses, as well as water and sewer expenses, while the landlord will be responsible for trash expenses. The following utility allowances took effect on January 1, 2019 as published by the Richmond Redevelopment and Housing Authority, and apply to multifamily buildings with five or units in Richmond. The utility allowances are detailed below.

HOUSING AUTHORITY UTILITY ALLOWANCE

UTILITY AND SOURCE	Paid By	1BR	2BR	3BR
Heating - Electric	Tenant	\$16	\$21	\$24
Cooking - Electric	Tenant	\$5	\$8	\$10
Other Electric	Tenant	\$27	\$35	\$43
Air Conditioning	Tenant	\$8	\$11	\$15
Water Heating - Electric	Tenant	\$13	\$17	\$20
Water	Tenant	\$23	\$35	\$54
Sewer	Tenant	\$37	\$52	\$75
Trash	Landlord	\$19	\$19	\$19
TOTAL - Paid By Landlord		\$19	\$19	\$19
TOTAL - Paid By Tenant		\$129	\$179	\$241
TOTAL - Paid By Tenant Provided by	\$121	\$147	\$174	
DIFFERENCE		94%	82%	72%

Source: Richmond Redevelopment and Housing Authority, effective 1/2019

We were provided with preliminary utility allowance estimates for the Subject dated September 16, 2020, performed by Viridiant. The Subject's project-specific utility allowances are \$121, \$148, and \$175 for the one-, two-, and three-bedroom LIHTC units, respectively. A copy of the preliminary utility allowance is included in the *Addendum* of this report.

Unit Mix:

The following table illustrates the Subject's proposed unit mix and unit sizes, as provided by the developer:



UNIT MIX AND SQUARE FOOTAGE

Unit Tuno	Number of	Unit Size	Net Leasable
Unit Type	Units	(SF)	Area
1BR / 1BA	40	760	30,400
2BR / 2BA	96	1,010	96,960
2BR / 2BA	24	994	23,856
2BR / 2BA	10	1,008	10,080
3BR / 2BA	24	1,175	28,200
3BR / 2BA	16	1,165	18,640
3BR / 2BA	6	1,207	7,242
TOTAL	216		215,378

Net Leasable Area:

The net leasable area totals approximately 215,378 square feet, as outlined above.

Unit Amenities:

The Subject's units will offer balcony/patios, blinds, carpet/vinyl plank flooring, central air conditioning, coat closets, walk-in closets, washer/dryer hookups, garbage disposals, microwaves, dishwashers, ovens, and refrigerators. The Subject will not offer ceiling fans, which the majority of the comparables offer; however, the majority of the comparables do not offer vinyl plank flooring. Overall, the Subject's unit amenities are considered generally competitive, ranging from slightly inferior to slightly superior to the LIHTC comparables, and inferior to slightly superior to the market rate comparables.

Common Area Amenities:

The Subject will offer a business center, community room, central laundry facility, on-site management, exercise facility, playground, swimming pool, picnic area, recreation area, and common area Wi-Fi. The majority of the comparables do not offer a business center, central laundry facility, recreational area, or common area Wi-Fi. Overall, the Subject's unit amenities are considered generally competitive, ranging from slightly superior to superior to the LIHTC comparables, and similar to slightly superior to the market rate comparables.

Parking:

According to the site plan provided by the client, the Subject will offer 425 uncovered off-street parking spaces, which equates to approximately 1.96 spaces per unit. We believe the amount of proposed parking is adequate based on the unit mix and target population.

Number of Stories and Buildings:

Upon completion, the Subject site will be improved with one four-story, elevator-serviced midrise residential building and four three-story garden-style buildings. According to the site plan provided by the client, the total building area will be 314,600 square feet.

Americans with Disabilities Act of 1990:

As new construction, we assume the property will not have any violations of the Americans with Disabilities Act of 1990.



Quality of Construction Condition and **Deferred Maintenance**:

We anticipate that the Subject will be constructed using goodquality materials. As new construction, the Subject will not suffer from deferred maintenance and will be in excellent condition.

Functional Utility:

We were provided with preliminary Subject floor plans dated August 3, 2020. Based upon our review of the Subject floor plan, as well as the site inspection and local interviews, we believe the Subject will be functional upon completion, based on the intended use. Copies of the floor plans can be found in the *Addenda* of this report.

Conclusion:

The Subject property is a proposed 216-unit LIHTC development that will be in excellent condition following construction. As new construction with market-oriented floor plans, the Subject will not suffer from functional obsolescence and will provide good utility for its intended use. Additionally, the Subject will be amongst the newest supply of affordable housing in the market and will be superior to the existing supply of affordable housing.

Site and Architectural Plans:

We were provided with preliminary subject site and floor plans dated August 3, 2020 and October 16, 2020. A copy of the site and architectural plans are available in the addenda of this report.



PROPERTY PROFILE REPORT

Urbana At Hioaks

Effective Rent Date 10/05/2020

Location 6850 Atmore Dr

Richmond, VA 23225

Richmond City County

Distance N/A
Units 216
Vacant Units N/A
Vacancy Rate N/A

Type Various (4 stories)

Year Built/Renovated 2021 / N/A Marketing Began N/A

Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors N/A
Tenant Characteristics N/A
Contact Name N/A
Phone N/A



included

Market Information **Utilities** A/C @60% not included -- central Program **Annual Turnover Rate** N/A Cooking not included -- electric Units/Month Absorbed not included -- electric N/A Water Heat **HCV** Tenants N/A Heat not included -- electric Leasing Pace Other Electric not included N/A Annual Chg. in Rent N/A Water not included Concession N/A Sewer not included

Trash Collection

Unit Mix (face rent)												
Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	40	760	\$885	\$0	@60%	N/A	N/A	N/A	yes	None
2	2	Garden (3 stories)	96	1,010	\$1,059	\$0	@60%	N/A	N/A	N/A	yes	None
2	2	Midrise (4 stories)	24	994	\$1,059	\$0	@60%	N/A	N/A	N/A	yes	None
2	2	Midrise (4 stories)	10	1,008	\$1,059	\$0	@60%	N/A	N/A	N/A	yes	None
3	2	Garden (3 stories)	24	1,175	\$1,220	\$0	@60%	N/A	N/A	N/A	yes	None
3	2	Midrise (4 stories)	16	1,165	\$1,220	\$0	@60%	N/A	N/A	N/A	yes	None
3	2	Midrise (4 stories)	6	1,207	\$1,220	\$ 0	@60%	N/A	N/A	N/A	yes	None

Unit Mix

Waiting List

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$885	\$0	\$885	\$0	\$885
2BR / 2BA	\$1,059	\$0	\$1,059	\$0	\$1,059
3BR / 2BA	\$1,220	\$0	\$1,220	\$0	\$1,220

None

Urbana At Hioaks, continued

Amenities

In-Unit Balcony/Patio Blinds Carpeting Central A/C Coat Closet Dishwasher Garbage Disposal Microwave Oven Refrigerator Walk-In Closet Washer/Dryer hookup Security Services None

Premium Other Property

Business Center/Computer Lab Clubhouse/Meeting Room/Community Courtyard Elevators Exercise Facility Central Laundry Off-Street Parking On-Site Management Picnic Area Playground **Recreation Areas** Swimming Pool Wi-Fi

None Vinyl plank flooring

Comments

The project is a proposed new construction 4% LIHTC development in southwestern Richmond, VA. The project will consist of one four-story midrise building with elevator service and five three-story garden-style buildings. Specific unit counts for midrise and garden-style units were not available as of the effective date.

None

Urbana At Hioaks, continued

Trend Report

Vacancy Rates

2020 4020 N/A N/A

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Trend	ω	110/
	(ω_{1})	\

1101	iu.	0070				
1BR /	1BA					
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	2	N/A	\$885	\$0	\$885	\$885
2020	4	N/A	\$885	\$0	\$885	\$885
2BR /	2BA					
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	2	N/A	\$986	\$0	\$986	\$986
2020	4	N/A	\$1,059	\$0	\$1,059	\$1,059
3BR /	2BA					
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	2	N/A	\$1,221	\$0	\$1,221	\$1,221
2020	4	N/A	\$1,220	\$0	\$1,220	\$1,220

Trend: Comments

The project is a proposed new construction 4% LIHTC development in southwestern Richmond, VA. The project will consist of one four-story midrise building with elevator service and five three-story garden-style buildings. Specific unit counts for midrise and garden-style units were not available as of the effective date.

4Q20 N/A

Urbana At Hioaks, continued

Photos





IV. LOCATION

LOCATION

The location of a multifamily property can have a substantial negative or positive impact upon the performance, safety and appeal of the project. The site description will discuss the physical features of the site, as well as layout, access issues, and traffic flow.







Subject Site Location: The site consists of one irregularly shaped parcel in

southwestern Richmond. The Subject site has frontage along Atmore Drive. The Subject site is located immediately northeast of the intersection of Chippenham Parkway/VA-150, a major regional expressway, and Midlothian Turnpike/US-60, a major commercial thoroughfare in southwest Richmond and

Midlothian.

Size: According to the site plan provided by the client, the Subject

site is approximately 12.27 acres, or approximately 534,481

square feet.

Shape: The site is irregular in shape.

Frontage: The Subject site has frontage along Atmore Drive.

Topography: The site is generally level.

Utilities: All utilities are available to the site.

Visibility/Views: The Subject has average visibility from Atmore Road.

Surrounding Land Uses:

The Subject site is located in southwestern Richmond near the intersection of Chippenham Parkway/VA-150 and Midlothian Turnpike/US-60. The Subject site has fair visibility from Atmore Drive, Land use to the north consists of Sterling Beaufont Apartments, a market rate multifamily property that was included as a comparable property in this report. Land uses to the west of the Subject consist of a state government office building and an assisted living facility. Land uses to the south of the Subject consist of commercial uses, including multiple office buildings and a hotel, as well as a religious use. Land uses to the east of the Subject consist of Reserve South Apartments, a market rate multifamily property that was included as a comparable property in this report, as well as commercial uses, including office space, warehouse space, and a construction contractor. Overall, surrounding land uses appear in average overall condition.





VIEW FROM SITE FACING WEST ON ATMORE DRIVE



VIEW FROM SUBJECT SITE FACING EAST ON ATMORE DRIVE



VIEW OF SUBJECT SITE FROM ATMORE DRIVE



VIEW OF SUBJECT SITE FROM ARCADIA STREET (COMMERCIAL USE IN FOREGROUND)



OFFICE USE WEST OF SUBJECT SITE



COMMERCIAL USE EAST OF SUBJECT SITE







SINGLE-FAMILY RESIDENTIAL USE IN SUBJECT NEIGHBORHOOD MULTIFAMILY RESIDENTIAL USE IN SUBJECT NEIGHBORHOOD

Access and Traffic Flow:

The Subject will be accessible from Atmore Drive, a lightlytrafficked two-lane road running east-west. Midlothian Turnpike/US-60 is accessible approximately 0.3 mile south of the Subject site. Midlothian Turnpike/US-60 is a moderately to heavily trafficked, six-lane divided highway that runs east-west, and is a major commercial thoroughfare in southern Richmond. Chippenham Parkway/VA-150 is also accessible approximately 0.3 mile south of the Subject site. Chippenham Parkway/VA-150 is an eight-lane expressway connecting southern Richmond to several regional highways, including Powhite Parkway/VA-76 and Interstate 95. Additionally, the Subject is located approximately 0.3 mile from a bus stop on Midlothian Parkway/US-60. Overall, access and traffic flow are considered good.

Layout and Curb Appeal:

Summary of Subject Site Characteristics				
Visibility	Average			
Views	Average			
Access/Traffic Flow	Good			
Layout/Curb Appeal	Excellent			

Drainage:

Based on our inspection, no obvious detrimental drainage issues were identified. Novogradac did not perform any drainage tests, and we are not experts in this field; thus, further analysis is beyond the scope of this report.

Soil and Subsoil Conditions:

Novogradac did not perform any soil and subsoil test upon inspection of the site, as this is beyond the scope of work.. Novogradac did not perform any soil and subsoil reports; we are not experts in this field and assume the soil is adequate for development.

Environmental Assessment:

According to a Phase I Environmental Site Assessment prepared by Professional Service Industries, Inc., dated May 27, 2020, no



Recognized Environmental Conditions (REC) were identified in association with the Subject site. During our site inspection, we walked the Subject site and did not observe any obvious indicators of environmental contamination or adverse issues. Novogradac does not offer expertise in this field and cannot opine as to the adequacy of the soil conditions, drainage, or existence of adverse environmental issues. Further analysis is beyond the scope of this report.

Detrimental Uses:

No detrimental influences were identified during our site inspection.

Flood Plain:

According to FIRM Community Panel no. 5101290019D dated 04/02/2009, the Subject site is located in Zone X, an area outside of 100 and 500-year flood plains. Further analysis is beyond the scope of this report.

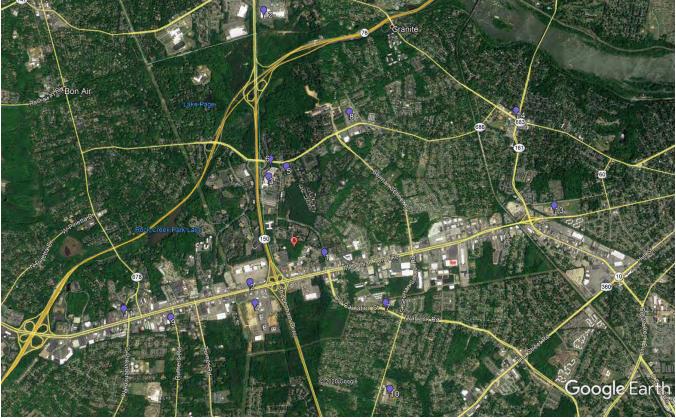
Locational Amenities:

The following table and map illustrate the Subject's proximity to necessary services. Map numbers correspond with the *Locational Amenities Map*, presented below.

LOCATIONAL AMENITIES

Map #	Service or Amenity	Distance from Subject (Crow)
1	Bus Stop	0.3 miles
2	Wells Fargo Bank	0.5 miles
3	HCA Virginia Health System Hospital	0.6 miles
4	Kroger Pharmacy	0.6 miles
5	Forest Hill Post Office	0.7 miles
6	Powhite Park	0.8 miles
7	Richmond Fire Station	0.9 miles
8	Lucile M. Brown Middle School	1.2 miles
9	Fresh To Frozen Grocery Store	1.2 miles
10	G H Reid Elementary School	1.4 miles
11	Chesterfield Count Police Department	1.5 miles
12	Target	2.0 miles
13	George Wythe High School	2.2 miles
14	Westover Hills Branch - Richmond Public Library	2.2 miles





Source: Google Earth, October 2020

Public Transportation:

Crime Statistics:

The GRTC Transit System provides public transportation for the greater Richmond, VA area, including parts of eastern Richmond. The nearest bus stop is located approximately 0.3 mile east of the Subject site on Carnation St and Atmore Dr. in Richmond, VA. The GRTC Transit System runs Monday through Friday. Typical fares are \$1.50 for one-way local routes.

The table below illustrates crime risk indices in the PMA and MSA in comparison to that of the overall nation. A crime index below 100 is below the national average and anything over 100 is above the nation's crime index average. A crime index of 75 in a PMA would be 25 percent below the national average while a crime rate of 200 is twice that of the national average.



2019 CRIME INDICES

	LO OITHINE HADIOLO	
	PMA	Richmond, VA Metropolitan Statistical Area
Total Crime*	118	103
Personal Crime*	114	100
Murder	270	198
Rape	93	89
Robbery	141	124
Assault	100	88
Property Crime*	118	104
Burglary	102	89
Larceny	126	110
Motor Vehicle Theft	94	87

Source: Esri Demographics 2019, Novogradac Consulting LLP, October 2020

As illustrated, total crime risk indices in the PMA are well below the MSA and the nation. The Subject will not offer any security features, similar to two of the comparables. The remaining comparables offer at least one security feature. However, based on conversations with property managers, the Subject's historical performance, and the very low crime indices within the PMA, we do not believe the Subject's lack of security features are a significant disadvantage.

Conclusion:

The Subject's neighborhood appears to be a good location for an existing affordable multifamily development. Many necessary locational amenities are located within 2.2 miles of the Subject property, including a pharmacy, bank, grocery store, and public transportation. The Subject is located in a neighborhood that consists primarily of residential uses, and the Subject is a compatible use to the existing neighborhood.



^{*}Unweighted aggregations

Urbana at Hioaks – Richmond, VA Source: Zarina Ismailova, Junior Analyst

Date: 10/5/2020





VIEW OF SUBJECT LOOKING WEST ON ATMORE DRIVE



VIEW OF SUBJECT LOOKING NORTH FROM ATMORE DRIVE



VIEW OF SUBJECT FROM ARCADIA STREET (COMMERCIAL USE IN FOREGROUND)



VIEW OF SUBJECT LOOKING EAST FROM ATMORE DRIVE



MEDICAL USE IN SUBJECT NEIGHBORHOOD

COMMERCIAL USE IN SUBJECT NEIGHBORHOOD

Urbana at Hioaks – Richmond, VA Source: Zarina Ismailova, Junior Analyst

Date: 10/5/2020





COMMERCIAL USE IN SUBJECT NEIGHBORHOOD





EDUCATIONAL USE IN SUBJECT NEIGHBORHOOD





MULTIFAMILY RESIDENTIAL USE IN SUBJECT NEIGHBORHOOD

MULTIFAMILY USE IN SUBJECT NEIGHBORHOOD

Urbana at Hioaks – Richmond, VA Source: Zarina Ismailova, Junior Analyst Date: 10/5/2020





SINGLE-FAMILY HOME IN SUBJECT NEIGHBORHOOD



SINGLE-FAMILY HOME IN SUBJECT NEIGHBORHOOD



SINGLE-FAMILY HOME IN SUBJECT NEIGHBORHOOD

SINGLE-FAMILY HOME IN SUBJECT NEIGHBORHOOD



MARKET AREA

For the purpose of this study, it is necessary to define the competitive primary market area (PMA), or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much "neighborhood oriented" and are generally very reluctant to move from the area where they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below market rents.

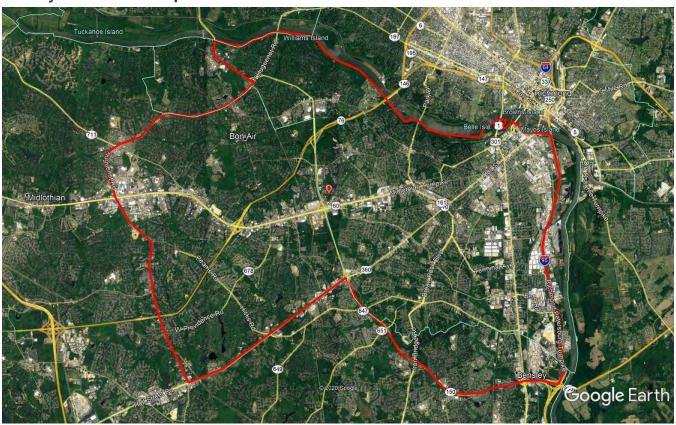
The Subject site is located in southwestern Richmond, near the intersection of Chippehnam Parkway/VA-150 and Midlothian Turnpike/US-60. The boundaries of the PMA are defined as the James River to the north; Chippenham Parkway/VA-150 and Huguenot Road/VA-147 to the west; Hull Street Road/US-360 and Chippenham Parkway/VA-150 to the south; and Interstate 95 to the east. The PMA encompasses approximately 56 square miles, and was primarily devised based on our conversations with local property managers. We also considered commuting pattern data provided by the US Census Bureau.

The secondary market area (SMA) is defined as the Richmond, VA MSA. The MSA consists of 13 counties in east-central Virginia, as well as the independent cities of Richmond, Petersburg, Hopewell, and Colonial Heights.

The PMA boundaries and overall market health assessment are based upon analyses of demographic and socioeconomic characteristics, target tenant population, political jurisdictional boundaries, natural boundaries, experience of nearby comparable developments, accessibility to mass transit or key transportation corridors and commute patterns, and market perceptions. No physical boundaries were identified that would inhibit anyone from relocating to the Subject. The market area boundaries identified are a reasonable approximation regarding the potential renter market for the Subject. Overall, we anticipate that the majority of the Subject's tenants will come from within the boundaries of the PMA. The following map outlines the PMA.

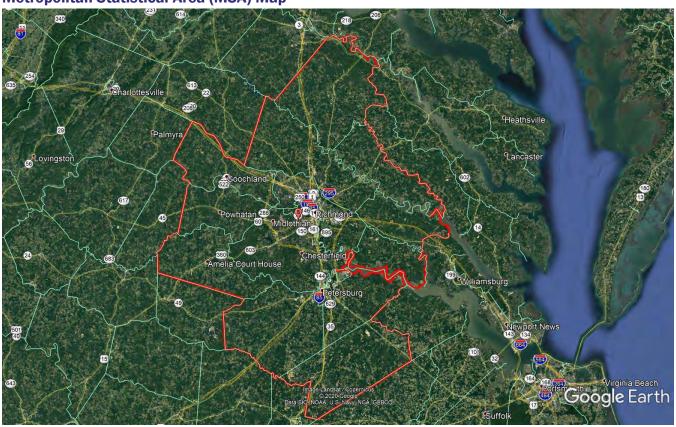


Primary Market Area Map





Metropolitan Statistical Area (MSA) Map





VI. EMPLOYMENT AND ECONOMY

Employment by Industry

The following table depicts 2019 employment by industry in the Primary Market Area (PMA) and the nation.

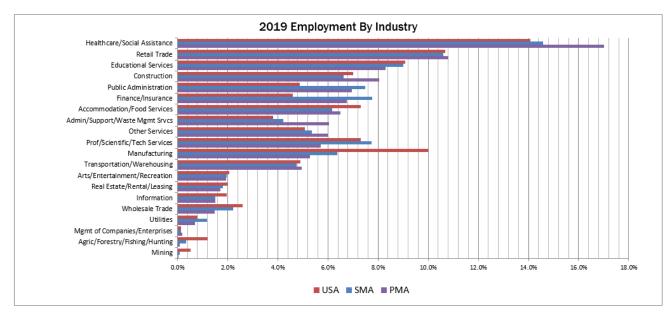
2019 EMPLOYMENT BY INDUSTRY

	EMI EO TWENT	<u>PMA</u>	<u>USA</u>		
Industry	Number Perce		Number	Percent	
	Employed		Employed	Employed	
Healthcare/Social Assistance	11,964	17.0%	22,612,482	14.1%	
Retail Trade	7,591	10.8%	17,127,172	10.7%	
Educational Services	5,841	8.3%	14,565,802	9.1%	
Construction	5,653	8.0%	11,245,975	7.0%	
Public Administration	4,884	6.9%	7,828,907	4.9%	
Finance/Insurance	4,747	6.8%	7,377,311	4.6%	
Accommodation/Food Services	4,571	6.5%	11,738,765	7.3%	
Admin/Support/Waste Mgmt Srvcs	4,243	6.0%	6,106,184	3.8%	
Other Services	4,216	6.0%	8,141,078	5.1%	
Prof/Scientific/Tech Services	4,015	5.7%	11,744,228	7.3%	
Manufacturing	3,720	5.3%	16,057,876	10.0%	
Transportation/Warehousing	3,485	5.0%	7,876,848	4.9%	
Arts/Entertainment/Recreation	1,359	1.9%	3,332,132	2.1%	
Real Estate/Rental/Leasing	1,212	1.7%	3,204,043	2.0%	
Information	1,057	1.5%	3,157,650	2.0%	
Wholesale Trade	1,041	1.5%	4,183,931	2.6%	
Utilities	486	0.7%	1,276,400	0.8%	
Mgmt of Companies/Enterprises	133	0.2%	237,307	0.1%	
Agric/Forestry/Fishing/Hunting	59	0.1%	1,915,709	1.2%	
Mining	22	0.0%	819,151	0.5%	
Total Employment	70,299	100.0%	160,548,951	100.0%	

Source: Esri Demographics 2019, Novogradac Consulting LLP, October 2020

Employment in the PMA is concentrated in the healthcare/social assistance, retail trade, and educational services industries, which collectively comprise 36.1 percent of local employment. The large share of PMA employment in retail trade is notable as this industry is historically volatile, and prone to contraction during economic downturns. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Relative to the overall nation, the PMA features comparatively greater employment in the healthcare/social assistance, admin/support/waste mgmt srvcs, and finance/insurance industries. Conversely, the PMA is underrepresented in the manufacturing, prof/scientific/tech services, and wholesale trade industries.





Growth by Industry

The following table illustrates the change in total employment by sector from 2000 to 2019 in the PMA.

2000-2019 CHANGE IN EMPLOYMENT - PMA

2000-2019 CHANGE IN EMPLOTMENT - PINA									
	<u>20</u>	<u>00</u>	<u>20</u>	<u>19</u>	<u>2000</u>	<u>2000-2019</u>			
lu de catus	Number	Number Percent Num		mber Percent		Annualized			
Industry	Employed	Employed	Employed	Employed	Growth	Percent			
Healthcare/Social Assistance	7,499	12.1%	11,964	17.0%	4,465	3.1%			
Retail Trade	8,092	13.0%	7,591	10.8%	-501	-0.3%			
Educational Services	4,265	6.9%	5,841	8.3%	1,576	1.9%			
Construction	4,237	6.8%	5,653	8.0%	1,416	1.8%			
Public Administration	4,084	6.6%	4,884	6.9%	800	1.0%			
Finance/Insurance	4,470	7.2%	4,747	6.8%	277	0.3%			
Accommodation/Food Services	3,505	5.7%	4,571	6.5%	1,066	1.6%			
Admin/Support/Waste Mgmt Srvcs	2,458	4.0%	4,243	6.0%	1,785	3.8%			
Other Services	3,307	5.3%	4,216	6.0%	909	1.4%			
Prof/Scientific/Tech Services	3,231	5.2%	4,015	5.7%	784	1.3%			
Manufacturing	7,069	11.4%	3,720	5.3%	-3,349	-2.5%			
Transportation/Warehousing	3,172	5.1%	3,485	5.0%	313	0.5%			
Arts/Entertainment/Recreation	962	1.6%	1,359	1.9%	397	2.2%			
Real Estate/Rental/Leasing	964	1.6%	1,212	1.7%	248	1.4%			
Information	1,737	2.8%	1,057	1.5%	-680	-2.1%			
Wholesale Trade	2,243	3.6%	1,041	1.5%	-1,202	-2.8%			
Utilities	492	0.8%	486	0.7%	-6	-0.1%			
Mgmt of Companies/Enterprises	71	0.1%	133	0.2%	62	4.6%			
Agric/Forestry/Fishing/Hunting	105	0.2%	59	0.1%	-46	-2.3%			
Mining	60	0.1%	22	0.0%	-38	-3.3%			
Total Employment	62,023	100.0%	70,299	100.0%	8,276	0.7%			

Source: Esri Demographics 2019, Novogradac Consulting LLP, October 2020

^{*} Change in percentage is calculated as a rate of change by industry.



^{*}Industry data current as of 2010. Other projections current as of 2019.

Total employment in the PMA increased at an annualized rate of 0.7 percent between 2000 and 2019. The industries which expanded most substantially during this period include healthcare/social assistance, admin/support/waste mgmt srvcs, and educational services. Conversely, the manufacturing, wholesale trade, and information sectors experienced the least growth. Overall, we view the lessening reliance on the volatile manufacturing sector, and concurrent rise in healthcare-related employment as a positive aspect of the local economy.

Major Employers

The diversification of Richmond's economic base is indicated by the following list of the 11 largest employers in the county, according to the Greater Richmond partnership.

MAJOR EMPLOYERS RICHMOND. VA

Employer Name	Industry	# Of Employees
Capital One Financial Corp	Financial Services	13,000
Virginia Commonwealth University Health System	Healthcare	9,313
HCA Virginia Health System	Healthcare	7,628
Bon Secours Richmond	Healthcare	7,136
Dominion Virginia Power	Energy	5,433
SunTrust Banks Inc.	Financial Services	3,810
Altria Group Inc.	Cigarettes and Wine	3,800
Amazon.com	Online Retail	3,800
Wells Fargo	Financial Services	2,902
Anthem Blue Cross and Blue Shield	Health Insurance	2,655

Source: Greater Richmond Partnership, retrieved September 2020

Richmond's largest employers are primarily in the financial services and healthcare sectors. Employers in the financial services and healthcare sectors make up six of the top ten largest employers in Richmond, and are the top two largest employers.

Employment Expansion/Contractions

We attempted to contact the City of Richmond Economic Development Department to inquire about recent business expansions and contractions in the area. However, as of the date of this report's completion, our calls and emails have not been returned. According to internet research, the largest business expansions in recent years include the following:

- In July 2019, Amazon announced it will be opening a new fulfillment center in Richmond. The new fulfillment center will add 150 new jobs to the area. The opening date for the new fulfillment center is not yet available.
- Wine & Beer Supply expanded their headquarters in Greater Richmond in November 2019 from a 54,000-square foot space to a 152,000 square foot space.
- In July 2019, CoStar announced it will offer 100 new sales jobs at its Richmond location, raising its local headcount to 950 employees.
- Paymerang, a financial services technology firm, expanded its office from 10,000 square feet to



16,000 square feet in July 2019. Paymerang hired 100 additional employees at the end of 2019.

- The Virginia Commonwealth University received \$121 million in funding for a new 168,000-square foot, six-story building dedicated to STEM education. Construction began in spring 2020 and is expected to be completed by winter 2022.
- In May 2019, Risk Based Security, a cybersecurity firm, announced it is opening its first office space at a 4,200-square foot location in Richmond. The firm employs around 30 employees.
- Drury Hotels Co. opened a hotel in Richmond in August 2019. The hotel is eight-stories and has 217-rooms. The hotel employs 55 full and part-time employees.
- HOUSEpitality Family restaurant group announced in August 2019 it will be hiring 250 new employees.

WARN Listings

The table below is the Worker Adjustment and Retraining Notification (WARN) listings for Richmond City as provided by the Virginia Employment Commission, for 2020 year-to-date.



WARN LISTINGS Richmond City

	Ricilliona City		
Company	Industry	Employees Affected	Notice Date
ExpressJet Airlines LLC	Transportation	36	7/17/2020
The Salvation Arny	Social Services	38	5/30/2020
Nordstrom	Retail	189	5/14/2020
Cenveo Corporation	Printing	184	5/4/2020
Outback Steakhouse	Food Service	326	4/27/2020
Fleming's	Food Service	40	4/27/2020
Carrabba's Italian Grill	Food Service	115	4/27/2020
Hilton Richmond Downtown	Hotel	109	4/24/2020
Enterprise Holdings	Car Rental	78	4/24/2020
Bear Down Logistics	Logistics	75	4/13/2020
Kaiser Alminium	Manufacturing	78	4/8/2020
IGS	Service Protection	73	4/8/2020
Bear Down Logistics	Logistics	75	4/6/2020
Nordstrom	Retail	189	5/14/2020
Cenveo Corporation	Printing	184	5/4/2020
Outback Steakhouse	Food Service	326	4/27/2020
Fleming's	Food Service	40	4/27/2020
Carrabba's Italian Grill	Food Service	115	4/27/2020
Hilton Richmond Downtown	Hotel	109	4/24/2020
Enterprise Holdings	Car Rental	78	4/24/2020
Eastern Specialty Finance	Payday Lending	4	4/21/2020
Bear Down Logistics	Logistics	75	4/13/2020
Kaiser Alminium	Manufacturing	78	4/8/2020
Bear Down Logistics	Logistics	75	4/6/2020
Asbury Automotive Group	Auto Dealership	25	4/3/2020
Jim's Formal Wear	Retail	44	3/31/2020
First Home Care Mental health Services	Healthcare	18	3/30/2020
Paper Source	Retail	11	3/27/2020
Collegiate Hotel Group	Hotel	66	3/23/2020
Hooters	Food Service	56	3/23/2020
Take 5 Oil Change	Auto Repair	5	3/23/2020
Three Notch'd Brewing Company	Food Service	9	3/17/2020
Aramark (at VCU Health Systems)	Healthcare	572	3/13/2020
Northrop Grumman	Aerospace	42	2/4/2020
Total		3,537	

Source: Virgina Employment Commission, October 2020

As illustrated above, a total of 3,537 jobs have been impacted by WARN listings in 2020. While the number of impacted jobs is small relative to the size of the area's labor market, the vast majority of WARN listings are filed between March and May 2020, which generally aligns with the impact of the COVID-19 pandemic. Overall, it appears the local economy is experiencing job losses due to COVID-19.

Employment and Unemployment Trends

The tables below illustrate the total workforce, total employed, and unemployment rates for the Richmond, VA MSA from 2004 to 2020, with comparisons between August 2019 to August 2020.



EMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

	Richmond, VA	Metropolitan	Statistical Area	<u>USA</u>		
	Total	% Change	Differential from	Total	% Change	Differential
	Employment	% Change	peak	Employment	% Change	from peak
2004	554,715	-	-17.0%	139,252,000	-	-11.6%
2005	570,317	2.8%	-14.7%	141,730,000	1.8%	-10.0%
2006	586,083	2.8%	-12.3%	144,427,000	1.9%	-8.3%
2007	595,963	1.7%	-10.9%	146,047,000	1.1%	-7.3%
2008	603,549	1.3%	-9.7%	145,363,000	-0.5%	-7.7%
2009	575,851	-4.6%	-13.9%	139,878,000	-3.8%	-11.2%
2010	578,496	0.5%	-13.5%	139,064,000	-0.6%	-11.7%
2011	590,551	2.1%	-11.7%	139,869,000	0.6%	-11.2%
2012	600,051	1.6%	-10.2%	142,469,000	1.9%	-9.6%
2013	607,785	1.3%	-9.1%	143,929,000	1.0%	-8.6%
2014	618,505	1.8%	-7.5%	146,305,000	1.7%	-7.1%
2015	625,848	1.2%	-6.4%	148,833,000	1.7%	-5.5%
2016	636,273	1.7%	-4.8%	151,436,000	1.7%	-3.9%
2017	646,752	1.6%	-3.3%	153,337,000	1.3%	-2.7%
2018	656,676	1.5%	-1.8%	155,761,000	1.6%	-1.1%
2019	668,525	1.8%	0.0%	157,538,000	1.1%	0.0%
2020 YTD Average*	639,390	-4.4%	-	147,032,000	-6.7%	-
Aug-2019	668,421	-	-	157,816,000	-	-
Aug-2020	632,643	-5.4%	-	147,224,000	-6.7%	-

Source: U.S. Bureau of Labor Statistics, October 2020

Since 2012, job growth in the MSA generally exceeded the nation. As on 2019, MSA employment reached record levels. However, as of August 2020, MSA employment has declined 5.4 percent year-over year, which is attributed to the impact of COVID-19. The MSA has experienced a less sever employment contraction than the 6.7 percent 12-month employment decrease reported nationally.

UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

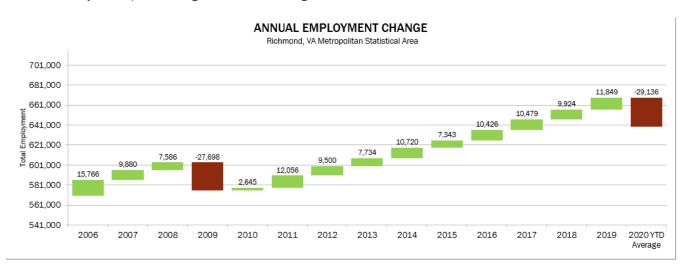
Richmond, VA Metropolitan Statistical Area						
	Unemployment	Changa	Differential from	Unemployment	Changa	Differential
	Rate	Change	peak	Rate	Change	from peak
2004	4.0%	-	1.1%	5.5%	-	1.9%
2005	3.8%	-0.2%	0.9%	5.1%	-0.5%	1.4%
2006	3.3%	-0.5%	0.3%	4.6%	-0.5%	1.0%
2007	3.1%	-0.1%	0.2%	4.6%	0.0%	1.0%
2008	4.2%	1.1%	1.3%	5.8%	1.2%	2.1%
2009	7.5%	3.3%	4.6%	9.3%	3.5%	5.6%
2010	8.0%	0.5%	5.0%	9.6%	0.3%	6.0%
2011	7.3%	-0.7%	4.4%	9.0%	-0.7%	5.3%
2012	6.6%	-0.7%	3.6%	8.1%	-0.9%	4.4%
2013	6.1%	-0.5%	3.1%	7.4%	-0.7%	3.7%
2014	5.5%	-0.5%	2.6%	6.2%	-1.2%	2.5%
2015	4.7%	-0.9%	1.7%	5.3%	-0.9%	1.6%
2016	4.2%	-0.5%	1.3%	4.9%	-0.4%	1.2%
2017	3.9%	-0.3%	1.0%	4.4%	-0.5%	0.7%
2018	3.2%	-0.7%	0.3%	3.9%	-0.4%	0.2%
2019	2.9%	-0.3%	0.0%	3.7%	-0.2%	0.0%
2020 YTD Average*	6.8%	3.9%	<u>-</u> _	8.6%	5.0%	<u>-</u> _
Aug-2019	3.2%	-	-	3.8%	-	-
Aug-2020	7.0%	3.8%	-	8.5%	4.7%	-

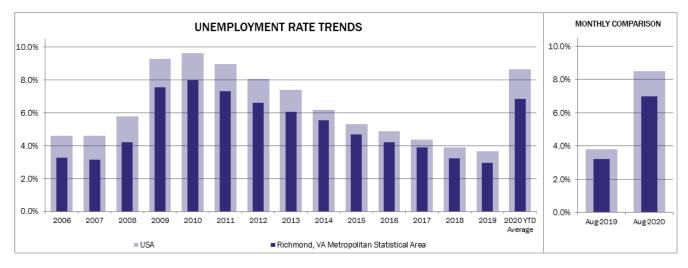
Source: U.S. Bureau of Labor Statistics, October 2020

Since 2012, the MSA generally experienced a lower unemployment rate compared to the overall nation. As of 2019, the MSA unemployment rate was at a record low. However, according to the most recent labor statistics, the unemployment rate in the MSA is 7.0 percent, which indicates a 12-month increase of 3.8 percentage points. The increase in MSA employment is attributed to the impact of COVID-19. It should be noted that the



MSA unemployment rate is lower than the current national unemployment rate of 8.5 percent, indicating the MSA economy is outperforming the nation during the current economic downturn.







Wages by Occupation

The following table illustrates the mean hourly and annual wages for various occupations in the Richmond, VA MSA as of the second quarter 2018; information at the PMA level was not available.

RICHMOND, VA METROPOLITAN STATISTICAL AREA - 2ND QTR 2018 AREA WAGE ESTIMATES

Occumation	Number of	Mean Hourly	Mean Annual
Occupation	Employees	Wage	Wage
All Occupations	656,320	\$25.30	\$52,620
Management Occupations	28,220	\$62.64	\$130,290
Legal Occupations	6,500	\$48.09	\$100,020
Computer and Mathematical Occupations	23,880	\$44.17	\$91,870
Healthcare Practitioners and Technical Occupations	41,890	\$41.25	\$85,800
Architecture and Engineering Occupations	9,150	\$41.03	\$85,350
Business and Financial Operations Occupations	49,890	\$37.49	\$77,980
Life, Physical, and Social Science Occupations	5,880	\$33.31	\$69,280
Arts, Design, Entertainment, Sports, and Media Occupations	8,400	\$26.23	\$54,550
Educational Instruction and Library Occupations	36,830	\$26.05	\$54,180
Installation, Maintenance, and Repair Occupations	26,770	\$24.71	\$51,410
Community and Social Service Occupations	12,990	\$22.97	\$47,780
Construction and Extraction Occupations	30,070	\$21.77	\$45,280
Protective Service Occupations	18,070	\$21.20	\$44,090
Sales and Related Occupations	67,630	\$20.34	\$42,310
Office and Administrative Support Occupations	91,930	\$19.54	\$40,640
Production Occupations	28,560	\$19.32	\$40,190
Farming, Fishing, and Forestry Occupations	580	\$18.12	\$37,690
Transportation and Material Moving Occupations	56,270	\$16.55	\$34,420
Personal Care and Service Occupations	15,160	\$14.87	\$30,940
Healthcare Support Occupations	24,680	\$13.92	\$28,950
Building and Grounds Cleaning and Maintenance Occupations	19,960	\$13.48	\$28,040
Food Preparation and Serving Related Occupations	53,010	\$11.53	\$23,970

Source: Department Of Labor, Occupational Employment Statistics, 5/2018, retrieved 10/2020

The previous chart shows average hourly and annual wages by employment classification. The classification with the lowest average hourly wage is food preparation and serving related occupations, at \$11.53 per hour. The highest average hourly wage of \$62.64 per hour is for management occupations.

The Subject will be set-aside for households earning 60 percent AMI or less. As proposed, the Subject will serve tenants earning incomes ranging from \$34,491 (minimum allowable income for a one-bedroom 60 percent AMI unit) to \$57,960 (maximum allowable income for a three-bedroom 60 percent AMI unit). Utilizing the upper end of the Subject's qualifying income at \$57,960 corresponds to an approximate hourly wage rate of \$27.86, which is above the mean hourly wage rate. An element not reflected in the wage rate data is that many positions represent part-time employment, and starting rates are typically lower than mean wage rates. Household income data shown later in this report demonstrates a significant number of households within the region have earnings of less than \$50,000.



Commuting Patterns

The chart below shows the travel time to work for the PMA according to US Census data.

COMMUTING PATTERNS

ACS Commuting Time to Work	Number of Commuters	Percentage
Travel Time < 5 min	918	1.4%
Travel Time 5-9 min	4,168	6.4%
Travel Time 10-14 min	8,818	13.4%
Travel Time 15-19 min	11,842	18.0%
Travel Time 20-24 min	13,982	21.3%
Travel Time 25-29 min	6,339	9.7%
Travel Time 30-34 min	11,160	17.0%
Travel Time 35-39 min	2,021	3.1%
Travel Time 40-44 min	1,248	1.9%
Travel Time 45-59 min	1,707	2.6%
Travel Time 60-89 min	1,568	2.4%
Travel Time 90+ min	1,849	2.8%
Weighted Average	26 minutes	

Source: US Census 2019, Novogradac Consulting LLP, October 2020

As shown in the preceding table, the weighted average commute time in the PMA is approximately 26 minutes. More than 60 percent of PMA commuters travel under 24 minutes, indicating many households work in the local area. The average commute time across the overall nation is approximately 28 minutes.

Conclusion

Employment in the PMA is concentrated in the healthcare/social assistance, retail trade, and educational services industries, which collectively comprise 36.1 percent of local employment. The large share of PMA employment in retail trade is notable as this industry is historically volatile, and prone to contraction during economic downturns. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. The MSA has outperformed the nation in terms of both total employment and unemployment rate since 2012, and both metrics reached record highs and lows in 2019, respectively. However, as of August 2020, the MSA has experienced a year-over-year employment decline of 5.4 percent, and a 12-month increase of 3.8 percentage points in the unemployment rate.

Overall, the MSA economy was in an expansion phase, but currently appears to be experiencing a contraction due to the impact of COVID-19. It should be noted that the MSA economy has continued to outperform the nation, which reported a decline of 6.7 percent in total employment and an increase of 4.7 percentage points in the unemployment rate in the 12-month period ending August 2020.



VII. DEMOGRAPHIC CHARACTERISTICS

DEMOGRAPHIC CHARACTERISTICS

The tables below illustrate population and household trends in the PMA, MSA, and nation from 2000 to 2024.

POPULATION

Year	РМА		Richmond, VA Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	128,017	-	1,070,616	-	281,250,431	-
2010	131,110	0.2%	1,208,101	1.3%	308,745,538	1.0%
2019	143,316	1.0%	1,320,715	1.0%	332,417,793	0.8%
2024	148,914	0.8%	1,386,149	1.0%	345,487,602	0.8%

Source: Esri Demographics 2019, Novogradac Consulting LLP, October 2020

Historical population growth in the PMA trailed the MSA between 2000 and 2010. However, population growth in the broader MSA exceeded the nation during the same time period. Population growth in the PMA accelerated between 2010 and 2019, and grew at a rate similar to the MSA. According to ESRI demographic projections, annualized PMA growth is expected to decline to 0.8 percent through 2024, slightly below the MSA and similar to the nation.

HOUSEHOLDS

Year		РМА		Richmond, VA Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change	
2000	53,105	-	421,898	-	105,409,439	-	
2010	53,223	0.0%	468,501	1.1%	116,716,296	1.1%	
2019	57,611	0.9%	511,251	1.0%	125,168,557	0.8%	
2024	59,693	0.7%	535,777	1.0%	129,589,563	0.7%	

Source: Esri Demographics 2019, Novogradac Consulting LLP, October 2020

Historical household growth in the PMA trailed the MSA between 2000 and 2010. Household growth in the PMA accelerated between 2010 and 2019, and grew at a rate similar to the MSA. According to ESRI demographic projections, annualized PMA growth is expected to remain relatively stable at 0.7 percent through 2024, slightly below the MSA and above the overall nation.



POPULATION BY AGE

POPULATION BY AGE IN 2019

Age Cohort	Р	PMA Richmond, VA Metropolitan US/ Statistical Area				5A
	Number	Percentage	Number	Percentage	Number	Percentage
0-4	9,364	6.5%	73,340	5.6%	19,910,625	6.0%
5-9	9,086	6.3%	78,127	5.9%	20,403,851	6.1%
10-14	8,835	6.2%	82,729	6.3%	20,943,945	6.3%
15-19	8,189	5.7%	84,265	6.4%	21,063,657	6.3%
20-24	9,128	6.4%	87,745	6.6%	22,226,943	6.7%
25-29	11,048	7.7%	94,347	7.1%	23,947,414	7.2%
30-34	10,568	7.4%	87,393	6.6%	22,590,667	6.8%
35-39	10,007	7.0%	86,923	6.6%	21,864,602	6.6%
40-44	9,012	6.3%	80,931	6.1%	19,913,297	6.0%
45-49	8,441	5.9%	85,216	6.5%	20,647,083	6.2%
50-54	8,621	6.0%	87,555	6.6%	20,930,948	6.3%
55-59	9,336	6.5%	94,035	7.1%	22,429,066	6.7%
60-64	9,051	6.3%	86,242	6.5%	20,971,686	6.3%
65-69	7,810	5.4%	72,900	5.5%	18,029,377	5.4%
70-74	5,885	4.1%	55,690	4.2%	14,131,085	4.3%
75-79	3,695	2.6%	35,798	2.7%	9,484,194	2.9%
80-84	2,427	1.7%	22,650	1.7%	6,213,244	1.9%
85+	2,812	2.0%	24,829	1.9%	6,716,109	2.0%
Total	143,315	100.0%	1,320,715	100.0%	332,417,793	100.0%

Source: Esri Demographics 2019, Novogradac Consulting LLP, October 2020

POPULATION BY AGE IN 2024 ESTIMATE

Age Cohort	Р	PMA Richmond, VA Metropolitan USA Statistical Area				SA.
	Number	Percentage	Number	Percentage	Number	Percentage
0-4	9,737	6.5%	76,996	5.6%	20,731,783	6.0%
5-9	9,225	6.2%	79,136	5.7%	20,679,798	6.0%
10-14	9,229	6.2%	83,682	6.0%	21,345,192	6.2%
15-19	9,024	6.1%	87,972	6.3%	21,702,946	6.3%
20-24	9,255	6.2%	86,792	6.3%	21,636,277	6.3%
25-29	10,408	7.0%	88,000	6.3%	22,383,185	6.5%
30-34	10,798	7.3%	98,096	7.1%	24,777,046	7.2%
35-39	10,234	6.9%	93,636	6.8%	23,320,935	6.8%
40-44	9,963	6.7%	90,493	6.5%	22,225,551	6.4%
45-49	8,896	6.0%	82,705	6.0%	20,020,272	5.8%
50-54	8,559	5.7%	86,326	6.2%	20,593,987	6.0%
55-59	8,482	5.7%	86,985	6.3%	20,604,708	6.0%
60-64	9,023	6.1%	91,517	6.6%	21,810,786	6.3%
65-69	8,342	5.6%	81,985	5.9%	20,047,387	5.8%
70-74	6,874	4.6%	66,273	4.8%	16,440,719	4.8%
75-79	5,097	3.4%	49,338	3.6%	12,350,266	3.6%
80-84	2,892	1.9%	29,230	2.1%	7,653,913	2.2%
85+	2,877	1.9%	26,987	1.9%	7,162,851	2.1%
Total	148,915	100.0%	1,386,149	100.0%	345,487,602	100.0%

Source: Esri Demographics 2019, Novogradac Consulting LLP, October 2020



GENERAL HOUSEHOLD INCOME DISTRIBUTION

The following table illustrates household income distribution in the PMA, MSA, and nation as of 2019 and in 2024 based on demographic projections.

HOUSEHOLD INCOME IN 2019

Income Cohort	РМА		come Cohort PMA Richmond, VA Metropolitan Statistical Area		USA	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	4,624	8.0%	31,758	6.2%	8,856,564	7.1%
\$10,000-19,999	5,789	10.0%	42,524	8.3%	12,541,918	10.0%
\$20,000-29,999	6,627	11.5%	44,181	8.6%	12,559,828	10.0%
\$30,000-39,999	6,446	11.2%	44,930	8.8%	11,840,948	9.5%
\$40,000-49,999	5,980	10.4%	44,967	8.8%	10,808,067	8.6%
\$50,000-59,999	5,332	9.3%	41,602	8.1%	9,440,335	7.5%
\$60,000-74,999	5,966	10.4%	52,610	10.3%	12,262,007	9.8%
\$75,000-99,999	6,150	10.7%	65,910	12.9%	15,023,962	12.0%
\$100,000-124,999	4,049	7.0%	48,468	9.5%	10,548,583	8.4%
\$125,000-149,999	2,490	4.3%	31,885	6.2%	6,780,298	5.4%
\$150,000-199,999	2,149	3.7%	30,549	6.0%	6,800,335	5.4%
\$200,000+	2,009	3.5%	31,867	6.2%	7,705,712	6.2%
Total	57,611	100.0%	511,251	100.0%	125,168,557	100.0%

Source: HISTA Data / Ribbon Demographics 2019, Novogradac Consulting LLP, October 2020

HOUSEHOLD INCOME IN 2024

Income Cohort	PMA		ncome Cohort PMA Richmond, VA Metropolitan Statistical Area		USA	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	4,409	7.4%	30,958	5.8%	8,500,198	6.6%
\$10,000-19,999	5,494	9.2%	41,148	7.7%	11,774,177	9.1%
\$20,000-29,999	6,216	10.4%	42,987	8.0%	12,171,097	9.4%
\$30,000-39,999	6,338	10.6%	44,232	8.3%	11,597,842	8.9%
\$40,000-49,999	5,828	9.8%	44,249	8.3%	10,753,172	8.3%
\$50,000-59,999	5,359	9.0%	41,914	7.8%	9,520,101	7.3%
\$60,000-74,999	6,505	10.9%	54,569	10.2%	12,396,635	9.6%
\$75,000-99,999	6,646	11.1%	69,153	12.9%	15,678,846	12.1%
\$100,000-124,999	4,464	7.5%	52,438	9.8%	11,434,551	8.8%
\$125,000-149,999	2,939	4.9%	36,537	6.8%	7,843,803	6.1%
\$150,000-199,999	2,755	4.6%	36,406	6.8%	8,007,059	6.2%
\$200,000+	2,740	4.6%	41,186	7.7%	9,912,082	7.6%
Total	59,693	100.0%	535,777	100.0%	129,589,563	100.0%

Source: HISTA Data / Ribbon Demographics 2019, Novogradac Consulting LLP, October 2020

Annual household income levels will range from \$34,491 to \$57,960 for the Subject's housing units, as proposed.



GENERAL HOUSEHOLD SIZE DISTRIBUTION

The following table is a summary of the household size distribution in the PMA, MSA and nation.

AVERAGE HOUSEHOLD SIZE

Year	РМА		Year PMA Richmond, VA Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.39	-	2.46	-	2.59	-
2010	2.43	0.2%	2.49	0.1%	2.58	-0.1%
2019	2.46	0.1%	2.52	0.1%	2.59	0.1%
2024	2.47	0.1%	2.52	0.1%	2.60	0.1%

Source: Esri Demographics 2019, Novogradac Consulting LLP, October 2020

As shown in the previous table, the average household size in the PMA increased slightly between 2000 and 2010, however it also increased between 2010 and 2019. The average household size in the PMA is 2.46 persons as of 2019, larger than that of the MSA and the nation. According to ESRI demographic projections, household sizes in the PMA will remain stable along with the MSA and the nation through 2024. Based on the Subject's proposed unit mix and family tenancy, it is likely the majority of the tenants will comprise of one to three persons.

GENERAL HOUSEHOLD TENURE

The table below shows the breakdown of households by tenure within the Subject's PMA.

TENURE PATTERNS PMA

				· · · · · · ·	
	Year	Owner-	Percentage	Renter-	Percentage
Teal	Occupied Units	Owner-Occupied	Occupied Units	Renter-Occupied	
	2000	31,027	58.4%	22,078	41.6%
	2010	29,661	55.7%	23,562	44.3%
	2019	31,023	53.8%	26,588	46.2%
	2024	32,682	54.8%	27,011	45.2%

Source: Esri Demographics 2019, Novogradac Consulting LLP, October 2020

The preceding table details household tenure patterns in the PMA since 2000. The percentage of renter households in the PMA remained relatively stable between 2010 and 2019, and is estimated to be 46.2 percent as of 2019. This is more than the estimated 33 percent of renter households across the overall nation. According to ESRI demographic projections, the percentage of renter households in the PMA is expected to remain relatively stable through 2024.

MEDIAN HOUSEHOLD INCOME LEVELS

The table below illustrates the median household income for all households in the PMA, the MSA and the nation from 2000 through 2024.

MEDIAN HOUSEHOLD INCOME

		MEDIANTI	JUSEITUED I	INCOME		
Year	Year PMA Richmond, VA Metropolitan Statistical Area		USA			
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2000	\$31,321	-	\$42,801	-	\$44,882	-
2019	\$52,661	3.5%	\$67,972	3.1%	\$60,548	1.8%
2024	\$58,648	2.3%	\$76,798	2.6%	\$69,180	2.9%

Source: Esri Demographics 2019, Novogradac Consulting LLP, October 2020



As of 2019, the median income in the PMA is below the surrounding MSA. Median household income growth in the PMA exceeded the MSA between 2000 and 2019. Income growth in both geographic areas exceeded the overall nation during this time period. In particular, median income in the PMA rose from 70 percent of the national median income in 2000 to 87 percent in 2019. The overall rise in median income levels reflects a market where lower income households may be priced out by more affluent households. It also indicates that affordable housing properties should prosper in the future as incomes and, therefore, achievable rents rise. According to ESRI demographic projections, annualized PMA growth is expected to slow to 2.3 percent through 2024, which is below projected growth in the MSA and nation.

GENERAL RENTER HOUSEHOLD INCOME DISTRIBUTION

The following tables illustrate the renter household income distribution for the PMA and MSA in 2019 and 2024.

RENTER	HOUSEHOLD	INCOME

			PMA			
Income Cohort	2	019	2	024	Annual Chang	e 2019 to 2024
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	3,345	12.6%	3,174	11.8%	-34	-1.0%
\$10,000-19,999	4,082	15.4%	3,862	14.3%	-44	-1.1%
\$20,000-29,999	4,554	17.1%	4,222	15.6%	-66	-1.5%
\$30,000-39,999	3,557	13.4%	3,406	12.6%	-30	-0.8%
\$40,000-49,999	3,003	11.3%	3,002	11.1%	0	0.0%
\$50,000-59,999	2,270	8.5%	2,412	8.9%	28	1.3%
\$60,000-74,999	1,945	7.3%	2,254	8.3%	62	3.2%
\$75,000-99,999	1,616	6.1%	1,799	6.7%	37	2.3%
\$100,000-124,999	775	2.9%	884	3.3%	22	2.8%
\$125,000-149,999	614	2.3%	805	3.0%	38	6.2%
\$150,000-199,999	382	1.4%	542	2.0%	32	8.4%
\$200,000+	445	1.7%	649	2.4%	41	9.2%
Total	26,588	100.0%	27,011	100.0%		

Source: HISTA Data / Ribbon Demographics 2019, Novogradac Consulting LLP, October 2020

RENTER HOUSEHOLD INCOME

KENTER HOOSEHOLD INCOME										
	Richmond, VA Metropolitan Statistical Area									
Income Cohort	2	019	2	024	Annual Chang	e 2019 to 2024				
	Number	Percentage	Number	Percentage	Number	Percentage				
\$0-9,999	21,275	12.2%	20,499	11.5%	-155	-0.7%				
\$10,000-19,999	23,689	13.5%	22,614	12.6%	-215	-0.9%				
\$20,000-29,999	22,701	13.0%	21,592	12.1%	-222	-1.0%				
\$30,000-39,999	21,638	12.4%	20,754	11.6%	-177	-0.8%				
\$40,000-49,999	19,733	11.3%	19,349	10.8%	-77	-0.4%				
\$50,000-59,999	15,602	8.9%	15,874	8.9%	54	0.3%				
\$60,000-74,999	16,085	9.2%	17,273	9.7%	238	1.5%				
\$75,000-99,999	14,380	8.2%	15,754	8.8%	275	1.9%				
\$100,000-124,999	7,058	4.0%	8,118	4.5%	212	3.0%				
\$125,000-149,999	4,985	2.8%	6,278	3.5%	259	5.2%				
\$150,000-199,999	4,058	2.3%	5,276	2.9%	244	6.0%				
\$200,000+	3,849	2.2%	5,531	3.1%	336	8.7%				
Total	175,053	100.0%	178,912	100.0%						

Source: HISTA Data / Ribbon Demographics 2019, Novogradac Consulting LLP, October 2020

As illustrated, the largest concentrations of renter households in the PMA are in the two income cohorts of renter households with incomes ranging between \$30,000 and \$49,999. It should be noted that approximately 62.8 percent of renter households within the PMA have annual incomes below \$50,000 as of 2019.



RENT OVERBURDENED HOUSEHOLDS

The following table illustrates the percentage of households paying greater than 40 percent of their income towards housing in the PMA, MSA, and nation.

RENT OVERBURDENED

Year	P	MA	Richmond, VA Metropolitan Statistical Area		USA	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
2019	11,156	47.9%	62,906	41.9%	16,657,755	42.7%

Source: Esri Demographics 2019, Novogradac Consulting LLP, October 2020

As illustrated, the percentage of rent overburdened households in the PMA is above the MSA and the nation.

AMI GROWTH

For Section 42 LIHTC rent determination purposes, the HUD AMI is used. It should be noted that the HUD AMI differs from the median household income illustrated previously. HUD uses the Area Median Income in metropolitan and non-metropolitan areas to calculate income limits for eligibility in a variety of housing programs. HUD estimates the AMI for an area in the current year and adjusts that amount for different household sizes so that household incomes may be expressed as a percentage of the area median income. The following chart illustrates the AMI level for a four-person household in Richmond City.



Source: Novogradac & Company LLP, October 2020

Overall, the AMI increased at an annual rate of 2.1 percent between 2010 and 2019. As of 2019, the AMI in Richmond City reached its peak at \$89,400, up 3.5 percent from the \$83,200 AMI in the previous year. The following chart illustrates the annual growth in AMI over the past seven years.

RICHMOND CITY COUNTY AMI GROWTH (2013-2020)

Year	2013	2014	2015	2016	2017	2018	2019	2020
AMI	\$73,900	\$72,900	\$74,200	\$72,400	\$78,700	\$83,200	\$86,400	\$89,400
Percentage	-2.2%	-1.4%	1.8%	-2.4%	8.7%	5.7%	3.8%	3.5%



The Subject's proposed rents are set at the 2020 LIHTC maximum allowable levels; therefore, rent increases rent increases will be dependent on both market conditions as well as increases in AMI.

CONCLUSION

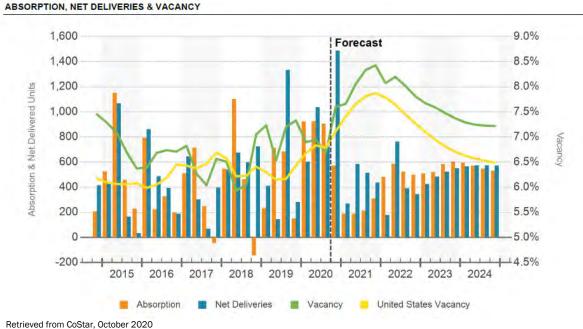
The population in the PMA increased by 12.0 percent between 2000 and 2019, compared to the 23.4 percent increase in the regional MSA and 18.2 percent increase across the overall nation. The percentage of renter households in the PMA remained relatively stable between 2010 and 2019, and is estimated to be 46.2 percent as of 2019. This is more than the estimated 33 percent of renter households across the overall nation. As of 2019, the median income in the PMA is below the surrounding MSA. Median household income growth in the PMA exceeded the MSA between 2000 and 2019. Income growth in both geographic areas exceeded the overall nation during this time period. In particular, median income in the PMA rose from 70 percent of the national median income in 2000 to 87 percent in 2019. Overall, the combination of rising population and household income levels bodes well for future demand for multifamily housing.



VIII. COMPETITIVE ENVIRONMENT

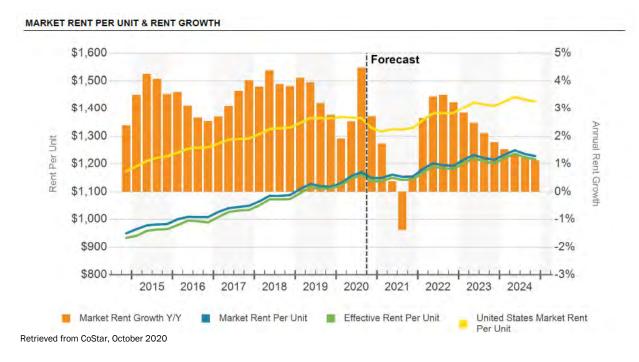
HOUSING SUMMARY

We consulted a CoStar report for the Richmond, VA multifamily market area to gather recent information on the local apartment rental market. The following chart illustrates vacancy, absorption, and net deliveries for the Richmond market, as well as national vacancy rates.



According to Costar, the vacancy rate in the submarket is currently 6.6 percent. A significant influx of new deliveries from 2014 to 2020 has pushed vacancy rates higher, but the market has shown its ability to absorb new product, with downward trends immediately following rises in vacancy associated with new deliveries. The forecasted average vacancy rate for the submarket is expected to decrease and average 2.4 percent through 2024, as additions to supply are projected to stabilize. Further, the vacancy rate in Richmond has historically been similar to slightly above the nation, which is projected to continue over the next four years. It should be noted that the near-term forecast considers the impact of COVID-19.





Asking rent growth is illustrated in the orange bars in the previous chart. According to Costar, the average market rent in the submarket is currently \$1,172. As illustrated above, asking rents in the Richmond market are currently declining, though the decreases are generally in line with typical seasonal fluctuations. Rents are expected to remain generally stable through the end of 2021, with only Q3 2021 projected for year-over-decline in rents, before rebounding in 2022 and growing through 2024. Additionally, rents in the Richmond market have historically been below the national average, which is projected toc continue through 2024.

2020 Richmond City Housing Report

According to the 2020 Richmond Regional Housing summary report for Richmond City, published by the Partnership for Housing Affordability, homeownership in Richmond is increasingly out of reach, with home prices in Richmond rising faster than anywhere else in the region. In Richmond City, the average home is 56 percent more expensive in 2020 than it was in 2009, and over that same time average incomes only increased by seven percent, according to data from the Central Virginia MLS. Additionally, while the city is relatively affordable for middle- and upper-income households, the majority of renter households earning 50 percent of AMI or less are considered cost-burdened. Further, and based on workforce projections from the Virginia Employment Commission, Richmond City will need to find homes for roughly 280 new low-income (80 percent of AMI) households *per year* over the next two decades. Many future jobs in the region will be occupations whose wages require housing costs of \$1,000 per month or less. In summary, we believe the rent-buy analysis (below), additional research noted above, as well as anecdotal evidence strongly support the addition of new affordable housing such as the proposed Subject, to provide qualify housing to low- and moderate-income families and reduce the number of rent-overburdened households in the market.

Age of Housing Stock

The following table illustrate the age of the existing housing stock in the PMA.



AGE OF HOUSING STOCK IN PMA

Years	Number of Units	Percent of Housing Stock
Built 2005 or later	638	1.1%
Built 2000 to 2004	4,125	7.0%
Built 1990 to 1999	4,299	7.3%
Built 1980 to 1989	7,856	13.4%
Built 1970 to 1979	14,429	24.5%
Built 1960 to 1969	9,568	16.3%
Built 1950 to 1959	9,134	15.5%
Built 1940 to 1949	3,862	6.6%
Built 1939 or earlier	4,866	8.3%
Total	58,777	100.0%

Source: Esri Demographics 2019, Novogradac Consulting LLP, October 2020

The data demonstrates a significant portion of the existing housing stock in the PMA, approximately 52 percent, was constructed between 1970 and 2004. Additionally, 92 percent of the housing stock was constructed prior to 1990. Therefore, the PMA exhibits a relatively older housing stock but there is a notable amount of construction that has occurred since 2000. Further, according to CoStar, the Richmond multifamily rental market is in the early stages of a significant supply wave, with two-thirds of incoming supply to be delivered within the next two years. The field inspection of the area reflects a generally good condition for the local housing stock. It should be noted that the Subject will be superior as new construction.

Substandard Housing

The following table illustrates the percentage of housing units that are considered substandard.

SUBSTANDARD HOUSING

Year	РМА	Richmond, VA Metropolitan Statistical Area	USA
	Percentage	Percentage	Percentage
2019	1.95%	2.06%	1.70%

Source: Esri Demographics 2019, Novogradac Consulting LLP, October 2020

The percentage of residents living in substandard housing in the PMA is in line with that of the MSA and nation.

Building Permits

The following table depicts building activity from 2000 through 2019 for Richmond City. It should be noted that 2019 data is preliminary.



BUILDING PERMITS: RICHMOND CITY - 2000-2019*

Voor	Single-family and	Three and Four-	Five or More	Total Unita
Year	Duplex	Family	Family	Total Units
2000	194	76	0	270
2001	181	3	99	283
2002	169	35	312	516
2003	285	68	142	495
2004	327	0	71	398
2005	525	3	226	754
2006	497	18	214	729
2007	362	0	202	564
2008	257	0	101	358
2009	141	0	220	361
2010	150	0	457	607
2011	98	3	242	343
2012	221	0	619	840
2013	134	4	711	849
2014	220	0	331	551
2015	278	4	241	523
2016	304	10	196	510
2017	328	10	979	1,317
2018	586	0	540	1,126
2019*	652	15	1,663	2,330
Total	5,909	249	7,566	13,724
Average*	277	12	311	600

*YTD, preliminary

Source: US Census Bureau Building Permits, October 2020

As illustrated, the majority of building permits issued in Richmond City from 2000 to 2019 have been for multifamily developments with five or more units, which account for approximately 55.1 percent of permits issue. Permitting activity in the county slowed down in 2008 and 2009, due to the national recession; however, permitting activity recovered to pre-recession levels in 2010, and the past three years have been the most active permitting years since 2000.

Rent/Buy Analysis

We performed a rent/buy analysis for three-bedroom units at the Subject. Our inputs assume a three-bedroom home on *Zillow* in the Subject's neighborhood with a purchase price of \$245,581 with a 30-year fixed interest rate of 3.04 percent and a 10 percent down payment. This was compared to the cost to rent the Subject's proposed three-bedroom LIHTC units at 60 percent AMI. The following table illustrates our findings.



RENT	BUY ANALYSIS					
Property Type: Three-Bedroom Single Family Ho						
Sale Price Down Payment at 10% Mortgage Amount Current Interest Rate	\$245,581 \$24,558 \$221,023 3.04%					
Homeownership Costs	Monthly % of Home Value Annual					
Mortgage Payment Property Taxes Private Mortgage Insurance ¹ Maintenance Utility Costs ² Tax Savings	\$937 \$11,239 \$256 1.25% \$3,070 \$92 0.50% \$1,105 \$409 2.00% \$4,912 \$19 \$228 -\$203 -\$2,431					
C0	t Comparison Monthly Annual					
Costs of Homeownership Cost of Renting At Subject Differential	\$1,510 \$18,123 - \$1,220 \$14,640 \$290 \$3,483					
Cos	t of Occupancy					
Но	meownership					
Closing Costs Down Payment at 10% Total	3.0% \$7,367 10.0% \$24,558 \$31,926					
Se	bject Rental					
First Month's Rent Security Deposit Total	\$1,220 <u>\$1,220</u> \$2,440					

⁽¹⁾ Based upon 0.50 percent of mortgage amount.

This above analysis concludes a monthly differential of \$290 per month, or \$3,483 annually, meaning it is more affordable to rent from the Subject than to purchase a three-bedroom home in the Subject's neighborhood. As illustrated, the "cost of occupancy" for homeownership adds \$31,926 for the down payment and closing costs on a three-bedroom single-family home. In addition, it is also important to note the typical 10 percent down payment and credit qualification issues which can be a hurdle for some families. The cash necessary for homeownership is still a barrier for many families, given the high home prices in the PMA. In general, first-time homebuyers have difficulty saving for a down payment. For these reasons, along with the monthly difference in cost between owning and renting, we do not believe that the Subject will face significant competition from homeownership.

Additions to Supply

We attempted to contact the Richmond City Department of Planning for information regarding new or recently delivered multifamily developments in the area. However, our calls had not been returned as of the date of this report. Thus, we consulted CoStar's database of multifamily developments in the pipeline within the PMA, as well as conducted extensive web search, which revealed the information summarized in the table below. It should be noted that due to the market-oriented rent structures of the projects in the following list, the majority of the listed properties will not be competitive with the Subject. Two LIHTC properties are included; these properties are discussed further in the Recent LIHTC Allocations section.



⁽²⁾ Utility Costs Included in Rent at Subject

PLANNED DEVELOPMENT

	Rent	_	Total	Competitive		
Property Name	Structure	Tenancy	Units	Units	Construction Status	
1001 Boulders Springs Dr	Market	Family	214	0	Proposed	
1228 Hull St	Market	Family	24	0	Proposed	
124 W 9th St	Market	Family	75	0	Proposed	
1510 Bainbridge St	Market	Family	23	0	Proposed	
421 W 7th St	Market	Family	26	0	Proposed	
6400 Jahnke Rd	Market	Family	122	0	Proposed	
700 Semmes Ave	Market	Family	230	0	Proposed	
Alexander at 1090	LIHTC	Family	96	72	Under Construction	
Belle Heights	Market	Family	N/A	0	Proposed	
Kemps Village	Market	Senior	245	0	Proposed	
Model Tobacco	Market	Family	275	0	Proposed	
New Manchester Lofts	Market	Family	104	0	Under Construction	
Port City - Phase 2	LIHTC	Family	147	50	Proposed	
Port RVA Phase II	Market	Family	102	0	Proposed	
River's Edge II	Market	Family	344	0	Proposed	
Riverhaus	Market	Family	130	0	Proposed	
South Falls Tower-Phase I	Market	Family	255	0	Under Construction	
The Box	Market	Family	118	0	Proposed	
The Current	Market	Family	215	0	Under Construction	
The Jamestown	Market	Family	269	0	Under Construction	
The Riviera at Semmes Phase II	Market	Family	190	0	Under Construction	
The Riviera at Semmes Phase III	Market	Family	N/A	0	Proposed	
Totals			3,204	122		

Source: CoStar. October 2020

Recent LIHTC Allocations

The table below lists LIHTC allocations awarded in the Subject's PMA since 2018.

RECENT LIHTC ALLOCATIONS IN PMA

Property Name	Year Rent Allocated Structure		Tenancy	Total Units	Competitive
r roperty Harrie			Tollarioy	rotal offits	Units
Heights at Brady Square	2020	LIHTC	Family	66	66
Port City II	2019	LIHTC	Family	147	50
Woodland Crossing	2019	LIHTC/Section 8	Family	132	0
Alexander at 1090	2018	LIHTC/Section 8	Family	96	72
New Manchester Flats V	2018	LIHTC/Market	Family	172	172
SPA Lofts	2018	LIHTC	Family	139	139
Townhomes at Warwick Place	2018	LIHTC	Supportive	30	0
Total				782	499

Source: Virginia Housing, October 2020

As detailed above, seven developments totaling 782 units have received tax credit allocations in the PMA since 2018. Based on bedroom type, tenancy, and AMI set asides, 499 units are considered to be potentially competitive with the Subject. These units have also been deducted from our penetration analysis. It should be noted that a breakdown of unit mix by AMI set aside was not available for all properties; thus, we conservatively added all units at such properties to our estimate of competitive units. It should also be noted that Woodland Crossing was excluded from our list of comparables due to subsidized rents, New Manchester Flats was excluded from our list of comparable properties due to inability to contact management, and the remaining projects have yet to be completed.



SURVEY OF COMPARABLE PROPERTIES

Comparable properties are examined on the basis of physical characteristics; i.e., building type, building age/quality, the level of common amenities, absorption rates, and similarity in rent structure. We attempted to compare the Subject to properties from the competing market, in order to provide a picture of the general economic health and available supply in the market.

Description of Property Types Surveyed/Determination of Number of Tax Credit Units

To evaluate the competitive position of the Subject, 2,049 units in 10 rental properties were surveyed in depth. The availability of LIHTC data is considered average. We have included five LIHTC comparables in our analysis, located between 4.0 and 8.8 miles from the Subject, three of which are located in the PMA. The availability of market rate data is also considered average. We have included five market rate properties, located between 0.2 and 8.0 miles from the Subject, four of which are located in the PMA. Overall, we believe the availability of data is adequate to support our conclusions.

Excluded properties include, but are not limited to the properties located in the following table.



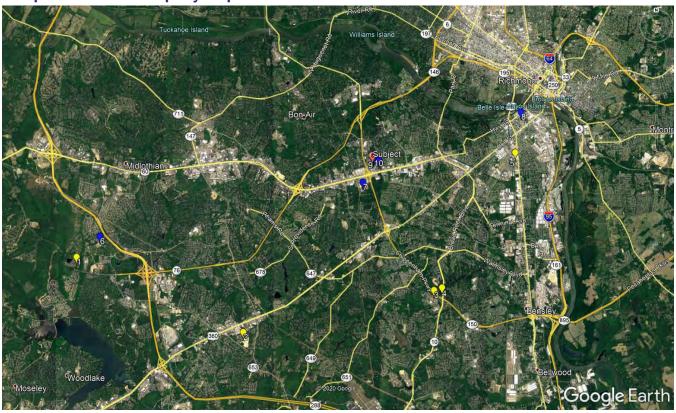
EVCI	UDED	DDA	DEDT	IEC
EXUL	いしてい	PRU	PERI	IES

D 101 1		
Rent Structure	Tenancy	Reason for Exclusion
LIHTC	Family	Unable to Contact
LIHTC	Family	Incomparable Unit Mix
LIHTC	Senior	Incomparable Tenancy
LIHTC	Family	Inferior Age/Condition
LIHTC	Family	Incomparable Unit Mix
LIHTC	Family	Unable to Contact
LIHTC	Family	Inferior Age/Condition
LIHTC / Section 8	Senior	Subsidized Rents
LIHTC/Public Housing	Family	Subsidized Rents
LIHTC	Senior	Incomparable Tenancy
LIHTC / Section 8	Senior	Subsidized Rents
LIHTC	Family	Unable to Contact
LIHTC	Senior	Incomparable Tenanct
LIHTC	Senior	Incomparable Tenancy
LIHTC/Section 8	Family	Subsidized Rents
LIHTC	Family	Unable to Contact
LIHTC/Section 8	Family	Subsidized Rents
LIHTC/Section 8	Family	Subsidized Rents
LIHTC	Family	Unable to Contact
LIHTC	Family	Unable to Contact
LIHTC / Section 8	Senior	Subsidized Rents
LIHTC / Section 8	Family	Subsidized Rents
LIHTC	Family	Unable to Contact
LIHTC/Section 8	Family	Subsidized Rents
LIHTC	Family	Unable to Contact
LIHTC	Family	Unable to Contact
LIHTC	Family	Incomparable Unit Mix
LIHTC	Family	Unable to Contact
LIHTC	Family	Incompable Unit Mix
LIHTC	Family	Unable to Contact
LIHTC	Family	Unable to Contact
LIHTC	Family	Unable to Contact
LIHTC	Family	Closer Comparable Utilized
Section 8	Family	Subsidized Rents
Section 8	Senior/Disabled	Subsidized Rents
Section 8	Senior	Subsidized Rents
Section 8	Senior/Disabled	Subsidized Rents
Section 8	Senior/Disabled	Subsidized Rents
Section 8	Senior/Disabled	Subsidized Rents
Section 8	Senior/Disabled	Subsidized Rents
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Section 8	Senior/Disabled	Subsidized Rents
	LIHTC LIHTC LIHTC LIHTC LIHTC LIHTC LIHTC LIHTC LIHTC/Section 8 LIHTC/Public Housing LIHTC LIHTC/Section 8 LIHTC LIHTC/Section 8 LIHTC LIH	LIHTC Family LIHTC Senior LIHTC Family LIHTC Senior LIHTC/Public Housing Family LIHTC Senior LIHTC Senior LIHTC Senior LIHTC Family LIHTC Senior LIHTC Family LIHTC Senior LIHTC Family LIHTC Senior LIHTC Family LIH

Detailed matrices describing the individual competitive properties, as well as the Subject, are provided in the addenda of this report. A map illustrating the location of the Subject in relation to the comparable properties follows.



Comparable Rental Property Map



COMPARABLE PROPERTIES

#	Comparable Property	City	Rent	Tenancy	Distance to
- 11	Comparable Property	City	Structure	Terialicy	Subject
S	Urbana At Hioaks	Richmond	LIHTC	Family	-
1	Creekpointe*	Midlothian	LIHTC	Family	8.8 miles
2	Genito Glen*	Midlothian	LIHTC	Family	6.0 miles
3	lvy Walk I	Richmond	LIHTC	Family	4.0 miles
4	Ivy Walk II	Richmond	LIHTC	Family	4.0 miles
5	Port City Apartments	Richmond	LIHTC	Family	4.0 miles
6	Colony At Centerpointe*	Midlothian	Market	Family	8.0 miles
7	Element At Stonebridge	Richmond	Market	Family	0.6 miles
8	Link Apartments Manchester	Richmond	Market	Family	4.4 miles
9	Reserve South Apartments	Richmond	Market	Family	0.2 miles
10	Sterling Beaufont Apartments	Richmond	Market	Family	0.2 miles

^{*}Located outside PMA



					MARY MATRIX									
Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Descriptio	n #	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
Subject	Urbana At Hioaks	-	Various	@60%	1BR / 1BA	40	18.5%	760	@60%	\$885	Yes	N/A	N/A	N/A
	6850 Atmore Dr		4-stories		2BR / 2BA	96	44.4%	1,010	@60%	\$1,059	Yes	N/A	N/A	N/A
	Richmond, VA 23225		2021 / n/a		2BR / 2BA	24	11.1%	994	@60%	\$1,059	Yes	N/A	N/A	N/A
	Richmond City County		Family		2BR / 2BA	10 24	4.6% 11.1%	1,008 1,175	@60% @60%	\$1,059	Yes Yes	N/A	N/A	N/A
					3BR / 2BA 3BR / 2BA	16	7.4%	1,175	@60%	\$1,220 \$1,220	Yes	N/A N/A	N/A N/A	N/A N/A
					3BR / 2BA	6	2.8%	1,207	@60%	\$1,220	Yes	N/A	N/A	N/A
					,	216							N/A	N/A
1	Creekpointe	8.8 miles	Garden	@60%	2BR / 2BA	120	56.1%	1,000	@60%	\$1,050	Yes	Yes	0	0.0%
	14600 Creekpointe Circle Midlothian, VA 23114 Chesterfield County		3-stories 2003 / n/a Family		3BR / 2BA	94	43.9%	1,274	@60%	\$1,215	Yes	Yes	0	0.0%
						214							0	0.0%
2	Genito Glen	6.0 miles	Garden	@50%, @60%	2BR / 2BA	33	32.4%	949	@50%	\$837	Yes	Yes	0	0.0%
	4041 Hailey Crescent Dr		3-stories		2BR / 2BA	45	44.1%	949	@60%	\$1,038	Yes	Yes	0	0.0%
	Midlothian, VA 23112 Chesterfield County		1998 / n/a		3BR / 2BA 3BR / 2BA	5 19	4.9% 18.6%	1,138 1,138	@50% @60%	\$965 \$1,178	Yes Yes	Yes Yes	0	0.0%
	Chesterneid County		Family		JDR/ ZDA	102	10.0%	1,130	@60%	Φ1,110	165	162	0	0.0%
3	Ivy Walk I	4.0 miles	Garden	@60%	2BR / 2BA	70	55.6%	983	@60%	\$933	Yes	No	3	4.3%
	4800 Burnt Oak Drive Richmond, VA 23234 Chesterfield County		3-stories 2002 / n/a Family	230%	3BR / 2BA	56	44.4%	1,112	@60%	\$981	Yes	No	3	5.4%
						126							6	4.8%
4	lvy Walk II	4.0 miles	Garden	@60%	2BR / 2BA	56	45.9%	983	@60%	\$933	Yes	No	3	5.4%
	4800 Burnt Oak Drive Richmond, VA 23234 Chesterfield County		4-stories 2003 / n/a Family		3BR / 2BA	66	54.1%	1,112	@60%	\$981	Yes	No	4	6.1%
	, , , , , , , , , , , , ,		. ,			122							7	5.7%
5	Port City Apartments	4.0 miles	Conversion	@30%, @40%, @50%,	1BR / 1BA	8	5.9%	622	@40%	\$542	Yes	Yes	0	0.0%
	800 Jefferson Davis Highway		4-stories	@60%, @70%, @80%	1BR / 1BA	11	8.2%	675	@50%	\$709	Yes	Yes	0	0.0%
	Richmond, VA 23224		2018 / n/a		1BR / 1BA	30	22.2%	666	@60%	\$877	Yes	Yes	0	0.0%
	Richmond City County		Family		1BR / 1BA	10	7.4%	698	@70%	\$1,045	Yes	Yes	0	0.0%
					1BR / 1BA	6	4.4%	577	@80%	\$1,213	Yes	Yes	0	0.0%
					2BR / 2BA	1	0.7%	879	@30%	\$424	Yes	Yes	0	0.0%
					2BR / 2BA	6	4.4%	924	@40%	\$626	Yes	Yes	0	0.0%
					2BR / 2BA	13	9.6%	603	@50%	\$827	Yes	Yes	0 2	0.0%
					2BR / 2BA 2BR / 2BA	32 9	23.7% 6.7%	766 817	@60% @70%	\$1,028 \$1,229	Yes Yes	Yes Yes	0	6.3% 0.0%
					2BR / 2BA	8	5.9%	1,140	@80%	\$1,431	Yes	Yes	0	0.0%
					3BR / 2BA	1	0.7%	1,219	@60%	\$1,154	Yes	Yes	0	0.0%
						135							2	1.5%
6	Colony At Centerpointe	8.0 miles	Garden	Market	1BR / 1BA	72	28.2%	860	Market	\$1,254	N/A	No	2	2.8%
	14400 Palladium Dri		3-stories		2BR / 2BA	78	30.6%	1,208	Market	\$1,498	N/A	No	2	2.6%
	Midlothian, VA 23114		2015 / n/a		2BR / 2BA	60	23.5%	1,210	Market	\$1,518	N/A	No	2	3.3%
	Chesterfield County		Family		2BR / 2BA	9	3.5%	1,220	Market	\$1,548	N/A	No	0	0.0%
					3BR / 2BA	36 255	14.1%	1,482	Market	\$1,794	N/A	No	9	8.3% 3.5%
7	Element At Stonebridge	0.6 miles	Lowrise	Market	1BR / 1BA	40	10.0%	563	Market	\$1,184	N/A	No	N/A	N/A
	301 Karl Linn Dr		4-stories		1BR/1BA	80	20.0%	740	Market	\$1,194	N/A	No	N/A	N/A
	Richmond, VA 23225		2016/2018 / n/a		1BR/1BA	92	23.0%	744	Market	\$1,219	N/A	No	N/A	N/A
	Chesterfield County		Family		1BR / 1BA	46	11.5%	835	Market	\$1,246	N/A	No	N/A	N/A
					2BR / 2BA	46	11.5%	1,081	Market	\$1,324	N/A	No	N/A	N/A
					2BR / 2BA	30 48	7.5% 12.0%	1,156	Market Market	\$1,334	N/A	No	N/A	N/A
					2BR / 2BA 2BR / 2BA	18	4.5%	1,236 1,260	Market	\$1,454 \$1,499	N/A N/A	No No	N/A N/A	N/A N/A
					2011/ 20A	400	4.570	1,200	Walket	Ψ1,433	IN/ A	140	24	6.0%
8	Link Apartments Manchester	4.4 miles	Midrise	Market	1BR / 1BA	142	77.6%	685	Market	\$1,114	N/A	No	12	8.5%
	901 Mcdonough Street		5-stories		2BR / 2BA	16	8.7%	953	Market	\$1,260	N/A	No	1	6.3%
	Richmond, VA 23224		2012 / n/a		2BR / 2BA	15	8.2%	1,023	Market	\$1,429	N/A	No	2	13.3%
	Richmond City County		Family		2BR / 2BA	10	5.5%	1,111	Market	\$1,392	N/A	No	2	20.0%
						183							17	9.3%
9	Reserve South Apartments	0.2 miles	Garden	Market	2BR / 1BA	18	9.0%	944	Market	\$1,052	N/A	No	1	5.6%
	6701 Carnation Street		2-stories 1989 / 2018		2BR / 2BA	160	80.0%	996	Market	\$1,186	N/A	No	3	1.9%
	Richmond, VA 23225 Richmond City County		1989 / 2018 Family		3BR / 2BA	22	11.0%	1,100	Market	\$1,286	IN/A	No	5	2.5%
10	Sterling Beaufont Apartments	0.2 miles	Garden	Market	1BR / 1BA	N/A	N/A	706	Market	\$1,056	N/A	No	0	2.5% N/A
10	6839 Carnation St	0.2 IIIIC3	2-stories	widiket	1BR / 1BA	N/A	N/A	777	Market	\$1,082	N/A	No	1	N/A
	Richmond, VA 23225		1980/1982 / n/a		1BR / 1BA	N/A	N/A	854	Market	\$1,184	N/A	No	2	N/A
	Richmond City County		Family		2BR / 1BA	N/A	N/A	854	Market	\$1,191		No	1	N/A
			•		2BR / 2BA	N/A	N/A	944	Market	\$1,284	N/A	No	2	N/A
					2BR / 2BA	N/A	N/A	1,015	Market	\$1,394	N/A	No	1	N/A
					3BR / 2BA	_8_	2.6%	1,171	Market	\$1,401		No	0	0.0%
						312							7	2.2%



PROPERTY PROFILE REPORT

Blue Ridge Estates

Effective Rent Date 2/16/2006

6507 Sugar Maple Drive Richmond, VA 23225 Location

Richmond County

Distance N/A Units 182 0 Vacant Units 0.0% Vacancy Rate

Various (2 stories) Type 1980 / N/A

Year Built/Renovated Marketing Began N/A Leasing Began N/A Last Unit Leased N/A

Major Competitors N/A **Tenant Characteristics** N/A N/A

Contact Name Phone N/A



Utilities Market Information

A/C @60% not included -- central Program **Annual Turnover Rate** N/A Cooking not included -- electric Units/Month Absorbed included -- gas N/A Water Heat **HCV** Tenants N/A Heat not included -- electric Leasing Pace Other Electric not included N/A Annual Chg. in Rent N/A Water included Concession N/A Sewer included Waiting List None Trash Collection included

Unit Mix	Unit Mix (face rent)											
Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	48	589	\$546	\$0	@60%	Yes	0	0.0%	N/A	None
2	1	Townhouse (2 stories)	96	785	\$599	\$0	@60%	Yes	0	0.0%	N/A	None
3	1	Townhouse (2 stories)	28	1,043	\$680	\$0	@60%	Yes	0	0.0%	N/A	None
4	1	Townhouse (2 stories)	10	1,128	\$725	\$0	@60%	Yes	0	0.0%	N/A	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$546	\$0	\$546	-\$73	\$473
2BR / 1BA	\$599	\$0	\$599	-\$104	\$495
3BR / 1BA	\$680	\$0	\$680	-\$149	\$531
4BR / 1BA	\$725	\$0	\$725	\$0	\$725

Blue Ridge Estates, continued

Amenities

In-Unit
Balcony/Patio Blinds
Carpeting Central A/C
Garbage Disposal Oven

Refrigerator Washer/Dryer hookup

Property Premium Other Business Center/Computer Lab Clubhouse/Meeting Room/Community None None

Security

None

Services

None

Central Laundry Off-Street Parking On-Site Management Playground

Comments

None

Blue Ridge Estates, continued

Photos











Creekpointe

Effective Rent Date 10/09/2020

Location 14600 Creekpointe Circle

Midlothian, VA 23114 Chesterfield County

Distance 8.8 miles
Units 214
Vacant Units 0
Vacancy Rate 0.0%

Type Garden (3 stories)
Year Built/Renovated 2003 / N/A

Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A

Major Competitors Mallard Cove, Genito Glen
Tenant Characteristics Mostly local area families

Contact Name Lisa

Waiting List

Phone 804-419-5439



included

Utilities Market Information A/C @60% not included -- central Program **Annual Turnover Rate** 6% Cooking not included -- electric not included -- electric Units/Month Absorbed Water Heat N/A **HCV** Tenants 20% Heat not included -- electric Other Electric Leasing Pace 1-2 weeks not included Annual Chg. in Rent Increased to 2020 max Water not included Concession None not included Sewer

Unit Mix	Unit Mix (face rent)												
Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range	
2	2	Garden (3 stories)	120	1,000	\$1,050	\$0	@60%	Yes	0	0.0%	yes	None	
3	2	Garden (3 stories)	94	1,274	\$1,215	\$0	@60%	Yes	0	0.0%	yes	None	

Trash Collection

Unit Mix @60% Face Rent Conc. Concd. Rent Util. Adj. Adj. Rent 2BR / 2BA \$1,050 \$1,050 \$0 \$1,050 \$0 3BR / 2BA \$1,215 \$0 \$1,215 \$0 \$1,215

Yes, 2-3 months

Creekpointe, continued

Amenities

In-Unit
Balcony/Patio
Carpeting
Dishwasher
Garbage Disposal

Blinds Central A/C Exterior Storage Oven Walk-In Closet Security None Services None

Washer/Dryer hookup

Refrigerator

Property
Clubhouse/Meeting Room/Community

Central Laundry
On-Site Management
Swimming Pool

Exercise Facility Off-Street Parking Playground Premium None Other None

Comments

The contact indicated rents are set at the 2020 maximum allowable levels. She reported that the property has not been negatively impacted by COVID-19 and the ensuing economic downturn. Tenants can rent washer/dryers for \$50 per month.

Creekpointe, continued

Trend Report

Vacancy Rates

 4Q16
 4Q17
 1Q20
 4Q20

 0.0%
 0.0%
 0.5%
 0.0%

\$1,215

Tre	Trend: @60%										
2BR /	2BR / 2BA										
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent					
2016	4	0.0%	\$850	\$0	\$850	\$850					
2017	4	0.0%	\$861	\$0	\$861	\$861					
2020	1	0.8%	\$1,020	\$0	\$1,020	\$1,020					
2020	4	0.0%	\$1,050	\$0	\$1,050	\$1,050					
3BR /	2BA										
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent					
2016	4	0.0%	\$973	\$0	\$973	\$973					
2017	4	0.0%	\$969	\$0	\$969	\$969					
2020	1	0.0%	\$1,178	\$0	\$1,178	\$1,178					

\$0

\$1,215

Trend: Comments

0.0%

2020

4Q16 The manager indicated that the property is typically fully occupied and rarely has vacancies. She noted a three month waiting list at this time.

\$1,215

- 4Q17 The contact reported that the property is typically fully occupied and rarely has vacancies. She noted a three to four month waiting list at this time.
- The contact indicated rents are set at maximum levels for all units. The contact reported that the property is typically fully occupied and stated steady demand for affordable housing in the area. A higher number of moveouts occur in spring and summer and estimated a total of 10-15 units turnover per year. The contact noted she tries to maintain a waitlist though it was recently purged. Tenants can rent washer/dryers for \$50 per month.
- The contact indicated rents are set at the 2020 maximum allowable levels. She reported that the property has not been negatively impacted by COVID-19 and the ensuing economic downturn. Tenants can rent washer/dryers for \$50 per month.

Creekpointe, continued











Genito Glen

Effective Rent Date 10/09/2020

Location 4041 Hailey Crescent Dr Midlothian, VA 23112

Chesterfield County

Distance 6 miles
Units 102
Vacant Units 0
Vacancy Rate 0.0%

Type Garden (3 stories)
Year Built/Renovated 1998 / N/A

Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A

Major Competitors Mallard Cove, Creekpointe

Tenant Characteristics Small families, limited number of seniors, most

are from the local area

Contact Name Heidi

Phone 804-745-3555



Market Information

A/C Program @50%, @60% not included -- central Annual Turnover Rate 15% Cooking not included -- electric Units/Month Absorbed N/A Water Heat not included -- electric **HCV** Tenants 15% Heat not included -- electric not included Leasing Pace Within one week Other Electric

Leasing Pace Within one week Other Electric not included Annual Chg. in Rent Increased to 2020 max Water included Concession None Sewer included Waiting List Yes; 3-5 households Trash Collection included

Unit Mix	Unit Mix (face rent)												
Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range	
2	2	Garden (3 stories)	33	949	\$924	\$0	<i>@</i> 50%	Yes	0	0.0%	yes	None	
2	2	Garden (3 stories)	45	949	\$1,125	\$0	@60%	Yes	0	0.0%	yes	None	
3	2	Garden (3 stories)	5	1,138	\$1,094	\$0	@50%	Yes	0	0.0%	yes	None	
3	2	Garden (3 stories)	19	1,138	\$1,307	\$0	@60%	Yes	0	0.0%	yes	None	

Utilities

Unit Mix Concd. Rent Util. Adj. Adj. Rent Face Rent @60% @50% Conc. Face Rent Conc. Concd. Rent Util. Adj. Adj. Rent \$924 \$837 \$0 \$924 -\$87 2BR / 2BA \$1,125 \$0 \$1,125 -\$87 \$1,038 2BR / 2BA 3BR / 2BA \$1,094 \$0 \$1,094 \$965 3BR / 2BA \$1,307 \$0 \$1,307 \$1,178 -\$129 -\$129

Genito Glen, continued

Amenities

In-Unit
Balcony/Patio Blinds
Carpeting Central A/C
Coat Closet Dishwasher
Exterior Storage Ceiling Fan
Garbage Disposal Oven
Refrigerator Walk-In Closet

Security Services None None

Other

None

Washer/Dryer hookup

Property Premium

Clubhouse/Meeting Room/Community Exercise Facility None

Central Laundry Off-Street Parking
On-Site Management Picnic Area
Playground Swimming Pool

Comments

The contact indicated rents are set at the 2020 maximum allowable levels for all units, and that the property has very low turnover and typically stays fully occupied. A waitlist is maintained but is typically purged every three months. Tenants can rent washer/dryers for an additional \$50 per month. The contact reported that the property has been generally unaffected by the COVID-19 pandemic and that leasing and rent collection have remained stable.

Genito Glen, continued

Trend Report

Vacancy Rates

 4Q17
 1Q20
 3Q20
 4Q20

 0.0%
 0.0%
 0.0%
 0.0%

Trei	Trend: @50%								Trend: @60%							
2BR /	2BA						2BR /	2BA								
Year 2017	QT 4	Vac. 0.0%	Face Rent \$799	Conc. \$0	Concd. Rent \$799	Adj. Rent \$712	Year 2017	QT 4	Vac. 0.0%	Face Rent \$972	Conc. \$0	Concd. Rent \$972	Adj. Rent \$885			
2020	1	0.0%	\$890	\$0	\$890	\$803	2020	1	0.0%	\$1,085	\$0	\$1,085	\$998			
2020	3	0.0%	\$924	\$0	\$924	\$837	2020	3	0.0%	\$1,125	\$0	\$1,125	\$1,038			
2020	4	0.0%	\$924	\$0	\$924	\$837	2020	4	0.0%	\$1,125	\$0	\$1,125	\$1,038			
3BR /	2BA						3BR /	2BA								
Year 2017	QT 4	Vac. 0.0%	Face Rent \$895	Conc. \$0	Concd. Rent \$895	Adj. Rent \$766	Year 2017	QT 4	Vac. 0.0%	Face Rent \$1,096	Conc. \$0	Concd. Rent \$1,096	Adj. Rent \$967			
2020	1	0.0%	\$1,035	\$0	\$1,035	\$906	2020	1	0.0%	\$1,230	\$0	\$1,230	\$1,101			
2020	3	0.0%	\$1,094	\$0	\$1,094	\$965	2020	3	0.0%	\$1,307	\$0	\$1,307	\$1,178			
2020	4	0.0%	\$1,094	\$0	\$1,094	\$965	2020	4	0.0%	\$1,307	\$0	\$1,307	\$1,178			

Trend: Comments

- The contact reported low turnover and stated the property typically stays fully occupied. A five to seven household waiting list is maintained at this time for the units at 50 percent AMI.
- The contact indicated rents are set at maximum levels for all units, and that the property has very low turnover and typically stays fully occupied. A waitlist is maintained but is typically purged every three months. Tenants can rent washer/dryers for \$50 per month. Upgraded kitchens (appliances, counters, cabinets) and ceiling fans are installed on an ongoing basis as units become available.
- The contact indicated rents are set at maximum levels for all units, and that the property has very low turnover and typically stays fully occupied. A waitlist is maintained but is typically purged every three months. Tenants can rent washer/dryers for an additional \$50 per month. The contact reported that the property has been generally unaffected by the COVID-19 pandemic and that leasing and rent collection have remained stable.
- The contact indicated rents are set at the 2020 maximum allowable levels for all units, and that the property has very low turnover and typically stays fully occupied. A waitlist is maintained but is typically purged every three months. Tenants can rent washer/dryers for an additional \$50 per month. The contact reported that the property has been generally unaffected by the COVID-19 pandemic and that leasing and rent collection have remained stable.

Genito Glen, continued





Ivy Walk I

Effective Rent Date 10/09/2020

Location 4800 Burnt Oak Drive

Richmond, VA 23234 Chesterfield County

Distance 4 miles
Units 126
Vacant Units 6
Vacancy Rate 4.8%

Type Garden (3 stories)
Year Built/Renovated 2002 / N/A

Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A

Major Competitors Southpointe Landing, Arbor Lakes.

Tenant Characteristics Predominantly small families, some couples,

few singles or seniors.

Contact Name Bettina
Phone 804-714-0027



Market Information **Utilities** A/C Program @60% not included -- central Annual Turnover Rate 25% Cooking not included -- electric Units/Month Absorbed N/A Water Heat not included -- gas **HCV Tenants** 17% Heat not included -- gas Leasing Pace 1 to 2 weeks Other Electric not included Annual Chg. in Rent Increased to 2020 max Water included Concession None Sewer included Waiting List No Trash Collection included

Unit Mix	Unit Mix (face rent)												
Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range	
2	2	Garden (3 stories)	70	983	\$1,020	\$0	@60%	No	3	4.3%	yes	None	
3	2	Garden (3 stories)	56	1,112	\$1,110	\$0	@60%	No	3	5.4%	yes	None	

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$1,020	\$0	\$1,020	-\$87	\$933
3BR / 2BA	\$1.110	\$0	\$1,110	-\$129	\$981

Ivy Walk I, continued

Amenities

In-Unit

Balcony/Patio Blinds
Carpeting Central A/C
Coat Closet Dishwasher
Garbage Disposal Oven
Refrigerator Walk-In Closet

Washer/Dryer hookup

Property
Basketball Court Business Center/Computer Lab

 Clubhouse/Meeting Room/Community
 Exercise Facility

 Off-Street Parking
 On-Site Management

 Picnic Area
 Playground

 Recreation Areas
 Swimming Pool

Security Patrol

Premium

None

Services None

Other None

Comments

The contact indicated that is strong demand for affordable housing in the area. The majority of residents originate from the western portion of the city of Richmond. Tenants can rent washer/dryers for \$40 per month. The contact stated some early impact from COVID-19 regarding job losses, leasing, and rent collection but the property has been stable since mid summer and improved in all areas during that time.

lvy Walk I, continued

Trend Report

Vacancy Rates

3Q18	1019	1020	4Q20
0.0%	4.0%	0.0%	4.8%

\$1,110

Trei	Trend: @60%											
2BR /	2BR / 2BA											
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent						
2018	3	0.0%	\$905	\$0	\$905	\$818						
2019	1	4.3%	\$930	\$0	\$930	\$843						
2020	1	0.0%	\$985	\$0	\$985	\$898						
2020	4	4.3%	\$1,020	\$0	\$1,020	\$933						
3BR /	2RA											
JDIC /	ZDA											
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent						
2018	3	0.0%	\$1,005	\$0	\$1,005	\$876						
2019	1	3.6%	\$1,030	\$0	\$1,030	\$901						
2020	1	0.0%	\$1,086	\$0	\$1,086	\$957						

\$0

\$1,110

Trend: Comments

5.4%

2020

The manager indicated that is strong demand for affordable housing in the area. The majority of residents originate from the western portion of the city of Richmond.

\$981

- 1Q19 The manager indicated that is strong demand for affordable housing in the area. The majority of residents originate from the western portion of the city of Richmond. A waiting list was recently purged.
- The manager indicated that is strong demand for affordable housing in the area. The majority of residents originate from the western portion of the city of Richmond. A waiting list was recently purged. Tenants can rent washer/dryers for \$40 per month.
- The contact indicated that is strong demand for affordable housing in the area. The majority of residents originate from the western portion of the city of Richmond. Tenants can rent washer/dryers for \$40 per month. The contact stated some early impact from COVID-19 regarding job losses, leasing, and rent collection but the property has been stable since mid summer and improved in all areas during that time.

Ivy Walk I, continued









Ivy Walk II

Effective Rent Date 10/09/2020

Location 4800 Burnt Oak Drive

Richmond, VA 23234 Chesterfield County

Distance 4 miles
Units 122
Vacant Units 7
Vacancy Rate 5.7%

Type Garden (4 stories)
Year Built/Renovated 2003 / N/A

Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A

Major Competitors Southpointe Landing, Arbor Lake

Tenant Characteristics Primarily small families, some couples, few

singles or seniors.

Contact Name Bettina
Phone 804-714-0027



Market InformationUtilitiesProgram@60%A/Cnot included -- centralAnnual Turnover Rate25%Cookingnot included -- electric

Units/Month Absorbed N/A Water Heat not included -- gas **HCV Tenants** 14% Heat not included -- gas Leasing Pace 1 to 2 weeks Other Electric not included Annual Chg. in Rent Increased to max Water included Concession None Sewer included Waiting List No Trash Collection included

Unit Mix	Unit Mix (face rent)													
Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range		
2	2	Garden (4 stories)	56	983	\$1,020	\$0	@60%	No	3	5.4%	yes	None		
3	2	Garden (4 stories)	66	1,112	\$1,110	\$0	@60%	No	4	6.1%	yes	None		

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$1,020	\$0	\$1,020	-\$87	\$933
3BR / 2BA	\$1.110	\$0	\$1,110	-\$129	\$981

Ivy Walk II, continued

Amenities

In-Unit

Balcony/Patio Blinds
Carpeting Central A/C
Coat Closet Dishwasher
Garbage Disposal Oven
Refrigerator Walk-In Closet

Washer/Dryer hookup

Property
Basketball Court Business Center/Computer Lab

 Clubhouse/Meeting Room/Community
 Exercise Facility

 Off-Street Parking
 On-Site Management

 Picnic Area
 Playground

 Recreation Areas
 Swimming Pool

Security Patrol

Premium

None

• 9

Services None

Other None

Comments

The contact indicated that is strong demand for affordable housing in the area. The majority of residents originate from the western portion of the city of Richmond. Tenants can rent washer/dryers for \$40 per month. The contact stated some early impact from COVID-19 regarding job losses, leasing, and rent collection but the property has been stable since mid summer and improved in all areas during that time.

Ivy Walk II, continued

Trend Report

Vacancy Rates

3Q18 1019 1020 4Q20 0.0% 4.1% 0.8% 5.7%

\$1,110

Trei	Trend: @60%										
2BR /	2BR / 2BA										
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent					
2018	3	0.0%	\$905	\$0	\$905	\$818					
2019	1	5.4%	\$930	\$0	\$930	\$843					
2020	1	1.8%	\$985	\$0	\$985	\$898					
2020	4	5.4%	\$1,020	\$0	\$1,020	\$933					
3BR /	2BA										
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent					
2018	3	0.0%	\$1,005	\$0	\$1,005	\$876					
2019	1	3.0%	\$1,030	\$0	\$1,030	\$901					
2020	1	0.0%	\$1,085	\$0	\$1,085	\$956					

\$0

\$1,110

Trend: Comments

2020

6.1%

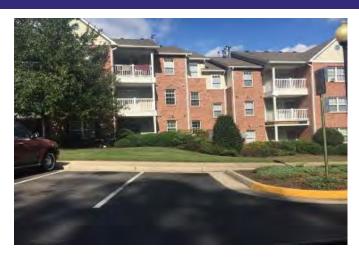
The manager indicated that is strong demand for affordable housing in the area. The majority of residents originate from the western portion of the city of Richmond.

\$981

- 1019 The manager indicated that is strong demand for affordable housing in the area. The majority of residents originate from the western portion of the city of Richmond. A waiting list was recently purged.
- 1Q20 The manager indicated that is strong demand for affordable housing in the area. The majority of residents originate from the western portion of the city of Richmond. A waiting list was recently purged. Tenants can rent washer/dryers for \$40 per month.
- 4Q20 The contact indicated that is strong demand for affordable housing in the area. The majority of residents originate from the western portion of the city of Richmond. Tenants can rent washer/dryers for \$40 per month. The contact stated some early impact from COVID-19 regarding job losses, leasing, and rent collection but the property has been stable since mid summer and improved in all areas during that time.

Ivy Walk II, continued









Port City Apartments

Effective Rent Date 10/12/2020

Location 800 Jefferson Davis Highway

Richmond, VA 23224 Richmond City County

Distance 4 miles
Units 135
Vacant Units 2
Vacancy Rate 1.5%

Type Conversion (4 stories)

Year Built/Renovated 2018 / N/A
Marketing Began 2/01/2019
Leasing Began N/A

Last Unit Leased 8/01/2019
Major Competitors None identified
Tenant Characteristics Mixed tenancy
Contact Name Crystal
Phone 804-944-2749



Utilities Market Information A/C @30%, @40%, @50%, @60%, @70%, @80% included -- central Program **Annual Turnover Rate** 12% Cooking included -- electric Units/Month Absorbed 22 Water Heat included -- gas **HCV** Tenants 5% Heat included -- electric Pre-leased Other Electric included Leasing Pace Annual Chg. in Rent Increased to 2020 max Water included Concession None Sewer included Waiting List Yes.50 households Trash Collection included

Unit Mix (face rent)												
Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Conversion (4 stories)	8	622	\$671	\$0	@40%	Yes	0	0.0%	yes	None
1	1	Conversion (4 stories)	11	675	\$838	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Conversion (4 stories)	30	666	\$1,006	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Conversion (4 stories)	10	698	\$1,174	\$0	@70%	Yes	0	0.0%	yes	None
1	1	Conversion (4 stories)	6	577	\$1,342	\$0	@80%	Yes	0	0.0%	yes	None
2	2	Conversion (4 stories)	1	879	\$603	\$0	@30%	Yes	0	0.0%	yes	None
2	2	Conversion (4 stories)	6	924	\$805	\$0	@40%	Yes	0	0.0%	yes	None
2	2	Conversion (4 stories)	13	603	\$1,006	\$0	<i>@</i> 50%	Yes	0	0.0%	yes	None
2	2	Conversion (4 stories)	32	766	\$1,207	\$0	@60%	Yes	2	6.2%	yes	None
2	2	Conversion (4 stories)	9	817	\$1,408	\$0	@70%	Yes	0	0.0%	yes	None
2	2	Conversion (4 stories)	8	1,140	\$1,610	\$0	@80%	Yes	0	0.0%	yes	None
3	2	Conversion (4 stories)	1	1,219	\$1,395	\$0	@60%	Yes	0	0.0%	yes	None

Port City Apartments, continued

Unit Mix											
@30%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@40%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$603	\$0	\$603	-\$179	\$424	1BR / 1BA	\$671	\$0	\$671	-\$129	\$542
						2BR / 2BA	\$805	\$0	\$805	-\$179	\$626
<i>@</i> 50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$838	\$0	\$838	-\$129	\$709	1BR / 1BA	\$1,006	\$0	\$1,006	-\$129	\$877
2BR / 2BA	\$1,006	\$0	\$1,006	-\$179	\$827	2BR / 2BA	\$1,207	\$0	\$1,207	-\$179	\$1,028
						3BR / 2BA	\$1,395	\$0	\$1,395	-\$241	\$1,154
@ 70%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@80%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,174	\$0	\$1,174	-\$129	\$1,045	1BR / 1BA	\$1,342	\$0	\$1,342	-\$129	\$1,213
2BR / 2BA	\$1,408	\$0	\$1,408	-\$179	\$1,229	2BR / 2BA	\$1,610	\$0	\$1,610	-\$179	\$1,431

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In-Unit Blinds Balcony/Patio Cable/Satellite/Internet Carpeting Coat Closet Central A/C Dishwasher Ceiling Fan Garbage Disposal Microwave Oven Refrigerator Vaulted Ceilings Washer/Dryer hookup

Property Clubhouse/Meeting Room/Community Elevators Off-Street Parking

Swimming Pool

Exercise Facility On-Site Management Wi-Fi

Security Intercom (Buzzer)

Limited Access

Premium None

Other None

Services

None

Comments

This is the first phase of a proposed two phase property. The first phase began leasing units in February 2019 and reached stabilization in August 2019. The rents increased to the 2020 maximum allowable rents and all utilities are included. No major impact related to COVID-19 was reported but the contact did not offer further insight. The second phase of the property is under construction and delayed because of the pandemic but is expected to be completed in spring of 2021.

Port City Apartments, continued

Trend Report

Vacancy Rates

4Q194Q200.0%1.5%

Trend: @30%	Trend: @40%
2BR / 2BA	1BR / 1BA
Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$561 \$0 \$561 \$382 2020 4 0.0% \$603 \$0 \$603 \$424	Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$624 \$0 \$624 \$495 2020 4 0.0% \$671 \$0 \$671 \$542
	2BR / 2BA Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent \$8749\$ 2019 4 0.0% \$749 \$0 \$749 \$570 2020 4 0.0% \$805 \$0 \$805 \$626
Trend: @50%	Trend: @60%
1BR / 1BA	1BR / 1BA
Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$780 \$0 \$780 \$651 2020 4 0.0% \$838 \$0 \$838 \$709	Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$936 \$0 \$936 \$807 2020 4 0.0% \$1,006 \$0 \$1,006 \$877
2BR / 2BA	2BR / 2BA
Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$936 \$0 \$936 \$757 2020 4 0.0% \$1,006 \$0 \$1,006 \$827	Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$1,123 \$0 \$1,123 \$944 2020 4 6.2% \$1,207 \$0 \$1,207 \$1,028
	3BR / 2BA
	Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$1,298 \$0 \$1,298 \$1,057 2020 4 0.0% \$1,395 \$0 \$1,395 \$1,154
Trend: @70%	Trend: @80%
1BR / 1BA	1BR / 1BA
Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$1,092 \$0 \$1,092 \$963 2020 4 0.0% \$1,174 \$0 \$1,174 \$1,045	Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$1,249 \$0 \$1,249 \$1,120 2020 4 0.0% \$1,342 \$0 \$1,342 \$1,213
2BR / 2BA	2BR / 2BA
Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$1,310 \$0 \$1,310 \$1,131 2020 4 0.0% \$1,408 \$0 \$1,408 \$1,229	Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$1,498 \$0 \$1,498 \$1,319 2020 4 0.0% \$1,610 \$0 \$1,610 \$1,431

Trend: Comments

4Q19 The property is phase I of Port City II. The first phase began leasing units in February 2019 and reached stabilization in August 2019. The rents are slightly below the maximum allowable level.

This is the first phase of a proposed two phase property. The first phase began leasing units in February 2019 and reached stabilization in August 2019. The rents increased to the 2020 maximum allowable rents and all utilities are included. No major impact related to COVID-19 was reported but the contact did not offer further insight. The second phase of the property is under construction and delayed because of the pandemic but is expected to be completed in spring of 2021.

Port City Apartments, continued







Colony At Centerpointe

Effective Rent Date 10/08/2020

Location 14400 Palladium Dri

Midlothian, VA 23114 Chesterfield County

Distance 8 miles
Units 255
Vacant Units 9
Vacancy Rate 3.5%

Type Garden (3 stories)
Year Built/Renovated 2015 / N/A

Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A

Major Competitors Abberly, Winterfield, Sapphire Apts (UC)
Tenant Characteristics Mix of local area professionals, small families

Contact Name Amy

Phone 844-330-2447



Market Information **Utilities** A/C Market not included -- central Program **Annual Turnover Rate** 25% Cooking not included -- electric not included -- electric Units/Month Absorbed 20.8 Water Heat **HCV** Tenants 0% Heat not included -- electric Other Electric Leasing Pace 2 weeks not included Annual Chg. in Rent Fluctuate regularly Water not included None Concession Sewer not included Waiting List None Trash Collection not included

Unit Mix (face rent)												
Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	72	860	\$1,235	\$0	Market	No	2	2.8%	N/A	None
2	2	Garden (3 stories)	78	1,208	\$1,479	\$0	Market	No	2	2.6%	N/A	None
2	2	Garden (3 stories)	60	1,210	\$1,499	\$0	Market	No	2	3.3%	N/A	None
2	2	Garden (3 stories)	9	1,220	\$1,529	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (3 stories)	36	1,482	\$1,775	\$0	Market	No	3	8.3%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj	. Adj. Rent
1BR / 1BA	\$1,235	\$0	\$1,235	\$19	\$1,254
2BR / 2BA	\$1,479 - \$1,529	\$0	\$1,479 - \$1,529	\$19	\$1,498 - \$1,548
3BR / 2BA	\$1.775	\$0	\$1.775	\$19	\$1.794

Colony At Centerpointe, continued

Amenities

In-Unit

Balcony/Patio Blinds
Carpet/Hardwood Central A/C
Coat Closet Dishwasher
Exterior Storage Ceiling Fan
Garbage Disposal Microwave
Oven Refrigerator
Walk-In Closet Washer/Dryer

Security Limited Access Services None

Property

Business Center/Computer Lab Clubhouse/Meeting Room/Community

Courtyard Exercise Facility
Garage(\$150.00) Off-Street Parking
On-Site Management Picnic Area
Recreation Areas Swimming Pool
Wi-Fi

Premium None

m Other

S/S, Granite island, Dog Park,

Comments

The property was FKA Oxygen at Centerpointe and has been under new ownership since December of 2017. Garages are available for \$150 per month and access to the bike storage is \$5 monthly. Trash is billed a flat rate of \$10 monthly. The contact stated no major impact relating to COVID-19 but did not provide further insight.

Colony At Centerpointe, continued

Trend Report

Vacancy R	≀ates
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1018	1020	2020	4Q20
8.2%	3.9%	6.3%	3.5%

Trei	nd: I	Mark	et			
1BR /	1BA					
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	1	N/A	\$1,120	\$0	\$1,120	\$1,139
2020	1	0.0%	\$1,243	\$0	\$1,243	\$1,262
2020	2	4.2%	\$1,235	\$0	\$1,235	\$1,254
2020	4	2.8%	\$1,235	\$0	\$1,235	\$1,254
2BR /	2BA					
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	1	N/A	\$1,429 - \$1,579	\$0	\$1,429 - \$1,579	\$1,448 - \$1,598
2020	1	5.4%	\$1,391 - \$1,464	\$0	\$1,391 - \$1,464	\$1,410 - \$1,483
2020	2	7.5%	\$1,404 - \$1,490	\$0	\$1,404 - \$1,490	\$1,423 - \$1,509
2020	4	2.7%	\$1,479 - \$1,529	\$0	\$1,479 - \$1,529	\$1,498 - \$1,548
3BR /	2BA					
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	1	N/A	\$1,714	\$0	\$1,714	\$1,733
2020	1	5.6%	\$1,685	\$0	\$1,685	\$1,704
2020	2	5.6%	\$2,037	\$0	\$2,037	\$2,056
2020	4	8.3%	\$1,775	\$0	\$1,775	\$1,794

Trend: Comments

- The property was FKA Oxygen at Centerpointe and has been under new ownership since December of 2017. The contact stated the current occupancy rate is lower than typical and cited an increase in move outs since the start of the year which is characteristic when a property changes ownership. She noted the property is 94 percent preleased and trending upward with an increase in prospective renter traffic.
- The property was FKA Oxygen at Centerpointe and has been under new ownership since December of 2017. Garages are available for \$150 per month and access to the bike storage is \$5 monthly. Trash is billed a flat rate of \$10 monthly. HCVs are not accepted.
- 2Q20 N/A
- The property was FKA Oxygen at Centerpointe and has been under new ownership since December of 2017. Garages are available for \$150 per month and access to the bike storage is \$5 monthly. Trash is billed a flat rate of \$10 monthly. The contact stated no major impact relating to COVID-19 but did not provide further insight.

Colony At Centerpointe, continued











Element At Stonebridge

Effective Rent Date 10/08/2020

Location 301 Karl Linn Dr

Richmond, VA 23225 Chesterfield County

Distance 0.6 miles
Units 400
Vacant Units 24
Vacancy Rate 6.0%

Type Lowrise (4 stories)
Year Built/Renovated 2016/2018 / N/A

Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors N/A
Tenant Characteristics N/A
Contact Name Jay

Phone (804) 571-0531



Market Information Utilities

A/C Market not included -- central Program **Annual Turnover Rate** 25% Cooking not included -- electric not included -- electric Units/Month Absorbed Water Heat N/A **HCV** Tenants 0% Heat not included -- electric Other Electric Leasing Pace N/A not included Annual Chg. in Rent Fluctuates daily Water not included

Annual Chg. in Rent Fluctuates daily Water not included Concession None Sewer not included Waiting List None Trash Collection not included

Unit Mix (face rent)												
Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (4 stories)	40	563	\$1,165	\$0	Market	No	N/A	N/A	N/A	None
1	1	Lowrise (4 stories)	80	740	\$1,175	\$0	Market	No	N/A	N/A	N/A	None
1	1	Lowrise (4 stories)	92	744	\$1,200	\$0	Market	No	N/A	N/A	N/A	None
1	1	Lowrise (4 stories)	46	835	\$1,227	\$0	Market	No	N/A	N/A	N/A	None
2	2	Lowrise (4 stories)	46	1,081	\$1,305	\$0	Market	No	N/A	N/A	N/A	None
2	2	Lowrise (4 stories)	30	1,156	\$1,315	\$0	Market	No	N/A	N/A	N/A	None
2	2	Lowrise (4 stories)	48	1,236	\$1,435	\$0	Market	No	N/A	N/A	N/A	None
2	2	Lowrise (4 stories)	18	1,260	\$1,480	\$0	Market	No	N/A	N/A	N/A	None

Unit Mix

 Market
 Face Rent
 Conc.
 Concd. Rent
 Util. Adj.
 Adj. Rent

 1BR / 1BA
 \$1,165 - \$1,227
 \$0
 \$1,165 - \$1,227
 \$19
 \$1,184 - \$1,246

 2BR / 2BA
 \$1,305 - \$1,480
 \$0
 \$1,305 - \$1,480
 \$19
 \$1,324 - \$1,499

Element At Stonebridge, continued

Amenities

In-Unit

Balcony/Patio Blinds
Cable/Satellite/Internet Carpeting
Central A/C Coat Closet
Dishwasher Microwave
Oven Refrigerator

Walk-In Closet Washer/Dryer hookup

Property Premium Other

Washer/Dryer

Clubhouse/Meeting Room/Community

Elevators

On-Site Management
Picnic Area

Wi-Fi

Courtyard

Exercise Facility

On-Site Management

Swimming Pool

Wi-Fi

Outdoor seating and salt water

Services

None

Comments

The property was constructed in three phases between 2016 and 2018. The manager indicated that rents fluctuate daily but typically increase during the summer months and decrease during the winter months due to seasonal vacancies. Internet is included in the rents. The units include stainless steel appliances and granite countertops. No major issues or impact on the property related to COVID-19 were reported.

Security

None

Intercom (Buzzer)

Limited Access

Element At Stonebridge, continued

Trend Report

Vacancy Rates

 3Q18
 2Q20
 4Q20

 18.8%
 7.8%
 6.0%

Trend: Market

1BR	/	1	B	٥
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Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	3	N/A	\$1,289 - \$1,30 \$ 2	215 - \$2	18\$1,074 - \$1,089	\$1,093 - \$1,108
2020	2	7.8%	\$1,144 - \$1,182	\$0	\$0 - \$1,155	\$0 - \$1,174
2020	4	N/A	\$1 165 - \$1 227	\$0	\$1 165 - \$1 227	\$1 184 - \$1 246

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	3	N/A	\$1,609 - \$1,71 9 2	268 - \$28	37\$1,341 - \$1,432	\$1,360 - \$1,451
2020	2	7.7%	\$1,419 - \$1,501	\$0	\$0 - \$1,453	\$0 - \$1,472
2020	4	N/A	\$1 305 - \$1 480	\$0	\$1 305 - \$1 480	\$1 324 - \$1 499

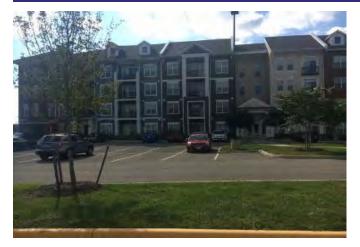
Studio / 1BA

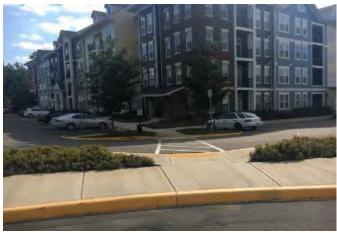
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	3	N/A	\$1,209	\$202	\$1,007	\$1,007

Trend: Comments

- The development consists of three phases. Phases I and II are complete and have limited vacancies. The vacancies are predominantly in the third phase, which is still in leaseup. The manager indicated that rents fluctuate daily but typically increase during the summer months and decrease during the winter months due to seasonal vacancies. Internet is included in the rents. The units include stainless steel appliances and granite countertops. Each apartment comes with a key fob.
- The development consists of three phases. Phases I and II are complete and have limited vacancies. The vacancies are predominantly in the third phase, which was constructed in 2018 is at the end of the lease up phase. The manager indicated that rents fluctuate daily but typically increase during the summer months and decrease during the winter months due to seasonal vacancies. Internet is included in the rents. The units include stainless steel appliances and granite countertops. Each apartment comes with a key fob.
- The property was constructed in three phases between 2016 and 2018. The manager indicated that rents fluctuate daily but typically increase during the summer months and decrease during the winter months due to seasonal vacancies. Internet is included in the rents. The units include stainless steel appliances and granite countertops. No major issues or impact on the property related to COVID-19 were reported.

Element At Stonebridge, continued







Link Apartments Manchester

Effective Rent Date 10/09/2020

Location 901 Mcdonough Street

Richmond, VA 23224 Richmond City County

Distance 4.4 miles
Units 183
Vacant Units 17
Vacancy Rate 9.3%

Type Midrise (5 stories)
Year Built/Renovated 2012 / N/A

Marketing Began N/A

Leasing Began11/01/2012Last Unit Leased8/01/2013Major CompetitorsNone identified

Tenant Characteristics Mixed local area tenancy employed in diverse

jobs and industries deemed essential

Contact Name Kirsten

Phone 804-232-0849



Utilities Market Information A/C Program Market not included -- central Annual Turnover Rate 25% Cooking not included -- electric Units/Month Absorbed 19 Water Heat not included -- electric **HCV** Tenants 0% Heat not included -- electric not included Leasing Pace Within one week Other Electric Annual Chg. in Rent Fluctuates often Water not included Concession 1st month free with 12 month lease Sewer not included Waiting List None Trash Collection included

Unit Mix (face rent)													
	Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
	1	1	Midrise (5 stories)	142	685	\$1,215	\$101	Market	No	12	8.5%	N/A	AVG*
	1	1	Midrise (5 stories)	0	739	\$1,299	\$108	Market	No	0	N/A	N/A	HIGH
	1	1	Midrise (5 stories)	0	645	\$1,130	\$94	Market	No	0	N/A	N/A	LOW
	2	2	Midrise (5 stories)	16	953	\$1,375	\$115	Market	No	1	6.2%	N/A	None
	2	2	Midrise (5 stories)	15	1,023	\$1,559	\$130	Market	No	2	13.3%	N/A	None
	2	2	Midrise (5 stories)	10	1,111	\$1,519	\$127	Market	No	2	20.0%	N/A	None

Unit Mix

 Market
 Face Rent
 Conc.
 Concd. Rent
 Util. Adj.
 Adj. Rent

 1BR / 1BA
 \$1,130 - \$1,299 \$94 - \$108\$1,036 - \$1,191
 \$0
 \$1,036 - \$1,191

 2BR / 2BA
 \$1,375 - \$1,559\$115 - \$130\$1,260 - \$1,429
 \$0
 \$1,260 - \$1,429

Link Apartments Manchester, continued

Amenities

In-Unit

Blinds Carpet/Hardwood
Central A/C Coat Closet
Dishwasher Exterior Storage
Ceiling Fan Garbage Disposal
Microwave Oven
Refrigerator Walk-In Closet
Washer/Dryer Washer/Dryer hookup

Security Intercom (Buzzer) Limited Access Patrol Services None

Washin biyo

Property
Business Center/Computer Lab Clubhouse/Meeting Room/Community

Elevators Exercise Facility
Garage On-Site Management
Picnic Area Recreation Areas
Swimming Pool

Premium None Other None

Comments

The contact reported the property utilizes a software management system to determine monthly rents. She estimated an approximate five percent overall decrease in prices mostly related to COVID-19. No further details were provided concerning the impact of the pandemic on the property.

Link Apartments Manchester, continued

Trend Report

Vacancy Rates

3Q17	4019	2020	4Q20
0.0%	4.8%	2.1%	9.3%

Trend: Market

1101	Trend. Warket											
1BR /	1BA											
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent						
2017	3	0.0%	\$1,040 - \$1,295	\$0	\$1,040 - \$1,295	\$1,040 - \$1,295						
2019	4	N/A	\$1,150 - \$1,500	\$0	\$1,150 - \$1,500	\$1,150 - \$1,500						
2020	2	N/A	\$1,119 - \$1,233	\$0	\$1,119 - \$1,233	\$1,119 - \$1,233						
2020	4	8.5%	\$1,130 - \$1,29%	94 - \$10	08 \$1,036 - \$1,191	\$1,036 - \$1,191						
2BR /	2BA											
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent						
2017	3	0.0%	\$1,368 - \$1,480	\$0	\$1,368 - \$1,480	\$1,368 - \$1,480						
2019	4	N/A	\$1,350 - \$1,800	\$0	\$1,350 - \$1,800	\$1,350 - \$1,800						
2020	2	2.4%	\$1,488 - \$1,600	\$0	\$1,488 - \$1,600	\$1,488 - \$1,600						
2020	4	12.2%	\$1,375 - \$1,55 9 1	115 - \$1	30\$1,260 - \$1,429	\$1,260 - \$1,429						

Trend: Comments

- 3Q17 WiFi and one parking spot is included in rent.
- 4Q19 The contact reported the property utilizes a software management system to determine rent increases. Our rent increase is calculated based of our previous interview from 2017.
- The contact reported the property utilizes a software management system to determine rent increases. Our rent increase is calculated based of our previous interview from 2017. The property offers 142 one- and 45 two-bedroom units.
- The contact reported the property utilizes a software management system to determine monthly rents. She estimated an approximate five percent overall decrease in prices mostly related to COVID-19. No further details were provided concerning the impact of the pandemic on the property.

Link Apartments Manchester, continued











Reserve South Apartments

Effective Rent Date 10/12/2020

Location 6701 Carnation Street

Richmond, VA 23225 Richmond City County

Distance 0.2 miles
Units 200
Vacant Units 5
Vacancy Rate 2.5%

Type Garden (2 stories) Year Built/Renovated 1989 / 2018

Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A

Major Competitors Bramblewood Estates, Ashley Park

Tenant Characteristics Singles and families from the Richmond area

Contact Name Latoya
Phone 804.323.7194



Market Information Utilities A/C Market not included -- central Program Annual Turnover Rate 22% Cooking not included -- electric not included -- electric Units/Month Absorbed Water Heat N/A **HCV** Tenants 0% Heat not included -- electric Other Electric Leasing Pace Pre-Lease to 2 weeks not included Annual Chg. in Rent Increase 3% Water not included Concession None not included Sewer Waiting List No Trash Collection included

Unit Mix (face rent)												
Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1	Garden (2 stories)	18	944	\$1,052	\$0	Market	No	1	5.6%	N/A	None
2	2	Garden (2 stories)	160	996	\$1,186	\$0	Market	No	3	1.9%	N/A	None
3	2	Garden (2 stories)	22	1,100	\$1,286	\$0	Market	No	1	4.5%	N/A	None

Unit Mix Face Rent Concd. Rent Util. Adj. Adj. Rent Market Conc. 2BR / 1BA \$1,052 \$0 \$1,052 \$0 \$1,052 2BR / 2BA \$0 \$1,186 \$1,186 \$1,186 \$0 3BR / 2BA \$1,286 \$0 \$1,286 \$0 \$1,286

Reserve South Apartments, continued

Amenities

In-Unit

Balcony/Patio Blinds
Carpeting Central A/C
Coat Closet Dishwasher
Ceiling Fan Fireplace
Garbage Disposal Microwave
Oven Refrigerator
Walk-In Closet Washer/Dryer

Security Services
Patrol None

Washer/Dryer hookup

Property
Clubhouse/Meeting Room/Community Exercise Facility
Off-Street Parking On-Site Management
Playground Swimming Pool
Tennis Court Wi-Fi

Premium Other
None Billiards table

Comments

The contact reported stable occupancy with limited negative impact related to COVID-19. Arrangements have been made with those households affected by the downturn in the economy related to the pandemic but for the most part, majority of households have returned to work. The property does not accept housing choice vouchers. Unit upgrades includes new wood-style vinyl flooring, new carpet, new fixtures, and new black appliances.

Reserve South Apartments, continued

Trend Report

Vacancy Rates

 1Q14
 1Q15
 4Q16
 4Q20

 0.0%
 1.0%
 2.0%
 2.5%

Trend: Market												
2BR / 1BA												
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent						
2014	1	0.0%	\$825	\$0	\$825	\$825						
2015	1	0.0%	\$850	\$0	\$850	\$850						
2016	4	5.6%	\$911	\$0	\$911	\$911						
2020	4	5.6%	\$1,052	\$0	\$1,052	\$1,052						
2BR /	2BA											
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent						
2014	1	0.0%	\$879	\$0	\$879	\$879						
2015	1	1.3%	\$899	\$0	\$899	\$899						
2016	4	1.9%	\$946	\$0	\$946	\$946						
2020	4	1.9%	\$1,186	\$0	\$1,186	\$1,186						
3BR /	2BA											
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent						
2014	1	0.0%	\$1,010	\$0	\$1,010	\$1,010						
2015	1	0.0%	\$1,025	\$0	\$1,025	\$1,025						
2016	4	0.0%	\$1,080	\$0	\$1,080	\$1,080						
2020	4	4.5%	\$1,286	\$0	\$1,286	\$1,286						

Trend: Comments

- The contact indicated that the property was fully occupied and that there was no longer a need for rental concessions at this time.
- 1Q15 The contact reported both vacant units are preleased. Occupancy rates have been strong during the past 12 months she noted.
- 4Q16 The property changed its name from Newport Manor to the Reserve South Apartments in late 2015 as it came under new management. The property does not accept housing choice vouchers.
- The contact reported stable occupancy with limited negative impact related to COVID-19. Arrangements have been made with those households affected by the downturn in the economy related to the pandemic but for the most part, majority of households have returned to work. The property does not accept housing choice vouchers. Unit upgrades includes new wood-style vinyl flooring, new carpet, new fixtures, and new black appliances.

Reserve South Apartments, continued



PROPERTY PROFILE REPORT

Sterling Beaufont Apartments

Effective Rent Date 10/09/2020

6839 Carnation St Location

Richmond, VA 23225 Richmond City County

Distance 0.2 miles Units 312 Vacant Units 7 2.2% Vacancy Rate

Type Garden (2 stories) 1980/1982 / N/A Year Built/Renovated

Marketing Began N/A Leasing Began N/A Last Unit Leased N/A

Major Competitors None identified **Tenant Characteristics** Diverse mix Contact Name Rebecca Phone (844) 533-0909

None



not included

Utilities Market Information A/C Market not included -- central Program **Annual Turnover Rate** 22% Cooking not included -- electric not included -- gas Units/Month Absorbed N/A Water Heat **HCV** Tenants 0% Heat not included -- gas Other Electric Leasing Pace Within two weeks not included Annual Chg. in Rent Increased 4%-6% Water not included Concession None Sewer not included Waiting List

Unit Mix	x (face r	ent)										
Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	706	\$1,037	\$0	Market	No	0	N/A	N/A	None
1	1	Garden (2 stories)	N/A	777	\$1,063	\$0	Market	No	1	N/A	N/A	None
1	1	Garden (2 stories)	N/A	854	\$1,165	\$0	Market	No	2	N/A	N/A	None
2	1	Garden (2 stories)	N/A	854	\$1,172	\$0	Market	No	1	N/A	N/A	None
2	2	Garden (2 stories)	N/A	944	\$1,265	\$0	Market	No	2	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,015	\$1,375	\$0	Market	No	1	N/A	N/A	None
3	2	Garden (2 stories)	8	1,171	\$1,382	\$ 0	Market	No	0	0.0%	N/A	None

Trash Collection

Unit Mix

Market	Face Rent	Conc.	Concd. Rent U	Jtil. Ac	lj. Adj. Rent
1BR / 1BA	\$1,037 - \$1,165	\$0	\$1,037 - \$1,165	\$19	\$1,056 - \$1,184
2BR / 1BA	\$1,172	\$0	\$1,172	\$19	\$1,191
2BR / 2BA	\$1,265 - \$1,375	\$0	\$1,265 - \$1,375	\$19	\$1,284 - \$1,394
3BR / 2BA	\$1,382	\$0	\$1,382	\$19	\$1,401

Sterling Beaufont Apartments, continued

Amenities

In-Unit Balcony/Patio Blinds Carpeting Central A/C Coat Closet Dishwasher Microwave Refrigerator Walk-In Closet

Washer/Dryer hookup

Property Clubhouse/Meeting Room/Community

Exercise Facility Central Laundry Off-Street Parking On-Site Management Playground Swimming Pool Tennis Court

Security Patrol

None

Services None

Premium Other None

Comments

The contact reported overall occupancy rates have remained stable during 2020 and no major negative impact from COVID-19 was reported. She stated the majority of tenants have not been impacted by job losses related to the pandemic and there have been no issues with rent collection. The contact stated concessions have not been needed despite units taking longer to lease due to self distancing restrictions and slower renter traffic.

Sterling Beaufont Apartments, continued

Trend Report

Vacancy Rates

3018 4020 1.9% 2.2%

Trend:	Market	
--------	--------	--

1BR /	1BA					
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	3	N/A	\$877 - \$896	\$0	\$877 - \$896	\$896 - \$915
2020	4	N/A	\$1,037 - \$1,165	\$0	\$1,037 - \$1,165	\$1,056 - \$1,184
0DD /	404					
2BR /	IBA					
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	4	N/A	\$1,172	\$0	\$1,172	\$1,191
2BR /	2BA					
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	3	N/A	\$907 - \$1,064	\$0	\$907 - \$1,064	\$926 - \$1,083
2020	4	N/A	\$1,265 - \$1,375	\$0	\$1,265 - \$1,375	\$1,284 - \$1,394
3BR /	2BA					
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	3	N/A	\$1,122 - \$1,262	\$0	\$1,122 - \$1,262	\$1,141 - \$1,281
2020	4	0.0%	\$1,382	\$0	\$1,382	\$1,401

Trend: Comments

The property offers multiple floor plans and rents range based on unit size. The manager reported that the strongest demand is for three-bedroom units. Most residents in the three-bedroom units are long-term tenants. The manager indicated that they had higher vacancies this year due to job transfers and home purchases. However, the property currently has a low vacancy rate of less than two percent. Although there is currently not a waiting list, the manager indicated that the three-bedroom units typically operate with a wait list. The property has a contract with the City of Richmond to provide patrol service to the development.

The contact reported overall occupancy rates have remained stable during 2020 and no major negative impact from COVID-19 was reported. She stated the majority of tenants have not been impacted by job losses related to the pandemic and there have been no issues with rent collection. The contact stated concessions have not been needed despite units taking longer to lease due to self distancing restrictions and slower renter traffic.

Sterling Beaufont Apartments, continued

Photos









_	Outstant	Comp #6 Comp #7		Comp #8		Comp #9		Comp #10				
	Subject				Com	p #7			Comp	79	Comp	#10
	Urbana At Hioaks	Data	Colony At Co		Element At S		Link Apartments		Reserve South		Sterling Beaufor	
	6850 Atmore Dr	on	14400 Palla		301 Karl		901 Mcdono	Ü	6701 Carnat		6839 Carr	
	Richmond, Richmond City	Subject	Midlothian, Ches		Richmond, Ches		Richmond, Ric County		Richmond, Ric County		Richmond, Ric County	
	A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?		\$1,235	N	\$1,175	N	\$1,215	N	\$1,052	N	\$1,037	N
2	Date Last Leased (mo/yr)		Oct-20		Oct-20		Oct-20		Oct-20		Oct-20	
3	Rent Concessions		N		N		Y	(\$101)	N		N	
4	Occupancy for Unit Type		97.2%		94.0%		91.5%		94.4%		97.8%	
5	Effective Rent & Rent / sq. ft		\$1,235	\$1.44	\$1,175	\$1.59	\$1,114	\$1.63	\$1,052	\$1.11	\$1,037	\$1.47
-	In Parts B thru E, adjust only for differences the subject's m	2011.04.101.100										
	B. Design, Location, Condition	iaiket values.	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	E / 4	G/3	\$20	E / 4	4114	E / 5		G / 2	\$20	G / 2	\$20
7	Yr. Built / Yr. Renovated	2021	2015		2016		2012		1989 / 2018	· ·	1980	
8	Condition / Street Appeal	E	E		E		G	\$100	А	\$200	A	\$200
9	Neighborhood	A	G	(\$100)	Α		F	\$50	A		A	
10	Same Market? Miles to Subj.		Yes/8		Yes/0.6		Yes/4.4		Yes/0.2		Yes/0.2	
				A 1 "		A 1 **						
11	C. Unit Equipment / Amenities # Bedrooms	1	Data 1	\$ Adj	Data 1	\$ Adj	Data 1	\$ Adj	Data 2	\$ Adj (\$125)	Data 1	\$ Adj
11	# Bedrooms # Bathrooms	1	1		1		1		1	(Ø120)	1	
13	# Bathrooms Unit Interior Sq. Pt.	760	860	(\$36)	740		685	\$33	944	(\$51)	706	\$20
14	Balcony / Patio	Y	Y	(+30)	Y		N	\$10	Y	(+2.)	700 Y	,v
15	AC: Central / Wall	С	С		С		С		С		С	
16	Range / Refrigerator	R/F	R/F		R/F		R/F		R/F		R/F	
17	Microwave / Dishwasher	M / D	M/D		M/D		M/D		M/D		M/D	
18	Washer / Dryer	L/HU	WD	(\$25)	WD	(\$25)	WD	(\$25)	WD	(\$25)	L/HU	
19	Floor Coverings	V	V		C	\$10	V		С	\$10	С	\$10
20	Window Coverings	В	В		В		В		В		В	
21	Cable / Satellite / Internet	Common Area Wi-Fi	Common Area Wi- Fi		In-Unit Internet Service	(\$25)	N	\$10	Common Area Wi- Fi		N	\$10
22	Special Features	Garbage disposal, walk-in closet	Ceiling fan, garbage disposal, walk-in closet, stainless steel appliances, granite counters, dog park, package lockers	(\$35)	Walk-in closet	\$5	Ceiling fan, garbage disposal, walk-in closet	(\$5)	Ceiling fan, fireplace, garbage disposal, walk-in closet	(\$5)	Walk-in closet	\$5
23												
	D. Site Equipment / Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
	Parking (\$ Fee)	L	L/G(\$150)		L		G(\$0)	(\$150)	L		L	
25	Extra Storage	N Y	Y	(\$10)	N Y		Y	(\$10)	N Y		N Y	
26 27	Security Clubhouse / Meeting Rooms	MR	MR		MR		MR		MR		MR	
28	Pool / Recreation Areas	P/E/R	P/E/R		P/E/R		P/E/R		P/E/R		P/E/R	
29	Business Ctr / Nbhd Network	BC	BC		N	\$10	BC		N	\$10	N	\$10
30	Service Coordination	N	N		N		N		N		N	
31	Non-shelter Services	N	N		N		N		N		N	
32	Neighborhood Network	N	N		N		N		N		N	
22	E. Utilities	N/E	Data N/E	\$ Adj	Data N/E	\$ Adj	Data N/E	\$ Adj	Data N/E	\$ Adj	Data N/G	\$ Adj
33	Heat (in rent? / type) Cooling (in rent? / type)	N/E N/C	N/E N/C		N/E N/C		N/E N/C		N/E N/C		N/G N/C	
35	Cooking (in rent? / type)	N/E	N/E		N/E		N/E		N/E		N/E	
36	Hot water (in rent? / type)	N/E	N/E		N/E		N/E		N/E		N/G	
37	Other Electric	N	N		N		N		N		N	
38	Cold Water / Sewer	N/N	N/N		N/N		N/N		N/N		N/N	
39	Trash / Recycling	Y	Flat Fee	\$10	N	\$19	Υ		Y		N	\$19
40	F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D Sum Adjustments B to D		1 000	(5) (\$206)	3	(2)	5	(4)	4 6240	(4) (\$206)	7	
_	Sum Adjustments B to D Sum Utility Adjustments		\$20 \$10	(\$∠06)	\$25 \$19	(\$50)	\$203	(\$190)	\$240	(\$ZU6)	\$275 \$19	
42	oun ounty Aujustinents		\$10 Net	Gross	\$19 Net	Gross	Net	Gross	Net	Gross	\$19 Net	Gross
43	Net / Gross Adjustments B to E		(\$176)	\$236	(\$6)	\$94	\$13	\$393	\$34	\$446	\$294	\$294
			(ψ170)	ψ£30	(90)	\$J4	ψισ	ψ030	ψ υ Ψ	ψ- - -τυ	Ψ234	ψ£07
	G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5 + 43)		\$1,059		\$1,169		\$1,127		\$1,086		\$1,331	
45	Adj Rent / Last rent			86%		99%		101%		103%		128%
46	Estimated Market Rent	\$1,150	\$1.51 Estimated Ma	rket Rent / Sq. Ft.								

October 5, 2020 Attached are explanations of:

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

form HUD-92273-S8 (04/2002)

	Subject		Comp	#6	Com	o #7	Comp	p #8	Comp	#9	Comp	#10
	Urbana At Hioaks	Data	Colony At Ce	enterpointe	Element At S	Stonebridge	Link Apartment	s Manchester	Reserve South	Apartments	Sterling Beaufont	t Apartments
	6850 Atmore Dr	on	14400 Palla	adium Dri	301 Karl	Linn Dr	901 Mcdono	ugh Street	6701 Carnati	ion Street	6839 Carna	ation St
	Richmond, Richmond City	Subject	Midlothian, Ches		Richmond, Ches		Richmond, Ric Count		Richmond, Ric County		Richmond, Rich County,	
	A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?		\$1,479	N	\$1,305	N	\$1,559	N	\$1,186	N	\$1,375	N
2	Date Last Leased (mo/yr)		Oct-20		Oct-20		Oct-20		Oct-20		Oct-20	
3	Rent Concessions	1000 1100 000 100 1100 000 100 100 100	N 07.40/		N 04.00/		Y	(\$130)	N 20 40′		N OT 00/	
5	Occupancy for Unit Type Effective Rent & Rent / sq. ft		97.4% \$1,479	\$1.22	94.0% \$1,305	\$1.21	86.7% \$1,429	\$1.40	98.1% \$1,186	\$1.19	97.8% \$1,375	\$1.35
3	Life Cure Nem & Nem 7 34. 10		ψ1, 4 73	¥1.22	\$1,000	V1.21	\$1,423	ψ1.40	\$1,100	\$1.13	\$1,575	41.00
	In Parts B thru E, adjust only for differences the subject's m	arket values.										
	B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	G / 3	G / 3		E / 4	(\$20)	E / 5	(\$20)	G / 2		G / 2 1980	
8	Yr. Built / Yr. Renovated Condition / Street Appeal	2021 E	2015 E		2016 E		2012 G	\$100	1989 / 2018 A	\$200	1980 A	\$200
9	Neighborhood	A	G	(\$100)	A		F	\$50	A	Ψ200	A	-
10	Same Market? Miles to Subj.		Yes/8		Yes/0.6		Yes/4.4		Yes/0.2		Yes/0.2	
14	C. Unit Equipment / Amenities	2	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
12	# Bathrooms	2 2	2 2		2		2		2 2		2	
13	Unit Interior Sq. Ft.	1010	1208	(\$61)	1081	(\$21)	1023		996		1015	
_	Balcony / Patio	Y	Y	. /	Y	. /	N	\$10	Y		Y	
15	AC: Central / Wall	С	С		С		С		С		С	
16	Range / Refrigerator	R/F M / D	R/F		R/F		R/F M / D		R/F		R/F	
17	Microwave / Dishwasher Washer / Dryer	M / D L/HU	M / D WD	(\$25)	M / D WD	(\$25)	WD WD	(\$25)	M / D WD	(\$25)	M / D L/HU	
19	Floor Coverings	V	V	(\$25)	C	\$10	V	(\$20)	C	\$10	C	\$10
20	Window Coverings	В	В		В		В		В		В	
21	Cable / Satellite / Internet	Common Area Wi-Fi	Common Area Wi- Fi		In-Unit Internet Service	(\$25)	N	\$10	Common Area Wi- Fi		N	\$10
22	Special Features	Garbage disposal, walk-in closet	Ceiling fan, garbage disposal, walk-in closet, stainless steel appliances, granite counters, dog park, package lockers	(\$35)	Walk-in closet	\$5	Ceiling fan, garbage disposal, walk-in closet	(\$5)	Ceiling fan, fireplace, garbage disposal, walk-in closet	(\$5)	Walk-in closet	\$5
23												
	D. Site Equipment / Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	L N	L/G(\$150) Y	(\$10)	L N		G(\$0) Y	(\$150) (\$10)	L N		L N	
26	Extra Storage Security	N	Ÿ	(\$10)	Y	(\$5)	Y	(\$10)	Y	(\$5)	Y	(\$5)
27	Clubhouse / Meeting Rooms	MR	MR	(1-7	MR	(, ,	MR	(,,,	MR	(1.7	MR	(,,,
28	Pool / Recreation Areas	P/E/R	P/E/R		P/E/R		P/E/R		P/E/R		P/E/R	
29	Business Ctr / Nbhd Network	BC	BC		N	\$10	BC		N	\$10	N	\$10
30	Service Coordination Non-shelter Services	N N	N N		N N		N N		N N		N N	
32	Non-sneiter Services Neighborhood Network	N N	N N		N N		N N		N N		N	
	E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent? / type)	N/E	N/E		N/E		N/E		N/E		N/G	
34	Cooling (in rent? / type)	N/C	N/C		N/C		N/C		N/C		N/C	
35	Cooking (in rent? / type) Hot water (in rent? / type)	N/E N/E	N/E N/E		N/E N/E		N/E N/E		N/E N/E		N/E N/G	
37	Other Electric	N N	N N		N N		N N		N N		N N	
38	Cold Water / Sewer	N/N	N/N		N/N		N/N		N/N		N/N	
39	Trash / Recycling	Y	Flat Fee	\$10	N	\$19	Y		Y		N	\$19
				-	_		_		<u> </u>			-
40	F. Adjustments Recap # Adjustments B to D		Pos	Neg (6)	Pos 3	Neg (5)	Pos 4	Neg (6)	Pos 3	Neg (3)	Pos 5	Neg (1)
	Sum Adjustments B to D			(\$236)	\$25	(\$96)	\$170	(\$215)	\$220	(\$35)	\$235	(\$5)
	Sum Utility Adjustments		\$10	V/	\$19	V/	Ţ.10	(- · · · · · · · · · · · · · · · · · · ·	4-20	V/	\$19	V- 27
			Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net / Gross Adjustments B to E		(\$226)	\$246	(\$52)	\$140	(\$45)	\$385	\$185	\$255	\$249	\$259
								Adi Dona				
	G. Adjusted & Market Rents											
44			Adj. Rent \$1,253		Adj. Rent \$1,253		Adj. Rent \$1,384		Adj. Rent \$1,371		Adj. Rent \$1,624	
	G. Adjusted & Market Rents Adjusted Rent (5 + 43) Adj Rent / Last rent		\$1,253	85%	\$1,253	96%	\$1,384	97%	\$1,371	116%	\$1,624	118%

October 5, 2020 Attached are

Date explanations of:

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

form HUD-92273-S8 (04/2002)

_	Subject	Comp	n #6	Com	n #7	Comp	n #8	Comp	n #9	Comp	#10	
		Dete				•						
	Urbana At Hioaks	Data	Colony At Co		Element At S		Link Apartment		Reserve South		Sterling Beaufor	
	6850 Atmore Dr	on	14400 Palla		301 Karl		901 Mcdono	•	6701 Carna		6839 Carr	
	Richmond, Richmond City	Subject	iviidiothian, Ches		Richmond, Ches		Richmond, Ric Count		Richmond, Ric Count		Richmond, Ric County	
1	A. Rents Charged \$ Last Rent / Restricted?		Data \$1,775	\$ Adj N	Data \$1,435	\$ Adj N	Data \$1,519	\$ Adj N	Data \$1,286	\$ Adj N	Data \$1,382	\$ Adj N
2	Date Last Leased (mo/yr)		Oct-20	.,	Oct-20		Oct-20		Oct-20		Oct-20	- '`
3	Rent Concessions		N		N		Y	(\$127)	N		N	
4	Occupancy for Unit Type Effective Rent & Rent / sq. ft		91.7% \$1,775	\$1.20	94.0% \$1,435	\$1.16	80.0% \$1,392	\$1.25	95.5% \$1,286	\$1.17	100.0% \$1,382	\$1.18
5	Ellective Refit & Refit / Sq. It	L	\$1,775	\$1.20	\$1,430	\$1.10	\$1,332	φ1.25	\$1,200	\$1.17	\$1,302	\$1.10
	In Parts B thru E, adjust only for differences the subject's n	narket values.										
	B. Design, Location, Condition	0.40	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
7	Structure / Stories Yr. Built / Yr. Renovated	G / 3 2021	G / 3 2015		E / 4 2016	(\$20)	E / 5 2012	(\$20)	G / 2 1989 / 2018		G / 2 1980	
8	Condition / Street Appeal	E	E		E		G	\$100	А	\$200	A	\$200
9	Neighborhood	A	G	(\$100)	A		F	\$50	Α		Α	
10	Same Market? Miles to Subj.		Yes/8		Yes/0.6		Yes/4.4		Yes/0.2		Yes/0.2	
	C. Unit Equipment / Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	3	3		2	\$125	2	\$125	3		3	
12	# Bathrooms Unit Interior Sq. Ft.	2 1,175	2 1,482	(\$92)	2 1,236	(\$18)	2 1,111	\$22	2 1,100	\$22	2 1,171	
14	Balcony / Patio	Υ Υ	Y	(402)	Y	(\$.0)	N	\$10	Υ Υ	VLL.	Υ Υ	
15	AC: Central / Wall	С	С		С		С		С		С	
16 17	Range / Refrigerator Microwave / Dishwasher	R/F M / D	R/F M / D		R/F M / D		R/F M / D		R/F M / D		R/F M / D	
18	Washer / Dryer	L/HU	WD	(\$25)	WD	(\$25)	WD	(\$25)	WD	(\$25)	L/HU	
19	Floor Coverings	V	V		С	\$10	V		С	\$10	С	\$10
20	Window Coverings	В	В		В		В		В		В	
21	Cable / Satellite / Internet	Common Area Wi-Fi	Common Area Wi- Fi		In-Unit Internet Service	(\$25)	N	\$10	Common Area Wi- Fi		N	\$10
22	Special Features	Garbage disposal, walk-in closet	Ceiling fan, garbage disposal, walk-in closet, stainless steel appliances, granite counters, dog park, package lockers	(\$35)	Walk-in closet	\$5	Ceiling fan, garbage disposal, walk-in closet	(\$5)	Ceiling fan, fireplace, garbage disposal, walk-in closet	(\$5)	Walk-in closet	\$5
23	D Site Equipment / Amonisies		D-4-	Ø 4 31	Dete	6 4 31	D-4-	Ø 4.32	Dete	Ø A 31	D-4-	Ø 4.32
24	D. Site Equipment / Amenities Parking (\$ Fee)	L	Data L/G(\$150)	\$ Adj	Data L	\$ Adj	Data G(\$0)	\$ Adj (\$150)	Data L	\$ Adj	Data L	\$ Adj
25	Extra Storage	N	Y	(\$10)	N		Y	(\$10)	N		N	
26	Security	N MR	Y MR	(\$5)	Y MR	(\$5)	Y MR	(\$5)	Y MR	(\$5)	Y MR	(\$5)
27 28	Clubhouse / Meeting Rooms Pool / Recreation Areas	P/E/R	P/E/R		P/E/R		P/E/R		P/E/R		P/E/R	
29	Business Ctr / Nbhd Network	BC	BC		N	\$10	BC		N	\$10	N	\$10
30	Service Coordination Non-shelter Services	N N	N N		N N		N N		N N		N N	
32	Neighborhood Network	N N	N N		N N		N N		N N		N N	
	E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent? / type)	N/E N/C	N/E N/C		N/E N/C		N/E N/C		N/E N/C		N/G N/C	
35	Cooling (in rent? / type) Cooking (in rent? / type)	N/C N/E	N/C N/E		N/C N/E		N/C N/E		N/C N/E		N/C N/E	
36	Hot water (in rent? / type)	NE	N/E		N/E		N/E		N/E		N/G	
37	Other Electric	N N/N	N N/N		N N/N		N N/N		N N/N		N N/N	
38 39	Cold Water / Sewer Trash / Recycling	Y	Flat Fee	\$10	N/N N	\$19	Y		N/N Y		N/N N	\$19
40	F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D Sum Adjustments B to D			(6) (\$267)	4 \$150	(5) (\$93)	6 \$317	(6) (\$215)	4 \$242	(3) (\$35)	5 \$235	(1) (\$5)
42	Sum Utility Adjustments		\$10	(4-0.)	\$19	(+30)	Ψ011	(4=10)	ψ.72	(450)	\$19	(+3)
			Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net / Gross Adjustments B to E		(\$257)	\$277	\$76	\$262	\$102	\$532	\$207	\$277	\$249	\$259
	G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5 + 43)		\$1,518		\$1,511		\$1,494		\$1,493		\$1,631	
45	Adj Rent / Last rent			86%		105%		107%		116%		118%
46	Estimated Market Rent	\$1,525	\$1.30 Estimated Ma	rket Rent / Sq. Ft.								

October 5, 2020 Attached are

Date explanations of:

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

form HUD-92273-S8 (04/2002)

Rent Comparability Grid

Location

The Subject will be located in a mixed-use neighborhood in southwestern Richmond. All of the comparables are located within 8.8 miles of the Subject, and seven of the 10 comparables are located within 4.4 miles of the Subject. The table below illustrates median household incomes, gross rents, and home values by zip code for the Subject and each of the comparables.

LOCATION COMPARISON

No.	Property Name	Zip Code	Median	Median	Median	Rent
NO.	Property Name	Zip Code	Income	Rent	Home Value	Differential
S	Urbana At Hioaks	23225	\$45,240	\$936	\$202,200	-
1	Creekpointe*	23114	\$100,047	\$1,466	\$287,500	36.2%
2	Genito Glen*	23112	\$89,485	\$1,312	\$237,900	28.7%
3	lvy Walk I	23234	\$46,861	\$971	\$158,800	3.6%
4	lvy Walk II	23234	\$46,861	\$971	\$158,800	3.6%
5	Port City Apartments	23224	\$34,186	\$877	\$111,500	-6.7%
6	Colony At Centerpointe*	23114	\$100,047	\$1,466	\$287,500	36.2%
7	Element At Stonebridge	23225	\$45,240	\$936	\$202,200	0.0%
8	Link Apartments Manchester	23224	\$34,186	\$877	\$111,500	-6.7%
9	Reserve South Apartments	23225	\$45,240	\$936	\$202,200	0.0%
10	Sterling Beaufont Apartments	23225	\$45,240	\$936	\$202,200	0.0%

^{*}Located outside of the PMA

As illustrated above, the Subject is located in an area with similar to lower median incomes, rents, and home values relative to the majority of the comparables. Based on the data above, Creekpointe, Genito Glen, and Colony at Centerpointe are considered superior to the Subject in terms of location. Colony at Centerponte received a negative adjustment of \$100 in our rent grids. Port City Apartments and Link Apartments Manchester are located in areas with lower median incomes, rents, and home values relative to the Subject, and are considered slightly inferior to the Subject in terms of location. Based on the data above, Link Apartments Manchester received a positive adjustment of \$50 in our rent grids. Based on the data above, the remaining comparables are considered generally similar to the Subject, and required no adjustments in our rent grids.

Age, Condition, and Design

	Subject	Creekpointe	Genito Glen	lvy Walk I	lvy Walk II	Port City Apartments	Colony At Centerpointe	Element At Stonebridge	Link Apartments Manchester	Reserve South Apartments	Sterling Beaufont Apartments
Rent Structure	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market
Building											
Property Type	Various	Garden	Garden	Garden	Garden	Conversion	Garden	Lowrise	Midrise	Garden	Garden
# of Stories	4-stories	3-stories	3-stories	3-stories	4-stories	4-stories	3-stories	4-stories	5-stories	2-stories	2-stories
Year Built	2021	2003	1998	2002	2003	2018	2015	2016/2018	2012	1989	1980/1982
Year Renovated	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	2018	n/a
Elevators	yes	no	no	no	no	yes	no	yes	yes	no	no
Courtyard	yes	no	no	no	no	no	yes	yes	no	no	no

The Subject will offer 216 units. The LIHTC comparables range from 102 to 214 units. The Subject is slightly larger than a majority of the LIHTC comparables; however, there appears to be a strong demand for affordable housing and we believe the size of the proposed Subject will not impede absorption. The market rate properties range from 183 to 400 units. The Subject is generally similar to smaller than a majority of the market rate properties.

The Subject will be placed in service in 2021 and will be in excellent condition, upon completion. The LIHTC properties were built or most recently renovated between 1998 and 2018. Port City Apartments was constructed in 2018 and exhibits excellent condition, similar to the Subject. The remaining four LIHTC comparables generally exhibit average condition, inferior to the Subject. The market rate comparables were



constructed or most recently renovated between 1980 and 2018. Two of the market rate comparables exhibit excellent condition, similar to the Subject, and the remaining three market rate comparables exhibit average to good condition, inferior to slightly inferior to the Subject, respectively. The market rate comparables in average and good condition received positive adjustments of \$200 and \$100 in our rent grids, respectively.

The Subject will offer one four-story midrise building with elevator service, which will contain 96 units, and five three-story garden-style buildings without elevator service, which will contain 120 units. In general, elevator-serviced design is considered slightly superior to walk-up design such as garden-style. Seven of the ten comparables offer lowrise or garden-style design without elevator service, and the remaining three comparables offer elevator service. Overall, the Subject's units will range form slightly inferior to slightly superior to the comparables in terms of design.

All of the Subject's one-bedroom units will offer elevator service; thus, the comparable units that do not offer elevator service received a negative adjustment of \$20 in our rent grids. The majority of the Subject's two- and three-bedroom units will not offer elevator service; thus, we utilized these garden-style units in our two- and three-bedroom units. The comparables that offer elevator service received negative adjustments of \$20 in our two- and three bedroom rent grids. We applied a positive adjustment of \$20 to our concluded achievable market rents in the Subject's midrise building to account for elevator-serviced design.

Unit Size

The table below illustrates the unit sizes for the Subject compared to those at the comparable properties surveyed.

Bedroom Type 1BR 2BR 3BR 760 994 - 1,010 1,165 - 1,207 Subject Average 714 1.008 1,194 Min 603 1,100 563 Max 860 1,260 1,482

-1.3% to 0.2%

-2.4% to 1.1%

6.4%

UNIT SIZE COMPARISON

As illustrated above, the Subject's unit sizes are within the comparable range and are slightly above the comparable average foe one-bedroom units, similar to the average for two-bedroom units, and similar to slightly below the average for three-bedroom units. The Subject's unit sizes are generally similar to slightly superior to the LIHTC comparables and range from inferior to slightly superior to the market rate comparables. Thus, the Subject's unit sizes should be generally competitive and well received by tenants in the market. We have considered the Subject's unit sizes in our market rent determinations.



Advantage/Disadvantage

			SQUARE FOOTAGE RANKING COMPARISO	N		
	One Bedroom One Bath		Two Bedroom Two Bath		Three Bedroom Two Bath	
	Property Name	Size	Property Name	Size	Property Name	Size
	Colony At Centerpointe (Market)	860	Element At Stonebridge (Market)	1,260	Colony At Centerpointe (Market)	1,482
	Sterling Beaufont Apartments (Market)	854	Element At Stonebridge (Market)	1,236	Creekpointe (@60%)	1,274
	Element At Stonebridge (Market)	835	Colony At Centerpointe (Market)	1,220	Port City Apartments (@60%)	1,219
	Sterling Beaufont Apartments (Market)	777	Colony At Centerpointe (Market)	1,210	Urbana At Hioaks (@60%)	1,207
	Urbana At Hioaks (@60%)	760	Colony At Centerpointe (Market)	1,208	Urbana At Hioaks (@60%)	1,175
	Element At Stonebridge (Market)	744	Element At Stonebridge (Market)	1,156	Sterling Beaufont Apartments (Market)	1,171
	Element At Stonebridge (Market)	740	Port City Apartments (@80%)	1,140	Urbana At Hioaks (@60%)	1,165
	Sterling Beaufont Apartments (Market)	706	Link Apartments Manchester (Market)	1,111	Genito Glen (@60%)	1,138
	Port City Apartments (@70%)	698	Element At Stonebridge (Market)	1,081	Genito Glen (@50%)	1,138
	Link Apartments Manchester (Market)	685	Link Apartments Manchester (Market)	1,023	Ivy Walk II (@60%)	1,112
	Port City Apartments (@50%)	675	Sterling Beaufont Apartments (Market)	1,015	Ivy Walk I (@60%)	1,112
	Port City Apartments (@60%)	666	Urbana At Hioaks (@60%)	1,010	Reserve South Apartments (Market)	1,100
	Port City Apartments (@40%)	622	Urbana At Hioaks (@60%)	1,008		
	Port City Apartments (@80%)	577	Creekpointe (@60%)	1,000		
	Element At Stonebridge (Market)	563	Reserve South Apartments (Market)	996		
			Urbana At Hioaks (@60%)	994		
			lvy Walk I (@60%)	983		
			Ivy Walk II (@60%)	983		
			Link Apartments Manchester (Market)	953		
			Genito Glen (@60%)	949		
			Genito Glen (@50%)	949		
			Sterling Beaufont Apartments (Market)	944		
			Reserve South Apartments (Market)(1BA)	944		
			Port City Apartments (@40%)	924		
			Port City Apartments (@30%)	879		
			Sterling Beaufont Apartments (Market)(1BA)	854		
1			Port City Apartments (@70%)	817		
			Port City Apartments (@60%)	766		
			Port City Apartments (@50%)	603		

Utility Structure

We were provided with preliminary utility allowance estimates for the Subject dated September 16, 2020, performed by Viridiant. The Subject's project-specific utility allowances are \$121, \$148, and \$175 for the one, two-, and three-bedroom LIHTC units, respectively. A copy of the preliminary utility allowance is included in the *Addendum* of this report. The following table details the Subject's utility structure in comparison to the comparable properties. The utility conventions differ at the comparable properties; therefore, we have adjusted "base" or "asking" rents of the comparable properties to "net" rents, reflecting the Subject's utility convention based on the most recent utility allowances provided by the Richmond Housing and Redevelopment Authority, effective January 1, 2019.

	Subject	Creekpointe	Genito Glen	lvy Walk I	lvy Walk II	Port City Apartments	Colony At Centerpointe	Element At Stonebridge	Link Apartments Manchester	Reserve South Apartments	Sterling Beaufont Apartments
Rent Structure	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market
Utility Structure											
Cooking	no	no	no	no	no	yes	no	no	no	no	no
Water Heat	no	no	no	no	no	yes	no	no	no	no	no
Heat	no	no	no	no	no	yes	no	no	no	no	no
Other Electric	no	no	no	no	no	yes	no	no	no	no	no
Water	no	no	yes	yes	yes	yes	no	no	no	no	no
Sewer	no	no	yes	yes	yes	yes	no	no	no	no	no
Trash	yes	yes	yes	yes	yes	yes	no	no	yes	yes	no

In-Unit Amenities

The following table compares the Subject's in-unit amenities with comparable properties.



	Subject	Creekpointe	Genito Glen	lvy Walk I	lvy Walk II	Port City Apartments	Colony At Centerpointe	Element At Stonebridge	Link Apartments Manchester	Reserve South Apartments	Sterling Beaufont Apartments
Rent Structure	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market
Unit Amenities											
Balcony/Patio	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite	no	no	no	no	no	yes	no	yes	no	no	no
Carpeting	yes	yes	yes	yes	yes	yes	no	yes	no	yes	yes
Hardwood	yes	no	no	no	no	no	yes	no	yes	no	no
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	no	no	yes	no	no	yes	yes	no	yes	yes	no
Coat Closet	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	yes	yes	no	no	no	yes	no	yes	no	no
Fireplace	no	no	no	no	no	no	no	no	no	yes	no
Vaulted Ceilings	no	no	no	no	no	yes	no	no	no	no	no
Walk-In Closet	yes	yes	yes	yes	yes	no	yes	yes	yes	yes	yes
Washer/Dryer	no	no	no	no	no	no	yes	yes	yes	yes	no
W/D Hookup	yes	yes	yes	yes	yes	yes	no	yes	yes	yes	yes
Kitchen											
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	no
Microwave	yes	no	no	no	no	yes	yes	yes	yes	yes	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes

The Subject's units will offer balcony/patios, blinds, carpet/vinyl plank flooring, central air conditioning, coat closets, walk-in closets, washer/dryer hookups, garbage disposals, microwaves, dishwashers, ovens, and refrigerators. The Subject will not offer ceiling fans, which the majority of the comparables offer; however, the majority of the comparables do not offer vinyl plank flooring. Overall, the Subject's unit amenities are considered generally competitive, ranging from slightly inferior to slightly superior to the LIHTC comparables, and inferior to slightly superior to the market rate comparables.

Property Amenities

The following table compares the Subject's property amenities with comparable properties.

	Subject	Creekpointe	Genito Glen	lvy Walk I	lvy Walk II	Port City Apartments	Colony At Centerpointe	Element At Stonebridge	Link Apartments Manchester	Reserve South Apartments	Sterling Beaufont Apartments
Rent Structure	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market
Community											
Business Center	yes	no	no	yes	yes	no	yes	no	yes	no	no
Community Room	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central Laundry	yes	yes	yes	no	no	no	no	no	no	no	yes
On-Site Mgmt	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Recreation											
Basketball Court	no	no	no	yes	yes	no	no	no	no	no	no
Exercise Facility	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Playground	yes	yes	yes	yes	yes	no	no	no	no	yes	yes
Swimming Pool	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Picnic Area	yes	no	yes	yes	yes	no	yes	yes	yes	no	no
Tennis Court	no	no	no	no	no	no	no	no	no	yes	yes
Recreational Area	yes	no	no	yes	yes	no	yes	no	yes	no	no
WiFi	yes	no	no	no	no	yes	yes	yes	no	yes	no

The Subject will offer a business center, community room, central laundry facility, on-site management, exercise facility, playground, swimming pool, picnic area, recreation area, and common area Wi-Fi. The majority of the comparables do not offer a business center, central laundry facility, recreational area, or common area Wi-Fi. Overall, the Subject's unit amenities are considered generally competitive, ranging from slightly superior to the LIHTC comparables, and similar to slightly superior to the market rate comparables.

Security Features

The following table compares the Subject's security amenities with comparable properties.



	Subject	Creekpointe	Genito Glen	lvy Walk I	Ivy Walk II	Port City Apartments	Colony At Centerpointe	Element At Stonebridge	Link Apartments Manchester	Reserve South Apartments	Sterling Beaufont Apartments
Rent Structure	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market
Security											
Intercom (Buzzer)	Midrise	no	no	no	no	yes	no	yes	yes	no	no
Limited Access	Midrise	no	no	no	no	yes	yes	yes	yes	no	no
Patrol	no	no	no	yes	yes	no	no	no	yes	yes	yes

The Subject will not offer security features in a majority of its units; however, the midrise units will offer limited access and intercoms. Eight of the 10 comparables offer at least one security feature. The two comparables that do not offer security features reported occupancy of 100 percent, indicating that the lack of security features is not a detrimental influence on marketability. Overall, the Subject is considered slightly inferior to the majority of the comparables in terms of security. All five market rate comparables received negative adjustments of \$5 in our garden-style rent grids. Additionally, in our secondary unit adjustments, we applied positive \$5 adjustments to our concluded achievable market rents for garden-style units to account for security features offered by midrise units.

Parking

The following table compares the Subject's parking amenities with comparable properties.

	Subject	Creekpointe	Genito Glen	lvy Walk I	lvy Walk II	Port City Apartments	Colony At Centerpointe	Element At Stonebridge	Link Apartments Manchester	Reserve South Apartments	Sterling Beaufont Apartments
Rent Structure	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market
Parking											
Garage	no	no	no	no	no	no	yes	no	yes	no	no
Garage Fee	n/a	\$0	\$0	\$0	\$0	\$0	\$150	\$0	\$0	\$0	\$0
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes
Off-Street Fee	n/a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The Subject will offer uncovered off-street parking included in the rent, similar to nine of the 10 comparables. Link Apartments Manchester does not offer off-street parking, but offers garage parking included in the rent. Colony at Centerpointe offers garage parking for a monthly fee of \$150; thus, Link Apartments Manchester received a negative adjustment of \$150 in our rent grids. Overall, the Subject is considered similar to the majority of the comparables in terms of parking.



MARKET CHARACTERISTICS

Following are relevant market characteristics for the comparable properties surveyed.

Tenant Makeup

The following table illustrates voucher usage at the comparables.

TENANTS WITH VOUCHERS

Property Name	Rent Structure	Tenancy	Housing Choice Voucher Tenants
Creekpointe*	LIHTC	Family	20%
Genito Glen*	LIHTC	Family	15%
lvy Walk I	LIHTC	Family	17%
lvy Walk II	LIHTC	Family	14%
Port City Apartments	LIHTC	Family	5%
Colony At Centerpointe*	Market	Family	0%
Element At Stonebridge	Market	Family	0%
Link Apartments Manchester	Market	Family	0%
Reserve South Apartments	Market	Family	0%
Sterling Beaufont Apartments	Market	Family	0%

^{*}Located outside of the PMA

The comparable properties reported voucher usage ranging from zero to 20 percent. None of the market rate properties reported voucher usage. Five of the LIHTC properties reported voucher usage, with an average utilization of 14.2 percent. The highest voucher usage was reported by Creekpointe, a 214-unit LIHTC property located 8.8 miles west of the Subject. Based on the performance of the LIHTC comparables, we expect the Subject will operate with voucher usage of approximately 15 percent.

Turnover

The following table illustrates reported turnover for the comparable properties.

JR				
 10	IV	.,,	_	П

Property Name	Rent Structure	Tenancy	Annual Turnover
Creekpointe*	LIHTC	Family	6%
Genito Glen*	LIHTC	Family	15%
lvy Walk I	LIHTC	Family	25%
Ivy Walk II	LIHTC	Family	25%
Port City Apartments	LIHTC	Family	12%
Colony At Centerpointe*	Market	Family	25%
Element At Stonebridge	Market	Family	25%
Link Apartments Manchester	Market	Family	25%
Reserve South Apartments	Market	Family	22%
Sterling Beaufont Apartments	Market	Family	22%
Average Turnover			20%

^{*}Located outside of the PMA

The comparables reported turnover rates ranging from six to 25 percent, with an overall average of 20 percent. The LIHTC comparables operate with an average turnover rate of 17 percent, which was slightly below the 24 percent average reported by the market rate properties. Based on the performance of the LIHTC comparables, we expect the Subject will operate a turnover rate of approximately 20 percent.



Vacancy Levels

The following table summarizes overall weighted vacancy levels at the surveyed properties.

OVERALL VACANCY

Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Creekpointe*	LIHTC	Family	214	0	0.0%
Genito Glen*	LIHTC	Family	102	0	0.0%
lvy Walk I	LIHTC	Family	126	6	4.8%
lvy Walk II	LIHTC	Family	122	7	5.7%
Port City Apartments	LIHTC	Family	135	2	1.5%
Colony At Centerpointe*	Market	Family	255	9	3.5%
Element At Stonebridge	Market	Family	400	24	6.0%
Link Apartments Manchester	Market	Family	183	17	9.3%
Reserve South Apartments	Market	Family	200	5	2.5%
Sterling Beaufont Apartments	Market	Family	312	7	2.2%
Total LIHTC			699	15	2.1%
Total Market Rate			1,350	62	4.6%
Overall Total			2,049	77	3.8%

^{*}Located outside of the PMA

The comparables reported vacancy rates ranging from zero to 9.3 percent, with an overall weighted average of 3.8 percent. Managers at two of the five LIHTC properties reported being fully occupied. The average vacancy rate reported by the affordable comparables was 2.1 percent, well below the 4.6 percent average reported by the market rate properties. Additionally, three of the five LIHTC comparables reported waiting lists, and all five LIHTC comparables reported no major negative impacts from the COVID-19 pandemic. All of the market rate properties reported vacancy rates of 9.3 percent or lower, and four of the five market rate comparables reported vacancy of 6.0 percent or lower. The contact at Link Apartments Manchester, which reported the highest vacancy rate among the comparables, did not provide insight into the relatively high vacancy rate, but did note that the impact of COVID-19 has lead to a small decrease of approximately five percent in asking rents. The remaining market rate comparables reported no major negative impacts from COVID-19. Based on the performance of the LIHTC comparables, we expect the Subject will operate with a vacancy rate of approximately three percent or less over a typical investment period.

VACANCY BY BEDROOM TYPE

Property Name	Rent Structure	Tenancy	1BR	2BR	3BR	Overall	
Creekpointe*	LIHTC	Family	-	0.0%	0.0%	0.0%	_
Genito Glen*	LIHTC	Family	-	0.0%	0.0%	0.0%	
lvy Walk I	LIHTC	Family	-	4.3%	5.4%	4.8%	
Ivy Walk II	LIHTC	Family	-	5.4%	6.1%	5.7%	
Port City Apartments	LIHTC	Family	0.0%	2.9%	0.0%	1.5%	
Colony At Centerpointe*	Market	Family	2.8%	2.7%	8.3%	3.5%	
Element At Stonebridge	Market	Family	-	-	-	6.0%	
Link Apartments Manchester	Market	Family	8.5%	12.2%	-	9.3%	
Reserve South Apartments	Market	Family	-	2.2%	4.5%	2.5%	
Sterling Beaufont Apartments	Market	Family	-	-	0.0%	2.2%	

^{*}Located outside of the PMA

The Subject will consists of 40 one-, 128 two-, and 48 three-bedroom units. Vacancy rates in the market for range from zero to 8.5 percent for one-bedroom units, zero to 12.2 percent two-bedroom units, and zero to 8.3 percent for three-bedroom units. Excludign Link Apartments Manchester, one-bedroom vacancy ranges from zero to 2.8 percent and two-bedroom vacancy ranges from zero to 5.4 percent. Overall, given the vacancy rates in the market and the strong household growth rates projected for the PMA, we do not believe the Subject will negatively impact the existing properties in the market.



Concessions

Link Apartments Manchester reported offering concessions ranging in value from \$94 to \$130 per month. None of the remaining comparable properties utilized for this market study reported the use of concessions. Overall, we do not believe the Subject will need to offer rent concessions.

Waiting Lists

Three of the five LIHTC comparables reported waiting lists, ranging from three to 50 households. As a newly constructed property and no direct competition of new LIHTC development in the immediate area, we believe the Subject will operate with a waiting list for all unit types.



Absorption Estimate

One comparable, Port City Apartments, reported recent absorption data. For support, we have included absorption data for other recently constructed multifamily properties in the Subject's broader market area, as follows.

ABSORPTION

Property Name	Rent	Tenancy	Year	Total Units	Absorption
r toperty Name	Rent	Terialicy	Icai	Total Offics	(units/month)
Canopy At Ginter Park	Market	Family	2019	301	16
The Village At Westlake	Market	Family	2018	252	42
Port City Apartments	LIHTC	Family	2018	135	22
The Lofty	Market	Family	2015	33	7
Hatcher Tobacco Flats	LIHTC	Family	2015	152	43
Colony At Centerpointe	Market	Family	2015	255	21
Shockoe Valley View Apartments	Market	Family	2014	238	30
Belle Summit	LIHTC	Family	2014	50	25
Somanath Senior	LIHTC	Family	2013	38	38
Link Apartments Manchester	Market	Family	2012	183	19
City View Place	LIHTC	Family	2012	32	32
LIHTC Average					32
Market Average					22
Overall Average					27

As illustrated above, the reported absorption rates in the Richmond market area range from seven to 43 units per month, with an average of 27 units per month. The LIHTC properties reported an average absorption rate of 32 units per month, higher than the market rate average of 22 units per month.

Based on the performance of the LIHTC properties, we have estimated that the Subject would absorb approximately 30 units per month, equating to a lease-up period of seven to eight months to reach stabilized occupancy. With the assumption that the Subject begins preleasing units prior to the completion of construction, it appears feasible that the Subject's market-entry would facilitate a more expedient lease-up, given its affordable nature and excellent condition as completed. It should be noted that we do not expect the Subject's absorption to adversely impact other existing LIHTC properties, which are primarily fully occupied or stabilized with waiting lists.

Rental Rate Increases

The following table illustrates the rent increases at the comparable properties.

RENT GROWTH

Property Name	Rent Structure	Tenancy	Rent Growth								
Creekpointe*	LIHTC	Family	Increased to 2020 max								
Genito Glen*	LIHTC	Family	Increased to 2020 max								
lvy Walk I	LIHTC	Family	Increased to 2020 max								
lvy Walk II	LIHTC	Family	Increased to max								
Port City Apartments	LIHTC	Family	Increased to 2020 max								
Colony At Centerpointe*	Market	Family	Fluctuate regularly								
Element At Stonebridge	Market	Family	Fluctuates daily								
Link Apartments Manchester	Market	Family	Fluctuates often								
Reserve South Apartments	Market	Family	Increase 3%								
Sterling Beaufont Apartments	Market	Family	Increased 4%-6%								

^{*}Located outside of the PMA



As illustrated above, all five LIHTC comparables reported increasing rents to the 2020 LIHTC maximum allowable levels. Of the market rate properties, three reported using daily pricing software with frequent fluctuation. It should be noted that we surveyed three of the market rate comparables in Q2 2020. Colony at Centerpointe reported generally similar one- and two-bedroom rents, but reported three-bedroom rents approximately 8.7 percent below our previous survey. Element at Stonebridge reported an increase of 1.8 to 3.8 percent in one-bedroom rents, and a decrease of 1.4 to 8.1 percent for two-bedroom units. The contact at Link Apartments Manchester estimated that rents have decreased approximately five percent due to COVID-19. None of the other comparables reported significant impacts from COVID-19. Two of the market rate comparables reported annual rent increases ranging from three to six percent. Overall, we expect the Subject will experience rent growth in line with the broader market; however, rent growth will be dependent of future AMI levels and LIHTC rent limits.

Reasonability of Rents

The table below illustrates the Subject's proposed rents and unit mix.

PROPOSED RENTS

				(OI OOLD IVE	110			
Unit Type	Design	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2020 LIHTC Maximum Allowable Gross Rent	2020 HUD Fair Market Rents
				@60%				
1BR / 1BA	Midrise	760	40	\$885	\$121	\$1,006	\$1,006	\$932
2BR / 2BA	Garden	1,010	96	\$1,059	\$148	\$1,207	\$1,207	\$1,061
2BR / 2BA	Midrise	994	24	\$1,059	\$148	\$1,207	\$1,207	\$1,061
2BR / 2BA	Midrise	1,008	10	\$1,059	\$148	\$1,207	\$1,207	\$1,061
3BR / 2BA	Garden	1,175	24	\$1,220	\$175	\$1,395	\$1,395	\$1,410
3BR / 2BA	Midrise	1,165	16	\$1,220	\$175	\$1,395	\$1,395	\$1,410
3BR / 2BA	Midrise	1,207	6	\$1,220	\$175	\$1,395	\$1,395	\$1,410
			216					

Notes (1) Source of Utility Allowance provided by the Developer.

Comparable LIHTC Rents

The following tables compare the Subject's and the comparable properties' rents. For the purposes of this market study, "Base Rents" are the actual rents quoted to the tenant, and are most frequently those rents that potential renters consider when making a housing decision. "Net rents" are rents adjusted for the cost of utilities (adjusted to the Subject's convention) and are used to compensate for the differing utility structures of the Subject and the comparable properties. Net rents represent the actual costs of residing at a property, and help to provide an "apples-to-apples" comparison of rents. Note that some of the comparable property's LIHTC rents appear to be above the maximum levels; however, the majority are the result of differing utility allowance structures at the comparables.

60% AMI Levels

LIHTC RENT COMPARISON @60%

	County	Tenancy	1BR	2BR	3BR	Rents at Max?
Urbana At Hioaks	Richmond City	Family	\$885	\$1,059	\$1,220	Yes
LIHTC Maximum Rent (Net)	Richmond city		\$885	\$1,059	\$1,220	
LIHTC Maximum Rent (Net) (Chesterfield County)	Chesterfield		\$885	\$1,059	\$1,220	
Creekpointe	Chesterfield	Family	-	\$1,050	\$1,215	Yes
Genito Glen	Chesterfield	Family	-	\$1,038	\$1,178	Yes
lvy Walk I	Chesterfield	Family	-	\$933	\$981	Yes
Ivy Walk II	Chesterfield	Family	-	\$933	\$981	Yes
Port City Apartments	Richmond City	Family	\$877	\$1,028	\$1,154	Yes
Average			\$877	\$996	\$1,102	
Achievable LIHTC Rent		•	\$885	\$1,059	\$1,220	•



All five LIHTC comparables offer units at the 60 percent of AMI level. All five comparables reported achieving the 2020 LIHTC maximum allowable rents for units at 60 percent of AMI. The LIHTC comparables reported strong occupancy for units at 60 percent of AMI, ranging from 93.7 to 100 percent. Additionally, three of the five LIHTC comparables reported waiting lists for units at 60 percent of AMI. Overall, based on the performance of the comparables, we believe the Subject's proposed rents, which are at the maximum allowable levels for units at 60 percent of AMI, are achievable.

Based upon the overall comparison ratings, the most similar LIHTC comparable to the anticipated Subject will be **Port City Apartments**. This property was constructed in 2018 and offers excellent condition, similar to the Subject. **Port City Apartments** offers inferior property amenities, slightly superior unit amenities, and slightly inferior unit sizes relative to the Subject. Additionally, this property is considered generally similar to the Subject in terms of location. In terms of design, this property offers elevator service, similar to slightly superior the Subject. **Port City Apartments** reported rents at 2020 maximum allowable levels for all units and is 98.5 percent occupied with two vacant units. Additionally, this comparable reported a waiting list of 50 households.

Overall, relative to the comparables, the Subject will be similar to superior in terms of condition, slightly inferior to inferior in terms of property amenities, slightly inferior to slightly superior in terms of unit amenities, slightly inferior to similar in terms of unit sizes, and similar to superior in terms of location. Therefore, we concluded to maximum allowable rents for the proposed units at 60 percent of AMI.

Achievable Market Rents

The following table compares the Subject's current rents to comparable market rate developments. Rents have been adjusted for differences in utility structure and concessions, as applicable. The adjusted rents are based on the rent grids previously provided. It should be noted that we placed the most weight on comparables 6, 9, and 10, which are the nearest comparables to the Subject and located within 0.6 miles, when concluding to our achievable market rents.

SUBJECT COMPARISO	N TO MADKET DENTS

Unit Type	Unit Size (SF)	Design	Rent Level	Subject Achievable LIHTC Rent	Surveyed Min	Surveyed Max	Surveyed Average	Achievable Market Rent	Subject Rent Advantage
1BR / 1BA	760	Midrise	@60%	\$885	\$1,059	\$1,331	\$1,154	\$1,150	23%
2BR / 2BA	1010	Garden	@60%	\$1,059	\$1,253	\$1,624	\$1,377	\$1,375	23%
2BR / 2BA	994	Midrise	@60%	\$1,059	\$1,253	\$1,624	\$1,377	\$1,395	24%
2BR / 2BA	1008	Midrise	@60%	\$1,059	\$1,253	\$1,624	\$1,377	\$1,400	24%
3BR / 2BA	1175	Garden	@60%	\$1,220	\$1,493	\$1,631	\$1,529	\$1,525	20%
3BR / 2BA	1165	Midrise	@60%	\$1,220	\$1,493	\$1,631	\$1,529	\$1,545	21%
3BR / 2BA	1207	Midrise	@60%	\$1,220	\$1,493	\$1,631	\$1,529	\$1,560	22%

As illustrated above, the Subject's achievable LIHTC rents are below the achievable market rents for all units, which will offer rent advantages ranging from 20 to 24 percent over the achievable market rents for the Subject's one-, two-, and three-bedroom units.

It should be noted that we completed rent grids for the Subject's garden-style two- and three-bedroom units, which comprise the majority of units for each respective unit type. As previously indicated, to determine the achievable market rent for the Subject's midrise two- and three-bedroom units, we applied a positive \$20 adjustment for unit size to the two- and three-bedroom rent grid conclusions. Additionally, we applied adjustments for unit size, identical to that applied to the comparables, as applicable.

Overall, we concluded to achievable market rents of \$1,395 and \$1,400 for the Subject's 994 and 1,008 square foot two-bedroom midrise, units respectively. We concluded to achievable market rents of \$1,545 and \$1,560 for the Subject's 1,165 and 1,207 square foot midrise three-bedroom units, respectively. The design and unit size adjustments are detailed below.



SECONDARY UNIT TYPE: 2BR / 2BA - MIDRISE - 994-SF

Unit Type	Achievable Rent	SF	Rent/SF
2BR / 2BA - Garden - 1010-SF (Primary)	\$1,375	1010	\$1.36
2BR / 2BA - Midrise - 994-SF (Secondary)	n/a	994	n/a
Calculation of Value			
1. Square Foot Differential * 0.25	=	-4.0	
2. Additional SF x RPSF (Primary Grid)	=	(\$5)	
3. Design Adjustment	=	\$20	
4. Security Adjustment	=	\$5	
Achievable Market Rent*		\$1,395	

^{*}Rounded to nearest \$5 increment

SECONDARY UNIT TYPE: 2BR / 2BA - MIDRISE - 1008-SF

Unit Type	Achievable Rent	SF	Rent/SF
2BR / 2BA - Garden - 1010-SF (Primary)	\$1,375	1010	\$1.36
2BR / 2BA - Midrise - 1008-SF (Secondary)	n/a	1008	n/a
Calculation of Value			
1. Square Foot Differential * 0.25	=	-0.5	
2. Additional SF x RPSF (Primary Grid)	=	(\$1)	
3. Design Adjustment	=	\$20	
4. Security Adjustment	=	\$5	
Achievable Market Rent*		\$1,400	

^{*}Rounded to nearest \$5 increment

SECONDARY UNIT TYPE: 3BR / 2BA - MIDRISE - 1165-SF

Unit Type	Achievable Rent	SF	Rent/SF
3BR / 2BA - Garden - 1175-SF (Primary)	\$1,525	1175	\$1.30
3BR / 2BA - Midrise - 1165-SF (Secondary)	n/a	1165	n/a
Calculation of Value			
1. Square Foot Differential * 0.25	=	-2.5	
2. Additional SF x RPSF (Primary Grid)	=	(\$3)	
3. Design Adjustment	=	\$20	
4. Security Adjustment	=	\$5	
Achievable Market Rent*		\$1,545	

^{*}Rounded to nearest \$5 increment

SECONDARY UNIT TYPE: 3BR / 2BA - MIDRISE - 1207-SF

Unit Type	Achievable Rent	SF	Rent/SF
3BR / 2BA - Garden - 1175-SF (Primary)	\$1,525	1175	\$1.30
3BR / 2BA - Midrise - 1207-SF (Secondary)	n/a	1207	n/a
Calculation of Value			
1. Square Foot Differential * 0.25	=	8.0	
2. Additional SF x RPSF (Primary Grid)	=	\$10	
3. Design Adjustment	=	\$20	
4. Secruity Adjustment	=	\$5	
Achievable Market Rent*		\$1,560	

^{*}Rounded to nearest \$5 increment

Summary Evaluation of the Project

The Subject will be well-positioned in the market. As a newly constructed property, the Subject will be in superior condition to most of the comparable properties. The market exhibits strong demand for affordable housing, with a weighted average vacancy rate of 2.1 percent at the comparable LIHTC properties. Three of the five LIHTC comparables reported currently maintaining a waiting list. Vacancy loss at the Subject is expected to be no more than three percent over a typical investment period. Based on the comparable data, we believe the proposed rental rates, which are at the 2020 LIHTC maximum allowable levels, are achievable at 60 percent of AMI. The Subject will be well-accepted in the market as a newly-constructed LIHTC property,



and the concluded achievable LIHTC rents offer a significant market rent advantage.

Impact on Existing Housing Stock

All the data combined with interviews of real estate professionals demonstrate a continuing need for affordable housing over the foreseeable term. The comparables surveyed include a total of 2,049 units at 10 multifamily properties. The affordable properties in the area reported occupancy rates of 94.3 percent or higher, with two of the LIHTC comparables reporting 100 percent occupancy and three reporting waiting lists. Additionally, the strong occupancy rates at the majority of the market rate projects in the PMA are evidence of a stable rental market and strong demand. Further, the majority of the comparables reported little or no negative impact from COVID-19.

Our demand calculations illustrate a need for affordable housing in the area when we consider the Subject's achievable LIHTC rents. The existing and planned apartment developments will not hinder each other's ability to maintain high occupancy. Additionally, the construction of the property through the LIHTC program will have a positive impact on the surrounding neighborhood, and will not adversely affect the existing housing located in the PMA.



IX. AFFORDABILITY ANALYSIS, DEMAND ANALYSIS, CAPTURE RATES AND PENETRATION RATES

AFFORDABILITY ANALYSIS, DEMAND ANALYSIS, CAPTURE RATES, AND PENETRATION RATES

Introduction

When evaluating demand for a particular proposed development we rely primarily on two methods. These are a supply analysis and a demand analysis. The supply analysis focuses on satisfied demand and anecdotal reports from property managers and market participants regarding demand. We believe this evidence of demand is the most clear and reliable when measuring housing need in a market area. We explored that indication in the previous sections of this report.

This section focuses on analyzing demographic data to determine housing need. According to NCHMA model content standards there are two measurements used to evaluate demand based on the demographic data. The first measurement is termed the capture rate. NCHMA define Capture Rate as: "The percentage of age, size, and income qualified renter households in the primary market area that the property must capture to fill the units. The Capture Rate is calculated by dividing the total number of units at the property by the total number of age, size and income qualified renter households in the primary market area."

The second measurement is the Penetration Rate, which has similarities to the capture rate. NCHMA defines Penetration Rate as "The percentage of age and income qualified renter households in the *primary market area* that all existing and proposed properties, to be completed within six months of the Subject, and which are competitively priced to the subject that must be captured to achieve the *stabilized level of occupancy*."

Capture Rate Determination

The following analysis will take the reader through a multi-step process in determining an appropriate capture rate for the Subject. Our analysis takes the entire population and distributes it by the following characteristics:

- 1) PMA Demography
- 2) Income Oualified
- 3) Renter Households
- 4) Unit Size Appropriate

The following text will examine each step through the process.

Step One - PMA Demography

Primary Market Area Defined

For the purposes of this study, it is necessary to define the market area, or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much "neighborhood-oriented" and are generally very reluctant to move from the area in which they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below-market rents. A certain percent of the Subject's tenants are expected to hail from the PMA; demand estimates will be adjusted to reflect the potential for "leakage."

The Subject site is located in southwestern Richmond, near the intersection of Chippehnam Parkway/VA-150 and Midlothian Turnpike/US-60. The boundaries of the PMA are defined as the James River to the north; Chippenham Parkway/VA-150 and Huguenot Road/VA-147 to the west; Hull Street Road/US-360 and Chippenham Parkway/VA-150 to the south; and Interstate 95 to the east. The PMA encompasses approximately 56 square miles, and was primarily devised based on our conversations with local property managers. We also considered commuting pattern data provided by the US Census Bureau. Management at the majority of the rent comparables noted that the majority of their tenants originate from Richmond and the nearby areas within the greater Richmond metro area.



Demographic Information & Income-Eligible Calculations

The basic demographic information is based upon the definition of a primary market area ("PMA") and an estimate of the characteristics of the people living within that geographic definition.

Demographic data originates from the Census and is compiled by a third party data provider. Novogradac & Company uses data provided by the ESRI Business Analyst. Business Analyst brings in data as produced by ESRI's team of demographers. Sources include the US Census, American Community Survey, and other reputable sources. Housing characteristics are derived from several data sources, including construction data from Hanley Wood Market Intelligence, building permits from counties, the USPS, HUD, BLS, and the Census bureau. Owner and renter occupied units come from the Current Population Survey (BLS) and the Housing Vacancy Survey (Census). Data has been ground-truthed by ESRI staff and proven effective. ESRI's products have been used by almost all US federal agencies (HUD and USDA), top state level agencies, over 24,000 state and local governments worldwide, as well as many industry leading technology users—AT&T, Citrix, SAP, Oracle, Microsoft. ESRI produces timely updates based on new releases of data.

Step One is to identify demographic data such as number of households, renter households, income distribution and AMI levels. The appropriate demographic is used based on the tenancy for the proposed development. When analyzing a property designated for families the demographics for the entire population within the PMA is used. The demographic information was detailed in the demographic section of this report.

Step Two - Income Qualified

Assumptions and Data necessary for this calculation are:

Appropriate Municipality: Richmond City, Virginia

AMI for four-person household: \$89,400
Tenancy (Family vs Senior): Family
Affordability percentage: 35 percent
Leakage: 10 percent

To establish the number of income-eligible potential tenants for the Subject, first, we estimate the Subject's minimum and maximum income levels (income bands) for the proposed project. HUD determines maximum income guidelines for tax credit properties, based on the AMI. This provides the upper end of the income band as illustrated below. However, the minimum income is not established by HUD and must be estimated. Often, lower-income families pay a higher percentage of gross income toward housing costs. The industry standard is 35 percent for LIHTC-only calculations for family oriented properties. The minimum income levels absent subsidy, are calculated from the gross achievable LIHTC rents.

FAMILY INCOME LIMITS

	Minimum	Maximum		
Unit Type	Allowable	Allowable		
	Income	Income		
	@60%			
1BR	\$34,491	\$42,960		
2BR	\$41,383	\$48,300		
3BR	\$47,829	\$57,960		

Second, we illustrate the household population segregated by income band in order to determine those who are income-qualified to reside in the Subject property.



RENTER HOUSEHOLD INCOME

			PMA			
Income Cohort	2	019	20	024	Annual Chang	e 2019 to 2024
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	3,345	12.6%	3,174	11.8%	-34	-1.0%
\$10,000-19,999	4,082	15.4%	3,862	14.3%	-44	-1.1%
\$20,000-29,999	4,554	17.1%	4,222	15.6%	-66	-1.5%
\$30,000-39,999	3,557	13.4%	3,406	12.6%	-30	-0.8%
\$40,000-49,999	3,003	11.3%	3,002	11.1%	0	0.0%
\$50,000-59,999	2,270	8.5%	2,412	8.9%	28	1.3%
\$60,000-74,999	1,945	7.3%	2,254	8.3%	62	3.2%
\$75,000-99,999	1,616	6.1%	1,799	6.7%	37	2.3%
\$100,000-124,999	775	2.9%	884	3.3%	22	2.8%
\$125,000-149,999	614	2.3%	805	3.0%	38	6.2%
\$150,000-199,999	382	1.4%	542	2.0%	32	8.4%
\$200,000+	445	1.7%	649	2.4%	41	9.2%
Total	26,588	100.0%	27,011	100.0%		

Source: HISTA Data / Ribbon Demographics 2019, Novogradac Consulting LLP, October 2020

Third, we combine the allowable income bands with the income distribution analysis in order to determine the number of potential income-qualified households. The Cohort Overlap is defined as the income amount within income bands defined above that falls within the ESRI provided Income Cohort. The % in Cohort is simply the cohort overlap divided by the income cohort range (generally \$10,000). The # in Cohort is determined by multiplying total renter households by the % in Cohort determination. In some cases, the income-eligible band overlaps with more than one income cohort. In those cases, the cohort overlap for more than one income cohort will be calculated. The sum of these calculations provides an estimate of the total number of households that are income-eligible, both by AMI level and in total.

FAMILY INCOME DISTRIBUTION 2019

Income Cohort	Total Renter Households		@60%			All Units	
		cohort	% in	# in	cohort	% in	# in
		overlap	cohort	cohort	overlap	cohort	cohort
\$0-9,999	3,345						
\$10,000-19,999	4,082						
\$20,000-29,999	4,554						
\$30,000-39,999	3,557	5,507	55.1%	1,959	5,507	55.1%	1,959
\$40,000-49,999	3,003	9,999	100.0%	3,003	9,999	100.0%	3,003
\$50,000-59,999	2,270	7,961	79.6%	1,807	7,961	79.6%	1,807
\$60,000-74,999	1,945						
\$75,000-99,999	1,616						
\$100,000-124,999	775						
\$125,000-149,999	614						
\$150,000-199,999	382						
\$200,000+	445						
Total	26,588		25.5%	6,769		25.5%	6,769

DEMAND ANALYSIS ONE - CAPTURE RATE ANALYSIS BY UNIT TYPE

In order to determine demand for the proposed unit mix, we also analyzed the demand capture rates expected at the Subject by bedroom type. This analysis illustrates demand for affordable units the 60 percent of AMI level.



The by-unit-type breakdown illustrates an adequate demand, when considered on a by-bedroom-type basis. We added a 10 percent adjustment factor to compensate for a potential tenancy originating from outside the PMA.

The distribution of households by unit type is dependent on the following assumptions.

HOUSEHOLD DISTRIBUTION				
1 BR	90%	Of one-person households in 1BR units		
T DV	20%	Of two-person households in 1BR units		
2 BR	10%	Of one-person households in 2BR units		
	80%	Of two-person households in 2BR units		
2 DR	60%	Of three-person households in 2BR units		
	30%	Of four-person households in 2BR units		
	40%	Of three-person households in 3BR units		
3 BR	40%	Of four-person households in 3BR units		
	50%	Of five-person households in 3BR units		

The projected renter household demand by bedroom size can then be determined by applying these weightings to the number of income qualified renter households determined in Step Four.

Step Six - Capture Rate by Bedroom Mix

The capture rate is simply determined by dividing the number of units by unit type for the subject by the total number of qualified renter households for that unit type. This calculation is then adjusted for leakage to arrive at a final determination of capture rate by bedroom type and AMI level.

DEMAND ANALYSIS ONE - CAPTURE RATE ANALYSIS BY UNIT TYPE

In order to determine demand for the proposed market mix, we also analyzed the demand capture rates expected at the Subject by bedroom type. This analysis illustrates demand for all AMI levels, as proposed and absent subsidy.



60% AMI Demand

PROJECTED RENTER HOUSEHOLD DEMAND BY BEDROOM TYPE

Renter Household Distribution 2019

	Renter Household Size	Total Number of Renter	
	Distribution	Households	
1 person	39.2%	10,419	
2 persons	26.0%	6,907	
3 persons	15.3%	4,064	
4 persons	10.0%	2,652	
5+ persons	9.6%	2,546	
Total	100.0%	26,588	

Income-Qualified Renter Demand

	Total Number of Renter		% Income-Qualified Renter	Number Qualified Renter
	Households		Households	Households
1 person	10,419	Х	25.5%	2,653
2 persons	6,907	Х	25.5%	1,759
3 persons	4,064	Х	25.5%	1,035
4 persons	2,652	Х	25.5%	675
5+ persons	2,546	Х	25.5%	648
Total	26,588			6,769

Projected Renter Household Demand by Bedroom Size

	Number of Qualified Renter	
	Households	
1BR	2,739	
2BR	2,495	
3BR	1,008	
Total	6,243	

Capture Rate Analysis - @60%

	Developer's Unit Mix	Capture Rate	
1BR	40	1.46%	
2BR	130	5.21%	
3BR	46	4.56%	
Total/Overall	216	3.46%	
Adjus	sted for Leakage from Outside of	the PMA	10%
1BR	40	1.31%	
2BR	130	4.69%	
3BR	46	4.11%	
Total/Overall	216	3.11%	



ANNUAL CAPTURE RATE ANALYSIS

The following calculation derives an estimated market penetration rate based on per annum demand. This is an indication of the percentage of net demand penetration that the Subject must attract in order to reach stabilized occupancy. This measure essentially takes the available household demand searching for apartments in the market area and deducts competition in order to determine net demand available to the Subject. The table on the following page outlines the analysis of this methodology.

The annual demand for rental housing depends upon the following factors:

Population/Household Change

Population change as a result of new households moving in or out of the area: This was previously calculated, in the estimated population decrease from 2019 to 2024. Since the newly derived population will all be eligible, they are included directly into the annual demand estimate.

Additions to Supply

We attempted to contact the Richmond City Department of Planning for information regarding new or recently delivered multifamily developments in the area. However, our calls had not been returned as of the date of this report. Thus, we consulted CoStar's database of multifamily developments in the pipeline within the PMA, as well as conducted extensive web search, which revealed the information summarized in the table below. It should be noted that due to the market-oriented rent structures of the projects in the following list, the majority of the listed properties will not be competitive with the Subject. Two LIHTC properties are included; these properties are discussed further in the Recent LIHTC Allocations section.

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Property Name	Rent	Tenancy	Total	Competitive	Construction Status
1 Toperty Name	Structure	Tenancy	Units	Units	Constituction Status
1001 Boulders Springs Dr	Market	Family	214	0	Proposed
1228 Hull St	Market	Family	24	0	Proposed
124 W 9th St	Market	Family	75	0	Proposed
1510 Bainbridge St	Market	Family	23	0	Proposed
421 W 7th St	Market	Family	26	0	Proposed
6400 Jahnke Rd	Market	Family	122	0	Proposed
700 Semmes Ave	Market	Family	230	0	Proposed
Alexander at 1090	LIHTC	Family	96	72	Under Construction
Belle Heights	Market	Family	N/A	0	Proposed
Kemps Village	Market	Senior	245	0	Proposed
Model Tobacco	Market	Family	275	0	Proposed
New Manchester Lofts	Market	Family	104	0	Under Construction
Port City - Phase 2	LIHTC	Family	147	50	Proposed
Port RVA Phase II	Market	Family	102	0	Proposed
River's Edge II	Market	Family	344	0	Proposed
Riverhaus	Market	Family	130	0	Proposed
South Falls Tower- Phase I	Market	Family	255	0	Under Construction
The Box	Market	Family	118	0	Proposed
The Current	Market	Family	215	0	Under Construction
The Jamestown	Market	Family	269	0	Under Construction
The Riviera at Semmes Phase II	Market	Family	190	0	Under Construction
The Riviera at Semmes Phase III	Market	Family	N/A	0	Proposed
Totals			3,204	122	

Source: CoStar, October 2020

Recent LIHTC Allocations

The table below lists LIHTC allocations awarded in the Subject's PMA since 2018.



RECENT LIHTC ALLOCATIONS IN PMA

Property Name	Year Allocated	Rent Structure	Tenancy	Total Units	Competitive Units
Heights at Brady Square	2020	LIHTC	Family	66	66
Port City II	2019	LIHTC	Family	147	50
Woodland Crossing	2019	LIHTC/Section 8	Family	132	0
Alexander at 1090	2018	LIHTC/Section 8	Family	96	72
New Manchester Flats V	2018	LIHTC/Market	Family	172	172
SPA Lofts	2018	LIHTC	Family	139	139
Townhomes at Warwick Place	2018	LIHTC	Supportive	30	0
Total				782	499

Source: Virginia Housing, October 2020

As detailed above, seven developments totaling 782 units have received tax credit allocations in the PMA since 2018. Based on bedroom type, tenancy, and AMI set asides, 499 units are considered to be potentially competitive with the Subject. These units have also been deducted from our penetration analysis. It should be noted that a breakdown of unit mix by AMI set aside was not available for all properties; thus, we conservatively added all units at such properties to our estimate of competitive units. It should also be noted that Woodland Crossing was excluded from our list of comparables due to subsidized rents, New Manchester Flats was excluded from our list of comparable properties due to inability to contact management, and the remaining projects have yet to be completed.



Annual Demand Table

ANNUAL DEMAND

Calculation	PMA
Number of Renter Households in 2019	26,588
Increase in Number of Renter Households	423
Number of Renter Households in 2024	27,011
Existing Demand	
Percentage of Total Households that are Renter	46.2%
Percentage of Income-Qualified Renter Households	25.5%
Number of Income-Qualified Renter Households	6,769
Percentage of Rent-Overburdened	47.9%
Existing Income-Qualified Renter Household Turnover	3,239
New Income-Qualified Demand, Stated Annually	
Increase in Renter Households per Annum	85
Percentage of Income-Qualified Renter Households	25.5%
New Rental Income Qualified Households	22
Capture Rate Analysis	
Number of Units in Subject	216
Occupied Units at Subject With Vacancy of: 5%	205
Units Pre-Leased	0
Total Demand (Turnover and Growth) from within PMA	3,261
Portion Originating within PMA	90%
Total Demand (Turnover and Growth) from within PMA	3,623
Less: Existing LIHTC Projects in Absorption Process	
(Number of Units) 499	
Total Demand after Competition (Turnover and Growth)	3,124
Yielded Annual Capture Rate of Available Demand in 2020	6.6%

The yielded capture rate is approximately 6.6 percent of available demand per annum for the Subject's units as proposed, which is low and indicative of strong demand.



VIRGINIA HOUSING DEMAND ANALYSIS

We have also included the required demand table from the Virginia Housing market study guidelines. The following table illustrates the total demand, the net demand, and the absorption period for the Subject site. The supply illustrates all proposed or under construction units in the PMA. We determined that there are no proposed competitive LIHTC units in the PMA. Existing vacancies in the PMA include 15 units at 60 percent of AMI.

We have determined the LIHTC vacancy rate among comparable properties is 2.1 percent. We have extrapolated the number of vacant units in the PMA based on this figure. On the following pages, we illustrate that there are a total of 15 existing, vacant units in the PMA, which would be in direct competition with the Subject's units. This indicates there are approximately 15 vacant competitive units in the PMA and we have deducted the 15 units from these properties in our analysis. Additionally, as previously indicated, we have deducted the 499 proposed LIHTC units in the PMA. Since AMI information is not available for these developments, we deducted these units from the overall demand column.

The table below illustrates the resulting capture rates for demand currently proposed in PMA.

VIRGINIA HOUSING DEMAND AND NET DEMAND

	HH at @60% AMI (\$34,491 to \$57,960)	Overall Demand
Demand from New Households (age and income appropriate)	5	5
PLUS	+	+
Demand from Existing Renter Housholds - Rent Overburdened Households	3,239	3,239
PLUS	+	+
Demand from Existing Renter Households - Substandard Housing	132	132
=	=	=
Equals Total Demand	3,377	3,377
Less	-	-
New Supply (Directly comparable vacant or proposed in PMA)	499	499
Equals Net Demand	2,878	2,878
Proposed Units	216	216
CAPTURE RATE	7.5%	7.5%



We believe there is ample demand for the Subject as proposed, especially given the high occupancy rates among comparable affordable properties, as well as the prevalence of waiting lists at the majority of LITHC properties. Our concluded capture rate and absorption periods are shown in the table below.

Project Wide Capture Rate - All Units	7.5%
Project Wide Absorption Period	7-8 months

Capture Rate and VIRGINIA HOUSING Conclusion

The Novoco demand analysis illustrates demand for the Subject based on capture rates of income-eligible renter households. When viewing total income-eligible renter households the calculation illustrates overall capture rate of 3.1 percent.

DEMAND CONCLUSION

Calculation	As Proposed
@60%	3.1%
Annual Demand	6.6%

To provide another level of analysis, we removed the households from the income-eligible renter demand pool that are currently suitably housed elsewhere in the PMA. We conducted an *annual demand analysis*, which is based on new income-eligible renter households moving into the area (in the Subject's first year of operation only) and those income-eligible renter households that are rent-overburdened (paying over 35 percent of income to living costs). This is a subset of the income-eligible renter households used previously and yields a far more conservative annual capture rate. Novoco's annual capture rate is 6.6 percent as proposed for the first year of operation. This suggests that the Subject will need to capture only a fraction of the available demand in its first year of operation in order to stabilize in either scenario. This implies that no demand will be accommodated that is currently suitably housed elsewhere.

This calculation illustrates that there are approximately 3,124 units of demand in the first year of the Subject's operation, as proposed and absent subsidy respectively. The Subject's units will need to accommodate 205 total units of demand in order to stabilize at 95 percent occupancy. Any unaccommodated households will most likely leave the PMA or remain severely rent-overburdened. The lack of available units will force many to look elsewhere.

The Virginia Housing net demand and capture rate table illustrates demand for the Subject based on capture rates of income-eligible renter households. The following table illustrates the conclusions from this table.



VIRGINIA HOUSING DEMAND AND NET DEMAND

	HH at @60% AMI (\$34,491 to \$57,960)	Overall Demand
Demand from New Households (age and income appropriate)	5	5
PLUS	+	+
Demand from Existing Renter Housholds - Rent Overburdened Households	3,239	3,239
PLUS	+	+
Demand from Existing Renter Households - Substandard Housing	132	132
=	=	=
Equals Total Demand	3,377	3,377
Less	-	-
New Supply (Directly comparable vacant or proposed in PMA)	499	499
Equals Net Demand	2,878	2,878
Proposed Units CAPTURE RATE	216 7.5 %	216 7.5 %

Project Wide Capture Rate - All Units	7.5%
Project Wide Absorption Period	7-8 months

This is a strong capture rate and indicative of ample demand for the Subject, and once-complete, the proposed project will facilitate a rapid absorption.

PENETRATION RATE ANALYSIS

Per Virginia Housing guidelines, we also performed a penetration rate analysis for the Subject's units as proposed, as illustrated in the following tables.



PENETRATION RATE - Methodology Two (Market Focus - NC	HMA)
Number of Proposed Competitive LIHTC Units in the PMA	499
	+
Number of Existing Competitive Family LIHTC Units in the PMA	4,119
	+
Number of Proposed LIHTC Units at the Subject	216
	=
Total	4,834
	/
Income Eligible Households - All AMI Levels	6,769
	=
Overall Penetration Rate - Market Focus (NCHMA)	71.4%

The overall penetration rate is derived by taking the number of affordable units proposed or under construction within the PMA, combined with the number of proposed LIHTC units, and the number of the Subject's units divided by the number of income eligible households. As detailed in the supply analysis, we deducted 499 proposed LIHTC units for the purpose of this analysis, as well as 4,119 existing affordable units. The following table illustrates the existing affordable properties in the PMA.



AFFORDABLE HOUSING IN PMA									
Property Name	Address	Program	Total Units	LIHTC Units					
Newport Manor	6701 Carnation St Richmond, VA 23225	LIHTC	200	40					
Chicago Manor	1700 Chicago Ave Richmond, VA 23224	LIHTC	74	74					
Norcroft	389 Norcroft Cir Richmond, VA 23225	LIHTC	109	109					
Dunston Manor	205 W Roanoke St Richmond, VA 23225	LIHTC	102	102					
Countryside (Richmond)	3238 Broad Rock Blvd Richmond, VA 23224	LIHTC	59	59					
Oakhurst Manor	5804 Thorndale Ln Richmond, VA 23225	LIHTC	392	248					
Southpointe Landing	2809 Camberwell Rd North Chesterfield, VA 23234	LIHTC	192	192					
Forestbrooke	5600 Charlevoix Ct. Richmond, VA 23224	LIHTC/Section 8	158	158					
Townes At River South	304 E 12Th St Richmond, VA 23224	LIHTC	99	99					
Arbors	7608 Forest Hill Ave Richmond, VA 23225	LIHTC	85	84					
Charnwood Forest Ldha	4325 Crutchfield St Richmond, VA 23225	LIHTC/Section 8	100	100					
Graystone	2394 Afton Ave Richmond, VA 23224	LIHTC	136	136					
Forest Creek	3501 Forest Haven Dr Richmond, VA 23234	LIHTC	94	94					
Maury Park	1411 Bainbridge St Richmond, VA 23224	LIHTC	45	45					
Midlothian Village	4032 Midlothian Tpke Richmond, VA 23224	LIHTC	216	216					
Village South Townhomes	801 Holly Spring Ave Richmond, VA 23224	LIHTC	121	121					
Swansboro Apts	801 Holly Spring Ave Richmond, VA 23224	LIHTC	62	62					
Townes At River South II	1209 Decatur St Richmond, VA 23224	LIHTC	62	62					
South Gate	3444 Maury St Richmond, VA 23224	LIHTC	112	112					
Imani Mews & Retail Center	1420 Hull St Ste A Richmond, VA 23224	LIHTC	68	68					
lvy Walk II*	4800 Burnt Oak Dr North Chesterfield. VA 23234	LIHTC	122	122					
Renaissance Senior Apts	1021 German School Rd Richmond, VA 23225	LIHTC/Section 8	240	240					
· ·	,	,	182	182					
Blue Ridge Estates	6507 Sugar Maple Drive Richmond, VA 23225	LIHTC/Section 8 LIHTC		126					
Ivy Walk I*	4800 Burnt Oak Dr North Chesterfield, VA 23234		126	80					
Mcguire Park New Manchester Flats Ix	3807 Mcguire Dr Richmond, VA 23224	LIHTC	80	80 41					
	740 E Sixth St Richmond, VA 23224	LIHTC	41						
Old Manchester Plaza I	1024 Hull St Richmond, VA 23224	LIHTC	46	46					
Studios At South Richmond	5409 Hull St Rd Richmond, VA 23224	LIHTC	21	21					
City View Place	1000 Bainbridge St Richmond, VA 23224	LIHTC	32	32					
Tuscany Townhomes	3124 Snead Ct Richmond, VA 23224	LIHTC	132	132					
Belle Summit	600 Cowardin Avenue Richmond, VA 23224	LIHTC	50	50					
Miller Lofts	500 Stockton Street Richmond, VA 23224	LIHTC	197	197					
Studios II	5409 Hull Street Road Richmond, VA 23224	LIHTC	40	39					
Townhomes At Warwick Place	6220 Old Warwick Road Richmond, VA 23224	LIHTC	40	40					
Hatcher Tobacco Flats	101 West Commerce Road Richmond, VA 23224	LIHTC	152	150					
Belt Atlantic (Aka Midlothian Village)	4000 Midlothian Tnpk Richmond, VA 23224	Section 8	216	0					
Prestonwood Group Home	5301 S Prestonwood Ave Richmond, VA 23234	Section 8	4	0					
Chippenham Place	5833 Orcutt Ln Richmond, VA 23224	LIHTC/Section 8	144	144					
Chesterfield Square	1017 Hioaks Road Richmond, VA 23225	Section 8	175	0					
Eastman Road Group Home	431 Eastman Road Richmond, VA 23236	Section 8	4	0					
Foxwood	5600 Charlevoix Ct. Richmond, VA 23224	LIHTC/Section 8	60	60					
Bliley Manor	6117 Bliley Rd Richmond, VA 23225	Section 8	8	0					
Cherokee Hill Of Richmond Aka Stratford House	2925 Cherokee Rd Richmond, VA 23225	Section 8	8	0					
Lafayette Gardens	2201 Ruffin Rd Richmond, VA 23234	LIHTC/Section 8	104	104					
Saints Cosma & Damianos House	1030 German School Road Richmond, VA 23225	Section 8	35	0					
Wintershill Circle Group Home	1502 Wintershill Circle Richmond, VA 23236	Section 8	3	0					
Woodland Crossing	3457 Walmsley Blvd Richmond, VA 23234	LIHTC/Section 8	132	132					
Monarch Woods	6501 Jahke Road Richmond, VA 23225	Section 8	71	0					
James River Apartments	1517 Jefferson Davis Hwy Richmond, VA 23224	Section 8	14	0					
Total			4,965	4,119					

^{*}Utilized as a comparable property.

The overall penetration rate for the market is 71.5 percent as proposed. This penetration rate is considered adequate and indicates significant unmet demand for affordable housing in the PMA, even after accounting for construction of the proposed Subject. This calculation does not account for leakage (i.e. tenants originating outside of the PMA), which is sometimes considerable given the subject sites' proximity to Richmond. Many of



the LIHTC comparables that we have considered competitive could not provide a full unit breakdown by AMI level. Therefore, the amount of competitive units at the 60 percent of AMI could potentially be lower, resulting in a lower overall penetration rate. Overall, we believe there is strong demand for the Subject.

Absorption Estimate

One comparable, Port City Apartments, reported recent absorption data. For support, we have included absorption data for other recently constructed multifamily properties in the Subject's broader market area, as follows.

ABSORPTION

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Canopy At Ginter Park	Market	Family	2019	301	16
The Village At Westlake	Market	Family	2018	252	42
Port City Apartments	LIHTC	Family	2018	135	22
The Lofty	Market	Family	2015	33	7
Hatcher Tobacco Flats	LIHTC	Family	2015	152	43
Colony At Centerpointe	Market	Family	2015	255	21
Shockoe Valley View Apartments	Market	Family	2014	238	30
Belle Summit	LIHTC	Family	2014	50	25
Somanath Senior	LIHTC	Family	2013	38	38
Link Apartments Manchester	Market	Family	2012	183	19
City View Place	LIHTC	Family	2012	32	32
LIHTC Average					32
Market Average					22
Overall Average					27

As illustrated above, the reported absorption rates in the Richmond market area range from seven to 43 units per month, with an average of 27 units per month. The LIHTC properties reported an average absorption rate of 32 units per month, higher than the market rate average of 22 units per month.

Based on the performance of the LIHTC properties, we have estimated that the Subject would absorb approximately 30 units per month, equating to a lease-up period of seven to eight months to reach stabilized occupancy. With the assumption that the Subject begins preleasing units prior to the completion of construction, it appears feasible that the Subject's market-entry would facilitate a more expedient lease-up, given its affordable nature and excellent condition as completed. It should be noted that we do not expect the Subject's absorption to adversely impact other existing LIHTC properties, which are primarily fully occupied or stabilized with waiting lists.

Rent conclusions were provided in Section F.

We do not anticipate any future changes in the housing stock or risks in the market area that would adversely affect the Subject. The Novoco achievable market rents are reasonable and as an affordable property, the Subject will operate with a strong occupancy rate.



X. LOCAL PERSPECTIVES OF RENTAL HOUSING MARKET AND HOUSING ALTERNATIVES

INTERVIEWS

In order to ascertain the need for housing and affordable housing in the Subject's area, interviews were conducted with various local officials.

Local Housing Authority Discussion

The Richmond Redevelopment and Housing Authority (RHA) administers the Section 8 Housing Choice Voucher program in Richmond City. According to RRHA, approximately 3,000 vouchers are administered by the agency. According to RHA, applications for the Section 8 waiting list are being accepted the week of October 12 to 16, 2020. A lottery will be used to select 5,000 applicants to be placed on the Section 8 waiting list. The current payment standards, effective January 1, 2020, are \$932, \$1,067, and \$1,421 for one-, two-, and three-bedroom units, respectively. The Subject's proposed LIHTC asking rents are below the payment standards for all units, indicating that voucher holders will not incur additional out of pocket costs to afford the Subject's proposed LIHTC rents.

Planning Discussion

We attempted to contact the Richmond City Department of Planning for information regarding new or recently delivered multifamily developments in the area. However, our calls had not been returned as of the date of this report. Thus, we consulted CoStar's database of multifamily developments in the pipeline within the PMA, as well as conducted extensive web search, which revealed the information summarized in the table below. It should be noted that due to the market-oriented rent structures of the projects in the following list, the majority of the listed properties will not be competitive with the Subject. Two LIHTC properties are included; these properties are discussed further in the Recent LIHTC Allocations section.

PLANNED DEVELOPMENT

Property Name	Rent	Tenancy	Total	Competitive	Construction Status
Property Name	Structure	Tenancy	Units	Units	Construction Status
1001 Boulders Springs Dr	Market	Family	214	0	Proposed
1228 Hull St	Market	Family	24	0	Proposed
124 W 9th St	Market	Family	75	0	Proposed
1510 Bainbridge St	Market	Family	23	0	Proposed
421 W 7th St	Market	Family	26	0	Proposed
6400 Jahnke Rd	Market	Family	122	0	Proposed
700 Semmes Ave	Market	Family	230	0	Proposed
Alexander at 1090	LIHTC	Family	96	72	Under Construction
Belle Heights	Market	Family	N/A	0	Proposed
Kemps Village	Market	Senior	245	0	Proposed
Model Tobacco	Market	Family	275	0	Proposed
New Manchester Lofts	Market	Family	104	0	Under Construction
Port City - Phase 2	LIHTC	Family	147	50	Proposed
Port RVA Phase II	Market	Family	102	0	Proposed
River's Edge II	Market	Family	344	0	Proposed
Riverhaus	Market	Family	130	0	Proposed
South Falls Tower- Phase I	Market	Family	255	0	Under Construction
The Box	Market	Family	118	0	Proposed
The Current	Market	Family	215	0	Under Construction
The Jamestown	Market	Family	269	0	Under Construction
The Riviera at Semmes Phase II	Market	Family	190	0	Under Construction
The Riviera at Semmes Phase III	Market	Family	N/A	0	Proposed
Totals			3,204	122	

Source: CoStar, October 2020



Recent LIHTC Allocations

The table below lists LIHTC allocations awarded in the Subject's PMA since 2018.

RECENT LIHTC ALLOCATIONS IN PMA

Property Name	Year Allocated	Rent Structure	Tenancy	Total Units	Competitive Units
Heights at Brady Square	2020	LIHTC	Family	66	66
Port City II	2019	LIHTC	Family	147	50
Woodland Crossing	2019	LIHTC/Section 8	Family	132	0
Alexander at 1090	2018	LIHTC/Section 8	Family	96	72
New Manchester Flats V	2018	LIHTC/Market	Family	172	172
SPA Lofts	2018	LIHTC	Family	139	139
Townhomes at Warwick Place	2018	LIHTC	Supportive	30	0
Total				782	499

Source: Virginia Housing, October 2020

As detailed above, seven developments totaling 782 units have received tax credit allocations in the PMA since 2018. Based on bedroom type, tenancy, and AMI set asides, 499 units are considered to be potentially competitive with the Subject. These units have also been deducted from our penetration analysis. It should be noted that a breakdown of unit mix by AMI set aside was not available for all properties; thus, we conservatively added all units at such properties to our estimate of competitive units. It should also be noted that Woodland Crossing was excluded from our list of comparables due to subsidized rents, New Manchester Flats was excluded from our list of comparable properties due to inability to contact management, and the remaining projects have yet to be completed.





Recommendations

The Subject will be well-positioned in the market. As a newly constructed property, the Subject will be in superior condition to most of the comparable properties. The market exhibits strong demand for affordable housing, with a weighted average vacancy rate of 2.1 percent at the comparable LIHTC properties. Three of the five LIHTC comparables reported currently maintaining a waiting list. Vacancy loss at the Subject is expected to be no more than three percent over a typical investment period. Based on the comparable data, we believe the proposed rental rates, which are at the 2020 LIHTC maximum allowable levels, are achievable at 60 percent of AMI. The Subject will be well-accepted in the market as a newly-constructed LIHTC property, and the concluded achievable LIHTC rents offer a significant market rent advantage at all AMI set asides.

Demand Summary

We believe there is ample demand for the Subject as proposed, especially given the high occupancy rates among comparable affordable properties, as well as the prevalence of waiting lists at the majority of LITHC properties. Our concluded capture rate and absorption periods are shown in the table below.

VIRGINIA HOUSING DEMAND AND NET DEMAND

	HH at @60% AMI (\$34,491 to \$57,960)	Overall Demand			
Demand from New Households (age and income appropriate)	5	5			
PLUS	+	+			
Demand from Existing Renter Housholds - Rent Overburdened Households	3,239	3,239			
PLUS	+	+			
Demand from Existing Renter Households - Substandard Housing	132	132			
=	=	=			
Equals Total Demand	3,377	3,377			
Less	-	-			
New Supply (Directly comparable vacant or proposed in PMA)	499	499			
Equals Net Demand	2,878	2,878			
Proposed Units	216	216			
CAPTURE RATE	7.5%	7.5%			

Project Wide Capture Rate - All Units	7.5%
Project Wide Absorption Period	7-8 months



The overall penetration rate for the market is 71.4 percent as proposed. This penetration rate is considered adequate and indicates significant unmet demand for affordable housing in the PMA, even after accounting for the construction of the proposed Subject. This calculation does not account for leakage (i.e. tenants originating outside of the PMA), which is sometimes considerable given the subject sites' proximity to Richmond. Many of the LIHTC comparables that we have considered competitive could not provide a full unit breakdown by AMI level. Therefore, the amount of competitive units at the 60 percent of AMI could potentially be lower, resulting in a lower overall penetration rate. Overall, we believe there is strong demand for the Subject.

Strengths

- The Subject will offer excellent condition as new construction, similar to superior to the comparable properties;
- The Subject will be considered similar to slightly superior to the majority of the comparables in terms of property amenities and unit sizes;
- The Subject will offer midrise and garden-style design, similar to slightly superior to the majority of the comparables;
- The Subject's location is in close proximity to most major locational amenities, and offers good accessibility;
- The Subject's proposed LIHTC rents at 60 percent of AMI appear reasonable and achievable, and offer a significant market rent advantage;
- Demand for the Subject appears strong, with good capture rates and an adequate penetration rate.

Weaknesses

While generally expected to be competitive in the market, the Subject's unit amenities will be similar
to inferior to the majority of the comparables.

Absorption Estimate

One comparable, Port City Apartments, reported recent absorption data. For support, we have included absorption data for other recently constructed multifamily properties in the Subject's broader market area, as follows.

ABSORPTION

Property Name	Rent	Tenancy	Year	Total Units	Absorption
	Ront	Teriancy	- Icai	Total onits	(units/month)
Canopy At Ginter Park	Market	Family	2019	301	16
The Village At Westlake	Market	Family	2018	252	42
Port City Apartments	LIHTC	Family	2018	135	22
The Lofty	Market	Family	2015	33	7
Hatcher Tobacco Flats	LIHTC	Family	2015	152	43
Colony At Centerpointe	Market	Family	2015	255	21
Shockoe Valley View Apartments	Market	Family	2014	238	30
Belle Summit	LIHTC	Family	2014	50	25
Somanath Senior	LIHTC	Family	2013	38	38
Link Apartments Manchester	Market	Family	2012	183	19
City View Place	LIHTC	Family	2012	32	32
LIHTC Average					32
Market Average					22
Overall Average					27



As illustrated above, the reported absorption rates in the Richmond market area range from seven to 43 units per month, with an average of 27 units per month. The LIHTC properties reported an average absorption rate of 32 units per month, higher than the market rate average of 22 units per month.

Based on the performance of the new LIHTC properties, we have estimated that the Subject would absorb approximately 30 units per month, equating to a lease-up period of seven to eight months to reach stabilized occupancy. With the assumption that the Subject begins preleasing units prior to the completion of construction, it appears feasible that the Subject's market-entry would facilitate a more expedient lease-up, given its affordable nature and excellent condition as completed. It should be noted that we do not expect the Subject's absorption to adversely impact other existing LIHTC properties, which are primarily fully occupied or stabilized with waiting lists.

Conclusions

The Subject will be well-positioned in the market. As a newly constructed property, the Subject will be in superior condition to most of the comparable properties. The market exhibits strong demand for affordable housing, with a weighted average vacancy rate of 2.1 percent at the comparable LIHTC properties. Three of the five LIHTC comparables reported currently maintaining a waiting list. Vacancy loss at the Subject is expected to be no more than three percent over a typical investment period. Based on the comparable data, we believe the proposed rental rates, which are at the 2020 LIHTC maximum allowable levels, are achievable at 60 percent of AMI. The Subject will be well-accepted in the market as a newly-constructed LIHTC property, and the concluded achievable LIHTC rents offer a significant market rent advantage at all AMI set asides.





I affirm the following:

- 1. I (Zarina Ismailova) 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 Virginia Housing.
- 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 Virginia Housing or in any way acting for, at the request of, or on behalf of Virginia Housing.
- 6. Compensation for my services is not contingent upon this development receiving a LIHTC reservation or allocation.

Garrett Rogerson

Analyst

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October 26, 2020 Date



ASSUMPTIONS AND LIMITING CONDITIONS

ASSUMPTIONS AND LIMITING CONDITIONS

- 1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the market analyst has relied extensively upon such data in the formulation of all analyses.
- 2. The legal description as supplied by the client is assumed to be correct and the author assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
- All encumbrances, including mortgages, liens, leases, and servitudes, were disregarded in this valuation unless specified in the report. It was recognized, however, that the typical purchaser would likely take advantage of the best available financing, and the effects of such financing on property value were considered.
- 4. All information contained in the report, which others furnished, was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
- 5. The report was made assuming responsible ownership and capable management of the property.
- 6. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
- 7. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
- 8. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors.
- 9. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the market analyst did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
- 10. Any distribution of total property value between land and improvements applies only under the existing or specified program of property utilization. Separate valuations for land and buildings must not be used in conjunction with any other study or market study and are invalid if so used.
- 11. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the author particularly as to value conclusions, the identity of the author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the market analyst. Nor shall the market analyst, firm, or professional organizations of which the market analyst is a member be identified without written consent of the market analyst.



- 12. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional organization with which the market analyst is affiliated.
- 13. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
- 14. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
- 15. Opinions of value contained herein are estimates. There is no guarantee, written or implied, that the Subject property will sell or lease for the indicated amounts.
- 16. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the market study report.
- 17. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
- 18. On all studies, Subject to satisfactory completion, repairs, or alterations, the report and conclusions are contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time.
- 19. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums, except as reported to the market analyst and contained in this report.
- 20. The party for whom this report is prepared has reported to the market analyst there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
- 21. Unless stated otherwise, no percolation tests have been performed on this property. In making the market study, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use.
- 22. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The market analyst does not warrant the condition or adequacy of such systems.
- 23. No in-depth inspection of existing insulation was made. It is specifically assumed no Urea Formaldehyde Foam Insulation (UFFI), or any other product banned or discouraged by the Consumer Product Safety Commission has been introduced into the property. The market analyst reserves the right to review and/or modify this market study if said insulation exists on the Subject property.
- 24. Estimates presented in this report are assignable to parties to the development's financial structure.



ADDENDUM A

Statement of Qualifications

CURRICULUM VITAE BRAD E. WEINBERG, MAI, CVA, CRE

I. Education

University of Maryland, Masters of Science in Accounting & Financial Management University of Maryland, Bachelors of Arts in Community Planning

II. Licensing and Professional Affiliations

MAI Member, Appraisal Institute, No. 10790

Certified Valuation Analyst (CVA), National Association of Certified Valuators and Analysts (NACVA)

Member, The Counselors of Real Estate (CRE)

Member, Urban Land Institute

Member, National Council of Housing Market Analysts (NCHMA)

State of Alabama - Certified General Real Estate Appraiser, No. G00628

State of California - Certified General Real Estate Appraiser, No. AG27638

State of Florida - Certified General Real Estate Appraiser; No. RZ3249

State of Hawaii - Certified General Real Estate Appraiser, No. CGA0001291

State of Maryland - Certified General Real Estate Appraiser; No. 6048

State of New Jersey - Certified General Real Estate Appraiser; No. 42RG00224900

State of Nevada - Certified General Real Estate Appraiser, No. A.0207819-CG

State of Oregon - Certified General Real Estate Appraiser; No. C001280

State of Pennsylvania - Certified General Real Estate Appraiser; No. GA004111

State of Washington - Certified General Real Estate Appraiser, No. 1102433

III. Professional Experience

Partner, Novogradac & Company LLP

President, Capital Realty Advisors, Inc.

Vice President, The Community Partners Realty Advisory Services Group, LLC

President, Weinberg Group, Real Estate Valuation & Consulting

Manager, Ernst & Young LLP, Real Estate Valuation Services

Senior Appraiser, Joseph J. Blake and Associates

Senior Analyst, Chevy Chase F.S.B.

Fee Appraiser, Campanella & Company

IV. Professional Training

Appraisal Institute Coursework and Seminars Completed for MAI Designation and Continuing Education Requirements

National Association of Certified Valuators and Analysts (NACVA) Coursework and Seminars completed for Certified Valuation Analyst (CVA) Designation and Continuing Education Requirements

V. Speaking Engagements and Authorship

Numerous speaking engagements at Affordable Housing Conferences throughout the Country

Participated in several industry forums regarding the Military Housing Privatization Initiative

Authored "New Legislation Emphasizes Importance of Market Studies in Allocation Process," Affordable Housing Finance, March 2001

VI. Real Estate Assignments

A representative sample of Due Diligence, Consulting or Valuation Engagements includes:

- On a national basis, conduct market studies and appraisals for proposed Low-Income Housing Tax Credit properties. Analysis includes preliminary property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis and operating expense analysis to determine appropriate cost estimates.
- On a national basis, conduct market studies and appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing program. This includes projects under the 221(d)3, 221(d)4, 223(f), and 232 programs.
- Completed numerous FannieMae and FreddieMac appraisals of affordable and market rate multifamily properties for DUS Lenders.
- Managed and completed numerous Section 8 Rent Comparability Studies in accordance with HUD's Section 9 Renewal Policy and Chapter 9 for various property owners and local housing authorities.
- Designed and implemented rent reasonableness toolkit for Public Housing Agencies (PHA) in support of Housing Choice Voucher program. Rent reasonableness tool provides an estimated rent based on surveyed market conditions specific to the PHA.
- Developed a Flat Rent Model for the Trenton Housing Authority. Along with teaming partner, Quadel Consulting Corporation, completed a public housing rent comparability study to determine whether the flat rent structure for public housing units is reasonable in comparison to similar, market-rate units. THA also requested a flat rent schedule and system for updating its flat rents. According to 24 CFR 960.253, public housing authorities (PHAs) are required to establish flat rents, in order to provide residents a choice between paying a "flat" rent, or an "income-based" rent. The flat rent is based on the "market rent", defined as the rent charged for a comparable unit in the private, unassisted market at which a PHA could lease the public housing unit after preparation for occupancy. Based upon the data collected, the consultant will develop an appropriate flat rent schedule, complete with supporting documentation outlining the methodology for determining and applying the rents. We developed a system that THA can implement to update the flat rent schedule on an annual basis.

- As part of an Air Force Privatization Support Contractor team (PSC) to assist the Air Force in
 its privatization efforts. Participation has included developing and analyzing housing
 privatization concepts, preparing the Request for Proposal (RFP), soliciting industry interest
 and responses to housing privatization RFP, Evaluating RFP responses, and recommending
 the private sector entity to the Air Force whose proposal brings best value to the Air Force.
 Mr. Weinberg has participated on numerous initiatives and was the project manager for Shaw
 AFB and Lackland AFB Phase II.
- Conducted housing market analyses for the U.S. Army in preparation for the privatization of
 military housing. This is a teaming effort with Parsons Corporation. These analyses were done
 for the purpose of determining whether housing deficits or surpluses exist at specific
 installations. Assignment included local market analysis, consultation with installation
 housing personnel and local government agencies, rent surveys, housing data collection, and
 analysis, and the preparation of final reports.
- Developed a model for the Highland Company and the Department of the Navy to test feasibility of developing bachelor quarters using public-private partnerships. The model was developed to test various levels of government and private sector participation and contribution. The model was used in conjunction with the market analysis of two test sites to determine the versatility of the proposed development model. The analysis included an analysis of development costs associated with both MILCON and private sector standards as well as the potential market appeal of the MILSPECS to potential private sector occupants.

STATEMENT OF PROFESSIONAL QUALIFICATIONS LINDSEY SUTTON

EDUCATION

Texas State University, Bachelor of Business Administration in Finance

LICENSING AND CERTIFICATIONS

Certified General Real Estate Appraiser – State of Texas (TX 1380684-G) Certified General Real Estate Appraiser – State of Washington (1102489)

EXPERIENCE

Novogradac & Company LLP, Principal, December 2017- Present

Novogradac & Company LLP, Manager

Novogradac & Company LLP, Real Estate Analyst

Novogradac & Company LLP, Real Estate Researcher

PROFESSIONAL TRAINING

National USPAP and USPAP Updates

General Appraiser Report Writing and Case Studies

General Appraiser Sales Comparison Approach

General Appraiser Site Valuation and Cost Approach

Expert Witness for Commercial Appraisers

Commercial Appraisal Review

Real Estate Finance Statistics and Valuation Modeling

General Appraiser Income Approach Part II

General Appraiser Income Approach Part I

General Appraiser Market Analysis and Highest & Best Use

Basic Appraisal Procedures

Basic Appraisal Principles

REAL ESTATE ASSIGNMENTS

A representative sample of work on various types of projects:

- Managed and completed hundreds of market studies and appraisals for proposed new construction and existing Low Income Housing Tax Credit, USDA Rural Development, Section 8 and market rate multifamily and age-restricted developments. This included property screenings, market and demographic analysis, comparable rent surveys, supply and demand analysis, determination of market rents, expense comparability analysis, and other general market analysis. Property types include proposed multifamily, acquisition with rehabilitation, historic rehabilitation, adaptive reuse, and single-family development.
- Conduct physical inspections of subject properties and comparables to determine condition and evaluate independent physical condition assessments.
- Complete agency and HUD appraisals using the cost approach, income capitalization approach, and sales comparison approach for Low Income Housing Tax Credit, USDA Rural Development, and Section 8 properties. Additional assignments also include partnership valuations and commercial land valuation.
- Prepared HUD Market-to-Market rent comparability studies for Section 8 multifamily developments.

- Perform valuations of General and/or Limited Partnership Interest in a real estate transaction, as well as LIHTC Year 15 valuation analysis.
- Prepare Fair Market Value analyses for solar panel installations in connection with financing and structuring analyses performed for various clients. The reports are used by clients to evaluate with their advisors certain tax consequences applicable to ownership. Additionally, these reports can be used in connection with application for the Federal grant identified as Section 1603 American Recovery & Reinvestment Act of 2009 and the ITC funding process.
- Perform market studies and appraisals for proposed and existing multifamily properties under the HUD MAP program. These reports meet the requirements outlined in Chapter 7 of the HUD MAP Guide for the 221(d)4, 223(f), and the LIHTC Pilot Program.
- Consult with lenders and developers and complete valuation assignments for developments converting under the RAD program.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Garrett Rogerson

Education

University of Texas at Austin - Austin, Texas

• BS – Sport Management & Urban Geography

Experience

Analyst, Novogradac & Company LLP (December 2018- Present)
Junior Analyst, Novogradac & Company LLP (July 2017 – December 2018)

- Performs market studies for proposed new construction and existing affordable, market rate, and age-restricted multifamily developments. This includes property screenings, market and demographic analyses, comparable rent surveys, supply and demand analyses, determination of market rents, and other general market analysis.
- Conducts physical inspections of subject properties and comparable properties to determine condition and evaluate independent physical condition assessments.
- Analyze historic audited financial statements and proposed operating statements to determine property expense projections.
- Assist on appraisals using the cost approach, income capitalization approach, and sales comparison approach for multifamily developments. Additional appraisal assignments also include partnership valuations and HUD MAP reports.
- Prepare HUD Market-to-Market rent comparability studies for Section 8 multifamily developments.

Real Estate Assignments: The analyst has conducted research and completed assignments in the following states and U.S. Territories:

Alabama Arizona Arkansas	Hawai'i Illinois Indiana	Missouri Montana Nevada	Oregon Pennsylvania South Carolina	West Virginia Wisconsin
California	Louisiana	New Jersey	Tennessee	
Colorado	Maryland	New York	Texas	
Connecticut	Michigan	North Carolina	U.S. Virgin Islands	
Georgia	Minnesota	Ohio	Virginia	
Florida	Mississippi	Oklahoma	Washington	

ADDENDUM B Data Sources

DATA SOURCES

Sources used in this study include data that is both written and oral, published and unpublished, and proprietary and non-proprietary. Real estate developers, housing officials, local housing, and planning authority employees, property managers and other housing industry participants were interviewed. In addition, we conducted a survey of proposed, comparable properties.

This report incorporates published data supplied by various agencies and organizations including:

- U.S. Census Bureau
- Richmond Economic Development Department
- Greater Richmond Partnership
- Richmond City Planning and Development Department
- Richmond Housing and Redevelopment Authority
- Virginia Employment Commission
- Partnership for Housing Affordability
- Virginia Workforce Network
- ESRI, Business Information Solutions
- Ribbon Demographics
- CoStar Rental Market Report
- Bankrate
- Zillow
- US Department of Commerce, Bureau of Labor Statistics
- Department of Housing and Urban Development (HUD)
- Richmond Housing and Redevelopment Authority Utility Allowance
- Virginia Housing Market Study Requirements, 2020

ADDENDUM C

NCHMA Certification and Checklist



NCHMA MEMBER CERTIFICATION

This market study has been prepared by **Novogradac Consulting LLP**, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the *Standard Definitions of Key Terms Used in Market Studies*, and *Model Content Standards for the Content of Market Studies*. These Standards are designed to enhance the quality of market studies and to make them easier to prepare, understand, and use by market analysts and by the end users. These Standards are voluntary only, and no legal responsibility regarding their use is assumed by the National Council of Housing Market Analysts.

Novogradac Consulting LLP is duly qualified and experienced in providing market analysis for Affordable Housing. The company's principals participate in the National Council of Housing Market Analysts (NCHMA) educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Novogradac Consulting LLP is an independent market analyst. No principal or employee of Novogradac Consulting LLP has any financial interest whatsoever in the development for which this analysis has been undertaken.

Garrett Rogerson

Analyst

Garrett.Rogerson@Novoco.com

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 built with low income housing tax credits. 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. Components reported in the market study are indicateed by sections.

		Section(s)
32	Comparable property discussion	F
33	Area vacancy rates, including rates for Tax Credit and government- subsidized	F
34	Comparison of subject property to comparable properties	F
35	Availability of Housing Choice Vouchers	F
36	Identification of waiting lists	F
37	Description of overall rental market including share of market-rate and affordable properties	F
38	List of existing LIHTC properties	N/A
39	Discussion of future changes in housing stock	F
40	including homeownership	F
41	Tax credit and other planned or under construction rental communities in the market area	F
Analysis/	Conclusions	
42	Calculation and analysis of Capture Rate	G
43	Calculation and analysis of Penetration Rate	G
44	Evaluation of proposed rent levels	F
45	Derivation of Achievable Market Rent and Market Advantage	F
46	Derivation of Achievable Restricted Rent	F
47	Precise statement of key conclusions	A
48	Market strengths and weaknesses impacting project	A
49	Recommendations and/or modification to project discussion	A
50	Discussion of subject property's impact on existing housing	F
51	Absorption projection with issues impacting performance	F
52	Discussion of risks or other mitigating circumstances impacting project	A
53	Interviews with area housing stakeholders	F
	equirements	
54	Preparation date of report	Letter
55	Date of field work	A
56	Certifications	Addendum A
57	Statement of qualifications	Addendum G
58	Sources of data not otherwise identified	Addendum A
59	Utility allowance schedule	Addendum D

ADDENDUM D

Utility Allowance Schedule

U.S. Department of Housing and Urban Development

OMB Approval No. 2577-0169 (exp. 04/30/2018)

Office of Public and Indian Housing

Utility Allowance Schedule:

Н	C	VI	P	D	E.	T/	4(Cł	1	E	D

Locality HOUSING CHOICE VOUCHER PROGRAM			Unit Type Singl	e Family/D		Date (mm/dd/yyyy) 1/1/2020				
June 1	1			Monthly D	ollar Allowar	nces				
Utility or Service	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR	7 BR	8 BR	9 BR
AIR CONDITIONING	5	6	14	23	31	39	0	0	0	0
COOKING BOTTLE GAS	9	11	16	21	26	31	0	0	0	0
COOKING ELECTRIC	5	5	8	10	12	15	0	0	0	0
COOKING NATURAL GAS	3	4	6	7	9	11	0	0	0	0
Electric Fee	7	7	7	7	7	7	0	0	0	0
Electric Resistance	29	33	37	40	45	49	0	0	0	0
HEATING BOTTLED GAS	88	103	118	132	147	162	0	0	0	0
HEATING NATURAL GAS	29	33	38	42	47	51	0	0	0	0
HEATING OIL	64	75	86	96	107	118	0	0	0	0
OTHER ELECTRIC	25	30	41	53	64	76	0	0	0	0
OTHER_NATURAL GAS MOTHLY FEE	16	16	16	16	16	16	0	0	0	0
RANGE AND MICROWAVE	17	17	17	17	17	17	0	0	0	0
REFRIGERATOR	19	19	19	19	19	19	0	0	0	0
SEWER	34	36	50	71	93	114	0	0	0	0
TRASH COLLECTION	19	19	19	19	19	19	0	0	0	0
WATER	24	26	37	56	75	93	0	0	0	0
WATER HEATING BOTTLED GAS	27	32	46	60	74	88	0	0	0	0
WATER HEATING ELECTRIC	14	16	21	25	28	32	0	_0	0	0
WATER HEATING NATURAL GAS	9	11	16	21	25	29	0	0	0	0
WATER HEATING OIL_OTHER	20	23	33	43	54	64	0	0	0	0

U.S. Department of Housing and Urban Development

OMB Approval No. 2577-0169 (exp. 04/30/2018)

Office of Public and Indian Housing

Utility Allowance Schedule:

HCVP DUPLEXS_ROWHOUSES_TOWNHOUSES

Locality
HOUSING CHOICE VOUCHER PROGRAM

Unit Type

ROW HOUSES_TOWNHOUSES

Date (mm/dd/yyyy) 1/1/2020

		- 1		-1000						_
Utility or Service					ollar Allowar					
dulity of Service	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR	7 BR	8 BR	9. BR
AIR CONDITIONING	7	8	14	20	26	32	0	0	0	0
COOKING BOTTLE GAS	9	11	16	21	26	31	0	0	0	0
COOKING ELECTRIC	5	5	8	10	12	15	0	0	0	0
COOKING NATURAL GAS	3	4	6	7	9	11	0	0	0	0
Electric Fee	7	7	7	7	7	7	0	0	0	0
Electric Resistance	20	23	27	31	35	41	0	0	0	0
HEATING BOTTLED GAS	80	95	107	119	131	143	0	0	0	0
HEATING NATURAL GAS	26	31	34	38	42	46	0	0	0	0
HEATING OIL	59	69	78	87	96	104	0	0	0	0
OTHER ELECTRIC	22	25	35	45	55	65	0	0	0	0
OTHER_NATURAL GAS MOTHLY FEE	16	16	16	16	16	16	0	0	0	0
RANGE AND MICROWAVE	17	17	17	17	17	17	0	0	0	0
REFRIGERATOR	19	19	19	19	19	19	0	0	0	0
SEWER	34	36	50	71	93	114	0	0	0	0
TRASH COLLECTION	19	19	19	19	19	19	0	0	0	0
WATER	24	26	37	56	75	93	0	0	0	0
WATER HEATING BOTTLED GAS	27	32	46	60	74	88	0	0	0	0
WATER HEATING ELECTRIC	14	16	21	25	29	32	0	0	0	0
WATER HEATING NATURAL GAS	9	11	16	21	25	29	0	0	0	0
WATER HEATING OIL_OTHER	20	23	33	43	54	64	0	0	0	0

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

OMB Approval No. 2577-0169 (exp. 04/30/2018)

Utility Allowance Schedule:

WATER HEATING NATURAL GAS

WATER HEATING OIL_OTHER

	HCVP Lo	w Rise Ap	t 2-4 units							
Locality HOUSING CHOICE VOUCHER PROGRAM		Unit Type LowRise Apt 2-4 Units						Date (mm/dd/yyyy) 1/1/2020		
Similar and the second	11 72			Monthly D	ollar Aliowar	nces				
Utility or Service	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR	7 BR	8 BR	9 BF
AIR CONDITIONING	8	9	13	17	21	24	0	0	0	0
COOKING BOTTLE GAS	9	11	16	21	26	31	0	0	0	0
COOKING ELECTRIC	5	5	8	10	12	15	0	0	0	0
COOKING NATURAL GAS	3	4	6	7	9	11	0	0	0	0
Electric Fee	7	7	7	7	7	7	0	0	0	0
Electric Resistance	20	23	27	31	35	41	0	0	0	0
HEATING BOTTLED GAS	99	116	124	132	141	149	0	0	0	0
HEATING NATURAL GAS	32	38	40	42	45	47	0	0	0	0
HEATING OIL	72	85	91	96	102	108	0	0	0	0
OTHER ELECTRIC	21	25	34	44	53	63	0	0	0	0
OTHER_NATURAL GAS MOTHLY FEE	16	16	16	16	16	16	0	0	0	0
RANGE AND MICROWAVE	17	17	17	17	17	17	0	0	0	0
REFRIGERATOR	19	19	19	19	19	19	0	0	0	0
SEWER	34	36	50	71	93	114	0	0	0	0
TRASH COLLECTION	19	19	19	19	19	19	0	0	0	0
WATER	24	26	37	56	75	93	0	0	0	0
WATER HEATING BOTTLED GAS	27	32	46	60	74	88	0	0	0	0
WATER HEATING ELECTRIC	14	16	21	25	29	32	0	0	0	0
						1			7	-

U.S. Department of Housing and Urban Development

OMB Approval No. 2577-0169 (exp. 04/30/2018)

Office of Public and Indian Housing

Utility Allowance Schedule:

HCVP APARTMENTS_5 Units and Over

Locality
HOUSING CHOICE VOUCHER PROGRAM

Unit Type

APARTMENT UNITS 5 AND OVER UNITS PER

Date (mm/dd/yyyy) 1/1/2020

	BUILDING											
Utility or Service	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR	7 BR	8 BR	9 BR		
AIR CONDITIONING	7	8	11	15	18	22	0	0	0	0		
COOKING BOTTLE GAS	9	11	16	21	26	31	0	0	0	0		
COOKING ELECTRIC	5	5	8	10	12	15	0	0	0	0		
COOKING NATURAL GAS	3	4	6	7	9	11	0	0	0	0		
Electric Fee	7	7	7	7	7	7	0	0	0	0		
Electric Resistance	14	16	21	24	27	31	0	0	0	0		
HEATING NATURAL GAS	20	24	27	30	33	36	0	0	0	0		
HEATING OIL	45	53	60	67	75	82	0	0	0	0		
OTHER ELECTRIC	17	20	28	36	44	52	0	0	0	0		
OTHER_NATURAL GAS MOTHLY FEE	16	16	16	16	16	16	0	0	0	0		
RANGE AND MICROWAVE	17	17	17	17	17	17	0	0	0	0		
REFRIGERATOR	19	19	19	19	19	19	0	0	0	0		
SEWER	34	36	50	71	93	114	0	0	0	0		
TRASH COLLECTION	19	19	19	19	19	19	0	0	0	0		
WATER	24	26	37	56	75	93	0	0	0	0		
WATER HEATING BOTTLED GAS	21	25	37	48	59	70	0	0	0	0		
WATER HEATING ELECTRIC	11	13	17	20	24	27	0	0	0	0		
WATER HEATING NATURAL GAS	7	9	13	17	20	24	0	0	0	0		
WATER HEATING OIL_OTHER	16	18	27	35	43	51	0	0	0	0		

ADDENDUM E

Subject and Neighborhood Photographs

Urbana at Hioaks – Richmond, VA Source: Zarina Ismailova, Junior Analyst

Date: 10/5/2020





VIEW OF SUBJECT LOOKING WEST ON ATMORE DRIVE



VIEW OF SUBJECT LOOKING NORTH FROM ATMORE DRIVE



VIEW OF SUBJECT FROM ARCADIA STREET (COMMERCIAL USE IN FOREGROUND)



VIEW OF SUBJECT LOOKING EAST FROM ATMORE DRIVE



MEDICAL USE IN SUBJECT NEIGHBORHOOD

COMMERCIAL USE IN SUBJECT NEIGHBORHOOD

Urbana at Hioaks – Richmond, VA Source: Zarina Ismailova, Junior Analyst

Date: 10/5/2020





COMMERCIAL USE IN SUBJECT NEIGHBORHOOD





EDUCATIONAL USE IN SUBJECT NEIGHBORHOOD





MULTIFAMILY RESIDENTIAL USE IN SUBJECT NEIGHBORHOOD

MULTIFAMILY USE IN SUBJECT NEIGHBORHOOD

Urbana at Hioaks – Richmond, VA Source: Zarina Ismailova, Junior Analyst Date: 10/5/2020



SINGLE-FAMILY HOME IN SUBJECT NEIGHBORHOOD



SINGLE-FAMILY HOME IN SUBJECT NEIGHBORHOOD



SINGLE-FAMILY HOME IN SUBJECT NEIGHBORHOOD

SINGLE-FAMILY HOME IN SUBJECT NEIGHBORHOOD

ADDENDUM F Site and Floor Plans











Urbana at Hioaks

SCALE: 1" =200'









SHEET INDEX

	SHEET LIST		
Layout ID	out ID Layout Name		
0.00	Cover		
C.500	OVERALL LAYOUT KEY PLAN		
C.501	LAYOUT PLAN		
C.502	LAYOUT PLAN		
C.503	LAYOUT PLAN		
A2.01	BUILDING A - OVERALL GROUND FLOOR PLAN		
A2.01a	BUILDING A - GROUND FLOOR PLAN		
A2.01b	BUILDING A - GROUND FLOOR PLAN		
A2.01c	BUILDING A - GROUND FLOOR PLAN		
A2.02	BUILDING A - OVERALL SECOND FLOOR PLAN		
A2.02a	BUILDING A - SECOND FLOOR PLAN		
A2.02b	BUILDING A - SECOND FLOOR PLAN		
A2.02c	BUILDING A - SECOND FLOOR PLAN		
A2.03	BUILDING A - OVERALL THIRD FLOOR PLAN		
A2.03a	BUILDING A - THIRD FLOOR PLAN		
A2.03b	BUILDING A - THIRD FLOOR PLAN		
A2.03c	BUILDING A - THIRD FLOOR PLAN		
A2.04	BUILDING A - OVERALL FOURTH FLOOR PLAN		
A2.04a	BUILDING A - FOURTH FLOOR PLAN		
A2.04b	BUILDING A - FOURTH FLOOR PLAN		
A2.04c	BUILDING A - FOURTH FLOOR PLAN		
A2.05	BUILDING B - FLOOR PLAN		
A2.06	BUILDING C - FLOOR PLAN		
A2.07	COMMUNITY BUILDINGS		
A4.01	ENLARGED UNIT PLANS - CENTER HALL		
A4.02	ENLARGED UNIT PLANS - BREEZEWAY		
A5.01	BUILDING ELEVATONS		
A6.01	WALL SECTIONS		

AMENITIES LIST

- 62% UNIVERSAL DESIGN COMLIANCE
- ON SITE PROPERTY MANAGMEMT
- ON SITE LAUNDRY
- COMMUNITY ROOM (GREATER THAN 749 SQ FT)
- FITNESS CENTER
- **BUSINESS CENTER**



1030 Main St Lynchburg VA 24504 p. 434-847-6564 www.cjmw.com

DATE: <u>10/16/20</u>

COMMISSION NO. <u>20-1050</u>

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Urbana at Hioaks

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ARCHITECT

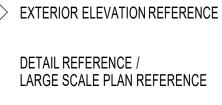
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SYMBOLS

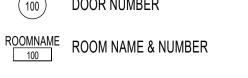
SECTION REFERENCE

COLUMN GRID DESIGNATION WINDOW\LOUVER\OTHER OPENING

PLAN NORTH PLAN NORTH

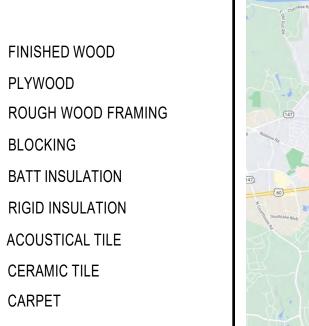






MATERIAL DESIGNATIONS

	EARTH	
	GRAVEL	
	CONCRETE	
· · · · · · · · · · · ·	TERRAZZO	
	GYPSUM,SAND,GROUT	
	BRICK	
	CMU	
	75% SOLID CMU	



FINISHED WOOD

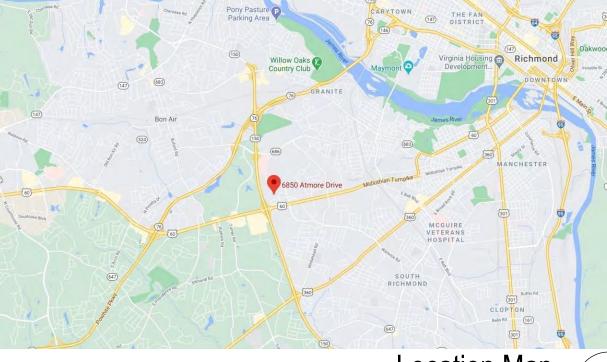
BATT INSULATION

ACOUSTICAL TILE

CERAMIC TILE

PLYWOOD

BLOCKING



Location Map

ABBREVIATIONS

& and		C.H. C.I.	ceiling height cast iron
$^{\prime}$ angl	е	C.J.	cast from
@ at		0.0.	construction joint
_	erline	C.M.T.	ceramic mosaic tile
-		C.M.U.	concrete masonry unit
[char	nnel	C.T.	ceramic tile
Ø dian	neter or round	C. to C.	center to center
L perp	endicular	CAB.	cabinet
_ ' '		CARP.	carpet
P plate)	CEM.	cement
# poui	nd or number	CER.	ceramic
		CLG.	ceiling
		CLO.	closet
		CLR.	clear
λ.B.	anchor bolt	CNTR.	counter
N.F.F.	above finish floor	COL.	column
N.P.	access panel	COMP.	composition
A.T.C.	acoustical tile ceiling	CONC.	concrete
VC.	air conditioning	CONF.	conference
ABV.	above	CONN.	connection
COUS.	acoustical	CONSTR.	construction
NDD.	addendum	CONT.	continuous
NDJ.	adjacent or adjustable	CONTR.	contractor
NGG.	aggregate	CORR.	corridor
۱L.	aluminum	CSMT.	casement
ALT.	alternate	CTR.	center
NOD.	anodize	CTSK.	countersink (sunk)
APPROX.	approximate	D.	diameter
APT.	apartment	D.F.	drinking fountain
ARCHT.	architect (ural)	D.H.	double hung
AUTO. AVG.	automatic	D.L.	dead load
AVG.	average	DBL.	double
3.U.R.	built-up roofing	DEM.	demolish, demolition
BD.	board	DEPT.	department
BEV.	beveled	DIAG.	diagonal, diagram
BITUM.	bituminous	DIFF.	diffuser
BLDG.	building	DIM.	dimension
BLK.	block	DMT.	demountable
BLKG.	blocking	DN.	down
3M.	beam or bench mark	DO.	door opening
BR.	bedroom	DR.	door
BRCG.	bracing	DS.	downspout
BRG.	bearing	DTL.	detail
BSMT.	basement	DWG	drawing

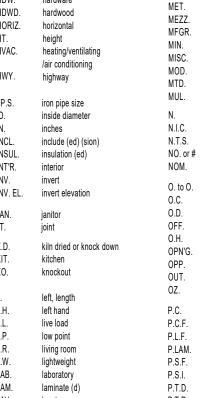
E.C. E.J. E.W.C. EA. ELAS. ELEC. ELEC. CAB. ELEV. EMER. ENTR. EQ. EQUIP. ESTB. EXP. EXSTG. EXT.	electric contractor expansion joint electric water cooler each elastometric electric (al) electric cabinet elevator, elevation emergency enclose (ure) entrance equal equipment establish expansion existing exterior
F.B.O. F.D. F.E. F.E.C. F.H.C.	furnished by others floor drain fire extinguisher fire extinguisher cab. fire hose cabinet

general contracto

	elastometric	H.P. HDW.	
	electric (al)	HDWD.	
. CAB.	electric cabinet	HORIZ.	
	elevator, elevation	HT.	
₹.	emergency	HVAC.	
	enclose (ure)	111710.	
l.	entrance	HWY.	
	equal		
Ρ.	equipment	I.P.S.	i
	establish	ID.	
	expansion	IN	
G.	existing	INCL.	
	exterior	INSUL.	
		INT'R.	
	furnished by others	INV.	
	floor drain	INV. EL.	
	fire extinguisher	IIVV. LL.	
	fire extinguisher cab.	JAN.	j
	fire hose cabinet	JT.	i
	face of concrete	K D	
	face of finish	K.D.	
	face of studs	KIT.	
	full size	КО.	
	face to face		
	foundation	L.	
	finish (ed)	L.H.	
	floor (ing)	L.L.	
H'G.	flashing	L.P.	
R.	fluorescent	L.R.	
	fireproof (ing)	L.W.	
/ LI	frages are of wall budrout	LAB.	

+8'-0" NEW SPOT ELEVATION

KEYNOTE



machine

mechanic (al) medium minimum not to scale

STEEL

not in contract pounds per cubic foot pounds per lineal foot plastic laminate

dispenser & receptacle

top of curb top of pavement telephone thick (ness) threshold toilet television typical U.O.N. UNFIN. UTIL. solid core V.C.T. V.I.F. structural control joint soap dispenser or storm sanitary napkin dispense wide flange wrought iron

Project Location

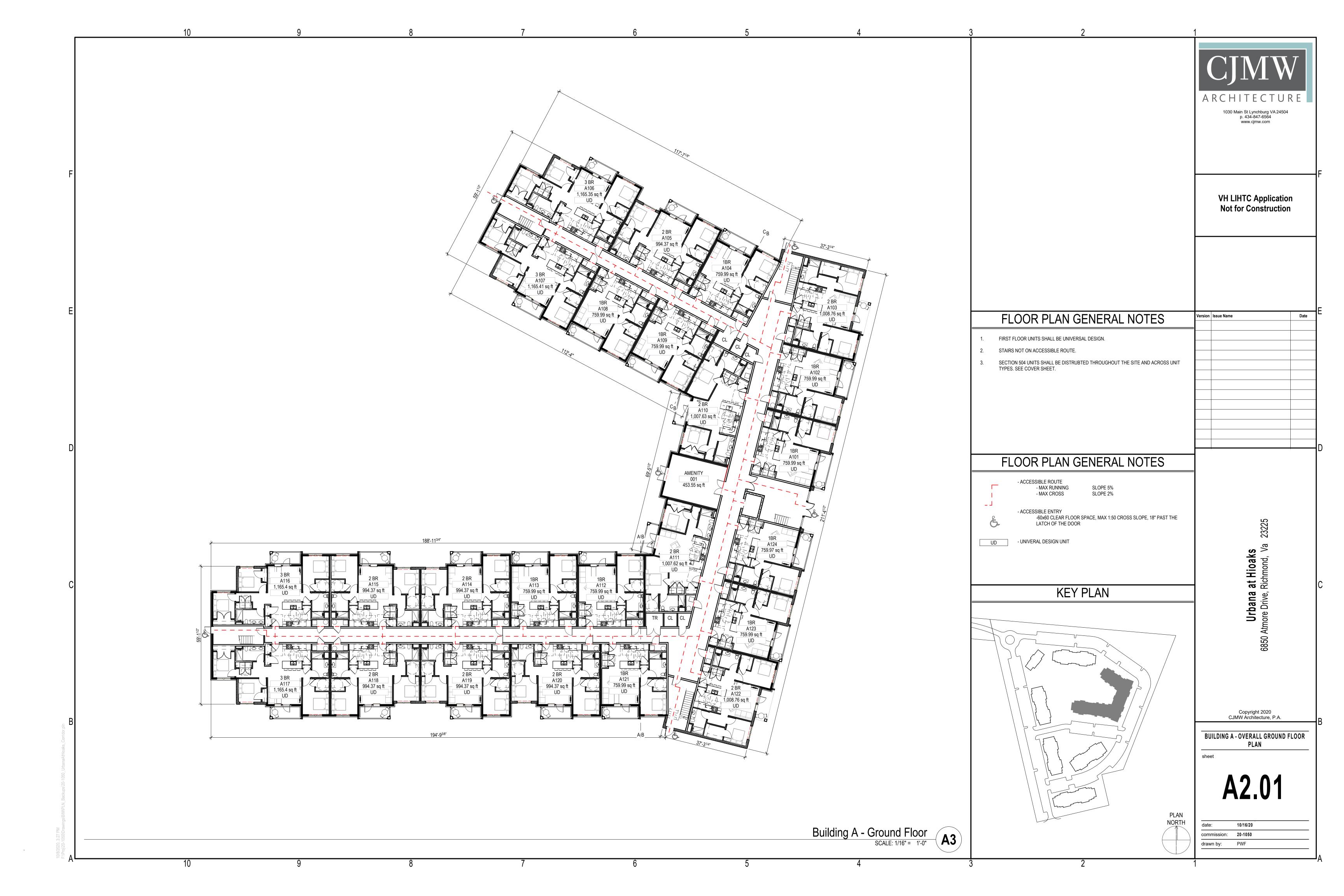
5. W 5.1.5		JNIT MATRIX		
BUILDING	UNIT TYPE	UNIT COU	NT UD	UFA
BUILDING A				
	1 BR	40	40	4
	2 BR	34	34	8
	3 BR	<u>22</u>	22	3
		96	96	15
BUILDING B1				
	2 BR	12	4	1
	3 BR	12	4	1
		24	8	
			•	·
BUILDING B2				
501251110 52	2 BR	12	4	1
	3 BR	12	4	1
	OBIT	24	8	:
		2 T	O	•
BUILDING C1				
DOILDING OT	2 BR	24	8	1
	Z DIX	4 T	O	1
BUILDING C2				
DOILDING GZ	2 BR	24	8	1
	Z DIN	4 7	U	ı
BUILDING C3				
DOILDING 03	2 BR	24	8	1
	∠ DI\	216	136	22

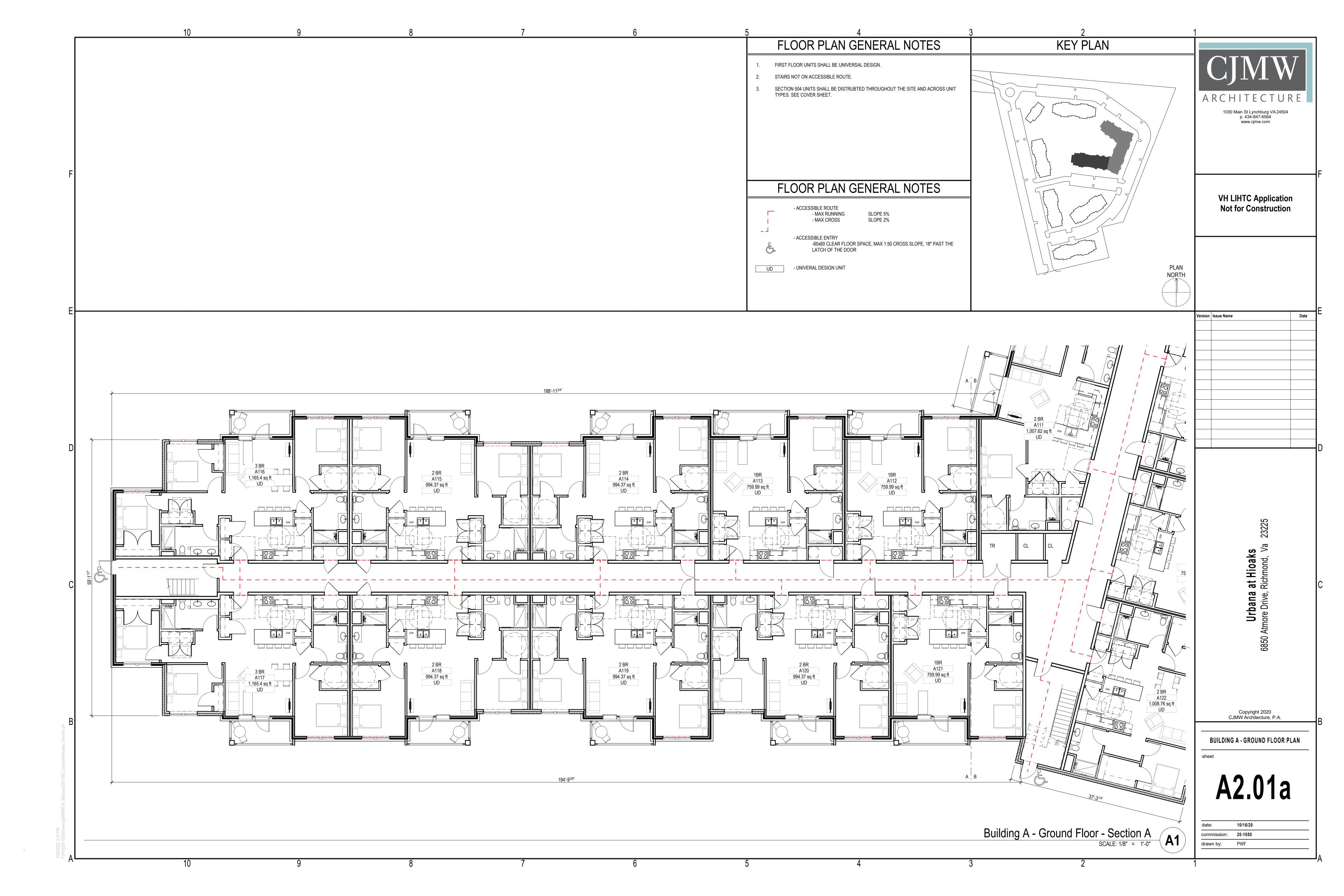
<u>UNIT MATRIX</u>				
BUILDING	UNIT COUNT	UD	UFAS	
1 BR	40	26	4	
2 BR	130	82	13	
3 BR	46	28	5	
	216	136	22	

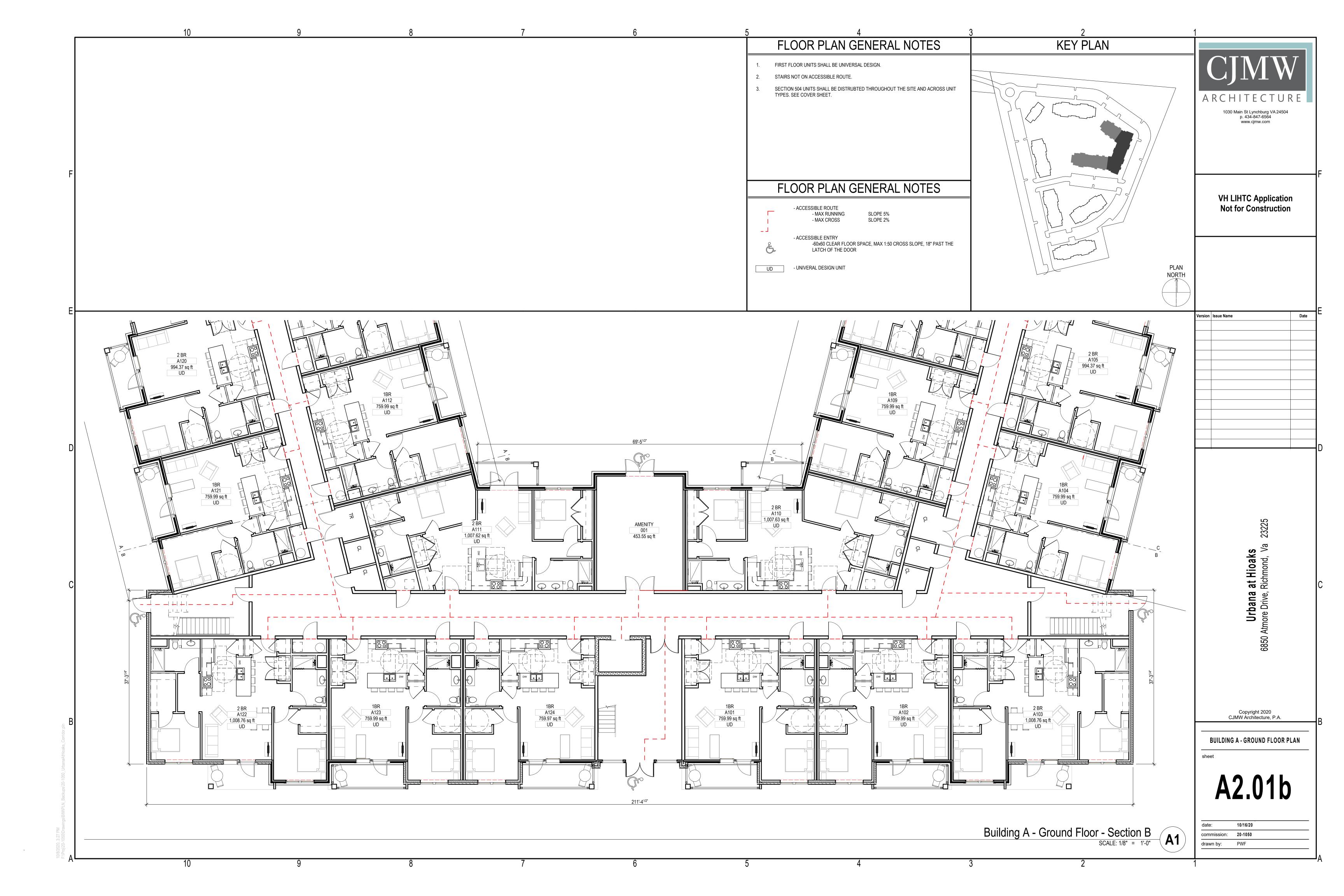
VH LIHTC Application Not for Construction

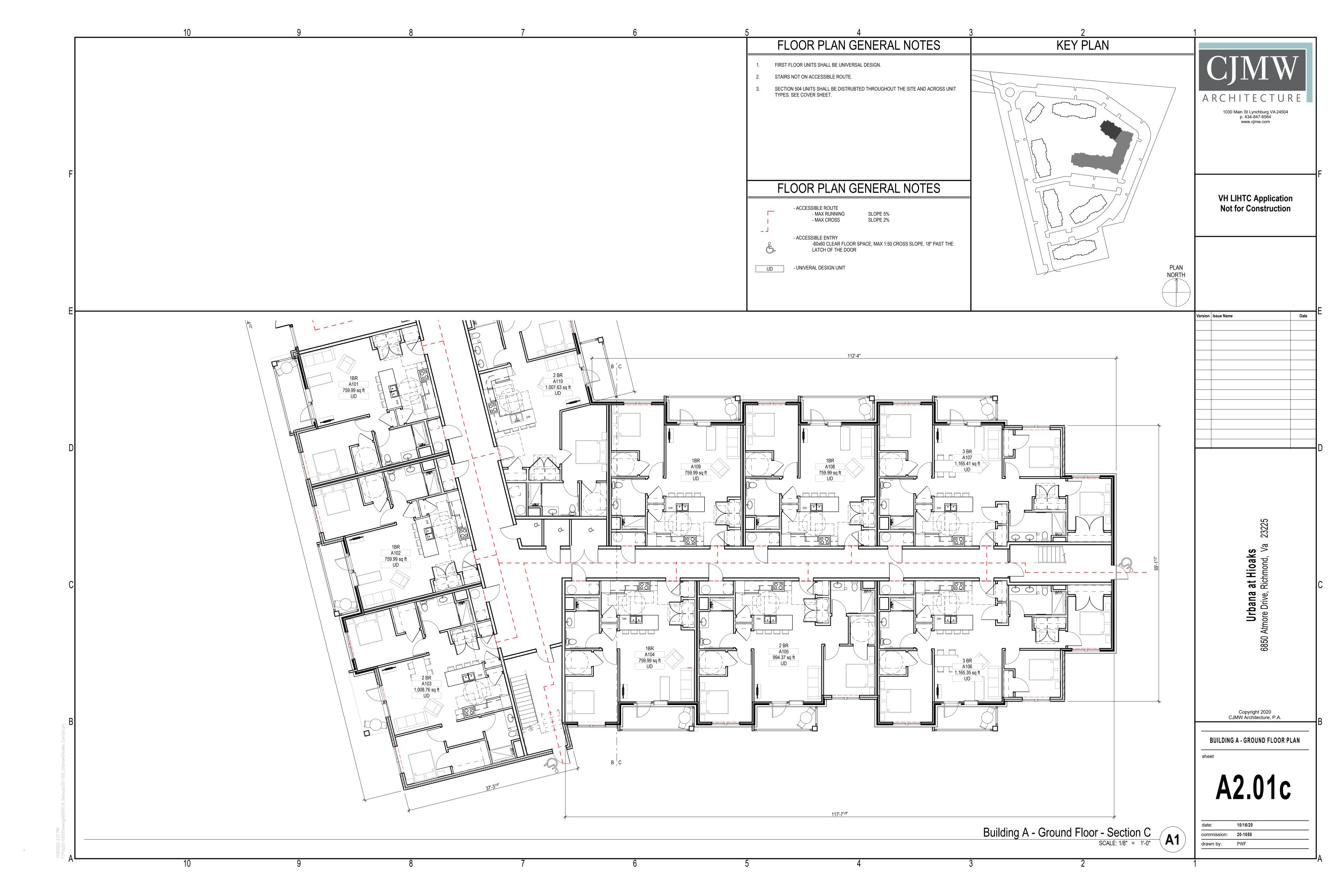
Hioaks

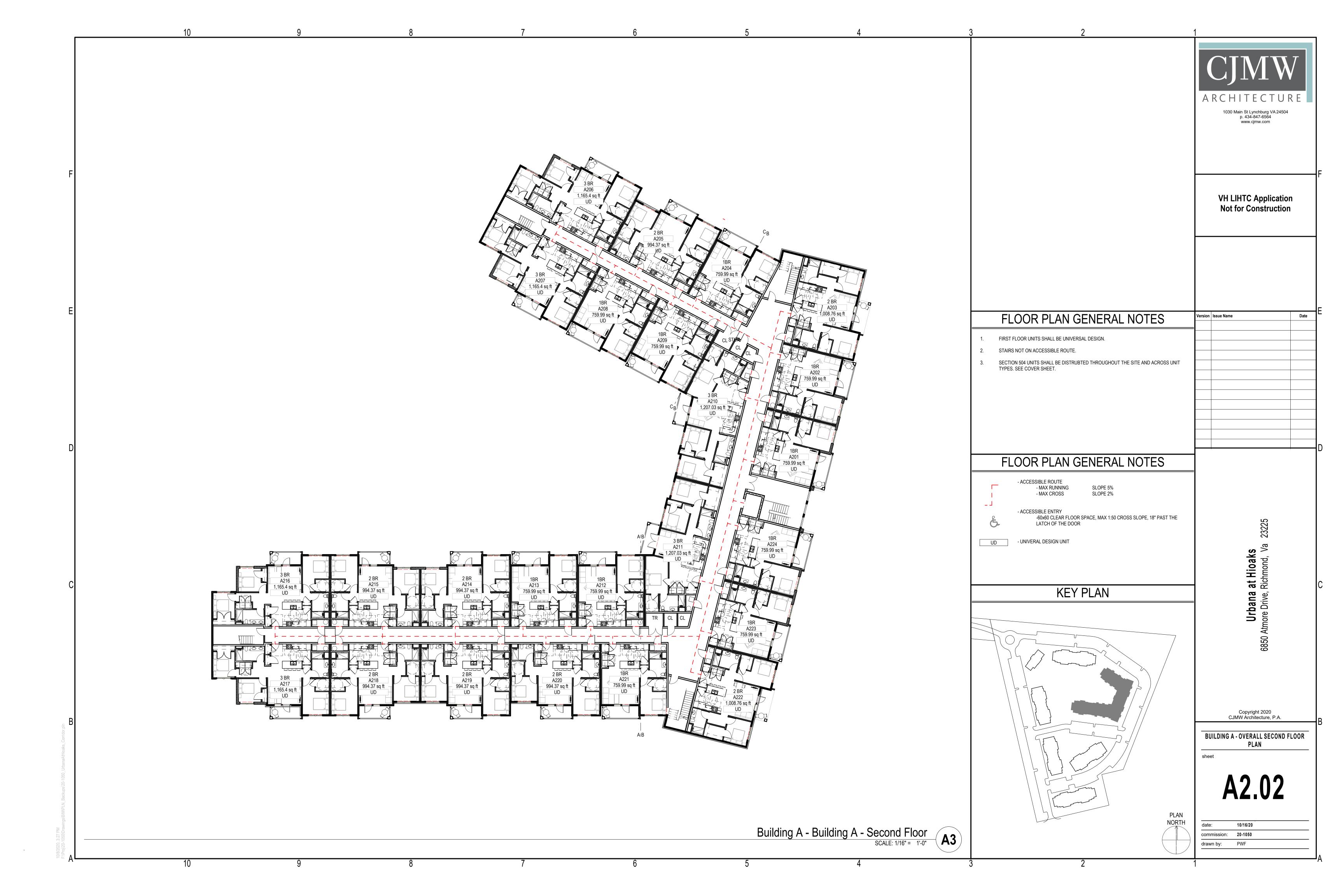
VH LIHTC Application
Not for Construction

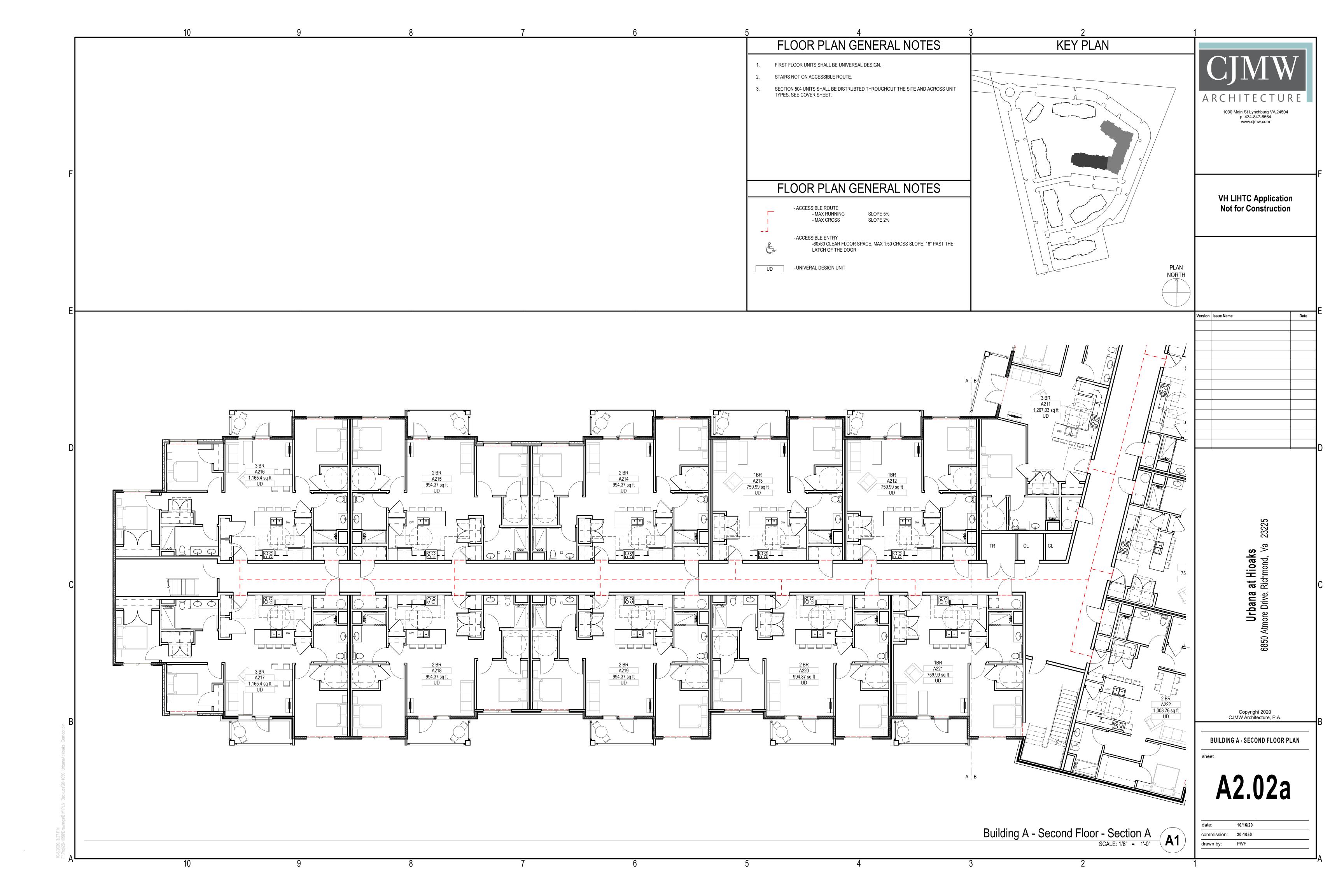


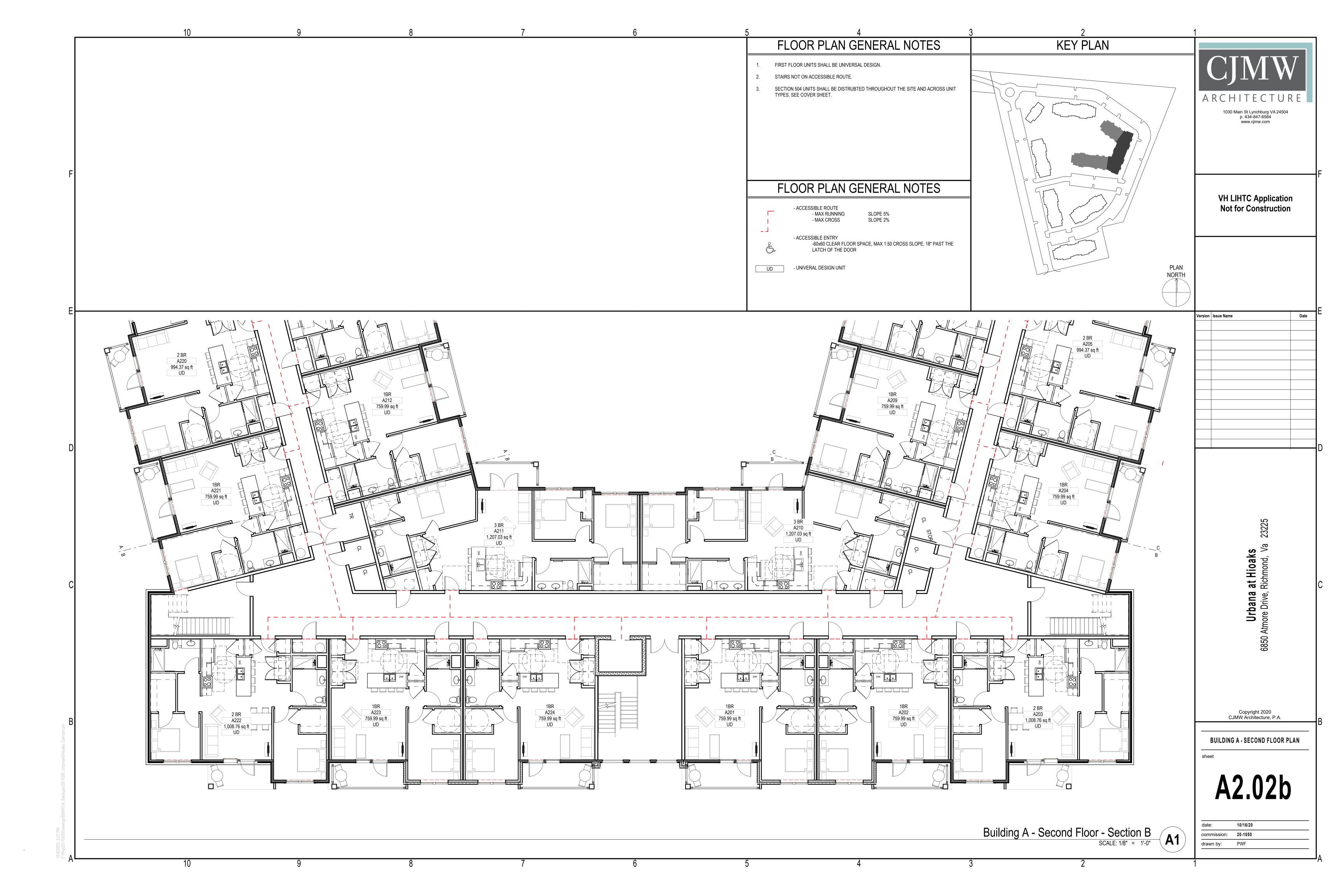


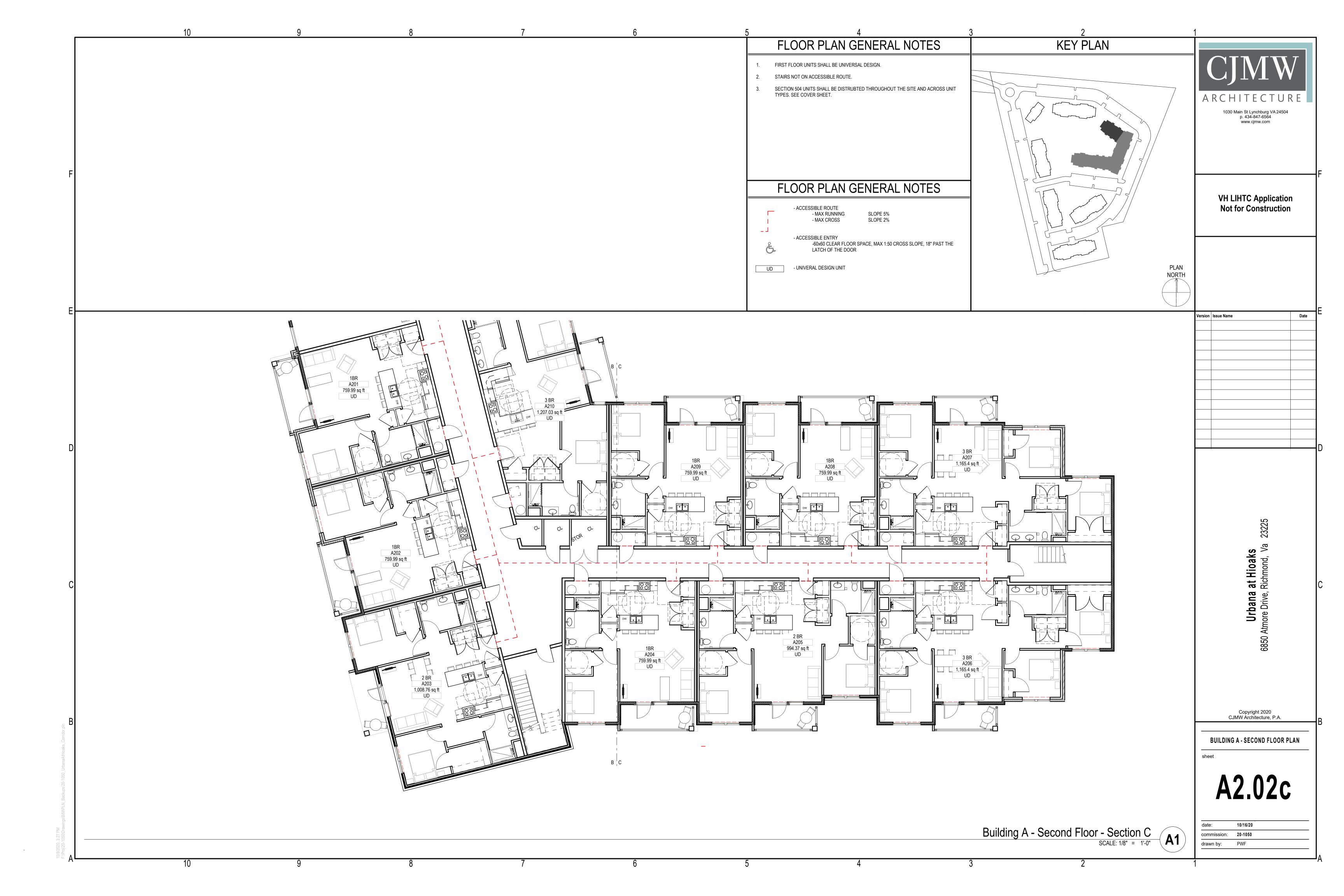


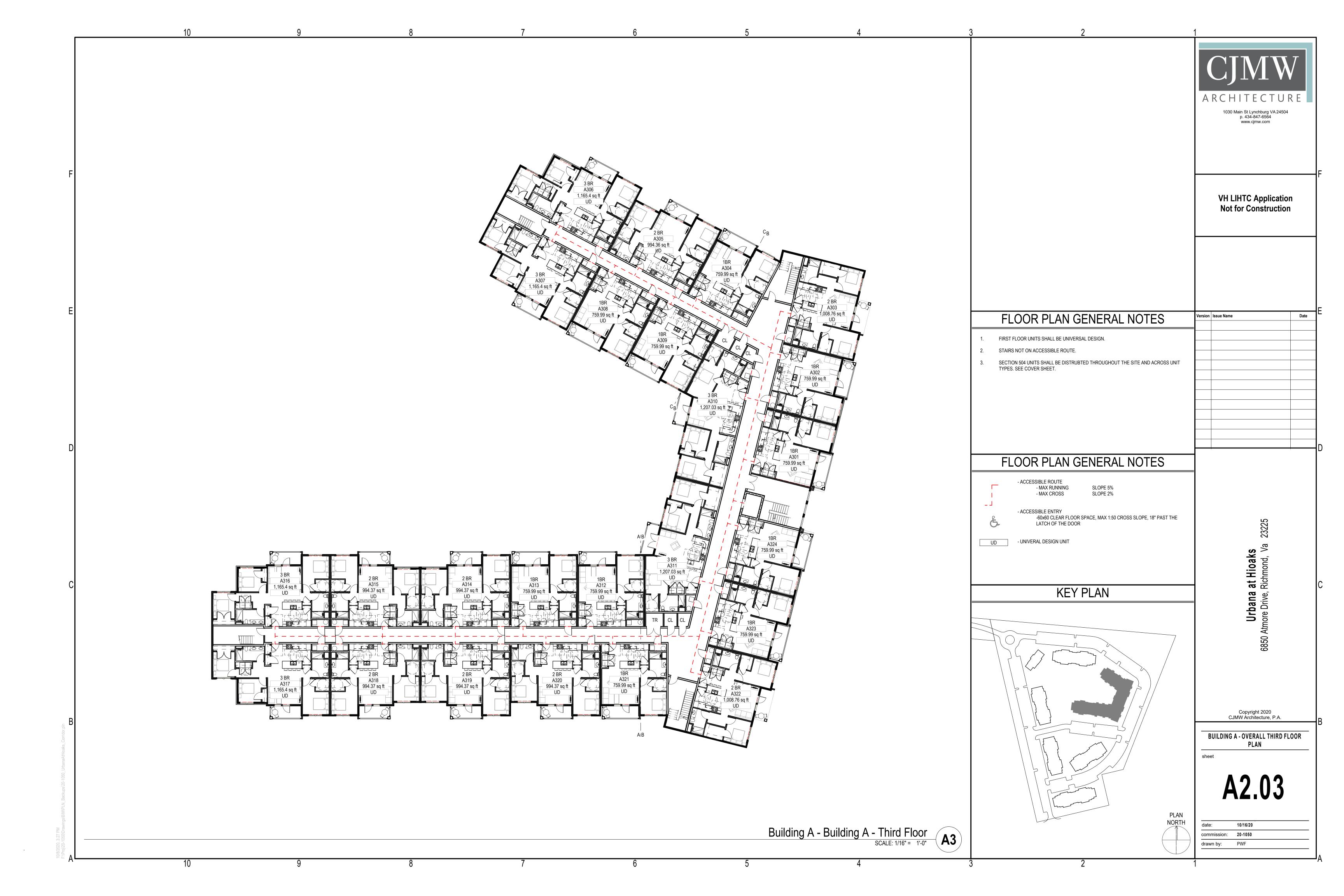


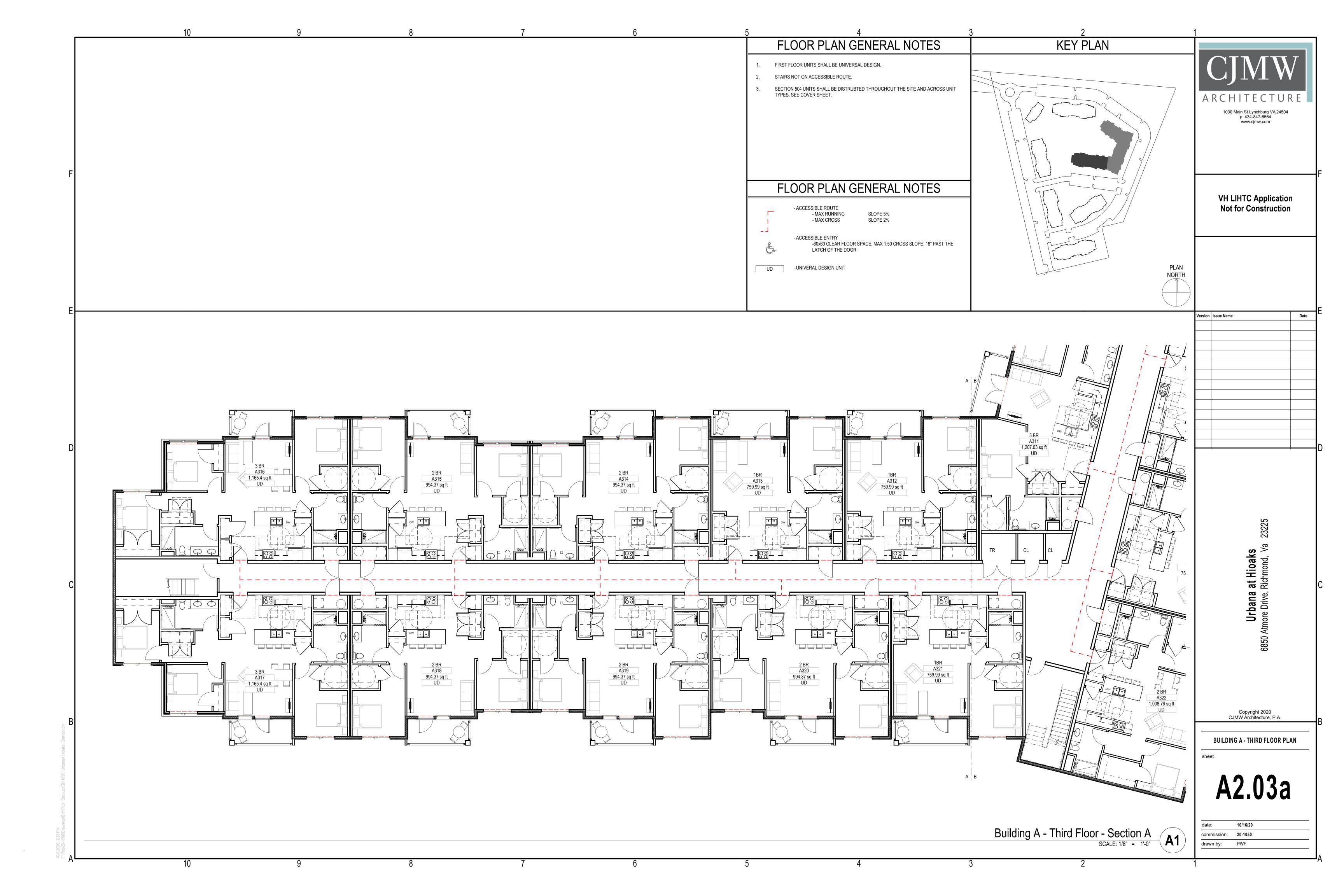


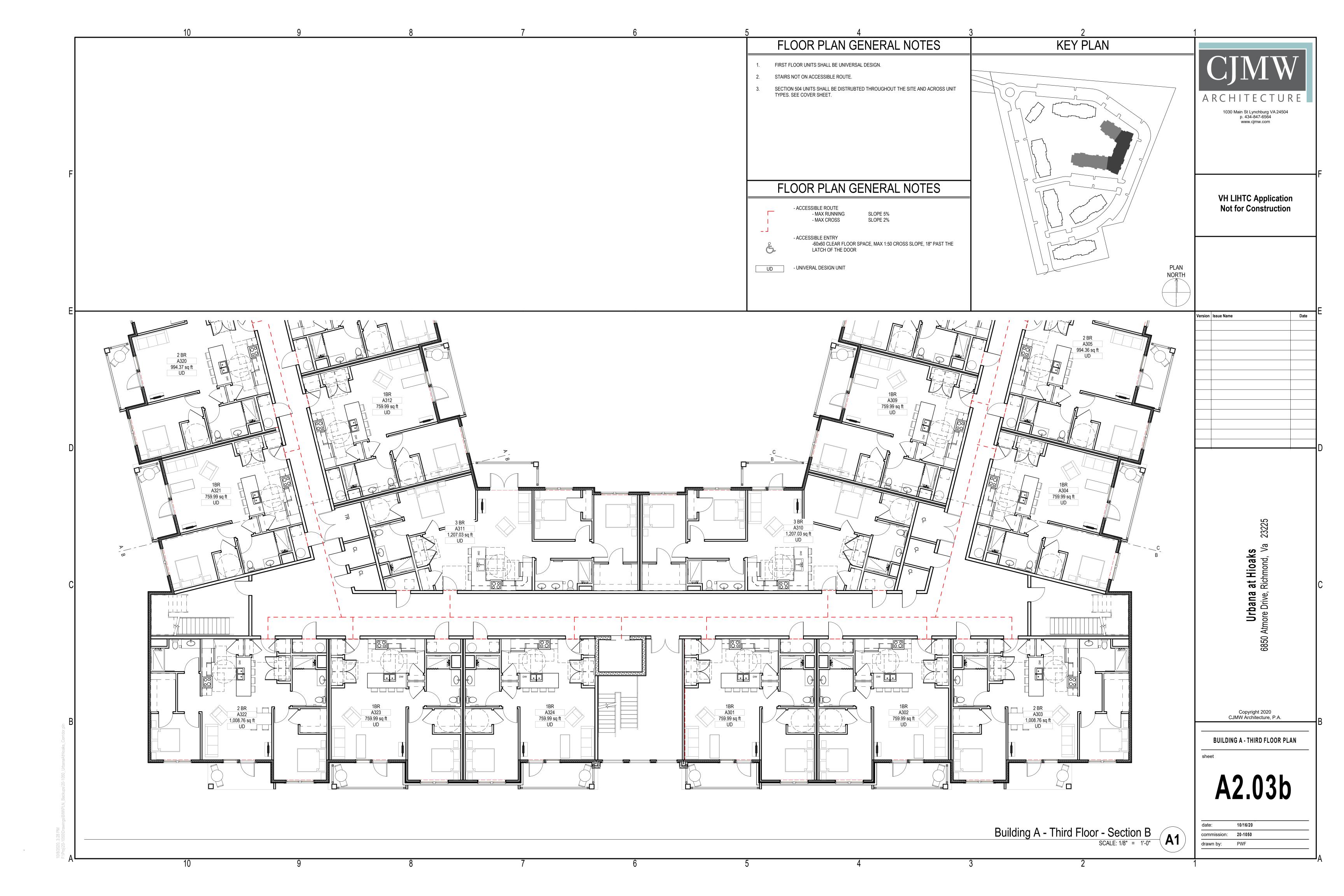


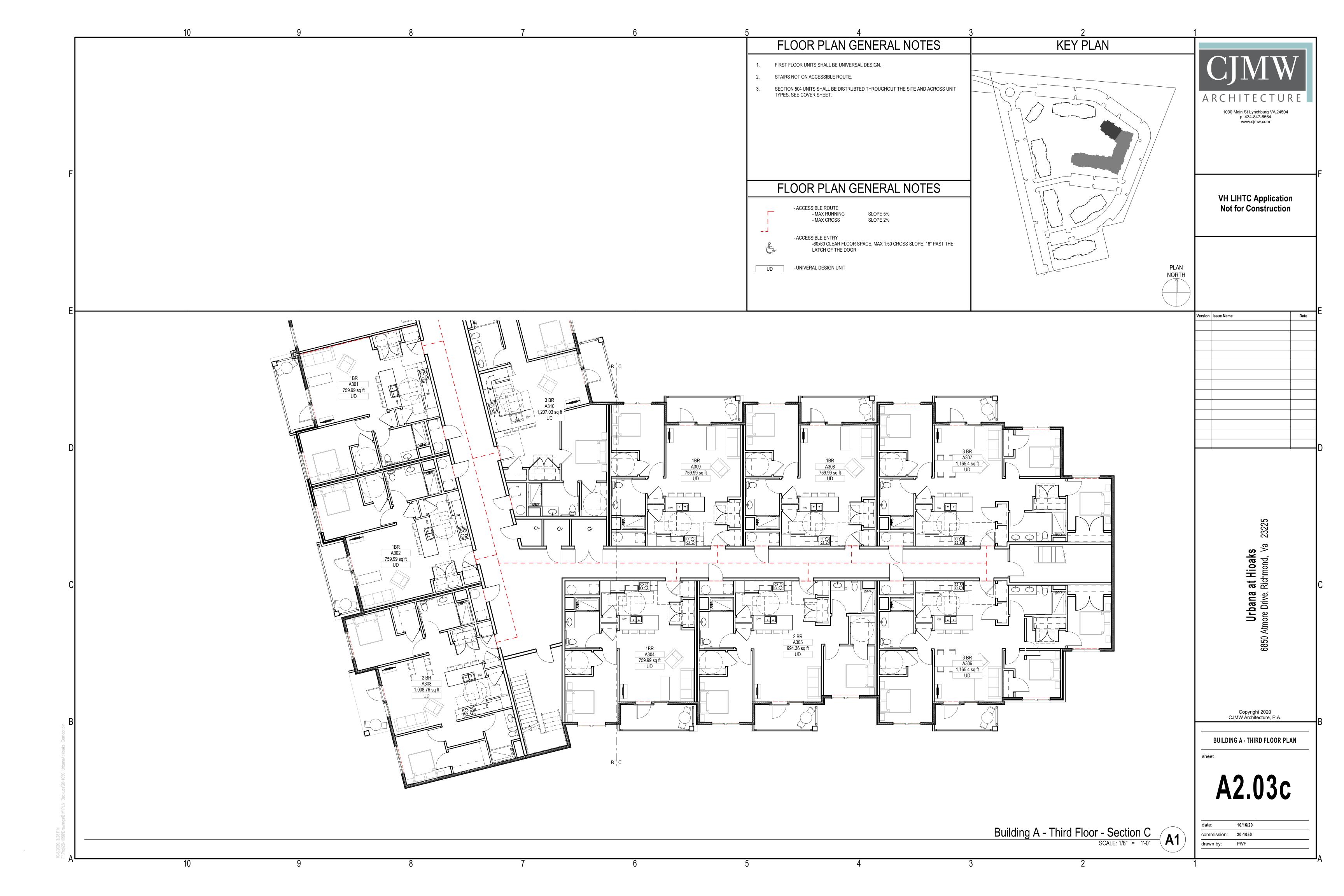


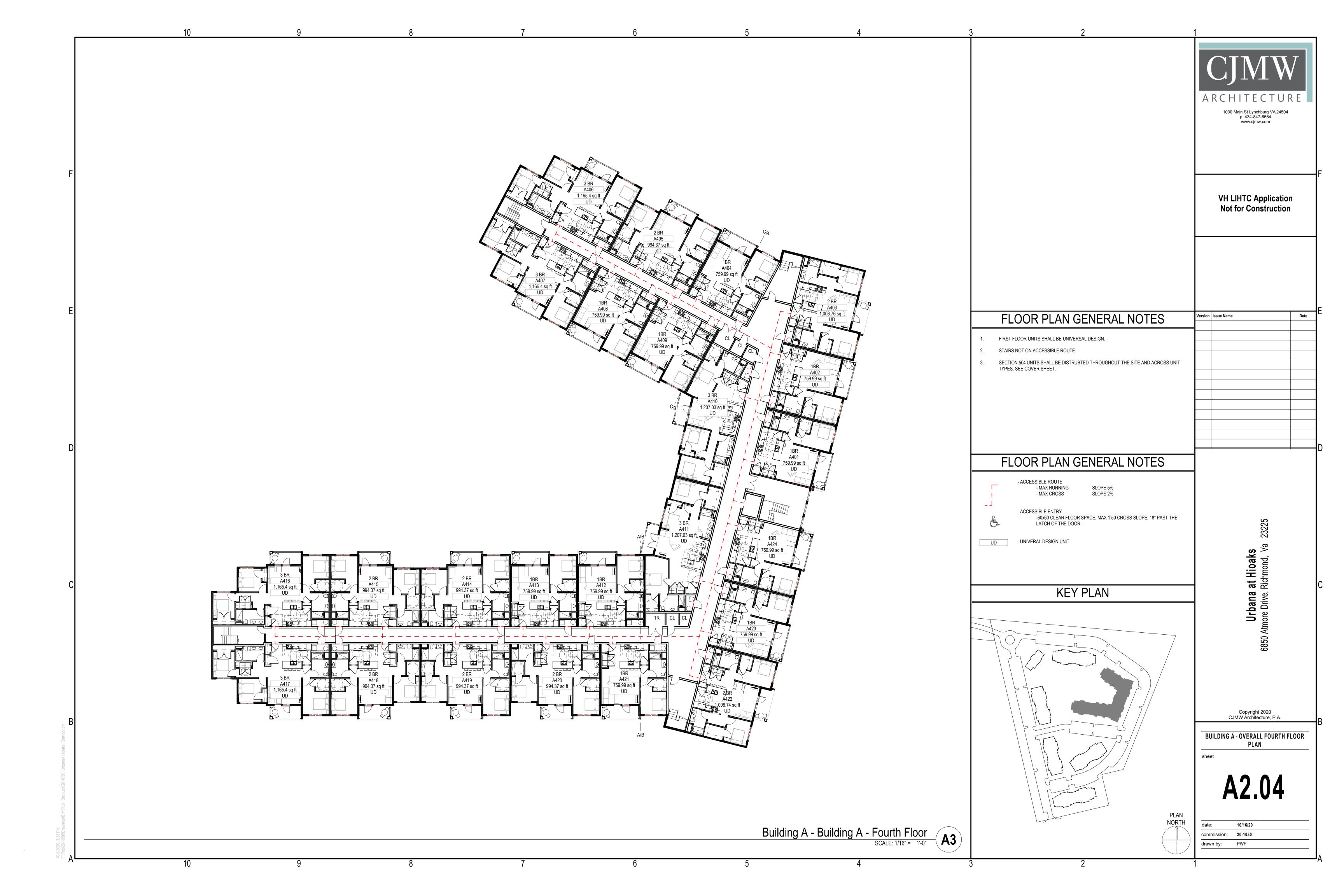


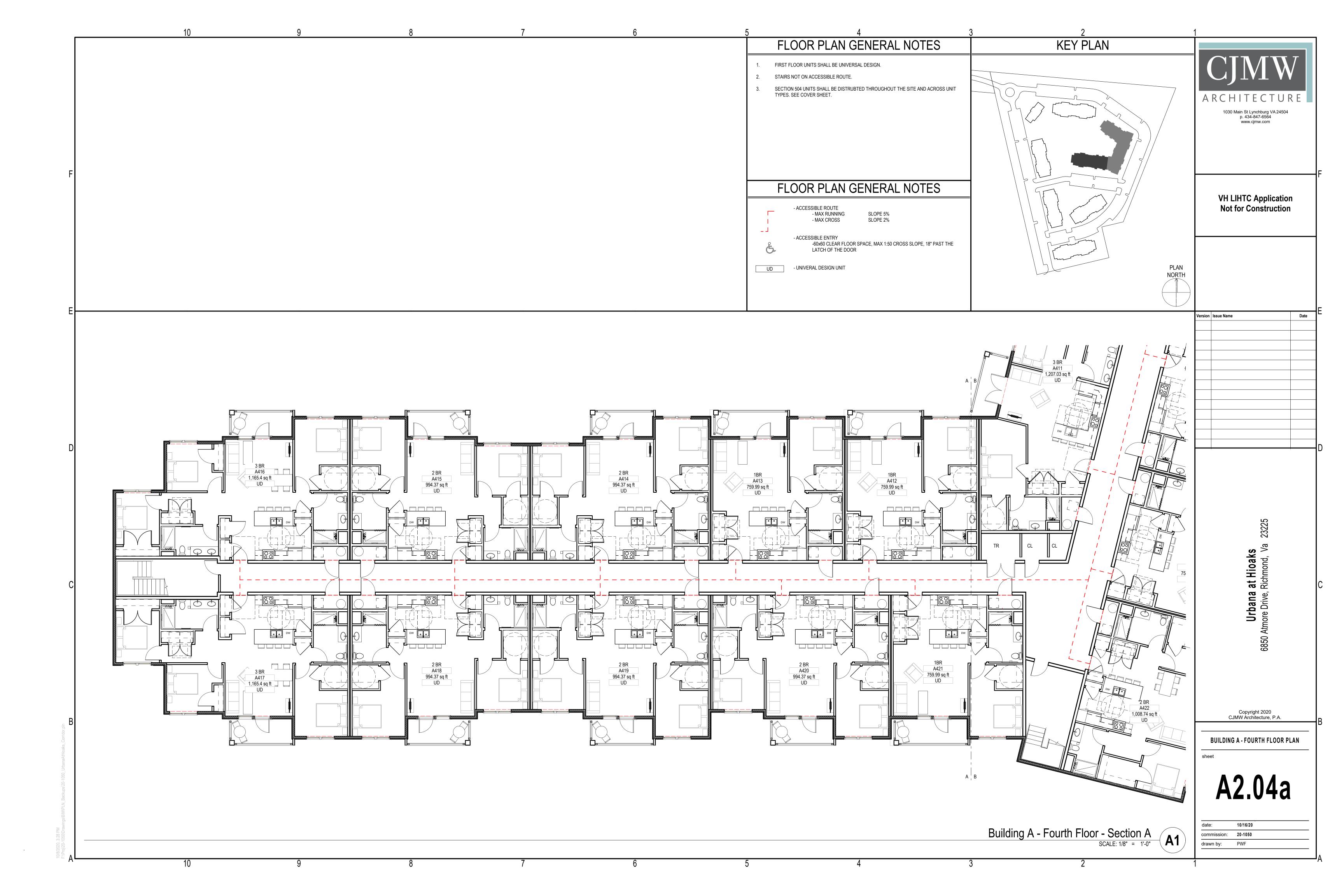


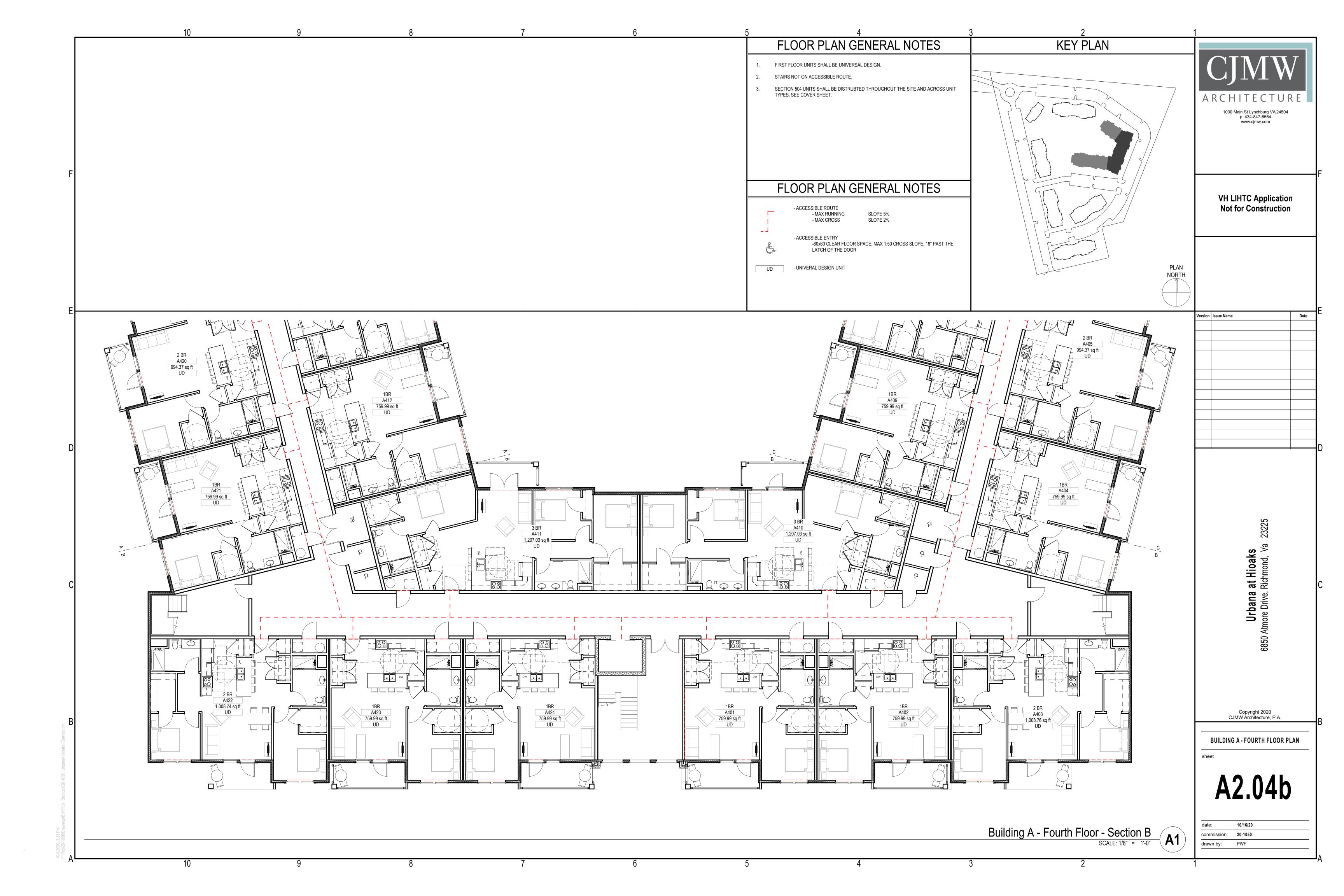


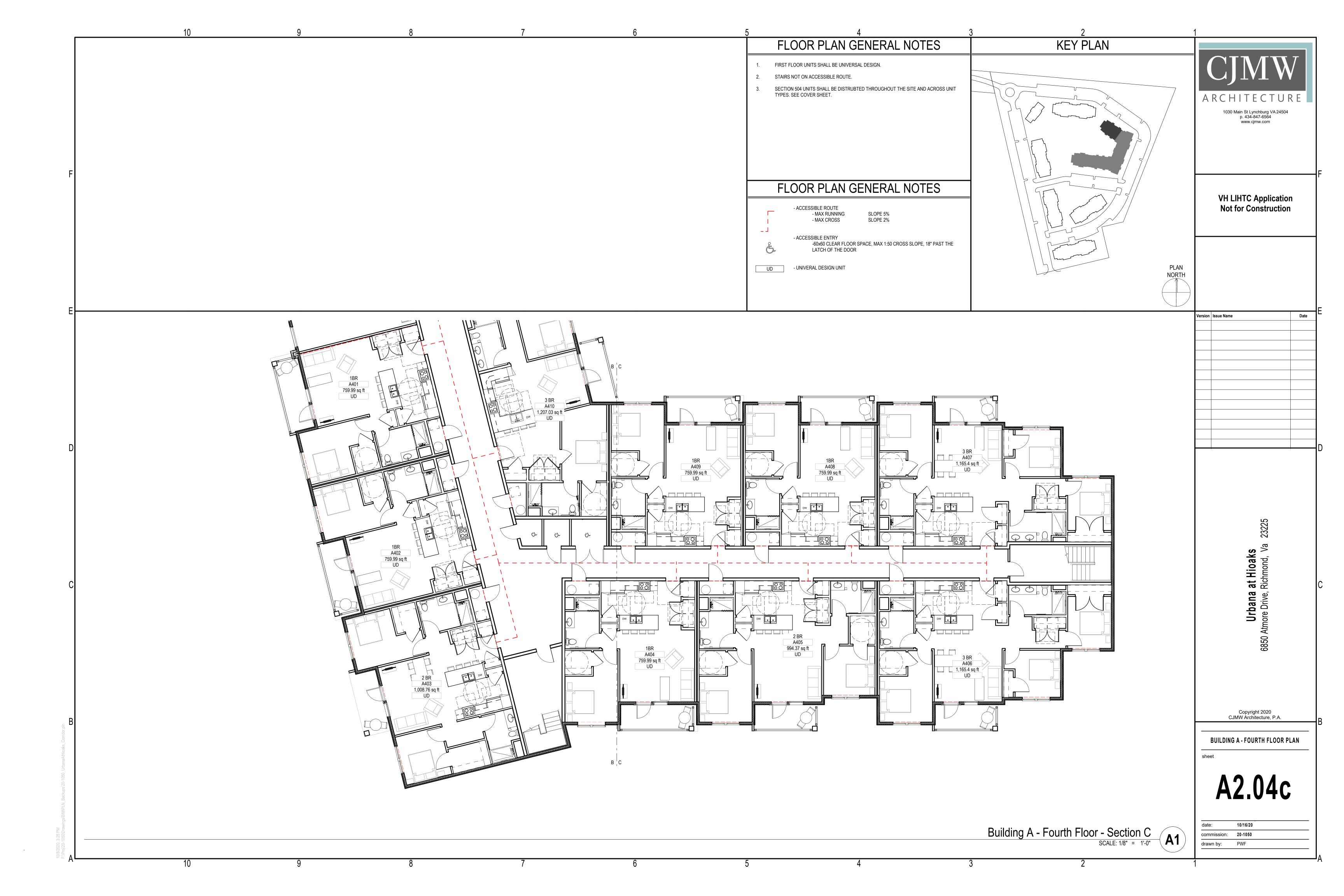


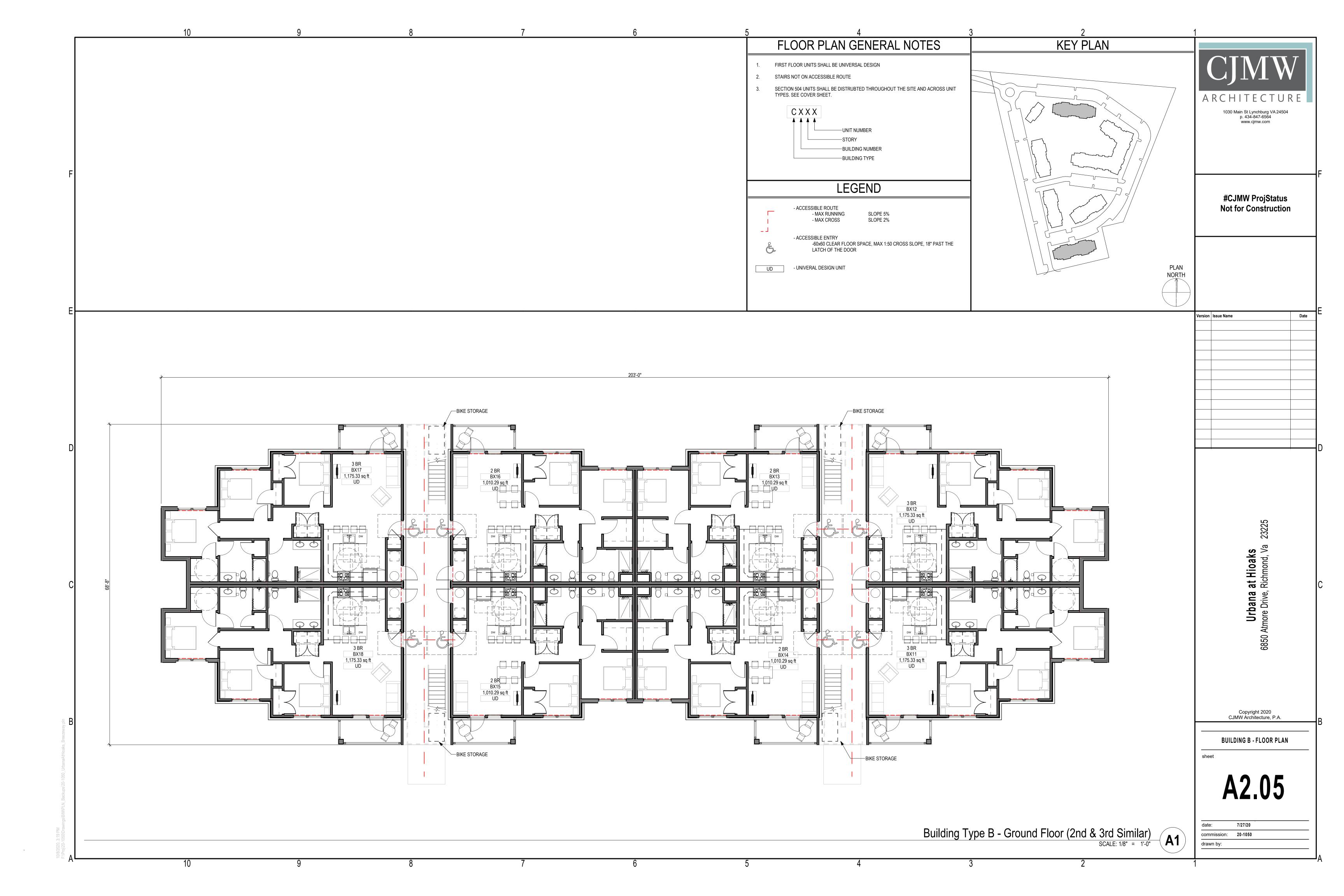


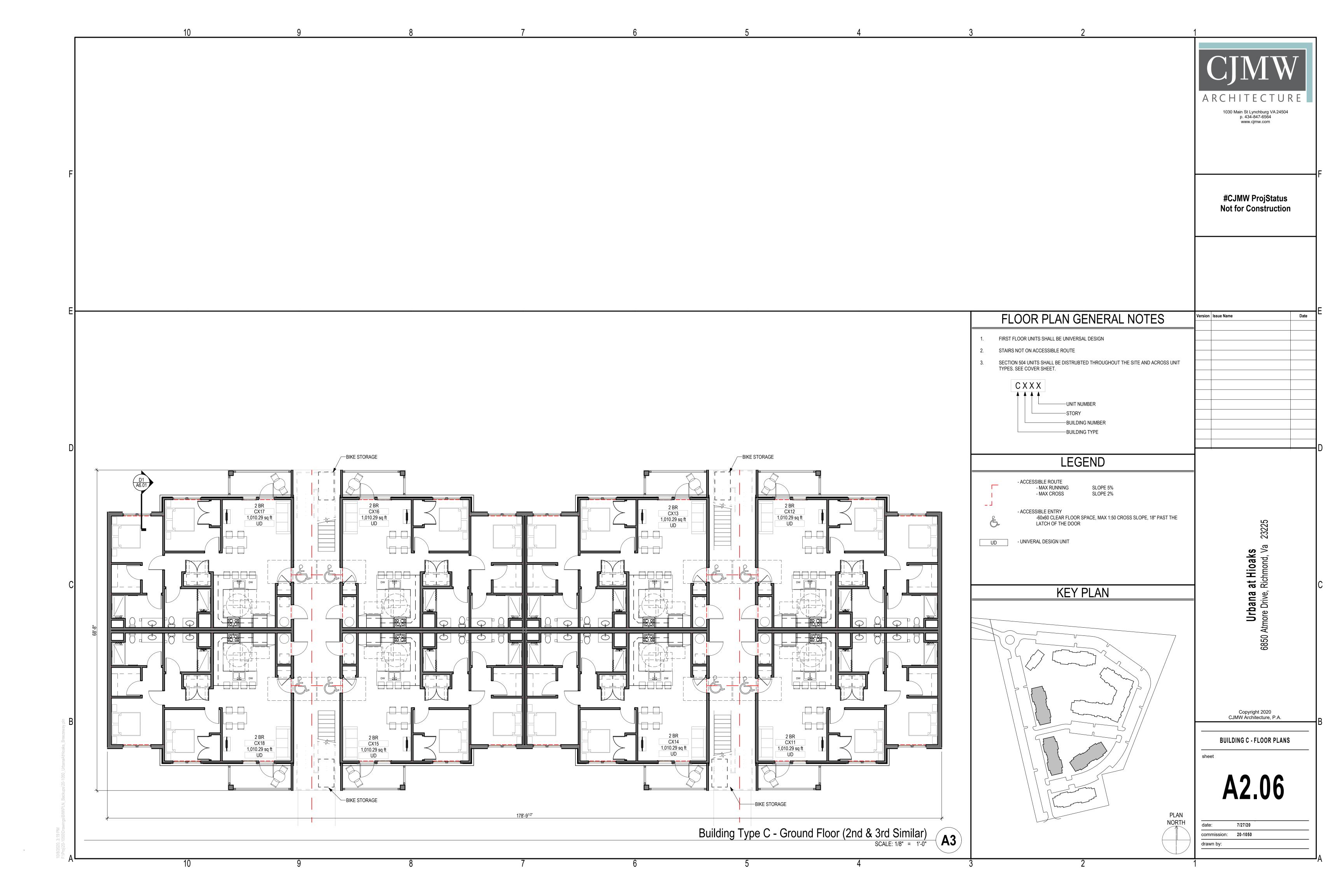


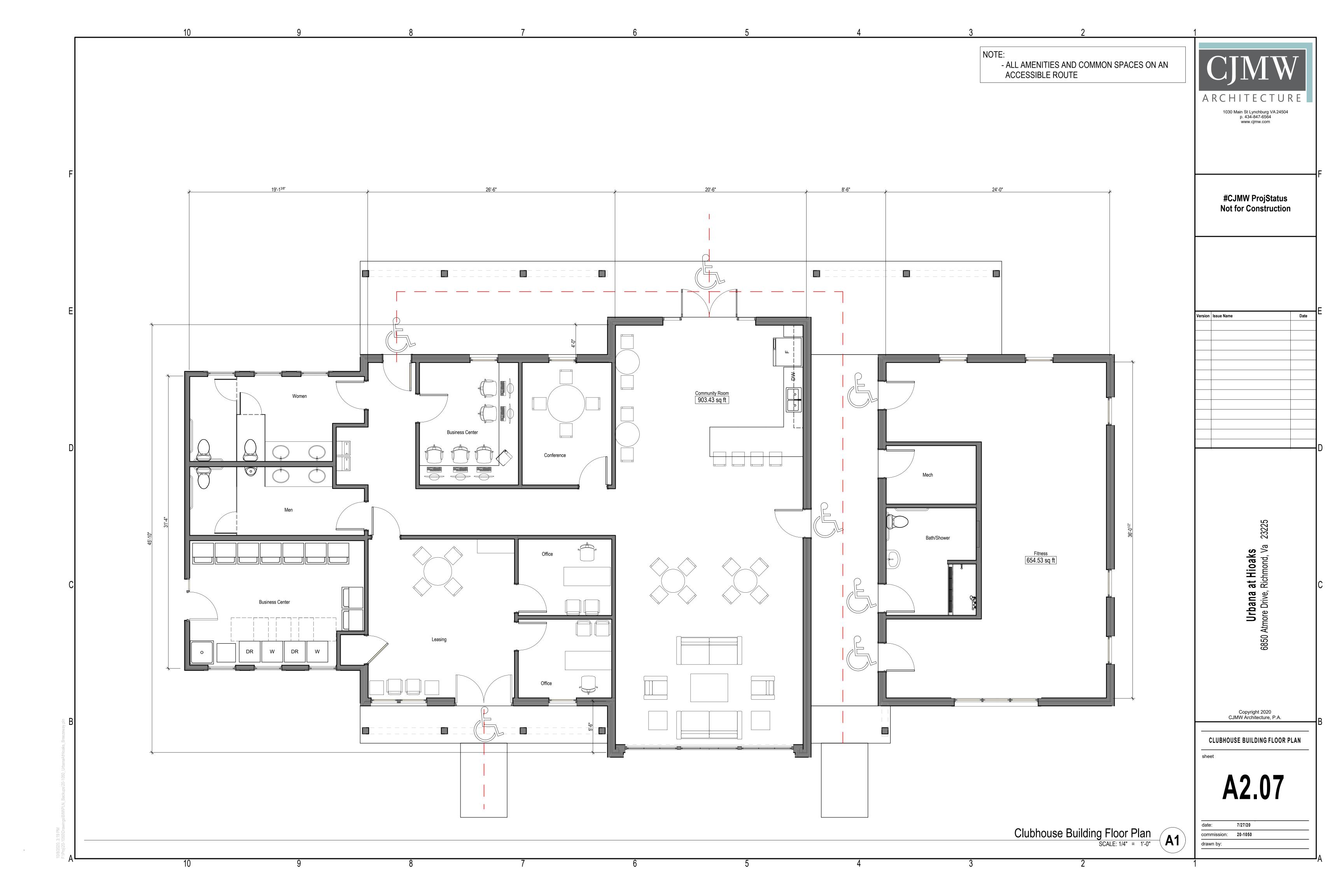


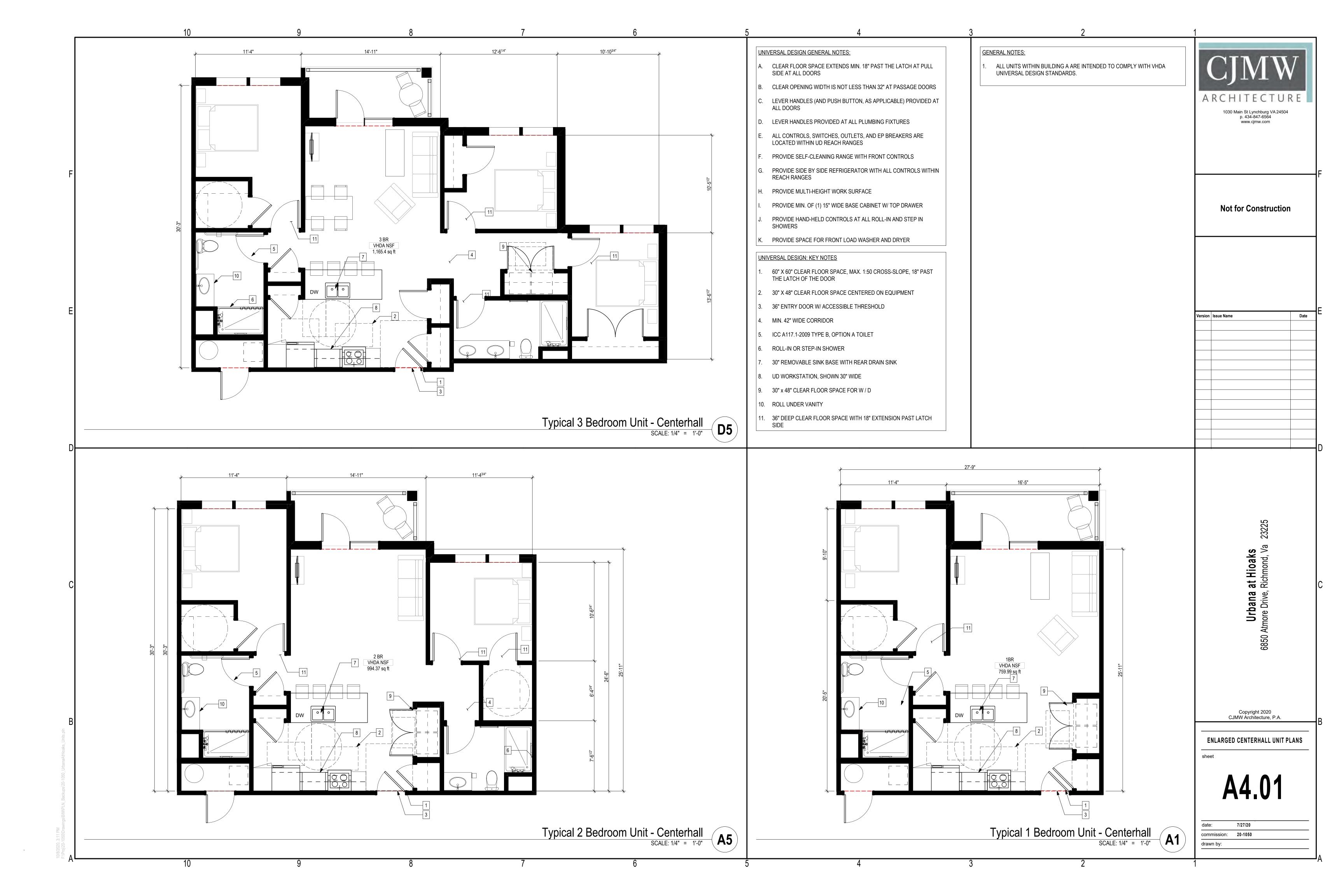


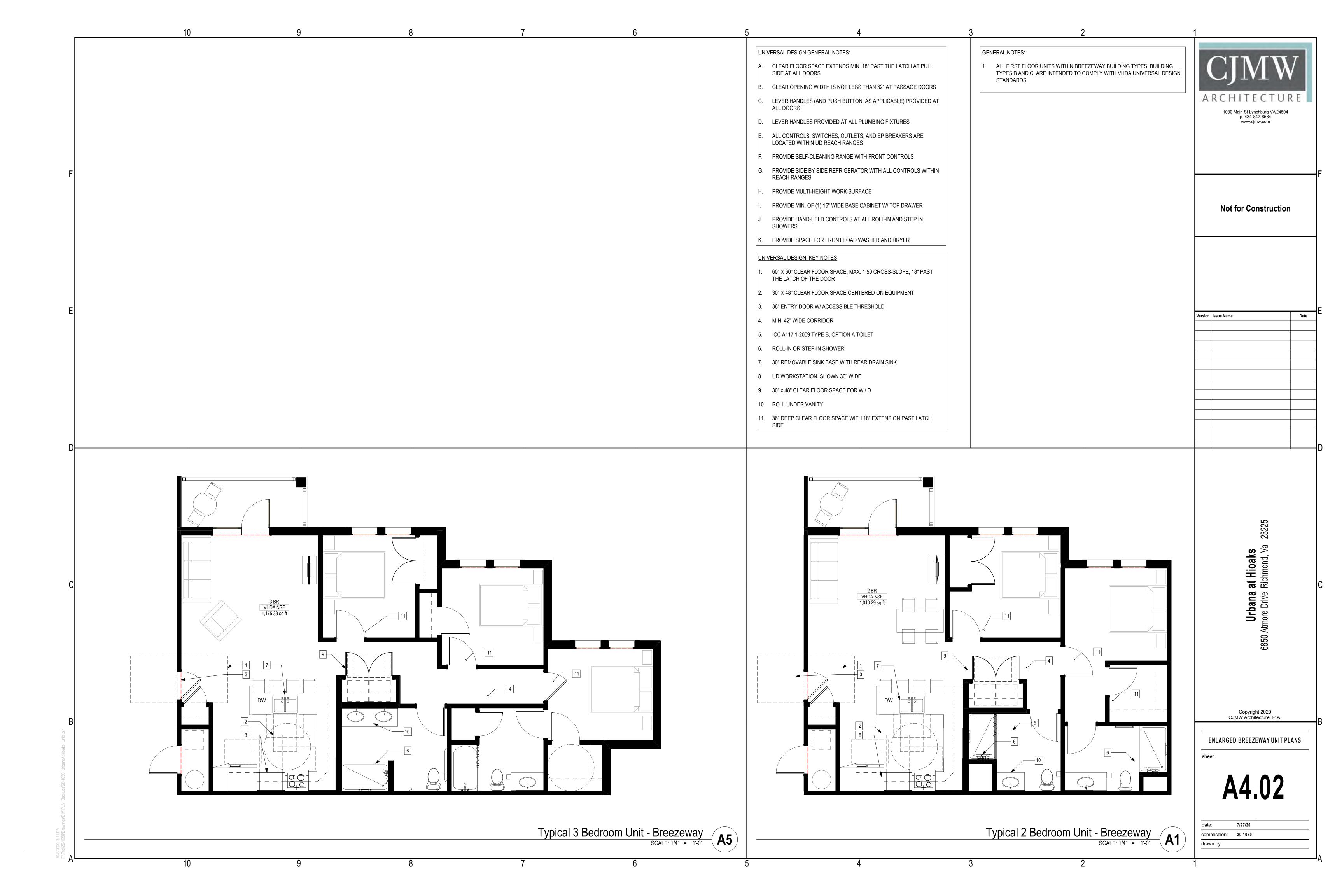




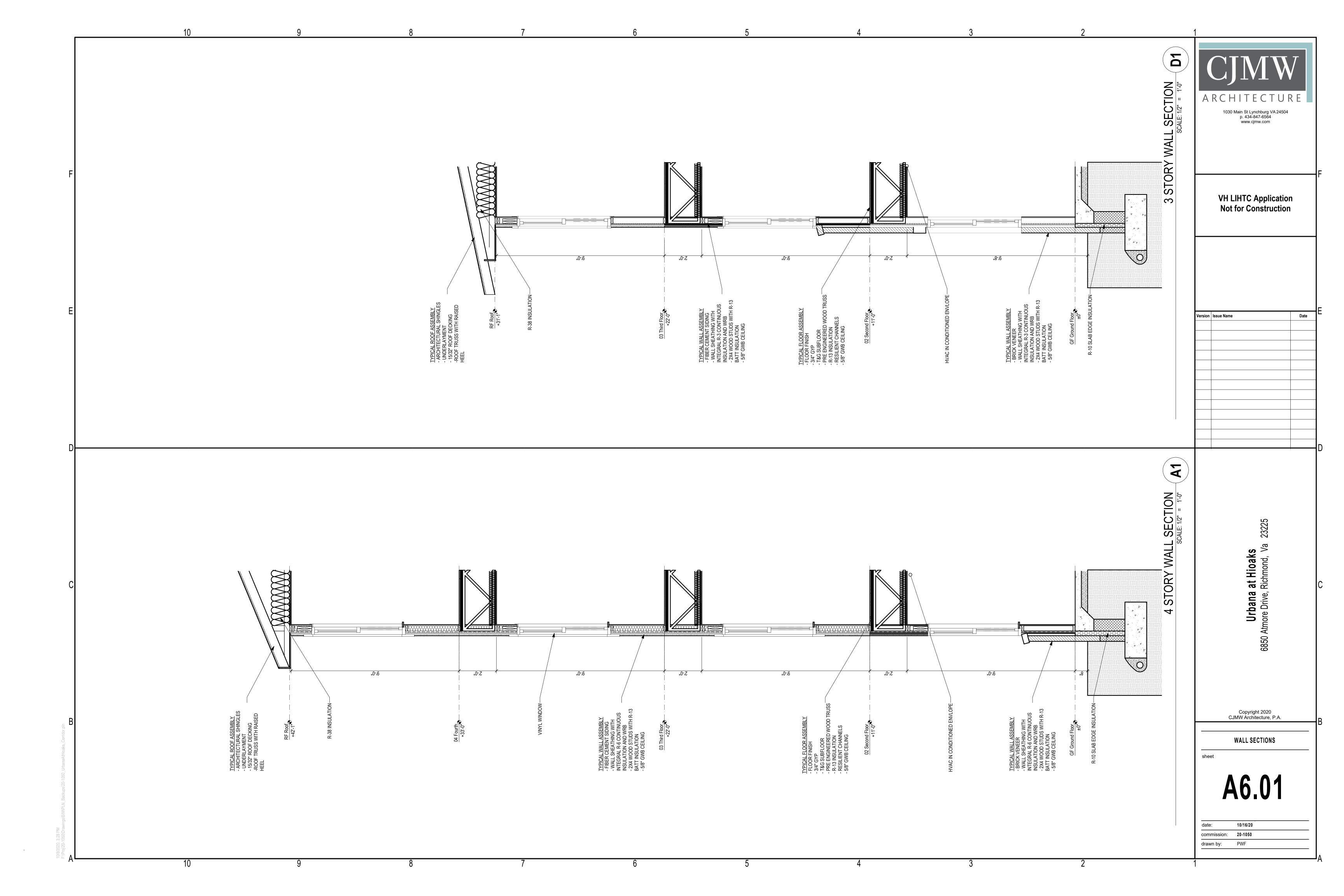












ADDENDUM G

Subject Matrices and Property Profiles

SUMMARY MATRIX

SUMMARY MATRIX														
Comp #	Property Name	Distance	Type / Built /	Rent	Unit	#	%	Size	Restriction	Rent	Max	Waiting	Vacant	Vacancy
		to Subject	Renovated Various	Structure	Description	40		(SF)		(Adj) \$885	Rent?	List?	Units	Rate
Subject	Urbana At Hioaks 6850 Atmore Dr	-	4-stories	@60%	1BR / 1BA 2BR / 2BA	96	18.5% 44.4%	760 1,010	@60% @60%	\$1,059	Yes Yes	N/A N/A	N/A N/A	N/A N/A
	Richmond, VA 23225		2021 / n/a		2BR / 2BA	24	11.1%	994	@60%	\$1,059	Yes	N/A	N/A	N/A
	Richmond City County		Family		2BR / 2BA	10	4.6%	1,008	@60%	\$1,059	Yes	N/A	N/A	N/A
			•		3BR / 2BA	24	11.1%	1,175	@60%	\$1,220	Yes	N/A	N/A	N/A
					3BR / 2BA	16	7.4%	1,165	@60%	\$1,220	Yes	N/A	N/A	N/A
					3BR / 2BA	6	2.8%	1,207	@60%	\$1,220	Yes	N/A	N/A	N/A
						216							N/A	N/A
1	Creekpointe	8.8 miles	Garden	@60%	2BR / 2BA	120	56.1%	1,000	@60%	\$1,050	Yes	Yes	0	0.0%
	14600 Creekpointe Circle Midlothian, VA 23114		3-stories 2003 / n/a		3BR / 2BA	94	43.9%	1,274	@60%	\$1,215	Yes	Yes	0	0.0%
	Chesterfield County		Family											
			,			214							0	0.0%
2	Genito Glen	6.0 miles	Garden	@50%, @60%	2BR / 2BA	33	32.4%	949	@50%	\$837	Yes	Yes	0	0.0%
	4041 Hailey Crescent Dr		3-stories		2BR / 2BA	45	44.1%	949	@60%	\$1,038	Yes	Yes	0	0.0%
	Midlothian, VA 23112		1998 / n/a		3BR / 2BA	5	4.9%	1,138	@50%	\$965	Yes	Yes	0	0.0%
	Chesterfield County		Family		3BR / 2BA	19	18.6%	1,138	@60%	\$1,178	Yes	Yes	0	0.0%
	Lar Marilla I	4.0	O a red a re	000%	ODD / ODA	102	FF C0/	000	@C00/	#000	V	Na	0	0.0%
3	lvy Walk I 4800 Burnt Oak Drive	4.0 miles	Garden 3-stories	@60%	2BR / 2BA 3BR / 2BA	70 56	55.6% 44.4%	983 1,112	@60% @60%	\$933 \$981	Yes Yes	No No	3 3	4.3% 5.4%
	Richmond, VA 23234		2002 / n/a		SBR / ZBA	56	44.470	1,112	@60%	фаот	165	NO	3	5.4%
	Chesterfield County		Family											
						126							6	4.8%
4	lvy Walk II	4.0 miles	Garden	@60%	2BR / 2BA	56	45.9%	983	@60%	\$933	Yes	No	3	5.4%
	4800 Burnt Oak Drive		4-stories		3BR / 2BA	66	54.1%	1,112	@60%	\$981	Yes	No	4	6.1%
	Richmond, VA 23234		2003 / n/a											
	Chesterfield County		Family											
	D 10" A 1	4.0 ::		00004 04004 05004	400 / 404	122	5.0 0/	200	0.400/	\$5.40			7	5.7%
5	Port City Apartments	4.0 miles	Conversion	@30%, @40%, @50%,	1BR / 1BA 1BR / 1BA	8	5.9%	622 675	@40%	\$542 \$700	Yes	Yes	0	0.0%
	800 Jefferson Davis Highway Richmond, VA 23224		4-stories 2018 / n/a	@60%, @70%, @80%	1BR / 1BA 1BR / 1BA	11 30	8.2% 22.2%	675 666	@50% @60%	\$709 \$877	Yes Yes	Yes Yes	0 0	0.0% 0.0%
	Richmond City County		Family		1BR / 1BA	10	7.4%	698	@70%	\$1,045	Yes	Yes	0	0.0%
	Menmona only county		1 anniy		1BR / 1BA	6	4.4%	577	@80%	\$1,213		Yes	0	0.0%
					2BR / 2BA	1	0.7%	879	@30%	\$424	Yes	Yes	Ö	0.0%
					2BR / 2BA	6	4.4%	924	@40%	\$626	Yes	Yes	0	0.0%
					2BR / 2BA	13	9.6%	603	@50%	\$827	Yes	Yes	0	0.0%
					2BR / 2BA	32	23.7%	766	@60%	\$1,028	Yes	Yes	2	6.3%
					2BR / 2BA	9	6.7%	817	@70%	\$1,229	Yes	Yes	0	0.0%
					2BR / 2BA	8	5.9%	1,140	@80%	\$1,431	Yes	Yes	0	0.0%
					3BR / 2BA	135	0.7%	1,219	@60%	\$1,154	Yes	Yes	0 2	0.0% 1.5%
6	Colony At Centerpointe	8.0 miles	Garden	Market	1BR / 1BA	72	28.2%	860	Market	\$1,254	N/A	No	2	2.8%
Ü	14400 Palladium Dri	0.0 1111103	3-stories	Warket	2BR / 2BA	78	30.6%	1,208	Market	\$1,498	N/A	No	2	2.6%
	Midlothian, VA 23114		2015 / n/a		2BR / 2BA	60	23.5%	1,210	Market	\$1,518	N/A	No	2	3.3%
	Chesterfield County		Family		2BR / 2BA	9	3.5%	1,220	Market	\$1,548	N/A	No	0	0.0%
					3BR / 2BA	36	14.1%	1,482	Market	\$1,794	N/A	No	3	8.3%
						255							9	3.5%
7	Element At Stonebridge	0.6 miles	Lowrise	Market	1BR / 1BA	40	10.0%	563	Market	\$1,184	N/A	No	N/A	N/A
	301 Karl Linn Dr		4-stories		1BR / 1BA	80	20.0%	740 744	Market	\$1,194	N/A	No No	N/A	N/A
	Richmond, VA 23225 Chesterfield County		2016/2018 / n/a Family		1BR / 1BA 1BR / 1BA	92 46	23.0% 11.5%	744 835	Market Market	\$1,219 \$1,246	N/A N/A	No No	N/A N/A	N/A N/A
	onesternely coullty		ı aillily		2BR / 2BA	46	11.5% 11.5%	1,081	Market	\$1,246	N/A	No	N/A N/A	N/A N/A
					2BR / 2BA	30	7.5%	1,156	Market	\$1,334	N/A	No	N/A	N/A
					2BR / 2BA	48	12.0%	1,236	Market	\$1,454	N/A	No	N/A	N/A
					2BR / 2BA	_18_	4.5%	1,260	Market	\$1,499	N/A	No	N/A	N/A
						400							24	6.0%
8	Link Apartments Manchester	4.4 miles	Midrise	Market	1BR / 1BA	142	77.6%	685	Market	\$1,114	N/A	No	12	8.5%
	901 Mcdonough Street		5-stories		2BR / 2BA	16	8.7%	953	Market	\$1,260	N/A	No	1	6.3%
	Richmond, VA 23224		2012 / n/a		2BR / 2BA	15 10	8.2% 5.5%	1,023	Market	\$1,429	N/A	No No	2	13.3%
	Richmond City County		Family		2BR / 2BA	10 183	5.5%	1,111	Market	\$1,392	N/A	No	<u>2</u> 17	20.0% 9.3%
9	Reserve South Apartments	0.2 miles	Garden	Market	2BR / 1BA	18	9.0%	944	Market	\$1,052	N/A	No	1	5.6%
•	6701 Carnation Street	5.E /////	2-stories	WIGHTOU	2BR / 2BA	160	80.0%	996	Market	\$1,186	N/A	No	3	1.9%
	Richmond, VA 23225		1989 / 2018		3BR / 2BA	22	11.0%	1,100	Market	\$1,286		No	1	4.6%
	Richmond City County		Family		,					•				
						200							5	2.5%
10	Sterling Beaufont Apartments	0.2 miles	Garden	Market	1BR / 1BA	N/A	N/A	706	Market	\$1,056	N/A	No	0	N/A
	6839 Carnation St		2-stories		1BR / 1BA	N/A	N/A	777	Market	\$1,082		No	1	N/A
	Richmond, VA 23225		1980/1982 / n/a		1BR / 1BA	N/A	N/A	854	Market	\$1,184	N/A	No	2	N/A
	Richmond City County		Family		2BR / 1BA	N/A	N/A	854 944	Market Market	\$1,191		No No	1	N/A
					2BR / 2BA 2BR / 2BA	N/A N/A	N/A N/A	944 1,015	Market Market	\$1,284 \$1,394		No No	2 1	N/A N/A
					2BR / 2BA 3BR / 2BA	N/A 8	N/A 2.6%	1,015 1,171	Market	\$1,394 \$1,401		No No	0	0.0%
					CDIT/ ZDA	312	2.070	-,- · ·	Mainet	Ψ±, Τ Ο±	ry A	110	7	2.2%
						<u> </u>							'	 _/0

AMENITY MATRIX

					AMENITY	MAIRIX					
	Subject	Creekpointe	Genito Glen	Ivy Walk I	lvy Walk II	Port City Apartments	Colony At Centerpointe	Element At Stonebridge	Link Apartments Manchester	Reserve South Apartments	Sterling Beaufont Apartments
Rent Structure	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market
Building											
Property Type	Various	Garden	Garden	Garden	Garden	Conversion	Garden	Lowrise	Midrise	Garden	Garden
# of Stories	4-stories	3-stories	3-stories	3-stories	4-stories	4-stories	3-stories	4-stories	5-stories	2-stories	2-stories
Year Built	2021	2003	1998	2002	2003	2018	2015	2016/2018	2012	1989	1980/1982
Year Renovated	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	2018	n/a
Elevators	yes	no	no	no	no	yes	no	yes	yes	no	no
Courtyard	yes	no	no	no	no	no	yes	yes	no	no	no
Utility Structure											
Cooking	no	no	no	no	no	yes	no	no	no	no	no
Water Heat	no	no	no	no	no	yes	no	no	no	no	no
Heat	no	no	no	no	no	yes	no	no	no	no	no
Other Electric	no	no	no	no	no	yes	no	no	no	no	no
Water	no	no	yes	yes	yes	yes	no	no	no	no	no
Sewer	no	no	yes	yes	yes	yes	no	no	no	no	no
Trash	yes	yes	yes	yes	yes	yes	no	no	yes	yes	no
Unit Amenities											
Balcony/Patio	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite	no	no	no	no	no	yes	no	yes	no	no	no
Carpeting	yes	yes	yes	yes	yes	yes	no	yes	no	yes	yes
Hardwood	no	no	no	no	no	no	yes	no	yes	no	no
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	no	no	yes	no	no	yes	yes	no	yes	yes	no
Coat Closet	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	yes	yes	no	no	no	yes	no	yes	no	no
Fireplace	no	no	no	no	no	no	no	no	no	yes	no
Vaulted Ceilings	no	no	no	no	no	yes	no	no	no	no	no
Walk-In Closet	yes	yes	yes	yes	yes	no	yes	yes	yes	yes	yes
Washer/Dryer	no	no	no	no	no	no	yes	yes	yes	yes	no
W/D Hookup	yes	yes	yes	yes	yes	yes	no	yes	yes	yes	yes
Kitchen											
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	no
Microwave	yes	no	no	no	no	yes	yes	yes	yes	yes	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Community			10.0	Was					Was		
Business Center	yes	no	no	yes	yes	no	yes	no	yes	no	no
Control Laundry	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central Laundry	yes	yes	yes	no vec	no	no voc	no	no vec	no vec	no ves	yes
On-Site Mgmt Recreation	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Basketball Court	no	no	no	VOC	VOS	no	no	200	200	no	no
Exercise Facility	no ves	no ves	no ves	yes	yes	no ves	no ves	no ves	no ves	no ves	no ves
Playground	yes	yes	yes yes	yes yes	yes yes	yes	yes	yes no	yes no	yes ves	yes yes
Swimming Pool	yes yes	yes yes	yes	yes	yes	yes	yes	yes	yes	yes yes	yes
Picnic Area	yes	no	yes	yes	yes	no	yes	yes	yes	no	no
Tennis Court	no	no	no	no	no	no	no yes	no	no	yes	yes
Recreational Area	yes	no	no	yes	yes	no	yes	no	yes	no	no
WiFi	yes	no	no	no	no	yes	yes yes	yes	no	yes	no
Security	ycs	110	110	110	110	yes	yes	yes	110	yes	110
Intercom (Buzzer)	no	no	no	no	no	yes	no	yes	yes	no	no
Limited Access	no	no	no	no	no	yes	yes	yes	yes	no	no
Patrol	no	no	no	yes	yes	no	no	no	yes	yes	yes
Parking		110	110	, 555	, , , , , , , , , , , , , , , , , , , 	110	110	110	, 555	700	, , , , , , , , , , , , , , , , , , ,
Garage	no	no	no	no	no	no	yes	no	yes	no	no
Garage Fee	n/a	\$0	\$0	\$0	\$0	\$0	\$150	\$0	\$0	\$0	\$0
adiago i co	11/ 4	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	4100	ΨΟ	ΨΟ	ΨΟ	ΨΟ

	RENT AND SQUAR	E FOOTAGE RANK	KING – All rents adjusted for utilities and concession	ns extracted from	the market.	
	Units Surveyed: Market Rate	2,049 1,350	Weighted Occupancy: Market Rate	96.2% 95.4%		
	Tax Credit	699	Tax Credit	97.9%		
	One Bedroom One Bath Property	Average	Two Bedroom Two Bath Property	Average	Three Bedroom Two Bath Property	Average
RENT	Colony At Centerpointe (Market) Element At Stonebridge (Market) Element At Stonebridge (Market) Port City Apartments (@80%)	\$1,254 \$1,246 \$1,219 \$1,213	Colony At Centerpointe (Market) Colony At Centerpointe (Market) Element At Stonebridge (Market) Colony At Centerpointe (Market)	\$1,548 \$1,518 \$1,499 \$1,498	Colony At Centerpointe (Market) Sterling Beaufont Apartments (Market) Reserve South Apartments (Market) Urbana At Hioaks (@60%)	\$1,794 \$1,401 \$1,286 \$1,220
	Element At Stonebridge (Market) Element At Stonebridge (Market) Sterling Beaufont Apartments (Market) Link Apartments Manchester (Market) Sterling Beaufont Apartments (Market) Sterling Beaufont Apartments (Market) Port City Apartments (@70%) Urbana At Hioaks (@60%) Port City Apartments (@60%) Port City Apartments (@50%) Port City Apartments (@40%)	\$1,194 \$1,184 \$1,184 \$1,114 \$1,082 \$1,056 \$1,045 \$885 \$877 \$709 \$542	Element At Stonebridge (Market) Port City Apartments (@80%) Link Apartments Manchester (Market) Sterling Beaufont Apartments (Market) Link Apartments Manchester (Market) Element At Stonebridge (Market) Element At Stonebridge (Market) Sterling Beaufont Apartments (Market) Link Apartments Manchester (Market) Port City Apartments (@70%) Sterling Beaufont Apartments (Market)(1BA) Reserve South Apartments (Market) Urbana At Hioaks (@60%) Urbana At Hioaks (@60%)	\$1,454 \$1,431 \$1,429 \$1,394 \$1,392 \$1,334 \$1,284 \$1,260 \$1,229 \$1,191 \$1,186 \$1,059 \$1,059	Urbana At Hioaks (@60%) Urbana At Hioaks (@60%) Creekpointe (@60%) Genito Glen (@60%) Port City Apartments (@60%) lvy Walk II (@60%) lvy Walk II (@60%) Genito Glen (@50%)	\$1,220 \$1,220 \$1,215 \$1,178 \$1,154 \$981 \$981 \$965
			Urbana At Hioaks (@60%) Reserve South Apartments (Market)(1BA) Creekpointe (@60%) Genito Glen (@60%) Port City Apartments (@60%) Ivy Walk II (@60%) Genito Glen (@50%) Genito Glen (@50%) Port City Apartments (@50%) Port City Apartments (@40%) Port City Apartments (@30%)	\$1,059 \$1,052 \$1,050 \$1,038 \$1,028 \$933 \$933 \$837 \$827 \$626 \$424		
SQUARE	Colony At Centerpointe (Market) Sterling Beaufont Apartments (Market) Element At Stonebridge (Market) Sterling Beaufont Apartments (Market) Urbana At Hloaks (@60%) Element At Stonebridge (Market) Element At Stonebridge (Market) Sterling Beaufont Apartments (Market) Port City Apartments (@70%) Link Apartments Manchester (Market) Port City Apartments (@60%) Port City Apartments (@60%) Port City Apartments (@40%) Port City Apartments (@40%) Element At Stonebridge (Market)	860 854 835 777 760 744 740 706 698 685 675 666 622 577 563	Element At Stonebridge (Market) Element At Stonebridge (Market) Colony At Centerpointe (Market) Colony At Centerpointe (Market) Colony At Centerpointe (Market) Colony At Centerpointe (Market) Element At Stonebridge (Market) Port City Apartments (®80%) Link Apartments Manchester (Market) Element At Stonebridge (Market) Element At Stonebridge (Market) Link Apartments Manchester (Market) Sterling Beaufont Apartments (Market) Urbana At Hioaks (®60%) Urbana At Hioaks (®60%) Creekpointe (®60%) Reserve South Apartments (Market) Urbana At Hioaks (®60%) Ivy Walk I (@60%) Ivy Walk I (@60%) Link Apartments Manchester (Market) Genito Glen (@60%) Sterling Beaufont Apartments (Market) Reserve South Apartments (Market) Reserve South Apartments (Market) Reserve South Apartments (Market) Reserve South Apartments (@30%) Sterling Beaufont Apartments (@30%) Sterling Beaufont Apartments (@40%) Port City Apartments (@40%) Port City Apartments (@40%) Port City Apartments (@60%) Port City Apartments (@60%)	1,260 1,236 1,220 1,210 1,208 1,156 1,140 1,111 1,081 1,003 1,015 1,010 1,008 1,000 996 994 983 983 953 949 944 944 924 879 944 924 879 854 817 766 603	Colony At Centerpointe (Market) Creekpointe (@60%) Port City Apartments (@60%) Urbana At Hioaks (@60%) Sterling Beaufont Apartments (Market) Urbana At Hioaks (@60%) Genito Glen (@60%) Genito Glen (@50%) Ivy Walk II (@60%) Reserve South Apartments (Market)	1,482 1,274 1,219 1,207 1,175 1,171 1,165 1,138 1,138 1,112 1,112 1,110
RENT PER SQUARE FOOT	Element At Stonebridge (Market) Port City Apartments (@80%) Element At Stonebridge (Market) Link Apartments Manchester (Market) Element At Stonebridge (Market) Port City Apartments (@70%) Sterling Beaufont Apartments (Market) Element At Stonebridge (Market) Colony At Centerpointe (Market) Sterling Beaufont Apartments (Market) Sterling Beaufont Apartments (Market) Port City Apartments (@60%) Port City Apartments (@60%) Port City Apartments (@65%) Port City Apartments (@40%)	\$2.10 \$2.10 \$1.64 \$1.63 \$1.50 \$1.50 \$1.49 \$1.46 \$1.39 \$1.32 \$1.16 \$1.05 \$0.87	Port City Apartments (@70%) Link Apartments Manchester (Market) Sterling Beaufont Apartments (Market)(1BA) Sterling Beaufont Apartments (Market) Port City Apartments (©50%) Sterling Beaufont Apartments (@60%) Link Apartments (@60%) Link Apartments (@60%) Link Apartments Manchester (Market) Port City Apartments (@80%) Colony At Centerpointe (Market) Link Apartments Manchester (Market) Link Apartments Manchester (Market) Link Apartments Manchester (Market) Element At Stonebridge (Market) Reserve South Apartments (Market) Element At Stonebridge (Market) Element At Stoneb	\$1.50 \$1.40 \$1.39 \$1.37 \$1.36 \$1.34 \$1.32 \$1.27 \$1.26 \$1.25 \$1.25 \$1.25 \$1.25 \$1.25 \$1.25 \$1.25 \$1.25 \$1.25 \$1.25 \$1.20 \$1.19 \$1.19 \$1.19 \$1.19 \$1.10 \$1.10 \$1.10 \$1.10 \$1.10 \$1.10 \$1.00	Colony At Centerpointe (Market) Sterling Beaufont Apartments (Market) Reserve South Apartments (Market) Urbana At Hioaks (@60%) Urbana At Hioaks (@60%) Genito Glen (@60%) Creekpointe (@60%) Port City Apartments (@60%) ly Walk II (@60%) Senito Glen (@50%) Genito Glen (@50%)	\$1.21 \$1.20 \$1.17 \$1.05 \$1.04 \$1.04 \$1.01 \$0.95 \$0.88 \$0.88 \$0.85

PROPERTY PROFILE REPORT

Urbana At Hioaks

Effective Rent Date 10/05/2020

6850 Atmore Dr Location

Richmond, VA 23225

Richmond City County

Distance N/A Units 216 Vacant Units N/A N/A Vacancy Rate

Various (4 stories) Type

Year Built/Renovated 2021 / N/A

Marketing Began N/A Leasing Began N/A Last Unit Leased N/A **Major Competitors** N/A **Tenant Characteristics** N/A Contact Name N/A Phone N/A



included

Market Information **Utilities** A/C @60% not included -- central Program **Annual Turnover Rate** N/A Cooking not included -- electric not included -- electric Units/Month Absorbed N/A Water Heat **HCV** Tenants N/A Heat not included -- electric Leasing Pace Other Electric not included N/A Annual Chg. in Rent N/A Water not included Concession N/A Sewer not included Waiting List

Trash Collection

Unit Mix (face rent)													
Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range	
1	1	Midrise (4 stories)	40	760	\$885	\$0	@60%	N/A	N/A	N/A	yes	None	
2	2	Garden (3 stories)	96	1,010	\$1,059	\$0	@60%	N/A	N/A	N/A	yes	None	
2	2	Midrise (4 stories)	24	994	\$1,059	\$0	@60%	N/A	N/A	N/A	yes	None	
2	2	Midrise (4 stories)	10	1,008	\$1,059	\$0	@60%	N/A	N/A	N/A	yes	None	
3	2	Garden (3 stories)	24	1,175	\$1,220	\$0	@60%	N/A	N/A	N/A	yes	None	
3	2	Midrise (4 stories)	16	1,165	\$1,220	\$0	@60%	N/A	N/A	N/A	yes	None	
3	2	Midrise (4 stories)	6	1,207	\$1,220	\$0	@60%	N/A	N/A	N/A	yes	None	

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$885	\$0	\$885	\$0	\$885
2BR / 2BA	\$1,059	\$0	\$1,059	\$0	\$1,059
3BR / 2BA	\$1,220	\$0	\$1,220	\$0	\$1,220

None

Urbana At Hioaks, continued

Amenities

In-Unit Balcony/Patio Blinds Carpeting Central A/C Coat Closet Dishwasher Garbage Disposal Microwave Oven Refrigerator Walk-In Closet Washer/Dryer hookup Security Services None

Premium Other Property

Business Center/Computer Lab Clubhouse/Meeting Room/Community Courtyard Elevators Exercise Facility Central Laundry Off-Street Parking On-Site Management Picnic Area Playground **Recreation Areas** Swimming Pool Wi-Fi

None Vinyl plank flooring

Comments

The project is a proposed new construction 4% LIHTC development in southwestern Richmond, VA. The project will consist of one four-story midrise building with elevator service and five three-story garden-style buildings. Specific unit counts for midrise and garden-style units were not available as of the effective date.

None

Urbana At Hioaks, continued

Trend Report

Vacancy Rates

2Q20 4Q20 N/A N/A

Trend: @60%

1101	iu.					
1BR /	1BA					
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	2	N/A	\$885	\$0	\$885	\$885
2020	4	N/A	\$885	\$0	\$885	\$885
2BR /	2BA					
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	2	N/A	\$986	\$0	\$986	\$986
2020	4	N/A	\$1,059	\$0	\$1,059	\$1,059
3BR /	2BA					
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	2	N/A	\$1,221	\$0	\$1,221	\$1,221
2020	4	N/A	\$1,220	\$0	\$1,220	\$1,220

Trend: Comments

The project is a proposed new construction 4% LIHTC development in southwestern Richmond, VA. The project will consist of one four-story midrise building with elevator service and five three-story garden-style buildings. Specific unit counts for midrise and garden-style units were not available as of the effective date.

4Q20 N/A

Urbana At Hioaks, continued

Photos





PROPERTY PROFILE REPORT

Creekpointe

Effective Rent Date 10/09/2020

Location 14600 Creekpointe Circle

Midlothian, VA 23114 Chesterfield County

Distance 8.8 miles
Units 214
Vacant Units 0
Vacancy Rate 0.0%

Type Garden (3 stories)
Year Built/Renovated 2003 / N/A

Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A

Major Competitors Mallard Cove, Genito Glen
Tenant Characteristics Mostly local area families

Contact Name Lisa

Phone 804-419-5439



Market Information **Utilities** A/C @60% not included -- central Program **Annual Turnover Rate** 6% Cooking not included -- electric not included -- electric Units/Month Absorbed Water Heat N/A **HCV** Tenants 20% Heat not included -- electric Other Electric Leasing Pace 1-2 weeks not included Annual Chg. in Rent Increased to 2020 max Water not included Concession None not included Sewer Waiting List Yes, 2-3 months Trash Collection included

Unit Mi	Unit Mix (face rent)												
Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range	
2	2	Garden (3 stories)	120	1,000	\$1,050	\$0	@60%	Yes	0	0.0%	yes	None	
3	2	Garden (3 stories)	94	1,274	\$1,215	\$0	@60%	Yes	0	0.0%	yes	None	

Unit Mix Conc. Concd. Rent Util. Adj. Adj. Rent 2BR / 2BA \$1,050 \$0 \$1,050 \$0 \$1,050

\$0

\$1,215

\$0

\$1,215

\$1,215

3BR / 2BA

Creekpointe, continued

Amenities

In-Unit
Balcony/Patio
Carpeting
Dishwasher
Garbage Disposal

Blinds Central A/C Exterior Storage Oven Walk-In Closet Security None Services None

Refrigerator Washer/Dryer hookup

Property
Clubhouse/Meeting Room/Community

Central Laundry
On-Site Management
Swimming Pool

Exercise Facility Off-Street Parking Playground Premium None Other None

Comments

The contact indicated rents are set at the 2020 maximum allowable levels. She reported that the property has not been negatively impacted by COVID-19 and the ensuing economic downturn. Tenants can rent washer/dryers for \$50 per month.

Creekpointe, continued

Trend Report

Vacancy Rates

 4Q16
 4Q17
 1Q20
 4Q20

 0.0%
 0.0%
 0.5%
 0.0%

\$1,215

Trei	nd: (@60 %				
2BR /	2BA					
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	0.0%	\$850	\$0	\$850	\$850
2017	4	0.0%	\$861	\$0	\$861	\$861
2020	1	0.8%	\$1,020	\$0	\$1,020	\$1,020
2020	4	0.0%	\$1,050	\$0	\$1,050	\$1,050
3BR /	2BA					
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	0.0%	\$973	\$0	\$973	\$973
2017	4	0.0%	\$969	\$0	\$969	\$969
2020	1	0.0%	\$1,178	\$0	\$1,178	\$1,178

\$0

\$1,215

Trend: Comments

0.0%

2020

The manager indicated that the property is typically fully occupied and rarely has vacancies. She noted a three month waiting list at this time.

\$1,215

- 4Q17 The contact reported that the property is typically fully occupied and rarely has vacancies. She noted a three to four month waiting list at this time.
- The contact indicated rents are set at maximum levels for all units. The contact reported that the property is typically fully occupied and stated steady demand for affordable housing in the area. A higher number of moveouts occur in spring and summer and estimated a total of 10-15 units turnover per year. The contact noted she tries to maintain a waitlist though it was recently purged. Tenants can rent washer/dryers for \$50 per month.
- The contact indicated rents are set at the 2020 maximum allowable levels. She reported that the property has not been negatively impacted by COVID-19 and the ensuing economic downturn. Tenants can rent washer/dryers for \$50 per month.

Creekpointe, continued

Photos











PROPERTY PROFILE REPORT

Genito Glen

Effective Rent Date 10/09/2020

Location 4041 Hailey Crescent Dr Midlothian, VA 23112

Chesterfield County

Distance 6 miles
Units 102
Vacant Units 0
Vacancy Rate 0.0%

Type Garden (3 stories)
Year Built/Renovated 1998 / N/A

Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A

Major Competitors Mallard Cove, Creekpointe

Tenant Characteristics Small families, limited number of seniors, most

are from the local area

Contact Name Heidi

Phone 804-745-3555



Market Information

A/C Program @50%, @60% not included -- central Annual Turnover Rate 15% Cooking not included -- electric Units/Month Absorbed N/A Water Heat not included -- electric **HCV** Tenants 15% Heat not included -- electric not included Leasing Pace Within one week Other Electric

Annual Chg. in Rent Increased to 2020 max Water included Concession None Sewer included Waiting List Yes; 3-5 households Trash Collection included

Unit Mix	Unit Mix (face rent)												
Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range	
2	2	Garden (3 stories)	33	949	\$924	\$0	<i>@</i> 50%	Yes	0	0.0%	yes	None	
2	2	Garden (3 stories)	45	949	\$1,125	\$0	@60%	Yes	0	0.0%	yes	None	
3	2	Garden (3 stories)	5	1,138	\$1,094	\$0	@50%	Yes	0	0.0%	yes	None	
3	2	Garden (3 stories)	19	1,138	\$1,307	\$0	@60%	Yes	0	0.0%	yes	None	

Utilities

Unit Mix Concd. Rent Util. Adj. Adj. Rent Face Rent @60% @50% Conc. Face Rent Conc. Concd. Rent Util. Adj. Adj. Rent \$924 \$837 \$0 \$924 -\$87 2BR / 2BA \$1,125 \$0 \$1,125 -\$87 \$1,038 2BR / 2BA 3BR / 2BA \$1,094 \$0 \$1,094 \$965 3BR / 2BA \$1,307 \$0 \$1,307 \$1,178 -\$129 -\$129

Genito Glen, continued

Amenities

In-Unit
Balcony/Patio Blinds
Carpeting Central A/C
Coat Closet Dishwasher
Exterior Storage Ceiling Fan
Garbage Disposal Oven
Refrigerator Walk-In Closet

Security Services None None

Other

None

Washer/Dryer hookup

Property Premium

Clubhouse/Meeting Room/Community Exercise Facility None

Central Laundry Off-Street Parking
On-Site Management Picnic Area
Playground Swimming Pool

Comments

The contact indicated rents are set at the 2020 maximum allowable levels for all units, and that the property has very low turnover and typically stays fully occupied. A waitlist is maintained but is typically purged every three months. Tenants can rent washer/dryers for an additional \$50 per month. The contact reported that the property has been generally unaffected by the COVID-19 pandemic and that leasing and rent collection have remained stable.

Genito Glen, continued

Trend Report

Vacancy Rates

 4Q17
 1Q20
 3Q20
 4Q20

 0.0%
 0.0%
 0.0%
 0.0%

Trei	nd: (<i>@</i> 50%)				Trend: @60%							
2BR /	2BA						2BR / 2BA							
Year 2017	QT 4	Vac. 0.0%	Face Rent \$799	Conc. \$0	Concd. Rent \$799	Adj. Rent \$712	Year 2017	QT 4	Vac. 0.0%	Face Rent \$972	Conc. \$0	Concd. Rent \$972	Adj. Rent \$885	
2020	1	0.0%	\$890	\$0	\$890	\$803	2020	1	0.0%	\$1,085	\$0	\$1,085	\$998	
2020	3	0.0%	\$924	\$0	\$924	\$837	2020	3	0.0%	\$1,125	\$0	\$1,125	\$1,038	
2020	4	0.0%	\$924	\$0	\$924	\$837	2020	4	0.0%	\$1,125	\$0	\$1,125	\$1,038	
3BR /	2BA						3BR /	2BA						
Year 2017	QT 4	Vac. 0.0%	Face Rent \$895	Conc. \$0	Concd. Rent \$895	Adj. Rent \$766	Year 2017	QT 4	Vac. 0.0%	Face Rent \$1,096	Conc. \$0	Concd. Rent \$1,096	Adj. Rent \$967	
2020	1	0.0%	\$1,035	\$0	\$1,035	\$906	2020	1	0.0%	\$1,230	\$0	\$1,230	\$1,101	
2020	3	0.0%	\$1,094	\$0	\$1,094	\$965	2020	3	0.0%	\$1,307	\$0	\$1,307	\$1,178	
2020	4	0.0%	\$1,094	\$0	\$1,094	\$965	2020	4	0.0%	\$1,307	\$0	\$1,307	\$1,178	

Trend: Comments

- The contact reported low turnover and stated the property typically stays fully occupied. A five to seven household waiting list is maintained at this time for the units at 50 percent AMI.
- The contact indicated rents are set at maximum levels for all units, and that the property has very low turnover and typically stays fully occupied. A waitlist is maintained but is typically purged every three months. Tenants can rent washer/dryers for \$50 per month. Upgraded kitchens (appliances, counters, cabinets) and ceiling fans are installed on an ongoing basis as units become available.
- The contact indicated rents are set at maximum levels for all units, and that the property has very low turnover and typically stays fully occupied. A waitlist is maintained but is typically purged every three months. Tenants can rent washer/dryers for an additional \$50 per month. The contact reported that the property has been generally unaffected by the COVID-19 pandemic and that leasing and rent collection have remained stable.
- The contact indicated rents are set at the 2020 maximum allowable levels for all units, and that the property has very low turnover and typically stays fully occupied. A waitlist is maintained but is typically purged every three months. Tenants can rent washer/dryers for an additional \$50 per month. The contact reported that the property has been generally unaffected by the COVID-19 pandemic and that leasing and rent collection have remained stable.

Genito Glen, continued





Ivy Walk I

Effective Rent Date 10/09/2020

Location 4800 Burnt Oak Drive

Richmond, VA 23234 Chesterfield County

Distance 4 miles
Units 126
Vacant Units 6
Vacancy Rate 4.8%

Type Garden (3 stories)
Year Built/Renovated 2002 / N/A

Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A

Major Competitors Southpointe Landing, Arbor Lakes.

Tenant Characteristics Predominantly small families, some couples,

few singles or seniors.

Contact Name Bettina
Phone 804-714-0027



Market Information **Utilities** A/C Program @60% not included -- central Annual Turnover Rate 25% Cooking not included -- electric Units/Month Absorbed N/A Water Heat not included -- gas **HCV Tenants** 17% Heat not included -- gas Leasing Pace 1 to 2 weeks Other Electric not included Annual Chg. in Rent Increased to 2020 max Water included Concession None Sewer included Waiting List No Trash Collection included

Unit Mix	Unit Mix (face rent)											
Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (3 stories)	70	983	\$1,020	\$0	@60%	No	3	4.3%	yes	None
3	2	Garden (3 stories)	56	1,112	\$1,110	\$0	@60%	No	3	5.4%	yes	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$1,020	\$0	\$1,020	-\$87	\$933
3BR / 2BA	\$1.110	\$0	\$1.110	-\$129	\$981

Ivy Walk I, continued

Amenities

In-Unit

Balcony/Patio Blinds
Carpeting Central A/C
Coat Closet Dishwasher
Garbage Disposal Oven
Refrigerator Walk-In Closet

Washer/Dryer hookup

Property
Basketball Court Business Center/Computer Lab

 Clubhouse/Meeting Room/Community
 Exercise Facility

 Off-Street Parking
 On-Site Management

 Picnic Area
 Playground

 Recreation Areas
 Swimming Pool

Security Patrol

Premium

None

Services None

Other None

Comments

The contact indicated that is strong demand for affordable housing in the area. The majority of residents originate from the western portion of the city of Richmond. Tenants can rent washer/dryers for \$40 per month. The contact stated some early impact from COVID-19 regarding job losses, leasing, and rent collection but the property has been stable since mid summer and improved in all areas during that time.

lvy Walk I, continued

Trend Report

Vacancy Rates

3Q18	1019	1020	4Q20
0.0%	4.0%	0.0%	4.8%

\$1,110

Trei	Trend: @60%								
2BR / 2BA									
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent			
2018	3	0.0%	\$905	\$0	\$905	\$818			
2019	1	4.3%	\$930	\$0	\$930	\$843			
2020	1	0.0%	\$985	\$0	\$985	\$898			
2020	4	4.3%	\$1,020	\$0	\$1,020	\$933			
3BR /	2RA								
JDIC /	ZDA								
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent			
2018	3	0.0%	\$1,005	\$0	\$1,005	\$876			
2019	1	3.6%	\$1,030	\$0	\$1,030	\$901			
2020	1	0.0%	\$1,086	\$0	\$1,086	\$957			

\$0

\$1,110

Trend: Comments

5.4%

2020

The manager indicated that is strong demand for affordable housing in the area. The majority of residents originate from the western portion of the city of Richmond.

\$981

- 1Q19 The manager indicated that is strong demand for affordable housing in the area. The majority of residents originate from the western portion of the city of Richmond. A waiting list was recently purged.
- The manager indicated that is strong demand for affordable housing in the area. The majority of residents originate from the western portion of the city of Richmond. A waiting list was recently purged. Tenants can rent washer/dryers for \$40 per month.
- The contact indicated that is strong demand for affordable housing in the area. The majority of residents originate from the western portion of the city of Richmond. Tenants can rent washer/dryers for \$40 per month. The contact stated some early impact from COVID-19 regarding job losses, leasing, and rent collection but the property has been stable since mid summer and improved in all areas during that time.

Ivy Walk I, continued









Ivy Walk II

Effective Rent Date 10/09/2020

Location 4800 Burnt Oak Drive

Richmond, VA 23234 Chesterfield County

Distance 4 miles
Units 122
Vacant Units 7
Vacancy Rate 5.7%

Type Garden (4 stories)
Year Built/Renovated 2003 / N/A

Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A

Major Competitors Southpointe Landing, Arbor Lake

Tenant Characteristics Primarily small families, some couples, few

singles or seniors.

Contact Name Bettina
Phone 804-714-0027



Market InformationUtilitiesProgram@60%A/Cnot included -- centralAnnual Turnover Rate25%Cookingnot included -- electric

Units/Month Absorbed N/A Water Heat not included -- gas **HCV Tenants** 14% Heat not included -- gas Leasing Pace 1 to 2 weeks Other Electric not included Annual Chg. in Rent Increased to max Water included Concession None Sewer included Waiting List No Trash Collection included

Unit Mix	Unit Mix (face rent)											
Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (4 stories)	56	983	\$1,020	\$0	@60%	No	3	5.4%	yes	None
3	2	Garden (4 stories)	66	1,112	\$1,110	\$0	@60%	No	4	6.1%	yes	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$1,020	\$0	\$1,020	-\$87	\$933
3BR / 2BA	\$1.110	\$0	\$1.110	-\$129	\$981

Ivy Walk II, continued

Amenities

In-Unit

Balcony/Patio Blinds
Carpeting Central A/C
Coat Closet Dishwasher
Garbage Disposal Oven
Refrigerator Walk-In Closet

Washer/Dryer hookup

Property
Basketball Court Business Center/Computer Lab

Clubhouse/Meeting Room/Community
Off-Street Parking
Picnic Area
Pecreation Areas

Exercise Facility
On-Site Management
Playground
Playground
Swimming Pool

Security Patrol

Premium

None

Services None

Other None

Comments

The contact indicated that is strong demand for affordable housing in the area. The majority of residents originate from the western portion of the city of Richmond. Tenants can rent washer/dryers for \$40 per month. The contact stated some early impact from COVID-19 regarding job losses, leasing, and rent collection but the property has been stable since mid summer and improved in all areas during that time.

Ivy Walk II, continued

Trend Report

Vacancy Rates

3Q18 1019 1020 4Q20 0.0% 4.1% 0.8% 5.7%

\$1,110

Trei	Trend: @60%							
2BR / 2BA								
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent		
2018	3	0.0%	\$905	\$0	\$905	\$818		
2019	1	5.4%	\$930	\$0	\$930	\$843		
2020	1	1.8%	\$985	\$0	\$985	\$898		
2020	4	5.4%	\$1,020	\$0	\$1,020	\$933		
3BR /	2BA							
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent		
2018	3	0.0%	\$1,005	\$0	\$1,005	\$876		
2019	1	3.0%	\$1,030	\$0	\$1,030	\$901		
2020	1	0.0%	\$1,085	\$0	\$1,085	\$956		

\$0

\$1,110

Trend: Comments

2020

6.1%

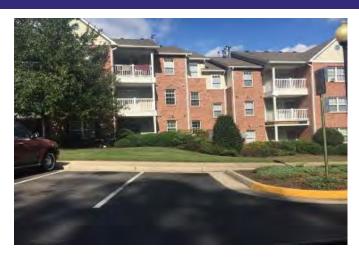
The manager indicated that is strong demand for affordable housing in the area. The majority of residents originate from the western portion of the city of Richmond.

\$981

- 1019 The manager indicated that is strong demand for affordable housing in the area. The majority of residents originate from the western portion of the city of Richmond. A waiting list was recently purged.
- 1Q20 The manager indicated that is strong demand for affordable housing in the area. The majority of residents originate from the western portion of the city of Richmond. A waiting list was recently purged. Tenants can rent washer/dryers for \$40 per month.
- 4Q20 The contact indicated that is strong demand for affordable housing in the area. The majority of residents originate from the western portion of the city of Richmond. Tenants can rent washer/dryers for \$40 per month. The contact stated some early impact from COVID-19 regarding job losses, leasing, and rent collection but the property has been stable since mid summer and improved in all areas during that time.

Ivy Walk II, continued









Port City Apartments

Effective Rent Date 10/12/2020

800 Jefferson Davis Highway Location

Richmond, VA 23224 Richmond City County

Distance 4 miles Units 135 2 Vacant Units Vacancy Rate 1.5%

Conversion (4 stories) Type

Year Built/Renovated 2018 / N/A Marketing Began 2/01/2019 Leasing Began N/A

Last Unit Leased 8/01/2019 **Major Competitors** None identified **Tenant Characteristics** Mixed tenancy Contact Name Crystal





Utilities Market Information A/C @30%, @40%, @50%, @60%, @70%, @80% included -- central Program **Annual Turnover Rate** 12% Cooking included -- electric Units/Month Absorbed 22 Water Heat included -- gas **HCV** Tenants 5% Heat included -- electric Pre-leased Other Electric Leasing Pace included Annual Chg. in Rent Increased to 2020 max Water included Concession None Sewer included Waiting List Yes.50 households Trash Collection included

Unit Mix	x (face r	ent)										
Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Conversion (4 stories)	8	622	\$671	\$0	@40%	Yes	0	0.0%	yes	None
1	1	Conversion (4 stories)	11	675	\$838	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Conversion (4 stories)	30	666	\$1,006	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Conversion (4 stories)	10	698	\$1,174	\$0	@70%	Yes	0	0.0%	yes	None
1	1	Conversion (4 stories)	6	577	\$1,342	\$0	@80%	Yes	0	0.0%	yes	None
2	2	Conversion (4 stories)	1	879	\$603	\$0	@30%	Yes	0	0.0%	yes	None
2	2	Conversion (4 stories)	6	924	\$805	\$0	@40%	Yes	0	0.0%	yes	None
2	2	Conversion (4 stories)	13	603	\$1,006	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Conversion (4 stories)	32	766	\$1,207	\$0	@60%	Yes	2	6.2%	yes	None
2	2	Conversion (4 stories)	9	817	\$1,408	\$0	@70%	Yes	0	0.0%	yes	None
2	2	Conversion (4 stories)	8	1,140	\$1,610	\$0	@80%	Yes	0	0.0%	yes	None
3	2	Conversion (4 stories)	1	1,219	\$1,395	\$0	@60%	Yes	0	0.0%	yes	None

Port City Apartments, continued

Unit Mix											
@30%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@40%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$603	\$0	\$603	-\$179	\$424	1BR / 1BA	\$671	\$0	\$671	-\$129	\$542
						2BR / 2BA	\$805	\$0	\$805	-\$179	\$626
@ 50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$838	\$0	\$838	-\$129	\$709	1BR / 1BA	\$1,006	\$0	\$1,006	-\$129	\$877
2BR / 2BA	\$1,006	\$0	\$1,006	-\$179	\$827	2BR / 2BA	\$1,207	\$0	\$1,207	-\$179	\$1,028
						3BR / 2BA	\$1,395	\$0	\$1,395	-\$241	\$1,154
@ 70%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@80%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,174	\$0	\$1,174	-\$129	\$1,045	1BR / 1BA	\$1,342	\$0	\$1,342	-\$129	\$1,213
2BR / 2BA	\$1,408	\$0	\$1,408	-\$179	\$1,229	2BR / 2BA	\$1,610	\$0	\$1,610	-\$179	\$1,431

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In-Unit Blinds Balcony/Patio Cable/Satellite/Internet Carpeting Coat Closet Central A/C Dishwasher Ceiling Fan Garbage Disposal Microwave Oven Refrigerator Vaulted Ceilings Washer/Dryer hookup

Property Clubhouse/Meeting Room/Community Elevators Off-Street Parking

Swimming Pool

Exercise Facility On-Site Management Wi-Fi

Security Intercom (Buzzer)

Limited Access

Premium None

Other None

Services

None

Comments

This is the first phase of a proposed two phase property. The first phase began leasing units in February 2019 and reached stabilization in August 2019. The rents increased to the 2020 maximum allowable rents and all utilities are included. No major impact related to COVID-19 was reported but the contact did not offer further insight. The second phase of the property is under construction and delayed because of the pandemic but is expected to be completed in spring of 2021.

Port City Apartments, continued

Trend Report

Vacancy Rates

 4Q19
 4Q20

 0.0%
 1.5%

Trend: @30%	Trend: @40%						
2BR / 2BA	1BR / 1BA						
Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$561 \$0 \$561 \$382 2020 4 0.0% \$603 \$0 \$603 \$424	Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$624 \$0 \$624 \$495 2020 4 0.0% \$671 \$0 \$671 \$542						
	2BR / 2BA Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent \$8749\$ 2019 4 0.0% \$749 \$0 \$749 \$570 2020 4 0.0% \$805 \$0 \$805 \$626						
Trend: @50%	Trend: @60%						
1BR / 1BA	1BR / 1BA						
Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$780 \$0 \$780 \$651 2020 4 0.0% \$838 \$0 \$838 \$709	Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$936 \$0 \$936 \$807 2020 4 0.0% \$1,006 \$0 \$1,006 \$877						
2BR / 2BA	2BR / 2BA						
Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$936 \$0 \$936 \$757 2020 4 0.0% \$1,006 \$0 \$1,006 \$827	Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$1,123 \$0 \$1,123 \$944 2020 4 6.2% \$1,207 \$0 \$1,207 \$1,028						
	3BR / 2BA						
	Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$1,298 \$0 \$1,298 \$1,057 2020 4 0.0% \$1,395 \$0 \$1,395 \$1,154						
Trend: @70%	Trend: @80%						
1BR / 1BA	1BR / 1BA						
Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$1,092 \$0 \$1,092 \$963 2020 4 0.0% \$1,174 \$0 \$1,174 \$1,045	Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$1,249 \$0 \$1,249 \$1,120 2020 4 0.0% \$1,342 \$0 \$1,342 \$1,213						
2BR / 2BA	2BR / 2BA						
Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$1,310 \$0 \$1,310 \$1,131 2020 4 0.0% \$1,408 \$0 \$1,408 \$1,229	Year QT Vac. Face Rent Conc. Concd. Rent Adj. Rent 2019 4 0.0% \$1,498 \$0 \$1,498 \$1,319 2020 4 0.0% \$1,610 \$0 \$1,610 \$1,431						

Trend: Comments

4Q19 The property is phase I of Port City II. The first phase began leasing units in February 2019 and reached stabilization in August 2019. The rents are slightly below the maximum allowable level.

This is the first phase of a proposed two phase property. The first phase began leasing units in February 2019 and reached stabilization in August 2019. The rents increased to the 2020 maximum allowable rents and all utilities are included. No major impact related to COVID-19 was reported but the contact did not offer further insight. The second phase of the property is under construction and delayed because of the pandemic but is expected to be completed in spring of 2021.

Port City Apartments, continued







Colony At Centerpointe

Effective Rent Date 10/08/2020

Location 14400 Palladium Dri

Midlothian, VA 23114 Chesterfield County

Distance 8 miles
Units 255
Vacant Units 9
Vacancy Rate 3.5%

Type Garden (3 stories)
Year Built/Renovated 2015 / N/A

Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A

Major Competitors Abberly, Winterfield, Sapphire Apts (UC)
Tenant Characteristics Mix of local area professionals, small families

Contact Name Amy

Phone 844-330-2447



Market Information **Utilities** A/C Market not included -- central Program **Annual Turnover Rate** 25% Cooking not included -- electric not included -- electric Units/Month Absorbed 20.8 Water Heat **HCV** Tenants 0% Heat not included -- electric Other Electric Leasing Pace 2 weeks not included Annual Chg. in Rent Fluctuate regularly Water not included None Concession Sewer not included Waiting List None Trash Collection not included

Unit Mix (face rent)												
Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	72	860	\$1,235	\$0	Market	No	2	2.8%	N/A	None
2	2	Garden (3 stories)	78	1,208	\$1,479	\$0	Market	No	2	2.6%	N/A	None
2	2	Garden (3 stories)	60	1,210	\$1,499	\$0	Market	No	2	3.3%	N/A	None
2	2	Garden (3 stories)	9	1,220	\$1,529	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (3 stories)	36	1,482	\$1,775	\$0	Market	No	3	8.3%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj	. Adj. Rent
1BR / 1BA	\$1,235	\$0	\$1,235	\$19	\$1,254
2BR / 2BA	\$1,479 - \$1,529	\$0	\$1,479 - \$1,529	\$19	\$1,498 - \$1,548
3BR / 2BA	\$1.775	\$0	\$1.775	\$19	\$1.794

Colony At Centerpointe, continued

Amenities

In-Unit

Balcony/Patio Blinds
Carpet/Hardwood Central A/C
Coat Closet Dishwasher
Exterior Storage Ceiling Fan
Garbage Disposal Microwave
Oven Refrigerator
Walk-In Closet Washer/Dryer

Security Limited Access Services None

Property

Business Center/Computer Lab Clubhouse/Meeting Room/Community

Courtyard Exercise Facility
Garage(\$150.00) Off-Street Parking
On-Site Management Picnic Area
Recreation Areas Swimming Pool
Wi-Fi

Premium None

m Other

S/S, Granite island, Dog Park,

Comments

The property was FKA Oxygen at Centerpointe and has been under new ownership since December of 2017. Garages are available for \$150 per month and access to the bike storage is \$5 monthly. Trash is billed a flat rate of \$10 monthly. The contact stated no major impact relating to COVID-19 but did not provide further insight.

Colony At Centerpointe, continued

Trend Report

Vacancy R	≀ates
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1018	1020	2020	4Q20
8.2%	3.9%	6.3%	3.5%

Trend: Market												
1BR /	1BA											
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent						
2018	1	N/A	\$1,120	\$0	\$1,120	\$1,139						
2020	1	0.0%	\$1,243	\$0	\$1,243	\$1,262						
2020	2	4.2%	\$1,235	\$0	\$1,235	\$1,254						
2020	4	2.8%	\$1,235	\$0	\$1,235	\$1,254						
2BR /	2BA											
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent						
2018	1	N/A	\$1,429 - \$1,579	\$0	\$1,429 - \$1,579	\$1,448 - \$1,598						
2020	1	5.4%	\$1,391 - \$1,464	\$0	\$1,391 - \$1,464	\$1,410 - \$1,483						
2020	2	7.5%	\$1,404 - \$1,490	\$0	\$1,404 - \$1,490	\$1,423 - \$1,509						
2020	4	2.7%	\$1,479 - \$1,529	\$0	\$1,479 - \$1,529	\$1,498 - \$1,548						
3BR /	2BA											
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent						
2018	1	N/A	\$1,714	\$0	\$1,714	\$1,733						
2020	1	5.6%	\$1,685	\$0	\$1,685	\$1,704						
2020	2	5.6%	\$2,037	\$0	\$2,037	\$2,056						
2020	4	8.3%	\$1,775	\$0	\$1,775	\$1,794						

Trend: Comments

- The property was FKA Oxygen at Centerpointe and has been under new ownership since December of 2017. The contact stated the current occupancy rate is lower than typical and cited an increase in move outs since the start of the year which is characteristic when a property changes ownership. She noted the property is 94 percent preleased and trending upward with an increase in prospective renter traffic.
- The property was FKA Oxygen at Centerpointe and has been under new ownership since December of 2017. Garages are available for \$150 per month and access to the bike storage is \$5 monthly. Trash is billed a flat rate of \$10 monthly. HCVs are not accepted.
- 2Q20 N/A
- The property was FKA Oxygen at Centerpointe and has been under new ownership since December of 2017. Garages are available for \$150 per month and access to the bike storage is \$5 monthly. Trash is billed a flat rate of \$10 monthly. The contact stated no major impact relating to COVID-19 but did not provide further insight.

Colony At Centerpointe, continued











Element At Stonebridge

Effective Rent Date 10/08/2020

Location 301 Karl Linn Dr

Richmond, VA 23225 Chesterfield County

Distance 0.6 miles
Units 400
Vacant Units 24
Vacancy Rate 6.0%

Type Lowrise (4 stories)
Year Built/Renovated 2016/2018 / N/A

Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors N/A
Tenant Characteristics N/A
Contact Name Jay

Phone (804) 571-0531



Market Information Utilities

A/C Market not included -- central Program **Annual Turnover Rate** 25% Cooking not included -- electric not included -- electric Units/Month Absorbed Water Heat N/A **HCV** Tenants 0% Heat not included -- electric Other Electric Leasing Pace N/A not included Annual Chg. in Rent Fluctuates daily Water not included

Annual Chg. in Rent Fluctuates daily Water not included Concession None Sewer not included Waiting List None Trash Collection not included

Unit Mix (face rent)												
Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (4 stories)	40	563	\$1,165	\$0	Market	No	N/A	N/A	N/A	None
1	1	Lowrise (4 stories)	80	740	\$1,175	\$0	Market	No	N/A	N/A	N/A	None
1	1	Lowrise (4 stories)	92	744	\$1,200	\$0	Market	No	N/A	N/A	N/A	None
1	1	Lowrise (4 stories)	46	835	\$1,227	\$0	Market	No	N/A	N/A	N/A	None
2	2	Lowrise (4 stories)	46	1,081	\$1,305	\$0	Market	No	N/A	N/A	N/A	None
2	2	Lowrise (4 stories)	30	1,156	\$1,315	\$0	Market	No	N/A	N/A	N/A	None
2	2	Lowrise (4 stories)	48	1,236	\$1,435	\$0	Market	No	N/A	N/A	N/A	None
2	2	Lowrise (4 stories)	18	1,260	\$1,480	\$0	Market	No	N/A	N/A	N/A	None

Unit Mix

 Market
 Face Rent
 Conc.
 Concd. Rent
 Util. Adj.
 Adj. Rent

 1BR / 1BA
 \$1,165 - \$1,227
 \$0
 \$1,165 - \$1,227
 \$19
 \$1,184 - \$1,246

 2BR / 2BA
 \$1,305 - \$1,480
 \$0
 \$1,305 - \$1,480
 \$19
 \$1,324 - \$1,499

Element At Stonebridge, continued

Amenities

In-Unit

Balcony/Patio Blinds
Cable/Satellite/Internet Carpeting
Central A/C Coat Closet
Dishwasher Microwave
Oven Refrigerator

Walk-In Closet Washer/Dryer hookup

Property Premium Other

Washer/Dryer

Clubhouse/Meeting Room/Community

Elevators

On-Site Management
Picnic Area

Wi-Fi

Courtyard

Exercise Facility

On-Site Management

Swimming Pool

Wi-Fi

Outdoor seating and salt water

Services

None

Comments

The property was constructed in three phases between 2016 and 2018. The manager indicated that rents fluctuate daily but typically increase during the summer months and decrease during the winter months due to seasonal vacancies. Internet is included in the rents. The units include stainless steel appliances and granite countertops. No major issues or impact on the property related to COVID-19 were reported.

Security

None

Intercom (Buzzer)

Limited Access

Element At Stonebridge, continued

Trend Report

Vacancy Rates

 3Q18
 2Q20
 4Q20

 18.8%
 7.8%
 6.0%

Trend: Market

1BR	/	1	B	٥
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Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	3	N/A	\$1,289 - \$1,30 \$ 2	215 - \$2	18\$1,074 - \$1,089	\$1,093 - \$1,108
2020	2	7.8%	\$1,144 - \$1,182	\$0	\$0 - \$1,155	\$0 - \$1,174
2020	4	N/A	\$1 165 - \$1 227	\$0	\$1 165 - \$1 227	\$1 184 - \$1 246

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	3	N/A	\$1,609 - \$1,71 9 2	268 - \$28	37\$1,341 - \$1,432	\$1,360 - \$1,451
2020	2	7.7%	\$1,419 - \$1,501	\$0	\$0 - \$1,453	\$0 - \$1,472
2020	4	N/A	\$1 305 - \$1 480	\$0	\$1 305 - \$1 480	\$1 324 - \$1 499

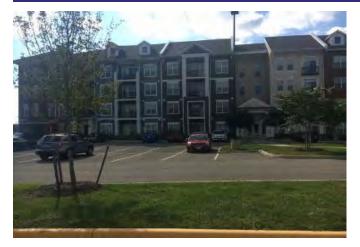
Studio / 1BA

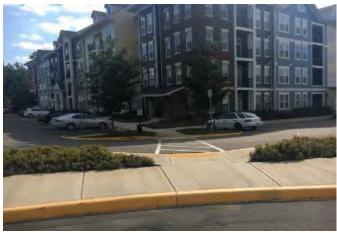
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	3	N/A	\$1,209	\$202	\$1,007	\$1,007

Trend: Comments

- The development consists of three phases. Phases I and II are complete and have limited vacancies. The vacancies are predominantly in the third phase, which is still in leaseup. The manager indicated that rents fluctuate daily but typically increase during the summer months and decrease during the winter months due to seasonal vacancies. Internet is included in the rents. The units include stainless steel appliances and granite countertops. Each apartment comes with a key fob.
- The development consists of three phases. Phases I and II are complete and have limited vacancies. The vacancies are predominantly in the third phase, which was constructed in 2018 is at the end of the lease up phase. The manager indicated that rents fluctuate daily but typically increase during the summer months and decrease during the winter months due to seasonal vacancies. Internet is included in the rents. The units include stainless steel appliances and granite countertops. Each apartment comes with a key fob.
- The property was constructed in three phases between 2016 and 2018. The manager indicated that rents fluctuate daily but typically increase during the summer months and decrease during the winter months due to seasonal vacancies. Internet is included in the rents. The units include stainless steel appliances and granite countertops. No major issues or impact on the property related to COVID-19 were reported.

Element At Stonebridge, continued







Link Apartments Manchester

Effective Rent Date 10/09/2020

Location 901 Mcdonough Street

Richmond, VA 23224 Richmond City County

Distance 4.4 miles
Units 183
Vacant Units 17
Vacancy Rate 9.3%

Type Midrise (5 stories)
Year Built/Renovated 2012 / N/A

Marketing Began N/A

Leasing Began11/01/2012Last Unit Leased8/01/2013Major CompetitorsNone identified

Tenant Characteristics Mixed local area tenancy employed in diverse

jobs and industries deemed essential

Contact Name Kirsten

Phone 804-232-0849



Utilities Market Information A/C Program Market not included -- central Annual Turnover Rate 25% Cooking not included -- electric Units/Month Absorbed 19 Water Heat not included -- electric **HCV** Tenants 0% Heat not included -- electric not included Leasing Pace Within one week Other Electric Annual Chg. in Rent Fluctuates often Water not included Concession 1st month free with 12 month lease Sewer not included Waiting List None Trash Collection included

l	Jnit Mix	κ (face r	ent)										
	Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
	1	1	Midrise (5 stories)	142	685	\$1,215	\$101	Market	No	12	8.5%	N/A	AVG*
	1	1	Midrise (5 stories)	0	739	\$1,299	\$108	Market	No	0	N/A	N/A	HIGH
	1	1	Midrise (5 stories)	0	645	\$1,130	\$94	Market	No	0	N/A	N/A	LOW
	2	2	Midrise (5 stories)	16	953	\$1,375	\$115	Market	No	1	6.2%	N/A	None
	2	2	Midrise (5 stories)	15	1,023	\$1,559	\$130	Market	No	2	13.3%	N/A	None
	2	2	Midrise (5 stories)	10	1,111	\$1,519	\$127	Market	No	2	20.0%	N/A	None

Unit Mix

 Market
 Face Rent
 Conc.
 Concd. Rent
 Util. Adj.
 Adj. Rent

 1BR / 1BA
 \$1,130 - \$1,299 \$94 - \$108\$1,036 - \$1,191
 \$0
 \$1,036 - \$1,191

 2BR / 2BA
 \$1,375 - \$1,559\$115 - \$130\$1,260 - \$1,429
 \$0
 \$1,260 - \$1,429

Link Apartments Manchester, continued

Amenities

In-Unit

Blinds Carpet/Hardwood
Central A/C Coat Closet
Dishwasher Exterior Storage
Ceiling Fan Garbage Disposal
Microwave Oven
Refrigerator Walk-In Closet
Washer/Dryer Washer/Dryer hookup

Security Intercom (Buzzer) Limited Access Patrol Services None

Washin biyo

Property
Business Center/Computer Lab Clubhouse/Meeting Room/Community

Elevators Exercise Facility
Garage On-Site Management
Picnic Area Recreation Areas
Swimming Pool

Premium None Other None

Comments

The contact reported the property utilizes a software management system to determine monthly rents. She estimated an approximate five percent overall decrease in prices mostly related to COVID-19. No further details were provided concerning the impact of the pandemic on the property.

Link Apartments Manchester, continued

Trend Report

Vacancy Rates

3Q17	4019	2020	4020
0.0%	4.8%	2.1%	9.3%

Trend: Market

1101	iu.	iviai ix	<i>,</i> ,			
1BR /	1BA					
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	3	0.0%	\$1,040 - \$1,295	\$0	\$1,040 - \$1,295	\$1,040 - \$1,295
2019	4	N/A	\$1,150 - \$1,500	\$0	\$1,150 - \$1,500	\$1,150 - \$1,500
2020	2	N/A	\$1,119 - \$1,233	\$0	\$1,119 - \$1,233	\$1,119 - \$1,233
2020	4	8.5%	\$1,130 - \$1,29%	94 - \$10	08 \$1,036 - \$1,191	\$1,036 - \$1,191
2BR /	2BA					
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	3	0.0%	\$1,368 - \$1,480	\$0	\$1,368 - \$1,480	\$1,368 - \$1,480
2019	4	N/A	\$1,350 - \$1,800	\$0	\$1,350 - \$1,800	\$1,350 - \$1,800
2020	2	2.4%	\$1,488 - \$1,600	\$0	\$1,488 - \$1,600	\$1,488 - \$1,600
2020	4	12.2%	\$1,375 - \$1,55 9 1	115 - \$1	30\$1,260 - \$1,429	\$1,260 - \$1,429

Trend: Comments

- 3Q17 WiFi and one parking spot is included in rent.
- 4Q19 The contact reported the property utilizes a software management system to determine rent increases. Our rent increase is calculated based of our previous interview from 2017.
- The contact reported the property utilizes a software management system to determine rent increases. Our rent increase is calculated based of our previous interview from 2017. The property offers 142 one- and 45 two-bedroom units.
- The contact reported the property utilizes a software management system to determine monthly rents. She estimated an approximate five percent overall decrease in prices mostly related to COVID-19. No further details were provided concerning the impact of the pandemic on the property.

Link Apartments Manchester, continued











Reserve South Apartments

Effective Rent Date 10/12/2020

Location 6701 Carnation Street

Richmond, VA 23225 Richmond City County

Distance 0.2 miles
Units 200
Vacant Units 5
Vacancy Rate 2.5%

Type Garden (2 stories) Year Built/Renovated 1989 / 2018

Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A

Major Competitors Bramblewood Estates, Ashley Park

Tenant Characteristics Singles and families from the Richmond area

Contact Name Latoya
Phone 804.323.7194



Market Information Utilities A/C Market not included -- central Program Annual Turnover Rate 22% Cooking not included -- electric not included -- electric Units/Month Absorbed Water Heat N/A **HCV** Tenants 0% Heat not included -- electric Other Electric Leasing Pace Pre-Lease to 2 weeks not included Annual Chg. in Rent Increase 3% Water not included Concession None not included Sewer Waiting List No Trash Collection included

Unit Mix (face rent)												
Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1	Garden (2 stories)	18	944	\$1,052	\$0	Market	No	1	5.6%	N/A	None
2	2	Garden (2 stories)	160	996	\$1,186	\$0	Market	No	3	1.9%	N/A	None
3	2	Garden (2 stories)	22	1,100	\$1,286	\$0	Market	No	1	4.5%	N/A	None

Unit Mix Face Rent Concd. Rent Util. Adj. Adj. Rent Market Conc. 2BR / 1BA \$1,052 \$0 \$1,052 \$0 \$1,052 2BR / 2BA \$0 \$1,186 \$1,186 \$1,186 \$0 3BR / 2BA \$1,286 \$0 \$1,286 \$0 \$1,286

Reserve South Apartments, continued

Amenities

In-Unit

Balcony/Patio Blinds
Carpeting Central A/C
Coat Closet Dishwasher
Ceiling Fan Fireplace
Garbage Disposal Microwave
Oven Refrigerator
Walk-In Closet Washer/Dryer

Security Services
Patrol None

Washer/Dryer hookup

Property
Clubhouse/Meeting Room/Community Exercise Facility
Off-Street Parking On-Site Management
Playground Swimming Pool
Tennis Court Wi-Fi

Premium Other
None Billiards table

Comments

The contact reported stable occupancy with limited negative impact related to COVID-19. Arrangements have been made with those households affected by the downturn in the economy related to the pandemic but for the most part, majority of households have returned to work. The property does not accept housing choice vouchers. Unit upgrades includes new wood-style vinyl flooring, new carpet, new fixtures, and new black appliances.

Reserve South Apartments, continued

Trend Report

Vacancy Rates

 1Q14
 1Q15
 4Q16
 4Q20

 0.0%
 1.0%
 2.0%
 2.5%

Trend: Market										
2BR /	1BA									
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent				
2014	1	0.0%	\$825	\$0	\$825	\$825				
2015	1	0.0%	\$850	\$0	\$850	\$850				
2016	4	5.6%	\$911	\$0	\$911	\$911				
2020	4	5.6%	\$1,052	\$0	\$1,052	\$1,052				
2BR /	2BA									
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent				
2014	1	0.0%	\$879	\$0	\$879	\$879				
2015	1	1.3%	\$899	\$0	\$899	\$899				
2016	4	1.9%	\$946	\$0	\$946	\$946				
2020	4	1.9%	\$1,186	\$0	\$1,186	\$1,186				
3BR /	2BA									
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent				
2014	1	0.0%	\$1,010	\$0	\$1,010	\$1,010				
2015	1	0.0%	\$1,025	\$0	\$1,025	\$1,025				
2016	4	0.0%	\$1,080	\$0	\$1,080	\$1,080				
2020	4	4.5%	\$1,286	\$0	\$1,286	\$1,286				

Trend: Comments

- The contact indicated that the property was fully occupied and that there was no longer a need for rental concessions at this time.
- 1Q15 The contact reported both vacant units are preleased. Occupancy rates have been strong during the past 12 months she noted.
- 4Q16 The property changed its name from Newport Manor to the Reserve South Apartments in late 2015 as it came under new management. The property does not accept housing choice vouchers.
- The contact reported stable occupancy with limited negative impact related to COVID-19. Arrangements have been made with those households affected by the downturn in the economy related to the pandemic but for the most part, majority of households have returned to work. The property does not accept housing choice vouchers. Unit upgrades includes new wood-style vinyl flooring, new carpet, new fixtures, and new black appliances.

Reserve South Apartments, continued



Sterling Beaufont Apartments

Effective Rent Date 10/09/2020

6839 Carnation St Location

Richmond, VA 23225 Richmond City County

Distance 0.2 miles Units 312 Vacant Units 7 2.2% Vacancy Rate

Type Garden (2 stories) 1980/1982 / N/A Year Built/Renovated

Marketing Began N/A Leasing Began N/A Last Unit Leased N/A

Major Competitors None identified **Tenant Characteristics** Diverse mix Contact Name Rebecca Phone (844) 533-0909

None



not included

Utilities Market Information A/C Market not included -- central Program **Annual Turnover Rate** 22% Cooking not included -- electric not included -- gas Units/Month Absorbed N/A Water Heat **HCV** Tenants 0% Heat not included -- gas Other Electric Leasing Pace Within two weeks not included Annual Chg. in Rent Increased 4%-6% Water not included Concession None Sewer not included Waiting List

Unit Mix (face rent)												
Beds	Baths	Туре	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	706	\$1,037	\$0	Market	No	0	N/A	N/A	None
1	1	Garden (2 stories)	N/A	777	\$1,063	\$0	Market	No	1	N/A	N/A	None
1	1	Garden (2 stories)	N/A	854	\$1,165	\$0	Market	No	2	N/A	N/A	None
2	1	Garden (2 stories)	N/A	854	\$1,172	\$0	Market	No	1	N/A	N/A	None
2	2	Garden (2 stories)	N/A	944	\$1,265	\$0	Market	No	2	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,015	\$1,375	\$0	Market	No	1	N/A	N/A	None
3	2	Garden (2 stories)	8	1,171	\$1,382	\$ 0	Market	No	0	0.0%	N/A	None

Trash Collection

Unit Mix

Market	Face Rent	Conc.	Concd. Rent U	Jtil. Ac	lj. Adj. Rent
1BR / 1BA	\$1,037 - \$1,165	\$0	\$1,037 - \$1,165	\$19	\$1,056 - \$1,184
2BR / 1BA	\$1,172	\$0	\$1,172	\$19	\$1,191
2BR / 2BA	\$1,265 - \$1,375	\$0	\$1,265 - \$1,375	\$19	\$1,284 - \$1,394
3BR / 2BA	\$1,382	\$0	\$1,382	\$19	\$1,401

Sterling Beaufont Apartments, continued

Amenities

In-Unit Balcony/Patio Blinds Carpeting Central A/C Coat Closet Dishwasher Microwave Refrigerator Walk-In Closet

Washer/Dryer hookup

Property Clubhouse/Meeting Room/Community

Exercise Facility Central Laundry Off-Street Parking On-Site Management Playground Swimming Pool Tennis Court

Security Patrol

None

Services None

Premium Other None

Comments

The contact reported overall occupancy rates have remained stable during 2020 and no major negative impact from COVID-19 was reported. She stated the majority of tenants have not been impacted by job losses related to the pandemic and there have been no issues with rent collection. The contact stated concessions have not been needed despite units taking longer to lease due to self distancing restrictions and slower renter traffic.

Sterling Beaufont Apartments, continued

Trend Report

Vacancy Rates

3018 4020 1.9% 2.2%

Trend:	Market
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1BR /	1BA					
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	3	N/A	\$877 - \$896	\$0	\$877 - \$896	\$896 - \$915
2020	4	N/A	\$1,037 - \$1,165	\$0	\$1,037 - \$1,165	\$1,056 - \$1,184
0DD /	404					
2BR /	IBA					
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	4	N/A	\$1,172	\$0	\$1,172	\$1,191
2BR /	2BA					
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	3	N/A	\$907 - \$1,064	\$0	\$907 - \$1,064	\$926 - \$1,083
2020	4	N/A	\$1,265 - \$1,375	\$0	\$1,265 - \$1,375	\$1,284 - \$1,394
3BR /	2BA					
Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	3	N/A	\$1,122 - \$1,262	\$0	\$1,122 - \$1,262	\$1,141 - \$1,281
2020	4	0.0%	\$1,382	\$0	\$1,382	\$1,401

Trend: Comments

The property offers multiple floor plans and rents range based on unit size. The manager reported that the strongest demand is for three-bedroom units. Most residents in the three-bedroom units are long-term tenants. The manager indicated that they had higher vacancies this year due to job transfers and home purchases. However, the property currently has a low vacancy rate of less than two percent. Although there is currently not a waiting list, the manager indicated that the three-bedroom units typically operate with a wait list. The property has a contract with the City of Richmond to provide patrol service to the development.

The contact reported overall occupancy rates have remained stable during 2020 and no major negative impact from COVID-19 was reported. She stated the majority of tenants have not been impacted by job losses related to the pandemic and there have been no issues with rent collection. The contact stated concessions have not been needed despite units taking longer to lease due to self distancing restrictions and slower renter traffic.

Sterling Beaufont Apartments, continued







