



REAL PROPERTY RESEARCH GROUP

ATLANTA ■ WASHINGTON/BALTIMORE

To: Richard T. Counselman; S. L. NUSBAUM Realty Co.

From: Bob Lefenfeld

Date: August 5, 2021

Re: 288 Lofts Update

Real Property Research Group, Inc. (RPRG) conducted a market study for the 288 Lofts , a general occupancy tax credit community in January 2021 as part of an application to the Virginia Housing Development Agency (VHDA)for Low Income Housing Tax Credits. The project is structured as a Twin project with a 9 percent component of 112 units and a 4 percent component of 48 units. The project was allocated 9 percent tax credit earlier in 2021. You are now finalizing your 4 percent application and have requested an update select items in the market study and to evaluate updated capture rates and price position of the project as currently proposed.

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

Project Description

As currently designed, the overall 160 unit community will offer 24 one bedroom units, 100 two bedroom units and 36 three bedroom units. Overall income targeting is 12 units at 30 percent of AMI, 44 units at 50 percent of AMI, 48 units at 60 percent of AMI, 38 units at 70 percent of AMI and 18 units at 80 percent of AMI (Table 1). Current Low Income Housing Tax Credit income and rent limits for the Richmond VA MSA is presented in Table 2.

Table 1 288 Lofts Unit Mix

Unit	Units	Income Level	Net Unit Size	Contract Rent (1)	Utility Allowance	Gross Rent
Phase I (9% LIHTC)						
1BR/1BA	4	30%	704	\$409	\$92	\$501
1BR/1BA	6	50%	704	\$746	\$92	\$838
1BR/1BA	6	70%	704	\$920	\$92	\$1,012
1BR/1BA	4	80%	704	\$920	\$92	\$1,012
2BR/2BA	4	30%	951	\$482	\$120	\$602
2BR/2BA	18	50%	951	\$887	\$120	\$1,007
2BR/2BA	12	50%	947	\$887	\$120	\$1,007
2BR/2BA	8	70%	956	\$1,095	\$120	\$1,215
2BR/2BA	16	70%	952	\$1,095	\$120	\$1,215
2BR/2BA	6	80%	947	\$1,095	\$120	\$1,215
2BR/2BA	3	80%	1,023	\$1,095	\$120	\$1,215
3BR/2BA	4	30%	1,167	\$553	\$144	\$697
3BR/2BA	8	50%	1,167	\$1,021	\$144	\$1,165
3BR/2BA	3	70%	1,163	\$1,260	\$144	\$1,404
3BR/2BA	5	70%	1,230	\$1,260	\$144	\$1,404
3BR/2BA	1	80%	1,167	\$1,260	\$144	\$1,404
3BR/2BA	1	80%	1,230	\$1,260	\$181	\$1,441
3BR/2BA	3	80%	1,199	\$1,260	\$144	\$1,404
Subtotal/Avg	112			\$953	\$121	\$1,074
Phase II (4% LIHTC)						
1BR/1BA	4	60%	705	\$915	\$92	\$1,007
2BR/2BA	33	60%	956	\$1,090	\$120	\$1,210
3BR/2BA	11	60%	1,183	\$1,255	\$144	\$1,399
Subtotal/Avg	48			\$1,113	\$124	\$1,237
Grand Total	160					

(1) Contract rents include trash collection.

Source: 288 Lofts, LP

Table 2 2021 Tax Credit Income and Tax Credit Limits

HUD 2021 Median Household Income										
Richmond, VA MSA \$90,000										
Very Low Income for 4 Person Household \$45,000										
2021 Computed Area Median Gross Income \$90,000										
Utility Allowance:										
1 Bedroom \$92										
2 Bedroom \$120										
3 Bedroom \$144										
Household Income Limits by Household Size:										
Household Size	30%	40%	50%	60%	70%	80%	120%	150%	200%	
1 Person	\$18,900	\$25,200	\$31,500	\$37,800	\$44,100	\$50,400	\$75,600	\$94,500	\$126,000	
2 Persons	\$21,600	\$28,800	\$36,000	\$43,200	\$50,400	\$57,600	\$86,400	\$108,000	\$144,000	
3 Persons	\$24,300	\$32,400	\$40,500	\$48,600	\$56,700	\$64,800	\$97,200	\$121,500	\$162,000	
4 Persons	\$27,000	\$36,000	\$45,000	\$54,000	\$63,000	\$72,000	\$108,000	\$135,000	\$180,000	
5 Persons	\$29,160	\$38,880	\$48,600	\$58,320	\$68,040	\$77,760	\$116,640	\$145,800	\$194,400	
Imputed Income Limits by Number of Bedroom (Assuming 1.5 persons per bedroom):										
Persons	# Bed-rooms	30%	40%	50%	60%	70%	80%	120%	150%	200%
1	0	\$18,900	\$25,200	\$31,500	\$37,800	\$44,100	\$50,400	\$75,600	\$94,500	\$126,000
1.5	1	\$20,250	\$27,000	\$33,750	\$40,500	\$47,250	\$54,000	\$81,000	\$101,250	\$135,000
3	2	\$24,300	\$32,400	\$40,500	\$48,600	\$56,700	\$64,800	\$97,200	\$121,500	\$162,000
4.5	3	\$28,080	\$37,440	\$46,800	\$56,160	\$65,520	\$74,880	\$112,320	\$140,400	\$187,200
LIHTC Tenant Rent Limits by Number of Bedrooms (assumes 1.5 persons per bedroom):										
# Persons	30%		50%		60%		70%		80%	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
1 Bedroom	\$506	\$414	\$843	\$751	\$1,012	\$920	\$1,181	\$1,089	\$1,350	\$1,258
2 Bedroom	\$607	\$487	\$1,012	\$892	\$1,215	\$1,095	\$1,417	\$1,297	\$1,620	\$1,500
3 Bedroom	\$702	\$558	\$1,170	\$1,026	\$1,404	\$1,260	\$1,638	\$1,494	\$1,872	\$1,728

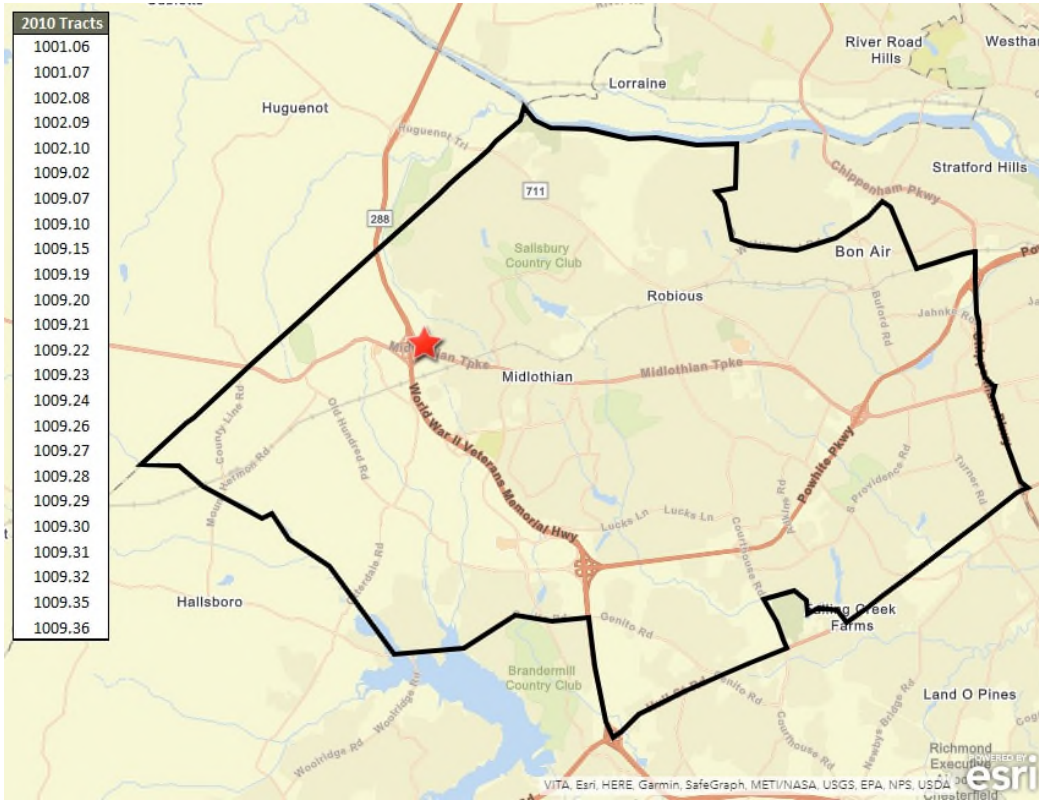
Source: U.S. Department of Housing and Urban Development

Primary Market Area

The subject property is located at the intersection of Wylderose Avenue and Creekwillow Drive in Midlothian, Virginia. For the purposes of this analysis, RPRG defined the primary market area as the census tracts in Chesterfield County (Map 1). The market area comprises portions of Chesterfield County to the west of the city of Richmond. Most of the population and households in the market area are located in the Midlothian area of Chesterfield County with portions of the market area extending east into the Bon Air District.



Map 1 Primary Market Area



Demographics

Based on the most recent data developed by the national data service Esri, the market consists of 45,024 households as of 2021, 34 percent of Chesterfield County (Table 3). The market area grew at an average rate of 552 households a year over the past 11 years, slower than the growth recorded in the previous decade. Over the next five years, growth is projected to continue at the same pace with an increase of 554 households a year. As of 2026, the market will support 47,793 households.

Table 3 Population and Household Trends

		Chesterfield County				288 Lofts Market Area				
Population	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	259,903					87,726				
2010	316,236	56,333	21.7%	5,633	2.0%	102,145	14,419	16.4%	1,442	1.5%
2021	363,893	47,657	15.1%	4,332	1.3%	117,480	15,335	15.0%	1,394	1.3%
2026	385,898	22,005	6.0%	4,401	1.2%	124,572	7,092	6.0%	1,418	1.2%
Households	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	93,772					32,201				
2010	115,680	21,908	23.4%	2,191	2.1%	38,951	6,750	21.0%	675	1.9%
2021	133,299	17,619	15.2%	1,602	1.3%	45,024	6,073	15.6%	552	1.3%
2026	141,431	8,132	6.1%	1,626	1.2%	47,793	2,769	6.2%	554	1.2%

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



The market is predominantly a homeowner market within a homeowner county. As of 2021, 20.5 percent of market area households rented their home, comparable to the 20.8 percent rentership rate in the County overall (Table 4). The market area rentership rate is projected to increase to 21.1 percent by 2026. We note that the recently released Esri data significantly deemphasizes recent and future rental growth across the board in all their projections, contrary to trends evident in the market. However, for this exercise, we have accepted these radically conservative estimates and projections.

Table 4 Households by Tenure 2000 to 2026

Chesterfield County	2000		2010		2021		2026	
Housing Units	#	%	#	%	#	%	#	%
Owner Occupied	75,874	80.9%	89,603	77.5%	105,535	79.2%	111,609	78.9%
Renter Occupied	17,898	19.1%	26,077	22.5%	27,764	20.8%	29,822	21.1%
Total Occupied	93,772	100%	115,680	100%	133,299	100%	141,431	100%
Total Vacant	3,935		6,875		6,769		7,120	
TOTAL UNITS	97,707		122,555		140,068		148,551	

288 Lofts Market Area	2000		2010		2021		2026	
Housing Units	#	%	#	%	#	%	#	%
Owner Occupied	26,782	83.2%	30,974	79.5%	35,783	79.5%	37,727	78.9%
Renter Occupied	5,419	16.8%	7,977	20.5%	9,241	20.5%	10,066	21.1%
Total Occupied	32,201	100.0%	38,951	100.0%	45,024	100.0%	47,793	100.0%
Total Vacant	1,127		2,227		2,409		2,518	
TOTAL UNITS	33,328		41,178		47,433		50,311	

Source: 2000 Census; 2010 Census; Esri; RPRG, Inc.

The 2021 median income for the 288 Lofts Market Area is \$92,366, 10 percent higher than the countywide median of \$83,046 (Table 5). The median income for renter households in the market is \$65,637, 64 percent of the median owner household income of \$102,482 (Table 6).

Table 5 Household Income

Estimated 2021 Household Income	Chesterfield County		288 Lofts Market Area	
	#	%	#	%
less than \$15,000	6,168	4.6%	1,661	3.7%
\$15,000 \$24,999	6,780	5.1%	1,848	4.1%
\$25,000 \$34,999	10,898	8.2%	3,252	7.2%
\$35,000 \$49,999	12,624	9.5%	3,871	8.6%
\$50,000 \$74,999	24,619	18.5%	8,158	18.1%
\$75,000 \$99,999	17,276	13.0%	5,358	11.9%
\$100,000 \$149,999	30,321	22.7%	10,335	23.0%
\$150,000 Over	24,613	18.5%	10,541	23.4%
Total	133,299	100%	45,024	100%
Median Income	\$83,046		\$92,366	

Source: Esri; Real Property Research Group, Inc.

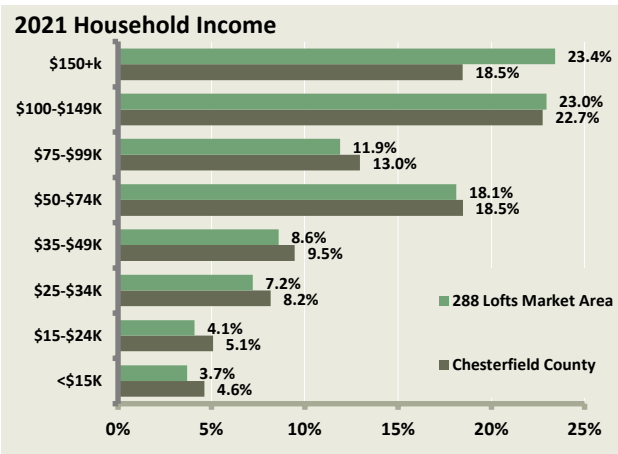
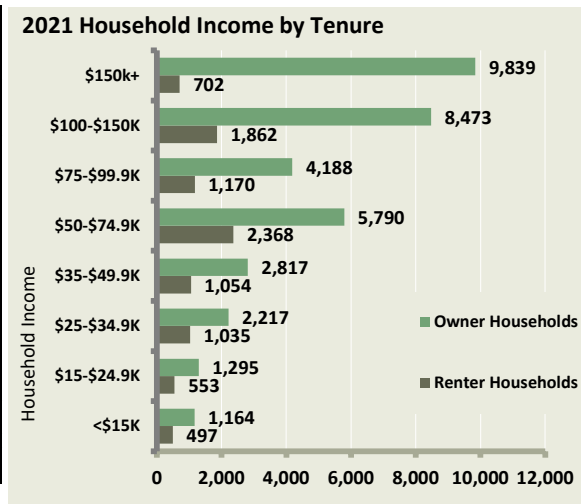




Table 6 Household Income by Tenure

Estimated 2021 HH Income		Renter Households		Owner Households	
288 Lofts Market Area		#	%	#	%
less than \$15,000		497	5.4%	1,164	3.3%
\$15,000 - \$24,999		553	6.0%	1,295	3.6%
\$25,000 - \$34,999		1,035	11.2%	2,217	6.2%
\$35,000 - \$49,999		1,054	11.4%	2,817	7.9%
\$50,000 - \$74,999		2,368	25.6%	5,790	16.2%
\$75,000 - \$99,999		1,170	12.7%	4,188	11.7%
\$100,000 - \$149,999		1,862	20.1%	8,473	23.7%
\$150,000 over		702	7.6%	9,839	27.5%
Total		9,241	100%	35,783	100%
Median Income		\$65,637		\$102,484	

Source: American Community Survey 2015-2019 Estimates, RPRG, Inc.



Rent burden data from the 2015-2019 ACS indicates that one-quarter (26.6 percent) of all renter households residing in the 288 Lofts Market Area have rent burdens of 40 percent or higher (Table 7).

Table 7 Rent Burden by Household Income

Rent Cost Burden		
Total Households	#	%
Less than 10.0 percent	399	4.3%
10.0 to 14.9 percent	687	7.4%
15.0 to 19.9 percent	1,350	14.6%
20.0 to 24.9 percent	1,450	15.7%
25.0 to 29.9 percent	989	10.7%
30.0 to 34.9 percent	922	10.0%
35.0 to 39.9 percent	681	7.4%
40.0 to 49.9 percent	599	6.5%
50.0 percent or more	1,754	19.0%
Not computed	400	4.3%
Total	9,231	100.0%
> 35% income on rent	3,034	34.4%
> 40% income on rent	2,353	26.6%

Source: American Community Survey 2015-2019

Substandardness	
Total Households	
Owner occupied:	
Complete plumbing facilities:	32,268
1.00 or less occupants per room	32,048
1.01 or more occupants per room	220
Lacking complete plumbing facilities:	86
Overcrowded or lacking plumbing	306
Renter occupied:	
Complete plumbing facilities:	9,222
1.00 or less occupants per room	8,940
1.01 or more occupants per room	282
Lacking complete plumbing facilities:	9
Overcrowded or lacking plumbing	291
Substandard Housing	597
% Total Stock Substandard	1.4%
% Rental Stock Substandard	3.2%

Derivation of Market Rent

To better understand how the proposed contract rents for 288 Lofts compare with the surveyed rental market, the contract rents of comparable communities can be adjusted for differences in a variety of factors including curb appeal, structure age, square footage, the handling of utilities, and shared amenities. Market-rate communities are the most desirable comparables to be used in this type of analysis, as the use of market-rate communities allows RPRG to derive an estimate of market rent.

The purpose of this exercise is to determine whether the proposed LIHTC rents for the subject offer a value relative to market-rate rent levels within a given market area. The rent derived for bedroom type is not to be confused with an appraisal or rent comparability study (RCS) based approach, which is more specific as it compares specific models in comparable rental communities to specific floor



plans at the subject and is used for income/expense analysis and valuation. The assumptions used in the calculations are shown in Table 8.

We elected to compare the units at the subject to the comparable floor plans at Park at Salisbury, Abberly at Centerpointe, and Colony at Centerpointe. Once a particular floor plan's market rent has been determined, it can be used to evaluate a.) whether or not the subject project has a rent advantage or disadvantage versus competing communities, and b.) the extent of that rent advantage or disadvantage.

Table 8 Market Rent Advantage – Adjustment Table

Rent Adjustments Summary	
B. Design, Location, Condition	
Structure / Stories	\$25.00
Year Built / Condition	\$0.75
Quality/Street Appeal	\$20.00
Location	\$20.00
C. Unit Equipment / Amenities	
Number of Bedrooms	\$100.00
Number of Bathrooms	\$30.00
Unit Interior Square Feet	\$0.25
Balcony / Patio / Porch	\$5.00
AC Type:	\$5.00
Range / Refrigerator	\$25.00
Microwave / Dishwasher	\$5.00
Washer / Dryer: In Unit	\$25.00
Washer / Dryer: Hook-ups	\$5.00
D. Site Equipment / Amenities	
Parking	
Pool	\$15.00
Multipurpose/Community Roo	\$10.00
Recreation Areas	\$10.00
Business/Computer Center	\$5.00
Fitness Center	\$10.00

The derivation of achievable rent calculations for the 60 percent of AMI units are displayed in Table 9, Table 10 and Table 11. After adjustments, the estimated market rent for a one-bedroom unit is \$1,544, providing the subject's 60 percent of AMI one bedroom units with a market advantage of 40.7 percent. The estimated market rent for two bedroom unit is \$1,816, resulting in the subject's 60 percent of AMI units having a 40 percent rent advantage. The estimated market rent for three-bedroom unit is \$2,273, resulting in the subject's 60 percent of AMI units having a 44.8 percent rent advantage.

Overall, market rent advantages among all subject floorplans and income targets range from 39 percent for the 70/80 percent AMI two bedroom units to 75.7 percent for three bedroom 30 percent AMI units (Table 12). Rent advantages have increased dramatically as market rents have escalated at some communities by \$200 to \$300 a month since we conducted this analysis a year ago.



Table 9 Market Rent Analysis – One Bedroom Units

One Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
288 Lofts Wylderose Avenue Midlothian, Chesterfield County, VA	Park at Salisbury		Abberly at Centerpointe		Colony at Centerpointe		
	401 Lancaster Gate Dr		1900 Abberly Cir		14400 Palladium Dr		
	Chesterfield	VA	Chesterfield	VA	Chesterfield	VA	
Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	
Street Rent- 60% AMI	\$915	\$1,614	\$0	\$1,610	\$0	\$1,452	\$0
Utilities Included	T	T	\$0	T	\$0	None	\$10
Rent Concessions		None	\$0	None	\$0	None	\$0
Effective Rent	\$915	\$1,614		\$1,610		\$1,462	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Mid-Rise/4	Garden/3	\$25	Mid-Rise/4	\$0	Garden/3	\$25
Year Built / Condition	2023	2004	\$14	2019	\$3	2015	\$6
Quality/Street Appeal	Excellent	Excellent	\$0	Excellent	\$0	Excellent	\$0
Location	Above Average	Above Average	\$0	Above Average	\$0	Above Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	1	1	\$0	1	\$0	1	\$0
Number of Bathrooms	1	1	\$0	1	\$0	1	\$0
Unit Interior Square Feet	705	775	(\$18)	784	(\$20)	860	(\$39)
Balcony / Patio / Porch	Yes	No	\$5	Yes	\$0	Yes	\$0
AC Type:	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Washer / Dryer: In Unit	No	Yes	(\$25)	Yes	(\$25)	Yes	(\$25)
Washer / Dryer: Hook-ups	Yes	No	\$5	No	\$5	No	\$5
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking	Surface	Surface	\$0	Surface	\$0	Surface	\$0
Multipurpose/Community Roo	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Swimming Pool	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Business/Computer Center	Yes	Yes	\$0	No	\$5	Yes	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		4	2	3	2	3	2
Sum of Adjustments B to D		\$49	(\$43)	\$13	(\$45)	\$36	(\$64)
F. Total Summary							
<i>Gross Total Adjustment</i>		\$92		\$58		\$100	
<i>Net Total Adjustment</i>		\$6		(\$32)		(\$28)	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,620		\$1,578		\$1,434	
% of Effective Rent		100.4%		98.0%		98.1%	
Estimated Market Rent		\$1,544					
Rent Advantage \$		\$629					
Rent Advantage %		40.7%					

**Table 10 Market Rent Analysis – Two Bedroom Units**

Two Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
288 Lofts Wylderose Avenue Midlothian, Chesterfield County, VA	Park at Salisbury		Abberly at Centerpointe		Colony at Centerpointe		
	401 Lancaster Gate Dr		1900 Abberly Cir		14400 Palladium Dr		
	Chesterfield	VA	Chesterfield	VA	Chesterfield	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent- 60% AMI	\$1,090	\$1,824	\$0	\$1,916	\$0	\$1,703	\$0
Utilities Included	T	T	\$0	T	\$0	None	\$10
Rent Concessions	\$0	None	\$0	None	\$0	None	\$0
Effective Rent	\$1,090	\$1,824		\$1,916		\$1,713	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Mid-Rise/4	Garden/3	\$25	Mid-Rise/4	\$0	Garden/3	\$25
Year Built / Condition	2023	2004	\$14	2019	\$3	2015	\$6
Quality/Street Appeal	Excellent	Excellent	\$0	Excellent	\$0	Excellent	\$0
Location	Above Average	Above Average	\$0	Above Average	\$0	Above Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	2	2	\$0	2	\$0	2	\$0
Number of Bathrooms	2	1	\$30	2	\$0	2	\$0
Unit Interior Square Feet	955	940	\$4	956	\$0	1,205	(\$63)
Balcony / Patio / Porch	Yes	No	\$5	Yes	\$0	Yes	\$0
AC: (C)entral / (W)all / (N)one	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Washer / Dryer: In Unit	No	Yes	(\$25)	Yes	(\$25)	Yes	(\$25)
Washer / Dryer: Hook-ups	Yes	No	\$5	No	\$5	No	\$5
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking	Surface	Surface	\$0	Surface	\$0	Surface	\$0
Multipurpose/Community Roo	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Swimming Pool	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Business/Computer Center	Yes	Yes	\$0	No	\$5	Yes	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		6	1	3	1	3	2
Sum of Adjustments B to D		\$83	(\$25)	\$13	(\$25)	\$36	(\$88)
F. Total Summary							
Gross Total Adjustment		\$108		\$38		\$124	
Net Total Adjustment		\$58		(\$12)		(\$52)	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,882		\$1,904		\$1,661	
% of Effective Rent		103.2%		99.4%		97.0%	
Estimated Market Rent	\$1,816						
Rent Advantage \$	\$726						
Rent Advantage %	40.0%						

**Table 11 Market Rent Analysis – Three Bedroom Units**

Three Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
288 Lofts Wylderose Avenue Midlothian, Chesterfield County, VA	Park at Salisbury		Abberly at Centerpointe		Colony at Centerpointe		
	401 Lancaster Gate Dr		1900 Abberly Cir		14400 Palladium Dr		
	Chesterfield	VA	Chesterfield	VA	Chesterfield	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent- 60% AMI	\$1,255	\$2,234	\$0	\$2,396	\$0	\$2,297	\$0
Utilities Included	T	T	\$0	T	\$0	None	\$10
Rent Concessions	\$0	None	\$0	None	\$0	None	\$0
Effective Rent	\$1,255	\$2,234		\$2,396		\$2,307	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Mid-Rise/4	Garden/3	\$25	Mid-Rise/4	\$0	Garden/3	\$25
Year Built / Condition	2023	2004	\$14	2019	\$3	2015	\$6
Quality/Street Appeal	Excellent	Excellent	\$0	Excellent	\$0	Excellent	\$0
Location	Above Average	Above Average	\$0	Above Average	\$0	Above Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	3	3	\$0	3	\$0	3	\$0
Number of Bathrooms	2	2	\$0	2	\$0	2	\$0
Unit Interior Square Feet	1,167	1,240	(\$18)	1,347	(\$45)	1,482	(\$79)
Balcony / Patio / Porch	Yes	No	\$5	Yes	\$0	Yes	\$0
AC: (C)entral / (W)all / (N)one	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Washer / Dryer: In Unit	No	Yes	(\$25)	Yes	(\$25)	Yes	(\$25)
Washer / Dryer: Hook-ups	Yes	No	\$5	No	\$5	No	\$5
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking	Surface	Surface	\$0	Surface	\$0	Surface	\$0
Multipurpose/Community Ro	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Swimming Pool	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Business/Computer Center	Yes	Yes	\$0	No	\$5	Yes	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		4	2	3	2	3	2
Sum of Adjustments B to D		\$49	(\$43)	\$13	(\$70)	\$36	(\$104)
F. Total Summary							
Gross Total Adjustment		\$92		\$83		\$140	
Net Total Adjustment		\$6		(\$57)		(\$68)	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$2,240		\$2,339		\$2,239	
% of Effective Rent		100.3%		97.6%		97.1%	
Estimated Market Rent	\$2,273						
Rent Advantage \$	\$1,018						
Rent Advantage %	44.8%						

**Table 12 Market Rent Advantage - Summary**

	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
30% AMI Units			
Subject Rent	\$409	\$482	\$553
Estimated Market Rent	\$1,544	\$1,816	\$2,273
Rent Advantage (\$)	\$1,135	\$1,334	\$1,720
Rent Advantage (%)	73.5%	73.5%	75.7%
	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
50% AMI Units			
Subject Rent	\$746	\$887	\$1,021
Estimated Market Rent	\$1,544	\$1,816	\$2,273
Rent Advantage (\$)	\$798	\$929	\$1,252
Rent Advantage (%)	51.7%	51.1%	55.1%
	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
60% AMI Units			
Subject Rent	\$915	\$1,090	\$1,255
Estimated Market Rent	\$1,544	\$1,816	\$2,273
Rent Advantage (\$)	\$629	\$726	\$1,018
Rent Advantage (%)	40.7%	40.0%	44.8%
	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
70/80% AMI Units			
Subject Rent	\$920	\$1,095	\$1,260
Estimated Market Rent	\$1,544	\$1,816	\$2,273
Rent Advantage (\$)	\$624	\$721	\$1,013
Rent Advantage (%)	40.4%	39.7%	44.6%

Achievable Restricted Rents

The market rent derived above is an estimate of what a willing landlord might reasonably expect to receive, and a willing tenant might reasonably expect to pay for a unit at the subject. However, as a tax credit community, the maximum rent that a project owner can charge for a low-income unit is a gross rent based on bedroom size and applicable HUD's median household income for the subject area. If these LIHTC maximum gross/net rents are below the market rent (adjusted downward by ten percent), then the maximum rents also function as the achievable rents for each unit type and income band. Conversely, if the adjusted market rents are below the LIHTC maximum rents, then the adjusted market rents (less ten percent) act as the achievable rents. Therefore, achievable rents are the lower of the market rent or maximum LIHTC rent.

As shown in Table 13, the maximum LIHTC rents for all units are well below estimated adjusted market rents. Therefore, the maximum LIHTC rents are the achievable rents for these units. All proposed LIHTC rents for the subject are below the achievable rents.

**Table 13 Achievable Tax Credit Rent**

	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
30% AMI Units			
Estimated Market Rent	\$1,544	\$1,816	\$2,273
Less 10%	\$1,390	\$1,634	\$2,045
Maximum LIHTC Rent	\$414	\$487	\$558
Achievable Rent	\$414	\$487	\$558
SUBJECT RENT	\$409	\$482	\$553
	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
50% AMI Units			
Estimated Market Rent	\$1,544	\$1,816	\$2,273
Less 10%	\$1,390	\$1,634	\$2,045
Maximum LIHTC Rent	\$751	\$892	\$1,026
Achievable Rent	\$751	\$892	\$1,026
SUBJECT RENT	\$746	\$887	\$1,021
	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
60% AMI Units			
Estimated Market Rent	\$1,544	\$1,816	\$2,273
Less 10%	\$1,390	\$1,634	\$2,045
Maximum LIHTC Rent	\$920	\$1,095	\$1,260
Achievable Rent	\$1,095	\$1,095	\$1,260
SUBJECT RENT	\$915	\$1,090	\$1,255
	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
70% AMI Units			
Estimated Market Rent	\$1,544	\$1,816	\$2,273
Less 10%	\$1,390	\$1,634	\$2,045
Maximum LIHTC Rent	\$1,089	\$1,297	\$1,494
Achievable Rent	\$1,089	\$1,297	\$1,494
SUBJECT RENT	\$920	\$1,095	\$1,260
	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
80% AMI Units			
Estimated Market Rent	\$1,544	\$1,816	\$2,273
Less 10%	\$1,390	\$1,634	\$2,045
Maximum LIHTC Rent	\$1,258	\$1,500	\$1,728
Achievable Rent	\$1,258	\$1,500	\$1,728
SUBJECT RENT	\$920	\$1,095	\$1,260

Effective Demand – Affordability and VHDA Capture Rate Analyses

To update the VHDA capture rate analysis, we conduct an affordability analysis of the entire 160 unit project including both the 9 percent and 4 percent components. We then use this affordability analysis in the VHDA demand model.

The Affordability/Capture Analysis tests the percentage of income-qualified households in the primary market area that the subject community must capture to achieve full occupancy. Table 14 presents the total income distribution and renter income distribution among 288 Lofts Market Area households for 2023, the year the developer projects that units at 288 Lofts will be placed in service.

Table 14 2023 Total and Renter Income Distribution, 288 Lofts Market Area

288 Lofts Market Area		Total Households		Renter Households	
		#	%	#	%
less than	\$15,000	1,606	3.5%	493	5.2%
	\$15,000	1,801	3.9%	553	5.8%
	\$25,000	3,214	7.0%	1,049	11.0%
	\$35,000	3,832	8.3%	1,071	11.2%
	\$50,000	8,119	17.6%	2,418	25.3%
	\$75,000	5,483	11.9%	1,229	12.8%
	\$100,000	10,706	23.2%	1,978	20.7%
	\$150,000	4,836	10.5%	420	4.4%
	\$200,000	6,536	14.2%	358	3.7%
	over				
Total		46,132	100%	9,568	100%
Median Income		\$95,494		\$66,735	

Source: American Community Survey 2015-2019 Projections, RPRG, Inc.

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

The subject will include a broad range of target incomes with units restricted to households with incomes at 30, 50, 60, 70 and 80 percent of AMI. The household sizes assume 1.5 persons per bedroom for the one-, two-, and three-bedroom units. Assuming a 35 percent rent burden as mandated by VHDA, we compute the capture rate for each bedroom type, income target and overall community (Table 15). Capture rates by AMI level range from 0.5 percent to 2.9 percent. Overall, the capture rate required to lease up the entire 160 unit community is 3.2 percent.

The Virginia Housing Development Authority (VHDA) mandates a particular demand methodology in evaluating applications for Low-Income Housing Tax Credits. VHDA opts for a need-driven demand methodology which factors the topics of cost-burdened renters and substandard rental housing into the demand equation. In this section, RPRG calculates demand for 288 Lofts Market Area according to the VHDA methodology. VHDA’s demand methodology for general occupancy LIHTC projects such as the subject accounts for three primary components of potential need/demand: Household Growth or Decline; Cost Burdened Renters; Renter Households in Substandard Housing.

Table 16 outlines the detailed VHDA demand calculations for 288 Lofts that stem from the three relevant demand components. Total demand available for the 160-unit proposed affordable project is expected to include 177 net new renter households, 1,276 cost-burdened households, and 151 households currently residing in substandard housing. The calculation thus yields a total demand for 1,604 additional units of rental housing serving the targeted income bands.



Table 15 2023 Affordability Analysis for 288 Lofts Assuming 35% Rent Burden

30% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		4		4		4	
Net Rent		\$409		\$482		\$553	
Gross Rent		\$501		\$602		\$697	
Income Range (Min, Max)		\$17,177	\$20,250	\$20,640	\$24,300	\$23,897	\$28,080
Renter Households							
Range of Qualified Hhlds		8,954	8,785	8,763	8,561	8,583	8,199
# Qualified Hhlds		170		202		384	
Renter HH Capture Rate		2.4%		2.0%		1.0%	

50% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		6		30		8	
Net Rent		\$746		\$887		\$1,021	
Gross Rent		\$838		\$1,007		\$1,165	
Income Range (Min, Max)		\$28,731	\$33,750	\$34,526	\$40,500	\$39,943	\$46,800
Renter Households							
Range of Qualified Hhlds		8,131	7,604	7,523	7,080	7,120	6,631
# Qualified Hhlds		526		442		489	
Renter HH Capture Rate		1.1%		6.8%		1.6%	

60% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		4		33		11	
Net Rent		\$915		\$1,090		\$1,255	
Gross Rent		\$1,007		\$1,210		\$1,399	
Income Range (Min, Max)		\$34,526	\$40,500	\$41,486	\$48,600	\$47,966	\$56,160
Renter Households							
Range of Qualified Hhlds		7,523	7,080	7,010	6,502	6,547	5,807
# Qualified Households		442		508		741	
Renter HH Capture Rate		0.9%		6.5%		1.5%	

70% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		6		24		8	
Net Rent		\$920		\$1,095		\$1,260	
Gross Rent		\$1,012		\$1,215		\$1,404	
Income Range (Min, Max)		\$34,697	\$47,250	\$41,657	\$56,700	\$48,137	\$65,520
Renter Households							
Range of Qualified Hhlds		7,505	6,599	6,998	5,754	6,535	4,901
# Qualified Households		906		1,243		1,634	
Renter HH Capture Rate		0.7%		1.9%		0.5%	

80% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		4		9		5	
Net Rent		\$920		\$1,095		\$1,260	
Gross Rent		\$1,012		\$1,215		\$1,404	
Income Range (Min, Max)		\$34,697	\$54,000	\$41,657	\$64,800	\$48,137	\$74,880
Renter Households							
Range of Qualified Hhlds		7,505	6,015	6,998	4,971	6,535	3,996
# Qualified Households		1,489		2,027		2,539	
Renter HH Capture Rate		0.3%		0.4%		0.2%	

Income Target	# Units	Renter Households = 9,568				
		Band of Qualified Hhlds		# Qualified HHs	Capture Rate	
30% AMI	12	Income Households	\$17,177	\$28,080	756	1.6%
50% AMI	44	Income Households	\$28,731	\$46,800	1,500	2.9%
60% AMI	48	Income Households	\$34,526	\$56,160	1,716	2.8%
70% AMI	38	Income Households	\$34,697	\$65,520	2,603	1.5%
80% AMI	18	Income Households	\$34,697	\$74,880	3,509	0.5%
LIHTC Units	160	Income Households	\$17,177	\$74,880	4,958	3.2%

Source: Income Projections, RPRG, Inc.

**Table 16 VHDA Demand by Overall Income Targeting**

<i>Income Target</i>	30% AMI	50% AMI	60% AMI	70% AMI	80% AMI	LIHTC Units
<i>Minimum Income Limit</i>	\$17,177	\$28,731	\$34,697	\$34,697	\$34,697	\$17,177
<i>Maximum Income Limit</i>	\$28,080	\$46,800	\$56,160	\$65,520	\$74,880	\$74,880
(A) Renter Income Qualification Percentage	7.9%	15.7%	17.9%	27.2%	36.7%	51.8%
Demand from New Renter Households - <i>Calculation (C-B)*F*A</i>	27	53	61	93	125	177
+ Demand from Rent Overburdened HHs - <i>Calculation: B*E*F*A</i>	194	386	442	670	903	1,276
+ Demand from Substandard Housing - <i>Calculation B*D*F*A</i>	23	46	52	79	107	151
Total Income Qualified Renter Demand	244	485	555	842	1,135	1,604
Less: Comparable Vacant Units	0	0	3	0	0	3
Less: Comparable Pipeline Units	0	0	0	0	0	0
Net Demand	244	485	552	842	1,135	1,601
Subject Proposed Units	12	44	48	38	18	160
Capture Rate	4.9%	9.1%	8.7%	4.5%	1.6%	10.0%
Estimated Absorption Period						

Demand Calculation Inputs	
A). % of Renter HHlds with Qualifying Income	see above
B). 2021 Households	45,024
C). 2024 Households	46,685
D). Substandard Housing (% of Rental Stock)	3.2%
E). Rent Overburdened (% of Renter HHlds at >40%)	26.6%
F). Renter Percentage (% of all 2021 HHlds)	20.5%

Comparable units that are presently available or that would likely be available constitute supply that must be subtracted from total VHDA demand to arrive at VHDA net demand. Assuming vacancy levels from our January 2021 competitive survey, three 60 percent AMI units were reported vacant in the comparable rental supply. There have been no comparable near term pipeline units proposed in the market area. Subtracting the vacant existing and pipeline units, VHDA net demand totals 1,601 units.

Given net demand for 1,601 units, the 160-unit 288 Lofts would need to capture 10 percent of income-qualified renter households per VHDA's demand methodology. The 30 percent AMI units would need to capture 4.9 percent of all income-qualified renter households; the 50 percent AMI units would need to capture 9.1 percent of all income-qualified renter households; the 60 percent AMI units would need to capture 8.7 percent of all income-qualified renter households; the 70 percent AMI units would need to capture 4.5 percent of all income-qualified renter households; and the 80 percent AMI units would need to capture 1.6 percent of all income-qualified renter households.

Conclusions

As currently configured, 288 Lofts continues to enjoy a competitive advantage in the marketplace with a market rent advantages among all subject floorplans and income targets ranging from 39 percent for the 70/80 percent AMI two bedroom units to 75.6 percent for three bedroom 30 percent AMI units. Rent advantages have increased dramatically as market rents have escalated at some communities by \$200 to \$300 a month since we conducted this analysis a year ago. The affordability analysis and VHDA demand analysis demonstrate low capture rates, illustrating significant demand for affordable housing in this market.



APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

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

1. There are no zoning, building, safety, environmental or other federal, state or local laws, regulations or codes which would prohibit or impair the development, marketing or operation of the subject project in the manner contemplated in our report, and the subject project will be developed, marketed and operated in compliance with all applicable laws, regulations and codes.
2. No material changes will occur in (a) any federal, state or local law, regulation or code (including, without limitation, the Internal Revenue Code) affecting the subject project, or (b) any federal, state or local grant, financing or other program which is to be utilized in connection with the subject project.
3. The local, national and international economies will not deteriorate, and there will be no significant changes in interest rates or in rates of inflation or deflation.
4. The subject project will be served by adequate transportation, utilities and governmental facilities.
5. The subject project will not be subjected to any war, energy crisis, embargo, strike, earthquake, flood, fire or other casualty or act of God.
6. The subject project will be on the market at the time and with the product anticipated in our report, and at the price position specified in our report.
7. The subject project will be developed, marketed and operated in a highly professional manner.
8. No projects will be developed which will be in competition with the subject project, except as set forth in our report.
9. There are neither existing judgments nor any pending or threatened litigation, which could hinder the development, marketing or operation of the subject project.

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

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



APPENDIX 2 Market Rate Rental Profiles

Abberly at Centerpointe

Multifamily Community Profile

1900 Abberly Circle
Midlothian, VA 23114

CommunityType: Market Rate - General

Structure Type: 4-Story Mid Rise

271 Units 1.8% Vacant (5 units vacant) as of 7/27/2021

Opened in 2019



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	43.5%	\$1,626	754	\$2.16	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	53.5%	\$1,936	1,102	\$1.76	Elevator: <input checked="" type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	3.0%	\$2,421	1,347	\$1.80	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; HighCeilings; Carpet / Vinyl/Linoleum	
Select Units: --	
Optional(\$): --	
Security: Fence; Gated Entry	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$175
Property Manager: H H Hunt Owner: --	

Comments

Opened: 3/31/19 & Leased up in April 2021. Rents include Smart Home & Valet Trash.
Granite counters, black appli, 2" blinds, island, wood-plank flooring, and oversized garden tub.
Dog park, pet spa, outdoor fireplace/kitchen, billiards, demo kitchen in clubhouse, car charging stations.

Floorplans (Published Rents as of 7/27/2021) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Mid Rise - Elevator	--	1	1	16	\$1,550	684	\$2.27	Market	7/27/21	1.8%	\$1,626	\$1,936	\$2,421
Mid Rise - Elevator	--	1	1	22	\$1,637	694	\$2.36	Market	1/20/21*	12.9%	\$1,248	\$1,469	\$2,021
Mid Rise - Elevator	--	1	1	80	\$1,616	784	\$2.06	Market	9/16/20*	28.8%	\$1,121	\$1,443	\$1,855
Mid Rise - Elevator	--	2	2	42	\$1,853	1,049	\$1.77	Market	1/14/20*	54.2%	\$1,199	\$1,500	\$1,908
Mid Rise - Elevator	--	2	2	7	\$1,893	1,053	\$1.80	Market	* Indicates initial lease-up.				
Mid Rise - Elevator	--	2	2	6	\$1,956	1,073	\$1.82	Market	Initial Absorption				
Mid Rise - Elevator	--	2	2	22	\$1,916	1,121	\$1.71	Market	Opened: 3/31/2019		Months: 25.0		
Mid Rise - Elevator	--	2	2.5	16	\$2,010	1,166	\$1.72	Market	Closed: 4/20/2021		10.8 units/month		
Mid Rise - Elevator	--	2	2	28	\$2,045	1,275	\$1.60	Market	Adjustments to Rent				
Mid Rise - Elevator	--	2	2	24	\$1,812	956	\$1.90	Market	Incentives: None				
Mid Rise - Elevator	--	3	2	8	\$2,396	1,347	\$1.78	Market	Utilities in Rent: Heat Fuel: Electric Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/> Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>				

Abberly at Centerpointe

VA041-030054

Colony at Centerpointe

Multifamily Community Profile

14400 Palladium Drive
Midlothian, VA 23114

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

255 Units 3.1% Vacant (8 units vacant) as of 7/27/2021

Opened in 2015



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	28.2%	\$1,477	860	\$1.72	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	57.6%	\$1,723	1,213	\$1.42	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	14.1%	\$2,322	1,482	\$1.57	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

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

Comments

SS appl, granite CT, breakfast bar, crown molding. 2nd bathroom has walk-in shower. Trash \$10 & Facility fee \$11.

Media & WiFi café, bocce ball court, dog park, bike repair, yoga studio, gas grills.

Opened 09/15; leased up 11/16. Absorp 18 units/mo. New mgmt 12/20/17, formerly Oxygen at Centerpointe.

Floorplans (Published Rents as of 7/27/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	72	\$1,452	860	\$1.69	Market	7/27/21	3.1%	\$1,477	\$1,723	\$2,322
Garden	--	2	2	49	\$1,681	1,208	\$1.39	Market	1/20/21	7.8%	\$1,469	\$1,893	\$3,202
Garden	--	2	2	49	\$1,699	1,210	\$1.40	Market	9/16/20	0.8%	\$1,301	\$1,514	\$2,046
Garden	--	2	2	49	\$1,699	1,220	\$1.39	Market	1/14/20	3.1%	\$1,176	\$1,286	\$1,645
Garden	--	3	2	36	\$2,287	1,482	\$1.54	Market	* Indicates initial lease-up.				
Initial Absorption										Opened: 9/24/2015 Months: 14.0			
										Closed: 11/14/2016 19.6 units/month			
Adjustments to Rent										Incentives:			
										Daily Pricing: None			
										Utilities in Rent: Heat Fuel: Electric			
										Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>			
										Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input type="checkbox"/>			

Colony at Centerpointe

VA041-021977

Park at Salisbury

Multifamily Community Profile

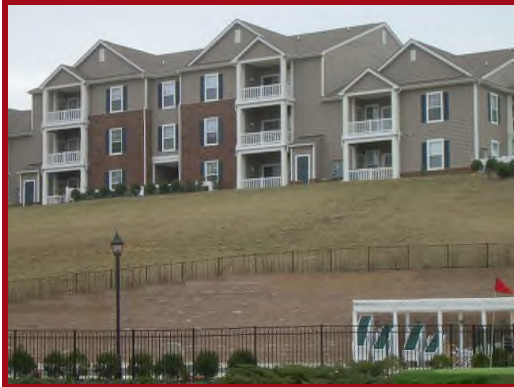
401 Lancaster Gate Dr
Midlothian, VA 22113

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

320 Units 0.3% Vacant (1 units vacant) as of 7/27/2021

Opened in 2004



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	18.8%	\$1,629	793	\$2.05	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	65.6%	\$1,844	1,066	\$1.73	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	15.6%	\$2,269	1,268	\$1.79	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; HighCeilings; Carpet / Vinyl/Linoleum	
Select Units: --	
Optional(\$): Fireplace (\$25.00)	
Security: Unit Alarms	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$150
Property Manager: Westminster Mgmt Owner: --	

Comments

Oversized tub standard in all MBAs. Black app, granite CT
Billiards room, grill area, dog park, bocce ball, corn hole, fishing pond, trails
No visibility from a major road.

Floorplans (Published Rents as of 7/27/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Andover / Garden	--	1	1	36	\$1,604	775	\$2.07	Market	7/27/21	0.3%	\$1,629	\$1,844	\$2,269
Andover Deluxe / Garden	--	1	1	24	\$1,630	821	\$1.98	Market	1/22/21	2.8%	\$1,403	\$1,567	\$1,933
Chelsea / Garden	--	2	2	170	\$1,833	1,075	\$1.70	Market	9/16/20	0.0%	\$1,368	\$1,533	\$1,659
Chelsea Sun / Garden	--	2	2	16	\$1,873	1,122	\$1.67	Market	1/8/20	4.7%	\$1,025	\$1,225	\$1,426
Banbury / Garden	--	2	1	12	\$1,740	940	\$1.85	Market					
Banbury Deluxe / Garden	--	2	1	12	\$1,718	985	\$1.74	Market					
Newbury / Garden	--	3	2	34	\$2,219	1,240	\$1.79	Market					
Newbury Deluxe / Garden	--	3	2	16	\$2,297	1,326	\$1.73	Market					

Adjustments to Rent

Incentives:
None

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

Park at Salisbury

VA041-010744



REAL PROPERTY **RESEARCH** GROUP

ATLANTA ■ WASHINGTON/BALTIMORE

Market Feasibility Analysis

288 Lofts

Midlothian, Chesterfield County, Virginia

Prepared for:

288 Lofts, L.P.

Effective Date: January 28, 2021

Site Inspection: January 22, 2021





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EXECUTIVE SUMMARY

288 Lofts, L.P. has retained Real Property Research Group, Inc. (RPRG) to conduct a market feasibility study for a proposed new construction multifamily rental community to be located along Wylderose Avenue in Midlothian, Virginia. The rental community is one of two phases of a combined affordable multifamily development totaling 160 rental units, all of which will be income-restricted in accordance with the Department of Housing and Urban Development's 2020 median household income for the Richmond, VA MSA (Table 1).

The subject, 288 Lofts Phase II, will consist of 48 general occupancy units (30 percent) to be financed with four percent Low Income Housing Tax Credits and tax-exempt bond financing. 288 Loft Phase I will include 112 general occupancy apartments (70 percent of total developed units) to be financed, in part, with equity raised from the sale of nine percent Low Income Housing Tax Credits. The project will be referenced as two phases but constructed simultaneously.

This report is intended to be submitted as part of an application for four percent tax-exempt bond financing for the 48 rental units planned for Phase II of 288 Lofts.

The following summarizes the subject's project's proposed unit distribution, average unit sizes, net rents, utility allowances, and income targeting:

Unit	Units	Income Level	Net Unit Size	Contract Rent (1)	Utility Allowance	Gross Rent
Phase I (9% LIHTC)						
1BR/1BA	4	30%	704	\$384	\$114	\$498
1BR/1BA	6	50%	704	\$703	\$114	\$817
1BR/1BA	6	70%	704	\$850	\$114	\$964
1BR/1BA	4	80%	704	\$850	\$114	\$964
2BR/2BA	4	30%	951	\$452	\$146	\$598
2BR/2BA	18	50%	951	\$836	\$146	\$982
2BR/2BA	12	50%	947	\$836	\$146	\$982
2BR/2BA	8	70%	956	\$990	\$146	\$1,136
2BR/2BA	16	70%	952	\$990	\$146	\$1,136
2BR/2BA	6	80%	947	\$990	\$146	\$1,136
2BR/2BA	3	80%	1,023	\$990	\$146	\$1,136
3BR/2BA	4	30%	1,167	\$511	\$181	\$692
3BR/2BA	8	50%	1,167	\$957	\$181	\$1,138
3BR/2BA	3	70%	1,163	\$1,185	\$181	\$1,366
3BR/2BA	5	70%	1,230	\$1,185	\$181	\$1,366
3BR/2BA	1	80%	1,167	\$1,185	\$181	\$1,366
3BR/2BA	1	80%	1,230	\$1,185	\$181	\$1,366
3BR/2BA	3	80%	1,199	\$1,185	\$181	\$1,366
Subtotal/Avg	112			\$883	\$148	\$1,031
Phase II (4% LIHTC)						
1BR/1BA	1	60%	705	\$871	\$114	\$985
2BR/2BA	39	60%	955	\$1,037	\$146	\$1,183
3BR/2BA	8	60%	1,167	\$1,190	\$181	\$1,371
Subtotal/Avg	48			\$1,059	\$152	\$1,211
Grand Total	160					

(1) Contract rents include trash collection.

Source: 288 Lofts, LP



Based on our research, including a site visit on January 22, 2021, we arrived at the following findings:

Site: The subject site is within an appealing residential neighborhood on the edge of a large business park and is convenient to major traffic arteries and neighborhood amenities serving the Midlothian area.

- The subject site is surrounded by a variety of residential and commercial land uses, including LIHTC and market rate apartment communities, single-family attached/detached homes, office buildings, and several undeveloped tracts.
- The site has adequate visibility and good accessibility along Wylderose Avenue at its intersection with Creekwillow Drive. Via Wylderose Avenue and subsequent access drives, the site has access to both US-60/Midlothian Turnpike and VA-288, two prominent transportation thoroughfares. Via these thoroughfares, the subject has good transportation facilitation to access a wide range of neighborhood amenities located within a few miles of the site.
- Numerous convenience and comparison retailers are within four miles of the subject site, including several grocery stores and big box retailers. The site also has prominent access to healthcare options and recreation facilities within Midlothian and neighboring jurisdictions, particularly Richmond.
- Schools zoned to the subject community are amongst the highest ranked in the Chesterfield County Public School district per recent average composite testing scores, and these schools outrank state averages.
- The subject site is appropriate for affordable multifamily rental housing.

Economic Analysis: Chesterfield County's unemployment rate has been historically low, and job growth has been strong over the past decade prior to a slight decline in 2019. Even with the onset of the COVID-19 outbreak, unemployment rates remained below national levels and have gradually improved since the initial months of the outbreak.

- The local labor force has expanded in each of the last ten years, from 168,602 workers in 2010 to 189,000 workers in 2019. Since peaking at 7.3 percent in 2010, the county's unemployment rate has fallen consistently to a very low 2.7 percent in 2019, just below the statewide rate (2.8 percent) and one percentage point below the national rate (3.7 percent). While the county unemployment rate increased substantially to 10.5 percent during April 2020 at the onset of the COVID-19 pandemic, the county rate remained lower than the state and nation and has since dramatically decreased to 4.2 percent as of November.
- The subject's market area is commuter-oriented with just 18.1 percent of 288 Lofts Market Area workers reporting average commute times of 15 minutes or less each way as of 2015-2019, while 43.2 percent commuted 15 to 29 minutes and 32.3 percent commuted 30 or more minutes.
- Chesterfield County's At-Place employment experienced a net increase of 29,907 jobs or 27.9 percent between 2010 and 2019. The county's At-Place Employment reached an all-time high of 138,427 jobs in 2018 before declining slightly in 2019. During the first half of 2020, the county's At-Place Employment decreased again by 6,333 jobs as a result of the COVID-19 pandemic, though declining unemployment figures through November 2020 suggest that many of these job losses were temporary furloughs and likely restored as business restrictions were eased.
- The Chesterfield County economy is diverse with especially prominent concentrations of employment in the Government, Trade-Transportation-Utilities, and Professional-Business



sectors. Combined, these sectors accounted for 55.1 percent of all employment as of the first half of 2020.

Demographic Analysis: The 288 Lofts Market Area had consistently steady household growth over the past two decades and is projected to continue growing at a similar pace over the next five years. The market area is an established suburban bedroom community that is predominantly an owner market, but has still supported a sizeable base of renter households.

- The 288 Lofts Market Area added a net of 5,937 households, representing growth of 15.2 percent, between 2010 and 2021. As of 2021, an estimated 44,888 households reside in the 288 Lofts Market Area. Based on Esri trends, RPRG projects that the market area will add households at an average net rate of 1.3 percent (614 households) per year between 2021 and 2026; this growth rate is the same annual growth percentage as the previous eleven-year period, but higher on a nominal basis.
- Households in the 288 Lofts Market Area have a similar propensity to rent compared to Chesterfield County. The 288 Lofts Market Area's renter percentage is 21.9 percent in 2021, and renters contributed 34.9 percent net household growth in the market area over the last eleven years. Esri projections indicate renter households will contribute 46.4 percent of net household growth over the next five years.
- Adults age 35 to 61 is by far the largest age category in the market area at 36 percent; meanwhile, 17 percent of 288 Lofts Market Area residents are Young Adults age 20 to 34 and 22 percent are Seniors age 62+. Multi-person households without children were the most common household type in the 288 Lofts Market Area at 41.6 percent, while single-person households were the least common at 22.2 percent. Thirty-eight percent of renter households had one person and 26 percent had two people, while another 26 percent had three or four people.
- The estimated 2021 median household income in the 288 Lofts Market Area is \$89,240 per year, 7.2 percent higher than the Chesterfield County overall median household income of \$83,239. The market area's median renter household earns \$58,184 per year. One quarter (25.6 percent) of the market area's renters have annual incomes below \$35,000, and 40.6 percent have incomes between \$35,000 and \$74,999.
- One quarter (26.6 percent) of all renter households residing in the 288 Lofts Market Area have rent burdens of 40 percent or higher; 34.4 percent have rent burdens of 35 percent or higher. Additionally, 3.2 percent of the rental housing stock within the market area can be considered substandard, i.e., lacking complete plumbing facilities, or overcrowded with more than 1.0 occupants per room.

Competitive Housing Analysis: Overall, the multi-family rental market in the 288 Lofts Market Area is healthy with low vacancy rates at stabilized communities and strong lease-up rates at newer communities. RPRG's survey of the tax credit rental communities indicate the affordable rental market in the 288 Lofts Market Area is tight, pointing to its ability to support the proposed subject apartments.

- Despite the introduction of eight new projects in the past five years, five of which opened in the last two years, the aggregate vacancy rate among the 21 stabilized properties was low at 2.6 percent. Upper Tier communities in the market area reported a slightly higher stabilized vacancy rate of 3.4 percent compared to 1.9 percent among Lower Tier properties. The two identified tax credit communities reported a slightly lower aggregate vacancy rate of 1.1 percent, with all three tax credit vacancies reported at one community.



- The effective rents for Upper Tier one-bedroom rents average \$1,263 (\$1.57 per square foot); two-bedroom rents average \$1,550 (\$1.38 per square foot); and three-bedroom rents average \$1,936 (\$1.45 per square foot).
- The effective rents for Lower Tier one-bedroom rents average \$1,059 (\$1.37 per square foot); two-bedroom rents average \$1,271 (\$1.26 per square foot); and three-bedroom rents average \$1,429 (\$1.17 per square foot).
- The effective rents for tax credit one-bedroom rents average \$553 (\$0.73 per square foot); two-bedroom rents average \$942 (\$0.92 per square foot); and three-bedroom rents average \$1,069 (\$0.88 per square foot).
- RPRG identified five near term pipeline projects totaling 743 units expected to be placed in service in the next three years and eight long term projects/phases less likely to be placed in service in the next three years. All near term pipeline projects will be comprised of market rate units without income restrictions.

Net Demand: The results of the derivation of net rental demand indicate that the market will have a net excess demand for 96 units of rental housing over the next three years beyond the subject and five near term pipeline communities. This breadth of demand is considerable given that four market area communities are in lease up in addition to incoming units at pipeline communities. The properties in the initial lease up phase will most likely be stabilized by the time the subject delivers, and several pipeline projects are currently under construction and likely to complete at least substantial lease-up prior to the delivery of the subject. Additionally, all near term pipeline projects will have exclusively market rate units targeting upper-income households, including one age-restricted community; these properties will not compete directly with the subject's affordable units.

It should be noted that the subject property is still in the development phase and will not be placed in service until June 2023. While many believe the economy will resemble Pre-COVID conditions and growth within this timeframe, net demand for housing is measured over the next three years. We expect any COVID-19 impact to total housing demand to be deeper during the near term of the three-year period, with its effect moderating by the end of the Net Demand period. The alternate demand model presented here is one potential outcome based on RPRG's analysis of data available at the time of market study completion and national data and analysis regarding the potential impact of the COVID-19 related economic slowdown. This sensitivity analysis indicates minimal impact on demand related to a COVID-19 induced slowdown.

Effective Demand – Affordability/Capture and Penetration: RPRG judges that the calculated capture rates (1.3 percent for 30 percent AMI units, 2.2 percent for 50 percent AMI units, 2.0 percent for 60 percent AMI units, 1.1 percent for 70 percent AMI units, 0.4 percent for 80 percent AMI units, and 2.7 percent for the project overall) are readily achievable, particularly since the proposed apartments will be the newest and most attractive affordable rental community within the market area. RPRG considers the calculated penetration rate for the tax credit units of 6.4 percent of income-restricted renter households to be reasonable within the context of the 288 Lofts Market Area. Both the capture and penetration rates are well within a reasonable and achievable range.

VHDA Demand Methodology: RPRG considers the key captures rates for 288 Lofts to be both reasonable and readily achievable. The overall capture rate of 8.6 percent is moderate but achievable, while individual capture rates among income bands are lower, ranging from 1.3 percent to 6.7 percent. Taking into consideration these factors, we have conservatively estimated an overall project lease up pace of roughly 8 to 9 months, reflecting an average absorption pace of 17 to 18 units per month. Low vacancy rates among affordable communities and a relative lack of



affordable rental housing options in the market area suggest a need for additional affordable housing resources in the area.

Target Market: The groups most likely to reside at the subject's income restricted units include individuals working in service sectors such as retail, leisure and hospitality. Other persons likely to reside at the subject project include government or contract workers; local public servants such as firefighters, police officers, and teachers; and early career workers in the professional-business, financial activities, information, and health sectors.

With one-, two-, and three-bedroom units, the proposed community would have the capacity to serve single-person households, married and unmarried couples, roommate households, and single- and dual-parent families with as many as four children.

Considered in the context of the competitive environment, the relative position of the proposed 288 Lofts is as follows:

- **Structure Type:** All competitive Lower Tier market rate and income-restricted rental communities in the market area consist of garden-style walk up structures and/or townhomes. The subject will have four-story mid-rise ("low-rise" per VHDA) elevator-served buildings, a structure type only offered among three Upper Tier communities, providing a competitive advantage among the market area's garden/townhouse Lower Tier and tax credit communities.
- **Project Size:** The surveyed rental communities within the market area range in size from 70 to 694 units, with an average size of 263 units. Additionally, the two market area tax credit communities include 70 units and 214 units, respectively, with an average size of 142 units. The 160-unit 288 Lofts will be smaller than the overall average size in the market and similar to the income-restricted average of 142 units. The subject is sized appropriately to provide on-site management and services similar to other market area rental communities, and results in a favorable net demand estimate.
- **Unit Distribution:** Overall, the subject will offer one bedroom units (13 percent); two bedroom units (66 percent); and three bedroom units (21 percent). The subject's unit distribution includes a higher proportion of two bedroom units compared to the Lower Tier average but lower proportion of one bedroom units and higher proportion of three bedroom units. However, we note that the two market area tax credit communities have a nearly even distribution of two- and three-bedroom units with few one-bedroom units. The proposed unit distribution strikes a balance between the overall Lower Tier and tax credit distribution and positions the subject to target a wide variety of households, including single-person households, couples, roommates, single parent households and families. We believe that the proposed unit distribution is reasonable within the context of the directly competitive rental supply.
- **Income Targeting:** The subject's income targeting is as follows: 12 units (eight percent) will address households with incomes at or below 30 percent of AMI; 44 units (28 percent) will address households with incomes at or below 50 percent of AMI; 48 units (30 percent) will address households with incomes at or below 60 percent of AMI; 38 units (24 percent) will address households with incomes at or below 70 percent of AMI; and 18 units (11 percent) will address households with incomes at or below 80 percent of AMI. RPRG's penetration analysis indicates that all of the subject's units as well as those existing and future units address only 6.4 of all income-qualified households.
- **Unit Size:** The proposed unit sizes for 288 Lofts average 704 square feet for one-bedroom units; 954 square feet for two-bedroom units; and 1,181 square feet for the three-bedroom units. The subject's unit sizes are slightly smaller than the overall Lower Tier average unit sizes



- and the average unit sizes among tax credit communities for most unit types, but within the competitive range. The subject's units will be well-appointed with relatively upscale unit interiors compared to other tax credit communities. We believe that the size of the subject's units will be marketable and will be competitive with the other rental units in the multifamily supply despite slightly smaller unit sizes, especially considering the scarcity of affordable housing units in this market.
- **Number of Bathrooms:** All of the subject's one bedroom units will have one full bathroom, while the two and three bedroom units will have two bathrooms. Both tax credit communities in the market area have the same offering of bathrooms per bedroom type.
 - **Kitchen Features:** All unit kitchens at 288 Lofts will include some features that are not found or common among the existing affordable rental supply, such as granite countertops and a microwave. The subject's energy efficient appliances will also provide a boost to marketability.
 - **Laundry:** The developer will include washer/dryer hook ups within the subject's units; this is the same in-unit laundry arrangement provided among the two existing tax credit communities and will be appropriate for the proposed affordable rental product.
 - **Other Unit Features:** Units at 288 Lofts will have carpeted bedrooms and vinyl wood plank flooring in the living areas and kitchen. Units will also have 9' ceilings. These unit features will be comparable or superior to the current affordable rental offerings and will be appropriate for the subject site. These in-unit features/finishes will also be superior to some of the oldest Lower Tier market rate communities that do not offer the same level of finishes. The 112 units within the 9% percent phase will conform to VHDA's Universal Design standards.
 - **Utilities Included in Rent:** The developer proposes to include trash removal costs in monthly rents in 288 Lofts leaving tenants responsible for paying all other utility bills. This is the same utility arrangement at eight other existing communities in the market area, including one tax credit community (Creekpointe Apartments). Most other communities in the market area (16 properties) including the other LIHTC property do not include any utility costs in the rent.
 - **Common Area Amenities:** The developer intends to provide a significant offering of common area amenities at the subject, including a clubhouse with community room, a fitness center, outdoor pool, business center, picnic area and grilling station, and a playground. The proposed slate of amenities would position the subject community similarly to the two tax credit communities and comparably priced Lower Tier market rate properties in the market area. However, the subject's newly constructed amenities will be of higher quality compared to the older market rate Lower Tier properties.
 - **Parking:** The subject will have free surface parking as the standard parking option; this is also the standard parking arrangement among all market area communities including two LIHTC properties and will be appropriate for the proposed subject community.

Price Position/Rents: The tax credit rents proposed by the developer for 288 Lofts are below the allowable maximums for all unit types, given the assumed utility allowances of \$114 for one bedroom units; \$146 for two bedroom units; and \$181 for three bedroom units. The proposed rents are considered to be reasonable when viewed within the context of the directly competitive rental supply. The scatter charts indicate that the rents for the affordable rental supply are generally below those without income restrictions. Figure 9 provides a graphic representation of the competitive positions of the rents and square footages proposed for the subject's one, two, and three bedroom units.

Absorption Estimate: In estimating an absorption pace for the subject community, we consider recent absorption activity in the market in addition to demand and supply factors. As mentioned



previously, several market rate rental communities have stabilized within the past five years. Known absorption details are as follows:

- **Clairmont at Chesterfield** (368 units) opened in January 2015 and stabilized in July 2016, translating to a lease up pace of 20 to 21 units per month over a roughly 18-month leasing period.
- **Colony at Centerpointe** (255 units) opened in September 2015 and reached stabilization by mid-November 2016. Considering this 14-month absorption period, the community had a monthly lease up pace of 18 units.
- **Element at Stonebridge** (400 units) opened in March 2016 and had stabilized in May 2019. This equates to an average absorption pace of ten to 11 units per month over a 38-month period.
- **The Winterfield at Midlothian** (238 units) opened at the end of April 2019 and had reached 95 percent occupied by September 2020. This represents an initial absorption pace of 14 units per month over a period of 17 months.
- **Abberly at Centerpointe** (271 units) had its first residents move-in during March 2019. The community had leased 236 units by the time of our January 2021 survey for a roughly 11-unit per month absorption rate of a 22-month period.
- **Vue at Westchester Commons** (236 units) started preleasing in January 2020 before opening in the beginning March 2020. The community had leased 175 units by mid-January 2021 for an absorption pace of nearly 14 units per month over 12 and one-half months.
- **Sapphire at Centerpointe** (192 units) began preleasing in April 2020 and opened one month later in May. The community had leased 166 units by the time it was surveyed in January, equating to approximately a 16-unit per month initial absorption rate since opening.
- **Boulders Lakeside Apartments** (248 units) began preleasing in July 2020, opened in August 2020, and had leased 104 units by mid-January, equating to lease up pace of about 19 units per month over a five and one-half month period.

We note several of these communities are/were in lease up simultaneously with one or several additional communities. The affordable nature of the subject community will likely result in higher absorption rates than those reported by market rate communities.

With these considerations, we conservatively estimate an absorption pace of 17 to 18 units per month. Assuming this absorption pace, we would expect that the subject would attain stabilized occupancy in approximately 8 to 9 months.

Impact on Existing Market: RPRG does not anticipate that the subject will have an adverse impact on the existing rental market. The overall vacancy rate for the income-restricted rental communities within the market area is very low with only three vacant units (1.1 percent). Additionally, the subject's VHDA capture rate for all units is 8.6 percent. All are reasonable and achievable. Importantly, the overall penetration rate for the subject's proposed units is very low at 6.4 percent.



I. INTRODUCTION

A. Overview of Subject

288 Lofts Phase II is a proposed new construction multifamily rental community to be located at the intersection of Wylderose Avenue and Creekwillow Drive in Midlothian, Chesterfield County, Virginia. The rental community is one of two phases of a combined affordable multifamily development totaling 160 rental units, all of which will be income-restricted in accordance with the Department of Housing and Urban Development's 2020 median household income for the Richmond, VA MSA (Table 1).

The subject of this report, 288 Loft Phase II, will include 48 general occupancy units (30 percent) to be financed with four percent Low Income Housing Tax Credits and tax-exempt bond financing. 288 Lofts Phase I will consist of the remaining 112 general occupancy apartments (70 percent of total developed units) to be financed, in part, with equity raised from the sale of nine percent Low Income Housing Tax Credits. The project will be referenced as two phases but constructed simultaneously.

This report is intended to be submitted as part of an application for four percent tax-exempt bond financing for the 48 rental units planned for 288 Lofts Phase II.

B. Purpose

The purpose of this study is to perform a market feasibility report and analysis. This report examines the subject site, the economic context of the jurisdiction in which the site is located, a demographic analysis of the defined market area, a competitive housing analysis, a derivation of net demand and effective demand (affordability/penetration analyses). Net and effective demand will be analyzed separately for each phase of the project due to the different target market and age-restrictions.

C. Format of Report

The report format is Comprehensive. Accordingly, the market study addresses all required items set forth in the 2021 Market Study Guidelines of the Virginia Housing Development Authority (VHDA). Furthermore, the market analyst has considered the recommended model content and market study index of the National Council of Housing Market Analysts (NCHMA).

D. Client, Intended User, and Intended Use

288 Lofts, L.P. is Real Property Research Group's (RPRG's) Client for this market study. Along with the Client, the Intended Users are representatives of VHDA and potential investors. The subject report will be submitted to VHDA as part of an application for four percent (non-competitive) tax credits. A separate report will be submitted to VHDA as part of an application for nine percent (competitive) tax credits.

E. Applicable Requirements

This market study will conform to the requirements of the following:

- VHDA's 2021 Market Study Guidelines.
- NCHMA's Model Content Standards and Market Study Checklist.

Table 1 HUD Rent & Income Limits

HUD 2020 Median Household Income											
Richmond, VA MSA											\$89,400
Very Low Income for 4 Person Household											\$44,700
2020 Computed Area Median Gross Income											\$89,400
Utility Allowance:											
1 Bedroom											\$114
2 Bedroom											\$146
3 Bedroom											\$181
Household Income Limits by Household Size:											
Household Size	30%	40%	50%	60%	70%	80%	100%	120%	150%	200%	
1 Person	\$18,780	\$25,040	\$31,300	\$37,560	\$43,820	\$50,080	\$62,600	\$75,120	\$93,900	\$125,200	
2 Persons	\$21,480	\$28,640	\$35,800	\$42,960	\$50,120	\$57,280	\$71,600	\$85,920	\$107,400	\$143,200	
3 Persons	\$24,150	\$32,200	\$40,250	\$48,300	\$56,350	\$64,400	\$80,500	\$96,600	\$120,750	\$161,000	
4 Persons	\$26,820	\$35,760	\$44,700	\$53,640	\$62,580	\$71,520	\$89,400	\$107,280	\$134,100	\$178,800	
5 Persons	\$28,980	\$38,640	\$48,300	\$57,960	\$67,620	\$77,280	\$96,600	\$115,920	\$144,900	\$193,200	
6 Persons	\$31,140	\$41,520	\$51,900	\$62,280	\$72,660	\$83,040	\$103,800	\$124,560	\$155,700	\$207,600	
Imputed Income Limits by Number of Bedroom (Assuming 1.5 persons per bedroom):											
Persons	# Bed-rooms	30%	40%	50%	60%	70%	80%	100%	120%	150%	200%
1	0	\$18,780	\$25,040	\$31,300	\$37,560	\$43,820	\$50,080	\$62,600	\$75,120	\$93,900	\$125,200
1.5	1	\$20,130	\$26,840	\$33,550	\$40,260	\$46,970	\$53,680	\$67,100	\$80,520	\$100,650	\$134,200
3	2	\$24,150	\$32,200	\$40,250	\$48,300	\$56,350	\$64,400	\$80,500	\$96,600	\$120,750	\$161,000
4.5	3	\$27,900	\$37,200	\$46,500	\$55,800	\$65,100	\$74,400	\$93,000	\$111,600	\$139,500	\$186,000
6	4	\$31,140	\$41,520	\$51,900	\$62,280	\$72,660	\$83,040	\$103,800	\$124,560	\$155,700	\$207,600
LIHTC Tenant Rent Limits by Number of Bedrooms (assumes 1.5 persons per bedroom):											
# Persons		30%		50%		60%		70%		80%	
		Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
1 Bedroom		\$503	\$389	\$838	\$724	\$1,006	\$892	\$1,174	\$1,060	\$1,342	\$1,228
2 Bedroom		\$603	\$457	\$1,006	\$860	\$1,207	\$1,061	\$1,408	\$1,262	\$1,610	\$1,464
3 Bedroom		\$697	\$516	\$1,162	\$981	\$1,395	\$1,214	\$1,627	\$1,446	\$1,860	\$1,679

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

F. Scope of Work

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

- Please refer to Appendix 2 for a detailed list of NCHMA requirements and the corresponding pages of requirements within the report.
- Anthony Massoni, Analyst for Real Property Research Group, Inc., conducted a visit to the subject site, its immediate neighborhood, and wider primary market area on January 22, 2021.
- RPRG gathered primary information through field and phone interviews with rental community leasing agents and property managers. In the course of research, we obtained information on proposed developments through interviews with Catherine Bray of the Chesterfield County Planning Department.
- All information obtained is incorporated in the appropriate section(s) of this report.

G. Report Limitations

The conclusions reached in a market feasibility analysis are inherently subjective and should not be relied upon as a determinative predictor of results that will actually occur in the marketplace. There can be no assurance that the estimates made or assumptions employed in preparing this report will in fact be realized or that other methods or assumptions might not be appropriate. The conclusions expressed in this report are as of the date of this report, and an analysis conducted as



of another date may require different conclusions. The actual results achieved will depend on a variety of factors, including the performance of management, the impact of changes in general and local economic conditions, and the absence of material changes in the regulatory or competitive environment. Reference is made to the statement of Underlying Assumptions and Limiting Conditions contained in Appendix 1 of this report.

H. Other Pertinent Remarks

This market study addresses the 4 percent section (48 units) of a twin application for Low Income Housing Tax Credits that will coincide with submission of a separate 9 percent application and market study report (112 units). For the purposes of this study, all affordability and demand calculations assume the total of 160 units at the project as a whole, inclusive of both 9 percent and 4 percent sections.

This market study was completed based on data collected in January 2021 during the national COVID-19 pandemic. Specific data on the recent and potential economic and demographic ramifications are not available at this time as projections were developed prior to the onset of the pandemic. This market study will comment on the potential impact of the evolving situation including a sensitivity analysis relating to Net Demand.

II. PROJECT DESCRIPTION

A. Project Overview

288 Lofts is a proposed general occupancy Low Income Housing Tax Credit (LIHTC) multifamily rental community to be located at the intersection of Wylderose Avenue and Creekwillow Drive in Midlothian, Virginia. The rental community will include a combined 160 general occupancy multifamily rental units and associated amenities with units split between two phases with separate financing structures. Phase II, the subject of this report, will consist of 48 rental units to be financed, in part, with equity raised from the sale of four percent (non-competitive) tax credits and tax-exempt bond financing. Phase I will include the remaining 112 units financed with equity proceeds from the sale of nine percent (competitive) tax credits. Both phases of the project will be developed simultaneously. Figure 1 illustrates the conceptual rendering for the proposed apartment buildings.

Figure 1 Building Rendering, 288 Lofts



Source: 288 Lofts, L.P.

B. Project Type and Target Market

288 Lofts will be a general occupancy multifamily rental complex that will target low- and moderate-income renter households. The project will have two separate financing structures but will be constructed as one project. These 160 rental units will include a broad range of target incomes with units restricted to households with incomes at 30 percent, 50 percent, 60 percent, 70 percent, and 80 percent of Area Median Income (AMI) for the Richmond, VA MSA, with a total LIHTC weighted average income-restriction of 59.6 percent AMI, as adjusted for household size. The 48 units at 288 Lofts Phase II will be financed, in part, with four percent (non-competitive) tax credits and tax-exempt bond financing. The remaining 112 units in 288 Loft Phase I will be financed with equity raised from the sale of nine percent (competitive) tax credits. With a unit mix of one-, two- and three-bedroom units, the community will target a range of renter households, including single-person households, couples, roommates, and families with as many as six persons.

C. Building Types and Placement

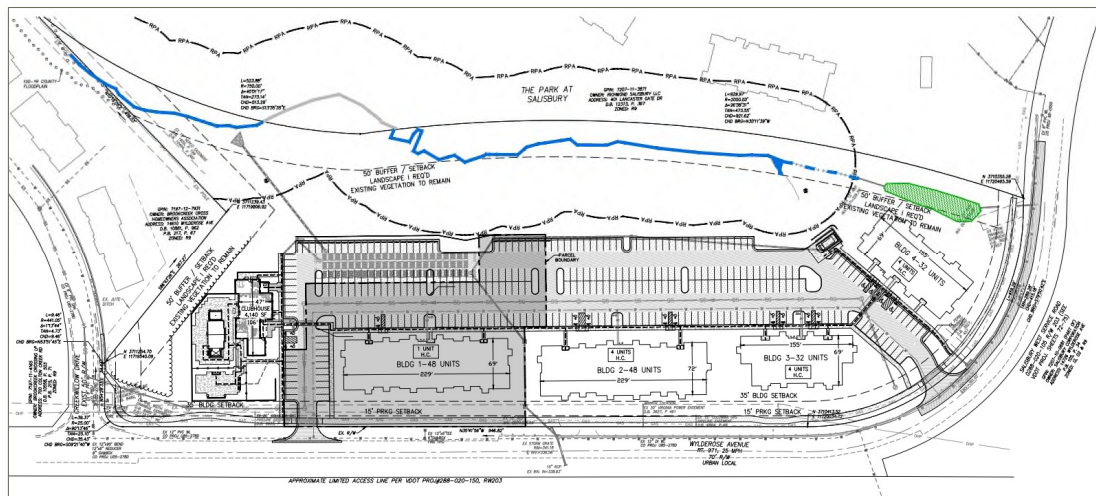
The proposed 288 Lofts will consist of two components to be financed with tax credits. The nine percent LIHTC component will include three (3) four-story elevator served residential buildings (Figure 2).

A second project component financed with four percent tax credits will include one (1) four-story elevator served residential building with a total of 48 units.

Both phases will share a clubhouse located on the northern side of the property containing community amenities, including a fitness center, business center, community room and leasing offices. An outdoor pool and grilling stations will also be located adjacent to the clubhouse. The community will also include a playground.

Two vehicle entrances into the rental community will be from Wylderose Avenue, located on the western and southern sides of the project site, respectively.

Figure 2 Site Plan, 288 Lofts



Source: 288 Lofts, L.P.

D. Detailed Project Description

1. Project Description

288 Lofts will include a total of 160 one, two, and three bedroom units. All of the apartments and community amenities will be constructed as one project, although with two different financing structures. From a renter perspective, there will be no visible distinction between the portion of the rental community financed with nine percent tax credits compared with the portion financed with four percent tax credits. Table 2 summarizes the proposed project's two components based upon financing structure as well as their associated unit distribution, income targeting, unit sizes, net rents, and utility allowances.

Table 2 Unit Distribution, Unit Sizes and Net Rents, 288 Lofts

Unit	Units	Income Level	Net Unit Size	Contract Rent (1)	Utility Allowance	Gross Rent
Phase I (9% LIHTC)						
1BR/1BA	4	30%	704	\$384	\$114	\$498
1BR/1BA	6	50%	704	\$703	\$114	\$817
1BR/1BA	6	70%	704	\$850	\$114	\$964
1BR/1BA	4	80%	704	\$850	\$114	\$964
2BR/2BA	4	30%	951	\$452	\$146	\$598
2BR/2BA	18	50%	951	\$836	\$146	\$982
2BR/2BA	12	50%	947	\$836	\$146	\$982
2BR/2BA	8	70%	956	\$990	\$146	\$1,136
2BR/2BA	16	70%	952	\$990	\$146	\$1,136
2BR/2BA	6	80%	947	\$990	\$146	\$1,136
2BR/2BA	3	80%	1,023	\$990	\$146	\$1,136
3BR/2BA	4	30%	1,167	\$511	\$181	\$692
3BR/2BA	8	50%	1,167	\$957	\$181	\$1,138
3BR/2BA	3	70%	1,163	\$1,185	\$181	\$1,366
3BR/2BA	5	70%	1,230	\$1,185	\$181	\$1,366
3BR/2BA	1	80%	1,167	\$1,185	\$181	\$1,366
3BR/2BA	1	80%	1,230	\$1,185	\$181	\$1,366
3BR/2BA	3	80%	1,199	\$1,185	\$181	\$1,366
Subtotal/Avg	112			\$883	\$148	\$1,031
Phase II (4% LIHTC)						
1BR/1BA	1	60%	705	\$871	\$114	\$985
2BR/2BA	39	60%	955	\$1,037	\$146	\$1,183
3BR/2BA	8	60%	1,167	\$1,190	\$181	\$1,371
Subtotal/Avg	48			\$1,059	\$152	\$1,211
Grand Total	160					

(1) Contract rents include trash collection.

Source: 288 Lofts, LP

In both phases of 288 Lofts, the proposed one bedroom units will have one bathroom while the two and three bedroom units will have two full bathrooms. For both phases, the one-bedroom units will average 704 net square feet; two-bedroom units will average 954 net square feet; and three-bedroom units will average 1,181 net square feet. The monthly net rents at 288 Lofts will include the cost of trash removal. The other utility costs, including general electricity, electric-fueled hot water, cooking, heating and cooling, will be the direct responsibility of future tenants. The proposed utility allowances are as follows: \$114 for one-bedroom units; \$146 for two-bedroom units; and \$181 for three-bedroom units. The community will include unrestricted free surface parking.

All units at 288 Lofts will be equipped with electric range, refrigerator with an icemaker, dishwasher, microwave, and garbage disposal (Table 3). Kitchen appliances will have standard finishes and kitchens will have granite countertops.



Washer/dryer connections will be provided in each unit. All units will have central air conditioning and 9-foot ceiling heights. Flooring will be vinyl plank in the hallways, living areas, kitchen, and baths, while bedrooms will have carpet. The units will have private patios or balconies and window coverings. All 112 units within Phase I (9% phase) are also proposed to conform to VHDA’s Universal Design standards for accessibility for persons with disabilities.

Common area amenities, available to residents of both phases, will include a furnished clubhouse with on-site management, community room, fitness room, swimming pool, grilling areas, and playground.

2. Other Proposed Uses

None.

Table 3 Salient Project Information, 288 Lofts

Unit Features	Community Amenities
<ul style="list-style-type: none"> • Granite countertops • Energy Efficient appliances and fixtures • Refrigerator, dishwasher, microwave, range/oven, and garbage disposal • Vinyl plank and carpet flooring • Patios/balconies • 9’ ceilings • Washer/dryer hook ups 	<ul style="list-style-type: none"> • Community center • Fitness center • Business center • Outdoor pool • Outdoor grilling stations • Playground

3. Zoning and Government Review

The site is currently zoned R-MF (Multi-Family District) with a CUPD, allowing for the proposed subject use for this site.

4. Proposed Timing of Development

The developer intends to begin construction in late June 2022. The first units are anticipated to be ready for move-in by June 2023, with construction completion expected by October 2023.

III. SITE AND NEIGHBORHOOD ANALYSIS

A. Site Analysis

1. Site Location

The subject site is situated along the east side of Wylderose Avenue and south of Creekwillow Drive in Midlothian, Chesterfield County, Virginia (Map 1). Notably, the subject will also be located within a quarter-mile northeast of the interchange of US-60/Midlothian Turnpike and VA-288/World War II Veterans Memorial Highway, both major arterial thoroughfares serving Midlothian and other western suburbs of the Richmond area.

2. Size, Shape and Topography

The site for 288 Lofts is approximately eight acres and is roughly rectangular in shape. The site has grade changes throughout.

3. Existing Uses

As observed during RPRG's recent site visit on January 22, 2021, the subject site is currently a vacant undeveloped tract mostly covered with underbrush and some partial tree cover (Figure 3).

Map 1 Site Location

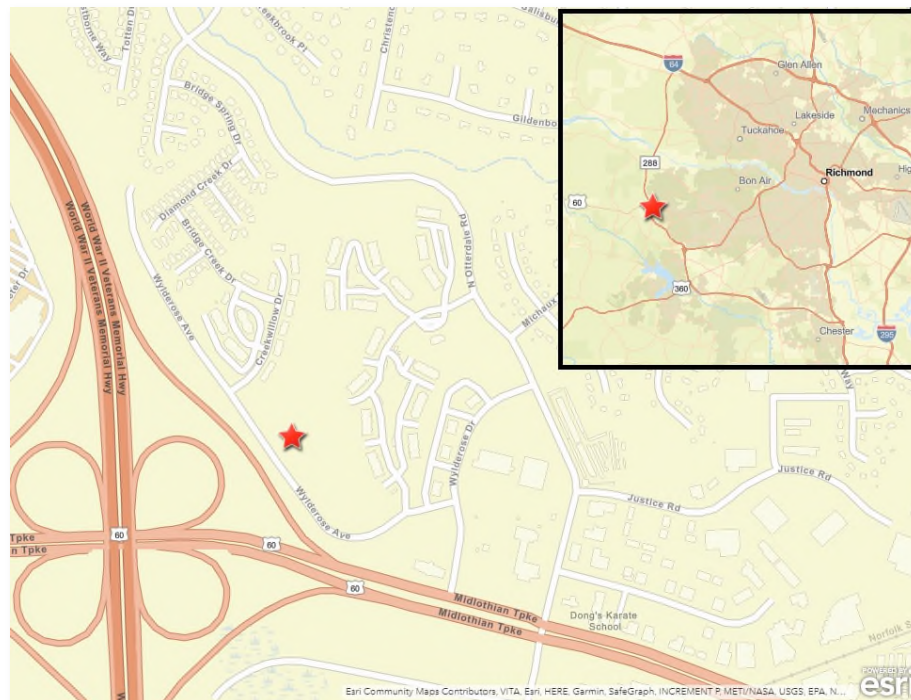


Figure 3 Views of Subject Site

View of site facing southeast



View of site facing northwest



View of site facing east from Wylderose Avenue



Site facing north from Wylderose Avenue

4. General Description of Land Uses Near the Subject Site

The subject neighborhood is a low- to medium-density mixed-use enclave northwest of the interchange of US-60/Midlothian Turnpike and VA-288, both major transportation arterials serving the west/southwest portions of Richmond's metro area. Much of the site's immediate surroundings include multi-family rental communities, including Park at Salisbury, a market rate community located east and north of the site, and Brook Creek Crossing, a general occupancy LIHTC property positioned north across Creekwillow Drive. For-sale townhomes are also directly north of the site, situated on the east side of Creekwillow Drive. A single-family detached subdivision is further north of the site, and a large business park is further east and southeast of the site with office buildings, First Community Bank branch, King Pin Lanes bowling alley, and a Dominion Energy utility facility positioned along Wylderose Drive and Otterdale Road. Several undeveloped tracts along Wylderose Avenue are also in the subject vicinity. Westchester Commons, a large power center, is situated across VA-288; this large shopping center is anchored by Target, OfficeMax, Petco and JoAnn Fabrics; the Vue at Westchester Commons Apartments is also located on the north side of the shopping center.

5. Specific Identification of Land Uses Surrounding the Subject Site

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

- **North:** Brook Creek Crossing Apartments, for-sale townhomes along Creekwillow Drive, and portions of Park at Salisbury Apartments. Single-family detached subdivisions and undeveloped, wooded tracts are further north.
- **East:** The Park at Salisbury Apartments and undeveloped wooded areas. Several office buildings, a bowling alley, bank branch and a Dominion Energy utility maintenance station are further east along Wylderose Drive and Otterdale Road.
- **South:** Undeveloped wooded areas and US-60/Midlothian Turnpike. An office building is southeast of the site on Wylderose Drive.
- **West:** The US-60/Midlothian Turnpike and VA-288 interchange ramp is west of the site beyond a wooded buffer. Westchester Commons Shopping Center and Vue at Westchester Commons Apartments is located on the west side of VA-288.

Figure 4 Views of Surrounding Land Uses



Brook Creek Crossing Apartments, north of site



For-sale townhomes on Creekwillow Drive, north of site



Single-family detached homes, north of site along Bridge Creek Drive



Park at Salisbury Apartments, east of site



Typical office building, east of site on Wylderose Drive



Office building southeast of site on Wylderose Drive

B. Neighborhood Analysis

The subject is located within a characteristically suburban enclave within the US-60/Midlothian Turnpike corridor of Midlothian, a largely commuter-driven western suburb of Richmond. The site is located on the edge of a large business park with an assortment of office buildings, as well as utility and recreation uses. Many shopping centers, strip malls, and standalone retailers are concentrated along US-60 within five miles of the subject site, with a particularly large commercial cluster centered on the Chesterfield Towne Center mall (3.3 miles east of the site); these shopping centers support the area's large residential base. Single-family detached neighborhoods and undeveloped vacant tracts encompass areas north and south of the US-60 corridor. As one travels further west from the subject's immediate area, land uses become overwhelmingly rural in nature and consist of scattered single-family subdivisions and retailers, as well as agricultural uses. Conversely, development patterns become increasingly dense as one travels further east toward Richmond's urban core.

C. Site Visibility and Accessibility

1. Visibility

Though partially obstructed by tree cover, the subject site will have visibility from US-60 and the interchange on-ramp accessing VA-288; both of these are heavily-trafficked arterials and will allow for exposure of the subject community from passing motorists.

2. Vehicular Access

288 Lofts will have two entrances on Wylderose Avenue, a lightly trafficked neighborhood street that connects to Wylderose Drive and subsequently US-60/Midlothian Turnpike about a quarter-mile east/southeast of the site. Sufficient traffic breaks allow for easy access to and from the site.

The site is well-connected to the local and regional road network serving Midlothian and the larger Richmond region. US-60/Midlothian Turnpike is the primary east-west transportation arterial extending west from the subject site through western Chesterfield County and western portions of Virginia as well as extending east from the subject site to Richmond and further southeast to Hampton Roads. From US-60, the subject will also have access to VA-288 within a half-mile west of the site. VA-288 is a mostly north-south arterial connecting with neighboring areas west and south of Richmond. Both Interstate-64 and Interstate-95 can be accessed via VA-288.



3. Availability of Public Transit

Chesterfield County Mobility Services operates on-demand curb-to-curb public transportation service via Access Chesterfield and Access on Demand, including shared-ride shuttles. Residents eligible to utilize this service include those with disabilities, age 60+ persons, and low-income individuals/families. Given these requirements, the future residents of the subject will be eligible for this shuttle/bus transportation service with pickup available at the subject site.

The Greater Richmond Transit Company (GRTC) Transit System also provides transportation services to the city of Richmond and parts of Chesterfield and Henrico counties. GRTC is jointly owned by the City of Richmond and Chesterfield County. The nearest fixed bus route stop accesses Route 64x – Stony Point Express and is located at the Stony Point Shopping Center.

4. Availability of Inter Regional Transit

For regional transit, future tenants can access Amtrak service at Main Street Station, positioned approximately 21 miles northeast of the site in Downtown Richmond. This station operates Amtrak's Carolinian/Piedmont route with service from Charlotte, North Carolina to New York City.

Richmond International Airport is located about 32 miles east of the subject and offers flights via the major national airlines, including United, American Airlines, Southwest and Delta.

5. Pedestrian Access

Sidewalks are available just north of the subject site along Creekwillow Drive, providing pedestrian access to the residential neighborhoods north of the site. While neighborhood amenities are generally beyond a walkable distance from the subject site, future residents will be within a short drive of a wide range of retailers and other services.

6. Accessibility Improvements Under Construction and Planned

RPRG reviewed the Richmond Regional Planning District Commission's 2021-2024 Transportation Improvement Program to identify any planned projects that could potentially affect accessibility to the subject in the near term. No ongoing or planned projects were identified in the subject's vicinity that are expected to negatively affect transportation in the area.

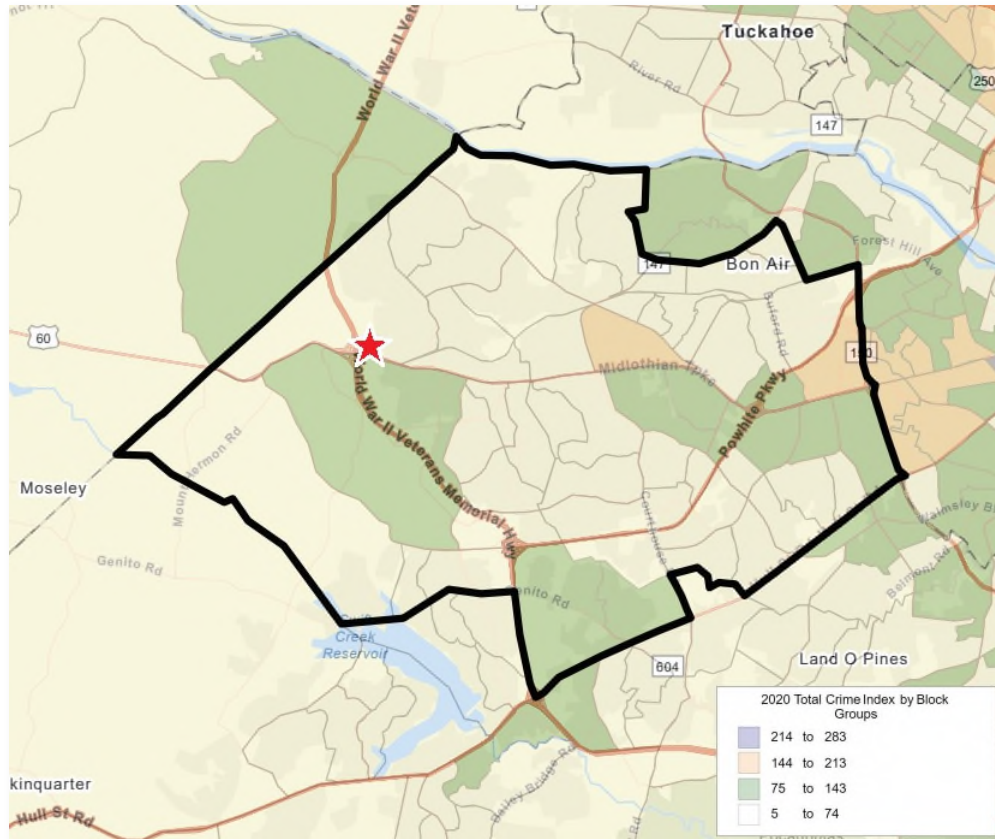
D. Public Safety

The Chesterfield County Police Department, which is responsible for the subject site's neighborhood, operates the Midlothian precinct about eight miles east of the subject site. The subject is approximately two miles northwest of the Chesterfield Fire Station 5- Midlothian.

CrimeRisk is a census tract level index that measures the relative risk of crime compared to a national average. AGS analyzes known socio-economic indicators for local jurisdictions that report crime statistics to the FBI under the Uniform Crime Reports (UCR) program. An index of 100 reflects a total crime risk on par with the national average, with values below 100 reflecting below average risk and values above 100 reflecting above average risk. Based on detailed modeling of these relationships, CrimeRisk provides a detailed view of the risk of total crime as well as specific crime types at the census tract level. In accordance with the reporting procedures used in the UCR reports, aggregate indexes have been prepared for personal and property crimes separately as well as a total index. However, it must be recognized that these are un-weighted indexes, in that a murder is weighted no more heavily than purse snatching in this computation. The analysis provides a useful measure of the relative overall crime risk in an area but should be used in conjunction with other measures.

Map 2 displays the 2020 CrimeRisk index for the block groups near the subject site. The relative risk is displayed in gradations from light yellow (least risk) to deep purple (most risk). The block groups that contain the subject site and immediately adjacent parcels are shaded yellow and green, indicative of an overall low level of crime. Inspections of the subject site and surrounding neighborhood as well as interviews with local property managers indicate crime or the perception of crime are not expected to negatively impact the subject site.

Map 2 Total Crime Index by Block Group



E. Residential Support Network

1. Key Facilities and Services near the Subject Site

The appeal of a residential community is based in part on its proximity to facilities and services that are required on a day-to-day basis. Key facilities and services and their distances from the subject site are listed in Table 4 and the locations of those facilities are plotted on Map 3.

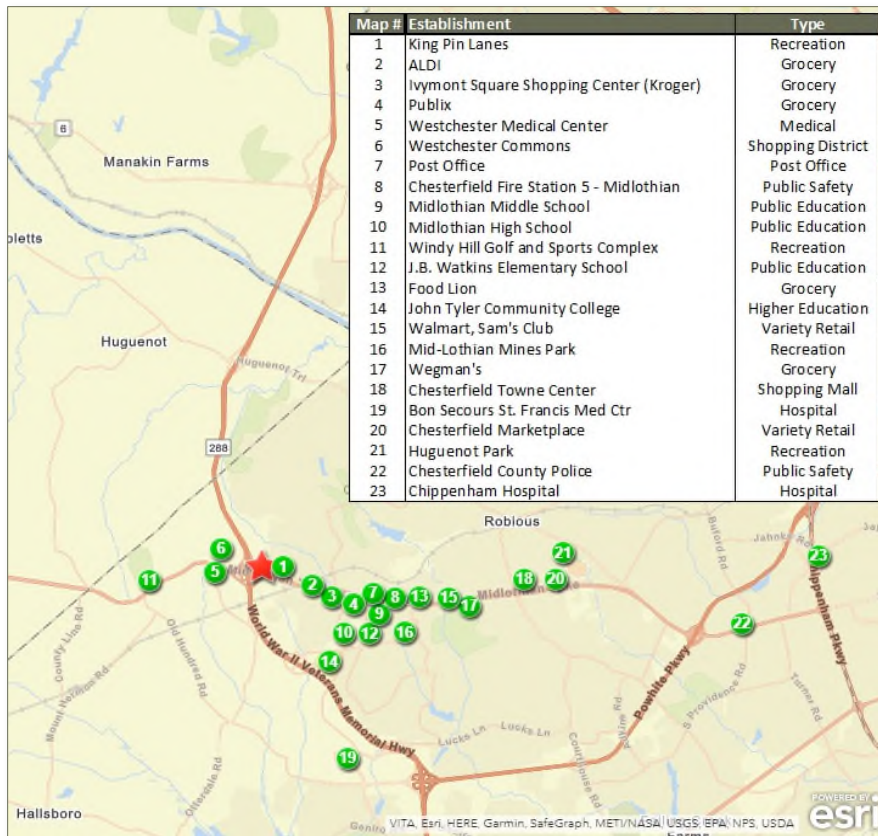


Table 4 Key Facilities and Services Near Subject Site

Establishment	Type	Address	Driving Distance
King Pin Lanes	Recreation	200 N Otterdale Rd	0.4 mi E
ALDI	Grocery	14381 Winterview Pkwy	1.4 mi SE
Ivymont Square Shopping Center (Kroger)	Grocery	14101 Midlothian Tpk	1.7 mi SE
Publix	Grocery	200 Charter Colony Pkwy	1.8 mi SE
Westchester Medical Center	Medical	601 Watkins Centre Pkwy	2.0 mi SW
Westchester Commons (Target, OfficeMax, CVS, Petco)	Shopping District	15786 WC Main St	2.0 mi W
Post Office	Post Office	1201 Sycamore Sq	2.2 mi E
Chesterfield Fire Station 5 - Midlothian	Public Safety	13420 Midlothian Tpk	2.3 mi SE
Midlothian Middle School	Public Education	13501 Midlothian Tpk	2.3 mi SE
Midlothian High School	Public Education	401 Charter Colony Pkwy	2.4 mi SE
Windy Hill Golf and Sports Complex	Recreation	16500 Midlothian Tpk	2.4 mi W
J.B. Watkins Elementary School	Public Education	501 Coalfield Rd	2.8 mi SE
Food Lion	Grocery	13100 Midlothian Tpk	2.9 mi E
John Tyler Community College	Higher Education	800 Charter Colony Pkwy	3.3 mi SE
Walmart, Sam's Club	Variety Retail	900 Walmart Way	3.8 mi E
Mid-Lothian Mines Park	Recreation	13301 N Woolridge Rd	3.8 mi SE
Wegman's	Grocery	12501 Stone Village Way	3.9 mi E
Chesterfield Towne Center (JCPenney, Macy's, TJ Maxx)	Shopping Mall	11500 Midlothian Tpk	4.7 mi E
Bon Secours St. Francis Med Ctr	Hospital	13710 St. Francis Blvd	4.9 mi SE
Chesterfield Marketplace (Dollar Tree, Home Depot, Staples, Petsmart, Ross Dress For Less, Five Below)	Variety Retail	1257 Carmia Way	5.1 mi E
Huguenot Park	Recreation	10901 Robious Rd	6.7 mi E
Chesterfield County Police	Public Safety	20 N Providence Rd	8.3 mi E
Chippenham Hospital	Hospital	7101 Jahnke Rd	11.9 mi E

Source: Field and Internet research, RPRG, Inc.

Map 3 Neighborhood Amenities





2. Essential Services

a) Health Care

The subject site has good access to medical facilities that operate in and near the Midlothian area. The St. Francis Bon Secours Medical Center, opened in 2005, offers services in radiation, medical and surgical oncology, diagnostic services, infusion therapy, palliative care and patient/family education services. The 130-bed medical center is located 4.9 miles southeast of the site. Chippenham Hospital is a 340-bed full-service hospital located 11.9 miles east of the site in Richmond. This hospital offers a full range of medical services and also hosts the only Level II Trauma Center in central Virginia.

Bon Secours also operates a 24/7 emergency center within the Westchester Medical Center, approximately two miles southwest of the subject site. This medical pavilion includes primary care offices and specialty care medical providers.

b) Education

Chesterfield County Public Schools serves roughly 63,000 students with over 2,500 teachers within 64 total schools: 39 elementary schools, 12 middle schools, and 11 high schools, as well as additional specialty and technical schools. Students residing at the subject site would attend J.B. Watkins Elementary School (2.8 mile from the subject site), Midlothian Middle School (2.3 mile), and Midlothian High School (2.4 mile). Compared to other schools in the school system reporting school scores, J.B. Watkins ranked 4th of 38 elementary schools for which testing data was available, while Midlothian Middle School ranked 1st of 12 middle schools, and Midlothian High ranked 1st of 10 high schools in 2019 (Table 5). All zoned schools far exceed the county and state-wide averages while Chesterfield County’s average school scores are roughly comparable with the state-wide averages.

Table 5 Chesterfield County Public Schools, Test Scores

Elementary Schools					Middle Schools				
VSLA - 2019		Grade 5		Composite	VSLA - 2019		Grade 8		Composite
Rank	Elementary Schools	English	Math		Rank	Middle Schools	English	Math	
1	Woolridge	95.0%	93.0%	94.0%	1	Midlothian	92.0%	94.0%	93.0%
2	Swift Creek	92.0%	92.0%	92.0%	2	Robious	86.0%	80.0%	83.0%
3	Alberta Smith	91.0%	89.0%	90.0%	3	Tomahawk Creek	85.0%	79.0%	82.0%
4	J.B. Watkins	89.0%	91.0%	90.0%	4	Swift Creek	81.0%	82.0%	81.5%
5	Winterpock	93.0%	86.0%	89.5%	5	Elizabeth Davis	77.0%	78.0%	77.5%
6	Robious	90.0%	88.0%	89.0%	6	Bailey Bridge	78.0%	72.0%	75.0%
7	Bon Air	89.0%	87.0%	88.0%	7	Providence	68.0%	73.0%	70.5%
8	Enon	85.0%	91.0%	88.0%	8	Manchester	76.0%	64.0%	70.0%
9	Elizabeth Scott	84.0%	89.0%	86.5%	9	Matoaca	68.0%	66.0%	67.0%
10	Grange Hall	91.0%	82.0%	86.5%	10	Salem Church	69.0%	54.0%	61.5%
33	Falling Creek	66.0%	66.0%	66.0%	11	Carver	66.0%	55.0%	60.5%
34	Thelma Crenshaw	72.0%	60.0%	66.0%	12	Falling Creek	49.0%	52.0%	50.5%
35	Evergreen	77.0%	54.0%	65.5%	Chesterfield County Average		74.6%	70.8%	72.7%
36	Bensley	70.0%	60.0%	65.0%	State Average		76.0%	77.0%	76.5%
37	Marguerite F. Christian	70.0%	59.0%	64.5%	High Schools				
38	Reams Road	67.0%	48.0%	57.5%	EOC - 2019				
Chesterfield County Average		82.6%	77.2%	79.9%	Rank	High Schools	Reading	Algebra II	Composite
State Average		78.0%	81.0%	79.5%	1	Midlothian	95.0%	98.0%	96.5%
Source: Virginia Department of Education					2	Cosby	94.0%	95.0%	94.5%
					3	James River	90.0%	94.0%	92.0%
					4	Thomas Dale	87.0%	96.0%	91.5%
					5	Clover Hill	92.0%	89.0%	90.5%
					6	Manchester	86.0%	92.0%	89.0%
					7	Monacan	90.0%	86.0%	88.0%
					8	Matoaca	85.0%	89.0%	87.0%
					9	Lloyd C. Bird	79.0%	88.0%	83.5%
					10	Meadowbrook	76.0%	86.0%	81.0%
					Chesterfield County Average		87.4%	91.3%	89.4%
					State Average		86.0%	91.0%	88.5%



Several institutions of higher learning are within three to 16 miles of the site including John Tyler Community College, Virginia Commonwealth University (VCU), and the University of Richmond. John Tyler Community College is a public two-year higher education institution with an enrollment of nearly 14,000 students among two campuses, one of which is located 3.3 miles southeast of the subject site. VCU is one of the largest public universities in Virginia, with more than 30,000 total students. VCU's primary campus is located near Downtown Richmond.

3. Shopping

The subject's nearest grocery store is an ALDI, just over one mile southwest of the subject site within the developing Winterfield Crossing PUD. Kroger and Publix grocery stores are located less than two miles southeast of the subject along with various smaller retailers and restaurants in the IvyMont Square Shopping Center. Two other full service grocery stores (Food Lion and Wegman's) are within four miles east of the site off Midlothian Turnpike. Most of these grocery stores also contain pharmacies. The nearest standalone pharmacy is a CVS, about two miles west of the subject site in Westchester Commons Shopping Center. Other nearby convenience retailers include a Target in Westchester Commons, Walmart and Sam's Club located less than four miles east of the site off Midlothian Turnpike, and Dollar Tree and Five Below discount stores located roughly five miles east in the Chesterfield Marketplace shopping center. A Costco wholesale store is also located near Chesterfield Towne Center and Chesterfield Marketplace.

Nearby comparison retailers include Jo-Ann Fabrics, OfficeMax and Petco among numerous other small retailers in Westchester Commons, as well as Home Depot, Staples, PetSmart, and Ross Dress For Less located within the Chesterfield Marketplace shopping center. The nearest indoor shopping mall is Chesterfield Towne Center, located 4.7 miles east of the site and featuring large department stores such as Macy's and JCPenney, in addition to Barnes & Noble, TJ Maxx, Old Navy, and many other standard mall offerings.

4. Recreational and Other Community Amenities

Recreation opportunities within a relatively short drive of the subject site include Mid-Lothian Mines Park, located 3.8 miles southeast of the subject site and consisting of several historic exhibits as well as a pond, trails, and an amphitheater. Windy Hill Golf and Sports Complex is also approximately two miles west of the site. This sports facility features activities including a driving range, batting cages, miniature golf, two golf courses, and a go-kart track. Huguenot Park, located less than seven miles northeast of the subject, includes walking trails, athletic fields, tennis courts, basketball courts, gardens, picnic shelters and a playground. King Pin Lanes Bowling Alley is also located less than a half-mile east of the subject.

F. Overall Site Conclusions

The subject site is appropriate for affordable multifamily rental housing. A large variety of neighborhood amenities, including retailers, medical providers and recreation options are within a relatively short drive from the subject site. The property is conveniently located near primary transportation thoroughfares providing local and regional access to neighborhood services and employment centers in the Richmond region. Public schools zoned to the subject community are also amongst the highest ranking in the school district, with testing scores that exceed statewide averages. Adjacent land uses include affordable and market rate multifamily residential, commercial, and parcels slated for future redevelopment. RRP did not identify any negative attributes of the site.



IV. ECONOMIC CONTEXT

A. Introduction

This section of the report focuses primarily on economic trends and conditions in Chesterfield County, the jurisdiction in which the subject site is located. Economic trends in Virginia and the nation are also discussed for comparison purposes. **It is important to note that this section presents the latest economic data available at the local level. This data may not fully reflect the downturn associated with COVID-19 business closures and job losses. The exact economic impact on any specific market area or county will be dependent on the longevity and severity of the COVID-19 pandemic over the next several months which may be shortened with the availability of vaccines. RPRG provides the most recent data available and will provide an analysis and conclusion on the potential impact of COVID-19 in the conclusion section of this market study.**

B. Labor Force, Resident Employment, and Unemployment

1. Trends in Annual Average Labor Force and Unemployment Rates

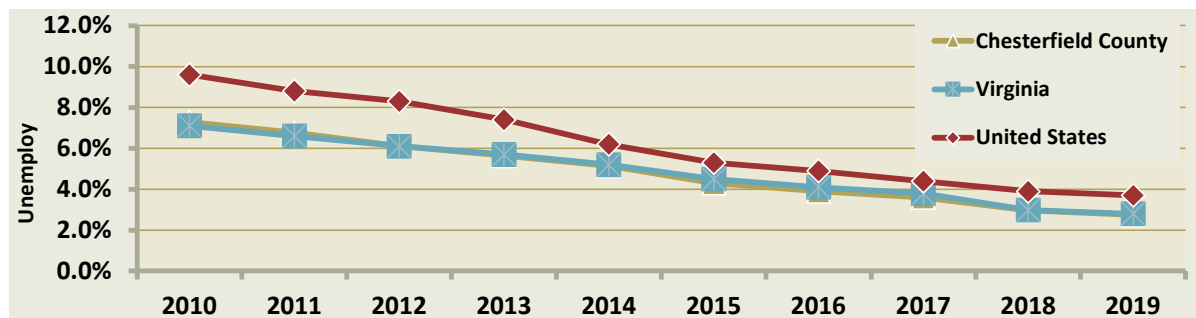
Chesterfield County’s total labor force grew steadily between 2010 and 2019, with total growth of 20,398 workers or 12.1 percent (Table 6). During this period, the employed portion of the labor force increased every year except 2014 with total growth of 27,514 workers or 17.6 percent, while unemployed workers in the county declined by 7,116 workers from 12,295 unemployed workers in 2010 to 5,179 workers in 2019.

With the growth of the labor force and decline of unemployed workers, Chesterfield County’s unemployment rate steadily decreased between 2010 - at the height of the previous recession- and 2019, dropping from 7.3 percent to 2.7 percent during this period. The county’s unemployment rate consistently tracked closely with state and below national rates during this period. The county’s 2019 employment rate of 2.7 percent was similar to Virginia’s 2.8 percent rate and below the national rate of 3.7 percent.

Table 6 Labor Force & Unemployment Rates 2010-2019

Annual Average Unemployment	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Labor Force	168,602	171,539	172,990	174,761	177,299	177,940	180,485	183,611	186,121	189,000
Employment	156,307	159,940	162,433	164,919	168,197	170,275	173,447	177,006	180,588	183,821
Unemployment	12,295	11,599	10,557	9,842	9,102	7,665	7,038	6,605	5,533	5,179
Unemployment Rate										
Chesterfield County	7.3%	6.8%	6.1%	5.6%	5.1%	4.3%	3.9%	3.6%	3.0%	2.7%
Virginia	7.1%	6.6%	6.1%	5.7%	5.2%	4.5%	4.1%	3.8%	3.0%	2.8%
United States	9.6%	8.8%	8.3%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%

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





2. Trends in Monthly Unemployment Data

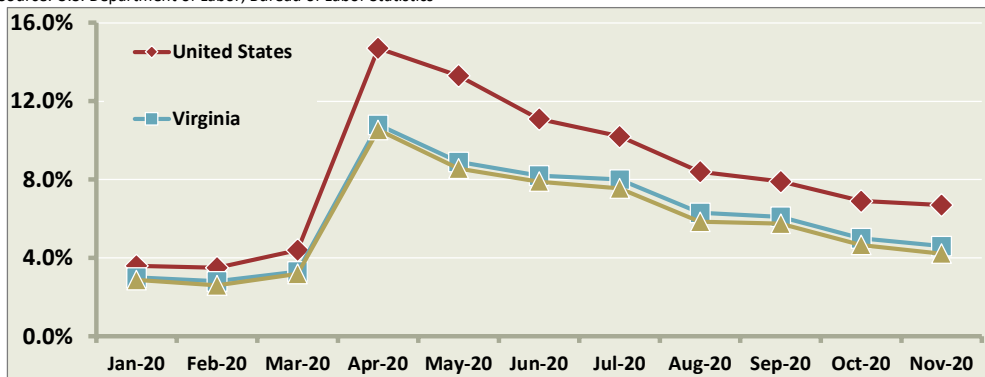
The total labor force remained relatively unchanged through the first three months of 2020 but decreased by 7,047 workers or 3.7 percent in April 2020 during the onset of the COVID-19 pandemic (Table 7). The number of unemployed workers more than tripled from an average of 6,079 in March 2020 to 19,357 in April. The county’s labor force fluctuated over the next seven months, though the number of unemployed workers declined overall to 7,675 unemployed workers in November 2020.

The county’s unemployment rate changed only slightly during the first three months of 2020, fluctuating between 2.6 percent and 3.2 percent, but spiked to 10.5 percent in April; this increase reflects the impact of business-related closures related to the COVID-19 Pandemic, which has affected the entire nation and world. The unemployment rate decreased in seven consecutive months to 4.2 percent in November, lower than the state’s 4.6 percent and the nation’s 6.7 percent.

Table 7 2020 Monthly Labor Force and Unemployment Data

Monthly Unemployment	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20
Labor Force	191,338	192,727	190,718	183,671	183,715	184,356	185,895	185,435	182,297	180,874	181,695
Employment	185,840	187,710	184,639	164,314	167,989	169,794	171,867	174,601	171,825	172,443	174,020
Unemployment	5,498	5,017	6,079	19,357	15,726	14,562	14,028	10,834	10,472	8,431	7,675
Unemployment Rate											
Chesterfield County	2.9%	2.6%	3.2%	10.5%	8.6%	7.9%	7.5%	5.8%	5.7%	4.7%	4.2%
Virginia	3.0%	2.8%	3.3%	10.8%	8.9%	8.2%	8.0%	6.3%	6.1%	5.0%	4.6%
United States	3.6%	3.5%	4.4%	14.7%	13.3%	11.1%	10.2%	8.4%	7.9%	6.9%	6.7%

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



C. Commuting Patterns

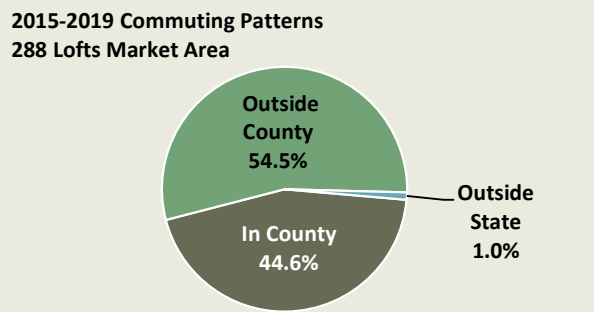
According to 2015-2019 American Community Survey (ACS) data, 18.1 percent of the workers residing in the primary market area spent less than fifteen minutes commuting to work (Table 8). Roughly 43 percent of workers spent 15 to 29 minutes commuting to work, while roughly one-third (32.3 percent) of primary market area workers commuted 30 minutes or more to work. Less than 45 percent of workers residing in the primary market area worked in Chesterfield County, while more than half (54.5 percent) worked in another Virginia county, and one percent worked in another state.



Table 8 Commutation Data, 288 Lofts Market Area

Travel Time to Work			Place of Work		
Workers 16 years+	#	%	Workers 16 years and over	#	%
Did not work at home:	52,059	93.6%	Worked in state of residence:	55,061	99.0%
Less than 5 minutes	608	1.1%	Worked in county of residence	24,773	44.6%
5 to 9 minutes	3,214	5.8%	Worked outside county of residence	30,288	54.5%
10 to 14 minutes	6,251	11.2%	Worked outside state of residence	546	1.0%
15 to 19 minutes	7,314	13.2%	Total	55,607	100%
20 to 24 minutes	10,060	18.1%			
25 to 29 minutes	6,628	11.9%			
30 to 34 minutes	9,441	17.0%			
35 to 39 minutes	2,348	4.2%			
40 to 44 minutes	1,955	3.5%			
45 to 59 minutes	1,944	3.5%			
60 to 89 minutes	1,344	2.4%			
90 or more minutes	952	1.7%			
Worked at home	3,548	6.4%			
Total	55,607				

Source: American Community Survey 2015-2019



Source: American Community Survey 2015-2019

D. At-Place Employment

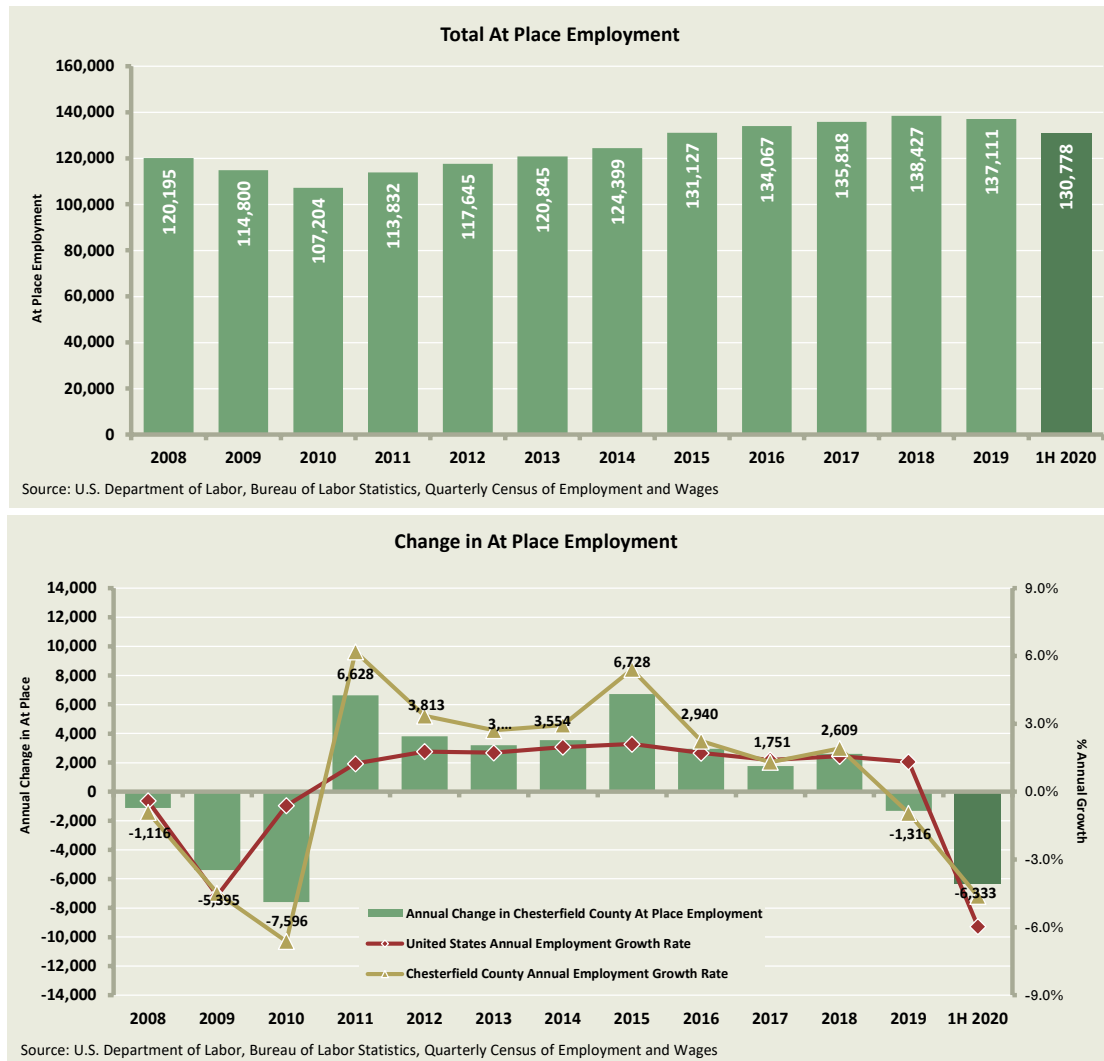
1. Trends in Total At-Place Employment

Chesterfield County’s At-Place Employment has increased significantly since 2008 following recession-era losses in 2009 and 2010. Chesterfield County lost 14,107 net jobs from 2008 to 2010, the three years affected at the national level during the previous economic slowdown. At-Place Employment in Chesterfield County increased from 107,204 jobs in 2010 to 137,111 jobs in 2019, increasing every year during the period except for a slight decline in 2019 (Figure 5). Over this period, the county gained nearly 30,000 jobs, or 28 percent. Preliminary data for the first half of 2020 indicates a decline of 6,333 jobs or 4.6 percent with the onset of the COVID-19 pandemic and associated economic downturn. Despite this decrease in At-Place Employment, declining unemployment rates through November 2020 suggests that many of the jobs lost during the initial months of the pandemic were likely temporary layoffs or furloughs, and many jobs were likely restored as business restrictions were eased.

As illustrated in the bottom of Figure 5, the county’s annual growth rate tracked above the national growth rate from 2011 through 2016, before roughly matching the national growth rate in 2017 and 2018 and declining in 2019 while the national rate remained steady. The county’s rate of job decline outpaced that of the nation during the first half of 2020.



Figure 5 At-Place Employment, Chesterfield County



1. At-Place Employment by Industry Sector

As of the first half of 2020, Chesterfield County’s economy is dominated by jobs in the Trade-Transportation-Utilities sector, comprising almost one-quarter of local jobs (24.0 percent) compared to 18.9 percent nationally (Figure 6). Government and Professional-Business are the next largest sectors, each comprising roughly 15 to 16 percent of total county employment. Except for those sectors already mentioned and the Construction sector, the county has similar proportions of each sector when compared to the nation.

Figure 7 details annualized employment change by industry sector within Chesterfield County and the United States between 2011 and the first half of 2020. Eight of the eleven economic sectors experienced net increases in employment over this period led by Natural Resources-Mining (114.0 percent total growth), though it should be noted that this sector represents less than one percent of total jobs in the county. Other sectors that experienced substantial growth over the period are Professional-Business (43.7 percent), Construction (38.2 percent), Education-Health (33.9 percent), and Trade-Transportation-Utilities (21.9 percent). The Financial Activities and



Information sectors experienced the only sizeable losses, but those are both small parts of the local economy, each representing less than five percent of county jobs.

Figure 6 Total Employment by Sector

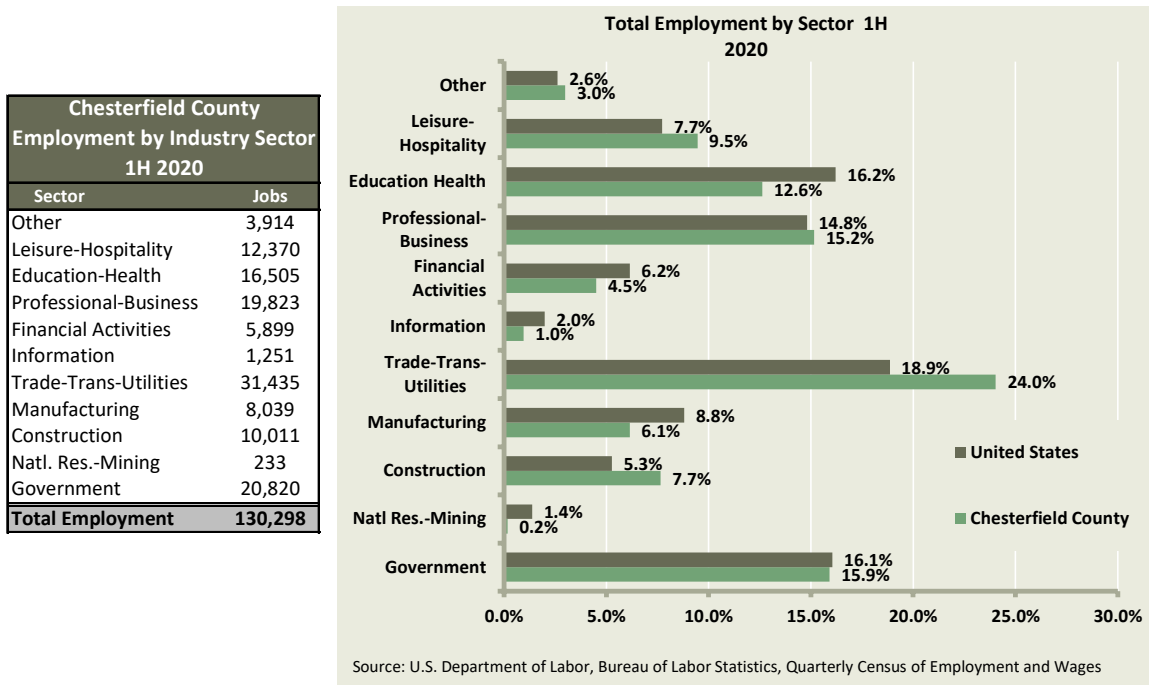
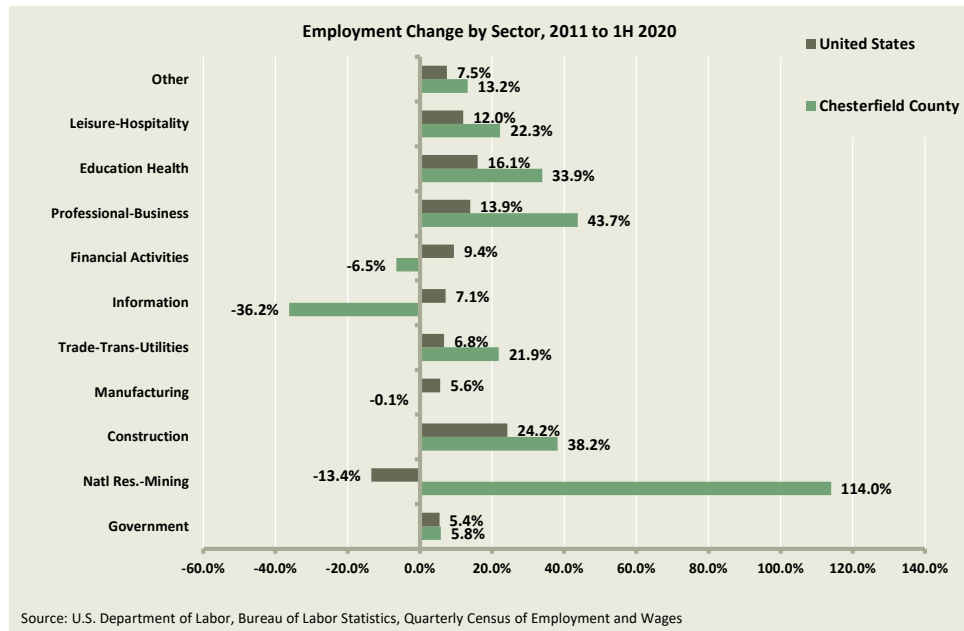


Figure 7 Employment Change by Sector, 2011-2020 1H





2. Major Employers

Table 9 outlines the largest employers in terms of number of employees as reported by the Virginia Employment Commission in 2019. Large employers are representative of the distribution, healthcare, and government jobs dominant in the region. The top private employers include Amazon Fulfillment and UPS, two hospital systems, local and national government entities, and two grocers. The remainder of top employers include a bank, manufacturer, and big-box retailer.

Table 9 Major Employers, Chesterfield County

Rank	Name	Sector	Employment
1	Chesterfield County School Board	Education	1,000+
2	County of Chesterfield	Government	1,000+
3	Amazon Fulfillment Services Inc	Retail Distribution	1,000+
4	US Department of Defense	Government	1,000+
5	HCA Virginia Health System	Healthcare	1,000+
6	UPS	Parcel Delivery	1,000+
7	Bon Secours Richmond Health System	Healthcare	1,000+
8	Food Lion	Grocery	1,000+
9	Capital One Bank	Financial Services	1,000+
10	DuPont Specialty Products USA, LLC	Manufacturing	1,000+
11	Wal Mart	Retail Sales	1,000+
12	Kroger	Grocery	1,000+

Source: Virginia Employment Commission

E. Wage Trends

The average annual wage in 2019 for Chesterfield County was \$48,515 (Table 10). Chesterfield County's average annual pay was 19.4 percent lower than the statewide average wage of \$60,178 and 18.1 percent lower than the national average annual wage of \$59,219. The average annual wage throughout Chesterfield County increased every year but one from 2010 to 2019, equating to wage growth of 14.0 percent over the period.

Table 10 Average Annual Wage

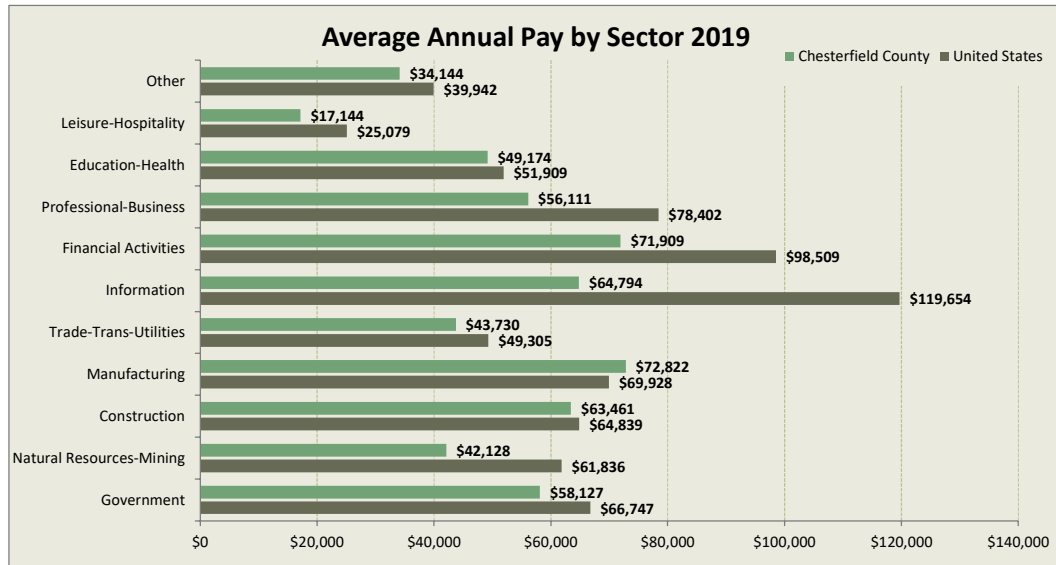
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Chesterfield County	\$42,566	\$43,088	\$43,856	\$43,741	\$44,039	\$44,477	\$44,998	\$46,224	\$47,389	\$48,515
Virginia	\$49,651	\$50,657	\$51,646	\$51,918	\$52,929	\$54,276	\$54,836	\$56,503	\$58,239	\$60,178
United States	\$46,751	\$48,043	\$49,289	\$49,808	\$51,364	\$52,942	\$53,621	\$55,390	\$57,266	\$59,219

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

Figure 8 compares the average annual wage by economic sector for Chesterfield County and the United States as of 2019. The average annual wage in the city lagged the average annual wage nationally in every sector except Manufacturing with an average annual wage of \$72,822 compared to a national average annual wage of \$69,928 in this sector. Manufacturing is the highest-paying sector in the county followed by Financial Activities (\$71,909). Among the county's most significant sectors, Trade-Transportation-Utilities averaged \$43,730; Government has an average wage of \$58,127; and Professional-Business averaged \$56,111 throughout the county.



Figure 8 Annualized Wage Data by Sector



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

F. Economic Conclusions and Projections

Chesterfield County’s job growth has been strong over the past decade with job gains in each of the eight years from 2011 through 2018, followed by a slight decline in 2019. After peaking at 7.3 percent in 2010 during the previous recession, the county’s unemployment rate dropped substantially to 2.7 percent as of 2019. Even with the onset of the COVID-19 outbreak, unemployment rates remained below national levels and have gradually improved since the initial months of the outbreak. This favorable trend in unemployment through November 2020 suggests that many county jobs lost in the first half of 2020 were likely temporary layoffs or furloughs. Chesterfield County has a relatively diverse economy with a high concentration of jobs within relatively resilient sectors, such as Government and Professional-Business, which have helped to stabilize the economy during the ongoing economic disruption.



V. HOUSING MARKET AREA

A. Introduction

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

B. Delineation of Market Area

In defining the primary market area, RPRG considered the local and regional road network of Chesterfield County and the surrounding Richmond metro area, natural and man-made boundaries, and any psychological boundaries. The market area comprises portions of Chesterfield County to the west of the city of Richmond. Most of the population and households in the market area are located in the Midlothian area of Chesterfield County with portions of the market area extending east into the Bon Air District. The market area is primarily suburban in nature and serves as both a bedroom community for metro Richmond as well as a local employment center with emerging commercial nodes. Tracts along the western periphery of the market area are more characteristically exurban as one travels westward towards rural Powhatan County. Conversely, areas along the eastern fringe of the market area have higher-density development patterns consistent with Richmond’s urbanized core neighborhoods.

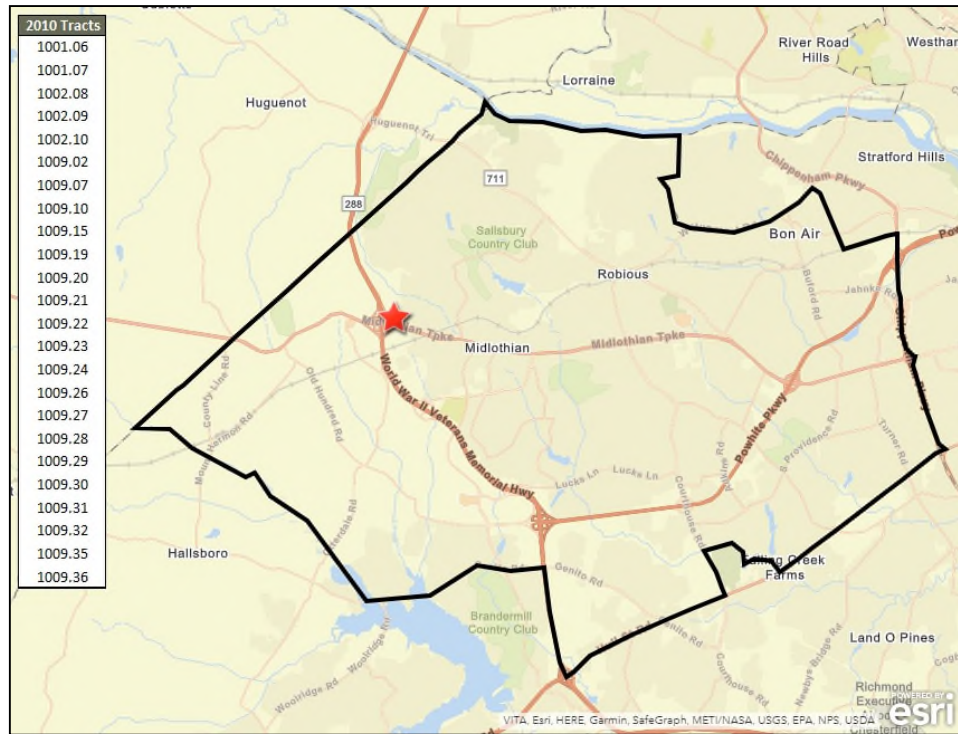
The primary market area defined by RPRG and the 2010 census tracts that comprise the market area are listed and presented in Map 4. The approximate boundaries of the market area and their distance from the subject site are:

- North:** The James River/Henrico County/Huguenot Road..... 3.8 miles
- East:** VA-150/Chippenham Parkway/Old Gun Road..... 8.6 miles
- South:** Swift Creek/Genito Road/VA-288/US-360..... 4.4 miles
- West:** Powhatan County..... 1.5 miles

As appropriate for this analysis, the 288 Lofts Market Area is compared to Chesterfield County as a whole. Demand estimates are based only on the 288 Lofts Market Area.



Map 4 288 Lofts Market Area





VI. DEMOGRAPHIC ANALYSIS

A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the 288 Lofts Market Area and the wider Chesterfield County region using the following data sources:

- The U.S. Census Bureau's 2000 and 2010 Census of Population and Housing
- The U.S. Census Bureau's American Community Survey for the years 2015 through 2019
- 2020 estimates and 2025 projections by Census tract from Esri, which incorporate 2010 Census data. Esri is a national vendor of demographic data
- Data on permits for new residential units in Chesterfield County, compiled by the U.S. Census Bureau

In considering population and household trends moving forward from the 2010 Census, RPRG utilized Esri estimates and projections.

It is important to note that all demographic data is based on historic Census data and the most recent local area projections available for the 288 Lofts Market Area and Chesterfield County. In this case, estimates and projections were derived by Esri in 2020. We recognize that the current COVID-19 situation is likely to have an impact on short-term growth and demographic trends. The demographic projections have not been altered, but RPRG will discuss the impact of these potential changes as they relate to housing demand in the conclusions of this report.

B. Trends in Population and Households

1. Recent Past Trends

The 288 Lofts Market Area's population increased from 87,726 people in 2000 to 102,145 people in 2010, a net gain of 14,419 people or 16.4 percent (1.5 percent annually). The market area's household count increased at an even greater rate, adding 6,750 net households between census counts for an increase of 21.0 percent or 1.9 percent annually (Table 11). Annual change rates in the county were higher during that time at 2.0 percent for population and 2.1 percent for households. Chesterfield County added 56,333 people and 21,908 households during the decade for a net increase of 21.7 percent for population and 23.4 percent for households.

Based on Esri data, the market area's growth continued from 2010 to 2021 with net growth of 15.2 percent for both population and households. The market area population increased annually by 1,409 people (1.3 percent) while the household base grew by 540 households per year (1.3 percent). Chesterfield County is also estimated to have had annual growth of 1.3 percent for population and households over the past eleven years.

2. Projected Trends

Based on Esri data, RPRG projects the market area will gain 1,627 people and 614 households per year from 2021 to 2026, an annual growth rate of 1.3 percent for each category. By 2026, the market area will include 125,778 persons and 47,960 households. Chesterfield County is projected to continue growing rapidly as well over the next five years, with annual average gains of 1.2 percent for population and households.



Table 11 Population and Household Projections, 2021 to 2026

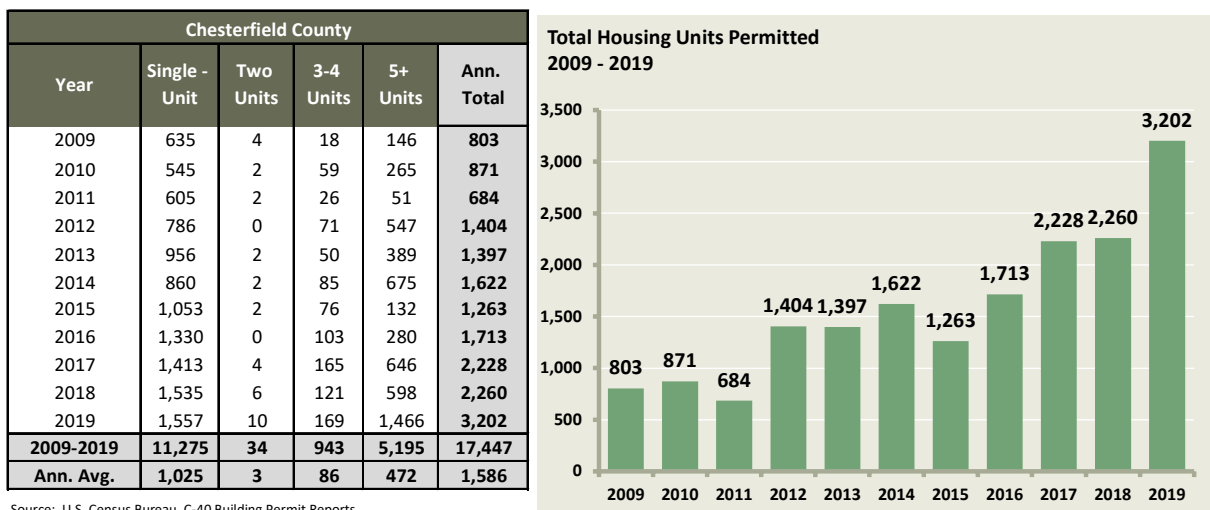
Chesterfield County						288 Lofts Market Area					
Population	Count	Total Change		Annual Change		Count	Total Change		Annual Change		
		#	%	#	%		#	%	#	%	
2000	259,903					87,726					
2010	316,236	56,333	21.7%	5,633	2.0%	102,145	14,419	16.4%	1,442	1.5%	
2021	363,762	47,526	15.0%	4,321	1.3%	117,643	15,498	15.2%	1,409	1.3%	
2026	385,554	21,792	6.0%	4,358	1.2%	125,778	8,135	6.9%	1,627	1.3%	
Households	Count	Total Change		Annual Change		Count	Total Change		Annual Change		
		#	%	#	%		#	%	#	%	
2000	93,772					32,201					
2010	115,680	21,908	23.4%	2,191	2.1%	38,951	6,750	21.0%	675	1.9%	
2021	132,797	17,117	14.8%	1,556	1.3%	44,888	5,937	15.2%	540	1.3%	
2026	140,684	7,887	5.9%	1,577	1.2%	47,960	3,072	6.8%	614	1.3%	

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

3. Building Permit Trends

RPRG examines building permit trends as one way of determining if the housing supply is meeting demand, as measured by new households. A review of building permit issuance since 2009 in Chesterfield County shows that new housing development has accelerated since the previous national economic downturn (Table 12). The latest annual total of 3,202 units permitted in 2019 represents a substantial increase from the 2,260-unit annual total during the previous year and is the highest annual total of units permitted during the eleven-year period. From 2012 to 2019, Chesterfield County issued permits for 15,089 total units, an annual average of 1,886 units. Of these, 5,195 units permitted were for multifamily structures of five or more units; 1,466 of these multi-family units were permitted in 2019, more than double the number of such units permitted in 2018 and by far the highest number of annual multi-family units permitted during the analysis period. The portion of Chesterfield County comprised by the market area is an especially high growth area, and much of the permit issuance for the county is within these western tracts. Of the total units permitted since 2009, approximately 29.8 percent of units permitted were for multi-family structures of five or more units.

Table 12 Building Permits by Structure Type



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



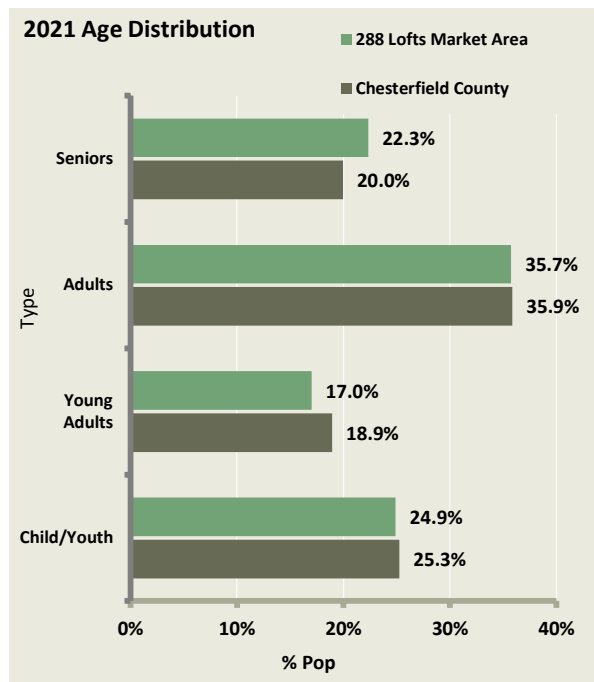
C. Demographic Characteristics

1. Age Distribution and Household Type

The 288 Lofts Market Area’s population is slightly older than Chesterfield County’s population with median ages of 40 and 39, respectively (Table 13). Adults age 35-61 is the largest age cohort of both the market area and county, representing 35.7 and 35.9 percent of each, respectively. Young Adults age 20 to 34 comprise 17 percent of the market area compared to 18.9 percent of the residents countywide. Children under 20 years old represent roughly one-quarter of both the market area and county. Seniors (age 62 and older) comprise roughly 22 percent of the 288 Lofts Market Area’s population, slightly more than the countywide proportion of 20 percent.

Table 13 Age Distribution

2021 Age Distribution	Chesterfield County		288 Lofts Market Area	
	#	%	#	%
Children/Youth	91,855	25.3%	29,295	24.9%
Under 5 years	20,560	5.7%	6,544	5.6%
5-9 years	22,534	6.2%	7,370	6.3%
10-14 years	24,160	6.6%	7,893	6.7%
15-19 years	24,601	6.8%	7,489	6.4%
Young Adults	68,840	18.9%	20,026	17.0%
20-24 years	20,922	5.8%	5,836	5.0%
25-34 years	47,918	13.2%	14,190	12.1%
Adults	130,450	35.9%	42,051	35.7%
35-44 years	46,649	12.8%	15,177	12.9%
45-54 years	48,920	13.4%	15,373	13.1%
55-61 years	34,881	9.6%	11,501	9.8%
Seniors	72,617	20.0%	26,270	22.3%
62-64 years	14,949	4.1%	4,929	4.2%
65-74 years	36,510	10.0%	13,169	11.2%
75-84 years	15,855	4.4%	5,849	5.0%
85 and older	5,304	1.5%	2,323	2.0%
TOTAL	363,762	100%	117,643	100%
Median Age	39		40	



Source: Esri; RPRG, Inc.

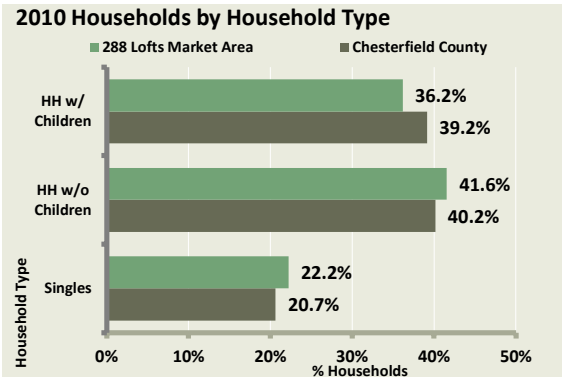
Multi-person households without children, which typically include married and non-married couples as well as roommates, were the most common household type in the 288 Lofts Market Area at 41.6 percent compared to 40.2 percent for Chesterfield County (Table 14). Households with children were the next largest household type representing 36.2 percent of the market area compared to 39.2 percent of the county. Single-person households represented 22.2 percent of the market area compared to 20.7 percent countywide.



Table 14 Households by Household Type

2010 Households by Household Type	Chesterfield County		288 Lofts Market Area	
	#	%	#	%
Married w/Children	31,478	27.2%	10,545	27.1%
Other w/ Children	13,821	11.9%	3,552	9.1%
Households w/ Children	45,299	39.2%	14,097	36.2%
Married w/o Children	34,383	29.7%	12,400	31.8%
Other Family w/o Children	6,934	6.0%	2,099	5.4%
Non-Family w/o Children	5,173	4.5%	1,696	4.4%
Households w/o Children	46,490	40.2%	16,195	41.6%
Singles	23,891	20.7%	8,659	22.2%
Total	115,680	100%	38,951	100%

Source: 2010 Census; RPRG, Inc.



D. Households by Tenure

1. Recent Past Trends

The number of renter households in the 288 Lofts Market Area increased from 5,419 in 2000 to 9,852 in 2021 for a net increase of 4,433 renter households or by 81.8 percent. Renters accounted for 34.9 percent¹ of all net household growth in the market (Table 15). By comparison, the number of owner households in the market area increased 30.8 percent over the eleven-year period, accounting for 65.1 percent of net growth. The 288 Lofts Market Area has a similar propensity to rent when compared to the Chesterfield County with 2021 renter percentages of 21.9 percent and 22.6 percent, respectively. The market area’s annual average growth by tenure over the past eleven years was 211 renter households (2.9 percent) and 393 owner households (1.3 percent).

Table 15 Households by Occupancy Status

Chesterfield County	2000		2010		2021		Change 2000-2021				% of Change 2000 - 2021
	#	%	#	%	#	%	Total Change		Annual Change		
Housing Units	#	%	#	%	#	%	#	%	#	%	
Owner Occupied	75,874	80.9%	89,603	77.5%	102,799	77.4%	26,925	35.5%	1,282	1.5%	69.0%
Renter Occupied	17,898	19.1%	26,077	22.5%	29,998	22.6%	12,100	67.6%	576	2.5%	31.0%
Total Occupied	93,772	100%	115,680	100%	132,797	100%	39,025	41.6%	1,858	1.7%	100%
Total Vacant	3,935		6,875		7,102						
TOTAL UNITS	97,707		122,555		139,900						

288 Lofts Market Area	2000		2010		2021		Change 2000-2021				% of Change 2000 - 2021
	#	%	#	%	#	%	Total Change		Annual Change		
Housing Units	#	%	#	%	#	%	#	%	#	%	
Owner Occupied	26,782	83.2%	30,974	79.5%	35,036	78.1%	8,254	30.8%	393	1.3%	65.1%
Renter Occupied	5,419	16.8%	7,977	20.5%	9,852	21.9%	4,433	81.8%	211	2.9%	34.9%
Total Occupied	32,201	100%	38,951	100%	44,888	100%	12,687	39.4%	604	1.6%	100%
Total Vacant	1,127		2,227		2,451						
TOTAL UNITS	33,328		41,178		47,339						

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

¹ Based on change from 2000 to 2010 Census counts and Esri’s 2020 Estimate



2. Projected Trends

Esri projects renter household growth in the market area to increase slightly over the next five years adding 285 renter households each year compared to the pace of 211 per year over the past 21 years (Table 16). This estimate is equal to 46.4 percent of the project household growth between 2021 and 2026. This is higher than the 34.9 percent of household growth of the last 21 years attributed to renters, though we believe this is justified given the considerable growth of the renter household base and rental stock within the Midlothian area over the past decade with continued signs of significant growth based on absorption rates of market area communities and low vacancy rates across all price points. In comparison, owner households are projected to increase by 329 households per year or 53.6 percent of the overall projected household growth over the next five years.

Table 16 Households by Tenure, 2021-2026

288 Lofts Market Area	2021		2026 Esri HH by Tenure		Esri Change by Tenure		Annual Change by Tenure	
	#	%	#	%	#	%	#	%
Housing Units								
Owner Occupied	35,036	78.1%	36,682	76.5%	1,646	53.6%	329	0.9%
Renter Occupied	9,852	21.9%	11,278	23.5%	1,426	46.4%	285	2.9%
Total Occupied	44,888	100%	47,960	100%	3,072	100%	614	1.4%
Total Vacant	2,451		2,568					
TOTAL UNITS	47,339		50,528					

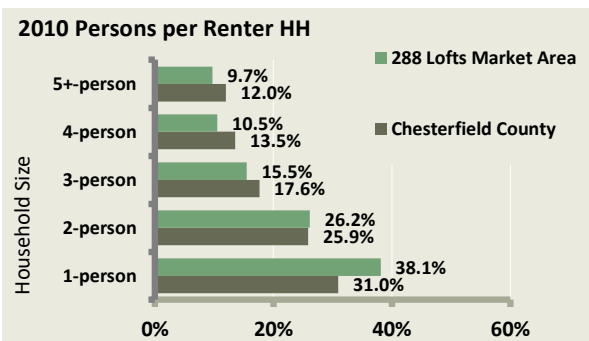
3. Renter Household Characteristics

One- and two-person households comprised 64 percent of all renter households in the 288 Lofts Market Area as of the 2010 Census compared to 57 percent in the county (Table 17). Single-person households were more common in the market area at 38 percent of all renter households compared to 31 percent in the county. More than one-quarter (26 percent) of renter households in the market area had three or four persons and almost ten percent had five or more persons.

Table 17 Renter Households by Persons per Household

Renter Occupied	Chesterfield County		288 Lofts Market Area	
	#	%	#	%
1-person hhld	8,074	31.0%	3,039	38.1%
2-person hhld	6,749	25.9%	2,086	26.2%
3-person hhld	4,594	17.6%	1,235	15.5%
4-person hhld	3,532	13.5%	841	10.5%
5+-person hhld	3,128	12.0%	776	9.7%
TOTAL	26,077	100%	7,977	100%

Source: 2010 Census



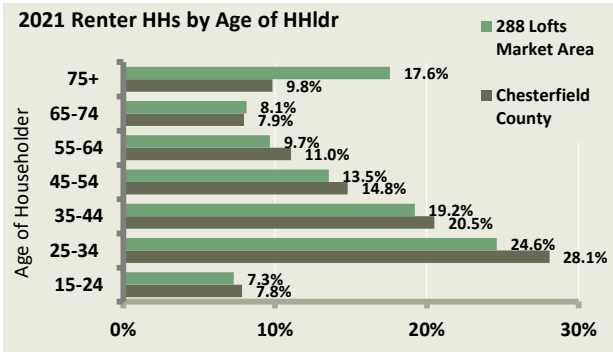
The 288 Lofts Market Area’s renter householders are older than the county’s (Table 18). Roughly 32 percent of the market area’s renter householders are under the age of 35, while a similar 32.7 percent are age 35-54 years. Renter householders age 55+ comprise 35.4 percent of the market area’s renter households compared to 28.8 percent of renter households in the county.



Table 18 Renter Households by Age of Households

Renter Households	Chesterfield County		288 Lofts Market Area	
	#	%	#	%
15-24 years	2,349	7.8%	717	7.3%
25-34 years	8,421	28.1%	2,425	24.6%
35-44 years	6,148	20.5%	1,892	19.2%
45-54 years	4,435	14.8%	1,333	13.5%
55-64 years	3,314	11.0%	952	9.7%
65-74 years	2,382	7.9%	801	8.1%
75+ years	2,950	9.8%	1,732	17.6%
Total	29,998	100%	9,852	100%

Source: Esri, Real Property Research Group, Inc.



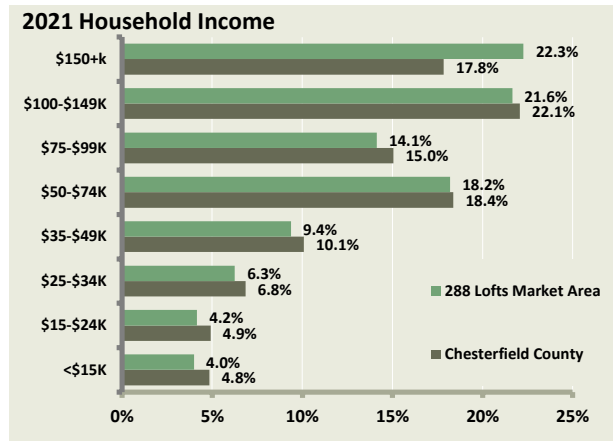
E. Income Characteristics

The median household income in the 288 Lofts Market Area as of 2021 is \$89,240, 7.2 percent more than the \$83,239 median in Chesterfield County (Table 19). Approximately 14 percent of 288 Lofts Market Area households earn less than \$35,000 compared to 16.6 percent countywide. Another 9.4 percent of households in the market area earn \$35,000 to \$49,999, while 18.2 percent earn \$50,000 to \$74,999. Fifty-eight percent of market area households earn \$75,000 or more.

Table 19 Household Income

Estimated 2021 Household Income		Chesterfield County		288 Lofts Market Area	
		#	%	#	%
less than \$15,000	\$15,000	6,427	4.8%	1,788	4.0%
\$15,000	\$24,999	6,518	4.9%	1,867	4.2%
\$25,000	\$34,999	9,082	6.8%	2,810	6.3%
\$35,000	\$49,999	13,390	10.1%	4,202	9.4%
\$50,000	\$74,999	24,394	18.4%	8,165	18.2%
\$75,000	\$99,999	19,985	15.0%	6,342	14.1%
\$100,000	\$149,999	29,305	22.1%	9,717	21.6%
\$150,000	Over	23,696	17.8%	9,998	22.3%
Total		132,797	100%	44,888	100%
Median Income		\$83,239		\$89,240	

Source: Esri, Real Property Research Group, Inc.



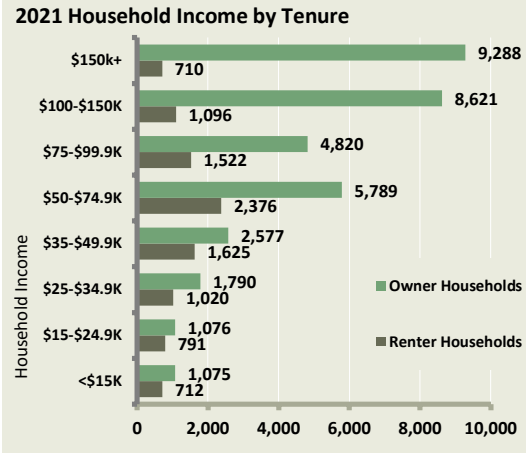
Based on the U.S. Census Bureau’s American Community Survey data, the breakdown of tenure, and household estimates, RPRG estimates that the median income of 288 Lofts Market Area households by tenure is \$58,184 for renters, 56.9 percent of the \$102,262 median income for homeowners (Table 20). Approximately one quarter (25.6 percent) of households in the 288 Lofts Market Area earn less than \$35,000, including 15.3 percent that earns less than \$25,000. Another 16.5 percent of market area households earn \$35,000 to \$49,999, while 24.1 percent earn \$50,000 to \$74,999, and 33.8 percent of renter households earn at least \$75,000.



Table 20 Household Income by Tenure

Estimated 2021 HH Income	Renter Households		Owner Households	
	#	%	#	%
288 Lofts Market Area				
less than \$15,000	712	7.2%	1,075	3.1%
\$15,000 - \$24,999	791	8.0%	1,076	3.1%
\$25,000 - \$34,999	1,020	10.3%	1,790	5.1%
\$35,000 - \$49,999	1,625	16.5%	2,577	7.4%
\$50,000 - \$74,999	2,376	24.1%	5,789	16.5%
\$75,000 - \$99,999	1,522	15.4%	4,820	13.8%
\$100,000 - \$149,999	1,096	11.1%	8,621	24.6%
\$150,000 over	710	7.2%	9,288	26.5%
Total	9,852	100%	35,036	100%
Median Income	\$58,184		\$102,262	

Source: American Community Survey 2015-2019 Estimates, RPRG, Inc.



F. Cost-Burdened Renter Households

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

Rent burden data from the 2015-2019 ACS indicates that a notable proportion of lower-income renter households in the 288 Lofts Market Area tend to pay a very high percentage of their monthly income toward housing costs (Table 21). One-quarter (26.6 percent) of all renter households residing in the 288 Lofts Market Area have rent burdens of 40 percent or higher; 34.4 percent have rent burdens of 35 percent or higher. The cost-burdened situation of many low- to moderate-income renter households is a primary indicator of a need for new affordable income- and rent-restricted rental housing in the primary market area. Additionally, 3.2 percent of the rental housing stock within the market area can be considered substandard, i.e., lacking complete plumbing facilities, or overcrowded with more than 1.0 occupants per room.

Table 21 Rent Burden by Household Income, 2015-2019, 288 Lofts Market Area

Rent Cost Burden			Substandardness	
Total Households	#	%	Total Households	
Less than 10.0 percent	399	4.3%	Owner occupied:	
10.0 to 14.9 percent	687	7.4%	Complete plumbing facilities:	32,268
15.0 to 19.9 percent	1,350	14.6%	1.00 or less occupants per room	32,048
20.0 to 24.9 percent	1,450	15.7%	1.01 or more occupants per room	220
25.0 to 29.9 percent	989	10.7%	Lacking complete plumbing facilities:	86
30.0 to 34.9 percent	922	10.0%	Overcrowded or lacking plumbing	306
35.0 to 39.9 percent	681	7.4%	Renter occupied:	
40.0 to 49.9 percent	599	6.5%	Complete plumbing facilities:	9,222
50.0 percent or more	1,754	19.0%	1.00 or less occupants per room	8,940
Not computed	400	4.3%	1.01 or more occupants per room	282
Total	9,231	100.0%	Lacking complete plumbing facilities:	9
			Overcrowded or lacking plumbing	291
> 35% income on rent	3,034	34.4%	Substandard Housing	597
> 40% income on rent	2,353	26.6%	% Total Stock Substandard	1.4%
			% Rental Stock Substandard	3.2%

Source: American Community Survey 2015-2019

VII. COMPETITIVE HOUSING ANALYSIS

A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of housing in the 288 Lofts Market Area. We provide data regarding structure types, structure age, and home values from the 2015-2019 ACS. We then report the results of our survey of competitive rental communities in January 2021. Furthermore, we identify residential rental projects actively planned or that currently under construction, based on interviews with local government officials, on-line resources, and RPRG site visit observations.

B. Overview of Market Area Housing Stock

Based on the 2015-2019 American Community Survey (ACS), rental housing in multi-family structures (i.e., buildings with five or more units) accounted for over half (50.8 percent) of renter-occupied housing units in the 288 Lofts Market Area compared to 43.8 percent in Chesterfield County (Table 22). Single-family detached units comprised 33.2 percent of rental units in the market area and 38.3 percent of renter-occupied units in the county. Single-family attached dwelling units (townhouses and duplexes) accounted for 7.8 percent of the market area's rental housing stock and 6.9 percent of housing stock in the county.

The majority of the market area's owner-occupied housing stock (91.8 percent) is comprised of single-family detached homes, while another 5.6 percent is single-family attached homes. Only 1.5 percent of the market area's owner-occupied housing stock is represented by multi-family structures of five or more units.

Table 22 Rental Units by Structure Type

Structure Type	Owner Occupied				Renter Occupied			
	Chesterfield County		288 Lofts Market Area		Chesterfield County		288 Lofts Market Area	
	#	%	#	%	#	%	#	%
1, detached	88,673	93.6%	29,708	91.8%	11,571	38.3%	3,059	33.2%
1, attached	3,784	4.0%	1,814	5.6%	2,092	6.9%	718	7.8%
2	21	0.0%	0	0.0%	767	2.5%	122	1.3%
3-4	219	0.2%	117	0.4%	2,144	7.1%	603	6.5%
5-9	265	0.3%	103	0.3%	4,919	16.3%	1,588	17.2%
10-19	494	0.5%	342	1.1%	5,232	17.3%	1,620	17.6%
20+ units	146	0.2%	56	0.2%	3,093	10.2%	1,480	16.0%
Mobile home	1,088	1.1%	214	0.7%	405	1.3%	32	0.3%
TOTAL	94,690	100%	32,354	100%	30,223	100%	9,222	100%

Source: American Community Survey 2015-2019

The median year built of renter occupied structures in both the 288 Lofts Market Area and Chesterfield County is 1986 (Table 23). Only 9.8 percent of the market area's rental housing stock was placed in service before 1970, compared to the county's proportion of 16.0 percent placed in service before this year. Rather, much of rental housing within the market area (63.6 percent) was built between 1970 and 1999. The county also has a high proportion of rental stock built during these three decades (57.5 percent). About a quarter (26.6 percent) of the market area's rental housing stock has been placed in service since 2000, including 9.7 percent placed in service since



2010; a similar proportion of 26.5 percent of the county’s renter occupied dwellings were placed in service since 2000, with 8.1 percent having been built since 2010.

The market area’s owner-occupied housing stock is aged similar to the renter-occupied housing units, with a median year built of 1985.

Table 23 Rental Dwelling Units by Year Built

Year Built	Owner Occupied				Renter Occupied			
	Chesterfield County		288 Lofts Market Area		Chesterfield County		288 Lofts Market Area	
	#	%	#	%	#	%	#	%
2014 or later	3,757	4.0%	1,100	3.4%	910	3.0%	534	5.8%
2010 to 2013	3,313	3.5%	1,084	3.4%	1,542	5.1%	357	3.9%
2000 to 2009	19,173	20.2%	5,592	17.3%	5,578	18.4%	1,566	17.0%
1990 to 1999	16,652	17.6%	4,353	13.5%	5,256	17.4%	1,483	16.1%
1980 to 1989	23,595	24.9%	8,973	27.7%	6,026	19.9%	1,977	21.4%
1970 to 1979	16,088	17.0%	7,092	21.9%	6,124	20.2%	2,412	26.1%
1960 to 1969	6,766	7.1%	2,695	8.3%	2,376	7.8%	508	5.5%
1950 to 1959	3,302	3.5%	1,085	3.4%	1,501	5.0%	312	3.4%
1940 to 1949	1,065	1.1%	198	0.6%	345	1.1%	19	0.2%
1939 or earlier	987	1.0%	182	0.6%	615	2.0%	63	0.7%
TOTAL	94,698	100%	32,354	100%	30,273	100%	9,231	100%
MEDIAN YEAR BUILT	1987		1985		1986		1986	

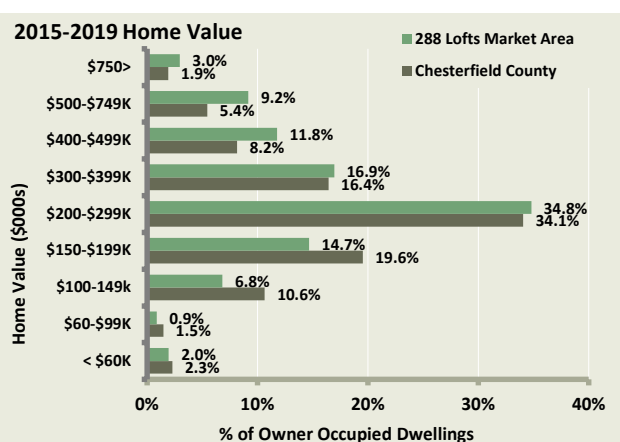
Source: American Community Survey 2015-2019

Based on the 2015-2019 ACS survey, the median value among owner-occupied housing units in 288 Lofts Market Area is \$273,713, approximately \$26,690 or 10.8 percent higher than the county median of \$247,023 (Table 24). ACS home value estimates are based upon respondent’s assessments of the values of their homes. This data is traditionally a less accurate and reliable indicator of home prices than actual sales data but is typically a strong gauge of relative home values across two or more areas.

Table 24 Value of Owner Occupied Housing Stock

2015-2019 Home Value	Chesterfield County		288 Lofts Market Area	
	#	%	#	%
less than \$60,000	2,181	2.3%	633	2.0%
\$60,000 - \$99,999	1,401	1.5%	283	0.9%
\$100,000 - \$149,999	10,082	10.6%	2,209	6.8%
\$150,000 - \$199,999	18,516	19.6%	4,754	14.7%
\$200,000 - \$299,999	32,258	34.1%	11,257	34.8%
\$300,000 - \$399,999	15,559	16.4%	5,481	16.9%
\$400,000 - \$499,999	7,721	8.2%	3,812	11.8%
\$500,000 - \$749,999	5,155	5.4%	2,967	9.2%
\$750,000 over	1,825	1.9%	958	3.0%
Total	94,698	100%	32,354	100%
Median Value	\$247,023		\$273,713	

Source: American Community Survey 2015-2019



C. Survey of General Occupancy Rental Communities

1. Introduction

RPRG surveyed 25 multi-family rental communities in the 288 Lofts Market Area. Of these communities, 23 properties are entirely comprised of unrestricted market rate units, and two communities (Brook Creek Crossings and CreekpoinTE) are LIHTC properties with units restricted to 40 and 60 percent AMI. The surveyed communities cover a wide range of product types and price points and provide insight into current multi-family rental options, rental market conditions, and pricing in the region. Rental communities are segmented into two tiers as follows:

- **Upper Tier** –These 13 communities are generally the highest priced and among the newest communities in the market with all but four built since 2005.
- **Lower Tier** – These 12 communities are generally older and priced less than the Upper Tier. This category includes two Low Income Housing Tax Credit (LIHTC) properties which have rent and income restrictions.

Four of the surveyed Upper Tier communities are currently in the initial lease up phase (Vue at Westchester Commons, Boulders Lakeside, Abberly at Centerpointe, and Sapphire at Centerpointe). It should be noted that one market area tax credit community (Brook Creek Crossings) could not be contacted after repeated attempts to survey. The data for this community is as of a previous survey conducted in September 2020.

The detailed competitive survey excludes age-restricted senior rental properties for the purposes of analyzing the subject general occupancy 288 Lofts Phase II. A separate discussion of rental communities with project-based rental subsidies will be presented later in this section. Profile sheets with detailed information on each surveyed general occupancy community, including photographs, are attached as Appendix 2.

2. Location

Most surveyed communities are located a few miles east or south of the subject site. The nearest two communities to the subject are Brook Creek Crossings and Park at Salisbury, located directly north and east of the subject site, respectively. Vue at Westchester Commons, an Upper Tier property, is located within two miles west of the subject on the west side of VA-288, while Winterfield at Midlothian, another Upper Tier community, is about 1.5 miles east. Two other Upper Tier communities (Trophy Club at Bellgrade and Clairmont at Chesterfield) and one Lower Tier community (Belvedere) are clustered northeast of the subject along Robious Road (Map 5). Three Upper Tier communities and one Lower Tier community are within two miles southeast of the site near Woolridge Road and Midlothian Turnpike, while another five communities are further south of Midlothian Turnpike (including CreekpoinTE, the other LIHTC community). Five communities are positioned on the eastern edge of the market area along Chippenham Parkway while the remaining four properties are scattered east and southeast of the site.

3. Age of Communities

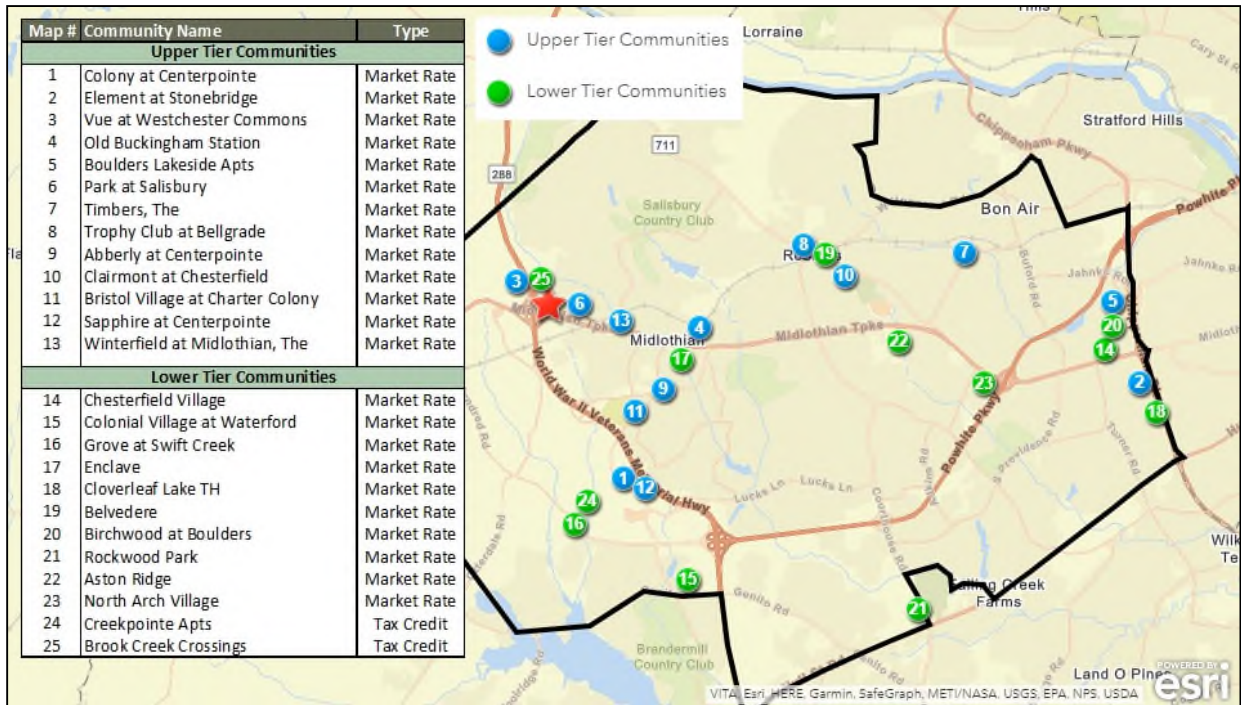
The average year built of the 25 surveyed communities is 2000 (Table 25). Of the 13 Upper Tier communities, nine have been built since 2005. Eight communities have been introduced into the market since 2015, with the five newest having opened in 2019 or 2020.

The average year built of the Lower Tier communities is 1990, with all communities built between 1965 and 2014. Four of the 12 Lower Tier communities were built after 2000, one was built in the 1990s, three in the 1980s, three in the 1970s, and one in the 1960s. Two Lower Tier communities



have undergone major renovations since 2016. The two surveyed tax credit communities were built in 2003 (Creekpointe Apartments) and 2014 (Brook Creek Crossings).

Map 5 Surveyed Multi-Family Rental Communities



4. Structure Type

Of the 13 Upper Tier Communities, nine are exclusively garden-style structures, one contains garden-style and townhome structures, and three (Vue at Westchester Commons, Element at Stonebridge, and Abberly at Centerpointe) are mid-rise buildings with elevator service. Some of the units in the manor-house building at Old Buckingham Station have elevator access, but most of the community consists of walk-up, garden-style units. All but one Lower Tier community contains garden apartment units; one property (Cloverleaf Lake) consists only of townhouse units. Another Lower Tier community (Chesterfield Village) offers townhome units in addition to garden-style units.

5. Size of Communities

The overall average size of surveyed communities is 263 units. The 13 Upper Tier communities range in size from 129 to 400 units and average 270 units per community. Lower communities range from 70 to 694 units with an average of 255 units per community.

6. Vacancy Rates

Four Upper Tier communities (Vue at Westchester Commons, Boulders Lakeside Apartments, Abberly at Centerpointe, and Sapphire at Centerpointe) are in their initial lease up phase (Table 25). Excluding these four properties, the market area’s overall stabilized vacancy rate is low at 2.6 percent with 145 units reported vacant among 5,622 total units at 21 stabilized properties. The



eight stabilized Upper Tier communities reported an aggregate vacancy rate of 3.4 percent while the Lower Tier properties reported an aggregate vacancy rate of 1.9 percent.

The average vacancy rate among the two tax credit communities is similarly low at 1.1 percent with all three reported vacant units at Creeppointe Apartments.

Of the 21 stabilized communities, only two properties- Old Buckingham Station and Colony at Centerpointe- reported a vacancy rate above five percent; these vacancy rates were only slightly elevated at 6.7 percent and 7.8 percent, respectively. It should be noted that these two communities are among the highest priced in the market. Including the four communities in lease-up, the overall vacancy rate of all surveyed communities is 6.3 percent.

Table 25 Rental Summary, Surveyed Rental Communities

Map #	Community	Year Built	Year Rehab	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Incentive
Upper Tier Communities										
1	Colony at Centerpointe	2015		Gar	255	20	7.8%	\$1,444	\$1,863	Daily Pricing; None
2	Element at Stonebridge	2016		Mid Rise	400	7	1.8%	\$1,451	\$1,811	None
3	Vue at Westchester Commons#	2020		Mid Rise	236	61	25.8%	\$1,398	\$1,758	1 mo free w/ 12 mo lease
4	Old Buckingham Station	1988	2012	Gar	360	24	6.7%	\$1,236	\$1,592	1 month free (select units)
5	Boulders Lakeside Apts#	2020		Gar	248	144	58.1%	\$1,277	\$1,570	1 mo free w/13 mo.
6	Park at Salisbury	2004		Gar	320	9	2.8%	\$1,388	\$1,547	None
7	Timbers, The	1987	2014	Gar	240	3	1.3%	\$1,371	\$1,536	Daily Pricing; None
8	Trophy Club at Bellgrade	1996		Gar	248	4	1.6%	\$1,327	\$1,535	Daily pricing
9	Abberly at Centerpointe	2019		Mid Rise	271	35	12.9%	\$1,316	\$1,532	\$1000 off 1 & 2 bed with 14 mo lease
10	Clairmont at Chesterfield	2015		Gar	368	8	2.2%	\$1,211	\$1,528	1BR-\$150 off; 2BR \$125 off
11	Bristol Village at Charter Colony	2005		Gar/TH	129	2	1.6%	\$1,138	\$1,505	LRO; None
12	Sapphire at Centerpointe#	2020		Gar	192	26	13.5%	\$1,245	\$1,490	1 month free (select units)
13	Winterfield at Midlothian, The	2019		Gar	238	9	3.8%	\$1,172	\$1,453	None
Upper Tier Total					3,505	352	10.0%			
Stabilized Total					2,558	86	3.4%			
Average					2010	270		\$1,306	\$1,594	
Lower Tier Communities										
14	Chesterfield Village	1965	2017	Gar/TH	694	19	2.7%	\$1,149	\$1,420	1 Month free
15	Colonial Village at Waterford	1988		Gar	312	11	3.5%	\$1,246	\$1,416	None
16	Grove at Swift Creek	1999		Gar	240	0	0.0%	\$1,165	\$1,412	None
17	Enclave	2006		Gar	254	9	3.5%	\$1,151	\$1,406	None; Daily Pricing
18	Cloverleaf Lake TH	1972		TH	210	1	0.5%	\$1,015	\$1,380	Daily Pricing; None
19	Belvedere	2005		Gar	296	6	2.0%	\$1,228	\$1,374	LRO; none
20	Birchwood at Boulders	1986	2016	Gar	284	3	1.1%	\$1,121	\$1,349	Yieldstar; None
21	Rockwood Park	1989		Gar	132	4	3.0%	\$999	\$1,295	None, LRO
22	Aston Ridge	1975		Gar	230	3	1.3%	\$994	\$1,199	None
23	North Arch Village	1974		Gar	128	0	0.0%	\$990	\$1,150	None
24	Creeppointe Apts*	2003		Gar	214	3	1.4%		\$1,050	None
25	Brook Creek Crossings (2)*	2014		Gar	70	0	0.0%	\$543	\$824	None
Lower Tier Total					3,064	59	1.9%			
Tax Credit Total					284	3	1.1%			
Average					1990	255		\$1,055	\$1,273	
Total					6,569	411	6.3%			
Stabilized Total					5,622	145	2.6%			
Average					2000	263		\$1,191	\$1,440	

(*) Tax Credit Communities

(#) Communities in lease-up

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

(2) Data for Brook Creek Crossings as of September 2020

Source: Field Survey, Real Property Research Group, Inc. January 2021.



7. Rent Concessions

Six Upper Tier communities are currently offering rental incentives including one month free on all or select units at four properties, \$1,000 off the first month's rent at one community, and reduced rents among select units at one property. Additionally, one Lower Tier community (Chesterfield Village) is offering one month free.

8. Absorption History

RPRG obtained the lease up histories of all eight communities (all Upper Tier) that have been introduced into the market since 2015:

- **Clairmont at Chesterfield** (368 units) opened in January 2015 and stabilized in July 2016, translating to a lease up pace of 20 to 21 units per month over a roughly 18-month leasing period.
- **Colony at Centerpointe** (255 units) opened in September 2015 and reached stabilization by mid-November 2016. Considering this 14-month absorption period, the community had a monthly lease up pace of 18 units.
- **Element at Stonebridge** (400 units) opened in March 2016 and stabilized in May 2019. This equates to an average absorption pace of ten to 11 units per month over a 38-month period.
- **The Winterfield at Midlothian** (238 units) opened at the end of April 2019 and reached 95 percent occupied by September 2020. This represents an initial absorption pace of 14 units per month over a period of 17 months.
- **Abberly at Centerpointe** (271 units) had its first residents move in during March 2019. The community leased 236 units as of our January 2021 survey for a roughly 11-unit per month absorption rate during a 22-month period.
- **Vue at Westchester Commons** (236 units) started preleasing in January 2020 before opening in the beginning March 2020. The community leased 175 units by mid-January 2021 for an absorption pace of nearly 14 units per month over 12.5 months.
- **Sapphire at Centerpointe** (192 units) began preleasing in April 2020 and opened one month later in May. The community leased 166 units by January 2021, equating to approximately a 16-unit per month initial absorption rate.
- **Boulders Lakeside Apartments** (248 units) began preleasing in July 2020, opened in August 2020, and leased 104 units by mid-January, equating to lease up pace of about 19 units per month over a 5.5-month period.

D. Analysis of Rental Products and Pricing

1. Payment of Utility Costs

Most market area communities do not include many utilities in the rent. Eight of the 25 surveyed competitive communities including one tax credit property (Creekpointe) include trash removal in the rent (Table 26). One community includes water, sewer, and trash in the rent, while the remaining surveyed communities include no utilities in the rent.



Table 26 Utility Arrangement and Unit Features, 288 Lofts Market Area Communities

Community	Heat Type	Utilities Included in Rent					Dish-washer	Micro-wave	Parking	In-Unit Laundry	
		Heat	Hot Water	Cooking	Electric	Water					Trash
Subject Property	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups
Upper Tier Communities											
Colony at Centerpointe	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Std	Std	Surface	Std - Full
Element at Stonebridge	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Std	Std	Surface	Std - Full
Vue at Westchester Commons	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std	Std	Surface	Std - Full
Old Buckingham Station	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Std	N/A	Surface	Std - Full
Boulders Lakeside Apts	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Std	Std	Surface	Std - Full
Park at Salisbury	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std	Std	Surface	Std - Full
Timbers, The	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Std	Std	Surface	Std - Full
Trophy Club at Bellgrade	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Std	Std	Carport	Hook Ups
Abberly at Centerpointe	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std	Std	Surface	Std - Full
Clairmont at Chesterfield	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std	Std	Surface	Std - Full
Bristol Village at Charter Colony	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Std	Std	Surface	Std - Full
Sapphire at Centerpointe	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Std	Std	Surface	Std - Full
Winterfield at Midlothian, The	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std	Std	Surface	Std - Full
Lower Tier Communities											
Chesterfield Village	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Std	N/A	Surface	Select
Colonial Village at Waterford	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Std	Std	Surface	Std - Full
Grove at Swift Creek	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Std	N/A	Surface	Std - Full
Enclave	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std	Std	Surface	Hook Ups
Cloverleaf Lake TH	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std	Std	Surface	Std - Full
Belvedere	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Std	Std	Surface	Std - Full
Birchwood at Boulders	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Std	N/A	Surface	Std - Full
Rockwood Park	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Std	N/A	Surface	Std - Full
Aston Ridge	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Std	Std	Surface	Std - Full
North Arch Village	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Std	Select	Surface	N/A
Creekpointe Apts	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Std	N/A	Surface	Hook Ups
Brook Creek Crossings	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Std	Std	Surface	Hook Ups

Source: Field Survey, Real Property Research Group, Inc. January 2021.

2. Parking

All surveyed communities offer free surface parking to residents (Table 27). Eight of the 13 Upper Tier communities and five of the 12 Lower Tier communities also offer additional parking options for a monthly fee. Residents at six Upper Tier communities can rent detached garages for monthly fees ranging from \$80 to \$175, and Sapphire at Centerpointe offers structured garage parking for a monthly fee of \$175. Two Upper Tier communities feature carport parking with fees ranging from \$30 to \$35. Trophy Club at Bellgrade offers both detached garages and carports onsite.

Among the Lower Tier, Belvedere and Grove at Swift Creek offer detached garages for \$120 and \$130 per month, respectively, while Enclave offers attached garages for \$165 per month. Chesterfield Village and Colonial Village at Waterford offer covered parking for monthly fees of \$35 and \$10, respectively.

Table 27 Additional Parking, Surveyed Communities

Garages			Covered Parking		
Community	Type	Price	Community	Type	Price
Upper Tier			Upper Tier		
Trophy Club at Bellgrade	Det Gar	\$80	Trophy Club at Bellgrade	Carport	\$30
Abberly at Centerpointe	Det Gar	\$175	Old Buckingham Station	Carport	\$35
Park at Salisbury	Det Gar	\$150	Lower Tier		
Clairmont at Chesterfield	Det Gar	\$95	Chesterfield Village	Covered	\$35
Colony at Centerpointe	Det Gar	\$150	Colonial Village at Waterford	Carport	\$10
Sapphire at Centerpointe	Struct Gar	\$175	Average	\$28	
Bristol Village at Charter Colony	Det Gar	\$130			
Lower Tier					
Belvedere	Det Gar	\$120			
Grove at Swift Creek	Det Gar	\$130			
Enclave	Att Gar	\$165			
	Average	\$137			

Source: Field Survey, Real Property Research Group, Inc. January 2021.

3. Kitchen Features & Finishes

All unit kitchens at the surveyed rental communities are equipped with stoves/ranges, refrigerators, and dishwashers. Microwaves are standard in-unit features at all but one of the Upper Tier market rate properties and six Lower Tier communities, including one tax credit property (Brook Creek Crossings). One other Lower Tier property offers microwaves in select units only. As expected, the Upper Tier market rate communities generally have the highest level of finish, including units with granite countertops, stainless steel or black appliances, designer/hardwood cabinets, kitchen islands, and hardwood or faux-wood plank flooring. Some higher-priced Lower Tier communities have a limited selection of upgraded features, while most Lower Tier market rate and income-restricted rental supply offer unit features which are more basic, generally including laminated countertop and white appliances. However, one tax credit community offers black appliances, and both offer wood plank style flooring in living and kitchen areas.

4. Other Unit Features & Finishes

All but one of the Upper Tier market rate communities have in-unit washer/dryers, and one provides washer/dryer connections only. Eight Lower Tier communities have this feature in some or all units, and three have only washer/dryer hook ups, including both tax credit properties. Most communities- including both tax credit properties- include private outdoor space in the form of patios or balconies. Upper Tier market rate communities include higher end finishes and extra features not common among most Lower Tier properties, such as high ceilings, designer fixtures, track or recessed lighting, and upgraded cabinetry.

5. Community Amenities

Each of the 25 surveyed communities includes a swimming pool and all but two communities also include a clubhouse and fitness facility onsite (Table 28). Additionally, 14 communities- including eight Upper Tier properties and one tax credit community- contain a business center. Playgrounds are present at 12 communities, and tennis courts are present at seven. In addition, four communities have gated entry. Both surveyed tax credit properties feature clubhouses/community rooms, fitness centers, outdoor pools and playgrounds, in addition to the business center at Brook Creek Crossings.



Upper Tier communities have a more expansive array of amenities compared to Lower Tier properties. Other common amenities among the Upper Tier include outdoor kitchen and/or grilling areas, covered outdoor living areas, dog parks, pet wash areas, fire pits, car care centers, movie theaters, and game rooms.

Table 28 Common Area Amenity Packages

Community	Clubhouse	Fitness Room	Pool	Playground	Tennis Court	Business Center	Gated Entry
Subject Property	☒	☒	☒	☒	☐	☒	☐
Upper Tier Communities							
Colony at Centerpointe	☒	☒	☒	☐	☐	☒	☐
Element at Stonebridge	☒	☒	☒	☐	☐	☒	☐
Vue at Westchester Commons	☒	☒	☒	☐	☐	☒	☐
Old Buckingham Station	☒	☒	☒	☒	☒	☒	☐
Boulders Lakeside Apts	☒	☒	☒	☐	☐	☐	☐
Park at Salisbury	☒	☒	☒	☒	☐	☒	☐
Timbers, The	☒	☒	☒	☒	☒	☒	☐
Trophy Club at Bellgrade	☒	☒	☒	☐	☒	☐	☐
Abberly at Centerpointe	☒	☒	☒	☐	☐	☐	☒
Clairmont at Chesterfield	☒	☒	☒	☒	☐	☒	☐
Bristol Village at Charter Colony	☒	☒	☒	☐	☐	☒	☐
Sapphire at Centerpointe	☒	☒	☒	☐	☐	☐	☐
Winterfield at Midlothian, The	☒	☒	☒	☐	☐	☒	☐
Lower Tier Communities							
Chesterfield Village	☒	☒	☒	☒	☒	☐	☒
Colonial Village at Waterford	☒	☒	☒	☐	☒	☐	☐
Grove at Swift Creek	☒	☒	☒	☒	☒	☒	☒
Enclave	☒	☒	☒	☐	☐	☒	☐
Cloverleaf Lake TH	☐	☐	☒	☒	☐	☐	☐
Belvedere	☒	☒	☒	☐	☐	☒	☒
Birchwood at Boulders	☒	☒	☒	☒	☒	☐	☐
Rockwood Park	☒	☒	☒	☐	☐	☒	☐
Aston Ridge	☒	☒	☒	☒	☐	☐	☐
North Arch Village	☐	☐	☒	☒	☐	☐	☐
Creekpointe Apts	☒	☒	☒	☒	☐	☐	☐
Brook Creek Crossings	☒	☒	☒	☒	☐	☒	☐

Source: Field Survey, Real Property Research Group, Inc. January 2021.

6. Unit Distribution

Full unit distributions were available for over three-quarters of Upper Tier units. Among these communities, over half (53 percent) of the units have two-bedrooms; 39 percent are one-bedroom units; and less than seven percent are three-bedroom units (Table 29). One community, Element



at Stonebridge, contains 36 studio/efficiency units (not displayed on Table 29) accounting for only 1.2 percent of the Upper Tier unit distribution.

Lower Tier communities have a similar proportion of two-bedroom units to Upper Tier properties, accounting for 58 percent of surveyed units. One-bedroom units comprise 26 percent of Lower Tier units and three-bedroom units represent 16 percent. None of the Lower Tier communities offer studio/efficiency units. Among the two tax credit properties, 47 percent of units are two-bedroom units, and 51 percent are three-bedroom units while only two percent are one-bedroom units.

7. Unit Size

The average unit sizes for the surveyed Upper Tier market rate units are 806 square feet for the one-bedroom units; 1,126 square feet for two-bedroom units; and 1,338 square feet for three-bedroom units. The Lower Tier units are smaller in size across all unit types with average sizes of 774 square feet for the one-bedroom units; 1,005 square feet for two-bedroom units; and 1,217 square feet for three-bedroom units. Among the tax credit rental supply, units are generally comparable to the overall Lower Tier average unit sizes with an average of 760 square feet for one-bedroom units; 1,027 square feet for two-bedroom units; and 1,209 square feet for three-bedroom units.

8. Unit Pricing

The rents listed in Table 29 are net or effective rents, as opposed to street or advertised rents. We applied downward adjustments to street rents to control for current rental incentives. The net rents further reflect adjustments to street rents to equalize the impact of utility expenses across complexes. Specifically, the net rents represent the hypothetical situation where base rents only include trash collection expenses, the utility situation for the subject.

Among Upper Tier market rate communities, the average effective rents are:

- One-bedroom rents averaging \$1,263 for 806 square feet, or \$1.57 per square foot.
- Two-bedroom rents averaging \$1,550 for 1,126 square feet, or \$1.38 per square foot.
- Three-bedroom rents averaging \$1,936 for 1,338 square feet, or \$1.45 per square foot.

Among Lower Tier communities, the average effective rents are:

- One-bedroom rents averaging \$1,059 for 774 square feet, or \$1.37 per square foot.
- Two-bedroom rents averaging \$1,271 for 1,005 square feet, or \$1.26 per square foot.
- Three-bedroom rents averaging \$1,429 for 1,217 square feet, or \$1.17 per square foot.

Among tax credit communities, the average effective rents are:

- One-bedroom rents at Brook Creek Crossing average \$553 for 760 square feet, or \$0.73 per square foot.
- Two-bedroom rents averaging \$942 for 1,027 square feet, or \$0.92 per square foot.
- Three-bedroom rents averaging \$1,069 for 1,209 square feet, or \$0.88 per square foot.



Table 29 Unit Distribution, Size and Pricing, 288 Lofts Market Area Communities

Community	Total Units	One Bedroom Units				Two Bedroom Units				Three Bedroom Units			
		Units	Rent (1)	SF	Rent/SF	Units	Rent (1)	SF	Rent/SF	Units	Rent (1)	SF	Rent/SF
Subject Property - 30% AMI	12	4	\$384	704	\$0.55	4	\$452	951	\$0.48	4	\$511	1,167	\$0.44
Subject Property - 50% AMI	44	6	\$703	704	\$1.00	30	\$836	949	\$0.88	8	\$957	1,167	\$0.82
Subject Property - 60% AMI	48	1	\$871	705	\$1.24	39	\$1,037	955	\$1.09	8	\$1,190	1,167	\$1.02
Subject Property - 70% AMI	38	6	\$850	704	\$1.21	24	\$990	953	\$1.04	8	\$1,185	1,205	\$0.98
Subject Property - 80% AMI	18	4	\$850	704	\$1.21	9	\$990	972	\$1.02	5	\$1,185	1,199	\$0.99
Upper Tier Communities													
Colony at Centerpoint	255	72	\$1,454	860	\$1.69	147	\$1,873	1,213	\$1.54	36	\$3,177	1,482	\$2.14
Element at Stonebridge	400	200	\$1,461	764	\$1.91	164	\$1,821	1,200	\$1.52				
Vue at Westchester Commons	236		\$1,282	872	\$1.47		\$1,611	1,028	\$1.57				
Old Buckingham Station	360		\$1,190	859	\$1.39		\$1,581	1,168	\$1.35		\$1,540	1,359	\$1.13
Park at Salisbury	320	60	\$1,388	793	\$1.75	210	\$1,547	1,066	\$1.45	50	\$1,908	1,268	\$1.51
Timbers, The	240	59	\$1,381	772	\$1.79	145	\$1,546	1,006	\$1.54	36	\$1,904	1,150	\$1.66
Trophy Club at Bellgrade	248	88	\$1,337	718	\$1.86	160	\$1,545	1,067	\$1.45				
Bristol Village at Charter Colony	129	52	\$1,123	961	\$1.17	58	\$1,485	1,198	\$1.24	19	\$1,525	1,366	\$1.12
Boulders Lakeside Apts	248	148	\$1,189	755	\$1.57	100	\$1,459	1,156	\$1.26				
Winterfield at Midlothian, The	238	122	\$1,172	717	\$1.63	116	\$1,453	1,101	\$1.32				
Abberly at Centerpoint	271	118	\$1,233	754	\$1.64	145	\$1,449	1,102	\$1.31	8	\$1,996	1,347	\$1.48
Clairmont at Chesterfield	368	152	\$1,061	799	\$1.33	200	\$1,403	1,121	\$1.25	16	\$1,722	1,248	\$1.38
Sapphire at Centerpoint	192	66	\$1,151	860	\$1.34	96	\$1,376	1,209	\$1.14	30	\$1,715	1,482	\$1.16
Upper Tier Total/Average	3,505		\$1,263	806	\$1.57		\$1,550	1,126	\$1.38		\$1,936	1,338	\$1.45
Unit Distribution	2,909	1,137				1,541				195			
% of Total	83.0%	39.1%				53.0%				6.7%			
Lower Tier Communities													
Colonial Village at Waterford	312	116	\$1,256	823	\$1.53	180	\$1,426	991	\$1.44	16	\$1,828	1,176	\$1.55
Grove at Swift Creek	240	84	\$1,175	889	\$1.32	108	\$1,422	1,151	\$1.23	48	\$1,605	1,435	\$1.12
Enclave	254	55	\$1,151	733	\$1.57	140	\$1,406	1,028	\$1.37	59	\$1,554	1,287	\$1.21
Belvedere	296	56	\$1,238	774	\$1.60	209	\$1,384	1,065	\$1.30	31	\$1,616	1,266	\$1.28
Cloverleaf Lake TH	210	10	\$1,015	842	\$1.21	190	\$1,380	1,065	\$1.30	10	\$1,269	1,200	\$1.06
Birchwood at Boulders	284	90	\$1,131	880	\$1.29	179	\$1,359	1,191	\$1.14	15	\$1,533	1,430	\$1.07
Chesterfield Village	694	296	\$1,117	682	\$1.64	326	\$1,312	866	\$1.52	72	\$1,549	1,044	\$1.48
Rockwood Park	132	28	\$1,009	665	\$1.52	84	\$1,305	840	\$1.55	20	\$1,359	1,105	\$1.23
Aston Ridge	230	55	\$1,004	780	\$1.29	119	\$1,209	878	\$1.38	55	\$1,383	1,093	\$1.27
North Arch Village	128	12	\$1,000	688	\$1.45	92	\$1,160	936	\$1.24	24	\$1,310	1,147	\$1.14
Creekpointe Apts-60%*	214					94	\$1,050	1,000	\$1.05	120	\$1,215	1,274	\$0.95
Brook Creek Crossings-40%*	70	6	\$553	760	\$0.73	40	\$834	1,053	\$0.79	24	\$923	1,143	\$0.81
Lower Tier Total/Average	3,064		\$1,059	774	\$1.37		\$1,271	1,005	\$1.26		\$1,429	1,217	\$1.17
Tax Credit Total/Average		6	\$553	760	\$0.73	134	\$942	1,027	\$0.92	144	\$1,069	1,209	\$0.88
Unit Distribution	3,063	808				1,761				494			
% of Total	100.0%	26.4%				57.5%				16.1%			
Total/Average	6,569		\$1,170	792	\$1.48		\$1,410	1,066	\$1.32		\$1,632	1,265	\$1.29
Unit Distribution	6,008	1,945				3,302				689			
% of Total	91.5%	32.4%				55.0%				11.5%			

(* Tax Credit Communities (1) Rent is adjusted to include only Trash and incenti (2) Data for Brook Creek Crossings as of September 2020
Source: Field Survey, Real Property Research Group, Inc. January 2021.

E. Subsidized Rental Communities & Housing Choice Voucher Statistics

There are currently no deeply subsidized general occupancy rental communities within the market area. The Richmond Redevelopment and Housing Authority (RRHA) administers the Housing Choice Voucher (HCV) program for Midlothian residents. According to the RRHA, the Housing



Authority currently administers approximately 5,000 vouchers throughout the city, with another roughly 5,000 households currently on a waiting status for their HCV Standard waitlist. The waitlist is currently closed.

F. Derivation of Market Rent

To better understand how the proposed contract rents for 288 Lofts Phase II compare with the surveyed rental market, the contract rents of comparable communities can be adjusted for differences in a variety of factors including curb appeal, structure age, square footage, the handling of utilities, and shared amenities. Market-rate communities are the most desirable comparables to be used in this type of analysis, as the use of market-rate communities allows RPRG to derive an estimate of market rent.

The purpose of this exercise is to determine whether the proposed LIHTC rents for the subject offer a value relative to market-rate rent levels within a given market area. The rent derived for bedroom type is not to be confused with an appraisal or rent comparability study (RCS) based approach, which is more specific as it compares specific models in comparable rental communities to specific floor plans at the subject and is used for income/expense analysis and valuation. The assumptions used in the calculations are shown in Table 30.

We elected to compare the units at the subject to the comparable floor plans at Park at Salisbury, Abberly at Centerpointe, and Colony at Centerpointe. Once a particular floor plan’s market rent has been determined, it can be used to evaluate a.) whether or not the subject project has a rent advantage or disadvantage versus competing communities, and b.) the extent of that rent advantage or disadvantage.

Table 30 Market Rent Advantage – Adjustment Table

The derivation of achievable rent calculations for the 60 percent of AMI units are displayed in Table 31, Table 32 and Table 33. The results of the calculations are summarized in Table 34.

After adjustments, the estimated market rent for a one-bedroom unit is \$1,237, providing the subject’s 60 percent of AMI one bedroom units with a market advantage of 29.6 percent. The estimated market rent for two bedroom unit is \$1,399, resulting in the subject’s 60 percent of AMI units having a 25.9 percent rent advantage. The estimated market rent for three-bedroom unit is \$1,788, resulting in the subject’s 60 percent of AMI units having a 33.4 percent rent advantage. Overall, market rent advantages among all subject floorplans and income targets range from 25.9 percent for 60 percent AMI two bedroom units to 71.4 percent for three bedroom 30 percent AMI units.

Rent Adjustments Summary	
B. Design, Location, Condition	
Structure / Stories	\$25.00
Year Built / Condition	\$0.75
Quality/Street Appeal	\$20.00
Location	\$20.00
C. Unit Equipment / Amenities	
Number of Bedrooms	\$100.00
Number of Bathrooms	\$30.00
Unit Interior Square Feet	\$0.25
Balcony / Patio / Porch	\$5.00
AC Type:	\$5.00
Range / Refrigerator	\$25.00
Microwave / Dishwasher	\$5.00
Washer / Dryer: In Unit	\$25.00
Washer / Dryer: Hook-ups	\$5.00
D. Site Equipment / Amenities	
Parking	
Pool	\$15.00
Multipurpose/Community Roo	\$10.00
Recreation Areas	\$10.00
Business/Computer Center	\$5.00
Fitness Center	\$10.00



Table 31 Market Rent Analysis – One Bedroom Units

One Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
288 Lofts Wylderose Avenue Midlothian, Chesterfield County, VA	Park at Salisbury		Abberly at Centerpointe		Colony at Centerpointe		
	401 Lancaster Gate Dr		1900 Abberly Cir		14400 Palladium Dr		
	Chesterfield	VA	Chesterfield	VA	Chesterfield	VA	
Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	
Street Rent- 60% AMI	\$871	\$1,250	\$0	\$1,345	\$0	\$1,232	\$0
Utilities Included	T	T	\$0	T	\$0	None	\$10
Rent Concessions		None	\$0	\$1000 off 14 mo.	(\$71)	None	\$0
Effective Rent	\$871	\$1,250		\$1,274		\$1,242	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Mid-Rise/4	Garden/3	\$25	Mid-Rise/4	\$0	Garden/3	\$25
Year Built / Condition	2023	2004	\$14	2019	\$3	2015	\$6
Quality/Street Appeal	Excellent	Excellent	\$0	Excellent	\$0	Excellent	\$0
Location	Above Average	Above Average	\$0	Above Average	\$0	Above Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	1	1	\$0	1	\$0	1	\$0
Number of Bathrooms	1	1	\$0	1	\$0	1	\$0
Unit Interior Square Feet	705	775	(\$18)	784	(\$20)	860	(\$39)
Balcony / Patio / Porch	Yes	No	\$5	Yes	\$0	Yes	\$0
AC Type:	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Washer / Dryer: In Unit	No	Yes	(\$25)	Yes	(\$25)	Yes	(\$25)
Washer / Dryer: Hook-ups	Yes	No	\$5	No	\$5	No	\$5
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking	Surface	Surface	\$0	Surface	\$0	Surface	\$0
Multipurpose/Community Roo	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Swimming Pool	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Business/Computer Center	Yes	Yes	\$0	No	\$5	Yes	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		4	2	3	2	3	2
Sum of Adjustments B to D		\$49	(\$43)	\$13	(\$45)	\$36	(\$64)
F. Total Summary							
<i>Gross Total Adjustment</i>		\$92		\$58		\$100	
<i>Net Total Adjustment</i>		\$6		(\$32)		(\$28)	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,256		\$1,242		\$1,214	
% of Effective Rent		100.5%		97.5%		97.7%	
Estimated Market Rent	\$1,237						
Rent Advantage \$	\$366						
Rent Advantage %	29.6%						



Table 32 Market Rent Analysis – Two Bedroom Units

Two Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
288 Lofts Wylderose Avenue Midlothian, Chesterfield County, VA	Park at Salisbury		Abberly at Centerpointe		Colony at Centerpointe		
	401 Lancaster Gate Dr		1900 Abberly Cir		14400 Palladium Dr		
	Chesterfield	VA	Chesterfield	VA	Chesterfield	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent- 60% AMI	\$1,037	\$1,440	\$0	\$1,433	\$0	\$1,392	\$0
Utilities Included	T	T	\$0	T	\$0	None	\$10
Rent Concessions	\$0	None	\$0	\$1000 off 14 mo	(\$71)	None	\$0
Effective Rent	\$1,037	\$1,440		\$1,362		\$1,402	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Mid-Rise/4	Garden/3	\$25	Mid-Rise/4	\$0	Garden/3	\$25
Year Built / Condition	2023	2004	\$14	2019	\$3	2015	\$6
Quality/Street Appeal	Excellent	Excellent	\$0	Excellent	\$0	Excellent	\$0
Location	Above Average	Above Average	\$0	Above Average	\$0	Above Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	2	2	\$0	2	\$0	2	\$0
Number of Bathrooms	2	1	\$30	2	\$0	2	\$0
Unit Interior Square Feet	955	940	\$4	956	\$0	1,205	(\$63)
Balcony / Patio / Porch	Yes	No	\$5	Yes	\$0	Yes	\$0
AC: (C)entral / (W)all / (N)one	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Washer / Dryer: In Unit	No	Yes	(\$25)	Yes	(\$25)	Yes	(\$25)
Washer / Dryer: Hook-ups	Yes	No	\$5	No	\$5	No	\$5
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking	Surface	Surface	\$0	Surface	\$0	Surface	\$0
Multipurpose/Community Roo	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Swimming Pool	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Business/Computer Center	Yes	Yes	\$0	No	\$5	Yes	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		6	1	3	1	3	2
Sum of Adjustments B to D		\$83	(\$25)	\$13	(\$25)	\$36	(\$88)
F. Total Summary							
Gross Total Adjustment		\$108		\$38		\$124	
Net Total Adjustment		\$58		(\$12)		(\$52)	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,498		\$1,350		\$1,350	
% of Effective Rent		104.0%		99.1%		96.3%	
Estimated Market Rent	\$1,399						
Rent Advantage \$	\$362						
Rent Advantage %	25.9%						



Table 33 Market Rent Analysis – Three Bedroom Units

Three Bedroom Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
288 Lofts Wylderose Avenue Midlothian, Chesterfield County, VA	Park at Salisbury		Abberly at Centerpointe		Colony at Centerpointe		
	401 Lancaster Gate Dr		1900 Abberly Cir		14400 Palladium Dr		
	Chesterfield	VA	Chesterfield	VA	Chesterfield	VA	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent- 60% AMI	\$1,190	\$1,690	\$0	\$1,996	\$0	\$1,787	\$0
Utilities Included	T	T	\$0	T	\$0	None	\$10
Rent Concessions	\$0	None	\$0	None	\$0	None	\$0
Effective Rent	\$1,190	\$1,690		\$1,996		\$1,797	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Mid-Rise/4	Garden/3	\$25	Mid-Rise/4	\$0	Garden/3	\$25
Year Built / Condition	2023	2004	\$14	2019	\$3	2015	\$6
Quality/Street Appeal	Excellent	Excellent	\$0	Excellent	\$0	Excellent	\$0
Location	Above Average	Above Average	\$0	Above Average	\$0	Above Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	3	3	\$0	3	\$0	3	\$0
Number of Bathrooms	2	2	\$0	2	\$0	2	\$0
Unit Interior Square Feet	1,167	1,240	(\$18)	1,347	(\$45)	1,482	(\$79)
Balcony / Patio / Porch	Yes	No	\$5	Yes	\$0	Yes	\$0
AC: (C)entral / (W)all / (N)one	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Washer / Dryer: In Unit	No	Yes	(\$25)	Yes	(\$25)	Yes	(\$25)
Washer / Dryer: Hook-ups	Yes	No	\$5	No	\$5	No	\$5
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking	Surface	Surface	\$0	Surface	\$0	Surface	\$0
Multipurpose/Community Ro	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Swimming Pool	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Business/Computer Center	Yes	Yes	\$0	No	\$5	Yes	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		4	2	3	2	3	2
Sum of Adjustments B to D		\$49	(\$43)	\$13	(\$70)	\$36	(\$104)
F. Total Summary							
Gross Total Adjustment		\$92		\$83		\$140	
Net Total Adjustment		\$6		(\$57)		(\$68)	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,696		\$1,939		\$1,729	
% of Effective Rent		100.4%		97.1%		96.2%	
Estimated Market Rent	\$1,788						
Rent Advantage \$	\$598						
Rent Advantage %	33.4%						

Table 34 Market Rent Advantage - Summary

	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
30% AMI Units			
Subject Rent	\$384	\$452	\$511
Estimated Market Rent	\$1,237	\$1,399	\$1,788
Rent Advantage (\$)	\$853	\$947	\$1,277
Rent Advantage (%)	69.0%	67.7%	71.4%
	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
50% AMI Units			
Subject Rent	\$703	\$836	\$957
Estimated Market Rent	\$1,237	\$1,399	\$1,788
Rent Advantage (\$)	\$534	\$563	\$831
Rent Advantage (%)	43.2%	40.3%	46.5%
	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
60% AMI Units			
Subject Rent	\$871	\$1,037	\$1,190
Estimated Market Rent	\$1,237	\$1,399	\$1,788
Rent Advantage (\$)	\$366	\$362	\$598
Rent Advantage (%)	29.6%	25.9%	33.4%
	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
70/80% AMI Units			
Subject Rent	\$850	\$990	\$1,185
Estimated Market Rent	\$1,237	\$1,399	\$1,788
Rent Advantage (\$)	\$387	\$409	\$603
Rent Advantage (%)	31.3%	29.3%	33.7%

G. Achievable Restricted Rents

The market rent derived above is an estimate of what a willing landlord might reasonably expect to receive, and a willing tenant might reasonably expect to pay for a unit at the subject. However, as a tax credit community, the maximum rent that a project owner can charge for a low-income unit is a gross rent based on bedroom size and applicable HUD's median household income for the subject area. If these LIHTC maximum gross/net rents are below the market rent (adjusted downward by ten percent), then the maximum rents also function as the achievable rents for each unit type and income band. Conversely, if the adjusted market rents are below the LIHTC maximum rents, then the adjusted market rents (less ten percent) act as the achievable rents. Therefore, achievable rents are the lower of the market rent or maximum LIHTC rent.

As shown in Table 35, the maximum LIHTC rents for 30, 50, 60 and one and three bedroom 70 percent AMI units are well below estimated adjusted market rents. Therefore, the maximum LIHTC rents are the achievable rents for these units. The achievable rent for 70 percent AMI two bedroom units and all 80 percent AMI units are the derived market rents less 10 percent, as these rents are lower than the maximum LIHTC rents for these unit types. All proposed LIHTC rents for the subject are below the achievable rents.



Table 35 Achievable Tax Credit Rent

	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
30% AMI Units			
Estimated Market Rent	\$1,237	\$1,399	\$1,788
Less 10%	\$1,114	\$1,259	\$1,609
Maximum LIHTC Rent	\$389	\$457	\$516
Achievable Rent	\$389	\$457	\$516
SUBJECT RENT	\$384	\$452	\$511
50% AMI Units			
Estimated Market Rent	\$1,237	\$1,399	\$1,788
Less 10%	\$1,114	\$1,259	\$1,609
Maximum LIHTC Rent	\$724	\$860	\$981
Achievable Rent	\$724	\$860	\$981
SUBJECT RENT	\$703	\$836	\$957
60% AMI Units			
Estimated Market Rent	\$1,237	\$1,399	\$1,788
Less 10%	\$1,114	\$1,259	\$1,609
Maximum LIHTC Rent	\$892	\$1,061	\$1,214
Achievable Rent	\$892	\$1,061	\$1,214
SUBJECT RENT	\$871	\$1,037	\$1,190
70% AMI Units			
Estimated Market Rent	\$1,237	\$1,399	\$1,788
Less 10%	\$1,114	\$1,259	\$1,609
Maximum LIHTC Rent	\$1,060	\$1,262	\$1,446
Achievable Rent	\$1,060	\$1,259	\$1,446
SUBJECT RENT	\$850	\$990	\$1,185
80% AMI Units			
Estimated Market Rent	\$1,237	\$1,399	\$1,788
Less 10%	\$1,114	\$1,259	\$1,609
Maximum LIHTC Rent	\$1,228	\$1,464	\$1,679
Achievable Rent	\$1,114	\$1,259	\$1,609
SUBJECT RENT	\$850	\$990	\$1,185

H. Proposed and Pipeline Rental Communities

RPRG pursued several avenues of research to identify residential rental projects that are actively being planned or that are currently under construction within the 288 Lofts Market Area. In the course of research, we obtained information on proposed developments through interviews with local developers and planning officials, including Catherine Bray of the Chesterfield County



Planning Department. We also accessed listings of projects that recently received or applied for allocations of Low-Income Housing Tax Credits from the Virginia Housing Development Authority (VHDA). Lastly, we relied upon previous work conducted in the Midlothian area over the past several years.

The pipeline communities are divided into two categories; near term and long term. Near term projects include those that are under construction and those that we believe have the greatest likelihood of delivering in the next three years. Near term projects are taken into account in our derivation of three-year rental demand in the market. Long term projects do not have financing secured, are on hold for the present, and/or have estimated delivery dates beyond the next three years. Long term projects also include those for which rezoning or site plan approval is still required. Through these efforts, five properties totaling 743 new units for delivery in the near term and eight properties totaling nearly 1,300 additional units considered long term were identified in the market area. All near term projects are market rate without income restrictions. Descriptions of the pipeline projects are presented below (Map 6).

Near Term:

- **Artistry at Winterfield:** This 200-unit rental community is under construction at the intersection of Winterfield Road and Robious Road in Powhatan County, about four miles north of the subject site and within one-quarter mile of the Chesterfield/Powhatan County border and market area boundary. Though outside of the primary market area, we have included this project within our net demand analysis due to its very close proximity. The one, two, and three bedroom units of the community will be housed within nine three- and four-story garden-style buildings, four of which will have elevator access. The developer, Bristol Development Group, plans to have this community open by September 2021.
- **Center West:** Castle Development Partners is building 200 apartments in the first phase of a multi-family community at Watkins Centre southwest of the interchange between Midlothian Turnpike and VA-288 roughly two miles southwest of the subject site. At full build-out the community could include 450 luxury apartments. The community, which is currently under construction, will offer one, two, and three bedroom units within four-story buildings.
- **Promenade at Winterfield:** The residential component of this mixed-use development-located less than two miles east of the subject on the northeast corner of Winterfield Road and Midlothian Turnpike- includes 19 luxury rental apartments. Roughly 30,000 square feet of retail space are also planned for the site. Site work began on this project in late 2020.
- **Summerfield:** CMB Development is preparing to begin construction on the first phase of Summerfield Apartments, a new independent senior living apartment community to be located on the northern edge of Winterfield Crossing (formerly known as Midlothian Town Center) just north of Midlothian Turnpike and west of Winterfield Road, 1.5 miles east of the subject site. Plans call for the construction of 124 apartments in the first phase with another phase of 120 apartments planned for the site upon demand.
- **Luxe 360 at Centerpointe:** The next multi-family phase of the Centerpointe PUD, this 347-unit rental community will be located across Center Pointe Parkway from Colony at Centerpointe and Sapphire at Centerpointe roughly four miles southeast of the subject site. This community will consist of three- and four-story apartment structures containing one, two, and three bedroom floor plans. Edward Rose & Sons is finalizing plans for this development and will likely begin construction in 2021. However, because of the size of



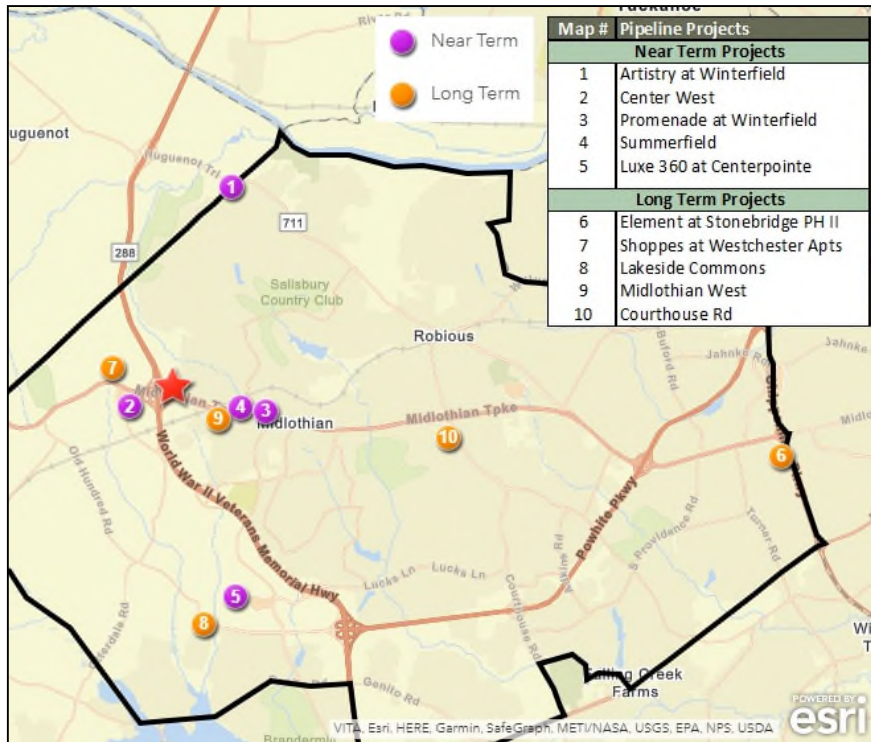
this community, it is likely that this project will be phased or have a rolling delivery of buildings and not deliver all 347 units within the near term. We have conservatively estimated that 200 units will come online in the next three years.

Long Term:

- **Center West Phase II:** Additional 250 units to be developed following the initial 200 units at this project.
- **Summerfield Phase II:** Additional 120 units that could potentially be developed based on the performance of the first phase of 124 units.
- **Element at Stonebridge Phase II:** Boyd Homes has been approved to construct another 200 units adjacent to the existing 400-unit Phase I of Element at Stonebridge. While approvals are in place for these additional units, there is no projected date for construction of Phase II and according to onsite property management, it is unlikely that the second phase will be developed in the near future.
- **Shoppes at Westchester Apartments:** Proposal to construct up to 250 apartments immediately west of the Westchester Commons shopping center, roughly two miles west of the subject site. As no site plans have been filed for development of this project, its delivery timeline is undetermined and may not be moving forward.
- **Lakeside Commons:** Herman & Kittle Properties applied in 2017 to VHDA to received tax credit financing for a 50-unit affordable community on a site near the intersection of Old Hundred Road and Watermill Parkway less than five miles of the subject. As this project will likely need an award of tax credit to move forward, we consider this as speculative development at this time.
- **Midlothian West:** A proposed 275-unit rental community intended to be the first phase of a larger mixed-use development which will also include for-sale and commercial uses. Located about one mile southeast of the subject site on Old Otterdale road, just south of its intersection with Midlothian Turnpike, this project will have four-story, mid-rise, elevator-served buildings. The subject will be an upscale multi-family community with high end features, amenities, and exteriors. The project is in earlier planning stages and the residential rental component has not submitted for development approval, so timing of this project is uncertain.
- **Courthouse Road:** A developer reportedly has interest in developing a market rate, independent living, age-restricted rental community on Courthouse Road south of its intersection with Midlothian Turnpike approximately 4.5 miles east of the subject site.



Map 6 Multi-Family Pipeline, 288 Lofts Market Area



VIII. FINDINGS AND CONCLUSIONS

A. Key Findings

Based on the preceding review of the subject project, its neighborhood surroundings, and economic, demographic and competitive housing trends in the 288 Lofts Market Area, RPRG offers the following key findings:

1. Site and Neighborhood Analysis

The subject site is within an appealing residential neighborhood on the edge of a large business park and is convenient to major traffic arteries and neighborhood amenities serving the Midlothian area.

- The subject site is surrounded by a variety of residential and commercial land uses, including LIHTC and market rate apartment communities, single-family attached/detached homes, office buildings, and several undeveloped tracts.
- The site has adequate visibility and good accessibility along Wylderose Avenue at its intersection with Creekwillow Drive. Via Wylderose Avenue and subsequent access drives, the site has access to both US-60/Midlothian Turnpike and VA-288, two prominent transportation thoroughfares. Via these thoroughfares, the subject has good transportation facilitation to access a wide range of neighborhood amenities located within a few miles of the site.
- Numerous convenience and comparison retailers are within four miles of the subject site, including several grocery stores and big box retailers. The site also has prominent access to healthcare options and recreation facilities within Midlothian and neighboring jurisdictions, particularly Richmond.
- Schools zoned to the subject community are amongst the highest ranked in the Chesterfield County Public School district per recent average composite testing scores, and these schools outrank state averages.
- The subject site is appropriate for affordable multifamily rental housing.

2. Economic Context

Chesterfield County's unemployment rate has been historically low, and job growth has been strong over the past decade prior to a slight decline in 2019. Even with the onset of the COVID-19 outbreak, unemployment rates remained below national levels and have gradually improved since the initial months of the outbreak.

- The local labor force has expanded in each of the last ten years, from 168,602 workers in 2010 to 189,000 workers in 2019. Since peaking at 7.3 percent in 2010, the county's unemployment rate has fallen consistently to a very low 2.7 percent in 2019, just below the statewide rate (2.8 percent) and one percentage point below the national rate (3.7 percent). While the county unemployment rate increased substantially to 10.5 percent during April 2020 at the onset of the COVID-19 pandemic, the county rate remained lower than the state and nation and has since dramatically decreased to 4.2 percent as of November.
- The subject's market area is commuter-oriented with just 18.1 percent of 288 Lofts Market Area workers reporting average commute times of 15 minutes or less each way as of 2015-2019, while 43.2 percent commuted 15 to 29 minutes and 32.3 percent commuted 30 or more minutes.



- Chesterfield County's At-Place employment experienced a net increase of 29,907 jobs or 27.9 percent between 2010 and 2019. The county's At-Place Employment reached an all-time high of 138,427 jobs in 2018 before declining slightly in 2019. During the first half of 2020, the county's At-Place Employment decreased again by 6,333 jobs as a result of the COVID-19 pandemic, though declining unemployment figures through November 2020 suggest that many of these job losses were temporary furloughs and likely restored as business restrictions were eased.
- The Chesterfield County economy is diverse with especially prominent concentrations of employment in the Government, Trade-Transportation-Utilities, and Professional-Business sectors. Combined, these sectors accounted for 55.1 percent of all employment as of the first half of 2020.

3. Demographic Analysis

The 288 Lofts Market Area had consistently steady household growth over the past two decades and is projected to continue growing at a similar pace over the next five years. The market area is an established suburban bedroom community that is predominantly an owner market but has still supported a sizeable base of renter households.

- The 288 Lofts Market Area added a net of 5,937 households, representing growth of 15.2 percent, between 2010 and 2021. As of 2021, an estimated 44,888 households reside in the 288 Lofts Market Area. Based on Esri trends, RPRG projects that the market area will add households at an average net rate of 1.3 percent (614 households) per year between 2021 and 2026; this growth rate is the same annual growth percentage as the previous eleven-year period, but higher on a nominal basis.
- Households in the 288 Lofts Market Area have a similar propensity to rent compared to Chesterfield County. The 288 Lofts Market Area's renter percentage is 21.9 percent in 2021, and renters contributed 34.9 percent net household growth in the market area over the last eleven years. Esri projections indicate renter households will contribute 46.4 percent of net household growth over the next five years.
- Adults age 35 to 61 is by far the largest age category in the market area at 36 percent; meanwhile, 17 percent of 288 Lofts Market Area residents are Young Adults age 20 to 34 and 22 percent are Seniors age 62+. Multi-person households without children were the most common household type in the 288 Lofts Market Area at 41.6 percent, while single-person households were the least common at 22.2 percent. Thirty-eight percent of renter households had one person and 26 percent had two people, while another 26 percent had three or four people.
- The estimated 2021 median household income in the 288 Lofts Market Area is \$89,240 per year, 7.2 percent higher than the Chesterfield County overall median household income of \$83,239. The market area's median renter household earns \$58,184 per year. One quarter (25.6 percent) of the market area's renters have annual incomes below \$35,000, and 40.6 percent have incomes between \$35,000 and \$74,999.
- One quarter (26.6 percent) of all renter households residing in the 288 Lofts Market Area have rent burdens of 40 percent or higher; 34.4 percent have rent burdens of 35 percent or higher. Additionally, 3.2 percent of the rental housing stock within the market area can be considered substandard, i.e., lacking complete plumbing facilities, or overcrowded with more than 1.0 occupants per room.



4. Competitive Housing Analysis

Overall, the multi-family rental market in the 288 Lofts Market Area is healthy with low vacancy rates at stabilized communities and strong lease-up rates at newer communities. RPRG's survey of the tax credit rental communities indicate the affordable rental market in the 288 Lofts Market Area is tight, pointing to its ability to support the proposed subject apartments.

- Despite the introduction of eight new projects in the past five years, five of which opened in the last two years, the aggregate vacancy rate among the 21 stabilized properties was low at 2.6 percent. Upper Tier communities in the market area reported a slightly higher stabilized vacancy rate of 3.4 percent compared to 1.9 percent among Lower Tier properties. The two identified tax credit communities reported a slightly lower aggregate vacancy rate of 1.1 percent, with all three tax credit vacancies reported at one community.
- The effective rents for Upper Tier one-bedroom rents average \$1,263 (\$1.57 per square foot); two-bedroom rents average \$1,550 (\$1.38 per square foot); and three-bedroom rents average \$1,936 (\$1.45 per square foot).
- The effective rents for Lower Tier one-bedroom rents average \$1,059 (\$1.37 per square foot); two-bedroom rents average \$1,271 (\$1.26 per square foot); and three-bedroom rents average \$1,429 (\$1.17 per square foot).
- The effective rents for tax credit one-bedroom rents average \$553 (\$0.73 per square foot); two-bedroom rents average \$942 (\$0.92 per square foot); and three-bedroom rents average \$1,069 (\$0.88 per square foot).
- RPRG identified five near term pipeline projects totaling 743 units expected to be placed in service in the next three years and eight long term projects/phases less likely to be placed in service in the next three years. All near term pipeline projects will be comprised of market rate units without income restrictions.

B. Derivation of Demand

1. Net Demand Methodology

RPRG's Derivation of Demand calculation is intended to gauge whether sufficient demand from renter households would be available in the primary market area to absorb the number of units proposed for the subject 288 Lofts Phase II plus those units proposed at other pipeline rental communities that are expected to be brought online over a coming three-year period. The result of this analysis can be either a positive number (which shows the extent to which available demand for rental units would exceed available supply) or a negative number (which shows the extent to which available supply would exceed the number of units needed/demanded over the period in question). The closer the concluded number is to zero, the closer the rental market would be to an effective balance of supply and demand.

The three-year period in question for this analysis is the period from February 2021 through February 2024. We restrict the analysis to a three-year period in part to avoid artificially inflating demand by incorporating demand that would not be created until well after the subject project was introduced to the market and in part due to the difficulty in accurately predicting the likely supply of competing rental units beyond the three-year period.

RPRG's Derivation of Demand calculation is a gross analysis, meaning that the calculation balances the demand for new rental housing units of all types (i.e. luxury market-rate, more affordable market-rate, tax credit, rent-subsidized, and age-restricted) versus the upcoming supply of rental housing units of all types. The Derivation of Demand calculation is an incremental or net analysis, in that it focuses on the change in demand over the period in question as opposed to focusing on

the market's total demand. Considerations such as household incomes and the floor plan types and proposed rents for the subject and other pipeline projects are not factored into the Derivation of Demand; rather, we address the interplay of these factors within the Affordability Analysis and Penetration Analysis in the next section of this report.

RPRG sums demand generated from three broad sources to arrive at 'Net Demand for New Rental Units' over the 2021 to 2024 period:

- **Projected Change in the Household Base.** Recall that in the Growth Trends section of this report, we presented projections of household change within the primary market area over the 2010 to 2026 period. We factor in three years' worth of the household change suggested by the annual rate of household growth or decline (2021 to 2024). Note that net household change incorporates growth or decline stemming from both organic changes within existing households (i.e. new household formation as children move out of their parents' homes, divorces, roommates electing to begin renting separately) and household migration into and out of the market area.
- **Need for Housing Stock Upgrades.** Demand for new housing units within a primary market area is generated when the stock of available housing units ceases to meet the housing needs of households that wish to remain residents of that primary market. In such instances, the housing stock needs to be upgraded either through the renovation of existing units or the construction of new units. That a particular housing unit has ceased to meet the housing needs of a market area's households becomes evident in any number of ways, including:
 - **Physical Removal or Demolition.** Clearly, if a unit is demolished or otherwise physically removed from a market, it is no longer available to serve local households. Many factors contribute to the removal of housing units. Housing units are occasionally removed from any given market through disasters such as fires and various types of weather phenomenon. While such disasters occur somewhat randomly, the decision whether to repair or demolish a unit is based on the economic value of the property. Thus, a unit being permanently lost in a disaster should be correlated with factors such as its age, structure type, and physical condition. Demolitions can also be instigated through the loss of economic value or in response to a situation where vacant land has become more valuable than the land plus its existing structure. Based on American Housing Survey data, researchers have analyzed Components of Inventory Change (CINCH) (Table 36). CINCH data indicated that renter-occupied or vacant units were far more likely to be demolished than owner-occupied units; among renter-occupied and vacant units, single-family detached units were more likely to be demolished than multifamily units.
 - **Permanent Abandonment.** Housing units can be technically removed from the stock available to serve households without being physically removed. This happens when a housing unit's owner elects to permanently abandon the unit – due to obsolescence, overwhelming repair costs, or other factors – without going through the steps (and costs) of demolishing it. If a dilapidated unit was occupied up until the time of permanent abandonment, the former occupant represents a source of demand for other units in the area.
 - **Overcrowding.** As defined by the U.S. Census Bureau, a housing unit is classified as overcrowded if the household occupying the unit has more people than the housing unit has rooms. Particularly in markets with high housing costs, lower-income individuals and families are often driven into an overcrowded housing situation. Overcrowded households constitute pent-up demand for new housing units not typically captured in household growth projections; were two affordable units to become available, an overcrowded



household would very likely split into two households and generate an additional net unit of housing demand.

- **Mismatch between Household Incomes and Housing Stock Quality.** While permanent abandonment and overcrowding are two factors likely to lead to net new demand for affordable housing units, limited recent housing construction in a stable, long-established neighborhood can be an indicator of pent-up demand for new housing units serving middle- to upper-income households. Areas that exhibit this phenomenon are often downtown, inner city, or inner ring suburban locations that currently have – and have had for years – limited to no undeveloped land available for new housing construction/growth. When a neighborhood is stable in terms of overall household numbers but near the point of build-out for many years, many resident households develop a desire for a modern housing unit and the wherewithal to rent or purchase one, but have no stock of modern units from which to choose. Such households are ‘under-housed’ in that the quality of the housing stock in the area where they live (and wish to remain) does not match the type of housing they demand and could afford. Such pent-up demand is rarely captured in public projections of household growth and is difficult to translate to specific calculations. However, this pent-up demand is a very real factor driving demand for new housing units in stable, established residential neighborhoods.

Table 36 Components of Inventory Change in Housing (CINCH)

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

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

- **Competitive Multifamily Vacancy Rates.** The final source of demand that factors into RPRG’s calculation of demand for rental units is the observed vacancy rate in the primary market area’s competitive rental market. RPRG assumes that a 5.0 percent vacancy rate is required to keep a rental market relatively elastic. Elasticity in this context means that an adequate number of

- quality housing units are vacant and available at any given time so that households seeking rental units can be accommodated and can have some choice among units. When the market vacancy rate is below 5.0 percent, additional units are needed to ensure an adequate number of available units from which to choose. When the market vacancy rate is above 5.0 percent, the market has the capacity to absorb some additional demand (whereby that amount of demand would not need to be met through the development of new units).
- In considering competitive vacancy rates, we focus on multifamily units for several reasons. One of the primary reasons is that the scattered market in single-family homes, condominiums, and other properties is extremely fluid and cannot be relied upon to consistently serve renter households, since the inventory can convert to homeownership very quickly. We leave rent-subsidized multifamily properties out of this calculation to avoid overestimating demand, as we know that the subsidized rental market is generally fully subscribed with waiting lists.

Given today's rapidly changing environment, we conduct a net demand analysis based on current available data and a sensitivity analysis reflecting impact of COVID-19.

2. Net Demand Calculation

Table 37 applies the discussion of sources of demand for new rental units to the 288 Lofts Market Area. The steps in our Derivation of Demand analysis for the three-year period between February 2021 and February 2024 are as follows:

- Per the household trend information discussed earlier, RPRG estimates that 44,888 households resided in the 288 Lofts Market Area as of January 2021, a number that is projected to increase to 47,960 by January 2026. Based on this estimate and projection, RPRG derived the number of households in the market area as February 2021 and February 2024 through interpolation. An estimated 44,940 households reside in the market area as of February 2021, going up to 46,783 households by February 2024, a net increase of 1,843 households.
- Using national statistical observations from 2011 and 2013 CINCH data, Econometrica determined that the average annual loss of occupied housing units in the United States between 2011 and 2013 (for all reasons other than the moving of homes, particularly mobile homes) was 0.27 percent of the total occupied stock (See Table 36). This blended rate includes an annual loss of 0.47 percent of renter-occupied units and 0.18 percent of owner-occupied units. In the interest of conservatively estimating demand, we assume the lower blended rate of 0.27 percent rather than the higher renter-occupied rate of 0.47 percent. We determined the size of the housing stock in 2021, 2022, and 2023 via interpolation of household projections. Applying the removal rate over the three years in question, we estimate that 389 units are likely to be lost in the 288 Lofts Market Area.
- Summing the net household increases from the number of units removed from the market, we calculate the net new demand for housing units of all types over the three-year period to be 2,232 units.
- Esri projections indicate 46.4 percent of all net household growth in the market area over the next three years will be renters. Applying this renter percentage to new housing demand in the market area, yields demand for 1,036 new rental units over the next three years.
- RPRG's survey of the general occupancy rental communities in the market area consisted of 5,622 rental units within 21 stabilized communities. Of these, 145 units are currently vacant. Another four communities totaling 947 units are currently completing lease up; these properties reported a total of 266 vacant units. No general occupancy deeply subsidized communities were identified within the market area. The combined market area rental



inventory totals 6,569 units with 411 units vacant for an overall aggregate vacancy rate of 6.3 percent.

Table 37 Derivation of Net Demand, 288 Lofts Market Area

				Pre-COVID-19 Net Demand	COVID-19 Related Adjustment
Demand					
<i>Projected Change in Household Base</i>				<i>Units</i>	
February 2021 Households				44,940	10% Discount
February 2024 Households				46,783	
Net Change in Households				1,843	1,659
Add: Units Removed from Housing Stock					10% Discount
	Housing Stock	Removal Rate	Units Removed		
	2021 Housing Stock	47,339	0.27%	128	
	2022 Housing Stock	47,978	0.27%	130	
	2023 Housing Stock	48,616	0.27%	131	
Total Units Removed from Housing Stock				389	350
New Housing Demand				2,232	2,009
Average Percent Renter Households over Analysis Period				46.4%	47.3%
New Rental Housing Demand				1,036	951
Add: Multifamily Competitive Vacancy					No Adjustment
	Inventory		Vacant		
	Stabilized Communities	5,622		145	
	Deeply Subsidized	0		0	
	Communities Under Lease Up	947		266	
	Total Competitive Inventory	6,569		411	
	Market Vacancy at 5%			328	
	Less: Current Vacant Units			-411	
Vacant Units Required to Reach 5% Market Vacancy				-83	-83
Total Demand for New Rental Units				953	868
Planned Additions to the Supply					
				95% Occupancy	95% Occupancy
				Total Units	
	Artistry at Winterfield	200		190	190
	Center West	200		190	190
	Promenade at Winterfield	19		18	18
	Summerfield (Sr)	124		118	118
	Luxe 360 at Centerpointe- Phase I (est.)	200		190	190
	Subject Property	160		152	152
Total New Rental Supply				903	858
Excess Demand for Rental Housing				96	11

Source: RPRG, Inc.

- Typically, it is assumed that a 5.0 percent vacancy rate is required to keep a rental market relatively fluid. There must be some number of quality units vacant and available at any given time so that households seeking rental units can be accommodated and can have some choice among units. Given the total competitive inventory of 6,569 units, 328 vacancies would be required to arrive at a 5.0 percent vacancy rate. Subtracting the 411 vacant units in the market from this number reveals 83 units need to be leased to reach 5.0 percent vacancy. These units are subtracted from the total demand.
- Summing demand from household change, projected unit removals, and the vacancy rate in the existing market, results in total demand for 953 new rental units in the market area over the next three years.
- Net demand for new rental units must be balanced against new rental stock likely to be added to the market area's inventory over this period. Five pipeline projects were identified in addition to the subject's proposed 160 general occupancy units, combining for a total of 903 units.
- Subtracting 95 percent of these units (858 units) from the total demand for 953 units yields net excess demand for 96 rental units in the market area over the next three years.

3. COVID-19 Impact

The COVID-19 pandemic is expected to have a significant negative impact on the national economy, likely to be widespread among most economic sectors and areas of the country. The extent of the impact on any one county or market area is impossible to measure based on the lack of available data and the rapidly evolving situation. To assess the potential vulnerability of this market and property, RPRG has provided an overview of several market variables related to demand and the potential impact of COVID-19 in the primary market area.

The county's economy recovered from the previous recession at a similar pace with the nation as a whole. The economy is balanced with four sectors comprising ten percent or more of all jobs and is not overly dependent on one vulnerable economic sector. The household projections are not dependent on any extraordinary economic expansions that might be vulnerable under current conditions. Household growth has been strong in the 288 Lofts Market Area and county over the past 21 years and is projected to continue at comparable rates over the next five years. Additionally, renter households are projected to comprise a greater share of overall net household growth over the next five years compared to the previous 21 years.

Adjusted Net Demand: Based on the above factors, we have calculated an alternate Net Demand Estimate as a sensitivity analysis to test the potential of the market area to absorb a COVID-19 related slowdown that is presented in the rightmost column of Table 37. The deviations from the original demand estimate include:

- *A 10 percent reduction in demand from household growth and 10 percent adjustment for housing removals/upgrades based on local factors.*
- *No adjustment for stabilized vacancies or communities undergoing initial lease up as this is measured over the next three years. Near-term vacancies are expected to increase across the nation, but long term demand for rental housing is expected to increase.*
- *A two percent increase in the renter-share of New Housing Demand over the next three years resulting in a renter percentage of 46.4 percent compared to 47.3 percent.*

The adjusted Net Demand Estimate results in moderate material change relative to the original analysis with (excess demand of 96 units declining to 11 units).



4. Conclusions on Net Demand

The results of this derivation of rental demand indicate that the market will have a net excess demand for 96 units of rental housing over the next three years beyond the subject and five near term pipeline communities. This breadth of demand is considerable given that four market area communities are in lease up in addition to incoming units at pipeline communities. The properties in the initial lease up phase will most likely be stabilized by the time the subject delivers, and several pipeline projects are currently under construction and likely to complete at least substantial lease-up prior to the delivery of the subject. Additionally, all near term pipeline projects will have exclusively market rate units targeting upper-income households, including one age-restricted community; these properties will not compete directly with the subject's affordable units.

It should be noted that the subject property is still in the development phase and will not be placed in service until June 2023. While many believe the economy will resemble Pre-COVID conditions and growth within this timeframe, net demand for housing is measured over the next three years. We expect any COVID-19 impact to total housing demand to be deeper during the near term of the three-year period, with its effect moderating by the end of the Net Demand period. The alternate demand model presented here is one potential outcome based on RPRG's analysis of data available at the time of market study completion and national data and analysis regarding the potential impact of the COVID-19 related economic slowdown. This sensitivity analysis indicates minimal impact on demand related to a COVID-19 induced slowdown.

C. Effective Demand – Affordability/Capture & Penetration Analyses

1. Methodology

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

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

The first component of the Effective Demand analysis involves looking at total income and renter income among 288 Lofts Market Area households for the target year. The developer projects that units at 288 Lofts will be placed in service in 2023 and as such, 2023 is used as the target year for these analyses. RPRG calculated 2023 income distributions for total households and renter households based on RPRG household projections, income estimates from the 2015-2019 ACS, and income projections from Esri (Table 38).

Table 38 2023 Total and Renter Income Distribution, 288 Lofts Market Area

288 Lofts Market Area		2023 Total Households		2023 Renter Households	
2023 Income		#	%	#	%
less than	\$15,000	1,806	3.9%	749	7.2%
	\$15,000 \$24,999	1,882	4.1%	830	8.0%
	\$25,000 \$34,999	2,794	6.1%	1,055	10.1%
	\$35,000 \$49,999	4,210	9.1%	1,694	16.3%
	\$50,000 \$74,999	8,234	17.9%	2,492	23.9%
	\$75,000 \$99,999	6,515	14.1%	1,626	15.6%
	\$100,000 \$149,999	10,066	21.8%	1,181	11.3%
	\$150,000 Over	10,610	23.0%	784	7.5%
Total		46,117	100%	10,411	100%
Median Income		\$90,856		\$58,812	

Source: American Community Survey 2015-2019 Projections, RPRG, Inc.

A particular housing unit is typically said to be affordable to households that would be expending a certain percentage of their annual income or less on the expenses related to living in that unit. In the case of rental units, these expenses are generally of two types – monthly contract rents paid to property owners and payment of utility bills for which the tenant is responsible. The sum of the contract rent and utility bills is referred to as a household’s ‘gross rent burden’. For the Affordability/Capture and Penetration Analyses, RPRG employs a 35 percent gross rent burden. The 35 percent rent burden is the rent burden mandated by VHDA for use in evaluating proposed general occupancy LIHTC communities.

The subject will include a broad range of target incomes with units restricted to households with incomes at 30, 50, 60, 70 and 80 percent of AMI. The household sizes assume 1.5 persons per bedroom for the one-, two-, and three-bedroom units.

2. Affordability Analysis

The steps in our Affordability Analysis for 288 Lofts at the developer’s proposed rents are as follows (Table 39):

- The overall shelter cost (gross rent) for a 60 percent two bedroom unit at 288 Lofts – the most numerous LIHTC unit type at the subject – would be \$1,183 per month (\$1,037 rent plus a \$146 utility allowance for utility costs beyond those for trash removal).
- By applying a 35 percent rent burden to this gross rent, we determined that the 60 percent two bedroom unit would be affordable to households earning at least \$40,560 per year. The projected number of market area renter households earning at least this amount in 2023 is 7,150 renter households.
- A household occupying a two bedroom unit (assuming 1.5 persons/bedroom) and earning 60 percent of AMI for the Richmond, VA MSA would have an income of up to \$48,300. According to the interpolated income distribution for 2023, an estimated 6,276 renter households will reside in the primary market area with incomes exceeding the upper income bound.



Table 39 2022 Affordability Analysis for 288 Lofts Assuming 35% Rent Burden

30% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		4		4		4	
Net Rent		\$384		\$452		\$511	
Gross Rent		\$498		\$598		\$692	
Income Range (Min, Max)		\$17,074	\$20,130	\$20,503	\$24,150	\$23,726	\$27,900
Renter Households							
Range of Qualified Hhlds		9,490	9,236	9,205	8,903	8,938	8,526
# Qualified Hhlds		254		303		412	
Renter HH Capture Rate		1.6%		1.3%		1.0%	

50% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		6		30		8	
Net Rent		\$703		\$836		\$957	
Gross Rent		\$817		\$982		\$1,138	
Income Range (Min, Max)		\$28,011	\$33,550	\$33,669	\$40,250	\$39,017	\$46,500
Renter Households							
Range of Qualified Hhlds		8,515	7,931	7,918	7,185	7,324	6,479
# Qualified Hhlds		584		733		845	
Renter HH Capture Rate		1.0%		4.1%		0.9%	

60% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		1		39		8	
Net Rent		\$871		\$1,037		\$1,190	
Gross Rent		\$985		\$1,183		\$1,371	
Income Range (Min, Max)		\$33,771	\$40,260	\$40,560	\$48,300	\$47,006	\$55,800
Renter Households							
Range of Qualified Hhlds		7,907	7,184	7,150	6,276	6,422	5,506
# Qualified Households		723		874		916	
Renter HH Capture Rate		0.1%		4.5%		0.9%	

70% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		6		24		8	
Net Rent		\$850		\$990		\$1,185	
Gross Rent		\$964		\$1,136		\$1,366	
Income Range (Min, Max)		\$33,051	\$46,970	\$38,949	\$56,350	\$46,834	\$65,100
Renter Households							
Range of Qualified Hhlds		7,983	6,426	7,332	5,451	6,441	4,579
# Qualified Households		1,557		1,881		1,863	
Renter HH Capture Rate		0.4%		1.3%		0.4%	

80% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		4		9		5	
Net Rent		\$850		\$990		\$1,185	
Gross Rent		\$964		\$1,136		\$1,366	
Income Range (Min, Max)		\$33,051	\$53,680	\$38,949	\$64,400	\$46,834	\$74,400
Renter Households							
Range of Qualified Hhlds		7,983	5,717	7,332	4,649	6,441	3,652
# Qualified Households		2,266		2,683		2,790	
Renter HH Capture Rate		0.2%		0.3%		0.2%	



Income Target	# Units	Renter Households = 10,411				
		Band of Qualified Hhlds		# Qualified HHs	Capture Rate	
30% AMI	12	<i>Income Households</i>	\$17,074 9,490	\$27,900 8,526	933	1.3%
50% AMI	44	<i>Income Households</i>	\$28,011 8,515	\$46,500 6,479	2,023	2.2%
60% AMI	48	<i>Income Households</i>	\$33,771 7,907	\$55,800 5,506	2,367	2.0%
70% AMI	38	<i>Income Households</i>	\$33,051 7,983	\$65,100 4,579	3,404	1.1%
80% AMI	18	<i>Income Households</i>	\$33,051 7,983	\$74,400 3,652	4,331	0.4%
LIHTC Units	160	<i>Income Households</i>	\$17,074 9,490	\$74,400 3,652	5,838	2.7%

Source: Income Projections, RPRG, Inc.

- Subtracting the 6,276 renter households with incomes above the 60 percent maximum income limit from the 7,150 renter households that could afford to rent this unit, we calculate that 874 renter households in the primary market area as of 2023 would be in the band of affordability for the subject’s 60 percent two bedroom units. 288 Lofts would need to capture 4.5 percent of these income-qualified renter households to absorb all 39 of the 60 percent two-bedroom units.
- Following the same methodology, we tested the affordability of the remaining unit types at each of the income bands. The capture rates among income-qualified renter households for these other distinct unit types by income band range from 0.1 percent for one bedroom 60 percent AMI units to 4.1 percent for the two-bedroom units at 50 percent of AMI.
- The capture rates by overall income bands are 1.3 percent for the 12 units at 30 percent AMI, 2.2 percent for the 44 units at 50 percent AMI, 2.0 percent for the 48 units at 60 percent AMI, 1.1 percent for the 38 units at 70 percent AMI, and 0.4 percent for the 18 units at 80 percent AMI. All combined proposed units at the subject would need to capture 2.7 percent of all income-qualified renter households.

3. Penetration Analysis

To provide further insight into the market dynamics, we have also conducted a Penetration Analysis (Table 40). The Penetration Analysis evaluates the capacity of the market area to serve the entire inventory of directly competitive rental units. Our analysis utilizes the same target date of 2023; the same 35 percent rent burden; and income levels as presented in the Affordability Analysis. The steps in our Penetration Analysis for 288 Lofts follow:

- The stock of existing rental units that would be closely competitive with the subject’s 30, 50, 60, 70, and 80 percent AMI includes 214 units at 60 percent AMI at one surveyed tax credit community (Creekpointe). No affordable pipeline projects were identified in the market area in addition to the subject’s proposed units. Summing the existing units with the subject, the directly competitive stock of one, two and three bedroom units totals 374 units, including 262 units at 60 percent AMI.
- The range of household incomes employed in our analysis range from \$17,074 up to \$74,400. This analysis utilizes the subject’s proposed utility allowances when calculating the minimum income required for the total housing cost as well as a 35 percent housing affordability ratio.



- As of 2023, an estimated 5,838 renter households in the market area will be in the band of affordability for the relevant 30, 50, 60, 70 and 80 percent AMI one, two and three bedroom rental stock. The existing and planned supply would need to capture 6.4 percent of these renter households to reach full occupancy.

Table 40 Penetration Analysis for 288 Lofts, Assuming 35% Rent Burden

30% Units		50% Units		60% Units		70%, 80% Units	
Competitive Units	Units	Competitive Units	Units	Competitive Units	Units	Competitive Units	Units
				Creekpointe Apts	214		
subtotal	0	subtotal	0	subtotal	214	subtotal	0
Pipeline Units	Units	Pipeline Units	Units	Pipeline Units	Units	Pipeline Units	Units
	0						
subtotal	0	subtotal	0	subtotal	0	subtotal	0
Subject Property	Units	Subject Property	Units	Subject Property	Units	Subject Property	Units
	12		44		48		56
Total	12	Total	44	Total	262	Total	56

Income Target	Total Competitive Units	Renter Households = 10,411			Penetration Rate
		Band of Qualified HHlds		# Qualified HHs	
		One Bedroom	Three Bedroom		
30% Units	12	\$17,074 9,490	\$27,900 8,526	964	1.2%
		One Bedroom	Three Bedroom		
50% Units	44	\$28,011 8,515	\$46,500 6,479	2,035	2.2%
		One Bedroom	No Data		
60% Units	262	\$33,771 7,907	\$55,800 5,506	2,401	10.9%
		One Bedroom	Three Bedroom		
80% Units	56	\$33,051 7,983	\$74,400 3,652	4,331	1.3%
		One Bedroom	Three Bedroom		
Total Units	374	\$17,074 9,490	\$74,400 3,652	5,838	6.4%

4. Conclusions on Affordability and Penetration

RPRG judges that the calculated capture rates (1.3 percent for 30 percent AMI units, 2.2 percent for 50 percent AMI units, 2.0 percent for 60 percent AMI units, 1.1 percent for 70 percent AMI units, 0.4 percent for 80 percent AMI units, and 2.7 percent for the project overall) are readily achievable, particularly since the proposed apartments will be the newest and most attractive affordable rental community within the market area. RPRG considers the calculated penetration rate for the tax credit units of 6.4 percent of income-restricted renter households to be reasonable within the context of the 288 Lofts Market Area. Both the capture and penetration rates are well within a reasonable and achievable range.

D. VHDA Demand Methodology

1. VHDA Demand Analysis

The Virginia Housing Development Authority (VHDA) mandates a particular demand methodology in evaluating applications for Low-Income Housing Tax Credits. VHDA opts for a need-driven demand methodology which factors the topics of cost-burdened renters and substandard rental housing into the demand equation. In this section, RPRG calculates demand according to the VHDA methodology for 288 Lofts. VHDA’s demand methodology for general occupancy LIHTC projects such as the subject accounts for as many as four primary components of potential need/demand:



- Household Growth or Decline.** The household trend required by VHDA is the net increase or decrease in the number of income-qualified renter households in the primary market area between a base year of 2021 and a target year of 2024.
- Cost Burdened Renters.** VHDA’s second component of demand is cost burdened renters, a designation which is typically defined as those renter households paying more than 35 percent of household income for housing costs. To be conservative, RPRG uses the 2015-2019 ACS data on cost-burdened renter households presented earlier in Table 21 to estimate the percentage and number of income-qualified renters for the subject project that will be cost-burdened as of 2021 as defined by spending 40 percent of income on rent, or 26.6 percent of renters.
- Renter Households in Substandard Housing.** VHDA’s third component of demand accounts for income-qualified renter households living in substandard units, defined as overcrowded units (having 1.01 or more persons per room) and/or units lacking complete plumbing facilities. According to the 2015-2019 ACS, the percentage of renter households in the primary market area that lived in substandard conditions was 3.2 percent.

Table 41 outlines the detailed VHDA demand calculations for 288 Lofts that stem from the three relevant demand components. Total demand available for the 160-unit proposed affordable project is expected to include 227 net new renter households, 1,471 cost-burdened households, and 174 households currently residing in substandard housing. The calculation thus yields a total demand for 1,872 additional units of rental housing serving the targeted income bands.

Table 41 VHDA Demand by Overall Income Targeting

<i>Income Target</i>	30% AMI	50% AMI	60% AMI	70% AMI	80% AMI	LIHTC Units
<i>Minimum Income Limit</i>	\$17,074	\$28,011	\$33,771	\$33,051	\$33,051	\$17,074
<i>Maximum Income Limit</i>	\$27,900	\$46,500	\$55,800	\$65,100	\$74,400	\$74,400
(A) Renter Income Qualification Percentage	9.3%	19.6%	23.1%	32.7%	41.6%	56.1%
Demand from New Renter Households - <i>Calculation (C-B)*F*A</i>	37	79	93	132	168	227
+ Demand from Rent Overburdened HHs - <i>Calculation: B*E*F*A</i>	243	513	605	858	1,091	1,471
+ Demand from Substandard Housing - <i>Calculation B*D*F*A</i>	29	61	72	101	129	174
Total Income Qualified Renter Demand	309	653	770	1,091	1,389	1,872
Less: Comparable Vacant Units	0	0	3	0	0	3
Less: Comparable Pipeline Units	0	0	0	0	0	0
Net Demand	309	653	767	1,091	1,389	1,869
Subject Proposed Units	12	44	48	38	18	160
Capture Rate	3.9%	6.7%	6.3%	3.5%	1.3%	8.6%
Estimated Absorption Period						

Demand Calculation Inputs	
A). % of Renter HHlds with Qualifying Income	see above
B). 2021 Households	44,888
C). 2024 Households	46,732
D). Substandard Housing (% of Rental Stock)	3.2%
E). Rent Overburdened (% of Renter HHlds at >40%)	26.6%
F). Renter Percentage (% of all 2021 HHlds)	21.9%

Project Wide Capture Rate - LIHTC Units	8.6%
Project Wide Capture Rate - Market Units	N/A
Project Wide Capture Rate - All Units	8.6%
Project Wide Absorption Period (Months)	8-9 Months

Comparable units that are presently available or that would likely be available constitute supply that must be subtracted from total VHDA demand to arrive at VHDA net demand. Based on our January 2021 competitive survey, three 60 percent AMI units were reported vacant in the comparable rental supply. There are no comparable near term pipeline units proposed in the market area. Subtracting the vacant existing and pipeline units, VHDA net demand totals 1,869 units.

Given net demand for 1,869 units, the 160-unit 288 Lofts would need to capture 8.6 percent of income-qualified renter households per VHDA's demand methodology. The 30 percent AMI units would need to capture 3.9 percent of all income-qualified renter households; the 50 percent AMI units would need to capture 6.7 percent of all income-qualified renter households; the 60 percent AMI units would need to capture 6.3 percent of all income-qualified renter households; the 70 percent AMI units would need to capture 3.5 percent of all income-qualified renter households; and the 80 percent AMI units would need to capture 1.3 percent of all income-qualified renter households.

Table 42 calculates demand for the proposed subject's three bedroom units. In this analysis, we have applied a large family factor of 35.8 percent in order to reflect the proportion of three-person and larger households within the market area, as referenced in Table 1. The VHDA capture rate for this unit type is 5.4 percent.

Table 42 VHDA Three-Bedroom Demand

Project Total	Three Bedroom Units
<i>Minimum Income Limit</i>	\$23,726
<i>Maximum Income Limit</i>	\$74,400
Renter Income Qualification Percentage	50.8%
Total Income Qualified Renter Demand	1,695
Large HH Size Adjustment (3+ person hhlds)	35.8%
Total Large HH Income Qualified Rental Demand	606
Vacant and Comparable Units	0
Net Demand	606
Proposed Units	33
Capture Rate	5.4%

2. Conclusions on VHDA Demand

RPRG considers the key captures rates for 288 Lofts to be both reasonable and readily achievable. The overall capture rate of 8.6 percent is moderate but achievable, while individual capture rates among income bands are lower, ranging from 1.3 percent to 6.7 percent. Taking into consideration these factors, we have conservatively estimated an overall project lease up pace of roughly 8 to 9 months, reflecting an average absorption pace of 17 to 18 units per month. Low vacancy rates among affordable communities and a relative lack of affordable rental housing options in the market area suggest a need for additional affordable housing resources in the area.

E. Target Markets

As indicated in the Effective Demand Analysis (Affordability/Capture & Penetration), the subject's income-restricted units would serve households with incomes between \$17,074 and \$74,400. The groups most likely to reside at the subject's income restricted units include individuals working in service sectors such as retail, leisure and hospitality. Other persons likely to reside at the subject project include government or contract workers; local public servants such as firefighters, police officers, and teachers; and early career workers in the professional-business, financial activities, information, and health sectors.

With one-, two-, and three-bedroom units, the proposed community would have the capacity to serve single-person households, married and unmarried couples, roommate households, and single- and dual-parent families with as many as four children.



F. Product Evaluation

Considered in the context of the competitive environment, the relative position of the proposed 288 Lofts is as follows:

- **Structure Type:** All competitive Lower Tier market rate and income-restricted rental communities in the market area consist of garden-style walk up structures and/or townhomes. The subject will have four-story mid-rise (“low-rise” per VHDA) elevator-served buildings, a structure type only offered among three Upper Tier communities, providing a competitive advantage among the market area’s garden/townhouse Lower Tier and tax credit communities.
- **Project Size:** The surveyed rental communities within the market area range in size from 70 to 694 units, with an average size of 263 units. Additionally, the two market area tax credit communities include 70 units and 214 units, respectively, with an average size of 142 units. The 160-unit 288 Lofts will be smaller than the overall average size in the market and similar to the income-restricted average of 142 units. The subject is sized appropriately to provide on-site management and services similar to other market area rental communities, and results in a favorable net demand estimate.
- **Unit Distribution:** Overall, the subject will offer one bedroom units (13 percent); two bedroom units (66 percent); and three bedroom units (21 percent). The subject’s unit distribution includes a higher proportion of two bedroom units compared to the Lower Tier average but lower proportion of one bedroom units and higher proportion of three bedroom units. However, we note that the two market area tax credit communities have a nearly even distribution of two- and three-bedroom units with few one-bedroom units. The proposed unit distribution strikes a balance between the overall Lower Tier and tax credit distribution and positions the subject to target a wide variety of households, including single-person households, couples, roommates, single parent households and families. We believe that the proposed unit distribution is reasonable within the context of the directly competitive rental supply.
- **Income Targeting:** The subject’s income targeting is as follows: 12 units (eight percent) will address households with incomes at or below 30 percent of AMI; 44 units (28 percent) will address households at or below 50 percent of AMI; 48 units (30 percent) will address households at or below 60 percent of AMI; 38 units (24 percent) will address households at or below 70 percent of AMI; and 18 units (11 percent) will address households at or below 80 percent of AMI. RPRG’s penetration analysis indicates that all of the subject’s units as well as those existing and future units address only 6.4 of all income-qualified households.
- **Unit Size:** The proposed unit sizes for 288 Lofts average 704 square feet for one-bedroom units; 954 square feet for two-bedroom units; and 1,181 square feet for the three-bedroom units. The subject’s unit sizes are slightly smaller than the overall Lower Tier average unit sizes and the average unit sizes among tax credit communities for most unit types, but within the competitive range. The subject’s units will be well-appointed with relatively upscale unit interiors compared to other tax credit communities. We believe that the size of the subject’s units will be marketable and will be competitive with the other rental units in the multifamily supply despite slightly smaller unit sizes, especially considering the scarcity of affordable housing units in this market.
- **Number of Bathrooms:** All of the subject’s one bedroom units will have one full bathroom, while the two and three bedroom units will have two bathrooms. Both tax credit communities in the market area have the same offering of bathrooms per bedroom type.



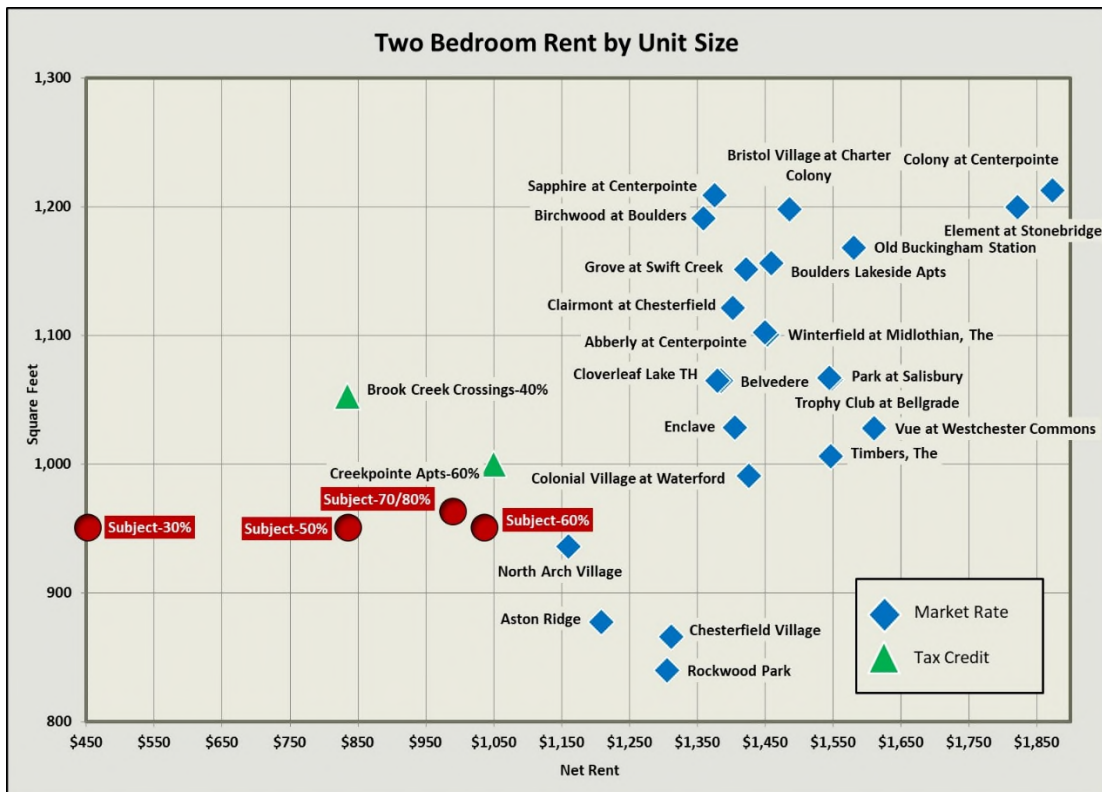
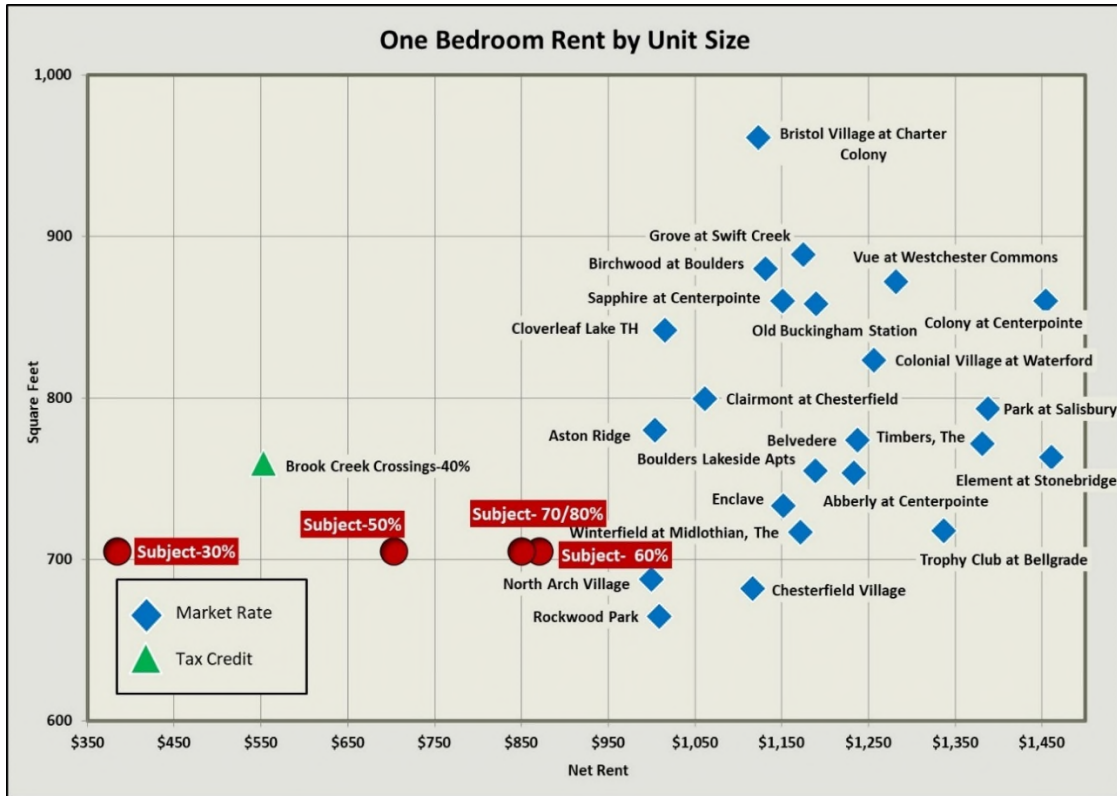
- **Kitchen Features:** All unit kitchens at 288 Lofts will include some features that are not found or common among the existing affordable rental supply, such as granite countertops and a microwave. The subject's energy efficient appliances will also provide a boost to marketability.
- **Laundry:** The developer will include washer/dryer hook ups within the subject's units; this is the same in-unit laundry arrangement provided among the two existing tax credit communities and will be appropriate for the proposed affordable rental product.
- **Other Unit Features:** Units at 288 Lofts will have carpeted bedrooms and vinyl wood plank flooring in the living areas and kitchen. Units will also have 9' ceilings. These unit features will be comparable or superior to the current affordable rental offerings and will be appropriate for the subject site. These in-unit features/finishes will also be superior to some of the oldest Lower Tier market rate communities that do not offer the same level of finishes. The 112 units within the 9 percent phase will conform to VHDA's Universal Design guidelines.
- **Utilities Included in Rent:** The developer proposes to include trash removal costs in monthly rents in 288 Lofts, leaving tenants responsible for paying all other utility bills. This is the same utility arrangement at eight other existing communities in the market area, including one tax credit community (Creekpointe Apartments). Most other communities in the market area (16 properties) including the other LIHTC property do not include any utility costs in the rent.
- **Common Area Amenities:** The developer intends to provide a significant offering of common area amenities at the subject, including a clubhouse with community room, a fitness center, business center, outdoor pool, picnic area and grilling station, and a playground. The proposed slate of amenities would position the subject community similarly to the two tax credit communities and comparably priced Lower Tier market rate properties in the market area. However, the subject's newly constructed amenities will be of higher quality compared to the older market rate Lower Tier properties.
- **Parking:** The subject will have free surface parking as the standard parking option; this is also the standard parking arrangement among all market area communities including two LIHTC properties and will be appropriate for the proposed subject community.

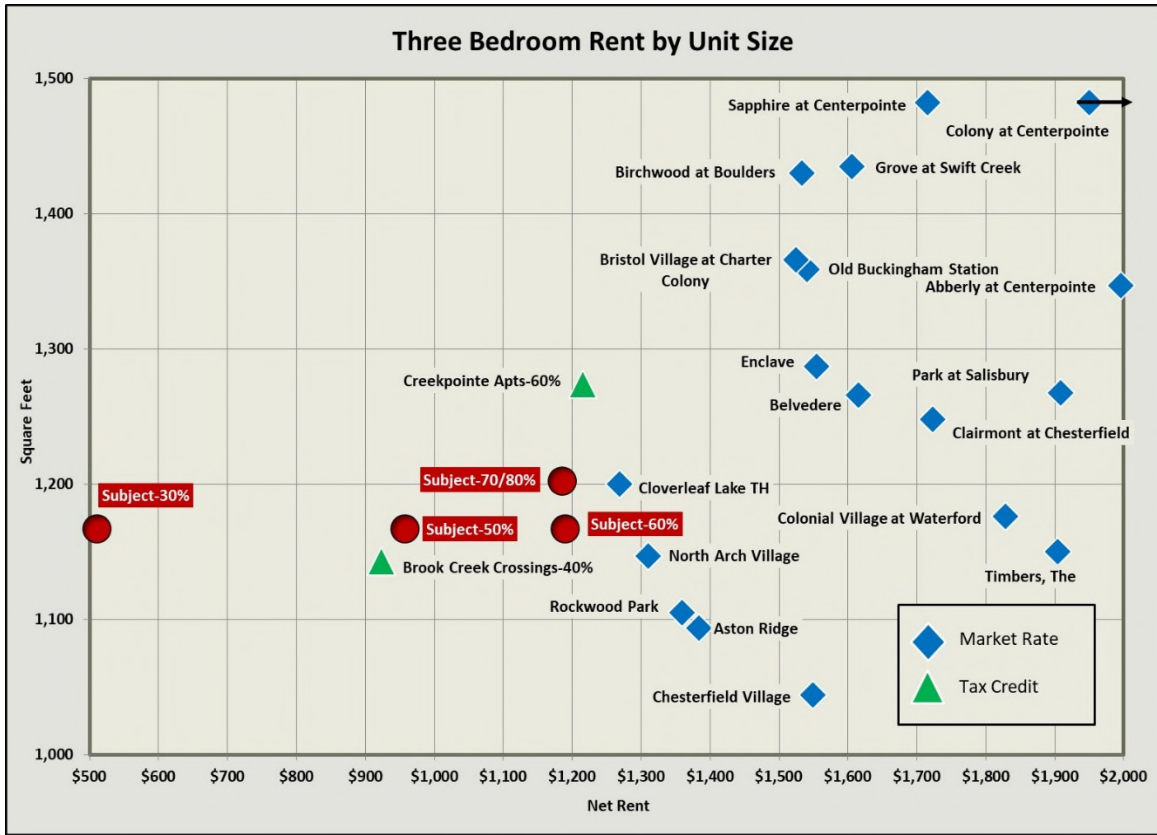
G. Price Position

The tax credit rents proposed by the developer for 288 Lofts are below the allowable maximums for all unit types, given the assumed utility allowances of \$114 for one bedroom units; \$146 for two bedroom units; and \$181 for three bedroom units. The proposed rents are considered to be reasonable when viewed within the context of the directly competitive rental supply. The scatter charts indicate that the rents for the affordable rental supply are generally below those without income restrictions. Figure 9 provides a graphic representation of the competitive positions of the rents and square footages proposed for the subject's one, two, and three bedroom units.



Figure 9 Price Position of 288 Lofts





H. Absorption Estimate

In estimating an absorption pace for the subject community, we consider recent absorption activity in the market in addition to demand and supply factors. As mentioned previously, several market rate rental communities have stabilized within the past five years. Known absorption details are as follows:

- **Clairmont at Chesterfield** (368 units) opened in January 2015 and stabilized in July 2016, translating to a lease up pace of 20 to 21 units per month over a roughly 18-month leasing period.
- **Colony at Centerpointe** (255 units) opened in September 2015 and reached stabilization by mid-November 2016. Considering this 14-month absorption period, the community had a monthly lease up pace of 18 units.
- **Element at Stonebridge** (400 units) opened in March 2016 and had stabilized in May 2019. This equates to an average absorption pace of ten to 11 units per month over a 38-month period.
- **The Winterfield at Midlothian** (238 units) opened at the end of April 2019 and had reached 95 percent occupied by September 2020. This represents an initial absorption pace of 14 units per month over a period of 17 months.
- **Abberly at Centerpointe** (271 units) had its first residents move-in during March 2019. The community had leased 236 units by the time of our January 2021 survey for a roughly 11-unit per month absorption rate of a 22-month period.



- **Vue at Westchester Commons** (236 units) started preleasing in January 2020 before opening in the beginning March 2020. The community had leased 175 units by mid-January 2021 for an absorption pace of nearly 14 units per month over 12 and one-half months.
- **Sapphire at Centerpointe** (192 units) began preleasing in April 2020 and opened one month later in May. The community had leased 166 units by the time it was surveyed in January, equating to approximately a 16-unit per month initial absorption rate since opening.
- **Boulders Lakeside Apartments** (248 units) began preleasing in July 2020, opened in August 2020, and had leased 104 units by mid-January, equating to lease up pace of about 19 units per month over a five and one-half month period.

We note several of these communities are/were in lease up simultaneously with one or several additional communities. The affordable nature of the subject community will likely result in higher absorption rates than those reported by market rate communities.

With these considerations, we conservatively estimate an absorption pace of 17 to 18 units per month. Assuming this absorption pace, we would expect that the subject would attain stabilized occupancy in approximately 8 to 9 months.

I. Impact on Existing Market

RPRG does not anticipate that the subject will have an adverse impact on the existing rental market. The overall vacancy rate for the income-restricted rental communities within the market area is very low with only three vacant units (1.1 percent). Additionally, the subject's VHDA capture rate for all units is 8.6 percent. All are reasonable and achievable. Importantly, the overall penetration rate for the subject's proposed units is very low at 6.4 percent.

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

A handwritten signature in black ink, appearing to read 'Anthony Massoni'.

Anthony Massoni
Analyst

A handwritten signature in black ink, appearing to read 'Ethan Reed'.

Ethan Reed
Senior Analyst

A handwritten signature in black ink, appearing to read 'Robert M. Lefenfeld'.

Robert M. Lefenfeld
Founding Principal



IX. APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

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

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



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

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



X. APPENDIX 2 RENTAL COMMUNITY PROFILES

Abberly at Centerpointe

Multifamily Community Profile

1900 Abberly Circle
Midlothian, VA 23114

CommunityType: Market Rate - General

Structure Type: 4-Story Mid Rise

271 Units 12.9% Vacant (35 units vacant) as of 1/20/2021

Opened in 2019



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	43.5%	\$1,248	754	\$1.66	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	53.5%	\$1,469	1,102	\$1.33	Elevator: <input checked="" type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	3.0%	\$2,021	1,347	\$1.50	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; HighCeilings; Carpet / Vinyl/Linoleum	
Select Units: --	
Optional(\$): --	
Security: Fence; Gated Entry	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$175
Property Manager: H H Hunt Owner: --	

Comments

First move-in: 3/31/19. As of Sept. 2020 - 193 units have been leased (approx. 10.7/mo.).
Granite counters, black appli, 2" blinds, island, wood-plank flooring, and oversized garden tub.
Dog park, pet spa, outdoor fireplace/kitchen, billiards, demo kitchen in clubhouse, car charging stations.

Floorplans (Published Rents as of 1/20/2021) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Mid Rise - Elevator	--	1	1	16	\$1,195	684	\$1.75	Market	1/20/21	12.9%	\$1,248	\$1,469	\$2,021
Mid Rise - Elevator	--	1	1	22	\$1,300	694	\$1.87	Market	9/16/20*	28.8%	\$1,121	\$1,443	\$1,855
Mid Rise - Elevator	--	1	1	80	\$1,345	784	\$1.72	Market	1/14/20*	54.2%	\$1,199	\$1,500	\$1,908
Mid Rise - Elevator	--	2	2	42	\$1,483	1,049	\$1.41	Market	7/24/19*	64.6%	\$1,172	\$1,492	\$2,102
Mid Rise - Elevator	--	2	2	7	\$1,537	1,053	\$1.46	Market	* Indicates initial lease-up.				
Mid Rise - Elevator	--	2	2	6	\$1,556	1,073	\$1.45	Market					
Mid Rise - Elevator	--	2	2	22	\$1,516	1,121	\$1.35	Market					
Mid Rise - Elevator	--	2	2.5	16	\$1,610	1,166	\$1.38	Market					
Mid Rise - Elevator	--	2	2	28	\$1,654	1,275	\$1.30	Market					
Mid Rise - Elevator	--	2	2	24	\$1,433	956	\$1.50	Market	Incentives: \$1000 off 1 & 2 bed with 14 mo lease sign by 1/27/21				
Mid Rise - Elevator	--	3	2	8	\$1,996	1,347	\$1.48	Market	Utilities in Rent: Heat Fuel: Electric Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/> Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>				

Adjustments to Rent

Abberly at Centerpointe

VA041-030054

Aston Ridge

Multifamily Community Profile

705 Pool Rd
Richmond, VA 23236

Community Type: Market Rate - General

Structure Type: 2-Story Garden

230 Units 1.3% Vacant (3 units vacant) as of 1/20/2021

Opened in 1975



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	23.9%	\$1,019	780	\$1.31	Comm Rm: <input type="checkbox"/>	Basketball: <input checked="" type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	51.7%	\$1,229	878	\$1.40	Elevator: <input type="checkbox"/>	Volleyball: <input checked="" type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	23.9%	\$1,408	1,093	\$1.29	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

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

Comments

Complimentary package acceptance, dog park, grilling area, firepit.

Granite counters, upgraded cabinets

Trash \$5

Floorplans (Published Rents as of 1/20/2021) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
	--	1	1	55	\$994	780	\$1.27	--	1/20/21	1.3%	\$1,019	\$1,229	\$1,408
	--	2	1	119	\$1,199	878	\$1.37	--	9/16/20	4.8%	\$985	\$1,106	\$1,385
	--	3	1	13	\$1,278	1,035	\$1.23	--	1/23/19	4.3%	\$991	\$1,129	\$1,386
	--	3	1.5	26	\$1,390	1,100	\$1.26	--	3/8/18	4.8%	\$915	\$1,150	\$1,322
	--	3	2	16	\$1,424	1,130	\$1.26	--					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Belvedere

Multifamily Community Profile

11900 Bellaverde Circle
Richmond, VA 23235

Community Type: Market Rate - General

Structure Type: 3-Story Garden

296 Units 2.0% Vacant (6 units vacant) as of 1/20/2021

Opened in 2005



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	17.6%	\$1,250	770	\$1.62	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	1.4%	\$1,285	828	\$1.55	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	65.2%	\$1,399	1,059	\$1.32	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	5.4%	\$1,468	1,132	\$1.30	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	10.5%	\$1,641	1,266	\$1.30	Hot Tub: <input checked="" type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; HighCeilings; Storage (In Unit); Carpet / Ceramic	
Select Units: Fireplace	
Optional(\$): --	
Security: Unit Alarms; Fence; Gated Entry	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$120
Property Manager: Fairfield Residential Owner: --	

Comments

Rent includes monitored unit alarms. Storage included in rent. 1 time admin fee of \$250. No discounts for units facing railroad tracks. Tracks are lightly used and they rarely get complaints.
Select 1st floor have w/ ss appl, hardwood floors. Trash \$15.

Amenity Fee: \$ 250

Floorplans (Published Rents as of 1/20/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	52	\$1,225	770	\$1.59	Market	1/20/21	2.0%	\$1,253	\$1,404	\$1,641
Sunroom / Garden	Den	1	1	4	\$1,260	828	\$1.52	Market	9/16/20	1.4%	\$1,234	\$1,421	\$1,644
Garden	--	2	2	52	\$1,340	1,020	\$1.31	Market	1/14/20	1.0%	\$1,228	\$1,350	\$1,861
Garden	--	2	2	141	\$1,380	1,074	\$1.28	Market	1/18/19	2.4%	\$1,077	\$1,378	\$1,544
Sunroom / Garden	Den	2	2	4	\$1,400	1,078	\$1.30	Market					
Sunroom / Garden	Den	2	2	12	\$1,450	1,150	\$1.26	Market					
Garden	--	3	2	1	\$1,605	1,254	\$1.28	Market					
Garden	--	3	2	26	\$1,595	1,256	\$1.27	Market					
Sunroom / Garden	Den	3	2	4	\$1,675	1,332	\$1.26	Market					

Adjustments to Rent

Incentives:
LRO; none

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

Birchwood at Boulders

Multifamily Community Profile

725 Boulder Springs Dr
Richmond, VA 23225

Community Type: Market Rate - General

Structure Type: 3-Story Garden

284 Units 1.1% Vacant (3 units vacant) as of 1/22/2021

Last Major Rehab in 2016 Opened in 1986



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	31.7%	\$1,146	880	\$1.30	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	63.0%	\$1,379	1,191	\$1.16	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	5.3%	\$1,558	1,430	\$1.09	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ice Maker; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Wood-burning Fireplace; Patio/Balcony; Storage (In Unit); Carpet / Vinyl/Linoleum	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: BH Mgmt	
Owner: --	

Comments

BBQ station.

Faux granite counters, black appliances, plank flooring.

Valet trash \$25. Select pricing from 5/21/20 survey

Amenity Fee: \$ 150

Floorplans (Published Rents as of 1/22/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Brookwood / Garden	--	1	1	90	\$1,121	880	\$1.27	Market	1/22/21	1.1%	\$1,146	\$1,379	\$1,558
Overlook / Garden	--	2	2	70	\$1,300	1,170	\$1.11	Market	9/16/20	0.0%	\$1,149	\$1,354	\$1,625
Fieldstone / Garden	--	2	2	45	\$1,380	1,170	\$1.18	Market	5/21/20	0.0%	\$1,131	\$1,365	\$1,625
Spring Hill / Garden	--	2	2	32	\$1,364	1,215	\$1.12	Market	1/18/19	3.9%	\$1,036	\$1,349	\$1,762
Woodlake / Garden	--	2	2	32	\$1,396	1,241	\$1.12	Market					
Lake Tree / Garden	--	3	2	15	\$1,523	1,430	\$1.07	Market					

Adjustments to Rent

Incentives:

Yieldstar; None

Vacant: 1 1BR; 3 3BR

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Birchwood at Boulders

VA041-011621

Boulders Lakeside Apts

Multifamily Community Profile

1006 Boulder Lake Terr
North Chesterfield, VA 23225

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

248 Units 58.1% Vacant (144 units vacant) as of 1/22/2021

Opened in 2020



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	59.7%	\$1,204	755	\$1.59	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	40.3%	\$1,479	1,156	\$1.28	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Storage (In Unit); Vinyl/Linoleum	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: RKW Mgmt co.	
Owner: --	

Comments

Sundeck, cyber café with Wifi, gaming lounge, pet wash area, pet park, Grilling area, TV lounge w/ fireplace.
Plank flooring, SS appl, quartz counters, subway tile backsplash, walk-in closets, garden tubs, keyless entry
Started preleasing July 2020. Opened Aug. 2020. Valet Trash \$25

Floorplans (Published Rents as of 1/22/2021) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
	--	1	1	148	\$1,277	755	\$1.69	Market	1/22/21*	58.1%	\$1,204	\$1,479	--
	--	2	2	100	\$1,570	1,156	\$1.36	Market	10/27/20*	79.0%	\$1,204	\$1,479	--
									9/17/20*	79.8%	\$1,202	\$1,479	--
* Indicates initial lease-up.													
Adjustments to Rent													
Incentives: 1 mo free w/13 mo. Vacant mix unknown													
Utilities in Rent: Heat Fuel: Electric													
Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>													
Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input type="checkbox"/>													

Boulders Lakeside Apts

VA041-034830

Bristol Village at Charter Colony

Multifamily Community Profile

500 Bristol Village Dr
Midlothian, VA 23114

CommunityType: Market Rate - General

Structure Type: 3-Story Garden/TH

129 Units 1.6% Vacant (2 units vacant) as of 1/20/2021

Opened in 2005



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	20.9%	\$1,090	796	\$1.37	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	19.4%	\$1,190	1,140	\$1.04	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	31.0%	\$1,480	1,150	\$1.29	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	14.0%	\$1,563	1,305	\$1.20	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	14.7%	\$1,550	1,366	\$1.13	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Carpet / Vinyl/Linoleum	
Select Units: Fireplace; Patio/Balcony	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$130
Property Manager: Pegasus Residential Owner: --	

Comments

300 total units, 171 condos, 129 rental apts. Final unit mix, condos are no longer selling, only resales.

Expansive clubhouse with FP, pool table, wifi. Gas grills/locker rms.

located by the pool. Black appliances, maple cabinets. Wood laminate floor in kitch. Sm garage \$130, large \$150.

Floorplans (Published Rents as of 1/20/2021) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Westover Loft / Garden	Den	1	1	25	\$1,190	1,140	\$1.04	Market	1/20/21	1.6%	\$1,138	\$1,505	\$1,550
Berkley / Garden	--	1	1	27	\$1,090	796	\$1.37	Market	9/16/20	3.1%	\$1,141	\$1,479	\$1,550
Stratford / Garden	--	2	2	20	\$1,400	1,087	\$1.29	Market	1/14/20	0.8%	\$1,235	\$1,412	\$1,457
Stratford-Solarium / Gard	--	2	2	20	\$1,560	1,213	\$1.29	Market	7/29/19	0.0%	\$1,270	\$1,344	\$1,456
Monticello Loft / Garden	Den	2	2	18	\$1,563	1,305	\$1.20	Market					
Evelynnton / Garden	--	3	2	8	\$1,480	1,266	\$1.17	Market					
Mt Vernon / Townhouse	--	3	2	4	\$1,690	1,340	\$1.26	Market					
Belle Grove Loft / Garden	Den	3	2	7	\$1,550	1,495	\$1.04	Market					

Adjustments to Rent

Incentives:

LRO; None

Vacant- 2- 2 BR

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Bristol Village at Charter Colony

VA041-011622

Brook Creek Crossings

Multifamily Community Profile

700 Colton Creek Rd
Midlothian, VA 23113

CommunityType: LIHTC - General

Structure Type: 3-Story Garden

70 Units 0.0% Vacant (0 units vacant) as of 9/16/2020

Opened in 2014



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	8.6%	\$568	760	\$0.75	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	57.1%	\$854	1,053	\$0.81	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	34.3%	\$948	1,143	\$0.83	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Hook-ups); Patio/Balcony; Carpet / Hardwood	
Select Units: --	
Optional(\$): --	
Security: Fence	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Drucker & Falk Owner: --	

Comments

Breakfast bar, ss appl

WI: Closed

Floorplans (Published Rents as of 9/16/2020) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Creekwillow / Garden	--	1	1	6	\$543	760	\$.71	LIHTC/ 40%	9/16/20	0.0%	\$568	\$854	\$948
Wyldrose / Garden	--	2	2	40	\$824	1,053	\$.78	LIHTC/ 40%	1/18/19	0.0%	\$568	\$886	\$989
Bridgecreek / Garden	--	3	2	24	\$913	1,143	\$.80	LIHTC/ 40%	3/8/18	0.0%	\$525	\$821	\$914
									11/6/17	0.0%	\$536	\$817	\$916

Adjustments to Rent

Incentives:

none

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Brook Creek Crossings

VA041-020479

Chesterfield Village

Multifamily Community Profile

211 Lingstorm Lane
Midlothian, VA 23225

Community Type: Market Rate - General

Structure Type: 2-Story Garden/TH

694 Units 2.7% Vacant (19 units vacant) as of 1/20/2021

Last Major Rehab in 2017 Opened in 1965



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	59.9%	\$1,132	682	\$1.66	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	47.0%	\$1,332	866	\$1.54	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	10.4%	\$1,574	1,044	\$1.51	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Central A/C; Carpet	
Select Units: In Unit Laundry; Patio/Balcony	
Optional(\$): --	
Security: Gated Entry	
Parking 1: Free Surface Parking Fee: --	Parking 2: Covered Spaces Fee: \$35
Property Manager: GSC Owner: --	

Comments

Renov include ss appli, cabinets, quartz counters, new flooring, 2" blinds, new lighting, etc. Only "Regular" units do not have patio/balc. Premium of \$50 for in-unit W/D is included in rents below. All units renov on turn; leases are not renewed on unrenov units. Trash fee:\$3 (included w/utility bill). Dog park.

Floorplans (Published Rents as of 1/20/2021) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	36	\$1,195	576	\$2.07	Market	1/20/21	2.7%	\$1,132	\$1,332	\$1,574
Garden	--	1	1	76	\$1,198	623	\$1.92	Market	9/16/20	9.9%	\$1,086	\$1,329	\$1,429
Regular / Garden	--	1	1	8	\$1,228	658	\$1.87	Market	5/27/20	0.4%	\$861	\$997	\$1,192
Deluxe / Garden	--	1	1	56	\$1,188	658	\$1.80	Market	1/18/19	4.9%	\$847	\$951	\$1,128
Garden	--	1	1	120	\$1,115	723	\$1.54	Market					
Garden	--	1	1	120	\$1,115	723	\$1.54	Market					
Garden	--	2	1	36	\$1,433	820	\$1.75	Market					
Garden	--	2	1	88	\$1,428	857	\$1.67	Market					
Regular / Garden	--	2	1	60	\$1,428	871	\$1.64	Market					
Deluxe / Garden	--	2	1	90	\$1,458	871	\$1.67	Market					
Townhouse	--	2	1.5	37	\$1,335	886	\$1.51	Market					
Townhouse	--	2	1.5	15	\$1,305	928	\$1.41	Market					
Garden	--	3	1	40	\$1,650	1,031	\$1.60	Market					
Garden	--	3	2	32	\$1,715	1,060	\$1.62	Market					

Adjustments to Rent

Incentives:
sign by 1/27 and get 1 month free
Vacant: 2- 1BR; 12-2 BR ;5- 3BR

Utilities in Rent: Heat Fuel: Gas

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

Chesterfield Village

VA041-019656

Clairmont at Chesterfield

Multifamily Community Profile

2000 Breezy Point Circle
Richmond, VA 23235

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

368 Units 2.2% Vacant (8 units vacant) as of 1/20/2021

Opened in 2015



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	41.3%	\$1,076	799	\$1.35	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	54.3%	\$1,423	1,121	\$1.27	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	4.3%	\$1,747	1,248	\$1.40	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; HighCeilings; Storage (In Unit); Carpet / Hardwood	
Select Units: ADA Access	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$95
Property Manager: KPM LLC Owner: --	

Comments

Preleasing began 9/8/14. Leased up July 2016.

Rent ranges based upon floor preferences, pool or forest view, granite counters, wood floors. 8 Barrier free units.

Pool deck with gas grills, fireplace, TVs. Picnic area. Game room w/ foosball & shuffleboard. Movie theatre.

Amenity Fee: \$ 150

Floorplans (Published Rents as of 1/20/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
1B / Garden	--	1	1	40	\$1,214	798	\$1.52	Market	1/20/21	2.2%	\$1,076	\$1,423	\$1,747
1A / Garden	--	1	1	109	\$1,210	800	\$1.51	Market	9/16/20	1.4%	\$1,209	\$1,257	\$1,747
1M-Barrier Free / Garden	--	1	1	3	\$1,242	800	\$1.55	Market	1/8/20	0.8%	\$1,209	\$1,507	\$1,747
2B / Garden	--	2	2	80	\$1,501	1,105	\$1.36	Market	1/18/19	2.2%	\$1,142	\$1,423	\$1,650
2A / Garden	--	2	2	116	\$1,548	1,132	\$1.37	Market	* Indicates initial lease-up.				
2M-Barrier Free / Garden	--	2	2	4	\$1,500	1,132	\$1.33	Market					
3A / Garden	--	3	2	15	\$1,723	1,248	\$1.38	Market					
3M-Barrier Free / Garden	--	3	2	1	\$1,712	1,248	\$1.37	Market					

Adjustments to Rent

Incentives:

1BR-\$150 off mo for 12 mo; 2BR \$125 off mo for 12mo

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Clairmont at Chesterfield

VA041-020481

Cloverleaf Lake TH

Multifamily Community Profile

6923 Starview Ct
North Chesterfield, VA 23225

CommunityType: Market Rate - General
Structure Type: 2-Story Townhouse

210 Units 0.5% Vacant (1 units vacant) as of 1/20/2021

Opened in 1972



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	4.8%	\$1,030	842	\$1.22	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	90.5%	\$1,400	1,065	\$1.31	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	4.8%	\$1,294	1,200	\$1.08	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

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

Comments

Newly renovated- Gourmet kitchens w/peninsula, Granite CT, SS, energy efficient windows, walk-in closets, window coverings.
Grill/picnic areas, fishing lake w/gazebo, pool w/sundeck & kiddie pool

Floorplans (Published Rents as of 1/20/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	1	1.5	10	\$1,015	842	\$1.21	Market	1/20/21	0.5%	\$1,030	\$1,400	\$1,294
Townhouse	--	2	1.5	190	\$1,380	1,065	\$1.30	Market	9/16/20	0.5%	\$1,044	\$1,120	\$1,420
Townhouse	--	3	2.5	10	\$1,269	1,200	\$1.06	Market	5/21/20	1.4%	\$1,005	\$1,015	\$1,225
									1/18/19	2.9%	\$1,007	\$1,169	\$1,410

Adjustments to Rent	
Incentives:	
Daily Pricing: None	
Vacant: 1- 2BR	
Utilities in Rent: Heat Fuel: Gas	
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

Cloverleaf Lake TH

VA041-026005

Colonial Village at Waterford

Multifamily Community Profile

2801 Pavilion Place
Midlothian, VA 23112

Community Type: Market Rate - General

Structure Type: 3-Story Garden

312 Units 3.5% Vacant (11 units vacant) as of 1/20/2021

Opened in 1988



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	37.2%	\$1,271	823	\$1.54	Comm Rm: <input type="checkbox"/>	Basketball: <input checked="" type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	94.9%	\$1,446	991	\$1.46	Elevator: <input type="checkbox"/>	Volleyball: <input checked="" type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	5.1%	\$1,853	1,176	\$1.58	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Cable TV; Carpet	
Select Units: Fireplace; HighCeilings	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: Carport Fee: \$10
Property Manager: MAA Owner: --	

Comments

\$30 for screened in balcony.
Community fee: Cable, Internet, Trash & Pest \$80(Mandatory fee)
Vacant: 2 -1BR: 9- 2BR

Floorplans (Published Rents as of 1/20/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	20	\$1,238	672	\$1.84	Market	1/20/21	3.5%	\$1,271	\$1,446	\$1,853
Garden	--	1	1	96	\$1,248	855	\$1.46	Market	9/16/20	0.3%	\$1,222	\$1,502	\$1,853
Garden	--	2	2	96	\$1,383	1,019	\$1.36	Market	1/8/20	1.0%	\$1,146	\$1,290	\$1,518
Garden	--	2	2	96	\$1,463	1,019	\$1.44	Market	7/29/19	0.6%	\$1,069	\$1,293	\$1,598
Garden	--	2	2	20	\$1,403	1,054	\$1.33	Market					
Garden	--	2	2	20	\$1,403	1,054	\$1.33	Market					
Garden	--	2	1	64	\$1,403	868	\$1.62	Market					
Garden	--	3	2	16	\$1,818	1,176	\$1.55	Market					

Adjustments to Rent

Incentives:
none

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

Colony at Centerpointe

Multifamily Community Profile

14400 Palladium Drive
Midlothian, VA 23114

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

255 Units 7.8% Vacant (20 units vacant) as of 1/20/2021

Opened in 2015



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	28.2%	\$1,469	860	\$1.71	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	57.6%	\$1,893	1,213	\$1.56	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	14.1%	\$3,202	1,482	\$2.16	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

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

Comments

SS appl, granite CT, breakfast bar, crown molding. 2nd bathroom has walk-in shower. Trash \$10 & Facility fee \$11.

Media & WiFi café, bocce ball court, dog park, bike repair, yoga studio, gas grills.

Opened 09/15; leased up 11/16. Absorp 18 units/mo. New mgmt 12/20/17, formerly Oxygen at Centerpointe.

Floorplans (Published Rents as of 1/20/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	72	\$1,444	860	\$1.68	Market	1/20/21	7.8%	\$1,469	\$1,893	\$3,202
Garden	--	2	2	49	\$2,096	1,208	\$1.73	Market	9/16/20	0.8%	\$1,301	\$1,514	\$2,046
Garden	--	2	2	49	\$2,102	1,210	\$1.74	Market	1/14/20	3.1%	\$1,176	\$1,286	\$1,645
Garden	--	2	2	49	\$1,392	1,220	\$1.14	Market	7/29/19	0.8%	\$1,342	\$1,517	\$2,011
Garden	--	3	2	36	\$3,167	1,482	\$2.14	Market	* Indicates initial lease-up.				

Adjustments to Rent

Incentives:

Daily Pricing: None

Vacant: 6- 1BR; 10-2BR; 4- 3BR

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Creekpointe Apts

Multifamily Community Profile

14600 Creekpointe Circle
Midlothian, VA 23114

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

214 Units 1.4% Vacant (3 units vacant) as of 1/25/2021

Opened in 2003



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	43.9%	\$1,070	1,000	\$1.07	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	56.1%	\$1,240	1,274	\$0.97	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

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

Comments

Near St. Francis Hospital.
3 3BR available; AMI% unknown

Floorplans (Published Rents as of 1/25/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	2	94	\$1,050	1,000	\$1.05	LIHTC/ 60%	1/25/21	1.4%	--	\$1,070	\$1,240
Garden	--	3	2	120	\$1,215	1,274	\$0.95	LIHTC/ 60%	9/16/20	0.9%	--	\$1,070	\$1,240
									1/18/19	0.0%	--	\$997	\$1,138
									3/8/18	0.0%	--	\$900	\$1,005

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Element at Stonebridge

Multifamily Community Profile

301 Karl Linn Dr
N. Chesterfield, VA 23225

CommunityType: Market Rate - General

Structure Type: 4-Story Mid Rise

400 Units 1.8% Vacant (7 units vacant) as of 1/21/2021

Opened in 2016



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	9.0%	\$1,294	563	\$2.30	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	50.0%	\$1,476	764	\$1.93	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	41.0%	\$1,841	1,200	\$1.54	Elevator: <input checked="" type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; HighCeilings; Broadband Internet; Carpet / Vinyl/Linoleum	
Select Units: Patio/Balcony; ADA Access	
Optional(\$): --	
Security: Keyed Bldg Entry	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Boyd Homes Owner: --	

Comments

Rolling delivery of buildings interferred with lease up calculation. Granite CT, SS, wood-plank, drk wood cabinetry, chrome fixtures. Rent includes internet. Pool w/subdeck, billiards, outdoor lounge w/tv, jenga & cornhole, grill/firepit, dog park. Trash Fee (not valet) \$25. Storage \$49-\$70. No Cobalt available

Amenity Fee: \$ 199

Floorplans (Published Rents as of 1/21/2021) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Alum / Mid Rise - Elevato	--	Eff	1	36	\$1,271	563	\$2.26	Market	1/21/21	1.8%	\$1,476	\$1,841	--
Nitron / Mid Rise - Elevat	--	1	1	72	\$1,321	744	\$1.77	Market	9/16/20	3.8%	\$1,368	\$1,889	--
Hydro / Mid Rise - Elevat	--	1	1	89	\$1,542	748	\$2.06	Market	5/21/20	4.8%	\$1,330	\$1,809	--
Selene / Mid Rise - Elevat	--	1	1	39	\$1,483	835	\$1.78	Market	1/14/20	2.3%	\$1,192	\$1,601	--
Cadmia / Mid Rise - Eleva	--	2	2	26	\$1,765	1,081	\$1.63	Market	* Indicates initial lease-up.				
Cobalt / Mid Rise - Elevat	--	2	2	46	\$1,803	1,156	\$1.56	Market					
Cyprium / Mid Rise - Elev	--	2	2	20	\$1,850	1,236	\$1.50	Market					
Chroma / Mid Rise - Elev	--	2	2	72	\$1,823	1,260	\$1.45	Market					

Adjustments to Rent

Incentives:

frontline workers get \$500 1st mo rent.
Ends 1/31

Utilities in Rent: Heat Fuel: Electric

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

Element at Stonebridge

VA041-025970

Enclave

Multifamily Community Profile

13300 Enclave Drive
Midlothian, VA 23114

Community Type: Market Rate - General

Structure Type: 3-Story Garden

254 Units 3.5% Vacant (9 units vacant) as of 1/21/2021

Opened in 2006



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	21.7%	\$1,166	733	\$1.59	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	55.1%	\$1,426	1,028	\$1.39	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	23.2%	\$1,579	1,287	\$1.23	Hot Tub: <input checked="" type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Carpet / Vinyl/Linoleum	
Select Units: HighCeilings	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: Attached Garage Fee: \$165
Property Manager: Edward Rose & Asso Owner: --	

Comments

Community opened in 2006 (170 units). 84 additional units added in two phases starting in 2009. White appliances, faux granite counters, garden tub, W/I closets. Expansive clubhouse, includes conference room/kitchen. W/D fee: \$35. Buildings are enclosed with corridor access to garages. Unit mix is estimate.

Floorplans (Published Rents as of 1/21/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Harrison / Garden	--	1	1	28	\$1,151	694	\$1.66	Market	1/21/21	3.5%	\$1,166	\$1,426	\$1,579
Tyler / Garden	--	1	1	27	\$1,152	774	\$1.49	Market	9/16/20	4.3%	\$1,138	\$1,270	\$1,584
Henry / Garden	--	2	2	60	\$1,477	1,069	\$1.38	Market	1/8/20	2.0%	\$1,103	\$1,297	\$1,454
Madison / Garden	--	2	2	24	\$1,506	1,189	\$1.27	Market	7/29/19	1.6%	\$1,078	\$1,307	\$1,578
Monroe / Garden	--	2	1	34	\$1,304	874	\$1.49	Market					
Jefferson / Garden	--	2	1	22	\$1,260	983	\$1.28	Market					
Wilson / Garden	--	3	2	21	\$1,505	1,189	\$1.27	Market					
Washington SM / Garden	--	3	2	21	\$1,595	1,332	\$1.20	Market					
Washington LG / Garden	--	3	2	17	\$1,565	1,352	\$1.16	Market					

Adjustments to Rent

Incentives:
None; Daily Pricing Vacant: 4- 1 BR; 5- 2BR

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

Enclave

VA041-010749

Grove at Swift Creek

Multifamily Community Profile

14701 Swift Ln
Midlothian, VA 23114

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

240 Units 0.0% Vacant (0 units vacant) as of 1/21/2021

Opened in 1999



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	35.0%	\$1,190	889	\$1.34	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	45.0%	\$1,442	1,151	\$1.25	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	20.0%	\$1,630	1,435	\$1.14	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ice Maker; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; HighCeilings; Carpet / Vinyl/Linoleum	
Select Units: Fireplace	
Optional(\$): --	
Security: Fence; Gated Entry	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$130
Property Manager: NTS Owner: --	

Comments

Community is fenced and gated. Clubhouse is fairly small. W/S/T fee - 1BR \$50-55, 2BR \$60-65 & 3BR \$70-75
Reservation fee - \$150, App fee - \$50. Storage 10x5 \$50. Boat storage \$65. Mgmt wouldn't disclose WL.
Clubhouse was redone in 2010, added a cyber café with wifi and coffee machine, open during leasing hours.

Floorplans (Published Rents as of 1/21/2021) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Berkley / Garden	--	1	1	84	\$1,165	889	\$1.31	Market	1/21/21	0.0%	\$1,190	\$1,442	\$1,630
Westover / Garden	--	2	2	72	\$1,405	1,148	\$1.22	Market	9/16/20	0.0%	\$1,150	\$1,407	\$1,600
Evelynton / Garden	--	2	2	36	\$1,425	1,158	\$1.23	Market	1/8/20	7.1%	\$1,120	\$1,372	\$1,570
Edgewood / Garden	--	3	2	48	\$1,595	1,435	\$1.11	Market	7/29/19	1.3%	\$1,170	\$1,402	\$1,605

Adjustments to Rent

Incentives:

None.

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

North Arch Village

Multifamily Community Profile

9111 North Arch Village Ct
Richmond, VA 23236

Community Type: Market Rate - General
Structure Type: Garden

128 Units 0.0% Vacant (0 units vacant) as of 1/21/2021

Opened in 1974



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	9.4%	\$1,015	688	\$1.48	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	71.9%	\$1,180	936	\$1.26	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	18.8%	\$1,335	1,147	\$1.16	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

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

Comments

white app, laminate CT
Trash fee: \$7

Floorplans (Published Rents as of 1/21/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	12	\$990	688	\$1.44	Market	1/21/21	0.0%	\$1,015	\$1,180	\$1,335
Garden	--	2	1.5	92	\$1,150	936	\$1.23	Market	9/16/20	0.8%	\$1,000	--	\$1,310
Garden	--	3	2	24	\$1,300	1,147	\$1.13	Market	1/22/19	0.0%	\$880	\$1,030	\$1,150
									3/9/18	0.0%	\$880	\$1,005	\$1,125

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Natural Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Old Buckingham Station

Multifamily Community Profile

1301 Buckingham Station Dr
Midlothian, VA 23113

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

360 Units 6.7% Vacant (24 units vacant) as of 1/21/2021

Last Major Rehab in 2012 Opened in 1988



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$1,205	859	\$1.40	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	--	\$1,608	1,134	\$1.42	Elevator: <input type="checkbox"/>	Volleyball: <input checked="" type="checkbox"/>
Two/Den	--	\$1,565	1,339	\$1.17	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	\$1,565	1,359	\$1.15	Hot Tub: <input checked="" type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input checked="" type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ice Maker; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Storage (In Unit); Carpet / Vinyl/Linoleum	
Select Units: Fireplace; HighCeilings	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: Carport Fee: \$35
Property Manager: GSC Owner: --	

Comments

Water/sewer, trash incurs an additional \$43 (1BR), \$48-53 (2BR), and \$63 (3BR) per month.

Vacant: 6- 1BR; 18- 2BR

Grill area, dog park

Floorplans (Published Rents as of 1/21/2021) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
James / Garden	--	1	1	--	\$1,353	826	\$1.64	Market	1/21/21	6.7%	\$1,205	\$1,601	\$1,565
Woolridge/Village / Garde	--	1	1	--	\$1,120	891	\$1.26	Market	9/16/20	13.1%	\$1,160	\$1,431	\$1,560
Hugenot / Garden	--	2	1	--	\$1,580	1,000	\$1.58	Market	1/18/19	5.3%	\$1,000	\$1,156	\$1,485
Midlothian/Falling Creek /	--	2	1	--	\$1,615	1,039	\$1.55	Market	3/8/18	2.8%	\$1,010	\$1,165	\$1,450
Chesterfield / Garden	--	2	2	--	\$1,515	1,079	\$1.40	Market					
Buckingham	--	2	2	--	\$1,545	1,099	\$1.41	--					
Manchester / Garden	Den	2	2	--	\$1,535	1,339	\$1.15	Market					
Manor I-IV	--	2	2	--	\$1,763	1,454	\$1.21	--					
River / Garden	--	3	2	--	\$1,530	1,359	\$1.13	Market					

Adjustments to Rent

Incentives:

James and Buckingham only 1st full month free rent

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Park at Salisbury

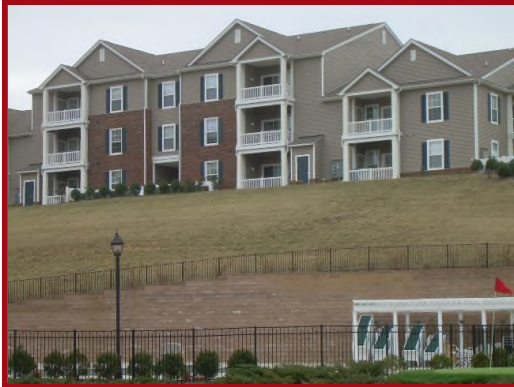
Multifamily Community Profile

401 Lancaster Gate Dr
Midlothian, VA 22113

CommunityType: Market Rate - General
Structure Type: 3-Story Garden

320 Units 2.8% Vacant (9 units vacant) as of 1/22/2021

Opened in 2004



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	18.8%	\$1,403	793	\$1.77	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	65.6%	\$1,567	1,066	\$1.47	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	15.6%	\$1,933	1,268	\$1.53	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; HighCeilings; Carpet / Vinyl/Linoleum	
Select Units: --	
Optional(\$): Fireplace (\$25.00)	
Security: Unit Alarms	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$150
Property Manager: Westminster Mgmt Owner: --	

Comments

Oversized tub standard in all MBAs. Black app, granite CT
Billiards room, grill area, dog park, bocce ball, corn hole, fishing pond, trails
No visibility from a major road.

Floorplans (Published Rents as of 1/22/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Andover / Garden	--	1	1	36	\$1,368	775	\$1.76	Market	1/22/21	2.8%	\$1,403	\$1,567	\$1,933
Andover Deluxe / Garden	--	1	1	24	\$1,418	821	\$1.73	Market	9/16/20	0.0%	\$1,368	\$1,533	\$1,659
Chelsea / Garden	--	2	2	170	\$1,541	1,075	\$1.43	Market	1/8/20	4.7%	\$1,025	\$1,225	\$1,426
Chelsea Sun / Garden	--	2	2	16	\$1,640	1,122	\$1.46	Market	1/18/19	4.1%	\$1,236	\$1,407	\$1,655
Banbury / Garden	--	2	1	12	\$1,540	940	\$1.64	Market					
Banbury Deluxe / Garden	--	2	1	12	\$1,518	985	\$1.54	Market					
Newbury / Garden	--	3	2	34	\$1,871	1,240	\$1.51	Market					
Newbury Deluxe / Garden	--	3	2	16	\$1,987	1,326	\$1.50	Market					

Adjustments to Rent

Incentives:
None Vacant: 3- 1BR; 6- 2BR

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

Rockwood Park

Multifamily Community Profile

3310 Old Courthouse Rd
Richmond, VA 23236

Community Type: Market Rate - General

Structure Type: 2-Story Garden

132 Units 3.0% Vacant (4 units vacant) as of 1/21/2021

Opened in 1989



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	21.2%	\$1,024	665	\$1.54	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	60.6%	\$1,325	835	\$1.59	Elevator: <input type="checkbox"/>	Volleyball: <input checked="" type="checkbox"/>
Two/Den	3.0%	\$1,329	936	\$1.42	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	15.2%	\$1,384	1,105	\$1.25	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

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

Comments

Second floor units have FP, skylight, vaulted ceiling, built-in bookcases.

Approx \$50 premium for upgraded units. Upgrades are S/S appliances, new counter tops, and new light fixtures.

Administration fee is 1 time - \$99. Trash \$10

Amenity Fee: \$ 99

Floorplans (Published Rents as of 1/21/2021) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	28	\$999	665	\$1.50	Market	1/21/21	3.0%	\$1,024	\$1,325	\$1,384
Garden	--	2	2	80	\$1,295	835	\$1.55	Market	9/16/20	3.0%	\$1,024	\$1,329	\$1,384
Garden	Den	2	2	4	\$1,299	936	\$1.39	Market	1/18/19	3.8%	\$999	\$1,223	\$1,369
Garden	--	3	2	20	\$1,349	1,105	\$1.22	Market	5/4/18	8.3%	\$999	\$1,233	\$1,369

Adjustments to Rent

Incentives:

None, LRO only have 1 floorplan available
Vacant: 4-2BR

Utilities in Rent: Heat Fuel: Electric

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

Sapphire at Centerpointe

Multifamily Community Profile

14250 Sapphire Park Ln
Midlothian, VA 23114

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

192 Units 13.5% Vacant (26 units vacant) as of 1/21/2021

Opened in 2020



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	34.4%	\$1,166	860	\$1.36	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	50.0%	\$1,396	1,209	\$1.15	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	15.6%	\$1,740	1,482	\$1.17	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; In Unit Laundry (Full Size); Central A/C; Storage (In Unit); Carpet / Vinyl/Linoleum	
Select Units: Patio/Balcony	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: Structured Garage Fee: \$175
Property Manager: Drucker & Falk Owner: --	

Comments

Sundeck, pocket parks, dog park, EV chargers, community kitchen, video monitored package. SS appl, subway tile bcksplsh, brushed nickel hardware, granite cts, kitch isl, plank wood flrs, walk-in showers. Started preleasing 4/20. Opened May 2020. As of Sept. 2020, 106 units leased (approx. 26.5/mo.). Valet trash \$20.

Floorplans (Published Rents as of 1/21/2021) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	66	\$1,245	860	\$1.45	Market	1/21/21	13.5%	\$1,166	\$1,396	\$1,740
Garden	--	2	2	96	\$1,490	1,209	\$1.23	Market	9/17/20*	44.8%	\$1,199	\$1,387	\$1,726
Garden	--	3	2	30	\$1,860	1,482	\$1.26	Market	* Indicates initial lease-up.				
Adjustments to Rent													
Incentives: sign by 2/21 on 2nd/3rd floor and march is free													
Utilities in Rent: Heat Fuel: Electric													
Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>													
Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input type="checkbox"/>													

Sapphire at Centerpointe

VA041-034772

Timbers, The

Multifamily Community Profile

2024 Timbers Hill Rd
Richmond, VA 23235

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

240 Units 1.3% Vacant (3 units vacant) as of 1/21/2021

Last Major Rehab in 2014 Opened in 1987



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	17.5%	\$1,361	756	\$1.80	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	7.1%	\$1,484	811	\$1.83	Centrl Lndry: <input type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	46.7%	\$1,552	984	\$1.58	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	13.8%	\$1,616	1,080	\$1.50	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	15.0%	\$1,929	1,150	\$1.68	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input checked="" type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Carpet / Vinyl/Linoleum	
Select Units: Fireplace; HighCeilings	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: PRG Real Estate Owner: PRG Real Estate	

Comments

No complaints about railroad noise (property backs up to railroad tracks). Dog park.
Emulated granite multi-tiered countertops, stainless steel appliances, plank flooring.
Trash fee: \$25 (valet)

Amenity Fee: \$ 200

Floorplans (Published Rents as of 1/21/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Aspen / Garden	--	1	1	42	\$1,336	756	\$1.77	Market	1/21/21	1.3%	\$1,396	\$1,566	\$1,929
Willow / Garden	Den	1	1	17	\$1,459	811	\$1.80	Market	9/16/20	1.7%	\$1,187	\$1,369	\$1,585
Magnolia / Garden	Den	2	2	30	\$1,609	1,090	\$1.48	Market	5/21/20	1.3%	\$1,087	\$1,341	\$1,569
Hickory / Garden	--	2	1	10	\$1,432	906	\$1.58	Market	1/23/19	3.8%	\$951	\$1,107	\$1,388
Hemlock / Garden	Den	2	1	3	\$1,360	980	\$1.39	Market					
Maple / Garden	--	2	2	102	\$1,531	992	\$1.54	Market					
Cedar / Garden	--	3	2	36	\$1,894	1,150	\$1.65	Market					

Adjustments to Rent

Incentives:

Daily Pricing; None Vacant 3- 1BR

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Trophy Club at Bellgrade

Multifamily Community Profile

2301 Thoroughbred Circle
Midlothian, VA 23113

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

248 Units 1.6% Vacant (4 units vacant) as of 1/26/2021

Opened in 1996



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	35.5%	\$1,352	718	\$1.88	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	39.5%	\$1,562	1,028	\$1.52	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	25.0%	\$1,569	1,129	\$1.39	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Carpet / Vinyl/Linoleum	
Select Units: HighCeilings	
Optional(\$): Fireplace (\$20.00)	
Security: Unit Alarms	
Parking 1: Carport Fee: \$30	Parking 2: Detached Garage Fee: \$80
Property Manager: Edward Rose Associ Owner: --	

Comments

Free surface parking. Rent includes alarm monitoring. Never have complaints about railroad noise, no discounts being offered for units close to railroad tracks. Trash fee \$5. Began renovating 10/2016 to 2018. Renov completed 2018. New floors, quartz ctops, cabinets, fixtures, vanity, plumbing, tiolets, carpet.

Floorplans (Published Rents as of 1/26/2021) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Filly / Garden	--	1	1	36	\$1,287	718	\$1.79	Market	1/26/21	1.6%	\$1,352	\$1,565	--
Trophy / Garden	--	1	1	52	\$1,354	718	\$1.89	Market	9/16/20	1.2%	\$1,338	\$1,633	--
Thoroughbred / Garden	--	2	1	12	\$1,460	1,014	\$1.44	Market	1/8/20	5.6%	\$1,129	\$1,291	--
Triple Crown / Garden	--	2	2	50	\$1,499	1,014	\$1.48	Market	1/21/19	11.3%	\$1,173	\$1,430	--
Champion / Garden	--	2	2	36	\$1,603	1,052	\$1.52	Market					
Thoroughbred Sunroom /	Den	2	1	12	\$1,370	1,094	\$1.25	Market					
Triple Crown Sunroom /	Den	2	2	50	\$1,579	1,137	\$1.39	Market					

Adjustments to Rent

Incentives:

Daily pricing; Vacant: 3- 2 BR; 1-1 BR

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Trophy Club at Bellgrade

VA041-010776

Vue at Westchester Commons

Multifamily Community Profile

450 Perimeter Dr
Midlothian, VA 23113

Community Type: Market Rate - General

Structure Type: 4-Story Mid Rise

236 Units 25.8% Vacant (61 units vacant) as of 1/21/2021

Opened in 2020



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$1,285	635	\$2.02	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	\$1,308	1,110	\$1.18	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$1,631	1,028	\$1.59	Elevator: <input checked="" type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; HighCeilings; Vinyl/Linoleum	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: Rangewater	
Owner: --	

Comments

Wood-style floors, walk-in closets, SS appl, granite counters, custom cabinetry, kitchen island.

Sky lounge. Started preleasing Jan.1, 2020. Opened March 2020. As of Sept 2020, 101 units leased (approx. 16.8/mo.).

Cable, internet & valet trash included in rent. Storage fees: \$35-\$75.

Floorplans (Published Rents as of 1/21/2021) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
A4	Den	1	1	--	\$1,410	1,110	\$1.27	Market	1/21/21*	25.8%	\$1,297	\$1,631	--
A1-3	--	1	1	--	\$1,385	635	\$2.18	Market	9/17/20*	57.2%	\$1,495	\$1,819	--
B4-5	--	2	2	--	\$1,810	1,109	\$1.63	Market	* Indicates initial lease-up.				
B1-3	--	2	2	--	\$1,705	947	\$1.80	Market					

Adjustments to Rent

Incentives:

1 mo free w/ 12 mo lease Vacant: 19 1BR;
42 2 BR

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Winterfield at Midlothian, The

Multifamily Community Profile

1104 Winterlake Court
Midlothian, VA 23113

CommunityType: Market Rate - General
Structure Type: 3-Story Garden

238 Units 3.8% Vacant (9 units vacant) as of 1/21/2021

Opened in 2019



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$1,187	717	\$1.66	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$1,470	1,081	\$1.36	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	\$1,490	1,202	\$1.24	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Carpet / Vinyl/Linoleum	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Drucker & Falk Owner: --	

Comments

Granite counters, SS appl, WIC, breakfast bar, 9' ceilings. Billiards, catering kitchen, outdoor lounge area, Gazebo, pond views. Walk to shops, dining & entertainment.

Unit breakdown: 1BR 122; 2BR 116. Opened April 2019. Leased up Sept. 2020 at a pace of 14/mo.

Floorplans (Published Rents as of 1/21/2021) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Cullen / Garden	--	1	1	--	\$1,165	686	\$1.70	Market	1/21/21	3.8%	\$1,187	\$1,473	--
Highland / Garden	--	1	1	--	\$1,135	689	\$1.65	Market	9/17/20	4.6%	\$1,177	\$1,464	--
Dalton / Garden	Sunroom	1	1	--	\$1,215	776	\$1.57	Market	1/14/20*	25.6%	\$1,180	\$1,470	--
Ettick / Garden	Sunroom	2	2	--	\$1,400	1,030	\$1.36	Market	* Indicates initial lease-up.				
Rosslyn / Garden	--	2	2	--	\$1,435	1,030	\$1.39	Market					
Bowden / Garden	Sunroom	2	2	--	\$1,475	1,115	\$1.32	Market					
Glasglow / Garden	Den	2	2	--	\$1,470	1,202	\$1.22	Market					
Walston / Garden	Den & Sunroom	2	2	--	\$1,595	1,287	\$1.24	Market					
Dorset / Garden	--	2	2	--	\$1,345	941	\$1.43	Market					

Adjustments to Rent

Incentives:
none Vacant: 6-1BR, 3-2BR

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



XI. APPENDIX 3 NCHMA CERTIFICATION

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

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

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

Real Property Research Group, Inc.



Bob Lefenfeld

Name

Founding Principal

Title

January 28, 2021

Date



XII. APPENDIX 4 NCHMA CHECKLIST

Introduction: The National Council of Housing Market Analysts provides a checklist referencing all components of their market study. This checklist is intended to assist readers on the location and content of issues relevant to the evaluation and analysis of market studies. The page number of each component referenced is noted in the right column. In cases where the item is not relevant, the author has indicated "N/A" or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a "V" (variation) with a comment explaining the conflict. More detailed notations or explanations are also acceptable.

Component (*First occurring page is noted)		*Page(s)
Executive Summary		
1.	Executive Summary	VI
Project Summary		
2.	Project description with exact number of bedrooms and baths proposed, income limitation, proposed rents, and utility allowances	6
3.	Utilities (and utility sources) included in rent	7
4.	Project design description	4
5.	Unit and project amenities; parking	7
6.	Public programs included	4
7.	Target population description	4
8.	Date of construction/preliminary completion	7
9.	If rehabilitation, existing unit breakdown and rents	N/A
10.	Reference to review/status of project plans	7
Location and Market Area		
11.	Market area/secondary market area description	24
12.	Concise description of the site and adjacent parcels	8
13.	Description of site characteristics	8
14.	Site photos/maps	9
15.	Map of community services	8
16.	Visibility and accessibility evaluation	11
17.	Crime information	12
Employment and Economy		
18.	Employment by industry	20
19.	Historical unemployment rate	17



20.	Area major employers	20
21.	Five-year employment growth	19
22.	Typical wages by occupation	22
23.	Discussion of commuting patterns of area workers	17
Demographic Characteristics		
24.	Population and household estimates and projections	26
25.	Area building permits	27
26.	Distribution of income	30
27.	Households by tenure	30
Competitive Environment		
28.	Comparable property profiles	75
29.	Map of comparable properties	35
30.	Comparable property photos	75
31.	Existing rental housing evaluation	33
32.	Comparable property discussion	35
33.	Area vacancy rates, including rates for tax credit and government-subsidized communities	36
34.	Comparison of subject property to comparable properties	68
35.	Availability of Housing Choice Vouchers	4
36.	Identification of waiting lists	N/A
37.	Description of overall rental market including share of market-rate and affordable properties	35
38.	List of existing LIHTC properties	35
39.	Discussion of future changes in housing stock	43
40.	Discussion of availability and cost of other affordable housing options, including homeownership	43
41.	Tax credit and other planned or under construction rental communities in market area	43
Analysis/Conclusions		
42.	Calculation and analysis of Capture Rate	62
43.	Calculation and analysis of Penetration Rate	64
44.	Evaluation of proposed rent levels	69
45.	Derivation of Achievable Market Rent and Market Advantage	43
46.	Derivation of Achievable Restricted Rent	48
47.	Precise statement of key conclusions	53



48.	Market strengths and weaknesses impacting project	55
49.	Recommendation and/or modification to project description	68, if applicable
50.	Discussion of subject property's impact on existing housing	72
51.	Absorption projection with issues impacting performance	71
52.	Discussion of risks or other mitigating circumstances impacting project	71, if applicable
53.	Interviews with area housing stakeholders	2
Certifications		
54.	Preparation date of report	Cover
55.	Date of field work	Cover
56.	Certifications	76
57.	Statement of qualifications	80
58.	Sources of data not otherwise identified	N/A
59.	Utility allowance schedule	N/A



XIII. APPENDIX 5 ANALYST RESUMES

TAD SCEPANIAK **Managing Principal**

Tad Scepianiak assumed the role of Real Property Research Group's Managing Principal in November 2017 following more than 15 years with the firm. Tad has extensive experience conducting market feasibility studies on a wide range of residential and mixed-use developments for developers, lenders, and government entities. Tad directs the firm's research and production of feasibility studies including large-scale housing assessments to detailed reports for a specific project on a specific site. He has extensive experience analyzing affordable rental communities developed under the Low Income Housing Tax Credit (LIHTC) program and market-rate apartments developed under the HUD 221(d)(4) program and conventional financing. Tad is the key contact for research contracts many state housing finance agencies, including several that commission market studies for LIHTC applications.

Tad is Immediate Past Chair of the National Council of Housing Market Analysts (NCHMA) and previously served as National Chair, Vice Chair and Co-Chair of Standards Committee. He has taken a lead role in the development of the organization's Standard Definitions and Recommended Market Study Content, and he has authored and co-authored white papers on market areas, derivation of market rents, and selection of comparable properties. Tad is also a founding member of the Atlanta chapter of the Lambda Alpha Land Economics Society.

Areas of Concentration:

1. Low Income Tax Credit Rental Housing: Mr. Scepianiak has worked extensively with the Low Income Tax Credit program throughout the United States, with special emphasis on the Southeast and Mid-Atlantic regions.
2. Senior Housing: Mr. Scepianiak has conducted feasibility analysis for a variety of senior oriented rental housing. The majority of this work has been under the Low Income Tax Credit program; however his experience includes assisted living facilities and market rate senior rental communities.
3. Market Rate Rental Housing: Mr. Scepianiak has conducted various projects for developers of market rate rental housing. The studies produced for these developers are generally used to determine the rental housing needs of a specific submarket and to obtain financing.
4. Public Housing Authority Consultation: Tad has worked with Housing Authorities throughout the United States to document trends rental and for sale housing market trends to better understand redevelopment opportunities. He has completed studies examining development opportunities for housing authorities through the Choice Neighborhood Initiative or other programs in Florida, Georgia, North Carolina, South Carolina, Texas, and Tennessee.

Education:

Bachelor of Science – Marketing; Berry College – Rome, Georgia



ROBERT M. LEFENFELD
Founding Principal

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

Bob provides input and guidance for the completion of the firm's research and analysis products. He combines extensive experience in the real estate industry with capabilities in database development and information management. Over the years, he has developed a series of information products and proprietary databases serving real estate professionals.

Bob has lectured and written extensively about residential real estate market analysis. Bob has created and teaches the market study module for the MBA HUD Underwriting course and has served as an adjunct professor for the Graduate Programs in Real Estate Development, School of Architecture, Planning and Preservation, University of Maryland College Park. He is the past National Chair of the National Council of Housing Market Analysts (NCHMA) and currently chairs its FHA Committee.

Areas of Concentration:

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

Education:

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



ETHAN REED
Senior Analyst

Ethan Reed joined RPRG in 2016 where he focuses on rental market studies and community and economic analyses for development projects. Throughout his extensive career, Ethan has served in various analysis and advisory capacities in the residential and commercial real estate industry. Ethan's experience includes advising lenders, developers, homebuilders, investors, nonprofit organizations, and government agencies through market and property analysis, economic analysis, site selection, and marketing strategy.

Prior to joining RPRG, Ethan served as Senior Research Manager with CoStar Group, leading market research & analysis efforts as well as developing new research and analysis products & services for the commercial real estate industry. Ethan's additional experience includes directing regional research and marketing efforts for CBRE as well as providing valuation, analysis and advisory services for commercial and residential clients throughout Texas. Appraisal and consulting assignments have included, but are not limited to apartment complexes, for sale subdivisions, agricultural land, shopping centers, office, and industrial buildings. Valuations have been prepared on proposed, renovated, and existing structures.

Areas of Concentration:

1. Low Income Housing Tax Credits: Ethan prepares rental market studies for submission to lenders and state agencies for nine percent and four percent Low Income Housing Tax Credit allocations.
2. FHA Section 221(d)(4): Ethan prepares comprehensive feasibility studies for submission to HUD regional offices as part of a lender's application for Section 221(d)(4) mortgage insurance. These reports strictly adhere to HUD's Multifamily Accelerated Processing (MAP) guidelines for market studies
3. Market and Product Advisory Analysis: Ethan provides detailed analysis of existing markets, product and pricing recommendations, and targeted marketing suggestions for developers and land owners in the preliminary stages of development.
4. Commercial Feasibility: Ethan conducts feasibility analyses of proposed commercial and industrial uses in the context of the existing marketplace.
5. New Markets Tax Credits: Ethan conducts community development and economic impact analyses to illustrate the impacts of development projects that utilize federally-regulated New Markets Tax Credits. Components of these reports include employment projections, local and regional economic impacts, and fiscal impacts on local governments

Education:

Masters of Business Administration; Liberty University
Bachelor of Science – Business Administration; University of Texas at Dallas



ANTHONY MASSONI
Analyst

Anthony Massoni joined Real Property Research Group (RPRG) as an analyst in 2015, bringing experience from the fields of residential development, urban planning and geographic research. His educational background consists of coursework in statistical analysis, Geographic Information Systems (GIS) and spatial development, with an emphasis on urban and regional planning. Before joining RPRG, Anthony served as a civil engineering designer for Morris & Ritchie Associates, working primarily in residential design and construction. In addition to facilitating landscape and architectural plans, he worked with homebuilders and government planning agencies, and spent time conducting field work. Anthony has assisted in numerous projects throughout the Mid-Atlantic region, with particular focus on the area's metropolitan zones.

Education:

Bachelor of Science – Geography & Environmental Planning; Towson University, Towson, MD



XIV. APPENDIX 6 VHDA CERTIFICATION

I affirm the following:

- 1.) I have made a physical inspection of the site and market area.
- 2.) The appropriate information has been used in the comprehensive evaluation of the need and demand for proposed rental units.
- 3.) To the best of my knowledge, the market can support the demand shown in this study. I understand that any misrepresentation in this statement may result in the denial of participation in the Low Income Housing Tax Credit Program in Virginia as administered by VHDA.
- 4.) Neither I nor anyone at my firm has any interest in the proposed development or a relationship with the ownership entity.
- 5.) Neither I nor anyone at my firm nor anyone acting on behalf of my firm in connection with the preparation of this report has communicated to others that my firm is representing VHDA or in any way acting for, at the request of, or on behalf of VHDA.
- 6.) Compensation for my services is not contingent upon this development receiving a LIHTC reservation or allocation.
- 7.) Evidence of my NCHMA membership is included.

A handwritten signature in black ink, appearing to read 'Anthony Massoni', written over a horizontal line.

Anthony Massoni
Market Analyst

January 28, 2021

Date